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Congressional Record

PROCEEDINGS AND DEBATES OF THE *99th* CONGRESS, FIRST SESSION

SENATE—*Tuesday July 30, 1985*

(Legislative day of Tuesday, July 16, 1985)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable MARK O. HATFIELD, a Senator from the State of Oregon.

(Note: The first 35 minutes of today's session were conducted in reduced lighting and without electrical systems due to a temporary electrical power failure.)

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Gracious God, Father of us all, Lord of lords and Friend of friends, we beseech Thee on behalf of the hostages who remain captive in Lebanon. The drama of TWA flight 847 is passed, though the memory of the ordeal is engraved on our hearts, but we must not, we will not, forget those Americans who remain in captivity: The Reverend Benjamin Weir, William Buckley, Peter Kilburn, the Reverend Martin Lawrence Jenco, Terry Anderson, David Jacobsen, and Thomas Sutherland. Wherever they are, whoever their captors, whatever their circumstances, we thank Thee Thou art with them Lord, and we pray for their soon release.

Grant Thy peace and comfort to their loved ones who have been waiting so long with such unrelieved patience. Help them in their deep anxiety and frustration with Thy comfort and encouragement. We pray that those in authority, who bear responsibility for American citizens under such circumstances, will exercise their best judgment and their finest expertise without delay. Give them wisdom and courage and make them relentless in their effort to free the captives. We pray in His name whose mission was the freedom of those in captivity. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC. July 30, 1985.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MARK O. HATFIELD, a Senator from the State of Oregon, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. HATFIELD thereupon assumed the Chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

I make a request from the Chair that without the benefit of amplification, we should be conscious to elevate the decibels of our speaking.

The majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each and then we have a number of special orders of 15 minutes each under the control of the distinguished Senator from New York Senator D'AMATO, special orders for Senators D'AMATO, DOLE, MCCLURE, HUMPHREY, HEINZ, DECONCINI, LEAHY, NICKLES, PROXMIRE, and BAUCUS. I assume the last two Senators, PROXMIRE and BAUCUS, are not under the control of the distinguished Senator from New York. I would guess that special orders could be conducted in the dark, but I do not believe they can be heard since the little machines are not operating in their offices, but if not, if no one shows up for special orders in the next few moments, we will recess subject to the call of the Chair and perhaps we can reduce the time for the special orders and still conclude those before noon.

At noon, there will be the weekly policy luncheon for both Republicans and Democrats, so we will recess at noon and stay in recess until the hour of 2 o'clock. At the hour of 2 o'clock, it will be the intention of the majority leader to turn to the conference report to accompany the DOD authorization bill, and following disposition of the DOD conference report, hopefully today, hopefully by 4 o'clock this afternoon by unanimous consent, the Senate will turn to the Kennedy-Mathias comprehensive test-ban resolution. Rollcall votes can be expected throughout the day's session.

Also, the Senate can be expected to turn to the conference report to accompany the foreign assistance bill and S. 876, the veterans' health care bill, and hopefully later this evening, the Compact of Free Association. It is my understanding that some of the problems with that measure have been taken care of.

It would also seem that there is a good possibility of getting a budget resolution, however meaningful, at least get something done this week, and I know the distinguished chairman of the Budget Committee, Senator DOMENICI, and the ranking Democratic member, Senator CHILES, will be working throughout the day to see if they can conclude at least the initial stages of a package, so hopefully we could have a budget resolution on the Senate floor before we begin the August recess on this coming Friday, unless by resolution the timing of the recess is changed.

I urge my colleagues that rather than to offer amendments and include the farm bill, South Africa, the budget resolution, and cargo preference, perhaps they would permit the leaders on each side to work out the time for adjournment. We would be happy to co-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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operate with Members who have a special problem.

(Later the following occurred:)

Mr. DOLE. Mr. President, as I have indicated before, there will be the customary 2-hour recess so Republicans and Democrats may have their caucus or policy luncheon.

Following that will be the DOD authorization conference report, which I hope will be completed by 4 p.m. We shall take it up at 2.

Following that, as a result of a unanimous-consent agreement, we will turn to the Kennedy-Mathias test-ban resolution. There will be a Record vote on that matter.

We also hope to turn to the conference report on the foreign assistance bill and S. 876, the veterans health care bill, and hopefully, before the day ends, which could be rather late, the Compact of Free Association.

Mr. President, this is Tuesday and there are a number of requests coming now for action on certain matters this week. We are certainly willing to accommodate Senators on both sides of the aisle, but they will have to accommodate us with time agreements or give us some indication that we can dispose of their particular piece of legislation.

It is also my hope that today, the Senate Agriculture Committee will report out a farm bill, at least a commodities portion of it, and maybe every section of it except for food stamps and the so-called farm credit title. We probably cannot pass that this week, but at least, we hope to have some debate on the farm legislation.

I think we can take care of the supplemental appropriations conference report, perhaps a couple of appropriations bills, and we have probably seven or eight items we hope to do by unanimous consent: Veterans' judiciary review, International Air Transportation Protection Act, In-Flight Medical Emergencies Act, Mentally-Ill Persons Act, Handicapped Children's Protection Act, and the Mississippi Sioux Indian education bill. Those are items that we hope can be disposed of in rapid order.

The other major areas that I have indicated are the energy and water appropriations bill, legislative appropriations bill, supplemental appropriations conference report, discussion of the farm bill, Compact of Free Association, Japan trade bill—I hope to propound a unanimous-consent request today on the Japan trade bill—South African conference report, and perhaps the Genocide Treaty to sort of round out the week.

Mr. President, that will probably take a little time. It is also my hope that we will have a budget resolution this week. It seems to me that the air is fairly well cleared as far as major items that were under consideration. I am convinced that we are better off with a budget resolution than with no budget resolution at all, particularly on the Senate side. On the House side in the Rules Committee, they can limit amendments and limit debate, but that is not so on the Senate side. It is my hope that the chairman and the conferees on the Senate side will wrap up the so-called budget resolution. It may not be as meaningful as we had hoped, but it may be better than no budget at all. In fact, I think it probably is marginally better.

We would like to complete action on that. If we can indicate that these matters will be resolved before the week is out, then hopefully, we can avoid spending the afternoon arguing about whether or not Congress will be in session in August and how long and what we need to complete during the August recess. I think most of the items of concern can be completed by Friday, maybe late Friday.

Mr. President, I ask for the cooperation of my colleagues. There will probably be late-night sessions each night this week and without any windows of any kind. So everybody should be alerted that we are planning on an August recess and we do hope it will start at the close of business Friday. At the same time, we know there are more matters that should be disposed of and I shall be meeting with the distinguished minority leader [Mr. BYRD]. I know he is very interested in completing as much work as possible and has been very helpful in trying to expedite the business of the Senate.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

LET US BE FOUND WORKING

Mr. BYRD. Mr. President, we are reminded of the days when Senators did not have microphones. So perhaps if we speak up a little the few who are here can be heard.

I am reminded of the time in the 1700's on an occasion when the Massachusetts Legislature was meeting, and at noon the clouds became so heavy and the sky so overcast that it was almost dark at that early hour. In that religious age, members of the legislature thought that the "end of time" was at hand, and they began falling on their knees and praying, feeling that the moment of judgment was near.

The speaker of the house of representatives assumed the rostrum and he said: "Gentleman, the hour of judgment is either fast approaching or it is not. If it is not, then everything will turn out well. If it is indeed the judgment hour that is approaching, let us be found working. Let candles, therefore, be brought."

So, Mr. President, we may have to send out and get candles, but we will be equal to the task if that necessity comes upon us.

I reserve the remainder of my time by unanimous consent.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, I am advised that a number of our colleagues are on the way to the floor and I am also advised that we may be in the dark for some time around here. So perhaps I will encourage my colleagues to either deliver their messages in the special order category or permit us to include those in the RECORD.

The distinguished Senator from New York is on his way to the floor and also the Senator from Wisconsin, Senator KASTEN, who would like a portion of my time.

So, if there is no objection, I see no reason they could not go ahead and make their statements. It would be a good day to talk about the budget.

Mr. BYRD. Unless they are on the elevators.

Mr. DOLE. If they are on the elevators they are going to have a problem, but otherwise I think we may continue for a while.

And I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PERSECUTION OF SOVIET JEWS

Mr. KASTEN. Mr. President, I would like to take this opportunity to bring to the attention of my colleagues the plight of Soviet Jewry. In late July 1984, the Soviet Union began a substantial crackdown on Hebrew teachers and Jewish cultural activists. They are the major victims of what appears to be an official campaign to stop the current revival of Jewish culture in the Soviet Union. Their only crime is that they continue to speak out for such basic causes as self-determination, freedom of religion, and the right of emigration.

To date, I know of 10 of these men who have been convicted, several on trumped-up charges specifically designed to discredit them. Two were savagely beaten following their arrests. In addition to the arrests and beatings, many Soviet Jews are being

fired from their jobs, their homes have been searched, their phones disconnected, and their mail seized. Articles have appeared in Soviet newspapers and on Soviet television that are discrediting to the Jewish culture. A local Leningrad television program last November identified several activists by name and accused them of engaging in "Zionist" subversion. A program broadcast in Moscow equated Zionism with Nazism and accused World War II Jewish leaders of collaborating with the Nazis in collecting Jews for the death camps.

Let me tell you of Yosef Bernstein, from Kiev. He is 48 years old and married with one daughter. Yosef is a teacher of Judaism and Hebrew. He and his family requested permission to emigrate to Israel in 1976. Afterward, all members of his family lost their jobs. In November 1984, Yosef was boarding a train when he was arrested with no charge. Only later did his family hear about his arrest and it was at his trial that they first learned of any details. On being granted a visit to see Yosef, his wife and daughter were horrified to discover his face marked with razor cuts, one eye being damaged and not focusing properly, and the other bandaged up. With no medical treatment, serious complications resulted from his unattended wounds. The prison doctors reported that he is 99-percent blind in both eyes and that the cuts on his face have become serious enough to be life threatening. According to Soviet law, any prisoner in such a serious state of health must be released. However, the prison authorities have informed Yosef that they will nevertheless find him employment in a labor camp. There are many other such accounts similar to this one.

There can be no doubt that this campaign has been consciously directed by Soviet authorities to discredit and destroy the revival of Jewish culture in the Soviet Union. The methods of arrests, beatings, evidence planting, and the use of media to slander these people have created a renewed atmosphere of crisis in the Soviet Jewish community. My concern is: What lies ahead for the Jewish people of the Soviet Union?

Mr. President, I ask my colleagues to urge the Soviet Union to live up to the commitments they have made with regard to human rights and stop this tragic campaign. Although we are limited as to what we can do to help Soviet Jews, it is of the utmost importance that, as Americans, we stand firm and speak out against this travesty. We must never forget the basic human rights our forefathers fought for, that are so shamelessly lacking in the Soviet Union.

RECOGNITION OF SENATOR D'AMATO

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from New York [Mr. D'AMATO] is recognized for not to exceed 15 minutes.

TRIBUTE TO SENATOR KASTEN FOR HUMAN RIGHTS PURSUIT

Mr. D'AMATO. Mr. President, I would like to applaud my colleague, Senator KASTEN, for his vigorous pursuit of human rights, and for his work as chairman of the Foreign Relations Subcommittee. His actions in the Congress speak far more eloquently than any speeches on the subject of human rights. I applaud his remarks, and would like to be associated with them.

THE 10TH ANNIVERSARY OF THE HELSINKI FINAL ACT

Mr. D'AMATO. Mr. President, I rise today to call to the attention of my colleagues in the Senate and the American people the 10th anniversary of a very important event. On the first of August 1975, representatives of 35 nations gathered in Helsinki to sign the Final Act of the Conference on Security and Cooperation in Europe. We are commemorating this event in ceremonies beginning today in Helsinki, where a delegation led by our Secretary of State, George Shultz, will take part in a 3-day international meeting of the signatory states.

The Final Act, which has become known as the Helsinki accords, was signed at the height of United States-Soviet détente. Many hopes were vested in this document. Expectations were raised among people everywhere that the process set in motion by the Helsinki Final Act would be a route to better understanding and cooperation and would lead to a lessening of tensions between the nations of the East and the nations of the West.

On this, the first day of the commemoration of the signing of the Final Act 10 years ago, it is appropriate to review the balance sheet on the Helsinki process. As Chairman of the U.S. Commission on Security and Cooperation in Europe, the Commission established by the Congress and the President to—

> * * * Monitor the acts of the signatories which reflect compliance with or violation of the articles of the Final Act of the Conference on Security and Cooperation in Europe, with particular regard to the provisions relating to human rights and cooperation in humanitarian fields.

I am afraid there is little good news to report.

Conditions within the Soviet Union, which showed some brief, spotty signs of improvement until the Soviet invasion of Afghanistan, have worsened steadily. Soviet denials of human rights and fundamental freedoms are all-pervasive. Current conditions are the worst they have been since the end of Stalin's rule.

Conditions within Eastern European nations are not as bleak as those in the Soviet Union. Some progress has been made in specific nations on specific issues. However, the recent suppression of the Solidarity Free Trade Union in Poland shows how fragile and how very limited such progress has been.

As a result of Soviet disregard of their promises to respect human rights and fundamental freedoms, voices have risen calling for the United States to denounce the Final Act as a fraud and to end our participation in the Helsinki process. Some of my distinguished colleagues in this body have supported this point of view. Indeed, there is a division of opinion on the Helsinki Commission itself regarding the future of the Helsinki process and the U.S. role in the process.

This debate on the future of the Helsinki process has spread into the public media, with commentators like George Will and William Safire criticizing continued U.S. participation in the process. Influential emigres like Vladimir Bukovsky have joined in supporting an end to U.S. participation.

In light of the manifest failure by the Soviet Government to live up to its promises, this debate on the future of the Helsinki process is both timely and valuable. It should continue as a means to increase public understanding of the issues involved, to sharpen and clarify the opposing positions, and hopefully to reach a consensus we can all support.

To help this discussion proceed, the Commission staff has produced a report entitled "The Helsinki Process—Ten Years Later." This short document is an important summary of the pros and cons of the process over the past 10 years.

I have been a member of the Helsinki Commission since 1981; I became chairman of the Commission in April of this year. As chairman, I want to take this opportunity to set forth my views on the Helsinki process.

The Helsinki Final Act was not, as many people portray it, a tradeoff of western recognition of Soviet hegemony over Eastern Europe in return for Soviet promises on human rights. Specifically, the United States has never recognized the forcible and illegal incorporation of Latvia, Lithuania, and Estonia into the Soviet Union.

While Basket I of the Final Act establishes as principles of conduct between signatory states the principles of sovereign equality, nonuse of force, inviolability of frontiers, territorial integrity of states, peaceful settlements of disputes, and nonintervention in in-

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ternal affairs, among others, the United States does not recognize these principles as establishing a de jure recognition of the Soviet empire in Eastern Europe. In fact, if the Final Act contained formal public verification and automatic enforcement provisions, these principles would be a mortal threat to the Soviet empire.

Let me provide a specific example in support of this assertion. Principle II of Basket I states, in part, that:

> The participating states will refrain in their mutual relations, as well as in their international relations in general, from the threat or use of force against the territorial integrity or political independence of any state * * *.

Principle VI of Basket I states, in part, that:

> The participating states will refrain from any intervention, direct or indirect, individual or collective, in the internal or external affairs failling within the domestic jurisdiction of another participating state regardless of their mutual relations. They will accordingly refrain from any form of armed intervention or threat of such intervention against another participating state.

If the Soviet Union were to reverse its historic practice of disobeying international law and living up to its responsibilities under international agreements only when it suits its purposes to do so, the situation in Poland would be far different today. In violation of Principles II and VI, the Soviet Union in 1981 conducted a substantial military exercise called Zapad 81. This exercise constituted both a "threat * * * of force against the * * * political independence" of Poland, and a "threat of such [armed] intervention against another participating state."

Far from sanctioning the continuation of Soviet hegemony over Eastern Europe, the Helsinki Final Act is a tool, if it is properly used, to make Soviet maintenance of their empire much more difficult. Indeed, the United States has formally charged the Soviet Union with violation of the security provisions of Basket II relating to confidence building measures for their conduct of Zapad 81 in secret.

Critics who claim that we granted Soviet conquests formal recognition in the Helsinki Final Act ignore the fact that the Final Act allows peaceful changes of international borders by agreement among the participating states. If the iron fist of the Soviet Army were removed from the throats of the nations of Eastern Europe, accommodations resolving post-World War II territorial changes established by Soviet armed force would be possible. I am confident the critics of the process do not have in mind changing Eastern European borders by armed force. That method, after all, is the only one banned by the Final Act.

We can and we must do better in using the Helsinki Final Act's provisions to support our interests and the interests of our allies. The Final Act is a "bully pulpit" from which the leaders of the West can address their people. The Final Act can be either the formal structure through which we guide and manage the advancement of human rights, cooperation, and security, or it can be a method by which we can inform our own people of the reasons for the lack of progress in these areas.

Another major thrust of the debate over the future of the process focuses on the lack of progress in human rights behind the Iron Curtain. In addition to claiming, inaccurately, that the Helsinki Final Act ratified the Soviet empire in Eastern Europe, critics claim that the Soviets signed the Final Act intending to ignore its human rights provisions. This is, so far as it is possible to tell from observing their behavior, probably an accurate charge.

I share the hope of all freedom loving people that the Soviet leadership will change its ways and decide to enter the community of civilized nations by implementing the promises they made to respect human rights and fundamental freedoms. The facts, however, do not encourage this hope.

While there appears little, if any, chance of substantial change in the way the Soviet Union treats its people, the way it does so in the face of its solemn international pledges to the contrary is of increasing importance. We see on the horizon a variety of possible Soviet initiatives as they seek a more active role in world affairs under their new leader, Mikhail Gorbachev. Our task is to make certain that all of these initiatives are seen in the harsh light of the true nature of Soviet totalitarianism and its negative impact on human lives.

Arrogant and cynical Soviet violations of their promises to respect human rights and fundamental freedoms are supremely relevant to the world we face today. The Soviets are seeking agreements on trade and on security issues. If they cannot be trusted to live up to promises on human rights, an area in which their security is not involved, how can they be trusted to live up to agreements on trade or arms reduction?

The Soviet Union has given us an unparalleled opportunity to illuminate the true nature of their goals and values through the way they treat their own people. While complex discussions of numbers of missiles and methods of financing trade put the average American to sleep, 19.3 million Americans can trace their ancestry on one or the other side of their family to Eastern Europe or to the Soviet Union within the past two generations. When we tell the stories of the Shcharanskys, the Beguns, and the Orlovs of the Soviet Union, we tell our own citizens what happens to those who fall under the control of a brutal, monstrous system designed to sustain the power and privileges of its leaders at all costs. We tell our people what is happening to their loved ones, relatives, and friends. The power of this message must not be overlooked.

Finally, let us look at what will happen if we do not continue to participate in the process. First, the stories of the heroes struggling for freedom behind the Iron Curtain will disappear from international discourse. The Helsinki process gives us a way to keep hope alive for the refuseniks and for the dissidents who are being crushed under the weight of the security services of the Soviet Union and its allies. If we pull out, the light of hope will go off all over Eastern Europe and the Soviet Union.

Second, the allies are unlikely to follow us in any unilateral withdrawal from the process. Since their concerns are weighted more heavily toward the economic, security, and family reunification aspects of the Helsinki Final Act, they would be very difficult to persuade to abandon the process with us. Accordingly, there is a very real risk that the Soviet Union would then be the dominant power in a negotiating process involving all of our allies, but not us. This is a receipe for disaster for the West.

Let us look at a specific example. Under the Helsinki process, there is a continuing negotiation going on in Stockholm, Sweden, called the conference on security, confidence building measures and disarmament in Europe, which is better known by its initials, CDE. If we were to unilaterally pull out of the Helsinki process, CDE would continue. This would present the Soviet Union with something they have been vainly seeking since 1955—an all-European security conference.

An all-European security conference could mean the death of the western alliance. The Soviets would attempt to use such a forum to separate us from our allies and drive us out of Europe. They might be tempted to offer substantial concrete concessions in the bargaining in order to break up NATO. Then, several years later, the Soviet Army would move west again and secure effective Soviet control of Europe.

In conclusion, the Helsinki Final Act and the Helsinki process are enormous assets to the United States and to the West. In order to obtain full benefit from them, we must prove we are serious. We must take advantage of the opportunities inherent in the process to link progress on human rights issues to progress on other issues of importance to the Soviet Union and its allies. We must endeavor to continue to preserve a unified Western alliance on human rights and other issues. We must not allow the voices of hope and

freedom behind the Iron Curtain to be silenced.

To make the process work, our State Department must begin to actively coordinate our foreign policy toward the Soviet Union and the East bloc to make human rights one of the guiding principles of our policy. We must have continuing operational linkage between our various negotiations.

We must not make trade agreements until our human rights concerns are satisfied. We must move with caution on other agreements, demanding public verification procedures and automatic compliance provisions in any agreements we sign affecting our security. Most of all, we must keep in the public mind the lessons of the nature of Soviet policy and the quality of Soviet promises in international agreements.

All Americans who believe in human rights must continue their support for the Helsinki process. Without it, human rights in the Soviet Union and Eastern Europe will become forgotten issues. Without it, Soviet duplicity and subterfuge in international negotiations will be ignored. Without it, millions of friends of the United States who are struggling for their freedom behind the Iron Curtain will lose hope.

I am pleased to have had this opportunity to discuss this vital subject this morning. The Commission will continue to play a central role in the public debate on the future of the Helsinki process. There will be a sequence of hearings at which interested parties will be encouraged to present their views. I look forward to this process and I encourage all of my colleagues to participate in the continuing debate.

Mr. President, I ask unanimous consent that the report entitled "The Helsinki Process—Ten Years Later" be printed in the Record. It is an important summary of the pros and cons of the process over 10 years.

There being no objection, the material was ordered to be printed in the Record, as follows:

The Helsinki Process—10 Years Later

Ten years after the Helsinki Final Act was signed on August 1, 1975, it is time to review the balance sheet. Few real changes in European relations can be directly attributed to the Helsinki accords. In fact, the record in some critical areas such as human rights and human contacts shows clear backward movement. On the other hand, the Helsinki agreement has contributed to a number of useful, if not vital, developments in other areas over the past ten years. These factors must be a part of any overall assessment of the usefulness of the Helsinki process.

The Helsinki process has given a positive push to a vast range of East-West interactions since 1975. The principles of the Final Act supplied the participating states with a useful diplomatic tool to call public attention to violations of the Final Act. They have also become an international standard to which participating states can be held accountable.

The Belgrade and Madrid Review Meetings, as well as at the numerous experts meetings held as part of the CSCE process, have significantly contributed to unity and cohesion among NATO countries, at a time when the Alliance has been under serious stress in other areas.

Other positive developments have included a small but growing degree of independent activity by the nations of Eastern Europe and a larger role for the Neutral and Non-aligned (NNA) countries in facing the problems confronting comtemporary Europe.

The CSCE process was also the forum for two of the three high-level political contacts between the USSR and the U.S. in 1983 and 1984, a time when bilateral relations were at a low point.

The following section-by-section review of the Helsinki Final Act presents, in capsule form, some of the highlights of developments within the Helsinki process over the past ten years.

I. BASKET I: HUMAN RIGHTS AND CONFIDENCE-BUILDING MEASURES

Human rights

In general, the Basket I Declaration of Principles has kindled new hopes and evoked new awareness of human and civil rights throughout Europe and North America. Despite the repression of the various Helsinki monitoring groups in Eastern Europe and the Soviet Union, and imprisonment of many of their members, these groups have demonstrated that the Helsinki Final Act is a unique and unprecedented means of exposing human rights abuses in their respective countries. The principles of the Helsinki Final Act permitted the West to maintain continuing pressure on human rights issues, and to make a direct connection between human rights and issues of security in Europe.

A. Human Rights Activists.

From 1975 through 1979, the Soviet government adopted a slightly more tolerant stance towards limited dissent. Known arrests of human rights activists ran at about 80 per year; various unofficial groups functioned; information on dissent reached the West. In late 1979, the Kremlin adopted a much harsher stance against dissidents. Arrest rates tripled to nearly 240 per year, charges against dissidents grew vaguer, sentences became longer, repressive new laws were passed and conditions of incarceration worsened.

The German Democratic Republic also continues to have a poor record on human rights. As a result, there exists in the G.D.R. and estimated 6000 to 9500 prisoners of conscience, most of whom are prosecuted for efforts to emigrate to the F.R.G.

Czechoslovakia's record in implementing the Final Act's human rights provisions has also remained poor. Twenty-three activists remained imprisoned while the human rights movement as a whole struggles on under constant harassment by the regime.

The declaration of martial law in 1981 dealt a blow to the climate for human rights in Poland. Despite two major amnesties in 1983 and 1984, new arrests of prominent Solidarity and human rights activists have brought the number of political prisoners sentenced or under detention in Poland to an estimated 200.

In the decade since Helsinki, Romania has remained one of the most repressive countries in Eastern Europe. Romania's laws and regulations present one of Europe's more extensive arrays of legal constraints on the exercise of civil and political rights. Due to severe repression, there are no organized human rights monitoring groups in Romania today.

Hungary has a positive record for implementing Helsinki and Madrid human rights provisions relative to its Warsaw Pact allies. However, as a one-party regime, the Hungarian Government does not allow full freedom of expression. In 1982 the authorities began a crackdown on the dissident community, signalling a lessening of tolerance of their independent, unofficial publishing activity and forcing them to conduct their activities more discreetly.

In Bulgaria, there has been no organized dissent nor a human rights movement, as far as information reaching the West is concerned. There have, however, regularly been cases of overt repression of individuals for political or religious reasons.

B. Actions Against Labor Unions

In 1977 and 1973, Soviet workers tried to organize two independent labor unions, the Association of Free Trade Unions of Workers and the Free Interprofessional Association of Workers. Both unions were brutally suppressed, and today at least 25 Soviet citizens are imprisoned or held in psychiatric hospitals for their labor union activism or for organizing strikes.

Solidarity organizers in Poland have indicated that the Helsinki Final Act gave impetus to the creation of their union. Despite Madrid pledges respecting free trade unions, Solidarity has been de-legalized since October 1982 and its members and supporters are subject to discrimination, harassment, surveillance, detention, prosecution and frequently to physical attack for continued union activity.

C. Treatment of Prisoners of Conscience

Conditions of detention for the estimated 10,000 Soviet political prisoners have deteriorated markedly. Last year, nine such prisoners died while in detention—a post-Stalin record. There has also been a sharp increase in reported beatings and maltreatment of political prisoners. Helsinki monitors have been brutalized and given long periods of imprisonment.

D. Religious Persecution

About half of the estimated 10,000 Soviet prisoners of conscience are thought to be religious believers who have run afoul of the restrictive Soviet laws on the practice of religion. With 71 known arrests in 1984, religious believers represent the single largest category of new Soviet political prisoners. Although members of all religious groups are subject to harassment and imprisonment, Evangelical Protestants are particularly subject to arrest. The Soviet Union has also banned certain denominations like the Ukrainian Catholic Church, with four million members, and the Jehovah's Witnesses. Anti-semitic publications printed by State publishing houses also have continued to appear.

Although religion in the German Democratic Republic is generally discouraged with believers often subject to discrimination, churches have been allowed some freedom to operate. The Evangelical Lutheran Church, in particular, remains the one element in the G.D.R. where divergent opinions can be expressed in relative freedom.

In Czechoslovakia, religious orders are outlawed and the repression of the Jehovah's Witnesses and the Franciscan Order continues. Citizens who profess their religious beliefs cannot hold public office. The government's unwillingness to accord the church autonomy in the conduct of religious affairs has stalled talks that began 18 months ago between the Vatican and the Government of Czechoslovakia.

Compared with other East European countries, the practice of religion in Poland is relatively free. The Primate, the Episcopate as a whole and the clergy continue to call for greater individual freedom and respect for human rights. The government, however, has engaged in harassment and an increased propaganda campaign directed at the Church. Church-State relations, which had been showing some signs of improvement, have been strained since the Popieluszko murder trial.

There are fourteen recognized religious denominations in Romania. However, religious activity carried beyond the highly circumscribed limits set by the government is dealt with harshly. The Eastern Rite Catholic, or Uniate, Church is still banned, although it repeatedly has appealed for legal reinstatement.

While believers in Hungary do not face the same persecution endured by believers in neighboring states, the church heirarchies do not act freely from State control. Within the Catholic Church, a basic community movement has formed, led by Father Gyorgy Bulanyi, which has criticized the church hierarchy for its acquiescence to State influence.

E. Discrimination Against National Minorities and Forcible Slavicization

There has been little progress in ensuring rights for members of many national minorities in the Soviet Union and Eastern Europe. In some states, most notably the USSR, restrictions on national minorities and ethnic groups have intensified; churches and cultural monuments have been destroyed, limitations on the use of native languages have increased and histories have been rewritten. Advocates of greater national and cultural rights—Ukrainians, Balts, Jews, Crimean Tatars, Georgians, Armenians and others—continue to be persecuted.

Bulgaria is involved in a campaign to forcibly Bulgarize its sizeable Turkish minority, said to number 800,000. This campaign reportedly has included brutal coercion and as many as several hundred deaths.

Insensitivity to the cultural heritage and educational needs of Romania's extensive Hungarian and German minorities, inadequate safeguards against discrimination by state authorities and harsh persecution of minority advocates remain a concern.

There are fears among the 600,000-strong Hungarian minority in Czechoslovakia that actions, such as a law which is regarded as detrimental to Hungarian language schooling, may hinder cultural expression. One minority rights activist was recently released after being held in detention for a full year without trial.

F. Forced labor

About five million people are currently engaged in various types of forced labor in the Soviet Union; about half are incarcerated in the Soviet gulag system of 1,100 forced labor camps; the other half are part of mobile labor brigades. Although many of these prisoners are criminals, at least 10,000 of them are prisoners of conscience.

G. Psychiatric Abuse

During the last ten years, thousands of mentally competent Soviet citizens have been subjected to involuntary psychiatric treatment because of religious or political activities. The independent Soviet Working Commission to Investigate the Use of Psychiatry for Political Purposes documented more than 70 cases of such abuse, and was investigating more than 200 other suspected cases when it was suppressed by Soviet authorities. As of Spring, 1985, Amnesty International had documentation on 166 prisoners held in psychiatric hospitals for political or religious beliefs. Psychoactive drugs are routinely used on such prisoners. In 1983, the Soviet Union withdrew from the World Psychiatric Association rather than risk expulsion for psychiatric abuse practices.

H. Unofficial Citizens Groups

Following the signing of the Helsinki Accords, several citizens groups were founded in the Soviet Union to monitor implementation of the accord's provisions. Helsinki monitoring groups were founded in Moscow, Ukraine, Lithuania, Armenia and Georgia. In addition, serveral other groups adopted Helsinki principles in monitoring human rights violations i.e., the Working Commisson on Psychiatric Abuse and various religious committees for the defense of believers. Other activists formed the Solzhenitsyn Fund, the Right to Emigration group, the pacifist "Group of Trust" and others. In all cases, the Soviet authorities have responded by acts of persecution, ranging from threats of violence and loss of employment to imprisonment, forced emigration and incarceration in psychiatric hospitals.

Helsinki monitoring groups in Poland were first formed under KOR (Committee for Social Self Defense) auspices in 1979 and later subsumed under the Solidarity Union in 1980. The Helsinki Committee was temporarily disbanded in the immediate aftermath of martial law and the arrests of its members. Since its re-establishment, the Helsinki Committee has steadily issued detailed reports on civil and human rights violations in Poland.

In Czechosolvakia, freedom of expression, assembly and association is entirely subject to the whim of the state, and groups or individuals attempting to exercise such freedom outside of acceptable channels are suppressed. For example, Charter '77, an informal group of human rights activists established in January 1977, and VONS (The Committee for the Unjustly Accused or Persecuted) are targets of frequent harassment.

In Hungary, independent peace groups like Dialogue, religious groups and other unofficial organizations have met with harassment in recent years.

Confidence-building measures

While for the West, human rights and human contacts are the major focus of CSCE, for the Soviet Union the main issue is military security. In fact over the years the major negotiations in the SSCE have concentrated on striking a balance between these two principal areas of the Helsinki Final Act.

At the Madrid CSCE review conference, the major trade-off was agreement to Western proposals for experts meetings on human rights and human contacts in exchange for an open-ended Conference on Confidence and Security-Building Measures and Disarmament in Europe, strongly desired by the Soviet Union. Such a conference was convened in Stockholm on January 17, 1984 and has been in session more or less continuously ever since.

The conference has made little visible progress in reconciling the widely-divergent proposals of the two sides, East and West, based on different interpretations of the Conference mandate. If there is to be any agreement on the radically different sets of proposals—concrete confidence-building measures put forward by the West versus declaratory measures such as non-use of force by the East—it will most probably not come until close to the beginning of the next CSCE review meeting in Vienna scheduled for the fall of 1986.

II. BASKET II: COOPERATION IN ECONOMICS, SCIENCE AND TECHNOLOGY AND ENVIRONMENT

The course of East-West economic relations and scientific exchanges during the 1970s suggests that these forms of cooperation are indeed linked. As political relations between the two regions improved in the early 1970s and culminated in the signing of the Helsinki Final Act in 1975, East-West trade expanded. Later in the decade, however, as political tensions arose between East and West, economic and scientific cooperation failed to expand further.

Nonetheless, many positive steps have been taken since 1975 to promote East-West cooperation in the fields of science and technology, the protection of the environment, commerce and industrial cooperation. The CSCE process has initiated a practical and useful dialogue among the industrialized countries of the East and West. Basket II of the Helsinki Final Act has been and will continue to be a useful vehicle for the promotion of economic and functional cooperation between the East and West in balance with improved implementation of other Final Act provisions.

With a membership almost identical with CSCE, the United Nations Economic Commission for Europe (ECE) is one of five U.N. regional economic commissions and implements many of the Basket II provisions of the Final Act and Madrid Concluding Document of a multilateral nature, particularly in fields such as trade, energy, transportation, and environment.

Economics

A. Trade Growth

U.S. participation in East-West trade not only increased in terms of value in the post-Helsinki period, it increased at a higher rate than did U.S. trade in general. While this trade was conducted by private U.S. firms independently of the U.S. Government, it can be said that the Final Act was important in fostering an atmosphere conducive to the development of East-West trade. By the 1980s, East-West trade as a whole failed to expand further and, in some cases, began to decrease as economic problems and the souring of overall relations following the Soviet invasion of Afghanistan and the declaration of martial law in Poland, made trading with the East less attractive than in previous years. As these problems have generally bottomed out, East-West trade is again on the rise.

B. Business Contacts and Facilities

There have been positive developments as a result of limited unilateral efforts on the part of Eastern European countries to improve the conditions for Western firms in their countries. While these efforts have not created business facilities comparable to those available in the West, they have improved the situation for foreign business concerns.

Science and Technology

Since the signing of the Final Act of the CSCE, there has been a significant expansion of international cooperation in

research and training and in the exchange of information. An example of this cooperation was the increased number of Soviet and American scientists participating in exchange programs in the late 1970s. Inter-academy exchanges with the Soviet Union were dropped after the invasion of Afghanistan. The forced exile of Andrei Sakharov has also had a negative impact on such exchanges. Within the CSCE, a Scientific Forum was held in Hamburg in February 1980 which brought together leading scientists from all 35 participating states.

Environment

The primary event in this field, and one that was influenced by the Helsinki process, was the high-level meeting on the environment held under the auspices of the ECE in Geneva in 1979. At the meeting, the Convention on Long-Range, Transboundary Air Pollution was signed.

III. BASKET III: HUMAN CONTACTS, INFORMATION, CULTURAL COOPERATION AND EDUCATIONAL COOPERATION AND EXCHANGES

Human contacts

A. The Helsinki Final Act has, to some degree, led to freer travel policies in Eastern Europe and allowed an overall increase in people-to-people contacts between the United States and Eastern Europe. Since 1975, every East European signatory has taken limited steps toward implementation of the Final Act's human contacts provisions. This has resulted in the resolution of outstanding emigration cases and helped to ease bilateral tensions between Western and Eastern signatories. In a number of Eastern signatories, particularly the USSR, initial improvements made after 1975 have not been sustained.

The human contacts provisions of the Final Act have also provided the main framework for raising individual human contacts cases. The U.S. Government, citing the human contacts provisions of the Final Act as justification, has made frequent intercessions on behalf of relatives of U.S. citizens. Since 1975, thousands of these cases have been favorably resolved.

Soviet performance in the fields of emigration, family reunification, family visits and international travel has deteriorated significantly since 1980. Emigration of Soviet Jews has plummeted to its lowest level since 1975—from a high in 1979 of 51,320 to a low of 896 in 1984. Jews, Germans and Armenians experience severe obstacles in their attempts to emigrate, while the chances for other Soviet citizens are extremely remote. Those refused emigration permission often endure harassment such as loss of work and demotion, unavailability of higher education, surveillance and living under the threat of prosecution. These and other human contacts problems will be discussed at a CSCE experts meeting in Bern, Switzerland beginning in March, 1986.

B. GDR emigration practices are perhaps best symbolized by the stark reality of the Berlin Wall. In the three months following the Helsinki summit, it has been estimated that nearly 100,000 GDR citizens sought to emigrate to West Germany, citing the Final Act's provisions on family reunification. Gradual progress in intra-German cooperation has led to an increase in emigration from the German Democratic Republic and a decrease in restrictions in travel.

C. Romania's emigration record has been mixed. Its emigration laws, regulations and practices remain restrictive. However, individuals whose departure present no economic loss to the country may eventually secure exit permission, but only after years of harassment. Since 1975, emigration from Romania has tripled and last year reached an aggregated high of 21,284.

Information

Harsh new measures have been adopted in the Soviet Union and Eastern Europe to discourage free expression and contacts with foreigners. Soviet jamming of radio broadcasts was resumed in the summer of 1980. Direct dial telephone lines, instituted as an Olympic come-on in 1980, were phased out by mid 1982. A few direct-dial lines from Moscow were restored for certain Western commercial firms in 1985. Non-communist newspapers and periodicals are only rarely available through official sources to the average Soviet citizen. Soviet authorities are responsible for non-delivery of mail between the West and the Soviet Union, and frequently interfere with telephone communications. Many Soviet dissidents have had their telephone lines cut off for "abusing" the service.

Under the Helsinki Final Act, the participating states expressed their intention to improve working conditions for foreign journalists by a number of means, such as easing entry visa requirements and internal travel controls, permitting greater access to sources and facilitating the transmission abroad of journalistic products. A bilateral exchange of notes between the U.S. and Soviet Union in 1975 provided for the reciprocal issuance to journalists of multiple entry and exit visas, which had long been sought by Western correspondents permanently accredited in the USSR.

Cultural cooperation

The only major developments in the realm of East-West cultural cooperation and exchanges since the signing of the Final Act have been the completion of bilateral cultural exchange agreements between U.S. and Bulgaria, Hungary and Romania. A major meeting on the subject, the CSCE Cultural Forum, will be held from October 15 to November 29, 1985 in Budapest.

Educational cooperation and exchanges

The Helsinki Final Act has played an important and influential role in facilitating U.S. educational cooperation and exchanges with Eastern Europe. These provisions enhanced conditions for increased and more balanced academic exchanges.

The report, prepared by the staff of the U.S. Commission on Security and Cooperation in Europe—the Helsinki Commission—shows that the East block signatories have not lived up to the standards set forth in the accords as had been hoped during the détente era of the early and mid-1970's.

As I say that, I may note that the lights just went on in the Chamber. See, we have a sign from above that what I say is true. Now, if the Soviet Union could only help turn on the lights in terms of human freedom and dignity around the world, what a better place this planet Earth would be.

One of the most notable failings of the Helsinki accords has been the poor performance of some signatories in the critical area of human rights.

I would like to note that the Soviet Union in particular has ignored the human rights provisions of the Helsinki accords. We can only characterize their human rights record as "despicable." It is obvious that the Soviet Union today has little regard for the fundamental freedoms of thought, conscience, religion, and belief that were cornerstones of the agreements signed 10 years ago.

I believe my colleagues will agree with the cochairman of the Commission, Representative **Hoyer**, and me that the lack of significant progress in the area of human rights such as we find in the Soviet Union is not and should not be viewed as a denial of the credibility and utility of the CSCE process. This process has legitimized human rights as a matter of diplomatic discourse among nations and has placed it on the agenda of our allies.

Mr. President, the 10-year review of the Helsinki process reveals:

Since 1979, the Kremlin has adopted a much harsher stand toward dissidents: arrests tripled, charges grew vaguer, and sentences became longer.

Detention conditions for the 10,000 political prisoners in the U.S.S.R. have worsened. There has been a reported sharp increase in beatings and maltreatment of prisoners.

Thousands of mentally competent Soviet citizens have been subjected to involuntary psychiatric treatment because of religious or political activities.

Soviet performance in the field of emigration, family reunification, family visits, and international travel has deteriorated significantly since 1980. Jewish, German, and Armenian annual emigration rates fell to under 1,000 per group. Emigration of Soviet Jews is at the lowest level since 1975.

The Soviets have resumed the jamming of radio broadcasts; frequently interfere with telephone communications; and bear responsibility for the nondelivery of mail from the West.

Advocates of greater national and cultural rights in the Soviet Union and Eastern Europe continued to be persecuted—these include Ukranians, Balts, Jews, Crimean Tatars, Georgians, Armenians, and others.

About 5 million people are being held in various types forced labor in the U.S.S.R. Although many are criminals—at least 10,000 are prisoners of conscience.

About 6,000 to 9,500 prisoners of conscience are being held in the German Democratic Republic, most for wanting to emigrate to the Federal Republic of Germany.

Romania remains one of the most repressive countries in Eastern Europe.

The 1981 declaration of martial law in Poland dealt a major blow to human rights. Despite two major amnesties since then, new arrests of political prisoners have brought those under detention to an estimated 200.

In Czechoslovakia, freedom of expression, assembly, and association is entirely subject to the whim of the State. Religious orders are outlawed and there is continued repression of the Jehovah's Witnesses and the Franciscan Order.

I would like to particularly point out that the treatment of Jews in the U.S.S.R. has not improved since the signing of the Helsinki Final Act 10 years ago. Under the thinly disguised veil of anti-Zionism, the Soviet Union has harshly persecuted their Jewish community.

During this time of supposed improved relations between the United States and the Soviet Union, the rate of emigration of Soviet Jewry is barely above the last year's level. Although a relatively high number of Soviet Jews were allowed to emigrate in April of this year, that number has since declined dramatically.

In 1979, over 51,000 Jews were allowed to emigrate from the Soviet Union. In 1984, the Soviet Union allowed only 896 Soviet Jews to emigrate, a 98-percent decrease and the lowest year in recent memory.

Those people applying to emigrate and denied permission, refuseniks, must endure intimidation and persecution. Refuseniks are forced from their jobs and called "parasites of society." The number of Jews interested in emigrating is estimated to be 400,000.

However, restricting the freedom of Soviet Jewry does not end with closed borders. Any attempt to preserve Jewish culture is met with swift retribution. Those brave enough to teach Hebrew, such as Iosef Begun, are harassed, threatened, and incarcerated, usually on trumped-up charges. The crime of these Jews is desire to preserve their ethnic heritage.

Like all citizens of the Soviet Union, Jews are severely restricted from practicing their religion. Jews, however, are afforded none of the token freedoms that other religions are allowed. Jews cannot produce or import religious articles or publish prayer books or periodicals, or have any central structure or organization. In a nation with the third largest Jewish population, there are only 50 synagogues. Jewish cemeteries have been and continue to be desecrated or converted to other uses.

The Kremlin's crackdown on Jewish emigration and the teaching of Jewish heritage is a rerun of the state-sponsored anti-Semitism we have witnessed throughout history. It provides that the Soviet Union has far to go before it justifies its signature on the Helsinki Final Act.

As the leader of the Free World, it is our duty to call upon the U.S.S.R to end this vicious and needless antisemitic campaign. We must emphasize that the continuation of this persecution presents a real obstacle to constructive relations between the United States and the Soviet Union.

Indeed, there is linkage between their conduct on human rights and any agreements on increased trade or other bilateral accords. The normalization of relationships becomes very important. Peace is important. But Soviet actions on human rights are fundamental and basic to any meaningful agreements that the U.S. and the U.S.S.R. may hope to enter into now or in the future.

Mr. President, I wish that this Senator and the Commission would have been able to present a brighter picture. But the truth should not be colored. The picture we present is bleak. I believe that the Helsinki Commission and the Helsinki process should be utilized as a rallying cry and as a bastion of strength for truth and justice. We must use our potential as the leader of the Free World to assist those who are denied human rights and who have no hope other than the strength of this country.

Thank you, Mr. President.

RINGING OF CONVENING BELL

Mr. DOLE. Mr. President, I understand it may be necessary to do a few mechanical things right now about ringing the convening bell and a few other things we should have done earlier. I wonder if we might do that now.

The PRESIDING OFFICER (Mr. Mattingly). The clerk will ring the bells. The legislative clerk rang the convening bell of the Senate.

Mr. DOLE. Mr. President, let me advise my colleagues who may be listening, it is not a vote bell. The announced convening hour is 9:30 a.m. It is now 10:10 a.m. We have been making progress. I thank the distinguished Senator from New York. We have probably made a little history today in the U.S. Senate. As far I can tell, there have not been many recent times when we were without illumination. Of course perhaps I should say that we have always had and continue to have illumination in the Senate, but we have rarely been without lights

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RECOGNITION OF SENATOR DOLE

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I commend the distinguished chairman of the so-called Helsinki Commission for his efforts to focus on the shortcomings, particularly in the Soviet Union and other Communist bloc countries, insofar as human rights are concerned.

TENTH ANNIVERSARY OF THE SIGNING OF THE HELSINKI FINAL ACT

Mr. DOLE. Mr. President, the cause of human rights is at the core of American foreign policy because it is central to America's conception of itself. These values are hardly an American invention, yet America has perhaps been unique in its commitment to base its foreign policy on the pursuit of such ideals. For this reason, Mr. President, it is appropriate that we mark the 10th anniversary of the signing of the Helsinki Final Act. As former cochairman of the Commission on the Security and Cooperation in Europe, I have a special appreciation of what the Helsinki process is all about.

The Helsinki Final Act, now 10 years old, was born at what seemed to be an encouraging moment in East-West relations: The United States and the Soviet Union had just reached the first agreements on strategic arms limitation. Broad avenues for economic cooperation appeared to be opening. Genuine progress on human rights seemed possible. And so Helsinki was born as an attempt to deal with the problems of security, economic relations, contracts between our peoples, their basic freedoms, and standards of international conduct.

However, while the Helsinki Final Act is an eloquent statement of aspirations, to which the United States gladly subscribes, tragically, the U.S.S.R. has not approached the Helsinki process with the same commitment and vigor that we have. The Russians promised to abide by Helsinki but they lied. Our records are a true testimony to our respective forms of government.

Reflecting on the experience of the last 10 years, we are disappointed, but not really surprised, that the years since the signing have seen many setbacks for our efforts to strength security, expands cooperation, build mutual confidence, and protect human rights. The record speaks for itself: Simply, there are governments in the East which have from the outset treated their commitment to human rights under the Final Act with open contempt.

Mr. President, the words made famous by Ernest Heminway, while not spoken in the context of the Helsinki process, is still timely. As Americans, we are legitimately concerned about the manner in which the governments of others countries treat their people. As Americans, they insist that our own Government make known the views of the American public on this vital issue and the international community. The point is clear. We must all learn from history. And the one lesson taught by the past is that respect for human rights leads to a relaxation of international tension, not the other way around.

In the most profound sense, the Helsinki process represents an historic effort to bridge the divisions between East and West in Europe. It is modest in its expectations but profound in emboding the most basic interests, deepest convictions, and highest hopes of all the people of Europe. There can be no lasting security of cooperation in Europe as long as one government is afraid of its own people and seeks reassurance in imposing a system of force on its people—and on its neighbors.

Secretary of State Shultz, who is presently in Helsinki to mark the 10th anniversary, should have our position clear: That our concern for human rights is permanent and we will continue to advance this cause in every appropriate forum. We will continue to speak the truth. The struggle for human rights knows no political affiliation, it will remain a permanent priority of American foreign policy.

Thank you Mr. President.

THE ANNIVERSARY OF THE SIGNING OF THE HELSINKI FINAL ACT

Mr. HUMPHREY. Mr. President, on August 1, we will be commemorating the 10th anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe, better known as the Helsinki accords.

Ten years ago 35 nations including the United States and the U.S.S.R. signed a document whose purpose was the promotion of peace, security, justice and cooperation among themselves and with all the other nation states of the world. The Helsinki process, and follow up, is an important one in international relations and must be supported and enhanced. Unfortunately however, Helsinki has fallen far short of our expectations for it.

In the years since the signing of this document of goodwill, the U.S.S.R. has violated every single one of the principles of the Helsinki agreement both within its own borders and in its actions toward other nations.

Nowhere are Soviet violations of the universally accepted humanitarian spirit of the Helsinki accords more flagrant than in its invasion of the ancient and free nation of Afghanistan. Here the Soviets, behind a screen of enforced unaccessibility, have let the mask of humanitarian concern fall from its face. In Afghanistan we see the true expression of Soviet intentions.

The 18th semiannual report on implementation of Helsinki Final Act submitted by the President to the Commission on Security and Cooperation in Europe indicates that:

> The Soviet Union has continued to violate both the letter and spirit of principles guiding relations between states as set forth in the Helsinki Final Act. The Soviet Union persists in its occupation of Afghanistan and in its efforts to eradicate national opposition. In conducting its ruthless war against Afghanistan, the Soviet Union has used chemical weapons, bombed civilian targets, used ground and air forces to destroy villages and crops, and employed weapons intended to cripple or main noncombatants.

If we wonder what it would be like to fight a war with the U.S.S.R. we need look no further than Afghanistan, for here a small and largely unarmed people is being subjected to the total war of the Red Army. Not since the times of Genghis Khan, and maybe not even then, has a people been starved, maimed, tortured, murdered, burned, bombed and plagued into extinction. That is the way the Soviet Union fights its war, in violation of every principle of international law.

The Helsinki accords forbid the threat or use of force. They proclaim the inviolability of frontiers and territorial integrity of states, the nonintervention in internal affairs and perhaps, most importantly, the respect for human rights and fundamental freedoms including the freedom of thought, conscience, religion or belief.

Helsinki Watch, an organization which monitors violations of the accords, has written a report called "Tears, Blood and Cries," documenting human rights violations in Afghanistan.

From time to time I have submitted portions of this report to the Congressional Record. Today, on the 10th anniversary of the signing of the Helsinki accords, I would again like to commend this report to my colleagues to remind us of the ephemeral nature of Soviet promises and the brutal face of Soviet reality.

Mr. DOLE. Mr. President, under the special order the Senator from Kansas had 15 minutes. I have used about 2 minutes of that time, I believe. I yield the remainder of my time to the distinguished Senator from Wyoming [Mr. Wallop].

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming is recognized.

Mr. WALLOP. Mr. President, I thank the majority leader.

TENTH ANNIVERSARY OF THE HELSINKI FINAL ACT

Mr. WALLOP. Mr. President, 10 years ago the U.S. Government raised the world's hope that, through diplomacy, the iron bars that imprison all who live within the Soviet Empire had been parted just a bit, and that, over the years, through diplomacy, little by little, the Soviet Empire would become a little less rigorous toward its people. We all wanted this very much, not just for humanitarian reasons, but because we believe, along with Andrei Sakharov, that the danger to peace comes not from weapons, but from governments that are unconstrained by the people they govern. The essence of the Helsinki accords, as presented to the free people of the West by such eminent statesmen as Helmut Schmidt and Henry Kissinger was that we would assure the Soviet Empire's masters that we would not challenge their legal right to their empire, while in return the masters of the empire pledged themselves not to be so heavy-handed.

Ten years later, all but two of the Soviet Union's Helsinki monitors are in the gulag or in mental hospitals. While Jews were then emigrating at a rate of 50,000 per year, today the rate is about 900 per year. By general agreement—and you can see it in all the papers of this country and Europe—the masters' hand is heavier than ever. From this we can draw a host of lessons about the Soviet Union and about how we are compelled to deal with it. But today I want to draw just one lesson about another matter, on which there can really be no argument: the eminent Western statesmen who conceived the Helsinki accords for the West were eminently wrong. Their view of the accords has not prevailed. Rather, the Soviet view of the accords has prevailed. Our statesmen proved to have little grasp of the fundamentals of statecraft. They were outdone not just by the Soviets, but above all by their own failure to face up to the twin questions that every negotiator must answer: "Does the other side really mean to keep its commitments? What do we do if it does not"?

Traditional training in diplomacy stresses the necessity of finding the true common ground between two parties, and the overriding importance of making sure that all parties understand everyone's commitments in precisely the same way. To neglect such factors is not to accomplish what the agreement is supposed to accomplish, but to sow the seeds of a greater discord. That discord we witness today.

But our very clever contemporary Western diplomats have adopted an entirely opposite set of precepts when working with the Soviet Union. Knowing, however dimly, that the Soviet Union's fundamental purposes are irreconcilable with those of free peoples, and knowing that Western public opinion would reject outright capitulation to Soviet objectives, yet zealously desiring agreements "for the sale of advancing the prospects of peace," our experts have decided to fudge.

Time and time again, they have deliberately entered into agreements that they knew full well the Soviets deliberately understand very differently from the way Western opinion understands them. Time and time again they have entered into agreements that they know the Soviets do not intend to keep. Moreover, they have done so completely aware that they themselves were not prepared to recommend any move to force the Soviets to comply.

Why have they done this? Because each of them wants to "bring home the bacon" from negotiations, regardless of how rancid it might be. Another reason is that our experts genuinely, but ever so foolishly, regard the diplomatic process as a good thing in itself. If we can just engage them in the process on any subject, the thinking goes, we can "hold their feet to the fire." Mr. President, I ask simply: What fire? The last refuge of the experts on the Helsinki process is that it has given us a chance to "raise the subject" of Soviet violations of human rights at international gatherings.

Who are we kidding? Does this mean that prior to 1975 we did not have the right, indeed the duty, to speak the plain truth about the Soviet Empire's denial to its citizens of every right known to man? Of course we did in fact, if one simply glances at the West's newspapers prior to 1969, one sees the Soviet Empire referred to routinely in far harsher terms than one sees today. The very last corner of the "experts" refuge is "the Europeans." If we did not have Soviet acquiescence, in the Helsinki Final Act, that it is OK to raise the subject of human rights, "the Europeans" would be scandalized if we do it, even abandoning the alliance and running into the Soviet's arms.

I have no doubt that "the Europeans" with whom our "experts" habitually fraternize feel this way. But I also have no doubt that such are not the majority of Europeans. At any rate, for the sake of an alliance with such people, it would not be worth turning ourselves into moral hypocrites.

So, in sum, the pitiable sufferings of Soviet dissidents who believed in our experts' views of the Helsinki process should teach us the value of those views. The 10 years since the Helsinki Final Act do not teach us anything about the Soviets that we did already not know. They do however tell us that the people at the State Department and in the foreign policy establishment who severely pass themselves off as the fountain of wisdom on foreign affairs have proved incompetent. They have allowed the figments of their desires and imaginations to overcome the respect due to the fundamentals of their craft. Perhaps now, this decade later, we should ask for an honest reappraisal. The purpose of negotiations should be to achieve real change, not temporary satisfaction.

Mr. LONG. Mr. President, I join my colleagues today in this body and the other body in commemoration of the 10th anniversary of the signing of the Helsinki Final Act. It is my honor to do so both in my capacity as a Security and Cooperation in Europe Commissioner and as one who is keenly concerned with the eradication of human rights abuses throughout the world.

The Final Act was signed on August 1, 1985 by the United States, Canada, the Soviet Union, and every nation in Europe with the exception of Albania. Signatory nations agreed to expand their cooperation with other signatory states in a number of areas, including those relating to military, economic, and humanitarian affairs. Further, they made explicit their intention to "respect and put into practice" a number of specific principles. Among those was the principle of respect for basic human rights.

The act created, for the first time, a means whereby the governments of signatory nations would be open to regular and systematic examinations of their record of human rights improvements and abuses. Each nation affirmed its committment to endure such examination and potential criticism by other Helsinki accord nations. The lengthy periodic review meetings provide a forum for these encouters. It has evolved over these 10 years that the meetings have offered a way in which to draw attention to the myriad abuses of human rights perpetrated by the Soviets and the Eastern bloc countries.

However, it cannot be said that there are fewer violations of human rights throughout the world or among signatory nations today than there were 10 years ago. Among the worst offenders is the Soviet Union. "The Eighteenth Semiannual Report on the Implementation of The Helsinki Final Act" states, unequivocally:

> The Soviet Union has continued to violate both the letter and spirit of principles guiding relations between states as set forth in the Helsinki Final Act.

Notable is their use of chemical weapons against the freedom fighters of occupied Afghanistan.

The Soviets flagrantly abuse the rights of their own citizens as well. Incarceration in mental hospitals or prison has befallen religious and peace activists and those working for the achievement of greater political and cultural rights. The Soviets have continued their widespread campaign to eliminate all religious observances. The Sakharovs remain in internal exile in Gorky. The mistreatment of dissidents of all types goes on.

Further, in a now well publicized and most distressing development, the number of individuals currently allowed to emigrate from the Soviet Union is at its lowest level in years. Only 327 Jews were allowed to leave the U.S.S.R. between October 1, 1984 and February 28, 1985. Anti-Semitic propaganda abounds. There are reports that at no time since the reign of Stalin have there been more acts of official discrimination and repression directed against Soviet Jews. I have spoken to this body before about the plight of a refusenik whom I have adopted. His name is Yuli Kasharovsky and he has been attempting to emigrate from the Soviet Union since 1971. He has been denied work, placed under house arrest, imprisoned on trumped-up charges and even led away from his home in chains. His is not an isolated case, Mr. President. It is but one example of a widespread pattern of human rights abuses.

Violations have taken place in other countries as well. The Rumanian regime's performance in observing basic human rights continues to deteriorate. Their citizens are denied the rights of free speech and free assembly. Those wishing to emigrate are often demoted or they may lose their jobs altogether. Bulgarian violations of rights are at an all-time high. It is reported that:

> Bulgarian officials have not prevented security forces from committing the reported, detention and murder of the ethnic Turkish minority during the government's campaign to assimilate these people by forcing them to change from Turkish names to Bulgarian names.

I could go on. The picture which I have outlined is bleak. However, it is not intended to discourage. We must not abandon our responsibility to work for improvements whenever we have the opportunity to do so. The "Helsinki process" aids us by creating a climate which allows us to remain cognizant of those abuses which occur. We must remain aware. Further, we must redouble our efforts to eliminate the mistreatment of individuals and groups throughout the world. The Helsinki Final Act is a document of hope. It is with the hope that we may someday live in a world in which nations abide by the principles enshrined in The Final Act that we celebrate the 10th anniversary of its signing.

Mr. DECONCINI. Mr. President, this morning a number of Members of the Senate—those who are and others who are not members of the Helsinki Commission—had statements for the RECORD.

Mr. President, I am pleased to participate in the commemoration of the 10th anniversary of the Final Act of the Conference on Security and Cooperation in Europe. On August 1, 1975, heads of governments from the United States, Canada, the Soviet Union, and 32 European nations signed this international document, better known as the Helsinki accords. Nearly every aspect of East-West relations, including military security, trade and economic cooperation, and humanitarian rights are addressed in the Helsinki accords. In the last 10 years, periodic conferences and subordinate meetings have been held to review the implementation of the Helsinki provisions and to discuss new measures to strengthen cooperation and security between the signatory nations. Although each provision of this comprehensive document is of equal importance in the pursuit of peaceful relations, I would like to focus upon the basic human rights standards—the universal principles of freedom of thought, conscience, and belief—which are rooted in the hearts of humanity.

In agreeing to the Helsinki accords, the signatory nations have acknowledged their adherence to principles of freedom, not necessarily to the sophisticated modes of parliamentary democracy, but to the basic rights of citizens to emigrate, to be reunited with their families, and to enjoy at least minimal respect by their government of their individuality and personal worth. Unfortunately, blatant abuse of these fundamental rights is evident in many signatory countries, particularly in the Soviet Union. It is a well-known fact that Soviet authorities have consistently violated the basic human rights of that nation's citizens. Men and woman are restricted, deprived, and often imprisoned merely because of their religious or political beliefs.

The arrest and exile of Andrei Sakharov, a renowned Soviet dissident scientist and advocate of individual rights, is just one example of the atrocities carried out by Soviet officials. Sakharov has dedicated many years of his life to the welfare of all mankind. He is the founder of the "Committee for Human Rights," which stresses the vital need for fair trials, a free press, and freedom for political prisoners within his own country. His ideals formed the basis of the human rights section of the Helsinki accords, and he is the first Russian to ever win the Nobel Peace Prize. His accomplishments are numerous and worthy of praise. Any yet, these very achievements are discredited by his own government.

Sakharov has been classifed as a "renegade" who has sold out to the West. His "subversive activities" have cost him the renouncement of several state titles and awards. Because of his condemnation of the invasion of Afghanistan by the Soviet Union, he is being held hostage in the city of Gorky which is isolated from the outside world.

The punishment of a man with such a brilliant scientific career and with such a deep compassion for the suffering of others is beyond comprehension. More importantly, Sakharov's endurance of continual harassment and pain is to be admired by all of us. His sustaining hope for social justice represents the human enterprise that exists outside the totalitarian Soviet system.

Anatoly Shcharansky represents the plight of Soviet Jews wishing to live as Jews. As he became actively involved in the human rights movement in his country, as he became increasingly aware of the injustices prevalent in Soviet society, and as he became more outspoken about the inequitable treatment many of his fellow citizens endure, Soviet authorities responded with severe pressure—eventually leading to his arrest on March 15, 1977. Shcharansky was charged with treason, was unlawfully tried, and was ultimately sentenced to 13 years in prison. His crime was that he issued reports about his government's abuse of the human rights provisions of the Helsinki accords. Shcharansky's tragic fate is not unique. Many Soviet citizens who became Helsinki monitors are incarcerated in prisons, labor camps, and psychiatric hospitals, or are serving terms of exile.

The plight of the Sakharovs and the Shcharanskys is a significant one. Their strong determination, trememdous courage, and undying sustaining power must never go unnoticed. Their message to the world is clear. We must never lose sight of what we believe in, and we must never cease striving toward the fundamental rights of freedom of religion, thought, and conscience to which every human being is entitled. Perhaps we will never reach these worthy ideals for all mankind, but that should not stop us from trying.

On the 10th anniversary of the signing of the Helsinki accords, let's take this opportunity to reaffirm our commitment to human rights and the common values which unite us with our NATO allies. The defense of democratic ideals and the protection of individual freedoms are how we, as a society, will be judged by history and future generations.

Mr. PELL. Mr. President, 10 years ago, on August 1, 1975 the leaders of 33 European nations, the United States and Canada signed the Final Act of the Conference on Security and Cooperation in Europe [CESE]. After 2 years of intensive negotiations, the signing ceremony represented a breakthrough in international diplomatic relations. While the Final Act encompasses nearly every aspect of East-West relations, for the first time, human rights were accorded the status of a fundamental element of those relations. The 35 participating states recognized that respect for human rights is as important a factor in state-to-state relations as respect for national borders or refraining from the use of force.

Significantly, the Helsinki Final Act also called upon the signatories to promote exchanges and contacts in the cultural, educational and scientific fields as a means of achieving greater mutual understanding among people. Such humanitarian cooperation among the people of the 35 nations, it was believed, should lead to a lessening of tensions among the governments of those nations and, eventually, to the establishment of genuine peace.

As a founding member and original cochairman of the U.S. Commission on Security and Cooperation in Europe, I have witnessed the hard realities of implementing the provisions of the Helsinki Final Act. Despite pledges to respect human rights and facilitate the freer movement of people, information and ideas, the Soviet Union imprisons human rights activists, denies Jews and others the right to join their relatives abroad, jams Western radio broadcasts and severely restricts the exercise of religious rights. Unfortunately, many of the Warsaw Pact nations, especially Czechoslovakia and Romania, have followed the Soviet example of repression.

Yet, there have been positive developments in the last 10 years as well as accomplishments that are too often forgotten in light of the overwhelming amount of work yet to be achieved. The Helsinki Final Act was the impetus for theater seminars, academic exchange agreements, writers' conference, legal statutes to ease travel restrictions and joint scientific research projects—all of which have borne positive results for both East and West. These improvements in private and official contracts are evidence that the Eastern governments are aware of their commitments to some provisions of the Final Act.

Mr. President, we must strive to ensure that other commitments—especially the human rights pledges—are met with no less vigor and determination. One method to achieve this is to ensure that the discussion of further exchanges among artists, businessmen, writers, journalists and politicians be linked to considerations of the State's recognition of the individual's right to exercise fundamental rights: To practice his religion, to live in the country of his choice, to work in his field or to travel. Only by constantly reminding the Eastern governments of their obligation to respect human rights as we engage in cooperative endeavors will we create the kind of leverage that will ultimately ensure successful exchange programs—those which incorporate balance, reciprocity and dignity among all citizens' contacts, East and West. In short, the Helsinki Final Act set a standard of governmental conduct that must apply to all human interaction.

Ours is not an easy task. The drafters of the Final Act recognized that achievement of the goals embodied in that historic document would be slow and gradual. Yet we should not be deterred by temporary setbacks. A firm and uncompromising commitment to the value of human rights will eventually produce the results of a more humane and just world.

Mr. HEINZ. Mr. President, August 1, 1985 marks the 10th anniversary of the signing of the Helsinki Final Act.

This document provides a framework to work to resolve the humanitarian, economic, political, and military differences that divide Europe. It stresses that improvement in each of these areas is equally important to strengthening security and cooperation.

The Western signers of the Final Act, to preserve and reinforce the principles of the accord, have instituted a thorough review of the situation in Europe in order to determine whether these principles are being observed. There have been some positive results in the area of human rights in Eastern Europe, as well as in economic cooperation between East and West. However, the overall performance of the Warsaw Pact nations, including the Soviet Union, has remained seriously flawed. The Soviet Union, above all other states, continues to violate this agreement, particularly principle seven, which calls for "respect for human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief."

Proponents of greater cultural and political freedoms have been targeted by Soviet officials and treated in ways that are clearly in violation of the Helsinki Final Act. Andrei Sakharov and his wife Yelena Bonner remain under virtual house arrest at their place of exile in the closed city of Gorki. They are denied contact with friends and relatives. They have not received proper medical care which they require as an elderly couple.

One of the most blatant violations of the accord is the treatment of Dr. Yuri Orlov and the Moscow Helsinki Watch Group. The group, founded in 1976 by Dr. Orlov, was meant to monitor violations of the Helsinki Final Act from within the Soviet Union, but it has been persecuted so harshly that it no longer operates. Dr. Orlov embodies the plight of the group; the 60-year-old physicist was incarcerated in a hard labor camp for 7 years and is presently in internal exile in the remotest corner of Siberia. His health has been destroyed by the term in the labor camp—he suffers from chronic illnesses, including a serious kidney disease, and has lost all of his teeth. Other members of the group have been sentenced to psychiatric hospitals, prisons, labor camps, or internal exile. Three members are known to have died after years of mistreatment in Soviet labor camps. This is just one known and isolated case; any person or group who attempt to express themselves outside the framework of the Soviet system continues to run the risk of persecution and arrest.

Soviet performance in other areas of human rights has been equally deplorable. For example, the current regime continues to use internment in psychiatric hospitals as punishment for dissidents and free thinkers. Perfectly sane individuals are forcibly committed to such facilities, resulting in the deterioration of their mental and physical health, and sometimes in their death.

Thousands of citizens remain in the Soviet Union, despite their wish to join relatives abroad. The Soviet Government continues to deny its citizens, particularly Jews, exit permission from the country, claiming that the vast majority of those who wished to emigrate have already done so. Paradoxically, those who apply to leave and are forced to stay, face mental and physical harassment while they remain in the country.

The situation of religious believers also remains grim. For example, a harsh campaign was recently instituted against Hebrew teachers and Jewish cultural activists, resulting in more than a dozen arrests. Ukrainian dissidents and Eastern Rite Catholics have been subjected to mounting harassment. Baptists, Pentacostals, and Russian Orthodox activists are also subjected to suppression, persecution, and often arrest and imprisonment.

In the international arena, the Soviet war in Afghanistan is a direct violation of the principles of the accord governing noninterference in the affairs of other nations. Along the same lines, Soviet support for the Vietnamese occupation of Kampuchea also violates the same principles.

The Soviet Union signed and agreed to the principles of the Helsinki Final Act. Why then does it remain one of the chief violators of this accord? These continuing internal and international violations constitute an open affront to the constructive steps which the document seeks to promote.

As we observe the anniversary of this important and farsighted document, let us reaffirm our commitment to the principles by the Helsinki Final Act. With our strong support, we can improve human conditions and freedoms throughout the world.

Mr. **PRESSLER**. Mr. President, August 1 marks the 10th anniversary of the signing of the Helsinki accords. I would like to take a moment to reflect on what this agreement has meant to this country.

Before the United States and its allies agreed to participate in the European Security Conference, at which the Helsinki accords were adopted, we insisted on certain conditions and prerequisites. First, that the United States and Canada had to be participants in the European negotiations. Second, the Soviet Union and Poland were required to sign treaties normalizing relations with West Germany. Third, a bilateral agreement was signed normalizing relations between West Germany and East Germany. Fourth, negotiations on mutual force reductions in Central Europe were initiated. Finally, the Soviets agreed that the conference should recognize the independence, territorial integrity, and right to self-determination of every European country. Most U.S. objectives were thus achieved prior to the security conference.

Under the declaration of principles of the Helsinki Final Acts, each side agreed to respect the sovereignty of each others borders, including the right to change frontiers by peaceful means. The territorial aspects remain central to the accords, although in recent years more emphasis has been placed on the human rights provisions.

The human rights provisions have provided the West with legitimate international means to press the Soviets and East European governments on their failure to comply with conditions pertaining to the free flow of information and people across borders. We must continue to stress the Soviet and East bloc failures in this area.

Importantly, while relations between the United States and the Soviet Union remain clouded, the Helsinki accords do provide a basis for a continuing dialogue between the East and the West. In addition, the accords have helped the governments of Eastern Europe loosen their diplomatic dependence on the Soviet Union. Bilateral and multilateral relations with the West have improved as the East Europeans have struggled to gain maneuvering room from the Soviets. The neutral countries and nonaligned Yugoslavia, threatened with obscurity between the two blocs, have found a new role for themselves through the Helsinki process.

Mr. President, let us hope that our observance of the 10th anniversary of the signing of the Helsinki accords will further promote the continuous process of change within the Eastern bloc. Steady pressure from the West and world opinion may eventually ease more barriers between East and West. The Helsinki process remains one avenue for the pursuit of such changes.

Mr. **GRASSLEY**. Mr. President, I rise today to speak regarding the upcoming 10th anniversary of the signing of the Helsinki accords. Mr. President 35 nations have gathered in Helsinki to recognize this agreement which was designed, at least by the west, with the purpose of improving Soviet human rights compliance.

Two questions must be addressed by all governments attending this ceremony:

First, whether there has indeed been any improvement in the Soviet Government's behavior in regard to the way they treat their citizens and

Second, if the answer is no, whether the Helsinki process is worth continuing.

Clearly on its face the answer to the first question is no. Conditions are worse for Soviet Jews and other religious minorities now than they have been in years.

I believe the answer to the second question, at least for the moment is yes.

Two years ago the junior Senator from Arizona and I formed the Interparliamentary Group for Human Rights [IPG]—a group dedicated to improving Soviet compliance with the Helsinki accords. That group has grown to include over 700 parliamentarians in 15 countries. I ask unanimous consent that the attached IPG report on the recent Ottawa human rights experts meeting be printed in the RECORD in full.

In order for Helsinki to be determined to be a viable process we must demonstrate to the Soviets, united Western resolve on the importance of human rights. The IPG will work diligently from now until the 1986 Vienna review conference to that end. IPG activity will center around parliamentary meetings, communications programs, and parliamentary visits to the U.S.S.R. We are dedicated to raising the consciousness of the world community regarding Soviet human rights abuses and it is incumbent upon all of us to try to constructively improve the Helsinki prior to disavowing the process. Throwing the baby out with the bath water will not improve the lot of Soviet Christians and Jews whose only desire is to believe and live as they wish.

Let us redouble our efforts over the next year and a half to increase Soviet compliance with the Helsinki by constantly focusing the spotlight on the accords.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

IPG REPORT CONCERNING OTTAWA HUMAN RIGHTS EXPERTS MEETING

The Ottawa human rights experts meeting concluded on June 17, 1985. This report will summarize the Ottawa proceedings, analyze the results of the Ottawa meeting with reference to the Helsinki process and Soviet human rights performance, and will offer conclusions and recommendations as to IPG intiatives to strengthen the Helsinki process and to prepare for future human rights experts meetings.

The Ottawa experts meeting was called for in the Concluding Document of the Conference on Security and Cooperation in Europe (CSCE) Madrid Review Conference (September 9, 1983). The experts discussed questions concerning respect for human rights and fundamental freedoms, as embodied in the Helsinki Final Act, by the 35 Helsinki signatory nations (Canada, the United States, the Soviet Union, and all of Eastern and Western Europe, with the exception of Albania). The mandate of the Madrid meeting called for a concluding document and recommendations to the participating States.

SUMMARY OF OTTAWA PROCEEDINGS

The Ottawa meeting opened on May 7, 1985. Prior to the formal opening, a two-week preparatory meeting was held to establish the agenda and procedures for the experts meeting. There was considerable disagreement among the participating States as to the agenda and procedures, particularly in two areas: (1) whether portions of the meeting would be open to the press and public; and (2) the amount of time given to discussion at each plenary session. The compromise reached established the following agenda and procedures:

(1) The Ottawa meeting would have two sessions open to the press and public, the welcoming remarks by Canadian Foreign Minister Joe Clark on May 7 and the closing statement made by delegations on June 17.

(2) The first three weeks of the Ottawa meeting (May 7-28) would be devoted to opening statements and a review of implementation by the participating States of their performance on questions of human rights and fundamental freedoms.

(3) Three weeks (May 28-June 14) would be devoted to a discussion of proposals for recommendations and the drafting of a concluding document which would contain the experts' recommendations.

During the review of implementation phase, a thorough discussion of the participating States' human rights performance was undertaken. Many Western and neutral delegations strongly criticized the U.S.S.R.'s performance in the areas of religous freedom, the repression of Soviet Helsinki monitoring groups, the free movement of peoples and information, the abuse of psychiatry for political purposes, officially sanctioned anti-religous propaganda, the treatment of prisoners, and the reduction in the emigration of Soviet Jews and ethnic Germans.

The participating States could not agree on either recommendations or a concluding document for the meeting. Proposals for recommendations and a concluding document were offered by 17 Western nations acting as a group, by 7 Eastern nations (including the Soviet Union) on behalf of the Warsaw Pact, and by the neutral/nonaligned (NNA) nations.

The Western proposals contained numerous recommendations for improving human rights performance.[1] For example, the Western nations proposed: (1) a re-publication by all States of the Helsinki Final Act and the Madrid Concluding Document, as well as other relevant international agreements on human rights; (2) guaranteeing the right of persons to give and receive religious instruction; (3) guaranteeing religious believers the freedom to establish contact with co-religionists abroad; (4) guaranteeing the right to produce, acquire and make full use of materials necessary to the practice of religion or belief; (5) respecting the rights of national minorities and safeguarding national and cultural identity; (6) protecting individuals from psychiatric abuse; (7) allowing foreign observers at legal proceedings; (8) responding to inquiries about human rights performance from governments, private individuals or groups, etc.

The Warsaw pact proposals repeated familiar Soviet positions on human rights. The proposals referred to peace as the fundamental human right, and called on the States to focus on racism, unemployment, homelessness, the right to work, etc. These proposals, which concentrated on issues outside the CSCE framework and did not address Soviet and East European performance under the Final Act, were rejected by the Western and NNA delegations.

The NNA proposal attempted to reach a compromise between East and West which would result in a concluding document at Ottawa. The NNA proposal recommended that the participating States consider, at the Vienna Review Conference, the possibility of holding further human rights experts meetings. This proposal, was rejected by the Soviet Union, with the result that no concluding document or recommendations could be agreed to at Ottawa, and therefore, the Madrid mandate was not achieved.

During the closing remarks, the frustration felt by many Western and neutral delegations surfaced. The failure to agree on a concluding document was properly ascribed by many delegations to the obstructive attitude of the Soviet delegation. Further, some delegations suggested the lack of progress at Ottawa might have an impact on other CSCE meetings. The Swiss delegation, in its remarks, said that it would be difficult to develop and make concrete a concluding document at the Stockholm Conference on Disarmament in Europe when a similar document on human rights and fundamental freedoms did not exist as an outcome of the Ottawa meeting.

RESULTS OF THE OTTAWA MEETING

The Ottawa meeting had both positive and negative results with regard to the Helsinki process and Soviet human rights performance. First, there was a frank and thorough discussion of Soviet human rights performance. Many Western and neutral delegations made reference to specific instances of Soviet noncompliance with the Final Act. This review contributed to the further strengthening of the Helsinki process as the only viable international forum for a candid discussion of Soviet performance.

Second, most of the IPG proposals submitted to the participating States were incorporated into the Western proposals made at Ottawa. As such, IPG was able to establish its credibility as a serious player in the Helsinki process; no other non-governmental organization (ngo) submitted proposals to improve the participating States' compliance. Further, the fact that 17 Western nations agreed to a framework for human rights in the Helsinki process represented a major achievement in the promotion of Western unity to support human rights concerns. It is unclear, however, as to whether the Western framework (i.e. OME.47) truly represents ongoing Western policy for future CSCE meetings.

Third, the Ottawa meeting was the first in the history of the Helsinki process to fail to reach agreement on a concluding document and recommendations. This result did create an imbalance, in terms of progress, between the major areas of the Final Act which may have peaceful settlement of disputes. As such, the Ottawa meeting failed to achieve the mandate contained in the Madrid Concluding Document, i.e. to submit recommendations and a concluding document, and thus was not fully successful. The IPG staff believes this represents a significant failure of the Ottawa meeting.

Fourth, the Ottawa meeting did not attract sufficient press and media attention in the Western and neutral countries. As Leonard Sussman, Executive Director of Freedom House (a U.S.-based human rights organization) observed, "the most important aspect of the Helsinki process is its public nature . . . To the extent that the press does not convey this information, people everywhere, including the mass media themselves, suffer." The lack of coverage at

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[1] This document, known as OME.47, is available on request from the IPG office.

Ottawa partially mitigated the achievement regarding a thorough review of Soviet performance, in that world public opinion was not fully informed of the Soviet record.[2]

Finally, the arrangements made by the Canadian Secretariat to allow access by representatives of ngos and other prominent individuals were unsatisfactory. In order to have access to the conference facilities, these individuals had to be accompanied at all times by a conference delegate. By comparison, the access given to the Madrid Conference was far less restrictive, although security was quite strict. This result may have an adverse impact at future human rights experts meetings, in that the participating States may choose to observe the Ottawa model in granting access to ngos and other individuals. Therefore, efforts should be made by the Western and neutral signatories to assure that these unsatisfactory procedures do not become a precedent in the ongoing Helsinki process.

CONCLUSIONS AND RECOMMENDATIONS

As has been noted, the Ottawa meeting produced mixed results in terms of progress within the Helsinki process on the question of improving Soviet human rights performance. From IPG's participation at Ottawa, I believe there are initiatives which can be undertaken to strengthen the Helsinki process as a vehicle for the expression of IPG interests and concerns.

First, it is essential that IPG continue to build public support for the Helsinki process and to increase awareness of Soviet performance. To this end, parliamentary hearings on the Helsinki process should be undertaken as soon as possible. Attached is a letter from several IPG members who were present in Ottawa, asking the heads of parliaments in Western and neutral nations to convene such hearings. It is the hope of IPG that a series of these hearings could be held before the Vienna Review Conference in November 1986.

Second, IPG members should make every effort to inform the press and media about future Helsinki human rights meetings and our concerns about Soviet performance. We recommend that IPG members consider placing articles in their major newspapers, particularly before the Budapest Cultural Forum (October 1985) and the Berne Human Contracts Meeting (April 1986). Further, we believe IPG members should hold meetings with the editorial boards of major newspapers to acquaint them with the Helsinki process and to encourage wider coverage of future human rights meetings.

Third, IPG members should meet with their country's delegation to the Ottawa meeting as soon as possible. It is important that we be fully apprised of the results at Ottawa, and that we convey our ongoing interest in the Helsinki process. The assessment by our country's delegation to Ottawa will be useful in determining the direction of our activities, and will further strengthen relations with our government's policymakers.

Fourth, there should be a regular exchange of ideas and suggestions with relevant executive agencies. For this purpose, meetings with government officials and the use of question time or similar parliamentary vehicles will keep Soviet human rights performance on your government's agenda for bilateral, multilateral and CSCE relations with the U.S.S.R. These activities will also demonstrate to our governments that parliamentarians should be more visible and active participants in the Helsinki process, because we have a serious and thoughtful viewpoint that governments must consider. One goal of IPG which should be pursued is to have parliamentarians represented in every country's delegation to future Helsinki meetings; the interaction with governments can contribute significantly to achieving this goal. This action is especially important for the Vienna Review Conference, scheduled to begin in November 1986.

In conclusion, we believe that the outcome of the Ottawa meeting presents a challenge to our organization. Although the results of Ottawa did not fully meet our expectations, the value of the Helsinki process as a forum to hold the U.S.S.R. accountable to world public opinion is unquestionable. IPG's approach to the Helsinki process should be characterized, in our view, by healthy scepticism but not cynicism, by a long-term approach to improving Soviet performance, and by a renewed commitment to making the process serve our common goal, the strengthening of Western and neutral unity in support of human rights in the Soviet Union.

[EDITOR'S NOTE.—The views expressed in this report do not necessarily reflect the views of all IPG members.]

ATTACHMENT

May 10, 1985.

We urge you to hold public hearings in your parliament to assess the contribution of the Helsinki Final Act to the improvement of human rights in the Soviet Union.

We believe that such hearings will call public attention to the Helsinki human rights standards. We are convinced that there should be a frank evaluation of the human rights performance of all Helsinki signatory nations.

Through this action, we can realistically assess the contribution of the Helsinki process to concrete progress in the human rights field.

We ask that such hearings be held after the conclusion of the Ottawa Human Rights Experts Meeting of the Conference on Security and Cooperation in Europe (CSCE) on June 17, 1985, and before the 10th anniversary of the Helsinki Accords on August 1, 1985.

We thank you for your attention to these matters and look forward to hearing from you.

Sincerely,

Senator Dennis DeConcini, United States.

Senator Charles Grassley, United States.

Representative John Edward Porter, United States.

Representative Tom Lantos, United States.

Etienne Pinte, Member of National Assembly, France.

Dr. Josef Hochtl, Member of Parliament, Austria.

Reg Stackhouse, Member of Parliament, Canada.

Mr. BOREN. Mr. President, today we recognize the 10th anniversary of the signing of the Helsinki accords. I join many of my colleagues in acknowledging this day, and in calling for a renewed commitment on the part of the United States and all signatory nations to observance of the spirit and letter of the accords.

The Helsinki Final Act was the product of long discussions among many nations. Ten years later, the document is still viewed as a benchmark set of guidelines for international relations and individual rights. Although the accords deal with many principles of global relations, the provisions regarding human rights have a particular significance to many of us.

This is a time when we are acutely aware of the many groups of people and individuals around the world—from Afghanistan to South Africa to the Soviet Union—who are being deprived of their basic rights as citizens of our world. Many of us in the Senate have been involved in working on behalf of these neighbors in every way we can. Often we call for compliance with the terms of the Helsinki agreement. We are all very aware of claims and counterclaims about the true significance of the accords. However, there are certain elements of the accords which cannot be disputed. Among these is the explicit agreement of all parties to the accords to respect the rights of every individual. Yet in the countries which I have mentioned, and in many other countries in all corners of the world, governments continue to ignore and abridge the rights of their citizens.

As we recall the importance of the Helsinki accords, Mr. President, let us remind ourselves and all governments of the world of the tremendous responsibilities which we have—responsibilities which include working for the good of the citizens of the countries which we serve. I will not outline here individual cases of human rights abuse, nor will I denounce specific actions of specific governments. Instead, I call upon the Government of the United States and the governments of all nations to reveiw the Helsinki accords this week, and then to review their own policies and actions. And, Mr. President, I challenge our own Government and governments around the world to respond by making whatever changes may be necessary in national policy to bring their country into complete compliance with the terms of the Helsinki accords.

The power and potential of government is great. Governments have the ability to solve problems and provide for the well-being of their peoples. Governments also have the ability to repress and stifle the creative and intellectual powers of their peoples. Mr. President, I believe that the Helsinki accords are a mighty attempt to encourage responsibility among the governments of the world. By exercising that responsibility wisely, governments and individuals within nations can move together toward meeting the tremendous human needs which are present and toward addressing our common problems and goals.

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[2] An exception to the lack of coverage was the attention given to the meeting by Christopher Wren of the NEW YORK TIMES and by Voice of America and Radio Free Europe/Radio Liberty.

May this 10th anniversary of the Helsinki accords truly be a time of rededication to the principle of respect for the human rights of all individuals.

Mr. LAUTENBERG. Mr. President, I rise to join my colleagues in this special order to commemorate the 10th anniversary of the signing of the Helsinki accords on August 1, 1985.

Ten years ago when 35 nations signed the Final Act of Security and Cooperation in Europe, widely known as the Helsinki accords, many hoped that a new era in human rights had dawned. The signatory nations committed themselves to sweeping human rights guarantees including the freedom of thought, conscience, religion or belief. Every Helsinki nation agreed to abide by the Universal Declaration of Human Rights, which declares that everyone has the right to leave any country including their own. Signatory States also agreed to guarantee the right of individuals to monitor compliance with the Helsinki accords.

But history judges nations not by the promises they make, but by the promises they keep. A decade later, many of the promises made at Helsinki remain unfulfilled. Unfortunately, it is the signatory nations whose citizens are most in need of the Helsinki accords protections whose governments have failed to honor these commitments. The Soviet Union's treatment of its Jewish citizens is a glaring example of this sad fact.

Despite signing the Helsinki guarantee that every citizen has the right to leave any country, including their own, the Soviet Union has permitted only a small fraction of its Jewish population to emigrate. Although in 1979, a record 51,000 Jews were permitted to leave the Soviet Union, in 1984, only 896 Soviet Jews were granted permission to emigrate. That number is a small portion of the 400,000 who are estimated to have applied to emigrate, and of the 20,000 repeatedly refused permission to leave.

Soviet Jews, unable to emigrate and forced to remain in the Soviet Union against their will, face a dismal fate. Often they lose their jobs and face increased persecution simply as a result of applying to emigrate. Even Soviet Jews who have never expressed a desire to leave their country are denied the most basic rights to which the Soviet Union explicitly committed itself a decade ago. Jews are forbidden to attend religious services, learn Hebrew, or instruct their children in the fundamentals of their faith. Government-sponsored harrassment, persecution, arrests and imprisonment of Soviet Jews solely because of their cultural and religious beliefs have increased dramatically in recent years. Such treatment violates both the spirit and the letter of the Helsinki accords.

The Soviet Union has not only failed to honor the basic human rights commitments set forth in the Helsinki accords; it has relentlessly persecuted those men and women who acted on their right to monitor their governments record of compliance. The Helsinki Watch Group in Moscow has been decimated and no longer can fulfill its appointed task; 51 members of that group or its affiliates are in prison, labor camps, psychiatric hospitals, or in exile; 3 of the group's members have died after years of harsh treatment in Soviet labor camps; 20 others have been released after serving sentences.

The Soviet treatment of Jews and other minorities is but a painful reminder of how far we still must go to make the promises of the Helsinki accords a reality. The United States must continue to use its influence to obtain the compliance of signatory States with the commitments undertaken in the Helsinki accords. We must actively seek improvements in the lives of those who are denied the freedoms set forth in the accords. For this reason, I have joined 38 of my colleagues in sending a letter to General Secretary Gorbachev urging him to make good on the promises of Helsinki and ease the repression of Soviet Jews.

The Helsinki accords are a beacon of hope for oppressed people the world over. Each follow-up Helsinki conference convened to monitor compliance with the Helsinki accords provides another forum in which to train the international spotlight on human rights abuses. The existence of the accords provides a legitimate basis for Americans to raise human rights issues with signatory countries.

The Helsinki accords provide a measuring stick to see how far we have come and how far we still must go to achieve full observance of the promises made in Finland 10 years ago. They are of concrete and enduring value; 10 years from now, I hope to be proud of the record of this country's record in seeking to make their promises a reality.

Mr. D'AMATO. Mr. President, I want to thank Senators WALLOP, HUMPHREY and others for making statements on behalf of the 10th anniversary of the signing of the Helsinki Final Act. I also want to thank the distinguished majority leader for allowing us time to put forth this forum on human rights.

Our colleagues in the House are also joining our vigilant efforts to commemorate the anniversary of the Helsinki human rights movement, but today's congressional statements on the Helsinki Final Act are more than commemoration. We are strongly affirming our support for a process that needs to be reaffirmed—and adhered to better by the Soviets and their satellites.

Soon, Secretary of State Shultz and his counterpart from the Soviet Union will meet in Helsinki. I am hopeful that their talks will be successful. We must use the occasion of the 10th anniversary of the accords as the conduit for increased observance by the signatories of the principles embodied in the Helsinki Final Act.

RECOGNITION OF SENATOR BAUCUS

The **PRESIDING OFFICER.** The Senator from Montana is recognized for not to exceed 15 minutes.

THE TRADE DEFICIT

Mr. BAUCUS. Mr. President, an historian has observed that "the real crises are often concealed in occurrences so trivial in appearance that they pass unobserved."

On March 21 of this year, there was such an occurrence. It seemed trivial at the time but profound in retrospect.

That morning, the Commerce Department announced that consumer spending remained strong, but was being satisfied by imports rather than domestic products.

We were inhaling goods from around the world. But American industry was sputtering to a halt.

As a result, the first quarter GNP estimate was slashed in half, to barely 2 percent.

The trade deficit was no longer an abstract problem. It was stopping the American economy dead in its tracks.

The trade problem had become a trade crisis.

THE JANUARY-JUNE STATISTICS

Now, even more startling evidence has arrived. About an hour ago, the biannual trade statistics were released.

They show that the downward spiral is accelerating.

During the first half of 1985, exports rose just slightly—by 2 percent. But imports jumped dramatically—by 8 percent. and our overall trade deficit deepened to $70 billion for just 6 months.

To put it another way, for every dollar worth of U.S. goods going out, a $1.50 worth of foreign goods were coming in.

THE IMPACT

Mr. President, these trade deficit figures are not just more abstract statistics for economists to debate about.

They represent a serious threat to America's economic health.

First of all, the trade deficit represents a lost foothold in export markets. We won't recover that foothold easily. Our competitors will step in.

Second, it represents the loss of key industries and millions of jobs: In Butte, MT, where the mines all are closed; in Silicon valley, where U.S. companies are losing their market

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share and laying workers off, and in every farming State, where the most efficient farmers in the world have seen agricultural exports shrivel.

These are not isolated examples. The story is the same in every State, whether companies are losing export sales abroad or drowning in the flood of imports here at home.

Our constituents are not taking this lightly. They are frustrated. And they are angry.

They were perfectly good employees, working hard, minding their own business. Suddenly, they do not have jobs.

THE RAZOR'S EDGE

As a result, Congress is under increasing political pressure, to do something.

And we are walking the razor's edge.

On one side is this administration's trade policy—it is a do nothing policy. So far as I can tell, this is a simple-minded recitation of antiquated lasseiz-faire economics.

Mr. President, figures do not lie.

If our huge trade deficit tells us anything, it tells us that the administration's do nothing policy has failed, and failed dismally.

We cannot sustain this policy, either economically or politically.

But the other side of the razor's edge is just as dangerous.

That other side is stark protectionism. Build a wall around America. Stop the imports.

Sounds simple. But, as H.L. Mencken used to say, "for every problem there's a simple solution. And it's usually wrong."

Ultimately, protectionism will shrink the world economy and leave everyone worse off, just as it did in the 1930's, when the Senate amended the Smoot-Hawley bill 1,253 times and plunged the world deeper into depression.

So, what is the alternative? How do we balance along the razor's edge?

Let me describe a policy framework.

THE DOLLAR

First of all, we have to reduce the value of the dollar.

Over the past few weeks, the dollar has fallen somewhat. But it still constitutes a 35-percent surtax on U.S. exports and a 35-percent subsidy for U.S. imports.

How can we compete in the international arena with that kind of surtax on our exports and an equal subsidy provided for imports?

We have to help bring that dollar down further.

As a first step, obviously we must reduce the budget deficit—if not exactly along the lines proposed by the Senate budget conferees, then in some agreement resulting in about a $65 billion reduction in the fiscal year 1986 deficit.

Mr. President, it is regrettable that the President seems not to want to help Congress reduce the deficit. He is both standing on the sidelines and opposing all compromise. If he remains on the sidelines, the solutions will be much more severe in the future than they would be today.

Reducing the deficit requires sacrifice, frankly, it requires the efforts of the President, the Speaker, and this body to no longer be prisoners of their past rhetoric, to swallow a little bit of pride, to be statesmen, and to compromise a little. We must all work together to do what we should do: get that budget deficit down.

But even that will not be enough, Mr. President. We will still have to establish some mechanism for coordinating international monetary policy to help force the dollar down gradually. This is tricky. It is hard to do.

But there are 123,000 people working in the Treasury Department. It seems to me that someone down there should be able to come up with a better proposal than the half-hearted G-10 report that was released a few weeks ago.

And if they don't come up with something, we will direct action, along the lines proposed in section 103 of Senator BENTSEN's "Trade Emergency Act."

UNFAIR FOREIGN TRADE PRACTICES

Mr. President, we also must respond more aggressively to unfair foreign trade practices.

For years, America has been trying to set free trade by example.

But other countries have not followed our example. Instead, they have practiced a kind of "new mercantilism," protecting their own markets and subsidizing the invasion of ours.

For example, Canada subsidizes the production of softwood lumber by selling cutting rights dirt cheap, driving perfectly efficient U.S. timbermen out of their own market.

A similar fate has befallen other key U.S. industries.

Enough is enough.

It's time to follow the advice of Thomas Jefferson, who said that "free commerce is not to be given in exchange for restrictions and vexations."

We have given our trading partners free trade.

They have responded with restrictions and vexations.

It's time to get tough.

Not by erecting massive import barriers.

But simply by tightening up our trade laws to cover mercantilistic practices like industrial targeting and natural resource subsidies.

And we should drive tougher bargains to increase market access for U.S. products.

To accomplish this, we should change our approach.

We should abandon the endless rounds of fruitless legalisms, and simply set a reasonable U.S. export target.

If that target's not met, we should retaliate.

This kind of results-oriented approach is especially appropriate in our negotiations with Japan.

It would be a mistake to blame Japan for the whole trade crisis.

But it would also be a mistake to overlook the fact that there is a problem.

Japan has benefited from the open postwar trading system more than any other country.

But Japan continues to stubbornly protect its domestic market.

Sometimes, it's to protect inefficient but politically powerful groups like the beef producers or sawmill operators.

Others times, it's to incubate "sunrise" industries like telecommunications until they can compete on their own.

For years, we've been negotiating for reduction in Japan's protectionist barriers.

And for years, the Japanese have been engaging in an elaborate "Kabuki play."

Japanese negotiators drag their feet, haggling over every detail. Then they reluctantly relent, and lower a few trade barriers.

But new barriers replace old, and U.S. sales don't substantially increase.

Yesterday we saw another example of this.

The Japanese released another so-called market access package that's long on promises and short on results.

We should stop begging for more concessions and simply set a target for U.S. exports to Japan.

The Finance Committee has reported legislation, S. 1404, that moves in this direction.

When this bill comes to the Senate floor I plan to offer an amendment, along with Senator CHILES and Senator BOREN, that would improve the bill by replacing the trade balance target with a series of reasonable sales targets.

As amended, the bill will cut through all the negotiations about tariffs, quotas, standards, inspections, and distribution systems, so that we can focus on U.S. sales, plain and simple.

AMERICAN PRODUCTIVITY

Then it will be up to us.

In the end, we must produce our way out of the trade crisis.

Let's face it. In some respects, we've become complacent. We've assumed that America would remain the No. 1 economic power automatically.

But there's no such guarantee. We have to work hard to maintain our position.

Lately we've been falling behind.

Our competitors have been increasing their productivity faster than we have:

Germany twice as fast;

France five times as fast; and

Japan six times as fast.

Why has this happened? Why are we losing our edge?

Simple. Our competitors have adapted better to the hypercompetitive global economy.

Let me give one example.

For years, the Japanese Government has been translating U.S. scientific journals into Japanese and circulating them to Japanese businesses, so that they can keep up with U.S. research developments.

In contrast, we have virtually ignored the 10,000 Japanese scientific and technical journals, thinking that the Japanese were imitators, not innovators.

Whether or not that belief was justified once, it's not justified now. Japan is third in overall scientific research, and leads in many aspects of process technology.

We should be working just as hard to learn from the Japanese as they have been working to learn from us.

This is just one small example. We need to make many other changes.

We need tax policies that encourage savings and investment.

We need to improve the quality of "inputs" into our economy by improving public education and training.

And we need to improve our management and labor policies to encourage cooperation rather than confrontation, long-term planning rather than short-sighted financial gamesmanship.

CONCLUSION

Mr. President, none of these changes will come easily. But if we delay, the changes will be harder.

And, as I said before, we face a crisis. If we fail to act, things will get worse. But perhaps the crisis will galvanize us to act, to restore our competitiveness, we can do it and we must.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BAUCUS. I am happy to yield to my illustrious colleague from Louisiana.

Mr. LONG. Mr. President, I wish to compliment the Senator on a very logical and wise statement.

It would appear that the President and his advisers intend to take the attitude that a $200 billion deficit in our Federal budget and a deficit of $160 billion or more in our trade accounts are just nothing to be concerned about, that everything will take care of itself.

Recently, some members of the administration have taken to wearing the Adam Smith tie, a red tie with a little picture of Adam Smith woven into the tie.

If they are counting on Adam Smith economics to save them, they are just not reading Adam Smith and properly understanding what they are reading there.

The so-called laissez-faire theory that originated with Adam Smith does not just say that the Government should be in a vacuum. The theory is that the Government should set up its laws to assure complete free competition, and then let the competitors compete. But it was intended that the Government should oppose monopoly, that there should be no Government favorites and there should be a free market in which to compete.

When one has the kind of world that we are confronted with today, that situation simply does not exist.

I was talking just this morning to one of our able staff members, Mr. Mike Stern, well known to the distinguished Senator, and Mr. Stern was making the point that in visiting the People's Republic of China and shopping in the markets there, he was amazed to see that there seemed to be no rhyme or reason to the way they priced the products that they had. He could not understand why. The same article might be for sale in the market for several different prices, a variation of prices for the same identical product.

His thought was that apparently the Chinese have not placed a particular monetary value on their labor or the various components that go into the product, and so that their pricing appears to be completely arbitrary for a great number of their products.

The same thing is true in many respects when one deals with Communist countries. They just keep their books different than the way we do.

Mr. BAUCUS. That is true.

Mr. LONG. And they are privileged to price things how they want to price them.

So in trading with the Socialist and Communist countries we are not trading by the same rule book.

Mr. BAUCUS. That is correct.

Mr. LONG. We do not do business the same way. It is rather arbitrary, and you wonder how they arrive at their pricing.

Most countries in the free world do take an interest in the value of their currency.

We have heard for years that Japan by their arrangement with the Government-business alliance, which has been described as Japan, Inc., from time to time, has used the power of the Government to keep the value of their currency below its equivalent value in the United States. I do not challenge their sovereign right to engage in that type of conduct.

I am told that most countries actually do what they think best in their national interest to keep their currency about the level it should be compared to our dollar.

But by the same token, the United States should take an interest in what its dollar would trade for compared to the other currencies. If by valuing their currency far below ours, they are in effect dumping into our market, then that could be a matter of grave concern to our working people.

The rule of thumb that one uses for trade is that every $1 billion of trade deficit costs you about 25,000 jobs. Some say it will be more jobs than that. But in any event, to just take that one standard, with the deficit that is predicted and that we are running at this very moment, that would be around 4 million jobs. Four million jobs is a lot of jobs in this country.

I am told that among the young blacks in America, for example, about 40 percent of young blacks who are available to the job market are unemployed, and a very high percentage of young whites are unemployed in the job market.

Think how good it would have been in this country if we had three percentage points less of unemployment. With unemployment running over 7 percent, if you take 3 points off of it and get down around 4, that would be a blessing. We have not known for a very long time here in America.

Mr. BAUCUS. I think the Senator makes some excellent points. The members of the administration who are wearing Adam Smith ties forget that Adam Smith ewed and wrote in a different period of time. He propounded the theory of the invisible hand and of comparative advantage. Countries would produce goods in which they have a comparative advantage and other countries would buy them.

That assumed that countries would not protect industries or erect trade barriers. As the Senator so ably points out, that does not describe the real world.

During this century, countries have changed their economic policy. Today there are Socialist countries, Communist countries, and countries like Japan which, in some sense, is an open society, but in another sense is a very closed society. The Japanese Government and the people of Japan have worked together and developed an economic policy in which foreign trade is the main tool of development.

So the theory of comparative advantage is not working as envisioned because countries' governments are changing comparative advantage through subsidies or wage policies. They are ignoring comparative advantage by granting protection and by targeting. And we have to deal with the real world. As the Senator very ably points out, we have to be willing to fight fire with fire.

Mr. LONG. Well, the fact that the United States has an unemployment insurance program with a tax on manufacturers which is reflected in the price of the product, our cost of caring for the unemployed is a comparative advantage for the other country that does not have those costs.

Mr. BAUCUS. That is correct.

Mr. LONG. And the fact that we have a Medicare Program to provide health care for elderly people who are ill, who otherwise would die without adequate medical care, that also works out to be a comparative advantage for the country that does not bear those costs. The fact that we have a Social Security Program to prevent poverty, wretchedness, penury in old age—that again is a comparative advantage for countries who do not have those expenses.

The fact we have a minimum-wage law is a comparative advantage for those who can pay labor as little as they wish. The fact that we have collective bargaining laws that have made it possible for workers to join together and bargain collectively for better working conditions, that is a comparative advantage for the other country, not for us.

At some point, this U.S. Government needs to look and see to what extent we are willing to see our people suffer and penalized without jobs because of the comparative advantage that we have provided for other countries that lack our social protections. When we provided the minimum wage law, we did not have in mind relieving the American worker of his job. We had in mind assuring him of a better standard of living. However, the effects of this and other laws are matters that we should consider.

The big problem here is that something is going on that is bad for the country. It is somewhat like riding down the Niagara River. If you have no foresight, if you are not planning ahead and if you wait until you can see the falls, at that point, if you are in the middle of the river, it is just too late to do anything to save yourself. You should have been moving toward the shore or taking some steps to keep from going over the falls before you started finding yourself about to do so.

Mr. Paul Volcker put it about as well as anyone I know. He said that the enormous fiscal deficits the Nation runs, and I am sure he would say the same thing about the trade deficit—those are two very serious problems that must be addressed. He said that it is just a matter of time before something very bad will happen. Mr. Volcker says he cannot tell us when it will happen, but it will happen.

Mr. BAUCUS. And he also says unless we change our policies it is going to happen sooner rather than later. We do not know exactly when, but sooner rather than later.

Mr. LONG. I am sure that is correct. My thought about all of this is that we ought not to be fretting about when it is going to happen. I think we ought to decide to act right now.

Mr. BAUCUS. The Senator has always said that we do not want to wait to find out when disaster will strike, that we do not want to be here when it does.

Mr. LONG. I do not want to know how soon it will happen. I would rather not find out. We ought to start making moves right now to prevent it from happening.

I regret to say it is very unfortunate that the President seems to be completely unwilling to address the fact that we have a problem. It makes this Senator wonder: Does he think that this thing can drift along for another couple of years until someone else is President? Just why would the President think that we can afford just to take an ambivalent attitude toward these enormous deficits and toward what they are expected to cause, their logical result?

Obviously, the Senator has some ideas and I applaud him for the suggestions he has made. I do not know whether it would solve the problem or not, but I do know we ought to be moving in that direction. We ought to be doing things to correct the overvalued dollar.

Incidentally, that raises another problem. How can anyone contend the dollar is not overvalued? The traders in all the whole wide world know it is overvalued, and all the media know it is overvalued.

It might surprise the Senator to know the administration has a policy that they are not supposed to discuss anything in terms of an overvalued dollar. I was at a meeting with farm people on a commission appointed, I believe, by the President, and the representative from the Treasury Department was there to ask about these problems which obviously hurt the farmers, just like they hurt everybody else in the country. They were asking, "Why doesn't the administration do something about the overvalued dollar?" The representative from the Treasury Department explained something I could not understand prior to that time. He said in this administration and at the Treasury Department, they will not discuss anything in terms of an overvalued dollar. He said they were willing to discuss problems that related to a strong dollar.

Here is something that has millions of people out of work, that is destroying industries and destroying communities around the country, and is obviously bad for America—and they say the administration does not want to discuss the problem in terms of what it is. They would like to talk about it in terms of something real good. "This is some great, great strong dollar. A good thing for the country."

In Louisiana we have about 12 percent of the people unemployed. It should not be more than 4 or 6 percent. But, no, that is a problem, and the strong dollar may have something to do with that.

Mr. BAUCUS. Why do you think the administration likes this strong dollar? Why do you think the administration is unwilling to discuss ways to help bring the dollar more in line with other countries' currencies? Does the Senator have any idea why the administration turns a deaf ear to this problem?

Mr. LONG. Mr. President, it beats me. I just do not know the answer to it. It is something I cannot understand. I would like to find out. I would like somebody to explain to me why the administration thinks in those terms.

Do they really have anyone with any real economic credentials who thinks that? For example, I recall an economist who held a position with the Council of Economic Advisers. They got rid of him.

Mr. BAUCUS. That is right.

Mr. LONG. He was an honest, intelligent man doing his job. He was a man of integrity, with talent and ability, and he was advising them. He had the job, he was confirmed. But he was telling the administration the truth. Why do they not listen to some of those people, and, if not, who are they relying upon? Who are their economic advisers? Is it the same fellow who was advising on supply-side economics who is advising on all of this?

Mr. BAUCUS. Mr. President, I have no idea to whom they are listening. Sometimes I wonder. Perhaps they like the strong dollar because it shows foreign investment is coming in to pay for the deficit. Our able colleague from New York, Senator MOYNIHAN, has often pointed out that this administration created and maintains these deficits to shrink the Government down to practically zero. Maybe they think the strong dollar keeps interest rates from going higher and so takes the pressure off them to do anything about the budget deficit. I do not know.

I certainly cannot understand—with all the jobs being lost, with all the market share we are losing, with the abysmal decline of American industry that will continue if nothing is done—why the administration does not try to address the problem.

We all know that the overvalued U.S. dollar is right at the heart of the problem. I cannot understand their lack of concern.

Mr. LONG. Mr. President, I congratulate the Senator on his statement. I believe it serves a purpose. I think every time a Senator takes the floor to address himself to something that is clearly in error and needs correction, at least it tends to move us a little bit more in the direction the Nation must necessarily go. The Senator well knows that I am not going to be running for reelection at the end of this term, so this Senator has about a

year and a half left to serve in this body. This Senator is not interested in partisan advantage. I am not interested in some political advantage for me. I am a lifelong Democrat. I wish Democrats well. I am not going to change parties at this late date. It is too late in life for me to change.

Mr. BAUCUS. It is never too late for the able Senator from Louisiana to do whatever he wants to do.

Mr. LONG. But the thought of the Senator from Louisiana is that we should not be trying to decide this type of thing based on who is right. It ought to be based on what is right. I just cannot for the life of me understand how, against all the best economic advice one could receive, the administration insists on these enormous twin deficits—the unprecedented peacetime deficits which would, in terms of dollars, but not in terms of purchasing power, put even wartime deficits to shame. So with these twin enormous deficits—the enormous peacetime deficit in our budget and the enormous deficit that is growing and putting people out of work throughout America in our trade accounts—it makes me wonder why in the name of common sense, would one go forward, and what kind of advice are they getting down there? Is the President just flying, you might say, by the seat of his pants? Where does one gain the idea that this is the way to do it?

Mr. BAUCUS. I have no idea, Mr. President.

Mr. LONG. Can there not be any planning behind this?

Mr. BAUCUS. I have no idea. I cannot understand it.

For the life of me, I cannot understand why the administration refuses to listen to others when they so clearly and correctly point out that we have a huge competitiveness problem. We have to address it right now. It will take time. Let us begin immediately. I cannot understand the administration's attitude.

Mr. President, I yield the floor.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KASTEN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

HOW CAN MANKIND SURVIVE IN THIS NUCLEAR AGE?

Mr. PROXMIRE. Mr. President, recent editions of both Time magazine and Newsweek featured the atomic age that arrived 40 years ago with our bombing of Hiroshima as their cover stories. Both magazines told the story in the one way that can bring tears to our eyes and resolution to our hearts. They described what that one first nuclear bomb in Hiroshima did to the human beings who lived in that doomed city. In the Time story the picture captions read as follows: "Those who could walk stumbled over the bodies; they wore tatters and were covered with ash." And "The whole area gone. Children lay in the arms of dead parents, parents carried dead children." In the Newsweek article the picture captions told the same hideous story: "In a place reduced to a desert of ash, the living could not even count the dead" and "The flash tattooed the design of women's kimonos onto the flesh of their backs."

Mr. President, that was the dawn of the nuclear age: the horrible, heartbreaking beginning of nuclear war. Two nuclear bombs—one at Hiroshima, one a few days later at Nagasaki. The only time in human history that nuclear weapons have ever been used in wartime. If any Member of the Congress, if any American, has any illusion that we can fight a nuclear war and expect to survive, consider that these Hiroshima and Nagasaki bombs were only two, relatively puny, feeble nuclear explosives. Today France and England and the People's Republic of China each have bombs with thousands of times the destructive power of the fat atom bombs this country dropped on the two Japanese cities. And the United States and the Soviet Union? Each of our two countries has more than 10,000 strategic nuclear bombs—each with many, many times the power of the Hiroshima or Nagasaki bomb.

Each of the superpowers also has more than 15,000 tactical nuclear weapons that can individually pinpoint and totally obliterate any target on Earth. One Newsweek picture caption gave us a hint of our power to inflict death, it read: "One new Trident submarine will carry as much destructive power as 25 World War II's."

Think of that. One new Trident submarine will carry as much destructive power as 25 World War II's.

That means that one submarine will carry more destructive power than all of the explosives throughout the World War II, 25 times as much. And we have 36 Trident submarines.

Is the Soviet Union satisfied they have enough? Is the United States? No way. Both superpowers rush to pile up bigger and bigger and bigger nuclear arsenals. Each could blow up every significant target on Earth 5 times, 10 times, perhaps 20 times. But the buildup races on. Conceivably the steady accretion of nuclear weapons could stop—possibly as a result of arms control negotiations now underway at Geneva. The arsenals might be cut in half. They might even shrink by a factor of 4 or 5 or even 10. Would not that be progress? No. The arms race would continue and it might very well be more dangerous because it would be less stable, more unpredictable. As long as both superpowers have their scientists devoting most of their genius to finding ways to make nucler defenses more immense and nuclear offenses more penetrating and devastating, the number of weapons on both sides and even their megatonnage will mean less than their steadily increasing accuracy, their infinite speed and the steady capacity of nuclear offense to score breakthroughts that will first match then surpass any defense.

What hope is there for survival with this exploding nuclear power. The hope is reflected in another Newsweek caption that referred to the Hiroshima bomb of August 1945. It read: "The bomb ignited a movement whose passions have never cooled."

Mr. President, that movement represents the solid common sense of the people of this country. It is a vast majority of the people of America. They have said in one statewide referendum after another and in every competent public opinion poll by overwhelming margins that they want the nuclear arms race to stop. And that means an end to nuclear weapons testing, to nuclear weapons production, to nuclear weapons deployment. We must negotiate that kind of a comprehensive, mutual and especially verifiable agreement and we must use every bit of scientific resources we can muster to establish a system of verification and communication with the Soviet Union that will give us the strongest possible fighting chance for peace.

That's my answer. Time and Newsweek have their answers.

Here they are:

Time concludes:

> In the end we face a hard, self-evident fact: whether because we dropped the bomb, or because we live in its shadow, or because we are able to use it, we have created an enormous handicap for ourselves, and we will have to learn to survive and endure in spite of that handicap. The handicap will not disappear. It only remains to be seen if we will disappear, or if, by an effort of will and judgment, we can make our handicap work in our favor, never pretending that imperfection is a state of grace, a gift tied directly to a perception of common humanity.

Newsweek concludes with a more understandable dialog between two people in love who disagree on this great issue.

> Dottie was an idealist, he thought, and he was a realist; she saw the bomb as destruc-

tive of life, where he saw it saving lives. His case for the defense rested on the historic fact that the planet had survived the first 40 years of the atomic age. But certainty had died as a condition of existence at Hiroshima at 8:15 on the morning of August 6, 1945, a casualty of the first nuclear weapon; it became the lot of humankind to live permanently and dangerously, with the bomb.

MYTH OF THE DAY: THAT THE REAGAN ADMINISTRATION HAS REDUCED CRIME

Mr. PROXMIRE. Mr. President, the myth of the day is: The Reagan administration has reduced the crime rate. The fact: It has not. When crime statistics for 1983 were released in April 1984, then Attorney General William French Smith took credit for the reported 7-percent drop in serious crimes, stating: "This marvelous news proves we are beginning to win the battle against crime with some of the most significant initiatives and results in years." Attorney General Smith had similarly taken credit for a 3-percent drop in the crime rate the previous year. But, when the preliminary statistics for 1984 were released in April 1985, no such proud words were heard from Attorney General Meese because the volume of violent crime showed no decline from 1983. Apparently, the administration only claims responsibility when the crime rate drops.

The question remains whether the Reagan administration's purported battle against crime produced the welcome reduction in the crime rate in 1982 and 1983? The simple answer is no. Just as the wax wings of the mythological figure Icarus melted when exposed to the bright light of the sun, the administration's claim that it deserves credit for reducing the crime rate dissolves when exposed to the bright light of reason.

In reality, significant drops in the crime rate in the early and mid-1980's were predicted as much as 10 years ago by crime experts, simply by studying demographics. A disproportionate percentage of crimes—approximately 80 percent—are committed by individuals between the ages of 15 and 29. Think of that—80 percent of the crime in this country committed by individuals between the ages of 15 and 29. Throughout the 1970's, crime rates rose because the post-World War II baby boom generation fell within these age parameters. As the bulk of baby boomers moved beyond the high crime years during the 1980's, crime rates, without help from the administration, fell naturally. The Reagan administration simply benefited from being in the right place at the right time.

To the extent that demographics do not explain the entire drop in 1982 and 1983, the Reagan administration is responsible, but in a way that it has not been eager to acknowledge. According to Dr. James P. Lynch of the Bureau of Social Science Research, and an expert on crime statistics, recent studies have shown that, contrary to the common wisdom, as the health of the economy declines, so does the crime rate. Dr. Lynch states that an unhealthy economy decreases the mobility of our citizenry, which, in turn, reduces the opportunities for crime. Of course, during 1982, this country was mired in a deep recession that could be expected to force down crime rates. Since the economy did not begin to expand again until late 1983, the effect for that year was also to force crime rates down.

Finally, Mr. President, let us not forget that 99 percent of the crimes reported in the FBI figures fall under State and local jurisdiction, not Federal jurisdiction. The Federal Government has nothing to do with it. If any law enforcement group deserves credit for reducing crime rates, it is State and local authorities.

Therefore, while we can all rejoice over the decline in the crime rate for 1982 and 1983, we should not succumb to the myth that it is the product of the Reagan administration's tough talk about crime. And we should ask why, in spite of favorable demographics, the decline stalled in 1984.

NAZI HUNTERS' NEW TOP PRIZE

Mr. PROXMIRE. Mr. President, the Washington Post of July 6 reported that with the recent identification of Josef Mengele's remains in Brazil, Nazi hunters are now shifting their attention to new top targets.

One such Nazi war criminal is Alois Brunner, who is now living in hiding in Syria.

Brunner is reputed to have been responsible for sending more than 125,000 Jews to their deaths. By his orders, Jewish neighborhoods and communities in Austria, Greece, and France were wiped out.

Only in a system of such absolute moral corruption as Nazi Germany could a man such as Brunner have attained such power.

Brunner was a madman who had a hunger to inflict brutal torture personally. He was obsessed with killing Jewish children and women of childbearing age in order that the next generation not be able to take revenge for what he had done.

Brunner was entirely without remorse for his actions. He intended to live a full life after his wartime occupation without fear of prosecution.

So far, this villain has gotten his wish. Since the late 1940's, Brunner has found refuge in the Arab world.

He is 73 years old now, and his victims may never have the satisfaction of seeing Brunner brought into a courtroom.

The Simon Wiesenthal Center for Holocaust Studies will soon announce rewards for information leading to the capture of 10 of the most notorious war criminals still at large.

Brunner will be on this list.

The United States can aid in this struggle if it joins the 96 nations that have ratified the Genocide Treaty.

Our absence from the list of signatories of the Genocide Treaty is conspicuous. By signing the Genocide Treaty, the United States would send a clear message to the world community that we have not forgotten the victims of the Holocaust. It would emphasize that we fervently desire that all nations, especially those in which known war criminals reside, recognize their responsibility to prosecute men such as Alois Brunner before they die.

Mr. President, the Genocide Treaty has now been reported to the floor of the Senate for the sixth time since World War II. The treaty has enjoyed the support of every President since the end of that war.

It is unconscionable that the Genocide Treaty has languished in the Senate for so long.

The Senate has committed itself to taking up the Genocide Treaty during the 99th Congress. There is no sense in delaying ratification.

THE WESTWAY HIGHWAY LANDFILL

Mr. PROXMIRE. Mr. President, on April 2, along with Senators HUMPHREY, LAUTENBERG, and BRADLEY, I introduced S. 826 which would end funding for the Westway Highway landfill in New York City.

Three recent pieces by Sidney Shanberg, the New York columnist for the New York Times, detail Westway's tangled legal and political history.

As Shanberg aptly points out, "As a public works project, the Westway plan may be this generation's largest suggested misuse of scarce public funds."

Even worse. Shanberg cites attempts by high Federal officials to push the project through even in the face of massive evidence of potential environmental harm and vastly less expensive alternatives.

Mr. President, no aspect of Westway warrants the huge sums necessary for completion of what Shanberg correctly calls a megaboondoggle.

I ask my colleagues to examine this project carefully and reject it. Anything less is irresponsible.

I ask unanimous consent to include these articles in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 27, 1985]

CAJUN FLIES AND WESTWAY

(By Sydney H. Schanberg)

As I leave on vacation, the frontpage news is about the Mayor rushing to the rescue of a New Orleans chef whose restaurant was closed down by the Health Department because of a "number of violations" severe enough to cause "foodborne illness"—including a "massive" infestation of flies.

The Mayor, said the boldly played stories, swarmed to the restaurant with two city commissioners, a mayoral advance man, a special assistant, a press aide, two bodyguards and the obligatory television crews. They saw to it that the flies which had been feasting on the crabmeat, popcorn and shrimp gumbo and bread pudding were asked to leave, thus enabling the violations to be lifted and the Cajun chef to open his doors and begin charging $50 a meal to the Columbus Avenue hungry.

This is big news? Yes, as a matter of fact, it is big news in a city where the newspapers have shrunk to four in number and suffer from frequent bouts of sleeping sickness—and not just in the soporific summertime.

Too often in this town, the media's idea of big news is the Mayflower Madam's little black book or the fall-off in summer rentals in the Hamptons that has forced homeowners who would prefer spending the season in Europe to actually live in their own beachside houses.

Now I have nothing against the Hamptons or black books or even flies on Cajun food. We all need trivia on our newspaper pages to leaven the serious stories that weigh down the mind. But if trivia begins to dominate, the mind can become air-headed.

All this is by way of grinding an ax about a story I consider important—the proposed spending of at least $4 billion, and more likely $10 billion or $15 billion with overruns, for a four-mile road and real estate deal known as Westway.

Our newspapers, oddly, can't seem to find space for Westway and its scandal. The lone exception in the region is The Newark Star-Ledger, which has lately provided first-rate coverage. It is hard to understand the silence.

As a public works project, the Westway plan may be this generation's largest suggested misues of scarce public funds, but we do owe it an educational debt—as a wondrous, unfolding case study of wheeling and stealing on a grand scale. Rather than using the money to build this brief underground highway through landfill that will gouge 200 acres out of the Hudson so that developers can erect luxury apartment towers on Lower Manhattan's West Side waterfront, we could spend it instead on an ordinary road that would move vehicles just as well. By that method—known, as the "trade-in" alternative—we would have possibly $1 billion left over for rehabilitating the subways, which can use all the help they can get.

But the trade-in idea doesn't have many big friends in this city. The big unions say Westway will mean jobs. Big business says it will mean big business. The politicians don't want to offend anyone big because it's the big people who pay for their election campaigns.

So the Mayor is for it and the Governor is for it. And so are Senators Moynihan and D'Amato. Not least, David Rockefeller is for it.

Because most of the money for Westway would be Federal, more and more Congressmen are growing nervous about it—because they know it's a mega-boondoggle. So the Koch-Cuomo-D'Amato-Moynihan-Rockefeller juggernaut has become frenetic in its lobbying.

Meanwhile, more scandal has oozed out at the latest court battle over the Federal permits for Westway—more unbelievable testimony by pro-Westway Government officials, more documents indicating a cover-up of essential data, more evidence that the political fix had been put in by senior officials in Washington to bring the Corps of Engineers and other Federal agencies into line so that the permits would be granted.

Our New York politicians have ignored the false testimony and the cover-ups from the beginning. But the Federal judge, Thomas Griesa, has slowly lost his patience—first appealing to the pro-Westway witnesses and their lawyers to tell the truth and then warning them, in effect, that they were on the edge of fraud. His decision—on whether the permit process violated Federal law—is due soon, and we can expect to see an attempt by the Westway lobby to discredit Judge Griesa as biased.

The city's newspapers, like the big politicians, have also ignored most of the scandal. The New York dailies, strangely asleep, run only occasional bland stories, sometimes just snippets—rarely anything about the chicanery. That too, is part of the shame of Westway.

[From the New York Times, July 6, 1985]

THE TESTIMONY DOESN'T WASH

(By Sydney H. Schanberg)

"You have an obligation . . . to want the truth. You are not doing that."

Federal Judge Thomas Griesa used those words this week to admonish the Federal attorneys who are representing the Army Corps of Engineers in the latest trial on the proposed Westway project. The corps is backing the project, and the judge was distressed by the vague and shifting testimony of the corps' key witness, a marine biologist named William Dovel. The testimony "doesn't wash," Judge Griesa said.

The judge has repeatedly warned the pro-Westway Government lawyers, throughout years of legal battle over this $4 billion highway and real estate mega-project, that they have a responsibility to persuade their clients to take their courtroom oath seriously. What has emerged instead is a steady pattern of cover-ups, distortion and incredible testimony.

In this most recent episode, the Corps of Engineers has used a speculative theory put forth by Mr. Dovel as the principal basis for granting its latest go-ahead landfill permit for Westway—the first permit having been thrown out by Judge Griesa three years ago as violative of Federal environmental laws. The second permit is fast beginning to smell the same way.

Mr. Dovel's hypothesis is that striped bass only pass through the Hudson River area that the Westway development would fill in, that it is not a crucial habitat where they linger and grow toward maturity, and that therefore the landfill would not harm the river's aquatic life.

Mr. Dovel may indeed have come to believe this theory now, but he didn't tell anyone about it when he worked for the corps in early 1984 as a field supervisor taking fish samples in the river as research for a required environmental impact statement. Thus, the corps' preliminary statement—in May 1984—said that Westway would have a "significant adverse impact" on the base population.

It was not until the latter half of 1984 that Mr. Dovel began telling the corps and others about this migratory theory. One of those he told was George Lamb—whom he has known for years, who is the senior operating executive of the Rockefeller foundation and who from the beginning has been on the board of directors of a lobbying group pushing for approval of Westway.

Mr. Lamb, in a telephone interview, said that Mr. Dovel "came to me after he had finished his [sampling] work for the corps and said that he had a handle on the population dynamics and movement of the striped bass." Mr. Dovel asked Mr. Lamb for funding to develop his theory further and Mr. Lamb agreed, eventually paying him $9,000 for three months' work.

This money came from Jackson Hole Preserve Inc., the foundation Mr. Lamb works for, which is headed by Laurance S. Rockefeller. Mr Rockefeller's brother, David, has been actively campaigning for Westway in high places in Washington.

Did Mr. Lamb tell Mr. Dovel of his own vigorous advocacy of Westway? "Of course I did," he said. "And he [Dovel] said to me: 'I want to make one thing clear to you. It makes no difference to me whether Westway is built. All I care about is understanding the fish.' "

Mr. Lamb says he replied to Mr. Dovel that "I would go along with that priority—the fish first—but I told him that if you can show that this project [Westway] would not hurt the fish population, I would like to see Westway go forward."

So Mr. Dovel proceeded to put his theory on paper and to convey his hypotheses to corps officials. And Mr. Lamb also proceeded to press the theory on the corps. Finally, last November, the corps produced its final environmental statement, relying not on new data but on the Dovel theory. The result: The impact on the fish had been reduced from "significant" (which would have required denial of the Westway permit) to "minor."

On the witness stand, Mr. Dovel changed his testimony several times and appeared rattled at being thrust into a conflict-of-interest controversy. But he is not the villain here. He was used by others—principally the Corps of Engineers, which had apparently gotten the political word from Washington that this project was to be approved and which needed an "expert" to justify that approval.

Consider what this boils down to. A biologist who was paid by a Westway advocate was used as the primary support for granting the Westway permit by an agency that was supposed to be reaching an independent judgment.

If it sounds as if there's something wrong here, maybe there is.

[From the New York Times, July 2, 1985]

GETTING "THE MESSAGE"

(By Sydney H. Schanberg)

There have been two major discoveries in the latest trial in Federal Court on the proposed Westway project. One is that the Army Corps of Engineers, the agency that earlier this year granted the go-ahead landfill permit for this 4.2-mile highway and real estate plan with its $4 billion price tag, kept no records of what took place at its internal meetings—in defiance of the Federal judge's order to do so.

The trial's second discovery, based on documents obtained by Westway opponents, is evidence strongly suggesting that people at the top in Washington were sending out the word to those Federal agencies most crucially involved in the Westway decision that the project was to be approved—regardless of the evidence against it.

These documents also show that powerful figures such as David Rockefeller and Senator Alfonse D'Amato were personally pushing hard on those people at the top to get the project approved. Mr. Rockefeller, for instance, waged a campaign to try to discredit the scientific and legal findings of those he called "lower level bureaucrats in the Federal agencies."

Up to now, the campaign has succeeded. But the Federal Judge, Thomas Griesa—who in earlier Westway trials found cover-ups and distortion of evidence by Westway advocates—will now decide whether the Corps of Engineers, whose first permit he threw out in 1982 as violative of Federal law, has followed his orders and the law in issuing this second permit.

The latest testimony has focused on the Environmental Protection Agency, whose role was also pivotal. Professionals in E.P.A. at regional level and higher have opposed Westway from the start, pointing most recently to the Corps's own environmental finding in May 1984 that construction of Westway with its 169 acres of waterfront landfill would result in a "significant adverse impact" on the Hudson River's striped bass population.

That finding, under existing conservation law, would have pretty much compelled the corps to deny the landfill permit. But this was a preliminary report and by November 1984, when the Corps released its final environmental statement, the impact had been reduced from "significant" to "minor." The only trouble was that the statistics on the damage to aquatic life hadn't changed between May and November. Only the language had changed.

The E.P.A.'s response, here at the regional level in New York, was that since the damage data was the same and the corps offered no credible explanation for softening the language, the permit should be denied. That's when David Rockefeller and others stepped up their campaign against the E.P.A.'s "lower level bureaucrats."

Their purpose, not veiled at all in the documents that have emerged in the Westway trial, was to pressure the E.P.A. into diluting its opposition so as to allow the corps some breathing space to grant the Westway permit without a flood of negative publicity.

However, the New York regional head of the E.P.A., Christopher Daggett, wouldn't budge. So E.P.A. headquarters in Washington simply took away from him the job of writing the E.P.A.'s final recommendation to the corps.

Here's a memo that was sent to the E.P.A. chief, Lee Thomas, by Phil Angell, special assistant to Mr. Thomas: "Lee, I'm troubled by both the tone and content of this [Daggett] letter. It doesn't appear that Daggett has gotten the message; nothing will kill this project faster than this letter."

And here are some minutes taken of an internal E.P.A. meeting: "Bigger issues: Daggett et al. . . . It will be bound to come out that Regional technical comments were rewritten by HQ lawyers, out of normal course of review and preparation, and it could look bad (like Gorsuch era)."

Nonetheless they began rewriting, and some E.P.A. officials in Washington, people who also apparently had not "gotten the message" from above, became alarmed. One of them wrote, in an interoffice memo: "Major points in the region's letter have been diluted or omitted and the result is a vague response that the corps could interpret as a change in, E.P.A.'s earlier position. Such an interpretation may undermine any potential corps decision to deny the permit."

Such objections were overridden, and the final letter to the corps was a pale version of the original Daggett draft. The corps thereupon granted the Westway permit.

What Judge Griesa will now decide is whether "the message" that delivered this permit was legal or illegal.

RECOGNITION OF SENATOR NICKLES

The PRESIDING OFFICER. Under the previous order, the Senator from Oklahoma is recognized for not to exceed 15 minutes.

FARM BILL, OIL IMPORT FEES, AND THE BUDGET

Mr. NICKLES. Mr. President, Congress today and this week we will be making some important decisions in regards to the budget and the farm bill. I urge my colleagues today—to go forward and complete action on the budget and on the farm bill before the August recess.

Mr. President, I believe it is very, very important that we complete action on both items this week or, if it is necessary, next week or even the following week. I have a lot of things that are important to me in Oklahoma and I am sure every Member of the House and Senate does as well. I think it is even more important that we fulfill our constitutional responsibility in regard to fiscal and agriculture policy.

A lot of people, a lot of businesses, a lot of farmers are out there waiting for us to make these decisions. If we adjourn without a budget, in all probability we will not have a budget and I think it is irresponsible for those of us who are elected to represent the American people not to pass a budget.

I also think it is important, if we are going to have a budget, we have a good budget, not a budget for budget's sake but a good budget. In fiscal year 1985, it is estimated by OMB that we are going to spend $96 billion more than we spent last year. The deficits continue to rise. The deficit projections are already this year, year to date, over $160 billion. They are estimated by the end of this fiscal year to exceed $220 billion. That is not financially responsible. That is not something we can bring back to our constituents this August or next year and say, "Hey, haven't we done a great job?" Congress has done a dismal job on the budget. We need a good budget. We need a budget that will show fiscal discipline. We need a budget that will show that we are making substantial headway in curbing Federal spending. I hope that we will have the guts, the patience, and the willingness by Members in both parties in both Houses to come to grips with this enormous issue and that we will do it this week. If we adjourn without a budget and without a farm bill, we are basically throwing up our hands and saying, "Well, we tried, but we didn't get there." I do not think that is the way to go. So when we are meeting in an hour or so in our respective caucuses, I hope that Senators on both sides will say, "Let us keep our shoulder to the wheel, let us continue working and see if we can come up with a bipartisan solution that can pass both Houses, that will show substantial fiscal discipline."

Mr. President, I have heard a lot of comments concerning oil import fees and why the President would not sign on to this idea. I compliment my colleague, Senator Boren, for his initiative in this area.

Mr. President, I ask unanimous consent that an article by Senator Boren in the Washington Post on July 29 be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, July 29, 1985]

We Need an Oil Import Fee

(By David Boren)

Never has the case for an oil import fee been stronger. Congress and the president should unite and put it in place as soon as possible. I recently introduced a bill that would place a $5-per-barrel import fee on foreign crude oil and $10 on imported refined products. It would raise as much as $15 billion per year for the Treasury. There are a host of clear and convincing reasons to support it.

First, it could help resolve the current political deadlock over the budget. We cannot afford to let the budget process collapse. Tossing in the towel on the battle against the deficit would cast a cloud over the nation's economic future. The money raised by the import fee would help reduce the deficit and provide more room for budget negotiators to resolve other controversial issues that now divide them.

Second, an import fee would put a safety net under the price of domestic oil and would protect the financial system against the shock of any sudden fall of oil prices. The value of oil reserves in the ground is used as security for billions of dollars in loans held by American banks. Some analysts have predicted that oil prices could plunge sharply to $20 per barrel or even lower. While this is unlikely, if it happened it would threaten the stability of the banking and financial system in oil-producing regions of the country and would send shock waves into money centers such as New York and Chicago. We cannot afford to subject our economy to such risks.

Those who argue that an oil import fee could slow economic growth fail to take into account the disruption of the economy which could occur without it. They also fail to assess what a sudden drop in oil prices would do to employment and income in the domestic oil industry. One private study indicated that if oil fell to $20 per barrel, domestic drilling would be cut in half and hundreds of thousands of jobs would be lost.

Third, the proposal is fair tax policy and will promote energy independence. Domestic oil producers pay the windfall profits tax and state severance taxes. Foreign producers do not. Why should our tax policy continue to encourage the creation of jobs for exploration and refining in other nations instead of here at home. Already the portion of oil we obtain from overseas has begun to increase again. It is clearly in the interest of national security for us to lessen our dependence on these foreign sources.

The import fee must be placed on refined as well as on crude oil to prevent the other producing nations from simply switching their U.S. sales from crude oil to refined products. Our refineries are already in trouble. More than 100 U.S. refineries have folded in recent years, and our refining capacity is already below the 14 million barrels a day needed to meet emergency national security requirements.

Fourth, an import fee would promote energy conservation. If oil prices continue to fall toward artifically low levels, wasteful use of energy will once more be encouraged. The bill before the Senate would promote conservation while protecting consumers against unreasonable prices. The fee would begin to phase out as crude oil prices reached $25 per barrel and would end entirely at the $30 level.

Fifth, the proposal can be implemented in a manner that will maintain regional fairness and preserve our own competitiveness in trade. The bill I introduced provides rebates on the fee for home heating oil in order to protect those in New England and the Northeast who depend upon this fuel. It also provides a rebate to American manufacturers who use imported crude oil in the process of making products for export. This would ensure that American businesses such as the chemical industry would not be placed at a competitive disadvantage in the cost of their products for export to other markets.

Recently, one of my fellow senators said to me, "The import fee makes so much sense that Congress probably won't pass it." I hope that he was wrong. We can't afford the luxury or continuing to discard good ideas.

Mr. NICKLES. Mr. President, I compliment Senator Boren for his leadership on the oil import fee. A lot of people say, "Well, we do not need nor can we stand to have tax increases," but at least this Senator from Oklahoma looks at an oil import fee a little differently than some other proposed tax increases. Sure, it provides more money to reduce the deficit, but I might point out that right now under present policies domestic production is at a disadvantage because we place an additional tax on domestic production while we have no tax on imports.

I testified before the Finance Committee on energy taxation. I said that we have a glaring inequality on energy taxes because we do have an excise tax on domestic production. It is called the windfall profit tax. That tax is only on domestic production. It is not on imports. Therefore, we discourage domestic production and we encourage imports.

The windfall profit tax is not a minor tax, it is a very significant tax. It is called a profits tax but it has nothing whatsoever to do with profits. It is an excise tax on domestic production. It has raised, since its passage in 1980, over $77 billion. So, again, those are taxes on domestic production and not on imports.

We have given an economic advantage to imports. We have been encouraging imports and imports are also a significant problem to the economic health of our country. We spent last year over $55 billion on oil and product imports.

If nothing else, I think we should equalize this disadvantage we are putting on domestic producers by at least putting a comparable tax on imports. A comparable tax would probably be in the neighborhood of the tax that the Senator from Oklahoma proposed in his bill, which I am pleased to cosponsor. Last year, the windfall profit tax raised $9 billion. The total corporate income tax in the United States last year was $54 billion. A lot of the oil companies paid into that $54 billion. So they paid their fair share on the corporate income tax and then they were saddled with an additional $9 billion windfall profit tax.

The year before, it was even more dramatic. In 1983, the total corporate income tax was $36 billion, but the total amount of windfall profit tax was $12.2 billion. So windfall profit taxes that year equaled about a third of the total corporate income tax. And, again, I will remind the Senate that oil companies paid a substantial portion of that $36 billion. And there was no tax on imports. So there has been a heavy, heavy excise tax on domestic production but no comparable tax on imports. When we are looking at tax policy, it may not be a part of this deficit reduction package—and if it is not, that is fine—but I hope that we spend most of our efforts in trying to cut spending in this package, not raising revenues.

I think we do need to get the package passed. The oil import fee is estimated by the Budget Committee to collect $25 billion over a 3-year period. Along with the import fee is the COLA delay for Social Security and other entitlement programs which will reduce spending $12 billion over the same period. With these items and others, we are looking at a package that reduces the deficit $338 billion. So let us not forget about that $338 billion.

The Senate package was $295 billion over a 3-year period before the latest oil import free proposal or the coupling of the Social Security. Let us not abandon that $295 billion.

We must also not forget that those were cuts of projected increases, not cuts of last year's spending levels. I think people in the country today are looking for real cuts, not facades, not the type of cuts such as your spouse or son or daughter might make, saying "yes, I saved a lot of money, I bought this garment and it cost $50; it was supported to cost $100, and therefore I saved $50."

That is the type of savings we have been looking at in Washington, DC, and I think that is one of the reasons why the American people have become so disillusioned, in many cases disappointed or disgusted, with Members of Congress, so I hope that we will see some real budget savings. I hope that some of the decisions that will be made in the next hour or so say, "Yes, we are going to work; we are going to continue to push for significant real cuts."

I also hope, Mr. President, that Congress and the leaders in both the House and Senate will decide today that we are not going to adjourn until we get a farm bill, or at least we are not going to adjourn until those elements of the farm bill which are critical, time-sensitive, will be decided. That is primarily, Mr. President, the wheat portions of the bill. Wheat farmers right now are preparing their land and they do not know if there is going to be a 20-percent set-aside, a 30-percent set-aside or any set-aside as a condition for participating in the program. They have no idea. Congress is going to be marching out, yet Father Time marches on. But they have to make decisions on plantings; they have to make decisions on buying fertilizer; they have to make decisions on renting land—an unbelievable number of decisions. They are in financial straits right now.

We, in Congress, are complicating their decisions by not making our decisions on time. We need to let them know what is going to be in the farm bill, whether it is good or bad. If we start making decisions after they have put their seeds in the ground and the crops are on their way, I think it is not responsible, from my point of view. So I hope that, as a bare minimum, we will pass those elements of the farm bill that are critical for them to make decisions.

Mr. President, we are looking at an August recess. I, for one—and I think there are several other Senators who are making the same statement—say, "Let us do our business before we take this recess."

I know that others will say that we need this time to be with our constituents, and I totally agree. But I think these areas in the budget and the farm bill are critical enough that it is important that we finish them before we take the month off.

I have also been somewhat concerned and a little disgusted, as many taxpayers are, when I learned of the number of congressional junkets and trips that will commence starting next week. I was kind of surprised and maybe a little shocked when I read in the Washington Post that all the military and State Department planes are taken. In other words, Congress is getting ready to fly away, and away we go—and away we go at taxpayers' expense.

Mr. President, not all congressional trips are junkets. Maybe a majority are, although I doubt that they are worthwhile. I think that is a decision for the taxpayers to make.

In that regard, I introduced legislation yesterday that would call for greater congressional accountability so that at least taxpayers would know how much money their Congressmen and Senators are spending when they go abroad and how much these trips cost. Right now, these figures are kind of hidden in the Department of Defense and other agencies. You do not see a line item for the Department of Defense on congressional travel. You do not see a line item for the State Department appropriations for congressional travel, but it is there.

When you see people talking about 27-day trips to 8 or 10 or 12 different countries, it makes you wonder whether or not it is strictly a factfinding trip or whether it is a vacation subsidized by the taxpayers.

Again, I think the taxpayers need to be making the ultimate decisions. The legislation I introduced did not prohibit any travel. It said that there needed to be an accounting item that would be made public, so that the public could find out the cost of the trips.

When you know that many Members are traveling around the country, I personally find it irresponsible on our part to leave for those types of trips until we finish the business we are elected to do, and right now that means, basically, the budget and the farm bill. They may be things we do not want to do, but they need to be done.

Recently, I told my son he had to cut the grass before he could go swimming. He did not want to cut the grass, and the grass continued to grow, and he was not allowed to go swimming until the grass was cut.

I hope we are able to get out in the month of August, but I think it is time we cut the budget and do the farm bill before we recess for August.

SCHEDULE

Mr. DOLE. Mr. President, I understand that we have notified all those who wished to use their time under the special orders before 12 o'clock, and they have not arrived. I assume that their statements will be made part of the record.

In a moment, I intend to recess until 2 p.m., so that we might have the Republican and Democratic policy luncheons.

I indicate to my colleagues that at 2 p.m. we will proceed to the consideration of the conference report to accompany the DOD authorization bill. I am advised by the chairman of the committee, Senator Goldwater, that he hopes to dispose of that measure in a couple of hours. That may or may not be the case. I hope that is the case.

Then we can turn to the Kennedy-Mathias test ban resolution. And I believe that will take less than 30 minutes if we are not troubled with amendments on whether or not we should do something next week and if we do what it should be.

Then we would go to the veterans health care bill, which I believe is now in the process of being resolved, and a number of other matters we can dispose of by unanimous consent and hopefully the Compact of Free Association proposal, if that can be worked out by this evening.

I would again indicate we may be in rather late this evening and probably Wednesday and Thursday evenings of this week, because there are a number of things that have been called to my attention that Members on both sides would like to dispose of.

It is still my hope, now that the air is clear, that we can have a budget resolution this week. I have not had an opportunity to visit with the distinguished chairman of the committee, Senator Domenici, but it would seem to me, with the parameters that are now set, that it should not take long for the conferees to reach some agreement. Hopefully, they will cut as much Federal spending as possible and we can then move on the budget resolution this week.

RECESS UNTIL 2 P.M.

Mr. DOLE. Mr. President, I move that the Senate now stand in recess until the hour of 2 p.m.

There being no objection, the motion was agreed to, and at 11:51 a.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Cohen].

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business.

CAFE REQUIREMENTS

Mr. BOSCHWITZ. Mr. President, I rise today to express my reluctant opposition to the Evans amendments.

The Energy and Policy Act of 1975 mandated that passenger automobiles should meet Corporate Automobile Fuel Economy [CAFE] standards. However, the act also included a provision that gave the Secretary of Transportation the authority to relax the CAFE standards if economic or energy supply circumstances warranted it.

This of course is the situation we find ourselves in today. A petition by Ford Motor Co. and General Motors to lower the 27.5 miles per gallon standard to 26.0 miles per gallon has been filed, because both companies state it is impossible for them to meet the higher requirements this fall in time for model year 1986.

They argue they cannot meet the fleet average because of the shift in consumer demand back toward larger cars. They argue that this shift has occurred because of low and stable gasoline prices. Therefore, they argue they should not be penalized for responding to consumer demand, and should be granted at least 3 years, if not an indefinite period, at the 26.0 miles per gallon level.

The Department of Transportation has since ruled that the companies should be given 1 year to retool, but that by model year 1987 the companies should be in compliance with the 27.5 miles per gallon standard.

I cannot support the contention that the big two auto companies need at least 3 additional years to comply with a law that has been on the books since 1975. I also cannot support the idea that the Congress should reward these companies for making inaccurate economic assumptions and thus poor marketing decisions.

However, I do support the Department of Transportation's position that the changing economic conditions have had some effect on the companies ability to meet the standards, and therefore I am willing to support the 1-year stay they propose.

But, Mr. President, I want the record to clearly reflect that should the various parties return to Congress next year, seeking an additional extension of the 26.0 level, I will be one of, if not the first, to stand up in opposition to any further extension.

REMARKS OF HARRY DARBY AT DEDICATION OF EISENHOWER STATUE

Mr. DOLE. Mr. President, on June 15, 1985, Harry Darby, former Senator from Kansas, donated a 17-foot bronze statue of Dwight D. Eisenhower to the Eisenhower Library in Abilene, KS. I was honored to participate in the dedication ceremony and had the opportunity to hear Harry Darby's remarks. Senator Darby was a personal friend and adviser to President Eisenhower, and I ask unanimous consent that his dedication speech may be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Remarks by Harry Darby

Distinguished guests all—how wonderful it is for all of us to be together here, Ike's hometown, to dedicate this statue and pay

tribute to him as the 34th President of the United States from Kansas.

By honoring Dwight Eisenhower today, we recognize him as a man of integrity and courage with a deep passion for justice, fair play and equal rights in all of his many accomplishments.

From a Kansas farm boy, he went on to be supreme allied commander in Europe and President of the United States and to become loved by more people in more parts of the world than any other man who served in public life.

No man in our memory has so firm a place in the hearts of our Nation—he was a symbol of all that is good about America—truly a champion of peace.

In that same spirit of peace—I ask all of you to join with us as we formally present this statue through the National Archives to the people of the United States as an expression of our respect, admiration, love and esteem for President Eisenhower.

JERRY DAHMEN: REPORTING AT ITS BEST

Mr. PRESSLER. Mr. President, the news media are perennially under critical attack and scrutiny as they play an increasing role in national and world events. I would like at this time to accentuate the positive by telling my colleagues about a newsman in my home State of South Dakota. Jerry Dahmen, news director of KXRB/KIOV Radio in Sioux Falls, has racked up a series of awards and honors that reflect great credit on him, his station, and the best traditions of American journalism.

One notable aspect of Jerry's achievements is that he consistently finds good news—he has won awards for blizzard coverage, to be sure, but he has also been able to do stories about high school students seeking to save their school, about people helping themselves and others. This year he was given the Lowell Thomas Youth Award for his coverage of the Canova, SD, high school students. He was one of four to receive recognition this year from the Southern Baptist Radio Television Commission for his positive news stories.

United Press International has cited Jerry more than 30 times at the State and national level for newscasts, documentaries, features, and spot news. The Farmers Union has praised his coverage of agriculture, South Dakota retailers named him newsman of the year, and the Disabled American Veterans thanked him for outstanding coverage of veterans issues. These are just a few of his many honors.

Jerry has also shown that a radio reporter in the heartland of America can find international news, just as long as he has a telephone line. He has interviewed officials in Iran and marine officers in Lebanon from his desk in Sioux Falls.

Each week, Jerry Dahmen produces and narrates the "Good News Report," which President Reagan recently recognized as an example of positive radio programming. He's done documentaries on drug abuse and people who have overcome severe handicaps. He has shared his knowledge and understanding of the media with civic and professional organizations, and has given speeches on motivation and goal achievement.

Mr. President, I believe that Jerry Dahmen represents journalism at its very best. He has turned down offers to move to larger cities, because he likes living in South Dakota and South Dakota is proud to have him. We know we count on him for the news we need to go about our business. He's an aggressive reporter who is not cynical. He's a newsman who understands that information isn't gloom and doom—it is education, enlightenment, and occasionally inspiration.

I ask unanimous consent to have printed in the Record a list of his awards.

There being no objection, the list was ordered to be printed in the Record as follows:

Honors Won by Jerry Dahmen

United Press International awards: Best story (state), 1979, "Outstanding Contributor" (state), 1979, Stringer of the Year (state), 1979, Outstanding coverage of Iran (state), 1980, Outstanding coverage of railroad agreement (state), 1980, Stringer of the Year (state), 1980, Outstanding Radio Contributor (state), 1980, Best Documentary (state), 1981, Best Public service investigative story (state), 1981, First place newscast (state), 1982, Best newscast (state), 1983, Best documentary and spot news in state 1983, Regional awards, best newscast and spot news, 1984, National UPI Award for Best Story, blizzard coverage, 1984, Best Regional Feature, 1985, Best Newscast, Documentary, Feature, and Spot News Awards (state), 1985, National UPI Award for Best Feature for stations with 5 or fewer fulltime newspersons, 1985.

Other notable awards: First place winner of the Lowell Thomas Good News Award, 1985, Third place winner of the Lowell Thomas Good News Award, 1984, Northwest Broadcast News Association, three awards, South Dakota Social Workers, Best Public Service Coverage, 1982, South Dakota Farmers Union, Outstanding Reporting on Farm Issues, 1982, University of South Dakota, Tom Brokaw Broadcasting Award, 1984, Finalist, Documentary entered in International Radio Festival of New York, 1985, Southern Baptist Radio Television Commission, Abe Lincoln Award, 1985, South Dakota Retailers Association Newsman of the Year, South Dakota Disabled American Veterans, Best Media Support, 1985.

MAYOR PATRICIA McKENZIE: A TRIBUTE

Mr. HEFLIN. Mr. President, I rise today with my colleagues to pay tribute to Patricia Patterson McKenzie, the distingushed mayor of Atmore, AL.

First elected in 1976, Mrs. McKenzie has worked to improve the city and its surroundings and has served the people well. She has been responsible for providing fellowship and nutritional meals to Atmore's senior citizens, installing a natural gas pipeline, expanding Atmore's water system, and has instigated other projects, such as a summer food program, energy conservation projects, and a traffic safety program.

Mr. President, her most recent and prized accomplishment is one for which Mayor McKenzie will certainly be remembered in future years. Patricia McKenzie is primarily responsible for beginning the first major restoration project of one of Atmore's oldest structures. Rachel Patterson Elementary School is being transformed into a multipurpose recreation facility. This civic center will contain a cultural program for public enrichment and maintain a special emphasis on young people.

Mr. President, I feel safe in saying that because of Mayor Patricia McKenzie's efforts, a piece of history, in the form of Atmore's school house, is being saved and will now be passed down to Atmore's children.

In addition to Mayor McKenzie's fine accomplishments as mayor, she has had many personal accomplishments as well. She is a past member of the human resources steering committee for the National League of Cities and coordinator of the NLC women in municipal government. She is also a past chairman of the county and city affiliates of the American Cancer Society. In 1979, she was named Atmore's Most Outstanding Citizen of the Year.

Mr. President, the listing of Mayor McKenzie's accomplishments throughout her career could go on and on. To list them all, would seem endless. To have listed none would seem an injustice.

Mr. President, Mayor Patricia Patterson McKenzie is to be commended for her fine efforts and success as mayor to Atmore. On behalf of all of Atmore's citizens I thank her for all she has done for her city and our State.

Thank you, Mr. President.

THE RETIREMENT OF MAJ. GEN. HUGH J. CLAUSEN AS THE JUDGE ADVOCATE GENERAL OF THE U.S. ARMY

Mr. HEFLIN. Mr. President, on July 31, 1985, the Department of the Army will lose the services of an outstanding leader when Maj. Gen. Hugh J. Clausen retires from his position as the Judge Advocate General.

General Clausen is a native of Mobile, AL, and a graduate of the University of Alabama School of Law. In fact, Mr. President, my law school career overlapped with that of General Clausen, and, since first meeting during those years, we have remained good friends. I have, naturally, followed his distinguished career with interest, and, during my term as chief justice of the Alabama Supreme Court, I attempted to attract General Clausen away from the Army to a position in the Alabama Department of Court Management. Obviously, he chose to remain with the Army—its gain was Alabama's loss.

After his retirement from the Army, General Clausen will assume the position of vice president for administration and secretary to the board of trustees at Clemson University. I can ensure both of my distinguished colleagues from South Carolina that he will be an excellent attribute to their State.

After graduating from law school in 1950, General Clausen was commissioned as an officer in the U.S. Army Reserve, Judge Advocate General's Corps, before being called to active duty in 1951. During the last 34 years, he has completed the advanced management program in the Graduate School of Business Administration of Harvard University, the nonresident course of the U.S. Army War College, U.S. Army Command and General Staff College, the U.S. Army Language School, and the advanced class at the Judge Advocate General's School.

Mr. President, through the years, General Clausen has served in a variety of positions, each of which helped prepare him for his tenure as the Judge Advocate General. He has served as Staff Judge Advocate in Vietnam and at Fort Hood, TX. He also served 2 years here in Washington in the Office of the Chief of Legislation Liaison. In addition, General Clausen has been Chief of the Military Justice Division, commander of the U.S. Army Legal Services Agency, and Chief Judge of the Army Court of Military Review.

In September 1978, General Clausen was appointed Assistant Judge Advocate General for Military Law. Following that assignment, he was named the Assistant Judge Advocate General of the Army, and, finally, in July 1981, he began his tenure as the Judge Advocate General.

Mr. President, during his service career, General Clausen has received awards including the Legion of Merit with Oak Leaf Cluster, the Bronze Star Medal with three Oak Leaf Clusters, the Meritorious Service Medal, the Air Medal with Oak Leaf Cluster, and the Army Commendation Medal with Oak Leaf Cluster.

I congratulate Maj. Gen. Hugh J. Clausen on his outstanding career and accomplishments. As a friend I am proud of his excellent work, and am certain that he will continue to distinguished himself.

THE SOVIET NUCLEAR TEST MORATORIUM OFFER

Mr. PELL. Mr. President, I was pleased and encouraged by the Soviet declaration of a brief unilateral moratorium on nuclear testing and their offer to join the United States in a mutual moratorium. I only hope that the offer reflects a genuine Soviet interest in the achievement of a comprehensive ban on nuclear explosions.

The best way to test Soviet intent would be for us to offer to sit down at the bargaining table with them at the earliest possible date to discuss how best to bring an end to nuclear explosions. We should be willing to treat their offer seriously and to explore every possible means of breaking through the present impasse.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

The majority leader is recognized.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I understand the distinguished minority leader is on his way to the Chamber. We hope to dispose of the conference report on S. 960. It will not take more than 1 minute. If we can finish that, then we can move to the conference report on S. 1160, and I am advised by the distinguished chairman, Senator Goldwater, that it will not take a great deal of time. Following that, we will take up the test ban treaty resolution.

I hope we can avoid amendments on what will happen during the August recess. We have been encouraging our colleagues to not offer a number of amendments to that proposal.

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT—CONFERENCE REPORT

Mr. DOLE. Mr. President, I submit a report of the committee of conference on S. 960 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 960) to amend the Foreign Assistance Act of 1961, the Arms Export Control Act and other acts to authorize appropriations for the fiscal year 1986 for international security and development assistance, the Peace Corps, the Inter-American Foundation, and the African Development Foundation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the House proceedings of the Record.)

Mr. LUGAR. Mr. President, we are considering the International Security and Development Cooperation Act of 1985 which the Senate and House conferees have agreed to late last week. I strongly urge my colleagues to pass this measure because it represents a balanced and fair compromise between the House and the Senate foreign aid bills. If passed, we will have the first foreign aid authorization bill in 4 years and in so doing we will help restore the foreign aid authorization process to its rightful place in Congress' role in foreign policy.

Enactment of this bill is very much in the national security interest of the United States. It authorizes security assistance for our allies and friends to improve their defenses against external aggression and internal conflicts and it also authorizes economic and development assistance to Third World nations beleagured with a vast array of economic problems. This bill also provides constructive approaches to dealing with international terrorism, airport security and the chronic and troubling problem of the international traffic in narcotics and drugs. When progress is made in each of these areas, we protect and promote the interests of the United States.

The authorization levels approved by the conferees represent a serious attempt to strike a viable balance between the House and the Senate bills. The conferees agreed that the overall numbers should fall below those of the Senate and above those approved by the House. In order to accomplish this objective, we settled on a slightly lower figure for security assistance than was approved in this Chamber, but the House reconciled itself to slightly lower figures than it wanted for development assistance. This was necessary to reach the common ground of a constructive compromise that is workable and balanced. Overall, slightly less than one-half of the $12.7 billion authorization level in the bill would go to military assistance, the remainder to economic and development assistance. The largest share of the authorization levels would go to Israel and Egypt, the two Camp David countries which have been the leading recipients of U.S. security and economic assistance for some time.

The conferees also agreed on several important issues central to the conduct of our foreign policy. We agreed on balanced funding levels for the Philippines—$70 million in military assistance and $110 million in ESF—and authorized funding levels for humanitarian purposes for the democratic resistance in Nicaragua. The bill repeals the prohibition against assistance to nongovernmental forces in Angola, authorizes assistance to non-Communist forces in Cambodia and Afghanistan and continues the constructive programs for economic and military assistance in Central America, especially in El Salvador where our programs have helped slow down and reverse the deteriorating situation of recent years.

This is a good bill, it represents the labor of many people who have put in countless hours in order to develop a viable compromise. It merits broad, strong bipartisan support in the Senate, as I am sure it will receive in the House.

I would like to thank my fellow conferees on both side of the aisle, especially the distinguished ranking minority member of the Senate Foreign Relations Committee, as well as the committee staff members for their tireless effort and sage counsel throughout the past several months work on this bill.

Mr. PELL. Mr. President, I want to add my endorsement to the conference report on the foreign aid authorization legislation that is now before the Senate. This report is the culmination of an arduous process and, as such, represents a compromise between the original House and Senate foreign aid bills passed earlier this year. We have attempted in this report to address a number of highly contentious issues in a fair, bipartisan manner. The conferees, and the staffs of both committtees, sought to fashion a compromise that best reflected the views of the Congress, as expressed in our respective bills, and that best served the foreign policy interests of our country. I urge its swift passage by the Senate.

I also want to take a moment to congratulate our chairman, the Senator from Indiana [Mr. Lugar]. He steered this legislation through some very troubled waters. With his leadership, and his willingness to listen to competing views and to fashion fair and workable compromies, he has led us to the point where the Congress, for the first time in 4 long years, will pass an authorization bill for the Foreign Aid Program. He deserves our thanks and admiration for this devotion to this task, which is, as all of us know, not always easy, and almost never popular. May I add that his staff supported him in a fair and excellent way. However, our Nation's interests are well served by this effort, and we are all in Senator Lugar's debt for his work on this legislation.

Mr. President, I am pleased that after 4 years the Senate and the full Congress have returned to regular process, requiring a full authorization prior to approval of funding for the foreign assistance programs. I support that process and earnestly hope that we will continue in this manner in the future consideration of foreign assistance programs.

I also wish to thank my own staff, particularly Gerald Christianson, Gerald Connolly, and Bill Ashworth for their invaluable help.

Mr. DOLE. Mr. President, I have been honored to be majority leader of this body for nearly 7 months now. One of the most important goals I have set for myself in this position has been to do what I can to restore some of the orderly conduct of business to the Senate, particularly in the authorization and appropriations processes.

For that reason, I am especially pleased that the Senate will take final action today on the foreign aid authorization bill. This will be the first time since 1981 that we have succeeded in passing a foreign aid bill, taking it to conference and bringing it back to the Senate for final action. For that reason, today is something of a red letter day—a real milestone on the road toward restoration of orderly and rational procedures in this body.

It is doubly satisfying, moreover, that we have reached this stage without ducking the tough foreign aid issues which have stymied progress on this legislation in past years. Here in the Senate, and in conference, we have dealt with Central America, including the most difficult issue of aid to the so-called Contras in Nicaragua. We have dealt with the Middle East—Israel, Egypt, Jordan and the rest. We have tackled some of the difficult African problems, including some like the Clark amendment which have been with us for several years. And we have put flesh on our policies of support for the freedom fighters of Afghanistan and Kampuchea.

There are many people, on both sides of the aisle, who share credit for the progress of this legislation. The chairman of the Foreign Relations Committee, Senator Lugar, is the principal architect of this bill and has been the principal strategist in bringing it to fruition. He deserves a lion's share of our praise and thanks today. The distinguished ranking member of the committee, Senator Pell, has worked with the chairman in an exemplary bipartisan way, to insure that we would have good, practical legislation, aimed at our national interest and not at partisan interests. The conferees from the Senate side each did a superb job—in addition to Senators Lugar and Pell, they were Senators Helms, Mathias, Kassebaum and Boschwitz, from the majority; and Senators Biden, Sarbanes and Zorinsky from the minority. And, of course, all the other members of the Foreign Relations Committee have each contributed in major ways to this final product, too, and each deserves recognition. Finally, I would be remiss if I did not take special note of the work of the Foreign Relations Committee staff, both majority and minority, who did so much of the backstage work to get us where we are today.

At a time when we seem to be having difficulty moving some other important legislation, it is encouraging and satisfying to see this important bill ready for final passage. It shows we can act—effectively, decisively and in a bipartisan way. Hopefully the spirit of cooperation embodied in the passage of this bill will show us the way on other equally important matters.

PEACE CORPS PROVISIONS

Mr. CRANSTON. Mr. President, I am pleased to recommend to my colleagues support of the provisions of title IX of the conference agreement on the proposed International Security and Development Cooperation Act of 1985, which relate to the Peace Corps. In addition to the reauthorization provision, the conference agreement contains three provisions similar to those in S. 882, the proposed Peace Corps Amendments of 1985, which I, joined by Senators Mathias, Pell, Kassebaum, and Dodd, introduced on April 4. These provisions would establish a statutory Peace Corps National Advisory Council; declare a policy of providing opportunities for a volunteer corps of at least 10,000; and require overseas appointments of Peace Corps employees to be made on a nonpartisan basis. Also, the conference agreement would modify the existing 5-year limitation on the period that U.S. citizens generally may be employed by the Peace Corps and authorize the appropriation of $130 million for the Peace Corps for each of fiscal years 1986 and 1987.

TWENTY-FIFTH ANNIVERSARY OF THE PEACE CORPS

Mr. President, next year the Peace Corps will celebrate its 25th anniversary. For almost a quarter of a century Americans of all ages have volunteered for the Peace Corps. In all, over 100,000 Americans have served as Peace Corps volunteers. They have established a record of service throughout the world of which every one of us can and should be proud.

Former Peace Corps volunteers are continuing to contribute in a multitude of ways, from activities in small communities to national leadership. Two former Peace Corps volunteers, the Senator from Connecticut [Mr. Dodd] and former Senator Tsongas from Massachusetts, have been elected to this body. Four former volunteers currently serve in the House of Representatives.

For a period of time, however, the visibility of the Peace Corps had seemed to diminish. Some wondered whether the Peace Corps still existed or whether the idealism of the sixties which had spawned and nurtured this program had been replaced by a consumptionistic, materialistic orientation. In 1981, the legislation I authored in the International Security and Development Cooperation Act of 1981 set the Peace Corps free from the Federal bureaucracy in which it had been buried and was hibernating and gave it an opportunity to reestablish its presence, both in the public eye at home and throughout the world.

The Peace Corps is alive and well today and is thriving. Public interest in Peace Corps volunteer service is strong, as demonstrated by the flood of inquiries received by the Peace Corps in response to Peace Corps Director Loret Ruppe's call this past spring for 600 volunteers to go to Africa to help deal with the agricultural challenges facing that famine-ridden part of our world. Inquiries were pouring into Peace Corps offices at the rate of 1,000 calls a day. However, even as we rejoice in the renewal of interest in this program, there is more than can be done to help continue to stimulate this revival and renewal of the ideals and the vision that the Peace Corps has always symbolized and to reinforce the bipartisan, nonpartisan nature of support for the program.

OPPORTUNITY FOR RENEWAL AND REDEDICATION OF THE PROGRAM

Mr. President, the 25th anniversary of this unique program—which so well exemplifies the compassion and the willingness to help those in need which is integral to the American spirit—presents us with a special opportunity to reflect upon the Peace Corps and on where it should be going in the next 25 years.

Despite the renewed sense of interest in and a much greater public awareness of the Peace Corps since Congress granted it independence in 1981, the Peace Corps today is one-third the size it was in 1966 when more than 15,000 Peace Corps volunteers were serving throughout the world. Today, we have barely 5,000 volunteers. Concerns over the utilization of overseas Peace Corps staff posts as political patronage plums continue to plague the program. The resources, talents, and ideas of the thousands and thousands of former Peace Corps volunteers bearing on the future direction of the Peace Corps Program are not used as a part of the formal structure within which Peace Corps planning and programming decisions are made. It is long since past time, for example, for the appointment of a former Peace Corps volunteer as Director of the Peace Corps.

Provisions of the conference agreement are aimed at addressing each of these issues.

AUTHORIZATION OF APPROPRIATIONS

With respect to the authorization of appropriations, I believe that the agreement—providing authorizations of appropriations of $130 million for each of fiscal years 1986 and 1987—represents a fair compromise between the Senate-passed authorization of $128.6 million for fiscal year 1986 and the House-passed authorization of $136.1 million in each of fiscal years 1986 and 1987. In this connection, I note that, based on Senate provisions, the conference agreement contains a potential additional source of funding for the Peace Corps operations. The conference report would authorize the President to transfer to the Peace Corps, for use in carrying out the purposes of the Peace Corps Act in Central American countries, funds appropriated for nonmilitary assistance in Central America for fiscal years 1988, 1989, and 1990 pursuant to new section 435 of the Foreign Assistance Act of 1961.

I would encourage the use of that authority to the full extent that the Peace Corps believes it can make effective use of additional funding for its programs in Central America.

In addition, I am delighted that the conferees agreed to include in the joint explanatory statement language I suggested to underscore the unique role of the Peace Corps as an instrument for enabling dedicated Americans to serve the peoples of its host countries and for increasing mutual understanding between Americans and the people of other countries. Thus, the explanatory statement of the conferees stresses that in making these additional funds available to the Peace Corps for use in Central America, the conferees do not intend to change in any way the fundamental precept, first enunciated by Secretary of State Dean Rusk in 1961, that the Peace Corps is not to be used as an instrument of U.S. foreign policy.

NATIONAL ADVISORY COUNCIL

I am also very pleased that the House conferees agreed, with a very few modifications, with all of which I concur fully, to the Senate proposal—embodying provisions from amendment No. 121, which I, together with Senator Kassebaum, submitted and the Senate agreed to on May 15—to establish a statutory, bipartisan Peace Corps National Advisory Council to replace the existing advisory committee.

This new council would be directed to evaluate the accomplishments of the Peace Corps, assess the potential capabilities and future role of the Peace Corps, and make recommendations to the Director of the Peace Corps, the President, and the Congress. The council's recommendations would serve to help guide the future direction of the Peace Corps and ensure that the purposes and programs of the Peace Corps are carried out in ways that are economical, effecient, responsive to changing needs in host and potential host countries, and to changing relationships among peoples, and in accordance with law.

The council would consist of 15 voting members—nominated by the President and confirmed by the Senate—who would be required to be broadly representative of the general public, with the Secretary of State and the Administrator of AID, or their designees, and the Director and Deputy Director of the Peace Corps serving as nonvoting members ex-officio. At least seven of the voting members would have to be former Peace Corps volunteers and not more than eight could be members of the same political party. The council would elect annually its own chairman and vice chairman who could not be of the same political party.

This council is designed to serve as a real, working group, not a perfunctory rubberstamp.

I am convinced that this is the right point in the history of the Peace Corps to create a new, specialized, representative bipartisan body, to bring together individuals with relevent experience and insights about the role that the Peace Corps should play in the world during the Peace Corps' next quarter of a century.

Mr. President, there is currently a nonstatutory advisory council to the Peace Corps. However, as far as we can tell from the scant information available about it, it contains no former Peace Corps volunteers and does not have the type of mission, responsibilities, scope, or experience and representative membership as the advisory council which would be established under this legislation. Under the conference agreement, beginning 60 days after the date of enactment, no such administratively established council would be permitted to exist.

The changes made in this provision in the conference agreement are relatively minor in nature and include modifications to the council membership to make the Secretary of State a nonvoting, rather than a voting member, and add the AID Administrator as a nonvoting member.

Mr. President, for further information regarding the background and intent of the provisions to establish the National Advisory Council, I refer my colleagues to my remarks at the time of Senate adoption of my amendment, beginning on page S. 6164 of the Record for May 15.

NONPARTISAN APPOINTMENTS OF OVERSEAS PERSONNEL

The conference agreement contains, without modification, the provision in amendment No. 121 to amend the Peace Corps Act to provide that overseas staff appointments must be nonpartisan. This provision deals with a problem that has plagued the Peace Corps through both Republican and Democratic administrations. Unfortunately, Peace Corps country directorships have sometimes been viewed as political patronage prizes. These post are too important to be handed out to unqualified persons. A Peace Corps country director is a vital link both to the Government of the host country and to scores of volunteers in the field who must depend on the country director's good judgment and sensitivity on numerous occasions.

Peace Corps volunteers often serve in precarious positions, hundreds of miles from any governmental—ours or the host country's—support mechanism or protection. They don't live, as do most Foreign Service officers, in American compounds or foreigners' enclaves with special commissary and diplomatic privileges. Peace Corps volunteers live generally at the level and in the communities of the people they come to serve and help.

They deserve to know that their country director and support staff were chosen specifically because of the capacity to be of help to Peace Corps volunteers and not as a reward for political contributions or campaign work.

Unlike overseas diplomatic missions of the U.S. Government, which are supported by a cadre of career, professional Foreign Service staff, the Peace Corps overseas programs are staffed by very small numbers of American employees serving in the Peace Corps for statutorily limited periods, generally no more than 5 years. Under the circumstances, missteps or miscalculations by an unqualified Peace Corps country director or other staff person could have dire consequences. Each overseas Peace Corps staff member must be competent and dedicated to the goals of the Peace Corps and to the wellbeing and success of the volunteers and should be expressly selected because of and only because of those attributes.

Again, for further information on the background and intent of this provision, I would refer my colleagues to my statement on amendment No. 121, beginning on page S 6164 of the May 15 Record.

POLICY FOR A VOLUNTEER CORPS OF AT LEAST 10,000

Mr. President, the conference agreement contains a provision, derived from the House-passed bill, declaring that it is the policy of the United States and a purpose of the Peace Corps Act to provide sufficient opportunities for service to maintain a volunteer corps of at least 10,000, to the maximum extent appropriate and consistent with programmatic and fiscal considerations.

In 1984, there were about 5,200 Peace Corps volunteers serving in 60 countries around the world. For the past 18 years, however, the number of Peace Corps volunteers has steadily declined, from its height of more than 15,000 in 1966, to 9,000 in 1970 and 6,000 in 1980. The worldwide distribution has also declined. Almost half of the current volunteers—2,400—serve in Africa. Less than 200 serve in South America—all of those in only two countries.

Obviously, an increase in the size of the Peace Corps must be carefully planned and executed. Expansion must be tailored to, first, the needs of and requests for assistance from host countries; second, the pool of qualified volunteers; third, the capacity of the Peace Corps to provide adequate training and support to and placement of volunteers; and, fourth, budgetary realities given our very critical deficit problem and the great competition for scarce resources. But I believe there is little doubt that a goal of a total volunteer strength of at least 10,000 is worthwhile and attainable in this decade or early in the next.

Mr. President, as I noted at the time of Senate consideration and adoption of amendment No. 121, although my bill, S. 882, contained a provision to establish an at-least-10,000-volunteers goal, because the distinguished chairman of the Foreign Relations Committee (Mr. Lugar) was not then receptive to that provision, it was not included in the amendment I finally offered after considerable discussion. However, as I also noted, on page S 6165 of the May 15 Record, the chairman then agreed that in the conference he would take another look at the modified language I had planned to include in my amendment. He was, of course, true to his word and, I am very pleased that he, upon reconsideration, and the other Senate conferees were agreeable to the goal provision in the form I had originally included it in my floor amendment. It also includes the House bill's amendment to Peace Corps Act section 11, modified so as to require that no Peace Corps annual report specify any plan to carry out the new statutory goal.

LIMITATION ON LENGTH OF PEACE CORPS EMPLOYMENT

Mr. President, the House-passed measure contained a provision to extend from 5 to 7½ years the general maximum duration of the period that a U.S. citizen may be employed by the Peace Corps. Although the Senate bill contained no comparable provision, we were sympathetic to some of the reasons cited for such expansion and, after much staff discussion prior to the conference, have been able to reach accord on provisions that meet the Peace Corps' need to retain some number of its U.S. citizen employees longer than 5 years.

Thus, the conference agreement contains the House provision in the amendment with modifications. The agreement specifies four purposes for which appointments of U.S. citizens in excess of 5 years may be made: First, to permit Peace Corps employees who have served at least 2½ years abroad to serve in the United States; second, to permit Peace Corps employees who have served at least 2½ years in the United States to serve abroad; third, to permit employees who have served at least 2½ years in a recruiting, selection, or training assignment to serve either in the United States or abroad in an assignment other than the one in which they have most recently served; or, fourth, to promote the continuity of functions in administering the Peace Corps.

The conference agreement would also limit the total number of appointments or assignments of U.S. citizens in effect at any one time for more than 5 years to no more than 15 percent of the total of all appointments or assignments of U.S. citizens at that time. However, without regard to these limitations on the number of U.S. citizen employees who may be employed, and the purposes for which they may be employed, for more than 5 years, the conference agreement would permit the Director of the Peace Corps under special circumstances personally to extend on an individual basis an employee's service up to 1 year beyond 5 years. This authority to extend an employee's appointment would be in addition to the Director's existing authority, currently set forth in section 7(a)(2)(A), to provide under the same terms and conditions up-to-1-year extensions of the general limitation—which the conference agreement would increase from 5 years to 7½ years—on the duration of U.S. citizen's Peace Corps employment.

The conference agreement would also require the Director to submit to the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs by January 1, 1986, a report on the criteria to be used, pursuant to the four statutory-purpose provisions, in exercising the new authority to employ U.S. citizens beyond 5 years for up to 7½ years. The Director would thereafter be required to submit annual reports on the exercise of that authority and the Director's authorities personally to approve the two types of 1-year extensions.

Under these provisions, if at a given point there were a total of 800 U.S. citizen employees of the Peace Corps, no more than 120—15 percent of 800—would be permitted at that time to have appointments or assignments in excess of 5 years, but employees serving in their 6th year pursuant to up-to-1-year extensions personally approved by the Peace Corps Director under special circumstances would not be counted against the 15-percent limit. However, each employee serving with an extension beyond 7½ year would be counted. The conference report joint statement stresses the views of the conferees that the extraordinary short-term extension authority should continue to be exercised sparingly by the Director, as it has been.

CONCLUSION

Mr. President, I want to express my appreciation to the conferees on this legislation for the cooperative, constructive attitude with which they approached the negotiations on provisions relating to the Peace Corps. I would especially like to thank for their fine work on these provisions the very able chairman, Representative DANTE FASCELL, and ranking minority member, Representative WILLIAM BROOMFIELD, of the House Committee on Foreign Affairs, and committee staff consultant Margaret Goodman; the distinguished chairman, Senator RICHARD LUGAR, and ranking minority member, Senator CLAIBORNE PELL, of our committee, and my fellow committee member, Senator CHRIS DODD, who as a former Peace Corps volunteer has a strong personal interest in matters relating to the Agency. I also would like to express my gratitude for their fine work and cooperation on these provisions to members of the Senate committee majority staff, especially Mark Blitz, and minority staff, Gerry Christianson and Gerry Connolly, and staff assisting Senator DODD, Robert Dockery. I also want to thank for their outstanding efforts the staff who assisted me, Susanne Martinez, Ed Scott, and Jon Steinberg.

Mr. President, the Peace Corps has always been a very special program for me. In the midsixties I had the honor of serving as a Peace Corps program evaluator, visiting volunteers on the job in Ghana. Seeing first hand the tremendous work being done by these dedicated Americans left me with an enduring commitment to this truly outstanding endeavor.

Peace Corps volunteers have contributed in countless ways to the goal of world peace and understanding. Both America and the world have much to gain from an expanded, rededicated, and nonpartisan Peace Corps. I believe that enactment of this legislation will provide an opportunity to reinforce and strengthen the bipartisan support for this program and help make the next 25 years the best they can be for this unique people-to-people effort.

Mr. DOMENICI. Mr. President, I am pleased that the conferees on S. 960, the foreign assistance authorization bill, agreed to authorize economic assistance and cultural exchange funding for Central America for the next 4 years. This landmark multi-year authorization implements one of the major recommendations of the National Bipartisan Commission on Central America, chaired by former Secretary of State Henry Kissinger.

A long-term commitment to the economic and social development of Central America is established by this legislation. Other recommendations of the bipartisan commission are also included: assistance for granting clear titles to land reform recipients; reform of judicial and civil police systems in the region; and establishment of a Central America Development Organization.

The Agency for International Development, the U.S. Information Agency, and other executive branch organizations should move forward as rapidly as possible to take advantage of this expression of congressional endorsement of the Bipartisan Commission. Until now, too many activities have been delayed by redtape and lack of high-level attention. Most of the money requested has been appropriated, so with this policy language, there's no more room for excuses to delay implementation.

The distinguished chairman of the Foreign Relations Committee has done a good job with this legislation, and is well on the way to restoring the Foreign Relations Committee to its traditional status as a major actor in foreign policy. I thank him for his help.

Mr. PELL. Mr. President, will the Senator yield to me in order that I might direct a couple of questions to him concerning economic support funds [ESF] for Ecuador?

Mr. LUGAR. I will be glad to yield to the distinguished Senator.

Mr. PELL. Mr. President, I thank the distinguished chairman of the Foreign Relations Committee for yielding to me. I am specifically interested in whether this bill earmarks any ESF for the Government of Ecuador in fiscal years 1986 and 1987. Am I correct that the legislation does not, in fact, earmark any ESF for Ecuador?

Mr. LUGAR. Yes, that is correct.

Mr. PELL. Can the Senator explain to me the reason for this and whether he feels Ecuador is entitled to this type of assistance?

Mr. LUGAR. Yes, I will be glad to respond to the Senator. As the Senator knows, the Foreign Relations Committee does not, as a general rule, earmark funds unless there is a compelling reason to do so. However, while the bill does not earmark ESF for Ecuador, I would say that I am very supportive of President Febres-Cordero's recent request to President Reagan for ESF in this and subsequent fiscal years. In addition, I would say that the absence, or the lack of, an earmark does not, in any way, diminish Ecuador's need for ESF support. On the contrary, Ecuador's needs ought to be considered carefully. It is fast becoming one of the most progressive countries in terms of its economic policies and human rights record among countries in that region.

Mr. PELL. Can the Senator tell me since there is no earmark, whether the conference report contains a specific recommendation with respect to ESF for Ecuador during the next 2 fiscal years and, also whether he considers that amount sufficient?

Mr. LUGAR. I would say in response to the Senator that the administration recommended $15 million in ESF for Ecuador in fiscal years 1986 and 1987. However, in my judgment this amount should not be considered a ceiling on ESF for Ecuador during the next 2 years. Rather, I would hope that the administration would consider this a minimal amount. It is my belief that Ecuador, under the leadership of President Febres-Cordero, is on the road to becoming a strong and viable democracy and ally of U.S. interests in Latin America and that, further, this is the kind of government the administration and the Congress should support.

Mr. PELL. What is the Senator's view of a potential reprogramming request for Ecuador?

Mr. LUGAR. The bill, of course, does not make any such recommendation with respect to a reprogramming of unexpended fiscal year 1985 funds. As the Senator knows, I met recently with President Febres-Cordero and I was truly impressed with his determination to make his country a genuine Latin American success story. However, it is clear to me that in order for him to be successful, he needs to have our help. So I would say to my friend that I would be very supportive and, indeed, I would encourage the State Department to consider Ecuador's needs with this in mind. I believe that adequate funds for Ecuador would be a wise and prudent investment that would reap substantial dividends for the United States in this part of the world for years to come.

Mr. PELL. I thank the Senator for yielding. I agree with him that Ecuador requires and deserves a substantial amount of ESF and I will work with him in this regard.

Mr. SARBANES and Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I wish to thank my distinguished colleague, Senator PELL, for his comments, and to add my own congratulations to him, and to the majority and minority staff who did extraordinary work.

Likewise, to our colleagues who worked so hard on this bill.

Mr. SARBANES. Mr. President, this is a significant case. It is the first time that the Congress will have passed a foreign assistance authorization in 4 years. We have been operating really on the basis of a continuing resolution, which is not the way to do business.

I commend the chairman and the ranking member for their persistent and consistent efforts over a very sustained period of time in order to bring

this about. This is the way we ought to be legislating.

Mr. President, I am pleased that we are back on the right track with respect to this important legislation.

Mr. LUGAR. Mr President, I move adoption of the conference report.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the conference report.

The conference report was agreed to.

Mr. LUGAR. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. GOLDWATER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF DEFENSE AUTHORIZATION—CONFERENCE REPORT

Mr. GOLDWATER. Mr. President, I submit a report of the committee of conference on S. 1160 and ask for its immeditate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1160) to authorize appropriations for the military functions of the Department of Defense and to prescribe personnel levels for the Department of Defense for fiscal year 1986, to authorize certain construction at military installations for such fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 29, 1985.)

Mr. GOLDWATER. Mr. President, I am pleased to bring to the Senate the conference report on S. 1160, the Department of Defense authorization bill for fiscal year 1986. After 2 weeks of extensive negotiations, House and Senate conferees have resolved nearly 1,000 funding differences and more than 350 language differences.

Before I highlight some of the more important agreements contained in this bill, I would like to first thank my friend and colleague Senator NUNN, the ranking minority member of the Armed Services Committee, for his invaluable help in completing this conference. As always, his sound judgment and close cooperation were essential in our efforts to reach agreement with the House conferees. Mr. President, I have participated in many conferences during my years on the Armed Services Committee, but I cannot remember a single year during which the committee's work has been managed in a greater spirit of bipartisan cooperation. That is a real credit to Senator NUNN.

I would also like to express my great appreciation to the chairmen and ranking minority members of each of the subcommittees of the Armed Services Committee for their diligent efforts in resolving the differences within their subcommittees' jurisdiction. And I would also like to thank all the members of the committee for their steadfast support and cooperation throughout this conference.

Finally, the staff of the committee—both majority and minority—should be commended for their professionalism and hard work in completing this conference report.

Mr. President, the bill I am recommending to the Senate today, together with the expected outcome of the conference on the military construction authorization bill, will total about $302.5 billion for the national defense budget function in fiscal year 1986. This funding level is the same as that contained in the tentative bipartisan agreement on the budget—a level I expect to be retained in the first concurrent budget resolution. A funding level of $302.5 billion allows the defense budget to grow only enough to cover the projected rise in inflation during fiscal year 1986. I continue to believe that this figure is too low, and that it does not provide adequate resources to meet our national security requirements.

Nevertheless, Mr. President, I am recommending that the Senate approve this conference report. No one will be surprised to learn that there are many matters in this bill with which I personally disagree. Both the House and the Senate again burdened the defense authorization bill with narrow, parochial concerns that in many cases do not belong on this bill, and which contribute nothing to our national defense. Although some of these provisions were eliminated in conference, a number remain. However, I am urging the Senate to approve this bill because, on the whole, it will strengthen our national security. Conference reports by their very nature involve compromise—and concessions were made by both sides on a number of issues.

At this time, I would like to briefly highlight the major provisions of the conference report:

SDI

The conferees agreed to provide $2.75 billion, and left the allocation of these funds to the discretion of the program manager.

BINARY CHEMICAL MUNITIONS

The conference report provides for the initial production of binary chemical munitions, following certain Presidential certifications.

PEACEKEEPER (MX)

The conference report capped deployment of MX missiles in existing Minuteman silos at 50, and procured 12 missiles in fiscal year 1986.

ASAT

The conferees agreed to limit ASAT tests against an object in space to three through the end of fiscal year 1986.

SMALL ICBM

The Conferees added $100 million to the amount requested for the small ICBM.

M-1 TANK

The conferees approved procurement of 840 m-1 tanks.

SERGEANT YORK DIVISION AIR DEFENSE (DIVAD) GUN

The conferees approved the procurement of 72 Divad guns for $210 million. This money may be spent only after the Divad has proved its effectiveness during follow-on test and evaluation.

F/A-18

84 Navy F/A-18 fighter aircraft were approved by the conferees.

F-16 AND F-15

The conference report provides for the procurement of 180 F-16 aircraft and 48 F-15's for the Air Force.

SHIPBUILDING

The conferees approved $10 billion for the construction of 21 new ships and 5 conversions.

AIRLIFT AIRCRAFT

The conferees approved the procurement of 16 C-5B and 12 KC-10A Aircraft, and continued development of the C-17.

PAY RAISE

The conferees approved a 3 percent military pay raise, effective October 1, 1985.

OPERATIONS AND MAINTENANCE

The conferees approved $79.3 billion to sustain improvements in the readiness and sustainability of our Armed Forces.

PROCUREMENT POLICY

The conference report contains a number of provisions designed to improve the procurement process.

BASE CLOSURES

The conferees approved a provision that will expedite procedures to close nonessential bases.

OTHER ECONOMY AND EFFICIENCY MEASURES

The conference report eliminated several other congressionally imposed impediments to the efficient management of our defense program.

Mr. President, the remainder of my statement provides greater detail regarding the provisions of the conference report.

STRATEGIC FORCE ISSUES

The conference committee resolved differences of over $3.1 billion between the Senate and House bills involving strategic programs. While adjustments were made in a number of programs due to budgetary constraints, the conferees agreed to maintain the momentum of the Strategic Modernization Program.

STRATEGIC DEFENSE INITIATIVE

The Senate bill provided $2.97 billion for the President's strategic defense initiative [SDI], while leaving the allocation of this reduction to the discretion of the SDI program manager. The House bill provided $2.5 billion, and specifically allocated this reduction against each of the five major program elements. The conference committee remained strongly supportive of a vigorous research effort under the strategic defense initiative, with its goal of determining the feasibility of developing strategic defenses for the United States and its allies. The conferees therefore recommended an authorization of $2.75 billion for the SDI in fiscal year 1986, and left the allocation of the reduction to the discretion of the program manager.

BINARY CHEMICAL MODERNIZATION PROGRAM

The conference committee took another important step toward restoring a credible U.S. chemical deterrent capability. Resolving the differences between the two bills on this program was one of the most difficult issues faced by the conferees. The final agreement, which required concessions from both sides, restricted the funding for the procurement of binary munitions—including components—and the associated production facilities until the President provides a certification to Congress. The President must certify that the United States has developed a plan, in cooperation with the Supreme Allied Commander, Europe, to deploy U.S. binary chemical munitions under appropriate contingencies to deter chemical attacks against the United States and our allies, and that he has consulted with NATO members on this plan.

No funds may be expended for the final assembly of complete binary munitions until October 1, 1987, and are available thereafter only if there has been no verifiable international agreement on chemical weapons, and the President makes a further certification to the Congress. In addition, the conferees adopted language expressing the sense of the Congress that unitary chemical munitions currently stored in the United States and in NATO should be replaced with modern binary munitions for safety reasons.

PEACEKEEPER (MX) MISSILE

The conferees provided $1.85 billion for the procurement of 12 MX missiles in fiscal year 1986, including initial spares, and the support equipment required to deploy 50 missiles in existing silos. The conference report includes statutory language limiting the number of Peacekeeper missiles deployed in existing Minutemen silos to 50. The conference provision is explicit with regard to the possibility of MX deployments beyond 50 should the President propose—and the Congress approve—a more survivable basing mode for the MX—the President always has the prerogative to request additional MX missiles for deployment if there is a significant change in the strategic environment—the conferees anticipate further missile procurements for the Operational Test Program and the Missile Aging and Surveillance Program, and expect that between 12 and 21 missiles will be procured for these purposes in fiscal year 1987.

ANTI-SATELLITE WEAPONS

The conference report includes statutory language that permits testing of the U.S. miniature homing vehicle antisatellite [ASAT] system against an object in space following a Presidential certification on the need for, and arms control implications of, such testing. This provision provides funding for not more than three such tests against an object in space through the end of fiscal year 1986. The conferees fully funded the administration's $149.9 million request for research and development. However, the conferees reduced the request for procurement by $65 million, and invited the Air Force to reprogram funds into the Research and Development Program for the purpose of resolving technical issues.

TACAMO (E-6A) AIRCRAFT

The Senate bill fully funded the adminstration's request of $86.3 million for research and development, and $400.2 million for the procurement of two E-6A submarine communications relay aircraft and associated spares. The House bill contained no funding for this program. In view of the importance the conferees attach to the sea-based leg of the U.S. strategic triad, and their judgment that this leg can be no more survivable or effective than the communications systems that support it, the conferees agreed to fully fund the E-6A Program.

ADVANCED TECHNOLOGY BOMBER AND ADVANCED CRUISE MISSILE

The conferees agreed to provide full funding for these programs in fiscal year 1986. The actual funding levels are classified.

SMALL ICBM

The Senate bill fully funded the administration's request for the small ICBM, or Midgetman missile. The House bill added an additional $150 million to the administration's request. The conferees agreed to provide an additional $100 million to the administration's request for the small ICBM to reduce risk in the program, including work on alternative guidance options and advanced propulsion techniques.

The conferees expressed the need for more information about this program that they expect to have available before proceeding to full-scale engineering development. The conferees directed the Air Force to report to the Committees on Armed Services by October 1, 1985, regarding tradeoffs that result from the congressionally imposed weight constraint on the missile, as well as other issues. In addition, the conferees directed that an independent review of the program be conducted by the Defense Science Board. I personally have a number of serious concerns about this program, not the least of which is its cost.

TACTICAL WARFARE ISSUES

Both the House and Senate Armed Services Committees continue to place strong emphasis on the modernization of our conventional forces. The agreements reached by the conferees will continue—and in some cases accelerate—the modernization of those forces.

ARMY

The conferees agreed on the procurement of 840 M-1 tanks in 1986, and provided advanced procurement funds for another 840 tanks in 1987. As a result of favorable contract negotiations and savings related to multiyear procurement, the conferees were able to reduce the administration's funding request for M-1 tanks by nearly $100 million without reducing the number of tanks procured.

The conferees approved the procurement of 72 Sergeant York Division Air Defense [Divad] guns for $210 million. These funds may not be expended until the Divad successfully demonstrates that it will meet system specifications during follow-on testing. The conferees also approved $72 million for the procurement of 150 field artillery ammunition support vehicles [FAASV], and $30 million for the procurement of 34 M-9 armored combat earth movers [ACE].

The conferees expressed strong support for the development of remotely piloted vehicles [RPV's], but expressed concern over the Army's current RPV Program, the Aquila. Recognizing the cost and performance problems that have hampered the Aquila Program, the conferees agreed to the Senate language directing that the program be restructured.

NAVY

For the Navy the conferees agreed to authorize 11 A-6E medium attack aircraft, 5 more than requested by the administration. A total of 84 F/A-18 aircraft were approved for 1986, along with advanced procurement funds for 84 aircraft in 1987. For F/A-18 research and development, the conferees

approved an additional $7 million to continue the development of modifications that will give the F/A-18 an austere all-weather attack capability. The conferees also approved the procurement of four UH-60 Blackhawk helicopters to supplement the Navy's aging inventory of search and rescue [SAR] helicopters.

The conferees expressed strong support for the administration's efforts to fill out weapons inventories. The conferees approved the requested procurement levels for all Navy air-to-air and air-to-ground missiles with the exception of the Sidewinder which the conferees increased by 630 missiles. The conferees agreed to a funding level of $583.7 million for the development of Navy/Marine Corps, JVX—now designated MV-22 Osprey—tilt-rotor aircraft. The MV-22 Osprey is expected to begin replacing CH-46 assault helicopters in 1991.

AIR FORCE

The conferees agreed to the Senate funding levels for the procurement of 180 F-16 and 48 F-15 fighter aircraft. In recognition of the savings which may be achieved from competition, the conferees approved a modification of the House provision calling for fighter competition. This modification requires the Secretary of the Air Force to establish a competition in 1986 for the procurement of future fighter aircraft. This competition shall be among all suitable aircraft including the F-20.

The conferees also agreed to the Senate funding levels for research and development of the advanced medium range air-to-air missile [AMRAAM]. Production funds of $150 million and advance procurement of $30 million were approved with the understanding that these funds would be applied to qualify the second source manufacturer—in an effort to achieve vigorous competition—and to initiate producibility improvements designed to lower the production cost of the missiles. The conferees also agreed that none of the production funds may be spent prior to a certification to the Congress by the Secretary of Defense that the total production cost of the AMRAAM Program has been capped at $5.2 billion—in 1984 dollars—for the procurement of 17,000 missiles.

The conferees agreed to the House funding level for three HH-60 Nighthawk helicopters to begin the modernization of the Air Force inventory of combat rescue aircraft. And in recognition of the need to continue the modernization of air defense systems at NATO facilities, the conferees authorized $75 million for NATO cooperative air defense efforts. These funds are to be matched by a similar commitment from our NATO allies for the procurement and manning of NATO air defenses.

SEA POWER AND FORCE PROJECTION

SHIPBUILDING

The conferees approved $10,001.2 million for 21 new construction ships and 5 conversions. The conferees agreed to fund one Trident ballistic missile submarine, four SSN-688 class nuclear attack submarines, three CG-47 class Aegis cruisers, one LHD-1 class amphibious assault ship, and 4 MSH coastal mine hunters. In addition to the long-lead funds provided for reactivation of the fourth battleship, U.S.S. *Wisconsin*, the conferees agreed that full reactivation of the ship was authorized if funds were available from savings in other shipbuilding contracts.

ANTISUBMARINE WARFARE AIRCRAFT

The conferees authorized 24 LAMPS Mark-III [Sea Hawk] helicopters, and 6 LAMPS Mark-I [Sea Sprite] helicopters.

The conferees also authorized up to nine P-3 Orions, but adopted a creative approach to funding these land-based antisubmarine warfare aircraft. Since overall ASW capability can be enhanced by improving existing aircraft as well as building new ones, the conferees provided the Secretary of the Navy with the discretion to shift some funds authorized for new aircraft into a program to upgrade older ones. Competitive bids will be required for the upgrade program, which effectively creates an alternative, and thus promotes competition, for the procurement funds as well.

AIRLIFT AIRCRAFT PROCUREMENT

The conferees agreed to continue funding for the multiyear procurement of C-5B cargo aircraft and KC-10A advanced tanker/cargo aircraft; 16 C-5B and 12 KC-10A aircraft will be purchased in fiscal year 1986. The conferees also agreed to support continued development of the new C-17 airlifter.

MANPOWER AND PERSONNEL ISSUES

The most significant differences between the Senate and House were in the end strength levels of military forces, in the level of reductions to be pursued in the military retirement system, and in military pay.

ACTIVE DUTY

The conferees agreed to an active duty end strength of 780,800 for the Army, 571,300 for the Navy, 606,470 for the Air Force, and 198,800 for the Marine Corps.

CIVILIANS

The conference agreement provides for a 1-year continuation of the test program which permits the Department of Defense to manage its civilian work force without an end strength imposed by the Congress, and without the use of end strengths as an administrative management tool. The Department would be required to report back to the Congress on the results of this test next year.

MILITARY PAY RAISE

The conferees approved the Senate's recommendation to provide a 3-percent raise in basic pay, basic allowance for subsistence, and basic allowance for quarters to be effective on October 1, 1985.

MILITARY RETIREMENT

The conferees agreed to reduce the authorized level of appropriations available to fund the military retirement accrual fund in fiscal year 1986 by $2.9 billion below the level needed under existing law. The Secretary of Defense will be required to submit two legislative proposals to the Congress by September 15, 1985, which, if enacted, would result in a $2.9 billion savings as required by the conference agreement. The proposals submitted by the Secretary of Defense must grandfather all retirees and those already serving in the military. One proposal, if enacted, would have to obtain the agreed upon savings without making changes in the cost-of-living adjustment mechanism now in law.

OPERATIONS AND MAINTENANCE

The conferees approved $79.3 billion for the operation and maintenance of the Armed Forces in fiscal year 1986, including civilian salaries, base operations, and training. The conference action represents a reduction of 3.2 billion from the administration's February request of $82.5 billion. Despite this reduction, the conference report will enable us to maintain the improvements that have been made in the readiness and sustainability of our Armed Forces over the past several years.

The current and projected strength of the U.S. economy, inflation reductions from previous years, and the strength of the dollar in the international markets permitted financial reductions in stock fund accounts, inflation estimates, and foreign currency funds. The savings realized from these reductions were applied to: Increase funding of maintenance and logistical support efforts; increase aircraft flying hours for all the services; increase steaming days for the ships of the Navy; increase battalion training days for the Army; add funds to real property maintenance accounts; increase depot maintenance funding; restore the recommended pay reduction for civilian Department of Defense workers; and provide funds for a number of other high priority readiness related items.

DRUG INTERDICTION

The conferees agreed to renew the Department of Defense's contribution in support of drug law enforcement assistance missions by providing surveillance, detection, and interdiction support. An allocation of $15 million will pay for Coast Guard personnel onboard Navy ships for this purpose. This effort will help fight drug traffic without granting the military authority to make arrests. The conferees hope other agreements in command, control, and coordination will make the assistance missions better coordinated and more effective.

HUMANITARIAN ASSISTANCE

The conference report contains two provisions which will provide assistance to refugees. One provision provided $10 million for transportation of humanitarian relief supplies to Afghan refugees. Another provision directs the Secretary of Defense to provide excess nonlethal, humanitarian supplies for distribution to refugees.

OTHER OPERATIONS AND MAINTENANCE RELATED ISSUES

The Department of Defense working capital funds were reduced by $200 million; funding support for the 10th Pan American Games was provided; and foreign currency funds were transferred to operations and maintenance accounts.,

PROCUREMENT POLICY ISSUES

As part of the conference report, the conferees adopted the Defense Procurement Improvement Act of 1985. The act has provisions dealing with many aspects of the defense procurement process and is intended to address some recent high-visibility problems. The following major provisions were adopted to improve the procurement process by:

First, promoting continuous competition throughout the period of time in which a weapon system or other defense equipment is being acquired, provided that such competition is cost effective, would not result in acceptable delays, and is otherwise in the national security interest;

Second, requiring the Secretary of Defense to evaluate the use of thorough "should cost" estimates for each major defense program;

Third, ensuring that military and civilian personnel in the Department of Defense with substantial defense procurement responsibility are properly qualified;

Fourth, ensuring that the career path for military officers who have specialized in defense acquisition offers sufficient opportunity for advancement and promotion;

Fifth, providing mandatory training for personnel responsible for quality assurance in contractor facilities;

Sixth, promoting increased disclosure of the activities of employees of defense contractors who were former employees of the Department of Defense, and who were directly involved in defense procurement;

Seventh, preventing conflicts of interest by employees of the Department of Defense involved in the negotiation and administration of defense contracts;

Eighth, continuing procurement technical assistance through outreach programs;

Ninth, shifting the burden of proof in certain matters in the resolution of Government contract disputes;

Tenth, providing the Director of the Defense Contract Audit Agency with subpoena authority;

Eleventh, improving the accounting for contracted advisory and assistance services;

Twelfth, making certain indirect expenses of contractors unallowable;

Thirteenth, establishing penalties for the submission of unallowable costs to DOD for reimbursement;

Fourteenth, increasing the penalties for the submission of false claims to DOD;

Fifteenth, making certain improvements in the selected acquisition report system;

Sixteenth, limiting the basis of progress payments; and,

Seventeenth, establishing a rule of mandatory debarment from defense contracting for at least 1 year for individuals convicted of fraud in defense contracting.

The conference report also includes requests for reports on several subjects including: spare parts; contractor profits; independent cost estimates; minority business contracting; and a civilian acquisition agency.

NATO COOPERATION

In the area of armaments cooperation within NATO, the bill contains two significant measures. First, the conferees agreed to provisions designed to enhance the Department of Defense's ability to enter into NATO cooperative projects for the research, development, and production of defense equipment. Specifically, the provisions provide authority for the President to enter into agreements with other NATO countries for a cooperative project, and provides authority for the Secretary of Defense to implement such agreements.

Second, the bill earmarks $200 million in research and development funding which can only be spent as part of cooperative development projects with one or more of our NATO allies. In addition, the bill earmarks $50 million for the acquisition of certain items manufactured by other member nations of NATO for side-by-side testing with comparable U.S.-manufactured items.

ECONOMY AND EFFICIENCY MEASURES

The conferees adopted a number of measures that sought to eliminate congressionally imposed impediments to the efficient management of our defense program. These changes will enable us to attain more security for our defense dollar, and it is my hope that this is just the beginning of our efforts to eliminate these impediments. Senator GRAMM will describe these provisions in greater detail in his statement. I would simply like to highlight these provisions, and commend my colleague from Texas for his strong leadership on these issues.

BASE CLOSURES

The conferees report includes a provision that will expedite the procedures by which the Secretary of Defense can close nonessential military bases. The closure of these nonessential bases will save American taxpayers millions of dollars each year.

CONTRACTING OUT

The conferees agreed to direct that the Department of Defense contract out for the performance of services and activities when it is determined, in accordance with law, that such performance is cost-effective and in the interests of our national defense. Additionally, the conferees agreed to raise the thresholds for cost comparison and economic impact studies associated with decisions to contract out in order to permit the Department to reach decisions on this issue in a more efficient manner.

WALSH-HEALY

In the Walsh-Healey and Contract Work Hours and Safety Standards Acts provisions, the conferees agreed to accept Senate bill S. 1105 as a substitute. The resulting provisions on flextime and overtime charges will apply to all Federal contractor employees, not just to those associated with the Department of Defense. The amendment will become effective on January 1, 1986.

MONRONEY

In resolving the Moproney Act differences between the two bills, the conferees accepted the Senate provisions without amendment. These provisions will prohibit the establishment of pay rates for prevailing rate employees of the Department of Defense using surveys of wages paid outside the local wage area. This change would become effective on October 1, 1985, and it will only affect new employees. Current employee wages will not be reduced by this amendment.

Together, the Walsh-Healy and Monroney Act provisions will save the American taxpayer approximately $500 million in the coming fiscal year, and further savings in the years ahead.

Mr. President, that completes my report.

The **PRESIDING OFFICER**. The Senator from Georgia.

Mr. **NUNN**. Mr. President, I am pleased to join my colleague, the distinguished chairman of the Armed Services Committee, Mr. GOLDWATER, in bringing the conference report on S. 1160, the Defense Authorization Act for fiscal year 1986 to the floor.

The conference on this bill was long, arduous, and covered many difficult issues.

I have been in a lot of conferences in the last 12 years, Mr. President, and I

think this one was the most difficult in terms of substance, but it was the most diligent in terms of hard work and schedule. I think an awful lot of that is attributable to our chairman of the committee, Mr. GOLDWATER. He did a tremendous job.

There were approximately 1,350 differences between the House and Senate bills which the conferees had to resolve—1,000 dollar or funding differences and another 350 differences in language. The conferees met 14 different times over the last 2 weeks, and many of the meetings went late into the evening.

The spirit of compromise and cooperation which allowed the conference to complete its work is a tribute to the leadership of Chairman GOLDWATER of our committee and Chairman ASPIN and Representative DICKINSON of the House Armed Services Committee. This was the first conference for Senator GOLDWATER and Representative ASPIN as chairmen of their respective committees.

If it had not been for the work they did and also for Representative DICKINSON, we could have been on this conference for several months. As a matter of fact, for a long time, I thought we would be. Both Chairman GOLDWATER and Chairman ASPIN did an outstanding job in keeping the conference on an even keel and in establishing the frame work and procedures to resolve the knotty issues.

I want to add a personal note of thanks to the Senator from Arizona both for his service in the conference and for his work during the consideration of this bill on the floor and during the consideration of this bill in the committee. As he has already stated, we approached this with a bipartisan cooperative spirit and it could not have been done without Chairman GOLDWATER. He is frank, he is candid, he is knowledgeable, he has wisdom in these issues, and he has years of experience. Without his leadership, we indeed would not be here today with this conference report. The Senate and the Nation as a whole are fortunate—in fact, they are indeed fortunate, all of us are—to have a man of his wisdom and experience serving as chairman of the Committee on Armed Services.

Mr. President, the Senator from Arizona has outlined the details of the conference agreement, and I won't repeat what he has said. I would just like to highlight the resolution of what I consider some of the more important issues before the conference which will have a major policy impact.

TWO-YEAR BUDGET

In my judgment, one of the key decisions of the conference was the adoption of the Senate provision requiring DOD to shift to a 2-year budget cycle beginning in fiscal year 1988.

This will be a very profound change. It is a change, in my opinion, that is long overdue. All of us who deal with this bill each year are aware that the burdens of the annual budget process have become too cumbersome for Congress and also too cumbersome for the Department of Defense. Virtually all aspects of the defense budget are now subject to annual authorizations. There are nearly 2,000 procurement programs and over a thousand research and development programs. Reviewing each in detail every year is proving more and more time-consuming and unnecessary and, in my opinion, unworkable.

More important, however, by using its time to review virtually every line item in the budget, both the Congress and the Department forgo opportunities to focus on the more fundamental issues of defense policy: the establishment of national priorities and the broad allocation of defense resources toward those priorities.

We are not able to get to fundamental questions like defense strategy and defense reorganization because we are too bogged down in the details. If you take the multiplier effect for the amount of time we spend in Congress, there are literally thousands of man-years going in from the Department of Defense. So I believe this is a fundamental reform which I am hopeful the Defense Department will embrace with enthusiasm. This provision gives them 2 years to do so. It phases in this process in an orderly way.

The conference committee adopted the Senate provision which I sponsored that would require the Secretary of Defense to submit a 2-year Defense budget to the Congress for fiscal year 1988 and fiscal year 1989 at the beginning of the 100th Congress. This provision recognizes that it will not be possible to move to a 2-year budget without adequate planning and preparation. For this reason, the provision, first, expresses the sense of the Congress that, beginning in fiscal year 1988, Congress should adopt 2-year Defense budgets; second, requires the President to submit a 2-year budget, beginning in fiscal year 1988; and third, directs the Secretary of Defense to provide a report, by April 1, 1986, on the implications of moving to a 2-year budget cycle for the Defense Department. The Secretary is encouraged to develop recommendations on needed changes in current procedures and statutes in order to implement a 2-year budget process.

Mr. President, last November, Chairman GOLDWATER and I wrote the Secretary of Defense and asked that he submit a 2-year budget for fiscal year 1986. In all fairness to Secretary Weinberger, our request was made too late in the budget preparation process to be carried out this year.

The provision adopted by the conference puts the Defense Department on notice that Congress expects the Defense Department to submit a complete 2-year budget in calendar year 1987 for fiscal year 1988 and fiscal year 1989. This will begin that process in the new Congress.

NATO

I am pleased that the conferees agreed to a provision to enhance the Defense Department's ability to enter into NATO cooperative projects for research, development and production of defense equipment. The provision provides authority for the President to enter into agreements with other NATO countries for cooperative agreements, and provides authority for the Secretary of Defense to implement such agreements.

This provision will provide an important companion to the amendment on NATO cooperative research and development which Senators ROTH, GLENN, WARNER, and I sponsored in the Senate. This amendment sets aside $200 million for new cooperative research and development projects with one or more of our NATO allies. It further encourages more side-by-side testing of European-manufactured systems when comparable U.S. systems reach the operational test and evaluation phase.

These provisions were incorporated in the conference report, and I think are among the most important in terms of our alliance.

STRATEGIC PROGRAMS

On the MX missile, I think the conference reached a sensible, bipartisan compromise that will hopefully keep us from having to revisit this issue every year. The chairman has already gone into that. The conference agreement establishes a cap in permanent law on the deployment of MX missiles in existing Minuteman silos at 50. The conferees limited the acquisition of MX missiles beyond 50 to those required for test purposes only. The conferees also agreed to the production of 12 MX missiles in fiscal year 1986 and recommended that from 12–21 missiles be produced in fiscal year 1987.

If the President proposed and the Congress approved a new basing mode, more than 50 MX missiles could be deployed. But for now, the signal is clear: No more survivable basing mode, no more MX's.

The conference agreement authorizes $2,750 million for the strategic defense initiative, a reduction of $1 billion from the President's original budget request. This funding level represents an even split between the $2,972 million authorized by the Senate and the $2,500 million authorized by the House. The conferees left the allocation of funds within the SDI Program to the discretion of the program director. While I support the

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overall level of funding for the SDI program, I continue to be concerned about the pace and direction of the program.

On the advanced technology bomber [ATB] and the advanced cruise missile [ACM], I am pleased to report that the conference agreement fully authorizes the amount requested in the budget for the advanced technology bomber [ATB] and the advanced cruise missile [ACM], which was the Senate position. The amendments by Senator BYRD requiring all funds appropriated for those two programs to be fully used only on these programs and by Senator KENNEDY prohibiting the expenditure of funds for more than 100 B-1B bombers helped us convince the House conferees that the Senate strongly supported these programs. Both of these amendments were included in the conference agreement as well. These programs will be the cutting edge of our strategic deterrent and will provide great technological and economic leverage on the Soviets, in my opinion, both militarily and in arms control.

ASAT

On the antisatellite [ASAT] issue, the conference report provides for a "dual track" approach, balancing our need to eliminate the Soviets' monopoly in this weapons category with our interest in promoting a forward-looking U.S. ASAT arms control posture. Under the compromise approved by the conferees, the first tests against objects in space of the U.S. F-15/miniature homing vehicle [MSV] can be conducted, but only if the President submits the arms control certification required under current law. Three such tests are permitted between now and the end of fiscal year 1986. By restricting the number of tests that can be conducted, the conferees hope to give our arms control negotiators more time to achieve an agreement limiting or otherwise restricting ASAT systems.

On the very important question of chemical munitions, I hope the House will see the wisdom of the conference report, which, indeed, was a compromise between the House and the Senate. The binary chemicals munitions issue was one of the most important and difficult issues addressed by the conference committee. After more than a week of protracted negotiations, the Senate conferees led by Senator GLENN and Senator COHEN persuaded their House colleagues that NATO could not be given a veto power over a major U.S. defense program of this importance. The conferees agreed, however, that if we were not going to insist that binary chemical munitions had to be stored in peacetime in Europe, there must at least be a guarantee that the munitions could be deployed to Europe in a contingency.

The conference report prohibits the establishment of production facilities for binary munitions, as well as any long-lead procurement or assembly, until the President certifies that the United States, in cooperation with SACEUR, has developed a plan to deploy these munitions to Europe under appropriate contingency plans and that the allies have been consulted on that plan. The report also expresses the sense of the Congress that existing chemical weapons stocks in Europe should be replaced with binary munitions, but this language is nonbinding.

In virtually every other respect, the Senate receded to the House-passed restrictions on the binary program. These include a ban on final assembly prior to October 1, 1987 and conditions relating to arms control, storage, transportation, testing, performance specifications, safety and the accelerated destruction of the existing U.S. stockpile of unitary chemical munitions.

In my judgment, the lack of an adequate chemical capability is one of the Achilles' heels of NATO defenses. I urge my Senate colleagues and the Members of the House to support this compromise.

CONVENTIONAL PROGRAMS

Mr. President, it is important to note that even though this conference report provides no real growth in defense spending for fiscal year 1986 except inflation, there are significant increases in the quantities of weapons authorized for conventional procurement. This bill authorizes 18 percent more combat and support aircraft than last year, 44 percent more missiles, torpedoes, and mines than last year, and 19 percent more tracked combat vehicles than in fiscal year 1985.

One of the reasons for this is the discovery of additional funds during the course of the process in the Defense Department. Another reason was some initiatives taken in terms of retirement and others that saved considerable amounts of money.

We gave priority to retaining the highest production rates possible and sustaining procurement of improved conventional munitions. In fact, we bought more aircraft and more munitions than were originally requested by the administration in their original budget request that grew by 5.6 percent over inflation. I ask unanimous consent that summary information on major procurement programs be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NUNN. My colleagues may ask how we can buy more than was requested while reducing the budget request by $19.6 billion? Nearly half of the $7.6 billion reduction in procurement recommended by the conferees was accomplished through financing adjustments. The administration's discovery of $4 billion in savings figured prominently in this.

We are pleased that there are substantial cost savings occurring in DOD. Credit must go to Secretary Weinberger and the services for cost reductions. But these savings and the method in which they were discovered have raised credibility problems over DOD's accounting practices. The Armed Services Committee intends to scrutinize these practices, and especially the methods used by DOD to budget for inflation.

While I am the first among my colleagues to argue that we should cut unnecessary funds before we cut required programs, the picture that emerges from conference is a mixed one. This year, the two Armed Services Committees had made recommendations to terminate a number of systems. The House was more aggressive in this regard than was the Senate. It was unprecedented to find a total of 12 major programs recommended for termination in one of the two bills. Mr. President, following is a list of major programs recommended for termination in either of the bills taken to conference:

TABLE 5.—PROGRAMS RECOMMENDED FOR TERMINATION BY THE HOUSE AND SENATE IN FISCAL YEAR 1986

H.R. 1872	S 1160
P-3 ASW Patrol Aircraft	SH-2 ASW helicopter
E-6 radio relay aircraft	Field Artillery Support Veh.
AMRAAM air-to-air missile	C-12 utility aircraft
MC-130 special operations aircraft	9mm handguns
Joint Tactical Information Distribution System	
RAM surface-to-air missile	
Joint Surveillance Target Attack System [JSTARS]	
Link Spruce	

Mr. President, every one of these programs was restored in conference, although some were continued with certain restrictions. Let me state that there is substantial merit in each system. I don't question that on a case-by-case basis, the conference made the right decision to continue these programs.

At the same time, the conference took action on several major new starts contained in the fiscal year 1986 budget request. In the research and development accounts, the conference funded five major new start programs that cost only $1.3 billion this year, but which will cost between $150 to $200 billion over the next 10 years. Again, Mr. President, I have for the RECORD at this point a list of the five major new starts I am referring to:

TABLE 6.—FIVE MAJOR NEW STARTS IN FISCAL YEAR 1986 AUTHORIZATION

	Fiscal year 1986 funds (millions)	Projected costs (billions)
LXH [future Army helicopter]	$125	$40
Advanced tactical fighter [AF]	170	15 to 50
Advanced tactical aircraft [N]	6	35 to 40
JVX [V-22 N/MC "tilt-rotor" aircraft]	583	23
C-17 AF transport	383	37
Total (billion)	1,267	150 to 195

These five programs represent a very large mortgage on our future at a time when we are continuing current programs, many at inefficient rates. This may have been acceptable if the budget were going to grow every year by 5 percent, but we are likely to face an optimistic ceiling of 3 percent real growth and possibly no growth over the next 5 years. We must have a better understanding of the affordability of these programs. That is why I sponsored an amendment during Senate consideration of the defense authorization bill requiring the Department of Defense to submit two modified 5-year defense plans, one at 3 percent real growth and the second at zero real growth. I am pleased that the conference agreement includes this provision; we must have this information in order to determine the affordability of the major new starts and the impacts of a constrained budget on DOD priorities.

That is why I consider the action by the conference to restore funding for the 12 terminated programs to be a mixed picture. I have no doubt that in the unique circumstances that accompanied these programs the conference made the right decision to continue all of them. In the greater picture, however, I doubt the conference made the right choice. There are two truisms that emerge from this: Congress can't terminate programs, and DOD can't resist starting new ones.

We are going to have to do both—terminate marginal programs and resist starting new ones—if we are to have a strong, stable, and affordable defense program in the future.

OPERATIONS AND MAINTENANCE

In the important area of operations and maintenance, the conference agreement includes reductions of approximately $4.2 billion, offset by a restoration of $1 billion to restore the funds taken out of the budget by OMB for the 5-percent reduction in Federal civilian pay originally proposed for fiscal year 1986.

A large part of the savings in the O&M area, Mr. President, were in the area of financing adjustments—lower anticipated inflation, lower fuel prices, and improvements in foreign currency exchange rates based on the continuing strength of the U.S. dollar overseas. The experience of the past several years strongly suggests that these financing savings can be made without any impact on the programs funded in the O&M accounts.

In fact, I think it is important to note what O&M programs were not cut to meet the conference committee's zero real growth target. The conference agreement does not make any reductions to the operating tempos—flying hours, steaming time, or field training exercises—requested by the services. The conference agreement even includes small increases above the budget request for depot maintenance and for real property maintenance. In other words, I think the conference agreement does a good job of meeting our budget target without cutting any important readiness programs funded in the O&M accounts. Senators DIXON and HUMPHREY deserve great credit for this achievement.

PERSONNEL

The most far-reaching action taken by the conferees in the military manpower area is the provision designed to initiate a major restructuring and reform of the military personnel management and compensation system, particularly the military retirement system.

Both the House and Senate bills reduced the funding available to the military services for payment of basic pay and the military retirement accrual changes in fiscal year 1986.

The conference agreement reduces this funding by $2.9 billion in fiscal year 1986, which is the midpoint between the House reduction of $4 billion and the Senate reduction of $1.8 billion. The conferees directed the Secretary of Defense to submit two legislative proposals to the House and Senate Armed Services Committees by September 15, 1985, to achieve this level of savings. One of these proposals must achieve the $2.9 billion in savings through changes other than changes to the current cost-of-living allowance formula.

It is very important that this provision be understood by our military men and women in service today.

The conferees directed the Defense Department to indicate what changes they would propose to achieve a range of savings in military retirement costs from $1.8 billion up to $5.4 billion in fiscal year 1986. The Department was directed to report on the recruiting and retention impact of the five different levels of savings suggested by the conferees within this range.

Mr. President, an important part of this initiative in both the House and Senate bills was the pledge that structural changes in the military retirement system will not include changes to the retirement system for personnel currently on active duty or retired. The conferees reiterated this pledge.

I think it is very important that that be understood by our military personnel who are serving and have already served our Nation and are retired.

I strongly support the conference agreement in this area. A comprehensive review and reform of the military retirement system is long overdue and I look forward to working with Senators GLENN, WILSON, and the other members of the Manpower and Personnel Subcommittee on this effort in the coming months.

The conference agreement also includes a series of provisions in the House bill making a number of important changes to the survivor benefit plan [SBP]. These changes are designed to simplify the program so that potential participants will have a better understanding of the benefits available to their survivors. The changes also include several important reforms, such as requiring spousal concurrence if a military retiree wants to elect participation in the SBP at anything less than the maximum level.

DEFENSE ACQUISITION POLICY

Both the House and Senate bills contained a number of provisions dealing with defense acquisition policy, some of them very far reaching. The conferees assigned these issues to a special panel of the conference, headed up on our side by Senators LEVIN and QUAYLE. Some of the issues in this area were debated and negotiated over the entire 2 weeks of the conference and were only resolved at the end of the conference.

The most difficult issue in this area concerned the so-called revolving door provisions in both bills. The conference agreement adopts the entire Senate formulation requiring a defense employee performing a procurement function to disqualify himself or herself from further activity with a defense contractor when there are contacts regarding post-governmental service employment with that contractor. However, for any Presidential appointee who acts as a primary Government representative negotiating a contract or contract settlement, there is a 2-year ban on accepting employment with the contractor with whom those negotiations were held.

In addition, the present law requiring former Department of Defense employees to report to the Department on the nature of certain post-employment activities has been substantially strengthened. An administrative penalty for failing to file the required reports in a timely manner has been added so as to increase the likelihood of compliance and enforcement.

Both the Senate and House bills included provisions regarding the allowability of certain costs incurred by contractors and submitted to the Government for reimbursement. Under the conference agreement, 10 categories of costs identified in the statute will be unallowable on most defense contracts. The Secretary of Defense is given the responsibility to implement this section by regulation, which may establish appropriate definitions, exclusions, limitations, and qualifications.

The Secretary is also required to identify with greater specificity and clarity whether an additional 16 categories of costs will be unallowable on defense contracts.

If the Secretary determines by clear and convincing evidence that cost submitted by a contractor are unallowable under the costs principles governing defense contracts, the contractor's cost shall be disallowed and a penalty equal to the amount of the disallowed cost, plus interest, shall be assessed. If a contractor submits a request for the reimbursement of costs which have been previously determined to be unallowable, the contractor's cost shall be disallowed and a penalty of not more than two times the amount of the unallowable cost shall be imposed.

Finally, the conference agreement requires contractors to certify, under penalty of perjury, that to the best of their knowledge and belief all indirect costs included in a cost settlement proposal are allowable under the statute and regulations.

Both the Senate and House bills included provisions to expand the use of dual sources for major systems in the Department of Defense. Under the conference agreement, the Secretary of Defense is required to prepare an acquisition strategy for each major system that generally provides for competitive alternative sources to be available for the entire period from full-scale development through the end of production. This requirement for dual sourcing is satisfied if the alternative systems, developed or produced, serve similar functions and compete effectively with each other.

Mr. President, I remain concerned about the problems we have in the defense acquisition process as well as the overall complexity of this process. I am also becoming concerned, however, that Congress is adding to these problems by increasing the amount of statutory requirements and DOD regulations in dealing with contractors.

I think we have put so many things in the statutory and regulatory checklist that we have left out the all important ingredient called common sense. I think we have taken away flexibility and authority, not in this bill but the cumulative effect of many different laws over the years.

I constantly come to the unpleasant conclusion that today's problems were perhaps yesterday's solutions. I hope that tomorrow's problems are not today's solutions, but I have to be marked down as rather skeptical in this area. I would like to find a few pilot projects and converse with the chairman on this next year where we could waive most if not all procurement regulations and see how our managers can do if we simply tell them to use good management and common sense on a few programs. I have not found those pilot programs yet but I would like to ask my chairman to help in that general approach during the next 12 months.

GENERAL PROVISIONS

The conference dealt with a broad range of policy issues included as general provisions in the two bills.

On the question of the use of the polygraph in the Department of Defense, the conferees agreed that the polygraph was a useful tool in counterintelligence investigations. The conferees also agreed that the Department of Defense should proceed slowly in this area until we had some experience with the use of the polygraph and until the Department took other measures to improve personnel security practices such as reducing the number of people with clearances and reducing the backlog in periodic reinvestigations.

The conferees agreed to create a temporary authority for the Secretary of Defense to conduct a polygraph program which includes mandatory polygraphs for persons in the Department of Defense and Defense contractors with access to special access programs and information classified at the "top secret" level. However, no more than 3,500 mandatory polygraphs can be conducted under this program in fiscal year 1986. Up to 7,000 will be permitted in fiscal year 1987. In addition, a series of reports are required on the conduct of this program. I expect that Congress will revisit this issue in the fiscal year 1988 authorization bill to determine whether the polygraph program in the Department of Defense should be continued, and if so under what rules.

The House bill included a provision barring the introduction of U.S. Armed Forces into or over Nicaragua for combat except in certain specified circumstances. The conferees were concerned that this provision may be an unconstitutional restraint on the President's powers of Commander in Chief, and questioned whether it was wise to list in law those circumstances when the United States would use force and when we would not. Finally, they were concerned about the consistency of any such legislation with the War Powers Resolution.

As a result, the conferees agreed on a sense of Congress provision that the President should not introduce U.S. Armed Forces into or over Nicaragua for combat and providing that nothing in the provision should be construed as affecting the authority and responsibility of the President or Congress under the Constitution, statutes, or treaties of the United States.

Another issue in which many members have been interested is the extent to which the Armed Forces can be used to enhance the enforcement of our drug laws and to interdict illegal drug shipments into the United States. The conference adopted several measures which will assist in this important effort. I think it is important to highlight the fact that we did not give the power of arrest to the military. That was debated long and hard, but it lieu thereof I think we put in a much more effective provision that will go I believe a long way toward helping combat drug traffic in the oceans and the surrounding areas of our territorial waters. What we did was to authorize 500 additional personnel for the U.S. Coast Guard for stationing on U.S. naval vessels in waters where drug interdiction is a possibility. These Coast Guard members would then be available to conduct arrests and searches and seizures of drug smugglers, operating from the naval vessel. The important part of this, when it is implemented, is that any drug smuggler looking at any Navy ship will have to believe that that ship has the power, with the Coast Guard personnel on board, to search and seize and arrest if necessary. I think that will serve as an additional deterrent in this very important area.

The Bennett amendment in the House bill would have permitted members of the Armed Forces to make arrests and conduct searches and seizures outside the land area of the United States. However, the conferees believe that the longstanding policy of the United States that Armed Forces not be used to enforce civil laws, as established in the Posse Comitatus Act, should be respected. We concluded that the best solution was to increase the number of Coast Guard personnel available to work on Navy vessels to conduct arrests. Other provisions in the conference report will increase surveillance and interdiction of illicit drug traffickers by Active and Reserve Forces of the United States.

The Senate bill included three provisions affecting labor costs in the Department of Defense. The conferees agreed to drop the Senate provision amending the Davis-Bacon Act and raising its threshold of applicability to DOD contracts. The conference report includes the Senate provision amending the so-called Monroney amendment which provides a wage-adjustment mechanism for DOD wage-scale employees. Finally, the conferees have agreed to incorporate reforms to the Walsh-Healy Act regarding overtime pay for Federal contracts which were recently reported favorably by the Senate Labor and Human Resources Committee.

The Senate bill included a provision granting the Secretary of Defense broad authority to close or realign military installations, and authorized $1 billion for this purpose. The conference report does not contain these Senate provisions. However, the conferees have agreed to streamline the procedural requirements with which the Department must comply when it determines to close or realign a military installation.

Finally, the Senate conferees accepted a provision in the House bill which creates a new article in the Uniform Code of Military Justice making espionage in peacetime a capital offense. In addition, standards are included in the article for the imposition of the death penalty.

CONCLUSION

Mr. President, this is a massive bill. The statement of managers is over 600 type-written pages, and the bill itself is over 500 type-written pages. So clearly it will be some time before one can give a complete and thorough analysis of all of the provisions and their implications.

It is not too early to talk about the challenges that still remain even with the work this bill represents. I think all of us realize that it is very unlikely that we will ever realize the real growth in defense spending that the Pentagon's current 5-year defense plan represents. I believe we must face up to the growing prospect that defense spending has not only leveled off after years of growth, but could very well stay at basically a no-growth pattern until Congress and the American public are convinced that the deficit is being reined in and that increased defense spending is closing the gap between our strategy and our capabilities.

I must add my voice to those who expressed disappointment—I am sure we have heard from colleagues on both sides of this—with the President's position on the compromise plan that was presented by the leaders of our Budget Committee, Senator Domenici and Senator Chiles and Members on both sides of the aisle.

I believe that this strikes a blow against the hope that many of us had for meaningful and credible deficit reduction this year. I must say that the longer the President avoids the leadership responsibilities—and I must add the leadership of Congress—in this important deficit reduction area the more difficult the job is going to be in the future. In my opinion this does not bode well for our national security and for our defense budgets in the future. I know there are many different views as to the provisions of that compromise, but I had the view, viewing it from a distance and not having been involved with it, that it was our best and perhaps final hope for a credible package this year. Again, I emphasize that we are not going to be able to sustain the momentum in the defense program as long as we have $180 billion to $200 billion deficits and I see nothing now which indicates that we are going to come to grips with that problem in the budget process in a meaningful way this year, so that is not good news for defense.

Earlier this year I suggested that in approaching the defense bill with a new realism about projected growth, there were a number of things we can do to avoid major damage to our national security down the road:

We can develop realistic criteria against which we can judge progress or lack thereof in meeting defense requirements;

We can change our military strategy to one based on realistic resources;

We can refocus the debate on defense spending from input to output;

We can cap the MX deployment in vulnerable Minuteman silos;

We can restrain the administration's request for SDI funding to a more prudent and affordable level;

We can devise a system in which the Department of Defense maximizes existing production rates and balances this with new starts;

We can and must insist that our allies shoulder a greater share of the common defense burden;

We can carefully think through whether existing agreements on strategic offensive arms can continue to serve our national security interests while contributing to the attainment of a more comprehensive and significant arms reduction agreement in the new negotiations on nuclear and space arms; and

We can carry out long overdue and badly needed reforms in the structure of the military services and the entire Defense Department.

Mr. President, we did not try to address all of these areas in this bill; we couldn't even if we had wanted to.

But this bill makes progress in addressing at least some of these issues. The conference agreement caps the MX deployment in vulnerable Minuteman silos, for example, and restrains the growth in the SDI program.

In other areas, however, such as maximizing the production rate of Defense programs and balancing current programs with new starts, this conference report is less successful.

I look forward to continuing to address these problems and challenges with my colleagues on the Armed Services Committee in the coming months. The committee is preparing to spend the next several months developing legislation to reform the structure of the military services and the entire Department of Defense.

In closing, Mr. President, I want to add a personal note of thanks to the Senator from Arizona for his service in this difficult conference. Senator Goldwater is without peer in this body in his knowledge and grasp of the entire range of issues affecting our national security. The Senate and the Nation are indeed fortunate to have a man of his wisdom and experience serving as chairman of the Armed Services Committee.

I also want to thank all of the members of our committee for their diligent work in this conference and throughout the year in bringing us to the point of passing this conference report. I want to particularly note the outstanding leadership of Senator Warner and Senator Hart on the Strategic Subcommittee; of Chairman Goldwater and Senator Kennedy on tactical issues; of Senator Cohen and Senator Exon on the Seapower and Force Projection Subcommittee; of Senator Wilson and Senator Glenn on the Manpower and Personnel Subcommittee; of Senator Humphrey and Senator Dixon on the Preparedness Subcommittee; and of Senator Thurmond and Senator Bingaman on the Military Construction Subcommittee. The leaders of our new Defense Acquisition Subcommittee, Senator Quayle and Senator Levin, deserve a special commendation for their work in a very difficult and controversial area.

I also want to thank the staffs of both the House and Senate Armed Services Committees for their untiring and professional efforts. Led by Kim Wincup and Al Chase in the House and Jim McGovern and Arnold Punaro in the Senate, the staffs of the Armed Services committee provide superb support year round. I want to particularly thank our Democratic staff, Bill Hoehn, Jeff Smith, David Lyles, John Hamre, Bob Bell, Patty Watson, Russell Miller, Colleen Getz, Kathy Bognivitz, Shelly Turney, Pam Powell, and Monica Chavez for their work on this bill and throughout the year. I want to add a special note of thanks to Hugh Evans of the Senate legislative counsel and Bob Cover of the House for their support in writing the bill. Hugh and Bob have been doing this work for committees as far back as I can remember and they do a superb and extremely professional job.

Mr. President, this conference report represents the culmination of a great deal of hard work by many Senators. I urge my colleagues to support it.

Again I want to thank my colleague and friend from the State of Arizona for his superb, outstanding leadership and all the members of the committee for their splendid cooperation.

I also want to emphasize that Chairman Aspin on the House side, as chairman of the conference, I think did an outstanding job in guiding this conference, in cooperation with Senator Goldwater. The two worked together in a splended fashion over very many difficult issues and I congratulate them both for their leadership.

EXHIBIT 1

TABLE 1.—COMPARISON OF REQUEST VERSUS ACTION FOR PROCUREMENT OF AIRCRAFT

	Fiscal year 1985 action	Fiscal year 1986 request	Conference action	Request versus action	Fiscal year 1985 versus fiscal year 1986 authorization
Combat aircraft:					
EH-60	18	[illegible]	[illegible]	0	0
AH-64	144	[illegible]	144	0	8
UH-60	86	78	78	[illegible]	−8
A-6E	6	[illegible]	11	[illegible]	[illegible]
EA-6B	6	12	12	[illegible]	[illegible]
AV-8B	32	[illegible]	[illegible]	0	14
F-14	24	[illegible]	[illegible]	0	−8
F/A-18	84	[illegible]	84	0	[illegible]
CH-53	10	14	14	0	4
AH-1T	22	22	22	0	0
SH-60	24	[illegible]	24	[illegible]	0
P-3C	9	[illegible]	9	[illegible]	[illegible]
E-2	6	6	[illegible]	[illegible]	[illegible]
SH-2F	6	6	[illegible]	0	[illegible]
C-2	8	[illegible]	8	[illegible]	[illegible]
USMCR tanker (KC-1)	2	[illegible]	2	2	0
E-6	0	[illegible]	2	[illegible]	2
UH-60	2	0	[illegible]	4	[illegible]
B-1B	34	48	[illegible]	[illegible]	14
F-15	42	[illegible]	[illegible]	0	8
F-16	150	[illegible]	[illegible]	[illegible]	[illegible]
KC-10	8	12	12	[illegible]	[illegible]
MC-130	2	1	1	0	−1
C-5B	8	16	16	[illegible]	8
C-130	16	0	14	14	−2
HH-60	0	3	3	0	3
TR-1	4	8	[illegible]	−2	2
Total combat	753	[illegible]	[illegible]	29	83
Trainers/administrative:					
C-12s	6	0	[illegible]	[illegible]	0
UC-12B	12	12	12	0	[illegible]
VH-60	0	[illegible]	[illegible]	0	[illegible]
T-34	0	[illegible]	19	−19	19
F-16 (adversary)	10	[illegible]	12	0	2
C-20 Navy	0	0	2	[illegible]	[illegible]
C-20 Air Force	3	[illegible]	[illegible]	0	6
C-12J	6	0	[illegible]	6	0
T-16	10	[illegible]	[illegible]	[illegible]	23
Total trainers	47	112	107	−5	60
Total aircraft	800	[illegible]	[illegible]	24	143

TABLE 2.—COMPARISON BUDGET REQUEST VERSUS ACTION FOR MISSILE/TORPEDO/MINE PROCUREMENT

	Fiscal year 1985 action	Fiscal year 1986 request	Conference action	Request versus action	[illegible] versus fiscal year 1986 action
Missiles/torpedos:					
Chaparral	0	300	700	0	800
Patriot	440	585	585	0	145
Hawk (Marine Corps)	500	550	550	0	50
Stinger					
Army	2,360	3,439	2,909	−530	549
Marine Corps	700	800	800	0	100
Hellfire					
Army	5,342	6,576	6,576	0	1,234
Navy	438	1,304	1,304	0	865
TOW II					
Army	12,000	20,100	20,100	0	8,100
Marine Corps	3,555	4,782	4,782	0	1,227
MLRS	50,472	72,000	72,000	0	21,528
Tomahawk	180	249	249	0	69
Sparrow					
Navy	1,671	1,872	1,872	0	201
Air Force	404	425	425	0	21
Sidewinder					
Navy	1,000	1,220	1,850	630	850
Air Force	0	800	1,502	702	1,502
Phoenix	265	265	265	0	0
Harpoon					
Navy	354	395	395	0	41
Air Force	85	0	0	0	−85
HARM					
Navy	013	904	904	0	91
Air Force	871	1,715	1,715	0	844
SM 1 MR	600	0	0	0	−600

TABLE 2.—COMPARISON BUDGET REQUEST VERSUS ACTION FOR MISSILE/TORPEDO/MINE PROCUREMENT—Continued

	Fiscal year 1985 action	Fiscal year 1986 request	Conference action	Request versus action	[illegible] versus fiscal year 1986 action
SM 2 MR	[illegible]	846	846	0	317
SM 2 ER	255	[illegible]	470	0	215
RAM	30	117	117	0	87
[illegible]	0	[illegible]	885	717	805
Laser Maverick	[illegible]	1,500	1,500	0	900
IR Maverick					
Navy	0	195	[illegible]	[illegible]	[illegible]
Air Force	[illegible]	[illegible]	[illegible]	−550	[illegible]
AGM-136	0	97	0	−97	[illegible]
AMRAAM	[illegible]	90	[illegible]	−90	[illegible]
GLCM	[illegible]	95	[illegible]	0	−25
MK 48 Torpedo	[illegible]	123	123	[illegible]	−15
MK 46 Torpedo	1,565	[illegible]	[illegible]	0	−1,065
Captor Mine	[illegible]	0	[illegible]	[illegible]	−150
[illegible] Mine	[illegible]	[illegible]	[illegible]	0	0
Total Missiles/Torpedos	88,467	120,262	123,184	952	38,723

TABLE 3.—COMPARISON OF BUDGET REQUEST VERSUS ACTION FOR SHIPBUILDING AND CONVERSION

	Fiscal year 1985 request	Fiscal year 1986 request	Conference action	Request versus action	[illegible] versus fiscal year [illegible] authorization
Shipbuilding/conversions:					
Trident	1	1	1	0	[illegible]
SSN-688	4	4	4	0	[illegible]
CV SLEP	1				−1
CG-47	3	3	3	0	0
DDG-51	1				−1
LSD-41	2	2	2	[illegible]	[illegible]
LHD-1		1	1	[illegible]	1
MCM	4	4	2	−2	−2
MSH		4	4	[illegible]	[illegible]
TAO	3	2	2	[illegible]	−1
[illegible]	2	2	2	[illegible]	0
AG sound barge		1	1	0	1
TAGS surveying ships	1				−2
LCAC	9	12	12	0	3
Conversions					
TACS	1	3	3	0	2
TAVB		1	1	0	1
Total shipbuilding and conversions:					
[illegible]	12	11	11	0	4
[illegible] combatants/auxiliaries	11	13	11	−2	0
[illegible] vessels	[illegible]	12	12	0	3
[illegible]	1	[illegible]	4	0	3

TABLE 4.—COMPARISON OF BUDGET REQUEST VERSUS ACTION FOR PROCUREMENT OF WEAPONS, TRACKED COMBAT VEHICLES

	Fiscal year 1985 request	Fiscal year 1986 request	Conference action	Fiscal year 1986 versus action	Fiscal year 1985 versus fiscal year 1986 authorization
Weapons, tracked combat vehicles:					
M577 CP carrier	167	116	115	[illegible]	−52
M113 APC	35	325	325	[illegible]	290
Bradley FVS	655	716	716	[illegible]	[illegible]
M109 howitzer	70	0	0	[illegible]	−70
Field arty supt veh	170	197	150	−47	−20
M88 recov veh	180	240	210	−30	[illegible]
M1 tank	840	840	840	[illegible]	[illegible]
Divad	n/a	117	72	−45	72
Chaparral fire unit	0	0	24	24	24

TABLE 4.—COMPARISON OF BUDGET REQUEST VERSUS ACTION FOR PROCUREMENT OF WEAPONS, TRACKED COMBAT VEHICLES—Continued

	Fiscal year 1985 request	Fiscal year 1986 request	Conference action	Fiscal year 1986 versus action	Fiscal year 1985 versus fiscal year 1986 [illegible]
Improved [illegible] vehicle		0	68	68	68
Total weapons, and combat vehicles	2,117	2,550	2,520	−30	403

Mr. GOLDWATER. Mr. President, will the Senator yield? I thank my friend from Georgia for his very overly kind remarks and assure him that the two of us will get together in the coming months to try to work out something, not just to help procurement but to do what we can to help get the whole defense matter straightened out. It has been since probably 1958—and we can go back to 1922—that the Congress has last exercised its constitutional mandate to oversee the military.

As a result, the military of our country needs help—not just the Joint Chiefs, not just the Secretary of Defense, not just the individual services; but it is time that Congress devotes time to helping them.

I can assure my friend from Georgia that they are aware of this. They have already made some great strides. I think we have seen the end of $600 toilet seats and $2,000 screwdrivers and the other foolishness that we put up with.

I assure my friend from Georgia that I am going to stand ready at any time to help him, and the two of us will try to help everybody else in uniform achieve that goal.

Mr. NUNN. I thank the Senator from Arizona. I assure him that the feeling is mutual, and he will have my total cooperation toward those ends.

Mr. THURMOND. Mr. President, the conference report that we are considering today reflects several months of detailed analysis by the Senate and the House, and represents a bipartisan consensus for a strong national defense. The conference agreement approves approximately $302.5 billion for defense. This is a reduction of $19.7 billion from President Reagan's request for defense spending for fiscal year 1986.

The level of spending authorized in this bill provides no increase beyond inflation over defense spending for fiscal year 1985. The President's request contained real growth of 5.9 percent. Although the House-Senate conference on the fiscal year 1986 first concurrent budget resolution has not completed its work, the expected outcome for the national defense function is consistent with the funding level in the conference report presented to the Senate today.

Mr. President, all of my colleagues worked very hard to resolve nearly 1,400 differences in the two bills, and I would like to commend several of my colleagues for their singular efforts in completing the conference. The committee chairman and ranking member, Senators BARRY GOLDWATER and SAM NUNN, respectively, deserve special credit for their leadership and hard work throughout the conference. Senator GOLDWATER did an outstanding job during his first year as chairman of the Armed Services Committee. Senators BILL COHEN and JOHN GLENN helped resolve the issue of renewed production of chemical weapons which was one of the most controversial issues considered by the conference.

There were nearly 100 differences in the area of procurement reform that had to be reconciled, and Senators DAN QUAYLE and CARL LEVIN worked very long and diligently to resolve these highly complex procurement related issues. Senator PHIL GRAMM of Texas did an outstanding job advocating the Senate position regarding base closures and the repeal of certain provisions of the Davis-Bacon Act and the Walsh-Healey Act.

Senator WARNER worked diligently to resolve differences on the SDI and the MX missile.

Senator WILSON did a fine job resolving differences in personnel matters, especially military retirement.

Mr. President, the conference committee had to resolve $3.1 billion in differences in strategic programs; and while the cuts made by both Houses will have serious impact on certain programs, there is continued momentum in the administration's Strategic Modernization Program.

I ask unanimous consent to have printed in the RECORD a summary of conference actions.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

I. STRATEGIC MODERNIZATION

Binary Chemical Weapons.—The resumption of production of chemical weapons after a sixteen year moratorium is recommended by the conference committee. Funds were approved with certain conditions. The President must first certify that a plan exists to deploy binary munitions under various contingency plans to deter chemical attack against our forces and that the President has consulted with our NATO allies for any deployments involving NATO. Second, funds for final assembly of binary munitions components is fenced until October 1, 1985. After that date, final assembly can take place only if there has been no intervening verifiable international agreement on chemical weapons and the President further certifies that it is vital to our security and that binary weapons will meet safety and performance specifications.

Peacekeeper Missile (MX).—The conference committee approved the procurement of 12 missiles during fiscal year 1986 with statutory language limiting the deployment of MX missiles in existing Minuteman silos to 50. More than 50 missiles could be deployed, however, if the President requests and the Congress approves a survivable basing mode for the MX.

Strategic Defense Initiative (SDI).—The President requested approximately $3.7 billion for SDI. The conferees approved a total of $2.75 billion for fiscal year 1986 which provides 100% real growth over the fiscal year 1985 level for SDI. The House bill had specified reductions in the SDI account in each of the five major program elements. The Senate bill left the allocation of resources to the discretion of the program manager which was also the position adopted by the conference committee.

Small Mobile ICBM (Midgetman).—The House bill added $150 million to the Administration's request for the Midgetman program whereas the Senate bill funded the program at the requested level. The conferees agreed to an additional $100 million above the Administration request in an effort to reduce risk, work on advanced propulsion and work on alternative guidance systems. The total authorized for the program is $724 million.

II. TACTICAL WARFARE PROGRAMS

Army Programs

M-1 Tank (Abrams Tank).—The conference committee approved funds for 840 M-1 tanks for fiscal year 1986 and advance procurement funds for 840 M-1 tanks in fiscal year 1987.

Division Air Defense Gun (DIVAD or Sergeant York).—This program has been plagued by testing problems. Therefore the conferees fenced funds for 72 DIVAD guns pending successful testing that must demonstrate that the gun can meet system specifications.

AH-64 Attack Helicopter (Apache).—The Administration requested 144 Apache helicopter for fiscal year 1986. This request was approved with the provision that 18 helicopters go to the Army National Guard.

Navy Programs

Ship Construction.—The conferees approved $10 billion for the construction of 23 new ships and the conversion of four ships for fiscal year 1986. These ships include three Aegis cruisers, one Trident submarine, four Los Angeles class attack submarines and the reactivation of the battleship Wisconsin.

Anti-submarine Warfare (ASW) Aircraft.—The Administration requested nine P-3C Orion ASW aircraft for fiscal year 1986. The Senate bill approved this request. The House bill denied the request. The Conferees agreed to approve funds for up to nine new P-3Cs. The Navy has the authority, however, to use $120 million of these procurement funds to modify inservice aircraft. The conferees also approved 24 LAMPS Mark III helicopters and six LAMPS Mark I helicopters. The six LAMPS Mark I helicopters will serve as ASW assets for Naval Reserve.

Air Force Programs

Advanced Medium Range Air-to-Air Missile (AMRAAM).—The House bill provided no funds for AMRAAM while the Senate bill authorized $150 million for procurement in fiscal year 1986 and $30 million in advanced procurement for fiscal year 1987. The conference committee agreed to provide $150 million for procurement and directed that a second source be qualified to promote competition. None of the funds can be spent until the Secretary of Defense certifies that all 17,000 missiles can be bought for $5.2 billion in constant 1984 dollars. The conferees took these steps because of their concern about cost growth in the program.

Fighter Competition.—The House bill directed the Secretary of the Air Force to compete the purchase of F-16 aircraft for fiscal year 1986 against the F-20. The Senate bill contained no such provision. The conference committee directed that a competition be conducted among all suitable aircraft rather than limiting it to just the F-16 and F-20.

Guard and Reserve Initiatives.—The conferees agreed upon several measures to modernize our Guard and Reserve forces. Funds were approved to buy 14 C-130H aircraft to replace 30 year old "A" model C-130s. Eight are designated for the Air National Guard and six for the Air Force Reserve. The Army National Guard will receive $100 million for unspecified equipment and $58 million for Chaparral air defense missile systems. The Naval Reserve will receive $45 million in unspecified equipment and $25 million for UH-60 helicopters. The Marine Corps will receive $60 million in unspecified equipment and $40 million to purchase tanker aircraft. The Air National Guard will also receive $30 million in unspecified equipment, six C-12J aircraft, and $12 million to modify three C-131 aircraft.

III. OPERATIONS AND MAINTENANCE

The Administration requested $82.5 billion for operations and maintenance. The conferees agreed to fund $79.3 billion of the request. The reductions in this area were made primarily through changes in inflation estimates. The conferees feel very strongly that these accounts should be funded on a priority basis. Accordingly, the funds provided allow increased flying hours for all services, increased steaming days for the Navy and increased battalion training days for the Army.

IV. MANPOWER AND PERSONNEL

The conferees approved an active duty end strength of 2,167,370 personnel which allows for 60% of the growth requested by the Administration. The Senate bill authorized a 3% pay raise effective October 1, 1985. The House bill had a similar provision that authorized a pay raise effective January 1, 1986. The House receded to the Senate on this provision. Additionally, the conferees directed the Department of Defense to submit proposals for changing military retirement. The changes recommended by the Department of Defense must provide for $2.9 billion savings in the retirement accrual account for fiscal year 1986. The conference committee reduced the authorization for appropriation for the retirement accrual charge by $2.9 billion. The conferees were explicit that all personnel on active duty prior to the enactment of any changes will be "grandfathered" under the present system.

V. BASE CLOSURES

The Senate bill provided streamlined provisions for the closure of unnecessary bases. The House had no similar provision. The conferees agreed to remove the requirement that the Secretary of Defense make public announcement of any intention to close a base. Now the Secretary of Defense will simply submit a base closure list with the annual budget submission. The requirement that the Secretary of Defense must comply

> with the National Environmental Policy Act in base closures has been removed. The Senate bill also provided that $1 billion be available for construction of new facilities in conjunction with base closures. Unfortunately, the Senate receded to the House on this provision.

Mr. WARNER. Mr. President, I join the distinguished chairman of the committee, the Senator from Arizona, and the distinguished ranking minority member, the Senator from Georgia, and I express appreciation to all participants in the conference. They worked very effectively—as did Mr. ASPIN and his colleagues and the gentleman from Alabama—in reaching a resolution of difficult decisions.

I thank the distinguished Senator from South Carolina [Mr. THURMOND] for his reference to the various members of the committee. Throughout the long negotiations, he was present by our side to give the senior type of advice that is indispensable in reaching a resolution of these issues.

I hope the Senate will accept the recommendations of the chairman and the ranking minority member and will accept this report.

Mr. GRAMM. Mr. President, as the only freshman member of the Senate on the Arms Services Committee and in the conference, it was a great honor for me to have an opportunity to work on the conference with our chairman, BARRY GOLDWATER, a man whose book I read—"Conscience of a Conservative"—when I was in the 11th grade, and to serve with the distinguished Senator from Georgia.

I believe we have written an excellent conference report. There are clearly areas where the House prevailed that I would have preferred the Senate prevail. I think we have put together a sound program that, on balance, represents a good stewardship of the taxpayers' money.

I am especially proud of the progress we made in promoting competition, in undertaking procurement reform, in sweeping aside provisions of the law that had prevented the marketplace from functioning to the advantage of the taxpayer.

In this bill, we repeal the Walsh-Healey provisions that have imposed a rigid constraint on overtime payments which over the next 3 years, had that change not occurred, would have cost the taxpayers $1.8 billion. I am happy to say that we have repealed that provision here, not just for the Defense Department but for all Government as well.

We have repealed the so-called Monroney amendment, which is a provision of law that imposed noncompetitive wages.

We have undertaken extensive reform related to base closure.

We have included a very strong provision that clearly contains a mandate to shut down military bases that are operating inefficiently, that clearly seeks the Pentagon to evaluate every military facility in the country and determine whether or not it is required for the national security of the Nation. We set up a streamlined process whereby that evaluation can be undertaken.

We eliminate the old two-stage notification process to Congress of a proposed base closure and go to one stage.

We repealed section 10 of the United States Code, 2687, section (b)(2), which specifically required that the National Environmental Policy Act apply to base closings. Now it will be up to those who claim environmental concerns to justify that NEPA should apply to base closing. There will be no specific requirement in law that it apply.

Clearly, by this repeal we intend to put the burden of proof on those who claim environment impact from the closure of a military base. Our objective is promote economy and efficiency.

Finally, Mr. President, I am very proud of the reform we have undertaken relating to contracting out. I never cease to be amazed that there are those in Congress who claim that they want competitive bidding and they want efficiency, but they never apply competitive bidding from the private sector as it relates to the Government.

For the first time, by any law, we have a requirement that where a cost differential of at least 10 percent exists, it is the policy of the United States to contract out.

We lower the threshold for the expedited procedure from the current 10 employees affected, or smaller, to use the short form, to 40 employees or less. I think that is a substantial change.

So this conference report will be discussed in great detail as it is implemented. But we can say one thing that is very clear and it is that this conference is probably our strongest effort ever to run the Pentagon like a business and to get a good return for the taxpayer on the taxpayers' money as it relates to defense.

Mr. KENNEDY. Mr. President, I want to respond to the statement of the Senator from Texas who pointed out that the conference agreement includes a provision repealing the Walsh-Healy Act requirement that Federal contractors pay time-and-a-half for work in excess of 8 hours a day. The Senator from Texas correctly pointed out that the conference agreement repeals this Walsh-Healy requirement for all Government contracts, not just those authorized by the DOD authorization bill. It is very important that the Senate understand the reason for adopting this Governmentwide change in the defense bill.

The Walsh-Healy language originally added to the Senate-passed bill, and the companion language which amended the Davis-Bacon Act as it applied to military construction contracts, violated Senate rule 15 and would have subjected the entire Defense bill to a point of order, but for an extraordinary procedure adopted by the majority in committee. It is absolutely clear that both measures fall within the exclusive jurisdiction of the Labor and Human Resources Committee here in the Senate.

More importantly, Davis-Bacon and Walsh-Healy fall within the jurisdiction of the Education and Labor Committee in the House, and for that reason, 10 House conferees from that committee participated in the Defense conference. Insistence by the majority that these labor provisions be included in the final conference deadlocked the conference and would have cost us a bill but for a last minute compromise. Under that compromise, all language in the Senate-passed bill relating to Davis-Bacon and Walsh-Healy was dropped. However, in order to ensure that we could enact a Defense bill, the House Labor Committee conferees agreed to accept Walsh-Healy language, which was, with one minor change, identical to that contained in S. 1105, which had been reported by the Senate Labor Committee on July 24. During consideration of the first budget resolution, both the House and Senate had voted to instruct the relevant committees of jurisdiction to report legislation affecting a Governmentwide change in Walsh-Healy. This action by both bodies persuaded the House conferees that agreeing to accept the Senate Labor Committee bill enabled them to preserve an important jurisdictional point regarding Walsh-Healy while at the same time, enabling us to reach agreement on the conference report. The House also insisted, and succeeded, in requiring the Senate to recede on the Davis-Bacon amendment.

Mr. GOLDWATER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I would like to congratulate the conferees for setting aside their differences and putting together a strong defense bill which I can support. The process of forging a consensus requires compromise, and in the interest of achieving a national consensus I am prepared to support this bill. But I would be shirking my responsibility to the residents of Maryland and the citizens of this country if I did not voice some of my reservations about this bill in the hope that we can get even better legislation in the future.

I am deeply concerned about the possibility that the strategic defense initiative program, as it is currently structured, contains the seed that could carry the arms race into space while simultaneously spurring on the arms competition here on Earth. There is no doubt that the United States must continue to vigorously investigate a range of ballistic missile defense technologies as a hedge against a Soviet breakout from the ABM Treaty. But the current SDI program goes far beyond what is needed to deter a Soviet breakout. Indeed, because of many of the legally questionable prototype experiments scheduled for the late 1980's and early 1990's—experiments that come suspiciously close to crossing the line between permitted research and forbidden development—the SDI program, in its existing form, may well precipitate the unraveling of the ABM Treaty.

That is basically why I cosponsored an earlier amendment to the DOD authorization bill that would have allowed vigorous SDI research to continue, but would have delayed some of the more legally dubious prototype experiments. That amendment was not adopted by the Senate and is not reflected in the conference.

I am also disappointed that two of my SDI amendments which passed the full Senate failed to survive the conference. These amendments called for studies to investigate the budgetary and economic impact of the projected SDI program. It seems only prudent that before we invest in what former Secretary of Defense Harold Brown has estimated may be over a trillion-dollar program, we should have a solid understanding of how this investment will affect our other spending priorities—in both the defense and nondefense areas. It is economic common sense that before we make an investment, we should examine the opportunity cost of that investment. Heavy investment into research for SDI may crowd out funds from more pressing research to enhance our conventional force capabilities, a subject in which the distinguished Senator from Georgia has exhibited great leadership and interest. Such heavy investments may also create a "brain drain" from the civilian sector to the military sector at a time when we need that talent to compete with stiff competition from abroad. A study of the economic impact of the SDI Program could help us avert these potential problems. Therefore, I urge Senators to keep these studies in mind and to authorize them at any early date.

But, while I am disappointed that these measures did not survive the conference, I am heartened that the conferees have endorsed an amendment reaffirming the Senate's committment to the ABM Treaty. This is an important statement and should serve as a future guide to the SDI decisions we make.

Mr. METZENBAUM. Mr. President, I really did not intend to come over and speak on this subject but I am frank to say that there are many things in the conference report that defy comprehension.

Some of them are very disturbing.

They put back funds for 37 R&D and procurement programs that have been cut either by the Senate or the House.

Put back? Why? I am not sure why. But I do know that the conference report stretches out procurements in order to give the illusion of a no-growth budget. And it is disturbing to me that every time in this body we try to make some headway—some reforms with reference to Defense Department procedures, spending practices, and procurement programs—we go backward.

The Current News which is a publication of the Department of the Air Force, part 2, main edition, Monday, July 29, reproduces a headline that reads, "Defense Conferees Gut House-passed Reforms."

That headline is from the Washington Times, which I am prepared to admit is not my favorite newspaper. But they did have it right yesterday when they talked about the fact that the defense conferees gutted the House-passed reforms. The article went on to say:

> Amid much sound and fury, the Senate and House conferees working on the 1986 defense appropriations bill gutted many house-passed military procurement reforms.

Look at the July 29 edition of the Department of the Air Force's Current News and you'll find a quote from the Baltimore Sun, "Navy Fears Computers May Make It Prey to Thieves."

Then they have another quote from the Washington Post:

> Pentagon Refuses to Furnish a Plane to Procurement Critic Representative Dingell.

And a quote from the New York Times:

> Two Sergeants Convicted in Theft of Weapons.

Another story from the Baltimore Sun:

> Defense Aide Faults Fraud Prosecution—Only 11 of 400 Cases End With Court Action.

Another quote from the Los Angeles Times of July 26.

> GSA Rejects $79 Vacuum Cleaner; Opts for $348 Model. Navy Man Fired, Arbitrary Probe had Sought Less Expensive Units, but Was Overruled.

The American people know that the House and the Senate met in conference on the defense bill and that the administration was involved.

They know we are talking about balancing the budget.

They hear and read about these horror stories, and about wasteful Defense Department spending.

Yet, we see it going on and on and on.

We see that the Conference Committee report goes backward, not forward, on these issues.

Let me point out that the House bill prohibited Department of Defense contracting officers from taking jobs for a 2-year period after leaving the Government with firms with which they had negotiated or whose contracts they had supervised. That sounds like a good position.

Why should somebody who had been involved in negotiating with the Defense Department firm be in a position to go out into the private sector and take a job with that firm? So there was a prohibition in the House bill saying that those contracting officers could not take those jobs for a 2-year period after leaving the Government.

Mr. GOLDWATER. Will the Senator yield?

(At this point, Mr. EAST assumed the Chair.)

Mr. METZENBAUM. I will yield for a question.

Mr. GOLDWATER. The Senator is a little bit wrong. Our bill still says that.

Mr. METZENBAUM. No.

Mr. GOLDWATER. Yes. It does.

Mr. METZENBAUM. Well, if the Senator would be good enough to point that out to me, I think what your bill says and what you have done is you have limited—I will get to that in just a moment. But I might say to my friend from Arizona that if I am wrong, I will be very pleased to have him point it out to me because I will feel so good about it I will have no difficulty in accepting and admitting my error on the floor of the Senate. But at this moment, I do not believe that is the fact.

I believe that what the Senate has done is to back away from the strong House language in order to provide to contract officers what might be described as an enormous incentive to be nice to the defense contractors—to please the contractors. That is an incentive to represent themselves, and not the interests of the Government. I have to say to my colleagues from Arizona and Georgia, both of whom are men for whom I have the highest respect, why did we back off? Why did we turn our head away from that which the House had done? Let me give you one example:

A top Pentagon procurement official recently solicited business from major defense contractors for her post-Pentagon consulting business. We all read about that individual this week. She sent letters out saying she is going into the consulting business when she leaves the Government, which I think was absolutely outrageous on her part—I cannot believe that anyone in Government would send out letters soliciting business for when he or she leaves.

That individual may or may not be covered under the watered-down revolving door provisions approved by the conference.

She might be covered because she is a high-level political appointee. And the change was made to limit this prohibition only to high-level political appointees. She is the Deputy Under Secretary for Defense for Acquisition Management, and it very well may be that she was covered.

But the point is that it may not have covered her because it applies only to primary negotiators.

I do not know if she is or is not a primary negotiator.

The real question is why did we limit it to high-level political appointees? Why not make it applicable to everyone of those officers throughout the country who is on the firing line negotiating those cotracts? Why should they not be prohibited? What makes them so sacred that they should be exempt from this prohibition that the House put into their bill? I believe that our backing off the House provision is a symbol of our unwillingness today to address what is wrong with the DOD procurement system. It is a devastating blow to those who have worked so doggedly in and out of the Department of Defense to get for the taxpayers a fair return on their defense dollar.

Let me say at this point that there are not many people in the U.S. Senate who equal the concern of the Senator from Arizona for protecting the taxpayers' dollars in the field of defense spending.

My colleague from Arizona and I wrote an 8-page letter to the Department of Defense some years ago, spelling out some of our main concerns.

He and I went into court, sued the Navy for refusing to use competitive bidding in connection with the purchase of a plane. So I have great respect for the Senator.

But somehow or other, this Department of Defense conference report backs off strong House provisions on the revolving door. Those provisions really had some substance to them. The House language would have covered thousands and thousands of procurement officers throughout the country. Now we are going to take care of a few selected individuals, high-level political appointees.

This is not a political matter to me. I do not care what the politics are of the person who is negotiating. I am more concerned about the fact that the Government gets an honest dollar's worth of material for every dollar that we spend, that we not give away our money, that the people who are doing the negotiation have integrity, that they have the confidence of the American people behind them, and that they know those people who are making those contracts can be trusted and counted upon.

Mr. GOLDWATER. Will the Senator yield.

Mr. METZENBAUM. I yield.

Mr. GOLDWATER. I think the Senator will be interested to know that on the matter that the Senator from Ohio and I went to court, we finally won. After 15 years those airplanes now have to be purchased by contract.

Mr. METZENBAUM. I could not be more pleased than to hear that from my colleague from Arizona. It shows maybe with a little persistence and 5, 10, or 15 years in between, we are able to convince the Navy to mend its ways.

I wonder whether the chairman of the committee would be good enough to respond to a question? That question has to do with the fact that he had indicated at one point that the language does cover this issue and that there has not been a backing off.

Am I not correct that the conference report limits the applicability of this matter only to high level political appointees, or language to that effect, and that the broader language that the House had brought to the conference committee was eliminated?

Mr. GOLDWATER. The Senator is correct.

The language says, "Whoever being a Presidential appointee in Federal employment acts as a primary Government representative in the negotiation of Government contracts or the settlement thereof with a defense contractor shall not, within 2 years after the termination of said activities" and so forth and so on.

I was referring to the revolving door which was the most sticky point we had. We were never able to get the House to recede. Finally, and I think it was the last decision that we reached, the revolving door stayed and it applies to high ranking officers. They are not allowed to take jobs for 2 years under extreme penalties.

Mr. METZENBAUM. Am I not correct that only those who are high-level official appointees are prohibited with respect to revolving door? I do not understand it, and frankly I have difficulty with it.

The limitations in the conference apply to—and I am picking out a number—I would guess about one-tenth of 1 percent of all those who would be involved in these negotiations or procurement provisions and $99\frac{9}{10}$ percent would not be covered. Why did the Senate insist that the House back down on this issue?

Mr. GOLDWATER. I cannot give the precise reason because the Senators who negotiated that are not here. But this was one of 1,300 items that we had to decide. It was the stickiest thing that we had, the revolving door. As the Senator has indicated, it is probably less than one-tenth of 1 percent of all the corporate officers in this country who could ever fall under the revolving-door law or the Presidential appointment executive.

In order to reach an agreement, we finally came to an agreement with the House, but the Senators who negotiated that are not here. I think they are coming. If they are not, we will just have to let it go.

Mr. METZENBAUM. I wonder if the Senator would be good enough to advise me as to who those Senators are in order that I might inquire of them why they did what they did? The one-tenth of 1 percent about whom I am talking, to which the law would still be applicable, are not the problem. It is not a matter of who are the corporate officers; it is a question of who are the procurement officers. I am saying that it is the $99\frac{9}{10}$ percent of procurement officers have been made exempt and can go out and get jobs with defense contractors under this language, whereas they could not under the House language.

Mr. GOLDWATER. Senators QUAYLE and LEVIN negotiated this.

Mr. NUNN. I might add that I have asked Senator LEVIN to come over, knowing you had questions on this. They did spend 50 or 60 hours negotiating this provision.

It is not as simple as might be seen on the surface. There are two component parts of this problem. One part, as the Senator from Ohio has so well identified, is the perception of conflict of interest in negotiating contracts, a very real problem. The Senate conferees, particularly Senator LEVIN and Senator QUAYLE, feel very strongly about this.

The other side of the coin is a provision so broad in its application that it discourages competent people from ever being willing to take these positions. If, by trying to prevent the perception of possible conflict of interest, you end up with a very incompetent work force in terms of those procuring governmental contracts, then you may have cut off your nose to spite your face.

If you make this prohibition so broad that it sweeps everybody in, including the 99.9 percent of the people who never discuss contracts or never discuss future employment contracts while negotiating procurement contracts, never have any indication of that, and fully and zealously guard the Government interest in this, you have to ask the question, what have you done to Government employees? What have you done to the prospects of getting top procurement people from the business world who have good judgment and business experience involved in Government in the first place?

So it is a two-edged sword and it is a much more complicated matter than simply saying we are going to eliminate conflict of interest.

I think the House had good points. I think the Senate had good points. Senator LEVIN went into this in great detail and the committee did. I am sure he can answer details of the question. I do believe you have to look at it both from the point of view of getting competent people to work in the Government and handle these very important matters and also the point of view of conflict of interest. Both have to be considered in any kind of agreement.

Mr. METZENBAUM. I appreciate what the Senator from Georgia has said, but I am not willing to agree that you cannot get competent people to work in Government unless you assure them that the day they get out of Government they can go to work for the people with whom they have just been negotiating. That is what this issue is all about. We were not saying they could not go out and get a job. They just could not go out and work with the contractors with whom they had been negotiating.

I notice that the distinguished Senator from Michigan, my good friend Senator LEVIN, has returned to the floor. I would like to inquire of him if he can illuminate for the Senator from Ohio why the Senate insisted that the House back off its strong language with respect to the prohibition for 2 years of any procurement officer going to work for a company with which that procurement officer had been dealing?

What concerns me is that the language of this conference report, which has to be interpreted as being in the bill at the insistence of the Senate, is weaker than the strong, effective language of the House. And as I mentioned prior to the time the Senator from Michigan arrived on the floor; newspapers report that the Senate gutted House-passed reforms.

The article I quoted indicated that the House had moved in the right direction. They had passed something providing a prohibition against taking jobs for a period of 2 years with a defense contractor with whom there had been contract negotiations.

That makes sense. Why should somebody representing the U.S. Government be in a position to say, "Listen, I am leaving here in about 6 months." We are talking about this contract, where we are buying some material or some guns or weaponry. "Incidentially, when I leave here, will there be anything open at Lockheed"? Or General Dynamics or Boeing or whomsoever else the defense contractor might be.

I cannot for the life of me understand why we are called upon to pass a conference committee report when our representatives have given away one of the best things that was in the bill. As a consequence, the House-passed reforms became pretty much of a nullity.

I would be very happy to hear from my friend from Michigan as to why there was this giving up or shift.

Mr. LEVIN. I thank my friend for his question. The last question asked is the critical question: Why should a Pentagon employee be able to discuss employment for himself at the same time that he or she is monitoring a contract for the taxpayers of the United States? That is the question which the Senator asked. It is a critical question.

The answer is she or he should not.

It is an absolute outrage that any person should be able to discuss employment for himself or herself at the same time they are monitoring a contract. That was prohibited in our bill. Not only was it prohibited, but you get a 10-year ban if you do it—not a 2-year ban the way the House bill provided, but a 10-year ban in the Senate bill if you discuss employment for yourself at the same time you monitor a contract for the Pentagon.

As a matter of fact, if you have any contact with the procurement process in the Senate bill and you discuss employment for yourself, you are going to get banned for 10 years.

The House bill is a lot weaker in that respect. It requires much more significant involvement in the procurement process before their 2-year ban comes into effect than we do for our 10-year ban to come into effect.

The difference is that we hinge it on the combination of discussing employment for yourself at the same time that you are involved in the procurement process for the Pentagon.

To answer the Senator's question, which is a very direct question, a very appropriate question, I give a very direct answer: It is outrageous that anybody is able to do it. You cannot do it under the Senate bill. You cannot do it under the conference agreement. If you do, you get a 10-year ban, which is like a lifetime ban at the age at which most people are able to retire. So we cover that situation, which is exactly the situation which should be covered.

I want to assure my friend from Ohio that the facts as he outlines them in his hypothetical circumstance are very effectively taken care of in the Senate bill, far more effectively than in the House bill—far more effectively, for two reasons. I repeat them because they are important. There is a lot of confusion on this issue.

The two reasons are that we have a 10-year ban in those circumstances which the Senator identified—a 10-year ban, No. 1.

No. 2, the ban applies to personnel of the Pentagon who have any contact with that contract. It is not limited to significant procurement function. Any kind of contact is covered.

Mr. METZENBAUM. But it is only applicable to major political appointees?

Mr. LEVIN. No, Mr. President.

Mr. METZENBAUM. How does it happen that the Washington Times reports—first of all, it reports that "Defense Conferees gut House-Passed Reforms." It goes on to say:

> Amid much sound and fury, Senate and House conferees working on the 1986 defense appropriations bill gutted many House-passed military procurement reforms, but left in place two important measures dealing with unallowable billings by contractors and the Pentagon's so-called "revolving door."
>
> The bill also includes a revolving-door amendment designed to prevent conflicts of interest when Pentagon officials leave their government jobs to to to work for military contractors.
>
> The provision prohibits presidential appointees from taking jobs with a military contractor for two years after they leave their government jobs if the appointee was one of primary negotiators on a contract won by that company.

It has to be a Presidential appointee who must also be one of the primary negotiators.

Mr. LEVIN. Mr. President, may I answer the question?

Mr. METZENBAUM. Yes, Mr. President. Are they wrong?

Mr. LEVIN. They are wrong because they left out the critical thing which I just indicated to my friend. That is that the Senate provision is retained in this conference report.

Mr. METZENBAUM. Would the Senator from Michigan——

Mr. LEVIN. The 2-year ban on certain officials is on top of the Senate provision.

Mr. METZENBAUM. Would the Senator from Michigan read to me the language that we will be acting on this afternoon that covers this point that will convince me that it goes beyond the major political appointees?

Mr. LEVIN. Mr. President, it is a mighty long provision. I can read it. It will take me about 10 minutes.

Mr. METZENBAUM. Can we not pull out the language?

Mr. LEVIN. I shall give the page number.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I thank the Chair.

I heard just a few minutes ago that the conference report on the large military authorization bill was the pending matter on the floor of the Senate.

I wish to highly commend the Senator from Arizona who served as chairman of this entire proceeding from the time we started on the bill until now. I attended as many of these sessions as I could, including the conference in the dome of the Capitol.

Mr. President, it is the longest and I think the most difficult defense bill that we have had since I have been in the Senate—and there has been a great number of tough ones and long ones and difficult ones.

The Senator from Arizona and the Senator from Georgia [Mr. Nunn], the ranking minority member, have been of tremendous service to the country. There is no reason why I should be bragging on them, but we all thank them for service they have given to the country, assisted by unusually valuable staff. These matters are difficult. They are delicate. Many of them are secret. They are all important. Defense, of course, is the most important thing we have and we must be right in it. We have to spend a lot of money. I never did believe in spending more than you had for any purpose.

They are not the only ones who have worked long and hard. Many Senators have given a tremendous amount of time and effort in this difficult matter. As one who is in a position to judge the value of the work they have done and what it means to the country and the sensitivity of it, I wanted to make these remarks as part of our system. I know there is for all of them a sense of gratitude in the hearts and minds of the membership and the people at large for the work that these gentlemen have done. I especially thank the Senators.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. STENNIS. Yes, I yield.

Mr. GOLDWATER. Mr. President, I wish to express my thanks to my teacher. I served under the Senator from Mississippi on the Armed Services Committee year after year after year. I learned all the hard facts of life under him, and so if there is any thanks to be offered, I say for Senator Nunn, too, I think the thanks should go to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I thank the Senator. I learned from the Senator from Arizona and the Senator from Georgia and other members of the committee. God bless them all.

I yield the floor, Mr. President.

Mr. PRYOR. Mr. President, I wonder if the distinguished Senator from Arizona might yield for two or three questions, or perhaps any of the conferees who might be involved in specific subject matter.

Mr. GOLDWATER. I might say to my friend that we have the Senator from Ohio already asking questions. If the Senator would like to wait until he is through——

Mr. PRYOR. The Senator from Arkansas will be very happy to wait. I apologize. I did not know the Senator from Ohio was in the process of asking questions.

Mr. GOLDWATER. That is all right.

Mr. PRYOR. I will be glad to wait.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, for a brief moment I will suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I want to return to the subject. I have been studying the language that my colleague from Michigan has pointed out to me with respect to that which is in the bill. I want to acknowledge that, indeed, there is a 10-year provision in that language as compared to the House 2-year provision. But, all the 10-year provision amounts to is, if the defense contractor brings up the matter of employment, the Federal employee must notify the Secretary of Defense. If subsequently, that employee takes a job without the permission of the Secretary of Defense or if he takes a job and has not given the notification, the Secretary of Defense can really come down hard on him. He really can do something effective.

The Secretary of Defense has tremendous power under this bill to do something about those officials who take a job in violation of these provisions without giving notification or without having been given consent.

Let me tell you what it says, Mr. President. It says, "The person may not accept or continue employment with the defense contractor during the 10-year period beginning with the date of separation from Government service."

And then it goes on to say what really may happen. It says, "The Secretary may impose on the person an administrative penalty in the amount of $10,000, or in such lesser amount as may be prescribed by the Secretary, taking into consideration all the circumstances."

Mr. LEVIN. Mr. President, will the Senator yield for a question?

Mr. METZENBAUM. Not yet.

Mr. LEVIN. Will the Senator yield just to agree that the word is "and" before the $10,000 fine?

Mr. METZENBAUM. "In the amount of $10,000 or in such lesser amount——"

Mr. LEVIN. No. Will the Senator agree that the person may not accept the employment for 10 years, and the Secretary may impose a fine?

Mr. METZENBAUM. OK. We are not in disagreement. I think it completes the picture. The $10,000 fine—or some lesser amount—is against the person who is taking the job.

Let us picutre how this works.

Colonel X is working on the job, and he is negotiating a contract for many hundreds of millions of dollars, or maybe even billions. The defense contractor talks with him about taking a job after he leaves the Government.

It is sort of questionable as to whether he gave or did not give the appropriate notice, and in all probability he did not. So he takes a job with a defense contractor, and it pays $150,000 or $200,000 a year. I do not think that is so high, because that is the kind of money defense contractors pay, and much more besides.

Then, all of a sudden, the Secretary of Defense learns all about it, although, in all likelihood, he would pay no attention to it, he is so busy.

So he comes around and says: "I found this out and I notice that you took that job."

He says, "Well, I did."

He says, "You didn't give me notice."

He says, "Well, I guess I sort of overlooked that."

He says, "Well, I'll have to assess an administrative penalty against you."

He says, "Mr. Secretary, I'm not sure that you have the legal right to do that. In fact, I don't work for you any more, and I don't know how you get the authority to assess me with a penalty, notwithstanding the fact that it is in the law."

I doubt very much that you can do that—that a public official, working for the U.S. Government, may assess an administrative penalty against Mr. Smith of Mr. Jones or somebody else just because he or she had once held a job in the U.S. Government.

So what happens? He says: "Well, I'll tell you what. If you don't make it for $10,000, but make it $2,500 or a couple of thousand dollars, I will pay it and we'll forget about it."

The Secretary says: "I don't want to get into a legal wrangle and have a lot of legal expenses, and that's what I'll do."

Meanwhile, he keeps the job. There is nothing that says he does not keep the job.

I do not know of any injunctive remedies here, but I doubt that the Secretary of Defense would use injunctive remedies.

We have backed away from the flat prohibition that was called for, for 2 years, in the House bill.

Senator Levin points out that 10 years is a lot longer than 2 years, and indeed it is. But the fact is that the 10 years is rather meaningless, whereas the 2 years were very meaningful.

Other countries, such as France, have a ban on going to work for contractors. If you go to work for a defense contractor after you work as a military procurement officer for the Government, you go to the slammer. But all we have is a questionable administrative penalty.

I stand here and I ask what is wrong with us? Why are we so concerned about what all these poor military retirees are going to do?

I will tell you what they are going to do.

They will get a job with somebody with whom they did not negotiate.

They will get another kind of job.

They do not have to work only for the defense contractors with whom they have negotiated.

It has been suggested to me, in floor conversations with my friend from Michigan, that a procurement officer may have negotiated with 300 different contractors. So be it. I doubt it, but so be it. Then, put a limitation on it—only the contractors with which he negotiated in the last 2 or 3 years. Handle it that way, if that is a problem. Or, if it is really that serious, let him go out and find a job with the hundreds of thousands of other employers in this country and not with one of those 300.

Why are we so unwilling to protect the dollars of the American taxpayers? What is there about us that makes us give away the ball when we have it won? All we had to do was recede to the House, and we would have had something that was significant. But no. We negotiated for 50 hours and wound up with a weaker bill. Why?

Mr. President, I ask unanimous consent that I may yield the floor to the distinguished Senator from Arkansas, because I think he has a few gems of wisdom he would like to share with us.

The PRESIDING OFFICER. Is there objection?

Mr. LEVIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I should like to have an opportunity to answer the question, and then I will be happy to yield the floor. But if the Senator from Arkansas was on his feet first, I have no objection.

Mr. METZENBAUM. There is no problem.

Mr. PRYOR. Mr. President, I suggest that the Senator from Michigan proceed.

Mr. LEVIN. Mr. President, my friend from Ohio has asked the question: Why? Why did we not just accept the House way of stopping the revolving door?

The answer is that the Senate provision was better, tougher, and fairer. That is why.

The Senate voted on this provision, against the provision which my friend from Ohio has described, by a vote of 67 to 22. So the conferees were defending a position the Senate had taken after a great deal of debate. It was not just failing to give in to the House. It was insisting upon a Senate position which two-thirds of us thought was better, tougher, and fairer than the House provision.

The Senator from Ohio said, first of all, that we did not have anything in the bill. He obviously did not like the bill as it came out of conference. He said we had nothing in there except a 2-year ban because the Washington Times said that, and I think that now he is persuaded with respect to that.

Mr. METZENBAUM. I said there was something in the bill, but I said it was limited to the political appointees.

Mr. LEVIN. The Washington Times is in error. It is not the first time.

Second, we in the Senate believed, at the time of our vote and in conference, that our provision was a better, tougher, and fairer provision. Why? We covered people that the House did not touch: we said that if you have any contact with a defense contractor, even if it is less than significant responsibility for procurement action, which is the House language, and—to use my friend's words at the time of his hypothetical question—you are negotiating with that contractor, you cannot accept employment. You cannot do it. We have a 10-year ban.

Then the Senator from Ohio says that all there is is a discretionary $10,000 fine. That is all the Secretary of Defense can do. But my friend from Ohio has failed to see the word "and" in there. The person may not accept or continue employment with the defense contractor during the 10-year period beginning with the date of the separation from Government service, and is subject to a $10,000 administrative penalty.

Then the Senator says he does not think the Secretary of Defense will seek an injunction. Why not? We have a flat-out prohibition. Why should he not seek an injunction? That is in subsection C, two paragaphs below that, that the Secretary of Defense may take action—we authorize the action—against an individual after the date on which the individual's employment with the Government has terminated. We authorize the Secretary of Defense to do that.

So, just to repeat, to answer the question which my friend from Ohio asks, we think we have a better provision.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. LEVIN. I yield the floor.

Mr. METZENBAUM. I ask the Senator to yield for a question.

Let us assume that somebody takes this job and violates these provisions completely—and I respect the fact that the word "and" is included.

My question to the Senator is this: Is this the only remedy that the Secretary of Defense may have to get an injunction in order to keep somebody from keeping a job they have been working on for 6 months or a year? Or are there criminal penalties for violating this provision?

Mr. LEVIN. The answer is that an injunction and an administrative penalty are provided.

Mr. METZENBAUM. No criminal penalty.

Mr. LEVIN. There is a good reason for it. We have a criminal law right now that says you may not negotiate employment for yourself at the same time you are handling a procurement function—18 U.S.C. 207. It has not worked. It has not stopped this revolving door which my friend from Ohio and my friend from Arkansas are worried about.

The revolving door smells, and we want to stop it. We want to hit the right people in the process. We think the Senate provision hits the right people. I could not agree more with the Senator. This revolving door stinks, and we should stop it. The question is how to stop it.

We had one approach; the House had another approach. We had a 10-year ban if you do not recuse yourself. We hit a much broader group of people, in a sense, than the House did because we provided that if they have any contact with a procurement function they are covered by our provision, while the House provided they had to have a certain kind of procurement responsibility. So, in two senses, our revolving door provision was broader than the House was. Theirs, in one sense, was broader because of the flat 2-year ban on all procurement officials above a certain level.

The Senate position was upheld on the floor here by a vote of 67 to 22. So we have been through this once before as to which is the most advantageous approach.

But let me tell you, we have tried the criminal approach. It has not resulted in one conviction, although we know this is going on. As least I do not believe there is one conviction that we know of that resulted from the current criminal language. We thought we would try an administrative fine and we would get the Secretary of Defense to stop these folks from going to work if they have not recused themselves and where there has been any contact between a person with an employment function and any negotiations or any discussion relative to employment.

Mr. METZENBAUM. Mr. President, so we do not just have the Washington Times as the sole authority for the Senator from Ohio, let me bring in the Washington Post, as well. This what the Washington Post says:

> Another lightning rod for House critics was a conference rendering of a procurement reform that had been approved with overwhelming support as a signal of legislative pique with defense contractor abuses and Pentagon inattention. A House measure designed to stop the revolving door situation barred Pentagon officials from working for 2 years after leaving Government with any defense contractor whose business they significantly influenced. Conferees, reflecting the Senate concerns that officials could be deprived of job prospects because of some obscure decision regarding the contractor, voted to narrow the restrictions to Presidential appointees who are among the primary negotiators on any contract. They would be barred for 2 years from going to work for the contractor. Some House Members said the compromise fails to regulate the numerous officials in lower jobs who play critical roles in the weapons procurement process.

What we are talking about here is stopping the revolving door. The House had some tough language in it. The Senate language is arcane, difficult to enforce. There is not one Member in this U.S. Senate who is going to live long enough to see a Secretary of Defense go into court and ask for an injunction to keep some former employee of the Department of Defense from holding a job with a defense contractor. And I doubt that any of us will live long enough to see a Secretary of Defense fine some individual because he or she has taken a job with the defense contractor, in violation of these provisions.

I am afraid that we were making some headway through the House. I think that the House's pique with respect to defense contractors taking advantage of the Government was evident. But when we got to the conference committee? Just as in past years—I remember coming on the floor of the U.S. Senate and getting some amendments passed on issues of this kind, going over to the conference committee and, "good-bye, Charlie"—they are no longer in the conference report when they get back here. Somehow, the defense contractors always have their way. They won this battle, and let us not kid ourselves.

Mr. PRYOR. Mr. President, needless to say, I have enjoyed this discussion. I see that the Senator from Arizona is rising. I am glad to yield to him at this point.

Mr. GOLDWATER. What was it the Senator wanted to talk about?

Mr. PRYOR. I wanted to make a comment on this little colloquy that has been going on on the floor, and then I might like to ask the Senator from Michigan a few questions, or the Senator from Arizona.

Mr. GOLDWATER. Senator LEVIN and Senator QUAYLE are the experts on this particular point. They fought through day after day and they came up with what I considered to be a very tough piece of legislation, so talk to them.

Mr. PRYOR. Well, I will be glad to talk to them, and I admire those Senators very much and I admire the Senator from Arizona.

First, I wish to make a comment on the colloquy or debate that we are holding at this moment relative to the revolving door. One, I compliment all those involved who have been involved with the revolving door issue. It has been an issue which has plagued this body and this Congress for a long period of time. In my opinion, after watching it, I hate to say as a layman, at least as one who is not on the Armed Services Committee, I do not feel that the revolving door issue in its magnitude, nor, let us say, in its impact on the defense industry and defense procurement has gotten any better. In fact, I am afraid it has gotten worse.

Hopefully, as a result of some legislation, or the press or the Congress or all of us together shining some light on this subject, hopefully it will get better. I am very hopeful it will.

I compliment all of those who have been involved in trying to shape something that will work. I also compliment the Senator from Ohio, because he has taken this issue and he has studied this issue. Evidently he does not agree with what the conference has done, and I am not saying that the Senator from Arkansas does.

But there is one thing I want to try to get straight for the record so that we all know it. My very good friend and close associate, the Senator from Michigan, Senator LEVIN, has stated several times during the last few minutes that by a vote of 67 to 22 some weeks ago, or perhaps now 2 months ago, that the Senate addressed itself to this issue and spoke on the issue of the revolving door. I do not argue that summation by the Senator from Michigan. I would like to elaborate on that vote.

At this point, the Senator from Arkansas is going to admit that the Senator from Arkansas made a mistake. The day that I brought to the floor of the Senate, along with the Senator from Iowa, Senator GRASSLEY, a massive reform bill that truly encompassed five to seven major problems in what I considered defense contracting and the relationship of our Pentagon to the defense contractor, let me tell you what my mistake was. And I will admit it to the Senator from Ohio. They say confession is good for the soul.

Where we had one up-or-down vote on the issue of revolving door, on the issue of dual sources, on the issue of more competition in contracting and right down the line, had the Senator from Arkansas realized on that day what was happening, what was going on, the complexities of this issue, the Senator from Arkansas, if he had it to do over again, would have asked for six separate votes, one of which would have been the issue pinpointed to that issue of the revolving door problem. We never had a vote just on the revolving door problem to the best of my knowledge and the best of my understanding.

So I stand corrected. I made a mistake. We should have had five or six votes that afternoon, rather than one trying to reform the whole system. We should have had a separate vote, I believe, on dual sourcing. I believe we should have had a separate vote, I say to my friend from Ohio, on the issue of more competition in contracting. I am hoping we will some day have a vote on the legislation introduced, and I hope I am still a cosponsor of, and that has been sponsored by and spoken of eloquently by the Senator from Iowa, Senator GRASSLEY, on what he calls his creeping capitalism bill to require more competition in defense contracting.

That is out of the way. I wanted to state that. I wanted to make certain that our colleagues have realized that we have never, in my opinion, this year had a specific vote up or down on the issue of the problem of revolving door.

My concern is about what the conferees have adopted without taking away one thing from the motive of the Senator from Michigan, and the Senator from Indiana, Senator QUAYLE has worked hard for procurement reform. But my concern is that we have taken in that conference some leeway with a modification in saying that in effect we have adopted a double standard, and a double standard has been applied to what I would call senior officials, or senior bureaucrats, whichever you might call them, being judged against a different ethical standard from the lower ones, or those in the lower echelons who are not Presidential appointees. What we have done is we have put a ban only on Presidential appointees, as the Senator from Arkansas understands, who are also involved in procurement and this may encompass only 5, 10, or maybe 15 individuals. I know I cannot change this

right now. I think it is too late. But I would like to register my concern, and we have opened up a door. We are employing a double standard for those Presidential appointees versus those in the lower echelon.

That is my first concern. I wanted my friend from Michigan to know this. We have talked about this matter in his office. I certainly, once again, take nothing away from the motive and the spirit with which the Senator is attempting to bring about reform. I just do not agree with what the conference has done.

I have one or two other concerns I would like to express, if I might. I am not going to take but a few more minutes.

Second, I would like to state—maybe this should be in the form of a question on the issue of chemical weapons. The issue of chemical weapons, I say to my friend from Arizona—as you have known and other of my colleagues have known—has been an issue that has concerned me for some time. As I recall the other body, the House of Representatives, had a provision in one of the provisions or caveats which stated basically that if we were to produce any chemical weapons further in this country after the ban of 1969, the resumption of reductions, that we would have to clear first with NATO and that NATO member contries would have to tell this country, yes, we will store chemical weapons or nerve gas on our soil if you produce them. I understand that language has been taken from the conference report.

I am wondering if there might be a comment or further explanation from the distinguished chairman.

Mr. GOLDWATER. I will be very happy to try to explain this. I think I can. But the Senator who did most of the work, the Senator from Ohio, Senator GLENN, can stand by and correct me where I am wrong if I am wrong.

(Mr. MATHIAS assumed the chair.)

Mr. GOLDWATER. To begin with, the House for the first time in 15 or 16 years passed a bill involving chemical warfare. They have consistently turned it down. The Senator I think is fully aware of the fact that the Soviet invasion of Afghanistan has demonstrated that they have used chemical warfare. Last year or the year before, I was privileged when I served on the Intelligence Committee to have testimony on the extent that the Soviets have developed chemical warfare. I do not believe I am allowed to go too far into this because it is rather classified. But I have to tell my friend from Arkansas that we have no defense against chemical warfare. So what the House passed—and I have to say they are going to vote for that in the House—the conference committee took another important step toward restoring a credible U.S. chemical deterrent capability. Resolving the differences between the two bills on this program was one of the most difficult issues faced by the conferees. The final agreement which required concessions from both sides restricted the funding for the procurement of binary munitions including components and the associated production facilities until the President provides a certification to Congress. I want to call my friend's attention to the fact that we are talking about binary weapons. That means there are two parts to it—one to propel it, the other one to go off. Until you put the two together, they are no good.

The President has to certify to Congress and the President must certify that the United States has developed a plan in cooperation with the supreme allied commander of Europe to deploy binary chemical munitions under appropriate contingencies to deter chemical attacks against the United States and our allies, and that he has consulted with NATO members on this plan. No funds may be expended for the final assembly of complete binary munitions until October 1, 1987, and are available thereafter only if there has been no verifiable international agreement on chemical weapons and the President makes a further certification to the Congress.

In addition the conferees adopted language expressing the sense of the Congress that unitary chemical munitions currently stored in the United States, and in NATO, should be replaced with modern binary munitions for safety reasons.

I think this was a tremendous victory. I cannot think of—I can think of one other weapons system that is badly needed in NATO, but this is the one weapons system that the supreme commander has been begging for because they know that the moment the Soviets use chemical weapons we have absolutely no defense. I ask my friend, Senator GLENN from Ohio, if he would have any more comments on this.

Mr. GLENN. Mr. President, I think the chairman has stated very well what the conference agreed to. Let me just say to my friend from Arkansas, this is a matter of safety for our own troops. I hope our friends over in the House of Representatives who are going to vote on this thing realize what they are voting on. This is not a new hideous weapons system. It is not something new. It is not new toxicity. It is not anything except safety for our own people. We have chemical weapons now. They are stored in Europe. That is no secret. I will not give more information than that. But that has been published time after time. We have them in this country. They are unitary weapons. By that we mean they are already mixed. If that weapon leaks—and some are getting old and are dangerous, some have been taken out of stockpile now—it is a danger to our own people. I do not know of anything in our whole weapons bag in this country that is more demagoged or more misrepresented than what we are trying to do in getting safer weapons to replace those that are dangerous for our own people. We have been through this on this floor ad nauseum. They have done the same thing over in the House. To say we do not want safety for our own troops mystifies the devil out of me. Yet, that is what we have said. We have said it repeatedly. We argued on this floor about it. People keep coming back and saying they are awful, hideous chemical weapons, they are terrible, and we should not do this. My God, friends and neighbors, all the people in the gallery, war is hell, as Sherman—or whoever it was—said. That includes chemical weapons.

All we are trying to do is to say we want safety for our own troops handling these things. That is what is in this bill. Along with that we said we do not want NATO having a veto over a U.S. weapons systems. To give them a veto over this would say that the United States cannot produce, we cannot provide a chemical weapon deterrent to the Soviet Union. In effect we would be giving the Soviets encouragement, and if war ever starts, they could make a chemical attack on the United States or its allies without our retaliating in kind. Is it a deterrent? We say nuclear weapons are a deterrent. We say conventional forces are a deterrent. So we want to match the Soviets in chemical weapons. We say we want a good navy. That is a deterrent, so they will never make a mistake by attacking the United States. Yet somehow, which mystifies me, we get beyond that when we come to chemical weapons, and we suddenly say it is too hideous. People may get hurt. I will tell you who is going to get hurt if we do not make binaries. It is our own troops, our own people, Senator. Those are the people in danger right now, not the Soviets. It is our own people that are at risk. They have these unitary gas weapons out there now that are beginning to leak, they are old, and they need to be replaced. We want to replace them with binaries. That keeps the toxic elements apart so that they are not dangerous for our people to store or handle.

We even put in the bill that the components will be stored in separate States, in heaven's name, in separate States. We also say that the two components cannot be shipped together in the same vehicle.

What else can we do? We are talking safety not for the Soviets; we are talking safety for our people from the existing weapons systems. Why can we not get that across? Why do people point their fingers at us and say, "Well, he is awful, he is for poison nerve gas?" How many times have I heard that?

How many times have I been booed because I wanted safety for our own people, our own troops.

I hope the people in the House read the record of this, or I hope they are listening to this, so that they know what is intended in this conference report is safety for our people, our people, our people. I repeat it.

I do not know how we do that unless we have the binary system.

Right now we have unitary chemical weapons out there. We are not proposing a new toxic gas. We have the weapons out there now and they are endangering our own people. All we are saying is we will replace those systems one by one. For every new binary we make we will destroy more than one equivalent in unitaries. We do not want a bigger stockpile of chemical weapons, only a safer stockpile.

In World War I, the Germans used gas. We did not. Fortunately, the British and French had it in stock and they used it. The Germans stopped using it.

Mr. PRYOR. Will the Senator yield?

Mr. GLENN. Not yet. I am not quite finished.

In World War II we had it and they had it and nobody used it. In Korea we had it and they had it and nobody used it. In Vietnam, a different situation where they used it in a limited way. In Afghanistan, the Afghans do not have it but the Soviets do and the Soviets are using it.

I think the deterrent effect is pretty clear. Why we think our nuclear systems will deter the Soviets, our conventional weaponry will deter the Soviets, our naval forces will deter the Soviets, our air forces will deter the Soviets, but when we get to chemical weapons and they have a tremendous capability yet we don't need a chemical deterrent—that makes no sense.

It snows me why we think that. It is against every fact of warfare. Yet we cannot bear to believe that something like chemical weapons can have a deterrent effect on the Soviets.

I think the record is very, very clear. I hope my friends in the House will understand, and I will repeat it one more time for their benefit in case they read what we say today. I repeat, binary chemical weapons are for safety for our troops. We have unitary chemical weapons. They are out there now. They are unsafe. We only want to replace them with binary, weapons which are safe. That is the major purpose of what we wanted to do in this bill. Also we wanted to ensure that we did not give NATO a veto over a major American weapons system, in this case chemical weapons. If we do that, what is to prevent the Soviets from raising cain with all the groups across Europe, getting them to object to MX's, or to M-1 tanks, or to whatever they want to object to in the future? We in effect would say we cannot stand that kind of criticism so we would give in to NATO, should they object; we will let them say what weapons system this Nation cannot have, regardless of our judgment in the matter.

I do not want to see that kind of precedent set.

So we worked out this compromise. I do not think there was any one of the subpanels in the conference that had longer hours or a greater number of meetings than we did on chemical weapons. Frankly, when we started out we were poles apart from the House on this, and I doubted we could work out a compromise. But we gave some, they gave some, Senator COHEN was in the middle of these same meetings that I was, and we worked it out. I am proud that we were able to work it out. They got what they wanted in the way of consultation with NATO and on some requirements on setback for the time when chemical weapons could first be produced. We got what we wanted in that NATO does not have a veto over us, and we are still able to start construction, with some delay, soon after certifications are made, as the chairman pointed out.

We worked this thing out. We did not get everything we wanted and they did not get everything they wanted. But it is something that both the Senate and House can live with.

The main thing is we will have a deterrent against Soviet use of chemical weapons. With this bill going through, our chemical weapons will be safe for our people to handle, to store, and to work with because the toxic elements will be kept apart.

I urge my colleagues on the floor and the Senator from Arkansas to please support this. It is a delicate compromise, and it does provide a deterrent.

Mr. PRYOR. Will the Senator yield?

Mr. GLENN. Certainly.

Mr. PRYOR. I feel that the Senator from Arkansas owes the Senator from Ohio an apology, the Senator from Arizona, the chairman, and Senator NUNN, the ranking member of Armed Services.

In no way did I intend to get on the floor and restart or rekindle the debate on chemical warfare, nerve gas. I have debated that issue until I am sick of it. I do not want to hear of it again.

All I am trying to do is raise one issue: What happened to the provision about NATO and, second, what is going to happen now if NATO countries say, "No, you go ahead and make all the nerve gas you want. We have enough to kill 50,000 people, or everybody on Earth 50,000 times, or more, or 50 times, or more." It does not matter after you killed everyone one time.

What is going to happen if they say they will not store it on their soil?

Mr. GLENN. It will still be a deterrent against the Soviet in that we will have it in our stockpile, and it will be safe for our own troops.

Mr. PRYOR. That is the question the Senator from Arkansas was asking. I did not mean to go back into general debate on nerve gas because, do you know what? You won. That issue is over. We are going to start making nerve gas again.

Mr. GLENN. Let me say one more thing. When the people of Europe see and realize that they have the more unsafe, the less safe, unitary weapons in their midst right now, which they have—and that has been printed in the paper so I am not giving anything away—that they are less safe than the binaries we are offering them which will be safer for their own people, their own troops, I cannot imagine them not accepting it.

Mr. PRYOR. When they find out we are going to make new binary nerve gas they will flock over here by the planeload to get all we can produce so they can put it on their soil.

Mr. GLENN. If they are smart they will, because what they will be replacing are their old weapons which are not as safe for their troops as the new weapons.

Mr. PRYOR. I understand that very well. I thank the Senator.

Mr. METZENBAUM. Will the Senator yield?

Mr. PRYOR. I believe I am to yield to the Senator from Maine.

Mr. COHEN. The short answer on NATO is that there was no NATO provisions in the Senate bill. When it comes to the question of the Senate recession, there were about 13 major recessions in this particular provision. Nine of the recessions were made by the Senate and four by the House. Three of the ones made by the House strengthened the bill. So when it comes to an analysis of the chemical weapons provision, I think there was a major concession made by the Senate in order to accommodate the House. At the same time, we were not, as the Senator from Ohio said, prepared to give a veto to NATO over major systems that may have deterrent value elsewhere, outside of NATO, such as in the Persian Gulf. But the major concession, as I said, was made by the Senate in order to accommodate the House.

Mr. METZENBAUM. Mr. President, I will be very brief. I stood on the floor a minute ago and I asked why did the Senate insist on its position rather than accepting the House language which provided for a fine up to $5,000 and up to 1 year imprisonment if you took a job with a defense contractor with whom you had been negotiating?

In response, my friend from Michigan [Mr. LEVIN] said we did so because the Senate had voted by a vote of 67 to 22 that that was the position they wanted to take. But what we were voting on when we rejected, by 67 to 22, the Pryor amendment, was not this issue of the revolving door alone. The Pryor amendment included five or six other issues as well.

I wonder whether the Senator from Arkansas [Mr. PRYOR] who was the author of that amendment, would be good enough to tell us what else was included besides the revolving door issue, at least in part, so we may clarify the fact that when the vote was 67 to 22, it was not on this item.

Mr. PRYOR. I thank the Senator from Ohio.

Mr. President, the Senator from Arkansas does not have before him all the issues involved. One issue I remember in addition to the revolving door issue was the dual-source contracting provision. Another issue dealt with competition in contracting, which was a very detailed amendment.

The Senator from Indiana [Mr. QUAYLE], as I recall, argued that provision and other provisions very eloquently, and, I might say, on the other side, regrettably. But there were several other provisions in that particular amendment offered by the Senator from Iowa and myself and several others which did receive 22 or 23 votes.

In retrospect, my only point is that I wish we had singled out the revolving door issue, singled out the competition issue, and singled out the dual-source issue. I think, as we go along, we learn from our mistakes here. I hope we are big enough to admit them. Certainly, I made a tactical mistake. I wish we had had several separate votes. There was extensive debate on the several encompassed issues.

Mr. NUNN. Mr. President, will the Senator from Arkansas yield for an observation?

Mr. PRYOR. Yes, although the Senator from Ohio has the floor.

Mr. NUNN. The Senator is probably correct in his perception about dividing out the issues of the amendment. I shall not quarrel with that. But we have to find, in the Armed Services Committee and in the Senate as a whole, a way to have fewer amendments. We had 113. If the Senator had used his tactical retrospective strategy, we would have had 119. The House had even more than that.

Frankly, when we get to conference on that many items, and we had 1,300 items in disagreement—at least 200 or 300 of them were very important, some of them technical, obviously. When you get to this stage, frankly, it is impossible—and this is why we are so fortunate to have had Senators LEVIN and QUAYLE so much involved in this. I was and the chairman, at probably any one hour of the conference, involved in 10 or 12 different issues. We have gotten to the point where this bill has become almost unmanageable, particularly when you get to conference and have that many differences.

So the Senator's idea on tactics, I hope, is not a spreading situation, because we do have to find a way to look at the number of amendments in this bill.

Mr. PRYOR. Let me say to my friend from Georgia, Mr. President, when you are spending almost $1 trillion of the taxpayers' money, I think perhaps there ought to be more scrutiny and perhaps even more amendments. Someone said the other day if this bill keeps on going the way it is, it is going to be as complicated as the farm bill before long. That is going to have a lot of amendments, too.

Mr. NUNN. We may not have a farm bill this year.

Mr. GOLDWATER. Mr. President, will the Senator yield for an observation?

Mr. METZENBAUM. If I may, without losing my right to the floor.

Mr. GOLDWATER. This is a conference report. It is not amendable. We have been talking about this now for 2½ hours. We have two or three very important matters that have to come up before tonight. We understand the Senators' position, the position of both of the Senators. If they come up again next year, we will certainly keep them in mind. I would like to ask the Senators if they would not let us vote so we can get on with the business of the Senate.

Mr. METZENBAUM. Mr. President, I assure my friend from Arizona that I have no intention of delaying this body. I just want to clarify this last point, then I shall conclude.

The Senator from Michigan made a very strong point, when I asked why, why, why the Senate had given in on this issue, or insisted upon its position, that it was because the Senate had voted to that effect. As Senator PRYOR has just indicated, there were six different items involved and I have now been able to procure those. It was dual sourcing, revolving door, quality control of contractors—requiring contractors to pay back funds for defects—burden of proof on contractors for all costs, criminal penalties for false billings, and spare-part breakout in order to encourage competition in spare-part procurement.

The Senate will not speak to this issue. We should have given in to the House; they did a better job than we did. I think the defense contractors have had their day.

Now I think I have had my day and my time. I yield the floor.

Mr. GOLDWATER. Well, I am glad.

Mr. LEVIN. Mr. President, will the Senator yield?

Mr. GOLDWATER. Certainly, I yield, Mr. President.

Mr. LEVIN. Mr. President, let me address first my friend from Arkansas. He indicated the fact that his amendment contained more than just the revolving door. He is, of course, correct. My friend from Ohio is, of course, correct also in pointing that out. They both would agree and I am sure Senator QUAYLE would agree that, No. 1, revolving door was one part of that amendment which was defeated and it was the most important, most discussed issue in that amendment which was defeated 67 to 22. I think Senator PRYOR and Senator QUAYLE would confirm the fact that revolving door was a critical part of the floor debate and one of the items included in that amendment. I think it is fair to say it was defeated 67 to 22.

To be technically accurate, it was the Pryor-Grassley amendment that was rejected 67 to 22 rather than revolving door itself, but it contained revolving door.

Second, if I may, the Senator from Ohio and the Senator from Arkansas should understand that even though we happen to disagree on revolving door, that should not diminish the fact that they made a major contribution and continue to make a major contribution and even though we might disagree on a better way to close that revolving door, I want to assure them I am glad they are here and I hope they continue to do that.

Finally, Mr. President, I should like to read from a Wall Street Journal article. My friend from Ohio has read the Washington Times here and the Washington Post today saying that the House caved in to the Senate. Well, now let me read the Wall Street Journal. It says here:

> Lawmakers stumbled for days over the 2-year ban offered by Charles Bennett, with Senators Levin and Quayle arguing that Presidential appointees should be exempted.

That is exactly the opposite of what we ended up with, by the way.

> But Mr. Quayle and Mr. Levin relented—

We relented, according to the Wall Street Journal—

> as it became clear that the bill might fail in the House if Mr. Bennett was dissatisfied.

So here is a newspaper article, since we are apparently relying on newspaper articles, which takes exactly the opposite position of the Washington Post and the Washington Times. They say the House caved in to the Senate, but we have the Wall Street Journal saying that Senators QUAYLE and LEVIN relented to the House. So pick your newspaper, I will not. Let me assure everybody I will not pick between these august newspapers.

Mr. GOLDWATER. Mr. President, the Senator has finished?

Mr. LEVIN. Almost, Mr. President; 10 more seconds.

Representative Bennett is apparently satisified with the outcome of this. He was the sponsor in the House of the revolving door and the other reform amendments. I think the fact that he has been quoted to the effect that he is satisfied with the solution in conference speaks well of the compromise we made.

I thank my friend, the Chairman.

Mr. GOLDWATER. Mr. President, the yeas and nays have been ordered. I wonder if the Presiding Officer would put the questions?

Mr. QUAYLE. First, Mr. President, may I just associate myself with the remarks made by the Senator from Michigan?

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. He is absolutely right. The major contentious point at the conference was the revolving door, despite all the other procurement issues, and they were many. In fact, I do believe that it was a principle issue. We went up in the committee and on the floor here to look at that 2-year provision. We thought it was bad public policy. We have drawn it as narrowly and tightly as possible in the conference as a compromise with the House. If I had my way, that amendment would not be in there. I think we have looked at this in a substantial way. I think the Senate, in fact, was correct in its first analysis and its first legislative try at this.

Mr. President, I support the conference committee report on the defense authorization bill for fiscal 1986. The report is a result of 3 weeks of very difficult negotiations with our counterparts on the House side. Although there are some matters in this package with which I disagree, I feel that this report can be supported by all the Members of the Senate.

In my view, the most contentious issues in the conference were the defense acquisition policy provisions. We had nearly 40 differences between the House and Senate in this very complex area. Before I present the details of these final provisions, I want to commend and thank my colleague, Senator Carl Levin, for his tireless work in the more than 40 hours of negotiation that it took to resolve these issues. Without his close involvement, we would not have been able to resolve the acquisition policy matters in the way we did.

Because of the large number of issues in disagreement between the House and the Senate in the defense acquisition policy area, I will only focus on the most controversial.

We had a major difference in our approach to requiring multiple sources for major weapon systems and other defense equipment. The provision approved by the Senate focused on establishing and maintaining two or more sources for the production of major systems and equipment. The House provision would have extended this requirement to the full-scale development phase of major programs and required the Secretary of Defense to follow very rigid criteria for waiving these requirements. In addition, the House would have placed a statutory limitation on the numbers of waivers that the Secretary could grant in a fiscal year.

Although I felt that our original provision had most effectively addressed the multiple source issue, some accommodation to the House position was necessary if we were to finish the conference. The conferees agreed to accept the House position on requiring multiple sources during the full-scale development phase, as well as production of major defense systems and equipment. However, we did succeed in giving the Secretary of Defense additional flexibility in applying the multiple-sourcing requirements and the conferees agreed to remove any limitation on the Secretary's use of his waiver authority.

Another area of major disagreement was the allowable cost provision. The Senate had approved a provision that would have required the Secretary of Defense to clarify in regulation the allowability or unallowability of certain indirect expenses submitted to the Defense Department for reimbursement. The Senate provision also would have provided the Secretary of Defense the authority to assess increased penalties against contractors knowingly submitting unallowable costs for reimbursement. The House allowable cost provision would have placed rigid categories of unallowable indirect costs directly in statute and applied criminal sanctions to those defense contractors knowingly submitting such unallowable costs for reimbursement.

Despite our serious concern with the need to crack down on defense contractors who continue to submit unallowable costs for reimbursement, the Senate conferees had very serious reservations about mandating categories of unallowable indirect costs in statute without giving the Secretary of Defense some flexibility to deal with situations unforeseen by Members of Congress. The conferees therefore agreed to place the categories of unallowable costs in statute, but included the authority for the Secretary of Defense to modify them as necessary in the implementing regulations. The conferees also agreed to drop the criminal penalties in favor of the stiff administrative penalties provided in the Senate provision.

By far the most contentious issue was the so-called revolving door issue. The Senate provisions would have addressed the issue of conflict of interest by employees or officers of the Department of Defense negotiating employment with defense contractors over whom they have substantial procurement responsibility by a comprehensive disqualification requirement. The House provision would have applied a flat 2-year prohibition on any employee or officer in the Department of Defense taking a job with a defense contractor over whom they had substantial procurement responsibility.

I remain convinced that our disqualification requirement was the most equitable and effective means of addressing the conflict-of-interest problem. It became apparent, however, that disagreement on this issue could result in the breakup of the entire conference. For that reason, the Senate conferees very reluctantly agreed to a limited two-prohibition ban on certain DOD employees.

Mr. President, the defense acquisition policy subcommittee is now in the process of setting an agenda for the review of acquisition issues throughout the remainder of this session of the 99th Congress. The experience with the various procurement provisions that were introduced on the floor of both the Senate and the House has convinced me of the great danger in legislating without the benefit of adequate committee review and consideration. It is my hope that our subcommittee agenda this year will allow us to more effectively direct any legislative action on this very complex area of defense acquisition.

Besides defense aquisition issues, the conference also reached a number of critical agreements concerning strategic arms. Perhaps the most important of these concerned the President's strategic defense initiative [SDI]. The conference agreed to authorize the SDI at $2.75 billion in fiscal year 1986 and eliminated all House restrictions on the allocation of these moneys within the SDI account.

The compromise funding level for SDI and $250 million more than what the House bill authorized for SDI and represents a real increase over last year's authorization of $1.4 billion for SDI. It would be a mistake, however, to think that the conference gave SDI or the administration a blank check.

While the articulation of administration policy with regard to SDI has matured considerably and, in my opinion, very positively, toward emphasizing how SDI can strengthen deterrence and help protect key United States and NATO military assets, the specific programs to implement this policy are either missing or not properly supported. The conference report asks a number of specific questions that the Strategic Defense Initiative Office [SDIO] must answer in detail. Certainly, without a better match between programs and policy, funding for the SDI next year will be in trouble.

I, for one, am most concerned that SDIO has focused far too much on achieving the distant prospect of nearly perfect defenses against threat of an all-out Soviet attack and too little effort on developing near-term ground-based preferential defenses against the much more pressing threat that Soviet missiles now pose to key United States and allied military assets.

Stated simply, the United States should at least attempt to develop the sort of antitactical ballistic missile systems [ATBM's] that the Soviets have already developed and are deploying, SA-10's and SA-X-12's. Indeed, if we do not, the existing theater asymmetrics in Europe and the Far East will only get worse, increasing the Soviet incentive to strike first in a crisis in these critical regions.

In this regard, I was pleased that the conference requested a study on the possibility of developing near-term defenses for our key military assets and our ICBM's. The conference specifically asked that this study consider the adequacy of our own Anti-Tactical Missile [ATM] Program.

Although not explicitly mentioned in this request, using active defenses to make MX less vulnerable clearly was in mind. The conference report tentatively limited the number of MX's deployed in existing silos to 50 until a more survivable basing mode is proposed. Devising a new basing mode may take time. The conferees recognized this and made clear provision to keep the MX Program going in the interim. In specific, the conference stipulated that between 12 and 21 MX's will be procured in fiscal year 1987 for testing purposes.

As important as active ground-based defenses may be to securing the future of MX, they may be equally important to the viability of the small ICBM [SICBM]. The conference limited additional money for this program to $100 million rather than the $150 million that the House bill called for.

Although the conferees were anxious to have a few more survivable land-based missile and hope that the SICBM might fit this bill, they questioned whether or not the congressionally mandated size—30,000 to 33,000 pounds—and warhead limits—one per missile—made much sense. In specific, the current weight limit on the SICBM may prevent the missile from being able to penetrate even crude Soviet missile defenses and may make the cost of deploying prompt U.S. land-based warheads prohibitive.

The conferees also were concerned about the feasibility and cost of relying solely on mobility to make this new missile survivable The cost of making mobile launchers hard enough and of manning these launchers has driven the price estimates for SICBM well beyond those for MX. For these reasons I believe the conference was wise in directing the Air Force to review these problems and report to the Committees on Armed Services by October 1, 1985. As with MX, we may well find that fixed basing or limited mobility and some form of active defense is the best basing mode.

Until our land-based missile force is modernized, our sea-based missile force will be relatively important. Recognizing this, the conference agreed finally to fund the advanced procurement of E-6A's, submarine communications relay aircraft. These planes are critical if we are to communicate effectively with our ballistic missile and attack submarines. Currently, we rely on C-130's, which are too limited in range and lift capability to sustain its communications mission for a sufficient period of time. Procuring the E-A will remedy this problem. Certainly, it makes little sense to spend $60 billion to buy the new Trident submarines through the 1990's and not have the ability to command and control them.

The conference, of course, did not limit itself to addressing strategic nuclear issues; it also was concerned about conventional weapons and increasing NATO cooperation. One of the most important actions the conference agreed to was an amendment I offered to give the President new powers to encourage greater United States-NATO arms cooperation. Currently, our NATO allies are cooperating in the research and development of several key weapons systems on nearly a 50-50 basis with the United States. Yet, under existing law these allies cannot produce these weapons without going through a complicated procedure reserved for underdeveloped nations who want simply to buy complete weapons systems from the United States. The language that the conference agreed to will remedy this problem and open the way to more joint development of weapons systems with our allies.

Mr. President, these are some of the highlights of the conference committee report. The report deserves the Senate's support and I hope will serve as a guide to both the House and Senate Appropriations Committees when they mark up later this year.

Mr. McCLURE. Mr. President I would like to seek clarification of section 1612 of the Department of Defense fiscal year 1986 authorization from the distinguished Armed Services Subcommittee chairman, Senator Humphrey.

Is it the chairman's understanding that the intent of section 1612 is to prohibit any action being taken by the President to modernize the national defense stockpile by reducing stockpile goals below those that were in effect on October 1, 1984?

Mr. HUMPHREY. Mr. President, the Senator from Idaho is correct. The language contained in section 1612 as offered by the House and concurred in by the Senate would prohibit the President, before October 1, 1986, from taking any action to implement or administer a lowering of the goals for strategic and critical materials in the stockpile below those in effect on October 1, 1984, unless the appropriate committees of Congress authorizes such reductions.

Mr. McCLURE. Mr. President, I thank the distinguished subcommittee chairman of the Armed Services Committee for that clarification.

Mr. LEVIN. Mr. President, this conference report deserves comment. Though surely not to everyone's satisfaction, it does reflect the benefits of the conference process. In a number of respects, the conference report is superior to the bill which passed the Senate. I would like to highlight certain of these improvements.

MX

First is the MX. Barring an unexpected breakthrough in basing modes, the Congress has capped the MX Program at 50 missiles to be deployed only in present silos. Not only does this cap the number of missiles, it also puts a ceiling on ultimate costs for MX and we can also hope that it will bring to an end the divisive and turbulent debate over this missile—a debate whose principal value was to illuminate the dangerous nature of these missiles to our nuclear deterrence.

SDI

The administration's request for funds to support research for the space based defense initiative was so large as to raise serious questions as to whether this money could possibly be spent wisely. The judgment of both the House and Senate was that the figure was too high and the final authorization figure is more than 25 percent less than the administration requested. It is important that SDI research be carefully controlled to ensure that it does not become a pot of gold for defense contractors and also to ensure that SDI development and testing strictly conform with the provisions of the ABM Treaty. I am confident that the decision of the House and the Senate puts the administration on notice that Congress will hold the SDI Program to these standards.

The ASAT Program continues to be a cause of concern to the Congress. There is the feeling that a too enthusiastic and premature testing program could damage the prospects of reaching an agreement with the Soviet Union controlling the development and employment and employment of ASAT's. This report permits three tests against an object in space during fiscal year 1986 providing the President certifies the need for, and arms control limitations of such testing. This agreement no better surely than the unlimited Senate provision relative to ASAT.

The compromise position taken on chemical weapons cannot please those who desired a ban on the production of new chemical weapons. But its surely better than the Senate position which placed few conditions on the production of binary weapons.

I am especially pleased that we have authorized the expenditure of $100,000 to pay the expense of an mutual, exchange visit program between senior United States and Soviet civilian defense officials and military officers. I submitted this proposal to the Congress because I am certain that personal knowledge and face to face communications between these senior officials in both governments can be of vital importance during periods of tension between these two nations and can reduce the risk of miscalculation.

UCMJ DEATH PENALTY

The conference agreement creates a new peacetime espionage offense under the Uniform Code of Military Justice which authorizes a sentence of death. I have opposed reinstituting a Federal civilian death penalty for several reasons which also apply to establishing a death penalty under the military code.

First, capital punishment is irreversible and our system of justice is not error proof. Dozens of capital cases have been documented where people have been sentenced to death who were later found to be innocent.

Second, in those States which currently authorize the death penalty for serious crimes, the death penalty continues to be applied in a discriminatory manner, against minorities and those who are too poor to afford the best legal representation. Third, there is no persuasive evidence that the death penalty deters crimes. In fact, States with capital punishment have murder rates twice as high as the States that do not have capital punishment.

Mr. President, in addition to these general reasons why I oppose capital punishment, there are specific reasons why we should not enact this provision. The espionage provision in the DOD authorization bill includes statutory procedures for implementing the sentence of death, while the UCMJ has 13 other capital offenses that will not be covered by the statutory procedures in this provision. At a June 26, 1985 hearing on espionage, I asked Chapman Cox, general counsel at DOD, whether there was any reason why the Congress should not adopt statutory provisions establishing procedures for capital cases. Mr. Cox stated:

> We believe that the sentencing procedures as provided for by the Congress under the Uniform Code of Military Justice are the right ones for the military system. We believe it should be the President who establishes the guidelines and procedures that meet the needs of the armed forces, as Commander-in-Chief, for sentencing in all of the Military Justice Code.

An additional reason why it is not wise to adopt statutory procedures for the crime of peacetime espionage is that the Supreme Court has not yet addressed the question whether congressional action is constitutionally required to establish necessary procedural protections in capital cases. The Department of Defense maintains that action by the Congress is not necessary and that it is more appropriate for the executive branch to establish procedures for the military. But in adopting statutory procedures for peacetime espionage which are different from those which apply to all other capital offenses in the Code, Congress is expressing a preference for statutory procedures. On this point, Mr. Cox stated:

> . . . we now have these procedures in the Code with respect to all of our capital punishment. If you as a Congress impose the statutory system on one punitive article, you create doubt that the other procedure is constitutionally valid. We would strongly urge you against doing that

Thus, in approving this provision establishing different procedures for peacetime espionage than are applicable to all other capital offenses under the military code, we will be creating confusion and a lack of uniformity in the military justice system. Additionally, congressional approval of statutory factors for the crime of peacetime espionage may prejudice the Government's position that the executive branch, rather than the Congress, should establish procedures for capital offenses under the military code. That is why Secretary Weinberger wrote to Chairman Goldwater after the McCollum amendment was approved by the House and stated that "* * * constitutionally sufficient guidelines already exist in R.C.M. 1104 of the Manual for Courts Martial. The rules in the manual, which reflect the standards to which we hold military personnel, are preferable to those in the House bill." The wiser course of action would have been to adopt the amendment to the DOD authorization bill approved by the House 1 day before the McCollum amendment was approved. That amendment called for a study of capital punishment in the military. Instead, we are taking hasty action which is inappropriate where the issue involves life and death.

Also, by establishing capital punishment for peacetime espionage, we will lose any opportunity to obtain valuable information from those convicted of espionage about their spying activities. Furthermore, once a convicted spy is executed, the Government will not be able to make a trade for Americans being held in foreign nations. In 1978, the United States traded convicted Soviet spy Robert Thompson—a U.S. citizen who worked as an Air Force clerk—for an American student and an Israeli pilot. Thompson spent 13 years in prison for espionage before he was traded to the Soviets.

In 1962, the United States swapped a KGB colonel, Rudolph Abel, for Francis Gary Powers, a U-2 pilot who worked for the CIA. William Donovan, Abel's defense attorney, argued during his trial that Abel should not be sentenced to death because it might be possible to swap Abel for an American later. Donovan told the sentencing judge that "* * * it is possible that in the foreseeable future an American of equivalent rank will be captured by Soviet Russia or an ally; at such time an exchange of prisoners through diplomatic channels could be considered to be in the best interest of the United States." Donovan proved to be right. Because the judge did not sentence Abel to death, the United States was able to trade him for Gary Powers 5 years later.

In summary, Congress is acting too hastily in response to the Walker case without taking the time to consider the consequences which will result from having two separate procedures and guidelines for capital offenses under the military code. The espionage provision will create confusion, lack of uniformity, and call into question the constitutionality of the procedures for capital cases contained in the Manual for Courts Martial. Those who are charged with peacetime espionage will be subject to different procedures than those persons who are charged with wartime espionage. Furthermore, the decision to enact a peacetime espionage statute is inconsistent with national security interests, because it may limit our ability to obtain valuable information about espionage activities and will prevent us from trading persons convicted of espionage in the United States for American citizens being held in other countries.

NATIONAL ENVIRONMENTAL POLICY ACT AND BASE CLOSINGS

Mr. President, I was also deeply involved in the debate over the conference action to strike the explicit reference to the National Environmental Policy Act from the revised base closing provisions.

For a variety of substantive and procedural reasons, I opposed many of the changes to the base closing statute and military construction procedures that were adopted by the Senate Armed Services Committee. When this issue was considered by the Senate, I voted to strike the committee-reported section, but supported the straightforward, well-reasoned and significant procedural reforms offered by the ranking member of our Armed Services Committee, Senator NUNN, and the ranking member of our Military Construction Subcommittee, Senator BINGAMAN. I am sorry that that amendment failed to pass on a tie vote.

In the authorization conference, a subpanel met to consider the Senate's proposal to streamline the base closing provisions. I believe that the conferees have done a good job of focusing their statutory revisions on procedural matters, and have provided a reasonably expedited process by which the Secretary of Defense may propose, and the Congress will have a meaningful opportunity to consider, individual base closing and realignment recommendations.

In revising the statutory provisions in title 10 regarding base closings, the conferees have deleted the explicit reference to the National Environmental Policy Act.

Mr. President, when the subpanel made its report to the full conference on this matter, there were explicit representations made to the full conference, that the conferees' action did not intend to alter the application of the National Environmental Policy Act to base closing. I supported the conference agreement on this portion only because of the assurances that our action would not affect the applicability by its own terms of the National Environmental Policy Act to base closings and realignments.

Mr. President, this Senator will be carefully watching the Department's implementation of this important provision.

Mr. BINGAMAN. Mr. President, I rise in support of the conference report on S. 1160, the fiscal year 1986 Defense Authorization Act. I want to join my colleagues in commending the senior Senator from Arizona and the senior Senator from Georgia for their leadership in the Conference Committee's deliberations. On the whole, we reached fair and responsible compromises with the House conferees on the 1,350 items that were in disagreement between the two bills, and we did so more rapidly than anyone could have realistically expected at the start of the conference.

Mr. President, I would just like to comment briefly on a few of the results of the conference.

I think the conference report vindicates the view that several of us expressed earlier this year that we could adopt a zero real growth budget level for defense, as our Federal budget crisis requires, but still be able to continue our defense modernization at a rapid pace.

For example, the conferees were able to authorize 29 more combat aircraft than were requested this year, and 83 more than were approved last year. In the shipbuilding account, the only reduction from the President's request was for two mine countermeasure ships which were postponed for a year largely because of problems in the program. The threat-based conventional munitions accounts—missiles, torpedos, and mines—were approved almost in their entirety, with increases for some programs offsetting reductions in others. The same could be said of the Army weapons and combat vehicles account. The bottom line is that the conferees were able to fund the high priority modernization programs of the services at the $302.5 billion spending level.

Mr. President, I also want to highlight the conferees' action on three specific issues: university research, military base closures, and polygraphs.

The conferees authorized $75 million above the President's $971 million request for DOD support of basic research. The $75 million addition is to be spent on a university research initiative in which we would like to see all the technical agencies of the U.S. Government participate. The additional funding will help address the crisis of obsolete instrumentation in our university laboratories and will help educate additional American graduate students in the physical sciences and engineering.

I welcome this initiative. Over the past 2 years DOD support for its technology base programs had fallen even while overall DOD research budgets continued to grow. It was important to reverse that trend and, even in this year of no real growth in the overall defense budget, to reassert the need for DOD to do its share to maintain our scientific infrastructure, especially in our universities.

Mr. President, the compromise the conferees reached on streamlining the military base closure and realignment process was a very fair one. The compromise provision largely parallels the proposal put forward by Senator NUNN and myself when the Senate debated the defense authorization bill in May. Most importantly for me, the conferees agreed to preserve the authorization and appropriations process for military construction projects associated with base closures and realignments. We streamlined the notice process, reducing it to a one-step process from the current two-step process, and required base closure and realignment notices be submitted with the President's budget request. We reduced the paperwork required to be submitted with the notices from "detailed justifications" to "evaluations" of various factors.

The conferees did not go as far as Senator NUNN and I had proposed with regard to the National Environmental Policy Act. We had proposed to waive judicial review of NEPA, except for the question as to whether an environmental impact statement was required. The Gramm provision included in the Senate bill waived NEPA entirely for base closures when there is a federal deficit. However, the House conferees rejected any language waiving NEPA (or parts of NEPA) in the case of base closures. They agreed to delete the specific reference to NEPA in section 2687 of title 10 of the U.S. Code in the belief that this would not affect the need for the Defense Department to comply with NEPA in the case of base closures and realignments.

I believe that the base closure compromise is a sound one. I agree with Senators GOLDWATER and GRAMM that the impediments to closures of unneeded bases had become too severe. This bill should restore the balance between the executive and legislative branches that existed prior to 1976 when a restrictive base closure provision was first enacted. It should allow base closures to be successfully implemented as they were in the overwhelming majority of cases prior to 1976.

Mr. President, the conference also reached a responsible compromise on the utilization of mandatory polygraph examinations for counterintelligence purposes in the Defense Department. In the wake of the Walker espionage case, the House had passed a sweeping measure which would have granted DOD permanent authorization to subject all employees and contractors with security clearances to these examinations. It would have required polygraph examinations for those in special access programs. It would have placed no limits on the number of polygraph exams to be conducted in the Department. The Senate Armed Services Committee had included a provision in the Senate bill which authorized a 1-year continuation of a 3,500 person test program on the use of the polygraph examinations in the special access programs of the Department of Defense. The conference, with the senior Senator from Georgia taking the lead in framing the final compromise, decided that a measured approach was appropriate, that we should not remove all constraints on the use of polygraphs by the Defense Department. The conferees agreed that the test program should be expanded to include those with access to top secret information as well as those in special access programs. In fiscal year 1986 up to 3,500 tests may be conducted under this program with up to 7,000 tests in fiscal year 1987. A series of reports are required on the conduct of this program to help future Congresses decide on whether to extend the mandatory counterintelligence polygraph program.

I am convinced that this measured approach is the proper one to follow.

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We should not turn to the polygraph instrument as a technical fix for our counterintelligence needs. The problem is much more complex than that and can not be solved so simply.

To conclude, Mr. President, the conference report in my view represents a solid and responsible effort to deal with our Nation's defense requirements. I do not agree with every element of the report, nor would any other member of the Conference Committee. But, on balance, we arrived at a sound defense program, one that I am pleased to endorse to my colleagues.

APPLICABILITY OF NEPA TO BASE CLOSINGS

Mr. DIXON. Mr. President, Senator Gramm was on the floor to describe, among other things, how the conference report handles the question of the applicability of the National Environmental Policy Act, known as NEPA, to questions involving base closings.

As the Senate knows, curent law explicitly requires full compliance with NEPA by the Department of Defense when they propose closing military bases. This provision was enacted in 1977. Even before passage of this section, however, the Department of Defense had to consider NEPA when proposing base closures, but the environmental law's application was more limited and depended on factual questions in each individual base closure.

The conference chose to delete the explicit requirement of current law. There seemed to be some feeling among the conferees that the existing provision would force the Defense Department to provide a full environmental impact statement for every base or facility closure, no matter how limited. Frankly, I do not agree that current law has that kind of impact. What is important, however, is that the conferees did not intend to exempt the Defense Department from NEPA, but rather simply to return to the situation where the need to provide a full environmental impact statement would depend on the facts and circumstances of the individual case.

While I was not on the floor to hear Senator Gramm's earlier remarks, my understanding was that he made the same essential point. I do not believe he intends, and in my opinion, a majority of the conferees of both the House and the Senate do not intend, for the Defense Department to ignore NEPA requirements. I believe the real intent of the conferees was to ensure the continued application of NEPA to base closures, but to ensure that full-blown environmental impact statements, and the procedural protection for communities around those bases this process implies, is used only in cases where the environmental impact of the base closure is significant. I have no doubt, for example, the NEPA would fully apply to any attempt to close Great Lakes Naval Station, and that both the House and Senate conferees would want it to apply to a base closure as large as that one. There are many smaller bases and facilities, however, where full environmental impact statements are not necessary.

What the conferees intend, in my view, is for the Defense Department to carefully consider each base closure they might propose, and to apply the complete NEPA procedure in cases where there may be significant environmental impacts resulting from the closure, but not to feel compelled to use the full-blown process where environmental impacts appear to be minimal.

I want to make it clear, Mr. President, that my acceptance of this provision is based on that understanding. If the Defense Department should attempt to go forward on base closures with major potential environmental impacts, and that clearly includes impacts on the communities around those bases, without full consideration of and compliance with the applicable provisions of NEPA, then it will be my intention to bring this issue back before the Senate for further consideration. I am convinced that the Congress would never vote to exempt base closures from NEPA, and that the provisions in the conference report before us today do not accomplish that objective. The Defense Department should have no doubt of congressional intent in this matter, and of how serious an issue it is.

Mr. DOMENICI. Mr. President, I rise to commend the conferees for bringing the Senate this conference agreement on the DOD authorization bill. I know the conferees worked long and hard to forge this agreement, solving many difficult policy and program differences. As one who has also been working toward a conference agreement for nearly 2 months now, I think I can speak authoritatively about how hard it can be to get an agreement.

The conference agreement based on CBO's best judgment, equates in a functional total of $303.1 billion, only slightly over the target for defense passed by the Senate.

Once again, I congratulate the distinguished chairman [Senator Goldwater] and the members of the committee for their work in arriving at this conference agreement. I urge my colleagues to join me in supporting it.

THE NATIONAL DEFENSE PROGRAM FOR 1986

Mr. BYRD. Mr. President, I wish to compliment and congratulate the managers of this conference report, the distinguished chairman of the Armed Service Committee, Mr. Goldwater, and the distinguished ranking Democrat on that committee, Mr. Nunn, for their excellent work on this measure. The range of issue addressed in this measure, and the over 1,300 separate matters which had to be resolved by the conferees, testifies to the critical importance of this measure and the skill, energy, and endurance of our conferees.

I am pleased that the funding level approved by the conferees on this measure, which combined with the effects of other defense funding legislation, is some $302.5 billion, reflected the Senate position. This figure represents a zero-percent real growth level for 1986 over 1985, which is a substantial reduction from that proposed by the administration, and represents the lowest real growth in Pentagon programs since the Reagan administration took office. I hope that this outcome will deliver a strong message to the Pentagon leadership that it is imperative to implement major reforms in the way DOD business is done, to end its outrageous pattern of profligate waste. The long trail of costing scandals, and questionable budgeting procedures, has served to erode much of the national consensus underlying a vigorous defense program.

It is my hope that such reforms will, in the long run, enhance our national security by stretching the defense dollar further and achieving better results for the money provided in our authorization and appropriations measure. For our part, I believe the Senate can take pride in the significant number of important changes in the Pentagon procurement process that have been mandated by this measure. Needless to say, we expect them to be implemented vigorously. I greatly appreciate the favorable consideration that was given to a number of proposals that I made in this area and that were approved on the floor when the Senate considered its authorization measure this past May.

These provisions given final approval in the conference report are intended to increase significantly the capabilities of the Defense Department to protect the hard-earned taypayer dollars invested in the weapons and operations of our Armed Forces.

Specifically, the conferees approved my proposal to increase from $10,000 to $1,000,000, the maximum fine which may be imposed on a defense contractor who knowingly submits a false, fictitious, or fraudulent claim for Government payment.

Increasing by 100 times, this maximum criminal fine under the Federal False Claims Act should represent a more effective deterrent to such abuses by multibillion-dollar defense corporations, whose profits often are millions of dollars,

The conferees also approved my amendment to grant subpoena power for certain contractor records and documents to the Director of the Defense Contract Audit Agency, the Pentagon agency with the primary responsibility for guarding against cost abuses.

This provision is intended to increase DCAA's capabilities to scrutinize contractor cost proposals and to reduce delays contractors often seek to create in settling such charges.

Also approved were my amendments establishing an additional penalty on contractors for submitting inaccurate, incomplete, or outdated cost and pricing data, charging interest on penalties for violations of certain cost regulations, and increasing the interest rate that may be imposed on contractor repayments of money owed the Government.

These procurement reform provisions are part of a major package of reforms in this conference report—reforms which are aimed at eliminating the waste, fraud, and abuse the American people have heard so much about in defense programs.

The committee is to be complimented, in particular, for these reform initiatives, and I would like to single out for special praise for his leadership in this area, our distinguished colleague from Michigan, Senator Carl Levin.

Senator Levin, the ranking minority member of the committee's Defense Acquisition Policy Committee, has been in the forefront of procurement reform efforts, especially in the area of increasing competition in defense procurement, from his first year in the Senate. This was long before procurement reform became the popular crusade it now is. He is to be particularly commended for his continuing leadership in this complex area so important to protecting our taxpayers and strengthening our military capabilities.

Mr. President, the conference report before us also makes important changes in the defense budget priorities proposed by the administration for fiscal year 1986. The conferees have struck a better balance between maintaining our strategic nuclear forces and improving our conventional military capabilities, which are in greater need of strengthening.

In this regard, I am also gratified that the conferees accepted my amendments on our Nation's Strategic Bomber Program. The amendments provided that the Stealth programs are of such a critical nature to our strategic triad that they should be full funded, and that the funding cannot be reprogrammed or used for any other purpose. I note that the conference did in fact fully fund those programs. The amendments also expressed the sense of the Congress that the B-1 Program should be capped at 100 aircraft, and we would not welcome a Pentagon request for any additional B-1's. Indeed, the conference also accepted an amendment by the distinguished Senator from Massachusetts, Mr. Kennedy, which I strengthened by way of a modification on the Senate floor, that the Pentagon may not expand any funds for research, development, design, demonstration, or procurement of more than 100 B-1 bombers—including any derivative or modified version of that aircraft. The clear intent of the decisions by the conferees is that a fully funded Stealth Program is expected, and the earliest operational capability of that aircraft is desired.

By these actions, the conferees have stated clearly that the most cost-effective way of maintaining our nuclear deterrent strength is to deploy the Stealth bomber as soon as possible.

The conferees also are to be commended for adding $100 million to reduce the risk in the program to develop the midgetman small intercontinental ballistic missile. This missile has greater potential to be a more survivable deterrent weapon than does the vulnerable MX missile.

The conference report also contains $2.75 billion for the strategic defense initiative, or Star Wars Program, a much more reasonable funding level than the $3.7 billion originally proposed. The final amount provided a vigorous research program which can be managed much more effectively and with far less risk of wasted resources.

Regarding improvements to our conventional forces, the conferees made a wise decision to authorize increases in our combat readiness accounts for aircraft flying hours, ship steaming days, unit field exercises, depot maintenance, and real property maintenance. These activities are critical to maintaining and improving our daily combat readiness.

The conferees also authorized 18 percent more combat and support aircraft, including the additional C-130-type aircraft I supported for our Reserve Forces, 44-percent more missiles, torpedoes, and mines, and 19-percent more tracked combat vehicles than in the current fiscal year.

I also was pleased that the conferees decided to adopt the Senate position granting a 3-percent increase, effective October 1, 1985, in basic pay, basic allowance for subsistence, and basic allowance for quarters for military personnel. Our patriotic and high-quality military men and women deserve this pay raise for their many sacrifices in the defense of our country. This pay raise only partially restores the lost resources they have suffered in comparison to salaries they could earn in civilian life.

Finally, I am pleased to note that the conference accepted in its entirety the amendment I offered to require the President to report on the dangers to the national security associated with the loss of domestic ferroalloy production capacity. The ability to make feroalloys from the raw materials is an essential component of our defense preparedness. I am pleased that this important problem will be addressed. Our security depends upon a sound industrial base, no less than upon adequate military strength.

I urge adoption of this conference report.

Mr. KENNEDY. Mr. President, I support the conference report on the DOD Authorization Act, although I have many serious reservations about several of the provisions—particularly those relating to SDI, chemical weapons, MX and antisatellite weapons. Nonetheless, I believe that the conferences made important improvements in this legislation, and I believe that it deserves the support of the full Senate.

I will not repeat at length my concern about the SDI and ASAT programs and the dangers they pose to stability and deterrence. While the conferees did reduce funding for SDA, and limit the number of ASAT tests, these two programs will continue to go forward at a pace and in a manner that could jeopardize the ABM Treaty and begin a new round of escalation of the arms race in offensive and defensive weapons.

By any objective assessment, the current SDI regime will surely and inevitably break the ABM Treaty before the conclusion of the period of so-called research. Even before any technical violations occur, however, is the more fundamental problem that the SDI Program represents a kind of anticipatory breach of the ABM Treaty, a clear signal to the Soviet Union that, if our scientists are successful in their research, we intend to deploy a system that would abrogate the treaty. Under these circumstances, it is difficult to imagine why the administration would think that the Soviets should be willing to constrain their own ABM efforts—much less reduce their offensive weapons—while we move full bore ahead with ours.

If we are serious about getting the Soviets to address their apparent violations of the treaty, such as the Krasnoyarsk radar, we should be prepared to limit our own efforts and abide by the limitations of the treaty—in letter and spirit.

The ABM Treaty has been one of our most successful arms control agreements. Without it, any hope for significant reductions in offensive arms will be erased.

I am deeply troubled by the conferees decision to allow the Air Force to proceed with testing the F-15 antisatellite system. We have a unique opportunity to conclude a treaty that would dramatically restrict antisatellite weapons, and so help assure the survivability of our critical early warning, communication, navigation, and intelligence satellites.

The Soviet Union now possesses only a rudimentary low-altitude ASAT system which poses no threat to our most valuable high-altitude satellites. Moreover, the Soviets have not tested their system in some time. We can take advantage of the de facto moratorium and seek to at least try and negotiate a treaty—or move ahead with our test program and perhaps jeopardize any hope for an end to the arms race in space.

I oppose the decision to resume production of new chemical weapons. Although I share my colleagues concern about the Soviet chemical weapons program, I am not convinced that our deterrent is so degraded that we should undermine the credibility of our chemical arms control proposal in Geneva by joining those who continue active chemical weapons programs. In addition to jeopardizing the success of the proposed treaty tabled by Vice President Bush, our decision to resume chemical weapons production will almost surely raise the likelihood of chemical weapons proliferation and use by other nations.

While I continue to be concerned about these important strategic programs, I take heart in the work the conference committee has done with the remainder of the bill. The legislation provides important funding for vital conventional weapons programs that form our best hope to reduce our reliance on a nuclear response. Important research and development efforts have been preserved that will allow us to take advantage of our technological superiority to outthink and outmaneuver our opponents on the modern battlefield. A small but significant step has been taken in attempting to redress our dramatic shortfall in munitions—though much more needs to be done.

Most important of all, are the people programs—without which all the sophisticated weaponry would be for naught.

In particular, I want to call my colleagues' attention to a number of important provisions of this bill that affect military personnel and their families. First, the bill preserves the 3-percent pay raise for the full fiscal year—the position of the Senate (the House delayed the pay raise till January 1, 1986). The conferees adopted a number of provisions that will ease the financial burden of travel and PCS moves on the military family—the costs of which are not now adequately reimbursed by the military. The conferees agreed to initiate a dental benefit plan under CHAMPUS—a provision sponsored in the House by Congresswoman SCHROEDER and which was a part of my own bill, S. 1123, the Military Family Act. Several other provisions of that legislation—concerning spouse employment, education for dependents, and increased attention to the problems of families were also retained in the conference report. Many of these legislative provisions were offered in the Senate by the chairman of our Manpower Subcommittee, Senator WILSON, and myself. Taken together, these provisions show a growing awareness of the importance of the military family to the readiness and morale of our forces. I am also pleased that Chairman WILSON has agreed to hold hearings on the quality and availability of military medical care, and would give specific attention to such pressing areas as coverage for organ transplants, and protection against the costs of catastrophic illness. I want to commend Senator WILSON, who has shown great leadership in this area.

There are many other important provisions in this legislation. Significant procurement policy reforms have been adopted, including measures that would help eliminate conflict of interest and restore public confidence in the procurement process. Increased attention to competition—as evidenced by the decision to establish a competition for fighter aircraft in fiscal year 1986—is a welcomed development. The hasty revision of base closing law adopted in our committee has been substantially and sensibly rewritten. The Senate has agreed to drop its provision which would have undermined the Davis-Bacon Act. This provision, which survived in the Senate only by virtue of a tie vote on my amendment to delete it, did not follow the normal committee process, being adopted instead without hearings and without the benefit of consideration by the committee of jurisdiction—the Labor and Human Resources Committee. In addition the conferees dropped the Armed Services Committee provision on Walsh-Healey in favor of the more carefully crafted version adopted by the Labor Committee.

In conclusion I want to commend our chairman, Senator GOLDWATER and our ranking minority member, Senator NUNN, for their diligent efforts in bringing back to the Senate this conference report. It has been a great pleasure to work with them in helping to draft this legislation which is so vital to our national security.

Mr. DOLE. Mr. President, I want to thank all the members of the Senate Armed Services Committee for their diligence in producing a DOD authorization bill. In cooperation with their colleagues on the House Armed Services Committee, the conferees demonstrated great determination in refraining from any significant cuts in the military budget that would have impaired this Nation's defense. That, Mr. President, is sound defense policy.

The task the conference committee had before them was a challenging one. Many issues divided the conferees. Nevertheless, they came up with a defense authorization bill that will maintain the progress that this Nation's military has made over the last 4 years. Difficult issues, like binary chemical weapons. MX, SDI, ASAT, were dealt with an unusual, yet refreshing, bipartisan manner. Perhaps the most important part of the bill included changes in the way the Pentagon purchases equipment and services. Much was accomplished given the pressure to reduce the Federal deficit.

There are many individuals, from both sides of the aisle and Chambers who deserve a great deal of credit. However, the chairman of the Senate Armed Services Committee, Senator GOLDWATER, deserves a great deal of the credit. For he, in cooperation with Senator NUNN, ranking minority member of the committee, insured that we would have a good, practical piece of legislation—one that supports our national defense.

The conferees, reflecting the prevailing views of both Chambers, have shown resolve in completing the task of rearming America as we try to establish a fiscal year 1986 budget. It proved that we can work together on issues that sometimes divide us. I hope this cooperation can extend to other issues facing this Congress.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I want to correct report language associated with an amendment of mine on the recording of should cost information. This amendment is section 917 of the conference report.

Mr. President, I should like to read a paragraph in the report language pertaining to my should cost amendment. I quote from page 6646 of the July 29, 1985 RECORD:

> This provision is intended to require no new additional information from contractors, only that contractors—

and I want to emphasize these words

> —provide to the Department of Defense information they already gather and correlate. The Department of Defense has indicated that this legislative requirement will necessitate the development of new systems and procedures for recording data related to defense contracts. Because no implementation date is specified, it is understood that these requirements apply to negotiated major system contracts and the major subcontracts entered into after the date of enactment of this legislation. In addition, it is recognized that regulations implementing this language must, in accordance with Public Law 98-577 and Public Law 98-525, be published for public comment for at least 30 days prior to their implementation.

In response to these points, I should like to make the following comments.

Mr. President, where in the amendment does it say: "Provide to DOD?" Or even correlate? There is no requirement to provide information to the Department of Defense in this amendment. The amendment reads, "cause to be recorded." I want to make perfectly clear for everybody in this body that the Department of Defense has acknowledged this point in testimony—that "provide to DOD" is not part of the amendment.

The second point I want to make is that no new systems are required for recording. The amendment allows that the recording be done by the contractors, as it is currently done. We want to make that very clear. When our amendment was adopted, we were not asking for a whole bunch of new information, or something out of the clear blue sky. We were asking for information that already exists.

The third point I want to make is this: The requirements of the amendment do not apply to only—and I quote the report—"negotiated major systems contracts and the major contracts entered into after the date of enactment of this legislation."

In fact, the requirements apply to all contracts, past, present, and future, including those currently in development and production.

The report language acknowledges that the information exists presently. The report language already recognizes that. Obviously, that information is based on past and current contracts, and that is the express intent of this legislation.

Furthermore, the amendment—and I should like to read the first paragraph of the amendment that the Senate receded to—defines covered contracts as follows:

> A contract that is awarded by a defense agency using procedures as defined in chapter 137 of this title, and that is subject to the provisions of section 2306 of this title, including contracts for full-scale engineering, development or production.

I say to the Senate that it seems clear to me that this paragraph covers a contract so awarded, whether past, present, or future.

I should also like to quote from House debate a statement by Representative RUSSO of Illinois:

> This amendment would apply to both ongoing contracts and future contract negotiations.

Thank you, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Idaho [Mr. SYMMS], is necessarily absent.

The PRESIDING OFFICER (Mr. NICKLES). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 94, nays 5, as follows:

[Rollcall Vote No. 167 Leg.]

YEAS—94

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Exon
Ford
Garn
Glenn
Goldwater
Gore
Gorton
Gramm
Grassley
Harkin
Hart
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Riegle
Rockefeller
Rudman
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NAYS—5

Hatfield
Melcher
Metzenbaum
Proxmire
Roth

NOT VOTING—1

Symms

So the conference report was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

SCHEDULE

Mr. BYRD. Mr. President, I sought recognition at this time in order that I may ask the distinguished majority leader—there are a goodly number of Senators on the floor—as to what the program is for the rest of the day, tomorrow, and the rest of the week, if the distinguished majority leader can tell us.

Mr. DOLE. Mr. President, if the distinguished minority leader will yield, we will take up the resolution for the conference of test-ban treaty by agreement. I am not certain whether there will be amendments to that or how long the debate might occur. I assume there will be, sooner or later, a record vote requested on that amendment. Then we hope to turn to five items that we think we have an agreement on, veterans' judicial review, 1-year extension of the so-called ICE Program, Handicapped Children's Protection Act, Indian education bill, and veteran's health care. We would like to do those this evening. They can be done very quickly. Then I hope to bring up the Compact of Free Association tonight, but I now understand that there is some confusion on the administration's position. There are different agencies which have different views. I am advised by the distinguished chairman of the committee, Senator MCCLURE, that is probably not going to be possible. Is that correct?

Mr. MCCLURE. Will the Senator yield? I thank the Senator for yielding. I think there is some doubt right now as to whether we will be able to get to it today, but before the end of the day, we ought to know whether it will be possible at all to get to it this week.

Mr. DOLE. It may be that we will find another item to bring up this evening. I am advised by the distinguished chairman of the Appropriations Committee that he would like very much to bring up the energy appropriations bill, energy and water appropriations bill, at the earliest possible time. We hope to have some disposition of that.

I am about convinced that there is no way we will report out a farm bill, and the only way we will get action or even discussion on a farm bill is to try to amend the bill that is on the calendar. So that might happen tomorrow. I know there will be opposition to that. But I think we ought to know where the opposition comes from. And, in addition to that, to the balance of the week, supplemental appropriations conference report, I will be making a unanimous-consent request on the Japan trade bill, South African conference report, if that is available, and perhaps the budget resolution conference report to fill out the balance of the week.

Mr. BYRD. What about the legislative appropriation? That was reported on the 25th.

Mr. DOLE. The chairman did not indicate. He may have meant to include that. I can check that. I understand that does not take a great deal of time.

Mr. BYRD. Does the distinguished majority leader expect to keep the Senate in late today or can you tell us about when the Senate might go home for the day?

Mr. DOLE. If we can complete action on the Mathias-Kennedy resolution fairly quickly, then I think we can turn to the unanimous-consent items and probably announce no additional rollcall votes tonight.

Mr. KENNEDY. If I can have the attention of the majority leader, we are quite prepared to enter into a time limit with the majority leader. I think we can dispose of this in less than an hour if the majority leader wants to propound a unanimous-consent agreement, and limit it even to a half hour. I think we can accommodate the Members in terms of the time. I have four or five Members who indicated they would like to speak, but I think they would speak very briefly and we could accommodate the calendar.

Mr. DOLE. I doubt we can reach a time agreement at this time. I have been notified by the distinguished Senator from Wyoming that he is not interested in a time agreement. I have just been advised by the chairman that he may have a substitute. Senator Lugar may have a substitute. So perhaps we might as well commence action on that item to see where it goes.

Mr. BYRD. So the distinguished majority leader is saying, if I understand him correctly, that there will likely be another rollcall vote or votes before the Senate goes out for the evening and mainly in connection with the resolution that is offered by Mr. Kennedy.

Mr. DOLE. That is correct.

UNANIMOUS-CONSENT REQUEST—S. 1404

Mr. DOLE. Mr. President, before we turn to the resolution of Senators Kennedy and Mathias, I would like to propound a unanimous-consent request.

Mr. President, I ask unanimous consent that when the Senate proceeds to the consideration of Calendar No. 226, S. 1404, a bill to require the President to respond to unfair trade practices of Japan, it be considered under the following time agreement: 1 hour of debate on the bill to be equally divided between the chairman of the Finance Committee [Mr. Packwood], and the ranking minority member [Mr. Long], or their designees; 1 hour of debate on all first-degree amendments, to be equally divided; 30 minutes on all second-degree amendments, to be equally divided; 10 minutes of debate on any debatable motions, appeals, or points of order, if submitted, to be equally divided;

That no motions to recommit shall be in order; that no other amendments except those dealing with the subject of trade with Japan shall be in order;

And that the agreement be in the usual form, with respect to the division and control of time.

Mr. BYRD. Mr. President, reserving the right to object, and I am reluctant to object, I will have to object.

The PRESIDING OFFICER. Objection is heard.

COMPREHENSIVE NUCLEAR TEST BAN TREATY RESOLUTION

The PRESIDING OFFICER. Under the previous order the clerk will report S.J. Res. 179 by title.

The bill clerk read as follows:

> A joint resolution (S.J. Res. 179) requesting the President of the United States to resume negotiations with the Soviet Union for a verifiable comprehensive test ban treaty.

The Senate proceeded to consider the joint resolution.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I offer this resolution in behalf of myself and the Senator from Maryland (Mr. Mathias), as well as Mr. Hatfield, Mr. Kerry, Mr. Melcher, and Mr. Cranston.

Mr. President, I ask unanimous consent that the Senator from Arkansas (Mr. Bumpers) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I am pleased to join with my colleagues in offering this joint resolution expressing the sense of Congress that—in light of this week's United States and Soviet proposals on nuclear testing—the President should propose to the U.S.S.R. an immediate resumption of negotiations to achieve a verifiable comprehensive ban on all nuclear tests. These negotiations were broken off in 1982.

Last year, the Senate adopted a similar resolution offered by Senator Mathias and myself by 77 to 22. Every President since President Eisenhower has supported and worked for a comprehensive test ban. They all shared the conviction that a comprehensive test ban is essential to halting the nuclear arms race. It is not a partisan or ideological issue. Just yesterday, Senator McClure from Idaho—with whom we often differ on arms control—expressed his support for this concept included in this resolution.

The United States made a commitment to a comprehensive test ban—in the Limited Test Ban Treaty of 1963 and the Non-Proliferation Treaty of 1968. Recent events—including the beginning of arms talks in Geneva, the announcement of a summit this fall, and now the exchange of United States and Soviet proposals on testing—represent a new, more promising climate for arms control. And a comprehensive test ban offers an early opportunity for a meaningful agreement. Substantial progress was made in the late 1970's toward concluding a comprehensive test ban. The Soviets at that time even agreed during those discussions to on-site inspection.

I had the opportunity at that time to be a Senate delegate to those arms control talks and even sat in while the negotiations were taking place. Very substantial progress was made during those negotiations. The talks themselves were interrupted in 1979, but they were not terminated until 1982.

The Soviets also agreed to accept the placement sensors within the Soviet Union and the United States. There was a discussion about exactly what number and types would be necessary in order to give adequate verification. But the issues of verification were very considerably discussed. Although no outcome was actually reached, these items were very much on the minds of the negotiators.

Our resolution does not seek unilateral or unverifiable measures. We believe that an effective test ban treaty must include appropriate verification, and that negotiations are essential to ensure adequate verification. But nothing can be achieved if both sides do not sit down and talk. The people of the world have every reason to expect the United States to respond to the Soviet Union's proposal by offering a suggestion that could mean real progress toward reducing the danger of nuclear war. As we approach the 40th anniversary of the Hiroshima bomb on August 6, there would be no more fitting commemoration than an agreement to resume negotiations to end nuclear testing for all time.

I would point out, Mr. President, that at the present time we do have negotiations on a number of arms control issues ongoing. Those negotiations include the issue of Star Wars, theater nuclear weapons, as well as strategic weapons. So those are being negotiated at the present time.

I, for one, wish there had been greater progress. But nonetheless I think all of us are very hopeful that as a result of the pre-summit negotiations and perhaps at the summit itself there might be some additional breakthrough on those particular areas which are in active negotiation.

But there are effectively no serious negotiations involving nuclear testing.

Mr. President, a comprehensive test ban concept which has been endorsed by every President since President Eisenhower. It seems to me, Mr. President, that it would be appropriate, given the actions which have been taken this week by the United States and the U.S.S.R. on nuclear moratorium. None of us who are supporting this particular proposal are making a judgment about what Secretary Gorbachev's motivation is in making his proposal. We have also seen the initiatives by the United States to invite inspection for American testing in the United States. It does seem to me that given these developments that adoption of this resolution would be an important and vital signal that we in the United States are deadly serious on the question of trying to reach a test ban, with all of its positive implications in terms of proliferation of nuclear weapons, and its implications for limiting the future escalation of the arms race. This circumstance offers an opportunity that should not be dismissed out of hand.

All we are asking for is negotiations. This resolution is not unilateral in any respect. It asks for negotiations and there is every hope that, with those negotiations, we could achieve a successful resolution as to how we might be able to bring about a cessation of nuclear tests, which assuring adequate verification to preserve our security

interests. If we were able to do so, Mr. President, I quite sincerely doubt that there could be any step taken that would be more meaningful in terms of making an important contribution to slowing down the arms race.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise in support of the resolution and ask unanimous consent to be included as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I would like to state a very simple, very direct proposition to this body and, in turn, to the executive.

It is an extraordinary fact that, by 1979, just a few years back—6 years ago; we could reach back and touch it—the United States and the Soviet Union and the United Kingdom could be said to have, in effect, reached agreement on a comprehensive test ban treaty. The negotiations had been going on a long while, as the distinguished Senator from Massachusetts observed. They began with President Eisenhower, and continued intermittently through five succeeding administrations. By 1979, agreement had been reached among the three powers that they would enter into that test ban and each party would allow monitors on its soil, placed by the other parties to the agreement, to verify the matter.

The issue was why do you have to have seismic instruments on the soil of the other country? Simply because, at the lowest levels of explosions, the external seismic devices are not reliable. This is a fact of geology and physics and understood. And, in a quite extraordinary departure, the Soviet Union agreed to have 10 devices placed within its borders. We did the same. There remained to be negotiated just how many would be placed in the United Kingdom.

It is a fact that the United Kingdom does not carry out explosions within that small island. The number of monitors, and their location, was a matter of negotiations—two, three, four, whatever—but the issue was clearly within the power of the negotiators to resolve, having already reached the basic agreement between the Soviet Union and the United States to exchange national technical means.

It happened, Mr. President, that in 1979, President Carter, thinking to advance the SALT II agreement, decided not to press to completion a comprehensive test ban treaty such that it might be signed and brought to the Senate. He felt that the one would interfere with the other and that the strategic arms treaty was more important.

It may have been, but nothing came of it. SALT II, too, never even came to the floor after the Soviet invasion of Afghanistan. But there remains on the record this extraordinary near agreement. Surely we ought to resume negotiations toward a comprehensive test ban treaty.

Mr. President, in conclusion I wish also to mention, as the 40th anniversary of the August 6, 1945, Hiroshima explosion approaches, an essay published recently by Dr. Glenn Seaborg, the discoverer of plutonium. The second of the two weapons used in World War II, on August 9, 1945, was a plutonium weapon.

In 1942, Dr. Glenn T. Seaborg led a team of scientists who successfully isolated plutonium, the explosive ingredient in the first of many such nuclear weapons. For this work Dr. Seaborg was awarded the Nobel Prize for chemistry. He later served for a decade, 1961 to 1971, as Chairman of the Atomic Energy Commission.

In an essay published in The New York Times on July 16, Dr. Seaborg renews his call for the adoption of a nuclear test ban treaty. He writes that:

> While other scientific discoveries in the past may have had an equal or greater effect on man's existence, . . . no other exploded in his face as did . . . plutonium. . . . Plutonium today serves as an explosive ingredient in tens of thousands of nuclear weapons. . . . I am afraid there is too large a probability that these will be unleashed unless substantive progress in arms limitation and cutback is achieved. In my opinion, the initial most effective and easily defined step in this direction is a verifiable ban on all testing of nuclear weapons—a comprehensive test ban.

Few persons can speak from such a wealth of experience and attention to the subject of nuclear weaponry. Dr. Seaborg's words ought to be considered carefully.

In the context of this 40th year, he has specifically said that no more important measure is available that could be taken than to agree to comprehensive test ban. The powers involved have almost reached that point. They have committed themselves to do so under the nonproliferation treaty and the Limited Test Ban Treaty of 1963. We have, in effect, committed ourselves to such measures. We owe it to ourselves, we owe it to the 100-odd nations that joined in the nonproliferation treaty, we owe it to mankind to pursue these matters. We are so close to success, it would be absurd not to press further the last few miles of negotiations.

I commend Dr. Seaborg's essay to the attention of the Senate and ask that his article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From The New York Times, July 16, 1985]

Man's First Glimpse of Plutonium

(Glenn Theodore Seaborg directed the group of chemists who isolated plutonium and other transuranium elements, and for this work he and Edwin M. McMillan shared the 1951 Nobel Prize in chemistry. Dr. Seaborg, chairman of the United States Atomic Energy Commission from 1961 to 1971, is now a leading proponent of a nuclear arms test ban. He is a member of the National Commission on Excellence in Education.)

(By Glenn T. Seaborg)

Other scientific discoveries in the past may have had an equal or greater effect on man's existence, but no other exploded in his face as did the first man-made element, plutonium. The announcement to the world of its existence was in the form of the nuclear bomb dropped over Nagasaki.

My colleagues and I synthesized, identified and determined the key nuclear properties of plutonium in late 1940 and early 1941 in Berkeley using the cyclotrons of the late Ernest O. Lawrence. My co-workers were Joe Kennedy and Ed McMillan, junior faculty members, Emilio Segre, a research associate, and Art Wahl, a graduate student.

The experiments, performed at our own initiative before the United States entered World War II, were part of our regular academic research program, and the results were voluntarily withheld from publication and kept secret when their importance became apparent to us.

On the stormy night of Feb. 23, 1941, Art Wahl performed the oxidation that gave us proof that what we had made was chemically different from all other known elements. It was the first realization of the alchemist's dream of large-scale transmutation, the first synthetic element seen by man.

That experiment, and the first chemical identification of the element with the atomic number 94, took place in Room 307 of Gilman Hall. This form of the element was known as plutonium-238.

Almost concurrent with this work was our successful attempt to synthesize and determine the essential nuclear properties of the form of major importance, plutonium-239. In an experiment on March 28, 1941, we demonstrated that this undergoes fission with slow neutrons with a large probability, revealing that it had the potential for serving as the explosive ingredient of a nuclear bomb.

We first suggested a name for this element in a report to the Uranium Committee in Washington in March 1942. I remember very clearly the debates within our small group as to what that name should be. For a while—in retrospect, very foolishly—we considered such names as "extremium" and "ultimium," on the basis that this must be the heaviest element that it would be possible to synthesize. (How silly such a name would seem today when scientists have succeeded in synthesizing elements up to and including that with the atomic number 109.) Noting that natural uranium, number 92, had been named after the planet Uranus, and that McMillan had suggested that the next element, number 93, be named neptunium after Neptune, the next planet after Uranus, we decided to name our element after Pluto.

We debated whether that name should be "plutium" or "plutonium," the sound of which we liked much better. We decided to take the name that sounded better, and which, I believe, is also etymologically correct. There was also a great deal of debate about what we should suggest as the chemical symbol. Although it should more logically have been "Pl," we decided on "Pu" because we liked the sound of it much better. We expected a much greater reaction than we ever received to this suggestion.

I moved to the Metallurgical Laboratory of the University of Chicago on April 19, 1942, my 30th birthday, to work on the chemical processes that would be used for the extraction of plutonium from uranium and the highly radioactive fission products following its synthesis through the nuclear chain reaction. Here we worked with cyclotron-produced plutonium on a scale of less than one-millionth part of an ounce. We were all very excited when we saw the first speck on Aug. 20, 1942, and when we were able to weigh one ten-millionth of an ounce of it on Sept. 10, 1942.

Most of our tiny Chicago supply of plutonium was lent in the summer of 1943 to Los Alamos for a crucial experiment. In returning the sample to the Metallurgical Laboratory, advantage was taken of my presence in Santa Fe on a short vacation trip, in order to save the time which would have been lost in a cumbersome official transfer of the material. A Los Alamos physicist, Robert Wilson, met Mrs. Seaborg and me at breakfast at about 5 A.M. in a Santa Fe restaurant, having escorted the sample from Los Alamos with the implied protection of a high-powered rifle. I then transported the sample by train in my suitcase, without benefit of firearms, back to Chicago.

Many of us found it necessary on an almost routine basis to circumvent misguided, progress-impeding security rules in order to get our job done in the limited time available. However, these were not actions that could have revealed substantive secret information, and, as is well known, the wartime development of the atomic bomb was extraordinarily successful from the standpoint of keeping it secret.

Unfortunately much outmoded security apparatus is in operation today. It would be a major scandal if the public were informed of the amount of time, effort and money wasted today to protect trivial, harmless and even publicly known information that is still classified as confidential and secret.

Plutonium today serves as an explosive ingredient in tens of thousands of nuclear weapons in the possession of both the East and the West, poised for obliterative use in a dangerously unstable situation. I am afraid there is too large a probability that these will be unleashed unless substantive progress in arms limitation and cutback is achieved. In my opinion, the initial most effective and easily defined step in this direction is a verifiable ban on all testing of nuclear weapons—a comprehensive test ban.

It is a source of frustration to me that so many ardent and well-meaning proponents of arms limitation do not concentrate on this as a first step, but rather lend their efforts to objectives that will require very laborious effort toward much better definition and which should more logically follow as succeeding steps on a longer time scale.

Mr. PROXMIRE. Mr. President, I also support the Kennedy-Mathias resolution. Let me just read the Resolved section of the resolution. It is very brief.

> That it is the sense of the Congress that at the earliest possible date, the President of the United States should propose to the Soviet Union the immediate resumption of negotiations toward the conclusion of a verifiable comprehensive test ban treaty.

Mr. President, we are on the spot. The Premier of the Soviet Union, Mr. Gorbachev, has announced a suspension of testing by the Soviet Union beginning August 6. He has done that as the basis for beginning negotiations with this country on the Test Ban Treaty. We have a promise—this country has made a pledge. I want to read to the Senate the pledge we made, ratified by the U.S. Senate.

In 1963, we adopted a limited test ban treaty. In the preamble to that treaty, this Nation agreed to the following assertion:

> Seeking to achieve the discontinuance of all test explosions of nuclear weapons for all time, determined to continue negotiations to this end—

Determined to continue negotiations to this end. That was a pledge, the word of this country. Let me underline that, Mr. President, because in 1974 we made it even more explicit.

In the 1974 treaty, we had a treaty that limited the size of underground explosions. In that treaty between the two superpowers, we moved out of the preamble right down to the articles of agreement. Paragraph 3 of article 1 of the treaty reads as follows in its entirety—it is very brief, one sentence.

> The parties shall continue their negotiations with a view toward achieving a solution to the problem of cessation of all underground nuclear weapons tests.

Mr. President, we promised that; we pledged it. It seems to me the word of this country is being challenged. We made that commitment. We are not asking that any particular agreement be accepted. We are simply asking that our President appoint negotiators.

Obviously, we must be completely satisfied that the treaty is verifiable. This is not a unilateral action. It would be entirely within the power of the President of the United States once those negotiations are started to reject an agreement. We are simply asking that negotiations begin. And we have a promise to do that.

It seems to me, Mr. President, this is the least the United States can do in view of the fact that twice—not once but twice—we have made this commitment. Our word is at stake. We ought to keep our word.

Mr. BUMPERS. Mr. President, I also rise in support of the resolution and applaud the distinguished Senators from Massachusetts and Maryland for bringing this very timely resolution before the Senate. We have a test ban treaty, which the Senator from Wisconsin has alluded to, that was signed in 1963. It is what we call the Limited Test Ban Treaty, but it really is a ban on atmospheric testing. But underground testing has continued.

Do you know how many there were in the world last year? Between the United States and the Soviet Union, 43 nuclear explosions underground, and 17 already this year. And that doesn't include the French, British, or Chinese. We first began to get upset about the effects of nuclear testing back in 1959 when we took that first, small, embryonic step and signed what we call the Antarctica Treaty, which, among other things, banned all nuclear tests in Antarctica. It does not sound very important but that was a remote area which people were looking at, at the time for doing nuclear testing.

Then we followed that by the well-documented Limited Test Ban Treaty. That was the time when President Kennedy brought great favor on the United States by stepping out with confidence and stability and perception and said: "We are going to quit testing in the atmosphere and, Mr. Khrushchev, we invite you to follow suit." The Soviets at that time were agitated, and they said: "This is fine for you because you are way ahead of us." And so they went ahead with testing and then they quit, and then a treaty conference was convened and within 8 weeks, we had a very significant treaty signed with the Soviet Union and, to my knowledge, it has never been violated by either side.

And then in 1967, because we were beginning to send vehicles into space, people knew the mindset of some people would be, "Let's start testing in space; there is no prohibition against it there." So, in 1967, we negotiated a ban on space testing and deployment of nuclear weapons. It did not take very long, but it was an important step in this whole picture.

Then, in 1974, we signed the Threshold Test Ban Treaty which said no more underground testing of nuclear bombs with explosive power in excess of 150 kilotons. Even though we had been abiding by it, that treaty has never been ratified by the U.S. Senate. And then we followed that, in 1976, with what we call the Peaceful Nuclear Explosion Treaty, which would extend the limits to all nonweapons nuclear explosions—and it, too, has not been ratified by the U.S. Senate.

And, in 1982, the United Nations, everybody's favorite whipping boy, voted 111 to 1 to ban all nuclear testing of all kinds. Guess who was the one? One hundred eleven to one. The United States voted no, with 35 abstentions. And in July 1982, at the same time as the famous walk in the woods by the Soviet Ambassador to the intermediate arms talks with our own Ambassador Paul Nitze, took place, the United States announced it would not resume negotiations on a Comprehensive Test Ban Treaty, and we have not been back. A comprehensive test ban treaty has been sought by every President since President Eisenhower, except the present occupant of the White House.

Mr. President, I wish sometimes, as I suspect some of my colleagues do, that I were President for a day or two. First of all, if I had been President the day before yesterday, I would have preempted Secretary Gorbachev because I would have made the offer of a testing moratorium to him first. A linchpin of Soviet foreign policy is to drive a wedge between the United States and our NATO allies. How do you think it is going to play in Western Europe for Secretary Gorbachev to say, "We are going to ban all nuclear testing for 5 months," and we say, "We will never do that, but we will let you come over and watch us explode one."

Can anybody tell me what sense that makes? Who is supposed to be impressed with such an offer? They do their own underground tests. They do not need to come to monitor one of ours. But if I were President today and had already been preempted by Secretary Gorbachev with this bold move on his part, I would have said, "Mr. Secretary, I will see your 5 months and raise you three," and see how he responded to that. He is new. We are not dealing with the Moscow geriatric unit any longer. The Soviets have by their standards—and incidentally, according to mine any more—a very young leader, and a Politburo being filled with like kind.

Now, I do not really know ever quite what Soviet intentions are. It pays to have a very healthy skepticism and questionable attitude about Soviet conduct in military and foreign affairs. But here is a new leader of the Soviet Union taking a very bold step and saying, "We are not going to test anymore for 5 months. How about joining us?" And we sputter around and say, "No, we know you just conducted some tests recently and you probably got all the information you need, but we have some more tests we want to do." In the scheme of things, I ask you, Mr. President, what could that possibly amount to? The answer is, "Not very much." You may say, "Well, we can't verify such a treaty." And yet studies show that we most certainly can monitor explosions of under 150 kilotons. As a matter of fact, we are developing the technology where we can even monitor 1 kiloton explosions. And as our electronics and other technologies improve at their current rapid pace, we'll probably be able to do even better than that. But why get into all of that? Why not negotiate that? Why not do what the resolution calls for and send an Ambassador back to the negotiations, and because of that deep distrust between the United States and the Soviet Union and who will violate it and who will not, let them negotiate a treaty that requires whatever it takes to verify the treaty.

It is my belief that we now or soon will have the technology of verifying such a treaty. And so I say why not. We are not even saying, "Yes, we are going to abide by the moratorium." What we are saying is, "Let us send somebody back to Geneva and sit down and start talking about the possibility of eliminating these underground tests." There again in the scheme of what is going on in the nuclear arms race it is not very much. It is what Neil Armstrong I guess would call, "One small step for mankind." But I can tell you that if the people of Hiroshima, who on August 6 are going to be memorializing their own holocaust, had a chance as citizens of that city to sit in the U.S. Senate on this one very insignificant small step, it would not take them very long to cut through the rhetoric and the politics of this issue, and I feel certain that my colleagues will do likewise. I certainly so urge them.

Mr. President, I yield the floor.

Mr. SIMON. Mr. President, my colleagues—and I shall be very brief—I join in support of this resolution and will add a few words to what my colleague from Arkansas has just said. We are on a course that has to be reversed. As a matter of fact, when I first really sensed what kind of a world we are living in was in Senator BUMPERS' State of Arkansas about 4 years ago.

An Air Force sergeant was walking along and accidentally dropped a wrench. A series of things happened. A Titan missile went up in the air, landed in a wooded field some miles away, and the newspapers reported that it was a 9-megaton warhead.

I got to thinking: I do not really understand what the heck 9 megatons is. So I asked our Congressional Research Service. I said, "Tell me in terms I can understand what 9 megatons means."

They gave me two answers. One is that if you take all the bombs of World War II, including Nagasaki and Hiroshima, they total about 2 megatons. Or, No. 2, in TNT equivalency terms, if you see a car go up in El Salvador or Lebanon, ordinarily that is 1, 2, or 3 tons of TNT. In TNT equivalency terms, a megaton is a railroad freight train, loaded with TNT, 300 miles long; 9 megatons, 2,700 miles long—almost from Los Angeles to Washington, DC.

As everyone in this body knows, we have a lot of warheads much bigger than 9 megatons. The United States today has about 9,500 large strategic warheads. The Soviets have about 9,000. We have, in addition, between us, about 30,000 smaller, tactical nuclear warheads.

We have the ability, within a matter of hours, to create a world where never again is the laughter of a child going to be heard and never again is there going to be a blade of grass grown. Somehow, we have to move away from this course, which is a catastrophic course.

I am a realist. I have been one of those who supported the Trident missile. I support the cruise missile. I did not support the MX and some of the other things.

We cannot just unilaterally disarm. But this resolution says, "Let us agree."

I happen to think that the Senator from Arkansas was absolutely right. Secretary Gorbachev scored a PR victory yesterday, and we should go one up on it. We should say, "Let's not only take the 5 months, but we will volunteer to take sensors in our country if you will do the same."

So far as the technology and the verifiability are concerned, I was one of the delegates to the special U.N. session on disarmament back in 1978. Without getting into classified information—it is probably no longer classified—at that point we could monitor all but the tiniest explosions, and we certainly have not gone backward since then. At that point, the Soviets were willing to put sensors in their country if we did it in ours. This is a minimal kind of step.

What we need, it seems to me—the basic thing we need—is to change the atmosphere.

Some in this Chamber are much more knowledgeable than I. I see the Senator from Virginia [Mr. WARNER], a former Secretary of the Navy, and he knows a lot more about these things than I do.

I think the real question today is not SS-20's, Pershing 2's, and all the other technicalities. The question is, How do we change the atmosphere so that we can move in a constructive direction, so that Soviets and the United States do not misunderstand each other and accidentally bring curtains for everyone?

This is a very modest resolution. It says: "Let's have the United States and the Soviet Union sit down, and let's try to work out a comprehensive, verifiable ban on tests." I think it makes sense. It is so overwhelmingly logical that I hope this body accepts it, and accepts it with not just a 51-to-49 vote but with a resounding vote.

I yield the floor, Mr. President.

AMENDMENT NO. 557

Mr. LUGAR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

> The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 557:
>
> Add at the end of the Kennedy-Mathias resolution the following new section:
>
> The Congress finds that:
>
> August 6 marks the 40th anniversary of the detonation of the nuclear bomb at Hiroshima;

> The Soviet Union has announced its intention to begin a five-month moratorium on nuclear testing on August 6;
>
> A complete cessation of nuclear test explosions must be related to the ability of the United States to maintain credible deterrent forces;
>
> Any test ban agreement must be verifiable and must be made in the context of deep and verifiable arms reductions;
>
> The United States has concluded, based upon a thorough evaluation of the evidence, that the Soviet Union has repeatedly violated the Limited Test Ban Treaty and likely violated the Threshold Test Ban Treaty;
>
> The President has now invited a Soviet team to observe and measure a nuclear test at the Nevada Test Site, without a requirement of reciprocity, or any other conditions;

Mr. LUGAR. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 558

Mr. LUGAR. Mr. President, I sent a perfecting amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

> The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 558:
>
> At the end of the Lugar amendment, add the following:
>
> It is the sense of the Congress that at the earliest appropriate date, following certification by the President that, in the context of the requirement to maintain a viable nuclear deterrent, of assuring Soviet compliance and of achieving deep reductions in nuclear arms, substantial progress has been made on the verification of nuclear weapons testing, to include onsite monitoring, the President should propose to the Soviet Union the timely resumption of negotiations with the objective of concluding a verifiable comprehensive test ban treety.

Mr. LUGAR. Mr. President, let me explain, first of all, the procedure and then make a comment on the substance of these amendments.

The distinguished Senator from Massachusetts and others have offered a joint resolution with regard to a nuclear test ban treaty. The amendment that I offered to that resolution is, in fact, six clauses that state findings. This is additional language to that offered by the distinguished Senator from Massachusetts in at least three areas. In short, his language is now a part of the resolution, but I have added three clauses.

In addition to that, I have offered a perfecting amendment, which is the gist of the resolution, that I would substitute for the Kennedy resolution. As opposed to substituting it, I have in fact added to the Kennedy resolution. Indeed, in both cases, Senator KENNEDY and others have added a thought, and the import of what I have attempted to do is to add additional thoughts to that.

The net effect to all this, on which Members may wish to vote in due course, would be, in my judgment to give a more accurate viewpoint of the stance of the Senate if we are to offer advice to the President.

Mr. President, I have taken this action because it seems to me, as stated in the last three findings of the first Lugar amendment, that any test ban agreement must be verifiable and must be made in the context of deep and verifiable arms reductions.

These are the two basic objectives that we are after. They must be constant, at least constantly in front of us, so that we do not get off the track in terms of our basic objectives.

We have proposed to the Soviet Union on many occasions that we believe that deep reductions of weapons are important. We hope that at some point they will wish to enter into negotiations that are serious to destroy substantial numbers of nuclear weapons. But we have also been constant in demanding verification, and that I think has to be uppermost if we are to be offering instructions to our President or suggestions or urgings, as the case may be.

We have also tried to say, at least in this amendment, that the United States has concluded unhappily, based upon a thorough evaluation of the evidence, that the Soviet Union has repeatedly violated the Limited Test Ban Treaty and has likely violated the Threshold Test Ban Treaty.

That is important, Mr. President, to lay before us. We get into these broad discussions of a better world and how it might be achieved through treaty. Sometimes we become very forgetful of even recent history. The facts are the Soviets have violated these treaties. This is an important point, if you are taking a look at the overall picture. It underscores the need for verification.

I submit beyond that, Mr. President, it underscores the very real problem we have that after violations occur, it is not self-evident precisely what is to be done. These treaties are not self-enforcing, not a police force to blow the whistle.

Before in some type of general way we begin offering instructions to our President and ask him to offer them to our negotiators, we better pin down history and pin down precisely what we are after.

I think we ought to recognize this particular exercise comes literally within 48 hours after our President has made a significant proposal to the Soviet Union that he has in fact invited a Soviet team to observe and to measure a nuclear test at the Nevada test site without a requirement of reciprocity or any other condition.

Indeed, Mr. President, I listened to commentators last night on the major television shows; trying to fathom why we would offer something without reciprocity. It seemed inconceivable that our President would offer something, put something on the table, without wanting to know precisely what there was in return.

Let me just say that anyone offering advice to the President today on how to be more effective, how to be more magnanimous really ought to consider what the man has done in the last 48 hours and that ought to be up front in our findings, not some vague thought that the President has been derelict in pushing these things along. The President is way up front. It ought to be our purpose today to celebrate that fact rather than to leave some vague connotation that this President does not know how to go about negotiating, that he has to be urged and jabbed and pushed by this body. That is nonsense.

So the import of the first Lugar amendment is just to call attention in case Members have not noticed that the President has now invited a Soviet team to come to Nevada on our soil.

Mr. President, the Soviet Union has not ever invited us to do the same. Many Members would anticipate that they might have if they were serious about the whole verification process, but they have not. Perhaps they will as a reciprocal action. I just think it is very important before we get into gratuitous advice, before we begin to spread the thought that somehow this body is out of kilter to the Chief Executive, we better listen to what the President is saying and applaud that fact, and the Lugar amendment does that, and those who vote for that will join in that applause.

Now, Mr. President, as the perfecting amendment reads, and Members have heard the clerk recite it, we do indicate if we must, Congress at the earliest appropriate date will do some urging with the President, but we add these following words:

> . . . following certification by the President that, in the context of the requirement to maintain a viable nuclear deterrent, . . .

And that we must maintain in the particular world in which we live . . .

> . . . of assuring Soviet compliance and of achieving deep reductions in nuclear arms, substantial progress has been made on the verification of nuclear weapons testing, to include onsite monitoring. . . .

Precisely the invitation that the President has made to the Soviets to come to Nevada to do that.

Mr. President, I think that this is a perfectly straightforward proposition. I would not have chosen this particular time to offer advice to the President. Some have chosen that time and, therefore, we are responding.

I might mention for the sake of Members who are attempting to follow this issue that I have visited with the National Security Council, asked their counsel on this particular issue, and they have offered these thoughts

which I have incorporated in this language.

This does not come off the top of my head or with any pride of authorship but rather as a considered thought by our administration as to what would be useful if we must offer advice at all.

But I ask, Mr. President, that Members seriously consider the thought that the adoption of a simple resolution we heard before would undercut the serious and considered proposals the United States has made and made up front and bilateral discussions with the Soviet Union calling for a strenghtened verification of the nuclear testing field.

Furthermore, under current circumstances and given the scale and the scope of Soviet modernization programs, the U.S. restraint, the U.S. testing is necessary to ensure continued credibility and effectiveness of the U.S. nuclear deterrent.

Let me just say that in my judgment, Mr. President, the Kennedy-Mathias, et al., resolution, without the amendments, seems to me to fail to recognize the willingness of the President to go the extra mile in inviting the Soviet experts to observe and measure a nuclear test in order to make progress in resolving serious verification concerns.

Mr. President, this administration is determined to make progress in the area of nuclear testing limitations and will continue to seek ways in which we can correct the serious vertification problems associated with the Threshold Test Ban Treaty and its companion, Peaceful Nuclear Explosion Treaty. If we are to ratify the treaties and implement their verification provisions, there is no assurance these problems will be resolved, notwithstanding the Soviet's contentions to the contrary.

While the United States has been unable to reach a definitive conclusion due to verification uncertainties and ambiguities the evidence does indicate likely Soviet violations of the Threshold Test Band Treaty's 150 kiloton threshold for a number of tests, and the evidence is clear that the Soviet Union has repeatedly violated the Limited Test Ban Treaty.

In an effort to improve our ability to monitor Soviet testing, the United States has sought so far unsuccessfully to engage the Soviet Union in discussions about verification improvements. The Soviet agreement to such negotiations would represent an important step toward developing more effective limitations in the nuclear testing field.

Mr. President, let me adjust these thoughts in concluding this initial argument: The Comprehensive Test Band Treaty continues to be the long-term objective of this administration's arms control policy, when considered in the context of a deep and verifiable arms reduction, improved verification capabilities, expanded confidence-building measures, and the maintenance of effective deterrents, but it is important to keep all of that context in mind if we are to make an important statement and offer consequential advice to the Chief Executive.

Mr. WARNER. Mr. President, will the Senator yield for a question?

Mr. LUGAR. Yes; I will be very pleased to yield for a question.

Mr. WARNER. I think the Senator has made a very valuable contribution not only to the pending measure before the body but also in his statements. But I would like to have just a clarification of the second part of the amendment. The phrase is in here of "assuring Soviet compliance." Was that directed to any particular area or overall compliance with arms control agreements?

Mr. LUGAR. It is in the language offered as a part of the general context of considerations. It would be overall assurance. I have mentioned specific problems with the two types of treaties that we have discussed today.

Mr. WARNER. But this is in here for the purposes of broadening it?

Mr. LUGAR. That is correct, broadening our consideration to keep our eye on deep cuts. That really may or may not be a part of the intent of the original authors, but I have added it to that without striking anything that they have said, simply that we may keep ahead of us our overall goal.

Mr. WARNER. So the word "compliance" is all ratified treaties?

Mr. LUGAR. That is correct.

Mr. WARNER. And the second phrase "to include onsite monitoring," could the Senator broaden that? I understand technically what it means.

Mr. LUGAR. Well, the whole concept of onsite monitoring, as the Senator from Virginia knows, includes a number of different ideas. This is not a limiting phrase, but it offers at least any number of possibilities.

Mr. WARNER. That was the precise question. Is it intended to be a limiting phrase or goal?

Mr. LUGAR. It is a goal and it includes any number of tactical steps that one might find leading to that.

Mr. WARNER. I thank the Senator from Indiana.

Mr. LUGAR. I thank the Senator for his questions.

I yield the floor.

Mr. MATHIAS. Mr. President, I am pleased and honored to join once again with the senior Senator from Massachusetts in introducing the joint resolution calling upon the President to resume comprehensive test ban negotiations with the Soviet Union. It is a very simple concept. There is no novelty about it. I think it is well understood in the Senate and it is well understood beyond the Senate. We seek simply to begin to talk again about a comprehensive test ban. So this resolution contains no surprises.

Last year, the Senate, by an overwhelming majority, 77 to 22, voted for a provision containing the same language as the resolution now before us; a provision calling on the President to resume comprehensive test ban negotiations.

The Senator from Indiana, the distinguished chairman of the Foreign Relations Committee, by offering his amendments, has expanded this concept to go beyond comprehensive test ban. I welcome his interest in the broad area of arms control. But historically, the comprehensive test ban has been treated separately. And—as much as I hope that we will some day go as far as the Senator from Indiana has proposed toward achieving reduction of the nuclear arsenals—I think we would be well-advised today to keep to this well-trodden ground that we understand and we know as the comprehensive test ban.

I regret that we have to go over this ground again. I further regret that, by not having acted to resume negotiations for a comprehensive test ban, we have provided the Soviet Union with yet another excuse to portray the United States as the obstacle to peace in the nuclear age.

This call for renewed comprehensive test ban negotiations is based on really an astonishingly simple principle that nations can more easily resolve their differences when they are communicating in a businesslike manner than when they are not. Yesterday's flurry of American and Soviet proposals on the subject of nuclear tests is a promising sign that both sides seek some eventual limitation on nuclear testing. But I think, Mr. President, that the exchange which took place yesterday also demonstrates what can happen when both sides try to communicate by means of the media. Already each side has rejected the other side's proposal and branded it as mere propaganda.

What we are calling for today in this resolution is simply the resumption—not even the new beginning, but the resumption, of old business—the resumption of a businesslike dialog on the important issue of the comprehensive test ban. We are asking the President to go back to the negotiating table for a dialog that was broken off, as the Senator from Massachusetts said, in 1982.

The President's invitation to the Soviet Union to observe and to measure with its own instruments one of our tests clearly demonstrates a belief that cooperative measures can lead to improvement of verification capability. So why should we not get together to discuss cooperative measures that can improve our verification capabilities.

The Soviet Union has already accepted the principle of onsite inspections during past negotiations. I think that fact addresses itself to one of the points in the amendment that has been offered by the Senator from Indiana, because we are all very clear that verification has got to be an integral part of any agreement. It has been agreed on all sides that there will be onsite verification. And if it is agreed on all sides that there is going to be onsite verification, that means adequate onsite verification. I can see no harm, and a great possibility of good, in trying to work out mutually acceptable verification arrangements.

Now, I am mindful that the Senator from Indiana has called on us to address the steps taken by President Reagan. But the history of the comprehensive test ban negotiations is a history longer than that of a single Presidential term, longer than the history of a single administration. The United States pledged to seek a Comprehensive Test Ban Treaty in 1963, when the Limited Test Ban Treaty was signed. But even before that, President Eisenhower—certainly, of all American Presidents, a president who understood the meaning of war, a President who understood what the dawn of the nuclear age meant to warfare—President Eisenhower adopted a policy of seeking a comprehensive test ban. And when, in 1963, we signed the Limited Test Ban Treaty, the preface to that treaty set forth the fact that both sides agreed to seek:

> The discontinuance of all test explosions of nuclear weapons for all time.

That is the official commitment of the United States of America. We asserted that both parties were "determined to continue negotiations to this end." I will repeat that, "Determined to continue negotiations to this end."

Now, that pledge to the world was not a passing or an idle thought on the part of the U.S. Government and the people of the United States. That pledge was explicitly reaffirmed and prefaced in the Non-Proliferation Treaty and again in 1974 when the United States and the Soviet Union signed the Threshold Test Ban Treaty. So this is something that we have promised the world again and again and again in the most solemn manner that a nation can undertake to make a promise.

And we have a national interest beyond our own nuclear survival in keeping our promise. The world is approaching the nonproliferation review conference this year, but will also approach the expiration of the Non-Proliferation Treaty in a few years' time. We must consider the smaller nations of the world, the nations of the world that are now nonnuclear, the nations of the world that have so far abided by the Non-Proliferation Treaty. These powers have made in the Non-Proliferation Treaty, the kind of solemn pledges that the United States made when we promised as solemnly as we can that we will at least continue to negotiate for comprehensive ban. If these nations see that we are ignoring that promise, repudiating that promise, I think the world can have very little hope that the commitments made under the Non-Proliferation Treaty will survive.

So there is more at stake here than simply our own desire to reduce the number of nuclear tests. Again, let me give some of the background. It took the Cuban missile crisis of 1962 to shock both sides into the realization that it could happen. The Senator from Mississippi I know well remembers those days in 1962 when we in Washington, I think for the first time, realized that it could happen. We realized that we were for the first time within the bombsights of nuclear bombs, that the nuclear age had dawned with a vengence, and that the dome of this U.S. Capitol was in the bombsight. It was in the shock of that realization that we first accepted the concept of the Limited Test Ban Treaty. Unfortunately, our sustained efforts to continue negotiations toward a verifiable Comprehensive Test Ban Treaty were broken off in 1982. Let us hope that it will not require another experience like the Cuban missile crisis before we shed our complacency and resume comprehensive test ban negotiations.

I am not suggesting that a comprehensive test ban will end the arms race. But I think it can slow it down. I would submit to the Senate that if we had signed a comprehensive test ban agreement in 1963, we might very well have prevented the development of MIRV'd missiles, which most nuclear stategists agree today have led to a more destabilizing nuclear environment than would otherwise exist. The distinguished Senator from Mississippi who has served with such distinction as chairman of the Armed Services Committee can confirm or question this proposition.

We did not heed the warnings of the former Senator from Massachusetts, Mr. Brooke, who laid that proposition before the Senate with great force and persuasiveness but without enough votes. Indeed, we are now engaged in an effort to develop a single warhead, mobile missile, the so-called Midgetman, and the whole Midgetman effort is designed to undo the instabilities that were created by MIRV'd technologies—instabilities that could have been avoided if we had reached a comprehensive test ban agreement in the early 1960's.

In addition to stifling the development of destabilizing weapons, a comprehensive test ban agreement would strengthen our efforts to curtail the proliferation of nuclear weapons. As I have said, this September the nations of the world will meet in the Third Review Conference of the nuclear Non-Proliferation Treaty. At that time, the 126 signatories to the Non-Proliferation Treaty will examine the effectiveness of that treaty. At the 1980 review conference, the nonalined Third World nations called for an immediate moratorium on nuclear weapons testing.

Not only did the Soviet Union and the United States ignore that plea, but 2 years later the United States withdrew from the comprehensive test ban negotiations. That decision could well make the United States the focus of international anger at the upcoming conference.

The Non-Proliferation Treaty will expire in 10 short years unless the parties agree to extend it. A world in which nuclear weapons are allowed to spread even farther than they now have will be a much more fearful place. We have to set an example to the world by redoubling our efforts to prevent nuclear testing which will be a key step in preventing the spread of nuclear weapons.

Unfortunately, despite the obvious benefits of the comprehensive test ban treaty, the administration has not decided to resume comprehensive test ban negotiations. It has been argued that a comprehensive test ban is not verifiable and, therefore, should not be the topic of negotiations.

I would argue exactly the opposite to my friend, the Senator from Indiana. If you have a question about verification, you should not resist negotiating but you should negotiate all the faster and all the harder. Only through negotiations can we attempt to work out mutually acceptable verification procedures. That such procedures can aid the verification process is illustrated by what has happened this very week when the President of the United States offered to the Soviet Union the opportunity for verification by being physically present at nuclear tests.

The administration has also argued that continued nuclear testing and continued modernization of the weapons arsenal are required to keep the Soviet Union at the negotiating table in Geneva. In other words, that argument must run something like this: That we have to build in order to reduce. But instead of pursuing this policy which seems so contradictory to so many, we would propose that the President should simply resume negotiations for a comprehensive test ban. The people of the world look to America for leadership in the field of arms control. And we must not fail them. We must not fail ourselves. I have great hope that the comprehensive test ban negotiations could produce an agreement that would bring an end to

nuclear testing, and that would lead to a safer world. But we will never know that a world free of nuclear testing can be realized if we refuse even to negotiate with the Soviet Union on this critical issue.

I hope, therefore, Mr. President, that the amendments of the Senator from Indiana would be rejected. The very simple, familiar resolution which the Senator from Massachusetts and other cosponsors have joined in offering to the Senate, the same words that were adopted by a vote of 77 to 22 in the Senate last year, should be adopted and should provide us with new hope for progress in the reduction of the specter of nuclear danger in the world.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I hope that the Senate will not bog down in rhetoric and partisan debate on something where they really have no place. I can think of a lot of things that I would like to say in a partisan vein, but it certainly would not help the present situation any. My concern is genuine. The resolution is a simple, straightforward resolution that I must say I simply cannot fathom—the concern and the efforts to trivialize it, or to put it in a much larger context and do something with the resolution which serves nobody's useful purpose.

It seems to me it sort of goes to the argument I can remember Averell Harriman made one time, that the mentality of some in this country is that if the avoidance of nuclear war is good for the Soviet Union, it must be bad for the United States.

Mr. President, I just want to remind some of my colleagues here of President Eisenhower's attitude about a very similar situation, when he was confronted with a new Soviet leadership following the death of Josef Stalin in 1953. Stalin had died. At that time they had a troika leadership before Khrushchev had come to power and solidified his position.

In a great speech that President Eisenhower made, called "The Chance for Peace," delivered before the American Society of Newspaper Editors on April 16, 1953, he cataloged the Soviet sins, the sins of Stalin, and said something I said in my previous statements, namely, that a good, healthy skepticism of Soviet intentions based on past Soviet conduct is certainly in order.

But then he went ahead to say:

> So the new Soviet leadership now has a precious opportunity to awaken, with the rest of the world, to the point of peril reached and to help turn the tide of history. Will it do this? We do not know. Recent statements and gestures of Soviet leaders give some evidence that they may recognize this critical moment. We welcome every honest act of peace. We care nothing for mere rhetoric. We are only for sincerity of peaceful purpose attested by deeds. . . . This we do know: A world that begins to witness the rebirth of trust among nations *can* find its way to a peace that is neither partial nor punitive.

He goes ahead to say:

> As progress in all these areas strengthens world trust, we could proceed concurrently with the next great work, the reduction of the burden of armaments now weighing upon the world. To this end, we would welcome and enter into the most solemn agreements.

Then he lists what the State Department would call confidence building measures, step by step building a trust between the United States and the Soviet Union.

You do not have to give anything away. You do not have to be a dove. You do not have to be naive or myopic.

The Senator's resolution is not all bad, his substitute and his perfecting amendment. But I would like to say that is we adopt the substitute and the perfecting amendment, you are saying:

> No, we are not going to negotiate with the Soviet Union and the reason we are not is because we have to have overall reductions and agreements, and it must all be verifiable and so on, before we can even sit down and talk with the Soviet Union about such a very small step in moving toward those larger agreements that we all look forward to and which the Senator from Indiana has alluded to in his perfecting amendment.

I disagree with the Senator, just to use his words, when he said the President made a significant offer to the Soviet Union. I disagree. I do not consider that a significant offer. I think it is a nice offer to say, "Come over and watch us set off an underground explosion." But I cannot believe that anybody would really be very impressed with that. That is not what you call onsite inspection.

If you want to put sensors all over the United States and the Soviet Union, if you want to get into how you verify this agreement, that is a whole other subject.

The Senator alluded to multiple violations of the Limited Test Ban Treaty and probable violations of the Threshold Test Ban Treaty.

There is all kinds of evidence, and I will not burden the Record with it. The Lawrence Livermore Laboratory said, "Yes, according to the way we keep records there is a possibility that the Soviets have violated. But according to the same records, so have we."

I do not want to be cast in the role of defending Soviet violations. Maybe they have and maybe they have not. The President said they had, but he did not offer any evidence.

Here is an article from Science Magazine dated May 1985 where it says, "Several new reports prepared by"—who? The Department of Defense, the Central Intelligence Agency, those advisory panels that have recommended that the Government promptly revise its method of estimating the yields of Soviet nuclear tests which are limited by treaty to 150 kilotons. If the revisions were made, it would appear that the Soviet Union was substantially in compliance with the treaty.

Here is an article as early as 1983 in the Washington Post, where the most respected seismologist in the United States said:

> The allegations made by President Reagan and others are based on a seismatic over estimation of the relation between seismic magnitude and explosive yield, an effect attributed to the different aspects of the Soviet and U.S. test sites.

Another respected scientist who is part of the Defense Department said:

> Based on both seismic body and surface wave magnitude estimates the U.S.S.R. seems to be complying with the 150-kiloton limit.

We even show violations for some of our own shocks, added a man named Robert Alewine in another presentation. One of our own shocks looked as high as 265 kilotons, and the Russians called us on that one.

Those are arguments. As I say, I do not want the Senate to get bogged down with the present things saying they violated the treaties. Scientific knowledge does not bear it out.

They have made an offer; we have a new leader. Who knows where this might lead? What do you lose by talking?

Finally, what has changed since the Senate last year adopted virtually the very same resolution as Senator Kennedy and Senator Mathias are offering now? What has changed since last year when the Senate voted 77 to 22 for almost the identical measure?

Mr. President, unless someone else chooses to speak at the moment, I will suggest the absence of a quorum.

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, I ask for the yeas and nays on the perfecting amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, since I note there is some negotiation going on to see if agreement can be reached on perfecting amendments—and I hope it can be reached—let me make a comment or two on some assumptions that are made by the perfecting amendment, assumptions that are made, I hear, in discussions on the floor of the Senate.

First, the reality is that these tests are now verifiable. One of the reasons that I introduced an amendment on the Defense Department authorization bill, that I am pleased was adopted, asking for annual reports to Congress of arms verification research is that, frankly, probably as most Members of this body, I have not been brought up to date on what is happening in this area. But as of 7 years ago, as I mentioned earlier, I was one of the delegates to the U.N. special session on disarmament. We had the ability to detect at that point all but the tiniest explosions. That verification process, obviously, has improved. So, there is no reason not to go ahead, particularly if the Soviets are willing to put sensors in their country, as we have indicated we would be willing to do. At one point, the Soviets were willing to do that.

The second assumption that concerns me is that we have to reduce our arms before we can go ahead and negotiate this kind of thing. Obviously, I would like to see reduction. We all would like to see reduction. But what is needed now is to take some initial small steps toward some reconciliation. What is asked by the Senator from Massachusetts and the Senator from Maryland is that we take these small steps, that we sit down and talk. I think it makes eminent good sense and I hope we move in that direction.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **McCLURE**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **McCLURE**. Mr. President, I think there is only one point which I would raise with respect to the amendment which has been offered by the Senator from Indiana [Mr. Lugar] and the amendment thereto. The yeas and nays have been ordered, and it is therefore impossible to offer a further amendment at this point with respect to the underlying language. Until a vote is taken on the second perfecting amendment to the resolution, no further amendment may be offered. I know that it is possible, in a more indirect parliamentary way, to reach the same effect by another parliamentary means. But let me suggest the reason I would even discuss whether or not there should be an attempt made to amend further.

I want to point to one effect of the Lugar language in both the first- and second-degree amendments and to express at least some mild disagreement—not necessarily opposition.

In the first amendment offered by the Senator from Indiana, the distinguished chairman of the Committee on Foreign Relations [Mr. Lugar], it is required that progress shall be made on the other talks that are going on in Geneva. It does that in the fourth paragraph of the "Whereas" clause. It says that any such test ban agreement must be made in the context of deep and verifiable arms reduction. In other words, we should not attempt to make progress on this front until we have demonstrated progress on all fronts.

In the second perfecting amendment of the Senator from Indiana, it is required that there be a certification by the President that also ties it to the achievement of deep reductions in nuclear arms and substantial progress on verification.

Mr. President, I understand the desire to require that the Soviet Union be forthcoming before we enter into another, different round of talks, that the precondition should be made that the Soviet Union do something, that we should not just unilaterally move forward and start something. I guess I would say that I see no harm in trying to achieve something on a more limited scale, even though we are not able to achieve it on a large scale.

I am perfectly in agreement with the Senator from Indiana that, indeed, we do not want to be in the position of even appearing to be telling the President of the United States that he is not doing something which he ought to do. I do not take this resolution in the sense of criticism of the President's position; I take it in the sense of an expression on the part of the Senate that, since the Soviet Union has taken a step of offering a moratorium—which I happen to believe may be more show and rhetoric than it is substance; we should not overemphasize that—but nevertheless, they have taken that step, and the President of the United States has already responded by, in effect, saying we are going to take a deep and careful look at that question.

That I see this resolution not as criticism of the President's action but of support for the President's actions to date in that respect when he invited the Soviet Union on a unilateral basis to come and observe, to permit on-site inspection at the point where we are conducting underground testing. That is something we have sought for a long time from the Soviet Union, and I would say that that is not a perfect guarantee; that, indeed, we know what they are up to, because they might invite us to send observers to the wrong place in the meantime, telling us they are not doing it anywhere else but we with some knowledge that they might be doing it somewhere else. So, I think there is an opportunity for the Soviets to play games with it and I would not want to overemphasize or overstate what it is that this might accomplish. It might accomplish nothing more than misleading the American public. I would not want to do that. I am sure the Senator from Massachusetts and the Senator from Maryland do not want to mislead the American public as to what the prospects are. So, I think we have to be careful not to overstate what this would mean if adopted, if, indeed, it were followed through, and if, indeed, negotiations were undertaken, and perhaps, even if, indeed, we were able to get the kind of agreement that this body could encompass and embrace.

There are many, many pitfalls in this process, and I do not want to overstate the value of the adoption of either the amendment offered by the distinguished Senator from Massachusetts and the distinguished Senator from Maryland or of the amendments which have now been offered by the Senator from Indiana, because both or either could be deceptively misleading if misunderstood. They do not promise the world and if adopted by this Senate, are not a criticism of the President of the United States, and if adopted by the Senate and implemented by the President of the United States, might achieve virtually nothing. But neither do I believe that the precondition of movement on the part of the Soviet Union is absolutely necessary.

The President has already taken that high ground by inviting their observers to the point of our tests without precondition on the part of the Soviet Union. And as I said yesterday, if this called for us to join in a moratorium, as the Soviet Union has proposed, I would oppose it, because I would not believe that that moratorium as it might be propounded and as offered by the Soviet Union has any very real substance or meaning.

Before we enter into that kind of agreement for a moratorium and joining the Soviet action, I think we should demand meaningful guarantees that, indeed, that particular action would have substance in the ongoing dialog. I do not believe the simple moratorium by itself would have that kind of substance and meaning.

So I could support the amendment offered by the Senator from Indiana, and I could support action which would remove from that proposal the linkage which is now there by way of precondition. It would seem to me that without that linkage, it is still a worthwhile effort so long as we do not be misled by what it would do or might do with respect to the prospects for achieving any kind of arms agreements between ourselves and the Soviet Union.

Mr. **MATHIAS**. Will the Senator from Idaho yield?

Mr. **McCLURE**. I will be happy to yield to the Senator from Maryland.

Mr. **MATHIAS**. No. 1, I want to thank the Senator from Idaho for very thoughtful comments with which I agree. I think removing linkage will enhance the entirety of public perception of this issue because it is a rather simple issue. It is a historic issue. It is one which has standing in our generation. I think to the extent that is can be viewed in that clarity and simplicity the public will understand it better.

I think the Senator has done two other important things; one, in pointing out none of these efforts are in any sense hostile to the President of the United States because the active participation of the President of the United States, both as to making determinations and decisions and as to implementing them, is an essential feature of any policy upon which the United States may embark. So it would be folly to attempt anything and certainly nothing is being attempted which would force the President's hand; that this is in the constitutional sense advice to the President, advice which we not only may offer but which as a matter of conscience we are called upon to offer.

Finally, I would say the Senator is right to point out that there should not be unlimited expectations from any proposal of this sort, yet, and my question to the Senator is this, is he aware how close we actually came to a comprehensive test ban? It had been largely agreed by the Joint Chiefs, the leaders of the U.S. Armed Forces, those in whom we place our trust in matters of defense, that it was a desirable step. Great Britain, which had a role to play in the comprehensive test ban negotiations, was very well advanced in a national position leading toward acceptance. We were very close. And for reasons that had no relationship to the comprehensive test ban, again getting to the Senator's very wise points about the problems of linkage, for other reasons these negotiations were disrupted. And had they not been disrupted by external events, we might have been farther down this road, we might have actually achieved a comprehensive test ban, and that while everyone agrees it would not end the world's woes, it might put an end to a few of them.

Mr. **McCLURE**. I thank the Senator for his comments.

Let me underscore just a couple of other points before I yield the floor.

First, and I call your attention to some charts which I have asked be brought in and are placed in the rear of the Chamber, chart No. 1 substantiates what the President has found in his reports to the Congress on Soviet arms control violations both of January 23, 1984, and February 1, 1985, that the Soviet Union is likely to have violated the 150-kiloton yield limit on underground nuclear weapons testing of the Threshold Test Ban Treaty. In my judgment, and I share this judgment with the President and the experts who advise him, there have been over 16 Soviet underground nuclear weapons tests since 1978 which have estimated yields above 150 kilotons, according to press reports.

The purpose of these Soviet excess yield nuclear weapons tests is probably to validate and develop a much more lethal warhead for the new Soviet SS-24 and SS-25 mobile ICBM's and the SS-N-23 heavy SLBM.

I am not talking about the violations now in the development of those weapons systems. I am talking about the purpose of the underground tests and why it is likely that those tests were conducted and likely that they exceeded the Threshold Test Ban Treaty limits.

The SSX-26 and the SSX-27 ICBM's will probably also require new and larger yield warheads as well. Those underground tests which we are concerned about are related directly to the new weapons development, which should be a matter of concern to all people everywhere in the world.

The second chart shows that there is strong justification for President Reagan's February 1, 1985, report to Congress that the Soviets have violated the 1963 Limited Test Ban Treaty by venting radioactive debris beyond their national boundaries. There have been over 30 cases of unambiguous, conclusive cases of Soviet extraterritorial venting. There are now over 100 probable extraterritorial ventings.

Mr. President, the third chart summarizes the President's report to Congress on "Soviet Arms Control Violations of January 23, 1984"; and it shows the President's judgment that the Soviets are "likely" to have violated the 150-kiloton yield limit on underground nuclear weapons tests. There have been over 16 reported cases of Soviet excess-yield tests since 1978. That is not a matter to be taken lightly, because it indicates that they are in a weapons development mode that will change the balance of nuclear terror in the world. This judgment of likely Soviet violation of the Threshold Test Ban Treaty was reconfirmed by the President's February 1, 1985, report to Congress on Soviet arms control violations.

The fourth chart at the rear of the Chamber shows the official U.S. Defense Department judgment that between 1917 and 1962, the Soviet Union violated over 50 international security treaties. The State Department agreed in a 1959 report. The U.S. Senate Judiciary Committee also agreed in 1957 and 1962 reports.

There were no more official U.S. Government reports on Soviet arms control or treaty violations between 1962 and 1984, until President Reagan's January 3, 1984, report to Congress on "Soviet Arms Control Violations." Using official unclassified U.S. Government documentation, it is possible to conclude that the Soviets have violated virtually every international security agreement they have signed since the 1917 revolution.

One exception stands out. The Soviets complied scrupulously with the notorious August 1939 Hitler-Stalin Pact, but this treaty led to the dismemberment of Poland and the outbreak of World War II.

I cannot help but refer to an earlier comment by President John F. Kennedy in 1961 in reaction to the Soviet breakout from the Atmospheric Nuclear Testing Moratorium. He said: "If the Soviets fool us once, it's our fault. If they fool us twice, it's also our fault. Never again will we agree to an uninspected moratorium."

Mr. President, it may well be asked, in the face of that record of violations, why we would even seek any further agreement with the Soviet Union. We should seek compliance with the existing agreements.

However, I think the very subject we are talking about also indicates why we should seek further agreement, because if there is ambiguity in the Threshold Test Ban Treaty that yields the kind of disagreement among experts as to what our seismic information tells us about the yield of underground tests, then it should be clear that one way of knowing more about what we are doing and what they are doing is to get onsite inspection.

It may be that the negotiations over a comprehensive test ban would yield a result that ends such tests.

I would guarantee to anyone listening that I am going to be very skeptical and very dubious about whether or not such an agreement is verifiable and whether it guarantees that we would know and, if so, what we would do about it. But I also think it is quite possible that in the process of inviting onsite inspection, and in the process of undertaking further negotiations, we might well get the Soviet Union, if not to comply, at least to invite us to do onsite inspections and verifications which might lay to rest, once and for all, the question of whether or not they are or have been violating the Threshold Test Ban Treaty. We need better information, and they are not permitting us to get better information.

So the debate rages on, and some people demand evidence of the caliber that will stand up in court, before they will conclude that the Soviets have been cheating, if not outright violating the Test Ban Treaty.

The significance of those underground tests cannot be overstated.

You cannot build new weapons until you test them. As a matter of fact, the Soviet Union record on that is that they are very conservative in that respect. They do not build and deploy weapons until they have had a testing regime.

We are very much concerned about what those tests mean, in terms of their ability to break out, even if they have not yet violated in terms of weapons agreements—to break out in a new generation of weapons that we are suddenly confronted with and have massively increased yields.

The Threshold Test Ban Treaty was designed to limit that opportunity for testing. In my judgment, it is being violated. In my judgment, we should be insisting that the Soviet Union comply with it.

In that connection, we should be seeking onsite inspection, so that we could verify whether or not they are complying and, even if they have not been complying in the past, to make certain that they comply in the future.

That is essential to the security of this country; because, while they are probably violating that yield limit, I do not believe there is any question in the minds of anybody in this Chamber that we are complying with the limits of the Test Ban Treaty. Therefore, if they are permitted to violate and we do nothing about it and we comply, they gain military advantage over time as a result. But I do not believe that it hurts us to undertake an effort which might lead to increase verification of past treaties and the possibility of new limitations that would be in the interests of the United States.

Again, Mr. President, I do not want the public to be mislead by the promise of such a negotiation. I do not believe that the public should be permitted to indulge in the hope or the speculation that the mere passage of a resolution in the Senate of the United States is going to change Soviet behavior. I do not want the passage of the resolution to indicate to our negotiators that we are in favor of an agreement for the sake of an agreement. We are not. Certainly, this Senator is not.

The agreements we have had in the past were designed to limit the proliferation of nuclear weapons; but they have permitted, not limited, the raid expansion of the number and the caliber and the threat of nuclear weapons much more on the Soviet side than on the side of the United States.

I think we must seek new means by which we persuade the Soviet Union to join us in the deep and verifiable cuts in nuclear weapons which the President is already seeking by means of the talks now underway in Geneva. Mr. President, I think that this resolution, rather than frustrating that effort, might well enhance the effort which the President has already undertaken. I highly commend the President for the efforts he is taking. But this Senator is going to demand real and concrete results, not just paper agreements that might jeopardize our security rather than enhance it.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Thank you, Mr. President.

Mr. President, I rise in support of the substitute offered by the distinguished chairman of the Foreign Relations Committee to the Kennedy proposal that the United States enter into a comprehensive test ban negotiation.

I do so, Mr. President, for the very simple reason that there can really be no contest of the wisdom of the Senator from Indiana in his insistence upon verification of nuclear weapons testing, including onsite monitoring because sadly as Santayana has told us, "Those who ignore the lessons of history are doomed to relive them and repeat them."

History speaks to us quite eloquently on this point. The most eloquent test obviously should come from someone who himself proposed in the name of ridding the world of monstrous weapons that there should be a comprehensive test ban treaty and then lived to see his own good faith repudiated by the violations of the Soviet Union.

President John Fitzgerald Kennedy put it eloquently and simply when he said in announcing the resumption by the United States of necessary nuclear testing,

> We know enough about broken negotiations, secret preparations and the advantages gained from a long test series never to offer again an uninspected moratorium.

Yet, Mr. President, that is precisely what we are offered now, another uninspected moratorium, and another moratorium on nuclear testing even if only for a 6-month period would not appear to be productive of the ends which President Kennedy sought so long ago. A moratorium would not move us closer to resolving those verification problems which have been so intractable. Even a limited moratorium might create the false and potentially dangerous impression that a comprehensive test ban could be verified, and the belief that a moratorium for a limited period of time would create good will and momentum to achieve a negotiated agreement is contradicted by history as that bitter experience with the first Comprehensive Test Ban Treaty makes so clear.

We know now that even an inspected moratorium would not give us confidence that the ban was being observed.

Comprehensive and reliable verification procedures have remained elusive through the decades of test ban proposals that have followed the 1958 moratorium.

If we cannot be sure then, Mr. President, we cannot afford to indulge in vainglorious good intentions. There is simply too much at stake.

When he announced the resumption of United States testing, President Kennedy did so sadly but with a clear conviction that our failure to do so would likely be misinterpreted. What he said on this occasion on March 2, 1962, was that a failure to resume testing would have indicated to the Soviets not good will but a failure of political will, of political nerve.

And the President drew lessons from that failed moratorium that we cannot, that we dare not forget. He said:

> (The Soviet Union) could well be encouraged by such signs of weakness to seek another period of no testing without controls—another opportunity for stifling our progress while secretly preparing . . . for the new test series that might alter the balance of power. With such a one-sided advantage, why would they change their strategy, or refrain from testing, merely because we refrained? Why would they want to halt their drive to surpass us in nuclear technology? And why would they ever consider accepting a true test ban or mutual disarmament?

Mr. President, President Kennedy learned, the United States learned on that occasion the hard way. We put forward good faith. The response from the Soviet Union was bad faith and violation of that Comprehensive Test Ban Treaty. We have no reason to suppose that anything has changed.

So sadly, the Senator from Indiana is right in his insistence upon substantial progress in verification of nuclear weapons testing as a condition to our resumption of any negotiations with the Soviet Union for a Comprehensive Test Ban Treaty.

Until that is in sight, Mr. President, for us to engage in that would be to repeat a tragic mistake of history with perhaps yet more tragic consequences.

Mr. President, we cannot afford vainglorious good intentions.

I urge my colleagues to support the substitute offered by the distinguished Senator from Indiana.

Mr. President, I shall also ask unanimous consent that a letter from the director of the Los Alamos National Laboratory, Donald M. Kerr, be entered in the Record. It states Director Kerr's opposition to the resumption of a nuclear test ban or a Comprehensive Test Ban Treaty in terms that are well worth reading. I will not take the time of the body to read this letter in full. I urge my colleagues to read it in the Record and I ask unanimous consent that it may be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Los Alamos National Laboratory,
Los Alamos, NM, April 13, 1984.

Hon. John W. Warner,
Chairman, Subcommittee on Strategic and Theater Nuclear Forces, Senate Office Building, Washington, DC.

Dear Senator Warner: The development of a stable, peaceful relationship with the Soviet Union and a mutual reduction in the number of nuclear weapons and the threat of nuclear war are goals which all Americans share. Progress toward these goals would be assisted, I believe, by the negotiation of carefully crafted, unambiguous arms control agreements.

The differences in the principles and objectives of our societies are large. Agreements between the United States and the Soviet Union that rely heavily on trust and good will, or on confidence that both parties have similar interests, have more often than not generated distrust, fear, and even increases in armaments, rather than any long term amelioration of relations. But by negotiating meaningful treaties that can be verified with confidence, we might begin to create the conditions that can lead to improved relations and to secure arms reductions. A moratorium on nuclear testing would not be such an agreement in itself, and would not be likely to lead to successful nuclear arms control.

We should not forget that one of the most forceful demonstrations of the unfortunate consequences that can follow from imprecise arms control arrangements was itself a moratorium on nuclear testing—that which the US and the Soviet Union entered voluntarily, and without verification measures or negotiated agreement, in 1958. That moratorium was broken by the Soviet Union in 1961, when it began a large, secretly prepared nuclear test series. On March 2, 1962, President Kennedy announced his decision that the US must resume nuclear testing. A failure to do so, he said, would have indicated to the Soviets not good will, but a failure of will. Kennedy drew lessons from that failed moratorium that we must remember:

"(The Soviet Union) could well be encouraged by such signs of weakness to seek another period of no testing without controls—another opportunity for stifling our progress while secretly preparing . . . for the new test series that might alter the balance of power. With such a one-sided advantage, why would they change their strategy, or refrain from testing, merely because we refrained? Why would they want to halt their drive to surpass us in nuclear technology? And why would they ever consider accepting a true test ban or mutual disarmament?"

Demonstrations of American good will in seeking arms control proved not to be enough. We concluded that only demonstrations of America's determination to protect itself and its allies—while seeking genuine, verifiable, and constructive arms control—offered hope for progress toward improved relations with such a state as the Soviet Union.

Another moratorium on nuclear testing, even if only for a six month period, would not appear to be productive of these ends. A moratorium would not move us closer to resolving those verification problems which have been so intractable. Even a limited moratorium might create the false and potentially dangerous impression that a comprehensive test ban could be verified. And the belief that a moratorium for a limited period of time would create good will and momentum to achieve a negotiated agreement is contradicted by history. As President Kennedy concluded, "We know enough about broken negotiations, secret preparations and the advantages gained from a long test series never to offer again an uninspected moratorium." But we know now that even an inspected moratorium would not give us confidence that the ban was being observed; comprehensive and reliable verification procedures have remained elusive through the decades of test ban proposals that have followed the 1958 moratorium.

We also must confirm another of President Kennedy's judgments on nuclear testing and test bans: a comprehensive test ban, by itself, is an unsatisfactory form of arms control. Like him we are dedicated to reducing the risk of nuclear war. But a test ban is only one step in that direction, and is not only useless but actually may be dangerous if not accompanied by complementary arms control measures. "Until mankind has banished both war and its instruments of destruction," Kennedy said, "the United States must maintain an effective quantity and quality of nuclear weapons . . . Only though such strength can we be certain of deterring a nuclear strike, or on overwhelming ground attack, upon our forces and allies."

A moratorium or test ban would gradually, unpredictably, and unequally reduce our ability to rely, with confidence, on our nuclear forces. Without substantial concurrent progress toward banishing war and our reliance on nuclear deterrence, this reduction in confidence in the nuclear forces would weaken our ability to sustain peace and freedom. Concerns with the effects on our deterrent of a test moratorium or ban were illustrated when the US resumed testing in 1962. Not only had the Soviet Union greatly improved its own nuclear technology and gained unprecedented insight into nuclear effects, but some US weapons had developed serious faults.

The two nuclear weapon design laboratories established procedures to approve any alterations to nuclear weapons entering the stockpile during the moratorium. Under these procedures a change to improve safety was made to one weapon system. When this modified weapon was tested after the moratorium, its performance was a small fraction of the anticipated yield. As this case showed, even the best human judgment applied to nuclear weapon design and performance, without actual tests, sometimes fails. Some argue that the uncertainty this introduces is valuable, since it may decrease the willingness of either superpower to rely on nuclear weapons. However, for many years our security and that of our allies must continue to depend on the deterrent effect of our nuclear weapons. Such uncertainty can only undermine our security. As President Reagan noted in his April 6, 1984, speech at the Center for Strategic and International Studies. "Too many forget John Kennedy's warning that only when our arms are certain beyond doubt can we be certain beyond doubt they will never be used."

Issues that affect our nuclear deterrent must be approached with care, foresight, and an appreciation of hard won lessons of history. We cannot afford mistakes. A six month moratorium on nuclear testing would not improve our security. It would be far more constructive, in this period of strained relations with the Soviet Union, to seek agreements on crisis management aimed at reducing the risk of nuclear war. These might be crafted in a manner which would not raise issues of verification. Success in this area might then lead to possibilities of further agreements to restrain deployment, production and ultimately testing of nuclear weapons systems.

Sincerely,

Donald M. Kerr,
Director.

Mr. DURENBERGER. Mr. President, once again I am happy to cosponsor a resolution calling for the resumption of negotiations for a Comprehensive Test Ban Treaty. This resolution comes at a time when the Soviet Union has proposed a moratorium on nuclear testing and the United States has invited Soviet officials to observe a nuclear weapons test within the United States. These initiatives may provide the opening that is needed to resume negotiations of a treaty that could potentially curb the qualitative arms race and provide the momentum for other measures of restraint. I hope that President Reagan will heed the call of Congress to take advantage of these initiatives. An overture made in good faith would determine whether the Soviet Union is serious in their proposals to stop the testing of nuclear weapons.

I believe that a verifiable Comprehensive Test Ban Treaty would promote the security of the United States in a variety of ways. The most obvious being that it would halt one aspect of the qualitative arms race. If the United States and the Soviet Union could not test their nuclear devices, neither country could make potentially destabilizing qualitative improvements in their nuclear weapons. For example, the testing of smaller and more accurate warheads would be banned. As a consequence, the threat of the Soviet Union placing many more warheads on their large land-based missiles would be reduced. A Comprehensive Test Ban Treaty would stop menacing Soviet developments while preserving the technological edge the United States enjoys in their nuclear warheads.

A Comprehensive Test Ban Treaty would also demonstrate that the superpowers were serious about arms control. Without such a signal it may be very difficult to persuade nonnuclear nations to ratify the Nuclear Non-Proliferation Treaty. Many nations have resisted ratification of this treaty because of the lack of control on the part of the U.S.S.R. and the United States. A test ban treaty would signal resolve and could lead to greater adherence to the Non-Proliferation Treaty.

In the long run, the inability to test nuclear weapons will lessen our confidence in the reliability of the nuclear stockpile. While we would lose some confidence, it should be noted that much of the testing to determine the reliability of our warheads is done through the disassembly and careful scrutiny of these weapons. This does not involve any nuclear testing. The lack of testing may lead to insufficient confidence to launch a first-strike preemptive attack, but it would not degrade our confidence in our proven nuclear stockpile to the point where we could not rely on those weapons for a second-strike retaliatory response to a Soviet attack. Thus, a Comprehensive Test Ban Treaty could enhance crisis stability.

Of course, any agreement which we reach with the Soviet Union must be adequately verifiable. Arms control treaties are not based on trust. Banning all testing of nuclear weapons poses complicated verification tasks. Previous negotiations on nuclear testing did make some progress in establishing necessary principles of verification. For example, the Soviets agreed in principle to seismic monitoring stations on Soviet territory and occasional on-site inspections. Whether they would agree to such provisions again is open to question. If we are successful in reaching an agreement on a Comprehensive Test Ban Treaty, however, we must be very careful to ensure that mechanisms exist to verify the treaty and provide satisfactory recourse in the event of violations. The Soviet Union has not had the best track record of compliance with various arms control treaties and the United States must ensure that any treaty we negotiate with them is amendable to verification.

In any event, the resolution before us today simply calls for the resumption of negotiations. We can go nowhere with arms control of any kind if we refuse to talk to other nations. I hope that we will resume these negotiations in a good faith attempt to curb the qualitative arms race.

Mr. DOLE. Mr. President, I have been in discussion with the principals involved in this debate, and it is a very important matter, but in an effort to reach some resolution, I have been advised that the principals would be willing that the resolution be referred to the Foreign Relations Committee and that the resolution, or the resolution as amended, would be reported by the committee on or about October 1 of this year and that the majority leader, in cooperation with the principals, would make a good-faith effort to schedule it shortly thereafter. I have no problem with that. It there is no objection, I propound that unanimous consent request.

Mr. KENNEDY. I have no objection.

The PRESIDENT OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, there will be no more rollcall votes tonight.

TWENTIETH ANNIVERSARY OF THE MEDICARE PROGRAM

Mr. BAUCUS. Mr. President, 20 years ago today, President Lyndon Johnson went to Independence, MO, to sign into law a far-reaching program to guarantee access to high quality, affordable health care for millions of America's senior citizens. The new program was called Medicare. Its passage changed forever the way the Nation provides and pays for health services.

With former President Harry S. Truman at his side, Lyndon Johnson proclaimed that "No longer will older Americans be denied the healing miracle of modern medicine. No longer will illness crush and destroy the savings that they have so carefully put away over a lifetime so that they might enjoy dignity in their later years."

The origins of Medicare go back 50 years to the signing of the Social Security Act which President Franklin Delano Roosevelt called "a cornerstone in the structure which is being built, but which is by no means complete."

In 1943, Senator Robert F. Wagner Senator James E. Murray, and Representative John D. Dingell Sr., introduced the first Wagner-Murray-Dingell bill, proposing a broadening of the entire Social Security Act, including a compulsory national health insurance system financed by a payroll tax.

President Truman fought for health insurance programs, but it was not until Lyndon Johnson made passage of Medicare his highest legislative priority in 1964 that Medicare became a reality. The result was a program that went beyond what even LBJ had envisioned. Congress designed a three-part program. Part A, a program financed through payroll taxes, covered hospital bills. Part B, a voluntary program to cover physicians' services, was financed partly out of the Treasury and partly by the premiums paid by beneficiaries. Finally, Medicaid was created as a State and Federal partnership to help finance the health care needs of low-income citizens of all ages.

In the 20 years since the enactment of Medicare, many seem to have forgotten why such a bold program was needed at all. The basic problem was a lack of adequate health insurance coverage for Americans over age 65. In fact, only 20 years ago, less than half of the 19 million elderly had health insurance. For those with coverage, most commercial policies paid only about $10 a day for hospital room and board charges.

I ask unanimous consent that the remarks made at the signing ceremony by former President Truman and President Johnson be entered in the RECORD at this point.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 31, 1965]

TRANSCRIPT OF REMARKS BY TRUMAN AND JOHNSON

(Following is the transcript of former President Harry S. Truman's introductory remarks and President Johnson's address yesterday at the signing of the medicare-Social Security bill at the Harry S. Truman Memorial Library, Independence, Mo., as recorded by the New York Times.)

TRUMAN'S REMARKS

I'm glad you like the President. I like him, too.

Mr. President, Mrs. Johnson, distinguished guests.

You have done me a great honor in coming here today and have made me a very, very happy man.

This is an important hour for the nation. For those of our citizens who have completed their tour of duty and have moved to the sidelines, these are the days that we are trying to celebrate for them. These people are our prideful responsibility and they are entitled, among other benefits, to the best medical protection available.

Not one of our citizens should ever be abandoned or sent for the dignity of charity. Charity is dignity when you have to have it. But we don't want these people to have anything to do with charity and we don't want them to have an idea of hopeless despair.

Mr. President, I'm glad to have lived this long and to witness today the signing of the medicare bill, which puts this nation right where it needs to be to be right.

Your inspired leadership and responsiveness and the responsive, forward-looking Congress have made it historically possible for this day to come about.

I thank all of you most highly for coming here. It's an honor I haven't had done to me for—well, quite a while, I'll say that to you.

So here he is, ladies and gentlemen, the President of the United States.

JOHNSON'S ADDRESS

President and Mrs. Truman, Secretary Celebrezze, Senator Mansfield, Senator Symington, Senator Long, Governor Hearnes, Senator Anderson, Congressman King of the Anderson-King team, Congressman Mills, Senator Long of the Mills-Long team, our beloved Vice President, who worked in the vineyard many years to see this day come to pass, and all of my dear friends in the Congress, both Democrats and Republicans.

The people of the United States love and voted for Harry Truman, not because he gave them hell but because he gave them hope. And I believe today that all America shares my joy that he is present now when the hope that he offered becomes a reality for millions of our fellow citizens.

I'm so proud that this has come to pass in the Johnson Adminstration. But it was really Harry Truman of Missouri who planted the seeds of compassion and duty which have today flowered into care for the sick and serenity for the fearful.

Many men can make many proposals. Many men can draft many laws, but few have the piercing and human eye which can see beyond the words to the people that they touch.

Few can see past the speeches and the political battles to the doctor over there that's tending the infirm and to the hospital that is receiving those in anguish or feel in their hearts painful wrath at the injustice which

denies the miracle of healing to the old and to the poor.

And fewer still have the courage to stake reputation and position and the effort of a lifetime upon such a cause when there are so few that share it.

But it's just such men who illuminate the life and the history of a nation, and so, President Harry Truman, it is in tribute not to you but to the America that you represent that we have come here to pay our love and our respects to you today.

CITES TRUMAN STATEMENT

For a country can be known by the quality of the men at honors. By praising you and by carrying forward your dreams, we really reaffirm the greatness of America. It was a generation ago that Harry Truman said, and I quote him:

"Millions of our citizens do not now have full measure of opportunity to achieve and to enjoy good health. Millions do not now have protection or security against the economic effects of sickness. And the time has now arrived for action to help them attain that opportunity and to help them get that protection." Unquote.

Well, today, Mr. President and my follow Americans, we are taking such action 20 years later. And we're doing that under the great leadership of men like John McCormack, "our Speaker; Carl Albert, our majority leader; our very able and beloved majority leader of the Senate, Mike Mansfield, and distinguished members of the Ways and Means and Finance Committees of the House and Senate of both parties. Democratic and Republican, because the need for this action is plain and it's so clear, indeed, that we marvel not simply at the passage of this bill but what we marvel at is that it took so many years to pass it.

And I'm so glad that Alme Forand is here to see it finally passed and signed.

There are more than 18 million Americans over the age of 65. Most of them have low incomes. Most of them are threatened by illness and medical expenses that they cannot afford.

And through this new law, Mr. President, every citizen will be able in his productive years, when he's earning, to insure himself, against the ravages of illness in his old age. This insurance will help pay for care in hospitals, in skilled nursing homes or in the home. And under a separate plan it will help meet the fees of the doctors. Now here's how the plan will affect you:

During your working years, people of America, you will contribute through the Social Security program a small amount each payday for hospital insurance protection. For example, the average worker in 1966 will contribute about $1.50 per month. The employer will contribute about a similar amount and this will provide the funds to pay up to 90 days of hospital care for each illness plus diagnostic care and up to 100 home health visits after you're 65. And beginning in 1967 you will also be covered for up to 100 days of care in a skilled nursing home after a period of hospital care.

And under a separate plan, when you're 65—that the Congress originated itself in its own good judgment—you may be covered for medical and surgical fees whether you're in or out of a hospital. You will pay $3 per month after you are 65 and your Government will contribute an equal amount. And the benefits under the law are as varied and broad as the marvels of modern medicine itself.

HOPES TO REMEDY DEFECTS

And if it has few defects, such as the method of payment of certain specialist, then I am confident those can be quickly remedied, and I hope they will be.

No longer will older Americans be denied the healing miracle of modern medicine. No longer will illness crush and destroy the savings that they have so carefully put away over a lifetime so that they might enjoy dignity in their later years.

No longer will young families see their own incomes and their own hopes eaten away simply because they are carrying out their deep moral obligations to their parents and to their uncles and their aunts. And so longer will this nation refuse the hand of justice to those who have given a lifetime of service and wisdom and labor to the progress of this progressive country.

And this bill, Mr. President, is even broader than that. It will increase Social Security benefits for all of our older Americans. It will improve a wide range of health and medical services for Americans of all ages.

In 1935, when the man that both of us loved so much, Franklin Delano Roosevelt, signed the Social Security Act, he said, and I quote him: "A cornerstone in the structure which is being built but it is by no means complete."

But perhaps no single act in the entire Administration of the beloved Franklin D. Roosevelt really did more to win him the illustrous place in history that he has as did the laying of that cornerstone.

I'm so happy that his oldest son, Jimmy, could be here to share with us the job that is ours today.

And those who share this day will also be remembered for making the most important addition to that structure—and you're making it in this bill—the most important addition that's been made in three decades.

Because history shapes men, but it is a necessary faith of leadership that men can help shape history. There are many who led us to this historic day not out of courtesy or deference but from gratitude and remembrance which is our country's debt, and if I may be pardoned for taking a moment I want to call part of the honor roll.

The able leadership in both Houses of the Congress. Congressman Celler, the chairman of the Judiciary Committee, introduced the hospital insurance in 1952, Alme Forand from Rhode Island, then Congressman, introduced it in the House.

Senator Clinton Anderson of New Mexico helped medicare through the years in the Senate. Congressman Cecil King of California carried on the battle in the House. The legislative genius of the chairman of the Ways and Means Committee. Congressman Wilbur Mills, and the effective and able work of Senator Russell Long together transformed this desire into victory.

And those devoted public servants—former Secretary—Senator Rubicoff; present secretary Tony Celebrezze; Under Secretary Wilbur Cohen; the Democratic whip of the House, Hale Boggs, on the Ways and Means Committee, and really the White House's best legislator Larry O'Brien, gave not just endless days and months and yes, years of patience, but they gave their hearts to passing this bill.

KENNEDY IS RECALLED

So let us all remember those who sadly cannot share this time for triumph, for it is their triumph, too. It is the victory of great members of Congress that are not with us, like John Dingell Sr. and Robert Wagner, late a member of the Senate, and James Murray of Montana.

And there is also John Fitzgerald Kennedy, who fought in the Senate and took his case to the people and never yielded in pursuit but was not spared to see the final concourse of the forces that he had helped to loose.

But it all started really with the man from Independence, and so as it is fitting that we should—we've come back here to his home to complete what he began.

President Harry Truman, as any President must, made many decisions of great moment, although he always made them frankly and with a courage and a clarity that few men have ever shared.

The immense and the intricate questions of freedom and survival were caught up many times in the web of Harry Truman's judgment. And this is in the tradition of leadership.

But there's another tradition that we share today. It calls upon us never to be indifferent toward despair. It commands us never to turn away from helplessness. It directs us never to ignore or to spurn those who suffer untended in a land that's bursting with abundance.

I said to Senator Smathers coming out today—the whip of the Democrats in the Senate and who worked with us on the Finance Committee—this legislation—I said the highest traditions of the medical profession are really directed to the ends that we are trying to serve.

And it was only yesterday, at the request of some of my friends, I met with the leaders of the American Medical Association to seek their assistance in advancing the cause of one of the greatest professions of all, the medical profession, in heiping us to maintain and to improve the health of all Americans.

NOTES YEARS OF STRUGGLE

And this is not just our tradition or the tradition of the Democratic party, or even the tradition of the nation. It is as old as the day it was first commanded. "Thou shalt open thine hand wide unto thy brother, to thy poor, to thy needy in the land."

And just think, Mr. President, because of this document and the long years of struggle which so many have put into creating it, in this town and a thousand other towns like it, there are men and women in pain who will now find ease. There are those alone in suffering who will now hear the sound of some approaching footsteps coming to help. There are those fearing the terrible darkness of despairing poverty, despite their long years of labor and expectations, who will now look up to see the light of hope and realization.

There just can be no satisfaction nor any act of leadership that gives greater satisfaction than this. And perhaps you alone, President Truman, perhaps, you alone, can fully know just how grateful I am for this day.●

Mr. BAUCUS. Today, Medicare coverage provides basic health protection to 98 percent of the Nation's nearly 30 million senior citizens. That achievement alone explains why Medicare has become one of the most durable legacies of the Great Society. Within the past 20 years, the health status of elderly Americans has improved dramatically as Medicare has grown from a limited acute care progam to one that provides cost-effective home health care and rehabilitative services as well as access to the latest advances in medical technology.

In 1985, our Nation faces new health challenges. First, we face the challenge of financing Medicare at a time of severe budget constraints. Medicare has become an expensive national commitment, as Medicare outlays this year are projected at about $70 billion. And second, we must ensure that Medicare beneficiaries, the retired Americans that Medicare was designed to protect, will not incur excessive out-of-pocket expenses that erode their access to vital health services or threaten the dignity of their retirement years.

With the enactment of the new prospective payment system for hospital care in 1983, Congress took a dramatic step toward controlling soaring health care expenses while introducing more rational incentives for efficiency in health care delivery. We will have to refine this system and find similar new approaches for other parts of the Medicare Program if we are to ensure the continued solvency of the Medicare trust funds.

America's seniors have been well served during the last 20 years by hardworking members of the Finance Committee, especially our distinguished chairmen who have served since Medicare's enactment, Senator Harry F. Byrd Sr., Senator Long, and Senator Dole. As the senior Democrat on the Senate Finance Subcommittee on Health, I look forward to doing my part and working with my colleagues on both sides of the aisle to ensure that Medicare continues to meet the health needs of future generations of working Americans. And I am proud to join my colleagues in wishing Medicare and its 30 million beneficiaries a happy 20th anniversary and good health.

Mr. RIEGLE. Mr. President, today marks the 20th anniversary of Medicare and Medicaid. Two decades ago, over half of our Nation's elderly had no health insurance and many more had insufficient and inadequate coverage. Since the enactment of Medicare and Medicaid, we have made tremendous progress in broadening the access to health care services and in providing adequate health care coverage for millions of Americans. Today, as we celebrate this important anniversary, it is essential that we mark the critical progress we have made and recognize the work yet to be done in assuring the highest quality medical care for all Americans.

The participation of the Federal Government in providing financial access to health care for our seniors has not always been supported. However, two decades later even the most vocal opponents in the past now proclaim Medicare a tremendous success. Few would have anticipated the growth of the Medicare Program over the years. A look back at the Federal expenditures reflects this growth. In 1967, the program cost $4 billion. In 1983, Medicare expenditures equaled $58.8 billion and accounted for 17 percent of our Nation's total health care costs. It is estimated that in 1986 the costs will approach $67 billion. The number of recipients has also increased substantially. In 1967, 20 million senior citizens had access to health care through the Medicare Program. In 1973, Medicare coverage was extended to Social Security Disability Insurance beneficiaries [SSDI], and there are presently 27 million elderly and 3 million disabled individuals enrolled in Medicare.

Medicare is composed of two parts. Medicare part A—hospital insurance—provides for inpatient hospital services. Those individuals eligible for benefits in the Social Security Program become entitled for Medicare part A upon reaching 65 years of age or 24 months after receiving SSDI benefits. This part of Medicare is financed through the Medicare Trust Fund and is financed through a payroll tax levied on employees, employers, and self-employed individuals. Services provided include the costs of inpatient hospital care—excluding deductibles and coinsurances—skilled nursing facilities [SNF], home health care and hospice services. Medicare part B—supplemental medical insurance—is a voluntary supplemental insurance plan which provides physician fees and related benefits to those entitled to part A. These services include surgery, consultation, office visits, physical therapy, diagnostic, and x-ray services, and durable medical equipment. Part B is financed through a combination of premiums and funds from general revenue.

Medicare has made a tremendous impact on providing access to health care coverage for our Nation's senior citizens. Most elderly persons have health care coverage through the Medicare Program or through health insurance availability through employment. Unfortunately, this is not the case for millions of other Americans. The Census Bureau recently estimated that 35 million individuals in this country are presently uninsured and lack a financial source of access to health care. This represents over 15 percent of our general population. However, less than 200,000 of our elderly population or only 0.7 percent of our seniors are uninsured. This is Medicare's greatest accomplishment when one reflects on the health care status of our seniors prior to the creation of the program.

Even with all the advances we have made in the area of providing health care services to our senior citizens, the 20th anniversary is in some ways a bittersweet commemoration. Despite the marked improvement in access to health care services for our elderly citizens, recent changes during this administration has represented a major shift in scope and direction and threatens to reverse two decades of progress of improving access for our senior citizens. In every year since this administration has been in office, there has been legislation adopted which has significantly cut into the Medicare Program. Medicare was cut $15 billion in the first term of the current administration. The cutbacks would have exceeded $30 billion if Congress had not resisted such devastating reductions. The House of Representative's Committee on Ways and Means recently estimated that without any new proposed cuts, Medicare spending will be reduced by almost $45 billion through 1988. In fiscal year 1986, Medicare is once again being scrutinized for further spending reductions to help finance the ballooning budget deficits, rather than being reformed to improve the quality of health care or to securing the financial integrity of the program.

Despite tremendous improvements, Medicare now pays for less than one-half of the health care bills that our seniors are faced with. In addition, seniors today pay in out-of-pocket health care costs an amount equivalent to what was paid prior to the creation of the Medicare Program. In addition, Medicare fails to provide certain essential services, such as nursing home care, coverage for such vital services such as vision, hearing, and dental care, and catastrophic health care protection. Many of these services are only available through the Medicaid Program and then only after total impoverishment. A recent study revealed that two-thirds of all single and one-third of all married elderly who enter nursing homes for long-term care face destitution within 13 weeks of care.

In addition to Medicare, today is also the 20th anniversary of the enactment of Medicaid. The Medicaid Program was enacted as a jointly funded, Federal-State program to provide the financing of health services for our Nation's poor of any age including our senior citizens, disabled persons, and those children and parents receiving benefits through the Aid to Families with Dependent Children [AFDC] Program. The Medicaid Program, like Medicare, has significantly enhanced access to our health care system for those individuals eligible for benefits. Today over 22 million low-income persons are receiving Medicaid benefits. Yet like Medicare, recent changes have reversed the trend of increasing access to health care services for those in need. The Government Accounting Office [GAO] recently demonstrated

that close to a half a million families were removed from Medicaid after enactment of the Omnibus Budget Reconciliation Act [OBRA] of 1981. It is also estimated that less than half of the poor and near poor in this country are now receiving health care coverage through the Medicaid Program.

Today as we commemorate this important milestone in the history of the Medicare and Medicaid programs, we must remain vigilant in our efforts to continue to fight to sustain and improve these programs. Therefore, I urge all my colleagues to continue their support for these programs on their 20th anniversary.

Mr. GLENN. Mr. President, as senior Democratic member of the Senate Special Committee on Aging, I am pleased to join my colleagues in observing the 20th anniversary of the Medicare Program. On this day in 1965, this important program was enacted into law.

Sometimes, despite what the cynics may say, our good intentions are met with great success. No one can deny Medicare's accomplishments. Since its enactment, the program has made a tremendous contribution to the health and well-being of millions of aged and disabled Americans by helping to ensure access to appropriate and necessary medical services. Medicare has made an important difference in the lives of Americans—not only for elderly and disabled citizens, but for their family members and children who would otherwise face shouldering the burden of their loved ones' care alone.

Today, almost 28 million Americans over age 65 and 3 million disabled persons are insured under Medicare, making it the single largest personal health care financing program in the country. In looking at the provider side of the picture, more than 20,000 hospitals, nursing homes, home health agencies, labs, and clinics participate in Medicare. Within these settings, hundreds of thousands of physicians treat beneficiaries.

In recent years, Congress has responded to the need for less costly and more appropriate health care services under Medicare by expanding benefits to include hospice and health maintenance organization [HMO] care. I have been pleased to cosponsor the legislation expanding this coverage.

In this era of high medical costs, we have fundamentally changed the way Medicare reimburses hospitals for beneficiary care, and we will be considering other far-reaching proposals in the future affecting Medicare payment methods to providers. We must be ever vigilant in monitoring the impact of these modifications on the quality of medical treatment. While we want inflation reined in, the delivery of quality health services to our Nation's senior citizens cannot be sacrificed.

Our country has made great strides in assuring a better life for our retired citizens. Medicare's 20th anniversary is a time to reaffirm our national commitment to the program's continued success. While we recognize the limits of the program in this time of record-high Federal deficits and high inflation in the health care industry, we must also recognize that serious gaps remain in insurance protection. Catastrophic illness can still rob aged Americans of financial dignity and a home to live in. Similarly, the staggering costs of long-term care can wipe out a lifetime of savings. Routine out-of-pocket costs also represent a heavy financial burden for some senior citizens; one example is the high costs of prescription drugs.

Without question, however, we can and we should take great pride in the accomplishments of the Medicare Program. Despite stormy seas, we have managed to keep this vital program on a relatively stable course. During the next 20 years, we will be confronted with future challenges. I am confident, however, that by working together we will meet these challenges head-on and will continue our commitment to a strong and healthy Medicare Program.

Mr. MITCHELL. Mr. President, I rise today to add my congratulations to those of my colleagues on the 20th anniversary of the Medicare Program.

The concept of a national health care plan was a radical idea in 1943 when Senators Robert Wagner (D-N.Y.) and James E. Murray (D-Mont.) joined with Representative John D. Dingell (D-Mich.) to introduce the first Wagner-Murray-Dingell bill, which proposed a broadening of the Social Security Act to include a compulsory national health insurance system to be financed by a payroll tax.

In 1945, President Truman issued a message on health legislation and proposed a comprehensive, prepaid medical insurance plan for persons of all ages to be financed by raising the Social Security tax. There was strong and immediate opposition to the President's proposal by the American Medical Association. In 1950, lobbying against the plan reached its peak in intensity.

With the inauguration of Dwight D. Eisenhower in 1953, administration support for the concept of a national health care plan ended. The Eisenhower administration opposed the concept of national health care. It was not until the administration of John F. Kennedy in 1961 that the idea for a national health plan once again received the support of the President.

After years of congressional debate in both House and Senate, several failed attempts to include a comprehensive health care plan in pending Social Security legislation, Medicare legislation finally passed the Congress and was signed by President Johnson on July 30, 1965.

As a Democrat, I am proud of the historical commitment of my Democratic colleagues, past and present, in supporting the concept of the Medicare Program. The Democratic Party has had, and continues to have, a commitment to those who are in the greatest need of the basic necessities of life, including quality health care for the elderly.

Mr. President, as a Member of the 99th Congress I am proud to have the opportunity to continue to support the Medicare Program. Today, Medicare provides basic health care to over 27 million elderly and 3 million disabled Americans. Without the Medicare Program, many elderly people in this country would not have access to quality health care in a time of rapidly escalating health care costs.

Medicare is in a critical phase in its history. During the past several years the Congress has carefully examined the Medicare Program in an attempt to continue to provide basic health care to those who are eligible by their payments into the Social Security system while working to contain the enormous costs of the program. We must continue to evaluate the program, especially as we reach the turn of the century and witness the aging of the postwar "baby boom" generation.

As a member of the Senate Subcommittee on Health, which has jurisdiction over the Medicare Program, I look forward to the continued analysis of the complex issues and concerns facing the Medicare Program. I encourage my colleagues on both sides of the aisle to make the Medicare Program a priority in their legislative agendas. The assurance of quality health care for the elderly is in all of our best interests and in the best interest of the Nation.

Again, I offer my sincere thanks to those who fought for the enactment of the Medicare Program in those early years, and for those who continue to work to improve the program for all those who rely upon it for their good health.

Mr. JOHNSTON. Mr. President, today marks the 20th anniversary of the Medicare Program and I am pleased to join with my colleagues in honoring the important role this program plays in providing health care protection to our Nation's elderly and disabled.

The Medicare Program is our country's largest health care financing program, and except for Social Security, is the largest entitlement program. It provides national health insurance to nearly 27 million aged and 3 million disabled individuals. Throughout its 20-year history, the program has grown enormously and today accounts

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for more than 25 percent of the national health spending for hospital care and for more than 17 percent of all such spending for physicians' services.

The security that is provided by Medicare is evident by looking at health care statistics. The elderly—those aged 65 and older—account for 12 percent of our population, yet they account for 33 percent of all personal health care expenses. Furthermore, health care costs have traditionally increased much faster than the general rate of inflation. Adoption of the Medicare Program has allowed beneficiaries to contain the percent of their pension checks that must be spent on health care needs.

The Medicare Program is an extension of the Social Security Program, a program which Franklin Roosevelt referred to as the "cornerstone in a structure which is being built but it is by no means complete." While Social Security provides a minimum retirement benefit to vested workers, Medicare assures that our senior citizens are able to obtain necessary medical care, and that such care will be available at a reasonable cost. Together, these programs create a strong structure against the vicissitudes of life and attest to our commitment to assure that the Nation's elderly live a life of dignity and comfort.

As with Social Security, Medicare is a contract between the old and the young, between the employee and retiree, and between the beneficiary and the Government. By assuring that the elderly of today have adequate health care treatment, we show our compassion for our fellow man and reaffirm our belief that future generations will assure that similar care is available for us in our golden years.

By acknowledging the 20th anniversary of Medicare, we acknowledge what is best about America and consequently, it is with great pleasure that I wish a happy birthday to the Medicare Program.

Mr. KENNEDY. Mr. President, Medicare has always had a special meaning for me and my family. When I was first elected to the Senate in 1962, Congress was in the final stages of the long and successful battle to provide insurance for the elderly against the intolerable burden of serious illness. President Kennedy was proud of his role as the first President to propose Medicare. To him, it was the unfinished business of Social Security, and he worked for it and fought for it as Senator and as President.

The enactment of Medicare marked the dawn of a new day for health care in America. From the beginning, in 1965, Medicare has stood as a solemn promise by Congress and the Federal Government that the miracles of modern medicine will not be denied to our senior citizens, and that their golden years will be free from the fear of financial ruin because of catastrophic illness.

And, just as Medicare brought financial security and access to health care for senior citizens, so Medicaid has become a health care bill of rights for poor Americans. Before Medicaid, adequate health care was one of the many necessities that poor Americans were forced to do without. Society paid a high price for that denial of health care—in terms of unnecessary suffering, premature death, crippling illness, lost opportunity for productive lives, and worst of all, in lost hope and in the betrayal of the ideals of equality and compassion that have been among America's foremost promises to our people.

It is sad and ironic that after two decades of brilliant success, there are still some who would break the promise made by Medicare and Medicaid to our elderly and our poor.

The Reagan administration has consistently tried to turn these programs into scapegoats for the enormous budget deficits brought on by its massive tax cuts for the wealthy and excessive increases in military spending.

The benefit cuts already signed into law by the President will slash Medicare by a total of $11.5 billion over the next 5 years. Additional cuts proposed by the administration in its 1986 budget would take an additional $15.3 billion out of the pockets of our senior citizens.

The cuts enacted or proposed in Medicare total a staggering $26.8 billion between 1986 and 1990—an unconscionable $893 less in health protection for each senior citizen in America.

I believe that every elderly American deserves the same full protection promised 20 years ago when Medicare was signed into law.

Those who would cut Medicare benefits either do not know or do not care that our senior citizens are still deeply vulnerable to the high cost of health care.

Medicare currently pays for less than half of their medical costs. It does not cover long-term care, eye care, foot care, dental care, preventive care, or prescription drugs.

These gaps in coverage, combined with soaring inflation in health costs, mean that senior citizens will have to pay an average of $1,700 out of their own pockets for health care in 1985; $1 in every $7 of their limited incomes will go for health care—the same proportion they paid before Medicare was enacted in 1965. So, in a sense, we are right back where we started when Medicare was adopted—but this time we are moving in the wrong direction.

The story is the same for Medicaid. Changes in eligibility, enacted in 1981, have dropped half a million poor parents and children from the rolls. Thousands of disabled Americans have been denied disability benefits and Medicaid eligibility as a result of the Reagan administration's callous budget cuts.

And, that is only the beginning of their hardship—the administration's 1986 budget proposed to cut an incredible additional $17 billion out of Medicaid over the next 5 years.

Since 1977, the number of Americans without any health insurance coverage has increased 40 percent, to 35 million citizens. One million Americans are denied health care every year because they cannot pay for it; an additional 5 million Americans do not even seek the care they need, because they know it is too expensive. Six million Americans go without health care every year because they know they can't afford it—and that is 6 million Americans too many.

That is why this anniversary has been aptly called a "bittersweet" celebration. Our continuing pride in the achievements of Medicare and Medicaid is tempered by a growing concern for all those for whom the hope of these two essential programs has been diminished.

So let us take this occasion to renew our commitment to these twin programs that have done so much to redeem the promise of decent health care for every citizen. Let us revive the vision of those who saw the need so clearly a generation ago—and let us redouble our efforts to preserve and expand these programs for the future.

And, if we are faithful to our trust, I am convinced that this sad era of retrenchment and retreat will pass, and that, for Medicare and Medicaid, the next 20 years will be even greater than the first.

MEDICARE AFTER 20 YEARS

Mr. DIXON. Mr. President, today marks the 20th anniversary of the Medicare Progam. I think that it is most appropriate for this body to recognize the significant contribution Medicare has made to our Nation's health and well-being. In addition, I think it is most appropriate that we reaffirm our commitment to basic health care for those persons who are entitled to Social Security cash benefits and their families.

Enacted in the Social Security Act of 1935, Medicare is an insurance program which currently provides health benefits to some 30 million aged and disabled persons and persons suffering from end-stage renal disease. It is the largest health financing program in the United States and one of the largest entitlement programs in the Federal budget.

Recent increases in the cost of health care provider reimbursements have serious financial implications for the trust fund which finances Medicare. Between 1960 and today, health care costs per capita have risen four

times as much as the Consumer Price Index. Today, approximately 70 percent of Medicare spending for the elderly is for inpatient hospital care, while about 25 percent is for physician services.

According to recent estimates, before the end of the next decade the trust fund will begin to pay out more in benefits than it collects in taxes. This will cause serious problems for Medicare and threatens the protection of security against economic effects of illness. Clearly, without Medicare millions of older and disabled Americans could not afford the healing miracle or modern medicine.

In an attempt to protect the trust fund, recently, Congress made major changes in how Medicare reimburses hospitals for health care and is currently considering other proposals for the future. Additionally, Medicare beneficiaries have been required to steadily increase the amounts they pay for Medicare coverage.

As a strong supporter of Medicare, I reaffirm my commitment to making the program work for its beneficiaries in a fair and equitable economic system.

Mr. LAUTENBERG. Mr. President, I am pleased to join with my colleagues in taking note of the 20th anniversary of the signing of the Medicare law. For our senior citizens, this is an important landmark. Despite some recent erosion of benefits, Medicare offers the senior citizen of today considerable protection from the high cost of medical care. Medicare is a program to celebrate.

Twenty years ago today, President Lyndon Johnson traveled to Independence, MO, to share the signing of Medicare with former President Truman. In the tradition of Franklin Roosevelt, Truman had called for protection for our citizens against the economic effects of illness. Many forces in our society opposed Government assistance for health care. Proposals for health insurance were put forward several times, but they never commanded a majority in Congress. Finally, in 1965, Congress and the President came to agreement and the Medicare Program was born.

The promise of Medicare was made with these words: "No longer will illness crush and destroy the savings that (older Americans) have so carefully put away over a lifetime so that they might enjoy dignity in their later years." This promise is as important today as it was when it was first made. Nothing is more frightening to a senior citizens than the prospect of ill health and an inability to pay for the proper care. A humane and caring society takes care of its elderly.

Mr. President, we give recognition today to the accomplishments of Medicare, but we must also note the need to be vigilant against attempts to weaken the program. Under the pressure of our budget problems, some would ask senior citizens to pay an increasing share of their medical costs. Such proposals undercut the accomplishments of the last 20 years. If we take the time to look back at the plight of our country's senior citizens before Medicare was in effect, we can see how important it is that we never go back to those days. We must maintain the integrity of Medicare and resist efforts to take health care benefits away from senior citizens.

Mr. President, today is a time for looking back with pride. As President Truman said to the signing ceremony, "* * * the signing of the Medicare bill * * * puts this nation right where it needs to be to be right." Those plain words from a plainspoken man really sum up the meaning of Medicare. And 20 years later Medicare is still the right program to support.

Mr. KERRY. Mr. President, today we take note of the 20th anniversary of Medicare, certainly a momentous time, but also a time to reflect on the direction the program should take to the future.

The 1965 act clarified our Nation's commitment to assist in meeting the health care needs of the aged and severely disabled and this is a commitment we must continue to preserve and honor. The services covered under Medicare have extended the lives of many of the disabled and improved the quality of life of many of the elderly. The number of aged enrollees in the Medicare Program increased from 19.1 million in 1966 to 26.8 million in 1983 and the number of disabled enrollees rose from 1.7 million in 1973 to 3.1 million in 1983.

Despite these successes, problems remain. Many services needed by the elderly, especially those aged 75 and over, are not covered by Medicare. Reimbursements for covered services increased from $4.6 billion in 1967 to $58 billion in 1983. And, the gap between program outlays' and the revenue needed to support the program has grown so rapidly that the hospital insurance trust fund is expected to be depleted by 2000.

As these problems indicate, rapid changes have taken place in health care during these 20 years, with especially dramatic changes in the health care delivery system. Among other changes, numbers of physicians per capita have increased greatly and developments in medical technology have accelerated.

I believe we must view the anticipated financial problems in conjunction with the changing health care environment to revise and restructure the Medicare Program. While we maintain a constant commitment to the health needs of our Nation's elderly and disabled, we can also work to keep program expenditures within bounds that are acceptable to citizens and taxpayers. The Federal Government must be a prudent purchaser of health care, but has it within its power to influence quality of care and access to care. As we mark the 20th anniversary this year, it is appropriate that we reaffirm our commitment to these goals and we act now to what we anticipate the future will hold, rather than react to the crisis when it is upon us.

I commend my colleague from Montana for scheduling this time to celebrate the anniversary of Medicare and to express our continued support for this landmark program.

Mr. BYRD. Mr. President, I am pleased to join my distinguished colleagues today in commemorating the twentieth anniversary of the enactment of the Medicare Program. It was President Harry Truman who, in 1945, first proposed the enactment of a federally operated health insurance program, and it was 20 years later in 1965 that Medicare was signed into law by President Johnson as title XVIII of the Social Security Act.

When the Social Security Act was signed by Franklin Delano Roosevelt in August 1935, of which we soon will celebrate the 50th anniversary, he said that the act was, and I quote, "A cornerstone in the structure which is being built but it is by no means complete." It is my belief the Medicare Program was the single most important addition to the Social Security system over its first 50 years.

At the signing ceremony for Medicare at the Harry S. Truman Memorial Library in Independence, MO, former President Truman noted that it was a "responsive, forward-looking Congress" which enacted the Medicare Program despite opposition by special interest groups.

Indeed, Congress acted with great foresight—when the program took effect there were approximately 18 million Americans over the age of 65. Today, the elderly are one of the most rapidly growing segments of our society: Medicare beneficiaries now number 27 million persons who are over age 65 and 3 million who are permanently disabled. Over one-quarter million are Medicare beneficiaries in West Virginia. The relief of misery and fear among our senior citizens through the Medicare Program has made a major contribution not only to their health and well being, but to the health and well being of the Nation at a whole. President Johnson spoke of this at the signing ceremony. "No longer will older Americans be denied the miracle of modern medicine. No longer will illness crush and destroy the savings that they have so carefully put away over a lifetime so that they might enjoy dignity in their later years."

Over the intervening years, we have tried to improve the cost-effectiveness of the program. Given the growth in the population being served, it is particularly important that each dollar purchase a maximum amount of quality health care. However, our dedication to responsible spending must not remove our responsibilities to the well-being of our elderly citizens. Never again should older Americans live in fear of financial ruin or inadequate care when disease or illness strikes them. After spending a lifetime contributing to the growth and greatness of our Nation, they should be able to live with dignity and independence, outside the shadow of fear.

The Medicare Program has brought us substantially closer to this goal. Today, let us not only reflect on the events of 20 years ago, but let us also renew our commitment to the fulfillment of that vision.

MEDICARE CELEBRATES A BIRTHDAY

Mr. SIMON. Mr. President, I am pleased to join my colleague, Senator BAUCUS, today in honoring the 20th anniversary of the Medicare Program. In the last 20 years, the existence of a nationwide insurance program has benefited over 27 million aged and almost 3 million disabled individuals.

Medicare is the Nation's largest health financing program. The program itself is both a sign of hope to those whom adequate health care and medical attention would be out of reach, and a sign of strength and endurance of the greatness of this country.

Since its controversial inception in 1965, the Medicare Program has made basic health care a reality for millions of Americans. I applaud a system that works to help those who are less advantaged, by extending cash assistance to those who are in need. Accordingly, 70 percent of Medicare spending goes to the elderly for inpatient hospital care. Further, I commend a program that works effectively and equitably as Medicare.

Again, I would like to reaffirm my commitment to the Medicare Program, one of this Nation's most meaningful and effective tools in the struggle to maintain a decent standard of life for all Americans. I pledge my assistance in maintaining and promoting Medicare's continued success in the future.

Mr. PELL. Mr. President, today marks the 20th anniversary of the signing of the Medicare amendments to the Social Security Act. As we all know health care cost and the Medicare and the Medicaid systems have been at the forefront of our discussions concerning the Federal deficit.

I believe that it is important, especially during this anniversary year, to keep those discussions focused on health care for our older Americans. But I do not believe that the focus of the discussion should be how can we reduce the Federal deficit by increasing the cost of the Medicare system to the elderly. The focus of the discussion concerning the Federal deficit must be how we can contain the ever-rising cost of health care for older Americans because older Americans cannot afford another increase in premiums or copayments.

It is unfortunate, Mr. President, but it appears that there is a growing opinion that our Nation's elderly population is not suffering; that they are well off and able to pay for their health care costs. I believe that this perception is most incorrect.

Approximatley 14.1 percent of all Americans 65 and older are living in poverty. This means that approximately 3.7 million elderly citizens are living in poverty. Another 8.3 percent or 2.2 million of all citizens 65 and older are living near or at the poverty level. Additionally, 73.4 percent of elderly households have an income below $20,000 with 42.6 percent of these households having an income under $10,000. Mr. President, I believe we can all agree these are not wealthy citizens.

The median income for an elderly household is approximately $12,000. From this $12,000, the average older American must pay approximately $1,100 per year, 15 percent of their income, for health care by paying Medicare premiums that are steadily increasing and by paying supplemental insurance premiums since our Medicare system does not cover all the health care costs associated with growing old.

Mr. President, these figures show that our older citizens cannot be forced to pay a larger share of the burden of preserving the Medicare system and I must hasten to add that I believe it would be most unfair for this Nation to expect them to carry any additional financial burden. I do not believe we will save the Medicare system by increasing premiums paid by the elderly for physician services or by requiring payments for home health care. The only result of increasing these payments would be to further burden our older Americans.

Although, Mr. President, the Medicare system has not achieved the goal of providing universal care and comprehensive health for the elderly, a goal set by President Lyndon Johnson, I believe that we cannot sidestep or ignore that goal nor ignore our commitment to the elderly. We must provide a universal and comprehensive health care system for our older Americans eliminating, once and for all, the fear of older Americans that illness and proper health care lead to poverty.

TWENTIETH ANNIVERSARY OF MEDICARE AND MEDICAID

Mr. DOLE. Mr. President, today we celebrate the 20 anniversary of the Medicare and Medicaid Programs. On July 30, 1965, President Lyndon B. Johnson signed into law Public Law 89-97, the "Social Security Amendments of 1965." This momentous occasion marked the culmination of over 30 years of congressional debate on the subject of national health insurance and heralded a new era of Federal involvement in the organization, delivery, and financing of health care services for this Nation's elderly and poor. However, the impact of these two programs has gone far beyond that of simply improving access to health services for beneficiaries and a method to reimburse those who supply health services. Medicare and Medicaid have exerted a powerful influence on health and health care services for all our citizens.

MEDICARE

The Medicare Program, also known as title XVIII of the Social Security Act, is the largest single source of health care financing in the United States. At the time of its enactment in 1965, half the Nation's elderly had no health insurance at all, while many of those with health insurance had inadequate coverage. The primary purpose of the program was to provide needed health insurance protection for older people. What emerged from the often heated debate was a two-part system: One, the hospital insurance [HI] portion, referred to as part A, which helps pay the cost of inpatient hospital services, skilled nursing facility services and home health services and two, the supplementary medical insurance [SMI] portion, referred to as part B, which helps to pay for the services of physicians, outpatient hospital services, laboratory services, and other medical and related services.

Over the past two decades, we have observed the dramatic growth of Medicare from a program that covered 19.5 million people at a cost of $4 billion in 1967 to one that the Congressional Budget Office estimates will cover more than 30 million beneficiaries—98 percent of this Nation's elderly and 3 million disabled—at a projected cost of $71.3 billion in fiscal year 1985. This entitlement program is second in size only to Social Security.

MEDICAID

Less attention was given initially to the passage of title XIX of the Social Security Act—the public assistance program known as Medicaid. Earlier legislation had paved the way for this joint Federal/State partnership to finance health care services for the poor. At the time of its enactment, some form of medical assistance was already available in every State at a cost of $1.3 billion in 1965. Medicaid was viewed as a logical consolidation of the Old Age Assistance Program, Medical Assistance for the Aged, Aid to Families With Dependent Children, and Aid to the Blind and the Permanently and Totally Disabled.

Like the Medicare Program, the Medicaid Program quickly far exceeded projected expenditures. Last year, the joint Federal/State outlays totaled $37.3 billion and the number of individuals participating was estimated to be 24 million.

COST CONTROL

It is interesting to note that since the enactment of titles XVIII and XIX of the Social Security Act, Congress has repeatedly struggled to balance its pursuit of ensuring quality medical care services to beneficiaries while controlling costs. In its 1970 report on the then new Medicare law, the Senate Finance Committee prophetically stated that it was—

> Particularly concerned that the utilization and review function is carried out in a manner that protects the patients while at the same time making certain that they remain in the hospital only so long as is necessary, and that every effort be made to move patients from the hospital to other facilities which can provide less expensive but equal care to meet their current medical needs.

Their early concerns are equally pertinent today.

Early in Medicare and Medicaid's history, the Congress and the administration began a series of legislative attempts to rein in costs while continuing efforts to foster quality care.

In response to ever-escalating costs, the Nixon administration instituted wage and price controls supported the development of health maintenance organizations. The PSRO Program was also put into place to help assure that only necessary and appropriate services were provided. The Carter administration proposed a limit on the increase in total inpatient revenues of hospitals and Congress also expanded coverage of home health services, and urged the use of ambulatory care settings to serve as a substitute for inpatient hospitalization. During the Reagan administration, the PSRO was revamped, limits were placed on Medicare hospital expenditures, and physician fees, and we began to examine ways to encourage beneficiaries to retain their private health insurance coverage for as long as possible. Increased beneficiary cost sharing and a renewed emphasis on the value of health maintenance organizations and other capitated health care systems and the use of ambulatory services also emerged. Coverage of hospice services was also made available.

With respect to Medicare in particular, because it is funded by a trust fund, it has been in all of our best interests to assure that costs were kept under control and the fund kept solvent.

With respect to Medicaid, a short term limit on total Federal expenditures was put into Place in 1981 and increasing flexibility was given to the States to implement rate-setting systems, capitated systems, and other methods of payment that encouraged both the provider and the patient to be cost conscious.

However, the most dramatic development in the area of cost containment has been the advent of the Medicare prospective payment system. After years of attempts to control cost, in 1983 the Congress turned to a system of prospectively determined rates which put the provider at risk and thus created new incentives to encourage change in the way services are provided.

Let me underscore, however, our continuing interest throughout the years, in maintaining access to quality services for the poor, elderly and disabled.

TWENTY YEARS OF PROGRESS

Much of our significant gains in life expectancy, improvement in the quality of life, and decreases in infant mortality can be directly attributed to the passage of the Social Security Amendments of 1965. The Medicare and Medicaid Programs have played a central role in improving both access to and quality of health care services for the country's elderly, poor, and disabled. Equally significant, it may be argued that Medicare and Medicaid have provided a foundation for the phenomenal growth and dissemination of new medical technologies that now contribute to the well-being of all the people of all nations.

CONCLUSION

We are now charged with the responsibility of assuring that these programs continue to serve those who depend upon them—both now and in the future. We have seen very real threats to the solvency of the health insurance trust fund, and we are continually being challenged by our efforts to control the Federal deficit. Clearly changes will need to be made as none of the solutions to the cost control problem put into place to date are perfect, including the DRG's, but we must continue to try.

We must also keep in mind the changing nature and size of the populations being served by these programs. Medicare, for example, has to contend with a rapidly growing population of the so-called old-old who may, over time, have very different service needs than those for whom we currently finance care.

Medicaid is also faced with a crisis of priorities. Fewer and fewer dollars are being directed toward the infants, children, and pregnant women eligible for the program because of the growing demand for long-term care services.

The changing nature of health care technology is also forcing us to reexamine the type and range of services we are willing to finance. What role should homecare play given the extraordinary number of people who can now be cared for in this setting? Should we move away from a traditional illness orientation toward more preventive kinds of services? What should the Federal role be with respect to the financing of long-term care services? Should Medicare review its "acute-care-only" policy?

I believe we can and will maintain these programs so that our investment in these programs and the beneficiaries they serve may continue long into the future.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, let me indicate again that there will be no more votes this evening. We have a number of matters we can dispose of by unanimous consent.

I wish to thank all Members for their cooperation and members of the staff on both the majority and minority sides.

If the distinguished minority leader is ready, I will start on the first bill.

Mr. BYRD. Mr. President, I am ready.

VETERANS' ADMINISTRATION HEALTH CARE PROGRAMS IMPROVEMENT ACT

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Order No. 220, S. 876, the veterans health care bill.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

> A bill (S. 876) to amend title 38, United States Code, to establish, extend, and improve certain Veterans' Administration health care programs.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Veterans' Affairs, with an amendment to strike out all after the enacting clause, and insert the following:

That (a) this Act may be cited as the "Veterans' Administration Health-Care Programs Improvement Act of 1985".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—PILOT PROGRAMS

PILOT PROGRAM OF VIETNAM VETERAN RESOURCE CENTERS

SEC. 101. Section 612A is amended by adding at the end the following new subsection:

"(h)(1) In order to evaluate the effectiveness, feasibility, and desirability of providing veterans eligible for readjustment counseling under this section with additional services described in paragraph (2) of this subsection, through facilities furnishing such counseling, the Administrator, during the period beginning January 1, 1986, and ending December 31, 1988, shall conduct a pilot program to provide and coordinate the provision of such additional services.

"(2) The additional services referred to in paragraph (1) of this subsection that shall be provided and coordinated under such pilot program are—

"(A) counseling with respect to and assistance in applying for all benefits and services under laws administered by the Veterans' Administration for which veterans participating in the pilot program may be eligible;

"(B) employment counseling, training, placement, and related services described in sections 2003 and 2003A of this title or provided under any other laws administered by the Secretary of Labor;

"(C) initial intake and referral services with respect to alcohol or drug dependence or abuse disabilities and followup services for veterans who have received treatment for such dependence or abuse disabilities; and

"(D) coordination assistance for veterans participating in the pilot program with respect to such veterans' receipt of (i) services provided under the pilot program, and (ii) other benefits and services provided under laws administered by the Veterans' Administration, the Secretary of Labor, or any other Federal agency or official.

"(3)(A) In order to carry out the pilot program under this subsection, the Administrator shall—

"(i) designate as demonstration projects ten facilities which, on the date of the enactment of this section are providing readjustment counseling (which projects shall be referred to as Vietnam Veteran Resource Centers (hereinafter in this subsection referred to as 'Centers')),

"(ii) provide such additional staff and other resources as are necessary to enable such Centers to provide the services referred to in paragraph (2) (A), (C), and (D) of this subsection, and

"(iii) notify the Secretary of Labor of the need for the assignment, pursuant to subparagraph (B)(ii) of this paragraph, of personnel to provide the services described in paragraph (2)(B) of this subsection at such Centers.

"(B)(i) The Administrator shall be responsible for coordinating the assignment and use of employees, on full- or part-time bases, as appropriate, in each Center and, shall in carrying out that responsibility, make maximum feasible use of the Veterans' Administration employees who are providing services at each facility on the date it is designated as a Center under this subsection.

"(ii) The Secretary of Labor shall provide for the assignment to each Center, on full- or part-time bases, as appropriate, of disabled veterans' outreach specialists appointed pursuant to section 2003A of this title or employees on the staffs of local employment service offices who are assigned to perform services pursuant to section 2004 of this title.

"(4)(A) In order to ensure appropriate guidance, coordination, implementation, and assessment of the pilot program under this subsection, the Administrator shall establish, and provide appropriate staffing and other resources for, a Vietnam Veteran Resource Center Coordinating Committee (hereinafter in this subsection referred to as the 'Committee').

"(B) The Committee shall be composed of—

"(i) a member or members appointed by and representing the Administrator;

"(ii) a member or members appointed by and representing the Chief Medical Director;

"(iii) a member or members appointed by and representing the Chief Benefits Director; and

"(iv) a member appointed by and representing the Assistant Secretary of Labor for Veterans' Employment.

"(C) Not less frequently than every 6 months, the Committee shall report to the Administrator, the Chief Medical Director, the Chief Benefits Director, and the Assistant Secretary of Labor for Veterans' Employment on the implementation and status of the pilot program. The first such report shall be submitted not later than June 30, 1986.

"(5) After the Committee is established pursuant to paragraph (4) of this subsection, the Administrator may delegate to the Chief Medical Director the responsibility for carrying out the pilot program.

"(6)(A) Not later than April 1, 1987, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the experience under the pilot program during its first 15 months of operation. The report shall include—

"(i) the Administrator's assessment of—

"(I) the effectiveness of the pilot program in providing and coordinating the provision of the services described in paragraph (2) of this subsection and counseling and services furnished under subsections (a) and (b) of this section; and

"(II) the cost-effectiveness of the program;

"(ii) a description of any administrative actions that the Administrator plans to take generally to increase the coordination of the provision of such services to eligible veterans and to other veterans;

"(iii) any recommendations for legislation, relating to the provision of such services to eligible veterans and to other veterans, that the Administrator considers appropriate; and

"(iv) a comparison of such assessment, plans, and recommendations with the evaluation of and the recommendations relating to the readjustment counseling program included in the report required by subsection (g)(2) of this section.

"(B) Not later than April 1, 1989, the Administrator shall submit to such Committees a final report on the program. The report shall include updates of all information provided in the report submitted pursuant to subparagraph (A) of this paragraph, the Administrator's final assessment of the pilot program based on 36 months of operation, and any recommendation for administrative or legislative action that the Administrator considers appropriate to include in the report.".

PILOT PROGRAM OF COMMUNITY-BASED PSYCHIATRIC RESIDENTIAL TREATMENT FOR CHRONICALLY MENTALLY ILL VETERANS

SEC. 102. (a) Subchapter II of chapter 17 is amended by adding at the end the following new section:

"§ 620B. Community-based psychiatric residential treatment for chronically mentally ill veterans; pilot program

"(a)(1) The Administrator, in furnishing hospital, nursing home, and domiciliary care and medical and rehabilitative services under this chapter, may, during the period beginning January 1, 1986, and ending December 31, 1989, conduct a pilot program under which the Administrator may contract for care and treatment and rehabilitative services in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities (hereinafter in the section referred to as 'contract facilities') for eligible veterans suffering from chronic mental illness disabilities. Such pilot program shall be planned, designed, and conducted by the Chief Medical Director, with the approval of the Administrator, so as to demonstrate (A) any medical advantages and cost-effectiveness that may result from furnishing such care and services to veterans with such disabilities in such contract facilities rather than in inpatient facilities over which the Administrator has direct jurisdiction, and (B) the potential, as a result of the furnishing of such care and services, for enabling such veterans to live in settings other than inpatient facilities.

"(2) Before furnishing such care and services to any veteran through a contract facility, the Administrator shall approve (in accordance with criteria which the Administrator shall prescribe by regulation) the quality and effectiveness of the program operated by such facility for the purpose for which such veteran is to be furnished such care and services.

"(b) In the case of each eligible veteran provided care and services under this section, the Administrator shall designate a Veterans' Administration employee to provide case management services.

"(c) The Administrator may provide in-kind assistance (through the services of Veterans' Administration employees and the sharing of other Veterans' Administration resources) to a contract facility under this section. Any such in-kind assistance shall be provided under a contract between the Veterans' Administration and the contract facility. The Administrator may provide such assistance only for use solely in the furnishing of appropriate services under this section and only if, under such contract, the Veterans' Administration receives reimbursement for the full cost of such assistance, including the cost of services and supplies and normal depreciation and amortization of equipment. Such reimbursement may be made by reduction in the charges to the United States or by payment to the United States. Any funds received through such reimbursement shall be credited to funds allotted to the Veterans' Administration facility that provided the assistance.

"(d) For the purposes of this section—

"(1) The term 'eligible veteran' means a veteran who at the time of referral to a contract facility—

"(i) is being furnished hospital, domiciliary, or nursing home care from the Veterans' Administration for a service-connected chronic mental illness disability, or

"(ii) is being furnished such care from the Veterans' Administration for a chronic mental illness disability and is a veteran described in section 612(f)(2) of this title.

"(2) The term 'case management' includes the coordination and facilitation of all services furnished to a veteran by the Veterans' Administration, either directly or through a contract, including, but not limited to, screening, assessment of needs, planning, referral (including referral for services to be furnished by the Veterans' Administration, either directly or through a contract, or by an entity other than the Veterans' Administration), monitoring, reassessment, and followup.

"(e)(1) Not later than February 1, 1989, the Administrator shall submit to the Com-

mittees on Veterans' Affairs of the Senate and the House of Representatives an interim report on the experience under the pilot program during the first 36 months of the program. The report shall include the Administrator's interim evaluation and findings regarding—

"(A) the quality of care furnished to participating veterans through contract facilities;

"(B) the effectiveness of the pilot program in enabling the participating veterans to live outside of Veterans' Administration inpatient facilities and to achieve independence in living and functioning in their communities; and

"(C) the effect of the pilot program on the average daily census in the Veterans' Administration hospitals, nursing homes, and domiciliary facilities participating in the program (taking into account whether the beds previously occupied by the participating veterans were subsequently occupied by other eligible veterans or remained unoccupied).

"(2) Not later than April 1, 1990, the Administrator shall submit to such Committees a final report on the pilot program. The report shall include updates of all information provided in the interim report submitted pursuant to paragraph (1) of this subsection, the Administrator's final evaluation, findings, and conclusions regarding the program based on 48 months of operation, and any recommendations for administrative or legislative action that the Administrator considers appropriate to include in such report.".

(b) The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 620A the following new item:

"620B. Community-based psychiatric residential treatment for chronically mentally ill veterans; pilot program.".

PILOT PROGRAM OF NONINSTITUTIONAL ALTERNATIVES TO INSTITUTIONAL CARE

SEC. 103. (a) Subchapter II of chapter 17 is further amended by adding at the end the following new section:

"§ 620C. Noninstitutional alternatives to institutional care; pilot programs

"(a)(1) In order to evaluate the effectiveness, feasibility, and desirability of various actions that would obviate the need for furnishing hospital, nursing home, or domiciliary care to veterans eligible under this chapter for and otherwise in need of such care, the Administrator, during the period beginning January 1, 1986, and ending December 31, 1989, and subject to subsection (c) of this section, shall conduct a pilot program under which such veterans will be furnished at ten demonstration project sites medical, rehabilitative, and health-related services in noninstitutional settings. Not less than five of such projects shall involve the use of a geriatric evaluation unit at a Veterans' Administration health-care facility.

"(2) In selecting veterans for participation in the program, the Administrator shall accord priority to veterans who have service-connected disabilities, to veterans who are 65 years of age or older, and to veterans who are totally and permanently disabled.

"(b)(1)(A) In order to avoid duplication of services available from the Veterans' Administration and other sources to veterans participating in the pilot program and to avoid fragmentation of effort under the program, the Administrator shall in the conduct of the program (i) furnish appropriate health-related services solely through contracts with appropriate public and private agencies that provide such services, and (ii) in the case of each veteran furnished services under the program, appoint a Veterans' Administration employee to furnish case management services.

"(B) For the purposes of subparagraph (A) of this paragraph, 'case management' includes the coordination and facilitation of all services furnished to a veteran by the Veterans' Administration, either directly or through a contract, including, but not limited to, screening, assessment of needs, planning, referral (including referral for services to be furnished by the Veterans' Administration, either directly or through a contract, or by an entity other than the Veterans' Administration), monitoring, reassessment, and followup.

"(2) In order further to avoid such duplication and fragmentation and in order to evaluate the cost-effectiveness of utilizing certain health services of agencies other than the Veterans' Administration in cases in which no Veterans' Administration facility in the vicinity of a demonstration project provides such services, the Administrator, in not more than two of the projects, may utilize appropriate health services of appropriate public and private agencies that furnish such services.

"(3) The Administrator may provide in-kind assistance (through the services of Veterans' Administration employees and the sharing of other Veterans' Administration resources) to a facility furnishing services to veterans under paragraph (1)(A) of this subsection. Any such in-kind assistance shall be provided under a contract between the Veterans' Administration and the facility concerned. The Administrator may provide such assistance only for use solely in the furnishing of appropriate services under this section and only if, under such contract, the Veterans' Administration receives reimbursement for the full cost of such assistance, including the cost of services and supplies and normal depreciation and amortization of equipment. Such reimbursement may be made by reduction in the charges to the United States or by payment to the United States. Any funds received through such reimbursement shall be credited to funds allotted to the Veterans' Administration facility that provided the assistance.

"(c)(1) The total cost of conducting the pilot program under this section shall not exceed 60 percent of the cost that would have been incurred by the Veterans' Administration during the period of the pilot program if the veterans being furnished services under the pilot program had been furnished, instead, nursing home care under section 610 of this title. In any one fiscal year, the cost of carrying out the pilot program shall not exceed 65 percent of the cost that would have been so incurred for such year under such section 610.

"(2) Expenditures for services furnished to veterans under the pilot program shall be made from appropriated funds that would otherwise have been expended to provide intermediate hospital care to eligible veterans.

"(d)(1) The Administrator shall conduct a study of the pilot program to determine with respect to the participating veterans—

"(A) the feasibility, medical advantages, and cost-effectiveness of the services furnished under the program as an alternative to hospital, nursing home, or domiciliary care; and

"(B) the extent to which such a program can—

"(i) furnish such veterans with more appropriate kinds and levels of care than they would otherwise receive;

"(ii) reduce hospital, nursing home, or domiciliary facility admission rates for such veterans;

"(iii) reduce the number of days that such veterans are institutionalized;

"(iv) reduce mortality rates among such veterans; and

"(v) reduce the cost of long-term care for such veterans under this chapter.

"(2) Not later than February 1, 1989, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives an interim report on the study required by paragraph (1) of this subsection setting forth the Administrator's findings based on the results of the study of the program's first 36 months experience. The report shall include a description of the administration of the program (including a description of the veterans furnished services and of the services furnished under the pilot program), the Administrator's interim evaluation of and findings on the program (including the matters referred to in paragraph (1) of this subsection), and any recommendations for administrative or legislative action that the Administrator considers appropriate to include in the report.

"(3) Not later than April 1, 1990, the Administrator shall submit to such Committees a final report on the study required by paragraph (1) of this subsection. The report shall include updates of all information provided in the interim report submitted pursuant to paragraph (2) of this subsection, the Administrator's final evaluation, findings, and conclusions regarding the program based on 48 months of operation (in the context of an assessment, which the report shall contain, of the needs of older eligible veterans for noninstitutional health and health-related services and of the availability of such services from non-Veterans' Administration sources), and any recommendations for administrative or legislative action that the Administrator considers appropriate to include in the report.".

(b) The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 620B (as added by section 9(b) of the Act) the following new item:

"620C. Noninstitutional alternatives to institutional care; pilot program.".

CHIROPRACTIC SERVICES PILOT PROGRAM

SEC. 104. (a)(1) Subchapter III of chapter 17 is amended by adding at the end the following new section:

"§ 630A. Chiropractic services; pilot program

"(a) The Administrator, subject to the provisions of this section, shall conduct a pilot program consisting of not less than one demonstration project in each of five geographic regions of the United States during the period beginning January 1, 1986, and ending December 31, 1988—

"(1) to furnish certain chiropractic services to veterans eligible for medical services under this chapter; and

"(2) to evaluate the therapeutic benefits and the cost-effectiveness of furnishing such chiropractic services to such veterans.

In developing the pilot program, the Administrator shall consult with the Secretary of Defense regarding the demonstration projects carried out by the Secretary under section 632(b) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 1092 note).

"(b)(1) The Administrator shall, subject to subsection (c) of this section and under regulations which the Administrator shall prescribe, reimburse a veteran eligible for medical services under this chapter for the reasonable charge for chiropractic services furnished to the veteran under the demonstration projects carried out under subsection (a) of this section, for which such veteran has made payment, if—

"(A) such chiropractic services were for the treatment of a service-connected neuromusculoskeletal condition of the spine,

"(B) the veteran is a veteran who has been furnished hospital care by the Veterans' Administration for a neuromusculoskeletal condition of the spine within a 12-month period prior to the furnishing of such chiropractic services, or

"(C) the veteran is a veteran described in section 612(f)(2) of this title who has been furnished hospital care or medical services by the Veterans' Administration for a neuromusculoskeletal condition of the spine,

to the extent that such veteran is not entitled to such chiropractic services or reimbursement for the expenses of such services under an insurance policy or contract, medical or hospital service agreement, membership or subscription contract, or similar arrangement for the purpose of providing, paying for, or reimbursing expenses for such services.

"(2) The Administrator may, in lieu of reimbursing a veteran for a reasonable charge for chiropractic services under paragraph (1) of this subsection, make payment of the reasonable charge for such chiropractic services directly to the chiropractor who furnished such services.

"(c)(1) The Administrator shall, in consultation with appropriate public and nonprofit private organizations and other Federal departments and agencies that provide reimbursement for chiropractic services, establish a schedule of reasonable charges for chiropractic services furnished under the demonstration projects carried out under subsection (a) of this section. Such schedule shall be consistent with the reasonable charges allowed under section 1842 of the Social Security Act (42 U.S.C. 1395u).

"(2) The amount payable by the Administrator for chiropractic services furnished under such demonstration projects shall not exceed $600 in any 12-month period in the case of any veteran.

"(d)(1) Notwithstanding any other provision of this title, total expenditures for chiropractic services reimbursed under this section shall not exceed $2,000,000 in any fiscal year.

"(2) Expenditures for such services shall be made from appropriations that would otherwise have been expended for travel and incidental expenses under section 111 of this title.

"(e) Not later than April 1 of each of the years 1987, 1988, and 1989, the Administrator shall prepare and submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives an annual report on the pilot program carried out under this section during the preceding fiscal year. Each such report shall include for such fiscal year—

"(1) the number of requests made by eligible veterans for reimbursement or payment for chiropractic services under this section and the number of such veterans who made such requests;

"(2) the number of such reimbursements or payments made and the number of veterans to or for whom such reimbursements or payments were made; and

"(3) the total amount of the expenditures for such reimbursements and payments.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 630 the following new item:

"630A. Chiropractic services; pilot program.".

(b) Section 601 is amended by adding at the end the following new paragraph:

"(9) The term 'chiropractic services' means the manual manipulation of the spine performed by a chiropractor (who is licensed as such by the State in which he or she performs such services and who meets the uniform minimum standards promulgated for chiropractors under section 1861(r)(5) of the Social Security Act (42 U.S.C. 1395x(r)(5))) to correct a subluxation of the spine. For the purposes of this paragraph, such term does not include physical examinations, laboratory tests, radiologic services, or other tests or services determined by the Administrator to be excluded.".

TITLE II—EXTENSIONS OF AUTHORITIES AND ELIGIBILITIES

DEFINITION OF VIETNAM ERA

SEC. 201. (a) Section 101(29) is amended to read as follows:

"(29) The term 'Vietnam era' means (A) the period beginning on August 5, 1964, and ending on May 7, 1975, and (B) the period beginning on February 21, 1961, and ending on May 7, 1975, in the case of a veteran who served in the Republic of Vietnam during such period.".

(b) The amendment made by subsection (a) shall take effect on October 1, 1985.

EXTENSION OF INTERIM HEALTH-CARE ELIGIBILITY BASED ON EXPOSURE TO DIOXIN OR OTHER TOXIC SUBSTANCES IN VIETNAM OR TO NUCLEAR RADIATION

SEC. 202. Paragraph (3) of subsection (e) of section 610 is amended to read as follows:

"(3) Hospital and nursing home care and medical services may not be provided under or by virtue of subsection (a)(5) of this section after September 30, 1989.".

COUNSELING FOR FORMER PRISONERS OF WAR

SEC. 203. (a)(1) Subchapter II of chapter 17 is further amended by adding after section 612A the following new section:

"§ 612B. Eligibility for counseling for former prisoners of war

"The Administrator may establish a program under which, upon the request of a veteran who is a former prisoner of war, the Administrator may, within the limits of Veterans' Administration facilities, furnish counseling to such veteran to assist such veteran in overcoming the psychological effects of such veteran's detention or internment as a prisoner of war.".

(2) The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 612A, the following:

"612B. Eligibility for counseling for former prisoners of war.".

(b) The amendments made by subsection (a) shall take effect on October 1, 1985.

ALCOHOL AND DRUG TREATMENT AND REHABILITATION

SEC. 204. (a) Section 620A is amended—

(1) in subsection (a)(1), by striking out "pilot" both places it appears;

(2) in subsection (e)—

(A) by striking out "fifth" and inserting in lieu thereof "eighth"; and

(B) by striking out "pilot";

(3) by amending subsection (f) to read as follows:

"(f)(1) The Administrator shall monitor the performance of each contract facility furnishing care and services under the program carried out under subsection (a) of this section to determine—

"(A) with respect to the program, the medical advantages and cost-effectiveness that result from furnishing such care and services;

"(B) with respect to the contract facilities generally—

"(i) the level of success under the program, considering—

"(I) the rate of successful rehabilitation for veterans furnished care and services under the program;

"(II) the rate of readmission to contract facilities under the program or to Veterans' Administration health-care facilities by such veterans with respect to disabilities referred to in subsection (a) of this section;

"(III) whether the care and services furnished under the program obviated the need of such veterans for hospitalization for such disabilities;

"(IV) the average duration of the care and services furnished such veterans under the program;

"(V) the ability of the program to aid in the transition of such veterans back into their communities; and

"(VI) any other factors that the Administrator considers appropriate;

"(ii) the total cost for the care and services furnished by each contract facility under the program;

"(iii) the average cost per veteran for the care and services furnished under the program; and

"(iv) the appropriateness of such costs, by comparison to—

"(I) the average charges for the same types of care and services furnished generally by other comparable halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities; and

"(II) the historical costs for such care and services for the period of time that the program carried out under subsection (a) of this section was a pilot program, taking into account economic inflation.

"(2) Not later than February 1, 1988, the Administrator shall transmit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the experience under the program during the preceding 4 fiscal years, including, but not limited to (A) a description of the care and services furnished, (B) the matters referred to in paragraph (1) of this subsection, and (C) the Administrator's findings, assessment, and recommendations regarding the program conducted under this section."; and

(4) by amending the catchline to read as follows:

"§ 620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities".

(b) The item relating to such section in the table of sections at the beginning of chapter 17 is amended to read as follows:

"620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities.".

TITLE III—HEALTH-CARE MANAGEMENT

VETERANS' ADMINISTRATION GRADE REDUCTION

SEC. 301. (a) Section 210(b) is amended by adding at the end the following new paragraph:

"(3)(A)(i) The Administrator may not in fiscal year 1986 or any subsequent fiscal year implement a grade reduction described in division (ii) of this subparagraph unless the Administrator first submits to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report containing a detailed plan for such reduction and a detailed justification for the plan, including a determination by the Administrator, together with data supporting such determination, that, in the personnel area concerned, the Veterans' Administration has a disproportionate number of employees at the salary grade or grades selected for reduction in comparison to the number of such employees at the salary levels involved who perform comparable functions in other departments and agencies of the Federal Government and in non-Federal entities. Any such report shall be submitted not later than the beginning of a period of 90 calendar days (not including any day on which either House of Congress is not in session) prior to the implementation of any proposed grade reduction.

"(ii) A grade reduction referred to in division (i) of this subparagraph is a systematic reduction, for the purpose of reducing the average salary cost for Veterans' Administration employees described in division (iii) of this subparagraph, in the number of such Veterans' Administration employees at any specific grade level.

"(iii) The employees referred to in division (ii) of this subparagraph include—

"(I) health-care personnel who are determined by the Administrator to be providing either direct patient-care services or services incident to direct patient-care services; and

"(II) individuals who meet the definition of professional employee as set forth in section 7103(a)(15) of title 5 and are employed in the capacity of engineers or attorneys.

"(B) Not later than the forty-fifth day after the Administrator submits a report pursuant to subparagraph (A) of this paragraph, the Comptroller General of the United States shall submit to such Committees on Veterans' Affairs a report on the Administrator's compliance with such subparagraph and shall include in the report the Comptroller General's opinion as to the accuracy of the Administrator's determination (and of the data supporting such determination) made pursuant to such subparagraph.

"(C) In the case of Veterans' Administration employees not described in division (iii) of subparagraph (A) of this paragraph, the Administrator may not in any fiscal year implement a systematic reduction for the purpose of reducing the average salary cost for such Veterans' Administration employees that will result in a reduction in the number of such Veterans' Administration employees at any specific grade level at a rate greater than the rate of the reductions systematically being made in the numbers of employees at such grade level in all other agencies and departments of the Federal Government combined.".

MEDICAL QUALITY-ASSURANCE RECORDS

SEC. 302. Section 3305 is amended—

(1) in subsection (a), by adding a comma and "other than reports submitted pursuant to section 4152 of this title," after "program"; and

(2) in subsection (b), by adding at the end the following new paragraph:

"(6) Nothing in this section shall be construed as authorizing or requiring withholding from any person or entity the disclosure of statistical information regarding Veterans' Administration health-care programs (including information on aggregate morbidity and mortality rates associated with specific activities at individual Veterans' Administration health-care facilities) that does not implicitly or explicitly identify individual Veterans' Administration patients or employees, or individuals who participated in the conduct of a medical quality-assurance review.".

DISCIPLINARY BOARD ACTION INVOLVING CLINICAL PRIVILEGES

SEC. 303. Section 4110 is amended by adding at the end the following new subsections:

"(f) This section applies in any case in which a reduction or revocation of the clinical privileges of any person employed in a position described in paragraph (1) of section 4104 of this title is proposed by reason of a charge of inaptitude, inefficiency, or misconduct. A disciplinary board may recommend and the Administrator may impose a reduction or revocation of clinical privileges only (1) in a case in which, prior to the hearing under this section, such person has been provided with notice of the proposal to reduce or revoke such privileges, and (2) on the basis of deficiency in such person's clinical practice.

"(g) Nothing in this section shall limit the Administrator's authority to protect the health and safety of veterans by temporarily reassigning an employee for the purpose of suspending the employee's exercise of clinical privileges, or for the purpose of otherwise restricting the employee's clinical activities, pending the outcome of a proceeding under this section.".

QUALITY ASSURANCE AND CREDENTIALING

SEC. 304. (a) Chapter 73 is amended by adding at the end the following new subchapter:

"Subchapter V—Quality Assurance

"§ 4151. Responsibilities for quality assurance

"(a) The Administrator shall—

"(1) establish and conduct a comprehensive quality-assurance program to monitor and evaluate the quality of health care furnished by the Department of Medicine and Surgery;

"(2) delineate the responsibilities of the Department of Medicine and Surgery with respect to the conduct of the Veterans' Administration quality-assurance program; and

"(3) allocate sufficient resources, and sufficient personnel with the necessary skills and qualifications, to enable the Department of Medicine and Surgery to carry out such delineated quality-assurance responsibilities.

"(b) The Inspector General of the Veterans' Administration shall allocate sufficient resources, and sufficient personnel with the necessary skills and qualifications, to enable the Inspector General to monitor the quality-assurance program conducted by the Department of Medicine and Surgery.

"(c) The Administrator shall, as part of the comprehensive quality-assurance program established and conducted pursuant to subsection (a)(1) of this section, require the Chief Medical Director—

"(1) in consultation with the Assistant Secretary of Defense for Health Affairs and the Surgeons General of the Armed Forces and other appropriate professional bodies, to establish and maintain a compilation of prevailing national mortality and morbidity standards for each type of surgical procedure conducted by the Department of Medicine and Surgery;

"(2)(A) to collect data on mortality and morbidity rates for each surgical procedure, conducted by the Department of Medicine and Surgery; and

"(B) to compile such data for inclusion in the report to be submitted pursuant to section 4152 of this title (i) for each cardiac surgery, heart transplant, and renal transplant program, and (ii) in the aggregate, for each other such surgical procedure;

"(3) to—

"(A) compare the data so compiled to the standards compiled pursuant to clause (1) of this subsection,

"(B) make an analysis of the relationship between such data and the (i) characteristics of the patient population, (ii) the level of risk for the procedure involved, based on patient age, the type and severity of the disease, the effect of any complicating diseases, and the degree of difficulty of the procedure, and (iii) any other factors that the Chief Medical Director considers appropriate,

"(C) evaluate such data in light of the factors described in divisions (i) through (iii) of subclause (B) of this clause in order to determine whether there are any significant deviations from the standards that would indicate deficiencies in the quality of care, and

"(D) explain any such deviations; and

"(4) to make any recommendations based on data compiled and the comparisons, analyses, evaluations, and explanations made pursuant to clause (3) of this subsection.

"§ 4152. Reports

"(a) Not later than January 1 of 1987, 1989, and 1991, the Chief Medical Director shall submit a report to the Administrator on the experience through the end of the prior fiscal year under the quality-assurance program carried out pursuant to section 4151(a) of this title. Each such report shall include the data compiled and the comparisons, analyses, evaluations, and explanations made pursuant to subsection (c)(3) of section 4151 of this title with respect to the period covered by such report and any recommendations made pursuant to subsection (c)(4) of such section. Not later than 60 days after receiving each such report, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a copy of the report, together with any comments concerning the report that the Administrator considers appropriate.

"(b) A report submitted pursuant to subsection (a) of this section shall not be considered a record or document as described in section 3305(a) of this title.".

(b) The table of sections at the beginning of chapter 73 is amended by adding at the end the following:

"SUBCHAPTER V—QUALITY ASSURANCE

"4151. Responsibilities for quality assurance.

"4152. Reports.".

(c)(1) Not later than 90 days after the date of the enactment of this Act, the Administrator of Veterans' Affairs shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report describing in detail the Veterans' Administration's current efforts and future plans for monitoring the creden-

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tials of Veterans' Administration health-care professionals.

(2) The report required to be submitted by paragraph (1) shall include a description of the Veterans' Administration's policies, procedures, and formal arrangements regarding the exchange of relevant information with—

(A) appropriate State medical or other health-professional licensing bodies;

(B) the Federation of State Medical Boards;

(C) the American Medical Association; and

(D) such other public or private entities as the Administrator considers appropriate that are involved with the issuance or monitoring of health-care professional licenses in order (i) to determine the current and past licensure and clinical privilege status for those health-care professionals who are seeking employment with or who are currently employed by the Veterans' Administration, and (ii) to provide appropriate information to such entities about each health-care professional whose employment with the Veterans' Administration is terminated—

(I) following the completion of a disciplinary action relating to such health-care professional's clinical competence,

(II) voluntarily after having had such health-care professional's clinical privileges restricted or revoked, or

(III) voluntarily after serious concerns about such health-care professional's clinical competence have been raised but not resolved.

(3) With reference to any policies, procedures, or formal arrangements described in paragraph (2) which have not been implemented at the time the report required to be submitted by paragraph (1) is submitted to the Committees, the Administrator shall include in the report a timetable for the implementation of such policies, procedures, and arrangements and shall thereafter report to the Committees on implementation progress every 3 months until full implementation is achieved, at which point a final such report shall be submitted to the Committees.

TITLE IV—MEDICAL FACILITY CONSTRUCTION AND PLANNING

PART A—PERMANENT ANNUAL AUTHORIZATION PROCESS

ANNUAL VETERANS' ADMINISTRATION MEDICAL FACILITY CONSTRUCTION AUTHORIZATIONS

SEC. 401. (a) Section 5004 is amended—

(1) in subsection (a)—

(A) in clause (1), by striking out "unless each committee has first adopted a resolution approving such construction, alteration, or acquisition and setting forth the estimated cost thereof; and" and inserting in lieu thereof "except as authorized by a law based on legislation reported from the committees setting forth the amount that may be appropriated and expended for such construction, alteration, or acquisition;"; and

(B) by redesignating clause (2) as clause (4) and inserting the following new clauses (2) and (3):

"(2) no funds may be expended to construct, remodel, extend, or acquire, or develop preliminary plans (except to the extent necessary to develop project requirements) for, a medical facility for the furnishing of hospital care if the construction, remodeling, extension, or acquisition involves a total expenditure of more than $20,000,000, except as authorized by a law based on legislation reported from the committees;

"(3) no new or replacement medical facility shall be constructed or acquired within excess of 700 hospital beds and no project that involves a total expenditure of more than $20,000,000 for remodeling or extending a medical facility for the furnishing of hospital care shall be undertaken if upon completion of such project the number of hospital beds at the facility would exceed 700; and";

(2) by amending subsection (c) to read as follows:

"(c) The contract price for any construction, alteration, lease, or other acquisition that is approved by a law or resolutions described in subsection (a) of this section may exceed the amount set forth pursuant to such subsection in the pertinent provisions of such law or resolutions by an amount determined by multiplying such amount by the lesser of (1) the percent, if any, as determined by the Administrator, by which construction, alteration, lease, or other acquisition costs, as the case may be, increased from the date of such approval to the date of contract, or (2) 10 percent."; and

(3) in subsection (d) by striking out "for construction, alteration, lease, or other acquisition by each committee under subsection (a) of this section" and inserting in lieu thereof "by each committee under subsection (a) of this section for a lease".

(b)(1) Except as provided in paragraph (2) of this subsection, the amendments made by subsection (a) shall take effect on October 1, 1986.

(2) The amendments made by subsection (a)(1) shall take effect with respect to appropriations for fiscal year 1987 but shall not apply with respect to appropriations or expenditures for the construction, alteration, or acquisition of a medical facility if such construction, alteration, or acquisition was approved in resolutions adopted by the Committees on Veterans' Affairs of the Senate and the House of Representatives prior to September 30, 1985.

VETERANS' ADMINISTRATION HOSPITAL FACILITY PLANNING

SEC. 402. (a) Subchapter I of chapter 81 is amended by inserting after section 5004 the following new section:

"§ 5004A. Hospital facility planning

"(a) In order to ensure that decisions regarding the need for and size of each proposed new or replacement Veterans' Administration medical facility for the furnishing of hospital care are made taking into account appropriate statutory eligibility and priorities for health care from the Veterans' Administration, the Administrator of Veterans' Affairs and the Comptroller General of the United States, after consultation with the Assistant Secretary of Defense for Health Affairs, veterans' service organizations, and representatives of the private hospital industry, shall jointly develop and submit to the appropriate committees of the Congress a methodology for determining the appropriate types of hospital beds and the appropriate numbers of each type of hospital bed to be provided for in each proposed project for the construction of new or replacement facilities for the furnishing of hospital care by the Veterans' Administration.

"(b) The methodology developed pursuant to subsection (a) of this section shall take into account (1) the projected need for health care of veterans residing in the geographic area to be served by the proposed health-care facility who have service-connected disabilities and veterans residing in such areas who meet the income criteria for the receipt of pension under chapter 15 of this title, and (2) any recent or planned changes in treatment modalities for the furnishing of inpatient and outpatient care which might affect the demand for inpatient bed capacity.

"(c)(1) Not later than October 1, 1986, the Administrator and the Comptroller General shall submit to the appropriate committees of the Congress a joint report on the methodology developed pursuant to subsection (a) of this section.

"(2) Not later than October 1, 1987, the Administrator and the Comptroller General shall submit to such committees a joint report on the implementation of such methodology.

"(3) The Comptroller General shall submit to such committees such further reports as the Comptroller General considers appropriate regarding the implementation of such methodology or regarding the need to revise such methodology.

"(d) No funds may be expended after April 1, 1987, for the development of preliminary plans for a facility described in subsection (a) of this section unless the types of beds and number of each type to be provided in such facility are based on the methodology developed pursuant to subsection (a) of this section.".

(b) The table of sections at the beginning of chapter 81 is amended by inserting after the item relating to section 5004 the following:

"5004A. Hospital facility planning.".

PART B—FISCAL YEAR 1986 CONSTRUCTION AUTHORIZATIONS

VETERANS' ADMINISTRATION MEDICAL FACILITY CONSTRUCTION AUTHORIZATIONS FOR FISCAL YEAR 1986

SEC. 411. (a) For the purposes of the medical facility construction projects referred to in subsection (b) and other construction projects and for other purposes, there are authorized to be appropriated to the Veterans' Administration for fiscal year 1986 (1) $417,200,000 to any appropriations account from which payments for medical facility construction projects estimated to cost $2,000,000 or more are made, and (2) $194,400,000 to any appropriations account from which payments for medical facility construction projects estimated to cost less than $2,000,000 are made.

(b)(1) Except as provided in paragraph (2) and subject to the limitation in subsection (a)(1), the maximum amounts authorized to be appropriated and expended for the following medical facility construction projects are as follows:

(A) Houston, Texas (Replacement and Modernization), $226,800,000.

(B) Mountain Home, Tennessee (Bed Towers and Modernization), $59,000,000.

(C) Philadelphia, Pennsylvania (Clinical Addition, Renovation, Parking, and 240-bed Nursing Home Care Unit), $110,400,000.

(2) Subject to paragraph (3) and to the limitation in subsection (a)(1), the maximum amounts authorized to be appropriated and expended for the following projects are further limited as follows:

(A) Houston, Texas (Replacement and Modernization), $170,400,000.

(B) Mountain Home, Tennessee (Bed Towers and Modernization), $35,800,000.

(C) Philadelphia, Pennsylvania (Clinical Addition, Renovation, Parking, and 240-bed Nursing Home Care Unit), $85,600,000.

(3) The maximum amount set forth in paragraph (2) with respect to each project shall apply to that project unless the Administrator of Veterans' Affairs, not later than 60 days after the date of the enactment of this Act, submits to the appropriate committees of the Congress a certification by the Administrator with respect to the project that a contract for work on the physical structure or structures in which hospital care is to be furnished at a bedsize level consistent with such maximum amounts cannot feasibly be awarded within 180 days after (i) the date on which a contract for such construction work was scheduled as of June 1, 1985, to be awarded for the projects described in paragraphs (2)(A) and (B), and (ii) September 1, 1986, for the project described in paragraph (2)(C). Such certification shall be accompanied by submissions of three architectural/engineering firms (one of which is the firm retained by the Veterans' Administration to complete the plans for the project, one of which is a firm selected by the American Institute of Architects at the Administrator's request, and one of which is a firm selected by the Comptroller General of the United States), at least two of which support the Administrator's certification.

(c) Funds are authorized to be expended in fiscal year 1986 from the working reserve in the Veterans' Administration construction, major projects, account, to the extent consistent with and permitted pursuant to applicable provisions of law in effect on the date of the enactment of this Act, for the redesign of projects identified in paragraph (2) of subsection (b) and for the following projects if the total estimated expenditures involved in the completion of each project as redesigned is no more than the applicable amount specified for such project in such paragraph or as follows:

(1) Augusta, Georgia (Replacement Medical Center), $94,000,000.

(2) Baltimore, Maryland (Replacement Medical Center), $88,800,000.

(3) New York, New York (Outpatient/Clinical Additions and Alterations), $70,600,000.

PART C—ALTERNATIVES TO AND FOR CONSTRUCTION

CONSIDERATION OF PURCHASING OR LEASING MEDICAL FACILITIES

SEC. 421. (a) Section 5002 is amended by adding at the end the following new subsection:

"(d)(1) In connection with the assessment of the health-care needs of veterans in a particular area for the purpose of planning how best to meet such needs, the Administrator shall develop criteria for determining whether to proceed with planning for the construction or acquisition of a new or replacement medical facility and, if it is determined to proceed, for choosing among the alternatives of constructing the facility, leasing an existing medical facility that satisfies the requirements of paragraph (3) of this subsection, or purchasing an existing medical facility that satisfies such requirements.

"(2) After January 1, 1986, the Administrator shall not proceed to develop preliminary plans for a new or replacement medical facility except in accordance with the criteria established under paragraph (1) of this subsection and after considering the option of leasing or purchasing an existing facility that satisfies the requirements of paragraph (3) of this subsection.

"(3) A facility satisfies the requirements of this paragraph if—

"(A) the facility is available, or will be available in timely fashion in the foreseeable future, for purchase or lease;

"(B) the facility meets the current and projected needs and specifications of the Veterans' Administration for furnishing health care to eligible veterans residing within a 100-mile radius of where the new or replacement facility is planned to be located, or is adaptable to meet such needs and specifications;

"(C) the facility can be acquired at an estimated cost (including the costs of any necessary adaptation) that does not exceed the estimated cost of construction of a medical facility to meet such needs and specifications; and

"(D) the estimated cost of operating the facility (after adaptation, if necessary) does not exceed the estimated cost of operating a medical facility that would otherwise be constructed.".

(b) Clause (1) of section 5004(b) is amended by inserting "and, in the case of a prospectus proposing the construction of a new or replacement medical facility, a description of the consideration that was given, pursuant to criteria established under section 5002(d) of this title, to acquiring an existing facility by lease or purchase" after "such facility".

CONTRACT FOR CONSTRUCTION AND OPERATION OF A NURSING HOME

SEC. 422. (a) The Administrator of Veterans' Affairs shall enter into a contract with an appropriate entity for the construction and operation of a facility for furnishing solely to veterans eligible for nursing home care under chapter 17 of title 38, United States Code, nursing home care that meets the current and projected needs and specifications (including those relating to location and site selection) of the Veterans' Administration. The contract shall—

(1) for a 5-year period following the completion of construction, require the contractor to staff, equip, and operate the nursing home in such a manner as to provide the types, levels, and quality of care that would be provided if the facility were being operated directly by the Veterans' Administration;

(2) provide the Administrator with the option to renew the contract for an additional term not to exceed 5 years;

(3) require the Administrator to refer a sufficient number of eligible veterans who require nursing home care to the nursing home to ensure a specific occupancy rate for the nursing home for the term of the contract, which rate shall be approximately equal to the average occupancy rate nationwide for Veterans' Administration nursing homes except that a higher rate may be required if the Administrator determines that such higher rate is in the best interests of the Federal Government;

(4) provide that the per diem rate payable to the contractor by the Veteran's Administration shall not exceed the average daily costs to the Veterans' Administration of operating Veterans' Administration facilities for the furnishing of nursing home care;

(5) provide that all rights, title, and interest in the facility constructed under the contract shall vest in the United States; and

(6) contain such other provisions as the Administrator determines are in the best interests of the United States.

(b) The provisions of subsection (a) shall take effect on October 1, 1985.

FEASIBILITY PLAN FOR THE PURCHASE OF A FACILITY FOR FURNISHING HOSPITAL AND NURSING HOME CARE

SEC. 423. In the documents submitted by the Administrator of Veterans' Affairs to the appropriate committees of the Congress at the time of and in connection with the submission, pursuant to section 1105 of title 31, of the Budget for fiscal year 1987, the Administrator shall provide a feasibility plan for the purchase for Veterans' Administration use of a medical facility that is located in an urban area and is suitable for furnishing both hospital and nursing home care services, and meets the current and projected needs and specifications of the Veterans' Administration for furnishing health care to eligible veterans. In such Budget, the President, as warranted by such feasibility plan, shall include a request for an appropriate amount to purchase such a facility which meets those needs and specifications.

DEVELOPMENT OF MEDICAL-FACILITY MODULAR COMPONENTS

SEC. 424. In order to evaluate the applicability to the Veterans' Administration of the use of modular components in the design and construction of medical facilities for the furnishing of hospital care and to determine the efficiency and cost-effectiveness of that approach, the Administrator of Veterans' Affairs shall, not later than 180 days after the date of the enactment of this Act, enter into a contract for the development of such a modular approach to the planning and design of an appropriate Veterans' Administration medical facility for the furnishing of hospital care.

TITLE V—MISCELLANEOUS PROVISIONS

TECHNICAL, CONFORMING AMENDMENT RELATING TO THE CONTINUING AVAILABILITY OF READJUSTMENT COUNSELING

SEC. 501. Section 612A(g)(1)(B) is amended by striking out "who requested such counseling before such date" and inserting in lieu thereof "who request such counseling".

PAYMENT FOR THERAPEUTIC AND REHABILITATION ACTIVITIES

SEC. 502. (a) Section 618 is amended by adding at the end the following new subsection:

"(g) Notwithstanding any other provision of law, no amount of remuneration provided to an individual as a participant in a therapeutic or rehabilitative activity carried out pursuant to this section shall be included in determining annual income for purposes of pension payments.".

(b) The amendment made by subsection (a) shall take effect on October 1, 1985.

REPORT ON FEDERAL GOVERNMENT RESPONSIBILITY TO INDIVIDUALS WHO SERVED WITH VOLUNTARY CIVILIAN ORGANIZATIONS IN VIETNAM

SEC. 503. (a)(1) The purpose of this section is to provide a basis for the executive branch and the Congress to evaluate the question of United States Government responsibility, and alternative approaches, for providing individuals who, for a period of at least 30 days during the Vietnam era, were employed in the Republic of Vietnam by (including having served there under the auspices of) voluntary organizations, determined by the Administrator of Veterans' Affairs, in consultation with the Secretary of Defense, to be organizations which provided significant assistance to the United States Armed Forces in the Republic of Vietnam during the Vietnam era, with Federal and other benefits and services (including, but not limited to, health care and monetary compensation for disabilities which may be related to their experiences during such employment in the Republic of Vietnam), either through the Veterans' Administration or otherwise, and for assisting such individuals in connection with disabilities they may have incurred as a result of such employment.

(2) In order to carry out the purpose stated in paragraph (1), the Administrator, the Secretary of Defense, and the Secretary of Health and Human Services, not later than 180 days after the date of the enactment of this Act, shall submit to the appropriate committees of the Congress a joint report on the question of United States Government responsibility and shall include in such report various alternative approaches (together with comments on the appropriateness and the advantages and disadvantages of each) and any recommendations by such officials for legislative and administrative action with respect thereto, for establishing a program for providing such benefits, services, and assistance to such individuals.

(b) For the purpose of this section—

(1) the term "Armed Forces" has the meaning given such term in section 101(10) of title 38, United States Code; and

(2) the term "Vietnam era" means the periods described in section 101(29) (as amended by section 201(a) of this Act) of such title.

LAND TRANSFER, PHOENIX, ARIZONA

SEC. 504. (a) The real property described in subsection (b) and the structures thereon on the date of the enactment of this Act shall be transferred without compensation or reimbursement from the control and jurisdiction of the General Services Administration to the control and jurisdiction of the Veterans' Administration.

(b) The real property referred to in subsection (a) is a tract of land consisting of 3.25 acres, more or less, in Phoenix, Arizona, that—

(1) was formerly part of the Veterans' Administration Medical Center, Phoenix, Arizona; and

(2) was declared to be excess to the needs of the Veterans' Administration in a report to the General Services Administration dated September 25, 1959.

TITLE VI—EFFECTIVE DATE

SEC. 601. Except as otherwise provided in sections 201(b), 203(b), 401(b), 422(b), and 502(b) of this Act, the provisions of and amendments made by this Act shall take effect on the date of the enactment of this Act.

AMENDMENT NO. 560

(Purpose: To delete the amendment to the definition of "Vietnam era"; to delete the amendment relating to exclusion of certain remuneration from annual income for the purpose of certain veterans' pensions; to facilitate the provision of psychological assistance to United States citizens who have been political hostages; to modify the restrictions on the use of certain real property in Utah and Wisconsin; to increase the amount of insurance under Servicemen's Group Life Insurance and Veterans' Group Life Insurance; to extend the period for entering into training under the Emergency Veterans' Job Training Act of 1983; and to extend the authority to operate an Office of the Veterans' Administration in the Republic of the Philippines)

Mr. DOLE. Mr. President, on behalf of Senator MURKOWSKI and Senator CRANSTON, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas [Mr. DOLE], on behalf of Mr. MURKOWSKI and Mr. CRANSTON, proposes an amendment numbered 560.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 37, strike out lines 13 through 22.

On page 38, line 5, strike out "202" and insert in lieu thereof "201".

On page 38, line 11, strike out "203" and insert in lieu thereof "202".

On page 39, line 4, strike out "204" and insert in lieu thereof "203".

On page 64, strike out lines 6 through 18, and insert in lieu thereof the following:

ASSISTANCE FOR CERTAIN FORMER POLITICAL HOSTAGES

SEC. 502. (a) The Congress makes the following findings:

(1) In recent years some United States citizens have been held in captivity as political hostages or have been victims of other terrorist acts.

(2) The United States citizens who were passengers on TransWorld Airlines flight number 847 on June 14, 1985, were victims of a hijacking of such flight and some of those passengers were subsequently held in captivity as political hostages.

(3) The experience of being held in captivity as a political hostage is a traumatic event that is outside the range of usual human experience.

(4) Stressful experiences connected with such a traumatic event can be expected to evoke in some victims certain psychological reactions, including symptoms of stress, which may be manifested shortly after the event or may be manifested weeks, months, or even years later.

(5) There is no established program under which United States citizens may obtain systematic assistance in coping with the short-term or long-term personal effects of captivity as political hostages after they return home.

(6) The Veterans' Administration has developed expertise in providing readjustment assistance to veterans who have experienced traumatic and stressful events outside the range of usual human experience as a result of military combat.

(7) The Veterans' Administration medical centers, including 13 specially designated inpatient units for veterans with post-traumatic stress disorder, 187 readjustment counseling centers and satellite facilities for Vietnam-era veterans, and the National Center on Post-Traumatic Stress Disorder have staff with expertise (A) in diagnosing and treating veterans who have experienced traumatic and stressful events, and (B) in training Veterans' Administration and other health-care personnel in, and conducting research and exchanging information relating to, diagnosis and treatment of such veterans.

(b) The Administrator of Veterans' Affairs shall take appropriate action otherwise authorized by law to ensure that the expertise of the Veterans' Administration in diagnosing and treating individuals who have experienced unusual trauma and stress and in training health care personnel on such matters is made available to other Federal Government agencies and other appropriate organizations which are providing assistance to United States citizens who were passengers on TransWorld Airlines flight number 847 on June 14, 1985, or other United States citizens returning from captivity as political hostages, to attempt to minimize the potential short-term or long-term adverse psychological effects of such captivity on them.

On page 66, after line 24, insert the following new sections:

MODIFICATION OF RESTRICTIONS ON REAL PROPERTY AND CONVEYANCE OF A FENCE ON SUCH PROPERTY, SALT LAKE CITY, UTAH

SEC. 505. (a) Section 2 of the Act entitled "An Act authorizing the Administrator of Veterans' Affairs to convey certain property to the Armory Board, State of Utah", approved July 29, 1954 (68 Stat. 580), is amended to read as follows:

"SEC. 2. Any conveyance under the first section of this Act—

"(1) shall provide that the tract conveyed may be used only for hospital, educational, civic, residential, or related purposes;

"(2) shall provide that, if any part of such tract is used in any manner that is determined by the Administrator of Veterans' Affairs to interfere with the care and treatment of any patient at a Veterans' Administration health-care facility located in the reservation described in such section, such use shall cease immediately upon notice by the Administrator of such interference to the Armory Board, State of Utah, and to each person using such part in such manner;

"(3) shall provide that, if any part of such tract is used for a purpose other than a purpose prescribed in paragraph (1), title to such part shall revert to the United States;

"(4) shall provide that, if any interference referred to in paragraph (2) does not cease as required under such paragraph, title to the part of such land that is being used in a manner to cause such interference shall revert to the United States; and

"(5) shall contain such additional terms and conditions (including reservations of rights for the United States) as the Administrator of Veterans' Affairs determines to be necessary to protect the interests of the United States.".

(b) The Administrator of Veterans' Affairs shall convey, without consideration, to the Armory Board, State of Utah, all right, title, and interest of the United States in the fence erected as required by the quitclaim deed issued to the Armory Board by the Administrator on October 14, 1954, under the authority of the Act referred to in subsection (a). The conveyance shall contain such terms and conditions as the Administrator determines to be necessary to protect the interests of the United States.

(c) The Administrator of Veterans' Affairs shall execute any documents that are necessary to bring the conveyance made under the authority of the Act referred to in subsection (a) into conformity with the amendment made by such subsection.

MODIFICATION OF RESTRICTIONS ON REAL PROPERTY, MILWAUKEE COUNTY, WISCONSIN

SEC. 506. (a) The Administrator of Veterans' Affairs shall execute such instruments as may be necessary to modify the conditions under which the land described in subsection (b) will revert to the United States in order to permit Milwaukee County, Wisconsin, to lease all or part of such land to a nonprofit corporation which shall (1) construct and equip on such land structures, facilities, and other permanent improvements useful for public recreational purposes or general civic purposes, and (2) use such land for such recreational or civic purposes. The Administrator may carry out the preceding sentence subject to such terms and conditions (including reservations of rights for the United States) as the Administrator determines to be necessary to protect the interests of the United States.

(b) The land referred to in subsection (a) is (1) the land conveyed to Milwaukee County, Wisconsin, pursuant to the Act entitled "An Act to authorize the Administrator of Veterans' Affairs to convey certain lands and to lease certain other land to Milwaukee County, Wisconsin", approved September 1, 1949 (63 Stat. 633), and (2) the land conveyed to Milwaukee County, Wisconsin, pursuant to the Act entitled "An Act authorizing the Administrator of Veterans' Affairs to convey certain property to Milwaukee County, Wisconsin", approved August 27, 1954 (68 Stat. 866).

SERVICEMEN'S GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE

SEC. 507. (a)(1) Subsection (a) of Section 767 is amended—

(A) by striking out "35,000" and inserting in lieu thereof "$50,000"; and

(B) by striking out "the amount of $30,000, $25,000, $20,000, $15,000, $10,000 or $5,000" and inserting in lieu thereof "an amount less than $50,000 that is evenly divisible by $10,000".

(2) Subsection (c) of such section is amended by striking out "the amount of" the first place it appears and all that follows through "as the case may be," and inserting in lieu thereof "any amount less than $50,000, such member may thereafter be insured under this subchapter in the amount of $50,000 or any lesser amount evenly divisible by $10,000".

(3) Subsection (d) of such section is amended—

(A) by striking out "the effective date of this subsection" each place it appears and inserting in lieu thereof "January 1, 1986"; and

(B) by striking out "up to a maximum of $35,000 (in any amount divisible by $5,000)" and inserting in lieu thereof "in the amount of $50,000 or any lesser amount evenly divisible by $10,000".

(b)(1) Subsection (a) of section 777 is amended—

(A) by striking out the first sentence and inserting in lieu thereof the following: "Veterans' Group Life Insurance shall be issued in amounts specified in section 767(a) of this title. In the case of any individual, the amount of Veterans' Group Life Insurance may not exceed the amount of Servicemen's Group Life Insurance coverage continued in force after the expiraton of the period of duty or travel under section 767(b) or 769(a) of this title."; and

(B) by striking out "$35,000" in the sentence immediately following the matter inserted by clause (A) and both places it appears in the last sentence and inserting in lieu thereof "$50,000".

(2) Such section is further amended by adding at the end the following new subsection:

"(h)(1) Notwithstanding any other provision of law, members of the Individual Ready Reserve and the Inactive National Guard are eligible to be insured under Veterans' Group Life Insurance. Any such member shall be so insured upon submission of an application in the manner prescribed by the Administrator and the payment of premiums as required under this section.

"(2) Notwithstanding subsection (b)(2) of this section, Veterans' Group Life Insurance coverage under this subsection shall be issued on a renewable five-year term basis, but the person insured must remain a member of the Individual Ready Reserve or Inactive National Guard throughout the period of the insurance in order for the insurance of such person to be renewed.

"(3) For the purposes of this subsection, the terms 'Individual Ready Reserve' and 'Inactive National Guard' shall have the meaning prescribed by the Administrator in consultation with the Secretary of Defense.".

(c) The amendments made by subsections (a) and (b) shall take effect on January 1, 1985.

EXTENSION OF THE PERIOD FOR ENTERING INTO TRAINING UNDER THE EMERGENCY VETERANS' JOB TRAINING ACT OF 1983

SEC. 508. Section 17(2) of the Emergency Veterans' Job Training Act of 1983 (Public Law 98-77; 29 U.S.C. 1721 note) is amended by striking out "September 1, 1985" and inserting in lieu thereof "March 1, 1986".

EXTENSION OF AUTHORITY TO OPERATE AN OFFICE IN THE REPUBLIC OF THE PHILIPPINES

SEC. 509. Section 230(b) is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1988".

On page 67, line 3, strike out "201(b), 203(b)" and insert in lieu thereof "202(b)".

On page 67, line 3, strike out "502(b)" and insert in lieu thereof "507(c)".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 560) was agreed to.

Mr. MURKOWSKI. Mr. President, I rise in support of S. 876, the proposed Veterans' Administration Health-Care Programs Improvement Act of 1985, which was ordered reported unanimously by the Committee on Veterans' Affairs on June 12, 1985. The provisions of the bill are designed to maintain the quality and facilitate the efficiency of the Veterans' Administration health care system. S. 876 requires increased VA accountability in both Microareas and Macroareas, specifically, in the quality of patient care, the kinds and levels of care, and the size of VA medical facilities. I believe that the committee has devised a comprehensive bill which responds appropriately to the concerns raised by certain veterans' organizations and members of the committee. Thus, I would urge my colleagues in the Senate to join me in assuring the passage of S. 876.

HIGHLIGHTS OF S. 876 AS REPORTED

The Congress and the Veterans' Administration now face difficult challenges. That is, many diverse and complex issues must be addressed in order to respond adequately to the varied and changing needs of veterans. These challenges are a result of certain changes which are occurring in both the veteran population and the way with which health care is evolving in this country. More specifically, the veteran population is aging at an extremely rapid rate, medical technology is advancing and thus altering traditional diagnostic and treatment modalities, and various forms of noninstitutional care are now being developed and emphasized. In order to have an efficient and effective health care delivery system, it is vital that the Congress and the VA recognize this changing environment, and take appropriate action to respond to it as well.

I believe that it is the responsibility of the Congress and the VA to assess and weigh the various options and adapt the health care system appropriately to these changes. We must look at the dynamics of the veteran population, medical technology, and hospital construction and look at these dynamics in the context of today's budgetary constraints in order to shape the future directions of VA health care. Fairness and realism must underlie such an assessment. With that in mind, a common thread woven throughout the provisions of S. 876 is modernization. In that regard, S. 876 targets three major areas—quality assurance, noninstitutional care and medical facility construction.

QUALITY ASSURANCE

During the past few years, the committee has placed a high priority on monitoring the VA's quality assurance efforts. The VA's new Chief Medical Director, Dr. John Ditzler, has placed a new emphasis on quality assurance. Dr. Ditzler has undertaken a major new program—the Medical district Initiated Peer Review Organization [Medipro] process—which will systematically review and evaluate certain indicators of patient care provided by VA physicians and other health care professionals. I wish to acknowledge the Chief Medical Director's initiatives in and laudable commitment to this most vital area.

Section 304 of S. 876 would be consistent with these efforts and would require the VA to establish and conduct a comprehensive quality assurance program to monitor and evaluate the quality of care provided by the VA. A major focus of section 304 is to require the Chief Medical Director to compile national mortality and morbidity standards for all types of surgical procedures and collect local and national mortality and morbidity data for VA surgical programs which would include VA cardiac surgery, heart transplant, and renal transplant programs. In this regard, the VA can better assess the quality of care which it provides. It is also the intent of the committee that the VA view morbidity and mortality statistics along with other quality of care indicators in order to gain a balanced perspective on the quality of VA patient care. The quality assurance provisions contained in the committee bill were established to enhance and expand the VA existing quality assurance efforts. It is the hope of the committee that this information, will be a useful tool in the evaluation of the VA's quality assurance efforts.

Most Government health care dollars, including VA resources, are allocated to institutional care. Nursing home care represents a substantial portion of these resources. The growing demand for nursing home care and the high cost of institutional long-term care—in 1980, $21 billion was spent nationwide on nursing home care alone—has increased incentives for both public and private sectors to seek alternatives to institutional care. The committee believes that the VA should examine ways to provide the most appropriate kind and level of care to veterans. S. 876 focuses on addressing the needs of veterans who, if provided with home health and other supportive services, could remain in their own homes. With the goal of providing appropriate support to certain veterans who wish to remain self-sufficient and reside near family and friends, S. 876 would require the VA to conduct a 4-year pilot program at 10 demonstration project sites under which veterans eligible for and otherwise in need of VA hospital, nursing home, or domiciliary care, would instead receive non-VA community-based health-related services. Special priority for this program would be given to veterans with service-connected disabilities, to veterans who are 65 or older, and to veterans who are totally and permanently disabled.

MEDICAL FACILITY CONSTRUCTION

The VA's medical facility construction planning process has been a matter of much discussion during the past few years. The committee is extremely concerned about this complex, lengthy, and expensive process. The planning and building process for a major VA medical center can, and often does, exceed 8 years. The committee is troubled that this process is so burdensome and costly and that certain construction options, such as purchasing or leasing already existing facilities or increasing the use of non-institutional services, are not adequately considered prior to or during the construction planning process. In light of the committee's concerns about, among other things, the construction process in general and the belief that certain factors be considered during the construction planning process, the committee bill includes several provisions relating to this matter. The bill would provide, for the first time, an annual statutory authorization for appropriations—as opposed to the current process of House and Senate resolutions of approval—for major VA medical facilities construction. The bill would limit, to not more than 700 beds, the size of a new or replacement VA hospital facility. The VA and the General Accounting Office would be required to develop and submit to the Congress a methodology for determining the appropriate number and type of hospital beds to be provided for in new or replacement VA hospital facilities.

Further, it would require that methodology to take into account service connected and needy veterans. In summary, the construction provisions contained in this bill would address many of the concerns which were initially expressed by former Chairman Alan Simpson during his tenure as the very able chairman of this committee and which I expressed during 2 days of committee oversight hearings held in March. It is my belief that the integrity and effectiveness of the construction process will be enhanced by the provisions of this bill.

Mr. President, there are two additional provisions of S. 876 as reported which Senator Cranston and I propose to delete and defer consideration to a more appropriate time. Since the first concurrent budget resolution is still pending, these two provisions, sections 201 and 502, would require a waiver of section 303(a) of the Congressional Budget and Impoundment Control Act of 1974 be obtained before the consideration of these provisions would be in order. Senator Cranston and I have prepared a committee amendment to be considered concurrently with S. 876. This amendment would strike those two sections from the bill.

In addition, this amendment includes one of my own initiatives, a proposal to facilitate the provision of psychological services to U.S. citizens who have been political hostages; a proposal by Senator Garn pertaining to the modification of restriction of the use of a certain land tract in Utah; a proposal by Senator Kasten concerning the uses of certain land in Milwaukee County, WI; a proposal by Senator Proxmire concerning Servicemen's Group Life Insurance and Veterans' Group Life Insurance; a proposal by myself pertaining to the extension of the Emergency Veterans' Job Training Act of 1983; and a proposal by Senator Cranston and myself pertaining to the VA Regional Office in the Republic of the Philippines.

I recently introduced Senate Joint Resolution 167 which would direct the VA to share its expertise in traumatic stress counseling and readjustment services with Federal and non-Federal agencies or organizations in helping U.S. citizens who were the victims of terrorism—such as former TWA flight 847 hostages. This legislation would direct the VA to share its knowlege and the benefit of its experience with other Federal and private sector organizations. I believe that it is vital to use the available and valuable resources and knowledge of the VA to assist in any way possible other organizations in providing help to those who may require it as a result of international terrorism or other such acts. I commend the VA for their extensive work in these areas of assisting those veterans who have suffered from traumatic events. I am confident that any expertise they could share would greatly benefit victims of hostage experiences who may need assistance as a result of these experiences. It is not intended that the VA incur any significant cost in implementing this provision.

Under current law, the Emergency Veterans' Job Training Act will sunset on September 1, 1985. The Department of Labor now expects about $15 million of the original appropriation to be uncommitted on September 1. This amendment will allow the program to continue long enough for money already appropriated to be committed to assist eligible unemployed veterans to obtain employment.

CONCLUSION

Mr. President, in concluding I wish to thank my friend, the distinguished ranking minority member from California, Senator Alan Cranston. As always, I appreciate the fine working relationship which exists between the majority and minority on this committee, and which has resulted in the development of such a fine product. I wish to recognize the fine work of my most dedicated staff including my chief counsel and staff director, Anthony Principi, Julie Susman, Cindy Alpert, Lisa Moore, and Becky Hucks, Kay Eckhardt, Judy Boertlein, Jody Sanders, and Lisa Gilman, and our printer, Jim McRae who all worked so diligently to make this effort a reality. I further wish to acknowledge the hard work of the entire minority staff, headed by Jon Steinberg, minority chief counsel, and including Ed Scott, Bill Brew, Babette Polzer, Nancy Billica, Ingrid Post, and Charlotte Hughes.

Mr. President, I believe the committee has reported a bill which is well balanced, and one that meets the needs of our Nation's veterans as well as being crafted to take into consideration the need to be restrained in spending, while ensuring high quality health care. On behalf of the entire committee, I urge the Senate's favorable consideration of this bill.

Mr. CRANSTON. Mr. President, I am delighted, as the ranking minority member of the Committee on Veterans' Affairs, to join with the committee chairman [Mr. Murkowski] in urging our colleagues to give their unanimous approval to the pending measure, S. 876, the proposed "Veterans' Administration Health-Care Programs Improvement Act of 1985," as reported by the committee on July 8 as modified by the amendment offered on behalf of the chairman and myself.

I will describe the amendment in more detail at the end of my statement.

Mr. President, the committee bill incorporates the provisions of a variety of measures including S. 6, which I introduced on January [illegible] 1985. Amendment No. 22 to S. 6, which I introduced on April 1; S. 875 and S. 876, which were introduced by the chairman on April 3; S. 1007, introduced on April 25 by committee members Boschwitz and Denton; and S. 1052, introduced by committee member Thurmond on May 2. I am particularly pleased that virtually all of the provisions of S. 6 and Amendment No. 22 are included in this bill. If enacted, this measure will help to maintain and improve the quality and efficiency of health care services provided by the Veterans' Administration to eligible veterans.

Because the various provisions of S. 876 as reported, which I will refer to as the committee bill, are described in detail in the committee's report, Senate Report 99-101, accompanying this measure, I will at this time just highlight some of the provisions

VA GRADE REDUCTIONS

Mr. President, I am particularly pleased that the committee bill, in section 301, contains a provision, derived from section 3 of S. 6, that would protect the VA from being forced to make arbitrary reductions in the numbers of employees at particular grade or salary levels. As I discussed in some detail in my introductory remarks on S. 6, which begin on page S. 611 of the Record for January 24, 1985, such protection is particularly important at this time when the Office of Management and Budget is embarked on a major, Governmentwide effort to reduce the numbers of employees in grades GS-11 through GS-15. Without debating the merits of the Governmentwide grade-reduction effort, I am convinced that requiring the VA, as OMB is doing, to make arbitrary grade-level reductions across the agency's work force could seriously impair the VA's ability to carry out its vital mission, pursuant to congressional mandate to serve and assist veterans, particularly through the VA's health-care system, and I am gratified that the committee agreed with me that action is needed to protect the VA's ability to recruit, hire, and retain staff.

As introduced, S. 6 would have precluded any systematic grade-level reduction by the VA, for the purpose of reducing agency salary costs, unless and until the Administrator had first submitted to the two Veterans' Affairs Committees a report containing information showing that, in the personnel area concerned, the VA had a disproportionate number of employees in the grade level selected for reduction in comparison to the number of employees at that salary level who perform comparable functions in other Federal departments or agencies and in non-Federal entities. Such a report would have to have been submitted at least 90 days in advance of the proposed grade-level reduction and, as a further check on this process, the Comptroller General would have been required to submit a report on the Administrator's compliance with the reporting requirements and on the accuracy of the Administrator's determination and supporting data.

The committee bill retains the process set forth in S. 6 but, instead of being applicable to all VA employees, it was modified in the committee bill so as to apply only to certain health-care personnel—those providing patient-care service or services incident to patient-care services—and professional employees serving as engineers and attorneys. As is noted in the committee report, this change reflects the committee's belief that the covered categories are the major employee categories where the VA is required to pay high entry-level salaries in order to recruit and retain needed professional personnel. I intend, however, to monitor the overall situation very closely and should it appear that other employee categories should be covered by this provision, I will actively pursue legislation to provide such a result.

As I noted in my remarks on S. 6, I, along with many of my colleagues in both Houses and from both parties, have worked hard over the years to ensure that the VA has sufficient, qualified staff to carry out the agency's missions. This has been particularly true in the Department of Medicine and Surgery, the Department where the great majority of VA employees work, over 199,000 of the VA's over 223,000 full-time equivalent employees. The VA is frequently at a disadvantage competing in the relevant health-care personnel marketplace, and the numbers of health-care workers in grades 11 through 15 and their equivalent rates under title 38 generally reflect the entry-level salaries necessary to meet this competition—not grade creep of supervisory employees, which may provide some justification for grade reduction to the extent it has occurred in other agencies or elsewhere in the VA. It is vital to the continued ability of the VA to provide quality health care that DM&S not be forced to make unwarranted personnel changes that could seriously disrupt its ability to attract and retain needed personnel, and this provision in the committee bill should help to achieve that result.

In view of the points made in the committee report about the VA's record in keeping the percent of its employees at higher grade levels relatively low as a percentage of total employees when compared to the overall Government rating, I do not see how the Administrator could submit a report justifying a downgrading of the covered employee categories in terms of comparability with private sector and other Federal agency grades for the same type of employees.

EXTENSION OF HEALTH CARE ELIGIBILITY BASED ON EXPOSURE TO DIOXIN OR OTHER TOXIC SUBSTANCE IN VIETNAM OR TO NUCLEAR RADIATION

Mr. President, I am also very pleased that the committee bill, in section 202, contains a provision, identical to section 4 of S. 6, to extend, until September 30, 1989, the provision in current law which provides certain veterans—those exposed to dioxin or other toxic substances used in herbicides or defoliants in Vietnam or to ionizing radiation from nuclear detonations—with eligibility for priority health care from the VA for the treatment of disabilities which cannot be attributed to a cause other than the exposure in question. Under current law, this authority is scheduled to terminate 1 year after the Administrator submits the first report on the epidemiological study of Vietnam veterans that was mandated by Public Law 96-151. Under that law, the VA is required to submit a first report on the study not later than 24 months after the study protocol is approved, an event which occurred on February 14, 1984. Thus, under current law, the first report on the study is due by February 14, 1986, and the health care eligibility is scheduled to expire on February 14, 1987.

Because it is clear to me that the major studies—the Public Law 96-151 study I just mentioned and study mandated by Public Law 98-160 relating to radiation exposure—designed to yield the information necessary to make final decisions about eligibility for VA benefits, including health care, for the veterans exposed to dioxin or radiation will not be sufficiently advanced by 1987, I believe this extension is appropriate and warranted, and I am pleased my colleagues on the committee agreed with me.

Mr. President, with specific reference to the Public Law 98-160 study relating to radiation, so that my colleagues and others might be brought up to date on this issue, I ask unanimous consent that a July 8, 1985, letter to me from Dr. John Gibbons, Director of the Office of Technology Assessment, regarding OTA's views on this study and my July 24, 1985, letter to the Administrator of Veterans' Affairs, urging him to consider the study of certain matters pursuant to section 601 of that law, be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

Congress of the United States,
Office of Technology Assessment,
Washington, DC, July 8, 1985.

Hon. Alan Cranston,
Committee on Veterans' Affairs,
U.S. Senate, Washington, DC.

Dear Alan: Enclosed is a copy of OTA's evaluation of the feasibility of studying long-term health effects in veterans of nuclear weapons tests, and veterans who served in Hiroshima and Nagasaki after the close of World War II. We completed this evaluation at the request of Mr. Walters, Administrator of Veterans Affairs, in accordance with the mandate of Public Law 98-160.

We reviewed a plan drawn by the VA, a review of that plan by an ad hoc committee headed by Dr. Glyn Caldwell, and comments on that review prepared by the Committee on Interagency Radiation Research and Policy Coordination (CIRRPC). In addition, a recent National Research Council study of patterns of death among a large proportion of the atomic veteran cohort also provided us with information critical to our analysis.

We are in agreement with the Caldwell committee's finding that the VA plan does not describe a feasible study. The adverse health effects that would be expected in the atomic veterans, even if radiation doses were underestimated by several-fold, would be undetectable in the proposed epidemiologic study.

OTA also considered alternative strategies for studying the health of atomic veterans, and we have come to the conclusion that it does not appear possible to design a study of all atomic veterans, or of a subgroup known to have had higher radiation doses, that would have adequate power for detecting radiation-related excesses of disease.

The most difficult judgment that we had to make in this evaluation was whether assumptions about the accuracy of the radiation doses are reasonable. We seriously considered the possibility that the doses might have been much higher than measured or estimated, which is a major concern of the atomic veterans. There is currently no method, based on measurements that could be made today, for accurately quantifying radiation doses 25 years ago to atomic veterans, so the final judgment had to be made on indirect evidence. The National Research Council study found no excesses of deaths from diseases known to be inducible by radiation in the *total* cohort of atomic veterans (a significant excess of leukemias in one subgroup is addressed below). From those results, we infer that, *for the cohort as a whole*, radiation exposures are not likely to be wildly misrepresented by measured and estimated doses, although it is certainly possible that individuals or certain groups of veterans did have higher exposures.

Although global studies of atomic veteran health are not feasible in our judgment, OTA suggests two more specific studies that could produce information about the health of atomic veterans. The Caldwell committee recommended that the veteran cohort that witnessed shot Smoky, in which an excess of leukemias has been directed, be reevaluated periodically. OTA concurs with that recommendation, particularly since the NRC mortality study also found an excess of leukemias in that group. If those leukemias are, in fact, radiation-induced, one would expect to see excesses of other radiogenic tumors arising in that cohort during a later time period. If the excess leukemias were simply a chance occurrence, which is possible, no excess of other radiogenic cancers would be expected. The periodic follow-ups might reasonably be scheduled every five years. They could focus on mortality rather than morbidity, since, for most radiation inducible cancers, morbidity data provide little more information than do mortality data, and morbidity data are generally more difficult and considerably more expensive to collect.

The second suggested study would focus on the veterans who witnessed Operation Crossroads, the earliest test series after the war, and one which was not included in the NRC study. At the time of that test series, in 1946, film badges were issued only to a few men whose exposures were to represent those of many others who were engaged in similar activities. The lack of individual dose information, and anecdotal information indicating that internal radiation exposures might have been higher than estimated, may make this group a worthwhile study population. The General Accounting Office is currently evaluating the radiation estimates for those veterans, and is examining a large volume of material dealing with radiation safety at Operation Crossroads. When that review is completed, in fall 1985, a decision about doing a mortality study could be made.

Should you require additional information, or if you would like to discuss any aspects of OTA's evaluation, please do not hesitate to call on me or Michael Gough or Hellen Gelband (6-2070) on my staff.

Sincerely,

John H. Gibbons.

U.S. Senate,
Committee on Veterans' Affairs,
Washington, DC, July 24, 1985.

Hon. Harry N. Walters,
Administrator of Veterans' Affairs,
Washington, DC 20420

Dear Harry: I have recently received and reviewed a copy of the July 1985 Office of Technology Assessment Staff Memorandum entitled "An Evaluation of the Feasibility of Studying Long-Term Health Effects in Atomic Veterans", which was prepared in response to your December 19, 1984, request that OTA review a proposed protocol for a study of veterans exposed to radiation and advise you as to the feasibility of such a study. I am writing to express my views on this issue in light of the mandate in section 601 of Public Law 98-160 that such study be carried out.

The OTA staff memorandum appears to me to be very well done and quite comprehensive, and I have no basis for disagreeing with the OTA staff conclusions that, first, a study "carried out in accordance with the outlines of the VA plan would not produce meaningful scientific results" and, second, that "a study of the group of 1200 atomic veterans with more than 5 rem exposure [an option OTA considered on its own initiative] would be even less powerful than would the study of the entire cohort."

Notwithstanding these conclusions regarding the likely merits of comprehensive studies, however, I continue to believe that valid study, within the context of section 601, of the adverse health effects of exposure to radiation among veterans exposed during the nuclear test program or in connection with the occupation of Japan following World War II can be carried out. Therefore, I urge you to consider, prior to making any final decision that such study is infeasible, the feasibility of study approaches other than those reviewed by OTA. In this regard, I believe that it is important to note that the study mandate clearly contemplates, in section 601(a)(1)(B) of P.L. 98-160, that, even if it is determined that it is not feasible to carry out some elements of the mandated study, other elements as to which a determination of infeasibility cannot be made would continue to be required.

Among the possible study approaches that I urge you to consider before making any final decision are two that are discussed in the OTA staff memo—namely, periodic follow-up studies of the veterans who witnessed the SMOKY shot and a study of the veterans who were present at the tests carried out during Operation Crossroads (with comparisons being made between the health status of these veterans with an appropriately designed control group of veterans who were not exposed to radiation during the test program). This latter study would appear to be particularly important in light of the concerns about the levels of exposure and safety precautions at Crossroads which were raised by the Operations Radiological Safety Officer at the shots, the late Colonel Stanford Warren, in various memoranda and letters which were presented to the Congress in 1983 and which have been the subject of a nearly completed GAO study. (I understand that your staff has already reviewed this study in draft.) In addition to these two studies, there may be others focusing on particular shots or series of shots or some other subset of the total population of veterans exposed to radiation that could be the subject of valid study, and I urge you to look for such options before reaching any final decision regarding the infeasibility of carrying out any study under section 601 of P.L. 98-160.

In addition, I urge you to have members of your staff contact appropriate staff at the National Research Council (NRC) to discuss with them the possibility of the VA providing funding support for a further analysis, using a properly constituted control group of veterans, of the information gathered by the NRC in connection with the recently reported study entitled "Mortality of Nuclear Weapons Test Participants". Such an analysis, which members of the Committee staff have already discussed with NRC, would be a valuable addition to the body of information available at present on the health status of veterans exposed to radiation.

Thank you for your continued cooperation.

With warm regards,

Cordially,

Alan Cranston.

ALCOHOL AND DRUG TREATMENT AND REHABILITATION

Mr. CRANSTON. Mr. President, section 204 of the committee bill, as did section 5 of S. 6, would extend for 3 years, through the end of fiscal year 1988, the VA's existing authority to contract with various community facilities to provide care and treatment to veterans suffering from alcohol or drug dependence or abuse disabilities and would eliminate the designation of this authority as a pilot program. Last year, the committee reported similar legislation which the Senate passed but which did not gain House support.

I am very pleased that the committee has again expressed its support for this program, which was first established in 1979 pursuant to legislation

that I authored and was enacted in Public Law 96-22. On the basis of all the evidence I have reviewed—including a report submitted in May 1984 on the operations of the program through September 30, 1983, and reactions from veterans who have been placed in halfway houses and other community-based facilities under the program, VA employees who work with veterans with drug or alcohol abuse dependencies, and individuals in California and elsewhere associated with various community-based drug and alcohol treatment programs—I am convinced that the pilot program achieved considerable success in enabling significant numbers of veterans to receive appropriate and helpful assistance.

PILOT PROGRAM OF NONINSTITUTIONAL ALTERNATIVES TO INSTITUTIONAL CARE

Mr. President, section 103 of the committee bill would require the VA to conduct a 4-year pilot program, from January 1, 1986, through December 31, 1989, at 10 demonstration project sites to evaluate noninstitutional alternatives to institutional care. Through this pilot program, the VA would provide certain veterans with medical, rehabilitative, and other health services and, by contract with non-VA entities, with health-related services. These health and health-related services would be provided in noninstitutional settings—such as a veteran's home or a board-and-care home—with the goal of being able to avoid institutional care, such as in a hospital, nursing home, or domiciliary facility, for the participants in the program. Under this pilot program, priority would be accorded to veterans with service-connected disabilities, to veterans who are 65 years of age or older, and to veterans who are totally and permanently disabled.

Mr. President, the provisions in section 103 are derived from provisions in the legislation I introduced on January 3, section 9 of S. 6, and the chairman [Mr. Murkowski] introduced on April 3, section 2 of S. 876. The fact that we both proposed legislation to promote greater VA activity that would help reduce the need for institutional care among veterans and that both bills placed an emphasis on increased VA interaction with community entities which provide health and health-related services is no coincidence. It has been very clear to our committee for a number of years that, in light of the rapid increase in the number of veterans age 65 and older who may be seeking care from the VA in the years ahead, the agency must take steps to develop new approaches to addressing the health care needs of veteran patients. Likewise, in this time of increased pressure to hold down Federal spending in order to reduce the deficit, it has also been clear that any new efforts have to emphasize getting the maximum benefit for each dollar spent. I believe that the pilot program set forth in this section of the committee bill is an appropriate response to these concerns, as well as to developments in health care generally making noninstitutional care more feasible and more effective.

With specific reference to the issue of the cost of this program, the committee bill limits the total cost over the life of the program to 60 percent of the cost that would otherwise have been incurred by the VA if the veterans participating in the program had been furnished nursing home care instead of noninstitutional services provided under the program. It is our intention that this program be carried out through the use of funds that would otherwise have been used for the provision of more costly intermediate care and that the balance of the funds be applied to care for more veterans than would have been served in the absence of this new, innovative program.

Mr. President, I want to note one particular element in the pilot program which is derived from the provision in S. 6, namely the requirement that at five of the demonstration project sites, the projects will be required to use geriatric evaluation units—GEU's—at the VA health care facility involved. The evidence to date on the effectiveness of GEU's—principally through the work at the Sepulveda, CA, VA Medical Center—in helping to place older patients in the most appropriate level of care and in improving the quality of their care has been very encouraging, and I look forward to a substantial expansion of GEU's at VA hospitals and to a further evaluation of the usefulness of GEU's as part of this pilot program.

Finally, with reference to this pilot program, I note my very strong interest in having the VA work actively with appropriate community entities in helping to meet the needs of the veteran participants for health-related services. I am convinced that the VA must make greater use of community resources which help to maintain individuals in their homes—such as homemaker, personal care, communal or at-home nutrition, and transportation assistance services—if the agency is to respond in any adequate way to the growing demand for care that it is facing and will continue to face as the veteran population ages so rapidly over the next decade and this element of the pilot program is designed to achieve that result.

PILOT PROGRAM OF COMMUNITY-BASED PSYCHIATRIC RESIDENTIAL TREATMENT FOR CHRONICALLY MENTALLY ILL VETERANS

Mr. President, section 102 of the committee bill contains authority for another VA pilot program which, like the pilot program under section 103 which I just discussed, has as a general goal meeting the health care needs of certain veterans—in this case, certain chronically mentally ill veterans—in other than traditional institutional settings.

This provision is derived from the chairman's legislation, S. 876. It was modified by the committee so as to provide the Administrator with a discretionary 4-year authority to contract for care and treatment and rehabilitative services in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities for veterans suffering from service-connected chronic mental illness or veterans who have 50 percent or more service-connected disabilities and are suffering from chronic mental illness. This authority, as a result of the committee's action, is now modeled on the provision I authored in 1979, which authorizes the VA to contract with community-based facilities to provide care and treatment to veterans suffering from alcohol or drug abuse or dependence disabilities—which, as I discussed earlier, would be extended by a provision in this measure. The new provision is designed to give the VA the ability, across the VA health care system, to provide certain service-connected chronically mentally ill veterans with an additional, necessary option for care which is not now but clearly should be provided by the VA to carry out its responsibilities to these service-connected veterans.

I feel that this is now an excellent provision, and I enjoyed very much working with the chairman to develop this very productive approach focused on the needs of certain service-connected veterans suffering chronic mental illnesses.

Mr. President, there is one final point that I want to make regarding this pilot program and that concerns my views on the funding for this effort as well as the other pilot programs in title I of the committee bill. As I stated in my introductory remarks on S. 6, I am strongly committed to seeking ways in which to bring the enormous Federal deficit under control and, because of this, am extremely reluctant to advocate any new spending by the Federal Government. As I noted earlier in connection with the pilot program of noninstitutional alternatives to institutional care, authorized by section 103 of the committee bill, funding for that program is to come from funds that would otherwise have been used for the provision of more costly intermediate care to the veterans involved. In a similar vein, funding for the pilot program of chiropractic services, authorized by section 104 of the committee bill, is to come from appropriations that would otherwise have been expended—specifically, funds expended for beneficiary travel for beneficiary travel payments.

Although there is no similar legislative direction for the funding of the section 102 pilot program relating to care for chronically mentally ill veterans, it is certainly my expectation and the committee's that the VA will utilize otherwise available medical care appropriations to fund this new effort and, if the pilot program meets the committee's expectations, it should result in a reduced level of spending for the treatment of the same number of veterans by providing treatment for them through less costly means.

With reference to the other pilot program in the committee bill—the partial modification of the VA's Vet Center Program authorized by section 101 of the committee bill—I also expect that any additional staff for the new Vietnam Veteran Resource Centers—VVRC's—will come from existing resources. I anticipate little difficulty for the VA in providing such staffing, both because of the relatively small number of staff that is required to be assigned, in some fashion, to carry out certain functions at the 10 VVRC's and also because the activities that are supposed to be carried out in the VVRC's under the pilot program are already ongoing, either at existing Vet Centers or elsewhere, and should not, therefore, require hiring any new staff.

HEALTH CARE MANAGEMENT

Mr. President, there are three provisions in the committee bill, sections 302, 303, and 304, that address in various ways the committee's concerns about the need to ensure that the VA is providing quality health care. The overall issues of the quality of VA health care and of quality assurance matters have been of particular concern to the committee in recent years and these provisons in the committee bill—which are derived both from the chairman's bill, S. 876, and my legislation, S. 6, and modifications we developed jointly represent the culmination of a great deal of work by the committee to address these concerns.

QUALITY ASSURANCE AND CREDENTIALING

Section 304 of the committee bill deals with the overall issue of VA quality assurance activities, including matters relating to how the agency monitors the credentials of VA health care professionals. This provision, which builds on efforts already underway within the VA, would require the Administrator to establish and conduct a comprehensive quality assurance program and to provide sufficient personnel and resources to the Department of Medicine and Surgery to carry out such a program and sufficient personnel and resources to the VA's inspector general to monitor and evaluate the effectiveness of this program.

One key element of the mandated Quality Assurance Program would require the agency to identify national morbidity and mortality standards for all the types of surgical procedures carried out by the VA and then to collect data on the VA experience for all such procedures and compare the VA experience to the national standards. The VA data would be collected and compared in two ways—for cardiac surgery, heart transplant, and renal transplant activities, data would be collected on each separate VA program, that is, facility, conducting these activities and compared to national and community standards; for all other surgical procedures, the data would be collected and compared on an aggregate basis.

Once the VA data and national standards are compared, the VA's Chief Medical Director would be responsible for identifying and explaining any deviations between the VA experience and the national standards and for making recommendations in light of those comparisons. The Chief Medical Director would be required to submit to the Administrator three reports—one by January 1, 1987, one by January 1, 1991, and the third—on the experience under this mandated Quality Assurance Program. The Administrator, in turn, would be required to submit each such report to the two Committees on Veterans' Affairs within 60 days of receiving each report, together with any comments on the reports.

MEDICAL QUALITY ASSURANCE RECORDS

Section 302 of the committee bill, which derives directly from section 7 of S. 6, concerns the degree of confidentiality that should be provided to records created through the VA's Quality Assurance Programs.

There are two principal elements to the VA's current medical Quality Assurance Program. One is an external review process which involves teams of VA health care professionals from outside of a particular VA facility who come to that facility and conduct a comprehensive review of all facets of the facility's operation. The other is an ongoing program of internal reviews at each VA facility which are carried out by designated committees of health care professionals from the facility's own staff. Each element of the Quality Assurance Program produces various documents which contain information identifying individual VA patients or employees and citing and describing any inappropriate medical practices and deficiencies discovered in the provision of health care and making recommendations for corrective actions.

Because these quality assurance efforts depend to a very significant degree on the willingness of the VA personnel conducting the reviews to be completely candid in their comments and because of concerns that this vital degree of candor could be lost if he participants could not be assured that their remarks and evaluations incorporated in quality assurance reports would be kept confidential, the Congress acted in 1980 to place stringent limitations on the disclosure of these documents.

However, a number of recent instances have come to my attention of situations in which VA facilities have relied on this provision of law—section 3305 of title 38, United States Code—to refuse disclosure of information and records which were not generated by quality assurance reports and which did not appear to come within the coverage of that section. In some of these cases, the material requested consisted of aggregate data relating to morbidity and mortality rates various procedures at VA health care facilities, information that resulted from a simple compilation of information and which did not implicate any quality assurance activity.

In order to ensure that the intent of Congress in enacting section 3305 is clear—namely, that medical quality-assurance records should be kept confidential but only to the extent necessary to promote the candor of individuals involved in the quality-assurance process—and to specify generally that withholding aggregate data relating to morbidity and mortality associated with various VA programs is not necessary to achieve this purpose, section 302 would make clear that such aggregate information is generally not made or considered confidential as medical quality-assurance records. Unless some other basis for nondisclosure exists, the information would be available for disclosure. The only exception would be aggregate information that would identify an individual VA patient or employee or an individual quality-assurance activity and that information would be made available to the public on a regular, periodic basis in the biannual reports of the Chief Medical Director on the VA's Quality Assurance Program submitted to the Veterans' Affairs Committees by the Administrator pursuant to new section 4152 of title 38, United States Code, discussed above.

DISCIPLINARY BOARD ACTION INVOLVING CLINICAL PRIVILEGES

Section 303, which is derived directly from section 8 of S. 6, addresses another matter relating to VA quality-of-care issues and the overall management of the VA health-care system, namely, the process by which the VA can reduce or revoke a health-care professional's clinical privileges.

Clinical privileges in the VA—the type of direct patient-care services that an individual is authorized to perform as a VA employee at a particular VA facility—are a very fundamental component of physicians' and other health-care professionals' employment

with the VA and, indeed, of their proprietary interest in their professions. Because a reduction or revocation of clinical privileges could have a very serious impact on an individual's professional reputation and career opportunities, this provision in the committee bill would require the VA to provide the same due process protections before making such a reduction or revocation as would be provided in cases involving what is presently characterized as "disciplinary action" against a VA health-care professionals. These protections include the right to notice of the basis for the proposed action, the right to confront all witnesses giving evidence, the right to be present throughout the proceeding, and the right to a decision on the record. These procedures are described in broad outline in section 4110 of title 38, United States Code, and are set forth in more detail in VA personal manual MP-5, part II.

During the May 7, 1985, hearing on this provision, the VA expressed the concern that this provision might somehow limit—or be seen to limit—the agency's ability temporarily to reassign a health-care professional so as to remove his or her access to veteran patients during any proceeding involving clinical privileges. To alleviate that concern, the provision in the committee bill contains an amendment to section 4110 expressly specifying—as the VA also asserted in its testimony is the present state of the law—that nothing in section 4110 restricts the Administrator's authority, pending the outcome of any proceeding under section 4110, to reassign a health professional for the purpose of suspending the exercise of clinical privileges or otherwise restricting such employee's professional activities to the extent necessary to protect the health or safety or veteran-patients.

VA CONSTRUCTION ISSUES

Mr. President, I want to outline briefly the provisions of the pending measure relating to VA medical-facility construction issues. I believe that these provisions propose significant improvements in the VA's construction process and the role of the Congress in that process.

First, under the pending measure, beginning in fiscal year 1987, the Congress would follow an annual authorization cycle through the legislative process for the approval of VA construction projects. This would be in lieu of the current committee-resolution approach and would serve to reinforce and unify the activities of our committee and the House committee in the construction area. It would also help to ensure that the intended role of the Congress in the authorization process is fulfilled.

With respect to VA construction proposals for next fiscal year, fiscal year 1986, the pending measure includes a legislative authorization of appropriations for fiscal year 1986. Thus, for fiscal year 1986, as well as future years, under the approach taken in S. 876, we would not adopt a committee resolution. This approach is both fiscally prudent and sound and incorporates the sizing concepts—based on the needs of service-connected disabled veterans and financially needy veterans—which were adopted by the committee in its May 24, 1984, construction project approval resolution.

Second, other changes that would be made in title 38 by S. 876 would, if enacted, give Congress earlier, more effective input into the planning of major replacement and modernization projects and more meaningful control over the size of such projects. It would do this by prohibiting any expenditure, beyond what is necessary to develop project requirements, for a project costing $20 million or more for the construction, remodeling, expansion, or acquisition of a VA hospital facility unless authorized by a law based on legislation reported from the Committees on Veterans' Affairs. It would also limit to not more than 700 hospital beds the size of new or replacement VA hospital facilities that could be constructed and prohibit projects involving expenditures of over $20 million for the remodeling or expansion of a VA facility where, upon completion of the project, the facility would have more than 700 hospital beds.

Mr. President, in my view, this control and input is amply justified and sorely needed as the committee has so clearly learned this year. Under the current process, even the very largest hospital construction projects go through the preliminary plans stage long before there is any congressional input. When congressional input finally comes, in response to the request for funding of working drawings, the agency may already have sunk years of effort into a construction concept and bed size that the Congress has not approved and may wish to change.

For the committee and the Congress to attempt to influence significantly the ultimate shape of the project at that late stage can result—according to the VA—in up to 3 to 4 years of delay in the construction project. This is an untenable situation. Indeed, I might say it is an almost unbelievable situation—especially in light of our committee's strong differences with the VA regarding the size of the hospital facilities it is planning and whether the needs of service-connected disabled veterans and financially needy veterans should be a principal basis for hospital construction/acquisition planning.

As the committee has learned this year in connection with its consideration of the VA's request for fiscal year 1986 funding of three major replacement/modernization projects—in Houston, Philadelphia, and Mountain Home—any congressional control over a large project—other than a decision to proceed or not to proceed—virtually ceases when a project has completed the preliminary planning stage. The committee's concerns in this area are set forth in the discussion of section 401 of the pending measure in the committee's report—Senate Report No. 99-101—at pages 67 through 78, which includes an excerpt from an exchange I had with VA officials at the committee's March 27 hearing on the VA's construction process and an exchange of letters with the Administrator of Veterans' Affairs.

Mr. President, I believe the provisions of S. 876, if enacted, will be a vast improvement over the construction planning process and procedures which now exist. They would allow both the two Veterans' Affairs Committees and the Congress to have a more effective role in the planning for and construction or acquisition of VA health-care facilities involving the expenditure of billions of dollars over the next few years alone.

MURKOWSKI-CRANSTON AMENDMENT

Mr. President, as I mentioned at the outset of my remarks, I want to discuss the amendment offered to the committee bill on behalf of Chairman Murkowski and myself. As I will describe in more detail, this amendment would delete two provisions from the bill and would add a number of other provisions.

DELETIONS FROM COMMITTEE BILL

The amendment proposes—solely for the purpose of avoiding a Budget Act problem at this point—the deletion from the committee bill of the two provisions that involve so-called entitlement spending. As the author of those provisions, I want to stress that they are being deleted here solely for a technical purpose and will be pursued in other legislation this year. One provision would modify the starting date of the Vietnam era for title 38 purposes in the case of veterans who actually served in Vietnam prior to August 5, 1964, the starting date for the Vietnam era in current law, and would, among other benefits, result in providing VA pension eligibility under chapter 15 of title 38 to a small number of these veterans who have low family incomes. The other provision would specify that income received for their participation in a VA incentive or compensated work therapy program by low-income veterans also receiving VA pension would not be counted as income for the purposes of that VA pension. This program would affect approximately 3,200 veterans according to a shortly to be published GAO report on this subject that I requested.

In light of the fact that the Congress has not yet adopted a first concurrent resolution on the fiscal year 1986 budget, it would not be in order, under section 303(a) of the Congressional Budget Act, to consider these entitlement provisions without a Budget Act waiver. Our committee reported such a waiver and it was referred to the Budget Committee on July 8. The Budget Committee did not report favorably on that waiver. Rather than seek a vote on such a waiver at this time, the chairman and I are proposing to delete these two provisions from the committee bill and instead will have them added to legislation which we anticipate the committee will report later this year relating to VA compensation and other VA entitlement programs.

ASSISTANCE FOR CERTAIN FORMER POLITICAL HOSTAGES

Mr. President, the Murkowski-Cranston amendment includes a provision—derived from Senate Joint Resolution 167 which was introduced by Chairman Murkowski on July 22—which directs the VA to ensure that the agency's expertise in diagnosing and treating individuals who have experienced unusual trauma and stress is made available to Federal agencies and other appropriate organizations who are providing assistance to the passengers from TWA flight 847 who were held hostage earlier this year or to other U.S. citizens returning from captivity as political hostages.

Mr. President, I congratulate the chairman on his leadership on this important issue and agree completely with him that the VA has a special expertise in this area—gained most recently through work with and on behalf of Vietnam combat veterans suffering from post-traumatic stress disorder.

I want to expand on one point about this provision. The Administrator of Veterans' Affairs is directed to take appropriate action otherwise authorized by law to ensure that the VA's expertise is shared appropriately. In this regard, I note that, pursuant to subsection (c) of section 110 of Public Law 98-528, the VA has established in Cleveland, OH, a National Center on Post-Traumatic Stress Disorder—also known as the Stress Recovery Center—which is mandated, among other things, to

> serve as a resource center for, and promote and seek to coordinate the exchange of information regarding, all research and training activities carried out by the Veterans' Administration, and by other Federal and non-Federal entities, with respect to PTSD.

In light of this existing statutory mandate, this center should be the principal VA entity through which VA expertise can be shared with those agencies and organizations that are assisting the TWA hostages. In my view, this is precisely the type of function that the Congress envisioned in establishing the center.

EXTENSION OF PERIOD FOR ENTERING TRAINING UNDER THE EMERGENCY VETERANS' JOB TRAINING ACT OF 1983

Mr. President, I also want to make special mention of a provision in the pending amendment that would extend by 6 months—from September 1, 1985, to March 1, 1986—the period of time by which a veteran must enter a program of training under the Emergency Veterans' Job Training Act of 1983—EVJTA—in order for the employer to be eligible for payments under that act.

I was pleased to join as an author of EVJTA in the Senate with the distinguished former chairman of the Veterans' Affairs Committee and now assistant majority leader [Mr. Simpson]. As enacted on August 15, 1983, this law was designed to provide employers with incentive payments to defray training costs so that they would hire and train long-term unemployed Korean-conflict and Vietnam-era veterans. When first enacted, the law provided that a veteran desiring to participate would be required to apply by September 30, 1984, for a certificate of eligibility and to enter training by December 31, 1984. However, in recognition of the possibility that appropriations might not become available by September 30, 1984, the law included the provision I had proposed in the Senate bill establishing a tolling period. Under this mechanism, a veteran had until 1 year after the date on which appropriations were made available for the program to apply and until 15 months after that to enter training. Since funds were not made available to the VA for the program until November 29, 1983, eligible veterans had—at the outset of the program—until November 29, 1984, to apply and until March 1, 1985, to enter training.

Last year, Mr. President, in recognition of the delays inherent, in the startup of the new program, the Congress approved an extension of these dates. Thus, Public Law 98-543—derived in part from my bill, S. 2760—extended the date for applying for the program to February 28, 1985, and the date for entering training to September 1, 1985.

According to a recent evaluation of EVJTA—carried out under contract with and just released by the Veterans' Administration—more than 27,000 veterans have enrolled in training under the program with more than two-thirds receiving training in structural work occupations, machine trades, and professional/technical/managerial positions. Those who completed the program had an average hourly wage of $6.77. The completion rate for veterans in the program was estimated to be 44 percent and the direct cost of training per participant is estimated to be $3,000.

Although, given our enormous budget deficit problems, I have reservations about proposals to authorize the appropriation of additional moneys for this program—at least until the committee has had a full opportunity to hold hearings on the program and legislation to extend and revise it, I feel strongly that action should be taken as soon as possible to ensure that the funds that have already been appropriated for it—the full $150 million—are fully expended.

According to a May 6 letter I received from VA Administrator Harry Walters, the VA estimates that as of September 1 there may be about $10 million remaining in unspent and unobligated EVJTA funding. At this time, we have no real ability to judge the accuracy of that estimate; it could be high or low depending on the rate at which veterans who have been certified as eligible for the program are placed in a training program.

Thus, in order to permit the funds remaining in the program to be used to assist unemployed veterans find productive jobs, the pending amendment would extend by 6 months—until March 1, 1986—the date by which veterans must enter training. This will permit additional time for the VA and the Department of Labor, which share the responsibilities for this program and for developing and placing veterans in training positions, to assist some of the most deserving veterans through the EVJTA Program. Based on the average per participant cost of $3,000, the remaining $10 million would mean training opportunities for 3,300 veterans.

Mr. President, it should be noted that those veterans who have been certified for the program, who are still unemployed, and who not yet been placed in training under EVJTA are quite likely to have special problems in obtaining and retaining employment. Indeed, as the VA's evaluation of the program found, employers tended to select the most employable among the veterans certified for program participation. Thus, I want to make clear that the VA and the Department of Labor will need to strengthen their efforts to assist veterans under EVJTA during this extension and will need to explore ways to provide special types of assistance, particularly in the area of employment counseling and particularly to reduce the disturbingly high noncompletion rate. I intend very strongly to urge both agencies to do a better job in this area. In addition, since there is no limit on the time by which an employer must apply for participation in the program, I will also be urging both agencies to conduct an active employer outreach program so that job opportunities for veterans will be maximized.

PHILIPPINES REGIONAL OFFICE EXTENSION

Mr. President, also included within the amendment Senator Murkowski and I are offering today is a provision I am proposing to extend for 3 years the authority for the VA to maintain an office in the Republic of the Philippines.

Under current law, the VA operates a regional office in the Philippines but the authority for that office expires on September 30, 1985.

The administration, in connection with its March 19, 1985, submission of draft legislation to increase the statutory rates of disability compensation for veterans and rates of dependency and indemnity compensation for surviving spouses and children of veterans, has requested that the authority for this office be extended for 3 fiscal years—until September 30, 1988. The letter from Administrator Walters transmitting the proposal noted that it has been the VA's "experience that the operation of a regional office in the Republic of the Philippines is the most efficacious means of administering the VA programs which provide disability compensation, pensions, and educational benefits to tens of thousands of Filipino beneficiaries." In fiscal year 1983, the VA advises, more than $125 million was paid to over 31,000 Filipino beneficiaries through the Philippines regional office where 128 VA employees work.

Mr. President, this extension would ensure that the VA has the ability to continue to meet the needs of the residents of the Philippines in a cost-effective manner. The Congressional Budget Office estimates that the cost of operating this regional office would be $1 million in fiscal year 1986 and $2 million in each of fiscal years 1987 and 1988.

Mr. President, the House of Representatives, as part of H.R. 2343, the proposed "Veterans' Compensation Benefits Amendments of 1985," which was passed by the House on May 20 and which is currently pending in the Veterans' Affairs Committee, has already approved such a 3-year extension of this authority. By proposing to incorporate this amendment into the pending measure, we intend to ensure that the operations of the VA regional office in the Philippines are not disrupted and may continue after September 30, 1985.

CONCLUSION

Mr. President, it has been a pleasure to work with the chairman [Mr. Murkowski] and all the members of the committee in the development of this legislation to meet important needs of the Nation's veterans. This is the first major piece of veterans' legislation produced in the committee under his chairmanship to reach the Senate floor, and I congratulate him on his effective work and leadership.

This bill, as it is before the Senate today, is the result of true bipartisan effort—the type of effort that we on the Veterans' Affairs Committee always strive to put forth. I want to note the contributions of, and to thank, the committee staff members who worked on this legislation—Cindy Alpert, Tony Principi, and Julie Susman, on the majority staff; James MacRae who so ably provides editorial support to the committee; and, on the minority staff, Bill Brew, Nancy Billica, Ed Scott, Jon Steinberg, Charlotte Hughes, and Ingrid Post.

I believe that S. 876 as reported and as it will be amended by our floor amendment today is a well-balanced, fully appropriate measure that, if enacted, will be of substantial help to the VA in seeking to fulfill its health-care mission. It has the unanimous support of the members of the Veterans' Affairs Committee and has wide support among the veterans' service organizations. I urge my colleagues to give this measure their full support.

Mr. THURMOND. Mr. President, I rise in support of S. 876, the "Veterans' Administration Health Care Programs Improvement Act of 1985."

S. 876 is meritorious legislation containing many significant provisions designed to improve and enhance the health care programs and services provided to the deserving men and women who have honorably served their country. I wish to commend the chairman of the Senate Committee on Veterans' Affairs, Senator Murkowski, the ranking minority member, Senator Cranston, and the other members of the committee for their fine work and bipartisan cooperation on this important veterans' health care legislation.

Mr. President, in view of the necessity of reducing the soaring Federal budget deficit, Congress faces the difficult challenge of weighing competing demands for limited resources. For this reason, proper health care planning and the cost-effective delivery of medical services have never been more important to ensure that the Nation's commitment to our veterans is met through the provision of quality medical care. In this regard, I am pleased that S. 876 contains provisions designed to improve VA medical facilities construction policies and VA health care quality assurance. Other provisions of this legislation have the important objective of identifying less costly alternatives to institutional health care through the authorization of a pilot program to provide community alternatives for nursing home care and a pilot program to provide community-based psychiatric treatment for the rehabilitation of chronically, mentally ill veterans. This legislation will also extend the successful program under which the VA contracts with halfway houses and other community-based facilities for the treatment and rehabilitation of veterans with alcohol and drug dependency disabilities. Additionally, S. 876 provides for the establishment of a pilot program of Vietnam veteran resource centers to provide employment counseling, training, and placement services as well as readjustment counseling and related mental health services.

Mr. President, I am especially pleased that this legislation contains a provision derived from a bill I introduced, S. 1052, which would authorize the VA to conduct a 3-year pilot program to provide chiropractic services to eligible veterans. It is my strong belief that our Nation's veterans deserve the same access to medical treatment, including chiropractic treatment, as that available to recipients of other Federal and State health care programs. Specifically, this provision directs the VA to conduct demonstration projects in five geographic regions of the country to provide chiropractic services to eligible veterans and to evaluate the therapeutic benefits and cost effectiveness of the chiropractic services. The provision authorizes reimbursement to the veteran or direct payment to doctors of chiropractic for the reasonable charges, within certain prescribed limitations, furnished eligible veterans under the pilot program.

Mr. President, it is the highest obligation of United States citizenship to defend our Nation in time of need, and this obligation creates an equal responsibility on the part of our Nation to care for the men and women who have worn the uniform. This country has the great responsibility of ensuring that the debt which is owed to the Nation's veterans is repaid through the provisions of adequate benefits and quality medical care. S. 876 is meritorious legislation which I support, and I urge its favorable consideration by my colleagues.

Mr. SARBANES. Mr. President, I commend the Committee on Veterans' Affairs for the forthright approach it has taken in S. 876 to meet the hospital construction needs of our Nation's veterans.

Since coming to the Congress, I have been a strong supporter of constructing a new acute care VA hospital in downtown Baltimore. The Baltimore facility is supported by all the principal veterans' groups throughout the State of Maryland. There are approximately 630,000 veterans in Maryland. These veterans, 77,000 of whom sustained disabilities while in the service or are totally disabled by reason of non-service-connected problems, deserve and expect quality medical care. The new VA hospital is designed to meet these urgent needs and to operate in conjunction with the University of Maryland Hospital under a unique

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program of cooperative medical care which will provide significant savings through the sharing of equipment, staff, and services.

While I commend the committee for including a specific authorization of $88.8 million for the new Baltimore Hospital in S. 876 without specifying the number of beds, I would hope that there would be considerable flexibility on the part of the Veterans' Affairs Committee with regard to the ultimate design and size of the facility. It is my understanding that the Administrator of the VA Harry Walters has recommended to the Office of Management and Budget and the Senate and House Appropriations Committees that a 373 bed acute care hospital be built in Baltimore. In addition that report evidently calls for the closing of Loch Raven Hospital and the modernization of Fort Howard Hospital.

Recently, in reporting out the HUD-Independent Agencies appropriations bills, the House Appropriations Committee included $2 million in the bill for redesign of the Baltimore facility. I am pleased that the Senate Appropriations Committee's Subcommittee on HUD-Independent Agencies today included a similar amount in its bill.

Mr. President, the new acute care hospital in Baltimore is essential to meeting the health needs of Maryland's large veteran population. In light of the great need for the facility, the continuing congressional commitment to it, and the money already spent by the Federal Government for it, I applaud this specific authorization and urge that this project go forward without further delay.

JOBS TRAINING STILL NEEDED

Mr. PRESSLER. Mr. President, I rise today in support of the extension of the Emergency Veterans Jobs Training Act. Since its inception, this job training and placement program has provided employment for approximately 30,000 Korean and Vietnam veterans. Another 206,000 veterans were deemed eligible for placement on February 28, 1985—the application deadline for this program.

As a Vietnam veteran, I have always advocated veterans employment programs. They are vital in assisting veterans in finding stable jobs in the American economy. Also, the resulting higher employment rates build the tax base and promote a healthier economy. Thus, I would argue that veterans employment legislation is not only helpful to the individual veteran, but also pays for itself economically.

As many of my colleagues will remember, the Emergency Veterans Jobs Training Act passed Congress in late 1983. Designed for joint implementation by the Department of Labor and the Veterans' Administration, its intended purpose was to assist in lowering the excessively high Korean and Vietnam veteran unemployment rates. It has had a checkered existence.

First, the appropriation of funds was not made until early 1984, so the program was late in getting started. Second, word did not reach veterans and potential employers as quickly as many would have liked. These factors directly contributed to a very sluggish beginning for the program.

When the Emergency Veterans Jobs Training Act was approved, the plan was for a 2-year program, with $150 million to be available in fiscal years 1984 and 1985. The initial $150 million has been the only appropriation ever made. Apparently, $10 to $20 million of this amount remains available for use today.

Earlier this year, I joined Senator KERRY in introducing legislation to extend this jobs program for 3 more years. This legislation recognizes the fact that certain categories of veterans, particularly Vietnam veterans, continue to experience severe employment problems. The recently released American Legion/Columbia University study further points to the problems—job related and otherwise—that Vietnam combat veterans continue to experience.

As part of the veterans health bill, the distinguished chairman of Veterans' Affairs, Senator MURKOWSKI, has offered an amendment to extend the job placement portion of this program until March 1, 1986. Also, it is my understanding that hearings on the Kerry/Pressler bill and the House version, H.R. 1408, will be held in September.

Mr. President, It is my hope that at that time, we can seriously debate where we want to go with the program and how we should do it.

Mr. HEFLIN. Mr. President, I am pleased to rise today in support of S. 876, a comprehensive veterans health care bill.

I am particularly pleased to see the Senate require the Veterans Administration to follow a new direction with respect to adding hospitals to the VA health care system. For the first time legislation would require the VA to determine the feasibility of purchasing or leasing existing medical facilities instead of constructing costly new facilities. The legislation requires the VA to submit to Congress an analysis of the cost of constructing a new facility versus purchasing or leasing an existing hospital or nursing home when adding to the veterans health care system. While the VA has had the statutory authority to purchase or lease an existing facility, they have never seen fit to consider this cost saving option. S. 876 would require that they consider this commonsense option.

I know firsthand of one instance where the VA could purchase an existing hospital for 20 to 25 percent of the cost of constructing a new facility in a region of the country where a definite need for an additional VA medical center has been established by the Veterans Administration. The VA should investigate purchasing the Providence Hospital in Mobile, AL. The Florida Panhandle Study, developed by Medical District 10, shows a minimum need for approximately 215 medical-surgical beds to serve the needs of the 8 counties located in the panhandle of Florida. VA Medical District 10 studies also show a need for 87 hospital beds to serve the needs of the veterans in Baldwin, Clarke, Mobile, Monroe, and Washington counties in southern Alabama. Using the VA figures, one could conclude that there is a need for a minumum of 302 additional medical-surgical beds to serve the veteran population living in the 5 Alabama coast counties and 8 Florida panhandle counties. Other studies conclude that approximately 70 percent of the veterans along the central gulf coast live within 1½ hours driving time of Providence Hospital, which will be vacated by its current owners in late 1986. Although the Veterans Administration has established a need to construct a costly new facility in Fort Walton Beach, FL, I believe the Providence Hospital facility could provide substantial savings.

Acting upon requests from myself and of my distinguished colleague from Alabama, Senator DENTON, the Veterans' Administration conducted a study of the Providence Hospital to determine its suitability as a VA medical center. A report published after the study was completed concluded: ". . . if a programmatic determination was made to establish a Veterans' Administration Medical Center in Mobile, AL, the Providence Hospital could be adapted to serve this role." Additionally, the University of South Alabama College of Medicine is located in close proximity to the site of Providence Hospital. The location of a Veterans' Administration Medical Center at the Providence Hospital site would greatly benefit both the Veterans' Administration and the University of South Alabama College of Medicine.

The Veterans' Health Care bill contains a provision adopted by the Senate Veterans' Affairs Committee which requires the VA to study the purchase of an existing medical facility—namely Provident Hospital in Mobile, AL.

Rarely have I seen an issue which has galvanized public opinion in such a favorable fashion. The Mobile community has rallied behind this idea for two simple reasons. First, the proposal represents a commonsense approach to Government spending that is a welcome change from talk of $400 hammers and $700 coffee pots. They realize our opportunity to save, rather than waste in this period of unprecedented Federal budget deficits. Second, I am honored to say, Alabama has a proud history of sending her sons to fight for our country. As a result, we have a comparatively large number of veterans located in Alabama who would benefit from a Veterans' Administration facility. These veterans, their families and I, support efforts to provide them with the health care they deserve.

Thank you, Mr. President.

Mr. BOSCHWITZ. Mr. President, the roots of my involvement in veteran health care legislation are long—stretching back to before 1980 when I became involved in trying to provide funds for a replacement hospital for the aged and outdated Minneapolis Veterans Hospital.

Those battles with the VA over its constantly changing priority list, and the parallel battles with certain local groups over the lack of need for a replacement facility because local hospital beds were unused, laid the goundwork for my continuing interest in vets health care and the VA's construction process.

Mr. President, since those days in 1980 the VA has spent $2.7 billion on the construction of new or replacement medical facilities. This year the Administration's budget calls for an additional $2.5 billion over the next 3 years. And this is really just the tip of the iceberg. CBO projects that $400 million will be needed over the next 5 years just to meet the new construction needs for nursing homes.

However, if the VA attempts to retain its current level of providing nursing home beds, the costs would go up an additional $200 million. And this is just for nursing homes.

Currently the VA provides 40 percent of the veterans nursing home beds, the State Home Program provides 20 percent, and the remaining 40 percent are contracted on an individual basis to non-VA nursing homes.

However, in addition to nursing home spending, CBO estimates that the funds needed for the replacement or modernization of existing VA hospitals could cost as much as $2.9 billion.

Unfortunately, the VA's construction process is often at least twice as expensive as the private sector. This means that while we are doing what we can to see that the veterans of this country are getting the health care they deserve, we are clearly not getting as much bang for our buck as we could. And in this budget cutting climate we have to stretch each dollar as wisely and as far as we can. That is why I introduced, along with Senators DENTON, HEFLIN, and PRESSLER, S. 1007, and that is why I am so pleased that several provisions from our legislation are included in the committee reported bill we are discussing today. I feel that if we can cut costs in the construction area, we can provide more beds, serve more veterans, and provide better overall health care for this Nation's veterans.

Mr. President, everyone involved with veterans and the VA knows the crunch is coming. The demographics of the aging veterans have been published in every major media forum. The VA also, to its credit, has tried to address and plan for the influx of aging veterans.

If the VA is right and the demand for VA health care triples by the year 2000—with patient load leaping from 4.5 million today to over 12 million—then there will be a tremedous strain on both the VA and its budget. Clearly, we want to be in a position to provide VA health care for as many eligible veterans as we can.

Therefore, we must realize that in order to pay for the care we have promised the veterans, we must develop more cost-effective methods of providing it. But we must provide it in such a way that we don't jeopardize the commitments we have made to our veterans. And we must also recognize that the VA's costs will normally be somewhat higher than the private sector because of the type of patients it serves and the dedicated mission it has been given. However, it is clear Congress and the VA must look at the options and alternatives available.

And that is exactly what the bill we have reported out of committee is designed to do. First, we want the VA to look at other ways to provide care before simply building a new expensive facility. Under my provision adopted by the committee, the VA will now need to show why they have not used the option to lease or purchase an existing facility before deciding to go ahead and build a new one.

Second, the bill sets up two pilot projects that will allow the VA, Congress and the veterans of this country a chance to see how these other options work.

I realize that some will argue that since the VA now has the authority to acquire existing facilities that directing them to do so isn't needed. Unfortunately, it is clear that the VA has no intention of taking this course, since they, by their own admission, have never acquired even one nursing home or hospital. So if we wait for them to make the first move, it will probably be the year 2020.

That's why I believe the Mobile, Alabama Register's comments in regards to my and Senator DENTON's bill were so accurate. In an editorial in support of our bill they commented:

> The legislation is akin to hitting a mule between the eyes with a two-by-four to catch his attention.

Mr. President, basically the provisions of our legislaton will do two things.

First, it requires that the VA's first option when developing plans for new or replacement medical facilities shall be to consider leasing or purchasing existing community facilities. As I mentioned, the VA has the authority now to lease or acquire existing facilities, but it has never used it for either hospitals or nursing homes.

Second, it sets up a pilot program to look at different scenarios. The first would be privately built, privately run nursing homes that the VA would contract eligible veterans to in a 5-year agreement. Veterans in my State of Minnesota support such a pilot project located in Grand Rapids, MN. In this case, a veteran would like to build a nursing home facility for vets and then run it with his staff.

The second would require the VA to purchase an existing medical facility. It seems that a perfect opportunity to exercise this option is available in Mobile, AL, where the VA can acquire a hospital for $25 million, and in fact the purchase option has been looked at by the VA and the local community. In contrast, the replacement Minneapolis hospital I fought so hard and successfully to get funded cost over $200 million.

Mr. President, my interest in these ideas was reinforced when I received the results from a survey I mailed to over 60,000 Minnesota vets last summer asking for their views on how Congress should "find" the number of nursing home beds that will be needed by the year 2000. The results were startling, with 73.4 percent of the respondents saying that the VA should not build more nursing homes. Overall, the results reemphasized my belief that veterans are concerned both about available health care and cost-effective care. And I believe the bill we are about to pass here today accomplishes these goals.

Mr. President, I know my colleagues will agree that the time is right to look at different ways to spend our VA construction money. The crunch is certainly coming. This bill will give us a chance to get started now, and I urge its adoption.

Mr. MATSUNAGA. Mr. President, I rise in support of S. 876, the Veterans' Administration Health Care Programs Improvements Act of 1985. The bill, which is the result of extensive hearings in the Senate Committee on Veterans' Affairs, requires the Veterans' Administration to conduct four pilot programs designed to test and evaluate better methods of health care.

One of these pilot programs, scheduled to be in effect for 4 years, would permit veterans eligible for VA hospital, nursing home or domiciliary care to receive and be reimbursed for care in non-VA, noninstitutional settings. Priority in this demonstration project would be given to veterans who are over 65, to those who are permanently and totally disabled, and to those whose disabilities are service-connected.

A second, 3-year pilot program would permit certain eligible veterans to be reimbursed for the cost of chiropractic services not otherwise covered by health insurance.

Service-connected, chronically mentally ill veterans would be able to obtain care in community-based residential treatment facilities under a third pilot program, and, finally, Vietnam-era veterans would be eligible for an increased range of services at readjustment counseling centers under a fourth pilot program. In many instances, home health care, and community based residential health care have proven to be highly effective and cost-efficient, and these pilot programs provide an opportunity to determine if this type of care can be integrated successfully into the VA health care system. The expansion of counseling services provided at Vietnam Vets Centers—to be tried at 10 centers initially—would make them truly one-stop centers where veterans could obtain information about health, housing, and educational benefits provided by the VA as well as readjustment counseling.

Second, Mr. President, S. 876, would extend through the end of 1989, the period during which veterans who were exposed to agent orange (dioxin) during the Vietnam war may receive priority health care from the VA, and it would authorize the VA to continue for 3 years its program of placing veterans who are alcohol or drug dependent in community based halfway houses. A report on the progress of this program would be required by February 1988.

Finally, S. 876 would improve congressional oversight of the VA. The VA Administrator would be required to submit a report to Congress prior to reducing the pay grades of health care personnel, and would be authorized to provide Congress with statistical data about VA health care programs and facilities, so long as such information does not specifically identify any VA patient. The VA would be required to establish a comprehensive quality assurance program to monitor VA health care programs and to submit reports on the results to Congress so that we know whether quality care, comparable to that provided throughout the Nation, is being provided to the Nation's veterans. Tighter congressional control of VA construction also is provided under S. 876, which requires the VA Administrator to develop a plan for anticipating the health care needs of service-connected patients and the number of beds necessary in the construction of any new VA facility.

Mr. President, these proposed improvements in veterans health care are very much needed. They would help to make VA health care more comparable to care received in the best private facilities and more cost effective. I know that many of my colleagues are deeply concerned about cutbacks in care for veterans and in the medical staffs of many VA facilities. This bill will not reduce medical personnel in VA facilities or reduce the quality of care provided to veterans. In fact, by enabling the Committee on Veterans Affairs and the Congress as a whole to obtain better information about the existing and projected health care needs of veterans, it would improve the care provided. S. 876 merits our full support, and I urge a favorable vote on the bill.

Mr. DENTON. Mr. President, I am pleased to support S. 876, a complete and comprehensive health-care bill.

S. 876 covers a wide range of issues, including studies on alternatives to institutional care, alcohol and drug rehabilitation programs, Vietnam Veterans Resources Centers, medical facilities construction plans, and several other topics. S. 876 is an important step in addressing both the short and long term health needs of our veterans, and in helping the Veterans Administration to deal with them effectively.

I am gratified that the bill includes my amendment to provide eligibility for counseling for all former prisoners of war. The amendment authorizes the VA to furnish counseling, to the extent that it is possible to do so, to any veteran who is a former POW in order to assist him in overcoming any lingering effects of his experience.

Many POW's from World War II and Korea have had no place to go to receive counseling or to talk about their experiences with a professional trained to deal with these matters. We who returned from prison in Vietnam have received every possible attention, which is understandable in view of the small number and the considerable difficulties that we encountered. My experience, however, has made me sensitive to the problems that may be encountered by my comrades from other conflicts.

The current law requires that a former POW must have a disability rating in order to be eligible for treatment. I know from personal experience, however, that a former POW does not necessarily have to have a certified disability in order to experience trauma from the ordeal of imprisonment and mistreatment. I know that there are many former POW's who have not even talked about their World War II POW experience since their return home, in large part because there was no trained individual available to listen. I believe that S. 876 will solve that problem.

The total number of former POW's is 90,801; 550 are from World War I. The largest number, 85,904, are from World War II; 3,722 are from Korea, and 625 from Vietnam.

Most States now have organizations of former POW's. There is an active organization in Alabama, and I have benefitted greatly from the things that its members have told me about their experiences and their concerns. Members of the Committee staff have also met with them. It is those veterans in Alabama who were instrumental in planting the seed for the amendment that is now included in S. 876. I commend them for their active interest in the problems facing all former POW's, and I thank them for the contribution that they have made on behalf of all former POW's.

One of the most important sections of the bill, and one that will make the most difference for many veterans in the long run, is the section on medical facilities construction. The Committee is requiring the VA to give substantial consideration to service-connected disabled veterans and to indigent veterans, and to the relationship between the levels of care provided to them, when developing its bed-sizing model for the construction of new VA medical facilities. I think that this is a useful beginning to the process of developing more rational approaches to the problem of providing VA medical facilities.

The bill also contains three sections based on the legislation, S. 1007, that Senator Boschwitz and I submitted in an effort to find less expensive and more effective ways than new construction for providing medical facilities. One provision requires the VA to do what current law already allows, to consider other options than new construction when providing a new facility.

The other two sections are, in essence, a pilot program. One requires the VA to enter into a contract for the construction and operation of a nursing home that meets VA specifications. The second requires the VA to provide a feasibility plan for the purchase of an urban medical facility that can furnish both hospital and nursing home services.

That last provision is designed to deal with the opportunity presented by the availability of Providence Hospital in Mobile, AL, a situation that I have described in detail to the Committee during hearings. Purchase or lease of existing facilities, which has been recommended by every federal agency ever to look at the problem, should enable the VA to provide better service to veterans, to provide it more inexpensively than new construction, and to provide it sooner.

I support the bill because I think that it is good legislation. I commend

the chairman of the Veterans Affairs Committee for his leadership in putting the bill together, and I commend the members of the Committee for their serious and responsible consideration of the issues.

Finally, I wish to note the efforts of the Committee staff, particularly Tony Principi, the Staff Director; John Steinberg, the Minority Staff Director; Julie Sussman, the Legislative Director; and Cindy Alpert, the staff health-care specialist. Their hard work and professionalism contributed materially to the development of the bill.

Mr. KASTEN. Mr. President, the amendment I have offered will enable Milwaukee County to develop an important project on Milwaukee County stadium grounds.

Earlier this year, two civic minded individuals, Jane and Lloyd Petit, generously donated $40 million to Milwaukee County for the purpose of constructing a sports and entertainment complex. The present indoor stadium facilities in Milwaukee are inadequate and efforts to finance construction of a new facility have been tangled in bureaucratic redtape for years.

The land under consideration for development was leased to Milwaukee County for recreation and civic purposes by the Veterans' Administration through conveyance legislation passed in 1949 and 1955. Both of these laws contain language stipulating that if Milwaukee County alienates the land from its prescribed purposes, the land could revert back to the United States. Milwaukee County plans to sublease this land to a private corporation for construction purposes and concern has been raised that this may be construed as "alienation," causing the land to revert back to the Veterans' Administration.

The amendment I offered will permit Milwaukee County to sublease a portion of this land to the private corporation without jeopardizing the potential for alienation.

This project has been approved by the Office of Management and Budget, General Services Administration, and the Veterans' Administration.

Mr. President, the proposed project is very important to the citizens of Milwaukee and the State of Wisconsin. Just 4 months ago, the Milwaukee Bucks, one of the NBA's most successful franchises, was for sale. Interest from outside of the city gave new meaning to the need for a new, larger more adequate facility. The current complex only seats 12,000 people and is the NBA's smallest facility. The new complex will enable the Milwaukee Bucks to prosper and maintain their residency in Milwaukee. In addition, the complex will be used for other purposes such as concerts, rodeos, and trade shows which have otherwise been held outside of Milwaukee.

As you can see, the community has long been in need of such a facility. The economic value to Milwaukee County is immeasurable. Milwaukee is proud of its achievements and the development of this new entertainment facility will enhance the quality of life in this progressive community.

Finally, I would like to thank and congratulate the Petits once again for their generous contribution to the people of Milwaukee and the State of Wisconsin.

The PRESIDING OFFICER. The question is on agreeing to the committee substitute.

The committee substitute was agreed to.

Mr. DOMENICI. Mr. President, S. 876, the Veterans' Administration Health-Care Programs Improvement Act of 1985, is a comprehensive piece of legislation and I commend the distinguished chairman of the Committee on Veterans' Affairs, Mr. Murkowski, and the ranking minority member, Mr. Cranston, for their continued concern for our Nation's veterans and their efforts to show these veterans that we have not forgotten them. I share this concern. As chairman of the Committee on the Budget, I also have a great interest in legislation that proposes to achieve cost savings through sound policy and program reforms. Over the past few months, I have met many times with the distinguished chairman, Mr. Murkowski. In the interest of deficit reduction, we have discussed many policy and program reforms for veterans' benefits and services and we have reached acceptable compromise on these important issues. I am concerned that S. 876, as introduced, does not reflect these discussions nor does it reflect the cost savings assumed in the Senate-passed budget for veterans' benefits and services. I would very much appreciate having the views of the distinguished chairman of the Committee on Veterans' Affairs, Mr. Murkowski, on S. 876 and its consistency with the Senate-passed budget resolution.

Mr. MURKOWSKI. Mr. President, I appreciate the opportunity to describe more specifically the committee intent with respect to S. 876, the general policy and program implications of the bill, and its budgetary implications.

I want to congratulate my fine colleague, the chairman of the Budget Committee, for his untiring efforts to work out a fair budget compromise which will achieve substantial progress toward deficit reduction. I also wish to assure him that S. 876 is completely consistent with the Senate-passed budget resolution for veterans' benefits and services.

This measure is designed to achieve, among other things, certain innovations in the provision of VA medical care and the construction of VA medical facilities in order to achieve long-term cost effectiveness in the delivery of health care. The VA, like other Federal health-care systems, is a predominantly institution-based medical care system with an extensive hospital, nursing home, and domiciliary facility capacity. The delivery of health care in this country is changing as a result of advances of medical technology, the emphasis on cost containment, the aging of our population, and the development of alternative modalities of care. The VA health-care system is also experiencing these changes and, in certain ways, is adapting its programs accordingly. I believe it is critical to the viability and quality of the VA health-care system that the VA keep pace with these changes and, in fact, be a leader in the health-care field.

It is desirable, both from a patient care standpoint and a cost-containment standpoint to integrate noninstitutional care programs, particularly those which are community-based, into the VA's continuum of care.

Certain provisions in S. 876, are designed to test various noninstitutional, less costly, and more appropriate forms of care. The result of these pilot programs will provide insights into whether this direction should be considered as alternatives to expanding costly inpatient capacity. Noninstitutional programs provide options for care which are in some cases more appropriate to the needs of veterans who do not require expensive hospital or nursing home care. Concerns have been raised about whether or not such services are truly cost-effective or whether they are new expansions to an already costly system. It is my firm belief that these programs do not constitute new expansions, but alternatives. These alternatives must be tested and if effective, be fully implemented. If such efforts are not examined, the system as we know it will continue, as it has in the past, to provide care in ways that made sense in the 1950's, but in many ways fail to make sense today. The goal, therefore, of S. 876 is to balance the needs of veterans and the concern for cost containment by maintaining the current level of services provided by the VA health-care system and at the same time allowing the VA to use noninstitutional care programs whenever appropriate instead of institution-based services.

Mr. DOMENICI. Mr. President, I appreciate the clarification provided by the chairman on Veterans' Affairs, Mr. Murkowski, regarding the consistency of S. 876 with the Senate-passed budget resolution. Although S. 876 is not entirely consistent with the dollar amount provided in the Senate-passed budget resolution—S. 876 does maintain the authorization level for VA construction at the Senate-passed level. I appreciate the distinguished chairman's continued support of the Senate-passed budget resolution for veterans' benefits and services.

Mr. KERRY. Mr. President, on April 30, 10 years after the fall of Saigon, Senator Pressler and I introduced legislation to modify and extend the Emergency Veterans Job Training Act of 1983, entitled the "Veterans' Career Development Training and Job Bank Act of 1985."

To date, there has been no hearing on that legislation, nor on the effectiveness of the Emergency Veterans' Job Training Act, under which the authority for new training runs out September 1.

Because of my deep concern that EVJTA would cease to exist as of September 1, and my belief that the program has accomplished a great deal for the veterans it has served, I prepared an amendment, which was to be offered on behalf of Senator Pressler and myself, to the veterans' health-care bill, that would have authorized an additional $75 million in appropriations for this program and extended it another year.

Yesterday, I met with the distinguished chairman of the Veterans' Committee, Senator Murkowski, and the distinguished ranking Democratic member Senator Cranston, of the committee to determine whether we could work out a mechanism to continue the program and also resolve any questions about whether the program could be improved by changes in eligibility or its fundamental mechanisms of providing a Federal subsidy to private-sector employers through a job matching program.

During that meeting, I expressed my concern that without an immediate extension of authorization, the act would terminate on September 1, leaving perhaps as many as 100,000 veterans in the program with no opportunity to be placed in jobs or to receive training.

I also expressed my belief that the program had provided a real service to the tens of thousands of veterans who have been placed in jobs and trained under EVJTA. I told the distinguished chairman of the committee and the distinguished ranking Democratic member that my office had received calls from as far away as Albuquerque, NM to testify to the program's effectiveness.

Senator Murkowski and Senator Cranston expressed their concern about authorizing new funds for a program which had not yet had a hearing, especially in a time when the budget deficit was so serious.

An agreement was reached under which the program was extended for veterans already enrolled through March 1, 1986, and a full committee hearing scheduled to review the program, the bill passed by the House extending the program, H.R. 1408, and S. 1033, the bill I have proposed with Senator Pressler.

Senator Murkowski graciously offered to schedule the hearing for as soon as possible following the August recess, in September, and to schedule veterans' organizations and specialists with knowledge of the program to testify before the committee at that time.

For the Record, I ask unanimous consent that the amendment I was prepared to offer to the veterans' health-care bill be reprinted at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KERRY. That amendment would have done three things: extend the program another year, authorize an additional $75 million for the program, and reduce the period of unemployment necessary for eligibility in the program from 15 weeks to 5 weeks.

It is vital that this Nation continue to meet its commitment to Vietnam veterans who still, more than 10 years after the conclusion of the war, have not been fully integrated into our society.

Following hearings on EVJTA, the House bill and the Kerry bill, should the program not be extended, I remain prepared to offer this amendment, or something very similar, on the floor at an appropriate time.

I believe there is already considerable support for such an extension, as is demonstrated by the cosponsorships already made on S. 1033. As of today, Senators Harkin, Gore, and Pressler, among Vietnam-era veterans in the Senate, are cosponsors of this legislation, in addition to Senators Kennedy, Matsunaga, Riegle, Durenberger, and Levin. In addition, several other Senate offices have indicated to me their strong support for an extension of EVJTA in some form.

At this time, I would like to thank the American Legion and the Vietnam Veterans of America for their help and support in our efforts to continue EVJTA.

I also want to extend my sincere thanks to Chairman Murkowski, and Senator Cranston, and their staffs for their hard work in working out this agreement to extend the program and schedule an early hearing on it. Their continuing commitment to veterans' issues is deeply appreciated by me, as I am sure it is appreciated by the veterans their committee represents.

Exhibit 1

On page 66, after line 24, insert the following new section:

EXTENSION OF THE EMERGENCY VETERANS' JOB TRAINING ACT OF 1983

Sec. 505. (a) Section 17 of the Emergency Veterans' Job Training Act of 1983 (Public Law 98-77; 20 U.S.C. 1721 note) is amended by striking out "February 28, 1985" and "September 1, 1985" and inserting in lieu thereof "June 30, 1986" and "September 30, 1986", respectively.

(b) Section 5(a)(1)(B) of such Act is amended by striking out "fifteen of the twenty" and inserting in lieu thereof "5 of the 20".

(c) Section 16 of such Act is amended by inserting "and $75,000,000 for fiscal year 1986" in the first sentence after "1985".

Mr. MURKOWSKI. Mr. President, I commend our capable colleague from Massachusetts for his interest and input regarding veterans' issues. Senator Cranston and I share his determination to ensure that veterans with severe unemployment problems will have their needs addressed appropriately.

The committee amendment to S. 876 acknowledges the importance the Veterans' Affairs Committee places on employment concerns of veterans. This amendment will extend the deadline for veterans to begin training under the Emergency Veterans' Job Training Act until March 1, 1986. Thus, the Job Service will have an additional 6 months to place in training programs veterans who have qualified for the program but have not yet found jobs. In light of this amendment, and my commitment to hold an employment hearing in the fall, I appreciate the Senator's agreement to withdraw his amendment.

Two years ago, when the Congress established the Emergency Veterans' Job Training Act, Vietnam-era veterans had 9.1-percent unemployment rate, seven-tenths of a percent higher than the rate for nonveterans the same age. We can look with pride at the progress made by our veterans with the help of the Department of Labor and the Veterans' Administration. The unemployment rate for Vietnam veterans has been reduced to 5.6 percent. The gap between the unemployment rate of Vietnam veterans and nonveterans the same age has narrowed by almost three-fourths to one-fifth of a percentage point.

While we can be pleased with this progress we can't be satisfied. There are still veterans with severe unemployment problems. In my State of Alaska unemployed Vietnam veterans make up 2 percent of the States population and almost 15 percent of the unemployed.

I share the concerns about veterans' employment expressed by our colleague from Massachusetts. In the hearing I will schedule as soon as possible following the August recess to address this important issue, the committee will explore various initiatives to address these concerns.

Mr. CRANSTON. Mr. President, I want to take this opportunity to congratulate the distinguished Senator from Massachusetts [Mr. Kerry] on his leadership on this issue and for his persistence in pursuing this matter. As coauthor in the Senate, with the distinguished former chairman of the Veterans' Affairs Committee and now the assistant majority leader [Mr. Simpson], of the Emergency Veterans' Job Training Act of 1983, I deeply sympathize with Senator Kerry's desire to make additional job training opportunities available for veterans, and, in this case, particularly for Vietnam-era veterans and service-connected disabled veterans.

As Chairman Murkowski has just said, we appreciate the Senator's cooperation in withholding his amendment at this time in order to give the committee an opportunity to conduct a hearing, both on his bill, S. 1033, and the House-passed legislation, H.R. 1408, and on oversight of veterans' employment issues generally. We have agreed to hold that hearing in September, as early as possible following the August recess period, and will work with the Senator from Massachusetts in developing an appropriate witness list to assure a full and fair presentation of the issues involved.

As the Senator has pointed out, H.R. 1408 as passed by the House would extend—until December 31, 1985—the already expired February 1, 1985, deadline for veterans to apply for participation in the EVJTA Program and—until July 1, 1986—the September 1, 1985, deadline for veterans to enter into training. It would also—as Senator Kerry favors—authorize the appropriation of an additional $75 million for the EVJTA Program and modify the eligibility criteria. The provisions of the amendment Senator Murkowski and I offered and the Senate has just approved to S. 876 would, among other things, extend until March 1, 1986, the deadline for entry into training. Thus, EVJTA issues will be before us as we negotiate with the House the issues contained in the pending veterans' health-care measure, S. 876/H.R. 505, and H.R. 1408.

It therefore appears virtually certain that an extension of the period of time for entering training will be enacted shortly. This will enable those veterans with certifications to enter into training utilizing the existing appropriations balance of $10 million or more which will remain available for obligation under EVJTA throughout fiscal year 1986.

Moreover, as we stressed to the Senator from Massachusetts in our discussions yesterday, there will be another veterans' measure—dealing with compensation and education matters—in the fall. He will have full opportunity to offer his amendment at that point if the committee has not, pursuant to its hearings and consideration, decided to take action satisfactory to him.

By waiting until that time before changing any eligibility criteria or reopening the program to new participants, we would force the targeting of the program on truly long-term unemployed veterans, rather than opening it up—as the House-passed measure would—to new applicants. That is, indeed, one of the matters that I feel strongly we need to examine prior to taking more extensive action with respect to continuation or modification of EVJTA.

As I pointed out earlier in my opening remarks on the bill, the recent evaluation—carried out under contract with and just released by the VA—of the performance of the program has raised two particular areas of concern to me: First, the high drop-out rate for veterans who have been placed in training and, second, the finding that the program has tended to select the most employable among the certified veterans for program participation and that most participation employers would have hired the veterans without the possibility of reimbursement of training costs.

Also, the unemployment situation is very different from what it was in March of 1983 when I first proposed emergency job training legislation and our committee began working on it. The Vietnam-era unemployment rate was then 10.7 percent and the national rate was 10.3 percent. The comparable rates for June 1985 were 5.3 percent and 7.2 percent, respectively. The unemployment emergency as such has thus receded although the tragedy unquestionable continues for far too many, especially certain categories of Americans and certain categories of veterans.

We will certainly be examining these and other issues, such as those I outlined in my earlier remarks, through our hearings in September.

I intend to work closely with the Senator from Massachusetts and the distinguished chairman, Mr. Murkowski, as well as other committee members, on this matter and again thank Senator Kerry for his cooperation and his understanding of the position of the authorizing committee on this issue.

The PRESIDING OFFICER. If there is no further debate, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to H.R. 505, the House companion bill.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 505) to amend title 38, United States Code, in improve the delivery of health care services by the Veterans' Administration, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, I move to strike all after the enacting clause and insert the text of S. 876, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 505) was passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I send a title amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

Amend the title so as to read: "An act to amend title 38, United States Code, the establish, extend, and improve certain Veterans' Administration health-care programs, and for other purposes."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the title.

The amendment was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent to indefinitely postpone S. 876.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent to indefinitely postpone Calendar No. 242, Senate Resolution 198.

The PRESIDING OFFICER. Without objection, it is so ordered.

HANDICAPPED CHILDREN'S PROTECTION ACT

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 250, S. 415, the Handicapped Children's Protection Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 415) to amend the Education of the Handicapped Act to authorize the award of reasonable attorney's fees to certain prevailing parties, and for other purposes.

The Senate proceeded to consider the bill (S. 415) to amend the Education of the Handicapped Act to authorize the award of reasonable attorney's fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to prohibition of discrimination, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike out all after the enacting clause, and insert the following:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Handicapped Children's Protection Act of 1985".

Sec. 2. (a)(1) Section 615(b)(2) of the Education of the Handicapped Act (hereafter in this Act referred to as the Act) is amended—

(A) by inserting "(A)" after "(2)"; and

(B) by adding at the end thereof the following new subparagraph:

"(B) Within 5 days after the receipt of a complaint under paragraph (1), the State or local educational agency or intermediate educational unit shall notify the parent or legal representative of the handicapped child or youth whether or not the State or local educational agency or intermediate educational unit, as the case may be, will use the services of an attorney in conjuction with the impartial due process hearing under this subsection, or the impartial review under subsection (c), in the manner described in section 615A(b)(1).".

(2) Section 615 of the Act is amended by adding at the end thereof the following new subsection:

"(f) The provisions of section 615A shall govern the award of a reasonable attorney's fee, reasonable witness fees, and other reasonable expenses in connection with any impartial due process hearing under subsection (b) of this section, any impartial review under subsection (c), and the bringing of a civil action under subsection (e).".

(b) The Act is amended by inserting after section 615 the following new section:

"FEES AND EXPENSES

"Sec. 615A. (a)(1)(A) Except as provided in subparagraphs (B) and (C), in any civil action brought under section 615(e), the court may, in its discretion, award a reasonable attorney's fee, reasonable witness fees, and other reasonable expenses of the civil action, in addition to the costs to a parent or legal representative of a handicapped child or youth who is the prevailing party.

"(B) Whenever—

"(i) the decision of the impartial due process hearing under section 615(b) or the impartial review of such hearing under section 615(c) is in favor of the parent or legal representative of a handicapped child or youth, and

"(ii) the State or local educational agency or intermediate educational unit appeals the decision pursuant to section 615(e),

the parent or legal representative of the handicapped child or youth shall be awarded a reasonable attorney's fee, reasonable witness fees, and other reasonable expenses of the civil action.

"(C) Whenever—

"(i) the decision of the impartial due process hearing under section 615(b) or the impartial review of such hearing under section 615(c), and the decision of the court, is in favor of the parent or legal representative of a handicapped child or youth, and

"(ii) the State or local educational agency or intermediate eductional unit appeals the decision of the court pursuant to section 615(e),

the parent or legal representative of the handicapped child or youth shall be awarded a reasonable attorney's fee, reasonable witness fees, and other reasonable expenses of such appeal.

"(2) Whenever the parent or legal representative—

"(A) is awarded fees under subparagraph (A), (B), or (C), and

"(B) is represented by a publicly funded organization which provides legal services,

the reasonable attorney's fee which is awarded pursuant to this subsection shall be computed based upon the actual cost related to the bringing of, or appeal of, the civil action under section 615(e) to the publicly funded organization, including the proportion of the compensation of the attorney so related, other reasonable expenses which can be documented, and the proportion of the annual overhead costs of the publicly funded organization attributable to the number of hours reasonably spent on such civil action.

"(b)(1) If the State or local educational agency, or intermediate educational unit, determines, after the receipt of a complaint under section 615(b)(1), to use the services of an attorney in conjunction with the impartial due process hearing under section 615(b)(2), or the impartial review under section 615(c), for consultation, preparation, presentation of written or oral argument, or evidence, then the State or local educational agency or intermediate educational unit, as the case may be, shall—

"(A) notify the parent or legal representative of the handicapped child or youth of its intention to use an attorney in the manner described in this subsection as required by section 615(b)(2)(B);

"(B) furnish to the parent or legal representative of such a child or youth a list of attorneys who practice in the area in which the handicapped child or youth resides, and who are knowledgeable about special education law, regulations, and procedures; and

"(C) pay the costs of the State or local education agency or intermediate educational unit, as the case mayb be, and the costs of the parent or legal representative of the handicapped child or youth, for reasonable attorneys' fees, reasonable witness fees, and other reasonable expenses related to the hearing or review, as the case may be.

"(2) If the parent or legal representative of the handicapped child or youth determines—

"(A) after filing a complaint under section 615(b)(2) and after receiving notification from the State or local educational agency or intermediate educational unit under section 615(b)(2)(B) that the State or local educational agency or intermediate educational unit will not use an attorney; or

"(B) after the filing of a complaint under section 615(b)(2) and prior to the notification from the State or local educational agency or intermediate educational unit under section 615(b)(2)(B),

to use the services of an attorney in conjunction with the impartial due process hearing under section 615(b)(c), for consultation, preparation, presentation of written or oral argument or evidence, then—

"(i) the parent or legal representative shall notify the State, local educational agency, or intermediate educational unit, as the case may be, within 5 days after receipt of the notification from such agency or unit under section 615(b)(2)(B), of their intention to use an attorney in the manner described in this subsection;

"(ii) the parent or legal representative of the handicapped child or youth shall pay the cost of attorneys' fees, witness fees, and other expenses relating to the hearing or review, as the case may be, incurred by such parent or legal representative; and

"(iii) the State or local educational agency or intermediate educational unit shall pay the cost of attorneys' fees, witness fees, and other expenses incurred by the State or local educational agency or intermediate educational unit, as the case may be.

"(3) If the State or local educational agency or intermediate educational unit determines not to use the services of an attorney in conjunction with the due process hearing under section 615(b)(2), or the impartial hearing review under section 615(c), in the manner described in paragraph (1), the State or local educational agency or intermediate educational unit, as the case may be, shall—

"(A) notify the parent or legal representative of the handicapped child or youth as required by section 615(b)(2)(B); and

"(B) furnish to the parent or legal representative of such child or youth a list of parent training centers, Protection and Advocacy Agencies, and other organizations which are located in the area in which the handicapped child or youth resides, and which are knowledgeable about special education law, regulations, and procedures.".

Sec. 3. Section 615(e)(2) of the Act is amended—

(1) by inserting "(A)" after the paragraph designation;

(2) by striking out "In" in the second sentence and inserting in line thereof the following: "Except as provided in subparagraph (B), in"; and

(3) by adding at the end thereof the following new subparagraph:

"(B) In any action brought under this paragraph in which no attorney participated in the hearing under subsection (b) or in review under subsection (c), the court shall hear the case de novo, but the trial de novo may not include the introduction of unrelated issues which the court determines would circumvent the exhaustion of administrative remedies.".

Sec. 4. Section 615 of the Act is further amended by adding at the end thereof the following new section:

"(g) Nothing in this title shall be construed to restrict or limit the rights, procedures, and remedies available under the Constitution, title V of the Rehabilitation Act of 1973, or other Federal statues protecting the rights of handicapped children and youth, except that before the filing of a civil action under such laws seeking relief that is also available under this part, the procedures under subsections (b)(2) and (c) shall be exhausted to the same extent as would be required had the action been brought under this part.'.

Sec. 5. (a) The first sentence of section 631(c)(1) of the Act is amended by striking out "volunteers" and inserting in lieu thereof "other individuals".

(b) section 631(c)(4) of the Act is amended—

(1) striking out "to the greatest extent possible throughout all the States" in clause (A) and inserting in lieu thereof "with at least one grant made in each State"; and

(2) by striking out ", or on a State, or regional basis" in clause (B).

(c) Section 631(c)(5) of the Act is amended—

(1) by striking out "and" at the end of clause (E);

(2) by redesignating clause (F) as clause (G); and

(3) by adding after clause (E) the following new clause:

"(F) understand the administrative procedures available under section 615 and effectively participate, if parents wish to, in the due process hearing and impartial review authorized by such section; and".

Sec. 6. (a)(1) Subject to the provisions of subsection (b), the amendments made by sections 2 and 3 of this Act shall apply to any civil action brought under section 615(e) of the Education of the Handicapped Act after the date of the enactment of this Act.

(2) The amendments made by sections 2 and 3 of this Act shall apply to any complaint filed under section 615(b) and any administrative appeal made under section 615(c) after the date of the enactment of this Act.

(b)(1) The amendments made by section 2(b) of this Act, which add subparagraph (A) of paragraph (1) of section 615A(a) and paragraph (2) of such section to the Education of the Handicapped Act, shall apply to civil actions described in paragraph (2).

(2) This subsection applies to any civil action under section 615(e) of the Education of the Handicapped Act that—

(A)(i) is brought before July 5, 1984, and

(ii) with respect to which a final and unappealable judgment is rendered after July 4, 1984, and before the date of the enactment of this Act;

(B)(i) is brought before July 5, 1984, and

(ii) with respect to which—

(I) a final and unappealable judgment is rendered before such date, and

(II) the court in which the action is brought retains jurisdiction over the action during any portion of the period beginning with such date and ending with the date of the enactment of this Act;

(C)(i) is brought after July 4, 1984, and

(ii) with respect to which a final and unappealable judgment is rendered after the date of the enactment of this Act; or

(D)(i) is brought after July 4, 1984, and

(ii) with respect to which a final and unappealable judgment is rendered before the date of the enactment of this Act.

AMENDMENT NO. 561

(Purpose: To strengthen the provisions of the Education of the Handicapped Act with respect to fees and expenses in civil actions and procedures under section 615(e), and for other purposes)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Senator Weicker, and Senators Hatch, Kennedy, Dole, Stafford, Grassley, Pell, Simon, Metzenbaum, and Dodd, to the committee substitute, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. Dole], for Mr. Weicker, and Senators Hatch, Kennedy, Dole, Stafford, Grassley, Pell, Simon, Metzenbaum, and Dodd, proposes an amendment numbered 561.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDENT OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted by the committee amendment insert the following: That this Act may be cited as the "Handicapped Children's Protection Act of 1985".

Sec. 2. Section 615(e)(4) of the Education of the Handicapped Act is amended by inserting "(A)" after the paragraph designation and by adding at the end thereof the following new subparagraphs:

"(3) In any action or proceeding brought under this subsection, the court, in its discretion, may award a reasonable attorney's fee in addition to the costs to a parent or legal representative of a handicapped child or youth who is the prevailing party.

"(C) Whenever the parent or legal representative of a handicapped child or youth—

"(i) is awarded fees under subparagraph (B), and

"(ii) is represented by a publicly funded organization which provides legal services,

the reasonable attorney's fee which is awarded pursuant to this subsection shall be computed based upon the actual cost related to the bringing of the civil action under this subsection to the publicly funded organization, including the proportion of the compensation of the attorney so related, other reasonable expenses which can be documented, and the proportion of the annual overhead costs of the publicly funded organization attributable to the number of hours reasonably spent on such civil action.

"(D) For the purpose of this paragraph, the term 'publicly funded organization' means any organization which receives funds, other than attorney fee awards, from Federal, State, or local governmental sources which are available for use during any fiscal year in which the action or proceeding is pending to enable the organization to provide legal counsel or representation.".

Sec. 3. Section 615 of the Education of the Handicapped Act is amended by adding at the end thereof the following new subsection:

"(f) Nothing in this title shall be construed to restrict or limit the rights, procedures, and remedies available under the constitution, title V of the Rehabilitation Act of 1973, or other Federal statutes protecting the rights of handicapped children and youth, except that before the filing of a civil action under such laws seeking relief that is also available under this part, the procedures under subsections (b)(2) and (c) shall be exhausted to the same extent as would be required had the action been brought under this part.".

Sec. 4. The amendment made by section 2 shall apply with respect to actions or proceedings brought under section 615(e) of the Education of the Handicapped Act after July 3, 1984, and actions or proceedings brought prior to July 4, 1984, under such section which were pending on July 4, 1984.

The PRESIDING OFFICER. Is there debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 561) was agreed to.

The PRESIDING OFFICER. Is there debate on the substitute amendment, as amended? If not, the question is on agreeing to the substitute, as amended.

The substitute amendment, as amended, was agreed to.

Mr. WEICKER. Mr. President, I rise today to offer an amendment in the form of a substitute bill to S. 415 as it was reported out of the Labor and Human Resources Committee on July 10, 1985. This amendment is cosponsored by Senators Hatch, Stafford, Grassley, Dole, Kennedy, Kerry, Pell, Metzenbaum, Dodd, Matsunaga, and Simon, and has been developed in conjunction with and agreed to by the Department of Education and the Department of Justice. The passage of this substitute bill will bring to fruition months of intensive work and negotiation among Senators and Representatives of the administration. The bill reverses the Supreme Court's Smith versus Robinson decision of July 5, 1984. In that decision, the Court ruled, contrary to the original intent of Congress, that Public Law 94-142 does not allow the award of attorney's fees to parents who, after exhausting administrative procedures, prevail in a civil court action to protect their child's right to a free appropriate public education. The Court's decision also raised questions about the extent to which rights, remedies, and procedures available under section 504 of the Rehabilitation Act and other Federal civil rights statutes will be applicable to claims made under the Education of the Handicapped Act [EHA].

The purpose of S. 415 is simple—to overturn the Smith Versus Robinson decision and thereby to clarify congressional intent regarding these matters. The fact that Congress did not intend to leave unprotected the rights of handicapped children and their parents to secure the free appropriate public education promised to them by EHA was made clear in the 1978 passage of section 505(b) of the Rehabilitation Act which attorney's fees available under section 504. Section 505(b) clearly does not make an exception for handicapped children seeking an appropriate education. Indeed, the 1978 Senate and House reports accompanying section 505(b) explain that disabled individuals were one of the very few minority groups in this country who had not been specifically authorized by Congress to seek attorney's fees. The purpose of section 505(b) was "to correct this ommission and thereby assist handicapped individuals in securing the legal protection guaranteed them."

Unfortunately, because the court, in Smith versus Robinson, misinterpreted Congress' intent, handicapped children are now provided substantially less protection against discrimination than other vulnerable groups of people. S. 415 would remove these inequities by restoring equivalent protection to handicapped children, a group undeniably deserving congressional protection.

Allowing courts to award attorney's fees to prevailing plaintiffs is not an unusual congressional remedy. In fact, according to the Congressional Research Service (Rept. No. 85-126A), Congress has already enacted more 130 fee shifting statutes which provide for the award of attorneys fees to parties who prevail in court to obtain what is guaranteed to them by law. Many of these statutes are civil rights statutes—that is, Age Discrimination Employment Act through 29 U.S.C. sec. 626(b); the Equal Pay Act through 29 U.S.C. sec. 216(b); the Fair Housing Act through 42 U.S.C. sec. 3612 (c); title II and title VII of the Civil Rights Act of 1964 through 42 U.S.C. sec. 2000a-3(b) and 2000e-5(k); and the Civil Rights Attorney's Fees Awards Act of 1976 through 42 U.S.C. sec. 1988.; but similar attorney's fees statutes exist for a wide variety of laws ranging from the Safe Drinking Water Act through 42 U.S.C. sec. 300j-8(d), to the Deepwater Ports Act through 33 U.S.C. sec. 1515(d), to the National Historic Preservation Act through 16 U.S.C. sec. 470w-4.

The need for these fees statutes has been made apparent by Congress time and again through legislative findings fully applicable in this case. For example, as stated by Congress in enacting the Civil Rights Attorney's Fees Awards Act:

> Civil rights laws depend heavily upon private enforcement, and fee awards have proved an essential remedy if private citizens are to have a meaningful opportunity to vindicate the important congressional policies which these laws contain. Senate Report No. 1011, 94th Cong. 2d Sess. 2, 1976 U.S.C. Cong. Ad. News 5909.

The reason for the essential importance of fee awards is self evident: "In many cases arising under our civil rights laws, the citizen who must sue to enforce the law has little or no money with which to hire a lawyer," which in turn means that without the potential of fee awards citizens would not "be able to assert their civil rights * * *. If our civil rights laws are not to become mere hollow pronouncements which the average citizen cannot enforce, we must maintain the traditionally effective remedy of fee shifting." Id. at 6. in other words, unless the EHA is to become a mere hollow pronouncement which the financially strapped parents and legal representatives of handicapped children cannot enforce, Congress must guarantee access to legal counsel to assist parents in obtaining what is guaranteed to them by EHA.

With this amendment, S. 415 will enable courts to compensate parents for whatever reasonable costs they had to incur to fully secure what was guaranteed to them by the EHA. As in other fee shifting statutes, it is our intent that such awards will include, at the discretion of the court, reasonable attorney's fees, necessary expert witness fees, and other reasonable expenses which were necessary for parents to vindicate their claim to a free appropriate public education for their handicapped child.

The compromise bill which was unanimously agreed to by the full committee contained a provision which limits the amount of the award made to prevailing parents who are represented by a publicly funded organization. The amendment being offered today contains the same provision, but clarifies that the words "publicly funded organization" only refer to those organizations, such as a Legal Services, Inc., which receive Federal, State, or local government funds which are specifically available to provide legal counsel or representation to parents of handicapped children in EHA-related cases. It does not include organizations which only receive Government funds for other specified purposes, when that money is not available for representing parents of handicapped children in EHA cases.

Mr. President, I urge my colleagues to support this important piece of legislation which will restore to parents of handicapped children the right to be awarded attorney fees and other reasonable expenses when they must go to court to secure the educational rights promised to them by Congress. By restoring this right we will once again demonstrate that handicapped people should be accorded the same protections as all other citizens of our Nation.

Mr. STAFFORD. Mr. President, I rise in support of S. 415, the Handicapped Children's Protection Act of 1985. This bill amends Public Law 94-142, the Education for Handicapped Children Act, to make reasonable attorney's fees available to parents who prevail in court actions filed under 94-142. This clarification of congressional intent is necessary because of a Supreme Court ruling issued on July 4, 1984, that denied parents fee awards because their availability was not specified in statute. It is a bill that has been intensely reviewed and debated during the past 12 months. The language contained in S. 415 was carefully written to accommodate a wide range of views and therefore represents an important bipartisan and administrative compromise.

When 94-142 was originally drafted, prescriptive language concerning the administrative due process procedures was included in the law. The purpose for these administrative procedures was to provide each State with a vehicle to resolve disputes between parents and local school districts outside the judicial system. In the vast majority of cases, this system has worked well. Very few cases—1 in 10,000 to be exact—have had to be resolved by the courts.

Critics of S. 415 are fearful that the availability of attorney's fees awards to prevailing parents will increase litigation. It is my belief that the opposite situation will occur. State and local education agencies will be more inclined to work out effective compromises with parents before court action becomes necessary.

Parents must have every opportunity to participate with local school personnel to develop programs for their handicapped children if 94-142 is to provide the free and appropriate education that it promised. That includes making reasonable legal fees available if the services of an attorney are necessary.

A law that mandates a free and appropriate public education to handicapped children, that at the same time denies the awarding of legal fees incurred to uphold that mandate, is a hollow promise at best. It hurts the families most that can least afford it.

I urge my colleagues to vote in favor of S. 415. Senator WEICKER is to be commended for his leadership on this important legislation.

Mr. HATCH. Mr. President, S. 415, the Handicapped Children's Protection Act, was drafted in response to the Supreme Court's 1984 opinion in Smith versus Robinson. In that case, the Court decided that Public Law 94-142 does not allow the awarding of attorney's fees to parents under section 504 of the Rehabilitation Act when they prevail in an EHA civil action. S. 415 amends Public Law 94-142 to state the current intent of Congress in allowing attorney fees under certain circumstances and when deemed appropriate by the Court in order to protect the rights of handicapped children in obtaining an appropriate public education.

The Hatch-Weicker substitute we are considering today is a modification of the committee bill reported by my Labor and Human Resources Committee on July 10. It is similar to S. 415 as originally introduced with two substantive changes. The first requires exhaustion of administration remedies before pursuing litigation. The second places conditions upon fee awards for publicly funded attorneys representing parents who prevailed in EHA cases.

The committee on Labor and Human Resources does not intend that S. 415, a bill to amend the Education of the Handicapped Act, authorize any additional budget authority for fiscal year 1985 or 1986, other than that already available to the Federal agencies affected by this legislation. Consequently, no budget waiver will need to be obtained for S. 415.

At this time, I would like to thank Senator WEICKER for his work in drafting this bill. I would also like to commend the other Senators on my committee for their assistance in further refinement of the bill. Because of their dedication, we can continue to protect the rights of our 4.5 million handicapped children.

Mr. KENNEDY. Mr. President, I rise in strong support of this important bill that is before us today. The Handicapped Children's Protection Act clarifies the intent of Congress that handicapped children and their parents or legal guardians have available to them the full range of remedies to protect and defend their rights to a free, appropriate education. Last year, a Supreme Court decision, Smith versus Robinson, threatened the rights of the handicapped children to a free, appropriate education when it ruled that parents of handicapped children who prevail in a court case under Public Law 94-142 to protect these rights could not be reimbursed for attorney's fees. The Supreme Court also ruled that parents of handicapped children could not seek relief from education discrimination under section 504 of the Rehabilitation Act or other statutes guaranteeing civil rights.

I do not believe that Congress when it passed Public Law 94-142, the Education for All Handicapped Children Act intended to in any way limit handicapped children's educational rights or the remedies for protecting those rights. And so, this legislation will clarify congressional intent by authorizing the award of attorneys fees at the discretion of the judge to prevailing parents in Public Law 94-142 cases and by clearly stating that the educational rights of handicapped children are protected from discrimination under section 504 of the Rehabilitation Act and other civil rights statutes.

The basic purpose of this legislation and its primary intent states that handicapped children and their parents or legal guardians should be able to participate in the due process system and have access to the full range of remedies to protect their educational rights on an equal par with the school districts and I strongly support this purpose. However, one provision included in this bill contradicts the orignal purpose of S. 415. This contradictory provision provides lower attorneys fees to publicly funded attorneys who typically represent poor parents and their handicapped children in Public Law 94-142 cases. Mr. President, should this provision be included in the final version of this legislation, the access of poor parents to the full range of remedies to ensure their handicapped childrens educational rights would be seriously limited. Should this provision which provides for lower fees to these attorneys remain, we will essentially be telling poor parents that the fight for their handicapped children's educational rights does not have the same worth as the fight waged by the parents who can afford private attorneys. Mr. President, the basic intent of this legislation is to ensure that all children, rich or poor, have access to all remedies to protect their educational rights. We must not set this double standard and we cannot single out low-income handicapped children and their families. I intend to pursue this matter vigorously in conference on S. 415 and I call on my colleagues to carefully consider the ramifications of this provision.

Mr. KERRY. Mr. President, I would like to rise in strong support of S. 415 the Handicapped Children's Protection Act and urge that my colleagues join me in passing this vital legislation. The bill is designed to ensure that all parents or legal guardians of handicapped children are able to fully access the available remedies to protect their handicapped children's educational rights.

In July of 1984, the U.S. Supreme Court decided a case, Smith versus Robinson which had a devastating effect on the ability of parents to secure free appropriate public education for disabled children. The Supreme Court ruled that all free and appropriate education cases were to be handled exclusively under the Education of the Handicapped Act, Public Law 94-142. Consequently, parents are precluded from bringing special education cases under section 504 of the Rehabilitation Act of 1973 and recovering attorneys' fees available under section 505 of that act.

The bill before us today reverses the Supreme Court decision and restores parent's capacity to be reimbursed for legal representation in order to assure their handicapped children's rights under the Education of the Handicapped Act.

As a cosponsor of S. 415, I strongly endorse the principles of rights to education for all handicapped children. However, there is one provision in the legislation which greatly undermines the strength of this bill and should be deleted. Language exists in the bill which limits attorneys' fees available to nonprofit, publicly funded organizations who provide legal services, yet will not place these same limitations on privately funded attorneys. To some this is considered double dipping, quite frankly Mr. President I view this as a double standard. This blatant double standard will have a particularly negative impact on lower income handicapped children most dependent on legal representation by publicly funded attorneys. Furthermore, requiring that attorneys' fees awarded to publicly funded attorneys be computed according to a cost-based standard rather than the prevailing market-based standard used by private attorneys, will set a dangerous precedent for all future cases litigated in this area.

I would like to note last year's U.S Supreme Court decision, Blum versus Stenson, where the Court ruled unanimously that under the Civil Rights Attorneys Act of 1976, all attorney's fees—including publicly funded attorneys' fees—must be calculated according to prevailing market rates. Before congressional intent is created through passage of this provision regarding lower attorneys' fees awards in cases brought to court on behalf of the educational rights of handicapped children, Congress should have the opportunity to closely examine this important issue. I believe that after extensive study of this precedent-setting issue, Congress will preserve the standards upheld in the Blum versus Stenson decision.

In addition, I would like to point out that families most in need of reimbursement of attorneys fees are families most likely to turn to public advocacy for assistance. Furthermore, money awarded to publicly funded attorneys is recycled back into the organization for which the attorney works to expand services to low-income individuals. As a lawyer who has worked in a public attorney's office, I have witnessed first hand that under our present system, offices which provide legal assistance to indigent handicapped children encounter an overwhelming demand for their services and unfortunately have very limited resources to meet this demand. I emphatically believe that any additional funds made available to expand legal services to our Nation's disabled poor citizens is money well spent.

Last, I would like to note, a cap on publicly funded attorneys' fees may deter schools from settling cases expeditiously. Schools not faced with having to pay more substantial attorneys' fees at the fair market rate will have an incentive to draw judicial proceeding out in an attempt to force plaintiffs to abandon their cases. In hearings last May, the Subcommittee on the Handicapped heard testimony on this issue. The testimony by Mary L. Tatro before the subcommittee portrays a clear example of a school district extending judicial proceedings for more than 5 years in an attempt to force the Tatro family into dropping their case due to exorbitant costs of attorneys' fees. If it were not for the assistance of a public advocacy group willing to take their case on, they would have been forced to abandon their daughter, Amber's cause and thus give up the right for Amber to attend school and receive a decent education.

Mr. President, I offered an amendment in the Labor and Human Resources Committee that would have deleted the provision to cap publicly funded attorneys' fees. The amendment was narrowly defeated by a 7 to 9 vote. The closeness of this vote leads me to believe that this issue is not a decisive one, and that great need still exists to further examine the issue. S. 415 is designed to reinforce the rights to education for all handicapped children provided in Public Law 94-142 the Education of the Handicapped Act, including their rights to access the courts when education is being denied to them. In essence, by limiting the attorneys' fees to those who represent handicapped children who are poor, we are ultimately limiting the rights to an appropriate education for less fortunate handicapped children in this country. This double standard weakens the legislation and while I urge my colleagues to vote for the Handicapped Children's Protection Act, I strongly urge that when this bill goes to conference committee, that we do all we can to uphold the educational rights of all handicapped children, rich and poor, and delete this provision.

Mr. SIMON. Mr. President, 10 years ago, as a member of the House Education and Labor Committee, I was proud to be a cosponsor of the bill that became Public Law 94-142, the Education of All Handicapped Children Act. That act was intended to provide the program, procedures and rights that would end discrimination against handicapped children in public education. Today, I am pleased to be a cosponsor of S. 415, the Handicapped Children's Protection Act of 1985, which will give parents the ability to accomplish the goals of Public Law 94-142 for their children.

In enacting Public Law 94-142, Congress was responding to a history of exclusion of handicapped children from a public education. This act was a specific response, which added to the protections assumed under the Constitution and such laws as the Rehabilitation Act. The key to assuring appropriate education services for handicapped children was seen to be parental participation in all aspects of educational planning and decisionmaking for their chidren. The act provided, in those States which accept Public Law 94-142 funds, an enforceable right to a free appropriate education for all handicapped children, and established due process procedures, including the right to judicial review, to protect those rights. Throughout our consideration of the Education of All Handicapped Children Act there was an awareness that all handicapped children must be provided equal protection under the law, and this was the clear intent of Public Law 94-142.

The Supreme Court's decision on July 5, 1984, in Smith versus Robinson, jeopardizes the educational rights provided under Public Law 94-142 and negates the intent of Congress to assure equal protection for all handicapped children. In eliminating a parent's ability to be reimbursed for attorney fees under Public Law 94-142, the Court has made the due process guarantees of that act, including the right to go to court when necessary, meaningless for all but the wealthy and well informed. By limiting the remedies available to parents under other statutes, the Court misinterpreted congressional intent to enhance, not replace, the rights of handicapped children under other laws.

The provisions of S. 415 reaffirm and clarify the original intent of Congress in providing a variety of effective avenues for parents to use in resolving questions concerning the appropriate educational services their handicapped children should receive. I would like to discuss two major aspects of this bill: the inclusion of the right to reimbursement for fees incurred during the administrative process; and the requirement that administrative proceedings be exhausted prior to court action.

The language of S. 415, which permits the award of a reasonable attorney fee in any action or proceeding brought under this subpart, is identical to the language of title VII of the Civil Rights Act of 1964, interpreted by the Supreme Court in *New York Gaslight Club* v. *Carey* (447 U.S. 54) (1980). The Court stated:

> Congress' use of the broadly inclusive disjunctive phrase "action or proceeding" indicates an intent to subject the losing party to an award of attorney's fees and costs that includes expenses incurred for administrative proceedings.

The Court's decision in Gaslight further established the right under title VII to sue solely to obtain an award of attorney's fees for legal work done in State and local proceedings. As the Court stated:

> It would be anomalous to award fees to the complainant who is unsuccessful or only partially successful in obtaining state or local remedies, but to deny an award to the complainant who is successful in fulfilling Congress' plan that federal policies be vindicated at the state or local level.

Under the Court's reasoning, since the Education of the Handicapped Act, like title VII, requires parents to exhaust administrative remedies before seeking judicial relief, prevailing parties under the Education of the Handicapped Act must also be entitled to recover legal fees for the costs of mandatory proceedings.

It is important to note that in only a small number of instances, about .03 percent—a small fraction of 1 percent—of the 4.2 million students in special education, is there an appeal through the formal administrative procedures. An even smaller number, only 67 cases in 1983, go beyond the administrative proceedings to court. Clearly, schools and parents are working together effectively to meet the needs of handicapped children. The law is generally working well.

Nevertheless, we know that problems remain. For example, we know that discrimination on the basis of race and disability merge in the context of the over-classification of minorities as mentally retarded. In 1980, blacks were three times as likely as whites to be enrolled in trainable mentally retarded programs. Although blacks comprise only 16 percent of the school population, they represent 39 percent of the enrollment in classes for the educable mentally retarded. For minority group parents, for low-income as well as moderate income parents, the right to obtain reimbursement for assistance they may need at the administrative level is critically important to assure fair and equal access to the formal procedures mandated by Congress in Public Law 94-142.

The mandated proceedings are quasijudicial, and intimidating to many parents. School districts often employ attorneys to consult and prepare and/or present the district's position in due process hearings. The parent's tax dollars are helping to pay for that attorney and for any witness the school district may call in opposition to the parent. For even the most well educated and most self-confident parent, representing oneself on a matter as vital as the education of one's child, and having to be examined and cross examine witnesses, is an overwhelming prospect. When a parent is poor, of a minority group, or not well-versed in the intricacies of the law and regulations, the inequities of the situation are greatly increased. Increasing the possibility that such a parent may have access to representation when necessary is one step toward making the procedural rights of Public Law 94-142 work for everyone.

S. 415 reestablishes the relationships between the Education of the Handicapped Act [EHA] and other statutes protecting the rights of handicapped children that existed prior to the Smith versus Robinson decision. Section 3 of the bill makes clear, however, that nothing in S. 415 is intended to allow the circumvention of the due process procedures set out in sections 615(b) and (c) the Education of the Handicapped Act. When parents choose to file suit under another law that protects the rights of handicapped children, if that suit could have been filed under the Education of the Handicapped Act, parents are required to exhaust the administrative remedies to the same extent as would have been necessary if the suit had been filed under the Education of the Handicapped Act.

It is important to note that there are certain situations in which it is not appropriate to require the exhaustion of EHA administrative remedies before filing a civil law suit. These include complaints that: First, an agency has failed to provide services specified in the child's individualized educational program [IEP]; second, an agency has abridged or denied a handicapped child's procedural rights—for example, failure to implement required procedures concerning least restrictive environment or convening of meetings; three, an agency had adopted a policy or pursued a practice of general applicability that is contrary to the law, or where it would otherwise be futile to use the due process procedures—for example, where the hearing officer lacks the authority to grant the relief sought; and four, an emergency situation exists—for example, failure to provide services during the pendency of proceedings, or a complaint concerning summer school placement which would not likely be resolved in time for the student to take advantage of the program.

S. 415 is also clearly not intended to modify traditional standards used by the courts for determining when a class action suit can be filed, and the circumstances under which it is appropriate to grant a preliminary injunction. Nor is S. 415 intended to modify existing policy regarding the use of alternative avenues in pursuing complaints, including: the filing of a complaint with the State educational agency under the Education Department General Administrative Regulations [EDGAR]; or filing a complaint with the Office of Civil Rights of the Department of Education.

Mr. President, I wish that I could endorse S. 415 without qualification. There is one provision, however, that does not deserve our support and which I am hopeful will be removed in conference with the House. Under this provision, any organization which receives public funds for the purpose of providing legal assistance would be eligible for attorney fee awards only in the amount that could be documented to be the actual cost of the case. Attorneys awarded fees under the many other fee-shifting statutes—including such wide-ranging statutes as the Deepwater Ports Act, the National Historic Preservation Act, the Equal Pay Act and the Fair Housing Act—may be compensated on the basis of the prevailing market-based standard used by private attorneys. A serious question must be raised as to why this limit is being imposed on handicapped cases and on the seriously inadequate legal services available to the poor. This provision will hurt most those whom this bill as a whole is most intended to help.

To put the inequity of this dual standard into perspective, I have calculated the cumulative loss of Federal funding for the Legal Services Corporation over the past 4 years as a result of its cut in fiscal year 1981. Based on CBO estimates of current service increases in those years, the total lost by the Legal Service Corporation has been $382 million. In contrast, if every penny of attorney fees awarded under this statute went to Legal Services—which would not happen—with an average award of $5,000, and 1,400 cases—far more than likely, but the total of both administrative and court hearings in 1983, the reimbursement would be less than 2 percent of the funds Legal Services has lost in the past 4 years.

Fees awarded to publicly funded organizations do not enrich the attorneys who work for those organizations. Instead, these funds increase the organizations' ability to help persons who too often have turned to them in desperation. Let us remember that the adoption of this provision will specifically reduce services for low-income parents seeking legal assistance to assure the rights of their handicapped children to an appropriate education.

Mr. President, the chairman of the Subcommittee on the Handicapped, Senator WEICKER, and his staff deserve high praise for their diligence in bringing this bill to the floor. The effects of the Supreme Court ruling are already being felt in the inability and reluctance of parents to pursue their rights. As stated in the Senate report when Congress enacted the Civil Rights Attorney's Fees Act:

> In many cases arising under our civil rights laws, the citizen who must sue to enforce the law has little or no money with which to hire a lawyer. If private citizens are to be able to assert their civil rights, and if those who violate the Nation's fundamental laws are not to proceed with impunity, then citizens must have the opportunity to recover what it costs them to vindicate these rights in court.

I support prompt passage of this much needed legislation.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S 415) was passed.

The title was amended so as to read: "A bill to amend the Education of the Handicapped Act to authorize the award of reasonable attorneys' fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws protecting the rights of handicapped children, and for other purposes."

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I would like to inquire of the distinguished minority leader if he is in a position to pass or indefinitely postpone the following items: Calendar No. 252, S. 1398 indefinitely postpone; Calendar No. 256, H.R. 2908, pass; Calendar No. 258, S. 1514, pass.

Mr. BYRD. Yes. Mr. President, we are ready to proceed on this side.

Mr. DOLE. Mr. President, I ask unanimous consent that the items just identified be considered en bloc, passed or indefinitely postponed en bloc, and that all amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Calendar No. 252, S. 1398, to amend title XI of the Education Amendments of 1978 relating to Indian education programs, was indefinitely postponed.)

INDIAN EDUCATION PROGRAMS

The Senate proceeded to consider the bill (H.R. 2908) to amend title XI of the Education Amendments of 1978, relating to Indian education programs.

Mr. ABDNOR. Mr. President, I rise in support of H.R. 2908 which amends title XI of the Education Amendments of 1979. This legislation is similar to S. 1398 which I have cosponsored and, on which the Senate Select Committee on Indian Affairs held hearings July 17, 1986.

These amendments will make changes in existing Indian education programs in an effort to remove some of the barriers which have hampered full implementation of the 1978 law. These technical amendments are the result of a good faith effort by the House Education and Labor Committee, the Senate Select Committee on Indian Affairs and the Bureau of Indian Affairs. I am pleased that these negotiations have resulted in this bill, and I urge my colleagues to join in support of this legislation which will improve the education of native American students attending contract and BIA schools.

The bill was considered, ordered to a third reading, read the third time, and passed.

APPROVAL OF INTERSTATE COST ESTIMATE AND INTERSTATE SUBSTITUTE COST ESTIMATE

The Senate proceeded to consider the bill (S. 1514) to approve the interstate cost estimate and interstate substitute cost estimate.

Mr. BURDICK. Mr. President, I am pleased that the U.S. Senate has before it today the release of $4.7 billion in interstate construction funds due States on October 1. Once again, the Senate Environment and Public Works Committee has agreed to separate the Interstate Construction Program from other complicated issues before the Transportation Subcommittee.

I would like to thank Senator BENTSEN for his statesmanship in agreeing to postpone again the discussion of the 85 percent minimum allocation formula. The equity question of whether or not donor States should receive more funds is important. Their contributions to the Highway Trust Fund made a national highway network for defense and commerce possible. However, since the Interstate System is 97 percent complete, it is only fair that this issue be addressed by Congress.

The Subcommittee on Transportation is in the process of holding hearings on the entire Federal-aid Highway Program and is working on legislation to reauthorize the program by October 1, 1986. I would hope that my colleagues can set aside their special concerns until the next highway bill.

If S. 1514 is delayed, it will cost State highway agencies approximately $18 million per month in lost construction dollars. We cannot afford to lose those dollars. FHWA estimates that the cost of maintaining our roads through the next 15 years varies from $296 to $324 billion depending on the level of travel.

It would be unfair to disrupt State programs again, as was the case, when similar funds were held up for nearly 2 years.

It is time for Congress to honor its commitment to highway users and States by releasing these construction dollars. Such action would demonstrate that we are serious about completing the Interstate System by 1990 and at a reasonable cost.

In closing, I would like to thank my colleagues for all the hard work they have put in this month on the highway hearings and preparing this legislation.

Mr. BENTSEN. Mr. President, I am pleased to cosponsor this bill approving the ICE and ISCE for 1985.

This is a 1-year approval releasing in excess of $4 billion interstate construction and minimum allocation funds.

The State of Texas will receive more than $187.8 million in interstate constuction funds and approximately $198.9 million in minimum allocation funds. These funds for Texas and many other States are needed, and they represent a return of funds that have been contributed by the States.

My minimum allocation amendment is still of great concern to me, and I want it fully understood that I intend to press for inclusion of that language in the 1986 reauthorization bill.

I have said before and I will continue to point out that there is a matter of equity in including apportionment and allocations in calculating the 85 percent minimum allocation formula. States should be guaranteed a reasonable return on their contribution, and that is what Congress intended when we adopted the 85-percent minimum.

That formula was flawed because it omitted some categories, and my amendment simply corrects that error. The Senate agreed to correct this mistake in the name of fairness earlier this year, but because of the overwhelming need to enact legislation to approve construction funds, I agreed to House-passed legislation which did not include my amendment.

My colleagues on the Environment and Public Works Committee and I have discussed the equity of this measure, and it will be offered in the next reauthorization bill. Because the need for highway construction funds is still strong, I do not intend to hold up distribution by offering my amendment now.

This bill is free of amendments so that we can act promptly to conclude this important matter. It is only with the understanding that it will remain without amendments that I will not press the issue of minimum allocations. If the status changes, and amendments are added, I reserve the right to alter my position.

Mr. KERRY. Mr. Chairman, I would like to clarify the status of the Central Artery (I-93) project in the bill we are enacting today. Does the present bill contain costs for the Central Artery (I-93) in Boston, MA?

Mr. STAFFORD. Yes. The cost estimate we are adopting today contains costs for the Central Artery project. This figure represents the costs for the Central Artery, which were included in the 1981 cost estimate—$369 million—updated for inflation from 1981 to the present time. The table 5 number in the cost estimate we are adopting today reflects the cost of the Central Artery and other Massachusetts interstate projects minus outstanding obligations and unobligated balances.

Mr. KERRY. What is the intent of the chairman of the Committee on Environment and Public Works regarding the effect this cost estimate will have on the legal status of the project?

Mr. STAFFORD. It is my intent that this cost estimate will not alter the legal status of the Central Artery project. Like the 1983 cost estimate we enacted in March 1985, this cost estimate contains the same costs for the Central Artery that were included in the 1981 cost estimate—$369 million—with adjustments for inflation since 1981. By including the 1981 cost figures for the Central Artery in this estimate and the 1983 cost estimate, it is my intent to maintain the legal status of the project as of the 1981 cost estimate. The cost estimates enacted since the 1981 cost estimate have not been intended to change the legal status of the Central Artery project.

The bill was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1514

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

APPROVAL OF INTERSTATE COST ESTIMATE FOR FISCAL YEAR 1987

SEC. 1. The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1987, the sums authorized to be appropriated for such period by section 108(b) of the Federal-Aid Highway Act of 1956, as amended, for expenditure on the National System of Interstate and Defense Highways using the apportionment factors contained in revised table 5 of the committee print numbered 99-68 of the Committee on Environment and Public Works of the Senate.

APPROVAL OF INTERSTATE SUBSTITUTE COST ESTIMATE FOR FISCAL YEAR 1986

SEC. 2. The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1986, the sums to be apportioned for such year under section 103(c)(4) of title 23, United States Code, for expenditure on substitute highway and transit projects, using the apportionment factors contained in the committee print numbered 99-69 of the Committee on Environment and Public Works and the Committee on Banking, Housing, and Urban Affairs of the Senate.

Mr. DOLE. Mr. President, I move to reconsider the votes by which the above identified bills were passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILL HELD AT DESK—HOUSE JOINT RESOLUTION 299

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate receives from the House, House Joint Resolution 299, recognizing the accomplishments over the past 50 years resulting from the Historic Sites Act of 1935, one of this Nation's landmark preservation laws, it be held at the desk pending further disposition.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

JOINT REFERRAL

Mr. DOLE. Mr. President, I ask unanimous consent that the bill introduced today by the distinguished Senator from Idaho [Mr. MCCLURE], and others, dealing with a program to control grasshoppers and morman crickets on public lands be jointly referred to the Energy and Natural Resources

Committee and the Agriculture, Nutrition, and Forest Committee.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

BILL PLACED ON CALENDAR—S. 1529

Mr. DOLE. Mr. President, I send the enclosed bill to the desk and ask that it be placed on the calendar, Highway Safety Grants section from Calendar No. 122, S. 863.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

RESOLUTION URGING MAJOR LEAGUE BASEBALL OWNERS AND PLAYERS TO AVOID PLAYERS' STRIKE

Mr. DOLE. Mr. President, I ask unanimous consent that the Labor Committee be discharged from further consideration of Senate Resolution 202, a resolution to urge negotiators for major league baseball owners and players to quickly settle their differences and avoid a scheduled players' strike, and I ask for its immediate consideration.

The **PRESIDING OFFICER.** The resolution will be stated by title.

The bill clerk read as follows:

A resolution (S. Res. 202) to urge negotiators for major league baseball owners and players to quickly settle their differences and avoid a scheduled players' strike.

The **PRESIDING OFFICER.** Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the resolution.

Mr. FORD. Mr. President, last week I introduced a resolution, Senate Resolution 202, which urges the baseball team owners and the baseball players to seek a resolution of their differences and not strike on August 6. I have received an enormous response from baseball fans regarding this resolution. The average fan cannot understand all the issues involved in this matter, but they do understand that they want to continue to enjoy baseball games throughout the summer. This resolution does not favor either side—it merely requests that both sides reach an agreement before August 6.

I am pleased that the chairman and ranking minority of the Senate Committee on Labor and Human Resources have agreed to allow the Senate to consider the resolution today.

Many fans from my part of the country are daily following the progress of Pete Rose in his attempt to break the all-time record for hits. I know that many of my colleagues in the Senate are also following Pete's progress. Recently, I read a sports column in the Washington Post that states that even though Tom Seaver defeated the local team, the Baltimore Orioles during the White Sox July 4 game series in Baltimore, that every baseball fan wishes Seaver luck in his pursuit of this 300th win. Both Rose and Seaver have had remarkable baseball careers, but neither of them will reach their goal this season if there is a baseball strike on August 6.

Individual achievements are important in baseball, but the most important element in this sport, the baseball fan, is not involved in the negotiations. I know the issues are complicated, but I am sure that all fans will agree that an agreement should and must be reached before the strike deadline.

What is a summer without baseball? Unfortunately, the fans have already experienced a hot summer without baseball and they do not like it.

My resolution, Senate Resolution 202, urges both sides to negotiate a settlement in order to avoid a strike. I believe that we, as Members of the U.S. Senate, owe the baseball fans, the folks that turn out at the ball park and continue to root for their baseball teams, every effort to keep the teams playing and have a World Series as scheduled in October.

Mr. President, it is my hope that the Senate will concur with my resolution which requests both sides to settle their differences before August 6.

The **PRESIDING OFFICER.** The question is on agreeing to the resolution.

The resolution (S. Res. 202) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 202

To urge negotiators for major league baseball owners and players to quickly settle their differences and avoid a scheduled players' strike.

Whereas baseball is America's national pastime;

Whereas major league baseball is an important source of family-oriented entertainment for millions of Americans;

Whereas major league baseball teams are a source of local pride for fans in communities across the Nation, as well as providers of substantial revenues and employment opportunities in related businesses;

Whereas the Major League Baseball Players Association has voted to strike on Tuesday, August 6, 1985, unless they have reached a new collective-bargaining agreement with team owners by then;

Whereas a prolonged players' strike would result in the cancellation of hundreds of baseball games, the loss of millions of dollars to related businesses, and endanger the long-term interests of the sport; and

Whereas those who would suffer greatest during a baseball players' strike would be the fans: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Major League Baseball Players Association and team owners have a responsibility to the baseball fans of America to ensure that the current season is not interrupted, and that both parties should do everything in their power to avoid a strike by players.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now go into executive session for the purpose of considering the following nominations on the Executive Calendar: Calendar Nos. 335, 336, and 337.

Mr. BYRD. Mr. President, we have no objection to proceeding on those three nominations.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ENVIRONMENTAL PROTECTION AGENCY

The bill clerk read the nomination of J. Winston Porter, of Virginia, to be Assistant Administrator, Office of Solid Waste.

The **PRESIDING OFFICER.** Without objection, the nomination is considered and confirmed.

POSTAL RATE COMMISSION

The bill clerk read the nomination of Patti Birge Tyson, of Texas, to be a Commissioner of the Postal Rate Commission.

The **PRESIDING OFFICER.** Without objection, the nomination is considered and confirmed.

THE JUDICIARY

The bill clerk read the nomination of Curtis E. von Kann, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia.

Mr. STAFFORD. Mr. President, this Senator rises in support of the nomination of Mr. Curtis Emory von Kann as associate judge of the District of Columbia Superior Court. Mr. von Kann is the product of a proud Vermont heritage that reflects the best that the Green Mountain State has to offer.

His great-grandfather, Curtis Emory, after whom he is named, was a Vermont statesman in the truest sense of the word. A lawyer and town clerk in Chelsea, he was elected to the State legislature. Later he was appointed by Teddy Roosevelt to be collector of customs in Newport, VT, where he later entered business and was elected as the city's first mayor.

His grandfather was the legendary World War II hero, Col. Harry A. "Paddy" Flint. Paddy Flint, a Vermonter who graduated from West

Point in 1912 alongside Dwight Eisenhower and George Patton, led his 39th Infantry through Italy as well as Normandy. It is said that Paddy Flint's men would have followed him through hell without a canteen, and it is probably true. In Normandy, shortly after D-Day, Paddy Flint was mortally wounded in action. The indomitable Flint fell, smiling, as a companion said: "You can't kill an Irishman, you can only make him mad." The next day Paddy Flint died, however, leaving behind an inspiring legacy and his regiment's famed motto, which he coined: "Anything, Anywhere, Anytime, Bar Nothing."

Curtis Emory von Kann is a summer resident of Vermont, the land where his heart and family roots are found. He lives on Cove's Island, which is located in northern Vermont's scenic Lake Memphremagog. This beautiful lake straddles the border of Vermont and Quebec and finds on its shores the city of Newport, where Mr. von Kann's great-grandfather served as mayor so many years ago.

Once again, I strongly support Curtis von Kann's nomination to the D.C. Superior Court. For it is his Yankee heritage and Vermont roots that represent to this Senator some of the finest things the Green Mountain State has to offer—her people.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. DOLE. Mr. President, I move to reconsider the votes by which the nominations were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediatley notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

DOE WITHDRAWS SUPPORT FOR GREAT PLAINS

Mr. McCLURE. Mr. President, I rise today to speak on the administration's withdrawal of support for the Great Plains coal gasification project. This marks a dark day for our efforts to gain energy self-sufficiency.

By letter of today to the Chairman of the Board of the U.S. Synthetic Fuels Corporation, Edward E. Noble, Secretary of Energy John S. Herrington indicated that, as currently constituted, the administration cannot support a proposed agreement for price guarantee assistance and debt restructuring for the Great Plains Gasification Associates project, as approved by the SFC Board of Directors last month.

Secretary Herrington indicated the withdrawal of administration support despite the fact that all parties bargained in good faith, and the proposal, and I quote, "represents the best that could be achieved under the circumstances."

The position was taken as the culmination of a process begun 2 years ago when the Department of Energy asked the Synthetic Fuels Corporation to consider providing assistance to Great Plains.

Mr. President, the position taken by the administration today on Great Plains is indeed unfortunate, and I hope not a fatal decision for the future of commercial synthetic fuels production from coal in the United States.

On numerous occasions, I have spoken in this body on the need for national synthetic fuels capability in the United States. I have spoken on the continuing need for the accelerated development of a selective number of commercial scale synthetic fuel plants. And Great Plains is one of the technologies that should be in that portfolio.

Focused only on the near-term, short-sighted opponents have pointed to falling international oil prices and an abundance of supplies. But what we are talking about here is the stability of long-term energy supplies at reasonable prices. Events in the Middle East continue to argue for increased efforts toward ensuring energy security for the United States.

The need still exists to ensure a long-term national capability for the domestic production of synthetic fuels. Such a capability for replication is needed as an insurance policy against an ever widening gap between domestic consumption and production. And such a capability is needed if our abundant reserves of coal are to contribute to filling this developing domestic supply gap in an environmentally compatible way.

But there is a complacency in the United States regarding the seriousness of our long-term energy vulnerability. The current ready availability of petroleum supplies at reduced prices is misleading. The suggested abundance of supplies has diverted our attention from the fact that over the longer term these supplies are politically and economically insecure. And the lack of secure energy supplies is indeed a grave national security problem.

Our complacency, while unwarranted, is understandable. As a nation, we are far better prepared to cope with disruptions in the world supply of petroleum than in the recent past. The strategic petroleum reserve now has over 100 days of imports. However, we also are importing approximately 28 percent of our oil needs. As consequence there is an ongoing trade deficit of $60 billion annually from crude oil alone.

This situation will change dramatically over the next decade, as it has over the last decade. By the turn of the century, we very likely may be importing more than 50 percent of our petroleum unless we develop alternative sources of domestic supply. Synthetic fuels is one of those alternatives. If we are to reduce our strategic vulnerability we must develop such alternatives, and Great Plains is one of those technologies.

Let us review some of the benefits to be derived from the long-term operation of Great Plains. First, the very existence of Great Plains as a synthetic fuels alternative has contributed to a dampening of international oil prices. Second, the Great Plains coal gasification project is state-of-the-art technology; it is the first commercial demonstration in the United States—using U.S. coals—of the coal gasification technology most widely used in the world. There are no alternative technologies waiting in the wings for commercial development.

Third, and critically, the technology when fully operational will be commercially operated under stringent environmental requirements that exist nowhere else in the world. Fourth, the technology is being demonstrated on the lower rank coals, such as lignite and subbituminous coals, which the United States has in great abundance.

Finally, and an added benefit, the Great Plains project is the only coal synthetic facility in the United States that can be used as a test bed both to demonstrate coals other than the current feedstocks and to demonstrate different synthetic fuels technologies.

Now, Mr. President, let us look at some of the losses should this project not proceed. In 1982, the Department of energy entered into a contract with Great Plains for a $2.02 billion loan guarantee. If Great Plains now elects to abandon the project there will be an immediate drain on the Federal Treasury of $1.5 billion, at a time of national budgetary concern. In addition, there will be a loss of nearly 1,000 jobs in communities near the project site.

Mr. President, this is not just an issue of disagreement between the SFC and the Department of Energy over a single synthetic fuels project; this is an issue of national energy policy.

In addition to the social and economic benefits to be realized from completion and long-term operation of the

Great Plains coal gasification project, there are critical national security benefits to be derived from its completion and long-term operation. Before the project is allowed to collapse, there needs to be a very careful and thorough review of the remaining options for continuing operation of the project.

PROPOSED OIL IMPORT FEE

Mr. DURENBERGER. Mr. President, it was with great interest that I learned that the Senate Budget Committee proposed the imposition of an oil import fee as a way to break the budget deadlock and to reduce the Federal deficit. And President Reagan was right to reject it.

You can call it a fee, you can call it a tax, you can call it anything you like. But it has less to do with eliminating the Federal deficit than it does propping up the domestic oil and gas industry. And I guarantee you, once the particulars of this proposal are known, the American people will be outraged.

Proponents of the fee argue that it is needed for a number of reasons, the first of which is to reduce the Federal deficit. The second is to provide a safety net under the domestic oil industry. The third reason is that it is fair tax policy and will promote energy independence and conservation.

I oppose it, first, because more dollars will go into the pockets of the domestic oil industry than into the Federal Treasury. It will be a tax collected by American oil producers from American oil consumers. The price of oil is tied to the world price, and although it is unraveling, OPEC still sets the price of oil; 30 percent of the oil used in the United States is imported. If we raise the price of that oil by $5, we raise the price of all oil used by $5. For every $5 the Treasury gets, the oil companies get $10.

Based on annual 1984 statistics, for every dollar in revenue generated for the Treasury, an additional $2.52 would be added to domestic producers' revenues. Thus, a $5 per barrel fee on crude oil, which would raise approximately $6.270 billion a year for the Federal Treasury, would increase crude oil producers' revenues by approximately $15.771 billion per year.

Likewise, for every dollar in revenue generated by a $10 per barrel fee on imports of all finished petroleum products, an additional $8.72 would be added to the revenues of domestic oil companies. This, a $10-per-barrel fee on finished petroleum products, which would raise approximately $1.092 billion for the Federal Treasury, would enhance domestic oil companies' revenues by approximately $23.402 billion per year.

It is not fair. It is not fair to the American consumer, those at the end of the energy pipeline and it is not fair to prop up one industry at the expense of another. There is no doubt in my mind that this proposal will hurt, rather than help the economy of the State of Minnesota.

World oil prices are falling and a decline in crude oil prices from a current world average of approximately $26 a barrel to $20 a barrel—coupled with a comparable drop in natural gas costs—could within a matter of months lower prices for all goods and services by a percentage point or more. The drop in price levels would have the effect of transferring $125 billion from the owners of oil and gas—and the governments that tax its value—to energy consumers.

Finally, an oil import fee, by itself, does not encourage conservation or the development of alternative energy sources. It encourages and benefits the domestic oil industry, period. If we were really serious about reducing the deficit with an import fee, we would include an excise tax of some sort.

A 10-cent-per-gallon increase in the gas tax would raise the same amount of revenues without negatively impacting consumers, farmers, and States at the end of the pipeline. I am not necessarily advocating an increase in the excise tax, but I am saying that if what is good for the goose, is good for the gander.

If the domestic oil industry wants an import fee to protect the industry, then the industry should be willing to accept a similar fee. And we would have the added benefit of raising twice the revenue.

There is no doubt that the deficit is a serious problem. It is one this Senator is concerned about. But I am not willing to support the proposal the Budget Committee has put forth. It is not a solution. It may be part of a solution, but it is not the solution.

VETERANS' ADMINISTRATION ADJUDICATION PROCEDURE AND JUDICIAL REVIEW ACT

Mr. DOLE. Mr. President, I see the distinguished Senator from Colorado is present. I now ask unanimous consent that the Senate turn to Calendar 219, S. 367, Veterans' Judicial Review.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The bill clerk read as follows:

A bill (S. 367) to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. MURKOWSKI. Mr. President, as chairman of the Committee on Veterans' Affairs, I am pleased to present to the Senate today for its approval, S. 367, the proposed Veterans' Administration Adjudication Procedure and Judicial Review Act. This bill was ordered reported unanimously by the Committee on Veterans' Affairs on June 12, 1985, and was reported to the full Senate on July 8 of this year, without amendment. I urge my colleagues to join me in passing this legislation which would improve the rights of veterans and survivors who seek claims for benefits from the Veterans' Administration by allowing such individuals to exercise rights similar to those which exist for claimants of other Federal benefits.

Mr. President, the provisions of the proposed legislation are certainly not new to the Senate. On three prior occasions, this body has passed by voice vote bills which are virtually identical to S. 367.

In the 96th Congress, S. 330 was favorably reported by the Veterans' Affairs Committee on May 3, 1979, and was passed by the Senate on September 17, 1979. In the 97th Congress, similar legislation—S. 349—was unanimously reported by the committee on April 28, 1982, and was passed by the Senate on September 14, 1982. Also, in the 98th Congress, S. 636 was unanimously ordered reported by the committee on April 20, 1983, and was passed by the Senate on June 15, 1983.

S. 367 as reported is the same as S. 636 with two exceptions—the deletion of the provision in S. 636 which related to the size and membership of the Board of Veterans Appeals and a change in the effective date of the bill.

The major components of S. 367 would provide for: The codification of Veterans' Administration claims adjudication procedures; the imposition of formal rulemaking requirements for most VA matters; judicial review in the Federal court system of final decisions rendered by the Board of Veterans Appeals which are adverse to a claimant; and the payment of reasonable attorney's fees by a veteran, in lieu of the longstanding and outdated statutory $10 attorney fee limitation.

Mr. President, this year the passage of certain provisions of this legislation take on even greater importance than in the past, because of two recent court decisions which held contrary to the congressional intent of this legislation.

The U.S. Court of Appeals for the District of Columbia Circuit held in *Gott* v. *Walters* (No. 82-1159, March 22, 1985) that current section 211(a) of title 38 United States Code bars judicial review of decisions of the Administrator of Veterans' Affairs relating to regulations implementing veterans' benefits stututes, which is inconsistent with the legislative history of this bill. Enactment of S. 367 would create uniform access to judicial review and would eliminate the current confused state of existing case law.

Additionally, in *Walters* v. *National Association of Radiation Survivors* (No. 84-571, June 28, 1985), the U.S. Supreme Court upheld the existing $10 statutory limitation on attorney fees when an attorney represents an individual claimant for VA benefits. S. 367 would remedy this well-intentioned, but outdated statutory attorney fee limitation and would allow the payment of reasonable attorney fees in most situations pertaining to an individual's claim for VA benefits.

Mr. President, I express my appreciation and gratitude to my friend and colleague from California, the ranking minority member of the Veterans' Affairs Committee, Senator CRANSTON, who, along with Senator HART, the distinguished original sponsor of S. 367, have been so instrumental in the development of this committee bill. I commend their persistence in moving forward with this legislation during this Congress, as in past Congresses. I also thank my committee staff members for their diligent work on this legislation, particularly my chief counsel and staff director, Anthony Principi, Julie Susman, Kathleen McTighe, Kay Eckhardt, Lisa Gilman, and Jody Sanders. Additionally, I thank the minority chief counsel and staff director, Jonathan Steinberg, Ed Scott, and Bill Brew for their consistently outstanding work on this legislation. I also extend special thanks to Jim MacRae for his conscientious and diligent work on the committee bill and report.

Mr. President, I strongly urge my colleagues to join me in supporting this important legislation which is long overdue.

Mr. CRANSTON. Mr. President, as the ranking minority member on the Veterans' Affairs Committee, I am delighted to join with the committee chairman [Mr. MURKOWSKI], in urging our colleagues to give their unanimous approval to S. 367, the proposed Veterans' Administration Adjudication Procedure and Judicial Review Act, as reported by the committee on July 8.

If the Senate acts as we urge, this will be the fourth time that the Senate has gone on record in support of legislation to eliminate provisions in current law that accord veterans second-class citizenship in the very fundamental area of their relationship with the Federal Government with respect to statutory benefits and services. The first time was during the 96th Congress, on September 17, 1979, when the Senate passed a predecessor measure, S. 330; the second was during the 97th Congress when S. 349 was passed on September 14, 1982; and the most recent was on June 15, 1983, during the last Congress when S. 636, the immediate predecessor to the current legislation, was passed. On each of these prior occasions, the measure died in the House upon adjournment of that Congress.

I am convinced that the Senate's position on this issue is correct, and I hope that our colleagues in the other body will reevaluate their position and, once this measure arrives there, give it the full and favorable consideration it deserves. In this regard, I am very pleased to note that a companion measure to this bill, H.R. 585, introduced by my good friend from California, DON EDWARDS, has 164 cosponsors at this time.

Mr. President, the basic purpose of S. 367 as reported is to ensure that veterans and other claimants before the VA receive all benefits to which they are entitled under law by:

Providing veterans and other claimants with the opportunity for judicial review of final VA decisions denying claims for benefits.

Improving and codifying certain internal procedures of the VA relating to the adjudication of benefit claims.

Requiring that VA rulemaking processes comply with provisions of the Administrative Procedure Act relating to notice and comment.

Allowing claimants to pay attorneys reasonable fees for representation before the VA after a decision by the Board of Veterans' Appeals as well as for representation in judicial proceedings.

BACKGROUND

Mr. President, in January of this year, Senator HART and I, joined by Chairman MURKOWSKI and 23 other original cosponsors, introduced S. 367—which was substantively identical to S. 636 as passed by the Senate during the 98th Congress. At that time, I made a detailed statement in which I discussed the history of consideration of judicial review legislation in the Senate and the reasons supporting the bill we were then introducing. I refer my colleagues and others with an interest in this background to my remarks at the time of introduction, which begin on page 1562 of the RECORD for January 31, 1985. In addition, my statements on the predecessor measure in the last Congress, S. 636—which can be found on page S. 1895 [daily ed.] of the RECORD for March 1, 1983, at the time of introduction and on page S. 8494 [daily ed.] of the RECORD for June 15, 1983, at the time of Senate passage—provide further background information on this legislation.

The measure as it comes before the Senate today has been through an extended period of development which began in the 94th Congress. During this period, the Committee on Veterans' Affairs has held nine hearings on judicial review legislation, and the Senate Judiciary Committee has held one such hearing. Judicial review legislation has been before both the Veterans' Affairs Committee and the Judiciary Committee, with the Veterans' Affairs Committee four times voting to report the legislation favorably, and the Judiciary Committee, after referral of the reported bill to it for a limited period of time, twice allowing the reported measure to go to the full Senate unamended.

Finally, as I just noted, the Senate during the last three Congresses passed legislation quite similar to the pending measure.

In short, it is clear that the Senate has given a great deal of consideration to the issue of providing for judicial review of VA decisions and has indicated its support for providing an opportunity for a veteran aggrieved by a VA decision on a claim for benefits to obtain a carefully limited review in court of such a decision. I have every expectation that the Senate will go on record again today in support of such a result, and I strongly urge that action.

Mr. President, because, as I noted earlier, I have previously described in some detail the background of this legislation and the general reasons for my support for it, I will limit my remarks today to a discussion of two recent court actions bearing on the substance of this legislation—a decision by the Court of Appeals for the District of Columbia Circuit relating to the availability of court review to challenge VA action on regulations, Gott versus Walters, and a decision by the Supreme Court on the limit on attorneys' fees for representation of claimants before the VA, Walters versus National Association of Radiation survivors.

AVAILABILITY OF JUDICIAL REVIEW OF VA ACTION ON REGULATIONS

In the committee report accompanying S. 349 in the 97th Congress—S. Rept. 97-466—filed on June 8, 1982, the committee addressed the issue of whether section 211(a) of title 38, United States Code, the provision of law which bars court review of certain Veterans' Administration decisions, acts as a bar to review of VA actions that do not involve individual claims for benefits but only regulations. The committee, expressing the view that section 211(a) did not bar such court review, noted that:

> Most Federal courts of appeals that have addressed the question have held that section 211(a) does not preclude judicial review on the issue of whether a particular VA regulation was promulgated in excess of the Administrator's statutory authority.

However, the committee also noted that this result was not uniform among the courts of appeals and was not settled since the VA and the Department of Justice have continued the practice of "raising the section 211(a) bar in cases where no individual adjudications are involved." Thus, the committee noted that its reasons for supporting S. 349 included its view that:

> VA claimants in all parts of the country should have uniform access to the judicial system rather than having to litigate before various district courts and appellate court panels the questions of whether and to what extent section 211(a) operates as a bar in a particular case.

More recently, on October 4, 1984, during Senate debate on the legislation that was ultimately enacted as Public Law 98-542, the Veterans' Dioxin and Radiation Exposure Compensation Standards Act, I joined then Committee Chairman SIMPSON and three other members of the committee in again expressing the view that the then-existing case law provided for access to court review to challenge VA actions in issuing regulations. My remarks on this issue, which included the insertion into the RECORD of a memorandum by the American Law Division of the Congressional Research Service of the Library of Congress concerning the case law, appear at pages S. 13598 to S. 13600 [daily ed.] of the RECORD for October 4, 1984. The statement of Senator ALAN SIMPSON on this point is at page S. 13591 [daily ed.]; that of Senator ARLEN SPECTER, at page S. 13608 [daily ed.]; that of Senator SPARK MATSUNAGA, at page S. 13609 [daily ed.]; and that of Senator GEORGE MITCHELL, page S. 13610 [daily ed.]. During this debate, I also noted that, in addition to being the position of the Carter administration:

> It is the VA's position under the current administration that court review of VA regulations is available.

This position was first articulated by Administrator Walters in an answer to a question I posed in connection with his confirmation hearing. In December 1983, Mr. Walters stated:

> Should the VA promulgate regulations in excess of lawful authority? Federal court action is certainly available to the adversely affected veterans.

Administrator Walters repeated this position in an April 10, 1984, letter which provided the agency's views on S. 1651. He at that time took note of:

> The body of case law permitting judicial review of constitutional challenges to agency regulations and procedures and allegations that the agency exceeded statutory authority in the promulgation of regulations.

In view of this consensus for the proposition that section 211(a) does not bar court review of VA actions relating to regulations, I must note with dismay the recent 2-to-1 decision of a three-judge panel of the U.S. Court of Appeals for the District of Columbia Circuit in the case of Gott versus Walters, which was decided on March 22, 1985. That case involved a challenge to the propriety of the VA's issuance of certain documents relating to the resolution of claims based on exposure to ionizing radiation. Even though the Department of Justice did not raise the section 211(a) bar as an issue on appeal, the court of appeals did so on its own initiative and reversed the trial court, which had held that such review was available. The appeals court expressly disagreed with a line of cases from the other courts of appeals and held that section 211(a) bars review of decisions of the Administrator of Veterans' Affairs relating to regulations—indeed bars challenges to the propriety of the process by which such regulations were issued—implementing veterans' benefits statutes.

I strongly disagree with much of the analysis and with the result in the Gott opinion. The reason I am noting it at this time, however, is to highlight the further disruption this decision creates in the state of the case law confronting a veteran who believes that the VA has acted in an unlawful manner. Gott versus Walters is a timely demonstration, if any further demonstration is needed, of the importance of clarifying the current confused state of the law regarding judicial review of VA actions, as S. 367 would do. Also, because the Federal courts in the District of Columbia have traditionally had a particularly significant role in resolving cases involving administrative law issues, veterans and others seeking to challenge VA actions on regulations will be denied a significant avenue of redress as long as the Gott decision remains the Federal law in the District of Columbia Circuit. In this regard, I note that the full court of appeals has vacated the panel's opinion and will be reviewing the case later this year. This, of course, serves only to compound the confusion and uncertainty about what the law is. It is Congress' job to clear this up.

ATTORNEYS' FEES FOR REPRESENTATION OF VA CLAIMANTS

On June 28, 1985, the Supreme Court decided Walters versus National Association of Radiation Survivors—which I will refer to as "NARS"—in which three veterans seeking service-connected disability compensation, a veteran's surviving spouse seeking dependency and indemnity compensation—DIC—based on a claim that the veteran died from a service-connected disability, and two organizations, the National Association of Radiation Survivors and Swords to Plowshares Veterans Rights Organization, challenged the constitutionality of the provisions of section 3404(c) of title 38 limiting to $10 the fee that an attorney may receive for representing an individual with respect to a claim for VA benefits.

The U.S. District Court for the Northern District of California had determined prior to the conduct of a trial that it was likely that the plaintiffs would prevail with respect to their claim that the fee limitation violated the due process requirements of the fifth amendment and VA claimants' right to freedom of speech under the first amendment. On that basis, the district court granted a nationwide preliminary injunction against the enforcement of section 3404(c).

The Supreme Court voted 6 to 3 to reverse the district court's grant of a preliminary injunction, and the case was returned to the lower court for a full evidentiary hearing and decision directly on the merits of the claim that the fee limitation is unconstitutional.

The decision and opinions handed down by the Supreme Court in that case raise certain issues relating to the provisions in S. 367 modifying section 3404 on which I wish to comment.

First, I note that two of the six Justices who voted to overturn the district court's injunction made clear their view that the Supreme Court's decision was not a ruling on the merits of the constitutional challenge. Rather, Justice O'Connor and Justice Blackmun, who joined Justice O'Connor in her concurring opinion, stated their view that the Supreme Court had decided only that pretrial issuance of a nationwide, preliminary injunction was an abuse of discretion on the part of the district court.

Thus, despite certain language in the majority opinion that might be read as expressing a firm conclusion that section 3404(c) is constitutional, a majority of the justices—the two concurring justices and the three dissenters, Justices Brennan, Marshall, and Stevens—expressly declined to take such a position. Justice Brennan made this point in his dissenting opinion at footnote 37 on page 18 of the slip opinion of his dissent.

The decision in this case, therefore, does not remove the cloud that has been cast regarding the constitutional validity of section 3404(c), and I believe that the existence of this continuing controversy underscores the need for congressional action to modify the fee limitation. The courts can only strike the provision down or sustain it. They do not have the authority to make the type of adjustments that the committee is recommending in S. 367, which would, I believe, both reflect sound policy judgments and eliminate questions regarding constitutional validity. In this regard, I note that Justice Stevens, on page 3 of his dissenting opinion, indicated that, at the time the $10 fee limit was first enacted in 1864, the fee was "roughly the equivalent of a $580 fee today." It is interesting to note that, if enacted, S. 367 would provide generally for a maximum fee of $500 for claims resolved before the VA, a level very similar to that enacted in 1864.

Second, I note that both the district court and the Supreme Court have thus far dealt only with the question of the per se, or facial, constitutionality of the fee limitation. The district court temporarily enjoined its enforcement nationwide in all cases and the Supreme Court reversed the district court's action. However, the plaintiffs also asserted—and neither court has yet ruled on the assertion—that, even if the statute is held to be constitutionally valid on its face, it is unconstitutional as applied in the individual plaintiffs' cases. That this question remains open is noted specifically in Justice O'Connor's opinion, at page 3 of the slip opinion of her concurring opinion.

In my view, the possibility that judicial decisions might uphold the fee limitation as not facially unconstitutional but leave it subject to challenges asserting that it is unconstitutional as applied in individual cases also underscores the need for legislation to eliminate constitutional issues and make the statute more appropriate and more fair to veterans in the contemporary context. For example, if "as applied" challenges were permissible despite a final, authoritative ruling that the statute is facially constitutional, there would be very real, undesirable barriers to veterans' ability to retain counsel in those cases in which a court ultimately might decide that the fee limitation is unconstitutional as applied. For an attorney to take such a case would mean risking the possibility of receiving no fee, even if the benefit in question is awarded. Moreover, the attorney would apparently have to make any fee of more than $10 contingent upon a judicial determination that the limitation was unconstitutional as applied and would have to resort to the potentially time-consuming and costly process of bringing suit in the Federal courts to obtain a ruling that the fee limit would be unconstitutional if applied in that case.

Such an extremely unwieldy, costly, and, very likely, often unsuccessful approach to protecting the veterans' constitutional right to legal representation would, in my view, be totally unsatisfactory in most cases.

Third, I note that the NARS case involved only two types of VA benefits—disability compensation paid to veterans with service-connected disabilities and DIC payable to the surviving spouses of those who die from service-connected causes—neither of which is need-based, as are certain welfare payments. The Supreme Court seemed to have attached considerable significance to this point. The Court noted that in the case of *Mathews* v. *Eldridge*, 424 U.S. 319 (1976), it had held that no evidentiary hearing is constitutionally required prior to a temporary deprivation of non-means-tested Social Security benefits but that, in the case of *Goldberg* v. *Kelly*, 397 U.S. 254 (1970), it had ruled that a welfare recipient faced with possible termination of benefits was entitled to be represented by an attorney. Choosing which was more applicable to the fee limitation in the context of compensation and DIC, the Court stated:

> We think that the benefits at stake in VA proceedings, which are not granted on the basis of need, are more akin to the Social Security benefits involved in Mathews than they are to the welfare payments upon which the recipients in Goldberg depended for their daily subsistence. Just as this factor was dispositive in Mathews in the Court's determination that no evidentiary hearing was required prior to a temporary deprivation of benefits, 424 U.S., at 342-343, so we think it is here determinative of the right to employ counsel.

The Court took no note of the fact that VA pension under chapter 15 of title 38—payable to certain needy, non-service-connected totally disabled (or elderly) wartime veterans, and to needy survivors of wartime veterans—is, to use the Court's words, "granted on the basis of need" and that recipients of pension depend on it "for their daily subsistence."

From this part of the opinion, it appears that the Court might well consider a different result if the constitutionality of the fee limitation is challenged in a VA pension case.

I note, as was mentioned on page 26 of the committee report accompanying this bill, that compensation and DIC are a top priority of the committee and that the members of the committee would consider anomalous any set of circumstances in which applicants for and recipients of those service-connected benefits are afforded less in the way of procedural protections or advantages—such as the right to be represented by counsel—than are applicants for and recipients of non-service-connected benefits, such as VA pension.

Fourth, although I am not here undertaking any point-by-point rebuttal of possible areas of disagreement with the Court's opinion, I wish to correct a misimpression set forth in footnote 10 of the Court's opinion, at page 16 of the slip opinion. In that note, the Court correctly pointed out that S. 349, as reported by our committee and passed by the Senate in the 97th Congress, would have provided—as S. 367 would provide—for limited judicial review of certain VA decisions and for retention of the fee limitation for VA claims adjudications up to and including the first denial of a claim by the Board of Veterans' Appeals. However, the Court then erroneously asserted that out:

> Committee [had] explained that the limitation was retained to protect claimant's benefits, and because until judicial review was contemplated there was no need for attorneys.

Again, as is pointed out on page 26 of the committee report, the committee has never recommended retention of the fee limitation for the reason that there is no need for attorneys until judicial review is contemplated. The words "no need," quoted by the Court, were used in only one place on the page cited by the Court, in the following sentence:

> In light of the availability of national service officers and other nonlegal forms of free assistance, there would seem to be no need for the assistance of an attorney in order to initiate the claims process by completing and filing an application.

As the committee noted in the ensuing discussion, it did—and still does—see a need for lifting the fee limit "once the BVA renders a decision adverse to the claimant on the merits," and that need is not limited to representation in judicial proceedings. Rather, as noted, the need may exist "with respect to such issues as seeking a reopening and reconsideration" of the VA administrative process either at the BVA level or in the Department of Veterans' Benefits. In the following pages of that report, the committee discussed at length provisions allowing reasonable attorneys' fees for representation within the VA following an initial BVA denial of a claim, regardless of whether the case ever reaches Court. I fully support and agree with that discussion which the Court seems to have overlooked.

CONCLUSION

Mr. President, approval of S. 367 by the Senate today will, I believe, hold out substantial hope to our Nation's veterans. This legislation promises to those who served their country the same right of independent review of the fairness with which their Government treats them through the VA that is available to virtually all other citizens in their dealings with agencies administering Federal benefits.

In closing, I want to express my gratitude to the chairman for moving forward on this legislation of such fundamental importance. He and his staff—especially Cathy McTighe, Julie Susman, and Tony Principi—have been fair, thorough, and most constructive in approaching S. 367. The chairman is owed a great vote of thanks by all veterans for taking a leadership role—as had his predecessor, Senator Simpson—on the legislation before the Senate today.

Mr. President, I also congratulate my good friend from Colorado, Senator Gary Hart, for his longstanding commitment to and leadership on the cause of judicial review. I also want to express my gratitude to my many colleagues who are cosponsors of the measure. The broad, bipartisan support for this measure is demonstrated by the list of 38 sponsors. Adoption of the bill by the Senate today will ratify this support and send a strong signal that this body is strongly committed to removing the archaic bar to judicial review and modifying the nonsensical $10 limit on the amount an attorney may be paid to represent a VA claimant and, in so doing, opening the inner workings of the VA to the light of day.

I also note the very hard work on this legislation by members of the minority staff on the committee, including Bill Brew, Ed Scott, Jon Steinberg, Ingrid Post, and Charlotte Hughes.

Mr. President, S. 367 as it comes before the Senate today is a measure worthy of my colleagues' full support, and I urge that they give it their unanimous backing.

Mr. SASSER. Mr. President, I rise today to speak in support of S. 367, the Veterans' Administration adjudication procedure and Judicial Review Act. This bill would allow for the judicial review of the final decisions of the Administrator of the Veterans' Administration and to raise the $10 cap on legal fees for attorneys who represent veterans to a reaonable amount. I was pleased to join Senator Hart in being an original cosponsor of this bill.

Mr. President, this is the fourth time that the Senate has voted on legislation similar to this. Last Congress, the Senate passed similar legislation in S. 636, which I was also pleased to cosponsor, but no action was taken on this measure in the House. Again, I hope that the Senate will pass this much needed legislation, and that the House of Representatives will also take action and pass this legislation.

At the present time, the Veterans' Administration is one of the few Federal agencies whose decisions are not subject to judicial review. While the Veterans' Administration has a well established claims procedures for deciding the merits of veterans claims, a procedure that does provide the veterans with the benefit of the doubt in deciding claims. However, once a final decision has been made by the Board of Veterans Appeal, that decision is final unless new evidence can be presented by the claimant. Though in many cases this system works well for the veteran, it has become clear that in other instances this system has not worked well in deciding many claims, such as the claims filed by atomic and agent orange veterans.

Mr. President, let me briefly detail to my colleagues an example of the system's failure to act. A constituent of mine, John Smitherman, who died in September 1983, was exposed to atomic radiation during an atmospheric test in the South Pacific in 1946 while a sailor in the Navy. He developed lymphatic cancer that caused him to lose two legs, and one hand to swell abonormally. He repeatedly sought relief and compensation from the Veterans' Administration only to be denied service-connection compensation. Seven times he appealed to the Veterans' Administration and seven times he was turned down on a technicality. While several physicians certified that his cancer was caused by his exposure to radiation, the Veterans' Administration continued to deny his claim. John Smitherman's case was a bureacratic nightmare, a classic case of Government insensitivity to its citizens. This insensitivity was compounded by his inability to seek judicial review of this claim. His case is an excellent example of why S. 367 is needed. This legislation will at least grant the John Smithermans' of this Nation the opportunity to appeal their case to the courts, a right that is granted to all citizens, in an effort to seek a just hearing in an independent body.

In addition to providing for judicial review, this legislation raises the outmoded $10 limitation on attorney fees to a reasonable amount. This legislation would provide for a fee of $500 in most cases, but it does not bar the veterans from entering into a contingency fee agreement with an attorney. As this body is aware, and the issue was addressed in the report that accompanied S. 367, the Supreme Court recently upheld the $10 fee that is part of current law. While there may be questions on the constitutionality of the fee limitation, it is clear that the $10 fee has served as an impediment to veterans being able to obtain counsel. And it seems clear that if we are going to allow veterans the right of judicial review, we should also raise the $10 fee. Without raising the fee, all we would do is grant the right while effectively prohibiting veterans from retaining counsel in order to seek judicial review of their claims.

We must enact S. 367 promptly. It has 38 cosponsors and has passed the Senate three times previously. I urge my colleagues to continue their support for this measure that grants our Nation's veterans the basic right of having their day in court. This is a right that all American citizens deserve, most especially our veterans.

Mr. HART. Mr. President, I thank the distinguished majority leader, the Senator from Kansas [Mr. Dole], and the minority leader [Mr. Byrd] for scheduling this bill so that the Senator from Colorado could be present. I appreciate very much their indulgence. I wish to make a brief statement, if I may.

Mr. President, today the Senate again considers the Veterans' Administration Administrative Procedures and Judicial Review Act.

As the author of this legislation, I am grateful to the chairman of the Veterans' Affairs Committee, Senator Murkowski, the ranking minority member, Senator Cranston, and the other members of the committee for bringing this bill back to the Senate floor this year.

This bill will provide veterans and other claimants before the Veterans' Administration [VA] the right to judicial review of the final decisions by the Administrator denying their benefit claims. It is also designed, as were the predecessor bills I introduced in the last several Congresses, to codify certain VA benefit claim procedures, to require that the VA comply with important procedural protections in the Administrative Procedures Act, and to grant reasonable attorneys fees.

None of these rights exist today.

The Veterans' Administration—the second largest client agency of the Federal Government—is one of the few agencies whose benefit decisions are not subject to the scrutiny of the Federal courts. Too often in the past, this exclusion, together with an outdated $10 limitation on attorneys fees, has meant that fundamental constitutional rights of veterans have been abridged in hearings before the VA.

Mr. President, this bill we consider today represents the fifth attempt by the Senator from Colorado to seek correction of these inequities and to bring the Veterans' Adminstration in line with the established administrative procedures of other agencies of the Federal Government.

This bill has 38 cosponsors, including a majority of the members of the Veterans' Committee, both Democrats and Republicans. This significant display of biapartisanship, in my judgment, underscores the importance which Senators from both parties attach to making the changes in law and procedure which we are asking today.

Mr. President, a veteran seeking VA benefits must file a claim with the VA regional office's rating board to determine eligibity for disability, pension, or other benefits. If the local rating board renders an unfavorable decision, the veteran can appeal to the Board of Veterans Appeals [BVA] in Washington, DC, which is also part of the VA. Under existing law, the decision of the BVA on "any question of law or fact under any laws administered by the Veterans' Administration providing benefits for veterans and their dependents or survivors, shall be final and conclusive, and no other official or any court of the United States shall have power or jurisdiction to review any such decision" (38 U.S.C. 211(a)). Unlike claimants before other Federal agencies, who enjoy independent judicial recourse, a veteran who believes that the BVA has misinterpreted the law, or decided a case without taking all relevant facts into account, has no

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reasonable means for appeal outside the Veterans' Administration.

By contrast, the Social Security Administration—which means also adjudicates disability claims—has been subject to judicial review of its final benefit decisions (42 U.S.C. 405(g)) for more than 2 decades.

Mr. President, the insulation of any agency from the scrutiny of the courts runs counter to our most cherished constitutional principles. In human terms, this denial of the due process rights of veterans has too often resulted in hardship and disillusionment for those who have defended our country and are most deserving of the guarantees of our constitutional form of government.

Mr. President, I first introduced legislation to open the Veterans' Administration to outside court review in May 1976. Since that time, my colleagues in the Senate have joined me in successfully passing on three occasions legislation similar to this legislation in the 96th, 97th, and 98th Congresses. Both Senators CRANSTON and SIMPSON have supported this legislation through their distinguished leadership as chairmen of the Senate Veterans' Affairs Committee. And, this year, our colleagues, Senator MURKOWSKI, who acceded to the position of chairman after Mr. SIMPSON won his leadership post, has continued that tradition of bipartisan cooperation and support.

Mr. President, let me conclude with these observations.

The Senator from Colorado who has been working on this legislation for a decade. As an opponent of the Vietnam war, a conflict which often and unfairly divided principled citizens and dedicated servicemen and women, I have felt a special obligation to the veterans of this land—not only Vietnam-era veterans, but the veterans of prior conflicts as well. I have tried to reach out to veterans, particularly those whose bodies and souls continue to bear the scars of their sacrifice and courage.

Because this legislation has been a personal priority for me, I have used forums and constituent meetings in Colorado to discuss the bill and publicize the fact that the denial of these fundamental constitutional rights must come to an end. More often than not, as I explain these legally enshrined barriers to veterans' rights, my constituents are shocked. They ask, "How can veterans, many of whom fought to preserve and protect democratic values abroad, be denied these basic protections here at home?" I must answer with regret: "That's the law." And they say, "the law must be changed."

That is the central issue in this debate, Mr. President. The central issue is whether we are going to afford the American veteran the same constitutional rights we grant other citizens in this country. The central issue is whether we are going to end now, today, this frightening anomoly, this powerful irony, that veterans receive less protection under the law then their fellow citizens.

We can provide veterans their rights to simple justice. We can improve oversight of VA procedures. We can respond to the challenge in the Supreme Court's ruling, which upheld the archaic $10 limitation on attorneys fees, and give veterans their civil and legal rights to competent legal representation. Surely, our veterans deserve no less.

It is my hope that a strong statement of support by the Senate for this legislation will prompt the House of Representatives to pass the bill and send it to the White House. I am anxious to work with my colleagues in the Senate, and those responsible for veterans legislation in the House, to ensure that the action we take today will settle this issue once and for all.

Mr. President, again I thank the Senator from Kansas, the majority leader, and the minority leader.

Mr. DOLE. Mr. President, I commend the distinguished Senator from Colorado for his tireless efforts on behalf of the veterans and particularly this legislation. I share the concerns he expressed and extend my commendations to the Senator from Colorado, along with the Senator from Alaska [Mr. MURKOWSKI] and the Senator from California [Mr. CRANSTON].

Mr. BYRD. Mr. President, I wish to associate myself with the remarks of the distinguished majority leader. I also compliment the distinguished Senator from Colorado [Mr. HART] for the noble efforts that he put forth and the support that he has consistently given to legislation on behalf of the veterans and their families.

I also compliment Mr. CRANSTON, the distinguished Democratic whip, on the support that he has given such matters, and also Mr. SASSER. I wish to make the same comments with respect to him, and also to commend Mr. MURKOWSKI for his good work and for the leadership that he along with these other Senators continue to demonstrate on behalf of veterans.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Veterans' Administration Adjudication Procedure and Judicial Review Act".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—ADJUDICATION PROCEDURES

SEC. 101. (a) Chapter 51 is amended by adding at the end of subchapter I the following new section:

"§ 3007. Burden of proof; benefit of the doubt

"(a) Except when otherwise provided by the Administrator in accordance with the provisions of this title, a claimant for benefits under laws administered by the Veterans' Administration shall have the burden of submitting evidence sufficient to justify a belief by a fair and impartial individual that the claim is well grounded. The Administrator shall assist a claimant in developing the facts pertinent to his or her claim.

"(b) When, after consideration of all evidence and material of record in any proceeding before the Veterans' Administration involving a claim for benefits under laws administered by the Veterans' Administration, there is an approximate balance of positive and negative evidence regarding the merits of an issue material to the determination of such claim, the benefit of the doubt in resolving each such issue will be given to the claimant, but nothing in this section shall be construed as shifting from a claimant to the Administrator the burden described in subsection (a) of this section.".

(b)(1) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part IV of such title are each amended in the item relating to chapter 51 by striking out "Applications" and inserting in lieu thereof "Claims".

(2) The heading of such chapter is amended to read as follows:

"CHAPTER 51—CLAIMS, EFFECTIVE DATES, AND PAYMENTS".

(c)(1) The table of sections at the beginning of such chapter is amended in the item relating to subchapter I by striking out "APPLICATIONS" and inserting in lieu thereof "CLAIMS".

(2) The heading of subchapter I of such chapter is amended to read as follows:

"Subchapter I—Claims".

(d) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 3006 the following new item:

"3007. Burden of proof; benefit of the doubt.".

SEC. 102. Section 3311 is amended by adding at the end the following new sentences: "Subpenas authorized under this section shall be served by any individual authorized by the Administrator by (1) delivering a copy thereof to the individual named therein, or (2) mailing a copy thereof by registered or certified mail addressed to such individual at such individual's last known dwelling place or principal place of business. A verified return by the individual so serving the subpena setting forth the manner of service, or, in the case of service by registered or certified mail, the return post office receipt therefor signed by the individual so served shall be proof of service.".

SEC. 103. Section 4001 is amended—

(1) in the second sentence of subsection (a), by inserting before the period at the

end of such sentence "in a timely manner"; and

(2) by adding at the end thereof the following new subsection:

"(d) The Chairman of the Board shall submit a report to the appropriate committees of the Congress, not later than December 31, 1986, and annually thereafter, on the experience of the Board during the prior fiscal year together with projections for the fiscal year in which the report is submitted and the subsequent fiscal year. Such report shall contain, as a minimum, information specifying the number of cases appealed to the Board during the prior fiscal year, the number of cases pending before the Board at the beginning and end of such fiscal year, the number of such cases which were filed during each of the 24 months preceding the prior fiscal year and the then current fiscal year, respectively, the average length of time a case was before the Board between the time of the filing of an appeal and the disposition during the prior fiscal year, and the number of members of, and the professional, administrative, clerical, stenographic, and other personnel employed by, the Board at the end of the prior fiscal year. The projections for the current fiscal year and subsequent fiscal year shall include, for each such year, estimates of the number of cases to be appealed to the Board and an evaluation of the Board's ability, based on existing and projected personnel levels, to ensure timely disposition of such appeals as provided for by subsection (a) of this section.".

SEC. 104. Section 4003 is amended—

(1) in subsection (a), by inserting a comma and "after notice of such additional information is furnished to the claimant and the claimant is provided an opportunity to be heard in connection with such information," after "concerned"; and

(2) in subsection (b)—

(A) by striking out "When" and inserting in lieu thereof "(1) Except as provided in paragraph (2), when";

(B) by inserting a comma and "after notice of such additional information is furnished to the claimant and the claimant is provided an opportunity to be heard in connection with such information," after "concerned"; and

(C) by adding at the end thereof the following new paragraph:

"(2) When, without the vote of a temporary member designated under section 4001(c)(1) of this title or the vote of an acting member designated under section 4002(a)(2)(A)(ii) of this title, a section would be evenly divided, such member shall not vote.".

SEC. 105. Section 4004 is amended—

(1) in subsection (a)—

(A) by striking out "involving" in the first sentence and inserting in lieu thereof "for"; and

(B) by inserting before the period at the end of the second sentence "after affording the claimant an opportunity for a hearing and shall be based exclusively on evidence and material of record in the proceeding and on applicable provisions of law";

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) Except as provided in paragraph (2) of this subsection, when a claim is disallowed by the Board, it may not thereafter be reopened and allowed and no claim based upon the same factual basis shall be considered.

"(2) Following such a disallowance, the Board (directly or through the agency of original jurisdiction, as described in section 4005(b)(1) of this title)—

"(A) when new and material evidence is secured, shall, and

"(B) for good cause shown, may authorize the reopening of a claim and a review of the Board's former decision.

"(3) A judicial decision under subchapter II of chapter 71 of this title, upholding, in whole or in part, the disallowance of a claim shall not diminish the Board's authority set forth in paragraph (2) of this subsection to authorize the reopening of a claim and a review of the former decision."; and

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) After reaching a decision in a case, the Board shall promptly mail notice of its decision to the claimant and the claimant's authorized representative, if any, at the last known address of the claimant and at the last known address of the claimant's authorized representative, if any. Each decision of the Board shall include—

"(1) a written statement of the Board's findings and conclusions, and reasons or bases therefor, on all material issues of fact and law and on matters of discretion presented on the record; and

"(2) an order granting appropriate relief or denying relief.".

SEC. 106. Section 4005(d)(5) is amended by striking out "will base its decision on the entire record and".

SEC. 107. Section 4009 is amended by adding after subsection (b) the following new subsection:

"(c) Whenever there exists in the evidence of record in an appeal case a substantial disagreement between the substantiated findings or opinions of two physicians with respect to an issue material to the outcome of the case, the Board shall, upon the request of the claimant and after taking appropriate action to attempt to resolve the disagreement, arrange for an advisory medical opinion in accordance with the procedure prescribed in subsection (b) of this section. If the Board denies the request of such claimant for such an opinion, the Board shall prepare and provide to the claimant and the claimant's authorized representative, if any, a statement setting forth the basis for its determination. Actions of the Board under this subsection, including any such denial, shall be final and conclusive, and no other official or any court of the United States shall have the power or jurisdiction to review any aspect of any such decision by an action in the nature of mandamus or otherwise, the provisions of subchapter II of chapter 71 of this title to the contrary notwithstanding.".

SEC. 108. (a) Chapter 71 is further amended by adding at the end thereof the following new sections:

"§ 4010. Adjudication procedures

"(a) For purposes of conducting any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, the Administrator may administer oaths and affirmations, examine witnesses, and receive evidence.

"(b) Any oral, documentary, or other evidence, even though inadmissible under the rules of evidence applicable to judicial proceedings, may be admitted in a hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, but the Administrator, under regulations which the Administrator shall prescribe, may provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence.

"(c)(1) In the course of any proceeding before the Board, any party to such proceeding or such party's authorized representative shall be afforded opportunity—

"(A) to examine and, on payment of a fee prescribed pursuant to section 3302(b) of this title (not to exceed the direct cost of duplication), obtain copies of the contents of the case files and all documents and records to be used by the Veterans' Administration at such proceeding;

"(B) to present witnesses and evidence, subject only to such restrictions as may be set forth in regulations which the Administrator shall prescribe, pursuant to subsection (b) of this section, as to materiality, relevance, and undue repetition;

"(C) to make oral argument and submit written contentions, in the form of a brief or similar document, on substantive and procedural issues;

"(D) to submit rebuttal evidence;

"(E) to present medical opinions and request an independent advisory medical opinion pursuant to section 4009(c) of this title; and

"(F) to serve written interrogatories on any person, including any employee of the Veterans' Administration, which interrogatories shall be answered separately and fully in writing and under oath unless written objection thereto, in whole or in part, is filed with the Administrator by the person to whom the interrogatories are directed or such person's representative.

"(2) The fee provided for in paragraph (1)(A) of this subsection may be waived by the Administrator, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(3) In the event of any objection filed under paragraph (1)(F) of this subsection, the Administrator shall, pursuant to regulations which the Administrator shall prescribe establishing standards consistent with standards for protective orders applicable in the United States District Courts, evaluate such objection and issue an order (A) directing that, within such period as the Administrator shall specify, the interrogatory or interrogatories objected to be answered as served or answered after modification, or (B) indicating that the interrogatory or interrogatories are no longer required to be answered.

"(4) If any person upon whom interrogatories are served under paragraph (1)(F) of this subsection fails to answer or fails to provide responsive answers to any such interrogatories within 30 days after service or such additional time as the Administrator may allow, the Administrator shall, upon a statement or showing by the party who served such interrogatories of general relevance and reasonable scope of the evidence sought, issue a subpena under section 3311 of this title (with enforcement of such subpena to be available under section 3313 of this title) for such person's appearance and testimony on such interrogatories at a deposition on written questions, at a location within 100 miles of where such person resides, is employed, or transacts business.

"(d) In the course of any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, an employee of the Veterans' Administration may at any time disqualify himself or herself, on the basis of personal bias or other cause, from adjudicating the claim. On the filing by a party in good faith of a timely and sufficient affidavit averring personal bias or other cause for disqualification on the part of such an employee, the Administrator shall determine the matter as a part of the record and decision in the case.

"(e) The transcript or recording of testimony and the exhibits, together with all papers and requests filed in the proceeding, and the decision of the Board (1) shall constitute the exclusive record for decision in accordance with section 4004(a) of this title, (2) shall be available for inspection by any party to such proceeding, or such party's authorized representative, at reasonable times and places, and (3) on the payment of a fee prescribed under section 3302(b) of this title (not to exceed the direct cost of duplication), shall be copied for the claimant or such claimant's authorized representative within a reasonable time. Such fee may be waived by the Administrator, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(f) Notwithstanding section 4004(a) of this title, section 554(a) of title 5, or any other provision of law, adjudication and hearing procedures prescribed in this title and in regulations prescribed by the Administrator under this title for the purpose of administering veterans' benefits shall be exclusive with respect to hearings, investigations, and other proceedings in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration.

"§ 4011. Notice of procedural rights

"In the case of any disallowance, in whole or in part, of a claim for benefits under laws administered by the Veterans' Administration, the Administrator shall, at each procedural stage relating to the disposition of such a claim, beginning with disallowance after an initial review or determination, and including the furnishing of a statement of the case and the making of a final determination by the Board, provide to the claimant and such claimant's authorized representative, if any, written notice of the procedural rights of the claimant. Such notice shall be on such forms as the Administrator shall prescribe by regulation and shall include, in easily understandable language, with respect to proceedings before the Veterans' Administration, (1) descriptions of all subsequent procedural stages provided for by statute, regulation, or Veterans' Administration policy, (2) descriptions of all rights of the claimant expressly provided for in or pursuant to this chapter, of the claimant's rights to a hearing, to reconsideration, to appeal, and to representation, and of any specific procedures necessary to obtain the various forms of review available for consideration of the claim, and (3) such other information as the Administrator, as a matter of discretion, determines would be useful and practical to assist the claimant in obtaining full consideration of the claim.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 4009 the following new items:

"4010. Adjudication procedures.
"4011. Notice of procedural rights.".

Sec. 109. (a) In order to evaluate the feasibility and desirability of alternative methods of (1) assuring the resolution of claims before the Administrator of Veterans' Affairs for benefits under laws administered by the Veterans' Administration as promptly and efficiently as feasible following the filing of a notice of disagreement pursuant to section 4005 (as amended by section 106 of this Act) or 4005A of title 38, United States Code, and (2) affording claimants the opportunity for a hearing before or review by a disinterested authority at a location as convenient and on as timely basis as possible for each claimant, the Administrator is authorized to conduct a study, commencing not more than 1 year after the date of the enactment of this Act, for a period of 24 months, involving either or both of the alternative methods described in subsection (b) of this section for resolution of claims.

(b)(1) In not more than three geographic areas, the Administrator is authorized to provide an intermediate-level adjudication process whereby each claimant may, within the time afforded such claimant under paragraph (3) of section 4005(d) or 4005A(b) of title 38, United States Code, to file an appeal, request a de novo hearing at the agency of original jurisdiction (as described in section 4005(b)(1) of such title) before a panel of three Veterans' Administration employees, each of whose primary responsibilities include adjudicative functions but none of whom shall have previously considered the merits of the claim at issue. Following such hearing, such panel shall render a decision and prepare a new statement of the case in accordance with the requirements of paragraphs (1) and (2) of section 4005(d) of such title. Such new statement of the case shall, for all purposes relating to appeals under chapter 71 of such title, be considered to be a statement of the case as required by paragraph (1) of such section 4005(d).

(2) In not more than three other geographic areas, the Administrator is authorized to provide for an enhanced schedule of visits, on at least a quarterly basis each year, by a panel or panels of the Board of Veterans' Appeals to conduct formal recorded hearings pursuant to section 4002 of such title in such areas.

(c) Not later than 6 months after the completion of such study, the Administrator shall report to the Congress on the results thereof, including an evaluation of the cost factors associated with each alternative studied and with any appropriate further implementation thereof, the impact on the workload of each regional office involved in such study, and the impact on the annual caseload of the Board of Veterans' Appeals resulting from each alternative studied, together with any recommendations for administrative or legislative action, or both, as may be indicated by such results.

Sec. 110. Section 3010(i) is amended—

(1) by inserting "(1)" after "(i)"; and

(2) by adding at the end the following new paragraph:

"(2) Whenever any disallowed claim is reopened and thereafter allowed on the basis of new and material evidence in the form of official reports from the proper service department, the effective date of commencement of the benefits so awarded shall be the date on which an award of benefits under the disallowed claim would have been effective had the claim been allowed on the date it was disallowed.".

TITLE II—VETERANS' ADMINISTRATION RULE MAKING

Sec. 201. (a) Subchapter II of chapter 3 is amended by adding at the end the following new section:

"§ 223. Rulemaking

"Notwithstanding the provisions of subsection (a)(2) of section 553 of title 5, the promulgation of rules and regulations by the Administrator, other than rules or regulations pertaining to agency management or personnel or to public property or contracts, shall be subject to the requirements of section 553 of title 5.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 222 the following new item:

"223. Rulemaking.".

TITLE III—JUDICIAL REVIEW

Sec. 301. Section 211(a) is amended by striking out "sections 775, 784" and inserting in lieu thereof "sections 775 and 784 and subchapter II of chapter 71 of this title".

Sec. 302. (a) Chapter 71 is further amended—

(1) by inserting after the table of sections the following new heading:

"Subchapter I—General";

and

(2) by adding at the end thereof the following new subchapter:

"Subchapter II—Judicial Review

"§ 4025. Right of review; commencement of action

"(a) For the purposes of this chapter—

"(1) 'final decision of the Administrator' means—

"(A) a final determination of the Board of Veterans' Appeals pursuant to section 4004 (a) or (b) of this title; or

"(B) a dismissal of an appeal by the Board of Veterans' Appeals pursuant to section 4005 or 4008 of this title; and

"(2) 'claim for benefits' means—

"(A) an initial claim filed under section 3001 of this title;

"(B) a challenge to a decision of the Administrator reducing, suspending, or terminating benefits; or

"(C) any request by or on behalf of the claimant for reopening, reconsideration, or further consideration in a matter described in clause (A) or (B) of this paragraph.

"(b) Except as provided in subsection (f) of this section, after any final decision of the Administrator adverse to a claimant in a matter involving a claim for benefits under any law administered by the Veterans' Administration, such claimant may obtain a review of such decision in a civil action commenced within 180 days after notice of such decision is mailed to such claimant pursuant to section 4004(d) of this title. Such action shall be brought against the Administrator in the district court of the United States for the judicial district in which the plaintiff resides or the plaintiff's principal place of business is located, or in the district court of the United States for the judicial district where the principal offices of the Board of Veterans' Appeals (established under section 4001 of this title) are located.

"(c) The complaint initiating an action under subsection (a) of this section shall contain sufficient information to permit the Administrator to identify and locate the plaintiff's records in the custody or control of the Veterans' Administration.

"(d) Not later than 30 days after filing the answer to a complaint filed pursuant to subsection (a) of this section, the Administrator shall file a certified copy of the records upon which the decision complained of is based or, if the Administrator determines that the cost of filing copies of all such records is unduly expensive, the Administrator shall file a complete index of all documents, transcripts, or other materials comprising such records. After such index is filed and after considering requests from all parties, the court shall require the Administrator to file certified copies of such indexed items as the court considers relevant to its consideration of the case.

"(e) In an action brought pursuant to subsection (b) of this section, the court shall have the power, upon the pleadings and the records specified in subsection (d) of this section, to enter judgment in accordance with section 4026 of this title or remand the cause in accordance with such section or section 4027 of this title.

"(f)(1) No action may be brought under this section unless (A) the initial claim for benefits is filed pursuant to section 3001 of this title on or before the last day of the fifth fiscal year beginning after the effective date of this section, and (B) the complaint initiating such action is filed not more than 180 days after notice of the first final decision of the Administrator rendered after the last day of such fiscal year is mailed to the claimant pursuant to section 4004(d) of this title. If the case is reopened pursuant to section 4004(b)(2)(A) of this title within 180 days after such notice is mailed, the next final decision shall, for purposes of this subsection, be considered the first final decision of the Administrator.

"(2) No action may be brought under this section with respect to matters arising under chapters 19 and 37 of this title.

"§ 4026. Scope of review

"(a)(1) In any action brought under section 4025 of this title, the court, to the extent necessary to its decision and when presented, shall—

"(A) decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an action of the Administrator;

"(B) compel action of the Administrator unlawfully withheld;

"(C) hold unlawful and set aside decisions, findings (other than those described in clause (D) of this paragraph), and conclusions of the Administrator found to be—

"(i) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

"(ii) contrary to constitutional right, power, privilege, or immunity;

"(iii) in excess of statutory jurisdiction, authority, or limitations, or in violation of a statutory right; or

"(iv) without observance of procedure required by law; and

"(D) in the case of a finding of material fact made in reaching a decision on a claim for benefits under laws administered by the Veterans' Administration, hold unlawful and set aside such finding when it is so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside.

"(2) Before setting aside any finding of fact under paragraph (1)(D) of this subsection, the court shall specify the deficiencies in the record upon which the court would set aside such finding and shall remand the case one time to the Administrator for further action not inconsistent with the order of the court in remanding the case. In remanding a case under the first sentence of this paragraph, the court shall specify a reasonable period of time within which the Administrator shall complete the ordered action. If the Administrator does not complete action on the case within the specified period of time, the case shall be returned to the court for its further action.

"(b) In making the determinations under subsection (a) of this section, the whole record before the court pursuant to section 4025(d) of this title shall be subject to review, and the court shall review those parts of such record cited by a party, and due account shall be taken of the rule of prejudicial error.

"(c) In no event shall findings of fact made by the Administrator be subject to trial de novo by the court.

"(d) When a final decision of the Administrator is adverse to a party and the sole stated basis for such decision is the failure of such party to comply with any applicable regulation of the Veterans' Administration, the court shall review only questions raised as to compliance with and the validity of the regulation.

"§ 4027. Remands

"(a)(1) In any action brought under section 4025 of this title, the court shall, on motion of the Administrator made before the expiration of the time specified for the filing of an answer to a complaint filed pursuant to subsection (b) of such section, allow a single remand of a case to the Administrator for further review by the Administrator. If such review is not completed within 90 days after the date of such remand, the matter shall be returned to the court for its action.

"(2)(A) At any time after the Administrator files an answer, the court may, in the exercise of its discretion, remand the case to the Administrator for further action by the Administrator.

"(B) If either party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there is good cause for granting such leave, the court shall remand the case to the Administrator and order such additional evidence to be taken by the Administrator.

"(C) In the case of a remand under subparagraph (A) or (B) of this paragraph, the court may specify a reasonable period of time within which the Administrator shall complete the required action.

"(b) After a case is remanded to the Administrator under subsection (a) of this section, and after further action by the Administrator, including consideration of any additional evidence, the Administrator shall modify, supplement, affirm, or reverse the findings of fact or decision, or both, and shall file with the court any such modification, supplementation, affirmation, or reversal of the findings of fact or decision or both, as the case may be, and certified copies of any additional records and evidence upon which such modification, supplementation, affirmation, or reversal was based. Any such modification, supplementation, affirmation, or reversal of the findings of fact or decision shall be reviewable by the court only to the extent provided in section 4026 of this title.

"§ 4028. Survival of actions

"Any action brought under section 4025 of this title shall survive notwithstanding any change in the person occupying the office of Administrator or any vacancy in such office.

"§ 4029. Appellate review

"The decisions of a district court pursuant to this chapter shall be subject to appellate review by the courts of appeals and the Supreme Court of the United States in the same manner as judgments in other civil actions.".

(b) The table of sections at the beginning of such chapter is amended—

(1) by inserting before the item relating to section 4001 the following new item:

"SUBCHAPTER I—GENERAL";

and

(2) by adding after the item (added by section 108(b) of this Act) relating to section 4011 the following new items:

"SUBCHAPTER II—JUDICIAL REVIEW

"4025. Right of review; commencement of action.
"4026. Scope of review.
"4027. Remands.
"4028. Survival of actions.
"4029. Appellate review.".

Sec. 303. Section 1346(d) of title 28, United States Code, is amended by inserting before the period at the end thereof a comma and "except as provided in subchapter II of chapter 71 of title 38".

TITLE IV—ATTORNEYS' FEES

Sec. 401. Section 3404 is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Administrator shall approve reasonable attorneys' fees to be paid by the claimant to attorneys for representation before the Veterans' Administration in connection with a claim for benefits under laws administered by the Veterans' Administration, but in no event shall such attorneys' fees exceed—

"(1) for any claim resolved prior to or at the time that a final decision of the Administrator is first rendered, $10; or

"(2) for any claim resolved after such time—

"(A) if the claimant and an attorney have entered into an agreement under which no fee is payable to such attorney unless the claim is resolved in a manner favorable to the claimant, 25 percent of the total amount of any past-due benefits awarded on the basis of the claim; or

"(B) if the claimant and an attorney have not entered into such an agreement, the lesser of—

"(i) the fee agreed upon by the claimant and the attorney; or

"(ii) $500, or such greater amount as may be specified from time to time in regulations which the Administrator shall prescribe based on changed national economic conditions subsequent to the date of enactment of this subsection, except that the Administrator may, in the Administrator's discretion, determine and approve a fee in excess of $500, or such greater amount if so specified, in an individual case involving extraordinary circumstances warranting a higher fee.

"(d)(1) If, in an action brought under section 4025 of this title, the matter is resolved in a manner favorable to a claimant who was represented by an attorney, the court shall determine and allow a reasonable fee for such representation to be paid to the attorney by the claimant. When the claimant and an attorney have entered into an agreement under which the amount of the fee payable to such attorney is to be paid from any past-due benefits awarded on the basis of the claim and the amount of the fee is contingent on whether or not the matter is resolved in a manner favorable to the claimant, the fee so determined and allowed shall not exceed 25 percent of the total amount of any past-due benefits awarded on the basis of the claim.

"(2) If, in an action brought under section 4025 of this title, the matter is not resolved in a manner favorable to the claimant, the court, taking into consideration the likelihood at the time such action was filed that the claimant would prevail, may determine and allow a reasonable fee not in excess of $750 to be paid to the attorney by the claimant for the representation of such claimant.

"(e) To the extent that past-due benefits are awarded in proceedings before the Administrator or a court, the Administrator shall direct that payment of any attorneys' fee that has been determined and allowed under this section be made out of such past-due benefits, but in no event shall the Administrator withhold for the purpose of such payment any portion of benefits payable for a period subsequent to the date of the final decision of the Administrator or court making such award.

"(f) The provisions of this section shall apply only to cases involving claims for benefits under the laws administered by the Veterans' Administration, and such provisions shall not apply in cases in which the Veterans' Administration is the plaintiff or in which other attorneys' fee statutes are applicable.

"(g) For the purposes of this section—

"(1) the terms 'final decision of the Administrator' and 'claim for benefits' shall have the same meaning provided for such terms, respectively, in section 4025 (a) of this title; and

"(2) claims shall be considered as resolved in a manner favorable to the claimant when all or any part of the relief sought is granted.

"(h) In an action brought under section 4025 of this title, the court may award to a prevailing party, other than the Administrator, reasonable attorneys' fees and costs in accordance with the provisions of subsection (d) of section 2412 of title 28, as in effect on the day before the effective date of the repeal of such subsection (as provided in section 204(c) of the Equal Access to Justice Act (Public Law 96-481; 94 Stat. 2329; 28 U.S.C. 2412 note)).".

Sec. 402. Section 3405 is amended—

(1) by striking out "or" after "title,"; and

(2) by striking out "him" and inserting in lieu thereof "such claimant or beneficiary, or (3) with intent to defraud, in any manner willfully and knowingly deceives, misleads, or threatens a claimant or beneficiary or prospective claimant or beneficiary under this title with reference to any matter covered by this title".

TITLE V—EFFECTIVE DATES

Sec. 501. This Act and the amendments made by this Act shall take effect on the first day of the first month beginning not less than 180 days after the date of enactment of this Act.

Sec. 502. A civil action authorized in subchapter II of chapter 71 of title 38, United States Code (as added by section 302(a) of this Act) may be instituted to review decisions of the Board of Veterans' Appeals rendered on or after April 1, 1985.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 70

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1985, was referred jointly to the Committee on the Budget, the Committee on Appropriations, and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one new deferral of budget authority for 1985 totaling $16,004,810. The deferral affects an account in the United States Information Agency.

The details of this deferral are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *July 30, 1985.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following joint resolutions:

On July 24, 1985:

S.J. Res. 40. Joint resolution to designate the month of October 1985 as "National Down's Syndrome Month."

On July 29, 1985:

S.J. Res. 86. Joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week"; and

S.J. Res. 144. Joint resolution to authorize the printing and binding of a revised edition of Senate Procedure and providing the same shall be subject to copyright by the author.

MESSAGES FROM THE HOUSE

At 2:15 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 108. Joint resolution authorizing the Secretary of Defense to provide to the Soviet Union on a reimburseable basis, equipment and services necessary for an improved United States/Soviet Direct Communication Link for crisis control.

ENROLLED JOINT RESOLUTIONS SIGNED

At 7:09 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 108. Joint resolution authorizing the Secretary of Defense to provide to the Soviet Union, on a reimburseable basis, equipment and services necessary for an improved United States/Soviet Direct Communication Link for crisis control;

S.J. Res. 161. Joint resolution to appeal for the release of Soviet Jewry; and

H.J. Res. 164. Joint resolution to designate August 4, 1985, as "Freedom of the Press Day."

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. THURMOND].

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1550. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to Japan for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-1551. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the annual report on the operation of the exchange stabilizlation fund for fiscal year 1986; to the Committee on Banking, Housing, and Urban Affairs.

EC-1552. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on two new Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-1553. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-64, adopted by the Council on July 9, 1985; to the Committee on Governmental Affairs.

EC-1554. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-63, adopted by the Council on July 9, 1985; to the Committee on Governmental Affairs.

EC-1555. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-62, adopted by the Council on July 9, 1985; to the Committee on Governmental Affairs.

EC-1556. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-61, adopted by the Council on July 9, 1985; to the Committee on Governmental Affairs.

EC-1557. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-60, adopted by the Council on July 9, 1985; to the Committee on Governmental Affairs.

EC-1558. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-59, adopted by the

Council on July 9, 1985; to the Committee on Governmental Affairs.

EC-1559. A communication from the Acting Assistant Secretary for Health, Department of Health and Human Services, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1560. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the annual report of the Office of Management and Budget under the Freedom of Information Act for calendar year 1984; to the Committee on the Judiciary.

EC-1561. A communication from the Secretary of Education, transmitting, pursuant to law, a report on eligibility under the institutional aid programs; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDREWS, from the Select Committee on Indian Affairs, with amendments:

S. 1106: a bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in dockets numbered 57, 59, 13E of the Indian Claims Commission and docket numbered 13F of the U.S. Claims Court, and for other purposes (Rept. No. 99-119).

By Mr. ROTH, from the Committee on Governmental Affairs, without amendment:

S. 249: A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

By Mr. HATCH, from the Committee on Labor and Human Resources, with an amendment:

S. 1105: A bill entitled the "Federal Contractor Flextime Act."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

Russell F. Miller, of Maryland, to be Deputy Inspector General of the U.S. Synthetic Fuels Corporation for a term of 7 years;

William P. Horn, of Virginia, to be Assistant Secretary for Fish and Wildlife, Department of the Interior; and

Charles A. Trabandt, of Virginia, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1988.

(The above nominations were reported from the Committee on Energy and Natural Resources with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. LUGAR, from the committee on Foreign Relations:

Bernard Kalb, of Maryland, to be an Assistant Secretary of State.

George Cranwell Montgomery, of Tennessee, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sultanate of Oman.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: George Cranwell Montgomery.

Post: Oman.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: None.
2. Spouse: None.
3. Children and spouses names: Erynn Elizabeth (8 yrs.): None.
4. Parents names: George and Mary Beth Montgomery: $250.00, 4/27/82, Robin Beard; $25.00, 2/25/82, Robin Beard; $100.00, 10/11/82, Cynthia Baker; $65.00, 1/83, Citizens for Reagan; $100.00, 10/84, Victor Ashe.
5. Grandparents names: Frank/Ada Montgomery, A.B./Anna Cranwell (decessed).
6. Brothers and spouses names: None.
7. Sisters and spouses names: None.

Bruce Chapman, of Washington, to be the Representative of the United States of America to the Vienna Office of the United Nations and Deputy Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Bruce Chapman.

Post: Ambassador to U.S. Mission to United Nations Organizations in Vienna.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: John Miller for Congress, $150, 1984; Reagan/Bush Reunion, $25, 1983; John McLaughry for Senate, $50, 1982; Senator David Durenberger Comte. $25, 1982; Ruppe for Senate, $50, 1982; Chandler for House, $25, 1982.
2. Spouse: Sarah: None.
3. Children and spouses names: Adam, Andrew: None.
4. Parents names: Darroll Shinn: None; Landon Chapman (deceased).
5. Grandparents names: Mr. and Mrs. George Chapman (deceased); Mr. and Mrs. Oscar Swanson (deceased).
6. Brothers and spouses names: Roy Chapman: None; Mr. and Mrs. Howard Chapman.

1981	
GOP Victory Fund	$25.00
Allen County Republican Central Committee	100.00
Friends of Dick Lugar	50.00
Dan Coats for Congress Committee	25.00
1982	
Allen County Republican Committee	25.00
Friends of Dick Lugar	30.00
1983	
National Republican Senate Campaign	33.00
Republican Presidential Task Force	120.00
1984	
Republican National Committee	50.00
Allen County Republican Committee	50.00
1985 (through April)	
Republican Senatorial Committee	120.00

7. Sisters and spouses names: Alice Chapman: None.

Thomas Michael Tolliver Niles, of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Thomas Michael Tolliver Niles.

Post: Canada.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: None.
2. Spouse: Carroll E. Niles: $60.00, Jul.-Nov. 1984 (4×$15), Democratic Party.
3. Children and spouses names: John Thomas: None; Mary Chapman: None.
4. Parents names: Mrs. J.J. Niles (mother): None; father deceased.
5. Grandparents names: Deceased.
6. Brothers and spouses names: John E. Niles: None.
7. Sisters and spouses names: None.

Gary L. Matthews, of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Gary L. Matthews.

Post: Ambassador to Malta.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: None.
2. Spouse: None.
3. Children and spouses names: Minor children: Catherine, Andrew, Sarah: None.
4. Parents names: Delbert L. and Maurine Matthews: None.
5. Grandparents names: Floyd and Edna Cochran (deceased).
6. Brothers and spouses names: Glen and Karen Matthews: None; Michael and Ann Matthews: None.

Harvey Frans Nelson, Jr., of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Harvey F. Nelson, Jr.

Post: Ambassador to Swaziland.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: None.
2. Spouse: None.
3. Children and spouses names: Erik Frans and Mary Nelson: None; Peter Norris and Victoria Nelson: None; Kai David Nelson: None; Annika Nelson: None.
4. Parents names: Marian Norris Nelson: $100 in 1983 and 1984 to Mondale campaign; $50 in 1982 to Sen. Weicker campaign. Other parents deceased.
5. Grandparents names: Deceased.
6. Brothers and spouses names: No brothers.
7. Sisters and spouses names: Jeanne Dewitt Standdard (divorced): None; Virginia Ann and Glen Hofer: $625-1983 and 1984 to various Mondale campaign committees; $300 in 1982 to Rep. Tom Foley campaign committee; $150—1984 Rep. Harkin campaign committee.

Irvin Hicks, of Maryland, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Irvin Hicks.

Post: U.S. Ambassador to the Republic of Seychelles.

Nominated: April 1, 1985.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: $100.00, 9/30/82, Citizens for Sarbanes; $25.00, 5/21/84, Democratic Nat. Comm.

2. Spouse: $100.00, 2/14/84, Mondale for President; $50.00, 12/16/84, Mondale for President; $10.00, 5/15/84, Mondale for President.

3. Children and spouses names: Joseph Karim Hicks, Catheryne Genevieve Hicks, Irvin Hicks Jr.: None.

4. Parents names: Catherine Vaughan and William Hicks (deceased).

5. Grandparents names: James and Martha Vaughan (deceased); Benjamin and Ida Hicks (deceased).

Robert Vossler Keeley, of Florida, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Robert V. Keeley.

Post: Ambassador to Greece.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: Robert V. Kelley; $100, 4/3/84, Americans with Hart.

2. Spouse: Louise S. Keeley: $70, 10/8/84, Democrats Vote.

3. Children and spouses: Michal M. Keeley: None; Jon Frank (husband of Michal); None, Christopher J. Keeley: None.

4. Parents: James H. Keeley, Jr. (deceased); Mathilde V. Keeley (deceased).

5. Grandparents: James H. Keeley, Sr. (deceased); Sarah M. Keeley (deceased); Chris W. Vossler (deceased); Katherine N. Vossler (deceased).

6. Brothers and spouses:

Hugh M. Keeley (deceased).

Darlene W. Keeley (widow of Hugh):

$25, 1981, James K. Coyne, Republican Candidate for U.S. Congress.

$25, 1982, National Republican Congressional Committee.

$25, 8/9/83, National Republican Congressional Committee.

$25, 4/8/85, National Republican Congressional Committee.

Edmund L. Keeley:

May 10, 1982, Bill Bradley for U.S. Senate, Inc., $15.00.

May 10, 1982, Paul Sarbanes, $50.00.

September 16, 1982, Udall for Congress, $10.00.

1983, Walter Mondale, $25.00.

April 19, 1984, Fund for Democratic Majority, $15.00.

October 4, 1984, Bill Bradley for U.S. Senate, Inc., $50.00.

October 5, 1984, Mondale for President, $25.00.

October 5, 1984, Fund for Democratic Majority, $20.00.

October 13, 1984, Democratic Victory Fund, $25.00.

Mary K. Keeley (wife of Edmund): None.

7. Sisters and spouses: No sisters.

Francis J. Meehan, of Virginia, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the German Democratic Republic.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Francis J. Meehan.

Post: Ambassador to East Germany.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: None.

2. Spouse: None.

3. Children and spouses names: Anne (husband Robert Werthmann): None; Catherine (husband Sven Doehner): None; Frances: None; James (wife Carla Nuzzo): None.

4. Parents names: James Meehan (deceased); Agnes Boyle (deceased).

5. Grandparents names: John Boyle (deceased); Francis Meehan (deceased); Agnes Murray (deceased); Mary McGuigan (deceased).

6. Brothers and spouses names: None.

7. Sisters and spouses names: None.

John Pierce Ferriter, of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Djibouti.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John Pierce Ferriter.

Post: Ambassador to Djibouti.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: None.

2. Spouse: None.

3. Children and spouses names: None.

4. Parents names: Anna B. Ferriter: None; John C. Ferriter (deceased).

5. Grandparents names: Ferriter, O'Brien: Deceased.

6. Brothers and spouses names: None.

7. Sisters and spouses names: Anne and Saul Silverman: None; Ellen and Robert Tiedeman: None; Kathleen and Raymond Welsh: None.

John Blane, of Illinois, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Chad.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John Blane.

Post: Ndjamena, Chad.

Nominated: July 22, 1985.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: None.

2. Spouse: Dianne Blane: None.

3. Children and spouses names: Sharon (single): None; Patrick (single): None.

4. Parents names: John and Floy Blane: None.

5. Grandparents names: Deceased.

6. Brothers and spouses names: None.

7. Sisters and spouses names: None.

Richard Wayne Bogosian, of Maryland, a career member of the Senior Foreign Service, class of counselor; to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Niger.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Richard W. Bogosian.

Post: American Ambassador to Niger.

Nominated: July 22, 1985.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: None.

2. Spouse: Claire M.: None.

3. Children and spouses names: David W., Jill M., Catherine M.: None.

4. Parents names: Karekin J. (deceased 1968); Aurora: None.

5. Grandparents names: Hagop Bogosian (deceased 1902); George Stambolian (deceased 1960); Anna Bogosian (deceased 1931); Anna Stambolian (deceased 1944).

6. Brothers and spouses names: Anthony and Nellie Bogosian: None; Henry and Edwina Bogosian: None.

7. Sisters and spouses names: June Bogosian Piranian: None; Malcom Piranian: None.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. GOLDWATER, from the Committee on Armed Services:

Adm. William J. Crowe, Jr., U.S. Navy, under the provisions of title 10, United States Code, section 142, to be Chairman, Joint Chiefs of Staff, a position of importance and responsibility designated by the President under subsection (a) of section 601.

(The above nomination was reported from the Committee on Armed Services with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

JULY 30, 1985

1. Lt. Gen. Bruce K. Brown, U.S. Air Force, to be placed on the retired list. (Ref. No. 468.)

2. Maj. Gen. Harley A. Hughes, U.S. Air Force, to be lieutenant general. (Ref. No. 469.)

3. Lt. Gen. David L. Nichols, U.S. Air Force, to be reassigned. (Ref. No. 470.)

Total, 3.

JULY 30, 1985

1. In the Army there are 63 appointments to the grade of brigadier general (list begins with Arvid E. West, Jr.) (Ref. No. 477.)

2. In the Navy there are 2 promotions to the grade of rear admiral (list begins with Joseph Samuel Cassells). (Ref. No. 478.)

3. In the Air Force there are 22 apointments to the grade of colonel and below (list begins with Christian Y. Herrera). (Ref. No. 479.)

4. In the Air Force there are 320 appointments to the grade of second lieutenant (list begins with William J. Agness). (Ref. No. 480.)

5. In the Army there are 171 appointments to the grade of major and below (list begins with Raymond J. Cully, Jr.) (Ref. No. 481.)

6. In the Navy Reserve there are 40 appointments to the grade of permanent ensign (list begins with Valeree Baity). (Ref. No. 482.)

Total, 618.

By Mr. HATCH, from the Committee on Labor and Human Resources:

Henry M. Ventura, of California, to be Deputy Director of the ACTION Agency;

Alice Wright Algood, of Tennessee, to be a Member of the National Museum Services Board for a term expiring December 6, 1989;

James Johnson Duderstadt, of Michigan, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990;

Perry L. Adkisson, of Texas, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990;

Thomas B. Day, of California, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990;

Elaine Y. Schadler, of Pennsylvania, to be a Member of the National Council on Educational Research for a term expiring September 30, 1987;

Gwyneth Gayman, of California, to be a Member of the National Council on Educational Research for a term expiring September 30, 1987; and

Onalee McGraw, of Virginia, to be a Member of the National Council on Educational Research for a term expiring September 30, 1987.

(The above nominations were reported from the Committee on Labor and Human Resources with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

Mr. DANFORTH. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably a Coast Guard list (printed in full in RECORD of July 22, 1985) and a National Oceanic and Atmospheric Administration list (printed in full in RECORD of July 25, 1985). To save the expense of printing them on the Executive Calendar, I ask that these nomination lists lie at the Secretary's desk for the information of Senators.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SPECTER:

S. 1524. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 as amended by the Justice Assistance Act of 1984 in order to establish a police corps pilot training pilot project; to the Committee on the Judiciary.

By Mr. SPECTER (for himself, Mr. Pell, Mr. Chafee, Mr. Stafford, Mr. Kennedy and Mr. Bradley):

S. 1525. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to local educational agencies for dropout prevention demonstration projects; to the Committee on Labor and Human Resources.

By Mr. MATHIAS:

S. 1526. A bill to amend title 17, United States Code, to clarify the definition of the local service area of a primary transmitter in the case of a low power television station; to the Committee on the Judiciary.

By Mr. STEVENS (for himself and Mr. Roth):

S. 1527. A bill to amend title 5, United States Code, to establish a new retirement and disability plan for Federal employees, postal employees, and Members of Congress, and for other purposes; to the Committee on Governmental Affairs.

By Mr. McCLURE (for himself, Mr. GARN, Mr. Wallop, Mr. Symms, Mr. Andrews, Mr. Baucus, Mr. Simpson and Mr. Abdnor):

S. 1528. A bill to provide for the expenditure or transfer of funds by the Secretary of the Interior and the Secretary of Agriculture for the emergency prevention, suppression, control, or eradication of grasshoppers or mormon crickets on public lands; to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Energy and Natural Resources, jointly, by unanimous consent.

By Mr. DOLE (for Mr. Danforth (for himself, Mr. Packwood, Mr. Gorton and Mr. Lautenberg)):

S. 1529. A bill to authorize appropriations for State and community highway safety grants, and for other purposes; ordered to be placed on the calendar.

By Mr. THURMOND:

S. 1530. A bill to amend chapter 73 of the title 10, United States Code, to make certain changes in the survivor benefit plan provided for under such chapter, and for other purposes; to the Committee on Armed Services.

By Mr. LAUTENBERG:

S. 1531. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide for improved emergency planning and notification of releases of hazardous substances, and for other purposes; to the Committee on Environment and Public Works.

By Mr. METZENBAUM:

S. 1532. A bill to provide for a moratorium on certain retirement plan reversions, and for other purposes; to the Committee on Labor and Human Resources.

By Mrs. HAWKINS (for herself, Mr. Hollings, Mr. Dodd, Mr. Pell, Mr. Burdick, Mr. Bumpers, Mr. Matsunaga, and Mr. Stevens):

S.J. Res. 181. Joint resolution to designate the week beginning September 1, 1985, as "National School-Age Child Care Awareness Week"; to the Committee on the Judiciary.

By Mr. MOYNIHAN (for himself, Mr. D'Amato, Mr. Baucus, Mr. McClure, Mr. Bradley, Mr. Zorinsky, and Mr. Inouye):

S.J. Res. 182. A bill designating August 18, 1985, as "National Flowers by Wire Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DURENBERGER (for himself, Mr. Glenn, Mr. Kasten, Mr. Quayle, Mr. Riegle, Mr. Levin, Mr. Moynihan, Mr. Boschwitz, Mr. Simon, Mr. Specter, and Mr. Metzenbaum):

S. Res. 206. Resolution to urge Federal agencies with flood control responsibilities to plan for and execute efficient and effective cooperation and technical assistance to State and local governments to mitigate the consequences of the high water levels on the Great Lakes; to the Committee on Environment and Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER:

S. 1524. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 as amended by the Justice Assistance act of 1984 in order to establish a police corps training pilot project; to the Committee on the Judiciary.

POLICE CORPS TRAINING ACT

Mr. SPECTER. Mr. President, today I am introducing legislation to establish a Police Corps Training Program pilot project.

The Police Corps is an innovative plan for upgrading and augmenting law enforcement resources, developed under a Justice Department grant by a distinguished New York lawyer, Adam Walinsky, former Philadelphia policeman, Johnathan Rubenstein, and others at the Center for Research on Institutions and Social Policy. It offers a cost-effective way to build up our police forces with well-educated, professional, and enthusiastic young people who will add an important new dimension to police service.

Similar to the military's Reserve Officers Training Corps [ROTC], the Police Corps will provide college students with 4-year scholarships in exchange for 3 years in local police departments in communities near their homes at a reduced salary. The scholarships will be funded under the Justice Assistance Act in the form of loans, which will be forgiven over the 3 years of service at a rate of 20 percent the first year, 30 percent the second, and 50 percent the third.

The view that a college education provides valuable training for police officers is not new. More than 50 years ago, such advocates of professional policing as Fosdick and Vollmer were calling for higher education for the police.

In 1967, the report by the President's Commission on Law Enforcement and Administration of Justice emphasized the need for substantially raising the quality of police personnel to inject into police work knowledge, expertise, initiative, and integrity that would contribute importantly to crime control. The report noted that a high standard of education is an important aspect in achieving that higher quality:

> Police work always will demand quick reflexes, law enforcement know-how and devotion to duty, but modern police work demands much more than that . . . . A policeman today is poorly equipped for his job if he does not understand the legal issues involved in his everyday work, the nature of the social problems he constantly encounters, the psychology of those people whose attitudes toward the law differ from his. Such understanding is not easy to acquire without the kind of broad general knowledge that higher education imparts, and without such understanding a policeman's response to many of the situations he meets is likely to be impulsive or doctrinaire. Police candidates must be sought in the colleges, and especially among liberal arts and social science students.

This conclusion was subsequently supported by the Advisory Commission on Intergovernmental Relations in 1971; by the American Bar Association, in 1972; and by the National Advisory Commission on Criminal Justice Standards and Goals, on which I served, in 1973.

Yet, to date, higher education in the police forces has generally been restricted to college courses in criminal justice for career officers.

The Police Corps Training Program offers a way to recruit committed and qualified students who might not otherwise go into the police force and provide them with a broad college education as a way of bringing in fresh blood and new ideas. Like the Peace Corps, VISTA, and other public service efforts, this program will encourage a new attitude about police service and instill a new concept of professional idealism.

As Santa Ana Police Chief Ray Davis has said:

> Getting people from a multitude of disciplines would bring a more enlightened, more humanistic level of [police] service . . . and those who leave will be taking with them an understanding of law enforcement they've never before had.

In addition to attracting a new kind of officer, the Police Corps training will turn out young men and women better qualified to meet the challenges of contemporary law enforcement. They will not only gain the general benefits of education and experience at a college, these recruits will also spend the summers of their sophomore and junior years training as police cadets. After graduation, they will undergo final training at a police academy.

The result should be a well-trained, well-disciplined, and well-rounded individual who brings to the job not only enhanced professionalism, but a greater flexibility and sensitivity to the environment in which the officer must function. These officers will be better equipped to deal with the age old problems of policing such as race relations and dispute resolution, as well as new threats like urban terrorism.

Another significant aspect of this program is that it is likely to result in a police force more reflective of the community it serves, since students will fulfill their service commitment in departments near their homes. And student surveys conducted as part of the feasibility study for this project revealed that the program will attract many well-qualified minority students, something that has long been urged as an essential step toward improving police-community relations.

And finally, because these specially trained officers will be hired at reduced salaries, the program authors suggest 60 percent of the normal starting salary, in return for their free education, this program could provide a cost-effective way to increase not only the quality but also the quantity of police officers. Mr. Walinsky and his colleagues are quick to point out that many of these recruits would serve their 3 years and get out of police work to be replaced by others, which means their cost is even less because there is no retirement to pay. The feasibility study for this project calculated that by year 10 of a national program, the cost of each new Police Corps member, including the costs of continuous recruitment, training, and education would be $24,700—a figure considerably less than the average first-year cost for an officer serving in a large metropolitan area.

The need for more police is well documented. As the crime rate has dramatically increased overtime, police manpower has failed to keep pace. In fact, the ratio of police officers to violent crimes committed has fallen continuously over the past four decades. In 1948, for every violent crime reported in an American city, there were 3.32 police officers. Thirty years later, the ratio had nearly reversed itself, with one officer for every two violent crimes. In New York City in 1951, a police force of 19,000 had to cope with 15,812 violent crimes, less than one per officer. In 1981, a force of 22,000 confronted 157,026 violent crimes, which correlates to more than seven violent crimes for each officer.

Contributing to this shrinking ratio is not only an increased crime rate, but a reduction in the number of police. The vast majority of police chiefs responding to the police corps feasibility study believe their departments are operating with less than an adequate number of personnel. Among small departments, 75 percent of the chiefs affirmed that they were operating with fewer officers than they felt they needed to meet their department's responsibilities. For large departments, the number was even higher: 82.5%.

With Federal scholarships providing the incentive, municipalities will be able to hire more of these college-educated recruits to augment their overburdened staffs, and the summer training is designed to allow these new officers to immediately begin providing essential service.

The legislation I am introducing today provides for a 7-year pilot project in three cities. But it is my hope that it can soon be expanded to a national program, available to any interested and qualified municipality.

This innovative and practical proposal has, already, a number of supporters. Numerous articles and editorials have been written applauding the Police Corps concept and urging its consideration. One who saw the potential benefits of the program early on is Mr. Edwin Guthman, editor of the Philadelphia Inquirer. On August 15, 1982, he alerted his readers to this promising new scheme and urged its serious consideration; and he has persisted, with subsequent articles appearing on March 13, 1983, on March 4, 1984, and on January 20, 1985. I ask unanimous consent that Mr. Guthman's articles be printed below in the Record as a succint summary of the Police Corps Training Program and its benefits.

Additional support for the Police Corps can be found in articles by William F. Buckley, April 4, 1985, and the editors of the New York Times, August 6, 1982 and January 27, 1985, also reprinted.

It is my strong sense that this program offers great hope in our ongoing struggle to bring greater security to our streets and homes. I urge my colleagues to join me in support of the Police Corps Training Program pilot project.

I ask unanimous consent that the articles and the bill be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1524

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

This Act may be cited as the "Police Corps Training Act of 1985".

ESTABLISHMENT OF PROGRAM

Sec. 2. (a) Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3701-3799) is amended by adding at the end thereof the following new part:

"Part N—Police Corps Training: Pilot Program

"ESTABLISHMENT OF PROGRAM

"Sec. 1401. (a) The Secretary of Education is authorized to enter into contracts to make, and to make payments to institutions of higher education for, loans, not exceeding $7,000 per academic year, to persons enrolled on a full-time basis in undergraduate or graduate programs, if such persons are in the police corps of an eligible unit of local government.

"(b) Such loans shall be on such terms and conditions as the Secretary of Education and the police corps involved may determine, except that the total amount of any such loan, plus interest, shall be canceled for service as a full-time officer or employee of a police department at the rate of—

"(1) 20 percent of the total amount of such loan plus interest for the first complete year, or its equivalent, of such service;

"(2) 30 percent of the total amount of such loan for the second complete year, or its equivalent, of such service; and

"(3) 50 percent of the total amount of such loan for the third complete year, or its equivalent, of such service,

as determined under rules prescribed by the Secretary of Education.

"(c) For purposes of the Internal Revenue Code of 1954, the amount of a loan canceled for service for provided in subsection (b) shall not be included as gross income of the recipient of such loan.

"APPROVAL OF POLICE CORPS

"Sec. 1402. The Attorney General shall approve police corps as eligible for purposes of this Act for a period of seven years if the Attorney General is satisfied that—

"(1) participants in the police corps are to undergo at least as much training as regular police officers before taking up police duties;

"(2) the eligible unit of local government for which the program is approved will use the program to supplement but not supplant existing police workers, and the force level of such unit will be maintained at no less than the average of the three years before workers are made available by the police corps;

"(3) the eligible unit of government is likely to use workers made available by the program for "on-line" duties, and pay scales for such workers are set at a fixed percentage of regular officers' pay and benefits and can be known by such workers before they decide to participate in the police corps;

"(4) participants undertake to engage in police work for three years after graduation, and after the end of that three-year period, any participants retained by the employing force will be subject to collective bargaining agreements to the same extent as police workers who were not participants in the police corps.

"DEFINITIONS

"Sec. 1403. As used in this part—

"(1) the term "eligible unit of local government" means the locales determined by the Attorney General in consultation with the Secretary of Education.

"(2) the term "institution of higher learning" means any such institution as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)), subject to such modifications for this purpose as the Secretary of Education may determine to be appropriate.".

(b) The table of contents of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end thereof the following:

"Part N—Police Corps Training: Pilot Program

"1401. Establishment of program.
"1402. Approval of Police Corps.
"1403. Definitions.".

FUNDING

Sec. 3. Subsection (a) of section 1001 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 as amended by the Justice Assistance Act of 1984 which is part of the Comprehensive Crime Control Act of 1984, is amended by—

(1) redesignating paragraph (6) as paragraph (7); and

(2) adding after paragraph (5) the following:

"(6) There is authorized to be appropriated $7,500,000 for fiscal year 1987, $10,000,000 for fiscal year 1988, $14,000,000 for fiscal year 1989, and $17,500,000 for each of the fiscal years 1990 through 1993 to carry out part N."

[From the Philadelphia Inquirer, Aug. 15, 1982]

A New Approach To Combat Crime: A Police Corps

(By Edwin Guthman)

A new idea that holds promise of effectively reducing serious crime in the cities and suburban and rural communities has been put forward in New York by a panel of private citizens with expertise in law enforcement.

The essence of the panel's proposal—double the effective police presence on the streets and the transit systems—is not new. What is new is how that objective can be achieved without busting state, county or city budgets.

It can be done, the panel urges, by recruiting young men and women for police work by offering them free college or professional education in return for three years of service in local police forces after graduation.

The panel proposed in a report published Aug. 4 that the State of New York establish a Police Corps, similar in outline to the military Reserve Officer Training Corps. Volunteers would receive from the state four-year scholarships covering tuition, room, board and books, up to $8,000 a year at any accredited New York college or university.

During summers of their sophomore and junior years they would be given training as police cadets. After graduation they would undergo final training at a police academy. Upon completion of their course and satisfaction of all tests and legal requirements they would be sworn into the State Police and assigned for local service.

Volunteers who are unable, or choose not, to complete their service obligation would have their scholarships treated as loans to be repaid. "The program can be implemented well within New York's fiscal restraints," the panel said. New York now provides $302 million for aid to students on a basis of financial need and $19 million in scholarship regardless of need as part of a $1 billion annual appropriation for higher education.

The panel proposed using part of those funds together with available federal funds but said additional money would have to be appropriated if the number of student police it recommends is authorized. The additional cost however, would be modest in relation to the need and in relation to the cost of existing police salaries, fringe benefits and pensions, the panel said.

New York City calculates that the average police officer costs up to $42,000 in pay, benefits and pensions. Police Corps graduates would receive $15,000 in wages and fringe benefits costing another $5,000, but as short-term officers would not be eligible for pensions.

Thus the corps would be far less costly than any other alternative, the panel said.

If it is created without delay, New York, by 1990, could increase the number of police throughout the state by 30,000 with 20,000 assigned to New York City, 7,000 in other city and suburban areas and the remaining 3,000 to rural districts. The first groups of graduates should be assigned to two areas, the panel said, some to the New York subway system and the others to police rural areas to free experienced state troopers for other assignments such as narcotics and illegal dumping of toxic wastes.

"These new officers would serve under the command of local police forces," the panel said. "They are not intended as a budget subsidy to local governments, but as the fulfillment by state government of its obligation to restore public order and peace throughout the state.

"We can and should attract many of our finest young people to police service. Most volunteers no doubt would resign at the end of their terms, to be replaced by the class of the graduating year. But even if they were to perform no additional service . . . the presence of well-trained, experienced former police officers in ever-increasing numbers would greatly aid efforts to mobilize the entire community to fight the criminality that is undermining our way of life."

The panel's study was co-authored by Adam Walinsky, a New York city lawyer and former chairman of the State Investigations Commission, and Jonathan Rubenstein, who worked with the Philadelphia police for a year in 1969-70 and with complete cooperation of Mayor Frank Rizzo, then police commissioner, studied the department and wrote a definitive report which was published under the title "City Police". He now is research director for the Center of Research on Institutions and Social Policy in New York.

Another member of the panel was Neil Welch, the former crime-busting special agent-in-charge of the Philadelphia and New York offices of the FBI and now secretary of justice in Kentucky.

"It is a decent plan," Welch told me. "It has the right numbers. It can be done."

Walinsky said the panel developed the plan in a series of discussions about crime, government and citizen participation in a democratic society.

"Nobody is a real citizen any more," he said, "not in the sense of being a full participant in the society and there is widespread feeling that the bureaucracies don't respond to needs. Crime becomes worse and the debate about it—talk about the death penalty and stiffer sentences—is puerile, stupid and damaging. The politicians can't think of a way out."

Walinsky sees the plan not only as the best feasible way to double effective police presence, but also as breaking the way for other programs to get young people involved for a limited time in other government functions as well as police work.

At first blush law enforcement officials and police unions may resist having a flock of young short-term officers in the ranks and other people may fear that having so many new police would create a police state.

To the latter concern, the panel said, "What will bring us a police state is the unchecked growth of violence and disorder. The police—and especially these new police—are citizens, citizen police. They are us; our children. They are not, and will not be, an alien occupying force.

"It is the crime and fear that are now depriving us of freedom, life and liberty."

Statistics indicate that crime is more pervasive in New York than Pennsylvania. In New York City, violent crimes—murder, rape, robbery and aggravated assault—occurred in 1981 at a rate of seven for every serving officer. The 1981 rate in Philadelphia was 2.33 violent crimes per officer.

Other numbers in the panel's report also may not fit Pennsylvania's situation tightly, but crime is taking a heavy toll here as elsewhere with increasing viciousness and seeming irrationality.

So, here's a new approach that, as the New York Times commented editorially, is "a genuine breath of fresh air." It deserves a real hard look by Gov. Dick Thornburgh—and his Democratic challenger, Alan Ertel.

The plan is imaginative and practical. I think it would work in any state that has a governor who would implement it and has the commitment and leadership to ensure its success.

[From the Philadelphia Inquirer, Mar. 13, 1983]

The Police Corps Concept Is Gaining Supporters

(By Edwin Guthman)

It's been just a little more than seven months since a panel of law-enforcement experts went public with a well-defined proposal "to double the effective police presence in every area with a serious crime problem" in New York State.

They advocated that New York create a Police Corps by recruiting college students on a competitive basis and giving them full four-year scholarships in return for which the students would agree to serve three-year hitches with local or state police forces after graduation.

It would be similar to the Army or Navy's Reserve Officer Training Corps with the students spending the summers of their sophomore and junior years training as police cadets, and the panel members weren't thinking small.

They said that six to eight years after being implemented the number of police in New York could be increased by 30,000 and they proposed that 20,000 of them be assigned to New York City, 7,000 in other city and suburban areas and the remaining 3,000 to rural areas.

"We believe," the panel said, "that such a program, on a strictly voluntary basis, would attract the best of New York's young people, of both sexes and every ethnic background.

"America's young people have repeatedly demonstrated their eagerness to serve the highest public purposes of the nation. Nor has their service always been military. Tens of thousands have served in the Peace Corps, in VISTA, and in hundreds of less-publicized efforts to improve American life.

"We can offer young New Yorkers a voluntary public service alternative to the military. Police Corps service would be an opportunity at once to meet the most vital need of their home communities, and to acquire the education of their choice free of financial burdens on themselves and their families."

The proposal made a lot of sense to me, both in broad outline and in detail, including the panel's recommendation that the corps be financed by using part of $302 million New York now provides for student financial aid and $19 million in state scholarships plus federal funding that might be available.

And recognizing that there probably would be opposition from local mayors and police brass and that some persons would fear that adding so many new police officers might create a police state danger, I thought the plan was imaginative and practical, and last August I wrote:

"I think it would work in any state that has a governor who would implement it and has the commitment and leadership to ensure its success."

So, what's happened to it?

Well, it's moving along slowly, but it is moving.

New York City Mayor Ed Koch has embraced the idea and made it an endorsed position of his administration. Gov. Mario Cuomo has not taken a position on it yet, but a bill to implement it is being drafted for introduction in the New York legislature.

Florida Gov. Robert Graham has had the plan carefully studied and has received a favorable report.

California's new attorney general, John Van de Kamp, has evinced interest and will meet next month with the panel's chairman, New York lawyer Adam Walinsky, former head of the New York State Investigations Commission, when Walinsky goes to the coast at the invitation of Assembleman Tom Hayden to tell California legislators about the Police Corps.

A Police Corps bill has been introduced in the Maryland legislature by Rep. Leo Green, the former mayor of Bowie.

Pennsylvania Attorney General Leroy Zimmerman obtained the panel's report last fall. Members of his staff are studying it so he is not ready to decide whether to recommend it for the state or not.

Officials at the U.S. Department of Justice and in Massachusetts and several other states also are looking into it.

Meanwhile, Walinsky, an ex-Marine, has been meeting with New York police officers to overcome their concerns about having a flock of young, short-term officers in the ranks. After Walinsky outlines the plan, invariably the first question is asked something like this:

"Well, now wait a minute. These kids are going to be cops for only three years and how do we know that they will be committed and do the work? Will they be willing to take chances or will they just want to hide?"

That's the way it was put two weeks ago when Walinsky spoke at a meeting of Brotherhood in Action, a council of the presidents and vice presidents of all the benevolent and ethnic societies of the New York City Police Department.

Walinsky responded by asking another question. "How many of you were in the armed forces of the United States?" Virtually every cop raised a hand.

"Were you in there for a career or just a few years?" Walinsky asked. "Not a career," was the unanimous reply.

"Well," said Walinsky, "I bet that you were every bit as good soldiers, sailors, Marines or airman as the lifers that you were serving with." "That's right."

"And I bet a few of you took some chances while you were in there and got shot at and you probably had some friends who took so many chances that they got killed, but none of you thought that you were doing it because it was your career."

There was another chorus of "That's right" and then one of the oldest officers in the audience asked: "Okay, but are they going to learn fast enough and how do we know they're not going to goof off?"

Walinsky looked at the man for a moment. Then he said slowly, "If I give you eight or 10 of these kids and tell you that they are your responsiblity, I think you can teach them how to work and make sure that they are working."

The veteran cop nodded his head.

In New York City the police refuse to work alone in the streets. They know and all of their commanders know that the force is desperately short of personnel and that is why at these meetings Walinsky is turning skeptics into supporters.

The Police Corps plan can be a real alternative to the present situation in New York, Philadelphia and wherever violent crime flourishes because police departments are undermanned. It offers the prospect of increasing the number of police and attracting well-motivated young people to law enforcement at a cost that would be modest in relation to the need and in relation to the cost of existing police salaries, fringe benefits and pensions.

The Police Corps Concept Is Gaining Momentum

The Police Corps—a proposal to increase the number of police by giving college students four-year scholarships in return for three years of service as police officers after graduation—is not a panacea for fighting crime.

But it is a promising, relatively low-cost plan to increase effective police presence in cities large and small and in the suburbs and rural areas. And with the criminal justice system overloaded and the response of law enforcement officials and politicians rooted in calls for tougher laws, mandatory sentencing and building more prisons, the Police Corps is the only genuinely new idea for reducing crime to surface recently.

As such and because it seemed to have a lot going for it, I wrote about it when it was proposed in August 1982 by a panel of private citizens with law enforcement expertise and I updated readers of this column a year ago.

Now I can report that the idea is gaining support around the country and moving toward the first stage of implementation in seven states, including Pennsylvania and New Jersey.

Pennsylvania Attorney General LeRoy S. Zimmerman began looking at the concept last year and several people close to New Jersey Gov. Kean have expressed interest in it. As a result, the two states—along with the New York, Massachusetts, Florida, Texas, and California—were selected for a feasibility study financed by a $328,000 grant from the Reagan administration.

The study got under way last month with the mailing of questionnaires to all police departments in the seven states asking them to report their present manpower strength, how that relates to their needs and whether they would want Police Corps recruits.

It is being coordinated by a former Philadephia police officer, Jonathan Rubenstein, research director for the Center of Research on Institutions and Social Policy in New York City.

The study has a two-fold purpose—gauging police manpower needs and informing police chiefs about the concept and getting their reaction.

In New York, where Rubenstein and Adam Walinsky, former head of the New York State Investigations Commission, have been plugging the Police Corps in meetings with police, they encountered resistance based on concerns that young, short-term officers would not have the commitment to withstand the pressures of pounding beats and could be used to weaken police unions.

But the Police Corps has received generally favorable notices in the press and from key political or law enforcement officials like Zimmerman in the other states being surveyed.

This is particualrly true in California. San Jose Mayor Tom McEnery and Police Chief Joseph McNamara are moving to give the proposal its first pilot test. Attorney General John Van de Kamp is a moderate supporter and a Police Corps bill has been submitted to the California legislature.

In Philadelphia, Police Commissioner Gregore J. Sambor has some skepticism.

It appears to Sambor that the disadvantages outweigh the advantages, but Common Pleas Court Judge Harvey M. Schmidt is taking a close look in connection with his role as co-chairman of the newly formed Urban Education Foundation. The foundation is overseeing the transformation of the former Provident Mutual Life Insurance Co. headquarters in West Philadelphia into an urban campus for Cheyney and Lincoln Universities.

The Police Corps would work this way. College students would be recruited on a competitive basis and, similar to the Army and Navy Reserve Officer Training Corps, successful applicants would receive four-year scholarships.

In return, the students would spend the summers between their sophomore and junior years training as police cadets and then serve three-year hitches with local or state police forces. For those who were unable to or chose not to meet their service obligation, their scholarships would become loans that would have to be repaid.

The program is seen not only as a way of increasing the number of police, but also as a way of steering more college-educated young men and women toward making their careers in law enforcement.

"The Police Corps would be a priceless gift and a priceless opportunity for all of us," Rubenstein told a criminal justice seminar of the National Association of Attorneys General here recently.

"The United States has the most disgraceful rates of violence in the civilized world—and some parts of the uncivilized world—and the Police Corps offers a way to increase the number of police at a price we could afford."

The cost-savings would come by paying the Police Corps graduates about half of what regular police recruits receive in salary and benefits that over a three-year period would add up to a meaningful sum in the aggregate.

But financing the scholarships looms as a hurdle. The Reagan administration is reluctant, at least now, to pledge federal support for scholarships so it will be up to the states and local areas to find the money.

But look at the alternative. Crime statistics have improved somewhat in recent years, but crime is rampant and municipal finances in Philadelphia and most other urban and suburban centers are strained to the point where it is more likely that the number of police will be reduced rather than increased.

So, the Police Corps, it seems, is an idea whose time is coming, if it is not already here.

[From the Philadelphia Inquirer, Jan. 20, 1985]

Subways and Streets Can Be Safer Without Vigilantes

(By Edwin Gutham)

The real issue that people ought to be discussing in the now-celebrated New York subway shooting is how cities, particularly the nation's largest city and its massive subway system, can be made safer.

It is not whether 37-year-old Bernhard Hugo Goetz was a hero, shooting justly in self-defense, or a trigger-happy vigilante.

It is not whether the four young blacks whom he wounded, after one of them asked him for $5, got what was coming to them.

It surely is not whether New Yorkers should draft Goetz to run for mayor, as New York Daily News columnist Jimmy Breslin proposed in baiting his readers to put themselves on record by signing "Write-in for Goetz" coupons if "you like what Bernhard Goetz stands for."

Whatever happens to Goetz and the four young blacks should—and no doubt will—be decided in the toils of the law, and there is nothing that all the people who are lionizing Goetz can do about that.

But what they can do is apply maximum pressure on public officials—particularly mayors, governors and legislators—to do more than they are now doing to reduce the menacing level of homicides, robberies, rapes, muggings and vandalism.

I'm not among those cheering Goetz because it's not clear that he needed to shoot to defend himself on that subway train on Dec. 27 and because he shot two of the young men in the back. But whatever was in his mind, there have been two positive results from what he did.

One was to expose—as no other event has in recent years—how many law-abiding people have lost faith in the criminal justice system and how intensely they resent and fear being victimized by street thieves.

The other is that the reaction to Goetz is showing politicians how vulnerable they are to that loss of faith and anger; that people are demanding more from them than statements that citizens have no right to take the law into their own hands.

And the fact is that most of them can't think beyond imposing stiffer sentences and building more prisons. Without question both are needed, but we've been moving steadily in that direction over the last two decades and people are no safer in the streets or in their homes.

One obvious answer is to have a police force that is large and effective enough to turn the tide, but in a time of strained city budgets and resistance to higher taxes that is not easy to accomplish. An example is Mayor Goode's difficulty in delivering on his promise to have 30 additional police officers assigned by Jan. 1 to fight neighborhood drug trafficking.

But there is a well-defined proposal that has been around for 2½ years that could put more cops on the streets and in the subways without busting city, state or county budgets. And it should be given a fresh look in response to Goetz.

It is the Police Corps, an idea put forward by a New York panel of private citizens with extensive experience in law enforcement I've written about it before because it seemed to me to be eminently sensible and practical. Here's how it would work:

Young men and women would be recruited for police work by offering them a free college education in return for three years of service in local police forces after graduation. It's similar to the military's Reserve Officer Training Corps.

Volunteers would receive scholarhips. During the summers of their sophomore and junior years they would be trained as police cadets. After graduation they would undergo final training at a police academy and upon meeting all qualifications would take their place in the ranks. Those who were unable to or chose not to meet their service obligation would have to repay their scholarships.

Police Corps graduates, as short-termers, would be paid a lower wage than career police officers and would not be eligible for pensions. That's what makes the plan attractive from a cost standpoint. But it also is causing opposition beyond the natural tendency of professional law enforcement chieftains to resist having a flock of young "outsiders" on the force.

In New York, for example, where the police have been working for eight months without a contract, the Police Corps is seen as a threat to the police union and its ability to call a strike. And Mayor Ed Koch is said to prefer spending money on "real cops."

The Police Corps has attracted interest and some curiosity on the part of public officials from New York to California. Among them is Pennsylvania's Attorney General LeRoy S. Zimmerman, but no one has moved to put it into effect. However, a feasibility study, conducted by the Center of Research on Institutions and Social Policy in New York and financed by a $428,000 grant from the Reagan administration, is nearing completion.

There is an ironical connection between the Police Corps and the subway shooting. When the panel outlined its plan in August 1982, it targeted the New York City subway as "the first field of action."

"Full implementation of this plan would take several years," the panel said. "But there is no need to wait, indeed, the need is too great in delay at all.

"The new governor [Mario Cuomo] should begin implementation in January 1984. By the end of that calender year the state could begin to put elements of a reorganized police force in the most dangerous place in New York State—the New York City subway.

If Cuomo had done so the world might never have heard of Bernhard Goetz.

[From the New York Times, Aug. 6, 1982]

A Breath of Fresh Air for Police

Running a big city these days is an exercise in managing scarcity—and so requires special ingenuity. Therein lies the appeal of a new idea for expanding police forces.

The proposal, broached by an independent group led by Adam Walinsky, former head of the New York State Commission on Investigation, is to create a state "Police Corps" of 30,000 recruits who would agree, in exchange for college scholarships, to serve as police officers for three years after graduation. Twenty thousand would serve in New York City, doubling current police manpower, while the rest would be spread throughout the state.

There is broad agreement that the city needs more police officers. The department, with about 22,000 members, survived the loss of 10,000 others in the 70's by focusing on major crimes. That was sound policy; felony arrests stayed up despite the cutbacks. But now the department is chronically overworked. New corruption indictments are ominous signs. The lack of attention to lesser crimes, meanwhile, demoralizes the whole city. Yet the cost of simply expanding the department is high: up to $42,000 a year per officer including benefits.

The Police Corps wouldn't necessarily be cheap. The cost of scholarships and 30,000 new officers on the payroll might approach $800 million a year by 1986. But promoters of the plan believe existing state education programs could cover some of the scholarship money and they point out that the payroll cost would be a state, not a city expense.

In any case, taxpayers would get much more for their money than by simply hiring more regular police officers. Salaries and benefits for each Police Corps member would total only about $20,000 per year and wouldn't lock the department into long-term salary and pension commitments.

Officers of the Police Corps would likely bring enthusiasm and imagination to police work. Those who decided to stay on would form a pool of highly qualified candidates for promotion. The rest would carry back to civilian life an invaluable understanding of law enforcement and urban crime.

The plan draws predictable criticism from police unions. But handled properly, the inevitable shake-up it would cause could be constructive. In New York City, the proposal envisions using the new officers initially to reclaim the subway system for civilization. Success in that effort would benefit all the city's police.

For the last few years, voters have been reluctant to approve major spending on criminal justice. Their resistance, despite growing anxiety about crime, reflects good sense, for the politicians and experts continue to offer only stale suggestions for more of the policies that haven't worked very well. The Police Corps, a genuine breath of fresh air, merits real interest.

[From the New York Times, Jan. 27, 1985]

Gates, Guards, Guns and Goetz

There's little to be pleased with in the fact that Bernhard Goetz has now been indicted only for possessing an illegal weapon. The public explosion he set off a month ago was not for owning the gun but for using it, and perhaps not so bravely at that. Two of the four men were shot in the back.

But the grand jury knew all that. By charging him only with lesser offenses, it expressed what 110 percent of the American public has already expressed: support for the subway vigilante. What accounts for it?

It's not hard to understand the frustration and anger of New Yorkers who ride the subways. But why do people in San Francisco and Spokane, who don't know the difference between the IRT and the P.B.A., also raise their voices, fists and dollars? Don't they know the danger that's unleashed when someone starts shooting in a crowded place, when someone takes the law into his own hands?

Of course they do, but they also know something else, bitterly. Government has failed them in its most basic responsibility: public safety. To take the law into your own hands implies taking it out of official hands. But the law, on that subway car on Dec. 22, was in no one's hands.

And not just then. People everywhere have learned that all too often they have to protect themselves. They have to take matters into their own hands. Considering all the billions they have felt they had to spend for lights, locks, alarms, dogs, gates, guards and guns, the way Bernhard Goetz protected himself does not look so startling.

Why doesn't The System better protect itself? Part of the answer surely is that crime is so difficult a collection of problems—and that the fears it arouses make it as daunting as the facts. Keeping drugs out of the country is one kind of problem; keeping pushers out of the park is another. To think of crime as one problem is to doom ourselves to a futile search for a simplistic, nonexistent solution.

There are plenty of solutions like that, offered by politicians who insist that, for instance, the true villain is civil liberties, as if abolishing the exclusionary rule would somehow make the subway safe at 2 A.M. And yet society is not powerless. No one can credibly promise to conquer crime, but the fact is that promising steps can be taken to curtail it. One of the most important, as Roger Starr suggests in today's New York Times Magazine, is for each community to concentrate resources on a prime target—in New York, the transit system.

There are also some splendid specific ideas to try, and some obvious crises ahead. An example of the ideas is the Police Corps proposed by two serious students of law enforcement, Adam Walinsky and Jonathan Rubinstein. It woud give college scholarships to 30,000 recruits who agree to serve three years as police officers.

In New York, more and more school dropouts constitute an obvious crisis. About 40 percent of New York City's teen-agers leave school before graduation. There is no population more vulnerable to the temptations of street crime. Yet where is the dropout-prevention program?

There is reason to think the public would support a Police Corps or dropout prevention. Consider the sophistication that New Yorkers demonstrated in a Times Poll two weeks ago. When asked "What would help reduce crime a lot?", 50 percent said more police on foot—and about 75 percent said more youth job training and better schools.

So there's a mystery here, a big one. Given such attitudes, why hasn't government undertaken any serious new anti-crime program? Crime is a powerful, passionate issue everywhere. Yet where is there an officeholder willing to sponsor anything more than trivial symbolism? The last Federal initiative was the Law Enforcement Assistance Administration, and that was four Presidents ago. The only local initiative that comes to mind is the Victim Services Agency—worthwhile, but hardly a crime prevention measure.

What has the public gotten from the Reagan Administration? Another commission study. What has it gotten from the Cuomo administration? A brave stance on mandatory life sentences. The Koch administration talks about locking up people with illegal guns. Senator D'Amato's crime program amounts to bring your own bodyguard, and Senator Moynihan muses about combining transit and city police.

What crime program?

No wonder a grand jury brushes away serious charges. No wonder the public supports the Goetz Anti-crime and Self-Defense Act of 1984. No wonder people applaud someone taking the law into his own hands. When it comes to initiatives, the hands of the law are empty.

[From the Daily News, April 4, 1985]

More Cops? This Idea Is Among the Finest

The Bernhard Goetz affair has left everyone in New York unhappy. On the one hand, the laws are there, and we need to enforce them. Indeed, we may be looking squarely at the old law that tells you that the best way to modify an unsatisfactory law is to enforce it.

The unsatisfactory law we speak of has to do with pistol licenses. We know that criminals in New York feel no inhibition about carrying handguns. They do so all the time, and use them with panache. Bernhard Goetz applied for a license after being mugged and after witnessing other muggings, was denied his application, purchased a gun anyway—as anyone apparently can do with about the same difficulty one has in purchasing an illegal toke of marijuana—and then used it against four aggressors armed with sharpened screwdrivers and police records.

And yet—and yet, the law is there, and prosecutors are bound by oaths of office. So where do we go from here? Surely it is time to reexamine the proposal of Adam Walinsky, a proposal now several years old: a college ROTC for cops. Here are the pieces in the jigsaw:

1. In 1982, 7 million calls were made on the police emergency line, 911. Policemen were available to act on only 3 million of those 7 million calls. That means statistically that if a burglar or rapist is breaking into your apartment and you call the police, you have less than a 50-50 chance that a cop will be available to help you.

The figures are all the more intimidating when you note that most crimes take place in circumstances in which there is no opportunity to use the telephone. They don't have phones in the parks, or in the middle of a street, or in subway cars. And these are the favorite beats of the criminal.

2. In 1951, New York had 19,000 policemen and 15,812 instances of violent crime. Thirty years later New York had 22,000 policemen and 157,026 violent crimes. One thousand per cent more crime, 15% more cops. The odds overwhelmingly favor the criminal.

Is the solution as simple as hiring more policemen? Sure. By the same reasoning, the solution is as simple as everyone hiring a private bodyguard. There is the slight matter of cost. A rookie cop costs the city $50,000 a year.

3. Enrollment in primary and secondary schools has dropped in New York State by 500,000 pupils, the baby boom having been processed. There are unused facilities in the state colleges. And this has brought on the inevitable: higher costs of higher education, as fewer students are required to put up the money to finance existing educational facilities.

Enter Mr. Walinsky, a former think-tanker for Bobby Kennedy, now associated with such conservatives as Lewis Lehrman. His plan: Let the state provide four years of college for needy students in exchange for their pledges to repay the state by contributing three years' service to the police corps.

The principle is like that of the ROTC, or even West Point and Annapolis. You get free education and you pay back your benefactor by giving service at less than market price for a stipulated period of time.

Mr. Walinsky estimates that the City of New York, which would inherit 70% of the 30,000 cops trained every year under the proposed system, would need to pay only $20,000 a year per cop inasmuch as there would be no retirement commissions or other costly perquisites. The idea is to put these cops, well-motivated and well-trained, on the street, there, by their presence, to discourage criminals.

The plan was opposed two years ago by uninventive types who complained about the difficulty in keeping the graduates in uniform in the event they thought better of it and decided not to serve. Walinsky's answer: They would then be required to repay the state the cost of their education, so what is the net loss from the defaulters?

Some police officials don't like the proposal because they smell elitism in the air, to which Walinsky responds that the whole police corps would benefit from the infusion of young, educated students, many of them black or Hispanic. Moreover, the relatively brief careers spent as policemen would not mean long-range competition for the better jobs. Indeed, the Patrolmen's Benevolent Association has not disapproved of Walinsky's idea.

Perhaps the Goetz dilemma will act as the solvent. Indeed, perhaps the Walinsky corps members will be referred to as Goetzmen.

By Mr. SPECTER (for himself, Mr. Pell, Mr. Chafee, Mr. Stafford, Mr. Kennedy, and Mr. Bradley):

S. 1525. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to local educational agencies for dropout prevention demonstration projects; to the Committee on Labor and Human Resources.

DROPOUT PREVENTION AND REENTRY ACT

Mr. SPECTER. Mr. President, today I am introducing legislation which will enable the elementary and secondary schools in our Nation to combat the problem of school dropouts.

The problem of school dropouts has reached an alarming level in this country. Some estimates indicate that around a million children drop out of school each year, and more than a quarter of our Nation's children never graduate.

In Pennsylvania the most recent statistics available from the Department of Education, 1981-82, show a total enrollment of 955,648 students in grades 7 to 12. The dropout rate was 2.8 percent or 26,960 youngsters.

Figures for the Philadelphia Public Schools indicate that during the 1983-84 school year 90,639 students between the ages of 14 and 20 were enrolled in school, in grades 7 to 12. Of this total, 7,996 children or 8.8 percent of the total number dropped out.

A breakdown of these figures show that the black/white dropout rate was more than 2 to 1, closely corresponding to their overall enrollment in school. Nevertheless, the percentage of blacks who dropped out—8.7 percent—was only 0.4 percentage points higher than whites, who had an 8.3 percent dropout rate. Hispanics dropped out at a rate of 11.9 percent, although the actual number was only 856, as compared to 2,008 for whites, and 4,592 for blacks.

As chairman of the District of Columbia Appropriations Subcommittee, I addressed the problems of dropouts and truancy in the fiscal year 1985 District of Columbia appropriations bill by providing $1.5 million for programs to combat the D.C. problem. District officials estimate the dropout rate to be 17 percent.

My legislation, the Dropout Prevention and Reentry Act of 1985, seeks to reduce the number of children who do not complete their elementary and secondary education by providing funds to local educational agencies to establish and demonstrate:

First, effective programs to identify potential dropouts and prevent them from dropping out.

Second, effective programs to identify and encourage children who have already dropped out to reenter school and complete their elementary and secondary education.

Third, model systems for collecting and reporting informaiton to local school officials on the number, ages, and grade levels of the children not completing their elementary and secondary education and the reasons why such children have dropped out of school.

Fifty million dollars is authorized to be appropriated for dropout prevention programs in fiscal year 1987.

Applications submitted to the Department of Edcuation for grants under this title must include a plan for the development and implementation of a project which will address the special needs of pregnant minors and school-age parents. In addition, the plan must establish an advisory council which is broadly representative of the entire community and the dropout population to be served.

Another eligible use of funds is the establishment or expansion of work-study, apprentice, or intern programs. This will encourage young people to stay in school who might otherwise drop out for financial reasons.

Students who do not attend school cannot be prepared academically to assume their community and family responsibilities as adults or to obtain employment. Young people who drop out of school and who are unsupervised are high risk for delinquency and activities such as drug and alcohol abuse and teenage pregnancies.

In an increasingly technological, information-oriented society, the future for dropouts is less than bleak.

Dropouts who are fortunate find their way to dead-end jobs. The unfortunate ones often find their way to jail.

The dropout prevention and Reentry Act of 1985 can help determine whether many children graduate from high school and have acces to further education or employment opportunities, or whether they will join the growing number of persons who are shut out of the mainstream of job opportunities.

Working together, we can wage a successful battle against this national problem.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1525

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Elementary and Secondary Education Act of 1965 is amended by redesignating title X as title XI, by redesignating the sections of such title as sections 1101 to 1106, and by inserting the following new title after title IX:

"TITLE X—THE DROPOUT PREVENTION AND REENTRY ACT OF 1985

"SEC. 1001. SHORT TITLE.

"This title may be cited as the 'Dropout Prevention and Reentry Act of 1985'.

"SEC. 1002. PURPOSE.

"The purpose of this title is to reduce the number of children who do not complete their elementary and secondary education by providing grants to local educational agencies to establish and demonstrate—

"(1) effective programs to identify potential dropouts and prevent them from dropping out;

"(2) effective programs to identify and encourage children who have already dropped out to reenter school and complete their elementary and secondary education; and

"(3) model systems for collecting and reporting information to local school officials on the number, ages, and grade levels of the children not completing their elementary and secondary education and the reasons why such children have dropped out of school.

"SEC. 1003. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title $50,000,000 for fiscal year 1987 and such sums as may be necessary for fiscal years 1988, 1989, and 1990.

"SEC. 1004. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

"(a) Allotment to Categories of Local Educational Agencies.—From the amount appropriated under section 1003 for any fiscal year, the Secretary shall allot 20 percent to each of the following categories of local educational agencies:

"(1) Local educational agencies containing schools with an enrollment of 250,000 or more elementary and secondary school students.

"(2) Local educational agencies containing schools with an enrollment of at least 100,000 but fewer than 250,000 such students.

"(3) Local educational agencies containing schools with an enrollment of at least 50,000 but fewer than 100,000 such students.

"(4) Local educational agencies containing schools with an enrollment of at least 20,000 but fewer than 50,000 such students.

"(5) Local educational agencies containing schools with an enrollment of fewer than 20,000 such students.

"(b) Award of Grant.—From the amount allotted for any fiscal year to a category of local educational agencies under subsection (a), the Secretary shall award as many grants as practicable within each such category to local educational agencies whose applications have been approved by the Secretary for such fiscal year under section 1005 and whose applications propose a program of sufficient size and scope to be of value as a demonstration. The grants shall be made under such terms and conditions as the Secretary shall prescribe.

"(c) Maximum Number of Grants.—A local educational agency may receive no more than one grant in each of three fiscal years under this title.

"(d) Amount.—The amount of a grant awarded under this section to a local educational agency for any fiscal year, to the extent practicable, shall be proportionate to the extent and severity of the local dropout problem, except that the amount of the grant shall not exceed 90 percent of the total cost of a project during the project's first fiscal year, 80 percent of such cost during the project's second fiscal year, and 70 percent of such cost during the project's third fiscal year.

"SEC. 1005. APPLICATION.

"(a) In General.—A grant under this title may be made only to a local educational agency which submits an application to the Secretary containing such information as may be required by the Secretary by regulation. Such application shall—

"(1) provide documentation of (A) the number of children formerly enrolled in the applicant's schools who have not completed their elementary or secondary education, and (B) the percentage that such number of children is of the total school-age population in the applicant's schools;

"(2) include a plan for the development and implementation of a dropout information collection and reporting system for documenting the extent and nature of the dropout problem, in accordance with standards established by the national school dropout study under section 1008;

"(3) include a plan for the development and implementation of a project which will—

"(A) implement comprehensive identification, prevention, outreach, and reentry programs for dropouts and potential dropouts,

"(B) address the special needs of pregnant minors and school-age parents,

"(C) disseminate information to students, parents, and the community related to the dropout problem,

"(D) include coordinated activities involving at least one high school and its feeder junior or middle schools and elementary schools for those local educational agencies having such feeder systems,

"(E) establish annual procedures for (i) evaluating the effectiveness of the project, and (ii) where possible, determining the cost-effectiveness of the particular dropout prevention and reentry methods used and the potential for reproducing such methods in other areas of the country,

"(F) establish an advisory council which is broadly representative of the entire community and the dropout populations to be served, and

"(G) use the resources of the community and parents to help develop and implement solutions to the local dropout problem; and

"(4) contain such other information as the Secretary considers necessary to determine the nature of the local needs, the quality of the proposed project, and the capability of the applicant to carry out the project.

"(b) Special Considerations.—For the purpose of approving applications under this section, the Secretary shall give first priority within each category under section 1004(a) to applicants that have either very high numbers or very high percentages of school dropouts.

"(C) Review of Projects.—In any application from a local educational agency for a grant to continue a project for the second or third fiscal year following the first fiscal year in which a grant was awarded to such local educational agency, the Secretary shall review the progress being made toward meeting the ojectives of the project. The Secretary may refuse to award a grant if he finds that sufficient progress has not been made toward meeting such objectives, but only after affording the applicant notice and an opportunity for a hearing.

"SEC. 1006. AUTHORIZED ACTIVITIES.

"Grants under this title shall be used to carry out plans in applications approved under section 1005. In addition, grants may be used for the following activities:

"(1) to establish systemwide or school-level policies, procedures, and plans for dropout prevention and school reentry;

"(2) to provide guidance and counseling services, including peer interaction activities;

"(3) to provide ombudsman or mentor services;

"(4) to develop and implement activities, including extended day or summer programs, to address poor achievement, language deficiencies, or course failures, in order to assist students at risk of dropping out of school and students reentering school;

"(5) to establish or expand work-study, apprentice, or internship programs;

"(6) to use the resources of the community, including contracting with public or private entities or community-based organizations, to provide services to the grant recipient or the target population;

"(7) to evaluate and revise program placement of students at risk;

"(8) to review curriculum relevancy;

"(9) to implement activities which will improve student motivation and the school learning environment;

"(10) to provide training for school staff on strategies and techniques to identify children at risk of dropping out, to intervene in the instructional program with support and remedial services, to develop realistic expectations for student performance, and to improve student-staff interactions; and

"(11) to provide other services and implement other activities which directly relate to the purpose of this title.

"SEC. 1007. PROGRAM LIMITATIONS.

"Not less than 30 percent of each grant shall be used for activities related to dropout prevention, and not less than 30 percent of each grant shall be used for activities related to persuading dropouts to return to school and assisting former dropouts with specialized services once they return to school.

"SEC. 1008. NATIONAL SCHOOL DROPOUT STUDY.

"(a) In General.—From amounts appropriated to the Secretary for fiscal year 1986, the Secretary shall use not more than $500,000 to conduct a one-year study of the nature and extent of the dropout problem in the United States. In conducting the study, the Secretary shall—

"(1) establish a standard definition of a school dropout;

"(2) develop a standard list of reason why children are dropping out of school, including major factors that contribute to children dropping out;

"(3) develop a model dropout information collection and reporting system;

"(4) develop minimum reporting system requirements;

"(5) identify the numbers of children and the general reasons for their dropping out of school among population groups with particularly high dropout rates;

"(6) identify the characteristics of children who appear to be at risk of dropping out of school;

"(7) identify the factors or policies which may attract children who have dropped out to reenter school and complete their elementary and secondary education;

"(8) identify methods and techniques being used successfully to reduce the number of school dropouts; and

"(9) provide recommendations for activities and policies which can be implemented at each level of government and in communities to ameliorate the dropout problem.

"(b) Other Requirements.—Recipients of grants under this title shall cooperate with the Secretary in carrying out the study under subsection (a) by providing data and information on the nature and extent of the dropout problem and the effectiveness of techniques used to address the problem.

"SEC. 1009. GENERAL PROVISIONS.

"(a) Withholding Payments.—Whenever the Secretary, after reasonable notice and opportunity for a hearing to any local educational agency, finds that the local educational agency has failed to comply substantially with the provisions set forth in its application approved under section 1005, the Secretary shall withhold payments under this title until the Secretary is satisfied that there is no longer any failure to comply.

"(b) Annual Report.—The Secretary shall prepare and submit to Congress an annual report on January 1 on the activities assisted under this title during the preceding fiscal year.

"(c) Audit.—The Comptroller General shall have access for the purpose of audit and examination to any books, documents, papers, and records of any local educational agency receiving assistance under this title that are pertinent to the sums received and disbursed under this title.

"(d) Grants Must Supplement Other Funds.—A local educational agency receiving funds under this title shall use the Federal funds only to supplement the funds that would, in the absence of such Federal funds, be made available from non-Federal sources for activities to prevent students from dropping out of elementary and secondary school and to persuade dropouts to reenter school and complete their education.

"SEC. 1010. DEFINITIONS.

"As used in this title—

"(1) the term 'community-based organization' means a private nonprofit organization which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community;

"(2) the term 'Secretary' means the Secretary of Education; and

"(3) the terms 'State educational agency', 'local educational agency', 'elementary school', and 'secondary school' have the same meanings given those terms in section 198 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3381).".

Mr. PELL. Mr. President, I am pleased to be joining my colleagues, Senators Specter, Chafee, Stafford, Kennedy, Dodd, and Bradley in the introduction of the Dropout Prevention and Reentry Act of 1985. To my mind, this legislation is long overdue. The high school dropout problem is of serious proportions and devastating

consequences. It is estimated that, on the average, 25 percent of students entering school in the ninth grade drop out of school before graduating. In my own State of Rhode Island, the dropout rate is 24.8 percent. Frighteningly, these rates have remained relatively steady over the past 20 years. Quite simply, these statistics indicate that we are failing to reach and educate close to one-quarter of our high school population. This situation is unconscionable in a nation which claims to be the most highly educated in the world. It is shameful that this country, which rests squarely on the principle of educational opportunity, has allowed this situation to continue at such a high rate for two decades.

The high school dropout problem is of serious national concern, with very severe economic and social ramifications. While the average dropout rate is 25 percent, in some States it is as high as 40 percent. In many urban areas, it is close to 50 percent. The problem is far more threatening for minority populations. Black students are almost twice as likely to drop out as are white students, and in many urban schools, hispanic students drop out at a rate of 70 percent.

Teenagers from families at the lower end of the economic ladder comprise the majority of high school dropouts. Sadly, the propensity of this population to leave school only serves to entrench the cycle of poverty these families have endured for generations. Without basic skills, these high school dropouts have scant chance of achieving even a very minimum standard of living.

One of the proudest achievements of this Nation is its strong conviction that each American be given the opportunity to reach to the limits of his or her potential, regardless of economic, language, or physical handicap. Enactment of the Elementary and Secondary Education Act of 1965, in which I was proud to have played a role, provided a legislative basis for the thought that only through education could the dream of breaking the economic barriers to success be accomplished. It is shocking to realize that we have failed to make this dream a reality for close to one-quarter of our children. As a social worker in New York so aptly stated: "The poor in America have only one legal option to escape poverty and the problems associated with being poor. That option is education."

The effect of having large numbers of students leaving school has a devastating impact on the economic sector. Dropouts fill the welfare and unemployment rolls. Many of them turn to crime. Those who do gain employment frequently have to be trained in basic skills. In the military, there are massive programs of remedial education and basic skills instruction that are integral parts of basic training.

The greatest single contributor to youth unemployment is the lack of a high school degree. According to the National Center for Education Statistics, 36 percent of high school dropouts were unemployed, compared to 21 percent of high school graduates not enrolled in college. Men and women 25 years old and older who did not complete high school earned about one-third less than those who had graduated.

Youth unemployment also imposes severe penalties on the economy. The city of New York estimated the yearly costs per 1,000 unemployed youth at almost $12 million in a loss in productivity, $63,000 in ungenerated income tax, $250,000 in ungenerated sales tax, and $300,000 in total tax loss. The State of Michigan estimates that the cost of youth unemployment is $100 million annually.

With respect to remedial training, business and industry currently spend $40 billion annually to train employees. Most of this training involves remedial work in reading, mathematics, and other basic skills. The Defense Department allocated close to $100 million over the past 6 years solely for basic skills training and remedial education for new recruits. In fact, in education and training, the Department of Defense annually spends as much as the entire Department of Education, some $18 billion.

The dropout rate, furthermore, forces us to pay a heavy price in the area of incarceration and crime. Without skills, and unemployed, many dropouts drift into delinquency and serious crimes. The U.S. Department of Justice, for example, found that the majority of inmates in local jails lacked a high school diploma—about 59 percent of white inmates, and 63 percent of black inmates. Estimates are that we spend over $15,000 per year to house each inmate in a correctional facility. This amount exceeds the cost of education for 1 year at either Harvard or Yale. In fact, on the average, this country spends 2½ times as much money on keeping a person incarcerated than on sending a young man or woman to college.

It is sadly true that what we fail to invest in dropout prevention, we will eventually be forced to pay many times over in social costs. This includes the heavy prices of incarceration, unemployment and welfare assistance, and a sharp loss in productivity and generated taxes. We cannot afford as a nation to continue to ignore this problem. In the words of the President's Commission on Industrial Competitiveness:

> If the dropout rate continues to accelerate, part of an entire generation could be lost to the productive process and to society. The quality of life for the Nation as a whole is at risk when large numbers of our youth fall by the wayside.

The Dropout Prevention and Reentry Act we are introducing today will provide Federal direction and assistance to address this need. It authorizes $50 million in fiscal year 1987 and such sums through fiscal year 1990 to fund demonstration projects and exemplary programs.

Under this legislation, the Secretary of Education is directed to make grants to local educational agencies to fund programs which will attack the problem on two fronts. Programs must address the need both to prevent students from dropping out, and to encourage them to reenter and finish high school if they have left. The Secretary is directed to award grants to LEA's according to population: 20 percent to LEA's with an enrollment of 250,000 or more; 20 percent to LEA's with an enrollment between 100,000 and 250,000; 20 percent to LEA's with an enrollment between 50,000 and 100,000; 20 percent to LEA's with an enrollment between 20,000 and 50,000; and 20 percent to LEA's with an enrollment less than 20,000. This will ensure that we attack this problem on all fronts through action in school districts of all sizes.

One of the most critical elements of this legislation is a provision that $500,000 be allocated in the first year to conduct a study to identify the dropout population, the factors contributing to dropping out, and effective methods for successfully reducing this rate. Unfortunately, considering its magnitude, far too little is known about this problem. Identification alone of the numbers of dropouts on a State-by-State basis is hard to come by. For example, the National Center for Education Statistics can only give us a rough estimate of dropout numbers. It calculates the dropout rate as the difference between the total number of high school graduates and the number of public school students enrolled in the ninth grade 4 years previously. Beyond that, we need far more accurate information on the reasons for dropping out so that we may better meet the needs of differing dropout populations.

The reasons behind dropping out are many: family circumstances, pregnancy, drugs, low self-esteem, economic necessity, language barriers, physical and mental handicaps. Because these factors must be approached differently, we have fashioned this legislation to provide for maximum flexibility in program design. We are hopeful that it will encourage creative approaches toward solving this problem. We further envision that projects funded under this act will be viewed as pilot efforts, the most successful of which might serve as models for more comprehensive programs.

In the past, the limited Federal efforts in this area have been extremely effective. Between 1969 and 1976, under title VIII of the Elementary and Secondary Education Act, Congress authorized grants to LEA's for demonstration projects for dropout prevention. Although appropriation levels never reached more than $4 million, the program was highly successful. The U.S. Office of Education reported that of the 10 projects which were originally funded, there had been a 45-percent reduction in the number of dropouts over a 3-year period.

Five years ago, we considered at length the Youth Act of 1980. One of the major objectives of that legislation was to provide unemployed dropouts with training and assistance that would improve their prospects for employment. Unfortunately, that bill was not passed by the full Senate.

I am very encouraged that we are once again focusing our attention on this issue. The time is opportune for initiating new Federal leadership in the area of dropout prevention and assistance. We begin today by introducing modest legislation that will immediately address the problem at hand.

To my mind, we have a clear choice at this time as to whether we as a Nation will uphold our commitment to educational opportunity, or whether we will continue to ignore the needs of a quarter of our high school population. Quite simply, we have a choice as to whether we will invest prudently in programs that will see these students through high school, or whether we will be forced to pay a social cost many times more expensive in later years.

Mr. President, I am very encouraged that Senator STAFFORD, the esteemed chairman of our Senate Education Subcommittee, has already agreed to a hearing on October 17 to address this very serious problem. I look forward to that hearing and to the additional information it will provide us in our deliberations.

To my mind, it is crucial that we move quickly to address this problem and to end a situation that has been with us for far too long. Very simply, we cannot afford in both economic and human terms to allow this very grave problem to continue undeterred. I commend the legislation we are introducing today to my colleagues on both sides of the aisle and urge them to join us in cosponsoring this very important bill.

● Mr. CHAFEE. Mr. President, I am pleased today to join my colleagues, Senators SPECTER, PELL, STAFFORD, KENNEDY, DODD, and BRADLEY, in introducing the Dropout Prevention and Reentry Act of 1985. This measure will provide grants to local educational agencies for dropout prevention demonstration projects, and fund a national school dropout study to obtain more data on this deeply troubling problem.

In the last few years observers of the American educational system have made a great many disturbing conclusions on the state of our Nation's public schools. A number of extensive studies have called for more rigorous academic standards, modernization of curriculums, and improvement in the quality of teaching. This overdue reassessment of the quality of education has engendered a reform movement that promises to return high standards to our Nation's classrooms.

Largely overlooked in this drive for renewed excellence and rigor in public education are the millions of students who drop out of school each year. These are students for whom more demanding requirements and reform measures such as minimum competency tests are irrelevant. Alienated by the school environment, and often burdened with family problems and poverty, America's dropouts are falling through the cracks of our educational system in appalling numbers.

Roughly 1 in 4 of the students who enter U.S. high schools do not finish. In Providence, RI, the figure has been estimated at 40 percent. In some urban areas, particularly among minorities and the poor, the dropout rate exceeds 50 percent.

Dropouts disappear from high school corridors, but they do not disappear from society. Rather, their names show up on the welfare rolls, they become drug abuse statistics, or they wind up in our overcrowded prison system. In the majority of cases the results are tragic, both for the dropouts themselves and for the society to which most of them are unable to make a real contribution. The visible products of the dropout exodus are lives spent on the margin of society, with our social welfare system or our penal institutions incurring the monetary costs.

As anyone who has closely examined the issue knows, there is no simple way to keep our young people in school. Every dropout has a different set of reasons for leaving school, and many will never succeed in the traditional curricular structure. This measure does not purport to be a complete solution, but it does set forth a number of actions that American schools can take today to begin fighting the dropout problem. Under this measure, schools can begin to: locate dropouts and develop ways of drawing them back into the system; identify potential dropouts by recognizing early warning signs; explore the reasons why students drop out and use counseling and remedial help to encourage them to stay in school; offer alternative educational opportunities including vocational training; and establish a dissemination network for information on dropout prevention.

The legislation my colleagues and I are introducing today will provide funding, on a competitive-grant basis, for local educational agencies to establish demonstration projects involving these kinds of actions. The project must only reach dropouts and assist them in completing their education, but also identify students who are likely to become dropouts and work to prevent their leaving school.

Since future dropouts are often identifiable well before they enter the ninth grade, these programs must also develop ways to coordinate dropout prevention efforts between the high school and the junior high levels. Projects funded under this act will address the special needs of high school-age parents, who are high-risk candidates for dropping out. In addition, grantees must disseminate any valuable information they obtain from the projects to other educational agencies dealing with the dropout problem.

Despite the gravity of this problem, there is a dearth of information on exactly who is dropping out, what kinds of schools they are leaving, and what has caused them to leave the system. For this reason, our bill also calls for a national school dropout study to be conducted while the demonstration projects are underway. The projects will indicate which methods are most successful in helping dropouts and potential dropouts, while the national study determines where we should concentrate future efforts in this area.

In the face of the shocking dropout rates currently plaguing school systems in every part of the Nation, a reversal of the dropout tide will grow only out of bold, original approaches devised by the educators who are closest to the problem. This act represents a vital step in helping our schools to meet this challenge, and will produce information valuable to education agencies all over the United States. The demonstration projects and the national study will help us determine how to proceed in cutting the dropout rate. They will save many students from the bleak prospect of leaving their education behind for a future of limited possibilities and dead ends. I hope that our colleagues will support this urgently needed initiative.●

● Mr. KENNEDY. Mr. President, I am proud to join my colleagues Senator SPECTER, Senator CHAFEE, Senator PELL and others in introducing the Dropout Prevention and Reentry Act of 1985. I commend my colleagues for their hard work in developing this important legislation.

This is not the first time that Congress and the Federal Government has attempted to address the critical problem of students dropping out of school. In 1968, we provided financial assistance through the then U.S. Office of Education to a small number

of school districts for the express purpose of preventing students from dropping out. Projects supported by this aid represented a wide variety of approaches to dealing with this problem and it was found that most projects were effective in reducing the dropout rate. Of the 10 orignally funded projects, it was reported that there had been a 45-percent reduction in the number of dropouts in these school districts over a 3-year period. Better attendance rates were also reported. This authority is now included as an optional State activity under the Education Consolidation and Improvement Act and there is limited information on whether States have elected to develop dropout programs with this money.

We have not made much progress in reducing the number of students who drop out of school. Presently our national dropout rate is close to 26 percent. This means that one in every four young Americans entering high school does not graduate on time, or does not graduate at all. The dropout problem is more severe in big cities with a rate of 16 percent above the national average and, the dropout problem is dramatically higher for minorities. Almost 20 percent of black youth and 33 percent of Hispanics are dropping out today as opposed to 14 percent of white students.

We know that this problem exists and we know that it will not disappear on its own. The consequences of leaving school early are most times devasting for the students and for their future. These young people lose access to good jobs, reduce the amount of their lifetime earnings and risk experiencing more and longer periods of unemployment in their lifetime. These students, by dropping out, are limiting their chances and opportunities to reach their fullest potential.

The bill we are introducing today will begin to address the dropout problem by providing local education agencies with grants to develop demonstration programs to identify and prevent student from dropping out, encourage students who have dropped out to reenter and complete high school, and to establish model reporting and data collection systems on students who have dropped out. As well, this bill calls on the Secretary of Education to conduct a 1-year study on the nature and extent of the dropout problem in the country and to develop a standard definition and list of reasons why children are dropping out of school. I believe that the development of standards in this area is important and it is my hope that the individuals who will be involved in this study and the development of these standards will be representative of a wide range of individuals who have expertise in the area of school dropouts. I would like to address this issue when the bill comes before the committee.

The United States has become a great nation because of the contributions of each individual citizen. Our country cannot move forward without support and assistance from every American. It is our Nation's responsibility to guarantee that each individual has an opportunity to reach his or her fullest potential and education is the most important path to reaching that potential. The students who are dropping out today are dropping out for many reasons. We must identify the causes and begin to provide the solutions. The answers are complex and many times as different as each individual student. But, I believe that we have the resources and the ability to help these young people to complete their education. This is a small investment now which will undoubtedly reap untold benefits for these students as they grow into adults and for the future of our country.●

● Mr. BRADLEY. Mr. President, I am pleased to join my colleagues, Senator SPECTER, Senator PELL, Senator CHAFEE, Senator STAFFORD, Senator KENNEDY, and Senator DODD in introducing the Dropout Prevention and Reentry Act. A year ago January, as a member of the Senate Children's Caucus, I participated in a forum on the causes and consequences of dropping out of school. We held the hearing to highlight the seriousness of the problem, both with respect to the increasing numbers of students dropping out and the long-term social and economic consequences of these decisions.

If our Nation's secondary schools were businesses that depended on repeat customers, many would soon go bankrupt. The proportion of students who begin, but fail to complete, high school is distressing, particularly in inner-city schools. In 1983 nearly 28 percent of all 18- and 19-year-olds failed to graduate from high school. The attrition rate has risen by 19 percent over the last decade. In my home State of New Jersey, over 16,000 youths dropped out of school last year. In many urban schools the dropout rate is above 50 percent, and that does not include students who are officially enrolled in school but attend irregularly.

The consequences of dropping out for the individual student, and the costs to this Nation, are well known. Nearly 4 out of every 10 16- to 24-year-olds who have dropped out of school are unemployed. Nearly 50 percent of all young females who drop out are unemployed. A recent study conducted by the Educational Testing Service in New Jersey found that students completing high school scored substantially higher on a series of tests measuring abilities linked to good job performance than did those dropping out after junior high or early in high school. It is quite clear that those who fail to complete high school will lack the basic skills necessary to function in an increasingly complex and demanding world.

Students who drop out do so for a variety of reasons. Most report reasons related to school performance. Many students simply lack the basic skills necessary to keep up and see no hope of catching up. Right or wrong, they see dropping out as preferable to the humiliation experienced in classes where their lack of basic skills makes keeping up impossible. Ironically, this problems may be exacerbated by the recent trend toward instituting tougher standards in our schools. It may turn out that low achievers—including a disroportionate number of inner city youths—are not swept up and carried to new heights by the educational reform movement, but are pushed over the edge by it. A recent report by the Johns Hopkins Center for Social Organization of the Schools suggests that this may already be occurring. This does not argue for lower standards; it does call for special attention to make sure more students keep up with required skill levels.

Other students leave school early to take jobs in order to help their families make ends meet. These students often find themselves working in low-paying positions with little or no opportunity for advancement. Students who leave school for this reason frequently regret that decision shortly thereafter. Many young girls leave school early because they become pregnant. Some feel so stigmatized and embarrassed that they leave school rather than subject themselves to ridicule and scorn from their classmates and instructors. Others find themselves forced into second-class "special" programs which meet neither their educational nor emotional needs and, thus, see dropping out as an attractive option. Other students leave school before graduating because they simply are not challenged in traditional classroom situations. I was disturbed to learn, during a children's caucus forum on gifted and talented children, that a high percentage of gifted children fail to complete high school.

High school dropouts are not simply children who were destined to fail. These children can be reached, and I believe we must reach out to those who are on the verge of giving up or have given up and offer them a second chance to master the skills they need if they are to become self-sufficient members of our society. Earlier this year I introduced legislation designed to assist in this task—the Secondary School Basic Skills Act. That bill would authorize funds necessary to teach basic skills to educationally disadvantaged secondary school students—precisely those students who, without a mastery of basic skills, may be driven out of the educational system by tougher academic standards.

Today I am pleased to join my colleagues in offering another bill designed to reach out to those who would give up or have given up. The Dropout Prevention and Reentry Act would authorize funds to allow schools to establish demonstration projects to identify potential dropouts, to find ways to prevent dropping out, and to help dropouts reenter schools. Special attention is to be devoted to the needs of pregnant students and students with children. Schools with a good idea can apply for grants and test those ideas. Successful prevention and reentry programs would be disseminated. The bill would also authorize a 1-year study of the nature and extent of the dropout problem. The study would attempt to identify successful methods in ongoing programs designed to prevent dropouts or encourage their return to school.

Mr. President, we can succeed in this task. I recently became aware of an excellent program in Seattle, WA, designed to assist dropouts in completing their educations. The organization, Educational Clinics, Inc., is a company certified by the Washington State Board of Education to offer an educational program in basic skills areas to students who have severed their ties with the school system and are unlikely to reestablish them. The program is a model of what can be accomplished when we reach out to youths and treat them as individuals with unique strengths as well as problems. The Dropout Prevention and Reentry Act would assist us in learning more about successful existing programs such as ECI and would provide the means to fund other innovative programs for addressing the needs of actual and potential dropouts.

In our pursuit of excellence in education, we must be careful not to leave behind those students who, for whatever reasons, struggle and fall behind their classmates and choose to leave school. We must commit ourselves to the belief that every student can excel, regardless of past failures, regardless of deeply entrenched and deeply deficient study habits, regardless of the educational background of his or her parents. This bill is designed to help young people be the best they can be. I urge my colleagues to support this important and timely legislation.●

By Mr. MATHIAS:

S. 1526. A bill to amend title 17, United States Code, to clarify the definition of the local service area of a primary transmitter in the case of a low power television station; to the Committee on the Judiciary.

LOW POWER TELEVISION

Mr. MATHIAS. Mr. President, today I am introducing a technical amendment to the Copyright Act to clarify the status of a new communications technology that has great appeal in rural areas—low power television. My amendment will allow nearby cable television systems to carry low power television signals as local broadcasts, just as they do for other local television signals, rather than as remote, or distant signals, for which the copyright laws now require cable operators to pay royalties. This clarification is, as far as I know, a noncontroversial change in the law. It is supported by the Copyright Office, which helped in its drafting, and it is unopposed by any affected parties in the private sector. Representative KASTENMEIER, chairman of the Subcommittee on Courts, Civil Liberties and the Administration of Justice of the House Judiciary Committee, is introducing and identical measure in the House today. I commend his initiative and leadership in this issue.

To give a fuller idea of the background of this effort, I submit the correspondence Representative KASTENMEIER and I had with the Copyright Office last year on the subject. I ask unanimous consent that these letters, along with the text of the amendments, be printed in the RECORD following these remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1526

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the fourth paragraph of section 111(f) of title 17, United States Code, relating to the definition of local service area of a primary transmitter, is amended by adding after the first sentence the following new sentence: "In the case of a low power television station, as defined by the rules and regulations of the Federal Communications Commission, the local service area of a primary transmitter comprises the area within 35 miles of the transmitter site, except that in the case of such a station located in a standard metropolitan statistical area which has one of the 50 largest populations of all standard metropolitan statistical areas (based on the 1980 decennial census of population taken by the Secretary of Commerce), the number of miles shall be 20 miles.".

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, October 1, 1984.

Hon. DAVID LADD,
Register of Copyrights, Copyright Office, Washington, DC.

DEAR MR. LADD: We are writing to you in reference to provisions of section 111 of the Copyright Act and its potential effect on the carriage by cable systems of local signals of low power television. As you know, provisions of section 111 which define and distinguish "local" carriage and "distant" carriage were considered by Congress and the rules formulated prior to the introduction of low power service by the Federal Communications Commission. The distinction between "distant" and "local" is important because in most instances the royalty is computed on the basis of distant carriage.

It is our understanding that the Copyright Office may feel constrained by certain language in section 111 to classify the cable carriage of purely local low power television station signals as "distant" signals due to the fact that the Office might conclude that a signal must be subject to the FCC's must-carry rules before it could be considered local. This conclusion, of course, would result in carriage of these signals generating the same copyright liability as if they were "distant," thereby subjecting cable systems to the payment of significant royalties. Under such circumstances, we are informed that cable systems would be very reluctant to include low power stations within their complement of local services on a "may-carry" basis, which in turn would seriously damage the development and viability of low power television.

During the time that Congress was considering how section 111 should operate, all local television signals were subject to must-carry treatment and inclusion into the statute of a reference to FCC must-carry rules merely provided a convenient way to establish a clear dividing line between the "local" signals and the "distant" signals. The recent introduction of may-carry local low power signals was not contemplated at the time of passage of the Copyright Act of 1976, but Congress' intention was clear in wanting to distinguish between signals that were truly local and others that would be classified as distant. This was made manifest when, during consideration by the House of the Senate-passed bill, an amendment was added to mandate royalities for the carriage of signals when they were carried beyond the local coverage area of the station. Congress concluded that there would be no harm to copyright holders from such local carriage.

At a time in the near future, we intend to ensure that any ambiguity in the law is clarified by a technical amendment. Unfortunately, with a crowded legislative calendar and only a few days left in the 98th Congress, such an amendment is unlikely to occur this year. We believe, however, that an interim indication from the Copyright Office resolving any ambiguities in a manner to effectuate original intent can serve as a temporary solution to the problem.

Such an effort by the Copyright Office to resolve this problem will have our wholehearted support. It will also be supported by the Honorable Majority Leader Jim Wright and Senator Lloyd Bentsen, who have expressed personal interest in this issue.

Accordingly, we request you to consider the questions raised by this letter, and ask that you keep us apprised of your progress and any problems that might arise. If there is any way that we or our staffs can assist in this endeavor, please let us know.

In advance, thank you for your time and consideration.

Sincerely,

ROBERT W. KASTENMEIER,
Chairman, Subcommittee on Courts, Civil Liberties and the Administration of Justice.

CHARLES McC. MATHIAS, JR.
Chairman, Subcommittee on Patents, Copyrights and Trademarks.

NOVEMBER 29, 1984.

Hon. CHARLES McC. MATHIAS,
Chairman, Subcommittee on Patents, Copyrights and Trademarks, Washington, DC.

DEAR SENATOR MATHIAS: On October 1, 1984 you wrote to David Ladd, Register of Copyrights expressing certain views about the status of low power television (LPTV) signals under the cable compulsory license of 17 U.S.C. section 111. The Copyright Office held a public hearing on October 12, 1984 and received public comment through October 22, 1984. Your letter was made a part of the record of this proceeding.

The record discloses that owners of copyright, except for the National Association of Broadcasters, argued that under the Copyright Act definition of "local service area of a primary transmitter," the signal of an LPTV station must be classified as "distant" since the distinction between "local" and "distant" signals is frozen as of April 15, 1976 and LPTV stations have never been accorded "must-carry" status. Representatives of LPTV stations and cable system operators argued for a contrary interpretation of the Act. They argued that the Copyright Act's reference to the Federal Communications Commission's April 15, 1976 "must-carry" rules as the demarcation between "local" and "distant" signals was fundamentally based on geographic considerations, and the FCC's rules merely provided a convenient method of describing the geographic limits of local signals. Some members of the public advanced an alternative argument for classifying LPTV signals as "local." They asserted that LPTV stations should be viewed as "deregulated translator stations." Translator stations did exist an April 15, 1976 and were covered by the "must-carry" rules.

After reviewing the Copyright Act and its legislative history in connection with the divergent views expressed on the public record, including your letter of October 1, 1984, the Copyright Office has concluded that the status of low power television signals under the cable compulsory license is ambiguous. Accordingly, in examing cable Statements of Account, the Copyright Office will not question the determination by a cable system that a low power station's signal is "local" within an area approximating the normal coverage zone of such station.

A Notice of this policy decision was published in the Federal Register on November 28, 1984 at volume 49, pages 46829–31. A photocopy of the Notice is enclosed.

In your letter of October 1, 1984, you expressed the intention to clarify any ambiguity in the law by a technical amendment of the Copyright Act. The Copyright Office recommends such an amendment. We would be pleased to submit draft language, at your request.

Sincerely yours,

DOROTHY SCHRADER,
General Counsel.●

By Mr. STEVENS (for himself and Mr. ROTH):

S. 1527. A bill to amend title 5, United States Code, to establish a new retirement and disability plan for Federal employees, postal employees, and Members of Congress, and for other purposes; to the Committee on Governmental Affairs.

CIVIL SERVICE PENSION REFORM ACT

Mr. STEVENS. Mr. President, today, I am introducing the Civil Service Pension Reform Act of 1985. Joining with me is the distinguished chairman of the Senate Governmental Affairs Committee, Senator ROTH. This bill establishes a new retirement program for the Federal Government. It is applicable to all Federal and postal employees and Members of Congress who began service after December 1983 and to any other employee who opts to join this plan.

Enactment of the Social Security Act Amendments of 1983 precipitated the need for a new Federal retirement program. Prior to the bill's enactment, Federal employees were not covered by Social Security but instead participated in the civil service retirement system or other related Federal retirement plans. The Social Security amendments brought Federal employees hired after December 1983, under the Social Security system, thus necessitating a change in the Federal retirement laws to coordinate the systems.

Later in 1983 another bill passed to alleviate the burden of dual contributions new Federal employees would have to pay once the Social Security amendments went into effect. This temporary reduction of retirement contributions will expire upon the enactment of a new Federal retirement program or January 1986, whichever is earlier. This legislation was enacted to provide time to design a well-thought-out and permanent new retirement program.

The plan, introduced today, consists of three tiers. The first tier is Social Security. The second is a defined benefit plan, similar to but less generous than the current retirement system. The third tier is an optional thrift plan accompanied by certain tax advantages.

It was our intention to design a plan that would parallel private sector plans where possible. This three-tier approach is very common in private industry.

Because of our desire to parallel private industry, the overall value and cost of this plan is approximately 17-percent less than the current system. This would put the plan on par with better than average private plans. The Government has a certain responsibility toward its own workers and to the rest of the Nation to design a model retirement plan which provides good benefits while restraining the cost. According to experts, the ideal retirement plan provides benefits that will maintain the standard of living of a career employee into retirement. This, in effect, means replacing a low-income worker's earnings at about 70 percent to 80 percent and a high-income worker around 60 percent. This plan accomplishes that task.

The plan is also designed with several classes of employees in mind, including short career workers, age 55 and 30-year workers and long career workers. The current retirement system primarily benefits the middle category of employees retiring at earliest eligibility. This plan offers greatest benefits to the long career worker but also provides retirement alternatives for employees seeking more flexibility. For example, under this plan employees could retire at 55 with 10 years of service, an option which may be particularly beneficial for female workers.

The current retirement program severely penalizes the employee who leaves prior to retirement eligibility. This individual may receive back his or her own retirement contributions at little or no interest or may leave the contributions in the system to receive a significantly diminished benefit as a result of intervening years of inflation. The new plan resolves two-thirds of this problem.

First, the Social Security benefit is almost fully portable. Second, upon separation from Government, an employee may withdraw his or her thrift plan account and roll it over into an IRA, thus never losing the value of that part of the plan. We feel it is important to remove obstacles from mobility in and out of the Federal sector. Both the Government and the private sector can benefit by increased mobility. By introducing portable retirement benefits into the Federal system, far more flexibility in transferring from the Federal and non-Federal sectors will ensue.

As mentioned previously the current retirement system provides very generous benefits for the age 55–60 retiree with 30 years of service. According to the Office of Personnel Management, more Federal employees retire at age 55 than at any other individual age. While prevailing practice in private industry permits retirement at age 55, private plans generally gear their benefit structures toward age 62 retirements. Therefore, an annuity receivable before age 62 is usually reduced by 2 percent to 6 percent for each year under 62. Not only does the cost of a retirement plan for earlier retirement rise dramatically, but for the purposes of the Federal Government the question must be asked, "Is it wise to retire workers with many years of experience who by and large will be reemployed in the private sector?" Our answer to that question is no. The best plan is to reward workers who make the Government a full career and to remove obstacles from employee mobility. The Government should not be burdened by excessive costs to reward those who continue in the national work force for another 10 years.

Thus, this plan provides retirement benefits to an age 55 employee with 30

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years of service that are less generous than the current program. On the other hand, an employee who works until age 62 or beyond in this system will fare better than an employee who retires at the same age in the current program.

The most unique aspect of this plan is the third tier, a tax deferred thrift plan with options for private investment. For the first time, Federal employees will enjoy a program widely available in private industry. Voluntary employee contributions will be matched by their employing agencies and transferred to individual employee accounts with an investment board. This board will grant at least three general investment options for employees. Employees, once a year, will direct their moneys into one of these general investment categories. The contributions and their earnings are available to an employee upon retirement in the form of a lump sum or an annuity or may be rolled over into an employee's IRA upon separation from Government prior to retirement.

This new feature provides a host of benefits for employees. First, it involves employees in their own retirement planning. Employees will decide whether setting aside additional moneys and how much for retirement is desirable. Employees will also direct their investments to conform with their expected needs during retirement.

Second, it grants employees flexibility for career planning, knowing that the money can be rolled over into an IRA upon separation from Government. Third, private investments ensure employees have the widest possible choices for good investment returns. Fourth, employee contributions are tax deferred, thus alleviating the burden on disposable income by participating in the plan.

Mr. President, this plan is fairly complex and is the result of 4 years of work. I will ask a sectional analysis of the bill be inserted at the end of my remarks, but I first want to outline some additional rationale for various provisions of the bill.

As I mentioned previously, Social Security is the first tier. Everyone who participates in this plan will be covered by Social Security. The second tier is a defined benefit plan in which 1 percent of an employee's high 5 years of salary is multiplied by the employee's years of service. To receive an unreduced annuity an employee must be 62 with 5 years of service. Receipt of a reduced annuity, 2 percent for each year under age 62, is available to an employee at age 55 with 30 years of service, or 5 percent for each year under age 62 for an employee at age 55 with 10 years of service but less than 30.

Determination of the accrual rate was a result of finding the amount necessary to provide a good retirement benefit at age 62 when combined with Social Security and a reasonable level of participation in the thrift plan while holding the cost down to comparable levels of good private plans.

Age 62 retirement is the normal retirement age for plans in private industry. It is also the earliest age of eligibility for Social Security benefits.

The plan deviates from private practice in that it is not explicitly integrated with Social Security. Generally, plans offset a portion of the Social Security benefit in order to provide overall retirement income equally distributed to all salary levels. Social Security redistributes income to lower wage earners. Thus, most private plans redistribute the pension benefit in the other direction to compensate for the Social Security tilt.

This plan does not attempt to redistribute retirement income in such a manner and preserves the Social Security tilt in favor of lower income workers. Given the size and nature of the Federal Retirement Program, the add-on approach is a less complex and more manageable system. Besides, a levelling of replacement of preretirement salaries should occur with the expected more extensive usage of the thrift plan by higher income employees. While participation in the thrift plan is expected by all income levels, a greater percentage of high income employees and a greater percentage of salaries of high income employees should utilize the plan's provisions. In so doing the tilt in overall retirement income will level off. With the add-on approach, lower-income workers will not find it necessary to contribute substantially to the thrift plan to provide good retirement benefits.

Similar to the current system, the new plan establishes a few special retirement classes. Unlike the current system, however, the new plan does not include Members of Congress or congressional staff in the special classes. Instead, they are treated in the same manner as the rest of the work force.

The special retirement classes include law enforcement personnel, firefighters, and air traffic controllers. They will be eligible to retire after 25 years of service at any age, but retirement benefits drawn before age 55 will be reduced by 5 percent a year under age 55.

The thrift plan, a very common feature in private plans, will now be available to Federal employees. The thrift plan complements the defined benefit plan, encourages maximum participation and flexibility throughout the work force, prevents governmental absorption of potential liabilities from cost-of-living features inherent in defined benefit plans, and increases employees' involvement as much as possible in their own retirement planning.

Availability of thrift plan moneys upon separation is slightly more restrictive than in most private plans. Because the thrift plan is an integral part of the new plan's retirement income policy, lump sum withdrawals prior to retirement are prohibited except for hardship loans. Thus, it is intended the thrift account be used for retirement purposes solely. However, to promote portability of benefits, rollover of accounts into an IRA or a subsequent employer plan without tax consequences are permitted.

The defined benefit part of the new plan provides for automatic cost-of-living adjustments equal to the Consumer Price Index minus 2 percentage points. Automatic cost-of-living adjustments are critical to maintaining the real income level of retirement income. However, such adjustments are the single most costly feature of a retirement plan. This plan still protects beneficiaries from the ravages of inflation while limiting the cost. Besides, Social Security currently is fully indexed to inflation and will make up a large part of the total benefit. Private plans rarely provide automatic cost-of-living adjustments. Instead, increases are made on an ad hoc basis.

This plan requires full funding. The thrift plan is fully funded by its very nature. For the defined benefit plan, agencies are required to contribute to the retirement fund the full cost of their employees. Any portion of the plan found to be underfunded will trigger amortized payments from the Treasury over a 30-year period. This funding scenario will make it comparable to Federal requirements of private plans.

Thrift plan moneys will be contributed to a new fund. Contributions to the defined benefit plan will be directed into the civil service retirement fund. This will maintain funding continuity with the current civil service retirement system.

For investment of thrift plan contributions, employees may choose from among the three following investment funds at a minimum—a Government securities investment fund, a guaranteed income investment fund, and a common stock index investment fund. Thrift plan moneys will gradually be available for private investment. To ensure maximum rates of return on contributions and to thus maintain projected retirement income, private investment is necessary.

Historically, rates of return on Federal securities lag far behind returns on corporate bonds and common stocks. All State and local government plans and private plans invest their moneys outside of their own entities. While private plans are required to invest outside of their own companies, State and local governments are not. All of these entities have determined

that the increased risk of outside investments has been worth it when cost factors and benefit amounts have been considered. Additionally, the few Federal entities that maintain thrift plans, for example, the Federal Reserve Board and the Tennessee Valley Authority, invest in the private markets.

In order to minimize the impact on the Federal budget and the private markets, moneys are phased into private investments, at a rate of 20 percent a year after the first year for employee contributions and 20 percent a year after the sixth year for employer contributions. After the 10th year all new moneys contributed to the thrift plan will be available for outside investment.

The new plan provides an option for current employees to join with the employee retaining credit in the old system and in effect starting anew in the new system. His years of service in both systems count toward an eligibility to retire in both, and his highest years of salary in his career count toward the salary base in both systems. Prior Federal service does not entitle an employee to retroactive Social Security credit.

A thrift Investment Board will be established as an off budget agency to manage the thrift plan. It will be composed of five members: the Chairman of the Federal Reserve Board, the Secretary of the Treasury, the Director of OPM, and two representatives of Federal employee organizations appointed by the President. The Board will appoint an Executive Director who will be responsible for running the agency and directing the investments. The Board will not make any direct investment, but instead contract with investment firms to accomplish the task. The Board may establish other categories for investments in addition to the Government securities, fixed income, and common stock index investment funds specifically provided for in this plan. Except for the 2 years when the agency will receive Federal appropriations, the agency will be funded through a portion of investment returns.

Disability benefits differ according to eligibility for Social Security benefits. Vesting in either case is 18 months. If one is eligible for Social Security disability benefits or is ineligible only as a result of insufficient quarters of coverage, the employee is guaranteed 60 percent of his average salary totally offset by the receipt of Social Security benefits until reaching age 62. If the employee, as a result of nonwork related illness or injury, is no longer qualified for his position or another similar position, but is ineligible for Social Security benefits, he is entitled to a civil service disabilty benefit. This benefit provides 60 percent of his average pay in the first year after entitlement to disability benefits and 40 percent of his average salary in subsequent years until the employee recovers or reaches age 55.

Disability benefits are provided through a long term disability insurance plan purchased by the Government and administered by a third party. Using this approach to provide generous benefits for total disability and limited benefits for occupational disability is common in private industry. These benefits do not include the added amount available through an employee's thrift plan.

Preretirement survivor benefits are payable to a spouse of a deceased employee who had 5 years of service. If the deceased employee was eligible to retire, the survivor gets 50 percent of the accrued annuity with applicable early retirement reductions plus Social Security. If the deceased employee was ineligible to retire, the survivor will receive 50 percent of the deceased employee's accrued annuity at the point the employee would have been eligible to retire. In addition, the survivor receives a noncontributory amount of life insurance equal to the basic contributory amount available under current law through Federal Employees Group Life Insurance.

Post retirement survivor benefits follow the same policy as long as such benefits are not waived. Those eligible will receive 50 percent of the annuity, in addition to any Social Security benefits payable.

Mr. President, hearings on this legislation have been scheduled before the Senate Governmental Affairs Committee on September 9, 10, and 11.

Mr. President, I ask unanimous consent that the bill, a sectional analysis, and a Congressional Research Service cost and benefit analysis be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1527

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,
That this Act may be cited as the "Civil Service Pension Reform Act of 1985".

PURPOSES

SEC. 2. The purposes of this Act are—

(1) to provide Federal employees with a retirement benefits plan which is comparable to good private sector retirement benefits plans;

(2) to promote financial stability and flexibility for the future of each Federal employee;

(3) to ensure a fully funded and financially sound Federal Government retirement benefits plan;

(4) to enhance portability of retirement assets between Federal jobs and jobs outside the Federal Government;

(5) to increase the options of each Federal employee with respect to retirement benefits plans;

(6) to encourage Federal employees to increase personal savings for retirement;

(7) to include Federal employees in the investment decisionmaking process with respect to the assets of the retirement system; and

(8) to extend financial protection from disability to additional Federal employees and to increase such protection for eligible Federal employees.

TITLE I—CIVIL SERVICE PENSION SYSTEM

ESTABLISHMENT

SEC. 101. (a) Title 5, United States Code, is amended by inserting after chapter 83 the following new chapter:

"CHAPTER 84—CIVIL SERVICE PENSION SYSTEM

"SUBCHAPTER I—DEFINITIONS; CIVIL SERVICE PENSION SYSTEM

"Sec.
"8401. Definitions.
"8402. Civil Service Pension System; participation.
"8403. Relationship to the Social Security Act.

"SUBCHAPTER II—BASIC PLAN

"8411. Entitlement to immediate retirement.
"8412. Entitlement to deferred retirement.
"8413. Computation of annuity.
"8414. Reduction for early retirement.
"8415. Reduction for survivor annuities.
"8416. Methods of payments.
"8417. Level benefits option.
"8418. Funding.
"8419. Funding of annuity attributable to military service.

"SUBCHAPTER III—THRIFT SAVINGS PLAN

"8421. Contributions.
"8422. Vesting.
"8423. Entitlement and elections relating to entitlement.
"8424. Annuities: methods of payment; election; and computation.
"8425. Administrative provisions relating to payments and elections.
"8426. Thrift Savings Fund.
"8427. Investment of Thrift Savings Fund.
"8428. Accounting.

"SUBCHAPTER IV—SURVIVOR BENEFITS

"8431. Basic plan spousal benefits relating to the death of a participant or former participant other than an annuitant.
"8432. Basic plan spousal and insurable interest benefits relating to the death of an annuitant.
"8433. Survivor benefits under the thrift savings plan.
"8434. Basic and thrift savings plan survivor benefits relating to marriage after commencement of an annuity.
"8435. Survivor benefits for former spouses: entitlements; amount.
"8436. Survivor benefits for former spouses: elections, deposits and collections, and administrative provisions.
"8437. Termination of entitlement.
"8438. Deposits to the Fund.

"SUBCHAPTER V—DISABILITY BENEFITS

"8441. Definitions.
"8442. Entitlement.
"8443. Computation of benefits.
"8444. Application.
"8445. Medical examinations.
"8446. Offers of alternative employment.
"8447. Recovery or restoration of earning capacity.
"8448. Relationship to workers' compensation.
"8449. Military reserve technicians.
"8450. Administrative provisions.

"8451. Annual accounting; special contingency reserve.
"8452. Federal Employees' Disability Insurance Fund.

"SUBCHAPTER VI—GENERAL AND ADMINISTRATIVE PROVISIONS

"8461. Authority of the Office of Personnel Management.
"8462. Cost-of-living adjustment in basic plan annuities and survivor annuities.
"8463. Rate of benefits.
"8464. Commencement and termination of annuities.
"8465. Waiver, allotment, and assignment of benefits.
"8466. Application for benefits.
"8467. Court orders.
"8468. Annuities and pay on reemployment.

"SUBCHAPTER VII—TRANSITION PROVISIONS

"8471. Treatment of certain individuals subject to the Civil Service Retirement and Disability System.
"8472. Special rules for participants retaining entitlement in the Civil Service Retirement and Disability System.
"8473. Participants subject to the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983.
"8474. Reemployed annuitants under the Civil Service Retirement and Disability System.
"8475. Exemption from certain offset provisions of the Social Security Act.
"8476. Regulations.

"SUBCHAPTER VIII—CIVIL SERVICE THRIFT INVESTMENT MANAGEMENT SYSTEM

"8491. Civil Service Thrift Investment Board.
"8492. Civil Service Thrift Advisory Committee.
"8493. Executive Director.
"8494. Investment policy.
"8495. Administrative provisions.
"8496. Fiduciary responsibilities; liability and penalty.

"SUBCHAPTER I—DEFINITIONS; CIVIL SERVICE PENSION SYSTEM

"§ 8401. Definitions

"Except as otherwise provided in this chapter, for the purposes of this chapter—

"(1) the term 'account', when used with respect to a participant or annuitant, means an account established and maintained under section 8428(a) of this title;

"(2) the term 'annuitant' means a former participant who is entitled to an annuity under this chapter and who has applied under this chapter for the payment of the annuity to commence;

"(3) the term 'average pay', when used with respect to a participant, means the largest annual rate resulting from averaging the participant's rates of basic pay in effect over any 5 consecutive years of creditable service or, in the case of an annuity under this chapter based on service of less than 5 years, over the total service, with each rate weighted by the period it was in effect;

"(4) the term 'basic pay', when used with respect to a participant—

"(A) means the lesser of—

"(i) the basic pay of the participant established pursuant to law, without regard to any provision of law (except sections 5308 and 5382(b) of this title) limiting the rate of pay actually payable in any pay period (including any provision of law restricting the use of appropriated funds); or

"(ii) the rate of basic pay payable for level I of the Executive Schedule; and

"(B) includes the items described in subparagraphs (A) through (D) of paragraph (3) of section 8331 of this title and does not include the items excluded by such paragraph;

"(5) the term 'Board' means the Civil Service Thrift Investment Board established by section 8491(a) of this title;

"(6) the term 'Civil Service Retirement and Disability Fund' means the Civil Service Retirement and Disability Fund referred to in section 8348 of this title;

"(7) the term 'court', when used with respect to a judgment, decree, order, or other judicial action, means any court of the United States, a State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States, or any Indian court, having jurisdiction to issue such judgment, decree, or order or to take such other judicial action;

"(8) the term 'Director' means the Director of the Office of Personnel Management;

"(9) the term 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

"(A) investment yields,

"(B) increases in rates of basic pay, and

"(C) rates of price inflation;

"(10) the term 'earnings', when used with respect to the Thrift Savings Fund, means the amount of the gain realized or yield received from the investment of sums in such fund;

"(11) the term 'eligible former spouse', when used with respect to a participant or former participant, means a former spouse of the participant or former participant who was married to the participant or former participant for at least 9 months;

"(12) the term 'employee' means—

"(A) each individual referred to in subparagraphs (A), (E), (F), (H), (I), and (J) of section 8331(1) of this title, including an employee of the United States Park Police and an employee of the United States Secret Service; and

"(B) a Congressional employee as defined in section 2107 of this title, including a temporary Congressional employee;

any of whose service after December 31, 1983, is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, except that such term does not include any individual referred to in clause (i), (ii), (v), (vi), or (ix) of paragraph (1) of section 8331 of this title or in the undesignated material after clause (ix) of such paragraph, any individual excluded under section 8402(b)(2) of this title, or any individual who was subject to subchapter III of chapter 83 of this title on December 31, 1983, and has not commenced participation in the System pursuant to section 8471 of this title;

"(13) the term 'Executive Director' means the Executive Director appointed under section 8493(a)(1) of this title;

"(14) the term 'firefighter' means an employee the duties of whose position—

"(A) are primarily to perform work directly connected with the control and extinguishment of fires; and

"(B) are sufficiently rigorous that employment opportunities are required to be limited to young and physically vigorous individuals, as determined by the Director considering the recommendation of the employing agency;

"(15) the term 'Fund' means the Civil Service Retirement and Disability Fund;

"(16) the term 'Government' means the Federal Government and Gallaudet College;

"(17) the term 'law enforcement officer' means an employee, the duties of whose position—

"(A) are primarily (i) the investigation, apprehension, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, or (ii) the protection of officials of the United States against threats to personal safety; and

"(B) are sufficiently rigorous that employment opportunities are required to be limited to young and physically vigorous individuals, as determined by the Director considering the recommendation of the employing agency;

"(18) the term 'loss', when used with respect to the Thrift Savings Fund, means the amount of the loss realized from the investment of sums in such fund;

"(19) the term 'lump-sum credit' has the same meaning as provided by section 8331(8) of this title;

"(20) the term 'Member' has the same meaning as provided in section 2106 of this title, except that such term does not include a person who (A) was a Member of Congress on December 31, 1983, and (B) has not commenced participation in the System pursuant to section 8471 of this title;

"(21) the term 'military reserve technician' means a member of one of the reserve components of the Armed Forces specified in section 261(a) of title 10 who—

"(A) is assigned to a civilian position as a technician in the administration and training of such reserve components or in the maintenance and repair of supplies issued to such reserve components; and

"(B) as a condition of employment in such position, is required to be a member of one of such reserve components serving in a specified military grade;

"(22) the term 'net earnings' means the excess of earnings over losses;

"(23) the term 'net losses' means the excess of losses over earnings;

"(24) the term 'normal cost' means the entry-age normal cost of the provisions of the System which relate to the Fund, computed by the Office in accordance with generally accepted actuarial practice and standards (using dynamic assumptions) and expressed as a level percentage of aggregate basic pay;

"(25) the term 'Office' means the Office of Personnel Management;

"(26) the term 'participant' means an employee or Member or a person who is receiving disability benefits under subchapter V of this chapter;

"(27) the term 'price index' has the same meaning as provided in section 8331(15) of this title;

"(28) the term 'service', when used with respect to a participant or former participant, means—

"(A) employment as a participant;

"(B) subject to section 8419(a) of this title, military service as provided in section 8332(c) of this title; and

"(C) service that is creditable under subchapter III of chapter 83 of this title, but only to the extent provided in section 8472(a) of this title;

"(29) the term 'supplemental liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under this chapter, over

"(B) the sum of—

"(i) the actuarial present value of the future contributions to be made on behalf

of participants pursuant to section 8418(a) of this title; and

"(ii) the balance in the Fund attributable to the System on the date the supplemental liability is determined; and

"(30) the term 'System' means the Civil Service Pension System described in section 8402(a) of this title.

"§ 8402. Civil Service Pension System; participation

"(a) The provisions of this chapter comprise the Civil Service Pension System.

"(b)(1) Except as provided in paragraph (2) of this subsection, each employee and Member shall be a participant in the System.

"(2)(A) The Office may exclude from the operation of this chapter an employee or group of employees in or under an Executive agency whose employment is temporary or intermittent, except an employee whose employment is part-time career employment (as defined in section 3401(2) of this title).

"(B) The Architect of the Capitol may exclude from the operation of this chapter an employee under the Office of the Architect of the Capitol whose employment is temporary or of uncertain duration.

"(C) The Librarian of Congress may exclude from the operation of this chapter an employee under the Library of Congress whose employment is temporary or of uncertain duration.

"§ 8403. Relationship to the Social Security Act

"Except as otherwise provided in this chapter, the benefits payable under the System are in addition to the benefits payable under the Social Security Act.

"SUBCHAPTER II—BASIC PLAN

"§ 8411. Entitlement to immediate retirement

"(a) An employee or a Member who is separated from Government employment after becoming 55 years of age and completing 10 years of service is entitled to an immediate annuity.

"(b) An employee or a Member who is separated from Government employment after becoming 62 years of age and completing 5 years of service is entitled to an immediate annuity.

"(c) An employee who is separated from Government employment after completing 25 years of service as a law enforcement officer or firefighter, or any combination of such service totaling at least 25 years, is entitled to an immediate annuity.

"(d) An employee who is separated from Government employment after completing 25 years as an air traffic controller is entitled to an immediate annuity.

"(e)(1) Except as provided in paragraphs (2) and (3) of this subsection, any employee who has completed 25 years of service, or is not less than 50 years of age and has completed 20 years of service, and who—

"(A) is separated from Government employment involuntarily, except by removal for cause on charges of misconduct or delinquency, or

"(B) while serving in a geographic area designated by the Director, is voluntarily separated from Government employment during a period that (as determined by the Director)—

"(i) the agency in which the employee is serving is undergoing a major reorganization, a major reduction in force, or a major transfer of function, and

"(ii) a significant percentage of the total number of employees serving in such agency will be separated or subject to an immediate reduction in the rate of basic pay (without regard to subchapter VI of chapter 53 of this title or comparable provisions),

is entitled to an immediate annuity.

"(2) An employee described in paragraph (1)(A) of this subsection is not entitled to an annuity under this subsection if the employee has declined a reasonable offer of another position in the employee's agency for which the employee is qualified and the offered position is not lower than 2 grades or pay levels below the employee's grade or pay level and is within the employee's commuting area.

"(3) Paragraph (1) of this subsection shall not apply to a firefighter, law enforcement officer, or air traffic controller who has completed 25 years of service.

"(f) An annuity authorized by this section is computed under sections 8413 through 8415 of this title.

"§ 8412. Entitlement to deferred retirement

"(a) A participant who is under 55 years of age and separates from Government employment after completing 10 years of service is entitled to an annuity to commence on or after the date the participant becomes 55 years of age but not later than the date the participant becomes 62 years of age, as elected by the participant under rules prescribed by the Office.

"(b) A participant who is under 62 years of age and separates from Government employment after completing 5 years of service and before completing 10 years of service is entitled to an annuity to commence on the date the participant becomes 62 years of age.

"(c) An annuity authorized by this section is computed under sections 8413 through 8415 of this title.

"§ 8413. Computation of annuity

"(a)(1) Except as provided in section 8414 or 8415 of this title, the amount of the annuity an annuitant is entitled to receive under this subchapter shall be equal to the product of 1 percent of the former participant's average pay (while serving as an employee or Member) multiplied by the participant's total service.

"(2) For the purposes of computing the amount of an annuity under paragraph (1) of this subsection, the total service of a participant who separates from Government employment entitled to an immediate annuity or who dies leaving a survivor or survivors entitled to a survivor annuity under this chapter includes days of unused sick leave credited to the participant under a formal leave system to the same extent that unused sick leave is credited in computing an annuity of a person who is subject to subchapter III of chapter 83 of this title, as provided in section 8339(m) of this title.

"(b)(1) A former participant who is entitled to receive an annuity under subsection (c) or (d) of section 8411 of this title and is at least 55 years of age and not more than 62 years of age shall be entitled to receive an annuity supplement, in addition to the amount of the annuity computed under subsection (a) of this section, while the former participant is under 62 years of age.

"(2) The amount of the annuity supplement payable to a former participant under paragraph (1) of this subsection shall be equal to the estimated amount of the benefits that—

"(A) the former participant would be entitled to receive under title II of the Social Security Act if the participant were 62 years of age on the date the annuity referred to in such paragraph commences; and

"(B) is attributable to service referred to in section 8411(c) or 8411(d) of this title, as the case may be,

computed on the date such annuity commences and increased as provided in paragraph (3) of this subsection.

"(3) Effective on January 1 of each year, the amount of the annuity supplement payable to a former participant under this subsection shall be increased by the percentage increase, if any, in the SSA average wage index (as defined in section 215(i)(1)(G) of the Social Security Act) published for November of the preceding year over such index published for November of the next preceding year.

"(c) In computing under this section the annuity of an individual who has performed service on less than a full-time basis, such service shall be credited on a proportional basis equal to the fraction that such service is of full-time service, and the annual rate of basic pay that would be payable for full-time service in the position shall be deemed to be the rate of basic pay.

"§ 8414. Reduction for early retirement

"The annuity computed under section 8413(a) of this title (without regard to this section or section 8415 of this title)—

"(1) for an annuitant, other than an annuitant referred to in paragraph (2) or (3) of this section, who is under 62 years of age on the date on which the annuitant's annuity commences shall be reduced by one-sixth of 1 percent for each month that the annuitant is under such age on such date;

"(2) for an annuitant, other than an annuitant entitled to an immediate annuity under section 8411(e) of this title and an annuitant referred to in paragraph (3) of this subsection, who is at least 55 years of age and is under 62 years of age on the date on which the annuitant's annuity commences and has not completed 30 years of service shall be reduced by five-twelfths of 1 percent for each month that the annuitant is under 62 years of age on such date; and

"(3) for an annuitant who is entitled to an immediate annuity under subsection (c) or (d) of section 8411 of this title or who separated from Government employment as a military reserve technician shall be reduced by five-twelfths of 1 percent for each month that the annuitant is under 55 years of age on the date on which the annuitant's annuity commences.

"§ 8415. Reduction for survivor annuities

"(a) The annuity of an annuitant computed under section 8413 of this title and, if appropriate, under section 8414 of this title shall be reduced by an estimated amount such that the actuarial present value of the retirement benefits expected to be payable to the annuitant under this subchapter and all survivor benefits expected to be payable out of the Fund with respect to the annuitant is equal to the actuarial present value of the retirement benefits that would be expected to be payable under this subchapter to the annuitant pursuant to the method referred to in section 8416(a)(2)(A) of this title, as determined under regulations prescribed by the Office.

"(b) A reduction in the annuity of an annuitant pursuant to subsection (a) of this section shall be adjusted, as appropriate to carry out such subsection, to reflect any change in circumstances relating to entitlement to a survivor annuity, including any election made pursuant to section 8434(a), 8436(b), or 8436(c) of this title.

"§ 8416. Methods of Payment

"(a)(1) The Office shall prescribe methods of payment of annuities under this subchapter.

"(2) The methods of payment prescribed under paragraph (1) of this subsection shall include, but not be limited to—

"(A) a method which provides for the payment of a monthly annuity only to an annuitant during the life of the annuitant;

"(B) a method which provides for the payment of a monthly annuity to an annuitant and a monthly survivor annuity equal to 50 percent of the annuitant's annuity on the date of the annuitant's death (computed without regard to an election under section 8417(a) of this title) to the annuitant's surviving spouse, if any; and

"(C) a method which provides for the payment of a monthly annuity to an annuitant and a monthly survivor annuity equal to 50 percent of the annuitant's annuity on the date of the annuitant's death (computed without regard to an election under section 8417(a) of this title) to an individual who is designated by the annuitant and who has an insurable interest in the annuitant.

"(b)(1) Subject to paragraphs (2) and (3) of this subsection—

"(A) under such regulations as the Office shall prescribe, a participant or former participant who is applying for an annuity under this subchapter to commence shall elect one of the methods of payment prescribed by the Office under subsection (a) of this section; and

"(B) the annuity of an annuitant under this subchapter shall be paid in accordance with the method of payment elected by the annuitant pursuant to subparagraph (A) of this paragraph.

"(2)(A) A participant or former participant who is married on the date on which the participant or former participant applies for an annuity under this subchapter to commence may elect a method of payment other than the method described in subsection (a)(2)(B) of this section only if the participant or former participant and the spouse of the participant or former participant jointly waive a survivor annuity under the method described in such subsection (a)(2)(B).

"(B) A waiver shall not be effective for the purpose of subparagraph (A) of this paragraph unless the waiver is made in writing, is notarized, and is filed with the Office on or before the date the annuity to which the waiver relates commences.

"(C) A waiver made in accordance with this paragraph shall be irrevocable.

"(3) In the case of an annuitant who is subject to paragraph (2)(A) of this subsection and fails to make an election under paragraph (1) of this subsection, an annuity and survivor annuity shall be paid under the method of payment described in subsection (a)(2)(B) of this section.

"(4) A participant or former participant may elect the method prescribed under subsection (a)(2)(C) of this section only if the participant or former participant is in good health on the date the election is made, as determined by the Office.

"§ 8417. Level benefits option

"(a) Under regulations prescribed by the Office, an annuity payable under this subchapter to a participant who is separating from Government employment entitled to an immediate annuity under subsection (a) of section 8411 of this title and is less than 62 years of age may be adjusted as provided in subsection (b) of this section, if elected by the participant on or before the date of separation.

"(b)(1) Subject to paragraph (2) of this subsection, an annuity payable under this subchapter to an annuitant who has made an election authorized by subsection (a) of this section may be increased during the period the annuitant is not less than 55 years of age and is less than 62 years of age and may be reduced on and after the date the annuitant is not less than 62 years of age as appropriate to provide the annuitant an annuity under this subchapter, during each month of such period, in an amount which approximately equals the total amount of the monthly benefits payable to the annuitant under this subchapter and section 202(a) of the Social Security Act after such date.

"(2) The actuarial present value of the benefits expected to be paid under this subchapter to the annuitant as provided in paragraph (1) of this subsection on and after the date the annuitant becomes 55 years of age may not exceed the actuarial present value of the benefits that would be expected to be paid under this subchapter to such participant on and after such date if the adjustments authorized by such paragraph were not made, as determined under regulations prescribed by the Office.

"§ 8418. Funding

"(a)(1) Each agency of the Government employing a participant shall contribute to the Fund an amount equal to the sum of—

"(A) the normal cost, as determined by the Office, of (i) each participant who is employed by the agency, and (ii) each disabled participant who is entitled to benefits under section 8442(a) of this title and was employed by the agency on the date the participant became disabled (computed using average pay as increased in accordance with section 8442(b)(2)(C) of this title); and

"(B) the normal cost, as determined by the Office, of the annuity supplement under section 8413(b) of this title for each law enforcement officer, firefighter, and air traffic controller who is employed by the agency.

"(2) The contribution required by paragraph (1) of this subsection to be made by an agency shall be made from the appropriation or fund used to pay the agency's participants, or, in the case of an elected participant, from an appropriation or fund available for payment of other salaries of the office or establishment of the participant. In the case of a participant in the legislative branch who is paid by the Clerk of the House of Representatives, contributions for the benefit of such participant shall be paid from the contingent fund of the House of Representatives.

"(b)(1) The Office shall compute—

"(A) the amount of the supplemental liability of the Fund relating to participants and annuitants other than participants and annuitants referred to in subparagraph (B) of this paragraph, and

"(B) the amount of the supplemental liability of the Fund relating to participants and annuitants who are active or retired officers or employees of the United States Postal Service,

as of the close of each fiscal year beginning after September 30, 1987.

"(2) The amounts of any supplemental liability—

"(A) computed pursuant to paragraph (1)(A) of this subsection with respect to participants and annuitants referred to in such paragraph (1)(A) of this subsection, and

"(B) computed pursuant to paragraph (1)(B) of this subsection with respect to participants and annuitants referred to in such paragraph (1)(B),

shall each be amortized in thirty annual installments.

"(3) At the end of each fiscal year, the Office shall notify—

"(A) the Secretary of the Treasury of the amount of the annual installment computed under paragraph (2)(A) of this subsection for such fiscal year, and

"(B) the Postmaster General of the United States of the amount of the annual installment computed pursuant to paragraph (2)(B) of this subsection for such fiscal year.

"(4)(A) Before closing the accounts for a fiscal year, the Secretary of the Treasury shall credit the amount of the annual installment computed for such fiscal year pursuant to paragraph (2)(A) to the Fund, as a Government contribution, out of any money in the Treasury of the United States not otherwise appropriated.

"(B) Upon receiving a notice required by paragraph (3)(B) of this subsection, the United States Postal Service shall pay to the Fund the amount of the annual installment specified in the notice.

"(5) For the purpose of carrying out paragraph (1) of this subsection with respect to any fiscal year, the Office may—

"(A) require the Board of Actuaries of the Civil Service Retirement System to make actuarial determinations and valuations, make recommendations, and maintain records in the same manner as provided in section 8347(f) of this title; and

"(B) may use the latest actuarial determinations and valuations made by such Board of Actuaries.

"§ 8419. Funding of annuity attributable to military service

"(a) Except in the case of an individual making an election under section 8471(a)(1)(A) of this title, a participant's or former participant's service shall include credit for military service as provided in section 8332(c) of this title without regard to whether the participant or former participant has made a deposit covering such military service as provided in section 8334(j) of this title.

"(b) Before closing the accounts for a fiscal year, the Secretary of the Treasury shall reimburse the Fund from sums in the Department of Defense Military Retirement Fund (established by section 1461(a) of title 10), which are hereby made available to pay the reimbursement, for the normal cost relating to the creditable military service of employees and Members who became participants during such fiscal year, actuarially adjusted to the date of payment, as determined by the Office.

"(c) At the end of each fiscal year the Office shall compute the amount of the reimbursement required by subsection (b) of this section for the fiscal year and shall notify the Secretary of the Treasury of that amount.

"SUBCHAPTER III—THRIFT SAVINGS PLAN

"§ 8421. Contributions

"(a)(1) Each participant may contribute to the Thrift Savings Fund in any year an amount not exceeding 10 percent of the participant's annual rate of basic pay.

"(2) Each participant receiving disability benefits under subchapter V of this chapter may, until becoming 62 years of age (in the case of a person who is disabled within the meaning of section 8441(4)(A) of this title) or until becoming 55 years of age (in the case of a person who is disabled within the meaning of section 8441(4)(B) of this title), contribute to the Thrift Savings Fund in

any year an amount not exceeding 10 percent of the amount of the former participant's disability benefits payable under such subchapter during such year.

"(3) Any contribution under this subsection shall be made only pursuant to a program of regular contributions under regulations prescribed by the Board.

"(4) At least once each year, a participant may modify the amount contributed pursuant to paragraph (1) or (2) of this subsection, as the case may be, under regulations prescribed by the Board.

"(b) The employing agency of a participant who contributes to the Thrift Savings Fund under subsection (a) of this section for any pay period, or, in the case of a disabled participant who contributes to such fund under such subsection for any disability benefits payment period, the employing agency of the participant on the date the participant became disabled (as defined in section 8441(4) of this title), shall contribute to the Thrift Savings Fund for the benefit of such participant or disabled participant at the end of such period an amount equal to such portion of the amount of the participant's contribution as does not exceed 5 percent of the amount of the gross pay or gross disability benefits, as the case may be, payable for such period.

"(c) The sums required to be contributed to the Thrift Savings Fund by an employing agency under subsection (b) of this section for the benefit of a participant shall be paid from the appropriations or funds available to such agency to pay the basic pay of participants or, in the case of an elected participant, from an appropriation or fund available for payment of other salaries of the participant's office or establishment. In the case of a participant in the legislative branch who is paid by the Clerk of the House of Representatives, contributions for the benefit of such participant shall be paid from the contingent fund of the House of Representatives.

"(d) For purposes of the Internal Revenue Code of 1954—

"(1) any amount of the participant's pay which is contributed to the Thrift Savings Fund, and the amount of the employing agency's matching contributions, shall not be included in the gross income of the participant; and

"(2) the Thrift Savings Fund shall be treated, for purposes of determining when amounts in such Fund are included in the income of any participant, as described in section 401(a) of such Code.

"(e) Subsection (d)(1) of this section shall not be construed to provide that any amount of the participant's pay which is contributed to the Thrift Savings Fund shall not be included in the term 'wages' for purposes of section 209 of the Social Security Act or section 3121(a) of the Internal Revenue Code of 1954.

"§ 8422. Vesting

"(a)(1) A participant who separates from Government employment shall be entitled to an amount equal to—

"(A) the total amount of the contributions made under section 8421(a) of this title plus the total amount of the net earnings in the Thrift Savings Fund, or minus the total amount of the net losses, attributable to such contributions; and

"(B) the applicable percentage of the amount equal to the total amount contributed to the Thrift Savings Fund for the benefit of the participant under section 8421(b) of this title plus the total amount of the net earnings in the Thrift Savings Fund, or minus the total amount of the net losses, attributable to such contributions, as provided in subsection (b) of this section.

"(2) The amount to which a participant is entitled under paragraph (1) of this subsection shall be payable in accordance with the election made by the participant pursuant to section 8423 of this title.

"(b)(1) For the purpose of subsection (a)(1)(B) of this section, except as provided in paragraph (2) of this subsection, the applicable percentage for a participant separating from Government employment after having been a participant in the System for a period set forth under column I of the table below is the percentage set forth under column II of the table below opposite the description of such period:

"Column I	*Column II*
Period for which the participant has been a participant in the System:	Applicable percentage
Less than 1 year	
Not less than 1 year, but less than 2 years	20
Not less than 2 years, but less than 3 years	40
Not less than 3 years, but less than 4 years	60
Not less than 4 years, but less than 5 years	80
Not less than 5 years	100.

"(2) For the purposes of subsection (a)(1)(B) of this section—

"(A) the percentage applicable in the case of any participant who dies while employed by the Government shall be 100 percent; and

"(B) in the case of a participant making contributions under section 8421(a)(2) of this title, the period for which the person has been a participant in the System shall include periods for which such contributions were made.

"(c) When an election is made by a participant under section 8423(c) of this title, the amount equal to the excess of—

"(1) the sum of—

"(A) the amounts contributed to the Thrift Savings Fund with respect to the participant under section 8421 of this title; and

"(B) the net earnings in the Thrift Savings Fund attributable to such contributions, over

"(2) the amount in the Thrift Savings Fund paid or reserved for payment to or with respect to the participant pursuant to section 8423(c) of this title,

shall be transferred to the Treasury of the United States for credit to Miscellaneous Receipts.

"§ 8423. Entitlement and elections relating to entitlement

"(a) Any participant who separates from Government employment entitled to an immediate annuity under section 8411 of this title is entitled and may elect—

"(1) to receive an immediate annuity from the Thrift Savings Fund;

"(2) to defer the commencement of the payment of an annuity from the Thrift Savings Fund until such date as the participant specifies;

"(3) to withdraw, in one or more payments, the amount of the balance credited to the participant's account in the Thrift Savings Fund; or

"(4) to transfer the amount of the balance in the account to an individual retirement account or other qualified plan (within the meaning of the Internal Revenue Code of 1954) of the participant.

"(b) Any participant who separates from Government employment entitled to a deferred annuity under section 8412 of this title is entitled and may elect—

"(1) to receive an annuity from the Thrift Savings Fund to commence on the first date the participant is entitled to receive the deferred annuity;

"(2) to defer the commencement of the payment of an annuity from the Thrift Savings Fund until a date after the first date the participant is entitled to receive the deferred annuity, as specified by the participant;

"(3) to withdraw in one or more payments, on or after the first date the participant is entitled to receive the deferred annuity, the amount of the balance credited to the participant's account in the Thrift Savings Fund; or

"(4) to transfer the amount of the balance in the account to an individual retirement account or other qualified plan (within the meaning of the Internal Revenue Code of 1954) of the participant.

"(c) Any participant who separates from Government employment before becoming entitled to an annuity under section 8411 or 8412 of this title is entitled and may elect—

"(1) to receive an annuity from the Thrift Savings Fund to commence when the participant becomes 62 years of age;

"(2) to withdraw, in one or more payments, the amount computed under section 8422(a)(1) of this title, payable when the participant becomes 62 years of age; or

"(3) to transfer such amount to an individual retirement account or other qualified plan (within the meaning of the Internal Revenue Code of 1954) of the participant.

"(d)(1) Subject to paragraph (2) of this subsection, any participant making an election pursuant to subsection (a)(2) or (b)(2) of this section may modify the date specified in the election or in a previous modification under this subsection.

"(2) Any modification of an election under paragraph (1) of this subsection may not be made on or after the date specified in the election or the latest modification made under such paragraph and may not specify a date for the commencement of annuity payments earlier than one month after the date the modification is filed with the Executive Director.

"§ 8424. Annuities: methods of payment; election; and computation

"(a)(1) The Board shall prescribe methods of payment of annuities under this subchapter.

"(2) The methods of payment prescribed under paragraph (1) of this subsection shall include, but not be limited to—

"(A) a method which provides for the payment of a monthly annuity only to an annuitant during the life of the annuitant;

"(B) a method which provides for the payment of a monthly annuity to an annuitant for the joint lives of the annuitant and the spouse of the annuitant and an appropriate monthly annuity to the one of them who survives the other of them for the life of the survivor;

"(C) a method described in subparagraph (A) of this paragraph which provides annual increases in the amount of the annuity payable;

"(D) a method described in subparagraph (B) of this paragraph which provides annual increases in the amount of the annuity payable; and

"(E) a method providing for the payment of a monthly annuity—

"(i) to the annuitant for the joint lives of the annuitant and an individual, designated by the annuitant under regulations prescribed by the Board, who has an insurable interest in the annuitant; and

"(ii) to the one of them who survives the other of them for the life of the survivor.

"(b) Subject to paragraph (2) of this subsection, under such regulations as the Board shall prescribe, an annuitant electing under section 8423 of this title to receive an annuity from the Thrift Savings Fund shall elect, on or before the date on which the annuitant's annuity under this subchapter commences, one of the methods of payment prescribed by the Board under subsection (a) of this section.

"(c) The amount of an annuity payable under this subchapter pursuant to the method elected under subsection (b) of this section shall be determined on an actuarial basis under regulations prescribed by the Board.

"§ 8425. Administrative provisions relating to payments and elections

"(a) The Executive Director shall make or provide for payments and transfers in accordance with an election of a participant under section 8423 or 8424(b) of this title.

"(b) Any election under section 8423 or 8424(b) of this title shall be in writing and shall be filed with the Executive Director in accordance with regulations prescribed by the Board.

"(c) Notwithstanding any other provision of this section, an election or modification of an election under any provision of this subchapter shall not be effective if the election or modification would result in a violation of the terms of an applicable court decree of divorce, annulment, or legal separation, or the terms of any court order or court-approved property settlement agreement incident to a court decree of divorce, annulment, or legal separation, as determined by the Executive Director.

"§ 8426. Thrift Savings Fund

"(a) There is established in the Treasury of the United States a Thrift Savings Fund.

"(b) The Thrift Savings Fund consists of the sum of all amounts contributed under section 8421 of this title increased by the total net earnings from investments of sums in the Thrift Savings Fund or reduced by the total net losses from investments of the Thrift Savings Fund.

"(c) The sums in the Thrift Savings Fund are appropriated and shall remain available without fiscal year limitation—

"(1) to invest under section 8427 of this title;

"(2) to pay benefits under this subchapter;

"(3) to pay the administrative expenses of the Civil Service Thrift Investment Management System prescribed in subchapter VIII of this chapter; and

"(4) to make loans to participants as authorized under subsection (e) of this section.

"(d)(1) Except as provided in paragraph (2) of this subsection, sums in the Thrift Savings Fund are not subject to execution, levy, attachment, garnishment, or other legal process.

"(2) Moneys due or payable from the Thrift Savings Fund to any individual and, in the case of an individual who is a participant, moneys which the individual would be entitled to receive under section 8422 of this title upon separation from Government employment shall be subject to legal process for the enforcement of the individual's legal obligations to provide child support or make alimony payments as provided in section 459 of the Social Security Act (42 U.S.C. 659) or to pay any indebtedness of the individual to the United States.

"(e) The Board shall establish a program to make loans from the Thrift Savings Fund to a participant in case of financial hardship and shall prescribe regulations to carry out such program. Any such loan shall be made only out of sums contributed to the Thrift Savings Fund by the participant and net earnings attributable to such sums.

"(f) The sums in the Thrift Savings Fund shall not be appropriated and may not be used for any purpose other than the purposes specified in this section.

"§ 8427. Investment of Thrift Savings Fund

"(a) For the purposes of this section—

"(1) the term 'Common Stock Index Investment Fund' means the Common Stock Investment Fund established under subsection (b)(1)(C) of this section;

"(2) the term 'equity capital' means common and preferred stock, surplus, undivided profits, contingency reserves, and other capital reserves;

"(3) the term 'Fixed Income Investment Fund' means the Fixed Income Investment Fund established under subsection (b)(1)(B) of this section;

"(4) the term 'Government Securities Investment Fund' means the Government Securities Investment Fund established under subsection (b)(1)(A) of this section;

"(5) the term 'net worth' means capital, paid-in and contributed surplus, unassigned surplus, contingency reserves, group contingency reserves, and special reserves;

"(6) the term 'plan' means an employee benefit plan, as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3));

"(7) the term 'qualified professional asset manager' means—

"(A) a bank, as defined in section 202(a)(2) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(2)) which—

"(i) has the power to manage, acquire, or dispose of assets of a plan; and

"(ii) has, as of the last day of its latest fiscal year ending before the date of a determination for the purpose of this clause, equity capital in excess of $1,000,000;

"(B) a savings and loan association, the accounts of which are insured by the Federal Savings and Loan Insurance Corporation, which—

"(i) has applied for and been granted trust powers to manage, acquire, or dispose of assets of a plan by a State or Government authority having supervision over savings and loan associations; and

"(ii) has, as of the last day of its latest fiscal year ending before the date of a determination for the purpose of this clause, equity capital or net worth in excess of $1,000,000;

"(C) an insurance company which—

"(i) is qualified under the laws of more than one State to manage, acquire, or dispose of any assets of a plan;

"(ii) has, as of the last day of its latest fiscal year ending before the date of a determination for the purpose of this clause, net worth in excess of $1,000,000; and

"(iii) is subject to supervision and examination by a State authority having supervision over insurance companies; or

"(D) an investment adviser registered under section 203 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3) if the investment adviser has, on the last day of its latest fiscal year ending before the date of a determination for the purpose of this subparagraph, total client assets under its management and control in excess of $50,000,000, and—

"(i) the investment adviser has, on such day, shareholder's or partner's equity in excess of $750,000; or

"(ii) payment of all of the investment adviser's liabilities, including any liabilities which may arise by reason of a breach or violation of a duty described in section 8497 of this title, is unconditionally guaranteed by—

"(I) a person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the investment adviser and who has, on the last day of the person's latest fiscal year ending before the date of a determination for the purpose of this clause, shareholder's or partner's equity in an amount which, when added to the amount of the shareholder's or partner's equity of the investment adviser on such day, exceeds $750,000;

"(II) a qualified professional asset manager described in subparagraph (A), (B), or (C) of this paragraph; or

"(III) a broker or dealer registered under section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) that has, on the last day of the broker's or dealer's latest fiscal year ending before the date of a determination for the purpose of this clause, net worth in excess of $750,000; and

"(8) the term 'shareholder's or partner's equity', when used in paragraph (7)(D) of this subsection with respect to an investment adviser or a person who is affiliated with the investment adviser in a manner described in clause (ii)(I) of such paragraph (7)(D), means the equity shown in the most recent balance sheet prepared for such investment adviser or affiliated person, in accordance with generally accepted accounting principles, within 2 years before the date on which the investment adviser's status as a qualified professional asset manager is determined for the purposes of this section.

"(b)(1) The Board shall establish—

"(A) a Government Securities Investment Fund under which sums in the Thrift Savings Fund are invested in securities of the United States Government issued as provided in subsection (g) of this section;

"(B) a Fixed Income Investment Fund under which sums in the Thrift Savings Fund are invested in insurance contracts, certificates of deposits, or other instruments or obligations which (i) are issued or selected by qualified professional asset managers, and (ii) return the amount invested and pay interest, at a specified rate or rates, on that amount during a specified period of time;

"(C) a Common Stock Index Investment Fund as provided in paragraph (2) of this subsection; and

"(D) such other investment funds as the Board determines to be appropriate for the purposes of this subchapter.

"(2)(A) The Board shall define an index which—

"(i) consists of all of the common stocks that are publicly listed and traded on one or more national securities exchanges, or

"(ii) is a commonly recognized index comprised of common stock the aggregate market value of which is at least 50 percent of the aggregate market value of all common stocks that are publicly listed and traded on one or more national securities exchanges.

"(B) The Common Stock Investment Fund shall be invested in each stock that is included in the index defined under subparagraph (A) of this paragraph such that, to the extent practicable, the percentage of the Common Stock Investment Fund that is invested in that stock is the same as the percentage determined by dividing the aggregate market value of all shares of that stock by the aggregate market value of all shares of all stock included in such index.

"(c)(1) The Executive Director shall invest in the Government Securities Investment Fund the sums which are in the Thrift Savings Fund, are available for investment, and are not to be invested in an investment fund referred to in subsection (b)(1)(B), (b)(1)(C), or (b)(1)(D) of this section pursuant to an election made under subsection (d) of this section.

"(2) Except as provided in subsection (e) of this section, the Executive Director shall invest sums available in the Thrift Savings Fund for investment as provided in elections made under subsection (d) of this section.

"(d)(1) Except as provided in subsection (e) of this section, at least once each year, a participant or former participant may elect the investment funds referred to in subsection (b) of this section into which the sums in the Thrift Savings Fund credited to the account of such participant or former participant are to be invested or reinvested.

"(2) The election may be made by a participant or former participant under paragraph (1) of this subsection only in accordance with regulations prescribed by the Board and within such period after the date the participant's or former participant's annual statement is transmitted to the participant or former participant pursuant to section 8428(b) of this title as the Board shall prescribe in such regulations.

"(e)(1)(A) The Executive Director shall invest a percentage of the total amount that—

"(i) is contributed to the Thrift Savings Fund by a participant under section 8421(a) of this title during a year described under column I of the first table of minimum Government securities investments set out in subparagraph (B) of this paragraph, and

"(ii) is available for investment,

in the Government Securities Investment Fund as provided under column II of the table opposite the description of such year.

"(B) For the purposes of subparagraph (A) of this paragraph, the first table of minimum Government securities investments is as follows:

"Column I Year:	*Column II* Minimum percentage of the amounts contributed by a participant for each month of such year to be invested in the Government Securities Investment Fund:
1987	100
1988	80
1989	60
1990	40
1991	20.

"(2)(A) The Executive Director shall invest a percentage of the total amount that—

"(i) is contributed to the Thrift Savings Fund by the Government for the benefit of a participant pursuant to section 8421(b) of this title during a year described under column I of the second table of minimum Government securities investments set out in subparagraph (B) of this paragraph, and

"(ii) is available for investment,

in the Government Securities Investment Fund as provided under column II of the table opposite the description of such year.

"(B) For the purposes of subparagraph (A) of this paragraph, the second table of minimum Government securities investments is as follows:

"Column I Year:	*Column II* Minimum percentage of the amounts contributed for the benefit of a participant for each month of such year to be invested in the Government Securities Investment Fund:
1987-1992	100
1993	80
1994	60
1995	40
1996	20

"(3) All sums credited to the Thrift Savings Fund pursuant to section 8473(b) of this title shall be invested in the Government Securities Investment Fund.

"(4) The sums which are invested in the Government Securities Investment Fund as required by this subsection and are returned to the Thrift Savings Fund after maturity of the securities purchased with such sums, and the amounts earned on the investment of such sums, shall be reinvested in the Government Securities Investment Fund.

"(f) The Secretary of the Treasury shall issue notes under section 3103 of title 31 as appropriate to meet the investment needs of the Thrift Savings Fund under this section. The notes shall have a 2-year maturity, shall be redeemable at par, and shall bear interest at a rate equal to the average market yield, computed as of the end of the calendar month next preceding the date of the issue, of all 2-year notes then forming a part of the public debt of the United States. If the average market yield is not a multiple of 1/8 of 1 percent, the rate of interest on the obligations shall be the multiple of 1/8 of 1 percent nearest the average market yield.

"§ 8428. Accounting

"(a)(1) The Executive Director shall establish and maintain an account for each participant making contributions under section 8421(a) of this title.

"(2) The balance in the account of a participant or former participant at any time is the excess of—

"(A) the sum of—

"(i) all contributions made to the Thrift Savings Fund by the participant or former participant under section 8421(a) of this title;

"(ii) all contributions made to such fund for the benefit of the participant or former participant under section 8421(b) of this title;

"(iii) the amounts transferred to such fund with respect to the participant or former participant under section 8473(b) of this title; and

"(iv) the total amount of the allocations made to and reductions made in the account pursuant to paragraph (3) of this section, over

"(B) the amounts paid out of the Thrift Savings Fund with respect to such participant or former participant under this subchapter and subchapter IV of this title.

"(3) Pursuant to regulations prescribed by the Board, the Executive Director shall allocate to the account of each participant or former participant an amount equal to a pro rata share of the net earnings and net losses from each investment of sums in the Thrift Savings Fund attributable to sums credited to the account of such participant, reduced by an appropriate share of the administrative expenses of the Civil Service Thrift Investment Management System prescribed in subchapter VIII of this chapter, as determined by the Executive Director.

"(b) The Executive Director shall provide each participant and former participant an annual statement of the balance in the participant's or former participant's account.

"(c)(1) For the purposes of this subsection, the term 'qualified public accountant' shall have the same meaning as provided in section 103(a)(3)(D) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1024(a)(3)(D)).

"(2) The Executive Director shall annually engage, on behalf of all participants, an independent qualified public accountant, who shall conduct an examination of any accounts established under subsection (a) of this section and of other books and records maintained in the administration of this subchapter as the accountant considers necessary to enable the accountant to make the determination required by paragraph (3) of this subsection. The examination shall be conducted in accordance with generally accepted auditing standards and shall involve such tests of the accounts, books, and records as the independent qualified public accountant considers necessary.

"(3) The independent qualified public accountant conducting an examination under paragraph (2) of this subsection shall determine whether the accounts, books, and records referred to in such paragraph have been maintained in conformity with generally accepted accounting principles applied on a basis consistent with the application of such principles during the examination conducted under such paragraph during the preceding year. The accountant shall transmit to the Board a report on his examination, including his determination under this paragraph.

"(4) In making a determination under paragraph (3) of this subsection, the accountant may rely on the correctness of any actuarial matter certified by an enrolled actuary, if the accountant states his reliance in the report transmitted to the Board under such paragraph.

"SUBCHAPTER IV—SURVIVOR BENEFITS

"§ 8431. Basic plan spousal benefits relating to the death of a participant or former participant other than an annuitant

"(a)(1) If a participant dies after performing 5 or more years of service and before separating from Government employment and the participant has satisfied the age and service requirements for retirement entitled to an immediate annuity under section 8411 of this title before the date of death, the surviving spouse of a deceased participant shall be entitled to a survivor annuity payable out of the Fund.

"(2) If a participant dies after performing 5 or more years of service and before separating from Government employment and the participant has not satisfied the age and service requirements for retirement entitled to an immediate annuity under section 8411 of this title before the date of death, the surviving spouse of a deceased participant shall be entitled to a survivor annuity payable out of the Fund. The survivor annuity shall commence on the first date the participant could have retired entitled to an immediate annuity under section 8411 of this title if the participant had continued to live and had continued to be a participant until such date.

"(3) The amount of the survivor annuity payable under paragraph (1) or (2) of this subsection to the surviving spouse of a deceased participant shall be equal to 50 percent of the annuity computed with respect to the deceased participant pursuant to sections 8413, 8414, and 8415 of this title as if the participant had retired from Government employment on the day before the date of death and had elected the method of payment described in section 8416(a)(2)(B) of this title.

"(b)(1) If a former participant dies entitled to a deferred annuity under section 8412 of this title before payment of an annuity under subchapter II of this chapter to the former participant commences, the surviving spouse of the deceased former participant is entitled to a survivor annuity payable out of the Fund.

"(2) The amount of the survivor annuity payable under paragraph (1) of this subsection to the surviving spouse of a deceased former participant shall be equal to 50 percent of the annuity which the deceased former participant would have been entitled to receive under such section if the deceased former participant—

"(A) had been 55 years of age on the day before the date of death, or

"(B) in the case of a former participant who was 55 years of age or older on such day and was not receiving such annuity, had commenced to receive such deferred annuity on such day,

computed under sections 8413, 8414, and 8415 of this title.

"§ 8432. Basic plan spousal and insurable interest benefits relating to the death of an annuitant

"A survivor annuity shall be paid out of the Fund with respect to a deceased annuitant—

"(1) in accordance with the method of payment elected by the annuitant under section 8416 of this title;

"(2) as provided in subsection (b)(3) of such section; or

"(3) in accordance with an election made by the annuitant under section 8434(a) or 8436(c) of this title.

"§ 8433. Survivor benefits under the thrift savings plan

"(a) A survivor annuity shall be paid out of the Thrift Savings Fund with respect to a deceased annuitant as provided under a method of payment of annuities elected by the annuitant under section 8424(b) of this title or in accordance with an election made by the annuitant under section 8434(a) or 8436(c) of this title. The amount of the survivor annuity shall be determined on an actuarial basis under regulations prescribed by the Board.

"(b)(1) Except as provided in subsection (d) of this section, the amount in the account established and maintained for a deceased participant or deceased former participant (other than a deceased annuitant) pursuant to section 8428(a) of this title, determined on the date of an election under subsection (c) of this section, shall, subject to the limits of the entitlement set out in section 8422(a)(1) of this title (without regard to section 8422(a)(2) of this title), be paid as provided in paragraph (2) of this subsection.

"(2)(A) Except as provided in subparagraph (B) of this paragraph, payment under paragraph (1) of this subsection shall be made to the surviving spouse of the deceased participant or former participant pursuant to the method elected under subsection (c) of this section.

"(B) If a deceased participant or former participant referred to in paragraph (1) of this subsection is not survived by a spouse, payment under such paragraph shall be made to—

"(i) any individual who has an insurable interest in the participant or former participant and has been designated by the participant for the purpose of such paragraph under regulations prescribed by the Board; or

"(ii) if the deceased participant or former participant did not make a designation as provided in clause (i) of this subparagraph, to the estate of the deceased participant or former participant.

"(c) A surviving spouse entitled to payment of benefits under subsection (b) of this section may elect—

"(1) to receive an annuity from the Fund payable monthly for life;

"(2) to transfer the amount referred to in such subsection to an individual retirement account (within the meaning of the Internal Revenue Code of 1954) of the surviving spouse; or

"(3) to withdraw such amount in one or more payments.

"(d) Any amount required for the payment of a survivor annuity with respect to a deceased participant or deceased former participant out of the Thrift Savings Fund pursuant to section 8435 of this title shall be deducted and withheld from a distribution made with respect to the deceased participant or deceased former participant pursuant to subsection (b) of this section. The amount deducted and withheld shall be maintained in the Thrift Savings Fund until expended in payment of the survivor annuity or until the survivor annuity terminates. Any sums remaining from the amount deducted and withheld after the termination of the survivor annuity, plus net earnings realized from investment of such amount, shall be distributed as provided in subsection (b) of this section.

"§ 8434. Basic and thrift savings plan survivor benefits relating to marriage after commencement of an annuity

"(a) If an annuitant—

"(1) is married on the date that the annuitant applies for payment of an annuity under subchapter II of this chapter to commence, the marriage terminates, and the annuitant remarries, or

"(2) is not married on such date and marries after such date,

the annuitant may irrevocably elect during the later marriage to provide an annuity for such annuitant's spouse under the method of payment described in section 8416(a)(2)(B) or subparagraph (B) or (D) of section 8424(a)(2) of this title. An election under this subparagraph shall be made in a signed writing received by the Office within 2 years after the date of the remarriage or marriage, as the case may be.

"(b) An election under subsection (a) of this section shall be effective the first day of the second month beginning after the election is received by the Office (in the case of a survivor annuity payable out of the Fund) or the Executive Director (in the case of a survivor annuity payable out of the Thrift Savings Fund), but not earlier than 9 months after the date of the remarriage referred to in paragraph (1) of such subsection or the date of the marriage referred to in paragraph (2) of such subsection.

"(c) An annuitant making an election under subsection (a) of this section to provide a survivor annuity payable out of the Fund shall, within 2 years after the date of the remarriage referred to in paragraph (1) of such subsection or the date of the marriage referred to in paragraph (2) of such subsection, deposit in the Fund an amount determined by the Office, as nearly as may be administratively feasible, to reflect the amount by which the annuity of such annuitant would have been reduced if the election had been in effect since—

"(1) the date that payment of an annuity to the annuitant under subchapter II of this chapter commenced, or

"(2) if the annuity had previously been reduced to provide for a survivor annuity under section 8432 of this title, the date the previous reduction in such annuitant's annuity was terminated under section 8415(b) of this title,

plus interest computed as provided in section 8438(a) of this title.

"(d) Notwithstanding any other provision of this section, an election under this section may not be made for the purpose of providing a survivor annuity payable from the Fund to a spouse of an annuitant by remarriage if—

"(A) such spouse was married to the annuitant on the date that payment of an annuity to the annuitant under subchapter II of this chapter commenced; and

"(B) rights to survivor benefits for such spouse based on marriage to such annuitant were then waived under section 8416(b)(2) of this title.

"§ 8435. Survivor benefits for eligible former spouses: entitlement; amount

"(a) Subject to subsections (b) through (g) of this section, an eligible former spouse of a deceased participant or deceased former participant who dies entitled to an immediate or deferred annuity under section 8411 or 8412 of this title is entitled to a survivor annuity under this section if and to the extent that—

"(1) an election under section 8436 of this title,

"(2) any court decree dissolving or annulling the marriage of the participant or former participant and the eligible former spouse, or

"(3) any court order or court-approved property settlement agreement incident to such decree,

expressly provides for such survivor annuity.

"(b)(1) The amount of the survivor annuity payable from the Fund to an eligible former spouse of a deceased participant or deceased former participant under this section may not exceed the excess, if any, of—

"(A) the amount applicable in the case of such eligible former spouse, as determined under paragraph (2) of this subsection, over

"(B) the amount of all other survivor annuities payable from the Fund under this section to other eligible former spouses of the participant or former participant based on the order of precedence provided in subsection (d) of this section.

"(2) For the purposes of paragraph (1)(A) of this subsection, the amount applicable in the case of an eligible former spouse of a deceased participant or deceased former participant is the amount—

"(A) which is equal to 50 percent of the amount of the deceased former participant's annuity payable to the former participant on the day before the date of the former participant's death, if the deceased former participant was an annuitant on such day;

"(B) which would be applicable under paragraph (3) of section 8431(a) of this title in the case of a surviving spouse of the deceased, if the deceased was a participant described in paragraph (1) or (2) of such section 8431(a); or

"(C) which would be applicable under paragraph (2) of section 8431(b) of this title in the case of a surviving spouse of the deceased, if the deceased was a former participant described in paragraph (1) of such section 8431(b).

"(c) The total amount of all survivor annuities payable from the Thrift Savings Fund to eligible former spouses of a deceased participant or deceased former participant pursuant to this section may not exceed the amount of the survivor annuities that would be payable to the former spouses out of 100 percent of the balance in the account of the deceased participant or deceased former participant, plus anticipated net earnings from investments allocable to such account, determined on an actuarial basis in accordance with regulations prescribed by the Board.

"(d) If more than one eligible former spouse is entitled to a survivor annuity pursuant to this section, the amount of each such survivor annuity shall be limited appropriately to carry out subsection (b) or (c) of this section on a first-come, first-served basis determined by reference to the date an election is properly made pursuant to section 8436 of this title or the date the Director or Executive Director, as the case may be, properly receives a copy of the court decree, order, or court-approved agreement applicable to the entitlement.

"(e) The commencement and termination dates of a survivor annuity payable under this section to an eligible former spouse of a deceased participant or deceased former participant shall be the commencement and termination dates determined under the provisions of the applicable court order, decree, or agreement or an election, as the case may be (if provided in such order, decree, agreement, or election), except that any such survivor annuity—

"(1) shall not commence before—

"(A) the day after the participant or former participant dies, or

"(B) the first day of the second month beginning after the date on which the Office receives written notice of the court order, decree, or agreement or the election, as the case may be, together with such additional information or documentation as the Office may prescribe,

whichever is later, and

"(2) shall terminate not later than the date provided in section 8464(b)(2) of this title.

"(f) For the purposes of this section, a court decree, order, or agreement or an election referred to in subsection (a) of this section shall not be effective, in the case of a survivor annuity payable out of the Fund to a former spouse, to the extent that the election is inconsistent with any joint waiver previously executed with respect to such former spouse under section 8416(b)(2) of this title.

"(g) Any payment under this section to a person bars recovery by any other person.

"§ 8436. Survivor benefits for former spouses: elections, deposits and collections, and administrative provisions

"(a)(1) If an annuitant has an eligible former spouse on the date that the annuitant applies for payment of an annuity to the annuitant under subchapter II of this chapter to commence, the annuitant may elect, under procedures prescribed by the Office, to provide a survivor annuity for such former spouse under section 8435 of this title. An election under this paragraph shall be made on such date or, if later, within 2 years after the date on which the marriage of the former spouse to the annuitant was dissolved or annulled. The election shall specify the amount of the survivor annuity to be provided under this paragraph.

"(2) If an annuitant makes an election under paragraph (1) of this subsection to provide a survivor annuity payable out of the Fund and the annuitant makes the election during the 2-year period referred to in such paragraph, the annuitant shall deposit in the Fund, within such period, an amount determined by the Office, as nearly as may be administratively feasible, to reflect the amount by which the annuity of such an annuitant would have been reduced if the election had been continuously in effect since the date the annuity commenced, plus interest computed as provided in section 8438(a) of this title.

"(3) An election under paragraph (1) of this subsection—

"(A) shall not be effective to the extent that it conflicts with—

"(i) any court decree or order referred to in subsection (a) of section 8435 of this title, or

"(ii) any agreement referred to in such subsection,

which is received by the Office before the date on which such election is made;

"(B) shall not be effective to the extent that the amount of the annuity specified in the election exceeds—

"(i) in the case of a survivor annuity payable from the Fund, the amount determined pursuant to subsections (b)(2) and (d) of section 8435 of this title; or

"(ii) in the case of a survivor annuity payable from the Thrift Savings Fund, the amount determined pursuant to subsections (c) and (d) of section 8435 of this title; and

"(C) shall not be effective, in the case of an annuitant who is married on the date of the election, unless the election is made with the written consent of the annuitant's spouse.

"(b) An annuitant who has elected to provide a survivor annuity for an eligible former spouse pursuant to subsection (a) of this section may make an election to provide or increase a survivor annuity for any other eligible former spouse of the annuitant within the same period that, and subject to the same conditions under which, an election could be made under subsection (c) of this section for a spouse of the annuitant (subject to the provisions of subsection (a)(3)(C) of this section relating to the consent of a spouse, if the annuitant is then married). The opportunity to make an election under the preceding sentence is in addition to any opportunity otherwise provided under this subsection.

"(c) If the entitlement of an eligible former spouse of an annuitant to a survivor annuity under this subchapter is terminated or reduced by reason of the remarriage or death of the former spouse, the annuitant may elect, in a signed writing received by the Office (in the case of a survivor annuity to be paid out of the Fund) or the Executive Director (in the case of a survivor annuity to be paid out of the Thrift Savings Fund) within 2 years after the former spouse's date of death or remarriage, as the case may be, to provide a survivor annuity under the method described in section 8416(a)(2)(B) of this title (in the case of a terminated or reduced entitlement payable out of the Fund) or in subparagraph (B) or (D) of section 8424(a)(2) of this title (in the case of a terminated or reduced entitlement payable from the Thrift Savings Fund).

"(d) The requirement that the spouse of an annuitant waive a right to a survivor annuity under this subchapter as a condition for an election authorized by subsection (a)(3)(C) of this section shall not apply if the participant or annuitant establishes to the satisfaction of the Office that—

"(1) the spouse's whereabouts cannot reasonably be determined; or

"(2) due to exceptional circumstances, it would be inappropriate to require the participant or annuitant to obtain the spouse's consent.

"§ 8437. Termination of entitlement

"(a) An election of an annuitant to provide a survivor annuity to the annuitant's spouse under this subchapter terminates on the first day of the first month beginning after—

"(1) the date of the death of the spouse; or

"(2) the date of the dissolution of the spouse's marriage to the annuitant.

"(b) The entitlement of an eligible former spouse of a former participant to a survivor annuity under section 8435(a) of this title terminates on the first day of the first month beginning after—

"(1) the date of the death of the former spouse; or

"(2) the date the former spouse remarries before becoming 55 years of age.

"§ 8438. Deposits to the Fund

"(a) For the purposes of section 8434(c) or 8436(a)(2) of this title, the annual rate of interest for each year during which an annuity would have been reduced if the election referred to in such section had been in effect on and after the applicable date referred to in such section shall be the percent determined for such year under section 8334(e) of this title.

"(b) If an annuitant does not make a deposit required by section 8434(c) or 8436(a)(2) of this title, the Office shall collect such amount by offset against the annuitant's annuity payable from the Fund, up to a maximum of 25 percent of the net annuity otherwise payable to the annuitant. The annuitant is deemed to consent to such offset.

"(c) The Office may extend the time limit for making a deposit required by section 8434(c) or 8436(a)(2) of this title in any case for good cause shown.

"SUBCHAPTER V—DISABILITY BENEFITS

"§ 8441. Definitions

"For the purposes of this subchapter—

"(1) the term 'administrator of benefits' means an insurance company or other entity which—

"(A) offers claims payment services and related administrative services under benefit plans provided by employers in the private sector; and

"(B) has entered into a contract with the Office pursuant to section 8450 of this title;

"(2) the term 'disability benefits under the Social Security Act' means disability insurance benefits payable under section 223 of the Social Security Act or benefits payable under section 202 of such Act by reason of being under a disability;

"(3) the term 'disability date', when used with respect to an eligible participant, means the date the eligible participant became disabled;

"(4) the term 'disabled', when used with respect to an eligible participant, means that the eligible participant—

"(A) is under a disability within the meaning of section 223 of the Social Security Act; or

"(B) is unable, because of disease or injury, to render useful and efficient service in the participant's position and is not qualified for reassignment, under procedures prescribed by the Office, to a vacant position—

"(i) which is in the participant's employing agency and is in the participant's commuting area;

"(ii) which is at the same grade or pay level as the participant's position; and

"(iii) in which the participant would be able to render useful and efficient service;

"(5) the term 'eligible participant' means an employee or Member whose service exceeds 18 months and—

"(A) who—

"(i) has applied for disability benefits under the Social Security Act and has been determined to be under a disability for the purposes of title II of the Social Security Act; or

"(ii) in the case of an employee or Member who is not entitled to disability benefits under the Social Security Act by reason of insufficient quarters of coverage, has been determined by an administrator of benefits to be disabled within the meaning of paragraph (4)(A) of this section on the basis of a report of examination required by section 8445 of this title; or

"(B) who has been determined by an administrator of benefits to be disabled within the meaning of paragraph (4)(B) of this section on the basis of a report of examination required by section 8445 of this title;

"(6) the term 'onset average pay', when used with respect to a disabled eligible participant, means the participant's average pay on the participant's disability date increased on January 1 of each year after such date by the same percent by which annuities referred to in paragraph (1) of section 8462(b) of this title are increased under such section 8462(b) in December of the preceding year, and compounded; and

"(7) the term 'projected service', when used with respect to a disabled eligible participant, means the sum of the number of years of service performed by the participant before the participant's disability date and the number of years, if any, after such date and before the date the participant becomes—

"(A) in the case of an eligible participant referred to in subparagraph (5)(A) of this section, 62 years of age; or

"(B) in the case of an eligible participant referred to in subparagraph (5)(B) of this section, 55 years of age.

"§ 8442. Entitlement

"(a)(1) A person who is an eligible participant, is disabled, and has used all sick leave accrued and accumulated under subchapter I of chapter 63 of this title or any other similar applicable provision of law relating to Government employment is entitled to receive disability benefits under this subchapter while—

"(A) in the case of a person who is disabled within the meaning of section 8441(4)(A) of this title, such person is under 62 years of age; and

"(B) in the case of a person who is disabled within the meaning of section 8441(4)(B) of this title, such person is under 55 years of age.

"(2) When a person referred to in paragraph (1) of this subsection exceeds the maximum age at which the person is qualified for benefits under such paragraph, the person shall be treated as an eligible participant for the purposes of entitlement to benefits under subsection (b) of this section.

"(b)(1) An eligible participant who—

"(A) is disabled within the meaning of section 8441(4)(A) of this title and is not less than 62 years of age, or

"(B) is disabled within the meaning of section 8441(4)(B) of this title and is not less than 55 years of age,

and who has 5 or more years of service and projected service shall be entitled to an annuity as provided in subchapter II of this title.

"(2) For the purposes of applying the provisions of subchapter II of this title in the case of an eligible participant pursuant to paragraph (1) of this subsection—

"(A) the eligible participant shall be deemed to have separated from Government employment on the day before the date the participant becomes entitled to an annuity pursuant to paragraph (1) of this subsection;

"(B) the service of the participant shall include the participant's projected service; and

"(C) the participant's average pay shall be equal to the participant's onset average pay.

"§ 8443. Computation of benefits

"(a) The annual rate of the disability benefits payable under section 8442(a) of this title to an eligible participant referred to in section 8441(5)(A) of this title shall be equal to the excess of 60 percent of the participant's onset average pay over the amount, if any, payable to the participant as disability benefits under the Social Security Act.

"(b) The annual rate of the disability benefits payable under section 8442(a) of this title to an eligible participant referred to in section 8441(5)(B) of this title—

"(1) during the period ending 1 year after the eligible participant's disability date, shall be equal to the excess of 60 percent of the participant's onset average pay over the amount, if any, payable to the participant as disability benefits under the Social Security Act; and

"(2) after such period, while the participant is under 55 years of age, shall be equal to the excess of 40 percent of the participant's onset average pay over the amount, if any, payable to the participant as disability benefits under the Social Security Act.

"§ 8444. Application

"(a) Except as provided in subsection (b) of this section, a claim of a participant for disability benefits under this subchapter may be allowed only if the participant files with the appropriate administrator of benefits an application for the disability benefits before the date the participant separates from Government employment or within 1 year after such date.

"(b) An appropriate administrator of benefits may waive the time limitation set out in subsection (a) of this section in the case of a participant if—

"(1) the administrator of benefits determines that the participant was mentally incompetent on the date the participant separated from Government employment or within 1 year after such date; and

"(2) the application for disability benefits is filed within 1 year after the date the participant is restored to mental competency or the date a fiduciary is appointed to manage the financial affairs of the participant, whichever date is earlier.

"§ 8445. Medical examinations

"(a) A participant applying for or receiving disability benefits under section 8442(a) of this title shall be examined by a physician under the direction of the appropriate administrator of benefits at such times as such administrator may require.

"(b) A physician examining a participant under subsection (a) of this section shall report to the appropriate administrator of benefits the diagnosis and prognosis with respect to such participant.

"(c) Notwithstanding any other provision of this subchapter, any participant who fails to submit to the examination required under subsection (a) of this section shall not be entitled to disability benefits.

"§ 8446. Offers of alternative employment

"(a)(1) Any participant who is applying for disability benefits under this subchapter, is examined pursuant to section 8445 of this title, and is determined on the basis of the examination to be able to perform the work required in any position described in paragraph (2) of this subsection shall be considered for appointment to such position.

"(2) A position referred to in paragraph (1) of this subsection is a position which is in the agency of the Government employing the participant referred to in such paragraph, is a position for which the participant is qualified, is not lower than the grade or pay level of the participant's position, and is within the participant's commuting area.

"(b) Any participant who is appointed to or offered a position under subsection (a) of this section is entitled to appeal to the Merit Systems Protection Board under section 7701 of this title any determination that the participant is able to perform the work required of such position.

"§ 8447. Recovery or restoration of earning capacity

"(a)(1) If an administrator of benefits determines that an individual who is receiving disability benefits under this subchapter has recovered from the disability before becoming 62 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(A) of this title) or 55 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(B) of this title), payment of the benefits shall terminate on the date the individual is reemployed by the Government or 1 year after the date of the medical examination on which such administrator's determination is based, whichever date is earlier.

"(2)(A) Payment of disability benefits to any individual under this chapter that has been terminated pursuant to paragraph (1) of this subsection shall be resumed if there is a recurrence of the individual's disability, as determined by an administrator of benefits after a medical examination of the individual, and the individual is under 62 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(A) of this title) or under 55 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(B) of this title).

"(B) A resumption of payment of disability benefits under subparagraph (A) of this paragraph shall be effective on the date the medical examination referred to in such paragraph was completed.

"(C) The annual rate of the disability benefits payable to an individual upon resumption of payment under subparagraph (A) of this paragraph shall be the annual rate that would have been payable to the individual if payment of disability benefits had not been terminated pursuant to paragraph (1) of this subsection.

"(b)(1) If the administrator of benefits determines that an individual who is receiving disability benefits under this subchapter has received, during the latest calendar year, income from wages or self-employment or both totalling the amount equal to 60 percent of the rate of pay payable for the individual's position of Government employment on the individual's disability date determined for the purposes of this subchapter (increased as if such rate of pay had been increased, by the same percent as the overall percent increase in the rates of pay under the General Schedule, each time such rates had been increased pursuant to section 5305 of this title since such date), payment of the benefits shall terminate on the date 60 days after the end of such calendar year.

"(2)(A) If payment of disability benefits under this subchapter has been terminated pursuant to paragraph (1) of this subsection in the case of an individual who is not reemployed in a position subject to this chapter, who continues to be disabled, who is under 62 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(A) of this title) or under 55 years of age (in the case of an individual who is disabled within the meaning of section 8441(4)(B) of this title), and who receives in the calendar year in which the disability benefits were terminated, or any calendar year after such year, income from wages or self-employment or both totalling less than the amount computed in such case as provided in such paragraph, payment of disability benefits to the individual under this subchapter shall be resumed.

"(B) A resumption of payment of disability benefits to an individual under subparagraph (A) of this paragraph shall be effective the first day of the first year beginning after the year in which the individual received the income referred to in such subparagraph.

"(C) The annual rate of the disability benefits payable to an individual upon resumption of payment of disability benefits under subparagraph (A) of this paragraph shall be the annual rate that would have been payable to the individual if payment had not been terminated pursuant to paragraph (1) of this subsection.

"(c) Any determination under this section may be appealed to the Office. A determination of the Office in such an appeal may be appealed to the Merit Systems Protection Board under section 7701 of this title. The Merit Systems Protection Board may hear and adjudicate any such appeal.

"§ 8448. Relationship to workers' compensation

"(a)(1) An individual is not entitled to receive disability benefits under this subchapter and compensation for injury to or disability of the individual under subchapter I of chapter 81 of this title covering the same period of time.

"(2) Paragraph (1) of this subsection does not bar the right of a claimant to the greater benefit conferred by either subchapter referred to in such paragraph for any part of the period referred to in such paragraph.

"(3) Paragraph (1) of this subsection and the provisions of subchapter I of chapter 81 of this title do not deny an individual an annuity which the individual is entitled to receive under this chapter on account of service performed by the individual and do not deny any concurrent benefit to the individual under subchapter I of chapter 81 of this title on account of the death of another individual.

"(b)(1) Subject to paragraph (2) of this subsection, an individual's receipt of a lump-sum payment for compensation under section 8135 of this title shall not affect the individual's entitlement to disability benefits under this subchapter.

"(2) If disability benefits are payable under this subchapter by reason of the same disability for which a lump-sum payment of compensation referred to in paragraph (1) of this subsection has been made, so much of the compensation as has been paid for a period extended beyond the date payment of the disability benefits commences, as determined by the Department of Labor, shall be refunded to that Department for credit to the Employees' Compensation Fund. Before the individual may receive the disability benefits, the individual shall—

"(A) refund to the Department of Labor the amount representing the commuted compensation payments for the extended period; or

"(B) authorize the deduction of the amount from the disability benefits.

Deductions from the disability benefits may be made from accrued or accruing payments. The amounts deducted and withheld from disability benefits shall be transmitted to the Department of Labor for reimbursement to the Employees' Compensation Fund. When the Department of Labor finds that the financial circumstances of an individual entitled to disability benefits under this subchapter warrant deferred refunding under this paragraph, deductions from the disability benefits may be prorated against and paid from accruing payments in such manner as the Department determines appropriate.

"§ 8449. Military reserve technicians

"(a)(1) Except as provided in paragraph (2) of this subsection, a participant shall be entitled to disability benefits under this subchapter in the same manner as an eligible participant described in section 8441(5)(B) of this title if the participant—

"(A) is separated from employment as a military reserve technician by reason of a disability that disqualifies the individual from membership in a reserve component of the Armed Forces specified in section 261(a) of title 10 or from holding the military grade required for such employment;

"(B) is not considered disabled;

"(C) is not appointed to another position in the Government (under subsection (b) of this section or otherwise); and

"(D) has not declined an offer of appointment to a position in the Government under subsection (b) of this section.

"(2) Payment of disability benefits to an individual under this section terminates—

"(A) on the date the individual is appointed to a position in the Government (under subsection (b) of this section or otherwise);

"(B) on the date the individual declines an offer of appointment to a position in the Government pursuant to subsection (b) of this section; or

"(C) as provided in section 8447(a) or 8447(b) of this title.

"(b) Any individual applying for or receiving disability benefits pursuant to this section shall, in accordance with regulations prescribed by the Office, be considered by any agency of the Government before any vacant position in the agency is filled if—

"(1) the position is located within the commuting area of the individual's former position;

"(2) the individual is qualified to serve in the vacant position; and

"(3) the position is at the same grade or equivalent level as the position from which the individual was separated.

"§ 8450. Administrative provisions

"(a) For the purpose of this section, the term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States.

"(b) The Office shall enter into a contract with one or more insurance companies or other entities described in section 8441(1)(A) of this title to provide long-term group disability insurance benefits under this subchapter and to administer the provisions of this subchapter which the Office is not specifically required by this chapter to administer. Each such company or other entity shall meet the following requirements:

"(1) It must be licensed to transact insurance under the laws of a State.

"(2) It must have in effect, on the most recent December 31 for which information is available to the Office, an amount of employee group disability insurance equal to at least 1 percent of the total amount of employee group disability insurance in the United States in all insurance companies.

"(c) A contractor under a contract awarded under subsection (b) of this section shall establish an administrative office under a name approved by the Office.

"(d) Each contract awarded by the Office under subsection (b) of this section may remain in effect for a period not exceeding 5 years and may include a provision authorizing extension of the contract, with the consent of the contractor, for successive periods of 1 year each.

"(e) The Director may include in contracts awarded under subsection (b) of this section such terms and conditions as he considers appropriate to protect the interests of participants and the United States.

"(f) All records established or maintained by an administrator of benefits in the administration of this subchapter shall be the property of the United States. The administrator of benefits shall deliver such records to the Office whenever requested by the Office.

"(g) The provisions of any contract under this subchapter which relate to the nature or extent of coverage or benefits (including payments with respect to benefits) shall supersede and preempt any law of any State or political subdivision thereof, or any regulation issued thereunder, which relates to group disability insurance to the extent that the law or regulation is inconsistent with the contractual provisions.

"(h) The Secretary of Health and Human Services shall furnish to the Office and an administrator of benefits such information, including information on individuals claiming entitlement to benefits under this subchapter, as the Office determines to be necessary to carry out this subchapter.

"§ 8451. Annual accounting; special contingency reserve

"A contract awarded under section 8450 of this title shall include a provision requiring the administrator of benefits under the contract to transmit an accounting to the Office not later than 90 days after the end of each policy year. The accounting shall set forth, in a form approved by the Office—

"(1) the total of all claim charges incurred for the contract year; and

"(2) the amounts of the expenses of the administrator of benefits charged for the contract year.

"§ 8452. Federal Employees' Disability Insurance Fund

"(a) There is established in the Treasury of the United States a fund to be known as the 'Federal Employees' Disability Insurance Fund'.

"(b)(1) Each agency of the Government employing participants shall make periodic payments to the Federal Employees' Disability Insurance Fund in the amount of the portion of the premium payable for the applicable period (as determined by the Office) which is attributable to such participants, as determined by the Office and the appropriate administrator of benefits.

"(2) An employing agency shall pay the amounts required by paragraph (1) of this subsection from the appropriation or fund available for payment of the basic pay or salaries of employees of the agency. In the case of a participant in the legislative branch who is paid by the Clerk of the House of Representatives, the amount shall be paid from the contingent fund of the House of Representatives.

"(c) Sums in the Federal Employees' Disability Insurance Fund shall be available without fiscal year limitation for the payment of premiums for long-term group disability insurance under this subchapter.

"(d) The Secretary of the Treasury may invest and reinvest any of the money in the Federal Employees' Disability Insurance Fund in interest-bearing obligations of the United States and may sell such obligations for the purposes of such fund. The interest on and the proceeds from the sale of these obligations, and the income derived from premium rate adjustments, become a part of such fund.

"(e)(1) No tax, fee, or other monetary payment may be imposed or collected by any State or by any political subdivision or other governmental authority thereof on or with respect to any premium paid for long-term group disability insurance under this subchapter.

"(2) Paragraph (1) of this subsection shall not be construed to exempt any administrator of benefits from the imposition, payment, or collection of a tax, fee, or other monetary payment on the net income or profit accruing to or realized by the administrator from business conducted under this subchapter, if that tax, fee, or payment is applicable to a broad range of business activity.

"SUBCHAPTER VI—GENERAL AND ADMINISTRATIVE PROVISIONS

"§ 8461. Authority of the Office of Personnel Management

"(a) The Office shall pay all benefits that are payable under subchapter II of this chapter from the Fund.

"(b) The Office shall administer all provisions of this chapter not specifically required to be administered by the Board, the Executive Director, or any other agency.

"(c) The Office may make regulations to carry out the provisions of this chapter administered by the Office.

"(d) The Office may contract for the performance of any administrative services necessary to carry out its responsibilities under this chapter.

"§ 8462. Cost-of-living adjustment in basic plan annuities and survivor annuities

"(a) For the purpose of this section—

"(1) the term 'base quarter', when used with respect to a year, means the calendar quarter ending on September 30, of such year; and

"(2) the price index for a base quarter is the arithmetic mean of such index for the 3 months comprising such quarter.

"(b)(1) Except as provided in subsection (c) of this section, effective December 1 of each year in which the price index for the base quarter of such year exceeds the price index for the base quarter of the preceding year, each annuity which is payable from the Fund under subchapter II or IV of this chapter and commences not later than such December 1 shall be increased by the percentage computed under paragraph (2) of this subsection.

"(2) The percentage by which an annuity is increased under paragraph (1) of this subsection in any year shall be the excess, if any, of—

"(A) the percentage of the increase in the price index for the base quarter of such year over the price index of the preceding year, over

"(B) 2 percent.

"(c)(1) The first increase (if any) made under subsection (b) of this section to an annuity payable to a participant who retires, to the surviving spouse or surviving former spouse of a deceased participant, or to the surviving spouse or surviving former spouse of a deceased annuitant whose annuity has never been increased under this subsection or subsection (b) of this section shall be equal to the product (adjusted to the nearest one-tenth of 1 percent) of—

"(A) one-twelfth of the applicable percentage of the adjustment computed under subsection (b) of this section, multiplied by

"(B)(i) the number of months (counting any portion of a month as a month) for which the annuity was payable before the effective date of the increase, or

"(ii) in the case of a survivor annuity payable to a surviving spouse or surviving former spouse of a deceased annuitant whose annuity has never been so increased, the number of months (counting any portion of a month as a month) since the annuity was first payable to the deceased annuitant.

"(2) Effective on its commencing date, an annuity referred to in subsection (b) of this section and payable to an annuitant's surviving spouse or surviving former spouse shall be increased by the total percentage by which the deceased annuitant's annuity had been increased under this section during the period beginning on the date the deceased annuitant's annuity commenced and ending on the date of the deceased annuitant's death.

"(d) The monthly installment of an annuity payable after adjustment under this section shall be rounded to the next lowest dollar, but the increase in the monthly installment under this section shall be at least $1.

"§ 8463. Rate of benefits

"Each annuity and disability benefit is stated as an annual amount, one-twelfth of which, fixed at the next lowest dollar, constitutes the monthly rate payable on the first business day of the first month beginning after the last day of the month for which the annuity or disability benefit has accrued.

"§ 8464. Commencement and termination of annuities

"(a)(1) Except as otherwise provided in this chapter, the annuity of a participant under subchapter II of this chapter shall commence on the first day of the first month beginning after—

"(A) the date the participant separates from Government employment entitled to an immediate annuity under section 8411 of this title, or

"(B) in the case of a participant who is entitled to a deferred annuity under section 8412 of this title and is not entitled to an immediate annuity under section 8411 of this title, the date elected by the participant under section 8412(a) of this title or the date the participant becomes 62 years of age, whichever is earlier,

as the case may be.

"(2) The annuity of an annuitant under this chapter terminates on the date of death or other terminating event provided by law.

"(b)(1) Except as otherwise provided in this chapter, a survivor annuity payable to an individual under this chapter shall commence on the first day of the first month beginning after the date of the death of the deceased participant or former participant on whose death such annuity is based.

"(2) A survivor annuity payable to a surviving spouse or an eligible former spouse of a deceased participant or deceased former participant under this chapter terminates on the last day of the last month ending before the surviving spouse or former spouse dies or, if the surviving spouse or former spouse is less than 55 years of age, remarries.

"§ 8465. Waiver, allotment, and assignment of benefits

"(a) An individual entitled to receive payment of benefits under subchapter II of this chapter may decline to accept all or any part of the amount of the benefits by a waiver signed and filed with the Office. The waiver may be revoked in writing at any time. Payment of the benefits waived may not be made for the period during which the waiver is in effect.

"(b) An individual entitled to receive payment of benefits under subchapter II of this chapter may make allotments or assignments of amounts from the benefits for such purposes as the Office considers appropriate.

"§ 8466. Application for benefits

"(a) No payment of benefits based on the service of a former participant shall be made under this chapter unless an application for payment of the benefits is received by the Office before the one hundred and fifteenth anniversary of the former participant's birth.

"(b) Notwithstanding subsection (a) of this section, after the death of a participant or former participant, a benefit based on the participant's or former participant's service shall not be paid under subchapter IV of this chapter unless an application therefor is received by the Office within 30 years after the death or other event which establishes the entitlement to the benefit.

"§ 8467. Court orders

"(a) Payments under this chapter which would otherwise be made to a participant or former participant based upon the service of the participant or former participant shall be paid (in whole or in part) by the Office or the Executive Director, as the case may be, to another person if and to the extent that the terms of any court decree of divorce, annulment, or legal separation, or the terms of any court order or court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation expressly provide. Any payment under this paragraph to a person bars recovery by any other person.

"(b) Subsection (a) of this section shall apply only to payments made by the Office or the Executive Director under this chapter after the date on which the Office or the Executive Director, as the case may be, receives written notice of such decree, order, or agreement, and such additional information and documentation as the Office or the Executive Director may require.

"§ 8468. Annuities and pay on reemployment

"(a) If an annuitant becomes employed in an appointive or elective position in the Government, payment of any annuity under subchapter II of this chapter to the annuitant terminates effective on the date of the employment, and the annuitant's service on and after the date the annuitant becomes so employed is covered by this chapter. Upon termination of the employment, the rights of the annuitant under subchapter II of this chapter shall be redetermined. If the annuitant dies while still so employed, a survivor annuity payable with respect to the deceased annuitant shall be redetermined as if the employment had otherwise terminated on the date of death.

"(b) The amount of an annuity resulting from a redetermination of rights under this chapter pursuant to subsection (a) of this section shall not be less than the amount of the terminated annuity plus any increases under section 8462 of this title occurring after the termination of the annuity and before the commencement of the redetermined annuity.

"SUBCHAPTER VII—TRANSITION PROVISIONS

"§ 8471. Treatment of certain individuals subject to the Civil Service Retirement and Disability System

"(a)(1)(A) Any individual who is subject to subchapter III of chapter 83 of this title as an employee (as defined in section 8331(1) of this title, other than an individual employed by the government of the District of Columbia) or a Member (as defined in section 8331(2) of this title), whose service is not employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954, and who is not required by section 8402 of this title to be a participant may elect to commence participation in the System.

"(B) An election made under subparagraph (A) of this paragraph shall be made in writing, in accordance with such regulations as the Office may prescribe, and not later than December 31, 1987, or, in the case of an individual who becomes an employee or Member after a break in service for a period that includes January 1, 1987, not later than 1 year after the date on which the individual resumes service.

"(2) Except as provided in section 8472(d) of this title, any individual who makes the election authorized by paragraph (1) of this subsection shall retain accrued credit for entitlement to benefits under subchapter III of chapter 83 of title 5, United States Code, for service performed while subject to such subchapter.

"(3) An individual referred to in paragraph (1) of this subsection who becomes an employee or Member after a break in service for a period that includes January 1, 1987, may make deposits under section 8334 of this title for service performed before such date while subject to subchapter III of chapter 83 of this title.

"(b) Except as provided in section 8472(d) of this title, any individual who—

"(1) has an unrefunded lump-sum credit in the Fund under subchapter III of chapter 83 of this title,

"(2) is required by section 8402 of this title to be a participant, and

"(3) is not a participant referred to in section 8473(a) of this title,

shall retain accrued credit for entitlement to benefits under such subchapter for service performed while subject to such subchapter.

"(c) Except as provided in section 8472(d) of this title, any individual who—

"(1) has received a refund of a lump-sum credit in the Fund under subchapter III of chapter 83 of this title,

"(2) is required by section 8402 of this title to be a participant, and

"(3) is not a participant referred to in section 8473(a) of this title,

may make deposits under section 8334 of this title for service performed before January 1, 1987, while subject to subchapter III of chapter 83 of this title and shall, upon making such deposits, be entitled to credit under such subchapter for service covered by the deposits.

"(d) Survivor benefits shall be payable as provided in subchapter III of chapter 83 of this title and this chapter to the extent of the service creditable under such subchapter (pursuant to this section) and this chapter in the case of a participant referred to in subsection (a), (b), or (c) of this section.

"§ 8472. Special rules for participants retaining entitlement in the Civil Service Retirement and Disability System

"(a) Service that is creditable under subchapter III of chapter 83 of this title in the case of an individual who retains entitlement in the Civil Service Retirement and Disability System under section 8471 of this title shall be credited as service under this chapter only—

"(1) for the purposes of determining eligibility to retire entitled to an annuity under section 8411 or 8412 of this title and entitlement for disability benefits under subchapter V of this chapter; and

"(2) for the purpose of considering such service as years of participation in the System for the purposes of section 8422 of this title (relating to vesting under the thrift savings plan).

"(b) Service performed as a participant in the System by an individual referred to in subsection (a) of this section shall be credited under subchapter III of chapter 83 of this title only for the purpose of determining eligibility to retire entitled to an annuity under section 8335, 8336, or 8338 of this title.

"(c)(1) The rates of basic pay in effect for an individual referred to in subsection (a) of this section on and after the date the individual begins to participate in the System shall be taken into account in computing the individual's average pay (as defined in section 8331(4) of this title) for the purposes of subchapter III of chapter 83 of this title.

"(2) The rates of basic pay in effect for an individual referred to in subsection (a) of this section before the date the individual begins to participate in the System shall be taken into account in computing the individual's average pay for the purposes of this chapter.

"(d) Section 8337 of this title (relating to disability retirement) shall not apply in the case of a participant referred to in subsection (a).

"§ 8473. Participants subject to the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983

"(a)(1) The service of a participant with respect to which a reduced contribution is made under section 204(a) of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 (97 Stat. 1107; 5 U.S.C. 8331 note) shall be credited as service for the purposes of this chapter and shall be considered years of participation in the System for the purposes of section 8422(b)(1) of this title.

"(2) Paragraph (1) of this subsection shall not apply to an individual who serves continuously as a Member of Congress during the period beginning December 31, 1983, and ending January 1, 1987.

"(b)(1) On January 1, 1987, the amount computed under paragraph (2) of this subsection shall be transferred from the Fund to the Thrift Savings Fund in the case of a participant to whom subsection (a)(1) of this section applies. The amount transferred shall be credited to an account established for the individual pursuant to section 8428(a) of this title.

"(2)(A) The amount transferred from the Fund in the case of a participant pursuant to paragraph (1) of this subsection shall be equal to the sum of—

"(i) two times the total amount deducted and withheld from the basic pay of the participant pursuant to section 204(a) of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 (97 Stat. 1107; 5 U.S.C. 8331 note); and

"(ii) interest on the amount referred to in clause (i) of this subparagraph computed at the annual rate determined under the second sentence of this subparagraph and compounded annually, as if a fraction of such amount (determined as provided in subparagraph (B) of this paragraph) had been deposited to the credit of the Fund at the end of each month for which amounts were deducted and withheld from the basic pay of the participant as described in clause (i) of this subparagraph.

The annual rate referred to in clause (ii) for an amount transferred from the Fund in any calendar year shall be equal to the interest rate determined for such calendar year under section 8334(e) of this title.

"(B) In the case of any participant to whom paragraph (1) of this subsection applies—

"(i) the numerator of the fraction referred to in subparagraph (A)(ii) of this paragraph is one; and

"(ii) the denominator of the fraction is the number of months for which amounts were deducted and withheld from the basic pay of the participant as described in subparagraph (A)(i) of this paragraph.

"(3) For the purposes of section 8422 of this title—

"(A) one-half of the amount computed in the case of a participant referred to in subsection (a) of this section pursuant to paragraph (2) of this subsection shall be treated as a contribution made under section 8421(a) of this title; and

"(B) one-half of such amount shall be treated as a contribution made by the employing agency of the participant pursuant to section 8421(b) of this title.

"(4) All amounts transferred from the Fund pursuant to paragraph (1) of this subsection shall be transferred in the form of interest-bearing securities of the United States.

"(c) The total amount of any deposit made to the Fund under section 8334(j) of this title (relating to deposits covering periods of military service) in the case of a participant referred to in paragraph (1) of this subsection shall be refunded to the participant. The refund shall be paid out of sums in the Fund.

"§ 8474. Reemployed annuitants under a Government retirement system.

"(a) For the purposes of this section—

"(1) the term 'annuitant'—

"(A) in the case of the Civil Service Retirement and Disability System, shall have the same meaning provided in section 8331(9) of this title;

"(B) in the case of the Foreign Service Retirement and Disability System, shall have the same meaning provided in section 804(1) of the Foreign Service Act of 1980 (22 U.S.C. 4044(1)), except that such term does not include a survivor; and

"(C) in the case of the Central Intelligence Agency Retirement and Disability System, means—

"(i) any participant who is referred to in section 203 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, and

"(ii) any individual who formerly was such a participant,

entitled to an annuity from the Central Intelligence Agency Retirement and Disability Fund;

"(2) the term 'Government retirement system' means—

"(A) the Civil Service Retirement and Disability System under subchapter III of chapter 83 of this title;

"(B) the Foreign Service Retirement and Disability System under chapter 8 of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.); and

"(C) the Central Intelligence Agency Retirement and Disability System under the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403 note); and

"(3) the term 'reemployed annuitant' means an annuitant who becomes employed by the Government after the effective date of the Civil Service Pension Reform Act of 1985 and is required by section 8402 of this title to be a participant.

"(b) A reemployed annuitant shall retain entitlement in the Government retirement system under which the annuitant is receiving an annuity.

"(c)(1) Service that is creditable under the Government retirement system of a reemployed annuitant shall be credited under this chapter only for the purpose of determining eligibility to retire entitled to an annuity under section 8411 of this title.

"(2) Service performed as a reemployed annuitant shall not be creditable service for the purposes of the Government retirement system of the reemployed annuitant.

"(d)(1) The rates of basic pay in effect for a reemployed annuitant on and after the date the annuitant begins to participate in the System shall be taken into account in computing the annuitant's average pay for the purposes of the Government retirement system under which the annuitant was receiving an annuity when the reemployment commenced.

"(2) The rates of basic pay in effect for a reemployed annuitant before the date the annuitant begins to participate in the System shall be taken into account in computing the annuitant's average pay for the purposes of this chapter.

"(e) Deductions may not be withheld from the pay of a reemployed annuitant for the purposes of the reemployed annuitant's Government retirement system while the reemployed annuitant is a participant in the System.

"§ 8475. Exemption from certain offset provisions of the Social Security Act

"Sections 202(b)(4), 202(c)(2), 202(e)(7), 202(f)(2), 202(g)(4), and 215(a)(7) of the Social Security Act shall not apply in the case of a person who is a participant referred to in section 8471 of this title.

"§ 8476. Regulations

"The Office may prescribe regulations to carry out this subchapter.

"SUBCHAPTER VIII—CIVIL SERVICE THRIFT INVESTMENT MANAGEMENT SYSTEM

"§ 8491. Civil Service Thrift Investment Board

"(a) There is established in the executive branch of the Government a Civil Service Thrift Investment Board.

"(b)(1) The Board shall be composed of—

"(A) the Chairman of the Federal Reserve Board;

"(B) the Secretary of the Treasury;

"(C) the Director; and

"(D) two representatives of Federal employee organizations appointed by the President, one of whom shall be a representative from a labor organization (as defined in section 7103(a)(4) of this title) and one of whom shall be a representative from an organization for employees who are managers.

"(2) If an office referred to in paragraph (1)(A), (1)(B), or (1)(C) of this subsection is vacant, the person acting as the officer in such office shall be a member of the Board while acting as such officer.

"(3) The Chairman of the Federal Reserve Board shall be the Chairman of the Board.

"(4) The members of the Board appointed under paragraph (1)(D) of this subsection shall serve until replaced by the President.

"(c) The Board shall—

"(1) establish policies and prescribe regulations for—

"(A) the investment and management of the Thrift Savings Fund; and

"(B) the administration of subchapter III of this chapter and the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund;

"(2) review the performance of investments made for the Thrift Savings Fund;

"(3) without regard to civil service and classification laws, fix the rate of pay of the Executive Director;

"(4) supervise the Executive Director; and

"(5) review and approve the budget of the Board.

"(d)(1) The Board may—

"(A) adopt, alter, and use a seal;

"(B) adopt, amend, and repeal regulations to carry out its functions;

"(C) disapprove any action of the Executive Director;

"(D) except as provided in paragraph (2) of this subsection, direct the Executive Director to take such action as the Board considers appropriate to carry out the provisions of this subchapter and subchapter III of this chapter, the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund, and the policies of the Board;

"(E) upon the concurring votes of four members, remove the Executive Director from office for good cause shown; and

"(F) take such other action as may be necessary to carry out the functions of the Board.

"(2) Except in the case of investments required by section 8427 of this title to be invested in securities of the Government, the Board may not direct the Executive Director or any contractor under a contract awarded under section 8493(c)(2) this title to invest or to cause to be invested any sums in the Thrift Savings Fund in a specific asset or to dispose of or cause to be disposed any specific asset of such Fund.

"§ 8492. Civil Service Thrift Advisory Committee

"(a)(1) The Board shall establish a Civil Service Thrift Advisory Committee (hereafter in this subchapter referred to as the 'Advisory Committee').

"(2)(A) The Advisory Committee shall be composed of 6 members appointed as provided in subparagraph (B) of this paragraph.

"(B) The members of the Advisory Committee shall be appointed by action agreed to by a majority of the members of the Board. Three of the members of the Advisory Committee shall be appointed from among investment asset managers not employed by the Government and three of the members of the Advisory Committee shall be appointed from among administrators of thrift savings plans established for employees of private sector enterprises.

"(3) The Board shall prescribe the terms and conditions of service of the members of the Advisory Committee.

"(b) The Advisory Committee shall—

"(1) advise the Board and the Executive Director on matters relating to—

"(A)(i) investment policy for the Thrift Savings Fund;

"(ii) selection of the types of investment funds which are appropriate for investment of sums in the Thrift Savings Fund; and

"(iii) selection of investment managers for the purpose of contracting for the administration of investment funds under section 8493(c)(2) of this title; and

"(B)(i) the performance of the duties of the Board and the Executive Director under the provisions of this subchapter and subchapter III of this chapter and the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund; and

"(ii) the administration of such provisions; and

"(2) review the performance of investments made for the Thrift Savings Fund.

"§ 8493. Executive Director

"(a)(1) The Board shall appoint an Executive Director by action agreed to by a majority of the members of the Board. The Executive Director shall have substantial experience, training, or expertise in the management of financial investments.

"(2) The Board shall prescribe the terms and conditions of service of the Executive Director.

"(b) The Executive Director shall—

"(1) carry out the policies established by the Board;

"(2) invest and manage the Thrift Savings Fund in accordance with the investment and other policies established by the Board;

"(3) provide for payment of annuities and other authorized distributions from the Thrift Savings Fund under this chapter; and

"(4) administer the provisions of this subchapter, subchapter III of this chapter, the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund, and the regulations prescribed by the Board.

"(c) The Executive Director, may—

"(1) without regard to civil service and classification laws, appoint, employ, and fix the compensation of such personnel as may be necessary to carry out the provisions of this subchapter and subchapter III of this chapter and the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund;

"(2) enter into such contracts or other arrangements (including contracts for the performance of administrative services), and make such modifications thereof, as may be appropriate to carry out the provisions of this subchapter and section 8427 of this title and the policies of the Board;

"(3) except as provided in section 552a of this title, obtain from any Federal agency, including any independent establishment or instrumentality of the United States, advice, information, estimates, statistics, and such other assistance as the Executive Director considers necessary to carry out the provisions of this subchapter and subchapter III of this chapter, the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund, and the policies of the Board;

"(4) make such payments out of sums in the Thrift Savings Fund as the Executive Director determines are necessary to carry out the provisions of this subchapter, subchapter III of this chapter, the provisions of subchapter IV of this chapter which relate to survivor annuities payable out of the Thrift Savings Fund, and the policies of the Board;

"(5) pay the compensation, per diem, and travel expenses of personnel from the Thrift Savings Fund;

"(6) accept and utilize the services of individuals employed intermittently in the Government service and reimburse such individuals for travel expenses, as authorized by section 5703 of this title, including per diem as authorized by section 5702 of this title;

"(7) except as otherwise expressly prohibited by law or the policies of the Board, delegate any of the Executive Director's functions to such officers and employees under the Board as the Executive Director may designate and authorize such successive redelegations of such functions to such officers and employees under the Board as the Executive Director may consider to be necessary or appropriate; and

"(8) take such other actions as are appropriate to carry out the functions of the Executive Director.

"§ 8494. Investment policy

"The Board shall develop investment policies under section 8491(c)(1) of this title which provide for—

"(1) prudent investments suitable for accumulating funds for payment of retirement income;

"(2) investment strategies which do not require a significant level of active investment decisionmaking in the case of the investment funds established under subparagraphs (B) and (C) of section 8427(b)(1) of this title;

"(3) low administrative costs; and

"(4) investments likely to receive broad acceptance by participants and the public.

"§ 8495. Administrative provisions

"(a) The Board shall meet—

"(1) not less than once during each fiscal year; and

"(2) at additional times at the call of the Chairman.

"(b)(1) Except as provided in section 8491(d)(1)(E) of this title, the Board shall perform the functions and exercise the powers of the Board on a majority vote of a quorum of the Board.

"(2) A vacancy on the Board shall not impair the authority of a quorum of the Board to perform the functions and exercise the powers of the Board.

"(c) Three members of the Board shall constitute a quorum for the transaction of business.

"(d)(1) Each member of the Board who is not a Federal employee and each member of the Advisory Committee shall be compensated at the daily rate of basic pay payable for grade GS-18 under the General Schedule for each day or part thereof during which such member is engaged in performing a function of the Board or Advisory Committee, as the case may be.

"(2) Each member of the Board who is not a Federal employee and each member of the Advisory Committee shall be paid travel, per diem, and other necessary expenses under subchapter I of chapter 57 of this title while traveling away from his home or regular place of business in the performance of the duties of the Commission or Advisory Board, as the case may be.

"(e) The accrued annual leave of any employee who is a member of the Board shall not be charged for any time used in performing service for the Board during any work period.

"(f) Section 14(a)(2) of the Federal Advisory Committee Act (86 Stat. 776; 5 U.S.C. App.) shall not apply to the Advisory Committee.

"§ 8496. Fiduciary responsibilities; liability and penalty

"(a) For the purposes of this section—

"(1) the term 'fiduciary' means—

"(A) with respect to the Thrift Savings Fund, each member of the Board and the Executive Director; and

"(B) any person who, with respect to the Thrift Savings Fund, is described in section 3(21)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(21)(A));

"(2) the term 'party in interest' includes—

"(A) any fiduciary;

"(B) any counsel to a fiduciary;

"(C) any person providing services to the Board or the Executive Director;

"(D) a labor organization the members of which are participants;

"(E) a spouse, ancestor, lineal descendant, or spouse of a lineal descendant of a person described in subclause (A), (B), or (C) of this clause; and

"(F) a corporation, partnership, or trust or estate of which, or in which, 50 percent or more of—

"(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation;

"(ii) the capital interest or profits interest of such partnership; or

"(iii) the beneficial interest of such trust or estate,

is owned directly or indirectly, or held by a person described in subclause (A), (B), (C), or (E) of this clause; and

"(3) the term 'person' means an individual, partnership, joint venture, corporation, mutual company, joint-stock company, trust, estate, unincorporated organization, association, or labor organization.

"(b)(1) A fiduciary shall discharge his responsibilities with respect to the Thrift Savings Fund or applicable portion thereof solely in the interest of the participants and beneficiaries and—

"(A) for the exclusive purpose of—

"(i) providing benefits to participants and their beneficiaries; and

"(ii) defraying reasonable expenses of administering the Thrift Savings Fund or applicable portions thereof;

"(B) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent individual acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like objectives; and

"(C) to the extent permitted by section 8427 of this title, by diversifying the investments of the Thrift Savings Fund or applicable portions thereof so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

"(2) No fiduciary may maintain the indicia of ownership of any assets of the Thrift Savings Fund outside the jurisdiction of the district courts of the United States.

"(c) A fiduciary shall not—

"(1) deal with any assets of the Thrift Savings Fund for his own account;

"(2) act, in his individual or any other capacity, in any transaction involving the Thrift Savings Fund on behalf of a party whose interests are adverse to the interests of the Thrift Savings Fund or the interests of its participants or beneficiaries;

"(3) receive any consideration for his own personal account from any party dealing with sums credited to the Thrift Savings Fund in connection with a transaction involving assets of the Thrift Savings Fund, except fees which the fiduciary is entitled to receive as provided in a contract awarded under section 8493(c)(2) of this title;

"(4) permit the transfer of any assets of the Thrift Savings Fund to or the use of such assets by any person known to be a party in interest, except in return for adequate consideration; or

"(5) permit the acquisition of any property from or services by any person known to be a party in interest, except in exchange for adequate consideration.

"(d) This section does not prohibit any fiduciary from—

"(1) receiving any benefit which the fiduciary is entitled to receive under this chapter as a participant, a former participant, or a beneficiary of a participant or former participant;

"(2) receiving any reasonable compensation authorized by this title for services rendered, or for reimbursement of expenses properly and actually incurred, in the performance of the fiduciary's duties under this chapter; or

"(3) serving as a fiduciary in addition to being an officer, employee, agent, or other representative of a party in interest.

"(e)(1)(A) Any fiduciary that breaches the responsibilities, duties, and obligations set out in subsection (b) of this section or violates subsection (c) of this section shall be liable to the Thrift Savings Fund for any losses to such fund resulting from each such breach or violation and to restore to such fund any profits made by the fiduciary through use of assets of such fund by the fiduciary, and shall be subject to such other equitable or remedial relief as a court considers appropriate. A fiduciary may be removed for a breach referred to in the preceding sentence.

"(B) The Attorney General of the United States may assess a civil penalty against a party in interest engaging in a transaction prohibited by subsection (c) of this section. The amount of such penalty may not exceed 5 percent of the amount involved (as defined in section 4975(f)(4) of the Internal Revenue Code of 1954); except that, if the transaction is not corrected (in such manner as the Attorney General shall prescribe by regulation consistent with section 4975(f)(5) of the Internal Revenue Code of 1954) within 90 days after the date the Attorney General transmits notice to the party in interest (or such longer period as the Attorney General may permit), such penalty may be in an amount not more than 100 percent of the amount involved.

"(C) A fiduciary shall not be liable under subparagraph (A) of this paragraph with respect to a breach of fiduciary duty under subsection (b) of this section committed before becoming a fiduciary or after ceasing to be a fiduciary.

"(2) A civil action may be brought in the district courts of the United States—

"(A) by the Attorney General of the United States—

"(i) to determine and enforce a liability under paragraph (1)(A) of this subsection; or

"(ii) to collect any civil penalty under paragraph (1)(B) of this subsection; or

"(B) by the Attorney General of the United States, any participant, annuitant, former participant who is entitled to a deferred annuity under section 8412 of this title, other beneficiary, or fiduciary—

"(i) to enjoin any act or practice which violates any provision of subsection (b) or (c) of this section; or

"(ii) to obtain any other appropriate equitable relief to redress a violation of any such provision.

"(3) An action may not be commenced under paragraph (2) of this subsection with respect to a fiduciary's breach of any responsibility, duty, or obligation under subsection (b) of this section or a violation of subsection (c) of this section after the earlier of—

"(A) 6 years after (i) the date of the last action which constituted a part of the breach or violation, or (ii) in the case of an omission, the latest date on which the fiduciary could have cured the breach or violation; or

"(B) 3 years after the earliest date on which the plaintiff had actual knowledge of the breach or violation; except that, in the case of fraud or concealment, such action may be commenced not later than 6 years after the date of discovery of such breach or violation.".

(b) The table of chapters at the beginning of part III of such title is amended by inserting after the item relating to chapter 83 the following new item:

"84. Civil Service Pension System ...... 8401.".

TITLE II—AMENDMENTS RELATING TO SOCIAL SECURITY

AMENDMENTS TO THE SOCIAL SECURITY ACT

SEC. 201. Section 210(a)(5) of the Social Security Act is amended—

(1) by striking out "or" at the end of subparagraph (F);

(2) by striking out the semicolon at the end of subparagraph (G) and inserting in lieu thereof ", or"; and

(3) by adding at the end thereof the following new subparagraph:

"(H) service performed by an individual after such individual has commenced participation in the Civil Service Pension System pursuant to section 8471 of title 5, United States Code;".

AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954

SEC. 202. Section 3121(b)(5) of the Internal Revenue Code of 1954 is amended—

(1) by striking out "or" at the end of subparagraph (F);

(2) by striking out the semicolon at the end of subparagraph (G) and inserting in lieu thereof ", or"; and

(3) by adding at the end thereof the following new subparagraph:

"(H) service performed by an individual after such individual has commenced participation in the Civil Service Pension System pursuant to section 8471 of title 5, United States Code;".

TITLE III—MISCELLANEOUS AND CONFORMING AMENDMENTS

EXTENSION OF FEDERAL EMPLOYEES' RETIREMENT CONTRIBUTION TEMPORARY ADJUSTMENT ACT OF 1983

SEC. 301. (a) Sections 202(1), 202(6), 203(a)(4)(A), 203(a)(4)(B), 204(a), 206(b)(2)(A)(i), and 206(c)(3) of the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 (97 Stat. 1106; 5 U.S.C. 8331 note) are amended by striking out "January 1, 1986" each place it appears and inserting in lieu thereof "January 1, 1987".

(b) Section 205 of such Act is amended by striking out "and 1986" in subsections (b) and (c) and inserting in lieu thereof "1986, and 1987".

MISCELLANEOUS AMENDMENTS TO CHAPTER 83 OF TITLE 5, UNITED STATES CODE

SEC. 302. (a) Section 8331(1)(G) of title 5, United States Code, is amended to read as follows:

"(G) an individual first employed by the government of the District of Columbia before January 1, 1987;".

(b) Section 8332 of such title is amended by adding at the end thereof the following new subsection:

"(n) Except as provided in section 8472(b) of this title, service performed while a participant in the Civil Service Pension System under chapter 84 of this title is not creditable under this section.".

(c)(1) The first sentence of section 8333(b) of such title is amended by inserting "or chapter 84 of this title" after "subject to this subchapter".

(2) Section 8333(c) of such title is amended by adding at the end thereof the following new sentence: "The requirements of the first sentence shall apply only with respect to the civilian service performed by a Member while not a participant in the Civil Service Pension System under chapter 84 of this title.".

(d) Subsection (a) of section 8334 of such title is amended—

(1) in the first sentence of paragraph (1), by striking out "The employing" and inserting in lieu thereof "Except as provided in paragraph (3) of this subsection, the employing"; and

(2) by adding at the end thereof the following new paragraph:

"(3)(A) In the case of an employee or Member who was subject to this subchapter before January 1, 1984, and whose service—

"(i) is employment for the purposes of title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954; and

"(ii) is not creditable service for any purpose under chapter 84 of this title,

an employing agency shall deduct and withhold from the basic pay of the employee or Member under paragraph (1) of this subsection during any pay period only the amount computed pursuant to subparagraph (B) of this paragraph.

"(B) The amount deducted and withheld from basic pay during any pay period pursuant to subparagraph (A) of this paragraph in the case of an employee or Member referred to in such subparagraph shall be the excess of—

"(i) the amount determined by multiplying the percent applicable to the employee or Member under paragraph (1) of this subsection by the basic pay payable for such pay period, over

"(ii) the amount of the taxes deducted and withheld from such basic pay under section 3101(a) of the Internal Revenue Code of 1954 for such pay period.".

(e) Section 8339 of such title is amended by adding at the end thereof the following new subsection:

"(o)(1) Effective on the first day of the month in which an annuitant or a survivor becomes 62 years of age, the annuity or survivor annuity computed under the other subsections of this section shall be reduced by an amount equal to the amount (if any) by which the annuitant's or survivor annuitant's benefit under title II of the Social Security Act exceeds the amount of such benefit to which he would be entitled if the service described in paragraph (2) of this subsection were not taken into account.

"(2) The service described in this paragraph is the civilian service that is covered by amounts deducted and withheld as provided in section 8334(a)(3) of this title and is taken into account for the purpose of computing—

"(A) the annuity or survivor annuity; and

"(B) benefits under such title of the Social Security Act.".

(f) Section 8347(a) of such title is amended by adding at the end thereof the following: "The Office may contract for the performance of administrative services necessary to carry out its responsibilities under this subchapter.".

(g) Section 8348(a) of such title is amended—

(1) in paragraph (1)(A), by inserting "or the provisions of chapter 84 of this title which relate to benefits payable out of the Fund" after "subchapter"; and

(2) in paragraph (2), by inserting ", chapter 84 of this title," after "chapter".

CONFORMING PROVISIONS FOR THE POSTAL SERVICE RETIREMENT SYSTEM

SEC. 303. Section 1005(d) of title 39, United States Code, is amended to read as follows:

"(d) Officers and employees of the Postal Service (other than the Governors) shall be covered by chapters 83 and 84 of title 5 according to the provisions of such chapters. The Postal Service shall withhold from pay and shall pay into the Civil Service Retirement and Disability Fund the amounts specified in or determined under such chapter 83. The Postal Service shall pay into the Civil Service Retirement and Disability Fund the amounts specified or determined under subchapters II and V of such chapter 84. The Postal Service shall pay into the Civil Service Thrift Savings Fund the amounts specified in or determined under subchapter III of such chapter 84.".

GROUP LIFE INSURANCE FOR CERTAIN PARTICIPANTS IN THE CIVIL SERVICE PENSION SYSTEM

SEC. 304. (a) Subsection (b) of section 8702 of title 5, United States Code, is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Paragraph (1) of this subsection shall not apply to an employee who is required by section 8402 of this title to be a participant in the Civil Service Pension System.".

(b) Subsection (a) of section 8707 of such title is amended—

(1) by striking out "(a) During" and inserting in lieu thereof "(a)(1) Except as provided in paragraph (2) of this subsection, during"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Paragraph (1) of this subsection shall not apply to an employee who is required by section 8402 of this title to be a participant in the Civil Service Pension System.".

(c) Subsection (a) of section 8708 of such title is amended—

(1) by striking out "(a) For" and inserting in lieu thereof "(a)(1) Except as provided in paragraph (2) of this subsection, for"; and

(2) by adding at the end thereof the following new paragraph:

"(2) For each period for which an employee referred to in section 8707(a)(2) of this title is insured under a policy of insurance referred to in paragraph (1) of this subsection, a sum equal to one and one-half times the amount which, but for such section 8707(a)(2), would be withheld from the pay of the employee under section 8707(a)(1) of this title shall be contributed from the appropriation or fund which is used to pay the employee.".

HEALTH BENEFIT PLAN ELIGIBILITY FOR FORMER SPOUSES

SEC. 305. (a) Section 8901(10) of title 5, United States Code, is amended—

(1) in subparagraph (C)(i)—

(A) by inserting "or 8467" after "8345(j)"; and

(B) by inserting "or 8434" after "8341(h)"; and

(2) in subparagraph (C)(ii)—

(A) by inserting "or 8434" after "8341(h)"; and

(B) by inserting "or 8467" after "8345(j)".

(b)(1) Subsection (b) of section 8905 of such title is amended—

(A) by redesignating subparagraphs (A), (B), and (C) of paragraph (1) as clauses (i), (ii), and (iii), respectively;

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(C) by inserting "(1)" after "(b)"; and

(D) by adding at the end thereof the following new paragraph (2):

"(2) A member of family of a deceased employee or annuitant who was enrolled in a health benefit plan under this chapter on the date of death of the employee or annuitant may continue the enrollment under the conditions of eligibility prescribed in regulations issued by the Office.".

(2) Subsection (c)(1) of such section is amended—

(A) in subparagraph (B), by inserting "or 8435(a)(1)"; and

(B) in the second sentence—

(i) by inserting "or 8434" after "8341(h)"; and

(ii) by inserting "or 8467" after "8345(j)".

EMPLOYEES OF CERTAIN NONAPPROPRIATED FUND INSTRUMENTALITIES

SEC. 306. Section 2105(c) of title 5, United States Code, is amended by inserting ", chapter 84," after "chapter 81" in clause (2) of the first sentence.

TITLE IV—AUTHORIZATION AND EFFECTIVE DATES

FIRST YEAR EXPENSES OF THE CIVIL SERVICE THRIFT INVESTMENT MANAGEMENT SYSTEM

SEC. 401. (a) Notwithstanding section 8426(c)(3) of title 5, United States Code, as added by section 101 of this Act, the expenses incurred in the administration of the Civil Service Thrift Investment Management System prescribed in subchapter VIII of chapter 84 of such title, as added by section 101 of this Act, during fiscal years 1986 and 1987 shall be paid from sums appropriated pursuant to subsection (b).

(b) There are authorized to be appropriated to the Civil Service Thrift Investment Board, for fiscal years 1986 and 1987, such sums as may be necessary to pay the expenses incurred in the administration of the Civil Service Thrift Investment Management System prescribed in subchapter VIII of chapter 84 of title 5, United States Code, as added by section 101 of this Act, during such fiscal years.

EFFECTIVE DATES

SEC. 402. (a) Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect January 1, 1987.

(b) Subchapter VIII of chapter 84 of title 5, United States Code (relating to the Civil Service Thrift Investment Management System), as added by section 101, shall take effect on the date of enactment.

(c) The program required by section 8426(e) of title 5, United States Code, as added by section 101(a) of this Act, shall be established not later than January 1, 1988.

SECTION-BY-SECTION ANALYSIS

The opening section (section 2) provides for the purpose of the legislation. The purposes delineated include providing a stable and flexible retirement plan which is comparable to good private sector retirement benefits plans, enhancing portability of retirement assets between Federal jobs and jobs outside the Federal government, and ensuring a fully funded and financially sound federal retirement program.

TITLE I—CIVIL SERVICE PENSION SYSTEM

Section 101(a) amends title 5, United States Code, by inserting a new chapter 84, entitled "Civil Service Pension System" (CSPS).

Subchapter I of this chapter provides definitions for administration of the CSPS, many of which are the same as or similar to those used in chapter 83 of title 5. New or modified definitions include average pay (highest 5 years) and basic pay (rate established pursuant to law, without regard to any limits on authority to pay). Definitions of firefighter and law enforcement officer are more specific than those used in chapter 83. The subchapter also identifies the participants in the new CSPS and specifies its relationship to the Social Security Act. Employees of the District of Columbia are specifically excluded. Employees of the current Civil Service Retirement System (CSRS) are included if they so choose pursuant to Section 8471.

Subchapter II describes the basic retirement plan, which is a defined benefits plan applicable to all permanent employees covered by the Social Security System on or after January 1, 1984 and any employees subject to the CSRS who elect to join the CSPS.

Section 8411 lists the combinations of age and service which establish entitlement to an immediate annuity.

Subsections (a) and (b) provide for an immediate annuity at age 55 with 10 years of service and age 62 with 5 years of service.

Subsections (c) and (d) provide for an immediate annuity to the special retirement classes (law enforcement officer, firefighter, or air traffic controller) after 25 years of service in the occupation.

Subsection (e) provides for an immediate annuity to an employee who is separated from the service involuntarily and who has completed 25 years of service or is not less than age 50 with 20 years of service.

Subsection (f) provides that the annuity authorized by this section is computed under sections 8413 through 8415 of this title.

Section 8412 provides for deferred retirement at age 62 to a participant who is under age 62 and separates from Federal employment after completing 5 years of service or at age 55 to a participant who is under age 55 and separates from Federal employment after completing 10 years of service.

Section 8413 provides the formula for computing the annuity a participant is entitled to receive. The formula is one percent of the average pay over the five highest consecutive years multiplied by the number of years of service. For the special retirement classes, an annuity supplement equal to the estimated amount of Social Security benefits payable at age 62 will be paid to annitants from age 55 until age 62. This supplement will be increased annually by the percent increase in the Social Security Act average wage index. A pro rata formula for part time service is also specified.

Section 8414 provides for reduction of an immediate annuity that begins before age 62. The reduction is two percent for each year the participant is under age 62 on the date of a voluntary retirement at age 55 with 30 years of service or an involuntary retirement under section 8411(e). The annuity is reduced by five percent for each year the participant is under age 62 for a participant who elects to receive an annuity after age 55 but before completing 30 years of service. A five percent reduction for each year the participant is under age 55 applies to law enforcement officers, firefighters, air traffic controllers, and military reserve technicians.

Section 8415 provides for actuarially reducing an annuity to provide for one or more survivor annuities.

Subsection (a) provides for an automatic annuity reduction to provide a survivor annuity to the spouse of a married participant unless the participant and his or her spouse jointly waive the spouse's right to a survivor annuity as provided in section 8416.

Subsection (b) provides for an automatic annuity reduction when the participant has elected to provide a survivor annuity to a former spouse.

Section 8416 provides that OPM shall prescribe methods of payment of annuities and participant election of the method preferred. Included in those methods are a single life annuity and a joint-and-survivor annuity. An individual designated as having an insurable interest in the annuitant may receive a survivor annuity under this provision.

An individual who is married on the date he or she applies for payment of the annuity to begin may elect a method of payment other than a joint-and-survivor method only if the individual and his or her spouse jointly waive an annuity under this method.

Section 8417 provides that a participant who retires voluntarily prior to age 62 may elect to have his or her annuity payments adjusted in such a way that the total amount received before and after receipt of Social Security benefits begin is approximately the same. This does not apply to deferred retirement or to the special retirement classes.

Section 8418 provides that each Federal agency shall contribute an amount equal to the normal cost of the benefits for the agency's employees, as determined by OPM. It also provides for a yearly determination of the Fund's supplemental liability which is to be amortized over 30 years by payments from the Secretary of the Treasury or the Postmaster General of the United States, as appropriate. OPM may use the current CSRS Board of Actuaries for making actuarial determinations and valuations for the CSPS.

Section 8419 provides that military service is creditable service and that the Department of Defense Military Retirement Fund shall reimburse the fund annually for the normal cost relating to the military service of employees and members who become participants during the fiscal year. This excludes employees covered by the CSRS who elect under section 8471(a) to join the CSPS.

Subchapter III describes the thrift savings plan, which is an optional plan permitting participants to contribute a percentage of their basic pay or disability benefits to a selected investment vehicle and have those contributions matched by the government.

Section 8421 allows participants to contribute up to 10 percent of their basic pay to the thrift plan. Those participants who are receiving disability benefits may contribute up to 10 percent of the disability benefits payable. An opportunity to change the contribution amount will be provided at least annually. Employing agencies are required to match the participant's contribution, up to five percent of the participant's annual rate of basic pay or the disabled participant's disability benefits. Amounts contributed to the thrift fund are not included in the employee's current gross income for income tax purposes.

Section 8422 provides a vesting schedule for the thrift plan. A participant immediately vests in his contributions and their earnings. Beginning after one year of service, the participant vests in 20 percent of the employer's contribution. This increases by 20 percent for each additional year of participation up to five years and beyond, when the entire share contributed by the employer, plus interest, is vested. A participant who dies while employed by the government immediately vests in 100 percent of the employer's contribution and the earnings on it. For a participant who separates from employment before becoming entitled to an immediate annuity, any employer contributions which he has not vested in are transferred to the Treasury for credit to Miscellaneous Receipts.

Section 8423 describes the optional ways an employee may choose from to receive thrift account payments from the thrift plan at separation from employment, depending on his or her status under the basic pension plan.

Subsection (a) permits a participant who is entitled to an immediate annuity to elect one of the four methods below:

(1) An immediate annuity

(2) A deferred annuity

(3) A lump sum or installment withdrawal

(4) Transfer to an individual retirement account or other qualified retirement plan

Subsection (b) permits a participant who is entitled to a deferred annuity to elect one of the methods described above. For the first three methods, the money is not payable until the date of the participant's eligibility for retirement.

Subsection (c) permits a participant who is not eligible for any pension to elect one of the three methods below:

(1) An annuity at age 62

(2) A lump sum or installment withdrawal at age 62

(3) Transfer to an individual retirement account or other qualified retirement plan

Subsection (d) permits a participant who elected to defer an annuity payment to modify the date specified in that election.

Section 8424 describes how annuities available from the thrift plan will be computed and paid. The Thrift Investment Board will prescribe methods of payment which must include a single life annuity and a joint-and-survivor annuity. An individual designated as having an insurable interest in the annuitant is also covered under this provision. The amounts will be determined actuarially. Methods for providing annual increases in the annuity payable must also be prescribed.

Section 8425 provides rules for elections by participants entitled to payments or transfers from the thrift plan.

Section 8426 establishes the Thrift Savings Fund and prescribes how moneys in the Fund may be used. Included in these uses is a requirement for the Board to establish a program to make loans to participants in cases of hardship.

Section 8427 describes how employee and employer money will be invested.

Subsection (a) defines terms used in application of this section.

Subsection (b) requires the Board to establish three funds under which sums in the Thrift Savings Fund may be invested and provides an option to establish other funds. The funds are:

(1) A Government Securities Investment Fund which is invested in special issues of the Treasury.

(2) A Fixed Income Investment Fund which is invested in insurance contracts, certificates of deposits, or other instruments.

(3) A Common Stock Index Investment Fund which is invested in common stock issues included in a commonly recognized stock index, with the percentage invested in a given stock to be the same as the percentage of that stock's market value included in the index.

Subsection (c) specifies that sums in the Thrift Fund which are not designated or available to be invested in one of the other investment funds will be invested in the Government Securities Investment Fund.

Subsection (d) states that participants may elect, at least once each year, the investment funds into which they wish to have their Thrift Savings Fund invested or reinvested.

Subsection (e) specifies that, during the implementation phase of the Thrift Savings Fund, a certain percentage of the contributions made by and for the participant must be invested in Government Securities Investment Fund. For participant contributions, the initial amount is 100%, reduced by 20% each year over a five year period, beginning in 1988. For agency contributions, the same phasing schedule applies, beginning in 1993. All amounts earned on these contributions must be reinvested in the Government Securities Investment Fund. Participants hired during the temporary adjustment period will have contributions for that period, as described in section 8473(b), invested in the Government Securities Fund.

Subsection (f) provides for the Secretary of the Treasury to issue, as needed by the Fund, two year notes bearing an interest rate equal to the average market yield of all such notes as of the end of the month preceding the date of issue.

Section 8428 prescribes how the Executive Director is to account for the funds of each participant in the System and requires that the participant be provided an annual statement of his or her account. An annual audit report by an independent qualified public accountant is also required.

Subchapter IV describes the benefits available to survivors of deceased participants and former participants from the basic plan and the thrift plan.

Section 8431 provides for payment of death benefits from the basic plan to the surviving spouse of a participant or a former participant other than an annuitant if the deceased had five or more years of service. If the participant or former participant was eligible to retire, the survivor gets 50 percent of the accrued annuity (computed as if he or she had retired the day before death, with any applicable reductions for early retirement and for election of a survivor benefit). If he or she was not eligible to retire, the benefit is computed as described above but payment is delayed until the date he or she would have been eligible to retire.

Section 8432 provides for payment of death benefits from the basic plan to the survivor of an annuitant in accordance with an election under section 8416, 8434(a), or 8436(c).

Section 8433 provides for survivor benefits from the thrift savings plan. If the deceased participant or former participant is not survived by a spouse, payment is made to an individual designated as having an insurable interest or, if no such designation was made, to the deceased individual's estate. A surviving spouse entitled to payment of benefits may elect to receive the money under one of three methods. These are:

(1) An annuity

(2) Transfer of the money to an individual retirement account

(3) Lump sum or installment withdrawal

Section 8434 provides for basic and thrift savings plan survivor benefits to a spouse acquired after payment of the annuity begins. The election is effective the first day of the second month beginning after the election is received but not earlier than nine months after the date of the marriage. A deposit to retroactively fund this election is required as needed. An election of an annuity reduction to provide this benefit is not permitted if the spouse acquired after retirement was married to the annuitant when payment of the annuity began and the annuitant and spouse had jointly waived the right to a survivor benefit.

Section 8435 states the entitlement of eligible former spouses to receive survivor benefits from the basic plan and the thrift plan. The benefits from the basic plan are the same as for a surviving spouse under sections 8416, 8431, or 8432. Benefits from the thrift fund are determined actuarially.

Section 8436 provides for an annuitant to elect a survivor benefit from the basic plan and the thrift plan for an eligible former spouse.

Subsection (a) permits an annuitant who has a former spouse to elect an annuity reduction in order to provide a survivor annuity to such former spouse. The election must be made on or before the date the annuitant applies for payment of an annuity from the basic plan or, if later, within two years after the date on which the marriage of the former spouse to the annuitant is dissolved. A deposit, computed to reflect the amount by which the annuity would have been reduced if it had been continuously in effect since the date the annuity commenced, is required. An election for an annuity reduction to provide a survivor benefit to a former spouse shall not be effective if it:

(1) conflicts with a court order or decree,

(2) exceeds the funds available to pay it, or

(3) is made without the written consent of the annuitant's spouse.

Subsection (b) provides that an annuitant whose annuity is being reduced to provide a survivor benefit to a former spouse may elect to provide or increase a survivor annuity for any former spouse. This election must occur within two years after the former spouse's date of death or remarriage before age 55.

Subsection (c) provides for an annuitant to elect to provide a survivor annuity to his or her spouse if the entitlement of an eligible former spouse is terminated or reduced due to remarriage or death.

Subsection (d) provides for a waiver of the requirement that the spouse of a retiree waive a right to a survivor benefit in certain situation.

Section 8437 provides for termination of a survivor annuity on death of the spouse or former spouse, dissolution of the marriage, or remarriage of the former spouse before reaching age 55.

Section 8438 covers deposits to the Fund.

Subsection (a) requires a market rate of interest payment on any deposit needed to fund an annuity election under section 8434(c) or 8436.

Subsection (b) provides for offsetting the retiree's annuity if the required deposit is not made.

Subsection (c) permits OPM to extend the time limit for making the required deposit.

Subchapter V describes the disability benefits available to a participant who has at least 18 months of service.

Section 8441 provides definitions for the administration of this benefit.

Section 8442 provides that an eligible particpants is entitled to receive benefits under this subchapter if disabled based on the Social Security definition and under 62 or if unable to work in his current position, not qualifed for reassignment, and under 55. At age 62/55, the annuity is payable under the basic plan provisions of subchapter II based on at least 5 years actual service plus projected service through age 62/55. Average pay for the purpose of converting the disabled person from the disability rolls to the retirement rolls at age 62/55 is the average pay on the date of disability, increased each time after that date by the Consumer Price Index minus two percentage points.

Section 8443 provides the following methods for computing disability benefits:

(1) If eligible for Social Security or ineligible for Social Security only as a result of insufficient quarters of coverage, 60 percent of average pay minus 100 percent of the Social Security benefit while the participant is under age 62.

(2) If occupationally disabled, 60 percent of average pay for the first year. After the first year, 40 percent of average pay minus Social Security benefits, if any, while the participant is under 55 years of age.

Section 8444 requires a claim for disability benefits to be filed before the date the participant separates from employment by the Federal Government or within 1 year after. This time limit may be waived by the administrator of benefits.

Section 8445 requires the administrator to direct medical examinations for disability retirement applicants or benefit recipients.

Section 8446 requires that an applicant who is determined able to perform the work required in any position offered by his employing agency for which he is qualified, is at the same grade or level as his current position, and is within his commuting area, must be considered for appointment to such position. The applicant is entitled to appeal a determination that he is able to perform the work required of such position.

Section 8447 provides for termination of disability benefits to an individual who recovers from the disability before reaching age 62 or, in the case of an employee who is occupationally disabled, age 55. Recovery is presumed to occur when income for one year equals 60 percent of the current pay for the individual's former grade. These benefits may be resumed if there is a recurrence of disability. In the case of an individual whose benefits were terminated due to restored earning capacity, benefits are resumed if he is not reemployed within one year, his disability continues, and his income for one year is less than the amount establishing his restored earning capacity.

Section 8448 establishes that an individual is not entitled to receive both disability benefits under this chapter and injury compensation benefits under subchapter I of chapter 81 of this title for the same period of time.

Section 8449 provides for disability benefits for a military reserve technician who is separated from employment as a technician due to a disability which disqualifies him from membership in the National Guard or other reserve component, as the case may be, or from holding the military grade required for such employment and who is not placed in another position.

Section 8450 provides that OPM will contract with one or more insurance companies or other firms to serve as a third party administrator for the disability program provisions which OPM is not specifically required to administer. Each contract awarded may not exceed 5 years and may include a provision authorizing extensions for 1 year at a time.

Section 8451 provides requirements for an annual accounting by the third party administrator to OPM.

Section 8452 provides for the establishment of an Employees' Disability Insurance Fund in the U.S. Treasury and requires agencies to make payments to the fund from their salary appropriations.

Subchapter VI describes general provisions applicable to the administration of the basic plan.

Section 8461 provides that OPM shall pay all benefits payable under the basic plan from the Fund and shall administer all provisions not specifically required to be administered by the Board or any other agency. OPM is also authorized to contract for the performance of any of these functions.

Section 8462 provides for an annual adjustment to the basic pension as a result of an increase in the Consumer Price Index (CPI). The increase will be the percentage increase in CPI minus 2 percentage points. The adjustment is made in December (payable in January), and is based on the change from September to September. A pro rata share of the increase is payable to retirees or survivor annuitants for whom this is the first increase.

Section 8463 provides that each annuity and disability benefit is stated as an annual amount, one-twelfth of which is the monthly rate payable.

Section 8464 provides that a participant's annuity under the basic pension commences on the first day of the first month after the participant separates from government employment or such later date as he or she elects. It terminates on the date of death or other terminating event provided by law. It further provides that a survivor annuity commences on the first day of the first month after the date of death of the participant or retiree on whom the annuity is based and terminates on the last day of the last month ending before the surviving spouse dies or remarries before age 55, unless another date is specified in accordance with this chapter.

Section 8465 provides that an individual entitled to receive a basic pension may waive receipt of all or part of the benefits. An individual may also make allotments from the benefit payment.

Section 8466 provides that an application for benefits must be received before the former participant's 115th birthday; for survivor benefits, the application must be received within 30 years after the death or other event which establishes entitlement to the benefit.

Section 8467 requires compliance with the terms of a court order requiring payment of an annuity, in whole or in part, to another person.

Section 8468 provides for termination of an annuity when an annuitant is reemployed by the Government. Upon termination of the employment, his annuity right are redetermined. The amount of the annuity resulting from a redetermination may not be less than the amount of the terminated annuity plus any COLA increases.

Subchapter VII outlines the transition provisions for individuals covered by the CSRS who choose to participate in the CSPS.

Section 8471 permits participants in the current system (CSRS), other than District of Columbia government employees, to elect to participate in the new system (CSPS) during the first year it is in effect and to retain accrued credit for entitlement to benefits under the CSRS for service subject to that system. It also provides that rehires who are required to participate in the CSPS retain credit earned under CSRS and are permitted to deposit to the CSRS fund any amount previously refunded. Survivor benefits may be payable based on conditions of eligibility and service under both CSRS and CSPS.

Section 8472 provides that CSRS participants who elect to participate in the CSPS are allowed credit for service under both systems for purposes of determining eligibility to retire in both systems and of vesting in the thrift plan. Pay for such individuals subsequent to beginning participation in the CSPS is taken into account in computing average pay under both systems. Disability benefits are provided only under the CSPS.

Section 8473 provides that service by a participant during the temporary adjustment period will be recognized as years of participation for the purpose of vesting in the employer's contributions to the Thrift Savings Fund under section 8422. For such participants, moneys will be transferred from the Fund to the Thrift Savings Fund in an amount which equals twice his or her contributions plus interest for any calendar year at the rate determined under section 8334(e) of title 5. The amount transferred will be in the form of interest-bearing securities of the United States. For vesting purposes, half of the amount will be treated as a contribution from the participant and half as a contribution by the employing agency.

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Participants hired during the interim period who made a deposit to cover military service will receive a refund of the deposit.

Section 8474 defines "reemployed annuitant" for various Government retirement systems. This section provides that a reemployed annuitant retains entitlement to the Government retirement system under which he/she retired. It further provides that service performed as a reemployed annuitant under CSPS shall be credited only for eligibility to retire under CSPS and cannot be considered creditable service for the annuitant's previous retirement system. Also, pay earned as an employee before and after reemployment is considered in computing average pay under both the CSPS and the annuitant's Government retirement system.

Section 8475 excludes former CSRS participants who join the CSPS from the windfall reduction and the public pension offset provisions of the Social Security Act.

Section 8476 authorizes OPM to prescribe regulations to carry out this subchapter.

Subchapter VIII describes the Civil Service Thrift Investment Management System.

Section 8491 establishes a Civil Service Thrift Investment Board, composed of the Chairman of the Federal Reserve Board, the Secretary of the Treasury, the Director of OPM, and two representatives of Federal employee organizations appointed by the President, one of whom must be from a labor organization and one of whom must be from a Federal employee management organization. The Chairman of the Federal Reserve Board will chair the Board. Specific responsibilities of the Board are detailed here.

Section 8492 provides for the establishment of a Civil Service Thrift Advisory Committee, composed of six members appointed by the Board. Three are to be investment asset managers and three are to be administrators of thrift savings plans.

Section 8493 provides for the Board to appoint an Executive Director to carry out the policies of the Board in administering the Thrift Savings Fund. The Executive Director is authorized to enter into contracts as necessary to carry out these policies.

Section 8494 states the investment policy governing the Thrift Savings Fund. This includes a provision that investments chosen are likely to receive broad acceptence by participants and the public, and a provision that the two funds which specifically provide for private sector investment should not require a significant level of active investment decision-making.

Section 8495 provides rules of administration for the Board.

Section 8496 identifies fiduciaries and their responsibilities, defines "party in interest," states basic standards of fiduciary conduct, lists prohibited practices by fiduciaries, and describes penalties for committing a prohibited practice.

TITLE II—AMENDMENTS RELATING TO SOCIAL SECURITY.

Section 201 amends section 210(a) (5) of the Social Security Act to cover service performed by an individual who commences participation in the CSPS.

Section 202 amends section 3121(b)(5) of the Internal Revenue Code of 1954 to tax the wages of an individual who commences participation in the CSPS.

TITLE III—MISCELLANEOUS AND CONFORMING AMENDMENTS

Section 301 extends the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 from January 1, 1986 until January 1, 1987.

Section 302(a) amends section 8331 of title 5, United States Code, to limit coverage under the CSRS for District of Columbia government employees to those first employed before January 1, 1987.

Section 302(b) amends section 8332 of title 5, United States Code, by adding a new subsection excluding participant in the CSPS from receiving service credit under the CSRS, except in certain limited situations affecting participants retaining entitlement in the CSRS under section 8472.

Section 302(c) amends section 8333(b) of title 5, United States Codes to modify the requirement that an employee or Member must complete at least one year of creditable service as a participant in the CSRS out of the last two years before separation to include service under the CSRS. It also amends section 8333(c) by making the contribution requirements applicable only to service performed while not a participant in the CSPS.

Section 302(d) amends section 8334(a) of title 5, United States Code, relating to deductions from an employee's pay for both CSRS and Social Security coverage. An employee who was covered by the CSRS on December 31, 1985 and who was subsequently covered by Social Security will continue in the CSRS at a reduced contribution. The Contribution to CSRS will be equal to the excess of the employee's normal CSRS contribution over the OASDI portion of the Social Security tax.

Section 302(e) amends section 8339 of title 5, United States Code, to specify that the CSRS benefit received by those covered under subsection (d) will be offset by 100% of the Social Security benefit attributable to federal service.

Section 302(f) amends section 8347(a) of title 5, United States Code, to permit OPM to contract for the performance of administrative services necessary to carry out its responsibilities under subchapter 83.

Section 302(g) amends section 8348(a) of title 5, United States Code, to clarify that the Civil Service Retirement and Disability Fund is available to pay benefits and administrative expenses for both chapters 83 and 84 of such title.

Section 303 amends section 1005(d) of title 39, United States Code, to include officers and employees of the Postal Service for coverage under the provisions of chapters 83 and 84 of title 5.

Section 304 requires agencies to pay all group life insurance basic plan costs for CSPS participants from salary appropriations.

Section 305 amends sections 8901(10) and 8905(c) of title 5, United States Code, to incorporate health benefit plan eligibility requirements for former spouses as a result of P.L. 98-615. It also amends section 8905(b) to permit a family member of a deceased employee or annuitant who was enrolled in a health benefits plan to continue that enrollment.

Section 306 amends section 2105(c) of title 5 to provide that chapter 84 does not apply to employees of certain non-appropriated fund instrumentalities.

TITLE IV—AUTHORIZATION AND EFFECTIVE DATES

Section 401 provides for payment of the fiscal year 1986 and 1987 expenses of the Civil Service Thrift Investment Board from appropriations.

Section 402 provides that this act takes effect January 1, 1987, except for subchapter VIII of chapter 84 (relating to the Civil Service Thrift Investment Board), which takes effect on the date of enactment, and the loan program required by section 8426(e) which must be established not later than January 1, 1988.

Congressional Research Service,
The Library of Congress,
Washington, DC, July 25, 1985.

To: Senate Committee on Governmental Affairs, Senate Subcommittee on Civil Service, Post Office and General Services.

From: Dennis Snook, Leader, Civil Service Retirement Team.

Subject: CRS Analysis of the Stevens-Roth Plan for a Retirement System for Federal Workers Covered by Social Security.

COMPARISON OF ENTRY AGE NORMAL COST ESTIMATES OF CURRENT CSRS TO STEVENS-ROTH PLAN [1]

[In percent]

	Current CSRS (baseline)			Stevens-Roth plan		
	Employer share	Employee share	Total	Employer share	Employee share (average)	Total
Defined benefit plan	25.0	7.0	32.0	11.7		11.7
Social security [2]				5.9	5.9	11.8
FEGLI change [3]		.2		.2		.2
Capital accumulation plan (voluntary) [4]				3.0	3.0	6.0
Full cost [5]	25.0	7.2	32.2	20.8	8.9	29.7

[1] All cost figures are rounded to the nearest tenth of a percent. Administrative costs and benefits to special groups are excluded. Under the current CSRS these costs are estimated to be 0.1 and 0.3 percent of pay, respectively.

[2] Social security cost is the percentage of total Federal payroll taxable for social security (OASDI).

[3] Increased employer cost (0.2 percent) of Federal Employees Group Life Insurance (FEGLI) resulting from the employer assuming the full cost of Federal worker life insurance.

[4] For employees, cost of the capital accumulation plan is shown as the average cost. Average cost is determined by dividing the projected sum of all contributions (up to the specified matching limit of five percent for each employee) by the number of employees, assuming 60 percent rate of full participation. The cost to the Government is the employee cost times the matching rate minus the sum of unvested contributions forfeited (0.03 percent) by separating employees.

[5] Average full cost: For the existing CSRS, includes the average employee contribution for life insurance coverage while working. For Stevens-Roth, includes average employee contribution and employer match to the capital accumulation plan.

ENTRY AGE NORMAL COST OF STEVENS-ROTH PLAN BY BENEFIT [1]

[Normal cost (percent of total Federal pay)]

Defined benefit component:	
Annuities to employees:	
Optional retirement	8.5
Involuntary retirement	[illegible]
Disability retirement [2]	1.0
Deferred retirement	[illegible]
Subtotal	10.5
Annuities to survivors of	
Age retirees	.8
Disability retirees	.1
Active employees	.3
To children	
Subtotal	1.2
Refunds	
Total benefits defined benefits	11.7
Increased cost of FEGLI	[3] .2
Total benefits, capital accumulation	[4] 6.0
Total benefits, social security	[5] 11.8
Total benefits	29.7
Less employee contributions:	
Defined benefit	
Capital Accumulation	[4] −3.0
Social security	[6] −5.9
Total employer cost	20.8

[1] Detail may not sum to totals due to rounding. Administrative costs and benefits to special groups are excluded.

[2] Includes deferred retirement benefits to disabled annuitants. (0.5%)

[3] Net increase in Federal Employees Group Life Insurance (FEGLI) from changes made to that program as part of the Stevens-Roth Plan.

[4] Based upon net employer contributions (minus forfeitures of 0.03%) average contribution for all workers including nonparticipants.

[5] Approximately 0.4 percent of payroll of the social security cost is not distributed to Federal workers but flows to relatively lower-income social security participants outside the Federal government.

[6] Social security average contribution as a percent of total payroll.

REPLACEMENT RATES—CURRENT CIVIL SERVICE RETIREMENT SYSTEM

[In percent]

(Final salaries have been adjusted to 1985 dollars)	$15,000	$30,000	$45,000	$60,000	$75,000
Gross replacement rates:					
10 years service	15	15	15	15	15
20 years service	34	34	34	34	34
30 years service	53	53	53	53	53
35 years service	63	63	63	63	63
40 years service	72	72	72	72	72

Note: These rates are for persons retiring in the year 2030.

REPLACEMENT RATES—ADD-ON PLAN: 1 PERCENT ACCRUAL RATE; CAP WITH 1 TO 1 MATCH UP TO 5 PERCENT OF PAY; 2 PERCENT EARLY RETIREMENT REDUCTION; POSTRETIREMENT ADJUSTMENT: CPI–2

[In percent]

(Final salaries have been adjusted to 1985 dollars)	$15,000	$30,000	$45,000	$60,000	$75,000
Retirement at:					
Age 55/30 years (gross rates)					
Total rate	38	38	38	38	38
(Without C.A. plan)	(23)	(23)	(23)	(23)	(23)
Pension	23	23	23	23	23
OASDI	0	0	0	0	0
C.A. plan	15	15	15	15	15
Total rate at age 62	57	52	48	45	43
(Without C.A. plan)	(42)	(37)	(33)	(30)	(28)
Pension	20	20	20	20	20
OASDI	22	17	13	10	8
C.A. plan	15	15	15	15	15
Total at age 80	51	46	42	39	37
(Without C.A. plan)	(36)	(31)	(27)	(24)	(22)
Pension	14	14	14	14	14
OASDI	22	17	13	10	8
C.A. plan	15	15	15	15	15
Retirement at:					
Age 62/30 years (gross rates):					
Total rate	69	64	60	56	54
(Without C.A. plan)	(50)	(44)	(40)	(37)	(35)
Pension	27	27	27	27	27
OASDI	23	17	13	10	8
C.A. plan	19	19	19	19	19
Retirement at:					
Age 62/35 years (gross rates):					
Total rate	81	75	70	66	63
(Without C.A. plan)	(59)	(52)	(47)	(44)	(41)
Pension	31	31	31	31	31
OASDI	27	21	16	12	10
C.A. plan	22	22	22	22	22
Total rate at age 65	79	73	68	64	62
(Without C.A. plan)	(57)	(51)	(46)	(42)	(39)
Total rate at age 80	72	65	60	57	54
(Without C.A. plan)	(49)	(43)	(38)	(34)	(32)
Retirement at:					
Age 62/40 years (gross rates):					
Total rate	89	82	77	73	71
(Without C.A. plan)	(63)	(57)	(52)	(48)	(46)
Pension	36	36	36	36	36
OASDI	27	21	16	12	10
C.A. plan	25	25	25	25	25
Retirement at:					
Age 65/30 years (gross rates):					
Total rate	76	69	64	61	58
(Without C.A. plan)	(54)	(48)	(43)	(39)	(37)
Pension	27	27	27	27	27
OASDI	27	21	16	12	10
C.A. plan	22	22	22	22	22
Retirement at:					
Age 67/30 years (gross rates):					
Total rate	81	74	68	64	61
(Without C.A. plan)	(58)	(51)	(45)	(41)	(38)
Pension	27	27	27	27	27
OASDI	31	24	18	14	11
C.A. plan	23	23	23	23	23
Retirement at:					
Age 67/40 years (gross rates):					
Total rate	105	95	88	83	80
(Without C.A. plan)	(74)	(64)	(58)	(52)	(49)
Pension	36	36	36	36	36
OASDI	38	28	22	17	13
C.A. plan	31	31	31	31	31

Note: These rates are for persons retiring in the year 2030. Totals may not add due to rounding.
CAP amounts, indexed so that level values over time are shown, assume lower annuity in early years to account for inflation.

METHODOLOGICAL SUPPORT

A. Cost and replacement rate models

The estimates of retirement costs and benefits presented in this analysis were generated using the Congressional Research Service's cost and replacement rate models. These computer-based actuarial models were developed by CRS with actuarial support and a Pension Valuation Language (PVL) provided under contract by Hay-Huggins, Inc., an actuarial consulting firm. It should be noted that these models project future outcomes from assumptions. While such projections are valuable tools for making relative cost and benefit comparisons, it is inappropriate to imply or to seek a degree of accuracy for them that is in principle unattainable.

1. Cost model

The cost model projects long-term costs of pension designs. The approach used is known as "entry age normal cost," and can be generally understood as the percentage of every paycheck that should be invested, over the total career of each employee in a group of new entrants, to pay fully for all benefits received by that group, including all eligible survivors. Normal cost is formally defined as the present value of future benefits divided by the present value of future compensation. These values are expressed as a percentage of payroll, and provide a consistent measure of relative pension costs over time.

2. Replacement rate model

The replacement rate model projects the percentage of gross preretirement wages replaced by gross postretirement benefits. This percentage can be shown at retirement and at various ages after retirement, with the latter expressed in values relative to purchasing power at retirement. Capital accumulation replacement rates assume the purchase of an annuity indexed to the assumed rate of inflation.

3. Data and assumptions

The cost and replacement rate models required the use of certain data and assumptions, in order to project cost and benefit outcomes for employees entering work in 1985 and retiring in the year 2030. A profile of the Federal workforce into the future and drawn from data of the current system, and other factors pertaining to costs and benefits were identified and assumptions about the relative weight of those factors were made. Complete documentation of the methodology, data and basis for all assumptions is available from CRS.

1. Demographic assumptions

Given the order of magnitude of Federal employment, fairly reliable data on the Federal workforce could be obtained, and was used whenever appropriate. The vast majority of the data used to construct a demographic profile of the Federal workforce was provided by the Office of Personnel Management (OPM). These data included career patterns, mortality and disability rates, probability of leaving a surviving dependent, etc. Certain modifications were made to the OPM data that lessen the growth over time in the patterns of career improvement, and social security estimations of future improvements in mortality were also incorporated.

2. Economic assumptions

All economic assumptions were taken from the 1985 Social Security Trustees' Report under the designation, "Intermediate II-B." The II-B assumptions are most commonly accepted as being neither optimistic nor pessimistic. When the 1986 Trustees' report is issued, CRS will incorporate any changes to II-B into the cost and replacement rate models. For 1985, the assumptions were annual average increases of: Interest, 6.1 percent; wages, 5.5 percent; and prices, 4.0 percent.

3. Behavioral assumptions

Changes in plan designs relative to one another will cause changes in behavior which in turn affect plan costs. The changes in assumed rates of retirement, separation, etc., were made by the actuarial consultant, after research and discussions with CRS staff.

4. The cost of Social Security

Generally, the cost of social security to its participants is the same as the tax that must be paid to the program. For these estimates, the cost of social security is the ratio of social security (OASDI) taxes to total Federal payroll over the 75-year period of the projection, evenly divided between employees and the Federal Government as employer. Under social security II-B assumptions, the benefits and taxes of the program are roughly in balance over that period, if the tax on social security benefits is treated as a revenue to the program. It should be noted, however, that some of the social security taxes on Federal payroll are not received back by Federal workers in the form of benefits because the average of Federal wages covered by social security exceeds the average covered wage in employment outside the Federal Government. Because the social security formula enhances the benefits of lower-paid workers, approximately 0.4 percent of payroll of the tax credited to social security from Federal wages is redistributed to workers outside the Federal Government. If the Federal Government is viewed, not as an employer, but in its other role as participant in the national economy, this redistributed amount could be construed as a savings.

Other differences in the pattern of payments between the present CSRS and social security are also taken into consideration when costs or replacement rates for a new plan incorporating social security are compared to the current system. The value of this difference is approximately two percent of payroll. About two-thirds of the difference is attributable to the portable rights to social security earnings credits retained by employees who leave employment with less than a full career. The remainder of the difference, after certain offsets and overlaps are netted, is attributable to dependents' benefits payable under social security but not payable from the current CSRS. The sum of these differences in the pattern of payments has been distributed across the various benefit components of the proposal and is thus reflected in lower replacement rates at retirement (excluding benefits from capital accumulation) of about five percent of total benefits attributable to the employer share of total plan costs.

5. Estimated capital accumulation costs

Cost of the capital accumulation plans analyzed by CRS depend on the participation rate of individuals. Such rates, expressed as "percent of full participation," are influenced by two features of the plan: The rate at which employee payments to the capital accumulation plan are matched by employer payments, and the ceiling on employee contributions eligible for such matching dollars. Some employees will contribute the full amounts permitted by the plan specifications, others only some, still others not at all. The percent of full participation is the net average of full participation after all full, partial, and zero contributions have been combined.

The cost to the Federal Government of the capital accumulation plans is established by multiplying the matching rate specified for the plan by the estimated percent of full participation. For example, Hay-Huggins, Inc., estimated that a plan with a 50 percent employer match of employee contributions to 6 percent of pay would acquire a 55 percent average full participation. Multiplying that rate times the maximum government match (three percent) yields a Federal Government cost for the plan of 1.65 percent of pay.

This proposal includes a capital accumulation plan that permits the employees to contribute as much as 10 percent of their salaries, with the first 5 percent matched on a one for one basis. Hay-Huggins estimates that the phased vesting of 25 percent of the matching amount for years two through five would reduce the cost to the government approximately 0.03 percent, as employees who separated with less than five years of service lose portions of the matching amount. Thus, at a 60 percent rate of full participation, employees would contribute an average of approximately 3.0 percent of salary, and the Federal Government's matching cost would be approximately 3.0 percent of pay. Documentation of the method for arriving at the variable used for the capital accumulation cost assumptions is available from CRS.

Mr. ROTH. Mr. President, today Senator Stevens and I are introducing one of the major pieces of legislation of the 99th Congress—the new supplemental retirement plan for Federal workers.

The bill that we submit to the Senate is one that combines the latest thinking in retirement planning with the more traditional pension structures of Social Security and a defined benefit annuity. It does not alter the current Civil Service Retirement System.

This bill is necessary because the Congress required that all Federal employees hired after December 1983 and all Members of Congress participate in the Social Security Program. This decision makes it necessary that a new retirement plan be developed that will fit with Social Security.

Our legislation is the result of many months of research, and discussions by several members of the Governmental Affairs Committee and the administration in attempts to develop a bipartisan proposal for the new system. While we have not been able to achieve the goal of a bipartisan proposal, the legislation we are introducing today will provide a solid retirement plan to supplement Social Security. It is important that we proceed with its consideration. Time is running out. At the end of this year the interim plan for workers hired since January 1984 will expire. If Congress fails to act these people and the Government will be required to pay for both Social Security and the costs of the current retirement system. Costs to the employee would be staggering. Excessive costs—some 14 percent of a paycheck would go to retirement—resulting in overlapping and duplicative coverage.

That is why Senator Stevens and I feel it is our responsibility to bring forth legislation now. It is our good faith effort to keep our commitment to those workers, who are paying into Social Security under the 1983 act, and also contributing 1.3 percent of salary to the pension fund.

Mr. President, even if the Social Security Amendments of 1983 had not mandated a new retirement system for workers hired after December 1983, I believe it would be time for Congress to design a modern pension system for Federal employees. Why should the civil servant be locked into an archaic retirement plan while his counterpart in the private sector or State government participates in plans that provide both retirement security and career flexibility? The Federal worker competes in the job market with the rest of the labor force. It is unfair to have his or her career opportunities limited by the conditions of the current pension system.

We are all aware of the shortcomings of the present retirement system. It favors the older career employee over the younger one, it makes mobility between the public and private sector difficult, it is poorly financed and it is too expensive. Our legislation eliminates the shortcomings of the current system, provides a sound basic benefit package similar to the private sector and allows employees to direct their income where it best suits their needs.

Let me say at the very beginning that this plan, because it deals with people who will retire many years from now, does not reduce the deficit. Certainly costs were a major factor in our work. We did not, however, contain costs by simply looking at the old plan, taking out the expensive parts and the deciding that whatever was left should be the new retirement system. This plan reflects the best of current practice. It has a long-range cost, expressed as a percentage of payroll, of 20.8 percent, which is about the same as a private pension plan for a large private organization. Our thrift plan contains a tax deferral feature that will put Federal employees' benefits on an equal basis with the best private pension plans. In fact, we think our new system will be so attractive to Federal workers that we have included a transfer provision allowing individuals in the current system to enter the new plan.

Our new program is composed of three basic parts. The first is Social Security which workers will continue to pay into according to the payroll deduction schedules set out in the law. Upon retirement, disability, or death, beneficiaries will receive the same entitlement as American workers currently in the Social Security System.

Supplementing the basic Social Security benefit is the second tier of our plan, a defined benefit pension very similar in structure to the present retirement system. Employees, however, make no contributions to this plan. The full cost of the plan is borne by the employer as is done in private industry. Employees vest for a benefit after 5 years of service and are eligible to retire with unreduced benefits at age 62, the same age as Social Security and the typical age for private industry. The annuity is based on the length of service times 1 percent per year, and uses the average of the highest 5 years of salary.

This benefit is adjusted for inflation using an annual cost-of-living adjustment [COLA] based on the Consumer Price Index increase minus 2 percentage points. While this differs from the current plan, we must remember that most private pensions do not grant regular COLA's. By combining this partial automatic adjustment with the full COLA of Social Security and the investment opportunities under the thrift plan, the legislation provides inflation protection necessary to protect an employee's post-retirement standard of living.

The early retirement provisions break important new ground by permitting employees much wider choice about when they can retire with reduced benefits in a way that adds nothing to the long-range cost of the program, just as is done in private industry. We expect this feature to be especially popular with two-worker couples who wish to coordinate their plans as to retirement and possible career changes.

Disability benefits are coordinated with Social Security in our plan to provide income for the temporarily as well as the long-term disabled. The disability insurance plan will be administered through a private company by the Government, easing the costly bureaucratic problems associated with such programs. Regardless to the type of impairment, entitlement for disability benefits begins after 18 months of service. Our objective here is to pay more adequate benefits to those who are truly disabled, and to encourage those able to return to work to do so.

The plan's survivors benefits are patterned after the private sector—a combination of Social Security, pension plan survivor benefits, thrift plan benefits and group life. However, here again we have borrowed on a better idea from private employers. Most employee benefit experts would argue that life insurance best protects young families. So, using the current Federal Employees Group Life Insurance, the Federal Government will now pay for all the basic coverage, while also giving employees the option to buy additional amounts.

The third and most innovative tier of our plan is the one I think will prove the most appealing to the Federal work force. This is our thrift plan, a concept that lets the worker take an active part in investing his money and tailoring his pension funds. The funds set-aside may be used for survivor and disability purposes as well as retirement. Of course, this will mean greater responsibility and increased attention to changing investment patterns on the part of the worker. But private and State employees have managed these investments successfully for years and we are aware of similar thrift options in the Federal Reserve Board pension system.

I think this is the step into the future civil service employees have been waiting for and want to take, discrediting the notion that everything surrounding the civil service is outdated, bureaucratic and unimaginative.

Our savings plan challenges these popular myths by placing the Federal retirement plan at the forefront of pension investment. We begin with a Thrift Investment Board composed of five members—three top Government officials and two representatives of various employee groups appointed by the President. These members plus an Executive Director charged with daily management responsibilities, must meet the same fiduciary standards as officials of private plans do under ERISA, the Employee Retirement Income Security Act. Through the Board, we intend to offer the employee a tax deferred savings plan in which the participant can yearly set-aside up to 10 percent of his pay, with the first 5 percent matched by the Government and invested among a Government bond fund, a fixed income fund or an equity fund.

This triad approach to investment strategy offers workers the opportunity to choose the amount of risk and prospective return appropriate for them. What is important is that this is the employee's choice. If, for financial or other reasons, the employee does not like the investments in one option, he or she may choose another.

Mr. President, I hope in the coming days the Senators of this body will support our efforts. This plan is fair. It does not discriminate between mobile workers and those who stay in Government, nor the young and old. In fact, except for some very few technical occupations, this plan covers everyone the same including the Congress and its employees.

Furthermore, this plan is solidly financed. The money needed for benefits is paid up front, on an actuarial basis, not an arbitrary number.

This is a plan that allows the Government worker the same opportunities as the private sector and gives each employee control of his or her future retirement.

Before I close my remarks, I would like to acknowledge the truly excellent work and leadership provided by Senator Stevens, chairman of the Civil Service, Post Office, and General Services Subcommittee in bringing this proposal together. Retirement matters are very complicated and technical by nature. They are also very important in that the decisions we make in this legislation will directly affect the livelihood and well-being of people who chose to dedicate part, if not all, of their careers to public service. This legislation is a sophisticated proposal that represents the results of many months of diligent and hard work.

In addition, the administration supports the structure and basic provisions of this bill. It is my hope that after examination it will have the support of all the Members of this body. The committee intends to hold hearings on this bill in September and press for a markup as soon after as possible. I would urge all Members and interested parties to give this legislation their attention.

Mr. GORE. Mr. President, we face a critical challenge in redesigning the Civil Service Retirement System for employees covered by Social Security. In extending coverage to Federal employees, the Social Security Amendments of 1983 left Congress a difficult responsibility that must now be discharged.

With the introduction of S. 1527 today, the chairman of the Governmental Affairs Subcommittee on Civil Service, Post Office, and General Services, TED STEVENS, and the chairman of the Committee on Governmental Affairs, BILL ROTH, have taken a significant step forward. I commend their leadership on this issue, and I share their concern that the complex features of the new retirement system be established by the end of the session.

We cannot allow hard choices in the design of a new Federal pension system to deter us from enacting legislation by the end of this year. Nor can we expect the many thousands of Federal workers who have begun work since the beginning of 1984, or who will be coming to work in the future, to pay 14 percent of their pay for pension expectations that can be uncertain at best. Yet that is precisely what will happen if Congress fails to design a new plan within the 2-year period we gave ourselves. In simplest terms, our objective is to ensure that Federal employees, at work and upon retirement, receive fair and reasonable compensation for their service. Fair and reasonable in the eyes of the workers themselves, whose efforts are vital to the varied functions of the Federal Government. Fair and reasonable, as well, in the eyes of the taxpayers, who rightly insist that their tax dollars should be spent sensibly and to good result.

Mr. President, as the ranking minority member of the subcommittee of which Senator STEVENS is the chairman, I can only express my admiration for the depth of his knowledge in the pension field. All of us should appreciate the service he has provided this body by mastering and interpreting the arcane tools of pension design. The bill these distinguished chairmen have produced is a good bill. It reflects the patient stewardship of Senator ROTH and the learned wisdom of Senator STEVENS. On my side of the aisle, the senior Senator from Missouri has done much to foster a spirit of cooperation and bipartisanship in our consideration of this issue.

Prior to the introduction of the bill, potential differences were fully aired, without the rancor that often characterizes issues in which the stakes are so very high. Consequently, our task is to strike a proper balance within a narrow range of disagreement.

As in many of these deliberations, we must take a close look at many highly technical issues. A web of formulas, categories, and requirements must be woven into a coherent and sensible policy—a policy that is clear enough for those who will depend upon it for their economic security, and flexible enough to address the various situations and needs that Federal workers may face during their careers.

Several areas in the Stevens-Roth bill warrant careful scrutiny. How we decide these issues will shape the basic structure of the plan and its pattern of payments for decades to come. Each area of concern requires important choices; taken together, those decisions will form the heart of a sound and adequate system.

First we must decide how much we should protect future pension benefits from dwindling in the face of rising prices. To be sure, this is a familiar and difficult issue for all of us. The fixed incomes of retirees must be accorded a measure of economic security.

Because Social Security continues to be fully and automatically adjusted for changes in the cost of living, it serves as the basic component of income protection for all workers. But a pension must also serve as a dependable source of retirement income, which is possible only if its value is maintained. The Stevens-Roth bill depends primarily upon the inflation protection granted by the Social Security cost-of-living adjustment. While the expense of COLA's in benefit programs is of great concern to all of us, we must be careful not to schedule an erosion in benefit value that grows worse with each passing year.

As they plan for their retirement years, Federal employees deserve to know with certainty at what age benefits begin. The current Civil Service Retirement System has been criticized for permitting employees to retire as early as age 55. This costly feature of the system will undoubtedly be a major focus of any new plan.

It is important to note that many private sector employers, particularly those with a heavy concentration of physical labor, permit unreduced retirement at age 55 to workers with careers spanning 30 or more years. Virtually all private sector pensions make some provision for retirement at that age. Furthermore, despite the range of jobs in the Federal Government and the private sector, the average retirement age is around 61—for workers inside or outside the Government.

With 62 as its earliest age of eligibility, Social Security reduces the benefits Federal employees would receive at earlier ages. The Stevens-Roth bill goes further, by reducing the Federal pension benefit drawn before age 62. We must consider carefully the impact this provision would have on Federal workers, particularly those who work long careers in difficult and demanding occupations.

We cannot possibly guarantee every worker in every circumstance the same total benefits he or she would now receive. But we can put together a package of benefits from Social Security, from a supplemental Federal pension, and perhaps from an employee savings plan, that is generally comparable to the existing system.

The issue thus becomes one of determining the appropriate mix of benefits to achieve this goal. An employee savings plan with Government matching funds will give every worker the opportunity to supplement a defined and predictable pension amount. But many workers will not be in a financial position to participate in the savings plan fully and consistently throughout their careers. As we move toward a final mix of benefit components, we must be sure that the basic defined pension, along with Social Security, produces adequate retirement income on its own. Contributory savings plans should serve as a supplement available at the choice of the employee.

During the Governmental Affairs Committee's deliberations, every aspect of this lengthy bill will have to undergo rigorous examination. A pension plan must not only meet the obvious and expected needs of its retirees, but must assure its participants and their families adequate income protection in the event of death or disability. We can do no less than provide our employees a package of specific family protections should such family disasters strike. The Stevens-Roth bill addresses these concerns with care. With that beginning, I am confident that Federal workers and their families can expect a final bill that combines compassion with confidence and good fiscal sense.

By Mr. McCLURE (for himself, Mr. GARN, Mr. WALLOP, Mr. SYMMS, Mr. ANDREWS, Mr. BAUCUS, Mr. SIMPSON, and Mr. ABDNOR):

S. 1528. A bill to provide for the expenditure for transfer of funds by the Secretary of the Interior and the Secretary of Agriculture for the emergency prevention, suppression, control, or eradication of grasshoppers or mormon crickets on public lands; by unanimous consent referred jointly to the Committee on Energy and Natural

Resources and the Committee on Agriculture, Nutrition, and Forestry.

GRASSHOPPER CONTROL

● Mr. McCLURE. Mr. President, I rise today to introduce legislation that is of great importance to States in the West that are suffering severe damage to their farmlands and rangelands.

The cause of this damage is grasshoppers and mormon crickets—insects that breed on large tracts of federally owned land and swarm onto State and private lands. The damage these insects cause is substantial: some farmers lost up to 20 feet of cropland a day as grasshoppers stripped any plants in their path.

A review of the current system of pest control on Federal lands, and its effectiveness in recent years, clearly indicates why we must streamline its ability to take quick action against a potential infestation in the future.

In 1984, the Animal and Plant Health Inspection Service spent $585,000 to treat grasshopper outbreaks on approximately 70,000 acres of public lands in the West that are administered by the Bureau of Land Management [BLM]. So far this year, they have spent $29 million, and expect that figure to go even higher before the spray program is completed. APHIS has treated 5 million acres of infested lands in the fight to control this year's grasshopper outbreak.

Forecasts for next year are already being made. APHIS expects another outbreak next year if weather conditions remain favorable. The Federal Government, the landowner of 65 percent of the State of Idaho, must have in place a program with adequate funding to control outbreaks on Federal lands.

Grasshopper infestations cause severe economic damage to western crops and rangelands. APHIS is responsible for both managing and funding grasshopper spray programs designed to control the number of grasshoppers on Federal, State, and private rangelands. The APHIS budget contains a line item, called the contingency fund, which should contain moneys for grasshopper and other pest control in the United States.

In June 1984, when calls came from Idaho and other Western States to begin grasshopper control efforts, the APHIS contingency fund was empty. The entire $1 million placed in the fund for pest control had already been spent to control an outbreak of Mediterranean fruit fly in northern Guatemala and southern Mexico. Not a penny was left to help American farmers fight the plague of grasshoppers invading their croplands from federally controlled and managed rangelands.

APHIS argued that since the grasshopper outbreak occurred on BLM lands, BLM should foot the bill. However, as I came to discover, APHIS and the BLM had memorandums of understanding [MOU's] which placed the responsibility for pest control and the payment of pest control efforts in the hands of APHIS. The problem was that under these MOU's, BLM was not required to contribute any money to control pest outbreaks on its lands, even though APHIS was out of money.

Like other Federal agencies, APHIS has been under pressure to control its budget in recent years. Since 1981, APHIS has not requested any appropriations for actual grasshopper spray control work. this situation is due in part because APHIS has given the spray program low priority, concerned that grasshopper funding would detract from its other programs.

APHIS does not have a budget item strictly for grasshoppers. They do have a line item for grasshopper survey work. The spray control work, if needed, is funded out of its contingency fund. Because of budgetary pressures, the contingency fund has been reduced, from $2.5 million per year in 1976–81 to $1 million in 1982–84. The major consequence of eliminating funds earmarked for grasshopper spray control and relying on the shrinking contingency fund is that money has not been available for pest control when it was needed the most.

The only available alternative is the Secretary of Agriculture's emergency authority to borrow funds from other sources, such as the Commodity Credit Corporation. However, APHIS and USDA officials are reluctant to request that the Secretary use such authority because they consider funding the grasshopper spray program by borrowing funds an abuse of the Secretary's borrowing authority.

These pressures have led APHIS to attempt to settle the funding question unilaterally. Since 1982, APHIS has tried several times to cancel or revise its MOU's with BLM and the Forest Service in order to force these agencies to share in the cost of funding the spray program. APHIS notified both agencies in June 1982 that it intended to cancel the MOU's, but the Forest Service and BLM objected. In late 1982, the Senate directed USDA to review the MOU's and to continue its grasshopper survey work in the interim.

In March 1983, APHIS proposed modifying the MOU's to provide for cost sharing with BLM and Forest Service for pest control on lands these agencies own. Both agencies objected and APHIS decided to renew the existing MOU's for 1983 only, while continuing to study the matter. In November 1983, APHIS reported to the Senate Committee on Appropriations that it intended to vigorously pursue the cost-sharing concept for grasshopper control work.

All of these events did not affect grasshopper control work through 1983, since grasshopper infestations did not become a serious threat and Federal spray control programs were not required. In the spring and summer of 1984, APHIS decided that based on grasshopper surveys, no serious infestations would occur in the Western States. However by mid-June in some parts of Idaho and by mid-July in the rest of Idaho and other Western States, weather conditions changed and grasshoppers began swarming over more than 3½ milion acres of federally owned rangelands.

Grasshoppers soon moved off the rangelands onto private croplands. Farmers were measuring grasshopper populations of 50 grasshoppers per square yard and higher. APHIS considers 8 grasshoppers per square yard to be an economic infestation. Eight grasshoppers per square yard can eat as much forage as a cow and calf. You can see what 50 grasshoppers per square yard or more will do to a crop of wheat, hay, barley, oats, sugar beets or potatoes. Farmers in Idaho have written to me telling of losses last year of $94,000, $200,000 and more. The total estimates of damages will never be known. This year's damages will be even greater because of the enormity or the outbreak and the slowness of getting the program on the ground.

Mr. President, I ask unanimous consent that these letters from Idaho farmers be included in the RECORD at the end of my remarks. They speak very eloquently on the problem caused by uncontrolled grasshoppers migrating from Federal lands to private croplands.

The farmers in my State cannot stand another year like this year. They must have relief. Adequate funding must be provided, not just at the last minute, but every year, to maintain an effective program. Adequate funding is also necessary to keep the personnel trained and the extension agents in the counties aware of how the control program is to be run. As the landlord of millions of acres of land in the West, it is the Federal Government's responsibility to set up a program which will prevent widespread damage in a timely manner.

If APHIS had taken timely adequate measures last summer, Idaho and several other Western States would not have suffered the losses they suffered this year. Last year, the Federal Government was penny wise and pound foolish. If $10 million had been spent last year to combat grasshoppers, as I requested from the Secretary, the Federal Government would not have had to spend $30 million this year. If the grasshoppers had been killed in 1984, they would not have laid their eggs and multiplied this summer, creating the worst grasshopper infestation Idaho has seen in 30 years.

The legislation I introduce today will provide for a Grasshopper Control

Program on all Federal lands. The program will be controlled by APHIS, but with funding for the control program on BLM acreages coming directly from the BLM. BLM manages the majority of the lands which were sprayed, both in Idaho and in other Western States. In Idaho a total of 6.3 million acres were sprayed in 1985. BLM manages 4.75 of the 6.3 million acres. The States of Idaho manages 0.3 million, private ownership is 1 million and other entities such as Bureau of Indian Affairs and the Department of Defense manage the remaining 0.25 million. Clearly the majority of the land is managed by BLM, and it's time they began carrying their fair share of the financial burden.

To provide sufficient funding, this bill allows the Secretary of the Interior to transfer funding from any program within the Department of the Interior to be used for the Grasshopper Control Program until the Department can request funding on an appropriations bill. This will allow the Department to have a program ready at any time; lack of funding will no longer be an excuse for not controlling grasshoppers. Under this bill, the Secretary of Agriculture shall treat Federal, State, or private lands which are infested by grasshoppers at significant levels of economic infestation. There will no longer be an excuse to wait until funds are arranged, the Secretary must activate the program. The Government must be a good neighbor and manage its lands—as any private landowner must—without endangering its neighbors.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill and letters mentioned earlier were ordered to be printed in the RECORD, as follows:

S. 1528

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORIZATION FOR THE EXPENDITURE AND REPLENISHMENT OF FUNDS

SECTION 1. The Secretary of Agriculture shall undertake a program to control grasshoppers and mormon crickets on all federal lands.

SEC. 2. (a) Subject to the provisions of subsection (b), the Secretary of Agriculture is authorized to expend or transfer, and the Secretary of the Interior is authorized to transfer to the Secretary of Agriculture, funds from any no year appropriations for the prevention, suppression, control, or eradication of grasshopper and mormon cricket outbreaks on or threatening lands under the jurisdiction of the Federal Government: *Provided*, That the Secretary of Agriculture may not transfer any funds from other programs within the Animal and Plant Health Inspection Service.

(b)(1) Appropriations made available to the Secretary of the Interior shall be available for the payment of obligations incurred on federal lands subject to the jurisdiction of the Secretary of the Interior during the preceding fiscal year.

(2) Funds transferred pursuant to this section shall be replenished by a supplemental appropriation which shall be requested as promptly as possible.

(3) From any no year appropriations made available to the Department of the Interior, moneys shall be made available for transfer by the Department of the Interior to the Department of Agriculture for the prevention, suppression, control, or eradication of grasshoppers and mormon cricket outbreaks only on federal lands under the jurisdiction of the Department of the Interior.

GRASSHOPPER AND MORMON CRICKET PROGRAM ADMINISTRATION

SEC. 3. Upon request of the administering agency or a landowner or his agent, the Secretary of Agriculture shall treat Federal, State, or private lands which are infested by grasshoppers or mormon crickets at levels of economic infestation of eight grasshoppers or more per square yard regardless of age. The Secretary of Agriculture shall pay out of appropriations made to the Secretary, or transferred to him by the Secretary of the Interior, 100 percent of grasshopper or mormon cricket control on Federal lands, 50 percent on State lands and 33.3 percent on intermingled lands, and shall participate in prevention, control, or eradication programs of grasshoppers or mormon crickets in conjunction with other Federal, State, and private prevention, control, or eradication efforts.

GRASSHOPPER AND MORMON CRICKET CONTROL PROGRAM MAINTENANCE

SEC. 4. From appropriations made available or transferred by the Secretary of Interior to the Department of Agriculture for such purposes, the Secretary of Agriculture shall provide adequate funding under the rangeland pest control program for a program to train personnel to effectively accomplish the objectives of this Act.

APRIL 12, 1985.

Senator JAMES MCCLURE,

DEAR SIR: We own and lease several farms bordering Federal Lands.

Last year, we lost at least $55,000.00 from Grasshopper damage.

These Hoppers originated on our neighbors (Federal Government) Lands.

The spraying that took place last year was much too little, too late. The farmers, being the backbone of this Great Nation, are dropping in numbers due to the Agriculture economy.

Infestation of our lands by Federal Hoppers must not be allowed to eat away what small profits we have worked so hard for.

The Hopper eggs are already there and the hatch will be great.

We need the Federal Government's help now if we are to survive.

They must take care of their own pests as they would expect us to do the same.

Sincerely,

VERNON CALLAN PHILLIPS,
MARILYN L. PHILLIPS.

APRIL, 12, 1985.

DEAR SENATOR JAMES MCCLURE: We have farm ground adjoining B.L.M. We had quite a bit of damage last year from the grasshoppers. We understand the grasshoppers are going to be a problem this year more so. The loss amounted to 50 to 150 ft. around outside of farm adjoining the Government ground. I feel the Government is responsible for the control of the hoppers because they came from the Federal lands. I think we could use some help on the Government ground.

JIM SCHAEFFER.

DEAR SENATOR MCCLURE: In the summer of 1984 many Idaho farmers like myself were faced with a devastating problem of grasshopper infestation. It is evident to everyone that the problem originated on federally owned & managed BLM ground. It was here also the hoppers breed & multiplied in great numbers & then migrated to precious crop land.

This year we are faced with possibly an even greater number of the crop eating pests, as the eggs are layed & await the spring hatch.

It must be the responsibility of the federal government to take the necessary steps to control this problem, & it is now action must be taken in order to acquire funds in time.

I feel that you are aware of this & I am sure as our spokesman in Washington, you will take the necessary & immediate steps to acquire the needed funding to sufficiently control the federal governments interest as well as the farmers.

Sincerely

RANDY HANSHEW.

FEB. 21, 1985.

Senator JAMES MCCLURE,
Washington, DC.

DEAR SENATOR MCCLURE: This is to let you know the personal loss the grasshopper infestation caused us last year. We farm 3 ranches adjacent to BLM land.

On our Barley crops alone in this area on 580 acres we harvested only 55 bushels per acre. All of our other Barley acreage, 633 acres, averaged 121 bushels per acre. This was a loss of $94,934.00. We sold our Barley for $2.48 per bushel.

I hope that something can be done so that this will not happen to farmers again this year or in the future.

Sincerely Yours,

ROSS HUNSAKER.

DESERT VIEW FARMS, INC.,
Rupert, ID, March 1, 1985.

Hon. JAMES MCCLURE: I thought it might be appropriate to drop you a letter and let you know my personal feelings concerning the grasshopper problem last year.

One of the biggest and most disgusting problems that I have ever had with a neighbor occurred last year. You wouldn't think it appropriate for me to let a problem from my fields cross into my neighbor's and destroy his crops due to my lack of attention and care. However this is what happened to us last year. We border approximately four miles of BLM ground. We suffered substantial damage from grasshoppers that traveled to our crops after foliage was eaten off BLM ground. We spent thousands of dollars at our own expense spraying (some fields four times); only to see reduced yields at harvest time. To be more specific: our grain yields were off over 17 bushels per acre on 950 acres. Potato yields were down as much as 70 sacks-plus reduced quality and size—over 230 acres of crop. Our beet tonnage was down 2.5 tons on 400 acres of crop. This left us with a loss approaching $200,000.

My brother and I have operated a family size farm since 1975. These losses can not be taken because we do not have the equity built into our land because of our age and tenure.

Due to incurred losses we are doing everything possible to insure that our neighbor accept responsibility to be a good neighbor this year. If they don't we will be forced to take whatever means and measures available to ensure that they do. It is our sincere hope that the federal government will accept their responsibility of managing their grounds as a neighbor.

STEVEN D. YOUNG.

APRIL 12, 1985.

Hon. JAMES MCCLURE: Being a farmer whose farm borders the Bureau of Land Management, I am concerned about the grasshopper population that is sure to occur this Spring and Summer; 1984 was bad enough, but 1985 guarantees to be worse. The grasshoppers move onto my farm from the adjacent B.L.M. ground and I would sincerely hope that the Federal Government will be a responsible landowner and considerate neighbor in an effective and prompt solution to this disastrous problem.

Sincerely,

JERRY MAXFIELD.●

● Mr. SYMMS. Mr. President, I'd like to commend my colleague, Senator MCCLURE, for his role in our joint efforts to control insect pests on federally owned rangelands. The legislation we have introduced today should do much to resolve this problem. Representing a State where the Federal Government owns 2 out of every 3 acres, I realize how important it is that our land management agencies be good neighbors to the private landholders they surround. The control of pests arising on Federal land is only one facet of that responsibility.

Unfortunately, the Federal Government has been a very poor landlord in the past. Last year, millions of dollars of damage were done to private farmland by an infestation of grasshoppers which developed on Bureau of Land Management and Forest Service lands. Although the Animal and Plant Health Inspection Service of the Department of Agriculture responded to the emergency and thus averted a complete economic disaster in the State, the bureaucratic machinery was much slower than necessary, and, in fact, only worked after immense congressional pressure. It soon became evident that a more organized and systematic mechanism for grasshopper control is needed.

This bill provides a mechanism whereby funds and technological expertise can be provided effectively, when and where they are needed. It should be more cost effective than the haphazard emergency borrowing and reprogramming that was needed this year. Furthermore, it will enable the Federal Government to control infestations at critical times when the insecticide applications will do the most good for the least cost.

I am as opposed to increased Federal spending as anyone in the Senate. And true, this bill will establish one more means to spend Federal dollars. But can we justify not meeting this obligation? Would failure to pass this bill save the taxpayers money? In most cases, had the grasshopper infestation not been controlled, those farmers who suffered economic losses would have been legally justified to file suit for damages. The cost of this litigation would be many times the preventive pest control established by Senator MCCLURE's bill.

I urge my Senate colleagues to give this legislation their full support. The U.S. Government must meet the responsibilities that come with land ownership. If we do not pass this bill, then we must look at ways to take the Government out of the land-owning business.●

By Mr. DOLE (for Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. GORTON, and Mr. LAUTENBERG):

S. 1529. A bill to authorize appropriations for State and community highway safety grants, and for other purposes; ordered to be placed on the calendar.

HIGHWAY SAFETY PROGRAMS FUNDING

● Mr. DANFORTH. Mr. President, the National Highway Traffic Safety Administration [NHTSA] is responsible for efforts to save lives and reduce the number of injuries on your Nation's highways. Despite improvements in highway safety in recent years, however, roughly 43,800 people died in highway accidents in 1984. Clearly, NHTSA needs to work aggressively to improve highway safety.

The legislation I am introducing today on behalf of myself and Senators PACKWOOD, GORTON, and LAUTENBERG, authorizes funding for two important highway safety programs.

The first section of this legislation authorizes funding for fiscal year 1987 for the State and community highway safety grant program, the so-called section 402 program. This legislation authorizes funding of $132 million for this important safety program; this is equivalent to the fiscal 1986 authorization provided in Public Law 98-363.

Section 2 of this legislation authorizes funding for fiscal year 1987 for the Drunk Driving Incentive Grant Program established in 1982. Funds are not authorized for fiscal 1986 because I understand from NHTSA that sufficient funds, which have already been appropriated, exist to meet this program's needs during fiscal 1986. This program, which encourages States to enact tougher drunk driving laws, has been working well. According to NHTSA, 16 States have qualified thus far for a basic grant; 13 of these States have also qualified for a supplemental grant, which requires a State to meet additional criteria. I understand that several other States are working to meet the grant criteria of the 1982 law.

Mr. President, this legislation will enhance highway safety efforts at the Federal and State levels. We must ensure that continued funding is available for these important safety programs.

Mr. President, I ask unanimous consent that the text of this legislation be inserted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1529

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 203(a)(1) of the Surface Transportation Assistance Act of 1982 (Public Law 97-424; 96 Stat. 2138) is amended—

(1) by striking "and" after "1985,"; and

(2) by inserting immediately before the period at the end thereof the following: ", and $132,000,000 for the fiscal year ending September 30, 1987".

(b) Section 203(b) of the Surface Transportation Assistance Act of 1982 (Public Law 97-424; 96 Stat. 2138) is amended—

(1) by striking "and" after "1985," wherever it appears;

(2) by inserting immediately after "1986," the following: ", and $132,000,000 for the fiscal year ending September 30, 1987,"; and

(3) by inserting immediately before the period at the end thereof the following: ", and September 30, 1987".

SEC. 2. The first sentence of section 408(g) of title 23, United States Code, is amended by striking all after "Fund," and inserting in lieu thereof "$29,232,000 for the fiscal year ending September 30, 1987.".●

By Mr. THURMOND:

S. 1530. A bill to amend chapter 73 of title 10, United States Code, to make certain changes in the Survivor Benefit Plan provided for under such chapter, and for other purposes; to the Committee on Armed Services.

FORGOTTEN WIDOWS AND SURVIVOR BENEFITS IMPROVEMENTS ACT

● Mr. THURMOND. Mr. President, today, for the fifth time, I am introducing survivor benefit plan legislation to rectify a longstanding and most unfortunate and inequitable situation involving the aged widows of certain deceased military retirees. My proposal is a new approach which will cost less than half as much as my previous proposals.

The inequity this legislation is aimed at correcting involves the so-called "forgotten widows." These are the widows of military retirees who died prior to establishment of the survivor benefit plan. Also included in this heading is another group of widows of retired military personnel who died without having had an opportunity to convert over from the previous retired servicemen's family protection plan to the more generous survivor benefit plan.

ORIGIN OF THE INEQUITY

Mr. President, a full understanding and appreciation of how the inequity I refer to came about requires a review of the two principal Government-sponsored benefit plans that have been available to military personnel for the protection of their families in their postretirement years.

Prior to 1972, we had the retired serviceman's family protection plan [RSFPP]. While created with good intentions, there were many problems associated with this program. First of all, the plan was simply not a bargain. The premiums charged for coverage under the RSFPP were excessively high. In some instances, the premiums were 2½ to 5 times as great as those charged contemporary civilians for the same protection coverage.

The high cost of participating in the RSFPP relative to the level of benefits provided, coupled with the low rates of pay received by the military at that time, resulted in a poor rate of participation among military personnel. In fact, only 15 percent of those eligible to participate in the program could afford to do so.

It was mainly due to these problems, Mr. President, that we abolished the RSFPP, and established in its place the current survivor benefit plan [SBP]. While the SBP is a great improvement over its predecessor, there remains today an inequity that dates back to the very creation of the SBP.

ESTABLISHMENT OF SBP

Mr. President, with the enactment of Public Law 92-425, which established the SBP on September 21, 1972, both active and retired military personnel were given the opportunity to participate in the new SBP Program. The opportunity to participate in the SBP was afforded retirees whether or not they had formerly participated in the RSFPP. However, this opportunity was extended to retirees only, and was not extended to the widows of retirees who died prior to September 21, 1972. Thus, the widows of retirees who had formerly participated in the RSFPP, as well as the widows of retirees who could not afford the high cost of the RSFPP and, therefore, did not participate in it, were excluded from participation in the SBP.

While it is true that there was an 18-month SBP open enrollment season in 1982-83, whereby both RSFPP and non-RSFPP [living] retirees were given an opportunity to obtain or convert to SBP coverage, the opportunity was again limited solely to living retirees and did not include the widows of deceased retirees.

Quite frankly, Mr. President, I believe it was wrong for these widows to have been excluded from participating in the SBP in the first place, and grossly unfair for this inequity to have been allowed to continue these many years. Except for the fact that their husbands passed away prior to September 21, 1972, these widows would in all likelihood be covered by the SBP today.

REMOVE THE INEQUITY

While there is no way to make amends for the years these widows have endured being excluded from coverage of SBP, the legislation I am introducing would bring to a close this unfortunate chapter in the history of our treatment of military widows. Under the provisions of my bill, the forgotten widows group would be afforded the long awaited and overdue benefit of the SBP.

The measure I am introducing would provide an SBP annuity at the minimum level of only $165 per month for forgotten widows. Likewise, the bill would increase the RSFPP minimum payment to $165 per month. In addition, the bill would limit offsets in these minimum payments and would provide for these benefits to be increased in the future through cost-of-living adjustments.

OVERCOME PREVIOUS OBJECTIONS

Mr. President, in the past, objections have been raised regarding the cost of my proposals. The cost of this new approach is much less than my previous proposals. However, these previous objections were not based on accurate information as to the number of forgotten widows. For example, Department of Defense [DOD] estimates of several years ago put the number of forgotten widows at close to 39,000. Other estimates in recent years range from 3,845 to 24,288, not including RSFPP annuitants. If there are only about 4,000 of these widows, my measure would cost about $8 million annually. The Defense Department cannot provide a reliable estimate. This is because the only source of calculation is widows who have defense I.D. cards, and many do not use, or renew their I.D. card, especially those living great distances from military hospitals.

Fortunately, with the partial implementation of the Defense Enrollment Eligibility Report System [DEERS], which is now the data base for military health care, a more accurate assessment of the number of forgotten widows is available. One recent estimate by DEERS projected the number of forgotten widows to be only 3,845. This significantly lowers the estimate of the projected cost of providing an SBP annuity to these widows. Previously, estimated annual costs ranged from less than $9 million to a maximum of $40 million. More accurate estimates of the number of forgotten widows should be available when the DEERS Program is fully implemented.

By including the relatively few RSFPP widows who currently receive small annuities, this proposal would avoid creating an annuity gap between RSFPP widows and the forgotten widows which this legislation is designed to help. In so doing, a major objection of my previous forgotten widows legislative proposals would be overcome. The cost of including these RSFPP widows would be nominal, since this legislation would only allow a nominal increase in these widows' current annuity and there are a small number of them. Also, the election is optional.

The main reason cost has been significantly reduced is because the level of benefits offered in the bill are dramatically reduced compared to previous proposals. Some say the benefit level is now much too low. However, as a matter of equity, it would provide the minimum optional benefit currently paid to beneficiaries of an SBP annuity. The annuity is only $1,980 per year, but the proposal contains provisions to preclude offsets and provides for cost-of-living adjustments.

Mr. President, I am mindful of the fact that the cost of any new program is a grave concern for all Senators. This is particularly true in a time when we are faced with massive budget deficits and an even larger outstanding national debt. However, the national debt is not the only debt this Nation owes. We owe a debt to these forgotten widows, and the similarly situated RSFPP annuitants. It is a debt that has gone unpaid for over a decade.

RAPID DECLINING COSTS

In addition, what I am proposing is not a permanent expansion of the SBP. The widows I have been talking about are not young, and they are not getting any younger. Their number grows smaller with each passing year. In fact, if we continue to let this problem go unaddressed 15 more years, it will simply go away. By the year 2000, it is doubtful that any of these widows will be alive. It will be too late for the Congress to correct a cross inequity. Failure to act, however, would be an unconscionable mark on the Congress well into the next century.

CIVIL SERVICE PRECEDENT

Mr. President, I think there are two things that one should keep in mind during consideration of this legislation. The first is that what I propose is not without precedent. In 1948, when the Civil Service survivor benefit plan was established, it too created an inequity very similar to the one I have been talking about here. However, in 1958, 10 years later, the act establishing the plan was amended and made retroactive to include all pre-1948 widows. It has now been almost 13 years since establishment of the SBP to replace the RSFPP Program, and the inequity created then remains with us still.

WIDOW SACRIFICES

The second factor for my colleagues to bear in mind in their consideration of this measure is the sacrifices and hardships these widows have endured.

Most of these women functioned in traditional family roles as wife, homemaker and mother in the context of

military service. During long periods, they supported the military work of their husbands, while also contributing to the economic and emotional well-being of the family unit. In most cases, of course, the servicemen's inadequate pay and transitory lifestyle made a normal home and savings program practically impossible.

WIDOWS TRUST IN GOVERNMENT MISPLACED

Additionally, few military widows were aware of the ramifications of their husbands' deaths. Survivor benefits were assumed by these women who trusted that the military would not simply close the file and forget them after the deaths of their husbands. However, their blind trust was misplaced. In many cases, upon the death of the serviceman, all monetary benefits ceased. It was not until the passage of the SBP Program that it became mandatory under law that the spouse be notified in writing, if the serviceman chose not to participate in the SBP Program.

Mr. President, most of these forgotten widows are very elderly women of diminishing means. Some of them, whose husbands were covered by Social Security after 1957, rely solely on that source of income for their subsistence. Those whose husbands retired prior to 1956 are not covered by Social Security as a result of their husbands' military earnings.

VICTIMS OF MILITARY SERVICE

Mr. President, these military widows are victims of long periods with low pay, and many find themselves today existing in poverty. As economic captives, their current problems include dependence on welfare, evictions from apartments as buildings are converted to condominiums, skyrocketing health care costs, and unaffordable nursing home charges. Many are minimum-income widows who are in dire straits due to the fact that their meager income simply has not kept pace with inflation.

DIGNITY IN POVERTY

Over the past 10 years, I have received hundreds of pleading letters from these elderly widows from all across our country. Many of them are barely surviving. However, most, I am proud to say, have managed to keep their pride and dignity, even in poverty.

Mr. President, it is time to give the forgotten widows equitable consideration. Not only have we ignored their plight for these many years, but we have failed to acknowledge their cause. Understandably, they feel rejected, and some feel bitter. It is as if the country has turned its back on their courageous husbands who gave 20, 30, and in some cases, 40 years of the most productive years of their lives for our country. We must now give these forgotten widows the recognition and compensation they deserve.

RESTORE FAITH

Mr. President, the passage of my bill would be a milestone for these elderly widows who, in support of their husbands, gave the best years of their lives for our country. It is inconceivable that our country has deserted them for so long, and it is high time we face up to the responsibilities we owe these widows and restore the faith we have not maintained for our military community.

I urge my distinguished colleagues to act favorably and with compassion on this vital legislation, and to join me in working for its early enactment.●

By Mr. METZENBAUM:

S. 1532. A bill to provide for a moratorium on certain retirement plan reversions, and for other purposes; to the Committee on Labor and Human Resources.

PENSION PLAN REVERSION MORATORIUM ACT

● Mr. METZENBAUM. Mr. President, more than 10 years ago Congress enacted the Employee Retirement Income Security Act [ERISA] for the purpose of protecting workers' pension rights.

ERISA was meant to ensure adequate funding for pension plans, to provide for vested pension benefits, and to hold pension plan administrators to the highest fiduciary standards.

There is no doubt that ERISA has had a positive effect. Important improvements have, in fact, been made in our pension system.

During the past several years, however, some employers have found ingenious new ways to avoid their pension plan responsibilities to their employees. By taking advantage of shortcomings in the pension laws, these unscrupulous companies have frustrated the intent of Congress to establish secure retirement programs for the working men and women of this country.

Specifically, employers are terminating pension plans, which are considered overfunded. The companies then recapture the surplus assets in these plans, thereby eliminating reserves that may later be needed to pay benefits. In addition, these terminations are just that—terminations of entire pension plans which leave employees without retirement security.

Typically we are talking about some of this Nation's most healthy pension plans—plans that are sponsored by solid, profitable companies.

Examples?

United Airlines is in the process of undertaking the largest reversion in history—$962 million will be removed from its plan to purchase additional planes and international air routes.

American Express, the first U.S. company to offer a pension plan, is now terminating it in order to recoup $90 million;

Texaco, which paid $10.2 billion last year to acquire Getty Oil, will reduce its debt by removing $250 million from the Getty pension plan.

The controlling interest of A&P was acquired by a German company for an estimated $70 million. It then terminated the plan and recouped $273 million.

Raymond International recouped $30 million to finance a leveraged buyout. According to its former senior vice president and board of directors member, the company left more than half the retirees living below the poverty line.

Mobil Oil, which found $5.7 billion last year to buy Superior Oil, will terminate two Superior plans and pocket $29 million.

And the list goes on.

Occidental Oil, Dr. Pepper, A&P, Champion Paper, Humana, Mattel, Reynolds Metals, U.S. Sugar—all of these have terminated pension plans.

Mr. President, most likely, additional terminations are in the offing. A recent survey of 200 defined benefit plans by Charles Spencer and Associates found that 83 percent were overfunded, making them prime candidates for termination.

For the major corporations of this country, pension plan terminations are a financial bonanza.

But for the working men and women of this country, the impact is truly devastating.

According to the Department of Labor's own study, the cost of termination to workers runs as high as 45 cents on every promised pension dollar.

Terminations deprive retirees of any hope of receiving future cost-of-living increases.

And employers are routinely breaking promises to distribute pension surpluses to their employees.

Pension plan terminations hurt segments of our population—the elderly, and older workers—that are least able to protect themselves. These are hard working people—people who have played by the rules. These are Americans who have looked forward to retirement with what they rightfully thought was a federally protected level of retirement income, only to discover that they are the victims of hollow promises.

I believe that the time has come for action to protect the integrity of our Nation's pension system.

The bill I am introducing today would impose a temporary moratorium on terminations of overfunded pension plans. Congressman ROYBAL, the chairman of the Select Committee on Aging is introducing identical legislation in the House.

The moratorium would apply for a 9-month period beginning June 12, 1985 to terminations with reversions that exceed $1 million. June 12, 1985 is the date on which the House Labor-Management Relations and Select Aging Committees conducted hearings on this issue. The bill provides an exception for companies that can show that the termination is undertaken because of a substantial business hardship.

Mr. President, both in public and private meetings, I have urged the Secretary of Labor to impose a temporary moratorium on pension plan terminations and to seek a permanent solution to this problem.

I still hope that the Labor Department will act to protect the retirement security of millions of Americans who are now in jeopardy. But in the meantime, I believe that it is incumbent on us to impose a moratorium in order to give Congress and the Administration the opportunity to review the issue and to enact appropriate legislation.

I hope that we can move expeditiously to enact this moratorium.

I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Pension Plan Reversion Moratorium Act of 1985".

SEC. 2. MORATORIUM OF 270 DAYS ON DETERMINATIONS INVOLVING PLAN TERMINATIONS.

(a) Moratorium on Determinations of Continuing Qualification by the Secretary of the Treasury.—The Secretary of the Treasury (or his delegate) shall not, before the end of the 270-day period beginning June 12, 1985, issue a determination with respect to the continuing qualification of a retirement plan under subchapter D of chapter 1 of the Internal Revenue Code of 1954 upon an actual or proposed termination of the plan if the Secretary (or his delegate) determines that the aggregate amount of reversions to employers, upon termination of the plan, has exceeded or would exceed $1,000,000.

(b) Moratorium on Notices of Sufficiency Issued by the Pension Benefit Guaranty Corporation.—During the 270-day period described in subsection (a), the Pension Benefit Guaranty Corporation shall not issue a notice of sufficiency of assets under section 4041 of the Employee Retirement Income Security Act of 1974 with respect to a plan if the Corporation determines that the aggregate amount of reversions to employers from the plan would, upon termination of the plan, exceed $1,000,000.

SEC. 3. EFFECT OF MORATORIUM ON DECLARATORY JUDGMENTS RELATING TO QUALIFICATION.

(a) Compliance with Moratorium Not Treated as Remediable Failure.—In any case in which the Secretary of the Treasury (or his delegate) fails, in compliance with section 2(a), to make a determination referred to in such section during the 270-day period specified in such section, such failure shall not be treated as a failure for purposes of section 7476(a)(2) of the Internal Revenue Code of 1954 (relating to creation of remedy under declaratory judgments relating to qualification of certain retirement plans).

(b) Extension of Time for Bringing Action After Moratorium.—In the case of any request referred to in section 7476(b)(3) of such Code (relating to time for bringing action) made before or during the period specified in section 2(a), the 270-day period specified in such section 7476(b)(3) shall be extended to 270 days after the expiration of the period specified in section 2(a), except that such extension shall be reduced (in the case of a request made before the period specified in section 2(a)) by the number of days by which the date of such request precedes such period.

SEC. 4. EFFECT OF MORATORIUM ON PERIOD FOR ISSUANCE OF NOTICE OF SUFFICIENCY.

In the case of a notice that a plan is to be terminated which is filed with the Pension Benefit Guaranty Corporation pursuant to section 4041(a) of the Employee Retirement Income Security Act of 1974 before or during the period specified in section 2(b), the 90-day period referred to in such section 4041(a) shall be extended to 90 days after the expiration of the period specified in section 2(b), except that such extension shall be reduced (in the case of such a notice filed before the period specified in section 2(a)) by the number of days by which the date of such filing precedes such period. Nothing in this section shall be construed to preclude the further extension of such 90-day period (as extended under this section) as provided in section 4041(d) of such Act.

SEC. 5. WAIVER OF MORATORIUM.

(a) General Rule.—If the Secretary of the Treasury determines, upon application by an employer maintaining the plan, what the application of the moratorium under section 2 would result in substantial business hardship to the employer and would be adverse to the interests of plan participants in the aggregate, the Secretary shall waive the application of section 2 with respect to such plan. The Secretary shall notify the Pension Benefit Guaranty Corporation of any such waiver. Upon receipt of any application for a waiver under this section, the Secretary shall promptly transmit a copy of such application to the Committee on Education and Labor and the Select Committee on Aging of the House of Representatives and the Committee on Labor and Human Resources and the Special Committee on Aging of the Senate.

(b) Hearing Requirements.—No determination shall be made pursuant to subsection (a) until after a hearing on the record before the Secretary. The employer who made application for such determination shall be required to appear at such hearing, and the Secretary shall allow the participants and beneficiaries of the plan to appear at such hearing or to submit their written comments regarding the application for such determination.

(c) Substantial Business Hardship.—For purposes of this section, the factors taken into account in determining substantial business hardship shall include (but shall not be limited to) whether—

(1) the employer is operating at an economical loss,

(2) there is substantial unemployment or underemployment in the trade or business and in the industry concerned, and

(3) the sales and profits of the industry concerned are depressed or declining.

SEC. 6. MORATORIUM NOT APPLICABLE TO MULTIEMPLOYER PLANS.

The preceding provisions of this Act shall not apply in the case of multiemployer plans (within the meaning of section 414(f) of the Internal Revenue Code of 1954).

SEC. 7. EFFECTIVE DATE.

The preceding provisions of this Act shall apply with respect to each determination and issuance described in section 2 made on or after June 12, 1985, and any such determination or issuance other than in accordance with this Act shall be void.●

By Mrs. HAWKINS (for herself, Mr. Hollings, Mr. Dodd, Mr. Pell, Mr. Burdick, Mr. Bumpers, Mr. Matsunaga, and Mr. Stevens):

S.J. Res. 181. A joint resolution to designate the week beginning September 1, 1985, as "National School-Age Child Care Awareness Week"; to the Committee on the Judiciary.

NATIONAL SCHOOL-AGED CHILD CARE AWARENESS WEEK

● Mrs. HAWKINS. Mr. President, today, I am introducing a resolution declaring the first week in September as National School-aged Child Care Awareness Week. This resolution is identical to the resolution which was adopted last year.

On October 23, and 24 of this year, the National Collaboration for Youth, which is compared of 13 national voluntary organizations who serve millions of our Nation's children and youth, will hold a symposium on school-aged child care. These organizations are concerned about the hundreds of thousands of children who are unattended or in makeshift care arrangements before and after school. The symposium is designed to explore issues involved in providing quality child care programs for school-aged children, emphasize the special value of voluntary agencies in the provision of child care services, encourage collaborative sharing of nonprofit, public, and corporate resources to help meet the needs of these children, and increase the public's awareness of the importance of such programs.

During the last session of Congress, I participated in two congressional hearings on this very important subject. The first was sponsored by the Senate Children's Caucus on June 9, 1983 and we heard testimony from Dr. Long, professor of education at Catholic University, Ed Zigler, director of the Bush Center in Child Development and Social Policy at Yale University, Evelyn Moore, director of the National Black Child Development Institute, Michelle Seligson of the school-age child project at Wellesley College and most importantly, the children who participate in these school-aged child care programs. The second hearing was held in St. Petersburg, FL, by the Senate Labor and Human Resources Subcommittee on Education and highlighted the success of Latch-

key Services for Pinellas County, Inc., one of the largest latchkey programs in the United States.

Both hearings identified a need for Federal and State financial support to assist in the development and expansion of latchkey programs. Such a Federal program was authorized by Public Law 98-558 the Human Services Reauthorization Act. The Federal program authorizes that up to 60 percent of the Federal funds allocated for State block grant for child care be used to help establish before and after school child care programs in community centers and unused school facilities. The program was authorized too late in the fiscal year for funds to be appropriated for the latchkey program, but fortunately the Senate has recommended that $5 million be appropriated for this program in the supplemental appropriations bill currently pending in a House-Senate conference committee.

Mr. President, the Federal program of financial support for latchkey child care programs is limited to start-up funding only. If children of working parents are to be cared for by before and after school latchkey programs, the community must supply the ongoing support. The resolution that I am sponsoring today is designed to build that community support by increasing the public's awareness of the need for child care programs for the school-aged child. I urge my Senate colleagues to join me in cosponsoring this resolution.●

By Mr. MOYNIHAN (for himself, Mr. D'Amato, Mr. Baucus, Mr. McClure, Mr. Bradley, Mr. Zorinsky, and Mr. Inouye):

S.J. Res. 182. Joint resolution designating August 18, 1985, as "National Flowers By Wire Day"; to the Committee on the Judiciary.

NATIONAL FLOWERS-BY-WIRE DAY

● Mr. MOYNIHAN. Mr. President, during the week of August 15, 1910, 15 retail florists attended the Society of American Florists Convention at the Hotel Seneca in Rochester, NY. Mr. President as you know, conventions are not an unusual occurrence in my State. However, the florists' convention of 1910 was noteworthy, for from it emerged an idea that would revolutionize the floral industry—flowers by wire. On August 18, 1910, 15 florists formed the Florists' Transworld Delivery [FTD] Association.

The Hotel Seneca has long since been razed; the membership of the FTD Association has grown, blossoming to more than 20,000 members nationwide. Today, flowers, to send birthday greetings, get-well wishes, or good luck, can be sent just about anywhere, from La Paz, Bolivia to Delhi, India, to Rochester, NY.

Today I am introducing a joint resolution to designate August 18, 1985, as "National Flowers By Wire Day." I join my colleague Congressman Frank Horton, in commerating the 75th anniversary of the formation of the Florists' Transworld Delivery Association, and I urge my Senate colleagues to join us in this joint resolution.

I ask unanimous consent that the full text of the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 182

Whereas August 18, 1985, is the 75th anniversary of the founding of the Florists' Transworld Delivery Association;

Whereas the Florists' Transworld Delivery Association was founded on August 18, 1910, in Rochester, New York, by 15 retail florists who were attending a Society of American Florists Convention;

Whereas the Florists' Transworld Delivery Association has grown over the past 75 years to include over 20,000 members in the United States, Canada, South and Central America, and parts of Asia;

Whereas the service of sending flowers by wire across a city, State, or country or around the world has become a commercial necessity;

Whereas flowers speak the universal language of joy, sympathy, love, and understanding; and

Whereas flowers with their color and beauty bring inspiration, serenity, and joy, so important in this unsettled world: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 18, 1985, is designated "National Flowers-by-Wire Day" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this day with appropriate activities.●

● Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of legislation introduced by my distinguished senior colleague from New York to honor August 18, 1985, as National Flowers-by-Wire Day. Flowers are the symbols of love and beauty in our world.

For 50,000 years people have placed flowers on the graves of their loved ones—a tradition still widely practiced today. In Egypt and the Middle East, people started cultivating flowers in gardens around 3000 B.C. One could not imagine the Renaissance paintings of the Innunciation without the ever-present image of purity, the lily.

There are over 250,000 species of flowering plants or angiosperms on Earth. Yet with all these species, varying colors and sizes, different uses and meanings, many people would be bereft of their beauty and aroma if it were not for flowers-by-wire. FTD [Florists' Transworld Delivery Association] was founded 75 years ago, August 18, 1910, in my home State in Rochester, NY.

Fifteen retail florists were attending a Society of American Florists Convention at the old Hotel Senaca. From this grew FTD with 20,000 members in the United States, Canada, South and Central America, and parts of Asia.

I urge my colleagues to support a more beautiful world by cosponsoring and supporting this joint resolution.●

ADDITIONAL COSPONSORS

S. 58

At the request of Mr. Danforth, the name of the Senator from Georgia [Mr. Mattingly] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1954 to increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education.

S. 231

At the request of Mr. Dole, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of S. 231, a bill to establish a National Commission on Neurofibromatosis.

S. 415

At the request of Mr. Weicker, the name of the Senator from Rhode Island [Mr. Chafee] was added as a cosponsor of S. 415, a bill to amend the Education of the Handicapped Act to authorize the award of reasonable attorneys' fees to certain prevailing parties, and to clairfy the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination.

S. 974

At the request of Mr. Weicker, the name of the Senator from Rhode Island [Mr. Chafee] was added as a cosponsor of S. 974, a bill to provide for protection and advocacy for mentally ill persons.

At the request of Mr. Bingaman, his name was added as a cosponsor of S. 974, supra.

S. 1153

At the request of Mr. D'Amato, the names of the Senator from Missouri [Mr. Danforth] the Senator from Arizona [Mr. Goldwater], and the Senator from Alabama [Mr. Heflin] were added as cosponsors of S. 1153, a bill to provide for the distribution within the United States of the U.S. Information Agency film entitled "Hal David: Expressing a Feeling."

S. 1220

At the request of Mr. Hatfield, the names of the Senator from Nevada [Mr. Hecht], the Senator from Florida [Mrs. Hawkins], the Senator from Michigan [Mr. Riegle], the Senator from Alabama [Mr. Heflin], the Senator from Connecticut [Mr. Weicker], the Senator from Rhode Island [Mr.

Pell], the Senator from North Dakota [Mr. Andrews], the Senator from Vermont [Mr. Stafford], and the Senator from Connecticut [Mr. Dodd] were added as cosponsors of S. 1220, a bill entitled the "Renewable Energy and Conservation Transition Act of 1985."

S. 1233

At the request of Mr. Dole, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 1233, a bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals.

S. 1250

At the request of Mr. Heinz, the name of the Senator from Oregon [Mr. Hatfield] was added as a cosponsor of S. 1250, a bill to amend the Internal Revenue Code of 1954 to extend the targeted jobs tax credit for 5 years, and for other purposes.

S. 1434

At the request of Mr. Wilson, the names of the Senator from Washington [Mr. Evans], the Senator from North Carolina [Mr. Helms], and the Senator from Minnesota [Mr. Boschwitz] were added as a cosponsor of S. 1434, a bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of States from the provisions of that act relating to maximum hours.

S.1437

At the request of Mr. Thurmond, the names of the Senator from Iowa [Mr. Grassley], and the Senator from North Carolina [Mr. East] were added as cosponsors of S. 1437, a bill to amend the Controlled Substances Act to create new penalties for the manufacturing with intent to distribute, the possession with intent to distribute, or the distribution of "designer drugs," and for other purposes.

SENATE JOINT RESOLUTION 43

At the request of Mr. Thurmond, the name of the Senator from West Virginia [Mr. Rockefeller] was added as a cosponsor of Senate Joint Resolution 43, a joint resolution to authorize the Armored Force Monument Committee, the U.S. Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations, jointly to erect a memorial to the "American Armored Force" on United States Government property in Arlington, Virginia, and for other purposes.

SENATE JOINT RESOLUTION 114

At the request of Mr. Heinz, the names of the Senator from Ohio [Mr. Glenn], and the Senator from Kansas [Mrs. Kassebaum] were added as cosponsors of Senate Joint Resolution 114, a joint resolution designating August 29 as "Railroad Retirement Day."

SENATE JOINT RESOLUTION 141

At the request of Mr. Sasser, the names of the Senator from South Dakota [Mr. Pressler], and the Senator from Indiana [Mr. Quayle] were added as cosponsors of Senate Joint Resolution 141, a joint resolution to designate the week beginning May 18, 1986, as "National Tourism Week."

SENATE JOINT RESOLUTION 147

At the request of Mr. Hatch, the names of the Senator from North Dakota [Mr. Andrews], the Senator from Alabama [Mr. Denton], the Senator from Minnesota [Mr. Durenberger], and the Senator from Virginia [Mr. Warner], were added as cosponsors of Senate Joint Resolution 147, a joint resolution to designate a calendar week in 1985 as "National Infection Control Week."

SENATE JOINT RESOLUTION 150

At the request of Mr. Bradley, the names of the Senator from Indiana [Mr. Lugar], and the Senator from Connecticut [Mr. Dodd], were added as cosponsors of Senate Joint Resolution 150, a joint resolution to designate the month of March 1986 as "National Hemophilia Month."

SENATE JOINT RESOLUTION 158

At the request of Mr. Murkowski, the names of the Senator from Rhode Island [Mr. Pell], and the Senator from Nevada [Mr. Laxalt], were added as cosponsors of Senate Joint Resolution 158, a joint resolution designating October 1985 as "National Community College Month."

SENATE JOINT RESOLUTION 159

At the request of Mr. Johnston, the names of the Senator from North Carolina [Mr. East], the Senator from North Dakota [Mr. Burdick], the Senator from Kentucky [Mr. Ford], the Senator from Rhode Island [Mr. Pell], the Senator from Vermont [Mr. Stafford], the Senator from Hawaii [Mr. Inouye], the Senator from Massachusetts [Mr. Kennedy], the Senator from Tennessee [Mr. Gore], the Senator from Iowa [Mr. Harkin], the Senator from Maine [Mr. Mitchell], the Senator from Vermont [Mr. Leahy], the Senator from Arkansas [Mr. Bumpers], the Senator from Connecticut [Mr. Dodd], the Senator from Nebraska [Mr. Exon], the Senator from Indiana [Mr. Lugar], the Senator from Oklahoma [Mr. Nickles], the Senator from Wyoming [Mr. Wallop], the Senator from Ohio [Mr. Metzenbaum], the Senator from Colorado [Mr. Hart], the Senator from South Carolina [Mr. Hollings], the Senator from New Mexico [Mr. Bingaman], and the Senator from Kentucky [Mr. McConnell], were added as cosponsors of Senate Joint Resolution 159, a joint resolution to designate the rose as the national floral emblem.

SENATE JOINT RESOLUTION 166

At the request of Mr. Durenberger, the names of the Senator from Georgia [Mr. Mattingly] and the Senator from Colorado [Mr. Hart] were added as cosponsors of Senate Joint Resolution 166, a joint resolution to appeal for the release of Dr. Yury Orlov and other Helsinki Final Act monitors.

SENATE JOINT RESOLUTION 176

At the request of Mr. D'Amato, the name of the Senator from California [Mr. Cranston] was added as a cosponsor of Senate Joint Resolution 176, a joint resolution to provide that a special gold medal honoring George Gershwin be presented to his sister, Frances Gershwin Godowsky, and a special gold medal honoring Ira Gershwin be presented to his widow, Leonore Gershwin, and to provide for the production of bronze duplicates of such medals for sale to the public.

SENATE JOINT RESOLUTION 179

At the request of Mr. Kennedy, the names of the Senator from Arkansas [Mr. Bumpers], the Senator from New York [Mr. Moynihan], the Senator from Iowa [Mr. Harkin], and the Senator from Michigan [Mr. Levin] were added as cosponsors of Senate Joint Resolution 179, a joint resolution requesting the President of the United States to resume negotiations with the Soviet Union for a verifiable comprehensive test ban treaty.

SENATE RESOLUTION 174

At the request of Mr. Gore, the name of the Senator from Montana [Mr. Melcher] was added as a cosponsor of Senate Resolution 174, a resolution expressing the sense of the Senate with respect to the proposed closing and downgrading of certain offices of the Social Security Administration.

SENATE RESOLUTION 199

At the request of Mr. Heinz, the name of the Senator from South Dakota [Mr. Abdnor] was added as a cosponsor of Senate Resolution 199, a resolution to urge the Senate of the United States to reject any tax reform proposal which would impose a tax on the annual increase in the value of permanent life insurance.

SENATE RESOLUTION 202

At the request of Mr. Ford, the name of the Senator from Hawaii [Mr. Inouye] and the Senator from Kentucky [Mr. McConnell] were added as cosponsors of Senate Resolution 202, a resolution to urge negotiators for major league baseball owners and players to quickly settle their differences and avoid a scheduled players' strike.

SENATE RESOLUTION 206—REGARDING FEDERAL ACTION TO MITIGATE CONSEQUENCES OF HIGH WATER LEVELS ON THE GREAT LAKES

Mr. DURENBERGER (for himself, Mr. Glenn, Mr. Kasten, Mr. Quayle, Mr. Riegle, Mr. Levin, Mr. Moynihan, Mr. Boschwitz, Mr. Simon, Mr. Specter, and Mr. Metzenbaum) submitted the following resolution; which was referred to the Committee on Environment and Public Works.

S. Res. 206

Resolved, That the Senate finds that—

(1) the Great Lakes Basin constitutes one of North America's most important natural regions and greatest natural resources;

(2) the Great Lakes Basin contains 20 percent of the total United States population and supports economic activity which accounts for 25 percent of the annual national income for the United States;

(3) the Great Lakes Basin provides recreational opportunities to over 60 million visitors each year at national, State and local parks;

(4) the vast surface area of the lakes, combined with the natural restrictions of the connecting channels, usually make the Great Lakes a naturally well-regulated system that is able to cope with huge water supply variations while maintaining water level fluctuations within one to two feet at any given time;

(5) precipitation for the Great Lakes Basin has been above average in 15 of the last 18 years, since 1977, 7 percent above average, and since August 1984, 32 percent above average;

(6) accordingly, water levels for Lakes Michigan, Huron, and St. Clair are exceeding the 1973 record highs and continue to be above average for Lakes Superior, Ontario and Erie.

(7) man's ability to regulate the levels of the Great Lakes is extremely limited;

(8) all control works in the Great Lakes system under the jurisdiction of the International Joint Commission are being operated to minimize, to the extent possible, damage; and

(9) the Government of Canada has reduced to the maximum extent possible diversions from the Albany River Basin into Lake Superior.

Sec. 2. It is the sense of the Senate that—

(1) there must be a concerted effort on the part of Federal agencies with flood control mandates, including the United States Army Corps of Engineers, Federal Emergency Management Agency, United States Department of Agriculture, and the Small Business Administration, jointly and severally, to plan for and execute efficient and effective cooperation and technical assistance to State and local governments to mitigate the consequences of the high water levels on the Great Lakes; and

(2) this concerted effort to mitigate the consequences of the high water levels on the Great Lakes should be done within existing law.

Mr. DURENBERGER. Mr. President, as cochairman of the Great Lakes Task Force of the Northeast-Midwest Senate Coalition, I am pleased to submit on behalf of myself and my cochairman Senator Glenn, as well as my colleagues on the task force, Senators Kasten, Lugar, Quayle, Riegle, Levin, Moynihan, Boschwitz, Simon, Metzenbaum and Specter, a sense of the Senate resolution to urge Federal agencies with flood control mandates to plan for and execute efficient and effective cooperation and technical assistance to State and local governments to mitigate the consequences of the high water levels on the Great Lakes.

The Great Lakes and their surrounding drainage area are one closely interrelated system, making the lakes one of the world's greatest natural resources. The vast surface area, combined with the natural restrictions of the connecting channels, usually make the Great Lakes a well regulated system that is able to cope with huge water supply variations while maintaining water level fluctuations within 1 to 2 feet in any 1 year. Today, however, we face an unusual situation.

The water levels on the lower lakes, Huron, Michigan, and St. Clair, exceeded the 1973 record levels this spring. The levels on Superior, Erie, and Ontario are near record levels. And they are expected to remain high throughout the fall. The International Joint Commission who has the responsibility to monitor the lake levels, has taken every available action within their jurisdiction to control the lake levels. The IJC hosted a House/Senate briefing on July 19 on this subject. I would like to commend the IJC for a thorough briefing.

The resolution we are submitting today is the result of that briefing as it became clear that man has less to do with the water levels of the Great Lakes than nature. And nature is the culprit responsible for the current high water levels on the lakes. I would like to insert in the Record an article entitled, "Nature, Not Engineers, Fills Up Great Lakes." This article clearly states the current situation on the lakes and what can and cannot be done.

Mr. President, this resolution reaffirms the commitment of the Federal Government to work together with private citizens, State and local governments to mitigate the consequences of the high water levels on the Great Lakes.

I ask unanimous consent that the article mentioned earlier be placed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Toledo Blade, May 5, 1985]

NATURE, NOT ENGINEERS, FILLS UP GREAT LAKES

(By Steve Pollick)

Great Lakes history is repeating itself with a vengeance this spring in the form of record high water levels, extensive shoreline flooding, and millions of dollars in property damages.

Shoreline damages in southeastern Michigan along Lake Erie and Lake St. Clair exceeded $30 million in a storm at the end of March.

As much as $10 million in damage have accumulated so far this spring in Ontario's Windsor-Chatham areas on the northern shore of Lake Erie and on the eastern shore of Lake St. Clair.

In the northernmost lake, Lake Superior, flooding damages exceeded $3.1 million in Marquette County, Mich., alone.

On the Lake Michigan side of Upper Michigan, the Escanaba River system at one point reached the so-called 500-year flood stage, according to the U.S. Geological Survey.

For thousands of lakeside resident, the high water and flood threat is a bitter, desperate case of *deja vu*. Indeed, many property owners have been there before, in the early 1970s. From 1972 to 1976 an estimated $119 million in high water-related damages occurred on Lake Erie alone.

The hard part to swallow for many persons, however, is that very little can be done to control high water periods, or low ones for that matter, on Erie or the other lakes.

Notions abound that somehow the U.S. Army Corps of Engineers is to blame, that the corps has been paid off by big shipping to keep water artificially high for big cargo vessels. That simply is not the case.

"People are desperate and the corps is visible, so they strike out" at the corps, said Ronald Wilshaw, chief of the lake hydrology section of the corps' Detroit district.

The problem of high water levels has been studied in great detail since the mid 1970s by the International Joint Commission of the United States and Canada, among others.

The IJC was created by treaty and was empowered, among other things, to make binding decisions in regard to boundary waters.

In a study on the feasibility of regulating water levels of Lake Erie, released at the end of 1981, the IJC said that significant, manmade regulation of lake levels is far too expensive, possibly running into hundreds of millions of dollars, and that regulation would constantly pit one set of legitimate interests against another.

Shippers, for example, might campaign for relatively high water and shoreline cottage owners might want relatively lower levels to expose beaches and minimize storm damage. Boaters and fishermen might want something in between. Shippers and hydroelectric power interests are something else still.

"Without there being a net economic benefit to all users of the system, you cannot justify regulating the lake to the benefit of one group," said Frank Bevacqua, an IJC spokesman. There is no other real basis for making such decisions, he added.

Regulating the level of Lake Erie also would create expensive problems downstream. "If you get more water out of Lake Erie you pass the problem downstream," he explained.

Measures would have to be taken to control higher water levels in Lake Ontario. In turn, additional measures would be necessary on the St. Lawrence River below Lake Ontario.

Politically such a complicated, ambitious project might be well nigh impossible to achieve, let alone afford, given the many private and often opposing interests—plus several state, two provincial and two federal governments that would have to be involved and satisfied.

Similar problems would accrue if attempts were made to increase diversion of Great Lakes waters from Lake Michigan via the Chicago Sanitary and Ship Channel.

The channel connects to the Illinois Waterway, which connects to the Mississippi River system. To substantially increase the flow through the Chicago channel in turn could cause downstream flooding along the waterway and on the Mississippi, according to Mr. Wilshaw of the Detroit corps office.

In a sense, the IJC threw up its hands over the Erie regulation problem, as evidenced by this statement in the 1981 study: ". . . there is a clear lack of public understanding of the various natural and man-made factors affecting Great Lakes water levels and the reasons for extreme high and low water levels."

The study also said: "Many shore property owners do not understand that natural factors are the main cause of lake-level fluctuations and that man's ability to control these fluctuations is limited. Still others believe that the outflows of Lake Erie are being regulated for the benefit of hydroelectric and navigation interests."

There is a diversion structure on the east end of Lake Erie, in the Niagara River, about a mile above the famous falls, 18 miles below Lake Erie, extending about halfway across stream from the Canadian side. It is connected to a hydroelectric generating station and its flow and the flow over the falls are apportioned by a 1950 treaty.

Contrary to what some persons believe, however, the structure has no effect on the level of Lake Erie. "If is has an effect, it's so small we can't identify it," said Bill Erdle, chief of water control for the corps of engineers' Buffalo district.

The river falls 10 feet from the end of Lake Erie to the hydro structure and any water "backed up" behind it would peter out well before lake level is reached upstream.

Another structure at the east end of Lake Erie, the Welland Canal, diverts shipping around the Niagara River into Lake Ontario. However, its effect on Lake Erie is to lower water levels about five inches, Mr. Erdle said.

Among the major recommendations for Lake Erie, the IJC urged greater use of "coastal zone-management practices" to reduce shoreline flooding and erosion—instead of trying to control the water level of the lake. Such practices include strict land-use zoning and building setback requirements.

The commission recently did order its Lake Superior board of control to reduce outflow without causing Superior to exceed its maximum agreed level of 602 feet above sea level. The order is similar to one issued during high water in 1973.

Control is possible because Superior's only outlet, the St. Mary's River, is regulated by a gated structure operated by two hydroelectric plants and shipping locks.

The IJC order will cause less water to be available for the hydro plants and cause some backup of Superior.

In other words, a tradeoff has been arranged in which hydro power and shoreline interests on Lake Superior will have to suffer a little so that shoreline interests below—on lakes Michigan, Huron, St. Clair, and possibly Erie—eventually may suffer a little less.

Even so, the slowing of flow from Lake Superior will take months to have just a small effect. In six months, the commission estimates, Michigan and Huron will be 3.5 inches lower, St. Clair 2.4 inches lower, and Erie just 1.7 inches lower.

"It's doing what we can do," explained Doug Cuthbert, chief of water planning and management for Environment Canada at Burlington, Ont. "It's the limit of what we can do."

High water problems on the northern side of the Great Lakes also are significant, he said. "Our concerns are basically very similar to that of the United States."

He tells, for example, of 20 cottages on Lake Erie's Long Point being swept from their foundations and deposited in pieces in a marshland behind and severe flooding and erosion on the point and also on Point Pelee.

The underlying problem for the high water is readily apparent if one takes a look at the big picture—rain and snow patterns for the entire Great Lakes Basin for the two decades or so.

Mr. Erdle at Buffalo noted that precipitation for the Great Lakes basin has been above average in 15 of the last 18 years, and in 2 of the 3 other years, 1971 and 1976, it was only slightly below average. The lone "dry" year was 1974.

Mr. Wilshaw at Detroit notes since 1967 the basins of Lakes Michigan and Huron have seen annual precipitation 5 per cent above average.

Since 1977 the basins' precipitation has been 7 per cent above average, and since August, 1984, 32 per cent above average.

Precipitation on Superior has not been as excessive, but also has been above average. The picture on the upper lakes is critical for Lake Erie, because it receives 80 per cent of all its water from the three big lakes, via the St. Clair and Detroit connecting rivers.

Tributaries in the Erie basin supply only 20 per cent of the lake's total water, but even there the above-average precipitation trend is evident.

"It's not necessarily the local rains, but other rain and snow . . ." Mr. Wilshaw explained. "You've got figures here that are just overwhelming."

He acknowledged that it is difficult for the individual to conceive of the sprawling Great Lakes system and how it is interconnected.

Indeed, many individuals take the "backyard view," basing their opinions on what they see or experience locally without regard to perhaps much more significant circumstances beyond the horizon.

Lack of rain in Toledo for a week or two, for example, may mean nothing at all to the level of Lake Erie, especially if at the same time areas of Michigan and Wisconsin and Ontario to the north and west, on Lakes Huron and Michigan, are receiving a lot of rain.

The high water just didn't go away after the floods of the early and mid-1970s. The storms did, for a while; in the meantime, lake levels slowly then more quickly built to current all-time highs.

Lakes Erie, St. Clair, Michigan, and Huron all are at all-time highs for spring, and that fact is not likely to change much by fall.

Evaporation cannot be counted on, despite the fact that it is sizable—36 inches a year on Lake Erie on average.

That loss is typically offset by average rainfall on the lake—coincidentally 36 inches.

In the end, all that can be done to control the high water is being done, namely the slowdown of Lake Superior outflow. But Canada's Mr. Cuthbert stresses: "It's not going to resolve the flood problem on Huron, St. Clair, and Erie to a large degree."

"People think of a lake as a normally placid body of water that just sits there," the corps' Mr. Erdle said.

He agrees with the analogy that the bathtub is full and the water is still running.

AMENDMENTS SUBMITTED

RESPONSE TO UNFAIR JAPANESE TRADE PRACTICES

HOLLINGS AMENDENT NO. 556

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill (S. 1404) to require the President to respond to unfair trade practices of Japan; as follows:

On page 6, add the following immediately after line 6:

SEC. 3. POLICY.—The policy of this Act is—

(1) to prevent further disruption of the United States textiles and textile products markets, damage to United States textile and apparel manufacturers, and loss of jobs by United States workers by providing for orderly and non-disruptive growth of imports of textiles and textile products; and

(2) to implement the objectives of the Multi-Fiber Arrangement by requiring the effective enforcement of import levels of textile and textile products contemplated by the Multi-Fiber Arrangement.

SEC. 4 FINDINGS.—The Congress finds that—

(1) the United States and most major textile producing countries are parties to the Multi-Fiber Arrangement, the purpose of which is to ensure the orderly growth of imports of textiles and textile products and to avoid disruption of the markets for textiles and textile products in importing nations:

(2) the Multi-Fiber Arrangement, which first entered into force on January 1, 1974, and which was most recently extended in December, 1981, through July 1986, contemplates a 6 percent annual rate of growth for imports for most exporting countries and provides for a lower rate of growth for imports from major exporting countires.

(3) since 1980, the objective of orderly growth of imports of textiles and textile products provided for in the Multi-Fiber Arrangement has not been achieved; from 1981 through 1984 imports of textiles and textile products into the United States have grown at an annual rate of 19 percent, far in excess of the 1 percent growth rate of the United States market for textiles and textile products during the same period and far in excess of the annual rate of import growth of less than 2 percent that prevailed during the period 1974 through 1980;

(4) the disruptive surge in imports of textiles and textile products which occurred from 1981 through 1984 resulted from the failure of the United States to enforce adequately its rights under the Multi-Fiber Arrangement and to extend coverage of the Multi-Fiber Arrangement to imports made of competing fibers;

(5) import growth of apparel products has substantially outstripped the growth of the domestic market so that import penetration of the domestic market has more than doubled in the last 6 years, reaching a level of 50 percent in 1984;

(6) based on a nationwide audit of major retail outlets, the import penetration of such major items of apparel as trousers, blouses, shirts, suits, skirts and sweaters exceeds 50 percent of domestic consumption;

(7) since the most recent extension of the Multi-Fiber Arrangement, certain exporting countries have sharply increased their exports of textiles and textile products made in whole or in part from fibers not subject to the Multi-Fiber Arrangement with the effect of circumventing restraints agreed to under the Arrangement; the increased imports of these textiles and textile products have caused disruption of the United States market for textiles and textile products and have seriously undercut the effectiveness of the Multi-Fiber Arrangement;

(8) imports of textiles and textile products into the United States are predominantly the product of major exporting countries, with 5 large exporting countries now accounting for more than 50 percent of all imports of textiles and textile products;

(9) the domination of import trade by producers in the major exporting countries has limited participation in the United States market by other exporting countries, many of which share important trade and other national interests, and encourage mutually beneficial trade and investment, with the United States;

(10) a change in United States textile trade policy to afford the smaller exporting countries and countries in the Caribbean region a relatively greater share of imports of textiles and textile products would promote the national economic interests of the United States;

(11) the textile and apparel trade deficit of the United States was more than $16,200,000,000 in 1984, an increase of 53 percent over 1983, and accounted for 13 percent of the nation's overall merchandise trade deficit;

(12) the current level of imports of textiles and textile products, 9,800,000,000 square yard equivalents in 1984, represents over 1,000,000 job opportunities lost to United States workers;

(13) imported textiles and textile products now account for 38 percent (the equivalent of 3.2 million bales of cotton) of the annual cotton consumption in the United States; only one of five of the bale equivalents included in imported textiles and textile products is grown in the United States; the result of the massive increases in cotton textile and apparel imports has been a declining market share for, and a $1 billion loss to, domestic cotton producers in 1983 alone, which was only partially offset by Federal cotton program benefits; another result is that U.S. cotton producers, who are spending about $20 million annually in research and promotion efforts, have built markets not for themselves but for foreign growers;

(14) imports of wool products have doubled since 1980, creating major disruptions among domestic wool products producers and seriously depressing the price of United States produced raw wool; the United States has long recognized that imports of wool products pose particular problems for the wool products industries in the United States and has therefore adopted a policy of 1 percent import growth on wool products; this policy has been acknowledged in our bilateral agreements under the Multi-Fiber Arrangement and has been reviewed by the Textile Surveillance Body;

(15) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products identical, or similar, to those imported have been seriously damaged, many of them have been forced out of business, many have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to local governments;

(16) the increase in imports and increased import penetration of the United States domestic market have occurred notwithstanding the fact that, through extensive modernization programs and investment in more modern equipment, productivity, as measured by output per man hour, in the textile mill products sector has increased in the last 10 years at the average annual rate of 4.2 percent and in the apparel sector at the average annual rate of 3.4 percent, as compared with the lower productivity growth of all manufacturing in the same period of 1.9 percent;

(17) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring the new measures established under this Act;

(18) based on experience during the past ten years and on other factors, the growth of the United States market for textiles and textile products is unlikely to exceed an average annual rate of 1 percent during the next several years;

(19) if the rate of growth of imports of textiles and textile products into the United States that occurred since 1980 continues, plant closings will continue to accelerate, leaving the United States market with reduced domestic competition for imported products;

(20) in order to avoid further market disruption and deterioration of the situation confronting the United States industry producing textiles and textile products, which is already seriously damaged, it is essential—

(A) to require the establishment of import levels for textiles and textile products supplied by major exporting countries that reflect—

(i) the import level that would have occurred had imports from these countries grown since 1980 by the 6 percent or lower annual growth rate contemplated by the Multi-Fiber Arrangement, or 1 percent in the case of wool products, or

(ii) the actual import level resulting from restraints under a bilateral agreement with the United States providing for an annual import growth rate of less than 6 percent,

whichever is the lesser,

(B) to require the establishment of import levels for textiles and textile products supplied by smaller exporting countries that provide a significant increase in their market shares to meet their development needs and to permit future growth in such shares consistent with the Multi-Fiber Arrangement, and

(C) to limit the future growth rate of imports of textiles and textile products into the United States to levels which reflect orderly growth as provided for in the Multi-Fiber Arrangement and the most recent Protocol extending the Multi-Fiber Arrangement;

(21) the establishment of import levels, and limitation of future import growth to levels, that reflect effective enforcement of the Multi-Fiber Arrangement and that also reflect the expected growth rate of the United States market for textiles and texile products will fulfill announced policy objectives of the United States regarding trade in textiles and apparel;

(22) as the Department of Defense has long recognized, a strong, viable and efficient domestic textiles and textile products industry is essential in order to avoid impairment of the national security of the United States;

(23) the developments that have led to the sharp increase in imports of textiles and textile products since 1980 may not have been foreseeable; nevertheless, the rights of the United States under international agreements should have been invoked in order to prevent increased quantities of textiles and textile products from being imported under such conditions as to cause or threaten serious damage to domestic producers of textiles and textile products in the United States; and

(24) the sharp increase in imports of textiles and textile products since 1980, and the effect of this increase on the United State textile and apparel industry and its workers, constitutes exceptional circumstances within the meaning of the Multi-Fiber Arrangement and its Protocol.

SEC. 5. AMENDMENTS TO AGRICULTURAL ACT OF 1956.—Title II of the Agricultural Act of 1956 is amended by inserting immediately after section 204 of such title the following new sections:

"DEFINITIONS

"SEC. 204A. For purposes of sections 204B through 204D of this Act—

"(1) The term 'textiles and textile products' includes, but is not limited to, all man-made fibers, tops, yarns, piece goods, made-up articles, garments, and other textile manufactured products (which derive their chief characteristics from their textile components) made in whole or in part from any natural or man-made fiber, or blend thereof, that are classified under Schedule 3, part 6 of Schedule 6, parts 1, 4, 5, 7, or 13 of Schedule 7, part 1 of Schedule 8, or part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202);

"(2) The term 'category' means, with respect to textiles and textile products imported from each country, each of the following—

"(A) Each category of textiles and textile products identified by a 3-digit textile category number in the Department of Commerce publication 'Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated', dated January 1985;

"(B) A category consisting of the man-made fiber articles classified under subpart E of part 1 of Schedule 3 to the Tariff Schedules of the United States; and

"(C) Each category consisting of each of the following products when, because of any fiber content, that product is not subject to the Multi-Fiber Arrangement:

"(i) yarn,

"(ii) fabric,

"(iii) apparel, and

"(iv) other textile products;

"(3) The term 'import sensitive category' means—

"(A) A category (other than a category applicable to textiles and textile products that are a product of a country in the Caribbean region) for which the ratio of imports to domestic production, as reported in the Department of Commerce publication "U.S.

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Production, Imports and Import/Production Ratios for Cotton, Wool and Man-Made Fiber Textiles and Apparel", equals or exceeds 40.0 for the preceding calendar year; or

"(B) A category covering wool products;

"(4) The term 'country' means a foreign country (other than Canada and the Member States of the European Economic Community as constituted on January 1, 1985), a foreign territory, or an insular possession of the United States;

"(5) The term 'major exporting country' means a country (other than a country in the Caribbean region) from which the United States imported an annual aggregate quantity of textiles and textile products under all categories that equalled or exceeded 1.25 percent of all textiles and textile products under all categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during calendar year 1984;

"(6) The term 'country in the Caribbean region' means the United Mexican States and a country eligible for designation as a beneficiary country under section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702);

"(7) The term 'wool product' means an article containing over 17 percent by weight of wool;

"(8) The term 'exporting country' means a country other than a major exporting country;

"(9) The term 'entered' means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States;

"(10) The term 'imported' means entered; and

"(11) The term 'Multi-Fiber Arrangement' means the Arrangement Regarding International Trade in Textiles, as extended by the Protocol done at Geneva, December 22, 1981.

"LIMITS ON TEXTILE AND APPAREL IMPORTS

"Sec. 204B.(a) Notwithstanding section 204 of this Act or any other provision of law, the aggregate quantity of textiles and textile products classified under each category that is entered during calendar year 1985 shall not exceed—

"(1) in the case of textiles and textile products that are a product of a major exporting country, the lesser of an amount equal to 101 percent (A) of the aggregate quantity of such products from such country classified under such category that would have entered during calendar year 1984 if the aggregate quantity of such products from such country classified under such category entered during calendar year 1980 had increased by six percent annually, or 1 percent annually in the case of a category covering a wool product, during calendar years 1981, 1982, 1983 and 1984, or (B) if the United States has an agreement with such country providing for an annual growth rate for such category of less than six percent, of the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984;

"(2) in the case of textiles and textile products that are a product of an exporting country, an amount equal to the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984, plus an amount equal to (A) fifteen percent of such quantity, in the case of a category that is not an import sensitive category, or (B) one percent, in the case of a category that is an import sensitive category.

For purposes of this section, if during any calendar year after 1984 the United States imports from a country, other than a country in the Caribbean region, that is not a major exporting country an aggregate quantity of textiles and textile products under all categories that equals or exceeds 1.25 percent of all textiles and textile products under all categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during such calendar year, then such country shall be considered to be a major exporting country for all succeeding calendar years.

"(b) For calendar years after 1985, the aggregate quantity of textiles and textile products classified under each category that may be entered during each such calendar year shall—

"(1) in the case of such products that are a product of a major exporting country, be increased by an amount equal to one percent of the aggregate quantity that could be entered under such category during the preceding calendar year; and

"(2) in the case of such products that are a product of an exporting country, be increased by an amount equal to—

"(A) in the case of a category (other than an import sensitive category), six percent of the aggregate quantity that could be entered under that category during the preceding calendar year, and

"(B) in the case of an import sensitive category, one percent of the aggregate quantity that could be entered under that category during the preceding calendar year.

"(c) If, under subsection (a) or (b), the aggregate quantity of textiles and textile products from a country that may be entered during a calendar year under a category is—

"(1) less than 1,000,000 square yard equivalents, in the case of a category covering yarn, fabric, made-ups, and miscellaneous products, other than wool products;

"(2) less than 700,000 square yard equivalents, in the case of a category covering apparel, other than wool products apparel; or

"(3) less than 100,000 square yard equivalents, in the case of a category covering wool products,

then, notwithstanding subsection (a) or (b), the aggregate quantity of textiles and textile products that may be entered from such country under such category during the calendar year shall be 1,000,000, 700,000, or 100,000 square yard equivalents, respectively. The amount prescribed in the preceding sentence shall be accorded growth subject to the provisions of subsection (b) beginning the first calendar year after the aggregate quantity of imports from such country under such category equals the minimum quantity prescribed under this subsection.

"(d) The Secretary of Commerce shall prescribe such regulations governing the entry, or withdrawal from warehouse, for consumption of textiles and textile products as may be necessary to carry out sections 204A through 204D of this Act.

"IMPORT LICENSING

"Sec. 204C. In order to ensure the equitable and efficient administration of section 204B of this Act, the Secretary of Commerce shall, within six months after the date of enactment of the Agricultural Act of 1956 Textile and Apparel Trade Enforcement Amendments Act of 1985, establish and administer an import licensing system under which an importer of any textiles and textile products from any country and from Canada and the Member States of the European Economic Community, will be required to present an import permit as a condition of entry. The Secretary shall charge a fee for import licenses in such amount as may be necessary to cover the cost of administration of the system.

"ANNUAL REPORT

"Sec. 204D. Not later than March 15, 1986, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of sections 204A through 204C of this Act during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 204B. All departments and agencies shall cooperate in preparation of this report as requested by the President."

Sec. 5. Effective Date.—

(a) In General.—The amendments made by section 5 of this Act shall apply to textiles and textile products entered, or withdrawn from warehouse, for consumption after ——— —, 1985.

(b) Calendar Years 1985 and 1986.—The Secretary of Commerce shall prescribe by regulation the aggregate quantity, if any, of textiles and textile products that may be entered under section 204B(a) or (c) of the Agricultural Act of 1956 as amended by this Act from each country under each category during the period beginning on the date of enactment of this Act and ending December 31, 1985. Notwithstanding subsection (a), to the extent that the aggregate quantity of imports of textiles and textile products from a country under a category entered after December 31, 1984, and before the date of enactment of this Act exceeds the quantity permitted entry for such country and such category during calendar year 1985 under section 204(B)(a) or (c) of such Act, the limit that would otherwise apply under section 204B(b) for such category for such country for calendar year 1986 shall be reduced by the amount of such excess quantity.

COMPREHENSIVE NUCLEAR TEST BAN TREATY RESOLUTION

LUGAR AMENDMENT NO. 557

Mr. LUGAR proposed an amendment to the joint resolution (S.J. Res. 179) requesting the President of the United States to resume negotiations with the Soviet Union for a verifiable comprehensive test ban treaty; as follows:

Add at the end of the Kennedy-Mathias resolution the following new section:

The Congress finds that:

August 6 marks the 40th anniversary of the detonation of the nuclear bomb at Hiroshima;

The Soviet Union has announced its intention to begin a five-month moratorium on nuclear testing on August 6;

A complete cessation of nuclear test explosions must be related to the ability of the United States to maintain credible deterrent forces;

Any test ban agreement must be verifiable and must be made in the context of deep and verifiable arms reductions;

The United States has concluded, based upon a thorough evaluation of the evidence, that the Soviet Union has repeatedly violated the Limited Test Ban Treaty and likely violated the Threshold Test Ban Treaty;

The President has now invited a Soviet team to observe and to measure a nuclear test at the Nevada Test Site, without a requirement of reciprocity, or any other conditions;

LUGAR AMENDMENT NO. 558

Mr. LUGAR proposed an amendment to amendment No. 557 proposed by him to the joint resolution Senate Joint Resolution 179, supra; as follows:

It is the sense of the Congress that at the earliest appropriate date, following certification by the President that, in the context of the requirement to maintain a viable nuclear deterrent, of assuring Soviet compliance and of achieving deep reductions in nuclear arms, substantial progress has been made on the verification of nuclear weapons testing, to include onsite monitoring, the President should propose to the Soviet Union the timely resumption of negotiations with the objective of concluding a verifiable comprehensive test ban treaty.

RELIEF OF KENNETH DAVID FRANKLIN

STEVENS AMENDMENT NO. 559

(Ordered referred to the Committee on Governmental Affairs.)

Mr. STEVENS submitted an amendment intended to be proposed by him to the bill (S. 1027) for the relief of Kenneth David Franklin; as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. WAIVER OF EMPLOYEE STATUS REQUIREMENT AND TIME LIMITATION FOR CLAIMING DISABILITY RETIREMENT BENEFITS.

(a) Waiver of Employee Status Requirement.—Notwithstanding the requirement of section 8334(d) of title 5, United States Code, relating to status as an employee, Kenneth David Franklin of Raleigh, North Carolina, or his spouse, may make a deposit under such section.

(b) Waiver of Time Limitation.—Notwithstanding the time limitation of section 8337(b) of title 5, United States Code, on filing a claim for disability retirement benefits, Kenneth David Franklin shall be entitled, after making the deposit allowed in subsection (a), to receive disability retirement benefits under subchapter III of chapter 83 of such title based on the claim referred to in the decision of the Merit Systems Protection Board numbered AT831L8410231, dated April 20, 1984, and the decision of the Merit Systems Protection Board numbered AT08318410232, dated April 20, 1984.

SEC. 2. COMPUTATION OF BENEFITS.

Upon receipt of the deposit allowed in section 1(a), the Director of the Office of Personnel Management shall certify to the Secretary of the Treasury the aggregate amount of the disability retirement payments that Kenneth David Franklin would have received if he had been receiving such payments for the period beginning on February 3, 1980, and ending on the date of the commencement of the period covered by the first disability retirement payment pursuant to this Act. The Secretary of the Treasury shall pay such amount, and interest on such amount at an annual rate of 6 percent, compounded annually, to Kenneth David Franklin from funds contained in the Civil Service Retirement and Disability Fund.

EDUCATION OF THE HANDICAPPED ACT AMENDMENTS

WEICKER (AND OTHERS) AMENDMENT NO. 561

Mr. DOLE (for Mr. Weicker, for himself, Mr. Hatch, Mr. Kennedy, Mr. Dole, Mr. Stafford, Mr. Grassley, Mr. Pell, Mr. Simon, Mr. Metzenbaum, and Mr. Dodd) proposed an amendment to the bill (S. 415) to amend the Education of the Handicapped Act to authorize the award reasonable attorneys' fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to prohibition of discrimination; as follows:

In lieu of the matter proposed to be inserted by the committee amendment insert the following:

That this Act may be cited as the "Handicapped Children's Protection Act of 1985".

Sec. 2. Section 615(e)(4) of the Education of the Handicapped Act is amended by inserting "(A)" after the paragraph designation and by adding at the end thereof the following new subparagraphs:

"(B) In any action or proceeding brought under this subsection, the court, in its discretion, may award a reasonable attorney's fee in addition to the costs to a parent or legal representative of a handicapped child or youth who is the prevailing party.

"(C) Whenever the parent or legal representative of a handicapped child or youth—

"(i) is awarded fees under subparagraph (B), and

"(ii) is represented by a publicly funded organization which provides legal services,

the reasonable attorney's fee which is awarded pursuant to this subsection shall be computed based upon the actual cost related to the bringing of the civil action under this subsection to the publicly funded organization, including the proportion of the compensation of the attorney so related, other reasonable expenses which can be documented, and the proportion of the annual overhead costs of the publicly funded organization attributable to the number of hours reasonably spent on such civil action.

"(D) For the purpose of this paragraph, the term 'publicly funded organization' means any organization which receives funds, other than attorney fee awards, from Federal, State, or local governmental sources which are available for use during any fiscal year in which the action or proceeding is pending to enable the organization to provide legal counsel or representation.".

Sec. 3. Section 615 of the Education of the Handicapped Act is amended by adding at the end thereof the following new subsection:

"(f) Nothing in this title shall be construed to restrict or limit the rights, procedures, and remedies available under the Constitution, title V of the Rehabilitation Act of 1973, or other Federal statutes protecting the rights of handicapped children and youth, except that before the filing of a civil action under such laws seeking relief that is also available under this part, the procedures under subsections (b)(2) and (c) shall be exhausted to the same extent as would be required had the action been brought under this part.".

Sec. 4. The amendment made by section 2 shall apply with respect to actions or proceedings brought under section 615(e) of the Education of the Handicapped Act after July 3, 1984, and actions or proceedings brought prior to July 4, 1984, under such section which were pending on July 4, 1984.

VETERANS' ADMINISTRATION HEALTH CARE PROGRAMS

MURKOWSKI (AND CRANSTON) AMENDMENT NO. 560

Mr. DOLE (for Mr. Murkowski, for himself and Mr. Cranston) proposed an amendment to the bill (S. 876) to amend title 38, United States Code, to establish, extend, and improve certain Veterans' Administration health-care programs; as follows:

On page 37, strike out lines 13 through 22.

On page 38, line 5, strike out "202" and insert in lieu thereof "201".

On page 38, line 11, strike out "203" and insert in lieu thereof "202".

On page 39, line 4, strike out "204" and insert in lieu thereof "203".

On page 64, strike out lines 8 through 18, and insert in lieu thereof the following:

ASSISTANCE FOR CERTAIN FORMER POLITICAL HOSTAGES

Sec. 502. (a) The Congress makes the following findings:

(1) In recent years some United States citizens have been held in captivity as political hostages or have been victims of other terrorist acts.

(2) The United States citizens who were passengers on TransWorld Airlines flight number 847 on June 14, 1985, were victims of a hijacking of such flight and some of those passengers were subsequently held in captivity as political hostages.

(3) The experience of being held in captivity as a political hostage is a traumatic event that is outside the range of usual human experience.

(4) Stressful experiences connected with such a traumatic event can be expected to evoke in some victims certain psychological reactions, including symptoms of stress, which may be manifested shortly after the event or may be manifested weeks, months, or even years later.

(5) There is no established program under which United States citizens may obtain systematic assistance in coping with the short-term or long-term personal effects of captivity as political hostages after they return home.

(6) The Veterans' Administration has developed expertise in providing readjustment assistance to veterans who have experienced traumatic and stressful events outside the range of usual human experience as a result of military combat.

(7) The Veterans' Administration medical centers, including 13 specially designated in-

patient units for veterans with post-traumatic stress disorder, 187 readjustment counseling centers and satellite facilities for Vietnam-era veterans, and the National Center on Post-Traumatic Stress Disorder have staff with expertise (A) in diagnosing and treating veterans who have experienced traumatic and stressful events, and (B) in training Veterans' Administration and other health-care personnel in, and conducting research and exchanging information relating to, diagnosis and treatment of such veterans.

(b) The Administrator of Veterans' Affairs shall take appropriate action otherwise authorized by law to ensure that the expertise of the Veterans' Adminstration in diagnosing and treating individuals who have experienced unusual trauma and stress and in training health care personnel on such matters is made available to other Federal Government agencies and other appropriate organizations which are providing assistance to United States citizens who were passengers on TransWorld Airlines flight number 847 on June 14, 1985, or other United States citizens returning from captivity as political hostages, to attempt to minimize the potential short-term or long-term adverse psychological effects of such captivity on them.

On page 66, after line 24, insert the following new sections:

MODIFICATION OF RESTRICTIONS ON REAL PROPERTY AND CONVEYANCE OF A FENCE ON SUCH PROPERTY, SALT LAKE CITY, UTAH

SEC. 505. (a) Section 2 of the Act entitled "An Act authorizing the Administrator of Veterans' Affairs to convey certain property to the Armory Board, State of Utah", approved July 29, 1954 (68 Stat. 580), is amended to read as follows:

"SEC. 2. Any conveyance under the first section of this Act—

"(a) shall provide that the tract conveyed may be used only for hospital, educational, civic, residential, or related purposes;

"(2) shall provide that, if any part of such tract is used in any manner that is determined by the Administrator of Veterans' Affairs to interfere with the care and treatment of any patient at a Veterans' Administration health-care facility located in the reservation described in such section, such use shall cease immediately upon notice by the Administrator of such interference to the Armory Board, State of Utah, and to each person using such part in such manner;

"(3) shall provide that, if any part of such tract is used for a purpose other than a purpose prescribed in paragraph (1), title to such part shall revert to the United States;

"(4) shall provide that, if any interference referred to in paragraph (2) does not cease as required under such paragraph, title to the part of such land that is being used in a manner to cause such interference shall revert to the United States; and

"(5) shall contain such additional terms and conditions (including reservations of rights for the United States) as the Administrator of Veterans' Affairs determines to be necessary to protect the interests of the United States.".

(b) The Administrator of Veterans' Affairs shall convey, without consideration, to the Armory Board, State of Utah, all right, title, and interest of the United States in the fence erected as required by the quitclaim deed issued to the Armory Board by the Administrator on October 14, 1954, under the authority of the Act referred to in subsection (a). The conveyance shall contain such terms and conditions as the Administrator determines to be necessary to protect the interests of the United States.

(c) The Administrator of Veterans' Affairs shall execute any documents that are necessary to bring the conveyance made under the authority of the Act referred to in subsection (a) into conformity with the amendment made by such subsection.

MODIFICATION OF RESTRICTIONS ON REAL PROPERTY, MILWAUKEE COUNTY, WISCONSIN

SEC. 506. (a) The Administrator of Veterans' Affairs shall execute such instruments as may be necessary to modify the conditions under which the land described in subsection (b) will revert to the United States in order to permit Milwaukee County, Wisconsin, to lease all or part of such land to a nonprofit corporation which shall (1) construct and equip on such land structures, facilities, and other permanent improvements useful for public recreational purposes or general civic purposes, and (2) use such land for such recreational or civic purposes. The Administrator may carry out the preceding sentence subject to such terms and conditions (including reservations of rights for the United States) as the Administrator determines to be necessary to protect the interests of the United States.

(b) The land referred to in subsection (a) is (1) the land conveyed to Milwaukee County, Wisconsin, pursuant to the act entitled "An Act to authorize the administrator of Veterans' Affairs to convey certain lands and to lease certain other land to Milwaukee County, Wisconsin", approved September 1, 1949 (63 Stat. 683), and (2) the land conveyed to Milwaukee County, Wisconsin, pursuant to the Act entitled "An Act authorizing the Administrator of Veterans' Affairs to convey certain property to Milwaukee County, Wisconsin", approved August 27, 1954 (68 Stat. 865).

SERVICEMEN'S GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE

SEC. 507. (a)(1) Subsection (a) of section 767 is amended—

(A) by striking out "$35,000" and inserting in lieu thereof "$50,000"; and

(B) by striking out the amount of $30,000, $25,000, $20,000, $15,000, $10,000 or $5,000" and inserting in lieu thereof an amount less that $50,000 that is evenly divisible by $10,000".

(2) Subsection (c) of such section is amended by striking out "the amount of" the first place it appears and all that follows through "as the case may be," and inserting in lieu thereof "any amount less than $50,000, such member may thereafter be insured under this subchapter in the amount of $50,000 or any lesser amount evenly divisible by $10,000".

(3) Subsection (d) of such section is amended—

(A) by striking out "the effective date of this subsection" each place it appears and inserting in lieu thereof "January 1, 1986"; and

(B) by striking out "up to a maximum of $35,000 (in any amount divisible by $5,000)" and inserting in lieu thereof "in the amount of $50,000 or any lesser amount evenly divisible by $10,000".

(b)(1) Subsection (a) of section 777 is amended—

(A) by striking out the first sentence and inserting in lieu thereof the following: "Veterans' Group Life Insurance shall be issued in the amounts specified in section 767(a) of this title. In the case of any individual, the amount of Veterans' Group Life Insurance may not exceed the amount of Servicemen's Group Life Insurance coverage continued in force after the expiration of the period of duty or travel under section 767(b) or 768(a) of this title."; and

(B) by striking out "$35,000" in the sentence immediately following the matter inserted by clause (A) and both places it appears in the last sentence and inserting in lieu thereof "$50,000".

(2) Such section is further amended by adding at the end the following new subsection:

"(h)(1) Notwithstanding any other provision of law, members of the Individual Ready Reserve and the Inactive National Guard are eligible to be insured under Veterans' Group Life Insurance. Any such member shall be so insured upon submission of an application in the manner prescribed by the Administrator and the payment of premiums as required under this section.

"(2) Notwithstanding subsection (b)(2) of this section, Veterans' Group Life Insurance coverage under this subsection shall be issued on a renewable five-year term basis, but the person insured must remain a member of the Individual Ready Reserve or Inactive National Guard throughout the period of the insurance in order for the insurance of such person to be renewed.

"(3) For the purposes of this subsection, the terms 'Individual Ready Reserve' and 'Inactive National Guard' shall have the meaning prescribed by the Administrator in consultation with the Secretary of Defense.".

(c) The amendments made by subsections (a) and (b) shall take effect on January 1, 1985.

EXTENSION OF THE PERIOD FOR ENTERING INTO TRAINING UNDER THE EMERGENCY VETERANS' JOB TRAINING ACT OF 1983

SEC. 508. Section 17(2) of the Emergency Veterans' Job Training Act of 1983 (Public Law 98-77; 29 U.S.C. 1721 note) is amended by striking out "September 1, 1985" and inserting in lieu thereof "March 1, 1986".

EXTENSION OF AUTHORITY TO OPERATE AN OFFICE IN THE REPUBLIC OF THE PHILIPPINES

SEC. 509. Section 230(b) is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1988".

On page 67, line 3, strike out "201(b), 203(b)" and insert in lieu thereof "202(b)".

On page 67, line 3, strike out "502(b)" and insert in lieu thereof "507(c)".

COMPACT OF FREE ASSOCIATION

HOLLINGS AMENDMENT NO. 562

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the joint resolution (S.J. Res. 77) to approve the "Compact of Free Association", and for other purposes; as follows:

On page 91, add the following immediately after line 12:

ARTICLE VIII

SEC. 2. POLICY.

The policy of this Act is—

(1) to prevent further disruption of the United States textiles and textile products markets, damage to United States textile and apparel manufacturers, and loss of jobs by United States workers by providing for

orderly and non-disruptive growth of imports of textiles and textile products; and

(2) to implement the objectives of the Multi-Fiber Arrangement by requiring the effective import levels of textiles and textile products contemplated by the Multi-Fiber Arrangement.

SEC. 3. FINDINGS.

The Congress finds that—

(1) the United States and most major textile producing countries are parties to the Multi-Fiber Arrangement, the purpose of which is to ensure the orderly growth of imports of textiles and textile products and to avoid disruption of the markets for textiles and textile products in importing nations;

(2) The Multi-Fiber Arrangement, which first entered into force on January 1, 1974, and which was most recently extended in December, 1981, through July 1986, contemplates a 6 percent annual rate of growth for imports for most exporting countries and provides for a lower rate of growth for imports from major exporting countries;

(3) Since 1980, the objective of orderly growth of imports of textiles and textile products provided for in the Multi-Fiber Arrangement has not been achieved; from 1981 through 1984 imports of textiles and textile products into the United States have grown at an annual rate of 19 percent, far in excess of the 1 percent growth rate of the United States market for textiles and textile products during the same period and far in excess of the annual rate of import growth of less than 2 percent that prevailed during the period 1974 through 1980;

(4) the disruptive surge in imports of textiles and textile products which occurred from 1981 through 1984 resulted from the failure of the United States to enforce adequately its rights under the Multi-Fiber Arrangement and to extend coverage of the Multi-Fiber Arrangement to imports made of competing fibers;

(5) import growth of apparel products has substantially outstripped the growth of the domestic market so that import penetration of the domestic market has more than doubled in the last 6 years, reaching a level of 50 percent in 1984;

(6) based on a nationwide audit of major retail outlets, the import penetration of such major items of apparel as trousers, blouses, shirts, suits, skirts and sweaters exceeds 50 percent of domestic consumption;

(7) since the most recent extension of the Multi-Fiber Arrangement, certain exporting countries have sharply increased their exports of textiles and textile products made in whole or in part from fibers not subject to the Multi-Fiber Arrangement with the effect of circumventing restraints agreed to under the Arrangement; the increased imports of these textiles and textile products have caused disruption of the United States market for textiles and textile products and have seriously undercut the effectiveness of the Multi-Fiber Arrangement;

(8) imports of textiles and textile products into the United States are predominantly the product of major exporting countries, with 5 large exporting countries now accounting for more than 50 percent of all imports of textiles and textile products;

(9) the domination of import trade by producers in the major exporting countries has limited participation in the United States market by other exporting countries, many of which share important trade and other national interests, and encourage mutually beneficial trade and investment, with the United States;

(10) a change in United States textile trade policy to afford the smaller exporting countries and countries in the Caribbean region a relatively greater share of imports of textiles and textile products would promote the national economic interests of the United States;

(11) the textile and apparel trade deficit of the United States was more than $16,200,000,000 in 1984, an increase of 53 percent over 1983, and accounted for 13 percent of the nation's overall merchandise trade deficit;

(12) the current level of imports of textiles and textile products, 9,800,000,000 square yard equivalents in 1984, represents over 1,000,000 job opportunities lost to United States workers;

(13) imported textiles and textile products now account for 38 percent (the equivalent of 3.2 million bales of cotton) of the annual cotton consumption in the United States; only one of five of the bale equivalents included in imported textiles and textile products is grown in the United States; the result of the massive increases in cotton textile and apparel imports has been a declining market share for, and a $1 billion loss to, domestic cotton producers in 1983 alone, which was only partially offset by Federal cotton program benefits; another result is that U.S. cotton producers, who are spending about $20 million annually in research and promotion efforts, have built markets not for themselves but for foreign growers;

(14) imports of wool products have doubled since 1980, creating major disruptions among domestic wool products producers and seriously depressing the price of United States produced raw wool; the United States has long recognized that imports of wool products pose particular problems for the wool products industries in the United States and has therefore adopted a policy of 1 percent import growth on wool products; this policy has been acknowledged in our bilateral agreements under the Multi-Fiber Arrangement and has been reviewed by the Textile Surveillance Body;

(15) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products identical, or similar, to those imported have been seriously damaged, many of them have been forced out of business, many have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to local governments;

(16) the increase in imports and increased import penetration of the United States domestic market have occurred notwithstanding the fact that, through extensive modernization programs and investment in more modern equipment, productivity, as measured by output per man hour, in the textile mill products sector has increased in the last 10 years at the average annual rate of 4.2 percent and in the apparel sector at the average annual rate of 3.4 percent, as compared with the lower productivity growth of all manufacturing in the same period of 1.9 percent;

(17) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring the new measures established under this Act;

(18) based on experience during the past ten years and on other factors, the growth of the United States market for textiles and textile products is unlikely to exceed an average annual rate of 1 percent during the next several years;

(19) if the rate of growth of imports of textiles and textile products into the United States that occurred since 1980 continues, plant closings will continue to accelerate, leaving the United States market with reduced domestic competition for imported products;

(20) in order to avoid further market disruption and deterioration of the situation confronting the United States industry producing textiles and textile products, which is already seriously damaged, it is essential—

(A) to require the establishment of import levels for textiles and textile products supplied by major exporting countries that reflect—

(i) the import level that would have occurred had imports from these countries grown since 1980 by the 6 percent or lower annual growth rate contemplated by the Multi-Fiber Arrangement, or 1 percent in the case of wool products, or

(ii) the actual import level resulting from restraints under a bilateral agreement with the United States providing for an annual import gowth rate of less than 6 percent,

whichever is the lesser,

(B) to require the establishment of import levels for textiles and textile products supplied by smaller exporting countries that provide a significant increase in their market shares to meet their development needs and to permit future growth in such shares consistent with the Multi-Fiber Arrangement, and

(C) to limit the future growth rate of imports of textiles and textile products into the United States to levels which reflect orderly growth as provided for in the Multi-Fiber Arrangement and the most recent Protocol extending the Multi-Fiber arrangement;

(21) the establishment of import levels, and limitation of future import growth to levels, that reflect effective enforcement of the Multi-Fiber Arrangement and that also reflect the expected growth rate of the United States market for textiles and textile products will fulfill announced policy objectives of the United States regarding trade in textiles and apparel;

(22) as the Department of Defense has long recognized, a strong, viable and efficient domestic textiles and textile products industry is essential in order to avoid impairment of the national security of the United States;

(23) the developments that have led to the sharp increase in imports of textiles and textile products since 1980 may not have been foreseeable; nevertheless, the rights of the United States under international agreements should have been invoked in order to prevent increased quantities of textiles and textile products from being imported under such conditions as to cause or threaten serious damage to domestic producers of textiles and textile products in the United States; and

(24) the sharp increase in imports of textiles and textile products since 1980, and the effect of this increase on the United States textile and apparel industry and its workers, constitutes exceptional circumstances within the meaning of the Multi-Fiber Arrangement and its Protocol.

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SEC. 4. AMENDMENTS TO AGRICULTURAL ACT OF 1956.

Title II of the Agricultural Act of 1956 is amended by inserting immediately after section 204 of such title the following new sections:

"DEFINITIONS

"SEC. 204A. For purposes of sections 204B through 204D of this Act—

"(1) The term 'textiles and textile products' includes, but is not limited to, all man-made fibers, tops, yarns, piece goods, made-up articles, garments, and other textile manufactured products (which derive their chief characteristics from their textile components) made in whole or in part from any natural or man-made fiber, or blend thereof, that are classified under Schedule 3, part 6 of Schedule 6, parts 1, 4, 5, 7 or 13 of Schedule 7, part 1 of Schedule 8, or part 1 of the Appendix to the Tariff Schedules of the Untied States (19 U.S.C. 1202);

"(2) The term 'category' means, with respect to textiles and textile products imported from each country, each of the following—

"(A) Each category of textiles and textile products identified by a 3-digit textile category number in the Department of Commerce publication 'Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated', dated January 1985;

"(B) A category consisting of the man-made fiber articles classified under subpart E of part 1 of Schedule 3 to the Tariff Schedules of the United States; and

"(C) Each category consisting of each of the following products when, because of any fiber content, that product is not subject to the Multi-Fiber Arrangement:

"(i) yarn,

"(ii) fabric,

"(iii) apparel, and

"(iv) other textile products;

"(3) The term 'import sensitive category' means—

"(A) A category (other than a category applicable to textiles and textile products that are a product of a country in the Caribbean region) for which the ratio of imports to domestic production, as reported in the Department of Commerce publication "U.S. Production, Imports and Import/Production Ratios for Cotton, Wool and Man-Made Fiber Textiles and Apparel", equals or exceeds 40.0 for the preceding calendar year; or

"(B) A category covering wool products;

"(4) The term 'country' means a foreign country (other than Canada and the Member States of the European Economic Community as constituted on January 1, 1985), a foreign territory, or an insular possession of the United States;

"(5) The term 'major exporting country' means a country (other than a country in the Caribbean region) from which the United States imported an annual aggregate quantity of textiles and textile products under all categories that equalled or exceeded 1.25 percent of all textiles and textile products under all categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during calendar year 1984;

"(6) The term 'country in the Caribbean region' means the United Mexican States and a country eligible for designation as a beneficiary country under section 211 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702);

"(7) The term 'wool product' means an article containing over 17 percent by weight of wool;

"(8) The term 'exporting country' means a country other than a major exporting country;

"(9) The term 'entered' means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States;

"(10) The term 'imported' means entered; and

"(11) The term 'Multi-Fiber Arrangement' means the Arrangement Regarding International Trade in Textiles, as extended by the Protocal done at Geneva, December 22, 1981.

"LIMITS ON TEXTILE AND APPAREL IMPORTS

"SEC. 204B. (a) Notwithstanding section 204 of this Act or any other provision of law, the aggregate quantity of textiles and textile products classified under each category that is entered during calendar year 1985 shall not exceed—

"(1) in the case of textiles and textile products that are a product of a major exporting country, the lesser of an amount equal to 101 percent (A) of the aggregate quantity of such products from such country classified under such category that would have entered during calendar year 1984 if the aggregate quantity of such products from such country classified under such category entered during calendar year 1980 had increased by six percent annually, or 1 percent annually in the case of a category covering a wool product, during calendar years 1981, 1982, 1983 and 1984, or (B) if the United States has an agreement with such country providing for an annual growth rate for such category of less than six percent, of the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984;

"(2) in the case of textiles and textile products that are a product of an exporting country, an amount equal to the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984, plus an amount equal to (A) fifteen percent of such quantity, in the case of a category that is not an import sensitive category, or (B) one percent, in the case of a category that is an import sensitive category.

For purposes of this section, if during any calendar year after 1984 the United States imports from a country, other than a country in the Caribbean region, that is not a major exporting country an aggregate quantity of textiles and textile products under all categories that equals or exceeds 1.25 percent of all textiles and textile products under all categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during such calendar year, then such country shall be considered to be a major exporting country for all succeeding calendar years.

"(b) For calendar years after 1985, the aggregate quantity of textiles and textile products classified under each category that may be entered during each such calendar year shall—

"(1) in the case of such products that are a product of a major exporting country, be increased by an amount equal to one percent of the aggregate quantity that could be entered under such category during the preceding calendar year; and

"(2) in the case of such products that are a product of an exporting country, be increased by an amount equal to—

"(A) in the case of a category (other than an import sensitive category), six percent of the aggregate quantity that could be entered under that category during the preceding calendar year, and

"(B) in the case of an import sensitive category, one percent of the aggregate quantity that could be entered under that category during the preceding calendar year.

"(C) If, under subsection (a) or (b), the aggregate quantity of textiles and textile products from a country that may be entered during a calendar year under a category is—

"(1) less than 1,000,000 square yard equivalents, in the case of a category covering yarn, fabric, made-ups, and miscellaneous products, other than wool products;

"(2) less than 700,000 square yard equivalents, in the case of a category covering apparel, other than wool products apparel; or

"(3) less than 100,000 square yard equivalents, in the case of a category covering wool products,

then, notwithstanding subsection (a) or (b), the aggregate quantity of textiles and textile products that may be entered from such country under such category during the calendar year shall be 1,000,000, 700,000 or 100,000 square yard equivalents, respectively. The amount prescribed in the preceding sentence shall be accorded growth subject to the provisions of subsection (b) beginning the first calendar year after the aggregate quantity of imports from such country under such category equals the minimum quantity prescribed under this subsection.

"(d) The Secretary of Commerce shall prescribe such regulations governing the entry, or withdrawal from warehouse, for consumption of textiles and textile products as may be necessary to carry out sections 204A through 204D of this Act.

"IMPORT LICENSING

"SEC. 204C. In order to ensure the equitable and efficient administration of section 204B of this Act, the Secretary of Commerce shall, within six months after the date of enactment of the Agricultural Act of 1956 Textile and Apparel Trade Enforcement Amendments Act of 1985, establish and administer an import licensing system under which an importer of any textiles and textile products from any country and from Canada and the Member States of the European Economic Community, will be required to present an import permit as a condition of entry. The Secretary shall charge a fee for import licenses in such amount as may be necessary to cover the cost of administration of the system.

"ANNUAL REPORT

"SEC. 204D. Not later than March 15, 1986, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of sections 204A through 204C of this Act during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 204B. All departments and agencies shall cooperate in preparation of this report as requested by the President."

SEC. 5. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by section 4 of this Act shall apply to textiles and textile products entered, or withdrawn from warehouse, for consumption after ——— —, 1985.

(b) CALENDAR YEARS 1985 AND 1986.—The Secretary of Commerce shall prescribe by regulation the aggregate quantity, if any, of textiles and textile products that may be entered under section 204B (a) or (c) of the Agricultural Act of 1956 as amended by this Act from each country under each category during the period beginning on the date of enactment of this Act and ending December 31, 1985. Notwithstanding subsection (a), to the extent that the aggregate quantity of imports of textiles and textile products from a country under a category entered after December 31, 1984, and before the date of enactment of this Act exceeds the quantity permitted entry for such country and such category during calendar year 1985 under section 204B (a) or (c) of such Act, the limit that would otherwise apply under section 204B(b) for such category for such country for calendar year 1986 shall be reduced by the amount of such excess quantity.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCES CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Public Lands, Reserved Water and Resource Conservation Subcommittee of the Committee on Energy and Natural Resources on Wednesday, August 7, 1985, in Twin Falls, ID. The subcommittee will receive testimony from the public on S. 1528 to provide for the expenditure of transfer of funds by the Secretary of the Interior and the Secretary of Agriculture for the emergency prevention, suppression, control, or eradication of grasshoppers or mormon crickets on public lands.

The hearing will be held at the College of Southern Idaho, Shields Building, rooms 17-118, 315 Falls Avenue, Twin Falls, ID, from 10 a.m. to 3 p.m.

Those wishing to testify should contact the offices of Senator JAMES A. MCCLURE in the following cities in Idaho:

Boise, ID, 304 North Eighth Street, room 149, 208-334-1560.

Twin Falls, ID, 401 Second Street North, suite 106, 208-734-6780.

Pocatello, ID, 216 Federal Building, 250 South 4th Avenue 208-236-6817.

Idaho Falls, ID, 482 C Street, suite 304, 208-523-5541.

Oral testimony may be limited to 3 minutes per witness. Written statements may be longer. Witnesses may be placed in panels and are requested to bring five copies of their testimony with them to the hearing. Those wishing to testify should sign up no later than Tuesday, August 6, 1985, at 12 noon.

For further information, please contact Senator MCCLURE's offices at the above listed numbers or Mr. Tony Bevinetto of the subcommittee staff at (202) 224-5161.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, July 30, to hold a hearing to consider the nomination of Constance J. Horner, to be Director of the Office of Personnel Management.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the Committee on Agriculture be authorized to meet during the session of the Senate on Tuesday, July 30, 1985, from 3 p.m. until 5 p.m. in order to mark up S. 616, the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Tuesday, July 30, to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

JAPANESE TRADE TACTICS

● Mr. RIEGLE. Mr. President, Japanese trade tactics are wrecking our economy and destroying American jobs. We must address this hostile challenge now before even further job loss and long-term economic damage is done.

The Department of Commerce announced this morning that the U.S. trade deficit with Japan soared to a record $4.573 billion just for the month of June. Our trade deficit with Japan almost doubled in 1984, and will balloon by a further one-third this year, to perhaps $50 billion.

The U.S. exports primarily raw materials to Japan such as corn, oil seeds, coal, lignite, and peat. Japan, on the other hand, exports primarily manufactured goods to the United States such as autos and consumer electronics. They have now openly targeted commercial electronics, the production technologies of the future, as their next goal for domination.

I ask that there be printed in the RECORD two related articles from the New York Times: One on Japanese targeting of the semiconductor industry and one, by Theodore White, which outlines the history and the nature of the Japanese strategy.

The articles follow.

[From the New York Times, July 27, 1985]

HOW JAPAN PLAYS WHEN THE CHIPS ARE ON THE TABLE

To the Editor:

"Why Japan Won the Chip Race" (editorial, July 5) puts the tail on the wrong end of the dog. Your argument that Japan has "won" the race because of the high dollar, Japan's lower cost of capital and because "Japanese companies worked for years at refining their production techniques and increasing their market share" (as if American companies did not) provides an inaccurate portrayal of the international competitive situation in the semiconductor industry.

In fact, except in Japan, where the American industry has been unfairly excluded, the United States commands an overwhelming market share against the Japanese: 5 to 1 in the United States and Europe, and 2 to 1 in other countries where companies from the two countries compete head to head.

This is not to say that there are not many fundamental macroeconomic reforms that the United States should take immediately to strengthen its industrial base. The semiconductor industry has long supported measures, such as reductions in the Federal budget deficit and changes in the tax code to encourage saving, to remedy our economy's structural problems. We agree with you that such steps are essential. However, at least with respect to semiconductors, there are major trade problems that are not macroeconomic. They can be traced directly to specific unfair trade practices by the Japanese Government and by Japanese companies.

For example, you dismiss the documented factual record of coordinated action by Japanese Government and industry to exclude American semiconductor products from the world's second largest market as "clannish buying practices," as though the actions were merely impolite, rather than the sort for which American executives would be sent to jail. Nor, apparently, do you comprehend just how damaging this policy is.

In an industry where technological change is constant, cash flow for research and development is absolutely essential if a company is to remain competitive. A home market protected in good times and bad can provide such a steady source of funds, as well as economies of scale unavailable to those excluded.

You also dismiss documentation of predatory pricing by the Hitachi Corporation by referring to exchange-rate differentials, as though they could explain the fall of prices for the 256K Eprom chip from more than $20 each when Hitachi entered the market in November 1984 to little more than $4 today, following a six-month period during which the yen rose against the dollar. Why not simply take Hitachi at its word? It is prepared to dump chips at any price to drive competitors from the marketplace.

In short, there is more than ample evidence that Japanese targeting practices, not structural differences in the two economies, are the principal cause of the current situation in the semiconductor industry. Our industry is competitive with the Japanese wherever it is given a fair chance to compete. We have not sought import restrictions.

It surpasses understanding that you would not be in support of efforts to open markets to competition. Perhaps if you examined the evidence, you would recognize the injustice that you have done to America's most important high-technology industry.—

Thomas D. Hinkelman, President, Semiconductor Industry Association, San Jose, Calif., July 18, 1985.

[From the New York Times Magazine, July 28, 1985]

THE DANGER FROM JAPAN

(By Theodore H. White)

No sense of irony stained the spectacle of victory aboard the U.S.S. Missouri, no sense of shadows to rise years later.

We were all too bedazzled by the splendor of the day—for here was American power at its zenith. We had won the war, totally, and the men who had won it, soon to become legend, were all there on the veranda deck in pressed suntans or navy whites. A band had been swinging through "Anchors Aweigh" as we gathered that morning, but as the climax approached a hush fell; silence stretched like a blanket over our murmurings.

None of us of course knew what America would make of the victory, or the Japanese of their defeat. But the power was all ours and stretched, visibly, as far as the eye could see. The Third Fleet had come in from offshore and now crowded Tokyo Bay—flattops and battleships, cruisers and destroyers, guns trained on the land we had laid waste. There was no question but that we had won this war.

It was Sunday, Sept. 2, 1945, there on the other side of the dateline, and the skies, after a Saturday drizzle, stretched gray. But this was no guarded and hidden schoolhouse, with only a handful present to watch, as at the surrender of German forces only four months earlier at Rheims. Douglas MacArthur's sense of drama insisted that all the world be there to witness, and we were several hundreds thick on the foredeck.

The Missouri had been swept clean. The Stars and Stripes above the mainmast was the same that had fluttered over the Capitol on the day Japan attacked Pearl Harbor; it had just been flown out from Washington. The flag of Commodore Perry, who had pried Japan open to the West 90 years before, was draped on the rear turret, with the 31 stars of the then half-grown union faded but clear. And on each of the three 16-inch guns clung our sailors in white, holding on by a handgrip, or with their legs curled tight about the barrels.

Just in front of the turret was the surrender table, draped in a navy-blue coverlet, bare but for the documents. There the Japanese would sign. A few minutes before the appointed hour we heard the piping that announced the launch carrying the Japanese was alongside. We watched them come aboard: Mamoru Shigemitsu, the Japanese Foreign Minister, in morning coat and striped trousers; Gen. Yoshijiro Umezu, Chief of Staff of the army, in his starched brown uniform. Shigemitsu limped, for he had been crippled years before by Japanese terrorists who had tried to kill him, considering him a man of peace. But that brought him no sympathy from us now as he grasped the rail to pull himself up, then limped to the table of surrender.

I bristled at the sight of them. I had seen the Japanese blast and flame Chungqing, the city I had lived in years before, then bring their planes down to machinegun people in the streets. Japanese had shot at me, I had fired at them, and so the luxury of this moment was one I enjoyed. Others, too, hated the Japanese—perhaps all except Douglas MacArthur, who saw them as he saw all Orientals, as errant little brown brothers who must be rebuked, but then brought into Western civilization. Yet that day he was task-master and conqueror.

A few minutes after 9, General MacArthur himself appeared, and the Japanese came forward. No one helped Shigemitsu, but some Americans more generous than I brought him a chair to sit on as he signed the surrender. Next came Umezu, the brown pock marks on his cheeks swelling and falling as he clenched his jaws. He wanted no chair: he stood stiffly, unfolded like a jackknife, then bent and signed the paper. Neither said anything. Then MacArthur spoke for peace and conciliation—rather well, I think now as I read his text 40 years later. Then all the others signed. I notice, as I follow the notes I made on my copy of the text, that when the Dutch representative signed, the sun broke through the clouded morning, and the scene began to glisten.

At this point happened the episode that stands out sharpest among the memories of that day—the flyover. As MacArthur intoned "These proceedings are closed," we heard a drone and looked up. It is difficult to recall now, after years of floundering and blunder, how very good we were in those days, with what precision we ordered things. Four hundred B-29s had taken off from Guam and Saipan hours before to arrive over the Missouri at this precise minute of climax. They stretched across the rim of the horizon, and their heavy droning almost instantly harmonized with a softer buzzing as 1,500 fleet aircraft from our flattops joined them. The B-29s had burned out Japan's cities, dropped the two big bombs; the fleet aircraft had sunk the Japanese Navy. Now the killing arms of our power, the air forces, slid down their height in the sky to circle low over the armada of American ships. Then, still very low, they disappeared across the sky, over two cities they had left in ruins, first Yokohama, then Tokyo, as if brandishing our power over the people who had dared, without warrant and with planned deceit, to attack and bloody us at Pearl Harbor.

We had won out over them. We lost more than 100,000 men to prove we could not be lacerated without warning, without seeking revenge.

Except that America's revenge on Japan was of such an extrordinary character as to befuddle all scholars who claim that history has a logic of its own. What we are faced with now is the idea that events contradict history's logic. Perhaps we did not win the war, perhaps the Japanese, unknown even to themselves, were the winners.

It had taken us years to get to Tokyo Bay. But that story had begun with an idea, as all wars do.

As a very young reporter, I had gone to Asia, and there became acquainted with the crowning Japanese idea: "The Greater East Asia Co-Prosperity Sphere." The slogan was scrawled across the walls of all the regions I visited, from Manchukuo to North China, down finally to Hanoi in 1940, when the Japanese took over Vietnam. And they meant to go further: to Thailand (with its tin), Malaya (rubber), Indonesia (oil and timber). The Japanese idea was simple: that Japan was the leader of East Asia, and so it should harness Asia, with its resources, its genius of mind, its hundreds of millions of people, and all would grow prosperous—Japan most of all.

But the Chinese, both Nationalist and Communist, had resisted. And, as the Japanese did their best to beat the Chinese into submission, America said: No. Franklin Roosevelt imposed his embargo on Japanese trade—no scrap metal, no oil, nothing that would help Japan pursue its purpose of conquest. The noose had thus tightened about Japan in 1941, whereupon they attacked us and hoped, having hurt us, that we would negotiate on their terms. Tactically, the attack on Pearl Harbor was one of the most brilliantly executed strokes of the war. But politically, it was most unwise, for America fought back.

Today, 40 years after the end of World War II, the Japanese are on the move again in one of history's most brilliant commercial offensives, as they go about dismantling American industry. Whether they are still only smart, or have finally learned to be wiser than we, will be tested in the next 10 years. Only then will we know who finally won the war 50 years before.

So we must go back to Japan at that weekend of surrender and see what we made of it.

The eye recalls almost nothing sharp of those first three days. Both Tokyo and Yokohama were wasteland. Here and there was a speckle of corrugated iron shacks where the bombed-out victims of our raids lived. Spikes of smokestacks rose above rubble. In the streets trudged the Japanese—forlorn and shabby. Along the country roads trickled the first of their demobilized soldiers, their belongings slung over their shoulders. All of Japan was open to us, except for the Emperor's palace in Tokyo, behind its moat and earthen walls. The 11th Airborne Division had arrived to protect him from all intruders—Americans and Japanese alike.

A few days before we entered Japan, an intelligence officer had briefed a few of us correspondents on how delicate that mission would be: Japan was still armed, with 57 divisions in the home islands. Some units were violent. There had already been one assault on the Emperor's palace in the days since he had radioed his submission to us; it had been beaten off. The Emperor was our key. "In essence," concluded the officer, "we've achieved a coup d'etat. Our coup has been to take the Emperor. We've given him the widest latitude in telling his people how to take defeat. But, when they learn he takes orders from us, that we're using him to restore order, there's no telling how the mechanism will react.

So, when we flew in on Friday, Aug. 31, before the surrender, the soldiers in my plane were taking apart, fingering, reassembling their guns as soldiers always do before assault, ready to shot if this surrender was a trap.

But it was no trap; the Japanese had surrendered; the Emperor had defused the Japanese war machine, still capable of one last explosive bloodletting. The airfield perimeter had been guarded immediately by the 11th Airborne. The Japanese had not only obeyed our orders to remove all propellers from their planes at Atsugi Airfield, our point of descent, but the planes themselves had been bulldozed into a junkheap at the far corner.

That first weekend of reconnaissance and tingling fear we roamed the streets of Yokohama with strut and swagger. We took over the new Grand Hotel on the Bund—just up the street from the offices of the House of Mitsui. So I strolled down to visit it.

The House of Mitsui was one of the grand zaibatsu, those great Japanese merchant trading houses that we meant to abolish but did not. I walked in with Jim Stewart of the Office of War Information, who spoke

fluent Japanese, and we were ushered into an executive's suite.

His face I have forgotten; in my notes his name reads simply "Fujiro," and he spoke fine English. When he understood that we had come not to arrest him but to talk, he relaxed. I wanted to pick up the threads of the story of defeat and surrender.

Fujiro told it well: It had been four months since the last ocean-going vessel of Japan's far-flung merchant marine had made it safely back to Yokohama, Japan's largest port. It had been more than a year since Kawasaki, the nation's oil port, had received a tanker from the East Indies. Yokohama was prostrate, he said. He guessed that 200,000 people had been killed in our bombings and 700,000 had fled.

But the Americans were not hated, he assured us. The people hated their army. "Why no planes, no guns to defend us?" He spat out names like Tojo, Oshima, Shiratori. The people expected them to be executed. People hated the United States bombers, but the first Americans to land were well-behaved. Jim Stewart remarked that, unlike the Japanese, American soldiers did not rape. Fujiro acknowledged this.

Then to his plea. Hunger. Food. Let Japan work to support herself. Japan could still make ships—"let us make ships to earn our way." Some textile mills remained; the Japanese could still make cloth to earn a living. But Japan needed food most of all—one-third of all its food in the closing days of the war had come out of China. Japan could sell us tea and silk, but it needed food.

What were the plans now of the House of Mitsui? we asked. He replied: "Frankly, gentleman, until your military tells us what to do, we have no plans." Before we left, he poured us a toast: "To your safe arrival!" We drank; the House of Mitsui bowed as if we were not only liberators but allies.

These days, the House of Mitsui is thriving again, its trading net spread from steel mills in China to refineries in Iran to operations in America—the whole world has become its "Greater Co-Prosperity Sphere."

Food, then, that weekend and that month was of the essence.

There is a strange and wonderful thing about Americans, of which I am proud. In war we bomb, we kill, occasionally our soldiers are savage, too—although when an American officer goes berserk, we try him in our military courts, as we did Lieut. William Calley for the massacre at Mylai. But Americans abhor starvation, and they are very good at organizing to help all starving people—defeated Germans, defeated Japanese, Ethiopians subject to Marxism.

So, in the first few days of occupation, our rage evaporated in the task immedately at hand: to feed the Japanese people we had conquered.

What MacArthur was up against were the essentials that geography forces on anyone who governs Japan. Japan is a nation of four rocky islands—with a combined area that is smaller than California. Seventy-two percent of the land is mountain and rock, useless for anything but tourism and scenery. Only 16 percent is tillable. When, a century ago, the Japanese were a nation of 30 million people, they could barely feed themselves and infanticide was a common practice. Their internal history has thus been scorched with savage civil wars. Then, when Japan was opened, the coiled aggressions so long turned against each other turned against their neighbors—China first, then the Russians, then Korea.

But the Japanese add to their poverty of physical resources two extravagantly useful conditions. They have, first, a sharply indented coastline, with natural ports inviting deep water to their shore. England has the same advantage, which once gave that nation, and now gives Japan, access to all the world's resources of ore, oil, foods, timber; by cheap shipping, Japanese can draw raw materials from anywhere and can send competitive manufacturers anywhere, too.

To this gift of geography is added a gift of genetics, a striking quality of mind. We often think of the Japanese as less than innovative but, technically, they are superb adapters and producers. We learned that in the war against them: their torpedoes were better and faster than ours . . . until we learned to make ours better. Their initial combat plane—the Zero—was a superlative machine; it could turn, dart, wheel away and mock American flying machines. No matter that Americans had invented the airplane and the flattop; when the war started, Japan had in several arms superior, if derivative, technology. What licked them was American bravery, the mobilization of then-superior American science and industry, and their own blundering politics that led them to challenge us.

Whether Americans made an equal blunder in entering Asia in 1945 is something historians will debate for decades to come. But if we *did* blunder in that fall season of 1945, the blunder stemmed from mercy and generosity. Both mercy and generosity proposed a peace the like of which had never been granted before to any conquered nation—except, perhaps, the Germany defeat only months before.

Our first challenge in those early weeks was, of course, the simple mechanics of occupation. But then we faced the problem of how to govern the now-abject nation—above all, how to feed it. Japan's hospitals were full of the diseases of malnutrition. MacArthur ordered at once that our occupying forces distribute their rations to Japanese civilians from Army kitchens. He then ordered that all the 3½ million tons of food stockpiled for our own armies for the projected landings of October and November be rushed in. Yet still there was not enough. He himself described it best in a cable to the War Department in the spring of 1946—a spring of imminent starvation. We must either feed the Japanese or starve them, he wrote, and then we must face the consequences. "Starvation breeds mass unrest, disorder, violence. Give me bread or give me bullets," he finished in a grandiloquent MacArthurian flourish.

The next paragraph of MacArthur's reminiscences is a single sentence: "I got bread."

MacArthur had, almost immediately after moving his headquarters from Yokohama to Tokyo, set about creating a new Japan. Of the Emperor, he demanded that a new prime minister be immediately named. By October, the Emperor had replaced his uncle, the nominal prime minister at the time of surrender, with Baron Shidehara, to whom, on his first visit, MacArthur explained America's wishes for the new Japan.

MacArthur's directives were cut from the cloth of American good will. Japan (so ran his first directive) must completely emancipate Japanese women; must let workers organize in unions; ban abuse of child labor; abolish secret police. Further, Japan must reorganize its education system and "democratize" its industrial system. He left it to Shidehara to work out the details.

It was this broad grant of latitude that was most important. The Japanese could pick and choose their way through MacArthur's directives. The way they chose to implement them allowed their industry, their universities, their ingenuity to flourish. And the rebirth of Japan since its defeat is a parable of history. If one speeds up the interaction of ideas and drive, it becomes a drama.

It is impossible to blame the Japanese for accepting American mercy and the American invitation to thrive. Neither Congress nor the United States War Department wanted to feed Japan indefinitely or pay for its recovery. It was up to the Japanese to work their own way back, to remove themselves from the backs of the American taxpayer.

A young lieutenant with the 27th Infantry Division was among the first to land in that week after the surrender; his company had fought in the battle of Okinawa; it had entered with 180 men and come out with only 20. That young combat lieutenant, Malcolm Baldrige, is now Secretary of Commerce, and he recalls the desolation in Japan. "We sent them," he recalls now, "blood-fractionating technology on humanitarian grounds. Today the company we gave the technology to compete with Americans around the world. We sent them technicians from the Underwriters Laboratory to certify that Japanese products were up to American standards, fit for export. Today U.S. companies fight to get their exports certified for entry into Japan." Baldrige is both wise and somber. The Japanese, as Government policy, are undermining one American industry after another. But Baldrige, as a senior Administration official, must restrain his forebodings in public.

To understand his bitterness one must again go back to the story of governing ideas. Early in 1947, as Japan was thawing from defeat, we sponsored something called GATT—the General Agreement on Tariffs and Trade, with headquarters in Geneva. GATT embodied an idea almost two centuries old, the idea of Adam Smith. Smith believed that history moves in stages, and, because he lived at the dawn of the Industrial Revolution, he denounced the outworn ideas of mercantilism—the world stage was now set for "free trade." An "invisible hand," Smith held, should and would shape the flow of goods from one nation to another, wherever "comparative advantage" in production would draw wares from one country to another.

By the mid-1940s, American thinking had made a holy cause of "free trade." Our conventional analysis of the Second World War held that both Hitler and the Japanese had violated the theology of "free trade," staking out spheres of economic dominance with bayonets, thus bringing war. Now, however, in 1947, GATT would enforce free trade in all the non-Marxist world, eliminating tariffs and barriers, and allowing goods to flow freely from country to country. We were at our peak in the history of commerce. Thus—onward and upward to the sunlit plateau of world prosperity and peace.

For the Japanese it must have seemed too good to be true, and it took them several years to learn that the Americans had rewarded them with a world market far larger than the Great East Asia Co-Prosperity Sphere. The Americans had given them an invitation to the world trading game in total ignorance of what Japanese genius and tactics might accomplish. As late as 1954, a haze of victory still clouded American thinking. Said John Foster Dulles, Secretary of State, at a National Security Council meeting in August of that year, I "told Premier Yoshida frankly that Japan should not expect to find a big American market because the Japanese don't make the things we want. Japan must find markets elsewhere for the goods they export." It would be at least 30 years before history proved Dulles wrong, before our trade deficit with Japan grew to the thunderhead of an estimated $45 billion for 1985.

There were, of course, several things wrong with the ideas that begot GATT. First was the belief that all the world would behave by the rules codified by GATT. We could not entertain the idea that some nations would race, like broken-field runners, through the new rules of tariffs and trade; that GATT would be riddled and pockholed by subsidies, regulations, quotas and barriers that made mockery of the idea of free trade.

But the more important thing that went wrong with GATT was almost too simple to consider. If all people of the world were entitled to equally free trade, then the cheapest producers would be those who paid their people least, yet mastered world-class technology. In other words, nations whose workers were grateful for starvation wages could conquer the markets of countries like America, whose workers demanded the world's highest wages. The only way thus to complete was by efficiencies of production, in which the Japanese steadily strove to match the Americans, or by wage standards with which American workers could not compete, or both. Asian standards of living would have to go up or our standards would go down until an equilibrium would be reached.

In the 40 years since defeat, Japan has grown to be a giant. Japan has passed the Soviet Union in industrial production and stands as world class No. 2 to our No. 1. If the present Japanese expansion of production continues, it will be, in 20 years, a greater industrial power than the United States.

When the Japanese looked out from their world of ruins in the months after defeat, disaster drew self-examination as tight as skin about every individual as well as the community. "Japan was smashed," says one American industrialist. "Its industry was shattered or obsolete. Every institution had failed them. . . . There was no leadership, no model for creating a new Japan except that which American forced on it." So MacArthur and his staff became the leadership, America the model.

What the Japanese have done since in remodeling the American model is no less than spectacular. They have devised a system of government-industry partnership that is a paradigm for directing a modern industrial state for national purposes—and one designed for action in the new world of global commerce that the United States blueprinted.

The Japanese have a tangled bureaucracy that baffles foreign intruders, but one must recognize at least the two main players in the game to understand the dynamics of the Japanese trade thrust.

The Ministry of Finance comes first. In the words of one American Ambassador to Japan, "it has the ultimate call." Its policies set the exchange rate of the yen, keeping the currency undervalued in order to keep export prices low. It stimulates savings and investment, finances industry by directing the allocation of funds through the banks it controls. The Ministry of Finance provides the launching pad from which MITI directs the guided missiles of the trade offensive.

MITI—the Ministry of International Trade and Industry, the second major player in the game—is totally new Japanese invention. MITI targets those Japanese industries that are to grow, targets the countries and markets to be penetrated. It can adjust depreciation rates for favored industries; coordinate research into arcane technologies—for example, into the fifth generation of computers. (Its only American rival in such research is the Pentagon, which can afford to match Japan Incorporated's budget).

Sometimes MITI makes mistakes—as in the overbuilding of the Japanese steel and shipbuilding industries, now in surplus capacity because of competition from South Korea. More often it is wise enough to put to sleep industries that can no longer compete. The island of Kyushu once employed 200,000 coal miners; only 7,000 remain there because oil and coal come cheaper from abroad—and so Kyushu has become a thriving center for electronics. MITI defines strategies; Japanese private enterprise follows through with zest. No better marriage of government planning and private enterprise has ever been seen.

The Japanese have caught the essence of Adam Smith—that history moves through its stages as opportunity and technology beckon. Nor is it alone in seeing the perspectives of the world America fostered. Although Jean Monnet designed Europe's Common Market, America was its godfather. Europe also presses to orient its industries to national purpose. West Germany, Europe's foremost industrial power, presses hardest. But the Germans expend much of their energies within the Common Market we sought to build. In American commerce, trade with West Germany is large, yet marginal. In 1971, when America first fell into the trade deficit that forced us off the gold standard, Germans exported $3.7 billion worth of goods to America, Japan $5.9 billion. Last year, the Germans shipped $16.9 billion—but the Japanese shipped $60.4 billion. The Germans, somehow, evoke little American bitterness because we understand their culture, establish American plants there without hindrance. The Japanese provoke American wrath because they are a locked and closed civilization that reciprocates our hushed fear with veiled contempt.

Few American businessmen abroad would qualify as Knights of the Round Table. American oil companies once, in the prime of their power, could make and unmake governments. But many American businesses have been welcomed overseas, if only because they usually pay higher wages than competitors. Most of all, they have been restrained by American antitrust laws from the kind of nationally coordinated trade offensive captained by MITI against all other countries.

American industry grew up in partnership with European industry. But Japan rouses different fears. Behind Japan ("the Big Dragon," some call it) march the "four little dragons" (Korea, Hong Kong, Taiwan, Singapore) following in its path. And behind loom China and India, desperate as they are to raise their standards of living—at the expense of American standards, if necessary.

The Japanese are far ahead in the race for world trade markets, and they are moving now to yet another stage. Their export surplus gives them huge sums to invest—in the Middle East and America—so that Japanese capital is moving from penetration to control. Japanese are beginning to supply venture captal for the seedbeds of American technology, from Silicon Valley in California to Route 128 in Boston. They hover over the Draper Laboratories in Massachusetts—the national laboratories that devise the guidance system of our missiles—and acquire what patents security lets free to the public. In the Los Angeles area alone, the Japanese have installed or acquired 1,500 firms. Their acquisitions in our banking system have grown significantly; contrarywise, Americans are all but excluded from Japanese capital markets. And, by the doctrine of GATT, all this is entirely legal.

Yet what is legal may also be unfair. While Japan's tariff rates are, in broad economic terms, roughly equal to those of other industrial nations, they are spiked with special tariffs in industries that are considered vulnerable to foreign competition. In addition, Japanese markets are protected by a maze of so-called nontariff barriers to trade—many of which fall outside the reach of GATT regulations. We cannot sell our exports freely in Japan, whether beef, tobacco, citrus fruits, or leather goods. Consumer markets, too, are closed by regulations that the Japanese attribute to "cultural differences."

What Japan does import from us are, chiefly, those raw materials always taken by master nations from colonial nations—grain, cotton, ores, fuel. We still ship to Japan a few remaining high-technology items, like aircraft, and some telecommunications and high-powered computers in which we hold a narrowing lead. But the Japanese continue to squeeze that lead, because their infant-industry-protection laws are planned to give them time to catch up. They will not buy American satellites until they learn to make their own. Corning Glass Works has had a fiber-optics patent pending in Japan for 12 years; in this time, the Japanese have learned to make fiber optics of their own that they now sell to America. Crude oil may be sold to Japan; but the Japanese will not buy our refined oil. American products certified here must go through slow, tedious retesting in Japan before entering the Japanese market, while Japanese technology catches up.

American markets for Japanese goods are not only open but come with an invitation. The United States Census makes its marketing information open to all; for a fee anyone can buy its tapes that define area by area, county by county, income group by income group, where Toyota, Sony, Hitachi, Honda can best space their distributorships; and American advertising agencies will, for a fee, translate consumer appetite into market conquest. No nation that thinks of itself as an assembly of consumers can resist Japanese penetration. But a nation that thinks of itself as a community has reason for alarm.

Today not a single consumer radio is made in America, although Americans invented the modern radio; not a single black-and-white television set is made here, although America invented television. The few companies that assemble color television sets in the United States could not exist without imported parts made in Asia, although color television was originally developed in America. Almost all our video-cassette recorders are made in Japan; so are most hand-held calculators, watches, a huge share of our office machinery, and most high-fidelity audio equipment. Only one American motorcycle manufacturer remains (Harley-Davidson); the Japanese hold 95 percent of our market. Only one American piano manufacturer remains (Steinway). The Brooklyn Navy Yard, where the conquering U.S.S. Missouri was launched in 1943, no longer exists.

The American automobile and steel industries were the first to be hit by Japan's trade offensive—they were vulnerable. Emerging from the war fat, stuffy and complacent, content largely with obsolescent equipment and practices, shortsighted American management let its technologies fall well behind those developing elsewhere. In 1966, the Japanese shipped only 63,000 automobiles to America; by 1970, MITI had stimulated the shipment of 415,000. Americans found Japanese cars to be good cars; they consumed little gasoline, they were cheaper; their fit-and-finish were splendid, and with the rise in gasoline prices, the American appetite for Japanese automobiles soared. But when the Reagan Administration this spring released Japan from negotiated voluntary quotas on car exports to the United States, Japan announced that it would raise its shipments to 2.3 million autos to America, as if we were a controlled colonial market. It was too much. By a vote of 92 to 0, the Senate declared Japanese trade practice unfair. But it was a belated revolt; this summer, American consumers are gobbling up Japanese automobiles faster than the Japanese can gear up to ship them.

This year, apparently, MITI's chief target is the American electronic industry. Last year, the trade deficit with Japan in electronics surpassed our trade deficit in automobiles—reaching $15.4 billion of our total adverse balance with Japan of $37 billion. The American semiconductor industry is reeling from assault. The Japanese, without mercy, propose to wipe out our supremacy in this industry, based on our own research and invention. Hitachi, now an electronics exporter, was blasted to bits by our bombers in the last two weeks of the war as one of the leading Japanese armsmakers. But Hitachi is now on the counterattack, its tone martial again. Here, for example, is Hitachi's directive this year to its offices in Denver, where it is trying to take away the semiconductor market from America's Intel Corporation and Advanced Micro Devices. It reads: "Win with the 10 percent rule! Find AMD and Intel sockets. Quote 10 percent below their prices! If they requote, go 10 percent again. Don't quit till you win!"

A benign prosperity temporarily soothes the American economy. In the six years since 1979, America has added 6,000,000 jobs to its total work force. But these are mostly service jobs. In the skill-and-brawn base of American production, not only have real wages fallen, but the job base is shriveling. In machinery production, in these six years, the United States has lost 288,000 jobs; in primary metal-making (such as steel) we have lost 439,000 jobs; in fabricated metals, 241,000 jobs; in motor-vehicle production, 118,000 jobs; in textiles, 186,000 jobs. All in all, on the line, in the old shops, where Americans make things, we have lost 1,834,000 jobs.

No industry in America has been harder hit by Asian competition than the American garment industry, which has lost 155,000 jobs in the last six years alone. One should listen to Sol Chaikin, an air corps veteran of the China war theater against Japan.

Chaikin is now the president of the International Ladies Garment Workers Union. Once, in the early 1950's, his union counted 230,000 workers in New York City alone. Today he counts only 100,000 and they work at the lowest-paid union jobs in the city.

"Ours," says Chaikin, "is the most competitive industry in America. It's a cheap industry to get into and we have 15,000 ladies-garment manufacturers in the U.S.A. They all have the most modern machinery, but the Asians have the same machinery and they work for less and for longer hours. The Japanese once were our chief competitors, but Japanese wage rates have now risen to levels comparable to ours. The Japanese now buy American designs, open factories with new machinery in Singapore and Hong Kong, ship the fabrics from Japan, and export from offshore. In Korea and Taiwan, they pay 57 cents an hour; in Hong Kong, $1.08 an hour; and in Sri Lanka they pay $5.00 a week. In New York, our workers get only $175.00 a week take-home pay—and they pay almost $1 for a subway fare each way."

Chaikin knows that his workers in New York cannot compete with Asian standards of living. "It's as if we were being poured into a Mixmaster with China, India, Japan, Taiwan; they've homogenized the international labor market and are squeezing us out like toothpaste." Chaikin insists that some garment jobs, at least, must be preserved for American working people, that the American market should be shared with Americans. But there is no high-technology ladder to leap over cheap Asian wages when it comes to handwork. Of blue-collar jobs in America, one in seven is held by a textile-garment-apparel worker. The National Academy of Engineering estimated in 1983 that, of 2,000,000 jobs in the garment-textile industry, only 750,000 would be left in 10 years. Chaikin's back is up against the wall.

Less than a mile from Chaikin's union headquarters is the elegant executive suite of the Radio Corporation of America. Chairman of the Board Thornton F. Bradshaw is another combat veteran, whose destroyer was put out of action by the Japanese Navy in the last months of the war. Bradshaw, if anyone, is an authentic statesman of American industry. He is unworried about RCA, which is happy and prosperous. His view is entirely different from Chaikin's, for his company has adjusted to the world market. But RCA long ago gave up on penetrating Japan. Its creator, Gen. David Sarnoff, thought the American market was enough, and licensed to Japan and the rest of the world the technologies RCA has patented—technologies that underlie much of modern electronics production. RCA prospers from its lead in advanced electronics—from its satellites, from its arms contracts (like the Aegis guided missile cruiser) from its broadcast net, NBC, from its marketing of imported parts and products, from manufacturing television sets. But, despite RCA's prosperity, Bradshaw is deeply worried—about America as an industrial community where both work ethic and practice have decayed.

Bradshaw is concerned for America's economy as a whole, Chaikin for his working people—both equally honorable concerns. But neither believes that any reasonable persuasion can slow the Asian trade surge unless the American Government acts—sooner rather than later. What is needed is a structural change in American life and thinking, as sweeping as Japan's in 1945-1950—from factory floor to research labs and universities, from reduction of the Federal budget deficit, to a total review of our trading policies.

So the story moves to Washington.

Washington is always in crisis—small crises, acute crises, lurking crises. But the trade crisis is quite extraordinary for the anarchy of ideas that prevails. Ideas clash in perception of a world that has totally changed since the days of victory. Trade, as we designed it, has become completely global, and America has become the last open gaming table for world adventurers. Within the confusion of Washington's thinking, however, at least three truths are taken as paramount.

The first truth, the starting point of all thoughtful conversations, is the overwhelming burden of the overvalued dollar.

"When I was dealing with Japan the problem was different," says Robert S. Strauss, Jimmy Carter's trade representative from 1977 to 1979. "I talked in a universe of tariffs . . . of trade . . . nontrade . . . cultural barriers . . . political difficulties." Strauss, a very suave, but very though man, is remembered as one of the few American trade representatives who have been able to out-negotiate the Japanese. For a brief period, his tenacity caused the impermeable membrane of Japanese resistance to yield. "Now," he says, "you're talking about a world where trade has reached $2 trillion a year, but capital flows have reached a magnitude of $20 trillion a year, swirling around the world like a jet stream. It drops off here because of safety and high interest rates, and pushes the dollar up. It makes the trade problem look like a pygmy problem. It distorts everything, and leaves the poor American exporter, no matter how good or efficient, like a runner doing a sprint with an anvil under his arm.

"The Japanese don't adjust the yen every day. But you don't have to be a genius to know that when the Bank of Japan coughs, everyone gets the sniffles. But we have no policy. Even if we started now, we couldn't work things out in a year, or five. We need a strategy."

There comes next the second truth: Japan's "unfair" trading practices, its regulations, rules, restrictions, quotas. Says Secretary of Commerce Baldrige: "Japanese export policy has as its objective not participation in, but dominance of, world markets. Japanese trade policies assume as a right protection of their industries that are emerging, like satellites, depressed industries like paper and chemicals, politically important industries like agriculture, socially sensitive industries like leather. . . .

"In 1983, we took 30 percent of Japan's overseas exports, in 1984, 35 percent. In practical terms, this means that all the net increase in Japanese domestic employment in recent years is attributable to sale to the United States. . . . America's pursuit of free trade is like Sir Galahad's quest for the Holy Grail."

From the National Association of Manufacturers to the AFL–CIO, one catches the alarm in vivid language. "There are six to eight main interacting trade-and-production groups, or 'keiretsu,'" says one association official, who asked not to be identified. "They buy and sell chiefly to their own subsidiaries, and they divide Japan's market up. When we squeeze, they'll allot, say, 11 percent of a particular market to all importers. They are opaque, insensitive people, who don't know that they have brought us to the edge."

Says Lane Kirkland, president of the AFL–CIO, the man most concerned for the fate of American workingmen, who last visisted Japan this winter, "To hear the Japanese plead for free trade is like hearing the word 'love' on the lips of a harlot."

The last body of truths comes from the engineering community—it is the most serious, most somber, most challenging. It is that the Japanese are very, very good, better at some things than Americans. They are brilliant, efficient, aggressive people who prize education as much or more than Americans—and have learned to use it. John Gibbons is the head of Congress's Office of Technology Assessment—he is a physicist, who comes to Congress from the Oak Ridge Labs of the Atomic Energy Commission. He starts the story of Japan's renaissance with the occupation:

"The most important thing we did after the war was to reorganize it; we democratized it; we lifted the burden of arms from it, and they poured resources into education. We helped them. We gave free doctorates in nuclear science to their students and brought them to Oak Ridge. But you have to realize that the Japanese already had traditional skills and techniques; they were superb in alloying metals, in ceramics, in fermentation—out of the broths they knew how to brew came the fermentation know-how vital to biotechnologies.

"They are ahead of us in productivity in automobiles, in steel, in robotics. We are ahead in fundamental research, but they get all our science papers and research, and they add to that their mastery of 'process technology,' translating fundamental research into the making of things. They recruit their managers from the factory floor; we get ours out of law schools."

In Gibbons' view, the challenge lies, above all, to American technology and education. Unless we can translate our lead in fundamental research into practice, then others will be the chief beneficiaries of our science and laboratories.

In a few days in Washington, one can trace a trail of irritations blistering under the bland rhetoric that still binds the Pacific alliance together.

Start at the State Department with middle-level officers who deal daily with the Japanese—and one hears language almost unheard elsewhere in that labyrinth of quiet diplomats. "Japan," said one, who asked not to be identified, "is a protectionist nation: They have no sense of moderation; they are aggressive. They are an island nation looking out on the rest of the world as plunder from a protected bastion. Negotiations are tedious, painful—oh, so painful—and, when they yield with no grace. It's not only quotas on beef, citrus fruits, leather, but even on our catsup and peanut butter.

"In 1981, they banned American metal baseball bats. We had the technology for making a safe cap for metal bats. The Japanese made a metal bat with a plastic plug top; a plug flew off at a baseball game and struck a spectator. So all metal bats, safe and dangerous, were banned. We negotiated for three years, we had to get them to change 18 laws and regulations; we had to get the consent of the Japanese Softball Association. Then, when the Japanese learned to make safe metal caps, they reopened the market. Last year, we finally managed to export 350 metal bats to Japan!"

This is the voice of a working diplomat in the State Department. The bureaucracy bows to political leadership. But is remains the national political scouting force abroad, and cannot help but observe politics at home. Its officers do not blink at the reality that Americans want to buy cheap quality goods; no one forces them to buy Japanese goods. Nor can they blink at the fact that no fewer than 30 states now have their own officers in Japan soliciting Japanese investment. But they cannot blink either at the fact that so much of American industry is being wiped out, and that the men and women discarded scream to Congress.

At the supreme level, President Reagan deals with Premier Yasuhiro Nakasone of Japan, who yields and, with exquisite courtesy, goes on television to urge his people to sample American and foreign imports. But at the working level, each negotiation is a tormented, ad hoc, item-by-item bargaining.

A shawl of self-restraint drapes over most official American Spokesmen; to be accused of "Japan-bashing" is considered "protectionist" or, worse, "racist." Foremost among those who thus speak for the old free-trade tradition, one finds Secretary of State George P. Shultz. "There is great sentiment for protection around the country," he told a gathering of the American Stock Exchange recently, "but in my opinion it's wrong . . . it's bad . . . this is a matter of deep conviction on my part." But no such restraint binds Congress, or the unions who influence so many constituencies. Congress is entertaining half-a-dozen bills right now sponsored by afflicted Congressmen; it is even considering a 25 percent tariff on all imported goods.

Congress is where one can best see the deadlock of ideas, as shoe workers, garment workers, steel workers, auto workers demand protection. But Senator Christopher Dodd of Connecticut is typical of a Congressman in the middle; he is a young, liberal, thoughful Democrat, and knows that foreign trade is essential to America. He comes from that state in the Union that is most dependent on foreign trade—25 percent of Connecticut's gross state product goes into exports. But Dodd also sits on the Senate Foreign Relations Committee, which he describes as torn between "bumper-sticker patriots," and those who believe that world peace rests on world trade.

Dodd is worried not about his state, but about the lack of an American strategy for dealing with the nature of the new trading world. He says: "We can't make a strategy by assembling a majority in the House to protect shoes, or automobiles, or tool-and-die makers. We need an overall trade policy and we need it now before the whole thing explodes."

And so Dodd comes down, as do Baldrige, Strauss, and the National Association of Manufacturers, to the conclusion that there must soon be a great international gathering that will create an orderly new system of trade to replace the present anarchy where the wolves pick off the laggards.

What such an international gathering will do, or can do, is still obscure. The Marshall Plan is remembered as an example of what may be won . . . but the Marshall Plan took five years to evolve, in interminable conferences from 1944 to 1949. Now the market that must be shared is not simply the Atlantic basin; it is the whole globe. Korea makes steel and ships, Taiwan makes electronics, Brazil makes steel, arms, shoes, India and China creep up on every technological front. All seek to follow Japan's course, at whatever cost to American jobs. Conscience prevents Americans from spurning the poor and suffering of the world who seek to better themselves; but common sense forbids a course that permits their betterment by our impoverishment. Somehow a new way must be found to fairly share both world resources and markets. It will take a long tome to work that way out, for America must restructrue to live in this world as the Japanese have done. And time is short.

So one tries finally to penetrate the thinking of Executive policy—where an ailing President, plagued with budget deficits, tax reform, the Middle East and terrorism, is too busy to reflect on trade policy, decide on his will, or impose it.

It is left for others to speak for him, and when they speak, they speak of peace:

"Who won the war?" An official State Department spokesman repeated my question and answered: "We won the war. What did we get from the victory? We expanded the area of freedom. We made a democratic Japan. Our bases in the Pacific and Japan are essential to our defense. There's peace in the Pacific now, Japan is our reward."

Peace, of course, is primordial. But the Japanese share the same peace, and under our protection, paying little for it, reserve the right to press American livelihoods to the wall. How far or how deeply they can press their trade strategy before Congress explodes in anger is unknown. But it would be well for the Japanese to remember that if peace is paramount, they need us to keep the peace more than we need them. And if a ripple of depression forces Congress to act, a lockup of the open American market would wound Japan more than it would wound us. The superlative execution of their trade tactics may provoke an incalculable reaction—as the Japanese might well remember of the course that ran from Pearl Harbor to the deck of the U.S.S. Missouri in Tokyo Bay just 40 years ago.●

REALIZING PRODUCTIVE POTENTIAL IX

INTERNATIONAL TRADE COMPETITION IS THE KEY

● Mr. **HEINZ.** Mr. President, only a decade ago, American export products were considered among the best in the world. They carried the mark of successful trading products: high quality and low price. The result then was a strong and vital economy with unequaled productive abilities. Today, that appraisal has markedly changed. The rise of strong competitors, the transformation of the global economy, and the decline in American industry is forcing us to reconsider our claim of world economic leadership. The most telling statistic is one that looms large in all of our minds: a trade deficit that was $123 billion in 1984.

Even the American public has come to understand that our exports are facing serious competitive problems. A recent poll from the April/May issue of Public Opinion illustrates the shift in public opinion.

One of the first questions the poll asked the public was to determine the relative quality of American, Japanese, and German export products. Moreover, the poll was taken twice, with a decade between the two surveys. In 1973, only 12 percent of the survey thought that Japanese-made cars were better in quality than those made in the United States; 40 percent rated Japanese automobiles as inferior. By 1983, however, the dominant opinion was reversed; 40 percent felt that Japanese-made cars were better in quality, while a minority—21 percent—thought that Japanese autos were not as competitive.

American autos also lost ground vis-a-vis German cars. 33 percent favored German cars in 1973, versus the 20 percent that believed American automobiles were better. By 1983, 43 percent of the respondents saw German autos as higher in quality, while an even smaller 15 percent favored American ones.

Japanese-made stereos, radios, and TV sets have also become the public's preferred products. In 1973, 30 percent of the poll respondents stated that Japanese versions were not as good, and only 24 percent thought that the foreign product was better. A decade later, 40 percent saw Japanese entertainment equipment as better, and a relatively small 17 percent supported American products as better in quality.

The same poll asked Americans whether the same Japanese products were a better value for the dollar than those made here. A little more than a decade ago, only 18 percent agreed that Japanese autos were a better value, and a strong 34 percent disagreed. However, the 1983 poll showed that the balance favored the Japanese: 40 percent saw Japanese autos as a better value, whereas only 24 percent took the opposing position.

Japanese stereos, radios, and TV sets saw the same trends: 27 percent said the comparable Japanese product was better, and a somewhat larger 30 percent thought that the foreign good was worse. By 1983 37 percent had evaluated the Japanese-made products as better, and only 19 percent favored the American-made good.

The article also described some specific strengths and weaknesses of American versus foreign autos. Respondents of the survey were asked to rate cars as better or not as good over a 10-year period, from 1975-84. In terms of gas mileage, 60 to 76 percent of the poll consistently ranked foreign cars as better than American ones. As for quality of workmanship, respondents rated American cars as better until 1978, when foreign autos came out ahead. From 1978 to 1984, the percentage that supported foreign cars increased from 35 to 55 percent.

Despite this consensus, American automobiles were stronger in some areas: 52 to 60 percent of the respondents repeatedly thought that foreign cars were not as good in terms of riding comfort. An even higher 61 to 70 percent rated American cars as easier to repair; 33 to 40 percent consistently noted that American cars had greater freedom from repairs. Finally, American autos edged out the foreign ones in overall cost of ownership.

Nevertheless, it is clear that American products are perceived as having lost their competitive edge in many areas. By stressing price and quality, other countries have made their products more competitive, and as a result, they have made significant gains in world market share. Our trade problem is one that requires immediate attention. The question is, what has been the cause of our decline, and what are we going to do about it? These are issues that have been a major concern to many of us in the Congress, and I will continue to address them in my future statements.●

JOHN NEWHOUSE—"THE DIPLOMATIC ROUND: TEST"

● Mr. **KENNEDY.** Mr. President, we are all familiar with the debate in this country about the President's star wars proposal. Its proponents argue that it offers the hope of a more secure world while its opponents insist that not only would it be destabilizing, but its cost would be astronomical. For our European allies, star wars poses additional concerns, both technological and diplomatic. The administration's request for European participation in the project puts NATO in the position of having to say no to its major ally or of accepting a proposal that, in the view of many observers, conflicts with NATO's traditional defense strategies. According to an insightful article by John Newhouse in the July 22 New Yorker, domestic and scientific opinion in Europe largely holds that star wars would prove imprudent and dangerous; Newhouse reports that most defense experts in Britain, France, and West Germany are unalterably opposed to the SDI rationale.

One confusing message that our Star Wars program sends to our European allies concerns the Euromissile deployment. After agreeing to deploy nuclear-tipped missiles in Europe to enhance our deterrent, our NATO allies are now being encouraged to take part in a project whose underlying logic suggests that those deployments are ultimately unnecessary. As one French diplomat comments in the Newhouse article:

> We cannot all go to the ends of the earth persuading Europeans that they should accept deployment of missiles, and then call them immoral and about to become obsolete. This is a great contradiction. The Germans and the British share our precise concerns, and their analysis corresponds to our own.

I recommend John Newhouse's informative article on the European response to star wars. The Europeans are deeply concerned about the program's threat to the ABM Treaty and to the arms control process, and as citizens of an historical battleground, they are troubled by what star wars may mean for them. As longstanding friends and allies, the United States should take these concerns into consideration in our future debates about SDI.

Mr. President, I ask that the entire text of the article by John Newhouse may be printed at this point in the RECORD.

[From the New Yorker, July 22, 1985]

THE DIPLOMATIC ROUND: TEST

(By John Newhouse)

"Obsessive" is a fair description of the state of mind into which the Star Wars project—President Reagan's plan for taming the nuclear genie—has maneuvered European governments. Reagan's commitment to his strategic defense initiative, or S.D.I., as diplomats and soliders call it, is reliably said to be total and unshakable; the project is meant to be his enduring legacy to the cause of keeping the planet Earth in one piece. But other governments, along with most people in official Washington, strongly doubt whether the plan is feasible; nor will it be, they say, for as far into the future as most imaginations can stretch. Also, every European capital is deeply apprehensive about the near-term consequences of the initiative, which is known to be very much Reagan's own. In mid-May, just after the economic summit meeting in Bonn, I visited Bonn, Paris, and London to find out what people were thinking and saying about Star Wars and how they were responding to heavy American pressure to endorse the project and take on a part of the immense research much of it recondite, that underlies the largest spending program this or any other country has ever proposed. In all three capitals, people seemed to be talking of little else; Star Wars has become a consuming topic. Even though the press coverage of the summit meeting dwelt largely on Reagan's visit to the Bitburg cemetery, Star Wars, I learned, was really the dominant, if generally offstage, topic of the conference. In Bonn, some of my appointments were postponed because emergency meetings on Star Wars popped up. One official cancelled an appointment because he was abruptly hauled off to Washington for an unexpected meeting on the subject. The issue has pushed the Germans into what is for them the most uncomfortable of positions—having to choose between America, their protector, and France, an old enemy but now the other half of a partnership that anchors Europe's political and economic stability. The contesting pressures from Paris, which is openly hostile to Star Wars, and Washington are heavy, and may become intolerable; a choice between the two places isn't one the Germans can make. They need both. A European ambassador based in Bonn says, in describing the effects of Star Wars, "The Foreign Ministry is *Ratosigkeit*"—a condition somewhere between stumped and bewildered.

In Paris, the government of President Francois Mitterrand has been maneuvered or tempted—or in part both—into playing cavalier seul, a role that General Charles de Gaulle exalted in the nineteen-sixties. In matters affecting French security, de Gaulle incarnated France's strong preference for free hands and self-sufficiency. "However large may be the glass offered to us, we prefer to drink from our own, while touching glasses round about," he said. Actually, most French, British, and German officials and diplomats are roughly in agreement about Star Wars. But each of their leaders is dealing with the problem largely in terms of political self-interest—hence differently from each of the others. Mitterrand wants to cut the losses he is expected to suffer in parliamentary elections next year, and he reckons that he can gain politically by saying what he and his people think about Star Wars; he is probably right. His colleagues in Bonn and London, Chancellor Hemut Kohl and Prime Minister Margaret Thatcher, confront a more complicated situation. Kohl's is especially difficult; like Mrs. Thatcher, he wants to avoid getting into a row with Washington over Star Wars, or even getting very far afield from its eminent patron. Kohl's political stock is falling. A member of his government, Interior Minister Friedrich Zimmermann, has openly criticized him for lack of leadership. And on Sunday, May 12th, Kohl personally and his Christian Democratic Party experienced an unexpected and shattering political defeat in North Rhine-Westphalia, where about a third of the electorate lives. Although Star Wars wasn't an issue, German diplomats worry that it will become one—perhaps the pivotal issue in federal elections to be held in April of 1987. The Social Democratic Party is unalterably opposed to it, and some of Kohl's political advisers are already envisioning a campaign in which Germans will be asked whether they are for or against America and the Atlantic alliance, with Star Wars becoming the test of continued German support for both.

German officials and diplomats, most of whom are as appalled by Star Wars as the French, also worry that their Chancellor, because of his heavy-handed insistence that Reagan go through with the ceremony at Bitburg, is deeply indebted to him and will be asked to make good with open support of Star Wars. After Bitburg, Kohl was apparently overheard to say, "Ron, I will personally never forget what you did." The Administration isn't letting him forget. Stories about Kohl's having damaged his standing with the White House began to appear just after the summit. "Reagan's trust and confidence in Kohl have been impaired, perhaps permanently, by the controversial wreath-laying ceremony," a story in the Washington *Post* said. And the French government has used the press almost unceasingly to register its unhappiness with Kohl's summit performance—especially his quite unexpected expression of support for Star Wars, which seemed to undercut Mitterrand's efforts to rally support behind a European alternative. The French campaign appears to be working. "We are hearing tones out of France that we have not heard in a long time," a German official told the *Times*

Although Margaret Thatcher shares the concerns of her ministers and civil servants about Star Wars, there is her somewhat special relationship with Reagan to be protected; and it is said that, being a scientist (a chemist) herself, she is generally sympathetic to efforts to cross distant frontiers. Still, since she plans to spend well over ten billion pounds sterling to improve Britain's nuclear deterrent she can hardly join the Reagan claque in extolling missile defense and denouncing nuclear deterrence as immoral. Then, there is the anti-ballistic-missile, or A.B.M., treaty, which some of the Reagan people would like to scrap, partly because it forbids putting devices into space that are supposed to destroy offensive missiles—and Star Wars is built around the notion of using lasers and other "directed-energy" weapons for just that purpose. All Europeans hope that the A.B.M. treaty will be kept intact. They and most orthodox American thinkers on the subject are sure that any sizable defensive system would have the perverse effect of creating an enormous spiral in offensive nuclear arms—a situation in which there would be far less stability, and so less security for all.

The British and the French have another reason for cherishing the A.B.M. treaty: without it their own modest nuclear-missile forces might have trouble reaching Russian cities, because the Soviets could in theory erect strong defenses around them. European governments are also strenuously in favor of continued compliance by Washington and Moscow with the second strategic-arms-limitation accord—SALT II—which was signed in June of 1979 and, although it has never been submitted to the Senate for ratification, has been adhered to; the treaty expires at the end of this year, and the Reagan people have been bitterly divided over whether to continue accepting its restrictions.

While what is said about Star Wars in Bonn, Paris, and London varies somewhat, it amounts to a variation on the same basic themes. Germans stress their concern about predictable Soviet countermeasures and the over-all military effects. "If the strategic defense initiative goes forward, we will be in difficult times," says a German general who is closely involved. "Our leaders would have to ask the people for more money for defense. And the Americans, we think, would have to improve nuclear weapons across the entire spectrum: short-range and long-range ballistic missiles, cruise missiles—all weapons."

Suppose Star Wars comes to nothing, I said.

"You can't spend twenty-six billion dollars"—the Administration's five-year spending goal—"and not have something," the general replied. "That something may be improved offensive weapons, possibly a new family of them, or a mixture of new offensive and defensive weapons. We can't say now what it will be. But all that money will buy something." He and most other Europeans strongly doubt, however, whether the something will resemble the Reagan vision.

The French are the most abusively critical and seem to be the most deeply offended by what they regard as the arbitrary and impulsive manner in which Star Wars was thrust upon them. Washington, they say, is trying to impose an entire new strategy on the Western alliance without any consultation. "Our first objection is to the Reagan presentation," a French diplomat says. "We regard nuclear deterrence as indispensable. We cannot all go to the ends of the earth persuading Europeans that they should accept deployment of missiles, and then call them immoral and about to become obsolete. This is a great contradiction. The Germans and the British share our precise concerns, and their analyses correspond to our own." The British, Mrs. Thatcher included, emphasize the importance of protecting the accepted arrangements concerning deterrence. "All this is terra incognita, and everyone puts his own particular gloss on it," one of her advisers says of Star Wars. "But what is most important to her is the involibility of existing treaties and the SALT II constraints."

What, I asked, did he hear from the Administration about its intentions on that score?

"Washington is a Tower of Babel on this," he said.

In all three European capitals, various officials speak of Star Wars as one of those political tests which West Europeans confront every decade or so and can pass only by acting jointly. Acting jointly comes harder to them than just about anything, so the test is usually, though not invariably flunked. Some Europeans are saying that the test, although clearly there, is more economic or technological than political. Star Wars won't budge very far from Square One militarily, they think—and some Americans agree—but the commercial spinoff from all that money spent on the most awesome technologies could be immense; phrases like "third industrial revolution" are bandied about. "In the end, the spinoff may be all there is of S.D.I.," an American diplomat says. "I mean the artificial intelligence, space telecommunications, miniaturized computers, and the rest. Directed-energy devices have uses other than destroying objects. You can communicate information with them. Commercial projects in space will be far more feasible, because the program should drastically reduce the price per kilo of space vehicles."

One is told that Star Wars will have an even greater impact on high-technology commerce in the years ahead than the Apollo program had in the ninteen-sixties and seventies. "Apollo had to be made fail-safe, because people were being sent to the moon and had to be returned safely," says a French expert on high technology. "The unproved, cutting-edge technologies couldn't be risked. S.D.I. is creating a demand for the cutting-edge technologies that wouldn't otherwise exist. It will mean no less than a revolution in software, and will have very direct impact on industry in general." A technology gap with the United States and Japan is felt by some Europeans to be their most serious problem. Others among them demur, saying that what is laggard isn't European technology but, rather, Europe's ability to exploit its attainments commercially—a problem that returns conversation to Europe's lack of cohesion and its failure to convert national markets into one huge single market. "America and Japan make money with high technology, and Europe loses money with it," a French diplomat says. Mitterrand talks sombrely about "the Balkanization of European technology." And all Europeans seem to agree on the need either to plug their countries into Star Wars in some way or to create comparable demand in Europe for the cutting-edge technologies. A concern about missing the boat is general. "Europeans can't be sold, but they may be bought" is an allusion to their dilemma over Star Wars that one hears in Washington. It means that the attractions of taking part in the program will overcome doubt and aversion. Perhaps. But the comment overlooks some reasons for Europeans to be polite yet essentially noncommittal about Star Wars. First of all, there is the so-called brain drain; America already attracts a share of the bright young lights in European science and technology. The Apollo program made deep inroads, especially into British talent, and the impact of Star Wars could be greater still—unless, that is, Europe can create an alternative.

An even larger reservation arises from the widely held doubts of Europeans that their companies will be offered more than crumbs by the people running Star Wars. The more alluring projects are in most cases likely to be highly sensitive, and thus classified and off limits to non-American firms. Europeans also know that Congress can exclude them—and often has excluded them—from projects in which their involvement had been approved by other areas of the federal government. The most skeptical of the Europeans are the British and the French—the ones

with the most experience in cooperating with Americans on advanced weapons. Washington's real interest, they think, lies not in recruiting their companies but in drawing teams of especially accomplished Europeans away from companies. "The trade will be brains for crumbs," a Whitehall civil servant says.

Few Europeans, however hostile they may be to Star Wars, oppose American research in space weaponry, if only because they know that the Soviet Union has a similar program. Both programs have been under way for some time—probably since the late nineteen-sixties. Each is a hedge against the other, but it is thought that, given the forbidding nature of the technologies, neither has progressed much. The assumption has been that directed-energy weapons might be an option in the distant future, and that at some point—probably well into the next millennium—these devices could be phased into the deterrence scheme and nuclear weapons could perhaps be phased out. In brief, none of Reagan's predecessors have questioned the wisdom of sustaining research in this family of weapons, which includes lasers, beams of charged particles traveling at nearly the speed of light, and ultra-high-speed missiles, along with an array of daunting support technologies for them. What to do about "exotics," as they used to be called, was an issue during the negotiations on the A.B.M. treaty. Late in 1971, the parties agreed to ban testing and deployment of such systems and their components; no restrictions were placed on research, if only because it isn't possible to monitor, and so verify, the extent of research. But the ripple effect of the Reagan proposal would include moving research out of the laboratories and into space—starting probably in the early nineteen-nineties—and carrying out tests that would violate the A.B.M. treaty. Since the planning for all this is under way, the treaty—the backbone of the arms-control regime—is in jeopardy, and a common anxiety is uniting America's allies.

Reality in the nuclear age tends to become what people whose voices carry say it is. Competent technicians are available to shore up any side of any argument. A given point of view may be vulnerable to ridicule but not to being disproved by facts; these are obscured by unknowns and abstractions arising from the nature, the role, the destructive potential, and the reliability of nuclear weapons. Probably no one other than a politically secure American President could have imposed upon his own country and others—allies and adversary alike—a notion as farfetched as most experienced scientists and technicians consider the Star Wars proposal to be. In one short passage of a speech delivered in March of 1983, the President proposed creating a defense that would "give us the means of rendering . . . nuclear weapons impotent and obsolete." Virtually no one beyond a remarkably tiny circle in the White House had been aware that he would make such a proposal, or even that he was contemplating it. Within the government, the idea hadn't been examined, let alone "staffed out," as Presidential initiatives invariably are. Secretary of Defense Casper Weinberger may have been forewarned, although it is far from clear that he was, but Secretary of State George Shultz was blindsided. On the evening before the speech was delivered, Shultz was meeting in his office with three aides when a copy of the speech arrived from the White House—not for comment but for Shultz's information. One of the aides described their reaction as "stunned, flabbergasted." Nuclear deterrence, it appeared, was out, and defense—not just partial defense but a seamless, perfect astrodome—was in. Many people in the Administration were appalled, and most were skeptical, to put it mildly. The true believers and the advocates were a small group—as they still are—including the President's science adviser, George Keyworth, and Edward Teller, who pioneered the development of the hydrogen bomb.

The advocates have tended to equate technically competent opponents of Star Wars with the scientists who questioned the feasibility of the Manhattan Project and the Apollo program. Predictable breakthroughs in computers and data processing, they argue, will allow lasers and particle beams to destroy ballistic missiles during the four minutes or so of their boost phase, which is when they are most vulnerable: in this phase they are rising slowly; their hot exhaust plumes make them easy to detect with infrared sensors; and each missile constitutes one target instead of many, because its numerous warheads and decoys are still lodged in the nose cone awaiting release. And what about attacking vehicles that may survive the boost phase? It is said that these, too, can be knocked out—in a "layered" space defense—but Star Wars advocates concede that destroying them becomes progressively more difficult during the twenty minutes of flight remaining.

Reagan, in his remarkable speech, said that society should be defended against a nuclear attack instead of merely avenged. No one disputes his preference. And he isn't the first Chief Executive to believe, quite genuinely, that if an idea he likes plays well as a speech it will play as policy. Nor do the many Star Wars critics—space scientists, weapons experts, and numerous others—dispute the proposition that objects on earth (or in space) can be readily destroyed by devices in space. The issue, they say, is whether a defense—either the leakproof astrodome envisioned by Reagan or something just partly effective—can be built on the Star Wars concept. It can't, they say, because a good offense will always beat any defense. And they strongly dispute the analogy that is made with splitting the atom and with putting people on the moon. These accomplishments, they observe, were strictly scientific projects, with only the barriers to knoweldge and insight to be overcome. The moon, which is unarmed, has little in common with Russia, which is heavily armed with an array of nuclear forces, some portion of which would be unaffected by a Star Wars defense even if it could be made reliable against ballistic missiles.

The point, the critics say, is that the Soviets won't sit by idly while the other superpower cobbles together a defense against a major component of their strategic forces. First, they can be counted on to neutralize a defense, or try to, by swamping it with more offensive weapons or decoys. Second, they could deploy beam weapons of their own against orbiting Star Wars battle stations. Some of these weapons might be ground-based, with mirrors directing the beams; others would be space-based themselves. It turns out to be much easier to destroy space-based devices than it is for space-based devices to survive long enough to destroy missiles launched from the ground. In any case, a Star Wars defense, if one is ever built, will vindicate the name, because its orbiting battle stations will be pitted against similar Soviet battle stations intended to counter them. The mise en scène could be enriched by the positioning of explosive mines in space. As yet another hedge against Star Wars, the Soviets might adopt techniques that would enable them to reduce the vulnerable boost stage of their missiles from four minutes to one. Two European Foreign Ministers—one British, one French—have used the term "Maginot Line" in talking about space-based defense.

Star Wars is hard on American diplomats, who have to explain and justify whatever their leaders serve up. The advocacy role in this case is especially difficult, partly because other governments are aware that much of the American support for Star Wars comes from people who don't believe in it at all but do see it as a vehicle for quietly pushing land-based nuclear defense. These are people who want to replay the debate on A.B.M.s that occurred in the late nineteen-sixties and early seventies, and went against A.B.M.s. They intend to win the debate this time. Star Wars, they reckon, will sooner or later enter an irreversible decline, and at that point A.B.M.s—ground-based—will come into their own.

Among these people are some whose first priority is sidetracking the arms-control process altogether and getting on with the job of building not just a major A.B.M. system but many more offensive-weapons systems as well. Their goal is stratetic superiority. A less ambitious lot, including some who really don't want a replay of the debate but see a need for some compromise, would like to try persuading the Soviets to amend the treaty to leave room for a *few* more A.B.M. sites than the single site it currently allows. Weinberger, a staunch advocate of Star Wars, which he has called "an inspired vision," told Mitterrand last March that his job was to strengthen deterrence but that Reagan wanted something better, so the research on Star Wars was going forward. And a senior figure in the Élysée Palace says that Assistant Secretary of Defense Richard Perle, who is the chief influence on Weinberger in these matters and the Administration's most resourceful advocate of scuttling arms control, told him that the idea of space-based defense was absurd and wouldn't work but that he and others wanted the money to protect missile silos. Yet in a speech to the National Space Club on March 29th Reagan said that Star Wars "is not, and should never be misconstrued as, just another method of protecting missile silos."

Briefly, the public advocacy of Star Wars now contains two potentially contesting viewpoints. In one group are people who echo the President's line and say that the project actually will eliminate nuclear missiles. The other, more modest contention is that Star Wars won't do that but will strengthen nuclear deterrence, because it will complicate Soviet planning for a first strike. An American diplomat compares the selling of Star Wars to a light-beer commercial on television. "Some people say it's less filling, others that it tasts great," he says.

Not until late last year did Europeans start to take Star Wars seriously. For nearly eighteen months, their governments largely ignored it, seeing no reason to do otherwise, since most people in Washington, including many of Reagan's, didn't seem to take it altogether seriously. "The strangest thing about the strategic defense initiative is how long it took us to react," a senior French diplomat says. "For a long time, we treated it as unserious—as *la cowboyerie.*" All that changed in November and December. The scale of Reagan's reelection meant that for some time to come—at least until he entered his lame-duck phase—his people, other people, and other governments would be obliged to take any of his proposals, however notional, very seriously. In mid-December, Mikhail Gorbachev, who at the time was judged the probable successor to Konstantin Chernenko as General Secretary of the Communist Party of the Soviet Union, visited London. It was Gorbachev's first significant visit to a Western capital, and it was a great success. He made a strong impression on Margaret Thatcher—who after several hours of conversation described him as someone she could work with—and on other political figures as well. He was a *bella figura* in the British press, as did his attractive and stylish wife. The main topic of the Thatcher-Gorbachev talk was Star Wars, to which the Soviet government had not reacted slowly. Mrs. Thatcher and her entourage were struck by the single-minded force of Gorbachev's case against what his government had for several months been calling the militarization of space. "He made it clear at every stage of the conversation that they were afraid of S.D.I. and saw it as inevitably escalating the arms race," one of her advisers says. And a senior American diplomat says, "Gorbachev woke up Europeans with his heavy emphasis on Star Wars."

Actually, the British Foreign Office was quicker off the mark than the others, and had developed deep reservations about Star Wars—many of which Mrs. Thatcher largely shared—well before Gorbachev's visit. His argument was rather disconcerting, because some of it matched British worries about extending the arms race into space and possibly killing off arms control in the bargain. Also, the British want no replay of the harsh East-West political struggle that was provoked by the decision taken in 1979 to deploy medium-range American missiles in Europe. The uncompromising Soviet line about space weaponry seemed to portend just such a struggle. Gorbachev's success in London—especially with Mrs. Thatcher—was much more than a media event, because the Reagan Administration was flustered by it and hasn't yet recovered. The mere prospect of the old Kremlin guard's being displaced by Gorbachev had already been a bit unsettling: a younger, more vigorous, and possibly more capable figure than any predecessor in the post-Stalin era would be dealing with the oldest of American Presidents, and in his second term—always a time of ebbing power. Washington was ready to be thrown off stride by the Gorbachev triumph in London.

America's major allies handle almost any serious disagreements with Washington, when they have them, in different ways. The French tend to go public, since open disagreement with Washington isn't a bad thing politically in France. The Germans criticize Washington in private talks with other governments, but they generally shrink from direct argument with the Americans. (Helmut Schmidt, the former Chancellor was an exception.) The British preference is for arguing out the divergent views directly but always privately. And that is what Mrs. Thatcher did at Camp David last December 22nd—six days after her meeting with Gorbachev. She is probably the only person who has told Reagan to his face what is wrong with Star Wars—from a European viewpoint, at least—and she may be the only one who could do so without creating friction, because their relationship is such a strong one. For about an hour and a half, she explained why a Star Wars defense might not be attainable. Thus it seemed to her unwise to go on saying that it was attainable, and nuclear weapons could be made obsolete, or that nuclear deterrence is immoral. It would be especially helpful, she said, if that part of the rhetoric could be dropped. Most of the ensuing discussion was on the first point—the feasibility of a Star Wars defense. First, Reagan addressed it, then Shultz, and then Robert C. McFarlane, Reagan's national-security adviser. Still, the Americans were reacting to what one of her advisers calls "a great Thatcher performance."

Before breaking for lunch, everyone agreed on the need for a public line, and a few minutes later a member of the Thatcher entourage produced a statement containing four points; it was accepted, and it has become, next to Reagan's speech, the best-known document in the Star Wars literature, and one that many European diplomats can quote verbatim. The first point disavows any aim on the Western side to achieve strategic superiority; the second says that the potential deployment of Star Wars-related systems would be a matter for negotiation; the third says that the goal is to "enhance, not undercut, deterrence;" and the fourth is a bow to the arms-control talks in Geneva. Mrs. Thatcher had arrived seeking to protect the principle of deterrence based on parity, or equivalence, in nuclear arms, and she also wanted a commitment that Star Wars would be negotiable with Moscow. The four points covered this ground. The meeting at Camp David was useful not just because the intensity of British feeling about Star Wars was borne in on Reagan directly but also because the depth of his commitment to the idea was borne in on the British. "He seemed to think that once she glimpsed the beauty of the concept she, too, would scramble aboard Star Wars," one of her advisers recalls. Weinberger wasn't there, and he lost no time in making clear to Reagan and others his aversion to the four points. His own point was, in effect, that you can't ask Congress for twenty-six billion dollars to develop a system you say you may never deploy. A few days later, the State Department drafted a telegram for American missions quoting the four points as policy guidance. The Defense Department refused to clear the telegram, even though it contained language approved by the President, and it wasn't sent.

In February, eyebrows shot up all over when Paul Nitze, who is now a special assistant to Shultz in these matters and a wielder of substantial power, said in a speech that "new defensive technologies" should be both "cost-effective" and "survivable." Not many people in Europe or in Washington think that Star Wars can meet those criteria. Then the ideas of March became the occasion for the hardest blow yet struck against Star Wars, and it came from an unlikely assailant: Sir Geoffrey Howe, Britain's discreet and widely respected Foreign Secretary. In a speech that raised many serious questions about the system, Howe asked whether it could be deployed "without generating dangerous uncertainty." He said, "There would be no advantage in creating a new Maginot Line of the twenty-first century, liable to be outflanked by relatively simpler and demonstrably cheaper countermeasures." Howe cited Nitze's criteria, and also worried aloud about whether political leaders would be able to control any such new system or would be yielding control to "computers and automatic decision-making." Richard Perle, who chanced to be in London a few days later, delivered a broadside against Howe's address in a speech of his own; it may have been the first time that a sub-Cabinet-level official of one government attacked a minister of another, and on the minister's turf. The State Department was annoyed, because Howe hadn't warned Shultz of what was coming, even though they had conferred two days before, at Chernenko's funeral, in Moscow. But if Howe had done that, Shultz would certainly have alerted Reagan, who would very probably have called Mrs. Thatcher and asked her to tell Howe to talk about something else. Howe's speech reverberated far wide, even giving a frisson of pleasure to the Quai d'Orsay and the Élysée Palace; he must be the only British minister in modern memory to have accomplished that. No. 10 Downing Street also felt a frisson, but not one of pleasure. Mrs. Thatcher had seen early drafts of the Howe speech, and must have approved its thrust. But, for reasons that no one fully understands, given the meticulous clearance procedures of the British system, she didn't see the final version, and seems to have been taken aback by the tone of certain passages, and by the "Maginot Line" reference in particular. Her relationship with Howe was not affected by the episode, but she wrote Reagan a letter expressing regret about the tone of the speech.

A few days later, Weinberger and Perle were in Luxembourg for a semiannual meeting of the Nuclear Planning Group—a body consisting of most of the Defense Ministers of the Western alliance. There Weinberger presented each of his colleagues with a letter inviting participation in the Star Wars research program and giving their governments sixty days to respond. (Japan, Australia, and Israel were also invited to participate.) Most capitals were suprised; they hadn't had any warning from their embassies in Washington about such an initiative, which would normally have been preceded by some diplomatic probing. The sixty-day deadline was more than a little surprising, as was Weinberger's signature on the letter. "That was a bungle," a European ambassador in Washington says. "Such a letter should have been signed by the President or the Secretary of State. Having it signed by the Secretary of Defense allowed governments to assume that this was more of a technical than a political matter." What he was unaware of is that no one in Washington outside the Weinberger circle had known about the letter; it hadn't been cleared by the normal interagency process. Weinberger was already en route to Luxembourg when the State Department was shown a copy and asked to clear it—a meaningless gesture in the circumstances. "That's how business is being done in this town," a State Department official said.

A few weeks later, a second letter went out to allied capitals; it withdrew the deadline and said, in effect, that Washington wanted only to see if there was any interest in participation in the research. At that point, teams of official people from the various capitals began visiting Washington and meeting with Lieutenant-General James Abrahamson, who is in charge of the Star Wars program, and with State and Defense Department officials, to find out what lay behind the letters. Some of them asked political and military questions, trying to see if the four points were intact and how they were being interpreted. All the teams wanted to learn what participation would mean—whether Washington envisioned government-to-government agreements or agreements with companies. These meetings haven't gone well. "We are telling them they don't have to sign on to the program's philosophy—the political part—but just to the technology itself," says an American who is closely involved in promoting the fortunes of Star Wars.

I asked an American diplomat who is also involved how much he could tell Europeans about what was in this for them.

"Very little," he said. "We aren't asking them to do anything. We say instead, 'What would you like to do? We'll discuss it.' We have no idea what we actually want them to do."

A senior British offical says, "No one is asking the really dirty question: How can you envision changing the rules without having the least idea of whether any of this can work? The Americans we see invite the participation question. But how can you talk about that if no one can say what is supposed to come of all this?"

I asked a British diplomat what the Americans said when he asked heard questions.

"The answer is always 'We don't have the answers now,' " he said. "They say the purpose of the research is to find the answers. 'Well, wouldn't the money be better spent on projects of a less uncertain nature?' we ask. There is usually no response to that. Sometimes they say that what may come out of all this is defense of hard targets"—missile silos. "But when we say, 'If it's hard targets you want to defend, why do it in space, where it won't work and where the systems will be vulnerable? Why not do it on the ground, where it might work?,' they say, 'We won't get the money unless we do it in space.' It's all circular. No one other than the President has made a clear statement, but no one among the Americans whom Europeans talk to thinks his concept is anything other than nonsense and fantasy."

I also put the question about American intentions to a French diplomat, who said that he got different answers to his questions on different sides of the Potomac.

"This is a gimmick," he said. "There is no dossier. We don't yet know whether it is to be a company-to-company or government-to-government agreement. We don't know whether the exotic technologies will be involved, or the pedestrian ones."

A senior Belgian official answered my question with a question: "What is S.D.I.? I don't know. I haven't the least idea.

According to some European officials, companies interested in Star Wars have been pushing for their governments' official endorsement of the project, reasoning that the Americans will offer very little without solid political support. But current signs are that the real situation isn't that simple. In some countries—Italy, for example—the commercial interest appears to be unambiguously strong. In others, the picture is mixed, with some companies beginning to question whether research in Star Wars will create business afterward and—more important—whether the expected spinoff will really be there. At a conference in Maastricht, in the Netherlands, on June 6th, Lewis Branscomb, vice-president and chief scientist of I.B.M., said he thought that Star Wars would be largely irrelevant for the civil side and that the supposed spinoff would more likely be "dripoff." Dieter von Sanden, until recently head of the communications division of Siemens, Germany's largest electronics company, said at the conference, "We agree with Branscomb."

The British have been sounding out the Japanese on the subject, and I was told—in both Britain's Foreign Office and its Ministry of Defense—that the attitude in Tokyo was mainly skeptical, not just at the official level but on the industrial side as well. "Their officials want benign neutrality on S.D.I.," a Whitehall diplomat says of the Japanese. "They are afraid their people will see it as Japan's being drawn into a major project leading to a war in space. Public opinion there wants no part of it." And Japanese industry, I was told in various Whitehall offices, has become very cautious about Star Wars and frankly skeptical about the commercial spinoff. Japan's commercial success in the high-technology sector has, of course, been tied to strictly nonmilitary research.

I asked a senior official in Whitehall what was going to happen.

"We have to live with S.D.I.," he said. "It isn't enough to say it's rubbish." And an American diplomat, replying to a question about the Europeans, said, "Their support can't be bought. Their acquiescence can be managed."

Acquiescence may not be enough for the Reagan people. They want an endorsement. They feel that they need it, if only because of the Soviet pressure on Europeans to resist Star Wars. Still, acquiescence may be as much as Washington can reasonably expect. Mrs. Thatcher won't go beyond the four points, which are confining. "Perle and Cap Weinberger think they can bully us into giving them a blank check," one of her people says, and he made it clear that they won't get it. Most of the other capitals have also anchored themselves to the four points, while in Bonn the struggle for the heart and mind of Helmut Kohl continues. When I was in Bonn, I tried to find out how much pressure the Soviets were putting on the Germans. I wondered whether they might have drawn a lesson from their unsuccessful campaign against the decision to deploy medium-range American missiles in Europe. By overplaying a hand that wasn't strong to begin with—putting extraordinary pressure on the Germans, and crudely, at that—the Soviets annoyed Western Europe and harmed their own cause. They loathe the prospect of an arms race in space at least as much as they do the new American missiles, partly because the effort to catch up or stay even would be depleting and perhaps all but impossible for them. Yet with the apparent conflict between Star Wars and arms control, plus other European concerns about it, the Soviets have a better hand now; Star Wars may actually be the best political weapons vis-a-vis the West they have ever had. It isn't clear that they have learned from the past, however. In talks with Kohl and his Foreign Minister, Hans-Dietrich Genscher, Soviet officials have intimated that support for Star Wars would mean a decline in economic relations. "They never said that during the missile dispute," a senior German diplomat said. He added, though, that F. Wilhelm Christians, a prominent German banker, had a two-hour conversation with Gorbachev during a recent visit to Moscow. At that time, Christians was the only German who had seen Gorbachev since Kohl met with him at the Chernenko funeral. According to Christians, Gorbachev was fairly relaxed about the possibility of German companies' taking part in Star Wars research. What he stressed was unyielding Soviet opposition to German political support—a German endorsement—of the program.

So far, the endorsement hasn't been within Washington's reach. Mitterrand took the lead in heading off American pressure to have something close to it emerge from the Bonn summit meeting; he succeeded. During the meeting, Mitterrand rejected the American invitation to participate, and his spokesman, Michel Vauzelle, described the offer as "a vague advertising circular." Besides lobbying against Star Wars, the French are pushing a research proposal of their own, called Eureka, which was unveiled a few weeks before was unveiled a few weeks before the summit and is aimed at attracting European countries that seek self-improvement in the high technology sector. So far, Eureka is more of a gleam in the eye than a fully formed proposal; what does seem clear is that while it would involve most of the same technologies as Star Wars, it would be mainly a civil program with some military spinoff—the opposite of Star Wars. If Eureka is to prosper, however, it must become a plausible and attractive program in its own right—not simply a contrived alternative to Star Wars. After a shaky start before a gallery of highly skeptical European capitals, Eureka is now being treated somewhat more seriously by most of them. The Germans have endorsed the idea, and a British official was recently quoted as saying, "We expect that Eureka will become a reality. But it will become a reality as its concrete nature evolves. Right now, it is a cluster of ideas focussing on the concept that industry in Britain, France, Germany, and other countries can do better if their cooperation is enhanced."

Diplomatic maneuvering during the month following the summit was even more intense than it had been before the meeting. Washington and, especially, Paris put Kohl under heavy pressure—heavier, probably, than any he had previously known. "Poor Kohl," said a German diplomat. "The French have the enviable position, because S.D.I. is so obviously undesirable and they have managed to maintain some distance from it."

Helmut Schmidt took the unusual step of sending Kohl a letter in which he warned about the impact of West Germany support of Star Wars. "Our close relationship with France has an extraordinarily high priority," he told his successor. "An isolated participation in the United States research-and-development program would endanger the inner cohesion of the European-alliance partners." A senior political figure in the German opposition says, "Bitburg—its price—is being equated with every move being made. The question being asked here in Bonn is: Who has more leverage with Kohl—Reagan or his own constituency? He is more committed to S.D.I. now than his government is, and after yesterday"—a reference to Kohl's political setback in North Rhine—Westphalia last May—"he may not be able to deliver his government." The three most directly concerned of his ministers are Genscher; Heinz Riesenhuber, Minister of Research and Technology; and Manfred Worner, Minister of Defense. All three are anti-Star Wars. Worner, who once said that Star Wars would lead "not to stability but just the opposite," has since moderated his public line—at times sounding like a quasi-advocate; but his private view continues to be negative.

A meeting of the Foreign Ministers of the North Atlantic Treaty Organization was scheduled for early June in Estoril, near Lisbon, and Washington hoped to obtain there the pro-Star Wars language that it had been denied at Bonn. The resistance was already manifest, but Washington thought that in order to avoid an open dispute within the alliance on Star Wars the Europeans might agree among themselves to give something. They didn't. Again, it was the French who took the lead refusing to yield even an inch on Star Wars, and Shultz had to give up. Also, by then the situation had abruptly changed, and it was Shultz who was under pressure from the Europeans rather than the reverse. Europe's preoccupation with Star Wars had for a moment been displaced by a new issue: America's continued compliance with the provisions of the unratified SALT II treaty. It was clear when the Lisbon meeting began, on June 5th, that Reagan would be announcing a decision on the issue the following Monday, June 10th. Weinberger, Perle, and their ultra-right allies in the Senate were publicly urging Reagan to banish SALT II once and for all, on the ground that the Soviets were violating some of its provisions as well as some of those of the A.B.M. treaty.

In January of this year, shortly before coming to the White House as Reagan's director of communications, Patrick Buchanan wrote a newspaper column in which he said that to continue complying with SALT II would be "an act of strategic folly and appeasement that invites not Moscow's appreciation but Moscow's contempt." Leaks to the press had disclosed Reagan's options, which, boiled down, were: continued full compliance; selective, or partial, compliance; and scrubbing SALT II altogether. Neither in Washington nor in Europe was the President expected to decide in favor of continued full compliance, if only because he had called the SALT II treaty "fatally flawed." The choice was universally judged to lie between partial compliance—flouting various provisions in a kind of tit for tat with the Soviets—and gratifying the hardliners' strong preference for abolition.

On this issue, the British, not the French, had become the point of Europe's spear. London's position was no different from any other capital's, but it was more pronounced, partly because the British were better informed on the merits of the key issue—alleged Soviet violations of the agreements. British Intelligence works closely with America's; the two sides exchange information, and they often compare their assessments of a situation. In the case of supposed Soviet violations, there is a long list, which insiders do not take seriously, and there is a short list, which they do take seriously. It includes, most notably, a large radar station at Krasnoyarsk, in central Siberia, which Washington says is a violation because it is of a type that, according to the A.B.M. treaty, may be located only on the periphery, not inland, where it could be used to track incoming ballistic missiles. According to the Soviets, the radar is there only for tracking space vehicles—a function allowed by the treaty. Several American analysts also contend that the Soviets are developing two new land-based missile systems, although the SALT II treaty permits only one. Moscow says that one of the two—the SSX-25—isn't new but, rather, an improved version of an old system, and that the modification falls within limits set by the agreement.

The British do not regard either of these cases as a proved violation. The data, they say, do not decisively support the argument of either party to the dispute. The British are working with data supplied by the Americans. It isn't the first time the two governments have reached different interpretations of the same data, but no previous argument has attained the intensity of this one. At a meeting of NATO Defense Ministers in Luxembourg in late March, Michael Heseltine, a stalwart of the Thatcher Cabinet, simply told off Weinberger. Britain, he said, wouldn't be badgered into supporting America on the compliance issues; the evidence, he said, wasn't there. According to a British diplomat, he went on at some length, and "with great heat and passion." A senior colleague of Heseltine's now says, "Our concern is not so much compliance as whether there is an approach in Washington that is designed to justify retreat from the A.B.M. treaty. We need to find a solution to Krasnoyarsk. Everyone in Washington is more interested in using the issue than in resolving it."

At Estoril, it was clear that none of the European ministers would accept the American position on Soviet violations. They hoped Reagan would decide on a so-called middle option—continuing to comply with the essentials of SALT II while reserving the right to match the Soviets in going around some provisions. Everyone urged something of the kind on Shultz, who turned out to be a sympathetic ear and actually incorporated the allies' views in a message to Reagan. On his way back to Washington, Shultz had a private session on Friday evening, June 7th, with Mrs. Thatcher, and she thereupon sent a strong message to her good friend in the White House urging full compliance with the treaty. By then, Reagan was getting a number of messages, both private and public. On Wednesday, June 5th, the Senate voted ninety to five for a resolution urging Reagan to continue abiding by the treaty, although the language did allow him reciprocity in the event of alleged Soviet violations.

On June 10th, Reagan astonished everyone, including, with the exception of McFarlane, his most senior people. Neither Shultz, Weinberger, nor anyone else had expected him to favor full compliance. McFarlane knew because the decision memorandum, which is normally drafted by the President's own staff, was actually written at Camp David on Saturday, June 8th, two days before the Monday meeting. Reagan also knows what lay behind his decision. Pressure from allies—especially the Thatcher message—is assumed by diplomats to have had some effect. Yet he couldn't have seen that message before Saturday, when he made the decision, if, indeed, he hadn't made it even earlier. The moderate preferences of a bloc of Senate Republicans, twenty-two of whom must run for reelection next year, may have been a factor. My guess is that the Joint Chiefs of Staff were a key influence, and possibly the decisive one. On June 4th, six days before the National Security Council's meeting, they leaked word of a split between them and Weinberger on the compliance issue. At least three of the five, according to a page-one story in the *Times*, judged that without the limit of SALT II the Soviets would build many more strategic weapons that the United States, which would be held back by budgetary and perhaps political restraints. The Chiefs' well-known aversion to allowing funds for conventional weaponry—usable military power—to be funnelled instead into more nuclear weapons was also noted. In the meeting on June 10th, the Chairman of the Joint Chiefs, General John W. Vessey, Jr., didn't take a position for or against any of the options; he didn't have to. By declining to endorse the Weinberger line and—more important—displaying charts projecting a perverse effect on the strategic balance if the SALT II limits were shelved, Vessey was reflecting a viewpoint of which Reagan was already aware and that must have influenced his thinking. During the week before the meeting, some of the chiefs had met individually with McFarland, who would have reported the gist of what was said to Reagan.

Reagan's decision didn't exactly propel SALT II into open water. His announcement was somewhat hedged, by including a threat to do in the future what for the moment he was declining to do—take a "proportionate response" to Soviet violations. He asked the Defense Department to submit a report in mid-November recommending steps that the United States might take to modernize its strategic arsenal in response to Soviet delay violations. Disappointed hard-liners are saying that the decision has little meaning—that Reagan is only mollifying allies and other doves for a time, during which he will give the Soviets enough rope. Neither American nor most European diplomats are buying that line. Although wary, they think that Reagan probably made a historic decision and will stay with it, unless, of course, the Soviets do something foolishly provocative—a possibility that cannot be ruled out. For the first time in the Reagan era, the issue of arms control was posed on a yes-or-no basis. Until now, the President had been able to have it both ways; he could continue calling the treaty fatally flawed while infomally observing it provisions. But because it was due to expire this year and Congress had required a statement of his intentions Reagan had to choose. And he ruled clearly and unambiguously in favor of the moderates and against the nay-sayers of his Administration—another first. Those who think that he will reverse all this after the mid-November report from Weinberger are probably whistling in the dark. The congressional elections in 1986 will be that much nearer then. And Reagan will be on the eve of his meeting with Gorbachev, now scheduled for November 19th and 20th. The correspondence between the White House and the Kremlin has been livelier than it has been in at least a decade, according to one State Department official who sees it. Reagan isn't likely to do anything that would jeopardize a meeting to which he has devoted so much effort.

A British diplomat recently described the Star Wars project as "a Kabuki doll behind a glass that no one is allowed to touch." He was referring to Reagan's stout commitment to it. In May, however, Reagan signed a so-called decision memorandum, in which he instructed all government agencies to observe as formal policy the four points he had agreed to in his meeting with Mrs. Thatcher at Camp David last December. Until then, the Defense Department had continued to withhold its clearance on telegrams and other statements that sought to make that point. And Star Wars, quite evidently, has put the United States in what one experienced negotiator calls "the best negotiating position we've ever had." He and others say that in return for reaffirming the A.B.M. treaty and agreeing to a moratorium on testing space weapons the United States could, within reason, obtain just about everything it wanted from the Soviets in the Geneva arms talks. But unless there is a significant American concession on Star Wars the talks won't go anywhere. That, at least, is the opinion of most diplomats. Reagan, they reckon, has a choice: he can decide in favor of an agreement during

his second term or he can hope that some distant President will bag the elusive birds in the bush—a perfect missile defense.

In the end, some people think, Reagan will listen to the Europeans—certainly to Mrs. Thatcher and the beleaguered Kohl, if only because he wants to see their hands strengthened, and dislikes the prospect of dealing with alternative British and German regimes, either of which would be to the left of its predecessor and much more adamant on Star Wars. Others doubt whether Reagan cares much about successor governments in Europe. (He wouldn't have long to deal with them, in any case.) If he is turned around on Star Wars, they say, it will be not because of external influences but, rather, because of domestic pressures. Congress is already paring his budgetary request for Star Wars in the coming fiscal year. "The S.D.I. budget is critical," a European diplomat says. "It is an objective fact, not an abstraction." The State Department would like to see S.D.I. put on the back burner, and is urging that view on the rest of the government. Whatever does or doesn't happen in the year or so ahead, Europeans are saying and, in some cases, hoping that Star Wars won't outlast the Reagan Presidency. In most capitals, the strategy will be to play for time.●

S. 1325—MEDICARE AND MEDICAID SECOND OPINION ACT OF 1985

● Mr. HEINZ. Mr. President, I am pleased to announce today that the Congressional Budget Office has officially confirmed what 10 major studies, hundreds of employers, the inspector general of HHS, and several State Medicaid Programs had already indicated—that is, that mandatory second opinion programs work.

On June 18, 1985, Senator GLENN and I introduced S. 1325, the "Medicare and Medicaid Second Opinion Act of 1985." That bill requires beneficiaries to obtain a second qualified medical opinion before undergoing certain elective surgical procedures as a condition of coverage. Federal, State, and private initiatives using mandatory second opinion programs have demonstrated that these programs enable beneficiaries to make informed decisions regarding the desirability of surgery and to protect themselves against unnecessary surgery. And CBO has confirmed that this increased protection for patients also translates into savings for the Medicare and Medicaid Programs—savings totalling $260 million for fiscal year 1986 through 1988, and $580 million through 1990. These savings are over and above the costs of operating the program, and are also over and above the amounts Peer Review Organizations [PRO's] are able to save.

These financial savings offer a way to avoid some of the proposed program changes which would adversely affect beneficiaries, such as increasing the Medicare part B premium or imposing a 1-month delay in eligibility. Further, these savings are matched by an even more important human savings in that they represent thousands of aged and poor individuals being spared the pain, disability, and death that results from unnecessary surgery.

The second opinion program presents a unique opportunity to achieve savings without affecting beneficiaries' access to quality health care. The Inspector General, the American Association of Retired Persons, and the Washington Business Group on Health are all urging the passage of this bill. Senators COHEN, DODD, and THURMOND have joined Senator GLENN and myself as cosponsors of the second opinion bill, and I am particularly pleased to see that my distinguised colleague, Senator DOMENICI, chairman of the Budget Committee, has become a cosponsor as well.

Representative BARBARA KENNELLY is moving steadily ahead with her champion bill, H.R. 2807. I hope that the Senate will look closely at this bill and recognize the unique opportunity we have here to save money and lives.●

STRATEGIC DEFENSE INITIATIVE

● Mr. SIMON. Mr. President, recently, I traveled abroad on official Senate business and picked up the Daily Telegraph of London which expresses British reservations about where we are going on the strategic defense initiative.

I am inserting their editorial of July 3 into the RECORD, and I particularly call the attention of my colleagues to the final sentence in the editorial suggesting that we should "extend from 6 months to 3 years the period of notice which one superpower must give the other before abrogating the 1972 Anti-Ballistic Missile Treaty."

It concerns our friends abroad, as well as serious Americans, that we are talking about the possibility of doing away with treaties that are important to the security of the United States and of the world.

I ask that the Daily Telegraph article be printed in the RECORD.

The article follows:

BUSH'S MISSION

With the release of the American hostages in Beirut and their safe transfer from Frankfurt to the United States, Vice-President George Bush is free to concentrate on the main purpose of his European visit during his short day in Britain—winning support for President Reagan's Strategic Defense Initiative. The British position on "Star Wars" is of particular importance to the Reagan Administration for a variety of reasons. In the first place, nobody, including American neo-conservatives, could describe the Thatcher Government as neutralist. Mrs. Thatcher may have earned the approbrium of the Wall Street Journal because of her alleged lack of ardour for supply-side economics, but the enthusiasm with which she embraced American cruise missiles, her determination to acquire the Trident system and her unflinching response to Argentine aggression in the South Atlantic have won her the right to be taken seriously in Washington.

Secondly, the British Government has been at the forefront of attempts to achieve a diplomatic formula designed to bridge the difference between perfectly natural European scepticism (and trepidation) about the wisdom of over-investing in a scheme which by any standards must be judged enormously ambitious, possibly destabilising and potentially revolutionary and the equally natural enthusiasm among American proponents for an idea whose time they believe has come. In this context, the four points on which Mrs. Thatcher secured President Reagan's agreement in February have real significance: that the purpose of SDI was to preserve balance with the Soviets rather than to gain superiority; that the deployment of SDI systems would have to take place under a negotiated transitional régime; that deterrence should be enhanced instead of undermined; that the ultimate objective should remain the reduction of offensive systems on both sides.

If Mr. Bush is to go further in the cause of building Alliance consensus than merely underwrite the four points which emerged from the Thatcher-Reagan meeting at Camp David he should in addition emphasise that any prospective defensive systems will be subjected to the most stringent survivability criteria and must be demonstrably cost-effective at the margin. He might also suggest an American willingness to extend from six months to three years the period of notice which one superpower must give the other before abrogating the 1972 Anti-Ballistic Missile Treaty.●

DOUBLE STANDARD TOWARD SOUTH AFRICA

● Mr. GOLDWATER. Mr. President, pending congressional legislation to impose economic sanctions against South Africa offers new evidence of what is wrong with congressional attempts to direct foreign policy. Not only are the sanctions self-defeating and internally contradictory, with more harm than good likely to follow for American blacks, but the penalties are arbitrarily applied to a single government which is far from the worst offender of human rights violations in the world.

Congressional intervention into foreign relations is emotionally based and erratic.

It is not principled. It is political.

It is not evenhanded. It is minutely selective.

It is not foresighted. It is tied to the present moment without care or knowledge or what chain of events might be unleashed in future years.

Mr. President, when the South African sanctions bill was before us a few weeks ago I proposed that the same penalties put on economic dealings with South Africa be imposed on business activities and trade with the Soviet Union and Red China. The Senator from Wyoming [Mr. WALLOP] offered an amendment that would have required equality of treatment among all countries which are guilty of serious human rights denials, but a majority of Senators rejected it.

The ridiculous situation in which we have placed ourselves is evident to any thoughtful person. The savagism of Marxist-Leninist states, Russia, Red China, and others, is obvious. The abuses of human liberty in these police states far exceed anything occurring in South Africa. These Socialist societies are built and based on violence, on a practice of class struggle which is atheistic and a total denial of the individuality of each human person and the liberty and rights of each person. People are subordinated to the collective dictatorship. Personal human dignity is denounced and suppressed.

Mr. President, the irony of the legislation now before Congress is well described in an exceptional article written by political scientist Arnold Beichman. It appeared in the Washington Times of July 29. I hope all my colleagues will take the time to read it, if they have not already seen it, and I ask that the commentary appear in the RECORD.

The commentary follows:

[From the Washington Times, July 29, 1985]

CREATING AN INTERNATIONAL POLECAT

(By Arnold Beichman)

If you would understand what is happening in South Africa and why, then study this insightful passage by the great French political thinker, Alexis de Tocqueville. Discussing the French Revolution, de Tocqueville wrote a century and a half ago:

"It was precisely in those parts of France where there had been most improvement that popular discontent ran highest. This may seem illogical—but history is full of such paradoxes. For it is not always when things are going from bad to worse that revolution breaks out. On the contrary, it oftener happens that when a people which has put up with an oppressive rule over a long period without protest suddenly finds the government relaxing its pressure, it takes up arms against it."

To grasp the relevance of this analysis, ask yourself the following:

Suppose you picked up your newspaper one morning and read that the Soviet Union, under Mikhail Gorbachev, had announced that he was going to permit an opposition press to exist in the Soviet Union. Wow! That Mr. Gorbachev is really a reformer.

And then suppose you read a few days later that Mr. Gorbachev had announced:

That he would allow opposition parties in the U.S.S.R.;

That anybody who wanted to speak against the government and party could do so without interference;

That anybody, regardless of race or religion, who wanted to emigrate from the U.S.S.R. could do so forthwith;

That any group of people could not only form a trade union outside of the Soviet-controlled federation of unions, but also that such independent unions would be free to strike without reprisal and would be allowed to hold union meetings to denounce the government;

That foreign correspondents would be allowed to travel freely anywhere they wanted to in the Soviet Union, that U.S. television cameras would be allowed to cover rioting and even police brutality;

That any religion could be freely practiced;

That while there would still be restrictions on voting, nevertheless, some opposition parties would henceforth be allowed to seek election to Parliament;

That residence restrictions were to be lifted . . .

Need I go on? Everything I have listed in the foregoing paragraphs now exists in South Africa as an entrenched part—de facto or de jure—of its political system.

Yet South Africa is the international polecat while the U.S.S.R., a systematic, wholesale violator of human rights for some seven decades, is a respectable member of world society, so respectable that in some circles it is regarded as impermissible cold war propaganda to make issue of, say, Andrei Sakharov's imprisonment because to do so would offend Mr. Gorbachev and company and inhibit an invisible Soviet will to cut nuclear arms.

Were Mr. Gorbachev to announce even one of such reforms as in now the state of affairs in South Africa, the U.S. press and television and concerned "agents of influence" would be as ecstatic as if it represented the Second Coming.

Let's look at it another way: every time a new leader of the Soviet Communist Party is selected, learned debates occur in academic journals and in the prestige press and media about the new Soviet leader's reputed liberalism. No facts are offered, no evidence, nothing more than gossip, rumor, fantasy.

Today, it is Mr. Gorbachev, who inhabits the Soviet Camelot, praised by the likes of Dennis Healey, the British Laborite who has never recovered from the Stalinist toxin which infected him during his university career.

Yesterday it was Yuri Andropov who was the closet liberal, according to our best-informed journalists and media—Mr. Andropov, chairman of the KGB, from the standpoint of the welfare of the Soviet people, probably the worst of the lot because he was the cleverest. (There was even a time when Lavrenti Beria, Stalin's hatchet man and one of Mr. Andropov's predecessors, was regarded in the West as an intellectual because he wore pince-nez glasses.)

Now suppose that tomorrow a new prime minister or a new president were elected in South Africa. How much speculation would there be about his potential "liberal" credentials? Zero. He would be regarded as just as bad if not worse than his predecessor. Why? Because Western left-liberalism sees, with utterly no evidence, Soviet communism as reformable, as malleable, as willing to compromise, as rational, as always improving, even though in the almost seven decades of its existence it has gone consistently from bad to worse.

Whatever reform South Africa has or might introduce is only documentation for its unreformability, even though the foreign press would have the right to check the validity of the reform. But any "reform" introduced by the Soviet Politburo is automatically accepted at face value, as a sign of better times ahead for human rights in the U.S.S.R. Yet it would be impossible for the foreign media to have the privilege of checking to see if the new Soviet "reform" actually exists.

Now why the double standard in enlightened public opinion about these two countries, from both of which I might add I am barred entry? (The Soviet Union, which I have never visited, has twice refused me a visa. South Africa, which I did visit in 1965, thereafter refused to grant me a visa because of my writings.)

People who refuse to know anything about the Soviet KGB espionage apparatus know all about BOSS, South Africa's security apparatus. Is there some moral distinction between the two? How can one be for an economic boycott of South Africa and not seek a similar boycott of the Soviet Union? Why is the phrase, "constructive engagement," political scatology applied to South Africa while the phrase "quiet diplomacy" is an ideal approach to the ever-expanding Soviet empire?

If the State Department is perturbed by South Africa's state of emergency promulgated July 20 1985, how about the permanent state of emergency promulgated by V.I. Lenin in November 1917?

The answer to these questions lies in de Tocqueville's lapidry sentences. Perhaps they explain the passion about this apartheid system, disintegrating before our very eyes, among AFL-CIO leaders who court arrest before the South African embassy while they fail to maintain a similarly intensive vigil before the Soviet embassy.

I am not suggesting that the AFL-CIO is soft on communism; on the contrary, they are still among the toughest anti-communist constituencies in the country. What I would ask these labor leaders is this:

Where is there more hope for free and democratic trade unionism—in South Africa, where a genuine beginning has already been made among black workers, (white workers have had strong unions for decades) or in the Soviet Union, where the ideology of Marxism-Leninism forbids freedom of association?

Of course, Pretoria has abrogated these trade union privileges for blacks. But at least there is something to abrogate, to take away. There is nothing to take away from the Soviet working class because they haven't had a moment of freedom since Lenin enslaved them at the Tenth Communist Party Congress in 1921.

Anatoly Shcharansky and Andrei Sakharov are cloistered away, heaven knows where (or if they are even still alive). But Bishop Desmond Tutu says what he pleases in South Africa without fear of reprisal, gives interviews to anyone he pleases.

Helen Suzman, an opposition member of the South African Parliament, can denounce the government on behalf of the opposition Progressive Party and nothing happens to her and other members of the Progressive caucus. Is there a single opposition voice in the Soviet Union not in a punitive psychiatric ward or in a forced labor camp or plain simply dying of hunger? For them, there are no Dan Rather TV interviews, no Tom Brokaw interviews, no Peter Jennings interviews—no interviews with any Soviet dissident for the Seven O'Clock News.

If South Africa marches into Angola or Mozambique or Botswana, the House of Shame called the United Nations springs into action. But are such episodic South African incursions really worse than genocide by chemical and biological weapons in Afghanistan, or the Red Army seizure of the baltic countries which are now Soviet Bantustans?

American corporations are pressed to get out of South Africa, where it is easily proven that their presence benefits black workers, while other American corporations are encouraged to do business with the

U.S.S.R., althought it is the Soviet war machine that benefits.

Yet which is more the "evil empire"—the U.S.S.R. or South Africa? In fact, which is the arrogant empire honored by *bien pensant* Western intellectuals and which is the beleaguered island surrounded by the world's contempt? The Soviet Union can say, as Tacitus once said," Let them hate us so long as they fear us." Who anymore fears the Botha regime?

I am not saying that because of the many reforms forced upon South Africa that it is the coming paradise. But is Afrikanerdom any worse than Mugabeism and what goes on in Zimbabwe because a few Shona tribesmen and a handful of whites won some seats in what is surely going to be a nonrepresentative parliament, like most other "representative" bodies in black Africa?

The bloody, inhumane idiocy of apartheid that I saw in practice in South Africa in 1965 is today far less onerous for blacks and therfore, by de Tocqueville's law, all the more intolerable. In that change for the better lies the reason why so much of the world is against South Africa while that same world willfully ignores the daily atrocities against human rights in the Soviet Union.

South Africa is burning; the day of African freedom nears, but the U.S.S.R. is an island of stability, its historic imperialism legitimized by the Helsinki maquillage and accepted by three U.S. administrations.

Yet will Namibia be a better place when Sam Nujoma takes over? I doubt it. Will the world be a better place when "majority rule"—Zulu versus Sotho versus Xhosa—comes to South Africa, as it inevitably will?

But the world would surely be a better place if the Soviet Union respected human rights, ceased to occupy territory not its own in Eastern Europe and on the Baltic and removed its SS-20s which threaten the people and civilization of Western Europe.

But all that's too logical. The reason why South Africa is the international polecat is that things in South Africa are not going from bad worse. Thus many people smell a cheap victory—cheap in the sense that, whatever you do to South Africa, it won't start World War III.

But who knows what you could start if you publicly raised questions about Mr. Gorbachev's sense of compassion toward the helpless people in the U.S.S.R., about the sincerity of his protestations for peace? After all, the U.S.S.R. does shoot down unarmed airliners loaded with helpless civilians.

Someday, we will look back at South Africa, as we now look back on Nicaragua—was Mr. Somoza worse than Mr. Ortega? And Iran—was the Shah worse than the Ayatollah Khomeini? And Cuba—was Mr. Batista worse than Fidel Castro? And Vietnam—was Mr. Diem worse than Ho Chi Minh? And Ethiopia—was Haile Selassie worse than Mr. Mengistu's Dergue?

And deep in our hearts, we will wonder about the 20th century tragedy of moral choice—the choice between bad and worse, between good and perfect, between half-life and half-death, between the ethical paradox of fractional truth—in a world dominated by immoral governing elites before whom so many moralists bow and scrape in the name of freedom.

Another Frenchman, Andre Malraux, once wrote that, "The path that leads from moral reasoning to political action is strewn with our dead selves." So, at least—just this once:

How about freedom for Andrei Sakharov—and Nelson Mandela?●

BARBARA R. MORGAN

● Mr. McCLURE. Mr. President, last August President Reagan directed the National Aeronautics and Space Administration to select a teacher as the first private citizen to be launched into space aboard the space shuttle. After reviewing more than 10,000 applications from teachers throughout the United States vying for the honor of being the first teacher in space, the field was narrowed to 10 finalists from whom NASA selected a winner and back-up candidate to fill the role of space flight participant in a mission scheduled for next January.

A week ago last Friday, Vice President Bush announced the winner along with a back-up candidate, Barbara R. Morgan. Barbara is from the town of McCall, ID, where she teaches at McCall-Donnelly Elementary School.

In September, Barbara will begin approximately 120 hours of training over a 4-month period at NASA's Johnson Space Center in Houston and the Kennedy Space Center in Florida. In the event that the primary candidate—Sharon Christa McAuliffe of Concord, NH—will be unable to fulfill the requirements of the mission, Barbara will become the space flight participant.

Barbara will be taught how to operate the orbiter's systems, such as those involved with hatches, food, and hygiene, and will become proficient in normal and emergency procedures required for safe and efficient shuttle crew operations. In addition, she will be involved with demonstrations, simulations of life on the shuttle, Earth observations and selected photographic and filming activities. The talents of the other eight finalists, including those of David Marquart, a computer science teacher from Boise High School, will also be used to help design the lesson plans and actual demonstrations to be performed in flight in the mid-deck of the shuttle orbiter. These demonstrations will be broadcast live via satellite to thousands of classrooms across America.

NASA's intent with the "Teacher in Space Project" is to communicate to millions of young people throughout America the wonders and mysteries of space flight. It is hoped that the satellite broadcast will strengthen ties with the educational community, to ensure that this exciting adventure in space will continue to inspire young people to excellence. In addition to her training, Barbara will serve as a goodwill ambassador for NASA for approximately 1 year, during which she will consult and assist with its educational activities.

Barbara is a Phi Beta Kappa graduate of Stanford University, and did her postgraduate work at the College of Notre Dame. In addition to her teaching duties, she conducts a Red Cross summer swim program and has organized participation in the Idaho Special Olympics.

Aside from our famous potatoes, Idaho is well-known for its gems. I think NASA certainly found one in Barbara. This evening, in McCall, hundreds of her friends, neighbors, fellow teachers and students are holding a celebration to honor her accomplishment. I hope my colleagues will join with me today in extending to her congratulations and best wishes. I am proud of her, the Nation is proud of her, and, most importantly, the students and teachers and all of the citizens of Idaho are proud to have her represent them in this exciting space adventure.●

RELIGION IN PUBLIC SCHOOLS

● Mr. SIMON. Mr. President, the magazine Liberty, in its May/June issue, contains an article by Pat Arnow, a freelance writer living in Johnson City, TN, on the issue of religion in public schools.

Pat Arnow happens to be Jewish by background, but many other backgrounds could be cited, as well, for the problems inherent in our schools being used as a source to promote religion.

As the son of a Lutheran minister, I applaud religious endeavors. But as someone with a sense of history, I believe that Pat Arnow's message is one my colleagues in this body should be listening to as we face a proposal for a constitutional amendment to inject religion into our public schools.

Our homes and our churches and our synagogues are the places to promote religion. Government has no business in such activity unless such involvement is free to all across the board without prejudice. We do that with tax deductibility. That encourages Lutherans and Catholics and Jews, but it also can encourage atheists or Buddhists or Muslims. I ask that the Pat Arnow piece be printed in the RECORD.

THE YEAR WE HID OUR RELIGION

(By Pat Arnow)

To my sister and me, transferring to a Virginia high school spelled adventure. We were early teens who had never strayed far from Chicago. In our North Side melting-pot neighborhood we had walked to school or taken city buses on cold days. On our way to Prince George County High School we rode the school bus through a countryside of rolling hills. Classmates and teachers seemed friendlier and more helpful than their Chicago counterparts—though their Southern accents sometimes needed an interpreter. With the innocence of youth we didn't see ourselves as the "foreigners."

There was a darker side to our new world, however—one that has shaped my appreciation for separation of church and state—*especially* in the classroom. Every morning the principal, after reading announcements over the loudspeaker, said a prayer while students dutifully bowed their heads over their desks. The prayer wasn't long. I don't remember the themes. I do remember how the daily ordeal ended. The principal always said, "In the name of Jesus Christ our Lord. Amen."

I didn't know what to do. As a Jew, I prayed straight to God, not in anyone else's name. To accept the prayer as mine was more of a sin, according to what I had been taught, than not praying at all.

My sister and I talked it over. She was as upset about the prayers as I was. But we didn't see a solution. We would have jumped in front of our school bus sooner than ask to be excused. We wouldn't have considered asking that the final phrase be changed to encompass a God that was ours as well as theirs. We could do nothing.

We had gone from a public school in Chicago, where more than half the students were Jewish and no religion was the least bit odd, to a school where we were the only non-Christians. We agreed to keep our religion to ourselves. During that year neither of us told a single person that we were Jewish.

I don't think we were cowardly. We were simply children. "Jesus Christ our Lord" coming over the loudspeaker every morning didn't leave room for any other belief being normal. It built a wall, with my sister and me standing on the outside.

The problem, ultimately, with prayer in public schools is that it excludes some of us. When an authority figure recites prayers the minority become freaks. Parents may argue that their freedom to practice their religion is thus enhanced. But prayer can't be put in the school without restraining the religious freedom of others. Freedom of religion is most important when we find ourselves in the minority, not when we are a confident majority.

I didn't know, in 1962, that those daily prayers were part of a national controversy. I thought of school prayer as my personal problem, an unchangeable institution I could do nothing about. By the time the Supreme Court ruled against the practice, my sister and I were back in prayerless Chicago. But I remember hearing about the decision and feeling relieved. No other children would be subjected to the embarrassment and humiliation that my sister and I had endured.●

STUDY INDICATES COCAINE MORE HARMFUL THAN HEROIN

● Mrs. HAWKINS. Mr. President, a recently released study by Concordia University in Montreal has revealed that prolonged use of cocaine may be more deadly than heroin. Medical researchers added that mortality figures in the United States are reflecting that fact.

The American Medical Association Journal, reporting on the study done on laboratory rats, said that there was a 90 percent mortality rate in animals given cocaine for 1 month compared with a 36 percent death rate among those given heroin.

The Concordia University study also said that cocaine has toxic effects, may depress brain function, and has been underestimated as a killer.

Dr. William Pollin, Director of the National Institute on Drug Abuse, indicated that:

> Whether or not there has been a recent increase in the number of cocaine users in this country, it is clear that more intensive and destructive patterns of use—including freebasing, intravenous administration, and the use of cocaine in combination with other drugs—have occurred among the existing population of users.

This has resulted in a 91 percent increase in cocaine-related deaths in the United States from 1980 to 1983. One of the main reasons for the increase in popular use of this so-called "recreational" drug is that heavier production in South America offers the possibility of a greater supply and lower prices. Dr. Pollin completed his commentary on this remarkable study by making this statement:

> Cocaine is now becoming widely recognized as one of the most dangerous illicit drugs in common use.

The results of this study came from exhaustive scientific research involving administering both heroin and cocaine to rats. In the study, 23 rats were divided into two groups with each group having access to either cocaine or heroin in a self-administered solution. During the study the general health of the animals became markedly different. Those self-administering heroin maintained good grooming behavior, pretesting body weight, and a good state of general health. Those rats self-administering cocaine tended to cease grooming behavior, to lose up to 47 percent of their pretesting weight and to show a pronounced deterioration in general health.

The study concluded that as greater quantities of cocaine are administered and the concentration of this compound increases, the number of fatalities associated with cocaine abuse will tend to rise.

Mr. President, Americans are more and more aware that cocaine is one of the most dangerous illicit drugs in use today. I commend the very detailed study compiled by Concordia University in Montreal and hope that the conclusions of this report will be used to continue to educate and inform the public as to the increasingly recognized destructive effects of cocaine.●

TARGETED JOBS TAX CREDIT PROGRAM

● Mr. HATFIELD. Mr. President, today I join with my distinguished colleague from Pennsylvania [Mr. Heinz] in cosponsoring S. 1250. Introduced by Senator Heinz on June 6, 1985, this bill extends the targeted jobs tax credit [TJTC] for 5 more years. Presently, this important program is scheduled to expire at the end of December 1985.

The TJTC was implemented in 1978 to encourage employers to hire disadvantaged individuals from targeted groups who may otherwise not obtain productive employment. These persons typically have limited work experience and chronically low incomes. Often they are dependent on Federal and/or State government income assistance. The following is a list of targeted groups eligible for a TJTC:

First. Vocational rehabilitation referrals.

Second. Economically disadvantaged students (ages 18–24).

Third. Economically disadvantaged Vietnam-era veterans.

Fourth. Supplemental Security Income [SSI] recipients.

Fifth. General assistance (welfare) recipients.

Sixth. Economically disadvantaged former convicts.

Seventh. Economically disadvantaged cooperative education students (ages 16–29).

Eighth. Aid to Families with Dependent Children [AFDC] recipients and Work Incentive [WIN] registrants.

Ninth. Economically disadvantaged summer youth employees.

Under the TJTC program, an employer who hires a person certified as a member of a targeted group receives a tax credit equal to one-half of the first $6,000 of the first year's wages and one quarter of the first $6,000 of the second year. No employer is compelled to hire a person from an eligible group. No Government staff is needed to run the program. There is simply a tax credit available to employers who hire persons from the specified groups.

Mr. President, while it is true that our Nation's economy has improved over the last year, there are many communities and industries across our country who have experienced no recovery at all. In my State, serious unemployment and economic stagnation continue to be present. Oregon is still suffering the effects of the past recession which were brought about by national economic problems that were not of its own making. Currently, 23 of the 27 Oregon counties have unemployment rates of over 10 percent.

Extension of the TJTC is critical to providing jobs for these disadvantaged persons, particularly for those in communities which are still struggling to recover from the recession as well as adapt to changes in employment opportunities. Extension also will help reduce the numbers of individuals on Government welfare rolls and enable these individuals to become productive, taxpaying members of our society.

While the TJTC program has been in existence since 1978, it has never been fully utilized. This appears to be due, at least in part, to the fact that over the last 2 years the program has

received single year extensions. S. 1250 extends the TJTC for 5 years in an effort to give the program continuity and permanence. This will allow more businesses to become aware of the TJTC and will enable employers to incorporate the TJTC into their long-range plans.

Mr. President, I have supported the targeted jobs tax credit in the past, and I will continue to support it. The Senate must not allow this program to die. During a time when it is imperative that Congress reduce the level of Federal spending, the TJTC program is a means of providing some hope to those individuals who because of a lack of skills, experience, or money, have been unable to find employment. I commend the Senator from Pennsylvania for introducing this measure and urge its positive consideration by the Senate.●

NORTH KOREA

● Mr. SIMON. Mr. President, in Newsweek magazine recently, Prof. Parris H. Chang, professor of political science at Pennsylvania State University, had a column about North Korea that made a good deal of sense.

He says, among other things, that the U.S. Government "should give serious consideration to allowing people-to-people contacts between the United States and North Korea. The time would also be ripe for Americans to open up cultural, scientific and economic exchanges with North Korea."

We seem to shoot ourselves in the foot so easily.

In the case of North Korea, in the case of Vietnam, and in the case of Cuba, our policy drives these countries into the arms of and into dependence on countries where such dependence is not healthy, either for the countries involved or for our own future.

It seems clear to me that the more we can encourage independence on the part of all countries of the world—independence of the Soviet Union, independence of China, and yes, even independence of the United States—that is in the best interest of everyone.

I ask that Professor Chang's article be inserted in the Record at this point, and I urge my colleagues to read it and to reexamine whether our policies toward these three countries are serving the national interest or they're serving our own emotional needs.

The national interest clearly is to encourage greater independence on the part of these countries.

The article follows:

North Korea's Wind of Change

(Opinion/Parris H. Chang)

North Korea is approaching the end of an era, and a new stage in its political and economic development lies immediately ahead. The end of President Kim Il Sung's four decades of highly personalized, autocratic rule is in sight. At the age of 73, Kim is transferring political power to Kim Jong Il, his 43-year-old son, and to a younger generation of cadres. In the process, North Korea, a rigidly xenophobic nation, is now adopting several measures to encourage foreign investment and to expand trade with the West. North Korea's conciliatory moves include a proposal for a tripartite (North Korea-U.S.-South Korea) talk to seek a permanent Korean peace treaty and to discuss reunification, the delivery of Red Cross relief goods to flood victims and further meetings to spur the inter-Korea dialogue on unification. Each of them represents a departure from Pyongyang's militant hard-line policy of the recent past.

These are some of the distinct impressions I got during a recent visit to North Korea. Ever since the emergence of Kim Jong Il as his father's political heir in 1980, he has solidified control of the country's ruling party, the Korean Workers' Party. As a member of the Polituro Presidium, the highest decision-making body in North Korea, and of the KWP Secretariat, Kim Jong Il is handling the day-to-day administration of party and government affairs. Cambodian Prince Norodom Sihanouk, a close friend of President Kim and Kim Jong Il, told me that "the process of power transfer is virtually over." Sihanouk credited the younger Kim with initiating the ideas of an economic open-door policy and of inter-Korean parliamentary discussion.

LIMITED EXPOSURED

However, it may be too early to judge whether Kim Jong Il possesses the necessary political acumen as well as sufficient leadership skills and experience to command support and to govern North Korea. He has only limited exposure outside North Korea—his travel abroad in the past two decades has been only in China—and his ability to handle world affairs is untested. Most important, Kim Jong Il, unlike his father, never served in the military. Thus he could encounter resistance, if not outright opposition, among veteran officers when he seeks to assert his leadership over military matters.

Meanwhile a younger technocratic elite is emerging. Kang Song San, an economist in his mid-50s, was named prime minister in 1984. In 1983 the government appointed a young, urbane foreign minister, Kim Yong Nam, and it has since sent abroad more than a score of new envoys who, as a rule, are young and fluent in several languages.

Pyongyang is now pursuing a policy that calls for improved economic and technical ties with all nations, including capitalist countries that have no diplomatic ties with North Korea. To justify such an important change, Kim Jong Il is quoted to have said: "Building an independent national economy on the principle of self-reliance does not mean building an economy in isolation. An independent economy is opposed to foreign economic domination and subjugation; but it does not rule out international economic cooperation." In September 1984 North Korea's Supreme People's Assembly enacted a joint-venture law to boost foreign investments in "industry, construction, transportation, science and technology, and tourism." The new law stipulates that the property and profits of joint-venture firms would be protected and that a joint company "may export its products" and "may be exempted from income tax for a certain period from the start of production."

Peking's influence seems evident in Pyongyang's current effort to make way for foreign investment and technology. When Kim Jong Il visited China in June 1983, he inspected several factories, including the Baoshan Steel complex—a Sino-Japanese joint venture outside Shanghai. When Prime Minister Kang Song San paid an official visit to China in August 1984, he signed a joint-venture agreement with Peking.

But North Korea will need much more than the passage of a joint-venture law to attract foreign investment. Because of the West's continuing mistrust of North Korea, and Pyongyang's failure to service its foreign debt in the 1970s, foreign businessmen may remain cautious for some time to come about dealing with Pyongyang. However, the important point is that North Korea has adopted the beginnings of outward-looking policy. Cadres in North Korea seem still largely ignorant of the outside world, but if the are humble and willing to learn, they, like their counterparts in China or South Korea, can become familiar with the ways of the capitalist world.

STABILITY

There is no question that the creation of a North Korean "economic miracle" would greatly boost the prospects of peace and stability in East Asia. South Korea, Japan and the United States should do what they can to help Pyongyang on the road to greater economic involvement with other nations. This, however, is more easily said than done. The view that North Korea is aggressive, irrational and ready to invade the south at any time is still widespread in the West. On the other hand, a visitor who has seen North Korea on a close-up basis may question the total accuracy of these images. In the past three decades Kim Il Sung has reconstructed North Korea from the debris of war and built a standard of living comparable to Eastern Europe's. North Koreans are not so irrational that they would casually risk its destruction. And they do have a major stake in the preservation of peace in the Korean peninsula.

North Korea is not an easy country to deal with. And the lack of firsthand knowledge in the West of that self-enclosed country and its society has compounded the problem. As the initial step of coping with such a problem, the U.S. government should give serious consideration to allowing people-to-people contacts between the United States and North Korea. The time would also be ripe for Americans to open up cultural, scientific and economic exchanges with North Korea.●

EXPANDED CAPITAL OWNERSHIP AND THE IDEOLOGICAL HIGH GROUND

● Mr. SYMMS. Mr. President, today I want to add my voice to those of Congressmen Crane and Barnes regarding expanded capital ownership as a new bipartisan thrust in America's ideological counteroffensive against Marxism-Leninism in the Western Hemisphere.

Great courage and visionary statesmanship were demonstrated by Mr. Barnes and Mr. Crane when they joined in introducing House Concurrent Resolution 31, which calls upon the President to form a private sector task force to develop a strategy for encouraging employee stock ownership plans [ESOP's] as a major element in our Caribbean Basin Initiative. Appropriately, they call this effort, project economic justice. From this seed, both the Senate and House versions of the foreign aid authorization bills, as approved in each Chamber, contained provisions to implement this new concept in Central America and the Caribbean. President Reagan, a long-time advocate of the ESOP approach, and top officials of the administration have already demonstrated in word and deed that they will lend their support to this innovative project for combining free enterprise development with a growing piece of the action for workers in the region.

To reinforce this effort and to educate the American people about the underlying philosophy and technology of expanded capital ownership, Mr. Barnes and Mr. Crane have introduced a series of articles by leading thinkers on this most important subject.

It is not good enough, however, to know the evils of marxism as a threat to justice, as discussed in earlier articles, nor the good of free enterprise in general, as discussed in other articles. Equally important are the means and technologies best suited for achieving this good. As my contribution to this noble cause, I am introducing three additional articles on the practical techniques and case-tested methodologies for providing workers with access to ownership. Today's insertion is from selected comments by Senator Russell B. Long, chairman of the Senate Finance Committee for over a decade and Capitol Hill's leading champion of the ESOP technique. For the benefit of my colleagues, the following article has been extracted from the floor statement of November 17, 1983, when with 46 Senate cosponsors, Senator Long introduced the Employee Stock Ownership Act of 1983.

The article follows:

Employee Stock Ownership Plans: A Powerful Technology for Expanded Capital Ownership

(By Hon. Russell B. Long)

The primary purpose of an Employee Stock Ownership Plan (ESOP), as I have been privileged to develop this financing tool during the past decade, is to serve as an incentive for corporations to structure their financing in such a way that employees can gain an ownership stake in the company for which they work.

What the Congress sanctioned with the ESOP is a socially improved technique of corporate finance that also serves as a new type of employee benefit. Thus, as a tax-qualified plan for providing employee benefits, in the form of employer stock, an ESOP is subject to many of the same standards imposed on other types of employee benefit plans but interpreted in light of the special purposes for which ESOP's are intended.

The term "technique of corporate finance" refers primarily to the "leveraged" ESOP, an ESOP that uses borrowed funds to acquire employer stock, with the employer, or a related party, guaranteeing repayment of the loan. It is this guarantee, plus the underlying security provided for the loan, that puts the logic of corporate finance to work for a company's employees.

In a 1953 revenue ruling, the Internal Revenue Service sanctioned this type of leveraging by a defined contribution plan, thus laying the legal groundwork for the leveraged ESOP. The first known use of ESOP-type financing, pioneered by attorney Louis Kelso, involved a 1956 employee buy out of a chain of California newspapers that was threatened with a takeover by a major chain. But only in the last few years has the business world at large become aware of this innovation.

Suppose, for example, that corporation X wants to build a new plant costing $10 million. With traditional debt financing, the company would borrow the $10 million, provide adequate collateral and guarantee of repayment to satisfy the lender, use the borrowed funds to build the plant, and then utilize the income generated by the new plant to repay the loan.

The ESOP adds a third element to this transaction—an employee stock ownership trust. The trust borrows the funds based on the sponsoring corporation's guarantee that it will made periodic payments to the trust sufficient to repay the loan. As with traditional financing, the corporation may be required to secure this guarantee with collateral.

The ESOP trust then uses the borrowed funds to acquire newly issued employer securities, and the corporation applies the funds to build its new plant. As the new plant generates income, corporation X makes payments to the trust with are used to pay its obligation to the lender.

The primary difference is that with conventional debt financing, only interest payments are deductible for income tax purposes; amounts used to repay loan principal are not. The employer's contributions to the ESOP, however, are fully deductible, as employer contributions to an employee benefit plan, including those applied by the trust to repay loan principal.

Consequently, where corporation X uses the ESOP as its financing vehicle, it may repay its indebtedness, both principal and interest, with tax-deductible dollars. The Internal Revenue Code limits to 25 percent of payroll the amount that can be deducted each year for principal payments; interest payments are deductible without limit.

Thus, assuming, for example, a 50-percent tax rate and conventional debt financing, corporation X would need to generate $20 million in revenues to repay the $10 million in loan principal. With ESOP financing, however, the corporation would need to generate only $10 million to repay the loan principal through tax-deductible contributions to its ESOP.

By enabling a company to expense its capital investment, the ESOP lowers the sponsor company's taxable income and increases its available capital for other purposes; and the same dollar that finances the company's capital requirements also finances an employee benefit in the form of employer stock.

After purchase, the stock is held in an escrow account for allocation to employees' individual ESOP accounts as the loan is repaid. In no sense is this a "gift" to employees; rather, the capital is paid for out of the future flow of earnings that the new capital itself generates. As the already-rich know so well, the new capital's productiveness generally pays for itself.

The ESOP participants, however, also "earn" their ownership interest in the company through the ESOP's requirement that employees work for the company for a prescribed period of time before the stock in their ESOP accounts becomes nonforfeitable, that is, vested. An appropriate analogy can be drawn to the Homestead Act of 1862 under which the potential owner earned his or her acreage by homesteading the land for at least 5 years.

The employee stock ownership plan (ESOP) first received congressional approval in 1974 with passage of the Employee Retirement Income Security Act of 1974 (ERISA). ERISA made it clear that the ESOP is a technique of corporate finance that utilizes the advantages of a tax-exempt employee benefit trust to encourage the financing of corporate transactions in such a way that employees will have an opportunity to earn an ownership stake in their employer.

Federal encouragement of ESOP's has also included loans and loan guarantees from a variety of Federal agencies, including the Economic Development Administration of the Commerce Department, the Farmer's Home Administration, and the Department of Housing and Urban Development. In addition, as part of the trade adjustment assistance provided under the Trade Act of 1974, and as amended in 1983, ESOP companies are granted preferred status for Federal loan guarantees.

More recently, the Small Business Development Act of 1980 included a provision encouraging the Small Business Administration to provide financing both for ESOP companies and for employee organizations seeking to acquire an ownership interest in their employer. ESOP's were also made a condition of Federal financial assistance to the Chrysler Corp., Conrail, and others.

State legislatures have also demonstrated a growing interest in ESOP's. California, Delaware, Illinois, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New York, and West Virginia now have laws favorable to ESOP financing. Maryland's "Broadened Owernship Act," for example, establishes support for ESOP's as official State economic policy, and requires several State agencies to report annually on their progress in implementing this policy. Since 1974, Minnesota has had several ESOP-related tax incentives on its books.

Several of these States have additional legislation under consideration and legislation is pending in other States as well. Financial and other assistance has also been provided for ESOP buyouts by California, Georgia, Indiana, Iowa, Maine, New Jersey, New York, and Pennsylvania.

This increased use of ESOP's for development financing reflects a return to incentive economics. The coupling of development programs with employee ownership programs results in a more production-oriented work force. That, in turn, helps to insure that scarce economic development dollars are invested so as to get the most "bank for the buck."

ESOP's are a healthy step in that direction. In addition to insuring that the benefits of development financing are more widely dispersed than through traditional means, the ESOP also helps to create the circumstances in which assisted companies are more likely to survive, and in which taxpayer-provided development loans are more likely to be repaid.

In terms of motivation, the merit of an ESOP-targeted economic development policy can be easily summarized: ownership counts. It summons up a common determination to succeed and insures that the company's success is shared with those on whom that success will largely depend.

Researchers at the New York State School of Industrial and Labor Relations at Cornell University and at the National Center for Employee Ownership cite these reasons and others for the fact that, to the knowledge of researchers in the field, more than 90 percent of employee buyouts are still in operation.

ESOP-type financing is not intended for losers.

It is intended, however, for those losers and for those marginally profitable firms who, with employee ownership, can become winners. It is intended for those employee groups willing to tie some portion of their future wages and benefits to their company's performance. On that point, it is encouraging to note that a 1981 Louis Harris survey of employee attitudes indicates that 63 percent of those surveyed would be willing to link their salaries to higher personal productivity.

It is also intended for those companies and those employee groups who feel that a climate of cooperation and compromise may now be better suited to their purposes than continued confrontation. That 1981 Harris survey also found that one in four Americans thinks better relations between management and labor is one of the changes that would do the most to improve productivity in the workplace. Only financial rewards for productivity gains, 30 percent, are thought to be more effective. A well-designed employee stock ownership arrangement can, of course, address both of those concerns.

Business executives surveyed—44 percent—likewise think that better labor-management relations are one of the changes that would best contribute to increased productivity. Only the use of better equipment or tools—65 percent—is viewed by them as more important.

Employee stock ownership provides a healthy new dimension to the economic development process. It enables those affected to examine the issue in a different frame of reference, one in which the effect on them becomes much more real, and one in which they can realize how important their productive efforts are to that process.

Employee stock ownership is for those who believe in the worth of the individual employee, and for those who see the rank and file as the root source of quality, creativity, and productivity.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the Congressional Record this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Ms. Jade West, a member of the staff of Senator James A. McClure, to participate in a program in South Africa, sponsored by the South Africa Foundation, a nongovernmental institution, from August 17-29, 1985.

The committee has determined that participation by Ms. West in the program in South Africa, Zimbabwe, and Mozambique, at the expense of the South Africa Foundation, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, which would permit Mr. Wayne Abernathy, economist with the Subcommittee on International Finance and Monetary Policy, and Steven B. Harris, minority counsel to the subcommittee, to participate in a program in South Africa, Zimbabwe, and Mozambique from August 17-30, 1985, sponsored by the South Africa Foundation.

The committee has determined that their participation in the program in South Africa, Zimbabwe, and Mozambique at the expense of the South Africa Foundation, to confer with business and government leaders, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Robert Waters of the staff of Senator Tom Harkin to participate in a program in Taipei, Taiwan, sponsored by Soochow University, from August 2-10, 1985.

The committee has determined that participation by Mr. Waters in the program in Taipei, Taiwan, at the expense of Soochow University, to discuss United States-Taiwan relations, is in the interests of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Peter Knight, of the staff of Senator Albert Gore, Jr., to participate in a program in Taipei, Taiwan, sponsored by Soochow University, from August 2-10, 1985.

The committee has determined that participation by Mr. Knight in the program in Taiwan, at the expense of Soochow University, to discuss United States-Taiwan issues, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Ms. Ryan Conroy of the staff of Senator Alan Cranston to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute, from August 18-31, 1985.

The committee has determined that participation by Ms. Conroy in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute, to discuss United States-Chinese relations, is in the interest of the Senate and the United States.●

DEBUNKING TEEN PREGNANCY MYTHS

● Mr. SIMON. Mr. President, one of the people who has been most articulate on the problems of the disadvantaged in our society has been Marian Wright Edelman.

She is not only articulate, she is forceful.

She has written about the problems of teen pregnancy in an article which appeared in the Chicago Defender.

Her comments about the myths of pregnancy are right on target.

And beyond these myths, we should face the reality that one of the ways we are going to discourage teenage pregnancies is to encourage more quality education in our schools. We also need to attack the massive problem of adult illiteracy.

While all teenage girls are not illiterate, a disproportionately high percentage are school drop-outs who have gone to schools that did not give them the kind of opportunities they should have had.

I ask that Marian Wright Edelman's article be printed in the Record at this point, and I encourage my colleagues to read it.

The article follows:

Debunking Teen Pregnancy Myths

(By Marian Wright Edelman)

Teenagers pass around a lot of misinformation about pregnancy. They tell each other such myths as: "You can't get pregnant the first time" or "you can't get pregnant if you have sex standing up." The effect is to compound the adolescent pregnancy problem.

But teens are not the only ones spreading misinformation. Many adults also cling to outmoded theories about who gets pregnant and why—theories that can be just as damaging as the teen myths. Before we can tackle the teen pregnancy problem effectively, we must examine and debunk some of these adult myths:

Myth 1: "Most pregnant teens are 'bad girls' who had no future anyway." The fact is that half of all teens today are sexually active—teens of all different races and incomes. Pregnant teens are just the ones who "got caught"—the sexually active teens who did not practice contraception early enough or consistently enough to avoid pregnancy. Teen parents are more likely to have dim futures ahead than those who manage to avoid pregnancy, but this is a consequence of their being poor, not of their being "bad."

Myth 2: "Sex education and birth control encourage teens to be sexually active." Life-maturation, television, R-rated movies, peers all encourage teens to be sexually active. Discussions that put sex in the context of the family life and personal decision-making can help teens make sense out of their feelings and the message they pick up from peers and adults and the media. In the meantime, family planning and sex educa-

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tion can play an effective role in making teens more sexually responsible.

Myth 3: "Contraception is the answer to the teen pregnancy problem." Contraception is an important part of teen pregnancy prevention. But alone, it only gives teens the capacity to delay parenthood. Teens also need some reason to believe that parenthood is inappropriate at this time in their lives. They need hope and a sense of positive options.

Myth 4: "There is no longer any reason for girls to avoid getting pregnant, since now they can stay and finish school." The lamentable fact is that they do not. Only 55 percent of the 18 and 19-year olds who gave birth in 1982 had completed high school. Eighty-three percent of the 17-year old mothers were without high school diplomas.

Myth 5: "Most teenage mothers get married right before or after the birth." This is no longer true. In 1982, fully half of all teen births were to single mothers. Few got married shortly after having their babies. The reasons that many young mothers are deciding to forego marriage are complicated. In the Black community especially, teen mothers are not marrying because there are not enough available men and because their children's fathers are unable to support a family—only two Black teenage males in 10 hold a job.

If you recognize any of your own beliefs or those of neighbors and friends among the myths I have just listed, take the time to do some myth-debunking of your own.

And if you want to help us to prevent teen pregnancy, join the Children's Defense Fund's Adolescent Pregnancy Clearinghouse and receive the information we have available. Write Karen Pittman, CDF Clearinghouse, 122 C Street, N.W., Washington, DC 20001.●

THE PHILIPPINES

● Mr. LUGAR. Mr. President, I would like to comment on remarks made July 15 on the floor by the distinguished Senator from Montana [Mr. MELCHER], regarding the current situation in the Philippines. My distinguished colleague made a number of valuable observations on that subject. However, with regard to the specific issue of wheat sales by U.S. suppliers to the Philippines, I would like to make certain there is no misimpression in the minds of the Members of this body that the Department of State is somehow working at cross-purposes to administration policy with regard to the Philippines. I would like to set the record straight today with the following observations.

Mr. President, let me respond first to the claim that the Department of State has sought to promote economic reforms in the Philippines at the expense of U.S. rice and wheat markets in that country. This is a complete misreading of the recent negotiations leading to the conclusion of a Public Law 480 title I agreement with the Philippine Government and incorrectly portrays the current status of U.S. wheat exports to the Philippines. The facts of the case are as follows:

First, the administration, with strong bipartisan support from Congress, has undertaken a substantial program of assistance for the Philippines aimed at promoting fundamental political, economic, and military reforms needed to preserve stability and restore economic health to a key allied nation.

Second, as part of the ongoing dialog with the Philippine Government for reform, the Department of State concluded on July 8 a Public Law 480 title I agreement for $40 million in U.S. rice sales. Under the terms of the self-help measures associated with this agreement, the Philippine private sector is provided the opportunity to engage in the rice and wheat trade along with the Philippine Government's National Food Authority [NFA] which heretofore had enjoyed a total monopoly over such trade.

Third, the reforms launched by the Public Law 480 accord are aimed at expanding the Philippine wheat market by revitalizing the economy and restoring private enterprise participation in the importation and distribution of wheat and flour on a free-market basis. Under the previous situation, the National Food Authority is estimated to have added as much as one-third on to the price the Philippine consumer must pay for bread. Moreover, there is no public accounting or auditing of the profits the monopoly has derived from its control of wheat imports and flour distribution. Additionally, deregulating agricultural production and trade and restricting Government intervention in agriculture also means that the Philippine farmers will get a better price for his production as well.

Trade statistics refute the charge that wheat sales to the Philippines have been harmed or delayed by negotiations for the accord. In the agricultural marketing year which ended May 30, the United States exported 795,000 tons of wheat to the Philippines in 1984-85, compared with 699,000 the previous year. Wheat sales to the Philippines in the first 6 weeks of the present—1985-86—marketing year are recurring at a rate comparable to the previous 2 years.

Fourth, vested Government monopoly interests in the Philippines opposed to reform mounted a major campaign in the United States to force the administration to back down on reform measures. Rice interests in the United States were told that the reform would make a Public Law 480 agreement unacceptable and the United States would lose the rice sales; wheat growers were threatened with the loss of the Philippine market by veiled warnings that the National Food Authority would shift its purchases to other sources in retaliation for the proposed reform—both obviously false in the light of the succeeding events.

Fifth, fortunately, the administration stayed the course and successfully negotiated the Public Law 480 agreement in just over 3 months which is the average length of time necessary to conclude an agreement of this type. The timely conclusion of the agreement was an impressive achievement in the face of the lobbying tactics of vested Government monopoly interests in the Philippines who sought to undermine the U.S. policy for the reform by attempting to delay signing the agreement.

Finally, contrary to the assertion of the vested interests, President Marcos had already given his approval of privatization of wheat imports as well as flour and fertilizer distribution in a reform announcement in April.

In sum, Mr. President, the Public Law 480 agreement signed with the Philippine Government is an encouraging development that effectively serves United States and Philippine interests. It will stimulate the Philippine Government to apply the principles—and successes—of a free market approach to help ensure farmers of a fairer price for their products by deregulating agricultural production and trade and restricting monoply Government intervention in the market to a reduced rule more consistent with the essential public interest. It will also provide new opportunities for U.S. rice and wheat producers to bolster their markets in the Philippines. The Public Law 480 agreement is not only a success for U.S. policy to foster constructive change in the Philippines, it is also a success for U.S. business. Colleagues in this body, particularly those who have been most vocal in urging the administration to press reforms on the Marcos government, should find this development most pleasing and may wish to focus on helping to set the record straight on our goals and objectives regarding the Philippines.●

AMOS DEINARD—A GREAT MAN IN A GREAT PROFESSION

Mr. DURENBERGER. Mr. President, recently, I had the privilege of attending the 25th year reunion of my law school class at the University of Minnesota. While I renewed many old acquaintances and saw many longtime friends, I was also reminded of the numerous contributions made by the legal profession in Minnesota which often go unnoticed by the general public.

The contributions of the legal profession in Minnesota, or course, represent the sum total of the thousands of attorneys who practice in the State. One of the best known, and most widely respected Minnesota attorneys—Amos S. Deinard—died on June 12 after practicing law for more than 60 years.

Amos Deinard's many contributions to the legal profession—and to a large

number of community and religious activities—were made despite a lifelong visual handicap which might have severely inhibited many of us under similar circumstances.

Among his many interests, Amos Deinard and his firm were strong supporters of efforts to provide legal services to the poor in Minnesota.

Those efforts recently include the presentation of a $1 million check to a coalition of organizations providing legal assistance to the poor in Minnesota raised through a program that diverts interest paid on lawyer trust accounts. These funds are then made available to legal aid, better administration of justice, and law-related educational programs in the State.

Because of the outstanding contributions made over a lifetime of service by Amos S. Deinard, and because of the continuing commitment to the provision of legal services by Minnesota attorneys to make legal services available to all the citizens of the State, I ask that the following two articles be printed at this point in the RECORD.

The articles follow:

[From the St. Paul Pioneer Press and Dispatch, June 13, 1985]

A. DEINARD, BLIND LAWYER, DEAD AT 87

(By Wayne Wangstad)

Amos S. Deinard, who overcame a severe vision handicap to become a successful Minneapolis attorney and a community and religious activist, died Wednesday in his home at 510 Groveland Ave., Minneapolis. He was 87.

Deinard practiced law for more than 60 years and was senior partner of the Minneapolis firm Leonard, Street & Deinard.

He also was a founder of the Minnesota Society for the Prevention of Blindness and Preservation of Hearing and had served on its board since 1939.

"He would not want to be remembered as a sightless person. . . . That it didn't hamper him was more to his credit," said Deinard's son, Minneapolis pediatrician Dr. Amos Deinard.

Born in Terre Haute, Ind., Deinard was a toddler when his family moved to Minneapolis, where his father served as rabbi of Temple Israel Synagogue.

Deinard's vision problem was attributed to a childhood eye infection, leaving him able to discern little but light and dark, according to his son. At 13, he learned Braille at the Faribault State School for the Blind.

From that time on, Deinard attended classes with his brother Benedict, who was 18 months younger. "Benedict read to my father. He was really my father's eyes, scholastically and professionally. They went all through high school, college, law school and a doctorate in law at Harvard in 1922 together," Deinard's son said.

After the brothers entered law practice together, Benedict Deinard's reading was supplemented by secretaries and law partners. "And God knows I read contracts at home to him in the evening," Deinard's son said. "He never used Braille for his law practice or law school."

Benedict Deinard died in the 1960s.

Amos Deinard's knowledge and experience "allowed him to be more than just a lawyer to his clients," said George Reilly, managing partner of Leonard Street & Deinard. "He had a marvelous memory and was without peer when it came to drafting documents. We never felt he had any handicap."

Deinard's involvement in community organizations was motivated by "deep concern for the people on whose behalf he was working," his son said.

He was a member of Brandeis University's Board of Fellows, a governor of the Mount Sinai Hospital Association, a board member of the North Central Region of the National Conference of Christians and Jews and a director of the American Jewish Joint Distribution Committee.

He also was a founder and board member of the Minneapolis Federation for Jewish Service and a director of the Jewish Family & Children's Service of Minneapolis and the Jewish Community Relations Council of Minnesota. He served on the Minneapolis Fair Employment Practices Commission and was its chairman for several years. From 1969 through 1975, he was a director of the National Society for Prevention of Blindness.

Deinard was awarded the Distinguished Service Award of the Minneapolis Mayor's Commission of Human Relations, and several founders awards, including one from the Minnesota Society for Prevention of Blindness.

"He never talked about his sight and its influence on his life," his son said. "He was always very self-sufficient and liked to conduct himself as though he had sight."

Besides his son, Deinard is survived by his wife, Hortense; a daughter, Miriam Kelen, and six grandchildren.

Services will be at 12:30 p.m. Friday at Temple Israel Synagogue in Minneapolis, with burial in the synagogue cemetery. A one-day shiva will begin at 7 p.m. Saturday at the Deinard residence.

Memorials can be made to the Deinard Memorial Research and Lecture Fund, the University of Minnesota Department of Pediatrics or the Minnesota Society for the Prevention of Blindness and Preservation of Hearing.

CONTINUING A LEGAL-AID TRADITION

(By Leonard Inskip)

The scene could have come from the old TV series "The Millionaire," in which an eccentric philanthropist gave million-dollar checks to deserving strangers. It didn't. This scene involved $1 million, but it took place last week at a special session of the Minnesota Supreme Court.

Allen Saeks handed fellow lawyer Jeremy Lane a notice that a legal-services coalition will get $1 million for legal aid to poor people. Lane represented six legal-aid agencies that blanket Minnesota. Saeks represented a program that diverts interest paid on lawyer trust accounts to legal aid, better justice administration and law-related education.

Seven robed justices attended. Chief Justice Douglas Amdahl cited Minnesota's long tradition of legal assistance to the indigent. The first formal effort, he said, occurred in 1869 when the state created a public-defender program ($10 a day while in court). More than 70 years ago, a legal-aid program began in Minneapolis. In the 1960s and 1970s federal funds made such legal aid possible throughout the state.

Before losing $1.3 million to 1981 federal budget cuts, legal-services agencies in Minnesota handled 33,000 cases a year, Amdahl said. After the cutback, cases fell to 24,000.

Minnesota had two responses. One was a filing-fee surcharge, adopted in 1981, which produces about $1 million yearly for legal aid, and which the Legislature appears ready to continue. The second was collecting the interest paid on lawyers' trust accounts, which receive deposits of clients' money that are too small or too short-term to justify separate accounts in clients' names.

As a committee chairman for the Minnesota State Bar Association, Saeks helped design the interest program. On the bar association's recommendation, the Supreme Court made the program mandatory for Minnesota's 8,400 lawyers in private practice and provided a small staff. Last week, the Lawyer Trust Account Board, composed of lawyers and nonlawyers, with Saeks as chairman, announced $1.4 million in grants for the year beginning July 1.

In addition to the six federally supported agencies which will share $1 million, 21 other groups also received grants. The smallest grant was $1,700 to KUOM for law-related education. A consortium of mediation programs got $35,000 to improve justice administration. The Legal Rights Center, which mainly serves minorities, got $63,000.

The interest program became possible when banks began paying interest on checking accounts. The Federal Reserve System, which does not permit interest for business checking accounts, made an exception for lawyer trust accounts when the interest goes to programs like the one Saeks heads.

Florida, drawing on experience in Canada, was first to adopt an interest program, but only a voluntary one. California followed with a mandatory program, as did Minnesota. Since July 1983, the Minnesota program has collected $2.5 million. Initial awards totalling $335,000 were made in March 1984. A second round last December granted $770,000.

Saeks say 38 states have approved programs, although a smaller number have actually begun them. In terms of lawyer support and participation, as well as funds granted, he says, Minnesota is in the forefront. Financial-institution cooperation has been important, he adds. Amdahl also notes that more than 2,000 Minnesota lawyers volunteer time for legal aid. Overall, Amdahl says, "There's no state that can approach what Minnesota is doing."

It's too soon to evaluate fully the results of individual grants. But Saeks notes that a grant to the Neighborhood Justice Center in St. Paul helped train 40 translators for court cases involving Asian refugees. Another grant led to increased cooperation among three agencies—the attorney general's office, the Minnesota Public Interest Research Group and the St. Paul Tenants Union—and to the production of a booklet on tenant-landlord rights. To win their grant last week, four Minneapolis-area mediation organizations had to collaborate. A grant to the Minnesota Justice Foundation will help law students provide legal research for lawyers working without pay—thereby, Saeks says, "making legal aid to the poor more effective."

Saeks clearly prefers awards to stimulate innovation. But, he says, cutbacks in basic legal services leave the trust board no choice but to offset the cutbacks. He says the legal-aid programs can't handle poor people's needs adequately now; without the trust-account money, the agencies would serve fewer people.

Roger Cobb, administrator of Mid-Minnesota Legal Assistance, an umbrella legal-services agency that includes the Minneapolis Legal Aid Society, says the filing fees, interest income and foundation help have enabled the six legal-services groups to restore their annual caseload to 30,000 or 32,000—nearly what it was before 1981. But, he says, that represents only 20 percent of the estimated legal problems of the poor. The groups' budgets yearly total about $8 million. Each year, President Reagan proposes to eliminate the program, but Congress continues it.

Chief Justice Amdahl says Minnesota's efforts to support legal help for the poor should be continued "not only for the indigent but for ourselves as well." He was referring to lawyers as representatives of society, but also to the kind of humane society Minnesota should be.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD at this point the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, July 26, 1985.
In reply refer to: I-04152/85ct.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding under separate cover Transmittal No. 85-46, concerning the Department of the Navy's proposed Letter of Offer to Japan for defense articles and services estimated to cost $14 million or more. Since most of the essential elements of this proposed sale are to remain classified, we will not notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL NO. 85-46

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) (U) Prospective purchaser: Japan.

(ii) Total estimated value:

Major defense equipment ....
Other ....
Total ....

(iii) Description of articles or services offered:

(iv) (U) Military department: Navy (SAU Amendment 1).

(v) (U) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) (U) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See Annex under separate cover.

(vii) (U) Section 28 report: Case not included in section 28 report.

(viii) (U) Date report delivered to Congress: July 26, 1985.

POLICY JUSTIFICATION

(U) Japan is one of the major political and economic powers in East Asia and the Western Pacific and a key partner of the United States in ensuring the peace and stability of that region. It is vital to the U.S. national interests to assist Japan in developing and maintaining a strong and ready self-defense capability which will contribute to an acceptable military balance in the area. This sale is consistent with these U.S. objectives and with the 1960 U.S.-Japan Treaty of Mutual Cooperation and Security.

(U) The prime contractor will be the Lockheed California Company of Burbank, California.

(U) Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives in Japan.

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.●

EMERGENCY VETERANS' JOB TRAINING PROGRAM

● Mr. KERRY. Mr. President, yesterday, Senator MURKOWSKI, Senator CRANSTON, and I worked out an agreement to extend the Emergency Veterans' Job Training Act through March 1, 1986, and to hold hearings on the EVJTA with the view to considering further authorizations for the act.

Before this agreement was worked out, I was prepared to offer an amendment to the Veterans' Health Care Act today. That amendment was a simple amendment, consisting of three parts.

The first part extends the Emergency Veterans' Training Act of 1983 for 1 more year. The second part allows unemployed veterans to enroll in the program after 5 weeks, instead of the 15 weeks now required. The third part authorizes $75 million to extend the program through fiscal year 1986.

Each of these provisions was passed in substantially similar form by the House on May 20 without opposition.

Two years ago, when Congress enacted this legislation, it made a commitment of $300 million to make this program a reality. There were delays in implementing the program—only $150 million was ever appropriated for the program—more than 30,000 veterans were placed in the program—but hundreds of thousands more enrolled and never found jobs even with the program.

Mr. President, the House recognized that Congress made a commitment to our unemployed veterans to provide this help. Because the program was delayed in implementation and the full funds were never appropriated, that commitment cannot be fulfilled without the extension of the program for another year.

My office has received a number of calls from all over the country over the past 2 weeks about this program—calls from Albuquerque, NM, as well as from Boston, MA, from field workers who know what the program can mean to unemployed veterans, asking if there was anything they could do to let the people in Washington know that the program was working, that it was making a difference.

The Nation's veterans, and particular the veterans of the Vietnam era, sacrificed much for this country. This program is a small program in cost, but it has made a difference. Today, with new evidence of the fact that Vietnam veterans are still suffering from the effects of their service, we must not fall back from our commitment to them.

Just last week, the American Legion revealed the initial results of a just-completed study of Vietnam veterans which revealed that those who experienced intense combat continue to pay a price for their service—literally.

The results, announced July 23, showed that veterans with intense combat experience annually earn $3,000 to $4,000 less than their comrades who served at the same time, but not in Southeast Asia.

The general happiness and marriages of these heavy combat veterans were also significantly lower than for other veterans. As the scientists who conducted the study determined, there is a "clear and consistent adverse social effect of exposure to combat. Specifically, we find that as the mean level of traumatic combat experiences rises, so does the divorce rate. Conversely, annual family income declines as do the reported levels of general happiness."

As the scientists said:

> These men appear to be literally paying a financial cost, as well as emotional cost, for their combat experiences. . . . This information is a confirmation both of the stressful effects of the combat experience and of the particular effect it had on the men who were born in the period of 1944-1949. These men clearly bore the brunt of the war and its aftermath.

This problem is clearly recognized by veterans' organizations and veterans' service professionals, who feel that the Emergency Veterans' Job Training Act is an appropriate mechanism for responding to it. The act subsidizes job training programs for unemployed veterans. That subsidy helps put those veterans in the position to find jobs and develop skills enabling them to retain them.

Mr. President, I want to draw your attention to a second study, released last August by the California Employment Development Department, which studied veterans' employment

and training, and found that many Vietnam veterans have experienced prolonged periods of unemployment and have not been able to pursue their career goals.

Other findings are that Vietnam veterans have a taxable family income that is 40-percent lower than other veterans who served in the Vietnam era, and that three quarters of those surveyed desired to participate in programs that would upgrade their skills.

The study therefore concluded that Congress should extend the Emergency Veterans' Job Training Act for an additional 3 years, through 1988, warning that unless extended the program would "terminate before a majority of veterans ideally suited for EVJTA job openings will be ready to participate."

The Vietnam Veterans of America has taken a strong stand in support of extending this program for this very reason. And I would like to quote from a letter they sent to me explaining why it is so important that this program continue:

> In the present budget climate, the VVA letter states, "smaller initiatives such as EVJTA often become lost in the shuffle. As you are well aware, unemployment among Vietnam veterans has not really abated in fifteen years. On any given day during the last decade and a half, nearly half a million such veterans have been jobless. In addition, there have been at least four occasions during the same period in which unemployment for the group has reached alarming proportions. If there were no underlying structural problem, then these cyclical rises should not be recurring. It is certain true that they recur amongst the general population. Since there is a close correlation between age and unemployment, one would expect that the problem would have vanished by now, with most Vietnam veterans approaching middle age. The fact is, the problem has not gone away as it did with World War II and Korean veterans. If we are ever to come to terms with unemployment among Vietnam veterans, we must tailor our remedies to address structural job problems. VVA believes that EVJTA does just that."

The VVA letter then discusses the budgetary implications of the program, pointing out that each time a veteran is hired under EVJTA, he or she becomes a taxpayer. A veteran entering a $16,000 per year job will pay at least $1,600 in Federal taxes during the first year. Since the cost of the program for that veteran would be approximately $4,000, this means that 40 percent of the cost of the training is returned to the Federal Treasury during the first year of employment alone.

This offset does not include the other budgetary and economic considerations involved—from unemployment insurance to food stamps and AFDC and other costs which are eliminated when you put a veteran back to work.

And we should also recognize the long-term economic benefit to this country occasioned by offering training to veterans that provides them with skills that keep them employed.

As the American Legion has concluded the EVJTA "continues to be working successfully to assist unemployed veterans in job training programs offering the acquisition of meaningful skills leading to moderate income employment."

In the view of the American Legion, "this important program deserves to be allowed to continue assisting veterans in need of the kind of training that leads to lasting employment."

The Legion points out that the Emergency Veterans Job Training Program is not a public sector, makework kind of program, but a program that has relied upon a partnership between the public and private sectors.

> Unlike so many other job training programs . . . this program relies on the private sector to create both the training programs and the jobs for which veterans may apply. On balance, the cost of many of those failed [public sector] programs has never been recouped by the government in the form of revenues received by permanently employed individuals. On the other hand, this program was designed to do just that and in the absence of any evidence to suggest it is failing to make taxpayers out of unemployed veterans, this program is justified as a fiscally prudent investment.

As a distinguished leader of this body has said:

> We find ourselves perhaps differing on the Vietnam War itself . . . We find ourselves in total agreement on adequate treatment of veterans who returned from Vietnam whether they be handicapped or not.
>
> If they honorably served their country, then I think our commitment should be clear . . . If it costs extra money, it costs extra money. If we have to appropriate more money, we have to appropriate more money, but I believe in the long run that is a net gain for the government of the United States.

I ask that the letter from the American Legion and the letter from the Vietnam Veterans of America be printed in the RECORD at the conclusion of my remarks.

Mr. President, I am not offering this amendment today because I believe that the extension of the program until March, even without new authority, is a reasonable compromise position so long as hearings take place very soon on the EVJTA.

Senator MURKOWSKI and Senator CRANSTON have agreed to schedule such hearings as soon as possible after the August recess in September. At that time, I anticipate that representatives of veterans organizations and specialists on the problem of Vietnam veteran unemployment will testify to the need for EVJTA, and for possible modifications of the program, such as the job bank proposed in my bill.

Following that testimony, it is my hope that the Veterans Committee will decide to recommend the authorization of further money for this program, in an amount of at least $75 million for fiscal year 1986.

The letters referred to follows:

THE AMERICAN LEGION,
Washington, DC, July 24, 1985.

Hon. JOHN F. KERRY,
U.S. Senate,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR KERRY: The American Legion applauds your efforts to offer an amendment to S. 876 for the purpose of extending the Emergency Veterans Job Training Program. Even though this modest program was originally tailored to address the emergency needs of veterans displaced by this nation's most recent deep recession, it continues to be working successfully to assist unemployed veterans in job training programs offering the acquisition of meaningful skills leading to moderate income employment. In our view, this important program deserves to be allowed to continue assisting veterans in need of the kind of training that leads to lasting employment.

In that regard, The American Legion in conjunction with Columbia University have just released the first findings of a major study being undertaken to asess the special problems of Vietnam veterans. The finding released to the public on July 23, 1985 strongly suggest that Vietnam combat veterans are still in need of readjustment assistance. For example, these combat veterans are economically poorer, less adjusted from service, more suspicious of the VA and have greater divorce rates than similarly aged and similarly trained or educated noncombat veterans. While continuing the Emergency Veterans Jobs Training Program cannot be considered a panacea guaranteeing a total solution to the problems of Vietnam era veterans, it must be understood as still needed in the interest of providing many of these veterans with the personal and economic stability that solid employment provides.

In conclusion, one final aspect of this program should be clearly recognized as a contributor to its overall success. Unlike so many other job training programs having used the public sector in the past as the supplier of training and jobs, this program relies on the private sector to create both the training programs and the jobs for which veterans may apply. On balance, the cost of many of those failed programs has never been recouped by the government in the form of revenues received by permanently employed individuals. On the other hand, this program was designed to do just that and in the absence of any evidence to suggest it is failing to make taxpayers out of unemployed veterans, this program is justified as a fiscally prudent investment.

As always your attention to the views of The American Legion is appreciated.

Sincerely,

E. PHILIP RIGGIN,
Director.

VIETNAM VETERANS OF AMERICA, INC.,
Washington, DC, July 29, 1985.

Hon. JOHN F. KERRY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KERRY: On behalf of Vietnam Veterans of America, I want to express our deep appreciation and strong support for your efforts to extend the Emergency Veterans Job Training Act (EVJTA). In the present budget climate, where decisions are being made about billion dollar programs, smaller initiatives such as EVJTA often become lost in the shuffle. As a Vietnam veteran, you are well aware of how central the issue of employment is to a readjustment process that has already taken far too long for many of the men and women who served in our nation's longest war. Your leadership in familiarizing your colleagues with this problem, as well as with the program designed to remedy it, comes at a critical hour.

As you are well aware, unemployment among Vietnam veterans has not really abated in fifteen years. On any given day during the last decade and a half, nearly half a million such veterans have been jobless. In addition, there have been at least four occasions during the same period in which unemployment for the group has reached alarming proportions. If there were no underlying structural problem, then these cyclical rises should not be recurring. It is certainly true that they recur amonst the general population. The Vietnam veteran group, however, is an aging population. Since there is a close correlation between age and unemployment, one would expect that the problem would have vanished by now, with most Vietnam veterans approaching middle age. The fact is, the problem has not gone away as it did with World War II and Korean veterans. If we are ever to come to terms with unemployment among Vietnam veterans, we must tailor our remedies to address structural job problems. VVA believes that EVJTA does just that.

VVA recognizes that hard choices need to be made to reduce the budget deficit. We believe, however, that EVJTA is just as vital to the interests of Vietnam veterans as many as the programs that the Senate has chosen to sustain are to our fellow citizens. Fortunately, the cost of the progrm is relatively small. We believe the program not only assists the veteran but also ultimately benefits the taxpayers of the United States in two ways. First, over the short term, EVJTA immediately makes the veteran a taxpayer, since he or she is employed during the training period. A veteran entering a $16,000 per year job will pay at least $1,600 in federal taxes during the first year. Since the cost of the program for that veteran will be approximately $4,000, this means that 40% percent of the cost of training is returned to the Federal Treasury during the first year of employment alone. This offset does not include other considerations such as unemployment insurance, AFDC, food stamps and other costs in taxpayer dollars which are obviated by the veteran's employment. Second, there is a long term benefit to taxpayers in this program. Many Vietnam veterans have suffered recurrent periods of unemployment which are directly attributable to lack of skills, and consequent vulnerability to being last hired and first fired. Skill training under EVJTA should go a long way toward assuring that the cycle of employment and unemployment is finally ended for veterans trained under this program.

For Vietnam Veterans of America, the extension and health of the Emergency Veterans Job Training Act is a top legislative priority. We are gratified by our work on the program. We are confident that a majority of the members of the Senate will recognize, through your work, how important this modest program is to our Nation's ultimate economic health.

Sincerely,

DENNIS K. RHOADES,
Executive Director.●

CALL TO CONSCIENCE ON SOVIET JEWRY

● Mr. KENNEDY. Mr. President, as part of the 1985 Congressional Call to Conscience, I should like to draw my colleagues' attention to the plight of Abe Stolar and his family in the Soviet Union.

Mr. Stolar's story is an uncommon one. An American citizen, he has lived in the Soviet Union since 1931, when he was brought there by his parents at the age of 19. After building a life there, in 1975 he applied and received permission for himself, his Russian-born wife, and his son to emigrate to Israel. Their exit visas were rescinded after they had boarded a plane for departure, and they were removed from the plane. For the last 10 years, they have done everything in their power to obtain exit visas.

I had the good fortune to spend some time with Mr. Stolar during one of my recent trips to the Soviet Union. In fact, we spent an evening together with Andrei Sakharov and other refuseniks—with Abe Stolar acting as my interpreter. His family's situation has since become desperate.

Two and a half years ago, Mr. Stolar's son Michael married a Russian woman, Julia. Although the marriage was performed by a rabbi, the marriage bureau has refused to recognize its validity, ostensibly because the family had given up its Soviet citizenship in exchange for their illusory exit visas 7 years earlier. Those exit visas registered them "stateless," and for all practical purposes, that is what they are. Their American citizenship is ignored, but they are without the documents needed to participate as ordinary citizens in Soviet society; they live in that twilight zone so familiar to other refuseniks.

Earlier this year, the Soviet emigration agency, OVIR, granted exit visas to Mr. Stolar, his wife, and his son. But the agency has refused to grant an exit visa to Michael's wife, Julia. A stalemate has ensued. The Stolars refuse to leave unless Julia is allowed to accompany them, and the Soviets have repeatedly refused to permit Michael Stolar's wife to leave with him.

Mr. President, I know that all Members of the Senate share my concern over the tragic choice the Stolars refuse to make, and would join me in urging the authorities in the Soviet Union to allow all the members of the Stolar family to emigrate to Israel.●

BORG-WARNER AUTOMOTIVE TRANSMISSION SYSTEM OF MUNCIE, IN

● Mr. LUGAR. Mr. President, today, I would like to honor the Borg-Warner Automotive Transmission System of Muncie, IN, as my selection to receive the U.S. Senate Productivity Award. In 1984, I established a special committee of 11 Indiana executives to seek out nominees for the Productivity Award for Indiana. This year, there were 18 entries received by the committee which nominated three companies to undergo the final selection process which I personally steered. The committee visited each of these three companies and made recommendations based on the nomination and company visit.

Borg-Warner-ATS displayed an impressive set of credentials; it was practically devastated by the recession, and staged a somewhat remarkable recovery restoring the firm's profitability. It implemented innovations which led to over a 100-percent in sales from 1982 to 1984. Even more impressive, over 80 percent of this company's sales consist of products developed and launched in the last 4 years. They have overcome a stifling series of labor disputes and poor labor relations to establish a very constructive and profitable environment. These favorable income statements indeed reflect this profitable environment as the company has devised a new profitsharing program that will bear fruit for its employees in the very near future.

Not only is the Borg-Warner Automotive Transmission System now enjoying the fruits of its labor, it is also taking steps to secure its future profitability. It has recently initiated a new employee training program that has shown a net increase in productivity, proving its efficiency. Its safety incident rate is only half those of comparable firms in the industry.

With all of these facts in mind, I would again like to give the highest praise to the Borg-Warner Automotive Transmission System and commend its efforts to increase its productivity as well as take a critical role in enhancing the Indiana and United States economies.

Mr. President, I ask that the editorial in the Muncie Star on Sunday, March 4, 1984, regarding Borg-Warner Automotive Transmission System be printed in the CONGRESSIONAL RECORD.

[From the Muncie (IN) Star, Mar. 4, 1984]

WARNER GEAR'S SUCCESS

It would be hard to find a more important day in Warner Gear's history than Sunday, March 4, 1984.

For today marks the culmination of a program unique in the annals of labor-management relations in Muncie—a day set aside to salute a profit sharing program that has enriched not only Warner Gear employees but the entie Muncie community.

This afternoon in Ball State's University Gym more than $5 million will be distributed as a result of the company's profit sharing program. Employees are receiving $1.01 of profit sharing for each hour they worked in 1983. There are 2,761 employees receiving the dividends. As an example of what they might expect a person who worked 40 hours a week for 52 weeks would receive $2,100.

Last year, Warner Gear became the first Borg-Warner company to institute profit

sharing, although others have since adopted similar programs.

The success of the program extends far beyond the monetary sense. Charles Michael, president of United Auto Workers Local 287 at the local plant, decribes it this way:

"I think it's very good for all employees. The workers feel like it's fair, and we get a fair share of the profits."

Michael points out that the plant has recovered from two horrendous years in 1981 and '82. "To get into this much profit is quite amazing," he says. "A lot of people never thought it would happen, but it did."

"Our people wouldn't have gotten the money if we hadn't improved our product and quality," he says.

Kenneth Thorpe, Warner Gear vice president and general manager, also appreciates quality and knows that the profit sharing results would have been impossible without an improvement in all aspects of the plant's operation.

"Quality involves everybody," Thorpe says, "When people are involved, you get increases in production."

Dean Boyle, Warner Gear's vice president for human resources has called the profit sharing plan "the most important people-oriented event in the history of the company which dates to the earlier 1900s.

Boyle says the quality of work life programs begun in 1980 "on a handshake" between management and union officials are responsible in great measure for the company's recent success. The programs involve employees at every level in decisions about their work and work places and allows each person to develop to the fullest extent.

Finally, the Warner Gear success story is having a most postitive impact on the local community. Employment at the plant is aproximately 2,700, up significantly from the early 1983 figure of 1,850. And the dollars generated by the profit sharing plan benefit the local community many times over in terms of their purchasing power and investment potential.

It is for these reasons that The Star is pleased to salute Warner Gear for being a consistently good neighbor in the community and establishing itself as a business of excellence.●

CORPORATE AVERAGE FUEL ECONOMY STANDARDS

● Mr. MOYNIHAN. Mr. President, may I say a few words about the Senate's vote yesterday on Senator EVANS' amendment (No. 552) to the Conservation Service Reform Act of 1985. This amendment expressed the sense of this body that the Administrator of the National Highway Traffic Safety Administration [NHTSA] should maintain the corporate average fuel economy standard [CAFE] for passenger automobiles.

The Senate voted to table that amendment, and, in my view, erred in so doing.

Ten years ago, Congress approved the Energy Policy and Conservation Act to encourage energy conservation, by requiring U.S. automakers to develop more fuel-efficient cars. That statute established requirements for minimum average fuel economy standards for the fleets of cars produced by U.S. firms, to be phased in gradually. In 1985, the CAFE standard is to reach 27.5 miles per gallon.

Now the Environmental Protection Agency and the Department of Transportation have decided to grant the General Motors Corp. and the Ford Motor Co. extra credits for fuel economy performance over the past 5 years. These credits are designed to enable companies to meet the 1985 CAFE standard.

NHTSA also has proposed a rule that if finalized, would lower the congressionally set fuel economy standards from 27.5 to 26 miles per gallon. The public comment period for this rule ends on August 21, and I could think of no better comment in opposition than Senator EVANS' amendment.

I oppose these actions. Conservation of natural resources, particularly oil and gas, is vital to our very economic survival. Although oil imports have recently been decreasing, we ought not relax our efforts to conserve.●

TOBACCO PRICE SUPPORTS

● Mr. GORE. Mr. President, there has been a great deal of discussion in Congress and the news media concerning the future of the tobacco price support program. I have introduced legislation, S. 1205, to provide a mechanism for reforming the tobacco program and disposing of existing surplus tobacco in a fair and fiscally responsible manner. S. 1205 would earmark revenue from the Federal excise tax on cigarettes to compensate for the enormous loss facing the Government. Recently, the Ways and Means Committee in the House of Representatives agreed to this proposal.

S. 1205 is not a sellout to the tobacco companies. Rather, it is a compromise measure that helps individuals who need to be helped, the small tobacco growers in Tennessee and other States. This bill will preserve the tobacco program in a form beneficial to growers, without leaving them at the mercy of large manufacturers, and in a way that will not burden the general taxpayer.

I commend to the attention of my colleagues an excellent editorial on this issue which appeared in the Knoxville Journal on July 29. I ask that it be printed in the RECORD.

The article follows:

TAX SMOKERS, NOT GROWERS

The federal government's tobacco support program, the taxes tobacco generates and health issues attendant to tobacco use are sure to provoke arguments whether they are brought up across the nation's farm fences, on courthouse benches and coffee counter stools or in the halls of Congress.

They are resounding in congressional committee rooms right now, and there will be no settlement of any of the questions that pleases everyone.

But the House Ways & Means Committee has advanced one suggestion that is hard to assail. In recommending retention of the cigarette tax of 16 cents per pack—raised from eight cents in 1982, but scheduled to go back to that level in September—the committee earmarked a penny a pack for defraying the federal governments costs in storing surplus tobacco.

That 16-cent a pack cigarette tax should be retained or even raised rather than be allowed to fall. And at least a penny, perhaps two, should go to the federal price support program. Tobacco farmers are currently assessed for storage costs, but the assessments have fallen short as huge surpluses have amassed. The farmers are threatened with another large increase in assessments this fall. And those billings are the result of the failure of federal efforts, which hold prices up and allot tobacco acreages, to keep in some semblance of line with the market.

Farmers shouldn't have to pay the price for the program's absurdities. They are correct in calling attention to the fact that $9 billion in federal revenues from taxes on tobacco products gives the general taxpaying public a return that far exceeds any subsidy costs. If a smokers' tax can be used to take the whole load directly from the rest of the public, it should be instituted.●

PEANUT PRICE SUPPORTS

● Mr. LUGAR. Mr. President, an excellent article in the Wall Street Journal reveals that the present peanut price support system is indeed a feudal program. It benefits a very restricted class of landowners who have inherited or purchased the right to sell peanuts to his fellow U.S. citizens. Unless you are 1 of 55,632 individuals and corporations that have been blessed with a Government-controlled poundage quota, you are prohibited from selling peanuts in the United States, Canada, and Mexico.

Most owners of this privilege are not active in peanut farming and are unfamiliar with the daily perils of growing peanuts; 50 percent of the peanut farmers in this country must rent the right to sell peanuts in the United States from their more fortunate neighbors. Rental values account for over 25 percent of the total cost of producing peanuts.

While this scheme of marketing rights is particularly unfair to new and less fortunate growers, another protective layer of the program provides some restitution for them as well. The support level for peanuts continues to be dictated by a cost of production formula that includes quota rental values. Each time the quota rents increase, the price support levels are adjusted accordingly. As the quota price support level rises, the value of the quota increases—thus creating an inflationary spiral that thwarts all hope of market expansion.

The bottom line is simply that consumers are ultimately responsible for paying the enormous costs associated with the Peanut Price Support Program. Defenders of the status quo assert that it is a model farm program because it has operated without much cost to the U.S. Treasury. The tremendous cost of the peanut program, however, has been charged directly to the consumer. The U.S. Department of Agriculture estimates that it adds an additional 13.5 percent to the cost of a jar of peanut butter. I continue to reject the rationale of transferring these enormous costs to all U.S. consumers, regardless of their level of income, while we are selling peanuts far more cheaply to consumers in other nations.

I will offer an amendment to the 1985 farm bill to reform this feudal program by phasing out the quota system over a 4-year period. Peanut farmers and U.S. consumers have suffered with this program long enough and reform simply cannot be delayed another 4 years.

I ask that the text of this article be printed in the RECORD.

The article follows:

[From the Wall Street Journal, July 29, 1985]

WE SHELL OUT A PECK FOR THIS NUTTY PROGRAM

(By James Bovard)

Amazingly, consumers may soon get a break on the 1985 farm bill. When the Senate considers the agricultural bill this week, Sen. Richard Lugar (R., Ind.) intends to offer an amendment to terminate the current peanut program. If Sen. Lugar's amendment passes, the farm lobby's phalanx will be broken, and other farm programs might be defeated.

Sen. Lugar is targeting perhaps the most obnoxious farm program around. It slashes productivity, boosts costs, inflates prices, and sacrifices some farmers to other farmers. If consumers are ever to make a stand in the farm bill fight, the peanut program is a good place to begin.

Farmers cannot grow peanuts for their fellow citizens without a federal license. Thirty-six years ago, to reduce budget outlays under a generous price-support program, Congress closed off the peanut industry, distributing licenses to grow peanuts to existing farmers and prohibiting anyone else from entering the business. Feudalism still reigns, and the farmer who violates the peanut proscription is subject to heavy fines and ensnarement in the Agriculture Department bureaucracy.

The peanut program is particularly perverse because Congress has piled on one restriction after another over the years. In 1977, Congress, in an attempt to reduce budget outlays caused by peanut surpluses, began restricting the amount of peanuts to be sold in the U.S. The domestic peanut supply has been nearly halved since 1975. This has created an artificial shortage and shifted the cost of the peanut program from the government to consumers.

The peanut program is replete with the usual ag policy flim-flams. By law, peanut support prices must be based on cost of production (COP). The Agriculture Department gets this "fair price" by averaging costs of the most productive and least competent farmers. The implicit premise is that no matter how badly a farmer bungles his business, he is entitled to be reimbursed (in part) for his efforts.

In 1980, peanuts were hit by drought, which sharply reduced yields and thereby temporarily boosted per-pound production costs. Congress based its 1981 COP calculation on the 1980 drought year—which conveniently justified a 21% hike in price supports, from $440 to $555 a ton.

The COP figure is also a joke because the peanut program itself adds as much as 50% to a farmer's cost of production. Approximately half of all growers rent licenses to grow (called quota allotments) from outsiders, paying a tribute of up to $120 a ton for the right to grow goobers. The cost of renting allotments is added to the COP formula, which results in higher price support, which drives up the rents for the privilege to grow peanuts, which results in higher COP . . . ad infinitum.

The quota system is also responsible for exhausting the soil and driving down peanut yields in many places. Quota allotments cannot be rented outside of the county they were originally allocated to in 1949. Peanut yields in parts of Texas have long been declining. While many acres with yields below 1,000 pounds have quotas, over a million acres with potential yields of 2,500 pounds or more are banned from producing for the domestic market.

The one good thing about the peanut program is also the element that proves that the whole shebang is unnecessary. As of 1981, any farmer could grow peanuts for export (called Additional Peanuts)—but with no real price guarantees from Uncle Sam. Peanut export sales are now far above mid-1970s levels. Georgia farmers are growing peanuts for export at $325 a ton—at the same time that Congress insists on paying farmers $555 a ton to produce for domestic consumption. Foreigners can buy U.S. peanuts much more cheaply than Americans can.

Though it is good that more farmers have finally been allowed to grow peanuts, the two-tier system sacrifices the new-comers to the old guard. By strictly limiting the domestic quota, the Agriculture Department reduces U.S. peanut consumption and there-by dumps a few hundred million tons of extra peanuts on the world market. This depresses prices received by American farmers growing peanuts for export.

The two-tier system is absurd. Peanut butter made from quota peanuts can be exported to Canada and Mexico, but peanut butter made from additional peanuts cannot. (The Agriculture Department fears the cheaper peanut butter made from additional peanuts could be reimported.) The additional peanuts themselves can be exported to Canada, and American peanut butter manufacturers are paranoid that Canadian companies may be using cheap peanuts to make peanut butter and then sending it back across the border.

Congress gives peanut growers a far better deal than other farmers receive. An American Peanut Product Manufacturers Institute study estimated that peanut price supports "have been set 80% above USDA-defined production costs . . . when land costs are excluded, and 60% above when the inflated costs of land are included." The Institute differs with the Agriculture Department's method of calculating peanut production costs. APPMI estimates that net returns to peanut farmers are four to 10 times higher than returns from competing crops.

Consumers are, as usual, the victims of this farm program. The Agriculture Department estimates that the peanut program boosts peanut butter prices 13.5%. Public Voice for Food and Health Policy, a Washington consumer group, estimates that the peanut program mulcts consumers for $250 million to $300 million a year.

There is hope for reform. The peanut program was almost knocked off in 1981. That year, Rep. Stan Lundine (D., N.Y.) proposed terminating the program, and the House approved 250-159. Sen. Lugar proposed phasing it out, and the Senate initially approved, 56-42. (The Senate later reversed itself, 51-47, and Rep. Lundine's bill vanished in conference.) Now both Rep. Lundine and Sen. Lugar will try again. APPMI, other peanut-product manufacturers, and Public Voice are vigorously lobbying to persuade Congress to end the goober madness. The peanut program's opposition is stronger and better organized this year and appears to have a good chance of success. And if the peanut program can be knocked down, a domino effect could occur with the rapid demise of the honey, wool and sugar programs.

The peanut program artfully combines the worst traits of feudalism and central economic planning. Congress has a chance to end this program that makes a mockery of efficiency, fairness and property rights.●

SECTION 226 OF S. 410

● Mr. GORE. Mr. President, I should like to express my understanding of one provision in the new section 226, which S. 410 would add to the National Energy Conservation Policy Act. Basically, section 226 sets up a system by which the Secretary of Energy can authorize a utility to undertake an Alternative Residential Energy Conservation Program if the program will result in equal or greater energy savings than that provided by a standard utility program. I think this is a good provision and will add a valuable flexibility to NECPA.

Among the prerequisites to the Secretary's authorizing an alternative utility program under the new section 226 is that certain State officials, including the Governor, must make certain findings, take certain actions, and conduct certain State proceedings. I understand that this provision is not intended to change the role of the Tennessee Valley Authority with respect to its cooperative and municipal distributors under NECPA.

TVA was one of the earliest supporters of NECPA, having begun its own residential conservation program before NECPA was even introduced in Congress. Under the NECPA System enacted in 1978, TVA is treated as a "State" with respect to its distributors and it is defined as a "State regulatory authority." It is also treated as a "Governor" and "State agency" for the purposes of section 212, and it submits its own "State plan" to DOE with respect to its distributors. I understand that TVA would continue this same role under section 226 by acting as the "Governor" and the "appropriate State officials" for the purpose of carrying out that section.

The TVA power system is a unified system with distributors in seven different States. It is appropriate that it continue its same role it has served under NECPA for the last 7 years and function as the "Governor" and "appropriate State official" under section 226 with respect to its distributors.●

ORDERS FOR WEDNESDAY

RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 a.m. on Wednesday, July 31, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senators PROXMIRE, KERRY, and HEINZ.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that following the special orders, there be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following the conclusion of routine morning business, it is the intention of the majority leader to turn to the conference report to accompany supplemental appropriations as well as any other legislative or executive calendar items which have been cleared for action.

I would guess there would be rollcall votes throughout Wednesday's session, and it may be the first thing that will be called up tomorrow is S. 63, In-Flight Medical Emergencies Act. I understand it is rather important legislation. We hope that if someone has a real problem with it, they can be in touch with staff on either side. It was near resolution at one point, but apparently some problem has developed. I am not certain where it is. If we can clear that for action tomorrow morning, we will call it up. So that might be the first legislative item tomorrow.

There are others that we will continue to work on tomorrow, the Mentally Ill Persons Act of 1985, S. 974; teaching hospitals, S. 1210; the International Air Transportation Protection Act, S. 1218. I understand there may be some difficulty with that, but the other two should be cleared. Then the energy and water appropriations bill and legislative appropriations bill. The budget resolution will not be around tomorrow. Compact of Free Association I am advised is now in some difficulty because of a difference of opinion within the administration; different agencies have different views on what should happen, and I am advised by Senator MCCLURE, chairman of the committee, that we probably will not be able to take that up at this time.

The Japan trade bill has been objected to. South African conference report, the conferees meet tomorrow and I hope they can reach an agreement. We might be able to dispose of that. The Genocide Treaty, only if we can do it rather quickly.

RECESS UNTIL 10 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move the Senate now stand in recess until 10 a.m. Wednesday, July 31.

The motion was agreed to, and the Senate, at 7:32 p.m., recessed until Wednesday, July 31, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 30, 1985:

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for permanent appointment to the grade of lieutenant colonel under provisions of title 10, United States Code, section 5912:

Allen, Paul D., Jr., 4385
Anderson, William T., 5451
Atkins, James P., III, 9400
Austin, Robin L., 8361
Baker, Linwood V., 8078
Bennett, Judson E., Jr., 7722
Baro, Roberta M., 9860
Bell, Doris A., 5525
Bergman, John W., 6022
Bingham, John W., 0067
Blakely, William D., 9610
Bialock, Willard D., 6344
Blum, Raymond O., 0481
Bonner, William J., Jr., 2532
Bracken, John H., III, 5961
Brady, Earl C., 2743
Brudzinski, George E., 0209
Brumley, Robert H., II, 7941
Burke, Patrick T., 7471
Callahan, William K., 2932
Calvert, Jerry L., 1941
Carney, Timothy J., 7259
Carr, Paul D., 4251
Clements, John D., 2914
Collins, Francis L., III, 8259
Cox, Steven L., 5330
Crosby, Brian P., 9441
Cross, David L., 5592
Daggett, Dean E., 7079
Dare, James W., 1032
Davis, Andrew B., 1872
Dolan, Peter A., Jr., 8746
Dzara, David D., 5387
Eaton, Charles F., 0032
Elmendorf, Byron L., 3712
Englenhardt, Stephen M., 2007
English, Bill J., 9393
Evans, John W., Jr., 1187
Fargotstein, Phillip F., 4446
Feltner, Geoffrey B., 0770
Fogg, John S., 9387
Foley, Daniel R., 9261
Ford, Michael J., 8296
Fugit, James D., 3371
Fuhrmann, Michael J., 1984
Garner, Jerry D., 2984
Gbur, Jonathan E., 9978
Gilson, Richard A., 9076
Gonzales, Ronald J., 5981
Goodrich, Lorraine D., 1449
Gordon, Adrian J., 3097
Gorian, James D., 8811
Gray, Michael S., 3602
Grose, Dennis R., 0324
Gross, Maurice, Jr., 5341
Gruber, Robert L., 3824
Hackney, William R., III, 8538
Hall, Nathan S., 8166
Hanvey, Stephan A., 9522
Haring, Timothy A., 4710
Harrison, Neal B., Jr., 7808
Hatcher, Charles C., 4264
Henderson, Edward M., Jr., 3365
Herzog, William E., 1670
Hewett, Michael E., 4524
Higgins, Ronald L., 0483
Hobbs, Charles R., 4221
Hoffman, Dolores K., 3508
Hosmer, William D., Jr., 0705
Howard, John E., 4254
Hubbard, Clinton L., 5490
Huovinen, James R., 5969
Hyde, Carl D., 1036
Inman, Vernon K., 6031
Jodeit, Michael R., 9637
Kanasky, Thomas L., Jr., 2685
Keene, Everett H., 8963
King, Giehl L., 4537
Klein, Christopher M., 3373
Kniss, Gary J., 2446
Kostka, Ken S., 4674
Kurner, David C., 7890
Kyler, Duane E., 1741
Lentz, Fleet S., Jr., 8249
Liston, Clinton R., 5524
Lloyd, Jeffrey J., 9490
Loop, William C., 6297
Mackin, Charles P., Jr., 0569
Mahoney, Joseph H., 1560
Manes, Robert D., 0365
Maracchini, Gerald A., 1399
Marsillo, Thomas M., 7683
Maxwell, Richard C., III, 0648
McCartney, Stephen M., 8828
McLaughlin, Gregory M., 6087
McLean, David S., 5036
Messikomer, Emil H. III, 3147
Miskill, Carol A., 6113
Molnar, Csaba S., 0691
Moore, James B., Jr., 4693
Moore, James D., Jr., 6711
Moore, Robert C., Jr., 3717
Morgan, Joseph M., 7526
Morris, John G., 1121
Morse, Roger W., 9211
Mountain, Kenneth E., Jr., 7661
Moynihan, David C., 2453
Mullins, Robert M., 5042
Muse, Charles T., 0864
Nies, Peter C., 1462
Parilla, Paul H., 6402
Parkhurst, Allen R., 0733
Pastel, Christopher R., 0542
Pesek, Thomas F., 0036
Pitman, Thomas J., 6736
Quinn, James Y., III, 9033
Quinter, Robert H., 8170
Ragsdale, James T., 6716
Redfern, Kurt B., 3643
Riddick, Harry S., Jr., 7192
Ritti, Eugene A., 7850
Rosen, James M., 6756
Salewski, John T., 7092
Sarvinski, Galen H., 7514
Sawyer, Joseph E., Jr., 6566

Schron, Courtney C., 9154
Seiser, Gary C., 8032
Shillito, Daniel G., 0598
Shimp, James D., 1894
Shreve, Dana S., 2744
Smith, Earl R., 7191
Smith Franklin B., 6704
Smith, Walter H., Jr., 9742
Spector, Ronald H., 2552
Starnes, Walter L., Jr., 4488
Staver, Dennis K., 9769
Steckler, Leslie J., 1213
Stickel, Glenn W., 3526
Stockton, Harry W., 2277
Sullivan, David S., 3301
Swietek, Robert E., 9075
Synnes, Dale C., 1767
Taft, John H., 4302
Taylor, Richard W., 5309
Teele, John P., 9178
Thomas, Jan P., 2821
Toczylowski, Casimir M., 1704
Tray, Patrick J., 3282
Vandenbrook, Martin R., 8963
Vianello, Gerald A., 5771
Walker, Bradley C., 8741
Wetzel, Warren A., Jr., 7460
Wilkerson, Richard J., 6470
Williams, Charles E., 8691
Williams, Leslie K., 6091
Wilson, Douglas A., 6641
Wirsching, Robin F., 6665

CONFIRMATIONS

Executive nominations confirmed by the Senate July 30, 1985:

POSTAL RATE COMMISSION

Patti Birge Tyson, of Texas, to be a commissioner of the Postal Rate Commission for the term expiring November 22, 1990.

ENVIRONMENTAL PROTECTION AGENCY

J. Winston Porter, of Virginia, to be Assistant Administrator, Office of Solid Waste, of the Environmental Protection Agency.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Curtis E. von Kann, of the District of Columbia, to be an associate judge of the Superior Court of the District of Columbia for a term of 15 years.

HOUSE OF REPRESENTATIVES—*Tuesday, July 30, 1985*

The House met at 12 o'clock noon.

The Reverend Kermit Johnson, former Chief of Chaplains, U.S. Army, Washington, DC, offered the following prayer:

Gracious God, whose strong presence is with us, strengthen us for the work of this day.

God of Justice, who puts down the mighty and exalts the lowly, help us to actively respond to Your voice in the voiceless who cry out for justice.

God of Hope, heal our cynicism. May we not support what we condemn and may we support even imperfect instruments for human hope.

God of Peace, in whose outstretched arms we all find welcome, may we not fear to reach across barriers of distrust.

God of Grace, who has specially blessed our land, may we both conserve and share Your gifts.

So, may we do justice, and love mercy, and walk humbly with You, our God, our Strength and our Redeemer. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 1128) "An act to amend the Clean Water Act, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STAFFORD, Mr. CHAFEE, Mr. SIMPSON, Mr. DURENBERGER, Mr. BENTSEN, Mr. MITCHELL, and Mr. MOYNIHAN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1078. An act to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes; and

S.J. Res. 180. Joint resolution commemorating the 10th anniversary of the signing of the Helsinki Final Act.

PRIVATE CALENDAR

The **SPEAKER**. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

CERTAIN FORMER FLIGHT ENGINEERS OF WESTERN AIRLINES

The Clerk called the bill (H.R. 484) for the relief of certain former flight engineers of Western Airlines.

Mr. **SENSENBRENNER**. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

MEALS ON WHEELS OF THE MONTEREY PENINSULA, INC.

The Clerk called the bill (H.R. 1095) for the relief of Meals on Wheels of the Monterey Peninsula, Inc.

There being no objection, the Clerk read the bill, as follows:

H.R. 1095

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Meals on Wheels of the Monterey Peninsula, Incorporated, and any individual who performed service in its employ after 1975 and before 1983 are relieved of all liability to the United States for the payment of unpaid taxes imposed by chapter 21 of the Internal Revenue Code of 1954 (and any interest or penalty assessed or accrued on such taxes) with respect to service performed in the employ of Meals on Wheels of the Monterey Peninsula, Incorporated, during such period.

SEC. 2. For purposes of title II of the Social Security Act, service performed in the employ of Meals on Wheels of Monterey Peninsula, Incorporated, after 1975 and before 1983 shall be treated (for purposes of benefits for months beginning after the month in which this Act is enacted) as employment, if and to the extent that a detailed record of such service is transmitted to the Secretary of Health and Human Services within twelve months after the date of enactment of this Act.

AMENDMENT OFFERED BY MR. PANETTA

Mr. **PANETTA**. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PANETTA: Page 1, strike out lines 3 through 11 and insert in lieu thereof the following (and redesignate section 2 as section 3):

That, except as provided in section 2, Meals on Wheels of the Monterey Peninsula, Incorporated (hereinafter referred to as "Meals on Wheels"), and any individual who performed service in its employ after 1975 and before 1983 are relieved of all liability to the United States for the payment of any interest or penalty assessed or accrued on unpaid taxes imposed by chapter 21 of the Internal Revenue Code of 1954 with respect to service performed in the employ of Meals on Wheels during such period.

SEC. 2. The Secretary of the Treasury shall take no action before the end of the 90-day period beginning on the date of the enactment of this Act with respect to the collection of any unpaid taxes imposed by chapter 21 of the Internal Revenue Code of 1954 for which Meals on Wheels and any individual who performed service in its employ after 1975 and before 1983 are liable with respect to service performed in the employ of Meals on Wheels during such period. Section 1 shall not apply for purposes of relieving Meals on Wheels of any liability arising after the end of such 90-day period for the payment of any interest or penalty on any amount of such taxes which remain unpaid after the end of such 90-day period.

Mr. **PANETTA** (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

The **SPEAKER**. The question is on the amendment offered by the gentleman from California [Mr. PANETTA].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The **SPEAKER**. This concludes the call of the Private Calendar.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE CONFERENCE REPORT ON H.R. 2068, DEPARTMENT OF STATE, U.S. INFORMATION AGENCY, AND BOARD FOR INTERNATIONAL BROADCASTING AUTHORIZATIONS FOR FISCAL YEARS 1986 AND 1987

Mr. **FASCELL**. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file the conference report on the bill (H.R. 2068) to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes.

The **SPEAKER**. Is there objection to the request of the gentleman from Florida?

Mr. **BARTLETT**. Reserving the right to object, Mr. Speaker, I would

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

inquire of the gentleman, under my reservation, has that been cleared with this side?

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Florida.

Mr. FASCELL. Yes, it has. The ranking member, the gentleman from Michigan [Mr. BROOMFIELD], is right here.

Mr. BARTLETT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

LAST MONTH'S TRADE DEFICIT A RECORD-BREAKER

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, it's official! The Commerce Department announced today that last month's trade deficit was a record-breaker again, tipping the scales at $13.4 billion more imports coming onto our shores than exports going out, again the loss of thousands more jobs in America. Not only must we reassess this trade gap and its relation to jobs but also in the context of our solemn oath to provide for the common defense.

When the Revolutionary War broke out two centuries ago, our Continental Army found itself desperately in need of military equipment and clothing. The scene of soldiers with rags for boots at Valley Forge still stirs the hearts of all Americans. We were a group of colonies, dependent on another country for our manufactured goods. Now, when I look out and see that 77 percent of all footwear in this country is imported, I wonder just what country American soldiers of the future will have to rely on? And how about for uniforms and parachutes, with what's happening in our textile industry?

What kind of strategic situation are we in when we import 77 percent of our footwear, 95 percent of our motorcycles, 40 percent of our machine tools, 30 percent of motor oil fuel, and when we've given up most of the shipbuilding capacity in America and have lost our steel and metals development capacity to other nations? The accelerating decline of our manufacturing base is really a matter of national security. But, how can we expect progress on these fronts when we have a Pentagon that spends tens of thousands of dollars each year giving away watches made in Hong Kong and hats made in Taiwan to recruit the GI's of tomorrow?

SOVIET'S CALL FOR A 5-MONTH FREEZE ON NUCLEAR TESTING ANOTHER EXERCISE IN SOVIET DISHONESTY

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, the new Soviet leadership's call for a 5-month freeze on nuclear testing smells like leftover borscht.

Coming just a week after the Soviet's set off three nuclear explosions, it makes you wonder if there really is anything new in Moscow other than the smiling face of Gorbachev.

Ironically, it comes as the world observes the 10th anniversary of another exercise in Soviet dishonesty—the signing of the Helsinki accords designed to promote human rights in the Soviet bloc nations.

Ten years later, Soviet prisons and labor camps are full; emigration has slowed to a trickle; and names such as Sakharov and Shcharansky have become worldwide symbols of Soviet oppression.

If the Soviets were serious about reducing the nuclear threat, they would agree to onsite inspection.

Mr. Speaker, how could anyone take seriously this proposal from the same nation that shot down an unarmed civilian airliner, crushed freedom in Poland, and which continues to slaughter Afghan freedom fighters?

Mr. Gorbachev, you've got to be kidding.

THE PHYSICIAN'S EDUCATION LOAN COLLECTION ACT OF 1985

(Mr. ANDREWS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, I have introduced legislation which will correct a serious defect in the National Health Service Corps scholarship program. This bill requires that physicians who are in default on loans made under that program shall be forced to repay the Government through deductions from amounts due to them under the Medicare and Medicaid Programs. This legislation would strengthen debt collection procedures available to the Department of Health and Human Services.

Millions of dollars are owed the Government due to these defaulting doctors, and further millions are being paid currently to these same doctors in reimbursement for services provided through Medicare and Medicaid. A check of 80 doctors who defaulted on $2.3 million of medical school loans disclosed that the same doctors received $3.5 million in Medicare and Medicaid reimbursements over a 2-year period. This illogical practice should not be allowed to continue. This Student Loan Program is important to improved health care in this country and to the education of deserving students; it should not be abused. These delinquent doctors should pay their debts.

THE AMERICAN PEOPLE ARE DEMANDING DEFICIT REDUCTION

(Mr. PURSELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PURSELL. Mr. Speaker, for some time now in 1-minute speeches, I have been reading letters on the budget from my constituents in Michigan's second district.

An overwhelming majority of my constituents are demanding deficit reduction, as are the great majority of the American people.

Here we are, 4 days away from recess, and still—no budget resolution.

Unfortunately, the conferees don't seem to be listening to the American people. If they had been, we'd have a budget resolution.

It's interesting how the American people have seen the writing on the wall. Daniel L. Quint of Northville, MI writes:

> Please stop playing politics, Democrats versus Republicans, with the future of our economy and the future opportunities of our children.

And Lynn and David Booth of Dexter, MI write:

> Prolonged bickering * * * will directly lead to total disharmony, deficient budget reductions, and certain inaction. A flawed lean budget is far preferable at this time * * *.

Thank you, Mr. Quint and Mr. and Mrs. Booth.

Let's report out a budget resolution and move this country toward continued economic growth by reducing Federal spending.

□ 1210

THE ALUMINUM INDUSTRY

(Mr. McCLOSKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLOSKEY. Mr. Speaker, I rise to express my support for efforts being made by the U.S. aluminum industry to gain greater access to the markets of our trading partners in Japan, Canada, and the European Community.

Today, our colleagues on the House Energy and Commerce Subcommittee on Investigations and Oversight, are hearing from the Aluminum Co. of America [Alcoa] on efforts to get the Japanese to open more of their markets to American aluminum. American aluminum presents the Japanese with an excellent opportunity to increase purchases of products made in the

U.S.A. They can begin by reducing tariffs on aluminum sheet and plate. Currently, Japan plans to reduce duties on this product by 20 percent beginning April 1, 1986. But this action will still leave Japanese aluminum tariffs three times higher than the U.S. tariff on similar commodities.

As a Representative of a district where a major aluminum production facility is located—Alcoa's Warrick operations in Newburgh, IN—I am vitally concerned we insist on fair play in the international aluminum market. Fair trade can benefit both countries.

SHUSTER ENDORSES CONRAIL PUBLIC SALE

(Mr. SHUSTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUSTER. Mr. Speaker, after several months of evaluation, last week I reached my decision to support the public sale of Conrail, rather than the administration's proposed sale to Norfolk Southern Railroad.

I urge my colleagues to carefully consider the proposed public sale for several reasons:

The public sale will provide more income to the Federal Government; it will preserve competition; give better service to shippers; create more opportunities for employees; and preserve an independent railroad to serve the Northeast and Midwest.

There is indeed a risk involved in supporting an independent Conrail. If you believe that the Northeast is doomed to stagnation and decline, then an independent Conrail is likewise doomed. But if you believe in the future of the region, then an independent Conrail can surely survive and prosper. As it now is doing.

The bottom line, Mr. Speaker, is that I choose to believe in the future of our region of America, so I choose to support an independent Conrail.

ARMS CONTROL

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, 22 years ago President Kennedy broke the arms control deadlock of his day by challenging the Soviet Union to a moratorium on atmospheric nuclear testing. His initiative led 8 weeks later to the agreement and signing of the atmospheric test ban treaty. Yesterday Soviet leader Mikhail Gorbachev followed President Kennedy's courageous example by announcing that the Soviet Union will unilaterally stop conducting nuclear tests from August 6 until January 1, and will not be the first to conduct another nuclear test. This could be the opportunity of a lifetime for a lifetime of peace.

The Soviets have given a mile and President Reagan has taken an inch. He flatly rejected the offer and invited the Soviets to witness an American test. He has conceded the moral and political high ground to Gorbachev.

Mr. Speaker, this is no way to break through the barriers to arms control. Progress requires a show of good faith as well as strength. Refraining from nuclear testing and resuming negotiations on a CTB shows good faith without jeopardizing our national security. It goes far toward reaching an agreement to reduce the nuclear threat and head off an economically crushing arms race. We in Congress must go the full mile for arms control and meet the Soviet challenge. I invite my colleagues to urge the President to reconsider the Soviet offer; join with me on H.R. 1834, the simultaneous nuclear test ban; and stand up for economic, military, and common sense.

COMPARABLE WORTH

(Mr. DAUB asked and was given permission to address the House for 1 minute and to extend his remarks.)

Mr. DAUB. When, my colleagues, is a study not a study? When it is a comparable worth study.

H.R. 3008 will be before the House this week. This legislation sets up a so-called study that would in fact make substantial change in the antidiscrimination laws, laws that are applicable to both the public and the private sector.

Never before has title VII of the Civil Rights Act of 1964 been interpreted to mean that equal pay must be paid to different jobs when someone deems them to be comparable.

Equal opportunity and nondiscrimination are the law. Equal pay for equal work is the law. Comparable worth is not the law.

The study that would be mandated by H.R. 3008 actually defines job evaluation as objective. This objectivity of comparable worth schemes can clearly be illustrated by comparing the job ratings of different comparable worth studies that have been performed in different States. When converted to a common scale, a nurse was rated 79 points in Minnesota, 124 points in Iowa, 108 points in Washington, and 150 points in Wisconsin. This kind of comparison showed that 3 States believed that nurses should be paid more than electricians, but in Minnesota it proved that they thought nurses should be paid less than electricians. Nevertheless, comparable worth proponents claim these studies to be bias free and totally objective. They can determine the intrinsic worth of jobs, we are told.

My bottom line is, there is no universal standard for job worth. H.R. 3008 asks Congress to endorse the fundamentally flawed concept of comparable worth through the guise of claiming it is only a study.

My colleagues, do not be deceived.

OUR POLICY IN NICARAGUA

(Mr. BONIOR of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR of Michigan. Mr. Speaker, today's Washington Post carries and article about a new series of Contra attacks inside Nicaragua. Among those killed in a Contra ambush were eight mothers going to visit their sons in the military service.

Many of the Members of this body believe that our aid to the Contras is in the interest of democracy in Central America; that is a method of pressuring the Sandinistas toward internal reforms. In the most recent votes on this issue, supporters called new aid to the Contras "humanitarian."

I know these are the genuine goals of every Member of this body. But, as the death of these eight mothers reminds us, our goals are not always matched by reality. We are backing a war in Nicaragua, a war that is causing immeasurable suffering to the civilian population of that country.

I hope my colleagues will continue to evaluate the consequences of our policy in Nicaragua, and will not close their eyes to the human costs of this war. For today in Nicaragua, there are eight more families without mothers, and an entire generation of children, who cannot forget what a policy that claims to support democracy has done to their lives.

CERTAIN FORMER FLIGHT ENGINEERS OF WESTERN AIRLINES

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 484) for the relief of certain former flight engineers of Western Airlines.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 484

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to each of the former flight engineers of Western Airlines named in subsection (b) (or if a named individual is deceased, to his estate) the sum of $25,000.

(b)(1) The individuals referred to in subsection (a) are the following: Carlos Acuna, Fidel Aguirre, Arne Anderson, John Araiza, A. J. Baker, Joseph Baniecki, Arthur Bankers (deceased), Leland Bartleson (deceased), Frederick Beneze, William Blagdon, Jerry Blakeley, Hugo Boisett, Richard Bolton, Richard Bongard, Donald Boyd (deceased), Frank Brasmer (deceased), Wayne Brewer, Lowell Bright, James Brott, Owrie Brown, Harold Camp, Emmett Carroll (deceased), James Carroll, Joseph Carter, A. J. Christensen, Glenn Collins, Ronald Crachy, Dick Crampton (deceased), Pierre Du Bois, Frank Crites, Louis Dauthtry, Sam Diehl, Donald Farrell (deceased), Thomas Farrell, Lyndon Fellows, Dorrence Fincher, Dewey Foster, Edward Franzen, Robert Fredrickson, William Gaedtke, Donald Gage, Daniel Galligan, Edward Gerlits, Wendell Goldsmith, John Hamilton, Harold Hayen, Fred Hazlett (deceased), William Hegemann, George Heinz, Robert Hicks, Eugene Hodgins, Duncan Hughes, Joseph Irvine, Albert Johnson, Harold Johnson (deceased), Jack Johnston, Stanley Klescewski, Dale Kluckman (deceased), John Kosmicki, Stanley Koltvett, Al Krueger (deceased), Glenn Kvendru, William Lagler, Donald Lensing, Paul Litjen, Robert Longworth, Loren Lorenzen, Bert Martens, Charles Martin, James McMahon, Antonio Mendiola, Gerald Moe, James Middleton (deceased) Jake Morlock, I. Newman, George Norris, L. O'Conner, Virgil Paulsen, James Potts, Dwight Preston, Robert Pugh (now known as Robert Gould), Peter Raymen, George Richter, Stanley Rober, Merle Russell, William Rodger, Walter Sabol, William Sawvell, Robert Sawyer, John Schroeder, Kenneth Schultz, Kenneth Severson, Donald Shannon, Kenneth Sherman, Edward Sherwood, Earl Shiveley, William Short, Eugene Siebern, Chifford Smith, Eldred Steffens, Raymond Tanis, Eli Tarin, Eli Tavarez, Paul Theod, Richard Thomas, Glenn Tidwell, Henry Tomberg, John Trank, William Tyler, Earl Troutner, Andrew Vagenas, Manuel Vargas, Alfred Vereb, Torgeir Vik, Martin Wahne (deceased), Rodney Waite, John Walik, Gillis Walsh, Herman Weinstein, John Willey, Fred Wolf, and David Wright (deceased).

(2) The individuals referred to in paragraph (1) are individuals who are former flight engineers of Western Airlines and who were plaintiffs in the matter referred to the chief commissioner of the Court of Claims by H. Res. 83, Ninety-fifty Congress, pursuant to section 1492 of title 28, United States Code (congressional reference case numbered 1-78).

Sec. 2. No part of each amount provided for in the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim of any individual named in subsection (b) of the first section and the payment of receipt in excess of 10 per centum of each amount provided for in the first section shall be unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed $1,000.

With the following committee amendment: page 2, line 2, strike out "25,000" and insert in lieu thereof "$20,000".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

COMPARABLE WORTH

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, not only do the proponents of comparable worth claim that it is only a study, but they further make the fallacious claim that no study of this subject has been done in the last 67 years, the last 57 years, the last 30 years, as previously reported.

Mr. Speaker, I have before me a summary entitled, "Equal Worth, Comparable Worth, and, Market Worth of Federal Jobs. A study of the Federal Government Pay Classification and Qualification System for Employment," by the U.S. Office of Personnel Management.

□ 1220

This is the study that is summarized in that report. The fact of the matter is that it has been studied not only by the Office of Personnel Management, but also by the U.S. Civil Rights Commission. The study, in both cases, rejected the concept.

If I may quote from the Office of Personnel Management:

> Comparable worth simply is a recipe for conflict. Any nonmarket assignment of worth to different jobs would be arbitrary and therefore unjust. Such a system would promote class conflict. Notice we have not even referred to the cost of such a system which would be very substantial in the hundreds of billions of dollars, but only of comparable worth's illogic, imprudence, and injustice.

The fact is the studies have been made, the conclusions have been drawn, and there is no need to further study such an alternative.

THE CONCEPT OF PAY EQUITY

(Mrs. BURTON of California asked and was given permission to address the House for 1 minute.)

Mrs. BURTON of California. Mr. Speaker, I rise today in support of H.R. 3008, and for the concept of pay equity in general.

We all know that discriminatory wage practices exist. We know that they exist within the Federal wage classification system.

The Federal Government, which is the single largest employer, cannot continue to perpetuate a wage structure that systematically discriminates against a majority of its female employees.

Many of the States are already studying and collecting data on their wage structures. In California, three agencies collect data annually on comparable worth activities in the workplace.

In 1981, our legislature passed an amendment to the State civil service law establishing "a State policy on setting salaries for female-dominated jobs on the basis of comparability of the value of work."

In my city of San Francisco, the board of supervisors overwhelmingly passed a resolution declaring the city's intention to eliminate pay inequity based on race or sex-based wage classification.

Mr. Speaker, I urge my colleagues to realize that we are calling for a study, an important one. What we will end up with is knowledge—upon which we can plan.

THE NEVADA WILDERNESS BILL

(Mr. REID asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REID. Mr. Speaker, when working on bills it's as important to define the legislation in terms of what the issues are not as it is for what the issues are. That has become especially true for a Nevada wilderness bill.

Earlier this week, I discussed what wilderness is, what it includes. Now, in order to dispel myths and confusion, I'd like to discuss what wilderness legislation is not.

For ranchers the Wilderness Act of 1964 does not preclude existing grazing uses in wilderness from continuing. In fact, ranchers are given more protection under wilderness than in nonwilderness forest lands.

For Nevada miners, even if all land recommended by conservationists becomes wilderness, over 70 percent of the national forest land would remain available for exploration and development. But until a Nevada wilderness bill is passed the entire 3.6 million acres of this roadless land remains in limbo as de facto wilderness.

These two examples demonstrate why it's important for us to take special care in drafting a Nevada wilderness bill that not only meets the needs of the State and the Nation, but also is understood in terms of purpose and possibility.

FATHER LAWRENCE JENKO HELD HOSTAGE IN LEBANON

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, at 7:30 a.m., January 8, 1985, Father Lawrence Martin Jenco was kidnaped at gunpoint on his way to work as the director of Catholic Relief Services in Lebanon.

Father Jenco has served for 25 years in places like Thailand, North Yemen, India, and Australia. He was assigned to Lebanon in October 1984.

Father Jenco never wore a cleric's collar. He didn't want people to misunderstand his role. His job was to rebuild hospitals and schools and help refugees, not to evangelize.

Today is the 203d day since Father Jenco was kidnaped in Lebanon.

Today is the 501st day William Buckley has been held hostage in Lebanon.

Reverend Benjamin Weir has been held hostage in Lebanon for 448 days.

Today is the 136th day of captivity for Terry Anderson, the Associated Press bureau chief in Beirut.

David Jacobsen, director of the American University Hospital in Beirut, has been held hostage for 63 days.

Today is the 50th day of captivity for Thomas Sutherland, the dean of agriculture at the American University, Beirut.

Today also marks the 238th day since the disappearance of Peter Kilburn, the American University librarian.

Mr. Speaker, the Lebanese hostage crisis is more than 500 days long. At night, as they sleep restlessly—wonder if they fear we have forsaken them.

CATCH-22 AFDC RULES

(Mr. LEHMAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEHMAN of California. Mr. Speaker, today I am introducing legislation which will address a serious flaw in the Aid to Families with Dependent Children Unemployed Parent Program [AFDC-U]. The flaw is commonly known as the 100-hour rule.

This rule terminates eligibility for the AFDC-U program for a primary wage earner as soon as he or she is employed over 100 hours a month. It was originally intended to get able bodied wage earners off welfare, yet instead it discourages these parents from accepting employment and encourages welfare dependency. This is because the unemployed parent can legitimately and with good cause turn down employment if the resulting income would be less than the public assistance benefits for which the family is eligible. With the 100-hour rule, the father of a family of four on AFDC would have to work at least 140 hours a month at minimum wages to match the national average AFDC payment. The Federal Government, however, takes away all his benefits if he works just 100 hours.

It is time to address this unfortunate flaw in the AFDC program and to eliminate the work disincentive that has evolved. The bill I am introducing today will do precisely that. My legislation will encourage participation in the job market by establishing demonstration projects nationwide where the 100-hour rule would be waived. Wage earners would be allowed to work in excess of 100 hours a month without the threat of the family losing all AFDC benefits. Families, instead of becoming ineligible for assistance would see their grants reduced. As a result, there would be a reduced expenditure of AFDC program funds for each family receiving earned income.

It is clear that the 100-hour rule is not working when dependence on public assistance is increasing—not decreasing. The time has come to try something new. We need to break the cycle of welfare dependency passed on from generation to generation of welfare families. Working parents set role models, restore dignity and provide hope in families caught in the welfare trap.

WE MUST NOT FAIL THOSE WHO HAVE PLACED THEIR TRUST IN US

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON. Mr. Speaker, today I am announcing that I plan to vote against any motion to adjourn until a budget resolution is agreed to by the House and Senate, and urge each of my colleagues to join me.

We all know the seriousness of the challenge we face. We have sought the responsibility of the position we hold, and now we must not fail those who have placed their trust in us. The American people, your constituents and mine, are beginning to wonder whether Congress can responsibly address the Federal deficit; whether elected Representatives are capable of making the difficult decisions necessary to govern this country and to save us from almost certain financial ruin.

As one who has fought out the tough decisions that must be made to shave $50 billion from our deficit, and whose 92 group budget proposal was confirmed by CBO as at least doable and accurate, I know it can be done.

□ 1230

Mr. Speaker, I implore my colleagues, Democrats and Republicans alike, to inform their leadership that they will vote no against any summer vacation recess resolution unless a budget resolution has passed this House and the Senate. We must exhibit the will, the guts, and the intestinal fortitude to address the Federal deficit with strong action. The jobs of people we represent are at stake. The quality of life in America is at stake. Rome is burning. Can we, will we stop the music and fight the fire?

Vote no against the adjournment resolution.

UNITED STATES, SOVIET NUCLEAR TEST BAN PROPOSALS SHOW PROMISE

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, since the beginning of the nuclear age both the Soviet Union and the United States have dismissed each others' arms control initiatives as propaganda. Many in the Congress believe that whatever the U.S.S.R. proposes is bad for the United States. I'm sure they have their counterparts in the Soviet Union. Those of use who believe that arms control is good for national security have searched for ideas that fall between "Perle" and "prayer."

Yesterday, the U.S.S.R. offered the United States a 5-month moratorium on nuclear weapons tests. Maybe this is just more propaganda, maybe not. The 40th anniversary of Hiroshima is the time to break the vicious cycle of nuclear oneupmanship. We should carefully consider the Soviet offer and make a counterproposal that requires protocols for intrusive inspection of both sides. The United States should lead the way to make permanent the testing ban. The President's offer to the Soviets to inspect our nuclear tests is an excellent start. We are moving in the right direction whether we realize it or not. With more than 50,000 nuclear weapons on this planet now is the time to say enough is enough.

NEED FOR A BALANCED BUDGET AMENDMENT

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, if we are truly serious about bringing the Federal budget under control, we need to consider new ways to restrain spending. One proven method that is already used in 36 States, including my home State of California, is the constitutional requirement of a balanced budget. Congress clearly needs to bring spending under control. Deficits have resulted from congressional spending which has doubled from 1960 to 1970, and tripled from 1970 to 1980. Since the balanced budget amendment would bring fiscal responsibility through the limitation of Federal spending and taxes, it would foster economic growth and establish congressional accountability. With more money available to private markets, interest rates would go down. Lower long-term interest rates would lead to greater investment and higher employment. Seventy-five percent of the American people favor a balanced budget amendment and 32 States have called for a national constitutional convention on this issue. The breakdown in the budget conference illustrates the need for a balanced budget amendment. It becomes even more necessary. I urge my colleagues to support the balanced budget/tax limitation amendment.

HELSINKI ACCORDS

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, this Thursday, August 1, marks the 10th anniversary of the signing of the Helsinki Final Act. In this document, the United States, the Soviet Union, and over 30 other countries pledged themselves to greater cooperation in military, economic, scientific, educational, and humanitarian matters. Perhaps most important, the Final Act committed the participating States to respect human rights and fundamental freedoms.

For 10 years, the Soviet Union and other eastern European nations have failed to adhere to the pledges made at Helsinki. In particular, there have been massive violations of section 7, which commits the signatory nations to respecting the fundamental rights and freedoms of human beings, including freedom of thought, conscience, and belief. The plight of Soviet Jews is well known. But Catholics, Pentecostals, and Baptists as well have all too often found that their religion can be exercised only at the cost of imprisonment, economic reprisals, and abuse.

Despite these widespread violations, the Helsinki accords remain a symbol of hope to the oppressed people of eastern Europe. On this 10th anniversary of their signing, we in the United States can let them know that we share their hope of a world in which human rights are honored. With Congressman GILMAN, I am today introducing a resolution reaffirming our commitment to these fundamental freedoms and calling on the President to urge Soviet leader Gorbachev to do the same when they meet this fall. I hope my colleagues will join us.

SPECIAL ORDER TODAY TO BEGIN NEW MOVE TOWARD VOLUNTARY SCHOOL PRAYER AMENDMENT

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, last evening I had the high privilege to host the second annual prayer vigil here in the House of Representatives. We had students from all over the United States gather in room H-227 to engage in an evening of prayer, special music, individual meditation, and a religious ceremony to try to determine what we can do to allow voluntary—and I emphasize "voluntary"—prayer back in our public school systems.

This evening I am going to have a special order with many other Members of this body in which we will discuss the issue in more detail and announce that we are going to begin the signature drive for discharge petition No. 1, which is for House Resolution 279 that the gentleman from Ohio [Mr. KINDNESS] has in the Committee on the Judiciary. H.R. 279 is a constitutional amendment to allow voluntary prayer in the public school system.

Mr. Speaker, I urge you and all the other Members of this body to participate with me in the special order this evening and to sign the discharge petition so we can get the amendment out of committee and out on the full floor where it can be debated.

FULL FUNDING OF U.S. CUSTOMS SERVICE URGED

(Mr. KOLTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, today we are scheduled to conclude consideration of the Treasury and Postal appropriations bill for fiscal year 1986.

There is an amendment pending in the committee of the whole that would cut $192 million from the bill by reducing each appropriation in the bill for discretionary spending by 2.65 percent. While the amendment may have merit, I want to call attention to the fact that such a reduction in spending would hinder the U.S. Customs Service from properly enforcing this Nation's trade laws and agreements.

Mr. Speaker, in 1984 alone, over 160,000 different shipments of steel and steel products entered the United States. Despite this high volume of steel and thousands of other types of imported goods, the U.S. Customs Service has done a good job of enforcing the laws, but Customs needs additional resources to ensure that our trading partners are complying with recently negotiated steel trade agreements.

Cutting funds from the U.S. Customs Service would only make their difficult job tougher. I urge my colleagues to exempt the Customs Service from this funding cut.

PAY EQUITY

(Mr. MRAZEK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MRAZEK. Mr. Speaker, I rise today to reinforce the current need for a pay-equity study of the Federal pay and job classification systems.

I believe it is essential that we determine why women and minorities are clustered in the lower end of the Federal pay scale. The existence of a wage gap in the Federal civil service is undeniable. Whereas 80 percent of the women employed by the Federal Government are concentrated in civil servcie grades 7 and below, 85 percent of federally employed men are classified in grades 10 and above. On the average, women in the Federal Government earn 63 percent of what men earn. The question is: Why?

Representative OAKAR's bill, H.R. 3008, would mandate a study of the Federal pay and classification systems to determine whether there is any evidence of discrimination based on sex, race, or Hispanic origin. Most corporations study and reevaluate their wage-classification systems on a regular basis. We need a national approach to civil service pay equity that can serve as a guide for each of our States.

If there is evidence of discrimination, it is surely our responsibility to redress the inequities. I therefore urge my colleagues to support this bill.

□ 1240

RATIONAL CRITERIA NEEDED FOR CAPITAL PUNISHMENT LEGISLATION

(Mr. VALENTINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VALENTINE. Mr. Speaker, I rise to request that my colleagues sign discharge petition No. 2 for the release of H.R. 343 from the Judiciary Committee.

H.R. 343 demands our immediate attention. It is a bill designed to establish rational criteria for the imposition of the death penalty. It would apply to cases involving homicide, treason, and espionage. It would fulfill the requirements laid down by the Supreme Court in a series of cases involving capital punishment.

Our Nation's adversaries have enlisted the treasonous support of American citizens in their unending drive to acquire American technology for military use. Recent studies have shown that the Soviet Union has narrowed the Soviet-American technology gap to 3 years—from its previous level of 10 years—by stealing American defense technology. As many as 150 of their

weapons systems make use of technology stolen from sources in the West.

We must do all we can to deter treasonous activity. We need the death penalty to help us in this effort.

I commend my colleague, GEORGE GEKAS, for his leadership in drafting and introducing this important legislation.

Although I recognize that some of my colleagues have serious doubts about the death penalty, I hope every Member would agree that it is imperative for us to address the problem of espionage in full and free debate. The American people deserve no less.

For all of these reasons, I urge my colleagues to bring this bill to the floor by adding their names to discharge petition No. 2.

COKE—THE REAL THING IS BACK

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DARDEN. Mr. Speaker, as we discuss and debate the weighty issues of the budget, national defense, tax reform, and international terrorism, we must not overlook a truly significant event.

Coke—the real thing is back. At the behest of a loyal and passionate consumer demand, the Coca-Cola Co. has returned the original formula, now called Classic Coke, to the grocery shelves and the vending machines.

Yesterday, throughout the Atlanta area, Coke came back. The return of Coke is like being reunited with an old love. It is better now than ever before. We Georgians are justly proud of our largest corporate constituent, the Coca-Cola Co.

All Georgia Members will have the Classic Coke available in our offices in the next few weeks. We invite all Members to come by our offices and sample the old pause that still refreshes.

U.S. TRADE DEFICIT GOES UP—INDUSTRIAL PRODUCTION GOES DOWN

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, today the Secretary of Commerce will announce the trade deficit for the preceding month and it is expected to be another record-setter as we work our way toward the $150 billion trade deficit in 1985.

This is a chilling reminder that the U.S. trade position is being seriously threatened and our industrial base is being undermined by a flood of unwelcomed imports. The statistics bear out this regrettable fact. As the U.S. trade deficit goes up, our industrial goes down.

Time is running out for Government to deal effectively with this problem. So far, the President shows no sign that there is a trade problem. He continues to ignore the need to deal with the strong dollar which is a plague upon our exporters. He has not used the authority the Congress has given him to confront unfair trade practices, and there is a growing realization that the administration really has no trade policy. It may well be the best explanation why the United States is becoming a punching bag in world trade.

Apparently President Reagan lacks the commitment, or at least the political will, to deal effectively with either of our deficits. But if the Secretary of Commerce continues to announce high trade deficits month after month and the President refuses to act, Congress has no choice than to go down the path of protectionism. If that happens we will start a trade war that no one can win.

BOY SCOUTS SHOULD LEARN TO TOLERATE RELIGIOUS VIEWS OF OTHERS

(Mr. ACKERMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ACKERMAN. Mr. Speaker, among all the things that I have been able to achieve with the help of God, nothing has made me prouder that my association with the Boy Scouts of America.

As a Cub Scout, Boy Scout, Explorer, Scout leader, camp director, and as an Eagle Scout for 25 years, I worked for and believed in the same things I thought they believed in.

That is why it is so painful to me, as I now renounce my affiliation with the Boy Scouts of America. The Boy Scouts that I belonged to taught respect and tolerance for everyone else's religious views, and had no room for bigotry or intolerance.

In expelling 15-year-old Paul Trout because his beliefs differ from theirs, because his definition of religion and God does not fit their definition, the Boy Scouts of America raises questions about its tax-exempt status, and, more importantly, is in and of itself an act callousness and intolerance, and is not the Boy Scouts that I loved and belonged to.

I pray that God gives them the wisdom to reverse their decision and to tolerate the religious views of others.

(Mr. FOGLIETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOGLIETTA. Mr. Speaker, yesterday the Soviet Union formally proposed the creation of a comprehensive test ban treaty on nuclear explosions. Such a test ban has long been held to be a vital step in halting the arms race. A test ban prevents the United States and the Soviet Union from confirming increases in capability and accuracy of new warheads. It serves to freeze testing of silo-killing warheads, the kind of warheads which place our nuclear deterrent at risk of new MIRV's and of new exotic nuclear technology.

Creation of a test ban has been under study for 20 years. Questions certainly remain about how verifiable a test ban can be without on-site inspections. But with proper safeguards and guarantees for verification a comprehensive test ban can be both workable and wise.

Despite the promise of a comprehensive test ban, the administration immediately rejected the Soviet proposal. If the administration is truly serious about arms control, then it must investigate the Soviet initiative. Slamming the door on a comprehensive test ban may eliminate a major opportunity for stabilizing the arms race. The administration needs to reevaluate its decision and pursue further the Soviet offer.

NO GUTS, NO GLORY

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, it is quite disconcerting to see what is happening to the budget process. While the two Houses of Congress no doubt deserve some of the blame for the current breakdown of the process, the President has unbelievably pulled the rug from any responsible way to get the deficit down. And let us be honest, the deficit problem is far worse than anyone currently can vision. The economy is flat, revenues will not go magically up, and even the deficit reduction plan passed by the House will probably not reduce the deficit very much.

In addition, the appropriations process is not totally what it is cooked up to be. It appears that some of the bills coming to the floor may be understated in their effort to stay within the budget allocations, and then we will be faced with an enormous supplemental appropriations bill later this year. There is an expression, "No guts, no glory." Let us face it, the issue is political will and guts. If we do not have it, the country will face disaster. If we do, the country could have a glorious future.

□ 1250

BUDGET DEFICITS AND THE FARM ECONOMY

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, for many months now, my farm State colleagues and I have approached the well to describe the worsening farm economy. Yet today we remain frustrated because the No. 1 enemy of the farmer, the budget deficit, remains at large.

U.S. fiscal policy in the 1980's has taken an industry that was relatively healthy in 1981 and brought it to the brink of collapse. No sector of the economy has been damaged by the Federal budget deficit more than agriculture. The strong dollar, high interest rates and declining land value are direct results of the budget deficit. Our farmers have come to expect that if it is news from Washington, then it must be bad news.

As we near the August recess when many of us will be traveling home to our districts, it is time we begin to consider what we will tell our constituents.

Shall we say, "I'm sorry Mr. Farmer, Mr. Smalltown Banker or Mr. Small Businessman, Congress and the administration just do not possess the courage to reduce the budget deficit. I know we got you into this mess but you will just have to get by as best you can."

That is the hard truth as it stands today. Our leaders are not willing to put farmers, small businesses, workers, our children, and other deficit victims, ahead of their own personal agenda.

Mr. Speaker, Americans are tired of rhetoric and finger-pointing in Washington. They want action from this body, the other body and the President. Let's act now and tell our constituents that political courage does exist in Washington.

TRADE POLICY

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, some observers believe the Democratic Party interest in trade is mainly the result of reading recent political polls and tea leaves. This is a misreading of the reality in today's America.

Trade is a good issue politically only because our Nation's basic economic strength is being sapped, and our economic structure eroded, not just in the Midwest, but everywhere in this country. As announced today, the U.S. trade deficit last month was the second highest in history.

In the face of such a deficit, we do not run for cover just because someone utters the word "Smoot-Hawley."

In our eyes, protecting the United States, our country, is not protectionism. The U.S. trade policy under this administration has been no policy at all. Laissez-faire in trade is not fair to America. We are indeed facing today a red threat, the red ink in trade. It is time for this administration to get smart, to get serious, and to get tough in the area of international trade.

ARMS CONTROL

(Mr. MARKEY asked and was given permission to address the House for 1 minute.)

Mr. MARKEY. Mr. Speaker, the Soviet Government yesterday offered to stop all nuclear explosions and the United States is ahead in nuclear warhead technology.

The White House, unfortunately, rejected it out of hand. They said that such Soviet proposals are invariably self-serving and designed to lock in areas of Soviet advantage. Just the opposite is the case here.

The message this sends is this: If the Soviets propose it, the United States will oppose it. That is no way to achieve arms control.

President Reagan offered them onsite inspection of American nuclear tests. I welcome that. On-site inspection is good and long overdue.

But the point is not to monitor nuclear explosions, but to end them. These proposals make it seem that President Reagan believes in verification, but not in arms control.

This is the classic historic opportunity. We can stop all nuclear tests now. All we have to do is say "yes."

President Eisenhower was not afraid to say yes in 1958 to 1961. We had no tests on either side during those years.

Why are we now still afraid? Let us verify a comprehensive test ban treaty, not verify the arms race.

Mr. President, do not turn your back on this opportunity. You and President Gorbachev have the opportunity of going down in history as the two greatest men who have ever lived in the history of this planet.

BUDGET AGREEMENT

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, as we sit here this afternoon, the budget process hangs in the balance. If we do not have a budget this week, one thing is clear, we will probably not have a budget at all.

The shame of it is that the Senate and the House are so close, and yet they seem to be so far. They are so close because over $50 billion of cuts, the very number that Paul Volcker, the Chairman of the Federal Reserve, told us was a necessity, and important in terms of reducing the deficit, are agreed upon. The Senate conferees, the House conferees could sit down in 10 minutes and agree on $50 billion in cuts.

It is any number higher than $50 billion that gives us trouble. Maybe we should include a COLA freeze. Maybe we should not. What should be the attitude toward new revenues?

But on the things that we cannot agree upon, we ought to once and for all agree to disagree. And on the things we do agree upon, we ought to sit down and have a budget. The financial markets, the country as a whole and even the international trade situation all depend on us coming through with a budget. And it would be a darn shame, Mr. Speaker, if for a disagreement over a few billion dollars, a $50-billion agreement were thrown down the drain.

PRESIDENTIAL TORPEDO OF BUDGET COMPROMISE

(Mr. AuCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AuCOIN. Mr. Speaker, the President's incredible decision to torpedo the budget compromise is a shattering mistake. While the compromise, as I understand it, was in no sense perfect, we had the prospect, at least fleetingly, for a budget that would slash $80 billion off the deficit next year, and more than $300 billion off the deficit over the next 3 years.

Mr. Speaker, $80 billion, is dramatically better than the deficit reduction numbers agreed to by the House and agreed to by the other body. The $80 billion would send an unmistakable message to the financial markets and to the world that the Government of the United States is, indeed, serious about solving the deficit crisis. And make no mistake about it, a crisis it is.

All it took was some leadership. It was being shown in fledgling terms for a few precious moments. But from the White House instead we got a torpedo.

Let the people of this country know what has transpired over the last few days, and let them understand the White House's own failure to come to grips with the No. 1 economic problem facing this country.

ARMS CONTROL AND A COMPREHENSIVE TEST BAN

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, I applaud the President for his proposal to

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the Soviet Union with regard to unilateral inspection of nuclear explosions in the United States. This is certainly a positive step toward reducing tension between the superpowers.

I would, however, hope that the administration would reassess its position with respect to the Soviet proposal for a moratorium on all nuclear testing. We should not turn down the Soviet offer outright simply because it is deemed to be political posturing on either side, or because it is a difficult issue.

The truth of the matter is that this is an opportunity that ought to be seized upon seriously. We have been on record for a long time in support of a renegotiated comprehensive test ban treaty with proper verification. Here is an opportunity to see if we act positively to stop the escalation which seems to be before us and to move toward a comprehensive test ban treaty.

It would be extremely useful, it seems to me, if the Congress would go on record in support of the administration's offer and also in support of the Soviet offer for a mutual moratorium or nuclear treaty. These efforts would move us toward the suspension of all nucler testing.

House Joint Resolution 3, recently approved by the Foreign Affairs Committee, moves us along this road by urging the President to seek ratification of two testing treaties and by urging the President to propose to the Soviet Union the immediate resumption of negotiation on a comprehensive test ban treaty. The measure is now pending before the floor where its approval is more urgent than ever. We should seize the opportunities before us and bring an end to nuclear testing.

□ 1300

THE COMPARABLE WORTH DEFICIT

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, comparable worth is like a gift-wrapped bomb. It looks nice on the surface, but what is inside is lethal.

This week, the House will take up legislation to perform a study on sex-based salary discrimination in the Federal Government.

The problem with the legislation, Mr. Speaker, is that it assumes from the outset that the comparable worth theory is valid. Most economists; indeed, the great weight of economic opinion, would violently disagree with that.

We have serious problems in putting this Nation's financial house in order. We have a significant budget deficit; we have a record trade deficit. The last thing this country needs, Mr. Speaker, is a brand new, massive self-imposed deficit that is ideologically induced: The comparable worth deficit.

THE BUDGET BUCK STOPS HERE

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, there has been a procession of orators today castigating the President for, as one of them suggested, "torpedoing a budget compromise."

I think the record would be fair if it indicated that the compromise that he torpedoed was one that had already been torpedoed by House budget managers and by the Speaker of the House.

The House has made it quite clear what it prefers for a budget. He wants as little saving as possible, a paper saving of $57 billion which translates to an acutal savings of perhaps less than a third of that.

I do not think any amount of 1-minute speaking can change the responsibility that lies in this House and our counterpart on the other side of the Capitol.

The President gave us a budget that called for some reductions. We rejected that. It is our responsibility, then, to find one of our own. We have not done it.

To add insult to injury, the House has voted for appropriations that even exceed our feeble budget. This House ought to accept the blame. The buck stops right here.

TENTH ANNIVERSARY OF THE SIGNING OF THE HELSINKI FINAL ACT

Mr. HOYER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 180) commemorating the 10th anniversary of the signing of the Helsinki Final Act.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object, I do so to allow the gentleman from Maryland [Mr. Hoyer] an opportunity to explain the resolution.

Mr. HOYER. Mr. Speaker, as the cochairman of the U.S. (Helsinki) Commission on Security and Cooperation in Europe, I rise today in support of a resolution commemorating the 10th anniversary of the signing of the Helsinki Final Act. On August 1, 1975, the leaders of 33 nations of Western and Eastern Europe, Canada, and the United States signed the Helsinki Final Act. Seen as the capstone of détente policy, the Final Act placed respect for fundamental human freedoms squarely within the East-West framework as a basic element of government-to-government relations. Through good faith observance of the Final Act's standards for responsible and humane international conduct, signatory states were to advance along the difficult road toward mutual trust and cooperation.

As President Ford said upon signing the accords in 1975:

> History will judge this Conference not by what we say here today, but by what we do tomorrow—not by the promises we make, but by the promises we keep.

From the beginning, the West has acknowledged that full implementation of the Helsinki accords' human rights provisions realistically cannot be accomplished overnight but would necessarily be a long-term process.

The lack of significant progress in the area of human rights such as we find in the Soviet Union is not and should not be viewed as testimony on the credibility and utility of the Commission on Security and Cooperation in Europe process. This process has legitimized human rights as a matter of diplomatic discourse among nations and has placed it on the agenda of our allies.

By signing the Helsinki accords, the Western democracies in essence pledged to keep faith with the persecuted in the East.

It is telling to recall that the West failed to anticipate the impact that the human rights provision of the Helsinki accords would have on East bloc citizens. Western human rights advocates and politicians were not the first to act upon the accords as a means to expose human rights violations in the East. East bloc citizens seized upon the Helsinki provision as a program for human rights advocacy.

Despite continued repression, Helsinki monitors in the Soviet Union and Eastern Europe persevere in their perilous and selfless work to this day. Less than a week ago, Charter '77 issued a statement in commemoration of the 10th anniversary. It is a statement of hope, of urging not to give up and of reaffirmation of the ideals of the Final Act. For these courageous men and women, the Helsinki process remains a source of inspiration and of hope. It is also a lifeline, however thin a thread. It is not for us to sever that thread.

Mr. Speaker, 10 short years ago, the Helsinki Final Act helped to usher in a new era in international relations based on the precept that a states' humane treatment of its citizens is as significant as respect for a neighbors' frontiers or willingness to settle disputes peacefully. Because of Helsinki, Western governments now take it for granted that it is their right and responsibility to speak out when human rights violations occur in another participating state.

Mr. Speaker, this commemoration is a solemn moment, a time for reckoning, for coming to terms with our hopes and with our expectations. The foundation of the Helsinki process was painstakingly built in Geneva. It has developed slowly and has suffered setbacks. Frustration is great and justified.

But we should not lose sight of our ultimate aim, perhaps put most eloquently by Physicist Yuri Orlov, founder of the Moscow Helsinki group and a prisoner of conscience since 1977:

> By our efforts, we increase the probability that in the end we shall be successful.

Mr. Speaker, I thank the gentleman from Michigan [Mr. Broomfield], the ranking member of the Committee on Foreign Affairs, for yielding and for his leadership in this area, and I express my appreciation as well to the former chairman of the Helsinki Commission and the present chairman of the Committee on Foreign Affairs, the distinguished gentleman from Florida [Mr. Fascell].

Mr. BROOMFIELD. I thank the gentleman.

Further reserving the right to object, Mr. Speaker, I yield to the ranking member of the Subcommittee on Human Rights and International Organizations of the Committee on Foreign Affairs, the gentleman from New York [Mr. Solomon].

● Mr. SOLOMON. Mr. Speaker, I rise in strong support of Senate Joint Resolution 180 and urge its unanimous adoption by the House of Representatives.

On August 1, 1975, representatives of 35 governments in Europe and North America concluded the Conference on Security and Cooperation in Europe by placing the signatures of their governments on a solemn covenant now known as the Helsinki Final Act. This covenant established the primacy of human rights as the foundation that underlies political and economic cooperation between the countries of Europe. This resolution commemorates the 10th anniversary of the signing of the Helsinki Final Act. In a commemoration of this kind, it is incumbent on us, as representatives of the people of the United States, to take stock of what has been accomplished in the last 10 years.

Unfortunately, there is little cause for rejoicing on this occasion. Even a casual reading of the Helsinki Final Act is enough to convince any objective person that the lofty ideals and declarations of purpose to which signatory countries have committed themselves have been ignored, even reviled, by the Soviet Union and its satellite countries.

When the Helsinki Final Act was signed 10 years ago, many of us were skeptical. However much we may believe in the principles of freedom and human dignity that are enunciated in the Helsinki Final Act, the act also served to legalize or ratify the Soviet Union's conquest of Eastern Europe—a conquest that has subjugated many peoples and cultures, a conquest that was begun by force of arms and completed by political deceit and treachery that have no parallel in this century.

It was the hope of some people that perhaps this recognition of Soviet hegemony in Eastern Europe would be enough to induce concessions by the Kremlin in the area of human rights. But such has not been the case. And I am led to no other conclusion than that the Soviet Union and its puppets in Eastern Europe placed their signatures on the Helsinski Final Act in a cynical and hypocritical attempt to gain an advantage in the propaganda warfare that has divided Europe since World War II.

If the Soviet Union and its satellites have any intention of living up to the human rights standards that are enshrined in the Helsinki Final Act, they have yet to give any indication of it. The tyranny, the repression, and the human degradation have continued unabated behind the Iron Curtain during these past 10 years.

Mr. Speaker, the implication is clear: The war against totalitarianism did not end with the defeat of fascism in 1945. The war continues today. It is not a shooting war in Europe—unless, of course, we consider the case of Major Nicholson and other American victims of Soviet violence—but it is a war just as real as World War II. And the stakes are just as high, too. What is ultimately at stake is the survival of freedom and human dignity on the European Continent—the very place where these great ideas first originated many centuries ago.

The record of the past 10 years is bad. The Helsinki Final Act has not proven to be a restraint on Soviet belligerence. But the Helsinki Final Act does have symbolic importance. Moreover, it provides us with a tool to use in dealing with the Soviet Union and its cronies. Let us take advantage of this 10-year commemoration to rededicate ourselves to the principles the act contains. Let us strive to turn the act—a piece of paper—into a living reality. I call upon our present administration and all subsequent administrations to make this solemn covenant the centerpiece of the East/West dialog and of our policy in Europe.

Let us keep faith with the many millions of people who suffer under the yoke of Soviet communism in Europe. Their cries should not go unheard. Nor should we be hesitant in demanding Soviet compliance with the principles the Kremlin pledged to uphold when the Helsinki Final Act was signed.

Over the next 10 years and beyond, let us strive to make the Helsinki Final Act a living expression of the faith that animates and sustains a free society and a free people. The Helsinki Final Act should be more than a monument to good intentions, it should be held forth as a beacon of hope to those people who are oppressed in Eastern Europe.●

Mr. BROOMFIELD. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Speaker, I rise in support of Senate Joint Resolution 180, commemorating the 10th anniversary of the signing of the Helsinki accords.

My colleagues, we in this House have to understand that the 10 years of those Helsinki accords have seen some achievement, particularly in putting human rights in the forefront of international affairs. But those 10 years have also shown many disappointments. Those disappointments are mirrored in the minds and in the memories of millions of people who saw in the Helsinki accords a chance to rise up out of repression and to seek new avenues to achieve basic human rights goals.

I think we would be dishonest with ourselves and with all those people if we did not recognize the facts as they are; and the facts as they are indicate that the Soviet Union has cynically used the Helsinki accords to solidify its post-World War II boundaries in Eastern and Central Europe, while giving extraordinarily little on the human rights front.

This House of Representatives has a body entitled the Joint Commission—along with the Senate—on Security and Cooperation in Europe; normally known as the Helsinki Commission. It is a bipartisan body and until recently under the leadership of Chairman Fascell, the gentleman from Florida. This body met over the years to consider the performance and the adherence of the signatory nations to the Helsinki accords.

While the record of Soviet and East bloc conformity with the Helsinki accords is not good, the body nevertheless allowed people to come forward with their experiences, with their ideas, and with their proposals to open up the channels of consideration of human rights in the U.S.S.R. and East bloc countries.

□ 1310

The Helsinki watch group inside the U.S.S.R. was a direct outgrowth of the signing of the accords and the establishment of the Joint Commission on Security and Cooperation in Europe.

The same is true of Charter '77 in Czechoslovakia. It should be recognized, however, that these groups, while still in existence today, are barely operative. And it should be recognized that a major contingent of Helsinki "monitors," those who are still alive, who have not perished in Soviet labor camps, who are not living in Soviet labor camps, if one calls that life, who are not in forcible internal exile, that a sizable and prestigious number of Helsinki monitors have called for the abolition of the Helsinki accords.

I think we should very seriously consider what these people are telling us, and I think as we go forward with the work of the Joint Commission on Security and Cooperation in Europe, the House and the Senate body; we should investigate whether or not these accords have been abused and misused to the point where those to be served by opening channels for human rights achievements and new human rights goals have been cyncially shunted aside in exchange for Soviet lip service to human rights while in pursuit of the historical solidification of post World War II borders.

I personally feel that it is a worthwhile effort to keep the accords, at least in the near term. We should not rule out the consideration of the overall effectiveness of our accords, what they have provided to the people whom they were intended to serve, and what they have provided to the people who continue to repress them.

To the gentleman from Michigan [Mr. Broomfield] I thank him for his leadership on issues of this kind in the Foreign Affairs Committee, and to the new House-side cochairman of the Commission, the gentleman from Maryland [Mr. Hoyer], I wish him well in his new leadership role. I would also like to thank personally the extensive bipartisan and creative efforts of the gentleman from Florida over the period of years that I was honored to be a member of the Helsinki Commission.

Mr. BROOMFIELD. Mr. Speaker, further reserving the right to object, I am very happy to yield to the gentleman from Florida [Mr. Fascell], the chairman of the Committee on Foreign Affairs.

Mr. FASCELL. I thank my colleague from Michigan for yielding, and I want to commend him for helping to bring this resolution to the floor, as well as the gentleman from New York [Mr. Gilman], and, of course, the cochairman of the Committee on Security and Cooperation in Europe, the gentleman from Maryland [Mr. Hoyer], who is the cochairman on the House side, and I would like to say to my colleagues that this is not just another resolution. It is a very important resolution for us to consider and to pass, for many reasons. I would just like to highlight some of them.

First of all, we reaffirm our commitment to the Helsinki accords. The Helsinki accords lay down principles of conduct between nations and between nations and their peoples, an historic document which was signed by the heads of states of 35 nations. Ten years later, they meet to commemorate that event in Helsinki. This resolution, therefore, supports the Secretary of State in his statement at Helsinki and the policy of the United States as we view the Helsinki accords 10 years later.

We do not ignore it all and we all pay attention in this resolution to the fact that the implementation of the Helsinki accords in the field of human rights has been less than desirable and that the Soviet Union has been egregious in its violations and intransigent in its implementation. An important fact in calling attention to that is that we must continue to do that because as all of the witnesses before the Commission have told us in the last 8 years, it is the one little hope that they have, that is, that the outside world will never forget and allow that these violations of principles formally agreed to by all of the nations continue to be violated in the most inhuman manner by the Soviet Union and other signatories and that this is the hope that must be kept alive and that we must continue, therefore, the process which gives us the opportunity to keep human rights at a very high level in international discussion, in all forums, so that people will have at least that glimer of hope that it will not be brushed aside, it will not be covered over as imperfect as the Helsinki accords themselves might be in their implementation, because it has no enforcement process, it is not a treaty, the only thing that all of the people can look forward to is the fact that in Vienna in 1986 we will have one more review conference to again point out the fact that man's inhumanity to man continues but that we in the United States, as one of the moral leaders of the world, have not forgotten the treatment, the mistreatment, of people who live under the yoke.

Mr. BROOMFIELD. Mr. Speaker, further reserving the right to object, I yield to the gentleman from New York [Mr. Gilman], who is the ranking minority member on the Europe and Middle East Subcommittee of the Committee on Foreign Affairs.

Mr. GILMAN. Mr. Speaker, I rise in strong support of Senate Joint Resolution 180, which is a companion bill to House Joint Resolution 361, introduced by our colleague and the distinguished vice chairman of the Helsinki Commission, Mr. Hoyer, and I want to thank our distinguished chairman of our Foreign Affairs Committee, the gentleman from Florida [Mr. Fascell], for his continued efforts in monitoring the Helsinki accords, both as chairman of that Commission and as chairman of our Foreign Affairs Committee, and also the ranking minority member of our committee, the gentleman from Michigan [Mr. Broomfield], for helping to bring this measure to the floor at this time. This legislation, which I am pleased to cosponsor, commemorates the 10th anniversary of the signing of the Helsinki Act on August 1, 1975. Although the climate for commemoration could most certainly be far better, it is important, nonetheless, to recognize that such an important document as the Helsinki final accords is still alive and kicking. These first 10 years give us much to review, and I anticipate discussing the progress of human rights under the accords in far more detail later on today in a special order.

This legislation summarizes the concerns of the Congress and the American people with respect to the several "baskets" which comprise the Helsinki Final Act. However, our primary interest today centers on the disregard of the Soviet Union, as a signatory nation, to adhere to the Lofty principles of Fundamental Freedoms set forth in this document. Although some progress was made in the first few years following implementation, the last 6 years have seen an unprecedented decline in the respect for human rights generally and for the provisions in principle seven specifically, which center on freedom of thought, conscience, religion or belief, and respect for human rights and fundamental freedoms.

As we review the history of the Helsinki accords, it is reassuring that the American people continue to demonstrate strong support for the Helsinki Final Act, the Madrid concluding document, the United Nations Charter and the Universal Declaration on Human Rights. While there is alleged support for these acts in the Soviet Union, the many Helsinki Watch Monitoring Groups which sprang up 10 years ago to monitor Soviet compliance have now been all but disbanded, and many Helsinki monitors has been confined to labor camps, incaracreated in harsh prisons, and sent to lonely places of internal exile.

This resolution (S.J. Res. 180) strongly reaffirms the support of the Congress for the humanitarian principles set forth in the above mentioned accords, and urges our President to convey this deep and abiding concern to the U.S.S.R. At all future meetings of the Helsinki signatory states, this resolution calls on our Nation to raise the issue of ongoing human rights violations with the Soviet Union and its allies, and to work with the governments of other Western democracies in promoting human rights progress in

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the Eastern signatory states. It is incumbent upon all of us concerned about the dignity of man to exploit every avenue in stressing the inherent link between human rights for all and the achievement of lasting peace. Accordingly, Mr. Speaker, I urge our colleagues to join in adopting this important resolution.

□ 1320

Mr. BROOMFIELD. Mr. Speaker, I yield to the gentleman from Illinois [Mr. HYDE], a senior member of the Committee on Foreign Affairs.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Speaker, we celebrate today a triumph of our capacity for self-deception and naivete over reality. Why anybody had any right in the name of common sense to expect the Soviet Union to live up to the undertakings that it became a signatory to in the Helsinki accords, I do not know. It would be a total repudiation of history.

Andrei Sakharov, Anatoly Schranski cannot leave the country, along with a long and depressing list of people who seek to emigrate from the Soviet Union. Yet, the Soviets undertook in this accord to free up immigration. We have just finished imposing in both bodies, sanctions on the Republic of South Africa. But Bishop Tutu can leave the country. Chief Buthelezi can leave the country. They do not hold people under house arrest over there remotely approaching what the Soviet Union does. And yet here we are celebrating 10 years of adject failure to provide the slightest respect for any practice of human rights in the Soviet Union.

Oh, yes, we have got a document that they have signed and we can show to the world, to the Court of Public Opinion, I do not know where that is, maybe the United Nations, or the World Court where virtually nobody ever votes with us, that the Soviet Union does not live up to its undertakings.

A treaty, an understanding, an accord is as good as the intention of its signatories to live up to it. Once more the Soviet Union has shown that words do not mean anything. Solemn undertakings do not mean anything to its leaders and to its government.

I hope the lesson of 10 years of failure in the field of human rights vis-a-vis the Soviet Union, as celebrated today upon the celebration of the Helsinki accords will teach us as we try to negotiate treaties at Geneva for arms control that we need a clear-eyed, unsentimental view of the Soviet Union, its philosophy, its history, and its goals. I hope for that, but nothing in what we memorialize today gives me cause for optimism.

Mr. BROOMFIELD. Mr. Speaker, further reserving the right to object, I yield to a member of the Committee on Foreign Affairs and of the Subcommittee on Human Rights and International Organizations, the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. I thank the gentleman for yielding.

Mr. Speaker, 10 years after the signing of the Helsinki accords I believe this is an excellent time for this House to commemorate the Conference on Security and Cooperation in Europe the Helsinki Commission. I am proud to serve as a commissioner on this important commission. As the joint resolution before us today clearly states, there is an inherent relationship between the quest for international human rights, and the quest for a lasting peace. As a matter of fact, the two are inseparable.

Three years ago, President Reagan declared to the British Parliament that "we must be staunch in our conviction that freedom is not the sole prerogative of a lucky few, but the inalienable and universal right of all human beings. "Mr. Speaker, we in this Congress and indeed the whole Western World, look on in disbelief and frustration at the flagrant Soviet violations of their solemn commitment to observe human rights. I would remind my colleagues that these commitments were explicitly stated in the Helsinki Final Act of 1975, and restated again in the Madrid concluding document.

Clearly the Soviets and their allies talk a good game, but their record in badly tarnished with pervasive repression, torture, the use of psychiatric prisons and mind altering drugs to terrorize dissendents, the use of forced labor and institutionalized anti-Semitism.

Mr. Speaker, I believe nevertheless that the Helsinki process is worthwhile and provides hope to the victims of Soviet and East bloc repression. The Helsinki process provides hope for believers in God, a group who are often singled out for very harsh treatment.

As one Jewish refusenik remarked to me when I was in the Soviet Union a few years ago, and I quote:

> You in the West are our only real hope; the Helsinki accords are leverage.

Implementation of the Helsinki accords hasn't been perfect, but they have been a constructive influence. They do provide leverage.

Just last month, Mr. Speaker, I traveled through Romania to investigate allegations of severe religious repression in that country. In meetings and conversations throughout Romania I was told by individual believers who put themselves at great risk simply by talking to a Westerner, that Western efforts on their behalf gave them genuine hope and that an appeals process like Helsinki was necessary in order for at least some of them to obtain freedom—or at least a diminution of repression.

Furthermore, I would suggest that absent the Helsinki accords, things might otherwise be worse. I believe it can be argued that the Helsinki accords have a chilling effect to some degree on the abuses in the Soviet Union and the Eastern bloc.

Mr. Speaker finally, let me just say that we in the West must seriously acknowledge that barring a miracle of profound proportions, reform in the current status of individual freedoms in the Soviet Union and the Eastern bloc promise to be incremental at best. But the alternative, to do nothing, is wrong.

Mr. Speaker, by their repressive policies, I would point out to my colleagues that the Soviet Union and the Eastern bloc have turned millions of ordinary people into spiritual giants—martyrs—in the eyes of the West and in the eyes of God.

Although the tenacity, the courage, and the abiding faith of these individuals may not be fully applauded or recognized in this world, the stories of their bravery will certainly be the grist of legends in the world to come. Mr. Speaker, I urge all of my colleagues to support this resolution.

Mr. BROOMFIELD. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. I thank the gentleman for yielding.

Mr. Speaker, I commend the gentleman from Maryland, the cochairman of the Helsinki Commission and the cosponsors—of which I am proud to be one—for offering this resolution marking the 10th anniversary of the Helsinki Final Act.

As founder and cochairman of the Congressional Human Rights Caucus and a founding member of the International Parliamentary Group on Human Rights in the Soviet Union, I believe very strongly that this is a document of hope, not only for the people of the West, but for the imprisoned millions behind the Iron Curtain of Communist oppression in the East.

As a new member of the Helsinki Commission, I went with my colleagues to Ottawa to the Helsinki Human Rights Review Conference about 2 months ago, and while our delegation sat across the table from that of the Soviet Union and talked of Andrei Sakharov, of Anatoly Shcharanski, of Ida Nudel, Joseph Begun, Zachar Zunshine, and others, they talked of unemployment and of the American Indians. As we talked of the substance of human rights—the fate of individuals—they talked of propaganda.

Mr. Speaker, 10 years after the signing of the Helsinki Final Act we find in the Soviet Union the state-sponsored Anti-Zionist Committee, official anti-Semitism that is rampant, the Helsinki monitor groups disbanded, their members imprisoned on trumped-up charges, or held in psychiatric institutions or in internal exile, final refusals given to those seeking to emigrate, and repression of human rights greater than ever before.

In the Soviet satellite countries, Mr. Speaker, we find in Bulgaria, the Turkish minority trampeled; in Poland, the Solidarity Union movement, and the cause of free labor, in a shambles; and in the German Democratic Republic, Romania, Hungary, and Czechoslovakia, the story is, with some small variations, much the same.

So today we have to celebrate, Mr. Speaker, in sadness, and we have to resolve that the next 10 years will see true, real progress on human rights. We have to send the message to our Soviet adversaries that without such real progress the Soviets and their satellites will get from us no cooperation, no agreements, no meaningful dialog, nothing for which they sought the Helsinki Final Act.

Mr. BROOMFIELD. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. Mr. Speaker, I rise in strong support of the resolution.

□ 1330

Mr. BROOMFIELD. Mr. Speaker, I support the joint resolution before us which marks the anniversary of the Helsinki Final Act. The resolution condemns the ongoing Eastern bloc violations of the Helsinki accords. It direct our Government to convey our deep concern about the flagrant human rights violations in the Soviet Union.

Ten years ago, President Ford and other leaders signed that solemn accord concerning human rights and related matters. This anniversary should be a joyous occasion. Today, all of us should be able to praise the great strides made in human rights in the past 10 years in the Soviet Union and bloc nations.

But the opposite is true. The anniversary of that signing ceremory is an occasion of great sadness. It is a grim human tragedy that little progress has been made in improving human rights conditions in the Eastern bloc, and the Soviet Union. In reality, the human rights situation in those countries hasn't improved.

While the accord commits the signers to respect human rights, the Soviets and Eastern bloc nations have ignored their promises. To them, this agreement was a joke.

After the pact was signed, a group of Soviet citizens formed the Moscow Helsinki Watch Group to monitor the Kremlin's compliance with the accord. Most members of that group are now in labor camps, or in harsh exile. Many of them are in poor health and some are being denied proper treatment outside the U.S.S.R. because of their involvement with that group.

The free flow of information and ideas between the East and the West has never really started. In 1984, for example, only 900 Soviet Jews were allowed to leave the Soviet Union.

The real value of the legislation before us is that it calls attention to the continued human rights violations by the Soviet Union and their allies.

How can we hope to have real peace with the Soviets if they can't respect a solemn agreement? How can we trust a country that seems to delight in breaking accords? How can we work with a country that enjoys silencing dissenting voices?

I urge my colleagues to join me in supporting this resolution.

● Mr. LUNGREN. Mr. Speaker, I rise to offer my support for the positive language embodied in House Joint Resolution 10. The chairman of the Foreign Affairs Committee, Mr. FASCELL, and our ranking member, Mr. BROOMFIELD, should be commended for their undertaking today.

As we mark the 10th anniversary of the signing of the Helsinki accords, it is appropriate to document the actual effect this agreement has had on the actions of the signatory countries, particularly the Soviet Union.

The constant change in leadership in the Kremlin over the past decade, combined with the signing of the Helsinki accords, has, unfortunately, not resulted in any constructive improvement in the struggle for human rights in the Soviet Union. It would have been naive to expect the human rights situation to improve immediately after the 1975 Helsinki Final Act was signed. However, we have a right to expect that the situation would improve, albeit gradually.

Mr. Speaker, the succession of Mikhail Gorbachev leaves an opportunity to challenge the Soviet Government's record on human rights. One example of the repression leveled by the Soviet Union against people attempting to exercise the basic and fundamental rights enumerated in the Helsinki accords is the plight of Soviet Jews. Statistics from the last 5 years reveal a crisis situation exists in terms of immigration by Soviet Jews, which is at a historically low rate.

I have corresponded on a great number of occasions with Soviet officials, on behalf of Soviet Jews who desire to emigrate from the Soviet Union. In addition, I have been honored to adopt a refusenik by the name of Leonid Volvovsky. Leonid was recently arrested by Soviet authorities for the crime teaching Hebrew to others. I immediately sent a telegram to three top level Soviet officials, including Anatoly Dobrynin, Ambassador to the United States; Aleksandr Rukunkov, the Procurator General—equivalent to the U.S. Attorney General—in Moscow; and to Anatoly Myshkov, the Consul General at the Soviet Consulate in San Francisco. In this telegram I stated: "I understand the Soviet Government has arrested Leonid Volvovsky. Please drop all charges against Volvovsky and let him leave for Isreal. In my contact with Volvovsky over the last 2 years I have found him to be a man of fine character. He only wants happiness and security for his family." To date, I have not received a reply from any Soviet official. Certainly imprisonment for those who teach the Hebrew religion is not a policy a country should be proud of.

Mr. Speaker, 1985 is viewed by many of us in the Congress as a critical period for human rights in general, and Soviet Jews in particular. America must be the nation that bears the burden of carrying the human rights movement to repressive governments in other parts of the world because no other nation on earth enjoys the benefits of freedom more. I urge all my colleagues to support House Joint Resolution 10.●

● Ms. FIEDLER. Mr. Speaker, I rise in support of Senate Joint Resolution 180 commemorating the 10th anniversary of the Helsinki accords. However, I do so in the hope that the next 10 years of the so-called Helsinki process are more successful than the first. The Soviet Union's record of compliance with the agreement signed in 1975 has been atrocious. Soviet leaders take what they like from the pact—namely, our recognizing their hegemony in Eastern Europe—and ignore the human rights provisions they also signed. Apparently, individual liberties are fine—as long as they don't involve the freedom to think, speak, and write as you please, to worship as you please, to read Western books and newspapers, to telephone a relative in the United States or Israel without the KGB listening in.

Soviet leaders have been especially cynical in the treatment of their citizens who had the temerity to take them at their word and set up groups to monitor compliance with the Helsinki agreements. According to the U.S. Helsinki Watch Committee, of the 100 or more people who openly joined these groups in the Soviet Union, 51 are currently in prison, in psychiatric hospitals, in labor camps, or in internal exile. Four have died in prison, another was killed in a suspicious automobile accident. Another 20 have been incarcerated and released. Not surprisingly, these groups have had to abandon their tasks.

Jewish emigration from the Soviet Union is the other area where the high hopes of the Helsinki era have been bitterly disappointed. After reaching a high of 51,000 in 1979, emigration has dwindled to a tiny fraction of that number. Last year, only 896 Jews were allowed to emigrate.

So while I support the resolution, I want Mr. Gorbachev to know that Americans in and out of government are losing patience with the Kremlin's cynical, empty pronouncements. As President Ford warned us, the Helsinki accord will be judged not by the promises that are made, but by the promises that are kept.●

Mr. **BROOMFIELD**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 180

Whereas on August 1, 1975 the United States joined thirty-four other nations, including the Soviet Union and other Warsaw Pact states, as signatories to the Final Act of the Conference on Security and Cooperation in Europe, known as the Helsinki Final Act, and

Whereas the Final Act is a balanced document incorporating provisions concerning human rights and fundamental freedoms, military security, cooperation in the fields of economic, scientific, cultural and educational affairs, free flow of information, and humanitarian affairs, and

Whereas the Helsinki process has evolved into the primary tool of East-West Human rights diplomacy and continues to serve as a beacon of hope to victims of oppression in the Soviet Union and Eastern Europe, and

Whereas the United States, our NATO Allies and a number of neutral and non-aligned countries have documented and protested many serious violations of the human rights and human contacts provisions of the Final Act by the Soviet Union and other Warsaw Pact states, and

Whereas the Soviet Union displays contempt for basic civil and political rights, such as freedom of thought, conscience, religion and belief; confines in prisons, labor camps and psychiatric institutions or internally exiles hundreds of citizens who have sought to know and act upon their rights, among them thirty-seven imprisoned members of Helsinki monitoring groups, and

Whereas the Soviet Union callously disregards its pledge to facilitate human contacts and has drastically reduced the numbers of Soviet citizens permitted to emigrate; has consistently denied exit permission to Soviet citizens married to U.S. citizens and to other individuals who have claims to U.S. citizenship; and deliberately impedes the East-West flow of information by jamming Western radio broadcasts, and

Whereas disregard for human rights also is evident in the other Warsaw Pact states of Eastern Europe, and

Whereas inter alia, Bulgaria maintains virtually total control over the life of its people and recently has engaged in a campaign of forcible assimilation aimed at the Turkish minority population; Czechoslovakia harshly represses independent social, political, religious, minority and cultural expression and persecutes members of Charter '77 and VONS (Committee for the Defense of the Unjustly Persecuted); The German Democratic Republic enforces a restrictive emigration policy; Hungary continually harasses citizens who publish or possess unofficial material; Poland outlaws the Solidarity Union, harasses and prosecutes Solidarity and human rights advocates and currently imprisons over 200 persons for exercising their human and workers' rights; Romania maintains a repressive internal regime and seriously violates the freedoms of conscience, expression and association, as well as religious liberty and minority rights; and

Whereas meetings of Helsinki signatory states present important opportunities for Western democracies to call the Soviet Union and its allies to account for these human rights violations, and

Whereas at the recent Ottawa Human Rights Experts Meeting of Helsinki signatory states, East Bloc human rights violations were raised and deplored by U.S. Ambassador Richard Schifter and by other Western and Neutral envoys on behalf of their respective states, and

Whereas U.S. Secretary of State George P. Shults will lead the U.S. Delegation to the 10th anniversary commemoration of the signing of the Final Act: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the Congress strongly reaffirms the human rights principles and humanitarian provisions of the Helsinki Final Act and the Madrid Concluding Document;

(2) the Congress recognizes and condemns continued East Bloc violations of international obligations under the U.N. Charter, the Universal Declaration on Human Rights, the Helsinki Final Act, the Madrid Concluding Document, and other relevant international instruments;

(3) the Congress requests that the President of the United States direct the U.S. Department of State to convey to the Soviet Union and its allies the United States' deep and abiding human rights concerns;

(4) the Congress urges the President to direct the U.S. Department of State to take full advantage of the opportunities provided by all upcoming meetings of Helsinki signatory states to call the Soviet Union and its allies to account for ongoing human rights violations and to work constructively with the governments of the other Western democracies to promote human rights progress in the Eastern signatory states; and

(5) the Congress calls upon the President to use every opportunity to stress the inherent link—explicitly stated in the Helsinki Final Act and the Madrid Concluding Document—between respect for human rights and the achievement of lasting peace.

The **SPEAKER** pro tempore. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The **SPEAKER** pro tempore. The question is on the passage of the Senate joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. **BROOMFIELD**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 414, nays 0, not voting 19, as follows:

[Roll No. 266]

YEAS—414

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Coughlin
Courter
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Gray (IL)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hayes
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
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Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz

Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOT VOTING—19

Bentley
Boulter
Carney
Cooper
Coyne
de la Garza
Fiedler
Ford (TN)
Gordon
Gray (PA)
Hawkins
Hefner
Lloyd
Loeffler
Mrazek
Rostenkowski
Tauzin
Torricelli
Williams

□ 1350

So the Senate joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. **HOYER**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject matter of the Senate joint resolution just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATION ACT, 1986

Mr. **ROYBAL**. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3036) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROYBAL].

The motion was agreed to.

□ 1353

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3036, with Mr. BEILENSON in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN**. When the Committee of the Whole House rose on Friday, July 26, 1985, titles V and VI were open to amendment at any point. Pending was an amendment offered by the gentleman from Minnesota [Mr. FRENZEL].

The Chair now recognizes the gentleman from Minnesota [Mr. FRENZEL] for 5 minutes in support of his amendment.

Mr. **FRENZEL**. Mr. Chairman, per my letter to each Member of the House of Representatives, my amendment which is now pending makes uniform cuts across the board in discretionary items in this appropriation.

Mr. Chairman, the total spending in the committee bill amounts to over $13 billion. Of that amount, the mandatory spending programs, three of them, are not included in my amendment. Only included are discretionary amounts, which in the bill total $7.25 billion.

Mr. Chairman, eliminating the mandatory provisions of the bill, there are about $7.2 billion in spending for discretionary items. Those discretionary items are about $192 billion over the level of fiscal year 1985, the current year. In order to preserve the House intention to freeze discretionary items, my amendment cuts that $192 billion by applying an equal reduction of 2.65 percent across the board to each of the discretionary items. It results in a savings from the bill's expenditures of about $192 billion.

Mr. Chairman, I have had Members ask me why I am cutting Customs, why I am cutting BATF or Federal law enforcement training, just as Members always ask why in a reduction amendment we have to cut anything.

Unfortunately, if we are going to reduce spending, we have to cut something.

I would note, Mr. Chairman, that there are two very heavy items in the bill. The committee bill increases the Customs Service spending by 14 percent, which is well over the amount contemplated in the House budget resolution which many Members have voted for twice.

If one accepts my amendment, the Customs Service will still have an increase of over 11 percent, will still be above the House budget resolution and will have plenty of money to run a good operation.

Mr. Chairman, the House is being tested again today on the basis of whether it really meant anything when it said it wanted to reduce deficits. There is a great deal of questioning by the people of the United States to why this body would vote for a freeze in its budget of discretionary items, and then, as it handled its appropriation bills, continue to spend more money than is required by a freeze.

This amendment gives the House a chance to stand up for what it said it was doing when it passed its budget resolution the first time. This gives the House a chance to reaffirm what it said it was doing in its budget resolution and what many of its Members said they wanted to do.

Again, Mr. Chairman, there will be two amendments and those will seek to exempt certain line items from spending. The first amendment, from the gentleman from Texas [Mr. COLEMAN], will reduce the force and effect of my amendment and result in overspending on discretionaries.

The second amendment will reorient my suggested allocation.

In defense of my own amendment, I can say that I tried to ratify what the committee had done, neither digging deeper than it had done nor favoring any discretionary amounts that it perhaps did not favor.

□ 1400

I felt that across the board was the best way that I could show respect for the committee's work. It is only a 2.65-percent reduction, and it only reduces discretionary spending by $192 million. But I think it is the very least that the House can do if the House has any interest whatsoever in living up to its budget resolution or reducing the deficit.

I yield back the balance of my time.

Mr. **ROYBAL**. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment does, in fact, reduce budgetary spending for these departments by $192 million. But this is done without the benefit of a hearing, and without actually knowing what the needs are of the departments that are going to be affected by this cut.

I do not think that this is the proper way of making reductions in any budget of the Federal Government. I think that we must know what the needs are of the various departments in question before we do that.

Our committee spent several months studying these issues and came to the conclusion that the amounts recommended by the committee were proper. These amounts are $214 million less than the House-passed budget resolution. It is $214 million less below the budgetary amounts allocated to this committee. Not more, but less.

I have to note that if this amendment is adopted, then hundreds of millions of dollars in revenue that could and should be collected by IRS will not be collected, and our deficit will grow even higher as our honest citizens bear more and more of the tax burden.

My colleagues probably saw in the newspaper this morning that there are thousands of individuals in the United States that have been waiting for their tax refund and they have not been able to receive it partly because the IRS does not have the sufficient personnel to process those returns and send that money back to the people that they owe the money to.

We must also point out the fact, Mr. Chairman, that the Federal Government is paying 13 percent interest on the money that they owe, and that each day that goes by, more and more is being owed to the people who are waiting, impatiently, I might say, for IRS to send them their tax refund, which is expected and in many cases very much needed.

If the amendment is adopted, drugs and other illegal imports that should be stopped at our borders by Customs will find their way into this country, and again because this reduction means fewer personnel. The damage that will be done to our society by drugs in actual terms of dollars is literally many billions of dollars' damage, and no one really knows how much it really will cost ultimately in medical care down the line. The damage done to the lives of our citizens, particularly our youth, is beyond calculation.

There is another department that is also going to be affected by this cut, and I am not going to go through each of these departments, except those departments that are revenue-producing. The Bureau of Alcohol, Tobacco and Firearms brings in billions of dollars of revenue, and at the same time it is one of the most important Federal agencies in stopping illegal trafficking of firearms and investigating illegal bombings. They would suffer the consequences of this cut. And as a result, they will be able to do less, again because of lack of personnel.

There are many agencies funded in this bill which perform less exciting and less glamorous functions, but those functions are important to the orderly process of Government. Reductions such as this would reduce their effectiveness, and in the long run would cost the Government far more than these reductions would save.

The General Services Administration, for example, leases, purchases, and maintains billions of dollars' worth of office and other type of space. Less effective management could result in substantial loss. GSA is also responsible for the purchase of billions of dollars in personal property and maintains a stockpile valued at many billions of dollars. We really do not know at this time, since we have not studied the effects of this cutback, what this would mean to their operations.

I can go on and on, Mr. Chairman, about one of these departments. But I hesitate to do so, again because of lack of time, but because primarily no one seems to be listening. If someone just listens to the facts, they will come to the same conclusion that the committee came to, that we cannot make these cuts, particularly in these revenue-producing departments that bring in as least $12 in revenue for every $1 that is spent in their operation.

AMENDMENT OFFERED BY MR. COLEMAN OF TEXAS TO THE AMENDMENT OFFERED BY MR. FRENZEL

Mr. COLEMAN of Texas. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. COLEMAN of Texas to the amendment offered by Mr. FRENZEL: At the end thereof insert the following new sentence:

The provisions of the preceding sentence shall not apply to funds appropriated or otherwise made available under title I of this Act for Federal Law Enforcement Training, the Bureau of Alcohol, Tobacco and Firearms, the United States Customs Service, the Internal Revenue Service, and the United States Secret Service, or title II of this Act for the Postal Service.

(By unanimous consent, Mr. COLEMAN of Texas was allowed to proceed for 6 additional minutes.)

Mr. COLEMAN of Texas. Mr. Chairman, my amendment would exclude the law enforcement agencies contained in title I and all of title II of the bill from the amendment offered by the gentleman from Minnesota. Those agencies are: the Federal Law Enforcement Training Center; the Bureau of Alcohol, Tobacco and Firearms; the U.S. Customs Service; the Internal Revenue Service; the Secret Service; and the Postal Service.

The committee worked long and hard to develop a bill which is both under its tentative 302(b) subdivision and provides the necessary resources for the administration of law enforcement, tax and duty collection; drug interdiction; and the preservation of the revenue foregone function of the Postal Service. We did not "raid" the Treasury. The bill is under the House passed budget allocation by $207 million. However, the gentleman from Minnesota believes the committee is spending too much for the functions under its jurisdiction, and therefore believes it should be cut. While that may seem fiscally proper, such a cut would cause severe repercussions both in law enforcement and revenue collection. In effect, the gentleman's amendment might be pennywise, but it would most certainly be pound foolish.

The amendment I offer to the gentleman's amendment still allows for a cut in the bill of $35 million. What it would do is remove from the harmful and ill-conceived cutting edge those agencies which would otherwise be irreparably harmed by the gentleman's amendment. Let me just explain what his amendment would do to those agencies.

Mr. FRENZEL's amendment would cut the U.S. Customs Service by a total of $20,814,000. Of that amount, $19,212,500 would come out of the salaries and expenses of the Customs Service. That would cause the reduction of approximately 540 positions contained in the bill, resulting in 438,750 fewer entries inspected and processed and a possible revenue loss of $260 million or more in revenue. The Committee on Appropriations, the Committee on Ways and Means, the Budget Committee, and others have recommended an increase in customs personnel above the fiscal year 1986 request by some 1,687 positions. Ways and Means and the Congressional Budget Office estimate that the increase in personnel would result in revenue gains of $780 million over the next 2 years. Using those calculations, Mr. FRENZEL's amendment would therefore result in revenue losses of up to $500 million. Furthermore, the Ways and Means Subcommittee on Trade reported that nearly $40 billion in illegal imports were slipping into the country annually. That costs the Treasury, according to the committee, $3 billion annually.

Perhaps a more important point to stress with the Customs Service is that it is the front line against the influx of illegal narcotics threatening the social fiber of our society. In testimony before our committee, the Commissioner of Customs stated that for every pound of cocaine customs seizes, two or three get through. Furthermore, according to the Customs Service, of all cargo containers which enter the country, 98 percent pass through uninspected. The odds presented by that situation are unacceptable in the war on drugs. According to the Select Committee on Narcotics, in 1984 the supply of heroin in this Nation increased by 200 percent. The supply of cocaine increased by 50 percent and the supply of marijuana increased by 300 percent. However, the gentleman's amendment would cut not only 540 enforcement personnel out of the bill, it would also cut $1.6 million from the air interdiction program of the Customs Service. In effect, those cuts would probably cut back on the available air time for P-3A's used to detect and track planes carrying dope into

this country, and the funds for the operation and maintenance of 2 additional Blackhawk helicopters Customs hopes to acquire as well, which are used to intercept such aircraft. To cut these funds for the Customs Service's Drug Interdiction Program, while the illegal drug trade continues to flourish, would be a dereliction of duty. If the Congress is really serious about fighting drugs, we are going to have to pay for it.

Mr. FRENZEL would also have us cut $97 million from the Internal Revenue Service. The committee approved an increase of $178 million for the IRS for fiscal year 1986. So did the Ways and Means Committee. The Ways and Means Committee and the Joint Committee on Taxation estimate that this could result in new revenues of up to $1.2 billion or more. Mr. FRENZEL's amendment would cut that figure in half, if not more. As a matter of fact, it would probably result in more losses in the long run. For instance, the committee approved funds for 500 additional personnel to process returns in fiscal year 1986. I do not believe there is a Member here who is not aware of the terrible backlog being experienced by the IRS this year. They are 6 million returns behind, which will cost millions in interest. The committee added the personnel in anticipation of 500 million additional returns to be processed next year. Yet, Mr FRENZEL's amendment would eliminate those positions and we would be left in a worse position. While no one may be too fond of the IRS, they are an important function of Government. When we spend money on them they bring more back in. In light of our deficits, and the amount of taxes owed yet unpaid, it is foolish not to properly fund the agency. Mr. FRENZEL would cut the examination and appeals section of the IRS by over $37 million, cutting staff by 1,000 positions resulting in 60,000 fewer examinations. This lowers the overall audit coverage to 1.2 percent, the tenth straight year of decline since 1976. And, again, we lose badly needed and owed revenue.

The gentleman would cut the Bureau of Alcohol, Tobacco, and Firearms by more than $4 million. That would result in a reduction of 150 staff positions under the fiscal year 1985 level. This agency enforces our alcohol taxes, estimated at $5 billion annually. Their enforcement capabilities would be greatly deterred, particularly when the increase in distilled spirits tax rate is due to increase on October 1, 1985. It would also curtail their ability to halt cigarette smuggling involving organized crime and to investigate domestic bombings in a time of rising terrorism. To cut this budget and staff would be most unwise.

Mr. FRENZEL would have us cut the budget of the Federal Law Enforcement Training Center. The committee reviewed the administration's request for this program and found it necessary in order that current training levels be maintained. That program works with 59 organizations to see that Federal and State law enforcement personnel are adequately trained. It makes no sense to cut it when Members of this House talk about controlling crime. Not more than 2 weeks ago, this House debated ways of fighting terrorism. To cut the budget of the training facility would be a step in the opposite direction.

Mr. FRENZEL's amendment would cut the Secret Service by $7 million. That budget is already under the fiscal year 1985 appropriations by $2.6 million. The committee worked with the administration in developing this budget and all parties agreed the amount contained in the bill was necessary to continue adequate protection of the President, Vice President, and other Government officials, as well as to curtail counterfeiting. I see no merit in cutting its budget, nor does the administration.

Finally, the gentleman's amendment would further cut the funding contained in the bill for the Postal Service. The result would no doubt mean a further increase in rates for small in-county publications and nonprofit organizations. The funding level contained in the bill is $79 million below the fiscal year 1985 amount. The full committee already cut funding for this function by moving the scheduled rate increase up from July 1986 to January 1986. That represents a 14-percent increase in mailing costs for these small town newspapers and charitable organizations. These groups provide assistance to the poor and downtrodden, particularly in the last few years because of the cutbacks in Government assistance programs. To cut this program further would be contradicting the administration's efforts to enhance more private rather than Government assistance.

The House already rejected a freeze on these agencies when we passed the budget resolution in May. We realized their importance to law enforcement and revenue collection then and should do so now.

Mr. Chairman, the gentleman's amendment is just bad government. It would result in reductions of revenue. It would lower our defenses against drugs, terrorism, and organized crime. And it would increase the burden on the less fortunate. The bill reported by the committee is fiscally sound. If you want to cut more, support my amendment, and add to the amount already under the House budget allocation. But, at least, do not support an amendment, as the one offered by the gentleman from Minnesota, which will weaken Federal law enforcement and fiscal administration.

□ 1410

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman from Texas yield?

Mr. COLEMAN of Texas. I yield to the gentleman.

Mr. DORGAN of North Dakota. I thank the gentleman.

Let me support the gentleman's statement, particularly with respect to the IRS. I would like to make a couple of comments about that.

We are losing, some people estimate, $4 to $5 billion a year because we do not have adequate enforcement of our tax laws. We used to examine about 3 percent of the tax returns coming in; now we are down to somewhere around 1.4 to 1.3 percent of the tax returns. We have somewhere around $30 to $35 billion out there in accounts receivable that is not being collected. At that same time we have a diminution of our ability to collect through the collectors we have on the IRS staff.

W.R. Grace Commission said we ought to have 7,500 more people in the IRS to enforce the tax laws the way they are supposed to be enforced. Now I know a lot of folks do not like the IRS, but the people out there that work for a living, that are on the W-2 form, that do not have any flexibility, they are the people that end up having to pay for the lack of compliance, the lack of enforcement that currently exists in this tax system.

I am pleased that we saw some additional positions put in the committee bill above the administration's budget recommendation. I think that is a step forward. I hope we will take a much bigger step next year and get back to the position when we started enforcing the tax laws the way they ought to be enforced.

Some people think it is conservative to say, "Let's get rid of half the IRS." That is not conservative, it is nonsense. Let us make certain we enforce these tax laws. To do that we need an adequate level of audit staff, of those who are able to collect delinquent accounts. I thus support the gentleman's approach.

The CHAIRMAN. The time of the gentleman from Texas [Mr. COLEMAN] has expired.

(On request of Mr. SKEEN and by unanimous consent, Mr. COLEMAN of Texas was allowed to proceed for 3 additional minutes.)

Mr. SKEEN. Mr. Chairman, will the gentleman from Texas yield?

Mr. COLEMAN of Texas. I am happy to yield to the gentleman from New Mexico, the ranking minority member on the committee.

Mr. SKEEN. I thank the gentleman for yielding.

The question I would like to ask: The net effect of your substitute to the Frenzel amendment would be, then, how much in total reduction over where we are now before any amendment takes place, in dollars?

Mr. COLEMAN of Texas. As the gentleman from New Mexico knows, the Frenzel amendment would have cut approximately $192 million from the Appropriations Committee bill. My amendment to the amendment, instead, cuts $35 million. While it would have been my preference to have gone completely with the matter of the committee bill because I think the necessary reductions were made in a very precise way, I felt it necessary, even preferable, to offer this amendment to the amendment so that other, more crippling amendments to the amendment of the gentleman from Minnesota could not preclude this particular cut. So we are cutting an additional $35 million which by the way causes us to come under the budget authority by some $242 million.

Mr. SKEEN. We were under the House budget, am I not correct?

Mr. COLEMAN of Texas. You are correct.

Mr. SKEEN. We are, however, over the President's budget by some $1.2 billion.

Mr. COLEMAN of Texas. If I might for a second I would like to speak to that issue. As you know, the President's budget did not have any dollars for revenue forgone, which both bodies have decided we are going to have to do something about. So as a result we wind up with a $900 million addition no matter what we do from one body to the other.

Mr. SKEEN. The reason I ask that question is there seems to be some confusion about whether we are over the budget that the House passed or under the budget. I just want some assurance that the base that we are still on, that my information is still correct that we are still under the House-passed budget.

Mr. COLEMAN of Texas. That is correct, the gentleman is right.

Mr. SKEEN. I thank the gentleman for yielding.

Mr. CONTE. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the Frenzel amendment.

I want to commend the gentleman from Minnesota [Mr. FRENZEL] for his effort and hard work in trying to reduce the deficit. There's no doubt that deficit reduction should be a high priority for the Congress.

Although the Frenzel amendment is well intentioned, it may have some unintended and expensive results. On the surface, this amendment appears to save $192 million by imposing a 2.7-percent cut across the board. However, the result may actually increase the deficit by a significant amount.

As I understand it, the Frenzel amendment would cut $98 million from the IRS and about $21 million for the Customs Serivce. These two agencies, along with a reduction in the Postal subsidy, would absorb about 75 percent of the total cut proposed in the amendment.

As the gentleman from Minnesota knows, these two agencies are the biggest revenue producers in the Government. The Customs Service, for example, collected $12.5 billion in duties and taxes during fiscal year 1984. In the end, Customs returned to the Treasury $21 for each dollar appropriated.

The ratio for the IRS is even better. In fact, any cut to this Agency will result in substantial losses in revenue. During the subcommittee hearings on the IRS, I asked the Commissioner for the record what the impact of a $30 million cut would be on tax revenues. To say the least I was shocked with the answer. The IRS estimated that a $30 million cut in IRS operations would cost the Treasury $375 million in fiscal year 1986. I can only imagine what the revenue loss would be with a $98 million cut as proposed by this amendment.

Mr. Chairman, based on this fact alone, this amendment should be rejected. It doesn't make sense to cut a small amount now and lose millions in revenue next year. I urge my colleagues to reject this amendment.

□ 1420

It is amazing to note that because of the delay in processing the tax refunds this year, the Internal Revenue Service has to pay more than $200 million in interest alone. So we are being penny wise and pound foolish with this amendment.

The Coleman amendment is better than the Frenzel amendment, but let us face it. You know why this budget is a billion dollars over the President's budget. The administration has zeroed out because he zeroed in revenue foregone: When that budget came up here, no funds were recommended for revenue foregone.

So this committee did the responsible thing; This bill does comply with the phasing schedule. The committee provided $922 million for revenue foregone in this bill. The committee also added $178 million for the Internal Revenue Service so that they can beef up their enforcement efforts and collect the billions of dollars in taxes now owed to the Government.

Mr. COLEMAN of Texas. Will the gentleman yield for a question?

Mr. CONTE. I will be glad to yield.

Mr. COLEMAN of Texas. I would just say to the gentleman, I have similar problems with both amendments, and I think because of your statement that it might be wise; I would only offer to withdraw my amendment to the amendment if the gentleman from Minnesota would withdraw his amendment, and then we could pass the bill.

I think that would be appropriate. I will be happy to do that if the gentleman from Minnesota would be willing to withdraw his amendment. On the other hand, if he is not, then I would hope you would support my amendment to the amendment because it is better, and then if you desire, of course, on the final vote on the Frenzel amendment if it is amended by mine, you could vote no.

Mr. CONTE. I will take that under consideration.

I just do not understand why both gentlemen are not directing their amendments to the source of the problem. One of the biggest items in this bill is revenue foregone. It is a Postal subsidy, and nobody wants to talk about it, nobody wants to offer an amendment; but it is a legitimate question.

I know you may get a few letters from the nonprofit organizations and the rural newspapers, but I know you can take that kind of heat.

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment.

I think, Mr. Chairman, that we can stipulate to the fact that the Coleman amendment does in fact improve the Frenzel amendment. It improves it by $157 million, but I rise in opposition with mixed emotions, for it reminds me very much of a situation where a man is asked whether he wants to die at sunrise before a firing squad or take poison in the evening before he goes to bed. The end result is that he is going to die anyway.

In this instance, the Departments in question are going to suffer the consequences of whatever cutback is voted upon no matter what if these amendments are approved.

The truth of the matter is that regardless of the Frenzel-Coleman amendment, they are being brought to this floor without the benefit of the kind of study that is necessary to make a determination with regard to the needs of these departments.

It is true that we are above the President's recommendation, but the truth of the matter, as has already been stated, is that revenue foregone is $926 million more than that zero figure recommended by the President of the United States.

That is the real problem of the situation. Again, as we look at the amendments before us, we find that one is better than the other only because it reduces the impact of amendment No. 1.

So I rise in opposition to both amendments, but in this instance, the Coleman amendment, with some reservations is better, but still not good legislation. Mr. Chairman, I sincerely hope that both amendments are defeated.

Mr. DURBIN. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, I stand today in support of the position expressed by the gentleman from Massachusetts [Mr. CONTE]. I believe that Mr. COLEMAN has improved on Mr. FRENZEL's amendment, but I happen to believe that the chairman of the subcommittee is correct that we would be better off if neither amendment was adopted.

Several days ago, there was a debate on this floor about the authorization and appropriation for the National Aeronautics and Space Administration. Many Members deviated from what had been their norm in voting by saying that we should put additional money into NASA because it would come back to us twelve-fold or fourteen-fold.

Ladies and gentlemen of the House, we have before us today a very similar situation. If we decide to cut back in the money for the Internal Revenue Service, it is very clear, and the gentleman from Massachusetts [Mr. CONTE] stated it, that we will lose upward of $375 million at least, at least, if we fail to get the Internal Revenue Service the necessary personnel to process the returns which they received.

In addition, the statement made by the gentleman from Texas [Mr. COLEMAN] was also very instructive as to what we should be doing on this particular amendment. It we are going to sacrifice some 468,000 inspections by customs officials, we not only run the risk of jeopardizing the whole border operation of protecting the United States, we also run the risk of allowing drugs to come into this country—illegal drugs and contraband.

Can we afford this? Can we afford what this will do to our society? And finally, the question of revenue foregone. I have not heard any speaker who, and I apologize if I missed the remarks, but I have not heard any speaker in support of the Frenzel amendment suggest that they support the administration's position to do with revenue foregone, and that is a major component in this decision today.

I believe the gentleman from Massachusetts is correct that we should oppose the Frenzel amendment. If we are forced to consider the Frenzel amendment, at least with the Coleman amendment added to it, we will have a sounder legislative product.

Mr. COLEMAN of Texas. Will the gentleman yield?

Mr. DURBIN. I yield to the gentleman.

Mr. COLEMAN of Texas. The only comment or question I would have for the gentleman is this. Because of where we are parliamentarily, Mr. Chairman, I am wondering whether or not the gentleman does not agree that it would be better to exempt from the Frenzel cuts the Internal Revenue Service, the Customs, the Secret Service, and all of the law enforcement agencies as well as the revenue foregone issue at this point in time?

In other words, I am asking the gentleman whether or not it would not be better for Members of this body to vote "aye" on the Coleman amendment, and then we can determine at the end of that whether or not we want and amendment at all to what the committee work has done.

Mr. DURBIN. I agree with the gentleman. I think that is the proper course to follow.

Mr. Chairman, I would say that I would hope that the Frenzel amendment —would not prevail without the Coleman amendment attached to it.

Mr. SKEEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is a very interesting process. Of course, those of us on the committee are going to stand up and talk about defending the committee's position. I do not think that we need to defend it, because I think we have done our work and done it well.

However, that is the process; and when you bring these bills out here to the floor, then this is the kind of thing that you open to the rest of the membership who have not had the great privilege and advantage and pleasure of working in these subcommittees, I admire the gentleman from Minnesota a great deal, because I understand his motivation, and I admire his forthright manner in which he approaches budget cuts.

However in this case I have to reluctantly oppose this kind of an amendment because I think that it is misplaced. I do not think that it really gets to the heart of what we are trying to do.

Mr. Chairman, I am a little bit confused. We have another amendment on top of this one, and I understand that there is another one in order, and I would make inquiry of the Chair as to whether or not we can amend this other amendment, the so-called Spratt amendment?

□ 1430

The CHAIRMAN. The Chair would advise the gentleman from New Mexico that the amendment of the gentleman from South Carolina [Mr. SPRATT] could be offered after the committee disposes of the amendment being proposed by the gentleman from Texas [Mr. COLEMAN].

Mr. SKEEN. So we have a triple-tiered situation going on here.

The only problem I have with the Coleman amendment is this: It restores and exempts from the cuts those areas that we worked to bolster because they were income-producing and were critical in so far as need for personnel and for function.

For instance, the Customs Service returns to the Treasury $21 for every $1 that we spend. So assuming from that, if you cut $1, then you are going to lose $21. I do not know if they work in that kind of proportion.

Mr. COLEMAN of Texas. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman form Texas.

Mr. COLEMAN of Texas. I hope the gentleman understands that should not be a problem with the Coleman amendment. In fact, the gentleman should be supporting the Coleman amendment. Let me read it again, so there is no mistake.

Mr. SKEEN. Reclaiming my time, I think I may have misled the gentleman due to the thrust of his question.

My only problem with the amendment of the gentleman from Texas is the $35 million that we ultimately cut from the appropriations in this particular bill. That is $35 million from agencies which can ill afford to lose that much in their funding base.

Now I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. Let me just tell the gentleman what it is. Because it is an amendment to the Frenzel amendment, it cuts 2.65 percent out of the Office of the Secretary, out of the Office of International Affairs, out of the Financial Management Service, out of the Bureau of the Mint, out of the Bureau of Public Debt, out of the Energy Credit, out of compensation of the Office of Administration of the President, the White House Office, the executive residence, the residence of the Vice President, the special assistant, all of the rest that belong in this bill lose 2.56 percent because it is the Frenzel amendment.

My point is that there are no cuts, no losses in the very thing that the gentleman is concerned about and that I am concerned about, and that is law enforcement; there are no cuts if my amendment is adopted.

Mr. SKEEN. I understand the gentleman, and I do appreciate his bringing that up.

I will wind up by saying that I think that the Coleman amendment does offer improvement. I have some reservations, which I have already stated, and I have to oppose the Frenzel amendment.

Mr. MOORE. Mr. Chairman, I move to strike the requisite number of words.

Well, my colleagues, here we go again. While the American people watch Rome burn, we stand here, fiddling around, with more excuses of why you cannot cut this and you cannot cut that. Here we go again.

Instead of doing something meaningful to bring down the deficit, we are once again mired down in debate that we cannot hold spending at last year's level, we have got to increase it.

I, for one, am fed up with it. You vote that way, if you wish. We are going to give you that chance. But I am at least going to express what I think is the frustration of the American people.

We do not have a budget. We have got to do something to hold down spending, which means that as each bill comes up, we are going to have to make some tough votes. Every bill that comes up has got some wonderful reasons why you cannot cut this and you cannot cut that, and there is merit to every one of them. But if we do that on every one of them, you do not cut spending at all.

What is wrong with the Frenzel amendment is not for what it has been attacked so far on the House floor. What is wrong is that it does not go far enough. The gentleman does not take it back to 1985 spending levels. He does not come anywhere close to it. He cuts some spending but does not take it back to what we spent last year.

When people talk about a freeze, that is what they are talking about. So if you cannot vote for the Frenzel amendment, what you are simply saying is, "Let's let this bill go by, let's give it 3 percent increase over last year's spending," which is what the bill does, "and we will look for some other bill that comes to the floor, and we will try to do it on that one."

We did not do it last week, we are not going to do it today. It looks like you are telling the American people we are not serious about those deficits, we will not do it this week, we will not do it next month. We will suffer with a $200-billion deficit a little while longer.

I urge the Members to vote against the Coleman amendment because it only saves $35 million, and that is not really serious. I think the Frenzel amendment, at $192 million savings is barely serious, but certainly the Coleman amendment is less serious.

I have heard it said—and I serve on the Ways and Means Committee—we have got to have all of these IRS agents just to collect taxes. Well, I did a little mathematics. If, as the gentleman from Texas [Mr. Coleman] says, 1,500 agents, which is what I am told the amount of money in this amendment he would preserve, would save you $1 billion, why do we not go ahead and appropriate 300,000 new agents and abolish the budget deficit altogether? If 1,500 will give you $1 billion, 300,000 will give you $200 billion and you would not have a deficit; and we can go you one better, we can give you 350,000 agents and we can reduce your taxes as that would bring in a surplus in revenue. We will abolish the deficit and we will reduce your taxes. That is the kind of nonsense you go through with this kind of reasoning.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Last year we increased the number of IRS agents. It did not do a damn thing to reduce our budget deficit. The year before that we added some IRS agents. Did they find any more money? No. But they found some taxpayers to harass.

This function, this budget fiction that more employees who do not know anything, who have to be trained, are suddenly going to go out and find money is ridiculous. Taxpayers produce money, not IRS revenue agents.

Mr. MOORE. Well said. I agree with the gentleman.

I would simply add that is the kind of nonsense we go through in rationalizing every step of the way why we cannot cut spending. You can cut it if you have got the guts to vote to cut spending. And if you do not, then do not go home and tell your people, gee, you want to reduce spending but you just could not do it. The Congress can do whatever the hell it wants to do if you got the courage to, and that is what I have seen missing in this congressional process.

Let me take it one step further. My good friend from New Mexico made the point a moment ago that this bill is below the House-passed budget resolution. That is no great document, but I voted for it. But what you do not realize is that this bill is $1 billion above the Senate-passed resolution, $1 billion more in spending.

Now, if you go to conference and you split the difference, that is $500 million, then you are nowhere close to the $500 million less level in this bill because that would be below 1985 spending, and this bill is 3 percent above it.

So you are deluding yourselves by saying we are saving money, because the bill is under the House-passed budget resolution. You are nowhere close to what a conference is going to come back with, if it does.

Let me conclude by simply saying this: With all due respect to all of you, all of these things are important. What is more important is bringing down the deficit. And I submit that every single bill that comes through—I have been listening now, just as you have been listening all spring and summer as we have fought these appropriation bills, as every one of them comes through, we could give a thousand excuses why you cannot even cut, you cannot even hold it to last year's spending. The Frenzel amendment does not even do that. It does not cut. It does not even hold it to last year's spending. If you cannot vote for that, then you are not serious.

So I end, as I started: Here we go again. Here we go again.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. Moore] has expired.

(On request of Mr. Pursell and by unanimous consent, Mr. Moore was allowed to proceed for 3 additional minutes.)

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from Michigan.

Mr. PURSELL. I want to thank the gentleman also for supporting the Frenzel amendment. I do likewise. I think it is a small amount. But I think we should also be aware that the pay increase is not even in this appropriation bill, as it is not in some of the other appropriation bills. In this bill it would be about $140 million. Now, it would seem to me that, ethically, if the pay raise is recommended by the administration and the conferees and the Congress itself across the board for Federal employees—and that is a separate question—since it has been recommended, what they are going to do is take all of that for all of the appropriation bills and dump it into a supplemental bill down the road, and that adds up to about $1 billion.

So the gentleman is correct in his statement that this is not at the freeze level either with or without the $140 million that was addressed for the pay increase.

Mr. MOORE. The gentleman from Michigan has been following the budget process and participating very closely, and I thank him again for his comments. The gentleman brings out again the games the Congress is playing with the American people. We talk about reducing spending, which we are not. We talk about freezing spending, which we are not. And then you point out that we are going to come right along with a supplemental appropriations bill and spend well above what we did last year.

□ 1440

These games have got to end, my colleagues, if we are ever going to do anything about the budget deficits.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman.

Mr. SKEEN. I really appreciate what you are saying, and the fervor of it. I think that the gentleman has interpreted it correctly. There is only one problem: Where are the amendments to cut this back down to the budget? Where are all the great, gutsy kind of amenders out here today that will reduce this thing? It would be just as welcome as rain if you could get it passed.

Mr. MOORE. Reclaiming my time, we have offered one and you have spoken against it. Vote for that one and we will cut some more.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman.

Mr. FRENZEL. The gentleman from New Mexico is batting a thousand in opposing all the cuts so far. How many more do we have to bring before we find one you like?

Mr. SKEEN. Well, why do you not start with revenue forgone, if the gentleman will yield?

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman.

Mr. HOYER. I thank the gentleman for yielding.

Mr. Chairman, I understand the gentleman's frustration. It is somewhat like, I suppose, the chairman of the Senate Budget Committee who also himself has some frustration.

Let me ask the gentleman this: The gentleman mentions that we are $1 billion over the Senate. Would the gentleman be in favor of cutting the revenue forgone section of the bill by $900 million?

Mr. MOORE. You offer the amendment; I will vote for it.

Mr. HOYER. I take it then the gentleman would be in favor of that?

Mr. MOORE. I am in favor of cutting spending. I will vote to cut any spending anywhere down the line. That is why I am standing up here now.

Mr. HOYER. Including revenue forgone. I thank the gentleman for his statement.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I strongly support the amendment offered by the gentleman from Texas to protect the law enforcement component of H.R. 3036. This bill funds the U.S. Customs Service, which is a major component of our drug enforcement program. The Bureau of Alcohol, Tobacco and Firearms. IRS, Secret Service, and the Federal Law Enforcement Training Center. Unless the Coleman amendment is adopted, funding for these programs will be reduced by over $131 million.

I, for one, do not believe that any benefit associated with reduced funding would be worth the increased costs to society. Believe me, there are increased costs in every community in this country if the Frenzel amendment passes.

Just last week, the Select Committee on Narcotics Abuse and Control heard from Customs officials on their efforts in the drug war. With 3 months left in this fiscal year, Customs has already seized 15,000 kilos of cocaine, a threefold increase in just 3 years. If that is reduced, if the agents are not there to handle it, how much more cocaine is going to flow into every community in this country?

In its May 1985 special report on worldwide cocaine trafficking trends, DEA estimated wholesale cocaine prices in Miami to be between $30,000 and $35,000 per kilo in March. That means to that date, Customs has seized about $450 million in cocaine. Over $1 billion has been seized since then.

Recognizing the importance of the Customs Service in the war against drugs, the Appropriations Committee funded 16,087 more Customs Service positions than the administration requested. Remember, this administration has cut positions in the last 4 years in every one of their budget proposals.

Mr. COLEMAN of Texas. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I yield to the gentleman.

Mr. COLEMAN of Texas. I thank the gentleman for yielding.

Of course, I appreciate his work with me on this particular amendment. I know of his interest in the narcotics committee, and I would hope that this point would not be lost.

The gentleman from Louisiana just a moment ago spoke about 1985 levels. All that the numbers of customs do is attempt to get it back to 1981 levels. Not an increase from 1981, just back to those levels. I think that is the point that needs to be reiterated here on this floor.

Mr. SMITH of Florida. I thank the gentleman for pointing that out very graphically. We have been fighting a losing battle to keep the positions in the current range, and we have been losing steadily each year as to what we had 4 years ago with a greater need now than ever before.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I yield to the gentleman.

Mr. GILMAN. I want to commend the gentleman for his continuing efforts in waging, helping us wage war on narcotics. I want to associate myself with the gentleman's remarks. We talk about waging an extensive effort against the narcotics traffickers. If we are going to do it, we need the manpower, we need the funds, we need the equipment to do it, and this is not the way to do it, to cut it out of a very important agency that is helping us fight that war in the Customs.

Mr. SMITH of Florida. I thank the gentleman for his remarks, and I want everyone to be aware, if you cut it out at the Federal level, there is no comparable way that you can make the dent on drug trafficking in the local community. Without the Customs Service, State and local police cannot do the job in stemming the flow of cocaine and marijuana and other illicit drugs coming into this country. They do not have the resources. They will have to plug in more; the local taxpayers will pay more, but they will not be nearly as effective if the Federal Government is not involved in that fight.

How many more millions of dollars worth of cocaine will enter this country if we reduce Customs funding? Millions and millions and millions. The amendment of the gentleman from Minnesota also would reduce funds for the IRS—the only sure moneymaking operation in the Federal Government. The gentleman says that we have added more but we have not collected more money. That is not true. We have collected more money. We have made a dent on the delinquent taxpayers and others. The problem is that we want to put the agents where they belong in the revenue-producing areas; not in the areas of shuffling paper, and there is a difference when you add them in those areas.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I yield to the gentleman.

Mr. PICKLE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Minnesota to reduce the overall discretionary appropriations in this bill which includes the Internal Revenue Service.

I commend the gentleman for his desire to reduce the Federal deficit by cutting spending in general. However, by applying this amendment to the IRS, he is actually defeating his own avowed purpose.

This amendment would cut approximately $100 million from the level of funding for the IRS that is contained in the committee's bill. That $100 million cut will cost us about $600 to $700 million in lost revenue next year because it would reduce IRS enforcement efforts.

This kind of budget cutting is penny-wise and pound-foolish.

The amendment violates the spirit of the reconciliation package tentatively approved by the Ways and Means Committee which calls for $1.2 billion in revenue to be raised through improved IRS operations.

In addition, the Frenzel amendment would wipe out much of the increase in taxpayer services and tax return processing recommended by the Ways and Means Committee and the Appropriations Committee.

Every Member of this body has received complaints from constituents this year about the slowness and problems of processing tax returns. The Ways and Means Oversight Subcommittee has heard extensive testimony on these problems.

In an effort to prevent even further chaos and delays in next year's filing season, we made a bipartisan recommendation for a modest increase in enforcement, taxpayer services, and return processing.

I urge my colleagues to support the amendment by the gentleman from Texas to exempt enforcement agencies from this reduction.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has expired.

(By unanimous consent, Mr. SMITH of Florida was allowed to proceed for 5 additional minutes.)

Mr. SMITH of Florida. I appreciate the remarks of the gentleman from Texas. He is a ranking member on the Ways and Means Committee with many years of experience. I defer certainly to have the information that he has just imparted to the Congress.

At a time when we need every dollar of revenue due under the law, reducing IRS personnel as everyone has said would be penny-wise and pound-foolish.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I yield to the gentleman.

Mr. ROYBAL. I would just like to compliment the gentleman on his statement, not necessarily his position, your statement with regard to Customs and the great need for agents is correct. These additional agents will definitely do a great deal to stop narcotics from coming into the United States. The main reason why the committee did in fact increase agents for Customs by 1,687 in personnel, is because of that reason. That increase in personnel is costing $86 million more than the President recommended.

We did the same thing for IRS because of the fact that there are thousands upon thousands of returns that have not been processed and moneys that are due the taxpayer have not been returned to the taxpayer. We inceased that by 2,243 positions, and it is costing $178 million.

We increase revenue foregone by $922 million and that placed us $1.2 billion more than the President recommended. While we are about $1.2 billion more than the President recommended, the vast majority of that amount is in revenue foregone; $922 million.

I would like to compliment the gentleman for again highlighting the fact that this country does face a tremendous problem with regard to narcotics. I think that we do know that every school in the Nation is faced with it. I sincerely hope that we can continue to look at the facts the way they are and vote accordingly.

Mr. SMITH of Florida. I thank the gentleman for his comments and kind words. I would hope that everybody would be aware that it is not just Customs. We have Bureau of Alcohol, Tobacco, and Firearms; BATF.

□ 1450

We have evidence that drug traffickers are engaged in a symbiotic relationship with terrorists in drug-producing countries. Without question, this is the cáse in South America. Drug traffickers bring drugs to the United States and often take back guns for these terrorists. BATF has the responsibility to enforce our gun laws.

Do we want to reduce its funding in light of this relationship? Do we want more guns on the streets flowing both in and out of the United States?

In addition, as a member of the Crime Subcommittee, I applaud the Appropriations Committee directive that BATF make enforcements against the prohibition of unregistered private ownership of machineguns a priority. How are we going to do that with less agents? These days, these weapons are becoming commonplace in south Florida, the area in which I reside and which I represent, and we need every available agent to deal with this problem.

Yet we may not get the needed help without the committee's funding level. I want to remind my colleagues of the action that we took on July 17. At that time, we rejected a similar amendment to the Frenzel amendment that would have affected law enforcement programs of the Department of Justice—DEA, FBI, U.S. attorneys, et cetera.

I urge my colleagues to take the same action today and protect the law enforcement functions of the Department of the Treasury. By exempting law enforcement functions from any freeze, we will be telling the American people that we will control spending, and we have. Every appropriation bill that has been out on this floor to date has been lower than the President's request and within the House budget, which is a $56 billion deficit saver.

We have voted for those things, but we are not going to indiscriminately cut spending where it will hurt the taxpayer, and this is one area. We will not cut at the expense of our war against drug traffickers and other criminals.

Recent FBI crime statistics show that in a number of areas, crime continues to increase. Unfortunately, south Florida is one of those areas. In 1984, Dade County experienced 231 murders, 70 of which were directly drug related. I suspect many unexplained and other homicides also were related to drugs. In overall violent crimes, Dade County, unfortunately, was second in the Nation. We are tired of having the reputation as the drug and crime capital of this country. Because we are to a large degree victims of our geography, we cannot totally control at the local level what enters the region, but we must deal with their consequences.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has again expired.

Mr. SMITH of Florida. I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. FRENZEL. Mr. Chairman, reserving the right to object, can the gentleman give us an idea of where he is going to proceed? He has had 10 minutes, and certainly drug interdiction and so forth is an important subject. Could the gentleman do with 3, perhaps?

Mr. SMITH of Florida. If the gentleman will yield, I would be happy to do with 3. I have been kind enough, I think, to extend most of my time to people who asked me to yield, and that is why I had to use 10 minutes.

Mr. FRENZEL. I see.

Mr. Chairman, if the gentleman has to do it, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentleman from Florida [Mr. SMITH] is recognized for 5 additional minutes.

Mr. SMITH of Florida. I thank the gentleman for his courtesy.

It is Government officials and concerned citizens at the local level who are continuing the local fight against crime. This admirable effort may be meaningless, however, if Federal funds for crime programs are decreased. As chairman of the Foreign Affairs Task Force on International Narcotics Control, I deal every day, as all of us do, with the consequences of drugs coming and going in this country, especially in the area of south Florida.

The drug growing in South and Central America is a major problem for all of us in this country, but I also deal with the great benefits, as you do, that we get from the involvement of the Federal Government. The DEA, the IRS, the Customs Service, the INS, BATF and all the other Federal agencies are on the front lines in the war against drugs.

Let us repeat the resolve that we showed 2 weeks ago and adopt the Coleman amendment to save law enforcement funds.

Finally, Mr. Chairman, I concur with the gentleman from Texas in his attempt to exempt the Postal Service revenue forgone from any further reductions.

The administration wants the American people to engage in more private giving to help the less fortunate, but a reduction in revenue forgone would hinder efforts by every private charitable organization in this country at the very time when we are trying to raise, through them, the funds needed to offset reductions in social programs.

I do not support the Frenzel amendment, but if there is going to be an attempt to vote on it, I support the Coleman amendment, which is infinitely better as it would be the substitute for Frenzel, and I would urge the adoption of the Coleman amendment on that basis.

Mr. CAMPBELL. Mr. Chairman; I move to strike the requisite number of words.

Mr. Chairman, I have been listening with great interest as we have debated the various enforcement agencies and whether they should or should not be funded. It has come into my mind that most of the people who are saying that we should cut are like I am in that they believe in a strong defense; a defense for the Nation externally, and I hope they believe in it internally. Because, the front line of defense that we have in many instances is an agency such as the Customs Service, an agency that does enforce laws, an agency that does intercept contraband coming into this country, an agency that does fight drugs, an agency that does attempt to maintain safe streets in this country by stopping things before they start.

But I would like to take a different approach to the discussion, if I might, Mr. Chairman, and that has to do with the trade issue. We have an imbalance in trade in this country which is the No. 1 problem facing America today. We are dealing with a deficit in trade that could go up to the $200 billion level if we let it keep going like it is.

Oh, yes, we have problems that we talk about that are related to the deficit and the strength of the dollar. We also have problems in trade with enforcing international agreements into which we have entered. Specifically in my area of the country, Mr. Chairman, if you came to South Carolina and you went through the small towns and you saw the textile plants closed, and you asked the people why they closed, they would say, "Because the imports came in." Then you look at the situation and question why when we have trade agreements this is happening, and you to to Customs and you say, "Why are we not enforcing the agreements we have," and they say, "We do not have the manpower to do it."

We are putting people in the street because we are not enforcing the law. Is there a person here who would say that it is more important not to enforce the law and throw someone out of work? Would you say that that is the way to save money?

No! That is not the way to save money. Who pays the unemployment? Who pays the Federal supplemental compensation after they have been out and their unemployment has expired? Who does it? The taxpayers do it. And when we have a return of $21 to $1 on expenditures going to a customs agent, how can we say that it is not fiscally responsible to fund those agents who enforce the laws of this country, to collect that which is coming in from foreign sources, to protect the jobs of this country, to protect the international agreements of this country.

No, ladies and gentlemen, it is not fiscal responsibility to abandon our duty. We are standing here once again saying let us abdicate; let us abdicate the responsibility of protecting the people of this country; let us abdicate the responsibility of protecting the jobs of this country; let us just leave it wide open and hope for the best.

That is what we are talking about if we are going to abandon the expenditure of these funds.

Mr. DORGAN of North Dakota. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be brief. I rise in support of the Coleman amendment. Let me say that I have on occasion supported the gentleman from Minnesota in an across-the-board cut where I thought it was necessary and prudent to do so.

Having had some background in tax administration, I want for the record to illustrate what we are doing if we cut deeper into the Internal Revenue Service budget. The Frenzel amendment will save $100 million in IRS outlays, but lose $600 million in uncollected revenue's. That is no bargain. The reason I was prompted to speak again was that I heard someone on the floor say, "Look, the issue is do we get involved and address this Federal budget deficit or do we not? If you do not vote for this across-the-board cut, then you do not care about deficits."

I say if we are willing to cut the muscle out of our ability to enforce our tax laws, then we do not care about the deficit. If we really care about this country's fiscal policy, aside from correcting the structural imbalances in our fiscal policy, we also have to care, it seems to me, about preserving the ability to enforce our tax laws.

For purposes of this debate, I want to put in the record some of the numbers. There is about $90 billion that we ought to be collecting in Federal taxes that we are not now collecting, $90 billion in taxes that ought to be paid that are not being paid. This tax gap is expected to double in 5 years.

How do we get them paid? Through better and stronger tax enforcement.

We have about $30 billion in accounts receivable down at the IRS at the present time. Incidentally, accounts receivable is growing at a faster rate than tax collections in this country. We have cut by nearly one-half the percentage of examinations and audits because the manpower has diminished down at the IRS.

In 1976 we had 2.6 percent of the returns examined by the IRS. In 1986, it is estimated to be only 1.2 percent.

As I said earlier, the Grace Commission says we ought to have 7,500 more people to properly enforce the tax laws.

Criminal investigations, cuttng 74 positions. Staff for investigations and collections, 1,000 less positions in 1986 than in 1985. The IRS prepared its 1986 budget cutting resources for collections by 801 positions.

□ 1500

As I said, there is reported to be $8.5 billion in active delinquent accounts, but accounts receivable are nearly $30 billion down at the IRS. Now, again I am not very anxious or very interested to come down here and be a public relations person for the Internal Revenue system, and I cannot think of a position I would less rather be in than to come down here and push for the IRS. But it seems to me that those who talk about law and order and those who talk about the Federal deficit are not doing a great service to the fiscal policy of this country or helping to solve the terrible problems we have by suggesting that we have to cut more muscle out of our ability to enforce our tax laws.

Mr. PURSELL. Mr. Chairman, will the gentleman from North Dakota yield?

Mr. DORGAN of North Dakota. I am happy to yield to the gentleman from Michigan.

Mr. PURSELL. If I read my numbers correctly on the Frenzel amendment, he is making an increase with his amendment; if it is adopted, he increases Customs Service by 11.2 percent. And in respect to the gentleman's concern on IRS, he offers his amendment with a 2.3-percent increase. So I think our language gets a little loose here and we lose track of the discipline of appropriate language. We are not talking about cuts here at all. We are not talking about reductions. The debate here today should be on the degree of the Frenzel amendment in respect to how much more we reduce the budget in respect to what it is over 1985. It is not a cut, it is not a reduction, it is how much of an increase the Frenzel amendment will give us as compared to what the committee is recommending.

Mr. DORGAN of North Dakota. I understand what the gentleman was saying. I was standing here for about 4 minutes talking about specific numbers in the enforcement of our tax laws. We have cut the ability to enforce our tax laws dramatically in the examinations, the accounts receivable, criminal investigations, and dozens and dozens of areas. And I have said there is $90 billion out there that is not now being collected this year. We have a budget deficit of $200 billion, and I hear someone come down to the well of this House and say if we do not vote to cut further the Internal Revenue Service budget, which will further diminish our ability to enforce our tax laws, that we do not care about the deficit.

That does not make any sense to me, that kind of a statement. By that logic, we save a penny and lose a nickel. If you care about the deficit, it seems to me you develop a revenue system and then develop the mechanism to enforce the collection of revenues in that system. We are not now doing that. The numbers are clear. The numbers on tax enforcement that I have used come from the GAO and other sources, including the IRS. There is not any dispute about those numbers at all. We have seen a substantial diminution of our ability to enforce our tax laws. If you care about that at all, it seems to me we ought to get involved not just this time but next year and follow the Grace Commission report that everybody around here says they agree with and do what we need to do to enforce these tax laws through a responsible Internal Revenue System.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Frenzel amendment.

Mr. Chairman, with all respect for my dear friend, the gentleman from Minnesota, I rise regretfully to oppose his amendment.

If you are opposed to the flood of narcotics coming into this country, cocaine, heroin, marijuana, and all of these other evil substances, then you must oppose the Frenzel amendment. If you want to increase Federal revenues, then you must oppose the Frenzel amendment.

Let us look at this matter. There are some 1,500 additional customs agents who will be put into the field by this amendment. They will bring into the Federal Treasury a total of $782 million in additional Federal revenues that otherwise would not be brought in.

With all respect for my dear friend, the gentleman from Minnesota, his amendment is penny-wise and pound-foolish. But let us look beyond that matter. Let us look at what is happening to America.

Last year we had a trade deficit of $123 billion. This year our trade deficit is going to go from $150 to $170 billion. Four billion dollars of that deficit is going to be due to counterfeit goods coming into this country including things like medicines, and like birth control pills, computer chips, computers, auto parts, textiles, aircraft parts, parts for the space shuttle, eyewear, agricultural chemicals, pesticides, pharmaceuticals, and medical devices, as well as sporting goods and a plethora of other manufactured goods. The entire gamut of industrial and commercial supplies into this country is being counterfeited, that is marked with the logo or trademark of respected U.S. manufacturers when in fact made by someone not entitled to do so.

The first line of defense against this is the Customs Service. Each and every one of those billions of dollars that we lose in foreign trade means 25,000 unemployed Americans who are on the streets. Counterfeits, customs frauds, mislabeling, misdirection, dumping, unfair subsidization, and quota violations are all protected against by the Customs Service, who regrettably are far too few and far too overworked to protect America's interests.

If you want to protect American jobs and American industry, then vote against the Frenzel amendment so we can get the Customs agents there to look after the protection of American jobs and American industry.

Remember that the Customs Service even looks at the smuggling of high-tech goods out of this country to the Communist bloc. If you want to make that easier, then by all means vote for the Frenzel amendment.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I will not yield right now.

What is at stake here is adequate enforcement of the trade and customs laws which protect the United States and its citizens, which bring in revenue, which protect American jobs. These laws prohibit counterfeits and illegal activities of that kind which cost America jobs and investments for the future. And remember counterfeits threaten the health and safety of consumers. Customs agents prevent unsafe counterfeit goods from coming in. That protection would be reduced by this amendment.

Mr. Chairman, this is an investment, not an expenditure.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, I would again have to suggest to the gentleman that the Frenzel amendment gives Customs an 11.2-percent increase.

Mr. DINGELL. Yes, I heard the gentleman make that point, and the difference between the figures in terms of revenue under the Frenzel amendment to the Customs Service is about $300 million that will not be collected and many jobs lost to American workers.

Now, I have not talked about the Intenal Revenue Service. I have not talked about the other revenue-producing agencies that are at stake here. The hard fact of the matter is that the Frenzel amendment, although it looks mighty good, is unfortunately simplistic and simply is going to cost the taxpayers money and is going to cost America jobs.

Mr. COLEMAN of Texas. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. Mr. Chairman, I thank the chairman of the Committee on Energy and Commerce for yielding.

I think it is important for the Members on the other side who may be thinking about supporting the Frenzel amendment and voting against my amendment to his amendment to understand, when we talk about additions to Customs, what we are talking about. You are right, instead of 1,687 with the Frenzel amendment, we will cut 540 from that number. That is the reality of it.

What we are trying to do is get to 1981 levels, and I would submit to the gentleman that, yes, when the committee did its work and made these increases—and, by the way, they did not meet all the increases that were requested by Members of this body—we knew we did not have the funds to do that, and that we had to make cuts in the appropriate places.

Mr. DINGELL. Mr. Chairman, if the gentleman will permit me to reclaim my time, each and every one of those dollars spent on the Customs Service brings in $21. There is not a business in this country that would not spend a huge sum of money to get back a 21-to-1 return.

So if you want to vote prudently, for efficient expenditure of public money, for fiscal good sense, vote against the Frenzel amendment and vote to bring in this additional money, to keep out illegal goods, and to protect American jobs.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Coleman amendment.

Mr. Chairman, if I had known that my amendment would evoke such spirited oratory, I would have brought it up on Saturday night sometime when we could command a better audience.

Mr. Chairman, my amendment, I think, has been overdescribed, as have the abilities of some of the agencies which would be funded under this particular bill.

My amendment does not score anything against the President's budget. My amendment is scored against last year's discretionary spending.

□ 1510

One of the gentlemen said we are getting back to 1981 levels. I will accept a 1981 level of any function of Government spending at any time. I think the taxpayers would be very gratified.

But all I am trying to do now is to put the discretionary amount in total—not each one separately. Some will be a little up, some a little down—but the total of discretionary spending will remain at the 1985 level.

My amendment has been called today penny-wise and pound-foolish because I seek to save the taxpayers some money in spending. Under that definition, I suspect that any amendment that seeks to cut will strike at some vital Government service and therefore be pound foolish.

We have been told that Customs, which has mainly a commercial function, is the only thing between us and the ultimate destruction by cocaine. It is going to stop all the narcotics coming into the country. It is, in addition, going to stop terrorists and, even more wonderfully, it is going to put all the textile workers in the United States who have ever been out of work back to work.

The fact is there is no guarantee that Customs can do any of these things. As a matter of fact, it was last week when I introduced an amendment that would have made a slight reduction to another bill when those who are concerned about narcotics—and I share their deep concern—said that I was going to cut the DEA and the FBI and therefore are going to unleash a flood of terrorists and of illegal drugs upon the land. That was a red herring and so is this. I doubt that Customs will be undernourished with an 11-percent increase. I doubt it will happen as a result of this particular amendment.

With respect to the IRS, there have been complaints that if we take a certain amount of money away we will lose large amounts of revenue. May I say that after giving effect to my amendment, the IRS will still have an increase and that increase will be 2.3 percent.

After giving effect to my amendment, the Customs Service will have an 11-percent increase, which they probably cannot hire enough people to handle. An 11-percent increase is a big increase in any given year.

But an illusion persists that somehow these agencies bring in money by themselves. Members seem to believe they create money by the simple addition of personnel. The problem is the personnel have to be trained. It may be that somewhere down the line they are going to help bring in collections somewhere. But the blunt fact is that we do not know where the personnel are going, and we do not know who they are going to be, and we do not know how long it is going to take to train them, before they bring in the first dime that was not coming in anyway.

As far as I am concerned, and the taxpayers are concerned, one in the hand is worth a thousand in the bush. I think the taxpayers would rather see a reduction in spending than some fabled increase in tax revenues out in the never-never land of the future.

Mr. Chairman, this amendment does not deserve as much debate as it has gotten. It is a simple reduction of spending.

If the House does not want a freeze, if the House is afraid to vote against very large increases in spending, if the House does not think an 11-percent increase for a very important agency of Government is enough, then the House should forget about the Coleman amendment and simply vote against my amendment. That is a very easy way to do it.

The Coleman amendment reduces my amendment from about $190 million down to some $30 million. It would be I think easier to vote against my amendment. I do not disregard the strong concerns of all the people who participated in the debate and I do not mean to denigrate any of their arguments. I only say we have taken a lot of time talking about $192 million, and I think Members of the House know whether they want to vote yes or no.

There are some of those who have told their constituents at home that they want to reduce Federal spending, and I think they will want to vote for my amendment.

I think there are others who are less concerned and who are interested in departments of Government or specific concerns in their districts, and they will want to vote against it.

I hope there will be a majority on my side.

Mr. LOWERY of California. Mr. Chairman, I rise in opposition to the amendment offered by my good friend from Minnesota, Mr. FRENZEL. While I commend the gentleman for his responsible approach in attempting to reduce discretionary spending in this bill, I must object to the breadth of this amendment insofar as it negatively impacts our Customs Service.

As we all know, the U.S. Customs Service is a major source of revenue for the Federal Government, as well as a vital law enforcement agency. Indeed, during fiscal year 1984, Customs collected over $12.5 billion, representing a return of $21.06 for every dollar received in appropriations.

Besides collecting and protecting revenue, Customs is also involved in many other programs that protect U.S. technological materials and information from reaching unfriendly hands, trace the flow of crime-related money to help reduce organized crime, and protect U.S. industry from unfair foreign competition.

To be sure, Mr. Chairman, Customs' role some 196 years after its inception has been dramatically expanded. Unfortunately, its appropriation has not kept pace. Since 1980, the number of inspection staff has increased by only 2.4 percent and the number of import specialists has actually decreased by 8.5 percent. As a result, we have witnessed a significant increase in import fraud and evasion.

As a new member of the Treasury Appropriations Subcommittee, I listened intently to the testimony presented by Customs officials, by the Ports of Seattle, Los Angeles, and Baltimore, and by many of our colleagues representing major ports of entry. Indeed, today Customs supervises some 300 ports of entry across the country. The conclusion I reached is the unanimous conclusion of the subcommittee, and that is: The potential effect of improper staffing levels on our economy, Treasury revenues, and contraband export enforcement demands that we reassess current Customs Service employment levels.

One final point, Mr. Chairman. I am deeply concerned about the Federal budget deficit. However, budget constraints should not prevent an increase in Customs Service staff positions. It makes little sense to curtail staff of a revenue-raising agency like the Customs Service, when staff limits cause even greater losses to the Treasury.

In closing, I would like to commend the distinguished gentleman from California, Chairman ROYBAL, and the ranking member, my good friend from New Mexico, Mr. SKEEN, for their able leadership in bringing to this House a responsible bill.

I urge defeat of this amendment, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. COLEMAN] to the amendment offered by the gentleman from Minnesota [Mr. FRENZEL].

The question was taken; and the chairman announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 267]

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham

Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

☐ 1530

The CHAIRMAN. Four hundred eighteen members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Minnesota [Mr. FRENZEL] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. The Chair would remind Members that this is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 288, noes 133, not voting 12, as follows:

[Roll No. 268]

AYES—288

Ackerman
Addabbo
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Berman
Biaggi
Bilirakis
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brooks
Broomfield
Broyhill
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Callahan
Campbell
Carr
Chandler
Chappell
Clay
Clinger
Cobey
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Cooper
Coyne
Daniel
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dickinson
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Durbin
Dwyer
Dyson
Eckart (OH)
Edgar
Edwards (CA)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Gray (IL)
Gray (PA)
Green
Grotberg
Guarini
Hall (OH)
Hall, Ralph
Hammerschmidt
Hatcher
Hawkins
Hayes
Heftel
Hendon
Hertel
Hillis
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Ireland
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Lewis (CA)
Lewis (FL)
Lipinski
Lloyd
Long
Lowery (CA)
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Marlenee
Martin (NY)
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens
Panetta
Parris
Pashayan
Pease
Pepper
Perkins
Pickle
Price
Quillen
Rahall
Rangel
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Rudd
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Shaw
Shelby
Sikorski
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Synar
Tallon
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Whitehurst
Whitley
Williams
Wilson
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Yates
Yatron
Young (FL)
Young (MO)

NOES—133

Akaka
Archer
Armey
Badham
Bereuter
Bevill
Bliley
Bosco
Breaux
Brown (CA)
Brown (CO)
Burton (IN)
Carper
Chappie
Cheney
Coats
Coble
Conte
Conyers
Coughlin
Courter
Craig
Crane
Crockett
Dannemeyer
Daub
DeLay
DeWine
Dixon
Dreier
Duncan
Dymally
Early
Eckert (NY)
Edwards (OK)
Evans (IA)
Fawell
Fields
Ford (MI)
Franklin
Frenzel
Gallo
Gingrich
Gradison
Gregg
Gunderson
Hamilton
Hansen
Hartnett
Henry
Hiler
Holt
Hopkins
Hyde
Jacobs
Kasich
Kastenmeier
Kemp
Kindness
Kolbe
Kramer
Latta
Leach (IA)
Lent
Levine (CA)
Lightfoot
Livingston
Lott
Lujan
Lungren
Mack
Madigan
Martin (IL)
McCain
McCandless
McKernan
McKinney
McMillan

Meyers
Michel
Miller (OH)
Monson
Moore
Moorhead
Murtha
Myers
Nielson
O'Brien
Olin
Oxley
Packard
Penny
Petri
Porter
Pursell
Ray
Roberts
Roemer
Roukema
Roybal
Saxton
Schaefer
Sensenbrenner
Sharp
Shumway
Shuster
Siljander
Slaughter
Smith (NE)
Smith (NH)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Stangeland
Strang
Stump
Swindall
Tauke
Taylor
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Weber
Wheat
Whittaker
Whitten
Wolf
Wylie
Young (AK)
Zschau

NOT VOTING—12

AuCoin
Barton
Boulter
Carney
Fiedler
Gibbons
Gordon
Hefner
Loeffler
Martinez
Tauzin
Torricelli

☐ 1540

Mrs. SMITH of Nebraska and Mr. WHITTAKER changed their votes from "aye" to "no."

Mr. NATCHER, Mr. SPENCE, Mrs. BOGGS, and Mr. GOODLING changed their votes from "no" to "aye."

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. FRENZEL] as amended.

The amendment, as amended, was agreed to.

Mr. DAUB. Mr. Chairman, I rise in strong support of the "revenue foregone" subsidy which compensates the Postal Service for losses that result from the free delivery of mail to the blind and handicapped and for reductions in postage rates for nonprofit organizations.

First of all, let me state that I have received a great deal of mail from my district detailing the devastating effects of increased postal rates upon the blind and handicapped and nonprofit organizations.

Nonprofit organizations provide many of the services which we, in our attempts to reduce Government spending, are asking of the private sector—services which provide needed social services vital to our society.

Now is not the time to further burden these worthy organizations; already many such organizations have suffered under postal rate increases, and the viability of nonprofit organizations would be jeopardized if we were to cut the revenue foregone subsidies provided to the Postal Service.

I strongly support the revenue foregone subsidy at or near last year's level; however, H.R. 3036 contains far too many programs that are funded above last year's level. In light of the current budget deficit, I cannot support this bill because of this excessive funding.

The CHAIRMAN. Are there any further amendments to the bill?

Are there amendments in order under clause 2(c) of rule XXI?

Mr. COBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in a few minutes, the motion to rise will probably be made. I urge my colleagues to vote against the motion because we cannot, in good conscience, continue to allow the FEC to go unmonitored, without any congressional oversight.

If the motion to rise is defeated, I plan to offer an amendment which would prohibit the funds appropriated by this act to be used for the purpose of issuing any regulations which do not comply with the decision of the U.S. Supreme Court in Ellis versus the Brotherhood of Railroad and Airline Clerks.

Over a year ago, the Supreme Court ruled in the Ellis case that if union members objected to the use of compulsory union dues for purposes of political contributions, that union members were entitled to a reduction in their union dues. The FEC has not taken steps to enforce this decision.

It is important that we stand up for the rights of the working men and women of this country. My amendment would simply ensure that in the future, the FEC considers the first amendment rights of union members.

In front of me, I have affidavits and lists of names of thousands of individuals who have filed complaints against their unions, because their union dues were being used for political purposes. This is the stack before me, right here.

There is no doubt that many unions continue to use compulsory union dues to support a political cause or candidate.

Again, I urge you to defeat the motion to rise and to vote for my amendment because you believe that compulsory union dues should not be used for political purposes. But more importantly, lend your support if you believe that your responsibility is to ensure that the independent agencies that we fund, such as the FEC, do not work outside the law.

Today, I ask you to protect our system of government and the sanctity of American law. If you vote your conscience, I think that you will also vote against the motion to rise.

The CHAIRMAN. Are there amendments in order under clause 2(c) of rule XXI?

If not, the Chair recognizes the gentleman from California [Mr. ROYBAL].

Mr. ROYBAL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation the amendments be agreed to and that the bill, as amended, do pass.

● Mr. RANGEL. Mr. Chairman, I rise to express my support for certain provisions of H.R. 3036, the Treasury, Postal Service, and general Government appropriations bill for fiscal year 1986. As chairman of the Select Committee on Narcotics Abuse and Control, I am specifically interested in and supportive of the funding provisions that will provide resources to attack the illicit drug problem that plagues our country. The ravages of drugs do not discriminate by color, age, sex, locale, physical handicap, or socioeconomic status. Our strategy against drug abuse and drug trafficking must include efforts to reduce both the demand for and the supply of drugs. This bill provides much needed funding for the drug law enforcement efforts of the Customs Service.

For salaries and expenses of the U.S. Customs Service, the bill provides $725 million for fiscal year 1986. This is an increase of nearly $86 million over the administration's request and $81.5 million more than the 1985 level.

Customs is one of our Nation's key drug suppression agencies with primary responsibility for detection and interdiction of illicit narcotics at our borders. Customs is also heavily involved in financial investigations of major drug traffickers. Because of Customs' important role in drug enforcement, I have been greatly distressed by the administration's attempts to significantly reduce Customs inspectors and other enforcement personnel during each of the last 5 years. The administration has said how supportive it is of drug law enforcement efforts. Yet, in every year, the budget has proposed that Customs be cut drastically in areas that impact directly on drug enforcement.

The Appropriations Committee has seen fit to restore 887 positions that the administration proposed to eliminate in 1986 including 206 inspectors. Moreover, H.R. 3036 provides funding for 800 additional Customs positions—650 new positions and full year funding for 150 positions added in the 1985 supplemental appropriations bill. These extra positions will significantly improve Customs narcotics interdiction capability. I commend the committee for its committed and strategic increase in Customs personnel. At a time when separate reports by the State Department, the United Nations International Narcotics Control Board, the House Foreign Affairs Committee and the Select Committee on Narcotics have all indicated increased narcotics production and trafficking worldwide, we can ill afford to cut our force of Customs inspectors and other enforcement personnel. The additional positions included in this bill will also generate substantial revenues which will help to reduce the deficit.

H.R. 3036 also provides $8 million for the Customs forfeiture fund, the full amount requested in the budget. Amounts deposited in the fund include seized and forfeited currency and any proceeds beyond the expenses of seizures and forfeiture. Customs is permitted to use these funds for expenses related to seizure, awards to informants, purchase of evidence, and certain other purposes, subject to appropriations.

The Customs appropriation also includes $60,425,000 for the Customs Air Interdiction Program. This is the full amount of the 1986 budget request and a $16 million increase over the 1985 funding level.

I am happy to see that this increase for the Air Interdiction Program is included because it reflects continued support and recognition of the need to bolster this component of our Interdiction Program that has not received enough attention in the past. The use of aircraft to smuggle drugs, especially cocaine, across our southern border has been increasing. There can be no positive results in disrupting the operations of despicable drug smugglers unless resources, both financial and technical are provided. Programs such as Customs Air Interdiction effort, that stretches from Florida across the southwest and into California, are needed to address the serious threat of air trafficking. At this time, I also want to commend the marine component of Customs Interdiction Program for the fine work it has been doing in southern Florida under most difficult circumstances.

H.R. 3036 also includes funds for the Internal Revenue Service and the Bureau of Alcohol, Tobacco, and Firearms. Both of these agencies have become increasingly involved in narcotics enforcement in recent years. IRS has greatly expanded its financial investigations of suspected drug kingpins and is looking more closely at possible violations of currency reporting requirements that may be narcotics related. BATF has taken a more active role in narcotics case that also involve weapons violations. I support the funding levels provided for these two agencies.

There is no doubt in my mind that we must continue to effect legislation that sends a clear message to the American people, agency heads, and would-be smugglers, that we will continue to dedicate our efforts in Congress to address this problem of epidemic proportion. I am confident that the provisions mentioned earlier under H.R. 3036 will facilitate the mission of drug law enforcement and interdiction to be carried out by the Treasury Department.●

Mr. DYMALLY. Mr. Chairman, today we are considering the Department of the Treasury, Postal Service, and independent agencies appropriations bill, and I urge all my colleagues to support H.R. 3036. I am particularly concerned that Members of Congress support full funding for "Revenue Foregone" ensuring that the hundreds of worthy charitable organizations and our newspapers and magazines are allowed to continue to reach the public through use of preferred mail rates. Historically, the Congress in its wisdom has allowed private charitable organizations to use preferred mail rates in order for these groups to provide services and communications to its membership, including such organizations for the blind, handicapped, and other groups who depend upon these preferred mail rates to provide vitally needed services and to be able to solicit contributions from the public to support their program services. Additionally, thousands of rural Americans depend on their county or local newspapers as a vital link to their communities without which local communication would not be possible.

H.R. 3036 provides for $922 million to support the preferred mail rates offered by the U.S. Postal Service under Revenue Foregone, which will still require a minimal increase in the preferred rates even at this funding level. Nevertheless, without full funding of Revenue Foregone, many of these charitable organizations and newspapers could not survive because it would provide triple or drastically increase the postal rates for these groups. Additionally, it would not be cost-effective for newspapers and magazines to be forced to increase their subscription rates to meet the added cost of the increased rates which the Postal Service would have to automatically apply should this appropriation be reduced.

For these reasons, I urge all my colleagues to support continuity in voting for H.R. 3036 and the full funding of Revenue Foregone. I am convinced that this is an excellent investment by the American public in securing the services of many charitable organizations and in maintaining communications throughout our expansive country.

The CHAIRMAN. The question is on the motion offered by the gentleman from California [Mr. Roybal].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. COBEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 233, noes 186, not voting 14, as follows:

[Roll No. 269]

AYES—233

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnes
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Courter
Coyne
Crockett
Daschle
de la Garza
Dellums
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes
Heftel
Hertel
Horton
Howard
Hoyer
Hubbard
Hughes
Jacobs
Jeffords
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Lloyd
Long
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McCurdy
McDade
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Penny
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Reid
Richardson
Rinaldo
Ritter
Rodino
Roe
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Sikorski
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Torres
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitten
Williams
Wilson
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)

NOES—186

Archer
Armey
Badham
Barnard
Bartlett
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Campbell
Chandler
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Coughlin
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
Davis
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Eckert (NY)
Edwards (OK)
Emerson
Evans (IA)
Fawell
Fields
Franklin
Frenzel
Gallo
Gekas
Gingrich
Goodling
Gradison
Gregg
Grotberg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hendon

Henry
Hiler
Hillis
Holt
Hopkins
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCain
McCandless
McCollum
McEwen
McGrath
McKernan
McKinney
McMillan
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Myers
Neal
Nelson
Nichols
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Ray
Regula
Ridge
Roberts
Robinson
Roemer
Rogers
Rose
Roth
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NE)
Smith (NH)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Whitehurst
Whitley
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOT VOTING—14

Barton
Bates
Boulter
Carney
Fiedler
Ford (TN)
Gephardt
Gordon
Hefner
Loeffler
Moody
Schaefer
Tauzin
Torricelli

□ 1600

Mr. SPRATT changed his vote from "aye" to "no."

So the motion was agreed to.

The result of the vote was announced as above recorded.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Beilenson, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3036) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1986, and for other purposes had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 249, noes 172, not voting 12, as follows:

[Roll No. 270]

AYES—249

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Aspin
Atkins
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Carr
Chandler
Chappell
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Edgar
Edwards (CA)
English
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Gonzalez
Gray (IL)
Gray (PA)
Green
Guarini
Hall, Ralph
Hamilton
Hatcher
Hawkins
Hayes
Heftel
Horton
Howard
Hoyer
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lipinski
Lloyd
Long
Lowery (CA)
Lowry (WA)
Lundine
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McKinney
Meyers
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Nowak
O'Brien
Oakar
Oberstar
Obey
Ortiz
Owens
Parris
Pease
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Regula
Reid
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Scheuer
Schumer
Seiberling
Sikorski
Sisisky
Skeen
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Walgren
Watkins
Weiss
Wheat
Whitley
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wright
Wyden
Yates
Yatron
Young (AK)
Young (MO)

NOES—172

Applegate
Archer
Armey
AuCoin
Badham
Bartlett
Barton
Bereuter
Bilirakis
Bliley
Boxer
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Callahan
Campbell
Carper
Chappie
Cheney
Coats
Cobey
Coble
Coleman (MO)
Combest
Craig
Crane
Daniel
Dannemeyer
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Eckart (OH)
Eckert (NY)
Edwards (OK)
Emerson
Erdreich
Evans (IA)
Fawell
Fields
Franklin
Frenzel
Gekas
Gingrich
Glickman
Goodling
Gradison
Gregg
Grotberg
Gunderson
Hall (OH)
Hammerschmidt
Hansen
Hartnett
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Kasich
Kemp
Kindness
Kolbe
Kramer
LaFalce
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lightfoot
Livingston
Lott
Lujan
Luken
Lungren
Mack
Martin (IL)
McCain
McCandless
McCollum
McEwen
McKernan
McMillan
Michel
Miller (OH)
Molinari
Monson
Montgomery
Moore
Moorhead
Myers
Neal
Nelson
Nichols
Nielson
Olin
Oxley
Packard
Panetta
Pashayan
Penny
Petri
Porter
Pursell
Quillen
Ray
Ritter
Roberts
Roemer
Roth
Roukema
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Siljander
Skelton
Slaughter
Smith (NH)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Vander Jagt
Volkmer
Vucanovich
Walker
Weaver
Weber
Whitehurst
Whittaker
Wirth
Wylie
Young (FL)
Zschau

NOT VOTING—12

Boulter
Carney
Fiedler
Gephardt
Gordon
Hefner
Jones (OK)
Loeffler
Tauzin
Torricelli
Waxman
Wortley

□ 1620

The Clerk announced the following pair:

On this vote:

Mr. Torricelli for, with Mr. Boulter against.

Mr. HALL of Ohio changed his vote from "aye" to "no."

Mr. MOODY changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the bill just passed.

The SPEAKER pro tempore (Mr. BONER of Tennessee). Is there objection to the request of the gentleman from California?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following date, the President approved and signed a bill of the House of the following title:

On July 29, 1985:

H.R. 1617. An act to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1986, and for other purposes.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 960) "An act to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and other Acts to authorize appropriations for the fiscal year 1986 for international security and development assistance, the Peace Corps, the Inter-American Foundation, and the African Development Foundation, and for other purposes."

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3011, DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATION ACT, 1986

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 99-238) on the resolution (H. Res. 240) waiving certain points of order against consideration of the bill (H.R. 3011) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3008, FEDERAL EQUITABLE PAY PRACTICES ACT OF 1985

Mr HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 99-239) on the resolution (H. Res. 241) providing for the consideration of the bill (H.R. 3008) to promote equitable pay practices and to eliminate discrimination within the Federal Civil Service, which was referred to the House Calendar and ordered to be printed.

DISTRICT OF COLUMBIA APPROPRIATION ACT, 1986

Mr. DIXON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3067) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1986, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Pennsylvania [Mr. COUGHLIN] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

□ 1629

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3067, with Mr. HERTEL of Michigan in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from California [Mr. DIXON] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. COUGHLIN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. DIXON].

□ 1630

Mr. DIXON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this afternoon we bring to you the annual District of Columbia appropriation bill for fiscal year 1986. This, Mr. Chairman, is truly a bipartisan bill; it comes to you from the Committee on Appropriations with a written endorsement from Mr. David Stockman, Director of the Office of Management and Budget, who commends the committee for its "responsible action" in keeping with the administration's request.

The bill will provide a total of $2.7 billion in budget authority for the operation of the District of Columbia government during fiscal year 1986. This is $323 million above last year's level and consists of Federal funds of $532 million and local funds of $2.2 billion.

In Federal funds, Mr. Chairman, we recommend a virtual freeze at last year's level—in fact the $532 million we recommend is $1.2 million below last year's appropriation due to three nonrecurring items—the criminal justice initiative of $8.4 million; the education initiative of $1.5 million; and the Presidential inaugural expenses of $2.3 million.

These Federal funds which total $532 million consist of four items:

A Federal payment of $425 million which is at last year's level. For the first time in several years, there is no increase recommended in the Federal payment.

Our reimbursement to the District for water and sewer services furnished to Federal facilities is $30.1 million or $6 million above last year's level due to an increase in rates.

The Federal contribution to the police, fire, teachers, and judges retirement funds is $52 million and reflects no increase over the fiscal 1985 appropriation.

A Federal payment of $25 million for St. Elizabeths Hospital which is $5 million above last year's appropriation.

One of the crucial issues we have faced over the past few years is the financing of St. Elizabeths Hospital which is a Federal facility for the care and treatment of the mentally ill. The District reimbursed the Federal Government for the cost of care and treatment received by District residents. The administration 4 years ago embarked on a 10-year program to phase down Federal support. The Congress last year passed Public Law 96-621 which establishes the administrative and financial responsibilities of the Federal and District governments and provides for transitional payments to the District until 1991 when the city will assume full administrative and financial control of the institution.

Mr. Chairman, as I mentioned a moment ago, this bill reflects a reduction of $1.2 million in Federal funds below last year's level, and we are below the committee's tentative 302(b) budget resolution allocations by $8 million.

DISTRICT FUNDS

In District funds, the bill includes $2.7 billion of which $2.4 billion is for operating expenses and $249 million is for the capital outlay program.

At this point, Mr. Chairman, let me try to clarify what we mean when we refer to District funds. This $2.4 billion operating budget is financed with Federal funds of $532 million with the balance of $1.9 billion or almost 80 percent of the operating budget coming from the District's own locally raised revenues such as income and property taxes and various fines and fees. So I would ask the Members to keep that in mind as we consider this bill.

The capital outlay program of $249 million will be financed by issuing long-term bonds which the District has been able to do since last year at a lower rate than the rate it was paying to borrow from the Federal Treasury.

GOVERNMENTAL DIRECTION AND SUPPORT

For the 23 activities funded under the governmental direction and support appropriation, the committee recommends a total of $99,342,000 or an increase of $11,144,000 above last year's level. The bill includes the full budget request of $661,000 and 18 positions for the District of Columbia auditor. Included in our recommendation is an increase of $109,000 for three new positions to expand the office's audit capability. The committee's approval of three new positions rather than the transfer of filled positions from another agency will allow the auditor to select staff he feels is competent to carry out the required tasks. For the Department of Finance and Revenue, the committee recommends $19,034,000 and 553 positions, including an increase of $143,000 to fund three new revenue-generating initiatives: a homestead exemption audit; an increase in the audit level for sales and use taxes and unclaimed property; and a street vendor compliance program. These three new programs are expected to generate a total of $2.6 million in additional revenues.

We recommend $55,000 for the newly established D.C. Commission on Baseball which is responsible for assisting and advising the Mayor and council regarding the establishment of a professional baseball team in the District. The commission plans to raise $45,000 from private sources which will give it a total budget of $100,000. According to testimony we received, market analyses and demographic studies show that of the eight cities competing for what is believed to be two expansion teams, the Washington area has the highest per capita income as well as the sixth largest population market and the seventh largest media market. The commission has embarked on a campaign to sell 10,000 season tickets this summer to demonstrate area support for a major league baseball team which could be ready to play at RFK Stadium as soon as 1987. The announcement of the two winning cities is expected to be made by December 1985 when league owners meet to vote on recommendations of the baseball commissioner. Mr. Chairman, our committee congratulates the Mayor and the council for their leadership and foresight in creating the D.C. Baseball Commission and for the aggressive manner in which the District government is pursuing the acquisition of a major league team for the Nation's Capital. We believe that Washington, DC, is the ideal location for the next expansion major league baseball team.

ECONOMIC DEVELOPMENT AND REGULATION

The committee recommends a total of $99,525,000 for the 13 agencies and commissions responsible for economic development and regulation in the District. Our recommendation reflects an increase of $27,613,000 of which $25 million or 91 percent is for four agencies—the Departments of Housing and Community Development, Employment Services, and Consumer and Regulatory Affairs, and the Office of Business and Economic Development. We recommend increases of $7,845,000 for the Department of Housing and Community Development including $5 million for a new rent supplement program which will make payments on behalf of qualified low-income tenants to owners of private dwellings whose rent falls within certain standards. We also recommend an increase of $735,000 for this Department for a Citywide Home Purchase Assistance Program and $700,000 for low-rent housing support services. We recommend increases of $4,520,000 for the Department of Employment Services which provides opportunities for District residents to prepare for, find, and maintain gainful employment. Of this increase, $2,982,000 will be used for various jobs programs throughout the city and $1,130,000 will fund 48 current staff positions which were previously funded with Federal grants.

For the Department of Consumer and Regulatory Affairs, we recommend $28,063,000 or an increase of $5,178,000 which includes $2,041,000 for personnel and implementation costs for an automated data processing system in support of the One-Stop Business and Permit Center and other departmental operations. The committee has also approved increases of $80,000 and three positions for the Pesticide, Air Monitoring and Hazardous Waste Program, and $238,000 to carry out the Department's responsibilities under the Anacostia Tributary Restoration Agreement.

The largest increase percentagewise over last year's level is for the Office of Business and Economic Development whose budget totals $9,303,000 and reflects increases of $7,630,000 basically for three new programs designed to stimulate economic activity in the District. More than half of the increase or $4,048,000 is for the Economic Development Corporation whose objective is to help meet the needs of small and minority businesses and encourage private-sector participation. In addition, $3,332,000 is for the Business Purchase Assistance Program to provide down payments to help purchase existing businesses or storefronts and further the revitalization of commercial corridors in neighborhood shopping areas. The committee has also approved $250,000 for a new International Business Development Program to encourage businesses to establish an office in the District.

PUBLIC SAFETY AND JUSTICE

The committee recommends $535,416,000 or an increase of $33,133,000 for the city's various public safety activities. A total of $148,124,000 is included for the Metropolitan Police Department. The committee has retained language in last year's bill which requires the District to maintain an average strength of 3,880 uniformed officers for fiscal 1986. For the fire department, we recommend $59,863,000, an increase of $4,203,000 above the fiscal 1985 appropriation. Bill language is included requiring the District to pay employees who retired from the department prior to February 15, 1980, a one-time lump sum bonus of 3 percent of their annuity by September 30, 1985. This payment results from an agreement entered into on March 27, 1985, between District officials and the collective-bargaining unit for District firefighters. The committee has been advised that new 1-hour breathing masks are finally being purchased. The first order for 173 masks was placed on June 12, 1985, and the remaining 135 masks are to be ordered in July 1985. The initial appropriation for these masks was made 3 years ago in fiscal 1983.

Mr. Chairman, let me point out that one of the areas the committee is concerned about involves fire protection in ward 2. The committee has directed that Engine Company No. 3 located at 439 New Jersey Ave., NW., not be closed. If the District continues to feel there is a need to close the facility, evidence supporting that action is to be submitted to the committee for its approval at least 90 days prior to the city taking any action to close the station.

For the National Guard, Mr. Chairman, we recommend $710,000 including $10,000 which will be matched with Federal funds to provide partial scholarship assistance for officers to meet minimum educational requirements of an undergraduate degree.

The bill includes $59,714,000 for the operation of the District's courts in

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fiscal 1986. We reviewed the court's request for judicial insurance coverage which was prompted by the liability exposure created by the Supreme Court decision in the case Pullian versus Allen. We also raised this issue with the corporation counsel who testified that the District is self-insured and the judges and court employees are included under this self-insurance umbrella even though the inclusion of the courts' employees is not codified in the D.C. Code. Rather than recommend an appropriation for judicial insurance coverage, the committee urges the Mayor and the council to pursue the expedited passage of legislation amending the D.C. Code to ensure appropriate coverage for the court's employees comparable to that provided for medical employees.

For the Department of Corrections, we recommend the full request of $124,602,000 which reflects a net increase of $2,238,000. Mr. Chairman, a recent court order limits the population at the D.C. jail to approximately 900 fewer inmates than are there now. This places the Mayor in an untenable position—he can't release them; yet if he does not reduce the population at that facility, he may be held in contempt of court. We have included report language asking District officials to consider all possible alternatives before moving inmates from the D.C. jail to the Lorton Reformatory. Construction of a new jail is being discussed, but for the present, the Mayor clearly needs some flexibility if he is to successfully resolve the problem. And it is not the committee's intention to restrict the Mayor's flexibility. We are simply asking him to consider all possible alternatives.

PUBLIC EDUCATION SYSTEM

We recommend a total of $515,005,000 for the six activities included under the public education system appropriation. This allowance is $25,050,000 above last year's appropriations.

Mr. Chairman, we believe the District's elected board and its appointed superintendent are doing an excellent job educating our young people. I know that most of you who have been here for any period of time realize that this board and superintendent place the interests of students foremost on their agenda. And there seems to be a feeling of cooperation between the Mayor, the council, and the school board as it relates to funding levels for the school system, and that same cooperation seems to be evident between the school board and the superintendent. All of this bodes well for the students. And for the first time in at least 16 years, the public school system is showing an increase in enrollments. While the increase is modest, it nonetheless reverses the trend which saw student enrollment drop from 145,584 in 1969 to 87,397 last year.

We have asked the board and the superintendent to study the student dropout rate, which is presently 16.9 percent, and submit a report to the committee prior to next year's hearing with a plan and recommendations on ways to reduce the rate. It is our feeling, Mr. Chairman, that many of our problems start with truancy and student dropouts, and the committee is ready to assist the board and the superintendent in whatever way we can to encourage students to stay in school and be graduated.

We recommend $15,002,000 for the public library in fiscal 1986. This allowance is $1,057,000 above last year's appropriation and includes increases for the book fund, for building repairs and service restoration in the original children's rooms in five libraries, and to improve technical support for the library's computer system. Mr. Chairman, the District has many outstanding employees, and the public library director, Dr. Hardy Franklin, is certainly one of those. He was named "Public Librarian of the Year" for 1984, and we want to congratulate him. He is certainly doing a fine job. For the Commission on the Arts and Humanities, the bill includes the full budget request of $1,673,000. This allowance reflects an increase of $546,000 and includes $500,000 for a new grants program to major institutions.

HUMAN SUPPORT SERVICES

The committee recommends $614,347,000 for human support services during fiscal 1986, an increase of $64,560,000 above last year's appropriation. There are 10 departments or activities funded under this appropriation heading with the largest by far being the Department of Human Services with a budget of $511,576,000 for fiscal 1986, an increase of $54,809,000 above the fiscal year 1985 level. This department provides social, economic, and health support systems to those who are unable to do so for themselves. Included in our recommendation is an increase of $2,161,000 to provide emergency shelter and support services through contractual arrangements. The bill includes an additional $1,164,000 to expand the District's Day Care Program and $384,000 for a new program to provide day care for 3- to 5-year-olds enrolled in nursery school programs in the public schools for part of the day. The committee recommends an increase of $2.4 million to cover inflationary costs and expand the Foster Care Program, and an additional $2,847,000 to increase the number of placements of developmentally disabled individuals. The largest increase in this department is $21,547,000 for the Medicaid/Medical Charities Program which will have a total of $153,450,000 in District funds for fiscal 1986. Over half of this increase consists of a transfer in of $13,848,000 from the St. Elizabeths Hospital account. We also recommend increases of $7,415,000 in skilled and intermediate nursing facilities.

Mr. Chairman, one of the major problems facing this country is drug abuse. In this bill we recommend an increase of $5 million to provide prevention, education, and detoxification programs to reduce the incidence of drug abuse and $1 million for the department to develop an action plan in conjunction with the public school system for drug abuse prevention.

For the Office on Aging, we recommend an increase of $1,537,000 which includes $200,000 for 10 new nutrition sites and $200,000 for social and supportive services at a new multipurpose senior center. We recommend an increase of $51,000 and two positions for the Commission for Women.

PUBLIC WORKS

We recommend $193,741,000 for the four activities in this appropriation title. This is $9,522,000 above last year's appropriation. We recommend the full budget request of $96.5 million for the District's share of operating expenses and debt service for metrorail and metrobus operations in fiscal year 1986. For the Department of Public Works, we recommend $93,151,000, an increase of $9,519,000 above the fiscal 1985 level. This department, Mr. Chairman, is responsible for maintaining the District's physical infrastructure, collecting and disposing of solid waste, administering motor vehicle regulations, and maintaining most of the District's vehicles. We recommend increases of $275,000 for 1,000 new parking meters and $35,000 for an additional 100 vehicle boots. As hard as it may be to believe, Mr. Chairman, there are occasions, although rare, when parking meters and vehicle boots are actually stolen. We also recommend an increase of $1,657,000 to repair sidewalks, streets, and bridges, and $160,000 to purchase a multipurpose emergency vehicle which the department testified will provide the most economical and efficient means for handling emergencies and public hazards.

WASHINGTON CONVENTION CENTER FUND

The bill includes $8,371,000 for the fiscal year 1986 general fund contribution to the Washington Convention Center. Our recommendation reflects a net increase of $1,632,000 and includes $2,130,000 to purchase the food service equipment. Convention center officials testified that the purchase of this equipment will increase concession revenue earned by the center by 100 percent.

REPAYMENT OF LOANS AND INTEREST

We recommend $198,409,000 to repay loans and interest on the District's $2 billion in outstanding loans borrowed over the years to finance its construction projects. This allowance

includes $1.2 million for interest on advances to the Unemployment Compensation Trust Fund.

REPAYMENT OF GENERAL FUND DEFICIT

Mr. Chairman, once again we recommend that $20 million be applied toward reducing the District's accumulated general fund deficit which stood at $269,860,000 as of September 30, 1984, down one-third from its peak of $387.5 million in 1980. The budget included $5 million for this purpose. The additional $15 million recommended by the committee is to be identified by the Mayor and made available through reductions in amounts included in the bill or from additional revenues. Mr. Chairman, we do not believe the deficit problem should be resolved by selling bonds and saddling District taxpayers with additional interest costs for the next several years. Selling bonds would simply exchange the deficit for a long-term liability, and the additional interest costs could very well exceed the amount the committee has asked the city to set aside each year for deficit reduction purposes. Instead, we plan to recommend a standard reduction of $20 million each year to be used exclusively to reduce the deficit.

SHORT-TERM BORROWINGS

The bill includes $3,750,000 for interest on short-term borrowings which the District uses to meet its seasonal cash-flow financing needs. This allowance is $1,250,000 below last year's appropriation and reflects the District's actual experience in the bond market.

CAPITAL OUTLAY

The committee recommends $248,783,000 for 89 projects for the District's Construction Program in fiscal year 1986. These projects will be financed with long-term borrowings on the bond market.

A total of $157,606,000 is recommended for public building construction and includes $10 million for asbestos abatement in the public schools, $12.7 million to complete the renovation of the Washington Center for Aging Services, and $15.1 million to renovate two public housing projects—Carrollsburg Dwellings and James Apartments. It also includes $23,667,000 for the Office of Business and Economic Development to construct an employment center revitalization project and a commercial center revitalization project. A total of $50,124,000 is recommended for 13 highway and bridge projects including $16,926,000 for the reconstruction of the Whitehurst Freeway and $9,265,000 for the Barney Circle-Anacostia Freeway connection. The bill includes $19,635,000 for water and sewer projects and includes $8 million as the District's share of costs to complete the Blue Plains Regional Wastewater Treatment Plant.

Mr. Chairman, the committee is concerned about the delay in repairing and resurfacing the Southeast-Southwest Freeway. Part of the District's share of construction funds was appropriated as far back as 1980. The committee was advised that sections of the freeway have been designed three times because of Federal Highway Administration requirements. The complaints we receive concern not only the deteriorated condition of the roadway, but they also involve the underside of the bridges from which chunks of concrete continue to fall onto vehicles parked in lots under the bridges.

Mr. Chairman, the time to make these repairs and do the reconstruction work required is long overdue, and we urge District and Federal Highway officials to resolve whatever problems there are and get on with the task at hand.

PAY-AS-YOU-GO CAPITAL PROJECTS

Mr. Chairman, in last year's bill the appropriation for "capital outlay" included $8,916,000 requested by the District for so-called pay-as-you-go capital projects to be financed with current operating revenues. The rationale used by the District to justify this request was that these projects were either maintenance-type projects or capital projects that had total costs of $1 million or less, and by funding them with current operating revenues, the debt service on long-term borrowings would be minimized. The Congress concurred in the city's request and included statutory language expressly requiring that "$5,087,000 for fiscal year 1985, $3,531,000 for 1986, and $298,000 for fiscal year 1987 shall be financed from general fund operating revenues". That provision, Mr. Chairman, is a mandate binding on the District, and it provides no legal authority for the use of long-term borrowings for these projects as proposed in the District's fiscal year 1986 budget and financial plans. The District's proposal is contrary to existing law and therefore cannot be accepted by the committee. We have also been advised that such a proposal creates a legal cloud as to all of the capital projects approved in last year's act.

Accordingly, the committee has adjusted the District's fiscal year 1986 financial plan and included the $3,531,000 from general fund operating revenues to fund the fiscal 1986 requirements for pay-as-you-go capital projects as mandated in last year's appropriations act. The committee expects the District government to fully abide by the law.

ENTERPRISE FUNDS

The bill includes $167,388,000 for the four activities funded with enterprise funds. A total of $148,083,000 is included for the Utility Administration of the Department of Public Works. This allowance is $23,973,000 above last year's appropriation and includes increases of $3,373,000 for debt service costs, $5,034,000 for sludge disposal, and $3,793,000 to hire additional personnel and purchase spare parts in order to comply with a consent decree entered into with the Environmental Protection Agency on the operation of the Blue Plains Wastewater Treatment Plant.

The bill includes the budget request of $14,904,000 for the Washington Aqueduct which collects, purifies and pumps potable water. This allowance is $904,000 above the fiscal year 1985 appropriation and includes an increase of $587,000 to cover two rate increases for energy costs.

The committee recommends $4,151,000 in District funds for the Lottery and Charitable Games Control Board which is responsible for regulating charitable games and conducting legalized lotteries in the District. The board testified that the increase of $620,000 and 15 positions above the fiscal year 1985 allowance will be used to increase sales which will ultimately result in additional operating revenues for the District. The board expects to transfer $34.8 million to the District's general fund during fiscal year 1986.

For the Office of Cable Television, we recommend $250,000 for fiscal year 1986. This office will oversee the day-to-day construction and operations of the District's cable television system. Construction is anticipated to start some time in early 1986 with cable service expected in late 1986.

GENERAL PROVISIONS

Mr. Chairman, the bill carries a number of general provisions on pages 15 through 26. However, only four of them are new and I will cover them briefly.

Language under section 130 authorizes and ratifies action taken by the Public Service Commission in July 1984 to deregulate streetlighting. Funds in the amount of $14,850,000 are included in the Supplemental Appropriations Act for 1985 (H.R. 2577) to purchase the streetlight plant from manhole to light from the Potomac Electric Power Co. The price was determined in the course of a depreciation study conducted by a national accounting firm.

The second language item under section 131 is the one you probably have read about in the newspapers.

It exempts Members of Congress who live in a State solely for the purpose of attending sessions of Congress from personal property taxes on one motor vehicle used for purposes of attending sessions of Congress. Several members have talked with me about the fact that they pay some form of tax on their vehicles in their home States—it may be called a registration fee or a vehicle tax, but the fee or tax is based on the value of the vehicle, and to be subject to a personal property tax by a jurisdiction where they are residing solely for the purpose of attending sessions of Congress results in double taxation.

This exemption is similar to the income tax exemption for Members which was provided under Public Law 95-67, approved July 19, 1977, which was held constitutional in United States versus Maryland. That decision relied in substantial measure on the Supreme Court's decision in Dameron versus Broadhead where the Court upheld the power of Congress to prohibit the State of Colorado from applying a personal property tax to a Louisiana domiciliary who was a member of the U.S. Air Force stationed at Lowry Air Force Base in Colorado.

Mr. Chairman, our only interest here is to prevent a State or jurisdiction from imposing an ad valorem tax on a vehicle registered by the Member or his spouse in his home State and used by the Member to attend sessions of Congress.

The third language item is under section 132 and designates part of 15th Street, SW, between Independence Avenue and Maine Avenue as "Raoul Wallenberg Place" in honor of the Swedish diplomat who saved the lives of some 100,000 Hungarian Jews during World War II. The one-block section is the site of the future National Holocaust Memorial Museum. We expect appropriate street signs to be erected on each end of the street as soon as possible after this bill is signed into law.

The fourth language item is under section 133 and requires that contracts issued by the District government be awarded on a competitive basis. It is not our intent, Mr. Chairman, to eliminate the city's minority set-aside program which requires each agency to spend at least 35 percent of its contracting dollars with certified minority business enterprises. Rather, our efforts are to retain the set-aside program and encourage competition among minority contractors. Frankly, we are not sure how far this language goes and we are looking into it further.

Mr. Chairman, the members who serve on our subcommittee are to be commended for their dedication and for their sensitivity to the delicate balance between home rule issues and the Federal interest. I want to express my appreciation to each of them for their assistance: the gentleman from Kentucky [Mr. Natcher] who has been a member of this subcommittee for over 30 years and served as chairman for 17 years; the gentleman from Ohio [Mr. Stokes]; the gentleman from Texas [Mr. Wilson]; the gentleman from Minnesota [Mr. Sabo]; the gentleman from Maryland [Mr. Hoyer] who is one of our two new members this year; the gentleman from New York [Mr. Green]; and the gentleman from Virginia [Mr. Wolf] who is the second of our two new members.

Mr. Chairman, the gentleman from Pennsylvania [Mr. Coughlin], serves as the ranking Republican on our subcommittee, and I must say that if there is any one member who makes the difference on our subcommittee, it is the gentleman from Pennsylvania. He serves as the ranking member on a second subcommittee and he also serves on a third subcommittee; yet he comes to all of our hearings and asks probing and information-providing questions. He certainly does a yeoman's job and I would be remiss if I did not say that his hard work and cooperation are the main reasons we are able to bring to the floor this afternoon a bipartisan bill.

CONCLUSION

Mr. Chairman, this is a good bill—the committee has left the District's budget virtually untouched. We have expressed our concern in those few areas where we felt it was necessary. The District is making very good progress in establishing itself in the financial markets, and in providing services to local residents in a timely manner. The city is on the move with an aggressive economic development program.

We are optimistic about the District, and the bill we bring to you this afternoon is a good bill and I recommend that it be approved.

Mr. COUGHLIN. Mr. Chairman, I yield myself such time as I may consume. I rise in strong support of H.R. 3067, the fiscal year 1986 District of Columbia appropriations bill. Article I, section 8, of the U.S. Constitution gives Congress power "To exercise exclusive Legislation in all Cases whatsoever, over such District * * * as may * * * become the Seat of the Government of the United States * * *." Although Congress delegated broad home rule powers to the District of Columbia in 1973, Congress retained the power of the purse. It is that power which we exercise, today.

This appropriations bill does two things. First, it provides a Federal payment from the United States to the District of Columbia. Second, it sets the entire D.C. budget, made up of Federal payment, property tax, income tax, sales tax, estate and gift tax, fees, and any other income.

Under the distinguished leadership of subcommittee Chairman Julian Dixon, the subcommittee has adopted a policy of letting the District make its own choices unless what is proposed: (1) is unconstitutional, (2) violates the Home Rule Act, or (3) raises a "Federal question." I note that, although he is an able Representative of the 28th District of California, Chairman Dixon is a native Washingtonian and descended from one of this area's oldest and most distinguished families. He carries on the tradition of civic leadership in Washington set by his forebearers.

Assisting in the preparation of this bill were staff members Migo Miconi, Mary Porter, and Kenny Kraft from appropriations, and Wilhelmina Marshall, liaison from the D.C. Budget Office..

The bill provides $2,689,077,000. Out of this $532,170,000 are Federal funds. This includes a Federal payment of $425 million, which is the same amount as appropriated last year, and as requested this year by the Office of Management and Budget. The balance of the Federal money goes to reimbursement for water and sewer service; retirement for teachers, police, firefighters, and judges; and St. Elizabeths Hospital.

The increase in this bill over last year's version is due to increased tax revenues which the District has raised, itself. OMB supports this bill. I received a "Dear Larry" letter from my good friend Dave (Stockman) who said "I want to commend the subcommittee for its responsible action * * *." It is the subcommittee's recommendations which the full committee brings to the House floor, today.

Mr. Dixon has already done a good job of explaining what is in H.R. 3067 so I will not repeat it. We recommend virtually the entire D.C. request. However, we do insist that an additional $15 million be used to retire the debt. This would be combined with the $5 million requested by the city council for a total amount of $20 million in fiscal year 1986. Since fiscal year 1980, the city's accumulated deficit of $387.5 million has been reduced by $130 million or one-third.

My compliments to the chairman and the subcommittee on a job well done.

Mr. DIXON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from the District of Columbia [Mr. Fauntroy].

Mr. FAUNTROY. Mr. Chairman, I rise with deep concerns about H.R. 3067, the District of Columbia appropriations bill for fiscal year 1986.

In December 1973, this Congress reestablished the concept of home rule for the District of Columbia through enactment of the District of Columbia Self-Government and Governmental Reorganization Act (Public Law 93-198). Since enactment of home rule for the District, each Congress has approved legislation which sought to improve and enhance D.C. home rule. Those improvements were accomplished through the legislative process.

Mr. Chairman, H.R. 3067, unfortunately, is attempting to use the appropriations process to enact substantive legislation which is antihome rule. I would like to speak to two of these.

First, the bill includes language under section 132 designating part of 15th Street Southwest, between Independence Avenue and Maine Avenue, as "Raoul Wallenberg Place." H.R. 2119, which was introduced in April, seeks the same objective and is before my Subcommittee on Fiscal Affairs and Health as well as the Subcommittee on Government Operations and Metropolitan Affairs of the Committee on the District of Columbia.

Raoul Wallenberg was one of the truly great heroes of World War II. He saved many Jews from the Nazi concentration camps and he deserved recognition. However, the naming of streets is purely a home rule matter.

Mr. Chairman, as many of my colleagues know, I have been in the forefront of the struggle to end apartheid in South Africa through legislation in the Congress and demonstrations at the South African Embassy. The Mayor of the District of Columbia has expressed his desire to rename that portion of Massachusetts Avenue, Northwest, in front of the embassy as "Nelson and Winnie Mandela Avenue." I would be more than willing to speak with him regarding "Raoul Wallenberg Place."

Second, H.R. 3067 includes language under section 133 which states, "The expenditure of any appropriation under this act for any contract shall be limited to those contracts awarded on a competitive basis." This language could be interpreted to mean termination of the District's Minority Contract Set-Aside Program.

I would like to ask the distinguished gentleman from California whether the contracting language is intended to change or jeopardize the District's Minority Set-Aside Program. If not, will the language be clarified to make this clear during conference?

□ 1640

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from California.

Mr. DIXON. Mr. Chairman, this language was offered by the gentleman from Ohio [Mr. Regula]. I do not know what his intent was, but I made it clear when the amendment was offered in committee that I thought it would have a serious impact on the minority set-aside program. I received assurances from the gentleman from Ohio [Mr. Regula] that he would work with me to ensure that his language does not in any way jeopardize the District's Minority Set-Aside Program.

Mr. FAUNTROY. Mr. Chairman, I am certainly relieved to know that, and I am confident that both of the gentlemen who have been supportive of the principle of home rule through the years will protect our Minority Contracts Set-Aside Program.

Mr. Chairman, I insert in the Record at this point a Washington Post editorial, dated July 27, 1985. I would like to emphasize from the editorial:

> The House Appropriations Committee has voted to attach a significant requirement to the District's fiscal 1986 appropriations bill. It would force the District government to award all of its contract through competitive bidding.
>
> This is a serious slap at home rule for the District. Congress has gone beyond legitimate expressions of concern and decided to make its own policy. The decision may impair the District's effort to give minority firms a better chance to win contracts.
>
> The same congressional committee decided to make another addition to the appropriations bill by voting to rename a city street after the World War II Swedish hero, Raoul Wallenberg. The desire to honor Mr. Wallenberg, who is credited with saving thousands of Jews and others from Nazi concentration camps, is admirable and well-intentioned, but it does not belong in the District's appropriations bill. Should Congress arbitrarily rename the District's thoroughfares whenever it desires?

Mr. Chairman, this is the heart of the matter. How many of my colleagues would be willing to vote for legislation which would infringe upon cities and counties in their districts? Why do it to the District of Columbia?

I strongly appeal to the members of the Appropriations Committee to think about home rule and its meaning, during the conference with the other body. The true meaning and intent of home rule must be not only confirmed, but enhanced.

Mr. COUGHLIN. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Ohio [Mr. Regula].

Mr. REGULA. I thank the gentleman for yielding this time and appreciate the comments of the gentleman from the District of Columbia. I would just point out in response to that, as you know, we have had discussions with the Mayor on the concern about this, and hopefully can arrive at something that will result in competitive bidding without impinging on any of the present standards, and certainly on the minority set-aside.

There is no reason at all that that cannot, in fact, it would continue. All the language says is the the 35-percent minority set-aside would be subjected to competitive bidding. I think the gentleman would agree with that, because it would allow all of the minority bidders to have an opportunity for a piece of the business.

But in the act creating home rule for the District of Columbia, and I quote directly from section 501, it says—

> Such Federal payment should operate to encourage efforts on the part of the government of the District to maintain and increase its level of revenues and to seek such efficiencies and economies in the management of its programs as are possible.

All we are suggesting here is that competitive bidding with the minority set-aside will result in achieving economies and efficiencies in management. So that is the objective of this language.

Mr. FAUNTROY. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from the District of Columbia.

Mr. FAUNTROY. I certainly agree with that objective and I am pleased to know that the gentleman will be protecting the Minority Set-Aside Program in the conference on this matter.

Mr. REGULA. I just wanted to add one thing. The gentleman quoted a part of the editorial from the Washington Post, but I want to read the last paragraph.

> Congress should give the city the fullest opportunity to eliminate any favoritism and wasteful spending. But the argument for home rule is strongest when city officials take action to deal with their own problems. It is weakest, as now, when nothing is done.

So I think you are suggesting, and I am likewise, that we try to get language that protects minority set-asides, and yet will achieve the economies and efficiencies that were spelled out in the original act establishing home rule.

Mr. FAUNTROY. If the gentleman would yield, I would like to thank him for that colloquy.

Mr. DIXON. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. COUGHLIN. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. Rudd].

Mr. RUDD. Mr. Chairman, I would like to commend the chairman of the committee and the ranking member of the committee for the effort that they have put forth in the production of this bill. They have worked long and hard. I served on this committee for a term, and I know that it is a difficult committee from time to time because of the political conceptions and misconceptions on it.

But, Mr. Chairman, I oppose this legislation, particularly the allocation of funds for the D.C. Statehood Commission and the Statehood Compact Commission.

In drafting the Constitution, our Founding Fathers, in article I, section 7, gave Congress the power "to exercise exclusive legislation in all cases whatsoever, over such District * * * as may * * * become the seat of the Government of the United States." They did not intend that the District become a State. The intent of our Founding Fathers in the Constitution is very clear.

While the District enjoys substantial home rule prerogatives, the Congress still retains the ultimate responsibility for this appropriation and we ought to exercise those responsibilities. If statehood is appropriate for the District of Columbia, a city of 630,000 people, then it should be appropriate for every other city in the country including the ninth largest city in the Nation, which is practically my hometown, Phoenix, AZ. Can you imagine every city of this size having two Senators and a number of Members of Congress?

The legislation, while prohibiting the use of Federal funds for abortions except in cases of rape, incest, or when the life of the mother is in danger, is silent with respect to use of other funds appropriated in the bill for abortions. The American public does not want taxpayer funding of abortions, and again we ought to use our authority to address that concern.

If the District of Columbia is serious about statehood, we ought to drastically reduce the Federal payment in this bill, which represents an astonishing 23.5 percent of the anticipated general revenue local collections. If no drastic reduction is made, we ought to retain the control that our Founding Fathers intended.

□ 1650

Mr. COUGHLIN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Connecticut [Mr. McKinney], a member of the authorizing committee.

Mr. McKINNEY. Mr. Chairman, I rise in strong support of H.R. 3067, and wish to compliment the members of the Appropriation Committee and especially the gentleman from California [Mr. Dixon], chairman of the District of Columbia Subcommittee, and the gentleman from Pennsylvania [Mr. Coughlin], ranking member of that subcommittee, for their wisdom and leadership in crafting this bill.

There are a few specific items I wish to highlight, but before I do so, I want to note that my compliments to the members of the Committee on Appropriations are more than courteous rhetoric. As some of my colleagues may recall, at the beginning of this session of Congress I suggested that the budget for the Committee on the District of Columbia, of which I am the ranking member, be substantially reduced and that the House pave the way for elimination of the committee by the 100th Congress. It was, and remains my opinion that the issues remaining before the Committee on the District of Columbia in our efforts to achieve the maximum possible level of home rule for the residents of the District of Columbia would be more properly and efficiently handled by either a new or existing subcommittee on one of the current standing committees of the House.

I want to make it very clear that I would not be able to make such a statement and believe it to be true were it not for the leadership which has been evident for some years in the Appropriations Committee, and more specifically, in the Appropriations Subcommittee on the District of Columbia. There has been an evolutionary process taking place in which the annual appropriations bill for the District addresses certain legislative matters which would, in a perfect world, be considered by the authorizing committee. I mention this not to protect turf, or in any way to criticize the efforts of our colleagues on the Appropriations Committee. Rather, I note this as a change for the better. It has been particularly heartening to this Member to note that when the D.C. appropriations bill does have some legislative provisions in the bill, they are valid and fully justifiable actions which painstakingly preserve the delicate balance of home rule. It is my sincere hope that the Appropriations Committee will continue to exhibit the restraint that has been evident in the past, and at the same time take the necessary action when warranted.

With regard to the specifics of the bill, I would echo the comments already heard with regard to the overall funding levels in this bill. The Federal funds provided include the full $425 million authorized as the Federal payment to the city, $30.1 million in reimbursement for water and sewer services provided to Federal buildings in the city, $52 million as the Federal contribution to the police, firefighters', teachers', and judges' retirement systems, and $25 million as the second of six annual payments authorized by Public Law 98-621 to assist the District in the establishment of a comprehensive mental health system which includes St. Elizabeths Hospital being taken over by the local government. This brings the total amount of direct Federal funding in this bill to $532.2 million, exactly the amount recommended by the President in his budget request to Congress for fiscal year 1986.

Also included in this bill, but having no impact on the Federal budget, is approval for the appropriation of $2.7 billion as the city's operating and capital budget for fiscal year 1986. It is worth nothing that the committee has made changes in the allocation of this $2.7 billion budget of $10,000. I would like to repeat that, because I believe it says a great deal about the committee's respect for the city's financial abilities and it's respect for the principle of home rule. In approving a total budget of $2.7 billion, the committee has recommended changes of only $10,000.

On a subject which is near and dear to the heart of this Member, I would note the committee report language concerning the city's efforts to eliminate the accumulated operating fund deficit. On page 51 of the committee report, there are two statements which I hope the Mayor and the city's financial advisers will note. First, the committee indicates that it "does not believe that the deficit problem should be resolved by selling bonds." I could not agree more, and I have opposed the recurring efforts on the part of the city to achieve authorization to issue such bonds. The report goes on to explain that the issuance of bonds would strap the residents of the city with a long-term liability which would continue for a period of time in excess of the time required to eliminate the deficit by biting the bullet and budgeting incremental amounts for this purpose. Finally, I am pleased to note the statement in the report which makes it clear that the committee intends to recommend a standard reduction of $20 million each year to be used exclusively to eliminate the operating fund deficit. I sincerely hope these statements will put to rest the city's efforts to seek authorization for the issuance of bonds to finance the deficit, an idea which I join my colleagues on the Appropriations Committee in opposing.

In closing, Mr. Chairman, I wish to reiterate my support for this bill and express in the most sincere manner possible, my heartfelt thanks to the chairman and ranking member of the Subcommittee on the District of Columbia for their efforts in bringing this measure to the floor. It is a bill which is identical to what the President recommended with respect to Federal funds, it is virtually identical to what the city requested in terms of allocating $2.7 billion, and it is wholly consistent with the spirit of home rule for the residents of the Capital City.

Mr. COUGHLIN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. Wolf].

Mr. WOLF. I thank the gentleman for yielding.

Mr. Chairman, as a new member of the House Appropriations Committee, on the District of Columbia Subcommittee, I recognize the diligent work that the chairman, the gentleman from California [Mr. Dixon] subcommittee members and staff put into the fiscal year 1986 D.C. appropriations bill. On the whole it is a very good bill, which is why I support it.

However, as a Member of Congress representing the 10th District of Virginia, I was very disappointed that an amendment was added to the bill at the very last minute with no hearings or discussions which would exempt Members of Congress who live in northern Virginia from paying a personal property tax on their automobile. I am particularly disappointed in the process that permitted this to happen without notifying northern Virginia officials in advance and giving them an opportunity to testify on the effects of this legislation.

While I am unhappy that the personal property tax amendment is part of the overall D.C. appropriation bill, there are many other provisions in the bill which I believe are worthy of support which will ultimately benefit northern Virginia residents. These provisions deal with issues such as the District's legal drinking age and we are hopeful, Mr. Chairman, that the message will be sent to the District of Columbia that the Congress is on record as supporting raising the drinking age in the District of Columbia from 18 to 21. We now have the 18-year-old drinking age in the District of Columbia, 21 years in the State of Maryland and 21 years in the State of Virginia. As a result of that, you are developing a blood border around the District of Columbia. So we hope that the message will be delivered to the District that it is important that they raise their drinking age to 21 so that there will be uniform drinking age across the board.

Also, in the legislation there are restrictions on the expansion of Lorton Reformatory.

Last, it has a requirement that my colleague from Maryland, Congressman Steny Hoyer, added for immediate aid to disabled vehicles on District of Columbia area bridges during rush hour, and efforts to bring major league baseball to the District of Columbia.

So I am supporting the D.C. fiscal year 1986 appropriations bill, but must voice my deep disappointment that the personal property tax exemption for Members of Congress was added to the bill without considering the localities involved.

Mr. DIXON. Mr. Chairman, I inadvertently yielded back the balance of my time.

Mr. Chairman, I would ask unanimous consent that I may reclaim my time.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DIXON. Mr. Chairman, I reserve the balance of my time.

Mr. COUGHLIN. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. Parris].

Mr. PARRIS. Mr. Chairman, I rise in support of the provision of this bill that was inserted by the gentleman from Ohio [Mr. Regula], and I do so with the clear understanding of the suggestions, or allegations, most of which I think are unfounded, as to the adverse effect of that provision on the existing minority contracting practices of the District of Columbia.

Mr. Chairman, I rise to put into the Record for the benefit of my colleagues a portion of the existing Federal law under the Home Rule Act. Section 501, title V, of that act reads in part as follows: "Such Federal payment", meaning the annual contribution by the Federal Government to the District of Columbia, "such Federal payments should operate to encourage efforts on the part of the government of the District to maintain and increase its level of revenues and to seek such efficiencies and economies in the management of its programs as are possible."

What that means, Mr. Chairman, is that it is a legitimate interest and an obligation of this Congress in the use and appropriation of the taxpayers' funds to help, to assist, to establish the opportunity for the District of Columbia to provide with the Federal payment the best and most efficient government that this city can possibly have. That is all of our function, it is consistent with all of our earnest desire. I think, Mr. Chairman, that the provision inserted by the gentleman from Ohio [Mr. Regula] in requiring competitive contracting for public contracts and services, is a step in that and the right direction and therefore totally consistent with the provisions of the Home Rule Act. It would be my hope that this bill would be adopted with that provision intact and that the conference will see fit to sustain it in the final conference version of this legislation.

I thank the gentleman for yielding.

Mr. LOWERY of California. Mr. Chairman, this year is the 40th anniversary of the disappearance of Raoul Wallenberg, one of the greatest heroes of our age, as well as the liberation of the Nazi death camps. As a way of remembering this tragic period in human history and as a way of honoring one of the greatest heroes of the Holocaust, the Appropriations Committee has included in the general provisions part of the bill, section 132, designating a block of 15th Street between Maine Street and Independence Avenue as "Raoul Wallenberg Place."

The portion of 15th Street, Southwest, which would be renamed by this bill is the site of the future U.S. Holocaust Memorial Museum. It is bordered entirely by Federal property, and there are no residences on the street. The Bureau of Engraving is located on the street, but its mailing address is on 14th Street. Therefore, no addresses on the street would be affected except that of the the National Holocaust Memorial Museum.

Mr. Chairman, Raoul Wallenberg was born in 1912 to a distinguished Swedish family. In July 1944, in response to a request of the World Jewish Congress following deportation of nearly half a million Hungarian Jews to the death camps of Auschwitz and Birkenau, he was secretly sent by the American Government's War Refugee Board to Budapest as a Swedish diplomat. At that time there were still 250,000 Jews living in the Budapest ghetto, and Wallenberg undertook the impossible task of slowing down their deportation.

Working from the Swedish Embassy, he organized a rescue staff of several hundred Jewish volunteers and declared 32 apartment buildings housing 20,000 Jews to be shelters under the protection of the Swedish flag. He issued protective Swedish passports to approximately 30,000 Jews, providing them a degree of immunity from persecution. He organized the most daring and audacious methods for saving the lives of Jews—turning up at railway stations that served as assembly points for transporting the victims to death camps and, using his diplomatic privileges, snatching dozens of victims from the trains on the grounds that they were under Swedish protection.

Through his fearless actions, imagination and self-sacrifice, Wallenberg and his helpers were able to save the lives of 25,000 Jews during the period from July 1944 until the middle of January 1945. And by inspiring and cajoling others to play their part in this humanitarian work, he was able to save about 100,000 Jews from the death camps.

On January 17, 1945, the Soviet Army reached the outskirts of Budapest, and Raoul Wallenberg was taken into Soviet protective custody. He was never released. In fact, in 1957 the Soviets announced that Wallenberg had died while in a Soviet prison in Moscow. The U.S. State Department has raised the issue of Wallenberg's fate with the Soviets many times, but no satisfactory answer has been given.

Raoul Wallenberg, the "Lost Hero of the Holocaust," has become a legend to people all over the world. He has been nominated for a Nobel Peace Prize. Many of you joined our distinguished colleague, Tom Lantos, in supporting legislation in the 97th Congress which made him an honorary U.S. citizen, thereby allowing the United States to petition the Soviet Union for a full accounting of his fate. Wallenberg is only the second person to be awarded this great honor.

Wallenberg was also named an honorary citizen of the District of Columbia on October 6, 1981. Mayor Marion Barry presided over the ceremony, which was attended by Wallenberg's sister and others.

Congressman Lantos, the only survivor of the Holocaust to be elected to Congress, was born in Budapest, Hungary. He was twice sent to Nazi work camps during 1944, but escaped and survived in Wallenberg's safe houses. He worked with Wallenberg and was active in the anti-Nazi underground.

"In History," Congressman Lantos has said, "One can find many men who have killed 100,000 people. But how many have saved 100,000? Renaming a portion of 15th Street in honor of Wallenberg is a small—but appropriate—gesture to one of the genuine heroes of our age."

Mr. Chairman, this measure, is not a violation of the concept of home rule. First, I must repeat that the street in question, which runs along the Washington Tidal Basin Park, is part of the Mall and its environs. Not one resident of the District of Columbia would be directly affected by this change. The committee has not somehow arbitrarily selected some random street in the District—15th Street SW., in front of the National Holocaust Museum, was carefully selected because it is only one block long and consists entirely of Federal property.

Second, there is a clear and obvious precedent for this change. Last year the District of Columbia appropriations bill included language which named the area in front of the Soviet Embassy as "Andrei Sakharov Plaza."

In sum, Mr. Chairman, because Raoul Wallenberg gave a whole new universe of meaning to the word "hero" by saving lives of 100,000 Hungarian Jews, I hope my colleagues will support Raoul Wallenberg Place and that none of you will seek to delete this section of the appropriations bill. I firmly believe that it would be an appropriate gesture to name the street in front of the Holocaust Memorial Museum in honor of this great American hero.

● Mr. LANTOS. Mr. Chairman, I rise in strong support of the provision in the District of Columbia appropriations bill naming the section of 15th Street in front of the Holocaust Memorial Museum "Raoul Wallenberg Place."

The Holocaust Memorial Museum will remind us and future generations of the horrors of the Holocaust. But the museum is not intended only to make us despair at the depths to which mankind can sink; it should also force us to examine the question of how we can prevent future holocausts, how we can protect human rights, and how we should fight against racism and persecution. it is appropriate that Raoul Wallenberg be part of this memory, because he represents the ultimate symbol of hope and courage.

Born to a wealthy Swedish family, Wallenberg left the safety of his home to go to Budapest, Hungary, in the summer of 1944 on a high-risk mission from the American War Refugee Board to save tens of thousands of innocent children, women, and older men. Displaying remarkable courage, Wallenberg printed Swedish passports and passed them out to thousands of Jews. Single-handedly he approached deportation trains and literally pulled people out of the cattle cars destined for extermination camps. He purchased or rented dozens of buildings, which he then designated Swedish territory, and filled them with the persecuted to protect them from Fascist round-up squads. Through his efforts, Wallenberg saved an estimated 100,000 Hungarian Jews from the "final solution."

Neither I, nor my wife, nor our children, nor our grandchildren would be here today if it were not for Raoul Wallenberg. During that whole dark nightmare, no one else directly confronted Nazi cruelty. No one else had the audacity to follow the death marches, to jump in front of guns leveled at jews, to pull people off deportation trains. Raoul Wallenberg not only saved 100,000 lives, he saved our faith in humanity.

In retrospect, perhaps Wallenberg's greatest contribution is his reminder to us of the human dimension of human rights. We usually define human rights by international treaty: the right to emigrate guaranteed by the Helsinki Final Act, for example. In the best of worlds, international agreements alone would ensure all peoples' basic human rights. But time and again, we are reminded that our world is not an ideal one and that the promise of international law must be realized through individual action. Thus, what we most need are women and men motivated by a sense of justice, who are willing to risk and to fight in order to uphold dignity and respect for human life.

Unfortunately, the violation of human rights did not end with the crushing of Hitler in 1945. We need a Wallenberg today to speak out forcefully on behalf of Soviet refuseniks, individuals persecuted by the Soviet Government solely because of their religious faith and their desire to emigrate. We need a Wallenberg to confront apartheid in South Africa, to stand with the black demonstrators, to call for Nelson Mandela's release. We need a Wallenberg to seek the release of peaceful Baha'i prisoners in Iranian jails. We need a Wallenberg to secure the release of political prisoners—Andrei Sakharov in internal exile in the Soviet Union, opponents of the military regime in Chile, those who in far too many places around the globe suffer isolation, loss of liberty, and torture for their convictions.

Wallenberg is the archtype of the defender of human rights. His story shows that mankind can do more than simply survive, that it can nurture and protect the weak. He is a model of selfless behavior which few attain. The knowledge that one man so firmly embraced human rights as a guiding principle, however, should encourage us to continue in our fight for this goal.

In history, one can find examples of many who have killed 100,000 people. But how many have saved 100,000? Wallenberg has shown us that one individual—motivated by a genuine and personal concern for human rights—can face evil and triumph; that one person alone can make a difference.

Renaming a section of a street is a small honor to such a man. Nevertheless, it is an important symbolic gesture, and we must not forget the power of symbols.●

● Mr. CONTE. Mr. Chairman, I rise in support of H.R. 3067, the District of Columbia appropriations bill for fiscal year 1986.

At the outset, I want to commend the chairman of the subcommittee, JULIAN DIXON and the ranking minority member, LARRY COUGHLIN, for their hard work and dedication. Without the usual benefits, Congressmen DIXON and COUGHLIN have taken the responsibility to the District our Federal seat of Government, very seriously. With the home rule principle as a guide, the subcommittee has effectively addressed the special needs of the District of Columbia. District residents are fortunate to have these gentlemen in leadership positions on this subcommittee.

Mr. Chairman, the bill includes Federal funds totaling $532,170,000 for fiscal year 1986 which is $1,173,000 below the fiscal year 1985 level. Included in this amount is a Federal payment of $425 million for fiscal year 1986 which represents 23.5 percent of the anticipated general revenue generated by local collections next year. This payment is the same amount as appropriated last year.

In addition to the lump sum Federal payment, Federal funds appropriated in this bill include $30.1 million for water and sewer services furnished to the Federal Government, $52 million for the Federal contribution to the city's three retirement funds, and $25 million for St. Elizabeths Hospital.

The payment to the retirement fund is the seventh of 25 annual Federal payments which will total $1.3 billion and will cover a portion of the unfunded liability attributed to former District employees who retired before home rule took effect. As authorized by Public Law 98-621, the payment for St. Elizabeths Hospital is part of a 6-year place to transfer administrative and financial responsibility from the Federal Government to the District of Columbia by 1991.

Mr. Chairman, I am pleased to report that the administration fully endorses the recommendations in this bill. In a letter the committee, the Young Slasher, signing in black ink, clearly stated that "this bill * * * is consistent with the Administration's request" and urged approval of the legislation in its present form. For the RECORD, I will include a copy of the OMB letter and the "Statement of administration Policy" on H.R. 3067.

I urge my colleagues to support H.R. 3067.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., July 24, 1985.

Hon. SILVIO CONTE,
Committee on Appropriations, U.S. House of Representatives, Washington, D.C.

DEAR SIR: As the House Appropriations Committee prepares to mark up the 1986 District of Columbia Appropriation bill, I want to commend the subcommittee for its responsible action in keeping with the Administration's request.

I hope that when the District of Columbia appropriation bill is considered by the full committee you will use your influence and leadership to help ensure the passage of the bill as recommended by the subcommittee.

Sincerely,

DAVID A. STOCKMAN,
Director.

STATEMENT OF ADMINISTRATION POLICY

JULY 23, 1985.

District of Columbia Appropriation Bill, 1986.

(Sponsor: Dixon (D), California.)

This bill as approved by the House Subcommittee is consistent with the Administration's request. The Administration urges the full Appropriations Committee to take the Subcommittee recommendations and report the bill in its present form.

STATEMENT OF ADMINISTRATION POLICY

JULY 29, 1985.

District of Columbia Appropriation Bill, 1986.

(Sponsor: Whitten (D), Mississippi.)

This bill as reported by the House Appropriations Committee is consistent with the administration's request. The administration supports floor action to accept the committee recommendations and pass the bill in its present form.●

● Mrs. VUCANOVICH. Mr. Chairman, today, I rise in support of the amendment which will be offered by the gentleman from New Jersey [Mr. SMITH], to ensure that section 118 of H.R. 3067 provide that no public funds may be used to kill unborn children in our Nation's Capital, and that funds shall be used to provide equal care for both the mother and her unborn child.

Some say this is an issue of "home rule" where the Congress should only be responsible for the use of "Federal" funds for abortions in the District and the District of Columbia government has the prerogative of using "its own funds" as it chooses for killing unborn children. On the contrary, Pub. L. 93-198 specifically designates the Congress, and each one of its Members with the responsibility for the full appropriation of all funds for our Nation's Capital.

Section 118 demands revision so that taxpayers' money is not used to fund the killing of unborn children, and it is the special responsibility of this body to recognize that fact. If this appropriations bill passes without amending section 118 we provide the District with a "blank check" with which to fund abortions. One abortion is as tragic as 100, and the some 4,393 abortions paid by the District from funds appropriated by Congress in the District of Columbia Appropriations Act (as cited from the District of Columbia government statistics note 67 of July 1984) denies us all any semblance of humanity.●

● Mr. WEISS. Mr. Chairman, I am in strong opposition to H.R. 3067, the District of Columbia appropriations for fiscal year 1986.

I do not oppose this bill because of any provision recommended by the Appropriations Subcommittee on the District of Columbia, which carefully crafted a bipartisan bill that meets the needs of the District of Columbia without exceeding the President's funding request. In fact, the subcommittee was specifically commended by outgoing Budget Director David Stockman for its "responsible action" in drafting this bill.

Rather, I am opposed to the bill because of the adoption of a grossly irresponsible amendment which would prohibit the use of any public funds for abortions in the District.

This amendment is both wrong in substance and wrong in procedure. It is a further attack on the fundamental right of women to control their own bodies. But, unlike many other such attacks which have been undertaken in the House of Representatives, it is an underhanded attack that exploits the continued power of the House over the District of Columbia's purse to achieve highly objectionable goals.

The sponsor of this amendment was apologetic about offering yet another amendment on a subject with which many Members are weary. He was referring to the floor fights that have surrounded the attachment of antiabortion riders to a variety of Federal health care programs and benefits packages. As a result of these amendments, congressional opponents of abortion rights have limited access to legal abortion services for those who receive health care services or health insurance benefits through the Federal Government.

Abortion is legal, and the vast majority of Americans want it kept that way. But those who approved these limiting amendments ignore the national mandate for safe and accessible abortion services. As a result of their repeated attacks, D.C. residents, along with Medicaid recipients, native Americans, Peace Corps volunteers, military employees, and Federal employees are already subject to significant restrictions on their right to have an abortion.

The current amendment goes even further, however. Not content to restrict the use of Federal funds for abortions, the amendment would restrict the use of all public funds for this purpose. This means that the District, which has courageously committed a portion of the funds that it raises independently of the Federal Government to poor women who are seeking abortions, will no longer be able to do so. Moreover, this will apply to all abortions performed in the District, with no exception for cases of rape, incest, or life endangerment.

Not only does this amendment fly in the face of public opinion, not only does it deny a fundamental right to a class of American citizens who are in most cases incapable of fighting back for financial or other reasons, but it would prohibit a jurisdiction of this Nation from employing its own funds for the purposes which it sees fit. It represents an unwarranted and indefensible Federal intrusion both into the local affairs of our Capital City and into the private lives of American citizens.

The District of Columbia deserves to be reimbursed for the responsibilities it assumes for the revenue losses and costs associated with the District's role as the Nation's Capital. The bill prepared by the subcommittee would have accomplished this in a rational and appropriate manner. But the restrictions on the fundamental right to safe and legal abortions that were added to this bill go far beyond any such restrictions adopted in the past. They are wrong and they must be rejected. I urge my colleagues to join me in defeating this bill.●

Mr. COUGHLIN. Mr. Chairman, I have no further requests for time and I yield back the balance of my time.

Mr. DIXON. Mr. Chairman, I have no further requests for time and I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Mr. DIXON. Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the bill H.R. 3067, is as follows:

H.R. 3067

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1986, and for other purposes, namely:

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia for the fiscal year ending September 30, 1986, $425,000,000, as authorized by the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 47-3406): *Provided,* That none of these funds shall be made available to the District of Columbia until the number of full-time uniformed officers in permanent positions in the Metropolitan Police Department is at least 3,880, excluding any such officer appointed after August 19, 1982, under qualification standards other than those in effect on such date.

For payment to the District of Columbia for the fiscal year ending September 30, 1986, in lieu of reimbursement for charges for water and water services and sanitary sewer services furnished to facilities of the United States Government, $30,100,000, as authorized by the Act of May 18, 1954, as amended (D.C. Code, secs. 43-1552 and 43-1612).

For the Federal contribution to the Police Officers and Fire Fighters', Teachers' and Judges' Retirement Funds as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96-122), $52,070,000.

Transitional Payment for Saint Elizabeths Hospital

For a Federal contribution to the District of Columbia, as authorized by the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, approved November 8, 1984 (98 Stat. 3369; Public Law 98-621), $25,000,000.

Division of Expenses

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

Governmental Direction and Support

Governmental direction and support, $99,342,000: *Provided,* That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for expenditures for official purposes: *Provided further,* That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further,* That not less than $320,000 shall be used by the Office of Personnel exclusively for the administration of programs for the training of District of Columbia government employees: *Provided further,* That notwithstanding any other provision of law, there is hereby appropriated $3,480,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board, of which $700,000 shall be derived from the general fund and not to exceed $2,780,000 shall be derived from the earnings of the applicable retirement funds: *Provided further,* That the District of Columbia Retirement Board shall provide to the Congress and the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further,* That the District of Columbia Retirement Board shall provide the Mayor for transmittal to the Council of the District of Columbia an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: *Provided further,* That of the $100,000 appropriated for fiscal year 1986 for Admission to Statehood, $50,000 shall be for the Statehood Commission and $50,000 shall be for the Statehood Compact Commission.

Economic Development and Regulation

Economic development and regulation, $99,525,000: *Provided,* That the District of Columbia Housing Finance Agency, established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of 15 years, with a deferral of payments for the first three years: *Provided further,* That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the holders of any bonds or notes issued by the Agency and shall be repaid to the District of Columbia only from available operating revenues of the Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses: *Provided further,* That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia: *Provided further,* That the Director of the Department of Housing and Community Development shall report every six months to the Council of the District of Columbia on collections of rent from public housing stock.

Public Safety and Justice

Public safety and justice, including purchase of not to exceed 135 passenger-carrying vehicles for replacement only (including 130 for police-type use and five for fire-type use) and four additional passenger-carrying vehicles for fire-type use without regard to the general purchase price limitation for the current fiscal year, $535,416,000, of which $3,339,000 shall be payable from the revenue sharing trust fund: *Provided,* That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles, and the Fire Department is authorized to replace not to exceed five passenger-carrying vehicles, annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further,* That not to exceed $320,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further,* That notwithstanding any other provisions of law, in the case of each employee who retired from the Fire Department of the District of Columbia before February 15, 1980, and who is receiving on the date of the enactment of this Act an annuity based on service in the Fire Department, the District of Columbia Retirement Board shall cause to be paid not later than September 30, 1985, to each such employee a lump-sum payment equal to three percent of his or her annuity: *Provided further,* That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090; Public Law 93-412; D.C. Code, sec. 11-2601 et seq.), for the fiscal year ending September 30, 1986, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1975: *Provided further,* That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5-129; D.C. Code, sec. 16-2304), for the fiscal year ending September 30, 1986, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1985: *Provided further,* That $50,000 of any appropriation available to the District of Columbia may be used to match financial contributions from the Department of Defense to the District of Columbia Office of Emergency Preparedness for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Mayor: *Provided further,* That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further,* That D.C. Code, sec. 11-1732(d), is amended by striking out "1985" and inserting in lieu thereof "1986".

Public Education System

Public education system, including the development of national defense education programs, $515,005,000, of which $6,000,000 shall be payable from the revenue sharing trust fund, to be allocated as follows: $359,500,000 for the public schools of the District of Columbia; $70,905,000 for the District of Columbia Teachers' Retirement Fund; $67,715,000 for the University of the District of Columbia; $15,002,000 for the Public Library; $1,673,000 for the Commission on the Arts and Humanities; and $210,000 for the Educational Institution Licensure Commission: *Provided,* That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further,* That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for expenditures for official purposes: *Provided further,* That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1986, a tuition rate schedule which will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area.

Human Support Services

Human support services, $614,347,000, of which $5,857,000 shall be payable from the revenue sharing trust fund: *Provided,* That the inpatient rate (excluding the proportionate share for repairs and construction) for services rendered by Saint Elizabeths Hospital for patient care shall be at the per diem rate established pursuant to section 2 of an Act to authorize certain expenditures from the appropriation of Saint Elizabeths Hospital, and for other purposes, approved August 4, 1947 (61 Stat. 751; Public Law 80-353; 24 U.S.C. 168(a)): *Provided further,* That total funds paid by the District of Columbia as reimbursements for operating costs of Saint Elizabeths Hospital, including any District of Columbia payments (but excluding the Federal matching share of payments) associated with title XIX of the Social Security Act, approved July 30, 1965 (79 Stat. 343; Public Law 89-97; 42 U.S.C. 1396 et seq.), shall not exceed $62,970,000: *Provided further,* That $11,000,000 of this appropriation, to remain available until expended, shall be available solely for District

of Columbia employees' disability compensation.

Public Works

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, $193,741,000, of which $2,500,000 shall be payable from the revenue sharing trust fund and not to exceed $4,000,000 shall be available for the School Transit Subsidy: *Provided,* That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business or from apartment houses with four or more apartments, or from any building or connected group of buildings operating as a rooming or boarding house as defined in the housing regulations of the District of Columbia.

Washington Convention Center Fund

For the Washington Convention Center Fund, $8,371,000: *Provided,* That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for performance of the annual convention center audit.

Repayment of Loans and Interest

For reimbursement to the United States of funds loaned in compliance with an Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79-648); the Departments of Labor, and Health, Education and Welfare Appropriation Act of 1955, approved July 2, 1954 (68 Stat. 443; Public Law 83-472); section 1 of an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, sec. 9-219); section 4 of an Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86-515); and section 723 of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 821; Public Law 93-198; D.C. Code, sec. 47-321, note); and section 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act, approved October 13, 1977 (91 Stat. 1156; Public Law 95-131; D.C. Code, sec. 9-219, note), including interest as required thereby, $198,409,000.

Repayment of General Fund Deficit

For the purpose of eliminating the cash portion of the $269,860,000 general fund accumulated deficit as of September 30, 1984, $20,000,000, of which not less than $15,000,000 shall be funded and apportioned by the Mayor from amounts otherwise available to the District of Columbia government (including amounts appropriated by this Act or revenues otherwise available, or both).

Short-Term Borrowings

For the purpose of funding interest related to borrowing funds for short-term cash needs, $3,750,000.

Capital Outlay

For construction projects, $229,148,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, secs. 43-1512 to 43-1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101; Public Law 83-364); an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, secs. 9-219 and 47-3402); section 3(g) of the District of Columbia Motor Vehicle Parking Facility Act of 1942, approved August 20, 1958 (72 Stat. 686; Public Law 85-692; D.C. Code, sec. 40-805(7)); and the National Capital Transportation Act of 1969, approved December 9, 1969 (83 Stat. 320; Public Law 91-143; D.C. Code, secs. 1-2451, 1-2452, 1-2454, 1-2456, and 1-2457); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided,* That $14,591,000 shall be available for project management and $11,239,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor, and that the funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further,* That all such funds shall be available only for the specific projects and purposes intended: *Provided further,* That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90-495; D.C. Code, sec. 7-134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1987, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1987: *Provided further,* That upon expiration of any such project authorization the funds provided herein for the project shall lapse.

Water and Sewer Enterprise Fund

For the Water and Sewer Enterprise Fund, $162,987,000, of which $31,065,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $19,635,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; D.C. Code, sec. 43-1512 et seq.): *Provided,* That the requirements and restrictions which are applicable to general fund capital improvement projects and which are set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title.

Lottery and Charitable Games Enterprise Fund

For the Lottery and Charitable Games Enterprise Fund established by the District of Columbia Appropriation Act for fiscal year 1982, approved December 4, 1981 (95 Stat. 1174, 1175, Public Law 97-91, as amended), for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Code, secs. 2-2501 et seq. and 22-1516 et seq.), $4,151,000, to be derived from non-Federal District of Columbia revenues: *Provided,* That the District of Columbia shall identify the sources of funding for this appropriation title from its own locally-generated revenues: *Provided further,* That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

Cable Television Enterprise Fund

For the Cable Television Enterprise Fund established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5-36; D.C. Code, sec. 43-1801 et seq.), $250,000.

General Provisions

Sec. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Sec. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

Sec. 103. Whenever in this Act an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount which may be expended for said purpose or object rather than an amount set apart exclusively therefor, except for those funds and programs for the Metropolitan Police Department under the heading "Public Safety and Justice" which shall be considered as the amounts set apart exclusively for and shall be expended solely by that Department; and the appropriation under the heading "Repayment of General Fund Deficit" which shall be considered as the amount set apart exclusively for and shall be expended solely for that purpose.

Sec. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided,* That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-7 (Federal Travel Regulations).

Sec. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the

Mayor: *Provided*, That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

Sec. 106. Appropriations in this Act shall not be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Service Commission requiring the installation of meters in taxicabs, or for or in connection with the licensing of any vehicle to be operated as a taxicab except for operation in accordance with such system of uniform zones and rates and regulations applicable thereto as shall have been prescribed by the Public Service Commission.

Sec. 107. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84-460; D.C. Code, sec. 47-1812.11(c)(3)).

Sec. 108. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C Code, sec. 3-205(b)), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90-445; 42 U.S.C. 3801 et seq.).

Sec. 109. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 110. Not to exceed 4½ per centum of the total of all funds appropriated by this Act for personal compensation may be used to pay the cost of overtime or temporary positions.

Sec. 111. Appropriations in this Act shall not be available, during the fiscal year ending September 30, 1986, for the compensation of any person appointed to a permanent position in the District of Columbia government during any month in which the number of employees exceeds 32,082, the number of positions authorized by this Act.

Sec. 112. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

Sec. 113. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1987, shall be transmitted to the Congress by no later than April 15, 1986.

Sec. 114. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on the District of Columbia, the Subcommittee on Governmental Efficiency and the District of Columbia of the Senate Committee on Governmental Affairs and the Council of the District of Columbia or their duly authorized representative.

Sec. 115. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2-20; D.C. Code, sec. 47-421 et seq.).

Sec. 116. None of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection.

Sec. 117. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

Sec. 118. None of the Federal funds provided in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service. Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

Sec. 119. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowing and spending progress compared with projections.

Sec. 120. The Mayor shall not borrow any funds for capital projects unless he has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

Sec. 121. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

Sec. 122. None of the funds appropriated in this Act may be used for the implementation of a personnel lottery with respect to the hiring of fire fighters or police officers.

Sec. 123. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443) which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96-93), as modified in House Report No. 98-265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-361 et seq.).

Sec. 124. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

Sec. 125. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96-425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided*, That this section shall not apply to security, emergency rescue, or armored vehicles.

Sec. 126. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) for any position for any period during the last quarter of calendar year 1985 shall be deemed to be the rate of pay payable for that position for September 30, 1985.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79-592; D.C. Code, sec. 5-803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, a per diem compensation at a rate established by the Mayor.

Sec. 127. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5 of the United States Code.

Sec. 128. None of the funds appropriated by this Act may be used to transport any output of the municipal waste system of the District of Columbia for disposal at any public or private landfill located in any State, excepting currently utilized landfills in Maryland and Virginia, until the appropriate State agency has issued the required permits.

Sec. 129. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72-212; 40 U.S.C. 278a), upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency and the District's best interest.

Sec. 130. The Public Service Commission is hereby authorized to order and to approve the deregulation of streetlighting service to the District of Columbia as provided in its opinion and order in Formal Case No. 813, dated July 12, 1984 (Order No. 8056), notwithstanding the provisions of section 493(a) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 811; Public Law 93-198; D.C. Code, sec. 43-402), section 8, paragraph 2 of an Act

making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and fourteen, and for other purposes, approved March 4, 1913 (37 Stat. 977; Public Law 67-435; D.C. Code, sec. 43-501), and section 1 of an Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred, and for other purposes, approved March 3, 1899 (30 Stat. 1053; D.C. Code, sec. 43-1207): *Provided*, That the provisions of this opinion and order regarding deregulation of streetlighting service are hereby ratified and declared to be in effect as of July 12, 1984, and shall continue to be in effect until revoked or rescinded.

Sec. 131. (a) No State, or political subdivision thereof, in which a Member of Congress maintains a place of abode for purposes of attending sessions of Congress may impose a personal property tax with respect to the motor vehicle owned by such Member (or by the spouse of such Member) that is used for purposes of attending sessions of Congress unless such Member represents such State or a district in such State.

(b) For purposes of this section—

(1) the term "Member of Congress" includes the delegates from the District of Columbia, Guam, and the Virgin Islands, and the Resident Commissioner from Puerto Rico;

(2) the term "State" includes the District of Columbia; and

(3) the term "personal property tax" means any tax imposed on an annual basis and levied on, with respect to, or measured by, the market value or assessed value of an item of personal property.

(c) This section shall apply to all taxable periods beginning on or after January 1, 1985.

Sec. 132. The portion of 15th Street, Southwest, Washington, District of Columbia, located between Maine and Independence Avenues shall hereafter be known and designated as "Raoul Wallenberg Place". Any law, regulation, map, document, or other record of the United States and the District of Columbia which refers to that portion of such street shall be deemed to refer to "Raoul Wallenberg Place".

Sec. 133. The expenditure of any appropriation under this Act for any contract shall be limited to those contracts awarded on a competitive basis.

This Act may be cited as the "District of Columbia Appropriation Act, 1986".

The CHAIRMAN. Are there any points of order against the bill?

Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Smith of New Jersey: Page 20, line 9, strike out "Federal".

Page 20, line 12, strike out the semicolon and all that follows through line 18 before the period.

Mr. SMITH of New Jersey (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SMITH of New Jersey. Mr. Chairman and Members of this body——

Mr. DIXON. Mr. Chairman, I want to reserve a point of order on the amendment.

The CHAIRMAN. The gentleman's point of order is reserved.

Mr. SMITH of New Jersey. Mr. Chairman, I had already begun speaking on the amendment so I would suggest——

Mr. DIXON. Mr. Chairman, I was on my feet. My mike was not on. I indicated that I wanted to reserve a point of order. I interrupted because I did not know whether the Chair had heard me or not.

The CHAIRMAN. The gentleman from California [Mr. Dixon] was on his feet. The Chair agrees with the gentleman. The point of order is reserved.

The gentleman from New Jersey [Mr. Smith] is recognized for 5 minutes in support of the amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I know that many Members of this body are growing weary of abortion floor fights. But I would suggest that what we do here today may indeed result in some now nameless, voiceless child—perhaps many children—being given a chance to live.

That, in and of itself, makes any inconvenience wholly worthwhile.

I would point out to members of the committee that in 1983 there were 11,775 abortions for D.C. residents. Of that number, approximately 40 percent were paid for with Government funds—with funds appropriated by this Congress in the D.C. Appropriations Act. In other words, in 1983, 4,393 lives were snuffed out with public funding right here in the District. My amendment would bar abortion payments except to save the life of the mother.

I know the prochoice lobby here on the Hill gets mighty uncomfortable when faced with the horror of abortion, or with the humanity of the child in the womb, or with the increasingly apparent fact that abortion exploits women. But reality isn't changed or altered one iota because someone wishes it away or refuses to face it.

Mr. Chairman, abortion methods are gruesome and ugly to consider. Yet it is a sad fact, that there are some in this Chamber who have yet to carefully examine and scrutinize the methods of abortion. If we are being asked to pay for it, is it too much to ask what we are paying for?

Mr. Chairman, the carnage unleashed on American society by the 1973 Supreme Court abortion decisions is unparalleled in U.S. history.

Every 20 seconds of every day, little children at 8 weeks, 12 weeks, 16 weeks, 24 weeks gestation and beyond, right up until birth, are savagely decimated by the abortionist. The modern day abortionist has several highly efficient abortion methods at his disposal. The horror of the deed, however, has been mitigated by the clean, antiseptic environs in which abortions are procured.

For some, abortion is merely another medical procedure. But is it?

I suggest my colleagues look closer at just a few of these procedures. In many early abortions, a loop-shaped knife attached to a high powered suction device rips and shreds the unsuspecting child to pieces. The body parts are then vacuumed into a bottle and disposed of. This is euphemistically referred to as vacuum aspiration.

In the dilation and curatage and dilation and evacuation abortion, the child is cut, sliced and carved by a surgeon's scalpel without even the benefit of anesthesia. One of the most frightening jobs required of assisting nurses is to make a full and thorough accounting of all body parts in a D&C and D&E abortion. I have seen documented pictures of children who have been killed this way—decapitated, ribcages split open, arms and legs a pathetic jumble—and I came away sick to my stomach. And believe me, I marveled then and now that some Members of this body could deny the homicidal nature of abortion and go on to even assert that the extermination of the unborn can somehow be portrayed and construed to be enlightened, progressive policy?

In saline abortions, Mr. Chairman, usually done in the second trimester, the unborn baby has his or her life purposely snuffed out by an overdose of injected saltwater.

A baby terminated this way dies a very slow, excruciating painful death. After the salt is injected by a hypodermic needle into the infant's amniotic sac, the child breaths in the fluid and gets sick. The salt burns the outer layer of skin on the child. Internally, the baby's bloodstream carries the poison to his or her brain, nervous system and vital organs. After a 1½- to 2-hour futile struggle, the baby usually dies. A day or two later, the mother goes into labor and gives birth to a baby whose appearance resembles a first degree burn victim.

Are saline abortions enlightened social policy that a prudent Congress wishes to fund? Hardly. Hardly, I say to my colleagues.

Still another method of abortion, Mr. Chairman, is the so-called hysterotomy abortion—a method not unlike a C-section. As a matter of fact the only difference between the hysterotomy and C-section is the fate of the child. In a C-section, the child is cared for, nurtured, fed, kept warm and, hopefully, loved. In a hysterotomy abortion, after the umbilical cord is cut, the baby is tossed in a bucket or pan—like garbage—let to die. There have been literally thousands of these abortions in the United States. A significant number of children who survive abortion were the results of this method.

Mr. Chairman, it seems increasingly absurd to this Member that Members of this body can unashamedly embrace and champion the right to multilate and kill unborn children like this—and then demand that we pay for it.

It seems increasingly absurd to this Member that the opposition utterly fails to appreciate the marvelous breakthroughs in the diagnosis and treatment of the unborn. In every pregnancy, there are two patients to be cared for, mother and child. I prefer to think, Mr. Chairman, that it is out of ignorance of the facts rather than by design.

Mr. Chairman, there are some Members who may argue here today that this Congress should look the other way—let the Congress continue to authorize payment for the killing of unborn children in the District of Columbia. It's an issue of "home rule" they say. That's baloney.

When I offered my amendment to proscribe abortion coverage 2 years ago to Federal employees under the FEHB, the argument advanced against my amendment was that this is an employee benefit issue—not an abortion funding issue. The Congress wisely saw through that smokescreen and adopted my amendment which is current law and was again adopted earlier today as part of the Treasury Postal appropriations bill.

When Mr. HYDE of Illinois offered the Hyde amendment, critics charged that this was an issue of benefits for the poor—not an abortion funding issue. The Congress wisely saw through that smokescreen and adopted the Hyde amendment.

Today, we are again being told that this is not an abortion funding issue, but now the excuse is, that the issue is home rule.

Mr. Chairman and members of the committee, even on its face, home rule is not absolute. In years past, certain States and locales have argued home rule or States rights to defend slavery, and when slavery was outlawed, home rule was advanced to defend segregation and other forms of racism. Other countries use home rule to defend apartheid, discrimination against Soviet Jews, or forced abortion in the People's Republic of China. Home rule is clearly not persuasive as an argument to defend these human rights abuses nor is it persuasive in defending abortion funding.

Moreover, I would submit to my colleagues that in numerous other aspects of public policy, Congress conditions or limits funding to include some activity or to exclude others. We do it in environmental policy, we do it in our efforts to end race discrimination, we do it to end sex discrimination, we even do it to pressure States to raise their drinking age to 21.

Even H.R. 3067, the bill before us today, limits the D.C. Government in making its own decisions under "home rule" in matters relating to overtime, temporary position, ceilings on salaries, lobbying, the borrowing of funds, and the hiring and firing of fire and police officers. Earlier in the debate, Mr. FAUNTROY objected to other violations of home rule including the designation of a part of 15th Street as Raoul Wallenberg Place and the awarding of contracts by competitive bidding.

So the argument that the issue before us today is not abortion but "home rule" is weak. It is misleading and is clearly not persuasive.

I strongly urge passage of my amendment.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from California insist on his point of order?

Mr. DIXON. Yes, Mr. Chairman.

Mr. Chairman, I make a point of order against the amendment. The amendment is a nonlegislative limitation to a general appropriation bill. Under the revised clause 2, rule XXI, such amendments are not in order during the reading of a general appropriation bill.

The chairman is advised that the rule states: "Except as provided in paragraph (d), no amendment shall be in order during consideration of a general appropriation bill proposing a limitation not specifically contained or authorized in existing law for that period of the limitation."

Mr. Chairman, the gentleman's amendment is a limitation and is not specifically contained or authorized in existing law, and therefore is in violation of clause 2 of rule XXI.

What the gentleman is trying to do is, by striking the word "federal," he in fact broadens the limitation.

Mr. SMITH of New Jersey. Mr. Chairman, if I may be heard on the point of order, if the gentleman does insist on his point of order, I plan on offering another amendment, which would be a straight limitation that would say no funds provided by this act or appropriated by this act shall be used to pay for abortions, period. And I certainly hope, since the amendment I offer contains the life of the mother exception, that the chairman will not go forward with his point of order.

Mr. DIXON. Mr. Chairman, I insist on my point of order.

The CHAIRMAN (Mr. HERTEL of Michigan). The Chair is prepared to rule.

The Chair must rule that the amendment in effect constitutes or creates a new limitation and therefore can only be offered if the House defeats the motion to rise.

Are there any amendments in order under——

Mr. SMITH of New Jersey. Mr. Chairman, may I be recognized?

Mr. DIXON. Mr. Chairman, may I be recognized?

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. DIXON].

Mr. DIXON. Mr. Chairman, I move——

Mr. SMITH of New Jersey. Mr. Chairman, I was on my feet. I have an amendment.

The CHAIRMAN. The gentleman from California [Mr. DIXON] has been recognized.

Mr. DIXON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

Mr. SMITH of New Jersey. Mr. Chairman, I am on my feet.

The CHAIRMAN. Does the gentleman offer an amendment at this time?

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Jersey: On page 20 strike out line 9 through line 18 and insert in lieu thereof the following:

"SEC. 118. None of the funds provided in this Act shall be used to perform abortions."

Mr. DIXON. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from California [Mr. DIXON] reserves a point of order on the amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I yield back the balance of my time and urge adoption of the amendment.

The CHAIRMAN. Does the gentleman from California [Mr. DIXON] insist on his point of order?

Mr. DIXON. Yes, Mr. Chairman, I insist on my point of order.

The CHAIRMAN. The gentleman from California is recognized on his point of order.

POINT OF ORDER

Mr. DIXON. Mr. Chairman, I make the point of order against the amendment that the amendment is a nonlegislative limitation to a general appropriation bill, and under the revised clause 2, rule XXI, such amendments are not in order during the reading of a general bill.

Mr. Chairman, the revised rule states in part, and I have indicated before: "Except as provided in paragraph (d), no amendment shall be in order during consideration of a general appropriation bill proposing a limitation not specifically contained or authorized in existing law for the period of the limitation."

Once, again, Mr. Chairman, the gentleman's amendment is a limitation and is not specifically contained or authorized in existing law, and therefore is in violation of clause 2(c) of rule XXI.

I ask for the ruling of the Chair.

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] is recognized.

Mr. SMITH of New Jersey. Mr. Chairman, I believe this is just a straight, no-limitation amendment and I do hope it is in keeping with previous amendments offered on this floor, including the Hyde amendment, including the amendments of the Federal Employees Health Benefits Program.

When an objection was raised to language in the bill, it had no life-of-the-mother exception unfortunately, which I will seek to put back in; but I urge that the rule will sustain my position.

The CHAIRMAN. (Mr. HERTEL of Michigan). The Chair rules that the motion to rise takes precedence over the amendment.

Mr. DIXON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House, with the recommendation that the bill do pass.

The CHAIRMAN. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. SMITH of New Jersey. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provision of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 271]

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Gray (IL)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

☐ 1720

The CHAIRMAN. Four hundred thirteen Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from New Jersey [Mr. SMITH] for a recorded vote on the motion to rise.

A recorded vote was ordered.

The vote was taken by electronic device, and there—ayes 172, noes 244, not voting 17 as follows:

[Roll No. 272]

AYES—172

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Anthony
Atkins
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Boehlert
Bonker
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bryant
Burton (CA)
Bustamante
Carper
Carr
Chandler
Clay
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Daschle
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Downey
Dwyer
Dymally
Early
Eckart (OH)
Edgar
Edwards (CA)
Erdreich
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frenzel
Frost
Gallo
Garcia
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Gonzalez
Green
Guarini
Hatcher
Hawkins
Hayes
Heftel
Horton
Howard
Hoyer
Hughes
Jacobs
Jeffords
Johnson
Jones (NC)
Jones (OK)
Kastenmeier
Kennelly
Kostmayer
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lowry (WA)
MacKay
Markey
Martin (IL)
Martinez
Matsui
McCurdy
McHugh
McKernan
McKinney
Meyers
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Neal
Oakar
Obey
Olin
Owens
Panetta
Pease
Pickle
Pursell
Rangel
Richardson
Rodino
Roe
Rose
Roukema
Rowland (GA)

Roybal
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Sisisky
Smith (FL)
Smith (IA)
Snowe
Solarz

Spratt
Staggers
Stark
Stokes
Studds
Swift
Synar
Thomas (GA)
Torres
Towns
Traficant
Udall
Visclosky
Walgren

Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Wilson
Wirth
Wise
Wolpe
Wyden
Yates

NOES—244

Annunzio
Applegate
Archer
Armey
Aspin
Badham
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bevill
Biaggi
Bilirakis
Bliley
Boggs
Boland
Boner (TN)
Bonior (MI)
Borski
Breaux
Broomfield
Brown (CO)
Broyhill
Bruce
Burton (IN)
Byron
Callahan
Campbell
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
Davis
de la Garza
DeLay
DeWine
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dyson
Eckert (NY)
Edwards (OK)
Emerson
English
Evans (IA)
Fields
Fish
Flippo
Franklin
Fuqua
Gaydos
Gephardt
Gingrich
Goodling
Gradison
Gray (IL)
Gregg
Grotberg
Gunderson
Hall (OH)
Hall, Ralph

Hamilton
Hansen
Hartnett
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jones (TN)
Kanjorski
Kaptur
Kasich
Kemp
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kramer
LaFalce
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lujan
Luken
Lungren
Mack
Madigan
Manton
Marlenee
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McDade
McEwen
McGrath
McMillan
Mica
Michel
Miller (OH)
Moakley
Molinari
Mollohan
Monson
Montgomery
Moore
Moorhead
Murphy
Murtha
Myers
Natcher
Nelson
Nichols
Nielson
Nowak
O'Brien
Oberstar
Ortiz
Oxley
Packard

Parris
Pashayan
Penny
Pepper
Perkins
Petri
Porter
Price
Quillen
Rahall
Ray
Regula
Reid
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Rostenkowski
Roth
Rowland (CT)
Rudd
Russo
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Skeen
Skelton
Slattery
Slaughter
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
St Germain
Stallings
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Traxler
Valentine
Vander Jagt
Vento
Volkmer
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Whitten
Wolf
Wortley
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NOT VOTING—17

Boulter
Carney
Coelho
Fiedler
Gordon
Gray (PA)

Hammerschmidt
Hefner
Jenkins
Loeffler
Lundine
Martin (NY)

Sweeney
Tauzin
Torricelli
Williams
Wright

☐ 1730

Mr. TALLON changed his vote from "aye" to "no."

Mr. MILLER of Washington changed his vote from "no" to "aye."

So the motion was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Pending is an amendment offered by the gentleman from New Jersey [Mr. SMITH].

The Clerk will reread the amendment.

The Clerk read as follows:

> Amendment offered by Mr. SMITH of New Jersey: On page 20 strike out line 9 through line 18 and insert in lieu thereof the following:
>
> "SEC. 118. None of the funds provided in this act shall be used to perform abortions."

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. DIXON].

PARLIAMENTARY INQUIRY

Mr. DIXON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DIXON. Mr. Chairman, should not the maker of the amendment be recognized first on his amendment?

The CHAIRMAN. The maker of the amendment yielded back the balance of his time.

Mr. DIXON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me first point out where we are parliamentarywise.

The gentleman from New Jersey offered two amendments to the bill which would restrict the right of the District government to use its own locally generated revenues to pay for abortions. Under the House rules, I offered a motion that the committee rise. The House has obviously defeated that motion and now we are considering the amendment itself.

Let me read to you, first of all, the amendment offered by the gentleman from New Jersey. I want everyone to hear this amendment. We, as a House, faced an identical amendment in September 1980, and defeated the amendment. The gentleman's amendment reads:

> None of the funds provided in this act shall be used to perform abortions.

☐ 1740

Whose funds are in this act? There are $2.2 billion of District funds. What are District funds? They are funds raised from sales taxes, property taxes, and other taxes and fines and fees raised and collected in the District of Columbia.

Then there are Federal funds. Basically, there are four categories of Federal funds. The largest is the Federal payment which totals $425 million.

Most of you would ask, what is the state of the law at the present time as it relates to abortions in the District of Columbia? The law in the District of Columbia, which has been in effect since 1980, states that "none of the Federal funds"—let me say that again—"none of the Federal funds provided in this act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term"; that is one exception.

The second exception applies to victims of rape or incest when such rape or incest has been reported promptly to a law enforcement agency or the Public Health Service. And there is also an exception for ectopic pregnancies, which are generally known as tubal pregnancies, and one would argue that such pregnancies endanger the life of the mother.

What the gentleman from New Jersey [Mr. SMITH] has offered here is an amendment that under the circumstances could not be offered in any of your cities or any of your States because it would prohibit people from using their own State or local revenues, or whatever revenues would be available to them, for abortions. It is a unique situation that the District of Columbia must come to this House in order to spend its own local revenues, and be told how to spend those revenues.

This amendment would say that "you the people of the District of Columbia, cannot even use your own money, if you so desire, for abortion purposes." This has nothing to do with the religious or moral feelings of people about abortion. This does have something to do with telling District residents that they cannot use the funds they raise from taxes and fees, for abortions of any kind, not if a woman has been raped, not if there is a case of incest, not for an ectopic pregnancy, not even to save the life of a mother. We in this House are saying "under no circumstances can you use any money."

Now, think about that. The gentleman from New Jersey [Mr. SMITH] could not do this in the New Jersey State Legislature. My good colleague, the gentleman from California [Mr. DORNAN], could not do this in the State of California.

As I mentioned a moment ago, this House faced this same issue in 1980, and we had the courage, notwithstanding the political momentum on this issue, to say that this is not an abortion issue; this is an issue dealing with the right of the citizens of the District of Columbia to take their own money—and let me emphasize this is their own locally raised revenues—and make some judgments on it. We are not the city council. And we are not the mayor. If we could do this across the board, for all cities, all States, and all municipalities, then there might—there just might—be some justification for it.

So we should not feel good going home tonight knowing that we are doing to the District of Columbia something we could not do to any other city, State, or municipality in the country, and that is to disallow the people of the District to use their own tax dollars for an abortion to save the life of a mother, or where some young lady has been raped, or where there is a case of incest, or where the pregnancy does not lie in the womb but lies in the tube.

So no matter how you feel about abortion, have the courage at least to allow the people of the District of Columbia to make the decision for themselves. The Supreme Court has already ruled on abortion. Now let us have the courage and dignity to allow the people here in this District of Columbia to make their own decision as to what they do with their money.

Mr. DORNAN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I appreciate the case that my good friend from California [Mr. DIXON] has made for home rule, but there is a paramount issue here that transcends any legal niceties over how the District of Columbia spends those Federal dollars that we appropriate for them in this House.

In 1976, when I had won a primary in California, I came back to one of the seminars that both of our parties give to primary victors, and as I was driving to National Airport—and I remember the exact spot where I passed the Washington Monument—I had the news on the radio and I heard the following announcement: That for the first time in the history of this city or any major American city there were more abortions than there were live births. And this has persisted. This death toll has continued for the last 8 years, and I am sure it will be the same this year.

With our Federal dollars appropriated out of this House and with the last vote confirming that most of our Members identify with the prolife position, not the right-to-abortion position, we funded—just with our Federal dollars—4,393 abortions of the over 11,000 that took place; there were barely over 9,000 live births.

Now, when the number of abortions in the Nation's Capital exceeds the number of live births, this does become the business of this House. I was hissed in this Chamber by a very few Members when I merely restated what the leader of one of the world's great religions had said on our Mall on October 7, 1979. The next day we were in session this issue came up. And I merely said that Pope John Paul II had asked people throughout the world to stand up for life.

On June 21 of this year, right here on Capitol Hill in the Hyatt Regency, at the prolife meeting of groups from all around the country, a Nobel Prize winner, Mother Teresa, spoke, and she pleaded very poignantly—and please understand how these words hit some Members—that what we do to the unborn we do to Jesus Christ himself.

Many Members in this House feel this issue so deeply that we feel we are taking unborn, preborn, human life with an immortal soul deigned into existence by God.

Now, I respect those Members who feel, for scientific reasons or their own philosophical reasons—I assume that many of them also believe in God—that there is not life until either quickening or until some moment when a doctor pats the behind of a little child and the lungs first aspirate. I respect that belief. There are some Members that I have trouble respecting their positions, where they slide back and forth—and there are many of them—or they will take a position consistent with what is being said in their districts or they will take a poll to make up their minds. But I respect the position of those of you who feel very strongly about the right of women to control their own bodies, even if there is a separate life with a separate IQ, either higher or lower, even a different racial orientation, which can be possible, different hair, different sex, and different blood.

In Lyons, France, last year, all of the blood was removed from a fetus even before quickening and replaced with different blood. What medical science is doing is precisely what the President told us on the Ellipse on January 22 of this year, that medical science is racing ahead.

I noticed, when our Vice President, whose position is evolving—that is his word—pointed out that over 15 million children, what some of us believe are preborn human beings, have been killed in their mothers' wombs, that this is calling to the attention of this Nation the need to rethink this issue, and we have to do just that.

We debate in the well of this House that moneys are not going to China, the People's Republic of China, Communist China, because of rumors we are hearing—not rumors, but things we see on PBS—about their enforced abortion policy, and that this House should not appropriate money for that, and it passes overwhelmingly, so how, even on a principle such as home rule, can we do less in our own Federal City than we will do with the nation of Communist China?

I think that the Members who disagree with those of us who call ourselves prolife, in all due respect, should maybe in the future—because things are so tense in this House anyway that we have got enough tension to last us for three more Congresses—and today on this issue, try to limit debate.

☐ 1750

On this issue we should try to limit debate, because God knows it has been debated to death and in some cases debated to life, that we will try to limit the debate, vote our consciences and try to have respect for one another's positions.

I am just happy that my position seems to be the one that is prevailing. It was not when I arrived in this body.

Mr. MRAZEK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I certainly do not plan to take 5 minutes to discuss this and I certainly do not want to discuss the whole question of when life actually begins. I know there are a lot of deeply held feelings in this Chamber on this subject on both sides of the issue, but I think it is important to recognize in addition to the question of home rule, that there is one fundamental change that we are making in regard to policy, national policy, as it relates to the District of Columbia, and that policy has existed since 1980. In 1980, a determination was made that no Federal funds provided in this act shall be used to perform abortions except where the life of the mother would be in danger if the fetus were carried to term, or except for such medical procedures necessary for the victims of rape or incest when such rape or incest has been reported promptly to a law enforcement agency or public health service.

I think it is important to recognize that this language stipulates that there will be no exceptions, absolutely no exceptions, that the language reads that none of the funds provided in this act shall be used to perform abortions. It is an important difference in language. It is an important change in policy.

For people who might believe, or for people who might not be sure when life begins, who are aware of the fact that medical technology as it advances is making a fetus more viable earlier and earlier during the gestation period, for people who do not necessarily believe that life begins at the moment of conception, I think it is important for those of us who might not believe that life begins at the moment of conception to consider the life of the mother, to consider the life of a mother if it is a young woman in particular who has been raped and who under this language will be forced in the District of Columbia to carry that baby to term, because there are absolutely no exceptions under the law.

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not wish to prolong this debate, but the rules are such that they need to be explained. I understand what the gentleman said, but that was not the intent of the author nor is the intent of those who support this to change the substance of the exceptions. It happens to be that under the rules that prevail in this House if we were to put those exceptions in the amendment, we would be met with a point of order.

What we have to do is pass this. True, this is different. The question is whether it extends merely to those funds you can identify as Federal funds or to all funds, those funds that the District of Columbia can get when they do not have to use them for other purposes because we have the Federal funds.

In order to even get this to conference, we have to use this language. That is how we got the language that we presently call the Hyde amendment.

We are caught betwixt and between. If we bring up an amendment, we are criticized because we have changed the exceptions. We have eliminated the exceptions. If we bring the amendment up and it has the exceptions in it, we are subject to a point of order, so we are proceeding in the same manner as we have in the past when we identified the Hyde amendment as language in previous bills where we are required under the rules that we did not present, but the rules that have been adopted.

So the question really is not do you want to eliminate the exceptions. That is not our intention. The question is do you want this particular amendment that would extend the reach in terms of the dollars considered.

I have every expectation what will happen now is what has happened in the past. At conference time the exceptions are put in because the Senate insists on them as they have in the past; but please, some of us who feel very deeply about this issue, and everyone feels deeply about this issue in this Chamber, no matter on what side they might find themselves, some of us feel it is unfair to require us under the rules to present an amendment in a certain form and then be criticized because we are attempting to change the substance of the law, when if we attempt to use the language that the gentleman identified earlier, we would be subject to a point of order and not allowed to discuss it.

Mr. MRAZEK. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I am happy to yield.

Mr. MRAZEK. Would the gentleman accept a unanimous-consent request to utilize the language that presently exists in section 118?

Mr. LUNGREN. I am not the author, but I will be happy to yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, the gentleman from New York is probably not aware, but when I first offered the amendment several moments ago, it had a life of the mother exception, but it was objected to by the gentleman from California [Mr. Dixon], and that objection was sustained by the Chair.

I would hope if this amendment does prevail, I will offer a unanimous-consent request that the life of the mother exception be reinserted into the bill, so I will do it myself. I did that 2 years ago when the Treasury-Postal bill was up and likewise offered it. It was not objected to and that exception went back into the bill.

Mr. MRAZEK. Mr. Chairman, if the gentleman will yield further, would it be in order to make a unanimous-consent request now to change the language? I am asking if it would be appropriate now for me to make that request.

Mr. SMITH of New Jersey. The life of the mother exception?

Mr. MRAZEK. No; to utilize exactly the same language in section 118 that has existed since 1980.

Mr. SMITH of New Jersey. No; I would not consent to that.

Mr. MRAZEK. Would it be appropriate for me to make that unanimous-consent request?

The CHAIRMAN. The gentleman is talking about the exact language that is in the current act?

Mr. MRAZEK. The language that exists in section 118 which the gentleman from New Jersey [Mr. Smith] has sought to change by way of this language. I read it a few minutes ago and it simply stipulates that none of the Federal funds provided in this act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term, or except for such medical procedures necessary for the victims of rape or incest when such rape or incest has been reported promptly to a law enforcement agency or public health service.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman from California yield further?

Mr. LUNGREN. I am happy to yield.

Mr. MRAZEK. I have not received a response.

The CHAIRMAN. Does the request also include the last part of that paragraph the gentleman was reading? Is the gentleman talking about the gentleman's earlier amendment that was offered? The Chair is in doubt because there is one more sentence the gentleman did not read.

Mr. MRAZEK. The additional clause is "nor are payments prohibited for drugs or devices to prevent implantation of the fertilize ovum or for medical procedures necessary for termination of an ectopic pregnancy."

The CHAIRMAN. The gentleman is requesting that also as part of the modification, whether that is in order?

Mr. MRAZEK. That is the exact language that exists now in the Federal law, that says no Federal funds shall be used for abortion except with those exceptions.

The CHAIRMAN. Is there objection to that modification?

Mr. VOLKMER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The time of the gentleman from California [Mr. Lungren] has expired.

(By unanimous consent, Mr. Lungren was allowed to proceed for one additional minute.)

Mr. LUNGREN. Mr. Chairman, I yield to the gentleman from New Jersey [Mr. Smith].

Mr. SMITH of New Jersey. Mr. Chairman, I ask unanimous consent to add to the language of the amendment, "except where the life of the mother would be endangered if the fetus were carried to term."

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey [Mr. Smith]?

Mr. DIXON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. COUGHLIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, just let there be no mistake about it, based on what the distinguished chairman has said earlier, what we are doing here is dead wrong. No matter how you feel and where you draw the line on the question of abortion, what we are doing here is dead wrong because it affects not only the Federal funds, but the District of Columbia's own funds, their own payment.

Let us be very clear that what the amendment does is it removes the existing restriction that is already in the bill that prohibits the expenditure of Federal funds for abortions except in the case of the life of the mother, rape, incest, or ectopic pregnancy. That is already in the bill.

What this does is remove that and then say that none of the Federal funds or the District's own funds will be used for any kind of abortion, and, my colleagues, that is wrong. That is the wrong way to legislate. It is the wrong way to treat this issue.

We should leave the language in there that we have now that was carried in this bill for time after time, leave that alone. We have a restriction on the use of Federal funds for abortion, and we should not take this further step that further applies to District funds and applies to all kinds of abortions. It is wrong.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. Smith].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SMITH of New Jersey. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electonic device, and there were—ayes 221, noes 199, not voting 13, as follows:

[Roll No. 273]

AYES—221

Annunzio
Applegate
Archer
Armey
Badham
Barnard
Bartlett
Barton
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boggs
Boland
Boner (TN)
Bonior (MI)
Borski
Breaux
Broomfield
Bruce
Burton (IN)
Byron
Callahan
Campbell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Conte
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
Davis
de la Garza
DeLay
DeWine
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dyson
Early
Eckert (NY)
Edwards (OK)
Emerson
English
Fields
Franklin
Fuqua
Gaydos
Gephardt
Gibbons
Gingrich
Goodling
Gradison
Gray (IL)
Gregg
Gunderson
Hall (OH)
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Hubbard
Hunter
Hutto
Hyde
Ireland
Jones (TN)
Kanjorski
Kasich
Kemp
Kildee
Kindness
Kolbe
Kolter
LaFalce
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lujan
Luken
Lungren
Mack
Madigan
Manton
Marlenee
Martin (NY)
Mavroules
Mazzoli
McCain
McCollum
McDade
McEwen
McGrath
McMillan
Michel
Miller (OH)
Moakley
Molinari
Mollohan
Monson
Montgomery
Moore
Moorhead
Murphy
Murtha
Myers
Natcher
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Ortiz
Oxley
Packard
Parris
Pashayan
Penny
Perkins
Petri
Porter
Price
Quillen
Ray
Regula
Reid
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rostenkowski
Roth
Rowland (CT)
Rudd
Russo
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Skeen
Skelton
Slaughter
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Traxler
Vander Jagt
Volkmer
Vucanovich
Walker
Weber
Whitten
Wolf
Wortley
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)

NOES—199

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Anthony
Aspin
Atkins
AuCoin
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boehlert
Bonker
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Brown (CO)
Broyhill
Bryant
Burton (CA)
Bustamante
Carper
Carr
Chandler
Chappell
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coughlin
Coyne
Crockett
Daschle
Dellums
Derrick
Dicks
Dingell
Dixon
Downey
Dwyer
Dymally
Eckart (OH)
Edgar
Edwards (CA)
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frenzel
Frost
Gallo
Garcia
Gejdenson
Gekas
Gilman
Glickman
Gonzalez
Gray (PA)
Green
Grotberg
Guarini
Hamilton
Hatcher
Hawkins
Hayes
Heftel
Horton
Howard
Hoyer
Huckaby
Hughes
Jacobs
Jeffords
Johnson
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kleczka
Kostmayer
Kramer
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lowry (WA)
MacKay
Markey
Martin (IL)
Martinez
Matsui
McCandless
McCloskey
McCurdy
McHugh
McKernan
McKinney
Meyers
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Neal
Obey
Olin
Owens
Panetta
Pease
Pepper
Pickle
Pursell
Rahall
Rangel
Richardson
Ridge
Rodino
Roemer
Rose
Roukema
Rowland (GA)
Roybal
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Sisisky
Slattery
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Stark
Stokes
Strang
Studds
Swift
Synar
Thomas (GA)
Torres
Towns
Traficant
Udall
Valentine
Vento
Visclosky
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Williams
Wilson
Wirth
Wise
Wolpe
Wyden
Yates
Zschau

NOT VOTING—13

Boulter
Carney
Dickinson
Fiedler
Gordon
Hefner
Jenkins
Loeffler
Lundine
Stratton
Tauzin
Torricelli
Wright

□ 1810

The Clerk announced the following pair:

On this vote:

Mr. Carney for, with Mr. Torricelli against.

Messrs. HENDON, MOORE, and KOLBE changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any further amendments?

Mr. DIXON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose and the Speaker pro tempore [Mr. Murtha], having assumed the chair, Mr. Hertel of Michigan, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3067), making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for fiscal year ending September 30, 1986, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 242, nays 173, not voting 18, as follows:

[Roll No. 274]

YEAS—242

Addabbo
Akaka
Alexander
Andrews
Annunzio
Applegate
Aspin
Atkins
Barnes
Bateman
Bedell
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Chandler
Chappell
Clay
Coelho
Collins
Conte
Cooper
Coughlin
Coyne
Crockett
Daniel
Darden
Daschle
Davis
de la Garza
Derrick
DeWine
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckert (NY)
Edgar
Erdreich
Evans (IL)
Fascell
Fawell
Fazio
Fish
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gephardt

Gibbons
Gonzalez
Goodling
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes
Henry
Hillis
Holt
Horton
Howard
Hoyer
Hutto
Hyde
Jacobs
Johnson
Jones (NC)
Jones (TN)
Kaptur
Kastenmeier
Kildee
Kleczka
Kolbe
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lipinski
Livingston
Long
Lowery (CA)
Lowry (WA)
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McGrath
McHugh
McKinney
Meyers
Michel
Mikulski
Miller (WA)
Mitchell
Moakley
Molinari
Mollohan
Moore
Murtha
Myers
Natcher
Neal
Nelson
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Packard
Parris
Pashayan
Pease
Pepper
Perkins
Pickle
Porter
Price
Pursell
Rahall
Rangel
Regula
Reid
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Russo
Sabo
Savage
Schneider
Schumer
Seiberling
Sharp
Sikorski
Sisisky
Skelton
Slaughter
Smith (IA)
Smith (NJ)
Smith, Robert
Solarz
Spratt
Staggers
Stallings
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Towns
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Waxman
Wheat
Whitehurst
Whitley
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wright
Yates
Yatron
Young (AK)
Young (MO)

NAYS—173

Ackerman
Anderson
Anthony
Archer
Armey
AuCoin
Badham
Barnard
Bartlett
Barton
Bates
Beilenson
Bilirakis
Bosco
Boxer
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Campbell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Coleman (TX)
Combest
Conyers
Courter
Craig
Crane
Dannemeyer
Daub
DeLay
Dellums
Dicks
Dornan (CA)
Dreier
Duncan
Eckart (OH)
Edwards (CA)
Edwards (OK)
Emerson
English
Evans (IA)
Fields
Franklin
Frenzel
Gallo
Gaydos
Gejdenson
Gekas
Gilman
Gingrich
Glickman
Gregg
Grotberg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Heftel
Hendon
Hertel
Hiler
Hopkins
Hubbard
Huckaby
Hughes
Hunter
Ireland
Jeffords
Jones (OK)
Kanjorski
Kasich
Kennelly
Kindness
Kolter
Kramer
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lewis (FL)
Lightfoot
Lloyd
Lott
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCain
McCandless
McCollum
McCurdy
McEwen
McKernan
McMillan
Mica
Miller (CA)
Miller (OH)
Mineta
Monson
Montgomery
Moody
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Nichols
Oxley
Panetta
Penny
Petri
Quillen
Ray
Ritter
Roberts
Roemer
Roth
Rowland (CT)
Roybal
Rudd
Saxton
Schaefer
Scheuer
Schroeder
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Skeen
Slattery
Smith (NE)
Smith (NH)
Smith, Denny
Snowe
Snyder
Solomon
Spence
Stark
Stenholm
Strang
Stump
Sweeney
Swindall
Tauke
Taylor
Traficant
Vander Jagt
Walker
Watkins
Weaver
Weber
Weiss
Whittaker
Williams
Wirth
Wyden
Wylie
Young (FL)
Zschau

NOT VOTING—18

Boulter
Carney
Dickinson
Feighan
Fiedler
Flippo
Gordon
Hefner
Jenkins
Kemp
Loeffler
Luken
Lundine
Smith (FL)
St Germain
Stangeland
Stratton
Torricelli

□ 1810

Mr. COYNE and Mr. BRYANT changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DIXON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT ON THURSDAY, AUGUST 1, 1985, DURING 5-MINUTE RULE

Mr. YOUNG of Missouri. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation be permitted to sit while the House is under the 5-minute rule on Thursday, August 1, 1985.

This has been cleared with the minority, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERSONAL EXPLANATION

Mr. ST GERMAIN. Mr. Speaker, concerning the vote just taken, there were a group of us on the elevator—there is something wrong with the elevator or the clocks, or something—and we were here very, very briefly after the gavel banged. I hope that in the future maybe the gavel will go down a little slower so we will not miss votes when we are indeed working in our offices with our staffs.

The SPEAKER pro tempore. The Chair apologizes to the gentleman and will try to accommodate the Members.

Mr. ST GERMAIN. I thank the Chair.

COASTAL ZONE MANAGEMENT REAUTHORIZATION ACT OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 214 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2121.

□ 1828

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2121) to provide for the reauthorization of the Coastal Zone Management Act of 1972, and for other purposes, with Mr. BONER of Tennessee in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from North Carolina [Mr. JONES] will be recognized for 30 minutes and the gentleman from California [Mr. SHUMWAY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to urge my colleagues to support H.R. 2121, a bill to reauthorize the Coastal Zone Management Act of 1972—the "CZMA." The Committee on Merchant Marine and Fisheries has considered this legislation during 2 days of intensive hearings conducted by the Subcommittee on Oceanography, chaired by our distinguished colleague, Ms. MIKULSKI. We are convinced by the testimony, as well as our 13-year oversight of the CZMA, that important national interests are being well served by this program.

Twenty-three States and five territories have developed impressive CZM programs with the encouragement of Congress and the help of some Federal funding. These States have voluntarily assumed the primary responsibility for managing their shorelines. The program's voluntary nature demonstrates respect for the tradition in the United States of local and State responsibility for land use planning. Rather than overriding local and State authority for this important task, Congress has encouraged coastal States to utilize their full authority. Furthermore, through the CZMA, Congress has provided a constant reminder to coastal States of their vital role in promoting common interests shared by all States, whether coastal or landlocked.

Because the CZMA has been so successful and because pressures on the coast are constantly increasing, the committee recognizes the need to enhance the total level of support for this program. However, we are not recommending increased Federal support; rather, increases would come from greater coastal State matching contributions. Beginning in fiscal year 1989 and beyond, there would be a 50/50, rather than 80/20, Federal/State partnership.

By reducing the share of Federal involvement in CZM, we do not want to give the misimpression that this program is not serving national interests. On the contrary, our Nation will always need to play an active role in overseeing the wise management of our coastal areas because important national concerns are being served. The increasing State share reflects the fact that State programs are beginning to mature. Further implementation should be accomplished on the basis of an equal partnership.

H.R. 2121 does more than equalize the Federal/State partnership in Coastal Zone Management. Other important provisions are contained in the bill. It requires States to promptly submit for Federal review and approval any program changes they may have. Furthermore, it allows the Secretary of Commerce to reduce funding for programs which are not making satisfactory progress in identifying and protecting coastal resources of national significance. Also, some dormant provisions of the act are repealed. And, the National Estuarine Sanctuary Program is strengthened to reflect an emphasis on research, so that our knowledge and awareness of estuaries will be improved, and we can better provide for their continued health.

Finally, Mr. Chairman, H.R. 2121 is a carefully balanced bill which enjoys bipartisan support. In this regard, I would like to acknowledge the thoughtful contributions of Congressmen NORM LENT, our full committee ranking member, and NORM SHUMWAY, ranking member on the Oceanography Subcommittee, as well as my colleague, subcommittee Chairwoman BARBARA MIKULSKI. With their assistance, you have before you a bill which continues the important work of managing our Nation's coastal zone and reduces the need for additional spending over the next several years.

Mr. Chairman, I reserve the balance of my time.

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Mr. SHUMWAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 2121, legislation to reauthorize the Coastal Zone Management Act, which Chairman JONES has ably described.

The Merchant Marine and Fisheries Subcommittee on Oceanography held 2 days of hearings on this program with a diversified list of witnesses testifying on its many aspects; virtually all of the testimony supported reauthorization of the program and documented the CZMA's many successes. However, Mr. Chairman, the hearings also indicated that the Coastal Zone Management Program is presently in a transition period where, since 28 of 35 U.S. coastal States or territories have approved CZM programs, the Federal role no longer needs to financially entice coastal States into the program to accomplish the national objectives of the act. As a result, I am pleased to say that the bill before us today was amended in committee to phase down the Federal share of State management grants, over a period of 4 years, from the current 80 percent Federal/20 percent State ratio to a more realistic and appropriate 50/50 ratio. Correspondingly, coastal States will have to phase up their grant match required to receive their Federal funding.

This change in the CZMA funding formula simultaneously accomplishes two imortant objectives. First, it properly decreases the Federal role in the overall program; and, secondly, it allows the overall program to grow by requiring States, according to a gradual and rasonable timetable, to increase their own financial commitment to wisely manage their respective coastal areas.

I am also pleased to be able to support an amendment which our distinguished chairman, Mr. JONES from North Carolina, will be offering to essentially freeze the authorization levels in H.R. 2121 at the fiscal year 1985 appropriation levels. Our committee, during its consideration prior to reporting H.R. 2121, recognized the need for fiscal restraint and adopted an amendment to save $99 million over the next 6 years, as compared with current authorization levels. The Jones amendment, however, will achieve $193 million savings over the next 5 years. Mr. Chairman, given our Federal deficit, this is a most responsible amendment and is consistent with the recognition that the Federal role in coastal management can be reduced at this point in the program's development so that the States can more appropriately increase their contributions.

Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. LENT].

Mr. LENT. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise to support, wholeheartedly, H.R. 2121, the Coastal Zone Management Reauthorization Act of 1985. I believe that the State Coastal Zone Management plans developed under the Coastal Zone Management Act of 1972, and the National Estuarine Sanctuary Program established under the Coastal Zone Management Act, are notable achievements. They are excellent examples of State/Federal partnership and cooperation. The federally approved Coastal Zone Management plans balance local, regional, and national needs for the wise use, protection, and development of our Nation's coastal areas.

One of the witnesses who appeared before the Oceanography Subcommittee in support of this reauthorization was New York's secretary of state, Gail Shaffer. Her excellent testimony documented the successful implementation of New York State's Coastal Zone Management Program from the time Federal approval was received in September 1982. I believe that New York's Coastal Zone Management plan is a success, and I believe that similar successes are found in the great majority of the States which have implemented Coastal Zone Management programs.

Some of my colleagues may be concerned because this reauthorization does not reduce Federal support for the Coastal Zone Management Program as far as the administration might wish. However, H.R. 2121 as reported makes substantial reductions in the authorized level of funding for the Coastal Zone Management Act, especially for sections 306 and 306A of the act. A committee amendment which will be offered on the floor today reduces those authorizations even further. Also, H.R. 2121 contains a provision which will reduce the Federal percentage of grants under sections 306 and 306A from the current 80 percent Federal/20 percent State ratio to a 50-50 Federal/State ratio, which would be achieved for fiscal year 1989 and thereafter.

Therefore, I believe that the Merchant Marine and Fisheries Committee has taken a fiscally responsible approach toward this reauthorization. This bill provides a reasonable reassessment of the appropriate levels of Federal and State financial participation in the Coastal Zone Management Act Grant Program. I want to compliment the chairman of the Merchant Marine and Fisheries Committee, the distinguished gentleman from North Carolina [Mr. JONES], the chairwoman of the Oceanography Subcommittee, the gentlelady from Maryland [Ms. MIKULSKI] and the ranking Republican member of the subcommittee, the gentleman from California [Mr. SHUM-

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Way] for their leadership in producing a bill which preserves the essential features of this program yet also recognizes the need to cut Federal spending.

I urge all my colleagues, on both sides of the aisle, to support reauthorization of the Coastal Zone Management Act and vote in favor of H.R. 2121.

Mr. JONES of North Carolina. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maryland [Ms. Mikulski].

Ms. MIKULSKI. I thank the gentleman for yielding to me.

Mr. Chairman, I rise to urge my colleagues to support H.R. 2121, a bill to reauthorize the Coastal Zone Management Act of 1972.

My colleagues and I on the Oceanography Subcommittee held 2 days of hearings on the Coastal Zone Management Program. We heard witnesses from the administration, the Coastal States, environmental organizations, and industry. We also heard from residents of coastal communities. These witnesses told us that State Coastal Zone Mangement programs are effective and are meeting the national goals of the Coastal Zone Management Act.

This Nation's vast coastal waters, lands, and resources are better managed and protected today because of the work done by the 28 State and territory coastal zone management programs approved by the Federal Government under the Coastal Zone Management Act.

These programs cover more than 90 percent of our shoreline, or 95,000 miles of our beaches, bays, estuaries, and harbors. More than 50 percent of our people live and work in these coastal areas, and this figure will grow to nearly 80 percent by the year 2000. Their health and livelihood depend on how well we manage and develop our coastal resources. I believe that the Coastal Zone Management Act has been an effective tool in achieving these goals.

The Coastal Zone Management Act is often described as an environmental law, and this is correct. But I would like to stress that the Coastal Zone Management Act has other national goals. Among other goals, the Coastal Zone Management Act seeks to streamline the State, local, and Federal permitting process and to foster balanced economic growth in coastal areas.

The Subcommittee on Oceanography has documented the achievements of State coastal programs. Coastal States have consolidated and simplified State and local permitting procedures and significantly reduced the permit review time. This has saved money for businesses and developers by creating a more efficient regulatory process.

Coastal States also have used Federal funds to help revitalize urban waterfronts, to retain fishing facilities, and to restore recreational areas.

They have used coastal zone management planning funds to produce environmentally sensitive development plans resulting in substantial private investment in coastal areas. This is balanced economic growth, and it is possible because of the Coastal Zone Management Act and the work of local and State coastal management programs.

Mr. Chairman, H.R. 2121 also amends the National Estuarine Reserve Program to clarify and strengthens its estuarine research functions, and to provide for a system of estuarine reserves that will be fully representative of the range and diversity of the estuarine areas of this Nation.

Finally, I want to emphasize that H.R. 2121 and the National Coastal Zone Management Program enjoys strong bipartisan support. I want particularly to thank Congressman Norm Shumway, the ranking member on the Oceanography Subcommittee, for his many contributions to this bill. On my side of the aisle I would like to thank Congressmen Studds and Tauzin for their important role in resolving the conflict.

Mr. Chairman, the Committee on Merchant Marine and Fisheries unanimously reported H.R. 2121 to this House, and I strongly recommend my colleagues to give their support to this vital and successful program of coastal zone management.

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Mr. JONES of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Delaware [Mr. Carper].

Mr. CARPER. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise today as a strong supporter of the Coastal Zone Management Act, and I support this legislation to continue the Federal Coastal Zone Program.

I represent a State that has long recognized the value of its coastal resources. Indeed, the State of Delaware passed its coastal zone law in 1971, a year before the passage of the Federal Coastal Zone Management Act whose reauthorization we are considering today. Delawareans are proud of their act which is, arguably, the most protective coastal zone law of any State in the country.

Part of the strength of the Delaware Coastal Zone Program is its close working relationship with the Federal Coastal Zone Management Program. This legislation will allow that cooperative effort to continue by providing financial and technical assistance for the continuing management of coastal development.

I commend the chairman of the committee, Mr. Jones, and the chairwoman of the Oceanography Subcommittee, Ms. Mikulski, and the ranking members for bringing to the floor a responsible bill which will bring the Federal/State funding ratio down from the current 80–20 to 50-50. I also understand the Merchant Marine and Fisheries Committee chairman will be offering an amendment to reduce the authorization levels for fiscal year 1986 to this year's appropriation levels. I feel these actions are a reasonable compromise between the unquestioned need for this program and budget pressures which cannot be ignored.

In 1972, the Congress of the United States stated, through the Coastal Zone Management Act, its intent to protect our invaluable coastal zone. It is time for us to reaffirm that commitment. I urge my colleagues to support this bill.

Mr. JONES of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. Studds].

Mr. STUDDS. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of H.R. 2121, legislation to reauthorize Federal support for State coastal zone management programs through the end of 1991. I believe coastal zone management has worked well; it has served the interests of our Nation in the balanced and prudent use of our limited coastal resources; and it has established a useful and durable partnership between the Federal Government and State governments on issues affecting the coasts.

Five years ago, I authored the Coastal Zone Management Act Amendments of 1980. As chairman of the House Subcommittee on Oceanography at the time, I conducted a comprehensive series of hearings throughout the country on coastal zone management. Those hearings established a record that demonstrated clearly the value that this program has had for the country, as well as the difficulty of planning for the balanced use of coastal resources in the face of ever-increasing economc, environmental, and recreational pressures. The events of the past 5 years have not altered the fundamental importance of this program to the well-being of our coastal areas, nor have they diminished the value of the Federal-State cooperative mechanisms that are part of the law.

Although continuing a program of proven value to our country, the legislation before us today does reflect the changing times. The bill calls for a smaller, more focused coastal zone management law with State government responsible for an increasingly large share of the financial cost of the program. The bill will guarantee the

continuation of coastal zone management, emphasizing those parts of the program, such as estuarine sanctuaries and basic management grants, that have proven to be of greatest value in recent years.

During the hearings before the Oceanography Subcommittee this spring, we heard virtually unanimous support for the continuation of this program from representatives of the States and from coastal and environmental groups. But I was especially pleased by the testimony of Mr. Edwin Sidman, president of the Beacon companies, a Boston real estate development firm that is currently involved in Rowes Wharf, a massive multiuse development project on the last piece of undeveloped downtown waterfront in Boston. This developer praised the CZM Program for "Establishing a policymaking forum that facilitates consistency in the application of Federal and State policies as to the development, use, and conservation of our precious coastal zone areas." The only dissenting voice at our hearings came, unfortunately, from the administration. The only reason given for opposition was that the program was working so well that it should be financed entirely by the States. Only in this administration could a program's success be used as the justification for its termination.

Although I have no hesitation in supporting H.R. 2121, I do note with disappointment our failure in this bill to address satisfactorily the Supreme Court discision of January 1984 regarding the question of OCS lease sales and consistency with the CZM Program.

The Court decision to the contrary, the fact is that OCS lease sales do "directly affect" the coastal zone. For this reason, they should be subject to the consistency requirements of section 307(c) of this act. I continue to believe that Congress has a responsibility to deal with this issue, but I am willing to concede that this is not the ideal time, nor the ideal legislation, in which to confront this question.

Coastal zone management embodies a partnership between the Federal Government and State governments that has worked well. It is a model of that most conservative of doctrines—federalism, for it reflects interests responsive not simply to the narrow concerns of the Federal Government or particular State governments. On the contrary, coastal zone management has furthered the truly broad and national interest in policies that strike a balance between economic development and environmental protection in the coastal zone. Support for this legislation is not a partisan issue; it is not a regional issue; it is a question of common sense and support for a program that has worked in the past, that is working today, and that has much more to contribute to the economy and ecology of our country in the years ahead.

I want to congratulate the distinguished chairwoman of the Oceanography Subcommittee, Ms. Mikulski, for her leadership in this issue, and I urge approval of the bill.

Mr. JONES of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Panetta].

Mr. PANETTA. I thank the gentleman for yielding this time to me.

Mr. Chairman, as many know, I had intended to offer an amendment on the issue of Federal consistency. I feel very strongly about this issue in terms of the State and communities ability to be heard on issues that impact on the coast.

In January 1984, the Supreme Court found that because OCS oil and gas lease sales occur outside the coastal zone, it cannot directly affect the coastal zone and, therefore, are not subject to the consistency provision of the CZMA. I think that is contrary to the basic intent of Congress in the provisions that were contained in CZMA initially.

The amendment I would have offered would have asserted congressional intent that Federal activities on OCS, including lease sales, should be subject to the consistency provision. My goal is to return to the States the authority they had before the Supreme Court and to give them a say in the major activities which affect their coastlines.

This amendment, it seems to me, would have represented a return to cooperative federalism, which is the basis for CZMA. I understand the concerns about reauthorization and it is my view that having a bill, a reauthorization of CZMA, is much more important, obviously, than having no bill at all, and I do not want to jeopardize the opportunity for this legislation to be adopted.

For that reason, I do not intend to offer such an amendment, but I want it conditioned on a commitment from the committee to address the consistency issue. I would expect the committee, the subcommittee, to hold hearings when and if decisions of the courts or actions of the administration occur which would erode the intent of Congress on this issue of consistency.

Ms. MIKULSKI. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I yield to the gentlewoman from Maryland for a response on that.

Ms. MIKULSKI. I thank the gentleman for yielding.

Mr. Chairman, I rise to give the gentleman those assurances. I want to thank him for his remarks and his cooperation in reauthorizing the CZMA. My colleague and I are interested in the issues raised by my friend, the gentleman from California, and the Subcommittee on Oceanography will continue to study them and to take whatever action is necessary and appropriate to improve the consistency review procedures.

If there is any serious threat that these procedures will be weakened, I can assure my colleague that the Subcommittee on Oceanography will hold such oversight hearings. I thank the gentleman for his cooperation, gallantry, and common sense.

Mr. PANETTA. I thank the gentlewoman for her comments, and also for her leadership on this issue as she brings it to the floor. I look forward to working with her and working with the minority side on ensuring that the State's voices and the communities' voices are heard on an issue that can surely impact on the people in those areas.

Mr. JONES of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from New york [Mr. Manton].

Mr. MANTON. I thank the gentleman for yielding this time to me.

Mr. Chairman, rise to give my full support to H.R. 2121, the reauthorization of the Coastal Zone Management Act of 1985. I wholeheartedly commend the chairwoman and the members of the Subcommittee on Oceanography, and the chairman and the members of the Committee on Merchant Marine and Fisheries for presenting the House with a compromise which strikes a fair balance between oil and gas development on the Outer Continental Shelf and the rational use of our coastal resources for tourists, recreation and commercial fishing.

Since 1972, when the Coastal Zone Management Act was first enacted, Congress has recognized the important national interests which are achieved by effective coastal zone management. With this legislature foresight our country has benefited from the resurgence of an economic and environmental vitality in our Nation's coastal areas. The extraordinary success in applying Federal coastal zone management funds to economic development projects, in managing the Nation's coastal resources, and streamlining administrative decisionmaking, may all be attributed to the reauthorization of this law and continued Federal involvement with program oversight and funding.

I am particularly pleased to support a new measure in the Coastal Zone Management Act which provides for the national estuarine sanctuary research system. We now have designated 15 national estuarine sanctuaries, therefore, it is most appropriate to specifically identify nationally significant estuaries which are threatened by pollution, development, overuse or depletion of their natural resources.

Through their designation as national estuarine research sanctuaries, they will be utilized for the orderly intergovernmental planning processes provided for within the act.

Although my colleagues on the committee would prefer greater funding levels than are provided for in the current reauthorization all of us on the committee are aware of the need to respect budget constraints and the limitations set by this body on all authorizations. Despite the reduced authorization in this bill this legislation is still an important step in providing States with a strong incentive to serve local and national interests by developing and implementing coastal programs.

Again, I commend the gentlewoman from Maryland and the gentleman from North Carolina for their excellent work and urge passage of H.R. 2121.

Mr. LOWRY of Washington. Mr. Chairman, I rise in strong support of H.R. 2121, a bill to provide for the authorization of the Coastal Zone Management Act of 1972.

I would first like to thank my colleagues on the Oceanography Subcommittee, Chairwoman Mikulski and ranking minority member, Mr. Shumway, for their leadership in bringing this bill to the floor today. Both have done an outstanding job in developing a bill to reauthorize this vital coastal program.

H.R. 2121 provides for the continued distribution of Federal financial assistance to the coastal States for the development and implementation of State coastal zone management programs. The proportion of Federal funding will gradually be phased down from the current 80 percent to 50 percent in 1989. This Federal financial assistance has been extremely beneficial to the State of Washington in the past, and is essential to the continued vitality of the coastal programs in many coastal States.

In 1976, Washington became the first State to gain Federal approval for its Coastal Zone Management Program. Since then, numerous projects have been initiated with CZM funds to improve the Washington coastline. For example, Tacoma, WA, applied a $25,000 CZM grant to upgrade its Ruston Way waterfront. This seed money attracted $10 million in private investment and another $9 million in State and local funds for park acquisition and development.

H.R. 2121 also amends section 315 of the CZMA by renaming the existing estuarine sanctuaries as national estuarine reserves and providing further guidance to NOAA and the coastal States regarding the research purposes of the estuarine reserves.

Mr. Chairman, the Coastal Zone Management Act has been extremely important to the people of the coastal States and the Nation in providing for the preservation, protection, development, restoration, and enhancement of the resources of the coastal zone. I strongly support H.R. 2121, and urge its passage today.

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Mr. SHUMWAY. I have no further requests for time, Mr. Chairman, and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now reported in the committee bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Coastal Zone Management Reauthorization Act of 1985".

Mr. JONES of North Carolina. Mr. Chairman, I ask unanimous consent that the remainder of the committee amendment in the nature of a substitute be printed in the Record and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute is as follows:

REFERENCE

Sec. 2. Whenever in this Act an amendment or repeal is expressed in terms of an amendment, or repeal, of a section, subsection, paragraph, or other provision, the reference is to be considered to be made to a section, subsection, paragraph, or other provision of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.) unless otherwise specified.

REDUCTION OF ADMINISTRATIVE GRANTS

Sec. 3. (a) Section 312(c) (16 U.S.C. 1458(c)) is amended by striking "if the Secretary determines" and all that follows thereafter and inserting in lieu thereof the following: "if the Secretary determines that the coastal state—

"(1) is failing to make significant improvement in achieving the coastal management objectives specified in section 303(2) (A) through (I); or

"(2) is failing to make satisfactory progress in providing in its management program for the matters referred to in section 306(i) (A) and (B).".

(b)(1) Subsection (a) of section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455) is amended by striking, "The Secretary may" and all that follows through "if the Secretary—" and substituting in lieu thereof the following: "The Secretary may make grants to any coastal state for the purpose of administering that state's management program, if the state provides for the applicable fiscal year: 20 per centum of the grant for fiscal year 1986; 30 per centum of the grant for fiscal year 1987; 40 per centum of the grant for fiscal year 1988; and 50 per centum of the grant for each fiscal year thereafter. The Secretary may make the grant only if the Secretary—".

(2) Section 306A is amended by striking section (d)(1) and substituting in lieu thereof the following:

"(d)(1) The Secretary may make grants to any coastal state for the purpose of carrying out the project or purpose for which such grants are awarded, if the state provides for the applicable fiscal year: 20 per centum of the grant for fiscal year 1986; 30 per centum of the grant for fiscal year 1987; 40 per centum of the grant for fiscal year 1988; and 50 per centum of the grant for each fiscal year thereafter.".

(c) Section 306(g) (16 U.S.C. 1455) is amended by deleting the second sentence, and inserting in lieu thereof the following: "The state shall promptly notify the Secretary of any amendment or modification and submit it for Secretarial approval. The Secretary may suspend all or part of any grant made under this section pending state submission of the amendment or modification.".

NATIONAL ESTUARINE RESERVE RESEARCH SYSTEM

Sec. 4. Section 315 (16 U.S.C. 1461) is amended to read as follows:

"NATIONAL ESTUARINE RESERVE RESEARCH SYSTEM

"(a) Establishment of the System.—There is established the National Estuarine Reserve Research System (hereinafter referred to in this section as the 'System') that consists of—

"(1) each estuarine sanctuary designated under this section as in effect before October 1, 1985; and

"(2) each estuarine area designated as a national estuarine reserve under subsection (b).

Each estuarine sanctuary referred to in paragraph (1) is hereby designated as a national estuarine reserve.

"(b) Designation of National Estuarine Reserves.—After September 30, 1985, the Secretary may designate an estuarine area as a national estuarine reserve if—

"(1) the Governor of the coastal state in which the area is located nominates the area for that designation; and

"(2) the Secretary finds that—

"(A) the area is a representative estuarine ecosystem that is suitable for long-term research and contributes to the biogeographical and typological balance of the System;

"(B) the law of the coastal state provides long-term protection for reserve resources to ensure a stable environment for research;

"(C) designation of the area as a reserve will serve to enhance public awareness and understanding of estuarine areas, and provide suitable opportunities for public education and interpretation; and

"(D) the coastal state in which the area is located has complied with the requirements of any regulations issued by the Secretary to implement this section.

"(c) Estuarine Research Guidelines.—The Secretary shall develop guidelines for the conduct of research within the System that shall include—

"(1) a mechanism for identifying, and establishing priorities among, the coastal management issues that should be addressed through coordinated research within the System;

"(2) the establishment of common research principles and objectives to guide the development of research programs within the System;

"(3) the identification of uniform research methodologies which will ensure comparability of data, the broadest application of research results, and the maximum use of the System for research purposes;

"(4) the establishment of performance standards upon which the effectiveness of the research efforts and the value of reserves within the System in addressing the coastal management issues identified in subsection (1) may be measured; and

"(5) the consideration of additional sources of funds for estuarine research than the funds authorized under this Act, and strategies for encouraging the use of such funds within the System, with particular emphasis on mechanisms established under subsection (d).

In developing the guidelines under this section, the Secretary shall consult with prominent members of the estuarine research community.

"(d) Promotion and Coordination of Estuarine Research.—The Secretary shall take such action as is necessary to promote and coordinate the use of the System for research purposes including—

"(1) requiring that the National Oceanic and Atmospheric Administration, in conducting or supporting estuarine research, give priority consideration to research that uses the System; and

"(2) consulting with other Federal and state agencies to promote use of one or more reserves within the system by such agencies when conducting estuarine research.

"(e) Financial Assistance.—(1) The Secretary may, in accordance with such rules and regulations as the Secretary shall promulgate, make grants—

"(A) to a coastal state—

"(i) for purposes of acquiring such lands and waters, and any property interests therein, as are necessary to ensure the appropriate long-term management of an area as a national estuarine reserve,

"(ii) for purposes of operating or managing a national estuarine reserve and constructing appropriate reserve facilities, or

"(iii) for purposes of conducting educational or interpretive activities; and

"(B) to any coastal state or public or private person for purposes of supporting research and monitoring within a national estuarine reserve that are consistent with the research guidelines developed under subsection (c).

"(2) Financial assistance provided under paragraph (1) shall be subject to such terms and conditions as the Secretary considers necessary or appropriate to protect the interests of the United States, including requiring coastal states to execute suitable title documents setting forth the property interest or interests of the United States in any lands and waters acquired in whole or part with such financial assistance.

"(3)(A) The amount of the financial assistance provided under paragraph (1)(A)(i) of subsection (e) with respect to the acquisition of lands and waters, or interests therein, for any one national estuarine reserve may not exceed an amount equal to 50 percent of the costs of the lands, waters, and interests therein or $4,000,000, whichever amount is less.

"(B) The amount of the financial assistance provided under paragraph (1)(A)(ii) and (iii) and paragraph (1)(B) of subsection (e) may not exceed 50 percent of the costs incurred to achieve the purposes described in those paragraphs with respect to a reserve.

"(f) Evaluation of System Performance.—(1) The Secretary shall periodically evaluate the operation and management of each national estuarine reserve, including education and interpretive activities, and the research being conducted within the reserve.

"(2) If evaluation under paragraph (1) reveals that the operation and management of the reserve is deficient, or that the research being conducted within the reserve is not consistent with the research guidelines developed under subsection (c), the Secretary may suspend the eligibility of that reserve for financial assistance under subsection (e) until the deficiency or inconsistency is remedied.

"(3) The Secretary may withdraw the designation of an estuarine area as a national estuarine reserve if evaluation under paragraph (1) reveals that—

"(A) the basis for any one or more of the findings made under subsection (b)(2) regarding that area no longer exists; or

"(B) a substantial portion of the research conducted within the area, over a period of years, has not been consistent with the research guidelines developed under subsection (c).

"(g) Annual Report.—Beginning with fiscal year 1986, the Secretary shall provide to the Congress an annual report that sets forth, with respect to the period covered by the report—

"(1) new designations of national extuarine reserves;

"(2) any expansion of existing national estuarine reserves;

"(3) the status of the research program being conducted within the System; and

"(4) a summary of the evaluations made under subsection (f). The Secretary shall submit the report within three months after the end of the fiscal year covered by the report.".

REPEALS

Sec. 5. The following are repealed:

(1) Section 310 (16 U.S.C. 1456c; relating to research and technical assistance programs and grants).

(2) Section 314 (16 U.S.C. 1460; establishing the Coastal Zone Management Advisory Committee).

(3) Subsection (c) of section 15 of the Coastal Zone Management Act Amendments of 1976, Public Law 94-370 (16 U.S.C. 1451 note; relating to certain additional personnel positions).

AUTHORIZATIONS OF APPROPRIATIONS

Sec. 6. Section 318 (16 U.S.C. 1464) is amended as follows:

(1) Subsection (a) is amended—

(A) by amending paragraph (1) to read as follows:

"(1) Such sums, not to exceed $40,000,000 for the fiscal year ending September 30, 1986, $38,000,000 for the fiscal year ending September 30, 1987, $36,000,000 for the fiscal year ending September 30, 1988, $35,000,000 for each of the the fiscal years ending September 30, 1989, September 30, 1990, and September 30, 1991, as may be necessary for grants under section 306, to remain available until expended;".

(B) By amending paragraph (2)—

(i) by striking "$20,000,000 and inserting in lieu thereof "$16,000,000", and

(ii) by striking "September 30, 1985,"" and inserting in lieu thereof "September 30, 1991,";

(C) by amending paragraph (4) by striking "September 30, 1985," and inserting in lieu thereof "September 30, 1991,";

(D) by amending paragraph (5) by striking "September 30, 1985," and inserting in lieu thereof "September 30, 1991,"; and

(E) by amending paragraph (6)—

(i) by striking "$6,000,000" and inserting in lieu thereof "$5,000,000", and

(ii) by striking "September 30, 1985," and inserting in lieu thereof "September 30, 1991,".

EFFECTIVE DATE

Sec. 7. This Act takes effect October 1, 1985.

AMENDMENTS OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. Jones of North Carolina: Strike all of Sec. 6 and insert in lieu thereof the following new Sec. 6:

"Sec. 6. Section 318 (16 U.S.C. 1464) is amended as follows:

(1) subsection (a) is amended—

(A) by amending paragraph (1) to read as follows:

'(1) such sums, not to exceed $36,000,000 for the fiscal year ending September 30, 1986; $36,600,000 for the fiscal year ending September 30, 1987; $37,900,000 for the fiscal year ending September 30, 1988; $38,800,000 for the fiscal year ending September 30, 1989; and $40,600,000 for the fiscal year ending September 30, 1990, as may be necessary for grants under sections 306 and 306A, to remain available until expended;'.

(B) By striking paragraph (2) and renumbering subsequent paragraphs—

(C) By amending the new paragraph (3) to read as follows:

'(3) such sums not to exceed $1,000,000 for the fiscal year ending September 30, 1986; and $1,500,000 for each of the fiscal years occurring during the period beginning October 1, 1986 and ending September 30, 1990, as may be necessary for grants under section 309, to remain available until expended;'

(D) By amending the new paragraph (4) to read as follows:

'(4) such sums not to exceed $2,930,000 for the fiscal year ending September 30, 1986; $3,800,000 for the fiscal year ending September 30, 1987; $4,500,000 for the fiscal year ending September 30, 1988; $5,000,000 for the fiscal year ending September 30, 1989; and $5,500,000 for the fiscal year ending September 30, 1990, as may be necessary, for grants under section 315, to remain available until expended; and

(E) by amending the new paragraph (5) to read as follows:

'(5) such sums not to exceed $3,300,000 for the fiscal year ending September 30, 1986; $3,300,000 for the fiscal year ending September 30, 1987; $3,300,000 for the fiscal year ending September 30, 1988; $4,000,000 for the fiscal year ending September 30, 1989; and $4,000,000 for the fiscal year ending September 30, 1990, as may be necessary for administrative expenses incident to the administration of this title.' "

At the end of the bill, add a new Sec. 8, as follows:

"TECHNICAL AMENDMENT

SEC. 8. Section 308(h) (16 U.S.C. 1457(h)) is amended by deleting 'subsections (c)(1)' each place it appears and inserting instead 'subsections (c)'."

Mr. JONES of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Chairman, the amendments which we now bring before the Members propose to freeze the authorization levels in H.R. 2121. Authorized levels for fiscal year 1986 are frozen at the level of fiscal year 1985 appropriations. In subsequent years, authorized levels rise only to the extent necessary to accommodate the expected rate of inflation—4½ percent per year. The term of authorization is reduced to 5 years.

I want to make clear the intent of this amendment. This is a deficit reduction amendment. It reflects the strong desire of the members of the Committee on Merchant Marine and Fisheries to control the deficit. Over the 5-year term of this authorization, it will save $193 million as compared to currently authorized levels. It does not reflect any intent to phase out this or phase down this critical program.

Extensive hearings before my committee clearly demonstrated the important national interests being served through this program. Many of these have been explained in detail in our committee report. In view of these national interests, the committee recommended what I consider to be justified authorization levels. These levels should be considered to reflect the committee's view of the value and accomplishments of this program.

However, we also realize the importance of deficit reduction. Thus, we are proposing freeze in Federal expenditures under the CZMA. In combination with other aspects of this bill, such as provisions to increase State matching contributions, the total level of support for coastal management will increase over time. Therefore, this amendment will aid deficit reduction efforts, while safeguarding the national interests in wise coastal management.

The second part of this amendment makes a purely technical adjustment in section 308(h) of the CZMA. The amendment would clarify that section 308(c)(2) grants to assist State participation in Outer Continental Shelf leasing, may be financed through the coastal energy impact fund. This amendment is offered entirely for purposes of clarification. It does not alter congressional intent or deviate from current agency practice in administering this provision.

I urge my colleagues to support these amendments.

Mr. SHUMWAY. Mr. Chairman, I rise in support of the amendments being offered by our committee's distinguished chairman, Mr. JONES.

Mr. Chairman, by freezing the CZMA authorizations at last year's appropriations levels, and only allowing for an increase to offset inflation, this amendment will reduce the authorization levels for the CZMA by $193 million over the next 5 years. Moreover, this amendment leaves intact a provision which will gradually phase down the funding formula from the present 80 to 20 Federal/State ratio to a more appropriate 50 to 50 ratio. In doing so, this legislation will not jeopardize our Nation's coastal areas by jeopardizing the program, but in fact it will allow for an increase in the overall program, not at Federal expense, but by requiring an increased State match for these CZM grants.

Mr. Chairman, this amendment is fiscally responsible; it will ensure that the overall appropriation for the various programs under the CZMA will, for the next 5 years, never exceed, in terms of real dollars, the appropriations for the CZMA made in fiscal year 1985. Of course, the appropriations process always allows for less than authorized appropriations, and considering the shift in the Federal/State ratio, it is my belief that future appropriations may not even need to reach as high as this bill's authorization ceilings in the upcoming years.

Again, I support Mr. JONES' amendment, and I commend him for his concern for our Nation's fiscal shortfall, as well as his longstanding concern for our Nation's valuable coastal areas.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from North Carolina, the chairman of the Merchant Marine and Fisheries Committee. This amendment is offered on behalf of the bipartisan leadership of the committee.

The amendment refines what I believe is already a fiscally responsible approach by the committee to the reauthorization of the Coastal Zone Management Act. It would further reduce authorization levels for the various sections of the Coastal Zone Management Act through fiscal year 1990. I note, for my colleagues on this side of aisle, that the approach taken in this amendment—which is basically a freeze for fiscal year 1986 at fiscal year 1985 appropriation levels, and then adding a 4.5-percent inflation factor for the outyears—is virtually identical to the approach which has been adopted by the Senate Commerce Committee in its bill reauthorizing the Coastal Zone Management Act (S. 959).

This amendment provides a very substantial savings, when compared with authorization levels in existing law, and when compared with authorization levels in H.R. 2121, as reported. As compared to authorizations under current law, savings for fiscal year 1986 would be $42.77 million—a 50-percent savings—and for fiscal years 1986-90, the cumulative savings would be $193.50 million—a 45-percent savings.

As compared to H.R. 2121, as reported, the amendment saves $29.77 million for fiscal year 1986—a 41-percent savings—and fiscal years 1986-90, there is a cumulative savings of $112.05 million—a 32-percent savings.

In short, this amendment provides very substantial savings as compared to both current law and the bill under consideration, and is as close to a freeze amendment in terms of the most recent appropriation as one reasonably can get. I am informed by the policy level officials at NOAA that this amendment is most welcome to them. I urge my colleagues on this side of the aisle to support the amendment offered by the gentleman from North Carolina.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. SHUMWAY. I am happy to yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise also to support the amendment, as well as the bill as a whole, and to commend the chairman of the committee and the chairman of the subcommittee, the gentlewoman from Maryland [Ms. MIKULSKI], for their leadership on the bill and also for making the hard decisions necessary to come in within a freeze level for 1986 and at the same time make an important program function within tight budget constraints.

Mr. SHUMWAY. Mr. Chairman, I thank the gentleman from Connecticut [Mr. MORRISON], and I yield back the balance of my time.

Ms. MIKULSKI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to support the committee's amendment to reduce the authorized spending levels in H.R. 2121 to the fiscal year 1985 appropriations under the CZMA. This freeze will amount to a savings over current authorized levels of more than $193 million over a 5-year period which amounts to a savings of about 45 percent.

This amendment will make a significant reduction in the authorized spending levels for the National Coastal Zone Management Program. At the same time, my colleagues and I on the Merchant Marine and Fisheries Committee want to preserve the integrity of this program. We believe this amendment will do that in a fiscally sound manner.

I believe that we have provided sufficient funds to maintain the current State coastal programs. We have also allowed for a modest increase during the years 1987-90 to provide for increased program costs.

Mr. Chairman, I urge my colleagues to support the committee's amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from North Carolina [Mr. JONES].

The amendments were agreed to.

The CHAIRMAN. Are there further amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. GUARINI) having assumed the chair, Mr. BONER of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2121) to provide for the reauthorization of the Coastal Zone Management Act of 1972, and for other purposes, pursuant to House Resolution 214, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1910

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2121, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request to the gentleman from North Carolina?

There was no objection.

NEW DEFERRAL OF BUDGET AUTHORITY FOR 1985 FOR UNITED STATES INFORMATION AGENCY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-90)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed.

(For message, see proceedings of the Senate of today, July 30, 1985.)

PERMISSION FOR SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT DURING 5-MINUTE RULE ON THURSDAY, AUGUST 1, 1985

Mr. HOYER. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule on Thursday, August 1, 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland [Mr. HOYER]?

Mr. BARTLETT. Reserving the right to object, Mr. Speaker, we do not have a clearance from the minority leadership over here.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Maryland.

Mr. HOYER. The gentleman from Florida, Mr. CLAY SHAW, has cleared this as the ranking member.

Mr. BARTLETT. Mr. Speaker, further reserving the right to object, would the gentleman repeat the exact request?

Mr. HOYER. We are asking unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule on Thursday, August 1, 1985.

It is my understanding that the gentleman from Florida, Mr. CLAY SHAW, has in fact cleared this request.

Mr. BARTLETT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland [Mr. HOYER]?

There was no objection.

AMERICA—LAND OF OPPORTUNITY

(Mr. STRANG asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous material.)

Mr. STRANG. Mr. Speaker, the ability to communicate is obviously an important skill and talent. I would like to bring to the attention of my colleagues a young woman in the Third District of Colorado who recently displayed her forensic skills by winning a statewide high school speech contest.

Rebecca Harwood, a junior at Roaring Fork High School in my hometown of Carbondale, was the winner of the second annual Abraham Lincoln Foundation's "land of opportunity" speech contest.

Rebecca's speech explains with clear logic why we should never take our freedoms in this country for granted, and she does it with beautiful flow of words and ideas. I commend it to your reading.

I urge my colleagues to take advantage of this nonpartisan program and to help expand it next year across the Nation so all 10th, 11th and 12th grade students have the opportunity to express the growing resurgence of patriotism in America.

AMERICA—LAND OF OPPORTUNITY

America. We all know it has been labeled "the land of opportunity", but many Americans fail to realize why. We grow up in what most foreigners and refugees consider the most wonderful land and live a seemingly perfect life full of endless opportunity, that we as Americans, tend to overlook. We take for granted the freedom, which is ultimately responsible for making America the land of opportunity, and the most important freedom we have is the freedom of choice.

How would you like your government telling you that you are only allowed one child, or that blue Jeans are illegal, or that Monopoly and Chess are forbidden? Such items are common in America, yet many governments don't grant their inhabitants such luxuries—yes, luxuries. Just try and buy a Walkman in Russia and you'll see what I mean. Our choices in the grocery store are practically unlimited and nowhere else can one find such a selection of fresh fruits and vegetables year-round. Even clothes make America great. Have you seen the latest fashions in Poland? Not too exciting. Why, I have the freedom to walk through town wearing a Hefty garbage bag, if I ever felt the urge. That is what I call freedom of choice!

Our choices, however, extend beyond that of monetary purchases. Every person controls the fate of his or her own life. The amount and kind of education I receive is governed by me. I, like every one of you, have the freedom to be a doctor, homemaker, mechanic—or even president. America has the wonderful privilege called free enterprise. That means I can sell hubcaps legally, open up a law firm, or start a newspaper without the government dictating what I am allowed to print. We have constructed laws against child and forced labor, and work is awarded accordingly, so I can be as rich, or as poor, as I choose. Therefore, my fate lies in my own hands, not in those of the government.

Our liberties cover that of religion also. Our country is a melting pot of every known religion, and even some of those not known. Religion is very much a part of our country, as it is most, but here we have the choice whether or not to believe, to participate, or support. We can, within reasonable limits, practice our religion any way we choose under the 1st amendment of the constitution. Also protected by the first amendment is that of speech. In America we can talk freely without Government spies recording our words, or without fear that our neighbors are undercover fascist police who will turn us onto the mercy of the Third Reich. Nobody can dictate my choice of words, whether for this speech, or any other I might give.

So, we all agree that America has privileges not bestowed upon other countries, so you might ask, "Why can't they all be like us?" Many were, at one point. They lost their freedom, though, as a child loses his privilege to eat cookies when he becomes ill from them. You see, they abused their rights, and when a government is on the verge of collapse, it turns to communism, where the government spends every one's money, because its people were not doing it well enough for themselves. It works up to a point, but that kind of extreme control leads to a society void of individual, creative thinking that is so vital to a growing world. America has a unique government which is difficult to maintain due to lack of control. Therefore, it is up to the people to make it work. To do this, we need to use our freedoms wisely. Our freedom to vote decides the fate of our country, yet only just over half of the population use it, and even less on the state, county, and town levels. Another freedom frequently not taken advantage of is the freedom of speech, to take an active role in the government to make it what we want. Our country has drifted into a state of lethargic antipathy in which we criticize it for its faults, yet not do anything about them, which lowers the spirit causing depressions. We have lost the patriotism which we once had during the war, and even the American flag has lost the respect it deserves. No longer is the Pledge of Allegiance said daily, or the flag displayed in most classrooms. I think that the degenerating Statue of Liberty symbolizes the degenerating faith and pride we once had, and must retrieve to insure the country's well being.

The difference then, must come from the people, so rather then ask what more your country can do for you, ask what you can do for your country. We have an exceptional system, that, like most things, is not faultless, but is ever changing. We have power over the changes that occur, and we must use our freedom of choice to its benefit, not its downfall. Part of the change is simply realizing, why is America the land of opportunity? It is very difficult for an American to come up with an appropriate answer, and that is sad. We know we are free, but exactly what are we free to do? Once we understand the benefits of living here, we can appreciate them, and utilize what this country has to offer. It is our responsibility, as a whole, to make our country work, through changing our attitudes and displaying interest and pride, to show that freedom of the people produces a working, effective government.

The freedoms our government has given us are costly to it. By granting us free enterprise, it has produced an enormous debt. By not controlling all money, the rich and poor classes are separating. Why is this your problem? Because you are America! You are the government, and you have the power to make the decisions that change it, for better or for worse. Our freedom of choice that we value so much can be used both ways. We can choose to ignore the elderly, the poor, the homeless, and the needy, and pretend it is our government's responsibility to protect them, or we can do something about the problems which threaten the stability of America. The people are what makes our country great, and if we honor and respect the land we live in, keeping our country united and strong, America will continue to be the leader of the world. We have a good thing going here, and realizing it is the first step to rekindling the flame of patriotism. Remember, dandelions only flourish where lawns are not tended. Because this is America we together, have the ability, through our power of choice, to keep America, the land of opportunity.

RESOLVING THE BUDGET CRISIS

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PANETTA. Mr. Speaker, this week Congress faces what probably will be its last opportunity this year to resolve the budget crisis. We are now 2½ months past the May 15 deadline for passage of a budget. While the House and Senate have adopted separate resolutions, the conference has failed to find the essential ingredients for compromise. Part of the problem lies with the White House, which has provided little if any leadership over the past few months. Part of the problem lies with partisan posturing on Capitol Hill. But the bottom line is clear to all Americans—Washington is failing to deal with the most severe deficit crisis that has ever faced this Nation. At a time when the budget process should be at its strongest, it is being undermined by confusion, contradiction, and double talk.

Five appropriation bills have been passed in the House without a conference agreement to enforce targets. The Ways and Means Committee, to its credit, has completed action on a reconciliation bill making some of the savings assumed in the House-passed budget resolution. But there is no guarantee that the rest of reconciliation will be implemented. The House has had to resort to adopting a resolution making its own budget resolution the conference report for purposes of enforcement. In short, the budget process is surviving, but it is full of holes, it is taking on water, and it is threatening to sink completely unless we end this ad hoc approach to budgeting and fulfill our duties under the Budget Act.

Actually the procedural difficulties are only half of the problem. GNP growth has fallen dramatically from projected levels, threatening to add to this year's budget deficit, which, in turn, will increase next year's interest payments on the debt. Furthermore, a weak economy this year puts in question the optimistic growth estimates of next year, which could mean even higher deficits still in fiscal year 1986. Even worse, many are still predicting a recession in 1986 or 1987, which means deficits could top $300 billion a year by the end of the decade.

Yes, our appropriation bills have been frozen at prior year levels, but a simple freeze of discretionary spending is not, unfortunately, a solution for $200 billion deficits. It is better than nothing, but it is not nearly enough.

With the August recess a few days away, we appear to be in a game of budget musical chairs, where the goal is to make the last offer with the biggest numbers before the Congress leaves town at the end of the week. Whichever political party is left without a chair to sit in when the music stops will, according to the strategists, lose the deficit public relations battle.

But this is not a game that will be won by public relations—by 30-second TV spots showing scenes of morning in America, or afternoon in America or early evening in America. It will not be won by catchy slogans or fancy buzzwords. There will be no winners because this crisis is not a partisan crisis, it is a national crisis. The failure to deal with $200 billion deficits will be a plague on the houses of both Democrats and Republicans. A nation in recession could care less about the details of partisan bickering. They surely will remember the failure of both executive and legislative branches to act when action was essential.

But the game goes on. The House offer is denounced by the Senate. The Senate offer is undermined by the President. Now the talk is that the House should not even consider the Senate offer seriously since it has been rejected by the President. The strategy is simple: With the President not supporting the Senate plan, especially the call for a delay on the Social Security COLA and the oil-import fee, the House can ignore the Senate offer and blame the President for the failure of Congress to reach agreement on a budget. It is all like a sad version of Abbott and Costello's "who's on first" routine.

Frankly, to some this sort of strategy might make sense in the marbled hallways of the U.S. Capitol. It might even make brilliant short-term political sense. But outside Washington, DC it looks like another dodge to avoid resolving a critical problem. This approach places the goals of making the Senate look bad or the President look inconsistent above the very solemn responsibility we have to deal with the

greatest crisis facing this Nation: the deficit crisis.

Most would agree that President Reagan has failed to provide strong leadership in the budget area. Instead of using his election mandate to build the essential coalition needed to make hard decisions on the budget, he plays business as usual. But Congress cannot let a President's failure weaken our resolve to attack these yearly deficits of $200 billion and more. As the Speaker has said "two wrongs don't made a right." Two weak branches of government failing to grapple with the greatest economic issue of our day can cause devastating economic damage in the future.

The Senate is not perfect, but at least, after months of budget hide and seek, we have on the bargaining table all the key ingredients for real deficit reduction: defense, entitlements, and taxes. Anyone who has looked at the Federal budget for 5 minutes can tell you that these areas have to be addressed in any realistic deficit reduction package. The Senate has finally acknowledged what the most basic arithmetic tells you, and now it is up to the House to respond with an offer which includes these essential components of deficit reduction. With a little more work, some bold action and some political courage, we can have a deficit reduction package with some real teeth in it by the end of the week regardless of where the President stands.

The ball is really in Congress' court now—clear thinking tells us we are not going to get much political mileage out of trying to unload the deficit crisis onto the shoulders of a lame-duck President who is recovering from surgery, who is enormously popular with the American people and who genuinely does not give two hoots about budget deficits. Failure to join with the Senate this week to develop an ambitious deficit reduction package will not be forgiven by the American people no matter how much House Democrats and Senate Republicans point their fingers at the President or House Republicans point their fingers at the Senate leadership.

The better strategy is to agree on deficit reductions through cuts in defense, entitlements, and revenue increases in a budget resolution, enforce those reductions through the reconciliation process and budget scorekeeping system, and then let the President deal with the political fallout if he chooses to veto any part of a true deficit reduction package.

The American people are smart enough in that situation to judge who will be responsible for failing to deal with the deficit. But to stop now and do only a patchwork budget resolution is to capitulate to the pollyannas in and out of the White House who refuse to acknowledge the economic threat deficits pose for the Nation.

We are in one of those situations where, as Benjamin Franklin said, "We must all hang together, or assuredly we shall all hang separately." We can play games this week, worry over our press clippings that tell us whether we are winning the public relations battle and hope that there is a chair left when the deficit music stops, or we can find common ground with the Senate, agree on a budget resolution that contains $60 or $70 billion in deficit reductions for the next fiscal year, come back in September and implement the budget through appropriation bills and reconciliation. We will not regret rising above the demands of politics for this one effort at dealing with a crisis—there are still plenty of other games to be played and issues to distinguish our two great political parties by. But this is not one of them. Our reward for tough action will be a manageable deficit, a strengthened foundation for economic growth and the knowledge that we can turn to more positive debates over the future priorities of this Nation. Let us resolve this crisis now.

AMERICA'S STEEL INDUSTRY NEEDS OUR HELP TO HELP ITSELF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Gaydos] is recognized for 5 minutes.

Mr. GAYDOS. Mr. Speaker, in the years that many of us have been urging action to reduce the impact of imports on America's steel industry, our opponents claim that the steel industry itself is responsible for its inability to compete, having failed to control its costs and having failed to introduce the new technology into its mills.

Last year, as we all know, when Congress passed the Steel Stabilization Act as part of the omnibus trade package, it included provisions that the steel industry reinvest the earnings anticipated from the results of the steel limitation agreements to be signed into their steel operations.

I do not argue with that provision. It is an important one because it will ensure a commitment to steelmaking by those steel producers.

What I do say, though, is that the steel industry, despite a contrary belief, has been and is making a determined effort to seek new technological advances that will enable it to stay competitive with foreign steelmakers.

There is a lot of effort going on by the steel industry, in some cases with the help of government and in some with no such assistance, to develop these new techniques and systems that will put the American steel industry in the forefront once again.

I recently received a copy of testimony offered by Dr. David Cantor, a specialist in economics and, more specifically, the steel industry, with the Congressional Research Service, at a field hearing in Youngstown, OH, by the Subcommittee on Investigations and Oversight of the Committee on Science and Technology on the topic of "Modernization in the American Steel Industry."

This is a most critical area because, as Dr. Cantor's examination of the data shows, the steel industry is and has been making a serious effort in this regard.

I commend my colleagues, Mr. Volkmer of Missouri, chairman of the subcommittee, and Mr. Traficant of Ohio, who suggested the hearing. I hope that they will share with other Members of this body the knowledge and insights they have gained.

But, because I feel Dr. Cantor's comments are most important as a means of showing all of you what the American steel industry is doing and trying to do, I have received permission to include his testimony as a part of my commentary today.

The testimony by Dr. Cantor includes some historical background which helps understand how the steel industry developed after the end of World War II and why it is where it is today.

He also discusses the role and impact of the "minimills," the problems those companies are having as they go through growing pains of age, expansion, and increasing competition from outside as well as from within the industry.

I urge every Member of the House, regardless of how familiar you are with the steel industry and its various facets, to read Dr. Cantor's testimony. I believe it will encourage many of you to rethink your attitudes toward actions considered vitally necessary to keep the American steel industry as an integral part of America's economic structure.

But, at the same time as we applaud the industry for making its effort for renewal, we cannot ignore the impact of imports on the American steel market and the companies that are trying to survive.

The problem is not going away, while the voluntary restraint agreements being signed by the Special Trade Representative's Office are seemingly providing some relief, the overall problem may just be too overwhelming for those kinds of actions.

For example, last year, more than 60 nations around the world shipped more than 26 million tons of steel to the United States, capturing nearly 27 percent of the American steel market.

For the first 5 months of this year, January through May, foreign steelmakers exported nearly 11 million tons to the United States, holding just over a 25-percent share of the domestic steel market.

The point of all this is that, so far, the voluntary restraint agreements are having little impact on steel imports. While it is true that the imported steel share of the domestic market has shrunk each month since January, the decreases are so small as to be almost negligible at this time.

And, in fact, if we compare the first 5 months of 1985 with the same period of 1984, we will find that foreign manufacturers have reduced their steel shipments to the United States by a mere 18,000 tons, a decrease of one-half of 1 percent. That, Mr. Speaker, is hardly enough to be raving about, especially after the way the package on the voluntary agreements was sold to members of the Congressional Steel Caucus.

And now, let me share with you the latest figures on steel imports that became available just this afternoon, some of which raise serious questions about the voluntary agreements that this administration has been bragging about.

For the month of June 1985, steel exporting nations shipped 2.3 million tons to the United States, the highest monthly level since January's 2.6 million tons.

More importantly, for the first 6 months of this year, steel imports total 12.9 million tons, 500 tons more than was imported for the first 6 months of 1984.

Thus, the import penetration levels for the month of June and the first 6 months of this year—27.9 percent and 26.2 percent, respectively—are well above the levels for the same time periods in 1984.

More serious to the economy and the well-being of the American steel industry, domestic steel mill shipments in June dropped more than 300,000 tons, from 6.5 million tons shipped in May to 6.2 million tons in June.

This means that less steelmaking capacity is being used resulting in the need for fewer workers and less raw material. In toto, it is just another sign that the directions being taken by this administration with regard to the steel industry in particular and to the national economy in general are not working.

Quite frankly, I am amazed when I look at the list of nations that export steel to the United States. If those countries felt it was important for their national pride or their economic base to have some steelmaking capability to meet their internal needs, then I have no quarrel.

But, if they developed or increased their steelmaking facilities in order to earn international dollars by selling their steel on the open market—and by that you all will understand that I mean the United States—then I am more than just a little concerned.

After all, was it really necessary for Ecuador to ship 15 tons of steel to the United States? Or for the United States to take 577 tons from Hong Kong or 8 tons from Fiji or 20 tons from Libya?

We won't even talk about the 3 million tons from Canada, the 1.4 million tons from Brazil, the 2.5 million tons from West Germany, the 1.1 million tons from France, the 1.3 million tons from Spain, the 6.6 million tons from Japan, and the 2.2 million tons from South Korea.

With the exception of Libya, at least all of those countries are reasonably aligned with the United States in international affairs.

But, do we have to give up American jobs to support steel industries in nations that are announced enemies of ours? Is there any sound reason for the United States to allow East Germany to export 273,000 tons of steel to us? Poland, in 1984, exported 132,000 tons of steel to the United States; Romania, 272,000 tons; Czechoslovakia, nearly 63,000 tons; and Hungary, 40,000 tons.

I just don't understand it. I know we're supposed to be showing those Communist countries that capitalism works, but is it right for us to accept 780,000 tons from those countries at a cost of our own production and jobs for our own citizens?

Aren't we just shoring up governments diametrically opposed to what we as a nation stand for?

Between 1975 and 1984, employment in the steel industry dropped from 457,000 to 236,000. In 1984, alone, some 7,000 jobs were lost.

And the prospects for 1985 and 1986 aren't any better. In fact, we already know that a number of jobs are going to be eliminated over the next 18 to 24 months. LTV Steel is planning to close one facility that will eliminate 1,300 jobs. And other closings or rollbacks have been announced by other steel companies.

Is it any wonder that those of us from the steel-producing areas of this country are upset and concerned about the directions in which we are going?

The most obvious question, of course, is: What do we do? The Congressional Steel Caucus, you can be assured, is watching the developments of the voluntary restraint agreements very closely. We, with a great deal of reluctance, are prepared to give them time to work.

I can tell you, though, should it appear that the situation is not improving, we will consider more stringent action.

I, personally, am not afraid of being called a protectionist, as I told this body last week. Quite frankly, I put the well-being and survival of American workers and American industry first on my list of important items.

We are waiting to see what happens, just as the steel industry is waiting. But both the Steel Caucus and the steel industry are not standing idly by. The industry is making the effort to change and, thereby, to regain some measures of competitiveness with steel-exporting nations. And, therefore, it is incumbent on us, the Congress, and this administration to provide a climate in which the industry can have some assurance of success.

HEARINGS ON "NEW TECHNOLOGY AND THE FUTURE OF STEEL"

Mr. Chairman and Members of the Committee:

My name in David Cantor. I am a Specialist in Industry Economics in the Economics Division of the Congressional Research Service. I appreciate very much your invitation to participate in these hearings, and the opportunity to share with you the results of my analysis of the steel industry.

Many claims are made, Mr. Chairman, that the current difficulties facing the steel industry are grounded in managment decisions of the past. We hear that the industry overbuilt capacity. We are told that the industry took advantage of its market power and was slow to innovate and modernize. The industry itself tells us that it erred in allowing costs to rise in an almost unbridled way. No longer is the industry dominated by a small group of integrated producers that enables it to dictate price and quantity in the steel market. It now includes a new breed of steel-makers, the "minimills", that have become a significant force for competition in the declining or at best stagnant steel market. They and foreign steel producers that sought oveseas markets for themselves, have created a highly competitive market environment. Thus, the integrated segment of our industry, which was virtually the only supplier in the U.S. steel market in the past, is unable to utilize its capacity efficiently and profitably. More important, perhaps, the industry finds itself hard pressed financially to undertake those efforts that could conceivably shore up its ability to meet its competition head-on and with reasonable prospects for success.

My research and analysis of developments in the steel industry suggest to me that the fundamental problem of the industry is the adjustment to changes that have occurred in the U.S. steel market. While, in the past, we economists would characterize the structure of the steel market as an oligopoly—a market where only a few sellers supply the product, today, the steel market is highly competitive. Thus, while management decisions relating to price and investment could be made largely independent of the combined market forces of supply and demand in the past, today they are driven by those market forces.

I would suggest, also, that, even in the past, when the industry faced relatively little competition from abroad, from competing materials, and from new entrants into the industry, America's steel industry was to a degree an innovator in developing and implementing new and more efficient processes to make steel. It could innovate, funding its investment from revenues generated in the oligopolistic market that it dominated. In the present market environment of competition, it continues to be an innovator in adopting new technologies for steelmaking. Thus, while the evidence may support the thesis that the steel industry has not simply sat back and allowed itself to fall behind with respect to technical innovation, the questions today are the adequacy of its efforts in the past, and its ability to make the additional investments necessary to survive—the minimal goal of any seller even in the theoretically ideal, purely competitive market.

THE POST-WORLD WAR II PERIOD TO 1980

Mr. Chairman, strong claims are made that management decision of the past may be responsible for the steel industry's dilemmas of today. In particular, let me address the question of overcapacity. If the steel industry overbuilt its capacity in the years and decades following World War II, those decisions resulted in part from federal government policy. Analysts—both those regarded as critics of the industry (Donald Barnett and Louis Schorsch, for example) and those viewed as sympathetic to it (Father William Hogan, for example)—agree on this point. President Truman proposed in his State of the Union Message of 1949: "(legislation) to authorize an immediate study of the adequacy of production facilities of materials in critically short supply, such as steel; and if found necessary, to authorize government loans for the expansion of production facilities to relieve such shortages, and furthermore to authorize the construction of such facilities directly if action by private industry fails to meet our needs."

The industry disagreed, contending that the outlook for steel demand did not justify expansion. History is on the side of the industry. In 1951, America's steel industry had about 105 million tons of capacity. Yielding to government pressure, it expanded capacity to about 136 million tons by 1960, at an annual rate of growth of about 2.9 percent. Virtually all of this added capacity was in the form of open-hearth furnaces, which replaced the obsolete Bessemer furnaces. In this same period, U.S. steel demand, while fluctuating in response to changes in the business cycle, actually declined at an annual rate of about −0.8 percent. Although excess capacity was created in the industry, the major steel producers did not hold down prices, which rose at an annual rate of nearly 6 percent.

Let me cite one more example of the effect of government policy on the expansion of steel-making capacity in the United States. In 1954, Bethlehem Steel Corporation attempted to acquire the facilities of Youngstown Sheet and Tube Company. Bethlehem wanted productive capacity in the midwest to serve the growing automotive and appliance markets. The Department of Justice opposed the acquisition on antitrust grounds, a decision that was upheld in the courts in 1958. As a result, and in order to penetrate the midwest steel markets, Bethlehem built in the early 1960s the first large "greenfield" plant constructed in the United States since 1952, its plant at Burns Harbor, Indiana. Let me note that, while government policy may have influenced the expansion of capacity in this case, the decision to build Burns Harbor brought with it one of the first large-scale installations of what has become the predominant steel-making process in the world today, the Basic Oxygen Process. Thus, government policy may have coincidentally contributed to technological innovation and modernization of America's steel industry.

Major expansion of steel-making capacity came to an end by 1960, because of lack of growth in demand and the absence of government pressure to expand steel-making capacity. In the 1960s, steel capacity grew by about 8 million tons, at an annual rate of about 0.6 percent. In this same period, demand grew at a rate of about 3.1 percent per annum. Prices continued to rise in this decade.

Then, we come to the 1970s. In the first half of this decade, there was a substantial net increase in total industry capacity to about 180 million tons. But there are several reasons for this. First, domestic steel demand was rising from about 100 millions tons in 1969-70 to over 120 million tons in 1973. Second, we begin to detect the strong presence of the "minimills" into the market; these are the relatively small companies that produce steel from scrap metal in electric furnaces. More than two-thirds of the 12.5-million ton expansion of electric furnace capacity took place in the "minimill" segment of the industry from 1972 to 1975. Furthermore, from 1975 on, virtually all of the growth of electric furnace capability took place in the "minimills".

A third reason for the expansion of steel capacity in the first half of the 1970s is that the large integrated steel companies were engaged in the process of modernization. In particular, the integrated companies were ridding themselves of outmoded and obsolete capacity. Between 1972 and 1975, the industry closed down nearly 20 million tons of relatively inefficient open-hearth capacity.

While expansion of capacity reached its peak in the mid-1970s, it declined thereafter. For all intents and purposes, the capacity reduction of about 15 million tons in the last half of the 1970s was the result of the continuing process of modernization, namely the elimination of excess open-hearth capability, and the emergence of a declining trend in steel demand. Electric furnace capacity grew by about 5 million tons, mainly in the "minimill" segment of the industry. Basic Oxygen capability was constant at about 96 to 97 million tons. The most important development in the last half of the 1970s was the closing down of more than 20 million tons of inefficient open-hearth furnace capability.

The post-World War II era provides examples of modernization other than replacing the obsolete steel-making processes of the past—Bessemer and open-hearth. The integrated steel companies were active in this modernization process. In 1967, U.S. Steel Corporation commissioned the first continuous caster in the United States for its Gary, Indiana works. National Steel and McClouth Steel installed continuous casters in 1968 and 1969.

In the 1960s, America's steel industry was active in developing the process for the direct reduction of iron ore (DRI). Among these efforts were those of Armco, which built and operated a pilot plant in Kansas City, Missouri in 1966 and later, in 1972, a full-scale commercial plant in Houston, Texas. Two other DRI plants were built in the early 1970s: the Midland-Ross plant in Portland, Oregon and the Georgetown Steel plant in Georgetown, South Carolina. None of these DRI ventures proved to be economically viable, however, owing to the sharp increases in natural gas prices in the late 1970s; the DRI process used natural gas as a basic energy input. Be that as it may, these examples indicate that the U.S. steel industry was clearly experimenting with, developing, and implementing new productive processes in the decades gone by—although the extent to which it made technical progress may have been influenced by its market structure.

Before leaving the past, Mr. Chairman, it is important to point out that the oligopolistic structure of the steel market permitted the dominant firms in the industry to adopt pricing strategies other than those of the competitive market place. In particular, the claim is made that steel companies engaged in what economists label, "administered pricing". That is, price is determined by costs to which a percentage mark-up is added. This is the conclusion of Dr. Zoltan Acs in his recently published study of the steel industry. It is almost taken for granted by one of the industry's most prominent critics, Dr. Robert Crandall. Indeed, though this strategy is becoming increasingly difficult to implement in today's market, it has become the norm on which analysts base their analyses of the industry: for example, the Congressional Budget Office (CBO) estimated the price effects of a steel import quota using an equation in which input costs were explanatory variables. In a market where sellers can exert a significant influence on supply, an administered pricing strategy might be considered a prudent business decision. But when the structure of the market changes, this pricing strategy gives rise to the problem of not being able to compete on the basis of price.

This is why we hear one steel industry executive after another confess that they allowed costs to run rampant as recently as the early 1970s. Perhaps, they permitted costs to rise so sharply, because they did not recognize that the market structure was changing, and the industry did not recognize the need to adjust to these changes. In testimony before the Senate Judiciary Committee on July 1, 1983, David Roderick, the CEO of United States Steel Corporation, stated: "Clearly, during the 1970's, it (labor costs) ran amok. Incidentally, I am not, you know, banging the steelworkers for this. Keep in mind that we steel companies signed those contracts, so this is joint bargaining. We did this together. We did not do it very well, in my opinion. We got each other into trouble."

Dr. Acs indicates that demand was a minor factor in influencing price, and that costs of production—mainly, those of labor (which were negotiated with the United Steelworkers on an industry-wide basis)—were dominant in explaining steel price behavior. the point is that, in the past at least, the steel industry could accept higher costs of production, passing them through to buyers, because the structure of the market it served was an oligopoly, where competition from other sellers at home and abroad and from other materials was not a significant concern, and where price could rise above the point at which the market would clear.

THE STEEL MARKET TODAY

Mr. Chairman, if I were to use one phrase to describe the steel market today, it would be "adjustment to competition": competition for market share in a stagnant or declining market; competition with the "minimills"; competition with competing materials; and, competition with imports. This competition has been very tough on the integrated segment of the industry at least, although even the "minimills" are experiencing difficulty in the marketplace. Indeed, the Barnett-Schorsch study of the steel industry is aptly titled—Steel: Upheaval in a Basic Industry.

First, the market for steel is stagnant. For about the past decade, demand for steel has fluctuated around the 100 million ton level. U.S. steel demand reached a high point of nearly 117 million tons in 1978; its low point was about 76 million tons in 1982. In 1984, U.S. steel demand was about 98 million tons, and forecasts of future demand by Data Resources, Incorporated suggest that steel demand will be at levels of about 100 million tons through the rest of this decade.

Steel demand has not responded to economic growth. One reason for this is the emergence of substitute materials—especially, plastics and aluminum. Indeed, during the 1970s and into the 1980s, a significant drop occurred in the so-called steel intensity of the economy; that is, the ratio of steel input to real Gross National Product. My analysis of trends in steel intensity indicates that it fell by 22 percent in the 1970s, and by another 14–15 percent in the first half of this decade. The downsizing of cars and the increased use of lighter weight materials in cars and construction help to explain this structural shift away from steel. The only bright spot in this analysis is that the data imply that further declines in steel intensity are likely to be very modest. The point is that steel demand is not likely to rise significantly.

At the same time, we have significantly more sellers in this stagnant market. The large integrated companies clearly dominate in terms of capacity: according to data compiled by Acs, the seven largest companies have over 110 million tons of capacity, but there are also at least 60 "minimill" companies with expanding capacity. These "minimills" have been extremely successful in penetrating the market for structural products. In 1975, electric furnace output, a reasonable surrogate for "minimill" activity accounted for 20 percent of total U.S. steel production; by 1984, they accounted for about 35 percent of the nation's steel output. Their emergence as a force in the industry makes the steel market more competitive, effectively requiring the integrated companies to adjust to the changes in market structure.

Why are they so successful? One, they are small. They do not have to make the investments in blast furnaces and large steel-making furnaces that the integrated companies must make. Two, they specialize at least for the present in a small range of products. They do not have to have different rolling mill complexes. Three, they are located close to their markets. Thus, their customers incur lower transportation costs than they would if they bought from larger but more distant mills. Four, many employ non-union labor. Thus, they avoid some of the high labor costs and work rules that the unionized integrated companies must operate under. Five, there is some evidence that they benefit from local government assistance: at least one of the most prominent "minimill" companies, Nucor, obtained a substantial amount of its financing through industrial revenue bonds.

But even the future of the "minimills" is debatable. A recent article in Iron Age, a respected trade journal, reported that the traditional market for "minimill" products may be saturated. The article quotes Kenneth Iverson, the CEO of Nucor, as saying: "In the past, the primary competition for minimills was foreign suppliers and integrated producers. Over the last three or four years, this has changed so that the primary competitors today are other minimills—and I expect that to continue into the future."

While praising their accomplishments, the American Iron and Steel Institute observed in its 1985 annual report: "But now, minimills face the problems of growing maturity. Their financial success is based on high volume sales at low per ton profit margins. But economic growth in some traditional minimill markets seems to be slowing, and as they try to move into higher value products, they find themselves competing for a larger share of still depressed markets."

Furthermore, the "minimills", being scrap-based, are likely to encounter significant problems of quality control, should they expand their product line into flat-rolled products. The uniformity of the quality of the raw material inputs is more important in the latter than in the structural and bar products that "minimills" now produce.

The integrated companies compete not only with other industries and the "minimills" for a share of the stagnant steel market, but also with foreign imports. In 1984, the United States imported steel from over 50 countries. Our steel imports represented over one-fourth of the domestic market. There is some indication that foreign steel companies—in Taiwan, for example—built new capacity to capture overseas markets. Even today, new steel mills are being built in third-world countries: Nigeria and Pakistan recently opened or are close to completion of their new steel mills; Venezuela is constructing a 4.8 million ton mill, which, according to a Forbes magazine article, will produce steel to earn foreign exchange. Despite our industry's efforts to modernize, the steel industries of most other countries are newer than our industry, embodying state-of-art technology. Labor costs overseas are a fraction of ours. Even with the import restraint expected as a result of the President's steel program, foreign producers could expect to hold 20 percent of our market.

The integrated steel industry has attempted to respond to the sluggish marketplace for steel and to the competition it faces at home and abroad. Father Hogan discusses the efforts of the major companies to adjust to the market in his book, Steel in the United States: Restructuring to Compete. I addressed the industry's efforts in my report, America's Steel Industry: Modernizing To Compete; with your permission, I submit this report for the record. Essentially, I found three elements to the steel industry's modernization efforts: (1) rationalization of existing capacity; (2) adoption of currently available state-of-art technology; and (3) research and development of new technologies for steel-making.

Clearly, in a smaller market, a critical element of modernization is the elimination of old and obsolete plant. We saw that the industry was engaged in this effort in the 1970s. Perhaps of greatest long-term promise, we observed that the integrated industry replaced some of its older outmoded capacity with more modern plant. Indeed, let me cite some of the data developed by Barnett and Schorsch on the age of steel plants in the United States and Japan; I think this data will put to rest the idea that our plant is "ancient" and, thus, unable to compete. On average, our steel-making furnaces are about 2 years older than those in Japan; our continuous casters are about the same age. Where we lag behind is in the product rolling mills: our mills are from 4 to 10 years older than those in Japan.

Our industry has moved forward vigorously to install state-of-art technologies, although not as aggressively as in other countries. From 1981 to 1983, we had a positive rate of growth of continuously cast output, while most other countries had negative growth rates. In this period, a period marked by severe recession, our steel industry constructed or commissioned more than 16 continuous casters. In 1984, nearly 40 percent of our steel output was continuously cast, nearly double the share in 1980; as a result, the industry is making headway in catching-up with foreign producers in the use of this technology.

Companies are planning to install new direct reduction processes using coal, thereby bypassing the coking and blast furnace operations. Wily Korf recently announced plans to install this process in his Wallingford, Connecticut plant. Weirton Steel, formerly part of National Steel, has similar plans, and is seeking funding from the Department of Energy to proceed with them.

Smaller, incremental changes in technology are being installed in steel-making operations. New ladle refining systems are in place in Armco's Ashland, Kentucky plant; U.S. Steel Corporation is installing such a system at its Fairfield, Alabama plant.

LTV Corporation is engaged in a joint venture with Sumitomo Corporation to install a state-of-art electrogalvanizing mill at its Cleveland works. Again, in spite of the stagnant market, we find continued evidence that the industry is installing or willing to install current state-of-art technology to enhance its ability to produce steel of high quality and in competition with imports.

The modernization effort does not stop here, however. The steel industry in collaboration with federal agencies is engaged in research and development efforts to find even more efficient ways to produce quality steel products. You know of the sensor research being undertaken at the National Bureau of Standards. This effort, if successful, would permit the industry to monitor more precisely the quality of the steel as it moves through the various stages of production: from molten metal to ingots to semi-finished shapes to final products. Similarly, U.S. Steel Corporation and Bethlehem Steel Corporation have joined together with the Department of Energy to develop processes for near net shape casting. This process, if successful, would permit the industry to produce slabs one-fourth the thickness of conventional slabs; these thinner slabs would require less processing than the conventional product, with the result of lower costs.

Thus, we see the industry responding to the forces of competition by utilizing its total plant more efficiently, implementing new processes, and looking forward to still newer developments in steelmaking technology. America's Steel Industry is indeed modernizing to compete.

PROSPECTS AND PROBLEMS IN THE FUTURE

Mr. Chairman, as I look back upon the recent and not-so-recent history of the steel industry, I am impressed by the fact that it has continually engaged in a modernization process. Up to the 1970s, it could undertake this effort in a more comfortable business environment: the "minimills", substitute materials, and competition from relatively more modern foreign industries were not major forces affecting it. But, as we know from the experience of just the past few years, all of these factors have created a major change in the steel industry's business environment; they have thrust it into a highly competitive market.

To survive in this market, integrated steel companies must cut costs. They can do this by developing and installing new processes for making steel. They can do this by eliminating inefficient capacity, replacing it in whole or in part by more modern furnaces and rolling mills. They can attempt to reduce labor costs, and are likely to do so by negotiating work rule changes, lower hourly compensation costs, or both.

The issue is not that the industry will not adopt this strategy for survival in a competitive marketplace; I think it is fair to say that the industry has adopted this strategy. The issue is the adequacy of the effort—particularly in its modernization program. This issue is of interest to Congress, because, when Congress passed the Steel Import Stabilization Act as Title VIII of the Trade and Tariff Act of 1984 (P.L. 98-573), it conditioned any import relief on the industry's reinvestment of its cash flow from steel operations into those operations. Congress and the President were willing to restrict competition in the U.S. steel market for five years, but only if the industry was willing to undertake a modernization program that would enable it to become competitive on its own, one that its former market structure did not require of it.

Mr. Chairman, my analysis of the industry's investment pattern in relation to its cash flow a year ago indicated that the industry was already meeting the requirements of the current law. From 1979 to 1983, the industry invested about 3.5 billion dollars more in steel operations than it generated in cash flow from those operations; over these five years, it invested about 11.5 billion dollars in steel operations, while it generated from operating income and depreciation allowances, about 7.9 billion dollars. While I cannot predict the future investment behavior of the industry, I think it is fair to say that the industry is likely to meet the requirements of the law by investing its cash flow from steel in steel.

But even the industry would agree that the amount of investment necessary to become internationally competitive is far greater than its average annual investment of about 2.4 billion dollars in steel operations in the recent past. President Reagan's Steel Advisory Committee, which functioned from November 1983 to November 1984 with participants from industry, labor, and government, reported that the necessary amount of investment in steel would be in the range of 5 to 5.5 billion dollars per year. (I would note that the Committee's report represented a consensus of the views of its members.) The American Iron and Steel Institute claims that "the domestic steel industry, to maintain 95 million tons of shipments capability in the 1980's, needs to spend about $5.2 billion annually to insure adequate modernization of its facilities." Donald Trautlein, CEO of Bethlehem Steel Corporation, in his testimony before the Senate Finance Committee on June 13, 1985 on the President's tax reform proposal, stated that the industry would fall short of its desired investment goals by about 1.5 billion dollars. Thus, while there is every reason to believe that the steel industry will be in compliance with the law, there is also reason to believe that industry investment would be inadequate for it to become competitive in all markets.

Now, frankly, the industry's estimate of its investment requirements may be inflated. They assume a shipment level of 95 million tons, which implies either a massive surge in demand or virtually no imports. As I have already noted, the demand for steel in the forseeable future is projected by Data Resources, Incorporated to be aout 100 million tons per year. The only other possibility is for imports to drop to levels of 5 to 7 million tons, if domestic steel shipments are to rise to 95 million tons; this, too, is improbable. Even if the industry's estimate of capital requirements is too high, it is probably fair to say that they will need substantially more per year than they have invested in steel operations in the recent past.

The industry is likely to encounter great difficulty in raising this capital. Conventional borrowing means interest rates in the range of 13.5 to 16.5 percent today, a premium of from 2 to 5 percentage points above the rate paid by high quality long term borrowers. According to the recent Iron Age report on "minimills", even firms in this segment of the steel industry are experiencing difficulty in borrowing.

Indeed, if the steel industry could borrow substantially reduced rates of interest, not only would it be able to reduce capital charges, but also it would be better able to implement the results of the research and development efforts going on, and benefit from the lower costs derived from new technology. Consider the following optimistic scenario. I recently estimated that a 3.5 percentage point reduction in the interest rate paid by steel companies could lower costs by about 14 dollars per ton just owing to the change in the rate. In addition, if the companies borrowed to install a continuous caster, total costs of production could be reduced by still another 35 dollars per ton.

Among options for generating the capital the industry says it needs to modernize other than conventional borrowing in the capital markets, there is the possibility of more joint ventures with foreign investors. Note, if you will, the purchase of a 50-percent interest in National Steel by Japan's Nippon Kokan Steel Company. There are other examples as well. Nisshin Steel (Japan) has a 10-percent equity interest in Wheeling-Pittsburgh Steel Company. LTV Steel has a joint venture with Sumitomo Steel (Japan) at its electrogalvanizing plant in Cleveland. Kawasaki Steel (Japan) is providing some of the capital to refurbish the Fontana plant of California Steel Company. Canadian steel companies have invested heavily in some of our "minimill" companies: Chapparall and Raritan River Steel. Joint ventures with foreign steel companies emerge as a real possibility for generating capital.

Another option is to finance modernization by executing what amounts to lease-purchase agreements. Bethlehem Steel Corporation is doing just this in order to acquire its two continuous casters at Burns Harbor and Sparrows Point. The Austrian manufacturer of the casters, Voest-Alpine, will receive a payment per ton of steel produced by the casters at the two plants.

Obviously, government could provide some funding directly or indirectly to finance steel industry modernization. To some extent, it is already doing so. There are already various provisions built into our tax code that benefit the industry. The Department of Energy is involved in a collaborative effort with United States Steel Corporation and Bethlehem Steel Corporation to develop a near net shape casting process. The American Iron and Steel Institute and the National Bureau of Standards are jointly engaged in a research and development project to develop sensors to enhance quality control of steel-making. Your Committee authorized expenditures of, I believe, six million dollars by the Department of Energy for steel research, and additional funds for the National Bureau of Standards.

I emphasize these questions of financing modernization, Mr. Chairman, because, whatever the results of the efforts of the scientists and engineers in developing new technologies for steel-making, they translate into a more modern, efficient, and competitive steel industry only if they can be implemented. There is a major difference between technological innovation and economic innovation. In the former, new processes may be developed. In the latter, they must pass the tests of economic viability. Thus, in view of the stagnant outlook for steel demand, the existence of excess capacity in the industry today, and the considerable apprehension on the part of the industry regarding the effectiveness of the President's import restraint program, it would not be surprising if the industry implemented new processes with considerable caution.

Finally, Mr. Chairman, I address the question of the outlook for employment in the steel industry. Most analysts agree that modernization of the steel industry will not result in a resurgence of employment in the industry. For example, installation of a continuous caster to replace ingot-casting and the milling of ingots into semi-finished shapes would, according to the recent report of the National Academy of Engineering, reduce labor input per ton of steel by about 50 percent. Except that demand for domestic steel would rise, it is unlikely that persons on layoff or displaced owing to plant closings would be able to reclaim their jobs.

Let me share with you a report by my colleague at CRS, Linda LeGrande, that was commissioned by the Subcommittee on Science, Research, and Technology of the House Science and Technology Committee, and that they have authorized me to release to you. LeGrande finds that the level of steel industry employment over the next decade may not fall substantially from present levels. But, she also finds that the composition of the labor force in the steel industry will change significantly in the next ten years. The lower skilled personnel will give way to more skilled and educated workers. Thus, another implication of modernization is that the characteristics of the labor force are likely to be very different from today's steel workforce. Even if the employment were to stay at present levels, many of those currently employed would not be able to retain their jobs. Mr. Chairman, I submit for the record and consideration of this committee, the report by Linda LeGrande, Employment in the Steel Industry: The Shape of Change.

Mr. Chairman, in closing, I find the steel industry to be one that has demonstrated a willingness to modernize and to commit resources to that effort, and I would expect that to continue. That is, I think, most encouraging, because such an attitude is critical to its meeting the challenges of adjusting to a competitive marketplace. America's steel industry, in spite of foreign competition and overall sluggish or declining demand appears to be anything but a dying industry. But, Mr. Chairman, I am not deluded into thinking that the steel industry will emerge as it is today from its current struggle to become fully competitive at its present size. There is still much obsolete capacity in place. Grave doubts exist regarding the ability of the industry to finance its modernization. I suppose that the outlook for the industry can best be expressed by an industry spokesman, Donald Trautlein, who closed his address to the American Iron and Steel Institute at its 1985 annual meeting with these words: ". . . we are taking significant steps forward—and we're determined to take more. A lot of good things are happening—and we are making progress. While our industry may be slimmer by 1990, it will also be a lost smarter, a lot stronger, and a lot more competitive."

□ 1920

THE 25TH MEETING OF THE U.S.-E.P. PARLIAMENTARY EXCHANGE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FASCELL] is recognized for 5 minutes.

● Mr. **FASCELL**. Mr. Speaker, the 25th meeting between Members of the House of Representatives and a delegation of the European Parliament was held at the U.S. Military Academy, West Point, NY, on June 21-24. The U.S. delegation was chaired by the gentleman from California [Mr. LANTOS] and cochaired by the gentleman from New York [Mr. GILMAN] and the gentleman from Florida [Mr. GIBBONS]. The European delegation was chaired by Pieter Dankert of the Netherlands, a past president of the European Parliament. I think it is noteworthy that another former president of the European Parliament, Mrs. Simone Veil, was also a member of the European delegation.

Mr. Speaker, U.S. relations with Western Europe are good, but our friendship is confronted with political-security questions and economic and commercial disputes which will greatly affect our future. The members of the European Community share our hope for a positive outcome in the Geneva negotiations. They are especially interested in how Western Europe's relationship with the United States will be affected by the strategic defense initiative. In the economic and commercial arena, the United States and the European Community must determine what they will do next to contain and solve the problems posed by international monetary issues and disturbing rise of protectionism.

The discussions which the U.S. delegation had with its European counterpart did much to widen our understanding of Europe's problems. The U.S. delegation encountered European concern about certain aspects of our security and economic policies, but it also found that the Europeans believe strongly in the importance of working together with the United States.

Mr. Speaker, this meeting occurred at a historic time for the European Community. The Community has accepted Spain and Portugal into its membership. When the next meeting with the European delegation occurs in January, the U.S. delegation will be able to welcome their colleagues from two more European democracies.

Mr. Speaker, a report of the 25th meeting is printed below. I strongly commend this report to the attention of my colleagues, who, I know, are very interested in the present state of relations between the United States and Western Europe.

CONGRESS OF THE UNITED STATES,
COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 26, 1985.

Hon. DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: We respectfully submit our report on the 25th meeting between a delegation from the United States Congress and a delegation of the European Parliament held at the U.S. Military Academy, West Point from June 21-24, 1985. Representative Tom Lantos (D-Calif) chaired the U.S. Delegation; Representatives Benjamin A. Gilman (R-NY) and Sam Gibbons (D-Fla) were the co-chairmen. Other members of the U.S. delegation included Representatives Donald J. Pease (D-Ohio), Bill Frenzel (R-Minn), J.J. Pickle (D-Tex), Harry Reid (D-Nev), E. Thomas Coleman (R-Mo), Doug Bereuter (R-Neb), Mark D. Siljander (R-Mich), Alfred A. McCandless (R-Calif), Bill Lowery (R-Calif), Esteban Torres (D-Calif), Bill Richardson (D-NM), and Hamilton Fish, Jr. (R-NY). The European delegation was chaired by Mr. Pieter Dankert of the Netherlands, a past President of the European Parliament. Messrs. Vincenzo Giummarra of Italy and Rene Piquet of France served as co-chairmen.

This parliamentary meeting provided an opportunity for the delegations to discuss a number of issues affecting U.S.-EC relations. Some have been on the agenda at previous meetings, such as trade disputes and the General Agreement on Tariffs and Trade (GATT), agricultural trade and food aid, steel, trade relations with Japan, narcotics, visa reciprocity, and human rights. Other issues, such as the Strategic Defense Initiative (SDI) and NATO burdensharing, are relatively new, their presence reflecting in part a greater desire in the European Parliament to discuss security questions and to serve as a forum for the discussion of European ideas on East-West political-security issues. The agenda also included international terrorism, a subject which has been given dramatic immediacy with the hijacking of an American airliner at Athens airport on June 14 and the subsequent taking of hostages. Because of this incident, and others, such as the terrorist bombing in the Frankfurt air terminal, the two delegations approved a statement condemning international terrorism and recommending steps to stop it.

SECURITY ISSUES

Since the first of the year the dominant issue in U.S.-Western European security issues has been the Strategic Defense Initiative. With eight party groups from the European Parliament present, the U.S. delegation had a good opportunity to hear the spectrum of European opinion on SDI. For their European audience, the U.S. delegation sought to explain the future of the SDI within the Congress.

Representatives Tom Lantos and Doug Bereuter led much of the U.S. discussion on SDI. Representative Lantos pointed out that SDI related funding already existed in the Defense Department budget before President Reagan seized on the concept in March 1983 to promote a new strategic doctrine. Present debate, he explained, was confused by the Administration's use of two definitions of SDI; the President's relying on an impenetrable umbrella that would make nuclear weapons impotent, the other favoring a "point defense" of U.S. retaliatory capabilities. Representative Lantos warned against a quick dismissal of SDI's feasibility but added that the concept did raise questions about U.S.-European relations and the prospect of a conventional war in Europe. Representative Bereuter acknowledged several European concerns about SDI but explained that SDI was designed to enhance both U.S. and European security. Other members of the U.S. delegation observed that SDI had obtained authorized funding in both the House and the Senate and that, despite some reservations, the program appeared to be well-established in the Congress.

The European response varied from strong support of SDI to very critical opposition. The only general conclusion about European opinion was that most of the European delegation acknowledged the fact that SDI research would continue and that that, in itself, was acceptable. However, they expressed a number of reservations. Foremost were concerns about a decoupling of the United States from Europe, a destabilization of East-West relations and the strategic balance, and technological dominance of Western Europe by the United States. Several European delegates noted Congressional support for the SDI and urged the Congress to monitor its development very closely in order to weigh all of the implications of SDI. Another major European concern is the need to coordinate European research and development activities in SDI related technologies. Without such coordination, some of the Europeans expressed the fear that bilateral negotiations between the United States and each European participant in SDI would break down the spirit of community and cooperation among the members of the EC.

From SDI, the discussion of security issues shifted to that of NATO burdensharing. Although NATO itself is the framework for resolving differences in burdensharing, the presence of this issue on the agenda demonstrates the relationship between economic policies in Europe and NATO policies and the interest of several of the EC members in promoting a common European arms policy. Representative Harry Reid reviewed recent developments in burdensharing and concluded that the NATO allies in 1984 and 1985 had taken important steps towards improving NATO's posture. Representative Reid observed that in 1984 eight of the European allies met the 1978 guideline for an annual increase of 3 per cent in defense spending (after inflation). Also, the Allies agreed to improve certain storage facilities and munitions stocks, as well as to upgrade weapons systems vital for sutainment of NATO's conventional defense. The primary concern of the European delegation was whether the United States was willing to purchase more European manufactured equipment and weapons. Whether through the Western European Union, the European Community, or some other organ, most of the European delegation stressed the need for a common European policy to correct the 6:1 imbalance in defense procurement

between the United States and Western Europe. Also, of concern to several Europeans was the effect of protectionism on future weapons purchases from Europe.

ECONOMIC AND TRADE ISSUES

The discussion of these issues centered, in part, on the aftermath of the Bonn Economic Summint in May 1985, where President Francois Mitterrand had argued for simultaneous conferences on international monetary and trade issues. Many in both the U.S. and Europeans delegations agreed on the need for an international conference on monetary issues; although, suggested objectives for it varied. Representative Tom Coleman assigned much of America's present trade difficulties, including a $123 billion deficit in 1984 to the high dollar. But Representative Coleman also warned that the strong dollar was making it difficult for U.S. companies to compete at home, since high interest rates have made the U.S. an attractive field for foreign competitors and operations. He recommended reduction of the U.S. budget deficit, improvement of the investment climate within Europe, and greater cooperation among the Western economic powers as necessary steps to improve the international economic climate.

The European delegation agreed with much of what Representative Coleman said. However, several speakers advocated stronger state intervention in capital markets than preferred by most of the Americans. Also, the Europeans proposed establishment of specific margins to govern the adjustment of exchange rates—a recommendation the Reagan Administration has opposed. Some of the European members claimed that a more responsible policy on behalf of the United States would reduce the conditions which have contributed to greater Third World debt.

The trade discussion concentrated on a new multilateral trade round and the present and future status of the GATT. Representative Bill Frenzel frankly acknowledged that protectionist sentiment was mounting in the Congress and that there was mounting disillusionment with the GATT process. A new GATT round, Representative Frenzel observed, would not address some of the significant issues affecting international trade, such as export credit systems, relative tax burdens, or the relative value of monetary units. Without agreement on a definition of subsidies in a new round, the United States might establish a unilateral definition and implement policy as it sees necessary. In closing, Representative Frenzel agreed with other speakers on the urgent importance of addressing problems related to the international monetary system. Many of the European did not view the future of the GATT as pessimistically as Representative Frenzel and urged the United States to hold to the GATT system and avoid bilateral trade agreements. The Europeans were also disturbed by what they preceived as mounting protectionism in the United States—symbolized most recently to them on June 20 by the President's announcement of an increased tariff on pasta imports from the EC.

Both the United States and the European Community also experienced trade problems with Japan. Thus, both delegations briefly discussed their trade relationship with Japan. Representative Don Pease reviewed U.S. trade relations with Japan and assigned a sizeable share of the U.S. problem to the high dollar. However, while Japan may adhere to the formal rules of the world trade system with its low tariff levels, its informal or unwritten rules still cost U.S. exporters significant market losses. For example, Japan dominates the world market in semi-conductors because of the policies of its conglomerates which sell chips at a loss and then offset these losses with profits from other operations. Japanese practices in many areas of business are not subject to the GATT, Representative Pease noted, therefore, it has been hard to get them to reform. Representative Pease stated it was time for Japan to begin taking corrective measures, and he suggested that Prime Minister Nakasone's encouragement of more Japanese purchase of imports might signal an important beginning. The Europeans agreed with Representative Pease's observations about the problems posed by Japan's internal economic and business structures, pointing, in particular, to the difficulties caused by Japan's distribution system.

Representative Pease also made a presentation on the steel industry and U.S.-EC trade problems in steel. In his explanation of the Steel Import Stabilization Act of 1984, Representative Pease pointed out that the Act's limitation of foreign imports to 17 to 20.2 per cent of the U.S. market was accompanied by requirements that the U.S. steel industry move toward modernization and make a commitment to worker retraining. This latter concern about worker reeducation to avoid unemployment was also raised by Ms. Magdalene Hoff of the Federal Republic of Germany.

Another steel issue concerning the status of the 1982 U.S.-EC Arrangement which seeks to limit steel imports from the EC. Representative Pease hoped that the Community would accept the latest U.S. offer to resolve a dispute over pipe and tube steel imports, and he urged the Europeans to support negotiations on "consultation" products. This category of steel product was not formally included in the 1982 Arrangement; however, there was agreement that the two sides would consult if there had been a significant upsurge in these imports in the U.S. market. Although the Europeans did not respond specifically to these statements about the 1982 Steel Arrangement, they emphasized their commitment to settlement of outstanding issues with the United States through negotiations.

AGRICULTURE

Discussion of trade problems related to agriculture were influenced by two developments: The decision of the U.S. Department of Agriculture to provide $2 billion of Commodity Credit Corporation inventories as bonuses to U.S. exporters to compete in world markets in 1988, and the announcement by the President on June 20 to increase tariffs on pasta imported from the EC. The European delegates suggested the United States did not appreciate the degree of efforts already taken to reform the Common Agriculture Policy (CAP). Among the measures they mentioned were limited guarantee payments to producers, milk quotas, and an ongoing effort to get agreement on reduced cereal prices. The Europeans protested against the added tariff on pasta and the Department of Agriculture's bonuses for farm exporters. Concerning the latter, Mr. Mark Clinton of Ireland said it would bankrupt both U.S. and European farmers. The U.S. delegation responded that the Agriculture Department program was a statement of U.S. frustration with existing conditions. They also claimed the United States was more willing to negotiate on agricultural issues than the EC.

Also included in the discussion on agriculture was food and development assistance toward Africa. After reviewing the recent history and present state of U.S. and EC food policy toward Africa, Representative Doug Bereuter outlined steps which the European Community and the United States could take to improve their policies' effectiveness. For the EC, Representative Bereuter suggested that instead of paying to store and export its surpluses it should provide these surpluses as food aid and then pay its producers the difference between low world prices and higher EC prices. Both the U.S. and EC could work together to insure that food aid would not disrupt existing local food production and marketing. Also, both donors and recipients need to consult more regularly in order to coordinate food aid policy with reform and structural changes in the national economies. Lastly, there is a need for better project coordination among the donors. Taken all together, Representative Bereuter suggested that it was especially important to establish U.S.-EC coordination at the country level.

NARCOTICS, HUMAN RIGHTS, TERRORISM, AND VISA RECIPROCITY

Originally, these four topics were to be included in one working session, but the length of discussion on them and earlier subjects demanded that another session be added. Representative Benjamin A. Gilman opened the discussion with a review of necessary measures to combat drug trafficking and drug production. Representative Gilman referred to the size of the narcotics business in the U.S., $110 billion, to illustrate how great the problem has become on a global scale. Although one can find positive signs in the struggle against drug trafficking, such as recent measures by the Governments of Thailand and Colombia, Representative Gilman stated there "must be increased financial support from the international community for narcotics control programs." He urged the European legislators to join in efforts to create coordinated global and regional drug strategies against drug trafficking and to eradicate local drug production. Some of these endeavors would complement the United Nations consideration of a new convention against narcotics trafficking. Representative Gilman also encouraged the EC member nations to give more support to the United Nations Fund for Drug Abuse Control; at present, only three of the 10 EC members contribute to it. Mrs. Simone Veil of France agreed on the need to do more, and pointed out that the European Parliament had taken important steps by setting up a committee of inquiry on narcotics.

The issue of international terrorism had been on the agenda weeks before the hijacking of TWA Flight 847 in Athens and subsequent terrorist acts. Those events lent an urgency to the planned discussion. Because of the threat of international terrorism to democratic values, the two delegations agreed to the text of a joint statement condemning international terrorism and calling for government measures to combat it. The two delegations stated their belief that there should be a joint conference of competent public officials to examine this issue. The text of the joint statement follows:

The Members of the European Parliament Delegation and the Delegation of the U.S. House of Representatives regard international terrorism as one of the most serious threats to the fabric of civilization and its democratic values. The hijacking of TWA

Flight 847, the taking of hostages, the murder of Robert Stethem, and the airport bombing in Frankfurt are but the most recent examples of the terrorist threat that has profoundly affected our free societies.

Combating international terrorism requires multilateral action among the United States, the member nations of the European Community and other democratic and civilized societies. The European Parliament and the U.S. House of Representatives in their respective resolutions of 18 April and 20 June, 1985 condemned terrorism as a rejection of the fundamental values and rights of our societies and a threat to democracy and called for government measures to combat terrorist acts effectively. All nations, large and small, are equally threatened. To this end, the two delegations believe that a joint conference of competent public officials should be convened. Furthermore, joint and effective steps to assure safe and secure civil aviation are urgently required.

Our democracies certainly have the resources to destroy international terrorism. We must mobilize the political will to give this battle the highest priority it demands.

In the discussion of terrorism, Mr. Elmar Brok of the Federal Republic of Germany emphasized the need for a single definition of terrorism in order to oppose it more effectively. From the U.S. delegation, Representative Mark Siljander argued that much of the international terrorist movement could not operate without Soviet orchestration and that terrorism had become the present form of Soviet war against the West. Representative Siljander recommended a number of steps to fight the spread of terrorism: A better public understanding of its danger, improvement in Western intelligence-gathering capabilities; the use of military force when required; adoption of diplomatic and economic sanctions against its supporters, and non-negotiation with terrorist groups. The European delegation strongly shared Representative Siljander's concern about the growth of terrorism, but several questioned his argument that the Soviets bear primary responsibility for its orchestration.

Turning briefly to the issue of human rights, Representative Tom Lantos commented that the human rights situaton in the Soviet Union had deteriorated, even though the Soviets had signed the Helsinki Accords ten years ago. He urged his fellow parliamentarians to condemn equally violations of human rights by regimes on the political left or right and to be willing to go beyond symbolic protests. Human rights, Representative Lantos observed, cannot be the sole criterion in foreign policy, but it certainly should rank equally with commercial considerations in foreign policy. Representative Gilman concurred with these observations and underscored the importance of the Ottawa meeting of the Helsinki Commission in May–June 1985, which was the first time the Commission had devoted an entire meeting to human rights.

The last issue, visa reciprocity, involves the removal of the present U.S. requirement for visas for citizens of the EC countries entering the U.S. for business or pleasure. The European delegation explained that this policy creates a poor image of the United States in Europe, especially since there are no similar requirements for U.S. citizens visiting Western Europe. The U.S. delegation responded very sympathetically to the European position. Representative Alfred McCandless told the Europeans that Senator Alan Simpson had introduced a provision in his immigration bill in the current Congress which seeks to correct this problem; Simpson's language was similar to that which had been contained in the Simpson-Mazzoli bill of the 98th Congress which had not reached final passage. However, Representative McCandless pointed out the complications caused by the high rate of illegal immigration into the United States. He also noted that when the Department of State had considered a program to drop visa requirements for citizens from select countries others had protested and charged favoritism, thereby moving the State Department to drop its consideration.

CENTRAL AMERICA

The discussion of the present situation in Central America showed the variety of perspectives in the EC on this issue as well as the changes of outlook within the Congress over U.S. policy toward Nicaragua. Mr. Brok emphasized the successes he saw in the present situaton in El Salvador. President Duarte had implemented a land reform program, steps had been taken towards democratic reform, and the United States had supported Durate's efforts to open discussions with his opposition. In comparison, Nicaragua had become less democratic, the number of political prisoners had increased beyond that under President Somoza, and the visit of Daniel Ortega to Moscow had shown disturbing ties with the Soviet Union. Another European speaker, Mr. Ernest Glinne of Belgium, was less critical of Nicaragua and more critical of the policies of the United States. He opposed the economic sanctions on Nicaragua imposed by the United States and argued that the United States should give stronger support to the Contadora process. In order to decrease Nicaragua's dependence on the Soviet Union, Mr. Glinne advocated pursuit of a regional and energy program which would tie Nicaragua more to its neighbors. Mexico, for example, could replace the Soviet Union as a source for oil.

Responding for the U.S. delegation, Representatives Tom Coleman and Bill Richardson stressed that the U.S. outlook on Nicaragua had shifted because of Ortegas policies and recent visit to Moscow. Representative Coleman pointed out that the Carter Administration initially hd sought to aid the Sandinistas but had stopped because of humanitarian concerns—a lesson about the Sandinistas that seemed as important today as it was then. Representative Richardson concurred with these judgments about the costs of Ortega';s behavior and added that Nicaragua had misrepresented its intentions to the United States. He noted an increased consciousness among Democrats and Republicans of the importance of bipartisan foreign policy. This had been shown in both the House and Senate by earlier votes in June to support humanitarian funding for the "Contras", the guerrillas opposing the Sandinista regime.

The examination of U.S. and EC policies toward Central America ended three days of very productive discussion. For the U.S. delegation, this meeting provided an excellent opportunity to obtain an understanding of European thinking on most of the political, economic, and commercial issues affecting our relationship. Even though disagreement sometimes appeared over issues like SDI or select commercial matters, what impressed both delegations was the mounting importance of working together to solve problems affecting the United States and the European Community. Nothing demonstrated this mutual concern more than the agreement on a joint statement on international terrorism. The next meeting with the European Parliament will be in January, and we are looking forward to continuing our discussions then.

Sincerely,

Tom Lantos,
Chairman.
Sam Gibbons,
Cochairman.
Benjamin A. Gilman,
Cochairman. ●

ENHANCING LOW POWER TV OPPORTUNITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. Boucher] is recognized for 5 minutes.

● Mr. BOUCHER. Mr. Speaker, I am pleased to join with my colleague the gentleman from Wisconsin Bob Kastenmeier, chairman of the Judiciary Committee's Subcommittee on Courts, Civil Liberties and the Administration of Justice, in introducing legislation which frees an emerging new communications service—low power television—from an unanticipated burden imposed upon it by the Copyright Act.

Our bill is a technical amendment, acceptable to all interested parties, which safeguards the interests both of copyright owners and users. It opens the door to enhanced competition in the communications marketplace and provides increased local television service for Americans living in rural communities.

The legislation establishes a clear definition of something previously undefined: the local service area of a low power television or [LPTV] station.

LPTV stations are small-scale TV stations now being licensed by the Federal Communications Commission to provide local broadcast TV service to communities which are frequently overlooked or underserved by existing, regular TV stations.

The definition of a television stations "local service area" contained in the Copyright Act of 1976 does not apply to LPTV stations. This oversight has had an unanticipated, but devastating affect on LPTV which has developed subsequent to passage of the act.

As a result, local cable television systems must consider a local LPTV signal a "distant" signal for copyright purposes even if the LPTV station is located across the street and despite the fact that the LPTV station has already paid the licensing rights for programming in the local market area. This anomaly has had a chilling affect on the expansion of LPTV stations.

Our bill resolves the problem. A cable system which wishes to carry the local LPTV station would not be required to pay "distant signal" copyright rates for the local signal.

If passed, this bill will make it possible for literally thousands of new

LPTV stations to begin local TV broadcasting. Small communities which cannot support a conventional TV station would be able to enjoy what residents of large urban markets have had for years—TV coverage of local news, high school and community college sports, parades and local religious services; in short, TV programming which reflects diversity and local values.

Communities throughout southwest Virginia would benefit greatly from LPTV service. Industry experts inform me that Blacksburg, Christiansburg, and Radford are among the markets likely to have local broadcast television service from LPTV within the next 2 years. Additional stations are possible in Tazewell County and elsewhere. Indeed, any community which in the past has been large enough to support a radio station could support a local LPTV station as well.

In short, I believe that our bill accomplishes a great deal of good without interfering with the interests of other parties in the copyright and communications area. ●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. Pepper] is recognized for 5 minutes.

● Mr. PEPPER. Mr. Speaker, I was unavoidably absent during rollcall No. 265 on July 26, 1985. Had I been present, I would have voted in the following way:

Rollcall No 265, on passage of the Jacobs amendment, as amended by the Nelson Amendment, reducing the appropriations for office expenses of former Presidents under H.R. 3036, I would have voted "no". ●

THE 17TH ANNIVERSARY OF INVASION OF CZECHOSLOVAKIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, on August 21, the people of Czechoslovakia and Americans of Czechoslovakian descent will commemorate the 17th anniversary of the 1968 invasion of Czechoslovakia by the Soviet Union.

In 1968, on this Soviet Day of Shame, the Communists overran Czechoslovakia's borders with over 500,000 soldiers in a brutal attempt to crush the hopes and dreams of this peace-loving nation. This act once again demonstrated the Soviet Union's unwavering commitment to a policy of stopping any attempt by individuals to assert their inherent rights of freedom, liberty, and self-determination.

Today the Communists continue relentlessly in their oppression of those who wish to reestablish an independent Czechoslovakia; and we as Americans, the leaders of the free world, must persist in our support of those Czechoslovakians who are devoted to reestablishing a free homeland.

Charter 77, a courageous Czechoslovakian dissident group, has consistently forced the Communist leaders to account for their inhumane treatment of the Czechoslovakian people. Recently, the group marked its eighth year of existence as a voice of opposition to the Soviet-controlled government.

At this point in the Record, I would like to share with my colleagues an article that appeared in the March 22, 1985, edition of the Washington Post, which describes the latest activities of this brave group of Czechoslovakian dissidents. The article follows:

Czechoslovak Rights Group Proves To Be Survivor

(By Bradley Graham)

Prague.—In the Soviet Bloc, where human rights groups tend to fall early victim to the repression they condemn, Czechoslovakia's Charter 77 is an example of survival against the odds.

Marking the eighth anniversary of its existence recently, Eastern Europe's oldest dissident group issued a lengthy restatement of principles and aims—in part to remind the world it still exists and in part to clarify for signatories what the movement stands for.

Charter 77's field of comment has broadened since its founding in 1977 in defense of human rights. In recent years, it has produced reports on such diverse topics as pollution, rock music and drugs. Its aim, say supporters, is to offer Czechoslovaks an alternative voice to that of their Communist government.

A lengthy appeal issued by the charter movement this month called for the dissolution of NATO and the Warsaw Pact and the creation of an association of "free and autonomous" European nations. "Perhaps such an ideal seems a dream," said the 17-page document. "Yet we are convinced that it represents the will of most Europeans."

Going up against one of the most stiff-backed regimes in the communist world has been a painful experience for many signers of the charter. A large number have been or are still being prosecuted, and often imprisoned, for participating in the movement.

Most of the signatories have endured a variety of forms of harassment, from loss of jobs to permanent police surveillance to exclusion of their children from universities.

On March 11, the day Mikhail Gorbachev came to power in the Soviet Union, police in Prague raided an apartment where 48 persons, many of them chartists, were viewing newsreels of the 1968 Soviet-led invasion of Czechoslovakia. All were detained, some for as long as two days, then released.

"We offered dialogue to the state at the beginning, without illusions of course," said Eva Kanturkova, a writer, signer of the charter manifesto and one of those present at the clandestine film showing. "But the only dialogue we've had has been with the state security service."

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Charter 77 insists that it does not aim to be a mass movement. Supporters, known as signatories, number 1,200, and the group has been gaining only several dozen new ones per year.

"It is not an organization nor a basis for opposition activities," said an anniversary statement issued in January. "Charter 77 has no members, only signatories. It is not something one can join or leave, only sign.

"It does not intend to enunciate its own programs of political or societal changes or reforms. Its goal is the rehabilitation of people as the true subjects of history.

"What a person can gain [from signing] is the feeling of being liberated, the feeling of being true to himself, the feeling of being publicly responsible again, the feeling of having left the forum of general indifference and of not participating, with his silence, in matters that are evidently immoral."

Charter 77 is represented by three spokesmen who change from year to year. Their names are attached to the documents released irregularly in the group's name. The three used to be chosen to reflect the major factions—ex-Communists, Roman Catholics and noncommunist intellectuals. This year's all have leftist backgrounds.

Mr. Speaker, I join with Americans of Czechoslovakian descent throughout the 11th Congressional District of Illinois, which I am honored to represent, and our Nation, as they commemorate the 17th anniversary of the invasion of Czechoslovakia. May their hopes and prayers for a homeland free of Soviet domination soon be realized. ●

HELSINKI'S 10TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. Hoyer] is recognized for 60 minutes.

Mr. HOYER. Mr. Speaker, as the cochairman of the U.S. (Helsinki) Commission on Security and Cooperation in Europe, I rise today in commemoration of the Helsinki accord's 10th anniversary. On August 1, 1975, the leaders of 33 nations of Western and Eastern Europe, Canada, and the United States signed the Helsinki Final Act. Seen as the capstone of détente policy, the Final Act placed respect for fundamental human freedoms squarely within the East-West framework as a basic element of government-to-government relations. Through good faith observance of the Final Act's standards for responsible and humane international conduct, signatory states were to advance along the difficult road toward mutual trust and cooperation.

As President Ford said upon signing the accords in 1975:

> History will judge this Conference not by what we say here today, but by what we do tomorrow—not by the promises we make, but by the promises we keep.

From the beginning, the West has acknowledged that full implementation of the Helsinki accords' human rights provisions realistically cannot be accomplished overnight but would necessarily be a long-term process.

On the eve of the 10th anniversary, it is getting that we pause a moment to reflect upon the Helsinki process.

The original critics of Helsinki and others who have been disillusioned in recent years by the lack of significant progress in human rights in certain signatory states raise serious questions about the credibility and utility of the Helsinki process. The U.S. (Helsinki) Commission welcomes public debate on these questions, for we believe that the Helsinki process addresses issues and ideas about which a concerned world public should not remain silent.

Generally speaking, in the 10 years since the Helsinki accords were signed, East bloc human rights behavior has registered on the bad to worse end of the scale.

Rare improvements in human rights conduct have been largely grudging, dilatory, cosmetic, and calculated to serve other than humanitarian interests, generally signifying only temporary movement from the bad to the less bad. At once a characteristic and a major cause of the deterioration of East-West relations, East bloc human rights conditions have taken a quantitative as well as a qualitative turn for the worse.

The Soviet human rights record showed marginal improvement from 1975 through 1979. Despite many arrests, Soviet dissidents were active and effective. Ten unofficial Helsinki groups sprang up in the U.S.S.R. Soviet citizens could listen to Western short-wave radio broadcasts. Soviet Jewish emigration reached the record high level of over 50,000 in 1979. The Kremlin, bouyed by detente, adopted a somewhat more tolerant stance toward limited dissent.

In 1980, the Kremlin embarked on a harsh new law-and-order campaign—KGB style. Several foreign policy factors led to the demise of detente: Western anger over the Soviet invasion of Afghanistan; the European decision to deploy American Pershing missiles; and the rise of Polish Solidarity. Soviet domestic realities, such a Kremlin leadership instability and declining Soviet standards of living, were equally compelling. Perhaps most important, however, dissidents represented more areas of the U.S.S.R. and more diverse social backgrounds—and the West was hearing about them.

After 1980, arrests of Soviet dissidents tripled to nearly 240 per year; criminal charges against them grew vaguer and sentences grew longer; repressive new laws were passed. Conditions of imprisonment for about 10,000 Soviet political prisoners worsened. In January 1980, Nobel Laureate Andrei Sakharov was summarily banished to Gorky. Today, the Sakahrovs have disappeared.

The Kremlin also tried to cut the Soviet people off from the West. Jewish, German, and Armenian annual emigration rates fell to under 1,000 per group. Laws were passed to discourage contacts with foreigners. Soviet jamming of Western radio broadcasts was resumed in the wake of Polish Solidarity. Direct-dial telephone calls, introduced as a come-on for the Olympic games, were canceled. A KGB campaign tried to cut the flow to the West of unofficial news about Soviet society.

Today, this repressive human rights policy is still very much in place. Establishing Soviet economy efficiency is clearly the first priority of the new Soviet leader Mikhail Gorbachev.

The lack of significant progress in the area of human rights such as we find in the Soviet Union is not and should not be viewed as testimony on the credibility and utility of the CSCE process. This process has legitimized human rights as a matter of diplomatic discourse among nations and has placed it on the agenda of our allies. The CSCE process has become an important instrument of diplomacy for the United States and for the other Western democracies. This instrument, applied in a determined, concerted, and compassionate manner over time has yielded and will continue to yield positive results.

In East-West diplomacy, the Helsinki process has become the vehicle by which concerns in humanitarian, military, political, social, cultural, and other fields routinely are conveyed through bilateral and multilateral channels. Bilaterally, the Helsinki umbrella has afforded to the smaller Eastern bloc countries continued greater latitude in establishing relationships with Western nations independently of the Soviet Union.

The multilateral Helsinki approach to problems has served to increase Western leverage by compounding the political cost to the Eastern governments of human rights violations, while increasing their incentive to correct them. Helsinki's European focus, unlike diffuse U.N. discussions, ensures that debate remains centered on an area where Western ideas fall on familiar and fertile soil.

The Soviets have proven adept at marketing its social and political system as a model for other States. Helsinki has provided a unique forum in which the United States and its allies can reveal publicly the grim, brutal reality behind the Soviet facade. These debates are significant in helping to form opinion within Europe. The CSCE process has become a continuing framework for the consideration of a broad range of East-West issues and keeps the door open to the possibility of concrete progress.

Then there is the individual. By signing the Helsinki accords, the Western democracies in essence pledged to keep faith with the persecuted in the East. It is telling to recall that the West failed to anticipate the impact that the human rights provision of the Helsinki accords would have on Eastern bloc citizens. Western human rights advocates and politicians were not the first to act upon the accords as a means to expose human rights violations in the East. East bloc citizens seized upon the Helsinki provisions as a program for human rights advocacy.

Five Soviet Helsinki monitoring groups were established in Moscow, Ukraine, Lithuania, Georgia, and Armenia as were similarly inspired organizations such as Charter '77 in Czechoslovakia and the Workers' Defense Committee [KOR] in Poland. It was the repressive regime's response to these monitors, who had openly appealed to all Helsinki signatory governments and world public opinion for support, that finally stirred the West into action. Despite continued repression, Helsinki monitors in the Soviet Union and Eastern Europe persevere in their perilous and selfless work to this day.

In eloquent gestures of solidarity, arrested Soviet human rights activities have symbolically joined Helsinki monitoring groups from their places of confinement in labor camps or jails. Less than 1 week ago, Charter '77 issued a statement in commemoration of the 10th anniversary. It is a statement of hope, of urging not to give up and of reaffirmation of the ideals of the Final Act. For these courageous men and women, the Helsinki process remains a source of inspiration and of hope. It is also a lifeline, however thin a thread. It is not for us to sever that thread.

Mr. Speaker, 10 short years ago, the Helsinki Final Act helped to usher in a new era in international relations based on the precept that a states' humane treatment of its citizens is as significant as respect for a neighbors' frontiers or willingness to settle disputes peacefully. Because of Helsinki, Western governments now take it for granted that it is their right and responsiblity to speak out when human rights violations occur in another participating state.

At this moment Secretary of State Shultz accompanied by representatives of the Commission on Security and Cooperation in Europe meets with representatives of the other signatory nations to commemorate the 10th anniversary. It is a solemn moment, a time for reckoning for coming to terms with our hopes and with our expectations. The foundation of the Helsinki process was painstakingly built in Geneva. It has developed slowly and has suffered setbacks. Frustration is great and justified. But we should not lose sight of our ultimate aim, perhaps put most eloquently by physicist Yuri Orlov, founder of the Moscow Helsinki Group and a prisoner of conscience since 1977: "By our efforts, we increase the probability that in the end we shall be successful."

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Mr. Speaker, I am very pleased to yield to my distinguished colleague from the State of Texas [Mr. BUSTAMANTE].

Mr. BUSTAMANTE. Mr. Speaker, I thank my friend, the gentleman from Maryland, for yielding.

Mr. Speaker, I want to thank the members of the Helsinki Commission for organizing this special order on occasion of the 10th anniversary of the signing of the Helsinki Final Act.

After 10 years the Soviet and Eastern bloc records of compliance to many of the provisions of the Helsinki accords is dismal. The Soviet Union not only violated the Helsinki accords but also the U.N. Charter when it invaded Afghanistan, and it still violates these international conventions every day of its occupation of that country. The Soviet Union's record on human rights is no more encouraging. One needs just to look at the present situation of the intellectuals who formed the unofficial Helsinki group in Moscow to monitor Soviet human rights compliance. These intellectuals who took their government's signature unto the accords as a change in human rights policy, were sorely disappointed. The group was brutally disbanded, with many of its principals like Antoly Shcharansky, Yuri Orlov imprisoned in very harsh conditions, or sent in exile like Andrei Sakharov. The Soviets have meted out such harsh treatment to these dissidents, that they have changed the West's focus from human rights issues to concern about the lives and health of these human rights advocates.

Mr. Speaker, I want to turn my attention for a moment to the plight of Soviet Jewry. I concentrate on Soviet Jews for they form one of the largest Jewish communities in the world, and because they suffer badly from the neglect, nonobservance, and outright violation of their rights and freedoms, both as individuals and as a community.

While one of the basic rights guaranteed under the Helsinki accords is the right to leave and to facilitate family reunification, the Soviets have hampered emigration. This is demonstrated by the existence of thousands of refuseniks and the continuing drop in emigration. Not only do the Soviets block emigration but they engage in a concerted campaign of harassment of applicants for family reunion. Applicants lose their jobs and cannot find any work leading to impoverishment and the threat of a charge of parasitism. They are thrown out of universities and are deprived of academic standing. The government further isolates them by vilifying them in the media, by taking away their telephones, by constantly surveilling them, and through physical attacks on them.

The persecution does not end here. Jewish "activists", or more correctly, Jews who actively demand recognition of their rights to emigration, to pursue their culture and, to study the Hebrew language are subject to arrests, trials, and prison and labor camp sentences. Many are victims of brutal beatings.

Mr. Speaker, the state of affairs of these Jews has moved me to request from Mr. Gorbachev that such inhumane actions cease. I particularly conveyed my concern over the beatings of Yuli Edelshtein and Yosif Berenshtein and the recent conviction of Evegeny Aisenberg and the trial of Dan Shapira. With such a record before us, we may be led to ask what was the use of the Helsinki accords? It certainly did not change the functioning of the Soviet dictatorship. On the other hand, it has helped establish human rights as a legitimate issue of international concern.

Mr. Speaker, our Government should continue its efforts on behalf of Soviet Jews. To that effect, we should require the Soviets to comply with universally recognized human rights before we give them concessions on bilateral relations. When coupled with economic, or other incentives, the Helsinki Final Act will then achieve its role as an instrument for promoting human rights.

Mr. Speaker, I again thank my friend from Maryland for yielding. I wanted to express our concern and to join with the gentleman in this special order.

Mr. HOYER. I thank the gentleman from Texas for his eloquent statement, for his support not only on this special order, but on a daily basis for the cause of human rights both in this country and around the world.

● Mr. FASCELL. Mr. Speaker, August 1, 1985 will mark the 10th anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (CSCE), in Helsinki, Finland. At that time the heads of state of 33 European nations, the United States and Canada affixed their signatures to a unique document which obligated its signatories to implement a series of complementary provisions in many fields, including cooperation in the humanitarian, military-security, economic, scientific and cultural areas. This week the Foreign Ministers of the 35 signatory states are again gathered in Helsinki to commemorate the 10th anniversary of the process initiated in Helsinki and to give their assessment of the accomplishments and failures of this endeavor.

The 10 years of experience we have had with this important process, the CSCE or Helsinki process as it is called, has yielded mixed results. Unique among diplomatic documents in Europe, the Final Act established an on-going review mechanism to periodically review the implementation of its provisions. The first of these review conferences was held in Belgrade, Yugoslavia, from 1977-78, the second in Madrid, Spain, from 1980-83 and the third will take place in Vienna, Austria, beginning in October, 1986. During these conferences, the full record of implementation failures and successes were reviewed and new measures adopted.

Despite initial, unsuccessful attempts by the Soviet Union and its allies to block discussion of human rights violations in their countries, the result of the Belgrade and Madrid review conferences and the recent human rights experts meeting in Ottawa, Canada, was to establish human rights as a legitimate issue of international concern and discussion. Through the CSCE process, it has now been firmly established that criticism of the manner in which a state treats its own citizens can no longer be dismissed as interference in internal affairs but is of interest to all states. In short, the CSCE process has helped to inject a needed degree of accountability into the diplomatic treatment of human rights issues.

The Helsinki process has provided a necessary support for the aspirations of the people of the Warsaw Pact countries. Shortly after its adoption, the Final Act was published in full throughout the Soviet bloc and unexpectedly gave rise to the spontaneous formation of citizen groups in several countries interested in monitoring and encouraging their government's compliance with the Final Act. Despite repeated repression and harassment, these groups have continued to function, particularly in Czechoslovakia and Poland, and to provide useful information on the human rights situation in their countries.

Another important positive accomplishment of the CSCE process has been the political dialogue which has been established among the 35 signatory states on a wide variety of issues ranging from confidence-building measures to scientific and cultural development in the Mediterranean area. As part of the CSCE process, discussion is now underway in Stockholm, Sweden, on the development of concrete, militarily significant confidence and security-building measures designed to increase military security and reduce the outbreak of conventional war in Europe by miscalculation. In other areas of the Final Act, we can look forward to a high-level cultural forum in Budapest this October bringing together important cultural figures as well as diplomats from all signatory states as well as to an Experts Meeting on Human Contracts next year in Bern, Switzerland, to seek ways to improve family reunification.

Unfortunately, the status of the Helsinki process on its 10th anniversary is not as rosy as the brief analysis I have just made would indicate. Undermining and endangering all the positive accomplishments of the Helsinki Final Act has been the repeated failure of the Soviet Union and several of its allies to abide by its obligations undertaken when it signed the Helsinki Accords. Most glaring has been their lack of implementation, in fact outright violation, of the human rights and humanitarian provisions of that document. Thousands have been arrested and imprisoned since the signing of the Final Act, most for simply desiring to exercise their rights and freedoms guaranteed in the Final Act itself. While the Helsinki process has added an important element of accountability into diplomatic discourse on human rights, it unfortunately has been powerless to induce the offending countries to improve their repressive practices.

We can criticize all we like, but if these criticisms and suggestions go unheeded over time, many will begin to question the utility and efficacy of the entire process. To be sure, there have been intermittent improvements in certain East European countries, usually on the eve of an important CSCE forum, but overall the record of implementation, particularly in the human rights area, has not been good. Emigration from the Soviet Union has slowed to a trickle, dissent has been brutally suppressed and the hopes of millions in Eastern Europe, awakened in 1975 by the promise of the Helsinki Final Act, have been disappointed.

The dismal record of the Soviet Union has not been confined to the human rights area. The invasion and occupation of Afghanistan marked a violation of the very heart of the Final Act's basic principles that signatory states should refrain from the threat or use of force and respect one another's national sovereignty and territorial integrity. The imposition of martial law in Poland in 1980 and all the subsequent repression there is another vivid reminder of the failures of the CSCE process. It is instructive, in this regard, to note the hyprocrisy of the Soviet Union, which has, with much fanfare at the Stockholm CDE Conference, been pushing for a Treaty on the Non-Use of Force, a pledge already contained in the Helsinki Final Act and which the Soviet Union is violating daily in Afghanistan.

The 10th anniversary of the signing of the Helsinki Final Act provides us with a valuable opportunity to reaffirm our commitment to the Helsinki process, and particularly to its human rights and humanitarian provisions. The East-West dialog initiated in Helsinki 10 years ago and the process of review and accountability which has been gradually established have proven to be valuable assets. The Helsinki process has provided a beacon of hope to the peoples of Eastern Europe and has even helped to marginally improve their lives by enhancing somewhat the free East-West flow of people, information and ideas.

We cannot ask too much of the Helsinki process, since it is unrealistic to expect that in a mere 10 years the repressive nature of Soviet society would fundamentally change. What we sought when we signed the Final Act in 1975 were incremental changes and improvements as well as an established instrument for calling attention to the need for continued compliance. This we have largely achieved. It cannot be ignored, however, that continued Soviet repression of any form of dissent and its policy in Afghanistan have endangered the real achievments of the Helsinki process and undermined its credibility. Unless these outright violations of the spirit and the letter of Helsinki cease, the Helsinki Final Act will ultimately fall short of its primary goal of building real trust, security and cooperation among the peoples of the 35 signatory states.●

● Mr. MAVROULES. Mr. Speaker, Thursday, August 1, 1985, marks a milestone in East-West relations. It is the 10th anniversary of the Final Act of the Conference on Security and Cooperation in Europe, held in Helsinki, Finland to promote world peace, the free exercise of human rignts, and better understanding and cooperation between East and West.

In the years which followed the signing of the Helsinki Accords, some gains were realized. For example, the Soviet Union allowed increased emigration of national minorities and improved conditions for foreign journalists; there has been greater openness about military activities, including the voluntary exchange of observers at military exercises; and scientific and economic activity between East and West increased. However, this progress fell far short of the high standards set at Helsinki.

As of late, Soviet action in human rights has been deplorable. A glaring example of this is the emigration of Soviet Jews to the West. In the years following Helsinki, 1975-79, 124,402 persons were granted exit visas. However, in the last 5 years, only 35,816 have been allowed to emigrate. This shows a blatant disregard for the long term goals of the accords. We must continue to pressure the Soviets into conformation with the goals of the Pact through continued spotlighting of human rights violations in the eyes of world opinion. The Helsinki accords are the best forum to keep this pressure on the Soviet Government to improve conditions for national minorities. Perhaps if such a forum was available in the 1930's, atrocities such as the Holocaust or the bloody purges of Stalin may not have taken place.

At the present time, we are engaged in the first significant arms control talks of this decade with the Soviets in Geneva. This type of continuing dialog is the best avenue available to achieve world peace and stability. On this historic occasion, let us revive the spirit of Helsinki and call on the negotiators in Geneva to end the arms race—a race which has no winners. And, let us make the second decade after Helsinki a decade of achievement.●

● Mr. OBERSTAR. Mr. Speaker, I rise to commemorate the 10th anniversary of the signing of the Final Act of the Helsinki accords.

This anniversary provides an opportunity to reflect back on what could have been a turning point in relations between East and West. The signing of these accords sparked a strong hope that a better understanding and sense of cooperation would be established and that a mutual commitment to the advancement of human rights would be recognized.

Today's anniversary should be the celebration of a decade of accomplishment toward greater respect for human freedom and fundamental rights.

But, Mr. Speaker, today is not a day to celebrate accomplishments, for there have been precious few. Sadly, today is a day of regret and disappointment. Regret that the Soviet Union has not been held accountable for the fundamental disregard for human rights it has displayed, and disappointment that an agreement which once held so much promise has not been fulfilled.

The Soviet Union's human rights record has, in fact, deteriorated since the Helsinki accords were signed. Events including the 1979 invasion of Afghanistan, increased pressure on Poland, and the 1983 shooting down of an unarmed Korean jetliner evidence the gross betrayal of the intent of the accords by the Soviets.

Emigration of Soviet Jews has also dwindled from 51,000 in 1979 to just 900 last year. This significant decline is not because less people wish to leave the U.S.S.R. Indeed, sources indicate that more people than ever before have expressed a desire to emigrate. Increased harassment, loss of jobs, censorship of mail and phone calls, and even imprisonment generally succeed in suppressing attempts to emigrate.

The Kremlin obviously has its own opinion of minimal standards of human rights, but the Congress of the United States and the citizens of the free world must not accept their definition. As Members of the greatest democratic body in the world, we must

reaffirm our commitment to the goals set forth in the Final Act, and we must reaffirm our commitment to pressuring the Soviet Government to do the same.

The 10th anniversary of the Final Act of the Helsinki accords must serve as a reminder that we must constantly be vigilant about human rights in order to ensure their promotion and protection. The next 10 years must be a decade of challenge, change, and progress as we work to share with oppressed peoples throughout the world the freedom we in this country so abundantly enjoy.●

● Mr. GILMAN. Mr. Speaker, I would like to commend the gentleman from Maryland [Mr. HOYER] who, as the distinguished vice-chairman of the Commission on Security and Cooperation in Europe [CSCE], referred to as the Helsinki Commission, has made available this time to us today in order to enable us to expound upon the 10th anniversary of the signing of the Helsinki Final Act. It is an important commemoration which we discuss today, and one which I welcome.

Prior to the meeting of the 35 nations in Helsinki in August, 1975, there were several years of intense negotiations regarding the many provisions of the Helsinki document. In its final form, it contains three baskets, or sections. The first basket focuses on security matters, although principle No. 7 deals with human rights in general. The second basket deals with economics, while the third basket discusses human rights provisions, among them, family reunification. I was pleased to cosponsor House Joint Resolution 361, a companion bill to Senate Joint Resolution 180 which commemorates the 10th anniversary of the signing of the Helsinki accords, and which was the topic of House consideration earlier today. In conjunction with that measure, I was pleased to join the gentlelady from Connecticut [Mrs. KENNELLY], in introducing a concurrent resolution today which focuses more distinctly on principle No. 7 of basket one to which I just referred. Principle No. 7 is 1 of 10 guiding principles in the Final Act, and asserts respect for human rights and fundamental freedoms, including the freedom of thoughts, conscience, religion or belief. It is highly appropriate that we focus attention on this aspect of the accords, and in reviewing the 18th Semiannual Report by the President to the CSCE, we find that, "The Soviet Union has continued to violate both the letter and spirit of principles guiding relations between states as set forth in the Helsinki Final Act."

Having turned back the pages of time to review remarks made by the late Soviet leader Leonid Brezhnev at the time of the signing of the Helsinki accords, I find it especially interesting that he stated, "We assume that all countries represehted at the conference will implement the understandings reached. As regards the Soviet Union, it will act precisely in this manner." President Gerald Ford, in his address at the signing, accurately conveyed the observation that participating nations at the Helsinki meeting will be judged "not by the promises we make, but by the promises we keep."

Following the historic signing ceremony, Helsinki Watch Monitoring Groups were formed across the Soviet Union. Their aim was to closely follow the actions of Soviet authorities in their implementation of the principles in the three baskets. Congress also acted, by forming the Helsinki Commission—the Commission on Security and Cooperation in Europe—in 1976. Since its inception until this past year, the Commission was ably and respectively chaired by our colleague, the gentleman from Florida and the distinguished chairman of the Foreign Affairs Committee, DANTE FASCELL. His tenure has been a guiding light for the Congress and for the administration in following actions taken by nations signatory to this agreement. The Commission's work this year is being ably directed by the junior Senator from New York [Mr. D'AMATO] and the gentleman from Maryland, [Mr. HOYER.]

In the decade that has followed, we have witnessed the unprecedented abridgement of human rights in the Soviet Union and elsewhere, as evidenced by the almost complete dissolution of the aforementioned human rights monitoring groups. Of the many courageous men and women who participated over the years, most have been sent to labor camps, imprisoned, incarcerated in pyschiatric hospitals, or exiled. Only a few remain untouched by the heavy hand of Soviet repression.

Soviet Jewish emigration, which peaked at 51,000 in 1979, has dropped to less than 900 emigrees in 1984. Arrests of Soviet Jewish Hebrew teachers and activists has increased dramatically, and the expected number of Prisoners of Conscience hovers over 30. Then number of men, women, and children who have been denied permission to emigrate, or the ability to rejoin their families in Israel has soared each year, in direct contravention to the Accord and its principles which are our topic of discussion today. Discrimination is not limited to Soviet Jews—there are hundreds of Pentacostals who have been arrested and harassed for the simple desire of wanting to practice their religion freely and openly. And the case of little Kaisa Randpere, a 1-year-old Estonian girl who should be allowed to be raised by her loving parents in Sweden, all cry out for true and proper implementation of the Helsinki Final Act.

Mr. Speaker, the first Helsinki 10 years have shown us that continued vigilance on our part is a necessity. As a member of the Post Office and Civil Service Committee, I have been closely involved with an ongoing investigation into the interruption and tampering of mail going into and out of the Soviet Union. Individuals whose cases we are now investigating include the eminent scientist and Nobel Peace Prize winner, Dr. Andrei Sakharov. But there are thousands more men and women who suffer this insidicus practice at the hands of unnamed Soviet officials.

We in the West cannot stand idly by as they are arrested for no real reason, harassed and beaten, their homes searched, personal items confiscated, and then sentenced to prison, labor camps or internal exile. These practices are not within the letter or spirit of the Helsinki Final Act. The people of the United States will not abide such blatant cruelty.

As we commemorate the signing of the document which gives us the inherent right to strive for the freedom of all peoples, let us look forward to the next expert's meeting in Bern, Switzerland in February 1986, with the goal that our renewed efforts will hopefully have improved the situation for all men and women, whose only remaining hope depends on what is embodied in the Helsinki Final Act.●

● Mr. WORTLEY. Mr. Speaker, today we honor an agreement and a process that has had mixed success but has still succeeded in being an important means of working for human rights in the Soviet Union and other East bloc countries.

The Soviet Union has a convenient policy of abiding by international agreements as long as it is in its self-interest to do so. This is a natural policy of all governments, but in free societies, pressure is brought to bear on governments by their populations or other governments to abide by agreements even if they would rather not.

Unfortunately, the Soviet Union has been singularly free of significant pressure to abide by its commitments.

When the Soviet Union signed the Final Act in 1975, it agreed to refrain from the threat or use of force against other nations. It invaded Afghanistan in 1979.

It agreed to take effective measures against terrorism and prevent territories from being used for terrorist activities. The Soviet Union has several terrorist training camps on its territory.

The Soviet Union has agreed to assure constant, tangible progress in the exercise of human rights. It has reduced Jewish emigration from a high of 51,000 in 1979 to 896 in 1984, and Helsinki monitors, members of an

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unofficial peace group and unregistered religious groups, and Jewish cultural activities have all been victims of increased human rights violations.

The Soviet Union agreed to ensure individual freedom to practice and profess religion and consult with religious organizations. It is quite obvious that this freedom is violated regularly, especially for Jews.

Mr. Speaker, the Soviet Union has an atrocious record over the past several years, but it is not the Final Act that is at fault. It is the Soviet Union's failure.

And perhaps the free world has not done enough to try to enforce the agreement. We write letters, we protest verbally, but what cohesive, concrete action have we taken? None.

If a country can violate an agreement without fear of reprisal, what incentive is there for it to do othewise?

Perhaps on the occasion of the 10th anniversary of the Final Act of the Helsinki accord, we should begin to seriously consider what recourse signatories to that act have when it is violated on a consistent and systematic basis.●

● Mr. **PORTER**. Mr. Speaker, I am pleased to participate in today's special order commemorating the 10th anniversary of the signing of the Helsinki Final Act. As founder and cochairman of the Congressional Human Right Caucus, I know that many of my colleagues share my commitment to the standards for respect for human rights expressed in the Final Act.

As a Helsinki Commissioner I had the opportunity to go to Ottawa last May and participate in the Human Rights Expert Meeting regarding compliance with those provisions of the Final Act.

Our delegation, under the leadership of Chairman Senator ALFONSE D'AMATO and Cochairman Congressman STENY HOYER, met with the Soviet delegation. As my colleagues can imagine, the Soviets were not eager to discuss our concerns regarding their failure to comply with the human rights provisions of the accords.

As we attempted to raise our concern over the treatment of Andrei Sakharov, Anatoly Shcharansky and Dr. Yuri Orlov, the Soviets insisted upon talking about our country's treatment of American Indians and our problem with unemployment.

Yet despite the Soviet delegation's unwillingness to admit to their failure to meet the standards of the Helsinki Final Act, I believe that it is of primary importance that we continue to uphold these standards. It is necessary to view the Helsinki Final Act as a symbol for the struggle for human rights for individuals in the Soviet Union and its satellites. We must remind ourselves that for the oppressed peoples of the world the U.S. commitment to human rights, particularly those specified in the Helsinki Final Act, adds greatly to their individual struggle. For the most part, the Helsinki Final Act has helped to establish human rights as a legitimate issue of international concern and discussion.

The case for upholding the standards of human rights outlined in the Helsinki accords cannot be overstated. We must view these documents in the important role they played in activating human rights efforts throughout the Soviet Union and Eastern Europe.

Today in my office I met with Alexander Lyakov who is currently on a hunger strike in solidarity with friends stuck in the Soviet Union. His friends, Lyudmila Nemtseva and Dmitry Marchenko, have begun an open-ended hunger strike out of their frustration regarding the Soviet Government's policy to refuse them permission to emigrate. Although I do not support their plan to fast till death, I understand and sympathize with their serious situation. Unfortunately, their story is one repeated by thousands of other Soviet citizens who have been denied permission to emigrate.

And the story of persecution and harassment is repeated throughout Eastern Europe. In Poland the authorities have clamped down on the labor movement by outlawing Solidarity. In Czechoslovakia members of Charter 77, the Helsinki Monitoring Group, including Rudolf Battek, have been imprisoned. In Romania the Christian community has been subjected to great persecution, including the mistreatment of religious leaders and the desecration of churches. And in Bulgaria there have been numerous reports of persecution of the Turkish minority.

In signing the Helsinki Accords, the U.S. and the other signators, committed themselves to periodic meetings to review compliance with these standards. We must use these accords, and all other available opportunities, to discuss with the Soviet Government our abhorrence of their treatment of human rights activists, religious believers and ethnic minorities.

I believe that the only way we will ever see progress in respect for human rights in the Soviet Union is by continuing to trumpet our concerns in this area, at every available opportunity, including the Arms negotiations in Geneva. In the past the United States has been far too willing, in my judgment, to sign agreements with the U.S.S.R. without obtaining firm commitments from them on issues of great importance to U.S. citizens. Our country has much to offer to the Soviets, including technology and grain, and I am afraid that we will give away the store without obtaining a commitment from them regarding issues of primary importance to our Nation. In the past, I have contacted President Reagan to express my sentiment that human rights must be on the agenda whenever we talk with the Soviets.

At times our most valuable tool in working on the cause of human rights is public relations—and the Soviets should never be allowed to escape from the painful exposure of public opinion. The media must recognize the value their scrutiny on this issue can bring to bear on the Soviet leadership.

The motto for U.S. representatives negotiating with the U.S.S.R. must at all times prioritize respect for human rights. The 10th anniversary provides us with an excellent opportunity to reaffirm our commitment to the human rights standards embodied in the Helsinki Final Act, and to maintain our solidarity with the oppressed peoples caught behind the Iron Curtain. I urge my colleagues to join me in supporting the Helsinki accords, and to use their voices to encourage greater compliance by the U.S.S.R. and its satellites.●

● Mr. **AuCOIN**. Mr. Speaker, I'd like to commend the sponsors of this important special order.

Today we commemorate the 10th anniversary of the Final Act of the Conference on Security and Cooperation in Europe, more commonly known as the Helsinki accords.

Signed on August 1, 1975, the accords were hailed as a breakthrough in East-West relations. Nearly every European Nation, the United States and Canada joined in support of the Helsinki Final Act which sets forth principles including respect for sovereignty, inviolability of frontiers, nonuse of force, and respect for human rights. The accords also call for cooperation in science, technology, economic issues, and the environment.

Also spelled out in the accords are standards for freedom of movement of people and information, family reunification, and educational and cultural exchanges.

Considering that there is no authority to enforce compliance, the Helsinki accords have been successful in helping to persuade nations to alter certain restrictive policies.

However, there is one area where the accords have clearly failed. Soviet compliance with the accords, particularly improvement of human rights and emigration, has been far less than we had hoped. One issue in particular is useful as a yardstick for measuring Soviet progress—emigration of Soviet Jews. From a high of 50,000 in 1979, the number of Soviet Jews allowed to leave the U.S.S.R. last year plummeted to a mere 900. There are alarming signs that official harassment and persecution of Jews in the Soviet Union is on the upswing.

In addition, informal groups, such as the "Moscow Group" led by Uri Oolov, Andrei Sakharov, and Anatoly Shcharansky, that have developed to monitor compliance with the Helsinki Act have been systematically disbanded by the Soviet Government.

While celebrating the 10th anniversary of the Helsinki accords, we must remember how much progress is yet to be made.●

● Mr. **MARKEY**. Mr. Speaker, on May 1, 1975, the leaders of 35 nations signed the Helsinki Final Act. Today, we mark the 10th anniversary of this unprecedented commitment on the part of 33 European countries, the United States, and Canada to respect for the human rights of their citizens, particularly for freedom of thought, conscience, religion, and belief.

Ten years later we cannot yet celebrate this anniversary in triumph. Throughout the Eastern Bloc repression has remained a constant. But even in the face of continuing oppression, the commitments made at Helsinki have inspired hope among many who are working for change. In January 1977, as a direct result of the Helsinki Final Act, 241 Czechoslovakian citizens, in signing a manifesto called Charter '77, openly demonstrated their belief that responsibility and maintenance of civil rights was the concern of individuals as much as governments.

Over the past 8½ years, spokespersons for Charter '77 and reports from the parallel, though complimentary, Committee for the Defense of the Unjustly Persecuted [VONS] founded in Czechoslovakia in 1978 have issued a constant flow of reports and updates on human rights abuses and conditions in their country. The signatories and spokespersons for these monitoring groups have borne the brunt of their Government's repressive might.

Commitment to human rights within Czechoslovakia is not a comfortable or easy position. Spokespersons and signatories to Charter '77, now numbering over 1,200 individuals risk their personal well-being, as well as the future of their children. In speaking out, Charter '77 signatories knowingly expose themselves to possible arrest, detention, interrogation, and intrusive surveillance; their children have often been denied access to the nation's educational system. Ten of the twenty-four individuals who have served in the role of spokesperson have served time in jail.

In celebrating the eighth anniversary of Charter '77, the Charter's spokespersons issued some wise observations from which we can well be instructed as we consider our continued commitment to the Helsinki process on this 10th anniversary. No one gains anything or changes anything for the better, they point out, simply by signing a document. Yet, by signing a commitment to respect for human freedoms, we can bear witness to our ideals. By focusing attention on injustice, we try to make it possible to speak the truth, and we accept public responsibility for trying to make our vision a reality. Like Charter '77, the Helsinki Final Act is not meant to be a one-time purely symbolic gesture, but rather the beginning of work which must continue.

Within Czechoslovakia, the signatories of Charter '77 have summoned great courage acting as a model of active commitment to the ideals of Helsinki. May we succeed as well as they in directing the world's attention to human rights, in struggling to create an environment where it is possible to speak the truth, and in awakening hope among those who are oppressed.●

● Mr. **GARCIA**. Mr. Speaker, this week marks the 10th anniversary of the Final Act of the Conference on Security and Cooperation in Europe [CSCE], more commonly known as the Helsinki accords.

Public perception of the Helsinki accords has been based primarily on the human rights provision of the act. But they are much more than that. In the words of Charlotte Saikowski of the Christian Science Monitor, they are:

> A carefully balanced package of principles designed to provide a framework for cooperation (East-West) in many areas, including military, security, trade, science, technology, environment, culture, and education.

I would like to share with my colleagues, however, excerpts from a report, published in November 1984, of the North Atlantic Assembly's Committee on Civilian Affairs that deals with the humanitarian provisions of the Helsinki accords. The report, entitled "The Implementation of the Humanitarian Commitments Entered into at the CSCE," was prepared by Mr. Frans Vangronsveld, a member of the Belgian Senate, who is also the Rapporteur of the Civilian Affairs Committee's Subcommittee on the Free Flow of Information and People.

I believe Mr. Vangronsveld's report offers a comprehensive assessment of the overall lack of commitment to the act by Eastern bloc nations. As chairman of the Assembly's Civilian Affairs Committee, I am proud to associate myself with Mr. Vangronsveld's report, as well as with all the work done by the Committee and the entire Assembly. The Assembly, under the auspices of the Subcommittee on the Free Flow of Information and People, also puts out a quarterly publication, the Bulletin, which reports on violations of the humanitarian provisions of the Helsinki accords.

I can make available for my colleagues copies of the Bulletin and Mr. Vangronsveld's report:

SUMMARY

I. IMPLEMENTATION OF THE HUMAN RIGHTS COMMITMENTS ENTERED INTO AT THE CSCE

The Rapporteur sets out from the following observation: the signatories of the Helsinki Final Act and its follow-up do not all show the same commitment to implementing their human rights undertakings. The so-called "socialist" countries are in many cases determined not to implement them. The draft report draws up a picture, for each type of undertaking, of the violations of the Final Act. It notes that the picture is varied. Certain countries, like Hungary, have progressed, while others decline to move forward at all. Some areas—like religious freedom—seem more susceptible to change, while in others—such as freedom of association—there seems to be little likelihood of the situation improving.

To induce the signatory states to keep their promises, the draft report proposes that Western diplomacy be "conditionalised", so as to avoid the drawbacks of "linkage". In order to do this, each of the Alliance countries should be encouraged to adopt a different approach, as the various Alliance countries maintain relations of differing degrees with each of the communist countries. Care should be taken to avoid these countries reacting as a bloc, and this calls for coordinated but diversified diplomacy.

Public means represent a vital supplement to diplomacy, especially in a field which affects relations between peoples. The draft report calls for a separation between such activity and the diplomatic approach, with states resorting to public means only in the event of failure of diplomatic channels, and the rest being left to private initiative and international communication by means of orders and documents.

I. IMPLEMENTATION OF THE HUMANITARIAN COMMITMENTS ENTERED INTO AT THE CSCE

1. By the time the Madrid Conference closed some progress had been made in the field of human rights, particularly in the areas of the press and trades union rights. Since the signing of the Helsinki Final Act, however, there have been constant violations of the human rights commitments contrived therein. One is entitled to wonder what point there is in progress on paper while the actual situation has not improved.

2. The CSCE process has reached a crucial juncture. If no real progress is made in the field of human rights, the forthcoming meetings of the Conference will lose all credibility, since the Western signatories will know in advance that the commitments given by the Eastern bloc will have no practical value. This would not only tend to make our diplomacy look ineffective, but would increase cynicism both on the part of the Eastern bloc countries and even more so on the part of public opinion in the West, for which the natural tendency would be to look on these developments as an abstract game of concern to governments for reasons that have very little to do with human solidarity. It is therefore our Sub-Committee's task to see what means would be likely to bring about fuller and more balanced application of the commitments entered into the course of the CSCE process. In order to do this, we must first take stock of the extent to which these commitments have been violated, then examine the paths, both public and diplomatic, which would make it possible to bring pressure to bear on the signatories who appear to attach scant importance to honouring their promises—or indeed

appear to be determined not to honour them.

a. Extent of the violations of the Helsinki commitments

3. This is not the place to detail the multiple violations of the human rights provisions of the Helsinki Final Act (Principle VII and Basket III in particular). We must settle for a brief survey of recent developments, attempting to pick out the most significant features. The Bulletin published by the International Secretariat for our Sub-Committee constitutes a sad catalogue of these multiple violations. Ninety to ninety-five per cent of them were perpetrated by governments of the Eastern bloc.

4. However if we look more closely at the events of recent years we can detect a real disparity first of all between the conditions prevailing in the various countries of the Eastern bloc, and secondly between each of these countries' and the Soviet Union. These differences serve to define the subtly shaded framework within which our countries' policies should be shaped, if they are to be realistic and effective. Actual conditions and pressures differ noticeably from one country to another, resulting in some unevenness in the degree of application of the various types of Helsinki commitment.

(g) Encourage changes

66. The Helsinki process, continued in Belgrade and later in Madrid, represented an attempt to "Europeanise" human rights questions, giving each of the signatories a right to voice their views on the matters mentioned in the Final Act, and its follow-up, even in connection with affairs internal to another state. In other words, the principle of non-interference is retained, but it cannot be invoked by a signatory to the Act to stop its partners intervening in connection with specific instances on questions dealt with in the Act. Thus there is no longer any principle of non-intervention in Europe (Albania excepted). This is why it is indispensible for the governments of the Alliance to seize every opportunity to show their concern over the violations of the human rights provisions of the Final Act. Depending on the case, this should be done discreetly by diplomatic methods, or else publicly. But it should never be forgotten that this is the major achievement of the CSCE process.

67. This opportunity opened up by the Final Act and its follow-up is rendered even more effective by the fact that societies of the Eastern countries differ widely from one another. The survey given above shows that there are now large discrepancies in governmental behaviour between countries of the Warsaw Pact, and, even more importantly, between the societies living under the "communist" regime. This variety is even more striking if one considers not only the human rights aspects of the internal situation of these countries, but on a more global level the societies taken as a whole. Their economic systems, their types of political organisation and the power of the Communist parties, for example, also vary substantially from one country to another.

68. The CSCE process cannot claim any responsibility for this diversity, but, if it is used consistently, it indubitably represents a factor making for fluidity in relations between European States. Anything that can help to transform the societies dominated by the Communist States by moving them towards greater diversity must help to make the "bloc" a less monolithic unit grouping and therefore less a bloc than an alliance. It is obviously up to the citizens of these countries themselves to consolidate these changes, but Western nations must not and cannot stand idly by. Any movement in this direction represents an advance for European peace.

69. More formal consideration should however be given to the means which might make it possible to force the signatories of the Act to register some progress towards honouring their commitments. In this respect, the first principle must be precision. The Soviets and their satellites always prefer vague and "universally" applicable formulas to precise and concrete commitments. There is nothing surprising in this. The totalitarian regimes' "Newspeak" let them interpret general principles their own way: notions which for us have a precise meaning are so distorted as to become completely malleable, serving to say anything one likes and its precise opposite. This is why the constitutions of the Communist countries detail rights which are often non-existent in practice.

70. The prime objective for the free nations must therefore be to secure commitments from the leaders of the Eastern bloc countries and the USSR that are as precise and as verifiable as possible. The objective must be a situation in which compliance with the commitments can be monitored in a manner that leaves no room for doubt. In this respect, some progress was made in Madrid. The fact, for example, that replies to requests for visas for potential emigrants must now be given within six months (and no longer "within a reasonable time") represents a veritable commitment.. In the same way the provisions relating to press correspondents will make it possible to arrive at an incontrovertible verdict on the extent to which the Madrid provisions are being faithfully applied. This must be the path taken by the forthcoming follow-up conferences on human rights. It is quite obvious today that global promises have no practical value. However we should not delude ourselves: the further the countries of the Alliance proceeds along this path, the more difficult it will be to reach agreements. The Soviets and their allies will take shelter behind a restrictive interpretation of the principle of non-interference, although they themselves completely ignore this principle in waging their constant ideological war against the West.

71. If paralysis is to be avoided, the approach to these negotiations must be one that avoids confrontation between our Alliance and the Eastern bloc. We should make due allowance for the fact that the influence which the Alliance and each one of the countries of the Alliance can exert on each of the countries of the bloc varies considerably. Our influence on Soviet society is minimal, but this is not the case for all the societies of the satellite countries, with which we have economic and human relations that offer us broader scope for action. On the other hand the nations of the Alliance have more or less developed relations with the East, and any human rights policy must take account of the partners' capacity for influence. Policies that are too universal can be dangerous inasmuch as they run the risk of strengthening the solidarity between the leaders of the "brother countries", whereas the aim should be to weaken this solidarity. To make progress along this path, your Rapporteur suggests consideration, in turn, of diplomatic methods and public means.

CONCLUSION

90. Your Rapporteur would like to add that in his opinion parliamentarians from the member countries of the Alliance should be involved in the negotiations for the follow-up to the Final Act, following the United States practice, in order to make the public more familiar with these matters, which concern not only the States, but the citizens too. National delegations to the forthcoming meetings should at the very least include parliamentary observers, or better still contain parliamentarians as members of the delegation. The North Atlantic Assembly should likewise be involved in the prior consultation procedures of the member countries of the Alliance. This would make for greater consistency in the stances adopted within each of our countries, and also between the countries themselves.

91. The purpose of this report is to think of ways of introducing human rights consideration into the framework of inter-state negotiations, in order to assure them of their rightful place. All too often, questions relating to the citizens themselves are looked on as external to the normal field for foreign policy: they are then used for informational purpose or even propaganda purposes, or else in illustration of political considerations.

92. It is your Rapporteur's view that morality must have an integral place in the international concerns of democratic states and societies. This is not a matter of lapsing into other worldliness, but of making our moral objectives an integral part of our diplomatic practice. Human rights are one of the objectives of the Atlantic Alliance's international action. To come close to this objective, our nations must shape their international policy within this framework. Moral pressure must be backed up by political pressure. This is the price of consistency between our countries' foreign policies and the principles they invoke.●

● Mr. WOLF. Mr. Speaker, I join my colleagues in celebrating the 10th anniversary of the Helsinki Final Act. The signing of the Final Act at the Conference on Security and Cooperation in Europe in 1975 set forth the principles which have helped establish human rights as a legitimate issue of international concern and discussion. The process which began in Helsinki has provided additional instruments for calling attention to human rights violations and for promoting human rights.

August 1 marks the 10th anniversary of the day the heads of 33 European countries, the United States, and Canada, signed the Final Act of the Conference on Security and Cooperation in Europe. This agreement obligated the signatories to work toward greater cooperation in the military, economic, scientific, cultural, educatonal and humanitarian spheres. On this day these countries also made a commitment to respect human rights and fundamental freedoms. These fundamental freedoms include a commitment to the principles of family reunification, family visits by national marriage and travel for personal and professional reasons.

I have referred to the provisions of the Helsinki Final Act on numerous occasions, in correspondence with Soviet officials regarding human rights cases of particular concern to my constituents. This agreement has provided a platform from which to express concerns about human rights abuses in the countries whose government institutions do not lend themselves to the consideration of these rights. I know that I will continue to refer to the Final Act as I express my continuing concern about individual cases, and international human rights, in general.

I share the commitment expressed by many of my colleagues today to the humanitarian principles embodied in the Helsinki Final Act and appreciate this opportunity to reconfirm this commitment.●

● Mrs. BOXER. I am pleased to be a part of this special order commemorating the 10th anniversary of the signing of the Helsinki Final Act.

I also want to commend my colleagues responsible for the special order. We must take advantage of every chance we have to speak out about human rights violations around the world. The gathering of foreign ministers from the 35 signatory states in Helsinki this week is an ideal opportunity to make our views known.

This occasion is particularly significant—not because of what has been done but—because of what has not been done. The flame of hope in the hearts of so many on August 1, 1975, kindled by some initial improvement in human rights situations in many Eastern European countries, began to dim after the Soviet invasion of Afghanistan and has all but gone out since.

The situation in the Soviet Union is particularly disturbing. We all know the statistics. The number of human rights violations has grown; the charges are more "trumped up"; the alleged crimes are more insignificant; the incidents of physical violence have increased; and the number of people being allowed to leave the Soviet Union has decreased.

Mr. Speaker, my colleagues and I have risen, time after time, to speak about the plight of particular individuals. We have expressed our concern over the treatment of men like Sakharov and Shcharansky. We have also publicly raised the hardships and mistreatment of lesser known individuals like Isai Goldshtein and Roald Zelichonok. Today, however, I believe we should focus our attention, not on individuals, but on the problem at hand—the current disregard for human rights of those countries who signed the Helsinki accords.

Many people are concerned about those violations. I would like to share with you something that is happening in my district tomorrow. The Bay Area Council for Soviet Jews and several of my constituents are staging a mock funeral to "bury" the Helsinki accords. The funeral will feature a traditional coffin, and there will be several speakers. Yuri Yarim Agaev, a former Helsinki monitor and an emigree from the Soviet Union, will deliver the eulogy. I believe that funeral more accurately reflects the current state of affairs than what is happening in Helsinki.

When I spoke to this body a couple of weeks ago about the plight of specific Soviet Jews, I mentioned the meeting between Secretary of State Shultz and Soviet Foreign Minister Shevardnadze to commemorate the signing of the Helsinki accords. At that time, I urged Mr. Shultz to insist that the Soviets comply with the provisions of the treaty that they are meeting publicly to commemorate. I am today repeating that request. What better time than the 10th anniversary of the signing of a document pledging a freer flow of information, ideas, and people between the East and West to ask the signatories to live up to the terms of the agreement. I, again, here on the floor of the U.S. House of Representatives, ask our Secretary of State to make known to the foreign ministers gathered in Helsinki that this country and its people expect them to live up to the provisions of the treaty that they are publicly meeting to commemorate.

Again, Mr. Speaker, I thank my colleagues for giving me this opportunity to speak out on this important and timely issue. And, again, Mr. Speaker, I publicly urge Mr. Shultz to be forceful in letting the world know that we stand firm in our belief in human rights and will not back down in our insistence that people everywhere be granted the basic freedoms that are the right of all.●

● Mr. WIRTH. Mr. Speaker, today we reflect on the accomplishments and the shortcomings of the Helsinki Final Act. Ten years after the signing of this important agreement, we need to make an honest appraisal of the act's contributions to the security and human rights situation in Europe.

Any appraisal must focus on basket I, the heart of the Final Act. Basket I contains what many regarded in 1975 as the Final Act's wellspring of hope—the Declaration of Principles Guiding Relations Among States. Principle 7 of the declaration enjoined signatories of the act to respect their citizens' human rights and fundamental freedoms, including the freedom of thought, conscience, religion, or belief. The fact that the Soviet Union and its Eastern European allies accepted this language provided a glimmer of hope for the long-suffering people in those countries.

Sadly, however, that glimmer was quickly snuffed out. The Soviet Union, Poland, Romania, Bulgaria, Czechoslovakia, and East Germany have buried human rights by orchestrating campaigns to terrorize those who demand the simple dignity of civil and political rights.

Symbolic of the Soviets' disdain for the Helsinki accords is its treatment of members of their Helsinki Monitoring Group. Yuri Lytvyn died in 1984 while serving a sentence of 10 years in a special-regimen labor camp. Vladimir Shelkov died in labor camp in 1980 at the age of 84. He was serving a 5-year sentence in a special-regimen labor camp. Yuri Orlov, the leader of the Moscow Helsinki Monitoring Group, may be the next to die. He is presently serving a 5-year term of exile in Yakutia, where he is harassed by local inhabitants and given food rations that are insufficient to sustain him through the region's harsh winters. The vast majority of other Soviet Helsinki Monitors are either imprisoned or in exile.

Human rights advocates in other Warsaw Pact countries have been met with similar persecution. And such horrendous treatment is by no means limited to human rights activists. Ordinary citizens of all races, backgounds, and occupations have been imprisoned and destroyed for their religious and political beliefs. Minority ethnic groups have been punished for their nonviolent practices and rituals which encourage cultural and ethnic differentiation.

The unwillingness of the Soviet Union and its European allies to adhere to the principles of Basket I is clear. In fact, the human rights situation in these countries has generally worsened since the Final Act was promulgated. Some argue that this deterioration justifies our renunciation of the Helsinki accords. They would also argue that the lack of progress in achieving solid confidence-building measures through the Stockholm Conference and related fora is another reason to abandon the Helsinki process.

Mr. Speaker, I disagree and join with my fellow commissioners of the CSCE in arguing just the opposite. It is unlikely that the human rights situations in the Soviet Union or Eastern Europe would have improved in the absence of the Helsinki agreements and efforts by the CSCE; perhaps these situations might have been worse without Helsinki. Moreover, meetings of the Helsinki signatories have provided—and will continue to provide—our country and the democracies of Europe with the opportunity to bring to the world's attention the grievous human rights abuses taking place in these countries. The Helsinki process has also had the salutary effect of speeding the process of family reunification for Eastern European victims of government repression.

Ultimately, the Helsinki process serves as the foundation for improved bilateral and multilateral relations in one of the world's most sensitive regions. Although the Helsinki process has not yet produced a comprehensive framework for securing the peace and protecting human rights in Europe, it has provided a meeting place for the superpowers and their European allies, a forum where tensions can be defused and modest improvements in relations can be made. In the nuclear age, such a forum is indeed valuable.

As Flora Lewis noted in her New York Times column yesterday, Helsinki conferences "were among the few places where Soviet-American exchange continued, if only as a shouting match, in the years of broken contact." My colleagues and I recognize the importance of that exchange. And we also recognize the importance of maintaining our firm commitment, through the Helsinki process, to human rights and a secure Europe. For those reasons, we must sustain our commitment to the Helsinki accords as a means of improving them and, as a result, the prospects of lasting peace.

I commend my fellow commissioners for holding this special order and look forward to working with them to sustain the effectiveness of the CSCE, which performed so admirably under the leadership of former Chairmen FASCELL and DOLE and should continue to do so under Chairmen HOYER and D'AMATO.●

● Mr. LENT. Mr. Speaker, 1985 marks the 10th anniversary of the signing of the Helsinki Final Act. I am pleased to join my colleagues in reflecting on the significance of this act and on our country's commitment to the principles set forth in that document.

Thirty-five countries, including the Soviet Union and a number of other Eastern European countries, joined as signatories of the final act. Though not a legally binding agreement, these signatures represent a commitment to improving relations between nations and promoting human rights around the world.

This act has been a beacon of hope for many who are struggling against the shackles of oppression. Unfortunately, in the 10 years since the final act was signed many of the signatory countries have been delinquent in their adherence to its human rights provisions.

Human rights violations in the Soviet Union have actually worsened since the act was signed and the situation in that country is deplorable. I have worked tirelessly in Congress on behalf of Soviet Jews who are among the many innocent victims of Soviet repression. The only crime committed by these people is their desire to practice their religion freely. For this they are unjustly harassed and mercilessly persecuted.

I am deeply disturbed by the worsening trend in human rights violations in the Soviet Union. It is important for us to reaffirm our commitment to the Helsinki Final Act and to protecting human rights throughout the world. We must continue to apply pressure on the Soviet Government to uphold the final act and end their repressive regime.

This 10th anniversary of the signing of the final act is met with the somber recognition that we have a long way to go to achieve the goals outlined in that document. It is my fervent hope that some day human rights will not have to be fought for as they are now. But, until that day we must continue to challenge those who would deny others human rights and dignity. I will continue to dedicate my efforts in Congress toward furthering that goal.●

● Mr. LEVINE of California. Mr. Speaker, I am pleased to join my colleagues in this special order to commemorate the 10th anniversary of the signing of the Helsinki Final Act.

Mr. Speaker, on August 1, 1975, the heads of 33 European countries, the United States and Canada, signed the Final Act of the Conference on Security and Cooperation in Europe [CSCE]. This 40,000-word document, commonly known as the Helsinki accords, was produced in the heyday of East-West détente. It is a carefully balanced package of principles designed to provide a framework for improving cooperation in many areas including military, security, human rights, trade, science, technology, environment, culture, and education.

This document was signed with the hope that relations between the East and West would improve, as would the lives of those living under oppression. Unfortunately, the Helsinki accords have not lived up to that hope. The Soviet view of Helsinki has increasingly glossed over what in western minds has become the accords' main promise, and perhaps the source of its main failing—the pledge by the 35 signatories to guarantee certain human rights, to open the flow of information, and to improve contacts across borders.

One indicator of the Soviet record on human rights, for example, is the rate at which Moscow allows Soviet Jews to emigrate. In 1979, 51,320 Jews were allowed to emigrate. That number dwindled to 896 in 1984. To date in 1985, less than 500 have been allowed to leave.

Yet, a major result of the Helsinki accords has been the proliferation of informal groups in Eastern Europe to monitor compliance with the human rights provisions. Scores of groups have sprung up to gather evidence and write reports. We are all familiar with the "Moscow group" of intellectuals led by Yuri Orlov, Andrei Sakharov, and Anatoly Shcharansky, a group now brutally disbanded.

We ourselves have become increasingly sensitive to human rights violations against citizens of all nations. A special CSCE commission composed of representatives of Congress and the administration—the Helsinki Commission—functions right here. Many ethnic and private human rights groups also keep up pressure on signatory governments to hold the Soviet-bloc countries accountable for human rights violations.

The 10th anniversary of the signing of the Helsinki Final Act provides us with the opportunity to reaffirm our commitment to the humanitarian principles embodied in the Final Act and to maintain our solidarity with those rights are systematically violated. Although the promise of accords has not been realized, we must still pursue the ideals embodied in it, for they are worthy of our best efforts.

I commend my colleagues for scheduling this special order on this important occasion, and I thank you for the opportunity to participate.●

● Mr. ANNUNZIO. Mr. Speaker, I rise to join with the distinguished chairman of the House Foreign Affairs Committee, the Honorable DANTE B. FASCELL; the co-chairman of the Commission on Security and Cooperation in Europe, the Honorable STENY HOYER; and the other members of the Commission, in commemorating the 10th anniversary of the signing of the Helsinki Final Act.

On August 1, 1975, 32 European countries, as well as the Soviet Union, the United States, and Canada signed the Final Act of the Conference on Security and Cooperation in Europe, more commonly referred to as the Helsinki accords. By signing this document, the signators demonstrated a historic and monumental international commitment to insuring respect for human rights and fundamental freedoms, and at the same time encouraged nations to work together in a spirit of economic and cultural cooperation.

The Helsinki accords have enabled the Western European countries and the United States to hold the Communist bloc accountable for their blatant and systematic violations of this agreement. The accords assert that:

> The participating States will respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all, without distinction as to race, sex, language or religion,

And that:

> "By virtue of the principle of equal rights and self-determination of peoples, all peoples always have the right, in full freedom, to determine, when and as they wish, their internal and external political status, without external interference, and to pursue as they wish their political economic, social and cultural development.

Yet, over the last 10 years, the world has witnesed numerous violations of the Final Act by the Soviet Union, and Soviet citizens, who have attempted to monitor their own country's compliance with the Helsinki agreement's principles, have been ruthlessly persecuted by the authorities. Sadly, all of the Helsinki monitors in the Soviet Union are either dead or are in prison, and although the Soviet Union is a principal signator of the Helsinki accords, it continues to disregard this document, engaging in illegal military manuevers, manipulating sovereign governments, and suppressing the national heritage, religion, and culture of the peoples in those countries it has forcibly occupied.

Thousands of men, women, and children living under Communist control are confronted daily with Soviet brutality, and many Soviet dissidents, standing bravely in defiance of this constant oppression, continue to be the source of strength and inspiration for all those living in captive nations throughout the world who yearn from basic freedoms and the right of self-determination.

Mr. Speaker, on this the 10th anniversary of the Final Act of the Conference on Security and Cooperation in Europe, let us reaffirm our commitment to work with our European allies to insure that all nations uphold the most basic principles of this act and renew our efforts to hold accountable the Soviet Union for any violations of these accords which it agreed to uphold 10 years ago.●

● Mr. FISH. Mr. Speaker, the 10th anniversary of the signing of the Helsinki accords by the leaders of 33 European countries, the United States, and Canada provides us with an important opportunity to reaffirm our strong commitment to the humanitarian principles embodied in the Helsinki Final Act.

The Commission on Security and Cooperation in Europe set forth principles of behavior relating to military, trade, science, technology, environment, culture, and education in the hopes of achieving a greater cooperation among nations. Despite the Soviets' inability to live up to the standards established at Helsinki, the Final Act is of great value as a political statement with which to pressure the Soviet-bloc countries to liberalize authoritarian systems and relax their repressive policies.

As a result of the Helsinki agreements, dozens of informal groups have emerged to monitor compliance with the human rights provisions. Helsinki has inspired activity such as the "Moscow Group" of intellectuals and Charter 77, a human rights manifesto and civil rights movement in Czechoslavakia. Brave individuals continue to risk imprisonment to publicize their Government's abuse of civil liberties.

These courageous efforts focusing world attention on humanitarian concerns, have created a successful forum in which to address violations of human rights. The Final Act remains a symbol of hope for those who are denied basic freedoms in oppressive societies.

Ten years later, our commitment is still strong. As we reaffirm our solidarity with those whose rights are infringed, we urge the Soviet-bloc countries to abide by the humanitarian principles to which they subscribed as set forth in the Helsinki Final Act.●

● Mr. COUGHLIN. Mr. Speaker, I rise in strong support of House Joint Resolution 361, commemorating the 10th anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe.

The Helsinki process began 10 years ago amid general optimism about East-West relations. Helsinki was an attempt to achieve lasting peace through a strong, comprehensive agreement on accepted minimum levels of conduct by signatory nations in fields such as economic cooperation, military security and human rights.

The United States can rejoice in this 10th anniversary of the Helsinki accords, for they represent the universal appeal of those values upon which our own Republic was founded: freedom of thought, speech and worship maintained through the exercise of civil and political rights. The great achievement of the Final Act, and the ongoing process of its review and implementation, has been the establishment of human rights as a valid and serious area for international cooperation and concern. The Helsinki process has catalyzed interest in human rights issues and provided an important forum for focusing on human rights violations. Helsinki raised our consciousness and provided hope for the greater development of human rights the world over.

The United States and its European allies have happily subscribed to the Helsinki process, welcoming it as a long-needed tool; we have honestly and fairly adhered to all of its principles. Unfortunately, others have cynically disregarded the process. The Soviet Union and many of its Eastern European allies continue to suppress the activities and members of Helsinki watch groups, harass dissidents, curtail freedom of religion and culture, and curb emigration by ethnic minorities. Perhaps nowhere is this contempt of the very spirit of Helsinki more painfully evident than in the Soviet Union's treatment of its Jewish citizens.

Still, these trangressions should neither dishearten nor discourage us. Rather, they should serve to strengthen our resolve to support and even extend the Helsinki process. We can continue to use the process to show the world the blatant disregard of the Soviet Union for global opinion and for solemn international covenants.

Helsinki serves as the last beacon of hope in the darkened world of oppressed peoples in the Soviet Union and in Eastern Europe. We must take every opportunity to renew our commitment to the Helsinki Final Act, and those principles which it represents, until these people—along with all others in the family of man—walk in the bright sunshine of freedom.●

● Mr. DWYER of New Jersey. Mr. Speaker, I am especially grateful today to participate in this timely and important special order. The process begun in Helsinki has helped to establish human rights as a legitimate issue of international concern and discussion.

It is essential that an attempt be made to establish and maintain communication with those who are trapped inside authoritarian and totalitarian regimes. As representatives of the free world, we hope that our special order today will enable Jews to leave the Soviet Union in accordance with international law, and to help those who choose to remain in the Soviet Union live as Jews with the same rights accorded every other Soviet citizen.

Today, a significant portion of the world's population is forced to endure hunger, pain, and oppression by governments whose policies deny even the most basic of human rights. Soviet dissidents like Andrei Sakharov have endured a lifetime of oppression and often look to democratic states for support.

Mr. Speaker, it is my sincere hope that America, as the cornerstone of democracy, will continue to further the advancement of human rights, personal liberty, and perhaps most important, foster the respect among men that leads to true freedom and the development of mankind's potential.

In summary, I would like to offer my conviction that all Americans reflect on the great nature of our own freedoms, and that we earnestly endeavor among the world's oppressed to replace terror with security, degradation with respect, and tyranny with freedom.●

● Mr. GALLO. Mr. Speaker, today, on the 10th anniversary of the signing of the Helsinki accords, world attention is once again focused on the failure of some nations to uphold the spirit or the letter of this international agreement.

As freshman cochair of the Congressional Caucus on Soviet Jewry, I am particularly disturbed by the attitude of the Soviet Union toward the thousands of Soviet citizens who are members of the Jewish faith.

I am concerned for those within the Soviet Union who are denied the freedom of religion and have an even greater concern for those members of this community who have made the difficult decision to leave Russia, but who are denied emigration rights. The freedom of religion and of movement are both guaranteed by the Helsinki accords.

It is very traumatic for most people to leave the nation of their birth, their friends, and their way of life. The Soviet Government uses that anxiety to further punish its Jewish citizens by making them strangers in their own land.

Those who have asked to leave are denied jobs and education and are held up to public ridicule as tools of Western imperialism or international Zionism.

Furthermore, those Soviet citizens who have attempted to monitor compliance of the Soviet Union with the Helsinki accords have faced imprisonment, exile or forced emigration.

In the years following the signing of the Helsinki accords, the number of people allowed to emigrate from the Soviet Union rose to record levels. Since 1979, however, those numbers have declined dramatically.

Recent signs of loosening emigration policies for certain groups within the Soviet Union are encouraging, but the overall number of emigrants has not increased, leading me to conclude that the current policy may be merely a public relations move, not serious reform in the policy.

So, it is necessary at this time, as suggested in a recent report by the Commission on Security and Cooperation in Europe, that we review the balance sheet on progress made in relation to the Helsinki accords. This year, not only do we celebrate the 10th anniversary of the signing of the Helsinki accords, we also celebrate the 40th anniversary of the end of the World War II.

In those first years after the war, for a brief period, it seemed as though the world would react to the horrors of war by creating mechanisms to promote peace and human rights for all peoples. Creation of the state of Israel and approval by the United Nations of the Universal Declaration of Human Rights gave hope that we could preserve historical boundaries and prevent repeated conflicts that threatened world peace.

The nuclear arms race and a series of territorial disputes overshadowed early accomplishments. Repeated Soviet vetoes in the United Nations and failure to enact a verifiable arms control agreement further eroded the sense of optimism.

Then, in 1975, on the 30th anniversary of the end of the war in Europe, 35 nations signed a document that rekindled the hopes of many with regard to human rights.

The Final Act of the Conference on Security and Cooperation in Europe [CSCE] was signed in Helsinki on August 1, 1975, by the United States, Canada, the Soviet Union and 32 European nations.

The Final Act is a political statement of intent. These accords carry considerable moral and political weight since they were signed at the highest level by both a U.S. President and a Soviet leader.

Hopes have faded during the last decade, however, with repeated violations of the accords, which declare that "the participating States will respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all, without distinction * * *."

The Helsinki accords on human rights was endorsed in the tradition of the Universal Declaration of Human Rights and held out promise that signatory nations would allow freer movement of people, ideas, and information.

However, a litany of human rights violations regarding the treatment of Jews in the Soviet Union and many others has accumulated in the 10 years since the signing of the accords. The cases which harassment of families who have applied to emigrate, including loss of jobs with little hope of future employment in meaningful positions, impoverishment, expulsion of young people from universities and conscription into military service; surveillance by authorities; physical attacks; arrest; and imprisonment on charges such as parasitism.

These cases document clear violations of Helsinki accord agreements to protect freedom of religion, minority rights, and cultural rights. It is important to remember that the unspeakable human rights violations of World War II gave birth to the process that produced the Helsinki accords.

This process has been a source of hope to citizens of the Soviet Union and Eastern Europe; therefore, the meetings such as that which recently took place in Ottawa and the commemoration here today are important because they keep this process alive.

As Ambassador Richard Schifter, head of the U.S. delegation to the Experts Meeting on Human Rights in Ottawa, stated in his testimony, "We must keep in mind that a meeting such as that which was held in Ottawa was unthinkable as recently as 15 years ago. The concept of limited government, the ideas of the rights of the individual which originated with the thinkers and writers of the 18th century and which were enshrined in our own Declaration of Independence were ideas advanced first by individuals, then by groups and movements, and were then adopted by countries, but only for domestic application.

"The notion that governments might monitor the behavior of other governments toward their own citizens, that there would be international conferences at which domestic practices of participating countries would be subjected to scrutiny is one of recent origin."

So, while the results of the Helsinki accords may be meager in their beginning stage, continuation of the Helsinki process may result in more plentiful gains in emigration, religious freedom, and other basic human rights in the future.●

● Mrs. BURTON of California. Mr. Speaker, today marks the 10th anniversary of the Helsinki accords, 10 years of disappointments and dashed hopes.

The hopes of 1975, at a time when détente was proving to be more than a dream, have now suffered from a decade of uncertain leadership in the Soviet Union and an escalation of rhetoric and nuclear arms rattling by both sides.

But the Soviets are not alone in undermining the peaceful intent of those agreements of 10 years ago. The current administration has been disappointing, at best, in pursuing meaningful arms control opportunities. There have been instances where hard language has replaced cold logic in dealing with the Soviet initiatives.

Mr. Speaker, we can do better. And, the Soviets certainly can do better.

As for those of us in the United States and elsewhere, those of us who care about human rights, let us continue our own "Helsinki Watch" to put constant attention and public pressure on all governments so that we can move toward the eventual peace that was brightly on the horizon in 1975, but now is dimmed with disappointment.

Mr. Speaker, I commend my colleagues who have provided this special order so that those of us who truly care about these vital issues can speak out on this important milestone.●

● Mr. HALL of Ohio. Mr. Speaker, this month commemorates the 10th anniversary of the signing of the Helsinki Final Act.

The Final Act, signed on August 1, 1985, committed 33 European countries, Canada, and the United States toward closer government relations over a wide range of activities. The Helsinki Act is unique among international accords in that it conditions international relations on each country's respect for fundamental human rights and freedoms. The 35 signatories agreed to "promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of

the human person and are essential to his free and full development."

Unfortunately, contrary to their pledge, several signatory nations continue to flagrantly violate human rights. In the Soviet Union and many Eastern European countries, respect for the inherent dignity of man remains only an empty promise. Citizens are repressed. Helsinki Watch members are routinely imprisoned and exiled.

Indeed, today 51 members of the Helsinki Watch Group are incarcerated in prisons, labor camps, or psychiatric hospitals, or are serving terms of exile. Three Helsinki Watch members have died after years of mistreatment in Soviet labor camps. Dr. Yury Orlov, the founder of the Moscow Helsinki Watch Group, has been imprisoned for 8 years in a strict-regime, Siberian labor camp. House Joint Resolution 357, which I introduced on July 26, 1985, appeals for the release of Dr. Orlov and other imprisoned Helsinki Final Act monitors.

Yet despite these gross violations by some signatory nations, the Helsinki Final Act is not without value, for it arms the repressed peoples of the world with the most powerful weapon they could possibly have—hope. Hope for worldwide cooperation in their quest for freedom. Hope for a future free from systematic oppression.

Last month, I visited Romania, where I met with church leaders and human rights activists. My experiences with the people there confirm that international agreements to respect human rights offer them a vision for a better future. These agreements, by showcasing international cooperation, encourage citizens to actively promote change. These agreements let the repressed know that they are not alone in the fight for fundamental human rights and freedoms. The Helsinki Act of 10 years ago shines prominently among those international agreements.●

● Mr. FOWLER. Mr. Speaker, 10 years ago 35 nations signed an agreement in Helsinki committing themselves to 10 principles to govern their conduct toward each other. These principles covered military security, economic and scientific cooperation, and human rights. All of the signatories solemnly pledged to observe all of these provisions.

Some would have us set aside the portion of the Helsinki agreement concerning human rights especially principle 7 which requires signatory States to abide by the U.N. Charter, the Universal Declaration of Human Rights, and other international accords providing for the respect of such fundamental human rights as freedom of though, of conscience, and of religion or belief. We are supposed to simply overlook this obligation or else treat it as so much diplomatic rhetoric, nothing more than empty words.

But if the East-West dialog is to have real meaning, if we are to gain any confidence in solemn international pledges in fields ranging from economics to arms control, we cannot ignore principle 7. If we are to remain true to our common humanity, we must not be blind to questions of basic human freedoms.

It is the policy of the United States to observe fully the Helsinki agreement and it must continue to be our policy to do all within our power to see to it that all the signatories of the Helsinki Final Act, including the Soviet Union and its allies, live up to the commitments that they themselves freely entered into in 1975. We expect, and welcome, a full review of our own human rights performance by the other Helsinki signatories. At the same time we claim the legal, and moral, right to review the performance of others.

It is clear that East-European countries, most notably the Soviet Union, continue to be guilty of a wide range of human rights violations that cannot possibly be reconciled with their promises at aHelsinki.

In the Soviet Union, the most severe violations have come in the areas of suppression of political dissidents, censorship, restrictions on travel ane emigration, and denial of freedom of religion. The Soviets continue to hold as many as 10,000 political prisoners, continue to involuntary incarcerate political dissidents in psychiatric institutions, continue to systematically move against any domestic criticism of the Soviet State, continue to subject their own citizens wishing to leave the country to countless obstacles, and continue to harasss those seeking to exercise religious beliefs.

After reaching a record high total of over 51,000 in 1979, Jewish emigration from the U.S.S.R. has been sharply and steadily curtailed, dropping to only 900 in 1984. Unfortunately this discouraging pattern has continued this year. This has been accomplished in part by severe restrictions on eligibility to apply for an exit visa.

When we examine the subject of human rights, we are not talking about mere abstractions. Let us not forget that we are dealing with fellow human beings who are suffering without cause. In the truest sense, we are speaking for them as they have no voice in this matter.

A few years back from Kishinev in the Soviet Union came word of a hunger strike and an urgent appeal to the Madrid Conference:

> We are Soviet citizens of Jewish nationality, who have struggled for many years to leave the Soviet Union and be reunited with our close families in Israel. We have not been able to fulfill our dream . . . We have tried everything, without result. We have beggerd, we have asked, we have inquired and still we are no further in our desire to be united with our families. We have thus decided to exercise the only thing left for us to do and go on a hynger strike which will begin on the opening day of the Madrid conference and which will continue for as long as the Conference lasts. Our purpose is to draw the world's attention to our plight. It is our only possible protect against this shameful denial of elementary human rights which are inscribed in the Helsinki Accords. No matter what happens to us we are counting on your support and we are appealing to your conscience to help us from our bondage.

Shortly after this communication was sent, one of its authors, Vladimir Tsukerman, was arrested for "hooliganism."

When we speak out for the victims of repression, however, we are not doing so only for them. For they are on the cutting edge of freedom. They are fighting battles every day for us to make the world a more humane, a more stable and a more peaceful place.

In closing I would like to echo the words of former Secretary of State Edmund Muskie, when he spoke of American human rights policy:

> We do all this not out of a native idealism and not only because it is right. We do all this because we have domestic and international legal obligations to promote respect for human rights. As signatories of the U.N. Charter and by our own laws, we are required to work for increased observance of human rights by all countries. We also are convinced, in the most hard-headed, practical sense, that emphasis on human rights serves our national interests.

So let none of us forget our obligations to each other as nations or as hyman beings. Let us make the 10th anniversary of the signing of the Helsinki Final Act a time for renewed commitment not only to security for nations, but security for people. Let us redeem the pledges of 10 years ago to respect human freedom and hyman dignity.●

Mr. HOYER. Mr. Speaker, I yield back the balance of my time.

GENERAL LEAVE

Mr. HOYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

HELSINKI'S 10TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER] is recognized for 60 minutes.

● Mr. RITTER. Mr. Speaker, as we commemorate the 10th anniversary of the signing of the Helsinki accords, it is worthwhile to call attention to those courageous individuals who, by serving as Helsinki monitors in the Soviet Union, are currently imprisoned or died in prison or died under other circumstances. These individuals' crime against the state amounts to nothing more than their desire to see the fulfillment of human rights obligations by the Soviet Union to the Helsinki agreements.

They belong, or belonged, prior to imprisonment or death, to the Moscow Helsinki Group, the Ukrainian Helsinki Group, and the Lithuanian Helsinki Group.

As the ranking Republican on the House Helsinki Commission, I strongly urge our commission to review the cases of the Helsinki monitors at its Ukrainian Helsinki Group, earliest convenience.

For many of these individuals, the future is extraordinarily dangerous and it is our obligation to seriously and expeditiously consider their plight.

Imprisoned Members of the Helsinki Monitoring Groups in the U.S.S.R. and Lithuania

MOSCOW HELSINKI GROUP—SENTENCED

1. Elena Bonner—Sentenced on August 17, 1984 to five years of internal exile for "anti-Soviet slander."

2. Ivan Kovalev—Sentenced on April 2, 1982 to five years of strict regimen camp plus five years internal exile for "anti-Soviet agitation and propaganda."

3. Anatoly Marchenko—Sentenced on September 4, 1981 to ten years of special regimen camp plus five years of internal exile for "anti-Soviet agitation and propaganda."

4. Viktor Nekipelov—Sentenced on June 13, 1980 to seven years in labor camp and five years of internal exile for "anti-Soviet agitation and propaganda." (Sentenced in October 1982 to prison for three years.)

5. Yuri Orlov—Sentenced on May 18, 1978 to seven years in strict regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda."

6. Tatiana Osipova—Sentenced on April 2, 1981 to five years general regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda."

7. Feliks Serebrov—Sentenced on July 21, 1981 to four years strict regimen camp plus five years exile for "anti-Soviet agitation and propaganda." Also a member of the Psychiatric Working Group. (Sentenced in 1977 to one year in camp).

8. Anatoly Shcharansky—Sentenced on July 14, 1978 to three years in prison and 10 years in strict regimen camp for "anti-Soviet agitation and propaganda" and "treason." (Sentenced in October 1981 to return to prison for three years).

UKRAINIAN HELSINKI GROUP—SENTENCED

9. Mykola Horbal—Sentenced on April 10, 1985 to eight years in labor camp plus five years internal exile for "anti-Soviet agitation and propaganda". (Sentenced in 1980 to five years of camp).

10. Iosif Zisels—Sentenced on April 10, 1985 to three years in camp for "anti-Soviet slander." (Sentenced in 1979 to three years camp for "anti-Soviet slander.")

11. Vyacheslav Chornovil—Sentenced on June 6, 1980 to five years in strict regimen camp for attempted rape. (Arrested before completion of previous term of six years camp and three years exile).

12. Olha Heyko—Arrested in March 1983; in camp for "anti-Soviet agitation and propaganda." Sentenced in November 1983 to three years strict regimen camp. (In 1980, he got a three year camp term for "anti-Soviet slander.")

13. Vitaly Kalynychenko—Sentenced on May 18, 1980 to 10 years in special regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda."

14. Ivan Kandyba—Sentenced on July 24, 1981 to 10 years special regimen camp plus five years exile for "anti-Soviet agitation and propaganda."

15. Zinovy Krasivsky—Arrested on March 12, 1980 and transferred into labor camp to serve the eight months in camp and five years of internal exile remaining under a 1967 sentence for "anti-Soviet agitation and propaganda" and "treason."

16. Yaroslav Lesiv—Sentenced on November 15, 1981 to five years of strict regimen camp for "possession of narcotics." (In 1980, he got two-year term for "possession of narcotics.")

17. Levko Lukyanenko—Sentenced on July 20, 1978 to 10 years in special regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda."

18. Myroslav Marynovych—Sentenced on March 29, 1978 to seven years in strict regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda."

19. Mykola Matusevych—Sentenced on March 29, 1978 to seven years in strict regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda." (Sentenced in October 1980 to prison).

20. Oksana Meshko—Sentenced on January 6, 1981 to six months in strict regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda."

21. Mykola Rudenko—Sentenced on July 1, 1977 to seven years in strict regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda."

22. Petro Sichko—Sentenced in June 1982 to three years in strict regimen camp for "anti-Soviet slander." (In 1979, he got three year term for anti-Soviet slander.)

23. Vasyl Sichko—Sentenced on January 4, 1982 to three years strict regimen camp for "possession of narcotics." (In 1979, he got three year term for "anti-Soviet slander.")

24. Vasyl Striltsiv—Sentenced in October 1981 to six years in camp on unknown charges. (In 1979, he got two year term for "violation of internal passport laws.")

25. Vasly Stus—Sentenced on October 14, 1980 to 10 years in special regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda."

DIED IN CAMP

Oleksy Tykhy—Sentenced on July 1, 1977 to 10 years in special regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda" and illegal possession of firearms. (Died in camp from malnutrition on May 6, 1984).

Yuri Lytvyn—Sentenced in April 1982 to 10 years of special regimen camp plus five years of exile for "anti-Soviet agitation and propaganda." (In 1979, he got three year term for "resisting a representative of authority.") (Died in camp, probably suicide, in late August 1984).

LITHUANIAN HELSINKI GROUP—DIED

Rev. Bronius Laurinavicius—Killed (by truck) on November 24, 1981 in Vilnius. (On November 21, 1981, was subject of accusatory article in *Tiesa*, official Lithuanian newspaper).

SENTENCED

26. Viktoras Petkus—Sentenced on July 13, 1978 to three years in prison, seven years in special regimen camp and five years of internal exile for "anti-Soviet agitation and propaganda." (Petkus also joined the Ukrainian Helsinki Group in 1983).

27. Vytautas Skuodys—Sentenced on December 22, 1980 to seven years strict regimen camp and five years of internal exile for anti-Soviet agitation and propaganda." (U.S. citizen. Also member of the Catholic Committee).

28. Algirdas Statkevicius—Sentenced on August 11, 1980 to forcible psychiatric treatment after being arrested on February 14, 1980, reportedly for "anti-Soviet activities." (U.S. citizen).

GEORGIAN HELSINKI GROUP—SENTENCED

29. Merab Kostava—Sentenced on December 15, 1981 to five years in camp for "resisting a representative of authority." (Before completion of previous term of three years camp and two years exile).

30. Valentina Pailodze—Sentenced on May 25, 1983 to eight years strict regimen camp plus three years exile for "giving bribes" and for "giving false testimony." (In 1978, he got a three year term for "anti-Soviet slander.")

ARMENIAN HELSINKI GROUP—DIED

Eduard Arutunyan—Died of natural causes in late November or early December 1984. Had been arrested on November 5, 1982 and sentenced to three years strict regime camp for "anti-Soviet slander." (Had served previous three-year term on similar charges from 1979–82).●

EQUITABLE TREATMENT WITH RESPECT TO PAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. OAKAR] is recognized for 60 minutes.

Ms. OAKAR. Mr. Speaker, tonight I would like to speak a little bit about the subject of fairness in pay, pay equity. Some people call it comparable worth. I do not use that term at all because I think it is absolutely so distorted that it makes no sense to use a term like that.

I prefer to talk about equitable treatment with respect to pay and then get into a little bit about the legislation that I have introduced that will be coming up on the floor this Thursday.

Before I do, I would yield to my friend from Maryland, Mr. HOYER.

Mr. HOYER. Mr. Speaker, I thank the gentlewoman from Ohio for yielding.

Mr. Speaker, I have had the great privilege to serve on the Subcommittee on Compensation and Benefits under the chairmanship of the gentlewoman from Ohio. I might say that on issues of fairness to Federal employees and fairness to individuals in general, there is no stronger leader than the gentlewoman from Ohio [Ms. OAKAR].

I stand with her in support of the legislation which she has forged and worked so diligently on over the years and which this House endorsed so overwhelmingly in years past and I want to congratulate her on the efforts she is making. I believe she has forged a very reasonable, a very responsible piece of legislation looking toward coming out with a study that the Congress will be able to review and make a sound judgment on fair policy toward the women and the men who work in the Federal service.

So, Mr. Speaker, I want to congratulate the gentlewoman for the outstanding job she has done.

In the past 30 years, 60 percent of the people newly entering the labor force in this country have been women; and it is anticipated that in each year of the next decade 1 million additional women will join them. More than half are women with children under 18.

These official statistics reflect the notion that this so-called flood of women into the marketplace is a relatively recent phenomenon. The truth of the matter is that women have always worked; they just have not always been fairly compensated for their labor.

As far back as 1870, close to 30 percent of the households in Baltimore, MD, relied in some way on female-generated income. By 1900 that number had risen to 40 percent. While the number of women in the compensable labor force has almost doubled in the past 44 years, the reason for this entry has remained the same—economic necessity.

Despite the rapid growth of women in the labor force, they still remain concentrated in certain industries and occupations, earning substantially less than their male counterparts. The majority of working women fill only 20 percent of the 441 occupations listed in the census occupational classification system; 80 percent in four jobs fields—clerical work, service industries, retail sales and factories and plants.

Of the 10 lowest paid occupations, 6 are 90-percent filled by women—84 percent of our health aides are women; 85 percent are nurses aides; 63 percent are cooks; and 13 percent are farm laborers.

In calendar year 1984, the median wage for year-round full-time women workers was $14,997. For full-time men it was $23,718. Using these statistics, it takes women 8 days to earn what men earn in 5—and the Federal Government is no exception, where the average salary in October 1983 for men was $30,229 and for women it was $18,864.

I know that I need not go any further with these statistics, but they are staggering. Women are not marginal workers and can no longer be regarded as a limitless pool of cheap labor.

Occupational segregation is extreme and it is persistent. Within the Federal Government, there is a statistically significant inverse correlation between sex and salary in the general schedule and equivalent grade: 80 percent of the women employed by the Federal Government are concentrated at grades 7 and below, whereas, 85 percent of men are found in grades 10 through 15.

We at the Federal level have an opportunity to do something about this discrimination, and we must begin with the Federal system. We must look at the Federal classification system and make position-to-position comparisons across classification group lines. The Federal Government should be a model for others to follow in our pursuit of pay equity.

As a model, we can best begin by understanding the extent of the problem. There has never been a thorough discrimination study of the Federal civil service. It is time we had one. H.R. 3008 meets this need by mandating a study of the Federal and classification systems to determine whether they are affected by discrimination based on sex, race, or national origin.

Only Federal jobs will be studied and recommendations are limited solely to Federal civil service. This bill does not put into place a national employment-pay equity policy for the country or even the Federal Government. Nor, does this bill presume that any existing wage gap is due to discriminatory practices. It only requires a complete study of our pay and classification system.

Congresswoman OAKAR deserves to be commended for her efforts to secure a fair and reasoned approach to this study. Her bill establishes an 11 member bipartisan commission to oversee this study which will guarantee representation by both Houses of Congress, the President, and the Office of Personnel Management. This commission will hire a consultant to perform an 18-month study, comment on the study, and disband.

In this way, we will be provided with a complete and accurate review of the wage gap which exists between sexes in Federal employment and whether that gap is attributable to such factors as responsibility, effort, qualifications, seniority, education, or other factors exclusive of sex, race, and ethnicity. We can then move forward based on data and not hearsay.

Mr. Speaker, I congratulate Congresswoman OAKAR for her continued leadership in this field of pay equity. We should know if our Federal civil service is stained with discrimination and should quickly move to be certain that we are in full compliance with our civil rights laws. Equality and fair treatment must continue to be our goals to ensure a fair employment system supported by the high morale and productivity of all employees.

I urge all Members to support H.R. 3008.

□ 1940

Ms. OAKAR. Mr. Speaker, I want to thank the gentleman, and of course when he was a member of the subcommittee, he was one of the absolute finest members. The gentleman is a champion for fairness as well, and human rights. I just heard the gentleman speak about the very important chairmanship that he has, as our leader to the Helsinki accords conference that is being held, and I certainly agree with you on every single word that you have said, Congressman HOYER, because I think so many people suffer from suppression all over the world; and it is especially true in countries that are dominated by the Soviet Union.

So I want to commend the gentleman for his previous remarks and thank him for the courtesy which he has just extended to me.

Mr. Speaker, let me just go into what pay equity is, and go into a little bit about my legislation. First of all, the subject of pay equity is simply the elimination of sex-based wage discrimination or minority-based wage discrimination which we have found in certain areas of our country is the case.

Why are we concerned about what women, for example, are paid? We are concerned for a lot of reasons, not the least of which is something that we ought not to be so proud of in this country, and that is that we have the poorest people in our country being older people and in particular the poorest persons in our country are older women; women over 65 years of age.

Why are they poor? They are poor for a number of reasons. Many of them were not so poor when they were younger. One of the problems is that their insurance program, their Social Security check or their pension is based pretty much on their wages, and if you are paid very poorly and not according to the value of the work that you performed when you are younger, you are really going to be poor when you are older, because we have some problems in terms of pension discrimination and we all know and agree that the Social Security system that was founded in 1936, while it is a wonderful system, has some corrections to be made as it relates to women.

So we are dealing with the subject of what people are paid; fairness issues. This is a national phenomenon. We have 45 States in this country that are in the process, or have conducted a study on how they treat their State employees.

We know, for example, that when a job is dominated, very often—it just happens to be the case, but it can happen to men as well—dominated by women, for example, we know that the work, the job in terms of what it pays is usually very, very poor.

We can take historical examples if we take a look at the worth of educators, which is a female-dominated profession that I, as a former teacher, I wish we could get more men involved in the field, but we cannot because the average starting salary for educators across the country is about $8,500 to $9,000 a year, and we know that a person with a family, it is really difficult to think of maintaining that kind of profession, even though there is nothing more important than the education of our young people.

We know the nurses, for example, spend more time with patients than any other health care provider, and yet that individual, usually a woman but certainly could be a man, is not compensated very often properly.

We know that secretaries, I think, are the absolute classic example, and as Members of Congress, we ought to ask ourselves where we would be if we did not have our secretaries.

Now I heard some of the Members, one in particular, get up on the floor the other day, and I was really kind of aghast. He said, "Well, you know, these secretaries, all they do is spend time in their air-conditioned offices."

I think the secretaries of this country who are very often the core, the catalyst for what kind of work goes on in corporations; the management very often related to the office, the eyes and ears of her boss; ought to be outraged, absolutely outraged with statements like that.

This is the stereotyping that very often goes along with professions that happen to be female dominated. Now we know that many, many States across the country are attempting to correct the manner in which they treated their own State employees.

That is why, as I mentioned earlier, there are 45 States who have or are in the process, including my own State of Ohio, of conducting a study. I am proud of my State of Ohio, for example, because they have in their budget in a bipartisan fashion, set aside some money to correct some of the inequities that exist in terms of how they treat their own State employees.

I am proud of the fact that the National Conference of Governors has endorsed the concept of treating people fairly in terms of their pay. I am proud of the fact that we live in the greatest country in the world, and one of the reasons we do is that we as Americans are not satisfied with the status quo.

When we see something that needs to be corrected, it may take us some time, but we get along with the job of correcting the problem. That is why, in 1920, half the population were finally given the right to vote, with the 19th, or Anthony amendment. It took us a little time to allow women to fully participate in the democratic process, but the fact is, as Americans we were proud that constitutionally we finally did involve women in the democratic process, in 1920.

We are also proud of the fact that in the sixties, we knew there were the problems, and this is why we passed two bills that relate to the subject at hand tonight, although they also relate to other issues.

We passed, in the sixties, the Civil Rights Act, which finally gave people, irrespective of their origin, their gender, their age, and all the other factors that sometimes were held against them, equal access, equal opportunity to the various networks of our wonderful country.

We passed the Equal Pay Act that was so important, because what it said was, and boy you should have heard the arguments in those days when that bill was being debated; but what that act said was that we think people ought to be given the same pay for doing the same work as their male or female counterparts; and we passed that bill, and we are proud of that.

Under title VII of the Civil Rights Act, we believe very strongly that you cannot discriminate against an individual based on in this case, one's gender or race, and that is all we are trying to say.

We are trying to say is that what we ought to be doing with respect to how we classify our Government employees using the Civil Rights Act and the Equal Pay Act and the Fair Standards Labor Act; using those acts that are already the law, taking a look at how we classify our Federal employees.

We do not believe that we want to change the law; we really want to use the law as our own instrument, and we feel that it is high time that we did that.

What is the issue at hand? What has caused the National Chamber of Commerce, which frankly I do not think represents businesses that well, because I know so many corporations have expressed to me their deep concern that they are using as their No. 1 issue, their full lobbying and all the money and power that they apparently have as a national lobbying organization; what are they attacking? They are attacking a bill, my bill, that relates to doing a study on how we classify Federal employees.

They are not making as their major issue the enormous trade deficit that has caused hundreds if not thousands and thousands of our people to lose their jobs; many corporations to fold; small businesses to fold; they are not looking at the enormous deficit that we have in our country which ought to be their priority.

No, they are zeroing in on a study that relates to classified Federal employees.

□ 1950

Well, what about this study? What can I tell the American people about it? The fact of it is, civil service took place in our country with respect to our Federal employees in 1923. We have not looked at how we classify our civil servants, who are classified on a scale from 1 through 18, since the inception of civil service in 1923. We simply have not done it. We think it is high time we take a look at whether or not sex, race, or Hispanic origin are factors in how people are paid. That is all the legislation says, no more, no less.

Does it talk about comparable worth? Absolutely not.

Who would hire the consultant and be responsible for overseeing? The study would be a bipartisan group led by the President of the United States and the majority and minority on both sides of the aisle in both the House and the Senate, along with various organizations like the Office of Personnel Management, that has direct oversight over Federal employees, and others.

So that, pretty much, is what the bill does.

We passed the bill overwhelmingly in the House in the last session by a vote, if I recall, of about 414 to 6. It was truly a bipartisan vote. We had people on both sides of the aisle who were very much supportive, and I am proud to say that in the bill that I reintroduced some time ago, we have more than 105 cosponsors. We are proud of that. Many Members have said to me, "We are delighted that you are not only including the area of gender, but you are including a study on those who are Hispanic in origin and those who are minorities," because we know that those individuals, as well, need to be included in this kind of a study, so we expanded that area.

Mr. Speaker, the issue is, basically, fairness. I mentioned that the National Chamber of Commerce is opposed to it. Let me just review some of the groups who are supportive of the legislation, proud that the congressional caucus for women's issues, which is comprised of Republicans and Democrats, men and women, are supportive of this bill: The Congressional Black Caucus is supportive of this bill, the Congressional Hispanic Caucus is supportive of this bill; the Older Women's League is supportive of this bill; the National Federation of Business and Professional Women; the National Education Association; the American Nurses Association; the League of United Latin American Citizens; the National Political Congress of Black

Women; the American Federation of Government Employees; the American Association of University Women; Service Employees International; Federally Employed Women; the League of Women Voters.

I have heard groups or certain Members say that this is radical, and so on. I do not think the League of Women Voters and the Older Women's League and groups like that are in any way radical. What they are talking about, basically, is the issue that it is high time we did a study.

At this time I would be delighted to yield to one of our distinguished Members, my colleague, the gentleman from California [Mr. Martinez], if he would like to make a statement at this time.

Mr. MARTINEZ. Mr. Speaker, I rise to join my colleagues in expressing my support for H.R. 3008, the Federal Equitable Pay Practices Act of 1985. This bill requires that a study of the pay and classification systems for Federal employees be conducted to determine whether, or not, or to what extent, sex, race, or ethnicity is used in setting wages.

For the past 20 years the Federal Government has been one of the driving forces behind the advancement of civil rights in this Nation. The Supreme Court took a leading role in 1955 with its decision in Brown versus the Board of Education, which ruled that segregation was unconstitutional. With this landmark decision came a commitment on the part of the Federal Government to protect the rights of all its citizens, regardless of sex, race, or ethnicity. The Pay Equity Act of 1963 and the Civil Rights Act of 1964 are tangible examples of this commitment, and are illustrative of the pivotal role the Federal Government can play in eliminating discrimination from our society.

The Federal Government should not be afraid to examine its hiring practices to determine whether or not discrimination exists. Shunning this social responsibility indicates that the Federal Government is not truly serious in its commitment toward civil rights, I would like to remind my colleagues that the Federal Government is not above the law and should be subject to those very laws it passes to govern the rest of society. The Federal Equitable Pay Practices Act of 1985 will merely examine hiring practices, without making any changes or remedies in the system.

As of late, there has been much confusion surrounding the issue of pay equity. Many of my colleagues from the other side of the aisle have mislabled it as "comparable worth," when in reality there is an important distinction between the two. Pay equity means equal pay for equal work. It forbids employers to discriminate on the basis of sex, race, or ethnicity when setting hiring and promoting standards. Although blatant cases of discrimination have become rare, the problem is far from eliminated.

Discrimination has become very sophisticated and is often masked in job titles and job descriptions. Women and men are paid different salaries for alleged job differences that include filing versus folder maintenance. With practices such as these occurring it is clear that the Federal Government cannot and must not relinquish its role in rectifying discrimination.

Comparable worth, on the other hand, goes far beyond the Pay Equity Act of 1963 by stating that all workers, regardless of sex, should receive equal pay for work of comparable worth to an employer. Embedded in this notion is the belief that women have been traditionally discriminated against in the marketplace. Thus, jobs that are predominately held by women are lesser paid for that very reason. Whether you support or oppose the concept of comparable worth, it is important that you make the distinction between it and pay equity. The bill before us today, H.R. 3008, is a pay equity issue. As legislators we must not cloud the issue at hand and, consequently, jeopardize the right of millions of our fellow citizens to receive equitable compensation for their work. I strongly urge my colleagues to refrain from distorting this issue and join with those who support pay equity.

Ms. OAKAR. I thank my colleague, and at this time I would just like to simply say that one of the great joys of having this legislation on the floor in the past has been the number of men who support the legislation. Men care about how their daughters and their mothers and their grandmothers and their sisters are treated. And that is the concept. It is a family issue, how people are treated, and whether or not they are treated fairly. In the 1970's, two Congresswomen, Peggy Heckler, our current HHS Secretary, and Lindy Boggs, in a bipartisan fashion, had an awful lot to do with passing the Fair Credit Act. And all of the arguments against the Fair Credit Act are the same arguments you hear today: If you are fair to people in terms of taking a look at how you treat them, somehow you are going to upset the marketplace.

As a matter of fact, we put a marketplace study in our legislation to refute that argument, that somehow the sky is going to fall, and so on.

The truth of it is, after all of the scare tactics that are used currently to divert people's attention from the substantive issues, the same concerns and the same kinds of radical notions that were perpetrated on the floor of this House in the 1970's—they said you cannot give women the opportunity to buy their own car in their own name or to buy their own home in their own name or to indeed hold a credit card. The fact of it is, after women were given equal access to credit, guess what the banks found out. They found out that indeed, in general, women are the best credit risks, and it has stimulated the economy and increased the opportunities for women to participate in the economy.

We know from States that have done their studies and implemented their studies, like the State of Minnesota, we know from the testimony that we received, that it did not in any way hurt their economy, it not only stimulated their economy by making some few adjustments on how they treat their employees, it not only did that, but it added to the morale and to the productivity of their workers. Everyone feels a lot better about that situation.

I am pleased to have a number of Members, all male Members, who have asked that I submit their statements for the Record tonight, from all sections of the country. I am proud of these men, just as I am proud of all of the Members who have in the past supported this legislation. I think the women of this country, the minorities of this country, will be very grateful if we can pass this simple study this Thursday. It seems to me that what we are talking about, very basically, is fairness. It is that simple. And that is the American dream, to be fair to every single person in our country, and that is why we are the greatest country in the world. We want to continue to be the greatest country in the world, and that is why I think it is high time we took a look at how we classify our Federal workers.

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So I want to thank the Speaker and I am deeply grateful to all my colleagues who have been so considerate in this legislation. I would like to include my friends from the other side of the aisle as well.

I yield to the gentleman from Ohio [Mr. Kindness].

Mr. KINDNESS. I thank the gentlewoman for yielding.

For those of us who do not serve on your committee, there may remain some questions, and one that I would like to understand better is that there does not appear to have been a full-grown study since the origination of the civil service system of the categories of jobs.

Is it the case that there is an ongoing review and annual adjustment or periodic adjustment that does occur or has occurred during that period of time or is it a case of having no real adjustment during that 60 years?

Ms. OAKAR. The problem is that in 1923 you had less than 5 percent of the Federal work force who were classified who happened to be women or minorities. So the stereotyped notion of classifications has not been removed. I could give the gentleman a series of examples. One good example is the fact that in certain categories it is capped and they usually are female-dominated jobs so you could work 40 years for the Federal Government and never have your salary raised by an adjustment that we, in fact, in Congress, occasionally vote ourselves a raise. So they do not have, in many cases, that access.

This is the kind of thing we are talking about. Any reasonable person would want a study done if you have not had a comprehensive one done in 62 years. It is that simple.

I yield to the gentleman.

Mr. KINDNESS. It causes me a little concern that we have had over the years a Civil Service Commission and now an Office of Personnel Management, and there has not been any study and adjustment from time to time, incrementally over the years, that would put us in a reasonable posture today.

Did your committee or subcommittee consider whether there is a need for any basic change in the way that we are handling our civil service categories and job classifications for the future, following on such a study?

Ms. OAKAR. I think that is what we are trying to do. I have been chairing this committee for about 4½ years, and that is one of the real frustrations. That is that when you try to deal with something comprehensive so that the Commission, which is a bipartisan commission, would make recommendations to the Congress, someone or other, very few I might add, uses inciteful tactics that really do not relate to the issue.

I think you should be concerned. I am concerned too. As you know, the system is pretty much overseen by whoever is in charge of the Office of Personnel Management. To me it is not a partisan issue. I am not casting any aspersions on the current Office of Personnel Management Director, whoever that may be.

Mr. KINDNESS. I guess this has been going on for 60 years.

Ms. OAKAR. Yes; that is the point. I think it is high time we took a look at it and let the bipartisan commission make recommendations if they have any. I would not want to presume anything because I think that is the purpose of this study. Just as they did, if I can say to the gentleman, in the city of Los Angeles, Mayor Bradley implemented some adjustments. We know that in the city of Colorado Springs, a very fine Republican mayor implemented some adjustments after looking at how his employees have been classified over the years. We know that corporations have done this. Corporations like AT&T and United States Steel, J. Byron & Son, a department store chain. This an evaluation that most good corporations do every day of the week. We really are a little bit behind the times in terms of taking a look at how we treat our employees relative to this issue.

That is what it is all about and no more or no less. I happen to feel very strongly that we should not pit men against women in this issue because that is not it at all. In fact, the study would recommend that we, and I put in the legislation purposely that we do not recommend changing a person's salary in terms of lowering it because that would be against the law if there were not proper need to do so.

We want this to be fair and objective and hopefully, the gentleman and many others on his side as they did last Congress in support of the legislation. Let us take a look at how we relate to this classified system.

Mr. KINDNESS. I thank the gentlewoman for the response to that question, but I am left with a bit of concern about whether the Office of Personnel Management ought to be changed somehow structurally for the future so that we do not find ourselves in the same situation a few years down the road, and would certainly hope that the committee might pursue that.

Ms. OAKAR. There have been several studies but never one really dealing with the comprehensive issues at hand. That is what we are after, and we want it to be cooperative, and we do not want it to be hysterical or confrontional or erratic in terms of various arguments.

You know, I find that the same people who oppose Social Security oppose this legislation. The same people who oppose fair credit to women oppose this legislation. It is an interesting phenomenon over the years that have gone by, and I do not think the issue is really fair credit or Social Security. I think it really is should we do a study on how we classify Federal employees that are part of the civil service classification system. We have not really taken a look at this since 1923.

I want to thank the Speaker for his indulgence, and I certainly hope that we will not distort the issue; that we will simply tell the truth about what the issue is. That is what it is all about.

● **Mr. EDWARDS of California.** Mr. Speaker, I am proud to be a cosponsor of H.R. 3008, Congresswoman OAKAR's bill which would mandate a study to examine Federal wage classifications.

Unfortunately, this study has been wildly distorted and portrayed as a potential threat to free enterprise, and as the vehicle for implementing comparable worth in the private sector. This simple piece of legislation is under attack by those who seem to have a hysterical fear of a study of Federal pay systems. Why this hysteria?

Let's take a look at exactly what this legislation proposes to do. The Federal Government, the largest employer in the United States, has not examined its wage classification system since its inception in 1923—over 62 years ago. Surely no business would or should conduct their operations in this manner.

The bill introduced by Congresswoman OAKAR simply and succinctly mandates an examination of the Federal Government's wage practices. Perhaps the study will determine that gender and race issues have invoked discriminatory policies. Perhaps not. But should we fear finding out the truth—nothing more, nothing less—by supporting the mandate of this study? The Post Office and Civil Service Committee's Subcommittee on Compensation and Employee Benefits, the expert subcommittee of jurisdiction, did not allow such a fear to prevent its endorsement of the study. The full committee has also shown bipartisan approval of H.R. 3008. We should all be happy and proud to do the same. Let's support H.R. 3008 when it comes before the full House for a vote.●

● **Mr. EDGAR.** Mr. Speaker, tomorrow the House will consider H.R. 3008, the Federal Equitable Pay Practices Act of 1985. All but six of my colleagues supported similar legislation introduced by my colleague and friend from Ohio, Congresswoman OAKAR last year. I would like to urge my 412 colleagues who voted for a study of Federal pay practices last year to join me in saluting the gentlelady from Ohio for her leadership on one of the most important issues this Congress will address.

Having done that, I am sure my colleagues will once again reaffirm that factors of sex, race, and ethnic background have no place in the determination of how Federal employees are paid. As the Nation's largest employer, the Federal Government must abide by the requirements of title VII of the Civil Rights Act of 1964 and section 6(d) of the Fair Labor Standards Act of 1938. To do less, in my opinion, would be to endorse the hear no evil, see no evil approach to enforcement of our equal employment opportunity laws that threaten to undermine our commitment to economic justice.

Principles of economic justice extend to those who serve the public and enforce our Nation's laws.

A SOUND APPROACH TO A SOUND STUDY

H.R. 3008 establishes a bipartisan Commission that includes Presidential and congressional appointees and the Comptroller General and the Director of the Office of Personnel Management. This group in turn selects a qualified consultant to conduct a two-part study. The first part of the study

examines the job-factors of male and female dominated jobs in order to isolate the factors that appear to make the most difference. The second part of the study, an economic analysis, examines the three major economic factors that determine pay.

This approach adopts the recommendations of the General Accounting Office [GAO], in its report "Options for Conducting a Pay Equity Study of Federal Pay and Classification Systems," March 1, 1985. I believe that Members who have reservations about the study proposed in H.R. 3008 ought to read this report carefully. It addresses just about all the questions and criticisms that have been raised about and leveled at this legislation.

My colleagues who attribute the fact that federally employed women earn $0.63 for every dollar earned by federally employed men to such "facts" as: One, women voluntarily select lower paying job categories because they derive nonmonetary satisfaction from such choices; two, married women have work histories that are shorter and less consistent than men; three, the supply of women for certain occupations exceeds demand and drives wages down; and four, women have a greater tendency to take dead-end jobs or similar temporary employment—ought to read this report and understand that all of these factors are going to be examined and taken into account.

The study is going to look at some factors that I disagree with and that my colleagues disagree with, but it's going to be comprehensive, thorough, objective, and statistically accurate. We are going to have the facts to explain why the average woman who works for the Federal Government earns $12,000 less than the average man.

JOB CONTENT ANALYSIS

Three-fourths of all major employers in both the public and private sector set wages by using some type of job content analysis. The most typical kind of job content analysis is the point-factor rating method which breaks a job down into its various components and subcomponents and assigns points to these factors based upon the value of each element to the employer. Factors include education, training, skill, experience, and relative convenience of working conditions.

For example, a Federal classifier may assign 100 points to a general skill, and add between 0 and 50 points for a particular technical skill, assign 0 to 30 points for managerial skills, and additional points for human relations skills the job requires. The analysis yields a total point value for a job that can be compared against another job.

The National Academy of Sciences reports that job evaluations "do provide a systematic method of comparing jobs to determine whether they are fairly compensated" and confirms that pay studies have served to reduce discriminatory differences in pay. So much for the theory that dissimilar jobs cannot be compared. Employers have compared dissimilar jobs for years.

The purpose of the job content study, then, will be to help isolate factors used in rating job content that are clearly gender related.

ECONOMIC ANALYSIS

Opponents of H.R. 3008 have charged that the legislation intends to isolate gender related factors and attribute the entire wage gap in Federal service to such factors. The economic analysis required by H.R. 3008 utterly refutes this contention.

The study would examine the three major factors that contribute to setting pay: First, the "human capital" an individual brings the job—his or her skills, experience, institutional memory, willingness to work certain hours and in a certain location, that is the sum of what the employee offers that an employer can use. Previous studies have demonstrated that human capital accounts for over 40 percent of the gap in wages between men and women; second, the relationship between occupational characteristics and wages. Whereas the job-factor study will isolate gender based characteristics, this part of the economic analysis will examine why men and women tend to dominate certain occupations. This analysis attempts to distinguish discriminatory from nondiscriminatory factors that go into this process of gender-based selection, factors including personal choice, oversupply, lack of access, and prejudice; third, the "institutional" elements of wage determination including the effects of supply and demand on pay. We know that supply and demand operate imperfectly in labor markets. For example, entry level jobs are far more influenced by supply and demand than positions an organization fills from within its own ranks.

Promotional systems, including how employee performance is evaluated, will also be examined to determine whether agencies have established male or nonminority dominated career ladders.

FISCALLY RESPONSIBLE REMEDIES

With all the factors that go into setting Federal pay before us, the Commission will recommend remedies to discrimination where it is found to exist. The Congress can then take action similar to that taken in States and localities that have completed studies of equitable pay practices. Working with employee representatives and other interested parties, fiscally constrained jurisdictions have developed long-term phased-in remedies that balanced taxpayers interests against the need to bring discrimination to an end.

Mr. Speaker, I urge my colleagues to confirm what we did last year when we took an important step toward economic justice. I might add that this step, when taken by both public and private employers, has generated a spirit of liberation, good will, and cooperation that has enhanced productivity and served the employer well.●

● **Mrs. BOXER.** Mr. Speaker, I would like to thank my friend from Ohio [Ms. OAKAR] for calling this special order on the critical issue of pay equity and commend her for the outstanding work she has done in this area.

A number of my colleagues have devoted an extraordinary amount of time and effort to state their opposition to H.R. 3008, the Federal Equitable Pay Practices Act of 1985. There has been implications of exorbitant costs, an over-turned marketplace, and a disastrous system of wage setting reaching far beyond the Federal Government into the private sector. This sort of over-reaction and exaggeration serves to make clear that these colleagues of mine have not spent a great deal of time familiarizing themselves with the exact provisions of H.R. 3008.

Mr. Speaker, H.R. 3008 does not give Congress the power to set the wages of employees in the private sector nor does it establish any sort of mandate for a national system of wage setting. What this reasonable and necessary legislation does do is simply call for a study of the Federal wage and classification system for evidence of discrimination based on sex, race, and ethnicity.

The Federal Government is the largest single employer in our Nation. Yet, in the more than 60 years that it has been established, the Federal job classification system has never been thoroughly studied for evidence of discrimination. As legislators, we have an obligation to battle discrimination wherever it may exist. What better place to begin than in our own front yard.

The Federal Equitable Pay Practices Act of 1985 will provide us with one valuable element—information. Based on the information the study provides, we can begin to make certain our own Government workers are free from job bias. The elimination of discriminatory practices at the worksite is a goal every employee and employer should strive to attain. Pay equity legislation such as H.R. 3008 brings us one step closer to achieving this goal and creating a more just society for ourselves, our children, and our grandchildren.●

● **Mr. FAZIO.** Mr. Speaker, I would like to join my colleagues in this special order to offer my support for H.R. 3008, the Federal Equitable Pay Practices Act of 1985.

I wholeheartedly support the concept of pay equity and believe that individuals performing jobs involving

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similar types of training and responsibility should receive the same pay. The Federal Government, as the single largest employer in the United States should set an example in promoting equitable pay practices.

The American taxpayers have invested millions of dollars over the years in the Federal Government's job classification systems to ensure uniformity and accuracy. Yet, for as long as we have been developing these pay-setting systems, we have never done a review of them to determine their impact on women, minorities and ethnic groups. We have never tried to explain, for example, why the average pay for women who work for the Federal Government is $18,864, nearly $12,000 less than the average for men, $30,229.

I believe we also need to explain why women are clustered in the lower Federal ranking grades. The General Accounting Office reports that in 658 of 885 Federal job classifications, men hold 70 percent of the jobs. Women dominate just 77 job classifications—all at the lower end of the pay scale. H.R. 3008 says that Congress, as the Board of Directors of the Federal service, cannot simply shrug off these facts, but must join 34 State governments that have accepted their responsibility to answer similar questions.

H.R. 3008 would require the establishment of a bipartisan Commission of Presidential and congressional appointees that includes the Director of the Office of Personnel Management and the Comptroller General of the United States. It requires the Commission to select a qualified consultant to complete a two-part Federal pay equity study.

Please join me in supporting this measure and the concept of pay equity. As the distinguished chair of our Compensation and Benefits Subcommittee has been telling us all along, this study breaks no radical new ground. It simply puts us on ground already broken by most of the States. It does not rely on blue smoke and mirrors to engineer unwarranted and exorbitant pay increases for women, it simply requires the use of established statistical methods to examine the factors that contribute to the wage gap and to review the Federal Government's method of determining how job factors influence pay. It serves our right to know if the Federal Government's pay policies conform with title VII of the Civil Rights Act and with section 6(d) of the Federal Labor Standards Act.

I urge my colleagues to join ranks once again to take an important step on behalf of all Americans.●

● Mr. GEJDENSON. Mr. Speaker, I rise at this time to voice my strong support for Congresswoman OAKAR's Federal Equitable Pay Practices Act. As an original cosponsor of this legislation, I am proud to be part of this bipartisan congressional effort to continue this country's long tradition of eradicating discrimination of any kind in the workplace.

In considering this bill, I would like to remind my colleagues that it is not the radical measure which some of its opponents would have us believe. Rather, H.R. 3008 represents a recognition of the fact that women working in the Federal Government still earn far less than their colleagues and seem to be represented disproportionately in the lowest-paying jobs.

While many people assert that male/female wage discrepancies are due to historic tendencies to undervalue female labor, H.R. 3008 makes no such assumption. It tries, instead, to understand the reasons behind these discrepancies and to determine whether the Federal Government's official method of pay and job classification is in keeping with the Government's own statutes prohibiting discrimination on the basis of sex, race, and ethnicity.

In its evaluation, a professional consultant will take into account both job content and economic factors which interact to affect a particular job's level of pay. Job content and economic analysis were recommended in the General Accounting Office's report on methodologies for conducting pay equity studies. The economic analysis, in particular, should allay the concerns of those who feel that market forces be taken into account in evaluating pay and classification scales.

Finally Mr. Speaker, H.R. 3008 will not mandate salary levels either in the Federal Government or the private sector. It will merely provide the Federal Government with the knowledge it needs to eliminate wage differentials stemming from discrimination. Additionally, it will bring the Federal Government into the forefront of efforts to root out the last vestiges of workplace discrimination.

I urge my colleagues to support this most important piece of legislation.●

● Mr. de LUGO. Mr. Speaker, I rise today to offer my support for H.R. 3008, the Federal Equitable Pay Practices Act of 1985. As an original cosponsor of what I believe is an improved bill over that passed by the House of Representatives last year, that now includes not only a study of Federal pay practices for women, but for blacks and Hispanics as well, I am urging my colleagues to offer their full support when this measure is considered.

There are those who question the need for examining the classification and payment practices of the Federal Government. There are those who attribute discrepancies between what men are paid and what women are paid to attitide differences between the sexes on work and achievement. And, there are those who contend that the predominance of blacks and Hispanics in lower paying positions is related only to qualifications.

But for myself and many others, however, these opinions are not sufficient. We need to know why these differences still exist.

Given the fact that 80 percent of all women employed by the Federal Government are concentrated in the lowerst paying positions, and that 85 percent of all men are concentrated in the highest paying positions, is an opinion really enough? Do we simply accept the fact that all three of these groups are overwhelmingly clustered in lower grade positions?

As those responsible for shaping this Nation's policies, how can we ignore these facts without questioning if, perhaps, the Federal Government classification and payment practices are discriminatory. I do not think that we can in good conscience.

That is why I believe that an objective study of the Federal wage and classification system is needed. Our society has changed dramatically since the classification system was established in 1923, and yet this system has not been reviewed since that time. H.R. 3008 would mandate a study using job content and economic analysis of Federal positions which are held by men, women, and minorities predominantly. It would also establish a bipartisan Commission to hire an independent consultant to carry out this study. It does not give the Congress the power to set wages, nor does it put into place a national employment or pay policy.

The Equitable Pay Practices Act of 1985 can help provide us with vital information that we need to effectively address issues of equal opportunity now and in the future. It can provide us with an objective measure of our progress. And, it displays a commitment from this Congress that we will continue to work toward a democratic society that encourages all of its citizens to achieve their full potential.●

● Mrs. SCHROEDER. Mr. Speaker, this week we will be voting on H.R. 3008, the Federal Equitable Pay Practices Act. I urge my colleagues to vote for this bill to ensure that our civil service wage and classification systems are free of bias.

H.R. 3008 would commission a study of the Federal pay and classification systems to determine if they are affected by discrimination based on sex, race, and ethnicity—Hispanic. It would empanel a bipartisan commission to choose an independent consultant to perform the study. The study would consider all compensable factors—including job content and market factors—to determine whether any wage differentials identified may be due to discrimination. The bill does not presume that any existing wage gap is due to discriminatory practices.

I would like to share with my colleagues this Washington Post article describing the experience of the city of Colorado Springs, which has committed itself to end sex-based wage discrimination for its city employees. As Mayor Robert Isaac said: "We did something fair and just, and in return we got ourselves great employee morale, lower turnover and higher productivity. Isn't that what the private sector's always looking for?"

[From the Washington Post, Mar. 25, 1985]

City Near Peak No Piker on Pay

(By T.R. Reid)

Colorado Springs.—Can a staunchly conservative, heavily Republican nonunion city government find happiness with a bold new policy championed mainly by organized labor and feminists?

"You're darn right we're happy with comparable worth," says Robert Isaac, the loyal Reaganite who is mayor of this thriving city of 250,000 at the foot of Pike's Peak.

"Some of my Republican friends back in Washington have been pretty tough on this idea," says Isaac, immediate past president of the Republican Mayors' Conference. "But I tell them, if they'd try it, they'd like it."

Some government officials and business leaders back in Washington have indeed had harsh words for the concept of "comparable worth"—the idea that women working in traditionally female jobs should get the same pay as men in different jobs requiring comparable skill and responsibility.

Former White House economic adviser William A. Niskanen Jr. has called comparable worth "a truly crazy proposal." Clarence M. Pendleton Jr., head of the U.S. Civil Rights Commission, said the concept is "the looniest idea since Looney Tunes."

"Yeah, I heard that," says Isaac with a shake of the head. "We wouldn't call it loony here in Colorado Springs.

"But what we had before—where a secretary is doing a job that's just as hard and just as important as a truck mechanic, and she's getting $300 [a month] less—now, that was loony. It's just basically unfair."

The liberal notion of comparable worth hit this conservative city four years ago. A group of 36 City Hall secretaries, all women, went before the City Council to complain that city auto mechanics, all men, were scheduled to get a much higher raise than they were.

"I was sitting at that meeting and—boom! There was the issue," recalls Richard Zickefoose, the city's personnel director. "We didn't expect it to come up, but all of a sudden we were faced with comparable worth."

Zickefoose knew that the federal Equal Pay Act requires equal pay for the same work, regardless of the worker's gender. But the law does not apply to workers doing different jobs, no matter how "comparable" the jobs may be.

As the second-largest employer in town (the federal government is No. 1 in this military city), the city government was under minimal competitive pressure to take on the problem, and there was no public employes' union here to force the issue.

But as Zickefoose and Isaac looked into the secretaries' complaint, they came to agree that the city had no choice but to set up a comparable-worth pay scale.

"It was fundamentally a moral issue," Zickefoose says. "Sure, supply and demand would have provided us a clerical force at the lower salaries. But that market fact was a result of years of discrimination against women workers. We felt we had no right to take advantage of it."

That settled, Colorado Springs faced the problem that many critics of comparable worth consider insoluble: figuring out which jobs done mainly by women are comparable to different jobs done mainly by men.

"The question is, 'Is a secretary's job the same as a tire repairman's? Is a payroll clerk comparable to a tree trimmer?' And, sure, that's a tough question," Zickefoose says.

Colorado Springs drew its answers from the "Hay Guide-Chart Profile" devised by the Philadelphia consultants Hay & Associates. It assigns points to each job in four areas: know-how (the knowledge and skills required); problem-solving (the ingenuity required); accountability (the degree of supervision required) and working conditions (the degree of danger present).

This "Hay Scale" showed, for example, that the jobs performed by a secretarial supervisor and a probation counselor each totaled 208 points. In 1980, though, the traditionally male probation job paid $1,709 a month, while the female supervisor received $1,389. The women earned 23 percent less for "comparable" work.

In 1981, the city committed itself to eliminating almost all of that gap in four years. The comparable-worth scheme took full effect in January. Today, the secretarial supervior's pay is within 4 percent of the probation officer's.

The change brought considerable raises for about 500 female employes and increased the $90 million city payroll by about 2 percent—a relatively small burden for this fastgrowing, prosperous metropolis.

For this price the city earned deep appreciation from its female workers. "Morale is sky high," says Betty J. Ketterson, secretary to the public works director and one of the original 36 petitioners. "And when I need to hire somebody, our applicants are the pick of the crop."

But the government has earned the enmity of the local Chamber of Commerce and many businesses. They say the city bought a liberal bill of goods, flouted the free market and raised the pay scale for clerical workers here to astronomical levels.

Mayor Isaac, a real estate lawyer in private life, says the Chamber of Commerce should stop carping.

"We did something fair and just, and in return we got ourselves great employe morale, lower turnover the higher productivity," Isaac says. "Isn't that what the private sector's always looking for?"●

● Mr. MARKEY. Mr. Speaker, our esteemed colleague MARY ROSE OAKAR recently introduced legislation which would establish a bipartisan commission to study the executive branch wage and classification systems for sex, race, and ethnically based wage bias. Today, I would like to applaud Representative OAKAR's strides in bringing the struggle for civil rights into the 1980's and urge my colleagues to lend their support to this innovative piece of legislation.

In 1963, Congress passed the Equal Pay Act. In 1964, the Civil Rights Act. Yet, 20 years later, we are still trying to ensure equal pay for equal work among employed persons in this country without regard to sex, race, national origin, or religion. Is this such a difficult concept to accept?

Some people would have us believe that pay discrimination and any other inequities should best be left to market forces. Those same people would also have us believe that women in America are paid 64 cents on the dollar because they desire to work in jobs that are traditionally compensated for less than their male counterparts. Nothing could be further from the truth.

Representative OAKAR's bill would examine to what extent wage gaps exist between male and female workers. An economic analysis of pay differentials could provide the Congress with factors such as educational level, experience, and occupational differentials by sex in the Federal Government. Such information could be used to identify any unexplained cases of wage differentials.

Mr. Speaker, I find it hard to believe that my colleagues are opposed to a bill which would require a scientific, objective study to gauge the effectiveness of our attempts to eliminate wage discrimination. The criticisms that have come to light concerning this issue only serve to further cloud the simple intent of this legislation: to conduct a study that would determine where wage differentials exist. Are they afraid of finding out the truth? H.R. 3008 would not make "comparable worth" a nationwide regulation. It would merely determine what kinds of pay differentials exist within the Nation's largest employer, the Federal Government.

I strongly urge my colleagues to take rational, well-reasoned action on H.R. 3008. We should not have to wait another 20 years before taking the next step in the fight for civil rights.●

● Mr. STOKES. Mr. Speaker, I would like to thank my distinguished colleague from the State of Ohio, Congresswoman MARY ROSE OAKAR, for reserving this special order to discuss H.R. 3008, the Federal Equitable Pay Practices Act of 1985. Tomorrow, the House will vote on this legislation. I urge my colleagues, on both sides of the aisle, to vote in favor of H.R. 3008.

H.R. 3008, introduced by Congresswoman OAKAR, calls for a long overdue review of the Federal pay and classification systems to determine whether discrimination based upon sex, race, or ethnicity exists. The Federal classification system has never been reviewed since its establishment in 1923—62 years ago.

The House of Representatives cannot afford to delay this review process any longer. As the single largest employer in the Nation, the Federal Government should be a model for equal employment opportunities compliance with Federal laws. H.R. 3008 attempts to move the Federal Government to that point.

Last year, the House and Senate agreed to a GAO study on this same issue. Preliminary figures compiled by the Government Accounting Office as an outcome of this report indicate that there is still much to be done to ensure equitable pay for all Federal employees. The GAO study concluded that a more indepth review by the Congress is warranted.

At this time, I would like to share some of the findings of that GAO report with my colleagues. GAO auditors reported that the average earnings gap between men and women working for the Federal Government is $9,000 per year. The report also notes that federally employed women earn an average of 62.8 cents for every dollar earned by their male counterparts. GAO found that black women fared worse with their average earnings being 62.2 cents for every dollar earned by men.

Furthermore, even though women comprise almost one-half of the Federal work force, approximately 78 percent of the female employees are clustered in the lower paying slots—grades 1 through 6. Eighty-five percent of the men employed by the Federal Government are concentrated in grades 10 through 15.

Mr. Speaker, these startling GAO figures should be enough incentive for the Congress to pass H.R. 3008. The 18-month study mandated by H.R. 3008, will give us a conclusive indication if certain Federal employees are victims of discrimination. By conducting this study, the Congress will reaffirm its commitment to the law of the land, which states that sex, race, and ethnicity are not factors that may be used to determine the rate of pay for any individual or for any position.

In closing Mr. Speaker, I commend my colleague, Congresswoman Oakar for her diligence in pursuing the issue of pay equity. I urge my colleagues to vote in favor of this legislation.●

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

A TRIBUTE TO DR. CAROLYNE DAVIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. Pursell] is recognized for 60 minutes.

Mr. PURSELL. Mr. Speaker, I wish to compliment a distinguished Federal employee in the employment of the President who is retiring. I want to take a few minutes to compliment a very distinguished public servant who is here tonight, Dr. Carolyne Davis. She is retiring after 4½ years.

Dr. Davis has spent 4½ years as the leader and the Administrator for the Health Care Financing System in America, principally on Medicare and Medicaid which now exceeds a budget of over $100 billion. I understand, if my figures are correct, that it is in the top five nations of the world as far as large budgets and responsibility of administration of critical health programs that have been directed by Congress and have undergone substantial reform in recent years.

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She has been given credit for being at the helm of that ship under the direction, obviously, of the Secretary of Health and Human Services, Peggy Heckler.

Tonight I just wanted to indicate my personal remarks about knowing her, as a Congressman from the Second Congressional District in Michigan, in which is held one of the largest world-class institutions, the University of Michigan, of which Dr. Davis was formerly a vice president and dean of nursing.

Since her appointment to the directorship and administration of our health programs here in America, coming from the University of Michigan, she has brought with her credentials of outstanding capability in the area of finance and budget reform, public policy changes in health, and also her extensive background in nursing as a former dean of nursing at the University of Michigan and her ties with the national nursing associations and Johns Hopkins University.

I believe it is very unusual that we have outstanding women who are in the field of developing public policy in the Federal Government at this high level. I personally think of her opportunities not only as an administrator but a potential in the years to come possibly at the Secretary level in the health field or some similar field related to developing good public policy for this Nation. It is very unique to find people of talent and budget skills and in development of legislation who have the tenacity and the long determination to offer testimony before many hundreds of congressional committees both in the House and in the Senate.

So it is with great pleasure on behalf of myself and my colleagues in the House of Representatives and the Senate of the United States to congratulate her for a job extremely well done, with future potential in years when she will return to public service for this great Nation.

Several Members have offered statements, Congressman James Broyhill, a letter from Margaret Heckler personally, a statement from Congressman Bill Broomfield, a statement from Congressman George O'Brien of Illinois, a statement from Bill Gradison of Ohio, a statement from Helen Bentley of Maryland, and statements from Ray McGrath of New York, Matthew J. Rinaldo of New Jersey, George C. Wortley of New York, Claude Pepper of Florida, and David E. Bonior of Michigan.

Dr. Davis is an outstanding American. We were proud to have her with us. We are sorry that she is leaving the office of the Secretary of Health and Human Services as the Health Administrator. Her opportunities in the private sector are great and I am sure that she will make a great contribution to whatever endeavor she looks at in the future in her professional career. I have been proud to have her serve this Nation.

Mr. ARMEY. If the gentleman will yield, let me take just a moment to express to the gentleman for his thoughtfulness to come down to the floor this evening at this late hour and to bring this to our attention. I appreciate the gentleman's concern and his commitment.

Mr. PURSELL. I thank the gentleman.

I know on behalf of Congressmen Bob Michel, and Trent Lott, Bill Natcher, chairman of our HEW Subcommittee on Appropriations, and others, particularly in the House of Representatives, she has had a great forum here and they really appreciated her testimony, her credibility and her leadership and we are forever grateful for that effort on her part as one of the great leaders of this Nation.

Mr. Speaker, I include in the Record at this point a letter concerning Dr. Davis from Margaret Heckler, the Secretary of Health and Human Services.

The letter is as follows:

Department of Health
and Human Services,
Washington, DC.

To my former colleagues in the Congress:

Today it is my great privilege to extend my heartfelt thanks and best wishes to Dr. Carolyne K. Davis, who soon will be leaving the Department of Health and Human Services after a distinguished four-and-one-half year "tour of duty" as Administrator of the Health Care Financing Administration.

Dr. Davis' sustained leadership has enabled our Department to inaugurate the most significant reforms in the 20-year history of government health care financing. She has been President Reagan's staunch ally in maintaining high quality health care for America's elderly, poor, disabled and others in need, while improving the cost-efficiency of health care delivery.

Today, the estimated 50 million Americans served by the programs Dr. Davis had administered since 1981 can rejoice in the realization that these programs are better

managed and more quality-conscious than ever before.

During her tenure at the Department of Health and Human Services, Dr. Davis has earned the admiration and respect of all of us who have worked with her. Her testimony "on the Hill" has been forthright, lucid and informative. She has kept the communication lines open between our Department and health care providers and consumers. She has been a constant source of knowledge and support to me; her counsel has been sound and thoughtful.

With a profound sense of gratitude and with all sincerity, I ask you to join with me today in thanking Dr. Davis for a job well done and in wishing her the very best and brighest future possible.

Thank you, Carolyne!

Sincerely,

Margaret M. Heckler,
Secretary.

Mr. PURSELL. Mr. Speaker, I also include in the Record the biography of Dr. Carolyne Davis.

The biography is as follows:

Carolyne Kahle Davis, Administrator, Health Care Financing Administration, Department of Health and Human Services

EDUCATION

Ph.D., Higher Education Administration, Syracuse University, Syracuse, New York, 1972.

Master of Science, Nursing Education, Syracuse University, Syracuse, New York, 1965.

Bachelor of Science, Nursing, Johns Hopkins University, Baltimore, Maryland, 1954.

Liberal Arts Studies, Dickinson College, Carlisle, Pennsylvania, 1949 to 1951

PROFESSIONAL EXPERIENCE

Administrator, Health Care Financing Administration (HCFA), March 1981 to present

Major Responsibilities

Management of the Medicare and Medicaid health care insurance programs which provide for the health care needs of 50 million Americans who are elderly, disabled or poor. Development and implementation of detailed operative guidelines on reimbursement, eligibility and coverage, and management of the agency's budget which for FY 1985 was $99 billion, amounting to 10% of the total Federal budget and 29% of all health care expenditures in this country.

Administration of a $35 million research and demonstration budget focusing on long range policy development.

Supervision of 4,100 agency staff and 60,000 regional and State fiscal intermediary staff who coordinate HCFA programs at the State level.

Response to Congressional and other governmental agency requests for information, research studies, and testimony concerning HCFA programs.

Communication with provider and health industry groups, the media, and consumer groups regarding HCFA policies and directions for health care cost containment.

Specific Accomplishments

Reduced Medicare and Medicaid spending increases and improved agency efficiency through the successful efforts listed below:

Prospective Payment System (PPS): Implemented PPS using Diagnostic Related Groups (DRGs) as a new method for paying for hospital care under Medicare. Implemented in five months after passage of 1983 Social Security Act.

Medicaid State Flexibility Waiver Program: Implemented waiver program for States in 1981 (i.e., Home and Community-based; Freedom of Choice).

End Stage Renal Disease Program (ESRD): Implemented prospective payment rates.

Peer Review Organizations (PRO): Implemented new program assuring necessity, appropriateness and quality of care for Medicare beneficiaries.

Health Maintenance Organizations (HMO): Expanded access by implementing new provisions under Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA).

Hospices: Developed regulations and certified 110 hospices for participation in the Medicare program.

Early and Periodic Screening Diagnostic Treatment (EPSDT): Developed proposed regulations to eliminate burdensome requirements which impede health screenings and following-up care to children under Medicaid.

Intermediate Care Facilities for Mentally Retarded (ICF/MR): Reformed Federal surveys of large public ICF/MRs and required corrections of such standard conditions.

Common Billing (UB-82): Established a common billing term form for Medicare hospitals and another for physicians for all third party payors.

Medicare Physician Fee Freeze: Implemented legislation within three months after passage.

Participating Physicians and Physician Assignment Rate Lists (PARL): Expanded beneficiary information of suppliers and physicians who accept assignment.

Common Procedure Coding (CPT-4): Implemented common procedure coding for Part B billing under Medicare.

Third Party Liability (TPL): Reduced Medicaid costs through joint project with the Social Security Administration for improved collection of information on Supplemental Security Income (SSI) recipients.

Admission Pattern Monitoring (APM): Established a system to assure that only patients who need hospitalization are admitted.

Ambulatory Surgical Centers: Developed rules for coverage and reimbursement of ambulatory facilities as a cost-effective alternative to inpatient hospital services.

Medicare Contractor Performance: Improved peformance through enhanced audit and medical review criteria; more stringent performance standards; workload consolidation; and intensified overpayment collection and prevention procedures.

Improved Audits: Achieved reduction of $2.1 billion in reported costs by completing audits of PPS base period used for setting hospital rates.

Parenteral and Enteral: Simplified administration by designating two contractors and setting national instructions and pricing guidelines for these supplies.

Paper Reduction: Reduced paperwork burden on public by more than 25 percent.

Publications Cost Reduction: Reduced publication costs by 67 percent without affecting any beneficiary publications.

Reduced Agency Travel: Reduced agency travel by $500,000 (net) by expanding audio/video teleconferencing.

Centralized Freedom of Information Act (FOIA): Centralized FOIA activities, increasing workload from 2,000 to 30,000 yearly requests without increasing staffing.

New International Activities Program: Began International Health Briefings program in 1983 in coordination with State Department briefing over 30 nations and their representatives.

Technical Assistance to States: Began program helping States implement DRG type prospective payment systems for Medicaid programs.

Improved Ageny Productivity: Reorganized the agency, iproved HCFA productivity by raising work levels 30%, and improved timeliness in agency review and response to State Medicaid waivers.

Associate vice president for academic affairs (Inter Collegiate and Intra College Programs), the University of Michigan, Ann Arbor, Michigan, May 1975 to March 1981

Major Responsibilities and Accomplishments

Administration of the following special institutes and centers with a budget of $6 million from general funds and $7 million from grants, contracts, and earned income and over 500 employees: Institute for Public Policy Studies, Institute for Labor and Industrial Relations, Institute for Mental Retardation and Related Disorders, Institute of Gerontology, Center for Research on Learning and Teaching, Center for Human Growth and Development, Michigan Media Center, Michigan Historical Library, Clements Library, Museum of Art.

Supervised and coordinated activities between the University of Michigan Hospitals and the five health science schools: Medicine, Nursing, Pharmacy, Public Health and Dentistry.

Supervised and coordinated various international exchange programs, and initiated new exchange agreements with international universities in China, Germany, France, Italy, and the Netherlands.

Served as University of Michigan Congressional liaison for Education and Health Sciences from March 1979 to March 1981. Responsibilities included: (a) monitoring Federal legislation and appropriations related to University interests such as higher education, biomedical research, hospital cost containment, health manpower; (b) developing legislation with Congressional staff and members of Congress; and (c) developing and implementing legislative strategies alone and in collaboration with such groups as the American Association of Universities.

Reviewed all recommendations for faculty promotions and determined final candidates from the seventeen schools and colleges on the Ann Arbor Campus as well as the two branch campuses of Flint and Dearborn.

Participated in budget allocation decisions for the seventeen schools and colleges on the Ann Arbor Campus.

Coordinated interdisciplinary graduate programs for Bioengineering and Water Resources.

Developed and implemented program closure procedures and guidelines for the university's academic programs.

Dean, School of Nursing, the University of Michigan, Ann Arbor, Michigan, July 1973 to May 1975

Major Responsibilities and Accomplishments

Administration of nursing school involving the management of 135 faculty and 1,100 students with a general fund of over $2 million and $1 million annually in grants and contracts.

Development of Ph.D. program in clinical nursing research.

Institution of research and funding activities which moved the school from 30th to

10th in the national ranking of Federal funds received.

Participation in the development of a new statewide nursing research program which brought over $1.5 million in research funds to the University.

Development of an intercollegiate masters degree program with the School of Public Health for preparation of nursing service administrators.

Development of an off-campus multimedia instructional program lead in to a baccalaureate program for registered nurses with a $1 million Federal grant.

Implementation of upgraded criteria for review of faculty appointment, promotion and tenure.

Development of an elective course "The Consumer and His Health Care Needs" for non-nursing majors.

Professor of education and professor of nursing, the University of Michigan, Ann Arbor, Michigan, 1973 to 1981

Management teaching at the Center for Higher Education, School of Education.

Chair/committee member for doctoral student dissertations at the Schools of Education and Nursing.

Chairperson, Baccalaureate Nursing Program and Associate Professor of Nursing, Syracuse University, Syracuse, New York, 1969 to 1973

Administration of a baccalaureate nursing program involving the management of 35 faculty and 350 students.

Lecture and clinical instruction of various practice areas.

Development of an inter-institutional cooperative nursing education consortium for Upstate New York; Syracuse University and SUNY Upstate Medical Center Project, 1972 to 1973.

PROFESSIONAL COMMITTEE MEMBERSHIPS

Board Member and President, International Health Economics Management Institute, 1984.

Board Member, Nursing Economics, 1983.

Association of Academic Health Centers, Task Force on Health Manpower Planning 1980–1981.

American Association of Higher Education, Board of Directors 1980–1981.

Friends of Health (a Health Lobbying Group) 1979–1981.

AAU/NASULGC/ACE Joint Committee on Health Policy 1979–1981.

Michigan Health Data Corporation, Chairperson, 1978–1980.

American Council on Education: Commission for Leadership Development 1978–1981, Commission on Collegiate Athletics 1976–1979.

National League of Nursing: Board of Directors 1979–1981, Task Force on Cost Analysis for Nursing Education 1975–1978.

COMMUNITY SERVICE

Johns Hopkins University, Board of Trustees 1979–1981.

Michigan Heart Association: Board of Directors, 1973–1981, Executive Committee, 1979–1981, Finance Committee, 1979–1981.

United Way Campaign, Chairperson, University of Michigan, 1976–1977.

United Fund, Associate Chairperson—Syracuse University, 1972–1973.

Upstate New York Heart Association: Board of Directors, 1968–1973, Vice President, 1972–1973.

School Board (Elected—3-year Term), Fayetteville—Manlius System, New York, 1971–1973.

HONORS AND AWARDS

Honorary Degrees

Doctor of Law, Adelphi University, 1985.

Doctor of Science, University of Medicine and Dentistry of New Jersey, 1984.

Doctor of Literature (Humane Letters), Georgetown University, 1982.

Doctor of Science, University of Evansville, 1982.

Awards

Distinguished Alumni Award, University of Michigan Medical Center, 1984.

Leadership Award, Sigma Theta Tau, 1984.

Alumni Award, Syracuse University School of Education, 1984.

Certificate of Recognition, American Nurses Association, National League for Nursing, and American Association of Colleges of Nursing, 1984.

Distinguished Associate, Atlantic Economic Society, 1983.

Bronze Medallion (for outstanding performance), Department of Health and Human Services, 1983.

Distinguished Alumnus Award, Johns Hopkins University, 1981.

Change Magazine's 100 Top Young Leaders in the American Academy, 1978.

U.S. Public Health Service Traineeship, 1963 to 1965.

Cullen Prize for Nursing Administration, Johns Hopkins University, 1954.

Presidential Scholarship, Dickinson College, 1949 to 1951.

Honors

Fellow, American Academy of Nursing, 1978.

Phi Delta Kappa (Education Honorary), 1975.

Sigma Theta Tau (Nursing Honorary), 1965.

PUBLICATIONS

"A Political Appointee", Political Action: A Handbook for Nurses, edited by D. Mason and S. Talbott, (In Press).

"U.S. National Health Policy: A Federal Perspective", International Health Economics Management Institute, Edwardsville, Ill., (In Press).

"Organ Transplants", Public Welfare, Spring 1985.

"Holding the Line on Health Care Costs: An Administration Overview", IMC Journal, February/March 1985.

"The Impact of Prospective Payment on Clinical Research", Journal of American Medical Association, February 1, 1985.

"The ESRD Program: Finding a Better Future for Patients", Contemporary Dialysis and Nephrology, January 1985.

"Medicare", The Retired Officers, January 1985.

"HCFA is Not Imposing Quotas on PRO's, Administrator Says", Federation of American Hospitals Review, November/December 1984.

"Efficient Care Benefits All", Clinical Chemistry News, October 1984.

"The Reimbursement Revolution Implications for Physicians", Contemporary Dialysis, September 1984.

"The Chief Administrative Officer of the Academic Health Center—A Post of Growing Impact of Both Higher Education and Health Services Delivery", with S. C. Stolp-Smith and J.W. Dalson, Ph.D., The Journal of Health Administration Education, June 1984.

"The Time is Right", Guest Editorial, Nursing and Health Care, May 1984.

"The Status of Reimbursement Policy and Future Projections", Nursing Research and Policy Formation: The Case of Prospective Payment, American Academy of Nursing, Kansas City, Kansas, April 1984

"The Reimbursement Revolution: A New Agenda", Diagnosis Related Groups: The Effect in New Jersey the Potential for the Nation:, March 1984, (HCFA #03170).

"The Reimbursement Revolution: A New Agenda", Caring, February 1984.

"What Nurses Need to Know About the Prospective Payment Revolution", American Journal of Nursing, January 1984.

"A Federal Perspective: Nursing Under Prospective Payment", Health Care Cost Containment: Dilemmas and Solutions, Midwest Alliance in Nursing, Indianapolis, Indiana, 1984.

"Reforming the U.S. Health Care Financing System", and "Research and Demonstrations in Prospective Payment", with A. Esposito, Health Care: An International Perspective, edited by J.M. Virgo and G. Rutman, International Health Economics and Management Institute, Edwardsville, Illinois, 1984.

"Prospective Payment Background and Future Directions", Health Care Institutions in Flux: Changing Reimbursement Patterns in the 1980's Information Resource Press," Arlington, Virginia, 1984.

"National Legislation and Regulatory Action", Perspectives in Nursing 1983–1985, National League for Nursing, New York, N.Y., 1983.

Nursing and the Health Care Debates", (Editorial), Image: The Journal of Nursing Scholarship, Sigma Theta Tau, Summer 1983.

"A Government Administrator's Point of View", Pennsylvania Blue Shield Annual Report 1983, 1983.

"The Federal Role in Changing Health Care Financing, Part II: Prospective Payment and its Impact on Nursing," Nursing Economics, September/October 1983.

"Reforming the U.S. Health Care Financing System", with G.J. Schieber, Ph.D., Atlantic Economics Journal, September 1983.

"A Bold Step Forward", The Internist, August 1983.

"Prospective Payment: What it Means to Physicians", The Internist, August 1983.

"Carolyne Davis on Prospective Payment", Osteopathic Hospitals, August 1983.

"The Federal Role in Changing Health Care Financing, Part I: National Programs and Health Financing Problems", Nursing Economics, July/August 1983.

"Fixed Fees Reduce Costs, Add Incentives", (Editorial), U.S.A. Today, February 16, 1983.

"The Need to Contain Health Care Spending", Graduate Women, January/February 1983.

"Commitment and Cost Control in the Health Care System", American Psychologist, December 1982.

"The 1980s—Nurses' Decade of Political Power", Briefly Noted, American Academy of College for Nursing, Washington, D.C., August 1982.

"Home Health Care-Opportunity and Responsibility", Rx Home Care/Medicare Section, July 1982.

"Effects of Medicare and Medicaid on Community Hospitals", Healthcare Financial Management, July 1982.

"Federally Funded Health Care Progress and Their Impact on Corporate Health Care Costs", Health Care Cost Containment, Machinery and Allied Products Institute, Washington, D.C. 1982.

"Leadership for Expanding Nursing Influence on Health Policy", with D. Oakley and J. A. Sochalski, The Journal of Nursing Administration, January 1982.

"Restricted Resources Ahead: A Test for Nursing Creativity", The Michigan Nurse, December 1981.

"Who Determines Health Manpower Policy", with P. Maraldo, Nursing in Health Care, August 1980.

"Wield the Ax with Courage and Sensitivity", Higher Education's Challenge, American Council on Education, Washington, D.C. 1980.

"How Can We Train Doctors to be More Humanistic?", Ethics, Humanism, and Medicine, Alan R. Liss, Inc., New York, 1979.

"Guidelines for Program Discontinuance", with Dougherty, Educational Record, Winter 1979.

"The Changing Role of Women in Academe", Dickinson Alumnus, February 1979.

"Our 14,000 Colleagues in Business, Industry and Government", American Association of Higher Education Bulletin, October 1978.

"Factors Affecting the Growth of Interdisciplinary Education", Craniofacial Growth Series, Monograph No. 6, Center for Human Growth and Development, University of Michigan, 1977.

"Nursing Education for Quality Nursing Practice", The Alumni Magazine, Johns Hopkins Press, January 1976.

"Some Methodological Problems in the IOM Study of Costs of Nursing Education", The Cost of Nursing Education, Monograph No. 14-1591, National League for Nursing, New York, 1975.

Relationship of University Preparation and Nursing Practice, NLN League Exchange Monograph No. 108, National League for Nursing, New York, 1975.

"NLN Task Force on the Cost of Nursing Education", Converting Threats into Challenges in Nursing-Adaptations in Baccalaureate and Graduate Education in Nursing, Department of Baccalaureate and Higher Degree Programs, National League for Nursing, New York, 1975.

"Changing Roles for Expert Nurses: Nurse Practitioners", Major Issues and Trends in the Provision of Health Care Services, Governors Conference on Health Care Services and Manpower, 1973.

Final Report of Feasibility Task Force on a University Nursing Education Center, A Consortium Planning Document, with R. Galbreath and M. Sovie, Syracuse University and Upstate Medical Center, New York, 1973.

"Anticipatory Socialization: Its Effect on Role Conception, Role Deprivation and Adaptive Role Strategies of Graduating Students from Selected Associated Degree and Baccalaureate Nursing Program", Dissertation, University Microfilms, Ann Arbor, Michigan, 1972.

RESEARCH ACTIVITIES

Academic Health Center Exploratory Study of Role of Chief Administrative Officer, with Drs. J. Dalston and S. Smith, The University of Michigan, 1980 to 1981.

Statewide System for Procedures of Program Discontinuance (with H. Miller), 1979–80 (Exxon support).

Leadership Competencies of Academic Administrators, with Dr. M. A. Swain, The University of Michigan, 1980.

Leadership Competencies of Deans of Nursing, with Dr. M. A. Swain, The University of Michigan, 1977 to 1979.

Developed the first American Heart Association cardiovascular nursing research fellowship program media, both television and radio, concerning Federal initiatives in health care reform.

Services for Mentally Retarded Persons, Senate Appropriations Committee, Handicapped Subcommittee, 6/27/84.

Medicaid Program "Freedom of Choice" Waivers, Senate Finance Committee, Health Subcommittee, 3/30/84.

FY 1985 Budget for the Health Care Financing Administration, Senate Appropriations Committee, Departments of Labor, Health and Human Services, Education & Related Agencies Subcommittee, 3/28/84.

FY 1985 Budget for the Health Care Financing Administration, House Appropriations Committee, Departments of Labor, Health and Human Services, Educaton & Related Agencies Subcommittee, 3/20/84.

Medicare Program Relative to Proposed Organizational Changes in the Social Security Administration, Congressional Panel on Social Security Organization, 3/16/84.

Medically Needy and the Medicaid Program Services for Children and Pregnant Women, House Energy and Commerce Committee, Oversight and Investigations Subcommittee and Health and the Environment Subcommittee, 3/16/84.

Transplantation in the Medicare End-Stage Renal Disease (ESRD) Program, The National Organ Transplant Act, House Ways and Means Committee, Health Subcommittee, 2/9/84.

Vision of Care Services and Eye Examinations under the Medicare Program, (statement for the record), House Energy and Commerce Committee, Health and the Environment Subcommittee, Baltimore, Maryland, 1/27/84.

Perspective on the Health Care Financing Administration (HCFA) Regarding the Medicare Financing Crisis, (statement for the record), House Select Committee on Aging, Boca Raton, Florida, 12/28/83.

Allocation of Human Organs for Transportation, Particularly as it Relates to Nonresidents Aliens, (statement for the record), House Science and Technology Committee, Investigations and Oversight Subcommittee, 11/7/83.

Systems Currently in Place for Making Organs Available for Transportation under Medicare End-Stage Renal Disease (ESRD) Program as Administered by HCFA, Senate Labor & Human Resources Committee, 10/20/83.

National Organ Transplant Act, (H.R. 4080), House Energy & Commerce Committee, Health and the Environment Subcommittee, 10/17/83.

Reimbursement for Transplant Procedures, (a Written Testimony for the Record by Carolyne K. Davis, Ph.D.), 9/23/83, California State Senate Select Anatomical Transplant Committee, Sacramento, California.

Implementation of the Provisions in P.L. 97–248, the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) which Provide Coverage for Hospice Care for Terminally Ill Medicare Beneficiaries, Senate Finance Committee, Health Subcommittee, 9/15/83.

The Administration's Reforms for Medicare, House Energy & Commerce Committee, Health & the Environment Subcommittee, 7/18/83.

Home Health Care Under the Medicaid Program and the Congressional Proposal, Senate Labor & Human Resources Committee, 7/13/83.

Departments of Labor, Health & Human Services, Education, Appropriations for 1984, (Part 5, HCFA), House Appropriations Committee Labor, HHS, Education Subcommittee, 4/27/83.

Systems in Place for Making Organs Available for Transplantation, House Science & Technology Committee, Investigations & Oversight Subcommittee, 4/27/83.

The Future of Medicare, Senate Special Aging Committee, 4/13/83.

Departments of Labor, Health & Human Services, Education, Appropriations FY 1984, (Part 2, HCFA), (H.R. 3913), Senate Appropriations Committee, Labor, HHS, Educaton Subcommittee, 4/8/83.

The Future of Medicare: N.J., House Aging Committee, Human Services Subcommitte (Princeton, N.J.), 3/28/83.

Overview of the Administration's Entitlement Policies, House Budget Committee Task Force on Entitlements, Uncontrollables, and Indexing, 3/10/83.

Medicare Hospital Prospective Payment System, House Ways & Means Committee, Health Subcommittee, 2/15/83.

Quality Assurance Under Prospective Reimbursement Programs, Senate Aging Committee, 2/4/83.

Prospective Reimbursement for Hospitals, House Energy & Commerce, Health & the Environment Subcommittee, 11/22/82.

Nursing Home Survey & Certification: Assuring Quality Care, Senate Aging Committee, 7/15/82.

Recommendations for Legislation to Achieve Required Cuts in the FY 1983 Budget for Medicare, House Ways & Means Committee, Health Subcommittee, 6/15/82.

The End Stage Renal Disease Program, (Part 2, Treatment Standards & Methods), House Government Operations Committee, Intergovernmental Relations & Human Resources Subcommittee, 4/28/82.

Proposed Regulations Governing Reimbursement under the Medicare End-Stage Renal Disease Program, House Ways & Means Committee, Oversight Subcommittee, 4/22/82.

Impact on the Elderly of Proposed Medicare & Medicaid Cuts, House Aging Committee, Health and Long-Term Care Subcommittee, 3/19/82.

Proposed Prospective Reimbursement Rates for the ESRD Program, Senate Finance Committee, Health Subcommittee, 3/15/82.

HCFA Appropriations for 1983, (Part 3), Senate Appropriations Committee, Labor/HHS/Education Subcommittee, 3/18/82.

HCFA Appropriations for 1983, (Part 5), House Appropriations Committee, Labor/HHS/Education Subcommittee, 3/5/82.

Impact of the Administration's Proposed Budget Cuts on Children, House Ways & Means Committee, Oversight Subcommittee and House Energy & Commerce Committee, Health & the Environment Subcommittee, (statement for the record), 3/5/82.

Kickbacks in Clinical Laboratories, House Energy & Commerce Committee, Oversight & Investigations Subcommittee, 3/5/82.

Administration's proposed Budget Cuts Affecting the Medicare Program, House Ways & Means Committee, Health Subcommittee, 3/2/82.

Budget Issues for Fiscal Year 1983 (Volume 1), House Budget Committee, 2/25/82.

The End Stage Renal Disease Program, (Part 1—Management of the Program), House Government Operations Committee, Intergovernmental Relations & Human Resources Subcommittee, 2/24/82.

End-Stage Renal Disease, Senate Finance Committee, Health Subcommittee, 9/28/81.

HCFA Appropriations for 1982, Part 5, HCFA House Appropriations Committee,

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Labor/HHS/Education Subcommittee, 4/27/81.

Proposed Budget Cuts in the Medicare Program, House Ways and Means Committee, Health Subcommittee, 2/20/81.

The Professional Standards Review Organization (PRSO) Program, House Ways and Means Committee, Health and Oversight Subcommittees, 3/24/81.

Phaseout of PSRO's & Utilization Review Requirements, Senate Finance Committee, Health Subcommittee, 3/23/82.

Nurse Shortage & Its Impact on Care for the Elderly, House Aging Committee, Health & Long-Term Care Subcommittee, August 1980.

Nursing, House Interstate & Foreign Commerce Committee, Health and the Environment Subcommittee, March 1980, (Committee re-named House Energy & Commerce Committee).

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Frank H.T. Rhodes, Ph.D., President, Cornell University, Ithaca, New York.

Harold T. Shapiro, Ph.D., President, The University of Michigan, Ann Arbor, Michigan.

● Mr. BROYHILL. Mr. Speaker, at a hearing before the Select Committee on Aging this morning, Dr. Carolyne K. Davis delivered her final testimony in a long and distinguished career as Health Care Financing Administrator.

In her own words, Dr. Davis has been the "caretaker of Medicare and Medicaid over the past 4½ years.

What Dr. Davis modestly declines to add, is that she has had the longest tenure of any Health Care Financing Administrator since the agency was founded.

I first became acquainted with Dr. Davis and her impressive command of health policy when she testified many years ago at a Health and the Environment Subcommittee hearing on the Nurse Training Act. Subcommittee members were quickly impressed with the abilities of the nurse from Michigan, and over the years we looked to her time and time again for well thought out and reasoned testimony on health issues.

The President also recognized those outstanding qualities, and in February 1981 Dr. Davis was appointed Health Care Financing Administrator.

The position of Health Care Financing Administrator is not to be taken lightly. Surely it must outrank even the heads of the largest corporations in duties and responsibilities.

As the head of HCFA, Dr. Davis commands over 4,000 agency staff and scores of regional and fiscal intermediary staff. Fifty million citizens count on her to get their benefits—and I might add these citizens are among the country's most elderly, disabled, and poor.

In the coming fiscal year, the Health Care Financing Administration expects to spend almost $100 billion in benefit payments. Its research budget will be $22 million. Imagine the machinery to run an organization that large.

Imagine the grasp of policy to run programs as diverse as end stage renal disease and Medicaid State flexibility waivers.

And imagine trying to run an agency that large, with so many programmatic responsibilities, during such an important period in the reform of health policy.

It is without question that Dr. Davis' stewardship of HCFA was the linchpin upon which the Medicare reimbursement reforms, the prospective payment system, were formulated and implemented. Under the steady management and capable command, this radical change in Medicare reimbursement has been implemented successfully, injecting a long-needed measure of competition into the health care marketplace. And under Dr. Davis' supervision, the law mandating this new PPS system was implemented in only 5 months.

By her own estimation, Dr. Davis has testified before the Congress almost 70 times. The majority of those were as Health Care Financing Administrator.

It is seldom that the Congress has an opportunity to benefit from the viewpoint of one who is so capable, confident, or persistent. Dr. Davis has run HCFA tirelessly for 4½ years, and has done a superb job. I join with my colleagues today, on the 20th anniversary of Medicare and Medicaid, in thanking Dr. Davis for her selfless efforts and for wishing her well in her future endeavors.

With her past record, I am certain Dr. Davis will continue on the path of success—and I know the Energy and Commerce Committee will continue to count on her for cogent, compelling, and now seasoned testimony.●

● Mr. BROOMFIELD. Mr. Speaker, on the 20th anniversary of Medicaid and Medicare, it is especially appropriate that we should recognize the achievements of the retiring head of the Health Care Finance Administration, Dr. Carolyne K. Davis.

Dr. Davis manages a $99 billion budget, which accounts for 10 percent of the total Federal budget and 29 percent of the Nation's health care expenditures.

More importantly, Dr. Davis's performance has been in every way commensurate with her responsibilities. When Dr. Davis took office in 1981, the Medicare trust fund faced the prospect of bankruptcy by 1986; Dr. Davis, however, has significantly prolonged the life of the fund.

Dr. Davis has overseen a thoroughgoing reform of her agency. She has implemented the prospective payment system, an innovative approach to cutting health care costs. She has also reshaped peer review organizations, expanded access to health maintenance organizations, and accomplished myriad other reforms which have produced a more efficient and cost-effective agency.

Dr. Davis has arguably managed to improve the Nation's health care while simultaneously cutting costs.

Mr. Speaker, as the senior member of the Michigan Republican congressional delegation, I am particularly proud of the role I played in helping my colleague Congressman PURSELL to bring Dr. Davis from the University of Michigan to the Federal Government. I commend her for the outstanding job she has done and wish her every future success.●

● Mr. O'BRIEN. Mr. Speaker, I am pleased to join with my colleagues in speaking of the Honorable Carolyine Kahle Davis, Administrator of the Health Care Financing Administration.

In the next few days, the Reagan administration will lose one of its unsung luminaries when Dr. Davis leaves Federal service after 4 years at the helm of one of the most important agencies of the Government.

Dr. Davis has shouldered the responsibility of managing the system that plays a crucial role in serving the needs of the 51 million elderly, disabled, and poor who depend upon Medicare and Medicaid. The agency budget which for fiscal 1985 was $99 billion, amounts to nearly 10 percent of the total Federal budget and 29 percent of all health care expenditures in our country. The agency staff which she supervised totals 4,100 individuals and another 60,000 regional and State fiscal intermediary staff who coordinate HCFA programs at the State level.

During her tenure, she has overseen the institution of a major Federal Government reform program and process—the prospective payment system—which has had, and will continue to have, a profound impact on the Federal Establishment and, naturally, the beneficaries of Medicare. Dr. Davis began the implementation of the system in October 1983, and by October 1984, roughly 5,400 hospitals were being paid under the new system.

Dr. Davis, a distinguished public servant, began her career as a registered nurse. She moved into administration at Syracuse University and

later as associate vice president for academic affairs at the University of Michigan at Ann Arbor. She earned her Ph.D. at Syracuse University and has been honored with doctorates from Adelphi University, University of Medicine & Dentistry of New Jersey, Georgetown University, and the University of Evansville. Her awards, honors and publications are too numerous to list. Suffice it to say that she has made a impressive contribution to the literature of health care in the United States.

Dr. Davis has been in the forefront of developing a new awareness and appreciation of the public policy implications of rising health care costs, and has been the spokesman and general of the revolution to bring health care costs under control during this administration.

The Reagan administration is losing a loyal and experienced administrator, but I am sure that Dr. Davis will continue to make her mark on public policy in her new endeavors.

Her friends throughout the executive branch, the Congress, and the industry wish her well, and look forward to her future assistance to the task of bringing health care costs under control.●

● Mr. GRADISON. Mr. Speaker, it is entirely appropriate that we have chosen today, the 20th anniversary of the Medicare and Medicaid programs to honor Dr. Carolyne Davis.

Not only has Carolyne Davis served as administrator of HCFA, the agency that oversees these two important programs, longer than any other individual, but she has done an outstanding job in what is certainly one of the most challenging and difficult positions in this town.

In 1981, which was when Carolyne Davis arrived at HCFA, the Social Security trustees predicted that Medicare's hospital trust fund would be bankrupt within 5 or 6 years. Earlier this year, the trustees projected that the trust fund would be solvent through 1998.

While this encouraging trend cannot be attributed solely to the efforts of Carolyne Davis, it has been under her leadership that these two massive health programs have undergone their most sweeping changes.

Under the intense pressure and scrutiny of numerous interested parties including other Federal agencies, health industry groups, consumer representatives and Congress, Carolyne Davis has developed and implemented far-reaching, detailed operative Medicare and Medicaid guidelines. She has managed an agency that provides for the health care needs of 50 million Americans who are elderly, disabled or poor. HCFA's current budget of $99 billion amounts to 10 percent of the Federal budget and represents nearly one-third of all health care expenditures in this country.

As ranking Republican on the Ways and Means Health Subcommittee, I have worked closely with Carolyne Davis. My admiration and respect for her have continued to grow. In short, she is going to be a very tough act to follow.●

● Mrs. BENTLEY. Mr. Speaker, it is my pleasure to honor Dr. Carolyne Davis this evening. She is not only one of the more prominent graduates of Johns Hopkins University in our State, but she has also served on the university's board of trustees with distinction.

We are proud of her work as administrator of the Health Care Financing Administration—from a point of near bankruptcy in 1981—she has brought the program to fiscal stability. It has been a grand job which reflects well on her education, her experience and her character.

I am always impressed by the performance of most appointed officers in government, having been one myself. It is the most difficult of chores to come into an on-going operation, fully staffed, picking up programs and problems—already in place—and be effective.

Carolyne Kahle Davis has obviously been effective and that is what good governance is all about.

We owe Dr. Davis for her service to the country. We thank her and wish her Godspeed.●

● Mr. McGRATH. Mr. Speaker, I would like to join my colleagues in saluting the efforts of a dedicated public servant, Dr. Carolyne Davis, who will soon leave Government service.

During my freshman term in Congress, Dr. Davis made her first appearance at a congressional hearing before the Government Operations Subcommittee on which I served. She spoke then on a complex and volatile Medicare issue. Since that time, she has distinguished herself in numerous forums as an articulate and informed leader in the field of health care.

Under the stewardship of Dr. Davis, the Health Care Financing Administration has assumed tremendous responsibility in reshaping Federal programs to meet stringent fiscal requirements while maintaining quality services for millions of Americans. Dr. Davis has responded to these challenges with great vigor and attention to detail.

While we have lost a tireless and trustworthy ally in the executive branch, her legacy of service and accomplishment will remain. I wish her the best of success in future endeavors, and extend my heartfelt gratitude for her efforts.●

● Mr. RINALDO. Mr. Speaker, I am pleased to take part in this special order to commend Dr. Carolyne Davis for her work over the last 4½ years as head of the Health Care Financing Administration.

She has done a tremendous job working under terrific pressures. She has not only had to work to keep the Medicare system solvent, but she also brought to her job a commitment to providing the senior citizens of this Nation the health care benefits they need and deserve.

Only 2 years ago, it was predicted that the Hospital Insurance Trust Fund would be broke by the end of this decade. Today, however, the system is predicted to be solvent nearly to the end of this century.

This improvement is due in large part to the reduction in health care inflation.

More importantly, however, the new DRG system offers us the prospect of long-term relief in holding down health care costs, and Dr. Davis was instrumental in getting Congress to approve this system.

While she has headed the Health Care Financing Administration, Dr. Davis has overseen innovative new programs go into effect, such as the 2176 waiver program under Medicaid, the preventive health demonstration grants under Medicare, the hospice program for terminally ill Medicare recipients, as well as the fundamental change brought about by the prospective payment system.

Mr. Speaker, Dr. Davis has clearly left her mark at HCFA.

She has served longer than anyone else in that position, and she has done so with distinction and a dedication which deserve the commendation of Congress and the administration.

I wish her the best of luck as she returns to the private sector, and wish to extend my heartfelt thanks for a job well done.●

● Mr. WORTLEY. Mr. Speaker, I am proud to participate in this special order honoring one of the ablest administrators that the Health Care Financing Administration has ever had.

I have known Carolyne Davis since she was a professor of nursing at Syracuse University in the early 1970's. She has been a friend, neighbor, and volunteer extraordinaire.

Carolyne has always been at the forefront of good causes, bringing her enthusiasm, knowledge, and leadership capabilities to bear on community efforts. I had the honor and the privilege of serving with Carolyne as officers of the Upstate New York Heart Association. She also served with distinction as the associate chairperson of the United Fund at Syracuse University. As an elected member of the Fayetteville-Manlius School Board, Carolyne played a major role in shaping the school district into one of the finest in New York State.

Administrator Davis has shown the same dedication and perseverence at the Health Care Financing Administration. During her 4½ years, she has promoted and overseen dramatic changes in the Medicare and Medicaid systems. In very difficult circumstances, HCFA under her leadership has succeeded in curtailing the rate of growth in the cost of the Medicare and Medicaid Programs while at the same time serving more people than ever before.

Specifically, Carolyne has overseen the design and implementation of the prospective payment system, the Medicaid State Flexibility Waiver Program, and peer review organizations. Access to health maintenance organizations have been expanded, regulations, for hospice participation in Medicare have been developed, and the paperwork burden on the public has been reduced by more than 25 percent. These are just a few of the accomplishments of HCFA under Carolyne Davis.

As a member of the House Select Committee on Aging, I have especially appreciated all of the times Carolyne has testified before the Aging Committee and its various subcommittees. It has been a long and hard battle from her first appearance before the committee to her farewell appearance at today's hearing honoring the 20th anniversary of the Medicare and Medicaid Programs.

August 8 is officially Carolyne's last day as Administrator of the Health Care Financing Administration. Her strong work ethic, managerial expertise, and extensive knowledge and deep concern about health issues will be missed. I hope she will return to government service in the future to give us the further benefit of her talents. America needs such talented people in her service.

In closing, let me just say, "Well done, Madame Administrator."●

● Mr. PEPPER. Mr. Speaker, I would just like to take this moment to recognize the fine work of a dedicated public servant, Dr. Carolyne Davis, Administrator of the Health Care Financing Administration who has recently announced her plans to leave the Department.

Dr. Davis, has led a distinguished career at the helm of an agency of great importance to all senior citizens. For in the hands of the Health Care Financing Administration is the Medicare Program which today protects some 31 million elderly and disabled Americans from the high costs of health care. She has lead this agency admirably through a tenure of turbulent times. Dr. Davis served her country for 5 years in this position, longer than any of her predecessors.

On many occasions I have had to call upon Dr. Davis personally for assistance with problems faced by my constituents. Her door has always been open. In every instance she did everything in her power to best assist me. This goes beyond partisanship. Dr. Davis has proved not only a dedicated and talented administrator by a compassionate and understanding person.

I wish Dr. Davis the best of everything in whatever future endeavors she may undertake. I know that she will carry with her those personal and professional characteristics which marked her distinguished service at the Health Care Financing Administration.●

● Mr. BONIOR of Michigan. Mr. Speaker, Dr. Carolyne K. Davis, after 6 years of distinguished service at the University of Michigan, joined the Health Care Financing Administration [HCFA] in 1981 as its Administrator. Dr. Davis took charge at a time when the agency was in the throes of a nearly complete overhaul, the revamping of a major American industry—health care financing. Under her leadership, Medicare and Medicaid underwent the most sweeping changes since their founding. In spite of the stormy seas she has had to sail, Dr. Davis has held her ship on course.

Dr. Davis is not only a leader but a health care professional who knows how to lead. Originally a nurse, she earned a Ph.D. degree in higher education administration, and went on to run nursing departments at Syracuse University and the University of Michigan where she ultimately served as associate vice president for academic affairs before joining HCFA in 1981.

Today, July 30, 1985, marks the 20th anniversary of Medicare and Medicaid. It seems fitting to me that on this day, Dr. Carolyne K. Davis should be honored. I would like to add my voice to those honoring Dr. Davis and wishing her continued success in her future endeavors.●

● Mr. CONTE. Mr. Speaker, 20 years ago today, President Johnson signed into law one of the most important pieces of legislation ever enacted—legislation to establish the Medicare Program which created a system of affordable health care for senior citizens in America. I was privileged to have been in Congress in 1965 when this legislation was passed, and was pleased to be able to vote in favor of it.

Currently, Mr. Speaker, nearly 95 percent of senior citizens in this Nation are entitled to Medicare benefits under part A of the program. Over the years, the program has expanded from hospital benefits (part A) and physician services (part B) first enacted in 1965 to include home health care, skilled nursing facility benefits, hospice care, and health maintenance organizations. And, over the past 20 years, Congress has made changes in the administration of the program to make it more responsive to the needs of its beneficiaries. Perhaps the most notable change was the 1983 amendments, which established the prospective payment system.

Clearly, the Medicare Program has lived up to its noble goals. Health care costs for the elderly—while still a significant percentage of income—are much lower than they would have been had Congress never enacted the Medicare Program. The compromise struck in the 1965 legislation—hospital care under part A for all beneficiaries financed by a small portion of the Social Security tax and part B for those beneficiaries electing to pay a small monthly premium—has insured that our senior citizens need not fear that their health problems can not be taken care of because of huge medical costs. Medicare was a natural and logical extension of the Social Security Program.

Mr. Speaker, over the past 4½ years, the Health Care Financing Administration, which administers the Medicare Program, has been under the able stewardship of Dr. Carolyne K. Davis. Dr. Davis has served with distinction as the director of HCFA, longer than anyone has ever held that position. It is appropriate today, on the 20th anniversary of Medicare, to commend her for her efforts.

Earlier in this decade, the predictions were that Medicare, the cornerstone of health insurance for older Americans in this Nation would be bankrupt by 1986. Those dire predictions have been proven wrong, and the wolf at the door has been put off for many years, and the reason is the leadership provided by Dr. Davis.

She has taken it upon herself, with remarkable success, to restore fiscal rationality to Federal health care programs. She has presided over the most fundamental restructuring of the Medicare system since it was created, the prospective payment system. She has sought, through regulatory reform, to curb excessive growth and abuse, saving billions of dollars, without compromising the health care of the American people.

She has gone after these goals with intelligence and determination, all the while under tremendous pressure from all those rightly or wrongly threatened by change, under constant pressure from the Congress to do more or to do less, and under constant pressure from other agencies of the Government like the Office of Management and Budget. She has performed admirably, and this Nation owes her a debt of gratitude.

As the ranking minority member of the House Appropriations Committee and of its Subcommittee on Labor, Health and Human Services and Education, I have had the privilege of working with Dr. Davis on the budget for the Health Care Financing Agency, and of having her appear before the subcommittee each year to

testify on the Health Care Financing Administration's proposed budget. Because of her knowledge and expertise, Dr. Davis had the complete confidence of the subcommittee. Every year, it was Dr. Davis speaking on behalf of the provision of health care to millions of older Americans and disadvantaged Americans, and I can tell you that those millions of Americans slept better at night knowing Dr. Davis was speaking on their behalf.

Four and a half years is a long time for anybody to serve in as pressurized an environment as Administrator of HCFA. That represents a tremendous sacrifice of salary and personal life that Dr. Davis made in the service of this country of ours in one of the most important positions in the Government. We have been tremendously fortunate to have someone as skilled as Dr. Davis in this position, doing such good work, and we will all miss her very much.

I have often said that people who make the sacrifice of public service deserve a medal, but, Mr. Speaker, Dr. Davis deserves a bushel of medals for the service she has performed.

I want to wish Dr. Davis Godspeed in her future undertakings, but most of all, I want to say thank you, Dr. Davis, for a job well done. It has been a real pleasure to have worked with Dr. Davis. I will miss her, and I know the American people join me in wishing her the best.●

GENERAL LEAVE

Mr. PURSELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COMPARABLE WORTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. ARMEY] is recognized for 60 minutes.

Mr. ARMEY. Mr. Speaker, let me address the question of comparable worth. We just heard, I think, a very interesting discussion of the subject a few minutes ago and certainly in the last couple of weeks we have heard a good deal about this notion. One of the gentlemen who discussed the notion not long ago confused me even further, because as I sat and listened to the discussion, I heard the gentleman make the point that this is not comparable worth, this is pay equity, and yet, as I listened to the discussion, the comparable worth language continued to come up.

I think this was reflective of the kind of curious circumstances of confusion we have here. I am very well aware of the comparable worth concept. It has been around for many years. If I can take a minute to present it in a nutshell, it is true that not too many years ago in this House we did pass legislation that gave to all Americans, irrespective of sex, or race, or religious conviction the guaranteed right to achieve equal employment opportunity and equal pay for equal work within the job category. That is to say, we have guaranteed to American citizens individual that they cannot be asked to work alongside another person in the same or even a similar job and suffer a pay differential that is based on some criteria such as sex or race.

The fact of the matter is, the legislation that we passed historically that guarantees equal employment opportunity opened access to jobs of all categories by all people, irrespective of race or sex, and that guarantees equal pay for equal work within a job category, irrespective of race or sex.

This legislation has had a tremendous impact on employment practices in the Nation, bringing about a changing occupational pattern for all Americans, patterns that have had enormous impacts on the home, such things as time-sharing arrangements, leaving not only mothers who feel compelled by economic circumstances to work, but also fathers to have greater opportunities to spend with their families.

Women in America in the last 10 years have broken new ground in larger numbers in a greater variety of new occupations not traditional to women in America, as have men broken new ground in nontraditional occupations. The freedom of the American individual, male or female, to cross traditional sex-determined occupational roles has been exemplified by the fact that they have been doing it, enormous progress that must be respected.

In all of those cases, we have given the fundamental guarantee that this Nation was founded on—equality of opportunity and freedom from discrimination that is based on arbitrary preferences regarding sex or race, and the progress has been felt.

Now we have a new concept, and it is fundamentally different in two ways. One, this new concept which emerged as comparable worth, existed as comparable worth, was debated as comparable worth, not only here in this body but in bodies across the Nation, and only recently has earned the new name—pay equity. It is the proponents of H.R. 3008 who changed the name of it, not us, who are asking for time to consider.

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But what has happended here? We have made two fundamental changes. No. 1, we are talking about changes in the administration of wage by the Government, not the market. Wages would not be determined by the market forces reflecting the free will of individuals moving freely between jobs, changing supply, affecting the demand, and resulting in a price—a market that has served us so well and built the country so strongly.

When I see any piece of legislation that tampers with the fundamental market economy by which this Nation achieved such unparalleled prosperity, I have a sense of caution, a reserved sense of question: What is this legislation? Whom may it help, and whom might it hurt? What are the benefits to the national economic well-being, and what are the potential dangers?

We know very fundamentally indeed that it is impossible to take an economics course in this country, even at the most elementary level, without realizing very clearly that when you set a price that is different from the market price, depending on whether or not you set that price higher or lower, you are bound to create either a shortage or a surplus. And indeed this Government should have drawn that lesson from its meddlesomeness in its administration of price in a hundred other categories and markets so they would not risk it so cavalierly with respect to that very important labor market where clearing of the market goes hand in hand with the realization of equality of opportunity, along with equal pay for equal work.

So I have a sense of caution, then, Mr. Speaker, regarding anyone who would want to shuttle the market aside and put in its place a government price control agency.

Now, my second point: As we look at the possibility of implementing this new concept of wage determination by Government fiat, we are not talking about equality for individuals within jobs, but we are talking about setting equal pay rates for different jobs. We are now suggesting that we can endow this Government agency with the wisdom, and the understanding, and the ability to measure the worth of competing jobs, and to issue a fiat statement of the worth of those jobs. So that they may, as they have done, suggest that laundry workers and truckdrivers performed work of equal value; that librarians were almost twice as valuable as carpenters; that nurses held in the State of Washington the most valuable jobs of all—all of these decisions made arbitrarily on the basis of a model that had within that model only four variables, Mr. Speaker, of wage determination. So yes, I have a sense of caution.

Now let us address how this has emerged in this session of Congress. During the Fourth of July break, while I was working in my district, I found out that the emergence of comparable worth on this floor was imminent, that a bill had been introduced by the gentlewoman from Ohio and been assigned to the subcommittee that she chaired, and that it was going to be passed through that subcommittee posthaste.

Mr. Speaker, I grew up in the West, and in the West we saw railroads moving fast, many, many times, and we learned to recognize them. This had all the symptoms of the Great Northern moving westward. It was going to happen, I was sure, so I decided that I had to come back, because of my concern and my commitment and see if we could slow that train down and see if we could get some investigation, some examination. And, yes, I did speak to some of my colleagues, and, yes, I did get 20 or so of these colleagues to give 1-minute speeches raising questions and raising reservations. I did have another 20 or so of my colleagues talking to other Members and asking: "Do you know what this is? Do you have any idea what the potential of that might be?" Perhaps we have slowed that train somewhat, but it is moving forward now.

There are a lot of questions I would like to address. No. 1, let me point out that it is simply not true—and this is important—it is simply not true that the Office of Personnel Management has not performed a study. They have performed a study in the last year. According to the Washington Times in an article just in the last week, the sponsors of H.R. 3008 are well aware of and have in their possession the study that was done by the Office of Personnel Management.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. First, let me finish this point.

I have seen that study. I have it in my possession. I have read it. It has a lot of conclusions. One question I must ask is: Did the committee that reviewed this subject review the study done by the Office of Personnel Management, or did they shunt it aside, as they did the 400-page study done by the Civil Rights Commission?

We do not know the answers to these questions. Here is a study that is bought and paid for. It is done, it is completed. The study, by the way, has a regression model of 27 variables, not 4 variables. It is a rather thorough and scientific study. A regression model of 27 variables is a pretty impressive regression model.

Mr. Speaker, I would like to come back to that in a moment, but let me for a moment yield to my friend, the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

I just wanted to stay on top of this and ask a couple of questions. Do I understand that what the gentleman is saying to us is that despite the fact we are going to have a bill before us that indicates we ought to spend thousands of dollars, perhaps millions of dollars, on a study, that study has already been completed by the Office of Personnel Management? Is that what the gentleman is telling us?

Mr. ARMEY. Not only am I telling the gentleman that a study has been completed, but I also have no way of knowing whether or not the committee has examined that study or taken it into consideration because I have not yet even been able to see the report of the committee. It has not been issued yet.

Mr. WALKER. That is a problem, and we ought to deal with that in a moment. But let me ask the gentleman this:

Did the study done by the Office of Personnel Management come to the conclusion that the Members sponsoring the legislation would like it to come to?

Mr. ARMEY. Quite the contrary. As a matter of fact, it came to the conclusion that I spoke about earlier today. And it was a rather interesting conclusion, because it came to the conclusion that if you try to implement such a program, you will have a class conflict that can be generally described as a conflict between white-collar workers and blue-collar workers.

Mr. WALKER. All right. So I think the gentleman is telling me that the study has been done, but it did not come to the conclusion and did not come out the way the Members sponsoring this legislation on the floor would like it to come out. That is also true of the study done by the Civil Rights Commission. Is that not the case, that the study was done, but it did not come to the conclusion the Members who are sponsoring this legislation would like it to come to? Is that not right?

Mr. ARMEY. Absolutely. Here we have two cases where studies have been done. It has been studied by university professors and by think tanks. How many of these studies have been considered?

Mr. WALKER. The point I am driving at here is that both of those studies were done at taxpayer expense; is that right?

Mr. ARMEY. That is right.

Mr. WALKER. So it seems to me that what we have here is a bill that is being brought to the floor that is telling this House that we ought to spend as much money as necessary to come to the conclusion that the Members who are sponsoring this legislation want us to come to. It is not a question of whether or not it has been studied.

It has been studied, and we have gotten conclusions reached at taxpayer expense, but what these Members are saying is: "We don't like the conclusions, so, therefore, it becomes important for us to have another study." So it seems to me that even in a time of multibillion-dollar deficits, what we have is a House of Representatives that is saying, "Well, we don't like the outcomes of those other studies, despite the fact they have been done by the Office of Personnel Management and despite the fact they have been done by the Civil Rights Commission. We simply don't like the conclusions, so we are going to continue to spend the taxpayers' money until we get conclusions that we want."

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Mr. ARMEY. As a matter of fact, the conclusion the gentleman has just come to is not too farfetched if we look within the bill and take a look at the mandated commission within the bill, the mandated requirements for Members to be on the commission, 11 commissioners. It is absolutely imperative by the language within the bill that 6 of the 11 commissioners will have to be people who have already been on record as being proponents of comparable worth. It is quite likely that what they are looking for then is a study that might generate their conclusion that it is a desirable alternative.

Mr. WALKER. Well, if I understand the gentleman, then what we have got happening here is we have an impartial study done by the Office of Personnel Management. You have got an impartial study done by the very distinguished Civil Rights Commission, a commission that we have often referred to on this House floor over a period of years as being the ultimate arbiter of what is needed to be done in civil rights. You have got those two studies already in hand, paid for by the taxpayers.

Now we have this study that is also going to be paid for by the taxpayers if we pass this legislation where they are driving the conclusion with the bill they are writing.

In other words, it is not really a study. It is really an outcome that is predetermined by the legislation that we pass here so that they can trump the two studies that were done by impartial panels. Is that what I hear the gentleman saying?

Mr. ARMEY. Well, that is a conclusion that I think is not at all illogical, given the facts as I have seen them.

Again, there is a missing link. I have no information by which I could argue against the gentleman's conclusion because I have not seen the committee's report. I have no idea what the committee did examine by way of information before coming to the decision to vote this bill out and on to the floor.

Mr. WALKER. Well, now, wait a minute. We have to have that report before we are going to consider the bill. Does the gentleman mean we do not have a report from the committee?

Mr. ARMEY. No.

Mr. WALKER. Even though the bill has been scheduled on the calendar?

Mr. ARMEY. No, because the chairwoman of the committee asked for and received a rule from the Rules Committee today that waives that requirement.

Mr. WALKER. That waives the rules of the House?

Mr. ARMEY. Yes.

Mr. WALKER. Well, the rules of the House are very, very clear. We are suppose to have a report 3 days before we consider the legislation.

Is the gentleman saying that the committee did not prepare that report so that we would have it to look at?

Mr. ARMEY. Well, the committee making the request for the rule obviously felt there was no need for the Members of the House to see the report that they made and apparently the Rules Committee agreed with them that we could go ahead with this legislation, whether the rest of us here in the House saw their report or not.

Again, I have so many questions that I would like to have answered regarding even the proceedings of the subcommittee.

Mr. WALKER. Well, does the gentleman suspect, as I do, that there might be things done in that report that they just as soon the Members of Congress not see?

Mr. ARMEY. Well, the gentleman from Texas recognizes that when the Great Northern goes by at 70 miles an hour it is pretty hard to see every dimension of that train that is sweeping on by. If you cannot slow down the train so the passengers can get on and take a look at what you are running, it is pretty easy to come to the conclusion that perhaps whoever is running the train does not want to look at it very carefully.

Mr. WALKER. Well, let us understand now that we have a bill being brought before us that is an attempt to spend taxpayers' money to trump two studies already done at taxpayers' expense. It is being brought to us under a rule that waives the rules of the House with regard to the 3-day rule so that the Members will not have adequate time in order to study the committee report and that it is a bill being brought to us under circumstances then that are less than desirable, just before the House is due to go on recess, so that the pressure will be not to even examine it very carefully with the amendment process.

This gentleman begins to suspect that there is more to this than meets the eye. The gentleman from Texas has been most articulate in presenting to the House I think reasons for raising questions about comparable worth.

I will tell the gentleman that the comparable worth bill flew through here in the last Congress just like the speeding train to which he referred. I think the bill was more than 400 to 6.

I would tell the gentleman that I was one of those who made a mistake and voted yes when that train was coming through the last time.

In large part, I think the gentleman has helped define some of the issues for us and he is to be congratulated for that.

I must say, I am shocked beyond belief at the kind of process that is being used in order to deny this House an opportunity to fully study this issue before we get sucked into the process once again.

I want to thank the gentleman for taking this special order. He has done a tremendous job in terms of outlining the issue.

I think this body should understand that the proponents of this bill simply cannot allow their concept to stand the scrutiny of any particular body. When the Civil Rights Commission looks at it, when the Office of Personnel looks at the concept, they find out it is pretty bad, so they write reports saying that we have to come back with another report that we have to waive the rules of the House to consider it on the House floor. I find it disgusting, and I thank the gentleman for yielding.

Mr. ARMEY. Well, I thank the gentleman for his comments. I certainly would not disagree with them.

Understandably, each and every Member of the House moves forward with their programs, with their initiatives, with the greatest amount of conviction and oftentimes courage, but it is the tradition of this House that we always give everything very careful and close scrutiny. That indeed is what I am working for here is to suggest to the Members of the House that we ought to hold up on this, study it, get the report of the committee and perhaps even see what these other commissions have studied.

Mr. KINDNESS. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. Yes.

Mr. KINDNESS. Would the gentleman be able to tell me what the rationale is for the appointment of a commission to contract to have a study done, a commission that does not exist today, other than what has been discussed here, that is, creating a commission that is aimed toward a particular result, I suppose. At least that has been inferred. If the Congress or a committee of it does not trust a study that has been done by an existing commission or contracted to be done for an existing commission for two or three or however many of the years may have been done, the Congress could contract for its own study, could it not?

Mr. ARMEY. Yes, it could. I think committees could do so. We could do so I am sure in other ways.

The gentleman raises an interesting question, why commission a study? I do not know why that is necessary. I can think of a couple reasons that we may want a bipartisan commission and on the surface this looks like it could be that.

We may want a commission that is composed of a definitive balance of the membership that are comparative worth advocates.

On careful examination, it is almost impossible to come to any conclusion that this commission would be anything other than that, so it is possible that we might suggest that the franchising of a commission is an effort to shroud a little smoke around the whole venture.

We have to remember that in Washington State a commission was authorized by the State legislature. It carrier out the study. It reported back the study. The State legislature accepted the study. Then an interest group, a collected body of workers, filed a class action suit against the State of Washington and got into a case under the jurisdiction of District Judge Tanner where the plaintiffs made their case and the State's 11 witnesses were disallowed from testifying and indeed the implementation of comparable worth was compelled onto the State of Washington by the district judge, on the argument that the authorization of the study and the acceptance of it was an admission of guilt.

It is conceivable to think in terms of somebody understanding this process well enough to realize that if we could get this House to commission a study and move fast before, by the way, the appellate court looks at that Washington case during the month of August, that we might be able to drop the Federal Government into that same tar pit that the State of Washington now finds itself. That is a possible explanation for why we need the commission study and need the bill passed before the month of August.

Mr. KINDNESS. Is the gentleman aware of any costs being associated with the appointment of a commission, other than the contract cost for the study to be done?

Mr. ARMEY. Well, again this is something I pored over in the bill and I did not find very clearly stipulated. It is language that runs in the basic genre of "such sums as are needed" kind of language, so the cost of the study is not clearly specified nor limited in the bill, or the resolution, as I read it.

□ 2040

Mr. KINDNESS. But it is specified, is it not, that there would be one contract for one entity to do the study. Is that correct?

Mr. ARMEY. The commission is authorized to hire up to 5 expert witnesses.

Mr. KINDNESS. But they would function together to perform this study, is that correct?

Mr. ARMEY. That is not clear to me, and again, having no information on the manner in which these issues may or may not have been discussed within the committee, I have very little information by which to respond to the gentleman's question.

Mr. KINDNESS. Well, you are going to be considering this on Thursday, are you not, and so am I. We should know, should we not?

Mr. ARMEY. Absolutely. There is no question about it.

We have an hour for debate and time to discuss such amendments as one ruled germane.

Mr. KINDNESS. I want to express my thanks and appreciation for the work the gentleman has done, if he will yield for just one moment further, in bringing these questions to light. Frankly, I do not feel very satisfied with the preparation that may be made by any of the Members of the House of Representatives between the time the measure came out of the committee and the time it is to be debated on the House floor with such a fuzzy picture presented on some pretty basic questions. So I appreciate the gentleman's work in bringing these questions forward, and for taking this special order to emphasize them to the Members.

I appreciate the gentleman yielding and thank him.

Mr. ARMEY. I thank the gentleman and I appreciate his comments.

I hope it is fair to characterize the gentleman's comments as that you feel perhaps a little befuddled or perhaps overwhelmed. Let me remind you that I have a Ph.D. in economics, and I have studied the concept and the various notions and applications and arguments for comparable worth for several years. And it falls exactly into my research area that I had at the university for 20 years. The dirth of information about this particular resolution, these particular hearings, these particular amendments that move so fast has me, even with all of the substantial background that I have, and professional training that I have, feeling somewhat befuddled. So the gentleman should not feel that the fault, or the confusion, or the reason for the confusion lies within himself. It lies in the very fundamental thing that this House is being asked to make a decision that is basic to the nature and structure of the American economy and we do not have the information to make the decision. That is critical.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, has the gentleman ever been told when we are going to get this report?

Mr. ARMEY. No; I am sorry, I have not been.

Mr. WALKER. Do you think from what you hear that we might have it available by the time we consider the bill?

Mr. ARMEY. It is altogether possible, and I do not anticipate having the report of the committee before we look at the bill on the floor. But again, we are not talking here about a very simple, easy, cut-and-dried issue. We are talking about an issue that people wrote Ph.D. dissertations on.

Mr. WALKER. The gentleman himself, who is a Ph.D., might have some ability to understand the language of the report if we had a report in front of us. But if I understand the gentleman, we may not ever get a report because we are waiving the requirements to have the report here.

Mr. ARMEY. Certainly. And I would have the ability to understand the report if I could have the report, as I did finally when I got the report, by the way. By the way, it is not an easy thing to get your hands on the report that was done by the U.S. Office of Personnel Management with the new Director or Acting Director that we have there. This report is not emerging in full view of everybody.

But even then we were only made aware of the existence of this report by the Washington Times last week.

Mr. WALKER. When did the committee, if I can ask the gentleman, when did the committee complete its deliberations on this bill?

Mr. ARMEY. I believe the full committee completed its deliberations, which were very accelerated, on perhaps Thursday or Friday of last week.

Mr. WALKER. Thursday or Friday of last week. So normally around here if you have a weekend like that, the committee goes ahead and prepares its report. By early in the week, we have a report available to us.

I mean, that is done all of the time. As a matter of fact, we have had instances where conference committees have finished the night before and we have had a conference report on the floor by the next day.

So this is not taking place here. We have got them hiding the report; is that what is going on?

Mr. ARMEY. With all due respect, I think we want to be fair here because the sponsor of the bill, the subcommittee chairwoman I am sure, did not, if my understanding is correct, did not anticipate that the House would have a need for this report, because it was their anticipation that they would have this bill on the Suspension Calendar for today. So I am sure they felt there would be no need to get this information out to us, since I am confident that their original plan was to have this moved very quickly on the suspension calendar where we would not stop and ask questions.

Mr. WALKER. I think the gentleman raises a point, however. The schedule was announced last Friday and the bill was announced last Friday on the schedule as being a bill that was not going to be on the suspension calendar, but was going to be on the regular calendar, subject to a rule being granted. That is the way in which I got the calendar last week.

So having known that, it seems to me that under the normal process around here what you would have done is have the committee staff work this weekend getting the report ready, getting the report printed, and having it available to the Members at least by today when we went to the Rules Committee to ask for a rule. I mean, that is the way the normal process works. If they are not working under that process, then I have to believe that there is some attempt to try to hide from the House the information that is in that report, so that people like the gentlemen that might have some ability to understand what it is they are saying, cannot, in fact, have a chance to read through it thoroughly.

Mr. ARMEY. I believe there would be some reality base for such a conclusion, and I certainly have no information by which to take exception to the suggestion the gentleman has made.

Mr. WALKER. The Rules Committee was not worried about that today?

Mr. ARMEY. The motion was made and voted on, and the majority of the Members of the Rules Committee obviously had no concern because they voted to go ahead and waive the 3-day rule.

Mr. WALKER. That is a problem we have around here too many times when the people who run this place and are concerned with scheduling, and concerned about rules, could care less about the rules of the House.

I thank the gentleman.

Mr. SWINDALL. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Georgia.

Mr. SWINDALL. Mr. Speaker, first of all, I want to commend the gentleman for his appearance and testimony before the Rules Committee. I had the good fortune of hearing the gentleman's testimony.

While I was there, though, I was puzzled by part of the bill I saw, and that is specifically in section 7, paragraph 3 of the bill, there is a restriction on what this commission, once formed, can and cannot do. Specifically, if I remember the language correctly, the commission is prohibited from reducing salaries. Am I correct in that?

Mr. ARMEY. It can never reduce the salary, correct, or recommend the reduction of a salary.

Mr. SWINDALL. Is that not kind of loading the deck on the front end? In other words, we asked for a commission to bring back a disinterested, objective report, and yet at the front end, there is a restriction that requires something irrespective of the conclusions that this commission may draw.

Mr. ARMEY. And if you are an economist, and you are aware of the possibilities of the cost-push inflation, and especially the relationship of that through Government expenditures, a red flag immediately goes up that there could be a detrimental impact on the American economy from such a provision that allows Government employees to have only pay increases.

Mr. SWINDALL. If the gentleman will yield further, that is the kind of thing that concerns me. That type of language, I would dare say, most folks are not even aware is in the bill. I for one did not know it, but for the fact that I accompanied the gentleman to the Rules Committee, and for the first time saw a copy of the bill as proposed, and that jumped out at me simply because it does seem to appear that they are really not asking this commission to go out and come out with a disinterested, objective conclusion when you ask on the front end that certain things be restricted.

Mr. ARMEY. I could not agree with you more. I have personally felt the handicap of the lack of information. I have pored over this resolution, word for word, and I have looked at it from every possible way trying to see anything such as you have mentioned. I feel rather inadequate. I have only been able to come up with 14 amendments. I wonder if I had full information such as the committee report perhaps if I might be able to make even more improvements in the legislation.

Mr. SWINDALL. One other quick point that I wanted to raise, and that is under the rule there will be some issue as to the germaneness of a number of the issues, I would assume, that the gentleman intends to introduce. And unless you get a specific waiver in advance from the Rules Committee, which must be voted on by the Rules Committee, you may well be hampered when you come to the floor, even under an open rule, in terms of offering a number of the 14 amendments that you have already drafted.

☐ 2050

The rule does have a germaneness requirement. Of course, any amendment we offer we also have to consider may be potentially ruled out of order. Again even trying to determine the germaneness of a suggestion I might have could be facilitated if indeed we had the report of the committee to check the considerations that were given in committee proceedings on this.

Mr. SWINDALL. I thank the gentleman.

Mr. ARMEY. It is a pleasure to yield to my good friend from Texas.

Mr. BARTON of Texas. I want to thank my distinguished colleague neighbor in Texas for hosting this special order. I was back in the cloakroom and heard what Congressman SWINDALL was talking about and I assure you I plan to offer the amendment tomorrow or Wednesday or whenever the bill comes up for consideration, to delete section 7, paragraph 3, which prohibits the commission from doing anything that would require a decrease in pay or decrease in grade in this study. If you are going to have a study and try to come up with some sort of a pay equity or comparable worth or whatever terminology you wish to use, if you really are trying to do if properly, obviously there are going to have to be adjustments made, and some of those adjustments would be downward as well as upward. So when you go in and load the deck that the only changes that could be made are up, you are not really being aboveboard, scientifically accurate or anything like that. I want to assure the gentleman I do plan to offer that amendment. I cannot imagine it would not be ruled germane, since it is an amendment to strike something from the bill. I believe that is about as germane as you can get.

I am going to work hard to make sure the amendment does pass.

Mr. ARMEY. I thank the gentleman from Texas and appreciate your perceptiveness in spotting that and getting right to it. Let me again thank all you gentlemen for helping to clarify these issues. Let me address some of the things I am concerned about.

I want, in fact I demand and I require for people that are so close to me and for whom I have so much love as my own wife and daughter, that we have equal employment opportunity and equal pay for equal work.

If there is anybody in this country today that is not receiving that, that is having the right abused, then I think it is incumbent upon the Federal Government and its agencies to enforce that law and if indeed there is a failure of the agencies of this Government to enforce that law, then that is where we should direct our energies.

My concern is that the Federal Government has limited resources. That is not a point always recognized around here, but nevertheless it is one that is true. If indeed we dissipate our resources in extending the scope of the law in an ambiguous and in an ill-defined and a controversial manner, will we not risk taking all of that Federal energy and all of that ability and all that authority that we could use to guarantee the right for equal pay for equal work and equal employment opportunity, could we not lose that trying to do what is impossible to do when we failed to do what it is imperative that we do? It is the working men and women of America and their rights, fundamental, guaranteed rights that were worked for so hard by so many that are in jeopardy by a continued pursuit of this initiative.

I will give you an example: In the State of Illinois, where they have tried this concept, it was determined that the nursing profession that was over 70 percent staffed by women was suffering from discrimination in comparison with the profession of prison guard, which was over 70 percent staffed by men.

And even though the prison guards' union had negotiated them a raise in pay for the following year, through the intervention of the equal pay, or the comparable worth act in that State, those guards lost their wage increase and their wages were frozen while the wages of the nurses were being raised. Now the people that suffered the most were the women guards, those women who had broken with tradition and found in the pursuit of higher wages a nontraditional female occupation, in response to the promise of all that legislation earlier passed.

I yield to the gentleman from Pennsylvania.

Mr. WALKER. Is the gentleman saying that in this case the collective bargaining process was broken by the comparable worth concept?

Mr. ARMEY. Again, this is another one of the questions we are addressing here. Apparently the whole process of collective bargaining can be in jeopardy here at least insofar as Federal contracts direct are concerned—Federal employees direct are concerned. But then who knows where it may go from there?

Mr. WALKER. Let me understand. In other words, a union can go out and negotiate with their employer, come to some agreement within the collective bargaining process that has served this Nation pretty well over a period of time, with some problems but nevertheless served the Nation pretty well, then go out and negotiate, and then some paper-pushing bureaucrat from the Government can come along and simply negate the collective bargaining process using comparable worth as the hook on which to interfer?

Mr. ARMEY. Absolutely. I mean, again we know that this problem has prevailed in areas where they have tried it in the past. We do not know for sure what will happen with this because we do not have any information to make a decision or to make an examination.

Mr. WALKER. Well, is there a protection in the bill?

Mr. ARMEY. None whatsoever.

Mr. WALKER. There is no protection in the bill that we are going to have to protect the collective bargaining process against this kind of situation?

Mr. ARMEY. No.

Mr. WALKER. Let me make my point. I will tell the gentleman I am going to offer that amendment. I will get that amemdment drafted and I will get that amendment passed because we are going to make doggoned certain that the collective bargaining process is protected under this thing. That is an atrocity that you are going to have a bunch of bureaucrats sitting around in Washington, DC, taking a look at contracts negotiated in good faith between employers and employees and then some bureaucrat is going to come along and say, "Oh, no, baby, you are not going to be able to do that, because we are beaking that contract before you even get a chance to have it go into effect." There are a lot of people with a lot of hopes riding on that contract they negotiate in good faith and there is no way that some idiot here in Government sitting back with his comparable worth paper ought to be able to break that. And I think that is an amendment that is needed.

Mr. ARMEY. I applaud the gentleman for his commitment and his conviction. I can only say please do offer the amendment. If, indeed, it is not ruled nongermane you may, in that case, have a chance to protect these people who have chosen this bargaining process and their right to continue with that process.

Mr. WALKER. The gentleman thinks if I would offer an amendment that would attempt to protect the collective bargaining process against interference by the comparable worth advocates, that they would rule that nongermane?

Mr. ARMEY. Of course I could not begin to speculate on what would be the decision of either the Parliamentarian or the Rules Committee. But it is possible, in my estimation it is possible, even probable, that your amendment could be ruled nongermane if you were to offer it. Now again that is my judgment.

Mr. WALKER. We are going to try very hard to come up with a germane amendment in that case, because if the gentleman is correct that we already have examples where the collective bargaining process was broken by the comparable worth concept, and if in fact we are creating a study here that could lead to further interference with the collective bargaining process, we had better stem that flood right away and we had better make doggoned certain from the outset that you do not get that kind of interference. You know, it is my understanding that a bunch of the union bosses around this town are supporting this bill. I cannot understand, with their support, that they have not at least gotten the workers out across the country who are tied to those collective bargaining processes, some protection. In other words, what did they get for their support if they cannot even protect their workers against the interference of a bunch of Government bureaucrats?

☐ 2100

Mr. ARMEY. Do you not suppose it is altogether possible: First, that either the train left the station so fast they did not know what the cargo being carried was; or second, since indeed some of these people, perhaps some of the people here in town that would be quickest to spot these problems are some of the people who would be on the commission?

Mr. WALKER. They probably have not seen the report, either.

Mr. ARMEY. Well, again, I do not think that it is hard for me to understand who has got what information. All I know is that I have got very little information.

Mr. WALKER. I thank the gentleman.

Mr. ARMEY. And I am making a decision on Thursday that is going to affect the fundamental structure of employment practices of this country whether it be in the free market without unionization, or in the market where we have collective bargaining, any market system by which we traditionally negotiate wages either individually or collectively, is in jeopardy by this Act.

Mr. WALKER. I bet there are a lot of union workers around the country that have not been told by their union that a bill is being endorsed that has the potential of breaking the union contracts that have been signed in plant after plant after plant across the country, where people may have walked a picket line in order to get a contract signed, and then you can have the Government bureaucrat step in and say, "Forget it guy, that contract is not valid because it does not meet our comparable worth criteria."

I will bet you that blue-collar workers and white-collar workers around the counry have no idea that the bill that we are about to consider on this floor jeopardizes that process and I think that they would be appalled to find out that it does.

Mr. ARMEY. The gentleman, by the way, has given a graphic illustration of exactly the kind of class conflict that the Office of Personnel Management suggests may happen with respect to blue collar and white collar, because the evaluation procedures that we have seen so far in efforts to test this idea have demonstrated a clear bias in favor of white-collar workers and the credentialism.

That is to say, if indeed you have a college degree, you get more points than you would get if you had served an apprenticeship as a tool and die maker. You may be a very skillful machinist who can cut an important piece of equipment down to the one one-thousandths of an inch and never make an error, that all the years of skill and training that went into that get very little consideration in this process that puts so much emphasis on the kind of credentialism that goes along with such things as college degrees and so forth.

Mr. WALKER. I know the gentleman from Ohio [Mr. KINDNESS] is waiting, but let me just say to the gentleman: That is the problem. The paper-pushing bureaucrats who make these evaluations are white-collar workers themselves, and they tend to see things from their own standpoint rather than from the standpoint of the guy who works and sweats for a living in a factory somewhere or in a machine shop or in a foundry and so on; many of the people who are going to make the decisions have never been in a foundry, and have never been in a casting mill, or have never done any of that and have no idea what that job is all about and have no idea of the amount of training that might go into those kinds of positions and so they are making decisions based upon a lack of experience.

So sure, they end up ruling for the kind of thing that they know, and not the kind of thing that they do not know.

I thank the gentleman.

Mr. ARMEY. The gentleman is absolutely right.

Let me yield to the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding. I realize his time is limited at this point, but I may have missed something, and I want to be sure that I understand how this legislation could have an effect in the private sector.

I had not realized that it had the potential for being a union-busting bill until this discussion was being carried forward.

How would the bill affect these relationships of employer and employee in the private sector?

Mr. ARMEY. First of all, by the extension of the market. You know, the market is going to be there whether we try to overrrule it or not, in the first instance, even if it is confined to Federal employees.

We have to understand that the Federal Government competes in the same labor market for the same people, the same skills, as General Motors or anyone else. So by extension, the Federal Government being as

it is such an enormous employer, hires a large share of the market for any labor category out there, and any wage determination they make is going to affect that market.

Second, as we know, and it is tradition in this country that every, as it were bad practice that the business community obtains is one they learned from the Government; whether it be cost-plus pricing or any number of bad practices.

The Government first takes a bad idea, or one that is counterproductive; innovates it, and then in effect projects that idea, either by way of gentle persuasion or sometimes by gentle fiat.

We have to understand there are at least two references to civil rights legislation in H.R. 3008. Civil rights legislation is not directed at public employees alone, but affects public and private employees. The passage of this may very well be construed, then, as an extension of existing civil rights legislation, a new concept of implementation for existing civil rights legislation; I dare say it has even been suggested to be that in some of the discussions I have heard on the floor.

And if that be the case, then we are all going to be stuck on the same stick, whether public or private.

Mr. KINDNESS. Would the gentleman yield further. Would he care to explain the possibility or potential for involvement of the employees of Government contractors as an essential fallout of this legislation and whether perhaps the Davis-Bacon Act, which requires prevailing minimum wage being applied in Government contracts came into play directly, too?

Mr. ARMEY. The gentleman has gotten into a real circular area here; in this case of the Government setting the wage and then the Davis-Bacon Act requires prevailing wage, which is generally understood to be a union-negotiated wage, but if the union-negotiated wage is overridden by the comparable worth wage, it is difficult to see how anybody is going to come up with any wage except, I can almost predict, the blue collar worker is going to get a lower wage or a frozen wage, while some white collar worker gets some benefits.

SCHOOL PRAYER AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BARTON] is recognized for 60 minutes.

Mr. BARTON of Texas. Mr. Speaker, earlier this evening we heard from our colleagues about the anniversary of a very important agreement that is supposed to uphold the basic human rights. I refer to the Helsinki agreements that were signed 10 years ago today.

Of course, it has been made clear earlier this evening, the Communist countries of Eastern Europe, led and forced by the Soviet Union, have cynically and blatantly violated the basic rights of free speech, free press, and the free exercise of religion. For this we rightly condemn them.

The rights of the majority have been taken away by a tiny, ideological minority that is backed by the terrifying power of the state; the historic traditions and practices of nations and peoples have been declared null and void by the fiat of a dictatorial body.

This came home to me, Mr. Speaker, in a very personal way 3 years ago when I had the privilege to serve as a White House fellow for President Reagan. As part of that experience, myself and the other 13 White House fellows took a tour of the NATO countries in Western Europe.

Part of that tour was a stopover in West Berlin where we were able to view the Berlin wall "up close and personal" as they say on television, and we had a breakfast at a newspaper office that is built right on the wall; the newspaper building itself is a 13-story building. At the top of that building is a room with plate glass windows where you can look out; and the building is within 100 feet of the Berlin wall.

We went up, before the breakfast, and we were able to look out; you could look over to the right and there was East Germany, East Berlin, and people were standing in lines; everybody was dressed in gray; there did not appear to be much friendliness, we did not see too many people smiling.

We looked to the left and could see the people of West Berlin, and they were driving many makes and models of automobiles, modern clothes, and a lot of laughing and it just really brought home to me the difference between living in a free society and the difference in living in a controlled society.

At the end of the breakfast, our West German host said, "You Americans are always complaining about us here in Europe, that we don't take our freedom seriously; that we don't back you up." He said, "You don't have to worry about us, because every day we live with the fear and the threat the Soviet Union is going to come across that wall, or East Germany is going to come across that wall."

☐ 2110

Well, we are involved in a situation here in our own country that I think potentially could lead to the sort of situation that we have behind the Iron Curtain. We are here tonight to discuss a blatant violation of one of our basic rights, and that is the right of free speech and free exercise of religion. And keep in mind that in a totalitarian society, as controlled by communism, there is no such thing as religion, there is no such thing as free speech and the exercise of religion.

We, on the other hand, in this country have always had a history of allowing free speech, free exercise of religion. Our country was founded on that tradition. But we have gotten to the situation where, because of some very restrictive court rulings, the first one beginning in 1962, where our Supreme Court ruled unconstitutional the right of our school children to pray in the public schools, that one of these basic tenets of our free society has been taken away from us because a very tiny minority of our population is opposed to the free exercise of prayer in the public schools. When I say a tiny minority, I would like to point out that many national polls, the latest one conducted last September, show that the American people favor by an over 80-percent margin the ability of our schoolchildren, if they wish voluntarily, to pray in public schools.

In my own district, a recent poll that I conducted back in the spring, shows that 68 percent of my district, the Sixth District of Texas, favors vocal voluntary prayer in the public school system.

Because the American people have traditionally allowed and encouraged the free exercise of religion and the free exercise of speech, which included the ability to voluntarily pray in the public schools, and because some of our court cases have restricted that right, many of my colleagues in this Congress and in previous Congresses have begun to try to reconstruct, to resurrect that basic American right. So far we have not been successful. My colleague from Ohio, the Honorable TOM KINDNESS, has got a constitutional amendment that is supported by the Reagan administration that would allow this basic right to once again be exercised in public schools. I would like to read Congressman KINDNESS' amendment. Very briefly, it states:

> Nothing in this Constitution shall be construed to prohibit individual or group prayer in public schools or other public institutions. No person shall be required by the United States or by any State to participate in prayer. Neither the United States nor any State shall compose the words of any prayer to be said in public schools.

So this amendment does not establish a state religion; this amendment does not require anyone to pray in school who does not wish to; this amendment does not allow the Federal Government or the State government or any government to determine what shall be said or how it shall be said or even whether anything shall be said. It strictly and simply states that nothing in the Constitution shall be construed to prohibit individual or group prayer in the public schools or other public institutions.

Now, many may ask: Why do we have to resort to a constitutional amendment to accomplish such a simple and obvious task that so many of our citizens in this country approve of? And, quite simply, we have to resort to such a situation because this tiny minority in our country that I spoke of earlier, through parliamentary procedures and other artifacts, have been able to prevent the Congress and the legislative bodies from doing what needs to be done. So I think it is very important this evening as we debate the issue that we highlight some of the things that need to be highlighted.

This is not something that has just come along. The Northwest Compact of 1789, which was legislated and approved by our Founding Fathers, who also wrote our Constitution, very specifically allows for religion in public schools that are created in the Northwest Territories.

Many of our Presidents down through the years, both Republican and Democratic, have encouraged prayer. I would like to quote from President John F. Kennedy, in his inaugural address of 1961. He said:

> I have sworn before you and Almighty God the same solemn oath our Forefathers prescribed nearly a century and three-quarters ago, and yet the same revolutionary beliefs for which our Forebearers fought are still at issue around the globe, the belief that the rights of many come not from the generosity of the State, but from God.

Last evening I had the honor and the privilege to host the second annual prayer vigil in our Nation's Capital. Last year Congressman Duncan Hunter from the great State of California instigated this vigil, and we had decided that we are going to conduct a prayer vigil at least once a session in this body, in this building, until we are able to overturn the restrictions that are on the ability to party in the public schools. And at this second annual prayer vigil last evening we had students from all over the United States. We had some students from the State of Alabama that had come, that had been prevented from praying in their schools on a voluntary basis, in spite of the fact that they got 545 signatures out of a potential 549 signatures in their school. This is in Leeds High School, in Leeds, AL. And because an attorney from the American Civil Liberties Union threatened a lawsuit if they continued the voluntary expressions of their faith, they were unable to do so.

We had students from as close as McLean VA, right here near our Nation's Capital, who tried to put a poster up on the school wall, telling other students that they were having a prayer group at an individual's home in the evening, and they were prevented from doing that, they were not actually engaging in any kind of voluntary prayer or religious ceremony or religious meeting in the confines of Langley High School, they were merely putting a little poster up telling students where to come later in the evening if they wanted to participate in a prayer group. They were prevented from doing this.

These kinds of examples could go on and on. But the main point is that we have got to realize that if we are going to maintain our freedom, we need to maintain the basic freedoms, and one of the basics is freedom of religion, freedom of expression, and to do that I think that we are going to have to get this constitutional amendment before this body in public debate. And if we can do that, we will be able to pass it overwhelmingly.

Now, some may ask: What is the problem? Why can we not debate the issue in the Halls of Congress?

The reason is because in order to get the amendment out into the public debate we have to get it out of committee, and for reasons that are unknown to myself we have not been able to do that.

Mr. ROBINSON. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to my distinguished colleague, the gentleman from Arkansas.

Mr. ROBINSON. I thank my colleague from Texas for yielding.

Mr. Speaker, I want to commend the gentleman, also our fine colleague, Mr. Kindness, and Mr. Swindall and our other fine colleagues, for calling this special order tonight.

You have put together a very fine factsheet, not only stating the legalistic arguments, but the commonsense approach and reference to why our children should be allowed to pray in school.

I asked the gentleman to yield because I would like to take part in the debate tonight and have my remarks directed toward what we can do.

☐ 2120

Let me state at the outset that there are many on my side that want to vote for this amendment. However, we find ourselves in a position that we are being forced now to walk down to the well and sign a petition of discharge. I want you to know that I have signed that petition of discharge. It takes a little bit of courage to walk down and do that, because it tends to put one in disfavor with many of the committee chairmen. But at this point in time, if you look at the history of this institution, if you look at the history of our Federal judiciary, one has to draw the conclusion that the Judiciary Committee and the Federal courts complement each other.

One could say well, why are we not down here introducing legislation under article 3, section 1, which gives us the power to determine what the Federal courts can review. That all sounds good, but the truth of the matter is when one introduces a bill that deals with the Federal judiciary, one immediately finds his bill going into the "Graveyard Committee;" the Judiciary Committee. I certainly am not casting any aspersions toward the Judiciary Committee. We have some liberal Democrats as well as liberal Republicans on that committee. I am not just necessarily picking on them tonight, but the truth of the matter is the liberals cause most of the bills to be bottled up and buried in that committee.

In my opinion, we have a responsibility at this point in time to bring this on the floor for a vote, because if we do not, I think the people of this great country, and we are only a couple States short at this time of the needed number, to call a constitutional convention. Once that happens woe be unto the Judiciary Committee and to the Federal courts. I make mention of that because I do not think that is necessary. When it gets to that point, it is a clear indication that we are not doing our jobs. That is truly representing the people of this country.

Gentlemen, let me share with you, and I truly believe this in the bottom of my heart, the people are right more often than we politicians and Federal judges, and they are crying out. Our young people, as you mentioned, are crying out: "Let us pray in the schools." They are teaching us everything, basically, in school that we do not want to know anyway, about all the other secular problems. We want an opportunity to acknowledge that there is a God. We all grew up in schools in which we prayed. We even pledged allegiance to the flag. Our flag; our country.

I want to close then allow any of my colleagues to ask me questions, by saying that I am proud tonight to be here. I know it is very seldom that we see someone on my side participate in a special order on that side, but I want to assure you, gentlemen, our party is made up of a lot of fine men and women, fine Christian men and women who want to do right. But they are a little bit concerned about what will happen to one if you step up and step out and you sign that petition.

I want to assure my colleagues of one thing: Nothing is going to happen to us. The people of the Second District of Arkansas elected me to represent them. They did not elect the chairman of the Judiciary Committee, and he is a fine man; I do not have anything against him. I just do not agree with him politically; I do not agree with the way he runs his committee.

I want to say this, and I am directing my comments to my colleagues. The people of this country deserve the right to vote on this amendment. They

can vote on the amendment through their Representatives. I want to encourage all of my colleagues please sign the petition of discharge. I hate that we have to go to this length to bring this bill out, but the truth of the matter is we do. We are going to see more petitions of discharge until some on that committee wake up and realize there are some of us sick and tired of a Judiciary Committee only looking out for the minority viewpoint. That is what we are confronted with here today.

The Supreme Court could care less about the majority of the people in this country and their viewpoints. They are more concerned about the minority. You brought up the ACLU. I had a strange letter from them and I am going to interject this. I made some reference back in my district, about homosexuals. I got this scathing letter from ACLU, the same ACLU that went to Skokie, IL, and defended the Nazis, chastising me for making reference to homosexuals.

After I thought about it, I started to call up the director of the ACLU and remind her that I had first amendment rights, but gentlemen, we are wasting our time when we argue with people like that. It is sort of like some of our judges. I have watched some of them up here. They walk around with these very expensive, $150 U.S. Government briefcases, and they have got four U.S. Government pens in their pockets, and they have got a big, fat paycheck for the rest of their life, no matter what they do. When they open up their briefcases, there is nothing in there but a ham sandwich.

Those are the type of people that are telling us that we cannot pray to God. Gentlemen we need to demonstrate to the Supreme Court and the people of this land that we are a responsible body, both on my side and on your side. I think it is time that we vote on school prayer. I will guarantee you, if we ever get that bill out of committee or any other bill and it comes to the floor, it will be like the vote today to stop funding abortions in the District of Columbia; it is going to pass.

I want to commend you. I think you are doing something that should have been done a long time ago. It is not in a partisan way. I want to commend the gentleman. All of my colleagues should read your factsheet. I never knew that an "Aggie" could put something together as well prepared as this. You did a commendable job, and I want to thank you for allowing me once again to interrupt your special order. I, for one, have signed the petition, as I have stated. I, for one, if the bill is brought to the floor of this House, will very vociferously help you in debating for approval of this amendment.

Mr. BARTON of Texas. I want to commend the gentleman from Arkansas for participating in this special order and I want to assure the gentleman that I have personally visited with many Members of your party, and this is a bipartisan effort. It has support on both sides of the aisle. I am very confident that before this legislative session is over, we will have the 218 signatures necessary to get the amendment discharged from the Judiciary Committee, and we will be able to debate it. I look forward to working with my distinguished colleague from Arkansas on the bill. I am sure that we will have much success.

I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

I thought it was significant that he started off his remarks referring to the Berlin Wall, because the opponents of school prayer have also erected a wall. It is called the wall of separation between church and state.

They have said that we have a "constitutional" wall of separation in this country. Well, I have gone back to the Constitution on numerous occasions, and I have read the phrases in the Constitution that refer to religion in the first amendment. It says, and I have it right here in front of me, it says:

"Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof."

Now, what the opponents of school prayer have done over the years is they have taken the first phrase there, "Congress shall make no law respecting an establishment of religion," and they have said that that erects a wall of separation. Now, the wall of separation was in a letter that Jefferson wrote at one point in his career. He referred to a wall of separation. They have taken that letter and transposed it into the Constitution, ignoring the second part of the first amendment with regard to a religion, where it says: "* * * or prohibiting the free exercise thereof." The part of the amendment to which the gentleman from Texas referred.

I think it is important to recognize that the opponents of school prayer want to ignore the fact that Congress is supposed to make no law prohibiting the free exercise of religion, and have concentrated purely on the clause with regard to establishment of religion. And have said that the clause with regard to establishment is far more important than the free exercise.

☐ 2130

I would contend that if you go back and look at the whole history of the Constitutional Convention, if you take a look at the entire pattern of the formulation of the Constitution and of the laws of the land early, you find out that the free exercise clause was, in fact, what our forefathers were attempting to put in place as a permanent part of the body, and that the establishment clause was tied directly to the free exercise clause; that their experience with the Church of England was such that they wanted to make certain that there was no doubt that there should not be a state religion that prohibited the free exercise of religion.

We have turned the whole thing on its ear in recent years in this country. We have had the establishment clause driving the free exercise clause and, in fact, driving it out of existence, because with regard to public institutions and with regard to public bodies, we now have a situation where we are saying that the free exercise of religion is to be prevented.

Mr. BARTON of Texas. I would agree with the gentleman from Pennsylvania and would think that if our Founding Fathers were here today, they would be appalled at the way the Constitution has been interpreted by the Supreme Court. As it is, I would assume that they are turning over in their graves because a nation that was founded on religious freedom, that our Founding Fathers, many of them, came to this country because they could not have religious freedom in Europe, and to realize that in our public schools today we cannot even recite nursery rhymes, and I have some examples that later in the evening I am going to recite that have been ruled as unconstitutional and as some sort of a prayer, they would be totally appalled, and I am so glad to have the support of the gentleman from Pennsylvania for this amendment and throughout this great country, because as the gentleman from Arkansas stated, if we can get the amendment onto the floor of the House, it will pass because the people of this country so overwhelmingly support it.

Mr. WALKER. The gentleman is absolutely correct, and I thank him for taking this special order to help define the issue.

Mr. BARTON of Texas. I would like to yield to my distinguished colleague, the gentleman from Georgia [Mr. Swindall].

Mr. SWINDALL. I thank the gentleman for yielding, and I want to thank you for taking this special order because I am one of those individuals who is on the Judiciary Committee. One of the reasons that I selected the Judiciary Committee as a choice among the various committees in this House was my concern about this specific issue, as well as my concern about the abortion issue. Both of those, as the gentleman from Texas knows, presently are before our Judiciary Committee.

I came tonight to speak for the simple reason that I have yet to have the opportunity to address the bill of my colleague from Ohio in that Judiciary Committee, so I come here tonight and I would like to just expound a little bit more on the point that the gentleman from Pennsylvania made with respect to understanding the first amendment, because unquestionably, if you look at the first amendment, and I found this in running for office as I would talk to individuals, there is a great deal of misunderstanding about what the first amendment says to begin with. As he pointed out, it says Congress shall make no law respecting an establishment of religion.

When I first read that in my constitutional law class a number of years ago, the first thing that I decided to do was to check to see what the word "establishment" meant. One of my habits is not to go to some great legal treaties but, rather, just to go to a common dictionary. I went then to the Webster Seventh New Collegiate Dictionary, last edited in 1970, and I found there under the word "establishment" that the first definition was "something that has been established," and the second definition is, "established church."

I did not know exactly what established church meant so I went and found right above it established church, and it says, "a church recognized by law as the official church of a nation and supported by civil authority."

In that context, it became very obvious what the drafters of the Bill of Rights intended. They did not want to see repeated in these new states the same problem that they had had in England where there was, in fact, an established church supported and financed by the state. But also they were concerned about the freedoms of religion and exercising it, and there is a world of difference between freedom of religion and toleration of religion. We did not want to be merely tolerant of other religions; we wanted individuals to be able to exercise their particular religious beliefs and creeds without any restraint, and it was for that purpose that the first amendment was drafted.

It was ratified in 1789, in September 1789, in this Congress, and on the same day that it was ratified, interestingly enough, Congress also established a national day of prayer and fasting. I say that because another lesson I learned in law school was, if you want to find the intent of a bill, lest there be any ambiguity about the bill itself, look at the surrounding discussion at the time the bill was passed.

When the first amendment to the Constitution was passed, on the same day if they established a national day of prayer and fasting, very clearly it could not have been their intent for the first amendment to mean what the Supreme Court has now read into it.

I would like to show you the absurdity of the most recent Supreme Court decision by reading just the first page of Chief Justice Burger's dissent, because I think he says it far more eloquently than I could. There, and I am quoting, he says:

> Some who trouble to read the opinions in this case will find it ironic, perhaps even bizarre, that on the very day we heard arguments in this case the court session opened with an invocation for Divine protection.
>
> Across the park, just a few hundred yards away, the House of Representatives and the Senate regularly open each session with a prayer. These legislative powers are not just one minute in duration, but are extended thoughtful invocations and prayers for Divine guidance. They are given, as they have been given since 1789, by clergy appointed as official chaplains and paid from the Treasury of the United States.
>
> Congress has also provided chapels in the Capitol at public expense where Members and others may pause for prayer and meditation, or a moment of silence.
>
> Inevitably, some way is bound to say that the court's holding today reflects a belief that the historic practice of the Congress and this court is justified because Members of the Judiciary and Congress are more in need of Divine guidance than our schoolchildren. Still others will say that all this controversy is much ado about nothing, since no power on earth, including this court and Congress, can stop any teacher from opening the day of school with moment of silence for pupils to meditate, to plan their day, or to pray if they voluntarily elect to do so.

The point I would like to make is, that is an argument that we hear quite frequently, but I would also like to remind individuals who make that argument that that argument is equally applicable today in the Soviet Union, behind the Iron Curtain, where in fact you may pray wherever and whenever you want to, provided you do not let anybody know about it.

That is precisely the problem that we are trying to deal with here tonight, and that is, America was founded on the precept that you do not have to do these types of things in secret.

One of the points that I would also like to make is that there is a great deal of lack of understanding about what we mean when we use the term "prayer in school." Are you for prayer in school? I found that because I have found that for as many individuals who asked me my opinion on school prayer, there are probably at least that many separate definitions of what prayer in school means.

Let me just take the correspondence that I received only last week from one of my constituents, and in it she was basically chastising me for a statement that had appeared in one of the local papers, and in it she says, "The interview reads 'He thinks everyone agrees there should be prayer in schools.' The question is what form it should take," and then at that point she goes on to blast me about making that statement and being presumptuous. But then in the same paragraph, she says, "A child can pray individually in school any time he or she likes, and I agree with that," she says.

□ 2140

My point is, after telling me that my statement when I said that we all agree that children should be able to pray in school, it is just a question of in what form, she then goes on to say that she disagrees but then says she does agree that children should be able to pray in school.

What I am trying to get at is that we have this misperception, because in reality I think that what people are dealing with are two extremes of the argument. There is one extreme, and it is an extreme that we must admit that we took in this country for a number of years where we decided the verbiage, the time, the method and the manner of prayer. Obviously, that is something that I disagree with because I do not want my children praying based on what some legislative body may dictate to be the verbiage of a prayer. Some might ask why I would do that, and I would say that it has to do with Scripture. If you go back to Matthew 6—and I will be very brief—there is an admonition there. In verse 5 it says, "When thou prayest, thou shall not be hypocritical, for they pray standing in synagogues and on the street corners that they may be seen by men." It goes on to say that basically we should not pray with vain meaningless repetition. I agree with that.

But there is a further extreme and that is the extreme that the pendulum has now swung to where basically we say, "You may not pray because of this cloak of neutrality that the Jaffry versus Wallace court decision deals with." And as Justice Burger goes on to state, he says we have taken that cloak of neutrality and in fact turned it into a sword of hostility, where now, again, without getting into great detail, it is very obvious that the examples you mentioned here tonight are happening throughout the United States.

I was a young life leader in the Atlanta area for 8 years. In that position I dealt with a least five separate high schools, and in each of those high schools I was told that the administrators and the teachers were operating in a climate where they were very uncomfortable because they were not sure under this new state of the law as interpreted by the Federal courts—and there was a Federal court decision in Atlanta, in Clayton County that went far further than the Jaffry case—and under those circumstances they were uncomfortable and, as a result, in spite of the fact that they did not want to do so, they had to begin to restrict religious freedoms and activities.

And it is for that reason that I came tonight to say that I do not want to support either extreme. But what I do want is to see that basic freedom return to this country, and the President's language that has now been offered by way of an amendment by Mr. KINDNESS states it exactly the way I believe 99 percent of all Americans, if they are fair and honest with it, would like to see it stated.

Mr. BARTON of Texas. I would like to thank the gentleman for his comments.

I would like to point out that one of the problems that we have when we mention the word "prayer" is what is the definition of prayer. Some view a silent meditation, a silent thought to be a prayer. Others feel that prayer involves a vocal expression of religious sentiment.

And what Congressman KINDNESS' amendment does is it says we do not have to worry about the definition basically, that we cannot prohibit it, nothing in the Constitution shall prohibit. That way whether you believe as some do that silent meditation is prayer or whether you feel that you need to vocally express one's self in order for it to be a prayer, it really does not matter.

I am thankful that the gentleman from Georgia would come and quote from the most recent Supreme Court case, and would hope that if we have time he could actually quote the law from the State of Alabama that was struck down.

Mr. SWINDALL. If the gentleman would yield, I think that it would be very relevant right now because that law was simply for a moment of silence or in the disjunctive, voluntary silent prayer.

So we are not dealing with the same issue that came before the Supreme Court in the Engel versus O'Hair case in 1962. We are now talking about the precise issue. Can you voluntarily and silently meditate or pray in a school? And the Supreme Court says that in this country you may not.

Mr. BARTON of Texas. That is a very good point.

I would be happy to yield to my distinguished colleague from California.

Mr. HUNTER. I thank the gentleman for yielding and for taking this time, and also all my other colleagues for the efforts they put out.

As I walked into the Chamber I was listening to the gentleman from Georgia [Mr. SWINDALL] and it appeared to me that he was talking about the confusion that presently reigns throughout America's school systems about what you can and cannot do. I think it is the most misunderstood concept in America today in our education system. It is, what is the separation between church and state? That is what makes the teacher feel constrained to stop the little girl from saying her rosary on the school bus on the way to school, because somewhere she heard about the separation between church and state and there is a symbol of church, and this is the state and, therefore, I must stop her.

I think that is the precise reason that we need Mr. KINDNESS' resolution to pass, so people know what you can do.

Many times Members get up on the other side of the aisle and say, "But you can already do this." Well, that may be true that you can do a lot of things in school. Perhaps I think that JOHN MCCAIN mentioned in his prisoner of war camp in North Vietnam they had the right to silent prayer essentially. But most teachers do not know what you can do and what you cannot.

Mr. BARTON of Texas. If I may interrupt, one sometimes wonders what some of our colleagues would do if they could control the mind. It is impossible even given our highly advanced state of technology to control what one thinks. They have to allow us to pray silently now. But one does wonder if we had the technology and the ability as in George Orwell's 1984 to read people's thoughts, there might be an effort by some in our society to also control that.

Mr. SWINDALL. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman.

Mr. SWINDALL. I would like to respond to something the gentleman said about the separation of church and state, and it was raised previously by the gentleman from Pennsylvania, about the origination of that phrase.

It was originated in 1802, in January when Thomas Jefferson wrote to a Baptist church in Danbury, CT, that was very concerned about the Federal Government, this new creature that was little understood, coming in and getting involved in their affairs.

Interestingly it was that phrase that was years later drafted by the Supreme Court, but at the time that the Constitution and the Bill of Rights were drafted, Thomas Jefferson was not even in this country. He was in France. So he certainly could not have intended for that to in any way be implied into the first amendment as now the Supreme Court has so generously done for us.

One other point I would like to make is it says, "Congress shall make no law respecting establishment of religion." Congress had never made any laws in this area. It is the Supreme Court that is making these laws. I think that is a very relevant point. Why in the world is the Supreme Court making these laws, and why is it that some of our liberal friends who believe that this is the greatest debating society and should be open for all types of debate using this closed rule that will not even let us bring forth things here in the regular business, when in fact they are the ones that so frequently say that we ought to debate these issues openly.

Mr. BARTON of Texas. I think that is an excellent point the gentleman makes, and it brings out the point that the reason that we feel, some of us feel, we must resort to a constitutional amendment because we have decided that is the only piece of law in this country that the Supreme Court holds higher than itself and, if we could change the Constitution, then they would have to agree that our school children could voluntarily pray in school.

Mr. SWINDALL. Is it not true that if we were to pass a bill other than a constitutional amendment that under the various lines of cases from Engel versus O'Hair forward that it itself would be held unconstitutional by the Supreme Court?

Mr. BARTON of Texas. That is my understanding, although I am not an attorney, but in reference and in conversations with those who are, that is the understanding that I have.

I see the distinguished gentleman from New Hampshire. I understand the gentleman has some very specific comments that the gentleman would like to make about this issue. Before the time gets away, I would like to give the gentleman that opportunity.

Mr. SMITH of New Hampshire. I thank the gentleman.

I am very pleased to participate and I want to commend the gentleman for bringing this matter to the national attention, and I commend my colleague, Mr. KINDNESS, for introducing this amendment.

I think that one of the frustrating things that I dealt with not only as a Member of Congress, but for years watching the operation of Congress before I had the privilege of being elected to serve here was watching this particular issue be thwarted by a small group of individuals in this Congress. I point out that I believe the American people are very much aware of this.

It is ironic that just today I received my own survey back in my district on this particular issue and I share this with the gentleman and some of my colleagues. Our polling came back, and the question was very simply, do you support the right of voluntary prayer for children in public schools? The answer was 84 percent in favor. I think that pretty much falls in line with the statistical information that you gave at the beginning of your special order.

I think that the interesting thing when we look at it—Mr. WALKER made the point about we should not be denying the free exercise thereof—when you really stop to think about this it goes much beyond denying the free exercise of little children to bow their heads in voluntary prayer at the beginning of a school day. We are really saying if we cannot support this amendment and we cannot even allow it to be debated on the floor of this Congress, what we are really saying is that these children are threatening, these little children who cannot pray in school and cannot bow their heads in silent prayer or bow their heads and say a vocal prayer voluntarily, we are sayng that they are a threat somehow to the U.S. Constitution.

□ 2150

Think of that. With all of the problems we have today in Central America, and the Soviet Union, and all of the deficits, and all of the problems we have we are now saying that little children saying a voluntary prayer in school is so critical, and is such a threat to the constitutional process that we will not allow it to be debated on the floor of Congress.

I hope that the American people are going to be looking at this situation and looking at individuals who are serving in this body and judge them on the basis of this kind hypocrisy. I would be specific and say when I say hypocrisy, I mean hypocrisy.

The President of the United States takes an oath of office. He is a part of this Government, elected by the American people, and at the end of that little oath, he says, "So help me God."

Right behind the gentleman and behind the Speaker's chair are four words "In God we trust." That same phrase "In God we trust" is on our coins.

When we go into court, we swear to tell the whole truth, nothing but the truth, so help us God.

You know, it really is hypocrisy, and many Members in this body attend a prayer breakfast pretty much on a weekly basis. I find it ironic that some of those Members who attend that breakfast cannot see fit to support our discharge petition.

I think the hypocrisy runs rampant, and I really believe that the American people want this bill. And I certainly commend my colleague for putting it out here for all of us to see, and I would encourage all of us to devote our energies to getting this discharge petition signed, and get this thing out on the floor, as my colleague from Arkansas, Mr. Robinson, said earlier, get this thing out on the floor where we can get a vote on it up or down. I think that one of the real problems in this body is the fact that there is a reluctance on the part of some people in it to not allow us to have our say on an issue.

As I said earlier, if little children bowing their heads in voluntary prayer is a threat somehow to American society, or to our whole constitutional process, then we are really in bad shape.

Again, I want to compliment my colleague for calling this special order, and I am pleased to be a participant.

Mr. BARTON of Texas. I would like to thank the gentleman from New Hampshire for participating. I would like to point out to some of my colleagues who may not know what a discharge petition is, that basically all one has to do, if you are a Member of Congress, and you are in favor of a particular piece of legislation, you merely go to the desk, right over here to my right, in this particular case it is discharge petition No. 1, and you sign your name on the line, and that says that you agree with whatever the piece of legislation is that you are attempting to get discharged from the committee. And you feel that it should be debated on the House floor.

There are evidently some of the Members of this body who do not understand that, and I am sure that once they do, they will be happy to sign the discharge petition.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I am happy to yield to my distinguished colleague from California [Mr. Hunter].

Mr. HUNTER. I thank the gentleman for yielding. Something that my colleague from New Hampshire [Mr. Smith] said, raised a note in my consciousness. I know I have a number of military bases in my district, and we have a number of churches in our military bases which I think, strictly speaking under this interpretation that has been in place on our school system with regard to school prayer probably are considered unconstitutional under that interpretation, because there is nothing more representative of the State than a military installation. Yet, we could not survive but for our churches on our military installations and bases, and involving our churches, and our synagogues. We could not survive because those people have to go out on a daily basis, even during peacetime, and undertake very strenuous, very dangerous activities.

If you have ever watched a carrier operation, night operation when the crew is out there on the decks of a carrier, and those F-14's are shooting off of there, very few ships or carriers go their tour of the Indian Ocean without having at least one plane go down and one or two people killed. It is a part of the job. One of our Blue Angels was killed the other day in a collision during one of their shows that they put on just in peacetime.

And yet, if you look at the challenges that our school children are facing now that we never saw, the drug challenges, and the challenges of promiscuity, and all of the things that they are facing, that are driving young people to a high rate of suicide, and high rates of pregnancy, high rates of drug addiction, they face immense challenges at least equal to those faced by our military people who we realize must have, even though they are on military, State-owned bases, must have access to a place to worship. Yet we deny our children that sort of faith and strength.

They made a sweep in my schools, some of my schools in San Diego recently. We did not think we had a big drug problem. We found an enormous drug problem. We found an average of one dealer per classroom. So in some San Diego high schools, there is one dealer per classroom, but you cannot have one prayer per classroom.

Mr. BARTON of Texas. Or Bible either, as I understand it.

I thank the gentleman from California. I especially want to thank him for beginning last year the prayer vigil. I say to my colleague from California, Congressman Hunter, that was a tremendous idea on your part, and it is something that earlier I said I would host this year, and I am willing to host it as many years as necessary until we can get this issue resolved. I want to thank you for your leadership.

Mr. HUNTER. If the gentleman will yield further, it looks to me like you have the swing of things now.

I understand the gentleman from Texas, Mr. DeLay, is going to recite some of the Federalist Papers here shortly, and so we can all understand a little bit more about our Nation and our roots.

Mr. BARTON of Texas. We all wait with anticipation to hear the remarks of my distinguished colleague from Texas [Mr. DeLay].

Mr. SMITH of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. At this time, I yield to the distinguished gentleman from New Hampshire [Mr. Smith].

Mr. SMITH of New Hampshire. I think it is interesting to point out some of these local decisions, and some of these decisions that have been effected at the local level in these last 15 to 20 years in this so-called movement away from prayer in school. It is interesting, in an effort to avoid disputes around the country, local jurisdictions have passed statutes which have, among other things, forbidden a minister to pray at a public school sporting event. That is one. Secondly, forbidden religious leaders to attend a public school function. And thirdly, barred religious-affiliated counselors from meeting with public school students.

I think a constitutional amendment is necessary to reverse these atrocities, and I cannot believe that we have to have it to do that. That in itself is a disgrace. But we need it.

I would just point out one final comment. I know my colleague is anxious to speak.

I pointed out earlier the phrase "In God we trust" is up on the wall behind the gentleman in the well. If the gentleman would look straight ahead, back up over the gallery, the greatest lawmaker of all time's picture is on the wall, Moses. Again, repeating my point of hypocrisy, I think it is hypocrisy, and any individual who stands in the well of this body and opposes what we are trying to do, which is merely have voluntary prayer in public schools, in my opinion, is guilty of hypocrisy when they can stand between those two, one a phrase and one an individual who was the greatest lawmaker of all time, stand between those two and make those comments. I think it is a sad commentary on America. I think it is a sad chapter in a book on America, and I think we ought to close it, and get Madelyn O'Hair out of the book. Let us end the chapter, and let us start the new chapter in a new book, and get on with the problems that we have to deal with in this country that are critical problems, and not have to worry about something that we should never have lost in the first place.

Mr. BARTON of Texas. I totally agree with the gentleman's sentiments, and I would like to point out that the first order of business every day that this body meets is to begin with a prayer. Sometimes it is a Protestant prayer, sometimes it is a Catholic prayer, sometimes it is a Jewish prayer. Whatever, but that is the first order of business every time this body is opened for business.

I thank my colleague from New Hampshire for his comments.

Mr. COBEY. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I recognize my distinguished colleague from North Carolina [Mr. Cobey].

Mr. COBEY. I thank my colleague for the recognition, and for taking this special order, for caring so much about your country that you would provide leadership on this issue.

□ 2200

It is difficult to even comprehend the fact that we are even having this special order and having to debate this issue given the rich religious history of this country and how God has so blessed this country. But I think it is symbolic of the very moral erosion of our country which is reflected in all sorts of perversion that we are having to deal with. Our Pledge of Allegiance to the flag acknowledges "One Nation under God." We have heard our colleagues say earlier that our motto, "In God We Trust" is right above the Speaker's chair there tonight. It is also on our coins. Today both the Congress and the Supreme Court invoke God's name and ask his blessings at the opening of their session. And until 1962 there was a widespread practice of allowing prayer in our public schools.

This practice was not performed, I believe, to coerce anyone to any particular beliefs. It is a significant part of our Judeo-Christian beliefs upheld in this country. Prayer was banned from the public schools in 1963 by a Supreme Court decision. Madelyn Murray O'Hair filed the suit which brought about the banning of school prayer in our public schools. She was furious that students had to recite a prayer at the beginning of each day. Now the reference I have is on this little card that I have carried around as to the school prayer that they had to recite. It was: "Almighty God, we acknowledge our dependence upon thee and beg Thy blessings upon us, our parents, our teachers, and our country," followed by a silent period.

Her son, Bill Murray, was a 14-year-old freshman at Woodburn Junior High School in Baltimore. Bill Murray recently revealed in a news conference that his mother's real basis for the suit was her own active commitment to the Communist causes and encouragement from the Soviet Embassy officials. And this same Bill Murray whose name was used in the suit is actively, I might say, fighting to restore voluntary prayer in the schools. And he has exciting testimony and witness to what has gone on.

In 1960, Mrs. O'Hair renounced her American citizenship and tried to emigrate with her two sons. The Soviet Embassy personnel intercepted them in Paris and persuaded this atheist leader to return to the United States where "her efforts on behalf of the world revolution were more needed."

Mrs. O'Hair was involved with the Socialist Workers Party, the Communist Party, the Communist Workers Party, the Fair Play for Cuba Committee, and other organizations of that type.

In fact, to finance her school prayer case up to the Supreme Court, the Communist Party actually provided a job for Mrs. O'Hair, now known as Mrs. Murray. She was the manager of the New E-r-a, New Era Bookshop in Baltimore which her son, Bill Murray, identified as an official bookshop of the Communist Party in the United States. The first amendment of the Constitution provides, "Congress shall make no law respecting the establishment of religion or prohibiting the free exercise thereof." This provision was never intended to restrict Americans from making religious observances in the course of their daily lives or was it intended to protect people from religion.

Yet the Supreme Court has drawn a broad and inaccurate conclusion in the Engel, which in 1962, and Shemp in 1963, decisions forbidding a State from fostering prayer or Bible reading by students in public schools.

What this amendment is proposing to do, and I really commend my colleague, Mr. Kindness, the text reads, "Nothing in this Constitution shall be construed to prohibit individual or group prayer in public schools or other public institutions. No person shall be required by the United States or by any State to participate in prayer. Neither United States or any State shall compose the words of any prayer to be said in the public schools."

So the issue is not even this little card that I had this prayer that was recited, because we are saying that this type of thing cannot happen anymore, where a prescribed prayer is said in vain repetition every day. Even as innocuous as this is, I do not see that this would harm anybody and certainly we are not talking about that.

Mr. BARTON of Texas. I totally agree with my colleague from North Carolina. I would like to thank him for his views. We have about 1 minute left to go and I would like to finish, if I could. I appreciate your participation and look forward to working with you on this issue.

I would like to spend this last time by reading a prayer that was declared unconstitutional in the case of Despain versus DeKalb County School District in 1966. Kindergarten children in a public school in DeKalb County, IL, were required by their teacher to recite the following poem before their morning snack:

We thank You for the flowers so sweet,
We thank You for the food we eat,
We thank You for the birds that sing,
We thank You for everything.

Now that was declared unconstitutional. And when we reach the state of affairs that something like that is declared unconstitutional, it is time to amend the Constitution. And I would like to finish this special order by sharing with my colleagues the prayer that I say every evening before I retire for the evening. It is very simple. It is:

"Dear God, give me the wisdom to know the right thing to do, give me the courage to attempt the right thing, and the strength to accomplish it. Amen."

We need the wisdom to determine what is the right thing to do in this issue. We need courage to attempt it, and the strength to accomplish it.

I thank my colleagues.

SCHOOL PRAYER AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. Kindness] is recognized for 60 minutes.

Mr. KINDNESS. Thank you, Mr. Speaker.

Mr. Speaker, the hour grows late, the expressions that have been made concerning House Joint Resolution No. 279 and Discharge Petition No. 1 are important expressions for all Members of this body to think about, I think, but I would like to just take a moment, as we continue our discussion of those matters, to focus on all of the first amendment to the Constitution, article 1 of the Bill of Rights. Bear in mind that a number of the States, the original States would not ratify the Constitution without an assurance that the First Congress would put forward a Bill of Rights which included, most importantly, the first amendment, which in its final form reads, "Congress shall make no law respecting an establishment of religion"—we have heard about that this evening—"or prohibiting the free exercise thereof"—there has been discussion of that—"or abridging the freedom of speech"—and there is much more to be said about that, although it has been mentioned, that is "or abridging the freedom of speech or of the press, or the right of the people peaceably to assemble and to petition the Government for a redress of grievances."

There in a nutshell are some of the most important concepts that were felt so deeply by leaders in the formulation of our country's Constitution that they were a necessary part of the Bill of Rights before the Constitution would be ratified.

□ 2210

We have heard about the establishment clause, the free exercise clause, and not enough really about the free speech clause. I would like to focus for a moment on the free press clause, the freedom of the press clause.

I think it is incredible that there is such a lack of attention paid by the fourth estate to those elements of the first amendment that have been seriously undermined by Supreme Court decisions and other Federal court decisions concerning school prayer, and most particularly by that decision of the slim majority of the Supreme Court in the Alabama case which has been discussed here earlier; its most recent school prayer case.

It is ironic that an institution that is so ready to take up the call when the basic right of freedom of speech, or press is imperiled would be so reticent to adequately analyze and publicize the potential effect that the Court's recent Alabama decision might have on those rights.

In other words, surrounding the freedom of the press are these issues that we have been discussing right there in the first amendment. In other words, we might also say in common experience, when someone else's ox is being gored, ladies and gentlemen, look out, you are liable to be next.

If the courts are willing to limit the right of freedom of speech in the first amendment, and the right to peaceably assemble, and the right to free exercise of religion, if the words of prayer are involved, if that is the manner of speech, and if the setting where peaceable assembly takes place is a public school setting, then what is next?

What is next in terms of freedom of the press? It is a little hard to imagine that the Court would rule that a newspaper did not have the right to print a prayer, perhaps daily, in its newspaper; on its masthead perhaps.

However, if we allow the deterioration of our constitutional rights, court decision by court decision, then perhaps we will face that prospect in the future.

There is more that can be said about the position of the fourth estate, but I would certainly like to recommend to the members of the fourth estate that they look closely to their freedom of the press in relation to what has happened in court decisions affecting the freedom of speech, the freedom to exercise their religious practices, and the right to peaceably assemble in that part of our Nation's life that involves public schools and words of prayer.

I now yield to the gentleman from North Carolina [Mr. Cobey].

Mr. COBEY. Mr. Speaker, I thank the gentleman from Ohio [Mr. Kindness] for bringing this issue forward, having this special order; bringing this constitutional amendment to the attention of this House, and getting the discharge petition moving.

As I said earlier, it is hard to believe that we are even here, but I guess the price of freedom is eternal vigilance, and all of our freedoms are likely to be under attack if we do not reverse what we have here.

Because we have to recognize that this is an open, hostile act; that this has been promoted from day one by people who reject God; athiests, acknowledged atheists. Madelyn Murray O'Hair. They want God out of the public schools.

If you wanted to send this country down a road without God, without acknowledging God, make it an atheist state, that is exactly where you would want to drive out God from would be the public schools.

I would like to warn them when they do that sort of thing that they may in fact destroy our country. Because we have been uniquely blessed by God; this has been acknowledged as one Nation under God ever since its inception, and I think that we ought to recognize that this has been hostile aggression on this country in the form of these suits that the Supreme Court has upheld, and it is essential to the prosperity of our country; spiritually, morally, economically, militarily, whatever; the very survival of our country depends on our acknowledgement of God and it is important that we restore this right to the schools and give these children the opportunity to initiate prayer and Bible study.

This is a right that is protected under the first amendment. They are being discriminated against. As I have heard said recently, this is a students rights issue, and I hope the students of America recognize that, and will speak out. We have case after case after case of where they have been openly discriminated against; not allowed to freely assemble in their schools for prayer and Bible study.

Again, I want to commend my colleague for taking this leadership on this issue, and I am glad to be able to support the gentleman in his effort and sign this discharge petition and get it out of that black hole we call the Judiciary Committee.

Mr. KINDNESS. I thank the gentleman for his participation, his support and his leadership also in this matter, but I trust that the gentleman would agree that there is a law of physics which I think applies also in social conduct, or the interaction between people that says something to the effect that, for every action there is a equal and opposite reaction.

Over the years that I have served in the Congress and that the school prayer issue has been building, I have observed that the equal and opposite reaction has been dispersed, as Supreme Court decisions and other Federal court decisions have come along, further restricting the free exercise of religion.

I think we have seen that if there is an equal and opposite reaction, it has been spread out and not brought together. I think the Supreme Court's decision in the recent case coming out of Alabama has brought forth the coalescence of those who are greatly concerned and deeply and conscientiously interested in this issue so that we are going to get that equal and opposite reaction concentrated; that is what we have been missing.

The time is at hand, I think, for us to really pull it together, all of those various elements that have been perhaps dispersed in recent years. We have now got a focus that is much clearer.

I might mention that there was a time in this House of Representatives when my colleague from Ohio, Chalmers Wylie had gotten the school prayer issue to a vote in the House. It was different, a constitutional amendment. In fact, many thought it was flawed in its wording.

□ 2220

I have to believe that it was not perfect and it failed of passage because many could not support it in its form at that time.

This proposed constitutional amendment has been so thoroughly worked over by legal scholars, by theologians and religious leaders and people of all walks of life who are interested in the subject that I think we finally have another part of the puzzle put together, a coalescence of support behind that approach.

Let me just take one more moment to make a comparison. With all due respect to those who support a constitutional amendment that would provide for the freedom of meditation, silent meditation, that would be limiting our freedom of speech guaranteed in the first amendment. We would be constitutionally reducing our first amendment rights. I do not support that approach. Those who do I am sure do so in good conscience. But they do so without regard to our first amendment right of free speech. That, I think, is too important to pass up.

I would yield to the gentleman from Texas.

Mr. DeLAY. I thank the gentleman from Ohio mainly for his courage and work in developing and writing his constitutional amendment and staying up at this late hour. It is now 10:20 in the evening. And I asked myself as I was standing here: Why are so many Members of Congress staying up so late at night on such an issue?

And I think it brings out many, many issues. If I may, trying to summarize a little bit about what I have heard this evening and get a little philosophical and a little more basic and fundamental about what we are talking about, the gentleman from Ohio has pointed out in the Constitution that our freedom of religion and our freedom of voluntary prayer in schools are based on freedom of speech, freedom of the press, freedom of religion. And I think it gets even more basic that that.

Why are we up at this late hour, so dedicated to such a basic premise of freedom? And that is what we are talking about here—freedom. I do not know whether we are really talking about prayer in schools. I think we have coalesced around prayer in schools, but it is more basic than that, and it comes down to freedom and not only freedom but the Constitution, and it comes down to, I think, ever since 1936 in the Butler case, a total disregard of our Constitution. This Congress, the Supreme Court and indeed the President of the United States have all disregarded the Constitution and the rules by which we play.

When you go out there and play on the football field, what kind of a game would it be if we did not play by the rules? And ever since 1936, when the Supreme Court, stacked by FDR, decided that whatever, under the Constitution and the statement "the common good," whatever the Congress decided, that is good in the common good of the people of America. And we come back to that one premise. We have spent money, we have developed programs in violation of our constitutional rights, and now we have pulled away one of the basic freedoms that founded this great, great country of ours, and that is our freedom to express ourselves in whatever religion we are talking about.

Is it not sad that Americans right now are fighting for their religious freedom against their own Government, whether it be the Supreme Court or this Congress because we cannot get a constitutional amendment to this floor to be voted on? It really is a testimony of where we have come from since 1936 and that we do not have the ability to play by the rules and we have to fight and stay up at these late hours fighting to bring your amendment to this floor. It is a sad day for Americans when we have to fight our own Government. We are just talking about freedom. We are not talking about creating a government religion. We are not talking about making it the Baptist religion of the United States of America or the Methodist religion of the United States of America. We just want to be able to practice our religion wherever we deem and see fit.

If I want to put up a nativity scene in the courthouse in Houston, TX, I should have the freedom to do that, and I should not have the right to stop someone else from putting up a Star of David or someone celebrating the Koran in that same courthouse.

It was just recently that we—"we" being members of Harris County, in Houston, TX—wanted to dedicate a park to our Vietnam veterans, and part of the monuments of this park were crosses and Stars of David. People who see fit in restricting our freedom, the ACLU, in particular, came along and sued us and stopped us from dedicating a park to our veterans of the Vietnam era. What was so sinister about dedicating a park to our veterans of the Vietnam war, even though we put up crosses and Stars of David to commemorate those who died for our freedom in Vietnam?

What is so bad about a little child praying in school? The Boy Scouts of America recently, in their own creeds and oaths, being violated by a court. Just recently I saw on television, I think it was yesterday, that a Boy Scout decided that he would refuse to use the Lord's name in the oath of the Boy Scouts, and our own Government is coming to the Boy Scouts and saying you have to remove those kinds of names or you have to let this boy into Boy Scouts, a private organization. That is how far it is going. I think it is a sad day in America when we do not have the freedom to exercise our religion wherever we want to exercise it.

We are not talking about shoving religion down children's throats. We are talking about basic freedom that this country was built on.

If I may take just 1 more minute, and I may be criticized for this, I think the Constitution was divinely inspired, because there are stories that are told about the writing of our Constitution back when, and they came to an impasse, and Benjamin Franklin—well, I have to back up a little bit. You had to pay preachers at that time to pray, and the Constitutional Convention had no money, so they could not pay preachers to open the Constitutional Convention every day, so they went on, among themselves, and they came to an impasse, and it seemed that it was all over and they could not write the rules under which to govern themselves. And Benjamin Franklin stood up and said, "Let's all go home and pray to the Almighty God that we may be able to write this Constitution for the good of mankind in the future." They did. They went home and they prayed, and the Constitution was finished in 3 weeks and ratified within a year.

It just goes to show you that our country was built on religion, whether it be Christianity or Judaism, or whatever it is. It is built on the freedom to express ourselves to some moral being or some truth, all truth, whatever you call that. And when individuals come and try to destroy that for Americans, I think it is a travesty to this country and it also points out that we are trying to destroy the basic freedoms provided to us by the Constitution because we have total disregard about our Constitution.

In going to many town meetings that I have held every month in my district, people are asking me, "Well, we sent you there, but what else can we do? What can we do?" And those Americans who are watching this special order and watching the courage of the gentleman from Ohio, I tell them that if they really want to do something, if they really want to make an effect, if they really want their freedom back, then they should write their Congressman—and I think the gentleman from Ohio will agree with me—and demand that their Congressman sign this discharge petition so that we can bring basic freedoms back to the American people.

Mr. KINDNESS. I thank the gentleman very much. I acknowledge that fact that under the rules and operations of the House of Representatives it is not always easy for Members to make the decision that they should, to sign a discharge petition. But I think it is abundantly clear that House Joint Resolution No. 279 will not come to the floor for consideration without a discharge petition procedure. It requires 218 signatures of Members. But

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there is nothing heretical about signing a discharge petition. It is my belief that there are among the Members of the House of Representatives many who are fairminded people who will sign the discharge petition even though they may not be persuaded that they would vote for the adoption of House Joint Resolution No. 279.

□ 2230

In the belief that it must be debated, it must be considered, and it must be voted upon. Fairmindedness, and we hear so much about fairness in the political arena these days, fairness certainly includes allowing such an important subject to be decided upon by the elected Representatives of the people from throughout this country.

Discharge Petition No. 1 sits at the Clerk's desk awaiting the signatures of about 203 more Members. I think what people can do throughout this country is to persuade their elected Representative that they should be among those signing Discharge Petition No. 1.

Whether they believe that House Joint Resolution 279 should be adopted by the House of Representatives or not, in fairness, it should be debated and voted upon. Our courts have their part of a three-part government to conduct. I respect our court system as I do our Constitution, and I respect those who earnestly endeavor in the Federal judiciary to reach the right decisions. But they are not infallible.

In the present circumstances that we are discussing, the only way for their judgment, that is a judgment of the majority of the Members of the Supreme Court to be changed or overridden is by a constitutional amendment. That is why it is necessary. It is not through disrespect for Federal judges or for the Federal judiciary system. But it is only one of three parts of our Government. A system that is ingenious in the way that it was established in our Constitution.

The Congress and the President together enact legislation. Or the Congress can do it alone by overriding the veto of a President. The courts are there to interpret and apply the law and the Constitution. I cannot agree that they have done so correctly in some of the decisions affecting school prayer. The infallibility of the courts is not in question, because they are fallible. They are human institutions.

I yield to the gentleman.

Mr. DELAY. If the gentleman would permit me, they are humans that sit on that court, and sometimes we let our own prejudices come out no matter who we are, and I agree with that. But would it not be a wonderful day and I think the gentleman would agree that over the years, and I have only been here a short time, the gentleman has been here a long time. Over the years, you have seen when the people want something bad enough, if they write enough letters, things will change.

Just recently, around February, there was an overwhelming letter writing campaign on what seems to be a small issue and that was contemporaneous recordkeeping. This Congress was inundated with letters against contemporaneous recordkeeping. It was passed by both Houses and signed by the President in less than 60 days.

A year ago, for instance, the Harris poll indicated that 60 percent of the surveyed population favored a constitutional amendment to allow us the freedom to exercise our religion. It was recently sustained by a poll a few months ago, that the entire poll sample, 61 percent, supported religious freedom. If only that 61 percent of the Nation would write their Congressman, I think the gentleman would agree that this amendment and religious freedom would come to the floor of this House immediately.

Mr. KINDNESS. It is a matter in which the people throughout this country play the most important role as usual; if they will but act, I think we will see the kind of action that needs to be taken in this House of Representatives on this issue.

I thank the gentleman so much for his participation at this late hour this evening.

Mr. Speaker, I have two kinds of discomfort inside me this evening: one is the lack of dinner, and the other is a hunger for the opportunity to have this matter debated before this House of Representatives and I feel confident that we will reach that goal through diligence and hard work and the help of the American people getting their elected Representatives on board as a part of this effort.

Mr. Speaker, I would like to take this time to discuss the incredible lack of attention paid by the fourth estate to those elements of the first amendment that have been seriously undermined by the Supreme Court's recent school prayer decision.

It's ironic that an institution that is so ready to take up the call when the basic right of freedom of speech is imperiled would be so reticent to adequately analyze the potential effect that the Court's recent decision might have on that right.

One need only focus on the language of the first amendment to see that it guarantees the free exercise of religion, the freedom of speech, the freedom of the press and the right to peaceably assemble. The scribes, who freely debate the issues of the day on the pages of our Nation's newspapers, sit idly by while fundamental rights that are similarly situated, in the Constitution and conceptually, are routinely infringed on by the Federal courts.

Is the right to free exercise of religion protected by a Supreme Court that declares words of prayer to be illegal? Is the right to free speech protected by a Supreme Court that says that words of prayer are not sanctioned under the Constitution when said in the confines of a public school? Is the right to peaceably assemble protected by a Supreme Court that denies that right to our schoolchildren? Is the fourth estate oblivious to these infringements. Perhaps they'll react when the Supreme Court rules that the right to a free press is limited when the words to be printed are those of a prayer.

It would seem to me though that our first amendment rights are in danger and that the journalism profession is one that has as much to lose as anyone if such limits are allowed to remain the law of the land. The conceptual proximity of those rights, curtailed by the Court's decisions, to freedom of the press and the failure of the fourth estate to champion those rights raises serious questions as to how sincere the national community of journalists is about protecting those rights as a matter of principle.

I would ask my friends in the fourth estate to look closely at the language of the first amendment and to consider how their freedom of the press will look 20 years from now if the present trend goes unchecked. I submit that it would be well worth their time.

GENERAL LEAVE

Mr. KINDNESS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PRESIDENT OF TIME INC. CALLS EXCESSIVE MILITARY SPENDING THE ROAD TO ECONOMIC RUIN

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SEIBERLING. Mr. Speaker, I recently obtained a copy of a speech delivered by J. Richard Munro, the president and chief executive officer of Time, Inc., to the Robins School of Business of the University of Richmond, on April 10, 1985. Charging that U.S. military spending has gotten out of control, Mr. Munro called upon American business executives to bring "the same critical judgment to bear on defense policies as we do to our own corporate policies." The alternative is

economic stagnation and ultimately less military strength, he said.

Mr. Munro noted that defense spending in constant dollars is now as high as it was at the height of the Korean war and the Vietnam war and by 1990 will be a third more than it was in either war. He added that if the economy falters and growth falls short, the defense share could easily reach 10 percent of GNP.

The effect of the increasing militarization of our economy will be to "find guns winning not only over butter—but over factories and machinery, capital formation, and skilled labor supplies." The effect of the severe cuts in education and human service programs is that "we are disinvesting in people, disinvesting in our future work force," he said. He went on to note that the share of GNP spent on education in America has fallen steadily from a peak of 8 percent in 1975 to an estimated 6 percent next year, yet "education is hands-down the single most important engine of productivity growth."

Worse yet, Mr. Munro notes, military projects are absorbing an increasing share of resources like industrial capacity, research and development funds, and scientists, engineers, and technicians. While the Japanese are marshalling their research laboratories to take on our computer and other high-technology industries, our research laboratories are making new weapons.

In addition to reforms in defense procurement and staffing and the military retirement system, Mr. Munro concludes that the most important need is the achievement of mutual arms reduction agreements to stop the arms race with the Soviet Union. This conclusion has seemed obvious to many of us for a long time. Perhaps these words of a hardheaded businessman will begin to penetrate the thinking of those conservatives who have up until now been favoring more and more military spending.

Mr. Speaker, the full text of Mr. Munro's address follows these remarks:

REMARKS BY J. RICHARD MUNRO

Thank you for the kind introduction. I'm delighted to be here, for what is now my third visit to this campus as CEO of Time Inc. There's something about a polite invitation that I find irresistible.

Being here also reminds me of something that happened recently in a third world country.

Rebels had captured three businessmen—one French, one Japanese, and one American. They decided to execute them all. But first they gave each a last wish.

The French businessman asked to sing "La Marseillaise" for one last time. The Japanese businessman asked to give a lecture on Japanese management.

But when it came his turn, the American broke into tears and begged, "Shoot me first, I can't stand another lecture on Japanese management."

In keeping with that spirit, I promise not to talk about Japanese management or related subjects.

Instead, I want to talk about a different challenge. It might seem remote from daily business concerns. But it's crucial to our continued success in business and to our prosperity as a nation.

That's the problem of U.S. defense policy—especially military spending.

It's simply gotten out of control. And if we don't control it, we will reap a bitter harvest of waste and mismanagement, economic stagnation, and ultimately less military strength than we have now.

The stakes for American business are high. And business executives need to bring the same critical judgment to bear on defense policies as we do to our own corporate policies.

Let me begin with some recent history.

Defense spending since World War II has accounted for a large share of our national wealth, rising during wartime and falling during peacetime.

Defense spending in constant dollars now is as high as it was at the height of the Korean War and the Vietnam War. By 1990 it will be a third more than it was in either war.

By the late 1970s, spending rose again, and has taken off sharply since the Reagan Administration began what has become the equivalent of a wartime military buildup.

Put another way, we've already spent a trillion dollars on defense since 1980. And in the next five years, we'll spend another $1.8 trillion.

Military spending in 1990 will take about 8 percent of our GNP, nearly as high a percentage as the peak Vietnam years.

Moreover, that share of GNP assumes that the Reagan Administration's economic forecast of endless economic growth will come true. If the economy falters, and growth falls short, the defense share could easily reach 9 or 10 percent of GNP.

In short, under current leadership, we have the equivalent of a wartime spending policy. Our economy is being increasingly militarized.

And the more we pursue these policies, we will find guns winning not only over butter—but over factories and machinery, capital formation, and skilled labor supplies.

Now, you may ask, isn't all this necessary to confront the Soviet military buildup? Especially after years of declining spending?

Yes, the Vietnam War drained our military resources in losing battles, at the expenses of our readiness everywhere else. We had major deficiencies which were painfully obvious by the late 1970s.

But the rebuilding of our military strength was already underway, with spending growth at sustainable rates, before President Reagan took office.

At the same time, ironically, Soviet military spending growth has been declining. Despite dire warnings from the Pentagon each year at budget time, the CIA estimates that recent real growth of Soviet military spending has been around 2 percent annually.

The answer, then, is, yes, that we needed to rebuild our defenses. But that we didn't need to hit the panic button, which is what happened. And we don't need to obligate ourselves to such enormous future costs.

Current budget estimates don't include such things as cost overruns we can reasonably expect on new weapons. They probably underestimate future operating and upkeep costs for such things as the 600-ship navy we are building.

Moreover, we have shifted priorities so that we are underpreparing to fight a conventional war and overprepared for a nuclear war. We are also wasting a lot of money because of simple mismanagement.

Plainly, we will squander much of the three trillion dollars we're spending in this decade—unless we have a thorough overhaul of defense policies. That overhaul isn't yet in the cards, however.

We have already seen a small part of the defense procurement mess. We have enormous cost overruns already in projects like the B-1 bomber—weapons that are worthless because they are too complicated—or that simply don't work—and even outright fraud by some defense contractors.

Also, we can already see the enormous and unnecessary burden that military personnel policies are becoming.

For example, the military retirement system is a tremendous problem—not just because of direct costs—but also because it results in our most productive officers and noncoms retiring just when they hit their stride.

Imagine a company that retired at half-pay most of its career managers and skilled workers at age 41, after spending millions of dollars each to train many of them.

Imagine a company that has to set aside half of its base salaries for future pension costs. The average for U.S. companies is about 10 percent.

Imagine a company in which five out of six of its pensioners are younger than 65, and two-thirds are working fulltime, often at the same job they had in uniform, collecting a pension and a paycheck, or working for outside defense contractors.

That's how the military retirement system works today.

Consider the benefits for a typical lieutenant colonel who retires today at age 42. He can expect to live another 35 years. By my calculations, he'll get nearly $1.5 million, assuming the pension keeps pace with a modest rate of inflation.

That doesn't include free medical care, cut-rate groceries and shopping, and subsidized officers' clubs.

In short, the system stinks.

At this point, you may be asking yourself why I'm not talking about the communications industry or something more directly related to your future business careers.

Well, I have been talking about your future—and everybody else's.

The defense buildup is taking place as if it were in a vacuum—and had nothing to do with the rest of our economic and social needs. Yet it can—and will—cause severe economic dislocations affecting every industry in America.

Let me put it this way: The shift toward more military spending in the 1980s will change our economy as deeply as the oil price explosion changed us in the 1970s—beginning with the share of GNP which it is taking from the rest of our economy.

Consider the massive shift already in federal budget priorities. Think of that as a mirror into the future which shows what the rest of our economy will be like.

For example, we have severely cut education and human services programs, and state governments are following suit. In effect, we are disinvesting in people, disinvesting in our future work force.

As this happens, we should ask, where will all the skilled workers come from to help us fulfill the optimistic Administration forecasts for future prosperity?

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They don't just walk out of the woods and into the front doors of our offices and factories.

They came up through our system of schools and colleges, public and private. They received nutrition and health care that keeps their bodies whole. Their families received aid to keep them housed and clothed. They get help—these are not just poor kids, either—at every step by public spending programs which have in the last half-century helped create the world's most productive work force.

It's an expensive system. But as Derek Bok, president of Harvard, once said, "If you think education is expensive, try ignorance."

As we've often heard, there's no free lunch. We won't be the most productive much longer, if we keep doing what we're doing now.

The share of GNP spent on education in America has fallen steadily from a peak of 8 percent in 1975 to an estimated 6 percent next year. And education is hands-down the single most important engine of productivity growth.

In other words, the "butter" we're neglecting today for the sake of guns is more than an expendable condiment. Our neglect of education and human services will put a heavy burden on business in the future in the form of shortages of skilled labor, lagging productivity growth, and inflationary pressures.

Moreover, military projects are absorbing an increasing share of resources like industrial capacity, research and development funds, and scientists, engineers, and technicians.

While the Japanese are marshalling their research laboratories to take on our computer and other high-technology industries, our research laboratories are making new weapons.

Not only that, we can already see the results of this tradeoff between national productivity and military spending.

In the last 20 years, U.S. defense spending averaged 7¼ percent of GNP, while manufacturing productivity rose an average of 2½ percent in each of those years.

Great Britain spent an average of 5½ percent on defense, while its productivity rose 3½ percent a year. West Germany spent 4 percent on defense, while its productivity rose 5½ percent.

And Japan, which spent less than 1 percent, enjoyed a 9 percent annual increase in manufacturing productivity—year after year, in its relentless expansion into world markets.

It's no coincidence that, in those years, Japan has amassed trade surpluses that are the envy of the OPEC oil producers, that five out of the top 10 international banks are now Japanese, and that its GNP sometime this year will surpass the GNP of the Soviet Union.

Also, the defense buildup reaches even more deeply as a direct cause of our massive federal deficits. It's not the only cause, of course. The over-generous tax cuts must share the blame. But everything else comes in a distant second.

The budget deficits and high interest rates in turn have caused a huge trade deficit, which has cost two million American manufacturing jobs already, and maybe another two million more in a few years.

For the first time since World War I, we are no longer a net creditor nation. We're becoming a net debtor this year. Next year, at the current rate, our foreign debt will be larger than Brazil's. And a year after that, our debt will be bigger than Brazil's, Argentina's and Mexico's combined.

Beginning now, instead of living beyond our means, supported by net overseas earnings, we will be living below our means to pay our creditors back.

More and more of our business decisions will be made in Tokyo and London, and not New York or Washington.

In the words of Blanche DuBois, we'll depend on the kindness of strangers for our standard of living.

Now, I happen to believe that problems like these are meant to be solved. And I think that we can, given the concern and the will to do it.

We can begin by following the advice of the Business Roundtable, which has advocated a return to 3 percent real growth in defense spending in the next few years.

The President and Senate Republicans took a small, tentative step toward that last week in announcing defense budget cuts, among many others.

But I think we must go further by setting goals of, say, 5 or 6 percent of GNP for defense, matched by thorough reforms. They should include a brandnew procurement system, a hard look at the effectiveness of new weapons, cutting back the number of officers on active duty, and retirement system reforms.

There's no earthly reason why we can't have a strong national defense on a budget that amounts to less in real dollars than we spent in each of our last two wars.

Most important, we need mutual arms reduction agreements to stop the arms race now underway with the Soviet Union.

Both of us have had enough military might to destroy each other, and the world with us, for many years. It's time to come to our senses and to bargain seriously for new arms control agreements.

In closing, if all these matters seem remote and arcane to you, they shouldn't be.

A poster I saw recently showed a dressed-for-success Yuppie looking out her window, exclaiming, "Oh no, nuclear war! There goes my career!"

That's an overstatement, of course. But your future, the future of American business, and of our society is tied very closely to what we decide in the next few years about the role of defense spending and the military in our country.

I say that we strike a new balance, that we begin to appreciate how a more rational approach can yield a more prosperous America and a stronger national defense.

A quarter-century ago, President Eisenhower had this to say, "There is no safety in arms alone. Our security is the total product of our economic, intellectual, military, and moral strength."

That applies just as well today, and I urge you to inform yourself and to get involved in solving this key problem for our future.

Thank you.●

CONFERENCE REPORT ON H.R. 2068

Mr. MICA submitted the following conference report and statement on the bill (H.R. 2068) to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes:

CONFERENCE REPORT (H. REPT. 99-240)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2068) to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the United States Information Agency, the Board for International Broadcasting, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Foreign Relations Authorization Act, Fiscal Years 1986 and 1987".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.

TITLE I—DEPARTMENT OF STATE

Sec. 101. Authorizations of appropriations.
Sec. 102. Permanent authorizations of appropriations.
Sec. 103. United Nations peacekeeping forces.
Sec. 104. Security earmark.
Sec. 105. Liaison by the National Commission on Educational, Scientific, and Cultural Cooperation.
Sec. 106. Australian Bicentennial.
Sec. 107. World Commission on Environment and Development.
Sec. 108. Earmarking of refugee assistance funds.
Sec. 109. International Committee of the Red Cross.
Sec. 110. Limitations on use of migration and refugee assistance funds.
Sec. 111. Restrictions on foreign assistance not applicable to migration and refugee assistance.
Sec. 112. Personal services abroad relating to migration and refugee assistance.
Sec. 113. Audits of U.S. funds received by the United Nations High Commissioner for Refugees.
Sec. 114. Authorized uses of appropriated funds.
Sec. 115. Assistant Secretaries of State.
Sec. 116. Under Secretary of State for Economic and Agricultural Affairs.
Sec. 117. Detail of officers and employees.
Sec. 118. Certain individuals employed abroad deemed to be employees of United States for certain purposes.
Sec 119. Appointments to the Senior Foreign Service by the Secretary of Commerce.
Sec. 120. Pilot project for Foreign Service associates.
Sec. 121. Feasibility study of a lateral entry program into the Foreign Service for businessmen and farmers.
Sec. 122. Health care benefits.
Sec. 123. Foreign Service Institute facilities.
Sec. 124. International Center.
Sec. 125. Special agents.
Sec. 126. Extraordinary protective services for foreign missions.
Sec. 127. Protecting United States interests under the Foreign Missions Act.

Sec. 128. Peaceful resolution of international disputes.
Sec. 129. Furnishing of excess Government-owned property by the Secretary of State.
Sec. 130. Official residence of Secretary of State.
Sec. 131. Strengthening the personnel system of the Bureau of International Narcotics Matters.
Sec. 132. Sharing of information concerning drug traffickers.
Sec. 133. Extradition treaties.
Sec. 134. Establishment of a travel advisory on the state of Jalisco, Mexico.
Sec. 135. Commendation of Ambassador to Mexico.
Sec. 136. Soviet employees at United States diplomatic and consular missions in the Soviet Union.
Sec. 137. Responsibility of United States missions abroad to provide support for United States businesses.
Sec. 138. Responsibility of United States missions to promote freedom of the press abroad.
Sec. 139. Emergency telephone service at U.S. consular offices.
Sec. 140. Responsibilities of United States representatives to international organizations.
Sec. 141. United States responsibilities for employees of the United Nations.
Sec. 142. United States contributions to the United Nations if Israel expelled.
Sec. 143. United Nations organizations reform in budget procedures.
Sec. 144. Limitation on assessed payments to the United Nations.
Sec. 145. International Jute Organization.
Sec. 146. INTELSAT.
Sec. 147. Soviet and Communist disinformation and press manipulation.
Sec. 148. Murder of Major Arthur D. Nicholson, Junior.
Sec. 149. Inter-American cooperation in space, science, and technology.
Sec. 150. Department of State Inspector General.
Sec. 151. Employees of the United Nations.
Sec. 152. Representation of minorities and women in the Foreign Service.
Sec. 153. Board of the Foreign Service.
Sec. 154. Damages resulting from delays in the construction of the United States embassy in Moscow.

TITLE II—UNITED STATES INFORMATION AGENCY

Sec. 201. Authorization of appropriations.
Sec. 202. Modernization of Voice of America.
Sec. 203. Radio broadcasting to Cuba.
Sec. 204. Funds for educational and cultural exchanges.
Sec. 205. Funds for worldwide book program initiative.
Sec. 206. Funds for exchange activities associated with the 1987 Pan American Games.
Sec. 207. Funds for international games for the handicapped.
Sec. 208. Ban on domestic activities by the USIA.
Sec. 209. Private sector funding for USIA's private sector program.
Sec. 210. National Endowment for Democracy.
Sec. 211. Promoting democracy and an end to the apartheid policies in South Africa.
Sec. 212. Distribution within the United States of the USIA film entitled "Hal David: Expressing a Feeling".
Sec. 213. Distribution within the United States of three USIA films relating to Afghanistan.
Sec. 214. Notification of program grants.

TITLE III—BOARD FOR INTERNATIONAL BROADCASTING

Sec. 301. Authorization of appropriations.
Sec. 302. Improvement of facilities.
Sec. 303. Radio Free Afghanistan.
Sec. 304. Management of RFE/RL, Incorporated.
Sec. 305. Role of the Secretary of State.
Sec. 306. Task force with respect to broadcasts to Soviet Jewry.

TITLE IV—THE ASIA FOUNDATION

Sec. 401. Authorization of appropriations.

TITLE V—IRAN CLAIMS SETTLEMENT

Sec. 501. Receipt and determination of certain claims.
Sec. 502. Deductions from arbitral awards.
Sec. 503. En bloc settlement.
Sec. 504. Reimbursement to the Federal Reserve Board of New York.
Sec. 505. Confidentiality of records.

TITLE VI—UNITED STATES SCHOLARSHIP PROGRAM FOR DEVELOPING COUNTRIES

Sec. 601. Statement of purpose.
Sec. 602. Findings and declarations of policy.
Sec. 603. Scholarship program authority.
Sec. 604. Guidelines.
Sec. 605. Authority to enter into agreements.
Sec. 60[illegible] Policy regarding other international educational programs.
Sec. [illegible] Establishment and maintenance of counseling services.
Sec. 608. Board of Foreign Scholarships.
Sec. 609. General authorities.
Sec. 610. English teaching, textbooks, and other teaching materials.
Sec. 611. Reporting requirement.
Sec. 612. Funding of scholarships for fiscal year 1986 and fiscal year 1987.
Sec. 613. Latin American exchanges.
Sec. 614. Feasibility study of training programs in sizable Hispanic populations.
Sec. 615. Compliance with Congressional Budget Act.

TITLE VII—ARMS CONTROL AND DISARMAMENT

Sec. 701. Supplemental authorization of appropriations for fiscal year 1985.
Sec. 702. Authorization of appropriations for fiscal years 1986 and 1987.
Sec. 703. Reports on adherence to and compliance with agreements.
Sec. 704. Pay for Deputy Director and Assistant Directors.
Sec. 705. New building in Geneva for the use of the United States arms control negotiating teams.
Sec. 706. Study of measures to enhance crisis stability and control.
Sec. 707. Policy toward banning chemical weapons.
Sec. 708. Policy regarding a joint study by the United States and the Soviet Union of the consequences of nuclear winter.

TITLE VIII—MISCELLANEOUS PROVISIONS

Sec. 801. Termination of national emergencies by joint resolution.
Sec. 802. United States Institute of Peace.
Sec. 803. Ex gratia payment to the Government of Switzerland.
Sec. 804. Policy toward application of the Yalta Agreement.
Sec. 805. Policy toward treatment of Soviet Pentecostals.
Sec. 806. Democracy on Taiwan.
Sec. 807. Increase United States-China trade.
Sec. 808. Use of United States owned rupees.
Sec. 809. Refugees in Thailand.
Sec. 810. Policy regarding foreign exchange intervention.
Sec. 811. Commending Mayor Teddy Kollek of Jerusalem.
Sec. 812. Japan-United States security relationship and efforts by Japan to fulfill self-defense responsibilities.
Sec. 813. Diplomatic equivalence and reciprocity.
Sec. 814. United States International Narcotics Control Commission.

TITLE I—DEPARTMENT OF STATE

SEC. 101. AUTHORIZATIONS OF APPROPRIATIONS.

The following amounts are authorized to be appropriated for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law:

(1) ADMINISTRATION OF FOREIGN AFFAIRS.—For "Administration of Foreign Affairs", $1,828,088,000 for the fiscal year 1986 and $1,873,790,000 for the fiscal year 1987.

(2) INTERNATIONAL ORGANIZATIONS AND CONFERENCES.—For "International Organizations and Conferences", $534,074,000 for the fiscal year 1986 and $534,074,000 for the fiscal year 1987.

(3) INTERNATIONAL COMMISSIONS.—For "International Commissions", $28,704,000 for the fiscal year 1986 and $25,824,000 for the fiscal year 1987.

(4) MIGRATION AND REFUGEE ASSISTANCE.—For "Migration and Refugee Assistance", $344,730,000 for the fiscal year 1986 and $344,730,000 for the fiscal year 1987.

(5) BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS.—For "United States Bilateral Science and Technology Agreements", $2,000,000 for the fiscal year 1986 and $2,000,000 for the fiscal year 1987.

(6) SOVIET-EAST EUROPEAN RESEARCH AND TRAINING.—For "Soviet-East European Research and Training", $4,800,000 for the fiscal year 1986 and $5,000,000 for the fiscal year 1987.

SEC. 102. PERMANENT AUTHORIZATIONS OF APPROPRIATIONS.

(a) OTHER AUTHORIZATION OF APPROPRIATIONS.—

(1) Except for authorizations cited in paragraph (2), the only amounts authorized to be appropriated for any fiscal year for the accounts described in section 101 are those amounts specifically authorized to be appropriated for those accounts.

(2) The other authorizations of appropriations referred to in paragraph (1) are those contained in section 24 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696), relating to increases in employee benefits authorized by law and to adverse fluctuations in foreign currency exchange rates and overseas wage and price changes, and in section 821 of the Foreign Service Act of 1980 (22 U.S.C. 4061), relating to the Foreign Service Retirement and Disability Fund.

(b) NOTIFICATION TO AUTHORIZING COMMITTEES OF CERTAIN REQUESTS FOR APPROPRIATIONS.—In any fiscal year, whenever the Secretary of State submits to the Congress a request for appropriations pursuant to the au-

thorizations described in subsection (a)(2), the Secretary shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate of such request.

SEC. 103. UNITED NATIONS PEACEKEEPING FORCES.

The Act entitled "An Act to authorize United States payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes", approved June 19, 1975 (89 Stat. 216), is amended by striking out "there is hereby authorized to be appropriated to the Department of State" and inserting in lieu thereof the following: "the Secretary of State may, to the extent funds are authorized and appropriated for this purpose, make payments of".

SEC. 104. SECURITY EARMARK.

Of the amounts authorized to be appropriated for "Administration of Foreign Affairs" by section 101(1), not less than $311,000,000 for the fiscal year 1986 shall be available only for security-related capital projects and improvements and the salaries and expenses associated with security-related personnel.

SEC. 105. LIAISON BY THE NATIONAL COMMISSION ON EDUCATIONAL, SCIENTIFIC, AND CULTURAL COOPERATION.

Of the amounts authorized to be appropriated for "Administration of Foreign Affairs" by section 101(1), $250,000 for fiscal year 1986 and $250,000 for the fiscal year 1987 shall be made available to the National Commission on Educational, Scientific, and Cultural Cooperation in order to enable the Commission to maintain a liaison between the United States Government, the United States educational, scientific, cultural, and communications communities, and the United Nations Educational, Scientific, and Cultural Organization (UNESCO).

SEC. 106. AUSTRALIAN BICENTENNIAL.

(a) FINDING.—The Congress finds that the American-Australian Bicentennial Foundation, a private, nonprofit corporation established in 1983 for the purpose of coordinating all United States official and private participation in the 1988 Australian Bicentennial celebration, deserves and needs financial support to effectively carry out that purpose.

(b) GRANT TO AMERICAN-AUSTRALIAN BICENTENNIAL FOUNDATION.—From the amounts authorized to be appropriated for "Administration of Foreign Affairs" by section 101(1), the Secretary of State may make a grant in each of the fiscal years 1986 and 1987 to the American-Australian Bicentennial Foundation in support of its programs and operations to prepare for United States participation in the Australian Bicentennial celebration.

(c) AUTHORITY OF USIA NOT AFFECTED.—Subsection (b) shall not be construed to affect the authority delegated to the Director of the United States Information Agency under section 102(a)(3) of the Mutual Education and Cultural Exchange Act of 1961 (22 U.S.C. 2452(a)(3)).

SEC. 107. WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT.

Of the amounts authorized to be appropriated for "International Organizations and Conferences" by section 101(2), $750,000 for each of the fiscal years 1986 and 1987 shall be available only for a voluntary contribution to the World Commission on Environment and Development.

SEC. 108. EARMARKING OF REFUGEE ASSISTANCE FUNDS.

Of the amounts authorized to be appropriated for "Migration and Refugee Assistance" by section 101(4)—

(1) $12,500,000 for the fiscal year 1986 and $25,000,000 for the fiscal year 1987 shall be available only for assistance for refugees resettling in Israel;

(2) $56,000,000 for the fiscal year 1986 and $56,000,000 for the fiscal year 1987 shall be available only for assistance for African refugees; and

(3) $2,500,000 for the fiscal year 1986 and $1,750,000 for the fiscal year 1987 shall be available to combat piracy in the Gulf of Thailand, for assistance to pirate victims, to promote the rescue of refugees in distress at sea in Southeast Asia, and to strengthen protection measures for Indochinese boat refugees.

SEC. 109. INTERNATIONAL COMMITTEE OF THE RED CROSS.

(a) FINDINGS.—The Congress finds that—

(1) the International Committee of the Red Cross carries out humanitarian missions vital to the United States, including—

(A) the promulgation and implementation of international humanitarian law;

(B) the protection of prisoners of war and of noncombatants in time of conflict;

(C) the protection of political prisoners;

(D) assistance in tracing persons who have disappeared in conflicts or for political reasons;

(E) the provision of medicine, food, and essential assistance to refugees and other victims of man-made disasters; and

(F) assistance in family reunification;

(2) the scope and number of activities carried out by the International Committee of the Red Cross have, as a result of recent global developments, necessarily increased; and

(3) there is an urgent need for increased support from the international community for the regular budget and special appeals of the International Committee of the Red Cross.

(b) UNITED STATES POLICY.—It is the policy of the United States—

(1) to contribute to the International Committee of the Red Cross, in any financial year, an amount not less than 20 percent of the regular budget of the International Committee of the Red Cross; and

(2) to support generously the special appeals made by the International Committee of the Red Cross.

(c) EARMARKING.—Of the amounts authorized to be appropriated for "Migration and Refugee Assistance" by section 101(4), not less than $4,500,000 for each of the fiscal years 1986 and 1987 shall be available only for contribution to the regular budget of the International Committee of the Red Cross.

(d) CONFORMING AMENDMENT.—Section 105 of the Foreign Relations Authorization Act, Fiscal Year 1978, is repealed.

SEC. 110. LIMITATIONS ON USE OF MIGRATION AND REFUGEE ASSISTANCE FUNDS.

Of the amounts authorized to be appropriated for "Migration and Refugee Assistance" by section 101(4), not more than $2,000,000 for the fiscal year 1986 and not more than $2,000,000 for the fiscal year 1987 may be used for enhanced reception and placement services.

SEC. 111. RESTRICTIONS ON FOREIGN ASSISTANCE NOT APPLICABLE TO MIGRATION AND REFUGEE ASSISTANCE.

Section 2 of the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2601) is amended by adding at the end thereof the following new subsection:

"(f) The President may furnish assistance and make contributions under this Act notwithstanding any provision of law which restricts assistance to foreign countries.".

SEC. 112. PERSONAL SERVICES ABROAD RELATING TO MIGRATION AND REFUGEE ASSISTANCE.

(a) AUTHORITY.—Section 5(a) of the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2605) is amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by redesignating existing paragraph (6) as paragraph (7); and

(3) by inserting after paragraph (5) the following new paragraph (6):

"(6) contracting for personal services abroad, and individuals employed by contract to perform such services shall not be considered to be employees of the United States for purposes of any law administered by the Office of Personnel Management, except that the Secretary of State may determine the applicability to such individuals of section 2(f) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669(f)) and of any other law administered by the Secretary concerning the employment of such individuals abroad; and".

(b) EFFECTIVE DATE.—Authority provided by the amendment made by subsection (a) shall only apply with respect to funds appropriated after the date of the enactment of this Act.

SEC. 113. AUDITS OF U.S. FUNDS RECEIVED BY THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES.

The Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2601 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 8. AUDITS OF U.S. FUNDS RECEIVED BY THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES.

"(a) PROGRAM AUDITS.—Funds may not be made available to the United Nations High Commissioner for Refugees under this or any other Act unless by June 1, 1986, the High Commissioner provides for—

"(1) annual program audits by an independent consultant, as selected by the Executive Committee of the United Nations High Commissioner for Refugees, to determine the use of such funds, including audits of the use of such funds by private and voluntary organizations; and

"(2) such audits to be made available through the Executive Committee to the Department of State and for inspection by the Comptroller General of the United States.

"(b) INSPECTION AND REPORT BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall inspect each such audit and submit a report of that inspection to the Congress.

"(c) FIRST PROGRAM AUDIT.—The first program audit pursuant to subsection (a)(1) shall begin not later than June 1, 1986.".

SEC. 114. AUTHORIZED USES OF APPROPRIATED FUNDS.

Section 2 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669) is amended in the text preceding paragraph (a) by striking out ", when funds are appropriated therefor, may" and inserting in lieu thereof "may use funds appropriated or otherwise available to the Secretary to".

SEC. 115. ASSISTANT SECRETARIES OF STATE.

(a) NUMBER OF ASSISTANT SECRETARIES.—The first section of the Act entitled "An Act to strengthen and improve the organization and administration of the Department of State, and for other purposes", approved May 26, 1949 (22 U.S.C. 2652), is amended by striking out "thirteen" and inserting in lieu thereof "fourteen".

(b) POSITIONS AT LEVEL IV OF THE EXECUTIVE PAY SCHEDULE.—Section 5315 of title 5, United States Code, is amended—

(1) by striking out "Director, Bureau of Intelligence and Research, Department of State."; and

(2) by striking out "(13)" following "Assistant Secretaries of State" and inserting in lieu thereof "(14)".

SEC. 116. UNDER SECRETARY OF STATE FOR ECONOMIC AND AGRICULTURAL AFFAIRS.

(a) REDESIGNATION.—The first section of the Act entitled "An Act to strengthen and improve the organization and administration of the Department of State, and for other purposes", approved May 26, 1949 (22 U.S.C. 2652), is amended by striking out "Under Secretary of State for Economic Affairs" and inserting in lieu thereof "Under Secretary of State for Economic and Agricultural Affairs".

(b) CONFORMING AMENDMENT.—Section 5314 of title 5, United States Code, is amended by striking out "Under Secretary of State for Economic Affairs" and inserting in lieu thereof "Under Secretary of State for Economic and Agricultural Affairs".

SEC. 117. DETAIL OF OFFICERS AND EMPLOYEES.

Section 11(a) of the Department of State Appropriations Authorization Act of 1973 (22 U.S.C. 2685(a)) is amended by inserting in the second sentence after "does not exceed one year," the following: "or if the number of officers and employees so detailed, assigned, or otherwise made available at any one time does not exceed fifteen and the period of any such detail, assignment, or availability of an officer or employee does not exceed two years,".

SEC. 118. CERTAIN INDIVIDUALS EMPLOYED ABROAD DEEMED TO BE EMPLOYEES OF UNITED STATES FOR CERTAIN PURPOSES.

(a) AUTHORITY.—Section 2(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669(c)) is amended by inserting before the semicolon "for purposes of any law administered by the Office of Personnel Management (except that the Secretary may determine the applicability to such individuals of subsection (f) and of any other law administered by the Secretary concerning the employment of such individuals abroad)".

(b) EFFECTIVE DATE.—Authority provided by the amendment made by subsection (a) shall only apply with respect to funds appropriated after the date of the enactment of this Act.

SEC. 119. APPOINTMENTS TO THE SENIOR FOREIGN SERVICE BY THE SECRETARY OF COMMERCE.

(a) LIMITED APPOINTMENT TO SENIOR FOREIGN SERVICE IN DEPARTMENT OF COMMERCE.—Section 305 of the Foreign Service Act of 1980 (22 U.S.C. 3945) is amended by adding at the end thereof the following new subsection:

"(c)(1) Appointments to the Senior Foreign Service by the Secretary of Commerce shall be excluded in the calculation and application of the limitation in subsection (b).

"(2) Except as provided in paragraph (3), no more than one individual (other than an individual with reemployment rights under section 310 as a career appointee in the Senior Executive Service) may serve under a limited appointment in the Senior Foreign Service in the Department of Commerce at any time.

"(3) The Secretary of Commerce may appoint an individual to a limited appointment in the Senior Foreign Service for a specific position abroad if—

"(A) no career member of the Service who has the necessary qualifications is available to serve in the position; and

"(B) the individual appointed has unique qualifications for the specific position.".

(b) CONFORMING AMENDMENT.—Section 2403(c) of such Act (22 U.S.C. 3901 note) is repealed.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 1985.

SEC. 120. PILOT PROJECT FOR FOREIGN SERVICE ASSOCIATES.

(a) SENSE OF CONGRESS.—It is the sense of the Congress that the national interest of the United States would be well served by making more productive use in United States missions abroad of the resources that spouses of American personnel assigned to missions abroad are qualified to provide.

(b) PILOT PROJECT.—(1) The Secretary of State is authorized to design, conduct, and evaluate a pilot project to test appropriate means of increasing employment of qualified spouses of American personnel assigned to United States missions. The intent of the pilot project shall be to construct a feasible program within which spouses' education, training, and relevant work experience can be used effectively within the mission and in the furthering of United States interests in the host country.

(2) The Secretary shall conduct the pilot project described in paragraph (1) in accordance with section 311(b) of the Foreign Service Act of 1980 (22 U.S.C. 3951(b)).

(c) COMMENCEMENT OF DESIGN PHASE.—The Secretary shall undertake the design phase of the pilot project upon the enactment of this Act.

(d) REPORT.—The Secretary shall report to the Congress by February 1, 1986, on the design of the project and plans for its implementation and evaluation. The report shall include an evaluation of the effects of the pilot program on the full-time career positions in the Foreign Service and on the positions for foreign service nationals.

SEC. 121. FEASIBILITY STUDY OF A LATERAL ENTRY PROGRAM INTO THE FOREIGN SERVICE FOR BUSINESSMEN AND FARMERS.

(a) STUDY.—The Secretary of State shall conduct a comprehensive study on the feasibility and desirability of creating a program of lateral entry into the Foreign Service for American businessmen, farmers, and other occupations. This study shall analyze the need for such a program by determining whether or not the personnel of the Foreign Service is composed of many people with a diversity of backgrounds such as business, farming, or other endeavors. The study shall also analyze the costs of putting such a program into effect.

(b) REPORT.—The Secretary of State shall report the results of such a study to the Congress no later than 180 days after the date of the enactment of this Act.

SEC. 122. HEALTH CARE BENEFITS.

Section 904 of the Foreign Service Act of 1980 (22 U.S.C. 4084) is amended—

(1) in subsection (a), by striking out "may" and inserting in lieu thereof "shall";

(2) in subsection (b), by inserting ", and other preventive and remedial care and services as necessary," after "inoculations or vaccinations"; and

(3) by amending subsection (d) to read as follows:

"(d) If an individual eligible for health care under this section incurs an illness, injury, or medical condition which requires treatment while assigned to a post abroad or located overseas pursuant to Government authorization, the Secretary may pay the cost of such treatment.".

SEC. 123. FOREIGN SERVICE INSTITUTE FACILITIES.

(a) PURPOSE.—The purpose of this section is to promote comprehensive training to meet the foreign relations and national security objectives of the United States and to provide facilities designed for that purpose to assure cost efficient training.

(b) CONSTRUCTION OF TRAINING FACILITIES.—The Administrator of General Services may construct a consolidated training facility for the Foreign Service Institute on a site made available by the Secretary of State or acquired by the Administrator of General Services. Such site shall be located outside the District of Columbia but within reasonable proximity to the Department of State. The Administrator of General Services may carry out this subsection only to the extent that funds are provided in advance in appropriation Acts to the Department of State and are transferred to the Administrator of General Services for carrying out this section.

(c) USE OF FUNDS.—(1) Of amounts authorized to be appropriated to the Department of State for fiscal years 1986 and 1987 for "Administration of Foreign Affairs" by section 101(1), a total of not to exceed $11,000,000 may be transferred by the Secretary of State to the Administrator of General Services for carrying out feasibility studies, site acquisition, and design, architectural, and engineering planning under subsection (b) of this section.

(2) Of amounts authorized to be appropriated to the Department of State for fiscal years beginning after September 30, 1987, for "Administration of Foreign Affairs", a total not to exceed $50,000,000 may be transferred by the Secretary of State to the Administrator of General Services for carrying out construction under subsection (b) of this section.

(3) Funds may not be obligated for construction of a facility under this section before the end of the period of 30 days of continuous session of Congress beginning on the date on which plans and estimates developed to carry out this section are submitted to the Committees on Foreign Affairs and Public Works and Transportation of the House of Representatives and the Committees on Foreign Relations and Environment and Public Works of the Senate. In determining days of continuous session of Congress for purposes of this paragraph—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the determination.

If both Houses of Congress are not in session on the day any plans and estimates are submitted to such committees, such submittal shall be deemed to have been submitted on the first succeeding day on which both Houses are in session. If all such committees do not receive a submittal on the same day, such period shall not begin until the date on which all such committees have received it.

(d) JURISDICTION AND CUSTODY.—The facility constructed under this section and the site of such facility shall be under jurisdiction and in the custody of the Administrator of General Services.

(e) OPERATION, MAINTENANCE, SECURITY, ALTERATION, AND REPAIR.—(1) The Administrator of General Services shall delegate, in accordance with section 205 of the Federal Property and Administrative Services Act of

1949 (40 U.S.C. 486) and section 15 of the Public Buildings Act of 1959 (40 U.S.C. 614), to the Secretary of State responsibility for the operation, maintenance, and security of and alterations and repairs to the facility constructed pursuant to this section, provided the facility is used by the Secretary for the purposes authorized by this section.

(2) Not later than three months after occupancy of such facility, the Secretary of State and the Administrator of General Services shall each submit a report to the Committee on Foreign Affairs and the Committee on Public Works and Transportation of the House of Representatives, and to the Committee on Foreign Relations and the Committee on Environment and Public Works of the Senate, on the delegation of responsibility, pursuant to paragraph (1), for the operation, maintenance, and security of and alterations and repairs to the facility constructed pursuant to this section.

(f) EXEMPTION FROM PAYMENT OF CHARGES.—(1) Except as provided in paragraph (2), the Department of State shall be exempt from the charges required by section 210(j) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(j)) for the use of the facility constructed under this section for the Foreign Service Institute.

(2) The Administrator of General Services shall charge the Department of State under such section 210(j) for the costs of any operation, maintenance, repairs, or alterations of such facility carried out by the Administrator of General Services.

SEC. 124. INTERNATIONAL CENTER.

The International Center Act is amended—

(1) in section 2—

(A) by striking out "Administrator of General Services" and inserting in lieu thereof "Secretary of State, in consultation with the Administrator of General Services,"; and

(B) by striking out "conveyed pursuant to" and inserting in lieu thereof "described in"; and

(2) in section 4—

(A) by redesignating clauses (a) through (e) as clauses (1) through (5), respectively, and by redesignating clause (f) as clause (7);

(B) by inserting "(a)" after "SEC. 4.";

(C) by striking out "and" at the end of clause (5), as redesignated by subparagraph (A), and inserting after such clause (5) the following: "(6) facilities for security and maintenance, and"; and

(D) by adding at the end of such section the following new subsection:

"(b) The Secretary of State shall periodically advise the Committees on Foreign Affairs and Public Works and Transportation of the House of Representatives and the Committee on Foreign Relations of the Senate on construction of facilities for security or maintenance under this section.".

SEC. 125. SPECIAL AGENTS.

(a) AUTHORITY RELATING TO INVESTIGATIONS, PROTECTION, ARRESTS, AND CARRYING FIREARMS.—Title I of the State Department Basic Authorities Act of 1956 is amended by redesignating section 37 as section 38 and by inserting the following new section 37 after section 36:

"SEC. 37. SPECIAL AGENTS.

"(a) GENERAL AUTHORITY.—Under such regulations as the Secretary of State may prescribe, special agents of the Department of State and the Foreign Service may—

"(1) conduct investigations concerning illegal passport or visa issuance or use;

"(2) for the purpose of conducting such investigations—

"(A) obtain and execute search and arrest warrants, and

"(B) obtain and serve subpoenas and summonses issued under the authority of the United States;

"(3) protect and perform protective functions directly related to maintaining the security and safety of—

"(A) heads of a foreign state, official representatives of a foreign government, and other distinguished visitors to the United States, while in the United States;

"(B) the Secretary of State, Deputy Secretary of State, and official representatives of the United States Government, in the United States or abroad;

"(C) members of the immediate family of persons described in subparagraph (A) or (B); and

"(D) foreign missions (as defined in section 202(a)(4) of this Act) and international organizations (as defined in section 209(b) of this Act), within the United States;

"(4) if designated by the Secretary and qualified, under regulations approved by the Attorney General, for the use of firearms, carry firearms for the purpose of performing the duties authorized by this section; and

"(5) arrest without warrant any person for a violation of section 111, 112, 351, 911, 970, 1001, 1028, 1541, 1542, 1543, 1544, 1545, or 1546 of title 18, United States Code—

"(A) in the case of a felony violation, if the special agent has reasonable grounds to believe that such person—

"(i) has committed or is committing such violation; and

"(ii) is in or is fleeing from the immediate area of such violation; and

"(B) in the case of a felony or misdemeanor violation, if the violation is committed in the presence of the special agent.

"(b) AGREEMENT WITH ATTORNEY GENERAL AND FIREARMS REGULATIONS.—

"(1) AGREEMENT WITH ATTORNEY GENERAL.—The authority conferred by paragraphs (1), (2), (4), and (5) of subsection (a) shall be exercised subject to an agreement with the Attorney General and shall not be construed to affect the investigative authority of any other Federal law enforcement agency.

"(2) FIREARMS REGULATIONS.—The Secretary of State shall prescribe regulations, which shall be approved by the Attorney General, with respect to the carrying and use of firearms by special agents under this section.

"(c) SECRET SERVICE NOT AFFECTED.—Nothing in subsection (a)(3) shall be construed to preclude or limit in any way the authority of the United States Secret Service to provide protective services pursuant to section 202 of title 3, United States Code, or section 3056 of title 18, United States Code, at a level commensurate with protective requirements as determined by the United States Secret Service. The Secretary of State, the Attorney General, and the Secretary of the Treasury shall enter into an interagency agreement with respect to their law enforcement functions.

"(d) TRANSMISSION OF REGULATIONS TO CONGRESS.—The Secretary of State shall transmit the regulations prescribed under this section to the Committee on Foreign Affairs and the Committee on the Judiciary of the House of Representatives and the Committee on Foreign Relations of the Senate not less than 20 days before the date on which such regulations take effect.".

(b) CONFORMING AMENDMENT.—Section 32 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2704) is amended by striking out "security officers" and inserting in lieu thereof "special agents".

(c) REPEAL OF EXISTING AUTHORITY.—Section 4 of the Act entitled "An Act to provide authority to protect heads of foreign states and other officials" approved August 27, 1964 (22 U.S.C. 2667), and the Act entitled "An Act to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms" approved June 28, 1955 (22 U.S.C. 2666), are repealed.

SEC. 126. EXTRAORDINARY PROTECTIVE SERVICES FOR FOREIGN MISSIONS.

(a) PERMANENT AUTHORIZATION.—Title II of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4301 et seq.) is amended by adding at the end thereof the following:

"SEC. 214. EXTRAORDINARY PROTECTIVE SERVICES.

"(a) GENERAL AUTHORITY.—The Secretary may provide extraordinary protective services for foreign missions directly, by contract, or through State or local authority to the extent deemed necessary by the Secretary in carrying out this title, except that the Secretary may not provide under this section any protective services for which authority exists to provide such services under sections 202(7) and 208 of title 3, United States Code.

"(b) REQUIREMENT OF EXTRAORDINARY CIRCUMSTANCES.—The Secretary may provide funds to a State or local authority for protective services under this section only if the Secretary has determined that a threat of violence, or other circumstances, exists which requires extraordinary security measures which exceed those which local law enforcement agencies can reasonably be expected to take.

"(c) CONSULTATION WITH CONGRESS BEFORE OBLIGATION OF FUNDS.—Funds may be obligated under this section only after regulations to implement this section have been issued by the Secretary after consultation with appropriate committees of the Congress.

"(d) RESTRICTIONS ON USE OF FUNDS.—Of the funds made available for obligation under this section in any fiscal year—

"(1) not more than 20 percent may be obligated for protective services within any single State during that year; and

"(2) not less than 15 percent shall be retained as a reserve for protective services provided directly by the Secretary or for expenditures in local jurisdictions not otherwise covered by an agreement for protective services under this section.

The limitations on funds available for obligation in this subsection shall not apply to unobligated funds during the final quarter of any fiscal year.

"(e) PERIOD OF AGREEMENT WITH STATE OR LOCAL AUTHORITY.—Any agreement with a State or local authority for the provision of protective services under this section shall be for a period of not to exceed 90 days in any calendar year, but such agreements may be renewed after review by the Secretary.

"(f) REQUIREMENT FOR APPROPRIATIONS.—Contracts may be entered into in carrying out this section only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(g) WORKING CAPITAL FUND.—Amounts used to carry out this section shall not be subject to section 208(h).".

(b) SECRET SERVICE NOT AFFECTED.—Section 204(e) of such Act (22 U.S.C. 4304(e)) is amended by striking out "section" and inserting in lieu thereof "title".

(c) AUTHORITY TO PROVIDE CERTAIN PROTECTIVE SERVICES BY CONTRACT.—Section 208(a) of title 3, United States Code, is amended by inserting after the first sentence the following new sentence: "The Secretary of Treasury may carry out the functions pursuant to section 202(7) by contract.".

(d) REPEAL OF EXISTING AUTHORITY.—Section 605 of the Foreign Missions Amendments Act of 1983 (97 Stat. 1042) is repealed.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 127. PROTECTING UNITED STATES INTERESTS UNDER THE FOREIGN MISSIONS ACT.

(a) DETERMINATIONS RELATING TO TREATMENT TO FOREIGN MISSIONS.—Section 201(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4301(c)) is amended by inserting immediately before the period at the end thereof ", as well as matters relating to the protection of the interests of the United States".

(b) EXPANDING THE DEFINITION OF FOREIGN MISSION.—Section 202(a)(4) of such Act (22 U.S.C. 4302(a)(4)) is amended—

(1) by striking out "official mission to" and inserting in lieu thereof "mission to or agency in"; and

(2) by inserting before the comma at the end of subparagraph (B) "or which engages in some aspect of the conduct of the international affairs of such territory or political entity".

(c) CLARIFYING THAT THE SECRETARY CAN REQUIRE A FOREIGN MISSION TO FOREGO A BENEFIT.—Section 204(b) of such Act (22 U.S.C. 4304(b)) is amended by inserting "to forego the acceptance, use, or relation of any benefit or" after "(B)".

(d) CONSIDERATIONS RELATING TO REAL PROPERTY.—Section 205(b) of such Act (22 U.S.C. 4305(b)) is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(3) where otherwise necessary to protect the interests of the United States.".

(e) MANDATORY NOTIFICATION WITH RESPECT TO REAL PROPERTY DEALINGS OF FOREIGN MISSION.—Section 205(a)(1) of such Act (22 U.S.C. 4305(a)(1)) is amended—

(1) in the first sentence, by striking out "may" and inserting in lieu thereof "shall";

(2) in the first sentence, by inserting ", including any mission to an international organization (as defined in section 209(b)(2))," after "foreign mission"; and

(3) in the second sentence, by striking out "If such a notification is required, the" and inserting in lieu thereof "The".

SEC. 128. PEACEFUL RESOLUTION OF INTERNATIONAL DISPUTES.

Title I of the State Department Basic Authorities Act of 1956 (as amended by section 125 of this Act) is further amended by redesignating section 38 as section 39 and inserting after section 37 the following new section 38:

"SEC. 38. EXPENSES RELATING TO PARTICIPATION IN ARBITRATIONS OF CERTAIN DISPUTES.

"(a) INTERNATIONAL AGREEMENTS.—The Secretary of State may use funds available to the Secretary for the expenses of United States participation in arbitrations and other proceedings for the peaceful resolution of disputes under treaties or other international agreements.

"(b) CONTRACTS ABROAD.—The Secretary of State may use funds available to the Secretary for the expenses of United States participation in arbitrations arising under contracts authorized by law for the performance of services or acquisition of property, real or personal, abroad.".

SEC. 129. FURNISHING OF EXCESS GOVERNMENT-OWNED PROPERTY BY THE SECRETARY OF STATE.

Section 607 of the Foreign Assistance Act of 1961 (22 U.S.C. 2357) is amended—

(1) in subsection (c)—

(A) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(B) by striking out "(c) No" and inserting in lieu thereof "(c)(1) Except as provided in subsection (d), no"; and

(C) by adding at the end thereof the following new paragraph:

"(2) For purposes of transferring property described in this subsection in furtherance of the provisions of chapter 8 of part I of this Act, the phrase 'the agency administering such part I' shall be considered to refer to the Department of State."; and

(2) by adding at the end thereof the following:

"(d) The Secretary of State, acting through the Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, is authorized to transfer to any friendly country, international organization, the American Red Cross, or other voluntary nonprofit relief agency described in subsection (a), Government-owned excess property made available under this section or section 608 in order to support activities carried out under part I of this Act which are designed to enhance environmental protection in foreign countries if the Secretary of State makes a written determination—

"(1) that there is a need for such property in the quantity requested and that such property is suitable for the purpose requested;

"(2) as to the status and responsibility of the designated end-user and his ability effectively to use and maintain such property; and

"(3) that the residual value, serviceability, and appearance of such property would not reflect unfavorably on the image of the United States and would justify the costs of packing, crating, handling, transportation, and other accessorial costs, and that the residual value at least equals the total of these costs.".

SEC. 130. OFFICIAL RESIDENCE OF SECRETARY OF STATE.

(a) CONGRESSIONAL REVIEW.—It is the sense of the Congress that the United States should not accept a gift of any house or other place of residence for the purpose of providing an official residence for the Secretary of State unless the Congress has had an opportunity to review the proposed gift.

(b) STUDY AND REPORT.—The Secretary of State shall conduct a study of any offer of a gift for the purpose of providing a place of official residence for the Secretary of State. Such study shall include an examination of the costs to the United States associated with accepting such gift, including the costs of acquisition, maintenance, security, and daily operation of a residence. The Secretary shall report the results of any study conducted under this section to the Committee on Foreign Affairs and the Committee on Public Works and Transportation of the House of Representatives and to the Committee on Foreign Relations and the Committee on Environment and Public Works of the Senate.

SEC. 131. STRENGTHENING THE PERSONNEL SYSTEM OF THE BUREAU OF INTERNATIONAL NARCOTICS MATTERS.

No later than 90 days after the date of the enactment of this Act, the Secretary of State shall report to the Congress on the status of proposals implemented or under consideration to improve the staffing and personnel management in the Bureau of International Narcotics Matters. This report shall explicitly discuss whether a narcotics specialist personnel category in the Foreign Service is an appropriate mechanism to serve these purposes and, if not, what alternatives are contemplated.

SEC. 132. SHARING OF INFORMATION CONCERNING DRUG TRAFFICKERS.

(a) REPORTING SYSTEMS.—In order to ensure that foreign narcotics traffickers are denied visas to enter the United States, as required by section 212(a)(23) of the Immigration and Naturalization Act (22 U.S.C. 1182(a)(23))—

(1) the Department of State shall cooperate with United States law enforcement agencies, including the Drug Enforcement Administration and the United States Customs Service, in establishing a comprehensive information system on all drug arrests of foreign nationals in the United States, so that that information may be communicated to the appropriate United States embassies; and

(2) the National Drug Enforcement Policy Board shall agree on uniform guidelines which would permit the sharing of information on foreign drug traffickers.

(b) REPORT.—Not later than six months after the date of the enactment of this Act, the Chairman of the National Drug Enforcement Policy Board shall submit a report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate on the steps taken to implement this section.

SEC. 133. EXTRADITION TREATIES.

The Secretary of State, with the assistance of the National Drug Enforcement Policy Board, shall increase United States efforts to negotiate updated extradition treaties relating to narcotics offenses with each major drug-producing country, particularly those in Latin America.

SEC. 134. RECOMMENDATION OF A TRAVEL ADVISORY ON THE STATE OF JALISCO, MEXICO.

(a) VIOLENCE AGAINST AMERICANS.—The Congress—

(1) deplores the brutal murder of Drug Enforcement Administration agent Enrique Camarena Salazar, and the abduction and disappearance of numerous other Americans, including John Clay Walker, Alberto Radelat, Dennis Carlson, Rose Carlson, Benjamin Mascarenas, and Patricia Mascarenas; and

(2) finds that the violence perpetrated by drug traffickers in Mexico constitute a danger to the safety of United States citizens living and traveling in the State of Jalisco, Mexico.

(b) TRAVEL ADVISORY.—The Congress, therefore, recommends that the Secretary of State issue a travel advisory warning United States citizens of the current dangers of traveling in the State of Jalisco, Mexico. Such travel advisory should remain in effect until those responsible for the abduction or murder of any of the United States citizens referred to in subsection (a)(1) have been brought to trial and a verdict has been obtained.

(c) REPORT.—Not later than 90 days after the date of the enactment of this Act and *each 90 days thereafter, the Secretary of State shall transmit a written report to the Congress on the progress made in the Camarena case, the investigations of the disappearance of United States citizens, and the general safety of United States tourists in Mexico.*

SEC. 135. COMMENDATION OF AMBASSADOR TO MEXICO.

The Congress commends our fine Ambassador to Mexico, John Gavin, for insuring a full and complete investigation and prosecution of the murderers of Enrique Camerena and for his continuing advocacy of a strong drug enforcement program.

SEC. 136. SOVIET EMPLOYEES AT UNITED STATES DIPLOMATIC AND CONSULAR MISSIONS IN THE SOVIET UNION.

(a) Limitation.—To the maximum extent practicable, citizens of the Soviet Union shall not be employed as foreign national employees at United States diplomatic or consular missions in the Soviet Union after September 30, 1986.

(b) Report.—Should the President determine that the implementation of subsection (a) poses undue practical or administrative difficulties, he is requested to submit a report to the Congress describing the number and type of Soviet foreign national employees he wishes to retain at or in proximity to United States diplomatic and consular posts in the Soviet Union, the anticipated duration of their continued employment, the reasons for their continued employment, and the risks associated with the retention of these employees.

SEC. 137. RESPONSIBILITY OF UNITED STATES MISSIONS ABROAD TO PROVIDE SUPPORT FOR UNITED STATES BUSINESSES.

(a) Findings.—The Congress finds that—

(1) the United States is faced with increasingly larger trade deficits every year;

(2) section 104 of the Foreign Service Act of 1980 provides that the members of the Foreign Service shall represent the interests of the United States in relation to foreign countries;

(3) section 207(c) of the Foreign Service Act of 1980 provides that each chief of mission to a foreign country shall have as a principal duty the promotion of United States goods for export to that country; and

(4) the promotion of United States business interests abroad is a fundamental aspect of United States relations with foreign countries.

(b) Policy.—It is the sense of the Congress that it is imperative, and in the national interest of the United States, that each United States mission to a foreign country provide such support as may be necessary to United States citizens seeking to do business in that country.

SEC. 138. RESPONSIBILITY OF UNITED STATES MISSIONS TO PROMOTE FREEDOM OF THE PRESS ABROAD.

(a) Responsibility.—The United States chief of mission to a foreign country in which there is not respect for freedom of the press shall actively promote respect for freedom of the press in that country.

(b) Definition.—As used in this section, the term "respect for freedom of the press" means that a government—

(1) allows foreign news correspondents into the country and does not subject them to harassment or restrictions;

(2) allows nongovernment-owned press to operate in the country; and

(3) does not subject the press in the country to systematic censorship.

SEC. 139. EMERGENCY TELEPHONE SERVICE AT U.S. CONSULAR OFFICES.

It is the sense of the Congress that the Secretary of State should ensure that all United States consular offices are equipped with 24-hour emergency telephone service through which United States citizens can contact a member of the staff of any such office. The Secretary should publicize the telephone number of each such service for the information of United States citizens. Not more than 90 days after the date of the enactment of this Act, the Secretary shall submit a report to the Congress on steps taken in accordance with this section.

SEC. 140. RESPONSIBILITIES OF UNITED STATES REPRESENTATIVES TO INTERNATIONAL ORGANIZATIONS.

(a) Findings.—The Congress finds that—

(1) international organizations of which the United States is a member are increasingly involved in the consideration of proposals that may have a significant impact on the interstate or foreign commerce of the United States; and

(2) these proposals are not always adequately publicized or considered pursuant to open and fair procedures available to interested persons.

(b) Policy.—It is the sense of the Congress that—

(1) the United States representatives to United Nations-related agencies and to other international organizations should oppose the adoption of international marketing and distribution regulations or restrictions which unnecessarily impede the export of United States goods and services; and

(2) the Secretary of State, to the extent practicable, should publish procedures to provide interested persons with timely notice and an opportunity to comment on such regulations and restrictions under consideration in international organizations as the Secretary determines may significantly affect—

(A) the interstate or foreign commerce of the United States;

(B) the policies or programs of the United States Government; or

(C) any State significantly affected by interstate or foreign commerce.

SEC. 141. UNITED STATES RESPONSIBILITIES FOR EMPLOYEES OF THE UNITED NATIONS.

Title II of the State Department Basic Authorities Act of 1956 is amended by adding after section 209 (22 U.S.C. 4309) the following new section:

"SEC. 209A. UNITED STATES RESPONSIBILITIES FOR EMPLOYEES OF THE UNITED NATIONS.

"(a) Findings.—The Congress finds that—

"(1) pursuant to the Agreement Between the United States and the United Nations Regarding the Headquarters of the United Nations (authorized by Public Law 80-357 (22 U.S.C. 287 note)), the United States has accepted—

"(A) the obligation to permit and to facilitate the right of individuals, who are employed by or are authorized by the United Nations to conduct official business in connection with that organization or its agencies, to enter into and exit from the United States for purposes of conducting official activities within the United Nations Headquarters District, subject to regulation as to points of entry and departure; and

"(B) the implied obligation to permit and to facilitate the acquisition of facilities in order to conduct such activities within or in proximity to the United Nations Headquarters District, subject to reasonable regulation including regulation of the location and size of such facilities; and

"(2) taking into account paragraph (1) and consistent with the obligation of the United States to facilitate the functioning of the United Nations, the United States has no additional obligation to permit the conduct of any other activities, including nonofficial activities, by such individuals outside of the United Nations Headquarters District.

"(b) Activities of United Nations Employees.—(1) The conduct of any activities, or the acquisition of any benefits (as defined in section 201(a)(1) of this title), outside the United Nations Headquarters District by any individual employed by, or authorized by the United Nations to conduct official business in connection with, that organization or its agencies, or by any person or agency acting on behalf thereof, may be permitted or denied or subject to reasonable regulation, as determined to be in the best interests of the United States and pursuant to this title.

"(2) The Secretary shall apply to those employees of the United Nations Secretariat who are nationals of a foreign country or members of a foreign mission all terms, limitations, restrictions, and conditions which are applicable pursuant to this title to the members of that country's mission or of any other mission to the United Nations unless the Secretary determines and reports to the Congress that national security and foreign policy circumstances require that this paragraph be waived in specific circumstances.

"(c) Reports.—The Secretary shall report to the Congress—

"(1) not later than 30 days after the date of the enactment of this section, on the plans of the Secretary for implementing this section; and

"(2) not later than 6 months thereafter, on the actions taken pursuant to those plans.

"(d) United States Nationals.—This section shall not apply with respect to any United States national.

"(e) Definitions.—For purposes of this section, the term 'United Nations Headquarters District' means the area within the United States which is agreed to by the United Nations and the United States to constitute such a district, together with such other areas as the Secretary of State may approve from time to time in order to permit effective functioning of the United Nations or missions to the United Nations.".

SEC. 142. UNITED STATES CONTRIBUTIONS TO THE UNITED NATIONS IF ISRAEL EXPELLED.

Section 115(b) of the Department of State Authorization Act, Fiscal Years 1984 and 1985 (22 U.S.C. 287 note) is amended by striking out the last sentence and inserting in lieu thereof the following: "The United States shall reduce its annual assessed contribution to the United Nations or such specialized agency by 8.34 percent for each month in which United States participation is suspended pursuant to this section.".

SEC. 143. UNITED NATIONS ORGANIZATIONS REFORM IN BUDGET PROCEDURES.

(a) Findings.—The Congress finds that the United Nations and its specialized agencies which are financed through assessed contributions of member states have not paid sufficient attention in the development of their budgets to the views of the member governments who are major financial contributors to those budgets.

(b) Voting Rights.—In order to foster greater financial responsibility in preparation of the budgets of the United Nations and its specialized agencies which are financed through assessed contributions, the

Secretary of State shall seek the adoption by the United Nations and its specialized agencies of procedures which grant voting rights to each member state on matters of budgetary consequence. Such voting rights shall be proportionate to the contribution of each such member state to the budget of the United Nations and its specialized agencies.

(c) Limitation on Assessed Contributions.—No payment may be made for an assessed contribution to the United Nations or its specialized agencies in excess of 20 percent of the total annual budget of the United Nations or its specialized agencies (respectively) for the United States fiscal year 1987 and following years unless the United Nations and its specialized agencies have adopted the voting rights referred to in subsection (b).

SEC. 144. LIMITATION ON ASSESSED PAYMENTS TO THE UNITED NATIONS.

Section 114 of the Department of State Authorization Act, Fiscal Years 1984 and 1985 (22 U.S.C. 287e note), is amended in subsection (a)—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon; and

(3) by adding at the end of the subsection the following:

"(4) 25 percent of the amount budgeted for that year for the Second Decade to Combat Racism and Racial Discrimination;

"(5) 25 percent of the amount budgeted for any other United Nations agency or conference whose sole or partial purpose is to implement the provisions of General Assembly Resolution 33/79; and

"(6) 25 percent of the amount budgeted for the General Assembly-approved $73,500,000 conference center to be constructed for the Economic Commission for Africa (ECA) in the Ethiopian capital of Addis Ababa.".

SEC. 145. INTERNATIONAL JUTE ORGANIZATION.

The President is authorized to maintain membership of the United States in the International Jute Organization.

SEC. 146. INTELSAT.

(a) Policy.—The Congress declares that it is the policy of the United States—

(1) as a party to the International Telecommunications Satellite Organization (hereafter in this section referred to as "Intelsat"), to foster and support the global commercial communications satellite system owned and operated by Intelsat;

(2) to make available to consumers a variety of communications satellite services utilizing the space segment facilities of Intelsat and any additional such facilities which are found to be in the national interest and which—

(A) are technically compatible with the use of the radio frequency spectrum and orbital space by the existing or planned Intelsat space segment, and

(B) avoid significant economic harm to the global system of Intelsat; and

(3) to authorize use and operation of any additional space segment facilities only if the obligations of the United States under article XIV(d) of the Intelsat Agreement have been met.

(b) Preconditions for Intelsat Consultation.—Before consulting with Intelsat for purposes of coordination of any separate international telecommunications satellite system under article XIV(d) of the Intelsat Agreement, the Secretary of State shall—

(1) in coordination with the Secretary of Commerce, ensure that any proposed separate international satellite telecommunications system comply with the Executive Branch conditions established pursuant to the Presidential Determination No. 85-2; and

(2) ensure that one or more foreign authorities have authorized the use of such system consistent with such conditions.

(c) Amendment of Intelsat Agreement.—(1) The Secretary of State shall consult with the United States signatory to Intelsat and the Secretary of Commerce regarding the appropriate scope and character of a modification to article V(d) of the Intelsat Agreement which would permit Intelsat to establish cost-based rates for individual traffic routes, as exceptional circumstances warrant, paying particular attention to the need for avoiding significant economic harm to the global system of Intelsat as well as United States national and foreign policy interests.

(2)(A) To ensure that rates established by Intelsat for such routes are cost-based, the Secretary of State, in consultation with the Secretary of Commerce and the Chairman of the Federal Communications Commission, shall instruct the United States signatory to Intelsat to ensure that sufficient documentation, including documentation regarding revenues and costs, is provided by Intelsat so as to verify that such rates are in fact cost-based.

(B) To the maximum extent possible, such documentation will be made available to interested parties on a timely basis.

(3) Pursuant to the consultation under paragraph (1) and taking the steps prescribed in paragraph (2) to provide documentation, the United States shall support an appropriate modification to article V(d) of the Intelsat Agreement to accomplish the purpose described in paragraph (1).

(d) Congressional Consultation.—In the event that, after United States consultation with Intelsat for the purposes of coordination under article XIV(d) of the Intelsat Agreement for the establishment of a separate international telecommunications satellite system, the Assembly of Parties of Intelsat fails to recommend such a separate system, and the President determines to pursue the establishment of a separate system notwithstanding the Assembly's failure to approve such system, the Secretary of State, after consultation with the Secretary of Commerce, shall submit to the Congress a detailed report which shall set forth—

(1) the foreign policy reasons for the President's determination, and

(2) a plan for minimizing any negative effects of the President's action on Intelsat and on United States foreign policy interests.

(e) Notification to Federal Communications Commission.—In the event the Secretary of State submits a report under subsection (d), the Secretary, 60 calendar days after the receipt by the Congress of such report, shall notify the Federal Communications Commission as to whether the United States obligations under article XIV(d) of the Intelsat Agreement have been met.

(f) Implementation.—In implementing the provisions of this section, the Secretary of State shall act in accordance with Executive order 12046.

(g) Definition.—For the purposes of this section, the term "separate international telecommunications satellite system" or "separate system" means a system of one or more telecommunications satellites separate from the Intelsat space segment which is established to provide international telecommunications services between points within the United States and points outside the United States, except that such term shall not include any satellite or system of satellites established—

(1) primarily for domestic telecommunications purposes and which incidentally provides services on an ancillary basis to points outside the jurisdiction of the United States but within the western hemisphere, or

(2) solely for unique governmental purposes.

SEC. 147. SOVIET AND COMMUNIST DISINFORMATION AND PRESS MANIPULATION.

Not later than one year after the date of the enactment of this Act, the Secretary of State shall prepare, in consultation with the heads of relevant Federal departments and agencies, and shall transmit to the Speaker of the House of Representatives, and to the Chairman of the Committee on Foreign Relations of the Senate, an unclassified report on Soviet and Communist disinformation and press manipulation with respect to the United States. Such report shall include a recommendation by the President on the advisability of establishing, within the Department of State, a permanent office of Soviet disinformation and press manipulation. In conducting the study required by this section the Secretary may make use of suitably qualified scholars and journalists.

SEC. 148. MURDER OF MAJOR ARTHUR D. NICHOLSON, JUNIOR.

It is the sense of the Congress that the United States should declare persona non grata one or more senior defense attaches of the Soviet Union's mission to the United States unless the President certifies to the Congress, within 90 days after the date of the enactment of this Act—

(1) that the Soviet Union has made a formal apology for the murder of Major Arthur D. Nicholson, Junior; and

(2) that the Soviet Union has provided satisfactory assurances that it will adhere to agreements concerning the status and safety of military and civilian missions of western nations in the German Democratic Republic.

SEC. 149. INTER-AMERICAN COOPERATION IN SPACE, SCIENCE, AND TECHNOLOGY.

The Secretary of State shall conduct an in-depth study of the feasibility and the economic and political benefits of the establishment of a major initiative in Inter-American Cooperation in Space, Science, and Technology. Not more than one year after the date of the enactment of this Act, the Secretary shall submit a report to the Congress on the findings of such study and shall include recommendations for implementing such an initiative.

SEC. 150. DEPARTMENT OF STATE INSPECTOR GENERAL.

(a) Establishment Under Inspector General Act.—(1) Section 2(1) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(A) by striking out "and" immediately before "the Veterans' Administration"; and

(B) by inserting immediately before the semicolon ", and the Department of State".

(2) Section 11 of such Act is amended—

(1) in paragraph (1), by inserting "State," after "Labor,"; and

(2) in paragraph (2), by inserting "State," after "Labor,".

(b) Limitation on Authority of Inspector General of the Department of State and the Foreign Service.—Notwithstanding section 209 of the Foreign Service Act of 1980 (22 U.S.C. 3929), any individual appointed to or serving in the capacity of the Inspector General of the Department of State and the

Foreign Service shall be designated as the "Program Inspector General" and may only perform such functions (utilizing appropriate authority under such section) as may be necessary for the purposes of carrying out subsection (g) of such section.

(c) REPORT.—Not later than six months after the date of the enactment of this Act, the Secretary of State shall submit a report to the Congress on the steps the Secretary has undertaken to implement the provisions of the amendment made by subsection (a).

SEC. 151. EMPLOYEES OF THE UNITED NATIONS.

(a) INITIAL REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary of State shall report to the Congress on whether, and the extent to which, international civil servants employed by the United Nations, including those seconded to the United Nations, are required to return all or part of their salaries to their respective governments. The Secretary shall also include in this report a description of the steps taken by the Department of State and by the United States Representative to the United Nations to correct this practice.

(b) REPORT ON STEPS TO CORRECT PRACTICE.—The Secretary of State shall determine and report to the Congress on whether substantial progress has been made by June 1, 1986, in correcting the practice of international civil servants employed by the United Nations being required to return all or part of their salaries to their respective governments.

(c) REDUCTION IN CONTRIBUTION IF SUBSTANTIAL PROGESS NOT MADE.—If the Secretary of State determines pursuant to subsection (b) that substantial progress has not been made in correcting this practice, the Secretary shall submit recommendations to the Congress together with the report required in subsection (b) as to corrective measures to be taken, including a reduction of the amount of the United States annual assessed contribution to the United Nations by the amount of that contribution which is the United States proportionate share of the salaries of those international civil servants employed by the United Nations who are returning any portion of their salaries to their respective governments.

(d) NATIONAL TAXATION.—This section does not apply with respect to payments made for purposes of national taxation in accordance with formal treaty reservations concerning such taxation by a member state of the United Nations.

SEC. 152. REPRESENTATION OF MINORITIES AND WOMEN IN THE FOREIGN SERVICE.

(a) DEVELOPMENT OF PROGRAM.—The head of each agency utilizing the Foreign Service personnel system shall develop, consistent with section 7201 of title 5 of the United States Code, a plan designed to increase significantly the number of members of minority groups and women in the Foreign Service in that agency.

(b) EMPHASIS ON MID-LEVELS.—Each plan developed pursuant to this section shall, consistent with section 7201 of title 5 of the United States Code, place particular emphasis on achieving significant increases in the numbers of minority group members and women who are in the mid-levels of the Foreign Service.

(c) REPORTS TO CONGRESS.—The head of each agency utilizing the Foreign Service personnel system shall report annually to the Congress on the plan developed pursuant to this section as part of the report required to be submitted pursuant to section 105(d)(2) of the Foreign Service Act of 1980. Subsequent reports pursuant to that section shall include reports on the implementation of these plans, giving particular attention to the progress being made in increasing, through advancement and promotion, the numbers of members of minority groups and women in the mid-levels of the Foreign Service.

SEC. 153. BOARD OF THE FOREIGN SERVICE.

Section 210 of the Foreign Service Act of 1980 (22 U.S.C. 3930) is amended by striking out "a career member of the Senior Foreign Service designated by the Secretary of State" in the second sentence and inserting in lieu thereof "an individual appointed by the President".

SEC. 154. DAMAGES RESULTING FROM DELAYS IN THE CONSTRUCTION OF THE UNITED STATES EMBASSY IN MOSCOW.

(a) RESTRICTION; REIMBURSEMENT FOR DAMAGES INCURRED.—The Secretary of State shall not permit the Soviet Union to occupy the new chancery building at its new embassy complex in Washington, D.C., or any other new facility in the Washington, D.C. metropolitan area, if the Soviet Union fails to provide prompt and full reimbursement to the United States for damages incurred as a result of the construction of the new United States Embassy in Moscow. The amount of such reimbursement shall be determined by agreement between the United States and the Soviet Union or, in the event of disagreement, by international arbitration pursuant to subsection (b).

(b) INTERNATIONAL ARBITRATION.—Not later than 30 days after the date of the enactment of this Act, the Secretary of State shall initiate actions to begin the international arbitration process, which is provided for in the embassy construction agreement between the United States and the Soviet Union, in order to resolve all United States claims against the Soviet Union for damages arising from delays in the construction of the new United States Embassy complex in Moscow.

(c) REPORT.—In the event the amount of reimbursement provided to the United States under subsection (a) by the Soviet Union is less than the amount of funds expended for the damages described in subsection (a) that are determined by the Secretary of State to be the responsibility of the Soviet Union, the Secretary of State shall submit a report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate. Such report shall contain a detailed explanation of the reasons the Secretary accepted the settlement arrangements of the United States claims and the financial costs to the United States of doing so.

(d) SUSPENSION OF RESTRICTIONS.—The Secretary of State may suspend the restrictions in subsection (a) in the interests of United States national security if the Secretary certifies to the Congress that a substantial number of the claims described in subsection (a) are settled and that resolution of any remaining claims is proceeding in a satisfactory manner. If the Secretary exercises the authority under this subsection, the Secretary shall report to the appropriate committees of the Congress every six months concerning progress on resolution of any outstanding claims.

TITLE II—UNITED STATES INFORMATION AGENCY

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

In addition to amounts otherwise available for such purposes, there are authorized to be appropriated for the United States Information Agency $887,900,000 for the fiscal year 1986 and $887,900,000 for the fiscal year 1987 to carry out international information, educational, cultural, and exchange programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan Number 2 of 1977, the Radio Broadcasting to Cuba Act, and other purposes authorized by law. Amounts appropriated under this section are authorized to remain available until expended.

SEC. 202. MODERNIZATION OF VOICE OF AMERICA.

Of the authorizations of appropriations contained in section 201, authorizations of $136,594,000 for the fiscal year 1986 and $136,594,000 for the fiscal year 1987, which shall be available for essential modernization of the facilities and operations of the Voice of America, shall remain available until the appropriations are made and when those amounts are appropriated they are authorized to remain available until expended.

SEC. 203. RADIO BROADCASTING TO CUBA.

Of the amounts authorized to be appropriated by section 201, not less than $11,500,000 for the fiscal year 1986 and not less than $11,700,000 for the fiscal year 1987 shall be available for the implementation of the Radio Broadcasting to Cuba Act.

SEC. 204. FUNDS FOR EDUCATIONAL AND CULTURAL EXCHANGES.

Of the amounts authorized to be appropriated by section 201—

(1) not less than $128,899,500 for the fiscal year 1986 and not less than $141,996,000 for the fiscal year 1987 shall be available only for grants for the Fulbright Academic Exchange Programs and the International Visitor Program;

(2) not less than $4,891,500 for the fiscal year 1986 and not less than $5,479,000 for the fiscal year 1987 shall be available only for grants for the Humphrey Fellowship Program; and

(3) $45,400,000 for the fiscal year 1986 and $45,100,000 for the fiscal year 1987 shall be allocated to fund grants and exchanges to Latin America and the Caribbean, and the amounts utilized for programs in Central America shall be obligated in a manner consistent with the recommendations of the National Bipartisan Commission on Central America.

SEC. 205. FUNDS FOR WORLDWIDE BOOK PROGRAM INITIATIVE.

Of the amounts authorized to be appropriated by section 201, not less than $7,500,000 for each of the fiscal years 1986 and 1987 shall be available only for the worldwide book program initiative.

SEC. 206. FUNDS FOR EXCHANGE ACTIVITIES ASSOCIATED WITH THE 1987 PAN AMERICAN GAMES.

Of the amounts authorized to be appropriated for the fiscal years 1986 and 1987 by section 201, not less than $1,500,000 for each such fiscal year shall be available only to the Indiana Sports Corporation for exchanges of persons and other exchange-related activities associated with the 1987 Pan American Games to be held in Indianapolis, Indiana.

SEC. 207. FUNDS FOR INTERNATIONAL GAMES FOR THE HANDICAPPED.

Of the amounts authorized to be appropriated for fiscal year 1986 by section 201, $3,000,000 shall be available only to reimburse expenses for exchange of athletes, coaches, and officials participating in international games for the handicapped which are conducted in the United States.

SEC. 208. BAN ON DOMESTIC ACTIVITIES BY THE USIA.

Except as provided in section 501 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461) and this section, no funds authorized to be appropriated to the United States Information Agency shall be used to influence public opinion in the United States, and no program material prepared by the United States Information Agency shall be distributed within the United States. This section shall not apply to programs carried out pursuant to the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2451 et seq.).

SEC. 209. PRIVATE SECTOR FUNDING FOR USIA'S PRIVATE SECTOR PROGRAM.

(a) LIMITATION ON GRANTS.—No grant shall be made to any organization through the Private Sector Program of the United States Information Agency unless—

(1) costs equal to at least 15 percent of grants from the United States Information Agency in fiscal year 1986, and

(2) costs equal to at least 25 percent of grants from the United States Information Agency in fiscal year 1987,

for that organization's exchange and exchange-related programs are provided for from non-United States Government sources.

(b) EXEMPTION FOR CERTAIN ORGANIZATIONS.—Subsection (a) shall not apply to grantee organizations which have been in existence for less than one year.

(c) PROHIBITION ON FUNDING 1985 INTERNATIONAL YOUTH YEAR ACTIVITIES.—No funds from fiscal year 1986 appropriations for the United States Information Agency or for any other United States Government agency shall be available for grants related to 1985 International Youth Year activities.

SEC. 210. NATIONAL ENDOWMENT FOR DEMOCRACY.

(a) REQUIREMENTS RELATING TO THE ENDOWMENT AND ITS GRANTEES.—The National Endowment for Democracy Act (22 U.S.C. 4411 et seq.) is amended by adding at the end thereof the following new sections:

"SEC. 505. REQUIREMENTS RELATING TO THE ENDOWMENT AND ITS GRANTEES.

"(a) PARTISAN POLITICS.—(1) Funds may not be expended, either by the Endowment or by any of its grantees, to finance the campaigns of candidates for public office.

"(2) No funds granted by the Endowment may be used to finance activities of the Republican National Committee or the Democratic National Committee.

"(3) No grants may be made to any institute, foundation, or organization engaged in partisan activities on behalf of the Republican or Democratic National Committee, on behalf of any candidate for public office, or on behalf of any political party in the United States.

"(b) CONSULTATION WITH DEPARTMENT OF STATE.—The Endowment shall consult with the Department of State on any overseas program funded by the Endowment prior to the commencement of the activities of that program.

"SEC. 506. FREEDOM OF INFORMATION.

"(a) COMPLIANCE WITH FREEDOM OF INFORMATION ACT.—Notwithstanding the fact that the Endowment is not an agency or establishment of the United States Government, the Endowment shall fully comply with all of the provisions of section 552 of title 5, United States Code.

"(b) PUBLICATION IN FEDERAL REGISTER.—For purposes of complying pursuant to subsection (a) with section 552(a)(1) of such title, the Endowment shall make available to the Director of the United States Information Agency such records and other information as the Director determines may be necessary for such purposes. The Director shall cause such records and other information to be published in the Federal Register.

"(c) REVIEW BY USIA.—(1) In the event that the Endowment determines not to comply with a request for records under section 552, the Endowment shall submit a report to the Director of the United States Information Agency explaining the reasons for not complying with such request.

"(2) If the Director approves the determination not to comply with such request, the United States Information Agency shall assume full responsibility, including financial responsibility, for defending the Endowment in any litigation relating to such request.

"(3) If the Director disapproves the determination not to comply with such request, the Endowment shall comply with such request.".

(b) AUDITS BY USIA.—Section 504 of such Act is amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively, and

(2) by inserting after subsection (f) the following new subsection (g):

"(g) The financial transactions of the Endowment for each fiscal year may also be audited by the United States Information Agency under the conditions set forth in subsection (f)(1).".

(c) GRANTS TO THE ENDOWMENT.—Of the amounts authorized to be appropriated by section 201 for the United States Information Agency, not less than $18,400,000 for the fiscal year 1986 and not less than $18,400,000 for the fiscal year 1987 shall be made available to the National Endowment for Democracy.

(d) REPORTING DATE.—Section 504(i) of the National Endowment for Democracy Act (22 U.S.C. 4413(h)), as redesignated by subsection (b)(1), is amended by striking out "December 31" and inserting in lieu thereof "February 1".

SEC. 211. PROMOTING DEMOCRACY AND AN END TO THE APARTHEID POLICIES IN SOUTH AFRICA.

(a) PURPOSE.—It is the purpose of this section to encourage funding for programs that would promote democracy and seek to end the apartheid policies in South Africa, and that would be in addition to the programs for South Africa funded under chapter 4 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2346 et seq.).

(b) USIA GRANTS TO THE NATIONAL ENDOWMENT FOR DEMOCRACY.—It is the sense of the Congress that the Director of the United States Information Agency should make a grant of up to $500,000 for each of the fiscal years 1986 and 1987 to the National Endowment for Democracy (in addition to grants otherwise made by the Director to the Endowment) for use by the Endowment in providing financing for programs that are designed to promote democracy and that seek to end the apartheid policies in South Africa.

(c) PROGRAMS DESIGNED TO END THE APARTHEID POLICIES.—The programs funded pursuant to this section shall be programs of support for actions of non-white led community organizations in South Africa to terminate apartheid policies such as—

(1) removal of black populations from certain geographic areas on account of race or ethnic origin;

(2) denationalization of blacks, including any distinctions between the South African citizenships of blacks and whites;

(3) residence restrictions based on race or ethnic origin;

(4) restrictions on the rights of blacks to seek employment in South Africa and live wherever they find employment in South Africa; and

(5) restrictions which make it impossible for black employees and their families to be housed in family accomodations near their place of employment.

(d) ELIGIBLE ORGANIZATIONS IN SOUTH AFRICA.—Any program funded in accordance with this section, which is to be carried out within South Africa, should be a program which in both its character and organizational sponsorship in South Africa clearly reflects the aspirations of the indigenous majority of South Africans for the establishment of democratic institutions and for an end to the apartheid system of separate development, and should not be a program which is financed or controlled by the Government of South Africa.

SEC. 212. DISTRIBUTION WITHIN THE UNITED STATES OF THE USIA FILM ENTITLED "HAL DAVID: EXPRESSING A FEELING".

Notwithstanding section 208 of this Act and the second sentence of section 501 of the United States Information and Education Exchange Act of 1948 (22 U.S.C. 1461)—

(1) the Director of the United States Information Agency shall make available to the Archivist of the United States a master copy of the film entitled "Hal David: Expressing a Feeling"; and

(2) upon evidence that necessary United States rights and licenses have been secured and paid for by the person seeking domestic release of the film, the Archivist shall reimburse the Director for any expenses of the Agency in making that master copy available, shall deposit that film in the National Archives of the United States, and shall make copies of that film available for purchase and public viewing within the United States.

Any reimbursement to the Director pursuant to this section shall be credited to the applicable appropriation of the United States Information Agency.

SEC. 213. DISTRIBUTION WITHIN THE UNITED STATES THREE USIA FILMS RELATING TO AFGHANISTAN.

Notwithstanding section 208 of this Act and the second sentence of section 501 of the United States Information and Education Exchange Act of 1948 (22 U.S.C. 1461)—

(1) the Director of the United States Information Agency shall make available to the Archivist of the United States a master copy of the films entitled "Afghanistan 1982: the Struggle for Freedom Continues", "We are Afghanistan", and "Afghanistan: The Hidden War"; and

(2) upon evidence that necessary United States rights and licenses have been secured and paid for by the person seeking domestic release of such a film, the Archivist shall reimburse the Director for any expenses of the Agency in making the master copy of such film available, shall deposit such film in the National Archives of the United States, and shall make copies of such film available for purchase and public viewing within the United States.

Any reimbursement to the Director pursuant to this section shall be credited to the applicable appropriation of the United States Information Agency.

SEC. 214. NOTIFICATION OF PROGRAM GRANTS.

(a) APPLICATION TO FISCAL YEARS 1986 AND 1987.—Section 705(b) of the United States Information and Educational Exchange Act

of 1948 (22 U.S.C. 1477c(b)) is amended by striking out "1984 and 1985" and inserting in lieu thereof "1986 and 1987".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on October 1, 1985.

TITLE III—BOARD FOR INTERNATIONAL BROADCASTING

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

(a) Fiscal Years 1986 and 1987.—Subparagraph (A) of section 8(a)(1) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877(a)(1)(A)) is amended to read as follows:

"(A) $125,000,000 for the fiscal year 1986 and $125,000,000 for the fiscal year 1987; and".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on October 1, 1985.

SEC. 302. IMPROVEMENT OF FACILITIES.

Section 8 of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877) is amended by adding at the end thereof the following new subsection:

"(c) Of the authorization of appropriations contained in subsection (a)(1)(A), authorizations of $20,000,000 for the fiscal year 1986 and $18,323,000 for the fiscal year 1987, which shall be available for radio modernization, shall remain available until the appropriations are made and when those amounts are appropriated they are authorized to remain available until expended.".

SEC. 303. RADIO FREE AFGHANISTAN.

(a) BIB Purposes.—Paragraph (5) of section 2 of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2871(5)) is amended—

(1) by striking out "and" following "Republics" and inserting in lieu thereof a comma, and

(2) by inserting ", and Afghanistan (as long as it is under Soviet occupation)" after "Eastern Europe".

(b) Authority.—The Board for International Broadcasting Act of 1973 (22 U.S.C. 2871 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 14. RADIO BROADCASTING TO AFGHANISTAN IN THE DARI AND PASHTO LANGUAGES.

Fund granted to RFE/RL, Incorporated, under this Act may be used for radio broadcasting to the Afghan people in the Dari and Pashto languages, such broadcasts to be designated 'Radio Free Afghanistan'.".

SEC. 304. MANAGEMENT OF RFE/RL, INCORPORATED.

(a) Findings.—The Congress finds that—

(1) RFE/RL, Incorporated, is essential to the continued and effective furtherance of the open flow of information and ideas throughout Eastern Europe and the Soviet Union;

(2) effective communication of information and ideas can only be accomplished if the long-term credibility of RFE/RL, Incorporated, operating in accordance with the highest standards of professionalism, is maintained;

(3) the performance of RFE/RL, Incorporated, is dependent on proper management, an objective approach to news, quality programming, and effective oversight;

(4) the Board for International Broadcasting, in addition to making grants, is responsible for overseeing broadcast quality and effectiveness and for overseeing effective utilization of Federal funds;

(5) RFE/RL, Incorporated, is responsible for its own management and for daily broadcasts into Eastern Europe and the Soviet Union;

(6) the Board for International Broadcasting and RFE/RL, Incorporated, must remain very distinct and different institutions if they adhere to the Joint Explanatory Statement of the Committee on Conference relating to the Board of International Broadcasting Authorization Act, Fiscal Years 1982 and 1983;

(7) the President of RFE/RL, Incorporated, who is responsible for the proper management and supervision of the daily operations of the radios, should devote the necessary resources and personnel to strengthen both the oversight and the quality of programming;

(8) the Board for International Broadcasting, in an effort to preserve or enhance its ability to properly oversee the operations of RFE/RL, Incorporated, must avoid even the appearance of involvement in daily operational decisions and management of RFE/RL, Incorporated; and

(9) the absence of satisfactory pre-broadcast review and the lack of sufficient records of actions taken to explain or remedy program problems identified through post-broadcast review, may endanger the long-term credibility of RFE/RL, Incorporated.

(b) Actions To Be Taken by RFE/RL.—It is the sense of the Congress that RFE/RL, Incorporated, should—

(1) strengthen existing broadcast control procedures and post-broadcast program analysis; and

(2) improve its personnel management system to include such things as better documentation of internal decisionmaking and communication, personnel review, and job description.

(c) Actions To Be Taken by BIB.—It is the sense of the Congress that the Board for International Broadcasting should—

(1) periodically review and update the Program Policy Guidelines of RFE/RL, Incorporated, with the goal of maintaining their clarity and responsiveness; and

(2) ensure that the distinctions between the Board for International Broadcasting and RFE/RL, Incorporated, remain clear and that these two entities continue to operate within the framework established by law.

SEC. 305. ROLE OF THE SECRETARY OF STATE.

(a) Role.—Section 6 of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2875) is amended—

(1) by inserting "(a)" after "Sec. 6.";

(2) by adding the following at the end of subsection (a), as so designated by paragraph (1): "The Secretary shall report regularly to the Board on the impact of broadcasts by RFE/RL, Incorporated, in Eastern Europe and the Soviet Union."; and

(3) by adding at the end thereof the following new subsection:

"(b) No grant may be made under this Act unless RFE/RL, Incorporated, agrees to the presence of an observer representing the Secretary of State at the meetings of its Board of Directors.".

(b) Liaison with RFE/RL, Incorporated; Representation at Board Meetings.—The Secretary of State shall—

(1) establish an office within the United States Consulate in Munich, Federal Republic of Germany, which shall be responsible for the daily liaison operations of the Department of State with RFE/RL, Incorporated; and

(2) be represented by an observer at each meeting of the Board for International Broadcasting and of the Board of Directors of RFE/RL, Incorporated.

SEC. 306. TASK FORCE WITH RESPECT TO BROADCASTS TO SOVIET JEWRY.

(a) Establish Task Force.—There shall be established by the Board for International Broadcasting a task force to conduct a study of the advisability and feasibility of increasing broadcasts to the Jewish population within the Soviet Union.

(b) Study.—The Task Force shall—

(1) investigate the needs of Jewish audiences in the Soviet Union;

(2) study the practicality and desirability of establishing a special program, in accordance with the Program Policy Guidelines of RFE/RL, Inc., of Russian language broadcasting to the Jewish population of the Soviet Union;

(3) study the advisability of incorporating such a special program in a special unit of its Radio Liberty division entitled the "Radio Maccabee Program of Radio Liberty";

(4) make recommendations with respect to the desirable content of broadcast programming; and

(5) identify the needs and concerns of the activist as well as the refusnik population in the Soviet Union.

(c) Report.—Not later than 6 months after the date of the enactment of this Act, the Board for International Broadcasting shall submit a report to the Congress. Such report shall include the following:

(1) Whether expansion of original programming scheduled ("Jewish Cultural and Social Life") or planned ("Judaism") is fulfilling the needs of the audience, and whether expanded Soviet-Jewish programming should include broadcasts on Jewish history, culture, religion, or other matters of general cultural, intellectual, political, and religious interest to the Soviet Jewish population, as well as Hebrew education courses.

(2) The extent to which such programming is broadcast in Russian, Hebrew, and Yiddish.

(3) Recommendations for implementing expanded programming within the structure of RFE/RL, Inc., including specific personnel required and providing for a Soviet Jewry administrative unit within Radio Liberty.

(4) The findings of, and the recommendations from, the study required under subsection (b).

(d) Maccabee Programming.—RFE/RL, Incorporated, shall strengthen existing programming dealing with issues of concern to Jewish audiences in the Soviet Union, to be known as Maccabee programming.

(e) Existing Personnel to Conduct Study and Make Report.—The study and the report required by this section shall be carried out by existing personnel of RFE, Inc., or the Board of International Broadcasting.

TITLE IV—THE ASIA FOUNDATION

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

Section 404 of The Asia Foundation Act (22 U.S.C. 4403) is amended to read as follows:

"FUNDING

"Sec. 404. There are authorized to be appropriated to the Secretary of State $10,500,000 for each of the fiscal years 1986 and 1987 for grants to The Asia Foundation pursuant to this title.".

TITLE V—IRAN CLAIMS SETTLEMENT

SEC. 501. RECEIPT AND DETERMINATION OF CERTAIN CLAIMS.

(a) Authority of Foreign Claims Settlement Commission.—The Foreign Claims Settlement Commission of the United States is authorized to receive and determine the validity and amounts of claims by nationals of the United States against Iran which are settled en bloc by the United States. In deciding such claims, the Commission shall apply, in the following order—

(1) the terms of any settlement agreement;

(2) the relevant provisions of the Declarations of the Government of the Democratic and Popular Republic of Algeria of January 19, 1981, giving consideration to interpretations thereof by the Iran-United States Claims Tribunal; and

(3) applicable principles of international law, justice, and equity.

Except as otherwise provided in this title, the provisions of title I of the International Claims Settlement Act of 1949 (22 U.S.C. 1621 et seq.) shall apply with respect to claims under this section. Any reference in such provisions to "this title" shall be deemed to refer to those provisions and to this section.

(b) Certification and Payment.—The Commission shall certify to the Secretary of the Treasury any awards determined pursuant to subsection (a) in accordance with section 5 of title I of the International Claims Settlement Act of 1949 (22 U.S.C. 1624). Such awards shall be paid in accordance with sections 7 and 8 of such title (22 U.S.C. 1626 and 1627), except that—

(1) the Secretary of the Treasury is authorized to make payments pursuant to paragraphs (1) and (2) of section 8(c) of such title in the amount of $10,000 or the principal amount of the award, whichever is less; and

(2) the Secretary of the Treasury may deduct, pursuant to section 7(b) of such title, an amount calculated in accordance with section 502(a) of this Act, instead of 5 percent of payments made pursuant to section 8(c) of such title.

SEC. 502. DEDUCTIONS FROM ARBITRAL AWARDS.

(a) Deduction for Expenses of the United States.—Except as provided in section 503, the Federal Reserve Bank of New York shall deduct from the aggregate amount awarded under each enumerated claim before the Iran-United States Claims Tribunal in favor of a United States claimant, an amount equal to 1 1/2 percent of the first $5,000,000 and 1 percent of any amount over $5,000,000, as reimbursement to the United States Government for expenses incurred in connection with the arbitration of claims of United States claimants against Iran before that Tribunal and the maintenance of the Security Account established pursuant to the Declarations of the Democratic and Popular Republic of Algeria of January 19, 1981. The Federal Reserve Bank of New York shall make the deduction required by the preceding sentence whenever the Bank receives an amount from the Security Account in satisfaction of an award rendered by the Iran-United States Claim Tribunal on the enumerated claim involved.

(b) Deduction Treated as Miscellaneous Receipt.—Amounts deducted by the Federal Reserve Bank of New York pursuant to subsection (a) shall be deposited into the Treasury of the United States to the credit of miscellaneous receipts.

(c) Payment to United States Claimants.—Nothing in this section shall be construed to affect the payment to United States claimants of amounts received by the Federal Reserve Bank of New York in respect of awards by the Iran-United States Claims Tribunal, after deduction of the amounts calculated in accordance with subsection (a).

(d) Effective Date.—This section shall be effective as of June 7, 1982.

SEC. 503. EN BLOC SETTLEMENT.

The deduction by the Federal Reserve Bank of New York provided for in section 502(a) of this Act shall not apply in the case of a sum received by the Bank pursuant to an en bloc settlement of any category of claims of United States nationals against Iran when such sum is to be used for payments in satisfaction of awards certified by the Foreign Claims Settlement Commission pursuant to section 501(b) of this Act.

SEC. 504. REIMBURSEMENT TO THE FEDERAL RESERVE BANK OF NEW YORK.

The Secretary of the Treasury may reimburse the Federal Reserve Bank of New York for expenses incurred by the Bank in the performance of fiscal agency agreements relating to the settlement or arbitration of claims pursuant to the Declarations of the Democratic and Popular Republic of Algeria of January 19, 1981.

SEC. 505. CONFIDENTIALITY OF RECORDS.

Notwithstanding section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act), records pertaining to the arbitration of claims before the Iran-United States Claims Tribunal may not be disclosed to the general public, except that—

(1) rules, awards, and other decisions of the Tribunal and claims and responsive pleadings filed at the Tribunal by the United States on its own behalf shall be made available to the public, unless the Secretary of State determines that public disclosure would be prejudicial to the interests of the United States or United States claimants in proceedings before the Tribunal, or that public disclosure would be contrary to the rules of the Tribunal; and

(2) the Secretary of State may determine on a case-by-case basis to make such information available when in the judgment of the Secretary the interests of justice so require.

TITLE VI—UNITED STATES SCHOLARSHIP PROGRAM FOR DEVELOPING COUNTRIES

SEC. 601. STATEMENT OF PURPOSE.

The purpose of this title is to establish an undergraduate scholarship program designed to bring students of limited financial means from developing countries to the United States for study at United States institutions of higher education.

SEC. 602. FINDINGS AND DECLARATIONS OF POLICY.

The Congress finds and declares that—

(1) it is in the national interest for the United States Government to provide a stable source of financial support to give students in developing countries the opportunity to study in the United States, in order to improve the range and quality of educational alternatives, increase mutual understanding, and build lasting links between those countries and the United States;

(2) providing scholarships to foreign students to study in the United States has proven over time to be an effective means of creating strong bonds between the United States and the future leadership of developing countries and, at the same time, assists countries substantially in their development efforts;

(3) study in United States institutions by foreign students enhances trade and economic relationships by providing strong English language skills and establishing professional and business contacts;0

(4) students from families of limited financial means have, in the past, largely not had the opportunity to study in the United States, and scholarship programs sponsored by the United States have made no provision for identifying, preparing, or supporting such students for study in the United States;

(5) it is essential that the United States citizenry develop its knowledge and understanding of the developing countries and their languages, cultures, and socioeconomic composition as these areas assume an ever larger role in the world community;

(6) the number of United States Government-sponsored scholarships for students in developing countries has been exceeded as much as twelve times in a given year by the number of scholarships offered by Soviet-bloc governments to students in developing countries, and this disparity entails the serious long-run cost of having so many of the potential future leaders of the developing world educated in Soviet-bloc countries;

(7) from 1972 through 1982 the Soviet Union and Eastern European governments collectively increased their education exchange programs to Latin America and the Caribbean by 205 percent while those of the United States declined by 52 percent;

(8) an undergraduate scholarship program for students of limited financial means from developing countries to study in the United States would complement current assistance efforts in the areas of advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities;

(9) the National Bipartisan Commission on Central America has recommended a program of 10,000 United States Government-sponsored scholarships to bring Central American students to the United States, which program would involve careful targeting to encourage participation by young people from all social and economic classes, would maintain existing admission standards by providing intensive English and other training, and would encourage graduates to return to their home countries after completing their education; and

(10) it is also in the interest of the United States, as well as peaceful cooperation in the Western Hemisphere, that particular attention be given to the students of the Caribbean region.

SEC. 603. SCHOLARSHIP PROGRAM AUTHORITY.

(a) In General.—The President, acting through the United States Information Agency, shall provide scholarships (including partial assistance) for undergraduate study at United States institutions of higher education by citizens and nationals of developing countries who have completed their secondary education and who would not otherwise have an opportunity to study in the United States due to financial limitations.

(b) Form of Scholarship; Forgiveness of Loan Repayment.—To encourage students to use their training in their countries of origin, each scholarship pursuant to this section shall be in the form of a loan with all repayment to be forgiven upon the student's prompt return to his or her country of origin for a period which is at least one year longer than the period spent studying in the United States. If the student is granted asylum in the United States pursuant to section 208 of the Immigration and Nationality Act or is admitted to the United States as a refugee pursuant to section 207 of that Act, half of the repayment shall be forgiven.

(c) Consultation.—Before allocating any of the funds made available to carry out this title, the President shall consult with United States institutions of higher education, educational exchange organizations, United States missions in developing countries, and the governments of participating countries on how to implement the guidelines specified in section 604.

(d) DEFINITION.—For purposes of this title, the term "institution of higher education" has the same meaning as given to such term by section 1201(a) of the Higher Education Act of 1965.

SEC. 604. GUIDELINES.

The scholarship program under this title shall be carried out in accordance with the following guidelines:

(1) Consistent with section 112(b) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2460(b)), all programs created pursuant to this title shall be nonpolitical and balanced, and shall be administered in keeping with the highest standards of academic integrity.

(2) United States missions shall design ways to identify promising students who are in secondary educational institutions, or who have completed their secondary education, for study in the United States. In carrying out this paragraph, the United States mission in a country shall consult with Peace Corps volunteers and staff assigned to that country and with private and voluntary organizations with a proven record of providing development assistance to developing countries.

(3) United States missions shall develop and strictly implement specific economic need criteria. Scholarships under this title may only be provided to students who meet the economic need criteria.

(4) The program shall utilize educational institutions in the United States and in developing countries to help participants in the programs acquire necessary skills in English and other appropriate education training.

(5) Each participant from a developing country shall be selected on the basis of academic and leadership potential and the economic, political, and social development needs of such country. Such needs shall be determined by each United States mission in consultation with the government of the respective country. Scholarship opportunities shall emphasize fields that are critical to the development of the participant's country, including agriculture, civil engineering, communications, social science, education, public and business administration, health, nutrition, environmental studies, population and family planning, and energy.

(6) The program shall be flexible in order to take advantage of different training and educational opportunities offered by universities, postsecondary vocational training schools, and community colleges in the United States.

(7) The program shall be flexible with respect to the number of years of undergraduate education financed but in no case shall students be brought to the United States for a period less than one year.

(8) Adequate allowance shall be made in the scholarship for the purchase of books and related educational material relevant to the program of study.

(9) Further allowance shall be made to provide adequate opportunities for professional, academic, and cultural enrichment for scholarship recipients.

(10) The program shall, to the maximum extent practicable, offer equal opportunities for both male and female students to study in the United States.

(11) The United States Information Agency shall recommend to each student, who receives a scholarship under this title for study at a college or university, that the student enroll in a course on the classics of American political thought or which otherwise emphasizes the ideas, principles, and documents upon which the United States was founded.

SEC. 605. AUTHORITY TO ENTER INTO AGREEMENTS.

The President may enter into agreements with foreign governments in furtherance of the purposes of this title. Such agreements may provide for the creation or continuation of binational or multinational educational and cultural foundations and commissions for the purposes of administering programs under this title.

SEC. 606. POLICY REGARDING OTHER INTERNATIONAL EDUCATIONAL PROGRAMS.

(a) AID-FUNDED PROGRAMS.—The Congress urges the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961, in implementing programs authorized under that part, to increase assistance for undergraduate scholarships for students of limited financial means from developing countries to study in the United States at United States institutions of higher education. To the maximum extent practicable, such scholarship assistance shall be furnished in accordance with the guidelines contained in section 604 of this title.

(b) USIA-FUNDED POSTGRADUATE STUDY IN THE UNITED STATES.—The Congress urges the Director of the United States Information Agency to expand opportunities for students of limited financial means from developing countries to receive financial assistance for postgraduate study at United States institutions of higher education.

(c) STUDY BY AMERICANS IN DEVELOPING COUNTRIES.—The Congress urges the President to take such steps as are necessary to expand the opportunities for Americans from all economic classes to study in developing countries.

SEC. 607. ESTABLISHMENT AND MAINTENANCE OF COUNSELING SERVICES.

(a) COUNSELING SERVICES ABROAD.—For the purpose of assisting foreign students in choosing fields of study, selecting appropriate institutions of higher education, and preparing for their stay in the United States, the President may make suitable arrangements for counseling and orientation services abroad.

(b) COUNSELING SERVICES IN THE UNITED STATES.—For the purposes of assisting foreign students in making the best use of their opportunities while attending United States institutions of higher education, and assisting such students in directing their talents and initiative into channels which will make them more effective leaders upon return to their native lands, the President may make suitable arrangements (by contract or otherwise) for the establishment and maintenance of adequate counseling services at United States institutions of higher education which are attended by foreign students.

SEC. 608. BOARD OF FOREIGN SCHOLARSHIPS.

The Board of Foreign Scholarships shall advise and assist the President in the discharge of the scholarship program carried out pursuant to this title, in accordance with the guidelines set forth in section 604. The President may provide for such additional secretarial and staff assistance for the Board as may be required to carry out this title.

SEC. 609. GENERAL AUTHORITIES.

(a) PUBLIC AND PRIVATE SECTOR CONTRIBUTIONS.—The public and private sectors in the United States and in the developing countries shall be encouraged to contribute to the costs of the scholarship program financed under this title.

(b) UTILIZATION OF RETURNING PROGRAM PARTICIPANTS.—The President shall seek to engage the public and private sectors of developing countries in programs to maximize the utilization of recipients of scholarships under this title upon their return to their own countries.

(c) PROMOTION ABROAD OF SCHOLARSHIP PROGRAM.—The President may provide for publicity and promotion abroad of the scholarship program provided for in this title.

(d) INCREASING UNITED STATES UNDERSTANDING OF DEVELOPING COUNTRIES.—The President shall encourage United States institutions of higher education, which are attended by students from developing countries who receive scholarships under this title, to provide opportunities for United States citizens attending those institutions to develop their knowledge and understanding of the developing countries, and the languages and cultures of those countries, represented by those foreign students.

(e) OTHER ACTIVITIES TO PROMOTE IMPROVED UNDERSTANDING.—Funds allocated by the United States Information Agency, or the agency primarily responsible for carrying out part I of the Foreign Assistance Act of 1961, for scholarships in accordance with this title shall be available to enhance the educational training and capabilities of the people of Latin America and the Caribbean and to promote better understanding between the United States and Latin America and the Caribbean through programs of cooperation, study, training, and research. Such funds may be used for program and administrative costs for institutions carrying out such programs.

SEC. 610. ENGLISH TEACHING, TEXTBOOKS, AND OTHER TEACHING MATERIALS.

Wherever adequate facilities or materials are not available to carry out the purposes of paragraph (4) of section 604 in the participant's country and the President determines that the purposes of this title are best served by providing the preliminary training in the participant's country, the President may (by purchase, contract, or other appropriate means) provide the necessary materials and instructors to achieve such purpose.

SEC. 611. REPORTING REQUIREMENT.

Not later than February 1 each year, the President shall submit to the Congress a report on the activities carried on and expenditures made pursuant to this title during the preceding fiscal year.

SEC. 612. FUNDING OF SCHOLARSHIPS FOR FISCAL YEAR 1986 AND FISCAL YEAR 1987.

(a) CENTRAL AMERICAN UNDERGRADUATE SCHOLARSHIP PROGRAM.—The undergraduate scholarship program financed by the United States Information Agency for students from Central America for fiscal year 1986 and fiscal year 1987 shall be conducted in accordance with this title.

(b) SCHOLARSHIPS FOR STUDENTS FROM OTHER DEVELOPING COUNTRIES.—Any funds appropriated to the United States Information Agency for fiscal year 1986 or fiscal year 1987 for any purpose (other than funds appropriated for educational exchange programs under section 102(a)(1) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2452(a)(1)) may be used to carry out this title with respect to students from developing countries outside Central America.

SEC. 613. LATIN AMERICAN EXCHANGES.

Of any funds authorized to be appropriated for activities authorized by this title, not less than 25 percent shall be allocated to fund grants and exchanges to Latin America and the Caribbean.

SEC. 614. FEASIBILITY STUDY OF TRAINING PROGRAMS IN SIZABLE HISPANIC POPULATIONS.

No later than December 15, 1985, the Director of the United States Information Agency and the Administrator of the Agency for International Development shall report jointly, to the chairman of the Committee on Foreign Relations of the Senate and the chairman of the Committee on Foreign Affairs of the House of Representatives, on the feasibility of greater utilization in those two agencies' scholarship and participant training programs of the United States universities in States bordering Latin American and Caribbean which are located in areas characterized by the presence of sizable Hispanic populations.

SEC. 615. COMPLIANCE WITH CONGRESSIONAL BUDGET ACT.

Any authority provided by this title to enter into contracts shall be effective only—

(1) to the extent that the budget authority for the obligation to make outlays, which is created by the contract, has been provided in advance by an appropriation Act; or

(2) to the extent or in such amounts as are provided in advance in appropriation Acts.

TITLE VII—ARMS CONTROL AND DISARMAMENT

SEC. 701. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1985.

Section 49(a)(1) of the Arms Control and Disarmament Act (22 U.S.C. 2589(a)(1)) is amended to read as follows:

"(1) for the fiscal year 1985, $23,789,000, of which amount $4,321,000 shall be available only to pay necessary expenses incurred in connection with arms control negotiations with the Government of the Soviet Union on strategic arms reductions, intermediate-range nuclear forces, and space and defensive weapons;".

SEC. 702. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS 1986 AND 1987.

Section 49(a)(2) of the Arms Control and Disarmament Act (22 U.S.C. 2589(a)(2)) is amended to read as follows:

"(2) for the fiscal year 1986, $25,614,000, and for the fiscal year 1987, $25,614,000, of which amounts $6,146,000 shall be available in each fiscal year only to pay necessary expenses incurred in connection with arms control negotiations conducted with the Government of the Soviet Union on strategic arms reductions, intermediate-range nuclear forces, and space and defensive weapons; and".

SEC. 703. REPORTS ON ADHERENCE TO AND COMPLIANCE WITH AGREEMENTS.

The Arms Control and Disarmament Act (22 U.S.C. 2551 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 52. REPORTS ON ADHERENCE TO AND COMPLIANCE WITH AGREEMENTS.

"The Congress determines that the achievement and maintenance of successful controls upon armaments requires official and public confidence that the parties are expected to adhere to their commitments and that the parties will be held accountable for failure to meet obligations. Without such confidence, existing arms control accords are eroded, and the prospects are jeopardized for new agreements which can place further controls on the competition in nuclear and conventional weapons and which can increase international stability. In accordance with this determination—

"(1) the President shall submit, not later than January 31 of each year, to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report prepared by the Director, in coordination with the Secretary of State, the Secretary of Defense, the Secretary of Energy, the Chairman of the Joint Chiefs of Staff, and the Director of Central Intelligence, on the adherence of the United States to obligations undertaken in arms control agreements and on any problems related to compliance by other nations with the provisions of bilateral and multilateral arms control agreements to which the United States is a party;

"(2) the section of the report dealing with United States adherence shall include information on the policies and organization of each relevent agency or department of the United States to ensure adherence, a description of national security programs with a direct bearing on adherence questions and of steps being taken to ensure adherence, and a compilation of any substantive questions raised during the previous year regarding United States adherence, together with an assessment of such issues and the need for any corrective action; and

"(3) the section of the report dealing with problems of compliance by other nations shall include, in the case of each treaty or agreement about which compliance questions exist—

"(A) a description of each significant issue raised and efforts made and contemplated with the other party to seek a resolution of the difficulty;

"(B) an assessment of damage, if any, to United States security and other interests; and

"(C) recommendations as to any steps which should be considered to redress any damage to United States national security and to reduce compliance problems.

"The report required by this section shall be provided in unclassified form, with classified annexes, as appropriate.".

SEC. 704. PAY FOR DEPUTY DIRECTOR AND ASSISTANT DIRECTORS.

(a) AMENDMENTS TO TITLE 5.—Title 5 of the United States Code, is amended—

(1) in section 5314, by adding at the end thereof the following:

"Deputy Director of the United States Arms Control and Disarmament Agency.";

(2) in section 5315—

(A) by striking out

"Deputy Director of the United States Arms Control and Disarmament Agency."; and

(B) by adding at the end thereof the following:

"Assistant Directors, United States Arms Control and Disarmament Agency (4)."; and

(3) in section 5316, by striking out

"Assistant Directors, United States Arms Control and Disarmament Agency (4).".

(b) COMPLIANCE WITH BUDGET ACT.—Any new spending authority (within the meaning of section 401 of the Congressional Budget Act of 1974) which is provided under the amendments made by this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

SEC. 705. NEW BUILDING IN GENEVA FOR THE USE OF THE UNITED STATES ARMS CONTROL NEGOTIATING TEAMS.

(a) FINDINGS.—The Congress finds that—

(1) the United States is party to vital talks on arms control in Geneva, Switzerland;

(2) these talks include negotiations on strategic nuclear weapons, intermediate range nuclear weapons, space and defense systems, a bilateral United States-Soviet forum, called the Standing Consultative Commission, and a multilateral forum, called the Conference on Disarmament;

(3) the United States delegations to these talks occupy buildings and spaces insufficiently secure, modernized, or large enough to permit those delegations to conduct their work efficiently;

(4) the United States delegations to the strategic, intermediate and space and defense talks in particular occupy space in the Botanic Building that is also occupied by offices of numerous other, non-United States organizations, and shares common walls and parking facilities with these delegations;

(5) arms control negotiations require sophisticated security facilities, telecommunications equipment, simultaneous translation capabilities and other specialized services; and

(6) the Soviet Union, for its part, has made available for its negotiating team a modern, secure, well-equipped building dedicated for the use of its arms control negotiating teams.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) in order to facilitate the effective work of the United States arms control negotiating teams, and to provide for them a dedicated structure capable of supporting their vital tasks on a permanent basis, the Secretary of State should submit to the Congress a report on the feasibility, cost, location, and requirements of a structure to house the United States arms control negotiating teams in Geneva;

(2) this report should be submitted as soon as possible; and

(3) this matter should be included in the consideration of the 1985 supplemental appropriation process.

SEC. 706. STUDY OF MEASURES TO ENHANCE CRISIS STABILITY AND CONTROL.

(a) STUDY.—The Secretary of State and the Director of the Arms Control and Disarmament Agency shall conduct a detailed and complete study and evaluation of additional measures which both enhance the security of the United States and reduce the likelihood of nuclear weapons use by contributing to crisis stability or crisis control capabilities, including specific consideration of the following measures:

(1) Increased redundancy of direct communications link circuits, including the creation of new survivable circuits and terminals, located outside the national capitals which have access to the command and control system of the country in which they are located.

(2) Establishment of redundant, survivable direct communications links between and among all nuclear-armed states.

(3) Conclusion of an agreement creating "non-target" sanctuaries only for certain direct communications link circuits to enhance survivability of communications.

(4) Creation in advance of standard operating procedures for communicating, and possibly cooperating, with the Soviet Union and other states in the event of nuclear attacks by third parties on either the United States or Soviet Union.

(5) Addition to the Incidents At Sea agreement of a prohibition on the "locking on" of fire control radars on ships and planes of the other side, an agreement on the separa-

tion of naval forces during specified periods of crisis, and other such measures relevant to the Incidents At Sea agreement.

(6) Placement by the United States and the Soviet Union of unmanned launch sensors in the land-based missile fields of both countries.

(7) Establishment of anti-submarine operations free zones designed to enhance the security of ballistic missile submarines.

(8) Installation of permissive action links aboard the ballistic missile submarines of the United States, which might possibly be activated or deactivated at various levels of alert, and encouragement of the Soviet Union to do the same.

(9) Establishment of training programs for National Command Authority officials to familiarize them with alert procedures, communications capabilities, nuclear weapons release authority procedures, and the crisis control and stability implications thereof.

(10) Include in standard operating procedure the relocation in a crisis of a National Command Authority official outside Washington, D.C. to a secure location with access to the strategic command and control system, and announce the institution of this procedure to relevant foreign governments.

(b) Report.—The Secretary of State and the Director of the Arms Control and Disarmament Agency shall submit a report of the study and evaluation under subsection (a) to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives by January 1, 1986. Such report should be available in both a classified, if necessary, and unclassified format.

SEC. 707. POLICY TOWARD BANNING CHEMICAL WEAPONS.

(a) Findings.—The Congress finds that—

(1) chemical weapons are among the most terrible weapons in today's military arsenals;

(2) it is the objective of the United States to eliminate the threat of chemical warfare through a comprehensive and verifiable ban on chemical weapons;

(3) the United States is vigorously pursuing a multilateral agreement to ban chemical weapons;

(4) the negotiation of a verifiable, bilateral agreement between the United States and the Soviet Union would be a significant step toward achieving a worldwide ban on chemical weapons;

(5) bilateral discussions relating to a ban on chemical weapons took place in July and August of 1984 between the United States and Soviet delegations to the Conference on Disarmament; and

(6) such endeavors could serve the security interests of humankind.

(b) Sense of Congress.—It is the sense of the Congress that the President—

(1) should be commended for his efforts to negotiate a multilateral agreement banning chemical weapons;

(2) should continue to pursue vigorously such an agreement; and

(3) should seek the continuation and development of bilateral discussions between the United States and the Soviet Union to achieve a comprehensive and verifiable ban on chemical weapons.

SEC. 708. POLICY REGARDING A JOINT STUDY BY THE UNITED STATES AND THE SOVIET UNION OF THE CONSEQUENCES OF NUCLEAR WINTER.

It is the sense of the Congress that the President should propose to the Government of the Soviet Union during any arms control talks held with such Government that—

(1) the United States and the Soviet Union should jointly study the atmospheric, climatic, environmental, and biological consequences of nuclear explosions, sometimes known as "nuclear winter", and the impact that nuclear winter would have on the national security of both nations;

(2) such a joint study should include the sharing and exchange of information and findings on the nuclear winter phenomena and make recommendations on possible joint research projects that would benefit both nations; and

(3) at an appropriate time the other nuclear weapon states (the United Kingdom, France, and the People's Republic of China) should be involved in the study.

TITLE VIII—MISCELLANEOUS PROVISIONS

SEC. 801. TERMINATION OF NATIONAL EMERGENCIES BY JOINT RESOLUTION.

Section 202 of the National Emergencies Act is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

"(1) there is enacted into law a joint resolution terminating the emergency; or"; and

(B) in the second sentence, by striking out "concurrent" and inserting in lieu thereof "joint";

(2) in subsection (b), by striking out "concurrent" and inserting in lieu thereof "joint"; and

(3) in subsection (c), by striking out "concurrent" each of the six places it appears and inserting in lieu thereof "joint".

SEC. 802. UNITED STATES INSTITUTE OF PEACE.

It is the sense of the Congress that, pursuant to title XVII of the Department of Defense Authorization Act, 1985 (22 U.S.C. 4601 et seq.), nominations to the Board of Directors for the United States Institute of Peace should be submitted to the Senate on a timely basis to permit implementation of the congressional mandate.

SEC. 803. EX GRATIA PAYMENT TO THE GOVERNMENT OF SWITZERLAND.

Section 39 of the Trading With the Enemy Act (62 Stat. 1246; 50 U.S.C. App. 39) is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any of the provisions of subsections (a) through (d) of this section, the Attorney General is authorized to pay from property vested in or transferred to the Attorney General under this Act, the sum of $20,000 as an ex gratia payment to the Government of Switzerland in accordance with the terms of the agreement entered into by that Government and the Government of the United States on March 12, 1980.".

SEC. 804. POLICY TOWARD APPLICATION OF THE YALTA AGREEMENT.

(a) Findings—The Congress finds that—

(1) during World War II, representatives of the United States, Britain, and the Soviet Union took part in agreements and understandings concerning other peoples and nations in Europe;

(2) the Soviet Union has not adhered to its obligation undertaken in the 1945 Yalta agreement to guarantee free elections in the countries involved, specifically the pledge for the "earliest possible establishment of free elections of government responsive to the wills of the people and to facilitate where necessary the holding of such elections";

(3) the strong desire of the people of Central and Eastern Europe to exercise their national sovereignty and self-determination and to resist Soviet domination has been demonstrated on many occasions since 1945, including armed resistance to the forcible Soviet takeover of the Baltic Republics and resistance in the Ukraine as well as in the German Democratic Republic in 1953, in Hungary in 1956, in Czechoslovakia in 1968, and in Poland in 1956, 1970, and since 1980;

(4) it is appropriate that the United States express the hopes of the people of the United States that the people of Central and Eastern Europe be permitted to exercise their national sovereignty and self-determination free from Soviet interference; and

(9) it is appropriate for the United States to reject any interpretation or application that, as a result of the signing of the 1945 Yalta executive agreements, the United States accepts and recognizes in any way Soviet hegemony over the countries of Eastern Europe.

(b) Policy.—(1) The United States does not recognize as legitimate any spheres of influence in Europe and it reaffirms its refusal to recognize such spheres in the present or in the future, by repudiating any attempts to legitimize the domination of East European nations by the Soviet Union through the Yalta executive agreement.

(2) The United States proclaims the hope that the people of Eastern Europe shall again enjoy the right to self-determination within a framework that will sustain peace, that they shall again have the right to choose a form of government under which they shall live, and that the sovereign rights of self-determination shall be restored to them in accordance with the pledge of the Atlantic Charter and with provisions of the United Nations Charter and the Helsinki Final Act of the Conference on Security and Cooperation in Europe.

SEC. 805. POLICY TOWARD TREATMENT OF SOVIET PENTECOSTALS.

(a) Findings.—The Congress finds that—

(1) it is the policy of the Government of the Soviet Union to hinder and deny the free practice of religion and to deny freedom to emigrate to the victims of religious persecution;

(2) such policies are a violation of the letter and spirit of the Charter of the United Nations, the United Nations Declaration on Human Rights, and the Helsinki Final Act of the Conference on Security and Cooperation in Europe;

(3) members of the 170-member Pentecostal Christian community living in Chuguyevka in the Soviet Far East have allegedly undergone persecution at the hands of the Soviet authorities as a result of their attempts to practice their religious beliefs;

(4) the Soviet authorities allegedly have refused to allow members of that Pentecostal community to emigrate from the Soviet Union;

(5) when, on Monday May 13, 1985, four members of the Pentecostal community of Chuguyevka attempted to enter the United States Embassy in Moscow in an attempt to seek refuge and make their plight known, they were intercepted by Soviet guards stationed outside the Embassy;

(6) in the scuffle that ensued three of the Pentecostals were beaten severely and arrested by the Soviet guards, while the fourth Pentecostal gained entrance to the Embassy and was interviewed by United States officials; and

(7) upon agreeing to leave the United States Embassy the man was driven to the subway in a diplomatic car where he was detained by Soviet police before he could enter the subway.

(b) Sense of Congress.—It is the sense of the Congress that—

(1) the Soviet Union has acted in violation of the human rights of the Pentecostal community in Chuguyevka by hindering the practice of their religious beliefs and refusing to allow them to emigrate from the Soviet Union;

(2) personnel of the Government of the Soviet Union acted in violation of the human rights of the four members of the Pentecostal community who attempted to enter the United States Embassy in Moscow, particularly in using excessive force in an attempt to prevent their entry;

(3) the United States Department of State should continue through all available channels to assure the safety of the four persons who attempted to enter the United States Embassy, and to seek to persuade the Government of the Soviet Union to allow the members of the Pentecostal community in Chuguyevka to emigrate to the West; and

(4) the Secretary of State should undertake a study of United States policy relating to the granting of asylum in United States embassies abroad and develop recommendations for the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives as to where current policy might be adjusted with relation to incidents over the past five years where asylum has been requested at United States embassies abroad.

SEC. 806. DEMOCRACY ON TAIWAN.

(a) Findings.—The Congress finds that—

(1) peace has prevailed in the Taiwan Strait since the normalization of relations between the United States and the People's Republic of China;

(2) the United States expects the future of Taiwan to be settled peacefully and considers a secure Taiwan free from external threat an indispensable element for the island's further democratization and a goal set forth in the Taiwan Relations Act;

(3) the authorities on Taiwan are striving to achieve greater democracy at the local level;

(4) an increasing number of native Taiwanese have been appointed to responsible positions at the provincial and national level on Taiwan;

(5) martial law measures tend to impede progress toward democracy and to abridge guarantees of human rights;

(6) movement toward greater democracy on Taiwan serves to bolster continued American public support for the moral and legal responsibilities set forth in the Taiwan Relations Act;

(7) the United States, in the Taiwan Relations Act, has reaffirmed as a national objective the preservation and enhancement of the human rights of all the people on Taiwan; and

(8) the United States considers democracy a fundamental human right.

(b) Sense of Congress.—It is therefore the sense of the Congress that—

(1) one important element of a peaceful future for Taiwan is greater participation in the political process by all the people on Taiwan; and

(2) accordingly, the United States should encourage the authorities on Taiwan, in the spirit of the Taiwan Relations Act, to work vigorously toward this end.

SEC. 807. INCREASE UNITED STATES-CHINA TRADE.

(a) Findings.—The Congress finds that—

(1) the People's Republic of China has made substantial progress in promoting market-oriented practices throughout the Chinese economy;

(2) the Chinese economy has responded to this increased liberalization with record growth that last year alone resulted in increases in the real gross national product of an estimated 13 percent;

(3) this growth has created significant new demand for a vast array of products and services that can be met by American producers;

(4) United States trade with the People's Republic of China totaled only $6,000,000,000 in 1984 and was again in deficit by more than $50,000,000;

(5) increased exports are essential to the creation of American jobs and to the vitality of the American economy; and

(6) the People's Republic of China represents the world's largest potential market.

(b) Sense of Congress.—It is the sense of the Congress that, consistent with overall American foreign policy and national security objectives, the Secretary of State and the Secretary of Commerce should take appropriate steps to increase United States-China trade with a view to improving the trade balance, increasing American jobs through export growth, and assuring significant United States participation in the growing Chinese market.

SEC. 808. USE OF UNITED STATES OWNED RUPEES.

Section 903 of the United States-India Fund for Cultural, Educational, and Scientific Cooperation Act (22 U.S.C. 290j-1) is amended—

(1) by inserting "(a)" after "Sec. 903."; and

(2) by inserting at the end thereof the following new subsection:

"(b) Pending completion of the negotiation of an agreement with the Government of India, the annual earnings generated by the moneys appropriated by the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1985, may be used for the purposes set out in section 902(a).".

SEC. 809. REFUGEES IN THAILAND.

(a) Appreciation for the Response of the Government of Thailand.—The Congress recognizes and expresses appreciation for the extraordinary willingness of the Government of Thailand to respond in a humanitarian way to the influx of refugees fleeing Vietnamese communist oppression.

(b) Sense of Congress.—It is the sense of the Congress that—

(1) Cambodians, Laotians, and Vietnamese seeking asylum and refuge in Thailand should not be involuntarily repatriated or otherwise put at risk; and

(2) every effort should be made to provide increased security for refugees in camps in Thailand which should include an increased presence by international humanitarian organizations.

(c) Review of Certain Cambodian Refugees.—

(1) The Secretary of State should—

(A) work with the Government of Thailand and the United Nations High Commissioner for Refugees to conduct a review of the status of Cambodians who have not been permitted to register at refugee camps in Thailand; and

(B) implement a humanitarian solution to their plight.

(2) The Secretary of State, with the assistance of appropriate agencies, should conduct a review of those Cambodians who have been rejected for admission to the United States to ensure such decisions are consistent with the letter and spirit of United States refugee and immigration law.

(3) The Secretary of State, with the assistance of appropriate agencies, should institute as expeditiously as possible a family reunification program for those refugees in Thailand, including those at the border who have family members in the United States.

(4) The Secretary of State should provide for a program of educational assistance for Cambodians in the border camps and for improved literacy training in all camps.

SEC. 810. POLICY REGARDING FOREIGN EXCHANGE INTERVENTION.

(a) Findings.—The Congress finds and declares that—

(1) the trade deficit looms larger than any other threat to the ability of the United States to generate jobs and create economic well-being;

(2) the trade deficit continues to deteriorate even from the 1984 level of $123,000,000,000;

(3) the trade deficit will continue to deteriorate until the value of the dollar declines on foreign exchange markets;

(4) the dollar's rise may slow down but is unlikely to fall sufficiently as a result of Congress' contemplated budget deficit reduction measures;

(5) the value of the dollar would probably fall under a number of tax reform proposals but industries losing market share due to the exchange rate may not be able to wait for a complete tax package;

(6) the only remaining timely option for lowering the value of the dollar is intervention in foreign exchange markets by the Secretary of the Treasury or the Federal Reserve Board;

(7) any such intervention must be strong enough to achieve the intent of the Congress of lowering the dollar's value but sufficiently moderate to prevent a sudden drop in its value;

(8) any such intervention in order to assure a gradual decline and protect against too large a drop in the value of the dollar, will require coordinated action by the central banks of Europe and Japan as well as the United States; and

(9) such coordination is especially important to strengthen economic and political ties with the allies of the United States and to promote consistent macroeconomic policies to the mutual benefit of all.

(b) Sense of Congress.—Therefore, it is the sense of the Congress that—

(1) the Secretary of the Treasury and the Chairman of the Federal Reserve Board, in concert with United States allies and coordinated with the central banks of the Group of Five or other major central banks, should take such steps as are necessary to lower gradually the value of the dollar;

(2) such steps should not exclude intervention in the foreign exchange markets;

(3) the Secretary of the Treasury and the Chairman of the Federal Reserve Board should work to ensure that the domestic macroeconomic policies of the United States and its allies are forged to reinforce rather than oppose one another.

SEC. 811. COMMENDING MAYOR TEDDY KOLLEK OF JERUSALEM.

(a) Findings.—The Congress finds that—

(1) Mayor Teddy Kollek has worked to promote harmony among all the people of Jerusalem; and

(2) he has promoted freedom of access to religious shrines for Muslims, Christians, and Jews; and

(3) through his efforts the aesthetic character of the city has been enhanced.

(b) Commendation.—Therefore, the Congress commends Mayor Kollek for his efforts over the years.

SEC. 812. JAPAN-UNITED STATES SECURITY RELATIONSHIP AND EFFORTS BY JAPAN TO FULFILL SELF-DEFENSE RESPONSIBILITIES.

(a) FINDINGS.—The Congress hereby finds—

(1) the Japan-United States security relationship is the foundation of the peace and security of Japan and the Far East, as well as a major contributor to the protection of the United States and of the democratic freedoms and economic prosperity enjoyed by both the United States and Japan;

(2) the threats to our two democracies have increased significantly since 1976, principally through the Soviet invasion of Afghanistan, the expansion of Soviet armed forces in the Far East, the invasion of Cambodia by Vietnam, and the instability in the Persian Gulf region as signified by the continuing Iran-Iraq conflict;

(3) in recognition of these and other threats, the United States has greatly increased its annual defense spending through sustained real growth averaging 8.8 percent yearly between fiscal 1981 and 1985, and cumulative real growth of 50 percent in that period;

(4) the United States Government appreciates the May 1981 commitment by the Prime Minister of Japan that, pursuant to the Treaty of Mutual Cooperation and Security of 1960 between Japan and the United States, Japan, on its own initiative, would seek to make even greater efforts for improving its defense capabilities, and pursuant to Japan's own Constitution, it was national policy for his country to acquire and maintain the self-defense forces adequate for the defense of its land area and surrounding airspace and sealanes, out to a distance of 1,000 miles;

(5) the United States Government applauds the policy of Japan to obtain the capabilities to defend its sea and air lanes out to 1,000 miles, expects that these capabilities should be acquired by the end of the decade, and recognizes that achieving those capabilities would significantly improve the national security of both Japan and the United States;

(6) the United States Government appreciates the contribution already made by Japan through the Host Nation Support Program and its recent efforts to increase its defense spending; and

(7) Japan, however, in recent years consistently has not provided sufficient funding and resources to meet its self-defense needs and to meet common United States-Japan defense objectives and alliance responsibilities.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that Japan, to fulfill its self-defense responsibilities pursuant to the 1960 Mutual Cooperation and Security Treaty with the United States, and in accordance with the national policy declaration made by its Prime Minister in May 1981, to develop a 1,000 mile airspace and sealanes defense capability, should implement a 1986-1990 Mid-Term Defense Plan containing sufficient funding, program acquisition, and force development resources to obtain the agreed-upon 1,000 mile self-defense capabilities by the end of the decade, including the allocation of sufficient budgetary resources annually to reduce substantially the ammunition, logistics, and sustainability shortfalls of its self-defense forces.

(c) SUBMISSION TO CONGRESS.—Not later than March 31, 1986, and on an annual basis thereafter, the President should submit to the appropriate committees of Congress, in both a classified and unclassified form, detailed and extensive information to permit the Congress to understand Japan's progress toward actually fulfilling its common defense commitment, including the development and implementation of a 1986-1990 Mid-Term Defense Plan fully funded for Japan to achieve 1000 mile self-defense capabilities by 1990. Such information shall include a description of actions taken by the United States Government in the preceding year to encourage Japan to meet its 1000 mile self-defense commitment by 1990.

SEC. 813. DIPLOMATIC EQUIVALENCE AND RECIPROCITY.

(a) STATEMENT OF CONGRESSIONAL POLICY.—(1) It is the policy of the Congress that the number of nationals of the Soviet Union admitted to the United States who serve as diplomatic or consular personnel of the Soviet Union to the United States shall be substantially equivalent to the number of United States nationals admitted to the Soviet Union who serve as diplomatic or consular personnel of the United States in the Soviet Union unless the President determines that the admission of additional Soviet diplomatic and consular personnel would be in the best interests of the United States.

(2) The policy expressed in paragraph (1) does not apply to dependents or spouses who do not serve as diplomatic or consular personnel.

(b) REPORTING REQUIREMENT.—It is the sense of the Congress that the Secretary of State and the Attorney General should prepare and, not later than 6 months after the date of the enactment of this Act, should transmit to the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate, and to the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence of the House of Representatives, a report setting forth a plan for ensuring that the number of Soviet nationals described in subsection (a) does not exceed the limitation described in that section.

(c) DEFINITIONS.—For purposes of this section—

(1) the term "diplomatic or consular personnel" means the members of the diplomatic mission or the members of the consular post, as the case may be;

(2) the term "members of the diplomatic mission" is used within the meaning of Article 1(b) of the Vienna Convention on Diplomatic Relations (done April 18, 1961); and

(3) the term "members of the consular post" is used within the meaning of Article 1(g) of the Vienna Convention on Consular Relations (done April 24, 1963).

SEC. 814. UNITED STATES INTERNATIONAL NARCOTICS CONTROL COMMISSION.

(a) ESTABLISHMENT.—There is established the United States International Narcotics Control Commission (hereafter in this section referred to as the "Commission").

(b) DUTIES.—The Commission is authorized and directed—

(1) to monitor and promote international compliance with narcotics control treaties, including eradication and other relevant issues; and

(2) to monitor and encourage United States Government and private programs seeking to expand international cooperation against drug abuse and narcotics trafficking.

(c) MEMBERSHIP.—(1) The Commission shall be composed of 12 members as follows:

(A) 7 Members of the Senate appointed by the President of the Senate, 4 of whom (including the member designated as Chairman) shall be selected from the majority party of the Senate, after consultation with the majority leader, and 3 of whom (including the member designated as Cochairman) shall be selected from the minority party of the Senate, after consultation with the minority leader.

(B) 5 members of the public to be appointed by the President after consultation with the members of the appropriate congressional committees.

(2) There shall be a Chairman and a Cochairman of the Commission.

(d) POWERS.—In carrying out this section, the Commission may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Subpoenas may be issued over the signature of the Chairman of the Commission or any member designated by him, and may be served by any person designated by the Chairman or such member. The Chairman of the Commission, or any member designated by him, may administer oaths to any witness.

(e) REPORT BY PRESIDENT TO COMMISSION.—In order to assist the Commission in carrying out its duties, the President shall submit to the Commission a copy of the report required by section 481(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2991(e)).

(f) REPORT TO SENATE.—The Commission is authorized and directed to report to the Senate with respect to the matters covered by this section on a periodic basis and to provide information to Members of the Senate as requested. For each fiscal year for which an appropriation is made the Commission shall submit to the Congress a report on its expenditures under such appropriation.

(g) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to the Commission $325,000 for each fiscal year, to remain available until expended, to assist in meeting the expenses of the Commission for the purpose of carrying out the provisions of this section.

(2) For purposes of section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)), the Commission shall be deemed to be a standing committee of the Senate and shall be entitled to the use of funds in accordance with such section.

(h) STAFF.—The Commission may appoint and fix the pay of such staff personnel as it deems desirable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(i) TERMINATION.—The Commission shall cease to exist on September 30, 1987.

And the Senate agree to the same.

DANTE B. FASCELL,
DAN MICA,
PETER H. KOSTMAYER,
LAWRENCE J. SMITH,
TED WEISS,
BUDDY MACKAY,
TOM LANTOS,
BILL BROOMFIELD,
OLYMPIA SNOWE,
BENJAMIN A. GILMAN,
CONNIE MACK,
JOHN MCCAIN,
Managers on the Part of the House.

RICHARD G. LUGAR,
JESSE HELMS,
CHARLES MCC. MATHIAS, JR.,

CLAIBORNE PELL,
J.R. BIDEN, JR.,
For the portion dealing with Iran claims legislation:
DANIEL J. EVANS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the Senate amendment to H.R. 2068, the bill to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the United States Information Agency, the Board for International Broadcasting, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House receded from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill and the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached in the committee of conference, and minor drafting and clarifying changes.

AUTHORIZATION OF APPROPRIATIONS

With respect to the fiscal year 1986 authorization requests for the Department of State, the U.S. Information Agency, and the Board for International Broadcasting, the committee of conference agreed to authorization levels that are below the President's request for approximately $30 million for the State Department, $96 million for the USIA, and $17 million for the Board for International Broadcasting. The entire fiscal year 1986 budget request for this legislation is $130.5 million below the executive branch request.

For fiscal year 1987, the committee of conference agreed to authorization levels only $45 million above the fiscal year 1986 levels. The committee's recommendation amounts substantially to a freeze in the authorization levels for the U.S. Information Agency and the Board for International Broadcasting, and only a 2.5 percent inflation allowance for the Administration of Foreign Affairs in Department of State.

Should the executive branch request a supplemental authorization and appropriation for fiscal year 1986 above the approved levels for any agencies authorized by this legislation, such additional sums shall not be offset by reductions in any of the abovementioned accounts or any other international affairs account. The programs authorized in this legislation are considered by the committee of conference to be vital elements for the conduct of U.S. foreign policy and the promotion of U.S. national security.

The committee of conference notes that the amounts authorized for the Department of State do not include $118,174,000 for each of fiscal years 1986 asnd 1987 which is permanently authorized for the Foreign Service Retirement and Disability Fund. The following table summarizes the action of the committee of conference:

AUTHORIZATION OF APPROPRIATIONS

[By fiscal year; in thousands of dollars]

	1985 current	Executive branch request 1986	House recommendation		Senate recommendation		Conference substitute	
			1986	1987	1986	1987	1986	1987
Department of State:								
Administration of foreign affairs [1]	2,005,588	1,844,202	1,852,025	1,910,313	1,756,613	1,756,613	1,828,088	1,873,790
International organizations and conferences	544,888	553,574	543,574	570,168	534,074	534,074	534,074	534,074
International commissions [2]	26,785	26,278	26,278	25,824	26,278	25,278	26,278	25,824
Science and technology		4,000	4,000	4,000	2,000	2,000	2,000	2,000
Asia Foundation	9,800	9,785	10,000	10,000	10,500	10,500	10,500	10,500
Soviet-East European research	4,800	5,000	5,000	5,000	4,800	4,800	4,800	5,000
Refugee assistance	338,000	337,680	351,780	351,780	337,680	337,680	344,730	344,730
Subtotal	2,929,661	2,780,519	2,827,685	2,671,945	2,671,945	2,506,440	2,752,896	2,795,918
USIA	796,356	973,639	[illegible]	[illegible]	837,623	844,623	887,900	887,900
BIB	111,251	142,125	122,325	127,707	137,717	137,517	125,000	125,000
Total	3,837,268	3,896,283	3,917,658	3,647,285	3,654,079	3,488,580	3,765,796	3,808,818

[1] The House and Senate figures listed for Administration of Foreign Affairs do not include $118,174,000 which is permanently authorized for the Foreign Service Retirement and Disability Fund.

[2] Pending supplementals (H.R. 2568) include $2 million for Salmon Fisheries Commission and $1 million for the Fisherman's Protective Fund. In addition, the higher appropriations amount for this account contains $2.275 million for the Nogales Sewage Project, a one-time appropriation for construction, through the United States-Mexico Water Boundary Commission.

A summary of actions taken by the committee of conference on issues that were in disagreement follows:

PERMANENT AUTHORIZATION OF APPROPRIATIONS

The House bill provides permanent authority to the Department of State for appropriations for mandatory payments to the Foreign Service Retirement and Disability Fund and requires notification to the authorizing committees pursuant to such requests.

The Senate amendment earmarks $118,174,000 for each of fiscal years 1986 and 1987 for the Foreign Service Retirement and Disability Fund.

The conference substitute is identical to the House provision.

U.N. PEACEKEEPING FORCES

The House bill repeals the permament authorization for contributions to U.N. peacekeeping forces.

The Senate amendment earmarks $47,400,000 for each of the fiscal years 1986 and 1987 for U.S. payments to the U.N. peacekeeping forces in the Middle East.

The conference substitute is identical to the House provision. Funds for this purpose have been provided under the administration of foreign affairs account.

U.S. NATIONAL COMMISSION TO UNESCO

The House bill earmarks $250,000 from the administration of foreign affairs account for each of the fiscal years 1986 and 1987 to enable the U.S. National Commission on Educational, Scientific, and Cultural Cooperation to maintain a liaison between the U.S. Government, the U.S. private sector and UNESCO. This funding would enable the United States, even though it is not a member of UNESCO, to maintain an informal linkage with the organization, and enable the U.S. educational, scientific, and cultural communities to support a base for any future U.S.-UNESCO relationship.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House bill.

WORLD COMMISSION ON ENVIRONMENTAL AND DEVELOPMENT

The Senate amendment earmarks $750,000 for each of the fiscal years 1986 and 1987 for the World Commission on Environment and Development.

The House bill contains no comparable provision.

The conference substitute is identical to the Senate amendment.

The managers believe that the World Commission on Environment and Development holds the potential to make a meaningful contribution to resolving environment and development problems. Strong U.S. leadership may be necessary to ensure that the Commission fulfills its mandate and addresses the most important and relevant issues. Administration witnesses have testified that U.S. leadership and financial support have been vital to the success of the United Nations Environment Program. It is not unreasonable to assume that a similar strategy could succeed at the Commission.

USE OF REFUGEE ASSISTANCE FUNDS

The House and Senate bills earmark funds for certain groups of refugees as follows:

[By fiscal year; in thousands of dollars]

	1986	1987
Refugees in Israel	12,500	15,000
African refugees	16,000	16,000
Antipiracy	2,500	1,750
ICRC	4,500	4,500

The House amendment earmarked $25 million for fiscal years 1986 and 1987 for the resettlement of Soviet, Eastern European, African, and other refugees in Israel in recognition of the particular needs of the Ethiopian Jews for health care, skills, and language training before they can become self-sufficient.

The Senate amendment contained a similar earmark.

The conference substitute retained an earmark for refugees resettling in Israel, but reduced it to $12.5 million in fiscal year 1986 and $25 million in fiscal year 1987. The reduced earmark for fiscal year 1986 takes into account the action of the Congress in the 1985 Supplemental Appropriation Act providing an increase of $12.5 million for this purpose.

AFRICAN REFUGEES

The House amendment earmarked $61 million in fiscal years 1986 and 1987 for African refugee assistance.

The Senate amendment contained no similar provision.

The conference substitute provides an earmark of $56 million in fiscal year 1986 and fiscal year 1987. This increase of $5 million over the funds requested by the executive branch is provided in recognition of the grave needs of the almost 4 million refugees in Africa for improved water supply, shelter, health and educational services, and other humanitarian assistance.

PIRACY IN THE GULF OF THAILAND

The House bill earmarked $2.5 million for fiscal year 1986 and $1.75 million for 1987 to combat piracy in the Gulf of Thailand.

The Senate amendment contained no comparable provision.

The conference substitute is similar to the House bill. The managers intend that the funds should be used: To suppress and deter effectively the attacks on refugees fleeing from Indochina by boat; to provide assistance to pirate victims; to promote the rescue of refugees in distress at sea in Southeast Asia; and to strengthen protection measures for Indochinese boat refugees. Programs for enhanced medical/counseling services, increased enforcement on land, and expansion of rescue at sea are especially deserving of support at a multilateral, bilateral, nongovernmental level.

INTERNATIONAL COMMITTEE OF THE RED CROSS

The Senate amendment earmarks $4.5 million in fiscal year 1986 and fiscal year 1987 for the regular budget of the ICRC and states U.S. policy to contribute to the ICRC, in any financial year, an amount not less than 20 percent of the regular budget of the ICRC and to support generously the special appeals made by the ICRC.

The House had no similar provision.

The conference substitute is identical to the Senate provision.

Enhanced Reception and Placement Services

The House limited to $2 million the amount of funds which may be used by the Department of State for new types of demonstration and pilot programs with enhanced reception and placement services for refugees for periods longer than 30 days.

The Senate had no similar amendment.

The conference substitute is identical to the House provision.

The managers intend that any enhanced domestic resettlement services, except for these pilot programs, should be covered by a separate authorization for appropriations, rather than from the funds authorized in this act.

Security Related Activities

The Senate amendment earmarks not less than $311 million for fiscal year 1986 out of the Department of State's administration of foreign affairs account for capital projects and improvements and the salaries and expenses associated with security-related personnel.

The House bill contains no comparable provision.

The Conference substitute is identical to the Senate amendment.

The U.N. High Commissioner for Refugees Audit

The House bill prohibits U.S. funding of the U.N. High Commissioner for Refugees unless the United Nations provides for quarterly audits of the UNHCR by the U.N. Joint Inspection Unit, and until such audits are made available for inspection by the Comptroller General of the United States. It also provides that the Comptroller General shall inspect and report to the Congress on each audit.

The Senate amendment contains no comparable provision.

The conference substitute amends the Migration and Refugee Assistance Act to direct that no funds may be paid to the U.N. High Commissioner for Refugees unless, by September 1, 1987, the High Commissioner provides for annual program audits of the UNHCR by an independent consultant, and such audits are made available to the Department of State and the General Accounting Office, it also provides that the Comptroller General of the United States shall inspect each audit and submit a report to the Congress. The first audit shall begin not later than September 1, 1987. The managers intend that "independent consultant" means an internationally recognized public accountancy firm which is independent of the United Nations.

UNHCR Procurement Study

The House bill directs the Comptroller General of the United States to study the origin of goods acquired with funds contributed by the United States to the U.N. High Commissioner for Refugees. This section also requires that the Comptroller General report the findings to the Congress.

The Senate amendment contained no comparable provision.

The conference substitute contains no provision on this issue.

Authorized Uses of Appropriated Funds

The Senate amendment conforms sections of the Basic Authorities Act removing the requirement that specific reference be made in an appropriation act to authorize certain activities.

The House bill substitute is similar to the Senate amendment and provides that the Secretary may use appropriated funds for these purposes.

Assistant Secretary Positions at the Department of State

The House bill creates a new position for an Assistant Secretary of State. It also places the Director General of the Foreign Service and the Inspector General of the Department of State under the executive level IV salary level, subject to appropriations action.

The Senate amendment increases the number of Assistant Secretaries at the Department of State from 13 to 14, but does not address the salary issue for the Inspector General or the Director General.

The conference substitute is similar to the Senate amendment. The effect of the amendment is to enable the Department of State to designate two new Assistant Secretaries of State for Intelligence and Research and for Politico-Military Affairs, respectively. It also replaces the position of Director of the Bureau of Intelligence and Research with the position of an Assistant Secretary of State.

Under Secretary of State for Agricultural Affairs

The Senate amendment creates a new Under Secretary for Agricultural Affairs in the Department of State.

The House bill contains no comparable provision.

The conference substitute redesignates the current Under Secretary for Economic Affairs as Under Secretary for Economic and Agricultural Affairs.

Detail to Other Agencies

The House bill repeals existing legislation dealing with reimbursement for detailed State Department personnel, to allow the Secretary of State to detail individuals to other agencies for periods longer than 1 year without requiring reimbursement by other agencies.

The Senate amendment amends existing legislation to allow an exemption to the 1-year-reimbursable limitation. The number of employees exceeding that limit cannot be greater than 15 or their term of assignment exceed 2 years.

The conference substitute is identical to the Senate amendment.

Services Relating to Migration and Refugee Assistance

The House bill authorizes the Bureau for Refugee Programs to contract for personal services abroad and provides that certain individuals employed under such contracts would not be considered employees of the United States.

The Senate amendment provides that certain individuals employed by contract for overseas services shall not be considered employees of the U.S. Government, except relating to compensation for work injuries, and for claims under section 2(f) of the State Department Basic Authorities Act.

The conference substitute authorizes the Bureau to contract for personal services abroad, provides that such individuals would not become U.S. employees for purposes of any law administered by the Office of Personnel Management, and provides authority for the Secretary of State to apply overseas claims settlement and other authorities administered by the State Department to such persons. It is intended that other authorities would include the provision of benefits such as might be available under pending hostage relief legislation.

It is the managers intent that this section should not be interpreted as an entitlement.

Individuals Employed Abroad Deemed to be Employees of the United States for Certain Purposes

The Senate amendment provides that certain individuals who perform personal services contracts abroad under existing authority would not be deemed employees of the U.S. Government except for the purposes of the Federal Employees Compensation Act and the Secretary's authority to administratively settle tort claims abroad.

The House bill contains no comparable provision.

The conference substitute is identical in substance to the position stated in the substitute above regarding personal services contracting for migration and refugee assistance.

Performance Pay

The House bill amends the Foreign Service Act to: (a) Eliminate the current 50 percent limit on the number of Senior Foreign Service members eligible to receive performance pay and establish a maximum payment

pool; (b) establish a minimum individual award of 5 percent of basic pay; and (c) provides that performance pay which is not payable within a fiscal year due to the pay cap may be paid in the next fiscal year. These provisions would conform Foreign Service provisions to those in Civil Service law.

The Senate amendment contained no comparable provision.

The conference substitute contains no provision on this issue.

Senior Foreign Service Members

The Senate amendment would allow the appointment of a Director General from outside the ranks of the Senior Foreign Service. This section also provides that the Chair of the Board of the Foreign Service shall be appointed by the President. Neither the Board members nor the chair need to be Senior Foreign Service members. This provision also excludes members of the Senior Foreign Service from the employee's bargaining unit.

The House bill contains no comparable provision.

The conference substitute provides that the Chair of the Board of the Foreign Service shall be appointed by the President.

Foreign Service Associates

The Senate amendment expresses the sense of the Congress that the Secretary of State should conduct a pilot project designed to increase the employment of spouses of U.S. personnel at a U.S. mission and report to the Congress on the design of such project by February 1, 1986.

The House bill contains no comparable provision.

The conference substitute is identical to the Senate language with an amendment stating that the pilot project would be conducted in accordance with section 311(b) of the Foreign Service Act of 1980. It would also require that the Secretary's report to the Congress would include an evaluation of the effects of the pilot program on the full-time career positions in the Foreign Service and on overseas positions for Foreign Service nationals.

The managers are concerned that such a pilot program, or any similar permanent employment program, should not be used to fill full-time Foreign Service career positions, nor should it detract from positions filled by Foreign Service national employees who provide continuity and special expertise for U.S. missions overseas.

Lateral Entry Into the Foreign Service for Businessmen and Farmers

The Senate amendment directs the Department of State to conduct a study on the feasibility and desirability of creating a temporary lateral entry program for farmers and businessmen and other occupations and requires a report to Congress on the results of the study 180 days after enactment.

The House bill contains no comparable provision.

The conference substitute directs the Secretary of State to conduct a study on the feasibility of creating a program of lateral entry into the service of U.S. businessmen, farmers, and other occupations. It also requires the Secretary to report the results of such a study to the Congress within 180 days after the date of enactment of this act.

Health Care Benefits

The Senate amendment makes the Department of State the primary insurer of Foreign Service personnel abroad and the Foreign Service Benefit Plan the secondary insurer. It will allow the Foreign Service Benefit Plan to offer a low-priced, low-option health insurance plan to supplement the benefits provided by the Foreign Service Act.

The House bill contained no comparable provision.

The conference substitute is identical to the Senate amendment.

Foreign Service Institute

The House bill provides for a new Foreign Service Institute Facility and contains House Public Works Committee amendments which authorize the Government Services Administration (GSA), (with funds transferred by State, not exceeding $11 million in fiscal year 1986 and 1987) to conduct feasibility studies and acquire a site within proximity of the State Department but outside the District of Columbia. Funds transferred to GSA for construction are limited to $50 million, after fiscal year 1987, which may not be expended until after a congressional notice period, which excludes recess periods. The House bill also places custody and control of the facility in GSA, unless delegated, but requires State to pay GSA only for services performed by GSA.

The Senate amendment amends the Foreign Service Act of 1980 to authorize the Department of State to acquire a site and construct a training facility, in consultation with GSA. Preparation of plans and site acquisition is limited to $11 million in fiscal years 1986 and 1987, subject to a 30-day congressional notice period, but no authorization is included for construction funding.

At the request of the State Department, section 126 has been amended to provide that the Administrator of the General Services Administration shall delegate responsibility for the operation, maintenance, security, alteration, and repair of the facility to the Secretary of the State Department. Jurisdiction and custody of the site and facility, however, will remain with the General Services Administration. The Secretary of State, under the delegation, shall be responsible for complying with all applicable statutory requirements of the Federal Property and Administrative Services Act of 1949 and the Public Buildings Act of 1959. Matters relating to alterations, repairs, renovations, or construction on or to the site or to any existing or future buildings on the site shall be referred by the State Department in the House of Representatives for appropriate action to the House Committee on Public Works and Transportation and the Committee on Foreign Affairs.

International Center

The House bill provides authority, as amended by the House Public Works Committee, for the Department of State, in consultation with GSA, to provide for a security and maintenance facility within the Federal Diplomatic Center site, and provides for notice to Congress on construction progress.

The Senate amendment provides authority for the Department of State to request GSA to develop a security and maintenance facility within the Federal Diplomatic Center site.

The conference substitute is identical to the House provision.

Special Agents

The House bill provides authority for Department of State security agents to carry firearms and make arrests in the course of discharging their duties.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House bill.

Protection of Foreign Missions

The House bill provides permanent authority for protection of foreign missions, and removes in the fourth quarter of each year the limitations on the level of assistance for individual States, allowing application of funds to areas of actual need. The bill also contains amendments to title 3, United States Code, which contains separate authority primarily for protection of U.N. missions.

The Senate amendment provides permanent authority for protection of foreign missions.

The conference substitute is identical to the House provision.

The managers understand that funds authorized under title 3 of the United States Code for purposes of such protection (3 U.S.C. 208) are authorized to be applied to any locality qualifying under that section for purposes of special international organization activities approved by the Secretary of State, and which are notified to the Congress prior to such approval.

It is also the understanding of the managers that, while the provision of protective services, and the level of such services to missions to international organizations qualifying under title 3, section 202 of the United States Code is set by the level of funds made available under that section, provisions of the Foreign Missions Act of 1982 may otherwise be applied for such protective services, such as section 208(b) relating to liability and section 211(a) relating to the capacity of the Attorney General to seek judicial relief.

Furthermore, the authority contained in subsection (b) relating to contracts for protective services is intended to be available for both private and public agencies providing such services.

Protection of U.S. Interests under the Foreign Missions Act

The House bill redefines foreign missions in order to include officials acting for a foreign government, but who are not now covered under existing law.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House bill.

Peaceful Resolution of International Disputes

The House bill replaces existing authority, now included in annual appropriation acts, with permanent authorization to pay expenses of arbitrations under treaties and international agreements and contracts.

The Senate amendment provides similar authority to that contained in the House version.

The conference substitute is identical to the House bill.

Consular and Passport Facilities and Services

The House bill directs the Secretary of State to conduct a study and submit a report to the Congress on: The extent to which U.S. consular facilities promote trade and tourism, protect U.S. citizens abroad, or protect the national interest; whether consular services are able to respond to demand; and whether consular user fees should be returned to the Department to improve passport and consular facilities.

The Senate amendment contains no comparable provision.

The conference substitute contains no provision on this issue.

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Excess Government-Owned Property

The Senate amendment clarifies the authority of the Department of State to transfer excess property to countries for environmental purposes.

The House bill contains no comparable provision.

The conference substitute is identical to the Senate amendment.

Trade Promotion by U.S. Missions Abroad

The House bill expresses the sense of the Congress that it is in the U.S. national interest that each U.S. mission abroad provide such support as may be necessary to U.S. citizens seeking to do business in that country.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House provision.

Information Sharing Concerning Drug Traffickers

The House bill directs the Department of State to cooperate with U.S. law enforcement agencies in establishing a comprehensive information system on all drug arrests of foreign nationals in the United States. It further requires the Secretary of State and the Administrator of the Drug Enforcement Administration to agree on uniform guidelines which would permit the sharing of information on foreign drug traffickers, and requires the Secretary of State to report to the Congress within 6 months of the date of enactment on steps taken to implement this section.

The Senate amendment is similar to the House provision except that it designates the National Drug Enforcement Policy Board as the organization which shall create uniform guidelines permitting the sharing of information, and specifies that the Board instead of the Secretary of State shall submit the report required.

The conference substitute is identical to the Senate amendment.

Extradition Treaties

The House bill requires the Secretary of State to increase his efforts to negotiate updated extradition treaties relating to narcotics offenses with each major drug-producing country, particularly those in Latin America.

The Senate amendment contains no comparable provision. However, a similar provision was included in the Senate version of the foreign assistance authorization bill.

The conference substitute is the same as the House bill, with an amendment requiring the assistance of the Drug Enforcement Policy Board in negotiating new extradition treaties.

Travel Advisory on Mexico

The House bill deplores the brutal murder of Drug Enforcement Administration agent Enrique Camarena and the abduction and murder of numerous other Americans, and finds that the violence perpetrated by drug traffickers in Mexico constitutes a danger to the safety of U.S. citizens. It further establishes a travel advisory on the State of Jalisco, Mexico, until those responsible for the abduction and murder of specified U.S. citizens are brought to trial and a verdict has been obtained.

The Senate amendment condemns the murder of agent Camarena, deplores the disappearance of Americans in Mexico, and commends the Government of Mexico for recent antinarcotics efforts. It also requires the Secretary of State to report to the Congress every 90 days on progress made on investigations of murdered and missing U.S. citizens and general tourist safety.

The conference substitute is the same as the House bill, with an amendment which recommends rather than directs the Secretary to issue a travel advisory, and which retains the Senate's 90-day reporting requirement. It is the intent of the managers that the reports continue through fiscal year 1987 or until such time as there has been an arrest and convictions of persons responsible for the murder of U.S. citizens in the State of Jalisco.

Ambassador Gavin

The House bill commends U.S. Ambassador to Mexico John Gavin for ensuring investigation and prosecution of the murderers of Enrique Camerena and his advocacy of strong drug enforcement programs.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House bill.

Coordinating Committee on Export Controls

The House bill states that only State Department funds and personnel may be used with respect to CoCom facilities and places restrictions on the number of officials permanently assigned to the U.S. delegation.

The Senate amendment contains no comparable provision.

The conference substitute contains no provision on this issue.

Employees of International Organizations in the United States

The Senate amendment authorizes the regulations of the travel and other activities of all UN Secretariat employees outside the U.N. headquarters district.

The House bill contains no comparable provision.

The conference substitute is similar to the Senate language and also provides for a Presidential waiver in cases where national security and foreign policy circumstances require nonapplication of the section.

The managers note that the U.S. obligation to assure the "international character" of the UN Secretariat does not create rights of travel or otherwise within the United States outside of the headquarters district, except for purposes of entry into and exit from the country; thus there is no inconsistency with U.S. treaty obligations.

Nothing in subsection (b) affects the ability of the United States to accord to the United Nations itself the right to transfer funds, control its assets or perform such other functions as are assured by international agreement. The managers note that the term "activities" in subsection (b) is intended to cover any activity, including but not limited to matters covered by section 202 of the Federal Missions Act. The managers also clearly expect that the exceptions authority made available under this subsection to the President will not be used except in compelling circumstances and on a limited basis. Finally, the term "national" in subsection (e) is intended to cover both citizens and permanent residents of the United States, as well as any person entitled to rights as a national.

Inter-American Cooperation in Space

The House bill directs the Secretary to conduct a study regarding the feasibility of establishing a major initiative in inter-American cooperation in space, science, and technology. It also requires a report to the Congress on the findings of such a study.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House bill.

Residence of Secretary of State

The House bill prohibits the United States from accepting as a gift an official residence for the Secretary of State or any other official of the Department of State until the Congress authorizes such an acceptance. It also directs the Secretary to study any offer of a gift and report to the appropriate committees of the Congress.

The Senate amendment contains no comparable provision.

The conference substitute limits the provision to property considered for a Secretary of State's residence and requires prior notification to the Congress, together with a cost-benefit study prior to acceptance of any gift.

U.S. Institute of Peace

The House bill expresses the sense of the Congress that nominations to the Board of Directors for the U.S. Institute of Peace should be submitted to the Senate on a timely basis.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House bill.

Relating to U.S. Contributions to the United Nations

The Senate amendment provides that the United States will reduce its annual assessed contribution to the United Nations or its specialized agencies by 8.34 percent for each month in which the United States suspends its participation due to the fact that Israel has been illegally expelled, suspended, or denied its credentials in the General Assembly or any specialized agency of the United Nations.

The House bill contains no comparable provision.

The conference substitute is identical to the Senate amendment. The managers note that this provision does not apply to the programs of the International Atomic Energy Agency that provide for safeguards at nuclear facilities.

UN Organizations Reform in Budget Procedures

The Senate amendment states that the United States may contribute no more than 20 percent of the annual budget of the United Nations unless the Secretary of State certifies that: (1) The organization has adopted a procedure for weighted voting on budgetary matters; and (2) the organization has adopted a plan to reduce salaries and pensions of its employees. This section also provides that if UNICEF does not comply with the amendment, any money for UNICEF in excess of 20 percent shall remain available to the President for grants to private voluntary organizations.

The House bill contains no comparable provision.

The conference substitute states Congress' finding that the United Nations and its specialized agencies financed through assessed contributions have not paid sufficient attention to member governments in formulating their budgets. The substitute directs the Secretary of State to seek adoption by the United Nations and its specialized agencies of voting rights procedures on budgetary matters which would give each member state voting rights proportionate to each State's contribution to the United Nations and its specialized agencies. The conference substitute requires that no payment in excess of 20 percent of the annual budget of

the United Nations and its specialized agencies be made for fiscal year 1987 or following years unless the United Nations and its specialized agencies adopt weighed voting on budgetary matters.

It is the intention of the managers that this substitute promote meaningful reform in budget procedures at the United Nations and its specialized agencies and not be used simply as a way to reduce the U.S. assessed contribution to the United Nations or its specialized agencies. For this reason the managers' intention is to provide sufficient authorization in this legislation for the United States to meet its full obligations to the United Nations in calendar years 1986 and 1987. In restricting payments for fiscal year 1987 the managers intend that the minimum amount to be paid by the United States would be 20 percent of the assessed contribution and that the authorization for funds in excess of 20 percent will remain available to permit payment of a higher assessed contribution should the intended reforms be achieved in the U.N. fiscal year for which the funds are provided. To the extent that rapid and meaningful progress toward reform in budgetary voting rights is accomplished, the managers intend that the United States fulfill its obligations to the United Nations.

It is the intent of the managers that this section not reduce U.S. contributions to international organizations serving the nations of the Western Hemisphere, especially the Pan American Health Organization (PAHO). To the extent that PAHO might be indirectly and adversely affected by this provisions, the conferees would expect the United States to increase its direct contribution to the organization.

The managers are concerned about the apparently high level of salaries paid to employees of the United Nations. The managers request that the Secretary of State conduct a study of U.N. salaries and pensions and the extent to which they exceed salaries paid to employees within the civil service of the United States. The study, along with the Secretary's recommendations for how best to achieve any needed reforms should be submitted as a report to the Committee on Foreign Relations and the Committee on Foreign Affairs by October 1, 1986.

Prohibition of Payments to the United Nations or Specialized Agencies or Organizations

The Senate amendment states that U.S. contributions to the United Nations may not be used to support: (1) The Committee on Elimination of Racial Discriminaiton; (2) any agency whose purpose is to implement the provisions of General Assembly Resolution 33/79; or (3) the General Assembly-approved $73,500,000 conference center to be constructed in Addis Ababa.

The House bill contains no comparable provision.

The conference substitute is indentical to the Senate amendment; however, it substitutes the "Second Decade to Combat Racism and Racial Discrimination" for the "Committee on Elimination of Racial Discrimination."

Restrictions on U.N. Funding for the Palestine Liberation Organization and the South West Africa People's Organization

The Senate amendment prohibits U.S. contributions to the United Nation to be used to support the Committee on the exercise for the Inalienable Rights of the Palestinian People or the South West Africa People's Organization.

The House bill contains no comparable provision.

The conference substitute is identical to the House provision, and leaves in place current restrictions in the law.

International Jute Organization

The Senate amendment authorizes the President to maintain membership in the International Jute Organization.

The House bill contains no comparable provision.

The conference substitute is identical to the Senate amendment.

U.S. Embassy in South Africa and Compliance with Sullivan Principles

The House bill requires compliance with the Sullivan principles by the U.S. Embassy in South Africa.

The Senate amendment contains no comparable provision.

The conference substitute contains no provision on this issue.

Soviet and Communist Disinformation and Press Manipulation

The House bill establishes a commission in the Department of State to investigate the extent of Soviet and Communist disinformation and press manipulation with respect to the United States. The Commission will report to the President and recommend the advisability of establishing within the State Department a permanent Office of Soviet and Communist Disinformation and Press Manipulation.

The Senate amendment contains no comparable provision.

The conference substitute directs the Secretary of State, in consultation with relevant Federal agencies, to submit to the Congress an unclassified report on Soviet and Communist disinformation and press manipulation with respect to the United States. This study, to be submitted 1 year after the enactment of this act, would include a recommendation on the advisability of establishing a permanent office in the Department to deal with this issue. In conducting the study, the Secretary may make use of suitably qualified scholars and journalists.

Soviet and International Communist Behavior

The House bill establishes a commission within the Department of State to investigate the nature of Leninism and the degree to which Leninism supports international terrorism and guerrila warfare. The Commission will report to the President and recommend the advisability of establishing a permanent office to study international Communist behavior.

The Senate amendment contains no comparable provision.

The conference substitute mandates a State Department study to be submitted to the Congress and report on the advisability of establishing an office in the Department to study Soviet and international Communist behavior that violates the concepts of national sovereignty and peace between nations. In conducting this study, the Secretary may make use of suitably qualified journalists and scholars. The study is to be submitted to the Congress within 1 year of enactment of this legislation.

Soviet Nationals Employed at U.S. Missions in the Soviet Union

The House bill prohibits the employment of Soviet nationals at U.S. diplomatic or consular missions in the Soviet Union after September 30, 1986, and expresses congressional willingness to provide funding to replace Soviet citizens at these posts.

The Senate amendment contains no comparable provision.

The conference substitute states that, to the maximum extent practicable, Soviet citizens shall not be employed at U.S. diplomatic or consular missions in the Soviet Union after September 30, 1986.

U.S.-U.S.S.R. Diplomatic Equivalence

The Senate amendment establishes U.S. policy that the number of Soviet nationals serving in that country's diplomatic mission to the United States shall not exceed the number of U.N. nationals admitted to the U.S.S.R. who serve as diplomatic or consular personnel.

The House bill contains no comparable provision.

The conference substitute states that the number of Soviet nationals admitted to the United States should be substantially equivalent to diplomatic or consular personnel to U.S. diplomatic missions unless the President determines that such admission is in the best interest of the United States. The substitute also includes a reporting requirement which sets forth a plan to achieve this goal.

This provision makes it the policy of the United States that the number of nationals of the Soviet Union serving as diplomatic or consular personnel in the United States shall not substantially exceed the equivalent number of U.S. nationals serving at corresponding posts in the Soviet Union. Substantial equivalence shall be understood as a difference of no more than plus or minus 5 percent. The intent of this provision is that the Soviet Union shall not be permitted to continue to enjoy a numerical superiority in its diplomatic or consular personnel in the United States.

The Department of State has expressed concern that a requirement for strict numerical equivalence could be difficult to administer because the numbers of United States and Soviet diplomatic and consular personnel serving in the respective countries vary due to a variety of factors. The introduction of the term "substantially" recognizes this. This Secretary of State will report annually to the Foreign Relations and Intelligence Committees of the Senate and the Foreign Affairs and Intelligence Committees of the House on implementation of the policy of equivalence in diplomatic and consular representation called for in section 603 of this act. The conferees expect these committees to exercise continuing oversight of the State Department's attainment of the policy established in title VI.

The managers note that this section does not include Soviet personnel admitted for the Soviet mission to the United Nations, but does include all other missions covered by the Foreign Missions Act.

Intelsat

The House bill states that: (a) Prior to consultation with Intelsat for purposes of coordination, the Secretary of State shall ensure that proposed separate international satellite telecommunications systems comply with the executive branch conditions established pursuant to Presidential determination No. 85-2; (b) separately, the Secretaries of State and commerce and Comsat shall consult with respect to the appropriate scope and character of a modification to the Intelsat agreement allowing Intelsat to establish cost-based rates for individual routes, as exceptional needs warrant, and pursuant to that consultation, the United States shall support an appropriate amendment to the Intelsat Agreement; (c) in the event that both Intelsat fails to coordinate with such systems, and the President determines to pursue the establishment of such systems, the Secretary shall submit to Congress, 60 days prior to notifying the FCC that U.S. obligations to Intelsat have been met, a report setting forth the foreign policy measures for the President's decision and a plan for minimizing any negative effects on Intelsat and on U.S. foreign policy interests.

The Senate amendment has no comparable provision.

The conference substitute is similar to the House bill with an amendment which directs the Secretary of State, in the event Intelsat is authorized to establish cost-based rates for individual traffic routes, to instruct the U.S. signatory to Intelsat (Comsat) to ensure that Intelsat provide all documentation necessary to verify that individual route rates established by Intelsat are in fact cost based. In addition, the conference substitute directs that such documentation shall be made available to interested parties to the maximum extent possible and on a timely basis.

The Congress anticipates that the President will review Presidential determination No. 85-2 from time to time, to ensure that its terms and conditions are adequate to protect the global network of Intelsat, and otherwise to ensure an efficient and responsive international telecommunications system, as well as to serve other relevant U.S. interests. The President will report to Congress on any changes he finds may be necessary.

In providing for the dissemination of information under section (c)(2)(b) the managers expect the executive branch to adopt suitable procedures such as, but not necessarily identical to, those contained in the memorandum of understanding entered into by the Departments of State and Commerce, the Federal Communications Commission and Comsat on September 24, 1984.

The managers note that this bill is not intended to impede in any way development or launch of any satellite system which will primarily provide domestic or transborder services. Furthermore, this bill shall not impede in any way the operation of the domestic or transborder aspects of such a satellite system. The international aspect of such a satellite system shall not be operational until the Secretary of State has certified that the obligations of the United States under article XIV(d) of the Intelsat Agreement have been completed with respect to the international aspects.

Emergency Telephone Service at U.S. Consular Offices

The House bill expresses the sense of the Congress that the Secretary of State should ensure 24-hour emergency telephone service at all U.S. consular offices.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House bill.

Murder of Maj. Arthur D. Nicholson, Jr.

The House bill expresses the sense of the Congress that the Soviet Union's chief of mission to the United States be declared persona non grata until the Soviet Union has apologized for the murder of Major Nicholson.

The Senate amendment contains no comparable provision.

The conference substitute declares the sense of the Congress that the United States should declare persona non grata one or more senior defense attachés of the Soviet Union's mission to the U.S. unless the President certifies to the Congress within 90 days of enactment of this act that the Soviet Union has made a formal apology for the murder of Maj. Arthur Nicholson, Jr., and that the Soviet Union has provided assurances that it will adhere to agreements concerning the status and safety of military and civilian missions of Western nations in the German Democratic Republic.

Press Freedom

The House bill directs U.S. chiefs of diplomatic missions to promote respect for freedom of the press where it is deemed not to exist.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House bill.

Inspector General

The Senate amendment mandates an independent Inspector General at the Department of State and the U.S. Information Agency by June 30, 1986.

The House bill contains no comparable provision.

The conference substitute establishes an independent Inspector General at the Department of State under the authority of the Inspector General Act of 1978.

USIA Authorization of Appropriations

The House and Senate bills authorize funds for the U.S. Information Agency as follows:

USIA EARMARKS

[By fiscal year; in thousands of dollars]

	[illegible]	1987
Fulbright and international visitors	128,899	141,996
Humphrey	4,891	5,479
Latin America	45,400	45,100
VOA modernization	136,594	136,594
Radio broadcasting to Cuba	11,500	11,700
Book program	7,500	7,500
Pan American Games	1,500	1,500
International Games	3,000	
Total earmarks	[illegible]	[illegible]

The House bill authorizes $922,286,000 for fiscal year 1986 and $962,866,000 for the fiscal year 1987 for the U.S. Information Agency to carry out international information, educational, cultural, and exchange programs under the U.S. Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan No. 2 of 1977, and for other purposes.

The Senate amendment authorizes $837,623,000 for fiscal year 1986 and $844,623,000 for fiscal year 1987 to carry out international information, educational, cultural, and exchange programs under the U.S. Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan No. 2 of 1977, the Radio Broadcasting to Cuba Act, and other purposes. Of these funds, not less than $11.5 million in fiscal year 1986 and $11.7 million in fiscal year 1987 are authorized to implement the Radio Broadcasting to Cuba Act. This section also authorizes such amounts to remain available until expended.

The conference substitute authorizes $887.9 million in each of fiscal years 1986 and 1987 for the U.S. Information Agency and retains the Senate earmarking for Radio Broadcasting to Cuba in both years.

Modernization of Voice of America

The House bill earmarks $136,594,000 for fiscal year 1986 and $142,604,000 for fiscal year 1987 for modernization of the facilities and operations of the Voice of America. These funds will remain available until expended.

The Senate amendment contains no comparable provision.

The conference substitute retains the modernization earmark at $136,594,000 for each of fiscal years 1986 and 1987.

Funds for Educational and Cultural Exchanges

The Senate amendment provides $179,190,000 in fiscal year 1986 and $192,575,000 in fiscal year 1987 for certain educational and cultural exchange activities of the U.S. Information Agency earmarked as follows: (a) $128,899,000 for fiscal year 1986 and $141,996,000 for fiscal year 1987 for grants for the Fulbright Academic Exchange Programs and the International Visitor Program; (b) $4,891,500 for fiscal year 1986 and $5,479,000 for fiscal year 1987 for grants for the Humphrey Fellowship Program; and (c) $45,400,000 for fiscal year 1986 and $45,100,000 for fiscal year 1987 for grants and exchanges to Latin America and the Caribbean, to be obligated in a manner consistent with the recommendations of the National Bipartisan Commission on Central America.

The House bill contains no comparable provision.

The conference substitute executive branch's is identical to the Senate provision. The earmarked funds for the Fulbright, Humphrey, and International Visitor Programs in fiscal years 1986 and 1987 should be considered only as minimum, or floor, levels for these programs. The conference committee commends the executive branch's proposal to fund these exchanges in fiscal year 1986 at the levels required by section 305(c) of Public Law 970-241 (the Pell amendment). The earmarking of lower amounts in fiscal year 1986 should not preclude the executive branch's from meeting the requirement of the Pell amendment and the conference committee urges the executive branch's to meet this statutory requirement.

The managers urge USIA to fund fully, as in the congressional presentational document, the other exchange programs, including the private sector program, the Eisenhower Fellows, and the Congress Bundestag Exchange.

USIA Book Program

The House bill provides that USIA funding for its worldwide book program should be increased by an amount not less than the amount requested by the USIA from the Congress for increases in TV Worldnet.

The Senate amendment earmarks not less than $2,700,000 in addition to fiscal year 1985 allocations for the worldwide book program initiative.

The conference substitute earmarks not less than $7.5 million for fiscal years 1986 and 1987 for the worldwide book program initiative.

Funds for Exchange Activities Associated with the 1987 Pan American Games

The Senate amendment authorizes not less than $1.5 million for each of fiscal years 1986 and 1987 for the Indiana Sports Corporation for exchange of persons and other exchange-related activities associated with

the 1987 Pan American Games to be held in Indianapolis, IN.

The House bill contains no comparable provision.

The conference substitute is identical to the Senate provision.

Supplemental Authorization for International Games

The Senate amendment earmarks $3 million in fiscal year 1986 for expenses associated with the XV World Games for the Deaf, the Fifth National Amputee Championship, and the 1985 National Cerebral Palsy/Les Autres Games.

The House bill contains no comparable provision.

The conference substitute earmarks $3 million for fiscal year 1986 to reimburse expenses associated with the exchange of athletes, coaches, and officials for international games for the handicapped held in the United States. While the specific references to certain games were deleted in the section, the managers intend the funds to be available for international games such as the International Games for the Deaf, National Amputee Championships, National Cerebral Palsy/Les Autres Games, National Championship for the Blind Athletes, the Senior Olympics and the National Handicapped Sports and Recreation Associations participation in such games.

Ban on USIA Domestic Activities

The Senate amendment prohibits use of funds by USIA to influence public opinion in the United States.

The house bill contains no comparable provision.

The conference substitute is identical to the Senate language with an amendment regarding exemptions in current law. It is not intended to affect previously released films.

USIA Private Sector Programs

The Senate amendment prohibits grants to organizations through USIA's private sector programs unless at least 25% of the organization's funds for the proposed grant activity are provided from non-U.S. Government sources.

The House bill contains no comparable provision.

The conference substitute provides that no grant may be made to any organization through the private sector program of the USIA unless costs equal to at least 15 percent in Fiscal Year 1986 and at least 25 percent in Fiscal Year 1987 of grants from USIA for that organization's exchange and exchange-related programs are provided for from non-U.S. Government sources. The substitute provides for an exemption for organizations which have been in existence for less than 1 year. The substitute also provides that no USIA or other Government funds for fiscal year 1986 appropriations shall be used for grants for 1985 International Youth Year activities. For the purpose of determining whether an organization receiving grants from the private sector program of USIA is meeting the standards set forth in this act requiring that costs equal to at least 15 percent in Fiscal Year 1986 and 25 percent in Fiscal Year 1987 of grants from USIA for the organization's overall exchange and exchange-related programs are provided from non-U.S. Government funds, only direct cash contributions, verifiable in-kind expenditures (such as the costs of food, lodging, transportation, cultural events, legal and accounting services, and office equipment) and the reasonable reciprocal costs borne by reciprocal foreign organizations and individuals for transportation, lodging, food, and cultural events directly related to an exchange program carried out in conjunction with the grantee organization's program shall be counted. (For this purpose also, the budgets of local affiliates of national organizations can be counted.)

The conference committee directs USIA to transfer the Operation Crossroads Africa Program from the Office of Private Sector Programs to the Office of International Visitors. The program will be funded from that portion of the $128,899,500 authorized to the Fulbright Academic Exchange Programs and International Visitor Program that is allocated to the International Visitor Program. The funds that are freed by the action for use by the Private Sector Program (an amount which in 1985 would be approximately $1.5 million) are to be apportioned as follows—no less than 80 percent for the core agencies, including the Council for International Programs, involved in traditional exchange programming. The committee believes that the Council on International Programs has been effective in arranging exchanges of persons involved in social services at a low per capita cost to the government. In allocating funds, the conference committee urges USIA to consider CIP's excellent record.

National Endowment for Democracy

SHORT TITLE

The Senate amendment provides a short title, the "National Endowment for Democracy Authorization Act, Fiscal years 1986 and 1987."

The House bill contains no comparable provision.

The conference substitute is the same as the House position.

RESTRICTIONS ON NED ACTIVITIES

The House bill amends the National Endowment for Democracy Act by adding at the end thereof a new section which requires NED to adhere to certain policies as follows: (1) no expenditure of funds to finance campaigns of candidates for public office; (2) NED grantees shall consult with US Chiefs of Mission in foreign countries before funds may be available for projects in those countries; (3) NED funds granted to the American political party institutes shall be used, to the extent feasible, for projects jointly implemented by those institutes.

The Senate amendment contains no comparable provision.

The conference substitute is similar to the House bill, with an amendment adding new language stating that the Endowment shall consult with the Department of State on all Endowment funded programs overseas prior to commencement of program activities; dropping the recommendation relating to joint projects by party institutes; and strengthening the prohibition against NED funds being used for political purposes. It further changes the date of the annual report required to be submitted by NED to the Congress from December 31 to February 1.

PROHIBITION ON NED FUNDING FOR POLITICAL PARTIES

The House bill prohibits grants to political party institutes from being used to finance activities of the Republican National Committee or the Democratic National Committee.

The Senate amendment prohibits NED funds from being used to support the Republican National Committee, the National Republican Institute for International Affairs, the Democratic National Committee, or the National Democratic Institute for International Affairs.

The conference substitute is similar to the House bill, with an amendment strengthening the prohibition against the use of NED funds for partisan politics or any activities directly related to the Republican or Democratic National Committees or candidates for public office.

NED AND PUBLIC ACCESS TO INFORMATION

The House bill further amends the National Endowment for Democracy Act by directing that the Endowment shall make available to the public any information regarding its organization, procedures, requirements, and activities. The Endowment would be authorized to withhold information which is exempted from disclosure under the Freedom of Information Act. In the event that the Endowment made an adverse determination of a request for information, such determination would be reviewed by the General Counsel of the Endowment.

The Senate amendment would prohibit funding to the Endowment until the Endowment fully complies with the provisions of the Freedom of Information Act.

The conference substitute requires that NED fully comply with the provisions of the Freedom of Information Act; requires USIA to facilitate requirements for publication of NED rules and procedures in the Federal Register; and makes USIA responsible for litigation related to the Freedom of Information Act.

The committee of conference notes that for the purpose of obtaining information under FOIA, an individual may request such information from either National Endowment for Democracy or United States Inforamtion Agency.

NED FUNDING

The House bill amends section 503(a) of the National Endowment for Democracy Act to provide that, of the amounts made available to the Endowment, not less than 40% will be for the Free Trade Union Institute; and not less than 20% will be for the Center for International Private Enterprise; and further provides that of the amounts authorized to be appropriated to USIA, not more than $19.3 million for Fiscal Year 1986 and not more than $20.1 million for $19.3 million for Fiscal Year 1987 may be made available to NED. It further provides that the earmarkings shall take effect on October 1, 1985. The House also expressed the sense of the Congress (in H.R. 1555, the Foreign Assistance Authorization bill) that USIA should provide up to $500,000 to NED to finance programs designed to promote democracy and seek to end the apartheid policies in South Africa.

The Senate amendment provides that not less than $17.5 million for each of Fiscal Years 1986 and 1987 shall be available for a grant to the National Endowment for Democracy, of which amount $11 million for each fiscal year will be for the Free Trade Union Institute, and $2.3 million for the Center for International Private Enterprise.

The conference substitute provides not less than $18.4 million for NED for each of Fiscal Years 1986 and 1987 from USIA funds, and deletes all earmarks and ceilings for grantees. The conference substitute also provides that it is the sense of the Congress that USIA should provide up to $500,000 to NED for each of fiscal years 1986 and 1987 (in addition to funds otherwise made available by USIA to NED) for use by NED in providing financing for programs that are designed to promote democracy and that seek to end the apartheid policies in South Africa.

USIA Audits of NED

Both the House bill and the Senate amendment amend section 504 of the National Endowment for Democracy Act by inserting a new paragraph (g) which provides that the financial transactions of the Endowment for each fiscal year may be audited by USIA. The committee of conference notes that this audit authority is not intended to impose grant conditions on NED which affect the status of NED as a private nonprofit corporation, such as obtaining prior approval from USIA for activities necessary to further the purposes of the National Endowment for Democracy Act.

Release of Certain USIA Films

The House bill also provides for the release of three USIA films on Afghanistan, "Afghanistan 1982: The Struggle for Freedom Continues" and "We are Afghanistan," and "Hal David: Expressing a Feeling."

The Senate amendment provides for the release of the above films. The Senate amendment also provides for the release of "Afghanistan 1982: The Struggle for Freedom Continues". The Conference Substitute provides for the release of all of the above mentioned films with the House language.

USIA Grant Notification

The House bill extends existing law on notification of USIA program grants.

The Senate amendment contains no comparable provision.

The Conference Substitute is identical to the House bill.

Board for International Broadcasting

AUTHORIZATION OF APPROPRIATIONS

The House bill authorizes appropriations for the Board for International Broadcasting of $122,325,000 for fiscal year 1986 and $127,707,000 for fiscal year 1987.

The Senate amendment similarly authorizes $137,717,000 for the Board for International Broadcasting for each fiscal year 1986 and 1987. In addition, the Senate amendment earmarks $400,000 for Radio Maccabee in both fiscal years.

The Conference substitute authorizes appropriations for the Board for International Broadcasting of $125,000,000 for each fiscal year 1986 and 1987. The substitute drops the earmarking for Radio Maccabee.

IMPROVEMENT OF FACILITIES

The House bill earmarks $20,000,000 in fiscal year 1986 and $21,030,000 for fiscal year 1987 for modernization of radio facilities.

The Senate amendment does not have any comparable provision.

The Conference substitute earmarks $20,000,000 in fiscal year 1986 and $18,323,000 in fiscal year 1987, which shall remain available until expended.

BROADCASTING IN DARI AND PASHTO

The Senate amendment authorizes broadcasting to Afghanistan as long as it is under Soviet occupation and earmarks not less than $450,000 in FY 1986 and not less than $250,000 for fiscal year 1987 for radio broadcasting to the Afghan people in the Dari and Pashto languages, to be designated "Radio Free Afghanistan."

The House bill does not have any comparable provision.

The Conference Substitute authorize broadcasting to Afghanistan as long as it is under Soviet occupation, but drops the earmark.

SECRETARY OF STATE AND BIB MEMBERSHIP

The Senate bill would make the Secretary of State an ex officio member of the BIB, except that the Secretary may not be a member of the Board of Directors of RFE/RL, Inc.

The House bill does not have any comparable provision.

The Conference substitute directs the Secretary of State to establish a liaison office with the BIB at the US Consulate in Munich; provides that a representative of the Secretary of State will attend RFE/RL Inc. and BIB Board meetings; amends section 6 of PL 93-129 directing the Secretary of State to report to BIB on the impact of broadcasts to Eastern Europe and the Soviet Union.

RFE/RL MANAGEMENT

The House bill sets forth certain findings and management recommendations with respect to the Board for International Broadcasting and Radio Free Europe/Radio Liberty Inc.

The Senate amendment contains no comparable provision.

The Conference substitute contains a similar amendment to the House bill. The managers believe that the management of Radio Free Europe/Radio Liberty Inc. should consider, as a way to improve its broadcast quality and content, establishing a position and a procedure responsible for the daily oversight of the radios.

BROADCASTING TO SOVIET JEWRY

The House bill establishes a task force to study the advisability and feasibility of increasing broadcasts to the Jewish populations within the USSR. It also requires a report not later than 6 months after the date of enactment to be submitted to the Congress.

The Senate amendment prohibits grants to RFE/RL, Inc. unless RFE/RL, Inc. establishes in Radio Liberty a new program of Russian language broadcasting for the Jewish population of the USSR entitled "Radio Maccabee Program of Radio Liberty."

The conference substitute is similar to the House bill. It calls for a study and report within six months after enactment of this title and directs the radios to strengthen existing broadcasts of issues of concern to Jewish audiences in the Soviet Union. Such broadcasts may be known as Maccabee Program.

U.S. SCHOLARSHIP PROGRAM FOR DEVELOPING COUNTRIES

The Senate amendment authorizes a US scholarship for disadvantaged students from developing countries to study in the United States. The Senate amendment also provides that not less than 25% of funds appropriated for activities under this title will fund Latin America and Caribbean exchanges.

The House bill contains no comparable provision. However, a similar provision is contained in the House version of the Foreign Assistance bill which authorizes a US scholarship program for disadvantaged students from lesser developed countries to study in the United States. This provision also provides that if the student is granted asylum in the US of the Immigration and Nationality Act or is admitted to the US as a refugee, half of the repayment of the students loan shall be forgiven. The bill also provides that funds allocated for these scholarships shall be available to enhance the educational training and capabilities of the people of Latin America and the Caribbean and to promote better understanding between the US and Latin America. Funds may be used for program and administrative costs for institutions carrying out such programs. The provision also provides that the USIA shall recommend to each student under scholarship that he or she enroll in a course in the classics of American political thought. The House bill also provides that USIA funds (other than those appropriated for programs under the Mutual Education and Exchange Act) may be used to carry out this title with respect to students from developing countries outside Central America.

The conference substitute integrates all of the provisions of the House and Senate positions. The committee of conference note that a provision in the legislation recommends that each student receiving a such a scholarship enroll in a course which studies the "classics of American political thought". This recommendation may be broadly read to include course work in American history or politics, and should not be construed as a recommendation to study certain political thinkers. The recommendation to take such a course is not mandatory and should not be construed as a requirement for holding a scholarship. It is also the committee's intent in authorizing this program that resources currently available to other scholarship or exchange of persons programs funded by USIA, would not be diverted to fund these new programs.

Universities in U.S. Border States

The Senate amendment requires the USIA Director and the Administrator of AID to report to Congress on the feasibility of greater utilization in those agency's scholarship programs of US universities in States bordering Latin America.

The House bill contains no comparable provision.

The Conference Substitute is identical to the Senate amendment.

Foreign Surveillance Prevention Act

The Senate amendment establishes a procedure by which the President must identify and so report to the Congress the identity of any foreign national with diplomatic immunity who is engaging in electronic surveillance in the United States. The President must inform the targets of the surveillance; inform the chief of mission of the sponsoring government of the surveillance; and, unless that government ceases such surveillance, must declare the offending party persona non grata.

The House bill contains no comparable provision.

The conference substitute contains no provision on this issue. In considering this section, the Managers agreed with the findings that widespread use of electronic surveillance and the interception of telecommunications by foreign governments under the guise of normal diplomatic relations would pose a serious threat both to the national security of the United States and to the rights of privacy and association guaranteed to Americans by the Constitution.

Consequently, the Managers request the President to conduct a study of this problem and submit recommendations to the Congress, no later than January 1, 1987, for legislation and other actions designed to bring an end to such illicit electronic surveillance.

Iran Claims

The Senate amendment authorizes the Foreign Claims Settlement Commission to adjudicate and distribute awards to small claimants in the event of a lump sum settlement by the US-Iran Claims Tribunal, and to charge a modest fee to defray the costs of the Commission. It also authorizes the Secretary of the Treasury to deduct a small fee from awards to large claimants of the tribunal.

The House bill contains no comparable provision.

The conference substitute is substantially the same as the Senate provision.

Arms Control and Disarmament Amendment Act of 1985

The Senate bill contains provisions dealing with the Arms Control and Disarmament Agency. Similar provisions were contained in H.R. 2456, a separately-passed measure.

FISCAL YEAR 1985 AUTHORIZATION

The Senate amendment (section 902) authorizes for fiscal year 1985 $23,789,000 of which amount $4,321,000 is earmarked for the Geneva arms control negotiations.

The House bill (section 1, subparagraph 2) authorizes for fiscal year 1985, $23,789,000.

The conference substitute is the same as the Senate amendment.

FISCAL YEAR 1986 AND FISCAL YEAR 1987 AUTHORIZATIONS

The Senate amendment (section 903) authorizes $25,614,000 for each of the fiscal years 1986 and 1987 for the Arms Control and Disarmament Agency. Of these amounts, $6,146,000 in each fiscal year is earmarked for the Geneva arms control negotiations.

The House bill (section 1, subparagraphs 3, 4, and 5) authorizes for fiscal years 1986 and 1987 $25,614,000 for each fiscal year, plus such additional amounts for each fiscal year as necessary for increases in salary, pay retirement, and other employee benefits authorized by law, foreign currency exchange rates, and other non-discretionary costs.

The conference substitute combines both the Senate and House provisions.

ARMS CONTROL COMPLIANCE REPORT

The Senate amendment (section 904) establishes a new section 38, in the Arms Control and Disarmament Act of 1961 as amended, that requires the President to submit an annual report to Congress, prepared by the Director of the Agency, in coordination with the heads of other relevant agencies, on the adherence of the United States to obligations undertaken in arms control agreements with other nations and on any problems related to compliance by other nations with the provision of bilateral and multilateral arms control agreements with the United States.

The House bill does not contain a comparable provision.

The conference substitute is the same as the Senate provision.

EXECUTIVE LEVEL UPGRADES

The House bill (section 2) provides for comparability adjustment in five senior ACDA executive level positions to conform them with counterparts in other agencies.

The Senate amendment does not contain a comparable provision.

The conference substitute is the same as the House provision.

COMPLIANCE WITH BUDGET ACT

The House bill (section 3) provides that the authorities provided shall be in compliance with the Congressional Budget Act of 1974.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the House provision.

FUTURE ACDA AUTHORIZATION

The Managers intend that including the ACDA authorization as part of the Foreign Relations Authorization Act is a one-time exception and that future ACDA authorizations should be adopted as separate legislative measures.

Asia Foundation

The House bill authorizes $10 million for the Asia Foundation.

The Senate amendment authorizes $10.5 million for each of fiscal years 1986 and 1987 for the Asia Foundation in a separate Asia Foundation Act. The Conference Substitute is identical to the Senate amendment.

Assistance to Nicaragua

The Senate amendment contains a provision authorizing humanitarian assistance to Nicaragua and related policy matters.

The House bill contains no comparable provision. However, House provisions relating to aid to Nicaragua are contained in the FY 1985 supplemental appropriation.

The conference substitute contains no provision on this issue.

Prohibition on Funds for Nicaragua

The Senate amendment prohibits the use of funds to support activities against the Government of Nicaragua which have not been authorized by law and which would place the US in violation of our obligations under the OAS.

The House bill contains no comparable provision.

The conference substitute contains no provision on this issue.

Food Aid to the Nicaraguan People

The Senate amendment states that the President should explore and promote means for providing food aid to the Nicaraguan people through private voluntary organizations and the Catholic Church.

The House bill contains no comparable provision.

The conference substitute contains no provision on this issue.

Agricultural Products and Tariff Barriers

The Senate amendment directs USIA to develop a public information campaign to inform appropriate nations as to the advantages of lowering tariff and non-tariff barriers on agricultural products.

The House bill contains no comparable provision.

The Conference Substitute contains no provision on this issue.

Trade Barriers to American Agricultural Products

The managers recognize that foreign tariff and non tariff barriers to American products are harming American producers and causing higher food prices to consumers in countries with high trade barriers. A campaign to heighten public awareness abroad of the advantages of lower trade barriers would serve the interests of both American producers and foreign consumers. Such a campaign would compliment ongoing efforts by several departments of government to promote lower trade barriers to American goods and services. The Director of the United States Information Agency is requested to examine the feasibility of a significant public information campaign regarding lower trade barriers and, in consultation with other appropriate agencies, to prepare a report for submission to the President and the Congress on this recommendation on how such a program could most effectively promote the interests of American producers and workers. In examining the advisability of such a campaign the Director should pay particular attention to the needs of American agricultural producers.

Ex Gratia Payment to Switzerland

The Senate amendment reflects an Administration request to amend the Trading with the Enemy Act to make an ex gratia payment to the Government of Switzerland under the terms of an existing US-Swiss agreement.

The House bill contains no comparable provision.

The Conference Substitute is identical to the Senate amendment.

Termination of National Emergencies

The Senate amendment amends the National Emergencies Act to stipulate that a national emergency may be terminated by joint resolution of the Congress. Current law only requires a concurrent resolution to terminate a national emergency.

The House bill contains no comparable provision.

The Conference Substitute is identical to the Senate amendment.

Consequences of Nuclear Winter

The Senate amendment expresses the sense of the Congess that the President should propose during arms talks with the USSR that the US and the USSR jointly study the consequences of nuclear winter and its impact on national security of both countries.

The House bill contains no comparable provision.

The conference substitute contains no provision on this issue.

Review of Assistance to Coal Exporting Nations

The Senate amendment directs the Export-Import Bank to report to the Congress on the terms of all assistance provided to the purpose of financing or assisting in the development of coal production, transportation or export.

The House bill contains no comparable provision.

The conference substitute contains no provision on the issue.

Application of the Yalta Agreement

The Senate amendment states that the US does not recognize as legitimate any spheres of influence in Europe and reaffirms US refusal to recognize such spheres by repudiating Soviet use of the Yalta Agreement to legitimize Soviet domination of Eastern Europe. It also expresses US solidarity with the peoples of Central and Eastern Europe.

The House bill contains no provision on this issue.

The conference substitute contains a provision relating to the Yalta Agreement. The conferees recognize that their action does not constitute a formal repudiation of the Yalta Agreement.

Mayor of Jerusalem

The Senate amendment commends Mayor Teddy Kollek of Jerusalem for his efforts to promote harmony among the people of Jerusalem.

The House bill contains no comparable provision.

The Conference Substitute is identical to the Senate amendment.

Treatment of Soviet Pentencostals

The Senate amendment expresses the sense of the Senate that Soviet government personnel violated the human rights of the four members of the Pentecostal community who attempted to enter the US Embassy in Moscow; that the US Department of State should try to assure the safety of these persons; and the Secretary of State should undertake a study of US policy relating to the granting of asylum in US embassies abroad and make recommendations to the Senate Foreign Relations Committee regarding adjustments in current policy.

The House bill contains no comparable provision.

The conference substitute is virtually identical to the Senate amendment. In addition it requires that the report be submitted to the Committee on Foreign Affairs.

Democracy on Taiwan

The Senate amendment expresses the sense of the Congress that it is important that all Taiwanese participate in that country's political process in order to promote a peaceful future and that the United States should encourage the authorities on Taiwan to work toward this end.

The House bill contains no comparable provision.

The conference substitute is essentially the same as the Senate amendment.

US/China Trade

The Senate amendment expresses the sense of the Congress that the Departments of State and Commerce should take appropriate steps to increase United States/China trade with a view to improving the trade balance, increasing American jobs, and assuring US participation in the growing Chinese market.

The House bill contains no comparable provision.

The conference substitute is identical to the Senate amendment.

International Narcotics Control Commission

The Senate amendment establishes an International Narcotics Control Commission which would monitor and promote international compliance with narcotics control treaties and monitor and encourage US Government and private programs seeking to expand international cooperation against drug abuse. The Commission would be composed of seven Senators, seven House Members, three Executive branch personnel, and five members of the public sector, and chaired alternately by a Senator and a House Member, beginning with a Senator, with opposite rotating Co-Chairmen. The Commission is also granted subpoena powers. The President is required to submit semi-annual reports to the Commission on the status of compliance with narcotics control treaties, and requires the Commission to report to the congress periodically. It also authorizes $550,000 for each fiscal year for the Commission, to be disbursed on a voucher by the Chairman, which would remain available until expended. The Commission is deemed to be a standing committee of the Congress for purposes of travel funds, is to receive $6,000 for official representational expenses, and Commission staff is exempted from civil service regulations.

The House bill contains no comparable provision.

The conference substitute is the same as the Senate amendment, except that the Commission includes no House Members or Executive branch officials, provides that the Chairman shall be of the Senate Majority party and the Co-Chairman of the Senate Minority Party, drops the separate Presidential reporting requirement and instead requires the President to submit the annual State Department narcotics report (pursuant to section 481(e) of the Foreign Assistance Act) to be submitted to the Commission, provides $325,000 for each fiscal year to meet Commission expenses, and provides no representational funds. The conference substitute does not specify the manner in which Commission funds will be disbursed.

It is the intent of the Conferees that the Commission operate in the manner of the Helsinki Commission. The Chairman, in consultation with the Cochairman will reach decisions regarding appropriate and adequate levels of staffing, funds, and support facilities for both the majority and minority members of the Commission.

United States-Japan Security Relationship and Japanese Self-Defense Efforts

The Senate amendment (section 1123) expresses congressional findings regarding the U.S.-Japan security relationship, expresses the sense of Congress that Japan should formally reexamine her 1976 National Defense Program Outline and develop and implement a 1986-1990 Mid-Term Defense Plan fully funded to enable Japan to meet, by 1990, its commitment to obtain self-defense forces adequate to protect its air spaces and sealanes out to 1,000 miles, expresses the sense of Congress that Japan should increase contributions to support U.S. forces in Japan, and requires annual reports so Congress can assess Japan's progress toward actually fulfilling her common defense commitments.

The House bill does not contain a comparable provision although the House passed foreign assistance bill contains a provision (section 1209) that expresses congressional findings regarding the U.S.-Japan security relationship and the sense of Congress that Japan should be strongly encouraged in its plans to develop and implement a 1986-1990 Mid-Term Defense Plan.

The conference substitute is a compromise that states congressional findings regarding the U.S.-Japan security relationship, expresses the sense of Congress that Japan should implement a 1986-1990 Mid-Term Defense Plan fully funded to enable Japan to meet, by 1990, its commitment to obtain self-defense forces adequate to protect its air spaces and sealanes out to 1,000 miles and requires information, on an annual basis, so Congress can understand Japan's progress toward actually fulfilling its common defense commitments, including obtaining the 1000-mile self-defense capabilities by 1990 and about actions the Executive branch is taking to encourage Japan to achieve these capabilities by the end of the decade.

The conference committee notes that Japan is not the only ally of the United States which is not contributing sufficient resources to fulfill its independent commitments to the common defense. Several of America's NATO allies also are not bearing a fair share of the mutual security burden. However, in approving language finding that the U.S. Government appreciates Japan's recent efforts to increase its defense spending, the conference committee wishes to point out that these recent increases still are inadequate.

As evidence of these inadequacies, the conference committee expressed concern that every year since 1981 the Defense Department has reported to Congress that Japan "ranks last or close to last" on most measures surveyed and thus quite clearly "appears to be contributing far less than its fair share" of the common defense burden. Further evidence was presented this year when the Commander of all United States armed forces in the Pacific region, Admiral William J. Crowe, Jr. testified to Congress that Japan's decision to increase its defense budget in 1985 "is still inadequate to meet the defense capabilities the Japanese government has pledged itself to meet."

Finally the committee of conference is also aware that Congress already receives an annual report on the defense contributions of all our NATO allies and Japan. The conference committee does not wish to impose on the Executive branch a requirement for a new, separate report and would consider it appropriate for the additional information to be included in the already required report.

Such required additional information should include a detailed estimate by the U.S. Government of the level of funding resources, specific procurement programs and other defense improvement actions required annually between 1986 and 1990 for Japan to achieve the capabilities to defend her homeland and airspace and sea lanes out to 1,000 miles, by the end of this decade.

It should also include a detailed estimate by the U.S. Government of the length of delay beyond 1990 for Japan to achieve the 1000-mile self-defense capabilities and caused by any disparities between the U.S. estimate of resources required and those resources Japan decides on her own to provide for that particular annual period and for the years remaining in the 1986-1990 Mid-Term Defense Plan.

Finally the information should include a description of actions the U.S. Government has taken in the preceding year to encourage Japan to attain the 1,000 mile self-defense capabilities by 1990.

Repeal of Clark Amendment

The Senate amendment repeals section 118 of the International Security and Development Cooperation Act of 1980 which prohibits assistance which would have the effect of promoting the capacity of any nation or individual to conduct military or paramilitary operations in Angola unless the president certifies that such assistance is in the national security interests of the United States.

The House bill contains no comparable provision.

The Conference Substitute contains no provision on this issue.

Report on Soviet Violation of Arms Control Agreement

The Senate amendment directs the Department of Defense to report to the Congress on the military consequences and effects of Soviet violations of all arms control treaties and agreements.

The House bill contains no comparable provision.

The conference substitute does not include the Senate provision. The managers note that Title VII of the conference substitute includes a provision requiring a presidential report on the compliance of the Soviet Union and other nations with arms control agreements, as well as on U.S. adherence to arms control obligations.

Ban on Chemical Weapons

The Senate amendment expresses the sense of the Conress that the President should continue to pursue negotiation of a multilateral agreement banning chemical weapons and seek bilateral discussions between the US and the Soviet Union to achieve a ban on chemical weapons.

The House bill contains no comparable provision.

The conference substitute is identical to the Senate provision.

U.S.-owned Rupees

The Senate bill amends Section 903 of PL 98-164 by allowing the use, pending the negotiation of an agreement with the Government of India, of the annual earnings generated by US-owned foreign currencies in India to provide grants for cultural, educational, and scientific programs of interest to the United States and India.

The House bill contains no comparable provision.

The Conference Substitute is identical to the Senate amendment.

Moscow Embassy

The House bill directs the Secretary of State, within 30 days of enactment, to initiate actions to begin the arbitration process provided for in the embassy construction agreement between the U.S. and the U.S.S.R. in order to resolve U.S. claims against the Soviet Union construction delays in the U.S. embassy complex in Moscow. It also requires a report to Congress from the Secretary of State on the resolution of such claims. If the U.S.S.R. refuses to abide by the results of the arbitration, the Secretary of State will not allow Soviet occupation of their new embassy in Washington, D.C. until arbitration is completed and damages are paid in full. The section also includes a presidential waiver in the interests of U.S. national security if resolution of claims is proceeding satisfactorily.

The Senate amendment contains no comparable provision.

The conference substitute is similar to the House provision. It requires a report to the Congress in the event the amount of the reimbursement is less than the amount of funds expended for damages, explaining why the Secretary accepted the settlement arrangements. The substitute also contains a waiver if the Secretary certifies to Congress that a substantial number of claims are settled and resolution of remaining claims is proceeding satisfactorily.

Minority Representation in the Foreign Service

The House bill directs the head of an agency using the foreign service personnel system to develop, to the extent practicable, an affirmative action effort to significantly increase the number of women and minority groups in the service. Such efforts should emphasize increases in the mid- and senior levels of the service. The program's goal would be to raise the representation of women and minority groups to levels at least equivalent to those group's respective proportions in the U.S. labor force. The section also requires that the report to the Congress regarding minority representation in the service pursuant to the Foreign Service Act shall include reports on the implementation of this effort. The Senate amendment contains no comparable provision.

The conference substitute is similar to the House provision. However it places emphasis on establishing a plan to increase the number of minority groups and women in the Foreign Service, emphasizing the mid-levels of the service and conforming the provision to section 7201 of title 5 of the United States Code.

Employees of the United Nations

The House bill directs the Secretary of State to report to Congress within 90 days of enactment of this Act on the extent to which international civil servants employed by the UN must return part of their salaries to their respective governments. The report should also address steps taken by the Secretary and the U.S. Representative to the UN to correct this practice. A second report to the Congress would assess progress made, by January 1, 1987, in correcting the practice. If, pursuant to the latter report, the Secretary determines that substantial progress has not been made, the U.S. will reduce its annual assessed payment to the U.N. by an amount equal to the U.S. proportionate share of the salaries of such UN employees engaged in kickbacks.

The Senate amendment contains no comparable provision. The conference substitute is similar to the House provision with an amendment relating to reservations of UN member states regarding taxation. The conference substitute does not make mandatory a reduction in the U.S. contribution to the United Nations.

Refugees in Thailand

The House bill commends the Government of Thailand for its response to refugees fleeing Vietnam and expresses the sense of Congress that 1) those seeking refuge in Thailand should not be repatriated and 2) increased security should be provided for refugees in Thai camps, including through a greater presence by international organizations. The Section further directs the Secretary of State with the assistance of appropriate organizations and agencies, to review the status of Cambodian refugees; implement a solution to their plight; investigate cases where Cambodians have been rejected for admission to the U.S.; institute a family reunification program for refugees in Thailand; provide a program of educational assistance for Cambodians in border camps.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House bill.

Foreign Exchange Intervention

The Senate amendment expresses the sense of the Congress that the Secretary of the Treasury and the Chairman of the Federal Reserve Board, together with our allies, should take the necessary steps (including intervention in foreign exchange markets) to gradually lower the value of the dollar. It also provides that the Secretary of the Treasury and Federal Reserve Board Chairman work to ensure that the domestic macroeconomic policies of the U.S. and its allies reinforce each other.

The House bill contains no comparable provision.

The Conference Substitute is identical to the Senate amendment.

Measures to Enhance Crisis Stability and Control

The House bill directs the Secretary of State and the Director of the Arms Control and Disarmament Agency to conduct a study of measures which would both enhance U.S. security and reduce the likelihood of nuclear weapons use by contributing to crisis stability or crisis control capabilities.

The Senate amendment contains no comparable provision.

The conference substitute is identical to the House provision.

Reports on Adherence to and Compliance With Agreements

The Senate amendment requires the President to report to the Congress on the adherence of the United States to obligations undertaken in Arms Control Agreements and on problems of compliance by other nations.

The House bill contains no comparable provision.

The conference substitute is identical to the Senate provision.

New Building in Geneva for Arms Control Negotiating Teams

The Senate amendment expresses the sense of the Senate that the Secretary of State should submit a report to the Congress on the feasibility of a new structure to house the United States Arms Control negotiating Teams in Geneva.

The House bill contains no comparable provision.

The conference substitute is similar to the Senate provision with a technical amendment.

Dante B. Fascell,
Dan Mica,
Peter H. Kostmayer,
Lawrence J. Smith,
Ted Weiss,
Buddy MacKay,
Tom Lantos,
Bill Broomfield,
Olympia Snowe,
Benjamin A. Gilman,
Connie Mack,
John McCain,
Managers on the Part of the House.

Richard G. Lugar,
Jesse Helms,
Charles McC. Mathias, Jr.,
Claiborne Pell,
J.R. Biden, Jr.,

For the portion dealing with Iran claims legislation:

Daniel J. Evans,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Bartlett) to revise and extend their remarks and include extraneous material:)

Mr. Dannemeyer, for 60 minutes, today.

Mr. Dannemeyer, for 60 minutes, July 31.

Mr. Pursell, for 5 minutes, July 31.

Mr. Lightfoot, for 5 minutes, July 31.

(The following Members (at the request of Mr. Hoyer) to revise and extend their remarks and include extraneous material:)

Mr. Fascell, for 5 minutes, today.

Mr. Boucher, for 5 minutes, today.

Mr. Pepper, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Dymally, for 30 minutes, today.

Mr. Conyers, for 5 minutes, July 31.

Mr. Conyers, for 5 minutes, August 1.

Mr. Lipinski, for 5 minutes, July 31.

Mr. Gaydos, for 60 minutes, July 31.

Mr. Dymally, for 60 minutes, July 31.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Daub, prior to the vote on H.R. 3036 in the Committee of the Whole, today.

Mr. Lowery of California, prior to the vote on the Frenzel amendment to H.R. 3036, Treasury, Postal Service, and General Government appropriations, 1986, in the Committee of the Whole, today.

Mr. Lowery of California, during general debate on H.R. 3067, District of Columbia appropriations, 1986, in the Committee of the Whole, today.

(The following Members (at the request of Mr. Bartlett) and to include extraneous matter:)

Mr. Goodling.
Mr. Shuster.
Ms. Snowe.
Mr. Kramer.
Mr. Rudd.
Mr. Franklin.
Mr. Lujan.
Mr. Gilman in three instances.
Mr. Cobey.
Mr. Gradison.
Mr. Carney.
Mr. Lagomarsino in four instances.
Mrs. Roukema.
Mr. Zschau.
Mr. Dannemeyer.
Mr. Campbell.
Mr. Horton.
Mr. McEwen.
Mr. Henry.
Mr. Jeffords.

(The following Members (at the request of Mr. Hoyer) and to include extraneous matter:)

Mr. Lehman of Florida.
Mr. Sisisky.
Mr. Walgren.
Mr. Solarz.
Mr. Schumer.
Mr. Boucher.
Mr. Markey.
Mr. Downey of New York.
Mr. Wolpe.
Mr. Rodino.
Mr. Edgar.
Mr. Kolter.
Mr. Kostmayer.
Mr. Dingell in two instances.
Mr. Rangel.
Mr. Feighan.
Mr. Berman.
Mr. Hall of Ohio.
Mr. Miller of California.
Ms. Oakar.
Mr. Hubbard.
Mr. Pepper.
Mr. Lowry of Washington.
Mr. de Lugo.
Mr. Bonior of Michigan.
Mr. Shelby.
Mr. Roybal.
Mr. Fuster.
Mr. Applegate.
Mr. Florio.
Mr. Garcia in two instances.
Mr. Fauntroy.
Mr. Lantos.
Mr. Eckart of Ohio.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 164. Joint resolution to designate August 4, 1985, as "Freedom of the Press Day."

SENATE ENROLLED JOINT RESOLUTIONS

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following title:

S.J. Res. 108. Joint resolution authorizing the Secretary of Defense to provide to the Soviet Union, on a reimbursable basis, equipment and services necessary for an improved United States/Soviet Direct Communication Link for crisis control, and

S.J. Res. 161. Joint resolution to appeal for the release of Soviet Jewry.

ADJOURNMENT

Mr. KINDNESS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 37 minutes p.m.), under its previous order, the House adjourned until Wednesday, July 31, 1985, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1787. A letter from the Secretary of Education, transmitting waivers of requirements of section 312(2)(A)(ii) or 322(a)(2)(A)(ii) of the HEA, pursuant to HEA, section 342(a)(2) (94 Stat. 1398); to the Committee on Education and Labor.

1788. A letter from the Director of Legislative Affairs, Agency for International Development, trasmitting justification of an increase in the funding level for the proposed fiscal year 1985 program in Mali, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

1789. A letter from the Director of Legislative Affairs, Agency for International Development, transmitting justification of the increase in the funding level for the proposed fiscal year 1985 program in Liberia, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

1790. A letter from the Chairman, Japan-United States Friendship Commission, transmitting the eighth annual report of activities and recommendations, pursuant to Public Law 94-118, section 5(b); to the Committee on Foreign Affairs.

1791. A letter from the Administrator, General Services Administration, transmitting a summary of excess property disposal reports, pursuant to the act of June 30, 1949, chapter 268, section 202(e) (90 Stat. 2455); to the Committee on Government Operations.

1792. A letter from the Deputy Assistant Secretary of Defense, transmitting three new reports on systems of records submitted by the Department of the Navy, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1793. A letter from the Administrator, Veterans' Administration, transmitting notice of a Veterans' Administration matching program, pursuant to 5 U.S.C. 552a(o); to the Committee on Veterans' Affairs.

1794. A letter from the Chairwomen, U.S. International Trade Commission, transmitting the 36th report of the U.S. International Trade Commission on the operation of the trade agreements program during 1984, pursuant to Public Law 93-618, section 163(b); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FROST: Committee on Rules. House Resolution 240. Resolution waiving certain parts of order against H.R. 3011, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes (Rept. 99-238). Referred to the House Calendar.

Mr. WHEAT: Committee on Rules. House Resolution 241. Resolution providing for the consideration of H.R. 3008, a bill to promote equitable pay practices and to eliminate discrimination within the Federal civil service (Rept. 99-239). Referred to the House Calendar.

Mr. MICA: Committee of conference. Conference report on H.R. 2068 (Rept. No. 99-240). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JEFFORDS (for himself, Mrs. Roukema, Mr. Chandler, Mr. Owens, Mr. Petri, Mr. Dymally, and Mr. Tauke):

H.R. 3098. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the efficiency and adequacy of the current retirement income system (consisting of employer and individual retirement plans) in carrying out its supplemental role to Social Security in providing benefits upon death, disability, and retirement by establishing retirement universal security arrangements which will expand pension coverage, provide for a form of pension portability, and preserve pension asset accumulations for payment in retirement income form, and for other purposes; jointly, to the

Committees on Education and Labor, and Ways and Means.

By Mr. MAVROULES:

H.R. 3099. A bill to amend the Communications Act of 1934 to expand the availability of hearing-aid compatible telephones; to the Committee on Energy and Commerce.

By Mr. MARKEY (for himself, Mr. Mavroules, Mr. McKinney, Mrs. Schneider, Mr. Addabbo, Mr. St Germain, Mr. Edgar, Mrs. Burton of California, Mr. Yates, Mr. Hayes, Mr. Roybal, Mr. Leland, Mr. Frank, Mr. Oberstar, Mr. Kastenmeier, Mr. Owens, Mr. Boland, Mr. Miller of California, Mr. Dixon, Mr. Lehman of Florida, Mr. Martinez, Mr. Wheat, Mr. Studds, Mr. Towns, Mr. Moakley, Mr. Ford of Michigan, Mr. Mrazek, Mr. Torres, Mr. Rahall, Mrs. Kennelly, Mr. Kostmayer, Mr. Downey of New York, Mrs. Boxer, Mr. Evans of Illinois, Mr. Savage, Mr. Fauntroy, Mr. Morrison of Connecticut, Mr. Atkins, Mr. Weaver, Mr. Kildee, Mr. Schumer, Mr. Dellums, Mr. Weiss, Mr. Mitchell, Mr. Edwards of California, Mr. Bates, Mr. Durbin, Mr. Torricelli, Mr. Rodino, Mr. Scheuer, Mr. Feighan, Mr. AuCoin, Mr. Vento, Mr. Panetta, Mr. Lehman of California, Mr. Gejdenson, Mr. Mineta, Mr. Brown of California, Mr. Sabo, Mr. McHugh, Mr. Matsui, Mr. Ackerman, Mr. Levine of California, Mr. Jacobs, Mr. Sikorski, Mr. Carr, Mr. Clay, Mr. Udall, Mrs. Collins, Ms. Kaptur, Mr. Howard, Mr. LaFalce, Mr. Barnes, Mr. Conyers, Mr. Williams, Mr. Bruce, Mr. Crockett, Mr. Walgren, Mr. Garcia, Mr. Bosco, Mr. Biaggi, Mr. Lowry of Washington, Mr. Bonior of Michigan, Mr. Rostenkowski, Mr. Rangel, Mr. Manton, Mr. Russo, Mr. Lantos, Mr. Moody, Mr. Waxman, Mr. Wirth, and Mr. Ford of Tennessee):

H.R. 3100. A bill to provide for a comprehensive bilateral and verifiable freeze between the United States and the Soviet Union on the testing, production, and deployment of nuclear weapons systems; jointly, to the Committees on Foreign Affairs, Rules, and Armed Services.

By Mr. WAXMAN:

H.R. 3101. A bill to amend titles XVIII and XIX of the Social Security Act to provide for budget reconciliation, and improvements, with respect to the medicare and medicaid programs; divided and referred as follows: section 1 and titles I and II to the Committee on Energy and Commerce; section 1 and title I to the Committee on Ways and Means.

By Mr. BOUCHER:

H.R. 3102. A bill to strengthen the technological literacy of the Nation through demonstration programs of technology education; to the Committee on Education and Labor.

By Mr. BROOKS:

H.R. 3103. A bill to amend title II of the Social Security Act to require that all covered workers be informed annually of their contributions and potential benefit rights (based on their then current wage records); to the Committee on Ways and Means.

By Mr. BURTON of Indiana (by request):

H.R. 3104. A bill to amend the joint resolution of June 22, 1942, to provide for the reading of a Tribute to the Flag before the Pledge of Allegiance; to the Committee on the Judiciary.

By Mr. EDGAR:

H.R. 3105. A bill to provide for the establishment of a bipartisan commission to study and make recommendations concerning changes in the Medicare Program to assure its short-term and long-term financial solvency and the appropriateness of its benefit structure; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. FISH:

H.R. 3106. A bill to amend title 9 of the United States Code regarding arbitral awards; to the Committee on the Judiciary.

By Mr. JENKINS:

H.R. 3107. A bill to amend the Internal Revenue Code of 1954 to exempt from tax earnings on certain investment accounts for savers and investors; to the Committee on Ways and Means.

By Mr. KASTENMEIER (for himself, and Mr. Boucher);

H.R. 3108. A bill to amend title 17, United States Code, to clarify the definition of the local service area of a primary transmitter in the case of a low power television station; to the Committee on the Judiciary.

By Mr. KRAMER:

H.R. 3109. A bill to amend title 18, United States Code, to provide life imprisonment wihtout parole for certain offenses relating to the sexual exploitation of children; to the Committee on the Judiciary.

By Mr. LEHMAN of California (for himself, Mr. Matsui, Mr. Coelho, Mr. Pashayan, and Mr. Kleczka):

H.R. 3110. A bill to amend the Social Security Act to provide for a demonstration of the extent to which eliminating the 100-hour rule under the AFDC-U Program, and requiring parents under such program to accept any reasonable job offers while preserving the eligibility of their families, would effectively encourage such parents to enter the permanent work force and thereby significantly reduce program costs; to the Committee on Ways and Means.

By Mr. LOTT:

H.R. 3111. A bill to reestablish the Gulf Islands National Seashore Advisory Commission; to the Committee on Interior and Insular Affairs.

By Mr. LUJAN:

H.R. 3112. A bill to amend title 35 of the United States Code, and the National Aeronautics and Space Act of 1958, to provide that any person who makes an invention in the course of activities in outer space shall retain all patent rights to such invention; jointly, to the Committees on the Judiciary, and Science and Technology.

By Mr. MILLER of California (for himself, Mr. Coelho, and Mr. Lehman of California):

H.R. 3113. A bill providing for the Coordinated Operation of the Central Valley Project and the State Water Project in California; to the Committee on Interior and Insular Affairs.

By Mr. MILLER of California (for himself, Mr. Rangel, and Mr. Owens):

H.R. 3114. A bill to provide a comprehensive legislative program for children, adolescents, and families, and for other purposes; jointly, to the Committees on Ways and Means, Energy and Commerce, Education and Labor, and Agriculture.

By Mr. MONTGOMERY:

H.R. 3115. A bill to provide that the program of education for which assistance may be made available under chapter 106 of title 10, United States Code, is the same as that for which assistance may be made available under chapter 30 of title 38, United States Code; to the Committee on Armed Services.

By Mr. OBERSTAR (for himself, Mr. Vander Jagt, Mr. Seiberling, and Mr. Murtha):

H.R. 3116. A bill to amend the Act of April 9, 1924 authorizing the construction, reconstruction, and improvement of roads and trails in units of the National Park System, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. PASHAYAN (for himself, and Mr. Thomas of California):

H.R. 3117. A bill to amend section 131 of the Highway Beautification Act of 1965, as amended; to the Committee on Public Works and Transportation.

By Mr. PEPPER:

H.R. 3118. A bill to amend the Federal Food, Drug, and Cosmetic Act to limit the compensation of investigators who use medical devices under an exemption for investigational use; to the Committee on Energy and Commerce.

H.R. 3119. A bill to amend title XVIII of the Social Security Act to require an annual report from the Director of the Congressional Office of Technology Assessment on changes in payment amounts for certain surgical transplantation procedures; jointly to the Committees on Ways and Means, and Energy and Commerce.

By Mr. RINALDO (for himself, Mr. Roybal, Mr. Biaggi, Mr. McCain, Ms. Snowe, Mr. Vento, Mr. Saxton, and Mr. Manton):

H.R. 3120. A bill to establish in the Department of Justice the National Resource Office Relating to Crimes Against Older Individuals; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 3121. A bill to provide for a moratorium on certain retirement plan reversions, and for other purposes; jointly, to the Committees on Education and Labor, and Ways and Means.

By Mr. SEIBERLING:

H.R. 3122. A bill to amend the Internal Revenue Code of 1954 with respect to the amount of interest payable on underpayments where individuals not timely notified of result of audit; to the Committee on Ways and Means.

By Mr. SOLOMON:

H.R. 3123. A bill to restrict the administration and use of polygraph examinations with respect to employers involved in interstate commerce and to protect the privacy rights of employees and prospective employees of such employers; to the Committee on Education and Labor.

By Mr. ZSCHAU:

H.R. 3124. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of computer software royalties for purposes of the personal holding company provisions; to the Committee on Ways and Means.

By Mr. CAMPBELL:

H.J. Res. 362. Joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week"; to the Committee on Post Office and Civil Service.

By Mrs. KENNELLY (for herself and Mr. Gilman):

H.J. Res. 363. Joint resolution to express the sense of the Congress with respect to the failure of the Soviet Union to comply with section 7 of the Helsinki accords; to the Committee on Foreign Affairs.

By Mr. LOTT:

H.J. Res. 364. Joint resolution to authorize and request the President to proclaim March 21, 1986, as "National Taste and Smell Disease Awareness Day"; to the Committee on Post Office and Civil Service.

By Mr. DELLUMS:

H. Res. 242. Resolution urging the Postmaster General to issue a commemorative stamp in honor of Malcolm X; to the Committee on Post Office and Civil Service.

By Mr. HEFTEL of Hawaii:

H. Res. 243. Resolution expressing the sense of the House of Representatives to preserve the 25-percent investment credit for the rehabilitation of certified historic buildings; to the Committee on Ways and Means.

By Mr. RINALDO:

H. Res. 244. Resolution expressing the House of Representatives' opposition to an imposition of an import fee on crude oil and refined products; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII,

233. The SPEAKER presented a memorial of the Legislature of the State of California, relative to Ida Nudel; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. DOWNEY of New York introduced a bill (H.R. 3125) for the relief of Anthony Casamento; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 2: Mr. Carper, Mr. Valentine, and Mr. Weaver.

H.R. 479: Mr. Gallo.

H.R. 481: Mr. Badham.

H.R. 598: Mr. Ritter, Mr. Traficant, and Mr. Biaggi.

H.R. 602: Mr. Shumway.

H.R. 704: Mr. Clinger and Mr. Brown of Colorado.

H.R. 797: Mr. Chandler, Mr. Bruce, Mr. Nielson of Utah, Mr. Sensenbrenner, Mr. Edwards of Oklahoma, Mr. Towns, and Ms. Snowe.

H.R. 846: Mr. Morrison of Washington.

H.R. 864: Mr. Gaydos, Mr. Kolter, and Mr. Daschle.

H.R. 894: Mr. Blaz.

H.R. 933: Mr. Hayes.

H.R. 1059: Mr. Campbell and Mr. Jeffords.

H.R. 1188: Mr. Hillis, Mr. Schaefer, Mr. Volkmer, Mr. Strang, Mr. Dornan of California, Mr. Franklin, Mrs. Martin of Illinois, Mr. Grotberg, Mr. Mollohan, Mr. Madigan, Mr. Hopkins, Ms. Mikulski, Mr. Evans of Iowa, Mr. Wise, Mr. Solarz, and Mr. Swindall.

H.R. 1262: Mr. Badham.

H.R. 1268: Mr. Bilirakis and Mr. Roybal.

H.R. 1294: Mr. Yatron and Mr. Mrazek.

H.R. 1295: Mr. Akaka, Mr. Rose, and Mr. Gejdenson.

H.R. 1316: Mr. Morrison of Washington.

H.R. 1318: Mr. Badham.

H.R. 1324: Mr. Badham.

H.R. 1550: Mr. Neal and Mr. Rudd.

H.R. 1615: Mr. Slattery, Mr. Whittaker, and Mr. Sharp.

H.R. 1875: Mr. Fields, Mr. Torricelli, Mr. Howard, Mr. Addabbo, Mr. Traxler, Mr. Shuster and Mr. Jeffords.

H.R. 1877: Mr. Rose, Mr. Brown of California, Mr. Mineta, Mrs. Schneider, Mr. Fish, Mr. Atkins, and Ms. Mikulski.

H.R. 1893: Mr. Coble.

H.R. 1911: Mr. Eckert of New York, Mr. Ray, and Mr. Badham.

H.R. 1950: Mrs. Martin of Illinois, Mrs. Bentley, Mr. Richardson, Mr. Crockett, Mr. Oberstar, Mr. Anthony, and Mr. Bevill.

H.R. 2001: Mr. Hendon, Mr. Lewis of Florida, Mr. Ford of Michigan, Mr. Strang, Mr. Cobey, Mr. Clay, Mr. Aspin, Mr. Wirth, Mr. Luken, Mr. Duncan, Mr. Thomas of Georgia, Mr. Foglietta, and Mr. Wise.

H.R. 2032: Mr. Bilirakis and Mr. Markey.

H.R. 2080: Mr. Borski, Mr. Carper, Ms. Mikulski, Mr. McKinney, Mr. Regula, Mr. Sunia, Mr. Wortley, Mr. DeWine, and Mr. Miller of California.

H.R. 2119: Mr. Coughlin.

H.R. 2172: Mr. Young of Missouri, Mr. Ralph M. Hall, and Mr. Henry.

H.R. 2210: Mr. McCain.

H.R. 2337: Mr. Shumway, Mr. Boucher, and Mr. Daniel.

H.R. 2354: Mr. Hubbard, Mr. Wilson, and Ms. Mikulski.

H.R. 2495: Mr. Robinson.

H.R. 2543: Mr. Ritter, Mr. Dorgan of North Dakota, Ms. Snowe, Mr. Feighan, and Mr. Leland.

H.R. 2620: Mr. Wortley and Mr. Jeffords.

H.R. 2626: Mr. Edwards of Oklahoma, Mrs. Martin of Illinois, Mrs. Bentley, and Mr. Badham.

H.R. 2685: Mr. Conyers.

H.R. 2809: Mr. Murphy, Mr. Kolter, Mr. Porter, Mr. Perkins, Mr. Rahall, Mr. Visclosky, Mrs. Bentley, Mr. Towns, Mr. Bevill, Mr. Campbell, and Mr. Duncan.

H.R. 2814: Mr. Kolter, Mr. Burton of Indiana, and Mr. Nielson of Utah.

H.R. 2834: Mr. Wortley, Mr. Shumway, Mr. Henry, Mr. Lagomarsino, Mr. Panetta, Mr. Fazio, Mr. Gilman, and Mr. Solomon.

H.R. 2866: Mr. Bedell.

H.R. 2904: Mr. Bustamante, Mr. Perkins, Mr. Rogers, Mr. Spratt, and Mr. Vento.

H.R. 2907: Mr. Ford of Tennessee, Ms. Kaptur, Mr. Hayes, Mr. Downey of New York, Mr. Mitchell, Mr. Hoyer, Ms. Mikulski, Mr. Martinez, Mr. Conyers, and Mr. Wheat.

H.R. 2922: Mr. Rudd.

H.R. 2936: Mr. Bedell and Mr. Rudd.

H.R. 2950: Mrs. Roukema, Mrs. Schroeder, Mr. Oberstar, Ms. Kaptur, Mr. Torricelli, Mr. Akaka, Mr. Traficant, Mr. Frost, Mr. Weiss, Mr. Studds, Mr. Hansen, Mrs. Boxer, Mr. Evans of Illinois, Mr. Seiberling, Mr. Stallings, Mr. Vento, Mr. Shumway, Mr. Ortiz, Mr. Berman, Mr. Atkins, Mr. Wolpe, Mr. Conyers, Mr. Shaw, and Mr. Stark.

H.R. 2953: Mr. Bustamante, Mr. Clay, Mr. Mitchell, and Mr. Conyers.

H.R. 2955: Mr. Bonior of Michigan, Mr. Fazio, Mr. Morrison of Connecticut, and Mr. Mitchell.

H.R. 2969: Mr. Mrazek.

H.J. Res. 1: Mr. Kanjorski, Mr. Mack, Mr. Yates, Mr. Horton, Mr. Wortley, Mr. Fuster, Mr. Annunzio, Mr. Kildee, Mr. Lantos, Mr. Roe, Mr. Dyson, Mr. Weiss, Mr. Moore, Mr. Hawkins, Mr. Dicks, Mr. Dwyer of New Jersey, Mr. Akaka, Mr. Kindness, Mr. Kastenmeier, Mr. Kleczka, Mr. Roth, Mr. Regula, Mrs. Burton of California, Mr. Borski, Mr. Gradison, Mr. Gallo, Mrs. Meyers of Kansas, Mr. Oberstar, Mr. Stangeland, Mr. Addabbo, Mr. Fascell, Mr. Manton, Mr. Dellums, Mr. Boland, Mr. Foglietta, Mr. Conte, Ms. Oakar, Ms. Snowe, Mr. Volkmer, Mr. Young of Missouri, Mr. Thomas of Georgia, Mr. Michel, Mr. Hendon, Mr. Stark, Mr. Yatron, Mr. Schulze, Mr. Gejdenson, Mr. Boner of Tennessee, Mr. Smith of Iowa, Mr. Chappell, Mr. Jones of Oklahoma, Mr. Lagomarsino, Mr. Fazio, Ms. Kaptur, Mr. Wilson, and Mr. Savage.

H.J. Res. 47: Mr. Addabbo.

H.J. Res. 79: Ms. Snowe, Mr. Broyhill, Mr. Hendon, and Mr. Miller of California.

H.J. Res. 90: Mr. Akaka, Mr. Andrews, Mr. Anthony, Mr. Berman, Mrs. Boxer, Mr. Bryant, Mr. Carper, Mr. Chappell, Mr. Gejdenson, Mr. Reid, Mr. Wirth, Mr. Hayes, Mr. Hutto, Ms. Kaptur, Mr. Leland, Mr. Markey, Mr. Matsui, Mr. Moakley, Mr. Mrazek, Mr. Oberstar, Mr. Traficant, Mr. Whitehurst, Mr. Frank, Mr. Dymally, Mr. Gray of Pennsylvania Mr. Hall of Ohio, Ms. Fiedler, Mr. Feighan, Mr. Fazio, Mr. Fauntroy, Mr. Davis, Mr. Early, Mrs. Holt, Mr. Stark, Mr. Richardson, Mr. Torricelli, Mr. Volkmer, Mr. Weiss, Mr. Panetta, Mr. Petri, Mr. Sharp, Mr. Sabo, Mr. Wheat, Mr. Lantos, Mr. Pepper, Mr. Whitten, and Mr. Garcia.

H.J. Res. 222: Mr. Borski.

H.J. Res. 229: Mr. Ireland, Mr. Dowdy of Mississippi, Mr. Gilman, Mr. Thomas of Georgia, Mr. Wirth, Mr. Wise, Mr. Kildee, Mr. Shaw, and Mr. Olin.

H.J. Res. 271: Mr. Sabo, Mr. Shelby, Ms. Kaptur, Mr. Jones of Tennessee, Mr. Nielson, of Utah, Mrs. Bentley, Mr. Leland, Mr. Pashayan, Mr. McCain, Mr. Livingston, Mr. Mollohan, Mr. Chappell, Mr. Gregg, and Mr. Volkmer.

H.J. Res. 288: Mr. O'Brien, Mr. Chappell, Mr. Young of Alaska, Mr. Kindness, Mr. Flippo, Mr. Broyhill, Mr. Addabbo, Mr. Wolpe, Mr. Leach of Iowa, Mr. Gejdenson, Mr. Fuster, Mr. Sunia, Mrs. Byron, Mr. Dannemeyer, Mr. Clay, Mr. McKernan, Mr. Wyden, Mr. Towns, Mr. Whitten, Mr. Stenholm, Mr. Carper, Mr. Frenzel, Mr. Lagomarsino, Mr. Moore, Mr. Henry, Mr. Moakley, Mr. Barnard, Mr. Molinari, Mr. Coats, Mr. de la Garza, Mr. Emerson, Mr. Ackerman, Mr. Skelton, Mr. Wirth, Mr. Gilman, Mr. Gregg, Mr. Ralph M. Hall, Mr. Gallo, Mr. Coyne, Mr. Coelho, Mr. Dwyer of New Jersey, Mr. Vento, Mr. Conte, Mr. Kolter, Mr. Kostmayer, Mr. Kastenmeier, Mr. Brown of California, Mr. Gingrich, Mr. Feighan, Mrs. Holt, Mr. Stokes, Mrs. Burton of California, Mr. Foley, Mr. Conyers, Mr. Saxton, Mr. Mollohan, Mr. Neal, Mr. Olin, Mr. Roberts, Mr. Rahall, Mr. McKinney, Mr. Stratton, Mr. Natcher, Mr. Brooks, Mr. Hall of Ohio, Mr. Kildee, Mr. Lundine, Mr. Kemp, Mr. Yates, Mr. McHugh, Mr. Rinaldo, Mr. Edwards of Oklahoma, Mr. Daniel, Mr. Walgren, Mr. Moody, Mr. Dymally, Mr. Lantos, Mr. Rose, Mrs. Collins, Mr. Dellums, Mr. Levin of Michigan, Mr. Hayes, Mr. Foglietta, Mr. Whitley, Mr. Young of Missouri, Mr. McGrath, Mr. Gray of Pennsylvania, Mr. Montgomery, Mr. Traficant, Mr. Valentine, Mr. Derrick, Mrs. Meyers of Kansas, Mr. McCloskey, Mr. Green, Mr. Shumway, Mr. Chandler, Mr. Cooper, Mr. Sharp, Mr. Reid, Mr. Lightfoot, Mr. Studds, Mr. Fauntroy, Mr. DioGuardi, Mr. Sundquist, and Mr. Stangeland.

H.J. Res. 292: Mr. Murphy, Mr. Roe, Mr. Hughes, Mr. Weiss, Mrs. Holt, Mr. Waxman, Mr. Fish, Mr. Lantos, Mr. Callahan, Mr. Campbell, Mr. Hefner, and Mr. Shaw.

H.J. Res. 296: Mr. McCollum, Mr. Smith of Florida, Mr. Wheat, Mr. Bates, Mr. Olin, Mr. Spence, Mr. Applegate, and Mr. Hughes.

H.J. Res. 327: Mr. Wortley, Mr. Henry, Mr. Carper, Mr. Gordon, Mr. Horton, and Mr. Guarini.

H.J. Res. 329: Mr. Addabbo, Mr. Annunzio, Mrs. Bentley, Mr. Berman, Mr. Biaggi, Mrs. Boxer, Mr. Bryant, Mr. Carney, Mr. Chappie, Mr. Clay, Mrs. Collins, Mr. Coughlin, Mr. Crockett, Mr. Daniel, Mr. Darden, Mr. Daschle, Mr. Daub, Mr. de Lugo, Mr. Dwyer of New Jersey, Mr. Early, Mr. Emerson, Mr. Fazio, Mr. Feighan, Mr. Fish, Mr. Florio, Mr. Foglietta, Mr. Heftel of Hawaii, Mrs. Holt, Mr. Horton, Mr. Hoyer, Mr. Hughes, Mr. Hyde, Mr. Jacobs, Mr. Jones of North Carolina, Mr. Lagomarsino, Mr. Lewis of California, Mr. Livingston, Mr. McGrath, Mr. Martin of New York, Mr. Mineta, Mr. Morrison of Connecticut, Mr. Murphy, Mr. O'Brien, Mr. Owens, Mr. Porter, Mr. Rangel, Mr. Roe, Mr. Rose, Mr. Scheuer, Mr. Shumway, Mr. Smith of New Jersey, Mr. Smith of Florida, Mr. Solarz, Mr. Stokes, Mr. Sunia, Mr. Vander Jagt, Mr. Waxman, Mr. Weiss, Mr. Wolf, Mr. Wortley, Mr. Yates, and Mr. Young of Florida.

H.J. Res. 340: Mrs. Kennelly.

H.J. Res. 346: Mr. Gallo, Mr. Lagomarsino, Mr. Daub, Mr. Burton, of Indiana, Mr. Biaggi, Mr. Barton of Texas, Mrs. Bentley, Mr. Swindall, Mr. Smith of New Jersey, Ms. Mikulski, and Mr. Monson.

H. Con. Res. 15: Mr. Manton.

H. Con. Res. 69: Mr. Dreier of California.

H. Con. Res. 74: Mr. Brown of Colorado and Mr. Badham.

H. Con. Res. 156: Mr. Edwards of Oklahoma, Mr. Waxman, Mr. Weber, Mr. Burton of Indiana, Mr. Lagomarsino, Mr. Ritter, and Mr. Monson.

H. Res. 60: Mr. McCandless.

H. Res. 107: Mr. Seiberling.

H. Res. 134: Mr. Sweeney.

H. Res. 188: Mr. Bedell, Mr. Hughes, Ms. Mikulski, Mr. Bevill, and Mr. Madigan.

H. Res. 193: Mr. Duncan.

H. Res. 210: Mr. McKinney, Mr. Neal, Mr. Weiss, Mr. Scheuer, Mr. Hughes, Mr. Gejdenson, Mr. Owens, and Mr. Studds.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

182. By the SPEAKER: Petition of the county board of Rock Island County, IL, relative to infrastructure; to the Committee on Public Works and Transportation.

183. Also, petition of the Village of Glendale Heights, IL, relative to infrastructure; to the Committee on Public Works and Transportation.

184. Also, petition of the Silver-Haired Legislature Association, New Bedford, MA, relative to veterans services; to the Committee on Veterans' Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3008

By Mr. ARMEY:

—After section 8, insert the following new section and redesignate succeeding sections and any references thereto accordingly:

SEC. 9. SENSE OF CONGRESS.

It is the sense of the Congress that—

(1) neither the results of the consultant's study nor any of the Commission's recommendations relating to such study should be considered to reflect the views of the Congress; and

(2) in any judicial or administrative proceeding in which any of the results or recommendations referred to in paragraph (1) are considered, the methodology and other factors relating to the manner in which those results and recommendations were obtained shall be taken into account.

—In section 6(a), insert "(1)" before "In order".

Before section 6(b), insert the following:

(2) For purposes of this Act, positions within an occupational category shall be consideed to be held predominately by memberts of one sex if individuals of that sex hold more than 50 percent of the occupied positions within such category.

—In section 10(1), strike out "an objective," and insert in lieu theeof "a subjective,".

In section 10(2), strike out "an objective" and insert in lieu thereof "a subjective".

—In section 10(2)(B), strike out "and".

In section 10(2), redesignate subparagraph (C) as subparagraph (D) and insert before such paragraph (D) (as so redisignated) the following:

(C) factors relating to supply and demand; and

—Before section 7(d), insert following:

(5) With respect to any occupation for which the Commission recommends an increase in the rate of basic pay, the Commission shall include a statement as to—

(A) how the rate of pay recommended compares with the rate generally provided for that occupation in the private sector; and

(B) whether it would be more practical for the Government to contract with private sources for the services performed by Federal empoyees in that occupation.

—Section 5(a) and (b).

Page 10, line 1. Delete "5" and insert "10".

Page 10, line 9. Delete "a consultant" and insert "not less than three consultants".

—Section 6(a).

Page 10, starting on line 17, delete "which either sex is numberically predominant, any race is disproportionately represented, or either ethnic group is disproportionately represented" and insert in lieu thereof "Included within the scope of this study."

—Section 9.

Page 13, line 18, delete the period and insert the following: "if the Director certifies to Congress in writing that allocation of such funds will not adversely affect the ability of the Office to effectively carry out its statutory mandate."

—Section 8.

Page 13, line 9, insert after the word "limit" a comma and the words "expand, or otherwise change."

—Section 3(b), page 3:

In subsection (b)(1), delete "the Comptroller General of the United States" and insert instead "the Chairman of the Equal Employment Opportunity Commisson".

—Section 4(b), page 8:

Under subsection (b), modify paragraph 3(A), lines 17 and 18, by deleting the words "relates to any matter under investigation by the Commission." and replacing those words with the following: "to which the Commission is entitled under subsection (b)(2)."

—Section 7, page 12:

In Section 7(b), page 12, lines 9 through 12, delete everything after "analyses" on line 9 and insert instead the following: "shall be reported to the Office of Personnel Management for prompt investigation and, if necessary, appropriate remedial action."

—Section 4, page 9:

Add a new subsection (c) to Section 4, as follows: "(c) The Commission's authority is advisory only. Neither the Commission's study nor any other action by the Commission or its consultant shall be considered to be a modification of federal personnel policy or practice without subsequent ratification by the Congress."

—Section 3(b), pages 3–4:

In subsection (b)(4), change the number of members appointed by the Director of OPM to 9 from 4. Add as subparagraph (D) the following: "(D) 5 shall be individuals with federal personnel management experience, of whom: one shall be designated by the Secretary of Defense; one shall be designated by the Secretary of Health and Human Services; one shall be designated by the Secretary of the Treasury; one shall be designated by the Secretary of Agriculture; and, one shall be designated by the Secretary of Interior."

By Mr. BURTON of Indiana:

—Page 2, strike out line 25 and all that follows thereafter through page 6, line 8, and insert in lieu thereof the following:

(b) Composition.—The Commission shall be composed of 14 members, of whom—

(1) 7 shall be appointed by the President in consultation with the majority leader of the Senate and the minority leader of the House of Representatives; and

(2) 7 shall be appointed by the President upon the joint recommendation of the Speaker of the House of Representatives and the minority leader of the Senate.

To the extent practicable, appointments under this section shall be made with a view towards maintaining a fair balance in the interests represented and the functions to be performed by the Commission.

(c) Condition for Membership.—(1) Members of the Commission shall not be officers or employees of the United States.

(2) If any member of the Commission becomes an officer or employee of the United States, that individual may continue as such a member for not longer than the 15–day period beginning on the date that such individual becomes such an officer or employee.

(3) An individual on leave without pay from the Government shall not, for purposes of this subsection, be considered an officer or employee of the United States.

(d) Compensation.—Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service under section 5703 of title 5, United States Code.

Page 6, line 10, strike out "paragraphs (3) and (4) of".

Page 6, line 22, strike out "Six" and insert in lieu thereof "Eight".

(Amendment in the nature of a substitute.)

—Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Anti-Discrimination Act of 1985".

SEC. 2. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There shall be established a commission to be known as the Commission on Equitable Pay Practices.

(b) COMPOSITION.—The Commission shall be composed of—

(1) the Director of the Office of Personnel Management;

(2) the Chairman of the Equal Employment Opportunity Commission;

(3) 8 members appointed by the President, of whom—

(A) 1 shall be appointed upon the recommendation of the Speaker of the House of Representatives;

(B) 1 shall be appointed upon the recommendation of the minority leader of the House of Representatives;

(C) 1 shall be appointed upon the recommendation of the majority leader of the Senate;

(D) 1 shall be appointed upon the recommendation of the minority leader of the Senate; and

(E) 2 shall be appointed to represent the interests of taxpayers; and

(4) 5 members appointed by the Director of the Office of Personnel Management, of whom—

(A) 2 shall be appointed to represent the respective labor organizations representing (as exclusive representatives) the largest and the second largest numbers of individuals in Government service;

(B) 1 shall be appointed to represent employee organizations having as a purpose promoting the interests of women in Government service and composed primarily of women holding positions covered by the provisions of chapter 51, or subchapter IV of chapter 53, of title 5, United States Code;

(C) 1 shall be appointed to represent employee organizations having as a purpose promoting the civil rights of individuals in Government service and composed primarily of minority group members holding positions covered by any of the provisions referred to in subparagraph (B); and

(D) 1 shall be appointed from among individuals with expertise in Federal personnel management.

To the extent practicable, appointments under this section shall be made with a view towards maintaining a fair balance in the interests represented and the functions to be performed by the Commission.

(c) TIMING OF APPOINTMENTS; QUALIFICATIONS.—All appointments under paragraphs (3) and (4) of subsection (b) shall be made within 30 days after the effective date of this Act and shall be made from among individuals who are especially qualified to serve on the Commission by virtue of their expertise and experience.

(d) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(e) CHAIR AND VICE CHAIR.—The Chair and Vice Chair of the Commission shall be elected by the members of the Commission.

(f) QUORUM.—Eight members of the Commission shall constitute a quorum.

(g) MEETINGS.—The Commission shall meet at the call of the Chair or a majority of its members.

(h) NONAPPLICABILITY OF LIMITATION.—Appointments under this section shall not be considered for purposes of section 5311(b) of title 5, United States Code.

SEC. 3. CONDUCT OF STUDY.

(a) STUDY.—The Commission shall provide for the conduct of a study under which the following shall be examined:

(1) Whether the Government's position-classification system under chapter 51 of title 5, United States Code, and compensation systems under subchapters III and IV of chapter 53 of such title, are in compliance with section 6(d) of the Fair Labor Standards Act of 1938, relating to equal pay for substantially equal work.

(2) Whether the Government is in compliance with title VII of the Civil Rights Act of 1964 in matters relating to hirings and promotions of Federal employees.

(3) The effectiveness of any policies or programs of the Government (including those involving education or the dissemination of information) designed to encourage—

(A) the integration of individuals into occupations in which persons of a particular sex, race, or ethnic group have been traditionally underrepresented; or

(B) the promotion or other advancement of such individuals in Federal employment.

(4) Any trends or patterns relating to promotions or other advancement in Federal employment with respect to individuals belonging to any underrepresented group referred to in paragraph (30).

(b) METHODOLOGY.—In carrying out the study under this Act—

(1) the methodology to be used shall be subject to Commission determination or approval, as the case may be; and

(2) particular consideration shall be given to matters relating to women in Government.

SEC. 4. RECOMMENDATIONS AND REPORT.

(a) RECOMMENDATIONS.—The Commission shall develop recommendations (including proposals for legislation or administrative action) for enhancing Government efforts to achieve equality of opportunity in Federal Employment with respect to sex, race, and ethnicity and to improve the efficiency of Government compensation practices under subchapters III and IV of chapter 53 of title 5, United States Code. Included with such recommendations shall be an estimate of the cost anticipated in carrying out those recommendations.

(b) REPORT.—The Commission shall submit its report and recommendations under this Act to Congress not later than 18 months after the date of the establishment of the Commission.

SEC. 5. ADMINISTRATIVE PROVISIONS.

(a) COMPENSATION.—Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service under section 5703 of title 5, United States Code.

(b) DETAILS FROM OTHER AGENCIES.—Upon request of the Commission, the head of an agency may detail, on a nonreimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its responsibilities under this Act.

(c) OBTAINING INFORMATION.—The Commission may secure directly from any agency any information necessary to enable it to carry out this Act. Upon request of the Commission, the head of such an agency shall, to the extent permitted by law, furnish the information requested by the Commission.

(d) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(e) MAIL AND SUPPORT SERVICES.—The Commission may use the United States mails, and receive administrative support services from the Administrator of General Services, in the same manner and under the same conditions as other agencies.

SEC. 6. TERMINATION OF COMMISSION.

The Commission shall cease to exist 90 days after submitting its report under section 4(b).

SEC. 7. CONSTRUCTION.

Nothing in this Act shall be construed to limit or expand any of the rights or remedies provided under title VII of the Civil Rights Act of 1964, section 6(d) of the Fair Labor Standards Act of 1938, or any other provision of law relating to discrimination on the basis of race, color, religion, sex, national origin, handicap, or age.

SEC. 8. FUNDING.

Sums appropriated to the Office of Personnel Management for general operating expenses shall be available to carry out this Act.

SEC. 9. DEFINITIONS.

For the purpose of this Act—

(1) "agency" means an executive agency within the meaning of section 105 of title 5, United States Code (other than the General Accounting Office);

(2) "employee" and "Federal employee" each means an individual employed in or under an agency;

(3) "ethnicity" refers to the quality of being, or not being, of Hispanic origin;

(4) "ethnic group" refers to a grouping based on ethnicity;

(5) an individual shall be considered to be of Hispanic origin if such individual is of Mexican, Puerto Rican, Cuban, Central American, South American, or other Spanish origin;

(6) "Commission" means the Commission on Equitable Pay Practices established under section 2;

(7) "occupation" means any grouping of positions within an agency, as identified or defined under chapter 51 of title 5, United States Code, or subchapter IV of chapter 53 of such title;

(8) "position" means the work, consisting of the duties and responsibilities, assignable to an individual;

(9) "labor organization" has the meaning provided by section 7103(a)(4) of title 5, United States Code;

(10) "exclusive representative" has the meaning provided by section 7103(a)(16) of title 5, United States Code; and

(11) "Government" means the Government of the United States.

SEC. 10. EFFECTIVE DATE.

This Act shall take effect 30 days after the date of the enactment of this Act.

Amend the title so as to read: "A bill to promote equitable personnel practices and to eliminate discrimination within the Federal civil service.".

—Page 13, strike out lines 4 through 11.

—On page 2, line 1, strike all after the enacting clause.

—On page 2, line 3 after "Act of 1985", add: ", But You Can Call Me Comparable Worth.".

—On page 2, line 3, after "Act of 1985", add: ", or the 8 Billion Dollar Mistake.".

—On page 2, line 3 after "Act of 1985", add: ", or the 320 Billion Dollar Mistake.".

—On page 2, line 3 after "Act of 1985", add: ", or the Sexist Socialism Act.".

—On page 2, line 3 after "Act of 1985", add: ", or Feminist Folly.".

—On page 2, line 3 after "Act of 1985", add: ", or This Is What Happens When the Democrats Are In Control.".

—On page 2, line 3 after "Act of 1985", add: ", Done By A Loaded Commission.".

—On page 2, line 3 after "Act of 1985", add: "Being Railroaded Through On A Greased Track.".

—On page 2, line 3 after "Act of 1985", add: ", or Let's Make a Lot of Subjective Judgements Act.".

—On page 2, line 3 after "Act of 1985", add: ": This Is A Comparable Worth Bill.".

—On page 2, line 3 after "Act of 1985", add: ", or Let's Soak the Taxpayers Again.".

—On page 2, line 3 after "Act of 1985", add: ", or Why Do We Need the Free Market When We Have the Federal Government.".

—Page 2, strike out Section 3.

—On page 2, line 5 after "to" insert: ", consistent with the free market system,".

—Page 2, strike out lines 15 though 20.

—Page 3, strike out line 1.

—Page 3, strike out lines 1 through 3, and lines 14 through page 4, line 8.

—Page 3, line 4 strike out "5" and insert in lieu thereof "10".

—Page 3, strike out lines 5 through 13.

—Page 3, line 6 strike out "2" and insert in lieu thereof "8".

—Page 4, strike out lines 13 through 16.

—Page 7, strike out Section 4.

—Page 8, strike out lines 10 through 14.

—Page 8, strike out lines 15 through page 9, line 10.

—Page 9, strike out Section 5.

—Page 10, strike out Section 6.

—Page 10, strike out lines 20 through page 11 line 2.

—Page 10, strike out after "a study" on line 15 all that follows through line 19.

—Page 10, strike out lines 7 through 10.

—Page 10, strike out lines 22 through 24.

—Page 10, strike out lines 12 through 19.

—Page 11, strike out on lines 5 and 6 the following: "the President and".

—Page 11, strike out on line 5 "18" and insert in lieu thereof "36".

—Page 11, strike out lines 7 through 9.

—Page 11, strike out lines 19 through 24.

—Page 11, strike out line 24.

—Page 11, line 24, strike out "equivalent in totality" and insert in lieu thereof "equal".

—Page 11, strike out on line 19 the following words: "a list of".

—Page 12, strike out lines 1 through 3.

—Page 12, strike out lines 4 through 6.

—Page 12, strike out lines 1 through 6.

—Page 12, strike out lines 13 through 18.

—Page 12, strike out lines 19 through 24.

—Page 12, strike out lines 13 through 24.

—Page 12, line 22, strike out the following: "or administrative".

—Page 13, strike out lines 1 through 3.

—Page 13, strike out Section 8.

—Page 13, strike out Section 9.

—Page 13, line 17 strike out "general" and insert in lieu thereof "other than general".

—Page 13, insert on line 17 after "shall" the word, "not".

—Page 13, strike out Section 10.

—Page 13, strike out lines 21 through 24.

—Page 13, line 22, strike out "objective", and insert in lieu thereof "subjective".

—Page 13, line 22, strike out "quantitative" and insert in lieu thereof "non-quantitative".

—Page 13, strike out on line 23 the words, "entry-level".

—Page 14, strike out lines 1 through 4.

—Page 14, strike out lines 5 through 6.

—Page 14, strike out lines 7 through 18.

—Page 14, after line 18 insert the following: "(D) and, market factors."

—Page 14, strike out lines 19 through 22.

—Page 14, strike out lines 23 and 24.

—Page 15, strike out lines 1 and 2.

—Page 15, strike out lines 3 and 4.

—Page 15, strike out lines 5 through 8.

—Page 15, strike out lines 9 and 10.

—Page 15, strike out lines 11 and 12.

—Page 15, strike out lines 13 through 15.

—Page 15, strike out lines 16 through 18.

—Page 15, strike out lines 19 through 21.

—Page 15, strike out lines 22 and 23.

—Page 16, strike out Section 11.

—Page 16, line 2, strike out "30 days", and insert in lieu thereof "one year".

By Mr. LUNGREN:

—In Section 10(2)(B), strike out "and".

In Section 10(2), redesignate subparagraph (C) as subparagrpah (D) and insert before such subparagrpah (D) (as so redesignated) the following:

"(C) labor market supply and demand factors; and".

By Mrs. VUCANOVICH:

—Strike out the heading for section 8 and insert in lieu thereof the following:

SEC. 8. CONSTRUCTION: ADVISORY NATURE OF STUDY.

In section 8, insert "(a)" before "Nothing".

Add the following at the end of section 8:

(b) ADVISORY NATURE.—The consultant's study and any findings, conclusions, recommendations, or comments by the consultant or the Commission under this act with respect to such study shall be considered to be of an advisory nature only.

H.R. 3011

By Mr. GEKAS:

—Page 41, after line 21, insert the following:

Notwithstanding any other provision of this act, none of the funds appropriated in this act shall be available for the Youth Conservation Corps until such funds are appropriated in an Act or Joint Resolution containing no other appropriation.

EXTENSIONS OF REMARKS

MEDICARE IMPROVEMENT ACT OF 1985

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. EDGAR. Mr. Speaker, 20 years ago today President Johnson signed legislation creating Medicare, our Nation's health care system for the elderly. Therefore, it is both appropriate and important that I am today introducing legislation to address the long-term and short-term funding questions facing Medicare.

My bill, the Medicare Improvement Act of 1985, would provide for the creation of a bipartisan Commission to examine options for Medicare, similar to the National Commission on Social Security Reform that analyzed Social Security financing in 1982.

All of us are aware of the benefits that elderly Americans have received from this program. We know what the consequences would be if we were to suddenly terminate this health insurance for 30 million Americans.

However, we have proposed only Band-Aid solutions as Medicare expenditures continue to rise; total health care expenditures have increased 750 percent since Medicare was enacted. The Congressional Budget Office and other economic analysts all have varying predictions of when the Medicare trust fund might run dry—but they all agree that it faces serious problems in this century.

In the short term, we have dealt with this problem in a patchwork, inequitable way. For the first few years of this administration the President went after the elderly themselves, increasing out-of-pocket payments drastically: The part a hospital deductible has gone up by 95 percent from 1981 to 1985 and the part B doctors' premium went up by 62 percent over the same period. Medicare currently covers less than one-half of the total health care expenditures of the elderly. Senior citizens are paying more and more for less and less coverage.

Then, we went after the hospitals. In 1983, as part of the Social Security rescue plan, we tacked on a prospective payment system for hospitals admitting Medicare patients. The plan has been successful in slowing the growth in hospital costs, but we are just beginning to see the secondary effects on people, such as the rise in premature discharges of patients from hospitals.

Last year, we went after doctors, instituting a 1-year freeze on Medicare reimbursement rates for physicians. This year we seem likely to do so again.

Mr. Speaker, soon we'll run out of shins to kick.

We can't just go around taking a piece out of some group each year, especially when the health and well-being of our Nation's elderly is on the line.

The only fair and equitable way to deal with the financial crisis and the question of equity is through a thorough overhaul of the Medicare system.

The legislation I am introducing today would create a Commission composed of 18 members: Six Members of the House of Representatives appointed by the Speaker of the House—three Democrats and three Republicans; six Members of the Senate appointed by the President pro tem of the Senate—three Democrats and three Republicans: and six Members appointed by the President of the United States—three Democrats and three Republicans.

The Commission would be charged with making recommendations to resolve the short- and long-term financial problems facing Medicare and with suggesting ways to provide for adequate and cost-effective benefits for America's senior citizens.

Specifically, my bill directs the Commission to review the benefit structure of the Medicare Program, the methods of making payments to health care providers, and ways to encourage the efficient provision of health services to the elderly.

The Commission would begin its work on January 1, 1986, and report to the President and Congress by January 1, 1987.

Mr. Speaker, Medicare is at a turning point, and we have the power and responsibility to shape its future. We can deal with the problem calmly, fairly, and in a bipartisan manner, or we can turn Medicare into a political football, put off any action, and watch the system erode. The choice is ours, and the bipartisan Commission is the best option for good Government policy and for the health of our senior citizens.

The text of the bill follows:

H.R. —

A bill to provide for establishment of a bipartisan Commission to study and make recommendations concerning changes in the medicare program to assure its short-term and long-term financial solvency and the appropriateness of its benefit structure

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is established a commission to be known as the Medicare Financing and Benefit Review Commission (hereinafter in this Act referred to as the "Commission").

(b)(1) The Commission shall study and make recommendations concerning the short-term and long-term financial problems and benefit structure of the programs established under title XVIII of the Social Security Act (popularly known as the medicare program) and such changes as may be required in the medicare program in order to assure its financial solvency and to provide for adequate and cost-effective benefits.

(2) In conducting its study, the Commission shall review, among other things—

(A) the benefit structure of the medicare program,

(B) the methods of making payments to health care providers, and

(C) methods that encourage and reward the efficient provision of health services to the elderly and disabled.

(3) The Commission shall not begin conducting its study until January 1, 1986.

(c)(1) The Commission shall be composed of eighteen members as follows:

(A) Six members appointed by the President, at least five of whom are not officers or employees of the United States and are specially qualified to serve on the Commission by virtue of their education, training, or experience.

(B) Six members appointed by the President pro tempore of the Senate from among Members of the Senate, giving special consideration to the appointment of those Senators who are members of those committees or subcommittees of the Senate with jurisdiction or other special concern over the medicare program.

(C) Six Members of the House of Representatives appointed by the Speaker of the House of Representatives, giving special consideration to the appointment of those Representatives who are members of those committees or subcommittees of the House of Representatives with jurisdiction or other special concern over the medicare program.

A vacancy in the Commission shall be filled in the manner in which the original appointment was made. Appointments to the Commission shall first be made within thirty days of the date of the enactment of this Act.

(2) Not more than three members of the Commission appointed under paragraph (1)(A) may be of the same political party. With respect to members of the Commission who are Members of the Congress, not more than three Representatives and not more than three Senators shall be of the same political party.

(3) Members shall be appointed to serve for the life of the Commission.

(4)(A) Members of the Commission appointed under paragraph (1)(A) who are not officers or employees of the Federal Government are entitled to receive, subject to such amounts as are provided in advance in appropriations Acts, the daily equivalent of the minimum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission. All other members shall serve without additional pay.

(B) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence.

(c)(1) Nine members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(2) The Chairman and Vice Chairman of the Commission shall be elected by the members of the Commission for the life of the Commission.

(3) The Commission shall meet at the call of the Chairman or a majority of its members.

(d)(1) The Chairman of the Commission, in consultation with the Vice Chairman, is authorized to appoint and fix the compensation of a staff director and such other additional personnel as may be necessary to enable the Commission to carry out its functions without regard to the civil service laws, rules, and regulations. Any Federal employee subject to those laws, rules, and regulations may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(2) The Commission may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the minimum annual rate of basic pay payable for GS-18 of the General Schedule.

(e)(1) The Commission may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) The Commission may secure directly from any Department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(3) The Commission may accept, use, and dispose of gifts or donations of services or property.

(4) The Commission may use the United States mails in the same manner and under the same conditions as other Departments and agencies of the United States.

(5) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(f) The Commission shall transmit to the President and to each House of the Congress, not later than January 1, 1987, a report containing a detailed statement of the studies and recommendations of the Commission, including any recommendations for legislation it considers appropriate.

(g) The Commission shall cease to exist on January 1, 1987.

(h) There are authorized to be appropriated such sums as may be necessary to carry out this Act.●

THE RECESSION ON THE RIVER

HON. WEBB FRANKLIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. FRANKLIN. Mr. Speaker, the problems facing the inland waterway industry are a serious concern to those areas of the country that have always depended economically on river traffic.

The New York Times has recently summarized the depressed state of that industry, and I would like to bring the following article to the attention of my colleagues:

THE RECESSION ON THE RIVER

(By William E. Schmidt)

MEMPHIS.—By almost every measure, these are perhaps the hardest of times along the nation's rivers and waterways. Here, as elsewhere on the Mississippi, the volume of freight crossing the once bustling docks has plunged 30 percent since its 1978 peak. Hundreds of barges stand idle waiting for cargo.

Many of the towboat operators who earned their living moving grain, petrochemicals and coal down to New Orleans have gone bankrupt or are just barely hanging on. "This industry is on its knees," said Howard Brent, the owner of Brent Towing, a family-owned business that has been working the river out of Greenville, Miss., since 1941. "We're at a one-hundred-year low."

Rivermen whose fathers and grandfathers pushed barges up and down the Mississippi now find themselves out of work and out of hope. That's because the river is the economy in towns like Helena, Ark., and Greenville, where more than 1,000 rivermen have been laid off since 1981. "The small, independent river operator who flourished in a number of small towns is a vanishing breed," said Jack Baskin, who was the president of one of 16 barges companies that have gone out of business in Greenville since 1980.

The pilots and boatmen who work the Mississippi have always known it to be a treacherous river. But the economic currents have not been this turbulent since the late 19th century, when the expansion of the railroads sank most of the major steamboat lines. River business, in fact, did not begin to rebound until the 1930's, when the Federal Government stepped in, not only directing the United States Army Corps of Engineers to invest billions in navigational aids and port improvement projects, but also temporarily running its own barge line to help establish routes and markets that private operators took over and expanded in the 1950's.

But these days, most of the nation's 25,000 miles of inland waterway are facing economic problems, from the Great Lakes to the Mississippi, says Harry Cook, president of the National Waterways Association. "The problem is mainly the world economy, coupled with the strength of the dollar abroad; American industry is off and so are the exports of grain and coal and steel that are moved on the waterways," Mr. Cook said.

Now, however, businessmen, barge owners and port administrators say they have something else to worry about: renewed talk in Washington about requiring local governments and private companies to pay a larger share of the cost of much-needed navigation, channel and port improvements, public works projects which historically have been paid for by the Federal Government.

Cost-sharing agreements were at the center of a compromise reached last month between Senate Republicans and the Administration, aimed at resolving a 10-year-long debate that has effectively frozen hundreds of millions of dollars of Federal money destined for scores of river and port improvement projects, including more than $625 million due to be spent at Memphis and four other ports along the lower Mississippi.

The Carter Administration held back the funds. The Reagan Administration has similarly refused to spend the money, arguing that users who benefit financially from the projects must share anywhere from 20 to 60 percent of the cost of port improvements, local and dam construction and harbor dredging.

Among other things, the proposal under discussion in the Senate would over 10 years double to 20 cents a gallon the tax on diesel fuel paid by towboat operators, and earmark the revenues for channel and harbor projects. "I'm so far underwater now I'm using a snorkel, and the Federal Government is trying to put another tax on me," complains Mr. Brent, in Greenville. "They're going to drive us out of business."

CONGRESSIONAL RESISTANCE

There is no guarantee that Congress will eventually approve the kind of cost-sharing formulas being considered by the Senate. On the House side, there has been sharp resistance to cost-sharing.

The debate over ending an era of Federal involvement in river commerce comes just as the most expensive public works project in the history of the Army Corps of Engineers has opened. The 234-mile Tennessee Tombigbee Waterway, a chain of locks and canals in eastern Mississippi and western Alabama, was officially dedicated in June. It is intended to provide inland shippers a shorter and less expensive water route to the Gulf of Mexico, as well as stimulate one of the nation's most economically backward regions.

But after spending some $2 billion on the project, the Administration now would prefer that state and local governments, rather than the Federal Treasury, take the lead in finding the money to help develop ports and harbors. As it turns out, the Tenn-Tom, as it is known locally, couldn't have opened at a worse time. With waterway business down nationally, traffic along the Tenn-Tom is likely to be well short of the expectations that boosters had for it in the 1970's.●

PRAISE FOR DAVID STOCKMAN

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. MARKEY. Mr. Speaker, David Stockman's tenure at the Office of Management and Budget is a curious one, and one that deserves closer public scrutiny.

The Washington Post recently printed an editorial praising Mr. Stockman's "intellectual and moral integrity." The Post's praise is questionable. David Stockman is praised by the Post, not for his public honesty, but his private honesty. Ralph Nader's response to the editorial lends a much needed light on Mr. Stockman's record. I commend Mr. Nader's letter to my colleagues, and insert the letter in the CONGRESSIONAL RECORD.

The letter follows:

PRAISE FOR DAVID STOCKMAN?

(By Ralph Nader)

The Post's praise of David Stockman ["Well Done, David Stockman," July 10] invites incredulity. The editorial says that he "has been one of the important truth-tellers in this administration," even though he admitted that he testified several times before Congress using numbers and projects he did not believe. Does a civil servant need only to confide the truth privately, while saying the opposite publicly, to earn The Post's commendation?

Second, Stockman seemed to display his budget-cutting muscle most vigorously against unorganized or defenseless people. His moves to eliminate legal services for the poor and to cut sharply the infant nutrition programs are cases in point. But the really big dollars in the corporate entitlements and military contracting areas rarely received such clenched-teeth opposition from the budget director.

Third, Stockman systematically interfered with the rule-making procedures of federal agencies invested by law with protecting the public's health and safety. Whether in the area of infant formula standards, auto safety rules, acid rain control proposals or simply providing citizens with health and safety information, Stockman and his band of OMB zealots blocked, overrode, bullied or delayed dozens of existing or proposed life-saving, disease-preventing and consumer-cost-reducing measures. They did this both with ideologically driven ignorance and the power OMB wielded over these agencies generally. They also did this with many admitted *ex parte*, undocketed contacts that OMB personnel had with company lobbyists.

I consider Stockman's record at OMB quite distant from the "intellectual and moral integrity" that The Post ascribed to him.●

THE BLINDED SOVIET CITIZENS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. LAGOMARSINO. Mr. Speaker, whereas Americans saw the United States at war in Southeast Asia every night on their television sets, the average Soviet citizen has seen virtually nothing about the Soviet's brutal invasion, occupation, and continued subjugation of Afghanistan, that once-peaceful land. Soviet citizens are unaware of the horrors being inflicted on the innocent people of Afghanistan, including beheadings, the use of chemical weapons, torture, random executions, and more. The Kremlin's savage war against the people of Afghanistan, and against humanity, continues, largely hidden from both Western and Soviet eyes.

The New York Times recently reported, however, that a 2½-minute report of the Afghan war was shown on official Soviet television. Just what were the Soviet people shown about that war? Was it the attacks on villagers by the dreaded Mi-24 Hind helicopter gunships? The dropping of butterfly bombs designed to maim children? The intentional destruction of Afghanistan's delicate irrigation system? No. As the Times reported, this news report was different. According to the Times article:

> As automatic weapons rattled, Soviet soldiers dashed from behind armored vehicles, crouching low, racing past coils of barbed wire to take up positions on a dry, rocky field.
>
> Soldiers atop an armored personnel carrier fired machine guns. Smoke rose in the distance. An officer searched the hills with binoculars.

What thrilling sights and sounds. Mr. Speaker, the Times says that Soviet "news accounts grow more frank." One can only wonder what the outcome of the U.S. war in Vietnam would have been if the U.S. media had covered that conflict with equal frankness.

I offer the following article for my colleagues' review, and urge them to join me in calling for the immediate removal of all 120,000 Soviet troops from Afghanistan. Five years have passed since that unnecessary and ruthless invasion. Millions have died; millions more have been forced to flee from their native land to neighboring Pakistan and Iran. It is time the U.S. Government exposed this genocide. We certainly cannot count on the Soviet Government-run media to inform the world, or even their own citizens, about Soviet atrocities in that once-peaceful land.

SOVIET TV GIVES ITS VIEWERS RARE GLIMPSE OF AFGHAN WAR

(By Seth Mydans)

MOSCOW.—For the first time in more than five years of undeclared war, the fighting in Afghanistan has come into Soviet living rooms on the television evening news.

A two-and-a-half-minute report earlier this month, including what appeared to be battlefield footage and heroic words, from a group of Soviet soldiers, was a far cry from the daily, detailed and often negative reports from Vietnam that filled American television screens.

But the fact that the officially controlled television program was showing burning trucks, explosions and Soviet troops assaulting an unseen enemy raised eyebrows among Western diplomats here.

A Soviet journalist said he believed that the footage had been filmed in Afghanistan but that the battle scenes themselves were likely to have been at least partly staged for the camera.

Several days after this report, the evening news again showed Afghanistan, with a report on a victory by Government forces over "mercenary bands" in which over "more than 100 cutthroats were annihilated" and a large number of Western-made weapons and much subversive literature seized.

The film footage in this case was limited to a long look at stacks of reportedly captured weapons.

"This is definitely an escalation of news coverage," a Western military attaché said. "One of the big things the Russians have going for them is that their own people haven't been seeing the war on television day after day."

Some Russians attribute the lack of vocal or widespread opposition to the war to the fact that it remains cloaked in secrecy in Soviet news outlets.

Soviet television programs rarely show negative subjects about the Soviet Union. But the evening news constantly shows Western film footage of floods, fires and other disasters outside Soviet borders, as well as demonstrations, riots battles in other parts of the world.

Scenes of the conflicts in Central America, taken from Western television reports, are shown frequently.

A Western diplomat said the Soviet Union's presentation of its own war has been evolving in the press in a way that acknowledges that Afghanistan has become a fact of life, though a muted one, in this country.

"There's no way to just pretend it's not there, with more than 100,000 young men rotating through Afghanistan at any time, and something like 10,000 casualties a year," he said.

NEWS ACCOUNTS GROW MORE FRANK

Since the fifth anniversary last December of the Soviet sweep into Afghanistan, the controlled news accounts have grown more frank about the fact that soldiers are fighting and dying there.

The Soviet forces are invariably referred to as a "limited contingent" and described as fulfilling their "internationalist duty."

A few reports of heroism have appeared in recent months in the press, in what some diplomats see as an indication that the Kremlin does not expect the war to end soon, and is therefore presenting it as a glorious endeavor.

The three most prominently portrayed Soviet heroes are said to have died on the battlefield in curiously similar circumstances, by setting off grenades that killed themselves and their "bandit" attackers.

Occasional television reports on Afghanistan have until now focused almost entirely on Soviet aid projects or on daily life in Kabul.

The new television report, shown early this month, was different.

As automatic weapons rattled, Soviet soldiers dashed from behind armored vehicles, crouching low, racing past coils of barbed wire to take up positions on a dry, rocky field.

Soldiers atop an armored personnel carrier fired machine guns. Smoke rose in the distance. An officer searched the hills with binoculars.

There was no sign of the enemy or of return fire, and it was impossible to tell if the scene showed a genuine battle or had been staged for television. But the footage appeared to have been shot in Afghanistan, and its presentation to Soviet television viewers was that of real battle coverage.●

THE NEW SPACE RACE

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. ANDREWS. Mr. Speaker, at Rice University in 1962, President John F. Kennedy said:

> The exploration of space will go ahead, whether we join in it or not, and it is one of the great adventures of all time, and no nation which expects to be the leader of other nations can expect to stay behind in this race for space." "Those who came before us made certain that this country rode the first waves of the industrial revolutions, the first waves of modern invention, and the first wave of nuclear power, and this generation does not intend to flounder in the backwash of the coming age of space. We mean to be a part of it—we mean to lead it.

When President Kennedy spoke in Houston 20 years ago, the space race was a two-nation competition between America and the Soviet Union. Our goal was not only to excel in the use of technology in space, but also to show the strength of our society. Both of these aims were set forth in a dramatic way by President Kennedy, and America's space program was born.

Today, not only have many other players entered the race, but the goals of the race have changed as well. Now one of the most powerful forces driving space development is the commercial potential of outer space. This potential has drawn in Japanese, the West Germans, the French, and other nations into a new race not only to explore space, but to use it. Outer space will no longer be solely the scene of dramatic exploration. It will become an arena of tremendous international economic competition.

We recently reached a milestone of sorts in this increasing commercialization of space—the first products manufactured in space for commercial use went on sale. It is clear that we not live in an age when our security and future are bound up in the development of space. Our work in space is no longer a purely scientific venture that we choose to pursue. We have come to depend on space and its use. And as we have continued to expand our use of space, we have come to realize its potential as an engine of growth on Earth. Space development in materials processing, communication, remote sensing, and many other areas can translate the unique environment of space into economic growth on the ground.

I think this trend is definitely to be welcomed. Instead of Government dollars alone, private money will pour into space commerce quickening the pace of development. But we must remember that this competitive environment requires a continued U.S. Government role. We already have a tremendous investment; from the Mercury Program to the shuttle, we have poured billions of dollars into space development. In the coming decease the space station will provide a permanent platform for research and development in this unique environment—the potential is tremendous. We cannot afford to let foreign competitors get the jump on us in exploiting markets that we have developed. The Federal Government has a demanding and important role to assure continued American commercial development in space.

My work in this House and on the Science and Technology Committee has been guided by the principle that we in the Government must act to eliminate the obstacles to space commercialization. There are several such obstacles that we are currently dealing with and others that need our attention. Our success in removing these obstacles will set the course for U.S. space commerce.

First, how will the products and profits of space commerce be taxed? Under current law, products made in space are treated as imports. This negative treatment is not the result of a deliberate policy choice by Congress but rather the simple aging of our laws. No one before us had to consider the implications of products from space industry. To remedy this legal blindspot, I have joined in sponsoring the Space Investment Tax Equity Act, H.R. 2172, which will treat the output of the U.S. space industry as domestic products. Under this act, space products will be taxed at the lower domestic rate, and U.S. space producers will be able to use the investment tax credit just like producers on the ground.

I want to commend my esteemed chairman on the Space Subcommittee, BILL NELSON of Florida, and my colleague from New York, TOM DOWNEY, for bringing this much needed bill before the House. I encourage all my colleagues to support this insightful piece of legislation.

A second obstacle to space commercialization is the high degree of risk for such ventures. Space insurance has for 20 years been provided privately to cover the risks faced by companies and governments that place hardware in orbit. Recently the loss of the Westar and Palapa satellites has seriously hurt the space insurance industry and most certainly will cause a significant rise in the premiums on space insurance contracts. In the period from 1977 to 1983, the average satellite insurance premium represented about 8 percent of the value of the craft. With these losses, it has been predicted that premiums could more than double to perhaps 18 percent of the value of a satellite. My concern is that such a rise will increase the cost of space access and deter businesses from investing in space. These conditions warrant the consideration of a government role as an insurer of last resort for space ventures.

I am currently assessing several approaches to meeting the critical need for sufficient insurance coverage for space operations. A low-cost Federal Space Insurance Program may be what is needed to encourage investment in space commerce. At my request, the Space Subcommittee will be reviewing this important topic in the near future.

A third issue is that of shuttle pricing policy. A big component of any businessman's assessment of a space venture is the cost of getting into space. Therefore the way we choose to price the use of the shuttle has a significant impact on space commercialization. In weighing such a decision, we must consider how shuttle pricing affects the ease of access to space and our own expendable launch vehicle of ELV industry. A low price encourages the use of space but may undercut the ELV industry; while a high price might drive customers to competitors like the French Ariane rocket and discourage the use of space.

It has been argued that a high price is needed to recover the cost of the shuttle. I question this attitude. The shuttle was built to foster the utilization of space, but if we push the price up to recover more of the Government's cost, we'll drive private money away from space investments. That would undermine our original goal. I favor a low price for shuttle use to encourage easy, low-cost access to space. Such a policy would also help keep business from using the shuttle's main competitor, the Ariane.

So far I have discussed how we are moving to reduce the risk of space ventures, control the cost of going into space, and improve the tax treatment of products that result from space commerce. But what about going beyond this foundation for space commercialization? How can we create actual business activity? Should we even be involved? There is much uncertainty in the business world about putting up the money to investigate commercial ideas in space. There are tremendous unknowns that only further applied research will resolve. I believe we in Government have a role in fostering this needed applied research that will bring commercial ideas off the design table and into reality. One thing we have learned over the past 20 years is that space research is a good investment.

One such program already underway with my full support is the creation of the NASA Centers for Commercial Development of Space. The centers were conceived by NASA as joint endeavors drawing together the excellent research capacity of our universities and the management and capital resources of American industry to shepherd commercial concepts from the laboratory and into space. Thus the centers will combine America's tremendous scientific capability with its entrepreneurial spirit.

Houston has submitted 1 of the 21 bids for the 3 to as many as 10 such centers that will begin this year. I have pursued every avenue in support of the bid and am very hopeful Houston will get the center. Houston has excellent resources to bring to such a center, from the Texas Medical Center to a large industrial base and a number of research universities. And the Houston consortium reflects these strengths; it brings together such institutions as the University of Texas Health Science Center, the University of Houston, Rice University, Lehigh University, and a host of other organizations and businesses. I am confident that Houston will become the hub of a massive space economy, driven by high technology and enriching our already diverse economy in Houston and the Nation. A further effort to assure the continuance of the research activity critical to our Nation's future economic growth is the high technology Research and Science Education Act, H.R. 1188. Its most important provision is the permanent extension of the research and development tax credit. I am proud to be a cosponsor of this needed legislation to foster our national research base.

Taken as a whole, these programs and initiatives can assure the United States continued preeminence in space development.

With affordable insurance, fair taxation, ease of access, Government seed money, and the tremendous infrastructure created by the shuttle and space station, I am confident that our space economy will grow rapidly. As in other new industries—railroads, jet aviation, nuclear development—there is an important partnership of the public and the private sector working together.

In my own city, we have a proud history of public and private sectors working together to meet new challenges for ambitious and responsible growth.

In the 1920's Jesse Jones worked with a Congressman named Tom Ball to create a ship channel that would travel 50 miles from the gulf to inner city Houston—providing a new national port for the United States.

In the 1960's Houston's citizens worked with Albert Thomas and Lyndon Johnson to bring Houston the Space Center—creating new triumphs and new technologies in which all Americans have shared.

Today this generation of Americans faces challenges and it is our time to be tested.

Space beckons Houston and indeed our entire Nation to new ideas, new efforts, and new heights of achievement.

Many years ago Daniel Webster challenged us to "Develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests and see whether we, in our day and generation, can perform something worthy to be remembered."

That's what we're doing in the Space Program—that's what we've done in the Houston area. Working together, business and Government, private and public sectors—we can build a future as successful and exciting as our past.

Thank you.●

ESF's TO ANTIGUA AND BARBUDA

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. YATRON. Mr. Speaker, I wish to bring to the attention of my colleagues the importance of providing badly needed economic support funds [ESF's] to Antigua and its sister island of Barbuda. These islands, collectively called Antigua, historically have maintained friendly relations with the United States and are an important linch pin to maintaining our security interests in the eastern Caribbean.

Antigua is strategically located in the leeward islands of the Caribbean, approximately 250 miles from Puerto Rico and in close proximity to maritime transport lanes of major importance to the United States. Since declaring its independence from Great Britain in November 1981, Antigua has maintained a moderate, democratic parliamentary form of government. Relations between the United States and Antigua have always been friendly, and Antigua has traditionally supported U.S. interests in the Caribbean region. Antigua is an active member in the regional security system and participates as a member of the Caribbean peacekeeping force. In addition to its overt support of U.S. policies in the region, Antigua has permitted two U.S. military bases to be stationed on its territory since 1941, and has aggressively supported and cooperated with U.S. efforts to combat the growth of illegal drug trade in the region.

Antigua's value to U.S. security interests in the eastern Caribbean is in large part dependent on Antigua's continued economic and political viability. Trade, investment, and concessional aid are essential components in Antigua's struggle to compliment its political independence with economic self-reliance. Although small in size and population, Antigua is confronted with many of the same economic challenges as larger countries of the Caribbean. Like many Caribbean islands, it is heavily dependent on tourism which accounts for approximately 20 percent of its gross domestic product and employs about 25 percent of its population. Because tourism is its main industry, the economy of Antigua is especially vulnerable to worldwide economic recessions and adverse climatic conditions. The recent international recession and the prolonged drought in 1984 has convinced the Government of the need to diversify its industrial and commercial activities. However, before Antigua can begin to expand its industrial and commercial sectors, it needs to develop a sufficient infrastructure of roads, housing, transportation and communication systems, and adequate water supply and sewage systems. In order to advance the development of these basic facilities to meet the needs of its citizens, Antigua should be provided with economic support funds.

The ESF is designed to provide flexible economic assistance to countries of particular economic, political, and security interests to the United States. The allocation of ESF assistance would go far to ameliorate some of Antigua's basic developmental challenges. A strong, economically viable Antigua, in turn, would fortify our own national interests in preserving the security of the eastern Caribbean region.●

TECHNOLOGY EDUCATION ACT OF 1986

HON. FREDERICK C. BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. BOUCHER. Mr. Speaker, today I am introducing the Technology Education Act of 1985 which will help our Nation's educational system prepare America's next generation of citizens for the technological world of tomorrow.

Over the past two decades, unparalleled scientific and technical advances have occurred. Our society has been dramatically transformed by computers, by communications and by electronics, and it will continue to change in the decades ahead. Only one generation ago, gasoline automobiles, telephones, electric stoves, and airplanes were unfamiliar contraptions. Today, videorecorders, mobile telephones, microwave ovens, and supersonic jets are commonplace conveniences.

Technological advances have also altered the nature of many occupations in the fields of health care, energy production, food processing and the construction and maintenance of scientific, educational, military and industrial equipment.

It is essential for the young people of today to understand how their society has been molded by modern technological innovations. They should learn that the use or absence of use of technology can have far-reaching social and economic consequences. In short, today's students must possess technological literacy, an understanding of the technological world around us.

Our educational system is lagging dangerously behind the recent technological revolution. Two years ago, the National Science Board issued a report sharply attacking the inadequacy of our public schools in meeting the technological challenge. In its report, "Educating Americans for the 21st Century," the Board warned that our country which "dramatically and boldly led the world into the age of technology is failing to provide its own children with the intellectual tools needed for the 21st century." Numerous other national reports, including "A Nation At Risk," Ernest Boyer's study for the Carnegie Foundation and a recent report by the Southern Regional Educational Board, have echoed the concern of the Science Board: "America Is Raising a Generation of Technologically Illiterate Citizens."

Last year, Congress responded to this challenge by launching a Federal offensive to improve mathematics and science education. With the enactment of the Emergency Mathematics and Science Education Act of 1984, a Federal commitment was made to strengthen math and science education and to develop teacher training programs in those fields.

The Technology Education Act of 1986 builds upon and complements last year's initiatives with a comprehensive, three-pronged approach.

First, demonstration projects of general technology education courses will be established in secondary schools. Although technology education is inherently linked to the scientific and mathematical concepts on which it is based, an understanding of technology requires more than simply the application of those basic concepts. Based on the recommendations of the National Science Board, the act contemplates the development of separate technology education courses.

Each model program will develop technology education courses which examine the historical role of technology in the development of our Nation and world. Students will explore the relationship between changing technologies and changing social values. At the same time, students will be challenged to consider the benefits and risks of technological decisions.

Second, because the field of technology education is relatively new and rapidly changing, there is a need to develop quality curricula and teacher education programs. In view of this need, the Technology Education Act provides grants for research and development of curriculum materials for use in the model program and for distribution statewide. In addition, teacher training programs and multidisciplinary training workshops and authorized to equip today's teachers with the background and updated skills necessary for comprehensive technology education instruction.

Finally, each demonstration program of technology education established under this act will serve as a model for emulation by other schools in the school district or State. In order to encourage the duplication of these model programs in other school systems, the act requires that the grantee distribute its curriculum and teacher training materials, as well as the benefits of its experience, to other State and local educational agencies and postsecondary institutions.

The Technology Education Act of 1986 will serve as a catalyst for nationwide action to provide technology education to all students. Duplication and dissemination of the technology education model programs will multiply many times over the value of the initial Federal investment. The act authorizes $3 million for fiscal year 1986 and a sum sufficient for the following year.

We have a responsibility to prepare future generations for the world that will confront them. Our future success as a nation—our national defense, our world competitive position, our social stability and national prosperity—will depend on our ability to provide the education and training for millions of citizens to understand and live in an advanced technically oriented society.

The Technology Education Act provides Federal leadership and support to meet that responsibility by equipping our educational system for the technological challenge of today and the next century.●

IMBALANCE, INEQUITY, AND INEFFICIENCY IN HEALTH CARE FINANCING

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. GRADISON. Mr. Speaker, I have long been concerned with the paradoxes and problems present in our Nation's system of health care finance.

Recently, I read an excellent article entitled "Imbalance, Inequity, and Inefficiency in Health Care Financing" which addresses these concerns and evaluates the use of the marketplace incentives and governmental regulatory approaches that attempt to resolve these issues.

The article, which was written by Jack Meyer, appeared in the summer 1985 issue of the Bell Atlantic Quarterly. Dr. Meyer is director of the Center for Health Policy Research at the American Enterprise Institute for Public Policy.

Dr. Meyer's article is reprinted below:

IMBALANCE, INEQUITY, AND INEFFICIENCY IN HEALTH CARE FINANCING

(By Jack Meyer)

The health care finance system in the United States is characterized by three basic problems—imbalanced coverage in government programs and private health insurance, poorly targeted government subsidies, and an inefficient system of paying doctors, hospitals, and other health care providers. This article analyzes these three dimensions of the health care cost problem and provides a comparative assessment of market incentives and government regulatory approaches that attempt to address these issues.

Our health care finance system is a paradoxical mixture of generosity and stinginess. Over the past several decades, we have built a system of public and private health insurance that provides extensive coverage for certain types of health services and little or no protection for other types of services.

Institutional care in high-cost settings has been heavily subsidized while home care or community-based services were, until very recently, rarely encouraged by public policy. The most complex, heroic (and sometimes hopeless) medical procedures in end-of-life situations are routinely applied and reimbursed, while preventive care, long-term care for chronic illness or disability, rehabilitation, and health education are too often neglected. Some patients languish in a hospital, fully reimbursed, while awaiting an available nursing home bed or care at home that might be feasible if certain relatively lower cost services such as adult day care were covered by insurance.

We invest billions of dollars in curative medicine when people are ill, but are dubious about outlays for workplace and environmental safety—and even smoking cessation and drug and alcohol abuse programs—despite the important relationships between such environmental or behavioral factors and health spending.

Finally, we are often more generous about insuring routine care than catastrophic illness protection. For example, Medicare provides full payment for the second through the fifty-ninth day of a hospital stay, but then requires the patient to pay one-fourth of the bill for the sixtieth through the ninetieth days, and a higher proportion thereafter.

In short, we have so much coverage and yet so little. Coverage is overly generous for some health services and inadequate for others. Some steps have been taken to improve this imbalance. Coverage for some health services provided at home is improving, permitting the transfer of some patients out of institutions. Hospice care is now reimbursed, with a similar objective. Our attitudes and policies are changing. But the biases against an ounce of prevention remain, and the pound of cure grows even more costly.

Government subsidies related to health care are poorly targeted. Some people with no particular financial needs are provided large subsidies, while others with inad-

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equate resources fall into the cracks between the private health insurance market and public programs.

The irony is that public financing for health care seems so poorly targeted, even in our era of tight budget constraints. Subsidies to middle- and upper-income people remain largely intact even as eligibility is restricted in the Medicaid program serving low-income households. Only about one-half of the poor are now covered by Medicaid, compared to about two-thirds a decade ago. This inequity is a microcosm of the overall federal budget situation: Program cutbacks have fallen disproportionately on the poor and near-poor, while tax subsidies have been left untouched and expenditure programs available to all income groups have been cut by relatively smaller proportions.

GENEROUS PROGRAMS FOR THE ELDERLY

If we look at the whole federal budget, the elderly win the battle for taxpayers' dollars. People 65 years of age and older accounted for about 27 percent of total federal outlays in 1983, about the same percentage as in 1981 when President Reagan took office. Indeed, by the year 2025, programs offering benefits to the elderly are estimated to account for fully one-half of the federal budget, or about twice their current share. If such a scenario actually unfolds, and recent trends in national defense expenditures continue, then the federal government would provide almost no other services than defense and programs for the elderly in the early part of the next century.

Unquestionably, the combination of Social Security and Medicare has played a crucial role in the reduction in elderly poverty that has occurred over the past two decades, and Medicare has improved the health of the elderly. Nonetheless, it is still pertinent to ask whether such benefits could continue to be provided in a world in which the depth of public subsidies varies directly with need among the elderly, releasing some funds that could be used to assist some non-aged people in need.

Despite this federal generosity, the share of health costs paid by the elderly is still significant, amounting to about one-third of total health spending for this group. These expenditures, including out-of-pocket outlays and insurance premiums under Medicare, as well as insurance premiums for private, supplemental insurance coverage, can be a burden for some senior citizens at the same time as they are easily handled by others.

We have learned that it is very misleading to talk about "the elderly" as a monolithic group. From a variety of perspectives, including income, assets, health status and age, the elderly are a very heterogeneous group. With few exceptions, however, public policy toward the elderly fails to acknowledge this diversity. Flat benefit schedules tend to overcompensate some and undercompensate others relative to their actual needs.

When the ratio of older dependents to workers begins to rise significantly in the early part of the next century, a business-as-usual approach to financing health care will mean steep cuts in benefits for low-income households, combined with a rising burden on taxpayers who must pay the bill if offsetting benefit reductions are not forthcoming. Thus, tomorrow's poor and tomorrow's working-age population will be heavily burdened if we do not redesign and retarget benefits flowing to the future elderly population.

SO LITTLE FOR THE WORKING POOR

If the elderly are the winners in the struggle for the federal government's health care dollar, the non-aged poor—particularly those working at a low-wage job—are the losers. Current policy provides both welfare and Medicaid to one category of poor people—those in split families not headed by a working spouse—and denies this assistance to the working poor and adults without dependent children in the household. This bias in public policy was not invented by the current administration. Indeed, the disparate treatment of workers and nonworkers below the poverty line is a longstanding feature of our social welfare system. But the policies pursued by the Reagan Administration and enacted in Congress in the early 1980s have exacerbated this problem. For example, in 1980 a working mother with three children and earnings equal to one-half of the poverty threshold had a total income of $10,095 (in 1984 dollars), when Aid to Families with Dependent Children (AFDC), food stamps, and the Earned Income Tax Credit are taken into account. In 1984, this worker with the same earnings had a total income of only $8,250, an 18 percent decline.

It is both unfair and contradictory to the Administration's own philosophy virtually to eliminate assistance (medical and otherwise) for those who are working at wage levels that place them around or even below the poverty line. It is unfair to treat differently people that are similarly situated, and it is contradictory to raise tax rates for the working poor while lowering them for the rest of the population. In 1981 the top federal income tax bracket was cut from 70 to 50 percent, but Congress raised the effective tax rate to about 100 percent for the working poor after they have been working four months. At this point AFDC benefits are cut dollar-for-dollar with increased earnings. In addition, the income cutoff line for AFDC eligibility was lowered to 150 percent of a state's need standard, triggering a loss of marginal AFDC assistance—and Medicaid eligibility—for thousands of households.

At the same time as low-income working households have lost cash assistance and helath care benefits, they have also experienced a rise in taxes. Scheduled Social Security tax increases have hit low-wage workers hard, and these workers also got the short end of the Reagan tax-cut stick. Indeed, the combined income and payroll tax as a percent of income at the poverty level rose from 4 percent in 1978 to 10.5 percent in 1985.

Although losing AFDC benefits and being taxed a little more can add to the hardships facing low-income households, the loss of Medicaid triggered by a change in welfare status is often the cruelest blow. Many of the uncovered indigent receive care, but often in an inappropriate setting or after being turned away from other institutions. Worse yet, many who need care don't seek it or obtain it. In a survey of U.S. households conducted in 1982, about one million households reported that a least one family member was refused needed medical care because they could not pay.

Medicaid cuts are particularly unfair when viewed against the back-drop or relatively smaller cuts in Medicare, which provides benefits to all income groups, and no change at all in the health-related federal tax subsidy flowing mainly to middle-and upper-income people.[1] In this sense health care policy reflects the larger inequity alluded to eariler: Federal budget cuts in the 1980s have fallen disproportionately on low-income households, as programs such as Food Stamps, AFDC, and Medicaid have been cut more sharply than non-means-tested programs such as Social Security, Medicare, Veterans benefits, and civil Service retirement.

In the past year or so, there have been some tenative steps toward improved targeting of federal benefits. Congress provided a measure of health care protection for some of the people ineligible for Medicaid in 1984, such as first-time pregnant women and children under five years of age. Further food stamps cuts have been rejected by Congress, and there are some proposals under consideration to redesign benefits and improve targeting under Medicare and other non-means-tested entitlement programs. But we have a long way to go to correct fundamental inequities.

In addition to imbalanced coverage and poorly targeted subsidies, our health care finance system has been driven by a faulty, cost-generating payment system. The essence of the problem with our traditional methods of paying doctors and hospitals is cost-based reiumbursement that pays profligate providers on the same basis as economical or cost-conscious providers. Such payment systems ratify and entrench past inefficiency, thwart innovation, and weave a protective cocoon around high-cost providers of health care.

Public health care programs and private insurance do not cover all of the costs of health care, as noted earlier. But what they cover, they have paid to one and all alike. Thus, if one doctor charges more than another for the same service, both would receive 80 percent of their bills if that is the proportion that insurance covers. As long as the purchasers of care do not insist on distinctions among providers and fail to steer their patients toward cost-effective health services, the more costly doctors and hospitals are insulated from competition.

Until recently, the federal government and the states have relied on formula-based, inflexible government controls to check costs. These controls have papered over the cracks in the reimbursement system, failed to check cost escalation, and blocked entry into health care by innovative health plans.

The federal government and the states have begun to move away from the old cost-pass-through payment system, and many private employers are following suit. Instead of issuing "blank checks" for insured individuals to cash with any health service provider regardless of cost, large purchasers of health care insurance coverage are installing limits on reimbursement based on relatively more cost-effective practices, fees, and charges.

MEDICARE

The 1983 Social Security Amendments directed the U.S. Department of Health and Human Service (HHS) to establish a prospective payment system for Medicare reimbursement of hospitals. HHS began to implement a system of prospective payment based on diagnostically related groups (DRGs) in September 1983. The new DRG system is highly complex and stops short of a fully comprehensive payment system that would include incentives to hold down hospital admissions, but it does reverse the inherently cost-generating incentives associated with retrospective, cost-based reimbursement. By setting a fixed rate per diagnosis based on a community-wide average, Medicare puts pressure on hospitals above these rates and allows those charging less to share in the savings.

Another promising step involves the prospective payment by Medicare of competitive medical plans such as Health Maintenance Organizations (HMOs). Under regulations issued by HHS in January 1985, the federal government pays 95 percent of what is termed the adjusted average per capita cost in each area of the country to qualifying HMOs. Payments by the government for enrollees are made in advance, removing the prior disincentive to HMO enrollment associated with large up-front out-of-pocket outlays by the elderly. The new provisions share savings associated with lower HMO costs between the federal government (which garners a 5 percent reduction from the area average) and beneficiaries, as qualifying HMOs must pass through additional savings below the 95 percent level to patients in the form of extra benefits such as eyeglasses or dental care that may not be included in the Medicare package. I would prefer to allow HMOs the flexibility either to add such benefits or to "re-invest" some of these savings by modernizing facilities, hiring more specialized and highly trained medical personnel, or providing beneficiaries with cash rebates.

Both of these policy steps are an improvement, as far as they go. But we can, and should, take the next leap to a full-scale voucher program. Prospective payment is an improved way of financing health insurance under a given health plan such as Medicare, but it is no substitute for multiple choice among cost-effective plans. The new HMO payment approach under Medicare is the first important step *beyond* conversion to prospective payment, but this initial move should be extended to include other nontraditional health plans such as preferred provider organizations or independent practice associations that have some of the features of HMOs, but not others.

MEDICAID

Changes initiated by the Reagan Administration and incorporated in the Omnibus Budget Reconciliation Act of 1981 permitted states to apply for waivers from federal and state laws that had previously blocked reforms in the methods of paying for health services. Operating under these waivers, some states have begun to steer Medicaid patients toward economy-minded health care providers, avoid excessive referrals to specialists and the unnecessary use of emergency rooms for non-emergency care, exclude doctors whose costs are out of line from program participation, and act as more prudent purchasers of laboratory services and medical devices.

Other states are introducing more discipline in their health coverage for their own employees, including the use of equal contributions to a selection of health plans, with employees paying the difference if they choose a plan with a higher premium such as, for example, traditional fee-for-service coverage rather than an HMO. The challenge to states involves making greater use of managed health care that steers both Medicaid patients and state workers toward lower cost health care providers while continuing to monitor the patterns of care to assure quality.

THE PRIVATE SECTOR

Both state governments and private employers are redesigning benefits to encourage their insured to stay well and to obtain care in the lowest cost, quality-care setting. Through the use of pre-admission screening and second opinion programs for hospitalization, health promotion programs, and full coverage of services purchased in lower cost settings such as free-standing ambulatory centers, payers of care in both the public and private sectors are putting pressure on providers with incentives rather than formula-based controls.

Through business coalitions now established in many parts of the country, private employers are collecting data on provider charge and practice patterns in their communities and developing programs to guide workers toward more cost-effective delivery settings.

These reforms are significant because they establish the principle that a pool of employees and government beneficiaries will be used in a constructive way as a powerful resource to reward cost-conscious medicine and penalize excessive charges and utilization. Instead of the hollow nominal "freedom of choice" that allowed patients to roam randomly through the community in obtaining health care, these reforms involve a more meaningful freedom of choice—the right of the buyers to say "yes" to efficient sellers and "no" to those whose costs are out of line. This is the essence of an effective market, and it is precisely what has been missing in health care finance and delayed by the endless stream of feckless controls.

The three key problems with our health care finance system remain unsolved, but we have taken some important steps in the right direction. Progress has been most impressive in reforming the faulty payment system that has fed the upward spiral of health care costs. A momentum has developed behind the use of incentives by purchasers of care to reshape coverage and steer patients toward cost-effective, high quality providers. Yet this steady momentum could be upset by a frantic search for a "quick fix" involving a new round of stifling government regulation. The challenge is to achieve a proper balance between the cost of care and the quality of and full access to care through decentralized, pluralistic decision-making based on incentives and to sidestep the temptation of a public utility model that would subordinate quality and access to a temporary suppression of costs.

Progress against imbalanced coverage and the holes in our health care safety net has come more slowly, and we have a long way to go in these areas. Moreover, achieving further progress here is vital to the continuation of a movement toward a more competitive market for care. For as long as the finance system is marked by gaps in coverage—a mixture of overly-generous and skimpy benefits—and wholesale inequities, the further deregulation of health care will be threatened. With a fair and complete safety net intact, we could proceed safely to remove the government from its awkward role as price regulator and market-entry policeman.

With subsidies targeted more toward need and balanced insurance coverage, we can use market incentives to achieve the measure of cost deceleration that still allows people full access to the best health care that their money can buy.

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PITTSBURGH SOCCER CHAMP RECOGNIZED

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. WALGREN. Mr. Speaker, a constituent of mine, Peter J. Smith III, is the first western Pennsylvania soccer player to be invited to the National Sports Festival by the U.S. Olympic Committee. The National Sports Festival, a pre-Olympic event, opened in Los Angeles on Friday.

Peter Smith is an outstanding young man with a promising future in soccer. In the fall he will be a senior at the University of Tampa, where he has just received an achievement award for academics for the fourth consecutive year.

I would like to share with my colleagues an article about Peter which was published in the Pittsburgh Post Gazette South on July 25, 1985.

The article follows:

U.S.C.'s SMITH AIMS FOR PRO SOCCER JOB

(By Paul Dangelo)

The only thing that Pete Smith has ever wanted is a chance to prove himself on the soccer field. Next month at the National Sports Festival, he'll get that chance.

Smith, a graduate of Upper St. Clair High School, was recently selected to play for the South Region soccer squad at the Sports Festival, the American mini-Olympics pitting the top American athletes against each other in Olympic events.

For Smith, it's an opportunity to prove that he belongs on the field with this country's top soccer players.

"I felt it was really important for me to make this team if I want to continue to pursue a career in soccer," said Smith. "There will be a lot of important people at the Sports Festival, coaches and scouts from professional teams and the national federal, evaluating players. The sports Festival is like a stepping stone to the next level, to playing for the national team or with a professional team. Just being there and being seen by these people will help me."

Smith was drafted by the Spirit of the Mayor Indoor Soccer League when he was a senior in high school, but was not ready as a 17 year old to step into the play-for-pay grade. The Spirit advised Smith to enroll in a top-notch college program and work at improving his skills.

So Smith headed for the University of Tampa, one of the top soccer programs in the country. At Upper St. Clair, Smith had always been an attacking player, a playmaker and a goal scorer. But Tampa Coach Jay

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[1] The principal tax subsidy involves the exclusion by employees, without limit, of empoyers' contribution to health insurance. This tax forgiveness will drain an estimated $32 billion form federal coffers in fiscal year 1986.

Miller changed Smith's position, moving him to defensive midfielder. Smith will be entering his senior season this fall, the third season that he will be a fixture in Tampa's starting line-up.

"We're looking for all of the things from Pete that we always look for from a senior player," said Miller. "He's been in the big battles, the crucial games; we want him to be a leader, to demonstrate coolness and determination on the field. He made the transition to playing with more defensive responsibilities without any problems. Last year, we used him to mark the opponent's top playmaker and he handled the job very well."

Miller is the coach of Smith's South squad in the National Sports Festival and agrees that the games can help make—or break—a career in professional soccer.

"The idea of the games is to get the best athletes together and compete under Olympic conditions," said Miller. "In soccer, the United States Soccer Federation oversees the soccer competition and uses the games as part of the selection process for the national team.

"I know that Pete wants to play pro soccer and playing at the Sports Festival will give him the opportunity to prove that he can play at such a high level of competition. He tried out for the games two years ago but didn't make it, though he was one of the last cuts. Now is his chance. I think he certainly merits a look. He's been around the game a lot and he has good instincts for the game instead of just reacting to a situation in a game. He's always thinking on the field. And he's one of the hardest working player I've ever seen. He's a 90-minute player."

Smith didn't think he had any special advantage in making the Sports Festival because Miller is the South coach.

"He may have known me better than some of the other players, but there were as many disadvantages as there were advantages," Smith said. "It's kind of little playing for your father. He didn't cut me any breaks just because he knew me. I think I made the team because I deserved to. I've worked hard to accomplish this sort of thing in soccer."

Smith has not only set lofty goals for himself, but for his team as well.

"This is my last year at Tampa, and the last year for the school as a Division II school. Next year we'll move up to Division I, which is fine because Tampa has been playing a Division I kind of schedule all along. But I'd really like to win the Division II national championship this season. It would be nice to go out as the champs.".

And when that's over, Smith will have the MISL draft to look forward to. One team that will not be drafting Smith is the Spirit, because they failed to sign him after drafting him out of high school. MISL rules state that the Spirit may only sign Smith now if he passes through the draft unclaimed.

"I really want to play for the Spirit but that may be difficult to do now," said Smith. "But as long as I get a chance to play with someone, I'll be satisfied. I'll have to prove this year that I deserve to be drafted, that I'm one of the top players in the country. And I'm ready to do the work that it will take to prove exactly that.

"Maybe down the road something could be worked out that I could come back here and play for the Spirit. Right now there's a lot of talk that the Spirit will move to another city. I hope not. The Pittsburgh soccer community needs the Spirit. Having a professional team in town gives young players a goal to aim for. Plus, the Spirit has reached out and touched the community in a very unique way and I think that would be missed if they were to leave."

"We've watched Pete carefully over the last few years and his development is really coming along," said Spirit General Manager Chris Wright. "We're very pleased that he was selected to participate in the Sports Festival. He's on the right track to accomplish his goal. This is one event where all of the coaches and scouts get to. It's the showcase of young soccer talent in this country."

And it's an opportunity for Pete Smith to guarantee that soccer will be in his future.●

LEGISLATION TO REQUIRE THE TIMELY FILING OF IRS AUDIT REPORTS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. SEIBERLING. Mr. Speaker, the growing complexity of our Tax Code makes it difficult enough for taxpayers to file their income taxes properly. For those who run afoul of the Code, there are IRS deficiency notifications, penalties for underpayment, and interest on the deficiencies.

Every year, an unlucky few taxpayers may find themselves called into an IRS office for an audit. Once an audit is completed, the IRS notifies the taxpayer of the deficiency and penalties owed. In addition, the IRS calculates interest charges from the time the deficiency occurred to a date certain after the issuance of the audit report. In effect, once the audit report is issued, the IRS gives taxpayers 10 days to pay the deficiency, penalty, and interest. If the taxpayer fails to do so, the interest continues to accrue until such time as the taxpayer actually pays up.

Since the IRS is required by law to charge interest on deficiencies from the time they occur, it is not unreasonable to expect the IRS to issue its audit report within a reasonable time period after the taxpayer's personal appearance before the examining office. Indeed, the local office of the IRS in my district indicates that it generally issues audit reports within 2 weeks of a taxpayer's personal appearance, assuming that the audit is completed at that time.

Sadly, the IRS does not always meet this goal. One of my constituents was audited in June, 1984 on his 1982 taxes, but the IRS did not issue its audit report telling my constituent how much he owed until May, 1985, fully 11 months after the audit. This is inexcusable. But to add insult to injury, the IRS is charging my constituent interest on his back taxes over this 11-month period, even though the IRS has explicitly acknowledged that the delay was its own fault.

Under current law, interest must be charged on a deficiency whether it takes 2 weeks or 11 months for the IRS to issue the audit report. The additional interest which can accrue because of IRS failures to produce a timely audit report can be substantial, but the IRS cannot waive this excess interest even if it wanted to.

If the Federal Government is going to charge taxpayers interest on their underpayments—as, in most cases, I believe it is reasonable to do—then we should at least require the IRS to issue audit reports in a timely fashion, instead of allowing interest on deficiencies to accrue indefinitely.

With that in mind, I am today introducing legislation to require the IRS to waive excess interest charges on deficiencies discovered in an audit when the audit report is not issued to the taxpayer within 30 days after the date the examination is completed. The taxpayer would still be responsible for interest on the deficiency from the time of the deficiency to the time the examination is completed. But the IRS could not charge additional interest from the time the examination is completed unless it issues an audit report within 30 days. It is surely reasonable to expect the IRS to issue an audit report within 30 days. My bill will permit the IRS to do its job thoroughly, but will protect taxpayers from unreasonable delays in the issuance of audit reports. I urge its favorable consideration.●

KOLYMA'S GOLD AND THE DEATH CAMPS OF DAL'STROI

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. RUDD. Mr. Speaker, "kolyma znachit smert"—"kolyma means death."

In a manuscript to be published in the near future, Prof. Wladyslaw J. Cieslewicz, mineral economist at the Colorado School of Mines, provides information about the holocaust at the Kolyma gold fields in the arctic region of northeastern Siberia. Between 1931 and 1957, some 5 to 7 million Latvian, Moldavian, Estonian, Georgian, and the other captive non-Russian peoples were brought to the Kolyma gold fields and literally worked to death in a campaign of extermination and terror.

I commend the following excerpt from Professor Cieslewicz's work to my colleagues, and call upon the House to take early action on the resolution, House Concurrent Resolution 74, which I introduced to condemn the Soviets' ongoing slave labor policies.

Kolyma's Gold and the Death Camps of Dal'stroi

Kolyma gold placer deposits were discovered in 1928. This discovery came at an opportune time for the Russians. For after the Revolution of 1917 they decided, as a preventive and terror-inspiring measure, to decimate the different non-Russian captive nationality groups of their colonies of Ukraine, Transcaucasus and Central Asia. Mining of gold in the Arctic North was to serve this purpose (Anders, 1949, p. 73). As a method of extermination the Dal'stroi operation proved to be much more profitable than the gas chambers used later by the German Socialists. In Kolyma, each prisoner, before he died, as a rule within 1-2 years of his arrival at the mine, still produced between 1.5 and 2 kg of gold for the Russian treasury (Dallin, 1947, p. 146). At one time, Karl Marx defined capital as "congealed labor of the exploited proletarian workers." In Kolyma the Socialists made the metaphor a reality. The vis vitae drained from each deported Ukrainian worker, Kazakh peasant or slave of other nationality groups quickly congealed at the mine into the purest form of capital, namely gold.

In preparation for this "great Kolyma gold rush" the Russians completely reorganized the government agency in charge of gold mining, the Soiuz-Zoloto, the State Gold Monopoly. In 1927 Professor Aleksandr Serebrovskii originally from the Moscow Academy of Mining was appointed as the new director of the Soiuz-Zoloto. According to reports, Serebrovskii, the former Bolshevik boss of the Russian petroleum industry, was a true Socialist Stakhanovite (Levchenko, 1978). He organized training of thousands of Russian technicians to direct the slave labor at the mines. With help of the executives of the Standard Oil Company and of the American Ambassador in Paris, Serebrovskii was able to come to the U. S. to look at the modern placer mining technology and to recruit for the Soiuz-Zoloto a number of American placer mining engineers from Alaska and California (Littlepage, 1939, p. 31). The prisoners for the Souiz-Zoloto placer mines were supplied by the GULAG. The latter, a Russian abbreviation for the Chief Labor Camp Administration, was in charge of all Socialist concentration camps.

By 1933 the Soiuz-Zoloto was able to rehabilitate hundreds of old mines and to place dozens of new ones in production. During the five year period between 1927 and 1933 Russia's gold output rose spectacularly. It surpassed that of the U.S. and Canada; only South Africa kept producing more gold. In 1935 Russian gold output reached 6.2 million troy ounces (Emmons, 1937). In 1940 gold production of Kolyma alone was probably close to 10 million troy ounces (Anders, 1949, p. 76). Likewise, after 1929 the Soiuz-Zoloso disbanded all private prospecting parties, the "artels," replacing them with slave labor.

Simultaneously with the launching of the new "great Siberian gold rush of 1929," Russian Socialist terror police, the NKVD (the predecessors of the KGB), exerted a massive effort to confiscate all private gold. About one half million people were arrested on suspicion of gold ownership, Jewelers, watchmakers and dentists suffered in particular during the gold purge of 1929. Those among them who actually did not have any gold fared the worse. Unable to give up what they did not have, they were tortured to death by the incredulous NKVD interrogators (Solzhenitsyn, 1974).

After 1931 the government greatly intensified its program of exterminating the non-Russian captive peoples in the death camps (Brom, 1981, p. 10). For that purpose a special organization, the Dal'stroi, was established in Kolyma. The name Dal'stroi was the Russian abbreviation for: Far East Construction. It was run jointly by the Soiuz-Zoloto, the NKVD and the Red Army. From 1938 on, this organization was also responsible for geological exploration work throughout the entire Magadan Province and Northern Yakutia, in other words in all of northeast Siberia (Ustiev, 1972). During its existence between 1931 and 1957, the Dal'stroi brought to Kolyma, Northern Yakutia and later also to Chukotka a total of 5-7 million slaves. Practically all of them died there in the gold-and-tin mines.

The policy of extermination pursued by the Russians was well illustrated in the fate of the Polish population caputured during the 1939-1945 Joint Russian-German Socialist War of Aggression Against Poland. Altogether some 2 million Poles were deported or imprisoned in Russia. In the fall of 1941, following Hitler's breach of Russian-German Military Alliance Against Poland, the Russians agreed to set free all of the Poles. To resume the war effort against Socialist Germany, the Polish Free Government, then in London, started to organize in Uzbekistan a Polish Army made up of these ex-prisoners. But of the 2 million deportees only about 160,000 reported at the Polish military camps. Of the 10,000-12,000 soldiers sent in 1940 to the death camps of Kolyma, only 171 came back, and of the 3,000 sent to Chukotka not a single Polish POW returned (Anders, 1949). "Kolyma znachit smert'" "Kolyma means death"—that was the reputation of the Dal'stroi camps among Russia's slave population (Dallin, 1949, p. 109).

From the prisons in European Russia, these captive peoples were transported in box cars via the Trans-Siberian railway, either to the port of Nakhodka on the Sea of Okhotsk or to Vladivostok, and from there, during the summer months, by prison boats to the port of Magadan. Normally 3000-4000 prisoners were packed on boats originally built for a few hundred passengers.

The first death camp of Kolyma was set up in the Nagaev Bay to provide slave labor for the construction of the port city of Magadan. After 1931, the number of prisoners brought each year to Kolyma varied from 300,000 to 400,000 (Dallin, 1947, p. 137). Prisoners lived in makeshift barracks at the individual "priiski," the State Placer Mines. In Kolyma the customary barbed wire camp enclosures and watch towers were usually not necessary. From this remote taiga at the Arctic Circle there was no escape. Russians used specially trained wolfhounds to track down the prisoners who attempted escape (Dallin, 1947, p. 124).

After the discovery of rich tin placers at the Valkumei in the Chaun Bay area near the Chukchi Sea and the Yul-tin placer in NE Chukotka near the Bering Straits, beginning in 1941, the first death camps were established at these tin placers and later also at gold placers. To reach the remote mines, prisoners were driven on foot in the winter over the ice pack roads from the arctic ports in Kolyma and Chukotka. Practically all mining was done by hand. A former official of Dal'stroi, V.A. Berzin, described this work as follows: "Pick, shovel and the wheel barrow were the only tools the laborers of Dal'stroi had to work with, and they worked year round, even in the winter at temperatures of 60°C below zero" (Levikov, 1971, p. 12). "The placer mines looked like gigantic anthills swarming with hundreds even thousands of people digging, loading and carting away the overburden" (Levchenko, 1978). During the summer washing-season each prisoner had to load and carry in the wheelbarrow, 9.3 cubic meters of gravel per day from the pit to the heap up to 100m away. Piles of gravel were then washed by other teams of prisoners. The production norm for the teams working on the washing installation was fixed at 200 grams of fine gold per man per day. During the long Arctic nights, the prisoners had to blast frozen gravel before they could load it on the wheelbarrow. In the washing season, from mid-May to mid-August, the daily norm was 120 full wheelbarrows (Krakowiecki, 1950).

The prisoners, hungry and cold, dressed in rags with shoes improvised from shreds of gunny sacks or pieces of old rubber tires, worked in the daylight and during long winter nights, 16 hours a day. They received 600-800 grams of brad, hot water in the morning and a watery soup at night. That was all! The so-called "dokhodiagi", the dying, who were too weak to meet the daily work norm, had their bread rations reduced (Krakowiecki, 1950). Lenin decreed: "Kto ne rabotaet, tot ne kushaet," "no work, no food." As a result, most prisoners died right at the mine and were buried in the gravel (Petrov, 1949). Now the bodies of these victims, usually perfectly preserved in the permafrost, are being caught daily on dragline buckets and bulldozer blades, interfering with the present mechanical re-working of these "technogenic" placers of Kolyma.

"During the Dal'stroi period, 1931-1957, northeast Siberia became the "monetnyi dvor," the mint, of Socialist Russia. According to one source, between 1937 and 1946 the Dal'stroi prisoners produced 250 tons of gold annually (Anders, 1949). 1940 was the peak production year with 300 tons (Anders, 1949, p. 76). By 1948 northeast Siberia accounted for 85% of Russia's total gold production.

Following the exhaustion of rich surface placers at many mines, the prisoners were driven to exploit by hand the underground channel placers by primitive and dangerous "shaft-a-drift" method.

The Dal'stroi continued in existence until 1957. After that year most of the gold mines in northeast Siberia were shut down and remained closed until 1966. During that decade very little gold mining was carried on anywhere in Russia. Since then Kolyma and the other major Russian gold mining areas have revived. The author estimates that today in Kolyma about 50 old State Placer Mines, the "priiski," grouped in 6 mining districts, the "combinaty", are active again.●

MESSAGE TO PRETORIA

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. WOLPE. Mr. Speaker, I want to draw the attention of my colleagues to an article by Flora Lewis in the July 26 issue of the New York Times. Ms. Lewis makes an eloquent plea for democratic Western nations to recognize that the immediate imposition of economic sanctions against the apartheid regime of South Africa may be the last means available of avoiding a horrible bloodbath in South Africa.

Ms. Lewis' article calls on the United States to support the sanctions put forward by the French resolution in the Security Council last week which are nearly identical to those passed overwhelmingly by this body over a month ago—a ban on new investment, a ban on computer sales to the Government, a ban on nuclear trade and cooperation with South Africa, a ban on the importation of South African Krugerrands, and a ban on loans to the South African Government.

As we go to conference with the Senate on the Anti-Apartheid Act of 1985, I fervently hope that the administration and our colleagues in the other body will recognize the need for the strongest possible response to the recent emergency declaration of this South African Government.

Message to Pretoria

Paris.—The slow burning free of racism in South Africa is getting shorter. It is hard to determine whether the Reagan Administration's policy of "constructive engagement" made the deteriorating situation worse. Certainly, it hasn't made anything better.

The state of emergency proclaimed in black townships may be a crossroad. Oliver Tambo, the exiled acting head of the African National Congress, has called for "a general offensive to make apartheid impracticable and South Africa ungovernable.

Yet, even he still speaks of a day when blacks and whites can both live in their huge, generously endowed country in common peace and dignity. Militant blacks accept South Africans of European descent as a "white tribe," people who belong to the land as much as they do. It may still be not too late to reverse direction and begin the long, hard process of reconciliation, though explosive pressures are clearly mounting.

The sorry state in the rest of Africa can neither justify nor mitigate South Africa's attempt to maintain a nation of two societies, not really separate as apartheid implies, but one atop the other, a crust of democracy and well-being supported by rank servitude and misery.

President Pieter Botha echoes the familiar African lament that what is writing is the fault of outsiders. In his case, he blames Communists, not of course imperialists and multinationals who are the usual butt in other parts of the continent.

But it was South Africa's aggressive policy to drive the A.N.C. out of bordering states that provoked greater challenge within the country.

The tone of desperation in the appeals of Bishop Desmond Tutu to end violence should be taken as a serious signal. He threatened to emigrate if blacks continue to murder blacks considered to be collaborators, almost an admission that modern leadership is losing its base and the voice of reason and tolerance losing its audience.

White South Africans risk being caught between their own extremists and rising black fury. The police measures have destroyed the last shreds of pretence that the system aimed for independent development for blacks. The whites have the guns. The blacks' only power is their numbers. But if confrontation is allowed to escalate, there won't be much room for accustomed security and comfort in between.

Just because it is a Western country, because it has a capacity to produce well and has the infrastructure of a modern society, South Africa has a responsibility to a continent that is foundering in tragedy. But it seems to be scurrying lemming-style into its own abyss.

"Constructive engagement" was advanced by Washington on the premise that the regime really did want to find a way out of its self-made dilemma. There was no historic inevitability about apartheid. It was imposed in steps of increasing severity after World War II. South Africa could have evolved in another way.

But it didn't. The recent steps to modify the system have been too wide of the realities of everyday life, too reluctant to address the central issue of legal equality, to be taken as a sign of regret and a desire to correct the terrible mistake.

So Washington, and the democratic West, now have the unhappy task of making clear to South Africa's leaders what they don't want to see for themselves. They are on a path of disaster.

Sanctions are a poor tool of international relations as a general rule. Their effect is seldom more than symbolic. But symbolism remains of critical importance in the South African case. There is nothing beyond it but force, so the symbols should be given a chance.

The United States should support the resolution sponsored by France against South Africa in the United Nations Security Council. It does not go very far, suspending new investment, export credits, purchase of gold coins and the like. But American endorsement would be a powerful message that Western patience is also running out. An American veto would be a shameful admission that South African cynics are right when they say the United States' protests against apartheid are only lipservice.

Black militants have noted wryly that the democracies only seem to get worked up about South Africa when there is violence. They don't really want violence; blacks would hurt most. But they haven't been given much evidence of consistent interest in the cause of justice without upheaval. They, too, need to hear the United States speak up firmly.

This is said in much sympathy and awareness of the dreadful dangers ahead of South Africa. Willy-nilly the United States is involved. It must act to head off the worst.●

TRADE EMERGENCY ACT

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. DASCHLE. Mr. Speaker, free trade. For decades it has been the knee-jerk answer of agricultural economists and Washington farm bureaucrats.

On paper, their answer looks wonderful. For years it worked.

But today there is a problem. A serious problem. Washington keeps talking free farm trade, but nobody seems to be able to find any.

We can't find it in Europe where the European Economic Community shuts out our farm exports, heavily supports its own farmers production and dumps their products on the world market at subsidized low prices.

We can't find it in Japan where the creative use of barriers to American farm products has been raised to an oriental art form.

From Brazil, we see heavily subsidized alcohol fuel exports strangling our own infant fuel industry in its crib.

From Argentina and Brazil, we hear the threat of subsidized soybeans undercutting our own.

And even from our nearest neighbor, we see chemical-laden, price-subsidized pork pouring across our borders.

The impact on American agriculture is devastating. The double whammy of foreign barriers to our farm exports and foreign subsidies that put their own farm exports on the world market at artificially low prices is crippling the American farmer.

In the face of all this, what do we hear from Washington? What we hear is the same old tired echo. Free trade, they say. We need more free trade.

Well, of course, we need more free trade. American agriculture can compete magnificently in the world when trade is free.

But the aging answer from the bureaucrats is worse than no answer at all because free trade for American agriculture is disappearing. The question is, How do we get it back? How can we restore free farm trade? And where other nations refuse to restore it, how can we save our farmers from their outlaw competition?

One thing is certain. We cannot survive by just saying the words free trade over and over again like some primitive tribe chanting for rain that never comes. Yet that has been our policy, Washington's policy, and it remains our policy today.

A trade war is the last thing America seeks. But in trade, as in defense, if your competitor is certain he can roll over you without harm, he is likely to do just that. And he has.

The American farmer has been rolled by the world because his Government has been unwilling to match, or even to mention, the unilateral agricultural trade war that is being waged against our farm families by nations we call our friends.

It is time to halt this madness.

It is time to enact legislation like the Trade Emergency Act, legislation which says clearly that America wants free trade, but makes equally clear America will match barriers with barriers, subsidies with offsetting subsidies until our trading partners agree to the honest free trade that will benefits us all.●

ECONOMIC SUPPORT FUND

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. LAGOMARSINO. Mr. Speaker, our Government has long recognized that it is in our Nation's interest to maintain stability in the Eastern Caribbean. One means by which we can strengthen our friendly ties to the region is through disbursement of monetary aid through the Economic Support Fund [ESF]. The distribution of ESF provides flexible economic assistance to countries of particular economic, political, and security interest to the United States and simultaneously advances U.S. foreign policy objectives.

Antigua is a Caribbean country that is especially deserving of ESF support. Strategically located in the Leeward Islands, Antigua has a long history of friendly relations with the United States. Antigua is a democracy. Currently, there are two United States military facilities and a Voice of America station in Antigua. In addition, Antigua traditionally has supported United States interests in the Caribbean and is an active participant in the regional security system.

Antigua is also a developing country confronted with many economic adversities and challenges. One of its greatest challenges is the lack of a sufficiently developed infrastructure necessary to meet the needs of its citizens and to form the foundation for further economic expansion and development. Development has been impeded by the combined forces of a rapidly expanding population, inadequate housing facilities, and insufficient transportation, communication, and water supply systems. Antigua is in urgent need of ESF moneys to rectify and address these development problems.

The ESF support would also allow Antigua to become less vulnerable to unpredictable climatic conditions and worldwide economic recessions. Because tourism is its main industry, the economy of Antigua is directly and adversely affected by such unpredictable events as droughts and international economic recessions. The allocation of ESF moneys to infrastructure development, light industry diversification, agricultural programs, and technical training programs for Antigua will go far in ensuring its economic stability and enhance our own interests in the political stability of the region.●

SOCIAL SECURITY OFFICE OF NEWBURGH, NY, JOINS IN 50TH ANNIVERSARY CELEBRATION OF THE SOCIAL SECURITY ACT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. GILMAN. Mr. Speaker, the Social Security Act of 1935 was the result of a recommendation by President Franklin D. Roosevelt that the Federal Government create a national program that would establish a system of unemployment and old-age benefits and enable the States to provide more adequate benefits that would prevent another economic crisis such as that experienced during the Great Depression. Acting on those recommendations, the initial legislation adopted by the Congress included old-age insurance, unemployment insurance, and public assistance; the first such program in the history of this country. On August 14, 1985, the United States will celebrate the 50th anniversary of the signing of the Social Security Act. Although the Social Security Act has been amended many times over the years, I am pleased to note that it has kept its original promise and continues to provide economic security for our Nation's workers.

There have been many changes in the Social Security Act since 1935. Subsequent legislation increased the original law's protection by adding survivor's and disability benefits. Legislation most recently enacted by Congress assures financial security of this program well into the next century, insuring that benefits will continue to be paid, not only to those currently receiving checks, but also to future generations. It is, therefore, appropriate that the theme selected by the Social Security Administration for the 50th anniversary is "Social Security: Partnership With Tomorrow."

To commemorate the 50th anniversary of Social Security, many special activities have been scheduled locally and throughout our Nation. On August 12, a major exhibit will be opening at the National Archives focusing on the history of Social Security. The U.S. Postal Service is holding ceremonies on the issuance of a commemorative stamp to mark the occasion at Social Security headquarters in Baltimore on August 14. Open houses and other anniversary events will be sponsored by local Social Security offices around the country during the week of August 11-17.

As my colleagues know, I am proud to represent the 22d Congressional District of New York. My constituents in Orange County are served by the Orange County Social Security office located at 473 Broadway in Newburgh, NY. Since opening its doors on October 28, 1937, the Newburgh Social Security office has dedicated itself to the principle of good responsive public service. The 45 employees and Retired Senior Volunteer Program [RSVP] volunteer Gay Diehl, strive to provide timely and correct checks to the 42,000 Orange County residents receiving Social Security checks and supplemental security income. In addition to issuing checks, the various services provided by our Social Security office include estimating benefits and issuing Social Security numbers to individuals. Indeed, the Social Security office serves virtually every resident of Orange County. Our citizens can rest assured that service in the Orange County office will continue in the fine tradition that has already been established.

Like many Social Security offices across the United States, our office in Newburgh will be joining in the celebration. On Monday, August 12, S. Peter Murphy, the district manager of the Orange County Social Security Administration office in Newburgh, NY, will receive a proclamation from Orange County Executive Louis Heimbach declaring the week of August 11, "Social Security Week" in Orange County. On Wednesday, August 14, the office will be serving anniversary cake to local dignitaries and to the public. The melodies of two senior citizen musical groups, the Golden Tones and the Melodeers will be a featured part of the anniversary celebration. Newburgh Mayor Joan Shapiro and Orange County Office for the Aging Director Joseph Dwyer are scheduled to be in attendance between 2 p.m. and 4 p.m. to share in these festivities. Tours of the office will be offered from 2 p.m. to 4 p.m. daily during Social Security Week.

Additionally, Mr. Murphy and devoted staff are scheduled to participate in the Senior Citizens Picnic Day sponsored by the Orange County Office for the Aging on Friday, August 16. Approximately 600 seniors are expected to join in this event at Orange County Park, where I am certain a good time will be had by all.

Accordingly, I look forward to joining with my fellow Americans in celebration of the 50th anniversary of the Social Security Act. This historic piece of legislation, through growing and adjusting to the changing needs of our population, has truly forged a "Partnership With Tomorrow," and will continue to thrive as an integral part of our society. Accordingly, I encourage my colleagues to join with us in the various celebrations and activities being held across our great Nation to commemorate this historic occasion.●

AMERICA'S OLDER DISPLACED WORKERS

HON. NORMAN SISISKY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. SISISKY. Mr. Speaker, the House Select Committee on Aging last week held a hearing to bring to public attention the plight of America's older displaced workers aged 40 and above. As we change from a heavy industrial to a service-information economy, hundreds of thousands of workers are being forced out of the labor force. Jobs have disappeared, and many skills aren't readily transferable to other fields. We're hearing that these workers face particular difficulties, complicated by age, in trying to reenter the labor market.

According to a study conducted by the Bureau of Labor Statistics, 5.1 million workers lost their jobs due to the decline of an industry or a plant closing between 1979 and 1984. The study found that the chances of reemployment for those displaced workers declined with age. Only 41 percent of those between the ages of 55 to 64 became reemployed. And of those that found jobs, almost half, 45 percent, received lower pay than their previous position. One-third took salary cuts of more than 20 percent.

The worker aged 40 and older is usually an established, contributing member of the community, a homeowner, family member, a taxpayer, and an active consumer. But on the average, this same 40-plus worker has less formal schooling, is more likely to be employed in declining industries and occupations, and may be experiencing unanticipated midlife events such as major health or disability problems.

The termination of a long held position can be devastating for anyone, but since older workers stay unemployed longer and often must accept a significant pay reduction when reentering the job market, the loss is all the more difficult. It may lead to economic hardship and threaten the prospects of a secure and comfortable retirement. Long-term unemployment for the older worker also can mean the end of health and life insurance and pension benefits, not to mention the sacrifice of a college education for his or her children.

Moreover, we're all affected by the loss of productive workers in the labor force through increased Social Security, public assistance, compensation and other payments, reduced savings and taxes, and increased stress on community resources.

We've invested in training and retraining programs, and these efforts have helped to ease the rift between the skills of the existing worker and jobs now in demand. But considering the growing problems of the older displaced worker, we have to ask ourselves, "Are we reaching enough of the right people?" and "Are our policies responsive to their particular needs?"

We need to reassess our policies in terms of their impact on employment patterns. And while age discrimination exists in the labor market, we must acknowledge that many of the problems older workers face are due to causes other than age discrimination. Employment policies and programs must treat directly the labor market problems causing this older worker tragedy.●

SANG AUK LEE—INTERNATIONAL INTERN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. LAGOMARSINO. Mr. Speaker, I have had the opportunity to host several international interns during the past year, including one fine man named Sang Auk Lee. Sang, who was part of the Korea-United States Youth Exchange Program, provided valuable assistance in performing office responsibilities such as casework, document production, constituent letter writing and attending committee hearings.

Sang's love of freedom and his appreciation of the United States and what we stand for, was eloquently expressed in a letter he wrote upon the completion of his internship here in my office. I greatly enjoyed Sang's letter and offer it for my colleagues' review. Furthermore, I would highly recommend that my colleagues offer internships to interested international students. Their contribution to mutual understanding and cooperation should not be underestimated.

JULY 25, 1985.

Hon. ROBERT J. LAGOMARSINO,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN LAGOMARSINO: Today is the last day of my serving an internship at your office. Ever since I arrived in Washington, D.C., I have enjoyed all things I get involved in thanks to Americans' warm hospitality. Especially, I couldn't find any difficulties in getting along with your assistants and interns with their great willingness to help me.

For the past four decades since the end of World War II, and especially through the Korean War, our two countries have retained very close and cooperative relationships. As a college student, I take a great interest in the United States. Touring around Washington, D.C. and other historical sites outside the D.C., I learned and was impressed by the efforts made by your Founding Fathers and other great figures to bring human dignity and democracy to this great land. Additionally, I could learn how the United States is run and progressed by both the people and the government. Yours is truly a government of the people, by the people, and for the people.

As a citizen of the Republic of Korea, I am very happy to have a very sincere and reliable friend country like the United States of America. Korea, which is also called the Land of Morning Calm, is a very good country, too. Its people are quite hopeful and confident of their future, taking a great pride in hosting the 88 Seoul Olympics.

Confronting the world's most belligerent communists in the northern part of the Korean Peninsula is not a good atmosphere in which to develop our country. About 40,000 American soldiers are stationed in Korea sharing with Korean soldiers the sublime duty to preserve peace and the freedom of man in the beautiful country.

I express my deep appreciation of your efforts to help promote mutual understanding between our two countries. Thank you.

With best wishes for the United States of America.

Sincerely yours,

SANG AUK LEE.●

PUBLIC SALE OF CONRAIL DESERVES SUPPORT

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. SHUSTER. Mr. Speaker, after several months of careful evaluation and discussions with the various parties, I have decided to support the public sale of Conrail, rather than the administration's proposed sale to Norfolk Southern.

Because this is such an important transportation issue to Pennsylvania and the Nation, it is appropriate that my reasons be outlined. There are several complicated issues surrounding the different alternatives, and a legitimate case can be made for each of the proposals. None are without both pluses and minuses.

PUBLIC SALE PROVIDES BETTER FINANCIAL RETURN TO TAXPAYERS

For several months, the talk of a public sale was just that—talk. No specific comments were forthcoming to guarantee the Federal Government a return on its investment in Conrail. Recently that changed. Morgan Stanley & Co. put together a group of blue chip investors who guaranteed a minimum of $1.2 billion to the Government for its 85 percent ownership in Conrail. The employees own the other 15 percent. Additionally, Morgan Stanley offered 1 million warrants to the Government, which means that if the price of Conrail stock increases, the Government would receive additional revenue from the sale of the warrants.

Conversely, the Norfolk Southern proposal pays the Government only $1.2 billion, while giving Norfolk Southern a $400 million tax savings according to the Congressional Budget Office.

PUBLIC SALE PRESERVES RAILROAD COMPETITION

The public sale would keep the three major eastern railroads—the CSX, Norfolk Southern, and Conrail—while the Norfolk Southern would leave only two major independent railroads in the East. Further, the Norfolk Southern sale could cause a major diversion of traffic from the CSX's B&O line, causing a shutdown of that line and a further lessening of competition. Reduced competition probably would mean higher prices for shippers, thereby creating an economic disadvantage for industry in the Northeast.

PUBLIC SALE IS BETTER FOR THE EMPLOYEES

Employees can either keep their stock in Conrail or sell it at $48 per share. Employee job protection provisions are continued, and $200 million are provided for past wage deferrals. The employees also get two seats on the board of directors. As a result of the negotiating process, employees have already received a return to the industry wage scale, retroactive to July 1, 1984.

PUBLIC SALE RETAINS CONRAIL FACILITIES AND JOBS

Although the Norfolk Southern promised to keep the Conrail shops, the commitment lasts only for the length of the legal covenants, which is 5 years. An independent Conrail would need the shops long after the legal convenants had expired. Further, Conrail agreed to include $14.4 million in capital investment for the Altoona shops in their 5-year plan. Jobs would be more secure in an independent Conrail, rather than as a subsidiary of another railroad where work could be transferred to the parent company.

There clearly is a risk involved in supporting an independent Conrail. If the prophets of gloom and doom are right about the Northeast—that it is bound to decline and stagnate—then being a part of a larger railroad system which is headquartered in another part of the country could help keep Conrail afloat as it shrinks in size to serve a shriveling region. But if you believe in the future of Pennsylvania, and our region, then an independent Conrail can surely survive and prosper—as it now is doing.

I choose to believe in our future, so I choose to support an independent Conrail.●

ADMINISTRATION OPPOSITION TO REDUCED RATES FOR CERTAIN MAILERS CRITICIZED

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. DASCHLE. Mr. Speaker, I must say I was astonished when the administration proposed the elimination of the appropriation for revenue forgone, that reimbursement to the Postal Service for revenues not received due to reduced postage rates for certain mailers. Those people who benefit from this reduced mailing rate are our schools, our churches, veterans organizations, small rural newspapers, charities such as the American Cancer Society, United Way, Easter Seal Society, and the National Federation for the Blind.

In 1952, when these special rates were established, the Congress recognized the contribution of nonprofit organizations to the good of the country; it recognized that in order for newspapers to operate in rural, nonprofitable markets, and bring reading materials to people in those areas, a reduced postage rate was necessary; it recognized the importance of library services and the need for a reduced postage rate if people were to avail themselves of those services, knowing full well that the cost of mailing books and other library materials would be prohibitive at commercial rates; and it recognized the unique needs of the blind and handicapped who do not generally have easy access to braille materials and taped materials—that in order to make such material available from State libraries and the Library of Congress, those items should be mailed at no cost.

Now, with the exception of the free mailing privilege for the blind and handicapped, the Reagan administration and the Senate agree the appropriation for revenue forgone should be eliminated. What a slap in the face to those organizations which the President has asked to pick up the slack in the face of the budget crunch. As the Federal Government has cut back funding of many programs, we have asked the private sector to take on more responsibility for social programs, for the arts and culture, for health research, and for public education campaigns. Now the administration and the Senate want to take away the preferred postage rate for nonprofit organizations which rely heavily on direct mail for fundraising purposes. The idea is ludicrous and I commend the Appropriations Committee for recognizing the importance of the revenue forgone appropriation, which, in some way, affects nearly every person in this country.●

GOLDEN ANNIVERSARY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. SCHUMER. Mr. Speaker, on October 12, 1985, Crown Heights Post No. 108 of the Jewish War Veterans of the United States will celebrate its golden anniversary, commemorating 50 years of faithful service to the Crown Heights community, to the country, and to veterans. Since its organization in 1935, the Crown Heights Post has grown to be one of the largest in the New York area.

Crown Heights was the first post to establish a memorial hall in remembrance of deceased Jewish veterans. But the post's attention to the community has not been focused on veterans alone. The post sponsors various activities for neighborhood youth, including athletic and academic competitions. The post has also presented educational seminars alerting teenagers to the dangers of drug abuse.

The post also provides support to Brooklyn's elderly community. In addition to an active entertainment program, the senior citizens committee runs a clothes distribution program and a home visitation program for the neighborhood elderly.

The post's hospital committee is also very active. The committee promotes religious services for hospitalized veterans and distributes books, cards, and games to VA hospital patients. Committee members have given thousands of hours of service as hospital volunteers.

In spite of this full array of community activities, the post has always kept up-to-date on national issues such as civil rights, education, veterans benefits, and defense. The post has been effective in encouraging its members to voice their views to their elected officials and to participate fully in our democratic process.

Crown Heights Post No. 108 has a full 50 years to remember, and an even longer and more productive future to anticipate. I am sure all my colleagues join me in conveying my best wishes to this pillar of the Brooklyn community.●

HONORING PURN HUTCHISON

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. DUNCAN. Mr. Speaker, it is difficult to summarize 100 years of life. For this reason it is difficult to express to my colleagues the meaning of Purn R. Hutchison's century. I could tell you that he spent 60 years working for the Knoxville Iron Co., before retiring as a superintendent in 1964. I might mention his civic pride and dedication as a member of the Knoxville City Council between 1940 and 1956. Or perhaps I should point out that he began working at age 9 for 25¢ a day at a lumberyard.

These are the facts about Purn Hutchison, but the facts do not describe his strength, or the respect others hold for him. It is harder to paint an accurate picture with only words.

I got to know Purn Hutchison in the latter portion of his tenure on the city council when I served as city law director. He was a strong man, who would state his views with conviction. I always respected his counsel, and his support. Though we wore different political labels, he had an open mind, and I benefited from his experience, as have so many others.

On September 9, 1985, he will be 100 years old. He continues to be a valued and respected member of the Lonsdale community where he has lived since about 1910. Every Sunday he walks from his home of 71 years on Minnesota Avenue to the Lonsdale Baptist Church to attend Sunday School.

It is at the church he will be honored on August 11. His grandchildren, Don Hutchison of Knoxville, and Brenda Gravander of Potsdam, NY, will be there along with his daughter-in-law, Roberta V. Hutchison, and great-grandchildren, Kris Hutchison and Kristin and Meghan Gravander. It is this expression of love and honor which best captures the meaning of Purn Hutchison's 100 years.●

ANTHONY CASAMENTO: AN AMERICAN HERO

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. DOWNEY of New York. Mr. Speaker, today I am introducing legislation to correct a terrible injustice inflicted on a man who risked his life for our Nation without thought of the consequences.

I would like to bring to the attention of my colleagues a man who during World War II displayed great heroism. His name is Anthony Casamento and he lives in West Islip, NY—my hometown.

Mr. Casamento, a marine, displayed unusual courage while manning a machinegun singlehandedly on Guadalcanal. Upon his return to the States to recuperate from wounds inflicted in battle, the Marine Corps investigative team did not follow up on Mr. Casamento's report of the battle at Guadalcanal. The failure of the Marine Corps to follow up its investigation left Mr. Casamento's reports unconfirmed. Mr. Casamento's company was then stationed in Australia and Mr. Casamento was thought to be dead. No investigative team contacted his company.

In 1964 two survivors of the battle came forward, having read an article on Mr. Casamento in the newspaper. In 1965, after a briefing by Mr. Casamento's commanding officer, the Navy Board of Decorations and Medals unanimously recommended that Mr. Casamento receive the Medal of Honor. This decision was overturned by the Secretary of the Navy.

In 1978, the President of the United States signed a bill waiving the time limitation for granting the Medal of Honor. Mr. Casamento's medal was eventually awarded in 1980, after a hearing before the Board for the Correction of Naval Records. Mr. Casamento's award clearly indicates that he deserves all entitlements that the Medal of Honor recipients normally have bestowed upon them.

In 1980, after a 35-year wait, Anthony Casamento was awarded the Congressional Medal of Honor for meritorious valor at Guadalcanal.

The legislation which I introduced today authorizes retroactive payments of the special pension that Medal of Honor recipients receive and Anthony Casamento, a living example of a great American, deserves.●

IN SUPPORT OF PUBLIC SERVICE FELLOWSHIPS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. BIAGGI. Mr. Speaker, today I want to reaffirm my support for the Public Fellowship Program authorized under title IX of the Higher Education Act, which provides fellowships to graduate and professional students to prepare them for leadership careers in government and nonprofit organizations.

Title IX, in its 10-year history, has provided important support, especially to minorities and women, in assisting them in securing a graduate education. More than 65 percent of graduates in this program are females and/or minorities. Fellowships are provided to full-time students and have given important stimulus to encouraging public service career goals for those who have been traditionally under-represented in this sector.

Equally as impressive is the breadth and scope of public service positions that are filled by these fellowship recipients—in Federal, State, and local governments. In a recent survey of the program, conducted by the Society for Public Administration, a review of graduates reveals that they are serving in positions as administrative assistants to Governors and mayors, analysts for public service commissioners, grant and contract administrators, personnel administrators, including labor relations specialists and policy evaluators and performance auditors. In my own State of New York, eight universities and colleges have educated fellowship recipients in the fields of public administration and policy, as well as urban studies and affairs.

This program continues to serve an important function with the most amount of $750,000 that has been annually provided for it. It also responds, in a small way, to the current crisis being faced by graduate education in America, which was highlighted in a report by the National Commission on Student Financial Assistance, and authored by our former colleague John Brademas, who is now president of New York University.

At a time when we face hard educational choices in the face of ongoing threats to reduce the Federal role in promoting access to educational opportunity, this program deserves our continued support.●

THE 1985 FARM BILL—POSITIVE DEVELOPMENTS

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. WOLPE. Mr. Speaker, although it is much too early to predict the outcome of the 1985 farm bill, a couple of developments have occurred which, I believe, are extremely positive and are deserving of recognition.

One of the most encouraging of these developments has been the emerging consensus among the major farm organizations. Virtually all the principal farm groups are united in their opposition to the Reagan administration's farm program—a program which, if implemented, would threaten the long-term stability and profitability of American agriculture. Moreover, while some significant differences remain among the different approaches taken by the major farm organizations, there is general agreement that strong production controls, a significant conservation reserve, and measures to stimulate agricultural exports are all required to address the serious problem of price-deflating surpluses. To further the building of this consensus, many of us in the House are cosponsoring more than one farm group's proposal; we seek thereby to highlight the areas of agreement between the farm organizations and to consolidate opposition to the administration's program.

I am also encouraged that both the House and Senate Agriculture Committees have recently voted to adopt as part of the 1985 farm bill a major portion of a soil conservation initiative that Congressman WIRTH and I advanced. Our soil conservation measure would create a 30-million-acre reserve which would pay farmers to remove highly erodible cropland from production. It would also deny Federal farm subsidies to those who plow highly erodible land or convert fragile wetlands to crop production. This program will help reduce both price-deflating agricultural surpluses and steadily rising costs of Federal farm programs. Toward this end, it will simultaneously benefit farmers, taxpayers, and our overall national conservation policy. I anticipate strong bipartisan support for this measure when the Congress considers the 1985 farm bill following the summer recess.

Mr. Speaker, many difficult policy choices still face the House in the weeks ahead. We seem to find ourselves at this point in the debate in a classical bind: attempting to find ways to cut Federal farm program costs, while at the same time seeking ways to protect farm income. Unfortunately, those factors that will help American agriculture the most—lower deficits, lower interest rates, lower trade deficits, and a stable world economy—are not things we can provide in a farm bill. However, I strongly believe that with the cooperative effort of all the major farm organizations we can pass a bill that, while perhaps not satisfactory to all, will insure greater stability and profitability for our Nation's farmers.●

CONGRESSIONAL CALL TO CONSCIENCE

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. BERMAN. Mr. Speaker, Yvengy Yakir and Leonid Byaly have been Soviet Jewish refuseniks since the 1970's. It is on their behalf as individuals and as symbols of thousands of other Jews similarly persecuted, that I join my colleagues in today's Congressional Call to Conscience.

Yvengy Yakir first applied for emigration privileges for himself and his family in October 1973. They were denied visas because Rimma, Yvengy's wife, was employed as an engineer and allegedly had access to state secrets. Since they submitted their first application for an exit visa, Rimma can no longer find work as an engineer. Their son Aleksandr is also an engineer by training, yet he has never been permitted to work in his field. He is now serving a 2-year sentence in a labor camp for alleged draft evasion. Military service almost always means access to state secrets and is thus another tactic of the Soviet Government to delay emigration.

Like the Yakirs, Leonid and Judith Byaly are engineers who were denied emigration privileges due to alleged access to state secrets. Judith was forced to leave her job when her employers refused to issue the certificate required by the Department of Emigration. Although her mother lives in Israel and had written numerous appeals for the Byaly's emigration, the Soviet authorities continue to threaten Leonid and Judith with exile from Moscow if they continue their efforts to emigrate.

There is a sad irony to the fact that this Congressional Call to Conscience takes place on the eve of the 10th anniversary of the Helsinki final act. We have spent the past 10 years searching for a way to encourage the Soviet Union to guarantee the fundamental human rights they pledged to uphold as signatories of that document. Only 499 Jews have been granted exit visas so far this year and only 36 for the month of June.

The U.S.S.R. insists that emigration is a domestic issue with which the U.S. Government should not concern itself. We believe that the issue of human rights is fundamental to our diplomatic relationship. The Soviets must make an effort to uphold previous agreements before we will have the confidence to negotiate further.

Years of harassment, persecution, and imprisonment have not forced the Jews to deny their culture and their traditions. In the words of Avital Shcharansky, wife of dissident Anatoly Shcharansky, "Their strength is our inspiration." We will pursue human rights for Soviet Jews until they are realized.●

SOVIET JEWRY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. LAGOMARSINO. Mr. Speaker, the U.S. Congress remains committed to pressing the Soviet Government, under the leadership of Mikhail Gorbachev, to allow those desirous Jewish citizens to emigrate freely and without harassment or delay. To this end, I am pleased to participate in this year's "Call to Conscience on behalf of Soviet Jewry."

Mr. Speaker, the number of Soviet Jews allowed to emigrate has dropped precipitously. In 1979, approximately 51,000 Jews emigrated from the U.S.S.R., mostly to the United States and Israel. In 1980, the number was 21,000. By 1984, however, the number had declined to less than 1,000. Obviously, Americans concerned with human rights condemn this blatant disregard for the political commitments made under the Helsinki accords.

Contrary to the claims of Soviet Government spokesmen, there are many Soviet Jews who still wish to emigrate. They have been repeatedly denied this fundamental human liberty, and many have suffered through persecution, detention, harassment,m and other reprehensible actions. Let us be clear in our position, Mr. Speaker. The Soviet Government is systematically violating the human rights of a large percentage of its citizens, and in the process is making a mockery of the agreements and accords which it has signed with the United Nations, the United States, and other nations and entities. By undertaking these activities, the Soviets are undermining world confidence in their reliability as a respectable and trustworthy partner in international relations and lending credence to assertions that the Soviet Communist system of government is bankrupt, both morally, politically, and economically, and cannot and should not be trusted.

Mr. Speaker, only 499 Soviet Jews have been allowed to emigrate from the "worker's paradise" this year. This number is far too low and is not representative of the number of Jews wishing to emigrate. I applaud the fact that Americans, including President Reagan, Secretary Shultz, and others, consistently raise this issue in their meetings with their Soviet counterparts. I urge the President to personally raise this important matter during his meetings in Geneva with CPSU General Secretary Gorbachev. Members of Congress will certainly continue to raise the issue and appeal to the Soviets to allow Soviet Jews to emigrate.●

JOHN-DAVID BARTOE, ASTRONAUT

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. KOSTMAYER. Mr. Speaker, I would like to congratulate Dr. John-David Bartoe on his successful lift-off into space yesterday. Dr. Bartoe, a former resident of Hulmeville, and a graduate of Neshaminy High School in Bucks County, is an astronaut on the space shuttle *Challenger*.

No one in the history of space flight has ever been assigned longer to a specific mission than Dr. Bartoe. Although selected for NASA's Space Shuttle Program in 1978, he was unable to go into space until yesterday due to several space shuttle postponements.

Dr. Bartoe is carrying three items into space from Bucks County. The borough historical society gave him a book on the American Bicentennial and a minimedallion from the Apollo 14 moon mission. Neshaminy High School gave him a Neshaminy pennant. These items will be returned to Bucks County to be put on display.

I commend Dr. Bartoe for his many contributions to the Space Shuttle Program. His success is not only a credit to himself, his family, and community, but reflects on the Nation as a whole.●

BALANCED BUDGET AMENDMENT

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. KRAMER. Mr. Speaker, in the months since this Congress convened last January, we've heard a lot about the perils of deficits—about the pressing need to rein in out-of-control Federal spending. Virtually all of our colleagues have at one time or another called for a freeze on this program or that, citing next year's projected $200 billion shortfall as making deficit reduction essential.

Unfortunately, rhetoric and reality have never met on cutting deficits. Today we're passing appropriations bills for next year right and left, waiving a budget blueprint we haven't even passed. The congressional budget process is coming apart at the seams, and we're even starting to hear the first rumblings of the need for another tax increase as the only solution for our deficit crisis. A tax increase—after 49 of the 50 States resoundingly rejected that approach at the polls last November.

Mr. Speaker, the American people overwhelmingly support making a balanced budget amendment part of our Constitution. They don't want more taxes; they want responsive Government. They don't want illusory spending restraints, they want a Government that lives within its means. I urge you to listen to the voice of the American people this fall and allow House consideration of a balanced budget amendment.●

STATE POLICE CAMP CADET PROGRAM

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. KOLTER. Mr. Speaker, today I would like to call your attention to a valuable service being provided to the youth of Butler County, PA, by Butler area law enforcement officials.

In 1970 the Pennsylvania State Police of Troop "D," headquartered in Butler, originated a camping program for the young people of Butler County. Known as Camp Cadet, the primary purpose of the Cadet Program is to foster and enhance relations between local law enforcement officials and Butler County youth. For 1 week each year 100 young people and several police officers gain a better understanding of each other. Not only do participants have a good time, but Camp Cadet provides law officers with an opportunity to demonstrate their interest in working with young people. In return, young people learn that police officers need not be feared.

Mr. Speaker, what is so significant to me about the Camp Cadet Program is the fact that Butler area law enforcement officials volunteer their own time to take these young people camping. They spend the entire week away from their own children and families so that others may benefit. In addition to operating the program on volunteer staff time, the Camp Cadet Program functions only through the generosity of local citizens who donate funds to this very worthwhile endeavor.

What began 15 years ago as an idea among three Pennsylvania State troopers has blossomed into a very successful summer program that enables Butler County youth and Butler area law enforcement officials to earn each other's respect.

SENATE—*Wednesday, July 31, 1985*

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

GUEST CHAPLAIN

Mr. DOLE. Mr. President, it is my honor this morning to welcome to this Chamber and to introduce to its Members and visitors our guest chaplain.

He is Father Donald R. Cullen, of St. Patrick's Catholic Church in Osage City, KS.

PRAYER

Father Donald R. Cullen, St. Patrick's Roman Catholic Church in Osage City, KS, offered the following prayer:

Lord, Your blessing, please. Let us pray:

Lord, our God, the ultimate Ruler and Lawmaker, make our lives blameless. Help us to do what is right and to speak what is true, that we may some day dwell in Your tent and find rest on Your holy mountain after we die.

"Lord, who shall be admitted to Your tent and dwell on Your holy mountain? He who walks without fault; he who acts with justice and speaks the truth from his heart; he who does not slander with his tongue; he who does no wrong to his brother, who casts no slur on his neighbor, who holds the godless in disdain, but honors those who fear the Lord; he who keeps his pledge, come what may; who takes no interest on a loan and accepts no bribes against the innocent. Such a man will stand firm forever."—Psalm 15.

Father in Heaven, help the Senators to follow Your will in their work in our Nation's Capitol, so when they go back home to their people, they can tell them from the very bottom of their hearts an old blessing:

May there always be work for your hands to do
 May your pockets always contain a coin or two
May the Sun always shine on your window pane
 May you always have a rainbow to follow each rain
May the hand of a friend be always near you
 And may God fill your hearts with gladness to cheer you.

May the blessing of Almighty God, the Father, and the Son, and the Holy Spirit, descend upon you and remain forever. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, to be followed by special orders in favor of the following Senators, for not to exceed 15 minutes each: Senators PROXMIRE, KERRY, and HEINZ.

The special orders will be followed by routine morning business, not to extend beyond 11 a.m., with statements therein limited to 5 minutes each.

Following morning business, it will be the intention of the majority leader to proceed to the consideration of the conference report to accompany supplemental appropriations, as well as any other Legislative or Executive Calendar items which have been cleared for action. I would guess that the first item would be S. 63, In-Flight Medical Emergencies Act of 1985.

Also, I am advised that the Senate could proceed very quickly to the consideration of the conference report to accompany the State Department authorization bill.

I advise my colleagues that rollcall votes can be expected throughout the day and into the evening.

Mr. President, I again want to thank my colleagues on both sides of the aisle for their willingness to help us expedite a number of matters on the Legislative Calendar, and I hope we might have that continued cooperation for the remainder of the week.

There are a number of items that are of some controversy, but in many cases they can be resolved. It seems to me that if we have a few moments to focus on different areas, we can resolve a number of these items and pass the measures and send them on to the House.

So, again, I expect that the Senate will be in session not very late this evening, but probably into the early evening, as we prepare for the August recess.

I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. DANFORTH). Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve my time for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

WHY THE NUCLEAR FREEZE IS IN COLD STORAGE

Mr. PROXMIRE. Mr. President, those of us who have been strong supporters of the nuclear freeze have been taunted lately. Charles Krauthammer wrote a column for the Washington Post a few days ago entitled "Who Killed the Freeze?" The movement that seemed to be sweeping the country 2 or 3 years ago has almost faded away. Why? A big part of the answer is that Ronald Reagan was reelected President of the United States on November 6, 1984. That did it. Walter Mondale tried to make the nuclear freeze the central issue in the campaign. He did not.

The central issues in the 1984 Presidential campaign, the real reasons why Ronald Reagan won, were two: The Reagan personality versus the Mondale personality and the economy. The economy hit bottom in the fall of 1982. By election time 1984, it had roared back. We now know that in 1984 this country enjoyed the strongest gain in real economic growth—that is, in the growth of the gross national product, after subtracting inflation—that the country had enjoyed in 33 years. That 1984 economic recovery was possibly the biggest economic recovery in an election year in peacetime in American history. And in all American history no President has ever failed to win election by a handsome margin when the economy pushes on a massive roll right through election day. So how about the freeze issue? The freeze issue never had a chance. Except for the smashing U.S. victory over pathetic little Grenada, shortly before the election, the country was at peace. The terrorist killing of 241 marines in the Beirut barracks in Lebanon, obviously, constituted a serious American military and foreign policy failure. But it did not trigger the remotest suggestion of a hint or whisper of an armed conflict with the Soviet Union. So it did not trigger any arms control sentiment. President Reagan had ridden to victory in 1980 in the face of charges that his policies would push the country toward nuclear con-

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

flict with the Soviet Union. Four years later we seemed no closer to a military conflict with the Soviet Union. There had been no nuclear alert, no nuclear diplomacy. Sure the Geneva arms negotiations had begun in 1982 and had broken off in 1983. But both President Reagan and the Soviet leaders had expressed stronger opposition to the use of nuclear weapons than ever before. Yes, indeed, the President still opposed the freeze on nuclear weapons. No question about it, he refused to consider negotiations with the Soviets to stop nuclear weapon testing. But he favored arms control. He repeatedly said that he was willing to go back to the negotiating table with the Soviets and with everything on the table.

Under these circumstances it certainly should have been no surprise that an electorate that had repeatedly indicated its support of an end to the nuclear arms race through a negotiated mutual, verifiable freeze on the testing, production or deployment of nuclear weapons would also support a President of the United States who repeatedly claimed to favor arms control negotiations but opposed the particular formulation of arms control embodied in a nuclear weapons freeze. In sum, the country favored and still favors a nuclear weapons freeze. It reelected Ronald Reagan as President, in spite of the fact that the President opposed a freeze. Why did they reelect him and by such a smashing majority? For reasons that had nothing to do with the freeze.

So what happened to the nuclear freeze? Ronald Reagan happened. Here's why: When it comes to arms control—that is whether the country negotiates at all with the Soviet Union, whether we negotiate to limit or reduce a particular nuclear weapon or all weapons, and whether we accept or reject any Soviet arms control proposal who makes the determination? Answer: only one person. From the standpoint of this country the President of the United States is Mr. Arms Control. No one else counts at all. No other institution matters. Once the President is elected, for the next 4 years there is only one arms control game in town and that is whatever the President wants to make it. Any congressional resolution dealing with arms control has the same feeble force as a resolution adopted by the East Overshoe town board. It has absolutely no force at all, none. Even if the President should decide to accept and sign an arms control agreement and it is submitted to the Senate as a treaty, the power of the Senate depends on what the President wants to make it. Just suppose the Senate decides to get into the act. Let us say it refuses to ratify the treaty. Then what? Then the President can do precisely what President Carter and President Reagan have done with respect to SALT II. The President can simply announce that the United States will comply with the treaty. Of course, if the President does not want the country to comply with a treaty that has been negotiated by his negotiators we can simply tell the negotiators to reject the agreement. There will then be no treaty to submit. The President chooses his negotiators. He provides them with their instructions, if he wishes, down to the last comma and semicolon. He can fire and replace his negotiators at will and anytime. He can continue negotiations, end them, or postpone them as his heart desires. Is it any wonder that the nuclear weapons freeze is in mothballs. President Reagan will not change his mind on the freeze. So it is dead for at least the next 3½ years.

So who killed the freeze? Not the people of this country. They still support it enthusiastically and overwhelmingly. But they elected Ronald Reagan as President, in spite of his opposition to the freeze. That did not kill the freeze. It put the freeze in deep freeze until 1989, or later.

MYTH OF THE DAY: THAT THE ANTITRUST LAWS PREVENT PRICE-FIXING

Mr. PROXMIRE. Mr. President, today's myth of the day is that firms that engage in price fixing will be prosecuted by the Department of Justice. The fact is: They will not.

The August 5 issue of Business Week carries an editorial that reports as brazen and obvious a proposal to fix prices by Robert Crandall, the president of American Airlines, in a conversation with Howard Putnam, chairman of Braniff, that this Senator has ever seen. The proposal occurred in a telephone conversation. The Justice Department secured a tape of the phone conversation.

Here is the way the conversation went, and I might say it was a very colorful, scatalogical conversation with a lot of unfortunate profanity which, of course, I will not refer to in reporting the conversation. I simply will delete that.

Here is what Crandall, who is the president of American Airlines, said:

> I think it's dumb to sit here and pound each other and neither of us making a dime.
>
> Putnam [who was chairman of Braniff]. But * * * I can't just sit here and allow you to bury us without giving our best effort * * * Do you have a suggestion for me?
>
> Crandall. Yes, I have a suggestion for you. Raise your fares 20%. I'll raise mine the next morning * * * You'll make more money, and I will too.
>
> Putnam. We can't talk about pricing.
>
> Crandall. We can talk about anything we want to talk about.

As Business Week observed:

> Most businessmen would interpret Crandall's remark as an illegal invitation to fix prices. So did the Justice Department when it listened to a tape recording that Putnam, on advice of his lawyers, had made of the conversation.

And I just reported on the tape. So what happened? The Justice Department negotiated for 2 years with American Airlines and Crandall, and then on July 14, 1985, just a couple weeks ago, it allowed American and Crandall to sign a consent decree without admitting any guilt. As Business Week observed: "Deterrence, anyone?"

Mr. President, again and again this Senator has heard administration witnesses testify before the Banking Committee that we should relax the restrictions on interstate banking and mergers. When I protest that this would result in monopolistic concentration and price fixing among the surviving giants, they dispute that contention by saying the country can rely on the antitrust laws. The administration has followed a weak, permissive policy in mergers that concentrate economic power throughout our economy on the grounds that we can rely on the antitrust laws to prevent price fixing. This Senator has always regarded the notion that the American consumer can count on the vigorous enforcement of antitrust laws by the Justice Department as a myth under any Presidential administration of either party. The American Airlines incident makes the case that right now in this administration, Justice Department enforcement of antitrust laws prohibiting price fixing is indeed a myth.

Mr. President, I congratulate Business Week. The fact that this highly respected organ of American business speaks out this forthrightly about violations of law by big and powerful American corporations and their top executives constitutes a refreshing aspect of this sorry situation.

I ask unanimous consent that the editorial be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Doesn't Anyone Give a D - - -?

On or about Feb. 1, 1982, reads the Justice Dept. complaint, Robert L. Crandall, president of American Airlines Inc., talked on the telephone with Howard D. Putnam, chairman of the Braniff International Corp., about the competitive battle raging between American and Braniff on a number of routes served out of the Dallas/Fort Worth Airport. According to the complaint, the conversation included the following remarks, expletives modified:

Crandall: "I think it's dumb as hell for Christ's sake, all right, to sit here and pound the —— out of each other and neither of us making a —— dime."

Putnam: "But . . . I can't just sit here and allow you to bury us without giving our best effort. . . . Do you have a suggestion for me?"

Crandall: "Yes, I have a suggestion for you. Raise your —— fares 20%. I'll raise mine the next morning. . . . You'll make more money, and I will, too."

Putnam: "We can't talk about pricing."

Crandall: "Oh ——, Howard. We can talk about any —— thing we want to talk about."

Most businessmen would interpret Crandall's remark as an illegal invitation to fix prices. So did the Justice Dept. when it listened to a tape recording that Putnam, on advice of his lawyers, had made of the conversation. In February 1983, Justice filed a complaint in federal court charging American and Crandall with trying to fix prices and asking the court to bar Crandall for two years from any airline job with authority over prices. Then followed two years' negotiations with American and Crandall. On July 14, 1985, Justice allowed American and Crandall to sign a consent decree without admitting any guilt in the Braniff affair. Deterrence, anyone?

TIME IS RUNNING OUT FOR NAZI HUNTERS

Mr. PROXMIRE. Mr. President, on July 6, the Washington Post carried an article reporting that as many as 50,000 war criminal are still at large.

For Nazi hunters who have been pursuing these war criminals since the end of World War II, this statistic is heartbreaking.

It has been 40 years since the end of Hitler's genocide against the Jews. As these aging war criminals die off, the likelihood that the survivors of the Holocaust will ever see the vast majority of their tormentors brought to justice decreases.

According to Rabbi Marvin Hier, founder of the Simon Wiesenthal Center for Holocaust Studies in Los Angeles, about 10,000 former Nazis who are wanted are living in the United States. Only a handful of these former Nazis have been identified and deported to stand trial in the country where they committed their offenses.

For the past 40 years these so-called quiet neighbors have lived without any real fear that they would be brought to account for their part in the massacre of the Jews.

As these men advance in age, the whole question of deporting them to stand trial is likely to become moot.

That the United States finds itself in this position today is embarrassing. After World War II we had the opportunity to prosecute these men. Instead we gave them a haven.

That Klaus Barbie and other well-known murderers worked for U.S. intelligence agencies is a documented fact.

That we made inadequate checks into the backgrounds of those who immigrated to the United States and even facilitated the escape from Germany of war criminals is a documented fact.

Nazi hunters long ago despaired of bringing all the war criminals to justice. Numerically speaking not even a significant minority of the 50,000 at large will ever be prosecuted.

Former Nazis still being sought include men of enormous culpability.

There is Alois Brunner, a deputy of Eichmann, who is wanted for the murder of 125,000 people and who, it is believed, is now in hiding in Syria.

There is Walter Kutschmann, at large in South America, who is blamed for the deaths of 2,000 Polish Jews.

There is Leon Debrelle, a Belgian collaborator who now lives the good life in Spain giving lectures and seminars on Nazi history.

These are the types of men to which Nazi hunters give their highest priority today. But time is running out. It is unsatisfying to victims of the Holocaust that men such as Josef Mengele should die without ever seeing the inside of a courtroom.

Mr. President, the United States has made its mistakes in the past. Today we must make clear that we intend to bring to justice Nazi war criminals still at large and anyone else who would dare commit the heinous crime of genocide in the future.

We must ratify the Genocide Treaty.

We must join the 96 nations that have already made this commitment to human rights.

Ninety-six nations, Mr. President, every developed country in the world, except the United States, has ratified the Genocide Convention.

At the end of the last session, the Senate passed a resolution to take up the Genocide Treaty early in the 99th Congress.

Mr. President, we are now well into the 99th Congress. The efforts of Nazi hunters are imperiled by the passage of time. In the context of their struggle, I believe it is imperative that the Senate take up and ratify the Genocide Treaty at the earliest possible date.

WESTWAY LANDFILL

Mr. PROXMIRE. Mr. President, the Westway Highway and real estate project in New York has been portrayed by its advocates as having solid local support.

Nothing could be further from the truth. Both the New York Comptroller and city council president, two out of the three major citywide elected officials, have endorsed the bill I introduced with Representative Frank Guarini and Senators Humphrey, Lautenberg, and Bradley to end funding for the Westway landfill.

Many other New York area officials are also on the record in opposition to the project, including Congressman Ted Weiss in whose district the project is located.

Mr. President, because of the importance of these local comments to the coming Westway Senate debate I ask unanimous consent that letters from City Council President Bellamy and Comptroller Golden be printed at this point in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

The City of New York,
Office of the Comptroller,
May, 16, 1985.

Hon. Daniel P. Moynihan,
U.S. Senator,
New York, NY.

Dear Pat: Representative Guarini (H.R. 1888) and Senator Proxmire (S. 826) are sponsoring the "Westway Landfill Funding Prohibition and Hudson River Habitat Protection Act of 1985," precluding Federal funding (including Federal Highway Trust Funds) for the design and construction of the Westway landfill. Surely, New York must reconstruct a vehicular roadway on the West Side of Manhattan, by some estimates at a cost of $53 million (see Final Supplemental Environmental Impact Statement, November, 1984, Vol. I, p. VIII-6).

Even were the actual cost substantially higher, the remaining billion and a half dollar balance potentially available for mass transit represents money needed urgently to support rehabilitation of our subway, bus and commuter rail systems. But because this trade-in money may only be available until September, 1985 we must act quickly not only to ensure that New York City gets a highway on its West Side, but also to secure the mass transit funding that ought be part and parcel of the transaction. Accordingly, I hope you will support the Guarini-Proxmire legislation.

Sincerely,

Harrison J. Golden.

The City of New York, the
President of the Council, City Hall,
New York, NY, May 16, 1985.

Hon. Gary Ackerman,
House of Representatives,
Washington, DC.

Dear Gary: I oppose the use of 1.7 billion dollars of federal transit funds to build Westway. I support a trade-in of Westway for mass transit improvements and construction of a sensibly designed roadway to replace the West Side Highway.

Westway will cost too much, promote the use of automobiles, cause environmental damage and deprive us of the opportunity to obtain much needed funds for our mass transit system.

The deadline for trading-in Westway for mass transit funding is September 30, 1985. I urge you to act now to stop this wasteful use of federal money.

Legislation now pending in the House and Senate would block funding for Westway and permit a trade-in to fund a replacement highway and provide more than a billion dollars in mass transit improvements. I urge you to support the legislation. The future of our City is at stake because our economic stability and prosperity depends on a safe, reliable and affordable mass transit system.

Sincerely,

Carol Bellamy.

MEDICARE AT 20: NEED FOR A PATIENT BILL OF RIGHTS

Mr. PROXMIRE. Mr. President, yesterday's New York Times, in a front page article, headlined the problems for Medicare beneficiaries that result from implementation of the new prospective payment system for hospitals.

This new payment system revolutionized Medicare's approach to payment for inpatient care virtually overnight. Instead of simply paying bills after the fact, Medicare now establishes a price list, based upon 470 different categories of patient diagnoses, known as DRG's. Once the physician has established a diagnosis for a patient, the hospital knows, in advance, what payment it can expect from Medicare, based upon that price list.

And that change, together with new competitive pressures in the private sector, has turned hospitals upside down.

The incentives to pad the bills evaporated. The incentives to keep the patients in the hospital an extra day or two disappeared. Finally, there were incentives for administrative and clinical efficiency.

As the Times article points out, the average length of stay for Medicare patients has dropped 20 percent in little over a year, from an average hospital stay of 9.5 days to 7.5 days. And the decreased number of hospital admissions for patients of all ages means that an estimated 75,000 fewer patients are contracting new diseases in the hospital and 3,700 fewer patient are dying from those hospital-acquired diseases.

In general, those developments are positive and, on the whole, may well improve the quality of care that patients may receive. Unnecessary or prolonged hospital stays are simply not in the patient's interest unless they are medically necessary.

CONCERNS ABOUT QUALITY OF CARE

But there remains a strong suspicion that for some Medicare patients, the quality of care may actually decline. The reason lies in the very nature of prospective payment: Setting a price up front does encourage efficiency but it also provides rewards for those who skimp on services. So monitoring the quality of care provided becomes more important than ever for Medicare.

In theory, the agencies which monitor the quality of care for Medicare, the peer review organizations [PRO's], will deter unscrupulous providers. As will the threat of malpractice suits.

But as the General Accounting Office recently pointed out, the real threat may come, not from unscrupulous physicians or hospitals, but from the simple fact that there is widespread confusion regarding the way in which the DRG payment system works. And the evidence suggests that the confusion is just as strong among health care personnel as it is among Medicare beneficiaries.

HORROR STORIES THAT SHOULD NOT OCCUR

Two recent examples from the House and Senate Aging Committees make the point clearly.

Pat Hanson, a nurse with 20 years' experience, serves as DRG coordinator for a 400-bed hospital in Minneapolis. She testified before the House Aging Committee recently on her experience.

> I also became very intimately involved with how prospective payment works with the elderly when last September my mother had a very severe heart attack. She lived in a rural area of Minnesota. The closest hospital is 20 miles away from her hometown . . . where she was taken after this heart attack. After she started recovering . . . 10 days afterwards, one of the three physicians at the hospital said to me, "Your mother is going to have to leave soon because her DRG is up." I don't think the doctor understood exactly what my position had been for the past year, and that I was very aware of the rules and regulations of prospective payment. So I took that opportunity to educate the physicians at the hospital plus some other staff members about prospective payment and what the DRG really meant.

But not every Medicare patient is lucky enough to have a DRG coordinator for a daughter.

Senator HEINZ tells the frightening example of "an 86-year-old constituent who was sent home with a large open wound after a gall bladder operation. The wound was 'grossly infected,' requiring daily dressing changes. The patient who is blind, diabetic, and has an ulcer, was told his 'DRG was exhausted' and he could not stay in the hospital another day."

MEDICARE PATIENTS' RIGHTS

Mr. President, many of the horror stories which the Aging Committees and our own offices have been told regarding the DRG system are the result of simple confusion regarding the way in which the system is meant to operate. But as you can see, they can have grave consequences.

It is important that we find a way to nip this problem in the bud before it becomes more widespread and it is essential that our efforts be directed toward health care personnel as well as Medicare beneficiaries.

We must make it clear that Medicare is not telling any patient that they are only entitled to a certain number of days of care. When a medicare beneficiary is appropriately admitted to a hospital, the patient is entitled to care until he or she no longer requires hospital-level care in the judgment of a physician.

For the physician, it is important to remember that they retain both a moral and legal obligation not to discharge a patient prematurely.

And for the patient, it is important to remember that there is a difference between no longer needing expensive hospital-level care and feeling fine. As lengths of stay drop, it is very likely that many patients will still require extra days of rest following their discharge from the hospital. And some patients will require continued care by nurses at a skilled nursing facility or home health care. But there is a difference between feeling poorly and premature discharge. And it is premature discharge that we must prevent.

THE PROXMIRE PROPOSAL

Mr. President, it is clear that this unintended confusion is needlessly adding to the anxiety that accompanies a hospital admission. It would be traumatic for a patient of any age, let alone the frail elderly. And we need to act quickly if we are to preclude any inadvertent repetition of these problems.

That is why I am introducing a resolution today which calls upon the Secretary of Health and Human Services to convene a working group to draft a Medicare patient bill of rights.

My proposal is based upon several basic principles:

Medicare beneficiaries are entitled to clear and accurate answers regarding their Medicare coverage when they need it most—when they are hospitalized.

Patients do not need a booklet or complex manifesto—they need a simple flyer in question-and-answer format that will answer their basic questions and will let them know where they can turn for additional help.

This flyer should be produced cooperatively by the Department of Health and Human Services, representatives of the major senior citizen groups, the hospital industry, and physicians participating in Medicare.

And this flyer should be produced as quickly as possible and distributed to all hospitals and physicians participating in the Medicare Program.

Mr. President, my resolution calls upon the Secretary of the Department of Health and Human Services to use her good offices to convene a working group to draft this essential statement. It is only appropriate that the aging groups take the lead in identifying those questions most troubling to Medicare patients and, in conjunction with Department staff, the hospital industry and physicians draft clear and accurate answers.

The resolution urges the working group to complete action within 90 days; this is not a complex task and prompt distribution is essential.

The resolution also calls upon the hospital industry to make a voluntary commitment to reproduce and distribute this information to all Medicare patients entering their facilities, and their families or relatives, upon request. This is not a regulatory requirement but I cannot imagine a hospital administrator who would refuse in today's competitive environment. And by following this approach, we will not undermine those States and hospitals or senior citizen advocacy groups that may have already produced such a flyer for their area. The emphasis must be on accurate information, not who produced it.

Mr. President, this is a modest proposal but it will go a long way toward resolving the confusion of both Medicare beneficiaries and health care personnel. Our elderly deserve no less on Medicare's 20th birthday.

I ask unanimous consent that the New York Times article and the text of the resolution be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COST CONTROLS RAISE CONCERNS ON HEALTH CARE

(By Milt Freudenheim)

Actions taken by the Reagan Administration to curtail health costs have touched off a debate among health-care professionals and members of Congress over whether the quality of care is being endangered as an unwanted side effect.

More than 60 percent of the 7,800 physicians responding to a preliminary survey by the American Medical Association said that quality of care had already deteriorated or that they feared such a decline under what it sees as Government interference in doctors' decisions.

The General Accounting Office, an investigative arm of Congress, also has relayed concerns about a decline in the quality of care in a preliminary report to the Senate Special Committee on Aging.

But some experts contend that quality of care is probably improving. They cite the increasing numbers of patients treated in offices and clinics and the sharp decline in the average hospital patient's stay. This is important, they say, if only because of reduced exposure to diseases caught in hospitals by hundreds of thousands of patients each year.

Both sides in the debate, however, agreed in telephone interviews last week that solid information was lacking to determine how the cost restraints are affecting quality of care. Members of Congress say they are making budgetary decisions without the information they need.

Last week the House Ways and Means Committee approved restrictions and cutbacks in Medicare designed to reduce projected spending by $10 billion over the next three years.

The Government will spend $71 billion this year for Medicare, covering most of the medical bills for 30 million elderly and disabled people, and $23 billion as the Federal share of state-run Medicaid programs for the needy.

The Administration says the new controls have helped to slow the rate of increase in the nation's health-care bill. "We have turned the corner in our fight against medical inflation," said Margaret M. Heckler, the Secretary of Health and Human Services, who is expected to announce the latest figures on health care spending this week.

The Administration has instituted several cost-control measures, the most far-reaching one a new system of paying for treatment of Medicare recipients. Under the system, which took effect last year, hospitals are paid a set amount for each specified ailment, regardless of the severity of the illness or other factors in treatment cost. Previously, the Government reimbursed hospitals and doctors for the costs of all services they considered necessary.

The General Accounting Office report on the new payment system "showed that patients are moved out of hospitals sicker and quicker," said Senator John Heinz, Republican of Pennsylvania, chairman of the Committee on Aging. "That means," he said, "that the burden of care necessarily shifts" to skilled nursing homes and home-care agencies.

But Government restrictions on Medicare and Medicaid patients for care at nursing homes and in the home have also been tightened. These restrictions, according to health professionals, often have discharged hospital patients in a "no-care zone."

"A CATCH-22 SITUATION"

The House Select Committee on Aging held hearings earlier this month that its chairman, Edward R. Roybal, Democrat of California, said "clearly demonstrated that as Medicare patients are discharged sooner and sicker, these same beneficiaries are having greater difficulty in getting the long-term services they need." Representative Roybal said it was "a Catch-22 situation."

A nursing home director told the committee that "overly restrictive eligibility criteria for Medicare" patients had forced her facility in Minneapolis to eliminate 180 beds.

The House committee heard testimony about people over 70 years of age who needed home-care treatment for severe ailments, including colon cancer, acute urinary infection and congestive heart failure. They were denied Medicare coverage "on the basis that the services could be performed by a nonmedical person," and in many cases they had to do without the treatment they needed after leaving the hospital. Possibly as a result, several died shortly after the Medicare denials, the committee was told.

In its preliminary report to the Senate committee, the General Accounting Office said its investigators had visited hospitals, nursing homes and home health agencies in six cities and also conferred with Administration officials and representatives of national health and medical associations. At each site, agency investigators were told that "patients are being discharged from hospitals after shorter lengths of stay and in a poorer state of health" than was the case before the new payment system took effect.

The Accounting Office is conducting more extensive research and is to report to Mr. Heinz's panel in the fall. "If we can't measure the appropriateness and quality of care after discharge from the hospital," Mr. Heinz said, "we have no handle on the central issue."

Carolyne K. Davis, a registered nurse and educator who is resigning in August as head of the Federal agency that runs medicare and Medicaid, said the Government was trying to monitor hospital care, by contracting with panels of health professionals known as peer review organizations. They "look at roughly one-third of all admissions to hospitals" to assess whether patients were treated properly.

U.S. PLANS NEW RESEARCH

She said the few complaints about inadequate care that her agency, the Federal Health Care Financing Administration, had received were hard to document. But she said, "I'm not saying it's not happening."

Peer review organizations are charged with seeing that costs are controlled and that quality of care is maintained. But they have been "mostly focusing on cost-effective utilization," said Bernard R. Tresnowski, president of the Blue Cross and Blue Shield Association. Blue Cross affiliates do Medicare's paperwork in many states.

Mr. Tresnowski said it would take three or four years to fully assess the new system's effects.

Mrs. Davis said her agency would soon be awarding research contracts to universities and other outside experts to study "quality of care indicators." One study will compare the treatment of patients before and after the payment system changed, following a suggestion by the Accounting Office.

Meanwhile, Senator Heinz said, "the major vehicle" for obtaining information about quality of care should be in Mrs. Davis's annual report, which was due last December and still has not been issued. He accused the Administration of supplying only "unsatisfactory answers" to repeated requests dating to April 1984 for information on quality.

But Mrs. Davis cautioned that the report would cover only the first year of the new system. An aide to Mrs. Davis said the report was awaiting approval in the Department of Health and Human Services, of which the health care financing agency is a part. The aide attributed the delay to difficulties in reporting for the first time on the complex new system.

"THEY ARE STONEWALLING US"

As a result, Congress may be making changes in the health care system before it is completely informed.

"We are about to make budgetary decisions," said Representative Henry A. Waxman, Democrat of California, chairman of the Energy and Commerce Committee's Subcommittee on Health and the Environment. "I'm very worried about what impact those decisions will have on the quality of care. We don't have the evaluations of what is taking place."

Representative Fortney H. (Pete) Stark, Democrat of California, chairman of the Ways and Means Health Subcommittee, said, "Basically they are stonewalling us and trying to balance the budget on the Medicare program."

The American Medical Association does not regard its survery of doctors as definitive, and is working with the Johns Hopkins University School of Hygiene and Public Health to get more dependable data on the long-term effects of cost-control measures.

Dr. Alan R. Nelson, a Salt Lake City internist who is on the A.M.A. board, said the reported rate of readmissions to hospitals of patients who had been discharged, an important measure of quality of care, had not increased.

But he said smaller hospitals were feeling pressures to cut services because of the Federal cost restraints.

An American Nursing Association survey found that hospitals have been using a higher proportion of registered nurses, frequently dismissing licensed practical nurses, aides and orderlies. Dr. Nelson said highly trained nurses were thus "stretched" right to the limit," taking over duties that had been performed by others. "They may have the same number of patients," he said, "but they have much sicker patients" and more tasks to perform for them.

Some health experts see positive trends.

Andrew Webber, executive vice president of the American Medical Peer Review Association, representing the peer review panels, said quality of care may be improving, "because of incentives that drive hospitals to be more efficient, to eliminate unnecessary admissions, unnecessary tests and days in the hospital."

The average number of days in the hospital for Medicare patients dropped 20 percent, from 9.5 days in 1983, before the new payment system, to 7.5 last year.

In 1983, the nation's hospitals discharged 38,783,000 patients. Of these, an estimated 1,900,000 had acquired new diseases in the hospital and an estimated 96,000 died of causes attributed wholly or in part to these new diseases, according to calculation methods cited by Dr. William R. Jarvis of the Centers for Disease Control in Atlanta.

In 1984, when there were 1,500,000 fewer patients, an estimated 75,000 fewer patients became sick in the hospital and about 3,700 fewer patients died, according to the same methods.

John Rother, research and public policy director for the American Association of Retired Persons, which is concerned about Federal cost restraints' effect on quality of care, said, "Less hospitalization in most cases is a step forward."

S. Con. Res. 58

Resolved by the Senate (the House of Representatives concurring), Whereas thirty million elderly and disabled Americans rely upon the Medicare program for essential health care;

Whereas the new prospective payment system for hospitals has resulted in unintended confusion among Medicare beneficiaries regarding their entitlement to hospitalization;

Whereas Medicare beneficiaries have not always had their questions regarding their rights and responsibilities clearly and accurately answered during their period of hospitalization;

Whereas the Congress believes that the Medicare program, senior citizen groups, the hospital industry, physicians and nurses should work together to resolve this problem cooperatively: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the Congress reaffirms its strong support for the Medicare program on this, its twentieth anniversay, and for the right of all Medicare beneficiaries to accurate and timely information regarding their Medicare benefits during a period of hospitalization;

(2) the Secretary of Health and Human Services should use her good offices to immediately convene a Working Group of represenatives from senior citizen groups, the hospital industry, physicians and nurses to draft within 90 days a simple statement of Medicare Patients' Rights and Responsibilities;

(3) the Secretary of Health and Human Services should transmit copies of the completed Statement to all Members of Congress, all hospitals and physicians participation in the Medicare program as well as provide copies upon request; and

(4) all hospitals participating in the Medicare program should voluntarily reproduce and distribute the completed Statement to all Medicare beneficiaries upon admission and to their families or guardians, upon request.

Sec. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the Secretary of the Department of Health and Human Services.

S. 1533—NATIONAL SECURITY TRADE ACT OF 1985

Mr. BYRD. Mr. President, today I am introducing my National Security Trade Act of 1985. This legislation improves the administration of a crucial part of our trade law, section 232 of the Trade Expansion Act of 1962, as amended. This statute was designed to provide redress when imports of foreign products threaten to impair the national security of the United States. Unfortunately, the statute has not been given the vitality it deserves. This is alarming when we consider what is at stake. Without an effective statute to protect our domestic production capabilities, we run a serious risk of eroding our defense industrial base.

Since section 232 was enacted in 1962, 14 petitions alleging a threat to national security have been filed. This is not a landslide of cases, nor should it be. The language of the statute and the legislative history are quite clear in establishing what kinds of cases rise to the urgency of a threat to national security. The statute describes in detail the factors to be weighed in deciding whether or not there exists a national security question. But it is very clear from the legislation and the history behind it that Congress intended that the statute function to effectively prevent the destruction of American industries which are vital to the national security. Indeed, section "C" requires that the President "recognize the close relation of the economic welfare of the Nation to our national security, and * * * take into consideration the impact of foreign competition on the economic welfare of individual domestic industries."

The legislative history provides an unmistakable indication of congressional intent. When the predecessor statute was first considered in 1955, Congress extended the reach of prior law which dealt only with issues of "national defense" so that the act would encompass any industry important to "national security." The 1955 change was prompted by congressional concern over import injury to production of critical materials including petroleum, lead, and zinc. When the law was further refined in 1958, the Senate Finance Committee explained in its report:

> Language was further added directing attention and providing possible action whenever danger to our national security results from a weakening of segments of the economy through injury to any industry, whether vital to the direct defense or a part of the economy providing employment and sustenance to individuals or localities. The authority of the President is thereby broadened considerably, but the dangers inherent in an economy suffering from unemployment, declining government revenue, or loss of skills, and investment because of excessive imports of one or more commodities, must be recognized and avenues provided whereby they may be lessened.

In that same report, Congress noted its discontent with the ungenerous reading the statute had received:

> Considerable unfavorable comment has reached the committee about the administration of what was thought to be a strongly worded national security amendment in the 1955 extension. That section has been further strengthened so that sound results may be expected from it.

Despite a consistent effort to strengthen the statute, congressional intent remains frustrated by inaction on the part of successive administrations. For a confusing and sometimes elusive litany of reasons, presidents have not granted relief to any industries filing petitions under section 232, with the sole exception of petroleum products. Why? Have all other petitions been groundless?

Let me discuss one case with which I am familiar. The American ferroalloys industry is among the most modern in the world. Because of the value of the dollar and predatory, antimarket practices by foreign producers such as South Africa and the Soviet Union, 60 percent of the American market is now held by foreigners. The Office of Technology Assessment, in a recent report entitled "Strategic Materials: Technology To Reduce U.S. Import Vulnerability," summarized the importance of ferroalloy products in the first paragraph of that report by saying:

> These metals are essential in the production of high-temperature alloys, steel and stainless steel, industrial and automotive catalysts, electronics, and other applications that are critical to the U.S. economy and the national defense.

The report continues by describing the dangers of our overdependence on foreign ferroalloy production and the need to diversify supply sources.

Despite these facts, the petition filed by the ferroalloys industry in December 1981 was not acted upon by the President until May of 1984. In a perfunctory report, the administration denied any relief. Similarly, the machine tools industry—now devastated by imports—requested action in March of 1983. It has still no word from the administration. While the statute requires that the Commerce Department conclude its investigation within 1 year, it does not set a date for final action by the President. Of course, the authors of the statute could not have imagined that an allegation of a threat to the national security would be treated with disinterest by any President, particularly this one. But experience has shown that successive administrations are willing to wait in hopes that the problem goes away, rather than expose themselves to charges of protectionism.

Well, the problems have not gone away. But, in the case of ferroalloys and machine tools, those industries very nearly have. How is it that any

President or any administration would be willing to let a vital element of our defense production base disappear without action? Our trading partners in Europe and Japan would not be so complacent. Indeed, in the case of ferroalloys, the European and Japanese governments have in place national plans to assure the survival of critical ferroalloy production capacity.

But in the United States, I regret to say that we often refuse to see the fire until we feel the heat. Unless we are at war or otherwise face a conspicuous national crisis on the order of the gas shortage of a decade ago, our Government is often slow to recognize our defense needs. We seem doomed to repeat in every generation the mistakes that erode our defense production assets to the point that we are left scurrying to rebuild an industrial base that is the product of years of neglect. The administration's latest proposal to reduce the strategic stockpile and its inaction on the strategic petroleum reserve are recent examples of this trend.

The bill I introduce today will be an important step in reversing this trend. By revitalizing section 232, we will create a credible private right of action to assure that import-sensitive industries vital to our national security have a realistic chance for relief. What does the statute do?

First, since the political risk of being charged with protectionism has caused some Presidents to balk at issuing relief to injured industries, my bill moves the responsibility for this finding across the street from the White House to a place where it is more appropriate: the President's trade representative. Second, the bill enlarges the role of the Secretary of Defense to require a separate statement of concurrence or dissent from the chief cabinet officer charged with responsibility for national security determinations. Third, this legislation requires the trade representative to take action, or refuse to take action, within 90 days after the Commerce Department submits its report. Delays of a year or more following that finding of fact are unnecessary and create uncertainty. The industry and its workers—and the country as a whole—deserve to know whether or not the government will take action if there is an injury that threatens national security. Moreover, the bill requires that the Commerce Department's findings and the reasons for action or inaction by the trade representative be published in the Federal Register, to the extent that such information is not classified. This makes the process more open and visible, consistent with the importance of the national security issue involved.

Finally, my bill enumerates the available courses of action, should the trade representative determine that a threat to the national security does exist. This is intended to broaden, not limit, the existing options. The language here closely mirrors the broad statutory authority under section 301 of the Trade Act. But it also includes a procedure whereby the President can request, on an expedited basis, the authority to enter into negotiations with other countries to limit the offending imports. This is a novel step, and a significant one. If the trade representative finds an injury, he should be able, through the President, to request that Congress move decisively to provide the administration with appropriate authority to negotiate an end to the problem. Article XXI of the General Agreement on Tariffs and Trade exempts national security issues from the terms of the GATT, but the President should be able to seek license from Congress to respond to an import crisis which threatens the national security through all appropriate means, including the right to negotiate away the problem.

Does this bill open a broad new avenue of trade relief? It does not. However, it does create a realistic avenue of relief when vital sectors of the economy are threatened by imports. It breathes life into a moribund statute and supports the original intent of Congress: that national security be understood to encompass economic security for critical sectors of our industrial base.

Which companies can expect relief under this legislation? Certainly industries such as the ferroalloy producers should have reason for hope. In addition, crucial high technology sectors, such as the semiconductor manufacturers should consider how this legislation applies to their provisions. Emerging technologies such as fiber optics and ceramics may be eligible. Often, foreign production in these new areas far exceeds domestic needs and the excess is targeted for the U.S. market so that nascent industries here are overwhelmed.

We need to get beyond the idea that national security is solely a function of how many troops and weapons we can field. The ability to sustain our defense production base and support our military in time of crisis is the measure of our national security. The economic well-being of vital industries must be as much of a national priority as the maintenance of a strong Armed Forces. I am convinced that this legislation will make an important contribution to safeguarding that production base.

Mr. President, I ask unanimous consent that the bill be printed in the Record, and, of course, appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

S. 1533

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Security Trade Act".

Sec. 2. Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862) is amended—

(1) by striking out "President" in subsections (b), (c), and (e) each place it appears and inserting in lieu thereof "United States Trade Representative",

(2) by striking out "Upon request" in subsection (b) and inserting in lieu thereof "(1) Upon request",

(3) by striking out ", Secretary of Commerce," in subsection (b),

(4) by striking out "Secretary of the Treasury" and inserting in lieu thereof "Secretary of Commerce",

(5) by inserting "and the Secretary of Defense concurs in such finding" after "threaten to impair the national security" in subsection (b),

(6) by adding at the end of subsection (b) the following new paragraphs:

"(2)(A) The report submitted by the Secretary under paragraph (1) shall include a written statement by the Secretary of Defense expressing concurrence or disagreement with the findings and recommendations of the Secretary contained in such report and the reasons for such concurrence or disagreement.

"(B) The report submitted by the Secretary under paragraph (1), or any portion of such report, may be classified only if public disclosure of such report, or of such portion of such report, would clearly be detrimental to the security of the United States.

"(C) Any portion of the report submitted under paragraph (1) which is not classified in accordance with subparagraph (B) shall be published in the Federal Register.

"(3) The United States Trade Representative shall take action, or refuse to take action, under paragraph (1) with respect to any report submitted under paragraph (1) by no later than the date that is 90 days after the date on which such report is submitted to the United States Trade Representative.

"(4)(A) The actions which the United States Trade Representative may take under paragraph (1) shall include, but are not limited to—

"(i) the issuance of orders to—

"(I) suspend, withdraw, or prevent the application of, or refrain from proclaiming, benefits provided under any trade agreement to any foreign country from which the imports that threaten to impair the national security are imported, or

"(II) impose duties, quotas, or other import restrictions on the products of, and fees or restrictions on the services of, such a foreign country for such time as the United States Trade Representative determines appropriate, or

"(ii) the submission of requests to the President that the President submit a draft of a bill to the Congress that gives authority to the United States Trade Representative to enter into negotiations with such a foreign country for the purpose of entering into an agreement which limits the importation into the United States of such imports that threaten to impair national security.

"(B) Any draft of a bill submitted by the President to the Congress upon request of the United States Trade Representative under subparagraph (A)(ii) shall be—

"(i) introduced in each House of the Congress (by request) by the majority leader of each House on the first day such House is in session after the day on which the President submits such draft,

"(ii) referred to the appropriate committees, and

"(iii) treated as an implementing bill for purposes of subsections (d), (e), (f), and (g) of section 151 of the Trade Act of 1974 (19 U.S.C. 2191).

"(5) The United States Trade Representative shall make a written statement of the reasons why the United States Trade Representative has decided to take action, or refused to take action, under this section with respect to each report submitted to the President under paragraph (1). Such statement shall be included in the report published under subsection (d).", and

(7) by striking out "proclamation, Executive order, or other Executive act" in subsection (e)(2)(B) and inserting in lieu thereof "order".

Mr. BYRD. I thank the Chair.

Mr. President, if I have any time remaining, I yield it to the distinguished Senator from Massachusetts, Mr. KERRY.

RECOGNITION OF SENATOR KERRY

The PRESIDING OFFICER. Under the previous order, the Senator from Massachusetts is recognized for not to exceed 15 minutes.

Mr. KERRY. Thank you very much, Mr. President. I thank the distinguished minority leader for whatever additional time I may have to proceed.

PREJUDICING JUSTICE

Mr. KERRY. Mr. President, justice is an ideal that our Nation, among all nations, has come closest to making a reality in the actual workings of its system of justice. But today our system is threatened with a kind of corruption that is dangerous to not only our judiciary, but to our political system and the Constitution itself. The threat is the threat of prejudiced justice, justice which by definition cannot be justice because it is prejudged.

I am speaking of attempts to mold a judiciary to the narrow litmus tests of an ideology, Mr. President.

The American judicial system, from Marbury versus Madison and the days of John Marshall to the present, has been one of the natural wonders of our civilization.

Among all of our institutions, it is the one which has continued, generation after generation, to retain the universal respect of our people. Even when our judiciary has been embroiled in controversy, our judges accused of deciding cases based on their prejudices, rather than the law, we have never swerved from guaranteeing its independence—as the universal condemnation and rejection of President Roosevelt's court packing proposal demonstrated.

There have been many controversial decisions by the Supreme Court—from the Dred Scott case that helped bring about the Civil War, to the invalidation of New Deal legislation in the 1930's, to Brown versus Board of Education in the 1950's, the Miranda decision, Roe versus Wade, the Bakke case. The judiciary has survived with undiminished respect. Through two centuries, our Federal judiciary has been a model institution, one which has insisted on the highest standards of conduct by our public servants and officials, and which has served to improved piece by piece our legal institutions from what had been inherited from the British.

Today, I fear that this institution is threatened in a way that who have not seen before. The threat endangers the fundamental integrity of our judiciary and thus the quality of our entire system of justice. It risks undermining the respect that we have always maintained for our judiciary and even the balance of powers as set forth in the Constitution itself.

This threat is that of the appointment of a judiciary which is not independent, but narrowly ideological, through the systematic targeting of any judicial nominee who does not meet the rigid requirements of litmus tests.

We are seeing attempts to prejudice justice itself through the exclusion of any candidate for a judgeship in the Federal courts who does commit himself or herself to the narrow political beliefs of the right wing of one of our Nation's two political parties.

Mr. President, I am sorry to note that there are some colleagues in this Chamber who have been at the forefront of the effort to mold the judiciary. I do not think personally in my interpretation of the legislative role that those of us who are charged with the solemn duty of protecting the interests of all of our constituents—of whatever religion or political beliefs—should put themselves at the forefront of a movement to force judicial nominees to submit to ideological and religiously based litmus tests. While I do not deny the sincerity of a wish to have judges reflect one's own viewpoint, and the legitimacy in a President making choices with regard to a viewpoint, the current goal of a broader group is both dubious, and I think the methods carry with them a certain danger.

Mr. President, our judiciary is too important to permit anyone to compromise its independence or its integrity, yet that could be the result of these current efforts.

Mr. President, on September 7 of last year, a questionnaire was sent to Andrew Frey, Deputy Solicitor General of the United States and the Federal Government's chief advocate on criminal matters before the U.S. Supreme Court.

Mr. Frey had been nominated by President Reagan last July to serve on the District of Columbia Court of Appeals, not an unimportant position in the judiciary.

At the time of his nomination, he was universally regarded as a capable lawyer who had represented the Government of the United States vigorously and well.

In the questionnaire, Mr. Frey was asked a number of questions. They included whether a fetus is a person—whether he supported prayer in public schools, the equal rights amendment, the Supreme Court's decision on desegregation in Brown versus Board of Education—whether the granting of exclusive representation powers to unions by the National Labor Relations Act is unconstitutional. He asked Mr. Frey whether he supported the provisions of the Republican platform on firearms as adopted in Dallas in the summer of 1984. They asked him to cite what articles, books, and papers he had read regarding firearms "to show your knowledge of firearms issues that would contribute to your impartiality." These last questions were asked after it had been learned that Mr. Frey had been a member of the National Coalition to Ban Handguns.

This March, these two Senators were joined by 11 other Members of this body in writing the President to oppose Mr. Frey's appointment. They complained that Mr. Frey had been a "consistent supporter of organizations dedicated to the continuation to legalized abortion" and "a proponent of the judicial philosophy espoused in Roe versus Wade," as well as a "staunch advocate of gun control." They said that these positions disqualified him from being a judge—a judgment they made despite the fact that as a Government prosecutor he would be likely to bring a strong law and order orientation with him to the bench.

Similar actions were taken against four other individuals to be nominated for judgeships by the Reagan administration—Judith Whittaker, William Hellerstein, Stanley Sporkin, and Joseph Rodriguez, each of whom has outstanding credentials for a judgeship.

Take the case of Judith Whittaker. She is associate general counsel of Hallmark Cards, was first in her law school class, and rated "outstanding" by the chief judge of the U.S. Court of Appeals for the Eighth Circuit. In 1981, the Reagan administration was ready to nominate her to that court. But she had publicly supported the equal rights amendment—a position which was part of the Republican platform as recently as 1980. After the rightwing complained to Lyn Nofziger in the White House, the White House eliminated her from consideration.

William Hellerstein was disqualified despite the advocacy of Senators MOYNIHAN and D'AMATO for his appointment to a Federal judgeship in New York when Roy Cohn, former counsel to Senator Joseph McCarthy objected to him on the ground that he was an "ultraliberal." Senator MOYNIHAN wrote White House Counsel Fielding after Hellerstein was removed from contention for the job. "There is a word for the ideological tests for the judiciary which are seemingly now in place in the White House and the Justice Department," wrote Senator MOYNIHAN. "The word is 'corruption.' "

Stanley Sporkin, former chief of the Enforcement Branch of the Securities and Exchange Commission and current general counsel of the CIA was nominated to a district judgeship last year at the request of CIA Director William Casey. But the rightwing opposed him, partly because of his record at the SEC enforcing our Nation's security laws. And to date, Mr. Sporkin's nomination has been held up, with no assurance that he will be confirmed.

Finally, Mr. Rodriguez was asked to answer questions similar to those put to Mr. Frey in a questionnaire—questions about whether a fetus is a person and whether the National Labor Relations Act is constitutional. In this questionnaire, Mr. Rodriguez was also asked to list every political contribution he ever made over $15 over the last 10 years.

Happily, during Mr. Rodriguez' confirmation hearing, the Judiciary Committee decided to debate the questionnaire itself, and the distinguished chairman of the committee, Senator THURMOND, prohibited the further issuance of such questionnaires.

Mr. President, I think the chairman of the Judiciary Committee acted wisely in deciding to stop the issuance of these questionnaires to judicial nominees.

There is a doctrine in our legal system which is one of our core concepts of legal decisionmaking that says that no judge should issue an opinion on a subject unless the subject is presented within an actual case or controversy.

This doctrine reflects the idea that the judicial power can only be honestly exercised in the actual context of a case as it has developed through trial and advocacy, in the context of an actual dispute.

In the absence of a case or controversy before them, it is improper for judges to say just how they might decide an issue. The issue has not been framed yet. To predecide an issue is to demonstrate prejudice—which is exactly what the judiciary must not do.

The questionnaires sent to these judicial nominees were in effect asking them to declare their prejudices before their nomination. But if ever judicial nominee is forced to declare their prejudices, how can any judge maintain his or her independence?

What is important is the approach of a judge to the role of being a judge. How does the nominee view a judge's role in relationship to the body of cases behind him? How does a judge choose between different legal doctrines? In his or her view, what kinds of issues are justiciable? How does one choose, as an appellate judge, which cases should be heard?

The emphasis here must be on process as much as substance. It is the fairness of the process of our judicial system that has helped ensure its integrity through the centuries. It is the fairness of the process that the Supreme Court has slowly and systemically sought to improve year after year.

As Judge Abner Mikva, who served in this Congress for so many years, has wisely said, the litmus test of a good appointment and confirmation process is not ensuring the conformity of all judges to a narrow ideology—it is the concept of restraint.

As Judge Mikva has said:

> There ought to be executive restraint—while the President is entitled to appoint people he likes and respects, he ought not exact or expect any pledge of fealty to the Chief.

There ought also to be Senatorial restraint. If I may quote Judge Mikva again:

> The Senators may have understandable curiosity about the candidates views on the hot issues of the day. They can look, but they better not touch. . . . Satisfying a Senator's curiosity is not the way to enhance judicial independence.

And the nominees must exercise restraint.

> Knowing which questions are properly posed to a nominee, and which are not, is perhaps the best litmus test of the qualities we want in a judge—the ability to judge and the exercise of good judgment.

Felix Frankfurter, Sandra Day O'Connor, Thurgood Marshall, and Joseph Rodriguez all refused to answer questions submitted to them by Senators. Each was confirmed, and properly so.

Mr. President, the attempts to remold the U.S. judiciary to a narrow, right-wing ideological cast has spawned the objections of many Americans, and an effort at the grass-roots level to stop it from happening.

One organization, People for the American Way, has taken out advertisements in newspapers across the United States seeking to stop this kind of destruction of judicial independence. I would like to quote from testimony to the Senate Judiciary Committee by Anthony T. Podesta, president of People for the American Way, because I think he had some wise things to say about the problem.

> First, it is morally and constitutionally wrong to subject judicial nominees to an inquisition on specific issues which may come before them as judges before they are confirmed. Pre-judgement subverts the American tradition of an independent judiciary that hears each case without prejudice or political partisanship. Judges are not opinion journalists or politicians. They must judge, by weighing evidence and applying precedents, in specific cases. Anyone who seeks to pin down a prospective judge on how he or she would decide a hypothetical case, in the absence of those specific contending parties which make each case unique, demonstrates a contempt for the judicial function and a desire to cheapen, politicize and undermine it.
>
> Secondly, the litmus test that is being imposed extends beyond ideological issues to those which are theological and expressly prohibited by Article VI of the Constitution: A religious test for public office. The questionnaire referred to views on legislation that are "based on the belief that the conduct proscribed is morally wrong" when such beliefs are based on "a belief in the existence of a Supreme Being." Other questions referred to the personhood of the fetus. Different religious traditions have different viewpoints on the beginning of life. If we were to have uniform standards, it would be tantamount to saying that adherents of some religions would not be qualified to sit as federal judges.

Finally, as Mr. Podesta argues:

> These tactics constitute a new Moral McCarthyism. The tactics perfected by Joe McCarthy, such as guilt by association, secret investigations and character assassinations, are used to damage nominees. Today's question is, "Are you or have you ever been a member of Planned Parenthood?" If so, you are disqualified from becoming a federal judge."

Mr. President, this is not the way the Senate should be carrying out its constitutional duty of "advise and consent" to Presidential nominees for judgeships. As a former prosecutor in the Massachusetts State courts and who worked closely with Federal prosecutors, and as an attorney who practiced in the Federal courts, I never was in the position of knowing that a judge had predecided my case. No judge that I practiced before had ever been forced to articulate narrow and formal positions on issues in public outside of his legal practice, such as "I believe in the death penalty," or "I'm in favor of prayer in schools," or "I agree that we should change our labor laws." Those are not the kind of statements a judge should put on the record in the absence of a case or controversy before him. Those are not the kind of statements Members of this body should be soliciting from judicial nominees.

In the day to day of politics we may sometimes overstep the bounds of good judgment in matters of policy. One of the most profound safeguards on Congress when it does so is the integrity of our Federal judges. If we fail to preserve that integrity, we have weakened our own ability to legislate and to govern, and gnawed away at what is simultaneously the strongest,

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and yet most frail, of the three great legs of our political system.

I ask unanimous consent that the questionnaire to Mr. Frey, the letter to the President regarding Mr. Frey from 13 Senators, the remarks by U.S. District Judge Abner J. Mikva, and an article in the St. Louis Post-Dispatch by Anthony Podesta of People for the American Way be inserted in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on the Judiciary,
Washington, DC, September 7, 1984.

Andrew L. Frey,
Washington, DC.

Dear Mr. Frey: As members of the Senate Judiciary Committee, Senator East and I are interested in reviewing the qualifications of nominees to the Federal Bench and, therefore, find it prudent to inquire about the nominees' positions on various issues. In this vein, Senator East and I have enclosed two series of questions which we would like you to respond to within thirty days.

We look forward to your responses.

Sincerely,

Jeremiah Denton,
U.S. Senator.

QUESTIONS BY HON. JEREMIAH DENTON AND HON. JOHN P. EAST, TO ANDREW L. FREY, NOMINEE TO THE DISTRICT OF COLUMBIA COURT OF APPEALS

1. Do you believe that the Constitution guarantees a "right to privacy"? If so, please indicate the constitutional sources of that right, its precise nature and its limitations.

2. (a) In his dissent to the majority opinion of the Supreme Court in *Roe* v. *Wade*, 410 U.S. 113 (1973), Justice Byron R. White made the following statement: "As an exercise of raw judicial power the court perhaps has authority to do what it does today, but in my view its judgment is an improvident and extravagant exercise of the power of judicial review which the Constitution extends to this court." Do you agree or disagree with Justice White's statement? Why or why not?

(b) In his dissent to the same *Roe* opinion, Justice William H. Rehnquist made the following statement: "The decision here to break the term of pregnancy into three distinct terms and to outline the permissible restrictions the state may impose upon each one partakes more of judicial legislation than it does of the determination of the intent of the drafters of the Fourteenth Amendment." Do you agree or disagree with this statement? Why or why not?

3. (a) In *Roe* v. *Wade*, the Supreme Court determined that even the "viable" unborn human fetus is not a "person" as that term is used in the Fifth and Fourteenth Amendments to the Constitution. Do you believe that a "viable" fetus is a human being? If so, do you agree with the court's finding that the "viable" fetus is not a "person"? If so, on what basis can a valid constitutional distinction be drawn between a "human being" and a "person"?

(b) Is a child who is born alive after an abortion a "person" under the Fifth and Fourteenth Amendments? Does the "right to an abortion" that the court created with its *Roe* decision have any application after a child is born alive as the result of an abortion?

(c) Is a handicapped, or severely handicapped, child born alive a "person" under the Fifth and Fourteenth Amendments to the Constitution?

4. (a) Does the "right to privacy" from which the *Roe* v. *Wade* abortion privacy doctrine of the Supreme Court is derived have any application to any right of the parent of a handicapped newborn child to decide whether to provide him or her with life-saving medical care, and/or ordinary care in the form of nutritional sustenance and liquids (whether by natural or intravenous means)? If so, why? If not, why not?

(b) Do you believe that legislation ever can be held to be invalid because those who enacted it did so based on the belief that the conduct proscribed is morally wrong, or that an activity or institution encouraged or helped by the legislation is morally right? What difference, if any, does it make whether such moral beliefs are based on a belief in the existance of a Supreme Being?

5. In 1972 the Supreme Court in *Furman* v. *Georgia* 408 U.S. 238, struck down Federal and state death penalty statutes that allowed for unguided discretion by the trier of fact to determine whether or not the death penalty should be imposed. On February 22, 1984, through the able leadership of the distinguished Chairman of this Committee, the Senate passed by a vote of 63–32, S. 1765, a bill to establish constitutional procedures for the imposition of the sentence of death for certain federal offenses. What is your view on the death penalty?

6. The Department of Justice recently noted that the number of prisoners challenging the validity of their state convictions through Federal habeas corpus petitions rose nearly 700 percent from 1961 through 1982, but only a small number of inmates were successful in gaining any type of release. In an attempt to control the flow of frivolous collateral attacks on a criminal defendant's convictions, the Senate, again through the able leadership of Chairman Thurmond, passed on February 6, 1984, S. 1763, a bill to reform current habeas corpus procedures.

In your view, should any limits be placed on criminal defendant's ability to collaterally attack this conviction? If so, what are the limits?

7. On February 7, 1984, the Senate passed S. 1764, a bill which limits the use of the Exclusionary Rule by providing that evidence obtained in a search or seizure and which is otherwise admissible as evidence will not be excluded in a Federal trial if the search or seizure was undertaken in a reasonable, good faith belief that it conformed to the Fourth Amendment.

Do you believe that there should be any limits placed on the use of the Exclusionary Rule? If so, do you believe that S. 1764 or this type of limitation is appropriate?

8. The First Amendment forbids the establishment of a State religion. The First Amendment also prohibits interference with the free exercise of religion. This second prohibition apparently is often overlooked. Please share with the Committee your views on the free exercise clause as it relates to prayer in public schools.

9. Is it unconsitutional for state or local governments to give tuition vouchers to parents of all children who attend nonpublic schools? Does it make any difference whether most of these children attend religious schools, provided that the law makes no distinction between religious and nonreligious schools?

10. The Second Amendment to the Constitution states that "a well-regulated militia being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed." In light of that constitutuional prohibition, to what extent, if any, do you feel that Congress could curtail the right of the people to keep and bear weapons that are of value to common defence?

11. Would you give your present personal position with regards to the Equal Rights Amendment?

12. (a) What did the Supreme Court holds in *Regents of the University of California* v. *Bakke*, 438 U.S. 256 (1978)? Do you believe that this holding was correct? Why or why not?

(b) In his dissent to the majority opinion on the Supreme Court in *Fullilove* v. *Klutznick*, 448 U.S. 448, 537–548, (1980), Justice John Paul Stevens noted that the compelling government interest of curing the effects of past racial discrimination will justify a classbased infringement of the legitimate interests and expectations of innocent third parties only to the extent necessary to restore proven discriminatees to the position they would have occupied in the absence of the discrimination. What role should affirmative action type remedies take in dealing with individuals who have not been the victims of discriminatory practices?

13. (a) Do you believe that *Brown* v. *Board of Education*, 347 U.S. 483 (1954), was correctly decided? What disagreements, if any, do you have with the language or reasoning of the Court's decision in that case?

(b) Do you believe that *Swann* v. *Charlotte-Mecklenburg Board of Education*, 402 U.S. 1 (1971), was decided correctly? If so, do you believe that there is a conflict or tension between the constitutional right to color-blind treatment that was announced in *Brown* and the right (or, if it makes a difference, the remedy) of race-conscious school assignment that was announced in *Swann?* If so, how do you reconcile this tension or conflict?

14. (a) What limitations, if any, do you believe there are on the constitutional power of Congress to enact exceptions to the jurisdiction of the Federal courts and regulations of this jurisdiction?

(b) What are the sources of these limitations?

15. Section 9(a) of the National Labor Relations Act states:

> Representatives designated or selected for the purposes of collective bargaining by the majority of the employees in a union appropriate for such purposes, shall be the exclusive representatives of all the employees in such a unit for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment or other conditions of employment . . .

Keeping in mind that unions are private associations rather than governments, do you think that the granting of exclusive representation powers to unions by the National Labor Relations Act is unconsitutional?

16. Do you concur with the supreme Court's decisions in *Abood* v. *Detroit Board of Education* and *Ellis/Fails* that mandatory service fees collected from non-union members under the jurisdiction of an exclusive bargaining agent can only be used to pay direct collective bargaining and grievance administration costs?

17. In *United States* v. *Enmons*, the Supreme Court affirmed a District Court ruling that the Hobbs Act did not prohibit the use of violence in obtaining legitimate

union objectives. What is your analysis of the *Enmons* decision?

QUESTIONS BY THE HONORABLE JEREMIAH DENTON AND HONORABLE JOHN P. EAST FOR THE NOMINATION HEARING OF ANDREW L. FREY

(1) Please explain your view of whether the Bill of Rights, or rights in general, protect citizens or governments?

What do you think the Founding Fathers thought they were doing when they wrote the Second Amendment to the U.S. Constitution?

What do you think the Second Amendment means? Why?

(2) Do you believe the use of force for protection should be legal?

If legal, should one be able to own the means for protection? Incorporate in your response the restrictions on the use of shotguns and rifles in the District of Columbia.

Note, a survey commissioned by an anti-handgun organization has found that 9% of handgun-owning households report having used a handgun for protection from a criminal within the past five years, which works out to at least 1.7 million adults. Comment on the results of this study.

(3) Mr. Frey, given your membership in an organization which advocates banning the possession of handguns (The National Coalition to Ban Handguns, Inc.) and your statements that you favor regulations to control handgun ownership, would you disqualify yourself, because of bias, in any case involving the District of Columbia firearms statutes should you be confirmed?

If not, please explain.

(4) As a Republican nominee do you support the provisions of the Republican Platform on firearms as recently adopted in Dallas?

If not, why not?

(5) Please elaborate on your views on (a) mandatory penalties for the use of a firearm in the commission of a crime, approved by the voters in the District of Columbia in 1982, (b) mandatory penalties for possession/transportation of firearms.

(6) In order to take away a person's firearms after dismissal/acquittal, it was necessary to overturn many years of precedent. Do you believe that persons who have had their firearms confiscated and then the charges dropped or they are acquitted, should have their firearms returned?

If not, why not?

What are your views on the confiscation of firearms absent specific legislation allowing such action?

(7) Many have questioned your membership and donations to gun control groups. Some assume you therefore would have a predisposition against firearms cases that would come before you.

A judge should hear courteously, answer wisely, consider soberly and judge impartially.

What specific readings of law review articles, books, papers and other documents can you cite to show your knowledge of firearms issues that would contribute to your impartiality?

U.S. Senate,
Committee on the Judiciary,
Washington, DC, March 6, 1985.

Hon. Ronald W. Reagan,
The White House,
Washington, DC.

Dear Mr. President: For a number of reasons, we oppose the nomination of Andrew L. Frey to be a judge on the Court of Appeals for the District of Columbia. We are persuaded that Mr. Frey's own political and judicial philosophy is very much at odds with your own philosophy and the public positions you have taken.

Mr. Frey has, for example, been a consistent supporter of organizations dedicated to the continuation of legalized abortion and is a proponent of the judicial philosophy espoused in *Roe* v. *Wade*. Mr. Frey has also been a staunch advocate of gun control, as evidenced by his support for the National Coalition to Ban Handguns.

Mr. President, the platform that we adopted in Dallas last summer—your platform—clearly expressed positions opposite to Mr. Frey's conduct on these issues. There could well be other points where he will be at significant cross-purposes to the philosophy that we mutually share.

We respectfully request that you personally look into Mr. Frey's background and that you reconsider sending his nomination back to the Senate. There are few members of this body who can claim the degree of support for your initiatives and programs as can the undersigned; we will, however, have no choice but to oppose Andrew L. Frey should his nomination come before us.

As always, Mr. President, we are available to discuss this matter with you at your convenience.

Very respectfully,

Steve Symms, Jeremiah Denton, Chuck Grassley, Jesse Helms, Jim McClure, John P. East, Paula Hawkins, Don Nickles, Paul Trible, Malcolm Wallop, Jim Abdnor, Phil Gramm, Bob Kasten.

U.S. Senate,
Washington, DC, March 14, 1985.

Hon. Ronald W. Reagan,
The White House
Washington, DC

Dear Mr. President: I am concerned regarding the nomination of Mr. Andrew L. Frey for a judgeship on the Court of Appeals for the District of Columbia. Judging from the gentleman's resume and from newspaper reports on his career, as well as other sources, it is clear that Mr. Frey's judicial and political viewpoints are seriously at odds with your own.

I respectfully request that you reconsider sending Mr. Frey's nomination back to the Senate. Mr. Frey, for example, is a supporter of abortion and *Roe* v *Wade*. Mr. Frey has supported the National Abortion Rights Action League, the National Coalition to Ban Handguns, Planned Parenthood, SEICUS, and the Population Institute.

Let me thank you for your review of this situation. Mr. Frey's record implies that he would not be an advocate of the solid conservative values which you and I share.

With warmest regards, I am

Sincerely yours,

Gordon J. Humphrey,
U.S. Senator.

REMARKS BY U.S. CIRCUIT JUDGE ABNER J. MIKVA TO THE DISTRICT OF COLUMBIA BAR ASSOCIATION

JUDGE-PICKING

At the Constitutional Convention, legend has it that Ben Franklin suggested that Supreme Court nominations be made by lawyers. Franklin thought that lawyers would want to eliminate their strongest competitors, and so would nominate only the ablest lawyers. If a keen intellect were the only quality sought in judges, Franklin's suggestion may have had some merit. But the Convention opted for a judicial selection procedure that incorporates more than simply judgments of ability, giving the power to the President, to be exercised "by and with the Advice and Consent of the Senate."

I confess that even after my years in the Congress, I overlooked the significance and the complexities of that nomination process. I remember the day, over five years ago, that I was called by the Attorney General to tell me that President Carter was going to nominate me for one of the new judgeships on the U.S. Court of Appeals for the D.C. Circuit. I remember wondering what the President's timetable was, and how long it would be before I moved to my new offices down the street.

What naivete! At the time I thought the only cause for delay would be the period of time required for the ABA and the FBI to review my credentials and past. I saw no reason for worry—after all, I had spent 25 years in the fishbowl we call electoral politics. I had no ghosts in my closet that campaign opponents had not previously exposed. My financial affairs were uncomplicated, current and public—I was broke, but out of debt. Everything I had said and done was in the unrelenting limelight of a public forum—first as a member of the Illinois State Legislature, and then, for five terms, as a Member of the United States Congress.

The nomination process began to operate as I had envisioned. From time to time, I would hear from lawyers, former classmates, and neighbors that the FBI had spoken to them about me. I was teased by my friends in the Senate about how they would finally give me a plurality that was larger than my election pluralities of the last few years. I was asked to fill out some lengthy questionnaires for the FBI and for the American Bar Association. None of the questions were embarrassing. On the contrary, I enjoyed the opportunity to brag about past experiences that I though qualified me for my new job—the time I had spent practicing law before I came to Congress, my law clerk days to Supreme Court Justice Sherman Minton, my oral advocacy days before the Supreme Courts of the United States and of Illinois, as well as various Courts of Appeals and District Courts. To complete my feeling good symphony, I was a member of the fraternity-sorority we call the Congress of the United States—the Congress always did well by its own. All in all, I was feeling pretty good.

The excitement began to crumble when a friend advised me that the National Rifle Association was considering opposing my appointment. My first reaction was puzzlement—not that the NRA and I had not previously clashed. We had on many occasions. But I had not made gun control a high priority of mine for several years, even though I had continued to sponsor a bill banning the sale and distribution of handguns. In any event, I could not understand why the NRA would rather see me stay in Congress where I could raise their hackles than go to the court where I would have no influence or voice about the policy issues of gun control. When I thought hard about the role of judges, the NRA's opposition seemed to pose little threat.

Unfortunately, I was wrong. Regardless of what I had been taught and what I believed about the role of judges in deciding issues of social policy, the NRA began its views. In May of 1979, the executive director of the NRA's lobbying arm announced I was "unfit for judgeship," that my views were "those of a Fascist," and my attitudes those of a "tin-pot dictator." It began to appear that he was not really for me. While I continued to receive support from the media and from friends on the Hill, the NRA was producing results. One Senator who earlier had volunteered his support, embarassedly explained that he had not been aware of the NRA's opposition, and told me there was no way he could support me. The senator candidly said, "You have to understand the folks back home. They would take after me with no mercy if I supported someone whom the NRA opposed." The same scenario unfolded in Senate office after office. I became a household word in little towns in Mississippi and Montana and Idaho.

The story came out all right for me. The Senate gave me an enthusiastic sendoff, by a vote of 58 to 31—I was confirmed. Not quite the overwhelming plurality I had anticipated—but better than any constituents had given me in Congress. The NRA reportedly spent a million dollars in their effort to prevent my confirmation. But the memories of that battle, and the oddity of single issue opposition to a candidate for a nonelectoral role has remained close. Unfortunately, the process is neither new nor diminished. Indeed, the current political challenges to important constitutional cases—abortion, busing, prayer in the schools—have caused the selection of judges to become a hot political issue. In the last campaign the Democratic candidate tried to make Supreme Court selections a campaign issue. While it didn't fly, it did focus some attention on the institution—and how it gets its judges. In 1980, the Republican party included in their platform a plank pledging to "work for the appointment of judges at all levels of the judiciary who respect traditional family values and the sanctity of innocent human life."

This new, or revived attention is beginning to make a difference. Take, for example, Joseph Rodriguez, New Jersey's Public Advocate. Following his nomination, he was subjected to a test of his "liberal" philosophies. Some members of the Senate Judiciary Committee sent an eight page questionnaire to Rodrigues, asking him to spell out his opinions on the Equal Rights Amendment, abortion, the death penalty and school prayer. The questions did not address Rodrigues's general philosophy, but rather sought answers that would indicate the way Rodriguez would decide cases that raised certain issues. For example, question 9 asked: "Is it unconstitutional for state or local governments to give tuition vouchers to parents of all children who attend nonpublic schools? Does it make any difference whether most of these children attend religious school, provided that the law makes no distinction between religious and nonreligious schools?"

Another question asked: "Keeping in mind that unions are private associations rather than governments, do you think that the granting of exclusive representation powers to unions by the National Labor Relations Act is unconstitutional?"

The Senators also sought a list of all political contributions Rodriguez had ever made as well as a list of all organizations to which Rodriguez had ever belonged. Rodrigues deftly filled out the questionnaire without answering a single question. Surprisingly, the Senators backed off, possibly sensing that the questionnaire raised more serious questions about judicial independence than about Mr. Rodrigues's qualifications. Rodriguez was eventually confirmed.

One local nominee was blocked, however, even though his professional credentials were impeccable, and even though he had performed brilliantly in a public office, building a deserved reputation as a hard-liner in the criminal justice field—because he had contributed to gun control organizations and financially supported pro-choice candidates for public office. Another potential judicial nominee was shot down early, even though both of his states' Senators supported him, apparently because he had served too well as a public defender.

Is this substantive screening by the Senate and by other political forces a new phenomenon? Only since 1795. George Washington was unable to obtain the confirmation of one of his nominees to the Supreme Court for interesting reasons. Washington nominated former Justice John Rutledge for Chief Justice of the United States. Rutledge had left the Court before the seat of the Chief Justice became open. Washington nominated Rutledge to the Chief Justice position, and assumed that his nomination of the man who was an author of the Constitution as well as a former Supreme Court justice would meet no resistance. The Great Communicator of his time had enjoyed remarkably successful relations with the Congress, and had every reason to assume that Rutledge would be the new Chief Justice.

Unfortunately, a few weeks after his nomination, Rutledge attacked the Jay Treaty, which was designed by Washington to ease tensions with Great Britain. To the Federalists, who strongly supported the treaty, Rutledge's opposition called into question his views on foreign policy—whatever that had to do with his capacity to serve as Chief Justice of the United States. After a bitter debate, the Senate refused to confirm Rutledge.

The desire to install likeminded judges also transcends party and political labels. During the confirmation hearings of Justice John Paul Stevens, Senator Kennedy pressed Stevens for his views on numerous topics. At one point he asked: "As a private citizen, what are your views on the Equal Rights Amendment?" Contrast this to question 11 of the questionnaire sent to Rodriques which asked: "Would you give your present personal opinion with regards to the Equal Rights Amendment?"

Like the Equal Rights Amendment, the question of race has been raised at confirmation hearings by people on both ends of the political spectrum. Harold Carswell's name did not make it through the Senate once his 1948 campaign pledges to support white supremacy surfaced. Taking a different view of race relations, some Southern Senators delayed the confirmation of Justice Potter Stewart for four months in 1959 after he admitted to the Judiciary Committee that he had no intention of voting to overturn *Brown* v. *Board of Education*.

Is this a politicization of the Court system? Is it bad? Is it new, or getting worse? Is it avoidable? The answers are as complicated as the interplay between the three branches of government, and I cannot give you any precise answers. Let me give you instead some highly *obiter dicta*.

First of all, the questions raise another question. What kind of a judiciary do we want? The major pronouncements of our federal courts—the ones that most directly affect the social and economic life of the nation—those decisions unavoidably have political impact. Over 100 years ago, Alexis de Tocqueville commented that "there is hardly a political question in the United States which does not sooner or later turn into a judicial one." We expect judges to be impartial, but our courts are not isolated from the political domain.

The Washington Post once ran an editorial deploring the view that a person with political beliefs is unfit to serve as a judge. The Post suggested that if we really want to avoid judges who have been exposed to politics, we should breed a class of judges. These judges would be selected in early childhood, trained to make decisions as Little League Umpires, and would be shielded from the pressing questions of our times. The editorial pointed out that this system might well improve the quality of baseball umpires but it would not do much for the judiciary.

We do not want judges who are completely devoid of political content, for that means they have spent no time in the mainstream of American life and have no connection with the hearts and minds of the American people. Being detached from day-to-day partisan affairs is one thing; wholly divorced from the world of real people is something else. Judges need to know something about legal theory, but they also need to know something about the real world. Justice Rehnquist recognized this when he said: "Proof that a Justice's mind at the time he joined the Court was a complete *tabula rasa* in the area of constitutional adjudication would be evidence of lack of qualification, not lack of bias."

If we acknowledge that politics and the judiciary have some enduring connection, why not use litmus tests—like abortion, prayer in the schools, the Equal Rights Amendment—to determine the political leanings of potential judges? Many people argue that litmus tests are simply a new way of doing what Presidents and Senators have always done. The problem with litmus tests is that they aim at much more than just an assessment of political views or preferences.

A President may certainly nominate judges who share his world view. What a President may not do is use the nomination process as a means to amend the Constitution or recast important constitutional precedents. A President may want judges who start out sharing his values. What he ought not seek is judges who forget or are willing to forego the anti-majoritorian purpose of the Bill of Rights. During the 1980 Presidential campaign, then-candidate Reagan said: "Time and again in recent years, we have seen the Supreme Court override public opinion concerning school prayer, forced busing, the treatment of criminals. . . . There must be new justices on the Court, women and men who respect and reflect the values and morals of the American majority. I pledge to make such appointments."

President Reagan's goals in appointing Justices are very similar to those of President Roosevelt when the Supreme Court began to strike down his New Deal Legislation:

> [If the Supreme Court strikes down the Wagner Act, the Social Security Act, and other pieces of New Deal legislation], Congress can enlarge the Supreme Court, increasing the number of justices from nine to twelve or fifteen.

While the specific court packing plan FDR proposed died aborning, FDR did get to appoint Justices who shared his New Deal views, including Hugo Black. Justice Black met opposition from all quarters when he was nominated, due to his advocacy of New Deal legislation while a Senator and his alleged membership of the Ku Klux Klan as a young lawyer in Alabama. Upon Black's confirmation, former President Hoover remarked, "The Court is one-ninth packed." The media was equally critical of Black: the Chicago Tribune dubbed his nomination "the worst [the President] could find," while the New York Herald Tribune called it "a nomination as menacing as it is unfit." We all know that Justice Black went on a long and distinguished career of confounding his critics. The line we are concerned about in judicial selection is between a judge who constantly remembers who appointed him and a judge who remembers that popular decisions can be made easily by the popular branches of government, but that his function is to protect minority rights from majority passions. By minorities I mean not only racial, religious and political groupings—I include every defendant in every criminal case—by definition a minority is one who the public-square judges of the French Revolution would guillotine first and try later. Think of any important criminal law precedent where a constitutional right was upheld. Every one of these cases would have been decided differently if the decision had been by referendum—*Miranda, Monte Durham, Mapp v. Ohio, Escobedo, Gideon*.

And that is why the Senate, as the reflecter of popular will, must also be circumscribed in its inquiries. What the Senate ought not do is determine, through questioning, a nominee's views on emerging constitutional doctrine, on issues likely to face courts in the near future. Why? Because these questions are really a signal to a nominee that he will become a judge only if he promises to be obsequious, to be a yes man to the powers that be. During Justice Thurgood Marshall's confirmation hearings, he was asked by Senator McClellan whether society must always sacrifice its security and safety in order to provide every conceivable right to suspects in criminal cases. Marshall answered that he did not believe that a society should give up its security. The question may have sounded innocent, but Senator McClellan's rejoinder makes clear that it was intended as a sharp warning to Marshall to cut back on the rights of the accused; Senator McClellan told Marshall: "I hope that [belief] will have some influence with you, as you weigh some of these cases. It is one man's decision that often determines what the Constitution is."

The Constitution clearly does not permit the judiciary to be a subdivision of the Senate, nor judges to serve as inferior officers to the President. Just as the President must not seek to impact the independent and frequently unpopular judgments of the judges, the Senate also cannot use its confirmation power to create judicial I.O.U.'s. Justice Rehnquist has said that: "For [a nominee] to express any but the most general observation about the law would suggest that, in order to obtain favorable consideration of his nomination, he deliberately was announcing in advance, without benefit of judicial oath, briefs, or argument, how he would decide a particular question that might come before him as a judge."

I am also disturbed by another message of these judicial I.O.U.'s. I think that when we ask prospective judges their views on an issue likely to arise in the future, we are locking those judges into a position. Today's litmus tests tell nominees that when the question is abortion, the answer is no, and when the question is prayer, the answer is yes. Do we want judges who have decided the outcome of a case even before looking at its facts? Do we want judges who disregard statutes and regulations to reach a particular result? The constitutional prohibition on advisory opinions tells us that justice is achieved by well-informed, concrete decisions, rather than by mere hypothetical speculation.

There is still another defect to the litmus test approach to picking and confirming judges. The test is always about a single ailment—a single cause. It tells you little about the rest of the corpus. What must be avoided is the selection of a nominee based solely on how he or she would decide a particular issue. Judges are appointed for life. No one can really predict what issues will be important in ten or twenty years. Andrew Jackson wanted to appoint a justice who would oppose the Bank of the United States. He found him in Roger Taney. Twenty years after President Jackson left office, Chief Justice Taney was still around to author the *Dred Scott* opinion. President Jackson's appointee almost succeeded in throwing out the Union with the Bank.

I would like to raise one last difficulty with the over-involvement of popular concerns and institutions in judicial selection. We can agree that Judges and the appointment process are not without political content, but to be effective, courts must operate outside of the political sphere. There is a tendency, I think to become so mesmerized by the awesome trappings of the judiciary and its historical power that we overlook just how fragile the courts' power is. The legislature controls the money, the executive the army; all the judiciary has is its own moral authority. The Supreme Court's mandates are obeyed not because of police in the streets but because of public perceptions of the Court's legitimacy. When the Court is perceived as an apolitical, wise and impartial tribunal, the American people have evinced a willingness to abide by its decisions. But if the Court is viewed as simply a Congress in black robes, the Court's ability to perform its constitutional function is threatened. Former ABA President William Reece Smith, Jr. said: "Attempts to politicize the judiciary lend legitimacy to the notion that federal judges make the law solely according to their own private viewpoints and prejudices . . . That implication . . . confounds the public's perception of the legal system and encourages disrespect of the vital role that judges play in our government."

What should a wise President and a forebearing Senate do in the best of worlds? I believe close examination should be made of a potential jurist. As Senator Ervin once remarked about nomination hearings: "[If the Senate] ought not to be permitted to find out what [a nominee's] attitude is toward the Constitution, or what his philosophy is, [then] I don't see why the Constitution was so foolish as to suggest that the nominee for the Supreme Court ought to be confirmed by the Senate."

It is perfectly fair for presidents and senators to seek judges who share their view of the role of government in American life, who in the long run will do what presidents and senators believe is best. But to assess this compatability, it is not merely unnecessary, it is patently offensive, to ask of a potential judge what he or she will decide in a future case. Nominees usually have made a public record, whether in past decisions, in writings, or in speeches. I do not believe there is an inherent impropriety in a nominee appearing before the Senate Judiciary Committee, although until fairly recently, nominees, including my former boss, Justice Minton, regularly declined the invitation. Some limits on a nominee's questioning by the Committee are required. Perhaps Felix Frankfurther, in refusing to answer certain questions in his confirmation hearings, said it best: "My attitude and outlook on relevant matters have been fully expressed over a period of years and are easily accessible. I should think it is not only bad taste, but inconsistent with the duties of the office for which I have been nominated for me to attempt to supplement my past record with present declarations."

Justice O'Connor, at her 1981 confirmation hearings, was asked a litany of abortion-related questions. Numerous Senators attempted to extract her views on abortion in general and the Supreme Court's decision in *Roe v. Wade* in particular. Justice O'Connor consistently refused to respond to these inquiries, believing them to be beyond the scope of permissible questioning at a confirmation hearing. Justice O'Connor's approach seems to have been fair and correct: the Court's integrity remained intact, and she was confirmed by a vote of 99 to 0.

The litmus test, then, of a good appointment and confirmation procedure is restraint. There ought to be executive restraint—while the President is entitled to appoint people he likes and respects, he ought not exact or expect any pledge of fealty to the Chief. Some of the best of Justices and judges have confounded their appointees, whether we talk of John Marshall or Earl Warren, or William Brennan. There ought to be Senatorial Restraint. The Senators may have understandable curiosity about the candidates views on the hot issues of the day. They can look but they better not touch. As Senator Eastland said, "If the nominee thinks that the question is improper, he can decline to answer. And that when he declines his position will be respected." Satisfying a Senator's curiosity is not the way to enhance judicial independence.

And the nominees themselves must exercise restraint. Knowing which questions are properly posed to a nominee, and which are not, is perhaps the best litmus test of the qualities we want in a judge—the ability to judge and the exercise of good judgment. What a nominee will decide in a particular case tells us nothing about the nominee's judgment. But the refusal to respond to improper questions, invoking, as Senator Ervin once said, the "judicial fifth amendment," tells us that this nominee possesses the independence and courage we ought to want in our judges. And history tells us that when Senators display restraint and respect, and when nominees display good judgment, confirmation will not be denied. Felix Frankfurter, Sandra Day O'Connor, Thurgood Marshall, and Joseph Rodriques all refused to answer certain questions; all were confirmed.

Mostly, we come back to the questions of the beginning. Do we really want a "popular" judiciary? Do we want a judiciary that has no strong views on anything, except the importance of being confirmed? I think not. What we want are women and men with integrity, with wisdom, with good judgment, and with the strength to take unpopular positions. I think that nominees who would answer the current breed of litmus tests lack these necessary qualities. Perhaps we can all take a lesson from Judge Bork of the D.C. Circuit. In a recent interview published in the District Lawyer, he was asked whether he could identify any Supreme Court doctrines that he regards as particularly worthy of reconsideration in the 1980's. His response? "Yes I can, but I won't." I think Abraham Lincoln would have liked Judge Bork, and not just because they both spent their formative years in Illinois. When Lincoln sought to appoint a Justice, he wanted a person with certain views, but he knew better than to ask. Instead, Lincoln said: "We cannot ask a man what he will do, and if we should, and he should answer us, we should despise him for it."

The Theo-Politics of the Right

(By Anthony T. Podesta)

During the 1984 campaign, the Democrats thought they had at least one sure-fire issue: Do you want Ronald Reagan appointing up to five new Supreme Court justices? But that issue was ineffective because, as political commentator mark Shields pointed out, the voters remembered that Reagan had already selected one Supreme Court Justice—Sandra Day O'Connor. And she is a capable jurist, not an ideological automation.

Now, the 1984 campaign is history, and the Reagan administration and some of its staunchest Senate allies have adopted a new process for selecting federal judges: an ideological inquisition that will not produce another Sandra Day O'Connor. In recent weeks, judicial appointments have been entangled in bizarre inquests into the nominees' views of political, social and even religious issues. President Reagan has withdrawn the nomination of Andrew Frey for the District of Columbia Court of Appeals and refused to support the nomination of William Hellerstein for the Federal District Court in New York.

Under ordinary circumstances, both nominations would have received White House support. Frey has already served the Reagan administration as deputy solicitor general. However, he is a member of Planned Parenthood and the National Coalition to Ban Handguns, and that was enough to arouse the ire of 13 conservative Republican senators—and make the president reverse himself.

As for Hellerstein, he has the support of New York's conservative Republican senator, Alfonse D'Amato. However, Hellerstein is an official of the Legal Aid Society, and presumably that's why he was "not consistent with what the (Federal Judicial Selection) Committee was looking for," in the words of White House Counsel Fred Fielding.

Fielding denied that the administration is imposing an ideological "litmus test." But Attorney General Meese has said he is seeking appointment of judges who believe in "the sanctity of human life." Meanwhile, "ideological litmus test" scarcely describes the inquisition to which another judicial nominee has been subjected. Joseph Rodriguez was slapped with an eight-page questionnaire more appropriate to weeding out security risks from Pentagon jobs than screening a nominee for a judgeship in New Jersey.

In a line of questioning uncomfortably reminicent of the McCarthy Era, Sens. Jeremiah Denton, R.-Ala., John East, R-N.C., and Orrin Hatch, R-Utah, demanded that Rodriguez name every organization he belongs to and list every political contribution of $15 or more during the past 10 years. In order to receive his ideological security clearance, Rodriguez was also asked whether he agreed that a viable fetus is a "person," affirmative action should be cut back and the National Labor Relations Act is unconstitutional.

This inquisition was foreshadowed by the 1984 Republican Platform, which declared: "We reaffirm our support for the appointment of judges at all levels of the judiciary who respect traditional family values and the sanctity of innocent human life."

To most Americans, this platform language simply opposes abortion, but the people who wrote it know what they meant. To the religio-political extremists who exerted unprecedented influence at the 1984 Republican Convention, "traditional values" is a code word for restoring an idealized vision of a long-gone America before women's rights, before desegregation, before labor unions and before the full acceptance of religious pluralism.

That is why the Denton/East/Hatch questionnaire reads like a religious inquisition, not just a political one. Rodriguez is asked to endorse the novel doctrine that the First Amendment simply forbids the establishment of a state religion and presumably tolerates other infringements upon the separation of church and state. And, in a particularly convoluted line of questioning, Rodriguez is asked his views on legislation that is "based on the belief that the conduct proscribed is morally wrong" when "such moral beliefs are based on a belief in the existence of a Supreme Being."

As Sen. Daniel Patrick Moynihan has observed, the imposition of these ideological tests upon federal judges is a form of "corruption." When these inquisitions cover theological, as well as ideological, issues, they verge upon something specifically prohibited by Article VI of the Constitution: a religious test for public office. At the very least, these inquests subvert the American tradition of an independent judiciary that hears each case without prejudice or political partisanship.

That is why Sandra Day O'Connor objected to ideological interrogation during her confirmation hearings, explaining: "I do not believe that as a nominee I can tell you how I might vote on a particular issue which may come before the court . . . To do so would mean that I have prejudged the matter or have morally committed myself to a certain position."

At a time when five of the nine Supreme Court Justices are over 75 and one-seventh of all federal judgeships are vacant, the Reagan administration and its senatorial allies should listen to the wisdom of Justice O'Connor—and stop the theo-political inquisitions that would have barred her from the nation's highest court.

Mr. KERRY. Mr. President, I yield back any time remaining and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. Kassebaum). Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business.

CYPRUS

Mr. TRIBLE. Madam President, in January of this year, I and my colleagues looked with hope to the United Nations sponsored summit talks between Cypriot President Kyprianou and Mr. Rauf Denktash as the first real indication that peace in Cyrpus might be at hand. While that first round of talks ended inconclusively, it was useful in establishing the framework for the peaceful resolution of this crisis.

During committee and floor deliberations on the fiscal year 1986 foreign assistance bill, we concluded that we should not restrict aid to Turkey because of the good faith exhibited during the summit process. However, while we rewarded this progress toward peace, we also made it clear that we would not hesitate to take immediate action if this good faith did not continue. It was the clear intent of the Foreign Relations Committee that the summit process be continued.

Unfortunately, recent developments seem to indicate that our clear message was not heard by Ankara and Mr. Denktash. Since the January breakdown in the summit talks, Mr. Denktash has held two so-called elections in a clear attempt to consolidate his illegal regime's hold on the occupied area. The mere Scheduling of these elections was a source of concern to the committee as far back as April, and I am deeply troubled that they have now been held.

Further, just last month, Mr. Denktash announced yet another conveyance of thousands of acres of land formerly owned by Greek-Cypriots to Turkish-Cypriots now occupying the area. And, the Turkish Foreign Minister's recent statement that Ankara had no intention of removing the Turkish troops from Cyprus even after a peace settlement casts serious doubt on Turkey's commitment to the summit talks.

Despite these acts of intransigence, I am pleased to say that the Republic of Cyprus remains committed to resuming the summit process. In fact, last month, the U.N. Secretary-General announced that the Republic of Cyprus had accepted the draft consolidated document continuing the principles that will be followed in any peace treaty. Mr. Denktash, on the other hand, has given no indication that he is willing to resume the summit process at this time.

On July 20, 1985 the people of Cyprus marked the sad occasion of their 11th year of occupation by a foreign military force. On October 1, they will mark another anniversary: Their 25th year of independence from Britain. But these have been a tortuous and turbulent 25 years. I encourage Ankara and Mr. Denktash to display the good faith they did back in January and resume the all-important summit process in order to bring peace and stability to Cyprus.

FRANCES BREATHITT

Mr. KENNEDY. Madam President, on July 11, Frances Breathitt died after a courageous struggle against cancer. Frances was a woman of great strength and vitality. She fought her illness with remarkable perseverance and determination, just as she faced so many other challenges in her long and distinguished career.

Frances was a member of the board of directors of the Kennedy Center for the Performing Arts, and all of us who served with her were deeply impressed by her interest and active support for the center's programs. Largely through her leadership, the education programs at the center became both a model and a vehicle for education in the arts. This unique outreach programs serves each State and enhances access to the arts by bringing important arts initiatives to thousands of families across the country.

Frances Breathitt was First Lady of Kentucky in the 1960's, and to her family, friends and countless admirers whose lives she touched, she remained "First Lady" throughout her life, a symbol of her warmth, her compassion, and her commitment to public service.

Madam President I ask unanimous consent that tributes to Frances Breathitt at a memorial service at Metropolitan Memorial United Methodist Church may be printed at this point in the Record, along with the article from the Lexington, KY, Herald Leader.

There being no objection, the material was ordered to be printed in the Record, as follows:

Remarks by Roger L. Stevens, Chairman, Board of Trustees, the John F. Kennedy Center for the Performing Arts, Memorial Service for Frances H. Breathitt

Frances Breathitt was a beautiful person whose outward beauty reflected an ever more beautiful spirit. She was a remarkable Trustee whose personal efforts on behalf of the Kennedy Center irrevocably affected not only those of us who had the good fortune to know and work with her, but also the Education programs to which she dedicated so much of her energies. Frances was loved and will be missed by all of us at the Center. Her contributions in building a national Education program sprang from her love for the arts and for children, and the IMAGINATION CELEBRATIONS now hosted around the country are a testament to her commitment and that love.

To those of us who were fortunate enough to see Frances, not only at Trustees meetings but at other meetings at the Center, there was no task of too little importance that she would not devote herself to if the cause were one that she cared about. For both the Honors Gala and her beloved Education program, she would write lists, stuff envelopes, knock on doors, and always be there in attendance to see and enjoy the fruits of all these efforts.

We will miss her deeply and on behalf of all the Trustees who have had the privilege of serving with her, and from the staff who worked alongside her on so many occasions, we extend our deepest and most heartfelt sympathy to the Breathitt family.

A Tribute by Her Friends

What we say here all too briefly is not the reflection of an emotional lament. It is our concept of Fran, Frannie, or Frankie, as we variously called here, when she was in our midst, enriching our lives. She will continue to do so for many years to come.

If there were defects we should record, we would do so. The truth is we do not know them, or they were so overshadowed by her virtues that they went unnoticed.

There was a tenderness wrapped in strength such as we have rarely seen. She showered these twin virtues upon her family without denying us our share. Her devotion to family was absolute and uncompromising. How often we heard a comment or two, even so brief but profound, of her parents, her brothers and sister. How often we observed her dedication to her beloved husband, her four treasured children, and her obsessive delight with her precious two grandchildren. All their joys and, inevitably, their sorrows became intimately hers. She protected them in their concerns with unselfish wisdom.

Hers was an almost silent, self-effacing way of leading and inspiring. There was an innate modesty balanced by a subtle self-confidence. Never was an unnecessary or unkind word uttered. She was forever learning by listening and watching, but her occasional disagreement would never be withheld or concealed if she numbered you among her friends.

She was endowed with a deep religious faith, quietly pursued but without the slightest intolerance toward others less believing.

Her long, final struggle for survival—and how she loved life—became her finest hour. Her inner strength, her uncommon valor, her rare unselfishness, her deep faith, confronted by the brutal test of agonizing pain and uncertainty, reached their ultimate climax. She has left a legacy of leadership and inspiration for others to inherit.

We have mentioned her happy reverence for the memory of her parents. She now becomes the object of that reverence for her children, her grandchildren, and those yet unborn.

A young amateur poet, with an Irish whimsy and humor that Frances so richly possessed, described many years ago how we view our friendship with her:

"We have touched the hem of a glory."

Remembrance of Frances Holleman Breathitt—Remarks of Ann Blessing Bray

As I thought about the deep loss we share today and as I thought about Frances, I remembered a passage from letters the Apostle Paul wrote to the Corinthians that seems fitting for remembering her.

Paul wrote:

"Though I speak with the tongues of men and of angels, and have not love I am become as a sounding brass or a tinkling cymbal and though I have the gift of prophecy and understand all mysteries, and have all knowledge, and though I have all faith so that I could remove mountains and have not love, I am nothing and though I bestow all my goods to feed the poor and though I give my body to be burned, and have not love it profiteth me nothing. Love suffereth long and is kind. Love envieth not. Love wanteth not itself, is not puffed up. Doth not behave itself unseemly, seeketh not her own, is not easily provoked, thinketh no evil. Rejoiceth not in iniquity, but rejoiceth in the truth, beareth all things, believeth all things, hopeth all things. Love never faileth." For love, you see, governed Frances' life.

It was 40 years ago this summer that I first met her. We had both arrived at the University of Kentucky, each from a small town at opposite ends of the state. She was from Mayfield and I from Harlan. Both of us were a little awed by the huge campus. But there was Frances, with her bright blue eyes and captivating smile, ready for the challenge. For me, at least, it was love at first sight. We become roommates through college and friends for life. But I was only one friend in a whole legion of them—and the number grew with the passing years. For Frances was irresistible. She received more flowers, more candy and more invitations than anyone in our sorority house.

But there was something deceptive in this. Some confused her charming ways with a kind of helplessness. Nothing could be farther from reality. Frances could take care of herself. She was strong and forthright and had a great capacity for compassion. Those qualities did not escape another student in those long-ago years, a young war veteran, Ned Breathitt. He and Frances Holleman fell in love and when Ned took the sometimes bumpy road of public life, Frances traveled it with him. She was his partner. She could cast a spell over a crowd with her charm. Not because doing so was a political asset but because she genuinely loved people.

But as important as that was it was all secondary. For being Ned's helpmate also meant being a loving and devoted mother to their four children—Mary Fran, Linda, Susan and Edward. Each of them was special and different. And Frances gave each of them her full and unending love. She had her priorities straight.

Frances loved to laugh and she had a wonderfully subtle sense of humor. Once, her daughter Mary Fran brought home a bunch of funny valentines and showed them to her mother. Frannie looked at them, handed them back and teased Mary Fran. "These are not valentines. Where does it say, 'I love you'? Well, Frannie, love is indelibly written wherever you passed. It was on the walls of your hospital room in the carefree drawings Blake and Jenifer sent to cheer their beloved grandmother, their Frankie.

Goodbye, Frances. Our days are filled with the love you left us.

Love never faileth.

[From Lexington Herald Leader, July 12, 1985]

Frances Breathitt Dies; Was Former Kentucky First Lady

(By Jennifer Hewlett)

Former Kentucky first lady Frances Holleman Breathitt, 58, died of cancer yesterday at Georgetown University Hospital in Washington, D.C.

Mrs. Breathitt, the wife of Edward T. "Ned" Breathitt, who served as governor from 1963 to 1967, had been forced to curtail her activities for the last several months because of her illness, said Field McChesney, a family friend.

The Breathitts moved to Washington about 15 years ago, when the former governor became a lobbyist for Norfolk Southern Corp.

While in Washington, Mrs. Breathitt was active in the Kennedy Center for the Performing Arts and was appointed to the center's 45-member board of trustees in 1979 by then-President Jimmy Carter. She was chairwoman of the board's National Education Committee at the time of her death.

Mrs. Breathitt was characterized as her husband's silent partner during his political life.

Don Mills of Lexington, who was Breathitt's press secretary while he was governor, said Mrs. Breathitt was "a very lovely, low-keyed person who loved children very much and her family."

The former first lady was mother and father to the couple's four children during much of the time that her husband was campaigning for governor, and later when he became governor, Mills said.

"She spent a great deal of her time during that period taking care of all the problems. She did the usual entertainment that a first lady does provide," he said.

At one point during the 1960s, President Lyndon B. Johnson called Breathitt and asked him to run for the U.S. Senate, and Mrs. Breathitt "really insisted that he spend time at home," Mills said.

In a statement yesterday, Gov. Martha Layne Collins said: "Frances Breathitt brought a rare grace to her role as first lady of the commonwealth. While Governor Breathitt was in office, her strong will enabled her to balance their family's private life with the demands of public life. My prayers and sympathy are with Governor Breathitt and his family."

She met Breathitt in 1946 in a philosophy class at UK, and the couple were married in Mayfield on Dec. 20, 1948.

She was a member of Metropolitan Memorial United Methodist Church in Washington and a former member of First Methodist Church in Hopkinsville.

In addition to her husband, she is survived by three daughters, Mary Frances Breathitt and Linda Breathitt, both of Washington, and Susan Brickman of Dallas; a son, Edward T. Breathitt III of Dallas; two brothers, M.L. Holleman of Jackson, Miss., and Wallace Holleman of Nashville, Tenn.; a sister, Mary Anna West of Nashville; and two grandchildren.

Services will be at 2 p.m. CDT Monday at First United Methodist Church in Hopkinsville. Burial will be in Riverside Cemetery in Hopkinsville. Visitation will be from 4 to 9 p.m. CDT Sunday at Fuqua-Hinton Funeral Home in Hopkinsville.

There also will be a memorial service later in Washington.

CYPRUS INVASION ANNIVERSARY

Mr. PRESSLER. Madam President, the Republic of Cyprus marks with sadness this month the 11th anniversary of the Turkish invasion of their country. The people of Cyprus will remember the thousands killed during Turkey's military occupation and the many more who are still mourning. They will remember their homes and properties now exploited by the more than 50,000 illegal settlers brought in from Turkey to occupy their land.

The tragedy of Cyprus must not be allowed to continue indefinitely. The artificial division of the Republic of Cyprus poses dangers not only for Cypriots but for the whole eastern Mediterranean region. The division of Cyprus jeopardizes American security interests in the area and it is the greatest obstacle to the restoration of good relations between Greece and Turkey, the anchors of NATO's southeastern flank.

There is hope in the current initiative by the United Nations' Secretary-General. The Greek-Cypriots have already replied affirmatively to the "consolidated draft agreement," prepared by the Secretary-General, which outlines the principles that will be included in any peaceful resolution of the crisis. We ask that Turkey and the Turkish-Cypriots not derail this process through divisive actions in the occupied area of Cyprus. Mr. Denktash's recent holding of two so-called elections and Ankara's increasingly frequent statement that it will not remove troops from Cyprus even after a peace settlement, are distressing examples of divisive actions.

I believe that the United States, with vital interests in the area, must continue to press for the removal of Turkish troops from Cyprus and encourage the Turkish-Cypriots to reply affirmatively to the U.N. initiative.

Madam President, on this sad anniversary, we must reaffirm our dedication to finding a peaceful solution to the Cyprus conflict. The recent humanitarian assistance given by Cyprus to the TWA hostages is the most recent manifestation of the friendship the people of Cyprus feel for our country. The people of Cyprus look to the United States as their best hope for peace. We should not let our good friends down.

RAILROAD SAFETY RULES

Mr. DANFORTH. Madam President, today, Secretary Dole announced that the Department of Transportation has adopted new railroad safety rules prohibiting alcohol and drug use on the job. I commend her for focusing on this grave problem and I look forward to reviewing the new rules.

One year ago, I chaired a hearing to examine the seriousness of the alcohol and drug abuse problem on railroads and to review what the Government was doing to combat the problem.

During that hearing, the tragic dimensions of this problem were only too well documented. For example, Secretary Dole testified that her Department had found that 23 percent of railroad operating employees were problem drinkers, that 5 percent of all employees reported to work very drunk or got very drunk while on duty at least once a year, and that 13 percent of all employees reported to work a little drunk one or more times a year. Further, the National Transportation Safety Board testified that in the 2 years prior to the date of the hearing, it had investigated nine accidents in which either alcohol or drugs were involved. These accidents resulted in 14 fatalities and more than $26 million in property damage.

At the hearing, Secretary Dole announced that she was proposing new safety rules for the railroad industry dealing with the alcohol and drug problem. Today, the rules are final. It has been a long and painstaking process, but I hope that the rules will have a positive impact and prove that it was well worth the effort.

THE FOREIGN AID BILL

Mr. MATHIAS. Madam President, I want to salute the chairman of the Foreign Relations Committee, Mr. LUGAR, and the chairman of the Foreign Affairs Committee, Mr. FASCELL, for their masterful production of a 4-year wonder: a foreign aid bill.

Presidents, and professors, diplomats, and even some Democrats have been calling upon us to reach a bipartisan consensus on foreign policy issues, and while that may be much tougher to do than many people think, we can thank these two gentlemen for setting the stage for just such a consensus on a vital ingredient in our foreign policy.

However difficult, however exhausting and however unsatisfactory for some, the work of the Senate, the House and the Senate-House conference committee was conclusive this year. For the first time in 4 years, we will be able to deliver on our commitment to peace and security around the world with a carefully drafted and debated piece of legislation which represents the best efforts of the Congress. Instead of running on the outdated fuel of continuing resolutions, we can move ahead with timely, fresh measures which address important interests and goals of the United States.

With this report, we make a renewed commitment to peace and progress in the Middle East, with crucial aid to help Israel maintain its security and improve its economy and with assistance to Egypt and other moderate Arab States that need and deserve our encouragement and support.

With this measure, we make a critical contribution to development throughout the world, by providing the kind of assistance that really addresses the deeper problem of underdevelopment that leads to famine, to overpopulation, to conflict, and unrest, and broader, regional turmoil. I would note in particular two small but very successful programs of the Agency for International Development—the International Fund for Agricultural Development, which helps small farmers in sub-Saharan Africa, and the Housing Guaranty Program, which offers important private-sector help to housing efforts.

With this measure, we extend our continuing support to a number of vital U.N. agencies, such as UNICEF, the World Health Organization and the United Nations Development Program. And with this measure, we send clear, timely messages to areas of conflict—especially to the Philippines, where economic and military assistance is needed to shore up a troubled economy and combat a Communist insurgency, but where we also need to support reformist elements—civilian and military—that can guide that nation back to democratic ways and, true, not temporary, stability. We also send a message to Guatemala, where we must do everything we can to bolster democratic forces as elections approach. And in Central America in general, we support 2 years of economic assistance, going at least part of the way to meet the recommendations of the Kissinger commission on multiyear funding.

Foreign aid is a controversial subject in the United States, particularly in troubled times. But we cannot forget our role as a great power and as the leading nation in the free and democratic world. We would bear a direct responsibility if, for lack of our assistance, a nation, beseiged by the problems of underdevelopment and conflict, turned to more extremist ideas and values. We would share a major portion of the blame if, for lack of our assistance, a nation turned away from the path of modernization and peace to one of backwardness and war.

Many people say we are giving money away when we approve foreign aid. But the truth is far more complex.

First of all, I would point out that our overall efforts are still not as generous or extensive as those of most of our allies. The United States ranks near the bottom in percentage of gross national product that is devoted to development aid.

But I would also point out that most of the foreign aid money ends up generating economic activity within the United States. The materials for foreign aid programs are purchased within the United States, thus creating business activity here. American experts customarily are employed or American companies are given contracts for foreign aid training programs so that there is employment here as a result of the foreign aid money.

Furthermore, when the United States channels foreign aid money through multinational institutions, the United Nations, or other development organizations, we not only stir up economic activity by our own investment of dollars, but we attract the contributions of other nations, and those funds are spent within the United States as well, thus contributing even more to economic activity here.

There is a related economic benefit which could, indirectly, extend our economic position in the world. For example, if we sell an American tractor to the foreign aid program to be donated to another country, the simple fact of life is that someday the tractor will break down, or need a spare part, or a new tire. In the normal course of business, the farmer using the tractor will send to the United States for that spare part or that new tire. So customers for American products are built into the world economy, and this is extremely important. We create markets for American goods as we donate the benefit of American production and American expertise to help develop the poverty-stricken areas of the world.

This kind of help is the heart and soul of the foreign aid bill that we adopted yesterday. The chairman of the Foreign Relations Committee, Mr. LUGAR, and the ranking minority member, Mr. PELL, deserve our thanks for a job well done.

BALTIMORE VA HOSPITAL: ANOTHER STEP CLOSER

Mr. MATHIAS. Madam President, S. 876, the Veterans' Administration Health-Care Programs Improvement Act of 1985, authorizes the expenditure of fiscal year 1986 funds from VA's major construction working reserve fund to build a new Veterans' Administration hospital in Baltimore. Yesterday's vote marked the culmination of 8 years of effort by Congress, the Veterans' Administration, service organizations, citizens, and the medical community to replace the aged Loch Raven Hospital and improve medical facilities for veterans in the Baltimore area.

Many of my colleagues have been following the development of the long awaited, long overdue VA medical facility on the Baltimore area requested by the Senate and House Appropriations Committee. It will be 4 months overdue on August 1. I anticipate, however, that the VA will recommend this facility and that it has the coveted OMB stamp of approval.

The House Appropriations Committee has provided funds for the redesign of the proposed hospital. S. 876, as reported by the Senate Veterans Affairs Committee, authorizes those redesign funds in the Senate. The Senator from Utah [Mr. GARN] has advocated and supported the authorization of these funds. I am pleased to report that his appropriations subcommittee this week approved $2 million in redesign funds, and has instructed the VA to request full construction funding for fiscal year 1987.

Let me assure my colleagues that I am mindful of the fiscal constraints we face regarding new construction. But every day we delay in making a full and final decision on the medical needs of the veterans community in Maryland perpetuates inadequate health care and results in a higher price tag for the project. How much longer must I tell the 630,000 Maryland veterans, one-quarter of them reside in Baltimore, that they must settle for existing facilities that have been inadequate since 1972 and are years behind in modern technology? Of the veterans currently in Loch Haven VA Hospital, 71 percent have no health insurance and no hope outside the veterans' system. With the passage of S. 876, we are striding toward making the proposed new hospital a reality. I shall thank my colleagues and Maryland's veterans will thank them.

BEN BRADLEE

Mr. MATHIAS. Madam President, I am advised that today is the 20th anniversary of the tenure of Benjamin Crowninshield Bradlee as the editor of the Washington Post.

Ben Bradlee, as he was more familiarly known to readers of the Post, has been a major figure in Washington during those entire 20 years. The extraordinary coverage that the Post under his direction, has given to stories of national and worldwide interest has made it one of the great and leading newspapers in the world, a paper that is must-reading in every major capital of the world.

Ben Bradlee has, of course, had the assistance of an able staff of reporters and editors. But in every large organization it is the genius of leadership that makes the difference, and as Ben Bradlee passes this milestone, I take the opportunity to convey to him my congratulations and my hope that he will continue the leadership of the Post in the same spirit for many years to come.

DONALD F. COLLINS

Mr. COHEN. Madam President, I rise to pay tribute to Caribou ME, native Donald F. Collins, one of Maine's leading entrepreneurs who has successfully headed his family's lumber business for nearly 40 years.

As president of the S.W. Collins Co., in Caribou, Don Collins carries on a family tradition of excellence and quality workmanship extending back to 1845, the year Don's great-grandfather built the first Collins sawmill.

Through the years, the family business has changed with the times, growing from a one-sawmill operation into a major logging and manufacturing business serving the needs of small businesses and homeowners throughout northern Maine.

Along with his business success, Don has followed in the Collins tradition of public service. He served as a Caribou city councilor, and later served in the Maine State House of Representatives and Maine Senate. He has made community affairs a top priority, lending his spirit, enthusiasm, and expertise to benefit many local organizations. His leadership ability deserves to be commended.

I would like to take this opportunity to submit an article for the Record about Don Collins from the Aroostook Republican of July 24, 1985.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Aroostook (ME) Republican, July 24, 1985]

Don Collins Maintains Family Traditions

(By Liz Chapman)

His office is upstairs over the store and his desk looks like he has a dozen projects in the works. A *thank you for not smoking* sign hangs like a coat on the back of one door, and a picture of his father hangs on the wall beside a window. Through the pane he can see the stream where 140 years ago his great-grandfather, Samuel, built Caribou's first saw mill, establishing a company and a legacy that would become stronger with time.

Donald F. Collins joined the family lumber business in the summer of 1949. He was the fourth man by the name of Collins to own and operate S.W. Collins Company on the bank of the Caribou Stream.

"Everyone in the family is actually interested in the lumberyard and in Caribou," Collins said. "They have both been very kind to us."

Collins was graduated from Caribou High School in the class of 1943. He enrolled in the University of Maine at Orono that year to earn a degree in business administration. After one semester of study, Collins enlisted in the Reserve Corps and was stationed in war-ravaged Europe at the height of World War II. In December of 1944, he was injured in the Battle of the Bulge while fighting in the 87th Infantry Division. He was reassigned to a support group in France until he returned to the States in January of 1946.

Years earlier, though, Collins had decided to enter the lumber business with his father. After the war he studied for his degree and was graduated from UMO in February, 1949.

Collins said the family business has survived 140 years because "we've been able to change as the times change." Gone are the logging and manufacturing operations common in the early days of Aroostook County. The Collins now caters to home owners and renovators and has branched out to sub-contract such items as doors, windows, paneling and roofing materials.

"The changes are what kept us in touch, kept us going," he said. "And I guess they're what kept us interested."

Although the lumber business has made for some "dreadfully busy" years, Collins, like his forefathers, found time for public service at both the local and state levels.

A former Republican state senator (1977-78) and representative (1971-72), Collins said the national budget, a new tax system and "a strong leadership role in promoting peace" are issues he is concerned about in 1985.

"We have to recognize that we've got to live with the Russians and with China. Dialogue goes in dips and swells. It's important to continue conversation, it's important not to give up.

"I'm not a doomsday person," Collins continued, "I think we'll overcome."

Collins said he is optimistic that a new tax law will be enacted by late 1986. On the budget he said: "The national budget has to be the most critical area to be resolved. If we don't, there will be another cycle of inflation that will make us all poorer. We cannot spend in excess of what we can afford."

Public service dates back as far as lumber in the Collins family. Samuel Collins was elected to the Maine House of Representatives in 1856 and to the Maine Senate in 1870. Samuel's son Herschel, an outspoken citizen of Caribou in the earyly 1900's, also served in the Legislature. H.D. Collins' son, also named Samuel, served two terms as representative and three terms as senator.

Collins was a city councilor in the 1960's before staging successful campaigns for state election. His wife, Patricia, also served on the council and was Caribou's mayor in 1981 and 1982.

"I liked public service, but I've had enough for a while," he said. "It's an important contribution though, and I think a lot of people ought to make an effort to run for public office. The younger generation, especially, needs to be encouraged to run."

Traveling the Maine coast, swimming, sailing and "very little" golf are Collins' favorite pasttimes. He's not ready to retire yet, he said, as he spends his days as "coach and critic" for his son Sam, who is the fifth generation Collins to take a desk at the lumberyard.

Greg, the youngest of Collins' six children, will be a senior at UMO this fall. He has also taken an interest in the family business, although he hasn't quite "made up his mind."

Collins continues an active role in Caribou as he serves on the boards of directors for the Aroostook Trust Co., Maine Public Service and the Maine Mutual Fire Insurance Co.

TWENTIETH ANNIVERSARY OF MEDICARE

Mr. LONG. Madam President, I am pleased to join with many of my colleagues in commemorating this 20th anniversary of the Medicare Program.

The Medicare Program had its roots in the Social Security Program which was adopted at a time of crisis in this country—at a time when some were questioning whether our fundamental institutions were capable of coping with the problems of the 20th century.

I am pleased to say that when my father was a Member of the U.S. Senate, he campaigned for a broad program to provide for the needs of the less fortunate in this country and my father voted for the Social Security bill of 1935.

The Social Security Act of 1935 translated the basic good sense of American society into a practical solution to the problems of economic security for those who face the problems of old age and unemployment and for children in need. Subsequent amendments have added similar protections for those who have become severely disabled. The signing of the Medicare bill by President Johnson on July 30, 1965, in Independence, MO, President Truman's hometown, filled the last major gap in the economic security of the elderly of this Nation.

Today, Medicare provides health insurance protection to over 27 million persons 65 and over. Medicare also provides protection to persons under 65 who have been entitled for a period of 24 months to Social Security or Railroad Retirement benefits because they are disabled, and to certain workers and their dependents who need kidney transplantation or dialysis.

It was my privilege to manage the Medicare bill on the Senate floor, and it was my pleasure to accompany President Lyndon Johnson to Independence, MO, where he signed the bill in the presence of former President Harry Truman.

Madam President, I am proud to have been a member of the Finance Committee which enacted this major bill to provide health protection for our senior citizens.

STAGGERS RAIL ACT AND "COAL RATE GUIDELINES"

Mr. LONG. Madam President, as cosponsor of the Long-Cannon provisions of the Staggers Rail Act of 1980, I have long been concerned that "captive shippers," those railroad shippers without transportation alternatives, be protected in this era of railroad deregulation. Because of my frustration with the Interstate Commerce Commission's total failure to protect captive shippers in its implementation of the Staggers Act, I am an original cosponsor of the Consumer Rail Equity Act (S. 477) which is pending before the Senate Commerce Committee.

On Thursday, June 20, the Interstate Commerce Commission announced its final "coal rate guidelines." These are the rules for determining the reasonableness of captive coal rates. The Commission indicates these rules will probably be applied to all captive commodities, including grain, sugar, phosphate, and other bulk commodities. As for the concerns of captive shippers, the Commission limited its response to promising to apply more diligently the protections in the Long-Cannon provisions and to consider phasing in those high rates that the Commission finds to be reasonable, but which could, nevertheless, cause economic dislocations.

These two minor clarifications fail to address the major issues in determining rate reasonableness. First, the

Commission maintained the link between rate reasonableness and the "revenue adequacy" of a railroad. The Commission indicates that it will tolerate even higher rates for captive shippers if a railroad is not "revenue adequate." But, under the Commission's present test for "revenue adequacy," no railroad since 1980 has been found to be revenue adequate—not even the Norfolk Southern which was selected by the Secretary of Transportation to buy Conrail because NS is, as she said, "very highly profitable."

Second, the ICC adopted stand alone costs—the cost to shippers of building their own railroad—as the measure of when a captive shipper rate becomes unreasonable. The ICC softened its earlier rule by allowing this mythical railroad to carry the commodities of several shippers. The fundamental problem remains—new railroads are not being built today because of their prohibitive start-up costs. Any regulatory system that incredibly ties the reasonableness of rates to the cost of building the shipper's own mythical railroad provides no fairness to shippers.

Finally, the ICC has done nothing to lessen the burden of proof required of captive shippers—a burden the Commission's own administrative law judges have found to be unreasonable.

In light of the ICC's action, enactment of the protections in the Consumer Rail Equity Act (S. 477) is imperative. Senators Mark Andrews, Wendell Ford, Ted Stevens and I recently asked Chairman Danforth to schedule early hearings on this important legislation. I hope the chairman will honor our request so that we may assure that captive shippers will receive the protections promised in the Staggers Rail Act of 1980.

SPENDING ON NATIONAL DEFENSE AND SOCIAL PROGRAMS

Mr. DENTON. Madam President, our budget debates this year have been, and to some extent still are, characterized by concern about the proportions of Federal spending that go to national defense and to social programs. Many people who talk about the issue seem to have the impresson that our spending on national defense is inordinately large in historical terms, and that our spending on social programs has been drastically cut compared to the historical levels.

In 1983, the General Accounting Office published an excellent study on "Defense Spending and Its Relationship to the Federal Budget" (GAO/PLRD-83-80, June 9, 1983, revised). Perhaps the most valuable part of that study is the initial table 1, found on page 2. It showed the pattern of actual budget outlays by large cluster—national defense, human resources, net interest, and all other—for the period from 1962 through 1982, with estimates projected to 1988.

The table disclosed that, in fact, defense spending under the current administration has been running at a proportionate level considerably less than during most years since 1960, and the spending on social programs has been substantially larger.

Earlier this year, I asked the General Accounting Office to update and expand the table. The GAO has done so, and I am pleased to make the results available to my colleagues.

Madam President, I ask unanimous consent that the table "Budget Outlays by Large Cluster: 1940-90" be printed immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DENTON. Mr. President, there are a couple of things to note about the table. First, actual outlay figures are available only through fiscal year 1983.

Second, the projections for 1986 and subsequent years are based on budget figures already badly outdated by congressional action. Specifically, the apparent decision to constrain real growth in the defense budget to 3 percent or less will obviously revise the total outlays and the proportion that national defense constitutes of total outlays. As a corollary, spending on human resources may well increase as a proportion of total outlays, even if it does not increase in dollar terms.

Third, it is important to note that the historical figures have been calculated using current practices. For example, and perhaps most important, spending on Social Security, which was off budget until the early 1960's, has been shown as on budget for the entire period. There is no distortion in the table caused by changes in the Government's accounting practices.

A look at the historical record makes it clear that, from 1941 through 1970, defense was consistently the major portion of Federal expenditures. Even during the great demobilization after World War II, defense spending never fell below 30 percent of outlays. Only during the period since 1974 has defense spending dropped below 30 percent of Federal outlays, to a level between 23 and 27 percent. One must go back prior to World War II to find defense spending that low.

One cannot help but note that, even during the peaceful years of the Eisenhower administration after the end of the Korean war, defense spending never dropped below 52 percent of Federal outlays, and was higher in most years.

By contrast, spending on human resources was below 50 percent of outlays, and generally far below 50 percent, until 1974. Only starting in 1974 did we spend more than half of Federal outlays on human resources, and we have done so consistently ever since. Even the projections that show human resources spending dropping below 50 percent beginning in 1985 may now be subject to revision because of congressional action.

One other thing that I note is that interest payments, now running at about 10 or 12 percent of the budget, are at about the same proportionate level as they were from 1947 through 1951.

Madam President, obviously the big numbers hide a lot of the small details, but they do disclose a clear pattern. In historical terms, defense spending as a proportion of Federal expenditures has dropped radically during the last dozen years, and spending on social programs has radically increased.

We have seen a sea change in the pattern of Federal expenditures, and it is one of which we must be aware. Those people who argue that next year's budget will have too much for defense and too little for human resources need to look at the historical context.

We have radically changed Federal spending patterns to emphasize social programs at the expense of defense. People can debate about the wisdom of doing that, but we must recognize that we have done it.

In my view, the change was not a wise one, for the threat that we face, the challenge to our national security, is certainly no less severe than it was during the Eisenhower or Kennedy administrations when the country devoted a far greater part of its Federal resources to the national defense.

Madam President, I wish to thank the Comptroller General and his staff at the General Accounting Office for their assistance and effort in preparing the revised table. They have done a valuable service, and I hope that they will, each year, issue an updated version of the table so that we all can see the broad historical pattern of our spending decisions.

EXHIBIT 1

BUDGET OUTLAYS BY LARGE CLUSTER, 1940–90

[Current dollar amounts in millions]

Fiscal year	National defense[1]		Human resources[2]		Net interest[3]		All other		Total (amount)
	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	
1940	1,660	17.5	4,139	43.7	899	9.5	2,778	29.3	9,468
1941	6,435	47.1	4,158	30.5	943	[illegible]	2,117	15.5	13,653
1942	25,658	73.0	3,599	10.2	1,052	[illegible]	4,828	13.7	35,137
1943	66,699	84.9	2,659	3.4	1,529	1.9	7,669	[illegible]	78,555
1944	79,143	86.7	[illegible]	2.1	2,219	2.4	8,015	[illegible]	91,305
1945	82,965	89.5	[illegible]	2.0	3,112	3.4	4,776	5.2	92,712
1946	42,681	77.3	5,493	9.9	4,111	7.4	2,948	5.3	55,233
1947	12,808	37.1	9,909	28.7	4,204	12.2	7,575	22.0	34,496
1948	9,105	[illegible]	9,868	33.2	4,341	14.6	6,451	21.7	29,765
1949	13,150	33.9	10,805	27.8	4,523	11.6	10,357	26.7	38,835
1950	13,724	32.2	14,221	33.4	4,812	11.3	9,805	23.0	42,562
1951	23,566	51.8	11,001	24.2	4,665	10.3	6,282	13.8	45,514
1952	46,089	68.1	11,745	17.4	4,701	[illegible]	5,151	7.6	67,686
1953	52,802	69.4	11,834	15.6	5,156	[illegible]	6,307	[illegible]	76,101
1954	49,266	69.5	13,076	18.5	4,811	[illegible]	3,702	5.2	70,855
1955	42,729	62.4	14,908	21.8	4,850	7.1	5,957	8.7	68,444
1956	42,523	60.2	16,052	22.7	5,079	7.2	[illegible]	[illegible]	70,639
1957	45,430	59.3	18,161	23.7	5,354	7.0	7,633	10.0	76,578
1958	46,815	56.8	22,288	27.0	5,604	[illegible]	7,699	9.3	82,405
1959	49,015	53.2	24,892	27.0	5,762	[illegible]	12,429	13.5	92,098
1960	48,130	52.2	26,184	28.4	6,947	7.5	10,931	11.9	92,191
1961	49,601	50.8	29,838	30.5	6,716	6.9	11,568	11.8	97,723
1962	52,345	49.0	31,630	29.6	6,889	6.4	15,958	14.9	106,821
1963	53,400	48.0	33,522	30.1	7,740	7.0	16,653	15.0	111,315
1964	54,757	46.2	35,294	29.8	8,199	6.9	20,278	17.1	118,528
1965	50,620	42.8	36,576	30.9	8,591	7.3	22,442	19.0	118,229
1966	58,111	43.2	43,257	32.2	9,386	7.0	23,779	17.7	134,533
1967	71,417	45.4	51,976	33.0	10,268	6.5	23,804	15.1	157,464
1968	81,926	46.0	59,327	33.3	11,084	6.2	25,697	14.5	178,134
1969	82,497	44.9	65,771	35.8	12,694	[illegible]	22,679	12.3	183,641
1970	81,692	41.8	75,353	38.5	14,376	7.3	24,228	12.4	195,649
1971	78,872	37.5	91,902	43.7	14,840	7.1	24,558	11.7	210,172
1972	79,174	34.3	107,211	46.5	15,478	6.7	28,819	12.5	230,681
1973	76,681	31.2	119,522	48.6	17,349	7.1	32,155	13.1	245,707
1974	79,347	29.5	135,783	50.4	21,449	8.0	32,780	12.2	269,359
1975	86,509	26.0	173,245	52.1	23,244	7.0	49,334	14.8	332,332
1976	89,619	24.1	203,597	54.8	26,711	7.2	51,852	13.9	371,779
Transition quarter	22,269	23.2	52,065	54.2	6,946	7.2	14,694	15.3	95,974
1977	97,241	23.8	221,902	54.2	29,878	7.3	60,182	14.7	409,203
1978	104,495	22.8	242,329	[illegible]	35,441	7.7	76,465	16.7	458,730
1979	116,342	23.1	267,574	53.1	42,615	8.5	76,933	15.3	503,464
1980	133,995	22.7	313,374	53.0	52,512	[illegible]	91,039	15.4	590,920
1981	157,513	23.2	362,022	53.4	68,734	10.1	89,940	13.3	678,209
1982	185,309	24.9	388,681	52.1	84,995	11.4	86,722	11.6	745,707
1983	209,903	26.0	426,003	52.7	89,774	11.1	82,647	10.2	808,327
1984 (estimate)	227,413	26.7	432,042	50.7	111,058	13.0	81,268	9.5	851,781
1985 (estimate)	253,830	26.5	475,766	49.6	130,426	13.6	99,065	10.3	959,087
1986 (estimate)	285,665	29.3	476,150	48.9	142,550	14.6	69,357	7.1	973,726
1987 (estimate)	321,160	31.3	497,373	48.4	152,833	14.9	55,240	5.4	1,026,626
1988 (estimate)	358,378	32.7	525,342	48.0	159,214	14.5	51,828	4.7	1,094,763
1989 (estimate)	392,263	34.5	553,695	48.7	147,648	13.0	43,784	3.8	1,137,390
1990 (estimate)	428,560	36.0	583,311	49.0	137,715	11.6	40,445	3.4	1,190,031

[1] "National defense" is the national defense function.

[2] "Human resources" is composed of the education, training, employment, and social services functions; the health function; the social security and medicare function; the income security function; and the veterans benefits and services function.

[3] "Net interest" is composed of the interest function net of interest received by trust (nonrevolving) funds.

Source: Historical tables, Budget of the United States Government, Fiscal Year 1986, Office of Management and Budget, February 1985.

VICE ADM. JAMES B. WILSON MEMORIAL DAY ADDRESS

Mr. DENTON. Madam President, on Memorial Day this year, my good friend Vice Adm. James B. Wilson, USN (ret.), delivered a most appropriate Memorial Day address in his home town of Wayne, PA. I want to bring it to the attention of my colleagues.

Vice Admiral Wilson, a classmate of mine at the U.S. Naval Academy, had a distinguished naval career. A submarine officer who commanded U.S.S. *Andrew Jackson* (SSBN-619) from 1962 to 1966, he served in senior positions in the Department of Defense, was the last commander of U.S. Naval Forces in Vietnam, and was Chief of Naval Education and Training from 1974 to 1978.

Moreover, Vice Admiral Wilson established a reputation as a serious and thoughtful officer whose qualities of intellect matched his professional achievements. I was gratified that he was willing, during the early years of my term in the Senate, to assist me as my administrative assistant as well as my friend.

In his speech, Vice Admiral Wilson points out that:

> The responsibility for how a democratic nation reacts to challenge rests not on the shoulders of its politicians, but of its citizens.

That is a point that we in the Congress, as well as all Americans, should consider seriously.

He points out that history tells us that the maintenance of peace, the avoidance of war, depends on the citizens of a democracy demonstrating "that a democratic society is competent to support a wise, persistent military and foreign policy founded on history's lessons that weakness, of will or of strength, invites war," and that "national weakness, deliberately chosen as policy, is immoral, given its all too predictable consequences."

Madam President, I thank Vice Admiral Wilson for his excellent Memorial Day speech. It is but the most recent example of his thoughtful and devoted service to our country.

I ask unanimous consent that the text of Vice Admiral Wilson's speech, delivered on May 27, 1985, be printed in full in the RECORD immediately following my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

MEMORIAL DAY ADDRESS

(By Vice Adm. James B. Wilson, USN (Ret.))

On the eighth of May, last, the 40th anniversary of the end of hostilities in Europe was marked by nations formerly allied in the struggle against Hitler's Germany, and, curiously, by the states of East and West Germany as well. I say "marked" rather than "celebrated" because, in the aftermath of these ceremonies in Europe, there seemed precious little to celebrate. Press coverage documented, in the West, a Europe still traumatized by the experience of World War II.

Certainly one finds reason enough for trauma in that war, and one of the principal functions of an observance such as this is to

keep fresh the memory of war's hideous face. Remember: 51 million civilians killed—and the mind simply cannot comprehend that number in that context—among these, perhaps as many as 10 million innocents exterminated in death camps.

And political realities in today's Europe are not calculated to relieve this trauma rooted in the past: barbed wire separating West from East; former allies now a set of totalitarian states, each with its glittering military panoply arrayed against the Western democracies.

And there is the painful knowledge that only 21 years separated World War II in time from World War I—the war to end all wars, you remember, which did not lack for horrors of its own: 15 million civilians dead; the youth of Europe—almost an entire generation shorn away amongst millions of military casualties.

In one brief offensive in 1917, for example, the British suffered 448,614 casualties (I don't round off that number—each digit represents human beings), all this to gain six miles of wasteland, a wasteland gutted by trenches and made virtually impenetrable by barbed wire.

Moving forward in time from the World War II datum, we have the vicissitudes of Korea and, more recently, Vietnam that remain vivid and searing memories, all contributing to trauma, particularly in the United States.

What are we to make of all this? Are we not bound to search for some meaning in this tragic history as we seek perspective with which to view the deaths of those brave men and women, many of them our friends, who died in war and whom we honor today?

Is there not a lesson to be learned from a close study of events leading up to these various cataclysms of war?

In looking back on these wars, it seems clear that action taken when the threat to peace was first recognized could have been decisive in preserving peace. We know that action was not taken. For example:

Before World War I, in 1911, the Kaiser's armies were described by observers as awesome, yet the alliance linking Britain and France was a weak thing, and, even in 1914, England was spending less of its revenues for military purposes, proportionately, than it had ten years before, and the situation in France was, if anything, worse.

Before World War II, in March of 1936, Hitler militarized the Rhineland in violation of the Treaty of Versailles. Italy, France, and England, those nations most directly threatened, did not respond when to do so would have cost virtually nothing in blood and treasure.

As John Roche has written recently, the ominous auguries of today's crises began to accumulate in 1946–47, ironically soon after V-E Day, as Stalin's forces "moved to establish the totalitarian order in Eastern Europe." But even by this time, Americans were indifferent to foreign affairs and our armed forces, as is our custom after wars, had been reduced to impotence. Korea and Vietnam lay ahead.

There are many more examples, all painfully redundant in showing that the early prudent steps that might have prevented war and crisis in this century were not taken. World War II is particularly instructive in shedding light on this phenomenon, I believe. Many of us here today remember the concessions to Hitler at Munich in October 1938. As a consequence of those concessions, by March 1939 Czechoslovakia ceased to exist as a nation; on September 1, 1939, German troops crossed the Polish border at all points of attack, and the abyss gaped before the civilized world.

Munich has become a symbol of decisions to retreat, wrongly reached because of fear and weakness owing to failure to maintain adequate strength over years of peace. It is a particularly melancholy episode because great powers broke their promises and yielded up a small democratic nation to the obscene appetites of a criminal regime openly preaching racial hatred and bent on conquest.

But is this the only lesson of Munich? Certainly to assert that weakness invites disaster and that adequate military strength must undergird a foreign policy is a commonplace.

In my view, there is another, perhaps more important, lesson of Munich: A search of the archives finds a common theme uttered in the statements of British politicians like Baldwin and Chamberlain, and their counterparts in France, as they sought to excuse, after the fact, their monumental failure of nerve in confronting Hitler. They were unanimous in asserting that the lack of preparedness reflected the unwillingness of the *public* to support a strong defense program! Stanley Baldwin, in a notorious admission, stated that elections simply could not be won by asking for public sacrifice in the interests of defense. (And I ask if there are not echoes of this sentiment in our own time?)

It is instructive that these politicians accepted no responsibility for failure to mobilize public opinion in favor of national defense in their long years of political leadership. Adolph Hitler made the Munich crisis, and Neville Chamberlain resolved it by sacrificing Czechoslovakia. All this is true, but it needs to be remembered that in so doing he acted for the men and women of Britain as he understood their wishes. The consequence was a slaughter of unimaginable scale and ferocity.

And so there you have it. The responsibility for how a democratic nation reacts to challenge rests not on the shoulders of its politicians, but of its citizens. It is we as individuals who give substance to the policy of our nation.

As we seek, then, to reconcile ourselves to the deaths of those we honor today, it is incontestable that they died to serve the democracy of the living. If we are to keep faith with them, we as citizens must demonstrate that a democratic society is competent to support a wise, persistent military and foreign policy founded on history's lessons that weakness, of will or of strength, invites war; that successful arbitration and negotiation proceed from a posture of strength; that national weakness, deliberately chosen as policy, is immoral, given its all too predictable consequences.

On such a basis, perhaps, we can reconstruct the failed hopes of this century, and come one day, God willing, to look upon our last war as our last. If we fail, the imagery of Winston Churchill's words spoken in World War I (in 1915) will become a metaphor for our own times, and I close by quoting, in part, his words: ". . . death is familiar, and sorrow numbs. The world is in twilight; and from beyond the dim flickering horizons comes tirelessly the thudding of the guns."

MYASTHENIA GRAVIS AWARENESS WEEK

Mr. BYRD. Madam President, today I am introducing on behalf of myself and Senator METZENBAUM a joint resolution designating the week of October 6 through October 12, 1985, as "Myasthenia Gravis Awareness Week". Myasthenia gravis is a neuromuscular disease that causes voluntary muscles to become weak and to tire easily. It's estimated that from 100,000 to 300,000 Americans are afflicted with the disease. Women are twice as susceptible to the disorder as men, with the highest incidence occurring between the ages of 20 and 40. It is a difficult disease to cope with, one where the victim may not even be able to finish drinking a glass of water without resting because the muscles in the back of the throat cannot sustain the effort. There is no known cause of the disease and much research is needed in finding its cause and for improving the treatment of its victims.

Madam President, I ask unanimous consent that a copy of my resolution be printed in the RECORD following my remarks, and that the resolution remain at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair.

The joint resolution is as follows:

S.J. RES. 183

Whereas the incidence and prevalence of myasthenia gravis present a significant health problem in the United States;

Whereas myasthenia gravis is a severe neuromuscular disorder, characterized by weakness of the voluntary muscles of the body;

Whereas an estimated one hundred thousand to two hundred thousand diagnosed, and over one hundred thousand undiagnosed, Americans of both sexes, and all races and ages, are afflicted with the disease;

Whereas the Nation faces a continuing need to support innovative research into the causes, treatment, and cure of myasthenia gravis; and

Whereas it is appropriate to focus the Nation's attention upon the problem of myasthenia gravis: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 6 through October 12, 1985, is designated as "Myasthenia Gravis Awareness Week" and the President of the United States is authorized and requested to issue a proclamation calling upon all Government agencies and the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

DEPARTMENT OF STATE AUTHORIZATION ACT, FISCAL YEARS 1986 AND 1987—CONFERENCE REPORT

Mr. DOLE. Madam President, I submit a report of the committee of conference on H.R. 2068 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2068) to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the House proceedings of the Record.)

Mr. LUGAR. Madam President, I rise to support the conference report on H.R. 2068, the Foreign Relations Authorization Act for fiscal years 1986 and 1987.

The conference report authorizes programs vital for the conduct of American foreign policy and essential for our national security. The report authorizes $2,752,896 for fiscal 1986 and $2,795,918 for fiscal 1987, largely for the State Department's administration of foreign affairs and its support for international organizations and migration and refugee assistance. The report also authorizes $887.9 million for the U.S. Information Agency in each fiscal year, and $125 million for the Board for International Broadcasting in each fiscal year. In adopting these amounts, the conferees have ensured adequate funding, but they have also recognized the necessity for fiscal restraint by authorizing a total that is $130.5 million below the administration's request.

In addition to authorizing funds for these departments and agencies, the conference report contains a number of other provisions that will strengthen our national security and international relations. The conferees adopted, with small modifications: a Senate provision first offered by Senator Kassebaum that will help bring about budgetary restraint in the United Nations; a provision first offered by Senator Helms that will create an independent Inspector General in the State Department; provisions first offered by Senator Hawkins that earmark vital funding for Radio Marti, strengthen radio broadcasts to Soviet Jews, and create a U.S. International Narcotics Control Commission; a provision first offered by Senator Humphrey that creates a Radio Free Afghanistan, and provisions first offered by Senators Roth, Cohen, and Leahy that will enhance our ability to prevent foreign diplomats from acting in ways that are hostile to the interests of the United States.

The conferees also adopted an important provision first offered by Senator Mathias that creates a structure for a scholarship program for foreign undergraduates; a provision offered by Senator Biden that increases the administration's ability to coordinate information concerning drug trafficking; and a provision first offered by Senator D'Amato that authorizes funding for international competitions among disabled athletes.

There are many other excellent provisions in the report, among them those offered by Senators Evans, Kasten, Zorinsky, Warner, Trible, Domenici, Byrd, and Grassley. Several of these amendments were first offered on the Senate or House floors, and agreed to by the conferees. In all, the conferees resolved over 100 disputed issues in a spirit of compromise and mutual concern for a strong and effective foreign policy. I am pleased, as conference chairman, to commend Chairman Fascell, Mr. Broomfield, Mr. Mica, Ms. Snowe and the other House conferees, and, on our side, Senators Pell, Helms, Mathias, and Biden. We believe that we have produced a conference report which sets a prudent budgetary and programmatic framework for our foreign policy over the next 2 years. I urge the Senate to adopt this report.

Mr. PELL. Mr. President, I wish to join Senator Lugar in supporting the passage of the conference report on H.R. 2068, the Foreign Relations Authorization Act, fiscal years 1986 and 1987. The Senate conferees did a commendable job in defending the Senate position on this bill. There were over 103 separate issues resolved by the conferees, ranging from a statement of extreme concern for the plight of the refugees located in Thailand to a report requirement on compliance with arms control agreements by the world community, and adherence by the United States to such agreements.

The primary purpose of this bill is to authorize appropriations for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, the Arms Control and Disarmament Agency, the Asia Foundation, and the National Endowment for Democracy. The total amounts authorized by this legislation in fiscal year 1986 and 1987 are $3.7 billion and $3.8 billion respectively. While these amounts are well below the administration's requested levels, I am pleased to note that the conferees agreed to a funding level for the Department of State which will allow it to accelerate the vitally important security enhancement project designed to provide increased protection for U.S. diplomats abroad.

The conference report also strengthens the ability of the Office of Foreign Missions and other Federal agencies to restrict the illicit activities of diplomats from nations hostile to U.S. interests.

In addition to the above, this conference substitute provides funding for the two key agencies of American public diplomacy, the U.S. Information Agency and the Board for International Broadcasting. The conference substitute provides $179,190,000 in fiscal year 1986 and $192,575,000 in fiscal year 1987 for certain educational and cultural exchange programs, comprised of separate earmarked funding for the Fulbright Academic Exchange Programs, the International Visitor Program, the Humphrey Fellowship Program, and a program of exchanges with Latin American and the Caribbean. In the case of the Fulbright, Humphrey, and International Visitor Programs, the earmarked levels are only floor levels; and I would hope the Agency could provide the full funding requested for these programs by the President.

The bill also includes major funding for modernization of the Voice of America and Radio Free Europe/Radio Liberty. The bill strengthens the oversight of Radio Free Europe/Radio Liberty by requiring the Secretary of State to be represented at all BIB and RFE/RL board meetings and by designating a liaison office in the Munich Consulate to coordinate with the RFE/RL management. This should help limit program violations by the Radios.

The very significant increases contained in this bill for exchange-of-persons program as well as the long overdue funding for radio modernization represents a very major advance for these two critical elements of American public diplomacy.

I am also pleased to report that the Arms Control and Disarmament Agency authorization approved by the conference committee will provide an appropriate level of funding for ACDA in this and the next 2 years. The House and Senate agreed on the overall funding levels, and the conference committee accepted the Senate provision earmarking an additional $4,321,000 this fiscal year and earmarked $6,146,000 in each of the next 2 fiscal years specifically for the support of the negotiations in Geneva. We realize how critically important these negotiations are to our national security and wanted to ensure that the Congress provided the necessary financial backing. In addition, the committee of conference accepted an amendment I offered, which had been approved by the Senate, requiring that the President submit an annual report, prepared by the Director of ACDA on the adherence of the United States to obligation undertaken in arms control agreements with other nations and on any problems related to compliance by other nations with arms control agreements with us. I believe that this report will underscore and reinforce the efforts of the Congress to emphasize the importance of compliance with and adherence to arms control obligations.

Madam President, in conclusion, this conference report will do much to strengthen the U.S. foreign policy apparatus. It merits the strong support of my colleagues.

Thank you, Madam President.

AMERICA'S RELATIONS WITH JAPAN AND CHINA

Mr. BYRD. Madam President, I wish to compliment the distinguished chairman and distinguished ranking minority member of the Committee on Foreign Relations for their leadership in crafting the conference report on the fiscal 1986 Department of State Authorization Act.

I also wish to highlight two sections of this conference report which represent important policy statements by Congress regarding our relationships with two of the key nations in the Far East—Japan and the People's Republic of China.

I am especially gratified that conferees adopted, with only minor modifications, the sense of the Congress amendment that I introduced on behalf of myself and Senators Bentsen, Thurmond, Levin, Boren, and Kerry, strongly urging Japan to significantly increase its defense spending to meet its mutual security commitments.

For far too long, Japan has failed to carry a fair share of the common defense burden and has continually delayed the necessary improvement of her self-defense forces, so that her responsibilities under the Mutual Security Treaty with the United States can be met and her commitment to defend her air space and sea lanes out to 1,000 miles from the home islands can be fulfilled.

The language adopted in this conference report sends a strong message from the entire Congress, not just the Senate, that the American people are running out of patience with this failure by Japan to fulfill her own self-defense commitments.

This message calls on Japan to increase significantly its defense spending during the next 5 years in order to develop this promised 1,000-mile self-defense capability by 1990.

The language also requires the U.S. Government to inform Congress annually whether Japan is providing sufficient resources to make the promised improvement in her self-defense forces by 1990 and it calls on Japan to reduce substantially the shortfalls in ammunition, logistics, and sustainability which now limit the self-defense effectiveness of her combat forces.

It also requires the executive branch to inform Congress as to what actions it is taking to encourage Japan to, on her own, develop these capabilities by the end of this decade.

The language puts both the U.S. Government and the Government of Japan on notice that the American people want fewer promises and more action by Japan to improve her own self-defense. The required information will permit Congress to better understand whether Japan's self-defense spending performance is matching her positive-sounding promises.

Madam President, we are not asking Japan to assume new, offensively oriented military responsibilities. We are calling on her to develop only self-defense-oriented capabilities. We have received testimony from the newly appointed chairman of our Joint Chief of Staff, Adm. William J. Crowe, Jr., that Japan can increase her defense spending significantly and meet her self-defense commitments to the United States without developing the offensive forces which would threaten her neighbors.

My language, now endorsed by the full Congress, sends an appropriate message to our ally. I hope that Japan will heed it as she develops, this summer, her defense program for 1986–90. If so, she will make a meaningful contribution to her own security and that of the United States.

Finally, I was pleased to note that the conferees accepted in its entirety my amendment encouraging greater emphasis on United States/China trade development. We learned yesterday that our trade deficit for the first half of 1985 exceeded $70 billion. In June alone, we experienced the second highest 1-month trade deficit in our history; $13.4 billion. American firms deserve all the support we can give them in establishing themselves in new markets. The Chinese economy is expanding by leaps and bounds, and our European and Japanese competitors are making aggressive efforts to establish a foothold in that expanding market. China plans to spend some $14 billion over the next 2 years in its modernization campaign. I want to assure that, consistent with American security objectives, we participate in that expansion through a determined export program. Jobs in this country depend upon our ability to reach new markets with our products, and I am pleased to have authored an amendment which, I am confident, will demonstrate congressional intent regarding the promise of the Chinese market.

Mr. MATHIAS. Mr. President, the conference report on the authorization for the State Department includes dozens of very important measures, above all the means to keep one of our most vital agencies functioning smoothly and more effectively.

Among other things, the legislation includes a promising new International Scholarship Program which many Members of the Senate and House believe can address a fundamental lapse in our efforts to promote democratic values throughout the world. This program embodies a simple but compelling idea: To try to bring more future leaders from the developing countries to the United States—at a younger age, at an increased rate, and, we hope, with even more constructive results than several other programs have produced.

Under the conference agreement, we would identify and invite undergraduate students from all economic classes in Latin America, Asia, Africa, and other areas to come to this country. Following the example of the Fulbright-Hays Act, the bill does not specify the level of funding and number of scholarships at this time. Policy decisions will have to be made on the proper balance between academic and technical education. But the Scholarship Program attempts to perform a task that the Fulbright Program cannot: Reaching out to undergraduate students from lower-income families who lack opportunities in their countries but who nevertheless often become very influential individuals in the evolution of their societies.

Several authoritative commissions and surveys have documented our lack of sustained effort in this regard. Last year, the Kissinger Commission noted that the Soviet Union offers such scholarships to a far greater number of students than does the United States.

In May 1983 the Foreign Affairs Committee in the other body concluded that the Nation has virtually ignored the need for viable Exchange Programs with lesser developed countries.

We live in a great country with an exciting past, a promising future and an unmatched set of sustaining values and beliefs. Yet far too few students from other countries, particularly in the Third World, are able to come here to experience our society—both the good and the bad—firsthand. It is in our long-term interest to expose them to our freewheeling political system, to our opportunities, to our freedom of expression, to our free enterprise system. It is in our interest as well to expose our own students to the views of people from other lands.

I cannot promise that everyone who comes will be an unwavering advocate of our way of life, of our democracy. But I'm willing to wager that in the final analysis, the vast majority will get a real taste of the strengths and weaknesses of our country, and go away with a positive and lasting impression that can only help us in our relations with their countries.

This bill also includes several other provisions that strengthen our diplomatic efforts. For example, it authorizes a pilot program for spouses in the foreign service. We need to find a way to make more productive use of the education and work experience of the husbands and wives of State Department personnel abroad. And this study will help identify means to attract an increasing number of talented individuals who represent us abroad.

I am confident that this program will address a serious problem, at limited cost, with far-reaching benefits in both the morale and the effectiveness of our diplomatic efforts.

I also want to note another cost-effective provision: The increase in funds for the Asia foundation. The additional funds, up to $10.5 million, will enhance the foundation's ability to influence the evolution of democratic institutions in the region.

And I would like to underline the importance of a brief but essential technical amendment, one to bring our National Emergencies Act in line with our constitution.

The Supreme Court decided in the Chadha case that decisions of such enormous importance must be made in strict compliance with provisions of the Constitution. Chadha requires that for any act of Congress to have the full effect of law, it must be approved by both houses and signed by the President.

We must have a rational system under which the need for a national emergency may be debated in the Congress and brought to a vote in a manner consistent with our democratic process. After studying the Court's opinion and our National Emergencies Act of 1976, I concluded that we should amend the act and replace the use of the concurrent resolution for ending a national emergency with the procedure of a joint resolution.

Mr. DOMENICI. Mr. President, the conference agreement on the State Department-USIA authorization bill marks a new commitment by Congress to closer relations between the United States and other countries of the Western Hemisphere, especially those in Central America.

The conference agreement on H.R. 2068 includes a number of important provisions relating to scholarships and exchange activities, but I am particularly pleased that the U.S. Information Agency is now madated to give top priority to activities in our own hemisphere. Congress recognizes that our Spanish-speaking neighbors, as well as our neighbors in Brazil and the Caribbean islands, find it easier to travel to and study in the Soviet Union and Eastern Europe than to sample the good and bad sides of these marvelous United States. This imbalance is now partially corrected.

Last year the Bipartisan Commission on Central America, headed by former Secretary of State Henry Kissinger, made a number of recommendations concerning Education Exchange and Undergraduate Scholarship Programs. The bipartisan commission envisioned 10,000 scholars from Central America coming to the United States during the remainder of the decade, and that recommendation is made official U.S. policy by this legislation.

Specifically, the conferees agreed to the amendment offered by me and several other Senators to earmark $45 million in each of the next 2 fiscal years for scholarship and exchange programs in Latin America and the Caribbean. Of this amount, $12 million was requested for Central America Undergraduate Scholarship Programs. Although much of this $45 million would be administered through the traditional, ongoing Fulbright and Humphrey Exchange Programs, all of these funds, including the Undergraduate Program, are by law to be used in a manner consistent with the recommendations of the National Bipartisan Commission on Central America.

The conferees also agreed to an amendment—section 614—that requires the Director of the USIA to report on the feasibility of greater utilization of universities located in border states with sizable Hispanic populations. The Agency for International Development and the USIA are encouraged to take advantage of the unique cultural characteristics of such areas in California, Arizona, New Mexico, Texas, Louisiana, and Florida as they implement the provisions of the bipartisan commission.

Enactment of these amendments and my service on the bipartisan commission have marked my introduction to Latin American affairs, and I fully intend to continue to work with Chairman Lugar and other members of the Foreign Relations Committee to encourage better understanding and cooperation between our country and our neighbors to the South. I am encouraged that so much of the work of the Kissinger Commission has been made national policy in this legislation and in the foreign aid authorization bill that was sent to the President today. I thank the managers of the bill for their help and encouragement.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. DOLE. Madam President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BYRD. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE AGENDA

Mr. DOLE. Madam President, I would hope that in a few moments if we can, unless there is some big dispute, turn to the in-flight emergency care, S. 63. It is my understanding there was a problem that may have been resolved.

Could I ask the distinguished Senator from Ohio if that is a fact, or whether there is still a problem.

Mr. METZENBAUM. Madam President, there is still some problem.

I want to make it clear that I support Senator Goldwater. I just want to go further than he does.

We have been in negotiations with him. I am not here on the floor to keep the Senator from moving to the disposition of the matter. But I think if we did not do it right at the moment possibly we would get it worked out. But I am certainly not going to object to proceeding forward.

Mr. DOLE. Madam President, I think it could be worked out. It is better to wait to see if we cannot work it out.

Is it with reference to the Good Samaritan provision?

Mr. METZENBAUM. I think that is correct, yes. It does involve the Good Samaritan rule. But it is not what I consider one of those insurmountable hurdles that possibly some compromise could not be found.

We like what Senator Goldwater is attempting to do. We would just like to do a little bit more of it.

But I do not want to stand in the way of the majority leader. If he feels strongly about moving forward, I would not object to him doing so. But I think there might be advantages to not doing so for at least the moment.

Mr. DOLE. Madam President, I am advised that the distinguished Senator from Missouri, Senator Danforth, the chairman of the committee, might be able to help resolve that issue. So I will not proceed to S. 63.

What about S. 1218, the International Air Transportation Protection Act? Is that less possible for resolution?

Mr. METZENBAUM. Let me say that the Senator from Ohio has an interest in that measure and again would not stand in the way of the majority leader moving forward on it.

My concerns have to do with whether or not, since it is legislation that is so zeroed in on a specific kind of issue vis-a-vis the matter of takeovers, Congress should be acting on that. Therefore, it is entirely likely that I would address myself to that subject with some discussion, but I do not want to say that I am opposed to the majority leader proceeding forward. nor would I stand in the way of his doing so.

But once we get on the measure, I do have some concerns about the substance of it.

Mr. DOLE. I thank the Senator from Ohio.

We might probably move more quickly if we did not bring up either bill at the moment and try to resolve the question with S. 63 and then make a decision on the other one.

So, Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Cochran). Without objection, it is so ordered.

IN-FLIGHT MEDICAL EMERGENCIES

Mr. DANFORTH. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of S. 63, In-Flight Medical Emergency Act.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 63) to encourage the rendering of in-flight emergency care aboard aircraft by requiring the placement of emergency first aid medical supplies and equipment aboard aircraft and by relieving appropriate persons of liability for the provision and use of such equipment and supplies.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 563

Mr. GOLDWATER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. Goldwater] proposes an amendment numbered 563.

On page 4, line 9, insert "(other than a physician or an osteopath)" immediately after "personnel".

On page 4, strike all from line 24 through line 11 on page 5.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. GOLDWATER. Mr. President, I will be happy to yield.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I commend the Senator from Arizona for offering this amendment. As the bill was orginally submitted, there was concern that in supplying these medical kits, which I think is an extremely important step and in the right direction—which is required by the bill and which will force the FAA to act in order to see that these medical kits are on the plane—there were some provisions in it that provided for exemptions from liability which were pretty broad.

What Senator Goldwater's amendment does—and I might say this has been worked out with the cooperation of the Senator from Arizona, the chairman of the Commerce Committee, Senator Danforth, and myself—is we are limiting the limitation on liability to flight attendants, nurses, and paramedics. We are not providing an exemption from liability for the most important, and that is to the air carrier.

As a consequence, I believe that the air carriers will have a sense of responsibility to train their personnel to see to it that they are able to use some of this equipment that will now be on board.

I think all of that is a major step in the right direction. I commend the Senator from Arizona and I am happy to join with him in supporting this amendment.

Mr. GOLDWATER. Mr. President, I believe the Senator makes a good point. I urge the FAA to use its complete discretion in deciding what items should be included in these kits, notwithstanding the report language to the contrary.

Mr. President, this all came about some 3 years ago when a good friend of mine had a piece of meat lodged in his throat. There was no equipment on board to dislodge it. He was far to big a man to use the customary Heimlich maneuver on. Fortunately, they were flying over Ohio and the pilot was able to land before much damage was done. But the man has never been the same since. His brain was damaged from a loss of blood.

I have always asked every airline on which I fly to show me their medical kit. They all say they carry it. What they carry is what we used to use when we were Boy Scouts, a little tin box. Sometimes they have aspirin in the box; sometimes they do not. Sometimes there is adhesive tape; sometimes there is not. There is always a little wooden splint. I never figured out what that was for unless you broke your finger.

Mr. President, the airlines were very reluctant to accept this legislation. In fact, they fought it.

The airlines in our country are the only airlines in the world that do not carry medical kits.

In most of the kits you will find drugs that can be used if they are needed, but they are not released except when the captain, under whose jurisdiction and control the kit comes, is satisfied by the disclosure of a card that the person asking for the use of the kit is qualified to use it.

We all recognize that not on every airline passenger list will be doctors, although surprisingly research will show that most every airline is carrying a doctor or two or three at all times. Even that is beside the point.

The point is that when you run into the type of situation that I have described, which is not uncommon—someone having a piece of meat lodged in their throat—it is not difficult to dislodge it if you have the proper tool. They do not have that today.

I am very glad that the Senator from Ohio has assured us that we should change our language. I think the bill now is a perfectly acceptable bill. I am waiting for adoption of the amendment.

Mr. METZENBAUM. Mr. President, I was very happy to hear the Senator from Arizona indicate that he urges the FAA to use its complete discretion in deciding what items should be included in the kit. We went on to point out, notwithstanding the report language to the contrary.

Mr. President, I think that is important because the report language did contain some language that might have been otherwise confusing to the FAA. S. 63 does not set forth the items which should be contained, but the report language says the kits should not contain dangerous surgical instruments, such as scalpels or other incisive devices, or controlled substances as defined in the Comprehensive Drug Abuse Prevention and Control Act of 1970.

The FAA, in its notice of proposed rulemaking, states its intent to include in these medical kits scalpels and certain medications which may or may not be considered controlled substances.

Mr. President, frankly, I was concerned about that report language, concerned because it could affect safety on the airlines and the fear that drugs and sharp objects might fall into the wrong hands being the argument that was originally made for excluding those items. However, I think it is a mistake to tell the FAA not to include these items if they, through a lengthy investigation, find that such items are necessary to save lives.

I join with the Senator from Arizona in strongly saying to the FAA, "Use your discretion. Do what you think is right. Do not worry about the report language. When the bill was handled on the floor of the Senate, the author of the legislation and the Senator handling the matter on the other side of the aisle both agreed that the report language was not binding or instructing the FAA and that the FAA may use such judgment and discretion as it deems advisable with respect to what should be included in the kit."

Mr. President, I feel confident in saying that the chairman, of the Commerce Committee would agree that the report language in this instance should not be binding.

Mr. DANFORTH. Mr. President, first I would like to say that I do agree with the Senator from Ohio. Furthermore, I think he has once again demonstrated his great concern and care for some of the finer points of the legislative process. I think his suggestion relating to the discretion to be provided to the FAA is an important suggestion. I commend him and express my appreciation for his assistance in working out the details of this bill.

I also commend the Senator from Arizona. This has been a matter that has been very dear to his heart, growing out of a personal experience which he described earlier. I have no doubt that adequate medical equipment carried on aircraft, together with training of personnel who work on the aircraft, is going to save people's lives. Therefore, I compliment the Senator from Arizona for his outstanding contribution to safety in commercial aviation.

Mr. GOLDWATER. Mr. President, just to conclude, I stated earlier that the United States is the only country where airlines do not carry these kits. The Canadian kit is one that I used as an example in the testimony last year. I think it sells for $200. I think the British kit goes for a little bit more than that. There are not many things that can happen to you on an airplane. If you get into real excessive turbulence there and you have not fastened your belt, it is possible to break an arm, it is possible to break a leg, in which case, it is not a question of whether you can set the bone. That can be handled later. It is a question of relieving pain. That is the reason and the only reason that some kind of pain reliever might be carried in that kit.

People do get violently sick on aircraft just as they would get sick if they are in their own homes and they need some kind of medication that would relieve that, something that would stop whatever is happening. That would be included in the kit.

The kit is not the type of kit that a doctor is going to carry to the operating room. There might be a scalpel needed in it in the case of a person receiving a large splinter of some sort on the aircraft. But what we are after is the protection of the health and safety of people flying on airliners. I am glad to see that the amendments have been made.

I am very pleased that the airlines have removed their total objection to this and we no longer have to put up with Boy Scout kits.

Mr. METZENBAUM. Mr. President, as a concluding remark, I would like to say that I have appreciated working with Senator GOLDWATER and Senator DANFORTH. I very much appreciate the kind comments Senator DANFORTH saw fit to make. But I would like to thank publicly the staff members who are always at the right hand of so many of us Senators—Steve Johnson and Allen Moore for Senator DANFORTH, and Ellen Bloom, who was so helpful to me in the handling of this matter.

I think we are going to pass a good piece of legislation and I think it serves the public interest well.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 563) was agreed to.

Mr. DANFORTH. I move to reconsider the vote by which the amendment was agreed to.

Mr. METZENBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DANFORTH. Mr. President, on January 3, 1985, Senator GOLDWATER introduced S. 63, the "In-flight Medical Emergencies Act of 1985." He introduced this bill to encourage more effective emergency medical care aboard commercial aircraft.

This legislation directs the Federal Aviation Administration to formulate rules to require passenger aircraft to carry medical supplies for the temporary treatment of in-flight emergencies. Current medical kits are inadequate and outdated for this purpose. In addition, the bill would relieve from liability any designated airline employee or licensed medical person, other than a physician, when the kit is used in good faith, and without gross negligence or recklessness.

On May 16, the Commerce Committee unanimously reported this legislation. I commend Senator GOLDWATER for his initiative—which he has pursued through two Congresses—which promises to increase passenger aircraft safety substantially.

Mr. President, I urge my colleagues to give this bill their full support.

Mr. HOLLINGS. Mr. President, I rise in support of S. 63, the In-Flight Medical Emergencies Act. Introduced by Senator GOLDWATER in each of the last 3 Congresses, this legislation would encourage and improve the medical care for injured and ill airline passengers. It's a worthy step toward ensuring adequate safety for air travelers against the many ailments that may afflict them while in flight.

Airline medical kits have changed little since the first round-the-world flight in the 1920's. The only medical items that the FAA currently requires an airline to carry are bandages, ammonia, burn ointments, and some splints.

Times have changed and needs have changed with them. U.S. airlines currently fly some 300 million passengers per year. Many of these trips involve a significant amount of time in the air—perhaps 8 or 10 hours—time enough for an individual or crew member to suffer from a heart attack or a seizure. Clearly, an existing medical kit would be of little, if any, assistance in either situation.

Some foreign airlines carry more sophisticated kits, containing certain drugs and equipment capable of aiding ill or injured passengers. For example, an improved kit that is reportedly on the market includes medications for cardiovascular emergencies, asthma, seizures, diabetic shock, and instruments such as blood pressure cuffs, stethoscopes, and devices to stop bleeding and save choking victims.

Mr. President, S. 63 also would provide the basis for protecting certain qualified individuals from liability when they properly use these drugs and equipment. The committee heard of numerous situations aboard aircraft where qualified personnel have refused to offer their assistance for fear of being held liable should the victim not fully recover. Greater harm is done by not encouraging that individual to come to the aid of the victim. S. 63 provides that protection in hope of promoting greater medical attention for ill and injured air travelers.

I do believe that it is important to note, however, that this bill would not relieve an individual from being held liable for using a medical kit in a reckless or grossly negligent manner. Nor is that bill designed to discourage the flight crew of an aircraft with an ill passenger from making the responsible decision to land the aircraft, if such action were deemed necessary for adequate medical care.

Mr. President, we in Congress can take great pride in the fact that America is the safest Nation in the world. American consumers can nearly always rely on the premise that the products or services they use are least likely to cause them harm.

Unfortunately, when in-flight medical emergencies occur, U.S. air carriers do not rank as high as some of their foreign counterparts, simply because they do not carry some of the most basic emergency medical equipment. S. 63 will solve this problem. I urge its passage.

The PRESIDING OFFICER. Are there further amendments to be proposed on the bill? There being no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The bill (S. 63), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 63

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "In-Flight Medical Emergencies Act".

SEC. 2. As used in this Act, the term—

(1) "aboard an aircraft" means physical presence in an aircraft from the time of embarkation of any flight crewmember or passenger, through flight and culminating in the disembarkation of all flight crewmembers and passengers;

(2) "air carrier employee" means any person who is employed by an air carrier, as that term is defined in section 101(3) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(3));

(3) "aircraft" has the meaning given such term in section 101(5) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(5)), and includes—

(A) civil aircraft of the United States;

(B) aircraft of the national defense forces of the United States;

(C) any other aircraft within the United States;

(D) any other aircraft outside the United States (I) that has its next intended destination or last point of departure in the United States, if that aircraft next actually lands in the United States, or (II) having an "offense" (as defined in the Convention for the Suppression of Unlawful Seizure of Aircraft) committed aboard, if that aircraft lands in the United States with the alleged offender aboard; and

(E) any other aircraft leased without crew to a lessee who has his principal place of business in the United States or, if such lessee has no such principal place of business, who has his permanent residence in the United States;

(4) "emergency care" means care, first aid, treatment, or assistance rendered to an injured or ill person, but does not include the operation of an aircraft;

(5) "good faith" means a reasonable opinion (even if mistaken) that a situation is such that the rendering of medical care is needed and should not be postponed;

(6) "licensed medical personnel" means any person, including a physician or nurse, who is licensed to render medical care in any State; and

(7) "State" means any of the several States, the District of Columbia, and the territories and possessions of the United States.

SEC. 3. Within one hundred and eighty days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall issue final rules requiring each aircraft carrying passengers for compensation or hire to carry sufficient first aid medical supplies and equipment for the rendering of emergency care aboard the aircraft in response to in-flight medical emergencies. Such rules shall also require that first aid medical supplies and equipment be made available to any licensed medical personnel and any air carrier employee who the Administrator has determined, in promulgating such final rules, can properly use such supplies and equipment.

SEC. 4. (a) Any licensed medical personnel (other than a physician or an osteopath) or any air carrier employee specified in section 3 of this Act who, in good faith, renders emergency care aboard an aircraft shall not be liable for any civil damages as a result of any act or omission by such licensed medical personnel or air carrier employee in rendering such care, including the rendering of emergency care from the time of disembarkation through transportation from the aircraft to a medical facility for further medical treatment or care.

(b) The relief from liability accorded in subsection (a) of this section shall not apply if any such act or omission is done recklessly or in a grossly negligent manner.

(c) Nothing in this section shall alter or abridge the authority of the pilot in command of such aircraft, including whether, where or when emergency care should be rendered.

Mr. DANFORTH. I move to reconsider the vote by which the bill was passed.

Mr. METZENBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

USE OF OFFICIAL MAIL IN THE LOCATION AND RECOVERY OF MISSING CHILDREN

Mr. METZENBAUM. Mr. President, the action I am about to take has been cleared with the leaders on both sides of the aisle.

Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1195.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives.

Resolved, That the bill from the Senate (S. 1195) entitled "An Act to require that a portion of the mail of Congress and the executive branch include a photograph and biography of a missing child", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. AUTHORITY TO USE PENALTY AND FRANKED MAIL.

(a) AUTHORITY.—Chapter 32 of title 39, United States Code, is amended by adding at the end thereof the following:

"§ 3220. Use of official mail in the location and recovery of missing children

"(a)(1) The Office of Juvenile Justice and Delinquency Prevention, after consultation with appropriate public and private agencies, shall prescribe general guidelines under which penalty mail may be used to assist in the location and recovery of missing children. The guidelines shall provide information relating to—

"(A) the form and manner in which materials and information relating to missing children (such as biographical data and pictures, sketches, or other likenesses) may be included in penalty mail;

"(B) appropriate sources from which such materials and information may be obtained;

"(C) the procedures by which such materials and information may be obtained; and

"(D) any other matter which the Office considers appropriate.

"(2) Each executive department and independent establishment of the Government of the United States shall prescribe regulations under which penalty mail sent by such department or establishment may be used in conformance with the guidelines prescribed under paragraph (1).

"(b) The Senate Committee on rules and Administration and the House Commission on congressional Mailing Standards shall prescribe for their respective Houses rules and regulations, and shall take such other action as the Committee or Commission considers necessary and proper, in order that purposes similar to those of subsection (a) may, in the discretion of the congressional official or office concerned, be carried out by the use of franked mail sent by such official or office.

"(c) As used in this section, 'Office of Juvenile Justice and Delinquency Prevention' and 'Office' each means the Office of Juvenile Justice and Delinquency Prevention within the Department of Justice, as established by section 201 of the Juvenile Justice and Delinquency Prevention Act of 1974.".

(2) The analysis for chapter 32 of title 39, United States code, is amended by adding at the end thereof the following:

"3220. Use of official mail in the location and recovery of missing children.".

(b) DEFINITION.—Section 3201 of title 39, United States Code, is amended—

(1) in paragraph (4), by striking "and";

(2) in paragraph (5), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(6) 'missing child' has the meaning provided by section 403(1) of the Juvenile Justice and Delinquency Prevention Act of 1974.".

(c) CONFORMING AMENDMENT.—Section 3204(a) of title 39, United States Code, is amended by striking out "section," and inserting in lieu thereof "section or section 3220(a) of this title,".

SEC. 2. ISSUANCE OF GUIDELINES, RULES, AND REGULATIONS.

(a) GUIDELINES.—The guidelines described in section 3220(a)(1) of title 39, United States Code, as added by this Act, shall be prescribed not later than ninety days after the date of the enactment of this Act.

(b) RULES AND REGULATIONS.—The regulations described in subsection (a)(2) of section 3220 of title 39, United States Code, as added by this Act, and the rules and regulations described in subsection (b) of such section, as so added, shall be prescribed not later than one hundred and eighty days after the date of the enactment of this Act.

SEC. 3. REPORTS.

(a) GENERAL REQUIREMENTS.—Not later than two years after the date of the enactment of this Act, a written report containing the matter described in subsection (b) shall be prepared by—

(1) the Office of Juvenile Justice and Delinquency Prevention and submitted to the President, the President pro tempore of the Senate, and the Speaker of the House of Representatives;

(2) the Senate Committee on Rules and Administration and submitted to the President pro tempore of the Senate; and

(3) the House Commission on Congressional Mailing Standards and submitted to the Speaker of the House of Representatives.

(b) CONTENT OF REPORTS.—Each report under this section shall include—

(1) an assessment of the effectiveness with which any authority provided by section 3220 of title 39, United States Code, as

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added by this Act, has (during the period covered by the report) been used, insofar as such authority was subject to guidelines or rules and regulations prescribed by the reporting entity;

(2) recommendations as to whether the authority under such section should, insofar as such authority was subject to such guidelines or rules and regulations, be extended beyond the termination date otherwise applicable under section 5; and

(3) any other information which the reporting entity considers appropriate.

SEC. 4. CLARIFICATION RELATING TO COORDINATION OF GOVERNMENT PROGRAMS.

Notwithstanding any other provision of law, the authority provided by section 3220(b) of title 39, United States Code, as added by this Act, shall not be considered to be subject to the authority of any agency within the executive branch of the Government of the United States to coordinate programs relating to missing children.

SEC. 5. TERMINATION DATE.

The amendments made by section 1 and any guidelines, rules, or regulations prescribed to carry out such amendments shall cease to be effective two and one-half years after the date of the enactment of this Act.

Amend the title so as to read: "An Act to amend title 3, United States Code, to authorize the use of penalty and franked mail in efforts relating to the location and recovery of missing children.".

Mr. METZENBAUM. Mr. President, I commend Chairman WILLIAM FORD of Michigan and FRANK MCCLOSKEY of Indiana for their stewardship in the House.

The House amended S. 1195 in several respects:

First, participation will be voluntary instead of mandatory; second, the program will sunset in 2½ years; and third, executive agencies will be required to publish regulations within 180 days.

I believe that this measure will accomplish the purposes that I intended—a national effort to disseminate pictures of missing children. Similar efforts in the private sector have proven successful in returning missing children to their families, and I believe that this national effort will prove as rewarding.

AMENDMENT NO. 564

Mr. METZENBAUM. Mr. President, I move that the Senate concur in the House amendments with a further Senate amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 564.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Subsection (c) of section 1 of the bill is amended by—

(1) inserting "(1)" before "Section 3204 (a)"; and

(2) inserting at the end thereof the following:

(2) Section 733 of title 44, United States Code, is amended by inserting after the second sentence of the second undesignated paragraph the following: "Franks may also contain information relating to missing children as provided in section 3220 of title 39.".

Mr. METZENBAUM. Mr. President, this amendment is purely technical in nature. It amends section 733 of title 44 to conform that provision to the language and intent of S. 1195. Without this amendment Members of Congress will be prohibited from printing pictures of missing children on their franked envelopes. It is my understanding that this amendment has been cleared by both sides of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Ohio [Mr. METZENBAUM].

The motion was agreed to.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SPECTER). The clerk will call the roll.

The Legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DURENBERGER). Without objection, it is so ordered.

THE CALENDAR

Mr. DOLE. Mr. President, I inquire of the minority leader if he is in a position to pass the following calendar items: calendar nos. 251, 259, and 262?

Mr. BYRD. Mr. President, those matters have been cleared for action on this side of the aisle.

Mr. DOLE. Mr. President, I ask unanimous consent that the calendar items just identified be considered en bloc and passed en bloc, and all amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

USE AND DISTRIBUTION OF CERTAIN INDIAN JUDGMENT FUNDS

The Senate proceeded to consider the bill (S. 1349) to provide for the use and distribution of funds awarded in docket 363 to the Mdewakanton and Wahpekute Eastern or Mississippi Sioux before the U.S. Court of Claims and Claims Court, which had been reported from the Select Committee on Indian Affairs, with an amendment to strike out all after the enacting clause, and insert the following:

SECTION 1. (a) That notwithstanding any other law, except as provided in subsection (b) of this section, the funds for awards to the Mdewakanton and Wahpekute Sioux appropriated on January 30, 1981 ($800,000), on October 15, 1982 ($591,058), and one-half of the funds appropriated on March 2, 1981 ($7,500), all in docket numbered 363 before the United States Court of Claims, and the funds appropriated on August 1, 1983 ($3,468,246.48), in docket numbered 363 before the United States Claims Court, less attorney fees and litigation expenses, and including all interest and investment income accrued, shall be divided by the Secretary of the Interior (hereinafter the "Secretary") as follows:

	Percent
(1) Santee Sioux Tribe of Nebraska...	58.69
(2) Flandeau Santee Sioux Tribe........	15.84
(3) Prairie Island Sioux, Lower Sioux, and Shakopee Mdewakanton Sioux Communities of Minnesota to be divided on the basis of the respective members of each of the three communities, born on or prior to and living on the date of this Act........	25.47

(b) To the share of the Santee Sioux Tribe of Nebraska in subsection (a) of this section shall be added $172,363,20, and to the share of the Flandreau Santee Sioux Tribe $135,244,32, both sums appropriated on August 1, 1983, in docket numbered 363, less attorney fees and litigation expenses, and including all interest and investment income accrued.

SEC. 2. The share of the Santee Sioux Tribe of Nebraska shall be used an distributed as follows:

(a) Eighty per centum of the funds apportioned shall be used and distributed as follows:

(1) the Secretary shall make a per capita distribution of $300 to each tribal member born on or prior to and living on the date of this Act, except that those members at least sixty years of age on that date shall be paid $900.

(2) the balance of the 80 per centum portion of the funds shall be invested by the Secretary for a tribal investment fund designed to yield periodic dividend payments to all tribal members born on or prior to and living on the dates such dividend payments are declared. Only the interest and investment income accrued shall be available for dividend payments. The amounts and payments dates shall be determined by the tribal governing body with the approval of the Secretary, and the first of such payments shall not be made earlier than five years from the date of the per capita payment in paragraph (1) of this subsection.

(b)(1) Twenty per centum of the funds shall be utilized for tribal social and economic development purposes, and for the establishment of a tribal burial fund; $200,000 of such program funds shall be invested by the Secretary for the purpose of establishing a burial fund utilizing the interest and investment income accrued. Such funds shall not be available for burial services until two years after date of initial investment. The tribal governing body, with the approval of the Secretary, shall develop criteria for the implementation of tribal burial services.

(2) The balance of the 20 per centum portion shall be invested by the Secretary and the interest and investment income accrued shall be utilized by the tribal governing body on a budgetary basis, with the approval of the Secretary, for programs designed to enhance the social and economic development of the tribe. None of the 20 per centum programming portion of the funds shall be available for per capita or dividend payments.

SEC. 3. The share of the Flandreau Santee Sioux Tribe shall be used and distributed as follows:

(a) Twenty-five per centum of the funds shall be distributed in the form of per capita payments to each tribal member born on or prior to and living on the date of the enactment of this Act, except that those members at least sixty years of age as of that date shall be paid twice the amount of other per capita recipients.

(b) Seventy-five per centum of the funds (which includes funds previously advanced to the tribal governing body) shall be used by the tribal governing body on a budgetary basis, with the approval of the Secretary, for programs designed to enhance the social and economic development of the tribe. None of the 75 per centum programming portion of the funds shall be available for per capita payments.

SEC. 4. The share of the Prairie Island Sioux Community shall be used and distributed as follows:

(a) Eighty per centum of the funds shall be invested by the Secretary for a Tribal Investment Fund designed to yield periodic dividend payments to all tribal members born on or prior to and living on the dates such dividend payments are declared. Only the interest and investment income accrued shall be available for dividend payments. The amounts and payment dates shall be determined by the tribal governing body with the approval of the Secretary.

(b) Twenty per centum of the funds shall be utilized by tribal governing body on a budgetary basis, with the approval of the Secretary, for programs designed to enhance the social and economic development of the tribe. None of the 20 per centum programming portion of the funds shall be available for per capita or dividend payments.

SEC. 5. The share of the Lower Sioux Indian Community shall be used and distributed as follows:

(a) Eighty per centum of the funds apportioned shall be used and distributed as follows:

(1) the Secretary shall make a per capita distribution of $300 to each tribal member born on or prior to and living on the date of the enactment of this Act;

(2) one year from the date that the per capita payments in paragraph (1) of this subsection are made, an additional per capita payment of $300 shall be made to each tribal member who is at least sixty years of age living on such date.

(3) the balance of the 80 per centum portion of the funds shall be invested by the Secretary for a Tribal Investment Fund designed to yield periodic dividend payments to all tribal members born on or prior to and living on the dates such dividend payments are declared. Only the interest and investment income accrued shall be available for dividend payments. The amounts and payment dates shall be determined by the tribal governing body with the approval of the Secretary, and the first of such payments shall not be made earlier than five years from the date of the per capita payment in paragraph (1) of this subsection.

(b) Twenty per centum of the funds shall be invested by the Secretary and the interest and investment income accrued shall be utilized by the tribal governing body on a budgetary basis, with the approval of the Secretary, for programs designed to enhance the social and economic development of the tribe. None of the 20 per centum programming portion of the funds shall be available for per capita or dividend payments.

SEC. 6. The share of the Shakopee Mdewakanton Sioux Community shall be used and distributed as follows:

(a) Eighty per centum of the funds shall be invested by the Secretary for a Tribal Investment Fund designed to yield periodic dividend payments to all tribal members born on or prior to and living on the dates such dividend payments are declared. Only the interest and investment income accrued thereon shall be available for dividend payments. The amounts and payment dates shall be determined by the tribal governing body with the approval of the Secretary.

(b) Twenty per centum of the funds shall be invested by the Secretary and the interest and investment income accrued shall be utilized by the tribal governing body on a budgetary basis, with the approval of the Secretary, for programs designed to enhance the social and economic development of the tribe. None of the 20 per centum programming portion of the funds shall be available for per capita or dividend payments.

GENERAL PROVISION

SEC. 7. (a) No person shall receive benefit payments as a member of more than one of the tribes under this Act. An individual who is a member of more than one of the tribes under this Act must designate the tribe from which he or she will receive per capita or dividend payments prior to receiving a per capita or dividend payment under this Act.

(b) The per capita shares or dividend payments of living, competent adults shall be paid directly to them. The shares or payments of deceased individuals, legal incompetents and minors, shall be determined and distributed under regulations prescribed by the Secretary pursuant to the Act of October 19, 1973 (87 Stat. 466), as amended (96 Stat. 2512; 25 U.S.C. 1401 et seq.)

SEC. 8. Per capita and dividend payment distributions made pursuant to this Act shall be subject to the provisions of section 7 of the Act of October 19, 1973 (87 Stat. 466), as amended, (96 Stat. 2515; 25 U.S.C. 1407).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRANSFER OF CERTAIN AUTHORITY OF THE MAINE-NEW HAMPSHIRE INTERSTATE BRIDGE AUTHORITY

The Senate proceeded to consider the bill (S. 1515) to authorize a partial transfer of the authority of the Maine-New Hampshire Interstate Bridge Authority to the States of Maine and New Hampshire.

MAINE-NEW HAMPSHIRE INTERSTATE BRIDGE AUTHORITY

Mr. MITCHELL. Mr. President, in late June, both Maine and New Hampshire enacted identical bills regarding the Maine-New Hampshire Interstate Bridge Authority [IBA]. These measures require congressional ratification in order to be implemented. This legislation, which I have sponsored with my colleague from New Hampshire, Senator HUMPHREY, would accomplish this.

The IBA was created by an act of Congress in 1937 to oversee the construction, maintenance, and operation of a toll bridge and approach roads between Kittery, ME, and Portsmouth, NH. This facility presently constitutes what is commonly referred to as the U.S. Route 1 bypass connecting Kittery and Portsmouth, and provides the only rail service to the Portsmouth Naval Shipyard.

The discontinuance of tolls on October 31, 1972, combined with limited revenues derived from interest on the IBA endowment account and high inflation in the last decade have forced the Authority to delay or cancel several capital improvement projects for the facility. As a result, the entire facility is experiencing increasingly rapid deterioration.

A task force comprised of representatives from both State transportation agencies analyzed the mandate, operation, and viability of the IBA. It found, after assessing numerous alternatives over the past 2 years, that the IBA cannot financially carry out its mandate. The Authority needs the assistance of both States and their available Federal funds in order to continue to provide transportation services for the shipyard and for vehicles utilizing the bypass. The State and Federal bills would provide them assistance.

The Federal legislation would constitute an amendment to the original 1937 compact as ratified by Congress. No additional funds are necessary to support this legislation as the proposed realignment of responsibilities will be funded by a combination of Authority assets and currently allocated Federal highway funds.

The provisions of the proposed act would accomplish the following:

First, transfer ownership of the approach roadways and grade separation structures—underpasses, overpasses, and so forth—to the respective State transportation agencies.

Second, allow each State to channel available Federal aid primary highway funds to the transferred portion of the facility for capital improvements and rehabilitation.

Third, require the Authority to fund the non-Federal share of such capital improvements and rehabilitation when deemed necessary by the Authority and engineering representatives of both States.

Fourth, continue the Authority's obligation for the main bridge structure

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as well as the roadway and railway facilities presently on the structure.

Fifth, transfer Authority employees to Main or New Hampshire's transportation agency, thus providing comparable wages and benefits.

Sixth, transfer Authority equipment presently used on the facility to the respective State transportation agencies.

The PRESIDING OFFICER. The question is on a third reading.

The bill was ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1515

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act approved July 28, 1937 (50 Stat. 536), is amended by striking out in the first paragraph thereof, "and approaches thereto" and by inserting at the end thereof "The States of Maine and New Hampshire are authorized to assume all construction, maintenance, and operational authority over the approach roads and grade separation structures in their respective areas. As provided in Maine Private and Special Law, Chapter 38, 1985, and New Hampshire Statutes, Chapter 415, 1985, the respective States shall require the Authority to provide Authority funds for capital improvements."

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

USE AND DISTRIBUTION OF CERTAIN INDIAN JUDGMENT FUNDS

The Senate proceeded to consider the bill (S. 1106) to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in dockets numbered 57, 59, and 13E of the Indian Claims Commission and docket numbered 13F of the United States Claims Court, and for other purposes, which had been reported from the Select Committee on Indian Affairs, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE: DEFINITIONS

SECTION 1. (a) This Act may be cited as the "Saginaw Chippewa Indian Tribe of Michigan Distribution of Judgment Funds Act".

(b) For purpose of this Act—

(1) The term "tribe" means the Saginaw Chippewa Indian Tribe of Michigan.

(2) The term "Tribal Council" means the Saginaw Chippewa Tribal Council.

(3) The term "Secretary" means the Secretary of the Interior.

ABROGATION OF PRIOR PLAN

SEC. 2. Notwithstanding Public Law 93-134 (25 U.S.C. 1401 et seq.) or any plan prepared or regulation promulgated by the Secretary pursuant to such law—

(1) the funds appropriated in satisfaction of judgments awarded the tribe in dockets numbered 59 and 13E of the Indian Claims Commission, and

(2) the balance of any undistributed funds appropriated in satisfaction of the judgments awarded the tribe in docket numbered 57 of the Indian Claims Commission and docket numbered 13F of the United States Claims Court,

any any interest or investment income accrued on the amount of such funds on or before the date of any transfer made pursuant to section 5 or 8 (less any attorney's fees and court costs), shall be distributed and used in accordance with the provisions of this Act.

INVESTMENT FUND

SEC. 3. (a)(1) The tribe, through the Tribal Council, **[**hereby authorized to**]** *shall* establish a trust fund for the benefit of the tribe which shall be known as the "Investment Fund". The principal of the Investment Fund shall consist of—

(A) the funds transferred by the Secretary to the Tribal Council pursuant to section 5(a),

(B) the amounts required to be included in principal under subsection (c) or section 8(c),

(C) such portion of the funds paid to the Tribal Council under section 8(a) as the Tribal Council may elect to add to the principal, and

(D) such other amounts of the income of the Investment Fund which the Tribal Council may elect to retain and add to the principal.

(2) The Tribal Council shall be the trustee of the Investment Fund and shall administer the Investment Fund in accordance with the provisions of this Act.

[(b)(1) The principal of the Investment Fund shall be used exclusively for—

[(A) investments (including loans to enrolled members of the tribe), or

[(B) expenditures which the Tribal Council determines are reasonably related to—

[(i) economic development beneficial to the tribe or enrolled members of the tribe, or

[(ii) the development of tribal resources.**]**

(b)(1) The principal of the Investment Fund shall be used exclusively for investments or expenditures which the Tribal Council determines—

(A) are reasonably related to—

(i) economic development beneficial to the tribe, (or)

(ii) the development of tribal resources, or

(B) are otherwise financially beneficial to the tribe.

(2) Under no circumstances shall any part of the principal of the Investment Fund be distributed in the form of per capita payments to the members of the tribe or used or expended for purposes other than investment or economic development projects and programs.

(3) None of the income of the Investment Fund may be distributed or expended before the date that is 18 months after the date on which the amendments to the constitution of the tribe referred to in section 4(a) are adopted and ratified by the qualified voting members of the tribe (within the meaning of such constitution).

(c) At least 10 percent of the income earned on the Investment Fund during each of the first ten fiscal years of the Investment Fund beginning after such Investment Fund is established shall be retained in the Investment Fund and become part of the principal of the Investment Fund.

(d)(1) The Investment Fund shall be maintained as a separate book account.

(2) The books and records of the Investment Fund shall be audited at least once during each fiscal year of the Investment Fund (or before the end of the 3-month period beginning on the last day of such fiscal year) by an independent certified public accounting firm which shall prepare a report on the results of such audit. Such report shall be treated as a public document of the tribe and a copy of the report shall be available for inspection by any enrolled member of the tribe.

TRIBAL CONSTITUTION

[SEC. 4. (a) Notwithstanding any other provision of law, the tribe may, without the approval of the Secretary, adopt any amendments to the constitution of the tribe which were approved by the Tribal Council on April 15, 1985, in resolution L and O-03-85.**]**

SEC. 4. (a) Notwithstanding any other provision of law, the Tribal Council may call a tribal election and, pursuant to such election, the tribe may adopt (without the approval of the Secretary) any amendments to the constitution of the tribe which were approved by the Tribal Council on April 15, 1985, in resolution L and O-03-85.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BUDGET ACT WAIVER

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to Senate Resolution 205, the budget waiver to accompany S. 974.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 205) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 974.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 205) was agreed to as follows:

S. RES. 205

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 974, a bill to provide for protection and advocacy for mentally ill persons. Such waiver is necessary to permit the authorization of funds for allotments for the purpose of establishing systems for the protection and advocacy of the established rights of mentally ill persons.

PROTECTION AND ADVOCACY FOR MENTALLY ILL PERSONS ACT OF 1985

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 244, S. 974, Protection and Advocacy for Mentally Ill Persons Act of 1985.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 974) to provide for protection and advocacy for mentally ill persons.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources, with an amendment to strike out all after the enacting clause, and insert the following:

That this Act may be cited as the "Protection and Advocacy for Mentally Ill Persons Act of 1985".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) mentally ill persons are vulnerable to abuse and serious injury;

(2) mentally ill persons are subject to neglect, including lack of treatment, adequate nutrition, clothing, health care, and adequate discharge planning; and

(3) State systems for monitoring compliance with respect to the established rights of mentally ill persons vary widely and are frequently inadequate.

(b) The purposes of this Act are—

(1) to ensure that the established rights of mentally ill persons are protected; and

(2) to assist States to establish and operate a protection and advocacy system for mentally ill persons which will—

(A) protect and advocate the established rights of such persons through activities to ensure the enforcement of the Constitution and Federal and State statutes; and

(B) investigate reported incidents of abuse and neglect of mentally ill persons.

DEFINITIONS

SEC. 3. (a) For purposes of this Act:

(1) The term "abuse" means any act or failure to act by an employee of a residential facility which was performed, or which was failed to be performed, knowingly, recklessly, or intentionally, and which caused, or may have caused, physical injury to a mentally ill person, and includes acts such as—

(A) the rape or sexual assault of a mentally ill person;

(B) the striking of a mentally ill person;

(C) the use of excessive force when placing a mentally ill person in bodily restraints; and

(D) the use of bodily or chemical restraints on a mentally ill person which is not in compliance with Federal and State laws and regulations.

(2) The term "eligible system" means the system established in a State to protect and advocate the rights of persons with developmental disabilities under part C of the Developmental Disabilities Assistance and Bill of Rights Act.

(3) The term "mentally ill person" means an individual—

(A) for whom a primary diagnosis of mental illness has been made by a mental health professional qualified under the laws of the State; and

(B) who is an inpatient or resident in, and who resides for 24 hours a day in, a residential facility.

(4) The term "neglect" means a negligent act or omission by any person responsible for providing services in a residential facility which caused or may have caused physical or mental injury to a mentally ill person or which placed a mentally ill person at risk of physical or mental injury, and includes an act or omission such as the failure to establish or carry out an appropriate individual program plan or treatment plan for a mentally ill person, the failure to provide adequate nutrition, clothing, or health care to a mentally ill person, or the failure to provide a safe environment for a mentally ill person.

(5) The term "Secretary" means the Secretary of Health and Human Services.

(6) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The Secretary may not promulgate regulations which define the terms "mentally ill person" and "residential facility" for purposes of this Act.

BILL OF RIGHTS

SEC. 4. It is the sense of the Congress that, as previously stated in title V of the Mental Health Systems Act, each State should review and revise, if necessary, its laws to ensure that mental health patients receive the protection and services they require, and that in making such review and revision, States should take into account the recommendations of the President's Commission on Mental Health and the following:

(1) A person admitted to a program or facility for the purpose of receiving mental health services should be accorded the following:

(A) The right to appropriate treatment and related services in a setting and under conditions that—

(i) are the most supportive of such person's personal liberty; and

(ii) restrict such liberty only to the extent necessary consistent with such person's treatment needs, applicable requirements of law, and applicable judicial orders.

(B) The right to an individualized, written, treatment or service plan (such plan to be developed promptly after admission of such person), the right to treatment based on such plan, the right to periodic review and reassessment of treatment and related service needs, and the right to appropriate revision of such plan, including any revision necessary to provide a description of mental health services that may be needed after such person is discharged from such program or facility.

(C) The right to ongoing participation, in a manner appropriate to such person's capabilities, in the planning of mental health services to be provided such person (including the right to participate in the development and periodic revision of the plan described in subparagraph (B)), and, in connection with such participation, the right to be provided with a reasonable explanation, in terms and language appropriate to such person's condition and ability to understand, of—

(i) such person's general mental condition and, if such program or facility has provided a physical examination, such person's general physical condition;

(ii) the objectives of treatment;

(iii) the nature and significant possible adverse effects of recommended treatments;

(iv) the reasons why a particular treatment is considered appropriate;

(v) the reasons why access to certain visitors may not be appropriate; and

(vi) any appropriate and available alternative treatments, services, and types of providers of mental health services.

(D) The right not to receive a mode or course of treatment, established pursuant to the treatment plan, in the absence of such person's informed, voluntary, written consent to such mode or course of treatment, except treatment—

(i) during an emergency situation if such treatment is pursuant to or documented contemporaneously by the written order of a responsible mental health professional; or

(ii) as permitted under applicable law in the case of a person committed by a court to a treatment program or facility.

(E) The right not to participate in experimentation in the absence of such person's informed, voluntary, written consent, the right to appropriate protections in connection with such participation, including the right to a reasonable explanation of the procedure to be followed, the benefits to be expected, the relative advantages of alternative treatments, and the potential discomforts and risks, and the right and opportunity to revoke such consent.

(F) The right to freedom from restraint or seclusion, other than as a mode or course of treatment or restraint or seclusion during an emergency situation if such restraint or seclusion is pursuant to or documented contemporaneously by the written order of a responsible mental health professional.

(G) The right to a humane treatment environment that affords reasonable protection from harm and appropriate privacy to such person with regard to personal needs.

(H) The right to confidentiality of such person's records.

(I) The right to access, upon request, to such person's mental health care records, except such person may be refused access to—

(i) information in such records provided by a third party under assurance that such information remain confidential; and

(ii) specific material in such records if the health professional responsible for the mental health services concerned has made a determination in writing that such access would be detrimental to such person's health, except that such material may be made available to a similarly licensed health professional selected by such person and such health professional may, in the exercise of professional judgment, provide such person with access to any or all parts of such material or otherwise disclose the information contained in such material to such person.

(J) The right, in the case of a person admitted on a residential or inpatient care basis, to converse with others privately, to have convenient and reasonable access to the telephone and mails, and to see visitors during regularly scheduled hours, except that, if a mental health professional treating such person determines that denial of access to a particular visitor is necessary for treatment purposes, such mental health professional may, for a specific, limited, and reasonable period of time, deny such access if such mental health professional has ordered such denial in writing and such order has been incorporated in the treatment plan for such person. An order denying such access should include the reasons for such denial.

(K) The right to be informed promptly at the time of admission and periodically thereafter, in language and terms appropriate to such person's condition and ability to understand, of the rights described in this section.

(L) The right to assert grievances with respect to infringement of the rights described in this section, including the right to have such grievances considered in a fair, timely, and impartial grievance procedure provided for or by the program or facility.

(M) Notwithstanding subparagraph (J), the right of access to (including the opportunities and facilities for private communication with) any available—

(i) rights protection service within the program or facility;

(ii) rights protection service within the State mental health system designed to be available to such person;

(iii) system to protect and advocate the rights of mentally ill person established under section 5; and

(iv) qualified advocate;

for the purpose of receiving assistance to understand, exercise, and protect the rights described in this section and in other provisions of law.

(N) The right to exercise the rights described in this section without reprisal, including reprisal in the form of denial of any appropriate, available treatment.

(O) The right to referral as appropriate to other providers of mental health services upon discharge.

(2)(A) The rights described in this section should be in addition to and not in derogation of any other statutory or constitutional rights.

(B) The rights to confidentiality of and access to records as provided in subparagraphs (H) and (I) of paragraph (1) should remain applicable to records pertaining to a person after such person's discharge from a program or facility.

(3)(A) No otherwise eligible person should be denied admission to a program or facility for mental health services as a reprisal for the exercise of the rights described in this section.

(b) Nothing in this section should—

(i) obligate an individual mental health or health professional to administer treatment contrary to such professional's clinical judgment;

(ii) prevent any program or facility from discharging any person for whom the provision of appropriate treatment, consistent with the clinical judgment of the mental health professional primarily responsible for such person's treatment, is or has become impossible as a result of such person's refusal to consent to such treatment;

(iii) require a program or facility to admit any person who, while admitted on prior occasions to such program or facility, has repeatedly frustrated the purposes of such admissions by withholding consent to proposed treatment; or

(iv) obligate a program or facility to provide treatment services to any person who is admitted to such program or facility solely for diagnostic or evaluative purposes.

(C) In order to assist a person admitted to a program or facility in the exercise or protection of such person's rights, such person's attorney or legal representatives should have reasonable access to—

(i) such person;

(ii) the areas of the program or facility where such person has received treatment, resided, or had access; and

(iii) pursuant to the written authorization of such person, the records and information pertaining to such person's diagnosis, treatment, and related services described in paragraph (1)(I).

(D) Each program and facility should post a notice listing and describing, in language and terms appropriate to the ability of the persons to whom such notice is addressed to understand, the rights described in this section of all persons admitted to such program or facility. Each such notice should conform to the format and content for such notices, and should be posted in all appropriate locations.

(4)(A) In the case of a person adjudicated by a court of competent jurisdiction as being incompetent to exercise the right to consent to treatment or experimentation described in subparagraph (D) of (E) or paragraph (1), or the right to confidentiality of or access to records described in subparagraph (H) or (I) of such paragraph, or to provide authorization as described in paragraph (3)(C)(iii), such right may be exercised or such authorization may be provided by the individual appointed by such court as such person's guardian or representative for the purpose of exercising such right or such authorization.

(B) In the case of a person who lacks capacity to exercise the right to consent to treatment or experimentation under subparagraph (D) or (E) of paragraph (1), or the right to confidentiality of or access to records described in subparagraph (H) or (I) of such paragraph, or to provide authorization as described in paragraph (3)(C)(iii), because such person has not attained an age considered sufficiently advanced under State law to permit the exercise of such right or such authorization to be legally binding, such right may be exercised or such authorization may be provided on behalf of such person by a parent or legal guardian of such person.

(C) Notwithstanding subparagraphs (A) and (B), in the case of a person admitted to a program or facility for the purpose of receiving mental health services, no individual employed by or receiving any remuneration from such program or facility should act as such person's guardian or representative.

PROTECTION AND ADVOCACY SYSTEM

SEC. 5. (a)(1) The eligible system of a State may apply for an allotment for each fiscal year under this section.

(2) Payments from such allotment shall be used by such eligible system to establish in the State a system which complies with subsection (b) to—

(A) protect and advocate the established rights of mentally ill persons; and

(B) investigate reported incidents of abuse and neglect of mentally ill persons.

(3) All agencies of a State (other than the eligible system) may not use more than a total of 5 percent of any allotment under this section for any fiscal year for the costs of monitoring the administration of the system established under this section.

(4) An eligible system may not use more than 5 percent of any allotment under this section for any fiscal year for the costs of providing technical assistance and training to carry out this section.

(5)(A) In carrying out this section, an eligible system may use its allotment under this section to enter into contracts with State agencies and nonprofit organizations which operate throughout the State. In order to be eligible for a contract under this paragraph—

(i) such an agency shall be independent of any agency which provides treatment or services (other than advocacy services) to mentally ill persons; and

(ii) such an agency or such an organization shall have the capacity to protect and advocate the established rights of mentally ill persons.

(B) In carrying out subparagraph (A), an eligible system should consider entering into contracts with organizations which, on the date of enactment of this Act, provide protection or advocacy services to mentally ill persons.

(b)(1) A system established in a State under subsection (a) to protect and advocate the established rights of mentally ill persons shall—

(A) have the authority to—

(i) investigate reported incidents of abuse and neglect of mentally ill persons; and

(ii) pursue administrative, legal, and other appropriate remedies to ensure the protection of mentally ill persons who are receiving treatment in the State;

(B) be independent of any agency which provides treatment or services (other than advocacy services) to mentally ill persons;

(C) have access to residential facilities for mentally ill persons in the State;

(D) in accordance with paragraph (2), have access to all records of—

(i) any person who is a client of the system if such person or the guardian of such person has authorized the system to have such access; and

(ii) any person—

(I) who by reason of the mental or physical condition of such person is unable to authorize the system to have such access;

(II) who does not have a legal guardian or for whom legal guardian is the State; and

(III) with respect to whom a complaint has been received by the system;

(E) be provided with a copy of each annual survey report and plan of corrections for cited deficiencies made pursuant to titles XVIII and XIX of the Social Security Act with respect to any residential facility for mentally ill persons within 30 days after the completion of each such report or plan;

(F) establish a board which complies with paragraph (3) to advise the system on policies and priorities to be carried out in protecting and advocating the established rights of mentally ill persons; and

(G) on January 1, 1987, and January 1 of each succeeding year, prepare and transmit to the Secretary and the head of the State mental health agency a report describing the activities, accomplishments, and expenditures of the system during the most recently completed fiscal year.

(2)(A)(i) A system established in the State under this section which has access to records pursuant to paragraph (1)(D) shall not disclose information to the person who is the subject of the record if the mental health professional responsible for supervising the provision of mental health service to such person has made a written determination that the disclosure of such information to such person would be detrimental to such person's health, except as provided in clause (ii).

(ii) A person to whom disclosure of information has been denied under clause (i), or the guardian of such a person, may select a mental health professional with qualifications similar to the mental health professional who made the determination with respect to such person under such clause. The mental health professional selected under this clause shall review such information and determine, based on the professional judgment of such mental health professional, whether to disclose all or part of such information to such person.

(B) A system established in a State under this section which, pursuant to paragraph (1)(D), has access to records which, under Federal or State law, are required to be maintained in a confidential manner by a provider of mental health services, shall maintain the confidentiality of such records to the same extent as is required of the provider of such services.

(3) Each board established under paragraph (1)(F) shall include attorneys, mental health professionals, individuals from the public who are knowledgeable about mental illness, a provider of mental health services, persons who have received or are receiving mental health service, and family members of such persons.

(4)(A) Prior to instituting any legal action in a Federal or State court on behalf of a mentally ill person, a system established in a State under this section or a State agency or nonprofit organization which entered into a contract under subsection (a)(5) shall exhaust in a timely manner all administrative remedies where appropriate. If the pursuit of administrative remedies has not resolved any matter with respect to such person within a reasonable time, such system, agency, or organization may pursue alternative remedies, including the initiation of a legal action.

(B) The provisions of subparagraph (A) shall not apply to any legal action instituted by a system established in a State under this section or a State agency or nonprofit organization which entered into a contract under subsection (a)(5) in order to prevent or eliminate imminent serious harm to a mentally ill person.

(5) If the prevailing party in any legal action is represented by a system established in a State under this section or a State agency or a nonprofit organization which has entered into a contract under subsection (a)(5), the attorney's fees which may be awarded to such system, agency, or organization shall be computed at an hourly rate which—

(A) does not exceed the prevailing market hourly rate for the services of attorneys in the area in which the legal action is adjudicated; and

(B) is based on the actual costs incurred by such system, agency, or organization in providing such representation, including the percentage of the annual salary of each attorney providing such representation attributable to the number of hours incurred by such attorney in providing such representation and the percentage of the annual overhead expenses of such system, agency, or organization attributable to the provision of such representation.

(c)(1)(A) Except as provided in paragraph (2), the Secretary shall allot the amounts available for allotment under this section for a fiscal year to eligible systems on the basis of a formula prescribed by the Secretary which is based equally—

(i) on the population of each State in which an eligible system has been established, and

(ii) on the population of each such State weighted by its relative per capita income.

(B) For purposes of subparagraph (A)(ii), the term "relative per capita income" means the quotient of the per capita income of the United States and the per capita income of the State, except that if the State is Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, or the Virgin Islands, the quotient shall be considered to be one.

(2) Notwithstanding paragraph (1)—

(A) the allotment of the eligible system of each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico shall not be less than $125,000; and

(B) the allotment of the eligible system of each of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, or the Virgin Islands shall not be less than $67,000.

(3) The amount of an allotment to an eligible system for a fiscal year which the Secretary determines will not be required by the eligible system during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as the Secretary may fix (but not earlier than thirty days after the Secretary has published notice of the intention of the Secretary to make such reallotment in the Federal Register), to other eligible systems with respect to which such a determination has not been made, in proportion to the original allotments of such eligible systems for such fiscal year, but with such proportionate amount for any of such other eligible systems being reduced to the extent it exceeds the sum the Secretary estimates such eligible system needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the eligible systems whose proportionate amounts were not so reduced. Any amount so reallotted to an eligible system for a fiscal year shall be deemed to be a part of its allotment under paragraphs (1) and (2) for such fiscal year.

(d) No allotment may be made to an eligible system unless an application therefor is submitted to the Secretary. Each such application shall contain—

(1) assurances that amounts paid to such system from an allotment under this section will be used to supplement and not to supplant the level of non-Federal funds available in the State in which such eligible system is established to protect and advocate the established rights of mentally ill persons; and

(2) such other information as the Secretary may by regulation prescribe.

(e) For each fiscal year, the Secretary shall make payments to each eligible system from its allotment under subsection (c). Any amount paid to an eligible system for a fiscal year and remaining unobligated at the end of such year shall remain available to such system for the purposes for which it was made for the next fiscal year.

(f)(1) The Secretary shall include in each report required under section 107(c) of the Developmental Disabilities Assistance and Bill of Rights Act a separate statement describing—

(A) the activities, accomplishments, and expenditures of systems to protect and advocate the established rights of mentally ill persons supported with payments from allotments under this section, including—

(i) a specification of the total number of mentally ill persons served by such systems;

(ii) a description of the types of activities undertaken by such systems;

(iii) a description of the types of residential facilities for mentally ill persons with respect to which such activities are undertaken;

(iv) a description of the manner in which such activities are initiated; and

(v) a description of the accomplishments resulting from such activities;

(B) a description of the relationships between—

(i) systems to protect and advocate the established rights of mentally ill persons supported with payments from allotments under this section; and

(ii)(I) activities conducted by States to protect and advocate such rights; and

(II) mechanisms established by residential facilities for mentally ill persons to protect and advocate such rights; and

(C) recommendations for activities and services to improve the protection and advocacy of the established rights of mentally ill persons and a description of needs for such activities and services which have not been met by systems established under this Act.

(2) In preparing the statement required by paragraph (1), the Secretary shall use and include information submitted to the Secretary in the reports required under subsection (b)(1)(G).

(g) The Secretary may provide technical assistance to eligible systems with respect to activities carried out under this section.

(h) The Secretary shall carry out this section through the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration.

(i) For allotments under this section, there are authorized to be appropriated $10,000,000 for fiscal year 1986, $10,500,000 for fiscal year 1987, and $11,025,000 for fiscal year 1988.

TECHNICAL AMENDMENT

SEC. 6. Title V of the Mental Health Systems Act is repealed.

EFFECTIVE DATE

SEC. 7. This Act and the repeal made by this Act shall take effect on October 1, 1985.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

Mr. WEICKER. Mr. President, I rise today to urge my colleagues to support S. 974, the Protection and Advocacy for Mentally Ill Persons Act of 1985. On April 23, I introduced this bill as a specific response to the findings of a Subcommittee on the Handicapped investigation into conditions in institutions for mentally disabled persons. This investigation and 3 days of hearings documented the tragic fact that the institutionalized mentally disabled citizens of our Nation are often the victims of serious abuse and neglect. The legislation before us today will go a long way toward alleviating the intolerable situations in which too many of our mentally disabled citizens find themselves.

The bill provides for the establishment of a protection and advocacy system for the mentally ill in each

State, similar to the protection and advocacy system already established for our developmentally disabled citizens. It will thus afford mentally ill persons access to a system which will assist them in securing their rights which are guaranteed under Federal and State statutes and the U.S. Constitution. The bill also enumerates a bill of rights for the mentally ill—rights which currently exist as title V of the Mental Health Systems Act.

This bill before us today is a bill which was developed after hours of negotiating between Senators and their staffs of the Committee on Labor and Human Resources. I would particularly like to thank Senator Orrin Hatch, chairman of the Committee on Labor and Human Resources, for his assistance and support in developing the compromise bill, which is so critical for our Nation's mentally ill citizens. I urge my colleagues to support this bill, and thus send a message to the Nation that Congress will not tolerate the abuse and neglect of the most vulnerable citizens of our country.

Mr. KENNEDY. Mr. President, the Protection and Advocacy for Mentally Ill Persons Act which we are considering today is critically important to the thousands of individuals who are mentally ill and living in 24-hour facilities across our country. By adopting S. 974 we will provide the resources and the mechanisms to protect these vulnerable individuals from abuse and neglect and to advocate for their rights.

I am sure that most of my colleagues are aware that Senator Weicker recently held a series of hearings on the prevalence of abuse and neglect in institutions for the mentally ill. The extent of this neglect and the brutality of the abuse that exists in these settings is inexcusable and unconscionable. S. 974 provides $10 million for the first year for the establishment of a protection and advocacy system for mentally ill people who reside in 24-hour facilities. These systems will be administered by the existing Developmental Disabilities Protection and Advocacy Programs in each State. The D.D. Protection and Advocacy Program has been highly successful in providing a wide range of protection and advocacy services to individuals who are developmentally disabled and I believe that this advocacy expertise will be a valuable asset in serving people who are mentally ill. At the same time, I strongly urge each D.D. Program to employ individuals who have a strong background and expertise in working with individuals who are mentally ill. Along with providing protection against abuse and neglect for mentally ill individuals in 24-hour facilities this bill also protects their rights by providing them access to the full range of remedies to protect those rights.

The Protection and Advocacy for Mentally Ill Persons Act provides critical protection to people who reside in 24-hour facilities and represents an important step in providing the best services to these individuals. I believe that it is also of primary importance to ensure that mentally ill persons in the community are provided with the best and most appropriate services within their community. I intend to work toward improving these community services and resources so that mentally ill people can realize their fullest potential as contributing members of their communities and individuals who are now residing in institutions will be afforded the full range of necessary services in a community setting.

Although I strongly support this bill, I am deeply concerned about one provision which provides for lower attorney's fees for publicly funded attorneys who represent prevailing individuals or their legal guardians in cases which protect the rights of mentally ill people in 24-hour facilities. Should this provision remain, individuals who are mentally ill and who are poor will see their access to court remedies to protect their rights seriously limited. Should this provision remain, we will set up an unfair two-tiered system of protection for mentally ill people—the rich will be assured access to protective remedies but the poor will be limited and often times denied this access.

I believe that every American citizen should be provided with equitable access to the protection of their rights without regard to their economic status, their individual differences or their individual life challenges. I intend to pursue this matter vigorously in conference and I ask my colleagues to carefully consider the ramifications of this provision.

Mr. KERRY. Mr. President, I am pleased that the Senate has acted so quickly and brought to the floor S. 974 the Protection and Advocacy for Mentally Ill Persons Act. I am an original cosponsor of this legislation and feel that it is vital to ensure the protective rights of all mentally ill persons residing in institutions throughout this country. This legislation is the result of diligent efforts and I want to commend my fellow colleagues on the Labor and Human Resources Committee for their fine work. There is one issue however, which I must concede limits my wholehearted endorsement of this critical legislation. The bill includes one provision which I believe must be deleted. Language exists in the bill which limits attorneys' fees available to nonprofit, publicly funded organizations which provide legal assistance, yet will not limit fees to privately funded attorneys. I fear that this double standard sets a dangerous precedent in all future cases litigated in this area, and will consequently have a particularly negative impact on low income individuals most dependent on legal representation by publicly funded attorneys.

Last April, the Subcommittee on the Handicapped held 3 days of hearings on the care and treatment of mentally ill persons residing in State operated facilities. Furthermore, Senator Weicker released a report which documented a 9-month staff investigation into the conditions of 31 State-run facilities. A major finding of the report was that a lack of sufficient funding sources seriously hurts the ability of public advocacy groups to adequately investigate all complaints and to adequately advocate for the rights of all mentally ill persons residing in these facilities. I would like to point out Mr. President, that money awarded to publicly funded attorneys is recycled back into the organization for which the attorney works and is then used to expand services to low-income individuals. As a lawyer who has worked in a public defenders office let me assure you that I have witnessed firsthand that under our present system, offices which provide legal assistance to the poor, encounter an overwhelming demand for their services and unfortunately have limited resources to meet this demand. Let me emphatically stress the seriousness of this problem. And let me point out that any additional funds for advocacy, such as attorneys' fees, made available to expand legal services to our Nation's poor-disabled, is money that is very well spent.

I would also like to mention last year's U.S. Supreme Court decision Blum versus Stenson, where the Court ruled unanimously that under the Civil Rights Attorneys Act of 1976 all attorney's fees—including publicly funded attorney's fees—must be calculated according to prevailing market rates. I strongly urge that the Congress take a closer look at this issue before it mandates that fees to public attorneys be computed at a rate below the prevailing market rate.

Last, I would like to note, that a cap placed on publicly funded attorney's fees is likely to deter institutions from settling their cases expeditiously. Institutions which are not faced with having to pay more substantial attorneys' fees at the fair market rate will have an increased incentive to draw judicial proceedings out in an attempt to force plaintiffs to abandon their case. Mr. President, I offered an amendment at the Labor and Human Resources Committee markup that would have deleted the cap on publicly funded attorneys. The amendment was narrowly defeated—7 to 9. The closeness of this vote makes evident the fact that on the one hand we have a plethora of unanswered questions regarding an attorneys' fees cap and on the other hand we have the opportunity to pass a critical piece of legislation designed to protect the rights of mentally ill persons residing in insitutions—including their right to access the courts. I fear that by limiting the attorneys' fee for those who represent the poor, we are ultimately limiting the rights of poor people who are mentally ill and abused. This blatant double standard weakens S. 974.

Mr. President, I urge my colleagues to vote in favor of this vital bill, the Protection and Advocacy for Mentally Ill Persons Act, and I also strongly urge my House counterparts to uphold the rights of all handicapped individuals, rich and poor, and draft their legislation without a cap on publicly funded attorneys' fees.

Mr. HATCH. Mr. President, I urge my colleagues to support S. 974 as reported from the Senate Committee on Labor and Human Resources. S. 974, the Protection and Advocacy for Mentally Ill Persons Act of 1985, provides members of our society who are mentally ill a stronger voice in ensuring their protection against possible abuse.

S. 974, the Protection and Advocacy of Mentally Ill Persons Act, provides for the expansion of the existing Developmentally Disabled Protection and Advocacy Councils within each State to provide assistance to mentally ill persons. It has authorization of $10 million for fiscal year 1986, $10.5 million for fiscal year 1987 and $11.75 million for fiscal year 1988.

All in all, this legislation will go a long way in protecting those citizens of our country who, like each of us, is entitled to freedom from abuse and neglect.

This legislation, unanimously approved by the Senate Committee on Labor and Human Resources on July 10, 1985, was spearheaded by Senator Lowell Weicker. As chairman of the Subcommittee on the Handicapped, Senator Weicker has highlighted through this legislation the need for further protections against abuse and neglect for the mentally ill who reside in residential facilities.

The version of S. 974 approved by the committee and before the Senate today represents a compromise which retains the strong protections for the mentally ill patients who are victims of abuse while it ensures that appropriate steps will be taken to resolve expeditiously possible problems of abuse. I appreciate Senator Weicker's willingness to work with me and other colleagues on the Senate Labor and Human Resources Committee in addressing concerns about the language of the original bill.

Without reservation, I urge my colleagues to approve S. 974 and the accompaning budget waiver as reported from the Senate Committee on Labor and Human Resources. This legislation is a credit to Senator Weicker who has a track record of initiating legislative protections for the handicapped citizens of our country.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 974), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 974

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Protection and Advocacy for Mentally Ill Persons Act of 1985".

FINDINGS AND PURPOSES

Sec. 2. (a) The Congress finds that—

(1) mentally ill persons are vulnerable to abuse and serious injury;

(2) mentally ill persons are subject to neglect, including lack of treatment, adequate nutrition, clothing, health care, and adequate discharge planning; and

(3) State systems for monitoring compliance with respect to the established rights of mentally ill persons vary widely and are frequently inadequate.

(b) The purposes of this Act are—

(1) to ensure that the established rights of mentally ill persons are protected; and

(2) to assist States to establish and operate a protection and advocacy system for mentally ill persons which will—

(A) protect and advocate the established rights of such persons through activities to ensure the enforcement of the Constitution and Federal and State statutes; and

(B) investigate reported incidents of abuse and neglect of mentally ill persons.

DEFINITIONS

Sec. 3. (a) For purposes of this Act:

(1) The term "abuse" means any act or failure to act by an employee of a residential facility which was performed, or which was failed to be performed, knowingly, recklessly, or intentionally, and which caused, or may have caused, physical injury to a mentally ill person, and includes acts such as—

(A) the rape or sexual assault of a mentally ill person;

(B) the striking of a mentally ill person;

(C) the use of excessive force when placing a mentally ill person in bodily restraints; and

(D) the use of bodily or chemical restraints on a mentally ill person which is not in compliance with Federal and State laws and regulations.

(2) The term "eligible system" means the system established in a State to protect and advocate the rights of persons with developmental disabilities under part C of the Developmental Disabilities Assistance and Bill of Rights Act.

(3) The term "mentally ill person" means an individual—

(A) for whom a primary diagnosis of mental illness has been made by a mental health professional qualified under the laws of the State; and

(B) who is an inpatient or resident in, and who resides for 24 hours a day in, a residential facility.

(4) The term "neglect" means a negligent act or omission by any person responsible for providing services in a residential facility which caused or may have caused physical or mental injury to a mentally ill person or which placed a mentally ill person at risk of physical or mental injury, and includes an act or omission such as the failure to establish or carry out an appropriate individual program plan or treatment plan for a mentally ill person, the failure to provide adequate nutrition, clothing, or health care to a mentally ill person, or the failure to provide a safe environment for a mentally ill person.

(5) The term "Secretary" means the Secretary of Health and Human Services.

(6) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The Secretary may not promulgate regulations which define the terms "mentally ill person" and "residential facility" for purposes of this Act.

BILL OF RIGHTS

Sec. 4. It is the sense of the Congress that, as previously stated in title V of the Mental Health Systems Act, each State should review and revise, if necessary, its laws to ensure that mental health patients receive the protection and services they require, and that in making such review and revision, States should take into account the recommendations of the President's Commission on Mental Health and the following:

(1) A person admitted to a program or facility for the purpose of receiving mental health services should be accorded the following:

(A) The right to appropriate treatment and related services in a setting and under conditions that—

(i) are the most supportive of such person's personal liberty; and

(ii) restrict such liberty only to the extent necessary consistent with such person's treatment needs, applicable requirements of law, and applicable judicial orders.

(B) The right to an individualized, written, treatment or service plan (such plan to be developed promptly after admission of such person), the right to treatment based on such plan, the right to periodic review and reassessment of treatment and related service needs, and the right to appropriate revision of such plan, including any revision necessary to provide a description of mental health services that may be needed after such person is discharged from such program or facility.

(C) The right to ongoing participation, in a manner appropriate to such person's capabilities, in the planning of mental health services to be provided such person (including the right to participate in the development and periodic revision of the plan described in subparagraph (B)), and, in connection with such participation, the right to be provided with a reasonable explanation, in terms and language appropriate to such person's condition and ability to understand, of—

(i) such person's general mental condition and, if such program or facility has provided a physical examination, such person's general physical condition;

(ii) the objectives of treatment;

(iii) the nature and significant possible adverse effects of recommended treatments;

(iv) the reasons why a particular treatment is considered appropriate;

(v) the reasons why access to certain visitors may not be appropriate; and

(vi) any appropriate and available alternative treatments, services, and types of providers of mental health services.

(D) The right not to receive a mode or course of treatment, established pursuant to the treatment plan, in the absence of such person's informed, voluntary, written consent to such mode or course of treatment, except treatment—

(i) during an emergency situation if such treatment is pursuant to or documented contemporaneously by the written order of a responsible mental health professional; or

(ii) as permitted under applicable law in the case of a person committed by a court to a treatment program or facility.

(E) The right not to participate in experimentation in the absence of such person's informed, voluntary, written consent, the right to appropriate protections in connection with such participation, including the right to a reasonable explanation of the procedure to be followed, the benefits to be expected, the relative advantages of alternative treatments, and the potential discomforts and risks, and the right and opportunity to revoke such consent.

(F) The right to freedom from restraint or seclusion, other than as a mode or course of treatment or restraint or seclusion during an emergency situation if such restraint or seclusion is pursuant to or documented contemporaneously by the written order of a responsible mental health professional.

(G) The right to a humane treatment environment that affords reasonable protection from harm and appropriate privacy to such person with regard to personal needs.

(H) The right to confidentiality of such person's records.

(I) The right to access, upon request, to such person's mental health care records, except such person may be refused access to—

(i) information in such records provided by a third party under assurance that such information shall remain confidential; and

(ii) specific material in such records if the health professional responsible for the mental health services concerned has made a determination in writing that such access would be detrimental to such person's health, except that such material may be made available to a similarly licensed health professional selected by such person and such health professional may, in the exercise of professional judgment, provide such person with access to any or all parts of such material or otherwise disclose the information contained in such material to such person.

(J) The right, in the case of a person admitted on a residential or inpatient care basis, to converse with others privately, to have convenient and reasonable access to the telephone and mails, and to see visitors during regularly scheduled hours, except that, if a mental health professional treating such person determines that denial of access to a particular visitor is necessary for treatment purposes, such mental health professional may, for a specific, limited, and reasonable period of time, deny such access if such mental health professional has ordered such denial in writing and such order has been incorporated in the treatment plan for such person. An order denying such access should include the reasons for such denial.

(K) The right to be informed promptly at the time of admission and periodically thereafter, in language and terms appropriate to such person's condition and ability to understand, of the rights described in this section.

(L) The right to assert grievances with respect to infringement of the rights described in this section, including the right to have such grievances considered in a fair, timely, and impartial grievance procedure provided for or by the program or facility.

(M) Notwithstanding subparagraph (J), the right of access to (including the opportunities and facilities for private communication with) any available—

(i) rights protection service within the program or facility;

(ii) rights protection service within the State mental health system designed to be available to such person;

(iii) system to protect and advocate the rights of mentally ill persons established under section 5; and

(iv) qualified advocate;

for the purpose of receiving assistance to understand, exercise, and protect the rights described in this section and in other provisions of law.

(N) The right to exercise the rights described in this section without reprisal, including reprisal in the form of denial of any appropriate, available treatment.

(O) The right to referral as appropriate to other providers of mental health services upon discharge.

(2)(A) The rights described in this section should be in addition to and not in derogation of any other statutory or constitutional rights.

(B) The rights to confidentiality of and access to records as provided in subparagraphs (H) and (I) of paragraph (1) should remain applicable to records pertaining to a person after such person's discharge from a program or facility.

(3)(A) No otherwise eligible person should be denied admission to a program or facility for mental health services as a reprisal for the exercise of the rights described in this section.

(B) Nothing in this section should—

(i) obligate an individual mental health or health professional to administer treatment contrary to such professional's clinical judgment;

(ii) prevent any program or facility from discharging any person for whom the provision of appropriate treatment, consistent with the clinical judgment of the mental health professional primarily responsible for such person's treatment, is or has become impossible as a result of such person's refusal to consent to such treatment;

(iii) require a program or facility to admit any person who, while admitted on prior occasions to such program or facility, has repeatedly frustrated the purposes of such admissions by withholding consent to proposed treatment; or

(iv) obligate a program or facility to provide treatment services to any person who is admitted to such program or facility solely for diagnostic or evaluative purposes.

(C) In order to assist a person admitted to a program or facility in the exercise or protection of such person's rights, such person's attorney or legal representatives should have reasonable access to—

(i) such person;

(ii) the areas of the program or facility where such person has received treatment, resided, or had access; and

(iii) pursuant to the written authorization of such person, the records and information pertaining to such person's diagnosis, treatment, and related services described in paragraph (1)(I).

(D) Each program and facility should post a notice listing and describing, in language and terms appropriate to the ability of the persons to whom such notice is addressed to understand, the rights described in this section of all persons admitted to such program or facility. Each such notice should conform to the format and content for such notices, and should be posted in all appropriate locations.

(4)(A) In the case of a person adjudicated by a court of competent jurisdiction as being incompetent to exercise the right to consent to treatment or experimentation described in subparagraph (D) or (E) of paragraph (1), or the right to confidentiality of or access to records described in subparagraph (H) or (I) of such paragraph, or to provide authorization as described in paragraph (3)(C)(iii), such right may be exercised or such authorization may be provided by the individual appointed by such court as such person's guardian or representative for the purpose of exercising such right or such authorization.

(B) In the case of a person who lacks capacity to exercise the right to consent to treatment or experimentation under subparagraph (D) or (E) of paragraph (1), or the right to confidentiality of or access to records described in subparagraph (H) or (I) of such paragraph, or to provide authorization as described in paragraph (3)(C)(iii), because such person has not attained an age considered sufficiently advanced under State law to permit the exercise of such right or such authorization to be legally binding, such right may be exercised or such authorization may be provided on behalf of such person by a parent or legal guardian of such person.

(C) Notwithstanding subparagraphs (A) and (B), in the case of a person admitted to a program or facility for the purpose of receiving mental health services, no individual employed by or receiving any remuneration from such program or facility should act as such person's guardian or representative.

PROTECTION AND ADVOCACY SYSTEM

SEC. 5. (a)(1) The eligible system of a State may apply for an allotment for each fiscal year under this section.

(2) Payments from such allotment shall be used by such eligible system to establish in the State a system which complies with subsection (b) to—

(A) protect and advocate the established rights of mentally ill persons; and

(B) investigate reported incidents of abuse and neglect of mentally ill persons.

(3) All agencies of a State (other than the eligible system) may not use more than a total of 5 percent of any allotment under this section for any fiscal year for the costs of monitoring the administration of the system established under this section.

(4) An eligible system may not use more than 5 percent of any allotment under this section for any fiscal year for the costs of providing technical assistance and training to carry out this section.

(5)(A) In carrying out this section, an eligible system may use its allotment under this section to enter into contracts with State agencies and nonprofit organizations which operate throughout the State. In order to be eligible for a contract under this paragraph—

(i) such an agency shall be independent of any agency which provides treatment or services (other than advocacy services) to mentally ill persons; and

(ii) such an agency or such an organization shall have the capacity to protect and advocate the established rights of mentally ill persons.

(B) In carrying out subparagraph (A), an eligible system should consider entering into contracts with organizations which, on the date of enactment of this Act, provide protection or advocacy services to mentally ill persons.

(b)(1) A system established in a State under subsection (a) to protect and advocate the established rights of mentally ill persons shall—

(A) have the authority to—

(i) investigate reported incidents of abuse and neglect of mentally ill persons; and

(ii) pursue administrative, legal, and other appropriate remedies to ensure the protection of mentally ill persons who are receiving treatment in the State;

(B) be independent of any agency which provides treatment or services (other than advocacy services) to mentally ill persons;

(C) have access to residential facilities for mentally ill persons in the State;

(D) in accordance with paragraph (2), have access to all records of—

(i) any person who is a client of the system if such person or the guardian of such person has authorized the system to have such access; and

(ii) any person—

(I) who by reason of the mental or physical condition of such person is unable to authorize the system to have such access;

(II) who does not have a legal guardian or for whom legal guardian is the State; and

(III) with respect to whom a complaint has been received by the system;

(E) be provided with a copy of each annual survey report and plan of corrections for cited deficiencies made pursuant to titles XVIII and XIX of the Social Security Act with respect to any residential facility for mentally ill persons within 30 days after the completion of each such report or plan;

(F) establish a board which complies with paragraph (3) to advise the system on policies and priorities to be carried out in protecting and advocating the established rights of mentally ill persons; and

(G) on January 1, 1987, and January 1 of each succeeding year, prepare and transmit to the Secretary and the head of the State mental health agency a report describing the activities, accomplishments, and expenditures of the system during the most recently completed fiscal year.

(2)(A)(i) A system established in a State under this section which has access to records pursuant to paragraph (1)(D) shall not disclose information to the person who is the subject of the record if the mental health professional responsible for supervising the provision of mental health services to such person has made a written determination that the disclosure of such information to such person would be detrimental to such person's health, except as provided in clause (ii).

(ii) A person to whom disclosure of information has been denied under clause (i), or the guardian of such a person, may select a mental health professional with qualifications similar to the mental health professional who made the determination with respect to such person under such clause. The mental health professional selected under this clause shall review such information and determine, based on the professional judgment of such mental health professional, whether to disclose all or part of such information to such person.

(B) A system established in a State under this section which, pursuant to paragraph (1)(D), has access to records which, under Federal or State law, are required to be maintained in a confidential manner by a provider of mental health services, shall maintain the confidentiality of such records to the same extent as is required of the provider of such services.

(3) Each board established under paragraph (1)(F) shall include attorneys, mental health professionals, individuals from the public who are knowledgeable about mental illness, a provider of mental health services, persons who have received or are receiving mental health services, and family members of such persons.

(4)(A) Prior to instituting any legal action in a Federal or State court on behalf of a mentally ill person, a system established in a State under this section or a State agency or nonprofit organization which entered into a contract under subsection (a)(5) shall exhaust in a timely manner all administrative remedies where appropriate. If the pursuit of administrative remedies has not resolved any matter with respect to such person within a reasonable time, such system, agency, or organization may pursue alternative remedies, including the initiation of a legal action.

(B) The provisions of subparagraph (A) shall not apply to any legal action instituted by a system established in a State under this section or a State agency or nonprofit organization which entered into a contract under subsection (a)(5) in order to prevent or eliminate imminent serious harm to a mentally ill person.

(5) If the prevailing party in any legal action is represented by a system established in a State under this section or a State agency or a nonprofit organization which has entered into a contract under subsection (a)(5), the attorney's fees which may be awarded to such system, agency, or organization shall be computed at an hourly rate which—

(A) does not exceed the prevailing market hourly rate for the services of attorneys in the area in which the legal action is adjudicated; and

(B) is based on the actual costs incurred by such system, agency, or organization in providing such representation, including the percentage of the annual salary of each attorney providing such representation attributable to the number of hours incurred by such attorney in providing such representation and the percentage of the annual overhead expenses of such system, agency, or organization attributable to the provision of such representation.

(c)(1)(A) Except as provided in paragraph (2), the Secretary shall allot the amounts available for allotment under this section for a fiscal year to eligible systems on the basis of a formula prescribed by the Secretary which is based equally—

(i) on the population of each State in which an eligible system has been established, and

(ii) on the population of each such State weighted by its relative per capita income.

(B) For purposes of subparagraph (A)(ii), the term "relative per capita income" means the quotient of the per capita income of the United States and the per capita income of the State, except that if the State is Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, or the Virgin Islands, the quotient shall be considered to be one.

(2) Notwithstanding paragraph (1)—

(A) the allotment of the eligible system of each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico shall not be less than $125,000; and

(B) the allotment of the eligible system of each of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, or the Virgin Islands shall not be less than $67,000.

(3) The amount of an allotment to an eligible system for a fiscal year which the Secretary determines will not be required by the eligible system during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as the Secretary may fix (but not earlier than thirty days after the Secretary has published notice of the intention of the Secretary to make such reallotment in the Federal Register), to other eligible systems with respect to which such a determination has not been made, in proportion to the original allotments of such eligible systems for such fiscal year, but with such proportionate amount for any of such other eligible systems being reduced to the extent it exceeds the sum the Secretary estimates such eligible system needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the eligible systems whose proportionate amounts were not so reduced. Any amount so reallotted to an eligible system for a fiscal year shall be deemed to be a part of its allotment under paragraphs (1) and (2) for such fiscal year.

(d) No allotment may be made to an eligible system unless an application therefor is submitted to the Secretary. Each such application shall contain—

(1) assurances that amounts paid to such system from an allotment under this section will be used to supplement and not to supplant the level of non-Federal funds available in the State in which such eligible system is established to protect and advocate the established rights of mentally ill persons; and

(2) such other information as the Secretary may by regulation prescribe.

(e) For each fiscal year, the Secretary shall make payments to each eligible system from its allotment under subsection (c). Any amount paid to an eligible system for a fiscal year and remaining unobligated at the end of such year shall remain available to such system for the purposes for which it was made for the next fiscal year.

(f)(1) The Secretary shall include in each report required under section 107(c) of the Developmental Disabilities Assistance and Bill of Rights Act a separate statement describing—

(A) the activities, accomplishments, and expenditures of systems to protect and advocate the established rights of mentally ill persons supported with payments from allotments under this section, including—

(i) a specification of the total number of mentally ill persons served by such systems;

(ii) a description of the types of activities undertaken by such systems;

(iii) a description of the types of residential facilities for mentally ill persons with respect to which such activities are undertaken;

(iv) a description of the manner in which such activities are initiated; and

(v) a description of the accomplishments resulting from such activities;

(B) a description of the relationships between—

(i) systems to protect and advocate the established rights of mentally ill persons supported with payments from allotments under this section; and

(ii)(I) activities conducted by States to protect and advocate such rights; and

(II) mechanisms established by residential facilities for mentally ill persons to protect and advocate such rights; and

(C) recommendations for activities and services to improve the protection and advocacy of the established rights of mentally ill persons and a description of needs for such activities and services which have not been met by systems established under this Act.

(2) In preparing the statement required by paragraph (1), the Secretary shall use and include information submitted to the Secretary in the reports required under subsection (b)(1)(G).

(g) The Secretary may provide technical assistance to eligible systems with respect to activities carried out under this section.

(h) The Secretary shall carry out this section through the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration.

(i) For allotments under this section, there are authorized to be appropriated $10,000,000 for fiscal year 1986, $10,500,000 for fiscal year 1987, and $11,025,000 for fiscal year 1988.

TECHNICAL AMENDMENT

SEC. 6. Title V of the Mental Health Systems Act is repealed.

EFFECTIVE DATE

SEC. 7. This Act and the repeal made by this Act shall take effect on October 1, 1985.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the following nominations on the Executive Calendar: Calendar Nos. 320, 321, 334, 338, 341 through 365, and all nominations placed on the Secretary's desk.

Mr. BYRD. Mr. President, there is no objection.

Mr. DOLE. Mr. President, I also understand that we can now do Calendar No. 339.

Mr. BYRD. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the nominations just identified be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations confirmed en bloc are as follows:

DEPARTMENT OF JUSTICE

Lydia E. Glover, of South Carolina, to be United States Marshal for the District of South Carolina for the term of 4 years.

DEPARTMENT OF DEFENSE

Donald Alden Hicks, of California, to be Under Secretary of Defense for Research and Engineering.

DEPARTMENT OF JUSTICE

Vinton DeVane Lide, of South Carolina, to be United States Attorney for the District of South Carolina for the term of 4 years.

[NEW REPORTS]

UNITED STATES SYNTHETIC FUELS CORPORATION

Russell F. Miller, of Maryland, to be Deputy Inspector General of the United States Synthetic Fuels Corporation for a term of 7 years.

DEPARTMENT OF THE INTERIOR

William P. Horn, of Virginia, to be Assistant Secretary for Fish and Wildlife, Department of the Interior.

DEPARTMENT OF STATE

George Cranwell Montgomery, of Tennessee, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sultanate of Oman.

Bruce Chapman of Washington, to be the Representative of the United States of America to the Vienna Office of the United Nations and Deputy Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

Bernard Kalb, of Maryland, to be an Assistant Secretary of State, vice Robert John Hughes, resigned.

Thomas Michael Tolliver Niles, of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

Gary L. Matthews, of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta.

Harvey Frans Nelson, Jr., of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland.

Irvin Hicks, of Maryland, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

Robert Vossler Keeley, of Florida, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece.

Francis J. Meehan, of Virginia, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the German Democratic Republic.

John Pierce Ferriter, of Florida, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Djibouti.

John Blane, of Illinois, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chad.

Richard Wayne Bogosian, of Maryland, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Niger.

DEPARTMENT OF DEFENSE

Admiral William J. Crowe, Jr., U.S. Navy, under the provisions of title 10, United States Code, section 142, to be Chairman Joint Chiefs of Staff.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370.

To be lieutenant general

Lt. Gen. Bruce K. Brown, 525-52-6910FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Harley A. Hughes, 441-34-0667FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, Section 601:

To be lieutenant general

Lt. Gen. David L. Nichols, 509-28-0901FR, U.S. Air Force.

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of Title 10. United States Code. Sections 611(a) and 624:

To be brigadier general

Col. Arvid E. West, Jr., 389-32-1909, U.S. Army.

Col. Robert A. Harleston, 079-26-8225, U.S. Army.

Col. Peter W. Lash, 574-14-0327, U.S. Army.

Col. George C. Ogden, Jr., 446-36-1513, U.S. Army.

Col. Rhoss C. Lomax, Jr., 425-64-0193, U.S. Army.

Col. Virgil A. Richard, 447-38-9989, U.S. Army.

Col. Robert L. Dilworth, 264-52-0517, U.S. Army.

Col. John R. Piatak, 280-30-9106, U.S. Army.

Col. James W. Ball, 425-76-0130, U.S. Army.

Col. Carmen J. Cavezza, 061-30-0777, U.S. Army.

Col. David J. Allen, 007-30-5048, U.S. Army.

Col. Eugene C. Renzi, 030-34-2011, U.S. Army.

Col. James H. Johnson, Jr., 224-52-5098, U.S. Army.

Col. Peter D. Hidalgo, 434-48-6514, U.S. Army.

Col. David A. Nydam, 001-28-0821, U.S. Army.

Col. Carl W. Tipton, 429-60-6581, U.S. Army.

Col. Evelyn P. Foote, 579-36-3463, U.S. Army.

Col. Peter M. McVey, 153-24-0133, U.S. Army.

Col. Roland LaJoie, 002-26-9517, U.S. Army.

Col. David L. Funk, 459-58-0828, U.S. Army.

Col. Paul L. Greenberg, 410-52-6776, U.S. Army.

Col. William A. Stofft, 560-44-9358, U.S. Army.

Col. Jere H. Akin, 252-58-3705, U.S. Army.

Col. Jerry A. White, 232-54-2156, U.S. Army.

Col. Ira C. Owens, 521-38-8641, U.S. Army.

Col. Joseph Pratt, 070-30-4385, U.S. Army.

Col. Theodore Vander Els, 093-32-3985, U.S. Army.

Col. Melvin L. Byrd, 225-36-2403, U.S. Army.

Col. Patrick J. Kelly, 047-28-3359, U.S. Army.

Col. James H. B. Peay III, 227-46-1317, U.S. Army.

Col. Jerome H. Granrud, 499-38-2710, U.S. Army.

Col. Caryl G. Marsh, 404-50-4303, U.S. Army.

Col. Jack C. Wheeler, 258-56-5478, U.S. Army.

Col. William G. Pagonis, 182-32-7343, U.S. Army.

Col. Cloyd H. Pfister, 052-32-9906, U.S. Army.

Col. James E. Bickford, 406-44-8692, U.S. Army.

Col. Joseph S. Laposata, 207-30-0517, U.S. Army.

Col. Charles H. Armstrong, 517-34-4557, U.S. Army.

Col. William S. C. Chen, 339-34-5787, U.S. Army.

Col. Samuel A. Leffler, 483-48-5420, U.S. Army.

Col. Willian H. Forster, 427-68-5996, U.S. Army.

Col. Edward R. Baldwin, Jr., 488-40-3654, U.S. Army.

Col. Donald M. Lionetti, 144-30-6344, U.S. Army.

Col. Bruce W. Hall, 519-40-6201, U.S. Army.

Col. William N. Farmen, 054-32-2513, U.S. Army.

Col. Richard J. Mallion, 022-30-2849, U.S. Army.

Col. Lynn C. Hooper, 430-76-2872, U.S. Army.

Col. Domenic P. Rocco, Jr., 163-30-3015, U.S. Army.

Col. John D. Robinson, 013-30-1090, U.S. Army.

Col. Malcolm O'Neill, 326-34-8023, U.S. Army.

Col. Timothy J. Grogan, 540-38-5685, U.S. Army.

Col. Charles E. St. Arnaud, 348-30-8714, U.S. Army.

Col. James A. Guest, 252-66-6226, U.S. Army.

Col. William C. Page, Jr., 429-68-6113, U.S. Army.

Col. Guy A. J. Laboa, 467-58-5673, U.S. Army.

Col. Stephen Silver, Jr., 515-40-8976, U.S. Army.

Col. William W. Crouch, 530-26-4224, U.S. Army.

Col. Sherman H. Williford, 224-50-3744, U.S. Army.

Col. Fred F. Marty, 495-40-0462, U.S. Army.

Col. Paul E. Funk, 517-42-2603, U.S. Army.

Col. John C. Heldstab, 477-36-6872, U.S. Army.

Col. David A. Armstrong, 053-34-1597, U.S. Army.

Col. Barry R. McCaffrey, 228-56-4971, U.S. Army.

IN THE NAVY

The following-named Commodores of the U.S. Navy for promotion to the permanent grade of rear admiral.

MEDICAL CORPS

To be rear admiral

Joseph Samuel Cassells.

Louis Henry Eske.

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

The following-named persons to be Members of the National Council on Educational Research for terms expiring September 30, 1987:

Elaine Y. Schadler, of Pennsylvania.

Gwyneth Gayman, of California.

Onalee McGraw, of Virginia, to be a Member of the National Council on Educational Research for a term expiring September 30, 1987.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Alice Wright Algood, of Tennessee, to be a Member of the National Museum Services Board for a term expiring December 6, 1989.

NATIONAL SCIENCE FOUNDATION

Thomas B. Day, of California to be a Member of the National Science Board. National Science Foundation, for a term expiring May 10, 1990.

James Johnson Duderstadt, of Michigan, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990.

Perry L. Adkisson, of Texas, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990.

ACTION AGENCY

Henry M. Ventura, of California, to be Deputy Director of the ACTION Agency.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, COAST GUARD, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NAVY

Air Force nominations beginning Christian Y. Herrera, and ending Geoffrey E. Bangs, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 25, 1985.

Air Force nominations beginning William J. Agness, and ending Sondra K. Zimmerman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 25, 1985.

Army nominations beginning Raymond J. Cully, Jr, and ending Michael A White, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 25, 1985.

Coast Guard nominations beginning Robert H. Carmack, and ending Robert A. Cushing, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

National Oceanic and Atmospheric Administration nominations beginning Thomas E. Gerish, and ending Todd C. Stiles, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 25, 1985.

Navy nominations beginning Charles Llewellyn Adams, and ending Gary William Ley, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 9, 1985.

Navy nominations beginning Valeree Baity, and ending William A. Walker, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 25, 1985.

WILLIAM P. HORN TO BE ASSISTANT SECRETARY OF THE INTERIOR FOR FISH AND WILDLIFE AND PARKS

Mr. McCLURE. Mr. President, I am pleased to bring before the Senate the unanimous recommendation of the Committee on Energy and Natural Resources that the Senate consent to the nomination of William P. Horn to be Assistant Secretary of the Interior for Fish and Wildlife and Parks.

On July 24, 1985, the Committee on Energy and Natural Resources held a hearing to consider the nominee, and on July 30, 1985, the committee ordered the nomination favorably reported by a vote of 16 yeas, 0 nays.

Mr. President, Mr. Horn brings practical experience to this position as he currently serves the Interior Department as Deputy Under Secretary. His present responsibility includes coordinating and directing the Department's Alaska-related programs. He is serving as Chief Coordinator of Negotiations for the Indian Water Claims Task Force and a Chairman of the Great Lakes Fisheries Commission.

Mr. President, Mr. Horn's current position follows a lengthy career in public service within the executive branch and as a House of Representatives staff member. His extensive experience in natural resource management and his commitment to preserving our national park, wilderness, and wildlife resources certainly qualifies him to fulfill the role of Assistant Secretary.

Mr. President, this nominee has fully complied with the committee's rules requiring submittal of a financial disclosure report and a detailed information statement. On behalf of the Committee on Energy and Natural Resources, I am pleased to recommend Senate approval of this Presidential nomination.

NOMINATION OF WILLIAM P. HORN, TO BE ASSISTANT SECRETARY OF INTERIOR FOR FISH AND WILDLIFE AND PARKS

Mr. MURKOWSKI. Mr. President, I have the honor today of supporting the President's nominee to the position of Assistant Secretary of the Interior for Fish and Wildlife and Parks, Mr. William P. Horn, of McLean, VA.

Bill has more than 15 years of experience working with natural resource issues in the Department of the Interior, the Department of Commerce and the House Interior Committee. For the past 4½ years at the Department of the Interior he has been charged with primary responsbility for implementing the Alaska National Interest Lands Conservation Act and for coordinating the Department's programs in Alaska.

As the chief spokesman in Interior on Alaskan issues, Bill achieved a reputation for fairness, integrity, and professionalism. He continually demonstrated his understanding of the complexity of those issues and the need to achieve a balance between the demands made by competing interests.

As Assistant Secretary, Bill will be in charge of our National Parks Programs and Fish and Wildlife Programs. This is a particularly important position for Alaska because we have 57 million acres of national parks and 75 million acres of wildlife refuges. Two-thirds of our Nation's national park acreage and nearly three-quarters of our wildlife refuge land is in Alaska.

I think it is interesting to reflect on the fact that 15 percent of the land in Alaska is in the National Park System and more than 20 percent is in the National Wildlife Refuge System. As such, Bill Horn will have jurisdiction over 35 percent of the land in my State. His decisions will have an immense impact on Alaskans. Because of his past experience with Alaskan issues, I am confident that those decisions will rest upon a sound understanding of Alaska's unique nature.

In addition to his responsibilities for Alaska programs, Bill has served on the International Great Lakes Fishery Commission and has been the Department's chief negotiator on several disputes involving Indian fishing, and land and water claims. His dedication to the goal of achieving a fair resolution and his personal attention to the issues resulted in settlement of a number of protracted controversies. Among these was the United States/Canada Salmon Treaty which had been negotiated on and off for the past 20 years until Bill got involved and brought about a favorable resolution.

His record of success in resolving these very controversial disputes is indicative of the skills which he brings to his work.

Bill's professional experiences will be a significant asset to the Department of the Interior and to this Nation in the coming years. Our national parks are faced with ever-increasing use by the public at the same time that general revenue funding for the maintenance of those parks is shrinking. Balancing the demands of the public with the need to reduce the Federal deficit and protect the natural resources enshrined in the national parks and wildlife refuges will require considerable skill and ability. Bill Horn has demonstrated that he possesses these qualities in abundance.

Mr. President, I can think of few other nominees that are as qualified to hold the position to which they have been nominated as Bill Horn is to be Assistant Secretary of Interior for Fish and Wildlife and Parks. I encourage my colleagues to join with me in supporting his nomination.

Mr. McCLURE. Mr. President, I am pleased to bring before the Senate the unanimous recommendation of the Committee on Energy and Natural Resources that the Senate consent to the nomination of Russell F. Miller to be Deputy Inspector General of the U.S. Synthetic Fuels Corporation for a term of 7 years.

On July 24, 1985, the Committee on Energy and Natural Resources held a hearing to consider the nominee, and on July 30, 1985, the committee ordered the nomination favorably reported by a vote of 16 yeas, 0 nays.

Mr. Miller brings direct experience to this position in his present role as the SFC's Director of Investigations. He has served in that capacity since August 1982. Prior to joining the SFC, Mr. Miller served with the CIA for 29 years in various management positions, where he was involved with information analysis and investigative activities.

Mr. President, the SFC is moving into the contract monitoring phase of its activities which will involve increased responsibilities in the audit and oversight functions of the Office of the Inspector General. Effective implementation of the SFC's contracts for financial assistance is essential to the successful development of a national Synthetic Fuels Program. Mr. Miller's experience will be helpful to the Office of the Inspector General In carrying out its audit and inspection activities, and certainly qualifies him to be Deputy Inspector General.

Mr. President, this nominee has fully complied with the Committee's rules requiring submittal of a financial disclosure report and a detailed information statement. On behalf of the Committee on Energy and Natural Resources, I am pleased to recommend Senate approval of this Presidential nomination.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate resumed the consideration of legislative business.

U.S. WHEAT TO THE PHILIPPINES

Mr. MELCHER. Mr. President, I note in the Record of Tuesday under a bullet, meaning the statement was submitted for printing by the distinguished chairman of the Committee on Foreign Relations, my good friend from Indiana [Mr. Lugar], he makes a statement regarding the question of what has been the administration's policy as exercised by the Department of State in relation to the Philippines regarding wheat and rice sales this year.

Let me make that clear, Mr. President. These are sales to the Philippines of the huge quantities of wheat that we have available and of some quantities of rice—not as huge—that we have available. Let me just state some of my observations as compared to the statement of my distinguished friend from Indiana.

I stated the facts on July 15 regarding the situation with the Government in the Philippines. It was this: the Philippines have bought wheat from us consistently each year for the past 7 years or longer, but never have they bought during that period of time from any other countries. In other words, our special relationship that has existed with the Philippines included their willingness, not under any duress from us, to buy whatever wheat was used in their country from the United States. I find that to be rather remarkable. It was not a signed agreement, is not a signed agreement, it is just a reflection of the Philippines' willingness to purchase wheat from the United States and only from the United States.

In application for a purchase this year, they were stalled. The Department of State said that they wanted some conditions assigned to that sale. Those conditions had to do with how the Philippines handle the wheat after it reaches the Philippines in terms of who could mill it and whether that milling itself would be under Government control and then whether the distribution of the product, the flour, would be under Government control.

The Government of the Philippines in April, under a statement made by their President Marcos, said that those conditions were agreeable with the Government of the Philippines.

A third request, a third point of the Department of State was that no Government agency of the Philippines would be involved in the purchase of the wheat. That, indeed, did run into a snag. There are internal reasons for that, Mr. President, and there are reasons that are internal to the Government of the Philippines.

It is not unusual, since all except one of the 60-odd countries that purchase wheat from the United States purchase through a government agency, their own government agency. That is the way to do it—whether it is Russia or the countries of the Common Market, the European Community—or whether it is Pakistan or South Korea, Taiwan, China, or other countries. All except one country out of the 60-odd that purchase American wheat purchase it through a government agency.

The one exception that does not use a government agency that purchases wheat from the United States is Guatemala, which for their own reasons, purchases it only through the private enterprise system.

It was not, in the case of the Government of the Philippines, unusual; in fact, they were doing the usual thing of countries that purchase American wheat. So, Mr. President, despite what my learned and distinguished friend from Indiana, the chairman of the Foreign Relations Committee [Mr. Lugar], states, the delay on the part of the Department of State in blocking the sale of wheat to the Philippines was a delay that was unnecessary and extremely impractical. In addition to that, Mr. President, it was highly detrimental to the wheat producers in this country. It was highly detrimental to the U.S. Government in two ways. First of all, it delayed the sale of part of the U.S. surplus commodities on which we have to pay storage. The fact that we do not have a consistent trade policy is extremely, extremely harmful to our Government, to our farmers, and I might say, Mr. President, it is extremely harmful to the entire economy of the United States.

The trade imbalance that we are experiencing in this country is made up of many significant factors and this is one of them. If you delay the legitimate sale of surplus commodities in this country, it is extremely harmful to the economy of the United States. With every dollar in red ink that is added to our current trade imbalance, this economy is set back another notch.

Now, there was a further harm done. Flour was not available in some areas of the Philippines. I would suppose that it was many areas, but I do not know that for a fact. I only know for certain that flour had become unavailable in some areas of the Philippines, and so added to that was the harm it did to consumers in the Philippines.

Now, secondly, Mr. President, as if it was not enough to delay the sale of wheat, the State Department also imposed conditions on the sale of rice to the Philippines. There was an agreement for $40 million in U.S. rice. Some rice producers in California were advised by the Department of Agriculture that this sale was in the offing, so they made arrangements that it would be available for sale. This one happened to be an agreement under Public Law 480, title I.

The conditions which the State Department imposed on and which held up this particular sale involved the use of fertilizer on the rice crop in the Philippines.

Now, I question, in practical terms, whether the State Department is in a position to advise the Philippine Government or the Philippine farmers how they handle or obtain the fertilizer that they apply to their own rice crop. So on the surface it would appear to be, to put it kindly, rather nebulous advice but, nevertheless, it was a condition of the sale, which the agriculture people and farmers in the Philippines said was totally unworkable—and it is certainly meddling in the internal workings of the farmers there and the government in the Philippines—as a result of the conditions that exist in the Philippines. So it was modified eventually.

The remarks made by the Senator from Indiana would indicate that the sale was quickly wrapped up because it only took 90 days. That is not quickly wrapping up a sale because it only took 90 days, and the delay was to the detriment of the rice producers of this country.

Now, again, Mr. President, obviously, if there is antagonism and impracticality imposed by the conditions that the State Department wants before a sale can be completed, it is unduly harmful to the producers in this country and to the Government of this country and to the general wellbeing of the American economy.

Mr. President, people might wonder why a huge rice producing country like the Philippines would be in need of rice. Let me point out that they have had some real problems with typhoons and with their economy in the Philippines where fertilizer unless heavily subsidized is not available in sufficient quantities for their own rice producers, so they have had some short crops over there. They raise three crops of rice on each of the ricelands of the Philippines, so hopefully it is only a temprorary shortage, and I say that hopefully from their standpoint. But nevetheless, when they needed the rice, they again turned to the United States and were thwarted in an expeditious purchase of that rice as a result of the conditions imposed by the State Department. While those conditions were different than those imposed by the State Department in terms of wheat, they nevertheless add up to the same thing, the State Department meddling unduly.

So from the standpoint of what is correct and what is logical and practical for this country, the State Department has done us an injustice.

It is stated by the distinguished chairman that nothing was damaged, that nobody was hurt. Well, yes, we are hurt. Not only do we have the problem with our own economy and our own producers, we also have the added problem of accomplishments we would like to see the Government of the Philippines achieve in the next few months going to the election in 1987 when the term of President Marcos expires. Because we have the two significant bases, Subic Bay for the Navy and Clark Air Force Base, in the Philippines under lease agreements with the Government of the Philippines, the whole strategic setup for defending our interests in Southeast Asia depends upon the bases themselves and the cooperation of the Philippine Government.

We would like to make certain that the democratic processes within the Philippines in the coming elections—and I use the plural now, Mr. President, because in 1986 there will be local important elections involving the governors in provinces and the mayors in towns and cities, and that occurs just next year; whereas, the election for president falls in 1987. We want to be sure that the democratic processes in those elections are handled in a way that permits the Filipino people to have the opportunity to cast their vote for candidates they prefer. Their last election caused resounding encouragement, because more than 80 percent of the people of the Philippines voted for their representation in their legislative body, which they call Batasan.

So that is of paramount interest to us, in our strong and historic alliance we have had with the Filipinos, and it is of great interest to all the Filipinos in America.

Almost a million Filipino people reside and work in the United States, and their interest, as well as that of the 52 million people who live in the Philippines, is that democracy continue, that the stress within the Philippines which they have had since the Aquino assassination, be lessened, and that the economic setbacks they have had over the past couple of years can be healed over, and that the Filipinos can march forward with a government in which they have lasting confidence.

Second, there is a question of the insurgency in the Philippines. While it is relatively small at this time, it is of grave concern, and it is in our best interests as well as the interests of the people of the Philippines that that insurgency not result in any bloodshed or choas, but that the democratic processes be allowed to go forward, to have the type of government and the type of people in office with which they will feel confident.

So, in holding down the insurgency and not letting it become a chaotic situation in the Philippines, it is in our best interests that the stability, in terms of who is handling the armed forces and who is handling the constabulary throughout the country, be in the hands of a trusted person—currently in the hands of General Ramos, who not only has the confidence of the people in the Philippines but also has our confidence as being a man of integrity, a man of great ability, and a person who can be completely trusted.

These two significant points are of great concern to us; and to the extent that we may antagonize the people of the Philippines with our State Department interfering with food sales, it is a jeopardy that cannot be set aside lightly.

Getting back to those sales, let me point out that no wheat is produced in the Philippines; that as long as we are the suppliers and the sole suppliers of the 52 million people who reside in the Philippines, we have a steady customer who is really worthwhile holding on to and satisfying.

The amount of wheat that Philippines generally purchase from the United States would ordinarily go up each year. Products made from wheat are foods that the Filipino people need and appreciate. It adds to their nutritional levels and its use is on the increase, if we do not interfere and if they are capable of making purchases from the United States for the wheat.

The conclusion that my learned friend from Indiana, the distinguished chairman of the Senate Foreign Relations Committee, leads to in his statement is that these are only mild adjustments made by our State Department on behalf of our Government that will be beneficial to the Filipinos. Let me state that what we really fear is that what the State Department calls mild adjustments is infuriating meddling in the operation of another country.

I am not stating that because I like to state it. I am stating it because it is so.

What we have lost in the Philippines by this blockage of wheat sales is another sale coming on within 6 or 7 months after that. We have just lost about 6 months of consumption of American wheat in the Philippines. But there is a much greater fear. There is a fear that the meddling of the State Department on sales of American agricultural products will become even much larger.

There have been reasons why sales of American agricultural products have been on a decline in the last couple of years, and those reasons are varied. But one of those reasons has been the lack of attention paid to possible sales when a country applies. This is one example, but I fear that there may be many others.

I wish to read a statement from U.S. Wheat Associates. U.S. Wheat Associates represent the United States in many different countries to expedite sales of American wheat in those particular countries. I am not sure in how many countries U.S. Wheat has established offices, but I would expect it to exceed a score of countries. One of them is the Philippines. Let me read what the president, Winston Wilson, wrote to me on July 25 of this year:

> We are very much concerned that this may be a trend on the part of the State Department which could lead to problems in markets other than the Philippines. There seems to be a perception in the U.S. State Department that food agencies in other countries are inherently bad and serve as obstacles to economic development.

Mr. President, the U.S. Wheat Associates share with me and with others in the United States the fear that what we have witnessed in this delay in the wheat sale to the Philippines is becoming a policy of the U.S. Government in actions by the State Department in representing us.

Now, the facts that I have recited here, including the statement from the U.S. Wheat Associates, are the clear situation that is involved in this wheat sale. The facts that I have stated regarding the rice sale are not facts that I am singularly or the only one privy to. Nor is my concern the only concern.

I have spoken to representatives of the rice industry who until recently were top level officials in the Department of Agriculture and who in private life now represent rice interests in the United States.

They found it very peculiar and very objectionable to have the State Department interfere with this Philippine rice sale. They were not in a position to expedite it in any way, or were unsuccessful in attempting to expedite it.

But I think the discussion that we have had on the Senate floor concerning this should be fair warning to the State Department that American producers of these commodities that we have in surplus in the United States do not want the State Department to treat lightly these applications by foreign countries to purchase American commodities.

Whatever the goals of the State Department in these instances if there were any merit to it at all, it was clumsily handled and delayed the sales. That cannot be tolerated, and the circumstances that have led to this should not be repeated. It is my intention that we get all of the facts surrounding these two sales.

It has been almost 3 weeks since I wrote the Secretary of State asking for all of the memoranda and correspondence by the State Department with our Ambassador in Manila and with the Government of the Philippines, either from our State Department here in Washington, from officials here, or from our Ambassador in Manila to the Government of the Philippines. So far I have not received it.

I would expect that the delay in the response from the Secretary of State is probably because he is gathering up the information. But when that information is available, I would like to bring it to the attention of both the Agriculture Committee and the Foreign Relations Committee for their review, because if we can review a case history on these particular types of delays and blockages of sales of U.S. commodities to a foreign country, maybe we can make a series of recommendations that are straightforward and positive to the State Department on how they should be reviewing these matters and what their action should be in the future.

Mr. President, we must overcome this trade imbalance that we are suffering under now. Part of overcoming that trade imbalance will be an increase in sales of American agriculture commodities abroad. Part of it will come from the use of Public Law 480 and section 416 and food donations of surplus commodities to other countries. We need to expedite those in both instances whether they are sales or donations and the State Department handling of them is very much key to the successful expediting and the increase in disposal of U.S. surplus commodities.

Mr. President, I yield the floor.

The **PRESIDING OFFICER**. Who seeks recognition?

Mr. **MELCHER**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **MELCHER**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

THE FARM BILL

Mr. **MELCHER**. Mr. President, the majority leader is on the floor and in an aside to me suggested that we bring up the agriculture bill. There is one agriculture bill on the calendar, S. 1040. While nothing in the bill as it is on the calendar seems to be very earthshaking, I suspect that if the bill is called up, perhaps an amendment would be offered to it that dealt with the farm program for this coming year and the years thereafter.

Mr. President, if that is done, it would be my hope and my strong desire that the commodities section in the amendment would include holding firm, holding steady, holding on an even keel for 4 years or whatever the life of the bill is, which, I assume will be 4 years, on the target prices for farm producers of this country; not washing them out, not diluting them, just holding them steady at the current levels.

Mr. President, that is a very significant point in our new farm bill. The situation in the committee is this: Last Thursday, on a 9 to 8 vote, we established that freeze on target prices in the package. As soon as that was established, we seemed to have run into an immovable object about going further with the commodities title of the bill. But, nevertheless, it was the correct procedure.

This morning, in an effort to get back into the commodities section, I offered an amendment that held firm the target price arrangement with a modification, a concession to some of the concerns expressed both by the Department of Agriculture and by the majority side of the committee. That concern was the budget impact and what could be done to hold that down. So the modification that I offered had to do with allowing the last 2 years, that would be for crop years 1988 and 1989, that the Secretary of Agriculture, in his discretion, could pay 5 percent of the deficiency payments in commodities.

Now the Department of Agriculture, to be honest about their reaction, was not impressed. They still are very much holding for the position of only a 1-year target price at the same level and after that drop it down in steps each year. The strong objection to that procedure by farm producers would be an obvious objection. But there is another objection coming from those who finance agriculture, whether they are banks or production credit associations, or those who deal with selling the inputs to farmers to produce their crops. And their objection is this: With the situation as it is, in terms of farm credit now, that the cash flow of farmers throughout the foreseeable future—not meaning the next decade and the next decade after that, but meaning the near term future of the next 4 years—is extremely important. And their strong recommendation to all of us is this: That cash flow can only be maintained by either improving prices or at least holding the support mechanism, the so-called safety net, at the same level or maybe even have slight improvements.

For smaller producers we have made some light improvements but that is offset by reducing the Government payments to the larger producers so we come out even on that. But we do help smaller producers by what looks like an increase of their gross income by 6 or 7 percent, and that would be of some help to those farmers who have a credit crisis. All farmers it seems like are approaching a credit crisis if they are not in it already. So what we are doing we regard as extremely important.

This morning, after offering that amendment in committee which I have just described regarding holding the target prices at the same level but allowing the discretion of the Secretary of Agriculture during the last 2 years of a 4-year bill to pay 5 percent of the deficiency payment in commodities, there was a substitute offered by the distinguished majority leader.

That substitute was to hold target prices only for 2 years and forget about the other 2 years—let those target prices go down during the last 2 years of the 4-year bill. That carried by 9 to 8. What is pending again before the committee before we adjourned at noon or 12:35 or thereabouts was my same motion, to add to the last 2 years the same type of protection but to permit the Secretary of Agriculture at his discretion 5 percent in commodities and deficiency payment. We expected to go back into a meeting this afternoon at 3 o'clock. That has been canceled now I understand by the chairman. So where we stand now is the way I described it.

All of us in the committee on the Democratic side, plus one of my Republican colleagues on the committee, are ready to vote on that particular proposal. I am told that the vote will be in the majority, and we are very close to wrapping up this particular title of the bill—the commodity title.

We are willing to have it called up on the floor in that form. It could be in the form of an amendment. If so, the other concerns that we have if it is called up by the majority leader, is that the other titles to the bill which are conservation, food stamps, agricultural research title, the agricultural export title, and the farm credit title will be completed, and that the finalization of the commodity title will not take place until those other titles are available, are on the floor, and are joined up with the commodity title so that we have a complete farm bill.

That is a rather unusual circumstance. But there has been some concern from some Senators and from some House Members as well as farmers themselves who produce winter wheat—that they know the parameters at least of the program or what at least is the best judgment of the committees of the House and the Senate. So when it comes time to seeding next year's winter wheat crop, either the last few days of August or some time during the month of September, they have some idea what might be the final version of the farm bill regarding wheat. That concern is understandable.

I share that concern but I must say this, also: That my constituents who produce wheat as well as other constituents who are involved or have some interest in the farm bill tell me that we must by all means get a sound, strong farm bill out on the floor and pass it.

We cannot do that before the end of this week. So it likely will hang over until September. But that is the major concern as far as I can determine—get a strong, sound bill.

We are really talking about whether or not it is the type of bill that will enable them to continue to farm. I think the proposal we have regarding the target prices for 4 years or the life of the bill is an extremely vital part of any bill that is finally passed by the Senate and finally signed by the President. To do less would mean hampering many operations.

There is a group that should not be forgotten. That is the livestock producers of this country. The bill is not complete until we take up some of the slack in the law that we have regarding the impact upon their markets of imported meat or imported livestock into this country. It is to the best interests not of just the U.S. producers but of our friends to the north, Canada, that we stabilize the livestock markets.

Beef and pork in particular have been under severe stress. Beef that is being sold now for U.S. consumers is at such low levels that it reflects prices that were available to producers in the late sixties. It is a terrible disaster that is being experienced by those that have to sell cattle now. I understand the same is true of pork producers and correction of that must be part of the bill also.

We must have some restraints on the amount of beef and pork being brought into the United States at this time. That goes for live animals as well. Much of the live animals come from Canada, but it is in the best interests of both countries, the United States and Canada, that we stabilize this market now, and some steps must be taken to do that.

So we have our work cut out for us in this Congress to take action on a good, strong bill. At some point the majority leader may add his vast amount of wisdom on these matters for enlightenment so that we know what we can expect from the Senate, and what producers can expect.

ORDER OF PROCEDURE

Mr. **DOLE** addressed the Chair.

The **PRESIDING OFFICER**. The majority leader.

Mr. **DOLE**. Mr. President, I thank the distinguished Senator from Montana. I will attempt to respond, if I can, to the Senator's very fine statement. I urge Members. We still have a number of bills we would like to dispose of before we leave here on Friday: Mentally Ill Persons Act of 1985; Mississippi Sioux Indian bill; energy and water appropriations; legislative appropriations; supplemental appropriations conference report; we hope to do that later today; budget resolution conference report, if available; South Africa conference report, if available; Genocide Treaty; and the farm bill. It may be that we will not be able to finish all of these by the close of business Friday—any Friday. [Laughter.] But in any event, we would like to dispose of as many of these as possible.

FARM LEGISLATION

Mr. DOLE. Mr. President, with reference to the farm legislation, I am at liberty to say that I have just had a meeting with the distinguished chairman of the committee, Senator HELMS. We are not going to meet, as I understand the chairman, this afternoon. We now have approved in the Senate Agriculture Committee by a 9 to 8 vote a 2-year freeze on target prices and a 4-, 5,- or 6-year bill. I guess we have not decided yet whether it is 4, 5, or 6 years.

As I listened to the distinguished Senator from Montana, if it were a 4-year freeze it would be a good bill. If it were a 2-year freeze it would not be a good bill. For a 1-year freeze it would be less bad to the farmer, and anything less than that would be even less acceptable.

It would seem to me that if we were agreed that we have a pretty good bill, regardless of whether it is a 2-year freeze or a 4-year freeze, there ought to be a willingness to take it up. The farmer needs to know about the first year. He does not much care about the fourth year. Right now he is worrying about the first year.

Right now if all we are worrying about is whether there will be a 5-percent freeze in the first year and less in the third and fourth year, that would be something to debate on the floor. It would mean a great deal to the American wheat producer if he were in a position to know that we had a pretty good agreement, whether or not it was a 1-year freeze or a 4-year freeze.

I believe we are kidding ourselves if we think we can avoid the budget and the cost of the farm program. I believe everyone in our committee understands that there is a huge farm problem, more specifically located in the Middle West, even more specifically in the Corn Belt, but in all States, including the State of Kansas, particularly the State of Nebraska, the State of Iowa, the Dakotas, parts of Texas, Minnesota, Illinois. So we have special responsibilities.

One of those responsibilities is not to break the budget in the process. We can all make good arguments on why we ought to make an exception in agriculture, and an exception in other cases. I would indicate again to my colleagues that during the 4 years of the Carter administration, I think price supports cost about $20 billion and during the first 4 years of the Reagan administration they jumped to $63 billion. It would seem to me that in the next 4 years it is probably going to be that much or more.

I do not believe there is any escaping the fact that whatever we do in agriculture is going to be expensive, so whatever we do must be reasonable so far as the budget is concerned.

Farm income needs to be improved. But it needs to be improved in the marketplace, not just from the Federal Treasury.

I would hope that when we do vote on the farm bill we will agree that whatever happens, whatever finally happens in the budget process, whether it happens today or next week or does not happen at all, that we are going to have some restraint on where we draw the line as far as spending in agriculture is concerned.

The question is whether we should go back to the committee and try to hammer out a farm bill or whether the chairman should indicate that maybe we ought to call up S. 1040, offer amendments, and proceed from there. If we can bring up just the commodities, I would think we could probably complete action on that section of the bill in the next 2 or 3 days.

That would be contingent upon an agreement that we could proceed to S. 1040. I do not know that the distinguished Senator from Montana or others on either side—I am not trying to point the finger of blame—will let us proceed on S. 1040. If not, we have a cloture petition prepared if necessary for today or whenever we might move, and then we could have a cloture vote on Friday. It may not be necessary. Maybe there is no unwillingness to proceed. Maybe the difference is not on proceeding to the farm bill but on how it finally looks.

I doubt that we are going to be able to please everyone. I have been on the Agriculture Committee for some time. I remember 1 year we reported out three farm bills because we could not satisfy a majority of the committee on the House side. That was under the chairmanship of our good friend and outstanding committee chairman, Herman Talmadge. We had to report out three bills.

I think there was a Dole bill, a McGovern bill and a committee bill. The committee bill passed.

In any event, I hope we do not have a replay of what we had earlier this year on the farm credit debate.

Mr. MELCHER. Will the Senator yield?

Mr. DOLE. I want to finish my thought and then I will be happy to yield.

I happen to believe that there are Democrats who represent producers of rice and cotton, and Republicans who represent wheat and corn producers. There is sort of a mix on both sides of the aisle. I guess that is why farm bills have generally been bipartisan.

I am willing to predict that if there is a straight party line there will not be any bill that passes that will be signed by the President.

I recommended to the Secretary of Agriculture as recently as yesterday that I believed there should be a thorough study of the costs of these programs, not just somebody guessing in committee rooms. I do not fault the USDA people, but we are going to have to take some time and lay it out.

It is my view that the Secretary of Agriculture has that responsibility to cost out all these programs, whether it is a 4-year freeze, 3-year freeze, 2-year freeze, or 1-year freeze, and all these different things we are putting into the farm bill, and then go to the President and indicate to the President if the budget is x dollars, the bill costs x dollars over x dollars under. I would hope before we come back in September the President could make a judgment on whether or not he could support such legislation. Otherwise, it does not do us much good to go through the exercise and pass the farm bill.

Last time it passed the House by two votes. But if we pass the farm bill in the Senate, we could then have it vetoed and would have to start all over again.

It would be my guess and hope that there would be a lot of work done in the next few weeks by the administration so that they can advise Democrats and Republicans where they are on farm legislation.

I understand there is a Cabinet meeting tomorrow on the farm bill.

In any event, I think we would not like to get partisan in the next couple of days, but at least try to talk about a farm bill, try to debate it on a high level. If we did not have a budget problem, I would not have any problem with what the distinguished Senator from Montana wishes to do. He wants to use commodities, as I understand it, in the last 2 years. That is not a cost because it is an asset we have already paid for. Somebody paid for it. But it would not have any budgetary impact.

But the question is, How do we take care of the other budgetary impact? Maybe we will have to use those commodities the first 2 years instead of the third and fourth years in an effort to make the farm bill budget neutral.

I yield to the Senator from Montana.

Mr. MELCHER. I thank the distinguished majority leader for yielding.

We have pending in the committee a vote on what we are doing in regard to the last 2 years. I wonder if my distinguished friend, despite his having already voted on the other side—there are indications that he voted on the other side—would use his influence on the distinguished chairman of the Senate Agriculture Committee to get back into session and let that vote take place. After all, we Democrats are in the minority. We cannot pass out a bill on a straight party-line vote. We would have to have one or more of our friends on the other side, the Republican side, to assist us. But if we had that vote, I think we would be ready.

We attempted to get to that this morning through the noon hour and we did not quite make it. I understand we were to go back into session at 3 o'clock.

There is a lot of work to be done on this bill, of course, to make it a good bill. The farm credit section will be extremely important and the export title will be extremely important. If there is any promise of some brighter day for American agricultural producers, for most of them it is going to be when we correct this disastrous trade imbalance and start selling more agriculture products abroad.

I thank my friend for yielding. I just make that request, that he use his influence on the chairman of the committee that we do meet and have a vote on it and see if the rest of the members would agree not to offer too many more amendments. After all, I offered the amendment at 10:30 and it did sit there until 12:30. It could probably come to a culmination very quickly when we meet.

Mr. DIXON. Mr. President, would the distinguished majority leader yield to me for a question?

Mr. DOLE. I shall be happy to yield, but I want to respond quickly to the Senator from Montana.

I think the overriding question is whether we will agree to stay within the budget limitations, whatever they might be. I offered a motion this morning to that effect. After some discussion it appeared to me that that was a dead-end proposal, because everybody is willing to talk about the budget, but nobody will vote to stay within it. So I withdrew the motion. If we could agree on that, we could bring out any bill.

Sooner or later, we are going to have to do some fine tuning. Some areas are going to need major tuning. We have estimates that the committee bill is going to be some $20 billion over the budget, some say $12 billion, some are $5 billion. It depends on whether you use January 5 as the date or some other date, or whether you use the CBO estimate or the Budget Committee's or some other estimate. It seems to me that is why the Senator from Montana is frustrated; he cannot find the figures.

Mr. President, I say in all seriousness and sincerity, we have two ways we can go. We can have a replay of farm credit debate earlier this year, which was partisan, or we can try to work it out on a bipartisan basis and try to get a pretty good margin of victory for a farm bill, whosever name is on it. Maybe we do not need any name on it—we could just make it the farmers' farm bill. I hope that is the way we are headed.

Just vying to see who can stay one vote ahead in the committee is not going to accomplish that result. I am not certain just how we get there. This is pretty tough to do.

I am happy to yield to the Senator from Illinois.

Mr. DIXON. Mr. President, I wonder if my distinguished friend could enlighten those of us on this side as to why the committee meeting this afternoon was canceled. I thought we were moving along pretty expeditiously—not without disagreements, obviously, but that is part of the legislative process. Obviously, all of this has to be revisited on the floor, but I think most of us were prepared to go back there again this afternoon.

I have, I believe, attended almost every meeting of the committee since the beginning of our discussions on the 1985 farm bill. I say to the majority leader that I have been in his office many time—at his call—on separate meetings that were not committee meetings. I wonder why we abandoned the effort this afternoon when we were proceeding so expeditiously.

Mr. DOLE. I had not noticed that last part, expeditiously, in the Agriculture Committee.

It is my understanding that the chairman has a conflict. I met with the chairman. Also, some people felt maybe we just ought to come out here and see how far we could get on the Senate floor. I am not certain that is going to happen. But if we do get consent to proceed to S. 1040, that may be helpful.

Mr. DIXON. Mr. President, may I ask the majority leader, what is S. 1040?

Mr. DOLE. It is an agriculture bill.

Mr. DIXON. Who wrote it?

Mr. DOLE. Senator COCHRAN.

Mr. DIXON. Mr. President, the Senator from Mississippi is a fine member and has contributed greatly to the work of the committee, but there are 17 of us there; maybe the other 16 could contribute as well.

Mr. DOLE. It is also Senator PRYOR. It is bipartisan, Mr. President, COCHRAN and PRYOR.

Mr. DIXON. They are both fine people, but I wonder why, to the detriment of the 15 other members of the committee, we are going to look to a two-man bill on the floor. As the distinguished majority leader well knows, we have almost completed the farm bill. We have had some major rollcalls on commodities. He has won a few; we have won a few. We are almost completed as far as the commodities are concerned. We have the finest conservation section ever written in the history of this bill. We have a small problem on food stamps. We have had some votes on block grants in which we prevailed 11 to 6. There is almost nothing left to do. I do not understand why we are going to bring up a new bill, why we come up with a separate bill when we have almost finished our work on this one.

I recognize changes are going to be made on the floor. If my dear friend and colleague remembers, I was on the committee in 1981 when we wrote the floor bill. I was involved in debate on the floor, and was defeated in my position on a number of things.

We passed it by almost 50 votes. As the majority leader indicated, it passed by only 2 votes on the House floor, so it was not a tremendously popular bill in Congress.

If it escaped the attention of the majority of people in the country, it does not escape the attention of the farmer, that all some of us are talking about is a freeze—giving them no more—a freeze. We argue about a freeze when, obviously, the policy of the Budget Conference Committee itself has been to permit defense spending to rise by the rate of inflation and to permit the COLA's to rise by the rate of inflation. We are turning the attention of the country to the American farmer. In everything we have dealt with so far this session, at least the rate of inflation has been taken into consideration. We are simply asking to preserve the farmer at the same level for the next 4 years that he is this year and everybody wants to cut the farmer.

I only want to say to the majority leader that some of us were ready to be back there this afternoon to continue the work.

Mr. DOLE. Mr. President, we had some objections to meeting; I guessed we did not want to act.

One member came through and said we could not meet and everybody was a little confused.

I am not certain what the chairman has in mind. I am just responding because the distinguished Senator from Montana indicated that since I was on the floor, he wanted to say a few words about agriculture. That started about 3 o'clock. I did not intend to debate the farm bill.

Mr. DIXON. Why does my friend want to go to a new bill that has not been through the committee process?

Mr. DOLE. My own view would be that the final product would be a bill that has been through the committee process. Every bill has been through that committee process. Bills we have not even thought of yet have been through that process.

It is not that we have not had sufficient time. It seemed to some of us that we need to agree on a result to let farmers know what policy is going to be. I have a letter here signed by five of my colleagues who happen to be from wheat-producing areas making this point—Senators Nickles, Kassebaum, Abdnor, Gorton, Pressler. I know there are an equal number on the other side of the aisle who agree with this point. We represent wheat States.

Mr. DIXON. Mr. President, may I say to the majority leader that I am willing to vote on the bill today. Let us take it out of committee. Let us vote on it this afternoon. Tomorrow is a nice day. Why not vote on it tomorrow? This bill is 95 percent ready for a vote tomorrow, and the majority leader knows that. We have a few things to do around the edges on the food stamps. Everybody knows that.

Mr. DOLE. What about the cost? Is the Senator worried about the cost of anything around here?

Mr. DIXON. I am worried about the cost, Mr. President. I say we should treat the farmer in a fair and equitable fashion as we treat every other sector of our society.

Mr. DOLE. Mr. President, I think farmers have been suffering primarily from this overspending in the Federal Government, which has driven up interest rates and everything else. I just cannot believe that the sole hope of the farmer is how high the subsidies can go. We have high real interest rates, we have a strong dollar, and our commodities are not competitive because loan rates are too high. Finally, almost every farm organization realizes that loan rates are too high, we cannot sell anything on the international market. The Government ends up with the crop. Farmers are in difficult straits. But just to pass a bill without even any reflection on the cost does not make sense. I do not want to debate the farm bill on that basis. I was just passing through the chamber. I shall try to pass on through here.

Mr. NICKLES. Mr. President, will the Senator yield for a comment?

Mr. DOLE. I will yield the floor.

Mr. NICKLES. Mr. President, I congratulate the majority leader for his willingness to try to bring up the 1985 farm bill. My very good friend from Illinois is talking about the farm bill being 95 percent of the way through the Agriculture Committee. I am glad to hear that because I, as many other people, have been very frustrated with the fact that the Agriculture Committee has not reported out a bill. We heard the deadline was going to be 2 weeks ago. It is still not out on the floor.

I have farmers, the Senator from Illinois has farmers, and the Senator from Montana has farmers who need to know before we adjourn what is in the farm bill. They are going to try to make decisions and will say, "Let's see, are we supposed to plant 100 percent, 70 percent, 80 percent? Is there going to be a mandatory set-aside?" They do not know. We would like to be able to give them some kind of direction. The House bill as last reported had a 30 percent set-aside for wheat. The farm bill as it is moving through the Senate has 20 percent. Some of us have different ideas because we are not really sold on the fact that 20 or 30 percent is the best way to go, and so we have a little different idea that we would like to have discussed. I understand that a proposal I have made was discussed in the Agriculture Committee today. I understand it lost by a narrow vote. I would like to talk to some of my colleagues and try to influence them that I have a good idea, that we pay full benefits when farmers produce on 50 percent of their base and then above that, they have the option to do whatever they want. But we need to know. They need to know.

Mr. President, I am pleased to hear what I am hearing from the Agriculture Committee. If they are this close, I implore the majority leader to move forward with the legislation. We have heard good things before, but we really need to act this week.

Mr. DIXON. Mr. President, will the Senator yield?

Mr. NICKLES. I am happy to yield.

Mr. DIXON. I have the pleasure and distinction of serving next to his colleague from Oklahoma on that committee, who I know—just as is this great Senator from Oklahoma—is very interested in the problem of wheat in his State and agriculture generally. He has been at every committee meeting, and I have attended every one with him.

I report this to the Senator from Oklahoma, with other colleagues from the committee, who are on the floor: That bill is 95 percent completed. We have the strongest conservation section in that bill that has been in a farm bill in the history of American politics. We had votes on the commodity sections this morning, on every section—on wheat, feed grain, including corn, upland cotton, and rice. We revisited beans for a while. We have done everything.

We have done most of the food stamp questions, sticky questions such as the block grants which were opposed by the administration. Perhaps the Senator from Oklahoma would disagree with that. We have visited all these issues and have almost completed the bill.

The majority leader prevailed on the last motion before lunch at about 12:30. We were prepared to go back at 3 o'clock to return to a motion by the distinguished Senator from Montana that would have fixed the rate for wheat, feed grains, upland cotton, and rice for the next 4 years at the existing rate, granting the Secretary of Agriculture the right in the third year to raise it by 5 percent on commodities and in the last year, 7.5 percent.

That might not be exactly what the distinguished Senator from Oklahoma would want. But I represent to him that there are Senators on this floor who have attended every committee meeting since it began and have gone to dozens of other meetings in the majority leader's office and elsewhere, met with all the Secretaries of Agriculture who are still alive, and contributed hundreds of hours of their time to this issue.

We almost have a bill. In the short time I have been here, I have never seen us abandon the committee process when it was almost completed, to come to a shell of a bill on the floor and work our will while we had the completion of the situation by the committee.

With all due respect to the majority leader, who I think is as interested in a good bill as anybody else, I say that I do not understand what is going on here.

I say to the Senator from Oklahoma that it is not because we have not attended to detail in the committee. It is not because we have not almost completed the bill. I suggest that there is some other reason which the Senator from Illinois does not understand.

Mr. NICKLES. I will tell the Senator one reason, because I and other Senators are pressing the majority leader to move forward. We have waited, and I am pleased to hear that the committee is this close, and maybe they can finish it this afternoon.

Mr. DIXON. We would have had it finished by now if we had met.

Mr. NICKLES. The Senator is well aware that the committee, for many weeks, was meeting for only about 2 hours at a time and not completing their work. Regardless, time marches on.

Farmers are going to the field. Right now they are preparing their fields. They want to know how much they should be planting, and they do not know.

If the committee can finish it up today and we can bring it to the floor tomorrow, that would be great. However, I think today is too late to get started. I think we should have started some time ago.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. NICKLES. I yield.

Mr. MELCHER. I advise the Senator that we were due to meet at 3 o'clock, and that meeting had to be canceled by the chairman, for what reason I do not know.

Nevertheless, it should be noted with respect to objections to the meetings that had to be canceled—meeting more than 2 hours—while no one Senator is privy to who objects, the objections being made by one side or the other, it is fair to say that that is every Senator's privilege. But I think

it is also fair to note that probably more than half of those objections, causing no afternoon meetings, were made by Members on that side of the aisle, not on this side.

Mr. NICKLES. That is not my understanding.

Mr. MELCHER. Nevertheless, let me point out that on the budget constraints, the committee is allowing what the Department of Agriculture, the administration, has granted, and that is a reduction of the loan rates to allow the results in greater exposure to the Treasury.

There is no secret that if this bill is too high with respect to the budget and that offends the administration, they can make those adjustments. They can put the loan rates in. We have gone along with that because they have asked for it.

Mr. NICKLES. I understand what the Senator is saying, but let me finish my thoughts and I will yield the floor, and he can make whatever statement he wishes.

Mr. President, I ask unanimous consent to have printed in the Record a letter signed by me, Senator Kassebaum, Senator Gorton, Senator Abdnor, and Senator Pressler.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, July 26, 1985.

Hon. Robert Dole,
Majority Leader, U.S. Senate, Washington, DC.

Dear Bob: If Congress does not outline next year's wheat program prior to the August recess, farmers in our states will be forced to make production decisions without knowledge of the programs under which they will be operating.

With harvest of the 1985 crop largely complete, winter wheat farmers are preparing the fields for early fall planting. By the time Congress returns in September, some 1986 crop wheat will be in the ground. With this in mind, it is our desire to bring up the wheat title of the 1985 farm bill for floor consideration if the Senate Agriculture Committee has not completed work on this needed legislation prior to Tuesday, July 30.

As you know, these are trying times for the agricultural industry. Farmers are being pressured by low commodity prices, falling land values and interest rates which remain high for them while declining for the rest of the economy. In order to cut production costs, farmers reduce tillage and fertilizer on program conservation acreage. Unless we act immediately on legislation to reauthorize farm programs, it will be impossible for winter wheat farmers to achieve the cost savings they desire.

In order to make crucial management decisions, winter wheat farmers need details of the 1986 program as soon as possible. Your assistance in this matter is greatly appreciated.

Sincerely,

Nancy Landon Kassebam,
U.S. Senator.
Don Nickles,
U.S. Senator.
Slade Gorton,
U.S. Senator.
James Abdnor,
U.S. Senator.
Larry Pressler,
U.S. Senator.

Mr. NICKLES. Mr. President, to complete my remarks:

As to this idea of who has been holding up the committee, I have heard that the Senator from Montana has been one who has delayed the committee at times.

Regardless of that, our farmers do not care if it is Democrats or Republicans who held up the farm bill. They want to know what is going to be in the bill for this year. I think they would like to see a 4-year bill, but right now they are concerned about September of 1985, because they are worried about survival. A lot of them will not survive. So the fourth year does not mean much. What means something is right now.

They want a bill; they do not want politics. They do not care who objected to meeting with respect to 2 hours. They want the farm bill resolved. That is why I put the letter to the majority leader together.

Some of us said that if we cannot get the bill out of the Agriculture Committee, let us put it up some other way.

To the farmer it makes a lot of difference whether you are buying fertilizer for 70 percent of your land or 100 percent. It makes a lot of difference whether you are going to participate in the program or not. They cannot make those decisions unless they know what is in the bill.

I favor a different approach from that which I think is moving through the committee. I hope our colleagues will talk about it. This is a bipartisan idea.

The Senator from Illinois might remember that I spoke about it before the Agriculture Committee several months ago. I said that I hope we will move toward less Government restriction and not have the mandatory set-asides. We will tell the farmer: "We will maximize your subsidies or payments by producing on, 50 percent of your acreage. Above that you are on your own. Your can do whatever you want to with the other 50 percent."

I heard that it was discussed in committee today and was defeated by one vote.

I think the Government can save a lot of money in that regard, and farmers can save some money. We will not be trying to micromanage each farmer.

Under the present wheat program, as the Senator from Illinois knows, a farmer, in order to get maximum benefits, has to produce all he can on 70 percent, and he does not produce on 30 percent. So he is maximizing production on part of it and none on the other. The taxpayer ends up paying a lot. You do not control total production. You just continue to see the demise of the American farmer.

We have a couple of other ideas that will not cost so much and will help the farmers. Under my proposal, if the farmer wants to put his land in alfalfa, hay, or whatever, he could do so without losing his base.

I hope we will consider some of these ideas, but we have not made enough progress. So far as the farmers in Oklahoma, Nebraska, and Illinois are concerned, they do not know what is going on behind closed doors in the Agriculture Committee.

He is just wanting to know, "When Congress recesses for August, are we going to have 30 percent set-aside or not? Are we going to be able to keep our base without producing?" They are going to be wanting to know some answers to these questions.

My proposal is they can keep their acreage base, produce on 50 percent, and maximize program benefits at the same time.

Right now unless this committee really moves quickly, unless the majority leader moves forward on the Senate floor, and we work some long hours the next 2 or 3 days, we are not going to be able to have good answers for those constituents.

Mr. PRYOR. Mr. President, will the Senator from Oklahoma yield?

Mr. NICKLES. I am happy to yield.

Mr. PRYOR. I appreciate the comments of the Senator from Oklahoma. As a member of the Agriculture Committee, this Senator from Arkansas understands that we have had over 24 markup sessions. As I told the distinguished chairman of the Armed Services Committee, almost in jest, the agriculture bill is at least as complicated as this year's defense bill. This is truly a complicated piece of legislation.

Mr. NICKLES. I do not doubt that.

Mr. PRYOR. I do believe the Senator from Oklahoma recognizes this.

The Senator from Oklahoma made the statement, and I will paraphrase, that the farmers of Oklahoma and across the land want to know what is in the bill. However, I would almost tend to disagree with my friend from Oklahoma on this statement. I do not really think that the farmers of America want to know what is in the legislation that the Committee on Agriculture has been considering.

But let me tell the Senator the group that does know what is in this bill. I can tell him exactly who is tracking this bill. I can tell him exactly who knows everything that is going to happen to grain prices in this country if we pass the bill that is now in the committee and let it become the farm bill of 1985. Pure and simple, it is the grain "daddies" of this country and of this world, the longer we talk in the Agriculture Committee about what we are getting ready to do and what trick we are getting ready to play on the American farmer, we are going to see grain prices continue to plummet. We read this morning in the Wall Street Journal that those grain prices are going to continue going down very simply because those interests that really control the grain markets of this country and this world recognize that this country is going to continue on a policy of cheap food. They do not want food prices to rise. They do not want grain prices to increase.

They also know that we are going to attempt through possible indirection to hold in economic bondage thousands and thousands of farmers who are going to continue to work, continue to toil, continue to go in debt and continue to produce cheap food and cheap grain.

So the grain markets are reacting, and I have not seen how the markets closed but I hope they have closed. I hope they are closed because as long as we talk about something that we know is not going to really sincerely help the farmers of this country, those grain prices are going to tumble and we are going to see the American farmer once again, for a 4-year period, be subjected to 4 years of captivity to a policy and to a philosophy——

Mr. NICKLES. I think I have the floor.

Mr. PRYOR. Please.

Mr. NICKLES. Let me finish my comments.

Mr. PRYOR. That will be fine.

Mr. NICKLES. Then I will yield the floor to my good friend from Arkansas.

I share, what I believe is, his disgust for past agricultural policies which have not helped farmers enough and yet cost taxpayers billions of dollars.

I, for one, think we need to change the farm policy. I heard people say let's have continuations of present programs and so on. I think the past farm policies as I outlined before have been a disaster. They have cost too much for the taxpayers. They have not helped farmers obtain real income.

We have really seen some real distortions, pulling farmers in two different directions, "You produce as much as you can on 70 percent; do not produce anything on this 30 percent." It has not worked. They have to produce to keep their base. Even if a guy did not want to stay in wheat, and the Senator from Montana knows this, he has to stay in wheat to keep his base. If he does not continue wheat production each year to keep that base, he loses the base. He cannot afford to do that.

So I am very much in favor of making substantial improvements in the farm bill. If a better program is not what is in the proposal coming out of the Agriculture Committee, and if it is not, and in my opinion it probably is not, I will be one, and I will probably be joined by the Senators from Montana, Arkansas, and others, to change it.

But I do know that those farmers do want to know what is going to be in the bill, whether it be bad or good, so they can decide if they want to participate in the program or not. If they are not going to participate, the farmers, many of them, are going to plant fence row to fence row—100 percent. If they are going to participate and we have a 30-percent set-aside, then there is 30 percent of their land for which they do not need to buy fertilizer. They do not need to be turning the land—preparing the land to plant.

They are going to be planting in the middle of September and earlier in my State. Oklahoma is a winter wheat State, as the Senator knows, and I know he has some winter wheat as well, so the timing right now is critical.

Even if we pass a bad bill, my farmers want to know so they can plan accordingly. Whether the news is good or bad news, they at least want to know so they can make their decision.

I hope that the committee, if they meet this afternoon, can finish their business. Maybe we can bring out the committee bill and work together to improve it on the floor of the Senate.

Mr. President, I yield the floor.

Mr. PRYOR. Mr. President, I appreciate the comments of my friend from Oklahoma. But before the Senator from Oklahoma leaves, please allow the Senator from Arkansas to state one or two things.

First, all of us, I assume, on the Agriculture Committee, like myself, have wiped our schedules clean. We do not even have appointments scheduled any more. We are not making speeches and all the other responsibilities that we have to do around here.

All we do is sit in the Agriculture Committee, and I was prepared, along with my colleagues, especially on our side of the aisle, to sit in that committee this afternoon from 3 o'clock to whatever time.

This morning at 10:30 the Senator from Montana, Senator MELCHER, moved that the section of the bill relating to commodities be sent to the floor

Now, there was never a vote; never was a courtesy extended to the Senator from Montana to have a vote on that particular motion.

I will be honest with you, I have reservations about sending that particular section to the floor. But everyone seemed to think that we had to get something on the floor for debate. Therefore, I was ready to vote, with the Senator from Montana, and move that bill, to the floor of the Senate, to begin debate and, if needed, stay here tonight, stay here tomorrow, tomorrow night, Saturday, or whenever.

Now, what we have here, and the reason I wanted to address this Senate is S. 1040, known as the Cochran-Pryor bill that the distinguished Senator from Mississippi and myself brought before the committee and passed to the floor of the Senate. I think it has been on the calendar since May 22. Since that time, S. 1040, has been on the calendar of the Senate, ready to debate at any moment, ready to amend at any time, for anyone who had an amendment.

This bill is 15 pages long; 8½ pages have been stricken from this bill. Even though my name is on this bill with Senator COCHRAN. I do not know if I can still support this bill with all of these deletions. So we are going to, at least, I hope, try to consider this bill. Hopefully, the chairman will reconvene the Agriculture Committee this afternoon so we can have the opportunity to vote on the motion now pending.

I am hopeful that the people and the farmers of our country, for whatever reason, will not blame any delay on a farming bill on this side of the aisle. There is already enough blame to go around. It is absolutely one of the most complex pieces of legislation that most of us have ever seen. As an example, you do something for one group and it hurts the other. It is truly a complex piece of legislation.

These are the comments I wanted to make, and I appreciate the Senator from Oklahoma for yielding. I again say that probably in the long run it would be best to just go home and listen to our people, listen to our farmers and when we come back, I think we will have had a good dose of old-time religion. I also think we will come back and bipartisanship will prevail. We will say, "Look, we have a farm crisis out there and we have got to draft a farm bill that is going to see these people through the next 4 years." My fear is that what we have pending is not going to have adequate cash flow where individual farmers, can go to the bank, go to the PCA, or wherever they secure credit and get credit for the next year's crop.

Mr. President, I shall ask unanimous consent that I might add at this point in the RECORD a Wall Street Journal article dated July 31, Wednesday, relative to "Soybean and Corn Futures Tumble To Contract Lows." I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOYBEAN AND CORN FUTURES TUMBLE TO CONTRACT LOWS

(By Wendy L. Wall)

Most soybean and corn futures prices tumbled to life-of-contract lows amid growing concern that Congress will lower some

price supports for major crops by as much as 25%.

Weather speeded the declines as rains drenched the Midwest and Southeast, dispelling any speculation about major drought damage to the maturing corn and soybean crops. Wheat, soybean oil and soybean meal futures also fell.

"The bear market rolls on," said Susan Hackmann, an analyst at Agric Analysis in Chicago.

Soybean futures for August delivery fell 7.75 cents, to $5.23 a bushel, leading other non-financial commodity futures moderately lower. Commodity futures generally continue to hover at a seven-year low, according to an index compiled by the Commodity Research Bureau. Corn futures for September delivery fell 5.75 cents, to $2.35 a bushel. Both the corn and soybean prices were at life-of-contract lows. Soybean futures have fallen 14% from a year ago, while corn futures are down 18%.

Although congressional debate on new farm legislation continues, many traders are assuming that the House and Senate agriculture committees will probably recommend lower wheat and corn "loan rates," said Robert Lekberg, an analyst for Shearson Lehman Brothers Inc. in Chicago. The loan rate is the amount per bushel that farmers can borrow for putting their crops in government price-support storage programs. The loan rate generally acts as a floor under commodity prices, and a reduction likely would further depress crop prices in the U.S. and overseas.

However, the Senate Agriculture Committee remains deadlocked in an effort to set "target prices," Ms. Hackmann of Agri Analysis said. Target prices determine the level of income supplements farmers receive; the supplements are based on the difference between a crop's market price and the target price. Some conservatives favor freezing target prices at current levels for one year before dropping them; other senators would like to freeze them for a longer period.

Heavy rains in the Plains states, the Southeast and sections of the Corn Belt also eased dryness in some regions, leading to further selling in futures. The storms are expected to move eastward across the Midwest today. Mild temperatures are predicted for most of the Corn Belt and the Mississippi Delta early next week.

In other commodity markets yesterday.

COPPER

Copper futures prices tumbled more than one cent a pound in what analysts said was a delayed reaction to a sharp rise last week in refined copper stockpiles on the London Metal Exchange. Supplies on the exchange rose 14,975 tons in the past week to 143,500 tons, up 65% from recent lows in early April. Also, consumption of copper in the U.S. is in a seasonal slump. Technical factors played a role; futures prices recently failed to penetrate a significant resistance point, said Robert Green, president of Canadian American Metal Co., New York. Prices for spot copper deliveries on the London Metal Exchange were trading higher than futures prices in New York, analysts said. The disparity partly reflects the fact that "the U.S. market is soft, it has no lift," said Frederick Demler, senior metals analyst at Drexel Burnham Lambert Inc., New York.

FOREIGN CURRENCIES

Most foreign-currency futures prices rose. Futures analysts cited a government report showing a wider-than-expected $13.42 billion U.S. merchandise trade deficit for June. Another factor was a report of a 0.1% decline in U.S. single-family home sales for June. Foreign-currency futures tend to rise on signs of a weakening U.S. economy. Contracts tied to the British pound fell, partly in response to a decline in short-term British interest rates, which usually makes pound-denominated investments less attractive.

LIVESTOCK AND MEATS

Most cattle, hog and pork-belly futures prices rose. In cattle, animals delivered against the maturing August contract were purchased by a firm that is expected to keep them, rather than redelivering them quickly. Also, wholesale beef prices fell to levels some traders think will stimulate consumer demand and clean up current burdensome supplies, said Jerry Abbenhaus, analyst for A.G. Edwards & Sons Inc., St. Louis. Hog futures also responded to expectations among professional floor traders of stepped-up demand. Wholesale buyers raised their bids for some fresh pork cuts on cash markets, analysts noted. Although most pork-belly futures rose in response to the same factors, prices in the maturing August-delivery contract fell sharply as traders sold contracts to avoid taking delivery of bellies.

Mr. PRYOR. I yield the floor.

Mr. EXON. Mr. President, for the information of Senators who have been debating the farm bill, I have been listening with keen interest. I follow the markets quite closely and when the question came to what the market is doing today I took a trek outside the door and they are coming off the United Press wires which I ask unanimous consent be printed immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. EXON. If I could have the attention of my friends who wanted this vital information. This is from the United Press, No. 043:

> Grain futures made contract lows across the board Wednesday on the Chicago Board of Trade.

I think that sums it up pretty well. I was on the floor a few days ago when the distinguished majority leader was complaining about the fact that it was those on this side of the aisle that were holding up consideration of the farm bill. Now I am told today, I have been listening to the debate, it seems that there are people on that side of the aisle that are holding up debate on Wednesday when we are supposed to leave here 2 days from now. Whoever, is holding up consideration of a legitimate and proper farm bill should stand the test before the voters of this Nation.

I am fearful that there may be some political play going on here, to where maybe tomorrow night or maybe Friday morning, there will be something brought our here that is called a farm bill and then anybody that objects to it as not a good farm bill may be falsely accused of being the guilty party for holding up consideration of a farm bill, a portion of which is critically important to the wheat growers as they plan their crop planting right now.

Mr. President, while we go ahead with all this rhetoric, while we worry about whose name is going on the farm bill or whose name is not, while we worry about whether we are going to offend the chairman of an important committee or whether that chairman is not going to be offended, I simply tell you once again, as I have stood on this floor repeatedly time and time again to tell you, that there is a crisis situation in agriculture today that cannot afford to wait while we play the silly games we continually play in the U.S. Senate.

Earlier this afternoon, I attended a meeting held by a group of farm organizations with the Wharton revised estimate on what is happening in agriculture today. It proved exactly what a group of leading economists, agriculture leaders and bankers, testified to yesterday in front of a meeting that I arranged with the Secretary of Treasury, James Baker, a key policymaker. We were talking to him particularly about the relation of the agriculture bank. Once again, time and time again, we see that unless we make some changes in the farm program, regardless of its budget implications, unless we make some changes, it is going to cost this Nation billions and billions of dollars and it could break not only the farmers but it could break the Federal Deposit Insurance Corporation and the $12 billion to $18 billion that they have currently in reserves. Yet I hear time and time again that we have got to cut back $10 billion to $15 billion on the cost of agriculture while at a minimum we are talking about giving our defense budget an inflationary increase this year and then increases the year after for 3 to 5 percent while we are saying cut, cut, in agriculture.

(Mr. McCONNELL assumed the Chair.)

Mr. LEAHY. Will the Senator yield for one point in that regard?

Mr. EXON. Yes.

Mr. LEAHY. It was brought out in the Agriculture Committee this morning that the appropriations continues for the so-called Divad gun, which according to the paper, costs $6 billion. This is a weapon that is supposed to shoot down helicopters and low-flying airplanes. After absorbing $6 billion, all it has been able to do is hit a stationary outhouse, somehow focusing in on the exhaust fan or something of that nature.

It is nice to know that we are protected from an invasion of stationary outhouses. Yet, were it not for the dark humor in the matter, we must realize that $6 billion is almost half a farm program which enables the United States to be the only major military power in the world able to feed itself. From the time we began as

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a country, no enemy has been able to starve out the United States. We have not only been able to feed ourselves and a number of our allies, but been able to show our humanitarian nature in other parts of the world.

The Soviet Union, our major adversary in the world, would give anything to begin to have the agriculture productivity we have in this country.

We talk about the security of the Nation. This is part of our security. Just think for a moment, Mr. President: The only major military power in the world able to feed itself, have a surplus, and not be subject to a disruption of that ability because of the disruption of just one area of the country. It is diversified and dispersed. We have the most agriculture productivity in history. I hate to see that jeopardized and I hate to see the farms and the families—the human aspect—being jeopardized.

I see a couple of the other members of the Senate Agriculture Committee here, the distinguished Senator from Arkansas, Mr. PRYOR, the distinguished Senator from Montana, Mr. MELCHER. Others have been here. I might say to my good friend from Nebraska, Senator EXON, that we were unanimous in talking among ourselves down at the side of the table that we are ready to vote on a farm bill. We are ready to vote and we are perfectly willing to see the recess canceled in part or in total if we can get a farm bill up here. If we have a bill on the floor of the Senate and start voting on it, we could, within a few days know the will of the Senate. Would that not be so much better than to have the whole farm situation held in some kind of a limbo?

We have worked hard, all of us have. We have brought our knowledge and the knowledge of our constituents to this legislation. I think it is time to go for it.

Mr. EXON. I thank my distinguished friend, Senator LEAHY, for his excellent remarks. And he makes a good point. If we cancel the Divad gun, we would have enough money and we would not have to worry about busting the budget for agriculture. That is just one item, small item—"small," in quotes, I should say—in the defense budget.

I believe the people of Nebraska, the farmers of Nebraska, and the small business people that are being devastated right along with our farmers and ranchers, when you look at the futures market out there today, you see cattle down in the $50 category, going lower than that. We see corn futures down to $2.28 and going lower. There is no way that you can produce food for those kinds of prices. We are going to be driving a higher and higher percentage of our family-size farmers and ranchers out of business at a faster rate in the next few months than we have in the last 24.

Mr. President, this is a serious situation. I certainly agree with the suggestion made by the Senator from Vermont. Let us stay here. Let us cancel whatever plans any of us had with regard to the recess. Let us stay here and work. Let us stay here and do our job. Let us stay here, if you will, Mr. President, and get over and work through the silliness that continues to go on by delaying legitimate consideration of a farm bill.

Let the record show, Mr. President, that at least at 4:15 on this Wednesday before the scheduled recess, it cannot be said, as it was claimed earlier by those on that side of the aisle, that it was any single one on this side of the aisle that was delaying consideration of a legitimate farm bill.

Mr. President, I yield the floor.

EXHIBIT 1

CHICAGO.—Grain futures made contract lows across the board late Wednesday on the Chicago Board of Trade. The first three soybean contracts also established new lows at about the same time.

Corn was pressured by aggressive professional and commission house selling, although commercials were small buyers. Traders said lower basis levels at the gulf and forecasts for more rain prompted much of the selling.

Wheat was higher early in the day on commercial buying, but prices retreated by midmorning and edged lower the rest of the day. Spillover weakness from the corn pit also affected the wheat market.

Soybeans closed higher, but were pressured by commercial and professional selling and a substantial decline in gulf basis levels. The bean market was supported by short-covering on ideas that recent losses may have been overdone.

Deliveries against the August soybean and soybean oil contracts were light which also was supportive.

The Census Bureau pegged June soybean oil stocks at 731 million pounds which was in line with trade estimates and had little effect on prices.

At the close, soybeans were up ¼ to 8 cents, wheat off ¼ to up 1, corn off 4 to up ¾ and oats off ½ to ¾ cent.

Mr. MELCHER. Mr. President, it is very true that we were very close to the completion of the commodity title of the bill. If the meeting had been held this afternoon or quite possibly at the next meeting whenever it is held, the vote that occurs on what happens to the 2 last years of the 4-year farm bill—if that is what it is, or the life of the bill if it happens to be longer than 4 or shorter than 4, are the target prices going to be held at the same level; that is, not lowered—when we have that vote, I think the commodity title of the bill should be ready to report out; at least that was our intention this morning, that that be allowed to happen.

Now, perhaps there is some interest in what has happened over the last 6 days since last Thursday when we adopted that amendment protecting a target price for the life of the bill at the current level. We got a proposal the very next day from the Republican side. I just happen to have this and another proposal in my suit pocket. This first proposal was never voted on on Friday.

Then on July 29, another proposal, which is entitled, "Proposal To Resolve Committee Consideration," advanced by, I believe, the chairman, I am not entirely sure of that, but it came from the Republican side, that listed a series of conditions and that also was never voted on this week.

So we tried to force the issue this morning on the commodity title of the bill and got to the point of where we pretty much took care of 2 years, if it is a 2-year bill, the first 2 years, and we simply got to the point of moving on the other 2 years.

Mr. HARKIN. Will the Senator yield?

Mr. MELCHER. Yes, I yield.

Mr. HARKIN. I thank the Senator for yielding. I got on the floor a little late to engage in this discussion because this Senator had shown up at the appointed time of 3 p.m. at the Senate Agriculture Committee room, and found that the Senate Agriculture Committee hearing scheduled this afternoon was canceled. Since that time I have been talking to some farm bureau members, some from the State of Iowa, about the situation in agriculture. We waited outside the Agriculture Committee room. I thought some of the other Senators would show up over there. Then I found out that it really was canceled.

As the Senator from Montana said, we met this morning. The Senator from Montana offered a motion. We debated it. We had a series of votes this morning. I thought we were drawing very close to having a definitive vote on the commodities sections which we would have had this afternoon. As far as this Senator is concerned we could have had a farm bill on the floor of the Senate certainly by late today—or by tomorrow—had we met.

I just wonder if the Senator from Montana has any information. Maybe he has already stated it. If he has, I apologize for not being here. But as I said, I was meeting with some farmers from my State. But does the Senator from Montana have any knowledge as to why we are not meeting this afternoon?

Mr. MELCHER. No. I say to my friend from Iowa, I really do not know except a message was left that the chairman had a conflict and the meeting was canceled. But I understand the chairman's dilemma in all fairness to the chairman, and to the majority leader, and their dilemma on the budget constraints that might be tied to a bill once it is on the floor. I recognize that. I must point out to the Senate and to the public at large that those budget constraints can be met. What the committee has done is to accept the request of the administration in setting the loan rates at a level that they desire to set them. We have always had loan rates for this generation and longer. We have had loan rates. But never have they been reduced as much as the administration suggested that these be reduced. When they are reduced, the exposure on the deficiency payment, of course, is increased.

The best judgment of the Department of Agriculture currently is that on wheat they would like to reduce the bottom line rate, the clearance rate, down about to $2.52; I believe on corn about to $1.84 for the 1986 crop. In most cases, that creates an extensive exposure whether the target price is left at the same or is even reduced 5 percent. That is a very extensive exposure for the Treasury. It does add up to many billions of dollars. The majority leader earlier this afternoon stated that during the Carter administration the cost of the farm bill for commodities was roughly $20 billion for all 4 years, and at the end of the 4 years of President Reagan the cost of the commodity programs has been $63 billion. So there is grave concern about the budget. But let me point out that there are some of us, including myself, that vigorously disagree with the administration, specifically the Department of Agriculture, that it will be necessary to see wheat price drop to $2.52, or corn prices drop to $1.84 on those clearance loan levels for the 1986 crop, and for the subsequent crop years they have it slightly lower than that—for 1987 crop production—and even lower than $2.52 for wheat and $1.84 for corn for crop production of 1987. I do not believe they are accurate. I believe that they will see the market clearing out at a higher prices than $2.52 for wheat, or $1.84 for corn. But nevertheless, it is their computers, and it is their figures that the committee is acting upon.

Mr. HARKIN. Excuse me. Will the Senator yield?

Mr. MELCHER. Yes. I am delighted to yield.

Mr. HARKIN. I thank the Senator for yielding.

Is this the same computer from the Department of Agriculture that 3 years ago told us the PIK Program would cost nothing?

Mr. MELCHER. Judging from the results of the PIK Program, they did not know what a computer was at that time. So I cannot answer that question, I tell my distinguished friend from Iowa.

But the point he is making is that while the Department thought that the PIK Program might cost $2 to $3 billion, it ended up costing they say about $10 billion. I think it is fair to say maybe it was slightly higher than that. But nevertheless, I disagree. I think a lot of people disagree in believing the market clearing prices will be that low. They should not be that low at all because we should see a stronger effort made on exports. We should see in the coming years the return to the idea that you make concessionary sales or actual donations of food to developing countries in larger amounts than have been made in the past several years excluding Africa, that you do that for the very purpose of clearing out the surpluses and making the beginning inroads into developing markets in those countries. We are not plowing new ground in those instances. We are just returning to common sense.

One of the reasons that the Reagan administration has found itself tripling or more than tripling the cost of the commodity programs during its first 4 years than occurred during the Carter years, and I might say during any other President's years, is because they have not had a consistent trade policy on agricultural matters. Some people feel they do not have a consistent trade policy on any matter. But on agricultural commodities, I am here to say, Mr. President, they do not have a consistent policy and what consistency there is in it is bad.

I trust that they can improve on that. Certainly it is the desire of the committee, I think all 17 of us, that the strong feature of the export section of the new farm bill will force some changes within the Department of Agriculture and the Department of State that will greatly improve the use of the abundant supply of food we have in this country. In other words, develop an agricultural trade policy and a food policy that we use this abundance to the credit of the United States.

Mr. BOREN. Mr. President, will the Senator yield?

Mr. MELCHER. Yes, I am delighted to yield.

Mr. BOREN. Mr. President, I apologize. I have been in another meeting and have not heard some of the earlier remarks. But it is my understanding that the Agriculture Committee was to have met at 3 o'clock. I was preparing to leave for that meeting when I received a call that it was canceled. I wonder if we have had any further word as to why the committee did not meet? I certainly am ready, and the Senator from Montana had a motion pending when we adjourned earlier. We were ready to go back into session to meet at this time. Have we been called back into session or have we been notified so that we can pass the bill out this afternoon and bring it to the floor?

Mr. MELCHER. I have to advise my friend from Oklahoma that as far as I know we are not so advised and why it was canceled I am not sure. All I have heard is—and I heard this from the distinguished majority leader—that the chairman of the committee found that he had a conflict and therefore canceled the meeting.

Mr. BOREN. Is the Senator from Montana willing to proceed to report out a bill if we are called back into meeting?

Mr. MELCHER. Yes. I am. I would like to have a vote on my motion. When that is completed, it would be my desire that—at least it would be my vote and my hope—that the committee would report out the commodity title of the bill. I have had the feeling it is the wrong way to operate. But part of my motion would be that the other titles of the bill must catch up with the commodity title before final completion of action on the commodity title.

Mr. BOREN. I thank the Senator from Montana. I am pleased to hear his comments because while I too would like to see us bring all of the sections of the bill together before we complete action on that bill, I have high hopes that before the day is out—certainly before the week is out—that we can bring the commodity section out. My colleague from Oklahoma has expressed himself on this subject. Our farmers are getting ready to plant. They need to know what the program is.

Of course, as important, even more important than knowing what it is, it needs to be a good program. Several of us had an opportunity to hear some of the officials from the farm credit system yesterday in an informal meeting. I would say to my colleague from Montana that meeting had a great impact on me.

It reaffirmed, I am sorry to say, some of the fears that I have had. We see rapidly deescalating land values, 19 percent since the first of January in my home State. We see escalating interest rates within the farm credit system. There are more and more parts of that system getting into trouble. They are having to raise the interest rates on the farmer members who are left in order to keep the associations going.

Clearly, if this downward spiral is allowed to continue, I believe that it forecasts danger not only for the economy of rural areas, but it poses a great threat to the financial safety of the entire country.

I think the Senate should wake up to the fact of what we are facing here if we allow deep sections of our economy to get into trouble. It does not take an across-the-board recession to break down an entire economy. We do not have to look at the economic indicators to determine what will happen. We have to carefully watch the critical sections because if they collapse so deeply that it impacts upon the banking system, we can create such a crisis in this country that can bring down the whole economy even if not at first spearheaded by a general recession.

I think we have to look at the conditions in agriculture and other critical sections with this in mind. That is another reason why I hope we will be able to pass a bill that does improve the cash-flow on the family farm.

Seventy percent of my farmers are experiencing negative cash-flow now. We have to put the floor under skidding land values that threaten to topple the entire system.

We must be able to pass out a bill expeditiously that will provide enough income on the family size farm so that we can solve the problems.

I am glad to hear the Senator's answer. I strongly agree that we should try to get a bill out as soon as possible and, if necessary, we should go ahead and bring the commodity section out and then later join in with the other sections of the bill, the food stamp section, the credit section, conservation and other sections.

I thank the Senator for yielding.

Mr. MELCHER. I thank the Senator from Oklahoma for his remarks.

I might point out that a few moments ago the distinguished majority leader stated there would be a Cabinet meeting tomorrow, and that the farm situation would be part of that discussion. I think that is entirely appropriate and very timely. Members of the Cabinet have been listening to the problems that rural America has been experiencing with the farm credit crisis that started last year and which is now getting worse because of lower commodity prices.

The Cabinet would be wise to heed those danger signals and be prepared to act in a manner to salvage this most basic of all of our industries here in the United States.

The Senator from Oklahoma mentioned land values have declined in his State. Let me say that the Department of Agriculture in their assessment of land values from April 1984 to 1985 found that agriculture land values had dropped an average throughout the country of 12 percent.

In the Corn Belt States, the five States of Minnesota, the Dakotas, Iowa, and Illinois, the land values dropped during that 1 year, after a tremendous drop prior to the year recorded. From April 1984 to 1985, the land values in those States dropped 25 percent.

This is a startling and significant change in the credit worth of individual farm operators.

This situation cannot be ignored. While I recognize the difficulties of those who have been working with the budget, and all of us who are on the fringes of that recognize that there are some budget constraints, we feel we cannot abandon the entire agricultural economy and thereby threaten the entire U.S. economy.

While we have been on the commodity section of the farm bill, we have been debating whether or not we should hold the line for the 4 years, or whatever the life of the bill is, at the current target price level as a safety net mechanism for agricultural producers. That is the entire critical area of what will happen to credit for farm producers in the next 2 years.

We are being advised by bankers and farm credit officials that farm income must improve. The Department says, "We will improve gradually with the increase in exports." But we must determine in our own judgment whether that increase in exports will come quickly enough. What about the safety net features in the interim, in the next 4 years?

The answer to that must be if the exports are going to improve over the next 4 years to bring the price of commodities up, well and good. We hope they will. We believe they will improve within that timeframe if the export of U.S. commodities can be increased. We believe the export title does mandate an improvement in our ability to export more of these commodities.

If that is the case, fine. The Treasury exposure then to the target prices will be greatly lessened.

But the question before us is, Are we to jerk out that safety net in the farm credit situation for these producers through the coming year and the one following? What you do for the 2 years is key to what you do for the outyears, 1988 and 1989. What you do then will determine whether their situation will be in worse shape.

The bankers and production credit administration people are looking at cash-flow. If it is declining in the last 2 years of this farm bill, then the judgment that these lenders have to make is, "When do we shut them off?"

Believe me, the situation is so desperate right now. Many loans have been categorized in the doubtful classification. That means if the future in the coming 4 years looks bleak, then their demise is rapidly assured for lack of credit.

Mr. President, I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, there has been a discussion here about the critical situation in agriculture today. During that discussion, I see the distinguished chairman of the Agriculture Committee, my friend from North Carolina, has come to the floor.

We have been commenting on the fact that we cannot get the Agriculture Committee together. In fact, during the discussion for the last hour and a half we have had a quorum of the Agriculture Committee right here on the floor. I do not mean to go through the names, but we have seen the Senators who have spoken and others who have walked in and walked off the floor. Everyone seems to be suggesting that we move ahead rapidly and get a bill which is about finished reported to the floor so we can work on it and stay here if necessary, giving up whatever time of the recess is necessary, the whole month, if required, to get a bill worked out.

I would like to ask the chairman of the Committee on Agriculture, my friend who could call a meeting, if it is possible for him to accommodate what I think are his wishes and what I sense are the wishes of the majority of the committee, having a meeting in the next 5 minutes, and move ahead with getting the bill reported to the floor.

Mr. HELMS. Mr. President, I wonder if the Senator would accommodate the Senator from North Carolina by temporarily yielding the floor and letting me have it in my own right for no more than, say, 5 or 6 minutes, with the understanding that he be recognized in his own right again.

Mr. EXON. Mr. President, I have no claim to the floor. I have asked a question; I shall be glad to yield the floor.

Mr. HELMS. Fine, Mr. President, I appreciate it.

Senator Lugar, chairman of the Committee on Foreign Relations, of which I am ranking member, insisted that I be part of the conference between the House and the Senate on the matter of South Africa. That request came subsequent to our meeting this morning. That is the reason I had a problem with the Agriculture Committee meeting at 3 o'clock this afternoon. It is my intention to return to the Committee on Foreign Relations.

Let me say with respect to my very dear friend from Montana, and, for that matter, my good friend from Nebraska that they are signing from my hymn book. I have not counted, Mr. President, but staff has advised me that today's meeting of the Agriculture Committee this morning, beginning at 10 o'clock, was the 34th meeting of the committee to mark up the farm bill. I think that all Senators who have attended those meetings—I must say that the Senator from Montana and the Senator from Iowa [Mr. Harkin] have been among the faithful—I think they will agree that I have done everything I can to expedite consideration of the farm bill through the markup process.

At the same time, I have been around the track a few times in the Senate. I respect its traditions and I certainly respect the civility that is expected of us, and I have never cut off any Senator. I have never failed to allow a Senator to have his full say.

I do not think it can be fairly charged that the Committee on Agriculture all of a sudden is holding up action, because I guess a thousand times I have said, for example, "Let's vote." I wake up in the middle of the night sometimes and I can hear the distinguished Senator from Montana saying "Now, just a minute, Mr. Chairman." Then he makes an enormously effective speech about whatever it is that he is interested in at that moment. So I would say it is not the leadership of the committee that has stretched this process into 34 meetings.

As for the farm crisis, if you will go back and read my opening statement on the first day of the markup, Mr. President, I pointed at that time to the necessity of the committee acting quickly so as to get a farm bill on this floor so it could be considered. That did not happen for the reason that I have mentioned earlier.

I insist, Mr. President, that I am criticizing nobody, nor am I trying to assign any blame. I am simply trying to set the record straight.

Also, Mr. President, it is important that all Senators and certainly the American people bear in mind precisely what it is the farmers in this country understand best of all: It has been the irresponsibility of the Congress of the United States over a period of decades that has caused the farm crisis by spending more every year than the Federal Government could hope to take in.

I remember the day that Ronald Reagan held up his hand on January 20, 1981, to take the oath the first time as President of the United States. I remember sitting out there thinking,

> Boy, this guy has really inherited some problems. For example, a trillion-dollar national debt on which the interest alone costs more than it cost to operate the entire Federal Government about 2 decades ago.

And of course, this interest cost has created deficits and high interest rates. Now, I hear comments constantly on this floor, on television, in the newspapers that these are Reagan deficits. It is not so. If we are going to be honest about anything at all, let us at least be honest that the Congress of the United States, by its profligacy, is guilty.

And I say another thing, Mr. President. The best farm bill we could write in the Congress of the United States need not mention any commodity, any loan rate, need not even have the words "farm" or "farmer" or "agriculture," just move us toward a balanced budget. Then the interest rates will come down. Then the cost of production for the American farmer will come down, and we will have served the farmers and everybody else.

But as long as we kick around a farm bill that envisions a process by which the farmers produce for the Government, building up enormous surpluses, then we are deceiving ourselves and we are deceiving the farmers.

I do not know exactly what a referendum would show among the farmers, but I would be willing to wager that if a referendum could be conducted, the farmers would say get that fiscal situation in Washington, DC, straightened out.

Mr. EXON. Mr. President, will the Senator yield for a question?

Mr. HELMS. Yes, sir.

Mr. EXON. I wonder if the Senator might be good enough to respond to my question? I see now since I asked this question, not only is the chairman of the committee here but the ranking member of the committee is on the floor and other members of the committee have come in. The Senator from Minnesota [Mr. Boschwitz] just arrived. We want to have a meeting of the committee and we are standing on the floor of the Senate talking about it.

May I ask once again, is it possible for the chairman to call a meeting of the committee now or sometime this evening?

Mr. HELMS. Mr. President, the committee will meet at the pleasure of the committee. We have a meeting scheduled at 10 o'clock tomorrow. I hope, I say to my dear friend, that the chairman would not have to sit there for 40 minutes before he gets a quorum. The Senator might talk to people on both sides; the guilt is bipartisan in that respect. I have spent half of my life, along with Senator Zorinsky, waiting for Senators to get there.

I know this public display will be interesting news back home, but this committee has met regularly, it will, and we are scheduled to meet tomorrow morning at 10 o'clock, and I shall be there rapping the gavel tomorrow at 10 o'clock, Lord willing.

That is my answer to the Senator. I hope it is satisfactory.

Mr. EXON. Mr. President, if the Senator will yield for one more statement.

Mr. HELMS. Certainly, Mr. President.

Mr. EXON. With all due respect to the Senator, Mr. President, that answer is not satisfactory. He asked me if it is satisfactory. It is not satisfactory to this Senator because I think we have urgency here. Maybe he was not here when I suggested we not go into our recess period. We generally work at night around here, at least until 8 or 9 o'clock. I guess I am somewhat disappointed that the urgency is not felt to the extent that we could have a meeting of the Agriculture Committee tonight.

Maybe the chairman does not agree with the remarks made by other members of the committee on the floor.

Mr. HELMS. I can imagine what they were.

Mr. EXON. It seems to me if we are that close, a 3- or 4-hour meeting of the committee this evening might get the bill to the floor.

I thank my friend for answering the question. It was not the answer I wanted, but he did answer it.

Mr. HELMS. I predict we would have the same marching up the hill and down the hill tonight but that is all right.

I say to the Senator I would be glad to have the staff check and see what the social engagements of the Senators are. It would help if we get about the business in the morning at 10 o'clock.

The Senator raised the question of staying here in August.

May I have the attention of the Senator from Nebraska?

Mr. EXON. Yes, Mr. President.

Mr. HELMS. Let me point out, Mr. President, that on Monday of this week, I offered an amendment—true enough, it was a sense-of-the-Senate amendment, but that is all I could handle at that time on the bill—urging the Senate to stay in session until two things had been done. First, a budget resolution was agreed to, and, second, a farm bill considered by the Senate. And do you know who objected to that, Mr. President? One of the Senators on this floor who had been inferentially critical of the chairman of the Senate Agriculture Committee. Now, I will anticipate the question.

No; I will not yield for a moment. Then I will yield the floor. But I will say this to the Senator or any other Senator. The Senator from North Carolina is perfectly willing, even eager, to have this Senate stay in session in August. But I want to point out that I offered that amendment, and it was a distinguished Senator on the other side of the aisle, for whom I have the greatest affection, who objected to it, and he was prepared to make a point of order.

Mr. President, I say again, if the count that has been given to me is accurate, the Senate Agriculture Committee has met 34 times since we began the markup. Second, for far more than three-fourths of the afternoon sessions, we have been forbidden to meet because there were objections to the Senate Agriculture Committee meeting 2 hours beyond the time of the convening of the Senate. And as Senators know, the only way a committee can meet beyond 2 hours after the Senate convenes—and in no case past 2 o'clock—is by unanimous consent. Time and time again, there were objections and, yes, for a while—let me say it before somebody else says it—one of the Senators on this side of the aisle interposed an objection, but that lasted about 4 or 5 days and we worked it out. So I have to say, Mr. President—and I want to say this with as much gentility as I possess—that the delay of the farm bill cannot be laid at the doorstep of the Senator from North Carolina, the chairman. I will be there at 10 o'clock tomorrow morning, and I do hope that as I walk in I will see the smiling faces of 16 other Senators who will be willing to move along the farm bill. I yield the floor.

Mr. MELCHER and Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, may I say this—and I appreciate very much the comments by the distinguished chairman of the committee—as a member of that committee who has been in regular attendance, the chairman has been diligent in seeing to it that the committee has met on a regular and ongoing basis. And may I say to the distinguished occupant of the chair, who is a member of that committee, I would assert, once again, in this public place that we have, generally speaking, completed our work on that bill. There are some things that still need to be done, but the major questions have been addressed by the committee, may I say to the Chair.

Now, the last thing that happened before lunch was that the majority leader prevailed on a 9-to-8 vote to freeze commodity prices for the next 2 years and authorize the Secretary of Agriculture thereafter in the third and fourth years to have the discretionary authority to reduce prices on the commodities by 5 percent in each of the last 2 outyears, the third and the fourth. The final motion before us, as the President knows, just before we adjourned for lunch, was a motion by my distinguished colleague, the senior Senator from Montana, to provide instead that we have a 4-year freeze, but in the third and fourth years, the Secretary of Agriculture could pay up to 5 percent of the deficiency payment in commodities and, in the fourth year, up to 7½ percent in commodities.

Now, that is the difference between the majority and the minority on this question, and the amount of money, may I say to the President, is not very great.

Now, the U.S. Department of Agriculture, may I say, has never been able to give us any accurate figures, so there is no reason to believe that they can give us this one. And I say that with the experience of having served on that committee through two markups of farm bills. During that time, I have never had a correct figure given to me by any member of the U.S. Department of Agriculture. So I do not expect that it will take place tomorrow or at any time in the near future. But I do want to say this to the President: Others on the floor a short while ago, while I was off the floor, mentioned the Divad gun, which the President will recall I mentioned in committee today. I have the honor of also serving on the Armed Services Committee, and I happen to know a little bit about the Divad gun because very early this year, in late January and early February, it became an issue in the committee. And I said at that time, "Mr. Chairman, I do not think the Divad gun can shoot straight." And the chairman said, "Well, if the Senator believes that, why doesn't he go try the gun?" So I want to say to the chair that I went down to Fort Bliss in early February to fire the Divad gun. I spent the whole day there. I know a little bit about this $6 billion gun that does not shoot straight. It is mounted on a great big tank with two 40mm cannons and the radar set from an F-16 airplane. It is going to cost the people of this country, if more are built, $6 billion.

Now, the Washington Post said this morning that the Army is ready to report to the Secretary of Defense that the gun, in fact, now works and that the Secretary of Defense will make his determination on August 30.

I was in a tank with that gun. I fired that gun 88 times at close range against stationary and moving targets and never hit a thing. I can say that nobody else ever hit a thing. And the report this morning is that nobody has yet hit a thing. The Army says, "Well, if you get close it will fall down." I have never seen anything knocked down by the Divad gun. I just want to say in this public place, Mr. President, that all of the debate going on, all of the work we have done this year in the Agriculture Committee, all of the time we have spent, everything we are saying here on the floor cost appreciably less, appreciably less, Mr. President, for the farmers of rural America who are going broke by the numbers, than that gun, and that gun will not hit a thing.

I say that the people of America would be better served if we go back to committee and resolve the differences between the two sides, which are now miniscule, and bring forth a farm bill for the American farmer.

While we are on vacation this year, when we are back to our work schedules in our respective States, when we are not here on August 30, the Secretary of Defense I would say now—I predict, I warn—will certify that the Divad gun is a good buy—a $6 billion waste of the taxpayers' money for a gun that will not hit a blessed thing while we are here spending hours talking about the farmers of America who need a little bit more to be able to function for the next 4 years under the 1985 farm bill. The point I make in conclusion is this. The differences are very small. The differences can be resolved in one more meeting of the committee. I assert, once again, we have written more than 95 percent of the 1985 farm bill, and if we can go back into committee for 1 more day, we can report to this Senate a very good farm bill for the farmers of America.

Mr. MELCHER and Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, the distinguished Senator from North Carolina, the chairman of the Senate Agriculture Committee, made a statement about a proposal being made in the form of a sense-of-the-Senate resolution.

He pointed out that some Senator on this side of the aisle had objected to it. Mr. President, that is not the case, in my recollection, nor is it the case in the recollection of the Congressional Record, which shows that Mr. Danforth objected to it. I want to repeat what I said at that time.

> If the Senator chooses—

Meaning the chairman of the committee—

> to stay here during August, I think it would be a wise step and I will not oppose this proposal nor make a point of order at this time on his proposal. I think it would be wise to stay here. We could take up what the committee has acted upon and go to the following week or weeks, whatever is necessary.

So while I know that there are other Senators who have made plans and would have to change them, I think this is a very crucial matter. But in the proposal of the distinguished chairman of the Senate Agriculture Committee, he had my support, not only in my heart but also in vocalizing all my support for that proposal.

I think it is still possible that we could review the critical nature of the situation of the agricultural economy of this country and might want to consider that matter yet, by staying longer and having some definitive action on the bill. I believe it would be very wise that we do so.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER (Mr. Pressler). The Senator from Iowa.

Mr. HARKIN. Mr. President, I want to respond and perhaps elaborate a little on what the distinguished chairman of the Agriculture Committee said earlier. I am sorry he had to leave the Chamber.

I did want to bear witness to the truth of what he was saying—that in fact he has been most obliging in terms of recognizing members of the committee and in giving members of the Agriculture Committee their fair chance to be heard and to offer amendments.

There have been a couple of times when there was a fast gavel or two; but, what the heck, that is all in the prerogative of the chair. But I can say that, by and large, the chairman has been most accommodating and most fair in allowing members of the Agriculture Committee to have their say and to be able to offer their amendments. I do not have any argument with him on that point.

However, the distinguished chairman of the Agriculture Committee mentioned that it was the irresponsibility of Congress that has caused the problem in agriculture by voting for huge budget deficits over the years.

I think it is true that it has been the irresponsibility of Congress that has caused our present problems in agriculture, when you consider the enormous amount of the Federal debt. But I think it was the irresponsibility of Congress on three occasions that really caused the problems in the financial structure of this country which, of course, has placed a great burden on agriculture.

The first irresponsible act by Congress was in passing the Gramm-Lott budget in 1981, which skewed everything out of order.

The second irresponsible act of Congress was when Congress enacted the tax cuts which President Reagan wanted enacted in 1981, which cut the taxes for the wealthy of this country by huge amounts.

The third irresponsible act of Congress that is now weighing heavily upon the farmers was when Congress went along with President Reagan in deciding to tremendously increase defense spending in this country.

Those three actions—the Gramm-Lott budget, the tax cuts for the wealthy, and the tremendous increase in defense spending—caused our problems.

The distinguished chairman said that when we came in, we had a heck of a mess. We had about a trillion dollar national debt. That was true. He failed to point out that since this administration has been in office, the national debt has doubled. When President Reagan took office, our national debt stood at $932.3 billion. Today it is $1.8 trillion—double what it was when this President took over.

I might remind my fellow Senators that the amount of debt added during this administration equals all the national debt piled up by every administration from George Washington through Jimmy Carter, all put together.

So I do not think we need to be talked to about national debts and who is responsible, when in about 4 years this administration has doubled the national debt, that took nearly 200 years to accomplish under all the previous Presidents. So it is true that these deficits belong to this administration, and this administration cannot shrug them off.

Unless and until Congress acts responsible to close the tax loopholes, to get our budget priorities back in order, and to significantly reduce the wasteful military spending, we will continue to have these budget deficits. They are going to keep interest rates high, keep the value of the dollar high, cause a decrease in our agricultural exports, and continue to cause the problems they are causing in our agricultural community.

Mr. MELCHER. Mr. President, will the Senator yield on that point?

Mr. HARKIN. I yield.

Mr. MELCHER. I wonder if the Senator from Iowa agrees with me that with the deteriorating farm credit situation, some ranchers and farmers have to be liquidated, and that forces the rate of interest higher for those other farm borrowers who are borrowing from a PCA or bank.

Mr. HARKIN. That is absolutely true.

Mr. MELCHER. It is a true dilemma. You cannot shrug off the farm situation with which we are faced, with the further dilemma of higher rates of interest for those who are not now in a bad farm situation, but their turn may come the following year.

Mr. HARKIN. Absolutely. I have discussed this with the distinguished Senator from Montana, that we are in a situation where the increased interest rates are now causing the better customers of the Federal Land Bank and PCA's to take their loans elsewhere, leaving the farm credit system holding those loans that cannot perform.

When that happens the farm credit system has to increase its interest rates to cover those losses, more people leave the system, and we get a steadily escalating situation of higher interest rates and fewer people participating in the farm credit system. If we do not do something about it, it will cause a total collapse of the system.

I am glad that my colleague from Montana raised this issue, because it is the second point I wanted to bring up.

I referred to the huge deficits of the Reagan administration, caused by increased defense spending, tax cuts for the wealthy, and a skewed budget. As an aside, I point out that the budget adopted by the Senate—and I might add that I did not vote for the budget; it passed the Senate by one vote—but that budget cut agriculture significantly.

At the time of the passage of the budget, I spoke on the floor and pointed out that agriculture makes up only 2 percent of the budget but it accounts for about 6 percent of the cuts in the budget.

Again I think that our farmers, our agricultural community, can take its fair share of cuts. I do not think it needs to take three times the amount that it proportionately contributes to the national budget.

So, when we are told that we cannot pass a meaningful farm bill because it goes over the budget, the problem is that the budget itself is wrong because it weighs too heavily upon agriculture and perhaps lets some of the other sectors off without taking their fair share of the cuts.

Be that as it may, we are faced on the Agriculture Committee with coming up with a farm bill that will stop this erosion of land prices and stop this erosion of the credit system.

My colleague from Montana, led me into this with his question and his pointing out the situation with the farm credit system and how the increased interest rates are going to continue to have a dilatory effect upon the farm credit system.

I think that is something that we have not looked at on the Agriculture Committee. We tend to focus very narrowly upn commodities. We tend to focus very narrowly upon farm programs, and I can understand that.

But one thing I think that we are forgetting is what is going to happen economywide if we do not pass a farm bill that in fact increases farm income, not decreases but increases. If we pass a farm bill that decreases farm income, which is what this administration wanted to do—the initial bill they sent down drastically cut farm income—at least we have been able to move the Agriculture Committee at least to the point of perhaps not cutting farm income, maybe not raising it but at least not cutting it. At least I am hopeful that is where we are at this point.

The macroeconomic defense of not stopping this erosion of farm income has been laid out in a study done by the Food and Agricultural Policy Research Institute, a joint venture of Iowa State University and the University of Missouri, that was just completed. In fact, earlier today there was a press conference held in the Capitol by those who took part in the study outlining the macroeconomic effects of what is going to happen if we do not stop the slide in farm income. I think this is what OMB and the administration really has to start focusing on. No longer is it just the farm couple who are losing their farm, forced to leave the farm and give up everything they have worked for, and as sad as that is and as hard as that is on the individual couple, and as much as it tears our hearts to see that, I would suggest that it is not just that farm family that is being hurt, we are now seeing this thing begin to expand up like a ripple effect throughout the economy. If we do not stop this it is going to have drastic effects on us here in the United States and in fact perhaps even worldwide.

I point out that Wharton Econometrics did a study on this, and their major conclusions were that if we do not increase farm income we are facing loan losses of $20 billion to $25 billion in the near term, which are expected to increase short-term interest rates by 75 to 125 basis points, reduce national employment by 175,000 to 275,000 jobs, reduce total GNP by $30 billion to $50 billion over 8 years and increase the Federal debt by $14 billion to $21 billion by 1993.

Mr. President, I ask unanimous consent that I be permitted to yield the floor to the distinguished Senator from Minnesota and at the end of his comments he yield back the floor to me and I be recognized at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Minnesota.

Mr. BOSCHWITZ. I thank the distinguished colleague from Iowa for being kind enough to yield to me and so I may talk for just a moment. I have another commitment.

I do not want to really participate in a discussion of whose fault it was for not having a farm bill here before us at this time. As a practical matter, even if the committee had acted, we could not have concluded our work on the floor and a conference with the House of Representatives before the recess. I guess it was destined to be that way. There certainly were many delays—delays that came from many quarters—and it probably does not do the farmers much good to try to assess any blame or to try to figure out why it happened the way it has happened.

So I wish to address the question, what can a farmer expect? I say to my friend from the State of Montana where there are Winter-wheat farmers, who are going to plant before our committees will gather together once again in September, what can they reasonably expect? What should they anticipate as they go through the decisionmaking of planting?

I think that probably there is going to be a 20- to 30-percent set-aside in wheat once again. Unless I miss my guess, it will be on the high side because of carryover stocks, and income protection will continue pretty much on the level that it is now established.

The Secretary undoubtedly will announce a plan. He has announced plans in the past or indications of plans even when there has been a legal situation not unlike the one that we have before us.

So as farmers decide what to do, I think that they will get some guidance from the Department. I think that they should reasonably expect that there will be a set-aside in a 20- to 30-percent range with income protection numbers similar to the ones that they are now experiencing. Hopefully, we will see the implementation of the so-called Findley amendment which will allow the Secretary to reduce the loan rate another 10 percent. The farmers should understand that in the event the Findley amendment is utilized, their income will be protected by an increase in the deficiency payment. Also, the additional deficiency payment that will result through the lowering of the loan rate will not apply against the $50,000 payment limitation.

So even some of the larger farmers in the wheat area, and there are many, will not be penalized due to use of the Findley provision and will be able to make planting decisions on that basis.

I hope, also, looking a little bit into the future, that we will pass legislation that will allow us to be far more aggressive in the world marketplace; 60 percent of the wheat that we produce in this country is shipped abroad. We have far more wheat presently in stock than we use domestically in the course of 1 year, perhaps even upward to 2 years' worth of stocks, so it is important that we regain the international markets. Otherwise, we simply will not have much need for wheat production.

But I think set-asides again will be around the 20- to 30-percent range. I believe that income protection will remain at present levels, and I hope that the Findley amendment will lower the loan rate. "Why lower the loan rate?" many farmers will ask. Of course, the answer has to be that if we are going to be competitive on the international market, our wheat cannot be priced above the international marketplace price. It is now priced above the international marketplace price by about $25 a ton which is about 70 cents a bushel. So indeed, we have to get down there and be competitive. Otherwise, we will see a further erosion of our international marketing of wheat.

We marketed about 30 million tons of wheat 10 years ago on the international market. This year we will market less than that, 29 or 28 million tons of wheat.

On the other hand, the world market in wheat has grown during the same 10-year period. One has to ask: "Well, who has that additional market? Who has the nearly 25 to 30 million tons of new market that has appeared in the last 10 years?" And the answer is, unfortunately: "Everybody except the American farmer." The Europeans, the Argentines, the Australians, the Canadians, the Indians, and others have entered the wheat market. Wheat is not a very tricky thing to grow. It grows just about everywhere. And as a result, because of our high loan rates, we have encouraged production in other parts of the world and we have lost a meaningful share of the wheat market.

The same applies to corn, and the same applies to other products. That is why I have stood throughout the committee deliberations for an aggressive farm policy, while still protecting the income of the farmers. I think we have to do that as a practical matter.

Many colleagues say: "Gee, how can you spend so much money on the corn farmer or the wheat farmer?" The answer is that unless we do indeed protect the farm community and the farmer, the taxpayers of this country will have a far larger obligation in bailing out a series of lending organizations. This expense could come through the FDIC, the Federal Deposit Insurance Corporation, or through other Federal agencies that protect deposits.

So protecting farm income is not only the right thing to do, it is the cheapest thing to do for the taxpayer. But it is also the right thing to become aggressive in world markets, to return to world markets with a fervor that will regain a reasonable share of those markets for us. As those markets grow, without a question in my mind, farmers will prosper once again in our country as they have in the past.

They have not always prospered in the past. Farming is a pretty tough business, I might say. It is a very highly leveraged business. It is a business that is hard to get into even in the best of times. It is also hard to make a dollar at the business of farming even in the best of times, particularly if you are highly leveraged.

So we do have an obligation to the agricultural community because they are the very base of our economy. We do have a practical obligation to ourselves to serve the agricultural community, because if we do not, the lending systems of our country will experience serious losses that will be made up by the taxpayer at great cost.

So once again I thank my friend from Iowa, who has afforded me every courtesy during the course of these deliberations of the Agriculture Committee. Most often, I found myself on the opposite side of the issue from him, but never on the opposite side of comity, and courtesy, and understanding. We have had some interesting talks and conversation during the course of this farm bill debate. We have grown to be closer and indeed I treasure that.

I thank once again the Senator from Iowa.

Mr. HARKIN. Mr. President, I thank my distinguished friend from Minnesota for his observations on this bill. I would just like to say that of all of the individuals on the Agriculture Committee, all of whom I have enjoyed working with during this debate—we have a difference of opinion on how best to proceed, but, of course, that is what governing is all about is trying to work out those differences—I would just say the distinguished Senator from Minnesota has impressed me by having more knowledge of the intricacies of what the tradeoffs are and what the impacts are of various options and various choices that we can make than anybody on the committee, including myself. He has impressed me with his really in-depth understanding of agriculture and, as I said, of these policy options and what these options would mean as tradeoffs.

As he pointed out, we have differed on perhaps what those implications are. But I have enjoyed his thoughtfulness and his delineation in the Agriculture Committee of what these policy options mean as it affects other parts of agriculture and other economic sectors.

I might also point out that on almost every amendment that the Senator from Minnesota offered this morning, I believe I voted with him. I believe that is right. The record will show that.

Mr. BOSCHWITZ. If the Senator will yield, on one of the amendments it was just he and I against 14 others.

Mr. HARKIN. I believe that is right, as a matter of fact. So again I would say that probably the Senator from Minnesota and I probably, I would say in the vast majority of the cases, would agree upon the parameters and agree upon the first two or three steps, and maybe that last little 10 percent is where we probably disagree on how we ought to go.

But I do want to return the compliment and say that I have certainly found the Senator from Minnesota most enlightening to this Senator in terms of expanding my knowledge and expanding my understanding of the entire debate on agriculture.

Mr. BOSCHWITZ. I thank my colleague.

Mr. HARKIN. Mr. President, just following up on what I was saying, I was talking about the macroeconomic effects. I do not want to belabor that point, but I did want to point out again that in the study by the food and agriculture groups' Policy Research Institute, they quoted the Wharton Econometrics Forecasting Associates Analysis which investigated the macroeconomic consequences of the farm financial situation. I just want to quote from the Wharton study.

It showed that there are "potentially serious consequences of the farm debt crisis on the U.S. economy. And these impacts are higher interest rates, higher unemployment, reduced gross national product, fewer housing starts, lower personal income and a larger Federal deficit."

The Wharton analysis indicates that:

> If pre-emptive actions are not taken, the loan losses could significantly affect U.S. financial markets. Such outcomes would seriously jeopardize the farm sector and impose important costs for those not directly employed or involved in agriculture.

Then the study went on to say:

> Early corrective and preventive measures will be less costly than absorbing the impact of doing nothing or approaching the problem in a reactionary mode. The stakes for agriculture and national economic performance are high.

Again, the Wharton study, I believe, has really shown us that one way or another we are going to have to do something; that we are going to have to either put some money into shoring up farm income in the short-term and also taking care of the farm credit crisis right now, or we are going to have to come in later and do something about the massive writeoff of debts and the increase in the national debt and the increase in unemployment that is going to be caused by a writeoff of this farm debt.

As was put this morning by one of the individuals, I believe it was, the president of the National Corn Growers Association who is from my State of Iowa, he told the assembled people at this press conference at which this study was released that we can either pay now or pay later, is the way he put it. The study showed that by paying now we are going to pay a lot less than if we pay later.

Again I will close out my remarks by again quoting from the Wharton study in which they say:

> Ultimately the financial policy choice facing United States agriculture is this: Is it less costly, both in economic and human terms, to intervene and help the sector adjust to economic conditions, or is it more cost effective to attempt to make this passage between economic states with the tools and institutions that we currently possess? The magnitude of the required change would seem to place existing institutions in jeopardy without intervention.

The studies that are now coming out about the macroeconomic effects of doing nothing or of reducing farm income propels us on the Agriculture Committee to understand that if we do nothing or if we pass legislation that reduces farm income—for example, if we were to pass a 1-year target price freeze which might keep income at the same level next year but really would not give us any increase in income at all because of increased input costs and interest rates and everything else, and then allow the target prices and loan rates to be reduced after that, it would send absolutely the wrong signal to the financial markets because most of this huge debt that is held in agriculture is long-term debt. It is not next year's debt. It is not 6-month debt. It is long-term debt. If they see that the year after next and maybe 2 or 3 years from now the income of the farm sector will be reduced every year, I can tell you that as soon as we take that step the forces will be set in motion which this Senator believes will lead to a total collapse in the financial structure of agriculture, both in the farm credit system and in the private lending institutions that are out there—the banks, and other lending institutions that have loaned heavily in agriculture.

When that happens, of course, the domino effect will take place and the results of this study in which it says unemployment will go up by over 200,000, the national debt will go up, and interest rates will go up.

So our charge is really to begin with the starting point of how do we increase farm income. That is where we start; not how do we increase exports, but how do we increase farm income? That ought to be our starting point. Then we can work it out from there. Yes, it is going to cost something, but it is going to cost something because of what I said in opening my comments. It is going to cost because this Congress was irresponsible in adopting the Gramm-Latta budget, having huge tax cuts for the wealthy, and increasing defense spending by the amount that we have. Those were all, I believe, irresponsible actions in this Congress. For those of us who have the duty—the constitutional duty because we have been elected by our constituents, and because we represent farm States and rural areas—it is our duty now to try to get this back on an even keel to protect this farm income, and to protect this whole collapse from happening.

So our responsibility is to ensure that we do not erode farm income, but that we in fact increase it. If it costs something to do that now—I am willing to admit that it will—the cost will be much less than what it will cost later on if we let farm income go down.

I sense that one of the reasons that we have been tied up so long in the Senate Agriculture Committee, and as the distinguished chairman said, we now have had our 70th meeting—one of the reasons is because Senator recognize I think this dilemma we are in. I think the Senator from Montana brought up earlier the dilemma that confronts the Senators on the Agriculture Committee.

Here is the budget. The budget cut agriculture. It says we cannot do much in it. Yet on the other hand, if we abide by that and we cut net farm income, it is going to have a more drastic impact on our budget deficits than if we go ahead and do something right now to increase that farm income.

So our responsibility again is to act responsibly, not just for the farmers but for our whole economy, and to make sure that the farm bill that we pass increases farm income.

I detect that most Senators sitting around that table over there day after day recognize this. It is one of the reasons that we cannot seem to reach an agreement, because on the one hand Senators want to do something to shore up farm income; on the other hand, they are being told by the administration that we cannot do it. They trot out these numbers day after day to show us how terrible the budget impact is going to be if we pass a farm bill that will increase farm income.

Well, again, as I stated earlier, this is the same Department that told us that the PIK Program would not cost us anything. They were penny-wise and pound-foolish then and I detect that they are being penny-wise and pound-foolish right now by trying to pinch dollars now and it is going to cost us ten times as much in the future and cause perhaps irreparable damage to our small towns and communities, not only in Iowa, but throughout our country.

So, Mr. President, I am really disturbed that we did not meet today at 3 o'clock. I felt that we were approaching the point where we could have had the final vote on the commodity section and report it out to the floor. There has been some implication made by some that it was those of us on this side of the aisle who were holding up the farm bill. I think now we know it is not this side that is holding up the farm bill. We have been there. In fact, I think on this side of the aisle we have provided the majority of the Members who have been there for those debates on the farm bill. I think the record will show that. Had it not been for those of us from this side of the aisle, we would not even have had a working majority on the farm bill for all of those debates.

So this Senator is ready to vote on the farm bill in committee, get it out, and let the Senate work its will. I am confident that with these recent studies, with what we found to be the macroeconomic effects of the course that the administration would like to take us in agriculture, we will report out a bill that will not reduce farm income, but will in fact shore up farm income during the next 4 years.

That is really the way we ought to be proceeding. I hope the Senate Agriculture Committee will meet tomorrow, meet promptly at 10 o'clock, and that we will move forward on these votes. However, the time is drawing close. There is no way now I think we can get a bill up to vote on it before the recess. There has been a lot of smoke and fury from the distinguished majority leader regarding getting the farm bill on the floor. But that is just about all it has been. It has been a lot of smoke and fury, but no real action to get the Agriculture Committee to vote and to move expeditiously.

As I said, we have been there. We have been there to vote. We tried to vote it out last Friday. We had enough members there to report a bill out but were unable to do so.

So, Mr. President, when we come back from our recess confronting a farm bill in September, I am hopeful that the message will have gotten through loud and clear to this administration and to OMB that if we reduce farm income, the effect on the economy is going to cost us more down the road than the extra perhaps $8 billion to $10 billion that we are talking about putting in the farm bill right now to support that farm income over the next 4 years.

Mr. President, I yield the floor.

Mr. **DANFORTH**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **MATHIAS**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

BUDGET ACT WAIVER

Mr. **D'AMATO**. Mr. President, I ask unanimous consent that pursuant to section 904 of the Congressional Budget Act, section 303 of the act be waived with respect to consideration of H.R. 2942, the legislative branch appropriations bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

LEGISLATIVE BRANCH APPROPRIATIONS, 1986

Mr. **D'AMATO**. Mr. President, I ask unanimous consent that the Senate now turn to Calendar Order No. 249, H.R. 2942, legislative appropriations bill.

The **PRESIDING OFFICER**. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2942) making appropriations for the legislative branch for the fiscal year ending September 30, 1986, and for other purposes.

The **PRESIDING OFFICER**. There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the legislative branch for the fiscal year ending September 30, 1986, and for other purposes, namely:

TITLE I—CONGRESSIONAL OPERATIONS

SENATE

Mileage of the Vice President and Senators and Expense Allowances of the Vice President, the President Pro Tempore, Majority and Minority Leaders, Majority and Minority Whips, and Chairmen of the Majority and Minority Conference Committees

MILEAGE OF THE VICE PRESIDENT AND SENATORS

For mileage of the Vice President and Senators of the United States, $60,000.

EXPENSE ALLOWANCES OF THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS, MAJORITY AND MINORITY WHIPS, AND CHAIRMEN OF THE MAJORITY AND MINORITY CONFERENCE COMMITTEES

For expense allowances of the Vice President, $10,000; the President Pro Tempore of the Senate, $10,000; Majority Leader of the Senate, $10,000; Minority Leader of the Senate, $10,000; Majority Whip of the Senate, $5,000; Minority Whip of the Senate, $5,000; and Chairmen of the Majority and Minority Conference Committees, $6,000; in all, $56,000.

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, $10,000 for each such Leader, in all $20,000.

Salaries, Officers and Employees

For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions, which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For the Office of the Vice President, $1,112,000.

OFFICE OF THE PRESIDENT PRO TEMPORE

For Office of the President Pro Tempore, $149,000.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, $1,090,000.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, $418,000.

CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, $540,500 for each such committee; in all, $1,081,000.

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, $182,000.

OFFICE OF THE CHAPLAIN

For Office of the Chaplain, $90,000.

OFFICE OF THE SECRETARY

For Office of the Secretary, $6,953,000.

ADMINISTRATIVE, CLERICAL, AND LEGISLATIVE ASSISTANCE TO SENATORS

For administrative, clerical, and legislative assistance to Senators, $102,549,000.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, $36,358,000.

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For Offices of the Secretary for the Majority and the Secretary for the Minority, $879,000.

AGENCY CONTRIBUTIONS

For agency contributions for employee benefits, as authorized by law, $19,612,000.

Office of the Legislative Counsel of the Senate

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $1,437,000.

Office of Senate Legal Counsel

For salaries and expenses of the Office of Senate Legal Counsel, $565,000.

Expense Allowances of the Secretary of the Senate, Sergeant at Arms and Doorkeeper of the Senate, and Secretaries for the Majority and Minority of the Senate

For expense allowances of the Secretary of the Senate, $3,000; Sergeant at Arms and Doorkeeper of the Senate, $3,000; Secretary for the Majority of the Senate, $3,000; Secretary for the Minority of the Senate, $3,000; in all, $12,000.

Contingent Expenses of the Senate

SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $974,000 for each such committee; in all $1,948,000.

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96–304 and Senate Resolution 281, agreed to March 11, 1980, $51,050,000.

SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, $683,800.

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, $54,153,000.

MISCELLANEOUS ITEMS

For miscellaneous items, $9,659,000.

STATIONERY (REVOLVING FUND)

For stationery for the President of the Senate, $4,500, for officers of the Senate and the Conference of the Majority and Conference of the Minority of the Senate, $7,500; in all, $12,000.

ADMINISTRATIVE PROVISION

Section 1. The second sentence of section 120 of Public Law 97–51 (2 U.S.C. 61g–6) is amended by inserting immediately before the period at the end thereof the following: ", except that vouchers shall not be required for payment of long-distance telephone calls".

HOUSE OF REPRESENTATIVES

Mileage of Members

For mileage of Members, as authorized by law, $150,000.

House Leadership Offices

For salaries and expenses, as authorized by law, $3,357,000, including: Office of the Speaker, $775,000, including $18,000 for official expenses of the Speaker; Office of the Majority Floor Leader, $688,000, including $10,000 for official expenses of the Majority Leader; Office of the Minority Floor Leader, $767,000, including $10,000 for official expenses of the Minority Leader; Office of the Majority Whip, $603,000, including $1,000 for official expenses of the Majority Whip and not to exceed $145,540 for the Chief Deputy Majority Whip; Office of the Minority Whip, $524,000, including $1,000 for official expenses of the Minority Whip and not to exceed $76,840 for the Chief Deputy Minority Whip.

Salaries, Officers and Employees

For compensation and expenses of officers and employees, as authorized by law, $47,914,000, including: Office of the Clerk, $13,656,000; Office of the Sergeant at Arms, including overtime, as authorized by law, $18,269,000; Office of the Doorkeeper, including overtime, as authorized by law, $6,678,000; Office of the Postmaster, $2,075,000, including $46,722 for employment of substitute messengers and extra services of regular employees when required at the salary rate of not to exceed $16,278 per annum each; Office of the Chaplain, $73,000; Office of the Parliamentarian, including the Parliamentarian and $2,000 for preparing the Digest of Rules, $623,000; for salaries and expenses of the Office for the Bicentennial of the House of Representatives, $219,000; for salaries and expenses of the Office of the Law Revision Counsel of the House, $859,000; for salaries and expenses of the Office of the Legislative Counsel of the House, $2,800,000; six minority employees, $434,000; the House Democratic Steering Committee and Caucus, $617,000; the House Republican Conference, $617,000; and Other Authorized Employees, $994,000.

Such amounts as are deemed necessary for the payment of salaries of officers and employees under this head may be transferred between the various offices and activities within this appropriation, "Salaries, officers and employees", upon the approval of the Committee on Appropriations of the House of Representatives.

Committee Employees

For professional and clerical employees of standing committees, including the Committee on Appropriations and the Committee on the Budget, $44,325,000.

Committee on Appropriations (Studies and Investigations)

For salaries and expenses, studies and examinations of executive agencies, by the Committee on Appropriations, and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act, 1946, and to be available for reimbursement to agencies for services performed, $4,275,000.

Committee on the Budget (Studies)

For salaries, expenses, and studies by the Committee on the Budget, and temporary personal services for such committee to be expended in accordance with sections 101(c), 606, 703, and 901(e), of the Congressional Budget Act of 1974, and to be available for reimbursement to agencies for services performed, $296,000.

Members' Clerk Hire

For staff employed by each Member in the discharge of his official and representative duties, $166,762,000.

Contingent Expenses of the House

Allowances and Expenses

For allowances and expenses as authorized by House resolution or law, $133,426,000, including: Official Expenses of Members, $81,000,000; supplies, materials, administrative costs and Federal tort claims, $16,946,000; furniture and furnishings, $1,000,000; stenographic reporting of committee hearings, $500,000; reemployed annuitants reimbursements, $1,200,000; Government contributions to employees' life insurance fund, retirement fund, Social Security fund, Medicare fund and health benefits fund, $32,158,000; and miscellaneous items including, but not limited to, purchase, exchange, maintenance, repair and operation of House motor vehicles, interparliamentary receptions and gratuities to heirs of deceased employees of the House, $622,000.

Such amounts as are deemed necessary for the payment of allowances and expenses under this head may be transferred between the various categories within this appropriation, "Allowances and expenses", upon the approval of the Committee on Appropriations of the House of Representatives.

Standing Committees, Special and Select

For salaries and expenses of standing committees, special and select, authorized by the House, $46,960,000.

Administrative Provisions

Sec. 101. Of the amounts appropriated in fiscal year 1986 for the House of Representatives under the headings "Committee employees", "Standing Committees, special and select", "Salaries, officers and employees", "Allowances and expenses", and "Members' clerk hire", such amounts as are deemed necessary for the payment of salaries and expenses may be transferred among the aforementioned accounts upon approval of the Committee on Appropriations of the House of Representatives.

Sec. 102. (a) The first sentence of section 5 of House Resolution 1238, Ninety-first Congress, as enacted into permanent law by Public Law 91–665 (84 Stat. 1989) and supplemented by subsection (a) of Public Law 93–532 (88 Stat. 1723), is amended by striking out "not to exceed $3,000" the first place it appears and inserting in lieu thereof "not to exceed the then current rate for step 5 of level 11 of the House Employees Schedule", by striking out "not to exceed $3,000" the second place it appears and inserting in lieu thereof "not to exceed the then current rate for step 9 of level 8 of such Schedule", and by striking out "not to exceed $9,000" and inserting in lieu thereof "not to exceed the then current rate for step 1 of level 6 of such Schedule".

(b) House Resolution 1238, Ninety-first Congress, as so enacted and supplemented, is further amended by striking out sections 3 and 6, by striking out, in section 2, "in the manner provided by applicable provisions of the Legislative Appropriation Act, 1955, as amended by the Act of June 13, 1957 (71 Stat. 82; Public Law 85–54)" and all that follows through "as amended or supplemented after such date," and inserting in lieu thereof "an allowance equal to the base allowance component of the Official Expenses Allowance then currently in effect for each Member of the House (to be paid in the same manner as such Allowance)", by striking out "reimbursement, from" and inserting in lieu thereof "have", and by inserting "be available for payment of" after "of the House" the first place it appears.

Sec. 103. (a) Two additional employees are authorized for each of the following:

(1) the House Democratic Steering and Policy Committee; and

(2) the House Republican Conference.

(b) The annual rate of pay for the positions established under subsection (a) shall not exceed 60 percent of the annual rate of pay payable from time to time for level V of the Executive Schedule under section 5316 of title 5, United States Code.

JOINT ITEMS

For joint committees, as follows:

Contingent Expenses of the Senate

JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, [$2,670,000] *$2,644,000.*

JOINT COMMITTEE ON PRINTING

For salaries and expenses of the Joint Committee on Printing, [$910,000] *$935,000.*

Contingent Expenses of the House

JOINT COMMITTEE ON TAXATION

For salaries and expenses of the Joint Committee on Taxation, $3,705,000, to be disbursed by the Clerk of the House.

For other joint items, as follows:

Office of the Attending Physician

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including (1) an allowance of $1,000 per month to the Attending Physician; (2) an allowance of $600 per month to one Senior Medical Officer while on duty in the Attending Physician's office; (3) an allowance of $200 per month each to two medical officers while on duty in the Attending Physician's office; (4) an allowance of $200 per month each to not to exceed eleven assistants on the basis heretofore provided for such assistance; and (5) $744,800 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, such amount shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, [$1,056,000] *$1,036,000,* to be disbursed by the Clerk of the House.

Capitol Police

GENERAL EXPENSES

For purchasing and supplying uniforms; the purchase, maintenance, and repair of police motor vehicles, including two-way police radio equipment; contingent expenses, including advance payment for travel for training or other purposes, and expenses associated with the relocation of instructor personnel to and from the Federal Law Enforcement Training Center as approved by the Chairman of the Capitol Police Board, and including $80 per month for extra services performed for the Capitol Police Board by such member of the staff of the Sergeant at Arms of the Senate or the House as may be designated by the Chairman of the Board, [$1,361,000] *$1,336,000,* to be disbursed by the Clerk of the House: *Provided,* That the funds used to maintain the petty cash fund referred to as "Petty Cash II" which is to provide for the prevention and detection of crime shall not exceed $4,000: *Provided further,* That the funds used to maintain the petty cash fund referred to as "Petty Cash III" which is to provide for the advance of travel expenses attendant to protective assignments shall not exceed $4,000.

CAPITOL POLICE BOARD

Funds available for obligations for fiscal year 1986 to enable the Capitol Police Board to provide additional protection for the Capitol Buildings and Grounds, including the Senate and House Office Buildings and the Capitol Power Plant, $100,000, to be disbursed by the Clerk of the House. Such sum shall be expended only for payment of salaries and other expenses of personnel detailed from the Metropolitan Police of the District of Columbia, and the Mayor of the District of Columbia is authorized and directed to make such details upon the request of the Board. Personnel so detailed shall, during the period of such detail, serve under the direction and instructions of the Board and are authorized to exercise the same authority as members of such Metropolitan Police and members of the Capitol Police and to perform such other duties as may be assigned by the Board. Reimbursement for salaries and other expenses of such detail personnel shall be made to the government of the District of Columbia, and any sums so reimbursed shall be credited to the appropriation or appropriations from which such salaries and expenses are payable and shall be available for all the purposes thereof: *Provided,* That any person detailed under the authority of this paragraph or under similar authority in the Legislative Branch Appropriation Act, 1942, and the Second Deficiency Appropriation Act, 1940, from the Metropolitan Police of the District of Columbia shall be deemed a member of such Metropolitan Police during the period or periods of any such detail for all purposes of rank, pay, allowances, privileges, and the benefits to the same extent as though such detail had not been made, and at the termination thereof any such person shall have a status with respect to rank, pay, allowances, privileges, and benefits which is not less than the status of such person in such police at the end of such detail.

No part of any appropriation contained in this Act shall be paid as compensation to any person appointed after June 30, 1935, as an officer or member of the Capitol Police who does not meet the standards to be prescribed for such appointees by the Capitol Police Board.

Official Mail Costs

For expenses necessary for official mail costs, [$104,211,000] *$100,000,000,* to be disbursed by the Clerk of the House, to be available immediately upon enactment of this Act.

Capitol Guide Service

For salaries and expenses of the Capitol Guide Service, $867,000, to be disbursed by the Secretary of the Senate: *Provided,* That none of these funds shall be used to employ more than twenty-eight individuals: *Provided further,* That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than one hundred twenty days each, and not more than ten additional individuals for not more than six months each, for the Capitol Guide Service.

Statements of Appropriations

For the preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives, of the statements for the first session of the Ninety-ninth Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriation bills as required by law, [$11,000] *$13,000,* to be paid to the persons designated by the chairman of such committees to supervise the work.

OFFICE OF TECHNOLOGY ASSESSMENT

Salaries and Expenses

For salaries and expenses necessary to carry out the provisions of the Technology Assessment Act of 1972 (Public Law 92-484), including reception and representation expenses (not to exceed $3,000 from the Trust Fund), and rental of space in the District of Columbia, and those necessary to carry out the duties of the Director of the Office of Technology Assessment under Section 1886 of the Social Security Act as amended by Section 601 of the Social Security Amendments of 1983 (Public Law 98-21), $15,300,000: *Provided,* That none of the funds in the Act shall be available for salaries or expenses of any employee of the Office of Technology Assessment in excess of 143 staff employees: *Provided further,* That no part of this appropriation shall be available for assessments or activities not initiated and approved in accordance with section 3(d) of Public Law 92-484, except that funds shall be available for the assessment required by Public Law 96-151.

CONGRESSIONAL BUDGET OFFICE

Salaries and Expenses

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93-344), [$16,609,000] *$17,541,000: Provided,* That none of these funds shall be available for the purchase or hire of a passenger motor vehicle: *Provided further,* That none of the funds in this Act shall be available for salaries or expenses of any employee of the Congressional Budget Office in excess of 222 staff employees: *Provided further,* That any sale or lease of property, supplies, or services to the Congressional Budget Office shall be deemed to be a sale or lease of such property, supplies, or services to the Congress subject to Section 903 of Public Law 98-63.

ARCHITECT OF THE CAPITOL

Office of the Architect of the Capitol

SALARIES

For the Architect of the Capitol; the Assistant Architect of the Capitol; the Executive Assistant; and other personal services; at rates of pay provided by law, $5,417,000.

TRAVEL

Appropriations under the control of the Architect of the Capitol shall be available for expenses of travel on official business not to exceed in the aggregate under all funds the sum of $20,000.

[CONTINGENT EXPENSES

[To enable the Architect of the Capitol to make surveys and studies, to incur expenses authorized by the Act of December 13, 1973 (87 Stat. 704), and to meet unforeseen expenses in connection with activities under his care, $235,000.]

Capitol Buildings and Grounds

CAPITOL BUILDINGS

For all necessary expenses for the maintenance, care and operation of the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol, including furnishings and office equipment; not to exceed $1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; purchase or exchange, maintenance and operation of a passenger motor vehicle; for expenses of attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, [$11,405,000] $10,590,000.

CAPITOL GROUNDS

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House Office Buildings, and the Capitol Power Plant, [$3,041,000] *$3,362,000: Provided,* That the passenger motor vehicles authorized by Public Law 94-440 (90 Stat. 1453), approved October 1, 1976, to provide a shuttle service for Members and employees of Congress may be used for the transportation of House Pages to and from special events associated with their education when approved by the House of Representatives Page Board: *Provided further,* That the use of the said passenger motor vehicles for transportation of House Pages shall not interfere with the shuttle service for Members and employees of the Congress.

SENATE OFFICE BUILDINGS

For all necessary expenses for maintenance, care and operation of the Senate Office Buildings; and furniture and furnishings, to be expended under the control and supervision of the Architect of the Capitol, $19,163,000, of which $649,000 shall remain available until expended.

HOUSE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of the House Office Buildings, including the position of Superintendent of Garages as authorized by law, $22,088,000, of which $1,500,000 shall remain available until expended.

CAPITOL POWER PLANT

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; for lighting, heating, and power (including the purchase of electrical energy) for the Capitol, Senate and House Office Buildings, Congressional Library Buildings, and the grounds about the same, Botanic Garden, Senate garage, and for air conditioning refrigeration not supplied from plants in any of such buildings; for heating the Government Printing Office and Washington City Post Office and heating and chilled water for air conditioning for the Supreme Court Building, Union Station complex and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation; $23,495,000: *Provided,* That not to exceed $1,950,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year 1986.

LIBRARY OF CONGRESS

Congressional Research Service

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946, as amended by section 321 of the Legislative Reorganization Act of 1970 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, [$38,963,000] *$40,333,000: Provided,* That no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration or the Senate Committee on Rules and Administration: *Provided further,* That, notwithstanding any other provisions of law, the compensation of the Director of the Congressional Research Service, Library of Congress, shall be at an annual rate which is equal to the annual rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

GOVERNMENT PRINTING OFFICE

Congressional Printing and Binding

For authorized printing and binding for the Congress; for printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); and printing and binding of Government publications authorized by law to be distributed to Members of Congress, $69,405,000: *Provided,* That this appropriation shall not be available for printing and binding part 2 of the annual report of the Secretary of Agriculture (known as the Yearbook of Agriculture) or for printing and binding copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under 44 U.S.C. 906: *Provided further,* That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years.

THIS TITLE MAY BE CITED AS THE "CONGRESSIONAL OPERATIONS APPROPRIATION ACT, 1986".

TITLE II—OTHER AGENCIES

BOTANIC GARDEN

SALARIES AND EXPENSES

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, [$2,197,000: *Provided,* That appropriations under this head shall be available for Bartholdi Fountain repairs without regard to section 3709 of the Revised Statutes, as amended] *$2,113,000.*

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

For necessary expenses of the Library of Congress, not otherwise provided for, including development and maintenance of the Union Catalogs; custody, care and maintenance of the Library Buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center and the American Television and Radio Archives in the Library; preparation and distribution of catalog cards and other publications of the Library; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, [$136,569,000] *$139,325,000,* of which not more than $4,300,000 shall be derived from collections credited to this appropriation during fiscal year 1986 under the Act of June 28, 1902, as amended (2 U.S.C. 150): *Provided,* That the total amount available for obligation shall be reduced by the amount by which collections are less than the $4,300,000: *Provided further,* That, of the total amount appropriated, $4,717,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other materials including subscriptions for bibliographic services for the Library, including $40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections.

Copyright Office

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, including publication of the decisions of the United States courts involving copyrights, [$17,631,000] *$18,081,000,* of which not more than [$6,000,000] *$6,500,000* shall be derived from collections credited to this appropriation during fiscal year 1986 under 17 U.S.C. 708(c), and not more than $750,000 shall be derived from collections during fiscal year 1986 under 17 U.S.C. 111(d)(3) and 116 (c)(1): *Provided,* That the total amount available for obligation shall be reduced by the amount by which collections are less than the [$6,750,000] *$7,250,000.*

Books for the Blind and Physically Handicapped

SALARIES AND EXPENSES

For salaries and expenses to carry out the provisions of the Act approved March 3, 1931, as amended (2 U.S.C. 135a), $33,761,000.

Collection and Distribution of Library Materials

(Special Foreign Currency Program)

For necessary expenses for carrying out the provisions of section 104(b)(5) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), to remain available until expended, $832,000, of which $711,000 shall be available only for payments in any foreign currencies owed to or owned by the United States which the Treasury Department shall determine to be excess to the normal requirements of the United States.

Furniture and Furnishings

For necessary expenses for the purchase and repair of furniture, furnishings, office and library equipment, $891,000.

Administrative Provisions

SEC. 201. Appropriations in this Act available to the Library of Congress shall be available, in an amount not to exceed $126,610, of which $47,800 is for the Congressional Research Service, when specifically authorized by the Librarian, for expenses of attendance at meetings concerned with the function or activity for which the appropriation is made.

SEC. 202. (a) No part of the funds appropriated in this Act shall be used by the Library of Congress to administer any flexible or compressed work schedule which—

(1) applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS-15; and

(2) grants the manager or supervisor the right to not be at work for all or a portion of a workday because of time worked by the manager or supervisor on another workday.

(b) For purposes of this section, the term "manager or supervisor" means any management official or supervisor, as such terms are defined in section 7103(a) (10) and (11) of title 5, United States Code.

ARCHITECT OF THE CAPITOL

Library Buildings and Grounds

STRUCTURAL AND MECHANICAL CARE

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, $5,785,000.

COPYRIGHT ROYALTY TRIBUNAL

Salaries and Expenses

For necessary expenses of the Copyright Royalty Tribunal, $519,000, of which $363,000 shall be derived by collections from the appropriation "Payments to Copyright Owners" for the reasonable costs incurred in proceedings involving distribution of royalty fees as provided by 17 U.S.C. 807.

GOVERNMENT PRINTING OFFICE

Printing and Binding

For printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, [$11,655,000] *$11,555,000: Provided,* That this appropriation shall not be available for printing and binding part 2 of the annual report of the Secretary of Agriculture (known as the Yearbook of Agriculture): *Provided further,* That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years.

Office of Superintendent of Documents

Salaries and Expenses

For necessary expenses of the Office of Superintendent of Documents, including compensation of all employees in accordance with the provisions of 44 U.S.C. 305; travel expenses (not to exceed $107,000); price lists and bibliographies; repairs to buildings, elevators, and machinery; and supplying books to depository libraries; $25,981,000, *of which $3,000,000 shall be derived from the Government Printing Office revolving fund, representing excess receipts from the sale of publications: Provided,* That $300,000 of this appropriation shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 1512), with the approval of the Public Printer, only to the extent necessary to provide for expenses (excluding permanent personal services) for workload increases not anticipated in the budget estimates and which cannot be provided for by normal budgetary adjustments.

Government Printing Office Revolving Fund

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the "Government Printing Office revolving fund": *Provided,* That not to exceed $5,000 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: *Provided further,* That during the current fiscal year the revolving fund shall be available for the hire of eight passenger motor vehicles: *Provided further,* That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: *Provided further,* That the revolving fund shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18: *Provided further,* That the revolving fund shall be available to acquire needed land, located in Northwest D.C., which is adjacent to the present Government Printing Office, and is bounded by Massachusetts Avenue and the southern property line of the Government Printing Office, between North Capitol Street and First Street. The land to be purchased is identified as Parcels 45-D, 45-E, 45-F, and 47-A in Square 625, and includes the alleys adjacent to these parcels, and G Street, N.W. from North Capitol Street to First Street: [*Provided further,* That the revolving fund and the funds provided under the paragraph entitled "Office of Superintendent of Documents, Salaries and expenses" together may not be available for the employment of more than 5,480 employees at any time.]

GENERAL ACCOUNTING OFFICE

Salaries and Expenses

For necessary expenses of the General Accounting Office, including not to exceed $5,000 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with 31 U.S.C. 3324; benefits comparable to those payable under sections 901(5), 901(6) and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6) and 4081(8), respectively); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries and travel benefits comparable with those which are now or hereafter may be granted single employees of the Agency for International Development, including single Foreign Service personnel assigned to A.I.D. projects, by the Administrator of the Agency for International Development—or his designee—under the authority of section 636(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2396(b)); [$300,992,000] *$299,726,000: Provided,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP costs as determined by the JFMIP, including but not limited to the salary of the Executive Director and secretarial support: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of Forum costs as determined by the Forum, including necessary travel expenses of non-Federal participants. Payments hereunder to either the Forum or the JFMIP may be credited as reimbursements to any appropriation from which costs involved are initially financed: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences: *Provided further,* That this appropriation shall be available to finance a portion, not to exceed $50,000 of the costs of the Governmental Accounting Standards Board: *Provided further,* That this appropriation shall be available for the expenses of planning the triennial Congress of the International Organization of Supreme Audit Institutions (INTOSAI) to be hosted by the U.S. General Accounting Office in Washington, D.C., in 1992.

[Sec. 203. Section 7(b) of Public Law 90-545 (16 U.S.C. 79g(b)) is amended to read as follows:

["(b) Judgments against the United States, including final partial judgments and compromise settlements of claims referred to the Attorney General for defense of suits against the United States, for amounts in excess of the deposit in court in actions under section 3 of this Act shall be paid in accordance with the provisions of section 1304 of title 31, and section 2414 of title 28, United States Code. Final partial judgments and compromise settlements are payable only after certification by the Attorney General to the Comptroller General that it is in the interest of the United States to do so."]

RAILROAD ACCOUNTING PRINCIPLES BOARD

Salaries and Expenses

For salaries and expenses of the Railroad Accounting Principles Board, $750,000, to be expended in accordance with the provisions of H.R. 4439, 98th Congress, as passed by the House of Representatives on February 7, 1984.

TITLE III—GENERAL PROVISIONS

Sec. 301. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Administration.

Sec. 302. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 303. Whenever any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for herein or whenever the rate of compensation or designation of any position appropriated for herein is different from that specifically established for such position by such Act, the rate of compensation and the designation of the position, or either, appropriated for or provided herein, shall be the permanent law with respect thereto: *Provided,* That the provisions herein for the various items of official expenses of Members, officers, and committees of the Senate and House, and clerk hire for Senators and Members shall be the permanent law with respect thereto.

Sec. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Sec. 305. (a) Section 311 of title 44, United States Code, is amended by inserting "(a)" before "Purchases" and by adding at the end the following:

"(b) In addition to the authority to negotiate otherwise provided by law, the Public Printer may negotiate purchases and contracts for supplies or services for which the Public Printer determines that it is impracticable to secure competition by advertising. The Public Printer may not award a contract under this subsection unless he justifies the use of negotiation in writing and certifies the accuracy and completeness of the justification. The justification shall set out facts and circumstances that clearly and convincingly establish that advertising would not be practicable for such contract. Such a justification is final and a copy thereof shall be maintained in the Government Printing Office for at least 6 years after the date of the determination. The Public Printer may designate one or more employees of the Government Printing Office to carry out this subsection.".

(b)(1) The heading for section 311 of such title 44 is amended by adding at the end the following: "; contract negotiation authority".

(2) The table of sections of chapter 3 of title 44, United States Code, is amended by striking out the item relating to section 311 and inserting in lieu thereof the following:

"311. Purchases exempt from the Federal Property and Administrative Services Act; contract negotiation authority.".

Sec. 306. (a) Section 309 of title 44, United States Code, is amended:

(1) striking out "except the Office of Superintendent of Documents," contained in the first subparagraph of subsection (a); and

(2) by striking out subsection (b)(3).

(b) Section 1708 of title 44, United States Code, is amended by striking out the last sentence of the first full paragraph.

(c) The amendments made by subsections (a) and (b) above shall take effect on October 1, 1985.

This Act may be cited as the "Legislative Branch Appropriations Act, 1986".

Mr. D'AMATO. Mr. President, the Legislative Branch Appropriations Act for fiscal year 1986 reported from the Committee on Appropriations on July 25 recommends a total of $1,599,338,800 for the upcoming fiscal year. That is a reduction of $728,338 from levels provided for fiscal year 1985, and a reduction of $183,916,200, or 10.3 percent from the budget request. With those reductions, I believe we have complied with both the President's desire for a 10-percent reduction in the legislative branch, and the assumption of a 10-percent reduction implied by the first concurrent resolution on the budget as passed by the Senate.

Our committee bill also compares favorably with that passed by the other body. Exclusive of items pertaining strictly to the House and Senate, including funding for office buildings provided through the Architect of the Capitol, the committee recommends a total of $820,494,000, while the House-passed bill would provide $824,920,000. So this bill is $4,426,000 below the House bill in that respect.

To look at it another way, Mr. President, the bill as reported by the committee recommends a total of $309,291,800 for the Senate, including amounts of Senate Office Building, which is a reduction of $23,140,200, or 7 percent from the request. The other body would provide a total of $469,553,000 for items pertaining solely to the House, including House Ofice Buildings, a reduction of $27,201,000, or 5.4 percent, from the request. Without in anyway impugning the work of the other body, Mr. President, I believe the Senate can properly say it has done a little bit better job in taking its share of the reductions necessary to achieve meaningful deficit reduction.

There is no reason to kid anyone, Mr. President. Reductions of this magnitude are going to change some plans for fiscal year 1986 and force some cutbacks. But the committee believes such actions are necessary, and will not cause undue disruption in the services provided to Congress and the rest of the Government by the support agencies, or in our service to the people we represent.

Before turning to a more detailed explanation of the provisions of the bill, I ask unanimous consent that a table summarizing the recommendations of the committee be printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

SUMMARY OF THE BILL

Department or agency	1985 enacted and supplementals [1]	Budget estimates, 1986	House bill	Committee recommendations	Senate bill compared with—		
					1985, enacted	Budget estimates, 1986	House bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TITLE I—CONGRESSIONAL OPERATIONS							
Senate	$285,930,000	$308,834,000		$290,128,800	+$4,198,800	−$18,705,200	+$290,128,800
House of Representatives	439,398,100	455,431,000	$447,465,000	447,465,000	+8,066,900	−7,966,000	
Joint Items	96,415,188	155,804,000	114,900,000	110,645,000	+14,229,812	−45,159,000	−4,225,000
Office of Technology Assessment	15,692,000	17,000,000	15,300,000	15,300,000	−392,000	−1,700,000	
Congressional Budget Office	17,541,000	18,455,000	16,609,000	17,541,000		−914,000	+932,000
Architect of the Capitol (except Library buildings and grounds)	85,180,850	112,191,000	65,681,000	84,115,000	−1,065,850	−28,076,000	+18,434,000
Congressional Research Service, Library of Congress	40,333,000	43,292,000	38,963,000	40,333,000		−2,959,000	+1,370,000
Congressional printing and binding, Government Printing Office	80,800,000	78,900,000	69,405,000	69,405,000	−11,395,000	−9,495,000	
Total, title I—Congressional operations	1,061,290,138	1,189,907,000	768,323,000	1,074,932,800	+13,642,662	−114,974,200	+306,609,800
TITLE II—OTHER AGENCIES							
Botanic Garden	2,080,000	2,197,000	2,197,000	2,113,000	+33,000	−84,000	−84,000
Library of Congress (except Congressional Research Service)	187,909,000	199,537,000	178,634,000	181,340,000	−6,569,000	−18,197,000	+2,706,000
Architect of the Capitol (Library buildings and grounds)	5,799,000	7,380,000	5,785,000	5,785,000	−14,000	−1,595,000	
Copyright Royalty Tribunal	217,000	227,000	156,000	156,000	−61,000	−71,000	
Government Printing Office (except congressional printing and binding)	42,068,000	43,368,000	37,636,000	34,536,000	−7,532,000	−8,832,000	−3,100,000
General Accounting Office	299,704,000	339,639,000	300,992,000	299,726,000	+22,000	−39,913,000	−1,266,000
Railroad Accounting Principles Board	1,000,000	1,000,000	750,000	750,000	−250,000	−250,000	
Total, title II—Other agencies	538,777,000	593,348,000	526,150,000	524,406,000	−14,371,000	−68,942,000	−1,744,000
Grand total, new budget (obligational) authority	1,600,067,138	1,783,255,000	1,294,473,000	1,599,338,800	−728,338	−183,916,200	+364,865,800

[1] Includes amounts provided in H.R. 2577, the Supplemental Appropriations Act for fiscal year 1985, as passed by the Senate on June 20, 1985.

Mr. D'AMATO. Mr. President, the details of the committee's action on H.R. 2942 are provided in Senate Report 99-111, which has been available to Senators since Friday, July 26. Let me highlight the committee's recommendations as described more fully in that report.

With the exception of statutory allowances, such as mileage for the Vice President and Senators, all accounts have been reduced below the request of the President, and all but the account providing expenses for the operations of the Office of the Sergeant at Arms have been held at or below fiscal year 1985 levels. Salaries for the Office of the Vice President, the President pro tempore, the majority and minority Leaders, and the majority and minority whips; the conference committees, the secretaries of the two conference committees, the Chaplain, the Sergeant at Arms, the secretary for the majority and the secretary for the minority, the legislative counsel, the legal counsel, the policy committees, Senators' personal staffs, and the staffs of standing, special, and select committees have all been held to fiscal year 1985 levels. Salaries in the Office of the Secretary, at her request, have been reduced by $300,000 below fiscal year 1985 levels. Agency contributions on behalf of employees paid through these accounts have been reduced accordingly.

Expenses for the Office of the Secretary, again at her request, have been reduced below fiscal year 1985 levels to $683,800, and I want to reiterate the committee's commendation of the Secretary for her concerted effort to reduce the costs of her office. The "Miscellaneous Items" account, which provides for such expenses as the reception of foreign dignitaries, the calendars of the Committee on Rules and Administration, expenses of the conference committees, and Senator's official office expense accounts, has been reduced by $682,000 from the fiscal year 1985 request, for a total fiscal year 1986 recommendation of $9,659,000. Even the relatively small amount for the stationery revolving fund has been reduced by $1,000 and held to the fiscal year 1985 level of $12,000.

In accordance with the usual practice, the committee has recommended no change in the amounts provided by the House-passed bill for items pertaining solely to the House. Those amounts total $469,553,000, a reduction of $27,201,000 from the request.

Under joint items, the committee recommends a reduction in the requests of the Joint Economic Committee, the Joint Committee on Printing, the Joint Committee on Taxation, and the Capitol Guide Service, and provides for no new positions for any of those activities. Expenses of the Attending Physician and the Capitol Police have been reduced. A significant reduction is proposed in official mail costs, for which the committee considered a fiscal year 1986 request of $144,458,000 to cover the cost of mailing an estimated 1 billion pieces of franked mail. The funds requested for official mail have more than tripled since 1977 and the volume has nearly quadrupled. In an effort to bring this exponential increase under control, the committee recommends an appropriation of $100 million, and restates its strong recommendation to the Committee on Rules and Administration that all possible means of reducing the costs of official mail be explored.

In other activities under joint items, the committee recommends a 14-percent reduction in the request for congressional printing and binding by the Government Printing Office and a 10-percent reduction in the request for the Office of Technology Assessment. The committee recommends holding funding for the Congressional Research Service and the Congressional Budget Office at fiscal year 1985 levels. And, for the Architect of the Capitol's activities under title I of the bill, the committee is recommending a total of $84,115,000, a reduction of $28,076,000 from the request and $1,065,850 below amounts provided for fiscal year 1985.

Specifically, in the Office of the Architect, the committee has provided for none of the 13 new positions requested, and has eliminated funding for contingent expenses. For "Capitol Buildings," the committee recommends deferral without prejudice of the $800,000 requested for restoration of the rotunda canopy and frieze, believing that this item cannot be accommodated with the need for fiscal restraint. For "Capitol Grounds," the committee recommends a total of $3,362,000, which includes $725,000 for the installation of hydraulic barriers to replace the garbage trucks, dump trucks, and school buses that are now used to block vehicular access to the Capitol grounds. The installation of these barriers will improve security and esthetics. The committee has not committed to any other aspects of the East Plaza project now under study by the Committee on Rules and Administration.

For "Senate Office Buildings," the committee recommends $19,163,000, a reduction of $4,435,000 from the request. The recommended amount includes $249,000 for replacement of air-conditioning units and $211,000 for other renovations at the Senate Computer Center. And, finally, the committee recommends a reduction of $1,880,000 below the request for the Capitol Power Plant, for a fiscal year 1986 amount of $23,395,000, and as a matter of comity, recommends the same amount for "House Office Buildings" as passed by the other body.

In title II of the bill, the committee recommends a total of $54,406,000, which is $68,942,000 below the President's request, $14,371,000 below the amounts provided for fiscal year 1985, and $1,744,000 below the House-passed level. Highlights of the committee's recommendations for title II include.

Restoration of reductions made by the other body in the salaries and expenses account of the Library of Congress, with particular attention to preservation activities, so that funding for this account will remain at fiscal year 1985 levels;

Concurrence in the action of the other body in providing $33,761,000 for the Books for the Blind and Physically Handicapped Program of the Library;

A provision allowing $3 million from the revolving fund of the Government Printing Office to be applied to salaries and expenses of the Office of the Superintendent of Documents, such sums to be derived from excess receipts from the sale of documents;

Holding vacant those positions at the General Accounting Office that will become vacant through normal attrition during the year, allowing a further reduction of $1,226,000 from the House allowance; and

Concurrence with the House in the provision of $750,000 for the Railroad Accounting Principles Board, a reduction which can be absorbed if the Board will take advantage of the resources of the GAO and other agencies, as the authorizing act provides.

Finally, Mr. President, the committee is recommending deletion of a provision in the House-passed bill that would allow for payment from the claims and and judgments fund, administered by the GAO, for final partical judgments and settlements to settle claims resulting from the acquisition of lands for the Redwood National Park. The committee has not received sufficient information on this provision, and recommends its deletion without prejudice at this time.

Mr. President, that concludes my opening remarks. I thank Senator Bumpers, the ranking minority member of the Legislative Branch Subcommittee, and all other members of the committee for their cooperation and contributions to this bill.

Mr. President, let me say at this point that this job of coming to grips with budget reductions, particularly in the sensitive areas of the legislative branch where there are many considerations, and rightfully so, has been made a much easier task with the able assistance of the ranking minority member of the committee, my good colleague from Arkansas, Senator Bumpers. His leadership and support in this area has been crucial, and he has made this job a pleasurable one.

Also, we can be proud of the Appropriations Committee staff. They have done an outstanding job in making it possible to bring this bill to this point.

Mr. BUMPERS. Mr. President, as the chairman has indicated, this bill is $184 million below the amount in the President's budget for the legislative branch, that is, $184 million below the President's request; and $728,000 below the anticipated level of appropriations for fiscal year 1985.

In effect, the fiscal year 1986 legislative branch appropriation bill freezes the appropriations for the legislative branch at an aggregate level of about $728,000 below the current fiscal year 1985 level.

Mr. President, I want to congratulate the distinguished chairman [Mr. D'Amato] for his very fine efforts to constrain the total amount in the bill. The reduction from the amounts in the President's budget request for the legislative branch is 10.3 percent. For Senate operations, the bill includes a reduction of almost $23 million below the President's budget.

This is a significant accomplishment. I might add, if all the other appropriations subcommittees did as well, the world would not be quite as upset about not getting a budget.

Again, I congratulate the chairman of the subcommittee, Mr. D'Amato, for his fine work. I also wish to thank the staff, Keith Kennedy on the majority side and Terry Sauvain on the minority staff.

I urge adoption of the bill.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, to be treated as original text for the purpose of further amendments and that no point of order be waived thereby.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

The committee amendments were agreed to en bloc.

AMENDMENT NO. 566

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'Amato] proposes an amendment numbered 566.

Page 20, line 15:

Insert after line 15 a new paragraph as follows.

"Of the funds appropriated under this head in Public Law 98–367 for demolition and paving of Square 724, $561,000 shall remain available until September 30 1986."

Mr. D'AMATO. Mr. President, this amendment extends the availability of funds appropriated in fiscal year 1985 for the demolition of certain Senate annex buildings and the resurfacing of that site. It is now apparent that the Capitol Police will not be able to move into the Immigration Building until after September 30, and, as a consequence, cannot move out of their Plaza Hotel facility. Accordingly, this amendment extends the availability of $561,000 to complete that work.

The amendment has been cleared by the minority, and I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 566) was agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 567

Mr. D'AMATO. Mr. President, I have another amendment that I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'Amato] proposes an amendment numbered 567.

Page 19 line 20:

Insert after line 20 a new paragraph as follows.

"Of the funds appropriated under this head in Public Law 98–367, not to exceed $109,000 shall remain available until September 30, 1986."

Mr. D'AMATO. Mr. President, I have another amendment to extend the availability of funds for renovation of space in the Capitol for the press. This work will not be completed by September 30, 1985, so the necessary funds appropriated in fiscal year 1985 for this work need to be made available through fiscal year 1986.

The amendment has been cleared by the minority, and I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 567) was agreed to.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. D'AMATO. Mr. President, inasmuch as we have agreed to both amendments, we are awaiting Senator Quayle, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. QUAYLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 568

(Purpose: To establish a select committee to study and make recommendations with respect to a 2-year budget process)

Mr. QUAYLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Indiana [Mr. Quayle] proposes an amendment numbered 568.

Mr. QUAYLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the text of the bill insert the following: There is established for the duration of the 99th Congress a select committee of the Senate to be known as the Select Committee on the Two-Year Budget (hereafter in this resolution refered to as the "select committee"). The select committee shall be composed of twelve members of the Senate, six from the majority party and six from the minority party, to be appointed by the President of the Senate upon the recommendation of the majority leader and the minority leader.

(b) Of the twelve members—

(1) two members shall be from the Committee on the Budget;

(2) two members shall be from the Committee on Rules and Administration;

(3) two members shall be from the Committee on Governmental Affairs;

(4) two members shall be from the Committee on Appropriations; and

(5) four members shall be from the Senate at large.

(c) The select committee shall select a chairman from among its majority members and a cochairman from among its minority members.

Sec. 2. (a) A majority of the members of the select committee shall constitute a quorum for the transaction of business, except that the select committee may fix a lesser number as a quorum for the purpose of taking sworn testimony.

(b) Vacancies in the membership of the select committee shall not affect the authority of the remaining members to execute the functions of the committee, and shall be filled in the same manner as original appointments are made.

(c) The select committee shall adopt rules of procedure not inconsistent with the rules of the Senate governing standing committees of the Senate.

(d) Service of a Senator as a member or as chairman of the select committee shall not be taken into account for the purposes of paragraph 4 of rule XXV of the Standing Rules of the Senate.

Sec. 3. (a) It shall be the duty of the select committee to—

(1) study and review legislative proposals to improve the operation of the congressional budget process, including proposals for the two-year budget; and

(2) recommend specific legislation to improve the operation and enforcement of the congressional budget process, including such components of two-year budgeting which the select committee finds to be desirable and feasible.

In carrying out clause (1) of this subsection, the select committee shall pay particular attention to the need to free the time of senators from unnecessary repetitive operations, to encourage oversight of enacted legislation by committees, to provide stable funding expectations to State and local governments, and to maintain accurate budgetary estimates and assessments of national needs and priorities.

(b) The select committee shall report and make recommendations to the Senate within 180 days after the adoption of this resolution.

Sec. 4. (a) For the purposes of this resolution, the select committee is authorized (1) to employ personnel, (2) to make expenditures from the contingent fund of the Senate, (3) to hold hearings, and (4) to sit and act at any time or place.

(b) With the consent of the chairman and ranking minority members of any other committee of the Senate, the select committee may utilize the facilities and the services of the staff of such other committee of the Senate, or any subcommittee therof, whenever the chairman and the cochairman of the select committee determines that such action is necessary and appropriate.

Sec. 5. Expenses of the select committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the select committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees of the select committee who are paid at an annual rate, or, (2) for the payment of long-distance telephone calls. Total expenditures for the select committee shall not exceed $300,000.

Mr. **QUAYLE.** Mr. President, I offer this amendment to the appropriations bill for the legislative branch because I believe this is the first vehicle that has come along that is appropriate for this amendment which came out of our Select Committee on Committee Reform, which commenced and also disbanded last year. This committee dealt with potential reforms we might make in the Senate.

Just for the record, I might point out that this amendment was offered as a resolution, Senate Resolution 159, and was reported out of the Rules Committee on May 9. It was, in fact, adopted by the entire Senate on May 17. There were some objections after the Senate adopted it. Therefore, it was agreed upon that it should be vitiated on May 20, with the full understanding that we would come back and visit the issue which is incorporated in this amendment.

The issue is whether we ought to develop a mechanism to explore the feasibility and the viability of moving to a 2-year budget process.

Mr. President, I have a great deal of respect and affection for the chairman of the Budget Committee who has done yeoman service in the area of budgets, and I emphasize that in no way does my consternation and chagrin about the process reflect upon his capability nor his leadership.

I do believe, however, that as we look at what we are faced with today—a legislative appropriation that requires budget waiver because we do not have a budget, we must decide that if we are going to expend money on this body to conduct its business, perhaps that money should be expended toward something that might create some improvements on the processes and within the institutional system that we have.

I found great interest in a piece of material that was put out by the Senator from Colorado, the chairman of our Republican Policy Conference, Senator ARMSTRONG, that detailed the chronology of the budget plans this year.

In January, we had the Senate GOP deficit reduction goals. On February 4, we had President Reagan's budget. On March 6, we had Chairman DOMENICI's promised land. On March 20, we had the first resolution reported by the Budget Committee. On April 15, we had the White House-Senate-GOP plan. On May 10, we had the first resolution pass the Senate. On May 20, we had the first resolution pass the House. On June 19, we had the Senate conference offer No. 1. On June 21, we had House offer No. 1. On July 9, we had the White House oak tree framework. On July 16, we had the House offer No. 2. On July 25, we had Senate offer No. 2.

Who knows where are we going to go?

The first budget resolution, Mr. President, according to the rules of procedure we have now, should be passed by May 15. I might point out, that I believe only twice since the creation of the Budget Impoundment Control Act have we been able to meet that date. Last year it was October 1, and 3 years before that it was the end of June.

I might point out, Mr. President, that as I was chairing the select committee to look toward committee reform and toward reform of the whole Senate system, time and time again Senators came to me to talk about the three-layer cake that we have in the Senate. That three-layer cake is the budget process, the authorization process, and the appropriations process. Many felt there was a crowding out due to the fact that there was little time for oversight. They felt that something ought to be done to reform the process.

Our committee was more interested in actual committee reform which went in the direction of reducing the number of committee assignments for Senators and reducing the number of subcommittees, rather than the reforming processes that we have laid out before us. But I do believe that the time has arrived when the budget process itself is being called into question. We have had the process for 10 years. It has been an experiment. Some will argue that it has not done anything to cut the deficit; as a matter of fact, the record will show the deficit has gone up. Others will argue that we are in much better shape today than we would be if we did not have the budget process.

But my position is we ought to take a look at it and see if there should be some changes in the system looking toward a 2-year process. It was originally thought the budget process would help us look at the situation on a macroeconomic basis. Yet, last year, we had some 39 different amendments that were offered. This gets much more into micromanagement of the budget—line-item management of the budget, which I do not think it was intended for. We have had all the gyrations on the budget this year and will have it again next year. To go through this year in and year out, I think, does a great disservice to the operations of many of the other committees.

I serve on the Budget Committee and I think the budget process serves a useful purpose in initiating dialog and debate. But I also think the way it has worked and the practicality of it has come down to where we ought to take a good hard look at what we have done in the last few years and ask the rhetorical question, can we in fact make some improvements in this process. Therefore, Mr. President, I offer this amendment.

It is an amendment that came out of our select committee, chaired by myself. My ranking member was Senator FORD, who has been a strong leader on the 2-year budget process. As a matter of fact, he and I have introduced a 2-year budget measure year after year. I know he has an intense interest in this issue as well.

Other Senators have come up to me from time to time and indicated that perhaps it is time that we move to a 2-year budget, that the annual budget is simply overcrowded. We do not have any oversight, there is no stability on how we are going to fund the various programs. People are asking, "Am I going to get current funding, a 10-percent cut, what is the story?" I think the time has arrived that we should move to look at something on a constructive basis.

That is what we have is budget gout. We have the budget on our mind for 8, to 10 months out of the year, and we have two other processes. We have the authorization process and we have the appropriation process. Quite frankly, what we are doing is going from the budget process each year into the appropriation process, and many of our authorizing committees become squeezed out.

So I am hopeful that we can move ahead with what the Senate did back on May 17, when this resolution was passed. It passed the Rules Committee and passed our temporary select committee to look at the system. I think it is a step in the right direction. We are not binding anybody to the 2-year budget process, but we are certainly encouraging the examination to look at the feasibility and the advisability of moving to a 2-year budget in place of the annual budget that we now have. I am fearful that if we do not study alternatives, and the budget process continue to break down, there will be perhaps an amendment offered, not in this nature, but rather to disband the budget process completely. I am not so sure we are ready to make that precipitate decision, but I can sure say momentum has gained and many questions have been raised. Already the House has gone ahead with their appropriations bills, even though a budget has not been passed.

So, Mr. President, I offer this in the spirit of reform. I offer this in the spirit of helping the process to move forward. I offer this so that we may sit down as reasonable men and women of this Chamber and this institution to look at what we have done for the last 10 years.

Certainly, when we created the Budget Control and Impoundment Act of 1974, we did not know what lay

ahead of us. We had an idea. I was not here at that time. I think now is perhaps the time to take corrective measures. In the spirit of developing something more constructive and more accommodating, yet still preserving the debate that is so very necessary in this Chamber. This amendment will establish a committee that will report back within 180 days with recommendations on how we may or may not proceed to the 2-year budget. It certainly would be open to discussion.

It is an open question. I have my own biases; others have their particular opinions. But I think it is time we discussed the issue and not sweep it under the rug and say it does not exist. It is a problem. It is a huge problem, a problem that will not go away. Because of that, I hope we can accommodate the spirit in which this amendment is offered.

Mr. President, my amendment to H.R. 2942, the appropriations bill for the legislative branch for fiscal year 1986, is designed to get us moving on the path toward reforming the budget process. It becomes increasingly apparent that our current budget process has failed once again, in fact, this measure could only reach the floor by again waiving the relevant section of the Budget Act. Should we waive the budget process on the bill that provides our pay and expenses without at least providing a mechanism to improve that process so that we need not follow the continual routine of waivers year after year? In light of the unfortunate course the budget process has taken not only this year, but nearly every year in recent history, I believe it is indeed time to consider reform of the budget process.

Prior to the Congressional Budget and Impoundment Control Act of 1974 the traditional process of making spending decisions involved two stages, each executed by different committees in both Houses. The initial stage involved authorizing committees to review specific programs and detail their line-item requirements. Following authorizations the appropriating committees are to evaluate the recommendations of the authorizations and then determine the actual spending levels.

The 1974 Budget Act established the House and Senate Budget Committees, not as replacements for their respective authorizing or appropriating committees, but rather as a third stage in the spending process. The Budget Committees were intended to set revenue floors and spending ceilings for the other committees, but not to engage in line-item determinations. The purpose of the act was to develop a better-informed environment in which to make spending decisions. Total revenues and aggregate spending as well as deficits and outyear budget projections were to become part of the congressional budgeting process.

Unfortunately, the budget process has not worked as it was intended. This has been due in part to the erosion of the traditional distinctions between authorizations and appropriations, but more so, I believe, because Congress has been unable to complete its work in a timely way.

Under the act, Congress must pass two budget resolutions each year—a first budget resolution on May 15 to set targets for spending by functional categories, and a second budget resolution by September 15 to set binding provisions for revenues and expenditures. Since the passage of the 1974 Budget Act, the first resolution deadline has been met only twice, the second only once. Past experience, particularly in the last 3 years, clearly illustrates that there is not sufficient time in a single year to implement three separate legislative processes—the budget process as well as the authorization and appropriations processes.

As chairman of the Temporary Select Committee to Study the Senate Committee System last year, I received testimony which was overwhelmingly in favor of a 2-year budget process. While this support is extensive, I realize that there are many difficult questions that must be resolved in order to move toward that goal. Legislation proposing such changes must also, obviously, require action by the House as well as the Senate. However, I am pleased that a house task force has received similar testimony and is well aware that close cooperation will be needed between the House and Senate to enact such legislation.

The report of my temporary select committee included in it a recommendation to establish a select committee to study the budget process with particular emphasis on the feasibility of 2-year budgeting. Although that is the emphasis of the recommendation, it does not necessarily prejudge the outcome. The ultimate goal of this study would be to determine the best, most efficient and feasible method for the budget process. As I have introduced legislation in the past, and cosponsored legislation with senator FORD relating to a 2-year budget, I personally believe the 2-year budget to be the best means toward that end, however the select committee on the budget may report any recommendations that if finds requisite to reforming the budget process.

Among other prevalent leaders in favor of a 2-year budget, I am pleased to note that the distinguished majority leader commented on the need to adopt a 2-year budget recently on network television with commentator David Brinkley. Previously, then Congressional Budget Office Director, Alice Rivlin, had said that Federal appropriations could be placed on a 2-year cycle.

Earlier this year, Senator EVANS introduced a resolution, which is before this Chamber as Senate Resolution 157, which would establish a temporary select committee to review the congressional budget process. I cosponsored this measure along with Senator MATTINGLY, as it was an earlier recommendation of my "committee on committees." Today I offer a similar measure as an amendment to the legislation before this body.

The committee established to study the budget process would consist of 12 members equally divided between majority and minority, including 2 members of the Committee on Governmental Affairs, 2 members of the Rules Committee, 2 members of the Appropriations Committee, 2 members of the Budget Committee, and 4 Members from the Senate at large. The committee would select a chairman from among its members and would be instructed to report to the Senate within 180 days. This committee would be granted sufficient authority to propose legislation, as currently the jurisdiction over amendments to the Budget Act is divided among the Governmental Affairs, Budget, and Rules Committees.

Mr. President, the potential perils of our current budget impasse obviate the need to look toward reform of our budgeting procedure, so that Congress may act to stem the flow of red ink within a system that allows this to be done in a feasible and efficient manner.

I fully recognize that a point of order may be made against this amendment as it would constitute legislation on an appropriations bill as is prohibited under rule XVI clause 4. However, I believe this amendment to be germane, as it says, in essence, that we will vote ourselves money only when we have done our duty to reform the ailing budget process. I would venture to guess that a skilled draftsman could even convert the amendment into a limitation that would survive the scrutiny of the Parliamentarian. However, this is an issue much too serious to rely upon gimmicks or gadgetry—either we want to reform the budget process, or we do not. Whether we vote up or down on the amendment, or on an appeal of the ruling of the Chair, the meaning of our vote will be clear.

Mr. **FORD** addressed the Chair.

The **PRESIDING OFFICER** (Mr. DENTON). The Senator from Kentucky.

Mr. **FORD.** Mr. President, I ask unanimous consent that my name be added as original cosponsor to this amendment.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. FORD. Mr. President, I wish to preface my remarks to be very clear that I did not think anyone who is advocating a 2-year budget cycle is attempting to say that those who are on the Budget Committee or those who are now struggling in the conference as it relates to a budget for this country are not sincere, dedicated hardworkers and, in many respects, I would not have their job. They are in the state, I think of doing everything in their capacity to give this country a good budget.

I started some 8 years ago saying that a 2-year budget would be good for the country and it would be good for the Congress. I think those who are still here who advocated the Budget Committee will say that there need to be changes in the Budget Committee's direction, need to be some changes made in the precedure. And those who are so deeply involved in it now, I think, I see some very clear ways that improvement can be made. I am of the opinion that once a 2-year budget cycle is developed, we can find ourselves in the posture of doing a much better job.

Some who are now wanting to get involved in a 2-year budget proposal have never been interested in it before. I think that supports a statement by the distinguished Senator from Indiana [Mr. Quayle], who said that we are getting a lot of questions about the 2-year budget. We are getting letters wanting answers and wanting to discuss the procedure under our so-called 2-year budget that the distinguished Senator and I have been working on and heading the select committee that was proposed to study and then make recommendations to the floor. I think it is time, and I think the emotions are right, for us to look at a 2-year budget. How much oversight of the expenditures and needs of various committees do we have?

I will venture to say very, very little. How much scrutiny is given in various committees to the agencies within their jurisdiction in relation to their expenditure of funds and their needs? What the 2-year budget cycle will do, Mr. President, is to give us some time. You can change a 2-year budget the same way you change a 1-year budget. It takes us 10 months to try to get through a 1-year budget now, and we have not finished last year's budget yet. Since the Budget Act was passed, I think we have cleared once all 13 so-called budget resolutions. I very strongly support the Senator from Indiana. We are not trying to take anything away from anybody. We are trying to develop the required direction to develop a budget. I do not know about my other colleagues, but when I go home—and I go home every weekend, 45 weekends a year in the 10 years I have been here—what I hear is, "Why can't you get a budget together? The counties have them. The States have them, but the Federal Government does not have a budget."

It does not have a budget and has not had one for several years. We are operating on a continuing resolution. I think the admission of many folks is that we need to look for improvements in our budget system, and I think what we have, as it relates to the Select Committee, will carry out the recommendations of the Quayle Select Committee to Study the Senate Committee System, on which committee I was privileged to serve as cochairman.

So, Mr. President, I hope our colleagues will give us an opportunity to study the 2-year budget. We will hit it again. It will come before us again. All we want to do is appoint a group from this body, from the various committees, to study the 2-year budget process and improve our ability to make decisions. That is all we are asking. Give us an opportunity to see if we can improve the way we are making the decisions put our abilities to better gain.

Mr. President, I support the amendment as submitted by the distinguished Senator from Indiana and hope my colleagues will approve it.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, I commend my two distinguished colleagues and the chairman and ranking member on the temporary Select Committee to Study Senate Committees for bringing this proposal before the Senate. I think it is a wise step and one that is needed. The study will determine whether it is acceptable to the Senate or not and can be determined upon presentation of the results of that study.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. BYRD. I am not opposed to the amendment per se and probably would support the effort. I feel, however, that the Committee on Government Operations, the Committee on the Budget, the Committee on Rules, and the Committee on Appropriations should participate in this effort. I hope the Senator does not intend to press his amendment on this bill. Why? Because he is establishing a Senate committee by the amendment. That in my judgment should not go to the House or to the President. This is a Senate matter, and I would not want to subject any proposed change in the Senate rules, or any matter which involves only the Senate to the President on a bill which might entertain a veto. I do not want the President to have a veto over a matter of this kind. I do not want the House to have any veto over it. I hope the Senator will withdraw this amendment and possibly offer it as a separate measure or offer it to a Senate resolution so that the matter will not be subject to action by the House, and not be subject to veto by the President.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise to commend my distinguished friend and colleague, Chairman Hatfield, and the members of the Senate Approrpiations Committee for bringing the first appropriation bill to the Senate floor. I know the chairman is anxious to proceed with the Appropriation Committee's business as the new fiscal year approaches. No one knows better than I the frustrations felt by the Congress during the difficult and lengthy budget negotiations. I thank my good friend and colleague, Chairman Hatfield, for the patience he has shown in awaiting an outcome to our budget deliberations.

As my colleagues in the Senate well know, the Congress has not yet enacted a budget resolution, but I can assure them that this Senator is doing whatever he can to get a congressional budget. In view of the ongoing budget negotiations, I will not insert into the Record today the usual tables scoring the relationship of the pending appropriation bill to the budget resolution, the President's budget request, and the House-passed bill. I will do so later at an appropriate time. I will simply congratulate Chairman D'Amato on reporting a legislative branch appropriation bill that is generally consistent with the assumptions of the Senate-passed budget resolution. The energy and water development appropriation bill that may be called up later today is under the assumptions of the Senate-passed budget resolution in budget authority and generally on-track in outlays.

Mr. President, from an overall budget perspective, I have no problem with either the legislative branch or energy and water development appropriation bills for fiscal year 1986.

Mr. President, I also rise with reference to the resolution that has been offered by the distinguished junior Senator from Indiana as an amendment to the legislative branch appropriations bill. I commend the distinguished Senator from Indiana and all of those who have indicated from time to time that they would like to see the Budget Impoundment and Control Act amended to include a 2-year budget process. I have been working under this budget process for 4 years and 8 months as chairman, and for about 6 years before that as a member of the minority, and I am fully aware that it is a very cumbersome and difficult process. All things considered, if just a few of us could sit down and review the entire Budget Act, we might be able to improve it. But it took about 7 years of hard work to get the Budget

Act passed, because of the various jurisdictions and established Senate processes and rules that had to be considered.

I remind the Senate that it is a substantive law of the land passed by both Houses. It had as its impetus the impoundment authority used by the President and in addition, a marvelous accommodation with existing processes and Senate rules to put us in a position where we could produce a budget in an orderly process over the year. The Budget Act didn't create only the budget resolution but a process that enables the Congress to comply with the overall guidelines set in the budget resolution.

I will again commend my friend from Indiana and those who have spoken today in favor of a 2-year budget cycle. I will say, however, that there are probably 10, maybe 20 things in addition to the 2-year cycle that ought to be considered with reference to the Budget Impoundment and Control Act.

In fact, it has many problems. I am not sure that when we get around to amending it, we will solve them all. It will always be a process that is difficult in our kind of institution.

There is no doubt in my mind that it needs amending. There is no doubt in my mind that it has needed amending for a long time. There is no doubt in my mind that among those things that should be considered is a process that would last for more than 1 year, and some way of measuring congressional actions against that 2-year resolution on a regular basis.

The 2-year budget process may be the most important aspect of such deliberations, and it may not. There may be other aspects of the Budget Impoundment and Control Act that are just as serious to its failures and its successes that we have to look at.

I can only say to the Senate that, in the last 4 years, I have sat down three times and seriously considered going to the Governmental Affairs Committee to talk to my good friend, Chairman Roth, who is on the floor, and others on that committee, about starting hearings. As I said before, the budget process can be a very difficult and cumbersome process in need of some improvement. Each time I thought of the budget process in the past, I was not oblivious to its shortcomings, and I was not oblivious to the fact that it takes a lot of the Congress' time. I was not oblivious to the fact that it causes a lot of consternation to some of my colleagues, and I was not oblivious to the fact that a lot of Senators do not like it. I know all that.

In fact, the latter is probably one of the reasons why from year to year I decided that it was not timely to seek hearings with the Govermental Affairs Committee, and to amend the Budget Act.

I will say unequivocally that whatever its shortcomings are, when Congress has $200 billion deficits and even projected deficits of $230 to $240 billion, Congress is not going to invent a process within the framework of this institution and the U.S. Congress that is going to work smoothly and easily. It is just not going to happen. Whatever process you have is going to be difficult, because of the difficult times.

It is almost difficult for us to bring a resolution to this desk, and it is the only one of its kind. It states all the fiscal facts about the year. It is a lot easier for people to look at it a little bit at a time and not have anybody tell them the total picture. You could not even get 51 Senators to vote for the resolution without asking them to change it, because many would say, "If I had to vote just for a statement of what the deficit is, I am fearful somebody will say I voted in favor of it."

Nonetheless, I assure those who have offered the amendment—even without listing my 20 or 30 items that I think should be looked at—that it is my clear intention to have hearings as soon as we are through with this current budget, probably within 2 or 3 weeks, on amendments and modifications to the Budget Impoundment and Control Act—I have confirmed this with Senator Chiles, the ranking minority member of the Budget Committee, and I have conferred with Senator Roth of the Governmental Affairs Committee about hearings. I believe the hearings can be held jointly with the committees of jurisdiction, and I believe the Senator from Delaware agrees.

We will take into consideration the recommendations of the special committee that the distinguished junior Senator from Indiana chaired at the end of last year, which recommended a 2-year budget cycle. I note that they recommended many other revisions to the rules.

I also want the distinguished Senator, the sponsor of the amendment, to know that we are going to look at a lot of other proposals. I think people sometimes wonder whether I have thought of any ideas. I will mention one.

I thought that perhaps we could have a joint House and Senate Budget committee in the Congress. I have even thought that perhaps that joint committee should meet every 2 years and report a 2-year budget for the Congress. Such a joint committee could produce a budget document for the Congress within 90 or 100 days at the start of each Congress.

The PRESIDING OFFICER. Will the Senator withhold?

It is becoming difficult to hear the speaker, who is speaking about an important subject. Will Senators please hold down their conversations so that the Senator from New Mexico can be heard?

Mr. DOMENICI. I thank the Chair.

Just as I have thought of that proposal I have also thought of all the problems it brings into play. There are many problems that should be looked at.

I assure the sponsor and the cosponsors of the amendment that it is my intention to have the Budget Committee and the Governmental Affairs Committee begin joint hearings at the earliest possible date this year on the entire Budget Impoundment and Control Act and the recommendation for a 2-year budget cycle.

It is also my intention to do whatever I can, as a result of those hearings, to recommend to the U.S. Senate whatever amendments that joint effort yields to improve the budget process for the U.S. Senate. Obviously, whatever we look at has to be enacted by both Houses because, I do not think Congress could have one budget for one House and one for the other, although of late it appears that we are trying to do that—to have one for the House and one for the Senate. At least, the House thinks it might work.

Obviously, if it were that easy, it would never have needed a substantive law, and several years of work that many Senators like the Senator from West Virginia, Robert C. Byrd and 10 or 15 others spent on it.

I give my colleagues these assurances, and I commend them for their genuine concern. I understand their frustration, and I submit, in closing, that the frustration is commensurate with the nature of the problem; and the nature of the problem is far more the size of the deficit than it is the budget process in general.

If there were a will, Congress could do almost anything it wanted to do. The problem is that to find a collective will to address these deficits is difficult these days.

It is amazing how many votes we have on issues that are allegedly in the budget which are not in the budget, which are not to be carried out by the budget, and that makes the process very difficult for Members. I do not know if we can resolve such issues, but we should consider it.

I have to return to the conference on the budget, for the seventh different format, and I wonder whether the Senator from Indiana has any further questions of the Senator from New Mexico.

Mr. QUAYLE. Mr. President, if the Senator will yield for a question, I really do not have any questions to put to him.

I appreciate the chairman's genuine interest in trying to accommodate the Senator from Indiana and taking a close look at the Budget Impoundment Control Act of 1975. I detect

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from his statements that he agrees quite earnestly and sincerely that we have to take a hard look at this. He now indicates that he and the chairman of the Governmental Affairs Committee, the Senator from Delaware [Mr. Roth], are willing to enter into joint hearings, to take a look at the whole budget process.

One of the things I am keenly interested in—and I know that the Senator from Delaware is, as well—is the possibility of moving to a 2-year budget. I congratulate the Senator from New Mexico in always being a step ahead of the game around here. His sense of timing in realizing that we have to get on with a true examination of the budget process is appropriate.

The time is now.

If the Senator from New Mexico and the Senator from Delaware, who are the chairmen of the two respective committees, want to get in it and have joint hearings, obviously they are going to indicate to me that a separate committee is not necessary. Those kinds of assurances are gratifying.

I have no special interest in trying to create jurisdictional problems or any turf battles. My only interest comes from my concern about the process that is going on around here. I believe we are beginning to make some genuine steps forward. Everything is geared around timing. I think and I sort of sense that the time to move is now.

The Senator from New Mexico says and concedes the point that the Budget Act, in fact, does need amendment. He stated that and talked about some of the possible amendments he might suggest. He probably has more ideas than anyone. He has been more intimately involved in the process than anyone else in the entire Congress.

So we certainly welcome that input and anyone else's input.

The only thing I am saying, and perhaps now is a good time to rest our case, is that we really have to get on with the business of trying to improve the process.

I certainly commend the Senator from New Mexico and I see the Senator from Delaware is on his feet and might wish to add to the hearings he is going to have.

With those assurances, I can assure the Senators from New Mexico and Delaware that I will be glad to work with them in any way that they see fit.

I thank the Senator from New Mexico for pointing out the possibilities that he may want to offer. I know of his genuine interest and concern, and I look forward to working with him and reporting legislative remedies and reporting legislative proposals back to this body, after we have deliberate consideration in the proper committee of jurisdiction.

That does not mean we are going to, but we are certainly going in that direction to have a good examination, a competition of ideas, with the idea that we can, in fact, report back some improvements to the Budget Control and Impoundment Act of 1975.

Mr. FORD. Mr. President, will the distinguished Senator from New Mexico yield for a question of the Senator from Delaware [Mr. Roth]? They are both here.

Mr. DOMENICI. I yield.

Mr. FORD. I ask the two Senators a question. They were helpful in the original working of adding to the Rules Committee.

Senator Quayle is a member of the Budget Committee, and I do have a little pride of authorship of the first bill some 6 or 8 years ago.

I wonder if there is any way we might embrace the Rules Committee to give me an opportunity to participate in the joint hearing.

Mr. ROTH. Mr. President, I think under the rules that were set up under the Congressional Budget Control and Impoundment Act of 1974 that jurisdiction on any modification within this area is the responsibility of the Budget Committee and the Governmental Affairs Committee.

As a matter of fact, I think the first chairman of the Budget Committee, Chairman Muskie, was responsible for those decisions. So I would hesitate to modify and add other committees. But certainly it would be the intent of this individual and I am confident of the chairman, the Senator from New Mexico, that we would want to involve other distinguished Members of the Senate, certainly the distinguished Senator from Kentucky, who has, as he has rightly pointed out, been long interested in a 2-year budget.

I would hope that he and the distinguished Senator from Indiana would be among the earliest witnesses before the joint hearings which the distinguished Senator from New Mexico and myself agreed to hold.

But I think under the rules of the legislation those are quite clearly spelled out as to where the responsibility lies. It would not be appropriate at this time to modify them.

But again let me say that I, like the distinguished Senator from Kentucky, have for many years been a strong advocate of a 2-year proposal. I think that this is an idea whose time has come and deserves a most careful consideration by the two committees.

Certainly, speaking only for myself, I would welcome the participation of the Senator from Kentucky in the hearings and in the deliberations as well. But I think that the jurisdiction as set out in the act should be followed, and I would assume that the Senator from New Mexico would agree with that.

Mr. FORD. Mr. President, I thank the distinguished Senator from Delaware.

I remind both Senators that the Budget Act itself did come out of the Rules Committee, that the so-called Quayle-Ford recommendation for the select committee came out of the Rules Committee.

I think both Senators acquiesced in the suggestion earlier on to allow the Rules Committee to be a part of it. They did that as a favor to me.

I know the Senator can stand with the rules and those sort of things. But we also can agree to certain things.

I hope they find it in the goodness of their hearts to allow me to participate in the joint hearing and be a part of something I feel very strongly about. If we can do that in consultation, maybe we can in good will. Otherwise, I will do the best I can on the outside and testify, and that is about all I can do.

So I do appreciate the reading of the rules to me by the distinguished Senator from Delaware. I understood those very well in the beginning. I am just hopeful that we might be able to stretch it just a little bit to give me an opportunity to participate as a somewhat official member of the joint hearing.

Mr. QUAYLE. Mr. President, I just wish to thank our two chairmen, the Senator from New Mexico and the Senator from Delaware, for moving ahead and having these joint hearings. I look forward to working with them. I look forward to testifying. I know of their genuine sincerity in trying to come to grips with this budget problem that we have. I have described it as a budget gout that Congress has. I believe that that is true, and I say it again, and I will probably say it again and again until we try to get a better procedure on how we deal with the budget process here in Congress.

Mr. President, with those assurances from my two eminently distinguished chairmen of the Governmental Affairs Committee and the Budget Committee, I ask unanimous consent at this time to withdraw my amendment.

The PRESIDING OFFICER. The Senator has the right to withdraw his amendment.

The amendment is withdrawn.

AMENDMENT NO. 569

Purpose: (To appropriate $325,000 to the United States International Narcotics Control Commission)

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be as stated.

The legislative clerk read as follows:

The Senator from New York [Mr. D'Amato] for Mrs. Hawkins, proposes an amendment numbered 569.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, after line 2, insert the following:

EXPENSES OF UNITED STATES INTERNATIONAL NARCOTICS CONTROL COMMISSION

For expenses of the United States International Narcotics Control Commission, as authorized by section 814 of the Foreign Relations Authorization Act, passed by the Senate on July 31, 1985, $325,000.

Mr. D'AMATO. Mr. President, this amendment has been cleared on both sides.

Mrs. HAWKINS. Mr. President, I wish to submit today an amendment calling for appropriation of funds for the creation of an American International Narcotics Control Commission.

No threat strikes America as savagely and as frequently as that of illegal narcotics. Its deadly impact is felt in failed education, lowered productivity, impaired national defense, increased violent crime, addiction, and death.

To combat this threat effectively, we must use a three-pronged approach: We must eradicate, we must educate, and we must cut off drugs at the source. In order to achieve the eradication of drug abuse in our Nation, we must fight the battle against illicit narcotics simultaneously on all three fronts, and in so doing we must use every weapon at our disposal.

A most useful weapon would be an American International Narcotics Control Commission, designed to monitor and promote international compliance with narcotics control treaties, including those involving eradication, money laundering, and terrorism. This Commission would also monitor and encourage U.S. Government and private programs seeking to expand international cooperation against drug abuse and narcotics trafficking.

The Commission would be comprised of Members of the U.S. Senate, and individuals from the private sector. The President of the United States will participate in the activities of the Commission by submitting a semiannual report with regard to the status of international compliance with narcotics control treaties, the initial report to be submitted 6 months after the date of enactment of this proposal. In turn, the Commission is authorized and directed to report to the Congress on a periodic basis, and at the end of each fiscal year the Commission will submit to the Congress a report on its expenditures.

Mr. President, a well-structured and well-supported entity such as the American International Narcotics Control Commission would be of invaluable assistance in the battle against drug abuse. Providing adequate funding for this Commission would ensure the creation of an international forum for consideration of narcotics control efforts worldwide; and would enable my colleagues in the U.S. Congress to express their concern in this most vital of issues.

Mr. President, as we all work together to achieve the eradication of drug abuse in our Nation, I wish to take this opportunity to urge that favorable and expeditious action be taken on the funding request for the creation of an American International Narcotics Control Commission.

Mr. D'AMATO. Mr. President, I move adoption of the amendment.

Mr. BUMPERS. Mr. President, I am not going to object to this amendment. I just wish to make this point.

It is my understanding that the authorization for this appropriation, and I just learned this a minute ago, is on the State Department authorization bill and the appropriation is being made on the legislative affairs appropriations bill.

Now, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUMPERS. Do the rules of the Senate speak to an authorization being on one bill and the appropriations to fulfill that authorization being on another?

The PRESIDING OFFICER. The Senate rules do not preclude that procedure.

Mr. BUMPERS. So this is an appropriation on this bill and the money could legitimately be spent pursuant to that authorization on the State Department budget authorization?

I hope I have made that clear. If there is any question about it, I hope the Parliamentarian will say so. I think it presents an interesting question. I am just curious.

The PRESIDING OFFICER. Rule XVI of the Standing Rules of the Senate specifically authorizes such an amendment.

Mr. BUMPERS. I thank the Chair.

Mr. FORD. Mr. President, will the distinguished Senator from New York tell us what this amendment is all about that is being approved on both sides? I wish to have an explanation of it.

Mr. D'AMATO. Mr. President, this provides for expenditure of some $325,000.

Mr. FORD. I did not quite understand.

Mr. D'AMATO. It is for the American International Narcotics Control Commission. The goal is to monitor and promote compliance with international narcotics control treaties.

The structure of the commission is seven Senators, four from the majority and three from the minority, five private sector experts, with a status report by the President.

I said it has a budget of $325,000. It was agreed to in the Department of State authorization bill which has been passed.

It is an amendment to the legislative appropriations bill to provide that $325,000.

I do not think there is any more important problem that we face than the drug problem, and I support this.

Mr. FORD. I understand the distinguished Senator. But is this $325,000 to appoint four Senators on the majority and three from the minority to oversee the drug problem, when we already have agencies of the Federal Government set up to do that? Could we not add more agents? Could we not add more security? Could we not add more to offshore work as it relates to keeping the drug problem out of this country than to give seven Senators an opportunity to sit down sometime and get a little television? Could we put that money into something that would make a greater impact in the reduction of drug abuse in this country?

Mr. D'AMATO. The goal would be to provide the internationalization of an effort and bring about compliance, particularly with the nations who are signatories to the Helsinki Commission, to promote that compliance through the international areas. And that is why we agree that the State Department should play a leading role in this. I think it certainly is important.

I think that merely putting on additional drug agents, as the Senator well knows, we have undertaken that. We have increased that effort, Senator DeConcini and others, and I supported that effort. But I do believe that the promotion of international cooperative efforts in this area become most important. And I think that this is a miniscule amount of money. Any way in which we can improve further compliance, we should be supportive of this effort.

Mr. FORD. Mr. President, a parliamentary inquiry. Under rule XVI, paragraph 4, "On a point of order made by any Senator, no amendment offered by any other Senator which proposes general legislation shall be received to any general appropriation bill, nor shall any amendment not germane or relevant." If I make that point of order, would it stand?

The PRESIDING OFFICER. The desk does not yet have a copy of the amendment.

Mr. FORD. Mr. President, I would say this has been a fast one. We are going to spend almost a half-million dollars and all of a sudden we do not even have an amendment at the desk.

Mr. D'AMATO. I would point out for the record that the amendment was sent to the desk and I asked to look at it when the Senator raised, appropriately, a question with respect to it.

The PRESIDING OFFICER. In response to the question from the Senator from Kentucky, the amendment does not propose general legislation. As to the question of whether the amendment is germane or not——

Mr. FORD. Or relevant to the subject matter.

The PRESIDING OFFICER. Under rule XVI, questions of germaneness or relevancy shall be decided by the Senate.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. FORD. Mr. President, under rule XVI, I would like to ask for a ruling. It says that a point of order can be made to any general appropriations bill the effect of which will be to increase an appropriation already contained in the bill or to add a new item of appropriations unless it be made to carry out the provisions of an existing law or treaty stipulation. Am I correct that this particular amendment would fall under that interpretation?

The PRESIDING OFFICER. Rule 16, paragraph 1 cited by the Senator continues "or act or resolution previously passed by the Senate during that session."

This amendment on its face purports to be an amendment to carry out the provisions of an act or resolution previously passed by the Senate during this session.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I think I have made my point. I think, at least I hope, that other Members of the Senate will try to restrain themselves from moving so fast—authorized last night, appropriated tonight, one on one bill, one on another. We have almost $400,000 in one bill that has nothing to do with the authorization bill that we passed last night. If you think we have confusion as it relates to authorizing and appropriating money, this is exactly what happens. I have never been pressured so much to let this little amendment go. I think the principle of it is as important as the size of the money. I am not sure, and I have not been able to find out, where this puts us as it relates to the budget process; whether it increases the budget, whether it is the same figure, or whether we have to worry about the budget process or not. But I know I have some awfully good friends on both sides of the aisle that have been sweating for days trying to put a budget together. We are in here, we have one authorized on one bill, another appropriated on another bill, and we are beginning to go down that track. I think it is time we begin to look at how we are spending our money, where we are doing it and trying to be so fast without giving people an opportunity.

Mr. President, I will not object to the consideration of this amendment. I hope my point has been made. I regret I had to do it in this particular case, but I think I was proper in making my point. I think others ought to have the ability to consider the expenditure of funds without saying both sides agreed to it, never know what is in that piece of legislation, never know how much money we spend, and then we have to go back home, explain the deficit that we have, and how that money was appropriated in order to put something together.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I would like to commend the Senator from Kentucky for raising this point. I am not sure that I agree with the conclusions of the Parliamentarian, particularly with respect to the point of order in connection with paragraph 1.

At this moment, I do not know whether or not there is existing law that this appropriations item will be carrying out, and I believe the fact it says in the proposal that it was authorized by section 814 of the Foreign Relations Authorization Act passed by the Senate on July 31, 1985 does not make it a law. Under paragraph 1, the effect is to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law—we have no evidence to that effect—or treaty stipulation or act or resolution previously passed by the Senate during that session.

I do not know if that is the case. The Parliamentarian apparently is not quite certain about that. I am not going to make that point. That is not the reason I am on my feet.

I am on my feet because now within 48 hours we have participated in the creation of two new commissions, if this passes. One is the commission to investigate the whole issue of municipal park accidents, and this is a commission to investigate whether or not to combine the narcotics laws. This may become known as the congressional session that did not do very much, but every time it got into a bind or decided it could not deal with an issue, it created a new commission—a new commission to spend money, to talk, talk, talk.

As I said the other day in speaking of the Danforth proposal on that subject, Lord save us from the creation of another commission.

I am not going to stand in the way of this, but I do believe the Senator from Kentucky was on target when he raised the issue. I think we are making a mistake in creating another commission. I think it is sort of a much ado about nothing in creating such a commission. It will not solve the narcotics problem. There are plenty of laws and agencies to do that.

I cannot look favorably upon this proposal. The Senator from Kentucky has raised the issue and indicated he would not object. I do not intend to object. But I have to say, as one Member of this body, I am sick and tired of creating new commissions. Let us pass legislation. Let us face up to the bar with respect to some of the tough issues that are challenging us. That is what we ought to be spending our time on, not just creating new commissions.

The PRESIDING OFFICER. Responding to the Senator respecting the definition of law, the Chair finds that the rules state "provisions of some existing law, or treaty stipulation, or act or resolution previously passed," and that "act," I am informed, includes a bill that has passed at least one House. In this case, there has been such a situation.

Mr. D'AMATO. Mr. President, if I might, let me first state that I certainly appreciate the sentiments expressed by the Senator from Kentucky. I also want to thank him for his graciousness in not pursuing the point. I say the same for the distinguished Senator from Ohio.

As has been pointed out, this measure had been passed twice before. I hope that the commission will in time prove to be one that will be meritorious.

Mr. FORD. Will the distinguished Senator yield for one further question?

Mr. D'AMATO. Certainly.

Mr. FORD. How much does this cost? How much does each Senator receive as in relation to expenses?

Mr. D'AMATO. No compensation.

Mr. FORD. But there is $325,000 for seven Senators.

Mr. D'AMATO. Well, the commission would be composed of seven Senators and the private sector. Obviously, the money would be spent based on the Helsinki Commission for staff, reports, and international coordination

in the area of narcotics. But certainly no compensation for Senators.

Mr. FORD. But 5 times 7 is 35. That makes $350,000. So you are going to spend roughly $50,000 per Senator for this commission that is going to coordinate drug abuse and narcotics and that sort of thing, when we already have it set up where it is done by the State Department rather than having seven Senators traveling around the world monitoring this.

Mr. D'AMATO. I hope that this would not be used as a vehicle by anyone, whether they be a Senator or from the private sector, to travel around, but, rather, one to coordinate the international effort, so desperately needed.

Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER (Mr. Abdnor). Is there further debate on the amendment. If not, the question is on agreeing to the amendment.

The amendment (No. 569) was agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BUMPERS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. D'AMATO. Mr. President, third reading.

The PRESIDING OFFICER. The bill is before the Senate and open for further amendment. If there be no further amendments to be proposed the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed for a third reading and the bill to be read the third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 2942), as amended, was passed.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BUMPERS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I have been authorized by the majority leader to announce there will be no further rollcall votes tonight.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Gramm). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

IMPROVING THE OPERATION OF GOVERNMENT—MESSAGE FROM THE PRESIDENT—PM 71

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

We share a common objective—to make government more responsive and sensitive to the needs of the people. Over the past several years, significant progress has been made toward:

—Controlling the growth of government by selectively limiting funding through the budget process and by controlling personnel levels;

—Identifying and preventing waste and fraud in government spending;

—Improving individual agency management, to further reduce costs and make better use of its resources;

—Developing government-wide management systems that can be adapted to the needs of each agency; and

—Improving agency delivery systems to ensure that services are efficiently delivered to the American people.

Throughout this effort, I have sought the advice and counsel of the private sector. The President's Private Sector Survey on Cost Control conducted systematic studies of agencies to determine more effective and efficient approaches to delivering services to the public. Thousands of recommendations were made and a large number have been and are being implemented.

The Congress has also supported our efforts by giving the Executive branch important tools to improve efficiency, including milestone legislation such as the Paperwork Reduction Act, the Congressional Reports Elimination Acts, the Prompt Payment Act, the Debt Collection Act, and the Deficit Reduction Act.

Today, I am requesting your further assistance to build on this foundation of progress through your continued support of our efforts to improve government performance. I am also asking you to pass a joint resolution establishing productivity improvement as a national goal and to enact management legislation that is critical to further improving the government's operations and reducing its costs. Together we can enhance our government's ability to use business-like procedures, providing the public with higher quality and more timely services at a lower cost—an objective shared by the Congress and the Executive branch.

The Productivity Improvement Program

The need for and importance of improving the efficiency with which the Federal government delivers goods and services to the American public cannot be overstated. The Federal government now accounts for 24.6% of the GNP. If we pattern our productivity efforts after those which have proven the most productive in the private sector, it is reasonable to expect that we could match or exceed the private sector's gains, which have recently climbed to about 3% per year.

Therefore, I will shortly establish a government-wide program to improve productivity 20% by 1992. Each agency will be called upon to establish specific priorities for improvement of their services, to examine each of their functions, and to achieve agency-wide productivity goals. They will be asked to focus on results, rather than on process. Agencies will be asked to draw upon the creativity and ingenuity of all employees, to properly reward any achievements in productivity improvement, and to minimize any negative impact productivity increases might have on their employees. This management approach is standard in the private sector and we plan to make it standard in the Federal government.

The President's Management Improvement Program: Reform '88 has provided a solid foundation upon which to base this productivity improvement program, as great strides have been made in establishing effective cash and credit management programs, improving agency management systems, lowering administrative costs, and reducing waste and fraud. Some of our Federal agencies have already demonstrated that they can make real improvements in productivity when they commit their time and talent.

The success of this effort will be reinforced by an early expression of congressional resolve to make productivity improvement a national goal. Each department and agency will report to me through the Office of Management and Budget on their productivity goals, and on both the progress and the problems in accomplishing them. On the basis of that report, our annual management report to the Congress, which is part of the budget, will also describe our efforts to achieve productivity improvements.

The Administration's Management Legislation Initiatives

The Congress has been most helpful in passing legislation that has made management reform possible. To further assure successful implementation of our Management Improvement Program: Reform '88, I have directed the Office of Management and Budget and agencies to transmit legislative proposals which would make it possible to improve substantially the effectiveness of the Executive branch. These management legislative initiatives cover the important areas of fraud prevention, payment integrity and simplification, procurement, reorganization authority, and reduction in regulatory and paperwork burdens. Some of these proposals have already been sent to the Congress, and other will be transmitted in the days ahead. I want to stress that each of these proposals plays an important role in improving government's management, reducing fraud and waste, or improving productivity. I hope that the Congress can enact them promptly.

Conclusion

Now is the time for us to redouble our efforts to improve the operations of government. The budget deficit, the need to make programs more responsive to their beneficiaries, the complexity of the problems we face, and the very size of government itself all require us to apply the best methods and procedures available to improve productivity. Enactment of the various legislative proposals outlined here will enable us to continue and strengthen our joint effort to improve government management.

Federal managers want to do a good job. Given the necessary tools and support, they can do so. Passage of these proposals will demonstrate our commitment to increased productivity and improved management practices in the Federal government. The American people want and deserve a Federal government that is fair, efficient, effective, and, above all, productive.

RONALD REAGAN.

THE WHITE HOUSE, *July 31, 1985.*

MESSAGES FROM THE HOUSE

At 11:11 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 1195. An act to require that a portion of the mail of Congress and the executive branch include a photograph and biography of a missing child.

The message also announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 180. Joint resolution commemorating the 10th anniversary of the signing of the Helsinki Final Act.

At 2:28 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1027. An act to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1986, 1987, and 1988, and for other purposes;

H.R. 1131. An act to amend title 5, United States Code, to modify the method for determining the amount payable by a Federal employee or Member of Congress in order to receive credit under the civil service retirement system based on certain military service;

H.R. 1202. An act to enhance the carrying out of fish and wildlife conservation and natural resource management programs on military reservations, and for other purposes;

H.R. 1406. An act to authorize appropriations for nongame fish and wildlife conservation during fiscal years 1986, 1987, and 1988;

H.R. 1544. An act to authorize appropriations to carry out the National Aquaculture act of 1980 during fiscal years 1986, 1987, and 1988, and for other purposes;

H.R. 1789. An act relating to the authorization of appropriations for certain components of the National Wildlife Refuge System;

H.R. 2466. An act to make miscellaneous changes in the laws affecting the United States Coast Guard, and for other purposes; and

H.J. 299. Joint resolution recognizing the accomplishments over the past 50 years resulting from the passage of the Historic Sites Act of 1935, one of this Nation's landmark preservation laws.

At 4:40 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 960) to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and other acts to authorize appropriations for the fiscal year 1986 for international security and development assistance, the Peace Corps, the Inter-American Foundation, and the African Development Foundation, and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 3, 4, 8, 9, 10, 11, 15, 16, 17, 21, 32, 36, 37, 40, 43, 50 56, 58, 60, 61, 62, 71, 73, 78, 80, 84, 86, 93, 96, 106, 110, 111, 113, 128, 129, 133, 134, 135, 136, 143, 145, 148, 149, 155, 156, 157, 159, 160, 170, 173, 179, 182, 184, 185, 193, 198, 201, 210, 216, 217, 219, 222, 223, 224, 227, 236, 241, 243, 244, 246, 247, 248, 253, 256, 263, 264, 268, 271, 273, 274, 286, 288, 290, 300, 304, 310, 319, 321, 331, 334, and 341 to the bill, and agrees thereto; it recedes from its disagreement to the amendments of the Senate numbered 2, 5, 6, 7, 14, 23, 29, 35, 41, 45, 51, 57, 63, 65, 70, 75, 77, 87, 91, 92, 102, 109, 112, 121, 130 131, 132, 147, 150, 153, 164, 166, 167, 168, 178, 180, 183, 194, 199, 200, 202, 203, 204, 211, 214, 230, 234, 235, 249, 257, 258, 260, 261, 272, 289, 299, 307, 330, and 340 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate, and that the House insists upon its disagreement to amendment No. 262 to the bill.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 179. A concurrent resolution providing for a conditional adjournment of the House from August 1 or 2 to September 4, 1985, and a conditional adjournment of the Senate from August 1 or 2 to September 4 or 9, 1985.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1027. An act to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1986, 1987, and 1988, and for other purposes; to the Committee on Environment and Public Works.

H.R. 1131. An act to amend title 5, United States Code, to modify the method for determining the amount payable by a Federal employee or Member of Congress in order to receive credit under the civil service retirement system based on certain military service: to the Committee on Governmental Affairs.

H.R. 1202. An act to enhance the carrying out of fish and wildlife conservation and natural resource management programs on military reservations, and for other purposes; to the Committee on Armed Services.

H.R. 1544. An act to authorize appropriations to carry out the National Aquaculture Act of 1980 during fiscal years 1986, 1987,

and 1988, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1406. An act to authorize appropriations for nongame fish and wildlife conservation during fiscal years 1986, 1987, and 1988.

H.R. 1789. An act relating to the authorization of appropriations for certain components of the National Wildlife Refuge System.

MEASURES HELD AT THE DESK

Pursuant to the order of the Senate of July 30, 1985, the following joint resolution was held at the desk by unanimous consent:

H.J. Res. 299. Joint resolution recognizing the accomplishments over the past 50 years resulting from the passage of the Historic Sites Act of 1935, one of this Nation's landmark preservation laws.

The following bill was ordered held at the desk until the close of business on August 1, 1985, by unanimous consent:

H.R. 2466. An act to make miscellaneous changes in laws affecting the United States Coast Guard, and for other purposes.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate announced that on today, July 31, 1985, she had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 108. Joint resolution authorizing the Secretary of Defense to provide to the Soviet Union, on a reimbursable basis, equipment and services necessary for an improved United States/Soviet Direct Communication Link for crisis control; and

S.J. Res. 161. Joint resolution to appeal for the release of Soviet Jewry.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1562. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the President's tenth special message for fiscal year 1985; pursuant to the order of January 30, 1985, referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Agriculture, Nutrition, and Forestry, and the Committee on Energy and Natural Resources.

EC-1563. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the President's eighth special message for fiscal year 1985; pursuant to the order of January 1, 1975, referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Energy and Natural Resources, the Committee on Labor and Human Resources, the Committee on Finance, and the Committee on Commerce, Science, and Transportation.

EC-1564. A communication from the Under Secretary of the Interior, transmitting a draft of proposed legislation to provide for an equitable distribution of net receipts associated with the Federal onshore mineral leasing program; to the Committee on Energy and Natural Resources.

EC-1565. A communication from the Acting Commissioner of the Bureau of Reclamation, Department of the Interior, transmitting, pursuant to law, a report on the need for modifications to Altus Dam and Dikes, W.C. Austin Project, Oklahoma; to the Committee on Energy and Natural Resources.

EC-1566. A communication from the Chairwoman of the United States International Trade Commission, transmitting, pursuant to law, the 35th annual report of the Commission on the operation of the United States trade agreements program, covering 1984; to the Committee on Finance.

EC-1567. A communication from the Visiting Research Professor of Law and Diplomacy, National Defense Institute, Department of Defense transmitting for the information of the Senate, material which he feels helpful in relation to the summit scheduled for fall; to the Committee on Foreign Relations.

EC-1568. A communication from the Assistant Legal Advisor for treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to July 26, 1985; to the Committee on Foreign Relations.

EC-1569. A communication from the Assistant Secretary-Treasurer of the Trustees of the Seventh Farm Credit District Employee Benefits Program, transmitting, pursuant to law, the annual report on the financial condition of the Retirement Plan for the Employees of the Seventh Farm Credit District for plan year 1984; to the Committee on Governmental Affairs.

EC-1570. A communication from Plan Administrator, Farm Credit Banks of Jackson, transmitting, pursuant to law, a report on the financial condition of the Farm Credit Retirement Plan and the Production Credit Associations' Retirement Plan for the plan year ended December 31, 1984; to the Committee on Governmental Affairs.

EC-1571. A communication from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend various health research authorities, and for other purposes; to the Committee on Labor and Human Resources.

EC-1572. A communication from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to grant discretion to the Administrator to administer garage and parking appropriations and fees as a revolving fund; to the Committee on Veterans' Affairs.

EC-1573. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee, and insurance transactions supported by the Bank during June 1985 to communist countries; to the Committee on Banking, Housing, and Urban Affairs.

EC-1574. A communication from the Administrator of General Services, transmitting, pursuant to law, a report summarizing and analyzing reports submitted on the amount of personal property furnished to non-Federal recipients; to the Committee on Governmental Affairs.

EC-1575. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-67, adopted by the Council on July 9, 1985; to the Committee on Governmental Affairs.

EC-1576. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-66, adopted by the Council on July 9, 1985; to the Committee on Governmental Affairs.

EC-1577. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-65, adopted by the Council on July 9, 1985; to the Committee on Governmental Affairs.

EC-1578. A communication from the Administrator of Veterans' Affairs, transmitting, pursuant to law, a report on a Veterans' Administration matching program; to the Committee on Governmental Affairs.

EC-1579. A communication from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend various health professions training authorities, and for other purposes; to the Committee on Labor and Human Resources.

EC-1580. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report of the Adminstration on Aging of the Department of Health and Human Services for fiscal year 1984; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1124. A bill to amend title 49, United States Code, to reduce regulation of surface freight forwarders, and for other purposes (with additional views) (Rept. No. 99-120).

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 205. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideraton of S. 974.

By Mr. McCLURE, from the Committee on Energy and Natural Resources, without amendment.

S. 811. A bill to clarify the treatment of mineral materials on public lands (Rept. No. 99-121).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment:

S. 816. A bill to establish the Pine Ridge Wilderness and Soldier Creek Wilderness in the Nebraska National Forest in the State of Nebraska, and for other purposes (Rept. No. 99-122).

By Mr. HATCH, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 140. A bill to amend the Child Abuse Amendments of 1984 to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases (Rept. No. 99–123)

By Mr. ROTH, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute.

S. 1027. A bill for the relief of Kenneth David Franklin.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. ROTH, from the Committee on Governmental Affairs:

Constance Horner, of the District of Columbia, to be Director of the Office of Personnel Management for a term of four years.

(The above nomination was reported from the Committee on Governmental Affairs with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BYRD:

S. 1533. A bill to amend section 232 of the Trade Expansion Act of 1962 to improve its administration, and for other purposes; to the Committee on Finance.

By Mr. MATSUNAGA:

S. 1534. A bill for the relief of Masoyoshi Goda, his wife Nobuko Goda, and their children Maki Goda and Eri Goda; to the Committee on the Judiciary.

S. 1535. A bill for the relief of Yasumasu Muraoka; to the Committee on the Judiciary.

By Mr. MITCHELL (for himself and Mr. Cohen):

S. 1536. A bill to amend title 38, United States Code, to provide that per diem subsidies paid by the Veterans' Administration for the care of veterans in State homes shall not be used to offset payments that are made under the Medicaid Program for the purposes of assisting eligible veterans; to the Committee on Veterans' Affairs.

By Mr. NICKLES (for himself and Mr. Pell):

S. 1537. A bill to amend title IV of the Higher Education Act of 1965 to provide standards for students for maintaining satisfactory progress as a condition for assistance under that title; to the Committee on Labor and Human Resources.

By Mr. METZENBAUM (for himself, Mr. Humphrey, Mr. Proxmire, Mr. Bradley, and Mr. Evans):

S. 1538. A bill to replace the Synthetic Fuels Corporation with a more fiscally responsible scaled down synthetic fuels assistance program; to the Committee on Energy and Natural Resources.

By Mr. ROTH:

S. 1539. A bill to amend the Internal Revenue Code of 1954 to repeal the earned income limitation on the deduction for retirement savings and the age 70½ limitation on the deduction and distribution of retirement savings; to the Committee on Finance.

By Mr. DODD:

S. 1540. A bill providing a statutory basis for a budget that requires that any increase in outlays be financed by an equivalent increase in revenues, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977.

By Mr. HEINZ:

S. 1541. A bill for the relief of Hayden C. Jones of Pennsylvania; to the Committee on the Judiciary.

By Mr. McCLURE (by request):

S. 1542. A bill to amend the National Trails System Act by designating the Nez Perce (Nee-Me-Poo) Trail as a component of the National Trails System; to the Committee on Energy and Natural Resources.

By Mr. MATHIAS (for himself, Mr. Lautenberg, Mr. Laxalt, Mr. DeConcini, Mr. Specter, Mr. Denton, and Mr. Dixon):

S. 1543. A bill to protect patent owners from importation into the United States of goods made overseas by use of a U.S. patented process; to the Committee on the Judiciary.

By Mr. ROTH. (for himself, Mr. Moynihan, Mr. Heinz, Mr. Chafee, Mr. Symms, Mr. Danforth, Mr. Bradley, Mr. Mitchell, Mr. Grassley, Mr. Matsunaga, Mr. Cohen, Mr. Kerry, and Mr. Gore):

S. 1544. A bill to extend the Trade Adjustment Assistance Program to place such program on a sound financial basis and to reform such program to emphasize the retraining of workers, to the Committee on Finance.

By Mr. MITCHELL:

S. 1545. A bill to strengthen the Nation's competitive position in international trade and to improve its ability to respond to unfair and injurious foreign trade practices; to the Committee on Finance.

By HEINZ (for himself and Mr. Specter):

S. 1546. A bill to amend the Internal Revenue Code of 1954 to allow an individual a credit against income tax for certain expenditures for the purpose of reducing radon levels in the principal residence of the individual; to the Committee on Finance.

By Mr. INOUYE:

S. 1547. A bill to amend title 10, United States Code, to authorize certain disabled former prisoners of war to use Department of Defense commissary stores and post exchanges; to the Committee on Armed Services.

By Mr. MOYNIHAN (for himself and Mr. Baucus):

S. 1548. A bill to require the Secretary of the Treasury and the Chairman of the Federal Reserve Board to develop a "Strategic Foreign Currency Reserve"; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BYRD (for himself and Mr. Metzenbaum):

S.J. Res. 183. Joint resolution to provide for the designation of the week of October 6 through October 12, 1985, as "Myasthenia Gravis Awareness Week"; placed on the calendar.

By Mr. DENTON:

S.J. Res. 184. Joint resolution to authorize the Korean War Memorial, Inc. to erect a memorial in the District of Columbia or its environs; to the Committee on Energy and Natural Resources.

By Mr. MOYNIHAN (for himself, Mr. D'Amato, Mr. Baucus, Mr. McClure, Mr. Bradley, Mr. Zorinsky, Mr. Inouye, Mr. Matsunaga, Mr. Exon, and Mr. Nunn):

S.J. Res. 185. Joint resolution to designate August 18, 1985, as "National Flowers-by-Wire Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PROXMIRE:

S. Con. Res. 58. Concurrent resolution expressing the sense of the Congress that Medicare patients are entitled to accurate and timely information regarding their Medicare benefits; to the Committee on Finance.

By Mr. TRIBLE:

S. Con. Res. 59. Concurrent resolution expressing the sense of the Congress that food producers who permit gleaning of their fields and nonprofit organizations which glean fields and distribute the resulting harvest to help alleviate hunger should be commended for their efforts, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DANFORTH (for himself, Mr. Dodd, Mr. Eagleton, Mr. Chafee, Mr. Gorton, Mr. Moynihan, Mr. Bradley, Mr. Kennedy, Mr. Pell, Mr. Heinz, Mr. Ford, Mr. Riegle, Mr. Hollings, Mr. Lautenberg, Mr. Sasser, and Mr. Cohen):

S. Con. Res. 60. Concurrent resolution to strengthen support for the national investment in research and advanced education capabilities; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BYRD:

S. 1533. A bill to amend section 232 of the Trade Expansion Act of 1962 to improve its administration, and for other purposes; to the Committee on Finance.

(The remarks of Mr. Byrd and the text of the legislation appear earlier in today's Record.)

By Mr. MITCHELL (for himself and Mr. Cohen):

S. 1536. A bill to amend title 38, United States Code, to provide that per diem subsidies paid by the Veterans' Administration for the care of veterans in State homes shall not be used to offset payments that are made under the Medicaid Program for the purpose of assisting eligible veterans; to the Committee on Veterans' Affairs.

PER DIEM PAYMENTS TO STATE VETERANS HOMES

● Mr. MITCHELL. Mr. President, today I am introducing legislation with my colleague, Mr. Cohen, to change the present treatment of Veterans' Administration per diem payments to State veterans homes under Medicaid. While only a small number of State homes would be affected by

this legislation, correcting the present treatment of the payments under Medicaid is extremely important to the affected homes.

The term, "State home" means a home established by a State for veterans disabled by age, disease, or otherwise, who by reason of such disability are incapable of earning a living. The term also includes a home which furnishes nursing home care for veterans. The establishment, control, and administration of a State home is the responsibility of the State which it serves.

The VA promotes the care and treatment of veterans in State veterans homes as one means of developing and maintaining the highest possible quality of care for this Nation's elderly veterans. Congress has established two programs under which the VA provides assistance to State homes.

The first is a grant program authorized by title 38 U.S.C. 5031–5037. Grants under this program, go to construct new homes or to expand, remodel, or alter existing facilities and may not exceed 65 percent of the cost of construction.

The second is a per diem payment program authorized by title 38 U.S.C. 641–643. Under this program, the VA contributes funds directly to recognized State homes to help meet the cost of care for eligible veterans in the homes. Per diem payments under this program are made for domiciliary care, nursing home, and hospital care at set rates, but may not exceed one-half the cost of the veterans' care in the home.

State homes are established through legislation enacted by the State legislature, which also determines how the State will fund its share of the home's operation. Generally, that support is a direct appropriation from the State. Under such an arrangement, the home's revenues consist of State appropriations and the VA per diem payments.

But a small number of States, including my State of Maine, have chosen to fund the home's operation through the Medicaid Program. Under such an arrangement, the home's revenues consist of Medicaid and VA per diem payments.

As my colleagues know, the Federal and participating State governments share the cost of Medicaid by means of a variable matching formula. States with Medicaid veterans homes then do not directly support their homes with State revenue, except for the funds allocated to cover the State's share of the Medicaid payments to the homes.

In determining the extent of medical assistance Medicaid may provide for an individual applicant or recipient, States must consider whether there exists any "third party" liability for the individual's care and services that arises out of injury, disease, or disability.

If a State discovers that a third party is in fact liable for some portion of a Medicaid applicant's or recipient's care, the State must reduce its Medicaid payments to the extent of such third-party liability. The Office of General Counsel in the Department of Health and Human Services has recently ruled that VA per diem payments to State homes must be treated as a third party liability for purposes of Medicaid.

The result of this ruling is that State agencies which are entrusted with the responsibility of administering Medicaid, in the case of my State, the Maine Department of Human Services, are forced to reduce the Medicaid payments to the home by an amount equal to the VA per diem payments made on behalf of the Medicaid-eligible veterans residing in the home.

But the veterans throughout Maine argue that the VA per diem should not be considered a resource of the individual because the VA makes the payment to the home, not the individual veteran. Under Medicaid statutes, 42 U.S.C. 1396a(25) third-party liability is to be considered "as a resource of the individual on whose behalf the care and services are made available."

Veterans in my State have repeatedly and strongly voiced their objection to the present arrangement. They argue that it makes no sense for the Congress to authorize the Veterans' Administration to make payments to State veterans homes on behalf of veterans only to have those funds used by State agencies to replace State and Federal Medicaid dollars, with no benefit to the veteran.

The legislation I am introducing today with Senator Cohen is simple and straight-forward. It says that payments made to State veteran homes under section 641 of title 38 shall not be considered to be a third-party liability under Medicaid.

Mr. President, this question first came to my attention in December 1983. It is a question which has taken a great deal of my time since then as the debate on this question has raged in my State.

During the months of 1984 and 1985, the board of directors of the Maine Veterans Home has worked many, many hours in trying to get the present situation reversed. They have made their case to the Maine Department of Human Services and the Maine Legislature without success. The board has solicited the support of the Veterans' Administration and the Department of Health and Human Services. But all to no avail.

The introduction of this legislation stands as a testimony to the dedication the Maine veterans community, especially the board of directors of the Maine Veterans Home, toward Maine's elderly veterans and their spouses.

The home's board has persevered. For 2 years they have argued their case convincingly to me and the other members of the Maine congressional delegation. The introduction of this legislation is an important first step. I look forward to its enactment.

Mr. President, I ask unanimous consent that the text of the bill and a letter from the Congressional Budget Office regarding the impact the enactment of the bill would have on the Federal Medicaid Program be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 641 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Payments made to States pursuant to this section—

"(1) shall not be considered to be a third-party liability for any purpose under section 1902(a)(26) of title XIX of the Social Security Act; and

"(2) shall, for purposes of determining under title XIX of the Social Security Act the reasonable costs of services provided by a State home, not be deducted directly or indirectly from the operating or other costs of such State home."

U.S. Congress,
Congressional Budget Office,
Washington, DC, June 14, 1985.

Hon. George J. Mitchell,
U.S. Senate, Washington, DC.

Dear Senator: As you requested in your letter of May 6, 1985, we have reviewed your proposed legislation to amend Title 38, United States Code, to provide that per diem subsidies paid by the Veterans Administration for the care of veterans in State homes shall not be used to offset reimbursements to the home under the Medicaid program. Based on our analysis, we estimate that enactment would increase federal Medicaid costs by $2 million a year. State Medicaid costs would increase by a similar amount.

Our estimate is based on current Medicaid enrollment at those homes that would be affected by this proposal. Currently only four Medicaid-certified state nursing homes care for veterans who are Medicaid recipients: Homelake, Colorado has 17 such veterans; Augusta, Maine has 86; Oxford, New York has 109; and King, Wisconsin has 280. If the Veterans Administration subsidies were not considered third-party liabilities, then the Medicaid program would be required to pick up these costs. Depending upon the match rate, the federal government would pay varying shares of the costs in each state. The estimate assumes that no additional state homes would apply for Medicaid certification as a result of this proposal. If additional state homes did apply, the costs could be significantly above those estimated.

We would be pleased to respond to any questions you might have on this estimate. Your staff may contact Anne Manley (226-2820) with detailed questions.

With best wishes,
Sincerely,

ERIC HANUSHEK,
(for Rudolph G. Penner.)●

● Mr. COHEN. Mr. President, for some 4 years, the Maine Veterans Home has provided essential care to older veterans in Maine. Founded through the cooperative efforts of the Maine veterans community, Maine State officials, the Veterans' Administration, and the Maine congressional delegation, the home has earned much respect for the quality services it provides. The administrators of the home, however, are now concerned that a series of legal rulings may impair the future ability of the home to offer its veteran residents the high quality of care to which the home is committed.

The Maine Veterans Home is an intermediate care facility licensed by the State of Maine and provides services to Medicaid-eligible individuals under the Maine Medical Assistance Program. The home is certified by the Veterans' Administration to provide intermediate care to veterans and, as such, receives a per diem subsidy from the VA for each day of care provided to each veteran patient. The subsidy is authorized by 38 U.S.C., section 641.

The State of Maine Department of Human Services is the sole agency in the State of Maine authorized to administer the Medicaid Program. The Department last year ruled that the portion of the VA subsidy received by the home based on care provided to its Medicaid patients constitutes a third-party liability as defined in 42 USC, section 1396(a)(25) and 42 CFR, sections 433.135 through 433.154. Because the Department views the VA subsidy as a third-part liability, it has offset Medicaid payments otherwise due the home by the amount of the VA subsidy.

The administrators of the Maine Veterans Home questioned this offset practice on two grounds. First, the Maine Department of Human Services' ruling was based on a 1979 Federal decision whose legality the home questioned. That decision was made by the U.S. Department of Health and Human Services' Audit Office with regards to the Wisconsin Veterans Home. Second, the home argued that the offset practice was not in consonance with the intent of Congress with regards to the VA subsidy program.

To ensure a full hearing on the first of these questions raised by the administrators of the Maine Veterans Home, the Maine congressional delegation asked Secretary Heckler to review whether the VA subsidy should be considered a third party liability which must be offset. Earlier this summer, Secretary Heckler affirmed the consistency of the offset practice with HHS's interpretation of the applicable law and regulations.

This leaves the question of whether this interpretation is consistent with the intent of Congress. After careful consideration, the Maine congressional delegation has decided that the most appropriate means to evaluate this and to obtain timely congressional oversight of the situation as it affects other Medicaid-certified State veterans nursing homes would be through hearings to consider legislation to alter this offset practice.

Accordingly, Senator Mitchell and I are introducing legislation today which would provide that VA per diem subsidies authorized under 38 USC, section 641 not be considered a third-party liability under section 1902(a)(26) of title XIX of the Social Security Act. This legislation further states that such VA subsidies shall not be deducted directly or indirectly from the operating or other costs of a State home when determining, under title XIX of the Social Security Act, the reasonable costs of services provided by a State home. Our colleagues in the House, Representatives McKERNAN and SNOWE are introducing identical legislation today regarding this matter.

This legislation will serve as a catalyst for a timely congressional evaluation of the implications for Medicaid-certified State veterans homes of this offset practice, as well as for clarification of congressional intent regarding the treatment of the VA per diem subsidy.

In so doing, we will take an important step toward ensuring that these State veterans nursing homes are able to provide the level of care to veterans that the Congress intended when it wrote the relevant laws.●

By Mr. NICKLES (for himself and Mr. PELL):

S. 1537. A bill to amend title IV of the Higher Education Act of 1965 to provide standards for students for maintaining satisfactory progress as a condition for assistance under that title; to the Committee on Labor and Human Resources.

HIGHER EDUCATION SATISFACTORY PROGRESS ACT

Mr. NICKLES. Mr. President, today I am pleased to join with my distinguished colleague, Senator PELL, in reintroducing a bill which makes some commonsense changes in Federal student aid programs. This legislation establishes a requirement that students receiving Federal student assistance maintain a "C" average as a condition for continued eligibility.

CURRENT LAW

Presently, a student continues to receive student assistance from the Federal Government as long as the educational institution which he or she attends will confirm that the student is in good standing. It is left up to the discretion of each educational institution to define good standing.

Unfortunately, this policy has resulted in serious mismanagement and use of Federal student aid resources. The General Accounting Office released a study in December 1981 which found that 20 percent of the students receiving Pell grants at 19 randomly selected institutions had less than a "C" average, half of which—10 percent— had an "F" average. Clearly, this lax discretion and judgment by some educational institutions is significant enough to merit congressional action.

PROPOSED LEGISLATION

The legislation that Senator PELL and I offer today gives a student receiving Federal financial assistance a 1-year period to establish an academic record. At the conclusion of this first year, the student's grade point is reviewed. If the student has less than a "C" average, then he or she is given a warning measure by being placed on probation for one grading period. If, during that grading period, the student again fails to make a "C" average or better, then he or she is no longer eligible for Federal financial assistance.

The legislation contains an "undue hardship" clause which provides for special difficulties that a student may encounter during the academic year. This clause is intended to allow the institution to give the student another probationary period if it determines that the student has to contend with unusually severe circumstances during the academic grading period in question. Examples of the kinds of extenuating circumstances which might be cited and accepted are the death of a close relative or serious personal injury or illness.

A student who, for academic reasons, has lost eligibility for Federal student assistance may again become eligible if he can demonstrate, in two consecutive grading periods, his academic commitment by maintaining a "C" average or better. Upon establishing such a record, he may again apply for Federal assistance.

Implementation of this legislation will simplify current law by creating a consistent and fair standard for students receiving Federal aid. It adds no new bureaucratic steps, in that an institution must already verify that a student is in good standing. This legislation simply asks for a GPA as part of that verification process.

PUBLIC COMMENT

In the 97th Congress, when we first introduced the Higher Education Satisfactory Progress Act, my office received a number of letters from throughout the country on this legislation. The correspondence represents a broad cross-section of people: teachers, student aid administrators, college presidents, students, parents, and taxpayers. By far, the vast majority of the mail was positive. I would like to share some of the comments and concerns which have been expressed:

> A father in North Carolina—"You have an excellent idea and I support it. In fact, when college aid is from family funds rather than federal funds, your idea is often followed." This parent tells of his son's initial experience with college. The young man failed to achieve a 2.0 average and after several discussions with his family, decided to leave college and join the Navy. Three years later the son returned to college and completed his degree. The father closed by saying, "I don't believe that anyone could accuse the family of not being loving and supportive to our son. At the same time, we were not stupid, either. I think the federal government would be free of guilt also if it used the same rationale. . . ."
>
> Bacone College in Oklahoma—The Acting President of Bacone College, a school which has been "serving the American Indian since 1880" writes, "I believe your proposal makes a great deal of sense and will be of benefit to a number of students who need a second chance."
>
> College Educational Plans, Inc., of Dallas, Texas—"I fully support your efforts to require an adequate grade point average for a college student to qualify for any federal government sponsored educational loan or grant. In 1975, our firm designed a loan program to provide college educational loans to dependent children of employees of corporations. . . . The loans did require a grade of B– of better. . . . My point in mentioning this to you is to relate to you the substantial improvement in the grade point average of our students when compared to the simple grant program before 1975. In general, and through 1977, approximately 30% of our students would have qualified as a B– or better student. Following the implementation of the "Loan" program, the percentage now qualifying is closer to 65–70%."
>
> Western Connecticut State College—The President writes, "I would be very comfortable supporting the bill that you described. . ."
>
> University of California, Santa Cruz—The Director of Financial Aid expressed concern on two points: First, how is a non-graded school system to be treated? And second, what about the student who is experiencing severe personal problems? I am happy to say that the legislation addresses both of those questions. The university that does not use the traditional grading criteria is asked only to verify that the student has achieved the equivalent of a passing grade, as determined by the institution. Second, the university is given the latitude to determine whether or not a student's inability to maintain a "C" average is the result of "undue hardship." If such is the case, then the student is given an additional probationary period to establish a passing grade average.

In addition, an article appeared in the Washington Post which quoted the president of Harvard University as suggesting that U.S. education grants be given only to students with reasonably good high school grades and college board scores. Those pupils, he said, are most likely to finish college. The legislation which we are introducing today does allow everyone a fresh start by giving any student 1 year to establish an academic record. However, the concepts which I believe that President Bok was stressing of accountability and responsibility on the part of students and of prudent use of taxpayers dollars have been incorporated into this bill.

FISCAL IMPLICATIONS

Although there is no concrete figure as to the amount of financial assistance which can be redirected to more serious students, evidence indicates that it could be a very sizable amount. In the GAO's sampling alone, they found that 19.9 percent of the Department of Education aid recipients, 23.1 percent of the Social Security aid recipients, and 12.4 percent of the Veterans' Administration aid recipients had cumulative GPA's less than 2 or a "C" average. Even if this figure is not truly representative of all 7,726 schools that have students receiving Federal assistance, it indicates that a significant portion of the $8 billion spent on student aid could be used more effectively.

In closing, I think it is essential that Congress do all that is in its power to once again earn the respect and confidence of the American people for the manner in which we spend their tax dollars. Elimination of wasteful or inappropriate programs is only a part of the answer. The rest is in analyzing and reforming, where needed, existing programs so that they are more cost effective and responsible in their use of tax dollars. This is the intent of the "Higher Education Satisfactory Progress Act of 1985." I am pleased that Senator PELL, who is one of the most highly respected Members of this body for his knowledge and activity in the field of education, has understood the importance of maintaining integrity and responsibility in the Federal student aid programs for some time now. In 1980, Senator PELL introduced an amendment which was in the same spirit as the legislation we are introducing today. In addition, in 1982, the Senator from Rhode Island and I introduced this bill and received a number of cosponsors and positive feedback. I am pleased that we are again taking up the issue at this time when the Higher Education Act is being reauthorized.

Since the publication of the President's Commission on Excellence in Education recommendations, attention has been focused with new vigor on the strengths and weaknesses of our educational system. Although there has been diverse opinion on a number of the Commission's proposals, there was one which found near unanimous support. That was the recommendation to raise the standards and requirements for college admission. The legislation which we are introducing today is meant to compliment this proposal within the domain of Federal financial student aid programs.

I encourage my colleagues to examine our proposal, for I am convinced that what we have put forth today is a judicious and fair approach to directing student assistance to those students who not only need it, but who are serious in their determination to make the most of their educational opportunity.

I ask unanimous consent that the digest of the GAO's report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STUDENTS RECEIVING FEDERAL AID ARE NOT MAKING SATISFACTORY ACADEMIC PROGRESS: TOUGHER STANDARDS ARE NEEDED

The Federal Government provides billions of dollars in student aid each year under programs administered by the Department of Education, the Veterans Administration, and the Social Security Administration. These agencies have widely varying policies regarding satisfactory academic progress of students receiving assistance.

In reviewing the academic progress standards applied to students at 20 institutions of higher education, GAO found that these standards were often inadequate and not always enforced. Although each of the schools had established standards, they were often poor measurements of academic progress. Some schools had not enforced the standards they had established, resulting in overpayments of more than $1.2 million in Department of Education programs.

More stringent Federal requirements would alleviate many of the problems resulting from poor academic progress by students receiving aid.

DIGEST

Each year the U.S. Government provides billions of dollars in financial aid to students seeking a postsecondary education. While a wide array of assistance is available, the major programs are administered by the Department of Education (ED), the Veterans Administration (VA), and the Social Security Administration (SSA). These programs provided about $7.8 billion in student aid during fiscal year 1980. (See p. 1.)

There are no uniform requirements among the three Federal agencies regarding satisfactory academic progress of students receiving financial aid. VA requires an institution to establish and enforce a reasonable policy on satisfactory progress and meet specific requirements set by law and regulation. ED also requires that an institution set and enforce a policy, but does not provide specific criteria. SSA does not impose standards for academic progress in its program since there is no requirement set by law. (See pp. 2 to 8.)

In visits to 20 institutions of higher education and a review of more than 5,800 randomly selected student transcripts, GAO found that many students receiving financial aid were not making satisfactory progress. Mainly this resulted from school standards that allowed students to remain eligible for aid without proving that they were moving toward a definite goal with adequate grades and at a reasonable rate. Some of the institutions were not even enforcing their own standards. (See p. 9.)

GAO conducted its review in response to concerns raised in previous reviews of student aid programs on the adequacy of standards for determining satisfactory academic progress. After this review began, the Chairman of the Senate Committee on Labor and Human Resources expressed an interest in the issue and requested GAO to prepare a report on its findings for the Committee. (See p. 8.)

STANDARDS ARE NOT ADEQUATE

An effective academic progress standard should consider all factors which affect a student's academic performance. However, many of the schools visited did not have reasonable requirements concerning such factors as minimum grade point averages (GPAs), nonpunitive grades, and the rate of movement toward completion of a program of study. (See p. 9.)

While the schools visited uniformly required a 2.0 GPA (on a 4.0 scale) for graduation, they normally set their standards for determining academic progress at considerably lower levels. This resulted in large numbers of students on financial aid with low grades. Overall, 19.9 percent of the ED aid recipients, 23.1 percent of the SSA aid recipients, and 12.4 percent of the VA recipients in GAO's samples had cumulative GPAs below 2.0. In many cases, the averages were below 1.5, or the equivalent of a "D-plus." (See pp. 9 to 12.)

The performance of many students in GAO's samples was distorted by their schools' overuse of nonpunitive grades—grades which have no effect on the GPA or do not count toward program completion. The schools often offered wide ranges of grades which had no effect on the measurement of progress. At two schools, non-punitive grades accounted for more than 40 percent of all grades assigned during a recent term. (See pp. 12 and 13.)

A common example of a nonpunitive grade is that assigned for a course withdrawal. The schools visited often allowed students to withdraw from a course without penalty far into the term. GAO found many examples of students who had withdrawn from courses, allowing them to maintain higher GPAs, but also adding to the time necessary to complete a course of study. During the spring term of 1980, more than 20 percent of the ED and SSA aid recipients in GAO's sample withdrew from courses so that the number of hours they took was less than the number of hours required under their aid programs. (See pp. 13 and 14.)

Other nonpunitive grades were given for courses not completed or later repeated. Incomplete grades were often carried on a student's record for an extended time and, in some cases, were never converted. This resulted in higher GPAs than would have otherwise been the case. In some instances, students were allowed to repeat the same course numerous times. (See pp. 15 and 16.)

Only 10 of the 20 schools visited had specific requirements concerning the rate of a student's academic progress, and these requirements were often ineffective. This led to instances where students stayed in school and on financial aid for inordinate lengths of time. Among the ED aid recipients sampled, 56.3 percent of those attending school on a quarter system and 61.5 percent of those on a semester system were behind in their studies. (See pp. 18 to 20.)

In general, fewer instances of poor progress were noted among VA aid recipients than either ED or SSA aid recipients. GAO believes that this is due to the more stringent requirements set by VA, including (1) prior VA approval of a school's academic progress standard and a student's course of study and (2) refusal to pay for courses outside of an approved course of study, from which the student withdrew, or which did not count toward program completion. Neither ED nor SSA has such requirements. ED officials said they do not believe ED has the statutory authority to issue regulations setting specific requirements. There are no statutory requirements for academic progress in the SSA program. (See pp. 3 to 8.)

STANDARDS ARE NOT ENFORCED

Nonenforcement of academic progress standards is a major problem. Nine of the schools visited were not enforcing their published standards. Three schools were not enforcing their standards for ED or VA aid recipients, five schools were not for ED aid recipients only, and one school was not for VA aid students only. SSA had no academic progress requirements. (See pp. 22 and 24.)

For the schools which had not enforced their standards for ED aid recipients, GAO estimated overpayments of about $1.28 million. GAO did not project overpayments for VA recipients because the schools did not have information on the amount of financial aid paid by VA. (See pp. 22 and 23.)

CONCLUSIONS

Weak and nonspecific Federal requirements on academic progress have led to abuse of the student aid programs, particularly those administered by ED and SSA. A uniform Federal policy is needed. Although VA standards set by existing legislation and regulations are generally adequate, standards are needed for the rate at which a student is progressing. GAO believes that ED and SSA requirements should be essentially the same as those set by VA. This would require changes to both authorizing legislation and program regulations. (See pp. 25 and 26.)

These changes would accomplish the following objectives:

Tighter academic progress standards would save Federal funds now being paid to students not making satisfactory progress.

Schools would encounter fewer differences in the requirements for administering the three agencies' programs.

Federal agencies would be able to better coordinate their efforts in setting academic progress requirements and monitoring their enforcement.

Also, students might be encouraged to enroll in programs which are more suited to their abilities and which they are more likely to complete. (See p. 26.)

● **Mr. PELL.** Mr. President, I am very pleased to join my distinguished colleague from Oklahoma [Mr. NICKLES] in introducing the Higher Education Satisfactory Progress Act of 1985. Both Senator NICKLES and I are very concerned that the absence of specific academic standards for the receipt of Federal student aid can result in the abuse of these important programs, and thus weaken the valuable help they provide students who desire to pursue a postsecondary education but cannot afford it. This is the primary reason we are reintroducing the legislation we originally submitted in 1982.

The public reaction to this legislation when we first introduced it was very encouraging. Editorials from all parts of the United States endorsed it. The Madison, WI, State Journal said of our proposal:

> The best thing about the proposal is that it reserves loan money for serious students, the ones who will make progress toward a degree. They deserve help. It is a good amendment to a good program.

The Corning, NY, Leader said that the bill's enactment "may do more to improve scholarship in American colleges than any legislation in years."

In Boston, radio station WRKO said:

> Senator Pell's measure would eliminate student laggards, encourage others to meet higher academic standards, and it would save money. We endorse it.

But perhaps the most succinct endorsement came from the McComb, MS, Enterprise Journal, which said of our proposal: "It ought to be done."

Almost 3 years have passed since the initial introduction of our proposal. More than 3 years, however, have elapsed since the GAO issued its report that approximately 20 percent of the Federal student aid recipients it surveyed had less than a 2.0 grade point required for graduation, and about 10 percent less than a 1.5 grade point. In light of this situation, Senator NICKLES and I feel very strongly that this is an issue that must be considered as part of the pending reauthorization of the Higher Education Act. It is a bill whose time has come.

There is an important history behind this proposal, and as we introduce this legislation, it is a history that bears repeating.

The first satisfactory progress proposal was advanced by the Carter administration during the higher education hearings in October 1979. Dr. Mary Berry, then Assistant Secretary for Education in the Department of Health, Education, and Welfare, proposed on behalf of the administration that a student must successfully complete at least 50 percent of the course load undertaken using title IV aid during a given period of enrollment in order to be eligible for Federal aid in a subsequent period of enrollment. She also stipulated that this requirement would be waived for demonstrated hardship circumstances.

During the question and answer period that followed Dr. Berry's formal statement, I expressed my complete support for the idea that a student should have to maintain decent grades in order to receive Federal student aid. In fact, I thought the administration's proposed standard of 50 percent was too low.

In May 1980, when the full Senate passed S. 1839, the Education Amendments of 1980, included was a requirement, of which I was the principal proponent, that a student must successfully complete 75 percent of his or her academic course load to be eligible for assistance provided by Federal Student Aid Programs. That provision,

however, did not contain a definition of what constituted successful completion of a course, but left that decision up to the individual institution of postsecondary education.

Unfortunately, the provision in the Senate bill was dropped in the House-Senate conference.

Since passage of the 1980 amendments, the Department of Education has worked closely with representatives of the education community on regulations requiring more specific standards of satisfactory progress. These efforts were designed to help insure the integrity of the Federal Student Aid Programs while also preserving institutional discretion in setting specific standards.

It is encouraging that the new rules stipulate that satisfactory progress must be the same as or stricter than the institution's standards for determining progress toward and successful completion of the educational objective. This helps avoid the situation cited in the GAO report where students can remain eligible for Federal student aid although never required to maintain a grade point average that matches the institution's requirement for graduation.

The regulations, however, do not establish a standard that can be enforced in an equitable and uniform manner. Senator NICKLES and I believe that there continues to be a need for a provision in Federal law that spells out specifically what a student must accomplish in terms of a grade average if he or she is to continue to receive Federal student aid.

The issue at hand is neither one of institutional integrity nor one of interferring with the operation of a college or university. Rather, the issue is one of an agreement which a student makes with the Federal Government when he or she accepts Federal student aid. I contend that the aid should be dependent upon a student's maintaining a satisfactory grade point average, and that is the matter directly addressed in this legislation.

In no way should the action we are seeking be construed as punitive. Nor should this legislation be misconstrued as an intrusive step into the affairs of a college or university.

We already have a series of eligibility rules for student assistance programs in areas such as family income, a student's status as dependent or independent, and whether or not the student is full time or part time. We have agreements concerning the repayment of loans. And we have limits on the amount of money a student can receive through grants and loans. The legislation that Senator NICKLES and I are proposing would simply add another requirement with respect to the level of academic work a student must maintain if he or she is to continue to be eligible for Federal student aid.

The Satisfactory Progress Act of 1985 would apply to all Federal Student Aid Programs included in title IV of the Higher Education Act of 1965, as amended. If a student after the first year of postsecondary work has less than a C average or its equivalent, then the student would be placed on probation for the next grading period. If the student receives an average of C or better for the following period, then he or she would no longer be considered on probation and could continue to receive Federal student assistance.

Should the student earn less than a C average, however, he or she would be dropped from eligibility for Federal student aid. Once dropped, a student would have to earn a grade average of C or better for two consecutive terms in order to become eligible once again to receive Federal student aid.

There is also an undue hardship clause in our legislation. It would allow the institution to judge students with unusually severe situation, such as sudden death or illness in the family or particularly difficult personal or emotional problems, and allow them to continue to receive Federal student aid.

Mr. President, in this period of fiscal restraint, it becomes all the more important that Federal aid is not only well-targeted but also wisely used. That is precisely what our legislation seeks to do in the area of student aid. Very simply, it would help insure that Federal student aid moneys would be directed to deserving students who are serious and responsible about pursuing their academic work. To my mind, that is a worthy goal and one that is surely within our reach.●

By Mr. METZENBAUM (for himself, Mr. HUMPHREY, Mr. PROXMIRE, Mr. BRADLEY, and Mr. EVANS):

S. 1538. A bill to replace the Synthetic Fuels Corporation with a more fiscally responsible scaled down Synthetic Fuels Assistance Program; to the Committee on Energy and Natural Resources.

SYNTHETIC FUELS FISCAL RESPONSIBILITY ACT

● **Mr. METZENBAUM.** Mr. President, today my colleagues and I are introducing legislation which we hope will put our Synthetic Fuels Program back on a productive track.

A little over 5 years ago, Congress established the Synthetic Fuels Corporation [SFC], gave it a lump sum appropriation of over $17 billion, exempted it from most laws governing accountability and congressional oversight, and instructed it to create a commercial synthetic fuels industry.

We all had high hopes that the program would allow us to utilize our vast resources of coal, oil shale, and tar sands to reduce our dependence on insecure foreign supplies of oil.

Mr. President, improving our energy security is a goal which has been especially important to me since I joined the Senate. I supported a National Synfuels Development Program back in 1979 and 1980, and I still support that concept today.

But over the course of the last 5 years, the SFC has not brought us any closer to establishing a viable synthetic fuels industry. I believe that we all have been patient and have given this agency the benefit of the doubt on numerous occasions. But there comes a time when we must ask whether or not we are getting what we hoped for from this program. Sadly, the answer is a resounding "no."

The SFC is an agency which is flawed in management and execution.

Administratively, this agency has been a disgrace. Mismanagement, scandal, and administrative abuse have run rampant. The performance of the SFC makes a mockery of the high goals we set for that agency.

Two presidents resigned amidst charges of mismanagement and impropriety.

Resignation of Board members left the SFC without an operating quorum for 8 months.

Massive turnover in the top staff positions have created instability and lack of direction.

The excessive salaries and benefits at the SFC would embarass any responsible public official. During this time of severe budgetary crisis, they are downright offensive.

Clearly, the SFC has abused the autonomy and freedom from normal congressional oversight that was granted to it.

The SFC has shown a similar inattention to fiscal responsibility in its attempts to create a synthetic fuels industry. Its efforts to create a viable industry through a crash commercialization program have been a failure.

Changing markets and unanswered questions concerning technical feasibility, cost effectiveness and environmental acceptability have added to the difficulties confronting the development of a successful synfuels industry. But the SFC has demonstrated an inability to fashion a program which addresses these uncertainties, encourages private sector commitment, and establishes the basis for a successful industry.

The SFC, set up as a financing bank and accenting commercial development, is not equipped to support the level of research which needs to be done.

Since inception of the Synfuels Program, over $2.5 billion has been committed, much of it to projects of questionable merit. Many other projects which are leading candidates for billions in additional SFC assistance also have serious failings, unresolved problems and lack of sponsor commitment. Yet, the SFC has offered outrageous price guarantees, as high as $90 per barrel of oil, in order to attract sponsors. Subsidies of this magnitude will inevitably result in the expenditure of billions of dollars.

Such expenditures could be justified if we knew they would lead to the creation of an independent, viable commercial industry.

Unfortunately, such is not the case.

The much publicized problems of the Great Plains project underscores this fact and highlights the plight of the SFC.

The Great Plains gasification project was one of the first projects funded under the Synthetic Fuels Program. The sponsors received an array of Federal subsidies, including a $1.5 billion Federal loan, generous tax credits and a FERC-approved pricing formula which guarantees an above market rate for their high Btu gas product at the expense of consumers. Today, gas from the Great Plains project garners $5.50 for the project sponsors, while natural gas in other areas is shut in because producers can't even get $3 for it.

Yet, the sponsors of the project-Tenneco, American Natural Resources, Pacific Lighting, Transco and Midcon, some of the wealthiest corporations in the country—have told the Government that they will default on the $1.5 billion loan and walk away from the project unless they receive even more subsidies.

And the SFC is prepared to capitulate to their demands.

Two weeks ago, the SFC approved a plan which would allow the sponsors to default on their $1.5 billion loan. As a reward for one of the largest defaults in the history of this Nation, the sponsors would receive another $673 million loan, with no assurances of any interest or principal repayment. To add the crowning blow, the SFC planned to throw in another $720 million in price subsidies.

Yesterday the Department of Energy rejected the SFC bailout plan because it was such a bad, one sided deal.

No one but the project sponsors would have benefited. The Government exposure appeared to increase, rather than decrease, and the proposal contained no requirements that the project sponsors make any commitment to the long-term operation of the project.

This is fiscal irresponsibility of the highest order.

Yet, the Great Plains story is the story of the SFC.

Instead of contributing to the development of a reliable, self-sustaining industry, the SFC is only creating an industry which will be perpetually dependent upon continual and increasing infusions of Federal subsidies for its existence. This does nothing for energy security, and only places greater strains on the Federal deficit.

Time and again, this agency has promoted the candidacy of weak and unpromising projects. It has offered outrageous prices guarantees on the order of $60 to $90 per barrel of oil. Yet, it has been unable to produce a sound synthetic fuels industry.

Rather than a vehicle to achieve energy security, the SFC has become a haven for many get-rich-quick schemes proffered in the name of energy security.

This is not what we expected when we created the Synthetic Fuels Corporation. This is not what the American public deserves.

The real issue in this debate is how to most effectively and efficiently develop synthetic fuels technologies.

Fundamental changes in the current approach are necessary if we hope to effectively explore and develop the potential of synthetic fuels. Simply providing additional subsidies for commercialization, whether in the form of loan guarantees, price guarantees, or tax credits will not make the current program any better—only more expensive.

It is time for Congress to get serious about anythetic fuels. We need to establish a program which will provide the basis for a strong, reliable industry, able to withstand the fluctuations of the energy market.

That is what our bill does.

Our legislation will abolish the SFC, and authorize a $500 million Synthetic Fuels Program in the Department of Energy. It requires substantial private sector cost sharing, limits the size of price supports, and provides for congressional review of all major commitments.

With an accent on appropriately scaled development, data collection and analysis, this program will ensure that we will acquire the data base required to establish the foundation for a successful commercial industry.

Mr. President, as we commence the debate on the future direction of our national synfuels effort, we cannot ignore the fact that it takes place against the background of the largest budget deficits in history. Deficits which threaten to cripple our economy if not brought under control.

I am a member of the Budget Committee. We have agonized long and hard over ways to reduce the deficit without impairing the quality of life for Americans. Many difficult choices have been put before us.

I do not believe we can, in good conscience, ask our constituents to accept hard budgetary measures affecting programs crucial to their well-being, if we are unwilling to make significant cuts in unproductive programs which threaten to add billions to our Federal deficit.

We tell the farmer beset by falling prices and high interest rates to seek help elsewhere. We tell the elderly that we cannot help them. Students cannot get loans from us. How then can we justify the continuation of this extravagant program which promises nothing but the spectre of billions in future deficits while filing the coffers of corporations?

We have a responsibility. We have a responsibility to our taxpayers and to this Nation. We must provide a responsible synfuels program—one that will work, and will yield results in an effective and efficient manner. Our legislation will achieve this.

The goal of energy security is too important to waste the limited funds we have available to us. We must judiciously and effectively employ the resources we have.

I hope that my colleagues will support this bill, and that the Energy and Natural Resources Committee will quickly turn its attention to this legislation.●

● Mr. HUMPHREY. Mr. President, I am pleased to join Senators Metzenbaum, Proxmire, and Bradley in the introduction of the Synthetic Fuels Fiscal Responsibility Act of 1985.

The Debate over the Synthetic Fuels Corporation [SFC] has raged since this quasi-governmental corporation was established in 1980. Then, its mandate was to help spur the development of a commercial synthetics fuels industry. The goal was to displace foreign sources of liquid petroleum, and thus fortify our energy security at home. To achieve this mandate, an energy-scared Congress gave the new SFC a huge wad of Federal money—$15 billion with the promise of billions more—and few limitations on how the SFC was to spend the money. Some of us argued then that this scheme was a sure-fire formula for disaster. The legacy of the Synthetic Fuels Corporation has proven us correct.

After 5 years and millions of dollars, the Synthetic Fuels Corporation has not bought the Nation one drop of energy security. What it has bought is a shameless record of waste and abuse of taxpayers dollars. The record of the Synfuels Corporation would be outrageous at any time. But in an era of out-of-control budget deficits, this kind of fiscal foolishness simply cannot be tolerated.

The time to do away with the SFC has long since passed. I am pleased to be joining my colleagues in introducing this bill. First and foremost, this legislation will abolish the Synthetic Fuels Corporation. The legislation will also create a $500 million multiyear Synfuels Program at the Department of Energy, under strict new standards. Importantly, the legislation will also establish procedures for accountability

and congressional oversight of the new DOE Synfuels Program.

Mr. President, I am delighted to join in this effort. I intend to do all I can to press for prompt Senate consideration of this bill. It is time for the Synfuels folly to end.●

By Mr. ROTH:

S. 1539. A bill to amend the Internal Revenue Code of 1954 to repeal the earned income limitation on the deduction for retirement savings and the age 70½ limitation on the deduction and distribution of retirement savings; to the Committee on Finance.

INDIVIDUAL RETIREMENT ACCOUNT EQUITY ACT

● Mr. ROTH. Mr. President, today I am introducing S. 1539, the Individual Retirement Account Equity Act of 1985. I decided to introduce this bill after numerous contacts from senior citizens in my State and across the country. These people are upset because they have been prevented from participating in the IRA program due to provisions in the Tax Code that are nothing more than discriminations based on age.

There is a myth going around that our senior citizens do not like to save or have no reason to save. The myth holds that people save during their working years, and spend it all during their retirement. But there are many reasons why senior citizens would like to, and do, save. They may want to save to protect against catastrophic medical expenses. Or they may want to continue to save to travel. They may want to save to leave a bequest. In fact, a great deal of the saved wealth of this Nation is passed on to the next generation. Every dollar saved by senior citizens is good for the macroeconomy. Seniors can be prolific savers and our Nation, with its dismal savings rate, cannot afford to shut off this potential source of new capital.

The current Tax Code stops seniors from participating in IRA's in many ways. In the first instance, the maximum deduction is $2,000 or the level of so-called earned income, whichever is the higher. A retired person living off capital income cannot, therefore, participate in an IRA program because of lack of compensation. There is no reason why such a person should not be able to save in a tax deferred vehicle. Second, no person beyond the age of 70½ can take a deduction for an IRA and third, there is a forced distribution system after that age as well.

My bill would change all that. It would allow capital income, as well as compensation to be saved in an IRA. It would repeal both the prohibition on IRA deductions after age 70½ and the forced distribution system. As such the discrimination against seniors in our Tax Code would be removed in terms of this important saving vehicle.

This bill will aid seniors and at the same time aid the growth potential of our economy. I recommend it to my colleagues. I ask unanimous consent that the full text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1539

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF EARNED INCOME: LIMITATION ON DEDUCTION FOR RETIREMENT SAVINGS.

(a) In General.—Paragraph (1) of section 219(b) of the Internal Revenue Code of 1954 (relating to maximum amount of deduction for retirement savings) is amended to read as follows:

"(1) In General.—The amount allowable as a deduction under subsection (a) to any individual for any taxable year shall not exceed $2,000.".

(b) Conforming Amendments.—

(1) Paragraph (2) of section 219(b) of such Code is amended by striking out subparagraph (B) and redesignating subparagraph (C) as subparagraph (B).

(2) Paragraph (4) of section 219(b) of such Code is hereby repealed.

(3) Subsection (C) of section 219 of such Code is hereby repealed.

(4) Paragraph (1) of section 219(f) of such Code is amended by striking out the last sentence thereof.

(5) Paragraph (2) of section 219(f) of such Code is amended by striking out "subsections (b) and (c)" and inserting in lieu thereof "subsection (b)".

(6) Subparagraph (A) of section 408(d)(5) of such Code is amended by striking out "$2,250" and inserting in lieu thereof "$2,000".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1984.

SEC. 2. REPEAL OF AGE 70½ LIMITATIONS ON DEDUCTION AND DISTRIBUTION OF RETIREMENT SAVINGS.

(a) Limitation on Deduction Repealed.—Section 219(d) of the Internal Revenue Code of 1954 (relating to other limitations and restrictions on retirement savings deduction) is amended by striking out paragraph (1) and redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(b) Limitation on Distribution Repealed.—

(1) In general.—Subsection (a) of section 408 of such Code (relating to individual retirement accounts) is amended by striking out paragraph (6).

(2) Conforming amendments.—

(A) Section 408(b) of such Code (defining individual retirement annuity) is amended—

(i) by striking out paragraph (3) and redesignating paragraph (4) as paragraph (3), and

(ii) by striking out "if it matures later than the taxable year in which the individual in whose name such contract is purchased attains age 70½;" in the last sentence thereof.

(B) Paragraph (1) of section 408(c) of such Code is amended by striking out "(7)" and inserting in lieu thereof "(5)".

(C) Paragraph (2) of section 408(d) of such Code is amended by striking out "paragraphs (1), (3), (4), and (5)" and inserting in lieu thereof "paragraphs (1) and (3)".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1984.●

By Mr. DODD:

S. 1540. A bill providing a statutory basis for a budget that requires that any increase in outlays be financed by an equivalent increase in revenues, and for other purposes; pursuant to the order of August 4, 1977, referred jointly to the Committee on Governmental Affairs and the Committee on the Budget.

PAY-AS-YOU-GO BUDGET LEGISLATION

● Mr. DODD. Mr. President, I am introducing today legislation to place congressional budget procedures on a "pay-as-you-go" basis. Simply stated, pay-as-you-go refers to a system of budgeting whereby spending in one area is allowed to go up only if there is an offsetting reduction in other areas, or an increase in revenues equal to the new expenditures. My bill would apply these principles to the enactment each year of the congressional budget resolution beginning with fiscal year 1987.

Reduction of the Federal budget deficit is the No. 1 domestic priority facing our Nation. Unfortunately, this problem is worsening as a result of less-than-expected GNP growth. In all likelihood, $200 billion deficits 3 years in the future are the most we can hope for from a favorable conclusion to the currently stalemated budget conference. In response to this overwhelming problem the Congress and the President offer the American people only quick fixes and political bumper sticker solutions.

Recently we debated the line-item veto. That proposal will not put us on the course to a balanced budget. If it did, I might be more inclined to support enactment of this concept. Indeed, the line-item veto does not cover all Federal spending. Only about 25 percent of Federal spending would be covered by this proposed extraordinary grant of new authority to the Executive.

In September, we may debate once again the constitutional amendment for a balanced budget. Even if adopted by the Congress, this amendment will take years to be ratified and even then will not tell us how to get to that balanced budget which we all wish to see.

Mr. President, political will and greater discipline in Federal budget procedures will produce a balanced budget over time. Clearly, we cannot legislate the former. The latter is the subject of the legislation I am introducing today.

Under the terms of my bill, a point of order would lie against consideration of the budget resolution if total outlays proposed exceed the level in the enacted resolution for the preceding fiscal year unless new revenues are proposed in an equal or greater amount. Revenues could not be any lower than in the preceding year's resolution unless outlays are reduced by a like amount. This would apply to both discretionary and entitlement spending.

These procedures could be waived by a two-thirds vote of the Members of both Houses of Congress. Finally, recognizing the great role the Executive plays already in the formulation of the budget, the President would be required to submit budgetary messages to the Congress which conform to pay-as-you-go criteria.

Under this legislation, total outlays and revenues are not required to balance, but changes in the levels of outlays and revenues should balance. In effect this allows the natural growth of the economy to reduce the deficit over time. When this concept was proposed originally by myself and Congressman George Miller in 1982, the Congressional Budget Office estimated that if adopted, the Federal budget would be in surplus by the end of fiscal year 1985.

In conclusion, Mr. President, the legislation I am introducing today will put increased discipine into Federal budget procedures. The deficit situation is out of control and our constituents rightfully are demanding prompt and meaningful action. I am confident that the pay-as-you-go principles can set us on a path to a balanced budget without upsetting the balance of power between the legislative and executive branches of Government and without the necessity of going through the lengthy and ill-advised process of amending our Constitution.

Pay-as-you-go tells us not only where we want to be in terms of responsible Federal budgeting, it also tells us how to get there. In the longer term, these changes will require us to muster complete political conviction and broad support before we undertake spending. I would urge my colleagues to give this concept their serious and favorable consideration.

Mr. President, I ask unanimous consent that the text of my bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1540

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) notwithstanding any other provision of law, and except as provided in paragraph (2), it shall not be in order in the Senate or the House of Representatives to consider any concurrent resolution on the budget for any fiscal year beginning after September 30, 1986, or any amendment thereto or any conference report thereon if—

(A) the adoption of such concurrent resolution as reported;

(B) the adoption of such amendment; or

(C) the adoption of the concurrent resolution in the form recommended in such conference report,

would cause—

(i) the appropriate level of total budget outlays set forth in such concurrent resolution for such fiscal year to exceed the appropriate level of total budget outlays set forth for the preceding fiscal year in the most recently agreed to concurrent resolution on the budget for that preceding fiscal year; or

(ii) the recommended level of Federal revenues set forth in such concurrent resolution for such fiscal year to be less than the recommended level of Federal revenues for the fiscal year preceding that fiscal year set forth in the most recently agreed to concurrent resolution on the budget for that preceding fiscal year.

(2) Notwithstanding paragraph (1), a concurrent resolution on the budget for a fiscal year may—

(A) provide for an amount of budget outlays for such fiscal year in excess of the appropriate level of total budget outlays for the fiscal year preceding such fiscal year set forth in the most recently agreed to concurrent resolution on the budget for that preceding fiscal year if the concurrent resolution on the budget for such fiscal year also—

(i) provides for an amount of revenues for such fiscal year in addition to an amount of revenues equal to the recommended level of Federal revenues for the fiscal year preceding that fiscal year set forth in the most recently agreed to concurrent resolution on the budget for such preceding fiscal year, that is not less than such amount of excess budget outlays; and

(ii) identified the source of such additional amount of revenues and proposes changes in law to achieve such additional amount of revenues; or

(B) provide for a reduction in the recommended level of Federal revenues for such fiscal year below the recommended level of Federal revenues for the preceding fiscal year set forth in the most recently agreed to concurrent resolution on the budget for that preceding fiscal year if the concurrent resolution on the budget for such fiscal year also—

(i) provides for a reduction in budget outlays for such fiscal year below the appropriate level of total budget outlays for the fiscal year preceding such fiscal year set forth in the most recently agreed to concurrent resolution on the budget for such preceding fiscal year, in an amount not less than the amount of the reduction in revenues for such fiscal year; and

(ii) identifies the program or activity in which such reduction in budget outlays is to be made and proposes changes in law to accomplish such reduction in budget outlays.

(3) Any additional amount of revenues contained in a concurrent resolution on the budget pursuant to paragraph 2(A)(i) shall only include additional revenues that will result from proposed changes in law. Any reduction in budget outlays contained in a concurrent resolution on the budget pursuant to paragraph 2(B)(i) shall only include reductions in budget outlays that will result from proposed changes in law.

(b) Subsection (a) may be waived by a two-thirds vote of the Members of each House of Congress, duly chosen and sworn.

Sec. 2. (a) Notwithstanding any other provision of law and except as provided in subsection (b), the budget transmitted pursuant to section 1105 of title 31, United States Code, for the following fiscal year shall not contain—

(1) an estimate of total budget outlays for such following fiscal year that exceeds the appropriate level of total budget outlays for the current fiscal year set forth in the most recently agreed to concurrent resolution on the budget for the current fiscal year; or

(2) an estimate of total revenues for such following fiscal year that is less than the recommended level of revenues for the current fiscal year set forth in the most recently agreed to concurrent resolution on the budget for the current fiscal year.

(b) Notwithstanding subsection (a), the budget transmitted pursuant to section 1105 of title 31, United States Code, for the following fiscal year may—

(1) contain an estimate of budget outlays for such following fiscal year in excess of the appropriate level of total budget outlays for the current fiscal year set forth in the most recently agreed to concurrent resolution on the budget for the current fiscal year if such budget also—

(A) contains an estimate of revenues for such following fiscal year in addition to an amount of revenues equal to the recommended level of Federal revenues for the current fiscal year set forth in the most recently agreed to concurrent resolution on the budget for the current fiscal year, that is not less than the amount of such excess budget outlays; and

(B) identifies the source of such additional estimated revenues and proposes changes in law to achieve such additional estimated revenues; or

(2) contain an estimate of a reduction in revenues for such following fiscal year below the recommended level of Federal revenues for the current fiscal year set forth in the most recently agreed to concurrent resolution on the budget for the current fiscal year if such budget also—

(A) contains an estimate of a reduction in budget outlays for such following fiscal year below the appropriate level of total budget outlays for the current fiscal year set forth in the most recently agreed to concurrent resolution on the budget for the current fiscal year, in an amount not less than the amount of the reduction in revenues for such following fiscal year; and

(B) identifies the program or activity for which such estimated reduction in budget outlays is proposed and proposes changes in law to achieve such estimated reduction in budget outlays.

(c) Any additional estimated revenues that, pursuant to subsection (b)(1)(A), are contained in the budget transmitted pursuant to section 1105 of title 31, United States Code, shall only include additional estimated revenues that will result from proposed changes in law. Any estimated reduction in budget outlays, that, pursuant to subsection (b)(2)(A), are contained in any such budget shall only include estimated reductions in budget outlays that will result from proposed changes in law.

Sec. 3. For purposes of this Act—

(1) the term "budget outlays" has the same meaning as in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(1)); and

(2) the term "concurrent resolution on the budget" has the same meaning as in section 3(4) of such Act (2 U.S.C. 622(4)).

Sec. 4. (a) The provisions of the first section and section 3 of this Act are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such

rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.●

By Mr. McCLURE (by request):

S. 1542. A bill to amend the National Trails System Act by designating the Nez Perce (Nee-Me-Poo) Trail as a component of the National Trails System; to the Committee on Energy and Natural Resources.

DESIGNATION OF COMPONENT OF THE NATIONAL TRAILS SYSTEM

● Mr. McCLURE. Mr. President, at the request of the Department of Agriculture, I send to the desk for appropriate reference a bill to amend the National Trails System Act by designating the Nez Perce (Nee-Me-Poo) Trail as a component of the National Trails System.

Mr. President, this draft legislation was submitted and recommended by the Department of Agriculture, and I ask unanimous consent that the bill, and the executive communication which accompanied the proposal from the Secretary of Agriculture be printed in the Record.

I would like to make it clear that the proposal from the administration does not contemplate any land acquisition.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1542

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National Trails System Act (82 Stat. 919), as amended, is further amended as follows: Section 5(a) is amended to insert the following new paragraph:

"(16) The Nez Perce National Historic Trail, a route of approximately eleven hundred and seventy miles extending from the vicinity of Wallowa Lake, Oregon, to Bear Paw Mountain, Montana, as generally depicted in 'Nez Perce (Nee-Me-Poo) Trail Study Report' prepared by the Department of Agriculture and dated March 1982. The report shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Washington, District of Columbia. The trail shall be administered by the Secretary of Agriculture.'

Department of Agriculture,
Washington, DC, July 11, 1985.

Hon. George Bush,
President of the Senate,
Washington, DC.

Dear Mr. President: Transmitted herewith for the consideration of Congress is a draft bill "To Amend the National Trails System Act by designating the Nez Perce (Nee-Me-Poo) Trail as a component of the National Trails System."

The Department of Agriculture recommends introduction and enactment of the draft bill. A study of this trail was conducted pursuant to the National Trails System Act (Public Law 90-543 as amended) by the Forest Service and other Federal agencies. The Study Report, Environmental Assessment and Decision Notice are enclosed.

From the study, we have concluded it is feasible and desirable to designate this trail as a component of the National Trails System.

Under our recommendation, the entire 1,170-mile route tracing the 1877 flight of the nontreaty Nez Perce Indians would be designated as a historic trail. The trail would be marked and interpreted along highways and other connecting roads. Approximately 319 miles of high potential route segments on Federal lands or State-owned lands would eventually be developed. The preponderance of the high potential segments are located on National Forest System lands.

The National Park System Advisory Board has made the determination required by section 5(b)(3) of the National Trails System Act. They have determined that the proposed Nez Perce Trail is of national historic significance.

No land acquisition is proposed and initial development costs are estimated to be approximately $550,000 over the next 5 years. Annual operations and maintenance costs are estimated to be $65,000.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed legislation from the standpoint of the Administration's program.

A similar letter has been sent to the Speaker of the House of Representatives.

Sincerely,

John R. Block.

Draft Bill

(To amend the National Trails System Act by designating the Nez Perce (Nee-Me-Poo) Trail as a component of the National Trails System.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National Trails System Act (82 Stat. 919), as amended, is further amended as follows: Section 5(a) is amended to insert the following new paragraph:

"(16) The Nez Perce National Historic Trail, a route of approximately eleven hundred and seventy miles extending from the vicinity of Wallowa Lake, Oregon, to Bear Paw Mountain, Montana, as generally depicted in 'Nez Perce (Nee-Me-Poo) Trail Study Report' prepared by the Department of Agriculture and dated March 1982. The report shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Washington, District of Columbia. The trail shall be administered by the Secretary of Agriculture."●

By Mr. MATHIAS (for himself, Mr. Lautenberg, Mr. Laxalt, Mr. DeConcini, Mr. Specter, Mr. Denton, and Mr. Dixon):

S. 1543. A bill to protect patent owners from importation into the United States of goods made overseas by use of a U.S. patent process; to the Committee on the Judiciary.

PROCESS PATENT AMENDMENT

● Mr. MATHIAS. Mr. President, today I join Senator Lautenberg and several other cosponsors in introducing legislation to close a loophole in the U.S. patent law. This loophole allows a foreign company to pirate certain types of American patents, called process patents, and then sell the product in the United States.

To push to close this serious gap goes back at least to the 1966 report of the President's Commission on the Patent System. More recently, it was strongly endorsed in 1984 by the President's Commission on Industrial Competitiveness. Senator Lautenberg and I circulated a letter to all the Senators during the recess earlier this month, explaining the issue and inviting cosponsorship; so far Senator Laxalt, Senator DeConcini, Senator Specter, Senator Denton, and Senator Dixon have agreed to cosponsor.

Under the patent law, inventors can get two kinds of patents: product patents and process patents. The first protects the product itself; the second protects the process by which a product is made, usually a complex chemical or industrial process.

It is especially fitting that we introduce our bill today, July 31, 1985. Exactly 195 years ago today, on July 31, 1790, the first U.S. patent was issued. Patent No. 1 was issued to Samuel Hopkins of Philadelphia for an improved process for the making of potash. The patent was signed by the President, George Washington, the Attorney General, Edmund Randolph, and the Secretary of State and Commissioner of Patents, Thomas Jefferson.

Today, an inventor can prevent the importation of patented products, and he can stop the sale of products made in the United States using his patented process, but he can't prevent the importation of a product made in another country using his patented process. The International Trade Commission provides the only remedy under current law. There, the inventor must show that the imported products "destroy or substantially injure" the industry in which the inventor is involved. In practice, this has required an inordinately high standard of proof, and the remedy is seldom used. Even worse, the only remedy is injunctive relief; no award of damages is available from the ITC. The bill we introduce today would provide a remedy under the patent laws for this situation, bringing our policy into line with that of our major industrial trading partners.

Since the foreign manufacturers do not always have a presence in the United States, it is necessary in creating an effective remedy under our patent laws to apply the protection to the sale, use, or importation of products made in violation of the patented process. Thus, manufacturers in the United States will be responsible to assure themselves, by contract if necessary, that materials they receive from foreign suppliers are not made by a process that violates a U.S. patent. Of course, it would be preferable to stop the infringement at the source, but if the foreign manufacturer is beyond the reach of U.S. laws, the patent owner still should have the right to prevent products that were made with the patented process from being used in our country. It is not holding the customer responsible for the seller's misdeeds to say that he must determine whether the materials he imports and uses in his own manufacturing operation within the United States are made by a process that would violate the U.S. patent. Just last year, when we passed the Anti-Counterfeiting Act, we imposed a similar obligation on the importer.

In bringing a case under this bill, the patentholder would be required to inform the importing party that he suspects the materials are made by a process on which he holds a patent. The importing party would then decide whether to demonstrate that the materials are not made with the patented process, or to seek another source for those supplies. If he decides to hold his ground, the patentholder would then bring in expert witnesses and circumstantial evidence to try to persuade a court that there is substantial likelihood that his patented process was used by the foreign supplier.

The bill I initially introduced in the last Congress included a presumption clause. If the patent holder showed to the satisfaction of the court that there is a substantial likelihood that his patent is being violated, the burden of proof would shift to the defendant—whether it be the foreign manufacturer or his domestic customer. After the hearing held by the Subcommittee on Patents, Copyrights and Trademarks in April 1983, the language of the presumption clause was refined in the course of extensive discussion between the staff of the subcommittee members, the Department of Justice, the Patent and Trademark Office, and the patent community.

During the subcommittee markup last summer, it was agreed to put this presumption language in the committee report rather than the text of the bill, making clear that the committee intends such a presumption to arise in cases where it would be futile for the plaintiff to use the discovery procedures of the country where the foreign producer operated to demonstrate the process patent violation. Senator Lautenberg and I intend to take the same course in this Congress, including the same language in the report when the Judiciary Committee marks up the bill.

Concerns have been raised by the generic pharmaceutical drug industry, which receives of its materials from foreign suppliers. The generic companies fear that improved process patent protection might deprive them of that source of supply. We have attempted to address these concerns in three ways:

The bill applies only to materials made with U.S. patented processes that come into the United States after the date of enactment.

The bill grandfathers certain existing supply arrangements for the duration of the contract, allowing the generic companies to keep their existing business arrangements intact. Their only new responsibility would be to assure in their future arrangements for supplies from overseas that the materials are legitimate.

The bill directs the Department of Commerce to report annually to Congress for the first 5 years on the impact of the bill on supplies to domestic industries; this will allow Congress to act swiftly to correct any drastic unforeseen adverse affects of the bill.

I expect more suggestions for improvement will be forthcoming as we move through the legislative process. This is a complex problem where several different areas of the law intersect. The bill we introduce today is a fair and reasonable approach to settling the essential issue here: protection of legitimate U.S. intellectual property interests.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Process Patent Amendment of 1985".

Sec. 2. (a) Section 154 of title 35, United States Code, is amended by inserting after "United States," the following: "and, if the invention is a process, of the right to exclude others from using or selling products produced thereby throughout, or importing products produced thereby into, the United States,"

(b) Section 271 of title 35, United States Code, is amended by—

(1) inserting "(1)" after "(a)";

(2) adding at the end of subsection (a), the following:

"(2) If the patented invention is a process, whoever without authority uses or sells within, or imports into, the United States during the term of the patent therefor a product produced by such process infringes the patent.".

(c) Section 287 of title 35, United States Code, is amended by—

(1) inserting "(a)" before "Patentees,"; and

(2) adding at the end thereof the following new subsection:

"(b) No damages shall be recovered by the patentee for infringement under section 271(a)(2) of this title from an infringer who did not use the patented process except on proof that such infringer knew of or was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occuring after such knowledge or notice. Filing of an action for infringement shall constitute such notice.".

Sec. 3. This act shall apply only to products produced or imported after the date of enactment. This act shall not abridge or affect the right of any persons or their successors in business to continue to make, sell or import any specific product already in substantial and continuous commerical production on July 31, 1985, or for which substantial preparation for production was made before that date, to the extent equitable for the protection of investments made or business commenced before that date. This Act shall not deprive a patent owner of any other remedies available under 35 U.S.C. 271, 19 U.S.C 1337, or any other statutory provision.

Sec. 4. For five years after the date of enactment, the Department of Commerce shall report annually to Congress on the effect of this Act on the importation of ingredients to be used for manufacturing products in the United States in those domestic industries that submit formal complaints to the Department alleging that their legitimate sources of supply have been adversely affected.●

● **Mr. LAUTENBERG.** Mr. President, I am pleased to join Senator Mathias in introducing the Process Patent Amendment of 1985. The bill will significantly enhance the protection of American technology, and encourage investment in innovation.

On numerous occasions, Mr. President, I have risen on the floor of the Senate to discuss the importance of establishing effective, international protection of intellectual property. It should be a critical component of our trade policy. It should be a critical component of our efforts to maintain industrial competitiveness.

America's comparative advantage is its technology. While America does not offer the cheapest labor, while it imposes environmental and regulatory costs not imposed elsewhere, America is a leader in the search for new ideas.

But, we are not alone in that search. Our traditional economic competitors, as well as newly industrialized nations, vie with us for breakthroughs in biotechnology, computer science, robotics, telecommunications, and space science.

Our success in the race for innovation, and our ability to enjoy the fruits of victory, depend in large part on intellectual property rights protection. Patents reserve to the inventor a period for the exclusive exploitation of an invention. In return, the inventor makes his invention known, broadening the base of knowledge from which new inventions will spring.

Without patent protection, others could avoid the risk of research, and the frustration of failures that preceeds success. Others can reap the harvest that someone else has sowed.

The legislation we introduce today will close a major gap in the fabric of U.S. patent law, one that deals with patents of processes. There are two kinds of patents: one, of a product itself, the other of a process or method by which a product is made.

In some cases, a process may be patented, but not the product produced by it. Biotechnology companies are engaged in the development of new ways of producing substances that are naturally found in the environment, but exist in small supply or in a form that makes extraction difficult.

Under current patent law, a patent holder can preclude the unauthorized manufacture, use, or sale of a patent in the United States. "In the United States" are key words, Mr. President. Where a product patent is at stake, and the product is copied abroad, patent infringement occurs when the product is actually used or sold in the United States. When a U.S. patented process is copied abroad, infringement under U.S. law never occurs, even if the resulting product is sold or used in the United States.

In other words, our patent law does not reach the foreign exploitation of our most innovative processes. Our bill would change that. It would make it a violation of U.S. patent law to import into, or to use or sell in the United States, a product made overseas using a U.S. patent process.

Japan, Britain, West Germany, and France already consider such offshore exploitation of a patented process to constitute a patent infringement. Our legislation is intended to bring American law in line with the practices of these major trading partners.

Mr. President, this is a jobs bill. The current state of the law allows foreign firms to use American processes abroad, to manufacture products that are then shipped into the U.S. market. The International Trade Commission estimated, back in 1982, that infringement of U.S intellectual property cost Americans 131,000 jobs in just 5 selected industrial sectors, and cost the Nation's businesses $5.5 billion in annual sales. Since then, it is widely believed, the problem has gotten worse.

Today, the only remedy that process patent holders have is resort to the International Trade Commission, under section 337 of the Tariff Act. Yet, this remedy does not compensate for lost sales, sales that are necessary to recover substantial research and development costs. No money damages can be secured. Moreover, the ITC remedy is problematic on other grounds. A manufacturer must show harm to a domestic industry, and must show that it is efficiently and economically operated. Moreover, any ITC action must be approved by the President, who can bring to bear unrelated political considerations.

Mr. President, it is no secret that the generic pharmaceutical industry has opposed process patent reform. The industry relies upon foreign supplies for some of its drug ingredients, and it fears that improved process patent protection might cause these sources of supply to dry up.

Mr. President, my State is sometimes called the medicine chest of the Nation. It leads the Nation in the manufacture of pharmaceuticals. My constituents include many of the leading generic drug firms, as well as some of the pathbreaking firms in pharmaceutical research. The generic industry plays an important role in providing competition and low-cost drugs for consumers. The research-based firms provide the innovation, that brings new and more effective products to market.

My colleague from Maryland [Mr. Mathias] and I met with representatives of the generic industry. We have made a genuine effort to address their vaild concerns, without compromising the basic principle that manufacturers should be responsible for determining whether their suppliers violate U.S. process patents.

The bill is drawn to have a minimal disruption of ongoing businesses. The bill would apply only to products imported after the date of enactment. Moreover, where equitable considerations dictate, the bill would grandfather certain existing supply arrangments for the duration of the contract. In other words, the import of some raw materials could continue, even though they are made in violation of process patents.

Lastly, the bill would require the Department of Commerce to examine the impact of the bill on affected domestic industries. These provisions should address the legitimate concerns of the generic drug industry, without undermining our effort to plug a loophole in our patent law.

Mr. President, process patent reform was one of the key proposals of the President's Commission on Industrial Competitiveness. Indeed strengthening intellectual property rights was cited as a major prescription for ensuring America's continued prosperity and economic competitiveness.

I am pleased to have worked with Senator Mathias in developing this legislation. I look forward to working with him to ensure its speedy passage. The legislation will contribute to the development of technologies and innovations that will be the foundation of America's economic future. I urge my colleagues' support.●

By Mr. ROTH (for himself, Mr Moynihan, Mr. Heinz, Mr. Chafee, Mr. Symms, Mr. Danforth, Mr. Bradley, Mr. Mitchell, Mr. Grassley, Mr. Matsunaga, Mr. Cohen, Mr. Kerry, and Mr. Gore):

S. 1544. A bill to extend the Trade Adjustment Assistance Program, to place such program on a sound financial basis, and to reform such program to emphasize the retraining of workers; to the Committee on Finance.

TRADE ADJUSTMENT ASSISTANCE REFORM AND EXTENSION ACT

● **Mr. ROTH.** Mr. President, I rise to introduce a bill to extend and reform the Trade Adjustment Assistance [TAA] Program. This bill merges S. 23 introduced on January 3 by Senators Moynihan and Heinz and the TAA provisions of S. 234 (the Trade Expansion Act of 1985) introduced on January 22 by myself and Senators Chafee, and Symms. S. 23 called for the extension of the TAA program. S. 234 proposed an improved TAA program to be funded by a GATT-approved small fee on imports.

I am pleased that all four of my colleagues on the finance committee who sponsored these two bills—Senators Moynihan, Heinz, Chafee and Symms—join me today in introducing the merged version. In addition, I am delighted that several other members of the finance committee—Senators Bradley, Mitchell, Grassley, Matsunaga and the Chairman of the International Trade Subcommittee Senator Danforth—as well as Senators Cohen, Kerry and Gore are also co-sponsoring today's legislation.

As many of you know, the TAA program is slated to disappear on September 30 of this year. I don't think we should let this happen. In fact, I think we need to use all our ingenuity to devise a way to keep this program alive. That is what this legislation is all about.

Why is the trade adjustment assistance program so important? The answer to this question requires a broader look at what is happening in trade and trade policy today.

THE TRADE SHOCK

In the 1970's this country, and many others, experienced an "energy shock." In the 1980's we—and we alone—are experiencing a second shock, a "trade shock." I say this not only because of the mind-boggling size of the global U.S. trade deficit and the fact that imports are now hurting the full range of American industries from textiles to semiconductors. I characterize the American trade situation as a "shock" because underlying these figures is a profound anxiety about the unevenness of the international playing field for trade, what many call the erosion of the International Trading System. And if this weren't bad enough, this is all taking place in a world economy characterized by rapid and constant change—the appearance of new products and services and rapidly shifting comparative advantage.

The Senate is moving to respond to this shock. Now our attention seems rivetted on proposals for retaliation against the trade practices of other countries.

Retaliation may be necessary to spread the trade shock to other countries, to create a sense of urgency internationally that will bring our trading partners to the table for serious and meaningful negotiations. The trading system needs a jumpstart.

But retaliation alone is not a sufficient response to the trade shock. In fact, retaliation pursued alone will only too soon evolve into "de facto" protectionism. We will close our markets to right a wrong, while others may respond by closing their markets further. Trade will contract, our standard of living will decline and even our political and military alliances will be at risk. We will move closer and closer to international economic chaos.

We need a comprehensive trade policy to confront the trade shock. A comprehensive trade policy would be aimed at opening foreign markets to U.S. products, assuring fair competition in the U.S. market, improving U.S. competitiveness, and helping those hurt by trade. It is this later point that the bill we are introducing today addresses.

The Trade Adjustment Assistance Program was established in 1962, because it has long been recognized that even when there is a favorable balance of trade, there will be losers—individuals whose jobs will be lost to import competition. With an unfavorable balance of trade, the number of losers multiplies. Today the trade shock has driven this point home. At no time in our history has the need been greater for help for those who lose their jobs to trade.

Yet, ironically, in just a month the TAA program is scheduled to expire and the prognosis for keeping it alive has not been good.

Why is this?

I believe there are two key reasons. First, as everyone knows, money is tight. Second, the program as currently structured has not achieved its principal purpose—adjustment by individuals and firms to import competition.

The bill we are introducing today corrects each of these problems.

FUNDING—A NOVEL APPROACH

A creative approach is proposed for funding the reformed program. A small fee—an adjustment fee—would be placed on imports to finance TAA. In effect, it would be a users fee for trade—those who benefit from trade would pay for the costs of trade. The bill puts a cap on this fee of 1 percent of the value of imports, but I would estimate that it would cost only $\frac{1}{10}$ to $\frac{1}{35}$ of a percent to finance the program set up in the bill.

The bill directs the President to obtain GATT approval as soon as possible for countries to be able to impose such a small fee on trade to fund adjustment programs. After 1 year, however, the President is required to impose the fee unless the Congress approves fast track legislation suspending the imposition of the fee for 1 more year to allow the President additional time to finish the GATT negotiation. At the end of 2 years, the fee is imposed in any case.

Make no mistake, this is not a proposal for an import surcharge. The fee is small and the fee is capped by statute. I got this idea from a similar program that has been in place in Hong Kong for some time. Everyone thinks of Hong Kong as a totally free port, but in fact, Hong Kong assesses a small fee (one-twentieth of 1 percent) on all imports and exports. (In the case of Hong Kong the fee is used to finance trade promotion programs.)

The adjustment fee would be a small cost to trading nations to keep trade open and expanding, and I think America's traders are ready to pay it. The National Retail Merchants Association endorsed this idea soon after I introduced it last January as part of S. 234.

Internationally, the timing is also right. We are not the only country having trouble adjusting to new trade conditions and we are not the only country that is having budget problems. Other nations would have a clear national interest in signing onto this proposal in the GATT and that is the key ingredient for a successful reputation.

But there is no point in placing a fee on trade to promote adjustment if the program in place is not designed to assure that objective. That is why this bill also includes a proposal for reform of the current program.

THE NEW PROGRAM

The changes are few, but they are critical. The bill does not propose a complete revamping of the TAA program. In fact, all benefits now available to workers under TAA (additional unemployment compensation known as a "trade readjustment allowance," job search and job relocation allowances) would continue, but there is a key new eligibility requirement and an important new benefit.

The new eligibility requirement—any worker receiving benefits under the reformed program must be enrolled in or have completed a retraining program.

The new benefit—to pay this training, each worker would be given a $4,000 job retraining voucher redeemable for training. Individuals would have a wide choice of training options: Programs under the job training partnership act, such as State training programs and private programs approved by the private industry councils established by that act; programs approved by the Secretary of Labor as well as training by private firms. This last option—training by private firms—I believe, in particular, will open up many new opportunities.

As far as the firms program is concerned, the bill would leave in place the Technical Assistance Program. This program has proved its usefulness. For example, in the recent House hearings on TAA testimony on benefits of technical assistance to the Textile and footwear industries was submitted. The assistance is used not only to management and marketing advice, but also for research and development, for example, for automated apparel equipment. Importantly, these moneys are also used to help firms prepare petitions for help under this statute.

The reformed TAA program would not include financial assistance for firms. The loan and loan guarantee program has in effect been terminated in the last few years because it has not worked. Data up to March 1983 showed that of 324 loans, 112 were in trouble; 86 were current and 5 were paid off.

How much would this reformed program cost? I am advised that 1983 is a good year to use for a rough estimate. In that year, 30,000 people received benefits under TAA, at a cost of about $70 million. Add to that $120 million for the job vouchers under the new program plus about $15 million for technical assistance. This totals about $205 million. With imports of approximately $350 billion last year or even at the roughly $250 billion of 1983, it is clear that the adjustment fee to finance this program would be small indeed.

Some might say that this estimate is too low. But remember the eligibility criteria do not change, many workers have already received help under the program and all workers do not apply the same year. Besides, even if the number of eligible workers should increase fivefold and the cost rises concomitantly, financing of the program would still be financially feasible with an adjustment fee well below the cap.

These changes in the TAA program for workers and firms would not come into effect until 1 year after the import fee is imposed. During that year moneys would begin to build up in a trust fund set up to finance the program. Until that time, the current program would be extended and funded out of general revenues costing less than $100 million for each of at most 3 years depending on the timing of the GATT negotiation.

BENEFITS

The trade situation as we all are aware is getting graver. As a number of members have pointed out recently, this is a time for open minds, for unconventional proposals.

Today more than ever our workers need meaningful help in the face of the trade-related dislocation. Imports now compete with nearly the full range of U.S. production. The proposal in this bill for the first time offers these workers a total package of relief—unemployment compensation, job search and relocation help and significant financing and options for retraining. A complete package is not available under any other federal program.

And today more than ever the international trading system (the GATT) needs to be brought back to life. Trade intellectuals in the OECD and elsewhere have for some time now decried the need for "positive adjustment policies" (policies that facilitate the movement of people and resources from declining to growing industries) as the underlying problem dragging the trading system down. This proposal for a GATT-sanctioned import fee to finance adjustment provides a new tool to promote positive adjustment by GATT members.

I believe it offers, as well, a new tool for getting meaningful multilateral trade negotiations underway. It is traditional for nations to signal their seriousness about a new round of trade negotiations by taking a trade liberalizing action for example, lowering some tariffs. Agreement to the imposition of a small fee on imports would be an unconventional, even ironic, way to signal a new round. But this fee could very well be the catalyst for movement on the issue that is central to establishing a fair and effective international trading system and to the success of any new negotiations, a new multilateral agreement on safeguards. In these times I think a GATT agreement on this adjustment fee would perhaps more than any other simple action signal a renewed worldwide commitment to make the trading system work.

As you can see, I introduce this bill with great hopes. But I want to make it clear as well that I agree with the AFL-CIO recent comments on the Trade Adjustment Assistance Program included in a letter to Congressman Gibbons, the chairman of the Ways and Means Committee:

> The AFL-CIO does not view trade adjustment assistance as a substitute for a fair and effective trade policy. Nevertheless, the United States is faced with the tragic reality of devastated communities and wasted human resources due to imports. A trade adjustment assistance program that includes income support, training, and job search and relocation allowances is a first and necessary step to restoring and revitalizing the industrial strength of our country.

This bill has broad support on the Finance Committee and I am particularly pleased that Senator Danforth, the chairman of the International Trade Subcommittee, is among the cosponsors. Senator Danforth has promised to hold hearings on this legislation as soon as possible after the August recess.

At this time, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1544

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trade Adjustment Assistance Reform and Extension Act of 1985".

SEC. 2. CASH ASSISTANCE FOR WORKERS.

(a)(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding after paragraph (4) the following new paragraph:

"(5) Such worker—

"(A) is enrolled in, or

"(B) has completed,

a training program for which a voucher is available under section 236.".

(2) Subsection (b) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(b)) is amended to read as follows:

"(b) If the Secretary determines that—

"(1) the adversely affected worker—

"(A) has failed to begin participation in the training program the enrollment in which meets the requirement of subsection (a)(5), or

"(B) has ceased to participate in such training program before completing such training program, and

"(2) there is no justifiable cause for such failure or cessation,

no trade adjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a training program for which a voucher is available under section 236.".

(b) Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by inserting "or training for which a voucher is available under section 236," after "on-the-job training," in subsection (b),

(2) by striking out "under any Federal law," in subsection (c) and inserting in lieu thereof "under any Federal law other than this Act",

(3) by striking out "under section 236(c)" in subsection (c) and inserting in lieu thereof "under section 231(b)", and

(4) by striking out "If the training allowance" in subsection (c) and inserting in lieu thereof "If such training allowance".

(c) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) by striking out "52" in subsection (a)(1) and inserting in lieu thereof "78",

(2) by striking out "52-week period" in subsection (a)(2) and inserting in lieu thereof "78-week period",

(3) by striking out paragraph (3) of subsection (a), and

(4) by striking out subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

SEC. 3. JOB-TRAINING VOUCHERS FOR WORKERS.

(a) Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended to read as follows:

"SEC. 236. JOB TRAINING VOUCHERS.

"(a) Each adversely affected worker covered by a certification under this chapter shall be eligible for a job training voucher issued by the Secretary. The voucher shall be in the amount of $4,000, and may be used only in accordance with the provisions of this section to defray (in whole or in part) the cost of any of the following training programs provided to such worker:

"(1) A training program provided by the State pursuant to section 303 of the Job Training Partnership Act.

"(2) A training program provided by a private entity if such program has been approved for purposes of this section by a private industry council established under section 102 of the Job Training Partnership Act. A private industry council shall approve a training program for purposes of this section only if the council determines that the program provides training in occupations for which a need exists in the private sector of the economy.

"(3) Training provided by an employer who agrees to employ the worker upon completion of the training, for a period (including the training period) of not less than 26 weeks.

"(4) A training program approved by the Secretary if the Secretary determines that there is a reasonable expectation that the adversely affected worker will obtain employment upon completion of such training program.

"(b) The State (in the case of a voucher used pursuant to subsection (a)(1)) or the person conducting the private training program (in the case of a voucher used pursuant to paragraph (2), or (4) of subsection (a)) may redeem such voucher for the Secretary upon completion of the training program by the adversely affected worker.

"(c)(1) No employer may redeem a voucher used by a worker pursuant to subsection (a)(3) if such employer is engaged in the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222.

"(2) No employer may redeem a voucher used by a worker pursuant to subsection (a)(3) unless such employer has provided such worker with training and employment for a combined period of not less than 26 weeks.

"(3) No employer may redeem any voucher used by a worker pursuant to subsection (a)(3) if such employer terminated the employment of an employee for the purpose of hiring and training such worker under the provisions of this section. Any employer found by the Secretary to have violated the provisions of this paragraph shall also be subject to a civil penalty not to exceed $12,000 for each such violation.

"(d) Any entity which redeems a voucher used by a worker pursuant to subsection (a)(2) shall repay to the United States the amount of such voucher plus interest at a rate of 10 percent if the Secretary subsequently determines that the entity's training program was not approved by a private industry council for purposes of this section.

"(e)(1) A worker may not be determined to be ineligible or disqualified for unemployment insurance or for program benefits under this chapter—

"(A) because the individual is in training for which a voucher is provided under this section,

"(B) because the individual terminated employment which was not suitable employment to enter such training, or

"(C) because of the application to any week in which the individual participates in such training of provisions of State law or Federal unemployment insurance law relating to availability for work, active search for work, or refusal to accept work.

"(2) For purposes of this subsection, the term 'suitable employment' means, with respect to a worker, work of a substantially equal or higher skill level than such work-

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er's past adversely affected employment, and wages for such work at not less than 80 percent of the worker's average weekly wage.".

(b)(1) Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended—

(A) by striking out "section 236(b)(1) and (2)" in subsection (a)(2) and inserting in lieu thereof "subsection (c)", and

(B) by adding at the end thereof the following new subsection:

"(c)(1) The amount of subsistence expenses for which reimbursement is allowable under subsection (a) shall not exceed the lesser of—

"(A) the actual per diem expenses for subsistence, or

"(B) the amount determined by using 50 percent of the prevailing per diem allowance rate authorized under Federal travel regulations.

"(2) The amount of travel expenses for which reimbursement is allowable under subsection (a) shall not exceed the prevailing mileage rate authorized under Federal travel regulations.".

(2) Paragraph (1) of section 238(d) of the Trade Act of 1974 (19 U.S.C. 2298(d)) is amended by striking out "section 236(b)(1) and (2)" and inserting in lieu thereof "section 237(c)".

(c) The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 236 and inserting in lieu thereof the following:

"Sec. 236. Job training vouchers.".

SEC. 4. ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if he determines that the firm's adjustment proposal—

"(A) is reasonably calculated materially to contribute to the economic adjustment of the firm,

"(B) gives adequate consideration to the interests of the workers of such firm, and

"(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.".

(b) Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date on which the amendments made by section 4 of the Trade Adjustment Assistance Reform and Extension Act of 1985 take effect.".

SEC. 5. SUNSET OF TRADE ADJUSTMENT ASSISTANCE.

(a) Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, note) as amended—

(1) by striking out the first sentence thereof and inserting in lieu thereof "(a)",

(2) by striking out the section heading and inserting in lieu thereof "SEC. 285. TERMINATION.", and

(3) by adding at the end thereof the following new subsection:

"(b) No assistance, vouchers, allowances, or other payments may be provided under chapter 2, no technical assistance may be provided under chapter 3, and no duty shall be imposed under section 257, after the date that is 6 years after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1985.".

(b) The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"Sec. 285. Termination.".

SEC. 6. FUNDING OF TRADE ADJUSTMENT ASSISTANCE.

(a)(1) Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out "1982 through 1985" and inserting in lieu thereof "1986, 1987, and 1988".

(2) Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(A) by inserting "for fiscal years 1986, 1987, and 1988" after "to the Secretary", and

(B) by striking out "from time to time".

(b)(1) Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391, et seq.) is amended by inserting after section 285 the following new section:

"SEC. 286. TRADE ADJUSTMENT ASSISTANCE TRUST FUND.

"(a) There is hereby established within the Treasury of the United States a trust fund to be known as the Trade Adjustment Assistance Trust Fund (hereinafter in this section referred to as the "Trust Fund"), consisting of such amounts as may be transferred or credited to the Trust Fund as provided in this section or otherwise appropriated to the Trust Fund.

"(b)(1) The Secretary of the Treasury shall transfer to the Trust Fund out of the general fund of the Treasury of the United States amounts determined by the Secretary of the Treasury to be equivalent to the amounts received into such general fund which are attributable to—

"(A) the duty imposed by section 287, or

"(B) repayments of loans, payments of interest, and other revenue arising out of transactions entered into by the Secretary of Commerce under chapter 3.

"(2) The amounts which are required to be transferred under paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury of the United States to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in paragraph (1) that are received into the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

"(c)(1) The Secretary of the Treasury shall be the trustee of the Trust Fund, and shall report annually to the Congress on the financial condition and the results of the operations of the Trust Fund during the preceding fiscal year and on its expected condition and operations during the current fiscal year and the next 5 fiscal years after the current fiscal year. Such report shall be printed as a House document of the session of the Congress to which the report is made

"(2)(A) It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

"(i) on original issue at the issue price, or

"(ii) by purchase of outstanding obligations at the market price.

"(B) Any obligation acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

"(C) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and for a part of the Trust Fund.

"(d) Amounts in one Trust Fund shall only be available for making expenditures to carry out the provisions of chapters 2 and 3 of this title.".

(2) Section 257 of the Trade Act of 1974 (19 U.S.C. 2347) is amended by striking out subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d).

(c) Chapter 5 of title II of the Trade Act of 1975 (19 U.S.C. 2391, et seq.), as amended by subsection (b) of this section and by section 7(b) of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 288. APPROPRIATION OF FUNDS.

"The Secretary of the Treasury is authorized and directed to pay out of the Trade Adjustment Assistance Trust Fund all expenses incurred by the Secretary of Labor or the Secretary of Commerce in carrying out the provisions of chapters 2 and 3 of this title.".

(d) The table of contents for the Trade Act of 1974 is amended by inserting, after the item relating to section 285, the following new items:

"Sec. 286. Trade Adjustment Trust Fund.
"Sec. 287. Imposition of additional duty.
"Sec. 288. Appropriation of funds.".

SEC. 7. IMPOSITION OF SMALL UNIFORM DUTY ON ALL IMPORTS.

(a)(1) The President shall undertake negotiations necessary to achieve changes in the General Agreement on Tariffs and Trade that would allow any country to impose a small uniform duty on all imports to such country for the purpose of using the revenue from such duty to fund any program which assists adjustment to import competition.

(2) On the date that is 6 months after the date of enactment of this Act, the President shall submit to the Congress a report on the progress of negotiations conducted under paragraph (1).

(3)(A) The President may submit to the Congress a draft of a bill which—

(i) amends section 9 of this Act—

(I) by striking out "1 year" in subsection (b)(1) and inserting in lieu thereof "2 years", and

(II) by striking out "2 years" in subsections (c)(1) and (d)(1) and inserting in lieu thereof "3 years", and

(ii) extends the authorization of apropriations for chapters 2 and 3 of title II of the Trade Act of 1974 for an additional year.

(B) Any draft of a bill submitted by the President in accordance with subparagraph (A) shall—

(i) be introduced (by request) in each House of the Congress by the majority leader of such House on the first day such House is in session after the day on which such draft bill is received by the Congress, and

(ii) be treated as an implementing bill for purposes of subsections (d), (e), (f), and (g) of section 151 of the Trade Act of 1974 (19 U.S.C. 2191).

(4) On the first day after the date of enactment of this Act on which the General Agreement on Tariffs and Trade allows any country to impose a duty described in paragraph (1), the President shall submit to the Congress a written statement certifying that the General Agreement on Tariffs and Trade allows such a duty.

(b) Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391, et seq.), as amended by section 6(b)(1) of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 287. IMPOSITION OF ADDITIONAL DUTY.

"(a) In addition to any other duty imposed by law, there is hereby imposed a duty on the entry, or withdrawal from warehouse, of any article for consumption in the customs territory of the United States.

"(b)(1) The rate of the duty imposed by subsection (a) shall be a uniform ad valorem rate proclaimed by the President at least 30 days prior to the date such rate takes effect which is equal to the lesser of—

"(A) 1 percent, or

"(B) a percentage that is sufficient to provide the funding necessary to carry out the provisions of chapters 2 and 3 of title II of the Trade Act of 1974.

"(C) Duty-free treatment provided with respect to any article under any other provision of law shall not affect the imposition of the duty imposed with respect to such article by subsection (a).".

SEC. 8. TAXATION OF TRADE READJUSTMENT ASSISTANCE.

Section 85(c) of the Internal Revenue Code of 1954 is amended by inserting ", but not including a voucher issued under section 236 of the Trade Act of 1974 (19 U.S.C. 2296)" after "nature of unemployment compensation".

SEC. 9. EFFECTIVE DATES.

(a) The amendments made by section 5, subsections (a), (b), and (c) of section 6, and the provisions of section 7(a), shall take effect on the date of enactment of this Act.

(b) The amendment made by section 7(b) shall apply to any article entered, or withdrawn from warehouse, for consumption after the earlier of—

(1) the date that is 1 year after the date of enactment of this Act, or

(2) the date that is 30 days after the date on which the President submits to the Congress the written statement described in section 7(a)(4).

(c) The amendments made by sections 2, 3, 4, and 6(c) of this Act shall take effect on the earlier of—

(1) the date that is 2 years after the date of enactment of this Act, or

(2) the date that is 1 year after the date described in subsection (b)(2).

(d) The amendment made by section 8 shall apply to taxable years ending on or after the earlier of—

(1) the date that is 2 years after the date of enactment of this Act, or

(2) the date that is 1 year after the date described in subsection (c)(2).●

● **Mr. MOYNIHAN.** Mr. President, I rise today with my distinguished colleague Senator ROTH, to introduce legislation extending and reforming the Trade Adjustment Assistance [TAA] Program.

TAA is the only Federal program, the only national commitment, specifically intended to help workers who lose their jobs to foreign competition.

Trade adjustment assistance is a commitment made to the American worker two decades ago, at the time of the Kennedy round of multilateral trade negotiations. We recognized then that while a policy of open trade is essential to a healthy American—and world—economy, important parts of the work force are adversely affected by import competition. Trade adjustment assistance is for these workers.

Trade readjustment allowance—which is to say, extended unemployment compensation for those who have exhausted their unemployment insurance benefits—helps workers pay their bills while they are unemployed. Retraining benefits help displaced workers qualify for new jobs in different sectors of the economy. And job search and relocation benefits help ease the transition.

The need for the TAA Program has never been greater.

Since 1981, the United States has imported some $346 billion more in goods than it has exported. Our 1984 trade deficit of $123 billion was more than triple that of 1981, and the outlook for 1985 is no better. If the trade pattern established in the first half of 1985 continues, we will run a trade deficit of approximately $141 billion this year. The trade deficit for the first 6 months of 1985 is greater than that for all of 1983.

There is a rough rule used by the International Trade Commission and the Department of Commerce that for every billion dollar increase in the trade deficit, 25,000 new job opportunities are lost. That means 2.3 million job opportunities have been lost since 1981.

Yet, I regret to say that the administration has shown little interest in TAA. In fact, the program has been dramatically cut; it is now funded at less than $100 million a year—less than one-tenth of 1 percent of our 1984 trade deficit.

Moreover, the administration opposes reauthorization of the program—which will expire on September 30 of this year.

Mr. President, the bill we introduce today, first and foremost, would reauthorize a Trade Adjustment Assistance Program for 6 years. I might remind my colleagues that on the first day of this Congress, Senator HEINZ and I introduced legislation extending the TAA Program for 6 years. This bill would extend the existing TAA Program until a revised program goes into effect—no later than 3 years after the bill is enacted.

The new program would be funded by a modest fee—maximum of 1 percent—on all imports. A trust fund would be created for receipts from the duty, dedicated to trade adjustment expenditures. In March 1983, I introduced legislation that would have similarly funded the TAA Program, by revenues collected through Customs duties.

The current program would further be reformed to require that a worker agree to retraining in order to receive a trade readjustment allowance [TRA], provide $4,000 tax-free vouchers for retraining, and limit adjustment assistance for firms to the provisions of technical assistance.

Mr. President, the bipartisan legislation we are introducing today reaffirms the commitment our Government made to working men and women 20 years ago. In the past 10 years, nearly 1.5 million American workers, including 111,300 New Yorkers—have received benefits under this program.

The premise on which trade adjustment assistance was based—that some will suffer from an open trade policy and that they should be compensated—is as valid today as in 1962. We cannot renege on our commitment. We must not let TAA die.

I urge my colleagues to join us in supporting this vital program.●

● **Mr. HEINZ.** Mr. President, it is my pleasure today to join my Senate colleagues in sponsoring the Trade Adjustment Assistance Reform and Extension Act of 1985.

As you all know, we face a serious trade problem here in the United States. The flood of foreign imports has weakened our industrial capacity and our ability to compete in foreign markets. All around us we see the loss of international and domestic market share, the decline of industries, and the loss of jobs.

International trade has become a national priority in the last decade. It is a problem that requires leadership, cooperation, and creative problem solving. There are, however, both good and bad solutions to this problem. Some would hide our affected industries behind import restrictions and trade barriers; others would award import relief benefits to workers, waiting for the day that industry makes its miraculous comeback. In those cases where we are dealing with unfair trade practices by our foreign competitors—dumping, subsidies, constraints on our access to their markets—tough tactics on our part are appropriate.

But these kinds of solutions do not deal with all aspects of the problem. In any healthy economy, trade implies economic change, and while change brings technological miracles and a better standard of living, it also means declining industries and painful job dislocations. It means that some firms must change direction and adapt to new competitive environments. It means that some workers must find new jobs in new fields.

This is the reality that we must face, and this is the part of the puzzle we have avoided.

The Trade Adjustment Assistance Act of 1974 was one of the first steps in the right direction. It tried to come face to face with adjustment, taking a bold, constructive approach to the problem. It went beyond import relief, offering technical assistance and the opportunity to rebuild affected firms. It tried to take significant steps toward the retraining of workers and the betterment of their lives. As we all know, it was not entirely a successful effort.

Today, we introduce the Trade Adjustment and Assistance Reform and Extension Act of 1985 to improve and refine that first step. The bill still offers worker retraining, but gives the individual a greater range of learning options. For the firm program, it eliminates the loan program, and allows funds to be focused on the more successful technical assistance program. In addition, the bill provides for funding through the imposition of a small uniform fee on imports. Finally, since this fee will be the result of multilateral agreement, the bill extends the present TAA Program until the new one comes into effect.

As we look around us, the trade deficit continues to climb, and our industries must respond to the challenge of foreign competition. Their task is to respond to new competitive challenges, and the firm part of this program can help them do that. Our task in the Congress is to redouble our efforts to eliminate trade barriers and unfair practices and restore free market principles to the international trading system. And at the same time we need to facilitate the movement of workers into competitive industries. If we do not do that, then we are giving American workers no choice but to come to Congress demanding protection.●

● Mr. CHAFEE. Mr. President, the United States has been for the past 2 years in the midst of a healthy and robust recovery. Yet despite the glowing reports on the overall economy, certain sectors—notably the export- and import-competing sectors—have not fared so well. This Congress began not long after the announcement of the largest trade deficit in our Nation's history. Congress is besieged these days by protectionist pressures from import competing industries, and swamped with the complaints of exporters.

These complaints are certainly justified. The trade figures for the first quarter of 1985 are illustrative. Imports of manufactured goods rose 5 percent and exports dropped 1 percent during the first quarter, bringing the overall merchandise trade deficit to $28.3 billion. Farmers saw wheat shipments drop by 35 percent, corn sales by 12 percent and soybean sales dropped by 5 percent, all in the first quarter alone. We are now projecting an overall deficit for 1985 of $140 billion.

America has been flooded with bargain imports and its traditional exports—machinery, chemicals, electronics, grain—have lost their price competitiveness. Industry after industry has come to the Congress seeking protection from imports. These industries assume that we have more to lose to world trade than we have to benefit from it.

In fact open markets serve America in very tangible ways. Unfettered trade gives consumers access to a greater variety of products at lower prices. Trade forces domestic industries to adjust to changing technology before they become hopelessly inefficient. Perhaps most important, trade is the primary source of hope for the world's poor, increasing their stake in a stable world economic order.

But the advantages of open trade apply to the economy generally while specific sectors can suffer greatly. Some workers, laid off because of competing imports, have no reason to rejoice over cheap, high quality steel coming from Korea. Unemployed textile workers in Rhode Island, for example, hardly revel in the fact that American consumers are buying low-cost sweaters from Hong Kong in increasing numbers.

To try to offset this sacrifice we instituted the trade adjustment assistance program in the 1960's. It has certainly had its critics, largely because it has involved more assistance than adjustment—cash payments rather than long-term training to enable workers in affected industries to begin afresh with new skills.

The Trade Adjustment Assistance Reform and Extension Act of 1985, which we introduce today would replace the existing Trade Adjustment Assistance Program with a new program which emphasizes retraining assistance. This proposal is based on the view that if the United States is going to continue to support a liberal trade policy, it is important to facilitate the adjustment of those individuals adversely affected by import competition.

This program would shift the focus away from simply compensating workers to providing them with real future alternatives. And it would do so in a fashion that is consistent with our current efforts to trim Federal spending. This program, which is linked with the Job Training Partnership Act [JTPA], would provide eligible individuals with job retraining vouchers redeemable for training.

The implementation of this new program would be linked to negotiations which would add a provision to the GATT giving all member countries the right to assess a very small fee on imports in order to finance adjustment programs. Only upon completion of such negotiations would the U.S. institute such a fee to finance the job vouchers.

This bill would also extend the current program until the import fee has been approved and has raised sufficient revenue, that is, 1 year after the duty is applied. It therefore involves extension of the program for 2 years—1 year for the administration to negotiate this agreement within the GATT and another year to collect sufficient revenues under the import fee program.

This bill already has strong support within the Finance Committee, and I expect in the entire Congress. Trade adjustment assistance programs provide an alternative policy to import restrictions as a temporary relief measure. The cost of extending the program beyond September 30 is far less than the cost that consumers and the entire economy will suffer if we enact import protections for industries and workers which are suffering at the hands of foreign competition. We cannot afford to close our markets to protect jobs, but neither can we ignore the plight of workers whose firms or industries are dislocated due to import competition.●

● Mr. SYMMS. Mr. President, I am pleased to join my Finance Committee colleagues in introducing a bill to extend and reform the Trade Adjustment Assistance Program [TAA] that is scheduled to expire on September 30 of this year.

This legislation will enable workers displaced by imports to retrain and gain new skills.

In the past TAA provided temporary assistance to displaced workers. This revised bill will continue to provide assistance, however, there is additional focus on the importance of a completed retraining program. It will give people a handup instead of a handout.

Congress is well aware of the seriousness of the trade imbalance and the impact that it has had on the workers in many U.S. industries. Across the country, people's livelihoods are at stake.

In Idaho this week, Potlatch Corp. closed several timber processing plants which resulted in a layoff of one-third of its Idaho work force. Clearly, the flood of Canadian timber across the border has cut deeply into the U.S. timber industry's market.

The tragedy of the situation is that these facilities may not reopen these mills in Idaho. Those people may have to find new jobs and learn new skills.

This bill will continue to provide workers displaced by imports with all benefits now available under TAA. However, a new eligibility requirement stipulates that any worker receiving benefits under the new program must be enrolled in or have completed a retraining program. This requirement further emphasizes the need for adjustment and retraining.

This revised TAA Program, with an expanded worker retraining portion, is a vital step toward restoring the industrial strength of this country. I am pleased it has the support of so many of my Finance Committee colleagues.●

● Mr. GRASSLEY. Mr. President, I am pleased to be an original cosponsor of the Roth-MOYNIHAN Trade Adjustment Assistance and Reform Act of 1985, which is being introduced today.

With the current Trade Adjustment Assistance Program scheduled to expire on September 30, 1985, I feel this legislation is not only timely, but vastly improved over the previous program. Vastly improved in that the very cause of the displacement—namely foreign imports—will finance the program. With the bill putting a cap of 1 percent on the value of imports and requiring the President to apply such a duty after getting GATT approval, we will be able to assist these displaced workers without any additional cost to the U.S. Treasury.

Although the bill implies that agricultural workers would qualify for this program, it will be my intent during the markup of the legislation in committee to offer an amendment specifically extending coverage to agricultural workers displaced by excessive, and particularly unfair, Ag-imports. For despite the phenomenal job of U.S. farmers in offsetting our trade deficit, even they are severely jeopardized by the import blitz. We only need to look to such areas as pork, mushrooms, cut flowers and the poultry industry to name but a few.

Our move to equip displaced U.S. workers with new skills is rooted in both humanitarian and economic concerns. Every displaced worker is one more addition to unemployment, one less taxpayer, and one less consumer—not to mention the ripple effect as unemployment throws entire families, communities, and industries into chaos.

However, we will not settle for treating the symptom of worker displacement alone. We are committed to stronger measures which will resolve the trade deficit, itself—the only sure route to a working, prosperous, growing America.●

● Mr. KERRY. Mr. President, today I rise in support of a proposal to reauthorize the Trade Adjustment Assistance [TAA] Program with certain modifications. I support this bill for three reasons: I believe that our society has an obligation to retrain workers who have been displaced by foreign competition and to help them find new employment; I believe adjustment assistance is a politically feasible alternative to protectionism; and I believe that this proposal, by emphasizing retraining of displaced workers, is an improvement over the original program.

For the last 200 years, economists in this country and around the world have been preaching the benefits of free trade. We have been told that free trade enhances marketplace competition and induces firms to operate more efficiently; we have been told that free trade benefits the consumer through lower prices and a wider variety of products, and that free trade stimulates innovation and economic growth; we have been told, in short, that free trade is a no-lose proposition. What the free trade advocates do not often acknowledge is that although the economy as a whole may benefit from free trade. For some of us, free trade is a losing proposition—for the textile and apparel workers, for the steel workers, for machine toolmakers and others in this country who, through no fault of their own, find themselves without jobs because of imports. It is simply unfair and inhumane to ask these people to bear the burden—or rather force them to bear the burden—so that the rest of us can reap the benefits of free trade. We have a duty to compensate them for their loss, which is exactly what this proposal is designed to do, by giving them the opportunity to retrain and find other employment.

I also support trade adjustment assistance because the alternative is permanent protection from imports for vulnerable industries, which, as a general rule, I cannot support. TAA cushions the blow to workers and businesses adversely impacted by foreign competition, and so lessens the political pressure for protectionism. An effective TAA program—not the partially dismantled TAS Program that the Reagan administration has operated, but a truly effective adjustment program—could generate the kind of support for expanding world trade that we so urgently need today.

I believe that this proposal provides for an effective TAA Program. The emphasis in this proposal is on retraining displaced workers, as opposed to merely compensating them for their loss. Moreover, this proposal provides vouchers for retraining, so that the displaced workers will have the flexibility to choose the type of retraining that best suits their needs and aspirations.

Let me add, Mr. President, that my support of the Trade Adjustment Assistance Program does not mean that I believe that we can afford, as a Nation, to allow our industrial base and our manufacturing employment to simply drift overseas. Quite the contrary, I believe that where American jobs are threatened by unfair competition, by the industrial targetting policies of other nations, by subsidies, and by restricted market access and non-tariff bariers—that in those cases our Government take action of a different kind. Instead of adjustment assistance, those cases require the purposeful use of other remedies. I fully support efforts to strengthen the capacity of our Nation to respond to such violations with reciprocal measures, and urge the administration to use existing trade law more forcefully to that end.

But it is unavoidable, Mr. President, that the viscisitudes of global competition mean that there will be a constant ebb and flow of comparitive advantage in manufacturing. Trade adjustment assistance can be an important tool. When used properly, it will offer an incentive that will promote speedier adjustment to these inevitable changes, and will help our workers industries upgrade their skills and keep our economy on the leading edge of economic growth, innovation, and opportunity.●

By Mr. HEINZ (for himself and Mr. SPECTER):

S. 1546. A bill to amend the Internal Revenue Code of 1954 to allow an individual a credit against income tax for certain expenditures for the purpose of reducing radon levels in the principal residence of the individual; to the Committee on Finance.

RADON RELIEF ACT

● Mr. HEINZ. Mr. President, today I am introducing legislation to provide assistance to homeowners who must purchase equipment and materials for radon decontamination, the Radon Relief Act of 1985.

Radon is a radioactive gas naturally produced by the decay of underground deposits of uranium. Uranium is in a constant state of decay by its very nature, breaking down into a variety of radioactive substances, including radon. It seeps to the surface, and dangerous concentrations of radon build in the basements of well-insulated homes. Radon gas is colorless, odorless, and tasteless; it does not burn or glow, and is undetectable by human senses. The gas is not necessarily hazardous to humans, but may further decay into highly dangerous radioactive particles which lodge in the lungs when inhaled.

In the eastern part of my home State, through Berks County, there runs a narrow belt of uranium-rich granite known to geologists as the Reading Prong. This region extends beyond Reading to northern New Jersey and into New York State. Unacceptably high levels of radon gas have been discovered in approximately 40 percent of the over 1,400 homes already tested in the Reading Prong by the Pennsylvania Department of Environmental Resources. In addition, high levels of indoor radon have been detected in Maine, New Hampshire, Florida, Idaho, Montana, North and South Carolina, Georgia, Texas, California, and the State of Washington.

Mr. President, according to the National Council on Radiation and Protection [NCRP], radon gas contamination may be responsible for between 5,000 and 10,000 lung cancer deaths annually. NCRP estimates that over 1 million American homes may have unacceptable levels of radon gas. The deadly nature of this gas struck home for two of my constituents, Stanley and Diane Watras of Colebrookdale, PA, whose home was estimated to contain radon levels 675 times the maximum permitted in uranium mines. This was the highest level of naturally occurring radiation ever recorded in a home in the United States.

Because there are no State or Federal funds available for financial assistance, the costs of reducing radon in a home must presently be borne by the homeowner. Earlier this month I sent EPA Administrator Lee Thomas a letter requesting further study of the radon problem. I believe that Federal agencies should work together to formulate a national strategy to address this emerging threat to public health.

In most cases, radon can be reduced by finding and sealing the main source of the gas leak. Often, some means of venting the gas from the footings of the house is also required. The cost to homeowners for remedial work to permanently lower dangerously high levels of radon gas can range from a few hundred dollars to $20,000. Many insurance companies have said that they are not liable for radon contamination, and since the substance occurs naturally, no company or agency can be sued for damages.

My legislation will allow homeowners a tax credit against expenditures for the purpose of reducing radon levels. The credit will be for 40 percent of the amount spent on radon-proofing, with a maximum credit of $5,000. I might add at this point, Mr. President, that a few years ago we promoted energy conservation in the Congress by giving a tax credit to homeowners who sealed their homes to prevent heat loss. An unintended consequence of keeping the cold air out was that this insulation restricts circulation and keeps contaminated particles inside, posing a very serious health threat.

While supporting a tax credit bill in the midst of tax reform debate may be difficult for some, I believe that the dangers of exposure to radon gas warrant action by the Federal Government. For those whose homes have been measured to contain unacceptable levels of radon gas, whose homes have been contaminated through no fault of their own, a tax credit will provide some financial assistance to defray the cost of installing mitigating devices.

In the past, we have devoted much of our time working on environmental laws regulating outdoor pollution. We will soon consider legislation to reauthorize Superfund, the Federal hazardous waste cleanup program. Yet, we have no policy regarding indoor air pollutants, and we spend an average of 90 percent of our time indoors, much of it in our own homes. Homeowners and their families should be able to live in an uncontaminated environment—one free of deadly radon gas. The Radon Relief Act will help homeowners work toward this goal.

I ask unanimous consent that the bill and my letter to EPA Administrator Lee Thomas be inserted in the Record.

There being no objection, the bill and letter was ordered to be printed in the Record, as follows:

S. 1546

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Radon Relief Act of 1985".

SECTION 1. CREDIT FOR EXPENDITURES FOR REDUCING RADON LEVELS IN CERTAIN PRINCIPAL RESIDENCES.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to nonrefundable personal credits) is amended by inserting after section 25 the following new section:

"SEC. 25A. EXPENDITURES FOR REDUCING RADON LEVELS IN CERTAIN PRINCIPAL RESIDENCES.

"(a) Allowance of Credit.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified radon-reduction expenditures with respect to an eligible principal residence.

"(b) Qualified Radon-Reduction Expenditures.—For purposes of subsection (a)—

"(1) In general.—In the case of any dwelling unit, the qualified radon-reduction expenditures are 40 percent of so much of the radon-reduction expenditures made by the taxpayer during the taxable year with respect to such unit as does not exceed $5,000.

"(2) Prior expenditures by taxpayer on same residence taken into account.—If for any prior year a credit was allowed to the taxpayer under this section with respect to any dwelling unit, paragraph (1) shall be applied for the taxable year with respect to such dwelling unit by reducing the dollar amount contained therein by the prior year expenditures taken into account under such paragraph.

"(c) Definitions.—For purposes of this section—

"(1) Radon-reduction expenditures.—The term 'radon-reduction expenditure' means any expenditure made by the taxpayer for property (or for the original installation of such property) installed in or on a dwelling unit (which, at the time such expenditure is made, is an eligible principal residence) if such property—

"(A) is designed to reduce the radon in the air inside such residence,

"(B) can reasonably be expected to remain in operation, or continue to have effect, for at least 3 years, and

"(C) meets the appropriateness, performance, and quality standards (if any) which—

"(i) have been prescribed by the Administrator of the Environmental Protection Agency by regulations, and

"(ii) are in effect at the time of the acquisition of the property.

"(2) Eligible principal residence.—The term 'eligible principal residence' means a dwelling unit—

"(A) which is located in the United States,

"(B) which is used by the taxpayer as his principal residence, and

"(C) which is determined under a technique approved by the National Council for Radiological Protection and Measurement to have a radon level exceeding 2 worker level months per year.

"(d) Special Rules.—

"(1) When expenditure made; amount of expenditures.—

"(A) In general.—An expenditure with respect to an item shall be treated as made when original installation of the item is completed.

"(B) Amount.—The amount of any expenditure shall be the cost thereof.

"(2) Principal residence.—The determination of whether or not a dwelling unit is a taxpayer's principal residence shall be made under principles similar to those applicable to section 1034, except that—

"(A) no ownership requirement shall be imposed, and

"(B) the period for which a dwelling is treated as the principal residence of the taxpayer shall include the 30-day period ending on the first day on which it would (but for this subparagraph) be treated as his principal residence.

"(3) Certain rules to apply.—Paragraph (10) of section 23(c), and paragraphs (1), (2), and (3) of section 23(d) shall apply for purposes of this section.

"(e) Basis Adjustment.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expendiure shall be reduced by the amount of the credit so allowed."

(b) Technical Amendment.—Subsection (a) of section 1016 of such Code (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (26), by striking out the period at the end of paragraph (27) and inserting in lieu thereof ", and", and by adding after paragraph (27) the following new paragraph:

"(28) to the extent provided in section 25A(e), in the case of property with respect to which a credit has been allowed under section 25A."

(c) Clerical Amendment.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Expenditures for reducing radon levels in certain principal residences."

(d) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 1984, in taxable years ending after such date.

Hon. Lee Thomas,
Administrator,
Environmental Protection Agency,
Washington, DC.

Dear Mr. Thomas: I am writing on behalf of the residents of Reading and other parts of the state of Pennsylvania whose homes have been contaminated by radon gas.

Radon can build up to deadly concentrations indoors and many residents of the so-called Reading Prong have unacceptable levels of the gas in their homes. Last month I joined with six of my colleagues in cosponsoring S. 1198, the Indoor Air Quality Research Act of 1985, legislation to establish an EPA research program to study the hazards of indoor air pollution and the effects of radon.

While it is my hope that our bill will pass and become law, I urge you to devote existing resources to this emerging public health problem. There is a clear need for Federal involvement in this area and I suggest that EPA work closely with state and local governments and other agencies such as the Department of Health and Human Services Centers for Disease Control in formulaiting a national strategy for remedial action to combat this mysterious killer.

Sincerely,

John Heinz,
U.S. Senator.●

By Mr. INOUYE:

S. 1547. A bill to amend title 10, United States Code, to authorize certain disabled former prisoners of war to use Department of Defense commissary stores and post exchanges; to the Committee on Armed Services.

USE OF COMMISSARY STORES AND POST EXCHANGES BY CERTAIN FORMER PRISONERS OF WAR

● Mr. INOUYE. Mr. President, today I am introducing legislation, which in my view, is long overdue. My bill would enable those former prisoners of war who have been separated honorable from their respective service and who have been rated to have a 30 percent service-connected disability to have the use of both the military commissary and post exchange privileges. While I realize that it is impossible to adequately compensate one who has endured long periods of incarceration at the hands of our Nation's enemies, I do feel this gesture is both meaningful and important to those concerned. It also serves as a reminder that our Nation has not forgotten their sacrifice.●

By Mr. MOYNIHAN (for himself and Mr. Baucus):

S. 1548. A bill to require the Secretary of the Treasury and the Chairman of the Federal Reserve Board to develop a "Strategic Foreign Currency Reserve"; to the Committee on Banking, Housing, and Urban Affairs.

STRATEGIC FOREIGN CURRENCY RESERVE ACT

● Mr. MOYNIHAN. Mr. President, the foreign exchange value of the dollar is much like Washington's weather in August: Everyone complains about it, but nobody does anything about it. The time has come to do something about the price of the dollar.

I rise today, with my distinguished colleague Senator Baucus to introduce legislation to require the Department of the Treasury and the Federal Reserve Board to intervene in the foreign exchange markets by exchanging dollars for a "Strategic Foreign Currency Reserve" consisting of the currencies of the Group of Ten industrialized countries.

No Member of this body would support a 60-percent tax on American exports and a comparable subsidy of foreign imports. Yet, since 1980, the price of the dollar has increased approximately 60 percent against a basket of currencies of 10 of our major trading partners. The high price of the dollar makes American goods more expensive in foreign markets, while foreign produced goods become cheaper in American markets. In effect, the high price of the dollar acts as a tax on American exports and a subsidy of foreign imports.

The results have been devastating. American businesses are unable to sell their products abroad. At the same time, foreign companies have been able to build distribution networks in the United States. Perhaps most alarming, U.S. companies are being forced to import finished products and major components in order to remain competitive here at home.

The increase in the price of the dollar during the last 4 years has occurred despite record merchandise trade and current account deficits—a cumulative $283 and $149 billion respectively. Under the floating exchange system prevailing since 1973, such deficits should depreciate the dollar, since foreign exchange must be bought with dollars to pay for the imports, and the increased supply of dollars should reduce the price of the dollar as against foreign currencies.

This has not happened. Instead, the price of the dollar has risen sharply. Why? Because of extraordinary foreign demand for dollars to invest in this country. Foreign investors have bought dollars with their currencies to invest in the United States, attracted by higher real interest rates—resulting from the administration's unprecedented budget deficits, a cumulative $600 billion since 1981—as well as by expectations of greater economic growth here than abroad. This demand for dollars has exceeded available supplies, even taking into account dollars needed to pay for imports.

The price of the dollar is now largely determined by international investment, not trade, flows. Foreign exchange transactions for investment purposes are estimated to be at least 10 times the amount needed to finance international trade transactions. Rapid and large-scale capital flows are possible as a result of liberalized and computerized international financial markets.

But international foreign exchange markets, like any market, are subject to numerous market imperfections. Decisions may be based on dated, erroneous, incomplete, or noneconomic information. Decisions may also be made in anticipation of the continuation of market trends, a phenomenon often referred to as "bandwagon effects."

The combination of large international capital flows and market imperfections have led to excessive short-term fluctuations—"volatility"—and have contributed significantly to the market overshooting a dollar price that reflects underlying trade realities—"misalignment".

At the same time, there are many who believe—and fear—that the combination of continuing merchandise trade and current account deficits, reduced expectations of economic growth in the United States, and market imperfections could produce a sharp drop in demand for dollars to invest in the United States. Such a run on the dollar would lead to a sudden and sharp drop in the dollar's price, and a corresponding sudden rise in the cost of imported goods that could, in turn, reignite inflation, causing a painful adjustment process and seriously damaging the economy.

Lest anyone doubt how easily such a run could develop, and not necessarily in response to changes in underlying market fundamentals, let us recall that the dollar dropped 2.4 percent in 24 hours between 2:30 p.m. on March 18 and 2:30 p.m. on March 19 in response to an Ohio thrift institution going bankrupt and fears that there would be a run on other Ohio savings and loans institutions.

Mr. President, the costs to the U.S. economy associated with the dollar's excessive increase in price, and possible sudden sharp drop in price in the future, are significant and should be avoided. A gradual decline in the price of the dollar from its current high levels is desirable and should be encouraged.

What, then, can be done to achieve a gradual and lasting reduction in the dollar's price to a level that better reflects such underlying trade factors as relative productivity and inflation?

First, we must take action to reduce the Federal budget deficit, in order to reduce the high interest rates that attract foreign capital. Second, the governments of foreign countries with underpriced currencies must stimulate economic growth, to enhance the desirability of investing in those countries. And finally, the governments of all industrialized nations representing the major trading currencies must coordinate their macroeconomic policies. Yet these actions are unlikely to occur, at least to a sufficient extent, in the near future.

There is, however, something the United States can do to supplement and complement these actions. Our Government can intervene in the foreign exchange markets. This is not a new idea; indeed, from the time the dollar began to "float" in 1973 through 1981, the United States intervened often. Intervention was particularly noteworthy in 1978-79 when the United States sought to stem a serious decline in the dollar's price. However, this changed on May 4, 1981, when Beryl W. Sprinkel, Under Secretary of the Treasury for Monetary Affairs, proclaimed the Reagan administration's policy of a "clean float."

Intervention by the United States to purchase substantial amounts of foreign currencies with dollars, thereby developing a "Strategic Foreign Currency Reserve," could correct market imperfections, reduce the extent and slow the pace of exchange rate movements, resist further increases in the dollar's price, and assist its gradual decline.

It is important to note, Mr. President, that a Strategic Foreign Currency Reserve also would provide the Treasury and Federal Reserve Board with the means to moderate any sudden large drop in the dollar's price, by selling the foreign currencies in the reserve and purchasing dollars, thereby helping to support the dollar's price.

The legislation which I am introducing today would direct the Department of the Treasury and Federal Reserve Board to intervene in the foreign exchange markets by purchasing substantial amounts of foreign currencies with dollars. The Secretary of the Treasury and the Chairman of the Federal Reserve Board would be required to exchange, within 3 years, not less than $30 billion in dollars for the currencies of the countries constituting the Group of Ten.

In the unlikely event that international economic conditions change to such a degree that the Secretary and the Chairman agree that complying with the 3-year period would actually defeat the purposes of the act, then they will notify Congress, which may, by joint resolution, approve a 1-year extension.

The Secretary and the Chairman would have discretion to purchase foreign currencies at those times that such intervention would be most effective in resisting and moderating increases in the price of the dollar and assisting its gradual decline in price. They also would seek to coordinate such intervention with the central banks of the Group of Ten whenever possible, and would be authorized to take action to offset the effect of such intervention on the domestic money supply; that is, the intervention could be "sterilized".

On April 30, Senator BAUCUS introduced a resolution—which I cosponsored—calling upon the President to initiate discussions at the Bonn summit on the problems of currency misalignments and exchange rate volatility and possible cooperative approaches to these problems. He did not do so.

On May 15, the Senate adopted an amendment introduced by Senator BRADLEY—which I cosponsored—urging the Secretary of the Treasury and the Chairman of the Federal Reserve Board to take steps, including intervention, to gradually lower the price of the dollar. Yet the administration has not indicated any change in its policy of nonintervention except in the most selected instances of "disorderly markets."

Nor can the recent agreement among the finance ministers of the Group of Ten to increase surveillance of each country's economic policies suffice.

We cannot afford to wait any longer. The overpriced dollar poses a real and present danger of "de-industrialization." I urge my colleagues to support this legislation and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1548

Be it enacted by the Senate and House of Representatives of the United States of America assembled,

SHORT TITLE

SEC. 1. This Act may be cited as the "Strategic Foreign Currency Reserve Act of 1985".

SEC. 2. FINDINGS.—The Congress finds and declares that—

(1) In 1984, the average price of the dollar when measured against the currencies of 10 major trading partners was approximately 60 percent higher than in 1980.

(2) In the first two months of 1985 the price of the dollar rose a further 8 percent, before returning to 1984 levels.

(3) The high price of the dollar makes American goods more expensive in foreign markets, while foreign produced goods become cheaper in the American markets. Thus, the high price of the dollar acts as a tax on American exports and a subsidy of foreign imports.

(4) The high price of the dollar has resulted in much of the growth in domestic demand being satisfied with foreign imports, not domestically produced goods. Since 1980, the high price of the dollar has resulted in the loss of an estimated 2 million jobs, 4 percent in real gross national product, and 9 percent in industrial production.

(5) The high price of the dollar is leading to the deindustrialization of the United States. United States companies are: establishing plants abroad and importing finished products; importing major components and assembling the finished product in the United States; and abandoning foreign markets. Foreign companies are able to build distribution networks in the United States; their increased export volume permits those companies to realize economies of scale and take advantage of state-of-the-art technology.

(6) The high price of the dollars hurts not only United States exports of manufactured goods and services and high technology products but agriculture as well; 1984 American agriculture exports were $2,500,000,000 less than 1980 exports.

(7) The price of the dollar has lost its relationship to international trade flows and is higher than is warranted by underlying factors such as relative productivity and inflation. The increase in the price of the dollar during the last four years occurred despite the existence for record merchandise trade and current account deficits: a cumulative $283 billion and $149 billion for the years 1980-1984.

(8) The increase in the price of the dollar during the last four years has occurred because foreign demand for dollars was so great that it exceeded the available supply, even taking into account the supply of dollars resulting from the need to pay for imports. This demand for dollars has been investment not trade, generated.

(9) Foreign investors who have bought dollars with their currencies to directly and indirectly invest in the United States, have been attracted by higher real interest rates in the United States than abroad (resulting from the administration's unprecedented budget deficits—a cumulative $600 billion—since 1981), as well as expectations of greater economic growth and political stability.

(10) Foreign exchange transactions for investment purposes are estimated to be at least ten times the amount needed to finance international trade transactions. Rapid and large scale capital flows are possible as a result of liberalized and computerized international financial markets.

(11) The international foreign exchange market is subject to numerous market imperfections. Decisions may be based on dated, erroneous or noneconomic information or in anticipation of the continuation of market trends (often referred to as "speculative bubbles" or "bandwagon effects"). Such market imperfections have led to excessive short term fluctuations (volatility) in the dollar's price and have contributed to the market overshooting the correct dollar price (misalignment).

(12) At some point in the future the combination of continuing merchandise trade and current account deficits, reduced expectations of economic growth in the United States, and market imperfections could lead to a sharp drop in the demand for dollars to invest in the United States and a corresponding sharp drop in the price of the dollar. Such a sudden drop in the price of the dollar would lead to a sudden and sharp rise in the cost of imported goods and could reignite pervasive inflation, causing a painful adjustment process and seriously damaging the economy.

(13) The costs to the United States economy associated with the dollar's excessive increase in price, and possible sudden drop in price in the future, are significant and should be avoided.

(14) A gradual decline in the price of the dollar from its current high levels is desirable and should be encouraged.

(15) In order to achieve a gradual, and lasting, reduction in the price of the dollar:

(A) the United States Government must reduce the Federal budget deficit in order to reduce the high interest rates that are attracting foreign capital;

(B) the governments of foreign countries with underpriced currencies must stimulate economic growth in order to improve the desirability of investing in those countries; and

(C) the governments of the industrialized nations representing ther major trading currencies (that is constituting the Group of Ten) must coordinate their macroeconomic policies.

(16) These actions, which are unlikely to occur to a sufficient extent in the near future, can be complemented and supplemented by government intervention in the foreign exchange markets. Between 1973 and 1981 the United States and all other G-10 nations used exchange market intervention (to varying degrees) as a tool of exchange rate policy.

(17) Intervention by the United States Government in the foreign exchange markets to purchase substantial amounts of major foreign currencies with dollars, thereby developing a strategic foreign currency reserve, could: correct market imperfections; reduce the extent and slow the pace of exchange rate movements; resist further increases in the dollar's price; and assist its gradual decline in price.

(18) A strategic foreign currency reserve would also provide the Treasury and Federal Reserve Board with the means to resist any sudden large drop in the dollar's price by selling foreign currencies in the reserve and purchasing dollars, thereby helping to support the dollar's price.

(19) To be most effective, intervention by the Department of Treasury or Federal Reserve Board should be coordinated, whenever possible, with intervention by the central banks of the countries constituting the Group of Ten.

(20) Despite introduction in the Senate of a resolution calling upon the President to initiate discussions with our trading partners about the problems of currency misalignments and exchange rate volatility and possible cooperative approaches to these problems, and passage by the Senate of another resolution urging the Secretary of the Treasury and the Chairman of the Federal Reserve Board to take steps, including intervention, to gradually lower the value of the dollar, the administration has not indicated any change in its policy of nonintervention (except in selected instances of "disorderly markets").

SEC. 3. PURPOSE.—It is the purpose of this Act to require the United States to intervene in foreign exchange markets to:

(1) purchase substantial amounts of major foreign currencies with dollars to resist and moderate increases in the dollar's price and assist its gradual decline in price; and

(2) purchase substantial amounts of dollars with major foreign currencies to prevent sudden large drops in the dollar's price.

SEC. 4. ACQUISITION OF A STRATEGIC FOREIGN CURRENCY RESERVE.—

(1) The Secretary of the Treasury and the chairman of the Federal Reserve Board shall immediately acquire a strategic foreign currency reserve consisting of the currencies of the Group of Ten. The Secretary and the Chairman shall, as soon as possible but not later than three years from the date of enactment of this Act, exchange not less than $30 billion for the currencies of the Group of Ten.

(2) The Secretary and the Chairman:

(a) shall purchase foreign currencies at those times that such action would be most effective in resisting and moderating increases in the dollar's price, or in assisting its gradual decline;

(b) shall coordinate such purchases whenever possible with the central banks of the Group of Ten; and

(c) may take action to offset any effect of such purchases on the domestic money supply.

(3) In the event that the Secretary and the Chairman agree that fulfilling the requirements of subsection (4)(1) within the time period set forth therein would be contrary to the purpose of this Act as set forth in section (3), then they shall so notify Congress. Following receipt of such notice, Congress may, by joint resolution, extend the time within which the Secretary and Chairman shall complete acquisition of the strategic foreign currency reserve by one year.

SEC. 5. USE OF STRATEGIC FOREIGN CURRENCY RESERVE.—

(1) The Secretary of the Treasury and the Chairman of the Federal Reserve Board:

(a) shall use foreign currencies in the strategic foreign currency reserve to purchase dollars in order to prevent sudden large drops in the price of the dollar;

(b) shall coordinate such purchases whenever possible with the central banks of the Group of Ten; and

(c) may take action to offset any effect of such purchases on the domestic money supply.

SEC. 6. REPLENISHMENT OF STRATEGIC FOREIGN CURRENCY RESERVE.—The Secretary of the Treasury and the Chairman of the Federal Reserve Board shall, at their discretion, subject to the provisions of subsection 4(2) and notwithstanding the provisions of subsection (4)1, purchase foreign currencies with any dollars acquired under section 5 of this Act.●

● Mr. BAUCUS. Mr. President, I am pleased to join with my distinguished colleague from New York, Senator MOYNIHAN, in introducing the Strategic Foreign Currency Reserve Act of 1985.

This act should not be necessary. It would not be if this administration recognized we have a problem and would take steps to deal with the dollar.

THE PROBLEM

In the last 4 years the dollar has appreciated some 60 percent against the currencies of our major trading partners. Even with recent declines, the dollar remains overvalued by more than 40 percent.

This is not a costless rise. It is not a source of pride. The overvalued dollar is a source of pain.

It makes our products more expensive to sell. It makes imports cheaper.

The overvalued dollar is a kind of tax—a tax on exports. It is also a subsidy on imports. How long can we ask our workers, industries, and farmers to compete with the dollar working against them?

American workers have foregone raises or taken paycuts to save their jobs—and then seen those jobs disappear offshore because of the overvalued dollar.

Caterpillar Tractor makes some of the best tractors in the world. It is an efficient company with an excellent labor force. It has a productivity and labor-management relations record that would be the envy of the world. But it could not withstand years of an overvalued dollar. It has moved production abroad.

Eastman Kodak testified before the Finance Committee that it achieved a 13 percent increase in productivity last year—and saw that swamped by a rise in the dollar.

The American wheat farmer is the classic example of the efficient producer. American agriculture truly is a miracle. The farmer must fight drought or grasshoppers; he should not have to fight his own currency. But the overvalued dollar raises the cost of American wheat so much that earlier this year Cargill found it would be cheaper to buy Argentine wheat for sale in the United States.

There are areas of disagreement about the causes of our current trade problems. But there is no disagreement—at least not outside the White House—that the overvalued dollar is a major factor.

Ask traders or farmers what has happened to American farm exports. All their answers start with the overvalued dollar.

Ask manufacturers and their employees why plants and jobs have moved offshore. All their answers start with the overvalued dollar.

Ask miners and lumbermen why their industries are in trouble. Their answer is foreign subsidies and the overvalued dollar.

Or, look at the gap between demand and production in the United States during this recovery. Ask why this much heralded investment boom hasn't meant more U.S. production and jobs. The answer: Imports are filling the orders—in part because the dollar makes it cheaper for companies to buy foreign-made equipment.

THE INTERNATIONAL MONETARY SYSTEM

Mr. President, when the world abandoned the Bretton Woods system of fixed exchanged rates for floating rates, no one foresaw what has happened. Floating exchange rates were supposed to be self-correcting. When a country's trade competitiveness declined so would the value of its currency. This in turn would help restore the competitiveness of its exports.

It hasn't worked out that way. Over the last 4 years the United States has had a soaring Federal deficit, a soaring trade defict, and a soaring dollar.

Today trade flows don't seem to dictate currency values. It's the other way around. The value of the dollar now determines whether we can sell our products abroad.

RESPONSES

In today's world a government must take some responsibility for the value of its currency. The exchange rate cannot be something that just happens. We must keep an eye on the international arena when we design economic policy.

Unfortunately, this administration has ignored that reality. And now it refuses to take responsibility for the results of its policies.

No one believes that intervention in the international currency markets can solve all problems of a currency's value. But it is an important tool—and we must be prepared to use it.

We must also recognize that intervention works especially well when the goal is to lower a currency's value. We can sell dollars.

The U.S. Government should be willing to work with other governments and central banks to limit currency volatility and to drive the dollar back toward its equilibrium value.

STRATEGIC CURRENCY RESERVE

This legislation requires our Government to focus on the value of the dollar. It requires our Government to begin to build a strategic reserve of other currencies.

Accumulating such a reserve would serve several purposes. It would push the dollar lower—in part by the selling of dollars and in part by the signal that the U.S. Government wanted to push the dollar lower. It would also assure us a supply of foreign currencies for use at such time as we need to moderate any large drop in the dollar.

These are both important. A signal from the U.S. Government that we wished a decline in the value of the dollar—and that we were prepared to actively pursue that decline—would immediately dampen speculative pressure on the dollar. Accumulation of a strategic currency reserve would also signal that we are prepared to control that decline—and so would also discourage speculation against the dollar.

Mr. President, the strategic currency reserve is not the single all-purpose answer to our trade problems or even to the problem of the overvalued dollar. However, the strategic currency reserve is a start. It is also remarkable in another way—it is that rare piece of legislation that offers only benefits.

Mr. President, we must act now. Plants moved abroad don't come home rapidly. Market share once lost is not easily regained.●

By Mr. DENTON:

S.J. Res. 184. Joint resolution to authorize the Korean War Memorial, Inc., to erect a memorial in the District of Columbia or its environs; to the Committee on Energy and Natural Resources.

ERECTION OF A MEMORIAL BY THE KOREAN WAR MEMORIAL, INC.

Mr. DENTON. Mr. President, I am today introducing legislation to authorize the erection of a memorial to the veterans of the Korean War by the group known as Korean War Memorial, Inc., using private funds.

It is clear that the time has come for our country to acknowledge the contributions and sacrifices of our men and women who served during the Korean War. The Korean War is the only significant conflict in which U.S. troops were engaged that does not have a memorial in our Nation's capital.

The joint resolution would authorize the erection of the memorial on public grounds on a site to the selected by the Secretary of the Interior with the approval of the National Commission of Fine Arts and the National Capital Planning Commission. The design and plans for the memorial would be subject to the approval of the Secretary of the Interior, the National Commission of Fine Arts, the National Capital Planning Commission, and the American Battle Monuments Commission.

No expenditure of Federal funds would be authorized, and the Federal contribution to the construction of the memorial would be limited to the provision of the land. The Secretary of the Interior, however, would be responsible for the maintenance and care of the memorial.

Finally, the authority for Korean War Memorial, Inc., to erect the memorial would lapse if construction does not commence within 5 years after the enactment of the legislation, and unless prior to construction there are sufficient funds collected to ensure completion.

Mr. President, there have been several pieces of legislation introduced in the Congress to provide a Korean War Memorial. Most of them provide for Federal funding. Certainly that may be an appropriate use of Federal funds, but at a time of serious budget deficits it would seem more prudent and responsible to enter in to an undertaking of this type using private funds if at all possible.

It also occurs to me that the Government's track record in the completion of memorials is not one of the best examples of speed and efficiency, as those of us who have visited the beautiful Franklin D. Roosevelt Memorial can attest.

I understand that some of my colleagues have concerns about private funding of a memorial in light of the situation with another memorial. I think it only fair to point out, however, that the Vietnam Veterans Memorial did turn out fairly well, and its popularity certainly attests to its responsiveness to the concerns of many of our citizens. Moreover, I believe it fair to say that that memorial was erected far more quickly with private funds than it would have been with public funds.

In addition, the joint resolution that I am introducing today specifically provides for approval of the design by several responsible organizations. I believe that the inclusion of the American Battle Monuments Commission among them will ensure that the design is fully appropriate.

Finally, I should note that the Korean War Memorial, Inc., represents a responsible group of Korean War veterans, and has the support of many of our veterans organizations. It is worth noting that the activities of Korean War Memorial, Inc., played a major role in awakening public consciousness to the need for a memorial and in bringing the Congress to the point where action to provide a memorial seems assured.

Under its current leadership, Korean War Memorial, Inc., is a responsible organization that is fully aware of the challenge of raising private funding but that is in a position to do it successfully. I believe that it will be able to move quickly and effectively, in a way that satisfies the interests of all concerned.

Mr. President, the time has come for the Congress to act to authorize a Korean War Memorial. The brave men and women who served in our Armed Forces during that conflict deserve no less.

I urge my colleagues to support the joint resolution to authorize a privately funded memorial, and I hope that the Congress will act quickly to provide a fitting tribute to our Korean War veterans.

I ask unanimous consent that the text of the joint resolution be printed in full in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S. J. Res. 184

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Korean War Memorial, Inc. is authorized to erect a memorial on public grounds in the District of Columbia or its environs, subject to authorization by the Secretary of the Interior as provided in section 2 to honor members of the Armed Forces of the United States who served in the Korean War, particularly those who were killed in action, listed as missing in action or held as prisoners of war.

Sec. 2. (a) The Secretary of the Interior is authorized to select, with the approval of the National Commission of Fine Arts and the National Capital Planning Commission, a suitable site on public grounds in the District of Columbia or its environs, upon which may be erected the memorial authorized in the first section of this resolution.

(b) The design and plans for such memorial shall be subject to the approval of the Secretary of the Interior, the National Commission of Fine Arts, the National Capital Planning Commission, and the American Battle Monuments Commission.

(c) Except for the land authorized for the erection of the memorial in the first section, no funds may be expended, obligations incurred, or property given by the United States, the District of Columbia, or any State or local government for the erection of the memorial.

Sec. 3. The authority conferred pursuant to this resolution shall lapse unless—

(1) the erection of such memorial is commenced within five years from the date of enactment of this resolution; and

(2) prior to the erection of the memorial, funds are certified available in an amount sufficient in the judgement of the Secretary of the Interior to insure completion of the memorial.

Sec. 4. The maintenance and care of the memorial and grounds shall be the responsibility of the Secretary of the Interior.

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. Moynihan, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 15, a bill to authorize the Secretary of Health and Human Services to make grants to States for the purpose of increasing the ability of States to provide drug abuse prevention, education, treatment, and rehabilitation, and for other purposes, to authorize the Attorney General to make grants to States for the purpose of increasing the level of State and local enforcement of State laws relating to production, illegal possession, and transfer of controlled substances.

S. 274

At the request of Mr. Denton, the names of the Senator from Wisconsin [Mr. Kasten], the Senator from Georgia [Mr. Mattingly], the Senator from Maryland [Mr. Mathias], the Senator from Pennsylvania [Mr. Heinz], and the Senator from Mississippi [Mr. Stennis] were added as cosponsors of S. 274, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 744

At the request of Mr. Cochran, the name of the Senator from Texas [Mr. Gramm] was added as a cosponsor of S. 744, a bill to amend the Agriculture and Food Act of 1981 to provide protection of agricultural purchasers of farm products.

S. 807

At the request of Mr. Hart, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of S. 807, a bill to authorize payments to States to be used for grants to provide support for family day care providers.

S. 874

At the request of Mr. Chafee, the name of the Senator from Missouri [Mr. Eagleton] was added as a cosponsor of S. 874, a bill to amend the Internal Revenue Code of 1954 by increasing the Federal excise tax on cigarettes by 16 cents per pack to a permanent 32 cents per pack and by providing that revenues from the additional tax be deposited in the Federal Hospital Insurance Trust Fund under the Social Security Act.

S. 942

At the request of Mr. Danforth, the name of the Senator from Maine [Mr. Mitchell] was added as a cosponsor of S. 942, a bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes.

S. 987

At the request of Mr. Exon, the names of the Senator from Washington [Mr. Evans], and the Senator from Kansas [Mr. Dole] were added as cosponsors of S. 987, a bill to recognize the organization known as the Daughters of Union Veterans of the Civil War 1861-1865.

S. 1084

At the request of Mr. Goldwater, the names of the Senator from New Jersey [Mr. Bradley], and the Senator from Montana [Mr. Melcher] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1090

At the request of Mr. Helms, the name of the Senator from Florida [Mrs. Hawkins] was added as a cosponsor of S. 1090, a bill to amend section 1464 of title 18, United States Code, relating to broadcasting obscene language, and for other purposes.

S. 1093

At the request of Mr. Mathias, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of S. 1093, a bill to amend the patent law to restore the term of the patent grant in the case of certain products for the time of the regulatory review period preventing the marketing of the product claimed in a patent.

S. 1153

At the request of Mr. D'Amato, the name of the Senator from Florida [Mrs. Hawkins] was added as a cosponsor of S. 1153, a bill to provide for the distribution within the United States of the United States Information Agency film entitled "Hal David: Expressing a Feeling".

S. 1214

At the request of Mr. DeConcini, the name of the Senator from Pennsylvania [Mr. Specter] was added as a cosponsor of S. 1214, a bill to amend section 215 of title 18, United States Code, to modify the state of mind requirements for certain bank bribery and related offenses.

S. 1233

At the request of Mr. Dole, the names of the Senator from Wisconsin [Mr. Kasten], and the Senator from Wisconsin [Mr. Proxmire] were added as cosponsors of S. 1233, a bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals.

S. 1277

At the request of Mr. Bradley, the names of the Senator from Mississippi [Mr. Stennis], and the Senator from New York [Mr. Moynihan] were added as cosponsors of S. 1277, a bill to amend title XIX of the Social Security Act to provide that States may provide home or community-based services under the Medicaid program without the necessity of obtaining a waiver.

S. 1296

At the request of Mr. Mathias, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 1296, a bill to amend the Immigration and Nationality Act to modify the requirement for naturalization of an understanding of the English language.

S. 1451

At the request of Mr. Chafee, the name of the Senator from Louisiana [Mr. Johnston] was added as a cosponsor of S. 1451, a bill to allocate funds appropriated to carry out section 103 of the Foreign Assistance Act of 1961 for nutrition programs which reduce vitamin A deficiency.

S. 1456

At the request of Mr. Lautenberg, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of S. 1456, a bill to recognize the Army and Navy Union of the United States of America.

S. 1459

At the request of Mr. Bradley, the names of the Senator from Massachusetts [Mr. Kerry], the Senator from Colorado [Mr. Hart], the Senator from Delaware [Mr. Biden], and the Senator from Tennessee [Mr. Gore] were added as cosponsors of S. 1459, a bill to provide secure job opportunities to workers displaced by imports.

S. 1498

At the request of Mr. Weicker, the names of the Senator from Iowa [Mr. Harkin], and the Senator from Utah [Mr. Hatch] were added as cosponsors of S. 1498, a bill to amend the Internal Revenue Code of 1954 to provide tax incentives for the issuance of small business participating debentures.

S. 1531

At the request of Mr. Lautenberg, the names of the Senator from New Hampshire [Mr. Humphrey], and the Senator from New York [Mr. Moynihan] were added as cosponsors of S. 1531, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide for improved emergency planning and notification of releases of hazardous substances, and for other purposes.

SENATE JOINT RESOLUTION 68

At the request of Mr. Dodd, the name of the Senator from Virginia [Mr. Trible] was added as a cosponsor of Senate Joint Resolution 68, a joint resolution to designate November 21, 1985, as "William Beaumont Day."

SENATE JOINT RESOLUTION 156

At the request of Mr. Murkowski, the name of the Senator from Indiana [Mr. Quayle] was added as a cosponsor of Senate Joint Resolution 156, a joint resolution authorizing a memorial to be erected in the District of Columbia or its environs.

SENATE JOINT RESOLUTION 159

At the request of Mr. Johnston, the names of the Senator from Georgia [Mr. Nunn], the Senator from Virginia [Mr. Trible], the Senator from Florida [Mr. Chiles], the Senator from Mississippi [Mr. Cochran], and the Senator from Montana [Mr. Melcher] were added as cosponsors of Senate Joint Resolution 159, a joint resolution to designate the rose as the national floral emblem.

SENATE JOINT RESOLUTION 166

At the request of Mr. Moynihan, the names of the Senator from Montana [Mr. Melcher], and the Senator from New Mexico [Mr. Bingaman] were added as cosponsors of Senate Joint Resolution 166, a joint resolution to appeal for the release of Dr. Yury Orlov and other Helsinki Final Act monitors.

SENATE JOINT RESOLUTION 175

At the request of Mr. Proxmire, the names of the Senator from Washington [Mr. Gorton], and the Senator from New Hampshire [Mr. Humphrey] were added as cosponsors of Senate Joint Resolution 175, a joint resolution to designate the week of August 25, 1985, through August 31, 1985, as "National CPR Awareness Week."

SENATE JOINT RESOLUTION 176

At the request of Mr. D'Amato, the names of the Senator from Nevada [Mr. Hecht], and the Senator from Illinois [Mr. Simon] were added as cosponsors of Senate Joint Resolution 176, a joint resolution to provide that a special gold medal honoring George Gershwin be presented to his sister, Frances Gershwin Godowsky, and a special gold medal honoring Ira Gershwin be presented to his widow, Leonore Gershwin, and to provide for the production of bronze duplicates of such medals for sale to the public.

SENATE CONCURRENT RESOLUTION 58—RELATING TO INFORMATION REGARDING MEDICARE BENEFITS

Mr. PROXMIRE submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. Con. Res. 58

Whereas thirty million elderly and disabled Americans rely upon the Medicare program for essential health care;

Whereas the new prospective payment system for hospitals has resulted in unintended confusion among Medicare beneficiaries regarding their entitlement to hospitalization;

Whereas Medicare beneficiaries have not always had their questions regarding their rights and responsibilities clearly and accurately answered during their period of hospitalization;

Whereas the Congress believes that the Medicare program, senior citizen groups, the hospital industry, physicians and nurses should work together to resolve this problem cooperatively: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the Congress reaffirms its strong support for the Medicare program on this, its twentieth anniversary, and for the right of all Medicare beneficiaries to accurate and timely information regarding their Medicare benefits during a period of hospitalization;

(2) The Secretary of Health and Human Services should use her good offices to immediately convene a Working Group of representatives from senior citizen groups, the hospital industry, physicians and nurses to draft within 90 days a simple statement of Medicare Patients' Rights and Responsibilities;

(3) the Secretary of Health and Human Services should transmit copies of the completed Statement to all Members of Congress, all hospitals and physicians participating in the Medicare program as well as provide copies upon request; and

(4) all hospitals participating in the Medicare program should voluntarily reproduce and distribute the completed Statement to all Medicare beneficiaries upon admission and to their families or guardians, upon request.

Sec. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the Secretary of the Department of Health and Human Services.

SENATE CONCURRENT RESOLUTION 59—COMMENDING PRIVATE SECTOR EFFORTS TO ALLEVIATE HUNGER

Mr. TRIBLE submitted the following concurrent resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. Con. Res. 59

Whereas a large number of people in this country are not able to regularly supply themselves and their families with food;

Whereas food banks, soup kitchens, and other emergency food providers are witnessing a substantial increase in the number of persons seeking food assistance;

Whereas gleaning is a partnership between food producers and nonprofit organizations through which food producers permit members of such organizations to collect grain, vegetables, and fruit which have not been harvested and distribute such food items to programs which provide food to needy individuals;

Whereas support of gleaning to supply food to the poor is part of the Judeo-Christian heritage as set out in the Book of Leviticus, "When you reap the harvests of your land, do not reap to the very edges of your field or gather the gleanings of your harvest. Do not go over your vineyard a second time or pick up the grapes that have fallen. Leave them for the poor and the alien.";

Whereas a 1977 General Accounting Office analysis estimated that during the 1974 harvest 60,000,000 tons of grain, vegetables, and fruit, valued at $5,000,000,000 were unharvested;

Whereas the diets of millions of hungry people in the United States could have been supplemented with such lost grain, vegetables, and fruit;

Whereas a number of State and local governments have enacted Good Samaritan laws which limit the liability of food donors and provide an incentive for food contributions; and

Whereas numerous civic, religious, charitable, and other nonprofit organizations throughout the country have begun gleaning programs to harvest such food items and channel them to the hungry in the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) food producers who permit gleaning of their fields and civic, religious, charitable, and other nonprofit organizations which glean fields and distribute the resulting harvest to help alleviate hunger should be commended for their efforts; and

(2) State and local governments should be encouraged to enact tax and other incentives designed to increase the number of food producers who permit gleaning of their fields and the number of shippers who donate, or charge reduced rates for, transportation of gleaned produce.

Mr. TRIBLE. Mr. President, I am submitting a concurrent resolution today commending those farmers and charitable organizations who, by gleaning America's farmlands, help to alleviate hunger both here and abroad. Representative Tony Hall is sponsoring an identical resolution in the House.

Throughout the United States, farmers are donating surplus crops to the hunger relief effort. Charitable groups are heavily involved in distributing those crops to hungry individuals in America and around the world. Many States, including the Commonwealth of Virginia, have enacted tax incentives intended to encourage surplus crop donations. The people involved in these worthwhile efforts deserve to know that the Congress supports their work. My concurent resolution would commend the individuals involved, and encourage State and local governments to adopt tax incentives and other measures that will promote this type of hunger relief effort.

This activity in the area of crop donation could not have come at a better time. The specter of starvation looms most heavily today over the continent of Africa, but tragically, Africa is not the only continent afflicted by the threat of starvation.

Acute hunger and malnutrition persist in many areas around the world. In addition, several recent studies suggest that hunger might well be on the increase here in the United States.

Gleaning of America's farmlands can help to resolve these urgent problems. Through this process, food producers and hunger relief organizations collect vegetables, grain, and other crops which might have been passed over during a first harvest or may not be suitable for sale. Those food items are then distributed to needy individuals in the United States and other nations, rather than simply discarded.

One of the best examples of such an effort is "The Potato Project," based in my own State of Virginia. This program is administered largely by three individuals from the society of St. Andrew in Big Island, VA. It began as a temporary effort to distribute surplus potatoes to hungry families in Virginia and the District of Columbia. Yet, after only 2 years, the society has distributed millions of pounds of surplus potatoes—which otherwise would have simply been thrown away—to needy individuals in more than 40 States.

Mr. President, I ask unanimous consent that a recent Washington Post article describing the potato project be printed in the Record at this time:

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 5, 1984]

Potato Power: 2 Virginia Pastors Gather Tons of Tubers to Feed Needy in D.C., 35 States

(By Marjorie Hyer)

Big Island, Va.—Nothing about the weather-beaten sheep shed off a narrow gravel road that twists up through the Blue Ridge some 30 miles west of Lynchburg suggests it is the headquarters of a growing national hunger-fighting organization.

But before the year is out, a unique operation called the Potato Project, based here, will have rescued 8 million pounds of potatoes from garbage heaps and dispatched them to hungry people in 35 states and the District of Columbia.

Begun 14 months ago by two United Methodist preachers, the Potato Project has forged a long-missing link in the food distribution chain between waste in the fields and hungry people in the cities.

The basic premise is simple: Collect potatoes that are not marketable—because they are misshapen or were nicked by the digging machines—but are perfectly good to eat, and ship them to food warehouses and soup kitchens in cities and on Indian reservations.

"We stumbled into it last spring [1983] and were just going to do it for eight weeks, from the Eastern Shore to eight Virginia cities and the District of Columbia," said the Rev. Ray Buchanan, one of the founders of the Potato Project. "Somehow, we just never stopped."

From the improvised office in their hill country sheep shed, Buchanan and his partner, the Rev. Kenneth Horne, have distributed potatoes through more than 80 outlets, at a cost currently running at 3.8 cents a pound. They plan to double the volume in 1985, as well as branching out into such items as green beans, corn and frozen fish. They learn about available potatoes "by word of mouth," Horne said. "You work with one farmer. He learns that things are on the up and up, and he says, 'I know a guy you ought to call,' and the word gets around."

Last week, for example, they had a call from a broker on Virginia's Eastern Shore whom they had got in touch with four or five months ago. Could the Potato Project use a load of potatoes rejected by the "chippers" because they had knots on them and wouldn't fit in the potato chip machinery?

They could.

Two days later, a huge silver tractor-trailer truck eased into the space behind First Rising Mount Zion Baptist Church on N Street NW and dumped 49,000 pounds of potatoes for the Council of Churches to distribute to the poor in Washington.

To keep costs at a minimum, the Potato Project seeks distribution sites as close as possible to where the potatoes are grown. "We try to make sure that nothing is resold, and we try to make sure it gets to the people who need it," Horne said.

Their United Methodist connections come in handy, but "if we find a place where there's not a Methodist Church, we can always call the Episcopalians or the Lutherans," Horne said.

Buchanan and Horne are convinced they have only scratched the surface of a mountain of food that could go to the needy. "We'll move 8 million pounds [of potatoes] this year, and we're only dealing with 27 or 28 growers" in a dozen states, Buchanan said. "In Maine alone there are 1,100 growers.

"Last year, one grower, who is also a broker, gave us 2.4 million pounds. I asked him, 'What did you do before we came along?' He said, 'Well, I gave the starch plant all they could use, and then I dumped 3 million pounds.'"

The Potato Project pays the growers' cost of bagging the potatoes—the bulk load that went to Washington last week was unusual—and the freight to the nearest distribution center, though the receiving food banks or soup kitchens are invited to help pay shipping costs if they can.

Besides the satisfaction of knowing the potatoes are nourishing to someone in need, the grower may get a tax benefit for a charitable contribution. Buchanan has been lobbying both in Richmond and in Washington recently to get laws covering such benefits strengthened.

The early days of the Potato Project were particularly chaotic on the financial front, Kenneth Horne's brother David recalled. "There was a time last winter when we were in a really tight financial situation.

"We finally got out from under, and Ken went off to raise some money so we would have a little cushion. But while he was gone, a guy called and wanted to give us 2.25 million pounds. And somebody else called with another batch. We hated to turn them down, so when Ken came back in a couple days, he was all excited because he'd raised $6,000. But we'd already spent it!" David Horne said.

Buchanan and Kenneth Horne, both Vietnam veterans who have been friends ever since they began graduate study for the ministry at Duke University, have long since given up the pastoral ministry to operate the Potato Project full time, though "somebody is speaking somewhere about three times a month," Buchanan said.

The speaking helps raise money to keep the project going. The three administrators pay themselves salaries of $17,500 each. Bills for telephone service, which is essential, run to $600 or more a month, David Horne said.

The bulk of next year's $646,300 budget will go for bagging the potatoes and for freight. "We're looking for donated bags and donated freight, but donated freight is very difficult to arrange because of the nature of the business," said fund-raiser Horne.

Farmers and processors have offered them other foodstuffs. "A green bean packer on the Eastern Shore of Virginia said he could give me several hundred bushels of green beans," Buchanan said. Their only flaw: they are too long or too short to fit into the processing machinery.

There have also been offers of frozen fish, dairy products, even watermelons.

"What we foresee at some time in the future is that we may get so many potatoes given to us that we can't use them all fresh, so we may want to experiment with dehydration. Then you get into a whole new ballgame," said Buchanan.

"One of the things that makes this program is that it's not just direct relief; it strikes at one of the systemic causes of hunger," he said. Given the amount of food that they have already collected, and the tons more they know is out there, he said, "the only limitation to the program is financial."

Mr. TRIBLE. Mr. President, the potato project is but one of many gleaning programs that are helping to feed hungry individuals. But it is a valuable and moving example of volunteerism at work, and it is exactly the type of private-sector effort that we in the Congress should be encouraging.

My concurrent resolution would do so by commending such efforts and acknowledging the contribution they make to hunger relief. It would also encourage those State and local governments which have not already done so to enact measures that will promote gleaning programs like the potato project.

It is tragic that hunger persists both in America and around the world. But the many private citizens who are working to end hunger deserve our recognition and our support. I urge my colleagues to join me in cosponsoring this concurrent resolution.

SENATE CONCURRENT RESOLUTION 60—NATIONAL INVESTMENT IN RESEARCH AND ADVANCED EDUCATION CAPABILITIES

Mr. DANFORTH (for himself, Mr. Dodd, Mr. Eagleton, Mr. Chafee, Mr. Gorton, Mr. Moynihan, Mr. Bradley, Mr. Kennedy, Mr. Pell, Mr. Heinz, Mr. Ford, Mr. Riegle, Mr. Hollings, Mr. Lautenberg, Mr. Sasser, and Mr. Cohen) submitted the following concurrent resolution; which was referred to the Committee on Labor and Human Resources:

S. Con. Res. 60

Whereas the long-term economic vitality, security, and well-being of the Nation depend on its ability to sustain investment in the search for new knowledge and to educate future generations in essential scientific, engineering, biomedical, and technological skills;

Whereas the effectiveness of the national defense a position of sustained leadership in basic science, engineering and technological development, and the Nation's capacity to educate and train the most able citizens must be sustained and protected to guarantee that leadership;

Whereas the health and well-being of our people depend on the sustained national investment in fundamental biomedical research and the improvements in health care that result from the search for knowledge;

Whereas institutions of higher education are national resources essential to retaining the Nation's leadership position in the internatonal marketplace, because the institutions educate scientists, engineers, biomedical researchers, and skilled managers, and create new knowledge that underlies technological and economic development;

Whereas the Nation cannot presume the availability of sufficient numbers of highly trained and talented research scientists, teachers, and scholars, unless national policy provides incentives to bring about that result;

Whereas quality research, scholarship, and education at institutions of higher education depend on the exercise of national and State leadership and the will to establish and sustain balanced Federal and State policies designed to assure long-term excellence in basic science research and advanced education programs;

Whereas the Nation's research and graduate programs in institutions of higher education and the research instrumentation and facilities essential to such programs are vital to the search for solutions to national problems such as security, health care, energy, industrial producitivity, education, agriculture, and the environment;

Whereas national investment in higher education research and graduate programs and in the modernization of research laboratories is a responsibility of the Federal Government through its major research agencies, including the Department of Energy, Department of Defense, National Aeronautics and Space Administration, National Institutes of Health, National Science Foundation, and Department of Agriculture, in partnership with the States, private industry, local governments, the institutions of higher education, and others;

Whereas Federal research agencies require adequate information assessing the physical condition and needs of the research laboratories and facilities of institutions of higher education to conduct federally sponsored research; and

Whereas the capacity of universities and colleges to conduct research and graduate education programs on the forefront of science and technology has eroded: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) a renewed national investment to strengthen the research and advanced education capabilities of institutions of higher education is needed; and

(2) the major research agencies of the Federal Government (the Department of Energy, Department of Defense, National Aeronautics and Space Administration, National Institutes of Health, National Science Foundation, and Department of Agriculture) should strengthen their investment in research and graduate education programs by—

(A) planning for and providing sustained investments in research and graduate programs in fields of basic science and fundamental engineering essential to the missions of the Federal agencies specified in this resolution;

(B) establishing and strengthening programs to upgrade and replace obsolete research instrumentation and equipment in laboratories of institutions of higher education;

(C) rehabilitating, modernizing, or otherwise improving the quality of research facilities and laboratories of institutions of higher education in which Federally assisted basic research and graduate programs are carried out;

(D) strengthening and expanding graduate fellowships, making awards to individuals and to science and engineering departments of institutions of higher education engaged in research;

(E) providing incentives and expanded opportunities for young investigators to pursue academic research careers;

(F) modernizing and improving undergraduate, graduate, and professional science and engineering instructional programs through the sustained support of faculty research, faculty professional development, instructional laboratory equipment and curricula; and

(G) undertaking a continuing assessment of the physical condition and needs of research facilities of institutions of higher education.

Mr. DANFORTH. Mr. President, today Senator Dodd and I, along with several other Senators, are submitting legislation affirming the need for a renewed national investment to strengthen the research and advanced education capabilities of our Nation's universities and colleges. This legislative effort was begun with the introduction of S. 1537 2 years ago. The idea behind the ongoing effort is to lay down a basic blueprint upon which each Congress can act.

I am gratified to report since 1983, progress has been made. Funding for basic science research for the six Federal research agencies has increased. And for the 1986 fiscal year, the President requested that funds for research and development be increased by nearly 20 percent for the National Aeronautics and Space Administration and by roughly 12 percent for the Department of Defense. However, so much more needs to be done.

During the 1950's and 1960's, our national investment in basic science and technological research reached unprecedented levels. Because of that investment, the United States was able to lead the world in major breakthroughs in areas of biomedical science, space science and engineering. Examples of our leadership in these fields include development of the polio vaccine and successful manned space mission.

Since that time, however, the research equipment and facilities of our Nation's research universities and colleges have become obsolete and worn out. Failure to revitalize the research infrastructure at this critical juncture through additional Federal, State, and private support will seriously weaken the ability of our universities and colleges to make new discoveries in such areas as national security, health care, energy, individual productivity, the environment, and agriculture. Unless we begin to work resolutely to stem this erosion of the basic science infrastructure, our national security, technical capacity, and economy will falter.

There is agreement that a serious problem exists; however, no reliable studies are yet available regarding the specific needs and costs of restoring our Nation's research capacity. Recently, the National Science Foundation surveyed the instrumentation needs of universities and colleges and found that:

Of the university department heads surveyed, 72 percent reported that lack of equipment was preventing critical experiments.

Universities' inventories of scientific equipment showed that 20 percent was obsolete and no longer used in research.

Of all instrument systems in use in research, 22 percent were more than 10 years old.

Only 52 percent of instruments in use were reported to be in excellent working condition.

Of university department heads surveyed, 49 percent rated the quality of instrument-support services—machine shop, electronics shop, and so forth—as insufficient or nonexistent.

The instrumentation problem is but the tip of the iceberg. The problem of replacing and modernizing the research buildings and laboratories is believed to be more acute. The American Association of Universities reported in 1981 that universities were able to meet only about half of their accumulating needs to replace, modernize, and renovate their research laboratories. In recent testimony before the House Committee on Science and Technology, Chancellor Donald Langenberg of the University of Illinois at Chicago conservatively estimated the immediate research facilities deficit at his university to be several hundred million dollars. He added that the estimate did not include the projected requirements of new research programs.

Estimates of the nationwide need for instrumentation and facilities are of course much greater. Dr. Bernadine Healy, Deputy Director of the Office of Science and Technology Policy, has stated that estimates of the cost of renovating and modernizing the university research infrastructure range from $15 billion to more than $20 billion over a 5-year period.

To address the problem adequately, comprehensive studies must be undertaken to assess the needs and costs of restoring university and college research facilities. The House recently responded to this need for reliable information on the magnitude of the problem by approving an authorization bill for the National Science Foundation [NSF] that directs the NSF to assess the research needs of universities. The NSF authorization reported by the Senate Committee on Commerce, Science, and Transportation also includes this provision.

The Nation's continued leadership in science and technology also depends on a sufficient supply of talented and highly trained research scientists, scholars, and teachers. Currently, national support for young scientists in the form of graduate fellowships and young faculty development awards is inadequate to attract the most talented young scientists to academic research and teaching. We are losing many of our best young scientists to private industry which attracts them with high salaries and state of the art equipment and facilities. If this continues, our universities and colleges will be unable to provide the training that new generations of scientists and engineers will need.

The Federal Government has traditionally played the leading role in supporting basic science research, and it must continue to do so. Two years ago, I, along with Senator Eagleton and others, introduced S. 1537, the University Research Capacity Restoration Act of 1983. S. 1537 was prompted by our concern about the ability of our universities and colleges to educate the future generations of scientists, engineers, biomedical researchers, and skilled managers essential to the long-term vitality, security, and well-being of the Nation. That bill was intended to serve as a 5-year blueprint for increased and sustained Federal investment in our Nation's university and college research capacity. Specifically, the bill gave the six Federal research agencies and departments—the National Aeronautics and Space Administration, the National Institutes of Health, the National Science Foundation, and the Departments of Agriculture, Energy, and Defense—authority, where necessary, and increased funding to achieve the objective of restoring and revitalizing our research capacity.

Since S. 1537 was introduced in the last Congress, Congress and the administration have shown a commitment to restoring our research capacity. The administration requested additional funds for basic research for fiscal year 1986, even though it called for an overall reduction in Federal spending. In the House, Representative Don Fuqua recently introduced a bill—H.R. 2823—which seeks to revitalize the Nation's research programs at our universities and colleges by requiring the six major Federal resarch agencies—NSF, NIH, DOD, DOE, NASA, and USDA—to reserve a portion of their research and development funds for the replacement or modernization of laboratories and other research facilities at universities and colleges.

The concurrent resolution that we are submitting today continues our effort in the Senate to strengthen the research and advanced educational capabilities of our universities and colleges. Specifically, this concurrent resolution recommends that the major research agencies of the Federal Government strengthen their investment in research and graduate education programs by: (1) Planning for and providing sustained investments in research and graduate programs in those fields of basic science and fundamental engineering essential to their missions; (2) establishing and strengthening programs to upgrade and replace obsolete research instrumentation and equipment in university and college laboratories; (3) rehabilitating, modernizing, or otherwise improving the quality of university and college research facilities and laboratories in which agency-funded basic research and graduate programs are carried out; (4) strengthening and expanding graduate fellowships and making awards to individuals and to university science and engineering departments engaged in research; (5) providing incentives and expanded opportunities for young scientists and engineers to pursue academic research careers; (6) modernizing and improving undergraduate, graduate, and professional science and engineering instructional programs through the sustained support of faculty research, faculty professional development, instructional laboratory equipment and curricula; and (7) undertaking a continuing assessment of the physical condition and needs of university and college research facilities.

Although the Federal Government must play the lead role, it can not afford to meet the facility needs of our universities and colleges alone, particularly in light of the escalating Federal deficit. The States, private industry, local governments, the universities, and colleges should join with the Federal Government in solving this problem. Earlier this year, I introduced legislation—S. 58—to encourage private support for university-based research. That bill would amend the Internal Revenue Code to create a new tax credit for corporate contributions to universities for basic research and to expand the present enhanced deduction to corporate contributors of scientific equipment to colleges and universities for use in research or research training. S. 58 is one approach to the facility needs problem. Other approaches should also be proposed.

Mr. President, the concurrent resolution that we are submitting today is but one of several efforts in this Congress to revitalize basic science research and advanced education programs of our Nation's universities and colleges. Although Congress and the administration have already taken important steps toward this goal, much more must be done. The Nation's future depends upon our success. Even during a time of restraint in Federal spending, restoration and revitalization of our Nation's research capacity must be a priority. I hope that my colleagues will realize the importance of this issue to the Nation and support this concurrent resolution.

Mr. EAGLETON. Mr. President, I am pleased to join with Senators Danforth, Dodd, and Chafee as a principal sponsor of this concurrent resolution stating the need to renew and strengthen our commitment to high quality research and graduate programs in our institutions of higher education through various programs within the Departments of Energy, Defense, and Agriculture, the National Aeronautics and Space Administration, the National Institutes of Health, and the National Science Foundation.

The resolution states clearly the primacy of basic research and education to the national welfare. Our economic strength, national security, health, and the future well-being of our people all depend upon our continued capacity to educate our most able young minds to seek new knowledge necessary to respond to the rapidly changing world in which we live.

Report after report, in recent years, has documented the growing inadquacy of our advanced education and research enterprise. Many research laboratories, and the instruments they contain, are seriously out of date. Too many of our brightest young minds are turning away from research laboratories because of uncertainties in funding for research programs and inadequate stipends.

Dr. George Keyworth, Science Advisor to the President, recently stated,

> I'm concerned about our ability to sustain the kind of leading-edge basic research program this country absolutely must have. We can't take it for granted. We have to convince others of its importance, and we have to make sure that the current priority for basic research is maintained.

Making sure that a priority for basic research and its resource base is maintained is precisely what this resolution is designed to achieve. I urge all of my colleagues to join with us in this initiative and the subsequent legislative steps which will be needed to carry out this commitment to preserving our scientific leadership.

AMENDMENTS SUBMITTED

INFLIGHT EMERGENCY MEDICAL CARE

GOLDWATER AMENDMENT NO. 563

Mr. GOLDWATER proposed an amendment to the bill (S. 63) to encourage the rendering of inflight emergency care aboard aircraft by requiring the placement of emergency first aid medical supplies and equipment abroad aircraft and by relieving appropriate persons of liability for the provision and use of such equipment and supplies; as follows:

> On page 4, line 9, insert "(other than a physician or an osteopath)" immediately after "personnel".
>
> On page 4, strike all from line 24 through line 11 on page 5.

USE OF OFFICIAL MAIL IN THE LOCATION AND RECOVERY OF MISSING CHILDREN

METZENBAUM AMENDMENT NO. 564

Mr. **METZENBAUM** proposed an amendment to the amendment of the House of Representatives to the bill (S. 1195) to require that a portion of the mail of Congress and the executive branch include a photograph and biography of a missing child; as follows:

Subsection (c) of section 1 of the bill is amended by—

(1) inserting "(1)" before "Section 3204 (a)"; and

(2) inserting at the end thereof the following:

(2) Section 733 of title 44 United States Code, is amended by inserting after the second sentence of the second undesignated paragraph the following: "Franks may also contain information relating to missing children as provided in section 3220 of title 39.".

ANTITRUST REMEDIES FOR AGRICULTURAL PRODUCT SELLERS

PRESSLER AMENDMENT NO. 565

(Ordered to lie on the table.)

Mr. **PRESSLER** submitted an amendment intended to be proposed by him; as follows:

SECTION 1. The Clayton Act (15 U.S.C. 12 et seq.) is amended by inserting after Section 4H the following new section:

SEC. 4I. (a) An action under sections 4, 4A, or 4C for damages resulting from any underpayment received on the sale of agricultural products shall not be barred because the person seeking such damages is not a direct seller to the defendant; *provided, however*, the person seeking such damages must have possessed the agricultural product for feeding or growing purposes for at least 21 days prior to sale.

(b) In any action under sections 4, 4A, or 4C for damages resulting from any underpayment received on the sale of agricultural products or the sale of products processed therefrom, the person seeking such damages shall not recover for any amount of an underpayment that has been passed on the other persons, who themselves are entitled to recover damages for such underpayment under sections 4, 4A, or 4C.

SEC. 2. The amendments made by this Act shall become effective upon the date of the enactment of this Act.

● Mr. **PRESSLER**. Mr. President, I want to join in support of the majority leader's efforts to bring the farm bill to the floor for debate. Farmers in my home State of South Dakota will soon be going to the fields to plant their winter wheat and do fall tillage in preparation for next year's crop. They need to know what the 1985 farm bill will include if they are to make sound planting and financial decisions. We need to pass a farm bill so they know where they stand.

Earlier this year, I introduced a bill containing several sections of a farm bill. The primary focus of that bill was to hold down the cost of the farm program, direct farm program benefits to family-size farmers, provide for a sound Soil Conservation Program, and expand our export markets. These should be the basis of any farm bill we pass. However, when passing a sound farm bill, we must also keep in mind the record budget deficits we are currently facing.

Farmers prefer to receive their price from the market, rather than from the Government. However, in recent years the market price has been far below the cost of production. This has caused severe financial problems for many farmers. I plan to offer an amendment which would allow farmers to receive a fair price for their product from the marketplace. I will also be offering several other amendments on various sections of the bill.

Mr. President, I hope that we can pass the farm bill before the August recess. Farmers need to know what the farm program is going to be and Congress needs to do its work and tell them what that farm program will include.

Today I am filing an amendment which I intend to offer to the 1985 farm bill or any other appropriate bill which may be considered.

My amendment would amend the Clayton Act to allow agricultural producers to file antitrust suits against food manufacturers and retailers for price fixing or market manipulation. Currently indirect sellers of purchasers are prohibited from filing antitrust suits and collecting damages. I believe it is critical that the issue be considered at the earliest possible time.●

LEGISLATIVE BRANCH APPROPRIATIONS, FISCAL YEAR 1986

D'AMATO AMENDMENT NOS. 566 AND 567

Mr. D'AMATO proposed two amendments to the bill (H.R. 2942) making appropriations for the legislative branch for the fiscal year ending September 30, 1986, and for other purposes; as follows:

AMENDMENT No. 566

Page 20 line 15: Insert after line 15 a new paragraph as follows:

"Of the funds appropriated under this head in Public Law 98-367 for demolition and paving of Square 724, $561,000 shall remain available until September 30, 1986."

AMENDMENT No. 567

Page 19 line 20: Insert after line 20 a new paragraph as follows:

"Of the funds appropriated under this head in Public Law 98-367, not to exceed $109,000 shall remain available until September 30, 1986."

QUAYLE (AND FORD) AMENDMENT NO. 568

Mr. QUAYLE (for himself and Mr. FORD) proposed an amendment to the bill H.R. 2942, supra; as follows:

At the appropriate place in the text of the bill insert the following: There is established for the duration of the 99th Congress a select committee of the Senate to be known as the Select Committee on the Two-Year Budget (hereafter in this resolution referred to as the "select committee"). The select committee shall be composed of twelve members of the Senate, six from the majority party and six from the minority party, to be appointed by the President of the Senate upon the recommendation of the majority leader and the minority leader.

(b) Of the twelve members—

(1) two members shall be from the Committee on the Budget;

(2) two members shall be from the Committee on Rules and Administration;

(3) two members shall be from the Committee on Governmental Affairs;

(4) two members shall be from the Committee on Appropriations; and

(5) four members shall be from the Senate at large.

(c) The select committee shall select a chairman from among its majority members and a cochairman from among its minority members.

SEC. 2. (a) A majority of the members of the select committee shall constitute a quorum for the transaction of business, except that the select committee may fix a lesser number as a quorum for the purpose of taking sworn testimony.

(b) Vacancies in the membership of the select committee shall not affect the authority of the remaining members to execute the functions of the committee, and shall be filled in the same manner as original appointments are made.

(c) The select committee shall adopt rules of procedure not inconsistent with the rules of the Senate governing standing committees of the Senate.

(d) Service of a Senator as a member or as chairman of the select committee shall not be taken into account for the purposes of paragraph 4 of rule XXV of the Standing Rules of the Senate.

SEC. 3. (a) It shall be the duty of the select committee to—

(1) study and review legislative proposals to improve the operation of the congressional budget process, including proposals for the two-year budget; and

(2) recommend specific legislation to improve the operation and enforcement of the congressional budget process, including such components of two-year budgeting which the select committee finds to be desirable and feasible.

In carrying out clause (1) of this subsection, the select committee shall pay particular attention to the need to free the time of senators from unnecessary repetitive operations, to encourage oversight of enacted legislation by committees, to provide stable funding expectations to State and local governments, and to maintain accurate budgetary estimates and assessments of national needs and priorities.

(b) The select committee shall report and make recommendations to the Senate within 180 days after the adoption of this resolution.

SEC. 4. (a) For the purposes of this resolution, the select committee is authorized (1) to employ personnel, (2) to make expenditures from the contingent fund of the Senate, (3) to hold hearings, and (4) to sit and act at any time or place.

(b) With the consent of the chairman and ranking minority members of any other committee of the Senate, the select committee may utilize the facilities and the services of the staff of such other committee of the Senate, or any subcommittee thereof, whenever the chairman and the cochairman of the select committee determines that such action is necessary and appropriate.

SEC. 5. Expenses of the select committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the select committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees of the select committee who are paid at an annual rate, or, (2) for the payment of long-distance telephone calls. Total expenditures for the select committee shall not exceed $300,000.

HAWKINS AMENDMENT NO. 569

Mr. D'AMATO (for Mrs. HAWKINS) proposed an amendment to the bill H.R. 2942, supra; as follows:

On page 6, after line 2, insert the following:

EXPENSES OF UNITED STATES INTERNATIONAL NARCOTICS CONTROL COMMISSION

For expenses of the United States International Narcotics Control Commission, as authorized by section 814 of the Foreign Relations Authorization Act, passed by the Senate on July 31, 1985, $325,000.

EARTHQUAKE HAZARDS REDUCTION ACT AUTHORIZATION

GORTON AMENDMENT NO. 570

Mr. DOLE. (for Mr. GORTON) proposed an amendment to the amendments of the House to the bill (S. 817) to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes; as follows:

In section 2, strike "35,044,000" and insert in lieu thereof "$35,578,000"; and strike "$36,621,000" and insert in lieu thereof $37,179,000".

In section 6, strike "and" at the end and insert in lieu thereof the following:

and".

SEC. 7. Section 2(b)(3) of the National Bureau of Standards Authorization Act for Fiscal Year 1986 (Public Law 99-73) is amended by striking "(7), and (8)" and inserting in lieu thereof "· nd (7)".

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION

GORTON AMENDMENT NO. 571

Mr. DOLE (for Mr. GORTON) proposed an amendment to the amendment of the House to the bill (S. 818) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974; as follows:

Strike "$22,953,000" and insert in lieu thereof "$22,037,000".

HIGHWAY SAFETY GRANT AUTHORIZATION

LAUTENBERG (AND DANFORTH) AMENDMENT NO. 572

Mr. BYRD (for Mr. LAUTENBERG for himself and Mr. DANFORTH) proposed an amendment to the bill (S. 1529) to authorize appropriations for State and community highway safety grants, and for other purposes; as follows:

At the end of the bill, add the following:

SEC. 3. Section 158 of title 23, United States Code, is amended—

(1) in subsection (a)(2), by striking "the fiscal year" and inserting in lieu thereof "each fiscal year"; and

(2) in subsection (b), by striking "in fiscal year if in any succeeding fiscal year" and inserting in lieu thereof "in the fiscal year beginning after September 30, 1986, or the fiscal year beginning after September 30, 1987, if before the end of the period for which such funds would be available for expenditure under section 118(b) of this title".

DANFORTH AMENDMENT NO. 573

Mr. DOLE (for Mr. DANFORTH) proposed an amendment to the bill S. 1529, supra; as follows:

At the end of the bill, add the following:

SEC. . Section 403 of title 23, United States Code, is amended by adding at the end thereof the following:

"(g) There is authorized to be appropriated for purposes of carrying out this section not to exceed $31,000,000 for fiscal year 1987.".

NOTICES OF HEARINGS

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

Mr. DURENBERGER. Mr. President, I wish to announce that the Subcommittee on Intergovernmental Relations will hold a field hearing to examine a proposal to establish an International Boundary Waters Commission, on Friday, August 23, at 2 p.m., at Rainy River Community College, International Falls, MI.

Mr. President, I wish to announce that the Subcommittee on Intergovernmental Relations will hold a field hearing on S. 1209, to establish the National Commission to Prevent Infant Mortality, on Wednesday, September 11, in Miami, FL. For additional information contact Bob Harris at 224-4067.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 9:30 a.m., on Tuesday, September 17, 1985, in SR-301, Russell Senate Office Building, to receive testimony on Senate Resolutions 28 and 81, concerning television and radio coverage of Senate proceedings.

Senators and other interested organizations and individuals who wish to testify or to submit a statement for the hearing record are requested to contact John Swearingen of the Rules Committee staff at 224-0285.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DANFORTH. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition and Forestry be authorized to meet during the session of the Senate on Wednesday, July 31, until 1 p.m., to markup S. 616, the farm bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session on the Senate on Wednesday, July 31, in order to receive testimony on RICO civil suits.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, July 31, in order to receive testimony on the following nomination:

UNITED STATES DISTRICT JUDGE

Ferdinand F. Fernandez of California, to be U.S. district judge for the central district of California.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE 20TH ANNIVERSARY OF THE MEDICARE PROGRAM

● Mr. MOYNIHAN. Mr. President, 20 years ago this week, President Lyndon B. Johnson traveled to Independence, MO, to sign the legislation creating the Medicare Program.

With determination and courage, and the stroke of the President's pen, the Nation guaranteed its senior citizens affordable health care, and a chance to live in the dignity they had worked for all their lives. For tens of millions of Americans, it meant the fear of illness was no longer accompanied by the fear of financial ruin.

Today, Medicare provides basic medical insurance coverage to 27.5 million senior citizens and 2.9 million disabled Americans. It is the Nation's largest health financing program and, save for the retirement provisions of Social Security, the largest entitlement program in the Federal budget.

President Johnson put it this way 20 years ago this week: Medicare is "not just our tradition or the tradition of the Democratic Party, or even the tradition of the Nation. It is as old as the day it was first commanded, Thou shalt open thine hand wide unto thy brother, thy poor, to thy needy in the land.' "

This week's 20th anniversary of Medicare marks how far we have come as a Nation in extending medical insurance coverage to our citizens. In a period of budget cuts, it underscores our commitment to preserving those gains and extending them to all citizens for whom serious illness can mean serious financial difficulty.

Safeguarding those achievements for future generations will require dedication and ingenuity. Let us remain steadfast in our commitment to the great principles which brought about the historic legislation whose anniversary we celebrate this week.●

MACHINE TOOL INDUSTRY IMPORT RELIEF

● Mr. HEINZ. Mr. President, several times over the past 2 years I have directed the Senate's attention to a situation which, unfortunately, typifies this country's policy of benign neglect with regard to its basic manufacturing capability. I am referring to the U.S. machine tool industry and its request for temporary import relief.

The industry's 1983 request, premised on a well-sustained argument that then-current levels of sophisticated and defense-sensitive machine tool imports posed a serious threat to U.S. national security, was favorably received by Secretary Baldrige who forwarded his recommendation to the White House. That was 18 months ago. As imports continue to flood the U.S. market—import share as a percentage of domestic consumption by value has already risen from 27 percent to 38 percent since the industry's initial request—the White House, or more accurately, the National Security Council, continues to do nothing.

I submit that inaction in the face of grave national security consequenses in inexcusable and, indeed, irresponsible. The beleaguered machine tool industry has undertaken substantial self-help initiatives to revitalize its domestic production processes in order to become more competitive. I would direct Senators' attention to the July 8, 1985, edition of Business Week noting that among those U.S. industries in which R&D spending grew the most in 1984, machine tools ranked fourth—ahead of computers, electronics, and automotive spending.

Laudable as these efforts are, however, the industry has gone as far as it can go without the requested relief it deserves. The industry needs an answer—an answer which is long overdue. It is my hope that a favorable answer will be forthcoming without any further delay. Our national security depends upon it.●

DETROIT AREA SCOUTS HONORED

● Mr. LEVIN. Mr. President, I would like to commend three Detroit area Boy Scout troops who spent a weekend in Niles, OH, helping victims of the May 31 tornado which leveled the town.

The Webelos: David Comerford, Aaron Fisher, Michael Helmrich, David Kuryvial, Steven Napolitano, George Pearson; Boy Scouts: Richard Bennett, Gerald Cameron, Peter Cullen, T.J. Grimaldi, Eric Higgins, Bogdan Lemecha, James Murdoch, Gerald Petre, Eric Schabo, David Seeley, Bryon Smith, Jay Stuve, Karl Tarkanyi; and Boy and Girl Explorers: Jennifer Gray, Robert Gray, Dawn Lombard, Valisa Lombard, Kevin Smith; collected food and clothing for the victims of the deadly storm.

The Scouts performed many and varied tasks. They cleared fallen trees, repaired broken toys, helped senior citizens, and several meals at the disaster center.

The Niles town clean up was a tremendous undertaking for Niles residents and the volunteers who came to their aid. People who had never met prior to the disaster pulled together with love and compassion in order to begin restoring Niles to its pretornado state of order and organization.

I further commend the adult leadership and non-affiliated members: Douglass Kerry, Joanne LaBeau, Kathie Lombard, Max Martin, Jesse Murdoch, Steve Napolitano, F.A. Pilch, David Pozak, Mike Ried, Brian Stalcup, and James Stuve, for a job well done. Also, Sgt. Ivon Coleman of the Michigan Army National Guard who drove the bus which safely brought these volunteers to the area, is to be thanked for pitching in to help the Scouts and the citizens of Niles, OH.

It is indeed a pleasure to honor these outstanding young people who gave so unselfishly of themselves when they saw a need to be met. I ask my colleagues to join me in congratulating the Scouts and their leadership for this act of kindness and community service. I thank them and wish them well in future endeavors.●

EXPANDED CAPITAL OWNERSHIP AND THE IDEOLOGICAL HIGH GROUND

● Mr. SYMMS. Mr. President, today I am including the second of a series of three articles on the technology of expanded capital ownership. As part of America's search for more effective ways to promote private-sector productivity, investments and jobs, over 7,000 U.S. companies have adopted employee stock ownership plans [ESOP's]. And they seem to work. With over 10 million American workers now participating as coowners of the companies they work for, it is useful to understand the reasons ESOP's are becoming increasing part of the American free enterprise system. The following comments were excerpted from Senator RUSSELL B. LONG's floor statement of November 17, 1983, in support of the Employee Stock Ownership Act of 1983:

WHOSE PIE? AND WHY ESOP's?

(By Hon. Russell B. Long)

Employee stock ownership has grown in popularity all across this country over the past decade.

I am convinced that this ownership issue goes to the very heart of just what sort of economic system we mean to have in the United States, and just what sort of Nation we intend to leave for succeeding generations of Americans. * * *

Employee stock ownership is not a partisan issue; rather, it is an issue that cuts across party lines in an attempt to bring out the best in our free enterprise system. It is only fair and right that those who work to make this economy succeed should have an opportunity to share in that success. It is a matter of simple commonsense and basic equity.

If we want this private property system of ours to succeed, we simply must insure that as many Americans as possible have an opportunity to earn an ownership stake in that system. A continuing fundamental weakness of our system is that so many Americans own so very little while a relatively few Americans own a great deal.

This does not mean that we should redistribute the wealth of current owners. The intent is not to take from those who own to give to those who do not. Rather, the goal is to provide incentives for financing to be structured in such a way that, in the future, more Americans will have a chance to accumulate a capital estate.

INCENTIVE-SIDE ECONOMICS

Mr. President, in the 97th Congress, we enacted a sweeping set of tax incentives designed to promote the growth of investment. Under the banner of supply-side economics, the Congress reformed the depreciation rules, cut the capital gains tax, and enacted several other amendments with the idea of encouraging capital spending. * * *

We should continue our encouragement of this emphasis on such "hard" economic factors as capital investment and research and development. However, this approach will be shortsighted if we continue to overlook the "soft" factors that impact productivity—the motivation, commitment, and dedication of our work force.

Incentives for employee stock ownership provide a way to link these two factors and to end the costly mismatch between our national goal of improved productivity and our system of incentives and rewards.

WHOSE CAPITALISM?

The economic strength and political stability of this Nation stem largely from our commitment to a private property, free enterprise philosophy. To date, however, we have not strongly encouraged the use of financial techniques designed to provide widespread access to capital ownership. Consequently, in this, the world's most avowed

capitalist nation, we have only a scanty sprinkling of capitalists.

In 1976, for example, the Joint Economic Committee studied this ownership issue and found that 50 percent of the market value of individually owned corporate stock in the United States is held by just 0.5 percent of the U.S. population, and 72 percent is owned by a mere 6 percent of the population.

Perhaps the most disturbing aspect of the present state of our private property system, however, is noted by the National Bureau of Economic Research, which reports that for the majority of American families, their most important wealth is now their entitlements under our pay-as-you-go social security system.

Thus, for the majority of Americans, their most significant asset is an assurance that their children will be taxed on their behalf. Mr. President, I question the wisdom of both U.S. economic policy and U.S. tax policy when the end result is to leave most Americans dependent for their subsistence on taxes paid by an already over-taxed population.

The financial press indicates that the Nation's pool of productive capital will increase by $2 to $5 trillion by the end of this century. Yet unless we develop financial incentives to spread this newly created wealth more broadly among our citizens, this Nation's crippling legacy of concentrated ownership will continue and the great bulk of that new wealth will become owned largely by the already-wealthy.

This likelihood led the Joint Economic Committee to conclude in its 1976 annual report:

> To provide a realistic opportunity for more U.S. citizens to become owners of capital, and to provide an expanded source of equity financing for corporations, it should be made national policy to pursue the goal of broadened capital ownership.

WHOSE PRODUCTIVITY?

This concentration of wealth is not only unjust, the evidence indicates that it is harmful to the efficient and successful operation of a market economy.

In a 1980 Gallup survey, which asked workers who they thought would benefit from improvements in their productivity, only 9 percent felt that they, the workers, would. Most assumed that the beneficiaries would be others—consumers or stockholders or management.

Although increased productivity has a generally positive ring to it, for the average hourly worker increased productivity suggests that the company will benefit at his expense—for example, through speedups or through job insecurity due to automation.

The inference is clear. When employees themselves become stockholders, their attitudes toward productivity will change. This commonsense conclusion gains support from a series of studies of companies with the foresight to embrace employee ownership. One of the first studies focused on employee-owned cooperatives in the Pacific Northwest in which the average output exceeded industry productivity levels by more than 30 percent * * *

In a related finding, a 1977 report on employee-owned companies by the Survey Research Center at the University of Michigan—sponsored by the Economic Development Administration of the U.S. Department of Commerce—found that companies with a substantial degree of employee ownership are 1.5 times more profitable than comparable conventionally owned firms. They also discovered that the more equity the employees own, the more profitable the company. Managers surveyed indicated a noticeable improvement in work attitudes and a positive effect on productivity.

Similar results are reflected in a 1979 study of 72 companies with employee stock ownership plans (ESOP's) sponsored by the ESOP Association of America. The typical ESOP company studied had been in business for 24 years and had established its ESOP 3 years prior to the study. Over the 3 years, an average of 7 percent of the stock of the company was transferred to the ESOP each year; at the time of the survey, the typical ESOP in the survey held 20.6 percent of the company stock.

During those 3 years with an ESOP, annual sales per employee increased an average of 25 percent, total annual sales rose an average of 72 percent, and annual profits grew an average 157 percent. In addition, the results showed a close correlation between ESOP's and a growth in both employment and tax revenue, the study finding an average 37-percent jump in total jobs per company and an average 150-percent increase in company-paid taxes.

A 1981 survey of 229 ESOP companies by the Journal of Corporation Law at the University of Iowa School of Law found that while other companies' productivity was declining during the 1975–79 period, productivity in ESOP companies was increasing. In addition, one-third of the companies surveyed reported reduced employee turnover and improved quality of work.

In May of this year, the American Business Conference published the results of a 2-year study designed to explain how and why mid-sized growth companies have outpaced the Nation in sales, profits, jobs, and exports. In the high-growth companies studied, employees own over 30 percent of the company stock—a surprisingly high proportion for companies averaging over $200 million in annual sales.

On the basis of the research to date, it is clear that companies with employee ownership are likely to be more productive and more profitable than those without, and the more ownership held by employees, the better the performance of the company. Just as the company with employee ownership will have an advantage over a conventionally owned competitor, so, too, will the U.S. economy enjoy a competitive advantage with policies and programs supportive of widespread employee ownership.

It does not require an industrial payschologist to explain this phenomenon—a phenomenon, I should add, that is being repeated time and again across the Nation as more and more companies are establishing employee stock ownership plans. A sense of ownership is crucial to the efficient and successful functioning of our private enterprise system—a system based on individual initiative and on sharing in the gains that one's efforts bring about.

As an additional benefit, it appears that the tax incentives provided for corporate financing with ESOP's may well pay for themselves in the form of more jobs and generally higher tax payments—by both employees and employers.

Employee ownership can also help to create a more widespread unity of interest and incentive, thereby fostering better relations between management and labor. It can serve as a new stabilizing element, an element that may encourage these traditional foes to act more in the national interest by beginning to operate more in a much needed spirit of cooperation and compromise.

Stock ownership by employees—both management and rank-and-file employees—can create a work environment in which issues are resolved more constructively. Getting both sides to work together to solve problems they share in common can be a very powerful force for dismantling alienation and distrust.

Unions need new ways to deliver victories to their members, and management must find new ways to deal with union demands. Employee stock ownership provides a fruitful new area in which these adversaries can resolve their differences.

RELIEVING THE FISCAL STRAIN

A strong case for expanded ownership could be made on equitable grounds alone—or on motivational grounds alone. Certainly a nation, that puts its faith in a private enterprise system should conduct its economic policy so as to insure that the voting public has a personal stake in that system.

Rather than creating a constituency for private property capitalism, however, we have been steadily adding people to the make-work rolls, to the income security rolls, and to the countless other State and Federal programs designed to disguise the onus of welfare. This is clearly not the direction in which Federal tax policy should encourage the American economy to move.

Only recently have the consequences of this shortsighted approach begun to surface. The fiscal strains are the most obvious, with the growth of Federal transfer payments revealing one troublesome dimension of the problem. In 1960, these payments to individuals totaled 26.4 percent of total budget outlays; by 1980, they had skyrocketed to more than 50 percent; $27 billion was paid out in 1960; 23 years later these costs have risen to more than $400 billion. Just since 1970, transfer payments have grown more than $250 billion. These trends simply must be reversed.

TOWARD A PRIVATE SECTOR SOLUTION

It would be helpful if we could reduce the Government spending devoted to public sector employment. Without continued public spending, we cannot maintain these people in the new jobs to which they have been drawn by the inflationary spending of the past. We find ourselves running faster and faster to keep people employed in what are often artifically created jobs; meanwhile deficits continue to grow at an alarming pace.

This approach stems, in part, from the belief in the deliberate stimulation of aggregate demand as a means of creating full employment. But to blindly follow that approach requires that we elevate the tax system and government-stimulated demand to a position higher than the Nation's wealth-production system, upon which all tax revenues and everyone's ultimate standard of living depend. It is production that creates income and only income that can be taxed or spent.

The expanded ownership concept suggests that continued heavy reliance on taxation and Government spending is not a sound long-term approach to maintaining market demand and economic growth in a private property economy. Our long-term economic and tax strategy should offer incentives for the private sector itself, as the principal producer of goods and services in the economy, to become a more direct and efficient distributor of the purchasing power needed to consume those goods and services.

We can begin to move in that direction by encouraging companies to finance newly formed capital so that it is broadly owned, and then encouraging a substantial payout of the earnings on that capital in order to put purchasing power into consumers' hands.

The concept of a market economy is based on the premise that each person's outtake from the economy is directly related to that person's productive input. In a technologically advanced, capital-dominated economy such as ours, that presents a problem. Where capital instruments account for a major portion of an economy's input and capital owners are few, we must call on Government to redirect the income flows that would otherwise flow to this already income-saturated few.

Market mechanisms reward productivity—the ability to produce a product or a service to meet market demand. Productivity is, in part, dependent upon individual effort. However, and this is particularly true of our crucial infrastructure, to a great extent productivity is dependent upon technological advances and efficiencies converted to productive capital.

Since the dawn of the industrial revolution, our enhanced ability to utilize labor-saving technology has enabled this Nation to gradually shift the burden of industrial production off of our labor force and onto the Nation's nonhuman resources—the machinery, equipment, processes, and other advances that have been the hallmark of 20th century economic progress.

If the market system were permitted to operate in a totally laissez-faire manner, the bulk of the national income would flow to the owners of this Nation's productive capital. Those few owners, however, could consume only a small portion of the Nation's output.

When capital owners are few, the private property conduits of a market economy create vast reservoirs of savings for those few—savings that can then be reinvested to acquire more income-producing assets. If there were many owners, those same conduits could begin to broadly irrigate the economy with purchasing power.

By producing the economic pie, we necessarily create the problem of how it is to be distributed. Redistributive taxation is one way to achieve a more equitable and a more workable distribution of income, but for this purpose it is strictly a hindsight, remedial approach. And, of course, Government can never return as much as it takes, so its costs insure a net loss in the transfer.

This bill suggests a positive, forward-looking approach, one that begins to link the concern for production with the concern for widespread income distribution. It suggests that as we increase the economy's overall power to produce, we should simultaneously provide incentives to systematically increase the economic power of households to consume.

The long-term goal of ESOP-type financing is to create income-generating mechanisms to supplement the income earned through employment. The goal is to link a growing number of American households to the economic growth—as well as the capital income—represented by newly created capital, the capital whose creation our tax system was recently amended to encourage.

The free enterprise market mechanisms of incentive and reward have brought more and better goods and services to more people here and throughout the world than any other system in history. Yet those mechanisms are not indestructible. If they are to be preserved, we need an institutional framework that operates in their support. That support lies in the direction of a more democratic form of private property ownership.●

DEFENSE DEPARTMENT PURCHASES

● Mr. GOLDWATER. Mr. President, last month I made a press release crediting the Boeing Aircraft Co. for announcing a rather creative corporate approach toward ending the spare parts scandals that have plagued the Defense Department for the past few years. On April 15, Boeing announced that it would refund the purchase price of any spare part bought from Boeing which the Defense Department later determined to have been overpriced. I am happy to report that other major defense contractors have decided to make a similar commitment.

Today I am pleased to announce that the McDonnell Douglas Corp.—which, in terms of Government contracts is probably our Nation's largest defense contractor—has made a similar commitment to refund any apparent overcharges for spare parts. Under this policy—subject to reasonable limitations—the Government can return any spare part or piece of support equipment if there is any dissatisfaction with its cost—no questions asked. To their credit, McDonnell Douglas takes this guarantee one step further. Should the military consider it necessary to retain the item in stock for operational readiness concerns, the complaint will be addressed without regard for a time limit.

In establishing what may now be the most comprehensive refund policy in the aerospace industry, McDonnell Douglas has taken a major step toward restoring the credibility of the entire defense industry.

I want to publicly commend Sandy McDonnell and all the dedicated, patriotic men and women of the McDonnell Douglas Corp. for their determination to ensure that for every dollar spent by the military, the American taxpayer gets a full dollar's worth of defense.

Mr. President, I look forward to making similar statements on the Senate floor as additional defense contractors make the same commitment Boeing and McDonnell Douglas have announced.

I ask that a letter from McDonnell Douglas in this connection be printed in the RECORD.

The letter follows:

MCDONNELL DOUGLAS CORP.,
St. Louis, MO, July 24, 1985.

Hon. CASPAR W. WEINBERGER,
Secretary of Defense,
Washington, DC.

DEAR MR. SECRETARY: Since 1983 the McDonnell Douglas Corporation has been working with the Defense Department to encourage the purchase of items at the lowest possible price. We have been informing the military services in writing when requests for quotes produce high prices due to uneconomical quantities, high set up costs or unavailable tooling. Further, on parts we purchase we have been encouraging the Services to go directly to the supplier rather than through MDC, when this results in lower cost.

For some time now we have been working on another initiative that should assure you and the department that you can buy with confidence from McDonnell Douglas and its components.

The attached memo establishes a policy whereby the government can return any spare part or piece of support equipment if there is any dissatisfaction with its cost—no questions asked. Furthermore, if the military feels it must retain the item in stock for operational readiness, their complaint will be addressed without concern for a time limit. The refund policy which is the most comprehensive in the aerospace industry will also be offered to our commercial airline and foreign military sales customers.

We will make a formal announcement of this policy in a few weeks, but I wanted you to know that the McDonnell Douglas Corporation stands by its products and takes great pride in our reputation for integrity and ethical conduct.

Sincerely,
SANFORD N. MCDONNELL.

JULY 23, 1985.

To: A. Browde, D. Malvern, J.G. Real, J.E. Worsham, J.F. Yardley.

XC: R.J. Alagna, M.I. Burch, J.G. Brown, J.M. Gardner, M.D. Marks, G.J. Meyer.

Subject: Spare Parts Policies.

Enclosure: (1) Spare Parts and Support Equipment Policies, July 23, 1985.

1. As contemplated in our memo of 13 June 1985, the enclosed Spare Parts and Support Equipment Policies have been coordinated with the aerospace components and are hereby approved for implementation immediately.

R.C. LITTLE.
R.L. JOHNSON.

SPARE PARTS AND SUPPORT EQUIPMENT POLICIES

The following policies are effective immediately on MDC aerospace prime contracts (U.S. Government and FMS, but excluding contracts where MDC is a subcontractor):

1. ENFORCED BREAKOUT

Policy—MDC will reemphasize support of breakout policies of the USG and will make a concerted effort to eliminate low value spares and non-complex support equipment from MDC furnished lists by:

(1) Resisting stocking or quoting purchased parts as spare parts to MDC customers. Customers will be encouraged to purchase from the true manufacturer(s).

(2) Progressively identifying and reclassifying non-structural low value MDC manufactured parts from "Make" to "Buy" with the exception of items not applicable to spares provisioning, to the maximum extent possible. This will apply to parts currently used in production which can be more economically purchased outside for both production and spares. Turnover from "M" to "B" will be initiated immediately, but existing inventories will be used before transition. Target date for completion is 31 December 1985.

(3) Increasing use of qualified low cost sources for purchase of non-complex support equipment and encourage customers to obtain follow-on requirements direct from such sources when feasible.

2. INTERIM PROCEDURES

Pending the transition of "enforced breakout," step 1 above, we must pay particular attention to low value parts to avoid the appearance of overpricing. During this period, kits, discounts, price reductions or other legitimate forms of price adjustment may be used if necessary.

3. PRICE REFUND POLICY

MDC will establish a refund policy for military customers who are dissatisfied with the price paid for MDC spare parts or support equipment providing:

(1) Parts or equipment were purchased from MDC and were MDC designed and manufactured products;

(2) They are returned in new and unused condition and are of current production configuration;

(3) They are returned within 6 months of delivery from MDC; and

(4) Price is not greater than the threshold for submission of cost and pricing data per P.L. 87-653, i.e., $100,000. No questions asked!

(5) In instances when Military Operational Readiness requirements prohibit the return of spare parts or support equipment within the 6 month period, MDC will continue to address customer concerns about prices on such parts and equipment on a case by case basis without regard for the 6 month limit.

4. CONTINUING PROCEDURES

The following policies previously established on 19 September 1983 are still valid:

(1) Discourage ROMS, quick quotes, and "not to exceed" prices which satisfy customer demands for quick response but can result in artificially high or unrealistic quotes.

(2) Advise customers in writing when requests for quotes produce high prices due to uneconomical quantities, high set-up costs, unavailable tooling, etc.

(3) Support "breakout." Advise customer of actual manufacturer and encourage direct procurement. Assist customers by giving access to supplier lists, automated data bases, etc. to facilitate direct customer procurement.

(4) Monitor supplier cost proposals. Challenge unrealistic quotes.

(5) Continue to monitor MDC spare parts and support equipment quotations, provisioning data, catalog prices and like source data to voluntarily identify and correct overcharges or errors.

(6) Make voluntary refunds or price adjustments if appropriate.

5. SUPPORT RESPONSIBILITY

MDC policies must also stress our dedication to the support of our products. During the implementation of these policies on spare parts and support equipment, we must do so in a manner which will not compromise product support.

6. COST ALLOCATIONS

Finally, MDC components must abstain from the allocation of provisioning costs or other "line item add-ons" which inflate the unit cost of spares or support equipment. Our policy shall be to bid such support costs as stand alone. This does not apply to cost allocations handled in accordance with the MDC Disclosure Statement.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. MURKOWSKI. Mr. President, it is an honor and a privilege for me to participate today in the Congressional Call to Conscience for Soviet Jews and Christians. This effort, ably chaired by my distinguished colleague on the Senate Foreign Relations Committee, Senator RUDY BOSCHWITZ, puts the Congress on record every day it is in session as expressing concern and support for Soviet Jews and dissidents of all religions in the Soviet Union who are denied their basic human rights, including the right to practice their religions or to emigrate.

It is a special honor to take part in this program today because tomorrow marks the 10th anniversary of the signing of the Helsinki accords. By signing those documents the Soviet Union committed itself to honor the human rights of all its citizens, including the right of religious freedom and of family reunion through emigration.

Since that time we have seen what the Soviet Union really thinks about its commitments under international law and international agreements. The situation in the Soviet Union for Jews and other minorities has worsened considerably year by year. Soviet Jewish emigration has fallen to a new low of 464 persons for the first 5 months of 1985 compared to 51,000 in 1979. At the same time there has been a significant increase in anti-Semitic activity, including the closing of synagogues, discrimination in education, and the confiscation of prayer books.

Mr. President, I would like to mention the case of only one of the many persons caught in the web of discrimination and denial of human rights which is the reality of Soviet Russia today. Mr. Yuri Rodin is a 46-year-old mathematician living in the Moscow area. Since applying for a visa in 1979 to leave the Soviet Union to join his relatives in Israel, his position has become increasingly perilous. In 1980 the authorities tried to fire him from his position in the Solid State Physics Institute of the Academy of Science. With an unusual show of courage, his colleagues refused to participate in the attempt to harass him, and as a result he was able to stay on the job.

Mr. Rodin's wife, Elena, was not as fortunate. She lost her job as a computer programmer early in 1982 because the authorities canceled her position. Now, once again, threats have been made to her husband that he will also be removed from his job. Since in their city even the night watchman's job seems to be controlled by the scientific director, it probably will be difficult for him to secure any other kind of work, should he be fired. With no income, the impoverishment of this family would then be complete.

Though suffering all the hardships of the refusenik life, Mr. Rodin is still optimistic and appreciative of all the efforts being made to help his family. He has written to friends:

> The only encouraging thing is the moral support of our colleagues in the U.S.A. and Europe. We understand that public opinion in the West keeps us out of jail and gives us hope to join our families in Israel.

It is when I consider cases such as this that I appreciate not only how important a statement in the CONGRESSIONAL RECORD can be for keeping attention focused on this issue, but also how privileged I am to have the right to make such a statement freely and without fear. Mr. President, too often we take for granted the freedoms we have in this great country. It is only when one steps back to observe how some of the world's governments treat their citizens that one can truly appreciate the way in which our Government respects both our rights as citizens and its international agreements to protect those rights.

A corollary of that though is that it is essential that we Americans remain committed to the propositions that others deserve the same rights and freedoms, and that it is our responsibility to call the world's attention to denials for human rights. The Congressional Call to Conscience does just that through these daily statements of concern. I hope and trust its efforts will bear fruit in the form of an improved human rights situation in the Soviet Union and a commitment, at last, by that country to observe the Helsinki accords whose 10th anniversary we observe tomorrow.●

TRIBUTE TO MICHAEL S. PALLAK, PH.D., EXECUTIVE OFFICER OF THE AMERICAN PSYCHOLOGICAL ASSOCIATION

● Mr. INOUYE. Mr. President, I rise today in tribute to a fine scientist and scholar, Dr. Michael S. Pallak, who will step down as executive officer of the American Psychological Association next month. It is most appropriate that this body honor Dr. Pallak, since, through his efforts at the helm of the largest association of psychologists in the world, we and the American people have been provided access to invaluable new knowledge.

The official purpose of the American Psychological Association is to "promote psychology as a science, as a profession, and as a means of promoting human welfare." Clearly, Dr. Pallak has upheld, personally and professionally, the goals of his own organization. In his 10 years at the association, of which the past 6 have been in the grueling role of chief operating officer, he has expanded the scope, the quality, and the importance of the APA. He has made available to the Congress, to the President, and to the courts, the accumulated knowledge of

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76,000 psychologists. He has been most invaluable in my own efforts to ensure that psychology practitioners will ultimately be autonomously recognized under each of our Federal health care programs. He has helped ensure that the health and welfare of the American people are the primary considerations in governmental decisions. And, he has made us aware that scientific advancement through research is one of the highest and most beneficial goals of any civilization.

Mr. President, the operating budget of the American Psychological Association has grown during Dr. Pallak's tenure from $11 million to almost $37 million. Three years ago, APA purchased the popular magazine Psychology Today, and Dr. Pallak has turned around its financial status from tenuous to sound. More important, Dr. Pallak has made certain that the articles written for Psychology Today are at the forefront of popular science and public concerns. That association also publishes 20 scientific journals on a wide range of topics within psychology. Truly, Dr. Michael Pallak has well managed a burden that many of us would be loathe to shoulder, and he has carried it with good humor, grace, and a strong sense of pride in his mission.

To Dr. Michael Pallak, tc his wife, Dr. Suzanne Pallak, and to his two daughters, Michelle and Stephanie, I pay tribute, express our appreciation, and extend all good wishes for a happy and continuing productive future.●

COMPACT OF FREE ASSOCIATION

● Mr. PACKWOOD. Mr. President, on Monday the Senate Finance Committee considered the tax and trade provisions of the Compact of Free Association, which governs the future relationship between the Republic of the Marshall Islands and the Federated States of Micronesia, and the United States. This compact was contained in Senate Joint Resolution 77. The committee has reported favorably on the resolution with an amendment. I would like to take a few moments to explain the committee's actions and the reasons for them.

BACKGROUND

The Republic of the Marshall Islands and the Federated States of Micronesia are two of the four governments in the Trust Territory of the Pacific Islands. The trust territory has been administered by the United States since its creation in 1947 by an international agreement sponsored by the United Nations. The United States does not claim sovereignty over these territories under the agreement.

As I noted, the Compact of Free Association will govern the future relationship between these two States—the Freely Associated States and the United States. Under the compact, the Freely Associated States will be self-determining sovereign states with full control over their internal and external affairs. However, the United States will retain authority over all matters concerning security and defense of the area, and numerous other connections between the governments will be maintained.

COMMITTEE CONCERNS

The committee believes that some of the provisions of the compact, as originally proposed, are contrary to the tax and trade policy of the United States. First, they would have made the Freely Associated States into unusually effective tax havens. Second, they would have granted the Freely Associated States more favorable tax treatment than is afforded to the possessions of the United States, by freezing possessions treatment in place as it existed 5 years ago. Moreover, the adoption of the provisions would set an unwanted precedent that other foreign countries might attempt to follow in negotiating tax and other treaties with the United States. Finally, the trade provisions of the compact could have resulted in circumvention of U.S. tariff laws, particularly by exporters in the Far East. In approving the proposed compact, the House of Representatives included provisions in its resolution (H.J. Res. 187) that were meant to address these concerns.

Nevertheless, the committee fully recognizes the strategic importance of the compact, and the importance of providing incentives for investment in the Freely Associated States in a manner that adheres to the spirit and intent of a mutually negotiated agreement. Moreover, the committee recognizes the special relationship between the United States and the Freely Associated States that arises out of the trusteeship. Therefore, the committee supports the extension to the Freely Associated States of one of the major investment incentives applicable to the possessions, that is, the possessions tax credit of section 936 of the Internal Revenue Code. The committee insists, however, that such incentive not be made available to the Freely Associated States at any time when it is unavailable to the possessions.

The Finance Committee therefore recommends an amendment to Senate Joint Resolution 77 that parallels in many respects title IV of House Joint Resolution 187, clarifying the application of the tax and trade provisions of the compact. First, those provisions of the compact that would have enabled taxpayers to use the Freely Associated States as a tax haven—section 253 and the second sentence of section 254—are rendered ineffective with respect to U.S. taxes. The committee does not believe that the United States should seek to create a refuge from U.S. taxes. However, U.S. taxpayers in the Freely Associated States will receive the benefit of the normal rules applicable to U.S. taxpayers abroad, including the foreign tax credit for income taxes paid to the Freely Associated States, and the foreign earned income exclusion under Code section 911.

Second, the provision of the compact providing business investment incentives—section 255—is clarified so that it applies to one specific incentive provision—Code section 936—as it is amended from time to time. Section 936 in effect grants an exemption from U.S. tax for qualifying income earned in a possession—or, in this case, the Freely Associated States. If the benefits of section 936 are reduced, the Secretary of the Treasury and the Freely Associated States are to negotiate new benefits substantially equivalent to the lost benefit. If negotiations fail to produce a resolution within 1 year, the matter is to be submitted to an arbitration board provided for elsewhere in the compact. The committee's amendment differs from the House version in two respects. First, the effective date of any change to section 936 will not be delayed for 1 year in the case of the Freely Associated States. The committee does not believe it appropriate to enact a rule that would grant the Freely Associated States a greater benefit than is available to the possessions and would lead to the inconsistent treatment of similarly situated taxpayers. Second, the committee's amendment specifies that the U.S. representative to any arbitration conducted with respect to these tax provisions is to be the Secretary of the Treasury or his delegate. The committee concludes that Treasury is the appropriate agency to represent the United States in these matters, which fall within its area of expertise.

Finally, the committee's amendment clarifies that the Freely Associated States will continue to be treated as part of the North American area for purposes of allowing U.S. taxpayers to deduct convention expenses incurred in those States. (The Trust Territory of the Pacific Islands is currently designated as part of the North American area by Code section 274(h)(3).)

With respect to the trade provision of the compact, the committee's amendment follows the House resolution. The Freely Associated States will for tariff purposes be treated as foreign countries designated to receive duty-free treatment on eligible articles under the generalized system of preferences [GSP]. However, in meeting the 35 percent minimum local content requirement under the GSP, U.S. materials up to 15 percent may be included. In addition to the statutory exclusions under the GSP, canned tuna

would be ineligible for duty-free treatment.●

FOREST PRODUCTS AND THE MOSS TALKS

● Mr. BAUCUS. Mr. President, to say that trade tensions between the United States and Japan are high is an understatement. This should be patently obvious to any observer. Sometimes, however, I get the feeling the Japanese still do not understand the level or the depth of our concern and dissatisfaction.

For example, at the beginning of the year—some 7 months ago—Prime Minister Nakasone and President Reagan announced negotiations on specific sectors. These MOSS negotiations were to be aimed at opening trade on a sector-specific basis. Four areas were selected to start: Telecommunications, electronics, medical equipment and pharmaceuticals, and forest products—including both paper and solid wood products. The goal was identification and removal of all barriers to trade in each sector. Success in these areas was to be followed by the addition of other sectors.

If the Japanese were truly committed to opening their markets and so alleviating tensions between our two countries, they would be moving rapidly to demonstrate that interest in the MOSS negotiations. We would expect to see dramatic progress in a very short period of time. This has not been the case.

There has been some significant progress in one sector, some small progress in two, and no progress at all in the forest products.

Yesterday Assistant U.S. Trade Representative James Murphy testified before the Banking Committee on the MOSS negotiations. His report on forest products was wholly pessimistic—there has been no movement at all.

I think my colleagues will find what he had to say enlightening:

> Two major problems continue to stymie progress.
>
> The first concerns the timing and depth of tariff cuts on wood and paper products. The Japanese participants in these MOSS talks have been unwilling or unable to go beyond Prime Minister Nakasone's April 9 statement that the Japanese Government would "positively consider reduction of [wood] tariffs approximately from the third year," now understood to be 1987. On paper tariffs, although we recently requested that Japan match the zero tariff rates that the United States has, the unilateral June 25 tariff announcement by the Japanese Government included only a 20-percent cut. This issue will continue to be discussed in the MOSS talks. The second issue concerns Japan's intention, announced on April 9, to launch a 5-year program to restructure the domestic forest products industry. We want to ensure that the GATT and OECD guidelines are followed, as well as the spirit of MOSS' market-oriented philosophy. The Japanese have agreed to do so.

Mr. President, those are not the words of a negotiator who is having great success. I say that not in criticism of either Assistant U.S. Trade Representative Murphy or of Agriculture Under Secretary Amstutz, both of whom I like and respect. I am sure they share my frustration.

I hope my Japanese friends are listening: three out of four won't do; success in the forest products negotiation is necessary; and success must come rapidly. We are not going to accept endless delays while the Japanese protect and strengthen their sawmill operators.

Refusal to make real concessions—to implement Nakasone's commitment—will not lessen tensions; refusal to budge will only increase anger in this Nation. The MOSS negotiations are only a start—if we cannot even get agreement after a pledge from the Prime Minister, how can we expect any cooperation in other areas?

We in the Congress expect action. We expect results—in all four MOSS areas—and we expect them soon.●

PART B MEDICARE APPEALS PROCESS

● Mr. HEINZ. Mr. President, for some time I have been aware of a problem that my constituents and many other elderly Americans across the Nation are facing. The problem is an unfair gap in the appeals process under the Medicare part B law.

Medicare part B pays for doctors visits and other outpatient services. Last year, claims under part B totaled over $19 billion. For older Americans living on a fixed income, whole or partial denial of a claim may impose a severe financial hardship and emotional distress. Unfortunately, as one of my constituents learned recently, appeals rights under current law for part B reimbursements are quite limited. The Medicare statute and recent court decisions have effectively precluded judicial review of claims paid or not paid.

The problem is poignantly illustrated by Samuel Glass, a 72-year-old married gentleman from Allentown, PA. Mr. Glass' only source of income is Social Security. His left leg has been amputated and his lower right leg weakened by poor circulation. He has severe arterial disease and a long standing history of diabetes, arteroisclerosis and coronary artery disease. Now Mr. Glass heard an advertisement that Medicare would cover the cost of a seat lift, an item which would greatly facilitate his ease of movement to and from bed and chair. He called Medicare, explained his condition, and was told that he qualified for the lift chair. Mr. Glass then borrowed close to $2,000 from his brother to purchase the chair. He submitted his claim for reimbursement for $1,595 to the Medicare carrier which denied payment based on the medical necessity rules. He had to borrow money from his life insurance policy to repay his brother. Distraught, he asked for a review of this decision but the carrier upheld the original decision.

At Mr. Glass' request, a hearing was held before an employee of the carrier. Mr. Glass testified that without the lift he would suffer and would have to have people help him up from his chair. In using the lift, he is able to stand up and get around with a cane or walker. Despite the treating physician's prescription and supporting letters that Mr. Glass needs and would benefit from a seat lift, he was again denied payment because there had not been an improvement or retardation in the severity of his medical conditions.

Unfortunately, this was Mr. Glass' last chance for redress. This decision is final unless Mr. Glass can come up with new or material evidence. While I am not in a position to state whether Mr. Glass would ultimately prevail, I believe he should have an opportunity to challenge the denial before an administrative law judge and to have the chance for judicial review should he wish to pursue his claim.

Mr. Glass has suffered greatly—the cost of the lift has depleted all of his resources and the denials have drained him emotionally. He is not alone, but his case illustrates the urgent need for better due process protections for Medicare beneficiaries.

Mr. President, my colleague, Senator DURENBERGER, chairman of the Subcommittee on Health, Committee on Finance, is also acutely aware of the limited appeal rights of vulnerable part B beneficiaries. He and I have been working together to solve this problem. It is my expectation that we will shortly move to correct this unfairness in the law.●

ON THE PASSING OF HERBERT SCOVILLE

● Mr. HART. Mr. President, Susan Sontag, in a recent book "Illness as a Metaphor," said of cancer, "It is a disease which doesn't knock before it enters." She might have added that, however furtively it comes into the lives of people we love, there is an awful thunder when it claims someone close.

It was with a great sense of sadness that I learned my friend Dr. Herbert "Pete" Scoville, Jr., had died of cancer yesterday. I am sure all our colleagues join me in sending our thoughts and prayers to Pete's wife Ann, and their four children.

John Donne once wrote, "Any man's death diminishes me, because I am involved in Mankind.* * *" Just as we are diminished by the death of Herbert Scoville, so to, all of us, were enlarged and indeed challenged by his contributions in life.

Dr. Scoville served with distinction and dedication as Deputy Director of the Central Intelligence Agency and Assistant Director of the U.S. Arms Control and Disarmament Agency. As a Government official, he argued forcefully for nuclear arms control and a test ban treaty.

After a long and remarkable career in public service, Herbert Scoville devoted his tireless energies to the cause of peace. His dedication to meaningful arms control, consistent with his commitment to this Nation's security, inspired innumerable policymakers, students, scientists, and concerned citizens to follow his lead.

Herbert Scoville was a prolific writer of books and articles which articulated his vision of a sane and sensible defense policy for the United States. Tackling technically difficult subjects, his writings were marked by great intellect. Yet his work also reflected both remarkable compassion and a desire to communicate with citizens regardless of their grasp of strategic doctrine.

Herbert Scoville was a friend, a colleague of mine on defense matters, but, most of all, an inspiration. I am grateful to have known and worked with him on the issues about which he cared so deeply.

This morning's Washington Post published a fitting tribute to the life of this decent and caring man. I ask that it be printed in the Record.

The tribute follows:

[From the Washington Post, July 31 1985]

Dr. Herbert Scoville, Jr., Ex-CIA Official, Dies at 70

(By Joseph D. Whitaker)

Dr. Herbert Scoville Jr., 70, a former deputy director of the CIA and assistant director of the U.S. Arms Control and Disarmament Agency who had written extensively on issues relating to arms control, died of cancer July 30 at Georgetown University Hospital. He maintained homes in McLean and Taconic, Conn.

Dr. Scoville began his campaign for nuclear arms control in the 1950s following the famed nuclear tests at Bikini Atoll. He argued at the Pentagon in 1954 for a test ban treaty and over the next three decades was a consistent opponents of a nuclear arms buildup.

Through his books, "Missile Madness" and "MX: Presctiption for Disaster," and in speaking engagements in this country and abroad, Dr. Scoville sought to lay the issues of arms control before the public.

Dr. Scoville said in a 1983 article in The Washington Post that he believed the U.S. was "drifting toward annihilation." Somehow the public doesn't seem to be able to grasp the significance of the issue," he said. "They read these numbers—50 million will be killed in an atomic attack, whole cities wiped out. It's nothing they can conceive of. It has no meaning in their day-to-day lives.

"If an airplane crashes and 75 people are burned up, that's a diaster everyone can visualize," Dr. Scoville continued. "They can picture themselves in the airplane. But a nuclear war that destroys our society—that tends to be just numbers. It's too depressing and they don't see what they can do about it anyway."

From 1955 to 1963, Dr. Scoville worked for the Central Intelligence Agency, where he became the deputy director. For the next six years, he was the assistant director of the Arms Control and Disarmament Agency. He resigned from the federal service in 1969. Between 1958 and 1966, he also was a member of U.S. delegations to three disarmament conferences in Geneva.

Dr. Scoville was born in New York. He graduated from Yale University and earned his doctorate in physical chemistry at the University of Rochester. He moved to Washington in the early 1940s and went to work for the National Research Defense Committee.

He was president of the Arms Control Association and had served on the boards of the Union of Concerned Scientists and the Center for Defense Information. He also had served on the council of the American Association for the Advancement of Science.

In 1981, he received the Rockefeller Public Service Award from Princeton University. He also received the Hutchinson Medal from the University of Rochester.

Survivors include his wife, Ann Curtiss Scoville of McLean and Taconic; three sons, Anthony and Thomas, both of Washington, and Nicholas, of Los Angeles; a daughter, Molly Fitzmaurice of Washington, and six grandchildren.●

RELIGIOUS FREEDOM

● **Mr. D'AMATO.** Mr. President, I rise today to offer to my colleagues a report written by Dr. Isaac Lewin, the distinguished representative of the Agudas Israel World Organization to the Economic and Social Council at the United Nations. He has been, and continues to be, a leading advocate for religious freedom in the world.

In 1981, Dr. Lewin was instrumental in achieving approval of the United Nations declaration on the elimination of all forms of religious intolerance. At the end of last year, Dr. Lewin submitted a working paper to the U.N. Seminar on the Encouragement of Understanding, Tolerance and Respect in Matters Relating to Freedom of Religion or Belief in Geneva. The paper is entitled, "The Prohibition of the Jewish Religious Method of Slaughtering Animals for Food."

Mr. President, I ask that Dr. Lewis's report be printed in the Record in its entirety.

The material follows:

United Nations Seminar on the Encouragement of Understanding, Tolerance and Respect in Matters Relating to Freedom of Religion or Belief

THE PROHIBITION OF THE JEWISH RELIGIOUS METHOD OF SLAUGHTERING ANIMALS FOR FOOD

In several countries, religious Jews are deprived of meat consumption, because the Jewish religious method of slaughtering animals for food called Shehitah is prohibited.

This discrimination has a long history. Before assuming power in Germany the Nazis accused in their propaganda the Jews of being cruel to animals. Due to their efforts, several German states (Bavaria, Baden, Thuringia, Brunswick, Wuerttemberg) outlawed the Jewish religious method of slaughtering animals for food even before the Nazi takeover of the German government. After Hitler became chancellor, he issued (on April 21, 1933) a decree which annulled the law of 1917 permitting the Jewish method. Immediately after occupying Poland, the German Governor-General Hans Frank issued a decree (dated October 26, 1939) which stated: "In any territory under German rule, cruelty to animals of any kind is not permissible. Effective immediately, I therefore forbid Shehitah, that is, the painful slaughter of animals, by means of gradual draining of blood for the purpose of the so-called kosher meat consumption." This discriminatory regulation was repeated by German rulers in other occupied countries (Slovakia, Holland, France, Belgium).

Needless to say, the Jewish religious method of slaughtering animals for food has been recognized by hundreds of the greatest experts as most humane.

In England it is permitted by a law adopted in 1933. In the United States of America, Public Law 85–765 of August 27, 1958, clearly states that "slaughtering in accordance with the ritual requirements of the Jewish faith or any other religious faith that prescribes a method of slaughter whereby the animal suffers loss of consciousness by anemia of the brain caused by the simultaneous and instantaneous severance of the carotid arteries with a sharp instrument"—is "hereby found to be humane".

Nevertheless, in some countries such as Sweden or Switzerland the Jewish religious method of slaughtering animals for food (called Shehitah) is practically prohibited, because legislation in these countries requires preliminary stunning of the animal, which makes Shehitah impossible. The experts who studied this method scientificaly (using modern methods such as electroencephalography) declared stunning unnecessary since the loss of consciousness takes place almost instantaneously (within 3–5 seconds) after the cut.

Material concerning this problem has been collected in the book Religious Freedom: The Right to Practice Shehitah by Isaac Lewin, Michael Munk and Jeremiah Berman (New York, 1946). Additional material can be found in the book Unto the Mountains by Isaac Lewin (New York, 1975).

It is suggested that, in accordance with Article IV of the Declaration on the Elimination of All Forms of Intolerance and Discrimination Based on Religion or Belief, the States which today do not permit the practice of Shehitah shall rescind legislation which whether directly or indirectly (by requiring preliminary stunning) includes discriminatory prohibitions which offend the Jewish religion and deeply hurt the Jewish population.●

DUCK MIGRATION DECLINES

● **Mr. CHAFEE.** Mr. President, I came across an article in today's New York Times which confirms the importance of conserving our vital wetland areas. The story tell us that United States and Candian wildlife experts are forecasting a 22-percent decline in this year's migratory duck population. These experts attributed the decline to the loss of wetland areas—prime

habitat for migratory duck and other wildlife species.

Mr. President, the Environmental Pollution Subcommittee which I chair has recently held three oversight hearings on the implementation of section 404 of the Clean Water Act. Section 404 is the primary regulatory program by which the Federal Government can control the dredging and filling of our important wetland areas. Our oversight hearings—and we are going to hold a fourth in September—have turned up strong evidence that the 404 Program is not being run properly. This most recent report only confirms that we are losing the fight to conserve the Nation's remaining valuable wetlands.

I ask that the article be printed in the Record.

The article follows:

Drop in Duck Migration May Curb Fall Hunting

(By Philip Sharecoff)

Washington, July 30.—United States and Canadian wildlife officials said today that the number of ducks migrating south this fall is likely to be sharply below last year and the lowest on record.

Because of the steep decline in the projected duck population, the Interior Department's Fish and Wildlife Service is considering a steep reduction in the number of ducks that may be taken by hunters this year.

The United States Fish and Wildlife Service and the Canadian Wildlife Service projected today that about 62 million ducks would migrate south this fall, 22 percent lower than last year. The total flight of ducks is the lowest projected since the agencies began making the annual forecast in 1969.

DECLINE IN NUMBER OF DUCKS

The lower fall migration is an index of the overall decline in the total duck population. Last week the United States Fish and Wildlife Service reported that the number of ducks breeding this spring was also down sharply.

Officials of the Fish and Wildlife Service and of hunting and conservation groups attributed the steep decline in the duck population to the rapid loss and degradation of wetlands, a prime duck habitat, combined with severe drought in areas frequented by ducks.

Each state has its own migratory bird protection program, and the Federal Government, as a signer of the Migratory Bird Protection Treaty, is responsible for taking action to preserve birds that cross international boundaries.

A statement by the Federal wildlife service said that the councils of state, Federal, and Canadian wildlife managers for North America's four major flyways were discussing "possible restrictions" on duck hunting.

In fact, according to A. Alan Wentz, director of fisheries and wildlife division of the National Wildlife Federation, the nation's biggest private conservation organization, the councils have been instructed to plan on a 25 percent cut in number of ducks shot this year. A spokesman for the Fish and Wildlife Service confirmed this.

James M. Shepard, director of national and international operations for Ducks Unlimited, a 600,000-member private organization devoted to preserving ducks, and their habital, said the prevailing theory is that up to a certain point hunting does not affect the overall duck population.

Mr. Wentz of the National Wildlife Federation, which has many hunters as members, said he had "strong concerns" about stiff restrictions on hunting. "Not everyone thinks it is necessary to reduce the harvest as much as they are planning to do," he said. "We are withholding judgment."

U.S. MAKES 5-YEAR STUDY

Megan Durham, speaking for the United States Fish and Wildlife Service, said a five-year study was underway to determine the impact of hunting on the duck population. She said the service did not have data showing that hunting was at fault. "But we think that this is a serious situation that requires serious action," she said.

Wildlife managers are looking at reducing daily bag limits for hunters, she said, as well as shortening the season or some combination of changes that would reduce the duck harvest.

Whitney Tilt, endangered species specialist for the National Audubon Society, said the Fish and Wildlife Service had had to do a great deal of soul searching before it lowered the number of ducks that could be taken, because part of its budget comes from a tax on sporting equipment.

"But the one short step response they can make is to regulate hunting," he said. "It is the one management step that can have immediate results."

PRESERVING THE WETLANDS

Mr. Shepard of Ducks Unlimited, which numbers many hunters among its members, noted that the United States lost over 12.5 million acres of wetlands over the last 20 years and is currently losing it at the rate of 500,000 acres a year.

He said that the Interior Department was doing its best to preserve wetlands but that the Army Corps of Engineers and the Agriculture Department subsidized drainage by farmers and others.

Mr. Wentz, however, said, "A lot of blame falls on the Fish and Wildlife Service for backing off wetlands acquisition in the Dakotas and for not requesting money available under the Wetlands Loan Act."●

COMMUNITY EMERGENCY PREPAREDNESS AND RESPONSE ACT OF 1985

● **Mr. LAUTENBERG.** Mr. President, yesterday I introduced S. 1531, the Community Emergency Preparedness and Response Act of 1985. I am pleased to have Senators Humphrey and Moynihan as cosponsors of this legislation.

The Community Emergency Preparedness and Response Act seeks to improve notification and emergency response efforts in communities with facilities handling extremely hazardous substances. It provides a framework for improving and integrating facility and community planning and emergency response capabilities, establishing Training Programs for local emergency response officials, and educating the public about what to do in the event of a dangerous release into the environment the legislation recognizes that the responsibility for emergency preparedness and response planning and implementation rests with the States and affected localities, but provides Federal technical assistance when appropriate.

Mr. President, one year ago, Bhopal, India, was unknown. Now it is a name and a place known to people all over the world. It is a name that strikes terror in the hearts of millions who live or work near a chemical plant.

On December 3, 1984, a poisonous cloud enveloped the town. It was so thick, workers could not see. Outside the plant, people died by the hundreds. Ultimately, some 2,000 perished. One hundred and fifty thousand sustained frightening injuries. It was the worst industrial accident in history. The most important task before us is to take every step to prevent such occurrences. But whenever any chemical release occurs we must be ready to respond. Hundreds of the victims in Bhopal could have been spared their lives or injuries if they had known of the hazard around them and known how to respond. In addition, many more lives could have been saved if a communication system had been in place in the city to alert them to the release.

Since that day, the question that has echoed through America is: Could Bhopal happen here?

Unfortunately, we know it can.

Texas City, TX, 1978: A sudden series of explosions at a refinery in the middle of the night. The sky lit up like daylight. Seven died. Pandemonium reigned in the streets.

Livingston, LA, 1982: Forty-three chemical cars derailed. Explosions and chemical contamination chased 2,700 people from their homes.

The Goethals Bridge, between New Jersey and New York, November 1984: Workers suspended hundreds of feet above the Arthur Kill River overcome by a vapor cloud. Six workmen and thirty passengers on the bridge sent to the hospital. New York City officials were mystified about the cause of the workers' symptoms and area hospitals were hampered in providing effective medical treatment for the same reason.

Since that release, others originating in New Jersey have traveled across State borders into parts of New York City, drawing protests from local and State officials and demonstrating the interstate dilemma posed by airborne chemical releases.

The Community Emergency Preparedness and Response Act is designed to improve our ability to respond to these disasters. It stems from a hearing held by the Senate Environment and Public Works Committee in February 1985 in the wake of the tragedy in Bhopal, India. Testimony before the committee, from firemen, State and local emergency response personnel, Federal officials and industry representatives confirmed the need to improve local notification, planning and response capabilities in the case of dangerous chemical releases.

To improve local emergency preparedness planning, the bill requires that:

The President [EPA] prepare a list of extremely hazardous substances and that facilities which handle these substances and pose a danger to surrounding communities participate in community emergency response planning.

The Governors designate planning districts within their States for areas likely to be affected by releases from such facilities and appoint local emergency planning committees to prepare emergency response plans and training programs for local emergency response and medical personnel.

The national response team, established under Superfund, provide guidance and technical assistance to emergency planning committees, and review and comment on local emergency response plans upon request.

Existing Superfund requirements to notify the National Response Center of a release be extended to require immediate notification of emergency planning committees, Governors, and other appropriate State and local officials.

Facilities that handle substances covered by OSHA's hazard communication standard submit material safety data sheets required under that standard, and an estimate of their inventory of such substances, to local emergency planning committees which shall make this information available to the public.

Mr. President, this bill builds upon the existing emergency response provisions in Superfund. While the administration has provided some guidance through the national contingency plan, this has not been adequate to accomplish effective emergency preparedness.

The national response team and regional response teams established by the national contingency plan aid in responding to releases of hazardous substances covered under Superfund, but have done very little in the area of emergency preparedness. For example, in New Jersey, the New York-New Jersey regional EPA office provides personnel after a release occurs to ensure that measures have been taken to mitigate and clean up releases. Not enough has been done, however, to ensure that response personnel and resources are adequate to respond to a release. And few communities have initiated comprehensive efforts on their own.

Today, we recognize that we cannot afford to play Russian roulette with hazardous chemicals, and bank on being able to respond without coordinated emergency response efforts.

Congress has already been responsive to the inadequacies in emergency planning and response to hazardous release. During the Environment and Public Works Committee's consideration of S. 51, the Superfund Improvement Act, I offered several amendments to improve notification requirements under Superfund, stiffen penalties for noncompliance and require compilation and distribution of material safety data sheets. The Community Preparedness and Response Act, S. 1531, incorporates some of these provisions and is meant to complement them. When S. 51 is considered by the Senate, I intend to offer an amendment to it on community emergency preparedness.

During committee deliberation of S. 51, another issue was brought to our attention that I believe merits continued consideration. Under the Clean Water Act, facilities have carried out spill prevention containment and countermeasure plans. These plans have been very useful in preventing and mitigating petroleum spills, and may be equally constructive in the area of hazardous substances release prevention and containment. A similar approach could be used in preventing chemical releases.

In this case, the President (EPA) could be given express authority to ask facilities that have a history of releases or present a significant risk to the surrounding community or environment to conduct a review and undertake a workplan to improve safety problems at the facility. I believe this process would represent an important step in ensuring that trouble facilities take needed steps to improve safety. This will be another issue that I will be exploring prior to consideration of S. 51.

Mr. President, at this point I ask the text of S. 1531 be printed in the Record.

The text follows:

S. 1531

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section. 1. This Act may be cited as the "Community Emergency Preparedness and Response Act of 1985".

EMERGENCY OFFSITE PLANNING FOR EXTREMELY HAZARDOUS SUBSTANCES

Sec. 2. Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(a) National Contingency Plan.—" after the section number and adding at the end thereof the following new subsection:

"(b) Facilities Subject to Emergency Planning.—(1)(A) Not later than 90 days after the date of the enactment of the Community Emergency Preparedness and Response Act of 1985, the President shall publish a list of extremely hazardous substances, taking into account the toxicity, reactivity, usage, and volatility of such substances. The President shall review, and modify as necessary, such list not less often than every two years. Such list shall identify each extremely hazardous substance and shall include a formula which relates the toxicity, reactivity, volatility, and usage presented by such substance to the quantity of the substance present at facilities to determine whether a release of the substance from such facility would likely pose an imminent and substantial endangerment to the public health or to the environment. Facilities which pose such an endangerment shall notify the Governor in accordance with subparagraph (B). The President shall also establish quantities for such substances below which no facility manufacturing, processing, or disposing of such substance in such quantities shall be subject to the provisions of this subsection.

"(B) Not later than 120 days after such date of enactment, each owner or operator of a facility (other than motor vehicles, rolling stock, or aircraft) which poses an endangerment as specified in subparagraph (A) shall notify the Governor of the State in which such facility is located that such facility is subject to the requirements of this subsection. The Governor shall designate such facilities as being required to comply with the provisions of paragraph (2), and may designate additional facilities which shall be required to comply with the provisions of paragraph (2).

"(2)(A) Not later than 210 days after such date of enactment, the Governor of each State shall designate emergency planning districts in order to facilitate preparation and implementation of emergency plans. Where appropriate, the Governor may designate existing political subdivisions or multijurisdictional planning organizations as such districts. In emergency planning areas which involve more than one State, the Governors of each potentially affected State may designate emergency planning districts and emergency planning committees by agreement. In making such designation, the Governor shall indicate which facilities designated under paragraph (1) are within such emergency planning district.

"(B) Not later than 240 days after such date of enactment, the Governor shall appoint members of an emergency planning committee for each emergency planning district. Each committee shall include representatives of the public and appropriate State and local organizations. In making such appointments, the Governor shall consider persons who would be expected to play a major role in the event of a release of an extremely hazardous substance, including owners and operators of facilities designated under paragraph (1), elected officials, law enforcement and firefighting personnel, public health, medical, hospital, and environmental protection personnel, civil defense personnel, transportation officials, and representatives of broadcast and print media. Interested persons may petition the Governor to modify the membership of such committee. Such committee shall appoint a chairperson and shall establish rules by which the committee shall function. Such rules shall include provisions for public notification of committee activities, public meetings to discuss the emergency plan, public comments, and response to such comments by the committee, and distribution of the emergency plan.

"(C) Each emergency planning committee shall complete preparation of emergency plans in accordance with this subsection not

later than two years after such date of enactment. The committee shall review such plan annually or as changed circumstances in the community or at any facility may require.

"(D) Each emergency planning committee shall evaluate the need for resources necessary to develop, implement, and exercise the emergency plan, and shall make recommendations with respect to additional resources which may be required, and methods for providing such additional resources.

"(E) Each emergency plan shall include (but not be limited to)—

"(i) identification of facilities designated pursuant to paragraph (1) which are within the emergency planning district, and identification of routes likely to be used for the transportation of substances listed pursuant to paragraph (1);

"(ii) methods and procedures to be followed by facility owners and operators and local emergency and medical personnel to respond to any release of such substances;

"(iii) designation of a community emergency coordinator and a facility emergency coordinator, who shall make determinations necessary to implement the plan;

"(iv) procedures providing reliable, effective, and timely notification by the facility emergency coordinator and the community emergency coordinator to persons designated in the emergency plan, and to the public, that a release has occurred (consistent with the emergency bulletin notification requirements under section 103(g));

"(v) a method for determining the occurrence of a release, and the area or population likely to be affected by such release;

"(vi) an evacuation plan, including provisions for a precautionary evacuation and alternative traffic routes;

"(vii) a training program, including schedules for training of local emergency response and medical personnel; and

"(viii) methods for exercising such plan.

"(F) The owner or operator of each facility designated pursuant to paragraph (1) shall—

"(i) within 240 days after such date of enactment, notify the emergency planning committee for the emergency planning district in which such facility is located that a facility representative will participate in the emergency planning process;

"(ii) inform the emergency planning committee of any relevant changes occurring at such facility as such changes occur or are expected to occur; and

"(iii) upon request from the emergency planning committee, provide information to the committee necessary for developing and implementing the emergency plan.

"(G) The National Response Team shall publish guidance documents for preparation and implementation of emergency plans. Such documents shall be published not later than 210 days after such date of enactment.

"(H) The Regional Response Teams shall review and comment upon such emergency plans or other issues related to preparation, implementation, or exercise of such plan upon request of the emergency planning committee. Such review shall not delay implementation of such plans.

"(3) The President may order a facility owner or operator to comply with paragraphs (1)(B) and (2)(F) of this subsection. The United States district court for the district in which the facility is located shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $10,000 for each day in which such violation occurs or such failure to comply continues.".

EMERGENCY BULLETINS

Sec. 3. (a) Notification Requirements.—Section 103 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(g) Emergency Bulletins.—(1) The owner or operator of any facility at which a release occurs in an amount requiring a report under subsection (a) shall immediately provide notice of such release to the community emergency coordinator for the emergency planning committees (established pursuant to section 105(b)) for any area likely to be affected by the release, to the Governor of any State likely to be affected by such release, and to other appropriate State and local officials.

"(2) Notice under paragraph (1) shall include (to the extent known at the time of the notice)—

"(A) the chemical name or identity of any hazardous substance involved in the release;

"(B) an estimate of the quantity of any such hazardous substance which was released into the environment;

"(C) the time and duration of the release;

"(D) the medium or media into which the release occurred;

"(E) the nature of the health or safety hazard posed by any substance released to the population as a whole and to sensitive populations, and the likely symptoms of exposure at different levels and types of exposure;

"(F) proper precautions to take as a result of the release, including evacuation; and

"(G) the name and telephone number of the person or persons to be contacted for further information.

"(3) As soon as practicable after a release to which this subsection applies, such owner or operator shall provide a followup notice (or notices, as more information becomes available) updating the information required under paragraph (2), and including additional information with respect to—

"(A) actions taken to respond to and contain the release;

"(B) any known or anticipated acute or chronic health risks associated with the release; and

"(C) where appropriate, advice regarding medical attention necessary for exposed individuals.".

(b) Penalties.—(1) Section 103(a) of such Act is amended by inserting ", and shall provide the notification required under subsection (g)" after "notify the National Response Center established under the Clean Water Act of such release".

(2) Section 103(b) of such Act is amended by inserting ", or fails to provide the notification required under subsection (g)." after "fails to notify immediately the appropriate agency of the United States Government".

MATERIAL SAFETY DATA SHEETS

Sec. 4. Requirements.—Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as amended by section 2 of this Act) is further amended by adding at the end thereof the following new subsection:

"(c) Material Safety Data Sheets.—(1) Each owner or operator of a facility at which a hazardous chemical (as defined in section 101(33)) is produced, used, or stored shall file a material safety data sheet for such hazardous chemical with the emergency planning committee (established under section 103(g)) for the area in which such facility is located. Each such data sheet shall be accompanied by an estimate of the maximum amounts of the hazardous chemical expected to be present at the facility during a year (in ranges), and the location of the hazardous chemical at such facility.

"(2) Whenever a material safety data sheet is revised (as required under regulations under the Occupational Safety and Health Act of 1970) each such facility owner or operator shall file, as promptly as practicable but not later than 3 months after such revision, the revised material safety data sheet with such committee. Whenever a significant change occurs in the amount of the hazardous chemical located at the facility, such owner or operator shall file a new estimate of the amount present.

"(3) The emergency planning committees shall make the material safety data sheets and inventory information available to the public upon request.

"(4) Nothing in this subsection shall be construed to limit the ability of any State or locality to require submission or distribution of information related to hazardous chemicals or to limit the authority of any State of preempt any local law relating to the submission of information related to hazardous chemicals.

"(5) The President may order a facility owner or operator to comply with this subsection. The United States district court for the district in which the facility is located shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $10,000 for each day in which such violation occurs or such failure to comply continues.".

(b) Definitions.—Section 101 of such Act is amended—

(1) by striking out "and" at the end of paragraph (31);

(2) by striking out the period at the end of paragraph (32) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(33) 'hazardous chemical' means, for purposes of section 105(c), any substance which is treated as a 'hazardous chemical' pursuant to the Occupational Safety and Health Administration's hazard communication standard (codified in July 1985 in 29 CFR 1910.1200), except that the following substances shall not be treated as a 'hazardous chemical' for such purposes:

"(A) any food, food additive, color additive, drug, or cosmetic regulated by the Food and Drug Administration;

"(B) any manufactured item which contains a hazardous chemical present as a solid which does not result in exposure to the hazardous chemical under normal conditions of use;

"(C) any substance to the extent it is used for personal, family, or household purposes, or is present in the same form and concentration as a product packaged for distribution and use by the general public;

"(D) any substance to the extent it is used in a laboratory, hospital, or other medical facility under the direct supervision of a technically qualified individual; and

"(E) any substance to the extent it is used in routine agricultural operations; and

"(34) 'material safety data sheet' means a material safety data sheet developed for a hazardous chemical pursuant to the hazard communication regulations promulgated under the Occupational Safety and Health Act of 1970 (codified in July 1985 at 29 CFR 1910.1200).".●

ORDERS FOR THURSDAY

RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 10 a.m. on Thursday, August 1, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I further ask unanimous consent that following the recognition of the two leaders under the standing order there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senator Simon, Senator Proxmire, Senator Kerry, and Senator Bumpers.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 11:30 a.m. with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR AGRICULTURE DISCUSSION FROM 1 P.M. TO 3 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the period from 1 p.m. to 3 p.m. be set aside for discussion of various options pending in the Agriculture Committee including the 1-year freeze, the 2-year freeze, the 4-year freeze, the marketing loan plan, or any other options so that we might be able to determine the cost.

Mr. MELCHER. Mr. President, reserving the right to object, and I shall not object, I want to commend the majority leader for what I believe will be a very helpful session of the Senate between 1 and 3 p.m. tomorrow if this unanimous-consent agreement is agreed to.

It will provide the opportunity for Senators to review on the Senate floor what the various cost proposals are. There has been some problem in the committee as we have worked on the bill arriving at what could be accurate figures provided by the Department of Agriculture. I must say as to the Department's figures on costs that many of these requests are made on short notice and the Department finds itself often attempting to give the answer right on the spur of the moment to satisfy the committee members. That is rather difficult.

So I do want to make it clear that the Department, in giving figures, has its own problems in coming up with the answers as quickly as the committee would like it as we mark up a bill.

The majority leader, I know, has had a great concern over this, as has the chairman of the committee and the rest of the membership of the committee. So this discussion tomorrow afternoon will be very helpful and beneficial.

I again commend the majority leader for making the request.

Mr. President, I do not object.

Mr. PRYOR. Mr. President, will the majority leader yield?

Mr. DOLE. I am happy to yield.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. PRYOR. Mr. President, I am not going to object. I commend the majority leader for such a meeting, which appears to be on track, to be scheduled tomorrow in the Senate.

While I do see the distinguished chairman of the Agriculture Committee on the floor, if I might ask the chairman a question, that question would be this: Will the Agriculture Committee meet in the morning at 10 a.m. as announced earlier?

Mr. HELMS. Will the majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. HELMS. The committee meeting is scheduled for 10 a.m., as I announced.

Mr. PRYOR. I appreciate that information.

Mr. HELMS. We will be coming in tomorrow morning and having our meeting.

Mr. PRYOR. I thank the chairman.

Mr. HARKIN. Will the majority leader yield for a question?

Mr. DOLE. I yield.

Mr. HARKIN. Mr. President, we have had some problems before with some of the numbers from the Department of Agriculture. Is it possible to get any numbers from CBO on the 1-year freeze, the 2-year freeze, the 4-year freeze? Is it possible to get some figures from CBO?

Mr. DOLE. As I understood, the CBO is perfectly willing to give us cost estimates, but they have not revised the baseline. They have indicated to us that they would do that during the month of August. We have the CBO figures for April and January on the baseline but not on July, the revised figures.

It would be my hope that we could at least address USDA figures. I have had figures today saying the 4-year freeze adds $20 billion. I have had figures as high as $80 billion for the cost of the farm bill in the next 4 years. I do not know where we are. It seems to me we may not resolve anything tomorrow but at least we can raise the questions.

I know the chairman has been meeting for well over 2 hours. He has all kinds of figures, I understand.

Mr. HELMS. Will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. HELMS. Mr. President, we have indeed been meeting to try to get a handle on what it is we are dealing with. To me, we are at least $20 billion over the budget mark over 4 years, in addition, let me stress, to $32.1 billion in the Senate version of the budget resolution.

I have tried to level with the members of the committee all along, and I think I have, that my concern is that we report a fiscally responsible farm bill. Senators have agreed with that. We have had a harmonious markup period ranging over 9 or 10 weeks. Senators have been free to express themselves. There have been differences about the figures, I may say to the majority leader. Nobody on Earth can say whose estimate is right and whose is wrong 3 years in advance. It depends on a lot of things, weather, markets, et cetera.

But one thing is for sure in terms of the economic aspect: What we need to do in Congress, in my judgment, is to get this Federal deficit under control. That is the unknown quantity. If we can get the deficit under control then the interest rate is going to come down.

I would point out, Mr. President, that every 1 percent drop in the interest rate would mean an additional $2 billion in the pockets of the American farmers.

That is the kind of thing that I have been trying to work out in my mind, I say to the distinguished majority leader. We need to keep in mind that the average net worth of U.S. farmers is in excess of $500,000. The thing that has troubled me about so many of the proposals, is that the small farmer is getting the short end of the stick.

We all make speeches about wanting to look after the small family farmer, but as I perceive where we are, I believe the emphasis in terms of helping farmers has been on those farmers who are in the upper brackets.

These are the concerns I have and which we have been discussing this evening. So I think we are going to have to be careful that we do not try the patience of the taxpayers. I have read the articles in Reader's Digest and other publications and a lot of them are on target. True enough, a lot of people who write about farm legislation do not know very much about it. But I want to be as careful as I may be, just as one Senator, that we do it right this time, because we have made a lot of mistakes in the past.

I thank the Senator for yielding.

Mr. HARKIN. Mr. President, will the distinguished chairman yield?

Mr. HELMS. I do not have the floor.

Mr. DOLE. Yes, I yield to the Senator.

Mr. HARKIN. I want to be sure I understand. I thought I heard the Senator say the average net worth of farmers is $500,000. I wonder if the chairman does not mean that the average value of assets held by farmers is $500,000, not the average net worth.

Mr. HELMS. Well, whatever.

Mr. HARKIN. I just do not have any farmers in my State who have that kind of net worth. I think maybe the assets the farmers have may be $500,000. With the debt load they have, that asset value is reduced in many instances down to almost nothing.

I just wanted to correct that, because I did not want to leave the impression that the average net worth of the farmers is $500,000. Maybe the asset value.

Mr. HELMS. Mr. President, these are the figures I specifically asked for from the staff and they have reassured me that the figures I was given involve farmers having from $40,000 to $100,000 of gross sales. The net worth—the net worth—of these farmers on the average is in excess of $500,000. Perhaps the Senator has information that disagrees with that, but this is the best information we have. This is based on hearing testimony received in hearings this year. It is substantiated data.

The point is, Mr. President, that the Senator from Iowa and the Senator from North Carolina—every Senator on this floor—are concerned about the small farmers. Is that correct, I ask the Senator?

Mr. HARKIN. Yes, Mr. President.

Mr. HELMS. I know I have heard the Senator himself, time and time again in the committee meetings, say we must do something for the small family farmer. I just want to be sure that is what we do.

Some of these payment limitations allow payments in excess of a half million dollars, that sort of thing. I think we ought to take a close look at that.

The PRESIDING OFFICER. Is there objection?

Mr. MELCHER addressed the Chair.

Mr. BYRD. Mr. President, does the distinguished Senator from Montana wish to reserve his right to object?

Mr. MELCHER. Yes, Mr. President. I would just like to say, if the majority leader would yield to me, Mr. President——

Mr. DOLE. I shall be happy to yield.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. I thank the distinguished majority leader and the Chair.

I think we ought to recognize that they are the assumptions that the Department of Agriculture uses. Anybody can use a computer and CBO can track. It is really the same deal if they use the same assumptions. I think the basis of our questioning is what are these assumptions that the Department of Agriculture is using and are they believable assumptions? That, I assume, is the purpose of the discussion tomorrow, is it not, I ask the majority leader?

Mr. DOLE. That is right, Mr. President.

Mr. MELCHER. I thank the distinguished majority leader.

I might say that perhaps the figure the distinguished chairman of the Agriculture Committee was trying to reach was how much debt do these 100,000 big producers have.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The distinguished majority leader is recognized.

Mr. DOLE. Mr. President, we are going to discuss this tomorrow, but I would indicate that sooner or later we have to come to grips with the figures. We can all argue about what the basis may be, but it seems to me that we are not going to be able to complete final action. I have checked with the House as recently as an hour ago. They intend to meet again tomorrow. They do not believe they will complete action in committee. There is still some food stamp provisions and farm credit provisions left to be done, I am advised by the chairman, in the Senate Agriculture Committee.

What I seek to avoid is the exercise to see who can spend the most money on agriculture, and perhaps if we had a couple hours of discussion with as much factual information as we could get, then we would be in a better position. But I hope that during the period of time from 11:30 to 1 o'clock we can dispose of the supplemental appropriations conference report as well as any other legislative or executive calendar items which have been cleared for action. And, again, I thank all my colleagues for their cooperation. We have moved a lot of legislation today and we hope to have more. In fact, I see a couple of other items we can do yet this evening. So if Senators can help us work out some of the remaining bills tomorrow and Friday, we will be in fair shape for the August recess.

AGENDA FOR THURSDAY AND FRIDAY

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. DOLE. I am happy to yield.

Mr. BYRD. Is he in a position at this time to state what the program will be after 3 o'clock tomorrow?

Mr. DOLE. There could be the energy and water appropriations bill. The distinguished chairman of the Appropriations Committee would like to take that bill up tomorrow. I understand there will be a number of amendments which could take several hours, so it may be something we want to start tomorrow, maybe not.

I know that the budget conferees, at least some, are meeting at this very moment and I hope to have a discussion with the chairman of the Budget Committee. There is a possibility we might do that tomorrow if there is an agreement. But I would say that is fairly remote. The South Africa conference report, I understand that there are some who would like to take it up and some who would not. With 2 days left only one side can prevail. So I would guess the energy and water appropriation bill is probably the best candidate. Is there any objection on the Senator's side to taking that up?

Mr. BYRD. I will check that out. Is the distinguished majority leader in a position to indicate what the program will be for Friday?

Mr. DOLE. Friday, it could be the conference report on the budget resolution. Hopefully, we will have disposed of the supplemental. It could be the South Africa conference report. It could be hardly anything. We are getting down to the bottom.

Mr. BYRD. I understand that.

Mr. DOLE. I do not have much left on the list.

Mr. BYRD. Does the majority leader intend to proceed with the recess of the Senate as scheduled, at the close of business Friday?

Mr. DOLE. Yes, that is the intention of the majority leader. In fact, the adjournment resolution will indicate either the close of business tomorrow or the close of business on Friday.

Mr. BYRD. I thank the majority leader.

MYASTHENIA GRAVIS AWARENESS WEEK

Mr. DOLE. Mr. President, I ask unanimous consent that Senate Joint Resolution 183, Myasthenia Gravis Awareness Week, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 2466, U.S. COAST GUARD, HELD AT THE DESK

Mr. DOLE. Mr. President, I ask unanimous consent that H.R. 2466, to make miscellaneous changes in laws affecting the U.S. Coast Guard, be held at the desk until the close of business on Thursday, August 1, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

EARTHQUAKE HAZARDS REDUCTION ACT AUTHORIZATION

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 817.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 817) entitled "An Act to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes", do pass with the following amendments:

Page 1, line 9, strike out [$5,705,000], and insert: *$5,596,000.*

Page 1, line 10, strike out [$5,962,000.".], and insert: *$5,848,000.".*

Page 2, line 4, strike out [$35,578,000], and insert: *$35,044,000*

Page 2, line 5, strike out [$37,179,000], and insert: *$$36,621,000*

Page 2, line 9, strike out [$28,700,000], and insert: *$27,760,000*

Page 2, line 10, strike out [$29,992,000], and insert: *$29,009,000*

Strike out all after line 18 on page 2 over to and including line 2 on page 3, and insert:

"(E) compile and maintain a written plan for the program specified in subsections (a), (e), (f), and (g), to be submitted to the Congress and updated at such times as may be required by significant program events, but in no event less frequently than every three years;".

Sec. 6. Section 5(b)(2) of such Act (42 U.S.C. 7704(b)(2)) (as amended by section 5 of this Act) is further amended by redesignating subparagraph (F) as subparagraph (G), and by inserting after subparagraph (E) the following new subparagraph:

"(F) make, in cooperation with the United States Geological Survey, the National Science Foundation, and the National Bureau of Standards, an annual presentation to the appropriate committee of the Congress within sixty days after the end of each fiscal year for the purpose of communicating any events and any programmatic requirements deemed significant by the National Earthquake Hazards Reduction Program; and

AMENDMENT NO. 570

(Purpose: Amend provision regarding authorization of appropriations for activities under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and other purposes)

Mr. DOLE. Mr. President, I move that the Senate concur in the House amendments with a further Senate amendment which I send to the desk on behalf of Senator GORTON.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. GORTON, proposes an amendment numbered 570.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In section 2, strike "35,044,000" and insert in lieu thereof "$35,578,000"; and strike "$36,621,000" and insert in lieu thereof $37,179,000".

In section 6, strike "and" at the end and insert in lieu thereof the following:

and".

Sec. 7. Section 2(b)(3) of the National Bureau of Standards Authorization Act for Fiscal Year 1986 (Public Law 99-73) is amended by striking "(7), and (8)" and inserting in lieu thereof "and (7)".

Mr. GORTON. Mr. President, S. 817 and S. 818, two authorization bills, have already passed the Senate and the House of Representatives. The amendments I am offering today are the result of negotiations with House Members, and reflect compromises which I believe will pass both Houses of Congress. I want to congratulate my colleagues in the Senate and those on the House Committee on Science and Technology and their staff for their cooperation and work on this legislation.

The amendment to S. 818, the Fire Prevention and Control Act, authorizes appropriations for fiscal year 1986 at $22,037,000. There are two components to this total figure. One is the U.S. Fire Academy, for which the authorization is $13,037,000. This figure restores funds for the travel stipend program at the Fire Academy. The Senate bill restored $1 million for this program; the proposed amendment restores the entire $1.4 million to the Administration's request of $11.637, for a total of $13,037,000.

The second component reflected in the total for S. 818 is the U.S. Fire Administration. This amendment authorizes $9 million for the Fire Administration.

The amendment to S. 817, the Earthquake Hazards Reduction Act, funds the following agencies at the levels described:

	Fiscal year—	
	1986	1987
Federal Emergency Management Agency	$5,596,000	$5,848,000
U.S. Geological Survey	35,578,000	37,179,000
National Science Foundation	27,760,000	29,009,000
National Bureau of Standards	499,000	521,000

This amendment reflects reductions from the Senate's authorization levels for the Federal Emergency Management Agency and the National Science Foundation. We have also accepted the House's position that the National Earthquake Hazards Reduction Program plan must be updated every 3, rather than 2 years.

There is an additional amendment to S. 817 to correct a technical error in the National Bureau of Standards Authorization Act for 1986, which the President signed into law on July 29.

Mr. President, I urge the Senate to pass these two bills, which reauthorize important programs to protect our citizens' safety.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATIONS

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 818.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 818) entitled "An Act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974", do pass with the following amendment:

Line 9, strike out [$22,036,000], and insert: *$22,953,000*

AMENDMENT NO. 571

(Purpose: Amend provision regarding authorization of appropriations for activities under the Federal Fire Prevention and Control Act of 1974)

Mr. DOLE. Mr. President, I move that the Senate concur in the House amendment with a further amendment which I send to the desk on behalf of Senator GORTON.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. GORTON, proposes an amendment numbered 571:

Strike "$22,953,000" and insert in lieu thereof "$22,037,000".

(See Mr. GORTON's statement on the previous measure, S. 817.)

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

STATE AND LOCAL HIGHWAY SAFETY GRANTS AUTHORIZATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 263, S. 1529, the National Highway Traffic Safety Administration authorization drunk-driving legislation.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1529) to authorize appropriations for State and community highway safety grants, and for other purposes.

There being on objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 572

(Purpose: Add provision regarding minimum drinking age)

Mr. BYRD. Mr. President, I send to the desk an amendment on behalf of Senators LAUTENBERG and DANFORTH.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. LAUTENBERG and Mr. DANFORTH, proposes an amendment numbered 572.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. 3. Section 158 of title 23, United States Code, is amended—

(1) in subsection (a)(2), by striking "the fiscal year" and inserting in lieu thereof "each fiscal year"; and

(2) in subsection (b), by striking "in fiscal year if in any succeeding fiscal year" and inserting in lieu thereof "in the fiscal year beginning after September 30, 1986, or the fiscal year beginning after September 30, 1987, if before the end of the period for which such funds would be available for expenditure under section 118(b) of this title".

Mr. LAUTENBERG. Mr. President, the amendment I am offering to the bill introduced by my colleague, Senator DANFORTH, will reaffirm the intent of Congress to achieve a uniform minimum drinking age nationwide of 21. This amendment is necessary to make clear to the States that we are serious about this matter and that we will not stand by and see the States circumvent the intent of the Senate and the Congress. It is essentially the text of S. 1428, which I introduced, with Senator DANFORTH, on July 11.

In July of last year, President Reagan signed into law a bill that would withhold highway construction funds from those States that failed to raise their minimum drinking age to 21 by October 1, 1986. Five percent of fiscal year 1987 funding would be withheld from four highway programs on October 1, 1986, if a State has a minimum drinking age lower than 21. On October 1, 1987, if a State has not taken action, another 10 percent of highway funds would be withheld. At the close of fiscal year 1988, under current law, the withholding will end.

States which take action to raise their minimum drinking age after October 1, 1986, under current law, will have the funds that have been withheld reimbursed.

Mr. President, the law passed by the Congress last June constituted a restrained use of Federal authority to address an interstate problem. Across the Nation, we have blood borders: a State with a higher drinking age bordered by one with a lower minimum drinking age. In these situations, young people have a clear incentive to drive in order to drink. After purchasing and consuming alcohol in a neighboring State, they try to make it home. Too many don't make it.

A uniform minimum drinking age of 21 will solve this problem by removing the incentive to cross State borders in order to drink.

In the last year, 14 States have taken action to raise their minimum drinking ages to 21; 13 States and the District of Columbia have yet to take action. Of the States which acted this past year, most did so in a manner consistent with both the letter and spirit of the law. In a few cases, however, State legislatures exploited technical loopholes in existing law in an attempt to circumvent the will of Congress. In these cases, the States would sunset their 21 minimum drinking age when the Federal withholding of highway funds ends in 1988.

Mr. President, Congress did not pass Public Law 98-363, in order to withhold highway funds. We passed the Uniform Minimum Drinking Age Act in order to reduce the deaths and crippling injuries attributed to drunk driving by those 16 to 21 years of age. Drunk driving is the No. 1 killer of our Nation's young people. This critical age group is the only one in our society that has not increased its life expectancy in the last 20 years. The reason is drunk driving.

A uniform minimum drinking age of 21 will save over 1,000 lives per year. While this act alone will not rid our highways of drunk driving, it will go far to preserving our most precious resource: our children.

The amendment I propose will deal with those States that have exploited technical loopholes in existing law. My amendment will make the 10 percent withholding of highway funds, scheduled to end on September 30, 1988, permanent. This change will conform the statute to that used to enforce the 55-miles-per-hour speed limit. In addition, my amendment will end the reimbursement of highway funds at the close of fiscal year 1988. This change will essentially establish September 30, 1988 as the date by which the Congress wants to see uniformity in minimum drinking ages across the Nation. If uniformity is not achieved by that date, Congress, under this amendment, is prepared to take stronger action. Funds would continue to be reimbursed for fiscal years 1987 and 1988 so long as those funds have not lapsed.

Mr. President, last year we sent a strong signal to the States that there was national support for a minimum drinking age of 21 nationwide. A few States have questioned the seriousness of our intent. If we are serious about a uniform minimum drinking age, we must pass this legislation. As a fiscal matter, this amendment will have no adverse impact on those 37 States that now have 21 as their minimum drinking age. In those States which have tied their minimum drinking age to the existence or nonexistence of Federal sanctions, no highway funds will be withheld, because, through this amendment, we will be making the sanctions permanent. My amendment will not affect their highway funds, it will keep their minimum drinking age at 21.

When Congress passed the Uniform Minimum Drinking Age Act, Mr. President, it contemplated long-term change in minimum drinking ages across the country. It did not contemplate returning to the patchwork quilt of differing State laws after 2 years had passed. If we fail to adopt this amendment, we will find ourselves in 1988 with exactly the situation we sought to avoid when we passed the Uniform Minimum Drinking Age Act of 1984.

Mr. President, the Uniform Minimum Drinking Age Act of 1984 had the support of some 81 Senators on final passage. My distinguished colleague, Senator DANFORTH, was the floor manager of the bill to which it was attached. The bill had the support of groups such as the Mothers Against Drunk Driving, the National Council on Alcoholism, the National Safety Council, and National PTA. Today, I again join with Senator DANFORTH to reaffirm Congress' support for this vital initiative.

Mr. DANFORTH. Mr. President, Congress in recent years has taken important steps to address the drunk driving problem in this country. In 1982, I sponsored legislation which encourages States to take more effective action against drunk drivers by providing Federal grants to States with tough drunk driving laws. This incentive grant program is working well; throughout the country States are enacting tougher drunk driving laws. At times, however, more forceful action is necessary to achieve the desired result; this has been the case with the 21-year minimum legal drinking age.

Last year, legislation sponsored by my distinguished colleague Senator LAUTENBERG, Public Law 98-363, was enacted which encourages States to set their minimum legal drinking ages at 21. Specifically, this legislation directs the Department of Transportation [DOT] to withhold 5 percent of the fiscal 1987 and 10 percent of the fiscal 1988 Federal-aid highway funds from any State that permits the purchase or public possession of alcohol by persons under the age of 21. This was, and is, very important legislation. Studies have shown that a uniform drinking age of 21 is one of the most effective means of reducing drunk driving deaths and injuries. Unfortunately, in the years immediately prior to enactment of the 1984 legislation, most States which did not have already a 21-year drinking age chose not to raise their drinking ages to 21. In the months following the enactment of Public Law 98-363 last July, however, several States have taken this important step; we now have 37 States with a minimum legal drinking age of 21. The legislation clearly is working and having its desired effect.

I am concerned, however, about attempts made by some States to circumvent the intent of this important legislation. The 1984 bill requires DOT to withhold highway construction funds from States with drinking ages below 21 for fiscal years 1987 and 1988. This sanction was intended to render long-term benefits. Some States, however, may thwart this important goal by such means as establishing a 21-year drinking age only for the period during which highway funds are to be withheld; after that time, the State's drinking age would revert back to a lower level. Clearly, this violates the intent of last year's legislation.

Mr. President, the amendment being offered today by Senator LAUTENBERG and myself would remedy this situation by requiring DOT to withhold 10 percent of a State's highway construction funds in each fiscal year following fiscal 1987 if that State's minimum legal drinking age is less than 21. This amendment is consistent with the intent of Public Law 98-363 and will go a long way toward ensuring that the "blood border" problem of recent years will not reemerge.

Mr. President, this amendment will help save lives by reducing drunk driving accidents. I urge my colleagues to join me in support of this important amendment.

Mr. HOLLINGS. Mr. President, I support the adoption of the Lautenbery amendment, which would make permanent the withholding of highway funds from States that have not adopted the national minimum drinking age of 21.

Last June, the Senate overwhelmingly approved Senator LAUTENBERG's legislation to encourage States to raise their drinking age to 21. The measure, which is now law, penalizes States which haven't done so by withholding 5 percent of their Federal highway funds in 1987 and 10 percent in 1988. The amendment before us today would extend that 10 percent withholding indefinitely.

Already we are beginning to see benefit from last year's legislation. As of last June, when the Lautenberg legislation was passed, 23 States had minimum drinking ages of 21. Since then, 14 more States have acted to raise their drinking ages, and others are considering such a move. It is still too early to determine exactly how many lives have been saved because of this, but existing studies do show a direct correlation between a higher drinking age and fewer teenage alcohol-related traffic deaths.

Normally, I am very suspicious of any measure which exerts Federal power in areas which have traditionally been left to State and local control. However, when the Federal Government can act to save a substantial number of lives, then I believe it should act. Indeed, this is a paramount function of Government.

This type of Federal action is necessary and proper for one primary reason—the existence of differing minimum legal drinking ages in adjoining States becomes an incentive for many young people to drive across State lines in order to obtain and consume liquor. Drunk driving among younger adults is something this Congress should want to discourage, not encourage. And a uniform, 21-year-old legal drinking age is the only way to prevent young Americans from commuting across these "blood borders."

Numerous studies, including those by the National Transportation Safety Board and the Insurance Institute for Highway Safety, have concluded that the uniform drinking age will save a great deal of lives.

The concern expressed by the Senator from New Jersey—and it is a concern which I share—is that the existing law may not go far enough to bring about a permanent, uniform national drinking age among our 50 States. Already there is some indication that certain State legislatures are considering "sunsetting" their higher drinking age laws, so that they'll revert back to age 18 or 19 after 1988, when the withholding of highway funds will no longer be in effect. This is reason enough to enact the amendment before us today. It will make permanent a 10-percent withholding of Federal funds for States which have not adopted the minimum drinking age. Thus, if 5 years from now a State decides to lower its drinking age to 18, it will lose funding.

There is no question in my mind that this is what our constituents want—a permanent national uniform drinking age of 21. And I commend the Senator from New Jersey for his tireless efforts to achieve this end. I know much of his vigor on this issue stems from his own personal experience in watching the lowering of his State's drinking age to 18 a number of years back, and the subsequent tripling of the death rate among young people due to drunk driving. He watched that rate drop by one-half a couple of years ago, when New Jersey raised the legal drinking age back up to 21.

But there's not much the people of New Jersey can do about laws in neighboring States, and that's why it is important that Congress do what it can to encourage all States to adopt the national minimum drinking age. Thanks to last year's legislation, New York and Connecticut have acted to raise their drinking ages to 21. Soon 18, 19, and 20 year olds in New Jersey will have no incentive to drive across the border into New York State, purchase and consume alcoholic beverages, and then drive home, at great risk to their own lives and those of other drivers. The amendment before us today will help ensure that we won't face this same problem several years from now.

Mr. President, this amendment is yet another step toward making our roads and highways as safe as they can be. I am sure it will save lives. And that's reason enough to pass it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 572) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 573

(Purpose: Provide authorization of appropriations for highway safety research and development programs)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Senator DANFORTH.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for Mr. DANFORTH, proposes an amendment numbered 573.

At the end of the bill, add the following:

SEC. . Section 403 of title 23, United States Code, is amended by adding at the end thereof the following:

"(g) There is authorized to be appropriated for purposes of carrying out this section not to exceed $31,000,000 for fiscal year 1987.".

Mr. DANFORTH. Mr. President, this legislation authorizes funding for important highway safety programs. The amendment I am offering today provides an authorization for funding of the Department of Transportation's [DOT] Highway Safety Research and Development Program, established by the Highway Safety Act of 1966. My amendment authorizes funding for this program of $31 million for fiscal 1987; this funding level is identical to the authorization already provided for fiscal 1986.

Mr. President, our continued support of the Department's highway safety research and development activities is vital to efforts to reduce highway deaths and injuries. This amendment will enhance the development of more effective highway safety programs. I encourage my colleagues to support this funding authorization.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 573) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DANFORTH. Mr. President, the Department of Transportation's National Highway Traffic Safety Administration [NHTSA] has been directed by Congress to promote highway safety and thereby save lives and reduce the number of injuries resulting from traffic accidents. Testimony presented by NHTSA to the Commerce Committee shows that there have been meaningful improvements in highway safety in recent years. Nevertheless, approximately 43,800 people died in highway accidents in 1984. NHTSA must be encouraged, therefore, to continue and strengthen its efforts to further improve highway safety.

The legislation before us today will help these safety efforts, by authorizing funding for two important highway safety programs.

The first section of this bill authorizes funding for fiscal 1987 for the State and Community Highway Safety Grant Program, the so-called Section 402 Program. Under this program, States receive funds from the Department of Transportation to conduct various highway safety programs. The legislation we are considering today authorizes funding of $132 million for this safety program; this funding level is equivalent to the fiscal 1986 authorization provided in Public Law 98-363.

Section 2 of this legislation authorizes funding for fiscal year 1987 of $29,232,000 for the Drunk Driving Incentive Grant Program established in 1982 by Public Law 97-364. Funds are not authorized for fiscal 1986 because I understand from NHTSA that sufficient funds, appropriated in previous years, exist to meet this program's needs during fiscal 1986. This program, which encourages States to enact tougher drunk driving laws, has been working well. Public Law 97-364 provides for a two-tier Incentive Grant Program. States become eligible for a basic grant if they meet four criteria: Prompt license supsension; mandatory imprisonment or community service for repeat drunk driving offenders; defining a 0.10-percent blood alcohol content as per se evidence of intoxication; and increased enforcement and public education efforts. Under the provisions of the 1982 law, States can qualify for further funding under the Supplemental Grant Program if they meet additional criteria specified by NHTSA, along with the four basic grant criteria. To date, according to NHTSA, 16 States have qualified for basic grants; 13 of these States also have qualified for supplemental grants. I understand that several other States are working to meet the grant criteria of the 1982 law.

Mr. President, the legislation before us today will enhance highway safety efforts, not only by the Federal Government but also by State highway safety agencies. We must ensure that continued funding is available for these important highway safety programs.

I urge my colleagues to join me in supporting this legislation.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1529

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 203(a)(1) of the Surface Transportation Assistance Act of 1982 (Public Law 97-424; 96 Stat. 2138) is amended—

(1) by striking "and" after "1985,"; and

(2) by inserting immediately before the period at the end thereof the following: ", and $132,000,000 for the fiscal year ending September 30, 1987".

(b) Section 203(b) of the Surface Transportation Assistance Act of 1982 (Public Law 97-424; 96 Stat. 2138) is amended—

(1) by striking "and" after "1985," wherever it appears;

(2) by inserting immediately after "1986," the following: ", and $132,000,000 for the fiscal year ending September 30, 1987,"; and

(3) by inserting immediately before the period at the end thereof the following: ", and September 30, 1987".

SEC. 2. The first sentence of section 408(g) of title 23, United States Code, is amended by striking all after "Fund," and inserting in lieu thereof "$29,232,000 for the fiscal year ending September 30, 1987."

SEC. 3. Section 158 of title 23, United States Code, is amended—

(1) in subsection (a)(2), by striking "the fiscal year" and inserting in lieu thereof "each fiscal year"; and

(2) in subsection (b), by striking "in fiscal year if in any succeeding fiscal year" and inserting in lieu thereof "in the fiscal year beginning after September 30, 1986, or the fiscal year beginning after September 30, 1987, if before the end of the period for which such funds would be available for expenditure under section 118(b) of this title".

SEC. 4. Section 403 of title 23, United States Code, is amended by adding at the end thereof the following:

"(g) There is authorized to be appropriated for purposes of carrying out this section not to exceed $31,000,000 for fiscal year 1987.".

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECESS UNTIL 10 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move the Senate stand in recess until the hour of 10 a.m., Thursday, August 1, 1985.

The motion was agreed to, and the Senate, at 9:30 p.m., recessed until Thursday, August 1, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 31, 1985:

National Advisory Council on Women's Educational Programs

Diana Powers Evans, of Oregon, to be a member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1988, vice Gilda Bojorques Gjurich, term expired.

In the Navy

The following-named commodore of the line of the Navy for promotion to the permanent grade of rear admiral, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

RESTRICTED LINE—SPECIAL DUTY OFFICER (CRYPTOLOGY)

Charles Francis Clark.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 31, 1985:

Department of Defense

Donald Alden Hicks, of California, to be Under Secretary of Defense for Research and Engineering.

U.S. Synthetic Fuels Corporation

Russell F. Miller, of Maryland, to be deputy inspector general of the U.S. Synthetic Fuels Corporation for a term of 7 years.

Department of the Interior

William P. Horn, of Virginia, to be Assistant Secretary for Fish and Wildlife, Department of the Interior.

Department of State

George Cranwell Montgomery, of Tennessee, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sultanate of Oman.

Bruce Chapman, of Washington, to be the representative of the United States of America to the Vienna Office of the United Nations and deputy representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

Bernard Kalb, of Maryland, to be an Assistant Secretary of State.

Thomas Michael Tolliver Niles, of the District of Columbia, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

Gary L. Matthews, of Virginia, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta.

Harvey Frans Nelson, Jr., of California, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland.

Irvin Hicks, of Maryland, a career member of the Senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

Robert Vossler Keeley, of Florida, a career member of the Senior Foreign Service, class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece.

Francis J. Meehan, of Virginia, a career member of the Senior Foreign Service, class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the German Democratic Republic.

John Pierce Ferriter, of Florida, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Djibouti.

John Blane, of Illinois, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chad.

Richard Wayne Bogosian, of Maryland, a career member of the Senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Niger.

Department of Defense

Admiral William J. Crowe, Jr., U.S. Navy, under the provisions of title 10, United States Code, section 142, to be chairman, Joint Chiefs of Staff, a position of importance and responsibility designated by the President under subsection (a) of section 601.

National Council on Educational Research

The following-named persons to be members of the National Council on Educational Research for terms expiring September 30, 1987:

Elaine Y. Schadler, of Pennsylvania, reappointment.

Gwyneth Gayman, of California, reappointment.

Onalee McGraw, of Virginia, to be a member of the National Council on Educational Research for a term expiring September 30, 1987.

National Foundation on the Arts and the Humanities

Alice Wright Algood, of Tennessee, to be a member of the National Museum Services Board for a term expiring December 6, 1989.

National Science Foundation

Thomas B. Day, of California, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990.

James Johnson Duderstadt, of Michigan, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990.

Perry L. Adkisson, of Texas, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990.

ACTION Agency

Henry M. Ventura, of California, to be deputy director of the ACTION Agency.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

Department of Justice

Lydia E. Glover, of South Carolina, to be U.S. Marshal for the district of South Carolina for the term of 4 years.

Vinton DeVane Lide, of South Carolina, to be U.S. attorney for the district of South Carolina for the term of 4 years.

In the Air Force

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370.

Lt. Gen. Bruce K. Brown, 525-52-6910FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Harley A. Hughes, 441-34-0667FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. David L. Nichols, 509-28-0901FR, U.S. Air Force.

In the Army

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

To be brigadier general

Col. Arvid E. West, Jr., 389-32-1909, U.S. Army.

Col. Robert A. Harleston, 079-26-8225, U.S. Army.

Col. Peter W. Lash, 574-14-0327, U.S. Army.

Col. George C. Ogden, Jr., 446-36-1513, U.S. Army.

Col. Rhoss C. Lomax, Jr., 425-64-9193, U.S. Army.

Col. Virgil A. Richard, 447-38-9089, U.S. Army.

Col. Robert L. Dilworth, 264-52-0517, U.S. Army.

Col. John R. Piatak, 280-30-9106, U.S. Army.

Col. James W. Ball, 425-76-0130, U.S. Army.

Col. Carmen J. Cavezza, 061-30-0777, U.S. Army.

Col. David J. Allen, 007-30-5048, U.S. Army.

Col. Eugene C. Renzi, 030-24-2011, U.S. Army.

Col. James H. Johnson, Jr., 224-52-5098, U.S. Army.

Col. Peter D. Hidalgo, 434-48-6514, U.S. Army.

Col. David A. Nydam, 001-28-0821, U.S. Army.

Col. Carl W. Tipton, 429-60-6581, U.S. Army.

Col. Evelyn P. Foote, 579-36-3463, U.S. Army.

Col. Peter M. McVey, 153-24-0133, U.S. Army.

Col. Roland LaJoie, 002-26-9517, U.S. Army.

Col. David L. Funk, 459-58-0828, U.S. Army.

Col. Paul L. Greenberg, 410-52-6776, U.S. Army.

Col. William A. Stofft, 560-44-9358, U.S. Army.

Col. Jere H. Akin, 252-58-3705, U.S. Army.

Col. Jerry A. White, 232-54-2156, U.S. Army.

Col. Ira C. Owens, 521-38-8641, U.S. Army.

Col. Joseph Pratt, 070-30-4385, U.S. Army.

Col. Theodore Vander Els, 093-32-3985, U.S. Army.

Col. Melvin L. Byrd, 225-36-2403, U.S. Army.

Col. Patrick J. Kelly, 047-28-3359, U.S. Army.

Col. James H.B. Peay III, 227-46-1317, U.S. Army.

Col. Jerome H. Granrud, 499-38-2710, U.S. Army.

Col. Caryl G. Marsh, 404-50-4303, U.S. Army.

Col. Jack C. Wheeler, 258-56-5478, U.S. Army.

Col. William G. Pagonis, 182-32-7343, U.S. Army.

Col. Cloyd H. Pfister, 052-32-9906, U.S. Army.

Col. James E. Bickford, 406-44-8692, U.S. Army.

Col. Joseph S. Laposata, 207-30-0517, U.S. Army.

Col. Charles H. Armstrong, 517-34-4557, U.S. Army.

Col. William S.C. Chen, 339-34-5787, U.S. Army.

Col. Samuel A. Leffler, 483-48-5420, U.S. Army.

Col. William H. Forster, 427-68-5996, U.S. Army.

Col. Edward R. Baldwin, Jr., 488-40-3654, U.S. Army.

Col. Donald M. Lionetti, 144-30-6344, U.S. Army.

Col. Bruce W. Hall, 519-40-6201, U.S. Army.

Col. William N. Farmen, 054-32-2513, U.S. Army.

Col. Richard J. Mallion, 022-30-2849, U.S. Army.

Col. Lynn C. Hooper, 430-76-2872, U.S. Army.

Col. Domenic P. Rocco, Jr., 163-30-3015, U.S. Army.

Col. John D. Robinson, 013-30-1090, U.S. Army.

Col. Malcolm O'Neill, 326-34-8023, U.S. Army.

Col. Timothy J. Grogan, 540-38-5685, U.S. Army.

Col. Charles E. St. Arnaud, 348-30-8714, U.S. Army.

Col. James A. Guest, 252-66-6226, U.S. Army.

Col. William C. Page, Jr., 429-68-6113, U.S. Army.

Col. Guy A. J. Laboa, 467-58-5673, U.S. Army.

Col. Stephen Silvasy, Jr., 515-40-8976, U.S. Army.

Col. William W. Crouch, 530-26-4224, U.S. Army.

Col. Sherman H. Williford, 224-50-3744, U.S. Army.

Col. Fred F. Marty, 495-40-0462, U.S. Army.

Col. Paul E. Funk, 517-42-2603, U.S. Army.

Col. John C. Heldstab, 477-36-6872, U.S. Army.

Col. David A. Armstrong, 053-34-1597, U.S. Army.

Col. Barry R. McCaffrey, 228-56-4971, U.S. Army.

In the Navy

The following named commodores of the U.S. Navy for promotion to the permanent grade of rear admiral, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

MEDICAL CORPS

Joseph Samuel Cassells.

Louis Henry Eske.

In the Coast Guard

Coast Guard nominations beginning Robert H. Carmack, and ending Robert A. Cushing, which nominations were received by the Senate and appeared in the Congressional Record of July 22, 1985.

National Oceanic and Atmospheric Administration

National Oceanic and Atmospheric Administration nominations beginning Thomas E. Gerish, and ending Todd C. Stiles, which nominations were received by the Senate and appeared in the Congressional Record of July 25, 1985.

In the Air Force

Air Force nominations beginning Christian Y. Herrera, and ending Geoffrey E. Bangs, which nominations were received by the Senate and appeared in the Congressional Record of July 25, 1985.

Air Force nominations beginning William J. Agness, and ending Sondra K. Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record of July 25, 1985.

In the Army

Army nominations beginning Raymond J. Cully, Jr., and ending Michael A. White, which nominations were received by the Senate and appeared in the Congressional Record of July 25, 1985.

In the Navy

Navy nominations beginning Charles Llewellyn Adams, and ending Gary William Ley, which nominations were received by the Senate and appeared in the Congressional Record of July 9, 1985.

Navy nominations beginning Valeree Baity, and ending William A. Walker, Jr., which nominations were received by the Senate and appeared in the Congressional Record of July 25, 1985.

HOUSE OF REPRESENTATIVES—*Wednesday, July 31, 1985*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Help us, gracious God, to see the vision of a just and peaceful world, when people have their own traditions and yet respect others. May our pride in our history and the blessings we have received not blind us to see that all peoples are objects of Your creation and we are all sustained by Your love. May Your benediction be with each one this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2908. An act to amend title XI of the Education Amendments of 1978, relating to Indian education programs.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1160) "An act to authorize appropriations for the military functions of the Department of Defense and to prescribe personnel levels for the Department of Defense for fiscal year 1986, to authorize certain construction at military installations for such fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 505. An act to amend title 38, United States Code, to improve the delivery of health care services by the Veterans' Administration, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 367. An act to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes;

S. 415. An act to amend the Education of the Handicapped Act to authorize the award of reasonable attorneys' fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination; and

S. 1514. An act to approve the Interstate Cost Estimate and Interstate Substitute Cost Estimate.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair announces that to expedite the business of the day he will postpone recognition for the 1-minute speeches until sometime later in the day.

CONFERENCE REPORT ON S. 960, INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

Mr. FASCELL. Mr. Speaker, pursuant to the order of the House of July 25, 1985, I call up the conference report on the Senate bill (S. 960) entitled "An act to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and other acts to authorize appropriations for the fiscal year 1986 for international security and development assistance, the Peace Corps, the Inter-American Foundation, and the African Development Foundation, and for other purposes," and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 30, 1985, at page H6702.)

Mr. FASCELL (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read and printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER. The gentleman from Florida [Mr. Fascell] will be recognized for 30 minutes and the gentleman from Michigan [Mr. Broomfield] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. Fascell].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this conference report on S. 960—H.R. 1555 as it passed the House—is very similar to the bipartisan bill which the House passed by voice vote earlier this month.

All the principal features in the House version were maintained in the conference, and I am pleased to report that the conference went well from the standpoint of both sides. All of the conferees from both Houses joined in signing the report. The other body passed the conference report yesterday by voice vote. I am hoping for equally prompt passage here.

I would like to pay tribute to my distinguished colleague, the gentleman from Michigan [Mr. Broomfield], and other minority members who so ably served in representing the House interest at the conference, along with my majority colleagues. From the other body, the chairman of the Foreign Relations Committee, Senator Lugar, and the ranking minority member, Senator Pell, and their colleagues worked with equal diligence and were willing to proceed expeditiously to settle any differences between us. Our staff assisted us with dedication and competence throughout.

The result is that we were able to finish the conference in 1 day, working into the night. And we have a good bill which deserves overwhelmingly approval by the House.

The total annual authorization in the conference report is $12,774,281,000, a compromise between the $12,638,011,000 in the House bill and the $12,824,877,500 in the Senate bill.

The conference report we agreed to is below the President's budget and is still essentially a freeze—just slightly below the appropriation level which the Congress enacted for fiscal year 1985.

I am glad to say that the Senate, which had a 1-year authorization, receded to the House which had a 2-year bill. So we have a 2-year authorization in which the second year, fiscal 1987, is a straight line—a straight freeze—of all the numbers for fiscal 1986. It contains no upward allowance for inflation or any other factor.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

This bill, as Members know, authorizes programs which are absolutely vital to American interests around the world. Its security assistance enhances our own security by strengthening our friends and allies and those who provide facilities for American forces abroad. It provides economic assistance in areas of special concern to the United States such as the Middle East. It assists in the self-help economic development of poor countries, who in turn are getting to become among the best customers for American exports. And most of the money for this so-called foreign aid actually is spent right here in the United States, which means jobs and business for Americans.

An indispensable factor, as far as I am concerned, is the support that passage of this conference report will give to the legislative process as a whole. The Congress will be voting foreign assistance in an appropriations bill or a continuing resolution, anyway. What this bill does is provide authorization according to the proper legislative process, and it provides the key instrument through which the Congress can exercise its proper role in foreign affairs.

This is the first time since 1981 that the Congress will have done this according to the proper procedure. That in itself commends this conference report to the House. Further, there are a number of congressional inititatives in this bill of which we should be particularly proud. Highlights of the conference report include:

ANTITERRORISM

Authorizes $9,840,000 a year for antiterrorism assistance; gives the President authority to ban trade with Libya and any other country that supports terrorism and report this action to Congress; expresses sense of Congress that all civilized nations condemn use of terrorism and cites the murder of Army Maj. Arthur Nicholson by a Soviet soldier; calls on the President to seek creation of an international committee to secure cooperation of other nations to combat terrorism, and to negotiate treaties to respond more effectively to terrorist attacks through close intelligence sharing and uniform laws on asylum, extradition and swift punishment of terrorists.

AIRPORT SECURITY

Calls for strict security measures at international airports to curtail aircraft hijackings and sabotage; requires publication of airports that fail to meet minimum standards within 90 days of notification and the traveling public so advised; requires the President to suspend foreign aid to high-terrorist-threat nations that fail to meet security standards—this can be waived if the President determines national security interest or humanitarian emergency exists; authorizes study on need to expand the U.S. Air Marshal Program and allow marshals to carry firearms and make arrests; calls on Secretary of State to secure international agreements for vigorous enforcement of airport security standards.

NARCOTICS

Authorizes $57 million to fight international narcotics traffic; imposes economic sanctions against Bolivia and Peru unless they improve their antinarcotics efforts; repeals the Mansfield amendment which prohibited U.S. agents from being present at foreign drug arrests; provides defensive armaments for foreign aircraft being used to combat drugs; requires study to determine feasibility of establishing a Latin American regional narcotics control organization, and calls on the President to negotiate updated treaties on extradition and bank confidentiality where narcotics are involved.

ANGOLA

Repeals Clark amendment, thereby giving the President authority to provide military or other assistance to the freedom fighters opposing the Marxist government; White House supported repeal but has not requested funds for this purpose; Cuba maintains a force of 25,000 troops in Angola.

MIDDLE EAST

Israel continues to be chief beneficiary of U.S. aid with $3 billion a year authorized, plus $1.5 billion in emergency economic assistance; Egypt would receive $2.1 billion, plus $500 million in emergency economic aid.

PHILIPPINES

Provides a total of $180 million on U.S. base-related assistance a year but shifts emphasis from military to economic aid: $70 million for military assistance—down 30 percent from administration request—and $110 million in economic aid; statutory requirement makes clear Congress can defer future assistance unless Philippines implements fundamental reforms.

CAMBODIA

Provides $5 million a year in military or economic aid to the anti-Communist Cambodian resistance forces; prohibited, however, to Khmer Rouge.

NICARAGUA

Authorizes $27 million in humanitarian aid to the anti-Sandinista guerrillas but requires that aid be channeled through an agency other than the CIA or Department of Defense.

EL SALVADOR AND GUATEMALA

Supports efforts of President Duarte to bring democracy and social and economic development to El Salvador, and efforts to establish democratic institutions in Guatemala.

GREECE AND TURKEY

Maintains present 7-10 ratio in U.S. military assistance; Greece would get $500 million and Turkey, $714 million.

OTHER

Provides full funding through fiscal year 1989 to implement recommendations of Kissinger Commission; expands existing authorities facilitating joint weapons projects between U.S. and NATO allies; tightens up costing formula for sale of military training to achieve a savings estimated at up to $100 million.

Mr. Speaker, I have received additionally some specific questions from the gentleman from California [Mr. Lagomarsino] to which I will be happy to provide answers at this point:

Mr. LAGOMARSINO. Does this legislation earmark any ESF for Ecuador in fiscal years 1986 and 1987?

Mr. FASCELL. The Foreign Affairs Committee does not generally earmark funds. Thus, the bill does not contain an earmark in the ESF account for Ecuador. However, I know that President Febres-Cordero recently requested President Reagan to provide ESF in this and subsequent fiscal years for his country. In addition, I would say that the fact that funds are not earmarked in this need in no way prejudice their request for such assistance. On the contrary, Ecuador's economic reform program, social policies, and human rights record, make it highly deserving of such aid.

Mr. LAGOMARSINO. How does the conference report treat our committee's recommendation with respect to ESF for Ecuador during the next 2 fiscal years?

Mr. FASCELL. The administration recommended $15 million in ESF for Ecuador in fiscal years 1986 and 1987. There is no ceiling on ESF for Ecuador in the bill. Indeed, I would suggest to the administration, that this is a minimum amount that should be provided. I would hope that the actual level of ESF exceeds the administration's original request.

Mr. LAGOMARSINO. Do we make any recommendation with respect to a reprogramming of ESF for Ecuador for this fiscal year, and would the gentleman be supportive of such a reprogramming if the State Department were to take such action?

Mr. FASCELL. The bill does not make any such recommendation with respect to a reprogramming of unexpended fiscal year 1985 funds. Nonetheless, I would say that the State Department should not wait for the new fiscal year before acting on Ecuador's request for ESF. Ecuador has real needs and is facing serious threats from antidemocratic forces in the region.

In order for Febres-Cordero's program to succeed, he needs to receive U.S. aid now—not later. So I would say that I would be very supportive and, indeed, favor the State Department's reprogramming of unexpended funds from the fiscal year 1985 ESF account to Ecuador.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join in support of the conference report before us. Thanks to a spirit of compromise and the hard dedicated work of both members and staff, the report before us was made possible. In particular, I want to commend the excellent work of the conferees and the outstanding contributions of Senator LUGAR and Chairman FASCELL. Also, the dedicated work of committee staff directors Jeff Bergner, Jack Brady, and Everett Bierman, and their associates contributed significantly to achieving this commendable agreement.

For the first time in 4 years, we have been able to agree to a foreign aid authorization bill, the levels of which are below the 1985 freeze levels. We have been able to put this bill together in spite of a lack of cooperation on the part of the Department of State. It is obvious that many in the bureaucracy misread the will of the American people regarding excessive spending. This conference report clearly expressed Congress' sensitivity to the high budget deficits and the concerns which many people have regarding unreasonable amounts of foreign aid. The conference report also represents a commitment on the part of the conferees regarding the importance of maintaining the authorizing function, a key element in the democratic process of this institution.

The conference committee resolved important issues affecting the security of America and our friends and allies around the world. In particular, we agreed to ease some of the congressional restraints on the President's power to conduct foreign policy by providing assistance to freedom fighters in Nicaragua, Cambodia, and Afghanistan, as well as lifting the Clark amendment ban on assistance to the freedom fighters in Angola. Progress was also made in the area of Presidential flexibility in dealing with Jordan and the Philippines. Ways to better combat international terrorism were also addressed by the conferees. In particular, new and firm approaches will be taken by our Government toward countries with inadequately secured international airports.

Although I still have reservations about some provisions which tend to micromanage the foreign policy process, I do support the conference report before us. With these concerns in mind, I urge my colleagues to join me in adopting the conference report.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in opposition to the conference report on S. 960, the Foreign Assistance Act. I would, however, like to direct my colleagues' attention to part 2 of title 5 of this bill which deals with foreign airport security.

As we all know, aircraft hijacking and sabotage have, unfortunately, become more frequent in the past few weeks. There are many reasons for this. One of the major ones is the lax security at some foreign airports. This body recognized that problem last June and responded quickly by passing H.R. 2796, the Foreign Air Travel Security Act of 1985, a bill originally introduced by the leadership of our committee, the Public Works and Transportation Committee. Shortly after that bill was passed, our committee sat down with the Foreign Affairs Committee and developed a new and improved version to better protect foreign air travelers from terrorist actions. As you know, this revised bill also was passed as an amendment to H.R. 1555, the Foreign Assistance Act. It was as part of this act that our antiterrorism bill went to conference with the other body and comes before you today.

It is unfortunate that our antiterrorism measure has become bound up in the Foreign Assistance Act. The antiterrorism portion of this act—title 5—would be extremely beneficial. It emerged from conference with few changes from the House-passed version. It continues to direct the Secretary of Transportation to assess security at foreign airports.

The assessment will be based on the standards and appropriate recommended practices of the International Civil Aviation Organization [ICAO]. If an airport is found to be deficient, the foreign government involved will have 90 days to solve the problem. Failure to do so could result in a number of sanctions against the airport. These could include a complete cut off of air service between the United States and the offending airport. Loss of access to the U.S. market would put heavy pressure on the foreign government to bring its security measures up to standard.

In addition, title 5 of the conference report includes public notice provisions so that a traveler is aware of potential dangers and can make an informed decision whether or not to go. The required notice would take the form of a sign at all U.S. airports and a written notice provided to the passenger when buying a ticket from an airline or travel agent. The public could also receive notice under title 5 through the news media or by a travel advisory.

There are several other provisions in title 5 that are also beneficial. For instance, there is a provision calling for a study of an expanded Air Marshal Program on international flights of U.S. airlines. Air marshals could be an effective means of deterring hijacking in some cases.

Mr. Speaker, title 5 of S. 960 could be very helpful in our war against terrorism. If it were standing alone, I would certainly support it. In this connection, I note that both Houses have passed separate antiterrorism measures that do stand alone.

I am hopeful that, even if S. 960 should be defeated, the differences between these other antiterrorism bills can be resolved so that final passage of these important measures can be achieved.

I am confident that all my colleagues support our goal of preventing hijacking and sabotage of civil aircraft. We should not let a possible setback here deter us from enacting measures that further that goal.

● Mr. SNYDER. Mr. Speaker, I would like to elaborate on the gentleman's remarks on the airport security portion of S. 960—part 2 of title V. It is a comprehensive measure and one which, if it were not included in this particular bill, would be most worthy of my colleagues' support.

Part 2 of title V of this conference report represents the combined efforts of the committees with jurisdiction over foreign affairs and civil aviation to develop legislation to effectively address the problem of international terrorism committed against commercial air transportation. As such, it contains provisions which were embodied in H.R. 2796—which was adopted by this body on June 19—as well as provisions included in H.R. 1555 and S. 1436.

This portion of the conference report requires an assessment of foreign airports to determine whether a particular facility meets internationally approved security standards. This assessment will be made primarily by the Secretary of Transportation in consultation with the Secretary of State as to the nature of the terrorist threat which may exist in that country. Any airport which is determined to be deficient in its security procedures will be so notified and will have 90 days in which to correct the deficiencies. If remedial steps are not taken within that time, a travel advisory may be issued by the State Department and additional steps will be taken by DOT and the airlines to advise passengers that the airport does not meet internationally approved security standards.

The bill also requires the immediate issuance of a travel advisory, as well as the other forms of public notice, in those special cases where a condition exists which jeopardizes the safety of passengers, crew, or the aircraft.

Part 2 of title V also expands the authority of DOT to suspend or revoke the operating rights of United States and foreign carriers to serve the problem airport and also broadens the authority of the administration to take similar action against the air carriers of other nations which continue to serve it. It authorizes, and in some cases requires, the immediate termination of various forms of foreign aid to any country which does not bring its airport up to standards. These sanctions could be imposed if the foreign government fails to correct security deficiencies within 90 days—although immediate action (without notice and hearing) can be taken to suspend the operating rights of any air carrier or foreign air carrier to serve the United States upon a determination by DOT that a condition exists which threatens the safety of passengers and crew.

Part 2 of title V also requires a study of an expanded Domestic Air Marshal Program. It gives DOT the authority, with the approval of the Attorney General, to authorize air marshals to carry weapons and make arrests. Further, it provides an authorization of $5 million to accelerate the FAA's research and development of more sophisticated devices for the detection of explosives. The conference report also requires the Departments of Transportation and State to continue seeking the cooperation of foreign governments on international terrorism through bilateral agreements and through various international forums.

Mr. Speaker, I believe this portion of the conference report contains some constructive measures to address the continuing problem of international terrorism. It recognizes the legitimate interests of both the State Department and the Transportation Department and the degree of expertise within these agencies relative to terrorism and airport security.

I know all of my colleagues are outraged over this continuing international problem and many ideas have been offered to assist the President in his efforts to put a stop to this murderous conduct. All of us know that our best solutions lie in the coordinated action of the world community to isolate nations involved in terrorism and to assure that those who perpetrate these lawless acts are brought to justice. While we must pursue these objectives, we must also take steps to ensure that other countries are not allowed to disregard these prudent measures without facing severe international sanctions.

I want to take this opportunity to commend by colleagues for taking swift action to address these important issues. I think all would agree that it is a very constructive step in the fight against terrorism. I would also like to inform my colleagues that if this conference report is not adopted, I fully expect that we will bring back to this body a separate antiterrorism bill similar to this portion of S. 960.●

● Mr. LAGOMARSINO. Mr. Speaker, I rise this afternoon in strong support of the conference report to H.R. 1555, the fiscal, 1986 foreign assistance authorization bill. I was one of the conferees on this legislation, and was pleased to have assisted in creating a compromise foreign aid bill which, I believe, can and should be supported by Members on both sides of the aisle.

Foreign economic, humanitarian, food, and security assistance serves vital U.S. interests and insures a positive and visible U.S. presence across the globe. Our economic and humanitarian assistance provides much-needed aid to nations suffering from drought, famine, economic hardship, and more. Our security assistance programs provide a shield behind which the struggle for economic expansion and human rights can continue. In no small fashion, this foreign aid bill contributes to the overall security and well-being of not only our allies—be it our NATO, OAS, or ASEAN allies—but also of the United States itself.

Let me now turn to some specific provisions of the bill which I particularly support.

Democracy as a political institution in Latin America is on the rise. This bill supports that "democratic revolution" now sweeping through the region. I can recall when our aid package for El Salvador was the subject of heated debate. Many interested observers questioned whether the U.S. Congress would muster the political resolve to assist that fledgling democracy in its struggle against forces determined to see the democratic option fail. This bill recognizes the importance of El Salvador, the strides that that nation has made under President Jose Napoleon Duarte, and provides a significant level of assistance in order to allow further progress to take place. The bill calls for reports by the President, not certification, of progress in El Salvador. It follows recommendations of the Kissinger/Jackson Commission in authorizing funding for Central America for 5 years. This will provide credibility to the United States and encourage our allies.

In addition, the bill sends a strong signal to the enemies of the United States that the Congress will no longer stand idly by while freedom fighters in areas as diverse as Latin America, South and Southeast Asia, and Africa cry out for American assistance. In Afghanistan, courageous men and women have banded together in armed opposition to the brutal and repressive Communist puppet regime installed by the Soviets. They deserve our wholehearted support. An amendment I sponsored was adopted which provides $15 million in humanitarian aid to the Afghan people.

In Southeast Asia, following the withdrawal of American forces from Vietnam, the Communist North consolidated its power over the South and proceeded to extend its iron grip over all of Indochina. Cambodia, already ravaged by the bloody reign of terror at the hands of the murderous Pol Pot, was the object of further aggression, this time at the hands of the Vietnamese. Today, pro-West forces are struggling to maintain a viable option to Pol Pot's forces, should the Vietnamese ever agree to leave or be driven out. This group is also deserving of our assistance.

The democratic resistance in Nicaragua also looks to the United States for assistance in their continued efforts to bring pressure to bear upon the Marxist-Leninist Sandinista regime in Managua. Of course, without this pressure, the hopes for change within Nicaragua remain slim. The democratic alternative, also known as the Contras, is an important component of our overall strategy of getting the Sandinistas to relinquish their stranglehold on freedom and democracy in Nicaragua, only 900 miles from the United States border.

The Congress also removed a remaining limit on the President's foreign policymaking powers—that is, the Clark amendment. In Angola, as a result of the antiwar hysteria which gripped the Congress during the Vietnam war, this body placed restrictions on the President's ability to pressure the Marxist MPLA regime in Angola by assisting legitimate and worthy freedom fighters in that western Africa nation. Such a hands-off policy failed when some 30,000 Cuban troops under Castro's orders took their positions to insure the continued survival of that ruthless Communist dictatorship. Congress wisely removed this restriction.

In addition, the bill provides needed and useful assistance to our friends and allies across the globe, in all regions and on all continents.

Foreign aid is not a so-called easy vote for any of us. It may not directly benefit the "folks back home." It does, however, benefit our friends and allies in their struggle for economic development, the eradication of hunger, malnutrition and disease, and provide much-needed security assistance to those nations confronting a direct Communist threat. It would be folly to abandon those friends and allies and, again, I urge my colleagues to vote for this compromise conference report.●

● Mr. HOWARD. Mr. Speaker, I rise in support of the conference report. I would like to take special note of part 2 of title V of the conference report which establishes a program to help our government improve security at foreign airports. This section of the conference report was developed in a cooperative effort between the Committee on Public Works and Transportation and the Committee on Foreign

Affairs. I wish to express our appreciation to Chairman Fascell, the ranking minority member, Mr. Broomfield, and the other members of the Foreign Affairs Committee for their cooperation in developing this important legislation.

The Foreign Airport Security Program established by the conference report will give our Government important new tools to improve security at foreign airports. It will help prevent a repetition of the tragedy at Athens, where our Government knew for many years that there were security deficiencies at the airport, but did not give U.S. citizens any warning of the problems until after the TWA hijacking.

Under the provisions of the conference report, the Secretary of Transportation will be required to assess security at all foreign airports receiving international air service from the United States. If there are security deficiencies and the situation is not corrected in 90 days, a number of steps will be taken to ensure that prospective airline passengers are aware of the problems. In these cases the conference report requires the Secretary of Transportation to notify the news media of the security problems. The Secretary must also require that signs be posted at U.S. airports to give the public notice of the problems. In addition, U.S. and foreign air carriers will be required to provide notice to prospective passengers of security problems which exist at the time the passenger is issued a ticket.

The conference report further provides for sanctions against foreign airports which do not remedy security deficiencies. The sanctions include suspension of air service and, in appropriate cases, issuance of a travel advisory and suspension of foreign aid.

Mr. Speaker, I believe that these sanctions will give our Government substantial leverage in its efforts to improve security at foreign airports. Even if these efforts are not successful, the legislation will ensure that our passengers will have notice of security problems and will be able to make an informed choice as to whether they wish to travel to the airport.

Mr. Speaker, I believe that these provisions in the conference report will make an important contribution to improving the safety and security of international air travel. I urge my colleagues to join with me in adopting the conference report.●

● Mr. MINETA. Mr. Speaker, I rise to offer my strong support for the foreign airport security provisions contained in part 2 of title V of the International Security and Development Cooperation Act of 1985. I wish also to thank the distinguished chairman of the Foreign Affairs Committee, Mr. Fascell, who has so forcefully advocated the views of his committee and graciously cooperated with me and other members of the Aviation Subcommittee in developing these provisions. All of us here in the House owe him a debt of gratitude. His cooperative spirit and effective advocacy were equaled by the other distinguished members of the House Foreign Affairs Committee and their staff, all of whom have worked long and hard with the Public Works and Transportation Committee to arrive at the carefully balanced program, which is contained in this conference report, to combat aviation terrorism.

The recent tragic hijacking and bombings have more than demonstrated the need for improved aviation security. These provisons of S. 960 will ensure that our Government assesses the security situation at foreign airports and advises the traveling public where there are deficiencies. The legislation also provides for a variety of notices and actions—and in some cases, sanctions—to encourage foreign countries to cooperate with us in improving security.

Chairman Fascell and the Foreign Affairs Committee's support in this regard makes it difficult not to support this conference report. However, I cannot support it because of my continued opposition to any measure which authorizes aid to the Contras in Nicaragua and my strong concern about some of the other provisions in the report.

I have opposed aid to the Contras for several years because I cannot support the administration's policy of putting militaristic solutions before negotiations in addressing our problems with Nicaragua's Sandinista government. I am also opposed to sending $5 million to Kampuchean non-Communist forces fighting the Vietnamese occupying force in their country. While I am sympathetic to the cause of the non-Communist alliance, I believe it is rash to send funds for arms purchases into a region and a conflict for which there is currently no clearly formulated U.S. policy.

Furthermore, I am opposed to certain Central American countries being exempted from the current ban on aid to foreign police forces. I do not think a clear need for police assistance has been demonstrated by El Salvador and Honduras. We forget too soon the unsavory role that the right wing police forces in such countries have played in the abuse of human rights. I am opposed to the elimination of the certification requirement for aid to El Salvador. We have seen progress made by President Duarte in human rights, yet I strongly believe this progress results in part from the pressures and conditions exerted by Congress.

I am opposed to the repeal of the Clark amendment. We cannot afford to exacerbate the problems of our failing policy in southern Africa by allowing for the possibility that the CIA will again create havoc in Angola. Finally, I am opposed to the level of military aid authorized in the conference report for the government of President Marcos of the Philippines without any conditions set for restoring democracy and bringing about other much needed political and military reforms.

This House in recent months has fallen in love with liberation movements worldwide. As long as a movement is non-Communist and anti-Communist, we seem to be all too happy to send U.S. funds, military aid, and other signals of support to that movement. In our hurry to appear tough on Communists, we are forgetting that before we become involved in lending our support to a party in a conflict, we must determine that there is a clear and justifiable reason for our involvement, and a well enunciated policy to guide our actions.

Mr. Speaker, because of these deep concerns that I have expressed, I regret that I cannot support S. 960. My vote against S. 960 is in no way related to my strong belief that the airport security provisions make an important contribution to the battle against aviation terrorism.

Thank you very much.●

● Mr. MARTINEZ. Mr. Speaker, it was with little pleasure that I cast my vote against the agreement, reached in conference between the House of Representatives and the Senate, on the foreign aid bill.

I have a heartfelt sense of frustration that this legislative body has shirked its responsibilities to the American people, both within the United States and throughout the Western Hemisphere. The funds provided for so-called humanitarian aid to Contra forces fighting the government of Nicaragua is, in reality, nothing but blood money stained and tainted by the deaths of thousands of innocent civilians it will help murder.

The citizens of the United States do not want to be a part of this ruthless and unprovoked CIA war, and so I have therefore voted against the foreign aid bill on these moral grounds. I stand by my record and will continue to work vigorously in support of the programs that provide relief and assistance to those nations that are attempting to overcome the hardships that are associated with modernization and/or poverty.

It is clear that I have actively promoted funding for health programs, indigenous energy resource efforts and educational and human resource development. These are the tools of peace and the cornerstones of democracy. And in pursuit of these ideals I have not shyed away from the fact that, in their defense it is at times necessary to resort to military aid. This is the case in our relationship with the State of Israel. But the important point, not to be missed is that this assistance is coupled with intense and ongoing negotiations at the highest levels of government.

No doubt that if the administration was consistent in its foreign policy endeavors and the Sandinistas were treated on an equal par as the Syrians, the war in Nicaragua would not have escalated to this dangerous point.●

● Mr. DORGAN of North Dakota. Mr. Speaker, I rise in reluctant opposition to the conference report on the 1986-87 foreign aid authorization (S. 960). The foreign aid bill includes a number of programs which I heartily support such as development aid, food aid, financial assistance to Israel, and humanitarian help. Unfortunately, this report continues a disturbing trend toward increasing U.S. military aid and CIA covert operations.

The conference report contains some needed improvements in the Food-for-Peace Program, including increased shipping levels for title II donations and emphasis on multiyear programs with co-ops and private voluntary organizations like CARE and Catholic Relief Services. The report earmarks $52 million for UNICEF's innovative programs which have the potential of cutting in half the 40,000 children who die each day from readily-treatable problems like dehydration. The conferees would also provide $50 million a year for replenishing the International Fund for Agricultural Development and moving ahead on a special project to revive Africa's sagging farm production. Funds are also designated to help Israel, our key strategic ally in the Middle East, to cope with its current economic crisis.

Regrettably, this report pumps up the military aid accounts again. In total, the agreement allows $200 million more in military aid than the House passed bill, and over $300 million more than in 1985. In one case, the compromise permitted an $805 million level for the Military Assistance Program [MAP], which is over seven times its 1981 level. The report also knocks out vital restrictions on U.S. military aid around the world. The conferees piled on another $45 million in arms aid for the Philippines at a time of mounting unrest in that country. We are also asked to scrub a needed ban on military aid to the rebels in Angola, which undermines any serious attempt to negotiate peace in southern Africa. The agreement further takes out a House restriction on advanced arms sales to Jordan, which has shown scant interest in a real peace pact for the Middle East. I am most disturbed by the $27 million earmarked for the Nicaraguan Contras, a clear sign that we are bent on a military—not a diplomatic—course in Central America.

Consequently, I must oppose this report on the grounds that it strips away needed safeguards against misguided military aid, that it shortchanges humanitarian aid to pay for more arms aid, and that it fails the budget test by increasing foreign aid by adding $136 million in foreign aid above the 1985 level. In a word, this is the wrong kind of foreign aid for building the right kind of foreign policy.●

● Mr. DENNY SMITH. Mr. Speaker, the conference report on S. 960, the Foreign Assistance Act authorizations bill for 1986, deserves the support of those of us who want to counter terrorism, reduce drug trafficking, and enhance our Nation's ability to conduct foreign affairs.

In the past, I've not supported foreign aid bills because they've just thrown more money at the problem. But this measure moves us away from that. First, it calls for a freeze on the level of spending. That is a commendable effort toward holding down the deficit. And it is in keeping with my strong support for an across-the-board freeze on all Federal spending.

Second, the conference report takes a strong stand against repressive regimes around the world which engage in press censorship, commit outrageous atrocities against their own peoples, and repress basic human rights.

Finally, the bill contains provisions designed to counter international terrorism and reduce illicit narcotics traffic.

Shocking events throughout the world underscore the fact that we in America are not isolated from the world's troubled spots, nor, as we've witnessed in recent terrorist acts, can we pretend to be apart from these problems.

This measure gives our country more tools to shake loose the terrorists grip' on the world and to help those peoples who strive for the freedom and democracy that we cherish.

I commend the conferees for their work in reaching this agreement. The overwhelming, bipartisan support it has received is a tribute to their efforts.●

Mr. FASCELL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 262, nays 161, not voting 10, as follows:

[Roll No. 275]

YEAS—262

Ackerman
Addabbo
Akaka
Andrews
Annunzio
Armey
Atkins
Barnes
Bartlett
Barton
Bateman
Bates
Bentley
Bereuter
Berman
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonker
Borski
Bosco
Boucher
Boulter
Breaux
Broomfield
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Callahan
Carney
Carper
Carr
Chandler
Chappell
Clay
Cobey
Coble
Coelho
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Daniel
Daschle
de la Garza
DeWine
Dicks
DioGuardi
Dixon
Donnelly
Dornan (CA)
Dowdy
Downey
Durbin
Dwyer
Dymally
Eckart (OH)
Eckert (NY)
Edgar
Edwards (OK)
Erdreich
Fascell
Fawell
Fazio
Feighan
Fiedler
Fish
Florio
Foglietta
Foley
Ford (TN)
Fowler
Frank
Frenzel
Frost
Fuqua
Gallo
Garcia
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Hall, Ralph
Hamilton
Hatcher
Hawkins
Heftel
Hendon
Henry
Hiler
Hillis
Horton
Howard
Hoyer
Huckaby
Hunter
Hutto
Hyde
Johnson
Jones (NC)
Jones (OK)
Kasich
Kemp
Kennelly
Kildee
Kleczka
Kolbe
Kostmayer
Kramer
Lagomarsino
Lantos
Leach (IA)
Leath (TX)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Long
Lowery (CA)
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Martin (NY)
Matsui
Mavroules
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (WA)
Moakley
Molinari
Monson
Moody
Moore
Morrison (WA)
Mrazek
Murtha
Nelson
O'Brien
Oakar
Obey
Ortiz
Owens
Packard
Pepper
Pickle
Porter
Price
Pursell
Rahall
Rangel
Regula
Reid
Richardson
Rinaldo
Ritter
Robinson
Roe
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Saxton
Schaefer
Scheuer
Schneider
Schuette
Schulze
Schumer
Sharp
Shaw
Shelby
Sikorski
Siljander
Sisisky
Slaughter
Smith (FL)
Smith (NJ)
Smith, Denny
Snowe
Solarz
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Sundquist
Sweeney
Swift
Swindall
Synar
Tauzin
Thomas (CA)
Thomas (GA)
Torricelli
Towns
Traxler
Udall
Valentine
Vander Jagt
Visclosky
Vucanovich
Walker
Waxman
Weber
Wheat
Whitehurst
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (MO)
Zschau

BEST COPY AVAILABLE

NAYS—161

Alexander
Anderson
Anthony
Applegate
Archer
AuCoin
Badham
Barnard
Bedell
Beilenson
Bennett
Bevill
Bonior (MI)
Boxer
Brooks
Brown (CA)
Brown (CO)
Broyhill
Byron
Campbell
Chappie
Cheney
Clinger
Coats
Coleman (MO)
Conyers
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis
DeLay
Dellums
Derrick
Dickinson
Dingell
Dorgan (ND)
Dreier
Duncan
Dyson
Early
Edwards (CA)
Emerson
English
Evans (IA)
Evans (IL)
Fields
Flippo
Ford (MI)
Franklin
Gaydos
Gonzalez

Goodling
Gregg
Grotberg
Guarini
Gunderson
Hammerschmidt
Hansen
Hartnett
Hayes
Hertel
Holt
Hopkins
Hubbard
Hughes
Ireland
Jacobs
Jeffords
Jenkins
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kindness
Kolter
LaFalce
Latta
Lehman (CA)
Lightfoot
Lloyd
Lott
Lowry (WA)
Lujan
Marlenee
Martin (IL)
Martinez
Mazzoli
Miller (CA)
Miller (OH)
Mineta
Mitchell
Mollohan
Montgomery
Moorhead
Morrison (CT)
Murphy
Myers
Natcher
Neal
Nichols
Nielson
Nowak
Oberstar
Olin
Oxley

Panetta
Parris
Pashayan
Pease
Penny
Perkins
Petri
Quillen
Ray
Ridge
Roberts
Rodino
Roemer
Rogers
Roth
Russo
Sabo
Savage
Schroeder
Seiberling
Sensenbrenner
Shumway
Shuster
Skeen
Slattery
Smith (IA)
Smith (NE)
Smith (NH)
Smith, Robert
Snyder
Solomon
Spence
Spratt
St Germain
Staggers
Studds
Stump
Tallon
Tauke
Taylor
Torres
Traficant
Vento
Volkmer
Walgren
Watkins
Weaver
Weiss
Whitley
Whittaker
Wirth
Yates
Young (AK)

NOT VOTING—10

Aspin
Hall (OH)
Hefner
Leland

Loeffler
Manton
McEwen
Skelton

Williams
Young (FL)

□ 1120

Messrs. HERTEL of Michigan, ALEXANDER, DERRICK, KOLTER, KASTENMEIER, BEDELL, VOLKMER, EDWARDS of California, SPRATT, LIGHTFOOT, PARRIS, MARTINEZ, OBERSTAR, YATES, LEHMAN of California, GUARINI, LaFALCE, WALGREN, CHAPPIE, PETRI, ST GERMAIN, KANJORSKI, NOWAK, HAYES, COLEMAN of Missouri, and NATCHER changed their votes from "yea" to "nay."

Messrs. GINGRICH, CHAPPELL, WHITEHURST, CHANDLER, and BARTON of Texas, and Mrs. JOHNSON changed their votes from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1130

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on S. 960 just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

ADJOURNMENT OF THE HOUSE FROM THURSDAY, AUGUST 1, 1985, OR FRIDAY, AUGUST 2, 1985, TO WEDNESDAY, SEPTEMBER 4, 1985, AND ADJOURNMENT OF THE SENATE FROM THURSDAY, AUGUST 1, 1985, OR FRIDAY, AUGUST 2, 1985, UNTIL WEDNESDAY, SEPTEMBER 4, 1985, OR MONDAY, SEPTEMBER 9, 1985

Mr. WRIGHT. Mr. Speaker, I have at the desk a privileged concurrent resolution (H. Con. Res. 179) and I ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. Con. Res. 179

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, August 1, 1985, or on Friday, August 2, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Wednesday, September 4, 1985, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate adjourns on Thursday, August 1, 1985, or on Friday, August 2, 1985, pursuant to a motion made by the Majority Leader in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Wednesday, September 4, 1985, or until 12 o'clock meridian on Monday, September 9, 1985, pursuant to a motion made by the Majority Leader, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution whichever occurs first.

Sec. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The SPEAKER. Pursuant to Public Law 91-510, the vote on this concurrent resolution must be taken by the yeas and nays. Those in favor will vote "yea"; those opposed will vote "nay."

There is no debate on this issue. The vote will be taken by electronic device.

The vote was taken by electronic device, and there were—yeas 230, nays 192, not voting 11, as follows:

[Roll No. 276]

YEAS—230

Ackerman
Addabbo
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Atkins
Badham
Barnard
Barnes
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Burton (CA)
Bustamante
Byron
Carney
Chappell
Cheney
Clay
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crane
Crockett
Daniel
Davis
de la Garza
Dellums
Derrick
Dingell
Dixon
Donnelly
Dreier
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (TN)
Fowler
Frank
Frenzel
Frost

Fuqua
Garcia
Gaydos
Gephardt
Gibbons
Gingrich
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hamilton
Hartnett
Hatcher
Hawkins
Hayes
Heftel
Hertel
Hillis
Holt
Horton
Howard
Hoyer
Hutto
Hyde
Jeffords
Jones (NC)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kildee
Kleczka
Kolter
LaFalce
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Lipinski
Long
Lott
Lowery (CA)
Lundine
Lungren
Manton
Markey
Martin (NY)
Martinez
Matsui
Mazzoli
McCain
McCloskey
McCurdy
McDade
Meyers
Mica
Michel
Mineta
Mitchell
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Natcher
Nichols
Nowak
O'Brien
Oakar

Oberstar
Obey
Olin
Ortiz
Owens
Packard
Pashayan
Pease
Pepper
Perkins
Pickle
Price
Quillen
Rahall
Rangel
Ray
Reid
Richardson
Rodino
Roe
Rostenkowski
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Scheuer
Schumer
Seiberling
Shelby
Sikorski
Siljander
Sisisky
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solarz
Spratt
St Germain
Staggers
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Torres
Towns
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Walker
Waxman
Weaver
Weiss
Wheat
Whitehurst
Whitten
Wilson
Wolf
Wright
Yates
Yatron
Young (AK)
Young (MO)

NAYS—192

Anderson
Archer
Armey
AuCoin
Bartlett
Barton
Bateman
Bedell
Bentley
Bereuter
Bilirakis
Bliley
Boehlert

Breaux
Broomfield
Brown (CO)
Broyhill
Bruce
Bryant
Burton (IN)
Callahan
Campbell
Carper
Carr
Chandler
Chappie

Clinger
Coats
Cobey
Coble
Coughlin
Courter
Craig
Dannemeyer
Darden
Daschle
Daub
DeLay
DeWine

Dickinson
Dicks
DioGuardi
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Eckert (NY)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fiedler
Fields
Franklin
Gallo
Gejdenson
Gekas
Gilman
Glickman
Goodling
Gradison
Green
Gregg
Grotberg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hendon
Henry
Hiler
Hopkins
Hubbard
Huckaby
Hughes
Hunter
Ireland
Jacobs
Jenkins
Johnson
Jones (OK)
Kasich
Kemp
Kennelly
Kindness
Kolbe
Kostmayer

Kramer
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lowry (WA)
Lujan
Luken
Mack
MacKay
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
McGrath
McHugh
McKernan
McKinney
McMillan
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Molinari
Monson
Moore
Moorhead
Morrison (WA)
Neal
Nelson
Nielson
Oxley
Panetta
Parris
Penny
Petri
Porter
Pursell
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer

Rogers
Rose
Roth
Roukema
Rowland (CT)
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Skeen
Slattery
Slaughter
Smith (NE)
Smith (NH)
Snowe
Solomon
Spence
Stallings
Stangeland
Strang
Stump
Sundquist
Sweeney
Swindall
Synar
Tauke
Tauzin
Torricelli
Traficant
Traxler
Vander Jagt
Vucanovich
Watkins
Weber
Whitley
Whittaker
Williams
Wirth
Wise
Wortley
Wyden
Wylie
Young (FL)
Zschau

NOT VOTING—11

Aspin
Boulter
Coelho
Ford (MI)

Hefner
Levine (CA)
Loeffler
Mavroules

McEwen
Skelton
Wolpe

□ 1150

Mrs. SMITH of Nebraska, Mrs. LLOYD, and Messrs. WORTLEY, CARR, and LUJAN changed their votes from "yea" to "nay."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BOULTER. Mr. Speaker, I was inadvertently detained for the vote on House Concurrent Resolution 179, the adjournment resolution because I was meeting with a group of my constituents downtown about a Federal Energy Regulatory Commission ruling which is very important to the Panhandle of Texas. Had I been present, I would have voted "nay" in opposition to the adjournment resolution.

ACCURACY IN HOUSE PROCEEDINGS RESOLUTION

Mr. FOLEY. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 230 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 230

Resolved, That this resolution may be cited as the "Accuracy in House Proceedings Resolution".

Sec. 2. The Joint Committee on Printing is hereby requested to adopt the following rule as part of the House Supplement to Laws and Rules for Publication of the Congressional Record:

"7. Notwithstanding any other rule or joint rule relating to the publication of the Congressional Record, for the remainder of the first session of the Ninety-ninth Congress, the Congressional Record shall contain a substantially verbatim account of remarks actually spoken during the proceedings of the House, subject to such technical, grammatical, and typographical corrections as may be authorized by the Member delivering the remarks involved. The substantially verbatim account shall be clearly distinguishable by different typeface from any remarks not actually spoken but inserted under permission to extend remarks.".

Sec. 3. The Joint Committee on Printing is requested to monitor the operation of the special rule provided for by section 2 of this resolution and report its findings to the Committee on House Administration no later than December 31, 1985. The Committee on House Administration should report to the House as soon as practicable thereafter its findings and recommendation as to whether such rule should be continued.

The SPEAKER pro tempore (Mr. Darden). The gentleman from Washington [Mr. Foley] is recognized for 1 hour.

Mr. FOLEY. Mr. Speaker, I yield one-half hour to the gentleman from Minnesota [Mr. Frenzel], pending which I yield myself such time as I may consume.

Mr. Speaker, pursuant to rule III of the laws and rules for the publication of the Congressional Record promulgated by the Joint Committee on Printing, a bullet symbol is presently used to distinguish between words spoken on the floor by Members and words submitted, but not actually spoken. According to the rule, the so-called bullet, a large black dot, is placed at the beginning and the end of speeches, remarks, and other materials which are submitted by Members for printing in the Congressional Record, but no part of which was spoken on the floor.

Although this rule was designed to aid in distinguishing between spoken and nonspoken words, under the rule a member may rise and speak as little as one sentence of a prepared statement. When the remainder of the text is submitted to the official reporter under leave to revise and extend remarks, the bullet symbol is not used because rule III requires the bullet only when no part of the statement is spoken on the floor.

In response to this practice, the gentleman from Mississippi [Mr. Lott] introduced House Resolution 163 calling for a review of the bulleting procedure. Of specific concern was a debate printed in the Congressional Record on May 1, 1985, wherein the bullet symbol did not set off a Member's remarks which appeared not to have been spoken on the floor, while in the same colloquy in other remarks had a bullet symbol directly applied.

After extensive review by the Subcommittee on Procurement and Printing and the Committee on House Administration, the resolution now before us proposes to address these concerns raised by the gentleman from Mississippi [Mr. Lott].

We are considering this resolution, Mr. Speaker, entitled "Accuracy in House Proceedings," wherein it is intended first that Members be made more aware of the existing rules, and second, that a closer adherence to the rules should be strongly encouraged, because the entire process is self-policing by Members.

To accomplish this, this resolution will effectively eliminate the bullet symbol in the House portion of the Record for a trial period, which trial period will end at the conclusion of this session of Congress. At the beginning of the next session of Congress at the end of this year, the Committee on House Administration will report its findings and recommendations to the House. The trial period will drop the use of the bullet and substitute a different typeface in the Record for those remarks that are inserted or are additional remarks of Members. These remarks will appear in a so-called Century bold type, which is slightly smaller than the eight-point typeface that is issued by the Congressional Record and somewhat darker.

The purpose of such a change is to distinguish more clearly remarks not actually spoken on the floor under extensions or under leave to extend.

Members shall continue to have the right to revise original copy without having the alternative typeface applied to their revisions, but they should continue to confine their revisions to technical, grammatical, and typographical changes, as is now the practice.

When we report at the end of the first session of Congress, the House will have an opportunity to further consider any changes that it wishes to undertake to this rule.

I wish to reemphasize that the primary responsibility for ensuring the observance of the rules' requirements shall rest, as it does now, on each individual Member, although any clear deviations from the rule or its guidelines

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AG
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MI

may be informally called to the attention of the Member.

I want to compliment the gentleman from Mississippi [Mr. Lott] for bringing this matter to the attention of the House.

Mr. Speaker, I reserve the balance of my time.

Mr. FRENZEL. Mr. Speaker, I yield such time as he may consume to the distinguished minority whip, the originator of this legislation, the gentleman from Mississippi [Mr. Lott].

Mr. LOTT. Mr. Speaker, I want to commend the chairmen and ranking Republicans on the House Administration Committee and its Procurement and Printing Subcommittee on their cooperation and efforts in developing this proposal and bringing it to the floor. I particularly want to pay tribute to the distinguished majority whip and chairman of the Subcommittee on Printing [Mr. Foley] for sponsoring this resolution with me and for his patience and persistence in working out guidelines which I think will be acceptable to all parties concerned. The gentleman has taken care to consult closely with the Official Reporters, Government Printing Office, the Parliamentarian's Office and others. He has worked closely with me and other Republican Members on a bipartisan basis in seeing this project through. I think this effort is an example of how this House can work in harmony for the improvement of this institution.

Mr. Speaker, House Resolution 230, which calls for a more accurate account of House proceedings in the Congressional Record, is actually the culmination of work begun over 15 years ago by our late colleague from Wisconsin, Bill Steiger.

It was 15 years ago the Monday, on July 29, 1970, that Congressman Steiger offered an amendment to the Legislative Reorganization Act that was substantially identical to the rule before us today. Although that initial effort lost on a voice vote, Congressman Steiger persisted with his crusade for Congressional Record reform over the next decade, right up to his untimely death in December 1978, at the age of 40. Just 9 months prior to his death, he won a partial victory when the Joint Committee on Printing instituted the present "bulleting" procedure whereby a dot appears by remarks where no part of them were actually delivered.

While Congressman Steiger heralded the advent of the bullet as an important first step, he vowed to continue with his efforts until all unspoken remarks were distinguishable from remarks actually delivered.

I think it's appropriate to recall Bill Steiger's pioneer efforts on behalf of Congressional Record reform as we consider this resolution today. If anything, the case for Record reform is even more compelling now than it was then. It wasn't until 2 months after Congressman's Steiger's death that we began publicly televising House proceedings. Some 20 million C-SPAN viewers know what is really said on this floor. Why should we maintain a fictional Congressional Record when we now have a factual electronic record that tells it like it is rather than how we wish we had said it? Why shouldn't we begin living up to the 1968 law that says the Congressional Record "shall be substantially a verbatim report of proceedings?"

Mr. Speaker, that's what this proposed rule is all about: Making our Congressional Record just that, a true, honest, and accurate record of our proceedings. This rule will replace the present bullet symbol and in its place require that remarks not actually delivered be in different typeface. Whereas Members may now speak only a few words or sentences of their speeches, and the entire speech will appear in the Record as if it were actually delivered, that is, without a bullet, under this rule, the part spoken will be in one typeface and the part not spoken in another. This will help insure compliance with the 1968 law requiring that our Record be substantially verbatim.

Mr. Speaker, I know there are some concerns that this might cause more Members to deliver their entire speeches. We have purposely proposed this as a temporary test, with close monitoring and evaluation, before making it a permanent rule. But I don't think this will result in more and longer speeches. More people watch us on TV than read the Record. If Members really wanted the folks back home to think they acutally delivered all of their speeches, they'd already be giving that whole speech for the benefit of the TV viewers. I think most Members are more concerned about being on the record on most issues than they are about being on the tube all the time. By the same token, they are more concerned about being on the record than they are in what kind of typeface their views appear in.

Let's face it, the Congressional Record is not really one of your more popularly read periodicals back in the district. I don't think this is going to change our floor behavior that radically. But, we do have the safeguard here of a temporary, pilot test of the new rule, and a definite sunset date. Let's give it a chance and base our final judgment on actual experience rather than imagined problems. I think we owe an honest Record to ourselves, our citizens, and to posterity. Let's set the Record straight. Vote for this resolution.

Mr. Speaker, I include at this point in the Record a Congressional Research Service report by Roger Davidson and Thomas Kephart entitled, "Representative William Steiger's Advocacy of Congressional Record Reform."

Representative William A. Steiger's Advocacy of Congressional Record Reform

(By Roger H. Davidson, Senior Specialist, and Thomas Kephart, Research Assistant, American National Government Division, Congressional Research Service)

First elected to Congress in 1966, William A. Steiger represented the Sixth District of Wisconsin until his untimely death in December 1978, just after he was reelected to a seventh term. Steiger respected the House as an institution and soon became a leading advocate of congressional reform measures. He was one of a bipartisan group of Members who succeeded in strengthening the Legislative Reorganization Act of 1970 through a series of floor amendments in the House. Later, he was an active member of a panel that recommended a comprehensive reorganization of the House Committee System—the Select Committee on Committees (the Bolling-Martin Committee) during the 93rd Congress.

Steiger's role as a proponent of reforming the Congressional Record began in 1970. On July 29 of that year, he offered an amendment on this subject to H.R. 17654—the Legislative Reorganization Act of 1970. As he explained the amendment's three provisions:

"One, it says that the body of the Record shall contain an accurate and verbatim account of the remarks actually delivered on the floor . . . Two, it says extensions and revisions of remarks delivered on the floor shall be limited to the correction of grammatical and typographical errors and in no event shall such corrections make any change in the meaning, content, or substance of such remarks. Number three is: Members shall be entitled to make insertions in the Congressional Record of remarks not actually delivered, but such insertions shall appear in a distinctly different type face from that used for the verbatim remarks."[1]

Steiger's initial effort was rejected by voice vote. Only one colleague, Representative Robert Eckhardt, D-Texas, rose to support it. During debate on Steiger's amendment, it was suggested that rather than attempting to amend the Rules of the House, he plead his case to the Joint Committee on Printing. Along with Representatives Eckhardt, Thomas Rees, D-California, John Rhodes, R-Arizona, and Louis Wyman, R-New Hampshire, Steiger wrote to the Joint Committee urging it to "undertake a more thorough analysis of this problem." The Joint Committee's Staff Director replied that such changes would delay publication of the Record and noted the lack of interest Committee members had shown in such a proposal. Steiger persisted over the following years, occasionally calling the House's attention to this issue during the 92nd and 93rd Congresses.

In 1975, during the 94th Congress, Steiger introduced five resolutions, (H. Res. 568, 569, 570, 581, 630) to amend the Rules of the House to make the Congressional Record a more accurate reflection of chamber proceedings. Though these measures differed in details, they all specified that the Record should constitute a "verbatim account" of floor proceedings. Steiger stepped up his efforts through occasional addresses to the

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[1] Congressional Record, Volume 116, Part 19, Pages 26416-26421, July 29, 1970.

chamber and frequent insertions of articles advocating reform of the Record. Included among these was a 1958 article authored by the man cited by Steiger as the original forceful advocate of Record reform. Senator Richard Neuberger, D-Oregon. Steiger so admired Neuberger's statement that he inserted it in the Record annually. By July 1975, Steiger's efforts had attracted the attention and support of many colleagues, with one resolution gaining 51 co-sponsors.

The need for clarity of legislative history was a prime motivation for Members backing Steiger initiatives. Steiger highlighted this point in a one-minute speech he delivered July 31, 1975:

"I have been introducing into the Record pertinent comments on this issue by authorities on the congressional process. Many of these items have pointed out the danger of misinterpretation of legislative intent because of revisions and extensions. Avoiding this danger is the primary purpose of the above resolution . . . my chief concern is that we may see a return of the practice whereby the judicial branch of our government ignores the record of debate when considering the intent of Congress.

"The history of judicial interpretation of legislation during the late 19th century was one of judge-made law and judicial veto . . .

"When the meaning of a statute could be alleged to be vague or ambiguous, as it sometimes was because of poor draftsmanship, judge-made law was the result. It was quite a number of years before courts looked at the record of our deliberations in determining legislative intent."[2]

In a separate address on June 18, 1976, Steiger addressed the issue of public confidence in Congress:

"Mr. Speaker, confidence in Congress on the part of the American people is at a perilously low level. It is clear that we must look carefully at our rules and procedures to determine what can be done to restore the public's trust in us and in Congress as an institution.

"My firm belief is that a cornerstone of this effort must be reform of the Congressional Record. We cannot permit wholesale changes in speeches made by Members, insertions of statements never made, and other alterations that destroy the integrity of the Congressional Record and distort congressional intent as reflected in debate."[3]

Steiger introduced nine resolutions on this subject during the first Session of the 95th Congress, in 1977. (H. Res. 284, 323, 324, 325, 326, 410, 479, 549, 779). During the 95th Congress, Steiger's effort began to bear fruit. Effective March 1, 1978, the Laws and Rules for publication of the Congressional Record were "amended to identify statements or insertions in the Record where no part of them was spoken."

In a February 22, 1978, one-minute speech, Steiger commented on the "bulleting" procedure:

"We have come a long way since the House defeated, by voice vote, my proposed amendment to the Legislative Reorganization Act of 1970 calling for clearly distinguishing unspoken remarks in the Record.

"It remains my firm conviction, though, that all unspoken remarks should be set off from what is actually said on the floor. Bulleting of wholly inserted statements is excellent, but we have not gone far enough when a Member can, by speaking as little as one sentence, make two pages of inserted material appear to have been delivered."[4]

On the occasion of the first bulleted record, March 1, 1978, Steiger was recognized for thirty minutes on the subject:

"Mr. Speaker, it is an historic thing we are doing today. The reputation of one of the most dishonest and mistrusted publications in the world may yet be saved. The world will little note what we say, but after today, it will have a better idea of what we did not say on the floor of the House and Senate . . .

"My strong feeling is that what happens today must be only the first step toward returning the Record to its legal definition as substantially a verbatim report of proceedings of the House and Senate! I remain firmly convinced that all unspoken remarks should be designated as such . . .

"There is considerable support in the House for this more far-reaching change. More than a third of the House has cosponsored my resolution to bullet all unuttered remarks. This is double the number of cosponsors in the 94th Congress and a marked change from 1970, when my proposed amendment to the Legislative Reorganization Act of 1970 was defeated by voice vote . . .

"Because so many unmade speeches dot the Record, it is steadily declining in importance as a documentation of legislative history . . . When an unstated argument has been printed without rebuttal, legislative intent can be clouded forever . . .

"Today's action is one of the most meaningful reforms to be instituted in my time in Congress. Until now, all that appeared in the Record was suspect because of those portions that had been inserted or that were subject to significant changes. Today we acknowledge that this was not right and we act to make the Record more honest. . .

"There is no question that bulleting of remarks will substantially change the way we are perceived. That is why I will continue to push for bulleting of all unspoken remarks. The experience of these ensuing months, I am sure, will allay any remaining fears and pave the way for this full time."[5]

The remarks Steiger delivered March 1, 1978, proved to be his final recorded views on the subject of reform of the Congressional Record to what he believed to be its original purpose. His advocacy of this cause would undoubtedly have continued, but for a fatal heart attack in December 1978. Steiger is remembered for many accomplishments, substantive as well as procedural, during his 12 years in this body. However, as the House contemplates further steps in the direction of an accurate Congressional Record, it is fitting to recall his consistent championship of this issue.

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Mr. FRENZEL. Mr. Speaker, I yield myself 6 minutes.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding this time. I appreciate the work that went into this and all of the people that brought this forward. I think it is a big step in the right direction of cleaning up a Congressional Record that has been badly distorted in recent years.

But let me understand, do I understand this is not anything that will change the revise and extend procedure that allows Members to change their own remarks that are put into the Record, despite the fact that we have had instances where there have been major substantive changes done during the revise and extend by individual Members?

Mr. FRENZEL. I would tell the gentleman that no Member will be denied a chance to revise and extend his or her remarks, if unanimous consent is received.

Mr. WALKER. If the gentleman would yield further, I appreciate the answer. In other words, this goes a long way toward correcting the problem of people inserting the material in the Record that then appears as though it is a speech?

Mr. FRENZEL. That is correct.

Mr. WALKER. But we are not with this particular action solving the problem of people who use the revise and extend procedure to dramatically change the remarks they made on the floor; is that correct?

Mr. FRENZEL. Those remarks, if they are a dramatic change, will be in a different sized type, I would tell the gentleman, so that they will stand out as being different from the material delivered on the floor.

Mr. WALKER. Even if it is a case where they are revising and extending their original, where they have gone through and have revised and extended their original text remarks, is that correct?

Mr. FRENZEL. That is correct. If they are merely technical, misspellings, periods, split infinitives, it will not be shown. If it is a change of substance, it will be shown.

Mr. WALKER. I thank the gentleman and I think that is an important change.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, in the interest of clarity, I think it also should be stated to the gentleman from Pennsylvania [Mr. Walker] that this is a matter which Members are expected to police themselves. We are not going to call on the Government Printing Office or the reporters to edit every Member's remarks to determine whether there was a substantial difference between the remarks that the Member delivered on the floor and what is extended in the Record.

If it is conceded that there are substantial additional nondelivered remarks, then those would be in the dark typeface. But if someone changes a sentence in the middle of his spoken remarks and does not otherwise indicate it, they will probably—we do not have any system for editing. Members are going to be asked to observe the spirit of the resolution, but we are not setting up in our arrangement here an editorial board to go through every Member's spoken words.

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[2] Congressional Record, Volume 121, Part 20, p. 26633, July 31, 1975.

[3] Congressional Record, Volume 122, Part 16, p. 19349, June 18, 1976.

[4] Congressional Record, Volume 125, Part 4, p. 4051-4052, Feb. 22, 1978.

[5] Congressional Record, Volume 124, Part 4, p. 5110-5111, March 1, 1978.

Mr. FRENZEL. I thank the gentleman for his contribution, and I concur in his statement.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield further to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, then that confuses me, because the problem becomes that that original transcript is between the Member and the reporter. I mean, there is no way of changing that.

Mr. FRENZEL. That is correct.

Mr. WALKER. So if I gather from what the gentleman is telling us then, if a Member does make substantive changes, it is between him and his conscience, and the rules, but we might not find that those substantive changes ended up being reflected.

Mr. FRENZEL. I will tell the gentleman that we are going to rely on the Members to do the biggest part of the job. If you slip in an additional phrase or an additional sentence, you may get away with it. If you stick in a whole new paragraph, that will undoubtedly appear in a different-sized print.

We would ask all Members, and we say so in this debate, that if you make a change that is important, you should note it and so the printer can pick it up. If you do not, you will probably get away with it for a while, until we catch it.

Mr. WALKER. I thank the gentleman.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, no one has discussed the additional cost. It appears obvious that if we are going to have to set up a system of different type running together in a statement that it is going to give an additional cost to the printing of this Congressional Record on a daily basis, extra time, singling it out.

What will be the additional cost?

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the distinguished gentleman from Washington for his normally brilliant response to that question.

Mr. FOLEY. Mr. Speaker, I will tell the gentleman, I will say that we are informed that it is not a very heavy expense to do that. Modern printing mechanisms can key into the different type face very quickly, so there is no significant additional costs we are informed.

Mr. FRENZEL. I thank the gentleman.

Mr. Speaker, I want to express my thanks for the teamwork approach, and in the congratulations that have been given here. This resolution arose out of the perhaps most decisive matter that has come before this Congress in my time here.

The committee, headed by the gentleman from Illinois, Chairman Annunzio, and the gentleman from Washington, Chairman Foley, have handled this in a businesslike way that has been satisfactory and, in fact, has been a great pleasure to both parties.

Finally, I want to congratulate our Mr. Gingrich who is the ranking member on the subcommittee for his cooperation and the splendid way that he performed.

As a postscript, I must echo the words of the distinguished minority whip about our beloved ex-colleague, Bill Steiger, who started this whole process more than 15 years ago, and whose early spade work on this subject started us moving toward the improvement we are passing today. I have introduced into the committee record a Library of Congress paper on Bill Steiger's tireless and effective efforts to reform and improve the Congressional Record.

I hope this privileged resolution is promptly passed.

I have no further requests for time, and I yield back the balance of my time.

Mr. FOLEY. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Illinois [Mr. Annunzio], the chairman of the Committee on House Administration.

Mr. ANNUNZIO. Mr. Speaker, I rise to extend my congratulations to the gentleman from Minnesota [Mr. Frenzel], the gentleman from Mississippi [Mr. Lott], the gentleman from Georgia [Mr. Gingrich], the gentleman from Washington [Mr. Foley], and to all of the members of the House Administration Committee for the excellent cooperation in bringing this resolution to the floor of the House.

Mr. Speaker, I just want to take this opportunity to indicate how important the work of the Subcommittee on Procurement and Printing is. Chairman Foley has worked extensively with both the majority and minority members of the subcommittee and full committee in bringing this resolution to the floor. There were many potential obstacles, but due to the efforts of Chairman Foley, Mr. Lott, and the other members of the Committee on House Administration, we have been able to move this proposal forward.

I believe this kind of cooperative undertaking is absolutely essential if the House of Representatives is to effectively examine its practices and procedures. Both Members of the majority and Members of the minority, in fact all Members, have an opportunity to contribute their ideas and expertise to the improvement of the House. I would urge each Member, irrespective of party, to work cooperatively toward such improvements and wish once again to congratulate Chairman Foley, Mr. Lott, and all of the members of the Committee on House Administration for their efforts in improving the Congressional Record.

At the conclusion of the test period, I look forward to the continued cooperation of the membership in evaluating the test and making such changes as may be justified.

I yield back the balance of my time.

□ 1210

Mr. FOLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution. The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (H.R. 2068) "An act to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 410. An act to repeal the Commercial and Apartment Conservation Service, and for other purposes.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 2577, the Supplemental Appropriations Act, 1985, and amendments thereto in disagreement, and that they may include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CONFERENCE REPORT ON H.R. 2577, SUPPLEMENTAL APPROPRIATIONS ACT, 1985

Mr. WHITTEN. Mr. Speaker, pursuant to the order of the House of July 29, 1985, I call up the conference report on the bill (H.R. 2577) making

supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes, and I ask unanimous consent that such conference report and all amendments in disagreement be considered as having been read.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

(For conference report and statement, see proceedings of the House of July 2, 1985.)

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. Whitten] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. Conte] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. Whitten].

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, may I say to my colleagues that in my experience here this supplemental appropriations bill has been one of the most difficult measures with which I have had to deal. Yet I do not know of anything that is more vital than this supplemental bill and its contents. I say to my colleagues no one here is stronger for authorization, in each and every case.

What we have here is a supplemental appropriation bill made necessary in part because so much of it has not been authorized. We have been unable to authorize for a variety of reasons. But in connection with some of it, it is because for 15 years, all of us working together, have been unable to get an authorization for domestic public works.

I would like for you to understand that if you are worried about the deficit you had better first look after your country because only through development and protection of our country's resources can we meet the deficit; if you are worried about the debt, you had better go along with us on this measure providing for public works because it is our country we are going to have to look to if we meet our problems. Our rivers and harbors, soil conservation, erosion, all the things that go to make up the real wealth of our country are involved here today.

Mr. Speaker, I want to say that I appreciate your confidence in having me as chairman of the Committee on Appropriations. But I also promise you that we did not delay this bill. We waited to find out what the 341 amendments on the Senate side meant. We got them to recede on over 100 amendments.

We have tried to help our friends on the authorizing committees to get their bills up and through the House. They are our friends and I do not know of any group which has cooperated more since I have been in Congress than the members of the legislative Committee on Public Works.

We have delayed nothing intentionally. We have agreed every time they have asked us when we could, but there were times when they could not. So let me repeat again, whatever our financial situation, and it is bad, whatever our debt situation, and it is bad, whatever our deficit, we had better look after our own country because that is what it all depends upon. This bill is directed that way.

There are two ways to serve in Congress. One is to record your views. If that is all you are going to do you might as well stay at home and write letters to the editor. The other way is to try to do something about it. I am proud of the fact that when it was not popular, I voted to bail out New York City because it is one of our major cities. I was right about it.

I want you to know that I also voted for the Chrysler loan because if you get big businesses going broke it is likely to become a snowball, it will grow in size as it goes down. I want you to know in this bill here my viewpoint has been national in scope, because we do represent the country as well as our districts.

So contrary to what you read again the delay here in bringing it up was at the instance of the leadership, but when we brought it up we got to go just as fast as we could.

This bill is below the 1985 budget resolution by $900 million-some-odd. So we are within the limits set by our budget.

Harbors all over this country are involved; floor control all over this country is involved; so I hope you will vote with us for the bill before us.

May I say again we have included projects that in our opinion were justified, about half of which are not authorized. Why? They are supported by the legislative committees and the legislative committees, with all due deference to their great ability and my friendship with them, for 15 years they have been unable to get an authorization. I say it is time we all have to join and help them.

We have worked with our colleagues who head those two committees so we would be sure to include what they thought should be included. Why? Because for 15 years they have been unable to get a bill into law. I say we are not encroaching on anybody. We invited the leaders, we caucused with them, we asked them for their support. If you vote to eliminate this provision of the conference report, judging by the past, you are voting to eliminate your projects.

I was disappointed when we first brought this bill before you, we lost 203-202 on the unauthorized projects.

So let me say again this is the most important thing we will do. If for one reason or another our friends on the other side or the White House are going to keep us from authorizing for 15 years, then it is time we use every vehicle they have in mind.

So I repeat again in detail what we are up against. Have you ever heard in your experience here of the Senate adding 341 amendments to a bill? That is what we face, 341 where we felt we should read them and understand them. I guess all of you have a whole lot of mail about domestic measures but do you know that OMB sent down a request for $2,250,000,000 in this supplement for foreign aid for the remaining 2 months? And I have not had a letter opposing this. I have not read an editorial against it. That was taken for granted. But we struggle and we groan and we fight each other when we start looking after these essential projects for our own country.

It is time my friends that we work together. I deplore a situation when my good friends on the Public Works Committee with whom I am very close, who have helped me in every way they could, helped you, cannot get their bill through the Congress and enacted into law.

□ 1220

If you look at what we have provided in foreign aid, if you look at what we are spending in military aid, if you look at our debt, you are bound to realize it is high time we look to our own country to which we have to look if these things are going to be handled.

I yield to my colleague, the chairman of the Committee on Agriculture [Mr. de la Garza].

Mr. de la GARZA. I appreciate my chairman yielding, and I want to add my commendation to the chairman and the ranking minority member, and all members of the conference for their work in this supplemental, but specifically, and especially in Agriculture and the replenishing the funds for the Commodity Credit Corporation. which is in trouble and needs emergency action.

I know of the previous actions of the chairman, and I want to express my appreciation to the chairman and to the members of the conference.

Mr. WHITTEN. I thank the gentleman. I appreciate the fine job he does, and his statement.

I am going to discuss some of the details of this bill, I hope it will not be in funny print.

Mr. Speaker, the conference report on the fiscal year 1985 supplemental which is now before the House provides funding which is seriously needed for nearly all departments and agencies of the Government.

This conference report is the product of a lot of hard work and diligent effort on the part of many Members of the House. The Appropriations

Committee, through its subcommittees, began work on this bill back in April.

We delayed bringing this bill to the House at the request of the leadership so that there would be some time to deal with the Contra issue. But finally, on June 12, the bill passed the House.

When the bill reached the Senate, a tremendous number of amendments was added—some 341—or over 3 for each Senator.

We began work in conference on Monday of last week, and in three meetings over 5 days, we completed the conference last Friday. The conference report was filed on Monday and now is before the House for consideration.

Mr. Speaker, let me express my thanks to all those who participated in resolving this matter—both on the Appropriations Committees and on the various authorizing committees with which we worked.

But let me particularly thank the ranking minority member, Silvio Conte, and the subcommittee chairmen and ranking minority members—including Eddie Boland, Bill Natcher, Neal Smith, Joe Addabbo, Sid Yates, Dave Obey, Ed Roybal, George O'Brien, Joe McDade, Ralph Regula, Jack Kemp, Tom Bevill, Bill Lehman, Julian Dixon, Vic Fazio, John Myers, and Larry Coughlin.

Funds in the conference report total $13,024,352,536, and touch just about every branch of Government; mainly because it is this annual supplemental bill which contains the mandatory Federal cost-of-living adjustment. Approximately 46 percent of this bill is classified as mandatory under existing law.

The bill is $920,395,000 below the Senate bill and is below the budget resolution.

On the Contra-Nicaragua issue, there was, of course, a great deal of discussion. Finally, the House prevailed and insisted on its position which is contained in the conference report.

Some of the other highlights of the conference report are the following:

Conference Report on Fiscal Year 1985 Supplemental (H.R. 2577)

[In millions of dollars]

Program supplementals.	
Rental housing assistance—rescission of contract authority	−529
Other rescissions	−208
Payment to the Social Security Trust Fund	3,500
Aid to Israel, Egypt, and Jordan	2,258
Guaranteed student loans	720
Food stamps	319
Commodity Credit Corporation	2,936
Nicaraguan humanitarian assistance	27
State Department (buildings abroad)	167
International financial institutions	237
Veterans benefits	175
Vocational and adult education	102
Payment to the Postal Service	169
Family Social Services	79
Water development projects (new starts):	
Corps of Engineers	48
Bureau of Reclamation	14
Student financial assistance (Pell grants)	289
Bureau of Land Management	110
Rail service assistance	69
NOAA—operations, research, and facilities	126
National Forest System	61
Federal Crop Insurance Program	163
All other miscellaneous items (net)	777
Total, program supplementals (net)	11,609
Pay supplementals (pursuant to Executive Order No. 12496):	
Department of Defense—Military	950
Civilian agencies	465
Total, pay supplementals	1,415
Total conference agreement	13,024
Mandatory	(5,976)
Discretionary	(7,048)

CHAPTER I—AGRICULTURE

Mr. Speaker, for the Agriculture chapter the conference agreement includes $2,935,790,000 for restoration of net realized losses of the Commodity Credit Corporation; $1 billion was provided in the Urgent Supplemental (H.J. Res. 342) which we enacted into law July 24 to meet the emergency. The total of $3.9 billion is the same as the amount in the budget request recommended for fiscal year 1986. Our committee had the foresight to include these funds in the supplemental in order that they would be available during fiscal year 1985. On July 17 the Secretary of Agriculture notified the Congress that CCC was terminating disbursements. On July 18 the House passed an Urgent Supplemental, which I had introduced on July 15, and the Senate passed it the next day and it went to the White House that afternoon. The President signed it into law (Public Law 99-71) on the morning of July 24 and CCC immediately resumed operations.

The conference agreement also provides $163 million for the Federal Crop Insurance Corporation, the same amount as the budget request and an estimated amount of funds that will be required to get the Corporation through the balance of this fiscal year.

A very important item included in the conference agreement is $500,000 as proposed by the House for a study and determination of the impact on the farmer of embargoes and the failure to offer his products for sale competitively in world markets over the last decade. In carrying out this study, we will expect the Department to obtain the services of individuals with national standing in the field of economic research in order that we have the very best results from the study.

The conference agreement also includes $318,856,000 for the Food Stamp Program, the same as the budget request. These additional funds are required due to the enactment of Public Law 98-473 last October 12, which increased the food stamp benefits for all household sizes for 11 months of fiscal year 1985. This change in the law was enacted after the passage of the fiscal year 1985 appropriation bill and, therefore, necessitated supplemental funding in the recommended amount.

For the Temporary Emergency Food Assistance Program the conference agreement provides $7 million, which will be available for the remainder of this fiscal year and the first 6 months of fiscal year 1986. These additional funds should be adequate to meet the needs for those States which have run out of money or are having to scale back their program due to a shortage of funds.

An issue of great importance to many of our western colleagues, Mr. Speaker, is funding for the Grasshopper Control Program. In the House bill we provided $9 million, the same as the budget request. The Senate increased the amount to $19 million which we agreed to in conference. While we did not receive an official budget request for the additional $10 million, the Secretary of Agriculture did advise the conferees that the administration supported the full $19 million for this program.

The conference agreement also includes two provisions related to the Agricultural Stabilization and Conservation Service. The first prohibits that agency from closing or relocating any of their offices, but does allow the Department to conduct a study of their operations and to report to the Congress prior to taking any action. The second provision allows the Commodity Credit Corporation to continue to lease office and other space for ASCS and other USDA agencies when they share space with ASCS.

In the area of food programs, the conferees agreed on two provisions. The first allows the continuation of the national Commodity Processing Program through June 30, 1986. The second provision provides for the phaseout of the pilot cash in lieu of commodities study effective December 31, 1985. The study has now been completed, and there is no longer a need to continue this program through provisions of the Appropriation Act.

I would also mention, Mr. Speaker, that in the bill we have provided $3,500,000 for the warmwater aquaculture facility which includes $700,000 that was made available in the fiscal year 1985 Appropriation Act. This expansion of aquaculture research will make a major contribution to the field of warmwater aquaculture, and I am pleased to say that it will be matched by an equal amount of non-Federal funds.

Mr. Speaker, there were 40 Senate amendments to the Agriculture chapter, and I am pleased to say that we were able to resolve these amendments in conference. I would also like to thank our ranking minority member on the subcommittee, the gentlelady from Nebraska [Mrs. Smith], who does a fine job for her constituents and everyone else engaged in agriculture.

The SPEAKER pro tempore. The gentleman from Mississippi has consumed 9 minutes.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill passed the House on June 12, and passed the Senate on June 20 with 341 amendments. The Senate appointed conferees on June 20, the House appointed conferees on July 16, and the conferees reported on Monday of this week, July 29.

The conferees have reported 151 amendments in technical disagreement, and recommend that on 91 of these amendments the House recede and concur in the amendment of the Senate. The chairman will ask unanimous consent to consider these 91 amendments en bloc, and I hope that the House will agree to that request.

The total amount of new budget authority in the bill is $13 billion, which is $405 million under the House bill, $920 million under the Senate bill, $139 million over the administration's budget request, and $913 million under the total for new budget authority for fiscal 1985 in the House-passed budget resolution.

The bill is acceptable to the administration, and I can recommend the bill as a whole to my colleagues, even though I disagree with some portions of the bill.

However, in any bill which totals $13 billion, and where the conferees had to agree or disagree on 341 amendments, there will be individual items where Members cannot agree.

While I cannot review the entire bill, I will describe for my colleagues the major items, and the major points of disagreement with the administration.

In this bill, $9.9 billion, or 75 percent of the total, is in 10 programs where we have provided the exact amount of the budget estimate, and which includes Federal crop insurance, food stamps, CCC, the international banks, funds for Israel, Egypt, and Jordan, veterans' benefits, retired Federal employees, and a payment to the Social Security trust fund for military service credits.

We cut $1.2 billion from the supplemental request for defense pay costs and initiated rescissions of $37.7 million, and we used those savings to finance $763 million in unbudgeted pay supplementals, and $1 billion in unbudgeted discretionary program supplementals.

The pay supplementals that we received from the administration required that DOD absorb only 26 percent of its additional pay costs, while all other agencies had to absorb 72 percent. I think those priorities were wrong, and the House and the Senate have agreed.

By cutting $1.2 billion from DOD pay, and adding $173 million for other agencies, we provide that both DOD and the civilian agencies absorb 56 percent of their additional pay costs. I think those priorities are right, and deserve your support.

The bill as reported to the House included $171 million for 66 new starts. After a point of order and an amendment, the bill as passed the House contained $71 million for 35 new starts. The bill now contains $63 million for 45 new starts and language on cost-sharing which is acceptable to the administration.

The bill includes the McDade amendment providing humanitarian aid to the Contras, which cannot be administered by the CIA or the DOD, and which is subject to the restrictions of the Boland amendment.

The bill includes an additional $168.6 million to cover the revenue forgone by the Postal Service due to volume increases and the rate increases implemented in February of this year.

The bill also includes an additional $55.5 million for guaranteed student loans, which is required under current law.

The bill includes an additional $289 millon for Pell grants, which is the amount required to continue assistance with a maximum award of $2,100 and a cost of attendance limit of 60 percent as provided by current law.

The bill includes an additional $35.6 million for foster care and adoption assistance, which is the amount required under current law.

The bill includes an additional $45 million for the Bureau of Land Management to cover funds already borrowed and spent for emergency firefighting costs.

To sum up, most of the program supplementals are required under existing law. Our proposed pay supplementals are, frankly, more fair I think, and equitable than those recommended by the administration.

Each Member must make his or her own judgment, but for my part, I intend to vote for this conference report.

CHAPTER I—AGRICULTURE, RURAL DEVELOPMENT AND RELATED AGENCIES

For chapter I of title I, the conferees recommend $3.409 billion in new budget authority. This total, including $2.935 billion to reimburse the Commodity Credit Corporation for net realized losses, represents a decrease of $984.35 million from House-passed levels, a decrease of $995.797 million from Senate-passed levels, and an increase of $32.7 million over the administration's request and its estimate of need for CCC reimbursements.

When taking into account the $1 billion urgent supplemental for CCC reimbursements, as passed the House on July 18, and enacted into law on July 24 (Public Law 99-71), however, our conference agreement more accurately represents an increase of $15.65 million over the House-passed levels, and $4.203 million over the Senate-passed levels.

Of the 37 program-related Senate amendments, the managers on the part of the Senate have agreed to recede on 13. These include proposed Deficit Reduction Act rescissions for the Office of the Secretary ($69,000), the Agricultural Marketing Service ($150,000), the Rural Electrification Administration ($100,000), the Soil Conservation Service ($2,000,000) and the Food Stamp Program ($5,000,000).

In addition the Senate conferees have agreed to recede on various proposed requirements for the conduct of an Economic Research Service study, and they have agreed to adopt the House language concerning the prohibition on closures or relocations of State and county offices of the Agricultural Conservation and Stabilization Service. With regard to these ASCS prohibitions, the conferees have included report language emphasizing that any studies on improvements in program management, program delivery and common support activities are to be reported to the Congress. As a manager on the part of the House, it is my intention to carefully review any such study as reported prior to the implementation of policy or program changes as recommended within.

The House conferees have agreed to recede on two provisions; the first adopts the Senate language on Farmers Home Administration loan programs, and requires FmHA to set loan interest rates at the lower of the rate in effect at either the time of loan approval or loan closing; the second deletes the House language regarding the availability of fiscal year 1985 funds for the Feeding Program for Women, Infants and Children. Since the President submitted an official budget request for the supplemental WIC funds on June 7, 1985, the full $1.5 billion appropriated in fiscal year 1985 has been made available, making further congressional action in this important area unnecessary.

As managers on the part of the House, we have agreed to several compromise amendments on House-passed provisions. We have included the House-passed level of $17 million for salaries and expenses at the Farmers Home Administration, but have deleted our language requiring the Secretary of Agriculture to suspend payment of principal and interest and forego foreclosure in certain circumstances. We have also compromised on the level of supplemental funding for the Temporary Emergency Food Assistance Program, and agreed to a level of $7 million to be available through March 31, 1986. As a House conferee, it is my intention to work closely with the U.S. Food and Nutrition Service to monitor State management of these TEFAP funds in light of the concerns which I expressed during House floor consideration of H.R. 2577 last month.

Our conference agreement also proposes that the House recede on various Senate amendments in technical disagreement. These include Deficit Reduction Act rescissions for the Agricultural Research Service ($1,000,000), the Animal and Plant Health Inspection Service ($400,000), the Economic Research Service ($50,000), the Statistical Reporting Service ($100,000), the Packers and Stockyards Administration ($85,000) and the Foreign Agricultural Service ($100,000). We further propose adoption of a $49,000 Deficit Reduction Act rescission for USDA departmental administration.

Among other agreements reached by the conferees are: adoption of the Senate language providing for the relocation of the Fort Stanton Experiment Station; $2 million for Cooperative State Research Service graduate fellowship grants; $3.5 million for a CSRS grant to Mississippi State University to include $700,000 previously appropriated for this project, and requiring that the funds be matched by non-Federal sources; $200,000 for a CSRS grant to the University of Kansas; $19 million to restore funds borrowed from various APHIS accounts by the Secretary of Agriculture to conduct a Grasshopper Control Program; $700,000 for the Agricultural Marketing Service's Egg Inspection Program; adoption of the Senate-passed language providing that the authority of the CCC to lease space shall not be restricted; a $1 billion reduction in the reimbursement to the CCC for net realized losses to reflect enactment of the urgent supplemental (Public Law 99–71); an extension of the arrangement for school districts receiving all cash or all letters of credit in lieu of commodities until December 31, 1985; adoption of the Senate amendment allowing publicly operated community health centers to redeem food stamps for residents who would otherwise be eligible for food stamps were they not living in those centers; and adoption of the Senate amendment extending the National Commodity Processing Program through June 30, 1986.

To refresh the memory of my colleagues, the supplemental for fiscal year 1985 which we consider today also contains a number of program supplementals which, because they were included in both the House- and Senate-passed versions, were beyond the scope of the conference. These include $50 million for the Federal Crop Insurance Corporation for subscription to capital stock; an increase of $113 million in borrowing authority for the FCIC; $318.9 million for the Food Stamp Program; $300,000 for shrimp aquaculture research the CSRS; and $1.56 million for the Statistical Reporting Service's Quarterly Farm Labor Survey.

With regard to increase for pay costs, the conferees have recommended a total of $46.5 million, including $673,000 by transfer and $903,000 in increases in limitations. These recommendations are contained in title II of the bill, and are the same as the House-passed levels.

COMMERCE, JUSTICE, STATE, JUDICIARY

The major item within the jurisdiction of the Commerce, Justice, State and Judiciary Subcommittee in the bill was not subject to conference action. That is $234 million included in both the House and Senate bills for phase II of the State Department Security Enhancement Program. This amount is in addition to $110 million provided for phase I in the fiscal 1985 continuing resolution. These funds will be used to relocate a number of embassies, especially in the Middle East and Persian Gulf areas, and to upgrade the security at other facilities.

The bill includes $20 million for U.S. contractor claims and other expenses related to the continuing delay in the construction of the U.S. Embassy in Moscow. The conferees agreed to language in the bill prohibiting the Soviets from occupying their new embassy in Washington until the United States has been reimbursed for these costs.

The bill also provides $125 million for the fiscal year 1985 and fiscal year 1986 costs of the commercialization of the Landsat system, $31 million for projects in New Hampshire, Oregon, and South Carolina by the Economic Development Administration, $28 million for Small Business Administration loans, $15 million for additional U.S. attorneys and marshals and related expenses necessary to begin the implementation of the Comprehensive Crime Control Act of 1984 and to enhance Federal drug law enforcement, $18 million for Drug Enforcement Administration activities, $4 million for legal services programs at Drake University School of Law in Des Moines, IA, and $9 million for additional USIA educational exchange programs in Central America.

The conferees deleted House language banning the implementation of any rule allowing the payback of Maritime Administration construction differential subsidies for the purpose of escaping the restrictions on domestic shipping. In the statement of the managers of the conferees encourage the Secretary of Transportation and the Maritime Administration to delay enforcement of such a rule until the completion of pending litigation or legislation, or for the balance of this fiscal year which ends September 30, 1985, whichever is sooner.

There is also compromise language in the statement of the managers dealing with competition in the area of International Telecommunications Satellite Services. The language is an attempt to balance the need to protect the future of the Intelsat system, while at the same time provide a measured and fair opportunity for free market competition in services not now available.

CHAPTER IV—ENERGY AND WATER DEVELOPMENT

Mr. Speaker, the energy and water development portion of the supplemental was, next to the question of aid to the Nicaraguan Contras, perhaps the most controversial part of this bill. The House conferees, especially the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS], devoted a great deal of time and effort to bringing out an agreement on water projects that would respond to the needs and requests of our House colleagues, while also including cost-sharing language acceptable to the administration. As with any agreement, there are specific portions of this section with which I do not agree. Nevertheless, I believe that your conferees have succeeded admirably in their difficult task.

As it left the House, following the striking of unauthorized Corps of Engineers projects on a point of order and the adoption of the Edgar amendment, the bill contained $71 million for 35 new water projects. Those 35 included 31 authorized new Corps of Engineers projects and four authorized Bureau of Reclamation projects.

The conference agreement contains $63 million for 45 new starts, including the 4 Bureau of Reclamation projects originally contained in the House-passed bill. Of the 41 new corps projects, 21 are currently unauthorized, and would be authorized in this bill.

I have generally opposed the inclusion of unauthorized water projects in appropriations measures, and am far from enthusiastic about their appearance in this conference agreement. My views are tempered, however, by the presence of significant cost-sharing language in the final version of this bill.

The conferees have agreed to the Senate "fencing" language, which provides that none of the funds appropriated for new water projects may be expended until a cost-sharing agreement has been entered into between the project sponsor and either the Corps of Engineers or the Bureau of Reclamation. The funds appropriated in

this bill will lapse unless such an agreement has been entered into by June 30, 1986.

Mr. Speaker, this language will permit many of the projects contained in this bill to get underway immediately—to the great relief of many of our colleagues who have been waiting years to see construction begin. In addition, there is still a strong incentive to enact a comprehensive public works authorization bill, since the enactment of such a measure would make it possible to modify cost-sharing requirements being imposed by the administration in these cost-sharing agreements.

Mr. Speaker, I would note at this point that there is an exemption from this cost-sharing requirements for elements of the Mississippi River and tributaries project. My understanding is that the only two items affected by this exemption in this bill are the Atchafalaya Basin Floodway in Louisiana and the Eight Mile Creek project in Arkansas. I predicted before that our distinguished chairman, the gentleman from Mississippi, would find a way to get around this cost-sharing requirement, and here it is. I believe that such an exception is unfair to the rest of the country, and is inappropriate. But I would also point out that this is not permanent law—it affects only the funds in this bill, and can be superseded by subsequent enactments. I hope that it will be dealt with in the omnibus public works authorization measure.

Mr. Speaker, among the other items in this section of the conference agreement, I would note that we have provided $5 million for a TVA water transmission line at Bristol, TN.

FOREIGN OPERATIONS

In regard to assistance to the Nicaraguan Contras, the Senate receded to House language, the McDade amendment, providing $27 million in humanitarian assistance through an agency designated by the President. The President is prohibited from designating the Central Intelligence Agency or the Department of Defense to administer these funds. The House adopted identical language on June 12 by a vote of 248 to 184. The same language is also included in the conference report on the foreign assistance authorization bill.

The House conferees agreed to the Senate amendment providing $250 million in economic assistance to Jordan over the next 3 years, as requested by the administration. While not subject to conference action, the bill also provides $1.5 billion for Israel and $500 million for Egypt over the next 14 months. The conferees also agreed to transfer $12.5 million to Israel to help pay the costs of resettling Ethiopian jews.

Regarding population planning, the House conferees receded to Senate language directing the President to make the determination as to when funds will be withheld from population organizations or programs because of coercive abortion activities and adding involuntary sterilization to the prohibited activities.

Both House and Senate bills included $236.7 million in budget authority and $1.2 billion in off-budget callable capital to bring the U.S. payments to several international financial institutions up to date.

CHAPTER VI—HUD-INDEPENDENT AGENCIES

For chapter VI or title I, the conferees recommend—$295.006 million, including $260.22 million in appropriations, rescissions of $26.29 million, and rescissions of contract authority totaling $528.94 million. This overall reduction in fiscal year 1985 levels represents increases of $94.14 million over House-passed levels, decreases of $96.29 million from Senate-passed levels, and increases over the administration's request of $58.93 million in this fiscal year 1985 supplemental.

Of the 20 program-related Senate amendments, the managers on the part of the Senate have agreed to recede on three. These include a $4.125 million Deficit Reduction Act rescission in the Environmental Protection Agency's Research and Development account, a $2.109 million Deficit Reduction Act rescission in the Veterans' Administration's medical administration and miscellaneous operating expenses account, and a $337,000 Deficit Reduction Act rescission in the VA's construction, minor projects account.

The House conferees have agreed to recede on seven Senate amendments. In doing so, we recommend that balances in fiscal year 1985 payments for operation of low-income housing projects remain available for obligation in fiscal year 1986; we make available an additional $120,000 for the Office of Science and Technology Policy; we rescind only $4 million of the total $6 million NASA research and program management rescission pursuant to the Deficit Reduction Act; we agree to the $100,000 Office of Revenue Sharing Deficit Reduction Act rescission as proposed by the Senate; we delete the House-passed rescission of $150,000 in Veterans' Administration medical and prosthetic research and the $2 million proposed for rescission in the VA's general operating expenses account. Finally, we agree to delete the $44.2 million which we included for VA readjustment benefits based upon a revised supplemental request submitted by the administration.

As managers on the part of the House, we have agreed to several compromise amendments on House-passed provisions. For the Environmental Protection Agency, we recommend $20 million for abatement, control and compliance, and direct that, of these funds, $12 million be for RCRA activities, $4 million for asbestos abatement assistance and $4 million for water quality enforcement State grants to include pretreatment. We have also agreed to appropriate $4 million for EPA salaries and expenses, and place a priority on intramural research support and equipment costs.

Our conference agreement also proposes that the House recede on various Senate amendments in technical disagreement. These include the transfer of $4 million for the Department of Housing and Urban Development's salaries and expenses from the various funds of the Federal Housing Administration; making available up to $1 million in excess salaries and expenses funds of the American Battle Monuments Commission for purchasing equipment and services; an appropriation of $100,000 for the Arctic Research Commission; a Deficit Reduction Act rescission of $3.52 million in the VA medical care account.

Among other agreements reached by the conferees are: An additional $500,000 for EPA buildings and facilities with a restriction on the obligation of these funds until the completion of a feasibility study on cost-effective ways of housing the Newport, OR, Research Program; the transfer of $1.105 million to the salaries and expenses account at the Federal Emergency Management Agency from the emergency management planning and assistance account: and an additional $40 million to partially offset a significant cost overrun in the Shuttle Centaur Program at NASA, delaying the obligation of these funds until March 1, 1986, to permit the Congress to review program development problems.

On an issue of great concern to many of my colleagues in this body, the Emergency Food and Shelter Program, the conferees have agreed to provide $20 million for the remainder of fiscal year 1985, and to consider an additional amount in connection with the regular fiscal year 1986 appropriation bill. As many of my colleagues recall, H.R. 3038, the fiscal year 1986 HUD-Independent Agencies appropriation bill which passed the House on July 25 contained $70 million in fiscal year 1986 funds for this FEMA-administered program.

In addition to providing supplemental funds to be distributed to individual localities through the national board, the conferees have also agreed to adopt two amendments involving the Director of the Federal Emergency Management Agency and the Secretary of Agriculture. The Director and the Secretary are to review the reported condition of homeless and disadvantaged Americans in cities and counties throughout the Nation and to report to the House and Senate Appropriations Committees their recommendations for correcting and improving this situation. As a manager on the part of the House, it is my hope that the Director of FEMA and the Secretary of Agriculture as well as the national board in determining the formula for distribution of program funds, will carefully review the needs of the disadvantaged residing in the Massachusetts counties of Berkshire, Franklin, Hamden, Hampshire, and Worcester where certain economic disasters occurring since the 1980 census have significantly affected unemployment and poverty levels.

H.R. 2577 also contains a number of program supplementals which, because they were included in both the House- and Senate-passed versions, were beyond the scope of the conference. These include the Rental Housing Assistance Program rescission; making available $2.5 million in UDAG fiscal year 1985 technical assistance funds for grant awards directly; a $6.9 million HUD management and administration Deficit Reduction Act rescission; an additional $500,000 for the Consumer Product Safety Commission; clarifying language on the San Diego sewage treatment facility; $2.073 million in Deficit Reduction Act rescissions at FEMA; a $63,000 Deficit Reduction Act rescission for the Consumer Information Center; clarifying language on the amount of fiscal year 1985 space station funding for NASA; a $1 million Deficit Reduction Act rescission in the NSF research and related activities account; $175 million for VA compensation and pensions.

CHAPTER VII—INTERIOR SUBCOMMITTEE

Mr. Speaker, of the 44 amendments in disagreement in chapter VII only a few were truly controversial and required significant discussion.

The administration proposed deferral of funds for the strategic petroleum reserve oil account. In the latest budget submission, the administration proposed an immediate and indefinite moratorium on oil acquisition and construction for SPRO. In H.R. 2577, the House overturned the deferral and proposed to obligate the $827 million available for oil acquisition. Consistent with its budget resolution, the Senate deleted the House deferral rejection in favor of the administration's proposed moratorium. The conferees agreed to an immediate obligation of $290 million for oil acquisition and deferred the remaining amount. This amount is to be used to fill the strategic petroleum reserve to a total of 500 million barrels.

The conferees also agreed to disapprove $39.2 million of fossil energy R&D deferrals instead of $38.9 million as proposed by the House and $8.4 million as proposed by the Senate. Report language concerning cost sharing for the MHD project is also included.

The conferees agreed to accept the House language regarding the implementation of the proposed Bureau of Land Management-Forest Service land interchange. The House language strictly prohibits the use of any funds to implement the program before authorizing legislation is enacted.

Finally, the conferees agreed to compromise language on amendment 200. The agreement includes bill language that will allow the Forest Service to resell timber in certain districts in Oregon under the Federal Timber Contract Payment Modification Act. This will allow local mills to continue operations while the agency continues the development of a forest management plan. However, language is also included directing the Secretary to consider the environmental consequences of each sale and to categorize each sale's environmental impact as minimal, moderate, or serious.

CHAPTER XI: TREASURY-POSTAL SERVICE SUBCOMMITTEE

Chapter XI, the Treasury, Postal Service, General Government section, contained two items in serious disagreement that were eventually resolved by the conferees.

First, the Senate agreed to accept a House provision that makes available an additional $22.6 million for the completion of a Federal building in Long Beach, CA. The continuing resolution last year provided funds to begin the project construction.

Second, the conferees resolved—at least for now—a controversy surrounding pay for performance regulations proposed to be issued by the Office of Personnel Management. In the continuing resolution last year, I proposed compromise language to continue the 4-year-old ban on the implementation of the regulations until July 1, 1985. Last month when the ban expired, the administration implemented the regulations.

The conferees agreed to end the ban proposed by the House. The agreement does not include bill language on the OPM regulations, but does include instructive report language regarding future negotiations between interested parties.

LEGISLATIVE BRANCH

The House conferees receded to the Senate on two Senate housekeeping amendments in keeping with the tradition of comity.

The House also receded on an amendment providing $5 million to the General Accounting Office to settle two class action claims. The claims deal with alleged discriminatory promotion practices and promotions, training and awards.

CHAPTER X—TRANSPORTATION

Mr. Speaker, the section of the supplemental dealing with the Department of Transportation and related agencies contains several items that I would bring to the attention of my colleagues. For the Coast Guard, we have provided an additional $27.7 million for aircraft, vessels, and aerostats to assist with the drug interdiction effort. In addition, we retained the $15 million in additional operating expenses that had been agreed to on the House floor. This money will permit the maintenance of military personnel levels at the 38,900 level.

For the Interstate Commerce Commission, we have provided $3.1 million. This amount will provide adequate funds for personnel expenses for the remainder of the fiscal year, thereby stopping the furloughs that had crippled the Commission's work between April and June. In addition to the $3 million that had been included by the Senate, the remaining $100,000 is to be used to help reduce the backlog of work that developed during the furlough period.

SUPPLEMENTAL APPROPRIATIONS, 1985 CONFERENCE AGREEMENT NEW BUDGET AUTHORITY

	Request	Conference	Conference compared to request
Program			
Mandatory	4,465,969,000	4,560,391,100	94,422,100
Discretionary	5,962,216,436	7,048,491,436	1,086,275,000
Total	10,428,185,436	11,608,882,536	1,180,697,100
Pay			
DOD	2,164,836,000	950,417,000	(1,214,419,000)
Other	291,932,000	465,053,000	173,121,000
Total	2,456,768,000	1,415,470,000	(1,041,298,000)
[illegible]			
Mandatory	6,922,737,000	5,975,861,100	(946,875,900)
Discretionary	5,962,216,436	7,048,491,436	1,086,275,000
Total	12,884,953,436	13,024,352,536	139,399,100

Mr. WHITTEN. Mr. Speaker, I yield 8 minutes to my colleague, the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Speaker, chapter VIII of the 1985 supplemental appropriations bill—H.R. 2577—provides $4,714,838,000 in additional appropriations for the program considered by the Labor-HHS-Education Subcommittee. These supplemental appropriations reinforce the priorities which were incorporated in the regular 1985 appropriation act—Public Law 98-619—which became law on November 8, 1984. When we presented the Labor-HHS-Education appropriation bill for 1985 to the House for approval last year, we were proud of the funding increases we had recommended for biomedical research, Pell grants for college students, chapter I grants to keep disadvantaged children in elementary and secondary schools, and several other major programs that mean so much to the people in this country. Mr. Speaker, these increases were contained in the bill that was later signed by the President on November 8, 1984. These increases were necessary then and they are necessary now. There is

no backsliding on these programs in the supplemental appropriations bill that is now before us.

STUDENT ASSISTANCE

One of our top priorities for 1985 is continuation of Federal financial assistance for students at our colleges and universities. Anyone who has a member of their family attending an institution of higher education, whether public or private, knows that charges for tuition and other expenses continue to rise every year.

Chapter VIII includes a supplemental amount of $287 million for the Pell Grant Program. Adding this amount to the $3,325 million included in the 1985 Appropriations Act will provide a total of $3,612 million for Pell grant awards for the coming academic year 1985-86.

In the 1985 appropriation for the Department of Education we recommended, and Congress approved, a maximum Pell grant award of $2,100 up to a limit of 60 percent of the cost of attendance at a college or university. These provisions were included in the appropriations bill signed by the President on November 8, 1984.

In the 1985 supplemental budget submitted by the President on February 4, 1985, a request was included to reduce the maximum Pell grant from $2,100 to $2,000 to cover up to 50 percent of the cost of attendance. We examined this request from the President and found that almost 1 million low income students would receive little or no increase in their Pell grant award.

The subcommittee recommended going along part way with the budget request by providing a maximum grant of $2,100 up to 50 percent of the cost of attendance. But this action would also have resulted in many low income students attending public community colleges not receiving any increase in their Pell grant award.

In full committee, I offered an amendment which was adopted to retain the maximum grant of $2,100 to cover up to 60 percent of the cost of attendance. I felt we were right last year when the 1985 appropriation was enacted and I still feel that we should stay with it and make no changes. Millions of low income students have been counting on some increase in their Pell grant award, and I think we should help them as much as we can.

The Senate agreed with the House proposal with regard to Pell grants, and the additional $287 million will be provided in this bill. It is clearly congressional intent that the 1985 funds should be used to provide a maximum Pell grant of $2,100 to cover up to 60 percent of the cost of attendance. We believe that the administration should submit a budget request to cover prior year shortfalls in Pell grant funding, so that it will no longer be necessary to borrow against future year appropriations in order to maintain this program at the current level.

The supplemental appropriation bill also contains $720,346,000 for guaranteed student loans, an authorization of $250,000,000 for health education assistance loans [HEAL] for students in the health professions, and an additional appropriation of $2,482,000 for national direct student loans.

BIOMEDICAL RESEARCH

Mr. Speaker, another program which had high priority in the 1985 appropriation act was biomedical research supported through the National Institutes of Health. The bill which the President signed last November provided a total of $5,149,985,000 for NIH. The heart of the NIH program is the investigator-initiated research grant. The 1985 appropriation included $2,786,999,000 for 18,698 of these grants, of which $937,637,000 was to be used for new research grants and competitive renewals of ongoing research grants whose grant periods had expired. NIH estimated that 6,526 such new and competing grants could be funded. In addition, $479,775,000 was provided for 533 research centers. In January, when the 1986 budget was submitted, it was revealed that the administration proposed to fund only 5,000 new and competing research grants and 500 research centers in fiscal year 1985. This would be accomplished, not by seeking a deferral or rescission in compliance with the terms of the Impoundment Control Act, but simply by using $203,709,000 of the funds appropriated for research grants and $34,875,000 of the funds appropriated for research centers to forward fund 1986 and 1987 costs. This unusual plan was directly contrary to congressional intent; it has been held to be unlawful by the Comptroller General; and it is decisively rejected in the conference agreement on the supplemental appropriations bill. The conference agreement requires the funding of no fewer than 6,200 new and competing research grants and 533 research centers. These are essentially the levels which were approved by the House when it acted on the 1985 appropriation bill approximately 1 year ago. For new and competing research grants, we are providing $937,637,000, of which up to $20,000,000 may be carried forward into 1986, if not needed to fund the 1985 program. This is $200,000,000 more than the amount provided for new and competing research grants in 1984.

I would like to mention a few of the other programs which are dealt with in chapter VIII.

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

The largest single item is an appropriation of $3,500,000,000 for payment to the Social Security Trust Fund to cover the cost of wage credits for military service prior to 1957. This payment is required by the Social Security Amendments of 1983. The appropriation was requested by the President, and included in both the House and Senate bills.

VOCATIONAL EDUCATION

When we marked up the 1985 appropriation bill, last year, we included in it the full amount authorized for vocational education. Subsequently, amendments to the Vocational Education Act, named after our good friend and colleague, the late Carl D. Perkins, were enacted. We have included in this supplemental appropriation bill $100 million to provide a 15-percent increase in vocational education basic grants under the new authorization. This will provide a total of $784 million for basic grants in 1985.

STATE EMPLOYMENT SECURITY AGENCIES

The House bill included an additional appropriation of $30 million to cover costs incurred by State agencies in the administration of the unemployment insurance program. We received letters from many members indicating that some State offices might have to close down if the additional funds were not provided. We were able to persuade the Senate conferees to agree to $20 million for this purpose.

OTHER PROGRAMS

Mr. Speaker, I have mentioned a few of the more important provisions of chapter VIII of the bill. There are others, affecting programs which require further congressional action including emergency medical services for children, alcohol, drug abuse and mental health research grants, job training programs, child abuse and family violence prevention, National Graduate Fellowships, foster care, adoption assistance, nursing research, vocational rehabilitation, and adult education. These are all meritorious programs which require additional funding or other adjustments due to change circumstances, the enactment of new legislation, revised estimates, or administrative actions taken by the executive branch since the enactment of the regular 1985 appropriation act.

I recommend the adoption of this conference report.

□ 1230

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

I would like to express my appreciation for the courtesy shown by the gentleman from Kentucky, the distinguished chairman of the subcommittee, in consulting with me in advance about a provision in this bill which concerns the Health Education Assistance Loan [HEAL] Program. I have some questions about that provision.

Mr. NATCHER. Mr. Speaker, I appreciate the gentleman's kind words, and I would be delighted to answer any questions.

Mr. WAXMAN. It is my understanding that this provision would allow the Department of Health and Human Services to issue certificates of insurance for up to $250 million in HEAL loans during the current fiscal year.

Mr. NATCHER. The gentleman is correct, Mr. Speaker.

Mr. WAXMAN. This action has become necessary because the President pocket-vetoed the Public Health Service Act Amendments of 1984, creating an immediate crisis for students who depend on the high-interest HEAL loans as a last resort.

Mr. NATCHER. The gentleman is correct.

Mr. WAXMAN. It is my understanding that the authority in this bill will be used to make continuing loans to previous borrowers. Because of the "sunset" provision in the HEAL statute, only the unused authority from fiscal year 1984 can be used to make loans to new borrowers. Thus, once the fiscal year 1984 balance runs out, certificates of insurance will no longer be issued for loans to new borrowers.

Mr. NATCHER. The gentleman is correct.

Mr. WAXMAN. This bill, then, is only a temporary measure to help health professions students who need to know whether they will be able to borrow funds to attend school this fall. The gentleman and I both recognize that this emergency action is appropriate for this one time only. Enactment of the reauthorization bill, H.R. 2410, which recently passed this House, is necessary to provide for continuation of the HEAL Program in the future.

Mr. NATCHER. The gentleman is correct.

Mr. WAXMAN. I thank the gentleman for yielding, and I commend him for his efforts and concern in this area.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, what the gentleman from California [Mr. Waxman] is indicating would not affect the ability of first-year students to obtain loans under this program; isn't that correct?

Mr. WAXMAN. If the gentleman will yield to me, there should be enough funds available to take care of that.

Mr. CONTE. They still can get their loans?

Mr. WAXMAN. Yes; there are carryover funds.

Mr. CONTE. Mr. Speaker, I would like to have the attention of my good friend, the gentleman from Kentucky, Bill Natcher. I did not know we were going to get to this section at this time, but I just want to take this opportunity to say what a great pleasure it has been for me not only this time but down through the years to work with my dear and beloved friend, Bill Natcher, one of the finest men who ever served in this House. He has done a remarkable job in this section.

Bill, I know there are time constraints, but I did not hear you mention that we have $100 million in here also for vocational education under the new Perkins Act. But the big thing was the new and competing grants under the National Institutes of Health. The Senate had stated that they were going to go to 6,000 new and competing grants. It was in this conference that Bill and I met with Senator Weicker and Senator Proxmire. We got that figure up to 6,200 new and competing grants, thanks to the leadership of our good friend from Kentucky, and 533 centers. But the one that pleased me most—and I know that somebody close to me is going to be very pleased—is bringing up the figure to 550 grants for the Alcohol, Drug Abuse and Mental Health Administration, which the Senate had cut down to a level of 540. I certainly felt that the National Institute of Mental Health would have been unduly held back by that agreement, so we worked hard to get those additional grants. I told Bill and the chairman of the same committee, our counterpart, on the other side, that I could not go home for supper that night unless we increased that. I want to thank my good friend.

Mr. Speaker, chapter VIII of this supplemental, the Labor, Health and Human Services and Education section, provides a total of $4,715 billion, $122 million more than the House-passed version, $63 million less than the Senate-passed version, and $506 million more than the administration's request.

Just about all of the provisions passed by the House were retained in the Senate-passed bill and so were not part of the conference: up to $3.5 billion for Social Security, to cash out military service credits, as requested by the administration; $720 million for guaranteed student loans, of which $655 million was requested by the administration; $287 million for Pell grants, to provide funding for the full cost of a program based on a maximum grants of $2,100 and a 60-percent cost of attendance allowance; $79.5 million for foster care and adoption assistance; and $6 million for the Family Violence Prevention and Services Act, which was added to the bill by my amendment in the full committee.

The one exception was the $30 million in trust funds added by the House for the Department of Labor Employment Service to cover shortfalls being experienced by the Senate in the nonpersonal services budget, with was deleted by the Senate. The conference report provides $20 milion for that purpose.

Of the $185 million in additional funds added by the Senate, the largest item, $146.3 million, was for vocational education. The conference report retains $100 million for the State Block Grant Program, but deletes the $46,3 million for several new programs authorized by the Perkins Act, since there are only 2 months left in the fiscal year, not enough to set into operation these new programs.

The conference report also contains funding for a number of smaller items: $9.5 million for three hold-harmless provisions, to assure that no State receives less than its 1984 allocation, for the Job Training Partnership Act Migrant Program, the Adult Education Program, and the National Direct Student Loan Program; $5 million for a new Child Abuse Grant Program, to remain available through fiscal year 1986; $3 million for a cancer center in St. George, UT; $2 million for a new Children's Emergency Medical Services Program, to remain available through fiscal year 1986; $1.7 million to cover a default in the Health Maintenance Organization Loan Program; and $715,000 for Vocational Rehabilitation for Native American Programs.

In addition to the new Vocational Education Programs added by the Senate but deleted in conference, funding for a number of other new programs added by the Senate was deleted: $5 million for the dependent care block grant; $5 million for a Library Literacy Program; $3 million for Preventive Health Centers; $2 million for a health research center at the University of Utah; and $1 million for an alcohol and drug abuse clinical training program. These programs will be looked at again, I am sure, in conjunction with the fiscal year 1986 Labor, Health and Human Services, and Education appropriations bill. In addition, $800,000 of the $1.2 million proposed for the Organ Transplant Program was provided through reprogramming rather than new funding.

In addition, there were a number of language items included in the conference report. The most significant are the provisions setting the final level of new and competing grants for the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration. In the regular fiscal year 1985 appropriations bill, Congress provided for 6,526 new and competing grants and 533 centers for NIH and 583 new and competing grants for ADAMHA. As part of the fiscal year 1986 budget submission, the Office of Management and Budget proposed to limit the NIH grants and centers to 5,000 and 500 respectively, and the ADAMHA grants to 500, by an unprecedented, and I might say unacceptable and illegal, notion of providing multiyear funding out of funds appropriated in fiscal year 1985. The Senate and the administration, during the debate over the fiscal year 1986 budget, came to an agreement of 6,000 grants and 517 centers for NIH and 540 grants for ADAMHA. But, of course, the House was not part of those negotiations. I am pleased to say that Chairman Natcher and I finally managed to have a little input into these figures, and we came up with the 6,200 grants and 533 centers for NIH and 550 grants for ADAMHA.

Let me just make a couple of comments on this agreement.

First, with 533 centers, the full number appropriated in the regular fiscal year 1985 bill, this should allow the second round of Digestive Disease Centers to be funded. This agreement should permit an additional 3 or 4 centers, for a total of 9 or 10 new Digestive Disease Centers of Excellence.

Second, I am pleased that the conferees were able to agree on a level of 550 grants for ADAMHA. The preliminary agreement was at a level of 540, and I felt that the National Institute of Mental Health would have been unduly held back by that agreement, so I worked hard to obtain those additional grants. I don't know why, Mr. Speaker, but sometimes it seems that mental health programs have to work about 10 times harder to get the recognition that NIH gets, and yet the work being carried out there is no less important, and no less promising than the research being done at NIH.

In addition, this bill contains a language provision requested by the administration and included in both the House- and Senate-passed versions to correct a technical problem with funding for handicapped education personnel preparation that crept into the 1985 regular bill as part of a Senate amendment.

That error effectively denied funding to personnel preparation projects during the month of June. Now that the error has been corrected, it is my expectation that the Department will go back and make those projects whole for the unreimbursed work that was done during the month of June.

The conference report also contains an authorization for $250 million of health education assistance loans, and should remedy the problem that has prevented first-year students from borrowing under this program up to this point in the fiscal year.

And, among other provisions, the conference report contains extended availability for funds previously appropriated for either the Nursing Institute or Center for Nursing Research, whichever gets authorized, and for the National Graduate Fellowship Program.

Mr. Speaker, I believe the conferees did a good job of resolving the 34 amendments added by the Senate to the Labor/HHS/Education section, and I believe the Members should support the outcome.

Mr. NATCHER. Mr. Speaker, I want the Members of the House to know that it is a distinct honor and privilege for me to serve with my distinguished friend, the gentleman from Massachusetts [Mr. Conte].

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Mr. CONTE. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. McDade].

Mr. McDADE. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this conference report and urge its approval by my colleagues. I would like to compliment my colleagues on the conference committee especially Chairman Whitten and Congressman Conte for providing their usual steady leadership; and my good friend from New York, Mr. Addabbo, chairman of our defense subcommittee with whom I currently work most directly.

Regarding the defense portion of this supplemental, in my judgment it is noncontroversial. It provides for the pay raises for DOD personnel in this fiscal year, and I am pleased to report that the conferees were able to find ways to fund nearly half the request—over $900 million—from prior year appropriations, either contract savings or transfers. I commend our staff, as well as the conferrees from the other body, for helping us identify these funds and enable us to reduce the new money needed for the pay raise.

At this point, Mr. Speaker, I would like to share my thoughts with the House concerning another conference item—a major issue—the section dealing with the Nicaraguan situation.

We spent a great deal of time in conference on the issue of Nicaragua, and in the end, the other body receded to the House position. While there were a number of differences between the two Chambers' bills, the primary concern in conference was which departments would be candidates for administering the humanitarian aid. The House language expressly prohibited CIA or DOD from playing such a role, while the other body had no such proviso.

The House position on CIA or DOD involvement is quite clear, and to their credit, the other body's conferees recognized this and did not make CIA or DOD direction or administration of the program a major issue, one that could jeopardize the entire aid package. Let me restate the conference's agreement: CIA or DOD will not administer this aid, nor have any hands-on involvement in its procurement or delivery.

The majority of the conferees were concerned, however, that whoever administers this aid, the program must be executed efficiently, cost effectively, and most importantly, in as safe a fashion as possible. We agreed that the administrator of the aid effort should, if necessary, be able to consult with any entity of the U.S. Government in order to implement this program in the most effective manner, consistent with foreign policy objectives.

Mr. Speaker, I am pleased to note that the conferees on the foreign aid bill adopted a similar posture on Nicaragua as did our conference. This unanimity signals, I hope, the emergence of a true bipartisan consensus on foreign policy questions in general and on this most vexing issue, which we have spent so much time debating and discussing.

This consensus—reflected in the Nicaragua provisions of this bill—provides a solid foundation for U.S. policy toward Nicaragua and all of Central America. This approach is evenhanded; it allows for flexibility; and it looks to the future.

By providing assistance to the Contras, we show our disgust with the Sandinistas' policies of repression, and our support for those who are trying to bring democracy to that country. But by providing humanitarian aid—in the open—we affirm our dedication to and emphasis on a negotiated, diplomatic solution between the Nicaraguan people themselves.

Yes, we apply pressure on the Sandinistas to change—but the provisions of this bill also provide them with a great opportunity. If there is any progress toward peace—progress toward peace—this bill provides a vehicle for fast-track consideration of additional aid to further the peace process. This could be more material help for the Contadora group; to Nicaragua's neighbors; or economic aid to the Nicaraguan people themselves. If conditions warrant, we could create a Marshall plan for all of Central America.

But the United States cannot move effectively in this direction without a sign from the Sandinistas themselves, that they too are willing to truly search for peace. All that is needed is for the Sandinistas to take a tangible, good-faith step toward implementing the goals of their own revolution, 6 years ago. Open and fair elections. Freedom of religion and expression. National reconciliation, and a dialog with their opposition.

The Sandinistas came to power promising democracy, but have delivered repression. But with the passage of this bill, the United States offers to put the past behind us. We ask only that Nicaragua lives up to its promises. We ask that they respond, in kind, to the offer made by the Democratic resistance: To stop the fighting, to negotiate, to bring pluralism to Nicaragua.

Passage of this supplemental will emphasize to all that the United States stands with freedom and seeks to bring a true settlement to the problems of Nicaragua. My colleagues, I urge your support.

Mr. WHITTEN. Mr. Speaker, I yield 4 minutes to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. I thank the gentleman for yielding me this time.

Mr. Speaker, I very strongly support this conference report. I point out that in the section that I was primarily responsible for, there were 67 amendments. It took considerable time to work out some of those amendments and several of those deal with matters which have become of even greater concern since the fiscal year 1985 appropriation bill was enacted last year.

I mention that among them was law enforcement. The fiscal year 1985 continuing resolution contained the largest crime bill ever passed in the history of the Congress, and there are positions in this supplemental to start the enforcement of that law. There are also additional positions for Drug Enforcement. There are additional resources for antiterrorist activities, and a substantial amount of money for the security for overseas facilities and personnel to deal with terrorist activities and the security of U.S. Government employees overseas.

The pilot Central American Scholarship Program was an issue that we did have some difficulty with. We started that program under a reprogramming, and approved a program of 143 students. It is a pilot program and the intention was to have a 2-year program that would be completed and evaluated in that 2-year period of time before we decide whether or not to go on or what kind of a program to have after that.

We did have differences of opinion with the Senate on that, but in the end, we resolved to keep the pilot program and put in another $800,000 because the cost per student has been exceeding that estimated by the administration. This fact points up even more why we need to keep this as a pilot program since the estimates have not come in at the projected level.

The CDS payback matter was again a problem, but in this conference report we asked the Department of Transportation to hold off on implementing a rule until the first of October, and in that period of time, bills that are proceeding in the Congress may be passed. We expect that the authorizing committees should be able to handle this matter without further problems with regard to any of the appropriations bills.

I want to comment on a provision in the statement of the managers on Intelsat. The Intelsat language represents a compromise in the House and Senate reports dealing with that matter. In November of last year, the President determined that the authorization of telecommunications systems separate from Intelsat was in the national interest, so long as our legal obligations were met, and in particular, so long as the systems were sufficiently limited in their operation, that they could not cause significant economic harm to Intelsat's global telecommunications network.

Language was inserted in the Appropriations Committee report on the House side in order to emphasize the Committee's strong concern that the FCC faithfully and effectively enforce the safeguards for Intelsat specified by the President, and in the conference report, there is language to that effect.

Now, last week, just prior to the completion of the conference committe work on this issue, the FCC acted to conditionally grant three of the six applications to create private, separate satellite systems. Two commissioners withheld their votes out of concern that the majority had failed to impose safeguards sufficient to carry out the President's injunction against causing significant economic harm to Intelsat. The basic purpose of the language in the statement of the managers is once again to underscore the fact that the conferees from both the House and Senate strongly believe that, "That action by the FCC as well as the executive branch, relating to the international telecommunications satellite issues must adhere to the United States' obligation to 'avoid significant economic harm to Intelsat.' "

As explained in the executive branch white paper released earlier this year to support the President's decision to recommend authorization of separate systems, only with safeguards for preserving Intelsat, "The United States played a leading role in the creation of Intelsat in order to further political, economic, and security objectives [and it] became a centerpiece of overall U.S. space and foreign policy programs."

In order to preclude "unrestricted entry" by private satellite systems, which "could ultimately undermine the economic integrity of this important international enterprise" the white paper explained, the President specified that the new private systems must be resticted to providing private "customized" service, as distinguished from general, public, "switched" general telecommunications service. "Customized," the white paper went on to specify, meant "intracorporate networks and television transmission."

However, although the FCC has not yet made clear the precise terms of its decision, under the order that two commissioners were not prepared to accept last week, it appears it may be permissible to link combinations of corporate networks or to combine numerous corporations in a single network. Such a provision in the President's safeguards would threaten to divert from Intelsat major portions of the voice and data revenues between highly developed countries; these revenues are essential for the support of Intelsat's global mission.

In short, under such a provision, the Commission's decision—still preliminary and tentative—would permit the new systems to engage in skimming.

The statement of managers on this bill underscores Congress' concern with any decision that would permit such evasion of the President's purpose and expect that the U.S. support, in practice as well as in its formal statements, support "the continued provision of telephone service [as well as other services] by Intelsat to developing countries at affordable rates."

Similarly, the managers emphasized, that the United States must support measures necessary to enable Intelsat to compete "fully and fairly," especially on new telecommunications services, and in regard to any services—old or new—for which competitive challenges to its provison of services appear. On this point, the managers' language refers specifically to the importance of modifying article 5(d) of Intelsat's charter, to enable it to price on a route-by-route basis where necessary to meet competition, as it has never had to do in the past.

I do want to clarify one thing about this latter point. In referring to the need for Intelsat to have "adopted measures to ensure prices are cost-based and not predatory," the managers of course did not imply any view that Intelsat's prices are currently not cost-based and fair. As the executive branch white paper observed on this subject, "[W]e believe that concerns about possible predatory pricing (by Intelsat) are premature. The economic and legal literature provides very little evidence that predatory pricing has ever occurred."

Similarly, the language should not be misconstrued to support any conclusion that any new measures are needed, to ensure that Intelsat's prices are cost-based.

And in the same vein, in referring to the "release" of information showing the cost basis of Intelsat's rates, the report does not contemplate any departure from current methods for obtaining such information. The managers are aware that Comsat, the U.S. signatory to Intelsat, promptly makes available to the FCC all information relating to Intelsat operations, including services, charges, and costs, and that dissemination within the United States of such information is governed by a memorandum of understanding between the Departments of State and

Commerce, the FCC, and Comsat itself.

In addition, the managers' statement underscores the Congress' recognition of the absolute and fundamental necessity for the safeguards in the President's determination of last November in assuring the avoidance of significant economic harm to Intelsat. As stated by Under Secretary of State William Schneider in testimony given in April of this year before the Subcommittee on Telecommunications of the Committee on Energy and Commerce, in which he rejected suggestions that the President's determination might only be a short-term protection:

> This anxiety has been raised. But the intention is not to allow competitors at any time in the future to go into the public switched networks, but to instead focus on new applications.

The statement of managers provides that, should this executive branch "intention" ever be changed, "a tentative decision along with the rationale for such decision shall be sent to the Congress and a final decision shall not be made until the Congress has had 45 days to review the tentative decision and the accompanying rationale."

Finally, the statement provides in the event there is an unfavorable coordination pursuant to the Intelsat agreement and the Secretary of State decides to proceed that the Secretary shall provide the Congress with a report outlining the rationale for his decision in order to provide the Congress with a reasonable opportunity to decide whether to allow his recommendation to be implemented.

The statement of the managers outlines a policy of protecting Intelsat in its present mission while assuring that any new service not now performed by Intelsat will be subject to competition and that procedures will not be followed and decisions will not be made which exclude a full opportunity for any applicant, including Intelsat, to bid for such service.

Mr. Speaker, I also strongly support a provision establishing a legal clinic at Drake University and a Des Moines River Greenbelt in this bill as well as provisions providing an additional $2½ million for an access road to the Saylorville project and lower interest rates for FMHA borrowers.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama [Mr. SHELBY].

Mr. SHELBY. Mr. Speaker, I rise in support of the amendment and ask unanimous consent to revise and extend my remarks.

Mr. Speaker, most of us serving in the House today were not even elected to Congresss when the last major public works authorization bill was passed—that was in 1974. Since that time, the distinguished members of the Public Works Committee have tried admirably to pass major water projects bills; each time their efforts failed.

The consequence, of course, has been a tremendous deterioration in our Nation's infrastructure and a regrettable avoidance of funding for vital project needs. We are now skating on thin ice, Mr. Speaker. If we do not do something now we may never be able to regain lost ground. Having pared the number of projects down to the most essential, we have a responsible package which will work in the best interest of the entire Nation—it deserves my colleagues' support.

Let me cite just one example of the need for these projects. The Oliver lock and dam on the Black Warrior-Tombigbee Waterway at Tuscaloosa, AL is the only lock of its dimensions on the 429-mile river system. The prewar dimensions of this lock mean inordinate delays, averaging almost 3 hours—3 hours to negotiate one lock. One can imagine the backup and congestion this delay creates.

The obstruction arises from the Oliver lock's antiquated chamber size, causing barges unusual manuevering and slow downs. A new lock authorized in this amendment would accommodate the typical six-barge tow, with a single lockage, and would significantly reduce delays.

Mr. Speaker, the Oliver lock and dam reconstruction and other similar projects are critical to the Nation's continued economic revitalization. A smooth-running, operational water transportation network is just one cog in the wheel of a complete and vigorous infrastructure redevelopment.

I realize the uniqueness of the procedure under which we are considering these new projects today—and I respect the committee prerogatives. But, we cannot wait any longer, Mr. Speaker. Over a decade has been long enough, this body must take action today. I urge me colleagues to support the amendment.

□ 1250

Mr. WHITTEN. Mr. Speaker, I yield 4 minutes to the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of this conference report. Your House conferees worked long and hard in the conference with the other body to get the best resolution of the matters before the conference in the best interest of Members of the House. We won some items, we lost others. In the final agreements we did our best, and I feel the House should adopt the conference report and agree to the items in technical disagreement.

The most controversial amendment is No. 112, which is reported in technical disagreement and has to do with new construction starts in the Corps of Engineers. The other body had 22 projects in their version of the bill; 11 are already authorized and they authorized 11.

In the conference report, amendment 112 includes 41 new construction projects; 20 of these are already authorized and 21 are being authorized.

The compromise language allows the Secretary of the Army to enter into agreements to cost-share these projects. The language also provides that if legislation is later enacted into law, the provisions in that legislation will prevail. If agreements aren't reached by June 30, 1986, the funds provided in the bill will lapse.

Another provision included in the conference agreement would exclude existing comprehensive flood control projects affecting multi-State regions from new or additional cost-sharing. This provision applies to the "Flood Control, Mississippi River and Tributaries" project.

Mr. Speaker, there has not been a new construction start program funded for 5 years. There has not been a comprehensive new construction omnibus authorization bill for over 14 years. The gentlemen from New Jersey [Messrs. HOWARD and ROE] have passed legislation through the House on two occasions to authorize a new construction program for the Corps of Engineers. They have tried very hard to get a program authorized. Unfortunately, the other body has failed to act.

I support the efforts of the authorizing committee. If fact, you will recall that their bill was included in the House-passed continuing resolution last year and I supported that effort.

One final point: Although we were successful in getting 41 projects in the supplemental out of the 62 originally considered by my subcommittee, funding for the other 21 are included in the 1986 bill which recently passed the House.

It is my understanding that there is no controversy of the other items in the energy and water development chapter of the supplemental.

I urge my colleagues to support the work of your conference committee.

Mr. Speaker, I would like to call the Members' attention to several typograhical errors concerning the "Des Moines Recreational River and Greenbelt, Iowa project." The third paragraph should read:

> An advisory committee shall be established for consultation with the Department of the Army and shall include: (A) five persons appointed by the Governor of Iowa; (B) two persons appointed by their respective board of supervisors to represent each county within the Greenbelt area; (C) one person appointed by the mayor of the city of Des Moines and one additional person appointed by the mayor of each other incorporated municipality within whose boundaries a portion of such recreation area lies; and

(D) three employees or officials of the Corps of Engineers.

Mr. CONTE. Mr. Speaker, I have no further requests for time.

Mr. WHITTEN. Mr. Speaker, I yield 4 minutes to the gentlewoman from Louisiana [Mrs. BOGGS].

Mrs. BOGGS. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of the supplemental appropriations conference report and in support of the amendment that has to do with the public works section.

I would like to point out a couple of things about the projects that are within the purview of this amendment. We have not talked too much about some of the attributes of the programs themselves. I would like to pick out in particularity the Atchafalaya Basin project in Louisiana. It is an integral part of the plan to improve the flood control of the main stem of the Mississippi River. It serves as an outlet to carry up to one-half of the Mississippi River flood flows. The floodway contains nationally significant expanses of bottomland hardwoods and swamplands. This swamp is a national environmental treasure. It serves fisheries production which is three times greater than the Everglades. It is a waterfowl habitat and the bottom of the largest North American flyway for one-half of the migratory species. It is a source of 10 percent of the Nation's fur harvest.

Atchafalaya Basin has been one of the most hotly contested water resources controversies for the past 20 years and the provisions in this bill represent a consensus agreement that has been reached among environmentalists, landowners, industrialists, sportsmen, local interests, and State and local agencies to protect the basin's flood control and the natural resource values.

This plan will assure that the natural resources in the basin will be preserved, managed, and propagated, while the basin will still be used for handling a major portion of the annual spring floods in the Mississippi Valley.

I would like to also point out, Mr. Speaker, another project of national significance that is contained within this amendment, and that is the Mississippi River Ship Channel. This project will provide more efficient deepdraft access to the ports of New Orleans and Baton Rouge by deepening the channel to 55 feet.

In 1983, the ports of the lower Mississippi handled 175 million tons of oceangoing cargo, 20 percent of the Nation's foreign trade, 50 percent of the Nation's grain exports, and more foreign commerce than five top east coast ports combined. The Mississippi River serves the vast interior of the United States, 22 States representing 40 percent of the Nation's population and productive capacity.

If we are going to do anything to reverse our trade deficit, we must get on with developing our deepdraft ports, and this will improve the trading posture of our farmers, who ship grain down the Mississippi and the Missouri, and the coal miners and industrial workers who ship their products down the Ohio and the Kentucky Rivers.

Mr. Speaker, these are two of the projects that are contained within this amendment and they are typical of the kind of careful consideration for the national good that all of the various aspects of this amendment address.

I urge that this House get on with the business of the United States of America and pass the conference report that is before us.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, may I say that I hope that our colleagues will go along with us on this bill since we were in conference 3 days on this bill and it provides funding for the remaining 2 months of this year. The Senators by and large are in accord with this agreement. I would hate to see an amendment today that would lead to a controversy and another conference with the Senate at this time. I urge my colleagues to go along with us and let us get this behind us, because with the adjournment resolution which was adopted earlier and with the support of the Senate for the report, I would hope that we would stick to it so that we may finish this job in time to take care of the next 2 months.

● Mr. FRENZEL. Mr. Speaker, I am opposed to the conference report that accompanies H.R. 2577, supplemental appropriations for fiscal year 1985.

There is no clearer sign of the abrogation of our fiscal responsibility than the passage of this bill. Not everything in this bill is bad, or wasteful. But much of what has gone before has been profligate.

On July 24, the House passed a resolution indicating that we shall consider the House-passed budget for fiscal year 1986 the final version of the budget. While most of the attention appropriately focused on the fiscal year 1986 provisions of the resolution, the bill also increased our funding ceiling for fiscal year 1985.

Our original budget authority ceiling for fiscal year 1985 was $1,021.35 billion. We were rapidly approaching that ceiling, and had already broken the outlay ceiling.

When we passed our resolution for fiscal year 1986, we increased the ceiling for fiscal year 1985, as well. The new ceiling is $1,039.1 billion, a $17.75 billion increase over what we felt was adequate 10 months ago.

To date, we have spent $1,027.3 billion. This supplemental contains $13.024 billion. When this bill passes, we will be over our new, expanded budget ceiling by $1.24 billion. We will be $19 billion over our original ceiling.

It is pretty obvious that any budget resolution means nothing to the Congress.

We are in the midst of obligating spending for next year. Last year's experience is disillusioning to those who believe that the budget, and the budget process, means something.

It is clear to me that the responsibility for our spending urges does not lie with the President, or the Budget Committee conferees. We are spending so much money simply because too many believe every cause is too good, every program sacrosanct. This House is perfectly capable of controlling its spending, if it so chooses. I urge a no vote on this conference report.●

● Mr. LAFALCE. Mr. Speaker, I have addressed my colleagues countless times over the past few years in support of funding necessary water projects, particularly the Ellicott Creek flood control project in western New York.

As I return to this issue once again, I am reminded of Sisyphus, the legendary King of Corinth who was condemned by the gods to push a mighty rock up a hill in Hades. Just as Sisyphus reached the apex of his journey, the rock would come tumbling down again, and he would have to begin his arduous labors anew.

Water project appropriations bills are similar to that rock that so troubled Sisyphus. Just as we are on the brink of securing final approval for critical projects, events invariably arise which push us to the bottom of the hill.

Although I am going to discuss specifically the Ellicott Creek flood control project, I'm sure the story is the same for the water projects in many of your districts which seemingly have been held hostage over the years.

Over 15 years ago, President Nixon signed into law an omnibus water bill, which included the Ellicott Creek flood control project as a response to a devastating flood in western New York. However, local farmers opposed the project because it idled agricultural land. This opposition effectively killed the project until 1981, when a new water appropriations bill containing the project was signed into law. Because President Reagan believed that States and localities should pay a greater share of the cost of flood control projects that were strictly State or local in nature, he imposed a 3-year freeze on all such undertakings.

Because the New York State Department of Transportation recognized the importance of the Ellicott Creek project, it entered into an agreement with the Army Corps of Engineers whereby the State would make in-kind

contributions approximating 40 percent of the project's cost. In 1983, we made a further effort to break the deadlock caused by the cost-sharing issue and convinced the House Appropriations Committee to approve funds to start the project which had been authorized in 1970. Unfortunately, the administration killed this bill.

Last year, the water bill was again pushed to the top of the hill, only to be forced back as a result of a dispute between the President and the Speaker of the House of Representatives. The President dropped his request for aid to "Contras" in Nicaragua in exchange for agreement by the Speaker that the proposed water projects would not be funded. Once again, the Government failed to take the necessary steps to protect the residents of western New York from yet another flood catastrophe. In fact, in February of this year western New York suffered another serious flood which could have been prevented had the Ellicott Creek project been completed.

The debate on whether to approve these projects now centers on two critical issues: cost-sharing and jurisdictional disputes between the relevant congressional committees.

The House conferees to the supplemental appropriations conference have accepted Senate provisions that prohibit the expenditure of any funds for water projects unless the administration and local project sponsors reach a cost sharing agreement by June 30, 1986. The agreement also includes language not contained in either the House or Senate versions of the bill which requires the Army Corps of Engineers to use whatever cost sharing provision that may be enacted as part of an omnibus water projects authorization bill when negotiating cost sharing agreements with local sponsors.

At issue here is whether the House Appropriations Committee can, in effect, preempt the Public Works and Transportation Committee's legislative prerogatives in this area. In addition, the House Conferees are proposing to direct the Army Corps of Engineers to begin work on 41 new projects, 21 of which have not been authorized.

Procedurally, bills in the House of Representatives should proceed on normal course, first through authorizing committees, such as Public Works and Transportation, and subsequently through the appropriations process. However, after more than 15 years of delay, my primary concern is, once and for all, to secure funding for the Ellicott Creek flood control project. I am fed up with these intolerable delays—delays which have resulted in extensive property loss and millions of dollars in damages to the people of my own and neighboring congressional districts. We have an obligation to institute measures which can protect lives and property from the next flood, which will inevitably come.

I am deeply committed to securing the necessary appropriations for this project. Although the concerns expressed by the relevant authorizing committee are legitimate ones, I will support proposals which will facilitate the approval of this project, including those containing fair and equitable cost sharing provisions. The residents of my district would rather contribute in some measure through their localities and New York State to the cost of this project, than start again at the bottom of the mythical hill in Sisyphus' sorry tale.

For many of these projects, time is of the essence. I know that without immediate construction, the lives and homes of many area residents will once again be jeopardized. Because of this urgency, we must approve a bill which is acceptable to both Congress and the President. If this means cost-sharing for localities and States, then so be it, so long as all regions throughout the country are treated equally. At this stage, the goal is to cut losses, not to play hard ball. Therefore, I urge my colleagues to end this drawn-out, uphill struggle over water projects and to support the Whitten amendment to recede and concur with Senate amendment 112 dealing with cost-sharing for water projects.●

Mr. WHITTEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CONTE. Mr. Speaker, I have no further requests for time.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the conference report.

The SPEAKER pro tempore. The previous question was ordered. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BROOMFIELD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 320, nays 106, not voting 7, as follows:

[Roll No. 277]

YEAS—320

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Armey
Aspin
Atkins
AuCoin
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonker
Borski
Boucher
Boulter
Breaux
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Callahan
Carney
Carr
Chandler
Chappell
Cheney
Clay
Clinger
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Cooper
Coughlin
Coyne
Crockett
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fish
Flippo
Florio
Foglietta
Foley
Ford (TN)
Fowler
Frank
Franklin
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hatcher
Hawkins
Hayes
Hendon
Hillis
Holt
Horton
Howard
Hoyer
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lujan
Luken
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oberstar
Ortiz
Owens
Parris
Pashayan
Pepper
Perkins
Petri
Pickle
Price
Quillen
Rahall
Rangel
Regula
Reid
Richardson
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Sabo
Saxton
Schaefer
Scheuer
Schneider
Schuette
Schulze
Schumer
Sharp
Shaw
Shelby
Sikorski
Siljander
Sisisky
Skeen
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Solarz
Spratt
St Germain
Staggers
Stangeland
Stokes
Strang
Stratton
Sweeney
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—106

Applegate
Archer
Badham
Barnard
Bonior (MI)
Bosco
Boxer
Brown (CO)
Broyhill
Burton (IN)
Campbell
Carper
Chappie
Coats
Combest
Conyers
Courter
Craig
Crane
Daniel
Dannemeyer
Dellums
DeWine
Dickinson
Dorgan (ND)
Dreier
Evans (IL)
Fields
Ford (MI)
Frenzel
Gekas
Goodling
Gradison
Gregg
Grotberg
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Heftel
Henry
Hertel
Hiler
Hopkins
Hubbard
Huckaby
Hughes
Jacobs
Kastenmeier
Latta
Leach (IA)
Leath (TX)
Lightfoot
Lowry (WA)
Lundine
Lungren
Mack
MacKay
Martin (IL)
McCloskey
Miller (CA)
Monson
Moorhead
Murphy
Nielson
Oakar
Obey
Olin
Oxley
Packard
Panetta
Pease
Penny
Porter
Pursell
Ray
Ridge
Ritter
Roemer
Roth
Russo
Savage
Schroeder
Seiberling
Sensenbrenner
Shumway
Shuster
Slattery
Smith (NH)
Smith, Denny
Snyder
Solomon
Spence
Stallings
Stenholm
Studds
Stump
Sundquist
Swindall
Vucanovich
Walker
Weaver
Williams
Wirth

NOT VOTING—7

Hefner
Lehman (CA)
Loeffler
McEwen
Skelton
Stark
Tauke

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Messrs. HAMMERSCHMIDT, LOWRY of Washington, and DELLUMS changed their votes from "Yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore [Mr. SHARP]. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 2. Page 2, after line 3, insert:

DEPARTMENTAL ADMINISTRATION

(RESCISSION)

Of available funds under this head, for budget and program analysis, $21,000;. for personnel, finance and management, operations, information resources management, equal opportunity, small and disadvantaged business utilization, and administrative law judges and judicial officer, $128,000; making a total of $149,000, are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

DEPARTMENTAL ADMINISTRATION

(RESCISSION)

Of available funds under this head, for budget and program analysis, $7,000; for personnel, finance and management, operations, information resources management, equal opportunity, small and disadvantaged business utilization, and administrative law judges and judicial officer, $42,000; making a total of $49,000, are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. I there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that Senate amendments numbered 3, 4, 8, 9, 10, 11, 15, 16, 17, 21, 32, 36, 37, 40, 43, 50, 56, 58, 60, 61, 62, 71, 73, 78, 80, 84, 86, 93, 96, 106, 110, 111, 113, 128, 129, 133, 134, 135, 136, 143, 145, 148, 149, 155, 156, 157, 159, 160, 170, 173, 179, 182, 184, 185, 193, 198, 201, 210, 216, 217, 219, 222, 223, 224, 227, 236, 241, 243, 244, 246, 247, 248, 253, 263, 264, 268, 271, 273, 274, 286, 288, 290, 300, 304, 310, 319, 321, 331, 334, 341 be considered enbloc and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

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Mr. DINGELL. Mr. Speaker, reserving the right to object, on my reservation, Mr. Speaker, I would ask does this include amendment No. 262?

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, it does not include No. 263, and so far as I know it contains no controversial amendments.

Mr. DINGELL. Mr. Speaker, with that assurance, I withdraw my reservation of objection.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendments of the Senate numbered, 3, 4, 8, 9, 10, 11, 15, 16, 17, 21, 32, 36, 37, 40, 43, 50, 56, 58, 60, 61, 62, 71, 73, 78, 80, 84, 86, 93, 96, 106, 110, 111, 113, 128, 129, 133, 134, 135, 136, 143, 145, 148, 149, 155, 156, 157, 159, 160, 170, 173, 179, 182, 184, 185, 193, 198, 201, 210, 216, 217, 219, 222, 223, 224, 227, 236, 241, 243, 244, 246, 247, 248, 253, 256, 263, 264, 268, 271, 273, 274, 286, 288; 290, 300, 304, 310, 319, 321, 331, 334, 341 and concur therein.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The text of Senate amendments numbered 3, 4, 8, 9, 10, 11, 15, 16, 17, 21, 32, 36, 37, 40, 43, 50, 56, 58, 60, 61, 62, 71, 73, 78, 80, 84, 86, 93, 96, 106, 110, 111, 113, 128, 129, 133, 134, 135, 136, 143, 145, 148, 149, 155, 156, 157, 159, 160, 170, 173, 179, 182, 184, 185, 193, 198, 201, 210, 216, 217, 219, 222, 223, 224, 227, 236, 241, 243, 244, 246, 247, 248, 253, 256, 263, 264, 268, 271, 273, 274, 286, 288, 290, 300, 304, 310, 319, 321, 331, 334, 341 is as follows:

Senate amendment No. 3: Page 2, after line 3, insert:

AGRICULTURAL RESEARCH SERVICE

(RESCISSION)

Of available funds under this head, $1,000,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Senate amendment No. 4: Page 2, stike out lines 7 to 18, inclusive, and insert:

For an additional amount for a grant to the New Mexico State University to help relocate the Fort Stanton Experimental Station to another site, thereby making available land needed for a new Ruidoso airport, $1,200,000 to remain available until expended: *Provided*, That payment to the New Mexico State University in the amount of $1,000,000 for its real or personal property interest is hereby determined to be an allowable project cost in accordance with section 513 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2212): *Provided further*, That the Secretary of the Interior is authorized and directed to convey to the Sierra Blanca Airport Commission (hereinafter referred to as the "Commission"), Ruidoso, New Mexico, at a cost of $2.50 per acre (to be used for administrative costs) all right, title, and interest of the United States in and to the public lands aggregating approximately 1,666 acres in Lincoln County, New Mexico, a tract of land located within section 1, 2, 10, 11 and 12, T10S, R14E, N.M.P.M., and within section 5, 6, and 7, T10S, R10E, N.M.P.M., along with adequate right-of-way across Federal lands for suitable access from State and local highways to such tract, to be used for the purpose of a regional public airport. The conveyance required by this Act shall be completed within 120 days of the request for such conveyance by the Commission following enactment of this Act and shall be subject to such reasonable terms, limitations, and conditions as may be specified by the Secretary of Transportation. As soon as practicable after the date of enactment of this Act, the Secretary of the Interior, in cooperation with the Secretary of Transportation, shall submit a map and legal description of the public lands designated above the Committee on Energy and Natural Resources of the Senate and the Committee on Agriculture and the Committee on Interior and Insular Affairs of the House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that any clerical or typographical error in such map or legal description may be corrected. the Secretary of the Interior and the Secretary of Transportation shall each place such map and legal description of fine, and make them available for public inspection, in the Department of the Interior and the Department of Transportation. they are reserved to the United States all minerals that may be found in the lands described above, together with the right of the United States, its permittees, lessees, or grantees, at any time, to prospect for, mine and remove such minerals: *Provided further*, That the exercise of this right shall not interfere with the development, protection, or operation of any airport located on the land conveyed.

Senate amendment No. 8: Page 2, after line 19, insert:

(INCLUDING RESCISSION)

Senate amendment No. 9: Page 2, line 22, strike out all after "amount" down to and including "$10,000,000" in line 24, and insert "to conduct a grasshopper control program, not to exceed $19,000,000 including amounts as may be necessary to restore funds borrowed from other programs".

Senate amendment No. 10: Page 2, after line 24, insert:

Of available funds under this head, $400,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Senate amendment No. 11: Page 3, after line 1, insert:

(INCLUDING RESCISSION)

Senate amendment No. 15: Page 3, after line 10, insert:

Of available funds under this head, $50,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Senate amendment No. 16: Page 3, after line 11, insert:

(INCLUDING RESCISSION)

Senate amendment No. 17: Page 3, after line 13, insert:

Of available funds under this head, $100,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Senate amendment No. 21: Page 3, after line 13, insert:

PACKERS AND STOCKYARDS ADMINISTRATION

(RESCISSION)

Of available funds under this head, $85,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Senate amendment No. 32: Page 6, line 3, after "$318,856,000" insert ": *Provided*, That notwithstanding any other provision of law, the provisions of subsections (f) and (i) of section 3 and section 10 of the Food Stamp Act of 1977, as amended, concerning private, nonprofit drug addiction or alcohol treatment and rehabilitation programs, shall henceforth also be applicable to publicly operated community health centers".

Senate amendment No. 36: Page 6, after line 8, insert:

NATIONAL COMMODITY PROCESSING PROGRAM

Notwithstanding section 212 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note), section 203 of such Act shall remain in effect through June 30, 1986.

Senate amendment No. 37: Page 6, after line 8, insert:

FOREIGN AGRICULTURAL SERVICE

(RESCISSION)

Of available funds under this head, $100,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Senate amendment No. 40: Page 7, after line 12, insert:

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for "Economic development assistance programs", $30,730,000, to remain available until expended, of which $15,000,000 is for a grant to Thayer School of Engineering in Hanover, New Hampshire, for construction, renovation and related costs for facilities for its model interdisciplinary engineering program; $5,730,000 is for a grant to the city of Columbia, South Carolina, to assist in the completion of the relocation and consolidation of railroad tracks; and $10,000,000 is for a grant to the Oregon Health Sciences University Hospital in Portland, Oregon, for the south wing rehabilitation project.

Senate amendment No. 43: Page 8, after line 13, insert:

FISHERMEN'S GUARANTY FUND

For an additional amount for "Fishermen's Guaranty Fund", $2,500,000, to be derived from the general fund of the Treasury.

Senate amendment No. 50: Page 10, after line 12, insert:

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

The Federal Communications Commission is authorized to expend such funds as may be required in fiscal years 1986 and 1987 out of appropriations for fiscal years 1986 and 1987 for the Federal Communications Commission, not to exceed $5,000,000, to relocate its Fort Lauderdale, Florida, Monitoring Station within the State of Florida, to include all necessary expenses such as options to purchase land, acquisition of land, leaseback of the present monitoring station pending acquisition and construction of a new monitoring station, architectural and engineering services, construction of a new monitoring station and related facilities, moving expenses, and all other costs associated with the relocation of the monitoring station and personnel.

The Federal Communications Commission shall promptly declare the present monitoring station (including land and structures which will not be relocated) excess to the General Services Administration for disposition. Notwithstanding sections 203 and 204 of the Federal Property and Administrative Services Act of 1949, as amended, the General Services Administration shall sell such property and structures on an expedited basis, including provisions for lease-back as required, and shall compensate the Commission from the proceeds of the sale all costs associated with the relocation of the Fort Lauderdale Monitoring Station to another location, not to exceed $5,000,000.

Any excess funds received by the General Services Administration from the sale of the present property, less any funds reimbursed to the Federal Communications Commission, and less normal and reasonable charges by the General Services Administration for costs associated with the sale of the present property, shall be deposited to the general fund of the Treasury.

The authority under this Act with respect to the relocation of the Fort Lauderdale Monitoring Station shall (1) extend through fiscal year 1987, and (2) be in addition to any limits on expenditures for land and structures specified in the Commission's appropriation for fiscal years 1986 and 1987.

Notwithstanding the provisions of the preceding paragraphs under this head regarding relocation of the Fort Lauderdale, Florida, Monitoring Station, the Federal Communications Commission and the General Services Administration shall not take any action pursuant to such paragraphs committing funds for any purpose or disposing of the Federal lands and facilities for such station until the Chairman of the Commission and the General Administrator of the Administration shall (1) jointly prepare and submit to the Committees on Appropriations, the Committee on Energy and Commerce and the Committee on Government Operations of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Governmental Affairs of the Senate, a letter or other document setting forth in detail provisions and procedures for such acquisition, construction, and disposition which reasonably carry out the provisions of these paragraphs expeditiously, but will not disrupt or defer any programs or regulatory activities of the Commission or adversely affect any employee of the Commission (other than those at the Monitoring Station who may be required to transfer to another location) through the use of appropriations for the Commission in fiscal years 1986 and 1987, and (2) wait a minimum of 30 calendar days for review by such Committees. Any reimbursed funds received by the Commission from the Administration pursuant to these paragraphs shall remain available until expended.

Senate amendment No. 56: Page 12, line 8, after "(INCLUDING" insert "TRANSFER OF FUNDS AND".

Senate amendment No. 58: Page 13, line 8, after "FUNDS" insert "AND RESCISSION".

Senate amendment No. 60: Page 13, line 15, after "facilities" insert: *Provided further*, That restitution of not to exceed $25,000 shall be paid to the estate of victims killed as a result of crimes committed by persons who have been enrolled in the Federal witness protection program if such crimes were committed within two years after protection was terminated, notwithstanding any limitations contained in part (a) of section 3525 of title 18 of the United States Code".

Senate amendment No. 61: Page 13, after line 15, insert:

Of available funds under this head, $309,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Senate amendment No. 62: Page 14, after line 13, insert:

For an additional amount for "Salaries and expenses", $1,500,000.

Senate amendment No. 71: Page 17, after line 11, insert:

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

Effective January 1, 1985, the twelfth proviso under this head in Public Law 98-166 relating to compensation of members of the Board of Directors of the Legal Services Corporation is amended by inserting "and for other official purposes" immediately following "to attend Board meetings". In addition, the exception contained in the first proviso under this head in Public Law 98-411 is amended by inserting after "except that" the following: "beginning after December 31, 1984, the proviso relating to the compensation of the Board of Directors of the Legal Services Corporation in Public Law 98-166 is amended by inserting 'and for other official purposes' immediately following 'to attend Board Meetings';".

Senate amendment No. 73: Page 17, line 19, after "1986" insert ": *Provided*, That the Secretary of State shall report to the appropriate committees in Congress on the obliga-

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tion of security funds every 30 days from the date of enactment of this Act".

Senate amendment No. 78: Page 18, after line 24, insert:

OTHER

Fishermen's Protective Fund

For expenses necessary to carry out provisions of the Fishermen's Protective Act of 1967 as amended, $1,000,000, to remain available until expended.

Senate amendment No. 80: Page 19, line 5, after "$3,946,000." insert "Of the amounts appropriated for the Arms Control and Disarmament Agency for fiscal year 1985, not to exceed an additional $10,000 shall be available for official reception and representation expenses.".

Senate amendment No. 84: Page 19, line 17, strike out "and (2)" and insert "(2) $2,275,000 shall be used for upgrading the security of RFE/RL installations, and (3)".

Senate amendment No. 86: Page 19, line 19, insert:

The appropriation under this head in Public Law 98-411 is amended by striking ": *Provided*" through "vacant".

Senate amendment No. 93: Page 20, after line 5, insert:

For the Private Sector Exchange Programs, an additional $500,000 is provided, to remain available until expended, for the model Chinese-American Development Student Exchange Program at Tufts University as authorized by the Mutual Educational and Cultural Exchange Act, as amended (22 USC 2451 et seq.).

Senate amendment No. 96: Page 22, after line 9, insert:

General Provision

Effective on the first day of the first applicable pay period commencing on or after January 1, 1985, each rate of pay subject to adjustment by section 461 of title 28, United States Code, shall be increased by an amount, rounded to the nearest multiple of $100 (or if midway between multiples of $100, to the next higher multiple of $100), equal to the overall percentage of the adjustment taking effect under section 5305 of title 5, United States Code, in the rates of pay under the General Schedule during fiscal year 1985.

Senate amendment No. 106: Page 23, after line 12, insert:

SHIPBUILDING AND CONVERSION, NAVY

(TRANSFER OF FUNDS)

Of the amounts available to the Department of Defense within "Shipbuilding and Conversion, Navy, 1981/1985", $6,240,000 shall be transferred to the United States Coast Guard, "Acquisition, construction, and improvements", for polar icebreaker repair.

Senate amendment No. 110: Page 23, after line 25, insert:

In lieu of section 8070 of Public Law 98-473 (98 Stat. 1938), insert the following:

"Sec. 8070. None of the funds available to the Department of Defense during the current fiscal year may be used to enter into any contract with a term of eighteen months or more or to extend or renew any contract for a term of eighteen months or more, for any vessel, aircraft or vehicles, through a lease, charter, or similar agreement without previously having been submitted to Committees on Appropriations of the House of Representatives and the Senate in the budgetary process. Further, any contractual agreement which imposes an estimated termination liability (excluding the estimated value of the leased item at the time of termination) on the Government exceeding 50 per centum of the original purchase value fo the vessel, aircraft, or vehicle must have specific authority in an appropriation Act for the obligation of 10 per centum of such termination liability.".

Senate amendment No. 111: Page 23, after line 25, insert:

None of the funds available to the Department of the Navy may be used to enter into any contract for the overhaul, repair or maintenance of any naval vessel which includes charges for interport differential as an evaluation factor for award.

Senate amendment No. 113: Page 25, line 18, after "study" insert "and the South Metropolitan Atlanta Region, Georgia Study".

Senate amendment No. 128: Page 31, after line 10, insert:

MOUNTRAIL COUNTY PARK, NORTH DAKOTA

(a) Section 44 of the Water Resources Development Act of 1974 (Public Law 93-251; 88 Stat. 12) is amended by—

(1) adding at the end of subsection (a) the following:

"TRACT NUMBER 4

"A tract of land situated in the south half of the southwest quarter of section 29, township 152, north, range 91 west of the fifth principal meridian, Mountrail County, North Dakota, being more particularly described as follows:

"Commencing at the southwest corner of said section 29, thence south 89 degrees 54 minutes 28 seconds east a distance of 1,170 feet, thence north 00 degrees 06 minutes 00 seconds east a distance of 280 feet to a point of beginning, said point being the northwest corner of lot 4, block 5, of Olsons First Addition, thence north 00 degrees 09 minutes 00 seconds east a distance of 480 feet to the northwest corner of lot 4, block 5, Olsons Second Addition, thence south 89 degrees 57 minutes 00 seconds east a distance of 1,468.9 feet, thence south 00 degrees 09 minutes 00 seconds west, along the east line of Olsons Second Addition a distance of 480 feet, to the north line of said Olsons First Addition, thence north 89 degrees 57 minutes 00 seconds west a distance of 1,468.9 feet to a point of beginning. The area herein described contains 16.19 acres, more or less, and is more commonly referred to as 'Olsons Second Addition'." and

(2) striking out paragraph (2) of subsection (b) and inserting in lieu thereof the following:

"(2)(A) Subject to the provisions of subparagraph (B), the lands conveyed pursuant to this section shall be used by the Mountrail County Park Commission, Mountrail County, North Dakota, for public park and recreation purposes. If any lands used for public purposes are ever used for any other purpose, title thereto shall revert to, and become the property of, the United States which shall have the right to immediate entry thereof.

"(B) The park commission may designate a portion of the lands conveyed for leasing of cabin sites. The Mountrail County Park Commission shall reimburse the Federal Government for lands so used as the fair market value for such property.".

(b) The Secretary of the Army is authorized to execute and file an amended deed to reflect the amendements made by this section.

Senate amendment No. 129: Page 31, after line 10, insert:

TRANSFER OF FEDERAL TOWNSITES

(a)(1) Except as otherwise provided in this Act and notwithstanding any other provision of law, the Secretary of the Army shall transfer, without consideration and without warranty of any kind, all rights, title, and interests of the United States in each of the following described lands (including all improvements on such lands) to the municipal corporation serving the inhabitants of such land as soon as possible after the incorporation of such municipal corporation:

(A) The land referred to as Riverdale, North Dakota, consisting of 892 acres, more or less, as depicted on drawing numbered MGR160-2E1, dated November 10, 1981, on file in the office of the district engineer, United States Army Engineer District, Omaha, Nebraska.

(B) The land referred to as Pickstown, South Dakota, consisting of 393 acres, more or less, as depicted on drawing numbered MR315-2E1, dated November 3, 1981, on file in the office of the district engineer, United States Army Engineer District, Omaha, Nebraska.

(C) The land referred to as Fort Peck, Montana, consisting of 571 acres, more or less, as depicted on drawing numbered MFP118-2E1, dated October 15, 1981, on file in the office of the district engineer, United States Army Engineer District, Omaha, Nebraska (other than lands used by the Western Reserve Area Power Administration of the Department of Energy).

(2)(A) The provisions of paragraph (1) shall not require the Secretary of the Army to transfer any rights, title, or interests of the United States in any lands, or any improvements on lands, that the Secretary of the Army determines must be retained by the United States in order to enable the United States Army Corps of Engineers to carry out the duties and responsibilities of the United States Army Corps of Engineers.

(B) Any determination made under subparagraph (A) with respect to any land which (but for subparagraph (A)) would be transferred to a municipal corporation pursuant to the provisions of paragraph (1) shall be made by the date that is 30 days after the later of—

(i) date on which such municipal corporation is incorporated, or

(ii) the date of enactment of this Act.

Such determinations shall be published in the Federal Register.

(b) None of the lands described in subsection (a) (including improvements on such lands) may be declared to be excess property (within the meaning of section 3(e) of the Federal Property and Administrative Services Act of 1949).

(c) Notwithstanding any other provision of law, no limitations or restrictions (other than those which arise from rights described in subsection (d)) shall apply to the use or disposition of any land (including any improvements on such land) transferred to a municipal corporation pursuant to the provisions of subsection (a).

(d) Nothing herein shall deprive any person (other than the United States) of any right-of-way, mining claim, grazing permit, water right, or other right or interest such person may have in any land transferred pursuant to the provisions of subsection (a).

(e) Upon the request of any municipal corporation described in subsection (a) the Secretary of the Army shall provide assistance to such municipal corporation—

(1) in appraising the land and improvements transferred to such municipal corporation pursuant to the provisions of subsection (a), and

(2) in completing any subsequent transfers of such lands or improvements by such municipal corporation.

(f) Upon the request of any municipal corporation described in subsection (a), the Secretary of the Army shall enter into an agreement with such municipal corporation under which—

(1) the Secretary of the Army will provide maintenance and operational services with respect to the land and improvements transferred to such municipal corporation pursuant to the provisions of subsection (a) after the date of such transfer for a period which is not to exceed 3 years, and

(2) such municipal corporation will reimburse the Secretary of the Army after the date of such transfer in providing such services.

Senate amendment No. 133: Page 36, after line 7, insert:

Within available funds, the Secretary of the Interior is directed to use $600,000 to rehabilitate the A Canal of the Klamath Project and associated facilities in accordance with the Federal reclamation laws for the purpose of providing flood control for adjacent lands on a nonreimbursable basis.

Senate amendment No. 134: Page 36, after line 7, insert:

The Secretary of the Interior is authorized and directed to treat all costs associated with the enlargement of the portion of the WEB pipeline which will carry water to the North Dakota State line at Emmons County as nonreimbursable and to enter into such contracts, amendments to contracts or other agreements as necessary.

Senate amendment No. 135: Page 36, after line 7, insert:

(Within available funds, the Secretary of the Interior is directed to make $10,400,000 available to meet the obligations of Public Law 98-530, dated October 19, 1984, to three irrigation districts. These funds will be used for replacement, rehabilitation, and repair of the water delivery system within the Yuma Mesa Irrigation and Drainage District including water pumping facilities; for on-farm and district water conservation and drainage measures of the Yuma Mesa Irrigation and Drainage District, the Yuma Irrigation District, and the North Gila Valley Irrigation District; and for payment to the fund established by the Central Arizona Water Conservation District for voluntary acquisition or conservation of water from sources within the State of Arizona for use in central Arizona in years when water supplies are reduced.

Senate amendment No. 136: Page 36, after line 7, insert:

In order to expedite the completion of the Hooker Dam or alternative of the Central Arizona Project (1) the selection of the preferred site for the Hooker Dam or alternative as authorized by section 301 of the Colorado River Basin Project Act shall be completed by August 15, 1985, (2) the initial draft environmental impact statement required for the Hooker Dam or alternative shall be completed and made available by September 1, 1986, (3) the final environmental impact statement for Hooker Dam or alternative shall be completed and made available by September 1, 1987, and (4) the Secretary of the Interior shall make a record of his decizion as soon as practically possible after the completion of the final environmental impact statement.

Senate amendment No. 143: Page 38, after line 9, insert:

GEOTHERMAL RESOURCES DEVELOPMENT FUND

(BY TRANSFER)

For carrying out activities authorized by title II of Public Law 93-410 the Department of Energy is authorized to transfer no more than $15,000,000 to the Geothermal Resources Development Fund from unobligated balances within the Uranium Supply and Enrichment Activities account: *Provided*, That such transfer shall be reported promptly to the Committees on Appropriations of the House and Senate. The amount authorized to be transferred by this provision is in addition to the authority provided in sections 302 and 307 of Public Law 98-360.

Senate amendment No. 145: Page 38, after line 9, insert:

ATOMIC ENERGY DEFENSE ACTIVITIES

(RESCISSION)

Of available funds under this head, $8,280,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Senate amendment No. 148: Page 40, line 18, after "which" insert ", as determined by the President of the United States,".

Senate amendment No. 149: Page 40, line 20, after "abortion" insert "or involuntary sterilization".

Senate amendment No. 155: Page 53, after line 24, insert:

DEPARTMENT OF STATE

Migration and Refugee Assistance

(TRANSFER OF FUNDS)

For an additional amount for "Migration and refugee assistance", $12,500,000 to be derived by transfer from the "Economic Support Fund" for Lebanon as provided in Public Law 98-63: *Provided*, That this amount shall be available only for Soviet, Eastern European and other refugees resettling in Israel.

Senate amendment No. 156: Page 53, after line 24, insert:

General Provisions

Sec. 501. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act or any other Act, for the production of any copper commodity for export or for the financing of the expansion, improvement, or modernization of copper mining, smelting, and refining capacity.

Senate amendment No. 157: Page 53, after line 24, insert:

Sec. 502. (a) United States active participation in international financial institution activity is based on our national objective of furthering the economic and social development of the nations of the world, in particular the developing nations. The attainment of this national objective is most effectively realized through a world economic and financial system which is both free and stable. Therefore, it is the intent of the United States Congress that United States financial assistance to the international financial institutions should be primarily directed to those projects that would not generate excess commodity supplies in world markets, displace private investment initiatives or foster depatures from a market-oriented economy.

(b) The Secretary of the Treasury shall instruct the representatives of the United States to the international financial institutions described in subsection (d) to take into account in their review of loans, credits, or other utilization of the resources of their respective institutions, the effect that country adjustment programs would have upon individual industry sectors and international commodity markets in order to—

(1) minimize any projected adverse impacts on such sector or markets of making such loans, credits, or utilization of resources; and

(2) avoid whenever possible government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.

(c) More specifically, the following criteria should be considered as a basis for a vote by the respective United States Executive Director to each of the international financial institutions described in subsection (d) against a project proposal involving the creation of new capacity or the expansion, improvement, or modification of mining, smelting, refining, and fabricating of minerals and metal products:

(1) Analysis shows that the risks, returns, and incentives of a project are such that it could be financed at reasonable terms by commercial lending services.

(2) Analysis by the Bureau of Mines indicates that surplus capacity in the industry for the primary product of the defined project would exist over half the period of the economic life of the project because of projected world demand and capacity conditions.

(3) United States imports of the commodity constitute less than 50 percent of the domestic production of the primary product in those cases where the United States is the substantial producer of such commodities.

(d) The international financial institutions referred to in subsections (a) and (b) are the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank.

Senate amendment No. 159: Page 55, strike out line 11 and insert:

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses", $4,000,000, to be derived by transfer from the various funds of the Federal Housing Administration.

Senate amendment No. 160: Page 55, after line 15, insert:

American Battle Monuments Commission

SALARIES AND EXPENSES

Notwithstanding section 409 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1985 (Public Law 98-371), the funds appropriated to the American Battle Monuments Commission for salaries and personnel benefits for the fiscal year ending September 30, 1985, shall be available for the other services and equipment object classifications in an amount not to exceed $1,000,000.

Senate amendment No. 170: Page 58, after line 2, insert:

For an additional amount for "Research and related activities", $100,000, to remain available until September 30, 1986.

Senate amendment No. 173: Page 58, after line 19, insert:

MEDICAL CARE

(RESCISSION)

Of available funds under this head, $3,520,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Senate amendment No. 179: Page 59, after line 26, insert:

CONSTRUCTION AND ACCESS

For an additional amount for "Construction and access", $825,000, to remain available until expended, of which not to exceed $20,000 shall be available to pave the street and to build the sidewalk and curb in front of the Bureau of Land Management district office in Worland, Wyoming.

Senate amendment No. 182: Page 61, after line 17, insert:

LAND ACQUISITION AND STATE ASSISTANCE

(INCLUDING RESCISSION)

Senate amendment No. 184: Page 61, after line 17, insert:

Of available funds under this head, $52,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Senate amendment No. 185: Page 62, line 2, after "obligation" insert "*Provided*, That notwithstanding subsection (b) of section 160 of the Act of August 13, 1973 (Public Law 93–87), funds hereafter appropriated for the Cumberland Gap National Park shall be available for operation and maintenance of the Cumberland Gap tunnel and access roads only as provided for in a memorandum of understanding to be negotiated between the Secretary and the Governors of the States of Kentucky and Tennessee".

Senate amendment No. 193: Page 64, line 8, after "1986" insert "*Provided*, That $8,700,000 shall be used by the Secretary to reduce the amount of unpaid principal on loans to the Navajo Agricultural Products Industry (NAPI) guaranteed under the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1401 et seq.): *Provided further*, That NAPI is discharged from the obligation to pay any unpaid interest accruing before January 1, 1991 on loans by the Secretary to NAPI under that Act".

Senate amendment No. 198: Page 66, line 16, before "RESCISSION" insert "INCLUDING".

Senate amendment No. 201: Page 66, after line 19, insert:

Notwithstanding any other provision of law, the Forest Service shall continue to operate Equipment Development Facilities in San Dimas, California, and in Missoula, Montana, at least through the end of fiscal year 1986, and funds and personnel to operate these facilities in fiscal years 1985 and 1986 shall not be reduced by more than 10 percent from currently appropriated levels.

Senate amendment No. 210: Page 69, after line 13, insert:

Of the funds provided under this head in Public Law 98–473 for the repair, renovation, and restoration program of the original West Building, not to exceed $700,000 may be spent during the current fiscal year for repair and renovation of the East Building.

Senate amendment No. 216: Page 69, after line 22, insert:

The amount appropriated by the Department of Labor Appropriation Act, 1985 (title I, Public Law 98–619), in the account captioned "Training and Employment Services", that has been held in reverse by reason of section 101(j) of Public Law 98–473 (98 Stat. 1963) (pertaining to section 515 of H.R. 5798), shall become available for obligation upon the enactment of this Act, and no further amounts shall be withheld from any account contained in such Department of Labor Appropriation Act by reason of such section 101(j).

Senate amendment No. 217: Page 69, after line 22, insert:

For an additional amount for migrant and seasonal farmworker programs authorized by section 402 of the Job Training Partnership Act, notwithstanding the provisions of sections 3(a)(3)(A) and 402(f) of the Act, $5,117,000, to be available for obligation for the period July 1, 1985, through June 30, 1986: *Provided*, That funding provided herein shall be distributed to the States so that each State's total program year 1985 allocation is equal to its total program year 1984 allocation.

Senate amendment No. 219: Page 70, after line 2, insert:

Whenever funds are made available, now or hereafter, in this or any other Act for the administration of unemployment compensation laws to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic allocation was based, which cannot be provided for by normal budgetary adjustment, amortization payments for States which had independent retirement plans prior to 1980 in their State Employment Security Agencies and State agencies administering the State's unemployment compensation law may be paid from such funds.

Senate amendment No. 222: Page 70, after line 4, insert:

Of available funds under this head, $5,000,000 shall remain available for obligation until September 30, 1986, for a Center or Institute for Nursing Research to be established under subsequent statute.

Senate amendment No. 223: Page 70, after line 4, insert:

During the fiscal year 1985, new commitments to guarantee loans under subpart I of part C of title VII of the Public Health Service Act may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed the sum of $250,000,000: *Provided*, That the foregoing limitation shall be in addition to any uncommitted balances of loan guarantee authority provided for any prior fiscal year which remain available for fiscal year 1985.

Senate amendment No. 224: Page 70, after line 4, insert:

For an additional amount to carry out the provisions of section 1910 of the Public Health Service Act (pertaining to Emergency Medical Services for Children), $2,000,000, to remain available for obligation until September 30, 1986.

Senate amendment No. 227: Page 70, after line 4, insert:

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTY FUND

For an additional amount for deposit in the fund established under section 1308(e) of the Public Health Service Act, to remain available until expended, $1,720,000.

Senate amendment No. 236: Page 71, after line 1, insert:

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

The Secretary of Education shall distribute funds appropriated under title III of Public Law 98–619 under the heading "School Assistance in Federally Affected Areas" for entitlements under section 2 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) to local educational agencies having such entitlements in order to assure that such agencies receive 75 percent of the amount to which such agencies were entitled in fiscal year 1984. The distribution required by this paragraph shall take effect 30 days after the date of enactment of this Act.

Senate amendment No. 241: Page 71, after line 14, insert:

For an additional amount for carrying out section 305 of the Adult Education Act, $1,963,000 to remain available until September 30, 1986: *Provided*, That the amount appropriated herein shall be used to ensure that there is allocated to each State for school year 1985–1986 an amount equal to its allocation under section 305 of that Act for the immediately preceding school year.

Senate amendment No. 243: Page 71, after line 26, insert:

For an additional amount for carrying out part E of title IV of the Higher Education Act of 1965, $2,482,000 to be available only for payment to any State which received in fiscal year 1985 an amount less than the amount received in fiscal year 1984 under such part E to assure that each such State will receive under such part E for fiscal year 1985 an amount at least equal to the amount which that State received under such part E in fiscal year 1984.

Senate amendment No. 244: Page 72, after line 8, insert:

Funds appropriated in fiscal year 1985 for part C of title IX of the Higher Education Act of 1965, relating to the National Graduate Fellows Program, shall remain available until December 31, 1985.

Senate amendment No. 246: Page 72, after line 8, insert:

DISAPPROVAL OF DEFERRALS

Senate amendment No. 247: Page 72, after line 8, insert:

United States Institute of Peace

The Congress disapproves the proposed deferral D85–39, pertaining to the United States Institute of Peace, as set forth in the message of January 4, 1985, which was transmitted to the Congress by the President. This disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

Senate amendment No. 248: Page 72, after line 8, insert:

Negative Supplementals

The Congress disapproves the proposed deferrals set forth in paragraphs (1), (2), (3), and (4), as follows:

(1) D85–34, pertaining to the Employment and Training Administration, as set forth in the message of November 29, 1984, which was transmitted to the Congress by the President and revised by D85–34A, as set forth in the message of March 1, 1985, which was transmitted to the Congress by the President.

(2) D85–57 and D85–58, each pertaining to the Railroad Retirement Board, as set forth in the message of February 6, 1985, which was transmitted to the Congress by the President.

(3) D85–61, D85–62, and D85–63, each pertaining to the Employment and Training Administration, and D85–64, pertaining to the Pension Benefit Guaranty Corporation, as set forth in the message of March 1, 1985, which was transmitted to the Congress by the President.

(4) D85–66, pertaining to the Health Care Financing Administration, and D85–67, pertaining to the Social Security Administration, as set forth in the message of March 22, 1985, which was transmitted to the Congress by the President.

The disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferrals disapproved herein shall be made available for obligation.

Senate amendment No. 253: Page 73, line 10, after "$65,470,000" insert ", of which $30,000 is reduced pursuant to section 2901 of the Deficit Reduction Act of 1984".

Senate amendment No. 256: Page 73, line 14, after "expended" insert ": *Provided*, That the bridge at mile 6.9 on the Willamette River is an unreasonable obstruction to navigation for the purposes of the Act of June 21, 1940 (33 U.S.C. 511 et seq.)

Senate amendment No. 263: Page 77, line 2, after "RESCISSION" insert "AND DISAPPROVAL OF DEFERRAL".

Senate amendment No. 264: Page 77, after line 5, insert:

The Congress disapproves the proposed deferral D85–50 in the amount of $30,000,000 for the Northeast Corridor Improvement Program, as set forth in the message of February 6, 1985, which was transmitted to the Congress by the President. This disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

Senate amendment No. 268: Page 78, line 5, after "$3,150,000" insert ": *Provided*, That none of the funds provided in this Act or in Public Law 98–473 shall be available for more than six full-time equivalent staff years, including Commissioners, in each Commissioner's office, except for the Chairman".

Senate amendment No. 271: Page 79, line 11, after "$10,000,000" insert ", of which $6,000,000 shall remain available until expended".

Senate amendment No. 273: Page 80, after line 12, insert:

OPERATIONS AND MAINTENANCE, AIR INTERDICTION PROGRAM

For an additional amount for "Operations and maintenance, air interdiction program", $11,000,000 to remain available until September 30, 1986.

Senate amendment No. 274: Page 82, line 21, strike out "$4,400,000" and insert "$5,400,000 of which $4,050,000 is to remain available until expended".

Senate amendment No. 286: Page 89, after line 16, insert:

No reductions in stockpile goals may be made below those in effect on October 1, 1984, by the President under authority provided by the Strategic and Critical Materials Stock Piling Revision Act of 1979 (98 Stat. 319), as amended, until October 1, 1986, unless authorized by Act of Congress.

Senate amendment No. 288: Page 89, after line 16, insert:

Federal Funds

For a Federal contribution to the District of Columbia $14,180,000: *Provided*, That $8,777,000 shall be made available for capital projects and shall remain available until expended: *Provided further*, That funds for capital projects may be drawn only to the extent that outstanding obligations become due and payable.

Senate amendment No. 290: Page 89, after line 22, insert:

Senate

"Salaries, officers and employees", $4,468,000;

"Office of the Legislative Counsel of the Senate", $37,000;

"Senate policy committees", $50,000;

Senate amendment No. 300: Page 95, line 19, strike out "$442,249,000" and insert "$417,249,000 and in addition $25,000,000 shall be derived by transfer from "Reserve Personnel, Army, 1985" ".

Senate amendment No. 304: Page 96, line 4, strike out "$116,840,000" and insert "$106,840,000 and in addition, $10,000,000 shall be derived by transfer from "Procurement, Marine Corps, 1983/1985" ".

Senate amendment No. 310: Page 96, line 12, strike out "$26,619,000" and insert "$4,619,000 and in addition, $22,000,000 shall be derived by transfer from "Aircraft Procurement, Navy, 1983/1985" ".

Senate amendment No. 319: Page 97, line 12, after "1985/1987" " insert ", and $25,000,000 shall be derived by transfer from "Other Procurement, Navy, 1983/1985" ".

Senate amendment No. 321: Page 97, line 20, strike out "$89,230,000" and insert "$81,230,000, and in addition, $8,000,000 shall be derived by transfer from "Procurement, Defense, Agencies, 1983/1985" ".

Senate amendment No. 331: Page 106, line 22, after "statutes" insert ": *Provided*, That not to exceed $1,000 of the funds appropriated to the Office of Personnel Management for salaries and expenses for the fiscal year ending September 30, 1985, shall be available for official representation expenses in connection with programs to further the employment of handicapped individuals in the Federal service, and for other programs of the office".

Senate amendment No. 334: Page 107, after line 1, insert: "Construction, minor projects", an increase of $371,000 in the limitation on the expenses of the Office of Construction;

Senate amendment No. 341: Page 110, after line 8, insert:

TITLE V

DEPARTMENT OF DEFENSE PLAN FOR DRUG-INTERDICTION PROGRAM

Sec. 501. (a) The Congress finds that—

(1) the drug trafficking problem continues to plague the United States and our national security interests;

(2) the effort to halt the flow of drugs into the United States is one of this Nation's most pressing problems;

(3) the Armed Forces of the United States can make a substantial and unique contribution to the drug interdiction efforts of the United States;

(4) in 1981, Congress enacted chapter 18 of title 10, United States Code, which permitted certain military support to civilian drug interdiction programs; and

(5) the Congress has consistently supported efforts of the military in supporting the drug interdiction programs of civilian agencies within the confines of the Posse Comitatus Act (18 U.S.C. 1385).

(b) Not later than December 31, 1985, the Secretary of Defense shall submit a report, which has been developed in conjunction with the Joint Chiefs of Staff, to the Appropriations and Armed Services Committees of the House of Representatives and the Senate with regard to the role of the Department of Defense in the drug interdiction and law enforcement activities of the United States. Such report shall address:

(1) the roles, mission, and organization of the Department of Defense efforts within the overall drug interdiction and law enforcement programs of the United States;

(2) the relationship of the Department of Defense to the civilian departments and agencies of the United States Government involved in drug interdiction and law enforcement efforts;

(3) the estimated cost of the Department of Defense participation in this program;

(4) any appropriate military assistance, training and equipment which should be provided for drug interdiction purposes to governments in Central and South America.

(c) Nothing in this title shall authorize the Department of Defense to engage in any activities in support of drug interdiction or law enforcement activities not authorized by law.

(d) Not later than December 31, 1985, the President shall report to the Congress as to how the United States Government is organized to interdict drugs and enforce the drug laws of the United States, including a detailed description of the jurisdiction and responsibilities of the Department of Defense and all other relevant departments and agencies and the mechanisms for coordinating the policy and operational control of the elements of each agency in the drug interdiction and law enforcement mission.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 5: Page 2, after line 18, insert:

For an additional amount for graduate fellowship grants under section 1417 of Public Law 95–113, as amended (7 U.S.C. 3152), $2,000,000.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate No. 5 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

For an additional amount for graduate fellowship grants under section 1417 of Public Law 95–113, as amended (7 U.S.C. 3152), $2,000,000, to remain available until expended.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 6: Page 2, after line 18, insert:

For an additional amount for a grant under the Act of August 4, 1965, as amended (7 U.S.C. 450i(c)) to Mississippi State University to conduct a program for and to promote research excellence in the area of warmwater aquaculture, including such lands, buildings, and equipment as may be necessary to carry out the program, $3,500,000 to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

For an additional amount for a grant to Mississippi State University to conduct a program for and to promote research excellence in the area of warmwater aquaculture, including such lands, buildings, and equipment as may be necessary to carry out the program, $3,500,000, including $700,000 made available by Public Law 98–473 which shall be transferred to and merged with this appropriation, to remain available until expended, and to be matched by an equal non-Federal share.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 7: Page 2, after line 18, insert:

For an additional amount for a grant under the Act of August 4, 1965, as amended (7 U.S.C. 450i) to the University of Kansas for the evaluation and transfer of remote sensing applications to agricultural users, $200,000.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

For an additional amount for a grant to the University of Kansas for the evaluation and transfer of remote sensing applications to agricultural users, $200,000.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 14: Page 3, line 10, strike out "$500,000" and insert "at a cost not to exceed $500,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 14 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$500,000, to remain available until expended".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate Amendment No. 23, Page 4, after line 11, insert:

"None of the funds provided for fiscal year 1985 in this or any other Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied."

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"None of the funds provided for fiscal year 1985 in this or any other Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

"Notwithstanding any other provision of this Act, the amount appropriated by this Act for the Commodity Credit Corporation, reimbursement for net realized losses, shall be $2,935,790,000."

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 29: Page 5, after line 15, insert:

"CHILD NUTRITION PROGRAMS

"Upon request to the Secretary of Agriculture, any school district receiving all cash or all letters of credit in lieu of commodities under the school lunch program on January 1, 1985, shall continue to receive all cash in lieu of commodities or all letters of credit in lieu of commodities through the school year ending June 30, 1986. Such school districts shall receive bonus commodities in the same manner as such commodities are made available to any other school district participating in the school lunch program."

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"CHILD NUTRITION PROGRAMS

"Upon request to the Secretary of Agriculture, any school district receiving all cash or all letters of credit in lieu of commodities under the school lunch program on January 1, 1985, shall continue to receive all cash in lieu of commodities or all letters of credit in lieu of commodities through December 31, 1985. Such school districts shall receive bonus commodities in the same manner as such commodities are made available to any other school district participating in the school lunch program."

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate Amendment No. 35: Page 6, line 8, after "$4,270,000" insert "to remain available until expended".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "to remain available through March 31, 1986: *Provided*, That the Secretary of Agriculture shall review the reported condition of the "street people" and other disadvantaged people in cities and counties throughout the Nation, including those reported in Tunica County, Mississippi, and report to the House and Senate Committees on Appropriations his recommendations for correcting or improving the situation which exists".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 41: Page 8, after line 7, insert:

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for "Operations, research, and facilities", $126,600,000, to remain available until expended

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for "Operations, research, and facilities", $126,100,000, to remain available until expended.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 45: Page 9, after line 6, insert:

National Bureau of Standards

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

(RESCISSION)

Of available funds under this head, $1,019,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 45 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

National Bureau of Standards

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

(RESCISSION)

Of available funds under this head, $500,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 51: Page 10, line 21, after "rescinded" insert ", of which $3,781,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 51 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and Expenses", $2,400,000 for disaster loan making and servicing activities to be derived by transfer from the "Disaster Loan Fund".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 57: Page 12, after line 8, insert:

For an additional amount for "Salaries and expenses, United States attorneys and marshals", $12,103,000, of which $4,165,000 shall remain available until September 30, 1986, and in addition $3,000,000 to be derived by transfer from the "Working Capital Fund".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 57 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

For an additional amount for "Salaries and Expenses, United States Attorneys and Marshals", $12,103,000, and in addition $3,000,000 to be derived by transfer from the "Working Capital Fund", both amounts to remain available until September 30, 1986."

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 63: Page 14, after line 13, insert ": *Provided*, That $10,000,000 provided in Public Law 98–166 for the relocation of the Washington field office within the District of Columbia shall remain available until expended".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 63 and concur therein with an amendment, as follows: In lieu of the word "expended" in said amendment, insert "September 30, 1986".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 65: Page 14, line 21, strike out "$3,300,000" and insert "$20,000,000".

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 65 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment insert "$20,000,000, to remain available until September 30, 1986".

Mr. **CONTE** (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 70: Page 16, after line 16, insert:

For an additional amount for grants for the establishment on a continuing basis of clinical programs to supplement the services of local Legal Services Grantees by accredited Law Schools, $4,000,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 70 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

For an additional amount for a grant for the establishment of a clinical program to supplement the services of local Legal Services grantees at Drake University School of Law in Des Moines, Iowa, $4,000,000, to remain available until expended.

The purpose of the above grants is to fund two University Centers which will provide legal clinics to supplement the civil legal services of Legal Services Corporation grantees, demonstrate how such legal clinics can be operated to benefit both law students and recipients, and conduct continuing legal education courses and seminars to encourage and prepare practicing attorneys for pro bono services. Under each such clinical program, no recipient shall receive legal services who would be disqualified by law or regulation from receiving such service from a Legal Services Corporation grantee.

$3,000,000 of each such grant shall be available to the governing body of the University to establish an endowment fund to provide income to support such a program on a continuing basis. Such endowment shall be held in a trust which dedicates the income exclusively to fulfilling the purposes above stated and shall be subject to audit by the General Accounting Office for the sole purpose of determining that all funds have been accounted for or used for such purposes. If either such grantee elects to discontinue the program established under this section, the corpus of the endowment trust shall revert to the Treasury of the United States and the document accepting the grant shall provide for such reversion.

The balance of the funds in each grant shall be made available to the grantee for facilities, equipment, and other costs actually incurred in establishing such a clinical program, and the application for the grant shall require only such information and supporting material as is reasonably necessary to assure that such funds will be used exclusively for the purposes described herein.

Mr. **CONTE** (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 75: (75) Page 18, line 5, after "expended" insert ": *Provided*, That notwithstanding any other provision of law, the Secretary of State shall not permit the Soviet Union to occupy the chancery building at its new embassy complex in Washington, D.C., or any other new facilities in the Washington, D.C. metropolitan area, until the Soviet Union provides reimbursement to the United States for damages incurred as a result of the construction of the new United States Embassy in Moscow, in an amount to be determined by agreement between the United States and the Union of Soviet Socialist Republics or in the event of disagreement by the decision of an international arbitral tribunal as created pursuant to the contract for construction between the United States and the Union of Soviet Socialist Republics: *Provided further*, That in any event the amount may not be less than the amount of funds expended from this account for damages arising from delays at the site of the new United States Embassy complex in Moscow that are determined by the Secretary of State to be the responsibility of the Soviet Union".

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 75 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

: *Provided*, That notwithstanding any other provision of law

(a) The Secretary of State shall not permit the Soviet Union to occupy the new chancery building at its new embassy complex in Washington, D.C., or any other new facilities in the Washington, D.C. metropolitan area, if the Soviet Union fails to provide prompt and full reimbursement to the United States for damages incurred as a result of the construction of the new U.S. Embassy in Moscow, in an amount to be determined by agreement between the U.S. and the U.S.S.R. or in the event of disagreement by the decision of an international arbitral tribunal as created pursuant to the contract for construction between the U.S. and the U.S.S.R.

(b) Within 30 days after the enactment of this Act the Secretary of State shall initiate actions to begin the international arbitration process, which is provided for in the embassy construction agreement between the U.S. and the U.S.S.R., in order to resolve all U.S. claims against the U.S.S.R. for damages arising from delays in the construction of the new U.S. Embassy complex in Moscow.

(c) In the event the amount of reimbursement provided to the U.S. under paragraph (a) by the U.S.S.R. is less than the amount of funds expended from this account for damages arising from delays at the site of the new U.S. Embassy complex in Moscow that are determined by the Secretary of State to be the responsibility of the U.S.S.R., the Secretary of State shall submit to the Appropriations Committees of the House of Representatives and the Senate a detailed report explaining the reasons that the Secretary has accepted such arrangements and the financial costs to the U.S. of doing so.

(d) The Secretary of State may suspend the restrictions in paragraph (a) in the national security interests of the U.S. if he certifies to Congress that a substantial number of the claims described therein are settled and that resolutions of any remaining claims is proceeding in a satisfactory manner. If the Secretary exercises the authority under this paragraph, he shall report to the Appropriations Committees of the House of Representatives and the Senate every six months concerning progress on resolution of any outstanding claims.

Mr. **CONTE** (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 77: Page 18, after line 24, insert:

INTERNATIONAL COMMISSIONS

INTERNATIONAL FISHERIES COMMISSIONS

(TRANSFER OF FUNDS)

For an additional amount for "International Fisheries Commissions", $2,000,000, to be derived by transfer from "Contributions to International Organizations".

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 77 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "$1,200,000".

Mr. **CONTE** (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 87: Page 19, after line 19, insert:

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $150,000.

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 87 and concur therein with an amendment, as follows: In lieu of the matter proposed, insert the following:

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $75,000 to remain available until expended.

Mr. **CONTE** (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 91: Page 20, line 5, after "September 30, 1986" insert "; and for an additional amount under this head for the Central American Scholarship program only, $9,000,000, to remain available until June 30, 1986".

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 91 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "; and for an additional amount under this head, $9,000,000, to remain available until September 30, 1986".

Mr. **CONTE** (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 92: Page 20, line 5, after "1986." insert "And for an additional amount under this head to promote the development of an independent media service by the Afghan people and to provide for the training of Afghans in media and media-related fields, $500,000: *Provided*, That the Director, with the Secretary of State, shall report to the appropriate committees of Congress on the obligation of these funds 60 days from the date of enactment of this Act.".

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 92 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

For an additional amount under this head to promote the development of an independent media service by the Afghan people and to provide for the training of Afghans in media and media-related fields, $500,000, to remain available until September 30, 1986: *Provided*, That the Director, with the Secretary of State, shall report to the appropriate committees of Congress on the obligation of these funds 60 days from the date of enactment of this Act.

Mr. **CONTE** (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman form Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 102: Page 23, lines 7 and 8, strike out " "Shipbuilding and Conversion, Navy, 1982/1986" " and insert " "Aircraft Procurement, Navy, 1985/1987" ".

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 102 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"Aircraft Procurement, Navy, 1983/1985" ($129,000,000);

"Aircraft Procurement, Navy, 1984/1986" ($21,200,000); and

"Aircraft Procurement, Navy, 1985/1987" ($89,800,000).

Mr. **CONTE** (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 109: Page 23, after line 12, insert:

ENHANCED SECURITY COUNTERMEASURES CAPABILITIES

To the Director of Central Intelligence, for the enhancement of the security countermeasures capabilities of relevant agencies $50,000,000 to remain available until September 30, 1986, to be allocated by the Director of Central Intelligence among the National Security Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, and any other agency that the Director of Central Intelligence may determine, such funds to be expended exclusively for the purpose of improving United States security countermeasures capabilities abroad in accordance with a plan to be developed by the Director of Central Intelligence in conjunction with the National Security Council and submitted to the Appropriations and Intelligence Committees of the Congress no later than September 1, 1985.

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 109 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

ENHANCED SECURITY COUNTERMEASURES CAPABILITIES

To the Director of Central Intelligence, for the enhancement of security countermeasures capabilities, $35,000,000, to remain available until September 30, 1986, to be allocated by the Director of Central Intelligence among the National Security Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, the Department of State, and any other agency that the Director of Central Intelligence may determine, such funds to be expended exclusively for the purpose of improving security countermeasures capabilities at United States Embassies and other facilities abroad in accordance with a plan to be developed by the Director of Central Intelligence in conjunction with the National Security Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, the Department of State, the National Security Council and any other agency that the Director of Central Intelligence may determine and submitted to the Appropriations and Intelligence Committees of the Congress by September 1, 1985.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 112: Page 24, strike out all after line 4 over to and including line 4 on page 25 and insert:

For an additional amount for the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by State, local governments, or private groups) authorized or made available for selection by law (but such studies shall not constitute a commitment of the Government to construction), to remain available until expended, $48,000,000 for "Construction, general" and $800,000 for "Flood control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi Missouri, and Tennessee"; of which $7,800,000 shall be derived from the Inland Waterways Trust Fund; except that the Secretary of the Army acting through the Chief of Engineers is authorized and directed to proceed with planning, design, engineering, and construction of the following projects substantially in accordance with the individual report describing such project as shown in the report accompanying H.R. 2577: Atchafalaya Basin Floodway System, Louisiana; Baltimore Harbor and Channel, Maryland and Virginia; Bassett Creek, Minnesota; Bonneville Navigation Lock, Oregon and Washington; Dade County, Florida (north of Haulover Beach Park); Eight Mile Creek, Arkansas; Ellicott Creek, New York; Freeport Harbor, Texas (North Jetty); Gallipolis Locks and Dams, Ohio and West Virginia; Gulfport Harbor, Mississippi; Jonesport Harbor, Maine; Kahoma Stream, Hawaii; Liberty State Park Levee and Seawall, New Jersey; Little Dell Lake, Utah; Locks and Dam 26, Illinois and Missouri (Second Lock), including environmental management along the Upper Mississippi River Basin; Merced County Streams, California; Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana; Mobile Harbor, Alabama; Moriches Inlet, New York; Norfolk Harbor, Virginia; Richmond Filtration Plant, Virginia; Sacramento River Deep Water Ship Channel, California: *Provided*, That none of the funds herein appropriated may be expended to undertake such project except under terms and conditions acceptable to the Secretary of the Army as shall be set forth in binding agreements with non-Federal entities desiring to participate in project construction. Each such agreement shall include a statement that non-Federal entities are capable of and willing to participate in project cost-sharing and financing in accordance with terms of the agreement. At such time as the Secretary has executed a formal binding agreement and has determined that the non-Federal entities financing plan demonstrates a reasonable likelihood of the non-Federal entities ability to satisfy the terms and conditions of the agreement, the Secretary shall transmit the agreement to the Congress: *Provided further*, That the Secretary shall initiate construction at a project in accordance with such agreement unless a Joint Resolution disapproving such agreement becomes law within ninety calendar days of the receipt of the agreement by Congress. The ninety-day period shall not include days on which either the House of Representatives or the Senate is not in session because of adjournment for more than three consecutive calendar days: *Provided further*, That the initiation of inland waterways projects identified for planning, design, engineering, and construction in this Act may be funded from sums available in the Inland waterways Trust Fund, established by the Inland Waterways Revenue Act of 1978 (title II of Public Law 95-502) notwithstanding the second sentence of section 204 of such Act: *Provided further*, That the funds appropriated herein shall lapse on June 30, 1986, if the agreement required herein for that project has not been transmitted to Congress.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 112 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

For an additional amount for the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by State, local governments, or private groups) authorized or made available for selection by law (but such studies shall not constitute a commitment of the Government to construction), to remain available until expended, $48,000,000 for "Construction, general" and $800,000 for "Flood control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee"; of which $7,800,000 shall be derived from the Inland Waterways Trust Fund; except that the Secretary of the Army acting through the Chief of Engineers is authorized and directed to proceed with planning, design, engineering, and construction of the following projects substantially in accordance with the individual report describing such project as reflected in the Joint Explanatory Statement of the Committee of Conference accompanying the Conference Report for H.R. 2577: Ardsley, New York; Atchafalaya Basin Floodway System, Louisiana; Baltimore Harbor and Channels, Maryland and Virginia; Barnegat Inlet, New Jersey: Bassett Creek, Minnesota; Bonneville Navigation Lock, Oregon and Washington; Clear Creek, Texas; Cleveland Harbor, Ohio; Colorado River and tributaries, Boggy Creek at Austin, Texas; Cowanesque Lake Modification, Pennsylvania; Dade County, Florida (north of Haulover Beach Park); Des Moines Recreational River and Greenbelt, Iowa; Eight Mile Creek, Arkansas; Ellicott Creek, New York; Fairfield Vicinity Streams, California; Freeport Harbor, including relocation of North Jetty, Texas; Gallipolis Locks and Dams, Ohio and West Virginia; Geneva-on-the-Lake, Ohio; Gulfport Harbor, Mississippi; Jonesport Harbor, Maine; Kahoma Stream, Hawaii; Kill Van Kull Channel, Newark Bay Channel, New York and New Jersey; Liberty State Park Levee and Seawall, New Jersey; Little Dell Lake, Utah; Lock and Dam 26, Illinois and Missouri (Second Lock), including environmental management along the Upper Mississippi River Basin; Merced County Streams, California; Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana; Missouri National Recreational River, Nebraska and South Dakota; Mobile Harbor, Alabama; Moriches Inlet, New York; Norfolk Harbor, Virginia; Parker Lake, Oklahoma; Pearl River, Slidell, St. Tammany Parish, Louisiana; Port Ontario Harbor, New York; Richmond Harbor, California; Richmond local protection project, Virginia; Sacramento River Deep Water Ship Channel, California; Savannah Harbor Widening, Georgia; Tampa Harbor Branch Channels, including East Bay Channel maintenance, Florida; Virginia Beach Streams, Canal No. 2, Virginia; William Bacon Oliver Lock and Dam, Alabama; *Provided*, That none of the funds herein appropriated may be expended to undertake such projects except under terms and conditions acceptable to the Secretary of the Army, (or under terms and conditions provided for in subsequent legislation when enacted into law) as shall be set forth in binding agreements with non-Federal entities desiring to participate in project construction. Each such agreement shall include a statement that the non-Federal entities are capable of and willing to participate in project cost-sharing and financing in accordance with terms of the agreement. At such time as the secretary has executed a formal binding agreement and has determined that the non-Federal entities' financing plan demostrates a reasonable likelihood of the non-Federal entities' ability to satisfy the terms and conditions of the agreement, the Secretary shall initiate construction at a project in accordance with such agreement: *Provded further*, That the funds appropriated herein shall lapse on June 30, 1986, if the agreement required herein for that project has not been executed: *Provided further*, That where construction of a comprehensive project for flood control and improvement of a multistate region described in this paragraph has commenced prior to the date of enactment of this Act, new or additional non-Federal cost-sharing shall not be required for any part of such comprehensive project, and where construction of such a project has begun prior to the date of enactment of this Act, all elements or features of the comprehensive project shall be considered to be part of that project: *Provided further*, That the initiation of inland waterways projects identified for a planning, design, engineering, and construction in this Act may be funded from sums available in the Inland Waterways Trust Fund, established by the Inland Waterways Revenue Act of 1978 (title II of Public Law 95-502) notwithstanding the second sentence of section 204 of such Act.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. Whitten] is recognized for 30 minutes.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

I understand there is some controversy about this.

Mr. CONTE. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. WHITTEN. I yield to the gentleman from Massachusetts.

PARLIAMENTARY INQUIRY

Mr. CONTE. Mr. Speaker, it is my understanding that 30 minutes will be allotted the Chairman, and then 30 minutes to the minority. Is that correct?

The SPEAKER pro tempore. The gentleman is correct.

Mr. CONTE. I thank the Chair.

Mr. WHITTEN. May I say to my colleagues, as we are all aware there has been an insistence on the part of the Office of Management and Budget and the executive branch that there be some local contribution. The subcommittee has tried to work this matter out where we can all live with it, and that is what they have tried, to work it out where they can live with it.

I in turn have tried to see that where provisions are already made for authorizing a particular activity that it could not be reauthorized.

I understand there is opposition to what we have recommended, and I repeat, as I said earlier, there are no finer or abler people in the Congress than the members of the authorizing Committee on Public Works and Transportation. We have waited 15 years trying to help them every way we could to get an authorization through Congress.

When we read how much damage has been done by floods, what the situation is with reference to rivers and harbors, what the situation is nationally, we felt that now was the time we had to go ahead and work with them to get an authorization.

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So I want to say again we are not working against the legislative committee. I asked the subcommittee on our side, the Subcommittee on Appropriations to work with our colleagues on the other side. I said earlier in my remarks that the chairman of the committee, the chairman of the subcommittee on the authorizing committee, I know of no two people who have been nicer or more cooperative with me. But I do say when our country has waited 15 years to pay proper attention to the needs of our country, it is time we get together. It is on that basis that I have approached this. The fact that some of our friends are unhappy, I can appreciate their feelings, but I do believe if we can carry this through, working together, that we in turn will break this deadlock to where they can go ahead and authorize as they have tried to do throughout the years. So with that statement, I just want you to know we are doing the best we can in the direction in which we believe we have to go in the situation we face today. The same situation exists in many other areas.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. Whitten] has consumed 3 minutes.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to the chairman of the Committee on Public Works and Transportation, the gentleman from New Jersey [Mr. Howard].

Mr. HOWARD. Mr. Speaker, I thank the gentleman from Massachusetts for yielding this time.

Mr. Speaker, today the Committee on Public Works and Transportation is asking the House to vote against the motion to recede to the Senate on section 112 of the conference report H.R. 2577, the supplemental appropriations bill. We are asking you instead to support an amendment that this committee will offer that will preserve the integrity of this body.

I recognize that this issue is very technical but it is also one of the most important we will vote on this year. It touches not just on the question of which water projects will be funded. What are really at stake are the procedures of this House, the rights and prerogatives of this body and the function of the Congress as a coequal branch of Government.

H.R. 2577 would give us a piecemeal, haphazard approach to water policy. Instead of allowing the authorizing committee to review the entire range of projects that have been waiting for funding since 1976, only those projects agreed to by the other body and the administration will be permitted to go forward. That kind of piecemeal approach in an appropriations bill would virtually destroy any chance of passage of a major water policy bill such as H.R. 6 that has already been voted out by the Committee on Public Works and Transportation. The Subcommittee on Water Resources spent 3 years reviewing all projects that previously been authorized before deciding to reauthorize almost 300.

The subcommittee also did a painstaking review of hundreds of new projects. If the motion to recede to the Senate is approved, there will be no water policy bill. Many other needed projects would not be funded because a few other projects already received their money. In H.R. 2577, six projects would receive 55 percent of the funds. The other 35 projects get the rest. It is even more unfair that seven States, either the whole State or part of the State, are exempted from the cost-sharing provisions imposed on the rest of the country.

If the Senate language were offered in the House, it would be subject to a point of order as legislation on an appropriations bill. The authorizing committees and the Members of this body cannot allow the appropriations to be used as a means of circumventing the rules of the House. If we allow this to happen, there will be no limit to the circumventing of the authorizing committees. There would be no need for the authorizing process.

The Senate language that we are being asked to approve sets a dangerous precedent from a procedural point of view. But, in terms of substance, it is simply bad policy. This agreement should be defeated solely on its merits, or rather, demerits.

First, this language removes the Congress from any say in the cost-sharing for these 21 projects. Approval of cost-sharing policy has traditionally been a function of Congress. Yet this agreement would allow the executive branch to reach individual agreements on cost sharing for each of these 21 projects. It gives the administration a club to threaten any local officials who won't come up with the right amount of cash. If no agreement is reached by May 1986, the money lapses. Local officials will be faced with negotiating with the administration and being threatened with a loss of funds if they don't reach an agreement by May 1986.

Second, the agreement provides Federal funds for projects in local areas that have the money to pay the non-Federal share. In other words, those rich communities that can meet OMB's asking price will get their projects. For those communities that can't afford the bargain, there won't be any projects.

This is a bad way to legislate. The program review should be done by the authorizing committee in this body. We should not allow ourselves to be dictated to by the Senate and the administration. We should demand the right to a full policy review by the authorizing committee.

I ask my colleagues to vote "no" on the motion to recede to the Senate. The Senate language is bad procedure and bad policy. It should be defeated.

If this House decides to defeat the motion to recede and concur with the Senate amendments, the Committee on Public Works and Transportation will then offer an amendment that will include the same projects as in the conference report. But our amendment will prohibit any appropriation unless each of these projects receive authorization with language setting the proper non-Federal share of the cost. This will be done as part of an overall review of Federal water policy.

I ask my colleagues to support the Committee on Public Works and Transportation. Our substitute motion is the only way to protect the jurisdiction of the authorizing committees in this body, the responsibilities of the House in setting national policy and the role of the Congress in approving legislation.

I ask you to vote no on the motion by the gentleman from Mississippi and then to support the substitute motion.

Mr. WHITTEN. Mr. Speaker, I yield myself one-half minute.

May I say 15 years is a long time to wait to get an authorization bill through, through no fault of our friends on the legislative committee. That means there is very little reason to believe that without some change in approach we can expect anything in the future. I believe it will help their cause and ours for us to join together here and proceed to show for the public works needs of our country.

Mr. HOWARD. Mr. Speaker, will the gentleman yield on that?

Mr. WHITTEN. I yield to the gentleman from New Jersey [Mr. Howard].

Mr. HOWARD. I thank the gentleman for yielding.

Mr. Speaker, I wish to say to the chairman that I can agree it has been a long time. But one of the reasons we have had difficulty in having an authorizing bill become law is because so often the Committee on Appropriations short-circuits their projects and authorizes an appropriation bill for certain projects, which takes away a certain amount of clout we may have in having a bill for all the Members of the House.

Mr. WHITTEN. That always happened after we waited and waited, through no fault of the gentleman from New Jersey or our other colleagues.

Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. Bevill], chairman of the subcommittee that deals in detail with this overall problem.

Mr. BEVILL. I thank the chairman for yielding.

Mr. Speaker, the conferees put in a lot of time in working out these differences and I want to say at the outset, and Chairman Whitten made this very clear, I think, that we regret that we are differing with the Committee on Public Works and Transportation because we have worked closer with the Public Works Authorization Committee than probably any subcommittee in this Congress and we do appreciate them. They have passed H.R. 6, which is one of the best bills ever put together by the Public Works Committee, in my judgment, because they have set out these formulas for cost-sharing and other important issues.

Now my good friend Mr. Howard has mentioned that we are circumventing the rules. We are operating under the same rules that we were operating under last October when H.R. 6 was added to my chapter of the continuing resolution and passed this House. In that instance we added hundreds of projects, not 21. We are talking about 21 projects here that did not follow the normal procedure to get authorized. The reason is we have been waiting not only for the 14 or 15 years Chairman Whitten mentioned, but we have been waiting the last 5 years holding up these projects, saying no new starts. Every time I come to the floor each year I have said "no new starts, the authorization bill is going to be passed next month." This has been going on too long. I think we are going to have to move. We have complied with the rules. We have not violated any rules. I do not hear anybody making a point of order. The Senate added 11 water projects that have not been authorized. We are authorizing them through this conference report. The House bill contains an additional 10 unauthorized projects.

Now Chairman Howard, my good friend, and, my colleague Chairman Roe, have put their bill through this House two times already, it is a good bill, but the other body does not move on it. I do not know of one thing that has changed since we went through all the same thing before. It is the same old thing.

□ 1340

On June 6, these unauthorized projects were all knocked out on a point of order here on the floor because H.R. 6 was on its way; it was going to be on the floor the next week. Now this was 8 weeks ago, and this has been going on for 5 years.

So in my judgment, in order to get these projects built, we are going to have to go ahead and use this procedure and it is within the rules of both Houses, and I do not know of any way to do it. If anybody knows anything else we can do to help get these projects authorized, I wish he would speak up, because we have been trying for 5 years now; we have been holding up all new starts.

Mr. Roe and Mr. Howard have done their very best and Mr. Snyder and everyone in that House Public Works authorization committee have worked like Trojans to get these projects authorized; and they are going to get it through the House; nobody is against it. I do not know why they do not bring it on down here; they can pass it this afternoon and send it on over to the other body, but that is as far as it is going to go, if history repeats itself, and I have reason to believe history is going to repeat itself.

Now, let me point this out. It was pointed out here that we are circumventing the rule. This bill specifically says that whatever local participation is required to be had on these projects, will be subject to whatever this Congress decides when H.R. 6 comes to the floor and goes to the White House and is signed.

All they have got to do is just simply pass the authorization bill, send it on over to the other body, get them to pass it, and get the President to sign it.

That is why the other body and this body, through this conference agreement insisted on making this June 30 deadline that they have to work out cost-sharing agreements with the Secretary of the Army. I urge you to support the motion, because we are not violating any rule. The White House is supporting this conference agreement, the Senate is supporting it, and I hope this House supports it.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to the ranking minority member, the gentleman from Kentucky [Mr. Snyder].

Mr. SNYDER. Mr. Speaker, I rise in strong, but reluctant, opposition to the motion of the Appropriations Committee chairman to recede and concur with an amendment on amendment No. 112. As I do this, I urge my colleagues to focus on an issue that is of extreme importance to all of us in the House who have been working so long to achieve lasting and meaningful water policy reforms.

Amendment No. 112, if adopted as being suggested by the Appropriations Committee chairman, will provide special appropriations and special cost-sharing for only 41 select Corps of Engineers water projects, more than half of which are unauthorized.

The leadership of the Public Works Committee and others ask you this afternoon to reject the motion to recede in order to allow the language to be amended to permit the bill's appropriations to remain in place but to make the funds being appropriated subject to enactment of necessary authorizing legislation. It is extremely important that you join us in this effort.

Mr. Speaker, there are a host of both substantive and procedural reasons why it is proper—in fact, essential—to oppose the Whitten motion and support the Public Works Committee leadership amendment. Let me just focus, in the little time I have available, on a few of those reasons.

First, I would like to call my colleagues' attention to the fact that the language which the Appropriations Committee would have us adopt completely delegates authority and responsibility for establishing national water policy, particularly cost-sharing policy, from the Congress to the executive branch. It gives complete and unfettered discretion to the Secretary of the Army to adopt whatever cost-sharing—large or small, consistent or not—he can negotiate with project sponsors. Congress is no longer responsible for making national water policy. For the first time, we are walking away from our constitutionally mandated duty to establish the policies of the Nation and are turning them over, entirely without guidance, to the executive branch. I am totally opposed to this approach and I believe everyone of our colleagues should be as well.

Second, it must be understood that, if the Whitten motion is agreed to and the language of amendment No. 112 is not perfected, the efforts we have so long been engaged in, developing for the first time in 15 years an overhauled and reformed national water policy will probably be undercut. You all know how long and in what detail we have worked to perfect H.R. 6. That bill has been reported by the Public Works Committee and is ready for floor action next month. The Senate counterpart bill has also begun to move. We are closer today than we have been at anytime in the past 15 years to finally reaching agreement on necessary water project and water policy authorizing legislation. If the Whitten motion is not defeated and Public Works Committee amendment is not adopted. I believe that we will lose the best opportunity in more than a decade to enact the water policy reforms that are so long overdue.

And this leads me to my last point. If these 41 projects are permitted here today to go forward ahead of the other worthwhile projects in H.R. 6 and ahead of the necessary water policy reforms contained in that bill, then all of you who have interests in H.R. 6 which are not reflected in this supplemental bill—and I would suggest that a majority of our colleagues is in that category—are going to find themselves explaining to their constituents why, once again, Congress failed to authorize the work for flood control, navigation improvement, hurricane protection, water supply, and other purposes that they have been awaiting for so long. If the Whitten motion carries unamended, our chances of ever completing action this Congress on omnibus authorizing legislation will probably be lost. Focus on that fact, and focus on how many of your constituents will once again be left out in the cold because we failed at the final hour to hold the line when it was most essential. I urge my colleagues, in the strongest possible terms, to join us in defeating the Whitten motion and then accepting the Howard/Roe perfecting amendment to amendment No. 112.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr Fazio].

Mr. FAZIO. Mr. Speaker, I rise in strong support of the Appropriations Committee's efforts to try to make a breakthrough in a frustrating situation that I am sure impacts every district in the country.

We have been waiting a long time, and I am afraid that we are not home yet, but we are making progress if we move ahead today by putting some pressure on to try to develop a total approach to cost sharing and the development of our water resources across the country.

We are doing, I think, what is really necessary to put the kind of fire behind the Public Works Committee, and I am sure that that fire will be of assistance to the gentlemen who have spoken to you today, because they certainly need the support of all of us, and certainly the members of the Energy and Water Subcommittee of Appropriations are first among those who want to help Mr. Howard and Mr. Roe and Mr. Stangeland and Mr. Snyder.

These projects go a good way toward meeting some of the needs that our country has. We have a very key group of 12 port development projects here, and they are not just for one region of the country. You may hear that we are regionally oriented in this bill; we are not.

□ 1350

We have Baltimore and Norfolk, New Orleans, Mobile, and Tampa, and Sacramento and Richmond, CA; ports all across the country on every coast. New York, New Jersey, and California, for example—and you hear this is a Southern-oriented bill—have 11 of the 41 projects in this bill. It is a truly national approach. Not all we would like, but a start, an effort, I think, to build support for a comprehensive cost-sharing formula that all of us can stand behind.

I hope that our colleagues throughout the House, throughout all regions of the country, regardless of their committee assignments or their biases between authorizing and appropriating committees, will give us the opportunity to move forward at this time. We certainly will be utilizing this wedge to force the Corps of Engineers and the OMB to work closely with all of us to go even further in the direction we all know we have long neglected—the development of our water resources.

Mr. CONTE. Mr. Speaker, I yield 6 minutes to the gentleman from New Jersey [Mr. Roe].

Mr. ROE. I want to thank the gentleman from Massachusetts for yielding to me.

I only have 6 minutes and probably an hour of things I want to say. But let me tell you something: I think that the Appropriations Committee—they are good people, so are the people in the authorizing committee, they are good people, but what have you been hearing? You have been hearing, "We're taking the lead, we're taking the lead." That is the Appropriations Committee. What do you need a Public Works Committee for? What about your roads and bridges and your clean water? "Oh, well, you don't need that, we're taking the lead."

Now, what about the facts involved? We have not been dragging our feet. The fact remains, ladies and gentlemen, that twice this House passed the water resources bill last year. Twice. We only had one argument—two arguments. The Falmouth Dam and we had the Cross Florida Barge Canal. We solved it. We have resolved that for the Members and satisfactorily for the Members. So that bill is ready to go. We filed a report. We have been negotiating with the four other committees who have joint or partial jurisdiction. We have cleared it up with two of them. We are working on the other two now. We are trying our damnedest to get to the floor with that bill. It is a total fallacious argument to say that the authorization committee has not been doing its job in 15 years. That is total balderdash. It is not the truth and it is not the fact.

This House voted overwhelmingly twice for that issue. This House voted the other day and it struck out, these projects that the Senate put back in. That is a Ponzi scheme. What we are saying is the House does not have any rights at all, that we have to bow over, and the Senate, the other side, decides what we are going to do.

But is it not interesting, my fellow workers, my fellow people? I have to say that when I am talking to my friend from Massachusetts. We talk about orphans of the storm. All of you who do not have a project in this bill are orphans of the storm. Three-quarters of the States in this country get no help at all. None. Some of those projects have been approved for 15 years. They are not considered. Why did we not fight harder for what is right for this House? Where do we have the right to spend $3.2 billion in a half dozen States? I am not opposed to any project in this bill. I have personally written half the projects, the language that is in this bill. That is the fact, and you know it. There has been nobody to come to us, Democrat or Republican alike, who have not shared together. We have worked together, we have written your amendment and we fought for you.

Now it is a question of greed. Greed is the answer here. "It is mine. We have the box of chocolates. This is my bonbon because I am on Appropriations. I take this." We spread it out a little bit around the country, we leave a little bit here, we bring in the votes that we can bring in—and I have got to say what is in my heart to say—and then we defeat what we should be doing in protecting the interests of the House.

For each project that is approved in California, we lose seven, simply because they were not at the table when the "last supper" was being held. That is what the truth of the matter is. When they were passing out the goodies, is really what it amounts to.

So the issue before us is what you fought against us on the other day. You fought with me and you said to me, "Bob Roe, you are wrong," that there ought to be equity and fairness. And fairness was the issue when we talked of the budget situation yesterday. You said to me, "Don't break the budget." We fought back with Mr. Pursell and others in this House, and we said, "We don't agree, but this part we think you are wrong on."

What about fairness and equity? What about fairness and equity? Do you other Members have the right to go home and say to your people, three-quarters of the States, three-quarters of the Members of this House, three-quarters of the Democrats and Republicans alike, and say, "It was expedient because we caved in to the Senate"? Where are the guts of this House? Why is there not leadership here fighting for what is right for the people of this country? That is what this issue is about.

Yes, I get excited, yes, I say what I think, because you have got to say what you think in this forum because this represents all of the people of the Nation. We are giving up three projects in New Jersey. Who is doing that in the rest of this House? Would you dare do it, because you may lose something? We are giving up those three projects, one in the chairman's district, one in New York and the other in my area. I do not want your project if you are going to do somebody else in. Every person in Illinois and Indiana and every State has a right, they have a right. You are giving this whole cost sharing—they call it a fence. That is what it is, a fence in the finest word they say fence. You are giving it all to the Secretary of the Army.

Do you know, ladies and gentlemen, why some of your projects have been delayed under the Carter administration and under the Reagan administration, both administrations? Do you know why? Because OMB held back on the reports coming in from the Corps of Engineers and they would not release them to the committee. Therefore, if you did not vote certain ways in certain areas you did not get zilch out of either one of those administrations. Is that the way to administer? Is that fair? Is that the way to legislate? That is what it is all about.

We are not mad at Jamie Whitten. He is a prince. I am not mad at Tom Bevill or anybody else on the Appropriations Committee. They are good people. But they also have to have some conscience, in my point of view. They even waive the section that has to do with the Inland Water Resources Program, and they exempt—and I do not want to bring this up, but I am going to bring it up. There are seven States that are in the Mississippi River Basin. There is no reason, none, that those seven States should be totally exempt in part from any cost sharing.

How are you going to explain that back home? It is not fundamentally fair.

I am not fighting for Bob Roe today. I am not fighting for Jimmy Howard nor against anybody else. I am saying the House of Representatives, if you are worth our salt, you ought to be able to go back to that Senate and say, "We disagree." Not that we are disagreeing with the issue of need.

The SPEAKER pro tempore. The time of the gentleman from New Jersey [Mr. Roe] has expired.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. Watkins], a member of the subcommittee.

Mr. WATKINS. I thank my chairman for yielding, and I rise in support of the Whitten amendment and also in support of the committee, and I urge all my colleagues that we pass the Whitten amendment and support the committee on this legislation.

I, along with most of the other people, stand in support of the Legislative Committee on this bill. We are anxiously awaiting the legislation to come to the floor. We have passed that legislation in the past. It has gone to the Senate but it has been turned down. And we were threatened by the President that he would veto that particular bill.

I would like for all of my colleagues to know, because my friend from Kentucky mentioned it, I do not think you dilute any clout by passing this legislation. I can assure you that this member, along with every member on the Energy and Water Development Subcommittee of the Appropriations Committee, will stand here and be ready to support H.R. 6 when and if it ever gets here. I will not only vote for it but I will work the floor to pass H.R. 6.

There is one other little twist on the reasoning here in the House which I would like to address. Let us not allow the Senate to have what they want without allowing the House to help write the bill. Let us have some say for the House. Let us allow the House to participate in procedure. The other body is writing the language. They are providing the projects they need, but it is up to us to put needed House projects in this legislation. If we do not pass this particular amendment, the Whitten amendment, and support the committee, the House will be rejected. We will not have a voice in the supplemental appropriation bill, a supplemental appropriation bill that today the President supports, today the other body supports, and I ask my colleagues in the House to support today.

Mr. MYERS of Indiana. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. Stangeland], a member of the committee.

Mr. STANGELAND. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to the motion of the gentleman from Mississippi [Mr. Whitten] to recede and concur in the Senate amendment with an amendment.

As the ranking Republican member of the Subcommittee on Water Resources of the Committee on Public Works and Transportation, I am aware of the tremendous amount of work that Chairman Roe and the other members of our committee have devoted to enactment of comprehensive water resources development authorization legislation. As all of us are far too aware, a water project authorization bill has had a long gestation period. We have not had an omnibus water project bill since 1976, and have not had one that authorizes a number of major projects since 1970. Over the last 3 years, the Committee on Public Works and Transportation has devoted tremendous time and effort to developing a much needed bill. We have had extensive hearings and heard from scores of witnesses. Hundreds of projects were carefully reviewed. In our efforts, we have been sensitive to the needs of all of the Members of this body in a fair and impartial manner.

Mr. Speaker, the gentleman from Oklahoma just made a most eloquent speech as to why we should defeat the Whitten motion and substitute a motion by the gentleman from New Jersey [Mr. Howard].

We are not concerned about passing H.R. 6 in this House. We passed comprehensive legislation in the last session twice in this House. And the problem and the reasons we are not players in the game is that the other body will not pass the legislation. If you give the other body what they want in an appropriations bill, they will never pass authorizing legislation. The gentleman from Oklahoma can help all he wants to here on the floor of the House, but he cannot help us pass legislation in the other body until he goes home and runs for that body. Hopefully, he will do that some day. Then maybe we can get authorizing legislation over there. But the House has done its work, the authorizing committee has done its work. It is the other body. And if you give them what they are asking for in this bill, authorizing in an appropriations bill, they will never pass an authorizing bill.

□ 1400

Can anyone here, anyone in this body, go home and tell their constituents that in your district, in our State, we will have to pay a cost-sharing formula based on what the Secretary of the Army establishes. We do not know what that is. But in New Orleans, they pay nothing. Is that fair and equitable? Is that justice?

Last year our committee brought comprehensive legislation to the floor of the House. On two separate occasions, this body overwhelmingly approved our efforts. Our inability to enact a bill into law was not due to inaction by the House Public Works Committee. Rather, it was due to the inability of the Senate to take their counterpart bill to the Senate floor.

With this as background, I can well understand the frustration of some of the Members of this House. I can understand the desire by some to throw up their hands and say "we can't get a comprehensive bill, so let's just get whatever we can. Never mind about cost sharing—let the administration decide on the appropriate level of cost sharing." I can understand this frustration, but I cannot agree with it. I cannot agree that the proper course for this body is to walk away from our responsibility to look at all of the country's needs and develop a comprehensive, systematic and, above all, fair water resources development bill. In particular, Mr. Speaker, I can't understand why we should give up when we are so close to resolution of this issue after years of effort.

Within the last 5 weeks, there has been a major development which has increased tremendously the chances of enacting an authorization bill. I speak, of course, of the agreement between the Senate and the administration on appropriate water project cost sharing. This key ingredient has been what was missing before. We now have, in effect, an administration bargaining position. In response, our committee has marked up H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985. The bill we have developed is virtually identical in scope to the bill which the House passed twice last year. But, Mr. Speaker, what is different this year is that our bill reflects a level of cost sharing that is close to the level acceptable to the Senate and the administration. Our bill is ready to come to the floor as soon as we can resolve one or two issues with other affected committees. Perhaps more importantly, Mr. Speaker, I understand that the Senate will also be ready to take their bill to the floor in the near future.

This is no time to throw up our hands and say it can't be done. It can be done. All that is needed is a little more time and the will of this body. We have to send a signal just like the signal we sent earlier this year during deliberations on the bill we have under consideration today. The signal we sent then was that the House would not cave in. It would continue to stand and insist upon a comprehensive water project bill, a bill that takes care of the water resource needs of the entire Nation rather than the needs of a few members with friends on the Appropriations Committee.

We can send this message with a very simple amendment, an amendment that says only what the rules of the House require—that we will not spend money on projects that have not been authorized by the Congress. That is exactly what the amendment to be offered by the gentleman from New Jersey would do. Therefore, I urge the defeat of the Whitten motion.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. Pickle].

Mr. PICKLE. I thank the gentleman for yielding to me.

Mr. Speaker, the gentleman from California, [Mr. Fazio] put his finger on the issue a minute ago when he said we have "a chance to cause a breakthrough of a very frustrating situation." I hope the amendment offered by the chairman, Mr. Whitten, is approved. I say so with the deepest respect for the chairmen of the Public Works Committee, Mr. Howard, and for Mr. Roe. They have always given me excellent cooperation, and I do not believe any of us think this amendment is an intrusion into their jurisdiction. That is not the intent for me, or anybody in this House.

For 10 years now we have tried to advance some public works projects in the water area. I have a very small project, Boggy Creek in Austin, TX, I have waited and waited and tried everything for nearly 10 years to get this bill approved, but it never works. Let us suppose that we refer this bill back to the Public Works Committee. Do you think they are going to approve another 300 projects? Very likely. Do you think it is going to pass the other other body or be approved by the President? Not on you life. We know that; we have had that experience over and over again.

Do you think that if this question is sent back to committee they would choose 15 or 20 projects? Not likely. Not likely at all. They do not want to make those choices because it is too small a number for so many projects—some 300—which have built up in number. So it is a difficult situation we face. At least the House Appropriation Committee has chosen some projects and advanced a bill. The other body has done the same thing. Together, we have 41 projects. The choice today is you either have 41 projects or you have none. That is it. And very likely you might not have an authorization next year or the next year; I do not know when. I do not know how you are going to get a breakthrough unless you use this appropriation process.

I would think that the Public Works Committee would jump at the chance to approve 41 projects; at least we could have this breakthrough. There is no intent to invade the Public Works Committee jurisdiction, because they have done the best they can. But this stalemate could go on and on and on. For that reason, Mr. Speaker, I think it is best that we approve these particular projects. It is an expression that we want to make some advancement.

But the choice is you either have 41 projects or you have none. Many of us have been waiting in the wings for years trying to get the projects. My city has advanced their share of funds and now they are so frustrated, they have almost given up hope. We ought not to let that happen. We ought to keep the faith and advance this bill. Somehow I am still confident we can do it this session of Congress.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. Myers].

Mr. MYERS of Indiana. I thank the gentleman for yielding me this time.

Mr. Speaker, we are here today, unfortunately, discussing an issue that should never have to be discussed. Someone said we should not be here today with this argument, and so true it is. But unfortunately, it has been 5 years since we have had a bill passed out of the authorizing committee, and some of these projects are of such a high priority that in the judgment of your Appropriations Committee, they could not wait any longer.

The chairman of the Public Works Committee and the subcommittee chairman, Mr. Roe, both made statements here that I think it is unfair to say that we are usurping any authority from that committee. There has been no intention of that. To accuse them of dragging their feet, that committee, I think that would be a misstatement also. We have worked together through the years, we are going to continue to do so. To say that when we enact this we are destroying chances for H.R. 6, quite to the contrary.

Our bill, this bill provides that, and I read:

> Or under terms and conditions provided for in subsequent legislation when enacted.

In other words, when H.R. 6 passes, those shall be the conditions of cost sharing that will prevail. As has been said by every member of this committee, we will go to this well, we will battle to help you pass H.R. 6 soon after we come back from the August recess, and we will go to the other body and work there. I think the other body is just as unhappy with what we had to put in here, contrary to what has been said here today, as we are. Working in conference with them, they do not like this procedure either. It just has to be.

Another issue here, you say we are going to lose support. Well, it is not going to happen. You say in the letter here, you do not want to give the Corps of Engineers a blank check. No one wants to; we are not. That is why we put the language in here: "That the language of the authorizing committee shall prevail."

You say it is unfair to distinguish 21 unauthorized projects as singled out here. Well, my friends, if I am wrong, correct me. But when this supplemental bill went before the Rules Committee back in June, did not members of the authorizing committee appear before the Rules Committee and ask that H.R. 6 be included in the supplemental? Am I mistaken about that? For almost 300 to be included?

Now we are including this 41. Forty-one is not enough, but we are not going to have the money to fund all of them. We are going to have to make some decisions; that is what the Appropriations Committee is all about.

There has been an argument made today that you voted for the whole conference report, you voted for it but you are going to single this out. You will have the opportunity to vote shortly. Let me tell you: You may be destroying, I do not know what the other body is going to do, but you may be destroying the entire conference report. The other body may not take this up without this language. I do not know what they are going to do; I do not mean to leave a threat. But there is a possibility the other body will not take this up at all if this language is out of it.

Second, they may absolutely refuse and force it back on us again. In any event, it would well wait until after the first of September when we come back before you get these very badly needed programs. Those of you in rural America, CCC, the Commodity Credit Corporation; it cannot wait until September for additional funds. But you may, by voting no on the Whitten amendment, by forcing the CCC to close shop between now and after the August recess.

There are a number of other programs that are in this that you may be putting out of business between now and the first of September. We have already adopted the resolution to adjourn, a recess until September, so that is a foregone conclusion now.

In closing, some of you feel that you are going to cut or save money. I know that some of my conservative friends on the Republican side said, "Well, I am going to vote anytime I can to cut money." If you vote no on the Whitten amendment, you are not saving the first penny. There will not be a penny saved. The money is still there, it will be spent some place. But talk about unauthorized projects. Let me name two or three unauthorized projects that this committee provides for construction to start.

Bonneville Navigation lock in Oregon and Washington State. Very badly needed for navigation on that river. The Gallipolis Lock and Dam, we have heard that for so many years. You are going to stop preconstruction planning, land acquisition in West Virginia and Ohio on the Gallipolis where you have backlogs right now.

□ 1410

Lock and Dam 26, the second lock and dam on the Mississippi River, just above St. Louis. Those of you in farm areas in Nebraska, Iowa, northern Illinois even, and up into the Dakotas, this navigation link is very vital, but you are going to delay action on that second lock and dam where you have now long delays in the fall of the year after harvest.

Norfolk Harbor. For those of you in coal areas, Norfolk Harbor will be the biggest harbor, the only deep port harbor for the big colliers to come into, but it is unauthorized. We can help coal exports, by keeping it in this bill.

The last issue I want to talk about, cost sharing. I do not know what is going to be developed. That is going to be up to the authorizing committee. Something is going to happen. I do not think there is any question about it. If you do support cost sharing, then you better vote for the Whitten amendment.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Louisiana [Mrs. Boggs], a member of this subcommittee.

Mr. BOGGS. I thank the gentleman for yielding.

Mr. Speaker, I would like to address the problem of cost sharing and the Mississippi River and tributaries portion of this amendment.

The project is a national one, not a regional one. The basin is a funnel that drains 41 percent of the continental United States from New York State on the east to Montana on the west. It includes parts of Canada and is the fourth largest drainage basin in the world. It was first authorized in 1928, the flood portion was, in response to the devastation and loss of life of the great flood of 1927 in the Mississippi valley.

In the last 56 years, $3½ billion has been spent by the United States on this project and it is estimated that it has saved $100 billion in the protection of property and of lives. The system stretches from Cape Girardeau, MO, to the Gulf of Mexico.

A flood control project is not built from the bottom up; it is built from the top down. While the main-stem features of the project are substantially complete in the upper reaches of the project, in the lower reaches of it there is only about a 65-percent complete.

It is not our water that comes down through these valleys, Mr. Speaker. It comes south because of clearing, farming and development in the upper reaches of the valley. The locals have always been required to provide substantial costs. They must provide land, easements, and rights-of-way for the levee, as well as the materials to build the levee, and they must maintain the levee once it is completed, something the locals in no other Corps of Engineers project have to do.

It has been estimated that in my own State of Louisiana alone, the local officials have spent $730 million on this flood control project. When we consider that $3½ billion have been spent in Federal funds on the entire project, I believe that we must accept the fact that Louisiana's local share has been significant.

Mr. CONTE. Mr. Speaker, may I inquire as to the time remaining on each side?

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. Conte] has 6 minutes remaining, and the gentleman from Mississippi [Mr. Whitten] has 13 minutes remaining.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. Livingston].

Mr. LIVINGSTON. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of the Whitten amendment, and if I had a chance to, I would rise in support of H.R. 6 because I have supported it, I do support it now. Since I was a member of the distinguished Committee on Public Works back in 1977, I supported an omnibus water project bill which unfortunately, year after year after year, we have been unable to pass through this Congress.

We have been frustrated time and time again and we have been unable to get through both Houses and get on the President's desk a water project bill. So this is another attempt to get some vital projects through. I can tell my colleagues that since 1979, the people of Pearl River and Slidell, St. Tammany Parish, LA, have been flooded three times. Just in 1983 alone, 800 homes were flooded. We had businesses, utilities, bridges, and roads inundated with water, and those people, my constituents, are saying, "It is about time the United States Congress took a position; it is about time they authorized some work; give

us some help; try to stop the flooding."

But can we do it? Absolutely not. And is that the fault of the people on the Committee on Public Works? Of course it is not. The gentleman from New Jersey [Mr. Roe] and all the gentlemen who have spoken against this amendment have tried, and have been very helpful in trying, to address the problems confronting these people who are faced with flooding year after year.

The problem is that we cannot get the authorization bill through the Congress.

Now, it might be said that what we have here today is a problem of jurisdiction. It might be said that we shouldn't authorize on an appropriation bill. Let me tell my colleagues that there was not a problem of jurisdiction when we authorized the crime package just a year ago when we voted on the continuing appropriations resolution. There was not a problem of jurisdiction when we authorized the 1985 foreign aid bill in the continuing resolution. There was not a problem of jurisdiction when we authorized veterans and small business and housing programs in the continuing resolution. And we are authorizing the Contra aid right here in this supplemental.

Authorization happens sometimes in appropriations bills only when it is necessary, and these projects are necessary and critical, and we should authorize them.

Mr. WHITTEN. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. Fazio].

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. FAZIO. I yield to my friend, the gentleman from California.

Mr. MILLER of California. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the committee bill.

Today's approval in the House of the conference report on H.R. 2577, the supplemental appropriations for fiscal year 1985, was an important step forward in adopting a rational and consistent financing policy for water resource development projects. I want to compliment Mr. Bevill and Mr. Myers for their efforts to address this difficult problem.

Until just recently, cost sharing for water projects was one of the last things to be considered by the Corps of Engineers or the Bureau of Reclamation as plans were made for construction of water projects. Cost sharing was considered important only for other types of public works projects, not for water projects. I have long opposed this view and I have been a strong supporter of realistic cost-sharing proposals. I am glad to see that we are beginning to see an end to opposition to cost sharing.

Mr. Speaker, this conference report also includes language which deals with the execution of cost-sharing agreements by the Secretary of the Interior for Bureau of Reclamation water projects. The language provides that cost-sharing agreements acceptable to the Secretary must be executed prior to the obligation of any construction funds contained in the bill. I support this approach to ensuring realistic cost sharing for Bureau projects. I look forward to the Secretary executing these agreements so that construction on the four Bureau projects in the bill may proceed.

I would like to note that the cost-sharing language for the Bureau projects is identical to that used for Corps of Engineers projects. I strongly support consistent cost-sharing rules for corps and Bureau projects.

The administration's policy is that cost sharing for Bureau projects is determined on a case-by-case basis. Unfortunately, this policy places the Secretary at a disadvantage because he must negotiate each project cost-sharing agreement separately.

The language in H.R. 2577 will not correct these problems. However, I strongly urge the Secretary to consider the 35 percent local share figure as appropriate for irrigation projects of the Bureau of Reclamation.

I believe this is a minimum level of cost sharing which should be provided by local groups interested in securing financial assistance for irrigation projects. If many of the economically questionable projects we are stuck with in 1985 had been subject to sound cost-sharing policies when they were first authorized, we would have avoided many of the controversies we now revisit each year during the appropriations process.

I extend my sincere appreciation to the chairman and ranking minority member of the Subcommittee on Energy and Water Development for their leadership.

Mr. FAZIO. I thank the gentleman for yielding this time to me.

Mr. Speaker, the one point that needs to be reiterated here is that the committee has not in any way attempted to prevent the authorizing subcommittee from having its will in the future. This authorization for these projects runs out on the 30th of June of 1986. The cost-sharing arrangements have to be worked out between the local parties and the administration during that timeframe. Should H.R. 6 or some other enactment be sent to the President and signed into law and at any point, whatever cost-sharing formula determined in that bill will take precedence retroactively.

This committee is very, very desirous of not preempting the authorizing committee in its jurisdiction. This is a very sensitive and limited area in which we authorize, and I would certainly hope that Mr. Whitten and the committee can be sustained in that very temperate approach.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. Moody].

Mr. MOODY. I thank the gentleman for yielding.

Mr. Speaker, the real question before us, it seems to me, is not just a jurisdictional dispute between the Appropriations Committee and the authorizing committee, but really is a question of how we want to legislate in public works.

All of us would agree that if we handle matters as the Appropriations Committee suggests, that is, to take a certain set of projects and ram them through on a must-pass appropriations bill, then we substantially reduce the probabilities that we will have a regular public works water bill, such as H.R. 6, can pass. H.R. 6 is the proper way to go, in my judgment. H.R. 6 follows the regular process. It authorizes projects before it funds them, it takes every State and all projects into account. Almost all meritorious projects that have a case made for them have been included in H.R. 6.

We passed the equivalent of H.R. 6 in this House last session. It was the other body that did not act.

And it is precisely the other body which will be less likely to act if we relieve the pressure today by passing some of these projects—skimming the cream as it were—through this process.

Finally, I would remind my colleagues that 21 of the 41 projects are unauthorized. They would suddenly move ahead of the queue, and ahead of the projects many of you have which have been duly authorized.

So if we want to handle water bills through the regular process and take every State and every meritorious project into account, then we should not skim the cream and pass a few of them through on the appropriations process. We should do it through the authorization process.

There is also the question of local cost sharing of water projects, a very important issue. If we agree to Chairman Whitten's amendment today, we will in effect be giving a blank check to the Corps of Engineers to determine local cost sharing. That is a very bad precedent for Congress. We should determine cost-sharing formulas and it should be done on a policy basis and not decided ad hoc by the Secretary of the Army through the Corps of Engineers. That would reward the rich communities which can afford to meet the price that the corps may lay down, and penalize the poor communities. And it gives away congressional prerogatives.

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Finally, I would say the motion by Chairman Whitten would give us a very unbalanced outcome. Of the 41 projects which are included in the Whitten motion, the spending is concentrated in the South and the West. Thirty-five States get nothing.

So if you want to protect the regular authorization process, if you want to keep Congress, policy on local cost sharing, and if you want a regionally balanced spending pattern on water investments, then I urge you to defeat the Whitten amendment.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. Petri].

Mr. PETRI. I thank my colleague from Massachusetts on the Appropriations Committee for yielding this time to me, and I rise in opposition to the Whitten motion to recede and concur in an amendment.

This is more than a dispute between an authorizing committee and the Appropriations Committee, so I would urge all my colleagues who are on authorizing committees to think long and hard before going along and voting yes today, because this will erode the authorizing committees' jurisdictions if we do that.

The important misconception I want to correct that was aired in this debate a bit earlier concerns the prospects of H.R. 6. The fact of the matter is that the leadership of the Committee on Public Works has worked long and hard, and the leadership of the Water Resources Subcommittee on both the majority and minority side has worked long and hard and with enormous good faith to iron out the difficulties that have admittedly stopped progress in the authorization area now for some 10 years.

We are at the point where we are going to get progress and get a bill on the President's desk and get it signed by the administration, a bill that authorizes not just a few, but hundreds of needed projects across this country, and a bill that puts in place finally, after decades of debate, good cost-sharing language that applies to all of the projects that are authorized. If we go ahead in this supplemental vehicle and appropriate for a few projects without having cost-sharing language in place, what we are going to do is to turn over to the Corps of Engineers the power to decide which projects go forward and which projects do not, without the Congress having the ability to do that.

That is going to open the gates for a whole new kind of logrolling and pork barreling around here because when the administration needs a few votes they are going to advance or recede or hold back on a particular project.

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Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. Edgar].

Mr. EDGAR. Mr. Speaker, I thank the gentleman for yielding time to me.

I rise in opposition to the Whitten amendment and in support of the effort of Mr. Howard and Mr. Roe to bring some equity and fairness to the debate on water policy. As we have listened to the debate this afternoon, a great number of the arguments have been based on the procedural unfairness and the process between authorizing and appropriating committees. And we have heard words like "taking the fire out" and "loosening up the pressure" and "not having the force to get an authorization bill." We have also heard it stated that it has been 15 years or 10 years since we have had an authorization bill. How do we know that we are going to get one now? Nothing has changed.

Something very basic has changed, and that is for the first part of those many years there was a great deal of opposition between the environmental community, between those of us who wanted a new process, and those who wanted to keep the process basically the way it was. Because of the bubbling and boiling of that pressure we now are on the verge of a substantive package of proposals embodied in the Roe bill that will be before the House in early September that states very firmly not only cost sharing, which is important, but many other substantive environmental and other concerns. And it includes projects that are much more important, frankly, than some of the projects in this bill. That is not to say that some of the projects are worthy, but I would argue that we should vote down the Whitten amendment on the procedural unfairness, but, more importantly, on the substantive unfairness of this bill.

Let me share this with the Members. This bill, if we go ahead with Mr. Whitten's proposal, puts up front, gives a head start, to projects at a tune of about $3.2 billion. That means everyone else's project has to wait.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. Edgar] has expired.

Mr. CONTE. Mr. Speaker, I yield 2 additional minutes to the gentleman from Pennsylvania [Mr. Edgar].

Mr. EDGAR. So if we pass this measure, those $3.2 billion will be expended before any of the other projects are put on line.

Second, it throws out all of the important small projects across the country in flood control, in navigation, in other parts of the country. There are 23 States that receive nothing in these proposals.

Third, it will reduce funding for worthy projects that we think will come through the normal authorization process. Let me remind my colleagues that in the 18 States of the Northeast and the Midwest region, we are being asked to pick up the tab for the unauthorized projects in this bill. Seventy-eight percent of the unauthorized first-year money in this bill is spent in the South and West. Sixty-eight percent of the total unauthorized projects are in the South and West.

Let me show you some specifics. The reason you have had so many Members from Louisiana standing on the floor in support of this bill is because Louisiana, with a population of about 4 million people receives $735.6 million worth of projects, all unauthorized, Pennsylvania receives $17.2 million, and Alabama receives $396.6 million worth of projects. The State of New York receives about $40 million of projects.

But more importantly than that, it continues the unfairness regionally of the cost expended on a water policy for this Nation. I would argue with my colleagues that on substantive grounds it is important to get the Roe bill to the floor. If we want to bring pressure, if we want to build a fire under the Roe bill, if we want to not take the heart out of this bill, then I argue that we should vote down the Whitten amendment and then support the authorizing committee in its work.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. Roe].

Mr. ROE. Mr. Speaker, I think we have had a very splendid debate this afternoon, and it shows the strong feelings that are held by everyone.

If I may have the attention of the Members, Mr. Speaker, when all is said and done, I want to share with the Members just one quick few minutes of a story that is important to us, I think—and it is a factual one—and then I want to give the details of what I think we are going to do here in voting. We would have solved the problems of water resources legislation last year, we would have resolved that issue—and I know the chairman knows this—except for a Senator from one State, a very powerful Senator from one State.

My dad taught me that if I got elected to Congress and I was one of 435, I spoke for 500,000 people and we were coequals and we came to a consensus on ideas. It was not that one was chairman of this committee or that committee; it was how we could work together to produce something. But one very powerful Senator in the Senate—and I must say this because it is the truth, and I talked to him personally—indicated that if we would do a certain thing, then they would go along with that bill last year. We would not do that certain thing, and

that same motivating force is motivating this issue now.

It is remarkable, when we think we are important and we have been elected by our 500,000 people and we love our country and we love our district, and it is very interesting to note the power that comes from certain areas by designation in the hand of the House and in the hand of the Senate that decides that issue and that motivates us, that moves us all. We are not speaking because of the fact we have a chance to speak to something or participate; we either accept it or reject it or we are not at the table to play the game.

Let me close on this point: We are not trying to hurt Alabama or Louisiana or any place else. What is the thing we are going to try to do today if Members will support us and vote down the Whitten amendment? We are going to take the unauthorized projects and the authorized projects and put them back in again, every last one of them. The only thing we are going to do is put a codicil in that is going to say that those that are unauthorized are subject to the authorizing process.

Mr. Speaker, that is all we are going to do. We are not cutting out any money, not taking anything away from anyone.

The SPEAKER pro tempore. All time of the gentleman from Massachusetts [Mr. Conte] has expired. The gentleman from Mississippi [Mr. Whitten] has 6 minutes remaining.

Mr. WHITTEN. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, unfortunately, just because the House approves a proposal, that does not make it law. The Senate is still there, and as far as I know, it has not changed its mind regarding authorization. And may I point out here that to the degree that we could limit this and still get started, we have protected the legislative committee because we say it is all under terms and conditions provided in the subsequent legislation when enacted into law.

Approval by the House does not correct this thing. We still have the same problems. But we do say that when we have legislation, that shall take over.

As was pointed out earlier by the gentleman from California [Mr. Fazio], we also provided that this cost sharing shall go on through 1986. If they do not take advantage of it, then it goes back into committee.

May I point out that my friend, the gentleman from New Jersey—and I hold no one in higher regard—says they will authorize 300 projects. We will still in the Appropriations Committee, based on hearings and so forth, have to decide which ones of those to fund.

I met yesterday on the budget resolution. I pointed out that our committee has lived within it. We promote it, we keep the appropriations within it, so if the Public Works Committee authorizes 1,000 projects, we would still have to determine which ones to recommend to the Congress for funding.

Now, there was mention made about the Mississippi River basin. It drains 41 percent of the continental United States, everything exclusive of Alaska and Hawaii. That water showers down on them, and they not only have to put up with it but also pay more of the cost. But the conference report does not single out Mississippi. We say where projects are in existence and already started, they cannot impose new or additional costsharing.

We say they should not have to justify it twice. If it is already under construction and has got its parts set up, we cannot retroactively make them come in. We make it general in nature. I do not think there is any greater example of need.

The Mississippi River basin is the fourth largest river basin in the world. We do not charge the States that send their water down on us, but it does let us go ahead where we have some project already going without destroying it by putting a requirement on a key part that may not yet be completed.

As I pointed out earlier, it has been 15 years since the last major bill authorizing construction of new Corps of Engineers projects was enacted. The conference agreement provides that projects will be constructed under terms and conditions provided for in H.R. 6 or similar legislation when such legislation is enacted.

There are several river basins including the Mississippi. When the overall project has been authorized and work begun, to protect these projects from having to be reauthorized, we provided the following general language:

> Where construction of a comprehensive project for flood control and improvement of a multi-state region described in this paragraph has commenced prior to the date of enactment of this Act, new or additional non-Federal cost-sharing shall not be required for any part of such comprehensive project, and where construction of such a project has begun prior to the date of enactment of this Act, all elements or features of the comprehensive project shall be considered to be part of that project.

As an example, the flood control, Mississippi River and tributaries project, authorized in 1928 after the devastating floods of 1927, directed the corps to conduct and develop a comprehensive system for controlling flooding in the Lower Mississippi Valley and includes parts of seven States: Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.

The Mississippi River has the fourth largest drainage basin in the world, exceeded in size only by the watersheds of the Amazon, Congo, and Nile Rivers. It drains 41 percent of 48 continental States of the United States. The basin covers more than 1,245,000 square miles, includes all or parts of 31 States and two Canadian Provinces, and roughly resembles a funnel which has its spout at the Gulf of Mexico. Waters from as far east as the State of New York and as far west as Montana contribute to flows in the lower river.

This comprehensive project provides flood protection for the alluvial valley of the Mississippi River from Cape Girardeau, MO, to the Head of Passes, LA; and for improvement of the Mississippi River for navigation from Cairo, IL, to Baton Rouge, LA. It includes the main river, the basins of the St. Francis, White, Arkansas, Tenas, Red, Yazoo, and Atchafalaya Rivers, the alluvial lands around Lake Pontchartrain, and the tributary streams in western Tennessee and Kentucky.

Mr. Speaker, rainfall from over 40 percent of the land area of the United States, exclusive of Alaska and Hawaii, flows down upon the people of the lower Mississippi Valley. The cost of such protection is beyond their ability to pay, and in all fairness they should not be required to try to pay.

These works are not new projects, rather they are elements and features toward completing a single, comprehensive, overall project. These works were authorized in 1928 as a flood control project. The remaining work is not new, but additional steps toward completing an existing project. Each element is an integral part of the overall project and each is interdependent—one cannot work without the others.

The people of the lower Mississippi River area face an ever growing problem from floods coming down upon them from over 40 percent of the land area of the United States. Failure to finish this project as a complete unit would have a devastating impact on my section of the country.

Increased urbanization in the United States has caused significant changes in hydrologic conditions, as evidenced by higher runoff rates and volumes, and lower ground water tables. The U.S. Department of Agriculture has estimated that between 1967 and 1982 about 900,000 acres of farmland were annually converted to urban or other built-up use. Conversion of forest, woodlands, range, meadows, and wetlands to agriculture, including the shifting of uncultivated or little cultivated pasture and farmland to a more extensively tilled agriculture, also contribute significantly to the velocity, peaking characteristics, and total volume of runoff. Although it is difficult to estimate the total number of acres of forest, grassland, and farmland being paved over annually, or other rapid change in land use affecting runoff, it is quite apparent that over the last decade our country has experienced a huge expansion of paved acreage, including highways, roads, streets, sidewalks, shopping centers, parking lots, and airport runways. This paving over of vast tracts of natural land is continuing unabated. In addition to pavements, huge surfaces of our natural lands have been covered over with buildings and structures of all kinds which serve to shed and quickly divert away any precipitation falling upon them.

The Corps of Engineers program of flood control, and flood, and hurricane damage prevention has cost about $20 billion to date and prevented about $146 billion in damages. Due primarily to the cumulative effects of this program, annual residual flood damages are no longer on a rising curve, although they still remain quite high, averaging $2.1 billion a year over the past decade. In some years, different hydrologic cycles will produce more floods and residual flood damages than in other years. But it is precisely in those years of high and frequent floods, when the higher than average residual flood damages are incurred, that the corps projects—structural, nonstructural, and combinations thereof—generally achieved their greatest benefits in flood damages prevented.

During fiscal years 1983 and 1984 flood damages in the entire United States totaled $7 billion whereas $40 billion in damages were prevented by corps projects. In those same 2 years, the Mississippi River and tributaries project alone prevented an estimated $31 billion in damages. In two seasons, the benefits were nearly nine times the investment in the project over the last half century.

During fiscal years 1983 and 1984, 322 lives were lost and over 51 million acres of land were inundated by floods. Corps studies show that within the lower Mississippi Valley alone about 6 million acres of farmland were flooded in fiscal year 1984.

It is totally unrealistic to expect the citizens of the lower Mississippi Valley to pay new or additional costs to protect themselves from devastating floods coming down on them from over 40 percent of the land area of the United States.

So I say to my dear colleagues—and God bless them, I will be right in there with them—until they get their authorization enacted, let us temporarily do this for about 18 months so we can get started on it. Again, if they authorize all the projects in the world, it is up to our committee to recommend those projects that we can afford under the existing budget. We hope we do a good job.

Now, we also have to get the Senate to approve them, and that is not easy. This time they gave us 341 amendments; 100 of them are legislation and are in violation of House rules. We have done the very best we can.

Let us not go on for another 15 years without starting new, essential projects. This is within the House rules or it would not be here. It says that when we bog down, as we have, we can follow this means of getting a vote and getting some relief.

Mr. Speaker, I hope the Members stay with us, and I assure them I will be in the forefront backing my friends, the gentleman from New Jersey, Mr. Bob Roe and Mr. Jim Howard. I have done that since I have been here. But if they authorize everything, again we still have to select and recommend.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. WHITTEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 170, nays 258, not voting 5, as follows:

[Roll No. 278]

YEAS—170

Addabbo
Akaka
Alexander
Aspin
AuCoin
Barnard
Barnes
Bateman
Bennett
Bentley
Bereuter
Berman
Bevill
Bilirakis
Bliley
Boggs
Boner (TN)
Bonker
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Burton (CA)
Bustamante
Byron
Callahan
Carney
Carr
Chappell
Chappie
Coble
Coelho
Coleman (MO)
Coleman (TX)
Cooper
Daniel
Darden
de la Garza
DeLay
Derrick
Dickinson
Dicks
DioGuardi
Dixon
Dornan (CA)
Dowdy
Durbin
Dwyer
Dymally
Dyson
Eckart (OH)
Eckert (NY)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Fazio
Feighan
Flippo
Foley
Franklin
Frost
Gaydos
Gephardt
Gibbons
Gordon
Green
Hawkins
Hayes
Hillis
Holt
Horton
Hoyer
Huckaby
Hunter
Hyde
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kemp
Kramer
LaFalce
Lagomarsino
Lantos
Lehman (CA)
Lehman (FL)
Levine (CA)
Lewis (CA)
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Luken
Matsui
McCloskey
McDade
McGrath
McHugh
Mikulski
Miller (CA)
Miller (OH)
Mitchell
Moore
Morrison (WA)
Murtha
Myers
Natcher
Nelson
Nichols
O'Brien
Oakar
Obey
Olin
Ortiz
Panetta
Parris
Pease
Perkins
Pickle
Price
Quillen
Regula
Reid
Richardson
Rogers
Rose
Roybal
Rudd
Sabo
Schaefer
Scheuer
Shelby
Sisisky
Skeen
Skelton
Slaughter
Smith (IA)
Smith (NE)
Smith, Denny
Smith, Robert
St Germain
Stallings
Stokes
Strang
Swift
Tauzin
Thomas (CA)
Torres
Traxler
Udall
Volkmer
Watkins
Waxman
Wheat
Whitehurst
Whitley
Whitten
Wirth
Wolf
Wyden
Yates
Young (FL)
Young (MO)

NAYS—258

Ackerman
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Atkins
Badham
Bartlett
Barton
Bates
Bedell
Beilenson
Biaggi
Boehlert
Boland
Bonior (MI)
Borski
Bosco
Boulter
Broomfield
Brown (CO)
Broyhill
Bryant
Burton (IN)
Campbell
Carper
Chandler
Cheney
Clay
Clinger
Coats
Cobey
Collins
Combest
Conte
Conyers
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Daschle
Daub
Davis
Dellums
DeWine
Dingell
Donnelly
Downey
Dreier
Duncan
Early
Edgar
Evans (IA)
Evans (IL)
Fascell
Fawell
Fiedler
Fields
Fish
Florio
Foglietta
Ford (MI)
Fowler
Frank
Frenzel
Fuqua
Gallo
Garcia
Gejdenson
Gekas
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Gray (IL)
Gray (PA)
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Heftel
Hendon
Henry
Hertel
Hiler
Hopkins
Howard
Hubbard
Hughes
Hutto
Ireland
Jacobs
Jeffords
Johnson
Kanjorski
Kasich
Kastenmeier
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Latta
Leach (IA)
Leath (TX)
Leland
Lent
Levin (MI)
Lewis (FL)
Lightfoot
Lipinski
Lujan
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Mavroules
Mazzoli
McCain
McCandless
McCollum
McCurdy
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moorhead
Morrison (CT)
Mrazek
Murphy
Neal
Nielson
Nowak
Oberstar
Owens
Oxley
Packard
Pashayan
Penny
Pepper
Petri
Porter
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Robinson
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Roukema
Rowland (CT)
Rowland (GA)
Russo
Savage
Saxton
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Siljander
Slattery
Smith (FL)
Smith (NH)
Smith (NJ)
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
Staggers
Stangeland
Stark
Stenholm
Stratton
Studds
Stump
Sundquist
Sweeney
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (GA)
Torricelli
Towns
Traficant

Valentine
Vander Jagt
Vento
Visclosky
Vucanovich
Walgren
Walker
Weaver
Weber
Weiss
Whittaker
Williams
Wilson
Wise
Wolpe
Wortley
Wright
Wylie
Yatron
Young (AK)
Zschau

NOT VOTING—5

Dorgan (ND)
Ford (TN)
Hefner
Loeffler
McEwen

□ 1447

Ms. FIEDLER and Mr. LENT changed their votes from "yea" to "nay."

Mr. HAYES and Mr. YATES changed their votes from "nay" to "yea."

So the motion was rejected.

The result of the vote was announced as above recorded.

MOTION OFFERED BY MR. HOWARD

Mr. HOWARD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Motion offered by Mr. Howard:

Mr. Howard moves that the House recede from its disagreement to the amendment of the Senate numbered 112 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

For an additional amount for the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by State, local governments, or private groups) authorized or made available for selection by law (but such studies shall not constitute a commitment of the Government to construction), to remain available until expended, $48,000,000 for "Construction, general" and $800,000 for "Flood control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee"; of which $7,800,000 shall be derived from the Inland Waterways Trust Fund; except that the Secretary of the Army acting through the Chief of Engineers is authorized and directed to proceed with planning, design, engineering, and construction of the following projects substantially in accordance with the individual report describing such project as reflected in the Joint Explanatory Statement of the Committee of Conference accompanying the Conference Report for H.R. 2577: Ardsley, New York; Atchafalaya Basin Floodway System, Louisiana; Baltimore Harbor and Channels, Maryland and Virginia; Barnegat Inlet, New Jersey; Bassett Creek, Minnesota; Bonneville Navigation Lock, Oregon and Washington; Clear Creek, Texas; Cleveland Harbor, Ohio; Colorado River and tributaries, Boggy Creek at Austin, Texas; Cowanesque Lake, Pennsylvania; Dade County, Florida (north of Haulover Beach Park); Des Moines Recreational River and Greenbelt, Iowa; Eight Mile Creek, Arkansas; Ellicott Creek, New York; Fairfield Vicinity Streams, California; Freeport Harbor, including relocation of North Jetty, Texas; Gallipolis Locks and Dams, Ohio and West Virginia; Geneve-on-the-Lake, Ohio; Gulfport Harbor, Mississippi; Jonesport Harbor, Maine; Kahoma Stream, Hawaii; Kill Van Kull Channel, Newark Bay Channel, New York and New Jersey; Liberty State Park Levee and Seawall, New Jersey; Little Dell Lake, Utah; Locks and Dam 26, Illinois and Missouri (Second Lock), including environmental management along the Upper Mississippi River Basin; Merced County Streams, California; Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana; Missouri National Recreational River, Nebraska and South Dakota; Mobile Harbor, Alabama; Moriches Inlet, New York; Norfolk Harbor, Virginia; Parker Lake, Oklahoma; Pearl River, Slidell, St. Tammany Parish, Louisiana; Port Ontario Harbor, New York; Richmond Harbor, California; Richmond local protection project, Virginia; Sacramento River Deep Water Ship Channel, California; Savannah Harbor Widening, Georgia; Tampa Harbor Branch Channels, including East Bay Channel maintenance, Florida; Virginia Beach Streams, Canal No. 2, Virginia; William Bacon Oliver Lock and Dam, Alabama: *Provided*, That none of the funds herein appropriated may be expended to undertake such projects except under terms and conditions acceptable to the Secretary of the Army (or under terms and conditions provided for in subsequent legislation when enacted into law) as shall be set forth in binding agreements with non-Federal entities desiring to participate in project construction. Each such agreement shall include a statement that the non-Federal entities are capable of and willing to participate in project cost-sharing and financing in accordance with terms of the agreement. At such time as the Secretary has executed a formal binding agreement and has determined that the non-Federal entitles' financing plan demonstrates a reasonable likelihood of the non-Federal entities' ability to satisfy the terms and conditions of the agreement, the Secretary shall initiate construction at a project in accordance with such agreement: *Provided further*, That the funds appropriated herein shall lapse on June 30, 1986, if the agreement required herein for that project has not been executed: *Provided further*, That were construction of a comprehensive project for flood control and improvement of a multi-State region described in this paragraph has commenced prior to the date of enactment of this Act, new or additional non-Federal cost-sharing shall not be required for any part of such comprehensive project, and where construction of such a project has begun prior to the date of enactment of this Act, all elements or features of the comprehensive project shall be considered to be part of that project: *Provided further*, That the initiation of inland waterways projects identified for planning, design, engineering, and construction in this Act may be funded from sums available in the Inland Waterways Trust Fund, established by the Inland Waterways Revenue Act of 1978 (title II of Public Law 95-502) notwithstanding the second sentence of section 204 of such Act. Notwithstanding any other provision of law (including any other provision of this Act), initiation of construction with respect to any project referred to in this paragraph shall be subject to subsequent enactment of legislation specifying the requirements of local cooperation for water resources development projects udner the jurisdiction of the Department of the Army and where appropriate, to enactment of needed authorizing legislation.

Mr. HOWARD (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore (Mr. Glickman). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. Howard] will be recognized for 30 minutes and the gentleman from Kentucky [Mr. Snyder] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. Howard].

Mr. HOWARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I believe we can handle this in a very short time.

Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. Roe] for an explanation of this motion.

Mr. ROE. I thank the gentleman for yielding.

Mr. Speaker, what the motion that the chairman of the Committee on Public Works and Transportation is offering does is very basically simple: We have made it very clear that it is not our desire to be in opposition to a person who has an authorized project or an unauthorized project. That is not our debate here today. All we are simply coming back and saying in our amendment, all the projects that were in the authorized bill of the Appropriations Committee and the unauthorized projects, will be placed back into this motion. the only difference will be that there is a codicil added, a provision added that no funding can be expected on unauthorized projects. That is all we are doing. We are affirming the position of the House which they voted on three or four times. Basically, that is exactly what we are attempting to do. Nobody won today and nobody lost in that vote, if I might use my remaining time. Nobody won and nobody lost because there were not to be any winners or losers. All we are simply trying to do is reaffirm the authority of the House, put our full support behind the Committee on Appropriations and say to the Committee on Appropriations one more time: The House is looking for fairplay, for equity, and for justice. We are not going to quarrel with the Senate, that is not our intent. So I hope that our colleagues can support the amendment of Mr. Howard, which would do that one simple thing, and then we can go on and get this job done.

Mr. HOWARD. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi [Mr. Whitten].

Mr. WHITTEN. Mr. Speaker, on behalf of the Appropriations Committee, we go along with the amendment as presented. I repeat again, we have been as strong for the authorizing committees as we can be. We expect, as always, to do all we can to help them win out on this because they are right on insisting the authorization go

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through. I repeat again, our effort was to help and our continued efforts will be to continue to help in any way that we can. We appreciate the feelings of the gentleman from New Jersey and we agree that he should be back in the picture. Again, we welcome his efforts and we expect to stay with him in our efforts to help him.

Mr. HOWARD. The committee and I appreciate the gentleman's statement, and thank the gentleman.

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. Conte].

Mr. CONTE. Mr. Speaker, I wish to commend the gentleman from New Jersey. We in the minority accept the amendment.

Mr. HOWARD. Mr. Speaker, I am happy to yield to the gentleman from Indiana.

Mr. MYERS of Indiana. I thank the chairman for yielding.

Some of the minority may not accept the amendment. If we can get clarification, possibly we can.

I do not have a copy of what the gentleman's amendment proposes, but what happens to cost sharing in his amendment?

Mr. ROE. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from New Jersey [Mr. Roe].

Mr. ROE. I thank the chairman for yielding. Under the present circumstances, the cost sharing will revert back to what the existing cost sharing is in existing legislation.

Mr. MYERS of Indiana. Which is none.

Mr. ROE. No; that is not true, no, no, no, no, no. There is a whole series of cost sharing that is involved in the existing legislation right now; land easements, right of way, 20 percent local participation. All the existing parts of the law remain intact.

When we get into cost sharing, additional adjustment on cost sharing, that will come through the authorizing process.

□ 1500

Mr. MYERS of Indiana. Well, if the gentleman will continue to yield, as a practical matter, I think we all will have to recognize, without cost sharing nothing is going to advance, even though they are authorized, until you get H.R. 6 passed, or something, because I do not think we are going to move forward on any of them.

Mr. ROE. Will the gentleman yield?

Mr. HOWARD. I yield to the gentleman.

Mr. ROE. I would have to disagree with the distinguished gentleman because projects are moving ahead; construction is under way, under existing authority and existing contracts that exist now.

So nothing is going to stop; what is in there is moving is going to move, until we get an authorizing bill through that puts the proper level of cost sharing into it.

Mr. MYERS of Indiana. The only cost sharing, if the gentleman will continue to yield, are historic ones of, like the gentleman says, easements, and these things have been in the law for quite some time, and this is what this administration has been objecting to; they want cost sharing on construction costs. Who will buy land or grant easements without some assistance that the Federal Government is going to put up its share?

Mr. ROE. Will the gentleman yield?

Mr. HOWARD. I am happy to yield.

Mr. ROE. Mr. Speaker, answering the gentleman's question.

In response to the gentleman, what we have done in H.R. 6, which is going to the Rules Committee in September as you know, we have included cost sharing. We met with Mr. Stockman three or four times, and struck an agreement with them, and we have included the bulk of that agreement in H.R. 6.

The administration knows what we are doing; the Senate knows what we are doing, and we are not that far apart on cost sharing. I do not think there will be a debate when they get to that issue. We will be able to solve that problem.

Mr. MYERS of Indiana. It still has to wait for future legislation, though, is what we are saying?

Mr. ROE. Yes, sir.

Mr. SNYDER. Mr. Speaker, I yield to the gentleman such time as he may consume.

Mr. CONTE. I want to ask the chairman if we may have a colloquy.

Mr. Speaker, I ask this of the chairman of the Committee on Public Works, because the gentleman from Indiana [Mr. Meyers] brought up an interesting point.

Now the amendment that we saw earlier, when we asked what amendment you were going to offer, the gentleman left the cost-sharing feature, as put in by the Senate in there. Is that right?

Otherwise, then, the amendment has been changed from the one we saw.

Mr. ROE. If the gentleman would yield, we have not removed any of the sections that the Appropriations Committee, with their work in the Senate, has put in there. They are all in there. We have reinstated the bill, but put the one codicil in that is, that those projects that are not authorized have to go through the authorizing process.

We did not change the cost sharing; we did not change any part of that. We are simply directing our attention to unauthorized projects.

Mr. CONTE. All right. Let me then ask the ranking minority member, is that the case, that you interpret it that way?

Mr. SNYDER. Well, we did not change any of the language that was in the bill, proposed as it was brought to us in the Senate amendment; however, the language that is added to it requires the authorization by the authorization committee of the unauthorized projects. In addition thereto, it puts the money in escrow until the cost-sharing legislation is passed by the Congress.

Mr. CONTE. I have to get this straight. On the one hand, I understand that you did not touch the Senate language in regards to cost sharing.

Mr. SNYDER. That is correct.

Mr. CONTE. On the other hand, the gentleman also says that all of the funds are put in escrow?

Mr. SNYDER. The funds that are appropriated are put in escrow pending the cost-sharing arrangement which will be enacted into law hopefully in H.R. 6.

Mr. CONTE. What happens to the authorized projects?

Mr. SNYDER. The money on the authorized projects goes into the escrow until such time as cost-sharing legislation is adopted.

Mr. SNYDER. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Edgar].

Mr. EDGAR. Mr. Speaker, I rise in support of this amendment, and if I could clarify for the gentleman from Massachusetts exactly what is happening in this particular provision.

There should be no controversy as to what we are doing, and this amendment has already been accepted by the chairman of the Appropriations Committee.

What the gentleman from New Jersey [Mr. Howard] has done is simply, in light of the last vote, we have put back into this bill all of the projects both authorized and unauthorized, that we just took out of the bill, but with one sentence.

Let me read the sentence. It says:

> Notwithstanding any other provision of law including any other provision of this Act, initiation of construction with respect to any project referred to in this paragraph shall be subject to subsequent enactment of legislation specifying the requirements of local cooperation for water resource development projects under the jurisdiction of the Department of the Army, and where appropriate, to enactment of needed authorizing legislation.

It simply means the following: This paragraph applies to both authorized and unauthorized projects. For the authorized projects, nothing moves forward until an authorizing bill, including cost sharing is passed and signed. For the unauthorized projects, they have to wait for the authorization bill as well.

It is very simple; it builds a fire under our bill, and that is the will of

the House as it relates to the last question.

I yield to the gentleman from Massachusetts [Mr. Conte].

Mr. CONTE. Well, Mr. Speaker, if that is what it does, then I would not have any problem; but in my colloquy with Mr. Snyder, he says that the authorized projects are being held up now, until—held in escrow, I think were his exact words—until the Congress enacts H.R. 6.

Mr. EDGAR. I think the explanation is true. The gentleman from Pennsylvania did not write the language here, and I just want to suggest to you gentlemen, it implies to both authorized and unauthorized, and it simply states that those projects that we are restoring will move the day after we sign an authorization bill into law that first has a cost-sharing provision that applies and second, provides for the authorization of the unauthorized projects. I think it is very simple.

Mr. FAZIO. Will the gentleman yield?

Mr. EDGAR. I yield to the gentleman.

Mr. FAZIO. In an effort to clarify further, you argued against the adoption of the Whitten amendment because we had 21 unauthorized projects in there.

Mr. EDGAR. That is correct.

Mr. FAZIO. This amendment also reaches back to encompass the 20 authorized projects which would have begun construction, and holds them as well in abeyance.

So there is no project going into construction whether it is authorized or unauthorized, nothing will happen unless H.R. 6 or some other vehicle like it is enacted.

Mr. EDGAR. Let me yield to my chairman for the response.

Mr. ROE. If the gentleman would yield, there is $47 million involved, as I recall the figure in this piece of legislation. That is No. 1.

No. 2, what we have provided for is that the area that was passed by the Appropriations Committee that included the engineering, design, and land acquisition, is not affected by that at all.

What we have done is put a clamp on the situation and say that the legislation, the enabling legislation, has to pass for those unauthorized projects to go ahead.

Let me hit one more point if the gentleman would continue to yield.

Mr. EDGAR. I yield to the gentleman.

Mr. ROE. We have passed, in this House, the appropriation bill, the 1986 appropriation bill for water resources projects. These same projects are included in there; $100 million has been allocated to go ahead with those projects; and the Senate is working on the 1986 authorization bill.

There are 2 months in between here that we are talking about, which really is insignificant to the overall program. So there is no money being taken away from anybody.

Mr. SMITH of Iowa. Will the gentleman yield?

Mr. EDGAR. I yield to the gentleman.

Mr. SMITH of Iowa. As I understand it, anything other than construction can go ahead. For example, a greenbelt can be established——

Mr. ROE. Yes, easements, rights of way——

Mr. SMITH of Iowa. As long as they do not spend any money for construction.

Mr. ROE. Engineering, design work; we specifically excluded that from this amendment. You can go ahead and do that work.

Mr. SNYDER. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. Myers].

Mr. MYERS of Indiana. Mr. Speaker, in the letter of July 30 that the Committee on Public Works circulated, you promise, if we are successful, we will just strike the unauthorized projects. Many people in this House voted because they were just striking unauthorized projects.

However, a whole new paragraph has been added here, and I quote. You can interpret it however you want to:

> Initiation of construction with respect to any project referred to in this paragraph—

Those are the authorized projects—

> shall be subject to subsequent enactment of legislation specifying requirements of local participation.

And it goes on.

□ 1510

Construction cannot start until we pass H.R. 6, or something similar. Your intentions may be all right. Maybe you want to start. But you cannot. According to language you have added here, which you did not put in your letter that you circulated to everyone, construction cannot start until additional legislation is enacted. But you are getting to those already authorized under previous law. You have changed previous law in an appropriation bill. That is just exactly what you said you were not going to do. But you have actually done that.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Is the gentleman saying that the amendment as written actually contradicts the letter that was sent out here today?

Mr. MYERS of Indiana. My interpretation, absolutely. And, again, read on page 4 of the amendment, starting on line 15, on down the rest of that page: "initiation of construction with respect to any project referred to in this" bill. Now it is just the authorized, authorized under previous law. "Shall be subject to subsequent enactment of legislation * * *." Subsequent, something in the future. You cannot start authorized until a new law is passed.

Mr. LIVINGSTON. If the gentleman will yield further, where does this leave the Members of the House who had authorized projects in this supplemental who voted against Chairman Whitten's motion and the water projects amendment?

Mr. MYERS of Indiana. They have been taken, because they did not see the language. I did not, either. I just finally got it about 2 minutes ago.

Mr. ROE. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from New Jersey.

Mr. ROE. I do not know why we are making this complicated. What we have done to those projects that are in there, we are simply saying that they cannot go ahead unless they are authorized. Now, we are not talking about an authorizing bill. We are talking about a supplemental appropriation bill. That is the issue. You have got $47 million in this bill for these projects. This committee, along with the Appropriations Committee, your committee, joined hand in hand 1 week ago, and you passed the 1986 appropriation bill for Public Works without even a vote. We passed it unanimously, and you have got $100 million in that bill, and you have got every one of these projects that are authorized in that bill. We are not trying to stop anything. We are simply trying to say that for this supplemental appropriation that we are going to put a clamp on that particular part of the bill.

Mr. MYERS of Indiana. That bill has not become law yet, has not passed the other body. This is going to become law, maybe. And you have stopped initial construction any way you read it, until new law is passed, even for those projects previously authorized.

Mr. ROE. You have got your engineering money and you have got your acquisition money, and everything is in there.

The SPEAKER pro tempore. Does the gentleman from Kentucky [Mr. Snyder] wish to yield time?

Mr. KEMP. Mr. Speaker, will the gentleman yield on this question?

Mr. SNYDER. I yield to the gentleman.

The SPEAKER pro tempore. How much time is the gentleman yielding?

Mr. SNYDER. Well, I do not know what he wants. Does the gentleman want a given amount of time?

Mr. KEMP. I just wanted to ask a question.

Mr. SNYDER. I yield to the gentleman to ask a question. I will stay on my feet.

Mr. KEMP. Mr. Speaker, would the chairman of the Public Works Committee clear up a question about those projects that have been authorized? It is not the appropriated funds that is in question. It is whether or not there has to be another authorization. Could the gentleman clear that up for those of us who have projects that are authorized that have cost-sharing agreements? There is great concern, both in our communities as well as on this floor, as to whether or not they will be affected by your amendment.

Mr. ROE. In my judgment—and I think the value of a colloquy on the floor has the same intent—it is the intent of the committee not to deauthorize anything. It is the intent of the committee to simply take those projects that have not been authorized and put a ceiling on them until they are authorized by the authorizing committee. That is all we are trying to do.

Mr. KEMP. I thank the Chair.

Mr. CONTE. Mr. Speaker, will the gentleman from Kentucky yield?

Mr. SNYDER. I yield to the gentleman from Massachusetts.

Mr. CONTE. I would like to make a suggestion in order to straighten this legislation out. A lot of people voted on the Whitten motion under the impression, and that was the debate we had on the floor here, based on Mr. Roe's statement that, "If the Whitten amendment goes down and I offer my amendment, my amendment will only apply to the unauthorized projects." And now we find that there is going to be an escrow for authorized projects as well. I have no projects in here, as the gentleman from Pennsylvania knows. But if there is an escrow for the authorized projects as well as the unauthorized projects, I think that is unfair.

I am wondering, in good sportsmanship and fairness, if Mr. Roe would accept an amendment on page 4. I know I need unanimous consent. On line 18, page 4, strike out "to subsequent enactment of legislation specifying the requirements of local cooperation for water resources development projects under the jurisdiction of the Department of Army." We could strike that language out. Then we will let this apply only to the unauthorized projects.

Mr. BEVILL. Mr. Speaker, I would object to that. I appreciate what the gentleman is trying to do, but that creates some other problems. Counsel tells me that that does not solve the problem.

Mr. LaFALCE. Mr. Speaker, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from New York.

Mr. LaFALCE. I think what we are attempting to do is to preserve the viability of the authorized projects and also preserve the cost-sharing arrangement. We are also concerned that the subsequent legislation might never come about. Therefore, I ask the gentleman from New Jersey and the gentleman from Massachusetts if they might be interested in an amendment of this nature: On line 18, after "initiation of construction with respect to any project referred to in this paragraph shall be subject to" insert the words "either a cost-sharing arrangement agreed to by the Corps of Engineers or authorized projects or", and then pick up the subsequent enactment of legislation specified.

This way you would be able to proceed with initiation of construction——

Mr. SNYDER. Mr. Speaker, may I reclaim my time?

The SPEAKER pro tempore. The gentleman from Kentucky [Mr. Snyder] controls the time at this point. The gentleman has requested the time back.

Mr. SNYDER. Mr. Speaker, I reclaim my time because we are getting into a debate here. People want unanimous consent to give the corps the authority to make a cost-sharing arrangement. I can tell you out front I am going to object to that, so there is no use going into it any further.

I reserve the balance of my time, and I thank the chairman of the Appropriations Committee and the ranking minority member for accepting the amendment.

Mr. HOWARD. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. Roe].

Mr. ROE. May I have a dialog with the gentleman from Massachusetts?

We would have no objection of accepting an amendment, just for clarification purposes, that would make it clear that authorized projects are not subject to that prohibition. We would have no problem with that.

Mr. BEVILL. I do object to that because this gets into some other problems and creates problems. So I would object to the amendment. Although I realize what my good friend and colleague is attempting to do, it does create some other problems, so I would object.

Mr. CONTE. You are the expert on this.

Mr. HOWARD. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. Edgar].

Mr. EDGAR. Mr. Speaker, I asked for 1 additional minute just simply to bring my colleagues up to date on what we are doing.

We took all of the language that was in the amendment we just defeated and put it back in the bill, with one sentence. And it is true that it concerns both the authorized and unauthorized projects. But its purpose is simply to say that nothing happens unless we move an authorization bill for this emergency supplemental. It does not mean that nothing happens. Because we have already passed an appropriation bill for fiscal year 1986. Nobody is going to go hungry in 1985, in August and September, because of this language. And I would urge my collleagues to support the language as it is presented for us and send it back to the Senate. The message that we are sending to the Senate is that the House of Representatives voted overwhelmingly that they want an authorization bill passed. I urge that we support this language.

☐ 1520

Mr. SNYDER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HOWARD. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the motion.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. Howard].

The question was taken; and on a division (demanded by Mr. Walker) there were—yeas 97, nays 5.

So the motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 121: Page 27, strike out lines 6 to 9, inclusive, and insert:

Within available funds, the Secretary of the Army is directed to use $400,000 to operate and maintain additional streambank stabilization structures in accordance with section 707 of Public Law 95–625.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 121 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

For an additional amount for "Operation and Maintenance, General", to remain available until expended, $2,600,000 with which the Corps of Engineers is directed to construct recreation facilities (including a recreation lake) at Sepulveda Dam, California.

Within available funds, the Secretary of the Army is directed to use $400,000 to operate and maintain additional streambank stabilization structures in accordance with Section 707 of Public Law 95–625.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 130: Page 31, strike out all after line 10 over to and including line 25 on page 33 and insert:

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to construct, operate and maintain a sediment retention structure near the confluence of the Toutle and Green Rivers, Washington, with such design features and associated downstream actions as are necessary.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion

The Clerk read as follows:

Mr. Whitten; moves that the House recede from its disagreement to the amendment of the Senate numbered 130 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to construct, operate, and maintain a sediment retention structure near the confluence of the Toutle and Green Rivers, Washington, with such design features and associated downstream actions as are necessary, in accordance with the Feasibility Report of the Chief of Engineers dated December 1984. The total non-Federal contribution toward payment of project costs shall be as set forth in such report.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement. The amendment reads as follows:

Senate amendment No. 131: Page 35, after line 4, insert:

Funds appropriated to the United States Army Corps of Engineers in the "Energy and Water Development Appropriations Act, 1985", Public Law 98–360, for the purpose of compensating certain landowners who have experienced damages as a result of drawdown operations of the Libby Dam in Montana shall be expended to evaluate and award compensation for damages of leveed and unleveed tracts of land in Kootenai Flats, Boundary County, Idaho, resulting from power or flood control drawdown operations at Libby Dam, Montana, *Provided*, That such evaluation and compensation of claims shall be made without regard to historic and expected patterns of erosion which otherwise might have occurred without the dam: *Provided further*, That all pertinent claims which have been previously denied shall be reinstated and reevaluated in accordance with this standard: *Provided further*, That compensation paid pursuant to this provision shall not exceed $1,500,000.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 131 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

Funds appropriated to the United States Army Corps of Engineers in the "Energy and Water Development Appropriation Act, 1985", Public Law 98–360, for the purpose of compensating certain landowners who have experienced damages as a result of drawdown operations of the Libby Dam in Montana shall be expended to evaluate and award compensation for erosion or other damages of leveed and unleveed tracts of land in Kootenai Flats, Boundary County, Idaho, resulting from power or flood control drawdown operations at Libby Dam, Montana: *Provided*, That such evalution and compensation of claims shall be based solely on the drawdown of water from Libby Dam for flood control, power operations, or other authorized purposes: *Provided further*, That compensation paid pursuant to this provision shall not exceed $1,500,000.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 132: Page 35, strike out all after the line 7 over to and including line 7 on page 36 and insert:

For an additional amount for the Department of the Interior, Bureau of Reclamation. "Construction program", for the design and construction of the Animas-La Plata Project, Colorado and New Mexico; Buffalo Bill Dam Project, Wyoming; and the Headgate Rock Project, Arizona, to remain available until expended, $14,300,000; of which $1,000,000 shall be available for transfers to the Upper Colorado River Basin Fund as authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d): *Provided*, That of the total appropriated, the amount for program activities which can be financed by the Reclamation Fund may be derived from that Fund: *Provided further*, That of the total appropriated, $8,300,000 is appropriated pursuant to the Snyder Act (25 U.S.C. 13), to be expended by the Bureau of Reclamation for the purpose of designing and initiating construction of the Headgate Rock Hydroelectric Project, Arizona: *Provided further*, That none of the funds herein appropriated may be expended to undertake such projects except under terms and conditions acceptable to the Secretary of the Interior as shall be set forth in binding agreements with those non-Federal entities desiring to participate in project construction. Each such agreement shall include a statement that the non-Federal entities are capable of and willing to participate in project cost-sharing and financing in accordance with terms of the agreement. At such time as the Secretary has executed a formal binding agreement and has determined that the non-Federal entities financing plan demonstrates a reasonable likelihood of the non-Federal interest's ability to satisfy the terms and conditions of the agreement, the Secretary shall transmit the agreement to the Congress: *Provided further*, That the Secretary shall initiate construction at a project in accordance with such agreement unless a Joint Resolution disapproving such agreement becomes law within ninety calendar days of the receipt of the agreement by Congress. The ninety-day period shall not include days on which either the House of Representatives or the Senate is not in session because of adjournment for more than three consecutive calendar days: *Provided further*, That the funds appropriated herein shall lapse on June 30, 1986, if the agreement required herein for that project has not been transmitted to Congress: *Provided further*, That the proviso requiring congressional review shall not apply to any binding agreements on cost-sharing entered into before the date of enactment of this Act, upon certification of the Secretary that the agreements comply with the cost-sharing financing and certification requirements of this section.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 132 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

For an additional amount for the Department of the Interior, Bureau of Reclamation, "Construction program", for the design and construction of the Animas-La Plata Project, Colorado and New Mexico; Buffalo Bill Dam Project, Wyoming; Boulder Canyon Project, Arizona and Nevada; and the Headgate Rock Project, Arizona, to remain available until expended, $14,300,000; of which $1,000,000 shall be available for transfers to the Upper Colorado River Basin Fund as authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d): *Provided*, That of the total appropriated, the amount for program activities which can be financed by the Reclamation Fund may be derived from that Fund: *Provided further*, That of the total appropriated, $8,300,000 is appropriated pursuant to the Snyder Act (25 U.S.C. 13), to be expended by the Bureau of Reclamation for the purpose of designing and initiating construction of the Headgate Rock Hydroelectric Project, Arizona: *Provided further*, That none of the funds herein appropriated may be expended to undertake such projects except under terms and conditions acceptable to the Secretary of the Interior as shall be set forth in binding agreements with those non-Federal entities desiring to participate in project construction. Each such agreement shall include a statement that the non-Federal entities are capable of and willing to participate in project cost-sharing and financing in accordance with terms of the agreement. At such time as the Secretary has executed a formal binding agreement and has determined that the non-Federal entities' financing plan demonstrates a reasonable likelihood of the non-Federal interest's ability to satisfy the terms and conditions of the agreement, the Secretary shall initiate construction at a project in accordance with such agreement: *Provided further*, That the funds appropriated herein shall lapse on June 30, 1986, if the agreement required herein for that project has not been executed.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 147: Page 40, line 5, strike out all after "Programs"," down to and including "Agency" in line 8 and insert "$2,843,000 to be derived by transfer from the 'Economic Support Fund' for Lebanon as provided in Public Law 98-63: *Provided*, That these funds shall be available only for the International Atomic Energy Agency: *Provided further*, That no funds shall be obligated after the date of enactment of this Act for the International Atomic Energy Agency unless the Secretary of State determines and so reports to the Committees on Appropriations that Israel is not being denied its right to fully participate in the activities of that Agency, including the rights, privileges or benefits that that Agency accords to all of its members".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moved that the House recede from its disagreement to the amendment of the Senate numbered 147 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$3,600,000 to be derived by transfer from the "Economic Support Fund" for Lebanon as provided by Public Law 98-63: *Provided*, That these funds shall be available only for the International Atomic Energy Agency: *Provided further*, That no funds shall be obligated after the date of enactment of this Act for the International Atomic Energy Agency unless the Secretary of State determines and so reports to the Committees on Appropriations that Israel is not being denied its right to fully participate in the activities of that Agency, including the rights, privileges or benefits that that Agency accords to all of its members".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 150: Page 41, line 3, strike out "$2,008,000,000: *Provided*" and insert "$2,258,000,000: *Provided*, That of the funds provided by this paragraph $250,000,000 shall be made available for Jordan only in accordance with the schedule of availability set forth in section 401(a)(1) and section 401(a)(2) of this Act: *Provided further*, That of the funds provided in this paragraph for Jordan, not more than 33⅓ percent may be disbursed before September 30, 1985, not more than 50 percent may be disbursed before March 31, 1986, not more than 66⅔ percent may be disbursed before September 30, 1986, and not more than 85 percent may be disbursed before March 31, 1987: *Provided further*, That notwithstanding any other provision of law, funds provided in this Act for Jordan, if not utilized for programs, projects, or other activities in Jordan, must be returned to the United States Treasury: *Provided further*".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 150 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$2,258,000,000: *Provided*, That of the funds provided by this paragraph $250,000,000 shall be made available, and shall remain available for obligation for Jordan until September 30, 1987, only in accordance with the schedule of availability set forth in section 402(a)(1) and section 402(a)(2) of this Act: *Provided further*, That of the funds provided in this paragraph for Jordan, not more than 33⅓ percent may be disbursed before September 30, 1985; not more than 50 percent may be disbursed before March 31, 1986; not more than 66⅔ percent may be disbursed before September 30, 1986; and, not more than 85 percent may be disbursed before March 31, 1987: *Provided further*, That notwithstanding any other provision of law, funds provided in this Act for Jordan, if not utilized for programs, projects, or other activities in Jordan, must be returned to the United States Treasury: *Provided further*,".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 153: Page 41, line 10, strike out all after "That" down to and including "ized" in line 12 and insert "funds provided by this paragraph shall be made available notwithstanding section 10 of Public Law 91-672: *Provided further*, That the funds provided by this paragraph for Israel and Egypt shall be made available as grant cash transfers: *Provided further*, That not less than the Egyptian pound equivalent of $65,000,000 generated from funds made available by this paragraph, or from any other source, shall be deposited into the Trust Funds established by the Trust Account Agreement of 1980 to be used for United States' supported programs in Egypt pursuant to the United States-Egypt Economic, Technical and Related Assistance Agreement of 1978 which provides for local currency requirements for programs of the United States in Egypt to be made available to the United States in the manner requested by the Government".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 153 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "funds provided by this paragraph shall be made available notwithstanding section 10 of Public Law 91-672: *Provided further*, That the funds provided by this paragraph for Israel and Egypt shall be made available as cash grant transfers: *Provided further*, That not less than the Egyptian pound equivalent of $50,000,000 generated from funds made available by this paragraph, or from any other source, shall be deposited into the Trust Funds established by the Trust Account Agreement of 1980 to be used for United States' supported programs in Egypt pursuant to the United States-Egypt Economic, Technical and Related Assistance Agreements of 1978 which provide for local currency requirements for programs of the United States in Egypt to be made available to the United States in the manner requested by the Government: *Provided further*, That prior to depositing funds into the Trust Fund, the Secretary of State shall notify the Appropriations Committees of both Houses of the Congress fifteen days in advance as to how the endowment is to be managed, where the funds will be deposited, the interest rate to be secured, and the procedures to be used in establishing, operating, and disbursing endowment funds: *Provided further*,".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 164: Page 56, after line 9, insert:

BUILDINGS AND FACILITIES

For an additional amount for "Buildings and facilities", $500,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 164 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

BUILDINGS AND FACILITIES

For an additional amount for "Buildings and facilities", $500,000, to remain available until expended: *Provided*, That none of these funds may be obligated until the completion of a feasibility study by the Environmental Protection Agency to determine the most cost-effective way to house the research program at Newport, Oregon.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 166: Page 56, after line 16, insert:

EMERGENCY FOOD AND SHELTER PROGRAM

There is hereby appropriated $110,000,000 to the Federal Emergency Management Agency, to remain available until September 30, 1986, to carry out an emergency food and shelter program. Notwithstanding any other provision of this or any other Act, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the National Council of Churches of Christ in the U.S.A., the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for $110,000,000 to the national board within thirty days after enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations and through units of local government.

Eligible private voluntary organizations should be nonprofit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's or unit of local government's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 166 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

EMERGENCY FOOD AND SHELTER PROGRAM

There is hereby appropriated $20,000,000 to the Federal Emergency Management Agency, to remain available until September 30, 1986, to carry out an emergency food and shelter program. Notwithstanding any other provision of this or any other Act, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the National Council of Churches of Christ in the U.S.A., the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for $20,000,000 to the national board within thirty days after enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations and through units of local government.

Eligible private voluntary organizations should be non-profit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's or unit of local government's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency.

The Director of the Federal Emergency Management Agency shall review the reported condition of the "street people" and other disadvantaged people in cities and counties throughout the Nation, including those reported in Tunica County, Mississippi, and report to the House and Senate Committees on Appropriations his recommendations for correcting or improving the situation which exists.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate Amendment No. 167: Page 56, after line 17, insert:

[TRANSFER OF FUNDS]

For an additional amount for "Salaries and expenses", $3,100,000 to be derived by transfer from "Emergency management planning and assistance".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House receded from its disagreement to the amendment of the Senate numbered 167 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$1,105,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 168: Page 57, after line 20, insert:

For an additional amount for "Research and development", $40,000,000, to remain available until September 30, 1986.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 168 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

For an additional amount for "Research and development", $40,000,000, to remain available until September 30, 1986: *Provided*, That this amount shall be deferred and shall not become available until March 1, 1986.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 178: Page 59, line 23, strike out "$45,000,000" and insert "$45,500,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 178 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$115,500,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 180: Page 60, after line 23, insert:

LAND ACQUISITION

For an additional amount for "Land acquisition", $1,000,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 180 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

LAND ACQUISITION

For an additional amount for "Land acquisition", $1,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended."

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 182: Page 61, after line 17, insert:

For an additional amount for "Land acquisition and state assistance", $22,000,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 183 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"For an additional amount for "Land acquisition and state assistance", $22,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended."

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate Amendment No. 194: Page 64, line 8, after "1986" insert ": *Provided further*, That no funds shall be paid to creditors of the Sangre de Cristo Development Company, Inc., whose claims are set aside by the United States Bankruptcy Court for the District of New Mexico".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 194 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following ": *Provided further*, That no funds shall be paid to creditors of the Sangre de Cristo Development Company, Inc., whose claims are set aside by the United States Bankruptcy Court for the District of New Mexico: *Provided further*, That general assistance payments made by the Bureau of Indian Affairs after April 29, 1985 shall be made on the basis of Aid to Families with Dependent Children (AFDC) standards of need except where a state ratably reduces AFDC payments in which event the Bureau shall reduce general assistance payments in such state by the same percentage as the state has reduced the AFDC payment".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 199: Page 66, after line 16, insert:

For an additional amount for "Land acquisition", $7,000,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 199 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"For an additional amount for 'Land acquisition', $7,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended."

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 200: Page 66, after line 19 insert:

ADMINISTRATIVE PROVISIONS

To assure that National Forest timber under contract from the Mapleton District of the Siuslaw National Forest prior to enactment of the Federal Timber Contract Payment Modification Act remains available, the Secretary of Agriculture is authorized to resell all timber which is defaulted, or which is returned under provisions of the Federal Timber Contract Payment Modification Act and permit roads and other associated developments, notwithstanding any other provision of law, and notwithstanding the injunctions issued in National Wildlife Federation et al. v. United States Forest Service et al., 592 F. Supp. 931 (D. ORE. 1984) and in No. 84-4274 (9th Cir., March 6, 1985). Any such timber shall be available for resale from the date of enactment of this Act until dissolution of the aforesaid injunctions. The Secretary shall give priority to resale of timber which is determined to have the least risk for environmental degradation to streams or other bodies of water. Sales that are reoffered may be modified, including minor additions. Any decision of the Secretary of Agriculture to resell such timber shall not be subject to judicial review.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 200 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

ADMINISTRATIVE PROVISIONS

To assure that National Forest timber under contract from the Mapleton District of the Siuslaw National Forest prior to enactment of the Federal Timber Contract Payment Modification Act remains available, the Secretary of Agriculture is authorized to resell all timber which is defaulted, or which is returned under provisions of the Federal Timber Contract Payment Modification Act and permit roads and other associated developments, notwithstanding any other provision of law, and notwithstanding the injunctions issued in National Wildlife Federation et al. v. United States Forest Service et al., 592 F. Supp. 931 (D. ORE. 1984) and in No. 84-4274 (9th Cir., March 6, 1985). Any such timber shall be available for resale from the date of enactment of this Act until dissolution of the aforesaid injunctions. The Secretary shall determine the potential environmental degradation to streams or other bodies of water of timber sales returned pursuant to the Federal Timber Contract Payment Modification Act and shall characterize each sale's potential environmental impact as minimal, moderate, or serious. The Secretary shall give resale priority to those sales with the least risk of potential environmental degradation. Sales that are reoffered may be modified, including minor additions. Any decision of the Secretary of Agriculture to resell such timber shall not be subject to judicial review.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 202: Page 66, line 23, strike out "$38,925,000" and insert "$8,350,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 202 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$39,154,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 203: Page 67, after line 4, insert:

(RESCISSION)

Of available funds under this head, $1,600,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 203 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

"(DEFERRAL)

"Of the funds available for obligation under this head, $1,600,000 shall not be available for obligation until October 1, 1985."

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 204: Page 68, strike out lines 16 to 24, inclusive.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 204 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

"SPR PETROLEUM ACCOUNT

"(DISAPPROVAL OF DEFERRAL)

"The Congress disapproves $290,070,000 of the proposed deferral D85-42 relating to the Department of Energy, 'SPR petroleum account', as set forth in the message of February 6, 1985, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

"Notwithstanding any other provision of law, section 160(d)(1) of the Energy Policy and Conservation Act (Public Law 94-163, as amended) is amended by adding a new subsection as follows:

"Strike the period at the end of subsection (B) and insert the following:

"; or

"(C) the fill rate is sufficient to attain a level of 500,000,000 barrels by the end of the fiscal year during which the fill rate falls below the rate established in (B).".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 211: Page 69, strike out lines 14 to 19, inclusive.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 211 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

"GENERAL PROVISIONS

"None of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1985 by this or any other Act may be used to implement the proposed jurisdictional interchange program."

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 214: Page 69, after line 19, insert:

Section 117 of Public Law 98-151 (97 Stat. 977) is amended as follows:

(1) Delete the date "December 31, 1985" and inserting in lieu thereof the following: "until future action by the Congress to the contrary", and

(2) After the words "Orange County" insert the following: ", Rockland County, Ulster County, or Sullivan County".

Public Law 98-63 (97 Stat. 329) is amended as follows:

(1) In subsection (2) delete the numeral "10" and insert in lieu thereof: "7";

(2) In subsection (4) delete the word "State's" and insert in lieu thereof: "States'";

(3) In subsection (4) after the words "State of New Jersey" insert "and the State of New York"; and

(4) In subsection (4) after the words "In New Jersey" insert "and in New York".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 214 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Section 117 of Public Law 98-151 (97 Stat. 977) is amended as follows:

(1) Delete the date "December 31, 1985" and insert in lieu thereof the following: "until future action by the Congress to the contrary",

(2) After the words "Orange County" insert the following: ", Rockland County, Ulster County, or Sullivan County"; and

(3) Delete the words "up to 150 northbound and up to 150 southbound commercial vehicles" and insert in lieu thereof the following: "up to 125 northbound and up to 125 southbound commercial vehicles".

Public Law 98-63 (97 Stat. 329) is amended as follows:

(1) In subsection (2) delete the numeral "10" and insert in lieu thereof: "7";

(2) In subsection (4) delete the word "State's" and insert in lieu thereof: "States'";

(3) In subsection (4) after the words "State of New Jersey" insert "and the state of New York"; and

(4) In subsection (4) after the words "In New Jersey" insert "and in New York".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 230: Page 70, after line 4, insert:

NATIONAL INSTITUTES OF HEALTH

Of the funds appropriated by Public Law 98-619 for fiscal year 1985 for extramural research grants (including grants to research centers) to be awarded by the National Institutes of Health, and required to be obligated in that fiscal year, not to exceed $3,550,000,000 (including amounts obligated prior to the enactment of this Act) may be applied to the cost of activities conducted by grantees within the twelve months immediately following the month of the awards to those grantees, and not to exceed $100,000,000 may be applied to the cost of activities conducted by grantees within the thirty-six months immediately following the month of the awards to those grantees, as specified in the respective grant awards.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 230 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

"NATIONAL INSTITUTES OF HEALTH

"Of the funds appropriated by Public Law 98-619 for fiscal year 1985 for extramural research grants to be awarded by the National Institutes of Health, and required to be obligated in that fiscal year, not to exceed $20,000,000 shall remain available for obligation until September 30, 1986: *Provided*, That funds appropriated for fiscal year 1985 shall be used to support no fewer than 6,200 new and competing research projects and 533 research centers."

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate Amendment No. 234: Page 70, after line 4, insert:

Of the funds appropriated by Public Law 98-619 for fiscal year 1985 for extramural research grants (including grants to research centers) to be awarded by the Alcohol, Drug Abuse, and Mental Health Administration, and required to be obligated in that fiscal year, not to exeed $231,210,000 (including amounts obligated prior to the enactment of this Act) may be applied to the cost of activities conducted by grantees within the twelve months immediately following the month of the awards to those grantees and not to exceed $7,350,000 may be applied to the cost of activities conducted by grantees within the thirty-six months immediately following the month of the awards to those grantees, as specified in the respective grant awards.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 234 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Funds appropriated by Public Law 98-619 for fiscal year 1985 for extramural research grants to be awarded by the Alcohol, Drug Abuse and Mental Health Administration and required to be obligated in that fiscal year shall be used to support no fewer than 550 new and competing research projects."

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 235: Page 70, line 20, strike out after "services"," down to and including "98-457)" in line 21, and insert "$16,000,000, of which $6,000,000 shall be to carry out the Family Violence Prevention and Services Act (title III of Public Law 98-457), $5,000,000 shall be to carry out chapter 8-D of title VI-A of the Omnibus Budget Reconciliation Act of 1981 (pertaining to grants to States for planning and development of dependent care programs), and $5,000,000 for a child abuse prevention Federal challenge grant program under sections 402 through 409 of Public Law 98-473".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 235 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: $11,000,000 to remain available until September 30, 1986, of which $6,000,000 shall be for carrying out the Family Violence Prevention and Services Act (title III of Public Law 98-457), and $5,000,000 shall be for carrying out a child abuse prevention Federal challenge grant program under sections 402 through 409 of Public Law 98-473".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 249: Page 72, after line 10, insert:

SENATE

EXPENSE ALLOWANCES OF THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS, THE MAJORITY AND MINORITY WHIPS, AND THE CHAIRMEN OF THE MAJORITY AND MINORITY CONFERENCE COMMITTEES

For an additional amount for "Expense Allowances of the Vice President, the President pro tempore, Majority and Minority leaders, the Majority and Minority Whips, and the Chairmen of the Majority and Minority Conference Committees", $6,000: *Provided*, That, for each fiscal year (commencing with the fiscal year ending September 30, 1985), there is hereby authorized an expense allowance for the Chairmen of the Majority and Minority Conference Committees which shall not exceed $3,000 each fiscal year for each such Chairman; and amounts from such allowance shall be paid to either of such Chairmen only as reimbursement for actual expenses incurred by him and upon certification and documentation of such expenses, and amounts so paid shall not be reported as income and shall not be allowed as a deduction under title 26, United States Code.

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, $10,000 for each such Leader; in all $20,000.

SALARIES, OFFICERS AND EMPLOYEES

ADMINISTRATIVE, CLERICAL, AND LEGISLATIVE ASSISTANCE TO SENATORS

For an additional amount for "Administrative, Clerical and Legislative Assistance to Senators", $1,136,000.

CONTINGENT EXPENSES OF THE SENATE

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For an additional amount for "Sergeant at Arms and Doorkeeper of the Senate", $7,258,000, of which $4,800,000 shall remain available until September 30, 1986.

ADMINISTRATIVE PROVISIONS

SEC. 191. Effective October 1, 1984, the allowance for administrative and clerical assistance of each Senator from the State of Missouri is increased to that allowed Senators from States having a population of five million but less than seven million, the population of said State having exceeded five million inhabitants.

SEC. 192. For each fiscal year (commencing with the fiscal year ending September 30, 1985) there is authorized to be appropriated to the account, within the contingent fund of the Senate, for the Sergeant at Arms and Doorkeeper of the Senate, such funds (which shall be in addition to funds authorized to be so appropriated for other purposes) as may be necessary for the purchase, lease, exchange, maintenance, and operation of vehicles as follows: one for the Vice President, one for the President pro tempore of the Senate, one for the Majority Leader of the Senate, one for the Minority Leader of the Senate, one for the Majority Whip of the Senate, one for the Minority Whip of the Senate, and such number as is needed for carrying mails, and for official use of the offices of the Secretary of the Senate, the Sergeant at Arms and Doorkeeper of the Senate, the Secretary for the Majority, and the Secretary for the Minority.

SEC. 193. The second sentence of section 107(a) of the Supplemental Appropriations Act, 1979 (Public Law 96-38; 2 U.S.C. 69a) is amended by striking out "Senators and members of their staffs," and inserting in lieu thereof "Senators, Senate officials, or members of the staffs of Senators or Senate officials".

SEC. 194. Section 3(c)(2) under the heading "Administrative Provisions" in the appropriation for the Senate in the Legislative Branch Appropriation Act, 1975 (2 U.S.C. 50(c)(2)) is amended by striking out "$22,550" and inserting in lieu thereof "$30,000" and by striking out "$550" and inserting in lieu thereof "$734".

SEC. 195. (a) Funds authorized to be expended under section 120 of Public Law 97-51 (2 U.S.C. 61g-6) may be used by the Majority or Minority Conference Committee of the Senate, with the approval of the Committee on Rules and Administration, to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, to make studies or advise the committee with respect to any matter within its jurisdiction.

(b) Such services in the case of individuals or organizations may be procured by contract as independent contractors, or in the case of individuals, by employment at daily rates of compensation not in excess of the per diem equivalent of the highest gross rate of compensation which may be paid to a regular employee of such committee. Such contracts shall not be subject to the provisions of section 5 of title 41 or any other provision of law requiring advertising.

(c) Any such consultant or organization shall be selected for the Majority or Minority Conference Committee of the Senate by the chairman thereof.

SEC. 196. The chairman of the Majority or Minority Conference Committee of the Senate may, during the fiscal year ending September 30, 1985, at his election, transfer not more than $65,000 from the appropriation account for salaries for the Conference of the Majority and the Conference of the Minority of the Senate, to the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6). Any transfer of funds under authority of the preceding sentence shall be made at such time or times as such chairman shall specify in writing to the Senate Disbursing Office. Any funds so transferred by the chairman of the Majority or Minority Conference Committee shall be available for expenditure by such committee in like manner and for the same purposes as are other moneys which are available for expenditure by such committee from the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6).

SEC. 197. (a) There is hereby established an account, within the Senate, to be known as the "Representation Allowance Account for the Majority and Minority Leaders". Such Allowance Account shall be used by the Majority and Minority Leaders of the Senate to assist them properly to discharge their appropriate responsibilities in the United States to members of foreign legislative bodies and prominent officials of foreign governments and intergovernmental organizations.

(b) Payments authorized to be made under this section shall be paid by the Secretary of the Senate. Of the funds available for expenditure from such Allowance Account for any fiscal year, one-half shall be allotted to the Majority Leader and one-half shall be allotted to the Minority Leader. Amounts paid from such Allowance Account to the Majority or Minority Leader shall be paid to him from his allotment and shall be paid to him only as reimbursement for actual expenses incurred by him and upon certification and documentation of such expenses. Amounts paid to the Majority or Minority Leader pursuant to this section shall not be reported as income and shall not be allowed as a deduction under title 26, United States Code.

(c) There are authorized to be appropriated for each fiscal year (commencing with the fiscal year ending September 30, 1985) not more than $20,000 to the Allowance Account established by this section.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 249 and concur therein with an amendment, as follows: Immediately before the heading "ADMINISTRATIVE PROVISIONS" in the amendment, insert the following:

INQUIRIES AND INVESTIGATIONS

For an additional amount for "Inquiries and Investigations", $3,000,000.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 257 Page 73, after line 16, insert:

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Operations", $15,000,000, of which $7,200,000 shall be derived by transfer from "Redeemable preference shares", $5,000,000 from "Payments to air carriers", $1,300,000 from "Construction, Metropolitan Washington Airports", and $1,500,000 from "Headquarters administration": *Provided*, That section 5532(f)(2) of title V, United States Code, is amended by striking "December 31, 1985" and inserting "December 31, 1986" in lieu thereof: *Provided further*, That section 8344(h) of title V, United States Code, is amended (a) by adding the following phrase at the end of paragraph (1): ": *Provided, however*, That the amount such an annuitant may receive in pay, excluding premium pay, in any pay period when aggregated with the annuity payable during that same period shall not exceed the rate payable for level V of the Executive Schedule."; and (b) by striking "August 3, 1981" in paragraph (2) and inserting "April 1, 1985" in lieu thereof: *Provided further*, That in the event that the Federal Aviation Administrator employs annuitants subject to section 8344(h) of title V, United States Code, not to exceed $10,000,000, to be derived from the unobligated balance of any appropriation available for obligation by the Federal Aviation Administration as of the effective date of this Act, shall be available through December 31, 1986 for the purpose of funding such employment: *Providing further*, That any such funding shall be reported to the Committees on Appropriations of the Senate and the House of Representatives.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the house recede from its disagreement to the amendment of the Senate numbered 257 and concur therein with an amendment, as follows: I lieu of the matter inserted by said amendment, insert the following:

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Operations", $15,000,000, of which $5,000,000 shall be derived by transfer from "Redeemable preference shares", $5,000,000 from "Payments to air carriers", $2,500,000 from "Construction, Metropolitan Washington Airports", and $2,500,000 from "Headquarters administration": Provided, That section 5532(f) (2) of title V, United States Code, is amended by striking "December 31, 1985" and inserting "December 31, 1986" in lieu thereof: Provided further, That section 8344(h) of title V, United States Code, is amended (a) by adding the following phrases at the end of paragraph (1): ": Provided, however, That the amount such an annuitant may receive in pay, excluding premium pay, in any pay period when aggregated with the annuity payable during that same period shall not exceed the rate payable for level V of the Executive Schedule."; and (b) by striking "August 3, 1981" in paragraph (2) and inserting "April 1, 1985" in lieu thereof: Provided further, That in the event that the Federal Aviation Administrator employs annuitants subjects to section 8344(h) of title V, United States Code, not to exceed $10,000,000 to be derived from the unobligated balance of any appropriations available for obligation by the Federal Aviation Administration as of the effective date of this Act, shall be available through December 31, 1986 for the purpose of funding such employment: Provided further, That any such funding shall be reported to the Committees on Appropriations of the Senate and the House of Representatives.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

□ 1530

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 258: Page 74, after line 10, insert:

In addition to other amounts provided under this head, an additional $2,000,000, to remain available until expended, for the employment of law enforcement personnel performing security functions aboard international aircraft in flight pursuant to sections 315 and 316 of the Federal Aviation Act of 1958 (49 U.S.C. 1356 and 1357).

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 258, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

For an additional amount, in addition to the other amounts provided under this head, $2,000,000, to remain available until expended, for an expanded air marshall program on international flights of United States air carriers pursuant to sections 315 and 316 of the Federal Aviation Act of 1958 (49 U.S.C. 1356 and 1357).

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 260: Page 74, line 25, strike out "$5,300,000" and insert "$9,340,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 260 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$14,640,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 261: Page 74, line 25, strike out "$3,533,333" and insert "$6,226,978".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten. Moves that the House recede from its disagreement to the amendment of the Senate numbered 261 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$9,760,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 262: Page 75, lines 14 and 15, strike out "$7,500,000 or so much thereof as may be available on May 2, 1985" and insert "$2,000,000".

Mr. DINGELL. Mr. Speaker, I reserve a point of order against the amendment.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 262 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "no funds

shall be obligated until the Secretary has made a complete, definitive and binding ruling on the compliance of each state mandatory safety belt use law that has been enacted as of the date of this act with the minimum criteria set forth in Federal Motor Vehicle Safety Standard 208: *Provided*, That all funds available under this head for the purposes of carrying out a national program to encourage the use of automobile safety belts and passive restraints shall remain available until September 30, 1986: *Provided further*, That, notwithstanding the immediately preceding proviso, of the funds available under this head for the purposes of carrying out a national program to encourage the use of automobile safety belts and passive restraints, $3,000,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

Mr. SOLOMON. Mr. Speaker, I reserve the right to object.

Mr. DINGELL. Mr. Speaker, I reserve a point of order against the motion.

The SPEAKER pro tempore. The gentleman from New York [Mr. Solomon] reserves the right to object, and the gentleman from Michigan [Mr. Dingell] reserves a point of order against the motion.

Mr. DINGELL. And the right to object.

The SPEAKER pro tempore. And reserves the right to object. The gentleman has reserved the right to object on the reading of the motion.

Mr. DINGELL. I will leave my dear friend that right and ask only that I have it, too, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from New York [Mr. Solomon] is recognized on his reservation.

Mr. SOLOMON. Mr. Speaker, reserving the right to object, I would like to ask the ranking member or the chairman for an explanation of this amendment.

I have some reservations about this because, first of all, this House has had a habit in the past of just giving broad powers to all these Secretaries and members of Cabinets where they go out and they promulgate all kinds of rules and regulations far beyond the original intent of the legislation that we passed in this House.

I, for one, am unalterably opposed to mandatory seatbelts or mandatory airbags, and I do not know what this refers to. I do not mind voluntary airbags, I do not mind voluntary seatbelts, but I would like to know whether this is a pro-Ralph Nader amendment, whether this is a proairbag, proseatbelt law, or whether it an anti. Would somebody please explain to me how it got in this legislation?

Mr. DINGELL. Mr. Speaker, may I make a point of order? I am not sure whether the gentleman from Massachusetts is entitled to reserve the right to object to his own unanimous-consent request.

Mr. CONTE. The gentleman from New York [Mr. Solomon] reserved the right to object.

The SPEAKER pro tempore. The Chair will indicate that the gentleman from New York has reserved the right to object to the unanimous-consent request that the motion be considered as read. Is the gentleman from Michigan challenging that?

Mr. DINGELL. I simply reserve the same right, Mr. Speaker. I am glad to have my friend from New York be heard.

The SPEAKER pro tempore. The gentleman has also reserved a point of order on the motion itself.

Mr. SOLOMON. Mr. Speaker, further reserving the right to object, I would yield to the gentleman from Florida [Mr. Lehman].

Mr. LEHMAN of Florida. I thank the gentleman from New York for yielding.

This does neither of the concerns which the gentleman seems to hear about. It simply rescinds the seatbelt money.

Mr. SOLOMON. Further reserving the right to object, Mr. Speaker, I would like to yield to the gentleman from Michigan [Mr. Dingell]. I would like to hear from him. I think this appropriately comes before his committee and maybe he could enlighten us. I do not know what it is doing in this bill.

Mr. DINGELL. I thank the gentleman for yielding to me. I confess myself little able to enlighten this body about this provision except to make an observation that the language referred to is very clearly legislation. It compels the Secretary to make a "complete, definitive, and binding" rule on the compliance of each State mandatory seatbelt use law that has been enacted as of the date of this act with the minimum criteria set forth in the Federal motor vehicle standard 208.

This is something that is not required either in any law of which I am aware, nor is it an appropriate action by the Appropriations Committee.

It goes on to state that all funds available under this provision and last year's continuing resolution, for the purposes of carrying out a national program to encourage the use of automobile safety belts and passive restraints, shall remain available through fiscal year 1986.

Then it says, notwithstanding the immediately preceding proviso, funds under this provision shall be available to carrying out national programs to encourage the use of automotive safety belts and passive restraints.

Our dear friends on the Appropriations Committee appear to have been legislating here and appear to have gone well beyond any existing authority. Beyond that, I cannot assist my good friend from New York, who I commend for raising this point at this time.

At the same time, I want to congratulate Chairman Whitten for his holding to the House position in this conference report concerning the Pacific-Intertie which appears at page 51 of the conference report. The House language, which results from the Fazio-Dingell amendment adopted on this floor, was fully explained by us on this floor. The language in the conference report is not in accord with the legislative language adopted by the House.

Mr. SOLOMON. Further reserving the right to object, Mr. Speaker, I would ask the gentleman from Michigan if he intends to pursue his point of order, which seems to be well taken in this body?

Mr. DINGELL. If the gentleman will yield further, the answer to that question, I tell my dear friend, is yes.

Mr. SOLOMON. At that point, Mr. Speaker, I certainly have to agree with the gentleman from Michigan, because I think that whether intentionally or unintentionally, the committee is legislating in an appropriation bill and I would hope that we do nothing to enhance the further encouragement of mandatory seatbelts or airbags on the American citizens.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the unanimous-consent request that the motion be considered as read?

There was no objection.

The SPEAKER pro tempore. Does the gentleman from Michigan [Mr. Dingell] wish to make his point of order?

Mr. DINGELL. I have no objection to my dear friend making such comments as he deems appropriate and I would raise then my point of order if that meets the approval of my friend.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. Dingell] reserves a point of order. Does the gentleman from Mississippi [Mr. Whitten] wish to be heard on his motion?

Mr. WHITTEN. May I say we faced some 100-odd amendments that were legislative in our conference. As a result, those with which we did not differ too much we went along with just to get the conference over with after 3 days of meetings.

If a point of order is made against this amendment, I would like to hear the point of order and then would pass judgment on what to do. I suggest that this is in line with what we would like to do, but if there is objection to it, I would suggest that the point of order be made and that would be prevailing.

POINT OF ORDER

Mr. DINGELL. I am prepared to make the point of order, then, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. DINGELL. Mr. Speaker, I make a point of order regarding amendment No. 262. The point of order is that that amendment is nongermane to the Senate amendment and so is violative of the rules of the House relative to this point.

Mr. WHITTEN. Mr. Speaker, I concede the point of order.

The SPEAKER pro tempore. The gentleman from Mississippi concedes the point of order. The point of order, therefore, is sustained.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement to the amendment of the Senate numbered 262.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 272: Page 80, line 8, strike out "$2,800,000," and insert "$14,400,000, of which $12,200,000 shall remain availabile until September 30, 1986".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 272 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$15,000,000, of which $12,200,000 shall remain available until September 30, 1986,".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as folows:

The Senate amendment No. 289: Page 89, after line 16, insert:

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

For an additional amount for "Governmental Direction and Support", $4,295,000.

ECONOMIC DEVELOPMENT AND REGULATION

For an additional amount for "Economic Development and Regulation", $9,849,000.

PUBLIC SAFETY AND JUSTICE

For an additional amount for "Public Safety and Justice", $21,681,000.

PUBLIC EDUCATION SYSTEM

(INCLUDING RESCISSION)

Of the funds appropriated for "Public Education System" for fiscal year 1985 in Public Law 98-473, a net amount of $3,249,000 is rescinded with increases and rescissions as allocated follows: $5,000,000 additional for the Public Schools of the District of Columbia; $100,000 additional for the Public Library; $151,000 additional for the Commission on the Arts and Humanities; and a rescission of $8,500,000 from the amount allocated to the District of Columbia Teachers' Retirement Fund.

HUMAN SUPPORT SERVICES

For an additional amount for "Human Support Services", $7,866,000: Provided further, That $698,000 of revenue sharing trust funds appropriated for fiscal year 1985 in Public Law 98-473, are rescinded.

PUBLIC WORKS

(RESCISSION)

Of the funds appropriated for "Public Works" for fiscal year 1985 in Public Law 98-473, $875,000 are rescinded.

WASHINGTON CONVENTION CENTER FUND

For an additional amount for "Washington Convention Center Fund", $500,000.

REPAYMENT OF LOANS AND INTEREST

(RESCISSION)

Of the funds appropriated for "Repayment of Loans and Interest" for fiscal year 1985, $1,473,000 are rescinded.

SHORT-TERM BORROWINGS

(RESCISSIONS)

Of the funds appropriated for "Short-Term Borrowings", for fiscal year 1985, $1,250,000 are rescinded.

PERSONAL SERVICES

For one time bonus costs, to be apportioned by the Mayor of the District of Columbia within the various appropriation hearings in this Act, from which employees are properly payable, $8,327,000.

ADJUSTMENTS

Reductions within Object Class 30A (energy) under the heading "Adjustments", for fiscal year 1985 in Public Law 98-473 and reductions within authorized appropriations and expenditures for professionals and related services under the heading "General Provisions", section 132 for fiscal year 1985 in Public Law 98-473, shall be applied to the appropriation "Repayment of General Fund Deficit".

CAPITAL OUTLAY

For an additional amount for "Capital Outlay", $5,750,000.

WATER AND SEWER ENTERPRISE FUND

For an additional amount for "Water and Sewer Enterprise Fund", $10,801,000.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 289 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

For an additional amount for "Governmental direction and support", $4,553,000: *Provided*, That $170,000 of this additional amount shall be allocated exclusively to the Commercial Assessment Division of the Department of Finance and Revenue to fund six new commercial assessor positions: *Provided further*, That of the $100,000 appropriated for fiscal year 1985 for the Statehood Constitutional Convention, $50,000 shall be for the Statehood Commission and $50,000 shall be for the Statehood Compact Commission: *Provided further*, That the cash and/or budget authority balance available to the Statehood Constitutional Convention on the date of expiration of the terms of its members, as distinguished from that allocated for the Statehood Commission and the Statehood Compact Commission, shall revert to the general fund of the District of Columbia.

ECONOMIC DEVELOPMENT AND REGULATION

For an additional amount for "Economic development and regulation", $9,873,000.

PUBLIC SAFETY AND JUSTICE

(INCLUDING RESCISSION)

For an additional amount for "Public safety and justice", $26,680,000: *Provided*, That $2,300,000 of this amount shall be allocated to the Metropolitan Police Department for the sole purpose of paying additional wages and fringe benefits of the Fraternal Order of Police arbitration award should that award not be disapproved according to law: *Provided further*, That if the arbitration award is disapproved, the $2,300,000 shall be used solely for repayment of the general fund deficit: *Provided further*, That notwithstanding any other provision of law, in the case of each employee who retired from the Fire Department of the District of Columbia before February 15, 1980, and who is receiving on the date of the enactment of this Act an annuity based on service in the Fire Department, the District of Columbia Retirement Board shall cause to be paid not later than September 30, 1985, to each such employee a lump-sum payment equal to three percent of his or her annuity: *Provided further*, That of available funds under this head for fiscal year 1985, $300,000 are rescinded.

PUBLIC EDUCATION SYSTEM

(INCLUDING RESCISSION)

For an additional amount for "Public education system", $6,835,000, to be allocated as follows: $5,000,000 additional for the public schools of the District of Columbia; $1,324,000 additional for the University of the District of Columbia; $4,000 additional for the Educational Institution Licensure Commission; $356,000 additional for the Public Library; and $151,000 additional for the Commission on the Arts and Humanities: *Provided*, That of the funds available under this head for fiscal year 1985, $11,794,000 of the amount allocated to the District of Columbia Teachers' Retirement Fund are rescinded.

HUMAN SUPPORT SERVICES

(INCLUDING RESCISSION)

For an additional amount for "Human support services", $9,598,000: *Provided*, That of the amount available from the revenue sharing trust fund for fiscal year 1985, $698,000 are rescinded.

PUBLIC WORKS

(RESCISSION)

Of available funds under this head for fiscal year 1985, $875,000 are rescinded.

WASHINGTON CONVENTION CENTER FUND

For an additional amount for "Washington Convention Center Fund", $324,000.

REPAYMENT OF LOANS AND INTEREST

(RESCISSION)

Of available funds under this head for fiscal year 1985, $1,473,000 are rescinded.

REPAYMENT OF GENERAL FUND DEFICIT

For an additional amount for "Repayment of general fund deficit", $3,500,000.

SHORT-TERM BORROWINGS

(RESCISSION)

Of available funds under this head for fiscal year 1985, $1,250,000 are rescinded.

CAPITAL OUTLAY

For an additional amount for "Capital outlay", $23,400,000.

WATER AND SEWER ENTERPRISE FUND

For an additional amount for "Water and sewer enterprise fund", $10,801,000.

GENERAL PROVISIONS

SEC. 134. The Public Service Commission is hereby authorized to order and to approve the deregulation of streetlighting service to the District of Columbia as provided in its option and order in Formal Case No. 813, dated July 12, 1984 (Order No. 8056), notwithstanding the provisions of section 493(a) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 811; Public Law 93-198; D.C. Code, sec. 43-402), section 8, paragraph 2 of An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and fourteen, and for other purposes, approved March 4, 1913 (37 Stat. 977; Public Law 67-435; D.C. Code, sec. 43-501), and section 1 of An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred, and for other purposes, approved March 3, 1899 (30 Stat. 1053; D.C. Code, sec. 43-1207): *Provided*, That the provisions of this opinion and order regarding deregulation of streetlighting service are hereby ratified and declared to be in effect as of July 12, 1984, and shall continue to be in effect until revoked or rescinded.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 299: Page 95, line 13, strike out "$2,783,000 to" and insert "$5,860,000, of which $3,077,000 shall be derived by transfer from General Administration, "Salaries and expenses", and $2,783,000 shall".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 299 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$4,860,000, of which $2,783,000 shall".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 307: Page 96, line 7, strike out "$72,367,000" and insert "$66,454,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 307 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$36,454,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 330: Page 106, line 11, after "Service" " insert ": *Provided*, That expenses of transportation audit contracts and contract administration shall be in addition to this amount and shall be hereafter financed from overcharges collected from carriers on transportation bills by the Government and other similar type refunds at not to exceed $5,200,000 annually".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 330 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided*, That expenses of transportation audit contracts and contract administration shall be in addition to this amount and shall be financed from overcharges collected from carriers on transportation bills paid by the Government and other similar type refunds at not to exceed $5,200,000 annually. This proviso will be effective from date of enactment of this Act through September 30, 1989".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the final amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 340: Page 110, after line 8, insert:

TITLE IV

AUTHORIZATION OF ECONOMIC SUPPORT FUND ASSISTANCE FOR JORDAN

SHORT TITLE

SEC. 401. This title may be cited as the "Jordan Supplemental Economic Assistance Authorization Act of 1985".

ECONOMIC SUPPORT FUND

SEC. 402. (a)(1) In addition to funds otherwise available for such purposes for such fiscal year, there are authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $250,000,000 for the fiscal year 1985, which amount shall be available only for Jordan.

(2) Of the funds authorized to be appropriated by paragraph (1)—

(A) for the fiscal year 1985, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance;

(B) for the fiscal year 1986, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance; and

(C) for the fiscal year 1987, $60,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance.

(b) Amounts appropriated to carry out this section are authorized to remain available until September 30, 1987.

POLICY

SEC. 403. It shall be the policy of the Congress to consider a Jordanian request for major defense articles upon the commencement of direct peace negotiations between Israel and Jordan if Israel is willing to enter into such negotiations.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 340 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

TITLE IV

AUTHORIZATION OF ECONOMIC SUPPORT FUND ASSISTANCE FOR JORDAN

SHORT TITLE

Sec. 401. This title may be cited as the "Jordan Supplemental Economic Assistance Authorization Act of 1985".

ECONOMIC SUPPORT FUND

Sec. 402. (a)(1) In addition to funds otherwise available for such purposes for such fiscal year, there are authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $250,000,000 for the fiscal year 1985, which amount shall be available only for Jordan.

(2) Of the funds authorized to be appropriated by paragraph (1)—

(A) for the fiscal year 1985, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance;

(B) for fiscal year 1986, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance; and

(C) for the fiscal year 1987, $60,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance.

(b) Amounts appropriated to carry out this section are authorized to remain available until September 30, 1987.

POLICY

Sec. 403. (a) Sense of Congress.—It is the sense of Congress that no foreign military sales financing authorized by this Act may be used to finance the procurement by Jordan of United States advanced aircraft, new air defense weapons systems, or other new advanced military weapons systems, and no notification may be made pursuant to section 36(b) of the Arms Export Control Act with respect to a proposed sale to Jordan of United States advanced aircraft, new air defense systems, or other new advanced military weapons systems, unless Jordan is publicly committed to the recognition of Israel and to negotiate promptly and directly with Israel under the basic tenets of United Nations Security Council Resolutions 242 and 338.

(b) Certification.—Any notification made pursuant to section 36(b) of the Arms Export Control Act with respect to a proposed sale to Jordan of United States advanced aircraft, new air defense systems or other new advanced military weapons, must be accompanied by a Presidential certification of Jordan's public commitment to the recognition of Israel and to negotiate promptly and directly with Israel under the basic tenets of United Nations Security Council Resolutions 242 and 338.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

□ 1540

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3011, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1986

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 240 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 240

Resolved, That during the consideration of the bill (H.R. 3011) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes, all points of order against the following provisions in the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived: beginning on page 2, lines 1 through 21; beginning on page 4, line 6 through page 6, line 19; beginning on page 8, line 10 through page 9, line 10; beginning on page 9, line 16 through page 10, line 2; beginning on page 11, line 11 through page 12, line 8; beginning on page 13, lines 3 through 26; beginning on page 14, lines 19 through 22; beginning on page 16, line 8 through page 17, line 9; beginning on page 26, line 8 through page 27, line 19; beginning on page 41, lines 12 through 21; beginning on page 45, line 20 through the colon on page 50, line 5; beginning after the colon on page 50, line 8 through page 50, line 16; beginning on page 52, line 12 through page 53, line 18; beginning on page 56, line 16 through page 57, line 15; beginning on page 61, line 3 through page 63, line 8; and beginning on page 65, lines 1 through 4; and all points of order against the following provisions in the bill for failure to comply with the provisions of clause 6 of rule XXI are hereby waived: beginning on page 45, line 20 through page 48, line 24; and beginning on page 52, line 12 through page 53, line 18. In any case where this resolution waives points of order against only a portion of a paragraph, a point of order against any other provision in such paragraph may be made only against such provision and not against the entire paragraph. It shall be in order to consider an amendment to the bill printed in the Congressional Record of July 23, 1985, by Representative Sharp of Indiana, if offered by Representative Sharp or Representative Conte of Massachusetts, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived. Said amendment shall not be subject to amendment but shall be debatable for not to exceed one hour, to be equally divided and controlled by the proponent of the amendment and a member opposed thereto.

The SPEAKER pro tempore. The gentleman from Texas [Mr. Frost] is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. Quillen], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 240 waives certain points of order and provides procedures for the consideration of H.R. 3011, the Department of Interior and related agencies appropriation for fiscal year 1986. The rule does not provide for the consideration of H.R. 3011, since general appropriation bills are privileged; rather, the rule protects specified provisions of the bill against points of order for failure to comply with the provisions of clauses 2 and 6 of rule XXI. Clause 2 of rule XXI prohibits unauthorized appropriations and legislative provisions in a general appropriation bill while clause 6 of rule XXI prohibits reappropriations or transfers in those bills.

Mr. Speaker, this resolution is virtually identical to the rule which was considered and defeated last week, with the exception of the addition of a provision allowing a Synthetic Fuels Corporation amendment. Members of the House, and especially members of the Rules Committee, are well aware of the issues surrounding the defeat of the rule last week. Accordingly, in order that the House may proceed to the consideration of the Department of Interior Appropriation for the coming fiscal year, the Committee on Rules has reported a second rule which makes in order an amendment to the bill which rescinds the funding of the Synthetic Fuels Corporation. The rule provides waivers of clause 2, rule XXI and clause 7, rule XVI, the germaneness rule, against the amendment printed in the Congressional Record of July 23, 1985 by the gentleman from Indiana [Mr. Sharp] if the amendment is offered by either Representative Sharp or the gentleman from Massachusetts [Mr. Conte]. The rule also provides that the amendment is not subject to amendment and is debatable for 1 hour which shall be equally divided and controlled by the proponent of the amendment and a Member opposed thereto.

Mr. Speaker, the Conte-Sharp amendment, which was fully discussed and debated during the consideration of House Resolution 227 last week, rescinds all appropriations for the Synthetic Fuels Corporation except for $500 million which is to remain in the Energy Security Reserve for administrative expenses; such amounts as may be necessary to liquidate obligations incurred under contracts entered into before the date of enactment of the rescission; and such funds transferred to the Department of Energy from the Energy Security Fund for the clean coal technology reserve.

Mr. Speaker, the specific provisions of the bill for which the waivers of clause 2 and clause 6 of rule XXI are provided and detailed in the rule by

page and line. I should note that the waivers provided in the rule are those requested by the chairman of the Committee on Appropriations, Mr. Whitten. In large part, the provisions protected by clause 2, rule XXI waivers in the rule are unauthorized appropriations which are at some stage of the legislative process but have yet to be enacted into law. Generally, the granting of these waivers requested by Chairman Whitten was not found to be objectionable by the relevant legislative committees. However, in one instance, the authorizing committee, Energy and Commerce, did object to the language proposed to be protected by a waiver of clause 2 of rule XXI. This language, which prohibits the test sale of oil from strategic petroleum reserve, was not protected in the rule by the Committee on Rules in light of the objection raised by the chairman of the Committee on Energy and Commerce.

However, in order to protect the remainder of this paragraph in the bill, the rule provides that should a point of order be raised against the test sale language, that the point of order may be made only against that language in the paragraph and not against the paragraph as a whole. This provision in the rule leaves the remainder of the paragraph relating to the strategic petroleum reserve protected against points of order under clause 2 of rule XXI.

The paragraphs granted a waiver of clause 2, rule XXI in title I of the bill provide appropriations for a number of agencies involved in activities related to the programs of the Department of the Interior including the Bureau of Land Management; resource management, land acquisition and construction within the United States Fish and Wildlife Service; funds for operations, construction and the John F. Kennedy Center for the Performing Arts within the National Park Service; the Geological Survey; and Administration of Territories. Waivers of clause 2, rule XXI in title II are provided for the Youth Conservation Corps within the Forest Service; various programs within the Department of Energy; Indian Health Services within the Department of Health and Human Services; the Smithsonian Institution; the National Foundation on the Arts and Humanities; and the United States Holocaust Memorial Council.

The rule also protects three provisions in title II against points of order against the failure to comply with clause 6 of rule XXI. These provisions are also protected by clause 2, rule XXI waivers. Specifically, the rule protests the clean coal technology reserve and the fossil energy research and development accounts within the Department of Energy because they contain transferred funds and the appropriation for the Indian Health Service within the Department of Health and Human Services because it contains reappropriations.

Mr. Speaker, the rule before the Members contains the same waivers of clauses 2 and 6 of rule XXI against the bill as the rule considered last week. Since the Committee on Rules has now included a provision for the consideration of the Syn Fuels amendment, I would urge my colleagues to adopt the rule so that the House may proceed to the consideration of the Interior appropriation bill.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I rise in support of the rule.

A rule similar to this except that it did not make in order a synthetic fuels amendment was fully debated on the floor of the House and was defeated by a vote of 179 to 251. I felt as if I had been run over by an elephant and a donkey. I got walloped the last time this was on the floor.

The amendment that is now made in order will, in my opinion, abolish the Synthetic Fuels Corporation. But be that as it may, the House has acted. We need to get down to the business of passing the Interior appropriation.

Mr. Speaker, I have no requests for time, and I urge adoption of the rule.

Mr. FROST. Mr. Speaker, I have no request for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. Biaggi). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 408, nays 19, not voting 6, as follows:

[Roll No. 279]

YEAS—408

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Coyne
Craig
Crockett
Daniel
Dannemeyer
Darden
Daschle
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
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Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Heftel
Hendon
Henry
Hertel
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Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
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Lungren
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
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Matsui
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Miller (CA)
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Morrison (CT)
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Nichols
Nowak
O'Brien
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Obey
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Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
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Pickle
Porter
Price
Purcell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
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Savage
Saxton
Scheuer
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Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert

Snowe
Snyder
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—19

Cobey
Crane
Daub
Durbin
Frenzel
Kramer
LaFalce
Mack
Monson
Nielson
Roberts
Schaefer
Smith (NH)
Smith, Denny
Solomon
Strang
Vucanovich
Walker
Weber

NOT VOTING—6

Addabbo
Courter
Hefner
Kennelly
Loeffler
McEwen

□ 1600

Mr. STRANG changed his vote from "yea" to "nay." Messrs. SENSENBRENNER, GUNDERSON, MILLER of Washington, and HOYER changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YATES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3011, Department of Interior and related agencies' appropriations, 1986, which we are about to consider, and that I may be permitted to include tables, charts, and other materials.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

JOLIET PRIEST HELD HOSTAGE IN LEBANON SINCE JANUARY 8

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, January 8, 1985, was the day President Reagan announced the Cabinet shuffle that saw Treasury Secretary Regan swap jobs with White House Chief of Staff Jim Baker.

On January 8, General Motors announced it had formed the Saturn Corp. to build a new U.S. small car and was looking for a site for a large new auto plant.

Illinois Governor Thompson signed legislation requiring Illinois drivers to fasten their seatbelts.

Temperatures in the Chicago area hovered in the midtwenties. Eight inches of snow fell in Chicago Heights.

Hillcrest defeated Joliet West, 64-63, in a high school basketball game.

At 4:30 a.m., January 8, 1985, Mae Mihelich of Joliet, IL, was awakened by a phone call telling her that her brother, Father Lawrence Jenco, had been kidnaped at gunpoint on the streets of Beirut.

Mr. Speaker, today marks the 204th day Father Jenco has been held hostage in Lebanon.

Today is the 502d day of captivity for William Buckley, a Beirut Embassy officer.

The Reverend Benjamin Weir has been held hostage 449 days.

Today is the 137th day of captivity for Terry Anderson, the Associated Press bureau chief in Beirut.

David Jacobsen, director of the American University Hospital, Beirut, has been held hostage 64 days.

Today is the 51st day of captivity for Thomas Sutherland, dean of the American University school of agriculture.

Today also marks the 239th day since the disappearance of Peter Kilburn, the American University librarian.

Mr. Speaker, the Lebanese hostage crisis has dragged on for more than 500 days.

INTRODUCTION OF BILL TO PROHIBIT WAIVERS OF THE BUDGET ACT

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, here we are, on the eve of a month-long vacation, while the national budget process lies in tatters. We wax eloquent here amidst the ruins; we cry out about how crucial it is to have a budget resolution adopted; blame everyone but ourselves, then, in the heat of the debate and the summer temperatures, merrily say, well, it is not so important that it cannot wait 4 more weeks while we toddle home to extol our own virtues to the electorate. Who are we fooling? Certainly not the people who sent us here to get a job done.

Mr. Speaker, the Congress should be ashamed of itself for not remaining in session until the budget resolution, now long overdue under our own House rules, is adopted. We owe it to the American people. The fact is, we owe $1.8 trillion.

Today I am introducing legislation to prohibit any waiver of the Budget Act which would allow general appropriation bills to be considered absent House and Senate adoption of the first concurrent budget resolution. We established this budget process in 1974 to bring some order to the spend, spend, borrow, borrow binge we were on, but since that time we have treated the process with cavalier contempt. We should either prohibit the end runs—the waivers—around the budget process and put some teeth into it, or scrap it altogether. To do anything else is nothing less than a sham and hocus-pocus for the people we represent.

□ 1610

WHEN A STUDY IS NOT A STUDY

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, tomorrow I understand we will be asked to address the question of comparable worth legislation introduced on the floor of the House. The proponents of the bill keep trying to assure us that this is just a study and that there will be no ramifications. Indeed, in one of their "Dear Colleague" letters, they quoted Mayor Robert Issac of Colorado Springs, CO, who encouraged the Congress of the United States to undertake such a study. And if they do, according to Mr. Issac, "They had better be prepared to either implement it or be able to explain it away to the court," as they were not prepared in Washington State.

THE BRITISH GOVERNMENT'S POLICY OF SELECTIVE MORALITY

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, on Tuesday last an extraordinary statement was issued by British Foreign Secretary, Sir Geoffrey Howe about South Africa. It was extraordinary not because of what it said, but because of the rank hypocrisy associated with it.

Howe called on South Africa to: End its state of emergency, end apartheid which he called abhorrent, release jailed political prisoners, end detention without trial, and start abolition of laws discriminating against blacks.

No one quarrels with any of these points. Yet, one must ask why the double standard? How can Great Britain be so forceful in condemning South Africa when many of the same

policies exist in Northern Ireland, which is under their direct rule?

Northern Ireland has been under a state of emergency for more than 10 years. As a result, there is detention without trial and trials without juries. There is also rampant discrimination practiced against the Catholic minority.

There are also political prisoners in Northern Ireland. Some have been jailed for as long as 15 years. They are not being released. In fact, the British Government wants to repeal entirely, the political exception category in their extradition treaty with the United States.

It is time the British Government ended its policy of selective morality and realized that Northern Ireland is their South Africa.

NEVADA'S WILDERNESS BILL

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, Nevada is a State of abundant beauty and prosperity, and it is with these themes in mind that I, along with my Nevadan colleagues in the Senate, have introduced a conservative wilderness bill to ensure that balance between the land's beauty and prosperity.

The proposed wilderness areas encompass some 137,000 acres of Nevada's most spectacular topography which are to be set aside for our future generations to enjoy. Choosing these areas was a difficult process considering the many interests involved. Of course, preserving our wilderness lands is of major concern as are the numerous mining and ranching activities which require extensive use and access to the land. Combined with these concerns are the many voices in the State emphasizing that 82 percent of Nevada is already controlled by the Federal Government and to further limit the people's control of their land is a matter of personal importance.

As introduced, Nevada's wilderness bill seeks to emphasize the importance of the land both for its pristine qualities and its economic necessity to miners, ranchers, and entire communities who are tied to the land for their very livelihood.

Wilderness is a very important topic in Nevada for many reasons, and I am pleased to say that Nevada's wilderness bill is a postitive move forward for the State and its people.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, I would like to take this opportunity to commend a valiant and successful effort of private initiative in my home State. As one of only three in the Nation, the Central Florida Zoo has provided an entertaining and educational service to the local community without the assistance of one tax dollar.

On August 10, the Central Florida Zoological Society is celebrating 10 years of serving the community and has paid its own way. Nestled in Sanford, Seminole County, it is one of only three privately owned zoos in the Nation. The 21-acre complex features 530 animals representing 190 species and serves over 100,000 visitors a year. Bengal tigers, Asian elephants and even a hippopotamus stroll the grounds bringing joy to children of all ages.

The zoo has delighted the local population and has received enough encouraging private support from the area that it has embarked on an ambitious growth project. Within the next 5 years, the zoo intends to move to southwest Orlando to a larger area. Moving to Turkey Lake Park, the zoo will increase its acreage 5 times to 100 acres and triple its resident population to 1,500 animals, seeking to serve over 460,000 visitors, all through private initiative and private funding.

The local public supports the Central Florida Zoo many ways. Through admissions and concessions, 85 percent of its operating funds are earned. The remaining 15 percent of its costs are raised by the community through contributions from local businesses and by private citizens. An annual Wild West Auction held in a local hotel features items donated by local businesses and community leaders. The area businesses have been very supportive. Also, each year students, seniors, and others contribute moneys through a membership drive, with the average contribution in the neighborhood of $25. This drive now boasts over 2,000 active members.

When news of the upcoming project broke, many in the area have voiced support. One individual, an 86-year-old gentleman wrote the mayor of Orlando and enclosed a $1,000 check saying, "I'm 86 years old, so the zoo means little to me personally, but children would enjoy it so much." In another noble contribution by a private citizen, an anonymous donor gave $25,000 to the cause.

Private initiatives such as these by members of the community have been the driving force in America which has inspired industries admired and copied the world over. As President Reagan has recently heralded, private initiative can overcome reliance on Government funding for community needs.

In conclusion, I would like to applaud the Central Florida Zoo for providing the community with a valuable resource for the past decade without the use of tax dollars, and commend the community's efforts to keep the zoo successful.

COME THIS FALL, OUR NATIONAL DEBT WILL SURPASS $2 TRILLION

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, $2 trillion. Come this fall, our national debt will surpass $2 trillion. We passed the $1 trillion mark only 3 years ago.

So what do we do?

Well, here in Congress we continue to blow smoke about deficit reduction programs that haven't worked before and probably won't in the future. Congress has proven over and over again it will not, or cannot control its spending.

So, again, I am reminding my colleagues that when you really get serious about solving these deficits, the balanced budget amendment is enjoying the 70-percent support of the American people: and is ready to go.

These deficits will not go away on their own and there aren't a lot of options or time left.

Mr. Speaker, this House will have the opportunity to act on this amendment again this fall and there will only be two positions, either you are for or against us.

So, this fall, when you are asked to vote to raise the national debt past the $2 trillion mark, and while you are voting to run the Government by continuing resolution again, and while you are moving to add another $200 billion in deficit to the national debt, you better be ready to have a better reason for opposing the amendment than saying it won't work—the people already know nothing else has.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1986

Mr. YATES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3011), making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Ohio [Mr. REGULA] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. YATES].

The motion was agreed to.

☐ 1618

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3011, with Mr. FOWLER in the chair.

The Clerk read the title of the bill.

☐ 1620

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Illinois [Mr. YATES] will be recognized for 30 minutes and the gentleman from Ohio [Mr. REGULA] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I am pleased to bring to the Committee of the Whole, the Interior and related agencies appropriations bill for fiscal year 1986. The total for the bill as recommended, is $8,261,119,000. The 1986 bill is $315 million below the 1985 level, Mr. Chairman, including the fiscal year 1985 amount appropriated for the strategic petroleum reserve as part of the fiscal year 1984 supplemental.

The gentleman from Minnesota [Mr. FRENZEL] proposes to offer an amendment later in the debate in which he says that the bill is above the 1985 level. Our committee contends it is not. We advance-appropriated, upon the request of strategic petroleum reserve officials an amount necessary to construct storage facilities on the grounds that they would be able to save money. That money was properly a part of the 1985 appropriation, and should be considered that in comparing the two totals.

We are not only within the budget that was approved by the House, Mr. Chairman; we are $315 million below the budget figure that was allocated to our subcommittee under section 302(b) of the budget bill that was approved.

Third, the question was asked of us as to whether or not our bill included pay costs. Some of the subcommittees' bills which have come to the floor have proposed postponing until a supplemental bill the question of pay costs. Our pay costs are fully funded in this bill; there are no pay cuts that went to reduce the total amount.

The Budget Committee has taken $4 billion in savings on the contracting-out services. The Appropriations Committee staff was asked to look into that question to see whether that was an actual saving, and the question was asked as to what that impact would be upon the Interior bill.

We have the report of the Appropriations Committee that 73 percent of contracting-out expenses would be expended by the Department of Defense, and the portion that we have of the rest is fairly miniscule when it is divided up among the other 12 bills.

Yes, Mr. Chairman, we exceeded the President's budget for a number of agencies because we thought we had to. For example, the President's budget included no money for the land and water conservation fund. We provided $144 million for Federal acquisitions, and $50 million for States because of the threats of development, the need to protect our national parks, our forests, our public lands, the wetlands and the refuges.

The comparable 1985 figures for the land and water conservation funds were $188 million for Federal funding and $75 million for the States.

In past bills, moratoriums on offshore leasing have aroused contention in the House. All moratoriums have been stricken from this bill except one for the Georges Bank fishing area, which is one of the most important fishing areas off our coasts.

Finally, Mr. Chairman, our subcommittee believes we have acted responsibly; we had 42 full days of hearings in which we heard more than 1,100 witnesses, including 249 Members of Congress who appeared and made requests that our committee take certain actions.

We attended those hearings, and our bill is based on them. Our hearings fill 11 volumes, covering 12,500 pages. We have increased some appropriations; we have decreased appropriations for approximately 88 programs.

All in all, our total bill, the total figure that we arrived at, we say is below the figure for fiscal year 1985.

Mr. Chairman, we urge the House to support our bill. In concluding, Mr. Chairman, I want to express my gratitude to my good friend, RALPH REGULA, the ranking member on the subcommittee, for his tremendous cooperation during the year. He attended the hearings; he made very valuable contributions, he made very valuable suggestions and recommendations in drafting and in marking up the bill, and we are deeply indebted to him.

We also are grateful, too, for other members of our subcommittee; Mr. MURTHA, Mr. DICKS, Mr. AUCOIN, Mr. BOLAND; and we respect and approve of contributions that they made in drafting this bill.

We also are grateful, too, for Mr. LOEFFLER and for Mr. MCDADE, the former ranking member, who knows as much about our bill and about the programs that make it up as any Member of the House.

Mr. Chairman, I am pleased to bring to the Committee of the Whole the Interior and related agencies appropriation bill for fiscal year 1986. The total for the bill as recommended is $8,261,119,000. When compared with the comparable figure for fiscal year 1985, including the fiscal year 1985 amount appropriated for the strategic petroleum reserve as part of the fiscal year supplemental, the 1986 bill is $315,407,000 below the 1985 level. This means we are actually reducing overall program levels.

The bill reflects our continuing investment in America and the American people. It provides the amounts necessary to support the national heritage of all Americans—the public lands, the national parks, the national forests, and the cultural and historic preservation of the heritage that we want to pass along to our children, our grandchildren, and the generations to come; and to continue the hope and dream that each of us has that what we pass along for our children and the coming generations will be better than what we enjoy now.

The bill provides total appropriations of new budget authority of $8,261,119,000. Although final congressional action has not been completed on the first budget resolution, the amounts recommended in this bill are within the amounts assumed in the House-passed budget resolution pursuant to section 302 of the Budget Act. Not only within but $300 million bolow.

The bill includes $4,151,663,000 for programs of the Department of the Interior; $1,444,698,000 for the U.S. Forest Service; $1,069,939,000 for programs of the Department of Energy; and $1,594,819,000 for Indian health, Indian education, the Smithsonian Institution, the National Endowments for the Arts and Humanities, and the other related agencies of the bill, all of which are described in the detail in the report accompanying the bill.

The programs within the bill in many ways represent an investment in America itself, and those investments provide significant returns. For example, programs funded in this bill will generate estimated revenues of over $12 billion in fiscal year 1986.

There are a number of items in this bill which have caused the committee to say the President's budget must be exceeded, in order to continue vital programs to meet established national goals.

For example, there is an increase of $179 million for land acquisition in refuges, parks, national forests, and public lands. This includes $50 million for State assistance program. We could not agree with the administration's request for a 3-year moratorium on land acquisition. Prices would only go higher; critical habitat would be

lost; and private landowners inconvenienced. However, the total recommended for land acquisition is $63 million below the 1985 level. The committee has also recommended increases of $205 million in Indian programs, including construction of hospitals, clinics, and schools, irrigation and sanitation facilities, and protection and development of natural resources on reservation lands, in keeping with our trust responsibilities to the Indian people. Again, however, the recommended funding for these programs in fiscal year 1986 is $18 million below the enacted level for fiscal year 1985.

Recognizing the growing importance of the quality of the Nation's water, the committee has recommended a $5 million initiative for beginning a national water quality assessment to be coordinated by the U.S. Geological Survey. Problems with agricultural runoff such as at the Kesterson Wildlife Refuge in California and with toxic waste burial led the committee to make this recommendation.

For energy programs, there are increases of $441 million over the request. This includes additional money for low income weatherization, weatherization of schools and hospitals, and technologies for burning coal in a more efficient, safe manner.

The committee has conditioned the activation of the low-income weatherization performance fund on an appropriation which exceeds the fiscal year 1985 level by at least 5 percent. However, we expect the Department to proceed with all activities necessary to make allocations from the fund as authorized, including a rulemaking to establish a system for measuring superior performance, and implementation of that system.

The committee has also recommended the transfer of $750,000,000 from the funds available to the Synthetic Fuels Corporation to the Department of Energy for the clean coal technology reserve established by the 1985 Appropriation Act. These funds will be made available over the next 3 fiscal years for projects that will substantially decrease the environmental impacts of using coal, beginning with $100,000,000 in fiscal year 1986. All projects funded from the reserve will be at least 50 percent cost-shared by private industry.

The committee has included funds to continue construction of capacity for the strategic petroleum reserve and also has placed language in the bill specifying moderate rates of filling the reserve with oil, using previously appropriated funds. This continues the House's policy of refusing to put a moratorium on the reserve, which we established in the fiscal year 1985 supplemental bill.

The bill includes funds for several programs that were proposed for termination in the budget request. For example, the recommendation includes $24,410,000 to continue the historic preservation program, as well as funds for several other programs which the committee, as well as many Members of Congress who contacted us, feel are too important to be terminated.

The committee has continued many programs at the 1985 level, rather than at the reduced level as proposed by the administration. However, we have not disagreed with every administration proposal to reduced costs. The committee has agreed to reduce State energy conservation grants and energy extension service funding by 20 percent. The committee has also agreed to bill language proposed by the administration, under the Minerals Management Service, requiring permittees to provide geological and geophysical data to the Government as a condition of the permit, with the Government paying only the reasonable cost of reproducing such data. Adoption of this policy is estimated to save the Government at least $3,400,000 in fiscal year 1986.

With respect to the Outer Continental Shelf, the bill continues a moratorium only in the North Atlantic-Georges Bank area. Moratoria on offshore leasing in the central, northern, and southern California planning areas were deleted by the committee based on an agreement reached by representatives of the California congressional delegation and the Secretary of the Interior. However, as stated in the July 15, 1985, letter from the Secretary of the Interior, "If, by September, the delegation and I are unable to conclude a final agreement on the issue of the California coast moratoria, representatives of the delegation would be free to seek moratoria when the fiscal year 1986 continuing resolution is considered." It should be noted that the moratorium contained in the bill excludes less than 1 percent of the total acreage available to be leased, and less than 1 percent of the total estimated hydrocarbon resources of the OCS.

Mr. Chairman, this is a good bill. It continues important programs necessary for the protection and enhancement of our unsurpassed natural resources, while maintaining fiscal reponsibility and providing a substantial return to the Treasury. I urge the adoption of the bill presented to you today.

At this point I would like to insert a table comparing recommended appropriations to the budget estimates and the amounts appropriated in fiscal year 1985, as well as a correction to the printing error which occurred in the table on page 103 of the report (H.R. 99-205).

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Comparative Statement of New Budget (Obligational) Authority

	FY 1985 Enacted	FY 1986 Estimates	House	House Bill compared with Enacted	House Bill compared with Estimates
TITLE I - DEPARTMENT OF THE INTERIOR					
Bureau of Land Management					
Management of lands and resources	385,972,000	364,524,000	378,556,000	-7,416,000	+14,032,000
Construction and access	1,203,000	1,203,000	1,203,000	---	---
Payments in lieu of taxes	102,900,000	105,000,000	102,900,000	---	-2,100,000
Land acquisition	2,695,000	---	2,800,000	+105,000	+2,800,000
Oregon and California grant lands	54,289,000	---	66,140,000	+11,851,000	+66,140,000
Special acquisition of lands and minerals (authority to borrow)	14,700,000	---	---	-14,700,000	---
Range improvements	10,000,000	10,000,000	9,407,000	-593,000	-593,000
Service charges, deposits, and forfeitures	4,070,000	5,920,000	5,920,000	+1,850,000	---
Miscellaneous trust funds	100,000	100,000	100,000	---	---
Total, Bureau of Land Management	575,929,000	486,747,000	567,026,000	-8,903,000	+80,279,000
United States Fish and Wildlife Service					
Resource management	305,138,000	298,735,000	317,202,000	+12,064,000	+18,467,000
Construction and anadromous fish	24,298,000	5,613,000	18,209,000	-6,089,000	+12,596,000
Migratory bird conservation account	21,266,000	---	10,000,000	-11,266,000	+10,000,000
Land acquisition	63,218,000	1,500,000	45,970,000	-17,248,000	+44,470,000
National Wildlife Refuge Fund	5,645,000	5,645,000	5,645,000	---	---
Sport fish restoration	---	44,000,000	---	---	-44,000,000
Total, United States Fish and Wildlife Service	419,565,000	355,493,000	397,026,000	-22,539,000	+41,533,000
National Park Service					
Operation of the national park system	612,858,000	585,685,000	628,996,000	+16,138,000	+43,311,000
National recreation and preservation	11,111,000	9,259,000	11,467,000	+356,000	+2,208,000
Historic preservation fund	25,480,000	---	24,410,000	-1,070,000	+24,410,000
Visitors facilities fund	5,880,000	8,500,000	7,070,000	+1,190,000	-1,430,000
Construction	111,442,000	49,456,000	104,069,000	-7,373,000	+54,613,000
(Liquidation of contract authority)	(28,000,000)	---	(10,300,000)	(-17,700,000)	(+10,300,000)
Land acquisition and state assistance	147,216,000	11,275,000	115,762,000	-31,454,000	+104,487,000
John F. Kennedy Center for the Performing Arts	4,529,000	4,529,000	4,529,000	---	---
National Capital Region Arts and Cultural Affairs Base program (1986 funding) 1/	(4,900,000)	---	---	(-4,900,000)	---
Illinois and Michigan Canal National Heritage Corridor Commission	245,000	---	250,000	+5,000	+250,000
Jefferson National Expansion Memorial Commission	73,000	---	75,000	+2,000	+75,000
Total, National Park Service	918,834,000	668,704,000	896,628,000	-22,206,000	+227,924,000
Geological Survey					
Surveys, investigations, and research 2/	413,173,000	406,670,000	428,098,000	+14,925,000	+21,428,000
Minerals Management Service					
Leasing and royalty management 2/	162,560,000	154,241,000	165,118,000	+2,558,000	+10,877,000
Payments to States from receipts under Mineral Leasing	---	800,000	---	---	-800,000
Total, Minerals Management Service	162,560,000	155,041,000	165,118,000	+2,558,000	+10,077,000

1/ Advance appropriation in P.L. 98-473, not requested in FY 1986 President's budget.
2/ Reflects transfer of 15 FTEs, $722,000, to USGS.

Comparative Statement of New Budget (Obligational) Authority

	FY 1985 Enacted	FY 1986 Estimates	House	House Bill compared with Enacted	House Bill compared with Estimates
Bureau of Mines					
Mines and minerals	135,959,000	104,313,000	122,298,000	-13,661,000	+17,985,000
Office of Surface Mining Reclamation and Enforcement					
Regulation and technology	75,092,000	79,921,000	85,538,000	+10,446,000	+5,617,000
Abandoned mine reclamation fund (definite, trust fund)	296,941,000	250,320,000	233,585,000	-63,356,000	-16,735,000
Total, Office of Surface Mining Reclamation and Enforcement	372,033,000	330,241,000	319,123,000	-52,910,000	-11,118,000
Bureau of Indian Affairs					
Operation of Indian Programs	877,916,000	855,687,000	857,303,000	-20,613,000	+1,616,000
Construction	107,492,000	70,245,000	45,195,000	-62,297,000	-25,050,000
(By transfer)	---	(4,900,000)	---	---	(-4,900,000)
Road construction	5,880,000	---	785,000	-5,095,000	+785,000
Utah Paiute Trust Fund	2,450,000	---	---	-2,450,000	---
Tribal trust funds:					
Definite amount	4,000,000	4,000,000	4,000,000	---	---
Indefinite amount	60,000,000	---	---	-60,000,000	---
Revolving fund for loans (limitation on direct loans)	(18,600,000)	(16,300,000)	(16,300,000)	(-2,300,000)	---
Indian loan guaranty and insurance fund	---	1,485,000	2,210,000	+2,210,000	+725,000
Indian loan guaranty and insurance fund (limitation on guaranteed loans)	---	(20,000,000)	---	---	(-20,000,000)
Total, Bureau of Indian Affairs	1,057,738,000	931,417,000	909,493,000	-148,245,000	-21,924,000
Territorial and International Affairs					
Administration of territories	75,557,000	61,333,000	74,752,000	-805,000	+13,419,000
Trust Territory of the Pacific Islands	98,795,000	13,500,000	107,972,000	+9,177,000	+94,472,000
Total, Territorial Affairs	174,352,000	74,833,000	182,724,000	+8,372,000	+107,891,000
Departmental Offices					
Office of the Secretary	44,633,000	39,939,000	40,856,000	-3,777,000	+917,000
Office of the Solicitor	20,137,000	18,417,000	20,266,000	+129,000	+1,849,000
Office of Inspector General	16,908,000	15,175,000	15,117,000	-1,791,000	-58,000
Construction Management	735,000	660,000	87,890,000	+87,155,000	+87,230,000
Office of the Secretary (special foreign currency program)	1,960,000	---	---	-1,960,000	---
Total, Secretarial Offices	84,373,000	74,191,000	164,129,000	+79,756,000	+89,938,000
Total, title I, new budget (obligational) authority, Department of the Interior	4,314,516,000	3,587,650,000	4,151,663,000	-162,853,000	+564,013,000
(Liquidation of contract authority)	(28,000,000)	---	(10,300,000)	(-17,700,000)	(+10,300,000)
(By transfer)	---	(4,900,000)	---	---	(-4,900,000)
TITLE II - RELATED AGENCIES					
DEPARTMENT OF AGRICULTURE					
Forest Service					
Forest research	120,964,000	104,171,000	124,989,000	+4,025,000	+20,818,000
State and private forestry	58,315,000	29,723,000	56,193,000	-2,122,000	+26,470,000
National forest system	1,045,680,000	1,103,342,000	1,035,433,000	-10,247,000	-67,909,000
Construction	263,262,000	209,637,000	183,785,000	-79,477,000	-25,852,000
Purchaser credit transfer	-226,290,000	---	---	+226,290,000	---
Timber receipts transfer to General Fund	(-52,604,000)	(-102,765,000)	(-102,765,000)	(-50,161,000)	---
Timber purchaser credits	(192,301,000)	(190,300,000)	---	(-192,301,000)	(-190,300,000)
Land acquisition	43,603,000	2,278,000	29,500,000	-14,103,000	+27,222,000
Youth Conservation Corps	---	---	10,000,000	+10,000,000	+10,000,000
Acquisition of lands for national forests, special acts	766,000	780,000	780,000	+14,000	---
Acquisition of lands to complete land exchanges	20,000	20,000	20,000	---	---
Range betterment fund	3,966,000	3,908,000	3,908,000	-58,000	---
Miscellaneous trust funds	88,000	90,000	90,000	+2,000	---
Total, Forest Service	1,310,374,000	1,453,949,000	1,444,698,000	+134,324,000	-9,251,000

Comparative Statement of New Budget (Obligational) Authority

	FY 1985 Enacted	FY 1986 Estimates	House	House Bill compared with Enacted	House Bill compared with Estimates
DEPARTMENT OF THE TREASURY					
Energy Security Reserve (rescission) 1/	(-5,375,000,000)	---	---	(+5,375,000,000)	---
DEPARTMENT OF ENERGY					
Clean Coal Technology Reserve:					
FY 1986 (by transfer) 2/	---	---	(100,000,000)	(+100,000,000)	(+100,000,000)
FY 1987 (by transfer) 2/	---	---	(300,000,000)	(+300,000,000)	(+300,000,000)
FY 1988 (by transfer) 2/	---	---	(350,000,000)	(+350,000,000)	(+350,000,000)
Fossil energy research and development	274,947,000	160,491,000	299,534,000	+24,587,000	+139,043,000
(By transfer)	(50,496,000)	(8,940,000)	(17,672,000)	(-32,824,000)	(+8,732,000)
Naval petroleum and oil shale reserves	156,874,000	13,649,000	13,668,000	-143,206,000	+19,000
Energy conservation	458,610,000	366,654,000	468,326,000	+9,716,000	+101,672,000
Economic regulation	24,742,000	23,092,000	24,623,000	-119,000	+1,531,000
Emergency preparedness	6,096,000	5,873,000	3,989,000	-2,107,000	-1,884,000
Strategic Petroleum Reserve	(459,190,000)	---	199,017,000	+199,017,000	+199,017,000
SPR petroleum account	(2,049,550,000)	---	---	(-2,049,550,000)	---
Energy Information Administration	60,424,000	58,900,000	60,782,000	+358,000	+1,882,000
Total, Department of Energy	981,693,000	628,659,000	1,069,939,000	+88,246,000	+441,280,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Health Resources and Services Administration					
Indian health services	793,728,000	758,543,000	836,483,000	+42,755,000	+77,940,000
Indian health facilities	61,634,000	---	61,483,000	-151,000	+61,483,000
Total, Department of Health and Human Services	855,362,000	758,543,000	897,966,000	+42,604,000	+139,423,000
DEPARTMENT OF EDUCATION					
Office of Elementary and Secondary Education					
Indian education	67,404,000	67,292,000	67,656,000	+252,000	+364,000
DEPARTMENT OF STATE					
Compact of Free Association	---	178,750,000	---	---	-178,750,000
OTHER RELATED AGENCIES					
Navajo and Hopi Indian Relocation Commission					
Salaries and expenses	20,321,000	20,170,000	20,442,000	+121,000	+272,000
Smithsonian Institution					
Salaries and expenses	162,415,000	179,790,000	182,599,000	+20,184,000	+2,809,000
Museum programs and related research (special foreign currency program)	8,820,000	2,500,000	2,500,000	-6,320,000	---
Construction and improvements, National Zoological Park	4,851,000	4,851,000	4,851,000	---	---
Restoration and renovation of buildings	13,475,000	14,875,000	13,575,000	+100,000	-1,300,000
Construction	---	4,000,000	4,000,000	+4,000,000	---
Subtotal	189,561,000	206,016,000	207,525,000	+17,964,000	+1,509,000
National Gallery of Art					
Salaries and expenses	36,085,000	36,704,000	34,379,000	-1,706,000	-2,325,000
Repair, Restoration and Renovation of Buildings	---	---	2,900,000	+2,900,000	+2,900,000
Subtotal, National Gallery of Art	36,085,000	36,704,000	37,279,000	+1,194,000	+575,000
Woodrow Wilson International Center for Scholars, salaries and expenses	2,658,000	2,852,000	3,342,000	+684,000	+490,000
Total, Smithsonian Institution	228,304,000	245,572,000	248,146,000	+19,842,000	+2,574,000

1/ Rescission not included for comparison purposes.

2/ Proposed transfer from Energy Security Reserve (Synthetic Fuels Corporation).

Comparative Statement of New Budget (Obligational) Authority

	FY 1985 Enacted	FY 1986 Estimates	House	House Bill compared with Enacted	House Bill compared with Estimates
National Foundation of the Arts and the Humanities					
National Endowment for the Arts					
Grants and administration	118,678,000	101,650,000	128,218,000	+9,540,000	+26,568,000
Administrative expenses	15,582,000	15,300,000	15,900,000	+318,000	+600,000
Subtotal	134,260,000	116,950,000	144,118,000	+9,858,000	+27,168,000
Matching grants	29,400,000	27,500,000	30,882,000	+1,482,000	+3,382,000
Total, National Endowment for the Arts	163,660,000	144,450,000	175,000,000	+11,340,000	+30,550,000
National Endowment for the Humanities					
Grants and administration	95,207,000	84,090,000	105,854,000	+10,647,000	+21,764,000
Administrative expenses	13,891,000	13,910,000	14,110,000	+219,000	+200,000
Subtotal	109,098,000	98,000,000	119,964,000	+10,866,000	+21,964,000
Matching grants	30,380,000	28,000,000	30,036,000	-344,000	+2,036,000
Total, National Endowment for the Humanities	139,478,000	126,000,000	150,000,000	+10,522,000	+24,000,000
Institute of Museum Services					
Grants and administration	21,560,000	292,000	23,220,000	+1,660,000	+22,928,000
Total, National Foundation of the Arts and the Humanities	324,698,000	270,742,000	348,220,000	+23,522,000	+77,478,000
Commission of Fine Arts					
Salaries and expenses	372,000	365,000	377,000	+5,000	+12,000
Advisory Council on Historic Preservation					
Salaries and expenses	1,546,000	1,200,000	1,585,000	+39,000	+385,000
National Capital Planning Commission					
Salaries and expenses	2,670,000	2,626,000	2,721,000	+51,000	+95,000
Franklin Delano Roosevelt Memorial Commission					
Salaries and expenses	21,000	21,000	21,000	---	---
Pennsylvania Avenue Development Corporation					
Salaries and expenses	2,254,000	2,221,000	2,316,000	+62,000	+95,000
Public development	4,410,000	3,250,000	3,250,000	-1,160,000	---
Total, Pennsylvania Avenue Development Corporation	6,664,000	5,471,000	5,566,000	-1,098,000	+95,000
Federal Inspector for the Alaska Gas Pipeline					
Permitting and enforcement	1,401,000	864,000	---	-1,401,000	-864,000
United States Holocaust Memorial Council					
Holocaust Memorial Council	1,990,000	1,950,000	2,119,000	+129,000	+169,000
Total, title II, new budget (obligational) authority, related agencies	3,802,820,000	3,636,174,000	4,109,456,000	+306,636,000	+473,282,000
RECAPITULATION					
Total, new budget (obligational) authority, all titles	8,117,336,000	7,223,824,000	8,261,119,000	+143,783,000	+1,037,295,000
Consisting of:					
Appropriations	8,117,336,000	7,223,824,000	8,261,119,000	+143,783,000	+1,037,295,000
Rescissions	(-5,375,000,000)	---	---	(+5,375,000,000)	---
(Limitation on direct loans)	(18,600,000)	(16,300,000)	(16,300,000)	(-2,300,000)	---
(Limitation on guaranteed loans)	---	(20,000,000)	---	---	(-20,000,000)
(By transfer)	(50,496,000)	(13,840,000)	(767,672,000)	(+717,176,000)	(+753,832,000)
(Timber receipt transfer to general fund)	(-52,604,000)	(-102,765,000)	(-102,765,000)	(-50,161,000)	---
(Timber purchaser credits)	(192,301,000)	(190,300,000)	---	(-192,301,000)	(-190,300,000)
(Liquidation of contract authority)	(28,000,000)	---	(10,300,000)	(-17,700,000)	(+10,300,000)
(SPR petroleum account)	(2,049,550,000)	---	---	(-2,049,550,000)	---
(1986 funding)	(4,900,000)	---	---	(-4,900,000)	---

Comparative Statement of New Budget (Obligational) Authority

	FY 1985 Enacted	FY 1986 Estimates	House	House Bill compared with Enacted	House Bill compared with Estimates
TITLE I -DEPARTMENT OF THE INTERIOR					
Bureau of Land Management	575,929,000	486,747,000	567,026,000	-8,903,000	+80,279,000
United States Fish and Wildlife Service	419,565,000	355,493,000	397,026,000	-22,539,000	+41,533,000
National Park Service	918,834,000	668,704,000	896,628,000	-22,206,000	+227,924,000
Geological Survey	413,173,000	406,670,000	428,098,000	+14,925,000	+21,428,000
Minerals Management Serivce	162,560,000	155,041,000	165,118,000	+2,558,000	+10,077,000
Bureau of Mines	135,959,000	104,313,000	122,298,000	-13,661,000	+17,985,000
Office of Surface Mining Reclamation and Enforcement	372,033,000	330,241,000	319,123,000	-52,910,000	-11,118,000
Bureau of Indian Affairs	1,057,738,000	931,417,000	909,493,000	-148,245,000	-21,924,000
Territorial and International Affairs	174,352,000	74,833,000	182,724,000	+8,372,000	+107,891,000
Secretarial Offices	84,373,000	74,191,000	164,129,000	+79,756,000	+89,938,000
Total, Title I - Department of the Interior	4,314,516,000	3,587,650,000	4,151,663,000	-162,853,000	+564,013,000
TITLE II - RELATED AGENCIES					
Forest Service	1,310,374,000	1,453,949,000	1,444,698,000	+134,324,000	-9,251,000
Department of the Treasury	(-5,375,000,000)	---	---	(+5,375,000,000)	---
Department of Energy	981,693,000	628,659,000	1,069,939,000	+88,246,000	+441,280,000
Indian Health	855,362,000	758,543,000	897,966,000	+42,604,000	+139,423,000
Indian Education	67,404,000	67,292,000	67,656,000	+252,000	+364,000
Department of State	---	178,750,000	---	---	-178,750,000
Navajo and Hopi Indian Relocation Commission	20,321,000	20,170,000	20,442,000	+121,000	+272,000
Smithsonian	189,561,000	206,016,000	207,525,000	+17,964,000	+1,509,000
National Gallery of Art	36,085,000	36,704,000	37,279,000	+1,194,000	+575,000
Woodrow Wilson International Center for Scholars	2,658,000	2,852,000	3,342,000	+684,000	+490,000
National Endowment for the Arts	163,660,000	144,450,000	175,000,000	+11,340,000	+30,550,000
National Endowment for the Humanities	139,478,000	126,000,000	150,000,000	+10,522,000	+24,000,000
Institute of Museum Services	21,560,000	292,000	23,220,000	+1,660,000	+22,928,000
Commission of Fine Arts	372,000	365,000	377,000	+5,000	+12,000
Advisory Council on Historic Preservation	1,546,000	1,200,000	1,585,000	+39,000	+385,000
National Capital Planning Commission	2,670,000	2,626,000	2,721,000	+51,000	+95,000
Franklin Delano Roosevelt Memorial Commission	21,000	21,000	21,000	---	---
Pennsylvania Avenue Development Corporation	6,664,000	5,471,000	5,566,000	-1,098,000	+95,000
Federal Inspector for the Alaska Gas Pipeline	1,401,000	864,000	---	-1,401,000	-864,000
Holocaust Memorial Council	1,990,000	1,950,000	2,119,000	+129,000	+169,000
Total, Title II - Related Agencies	3,802,820,000	3,636,174,000	4,109,456,000	+306,636,000	+473,282,000
Grand total	8,117,336,000	7,223,824,000	8,261,119,000	+143,783,000	+1,037,295,000
CONGRESSIONAL BUDGET RECAP					
Total	8,141,336,000	7,253,224,000	8,290,519,000	+149,183,000	+1,037,295,000
Amounts in this bill	(8,117,336,000)	(7,223,824,000)	(8,261,119,000)	(+143,783,000)	(+1,037,295,000)
Prior year outlays associated with this bill	---	---	---	---	---
Mandatory adv. appropriations from prior years 1/.	(24,000,000)	(29,400,000)	(29,400,000)	(+5,400,000)	---
Total Congressional mandatory and discretionary	8,141,336,000	7,253,224,000	8,290,519,000	+149,183,000	+1,037,295,000
Mandatory (total)	(98,100,000)	(44,300,000)	(42,907,000)	(-55,193,000)	(-1,393,000)
(Mandatory new)	(98,100,000)	(44,300,000)	(42,907,000)	(-55,193,000)	(-1,393,000)
(Prior year)	---	---	---	---	---
Discretionary (new)	(8,043,236,000)	(7,208,924,000)	(8,247,612,000)	(+204,376,000)	(+1,038,688,000)

1/ Includes $9.5 million - USGS
15.0 million - Fossil Fuels
4.9 million - NFS (proposed for transfer to BIA)

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

[In thousands of dollars]

	Fiscal year 1985 enacted	Budget estimates	Committee bill	Change from estimates
Fellowship program	1,199	1,271	1,271	
Scholar support	234	239	239	
Public services	600	628	628	
General administration	552	639	639	
Building requirements	73	75	75	
Conference planning			490	+490
Total, Woodrow Wilson Center	2,658	2,852	3,342	+490

Mr. REGULA. Mr. Chairman, I yield myself so much time as I may consume.

Mr. Chairman, and my colleagues, Chairman YATES, as always, has explained this bill very ably. Before I go into the specifics of the bill, I do want to commend the chairman and the staff of the subcommittee for the work they have done to bring this bill to the floor today.

This has been my first year to serve as the ranking Republican on the subcommittee, and the chairman and the staff have gone out of their way to assist me and all of my colleagues on our side of the aisle.

Our views have been heard and taken into account in the bill before us today. It truly was a bipartisan effort. While I have always respected my colleague from Illinois, the chairman of the subcommittee, this year I have had a special opportunity to observe more closely the hard work and dedication he personally brings to his work on the subcommittee, that it has been a great satisfaction to work with him this year, and I want to join him in strongly supporting this bill.

We will most likely hear some talk today about our bill being over the fiscal 1985 level. I disagree with that, and I think the chairman has already pointed out that we are at fiscal year 1985 levels if you compare apples and apples.

Obviously, you can play games with numbers, but in reality if we are using the same set of measuring sticks, we are actually under fiscal year 1985.

This bill represents one of the most important appropriation measures we will consider this year, for it deals with one of the most priceless things that are part of the United States, and that is our natural heritage. Most people do not realize that over one-third of the U.S. land surface is controlled and owned by the U.S. Government, in effect, the people of this Nation.

It is the management of that land resource, and all the minerals that go with it, that is the responsibility of this subcommittee.

In our view, the administration's budget did not provide adequate protection for that resource. For example, after a 4-year, $1 billion effort to rehabilitate the national parks, the administration proposed to reduce maintenance funding by $21,867,000, despite testimony from the Park Service before our subcommittee that the job is far from complete and recommendations of a Park Service task force for substantial increases in the maintenance budget should be kept.

The committee has recommended an increase in maintenance of $22,390,000. Reducing the appropriation for maintenance would merely result in more expensive needs in future fiscal years.

I might point out that in 1984, we had 325 million visitors to the national parks. It is estimated in 1986 that we will have 354 million, an increase of almost 10 percent. Obviously, that puts pressure on safety; it puts pressure on health needs; it puts pressure on camping facilities, it puts pressure on every dimension of the Park Service to meet these needs, and that is what we have addressed, even though the administration wanted to cut it.

I might also point out that the Forest Service, and this is a little-known fact, provides opportunities for recreation in Forest Service lands. Interestingly, Forest Service lands provides 41 percent of the recreation needs of this country; the National Parks 19 percent; and the Bureau of Land Management, 9 percent.

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I think it illustrates that this is a comprehensive need in terms of meeting the needs of the people of this Nation for recreation, and what we have attempted to do in a very responsible way is to provide adequate funding, not excessive but adequate funding to deal with the health, and maintenance, and safety needs of those that visit the Forest Service, the national parks and the Bureau of Land Management areas.

The administration's budget also did not request any funds for sanitation facilities in Indian housing, despite a backlog of 20,000 American Indian homes in need of indoor sanitation facilities and 2,900 of these being planned, that is, to be built, without bathroom facilities. Obviously, this is penny wise and pound foolish. Whether you agree or not, we have a statutory responsibility to the Bureau of Indian Affairs, and we need to meet that. The committee recommends $25 million for sanitation facilities, the same as 1985. It is not over, but it is at the 1985 level. This would provide service to approximately 3,000 to 3,500 Indian homes. That still does not begin to meet unmet needs.

There are other examples, but my point is we are not talking about esoteric items. In much of this bill we are talking about basic needs in the parks, the forests, the wildlife refuges and our Indian reservations.

In addition to these management responsibilities, in crafting this bill the chairman and I personally reviewed requests, as he mentioned, from 249 of our congressional colleagues, and many of these requests have been addressed in this bill, because Members in a district know what the needs are in terms of parks and forest lands. So we respect their requests insofar as possible.

Getting back to the funding levels in the bill, when you compare the fiscal year 1985 program levels with the levels contained in the bill before us today, we are below last year's levels by some $513 million. Of course, if you take the off budget money for the Strategic Petroleum Reserve, the reduction below 1985 levels is much greater than that.

I think the chairman has covered that pretty well, but let me emphasize again that if you compare apples with apples, we are substantially below fiscal year 1985 levels, and it reflects the fact that we did listen to a lot of testimony, we respected the need to have fiscal responsibility, to hold down the spending as much as possible, given the fact that we are responsible in this bill and we do deal with 729 million acres of U.S. land scattered throughout the country, more in the West and Alaska, obviously, but nevertheless some in all of the States. We also have the Smithsonian, we have the Bureau of Indian Affairs, and the Outer Continental Shelf; a wide range of responsibilities.

We also addressed the pay raise issue.

I might just touch one—and I know there will be some other discussion of this—in a recent article in the Los Angeles Times, the headlines said, "Soviet Pacific Fleet Buildup Poses Threat," and they mention in this article a rapid, dramatic expansion of the Soviet fleet in the Pacific.

Now, why do I address that here? The reason is that this bill also has many millions of dollars to meet our responsibilities in the management of the trust territories. Maintaining a U.S. presence, maintaining the responsibilities that were given to this Nation in the post-World War II settlements in terms of trust territories are important. They are important from the standpoint of having those out in the Pacific recognize that the United States does meet its commitments. And that is going to be an influential factor in whatever success the Soviets might have in attempting to lease space at various island bases in the Pacific as they continue their buildup. I think that this was addressed the other day by Congressman MCCAIN from Arizona, who has direct responsibility in his subcommittee with dealing with trust territories.

I would make two last comments in relationship to this bill. No. 1, while we are providing for spending $8.2 billion, the $8.2 billion, generates $12.5 billion in revenues. That is a net of $4 billion to the Treasury. I would suggest this is the only appropriation measure that will have that kind of significant revenue generation, and that illustrates the importance of good management and what we have attempted to do in the bill.

The second and last point I make is that in the matter of the clean coal provisions of this bill, we set up a 50-50 match, as we have also done with the National Endowment for the Arts. We are saying, in effect, let us generate private enterprise, let us generate private activity by saying, in the case of the clean coal technology, the Government will support some of the esoteric programs that we hope will make us energy independent, but we also want the private sector to commit some of their resources, namely, 50 cents for every 50 cents we put in of Federal dollars. Not many programs have this kind of cost sharing. We just had a discussion of that in terms of the water projects.

In the case of the National Endowment for the Arts, for every $130 million that we provide for programmatic activities, an additional $130 million has to be matched by the private sector, so that means that the private sector has to commit to the quality of the project by putting up money in order to generate the Federal moneys.

Also in the National Endowment for the Arts is a provision, another matching provision, for projects that have a 3-to-1 match, so that $21 million we have in that generates $84 million in private dollars.

All in all, I think that this bill is a responsible bill, addressing the management challenges that we have in using the resources of this land of ours carefully and providing a high quality environment, a high quality of life for the people of the United States.

I strongly urge my colleagues to support this bill today.

Mr. YATES. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from Massachusetts [Mr. Boland].

Mr. BOLAND. Mr. Chairman, as a member of the subcommittee which drafted this measure, I want to urge my colleagues to support H.R. 3011.

At the outset, I want to compliment the subcommittee chairman, the gentleman from Illinois [Mr. Yates], and the ranking minority member, the gentleman from Ohio [Mr. Regula], for their work on this bill. Through their leadership and dedication, we have been able to fashion a measure that I believe fairly addresses the disparate needs of the myriad of activities within the subcommittee's jurisdiction. I would also like to thank the members of the subcommittee staff for their hard work and invaluable assistance, without which the preparation of this bill would not have been possible.

Through the passage and enactment of the Interior appropriations bill, the Federal Government addresses some of its most important responsibilities as a steward, a trustee, and conservator. We all realize the budget constraints under which we must operate, and that realization certainly colored our deliberations on the subcommittee. We also realized, however, that there are things we must do each year, to protect the national treasures that are our public lands, and maintain the repositories of our cultural heritage. We do those things in this bill by providing funds for the National Park Service, the Forest Service, and the Bureau of Land Management, as well as the Smithsonian Institution, the National Gallery of Art, and the National Endowments for the Arts and Humanities. In addition, the subcommittee was cognizant of the particular duty, that our country owes, to certain groups of people, both in this country and far from our shores. That responsibility is occasioned by the special legal relationship we have with the native American peoples, and the residents of our Atlantic and Pacific territories. Through this bill, we discharge those responsibilities by providing funds to, among other things, construct two high schools for Indian children, build public health centers in American Samoa, complete the construction of a hospital in the northern Mariana Islands, and provide a loan for an airport runway expansion project in the Virgin Islands.

In drafting this year's Interior appropriations bill, the subcommittee had to pay particular attention to programs, that are not as prominent in our discussions in these days of relative energy abundance, programs like energy conservation and the need to develop alternative sources of energy. Today's energy abundance is not permanent, and we must take steps now to make sure that we are prepared for the next period of shortage. We can take those steps by continuing the weatherization program which has made thousands of homes of low-income Americans more energy efficient, by continuing the development of energy saving engines and batteries, and by proceeding with efforts, to make coal liquefaction and gasification techniques available on a commercial scale. All of these programs, as well as many others, are funded through this bill. They are important components of our national effort, to achieve energy self-sufficiency and they deserve to be continued. I hope that the House will endorse all of the subcommittee's efforts in the energy area. I hope that it will reject attempts to cut funding for the Synthetic Fuels Corporation or the clean coal technology reserve, attempts which in my view would not contribute to solving the energy problems which confront us.

Mr. Chairman, like all appropriations bills, H.R. 3011 embodies a number of difficult choices on competing spending priorities. The subcommittee did not do all it wanted to do for the programs within its jurisdiction. We did, however, do what we thought we had to do and what we could afford to do for the coming fiscal year. The bill is a good one. It merits the support of the House.

☐ 1640

Mr. REGULA. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. McDade].

Mr. McDADE. Mr. Chairman, I want to first pay my compliments to my good friend, the gentleman from Illinois who has done such an outstanding job with this bill as he has done guiding the committee for many, many years, and to my dear friend from Ohio, Congressman Regula, who has always left an imprint every time we have met on this bill. His maiden voyage, if you will, as manager of the bill on this side shows him doing an excellent job.

Mr. Chairman, I rise in support of H.R. 3011, making appropriations for the Department of the Interior and related agencies, and urge its overwhelming approval by the Members of this House. Let me say that it has been my privilege to have served on this subcommittee for over 20 years—and I can say without reservation that this is a fine bill.

This is a bill that advances the cause of protection and preservation of our Nation's precious natural resources, our cultural resources and our energy resources—a most unique and awesome responsibility.

As always, I commend Chairman Sid Yates and the new ranking member, my good friend, Ralph Regula, for their skill and leadership in guiding this bill through the long arduous committee process. They have both conducted our deliberations in a fair and courteous manner so that all of us have had the opportunity to help shape the broad outlines of the bill that is before you today.

Specifically, the bill provides $8.3 billion in new budget authority and although there are differences of opinion over totals, it is important to note that this bill is estimated to generate over $12 billion in revenues in fiscal year 1986 alone.

This bill provides our Nation with a responsible energy research program and increases our national security by providing funds to continue construction of storage capacity for the Strategic Petroleum Reserve and maintain a consistent fill rate using previously appropriated funds. This is an insurance policy, we believe, against future world oil disruptions.

There are some who will shout that these energy programs are $400 million over the budget request. On closer examination you can see that the committee funded such critical programs as low income weatherization, weatherization of schools and hospitals and research to find technologies for burning coal in a more efficient, safer manner. These are programs which were drastically cut or eliminated in early budget recommendations.

Of particular importance to me is the transfer of $750,000,000 from the Synthetic Fuel Corporation to the Department of Energy for a Clean Coal Technology Reserve—established by the 1985 Appropriations Act. These funds will be made available over the next 3 fiscal years for projects that will substantially decrease the environmental impact of using coal—our Nation's most abundant natural fuel. Of notable importance are the committee's criteria, which include a mandatory 50-percent, cost-sharing arrangement with private industry.

This bill responsibly addresses our stewardship commitments to protect and preserve our Nation's precious public lands and waters by providing increases in excess of $179 million for land acquisition for refuges, parks and national forests, as well as funds for State assistance programs. To improve water quality, $5 million was included for initiating a national water quality assessment to be coordinated by the U.S. Geological Survey. The agricultural runoff stituation at the Kesterson Wildlife Refuge in California earlier this year prompted this action.

We funded programs administered by the Bureau of Land Management responsible for the multiple use of over 300 million acres onshore, 370 million in subsurface mineral rights—the Fish and Wildlife Service which manages over 90 million acres of refuges, fishery research centers and waterfowl production areas—the National Park Service System covering 80 million acres—visited by nearly 400 million individuals annually and the National Forest Service with 191 million acres of timber production, forestry research programs, grazing and recreational lands.

I could hardly speak of protecting and preserving our public lands without mentioning an element within Interior called the Office of Surface Mining. This agency is charged with the task of enforcement of the 1977 Surface Mining Control and Reclamation Act. I was heartened to see the restoration of $100 million to the Abandoned Mine Reclamation Fund for State Grants which are used to address the most hazardous health and safety problems associated with reckless, irresponsible mining practices. Pennsylvania alone has nearly $15 billion of abandoned mine work remaining to be reclaimed.

For well over 20 years, most particularly since the creation of the National Endowments For The Arts and Humanities, Congress in a bipartisan spirit, has consistently supported funding for the Endowments as well as the Smithsonian Institution, the National Gallery of Art and, in recent years, the Institute of Museum Services. This has been a clear declaration that financial assistance for the Arts and Humanities is a proper, if not critical, responsibility of the Federal Government. I refer my colleagues to the committee report in which a portion of the committee report on the original NEA legislation is quoted.

> This panel is motivated by the conviction that the arts are not for a privileged few but for the many; that their place is not on the periphery of society, but at its center; that they are not just a form of recreation, but are of central importance to our well-being and happiness.

Reflecting this notion that the arts should be shared, the committee has provided 50 percent of the funds necessary to bring to the American public, through public television, the July 4 celebration on the Capitol lawn.

These concerts by the National Symphony and major American artists have been shared live with Americans from Red Oak, Iowa to Fairbanks, AK. Report language this year goes one step further by encouraging the participation of other distinguished symphony orchestras.

My friends, this is an excellent bill, responsive to our stewardship commitments to the land and the people who live on it. Gifford Pinchot, the father of conservation and the former Governor of Pennsylvania, summarized the importance of preservation by saying:

> The very existence of our nation and all the rest depends solely on conserving our resources which are the very foundation of its life.

I ask my colleagues to adopt this bill.

Mr. YATES. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. AuCoin].

Mr. AuCOIN. I thank the gentleman for yielding me this time.

Mr. Chairman, I certainly do rise in support of H.R. 3011, the fiscal 1986 Interior Appropriations Act, and I hope that Members who have been listening to the comments from both sides of the aisle understand the importance of the legislation and the sound job of crafting it that the members of the committee have done.

We often hear, at the beginning of debates on bills such as this, congratulations from the floor to the chairman and to the ranking members of the subcommittees who bring those bills to the floor for our consideration. But in this case, I think that all Members should pay a particular tribute to the gentleman from Illinois [Mr. Yates] and the gentleman from Ohio [Mr. Regula] for the outstanding work they have done and the cooperation they have shown, working together on a bipartisan basis to bring this bill before this body today. The support they have received from their own ranks on both sides of the aisle in turn is shown in the quality of the work product that we do bring before the House today.

This bill is the product of the review of budgets of nearly three dozen Federal agencies. The members of the committee have listened to the requests of hundreds of individual Members of this body. We have weighed the testimony of a staggering number of public witnesses, and out of all of that we bring to you a carefully balanced piece of legislation.

As a result of the work that I have described, members of the committee have produced a bill that is under, repeat, under last year's spending, a bill that is under what is called for in the House-passed budget resolution, while addressing many of the vital natural resource needs facing the country today.

I want to say to my colleagues, especially those Members who are not from States and districts in which the Forest Service or the Bureau of Land Management own large portions of their districts or States, that this bill is not just a Western bill or a Sun Belt bill. This bill is an all-American bill.

I do not hesitate to point out to the Members that this legislation is also for those of us in States like Oregon, our economic bread and butter. Our lifeline. It is the lifeblood of the forest products industry, which in turn produces products and fiber for the rest of the country to use and to enjoy. The bill is important for us in our part of the country for the protection of wilderness, the enhancement of fish and wildlife, and the promotion of recreation and tourism which we depend on in a commercial way, and share with the rest of the country for their enjoyment.

This bill contains a substantial increase in Forest Service and BLM timber sales programs which benefits, in a direct way, the State of Oregon, but also benefits the entire country because of the affordable lumber products that our region can produce for the rest of the country. Those timber programs, incidentally, consistently return a profit, I repeat, a profit, to the Federal Treasury and to the taxpayers from the harvesting that takes place under those programs.

The forest products industry is a basic industry of America, and for the

Western region. If it is ever again to become competitive in our own markets, not to mention foreign markets, we must provide the kind of boost and assistance and funding levels that are found within the Timber Sales Program that this bill before you provides.

The bill before you is a bill that will go a long way toward improving anadromous fish stocks: The salmon and steelhead trout species that are vital to commercial and sports fishing alike. It is a bill that will help protect wilderness areas in my State and in many others for the enjoyment of the entire Nation. It is a bill that will enhance the recreation potential of one of the truly great scenic wonders of the country, the Columbia River Gorge in my State of Oregon, shared with the State of Washington for all to enjoy.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. AuCoin] has expired.

Mr. YATES. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. AuCOIN. I thank the gentleman.

It is not just the people of Oregon and Washington who will enjoy the protection provided in this bill for the Columbia River Gorge. This is a scenic treasure for the entire country to enjoy, and in that sense, the protections that we provide in this bill is a benefit for every taxpayer and every citizen of the country.

The bill also provides funds for local park projects all over the country, including my own.

Mr. Chairman, this is a prudent bill; it is a bill that reflects the fiscal constraints we are under, and yet it is one that tends to the vital natural resource issues and challenges that face America today. For all of those reasons and more, I urge the House to give a resounding vote of approval to the work of the gentleman from Illinois and the gentleman from Ohio, and the members of their committee.

Mr. REGULA. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. Conte].

Mr. CONTE. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of H.R. 3011, the Interior appropriations bill for fiscal year 1985.

At the outset, I want to commend the chairman of the subcommittee, my good friend Sid Yates and the new ranking member, Ralph Regula for their hard work and skill in dealing with many difficult issues contained in this bill. With responsibility for a wide variety of environmental management, cultural and energy programs, Sid Yates, Ralph Regula, and other members of the subcommittee have put in countless hours during extensive hearings and markup to fashion a bill that is based on fact and on the pressing needs served by these programs.

I respect the work of this subcommittee, under the leadership of Sid Yates, and I generally agree with the recommendations contained in the Interior bill.

However, there are always exceptions, and in this case, I am concerned about two issues related to this bill.

First, there is a recurring question about the need for a Synthetic Fuels Corporation. The vote on the rule last week was a clear indication that the House is ready and willing to deal with this issue.

Last year, after the Congress rescinded over $5 billion from the Corporation, we heard promises of change and a fresh approach with a newly reconstituted board of directors. Unfortunately, a year later, the names have changed, but the program is the same. The "new realities" are nothing new, and the comprehensive strategy report is less than impressive. Instead of proceeding along a fiscally prudent course, the Corporation has restated its goal to obligate the entire amount available, now approximately $7.9 billion.

Fortunately, this monster is somewhat under control. Thanks to the foresightedness of Secretary Herrington, the Department of Energy, just yesterday, pulled the plug on this project and refused to support the SFC's price guarantee award.

I am also concerned about a provision in this bill that had its origins in the synfuels debate of last year. The clean coal technology reserve is generally a good idea, but the outyear funding provided in H.R. 3011 is fiscally irresponsible in light of huge budget deficits. Also, the multiyear funding provided in this bill is contrary to the agreement reached last year on the synfuels rescission. The conference report on the CR clearly stated that any funding for the clean coal reserve would be "subject to annual appropriations" by the Congress.

To address this problem, I will offer an amendment at the appropriate time to delete the outyear funding provided in the bill for fiscal years 1987 and 1988. My amendment is designed to restore a measure of fiscal responsibility to the bill and at the same time provide a significant Clean Coal Demonstration Program.

Although the administration would prefer a total elimination of the program, the statement of policy on this bill indicates that the "administration supports a Conte-Broyhill amendment to eliminate funding for this activity in fiscal year 1987 and fiscal year 1988."

Mr. Chairman, the administration also objects to several other provisions of H.R. 3011, as reported. According to the Office of Management and Budget, this bill is more than $720 million above the 1985 enacted amount and $2 billion over the President's request. Although the committee numbers are measurably lower, we can safely say that the funding level in this bill is significantly higher than last year's level and the President's budget.

Without action to curb this spending, particularly the Clean Coal Program, the administration's intentions are clear. This bill is veto bait. The OMB statement of policy leaves no room for guessing: "The bill is unacceptable to the administration, [and] * * * it would not be possible to recommend to the President that he sign the bill in its present form." For the reference of my colleagues, I will include a copy of the "Statement of Administration Policy" on H.R. 3011 for the Record.

Statement of Administration Policy

July 19, 1985.

Interior Appropriation Bill, 1986.

(Sponsor: Whitten (D), Mississippi.)

The bill is unacceptable to the Administration. While the Committee scores the bill as being $144 million over the 1985 enacted amount, and $1,037 million over the President's request for annually funded discretionary programs, we score it as being more than $720 million above the 1985 enacted amount (excluding the SPR acquisition funds) and $2 billion over the President's request. In addition, the administration strongly opposes:

The proposed $750 million multi-year appropriation to initiate a new Clean Coal Technology Demonstration program. The Administration supports a Conte/Broyhill amendment to eliminate funding for this activity in FY 1987 and FY 1988.

Continued funding for programs proposed for termination as well as substantial increases to ongoing programs;

Language (section 108) that excludes specific areas of the OCS from the offshore leasing program; and

Language requiring a minimum fill rate for the Strategic Petroleum Reserve.

It would not be possible to recommend to the President that he sign the bill in its present form.

Although I have a few reservations about this bill, I am fully supportive of a vast majority of the agencies and programs funded in H.R. 3011. Thanks to the leadership of Chairman Yates, the bill contains increased funding for the management of our natural resources. Agencies like the Fish and Wildlife Service, the Bureau of Land Management, the Forest Service, the Minerals Management Service, and the National Park Service are custodians of millions of acres of federally owned land containing a tremendous amount of energy and natural resources.

This bill also lifts the proposed moratorium on land acquisition. The land and water conservation fund is the Federal Government's main land purchase account. This fund finances park, refuge and forest land acquisition. To address the pressing need in this area, this bill provides a total of $194 million for LWCF acquisitions,

including $50 million for grants to State Land Purchase Programs. The bill also provides a much needed supplement to the duck stamp funds available to the Migratory Bird Commission. Through the wetlands loan fund, this bill provides $10 million for the purchase of vital wetland habitat.

Besides these resource management initiatives, H.R. 3011 provides increased funding for important Energy Conservation Programs. The Low-Income Weatherization Program was increased by $47 million for a total of $200 million in fiscal year 1986, and the Schools-Hospitals Program was increased by $9.5 million for a total of $47 million next year.

Finally, through the concern of the chairman, increases above the President's budget was provided to many of the cultural programs funded in this bill. The National Foundation on the Arts and Humanities, the Institute of Museum Services, the National Gallery of Art, and the Smithsonian Institution are allocated resources sufficient to continue important cultural, historic and scientific programs.

Mr. Chairman, I urge my colleagues to support this bill and hope they will join me in ironing out a few rough edges.

□ 1650

Mr. YATES. Mr. Chairman, I yield myself such time as I may consume.

Mr. WATKINS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Oklahoma for a question.

Mr. WATKINS. I thank the gentleman for yielding.

Mr. Chairman, I stand in support of this bill, and also want to thank the minority leader for his tremendous work, along with the chairman, in crafting this legislation.

I would like to enter into a colloquy with the chairman.

Mr. Chairman, it is my understanding that the committee has included funding for continued operation of the Tishomingo National Fish Hatchery at the level recommended by the administration.

Mr. YATES. That is correct.

Mr. WATKINS. I thank the chairman and the committee for providing funds for the continued operation of this important warm water hatchery in my district, which produces fish for Federal and State waters stretching from Idaho to Texas. Mr. Chairman, this hatchery is an important facility and an asset to the fishery resources of the Nation. However, the facility is not being used to its full potential. I understand the budget constraints faced by the committee, and I did not ask the committee to increase the funding for this hatchery in fiscal year 1986. However, it is my understanding that another Federal agency would use the ponds and other facilities at this hatchery, which are not currently being used by the Fish and Wildlife Service, for research into catfish breeding, feeding for maximum weight gain and solutions for parasite problems with the fish. This Agency would act as a "tenant" at the facility, and the research it performs would be helpful not only to the private sector aquaculturist, but also to the Fish and Wildlife Service itself in increasing the efficiency of its catfish production. Is it the intent of the committee that the activity I have described be allowed and encouraged?

Mr. YATES. To answer the gentleman's question, let me say there is nothing in this appropriation bill would prohibit the "joint tenant" relationship between the Fish and Wildlife Service and another Federal agency, such as you have described. In fact, the committee would encourage such a relationship, particularly where it would lead to full utilization of our hatchery resources and would benefit the Fish and Wildlife Service's hatchery efficiency.

Mr. WATKINS. I thank the chairman for yielding and for his support of this country's great fishery resources.

Mr. YATES. Mr. Chairman, let me say to my friend on the other side that I have no further requests for time.

Mr. REGULA. Mr. Chairman, I do have several requests. I yield 2 minutes to the gentleman from Louisiana [Mr. Livingston].

Mr. LIVINGSTON. I thank the gentleman for yielding this time to me.

Mr. Chairman, I simply want to congratulate the chairman and the ranking majority member of the committee for doing an outstanding job on the bill.

I only rise to express my concern about language that appeared on page 34 of the report, and also in the additional views appearing on page 150, later reflecting a potential agreement to set aside or create a moratorium on offshore leasing of off California lands for the purposes of drilling for some 15 years.

It is bad enough that we were approving every year in this bill for the last 4 years annual moratoria on offshore leasing. In fact, we excluded 53 million acres from offshore leasing in fiscal year 1984, and another 45 million acres in fiscal year 1985.

I have risen to express my concern about that and have testified against such a policy, because I firmly believe it is not in the interest of this Nation to set aside lands that are potentially available for development when, in fact, we are currently importing some 34 percent of all of our oil needs. That costs the U.S. taxpayer and it cost the U.S. economy approximately a billion dollars a week. It adds significantly to our already terrible trade deficit.

I think it is just aggravating the situation when obviously we are going to need additional oil resources, but we are setting aside lands and saying to all Americans that we are not going to be able to touch those offshore lands, even if we reach another oil crisis such as we saw in 1973 and again in the late 1970's.

The fact is that Great Britain started their OCS program in 1964, 10 years after our first Federal program, but since then they have offered all of their lands for development of the OCS and they have actually leased 41 percent of their OCS lands for drilling.

Canada, by the same token, has offered all of its offshore for lease and has actually leased 32 percent of its offshore acreage.

In comparison, the United States has offered only 23 percent of its potential offshore acreage, and has actually leased only 3 percent of its Outer Continental Shelf for development.

We still produce only 9 percent of our domestic needs from the OCS while estimates tell us that our OCS contains over one-half of our future domestic oil reserves.

Yet we could well be contemplating a new OCS leasing policy that will aggravate this situation and lead us back to the days of energy dependence on foreign sources.

Before placing OCS leasing moratoria in annual appropriations bills and attempting to implement more onerous and much longer moratoria to the year 2000 we should carefully consider what we are about.

Section 18 of the 1978 OCS act mandates that there must be "an equitable sharing of development benefits and environmental risks among the various regions" in any OCS Program that we implement.

However, it will be impossible to strike any semblance of a balance in our OCS Program if millions of acres are deleted through any moratorium, particularly a 15-year one.

Louisiana, Texas and other Gulf Coast States already recognize this imbalance. In fact, Louisiana has cited this imbalance in recent and heretofore unpublicized objections to one section of the OCS Leasing Program.

Over 95 percent of the oil and 92 percent of the gas from the OCS have come from the Gulf States, primarily Louisiana and Texas.

This lack of responsibility of other regions of the country to our Nation's energy needs and security cannot and should not be continued.

□ 1700

Such a policy flies in the face of reason, and I only rise to urge the conference committee to exercise caution when they discuss this issue.

Mr. Speaker, I hope that the members of the conference committee will in fact carefully consider this as we go on into the future.

The CHAIRMAN pro tempore (Mr. Bennett). The time of the gentleman from Louisiana [Mr. Livingston] has expired.

Mr. REGULA. Mr. Chairman, I yield 1 additional minute to the gentleman from Louisiana [Mr. Livingston].

Mr. COLEMAN of Texas. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I appreciate the opportunity to say a few words about the agreement recently reached between Interior Secretary Hodel and the California congressional delegation which effectively prohibits the offshore exploration of some 6,310 tracts along the California coastline.

While I have some grave reservations as to the propriety of this agreement especially in the context of the policies and procedures delineated by Congress through enactment of the Outer Continental Shelf Lands Act of 1978, the long-term impact of this agreement on this Nation's energy supply troubles me greatly.

There is little question in my mind that "locking up" such vast amounts of acreage is not in the best interest of this country. Our long-term energy policy needs to allow for the balanced development of our domestic natural resources so as to provide us with a degree of independence from foreign energy sources. At a time when we currently import about one-third of our oil supply, establishing a 15-year moratorium on such vast amounts of offshore acreage does not make good sense or policy.

I would urge my colleagues to carefully review the potential impact of this agreement on our future energy needs and outlook. Moreover, I truly hope that a more equitable arrangement can be achieved that addresses the needs of all Americans, not just a select few, and honors the obligations as well as the responsibility which this body has to exercise responsible control over Federal resources.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. O'Brien].

Mr. O'BRIEN. Mr. Chairman, I thank the gentleman for yielding, and I speak in followup of my friend, the gentleman from Louisiana [Mr. Livingston].

I must address first the chairman, the gentleman from Illinois [Mr. Yates], and the ranking member, the gentleman from Ohio [Mr. Regula]. As you addressed the fiscal responsibility golf ball, you had 433 coaches, all who had different ways to tell you how to swing at it, each with his and her own personal concerns. I think you have done a phenomenal job caring for the likes of me and others in this House, like me, and still observed restraint.

Having said that, I would like to add a word in support of the comments by the gentleman from Louisiana [Mr. Livingston]. It seems to me that in the past, with the 1-year moratorium with respect to OCS leasing, we left the door open for adjustment. We are facing a 15-year moratorium now, and I am not satisfied that that is wise. In my hometown of Joliet we have many industries, many companies. All of them are major energy consumers. High natural gas prices brought on by expensive imported gas have been plaguing the region for several years. Instead of a 1-year moratorium, we are now faced with the possibility of a 15-year moratorium.

I think the 15-year moratorium would be shortsighted for the Nation's energy future. I urge my colleagues, and particularly Secretary Hodel, to reassess the adverse impact this restriction would have on all parts of the United States. It is not purely a California issue, and it is my hope that this might be addressed and modified in conference.

Mr. REGULA. Mr. Chairman, I yield 4 minutes to the gentleman from Arizona [Mr. McCain].

Mr. McCAIN. Mr. Chairman, I would like to thank the gentleman from Illinois [Mr. Yates] and the gentleman from Ohio [Mr. Regula] first of all for their dedicated efforts on behalf of the Indian programs which are so vitally needed. I believe that our Indians are the most neglected and least cared for and least concerned about group of Americans, and without the dedicated efforts of both Mr. Yates and Mr. Regula we would not see the vitally needed programs that are so important to maintaining our Indian population at a minimum—and I mean absolute minimum—level in our society. And I am speaking for many Arizonans who are very grateful for that.

I rise to comment just briefly on the Compact of Free Association with Micronesia. This a compact which is the result of 14 years of negotiations with the people of Micronesia. It is in the best interests of the people of Micronesia, and very importantly in the best interests of the people of the United States of America.

I would like to focus my remarks on the strategic aspect of Micronesia, and it might be of interest to my colleagues to know where Micronesia is. It sits in the middle of the ocean. It encompasses 2,100 islands, and it encompasses a size larger than the continental United States of America. Some of the islands' names may invoke the memory of individuals here who are old enough to remember World War II—names like Truk, Peleliu, Palau, and others which were so bitterly fought over by our American marines and soldiers during World War II. The reasons why those islands were fought over in those days is the same as today. It is one of the most strategically important parts of the world as far as the United States' national security interests are concerned.

Admiral Crowe, the former commander in chief of U.S. forces in the Pacific, wrote recently to Chairman Udall:

> The missions of the Pacific Command are to deter aggression, to insure access to critical resources, and should deterrence fail, to defend the interests of our allies and friends. To do this I must have the capability to project military power as far forward as possible and at the same time prevent a potential enemy from seizing areas from which attacks on the United States, its territories, and allies and friendly nations could be launched.

Micronesia sits adjacent to the Philippines where we have two major bases today, Clark Air Force Base and Subic Bay. We all hope that those bases will be preserved, but we all know of the very untenable and difficult situation which we are now involved in because of the instability of the Marcos government in the Philippines. In the event of the loss of our bases in the Philippines, the United States' next place to base our forces is the Hawaiian Islands unless we can make use of the Micronesian Islands, and this compact ensures us the ability to do that.

Let me speak a little about the Soviet Union, if I may. On Monday, the Los Angeles Times printed an article concerning the Soviet buildup in the Far East, and I quote:

> In the view of many U.S. military commanders and civilian specialists in the region, the Soviet forces, while ostensibly defensive, are aggressively poised to intimidate China and Japan and are increasingly capable of challenging the U.S. Navy throughout the Pacific. Over the last decade, the Joint Chiefs of Staff concluded earlier this year, Soviet activity has created an unfavorable balance of forces in the region, and that continues to deteriorate.

The Soviets have been very active. They recently signed fishing rights agreements with the Kiribati Islands which are very lucrative for them and very generous by Soviet standards. Those of you who have never seen a Soviet fishing trawler should observe one someday. It does just about everything except for fishing. They are contemplating negotiating an offer for fishing rights from the nation of Vanuata, and the Soviet fleet is now their largest, consisting of roughly one-third of all Soviet submarines, one-fourth of all principal surface combatants, including two of their aircraft carriers, and one-third of their naval aircraft.

Mr. Chairman, these islands will protect our security in the Far East in

perpetuity, and I strongly urge that this be looked upon favorably by our colleagues. I thank the gentleman from Illinois [Mr. Yates] and the gentleman from Ohio [Mr. Regula] for their hard work in obtaining this compact for this bill.

Mr. REGULA. Mr. Chairman, I thank the gentleman from Arizona [Mr. McCain] for his comments.

Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. Grotberg].

Mr. GROTBERG. Mr. Chairman, I appreciate the gentleman yielding time to me.

Mr. Chairman, I want to compliment the gentleman from Illinois [Mr. Yates], the chairman of the Interior Appropriations Subcommittee, and the ranking Republican member, the gentleman from Ohio [Mr. Regula], for their diligence and hard work in crafting H.R. 3011, the Interior appropriations bill for fiscal year 1986.

I want to especially note that the committee has recommended adequate appropriations so that the Illinois and Michigan Canal National Heritage Corridor Commission, established as a result of Public Law 98–398 and constituted on May 8 of this year, just a couple of months ago, will have the resources it needs to begin its work of increasing recreational and economic opportunities along the entire corridor area.

I think a side comment is in order. In conferring with the gentleman from Illinois [Mr. Yates], Members learn that Illinois has no national parks. In that great State, the land of Lincoln, we have a small Shawnee National Forest down in southern Illinois, but even with the unselfish decade or more of the service of the subcommittee chairman, nobody can lay it on him that he has made Illinois the national park wonder of the world. This is the closest we got to it. This is not a national park; it is a national corridor.

The CHAIRMAN pro tempore. The time of the gentleman from Illinois [Mr. Grotberg] has expired.

Mr. GROTBERG. Mr. Chairman, if I might have 1 more minute, I could finish my remarks.

Mr. REGULA. Mr. Chairman, I yield 30 additional seconds to the gentleman from Illinois [Mr. Grotberg].

Mr. GROTBERG. Mr. Chairman, I represent La Salle County, IL, where the terminus of the canal is located.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. GROTBERG. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I appreciate the gentleman's contribution about my efforts. The reason I have not tried to make it a national park is the fact that it is naturally a place of attraction.

Mr. GROTBERG. I support that theory entirely.

Mr. REGULA. Mr. Chairman, maybe the gentleman from Illinois would like to yield several minutes to the gentleman from Illinois [Mr. Grotberg] to discuss this park for Illinois.

Mr. YATES. Mr. Chairman, I think I will leave that for another occasion.

Mr. GROTBERG. Mr. Chairman, I thank the gentleman.

Mr. Chairman, nobody is really too concerned about this except those of us in Illinois. I represent La Salle County where we have double-digit unemployment. There is great hope in the future for this corridor, and I for one extend to the gentleman all the appreciation of the community that I represent.

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Mr. REGULA. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. Parris].

Mr. PARRIS. Mr. Chairman, I would like to engage the ranking minority member in a short colloquy, if I could.

The Park Police Aviation Union in Anacostia was formed in 1973. To date it has logged over 12,600 accident-free flight hours, has transported over 1,945 patients on flights from accident scenes in the Washinton metropolitan area.

In addition, this unit has rescued countless people from certain death after thay have fallen in or have wandered into the dangerous waters of the Potomac River at Great Falls.

The unit provides security for the President, Vice President, visiting dignitaries, and the like.

The Park Police Aviation section is in serious need of more up-to-date aircraft. It is particularly important that this be done to ensure the safety of the pilots, medical technicians, and patients, while carrying out rescue and medivac operations.

To this end, I will seek to have $3,518,714 included in the fiscal year 1986 Interior supplemental appropriations bill in the spring for the procurement of two Bell 222 UT helicopters, the cost of which would be offset by disposing of the unit's present aircraft.

Would the gentleman respond to that?

I yield to the gentleman from Ohio.

Mr. REGULA. Would the gentleman from Virginia expand a little bit and summarize the cost that would be associated with this procurement.

Mr. PARRIS. I would be delighted to provide that information and, of course, will do so for the record.

Each aircraft with the necessary equipment and necessary medivac rescue modifications would cost $1,759,357 less, of course, the surplus value of their current aircraft.

Mr. REGULA. I thank the gentleman for his contribution. I think he makes a point that we overlook and that is that the Park Service has a very substantial responsibility in the metropolitan area of Virginia, the District of Columbia, and Maryland, because of the highway supervision. They are a police force that most people do not realize are carrying this burden of covering such a large area.

I agree with the gentleman that the need for the new aircraft is clear. It is a medivac type of thing. I would be happy and I am confident the chairman would be to consider such a proposal when we get the fiscal year 1986 supplemental appropriations bill.

Mr. PARRIS. Mr. Chairman, I thank the gentleman very much for his interest in this matter and express my hope that the proposal will receive the support of the committee at the time of the supplemental.

I would just add that the critical factor here is they have single-engine airplanes now with limited lift capability. If you get a net hanging under one of these helicopters and there are 8 or 10 people in the river and they all get on the net at the same time, you are going to lose the people, the pilots, and the helicopter, without the twin-engine capability. I think that is an important safety consideration which deserves the committee's attention.

I thank the gentleman.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. Thomas].

Mr. THOMAS of California. Mr. Chairman, I rise in support of H.R. 3011.

Mr. Chairman, I include correspondence between myself and my colleagues, the gentleman from California, Mr. Doug Bosco, concerning the $2 million appropriation in the Interior appropriations bill for the Round Valley Indian Reservation to purchase the Big Bend Ranch in Mendocino County, CA, and the correspondence which pertains to certain in-holdings and agreements which have been reached between the gentleman from California [Mr. Bosco] and myself.

The letters are as follows:

House of Representatives,
Washington, DC, July 18, 1985.

Hon. Doug Bosco,
Cannon House Office Building, Washington, DC.

Dear Doug: It has been brought to my attention that a section of the fiscal year 1986 Interior Appropriations bill (HR 3011) contains language appropriating $2 million to the Round Valley Indian Reservation for purchase of the Big Bend Ranch in Mendocino County, California.

I am concerned that transfer of this property from private ownership to the reservation could possibly result in loss of access from my constitutents, Fred and Gay Borton, to a 480-acre ranch which they own. The Bortons' inholding is surrounded by the Big Bend Ranch, and their only access to it is across the Big Bend Ranch.

In addition, I am concerned that if the Big Bend Ranch passes to Indian ownership, pressure might arise in the future to acquire the Borton inholding as well.

I hereby request that HR 3011 be altered so as to preclude the possibility of either loss of right-of-way for the Bortons or forced sale of their inholding should the transfer of Big Bend Ranch to Indian ownership be completed.

Thank you very much for your assistance in this matter.

Best regards,

William M. Thomas,
Member of Congress.

House of Representatives,
Washington, DC, July 22, 1985.

Hon. William M. Thomas,
CHOB, Washington, DC.

Dear Bill: Thank you for your letter regarding provisions of the fiscal year 1986 Appropriations bill (HR 3011) which call for the acquisition of the Big Bend Ranch in Mendocino County, California.

I want to take this opportunity to assure you that transfer of the Big Bend Ranch from private ownership to the Round Valley Indian Reservation will in no way affect private inholders. I am aware that two of your constituents, Fred and Gay Borton, own a 480-acre ranch within the geographic boundaries of Big Bend, and that they must travel through the ranch to gain access to their property.

I have been advised that acquisition by the Covelo Indian Community will not affect the Borton's access to their property, nor will it encourage acquisition of their inholding by the Covelo Indians. In short Mr. and Mrs. Bortons' private rights will not be affected by the proposed acquisition of Big Bend Ranch.

I hope this response addresses Mr. and Mrs. Bortons' concerns, and I thank you for calling this matter to my attention.

Cordially,

Douglas H. Bosco,
Member of Congress.

Mr. REGULA. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, there was a comment earlier about this bill being veto bait because it is over the administration's request. I just point out that all the appropriation bills that we have passed thus far, with the exception of the District of Columbia, have been over the administration's request.

I would point out, as the gentleman from Arizona emphasized, the tremendous breadth of responsibility covered by this bill, trust territories, the Bureau of Indian Affairs, the Bureau of Land Management, the Forest Service, the national parklands.

Again I would emphasize that this bill is a net revenue producer. It costs $8.1 billion and returns to the Treasury $12.5 billion.

Mr. BADHAM. Mr. Chairman, as the House considers the Interior appropriations bill for fiscal year 1986, I rise to express my objection to a certain provision that deals with the Outer Continental Shelf oil leasing agreement for the State of California.

As noted in the report, the moratorium on offshore leasing along the California coast has been deleted. This decision was made contingent upon a plan that was arranged by a few members of the California delegation and the Secretary of the Interior. This preliminary agreement calls for 150 of 6,464 tracts contained within the present moratoria to be offered for Outer Continental oil leasing. As part of this plan, six tracts off the coast of the 40th District that I represent will be made available for oil leasing.

At this time, I cannot be party to any such compromise that would allow drilling off this valuable coastal area. I oppose all OCS oil leasing in this area that is highly sensitive in terms of its recreational, environmental, and aesthetic value. The cities of Newport Beach and Laguna Beach would be seriously affected because of their dependence upon tourism for their economic viability. Any sort of oil spill or environmental damage that could occur would be devastating for the local hotels, restaurants, retail shops, and other businesses. Moreover, the cities depend upon the pristine ocean view to attract visitors; oil drilling platforms placed in areas as close as 4 miles off the coast of Newport Beach would destroy the aesthetic beauty of the coastline that thousands of tourists travel to enjoy every year. The city of Huntington Beach, which already has oil production off its coast, is concerned as well about the environmental effects of new wells, of particular concern is potential damage to air quality.

In light of the extreme sensitivity of this area, I adamantly oppose any such Outer Continental Shelf oil leasing proposal off the coast of my district. More importantly, the people of my district, including most of the elected city officials, have expressed their opinions quite clearly to me. They cannot, and will not, accept any plan that would allow any new drilling off their coast of Orange County and will work to defeat such a proposal by every means possible.

In the near future, I am confident that technology will become available for subsurface oil recovery operations. At such a time and with the proper safeguards for the environment, I would be in support of the recovery of this resource in order to contribute to the energy independence of the United States.

While technology will alleviate the environmental and aesthetic concerns, I want my colleagues to know that I believe the tentative California OCS agreement, under consideration now, is contrary to the interests and well-being of the people I represent, and the State of California, and I strongly oppose it.

Mr. RAHALL. Mr. Chairman, I rise in support of H.R. 3011, the Interior appropriations bill for fiscal year 1986.

I really want to express my appreciation to the chairman of the Subcommittee on Interior, Sidney Yates for the responsible levels of funding being recommended for the Bureau of Mines, the Office of Surface Mining's State AML Grant Program and for the Clean Coal Technology Program to be administered by the Department of Energy. In this regard, I would especially like to thank subcommittee members Jack Murtha, Joe McDade and Ralph Regula.

I am especially pleased that the committee has seen fit to appropriate $36.1 million for the Health and Safety Technology Program within the Bureau of Mines and $13 million for mining technology. The specifics contained in the committee report as to how this funding should be used, in my view as the chairman of the authorizing subcommittee, are highly commendable.

The State Reclamation Grant Program under the abandoned mine reclamation fund administered by OSM is a matter of great concern to my State of West Virginia. It is my understanding that due to a concern of the subcommittee chairman, the gentleman from Illinois, language has been inserted into the legislation to guide the distribution of the $186.2 million State AML grant appropriation. This language would prohibit any State from receiving fiscal year 1986 AML construction grant funds if that State's unobligated construction grant balance from fiscal years 1982 through 1985 exceeds the amount of its fiscal year 1985 construction grant and is directed at those States which have not used their AML funds in a timely manner.

I am pleased to note that West Virginia has perhaps the best track record in obligating its AML construction grants and, as such, would not be affected by this provision. The amount of West Virginia's unobligated construction grants from fiscal years 1982 through 1984 is below the amount the State received in fiscal year 1985. As such, the State will be in the position, when OSM considers its fiscal year 1986 grant, to receive the full amount requested for eligible projects.

Another important element of the effort to reclaim abandoned coal mine lands is the Rural Abandoned Mine Program. While I continue to advocate a minimum of $15 million per year for RAMP, the committee's inclusion of $9.4 million is far better than the administration's request to essentially kill the program.

Like a phoenix rising from the ashes of failure, the measure before us today contains a $750 million transfer of funds from the Synthetic Fuels Corporation to the Department of Energy for the clean coal technology reserve. This program was authorized as part of the continuing appropriation for fiscal year 1985 and the decision by the committee to now provide the actual funds is commendable. Of the

total appropriation, $100 million would be made available for fiscal year 1986 with $300 million in fiscal year 1987 and $350 million in fiscal year 1988 to fund various clean coal technologies with the Federal share not to exceed 50 percent of a given project's cost.

Under this provision, DOE must issue a request for proposals within 90 days of enactment and then move into the contracting process.

A great deal of emphasis is being placed on the utility applications of the technologies which may receive clean coal funding. In my view, DOE should focus on funding those technologies which would replace smokestack scrubbers, the dominant pollution control method in use today. Scrubbers are a technological dinosaur. They are inefficient and create pollution themselves in the form of sludge. With proper funding, commercial applications of fluidized bed combustion technology will prove to be more economical and environmentally sound than scrubbers. Fluidized bed combustion, I believe, is the cutting edge in clean coal technology for utility applications and should be the next generation of utility boilers.

At the same time, there are industrial applications of clean coal technology in great need of assistance, primarily those which would lead to a cleaner and more efficient method of producing coke for the steelmaking process. The Nation is currently faced with a shortfall in domestic coke production due to the inability of our coke ovens to comply with environmental standards. New technology in this area would not only assist the resurrection of our domestic steel industry, but improve conditions in the metallurgical coal fields of this Nation, such as those in southern West Virginia.

Mr. Chairman, I urge my colleagues to support H.R. 3011 as reported by the committee.

● Mr. SYNAR. Mr. Chairman, there is a provision in this bill which appears to merely encourage States to carry out their responsibilities under the Surface Mining Control and Reclamation Act of 1977 [SMCRA]. In fact, it sanctions a game of reclamation Russian roulette currently being played by officials of the Office of Surface Mining [OSM]. Today only a few people are affected, but if OSM begins to aggressively carry out its responsibilities for overseeing surface mining regulatory programs throughout the States and assumes partial responsibility for their programs, people in many coal producing States could be adversely affected. The provision is unwise, primarily because of the current sad state of affairs at OSM, but also because of the practical impact of this policy change on much-needed reclamation projects.

Title I of the bill appropriates money for the Abandoned Mine Reclamation Fund [AML], administered by the Office of Surface Mining. The money is used to reclaim mine sites abandoned prior to passage of SMCRA. Under current law, the question of whether a State is entitled to receive cleanup money for pre-1977 sites is straightforward: Does the State have an approved program for the regulation of current mine sites under section 503 of the Surface Mining Act? If so, the State is eligible for the money. If not, the State is ineligible. (Section 405(c) of SMCRA.)

In practice, OSM has ignored these statutory provisions. Currently, it is withholding reclamation money from the State of Oklahoma which has an approved State program, but requires Federal supervision of its enforcement. Title I of this appropriations bill adds a new twist to existing law. It prohibits the use of AML reclamation funds by States failing to take enforcement action with respect to post-1977 sites, unless the State has entered into an explicit agreement with OSM to remedy its failures to enforce the law.

The legal effect of this new provision is that, for the future, Congress sanctions OSM's previously illegal practice of withholding money in cases like Oklahoma and protects OSM from future lawsuits. The practical effect is to give Federal bureaucrats authority to delay grants to selected States by withholding or delaying approval of enforcement plans. This can only mean further delays in restoring dangerous sites, with continuing risks to individuals.

I do not believe this is wise policy for the simple reason that over the past 6 years, in my congressional district alone, five people died in accidents at unreclaimed mine sites. Until it happens, obviously no one can know whether deaths or injuries will occur at the mine sites for which grant applications are pending or will be submitted to OSM. But as long as the money is available, I don't think it makes a lot of sense to take the risk to find out. The money has already been collected through a coal production tax, and needs only to be appropriated by Congress and distributed by OSM to the States. It should be spent for the purposes for which it was collected.

OSM is plagued by serious problems. There is ample opportunity for the unwise exercise of the new authority to withhold reclamation funds. Bureaucratic infighting and turf battles seriously undercut the agency's ability to accomplish its basic mission, and OSM's relationships with the States are not immune to these problems. I am concerned that dangerous sites in affected States will go unreclaimed while State and Federal officials argue over enforcement plans. If this provision is enacted, Federal and State officials alike will have a heavy burden in carrying it out.

Furthermore, even if OSM were trouble free, I believe it is a mistake to tie reclamation funds so closely to the regulatory programs. It may have made sense at the outset for Congress to use the funds as an incentive to States to establish regulatory programs. Now, almost all coal producing States have approved State programs. Citizens who live near and are adversely affected by deteriorating abandoned mine sites should not be penalized for the problems State officials have in administering the regulatory programs.●

● Mr. de LUGO. Mr. Chairman, I rise in support of H.R. 3011, the Interior and related agencies appropriations for fiscal year 1986. This proposal includes funding for capital improvement projects in the U.S. insular areas which is important for their continued economic development and central to their collective goals of achieving economic self-sufficiency.

For the U.S. Virgin Islands, this bill provides a loan for extension of the airport runway on St. Croix. This island has suffered the closing of one of its two major plants, Martin Marietta Alumina, and the loss of over 300 employees at its other major plant, Hess Oil Virgin Islands. The island must bolster its ability to compete in the tourist market, and the industry has made it clear that this means servicing transportation that feeds directly into the European and west coast U.S.A. tourist.

I want to thank the gentleman from Illinois, the chairman of the subcommittee for his support in this matter. I also wish to thank the gentleman from Massachusetts, [Mr. Boland] as well as the gentleman from Ohio, [Mr. Regula], and the gentleman from Pennsylvania, [Mr. McDade] for their support and help in bringing about this vital help for the island of St. Croix In the U.S. Virgin Islands.

Generally, this legislation represents a conscious effort to stay within the budgetary objectives of this body. That it does this while funding crucial projects such as those included for the insular areas is exemplary. I urge my colleagues to support its passage.

● Mr. BRUCE. Mr. Chairman, today I rise to thank Chairman Yates and the Interior and related agencies appropriations committee for bringing us H.R. 3011, and to offer strong support for the clean coal technology reserve and the fossil energy research programs contained in the bill.

Our Nation knows what it's like to be held hostage to oil importers' high prices. That's why we've been trying so hard to strengthen our hand at energy independence. If this Congress chooses, our Nation's abundant coal resources may help solve this crucial problem.

Through the clean coal technology reserve, we have an opportunity to move toward energy independence, to reduce the environmental problems associated with burning high sulfur coal, to increase economic activity by raising levels of employment and to increase the use of Midwestern and Eastern coal as an energy source.

The Department of Energy [DOE] has identified emerging clean coal technology projects that could be accelerated to commercialization through cooperative efforts of a private-public partnership. As a prerequisite, these projects would require 50 percent cost-sharing between industry and the Federal Government, making it a true cooperative effort with a substantial private sector commitments. Important to industry participation, is the commitment of Federal funds for multiyear disbursement.

Mr. Chairman, an amendment offered today, potentially jeopardizes the future of the reserve by proposing to eliminate the important outyear funding included in the bill. I hope my colleagues understand that the reserve funding is consistent with the House budget resolution. The money we are talking about is not new appropriations, but rather a transfer of funds already appropriated from the Synthetic Fuels Corporation. To ensure that this important program goes forward, I urge my colleagues to defeat the amendment.

Coal is our Nation's most abundant energy resource. And, while it provides roughly one quarter of our Nation's energy consumption, coal, is still greatly under utilized.

Technologies which enable us to use more of our vast coal reserves are a step in the right direction toward energy independence and a significant environmental benefit both to new and existing generating plants.

Mr. Chairman, in conclusion, I want to urge my colleagues to support the clean coal technology reserve. The funding for this critical initiative is a move which will bring these coal concepts toward commercialization, and this country toward energy independence, while using our Nation's coal in a clean and environmentally safe manner.

Thank you, Mr. Chairman.●

● Mr. DORGAN of North Dakota. Mr. Chairman, I rise today to agree with my colleagues that it is important, in fact vital, that we be mindful of the need to consider the ever-growing Federal deficit and that we make every effort to control that deficit.

However, when we discuss the need to continue to support the Synthetic Fuels Corporation, I part company with many of my colleagues. I am afraid that my colleagues are forgetting the long gasoline lines and the escalating prices of fuel oil of just a few years ago. Are our memories that short? Can we afford to forget? The Synthetic Fuels Corportation was created as a result of those hard times to help us develop energy alternatives so that we would never be faced with another energy crisis again and so that we could progress down the road toward energy independence.

Beyond the disturbing memories of the long gas lines and the rising cost of oil, we must continue to be aware of the political instability in the Middle East. Yes, we have our friends there, but can they and/or will they be able to satisfy our energy needs in a time of crisis, a crisis that we cannot begin to anticipate?

I ask my colleagues how they will respond to their constituents if there was a widespread war in the Middle East in the near future? Where will we obtain our fuel oil from? How will we heat our homes? While our Nation has responded to the call for conservation, and we are, the reports tell us, experiencing an oil glut, I caution my colleagues that we are far from energy independence. The fact remains that we depend on oil from the Middle East.

The Synthetic Fuel Corporation has provided us with a number of options that are worth considering. It is important that we continue to develop those options that would otherwise not be explored in a meaningful commercial capacity.

Let us not be shortsighted on this matter of national security. With the creation of the Synthetic Fuel Corporation we were given the opportunity to learn from our mistakes, to have the foresight to anticipate our potential energy requirements should we again be faced with circumstances similar to, or perhaps worse, than those we faced in the seventies. We need to develop energy alternatives. We need to develop them today so that when we need them we will have them. I urge my colleagues to share my hopes for the future when America can effectively and efficiently utilize our natural resources as a major component of a national energy policy.●

● Mr. FRENZEL. Mr. Chairman, I am opposed to H.R. 3011, Interior appropriations.

Last year, we appropriated $8.118 billion for this bill. Of that, $8.104 is discretionary spending. This year, the committee reported a bill containing $8.261 billion, of that $8.248 is discretionary spending. That represents a 1.7 percent increase over last year's level, in violation of the spirit of our budget resolution which called for a discretionary spending freeze.

Appropriations bills coming to the House have been slightly above or at a freeze level. This bill is no exception.

The problem, in my judgment, is that these bills represent an abdication of our responsibility to reduce Federal spending.

The House has been willing to vote for several freezes on authorizing bills. Unfortunately, when the appropriations bills are considered, the bills that actually spend funds, our good intentions whither. If we really want to do something about deficits, then we need to vote to reduce appropriations. It is sad, but true, that we cannot reduce spending without cutting somebody's program. Deficit reductions are not painless.

The House did a good job in cutting the synfuels item. It even stretched itself on the clean coal matter. Overall, however, it is still unwilling to reduce spending.●

● Mr. JONES of North Carolina. Mr. Chairman, I want to commend you for reporting out a very balanced appropriations bill for the Department of the Interior, particularly with respect to the U.S. Fish and Wildlife Service.

The Merchant Marine and Fisheries Committee, which I chair, closely examines the administration's proposed budget for the Service every year and makes recommendations for increases and decreases in that proposal to the House Budget Committee and to the Subcommittee on Interior Appropriations.

This year, my committee's leadership made a recommendation to both committees concerning the Refuge Revenue Sharing Program. Under this program, the Fish and Wildlife Service makes payments to counties in which Service lands are located based on fair market value of those lands. Funding for these payments is derived from revenues acquired through the sale of products of Service lands. If net revenues are not adequate to make full payment according to the formula contained in the act, direct appropriations are authorized to make up the difference. For fiscal year 1986, net receipts are estimated at $4,302,000 and the appropriation has been set by your committee at $5,645,000 for a total of $9,947,000 or 58 percent of the Federal obligation. An additional $7,135,000 is needed for full funding of this program.

Mr. Chairman, I appreciate your concern over this matter as stated in House Report 99–205 on page 20 where it is pointed out that there is a discrepancy between refuge revenue sharing and a similar program run by the Bureau of Land Management called payment in lieu of taxes. BLM's program is funded at 95 to 100 percent of its cost, whereas the Service's program is funded at only 58 percent. I agree that the Department of the Interior should correct this imbalance in its request for fiscal year 1987 and I have so informed Under Secretary

Anne McLaughlin by letter of June 10, 1985.

Mr. Chairman, let me assure you of my committee's continuing interest in this and other programs of the Fish and Wildlife Service. I look forward to working with you to achieve equity for refuge revenue sharing in fiscal year 1987.●

The House has a great record of rhetorical commitment to deficit reductions. It has not yet backed up that rhetoric with action. I will vote against this appropriations bill in the hope for some real spending cuts.

Mr. REGULA. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. YATES. Mr. Chairman, I have no further requests for time, and I ask that the Clerk read the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

Bureau of Land Management

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau of Land Management, $378,556,000: *Provided,* That notwithstanding any other Act, none of the funds made available to the Department of the Interior or the United States Forest Service during fiscal year 1986 by this or any other Act may be used to implement the proposed jurisdictional interchange program until enactment of legislation which authorizes the jurisdictional interchange.

CONSTRUCTION AND ACCESS

For acquisition of lands and interests therein, and construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $1,203,000, to remain available until expended.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976 (31 U.S.C. 6901–07), $102,900,000, of which not to exceed $400,000 shall be available for administrative expenses.

LAND ACQUISITION

For expenses necessary to carry out the provisions of sections 205, 206, and 318(d) of Public Law 94–579 including administrative expenses and acquisition of lands or waters, or interest therein, $2,800,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; $66,140,000 to remain available until expended: *Provided,* That the amount provided herein for the purposes of this appropriation on lands administered by the Forest Service shall be transferred to the Forest Service, Department of Agriculture: *Provided further,* That the amount appropriated herein for road construction shall be transferred to the Federal Highway Administration, Department of Transportation: *Provided further,* That 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land grant fund and shall be transferred to the General Fund in the Treasury in accordance with the provisions of the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to fifty per centum of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315, et seq.), and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, to remain available until expended: *Provided,* That not to exceed $600,000 shall be available for administrative expenses: *Provided further,* That the dollar equivalent of value, in excess of the grazing fee established under law and paid to the United States Government, received by any permittee or lessee as compensation for an assignment of a grazing permit or lease, or any grazing privileges or rights thereunder, and in excess of the installation and maintenance cost of grazing improvements provided for by the permittee in the allotment management plan or amendments or otherwise approved by the Bureau of Land Management, shall be paid to the Bureau of Land Management and disposed of as provided for by section 401(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701): *Provided further,* That if the dollar value prescribed above is not paid to the Bureau of Land Management, the grazing permit or lease shall be canceled.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations available until expended: *Provided,* That pursuant to this Act and hereafter, and except with respect to those applications for which costs are recovered on the basis of a schedule of fees or charges fixed by regulation, the amounts collected under section 304 of the Act of October 21, 1976, and sections 101 and 203 of Public Law 93–153 and appropriated under this heading shall be sufficient to meet the actual cost, including direct and indirect costs, to the United States, as determined by the Secretary, of the application processing and other activities, including the full cost of preparation of environmental impact statements, required in connection with the application for which such charges are made: *Provided further,* That pursuant to this Act and hereafter, and except with respect to those applications for which costs are recovered on the basis of a schedule of fees or charges fixed by regulation, no funds other than those appropriated under this heading, or otherwise available under the provisions of subsection 307(c) of the Act of October 21, 1976, may be used to meet the costs determined by the Secretary, in his discretion, to be reasonable under section 304(b) of said Act.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing law, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $10,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the United States Bureau of Land Management; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: *Provided,* That appropriations herein made for the Bureau of Land Management expenditures in connection with the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands (other than expenditures made under the appropriation "Oregon and California grant lands") shall be reimbursed to the General Fund of the Treasury from the 25 per centum referred to in subsection (c), title II, of the Act approved August 28, 1937 (50 Stat. 876), of the special fund designated the "Oregon and California land grant fund" and section 4 of the Act approved May 24, 1939 (53 Stat. 754), of the special fund designated the "Coos Bay Wagon Road grant fund": *Provided further,* That appropriations herein made may be expended for surveys of Federal lands of the United States and on a reimbursable basis for surveys of Federal lands of the United States and for protection of lands for the State of Alaska: *Provided further,* That an appeal of any reductions in grazing allotments on public rangelands must be taken within thirty days after receipt of a final grazing allotment decision. Reductions of up to 10 per centum in grazing allotments shall become effective when so designated by the Secretary of the Interior. Upon appeal any proposed reduction in excess of 10 per centum shall be suspended pending final action on the appeal, which shall be completed within two years after the appeal is filed: *Provided further,* That appropriations herein made shall be available for paying costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of work of the Bureau.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For expenses necessary for scientific and economic studies, conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, except whales, seals, and sea lions, and for the performance of other authorized functions related to such resources; for the general administration of the United States Fish and Wildlife Service; and for maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge, $317,202,000 of which $5,000,000 to carry out the purposes of 16 U.S.C. 1535, shall remain available until expended; and, of which $5,649,000 shall be for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976 (90 Stat. 2921), to compensate for loss of fishery resources from water development projects on the Lower Snake River, which will remain available until expended.

CONSTRUCTION AND ANADROMOUS FISH

For construction and acquisition of buildings and other facilities required in the conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, and the acquisition of lands and interests therein; $18,209,000, to remain available until expended of which $2,000,000 shall be available for expenses to carry out the Anadromous Fish Conservation Act (16 U.S.C. 757a–757g).

MIGRATORY BIRD CONSERVATION ACCOUNT

For an advance to the migratory bird conservation account, as authorized by the Act of October 4, 1971, as amended (16 U.S.C. 715k–3, 5), $10,000,000, to remain available until expended.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4–11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $45,970,000, to be derived from the Land and Water Conservation Fund, to remain available until expended: *Provided*, That $2,640,000 for the Cape Charles National Wildlife Refuge shall become available for obligation only upon enactment of authorizing legislation.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $5,645,000.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 191 passenger motor vehicles of which 178 are for replacement only (including 67 for police-type use); purchase of 4 new aircraft for replacement; acceptance of one donated aircraft as an addition; not to exceed $300,000 for payment, at the discretion of the Secretary, for information, rewards, or evidence concerning violations of laws administered by the United States Fish and Wildlife Service and miscellaneous and emergency expenses of enforcement activities, authorized or approved by the Secretary and to be accounted for solely on his certificate; repair of damage to public roads within and adjacent to reservation areas caused by operations of the United States Fish and Wildlife Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the United States Fish and Wildlife Service and to which the United States has title, and which are utilized pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided*, That pursuant to Public Law 98–244, funds advanced to or spent by the United States Fish and Wildlife Service for costs of the National Fish and Wildlife Foundation shall be repaid to the United States Fish and Wildlife Service from donations received by the Foundation and credited to the appropriation current at the time the payment is received.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not to exceed $410,000 for the Roosevelt Campobello International Park Commission, $490,000 for the Volunteers-in-the-Park program, and $350,000 for the National Capital Children's Museum and $350,000 for the Arena Stage as if authorized by the Historic Sites Act of 1935 (16 U.S.C. 462(e)), $628,996,000 without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451): *Provided*, That the Park Service shall not enter into future concessionaire contracts, including renewals, that do not include a termination for cause clause that provides for possible extinguishment of possessory interests excluding depreciated book value of concessionaire investments without compensation: *Provided further*, That appropriations for maintenance and improvement of roads within the boundary of Indiana Dunes National Lakeshore shall be available for such purposes without regard to whether title to such road rights-of-way is in the United States.

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, environmental compliance and review, and grant administration, not otherwise provided for, $11,467,000.

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the provisions of the Historic Preservation Act of 1966 (80 Stat. 915), as amended (16 U.S.C. 470), $24,410,000 to be derived from the Historic Preservation Fund, established by section 108 of that Act, as amended, to remain available for obligation until September 30, 1987.

VISITOR FACILITIES FUND

For grants to the National Park Foundation for reconstruction, rehabilitation, replacement, improvement, relocation, or removal of visitor facilities within the National Park System, and related expenses, as authorized by Public Law 97–433, $7,070,000 to remain available for obligation until September 30, 1989, to be derived from the National Park System Visitor Facilities Fund.

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451), $104,069,000, to remain available until expended, including $3,168,000 to carry out the provisions of sections 303 and 304 of Public Law 95-290 and $2,000,000 to assist local communities to protect Mammoth Cave National Park from groundwater pollution: *Provided*, That the National Park Service share of the Mammoth Cave protection project shall not exceed 25 per centum: *Provided further*, That for payment of obligations incurred for continued construction of the Cumberland Gap Tunnel, as authorized by section 160 of Public Law 93–87, $10,300,000, to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under section 104(a)(8) of Public Law 95-599, as amended, such contract authority to remain available until expended: *Provided further*, That funds made available pursuant to this Act for the Cumberland Gap Tunnel shall only be available when the States of Kentucky and Tennessee have entered into an agreement with the National Park Service to operate and maintain all portions of U.S. Route 25E, including the Tunnel, within the boundaries of the Cumberland Gap National Historic Park.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4–11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the National Park Service, $115,762,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which $50,000,000 is for the State Assistance program including $1,650,000 to administer the program: *Provided*, That State administrative expenses associated with the State grant portion of the State Assistance program shall not exceed 15 percent: *Provided further*, That none of the State Assistance funds may be used as a contingency fund: *Provided further*, That of the amounts previously appropriated to the Secretary's contingency fund for grants to States, $852,000 shall be available in 1986 for administrative expenses of the State grant program.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

For expenses necessary for operating and maintaining the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, $4,529,000.

ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR COMMISSION

For the operation of the Illinois and Michigan Canal National Heritage Corridor Commission, $250,000.

JEFFERSON NATIONAL EXPANSION MEMORIAL COMMISSION

For the operation of the Jefferson National Expansion Memorial Commission, $75,000.

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 1 aircraft and 286 passen-

ger motor vehicles, of which 242 shall be for replacement only, including not to exceed 174 for police-type use and 6 buses; to provide, notwithstanding any other provision of law, at a cost not exceeding $100,000, transportation for children in nearby communities to and from any unit of the National Park System used in connection with organized recreation and interpretive programs of the National Park Service; options for the purchase of land at not to exceed $1 for each option; and for the procurement and delivery of medical services within the jurisdiction of units of the National Park System: *Provided*, That any funds available to the National Park Service may be used, with the approval of the Secretary, to maintain law and order in emergency and other unforeseen law enforcement situations and conduct emergency search and rescue operations in the National Park System: *Provided further*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to add industrial facilities to the list of National Historic Landmarks without the consent of the owner: *Provided further*, That the National Park Service may use helicopters and motorized equipment at Death Valley National Monument for removal of feral burros and horses.

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the Geological Survey to perform surveys, investigations, and research covering topography, geology, and the mineral and water resources of the United States, its Territories and possessions, and other areas as authorized by law (43 U.S.C. 31, 1332 and 1340); classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; $428,098,000: *Provided*, That $52,324,000 shall be available only for cooperation with States or municipalities for water resources investigations: *Provided further*, That no part of this appropriation shall be used to pay more than one-half the cost of any topographic mapping or water resources investigations carried on in cooperation with any State or municipality: *Provided further*, That in fiscal year 1986 and thereafter, all amortization fees resulting from the Geological Survey providing telecommunications services shall be credited to this appropriation and be available for replacement or expansion of telecommunications services, to remain available until expended: *Provided further*, That the Geological Survey is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the Geological Survey shall be available for purchase of not to exceed 16 passenger motor vehicles, for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Geological Survey appointed, as authorized by law, to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That appropriations herein made shall be available for paying costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of work of the Geological Survey, and that within appropriations herein provided, Geological Survey officials may authorize either direct procurement of or reimbursement for expenses incidental to the effective use of volunteers such as, but not limited to, training, transportation, lodging, subsistence, equipment, and supplies: *Provided further*, That provision for such expenses or services is in accord with volunteer or cooperative agreements made with such individuals, private organizations, educational institutions, or State or local governments.

MINERALS MANAGEMENT SERVICE

LEASING AND ROYALTY MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed 8 passenger motor vehicles for replacement only; $165,118,000, of which not less than $44,476,000 shall be available for royalty management activities including general administration: *Provided*, That notwithstanding any other provision of law, $125,200,000 shall be deducted from Federal onshore mineral leasing receipts prior to the division and distribution of such receipts between the States and the Treasury and shall be credited to miscellaneous receipts of the Treasury: *Provided further*, That notwithstanding any other provision of law, when in fiscal year 1986 and thereafter any permittee provides data and information to the Secretary pursuant to section 1352(a)(1)(C)(iii) of title 43, United States Code, the Secretary shall pay only the reasonable cost of reproducing such data and information.

BUREAU OF MINES

MINES AND MINERALS

For expenses necessary for conducting inquiries, technological investigations and research concerning the extraction, processing, use and disposal of mineral substances without objectionable social and environmental costs; to foster and encourage private enterprise in the development of mineral resources and the prevention of waste in the mining, minerals, metal and mineral reclamation industries; to inquire into the economic conditions affecting those industries; to promote health and safety in mines and the mineral industry through research; and for other related purposes as authorized by law, $122,298,000, of which $75,343,000 shall remain available until expended.

ADMINISTRATIVE PROVISIONS

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided*, That the Bureau of Mines is authorized, during the current fiscal year, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, $85,538,000, including the purchase of not to exceed 14 passenger motor vehicles, of which 9 shall be for replacement only; and uniform allowances of not to exceed $400 for each uniformed employee of the Office of Surface Mining Reclamation and Enforcement; and notwithstanding 31 U.S.C. 3302, an amount equal to receipts to the General Fund of the Treasury from performance bond forfeitures, estimated at $500,000 in fiscal year 1986, to remain available until expended.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out the provisions of title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, including the purchase of not more than 21 passenger motor vehicles, of which 15 shall be for replacement only, to remain available until expended, $233,585,000, to be derived from receipts of the Abandoned Mine Reclamation Fund: *Provided*, That pursuant to Public Law 97–365, the Department of the Interior is authorized to utilize up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: *Provided further*, That of the funds made available to the States to contract for reclamation projects authorized in section 406(a) of Public Law 95–87, administrative expenses may not exceed 15 percent: *Provided further*, That none of these funds shall be used for a reclamation grant to any State if the State has not established a system acceptable to the Office of Surface Mining Reclamation and Enforcement and agreed to participate in a nationwide data system through which all permit applications and permanent program permits are reviewed and either denied or revoked if the persons (or those who control such persons) applying for or receiving such permits have outstanding state or Federal civil penalties, outstanding state or Federal environmental violations, including cessation orders, or past due Abandoned Mine Land fees: *Provided further*, That none of the funds available to the States pursuant to title IV of Public Law 95–87, shall be granted to any State which is failing to take enforcement action when violations of section 521(a) of the Act or the approved State programs are observed, unless that State has entered into an explicit agreement with the Office of Surface Mining Reclamation and Enforcement to remedy said failure to enforce: *Provided further*, That the Office of Surface Mining Reclamation and Enforcement is to apportion the funding for the Secretary's discretionary fund, as referenced in section 402(g)(3) of Public Law 95–87, on the basis of the Abandoned Mine Lands Inventory: *Provided further*, That expenditure of moneys as authorized in section 402(g)(3) shall be on a priority basis with the first priority being protection of public health, safety, general welfare, and property from extreme danger of adverse effects of coal mining practices, as stated in section 403 of Public Law 95–87: *Provided further,* That no State will be awarded a reclamation grant, for the purposes of construction, unless its prior years' unobligated balances of the amount is less than the amount of the grant obligated in the immediately preceding year.

Bureau of Indian Affairs

OPERATION OF INDIAN PROGRAMS

For operation of Indian programs by direct expenditure, contracts, cooperative agreements and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, $857,303,000, of which not to exceed $54,656,000 for higher education scholarships and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall remain available for obligation until September 30, 1987, and the funds made available to tribes and tribal organizations through contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, 1987: *Provided,* That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs; and includes expenses necessary to carry out the provisions of section 19(a) of Public Law 93–531 (25 U.S.C. 640(d)–18(a)), $2,886,000, to remain available until expended: *Provided further,* That none of these funds shall be expended as matching funds for programs funded under section 103(a)(1)(B)(iii) of the Vocational Education Act of 1963, as amended (20 U.S.C. 2303(a)(1)(B)(iii)): *Provided further,* That no part of any appropriations to the Bureau of Indian Affairs shall be available to provide general assistance payments for Alaska Natives in the State of Alaska unless and until otherwise specifically provided for by Congress.

CONSTRUCTION

For construction, major repair and improvement of irrigation and power systems, including architectural and engineering services by contract; acquisition of lands and interests in lands; preparation of lands for farming; and construction, repair, and improvement of Indian housing, $45,195,000, to remain available until expended: *Provided,* That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation.

ROAD CONSTRUCTION

For construction of roads and bridges pursuant to authority contained in 23 U.S.C. 203, the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), and the Act of May 26, 1928 (45 Stat. 750; 25 U.S.C. 318a), $785,000 to remain available until expended: *Provided,* That not to exceed 5 percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover roads program management costs and construction supervision costs of the Bureau of Indian Affairs.

TRIBAL TRUST FUNDS

In addition to the tribal funds authorized to be expended by existing law, there is hereby appropriated not to exceed $4,000,000 from tribal funds not otherwise available for expenditure.

REVOLVING FUND FOR LOANS

During fiscal year 1986, and within the resources and authority available, gross obligations for the principal amount of direct loans pursuant to the Indian Financing Act of 1974 (88 Stat. 77; 25 U.S.C. 1451 et seq.), shall not exceed $16,300,000.

INDIAN LOAN GUARANTY AND INSURANCE FUND

For payment of interest subsidies on new and outstanding guaranteed loans and for necessary expenses of management and technical assistance in carrying out the provisions of the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.), $2,210,000, to remain available until expended: *Provided,* That during fiscal year 1986, total commitments to guarantee loans pursuant to the Indian Financing Act of 1974 (88 Stat. 77; 25 U.S.C. 1451 et seq.), may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed resources and authority available.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guarantee and insurance fund) shall be available for expenses of exhibits; and purchase of not to exceed 150 passenger carrying motor vehicles, of which 100 shall be for replacement only.

Territorial and International Affairs

ADMINISTRATION OF TERRITORIES

For expenses necessary for the administration of territories under the jurisdiction of the Department of the Interior, $74,752,000, of which (1) $72,367,000 shall be available until expended for technical assistance; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for support of governmental functions; $2,000,000 for a loan to the Government of the United States Virgin Islands, for construction of an extension to the Alexander Hamilton Airport runway, St. Croix, at an interest rate of 4 per centum, to be repaid within a period of twelve years: *Provided,* That issuance of such loan shall be contingent upon approval of a multiyear grant of Airport Improvement Program funds from the Federal Aviation Administration, and a written guarantee from the Government of the United States Virgin Islands as to the source of funds to be used for repayment of the loan; construction grants to the Government of Guam of $5,393,000, as authorized by law (Public Law 98–454, 98 Stat. 1732); direct grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94-241, 90 Stat. 272, and Public Law 98–454, 98 Stat. 1732); and (2) $2,385,000 for fiscal year 1986 for salaries and expenses of the Office of Territorial and International Affairs, of which not to exceed $1,000 shall be available during 1986 for official reception and representation expenses: *Provided further,* That the territorial and local governments herein provided for are authorized to make purchases through the General Services Administration: *Provided further,* That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or utilized by such governments, shall be audited by the General Accounting Office, in accordance with the provisions of the Budget and Accounting Act, 1921 (42 Stat. 23), as amended, and the Accounting and Auditing Act of 1950 (64 Stat. 834).

TRUST TERRITORY OF THE PACIFIC ISLANDS

For expenses necessary for the Department of the Interior in administration of the Trust Territory of the Pacific Islands pursuant to the Trusteeship Agreement approved by joint resolution of July 18, 1947 (61 Stat. 397), and the Act of June 30, 1954 (68 Stat. 330), as amended (90 Stat. 299; 91 Stat. 1159; 92 Stat. 495), grants for the expenses of the High Commissioner of the Trust Territory of the Pacific Islands; grants for the compensation and expenses of the Judiciary of the Trust Territory of the Pacific Islands; grants to the Trust Territory of the Pacific Islands, in addition to local revenues, for support of governmental functions; $107,972,000, of which $85,022,000 is for operations, of which $2,500,000, to remain available until expended, shall be available for the relocation and resettlement of the people of Enjebi (the dri-Enjebi) on Enjebi Island on Enewetak Atoll in the Marshall Islands: *Provided,* That such sum shall be paid to a trustee selected by the local council of Enewetak subject only to the disapproval of the Secretary of the Interior to be held in trust pursuant to the provisions of a trust agreement or amendment thereto approved by the local council of Enewetak subject only to the disapproval of the Secretary of the Interior: *Provided further,* That such fund and the earnings and distribution therefrom shall not be subject to any form of Federal, State, or local taxation: *Provided further,* That the Governments of the United States and the Trust Territory of the Pacific Islands shall not be liable in any cause of action in law or equity from the administration and distribution of the trust funds: *Provided further,* That the funds shall not be paid to the trustee until the people of Enjebi and the local council of Enewetak have entered into a binding agreement with the United States to hold the United States harmless from loss, damage, and liability associated with resettlement of Enjebi by the people of Enjebi; and $22,950,000 is for construction, to remain available until expended: *Provided further,* That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with the provisions of the Budget and Accounting Act, 1921 (42 Stat. 23), as amended, and the Accounting and Auditing Act of 1950 (64 Stat. 834): *Provided further,* That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration.

Departmental Offices

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of the Interior, $40,856,000, of which not to exceed $10,000 may be for official reception and representation expenses.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $20,266,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, $15,117,000.

CONSTRUCTION MANAGEMENT

For necessary expenses of the Office of Construction Management, $87,890,000, including $45,000,000 for operation and maintenance of facilities under the jurisdiction of the Bureau of Indian Affairs and also including $41,990,000, to remain available until expended, for construction, major repair and improvement of buildings, utilities, and other facilities, under the jurisdiction of the Bureau of Indian Affairs, including architectural and engineering services by contract.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 5 additional aircraft, all of which shall be for replacement only: *Provided,* That no programs funded with appropriated funds in the "Office of the Secretary", "Office of the Solicitor", and "Office of Inspector General" may be augmented through the Working Capital Fund or the Consolidated Working Fund.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

Sec. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided,* That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted.

Sec. 102. No funds provided in this title may be used to sell or exchange, or to propose to sell or exchange, lands owned by the United States within a unit of the United States National Wildlife Refuge System or the National Park System.

Sec. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, U.S.C.: *Provided,* That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Sec. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $300,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members: *Provided,* That no funds available to the Department of the Interior are available for any expenses of the Great Hall of Commerce.

Sec. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902 and D.C. Code 4–204).

Sec. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued by the General Services Administration for services or rentals for periods not in excess of twelve months beginning at any time during the fiscal year.

Sec. 107. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for: the suppression or emergency preventive of forest range fires on or threatening lands under jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes or volcanoes; for emergency reclamation projects under section 410 of Public Law 95–87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: *Provided,* That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further,* That funds transferred pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

Sec. 108. No funds provided in this title may be expended by the Department of the Interior for the preparation for, or conduct of, pre-leasing and leasing activities (including but not limited to: calls for information, tract selection, notices of sale, receipt of bids and award of leases) of lands within:

(a) An area of the Outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)), located in the Atlantic Ocean, bounded by the following line: from the intersection of the seaward limit of the Commonwealth of Massachusetts territorial sea and the 71 degree west longitude line south along that longitude line to its intersection with the line which passes between blocks 598 and 642 on Outer Continental Shelf protraction diagram NK 19–10; then along that line in an easterly direction to its intersection with the line between blocks 600 and 601 of protraction diagram NK 19–11; then in a northerly direction along that line to the intersection with the 60 meter isobath between blocks 204 and 205 of protraction diagram NK 19–11; then along the 60 meter isobath, starting in a roughly southeasterly direction; then turning northeast and north until such isobath intersects the maritime boundary between Canada and the United States of America, then north northeasterly along this boundary until this line intersects the 60 meter isobath at the northern edge of block 851 of protraction diagram NK 19–6; then along a line that lies between blocks 851 and 807 of protraction diagram NK 19–6 in a westerly direction to the first point of intersection with the seaward limit of the Commonwealth of Massachusetts territorial sea; then southwesterly along the seaward limit of the territorial sea to the point of beginning at the intersection of the seaward limit of the territorial sea and the 71 degree west longitude line.

(b) The following blocks are excluded from the described area: In protraction diagram NK 19–10, blocks numbered 474 through 478, 516 through 524, 560 through 568, and 604 through 612; in protraction diagram NK 19–6, blocks numbered 969 through 971; in protraction diagram NK 19–5, blocks numbered 1005 through 1008; and in protraction diagram NK 19–8, blocks numbered 37 through 40, 80 through 84, 124 through 127, and 168 through 169.

(c) The following blocks are included in the described area: In protraction diagram NK 19–11, blocks numbered 633 through 644, 677 through 686, 721 through 724, 765 through 767, 809 through 810, and 853; in protraction diagram NK 19–9, blocks numbered 106, 150, 194, 238, 239, and 283; and in protraction diagram NK 19–6, blocks numbered 854, 899, 929, 943, 944, and 987.

(d) Blocks in and at the head of submarine canyons: An area of the Outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (45 U.S.C. 1331(a)), located in the Atlantic Ocean off the coastline of the Commonwealth of Massachusetts, lying at the head of, or within the submarine canyons known as Atlantis Canyon, Veatch Canyon, Hydrographer Canyon, Welker Canyon, Oceanographer Canyon, Gilbert Canyon, Lydonia Canyon, Alvin Canyon, Powell Canyon, and Munson Canyon, and consisting of the following blocks, respectively:

(1) On Outer Continental Shelf protraction diagram NJ 19–1; blocks 36, 37, 38, 42–44, 80–82, 86–88, 124, 125, 130–132, 168, 169, 174–176, 212, 213.

(2) On Outer Continental Shelf protraction diagram NJ 19–2; blocks 8, 9, 17–19, 51–52, 53, 54, 61–63, 95–98, 139, 140.

(3) On Outer Continental Shelf protraction diagram NK 19–10; blocks 916, 917, 921, 922, 960, 961, 965, 966, 1003–1005, 1009, 1011.

(4) On Outer Continental Shelf protraction diagram NK 19–11; blocks 521, 522, 565, 566, 609, 610, 653–655, 697–700, 734, 735, 741–744, 769, 778–781, 785–788, 813, 814, 822–826, 829–831, 857, 858, 866–869, 873–875, 901, 902, 910–913, 917, 945–947, 955, 956, 979, 980, 989–991, 999.

(5) On Outer Continental Shelf protraction diagram NK 19–12; blocks 155, 156, 198, 199, 280–282, 324–326, 369–371, 401, 413–416, 442–446, 450, 451, 489–490, 494, 495, 530, 531, 533–540, 574, 575, 577–583, 618, 619, 621–623, 626, 627, 662, 663, 665–667, 671, 672, 706, 707, 710, 711, 750, 751, 754, 755, 794, 795, 798, 799.

(e) Nothing in this section shall prohibit the lease of that portion of any blocks described in subsection (d) above which lies outside the geographical boundaries of the submarine canyons and submarine canyon heads described in subsection (d) above: *Provided,* That for purposes of this subsection, the geographical boundaries of the subma-

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rine canyons and submarine canyon heads shall be those recognized by the National Oceanographic and Atmospheric Administration, Department of Commerce, on the date of enactment of this Act.

(f) Nothing in this section shall prohibit the Secretary of the Interior from granting contracts for scientific study, the results of which could be used in making future leasing decisions in the planning area and in preparing environmental impact statements as required by the National Environmental Policy Act.

(g) References made to blocks, protraction diagrams, and isobaths are to such blocks, protraction diagrams, and isobaths as they appear on the map entitled Outer Continental Shelf of the North Atlantic from 39° to 45° North Latitude (Map No. MMS-10), prepared by the United States Department of the Interior, Minerals Management Service, Atlantic OCS Region.

Sec. 109. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance changing the name of the mountain located 63 degrees, 04 minutes, 15 seconds west, presently named and referred to as Mount McKinley.

Sec. 110. Notwithstanding any other provision of law, appropriations in this title shall be available to provide insurance on official motor vehicles, aircraft, and boats operated by the Department of the Interior in Canada and Mexico.

Sec. 111. No funds provided in this title may be used to detail any employee to an organization unless such detail is in accordance with Office of Personnel Management regulations.

Sec. 112. Upon written request of the Governor of the State of Pennsylvania describing the land to be conveyed, the Secretary of the Interior is authorized to enter into an agreement for the conveyance to the State of Pennsylvania, or to any political subdivision or governmental agency of the State, of all right, title, and interest of the United States in and to a parcel of land, not to exceed 110 acres, within the Delaware Water Gap National Recreation Area in Pennsylvania. Upon conveyance such land shall not be part of such recreation area. Such conveyance shall be without monetary consideration and shall be subject to such terms and conditions as the Secretary considers appropriate, including provisions for reversion of such land if the Secretary determines that it is not being used in furtherance of the Pocono Mountains Center for the Arts. No funds of the United States may be used for the construction or operation of any such center, including routine maintenance, security services, utilities, site construction planning, or construction of parking areas.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that titles I and III be read by titles and that title I be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there any points of order against title I?

POINT OF ORDER

Mr. VENTO. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman from Minnesota will state his point of order.

Mr. VENTO. Mr. Chairman, I make a point of order against section 112 on page 38 beginning on line 18 and proceeding through line 10 on page 39. Section 112 is a violation of rule XXI, clause 2. This language is legislation in an appropriation bill.

Mr. Chairman, the specific provision in question would authorize the deletion of 110 acres of national parkland from the Delware Water Gap National Recreation Area for development by the State of Pennsylvania of a Pocono Mountain Center for the Arts. As chairman of the Subcommittee on National Parks and Recreation, I am concerned about this inappropriate attempt to use the appropriations process to alter park boundaries. This action I think subverts the long standing policy of the Committee on Interior and Insular Affairs to give careful consideration to any deletion of park property.

Section 112 authorizes the Secretary of the Interior to take an affirmative action to convey lands to Pennsylvania—a power he presently does not possess.

The precedents of the House clearly establish that an appropriations bill may not impose additional duties on Federal officials which are not authorized by law.

In addition, the intent of this provision is to change the use of lands which have been included by law in the National Park System, actually a national recreational area.

By definition, the Congress has exempted national parklands from the normal provisions of law regarding the disposal of Federal property. This provision has the effect of amending that statutory injunction by providing for the transfer of parklands not otherwise authorized by law.

It was only recently that I was made aware of the existence of the Pocono Arts Center proposal. To date, little information has been made available as to just what this proposal would entail. In conferring with National Park Service officials, I find that no feasibility study has been done on the proposed site for the Arts Center.

PARLIAMENTARY INQUIRY

Mr. REGULA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. REGULA. Mr. Chairman, I think the gentleman has gone beyond the point of order in getting into the substance here.

The CHAIRMAN. The gentleman must confine his remarks to the point of order and not to the merits of the section.

Mr. VENTO. Mr. Chairman, just in conclusion, as a matter of policy and procedural standpoint, section 112 does not belong in the Interior appropriations bill.

The CHAIRMAN. Does any other Member desire to be heard on the point of order?

Mr. McDADE. Mr. Chairman, I rise to concede the point of order, but I would like to be heard.

The CHAIRMAN. Is the gentleman from Pennsylvania requesting to be heard on the point of order?

Mr. McDADE. Well, Mr. Chairman, I concede the point of order. The gentleman was speaking beyond the scope of the point of order.

The CHAIRMAN. The gentleman's remarks have been finished on that matter.

Mr. McDADE. Mr. Chairman, I concede the point of order.

The CHAIRMAN. As long as the gentleman concedes the point of order, that is sufficient.

Does any other Member wish to be heard?

If not, the Chair rules that the point of order is conceded, sustained, and the section in controversy is stricken.

Mr. McDADE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I did not know that my colleague was going to do this, although I did write him a letter indicating that I would not press this item, which is an item in my congressional district, so I do not object to his point of order at all. In fact, it is appropriate; but I do have an understanding, I believe, with the gentleman from Minnesota that there will be very timely hearings in his committee on this project and the gentleman very kindly indicated that to me.

I yield to the gentleman if he wishes to respond.

Mr. VENTO. Mr. Chairman, I thank the gentleman.

I think it comes as no surprise to the gentleman and I certainly did not intend to surprise the gentleman with regard to raising this point of order; but we have been seeking information and we certainly will give this matter further consideration. I appreciate the gentleman's cooperation.

Mr. McDADE. Mr. Chairman, I thank the gentleman.

Let me say to my colleagues so that the record is clear. This is 110 acres of land. It does represent, I suppose, some departure from policy, one can always argue that. It is something that I have worked on for 4 years. It is a transfer of a few acres in a national recreation area to the Commonwealth of Pennsylvania, which has pledged to construct at no cost to the Federal Government an arts center. This is an area that is a national recreation area that was created back in the administration of President Kennedy. It is an

area that I have an intense interest in. It is a project that I have worked on for over 4 years.

I agree to the prerogatives of my colleague, the gentleman from Minnesota, and we will be down with people who will address the subject with him. I want to see it done in a timely way.

☐ 1720

It is, I think, an important project that can bring, in a cost-effective way, enormous benefits to a lot of people in this country.

I thank the gentleman.

The CHAIRMAN. Are there any further points of order?

Are there any further amendments to title I?

AMENDMENT OFFERED BY MR. SHAW

Mr. SHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Shaw: Page 14, line 22, strike out "$4,529,000" and insert in lieu thereof "$4,438,000".

Mr. SHAW. Mr. Chairman, the amendment I am offering would reduce the amount appropriated in the bill to the National Park Service for the operations and maintenance at the John F. Kennedy Center for the Performance Arts by $90,580 or 2 percent.

This appropriation has not been authorized and exceeds the amount which has already been approved by the House Committee on Public Works and Transportation.

Earlier this year, the Public Works Committee recommended to the Budget Committee a 2-percent reduction in this programmatic area and consistent with that recommendation the Subcommitte on Public Buildings and Grounds, accepting its responsibility, reduced the administration-requested funding for the Kennedy Center to $4,438,420.

Since the rule on this bill prohibits a point or order against this provision, I am offering this amendment which would implement committee's position regarding the funding for the center in fiscal year 1986.

I would ask each of you, at a time when we are being asked to scrutinize all programs across the board, and to reduce and not merely give rhetoric to reducing the deficit, what program cannot afford a 2-percent reduction?

In many other programs, including those affecting those on Social Security and Veterans Pensions we are asking for far greater sacrifices than this.

If we reject this amendment, I think it is clear to us and to the public that all we are saying like we have said so many times before, is that we would like to reduce spending, but not our own.

Mr. Chairman, my amendment does not propose draconian cuts in the funding at the Center but it would require that the Center, like all other agencies and programs, bear their fair share of the responsibility in our efforts to reduce the deficit.

I would urge the Members to adopt the amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I am glad to yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, let me say that the Apropriations Committee is in a quandary on this, because it respects the gentleman's reduction, and yet the chairman of the full committee says that he opposes the gentleman's reduction, that the gentleman's reduction was approved in subcommittee rather than full committee, and that the chairman proposed to contest it in full committee.

Had the full committee accepted the gentleman's amendment, let me say, I was prepared to accept it. But what we have done in this case is to accept the budget recommendation sent to the committee by the President.

Under the circumstances, in view of the fact that the committee has not acted finally, I do not think our committee can accept the amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I will be glad to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the chairman of the subcommittee has made a good point; I would again emphasize that this reflects the administration's request, and they have the responsibility of operating the Kennedy Center. It is the same level as fiscal year 1985. It is, in effect, a freeze at the 1985 level.

I would emphasize again also that the level of visitation at the Kennedy Center, in addition to performances, is quite large. It is one of the most popular items for people to visit when they come to Washington, and therefore, the maintenance costs are a severe problem resulting from the traffic flow of people.

For that reason, I would have to oppose the amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield on one further point?

Mr. SHAW. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I look at the committee print of the Appropriations Committee, and I learn that the amount made available to the Park Service for fiscal year 1984 was actually $20,000 higher than the amount made available in fiscal year 1985, and therefore, in fiscal year 1986. So, we are moving in the direction of lower costs.

The point I want to make is that this committee does not want to get into an intramural fight between the gentleman and the full committee, and would request, therefore, that the gentleman fight it out in his full committee and come to us rather than letting us do it.

Mr. SHAW. If I might reclaim my time, this is the problem that we have, because of the points of order and the rule that we are here on, and the fact that the gentleman has been successful in getting around the point of order on this particular point.

I have made this on my statement. The subcommittee has completed its work on this matter. It now sits before the full committee. This amount has not been authorized, and we are getting back into the same crunch that we were in before.

Mr. HOWARD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Florida.

That amendment proposes to reduce the fiscal year 1986 appropriation for the John F. Kennedy Center for the Performing Arts 2 percent below this year's level of funding.

It is my understanding that this amendment is being offered primarily on the basis of so-called recommendations made by the Committee on Public Works and Transportation to the Budget Committee during formulation of the fiscal year 1986 budget resolution.

Let me clarify this.

No formal recommendations were ever submitted to the Budget Committee by the Public Works Committee. Rather, suggestions covering a wide range of possible program reductions were presented with the full awareness that the congressional budget process may result in changes in these.

In fact, the House-passed fiscal year 1986 budget resolution assumes no cut in funding for the Kennedy Center below this year's level. Rather, it assumes the so-called freeze level—even rounding that figure to the next million. The freeze level is the exact amount which is included in this appropriation bill.

Further, in maintaining the same level of funding in fiscal year 1986, the National Park Service's Kennedy Center budget reflects absorption of the full-year costs of the 1985 pay increase equaling $71,000. The fiscal year 1986 budget also reflects the proposed 5-percent employee salary decrease which resulted in a $71,000 reduction in total personnel costs. In addition, two cyclic maintenance projects totaling approximately $35,000 were deferred to stay within the fiscal year 1985 budget level. We have been advised by the National Park Service that cuts below this year's level would further delay critical and necessary Kennedy Center maintenance programs—many of which are already long overdue.

In addition, Mr. Chairman, on May 23, 1985, the Senate passed S. 710

which authorizes the freeze level for fiscal year 1986 for the Kennedy Center. H.R. 2392, as introduced, would also authorize the "freeze" level for fiscal year 1986.

"Going below the freeze" at a time when the budget resolution, relevant authorization bills, this appropriation bill and program needs assume and dictate otherwise, does not speak to sound fiscal policy.

Mr. Chairman, I urge defeat of this amendment.

Mr. Chairman, I would like to read some testimony that was presented to our committee on May 8, 1985. It is a statement by Manus J. Fish, Jr., the Regional Director of the National Park Service, Department of the Interior on hearings that we held concerning the administration's position on the 1986 budget request for the John F. Kennedy Center for the Performing Arts.

I read as follows: "The President's 1986 budget request of $4,529,000 for the Kennedy Center maintains the same level of funds as the fiscal year 1985 appropriation."

So this is exactly the amount that was requested by the administration in the budget proposal that was sent to our committee in our hearings, and I urge the defeat of the amendment and yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. Shaw].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SHAW. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 200, noes 227, answered "present" 1, not voting 5, as follows:

[Roll No. 280]

AYES—200

Archer
Armey
Badham
Barnard
Barton
Bates
Bennett
Bentley
Bereuter
Bilirakis
Boulter
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Campbell
Carney
Carper
Carr
Chapple
Cheney
Coats
Cobey
Coble
Combest
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
Davis
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dowdy
Dreier
Duncan
Eckert (NY)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Fawell
Fiedler
Fields
Fish
Flippo
Franklin
Frenzel
Fuqua
Gallo
Gekas
Gibbons
Gingrich
Glickman
Goodling
Gregg
Gunderson
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hiler
Hopkins
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Jacobs
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lujan
Lungren
Mack
MacKay
Madigan
Martin (IL)
Martin (NY)
McCain
McCandless
McCloskey
McCollum
McCurdy
McGrath
McKernan
McMillan
Meyers
Michel
Miller (OH)
Molinari
Mollohan
Monson
Montgomery
Moore
Moorhead
Murphy
Myers
Neal
Nichols
Nielson
Oxley
Packard
Panetta
Pashayan
Penny
Petri
Porter
Pursell
Quillen
Ray
Ritter
Roberts
Robinson
Roemer
Roth
Roukema
Rowland (CT)
Rudd
Saxton
Schaefer
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Sisisky
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Stallings
Stangeland
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (GA)
Traficant
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Weber
Whitehurst
Whitley
Whittaker
Wise
Wortley
Wyden
Wylie
Yatron
Young (AK)
Young (FL)

NOES—227

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnes
Bartlett
Bateman
Bedell
Beilenson
Berman
Bevill
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Chandler
Chappell
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Evans (IL)
Fascell
Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gilman
Gonzalez
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Grotberg
Guarini
Hall (OH)
Hatcher
Hawkins
Heftel
Hendon
Henry
Hertel
Hillis
Holt
Horton
Howard
Hoyer
Jeffords
Johnson
Kaptur
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Long
Lowery (CA)
Lowry (WA)
Luken
Lundine
Manton
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McDade
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Natcher
Nelson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Parris
Pease
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Regula
Reid
Richardson
Ridge
Rinaldo
Rodino
Roe
Rogers
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sharp
Shelby
Skeen
Smith (FL)
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Thomas (CA)
Torres
Torricelli
Towns
Traxler
Udall
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitten
Williams
Wilson
Wirth
Wolf
Wolpe
Wright
Yates
Young (MO)
Zschau

ANSWERED "PRESENT"—1

Sikorski

NOT VOTING—5

Hayes
Hefner
Ireland
Loeffler
McEwen

☐ 1740

The Clerk announced the following pair:

On this vote:

Mr. Ireland for, with Mr. Hayes against.

Messrs. DONNELLY, MARLENEE, and REID, Mrs. HOLT, and Mrs. COLLINS changed their votes from "aye" to "no."

Mr. MONSON and Mr. SWEENEY changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

☐ 1750

The CHAIRMAN. Are there any other amendments to title I?

Pursuant to House Resolution 240, it shall be in order to consider an amendment printed in the Congressional Record of July 23, 1985, by Representative Sharp, if offered by Representative Sharp or Representative Conte, which shall not be subject to amendment but shall be debatable for one hour, to be equally divided and controlled by the proponent of the amendment and a Member opposed thereto.

The Clerk will read.

The Clerk read as follows:

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

Forest Service

FOREST RESEARCH

For necessary expenses of forest research as authorized by law, $124,989,000, of which $4,000,000 shall remain available until expended for competitive research grants, as authorized by section 5 of Public Law 95-307.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with, and providing technical and financial assistance to States, Territories, possessions, and others; and for forest pest management activities, $56,193,000, to remain available for obligation until expended, to carry out activities authorized in Public Law 95-313: *Provided*, That a grant of $3,000,000 shall

be made to the State of Minnesota for the purposes authorized by section 6 of Public Law 95-495.

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for liquidation of obligations incurred in the preceding fiscal year for forest fire protection and emergency rehabilitation, including administrative expenses associated with the management of funds provided under the heads "Forest Research", "State and Private Forestry", "National Forest System", "Construction", and "Land Acquisition", $1,035,433,000, of which $158,408,000, for reforestation, timber stand improvement, and maintenance of forest development roads and trails shall remain available for obligation until September 30, 1987.

CONSTRUCTION

For necessary expenses of the Forest Service, not otherwise provided for, for construction, $183,785,000, to remain available until expended, of which $25,649,000 is for construction and acquisition of buildings and other facilities; and $158,136,000 is for construction of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205: *Provided*, That funds becoming available in fiscal year 1986 under the Act of March 4, 1913 (16 U.S.C. 501), shall be transferred to the General Fund of the Treasury of the United States.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $29,500,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

YOUTH CONSERVATION CORPS

There is appropriated $10,000,000, of which $3,400,000 is hereby transferred to "National Forest System", $3,300,000 is hereby transferred to "Operation of the National Park System", National Park Service, and $3,300,000 is hereby transferred to "Resource Management", United States Fish and Wildlife Service, for high priority projects which shall be carried out as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408.

ACQUISITION OF LANDS FOR NATIONAL FORESTS, SPECIAL ACTS

For acquisition of land within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, and Cleveland National Forests, California, as authorized by law, $780,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands in accordance with the Act of December 4, 1967, as amended (16 U.S.C. 484a), all funds deposited by State, county or municipal governments, public school districts or other public school authorities pursuant to that Act, to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement in accordance with section 401(b)(1), of the Act of October 21, 1976, Public Law 94-579, as amended, 50 per centum of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, to remain available until expended.

MISCELLANEOUS TRUST FUNDS

For expenses authorized by 16 U.S.C. 1643(b), $90,000, to remain available until expended, to be derived from the fund established pursuant to 16 U.S.C. 1643(b).

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed 252 passenger motor vehicles of which 13 will be used primarily for law enforcement purposes and of which 233 shall be for replacement only; acquisition of 161 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed 2 for replacement only, and acquisition of 43 aircraft from excess sources; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (b) services pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $100,000 for employment under 5 U.S.C. 3109; (c) uniform allowances for each uniformed employee of the Forest Service, not in excess of $400 annually; (d) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (e) acquisition of land, waters, and interests therein, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); (f) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, 558a note); and (g) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and private forestry, or National Forest System administration of the Forest Service, Department of Agriculture, without the consent of the House and Senate Committees on Appropriations and the Committee on Agriculture, Nutrition, and Forestry in the United States Senate and the Committee on Agriculture in the United States House of Representatives.

Any appropriations or funds available to the Forest Service may be advanced to the National Forest System appropriation for the emergency rehabilitation of burned-over lands under its jurisdiction.

Appropriations and funds available to the Forest Service shall be available to comply with the requirements of section 313(a) of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1323(a)).

The appropriation structure for the Forest Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Office of International Cooperation and Development in connection with forest and rangeland research and technical information and assistance in foreign countries.

Funds previously appropriated for timber salvage sales may be recovered from receipts deposited for use by the applicable national forest and credited to the Forest Service Permanent Appropriations to be expended for timber salvage sales from any national forest.

Provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) shall apply to appropriations available to the Forest Service only to the extent that the proposed transfer is approved by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 97-942.

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

Not to exceed $900,000 shall be available from National Forest System appropriations or permanent appropriations for the specific purpose of removing slash and cull logs from the Bull Run, Oregon, watershed to preserve water quality and reduce fire hazards.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment made in order under the rule.

The Clerk read as follows:

Amendment offered by Mr. Conte: Page 45, after line 18, insert the following new item:

DEPARTMENT OF THE TREASURY

ENERGY SECURITY RESERVE

(RESCISSION)

Except as otherwise provided in this item, all funds appropriated to the Energy Security Reserve are hereby rescinded. Funds so rescinded shall include all funds appropriated to the Energy Security Reserve by the Department of the Interior and Related Agencies Appropriations Act, 1980 (Public Law 96-126) and subsequently made available to carry out title I, part B, of the Energy Security Act by Public Laws 96-304 and 96-514, and shall be deposited in the general fund of the Treasury. This rescission shall not apply to:

(1) funds transferred from the Energy Security Reserve by this Act;

(2) $500,000,000, which may not be used for payments with respect to projects or modules under the Energy Security Act; and

(3) such amounts as may be necessary to make payments for projects or modules for which obligations were entered into under title I of the Energy Security Act before the date of enactment of this Act.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts [Mr. Conte] will be recognized for 30 minutes, and a Member in opposition will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. Conte].

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Illinois.

Mr. YATES. Is this the so-called Synfuels amendment?

Mr. CONTE. This is the Conte-Sharp Synfuels amendment.

Mr. YATES. If the gentleman will yield further, in view of the action taken by the House last week in connection with the Synfuels Corporation, we are prepared to accept the gentleman's amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

Mr. Chairman, we, too, on the minority side have discussed this and recognize the vote last week. In view of that, we are prepared to accept the amendment.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Indiana [Mr. Sharp], the coauthor of this amendment.

Mr. SHARP. I appreciate the gentleman's yielding. Mr. Chairman, I urge the House to support the Sharp-Conte amendment to the Interior Appropriations bill which will save the taxpayers over $6 billion.

The rescission is the first step in closing down the unproductive Synthetic Fuels Corporation and transferring responsibility for a scaled down synfuels program to the Department of Energy.

In the last few years, the Federal deficit has skyrocketed while oil prices have fallen. The justification for immediate, massive investment in commercial scale synfuels production has disappeared.

The budget deficit requires that we eliminate any unnecessary spending, and the $6 billion that could be obligated by the Synfuels Corporation without congressional action is clearly unnecessary. The Nation's energy security needs will also be better served by the elimination of the Synfuels Corporation and the establishment of a more rationally scaled and paced effort in the appropriate Government agency.

The amendment, which is printed on the other side of the page, is simple. It rescinds all of the $7.9 billion available to the Synfuels Corporation except:

Whatever amount of money is transferred to the clean coal technology reserve by the bill; $500 million to be transferred to the Department of Energy in subsequent legislation; and,

Money for awards made by SFC before enactment of the bill.

Mr. CONTE. Mr. Chairman, I thank the gentleman for all of his cooperation in this matter.

Mr. LaFALCE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from New York [Mr. LaFalce].

Mr. LaFALCE. Mr. Chairman. I rise in opposition to the amendment to the Interior Department appropriations bill offered by Mr. Sharp that would rescind all but $500 million from the amounts available to the Synthetic Fuels Corporation and prohibit the Corporation from using the $500 million for purposes other than administrative expenses.

Authorization legislation (H.R. 935) which would abolish the Synthetic Fuels Corporation and transfer $500 million to a scaled-down program for financial assistance for commercial applications of synthetic fuels technology in the Department of Energy is now before the Subcommittee on Economic Stabilization, which I chair, and will be taken under consideration by the subcommittee after the August recess.

The changes which would be brought about by this legislation and by the proposed amendment to the Interior Department appropriations bill represent yet another dramatic cutback in this country's alternative energy program. I am fearful that we may be moving too precipitously to dismantle a potentially very necessary program because of the pressure of currrent budgetary considerations, the changed nature of our immediate energy needs, and justifiable discomfiture with the Corporation's previous record. These problems can and must be solved, but we are far more likely to arrive at a correct solution if we proceed through the orderly legislative process, rather than attempting to address these issues throug the appropriations process as the proposed amendment calls for.

The issue has become the Synthetic Fuels Corporation. There is very good reason for that. The Corporation has an unimpressive record. It has funded only two projects in its 5-year history and has developed a reputation for being inappropriately generous with its funds. Five of seven Board members resigned as a result of scandal last year. But we have attempted to address these issues. Just last year, the Congress agreed to substantial cutbacks in the Synfuels Program and reconstituted the Corporation with new directors who, I believe, are attempting to scale the program down to realistic levels, to redefine its goals, to eliminate past abuses, and to institute sound managerial policies.

Although the new Board contains many former critics of the Corporation who can be expected to vigorously implement these reforms if given a chance, these measures may very well not suffice, and a more fundamental restructuring may be necessary. But in the course of these efforts, we must not abandon our commitment to a synthetic fuels program. This amendment will effectively abolish the Corporation, but it will abolish the program as well—a program difficult to establish, complex to administer, but critical to this country's energy future. Without authorizing legislation to establish the structure and policy parameters of a new program, we will be left with no mechanism for planning for our energy future.

On June 30, 1985, the Corporation submitted its first comprehensive strategy report. This report contains many recommendations and findings which should be carefully studied before settling upon any one legislative response. Similarly, we have not yet fully examined alternative institutional models which could house this important effort. Although transferring the Corporation's scaled down functions to DOE may save money and reduce application, we have no assurances that this would be the most efficient approach for achieving the program's goals. This can only be determined by exploring all possibilities in the regular course of legislative business.

Long-term planning is not this institution's forte, but we must not ignore what the future could hold. It is vital that this country have a viable synthetic fuels program. World supplies can be easily disrupted, and world oil prices may well undergo rapid increases within a few years despite the apparent current glut. Several of the oil exporting nations are potentially subject to future political unrest and instability. Yet, the United States still imports more than one-third of its oil needs, and by the year 2000 this figure is expected to rise to 50 percent. Within the next decade, the United States will completely exhaust its supply of proven reserves with little prospect of replacing them by increased exploration.

Despite these facts, potentially we remain energy rich: Our domestic supplies of coal and oil shale are sufficient to fill our energy needs for centuries. But unless we develop the technology to convert these solid fuels into liquid transportation fuels, they will continue to lie in the ground, as our payments for foreign oil increase. We cannot rely solely on the private sector to do so, nor can we achieve these goals without some linkage between basic and applied research and commercialization remains uncertain.

Opponents of the current program have argued that its projects are not economical. Mere economics is not the point. Naturally, the price of synfuels will initially be higher than comparable oil products. If synthetic fuels production were commercially feasible, there would be no need for Government involvement. The United States, however, needs the protection that a domestic synfuels industry would provide in the event of future oil disruptions, and the present weakness in oil prices does not change that fact.

We should also not be overly swayed by claims that this measure will significantly reduce the current budget deficit. If the amendment passes, we will not immediately save $6 billion as some of the proponents suggest. Because the Corporation relies primarily on price and loan guarantees rather than direct cash outlays, the immediate dollar savings between now and 1990, as estimated by the Congressional Budget Office, will be approximately $332 million. The $6 billion savings will not be fully realized until 2005, and only then if the Corporation obligates all its current budget authority, a situation that in all probability will not occur. Not only are the potential budget savings overstated, but the proposed $500 million transfer to DOE, when coupled with the $750 million proposed for the Clean Coal Program, actually serves to increase cash outlays by $1.25 billion since these sums are currently lines of credit. What these figures demonstrate is that fiscal considerations, while important, should not be decisive in our deliberations regarding the fate of the Synfuels Program.

The program is a vital one. It may well have to be more radically restructured to ensure that it achieves its goals. I would urge, however, that we work cooperatively through the authorization process to ensure the continued operation of a synthetic fuels program deserving of our support.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from North Carolina.

Mr. BROYHILL. Mr. Chairman, One year ago, in connection with the fiscal year 1985 Interior appropriations bill, I asked my colleagues to stop the Synfuels Corporation from wasting money on bad projects. I said then that before you agree to keep funding the SFC, you ought to know what the SFC is likely to do with its money. I reviewed a chart that showed the eight projects that had received letters of intent.

One year later, I can use almost the same chart. The SFC has spent about $20 million in administrative expenses, but the chart is shorter because two of the eight projects have dropped out and none have been added. Although there has been much discussion of restructuring these remaining six projects, the Corporation has taken no action to revoke or amend the outstanding letters of intent.

Looking at projects 1 and 2, you can see that the Union Shale Oil Technology would receive more than half of the total funds remaining available to the SFC, nearly $5 billion. The price support level ought to be enough to stop you. Even worse, the fact is, Union still cannot get its technology to work.

Moving down the list, the Great Plains project is in limbo. It produces gas from Western coal at a price two to three times higher than the price of natural gas. Not surprisingly, the corporate sponsors are seeking price supports and refinancing of the $2.02 billion Federal loan guarantee they have already received. The Federal Government's options on Great Plains are pay a lot now or pay even more later. Fortunately, the Secretary of Energy has chosen not to throw good money after bad. At least we should learn something from Great Plains: Once you begin these enormous, uneconomical projects, their appetite for subsidies is insatiable.

The Northern Peat Energy project would turn peat moss into briquettes that could be used to replace wood or coal at three times the cost. Does that make sense to you? Wood and coal are our most abundant resources. The purpose of the SFC was supposed to be the production of alternatives to oil for use as liquid transportation fuels.

The last two projects are very small heavy oil and shale oil research projects, similar to efforts being done by other companies with no Federal assistance at all.

I urge my colleagues to look closely at this chart. These boondoggles are what you get by continuing the Synfuels Corporation, not energy security. Vote "aye" on the Conte-Sharp amendment.

LETTERS OF INTENT EXECUTED OR AUTHORIZED BY SFC

1. Union Oil (Phase II).	$2.7 billion price guarantee.	$92 per barrel...	Technology has not yet worked.
2. Cathedral Bluffs Oil Shale.	$2.19 billion loan and price guarantees.	$60 plus inflation per barrel.	83 percent of production from Union technology.
3. Great Plains Coal Gasification.	$720 million price guarantee in addition to $2.02 billion DOE loan guarantees.	$6.75 per million BTUs initially.	Sponsors can walk away in 1986 without paying more interest or principal.
4. Northern Peat......	$365 million loan and price guarantees.	$10.50 per million BTUs.	No environmental permit; product replaces coal/wood.
5. Seep Ridge Oil Shale.	$45 million loan and price guarantees.	$42.50 per barrel plus inflation (raw shale oil).	1,000 bpd; really R&D scale.
6. Forest Hill Heavy Oil.	$60 million loan and price guarantees.	$37.50 per barrel.	1,750 bpd of heavy oil.

SUMMARY OF ARGUMENTS IN SUPPORT OF THE CONTE-SHARP AMENDMENT TO H.R. 3011—INTERIOR AND RELATED AGENCIES FISCAL YEAR 1986 APPROPRIATIONS

Rescission of all but $500 million of the Synthetic Fuels Corporation's funds would save the Government over $6 billion.

The Synthetic Fuels Corporation has compiled a record of inaction, excessive salaries and pensions, and has not contributed to the development of synfuels.

If the Congress does not act swiftly, billions of dollars may be obligated by the Synfuels Corporation without any congressional review.

Commercialization of current synfuels technologies will not prepare us for future petroelum disruptions. We do consumers no favor to replace $28 a barrel crude oil with $65-$90 a barrel shale oil, and this assumes that some liquid fuels plants are built that actually work. It hasn't happened yet except for one built with private money in Tennessee.

Private industry is working to improve Synfuels technology so that synthetic fuels can be an economical alternative to imported oil. Building commercial plants now is a very expensive way to prove what we already know: Current technology is inadequate to produce synfuels at anything close to current or projected oil prices.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Iowa.

Mr. TAUKE. I thank the gentleman for yielding, and I rise in support of the amendment.

The issue today is whether the Nation can afford an agency that has accomplished virtually nothing in the years it has been in operation except to spend money for salaries, quarters, and glossy reports. Others today will detail the Synfuels Corporation's conceptual and operating shortcomings. I want to discuss what are not issues today. The defenders of the Synfuels Corporation have dragged in so many red herrings that we could open up a fish market.

1. THIS IS NOT A TRADE ISSUE

The Synfuels Corporation can only make worse the terrible trade problem this Nation faces.

In 1982, the Office of Technology Assessment estimated that it would cost $250 to $400 billion 1980 dollars to construct enough plants to produce 5 million barrels per day of synfuels, and that assumes no cost overuns. Even if we could afford that kind of money, spending it on synfuels would increase our import bill.

First, more deficit spending means more pressure on interest rates and a higher dollar. That, in turn, opens the doors for more imports and prices American products out of world markets.

Second, we do not save jobs by providing industry with energy that costs three times more than everyone else in the world is paying for it.

2. THE SYNFUELS CORPORATION IS NOT A JOBS PROGRAM

Like any public works program, some jobs will be created in the few areas where plants are built, but they will be largely temporary. The permanent jobs that are created will depend upon continued Federal subsidies. Those are not the kind of jobs we ought to be creating.

3. THE SYNFUELS CORPORATION IS NOT ESSENTIAL TO THE DEVELOPMENT OF SYNFUELS

Private industry is moving ahead to develop good synfuels technology.

Shell and Pepco are planning coal gasification projects. Sohio, Atlantic Resources, Combustion Engineering, and other are moving to perfect coal-water technology. These are only a few examples. The point is, the Synfuels Corporation is not necessary to bring along domestic synfuels technology.

4. THE SYNFUELS CORPORATION IS NOT A STRATEGIC ASSET

The Synfuels Corporation has made no meaningful contribution to energy security. Given the state of synfuels technology and energy markets, it cannot. For years, the supporters of the Synfuels Corporation have told us the Corporation is essential to energy security. For years, they have told us to be patient with the Corporation. They were wrong 5 years ago when the Corporation was created. They are wrong now.

Vote yes on this amendment.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, I rise in opposition to the amendment offered by the gentlemen from Indiana and Massachusetts—not because I wish to defend the Synthetic Fuels Corporation's record of mismanagement, delay, and inefficiency—but because I want my colleagues to understand that the proffered alternative synthetic fuels program which we will ultimately be presented with will be woefully inadequate and shortsighted for this Nation's long-term energy security. Under the amendment offered today, we are being asked to rescind all but $500 million of the funds which remain to the SFC after what amounted to virtually the same debate last year—a debate which ultimately ended in a very careful compromise which at that time rescinded a substantial amount of the then available funds. Today we're being asked to finish that job with the promise that we will then have an opportunity to replace the SFC with a $500 million synthetic fuels R&D program within the Department of Energy [DOE]. An affirmative vote on this amendment would break the promises we have made to countless communities throughout this Nation—a promise that the Federal Government is serious about developing the vast energy resources of western Colorado, Pennsylvania, Utah, and other States and a promise that we are committed to energy independence.

Those who want to abolish the SFC argue that passage of the amendment is necessary for both fiscal reasons and to stabilize our longer term energy options. None in this Chamber can argue with the absolute necessity of reducing Federal outlays—both today and in the longer term. But we must consider the ultimate financial and energy security fallout from adoption of the Conte-Sharp amendment.

Mr. Chairman, every Member should be alerted before they cast today's vote that, despite the current glut in the world marketplace and the complacency that glut may engender, the storm clouds of yet another energy crisis are slowly gathering. Last year, imports of foreign energy supplies actually rose for the first time since 1979. Last year, at the same time, energy demand also rose for the first time since 1979. In the face of that upward trend in demand, our producers have not responded with additional supplies—instead they have actually reduced exploration efforts. If, as recent projections indicate, demand continues to rise once again, the signal is dangerously clear. We will become more dependent on foreign supplies, not less—and that is not a policy this body should embrace.

Looking to our longer term energy options, the picture becomes even more sobering. Estimates of our offshore reserves are continually being downgraded—recently by as much as 55 percent. Estimates of proven onshore reserves remain sketchy, but nevertheless point to a finite supply. The promise of initiatives in conservation and renewables remains bright, but are stymied by a currently flat market and a shortsightedly diminished Federal commitment.

All of these domestic trends point to one frightening message for the 1990's—that the serious energy problems of the 1970's will reappear, and with them the severe economic shocks that so disrupted this Nation.

DOE estimates point to a rise in imports as a share of total supply from 30 percent to nearly 50 percent by 1995. At the same time, the Department's midrange estimates indicate a price of some $74 per barrel of oil by that time. Meanwhile, as our domestic production declines, as other free world supplies in the North Sea and other regions are depleted, as we wait for the sorely needed promise of conservation and renewables to be realized, greater and greater amounts of world energy reserves will be concentrated in the most volatile region of the world—the Persian Gulf. That portends a reemergence of the OPEC cartel as virtually the sole price leader in the world, a circumstance with which we are all painfully familiar.

Let's remember that the 1979 oil shock cost the OECD countries nearly $1 trillion in lost growth opportunities. Despite our increasingly successful efforts to attain greater energy use efficiencies in industrial processes, transportation, and residential uses, there is little evidence to suggest that we will not be as vulnerable—if not more vulnerable—to a similar shock in the 1990's. Consequently, we have but one defense and that is to prepare now for the 1990's—through accelerating the filling of our strategic petroleum reserve, by reinvigorating our commitments to conservation and renewables, by working with our domestic producers, and by answering the very legitimate environmental and techical questions which surround the production of synthetic fuels.

What of the broken promise of economic commitments? Communities throughout the Nation have invested millions of dollars based on the Federal promise of a major commitment to synthetic fuels development. In Colorado alone, the State and Western Slope communities have invested hundreds of millions in infrastructural and community improvements in anticipation of the development of Colorado's vast oil shale reserves. Those very same communities are now reeling from the retrenchments we have already made in synfuels development. Concurrently, agriculture—the other major economic base for the region—is reeling from its worst economic crisis since the Depression. Enactment of the Conte-Sharp amendment would serve up another economic slap in the face to those communities.

Western Colorado deserves an opportunity to break out of a cycle of boom and bust. Those communities deserve a return on the investments they have made based on a Federal promise. Those communities deserve assurance that the very same development crash course we instituted in the late seventies and early eighties is not reimposed during the next energy crisis. What those communities deserve is a Federal Synfuels Program which uses the current lull to answer questions about shale, to collect and evaluate all relevant environmental impact data, and to test all of the technology options at a commercially scaled modular size sufficient to create certainty and confidence for future investors.

Last year, we voted to abolish the SFC's production goals and reduced the Corporation's budget by 45 percent. That leaves little justification for pursuing continued development of commercial-scaled plants. But last year's action should not be now construed as a justification for abandoning synfuels altogether—which is exactly what support of a $500 million alternative program would be.

We should now be committing ourselves to producing information about synfuels. But that information has to be useful in a real world context. Our experiences with the Union phase I shale technology make that abundantly clear. In that instance, a technology worked perfectly well in a laboratory setting only to encounter problem after problem in a commercial mode. We're not arguing here for commercially scaled plants. We're arguing for commercially scaled modules. That

distinction is crucial. By committing ourselves to demonstrating commercially scaled modules, singularly and in conjunction with other technologies, we can respond to the challenges we face with synfuels—the challenges of certainty, stability, and reasoned development.

Mr. Chairman, I am hesitant today to stand before my colleagues and defend the Synthetic Fuels Corporation. Indeed, it may be that the only way to get a viable synfuels program moving again is to abolish the SFC and build a program which focuses on policy and progress rather than high salaries, mismanagement, and stalemate. But the only option we have today is to defeat the Conte-Sharp amendment—a vote which is for a viable synfuels program instead of the lip service provided by the proposed $500 million DOE alternative.

Unfortunately the debate today does not focus on the real issue of what type of synfuels program we should commit ourselves to developing. Instead, we are told to either vote for the current SFC or abolish it in favor of an inadequate replacement program. The debate should be focused on the appropriate level of that commitment—not on Members' position concerning the SFC. But given the constraints of today's limited option, I urge my colleagues to defeat the pending Conte-Sharp proposal.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Colorado.

Mr. KRAMER. Mr. Chairman, I rise in opposition to the amendment.

Due to a favorable energy climate, and to a variety of problems in its management, I'm afraid the Synthetic Fuels Corporation has become an easy target for the born-again budget cutters in this body. It has become a scapegoat for our inability to rein in excessive Federal spending and reduce deficits.

Others have pointed out the exaggerated claims as to how much this amendment would actually save. Thus, let me devote my time to two facets of this issue I consider most important: First, to the false sense of energy security we have been lulled into, which if this amendment passes, could lead to increased energy vulnerability of the United States; and second, to the basic integrity of the United States, and the ability of our Government to keep its word.

During my first term in the House, I was privileged to be the only Republican congressman from the Rocky Mountain region chosen to serve on the joint House-Senate Energy Committee, which developed the legislation that set up the Synthetic Fuels Corporation. We had just come through an energy crisis where the OPEC cartel had nearly succeeded in bringing this country to its knees by dictating both the price and supply of oil on world markets. As a result, in the United States we saw long lines at the gas stations, factories shut down because there was not enough energy to run them, farmers without sufficient fuel to plant and harvest their crops, and truckers without the fuel necessary to deliver products to their destinations. Although I personally would have preferred tax incentives to the Synthetic Fuels Corporation, the fact was that we needed to do something to prevent this situation from happening again—and the SFC was the concensus choice of this body. I certainly do not condone mismanagement and the abuses that have taken place with the SFC, but to now abandon this protective shield against future energy crisis—just because energy is plentiful today—would seem extremely shortsighted. Passage of this amendment would shatter any chance we might have had of developing a viable, and totally American fuel supply. It would amount to hiding our heads in the sand like so many ostriches. The good times we're enjoying today—plentiful, moderately priced fuel, sufficient energy to keep the fires of industry burning—will not last forever without vision. Our national security is as dependent on adequate oil supplies as it is on our Armed Forces to preserve peace. We must at least develop the capability to gear up into large scale synfuels production in the event of energy disruption.

We also need to consider another side to this issue—the importance of the U.S. Government to keep its word.

Based on the Federal Government's commitment to develop synthetic fuels, private companies and local governmental units have invested millions of dollars in projects such as Union and Cathedral Bluffs, the two oil shale projects in northwestern Colorado.

Most of you have probably never heard of the towns of Parachute, Meeker, and Rifle on the western slope of the Rockies. These are rugged, small towns with only a few hundred people each—the kind of town you might find anywhere in the United States. Yet these towns are special in that they sit on top of vast fields of oil shale—oil which is accessible, but only if we develop the proper technologies to tap this wealth.

Based on letters of intent, commitments from the Federal Government, in hand guarantees of future prices to meet production costs, private companies have invested an estimated $1 billion in the two projects near these towns. Local units of government have also invested substantial sums on infrastructure to support the projects. It's estimated that over $330 million has been spent on new housing, roads, schools, sewers, and water projects to meet the needs of the expected population growth.

And now we are about to create Federal ghost towns by reneging on promises made to those who believed that pledge, and in turn invested their time, money, and hopes into synfuels development. Out of fairness, I feel we should at the very least live up to those letters of intent. Abandoning those such as the citizens of western Colorado who have so faithfully taken their Government at its word will not only cause them great personal and community harm, but in the process harm the credibility and reliability of our Government as well.

I urge you to retain our commitment to the people of Colorado and to the future of a fuel efficient America, by voting against the amendment.

Mr. OXLEY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Ohio.

Mr. OXLEY. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the Conte amendment.

The Synfuels Program is a legacy of the fuel-scarce days of the late 1970's. Launched by the Carter administration, it was flawed from the start by the fact that it takes more energy to produce synthetic fuels from oil shale and other sources than is produced—at prices which are not even close to market clearing prices for our consumers. I have continually expressed my deep concern that we were literally throwing away billions of dollars of taxpayers' money, with dubious economic merit with respect to most of the SFC-funded projects. And we are no more energy independent today because of the Synthetic Fuels Corporation than we were in the late 1970's.

As I mentioned on the floor last week, the Synthetic Fuels Corporation has spent more than $70 million on salaries and luxurious offices while backing just two projects. And that's only the tip of the iceberg when one considers the notorious SFC management practices and the nature of a number of proposed synfuels projects. Quite frankly, the SFC has historically been more concerned about protecting data on its projects and sponsors than protecting the taxpayer who must foot the bill for the SFC's activities.

We are faced with a problem very similar to a fat lady on a diet. She is clearly overweight, but if another piece of food is placed in front of her, chances are she'll devour it and be no better off than before. It seems to me that Congress is in the position of putting the fat lady on a diet—if not a total cutoff of food—in the case of the Synthetic Fuels Corporation. If we fail to fully debate and vote on this issue, we can only blame ourselves for dropping the ball for not saving the taxpayers over $6 billion.

Mr. COATS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Indiana.

Mr. COATS. Mr. Chairman, the House last week expressed its will that the Synthetic Fuels Corporation be abolished by voting by a large majority to defeat the earlier rule for the consideration of the Interior appropriations bill.

In that vote, we made clear our belief that the Corporation has not effectively or efficiently met its mandated task of supporting the development of alternative fuel resources. We now must followthrough on our earlier action by adopting the amendment and rescinding all funding from the Synthetic Fuels Corporation. I believe that this is the only sensible course of action to follow from not only a budgetary standpoint, but also as a managerial move.

The Corporation was created to provide assistance to the private sector in the development of synthetic fuels projects, with a congressionally mandated goal of achieving production capacity of 500,000 barrels per day of crude oil by 1987. Now, in 1985, little to no progress has been made toward that goal, and the Corporation came to the not-too-surprising conclusion in its recent comprehensive strategy report that they would be unable to reach that target. Instead of working toward energy independence, the Corporation has worked toward more wasteful Government spending. They will continue to do so to the tune of over $6 billion if we do not take action today.

I believe that this amendment continues to provide for progress in synfuels research by leaving funding for a scaled down and more efficient research program at the Department of Energy. I support this provision because we should continue our investigations in this area. The bloated program we have today, however, far exceeds any measure of what is reasonable to advance this cause.

Mr. Chairman, the Synthetic Fuels Corporation was created as a sort of alchemist to create energy from our natural resources. Instead, it has operated in reverse gear, turning our valuable Federal gold into nothing but higher budget deficits. I urge my colleagues to support this amendment.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my friend, the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I rise in strong support of the Conte-Sharp amendment to rescind all but $500 million of the approximately $7.9 billion currently available to the Synthetic Fuels Corporation.

I have worked for several years with my distinguished colleagues Howard Wolpe and Mike Synar in seeking to gain enactment of legislation to abolish this Corporation. Their efforts have greatly increased national awareness of the myriad problems involved with synthetic fuels development.

I want to take a few minutes this evening to outline my opposition to the Synthetic Fuels Corporation.

First, the Synthetic Fuels Corporation is an expense we can no longer afford. Designed to convert our vast reserves of coal and oil shale into liquid transportation fuels, we have learned that this mandate cannot be met. Synthetic fuels technologies are immature and much farther from commercial viability than had been anticipated. We have realized that synthetic fuels technologies are uneconomical and require massive Federal subsidies. In fact, the price of synfuels has risen from $60 to $90 per barrel of oil equivalent while the price of oil continues to decline below $30 per barrel.

Doesn't it seem ironic that we will allow billions of dollars, as much as $7.9 billion, ot be spent on the commercialization of uneconomic and immature technologies when, at the same time, we are desperately searching for ways to reduced the deficit.

If we are candid about dealing with the deficit, we should adopt the Conte-Sharp rescission amendment. Let's save our beleaguered taxpayers some money tonight and adopt the Conte-Sharp amendment.

Mr. SCHAEFER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my friend, the gentleman from Colorado.

Mr. SCHAEFER. Mr. Chairman, it's with a great deal of regret that I must speak in opposition to an amendment that has been advocated by so many of my Energy and Commerce Committee colleagues that I have the greatest respect for. However, I must.

I must because I consider this amendment to be extremely shortsighted in meeting our future energy needs.

How soon we forget, Mr. Chairman. How soon we forget that it was only 12 years ago that we spent our Saturday afternoons sitting in lines waiting to purchase $5 worth of gasoline. How soon we forget that we had to go on daylight savings time earlier than expected in order to save energy. How soon we forget that many businesses went on flextime so that less fuel would be used. How soon we forget.

Now we all know that these aren't the midseventies, but the mideighties. The world changes and we cannot remain static in our views. At the same time, we are all familiar with the lessons to be learned from history.

Gasoline was selling for approximately 30 cents per gallon 12 years ago; 5 years later that price had quadrupled. Today, although prices have dropped slightly in the past few years, we are still paying over $1 per gallon for most gasoline.

I believe that everyone in this room agrees that energy is one of those items that separates thriving nations from poor nations. We all have our personal preference as to how we would like to see our Nation's energy mixed, but we all see the importance of having an adequate energy supply. There are some who believe that the emphasis should be placed on nuclear, or renewable, or fossil, or electricity, or any number of other energy sources. I believe it would be a mistake to leave synthetic off that list.

As you are well aware, retaining the Synthetic Fuels Corporation means spending the money to operate it. But let's analyze the true cost of keeping the Corporation. Currently, the Corporation has approximately $7.896 billion available to it. That's a chunk of money, especially now that deficits have become such an important issue. However, let's bear in mind that unlike most dollar figures that we consider, this is not an absolute dollar figure that will be spent in fiscal year 1986.

The SFC funding is through future price and loan guarantees which will have a minimal effect on the 1986 budget deficit. If the projects are successful, the loan guarantees won't be needed or will be repaid. If unsuccessful the price guarantees won't be utilized. Either way all of the funds won't be expended. In fact, this money may never be spent. It represents the money available to the corporation to distribute to deserving projects for the remainder of its lifetime.

My main concern is that this amendment would also severely compromise our national security. How? The Office of Technology Assessment released a study just last year that demonstrates the continuing vulnerability of the United States and our allies on imported oil from politically unstable countries. This is especially important to the Department of Defense which is heavily dependent on liquid petroleum fuels.

Today, we find imports accounting for about 30 percent of our energy use. According to former Secretary of Energy Hodel, domestic production will decline by almost 2 percent annually through the remainder of the 20th century. Should this forecast prove to be correct, that causes the 30 percent figure to jump to almost 50 percent. This is not a very comforting trend.

In 1983, the Department of Defense certified pursuant to Executive Order 12.242 that synthetic fuel is needed to meet national defense needs. The Air Force on October 3, 1983, announced its Program Rivet Shale which will utilize shale oil to validate its use as a jet fuel.

It quickly becomes obvious that our military is not only counting on synthetic fuels in the future, but will be dependent upon them as well.

Although I am extremely concerned with budget deficits, the ramifications of a 93 percent additional cut over last year's cut in the synfuels budget will effectively destroy an indsutry that has the potential to break U.S. dependence on foreign energy sources.

I am certainly not condoning a return to an $88 billion program. However, I am unable to comprehend how we will have an effective synfuels program developed for $500 million.

We must remember that synthetic fuels cannot be developed overnight. In fact, even if we continue to fund synfuels projects under today's conditions, the recent comprehensive strategy report indicates that a decade or more of commercial production is required to develop the synfuels option.

We have two choices before us. We can either accept the positive changes that the new Synthetic Fuels Corporation has proposed to get synfuels production off the ground, or we can allow synfuels production to die by eliminating the Corporation.

With an energy glut at the moment, we can delude ourselves into believing that never again will we be forced to deal with an energy crisis. Or we can face reality and continue to prepare for a possible future crisis. Why not act now instead of having to react to a crisis at some later date. Let's defeat this amendment and assure our constituents that they won't be forced to spend their Sunday afternoon drive parked in front of a gasoline station.

Congress needs to be looking into the future to address the needs of the American people. At the same time, we can learn many lessons from the past. I urge this amendment's defeat.

Mr. STRANG. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my friend, the gentleman from Colorado.

Mr. STRANG. Mr. Chairman, I rise in strong opposition to the amendment.

Mr. CONTE. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from California [Mr. Dannemeyer].

□ 1800

Mr. DANNEMEYER. I thank my colleague for yielding.

Mr. Chairman, it appears to be the judgment of the House to adopt this amendment whereby we are essentially doing in Synfuels; so be it. But at the same time, I would like to remind my colleagues that when we are deemphasizing the production of synthetic fuel in this country, there is another resource on the road to energy independence that must be utilized, and that is the Outer Continental Shelf.

I am sad to say that our Secretary of the Interior, sincere, but in poor judgment in my view, has recommended a proposal relative to offshore drilling in California that is not in the interests of this Nation or the people of the State of California because it locks up too much of our hydrocarbon resources that this Nation badly needs for procuring energy independence. I hope to convince my colleagues in this House that the energy needs of America should be emphasized in terms of developing resources rather than locking them up. I want to bring that to my colleagues' attention and I thank the gentleman.

Mr. CONTE. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. Dingell].

Mr. DINGELL. Mr. Chairman, I rise to strongly support the adoption of the Sharp-Conte amendment.

We need to close down the Synthetic Fuels Corporation. The record of the Subcommittee on Oversight and Investigation clearly shows the SFC has had excessive salaries, fringe benefits, luxury recommendations and travel. They have a pension which vests 50 percent in 6 months and 100 percent in 1 year.

The House of Representatives can save taxpayers over $6 billion. To protect the SFC while cutting social, education, farm, and defense programs would be unconscionable.

Finally, let me acknowledge the tireless work of my colleagues and their staff which made this vote possible and who will be the key to our future efforts in this matter. Mr. Wolpe and his staff member, Keith Laughlin, have battled the SFC from the beginning. Mr. Synar and his staff member, Rick Young, have strongly pressed the battle in the Energy and Commerce Committee. Mr. Sharp and the staff of the Subcommittee on Fossil and Synthetic Fuels along with my other colleagues have worked hard to produce responsible legislation. Without the help of these members and their staff we would not be having this vote today. I applaud their efforts.

I urge my colleagues to vote yes on the Sharp-Conte amendment.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman this amendment will probably be the single largest deficit reduction vote of this session. Before its too late, the Synfuels tap on the Federal Treasury must be turned off for good. It's time to take decisive action before billions of dollars are squandered on projects with little or no merit. The corporate subsidies and giveaways for the fat cats of the oil industry have to be stopped now. We just can't afford it anymore.

The Conte-Sharp amendment, now before the House, would end the waste and abuse of the SFC by rescinding the remaining funds available to the corporation.

Specifically, the amendment would rescind all appropriations to the Corporation which have not yet been obligated. There are three exceptions provided in the amendment.

First, any funds necessary to liquidate obligations incurred under contracts entered into before enactment of the Interior bill are not subject to the rescisson;

Second, the funds transferred in H.R. 3011 for use in the Clean Coal Program are not subject to this rescission; and

Third, $500 million is set aside in the energy security reserve to be used later if authorizing legislation is enacted. The amendment specifically prohibits the use of these funds for Synfuels projects of any kind.

With these exceptions, this amendment rescinds about $6.7 billion of the $7.9 billion currently in the energy security reserve and effectively shuts down the Synfuels Program as we know it.

Let me emphasize that this amendment does not affect in any way the funds proposed for transfer to the Clean Coal Reserve. That issue will be resolved later.

Mr. Chairman, back in 1980, when the Synfuels Corporation was first funded, synthetic fuels were the wave of the future. But since then, oil scarcity has turned to glut, and the price of imported oil has dropped dramatically. Just this week, we have been treated to the welcome news of OPEC oil ministers squabbling among themselves in an effort to stop the over-production and price cutting that threatens to destroy the cartel's stranglehold on the world oil supply.

During our debate on this issue last year, several members pointed to the instability in the Persian Gulf, the ongoing war between Iran and Iraq, and attacks on oil tankers, as evidence of the need to proceed full speed with the development of our synthetic fuel resources. What has the past year taught us?

It has taught us that despite continued and even increasing instability and conflict in the Middle East, our oil supply remains virtually unencumbered. Since last year, our dependence upon Middle Eastern oil has continued to decline, as ever-increasing portions of our oil imports come from our South American neighbors.

In fact, Mexico is now the Nation's largest foreign oil supplier, providing 14 percent of the total imports. Canada and the United Kingdom also rank high, while Arab countries today provide 15 percent of our total imports. Over all, we have reduced our reliance on foreign imports by 23 percent since the 1973–74 Arab oil embargo. And all this was done without the help of Synfuels.

Considering the current letters of intent, I find it hard to believe that the Synfuels Corporation can prevent gas lines or major oil disruptions as its supporters claim. Just look at the projects now under consideration. For example, the SFC has tentatively committed $365 million to the Northern Peat Project. If you can believe it, this project is designed to develop ways for burning "peat brickettes" in place of coal.

First of all, I hate to break the news, but this technology is nothing new or different. My Irish brethren and others have been burning peat for hundreds of years.

Second, with the largest coal reserves anywhere in the world, it doesn't make sense for this country to spend $365 million on a replacement for this fuel. My friends from the Midwest and others interested in expanding the coal market should take a close look at this project. And finally, I'm interested to know how "peat brickettes" can be used as fuel during a gasoline shortage.

The past year has also taught us that despite the best intentions of those who bailed out the Synthetic Fuels Corporation last year, the sweetheart deals, enormous subsidies, and outrageous lifestyles of Synfuels Corporation employees have continued.

With little activity in direct Synfuels financing, the SFC has managed to increase administrative expenses tremendously over the past few years. Expenses for the corporation this year are 33 percent more than the amount in fiscal year 1984, and the estimates for the next fiscal year are even greater. Despite the cries of reform, this excessive spending doesn't sound like efficient management to me.

As a result of continued filling of the strategic petroleum reserve, we are today in an even better position to withstand an enforced reduction in oil imports than we were a year ago. And thanks in large part to the hard work of Chairman Yates, SPRO will soon contain over 500 million barrels of oil, almost 100 days' protection against a total disruption of oil imports.

We've been hearing a lot over the past several months about the budget deficit—well, here's the best opportunity we'll see in a long time to make a real cut. At a time when budget conferees are talking about cuts in food stamps and increasing the taxes on our elderly Social Security recipients, how can we even think about continuing to pay Union Oil $1 million a day in price supports for 6 years—and that's in addition to the $3.4 billion in tax breaks!

When the budget conferees are talking about cutting transportation funds by 15 percent, how can we even think about providing billions of dollars in taxpayer subsidies to guarantee a return of over 20 percent for one of the most profitable companies in the Fortune 500.

How can we explain to those constituents back home who are breaking their backs 40 hours a week, sweating to pay taxes, that we didn't do anything to reduce the deficit, to bring down interest rates, to save billions of dollars when we had the chance?

Mr. Chairman, the Synthetic Fuels Corporation has had its chance. It should have been killed a year ago. The past year has given us just more of the same—more money wasted on staff perks and privileges, more money wasted on subsidies for oil companies to build plants that don't now and perhaps never will work, more money wasted on technology that won't be economical for at least 20 years, and more empty promises that the Corporation will be brought under control.

Just look at today's paper. The Energy Department had to rescue the taxpayer from the monster of Great Plains before another $720 million was wantonly devoured.

The Synthetic Fuels Corporation has proven beyond a shadow of a doubt that it is incapable of bringing itself under control. Now it is up to Congress to put this monster out of its misery.

I urge my colleagues to support the Conte-Sharp amendment and vote for fiscal responsibility.

Mr. Chairman, I reserve the balance of my time.

● Mr. BOLAND. I oppose the amendment offered by my colleague from Massachusetts. [Mr. Conte.]

Mr. Chairman, we had this same argument on synthetic fuels last year. As a result of that debate, we approved a sizable rescission in the funds previously appropriated to the Synthetic Fuels Corporation. We put the managers of that enterprise on notice, that we expected them to institute some administrative reforms. Changes have been made as a result of what took place on this floor last August, but some would not give the Corporation a chance to see the fruits of those changes.

Mr. Chairman, where are our memories? The arguments we have heard on this floor against the Synthetic Fuels Corporation would have us disregard both history and common sense. I remember the atmosphere in this Chamber 5 years ago when the Synthetic Fuels Corporation was created. The Members who voted to launch our Nation's synthetic fuels effort, and I was one of them, understood two things. We knew, that synthetic fuels were going to be expensive, and we knew, that neither the strategic petroleum reserve nor energy conservation were going to provide effective long-term alternatives, to imported petroleum. In the intervening 5 years, crude oil prices have fallen and our recollections of gas lines, factory closings, and early school dismissals have faded. You would think our energy problems had disappeared!

Some things have not changed since 1980. We all receive mountains of statistics on energy supplies and energy use. None of those statistics have ever led me to conclude, that petroleum is other, than a finite resource. No estimates which I have seen have shown, that domestic oil and gas reserves, either onshore or offshore are increasing. In fact, at least since the 1952 report by the Paley Commission, we have been warned that the United States will run out of oil and gas. We are not sitting on oceans of oil in this country and we are never going to be! And what's more, Mr. Chairman, our consumption of imported petroleum, after several years of decline, is again moving toward the levels of the 1970's.

In my judgment, synthetic fuels represent our only path to energy independence. We knew, or at least I thought we knew, when we created the Synthetic Fuels Corporation, that the road to commercial development was uncertain and likely to be expensive. We also knew, however, that when they were needed, synthetic fuels would look like a bargain at any cost. When synthetic fuels are needed, they are going to be needed, in quantities approaching the 2 million barrels per day of production capacity, which the Synthetic Fuels Corporation was charged with establishing. We simply will not have the time, to build the plants necessary to produce synthetic fuels in those quantities if we wait until a time of crisis to get started. You can do all of the research you want, and do small demonstration projects until there is not enough warehouse space at the Department of Energy to store them all. But if the necessary synthetic fuels plants are not in operation when the next crunch comes, all of the fancy blueprints, and academic treatises, we will have purchased with the kind of program envisioned by the supporters of this amendment will be of little comfort.

It remains incumbent on this Congress to encourage the development of those alternative fuels on which our Nation's future will depend. Synthetic fuels are those alternatives, and we dare not allow a complacence, brought on by a temporary oil glut, to make us lose sight of the need, to have them available when they are needed.

I urge the defeat of the amendment.●

● Mr. SYNAR. Mr. Chairman, I rise in strong support of the Sharp-Conte amendment. We have before us today

a rare opportunity. With this one vote we have the opportunity to reinstate a sound and reasonable synthetic fuels development program and, at the same time, save the taxpayers more than $6 billion. By voting yes on this amendment, we can bring to an end the most wasteful and unproductive agency in the Government today—the Synthetic Fuels Corp. We can demonstrate to the American public that we are serious about addressing this Nation's deficit problems and we are serious about cutting unnecessary Federal spending.

As I have often stated in the past, the vote before us is not a vote on our commitment to energy security. Rather, it is a vote on how we as a government can utilize a limited—and I emphasize limited—amount of Federal resources to provide the most efficient and effective program to help develop synthetic fuels. After 5 years of turmoil and controversy, it is abundantly clear that the Synfuels Corp. is not such a program. In fact, the Synfuels Corp. threatens not only to squander billions of taxpayers' dollars on the senseless commercialization of uneconomic technologies, but it likewise diverts precious tax dollars away from the kinds of programs that offer the greatest promise for enhancing the prospects of synfuels development.

We need not speculate on the prospects for commercial synfuels production. We need only to open our eyes. Yesterday, the administration determined that the SFC's proposal to provide an additional $720 million to the Great Plains project would not be in the best interests of the Nation as a whole. The message is clear. We as a Nation can simply no longer afford to commit the taxpayer to subsidy lifelines for technologies which cannot and will not for the forseeable future be able to compete in the marketplace. To do otherwise will serve only to promote technological inefficiency at enormous cost to the American public.

The lesson to be learned from the Great Plains story is indeed a costly one. But the costs of this one sad story will pale in comparison to the disastrous consequences of our failure to act today. For if we cannot learn from the mistakes of our past, we surely cannot hope to improve our future.

As we debate today the future of this program, the future of this Nation remains hostage to the diminishing prospects of substantial long-term deficit reduction. We must get on with the critical task of reducing Federal spending and reducing Federal deficits. The real question before us today is a question of priorities and equity. It is a question of whether we as a Congress are prepared to say no to the family farmer. no to the elderly, no to the hungry and the homeless and yes to the handful of multimillion-and billion-dollar corporations that want Uncle Sam to pay their way to greater profits. It is a question of whether we as a Congress are committed to getting serious about this Nation's deficit problems and doing so in a fair and equitable manner.

Mr. Chairman, there is no Federal program that is more unnecessary, more unfair and more inequitable than the Synthetic Fuels Corp. It is time to acknowledge the errors of our past and offer promise for our future. It is time to put an end to the Synthetic Fuels Corp.●

Mr. WOLPE. Mr. Chairman, I rise in strong support of the Sharp-Conte amendment.

The debate over the future of the Synthetic Fuels Corporation does not concern the advisability of developing synfuels technologies or the wisdom of pursuing energy security. There is widespread support for those goals. The debate is, however, over allowing the wasteful Synthetic Fuels Corporation to squander $6 billion at a time of soaring Federal budget deficits.

The SFC was established in 1980 and was given a $15 billion appropriation to create a commercial synfuels industry. Five years later, no one in their right mind would defend the record of the SFC. That well-publicized record is replete with numerous examples of extraordinarily wasteful administrative costs, incompetent management, and an almost total disregard for ethical standards.

But in addition to the waste and scandal, the miserable record of the SFC can also be tied to the marketplace. Despite the best intentions of the corporation's creators, 1980's dream of a commercial synfuels industry has faded into the harsh economic realities of 1985. It is now very clear to every expert in the energy industry that synfuels technologies will be unable to compete in the commercial marketplace at any time in the foreseeable future.

This fact is dramatically illustrated by the Department of Energy's decision yesterday not to agree to the SFC's bail-out of the hopelessly uneconomic Great Plains coal gasification project—the flagship of the Federal synfuels commercialization program.

An internal DOE analysis indicated that under a best-case scenario, oil prices would have to soar to $160 per barrel by the year 2009 for the Great Plains bail-out to work—and even under those unlikely circumstances it would still cost the taxpayer $2.6 billion!

There are two obvious lessons to be drawn from the Great Plains fiasco. First, it is clearly unwise to build commercial-scale synfuels plants at this time. And second, it is the responsibility of Congress to take decision action if a Federal agency is either foolish or reckless enough to waste the taxpayers' money on such futile ventures. The fact that the SFC was willing to spend public funds on something as unwise as the Great Plains project emphasizes the importance of adopting the Sharp-Conte amendment.

This amendment would prevent the SFC from wasting over $6 billion by rescinding all but $500 million of the funds available to the SFC and preventing the corporation from entering into any additional contractual agreements. The adoption of this amendment would prevent the SFC from indiscriminately shovelling money out the door while authorizing committees consider legislation to abolish the SFC and reestablish a synfuels program at DOE.

As I stated at the outset, critics of the SFC do not oppose the development of synthetic fuels or the goal of energy security. We are convinced, however, that a revitalized effort at the Department of Energy would save the taxpayer billions of dollars, while providing the technical experience necessary to better utilize synfuels technologies when the marketplace is more favorable at some point in the future.

Mr. Chairman, there is a growing consensus, both inside and outside of the Congress, that it makes absolutely no sense in terms of energy policy or budget policy to allow the SFC to continue with its grandiose spending plans.

I strongly urge my colleagues to support the Sharp-Conte amendment and prevent $6 billion in wasteful Federal spending.

● Mr. SHUMWAY. Mr. Speaker, I rise in support of the amendment, offered by my colleague, Mr. Conte to rescind all funds for the Synthetic Fuels Corporation except for $500 million, to be authorized at a later date.

In the few short years since its inception, the SFC has a track record that can charitably be described as disappointing. In fact, it should more aptly be described as the greatest example of Federal subsidization and Government boondoggle in the history of American Federal programs. While most in Congress in 1980, including myself, thought that Synfuels was an idea whose time had come, I will be the first to say that its performance to date has been, at best, abysmal.

In the 4½ years of its existence, the SFC has produced a trickle of expensive alternative energy and barrels of scandal. If one were to employ the traditional cost-benefit analysis in assessing the performance of this program, even the most ardent supporter of a national energy policy would have to admit that the American taxpayer is not seeing any return on his almost $7 billion tax dollar investment. Indeed, the time is right to reevaluate the SFC.

This is not to say we should overlook or ignore the need for a national energy policy. A national energy policy is a vital component of our national security policy. We should never be in a position of dependence upon foreign supplies of oil. However, the SFC is not the answer. Even if we have another fuel crisis—and the possibility exists—there are better agencies that can cope with the situation. And there are more economical ways to do so.

Right now, we are asking the American taxpayer to pick up the $7 billion tab for what is recognized as an economically unfeasible plan. That is an incredible amount of money, particularly at a time when we are suffering under the crushing weight of a monstrous Federal budget deficit.

Mr. Chairman, let us face this challenge head on. I urge my colleagues to support this amendment. Let the House work its will regarding this vital issue, and make a substantial effort to reduce our staggering budget deficit.●

● Mrs. LLOYD. Mr. Chairman, I rise in opposition to the amendment. This is a sad day for the House, which through voting for this amendment will turn its back on a real national security need. This requirement for a secure supply of liquid fuels is no less compelling now than it was 5 years ago when the SFC legislation was enacted. It is all too easy of a vote through which the Members of this body think they can demonstrate fiscal responsibility. Yet it is merely budgetary slight-of-hand, because there are no significant outlays of money connected with the rescission of outstanding budget authority for the next several years. Further, it is an insult to the memory of a great Senator who was the congressional architect of the Energy Security Act, Henry Jackson. He clearly saw, as did the majority leader of the House, the strong and persistent connection between synthetic fuels development and national security.

In the debate on previous synthetic fuels issues, I have mentioned that the corporate memory of the House of Representatives had become blurred with respect to the original motive for encouraging synthetic fuels development. A "yes" vote on this amendment will mean that we are erasing that corporate memory entirely and that the House has, in fact, forgotten its original strong motivation for enacting the Energy Security Act. To my conservative friends, I would point out that the original synthetic fuels legislation in the House, the amendments to the Defense Production Act, received overwhelming support. The major difference between that legislation and the later enacted Energy Security Act [ESA] was the amount of funding provided for government support of commercial-scale plants. This nearly order-of-magnitude increase in authorization in the ESA recognized the fact that the technologically diverse plants to be built would not be economical. Nevertheless, the Congress believed it was important for the country to learn about new technologies at scale through the operation of these prototype plants.

I have no disagreement with those who would say that the Synthetic Fuels Corporation, as an instrument, is seriously flawed. I have stated on numerous occasions that Mr. Stockman could not have planned a more Machiavellian approach to kill synthetic fuels development if he had chosen the various members of the board himself and directed its operations. Nevertheless, reducing the SFC budget authority to zero does not seem to me to be the appropriate way to protest poor board appointees or the SFC's inability to act decisively. It is as if we have concluded that by taking away a carpenter's broken tools, we will preclude any further need to build.

I would remind my colleagues that the Department of Energy's demonstration program for coal conversion was killed by Mr. Stockman and shortsighted economics in the 1981-82 time period.

The loss of those demonstrations put an added burden on the SFC to address a diversity of technologies in order to assure synfuels development across a broad front in terms of our plentiful domestic resources—coal, tar sands, shale, and so forth. Now we are suggesting that the country no longer needs to learn whether these technologies can work reliably at commercial scale, which is a necessary step toward getting any handle on improving the economics. The oil glut and soft prices are economically comforting but they shouldn't lull us into inaction. These circumstances have removed the economic incentives for the private sector to invest significant funds in such development, so there is an even greater need for Federal involvement than 5 years ago. If we want to prove these technologies, we must recognize that temporarily plentiful energy supplies only buy us time.

We have some Members who, although they support acid rain controls, neither desire clean coal technologies nor improved processes for converting coal to clean-burning liquids and gases. I cannot imagine how they can project such a naive energy future. I feel proud to have authored one of the prime mover pieces of clean coal legislation, but when I did introduce it, it was intended as a complement to a limited, but viable, SFC program. Now we are told that we need not encourage synfuels or even clean coal programs at significant funding levels, despite the fact that the U.S. import fraction for liquid fuels is back to the same level as it was in the late 1970's. I maintain that this is a national security vote for those of us who believe in the broad definition of national security; that is, that which includes our long-term, vital economic interests. We should be alarmed by this suggestion that the short-term market should be the final arbiter of both our defense and energy policy. Mr. Chairman, I urge my colleagues to defeat this amendment. Otherwise, I believe that the House will be called into account on this issue sometime within this decade and will certainly be found wanting. Thank you.●

● Mr. KOLTER. Mr. Chairman, I rise in support of the Clean Coal Technology Fund and urge my colleagues to oppose any amendments that would reduce funding for this very important 3-year program.

Despite being the Nation's most abundant natural fuel resource, coal has not received its fair share of Federal research assistance in recent years. Last year when Congress rescinded funds from the Synthetic Fuels Corporation, it went on record in support of developing new coal cleaning technology. Now, just 1 year later, it seems that some want to seriously reduce our commitment to using coal in a more environmentally acceptable manner.

Moving forward to develop emerging coal cleaning technologies would provide new methods for using coal in much more efficient and cleaner ways that can currently be achieved. One example of a new technology that requires a full scale demonstration is limestone injection.

Limestone injection entails burning limestone with higher sulfur coal in a boiler. This process, if successful at the commercial powerplant scale, could substantially reduce sulfur dioxide emissions from coal fired utility boilers at a fraction of the cost of state-of-the-art scrubbers. There is no way of knowing whether or not this process will be successful unless we try it. The clean coal reserve was designed just for that purpose—to test new technology at the demonstration scale in order to facilitate commercialization.

Some would argue that this entire proposal is nothing but corporate welfare. This is of course untrue. Each demonstration would have to receive at least half its funding from the private sector. To me this represents a fair balance between government and business. I would also point out that a number of projects listed in the Department of Energy report to Congress on emerging clean coal technologies lists projects that would involve substantial cost sharing on the part of the private sector. This entire project must be viewed as an investment in the Nation's economic future.

Successful demonstration of new technology offers an opportunity for the creation of new businesses. Not only would existing companies build these newly proven technologies at the commercial level, but undoubtedly many new firms would come into existence.

In addition to creating new business opportunities and new jobs, the ability to use coal in a cleaner fashion could spark additional demand in the coal industry. Mr. Speaker, I need not reiterate the deplorable conditions in the coal fields. The decline of the steel industry, coupled with fewer export opportunities and the serious threat of coal imports from South America has been devastating to the coal industry.

The ability to use higher sulfur coal would bring new opportunities to coal producers, but it would not be limited to just miners and operators. This new prosperity would also be shared by local merchants and local governments that often have to rely on the coal industry.

Mr. Chairman, if we vote to reduce our commitment to clean coal today, chances for developing new technology will be seriously hindered. Both the Department of Energy Research Advisory Board and the Office of Technology Assessment determined that our current policy of abandoning development after the proof of concept stage has sent confusing signals to the private sector about our commitment to support new technology development. In most cases the loss of Federal interest has led to a rude halt in the development process. When that occurs no one benefits. Thousands of dollars are spent, but the job is not completed.

Mr. Chairman, there is one other key issue at stake here. Just yesterday the Commerce Department announced the June trade deficit. We all know that a very substantial part of the trade deficit is caused by our continued reliance on imported oil. The ability to use an abundant natural resource in both traditional and new ways would certainly reduce our dependence on foreign sources of oil and help us reduce the trade deficit. There is also the possibility that some of these new technologies could be exported to other nations that possess high quantities of coal.

In closing, I firmly believe that we must not turn our back on the commitment we made to fostering coal cleaning technology last year. Any reduction in funding would do just that. The clean coal reserve is in line with the House budget resolution and should be viewed as an investment in the future.

I urge defeat of any amendment that would weaken the reserve fund.●

● Mr. CLINGER. Mr. Chairman, I rise in opposition to the Sharp-Conte amendment to abolish the U.S. Synthetic Fuels Corporation. Listening to the debate on the future of the Synthetic Fuels Corporation makes clear to me that many of us are not aware of what has been happening at the Corporation since its new Board arrived last December.

Remember, Congress last year recinded a total $7.375 billion—or nearly half—of SFC's funding. The Board members who took office in December immediately began to give the Corporation a new direction, which is clearly stated in its statement of objectives and principles, its new business plan and the comprehensive strategy report sent to Congress on June 30. The Corporation is now deemphasizing near term production and concentrating on a few pioneer plants of minimum commercial size that will provide the knowledge and experience needed for the future development of a commercial industry. The SFC is looking for the most cost-effective way to provide for the Nation's synfuel needs when market considerations or national security requirements dictate. The most wasteful thing we could do would be to develop a synfuels industry under "crash" conditions. If we kill the Synfuels Program now, this is exactly what is likely to happen in the not-too-distant future.

Mr. Chairman, the Corporation is scaling down multibillion-dollar projects to a size consistent with commercial operation that will provide the operational, management, health and environmental experience we need to move forward on a sound basis. The new SFC Board is moving forward in light of new energy and budget realities, and we should give it a chance to complete the job.

The Corporation is taking a cautious and prudent approach to assisting projects under difficult enomomic and technical conditions. I believe that approach deserves our support.

Mr. Chairman, the argument we hear most often against SFC is that it has been wasteful and that killing it is a "$6 billion vote" which will give us immediate budget deficit impact. Do not be deceived by these arguments. The immediate savings by abolishing SFC is only $14 million, I repeat, $14 million. The CBO reports that the budget impact for fiscal year 1986 would be $14 million in savings. On the other hand, if we abolish SFC now, DOE would immediately have to seek $1.5 billion from this body to pay off the loan to the Great Plains project which DOE guaranteed. I emphasize that this would contribute directly to current year deficits. From a strictly current dollar analysis, abolishing SFC now would be fiscally irresponsible.

The new Board has also moved aggressively to correct earlier managerial weaknesses and to address waste and charges of ethical improprieties. The SFC, for example now fully conforms to the standards of ethical conduct and financial reporting proscribed from Federal officers and employees. The Corporation staff has also been reduced—from 170 in December when the new Board took over to 144 this month. Other actions of a smiliar nature are also taking place.

Mr. Chairman this country needs a Synthetic Fuels Program—everyone agrees on that—but the Department of Energy can't do the job that is needed, with its emphasis on research and development alone. The Congress recognized this problem when it set up the SFC and gave it—and not the Department of Energy—the mission of creating a commercial scale program. The same reasons exist today why we should continue the program through the SFC.

It is time that we dealt with the facts in voting on the future of the SFC. We need a Synthetic Fuels Program, and we need it at a commercial scale. The new Board is making significant progress toward that programmatic goal at the same time as it moves to correct past management deficiencies.

We should continue the program, and I urge my colleagues to vote "no" on the amendment.●

PARLIAMENTARY INQUIRY

Mr. McDADE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McDADE. Mr. Chairman, as I understand the situation, the gentleman from Massachusetts has claimed 30 minutes in favor of the amendment. The Chair, to the best of my knowledge, has not assigned the 30 minutes to the opposite side of the question. If that is the case, Mr. Chairman, I would like to demand the opposite time.

The CHAIRMAN. Under the rule, a Member opposed is entitled to 30 minutes. If the gentleman seeks to use it, he can request the time and the Chair will allocate it.

Mr. McDADE. I now request it, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. McDade] for 30 minutes.

Mr. McDADE. Mr. Chairman, we have heard many arguments—both pro and con—regarding the future of the U.S. Synfuels Corporation. And I will not add to the discussion about dollars, or individual projects, or questions of individual project viability. There is no need to rehash these points.

I will say to my colleagues that I am deeply concerned, concerned about how we are acting and why. I do not believe that we are giving enough thought to our Nation's future energy needs and that some are giving too much thought to their November needs.

History repeats itself, and history tells us that the future in the Middle East is not bright. We face the distinct possibility of major conflict in that region—a conflict that can send oil prices soaring.

We saw that very thing happen as a result of the Yom Kippur war of 1973 and the concurrent formation of strong, hardline positions on the part of OPEC.

Have we forgotten gasoline rising from 35 cents to over $1 per gallon? Have we forgotten hours of waiting in line to purchase scarce fuel? Have we forgotten the feeling of having our entire economy held captive to the whims of another group of nations? Or do we believe that because of current situations that, this too, will never again occur?

The evidence is clear, many reports have been completed. My dear friends, the majority leader, has spoken several times of the 1952 Paley Commission Report that forecast almost 30 years ago what would happen in the United States if we didn't change our oil consumption policies. They said if we didn't change we would face severe problems in 20 years—they were only off by a few short months.

Are you willing to gamble the future of this country's energy independence, the future of our children on the future goodwill of the OPEC nations? Will this shortsightedness that is being displayed today ensure that our Nation will be protected from major energy shortages in the future? The answer, my friends, is no.

In 1983, in tests conducted by the International Energy Agency, it was concluded that if economic forces supported by the administration are put into place, the price of crude oil could increase to as high as nearly $100 per barrel if there is even a partial blockade of Persian Gulf oil—is that worth the risk others advocate taking today?

As Members of the Congress of the United States we have the responsibility to insure that this Nation does its best to provide for the safety and security of its citizens. We must have the vital information that will be gained from the Synfuels Corporation project to make rational, responsible choices for the future direction of our energy policy.

To limit our technological development capability to just oil shale and coal gassification—then we are no better than an ostrich with its head in the sand. If we limit our ability to make sound, informed decisions on our energy policy, then we will surely find ourselves staring the 1973 oil embargo in the face again.

Look to the Republic of South Africa and their experience in synfuels. Thirty years ago they made a firm commitment to this technology with the hopes of protecting their economy from energy over-dependence. Today, they have three commercial scale synthetic fuel plants and are virtually secure from any large scale price increase or oil flow interruption.

Can we really expect to find another reserve of domestic oil, another Prudhoe Bay, in the next 10 years? Can my colleagues here assure me that our economic recovery we enjoy today will not turn into a catastrophic recession if war erupts in the Middle East and prices double, triple—or worse—overnight?

Give me that ironclad assurance and I will support your efforts to gut the Synfuel Corporation. But as you can't provide such assurances and the gentlemen offering the $6 billion rescission know that they cannot provide such assurances, then I say to all my colleagues to do the responsible thing oppose this amendment.

Fix synfuels, change the management, address the concerns, but do not destroy 5 years of work, research and effort for election year politics.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, does the gentleman propose to use any of his time? I am merely trying to find out how we are progressing. The gentleman from Massachusetts [Mr. Conte], as I understand it, is just about through with his statement on his amendment.

Mr. McDADE. Never would I foreclose my friend from Illinois. I just want to protect the opposite side of the question. There are many Members with strongly held feelings that this is the wrong course, and they want to be heard on it. I wanted to make sure that if they do want to be heard, there was time for them.

We have made an agreement, and I commend my colleague from Illinois for doing so. I do not intend to use the time of the House. I want to voice my opposition to the amendment.

Mr. YATES. If the gentleman will yield further, may I ask the gentleman then, does the gentleman object if I ask the Chair to proceed to a vote?

Mr. McDADE. Not at all.

Mr. YATES. I thank the gentleman.

Mr. Chairman, I call for a vote on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. Conte].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CONTE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 312, noes 111, answered "present" 1, not voting 9, as follows:

[Roll No. 281]

AYES—312

Ackerman
Addabbo
Andrews
Annunzio
Anthony
Archer
Armey
Aspin
AuCoin
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilirakis
Bliley
Boehlert
Boner (TN)
Bonker
Bosco
Boucher
Boulter
Boxer
Breaux
Broomfield
Brown (CA)
Broyhill
Burton (CA)
Burton (IN)
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chappie
Cheney
Clay
Coats
Cobey
Coble
Coelho
Coleman (MO)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Craig
Crane
Crockett
Darden
Daschle
Daub
Davis
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Dymally
Dyson
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fawell
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Ford (MI)
Fowler
Frank
Franklin
Frenzel
Gallo
Gejdenson
Gephardt
Gingrich
Glickman
Goodling
Gordon
Gradison
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hamilton
Hartnett
Hatcher
Hefner
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Hoyer
Huckaby
Hughes
Hunter
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kennelly
Kleczka
Kolbe
Kostmayer
Lagomarsino
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lowry (WA)
Luken
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
McCain
McCandless
McCloskey
McCollum
McCurdy
McEwen
McGrath
McHugh
McKernan
McMillan
Meyers
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mitchell
Moakley
Molinari
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Natcher
Neal
Nichols
Nowak
Oakar
Obey
Olin
Oxley
Packard
Panetta
Parris
Pashayan
Penny
Petri
Pickle
Porter
Price
Pursell
Rangel
Ray
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saxton
Schneider
Schroeder
Schuette
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solarz
Solomon
Spratt
St Germain
Stallings
Stangeland
Stark
Stenholm
Stokes

Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Udall
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Williams
Wolpe
Wortley
Wyden
Wylie
Yates
Young (FL)
Young (MO)
Zschau

NOES—111

Alexander
Anderson
Applegate
Atkins
Badham
Bennett
Biaggi
Boggs
Boland
Bonior (MI)
Borski
Brooks
Bruce
Bryant
Bustamante
Byron
Chappell
Clinger
Coleman (TX)
Coyne
Daniel
Dannemeyer
de la Garza
Dorgan (ND)
Durbin
Dwyer
Early
Edwards (OK)
Fascell
Fazio
Foglietta
Foley
Ford (TN)
Frost
Fuqua
Garcia
Gaydos
Gekas
Gibbons
Gilman
Gray (IL)
Grotberg
Hall, Ralph
Hammerschmidt
Hansen
Hawkins
Horton
Howard
Hubbard
Kanjorski
Kildee
Kindness
Kolter
Kramer
LaFalce
Leath (TX)
Leland
Lipinski
Lloyd
Long
Lujan
Lundine
Mavroules
Mazzoli
McDade
McKinney
Mica
Michel
Mineta
Mollohan
Monson
Murphy
Murtha
Myers
Nelson
Nielson
O'Brien
Oberstar
Ortiz
Owens
Pease
Pepper
Perkins
Quillen
Rahall
Regula
Rogers
Rudd
Russo
Savage
Schaefer
Scheuer
Schulze
Shuster
Smith (IA)
Snowe
Spence
Staggers
Strang
Stratton
Traficant
Traxler
Valentine
Whitten
Wilson
Wirth
Wise
Wolf
Wright
Yatron
Young (AK)

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—9

Akaka
Brown (CO)
Conyers
Hayes
Hefner
Ireland
Kemp
Loeffler
Roth

□ 1820

Messrs. ALEXANDER, MURPHY, LUNDINE, SAVAGE, DANIEL, and HORTON changed their votes from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY RESERVE

(TRANSFER OF FUNDS)

For the purpose of conducting cost-shared clean coal technology projects for the construction and operation of facilities to demonstrate the feasibility for future commercial application of such technology $750,000,000 shall be available to the Secretary of Energy, to remain available until expended, of which (1) $100,000,000 shall be immediately available, (2) an additional $300,000,000 shall be available beginning October 1, 1986, and (3) an additional $350,000,000 shall be available beginning October 1, 1987, such sums to be derived by transfer from funds appropriated to the "Energy security reserve" in the Department of the Treasury by the Department of the Interior and Related Agencies Appropriation Act, 1980 (Public Law 96-126) and subsequently made available to carry out title I, part B of the Energy Security Act (Public Law 96-294) by Public Laws 96-304 and 96-514: *Provided*, That such amount shall be from the amount of $5,700,000,000 initially available only for obligation to projects with Letters of Intent authorized by the Board of Directors of the United States Synthetic Fuels Corporation on or before June 1, 1984: *Provided further*, That the Secretary shall not finance more than 50 per centum of the total costs of a project as estimated by the Secretary as of the date of award of financial assistance: *Provided further*, That cost-sharing by project sponsors is required in each of the design, construction, and operating phases proposed to be included in a project: *Provided further*, That financial assistance for costs in excess of those estimated as of the date of award of original financial assistance may not be provided in excess of the proportion of costs borne by the Government in the original agreement and only up to 25 per centum of the original financial assistance: *Provided further*, That revenues or royalties from prospective operation of projects beyond the time considered in the award of financial assistance, or proceeds from prospective sale of the assets of the project, or revenues or royalties from replication of technology in future projects or plants are not cost-sharing for the purposes of this appropriation: *Provided further*, That other appropriated Federal funds are not cost-sharing for the purposes of this appropriation: *Provided further*, That existing facilities, equipment, and supplies, or previously expended research or development funds are not cost-sharing for the purposes of this appropriation, except as amortized, depreciated, or expensed in normal business practice.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Conte: On page 45, in line 25, strike "$750,000,000" and insert in lieu thereof "$100,000,000" and on page 46, line 1, strike from "of which" through the end of line 4.

Mr. CONTE. Mr. Chairman, my amendment is designed to restore a measure of fiscal responsibility to the bill and at the same time provide a significant Clean Coal Demonstration Program.

As reported H.R. 3011 transfers $750 million available to the Synfuels Corporation through the energy security reserve to the Department of Energy for clean coal research projects; $100 million is transferred in fiscal year 1986; $300 million would be automatically available in fiscal year 1987, and another $350 million would be available in fiscal year 1988. These outyear transfers would not be subject to further congressional action. In effect, we're writing a blank check for three-quarters of a billion dollars without knowing how the money will be spent.

My amendment would delete the outyear funding provided for fiscal years 1987 and 1988. The amendment would not affect the funds provided by transfer in fiscal year 1986; $100 million—a generous amount for any new program—will remain available to start a clean coal demonstration effort next year.

Basically, I agree with the thrust of the proposal. It's important to provide new, environmentally clean options for coal use. However, considering our attempts at fiscal restraint in all programs, it's difficult to justify the advanced funding of a new Government subsidy for projects and research currently sponsored by the private sector. In fact, the electric utility industry has spent more than $500 million on coal related R&D efforts during the past 5 years, and plans to spend another $600 million over the next 5 years, mainly for clean coal demonstrations.

Industry and utilities—for a variety of reasons—have already begun to initiate highly efficient, environmentally clean coal-based technologies, and these are the same kinds of demonstrations that would be subsidized by the taxpayer under the proposed Clean Coal Program.

I'm also concerned that this program duplicates an extensive Federal effort to fund clean coal technology research.

Since 1981, the Federal Government has spent more than $2 billion on clean coal R&D.

For fiscal year 1986, this bill includes $348 million in fossil fuels R&D, $250 million of which is specifically for clean coal. If $100 million for clean coal demonstration projects is added, the total Federal spending for clean coal in fiscal year 1986 will amount to $350 million. The administration requested only $150 million.

The Environmental Protection Agency is also conducting R&D in this area. In fiscal years 1984 to 1986, EPA's budget calls for almost $50 million in clean coal work.

Finally, the multiyear funding provided in this bill is contrary to the agreement reached last year on the Synfuels recission. The conference report on the continuing resolution clearly stated that any funding for the clean coal technology reserve would be "subject to annual appropriation" by the Congress.

In addition, the statement of the managers explained that "annual funding for such activities is subject to appropriation by the Congress." In light of the Federal deficit, multiyear funding without meaningful review by the Congress—is a bad precedent for this bill and bad fiscal policy.

Mr. Chairman, if we're really serious about deficit reduction, how can we start a new, multimillion-dollar program and fully fund it for 3 years? How can we guarantee Government subsidies for large corporations when funding for the arts, natural resource management, and energy conservation programs face or uncertain future? It doesn't make fiscal sense, and it's not right.

My amendment to delete the out-year funding is designed to provide a well run, fiscally responsibly Clean Coal Program.

For fiscal restraint and good Government policy, I urge my colleagues to support my amendment.

☐ 1830

AMENDMENT OFFERED BY MR. REGULA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. CONTE

Mr. REGULA. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. Regula as a substitute for the amendment offered by Mr. Conte: On page 45, line 25, strike "$750,000,000" and insert "$500,000,000". On page 46, line 2, strike "$300,000,000" and insert "$200,000,000". And on page 46, line 4, strike "$350,000,000" and insert "$200,000,000".

(By unanimous consent, Mr. Regula was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentleman from Ohio [Mr. Regula] is recognized for 10 minutes.

Mr. REGULA. Mr. Chairman, this is an issue that we need to address. I think by offering this substitute at this point we can debate the entire potential changes. We are really being faced with three choices. We can keep the $750 million. We can take the substitute that I have offered, which would be $500 million, a reduction of $250 million, or we can take the $100 million for fiscal year 1986 as offered by the gentleman from Massachusetts.

When I came to Congress I received a letter from a wise old gentleman in my district and he said, "Dear Ralph, you are leaving for Washington. Watch out for those pendulums."

That was good advice, because we tend in this body to swing from crisis to crisis. I can remember the speeches here in 1977 and 1978 as gasoline lines were sitting in all our districts, as people were saying, "Why didn't you do something? Why didn't you Members anticipate this?"

Schools were closing, churches, hospitals were fighting for fuel, many of our businesses did not have adequate fuel to meet their needs. People were laid off for lack of fuel, for industries. We had a crisis and everybody said, "Oh, we forgot to do something about providing energy independence."

We created the Synthetic Fuels Corporation in 1980, this body said, "Let's drill the Outer Continental Shelf. Let's find substitutes. Why don't we use this magnificent resource of coal?"

You have all heard the statements. The United States is the Saudi Arabia of coal, of energy, because of coal.

Today, there are no gasoline lines. The cost of fuel has dropped. We have an opportunity to legislate in a responsible way for the future.

If you read the literature, if you listen to the people who are taking a look down the road, they are saying that the trend is starting the other direction. Imports are up 8 percent over last year. The potential for another fuel crisis lurks across the horizon. When that happens, we will come back in here and the old pendulum will go back to the other side and we will have all kinds of speeches. I wish I had a Congressional Record in here to quote from some of the dramatic statements of my colleagues about the need to do something about the crisis. Here is a chance to legislate in a responsible, measured way, to avoid OPEC blackmail, to avoid a problem in the future in terms of energy independence.

We eliminated in the recent vote here a few minutes ago the Synthetic Fuels Corporation. We are not going to have onstream programs to develop alternative fuels, even though many other countries have done that.

This proposal would take away the ability to deal with clean coal. We do have enormous coal resources throughout the United States. It does give us the ability to have energy independence, but we have to develop new ways of using the fuel to avoid the problems of acid rain.

We get many Dear Colleague letters. We hear from people, "Let's do something about acid rain." Here is an opportunity to do that in a responsible manner.

Obviously, the bill does give multiyear funding. My proposal would give $100 million the first year, fiscal year 1986, as does the proposal of the gentleman from Massachusetts; but at that point he cuts it off.

I say let us appropriate $200 million for 1987, $200 million for 1988. This represents a reduction from the $750 million, but I think it is a responsible, measured response, to a future need.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. REGULA. Yes.

Mr. YATES. Mr. Chairman, I think the gentleman ought to point out his plan, as well as the committee's original plan, will require a 50-percent cost sharing by industry.

Mr. REGULA. That is correct. The bill makes a very tight requirement on cost sharing. We are saying to those who would develop clean coal technology, "You have got to put up half the money. You have got to go at risk along with the Government."

The problem with cutting it off at the end of 1 year is that those who would be able to do something in this field will say to themselves, "Why should we risk 50 cents out of every dollar, knowing that Congress may well chop off the second and third years, why even start?"

Therefore, we are not going to get the kind of projects we need.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I simply want to associate myself with the gentleman's remarks. I think the gentleman lays out the picture very, very explicitly.

We are a nation that always looks to the future; but past, present, and future coal has always been an important asset of this country.

Now we are seeing imports—can you imagine, we are seeing imports from other countries. In terms of coal we have this resource and all we want to do is continue our technology with respect to it.

Mr. Chairman, I have the deepest respect for my friend, the gentleman from Massachusetts, as he knows, but I think his amendment really ought to be looked at a little more closely.

I commend the gentleman from Ohio and I hope, frankly, that we can defeat the amendment of the gentleman from Massachusetts and show that we are a country that believes in all of our assets, all of our resources, all of the regions of this country, and we believe in our great natural resource of coal.

Mr. REGULA. Mr. Chairman, I thank the gentlewoman.

To keep the record straight here, the first vote will occur on the substitute and that would be a vote for the $500 million. I would urge my colleagues to support that.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to my colleague, the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, I want to commend the gentleman from Ohio for his initiative and tell him that I wholeheartedly support him.

Now, the gentleman raised an interesting issue with the Chairman which is important for this body to know and that is the 50 percent cost-sharing. There is a requirement that 50 percent of the cost be borne by the private side; is that correct?

Mr. REGULA. That is correct.

Mr. McDADE. The gentleman has said, and I think it is important to note, that provision is in the law and the multiyear effort is to try to incentize the industry to develop the technology.

Mr. REGULA. That is absolutely right.

Mr. McDADE. So let me point this out and ask the gentleman if this is not also true. This is only clean combusting coal technology; is that not accurate?

Mr. REGULA. That is accurate.

Mr. McDADE. Now, is it not true, let me ask my colleague, that the problem today of acid rain, which affects the environment of this Nation, is primarily caused by the burning of unclean coal in point discharges; is that not accurate?

Mr. REGULA. That is correct.

Mr. McDADE. Now, is it not true that this technology is the only solution we have in sight to eliminate or mitigate the current problem of acid rain sweeping this Nation?

Mr. REGULA. That is absolutely right.

Mr. McDADE. Mr. Chairman, let me commend my colleague and let me remind the House that just a few days ago a lot of my colleagues made a number of speeches about the importance of clean air, and we all agree on it. Today is the day that we put our resources where our mouths were.

Let us back the amendment offered by my friend, the gentleman from Ohio, support him in his efforts to clean up the air and get rid of acid rain.

I commend the gentleman.

Mr. REGULA. Mr. Chairman, I thank the gentleman.

I might add in conjunction with that that I do have a letter from the Environmental Policy Institute strongly supporting the full funding. They are supporting $750 million for clean coal technology.

A vote yes on this substitute is an environmentally positive vote.

I want to point out with the charts here, the top line is the energy requirement in electricity in future years. This is what we have in place. Unless we get clean coal technology, we are going to be forced to go to the Middle East as a fuel source to generate the electricity we need.

We have a choice tonight of either developing our own resources with clean air or becoming a dependency of OPEC in the years ahead.

I will yield to many of you, but I do want to go over the rest of the charts.

This chart is the amount of emissions we will get without clean coal technology. The line goes up sharply. If we develop this with the moneys we are proposing to make available, we will be able to hold down the emissions, to address the acid rain problem.

Again, the next chart essentially says the same thing. It just boils down to this. We spend the money, half Federal, half private, to develop a clean coal technology. It will let us use the enormous resources we have in this Nation. It will keep us from being OPEC dependent. A good environmental vote, avoid the long lines that were characteristic of the seventies.

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Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Kentucky, a member of the committee.

Mr. ROGERS. Mr. Chairman, I thank the gentleman for yielding to me this time, and I want to associate myself fully with the gentleman's remarks, for making this issue very plain to all of us.

Another point that I think the gentleman might elucidate even more on, we are going to have to depend upon coal for the next several years. There is no other alternative. Nuclear has just not proved itself. It is either coal or without energy.

Those that are concerned about the environment, and with good reason for that concern, should vote for this bill. This gives the chance to clean up the coal and it is paid for.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Regula] has expired.

(On request of Mr. Rogers and by unanimous consent, Mr. Regula was allowed to proceed for 5 additional minutes.)

Mr. REGULA. Mr. Chairman, I continue to yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, this gives us the opportunity to clean up the burning of coal and to remove the possibilities that exist that acid rain is being caused by the burning and combustion of coal.

The utilities will be required to cost-share to the extent of 50 percent. We have got to realize that they do not have the wherewithal to raise the entire sums because they are regulated and their Public Service Commissions do not have the opportunity under the present rulings to allow them the risk of a long-term investment of the entire cost. So I commend the gentleman for that feature of the substitute that is a cost-sharing, 50/50 between the utility and the Government.

The 3 years is terribly important, as the gentleman has indicated, because the utilities just do not have the wherewithal, No. 1, financially to go into this thing on a 1-year basis; and No. 2, politically because they have been burned by us before. They switched, and we changed the law, and they were required to unswitch.

So I commend the gentleman and urge the support of this substitute and its final passage.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I usually do not disagree with my distinguished friend and colleague from Massachusetts, Mr. Conte. If you look at the record, you will find both of us are probably in sync about 99 percent of the time. But this is one area in which we disagree.

Incidentally, the clean air technology reserve was established by Public Law 98-473. As a result of the Department making inquiries of industry on whether or not there would be any interest, the statements of interests that have come up to this point amount to 170 companies interested in getting into this program.

One of the arguments used by my colleague from Massachusetts, Mr. Conte, was that we spent millions of dollars in clean coal technology. But we have not spent a dollar with respect to this kind of a reserve or this kind of a program. That money has been spent by demonstration programs.

The particular program brings in industry at 50 percent of the cost. Your substitute is a good one, $100 million in 1986, and $200 million in 1987, $200 million in 1988, I think that is a reasonable compromise and ought to be accepted.

Mention has been made here of the problems that acid rain propose, and not alone for the Northeast but for Canada, and actually now spreading into most areas of the United States.

This is one way that perhaps the worse pollutant of all—dirty coal—can be cleaned up, and there is no way at all that you are going to solve the acid rain problem unless you solve the problem of using cleaner coal.

So I want to commend the gentleman from Ohio for his substitute. I think it is the right way in which to move. I think it is the wise way, and I think in the long run it is an effective way to clean up acid rain. That is what we all desire. This program of a clean coal technology reserve will go a long way to produce that result.

Mr. REGULA. I thank the gentleman.

Mr. O'BRIEN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois [Mr. O'Brien].

Mr. O'BRIEN. Mr. Chairman, I support the substitute by the gentleman from Ohio [Mr. Regula]. I think the gentleman from Massachusetts, [Mr. Boland] and the gentleman from Kentucky [Mr. Rogers] said it all. I think that the strength of this House, if I may address myself to my friend and my ranking member of the committee, Mr. Conte is in its diversity and not in its conformity.

This is an important amendment. It is very important to Illinois which probably has more coal in its cellar than any other State in the Union. My State takes little from the Federal Government in money coming back, paying taxes to support that government. We are 48th on the list of States in this respect.

So, speaking parochially, and in every other way, I support the substitute.

Mr. REGULA. I thank the gentleman for his comments.

Mr. RAHALL. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from West Virginia.

Mr. RAHALL. I thank the gentleman from Ohio for yielding and want to commend him for his efforts with regard to clean coal technology. The gentleman has been a real champion for coal on the Appropriations Committee, as well as the gentleman from Illinois [Mr. Yates] the subcommittee chairman.

I regret that the gentleman has to offer this substitute of $500 million. I would rather see the House accept the $750 million and reject the Conte amendment on its own.

The gentleman has mentioned that this is the perfect time for us to debate clean coal technology, and debate where we should be headed in regard to our energy decisions in this country. We are not facing an OPEC oil cartel threat at the moment. We do not have the long gasoline lines. It is a time that we can reason in a calm, cool, collected manner.

The gentleman has mentioned that the threat of a Saudi cutoff of our oil is not hanging over our head today. But I think it is also worth pointing out that we have coming into this country today coal from foreign countries. And while it is not a major threat to our domestic producers at this time, the time could come when the floodgates are opened and we find that the United States is importing a majority of its coal. We can never be put in that position. That is like Saudi Arabia importing oil.

I say to the gentleman that now is the time for us to take the steps toward clean coal technology, toward developing our own domestic resources in a clean and environmentally sound manner, and the gentleman has well pointed out that this has the support of the environmental community.

So I urge rejection of the amendment offered by the gentleman from Massachusetts [Mr. Conte].

Mr. Chairman, I rise in opposition to the Conte amendment.

I think most of us agree there is a need for clean coal technology, and that a degree of Federal assistance is appropriate.

These new technologies will enable coal to be burned in a more environmentally sound manner, and will be more cost efficient.

Projects to be funded under the program will fall into the so-called process development stage of technology development. At present, there is a gap in industry's and Government's coal R&D programs. The clean coal technology reserve will be used to couple proof-of-concept with the commercialization stage by providing funds for semiworks projects.

Why, then, is a multiyear appropriation necessary?

The payoff from the large investment necessary for many of these clean coal technology projects is a decade or more away and as such, are not competitive with near-term investment options and needs. In most instances, these projects are not driven by predictable and specific market requirements and must be undertaken in an uncertain regulatory environment. For example, the Clean Air Act can change and a given technology can become obsolete before a return is ever realized.

Because of this situation, it is imperative that not only is Federal assistance provided to clean coal projects, but that some degree of certainty is there regarding the availability of funding.

The private sector must come up with 50 percent of the project's cost under this legislation, and will not be willing to make such an investment based on a single year appropriation.

Funds to continue and complete the project just might not be available under a single year appropriation scenerio.

As such, the risk becomes too high.

The certainty once envisioned of synthetic fuels is being eroded. The long-term energy future of this Nation is being abandoned.

Let us not do the same to the short-term energy future of this country.

For once, let us make a stand for clean coal technologies which will improve our environment, and provide a return to the consumer in the form of lower rates of electricity.

I urge my colleagues to oppose the Conte amendment.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Regula] has again expired.

Mr. KASICH. Mr. Chairman, I ask unanimous consent that the gentleman have 5 more minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. CONTE. Mr. Chairman, reserving the right to object, let me just make this point: There are a lot of Members who want to speak in opposition, and the gentleman from Ohio asked for 10 minutes originally, and we went along and we gave him another 5 minutes, and that is 15. Now we can yield here all night long if you want to stay here, and I will be glad to.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio [Mr. Regula] have 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Chairman, will the gentleman yield to me?

Mr. REGULA. I yield to the gentleman from Illinois, the chairman of the subcommittee.

Mr. YATES. Mr. Chairman, I support the gentleman. I think the gentleman has made a very eloquent and powerful statement, and I think the committee would accept the gentleman's substitute.

Of course, that does not allow us to accept it because it needs the consent of the gentleman from Massachusetts.

But, I would propound a parliamentary inquiry to the Chairman if it is parliamentarily correct. If it is parliamentarily acceptable, I would propose, if it is acceptable to the gentleman from Massachusetts, that there be allotted 20 minutes on each side, the time in opposition to the gentleman's substitute and in favor of his own being controlled by the gentleman from Massachusetts [Mr. Conte], and the time on the other side being controlled by the gentleman from Ohio [Mr. Regula]. I make that in the form of a unanimous-consent request.

The CHAIRMAN. Is the gentleman's request on the Conte amendment and all amendments thereto?

Mr. YATES. That is the gentleman's request.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. OBERSTAR. Mr. Chairman, reserving the right to object, how is this time going to be controlled?

Mr. YATES. By the gentleman from Massachusetts [Mr. Conte] and the gentleman from Ohio [Mr. Regula].

Mr. OBERSTAR. How is the time going to be regulated, on what basis?

Mr. YATES. Twenty minutes to each side.

Mr. OBERSTAR. The time to be allocated on the basis of those who were standing?

Mr. RITTER. I reserve the right to object, Mr. Chairman.

The CHAIRMAN. The request of the gentleman from Illinois is as follows: That all time be limited for the Conte amendment and all amendments pending to 20 minutes for the proponents, 20 minutes in opposition, the time to be controlled, 20 minutes by the gentleman from Massachusetts [Mr. Conte] and 20 minutes by the gentleman from Ohio [Mr. Regula].

Is there objection to that unanimous-consent request?

Mr. RITTER. Mr. Chairman, reserving the right to object, there are many of us who have prepared to speak on behalf of one side or another, and frankly, with all of these people standing, 20 minutes on either side is insignificant.

Mr. YATES. Mr. Chairman, would the gentleman object to 30 minutes on each side?

Mr. RITTER. Mr. Chairman, I think 30 minutes is sufficient.

Mr. YATES. Mr. Chairman, I amend my request to be 30 minutes on each side, with the same time controls by the same two gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts [Mr. Conte] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. Regula] will be recognized for 30 minutes to speak on the Conte amendment and all amendments thereto.

The Chair recognizes the gentleman from Massachusetts [Mr. Conte].

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Mr. CONTE. Mr. Chairman, I yield 4 minutes to my good friend and the ranking Republican on the Committee on Energy and Commerce, the gentleman from North Carolina [Mr. Broyhill].

Mr. BROYHILL. Mr. Chairman, I rise in support of the amendment offered by my friend and colleague from Massachusetts [Mr. Conte].

I think perhaps Members have already made up their minds on this, but I think it should be understood very clearly that a vote for the Conte amendment is not a vote against the development of clean coal technology. The arguments being made here in the well of the House and on the floor in the debate just prior to my being recognized implied that the Conte amendment in some way is a vote against clean coal technology. This is just not true.

The Federal Government has been heavily involved in clean coal R&D for a number of years. I have in my hand a letter from the Secretary of Energy who says, and I quote:

> The Government is already playing a significant role in the financing of longer-term more generic clean coal related research.

It goes on to say:

> During the first term of this administration (fiscal years 1981 through 1985) more than $2 billion have been appropriated for fundamental clean coal R&D.

Mr. Chairman, the measure that we are debating today, the appropriation bill, continues that commitment to clean coal. All that Mr. Conte's amendment does is to delete the extra amount of money that the committee has put in here for this.

In fact, the Conte amendment would permit an additional $100 million to be spent in fiscal year 1986 on demonstration projects over and above that which has been expended in the prior years.

Mr. Chairman, would the gentleman from Massachusetts [Mr. Conte] confirm that?

Mr. CONTE. If the gentleman would yield, the gentleman is absolutely right.

Mr. BROYHILL. What we are saying is that the Conte amendment constitutes a substantial and significant Federal stake in the search for economical methods of burning coal in an environmentally acceptable manner. So all we are saying is: Why do we want, here at a time when we are cutting back on spending programs that are helping our constituents and here are saying we are going to spend another $650 million in taxpayer funds for clean coal projects in fiscal years 1987 and 1988? This is a difficult time, it is an extremely difficult and sensitive time that we make these budgetary decisions, but it is all the more important that we exercise some fiscal restraint. It seems the least that we can do is to respect the House budget resolution targets. I am not convinced that the House budget resolution as a whole goes far enough, but it seems to me the least we can do is respect the House budget resolution targets.

I want to make another point. You know, Mr. Chairman, we just had a vote here with respect to the synthetic fuels program. We voted on an amendment that has the purpose of cutting back on the spending for the program. That was based on the fact that we had determined that the Government cannot allocate funds properly and I am saying that here the day that we cut our money for SFC we are creating a new multiyear subsidy for a new kind of program. I would hope that we would avoid doing that.

Mr. REGULA. Mr. Chairman, I yield 4 minutes and 20 seconds to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Chairman, I rise in support of the amendment of the gentleman from Ohio. I would like to clear up a few areas which I think are very important in this debate. One area is the amount of work that the Department of Energy is doing in clean coal technology. The figure of $250 million which was presented to you is basically the figure for the entire coal R&D Program.

Now some of those are long-range R&D programs that relate to clean coal. Others, like fuel cell research, heat engine research, underground coal gasification, magneto hydrodynamics, are very long-range programs. I would suspect a good $100 million out of $250 million is not clean coal research and the other $150 million is rather long-range work in coal.

Another critical point is: Why 3 years as opposed to 1 year? Well, industry has watched this Congress pull the rug, good or bad, out from under the Synthetic Fuels Program and to put forward a 1-year program at $100 million simply will not attract the kind of support that is necessary at a very strict 50 percent cost-sharing requirement on the part of industry.

So if we want industry in this program, let us build it out a little bit more long range. I would like to refer to a speech given on the floor of this House on July 23, 1985, by the gentleman from Massachusetts. The gentleman said that acid rain is a clear and present danger to our environment and to our health, talked about every day; more than 166,000 tons of sulphur and nitrogen oxide are spewed into the air.

He said the Congress has stalled on this issue for too long. It is time to face the facts and take a stand.

Well that is what we are trying to do here today. The gentleman said that acid rain is out of control. This is one way to get acid rain; it is the best way. A scrubber for 1,000 megawatts worth of power generation costs twice as much as this entire 3-year program.

So it is a real good investment. OTA is talking about $3 billion to $4 billion a year as the world's most expensive Band-Aids applied to scrubbing and cleaning stack gasses, postcombustion. That is largely the procedure of cleanup in the acid rain legislation.

The best way to get rid of sulfur oxides is to clean it out of the coal before it goes up the stack. Also let me mention that it is not just utilities that are important here. A lot of sulfur-emitting industries are our basic industries like copper smelters. And if we want to help our basic industries to be clean enough to meet Clean Air Act standards, we are going to have to do some programs like this. If we want utilities which are highly regulated and we find difficulty making the kinds of long-range investments to get involved in preemptive sulfur cleanup we are going to have to do programs like this.

□ 1900

So I believe, in this case, there is an appropriate and limited Federal role in comparison to the kind of programs we have seen in synfuels, this is a limited role for the Federal Government.

I might also add that in a climate which opts against the use of the nuclear option for electric power generation, we have coal; we have lots of it; we should start burning it far more cleanly than we have, and I strongly support the amendment of the gentleman from Ohio [Mr. Regula].

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. Gray].

Mr. GRAY of Illinois. Mr. Chairman, I thank my distinguished friend, and I yield to the gentlewoman from Ohio [Ms. Kaptur].

Ms. KAPTUR. Mr. Chairman, I rise today in support of clean coal technology reserve and against the proposed amendment. I do this for several reasons.

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I believe strongly that clean coal technologies can be that new approach. First, coal represents America's most abundant energy resource and is a key to achieving greater self-sufficiency. Some would rename the coal belt that lies between Pennsylvania, Ohio, West Virginia, Kentucky, Illinois, Indiana, Energy Valley U.S.A. The Northeast/Midwest region's demonstrated reserve base contains enough coal for 750 years of consumption at 1982 levels. In fact, just these States have as much coal energy in Btu's as the entire Middle East on which this Nation has become so dependent. The only difference between the Btu's we have under ground in the United States compared to the Middle East, Saudi Arabia, Iran, Iraq, Libya, Algeria or Kuwait, and so forth is that our Btu's are in solid form and theirs are liquid.

Second, it is ludicrous that the United States is importing $57 billion of oil, fully one-third of all oil consumed in America. Our country has become as dependent on foreign oil as we were before the Arab oil embargo of 1973.

Congress has debated the difficult solutions to the environmental problems regarding acid rain, associated with the burning of fossil fuels for a number of years. For those of us who represent the Northeast-Midwest, the problem of acid rain has long been debated with no resolution in sight. No existing technology to lower emissions from industrial areas, or any attempt to arrive at a solution through regulation, has met with widespread support. Clearly, another approach must be taken.

I believe that clean coal technologies can be that new approach. for all of us who are concerned about the devastating effect of acid rain on our environment, clean coal technologies can provide a means of creating clean energy from our most abundant resource—coal. In order to burn coal in our industries and homes tomorrow, we must learn how to burn it cleanly today. Clean coal technologies will allow us to take the coal within our own borders—even the high-sulfur content coal found in our Nation's Northeast and Midwest region—and convert it into gaseous or liquid forms. This coal, once converted into these alternate forms, can then be burned with no environmentally hazardous byproducts. While we study alternatives that may one day provide relief from the acid-rain problem through scrubbers, regulation, and new taxes, let us not forget that we have an opportunity today to back a modest plan to deal with the acid-rain problem by opening up a new source of energy that relies on our natural resources and the technological advances of our people. The Department of Energy has received 175 submissions of interest on clean coal technologies. These submissions of interest from the private sector indicate that coal can be burned cleanly. We owe it to ourselves and the Nation to find out. Although there may be disagreement over the present acid-rain problem, there is little disagreement that effective action must be taken immediately. A vote today in favor of clean coal technology and against the amendment offered by the gentleman from Massachusetts will support our efforts to solve the acid-rain problem.

Finally, before I yield back the remainder of my time, I would like to comment on one other point. It should be understood that this program prohibits Federal funding from exceeding 50 percent of a projects total cost, and requires participating industries to pay their share of costs throughout a project's life. Since we are requiring full 50 percent cofunding from the private sector in all phases of multiyear projects, we cannot expect private utilities and industries to take on the program seriously knowing the Federal Government may very well renege on its share of the partnership in future years. We need a program that inspires confidence and provides stability in our relationship with the private sector. I commend the efforts of the subcommittee and especially its distinguished chairman, the gentleman from Illinois, for their success in bringing to the floor a bill that addresses this concern. I commend their efforts, and I ask that the House support the wise actions taken by them and vote down this amendment.

Mr. GRAY of Illinois. Mr. Chairman. I thank my friend, the gentleman from Ohio for yielding time to me.

I rise in support of the amendment of the gentleman from Ohio.

We are at the Crossroads in Energy. Do we want to solve the so-called, acid-rain issue and use the best resource of the land in finding ways of burning coal more cleanly and becoming self-sufficient in energy. The Regula amendment will go a long way in doing that.

We need the outyears funding in order to attract the capital needed to solve this problem of burning coal more cleanly.

Because of time constraints, I will not be able to say what I had intended, but I hope my colleagues will vote against the Conte amendment and for the Regula amendment.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. GRAY of Illinois. I yield to the gentleman from Michigan.

Mr. PURSELL. In just a few seconds, I wanted to ask where you are going to get the money to pay for the program.

Mr. GRAY of Illinois. Does the gentleman want me to answer that question?

Coming from the coal fields of Illinois, I can assure you in this particular instance that industy itself is paying 50 percent. We pay for it today in our electric bills. We have one utility in my district; 25 years ago we built it at a cost of $15 million, and the scrubbers on that one plant today cost $85 million.

So if we can come up with a clean control technology, we will save the money in electric rates.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. Tauke].

Mr. TAUKE. Mr. Chairman, I rise in support of the Conte amendment and I want to make three critical points.

The first point is this: It is true that the gentleman from Ohio [Mr. Regula], in his amendment reduces the outyear funding, but the fact of the matter is that every dollar of outyear funding provided for in the Regula amendment exceeds the budget targets.

We have not budgeted for any outyear funding for this program. So those of us who have voted to implement the House budget resolution, and reconcile against it, and have agreed to live within the goals set by the House budget resolution, now is the time to vote against efforts to exceed it, and every dollar that the Regula amendment puts in outyears exceeds the House target.

The second point, the Conte amendment respects the time-honored process of appropriating a year at a time. We have gotten ourselves into some deep trouble by trying to fund some of these programs on a long-term basis.

Witness the last vote on the Synfuels Corporation. Whether you were for the Synfuels Corporation or against the Synfuels Corporation, you sure have to recognize that the way we handled it proved to be pretty poor.

Now we are about to do the same kind of thing. I suggest to you we are better off taking it a year at a time.

The third point is that a vote for a Conte amendment is not a vote against clean coal. It is in fact a vote for clean coal. It would provide $350 million—that is no small amount of change—$350 million for fossil fuel research and development; about $300 million of which goes for clean coal technology.

Voting for the Conte amendment is not a vote against clean coal; it is a vote for clean coal, and at the same time it is a vote for budget restraint.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentlewoman from Tennessee [Mrs. Lloyd].

Mrs. LLOYD. Mr. Chairman, I rise in opposition to the amendment and in doing so, wish to reaffirm my support

for the Clean Coal Reserve Program. I have been an advocate of this type of cost-shared research and technology demonstration program and, in fact, the basic concepts for the reserve were included in a Clean Coal Production and Utilization Demonstration Act, H.R. 5592, which I introduced in the 98th Congress. I am enthusiastic that the reserve has been delineated in the appropriations process, and I urge my colleagues to continue to support the reserve through outyear funding.

In recent years, we have seen the budgets for civilian energy research and development drastically decline, bringing some R&D programs to termination and others to barely viable level of research activity. We have also seen a moratorium placed on Government-funded technology development at any meaningful scale, placing the entire burden for pilot-plant or semiworks demonstration projects on the private sector. At the same time, paradoxically, the private sector incentives for such investment in clean alternatives to oil have lessened because of soft world prices. It appears that the private sector is willing to meet the technical challenge as evidenced by their submission of many quality proposals to a recent Department of Energy solicitation regarding clean coal technology development.

However, it is abundantly clear that industry alone cannot make the large financial commitment necessary to definitively prove the feasibility of emerging technologies in today's market climate.

Accelerating technology integration and development of clean coal technologies is critical if we are to deal with our future energy needs and related issues, such as acid rain. I think it would be unwise and even foolish to pretend that a 1-year funding of the reserve will do anything but provide false hopes in our efforts to bring these new technologies to a useful stage. Such an approach leaves too much uncertainty and there is simply not enough funding for the required technological diversity of pilot plants. We need to make a firm and sustained commitment to these projects if we expect any usable results. Let us not be so shortsighted in dealing with our energy future.

Another problem which has received more publicity recently is one of our future energy supply options. The bullish estimates of a few years ago of oil and gas reserves have been revised and present a less rosy view of our potential resources. The recently released OTA report on oil and gas concludes that the 1981 Department of Interior estimates of offshore oil and gas reserves were overstated by a wide margin. Recent explorations have also been disappointing in terms of discovery of additional reserves. Also, the potential costly development of some of these reserves is a factor to be considered when we look at our energy future from an economic perspective.

In concert with our future supply problems, we are now hearing more discussion on possible capacity shortfalls of electricity in the mid-1990's. In fact, one of the Senate committees has been having a series of hearings on this topic in an attempt to assess the various current predictions of the utilities with regard to electricity demand. Given our problems in getting nuclear plants online and the hesitancy of the utilities to go forward with any plant construction, be it coal or nuclear, makes it imperative that we continue to develop new technologies which will be available to meet our needs within a reasonable time period.

I would briefly like to mention the Clean Coal Reserve Program in the context of the acid rain issue. I have attempted to present a more cautious course of action than some of my colleagues who are seeking near-term regulatory solutions to the problem. Regardless of political pressures for complex policy decisions and the institutional barriers to the implementation of any such decision, whatever action is taken should be based on more knowledge than we have available to us at this time. Once the reasonable scientific certainties are established by the ongoing, focused research program as to precisely what are major problem pollutants and the related mechanisms behind their effects, we can then take legislative action to inhibit the formation of these major pollutants which cause acid rain. Meanwhile, the clean coal reserve will serve as the impetus needed for the development of environmentally benign coal technologies which will undoubtedly enhance our long-term efforts to combat acid rain. Wet scrubbers are not a desirable technology from the standpoint of generating large quantities of sludge and costly unreliable operation.

We have an opportunity to lay out a Department of Energy clean coal program which can serve as an enhancement to our ongoing fossil fuel development programs. Learning to burn our plentiful coal cleanly will ensure some flexibility in achieving a reasonable future energy resource balance.

I urge my colleagues to vote against the amendment which should be called the wet-scrubber technology preservation amendment.

Mr. CONTE. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. Coats].

Mr. COATS. Mr. Chairman, it is difficult for me to rise and support the Conte amendment because I have been such a strong advocate of clean coal technology, and on the surface it appears that I am reneging on my support. That is not the case.

As the gentleman from Iowa [Mr. Tauke] indicated prior to my remarks, there is an ample amount of funds available, which will remain after the Conte amendment is adopted, for clean coal technology; and this remaining amount will be in accordance with the budget that has been adopted by this House, which we should adhere to.

There will be $100 million left as the result of the Conte amendment in addition to the $250 million provided through the Department of Energy appropriations, most of which goes for clean coal research.

A continuing commitment to clean coal technology is important for this Nation for a number of reasons:

First, coal is an ample domestic resource critical to the energy security needs of this Nation.

Second, it is a vital source of existing electrical power; 55 percent of our electricity in the United States is generated by coal; 98 percent of my home State of Indiana's electricity is generated by coal.

Third, it is relatively low-cost power. The demise of nuclear power as an attractive economically feasible alternative points us toward the use and the need of coal.

Fourth, clean-burning coal can partially solve our acid rain problem and for environmental reasons it is important that we continue the clean coal technology.

As the gentleman from California [Mr. Dornan] said yesterday in this well, sometimes issues of paramount importance come before us and those issues have to take precedence. As important as funding for clean coal technology is, our current budget deficit is an issue of paramount importance.

We have here before us a proposal which will allow us to continue clean coal technology, but also deal with the budget in a responsible way.

For these reasons, I think it is important that we reject the proposal of the Appropriations Committee that is now before us, and adopt the amendment of the gentleman from Massachusetts [Mr. Conte].

Mr. Chairman, it is easy for us to stand here and vote against appropriations when it affects someone else's district, or somebody else's project. The real test of whether or not we are going to get a handle and control on our budget deficit is when we are willing to take the floor and stand up and vote against projects that are near and dear to our hearts and that directly affect our own districts.

When we do that, then we will get control of this budget, and this is what we should do here today. I urge my colleagues to support the Conte amendment as a reasonable, rational, sensible approach to advancing clean coal technology, yet meeting our budget obligations.

Mr. REGULA. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. McDade].

Mr. McDADE. Mr. Chairman, I rise in support of the amendment offered by my colleague, the distinguished gentleman from Ohio [Mr. Regula] and against the amendment offered by the gentleman from Massachusetts [Mr. Conte], which I think to be totally ill-advised.

It strikes out against clean air. If you are interested in clean air, this will be the litmus test, because this is where you spend your taxpayers' money.

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Today, in about 20 minutes, you decide whether or not you are going to put tax dollars out there to try to get at the problem of clean air. And we have got to do it, I say to my colleagues, because the ravages of clean air in this Nation, of acid rain, can no longer be tolerated.

As I said before, a lot of people made statements about it the other day. This is the time to act. This is your litmus test. When you go back to your districts you will respond yes or no to technology that can defeat this problem, at least mitigate it, if not defeat it.

If you want to get rid of it, support the Regula amendment.

Let me point out something else. You saw a little bit ago that, as a body, we decided not to do anything with the Synthetic Fuels Corporation. Well, guess what it tries to do. It tries to take your resources of this Nation and make them clean, burn them clean. It was the only game in town until we decided to throw it out a little bit ago. And I hope we can rethink what we did.

Let me try to put a little bit of perspective on it. The amendment that was brought to us by the distinguished chairman, the gentleman from Illinois, and my friend, the gentleman from Ohio, today had $750 million in it. We hear that that is a lot of money. You bet it is a lot of money. We hear a lot of people saying you cannot do that over multiyears. You are just getting ready to vote on an authoriziation for the Defense Department. Every weapons system you buy is 100 percent fully funded over multiyears. We had a debate in this House about multiyear procurement, because it saves your taxpayers money. Buy it over multiyears and the price comes down. To show you the cost of the competition in the Navy Department—I see some of my colleagues here who were in that fight—billions of dollars have been saved because we had the fortitude and the foresight to say we will engage in multiyear activities in a few selected instances. Why should we do it here? One, you have got to say to private industry, "We would like you to come on board." You are going to have a hard time, my friends. You are going to have a hard time. You said that to the people in the private side a few years ago through the Synthetic Fuels Corporation, and you pulled the rug from under them a little bit ago. See how many of them will respond. Let us hope they do, if you want to clean up the problem of acid rain.

Let me point out to you: $750 million is what I said the cost is this year. Do you know what? That is 4 days—not 4 months, not 4 years, not 4 weeks—4 days of our imported oil bill.

The CHAIRMAN pro tempore (Mr. Roemer). The time of the gentleman from Pennsylvania [Mr. McDade] has expired.

Mr. REGULA. Mr. Chairman, I yield an additional minute to the gentleman from Pennsylvania.

Mr. McDADE. That 4-day fee, 4 days of imported oil will pay for this, at $26 a barrel. That is down.

We hear about the oil glut today. That is the low price ticket. Hobart Rowan, writing in the Post the other day, said, "Oil is a commodity." It can be $60 a barrel tomorrow. Crank that in. Do you know what the yearly cost of our Nation for imported oil is? $47 billion. And we are trying to say, "Let's develop our own resources," since we are acknowledged to be the Saudi Arabia of the coal world. Let us do it, and let us do it cleanly. Let us do it in a way that does not injure people.

I remember people dying in London because of smog created by dirty coal. I remember it in my own State, in Donora, PA. People with health problems died because of combusting dirty coal. Here we are now, trying to say as a nation, a great nation, we will commit 3 years worth of tax resources, $750 million, develop our own resources, develop our own energy in a clean environmental way. And people with little foresight in my judgment, oppose that effort.

Mr. CONTE. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. Fields].

Mr. FIELDS. Mr. Chairman, I rise in opposition to the Regula substitute amendment and in support of the Conte clean coal amendment.

Mr. Chairman, I think there are several important points that need to be made and reiterated. First, the Regula substitute fails to cure the fundamental problem with the bill's clean coal provisions, and those are the provisions for multiyear funding. That is the central issue, that is the focus, that is the most important issue of this important debate.

The Regula amendment does not address funding for clean coal subsidies, but it does not alter the fact that each dollar spent in these out years would be beyond the House budget targets for fossil fuels outlays.

The Conte amendment supports the premise that is behind the Synfuels rescission movement, that Congress should not rush to commit itself to massive subsidies on a multiyear basis for new technologies demonstration projects.

The Conte amendment respects the House budget targets for fossil fuels and respects the tried and true process of appropriating moneys 1 year at a time.

The choice before us is not between Federal spending on clean coal technologies and no Federal spending on such technologies. The fact is that the Government has spent over $2 billion since fiscal year 1981 on clean coal research and development. This bill and the Conte amendment would continue this commitment by appropriating about $250 million for clean coal research and development in fiscal year 1986.

So we do have a significant Federal effort in this area. The Conte amendment would do nothing to detract from that effort. Indeed, the Conte amendment allows a significant expansion of the Federal commitment to commercialization of clean coal technologies by permitting the initiation of a new Federal subsidies program for demonstration projects, as provided in H.R. 3011, to the tune of $100 million in fiscal year 1986.

The Conte amendment, however, in recognition of current and projected budget deficits, and in pursuit of fiscal restraint and responsibility, would delete $650 million in additional funding for fiscal year 1987 and fiscal year 1988 for this new program provided in H.R. 3011. This would still leave $350 million for clean coal in fiscal year 1986—$250 million for research and development, $100 for subsidies for demonstration projects. I submit this represents a significant contribution to development of clean use of coal.

I urge my fellow Members to vote for both fiscal responsibility and clean coal development by adopting the Conte amendment but by first rejecting the Regula amendment.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. FIELDS. I yield to the gentleman from Kentucky.

Mr. ROGERS. I am wondering how the gentleman would respond to this: It takes more than a year to build one of these clean coal facilities. It takes at least 2 to 3 years. If you fund for 1 year, which utility is going to say, "OK, I am on board," and spend a bunch of their money, when there is no chance or hope that they can depend upon us 2 years down the pike?

Mr. CONTE. Mr. Chairman, will the gentleman yield to me?

Mr. FIELDS. I yield to the gentleman from Massachusetts.

Mr. CONTE. There is already over $300 million in this bill for research and development of fossil fuels. It is on a 1-year basis. It is nothing new. We have been doing it for years.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. Goodling].

Mr. GOODLING. Mr. Chairman, the Boston Red Sox could be a power. They are almost always a power, but they never make it. Why don't they make it? Well, for two major reasons. They do not have anybody coming in on relief. Second, they do not do any long-range planning. And, third, they do not spend any money. So they are always almost there.

Now, what does that have to do with the issue today? Well, first of all, I wanted to get the ranking minority member's attention and, second, I am young enough to remember 1976 and 1977. We never do any long-range planning, either, in this country, particularly when it deals with energy, and particularly when it deals with self sufficiency. So we found ourselves "had" in 1977 and 1976, and we have been paying dearly ever since.

So I think it is about time we do some long-range planning for an energy source that we do not have to depend on anybody else and so that we have clean air and we do not have an acid rain problem.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico [Mr. Skeen].

Mr. SKEEN. Mr. Chairman, I thank the gentleman for yielding and I rise in support of the Conte amendment and in opposition to the Regula amendment. I will tell you why: We are not talking about clean air. You are not talking about acid rain. That is not the problem here. If you were, you would be debating nuclear energy generation. You know that this body is not going to do anything about that argument, but that would solve both of those problems rather rapidly. What we are talking about is clean coal. First of all, you ought to understand when you deal with coal you are dealing with a chemical and combustion problem different for every mine that is mined in the United State. This complicates the problem about how do you help any one single industry fight its problem in combustion cleanup. That is what we are trying to do with the money that we are putting in here. The reason I am supporting the gentleman from Massachusetts. I think Mr. Regula is doing his job and doing it very well—but I want to say to you right now that in the private sector today there is a great deal of private enterprise money being invested in the problem of coal combustion on their own because of the very thing I mentioned at the outset. Every coal burner is a different combustion problem.

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Right now there are some four to five major technologies that are being examined by these industries because of the type of coal that they buy. Whether it is from Kentucky, Illinois, Ohio, or any of the rest, including from my part of the country. I am part of the Coal Caucus. We produce a lot of coal in the State of New Mexico. Low sulfur coal.

We have a generator in the west Texas area that supplies a lot of energy to New Mexico and on their own is investigating what is known as the limestone injection multistage burner technique. You talk about air scrubbers.

The CHAIRMAN pro tempore. The time of the gentleman from New Mexico [Mr. Skeen] has expired.

Mr. CONTE. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. SKEEN. I thank the gentleman.

Mr. Chairman, let me run down just a few of the innovative types of technologies that are attracting private investment by these companies themselves. Gasification combined cycle; atmospheric fluidized bed; pressurized fluidized bed; limestone injection; flue gas cleanup; which is the scrubbers. Coal preparation; advanced combusters; coal slurry, and so on.

I think that if you have got this money in there for 1 year and then let us see what the technology does, then you can decide about multiyear advancement. I think that is where the big argument is. Whether or not you want to make this appropriation on a multiyear basis.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman.

Mr. ROGERS. If it takes 2 to 3 years to build one of these machines, how are you going to attract a utility to invest for just 1 year, not knowing what is going to happen 2 to 3 years down the pike with the Public Service Commission overlooking their shoulder?

Mr. SKEEN. I would say to the gentleman they are doing that today, as we stand here, as we speak.

Mr. ROGERS. Where?

Mr. SKEEN. Right now, in Amarillo, TX.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Alabama [Mr. Shelby].

Mr. SHELBY. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to the Conte amendment to H.R. 3011, and in support of the Regula amendment.

Several misconceptions surround this issue—we have heard that multiyear funding for the clean coal technology reserve is fiscally irresponsible. We have heard that the reserve is unnecessary. We have heard that this technology is not an appropriate use of Federal funds.

Mr. Chairman, these misconceptions should be dispelled. Let me begin by saying energy development through the use of clean coal technologies should be among our highest priorities. Coal is this Nation's most abundant energy source. Coal holds the most promising hope for America's energy independence. Coal's efficient use stands to benefit many thousands of unemployed mineworkers. A strong clean coal technology reserve offers us the chance to recognize and act upon these realities.

Hearings have been held in various House and Senate subcommittees which have borne out the value of demonstrating new technologies in clean coal. We must seek aggressive avenues for clean coal commercialization—the arrangement provided in this bill will supply those avenues through the reserve.

Avenues that will lead to real and tangible results require the funding commitment provided in this bill—on a multiyear basis. Three weeks ago the House Appropriations Committee panel appropriated $750 million for the reserve for fiscal years 1986–88 transferring the money from unobligated funds for the Synthetic Fuels Corporation.

As we begin to tackle the difficult decisions arising from the problems of acid rain, we need to establish the technological backup that the clean coal technology reserve provides.

Progress cannot be achieved in developing new energy uses and forestalling greater costs in the future if we don't begin today to share in the responsibility.

Mr. Chairman, the reserve is fiscally sound. It is crucial to energy development. It is a responsible approach to the commercialization of clean coal technology. Best of all, it is a promising combination of public and private funds working toward a worthy goal. I urge my colleagues to defeat the Conte amendment, support the Regula amendment—and preserve solid support for the clean coal technology reserve.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. Pursell].

Mr. PURSELL. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the Conte amendment. I come from the home of the world champions, the Detroit Tigers, and they never came down here and asked for a corporate subsidy. That is what we are doing here, and I suggest that the Conte amendment comes closest to meeting the test of trying to balance the budget.

I know it is very popular, but if you just look at the Record of the last few days, clean water was so important. We had to overspend the budget. Housing, NASA programs are terrific. Very popular. We had to add $150 million over the budget over 1985.

Customs was very important to us as a nation. The National Science Foundation; we asked another $50 million over the budget, over 1985. IRS was important; collect more money. We had to add more money to that budget. Law enforcement was also here and well debated. Now we have a military bill here that is $10 billion over budget and that has been pulled, thank God, because it is $10 billion over budget. Then we have the military construction budget; I understand that is over budget, although I have not looked at it.

So what is the litmus test here? I suggest to my colleagues that the litmus test is to stay within the 1985 freeze level and try to keep those budget dollars down so that we reduce the deficit, reduce our interest rates, and let the private sector use capital formation, use their R&D tax credits and invest in this without a corporate subsidy. I think the Conte amendment comes closest to that, and I congratulate him for offering the amendment and oppose the Regula amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. PURSELL. I yield to the gentleman.

Mr. REGULA. I assume the Detroit Tigers will not want their boxes to be tax deductible; is that correct?

Mr. PURSELL. Probably not.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. Oberstar].

Mr. OBERSTAR. I thank the gentleman for yielding to me.

Mr. Chairman, it is really a shame to be here supporting a one-third cut in the funding of the Clean Coal Technology Act. One of the things we do poorly in this body is plan ahead.

Several years ago, President Nixon proposed a plan for energy independence. It is sitting on shelves in congressional offices; it is in mine, I am sure in others, gathering dust. We ought to be planning ahead. We ought to be thinking ahead about what we are going to do when the oil spigot is cut back or shut off by OPEC.

We live at their mercy. The argument has been made: Who is going to pay and how are we going to pay? I tell you, we are paying the bill now. We are paying $47 billion a year to OPEC for oil. We used to pay for all of our oil imports with the agricultural exports from the United States. Now, we can hardly pay half of the oil imports with what we export in agricultural commodities.

We ought to look ahead at the time when OPEC, at their whim, decides the time has come to jack the price of oil up and cut down the supplies. Now is the time to act, not when the spigot is cut off. Because when it is, I guarantee you, these Members are going to be back on this floor crying about new legislation to deal with the crisis.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. Porter].

Mr. PORTER. I thank the gentleman for yielding me this time.

Mr. Chairman, coal technology is terribly important to the United States. I went over to Bristol and to Grundy, VA, at the invitation of the United Coal Co. late last year and saw firsthand what is being accomplished in that area. I realize that coal technology is terribly important to my State of Illinois, which is really the Saudi Arabia of bituminous coal of this country.

But there is something even more important to Illinois and to the United States of America, and that is to shut off the flow of red ink that is immersing the future of our children, burdening them with $100,000 of extra taxes each just to pay the interest on the $2 trillion of debt that Congress has already run up and are leaving to them as their legacy.

Why can't this program wait with all the others and compete next year and the year after that as to its priority for funding? I believe it can stand on its own. It is a needed, important, and sensible program. But this is an appropriations bill. This is not an authorization. Multiyear appropriations could not even be considered if we had the responsibility to have a budget. But here we go again, making further commitments with no idea whatsoever whether we can fund them responsibly.

Many Members I have heard speaking against the Conte amendment pride themselves on their fiscal responsibility. I wonder how they can square that pride with a 3-year appropriation and no budget?

Mr. Chairman, I care greatly about coal research. I care greatly about the environment. I care greatly about Illinois and the viability of my State's economy. But I care even more about the future of my country. I know as you know, as everyone of you know that it is this priority, mine, and then that priority, yours, and then another priority and another, that when added all together create the deficits that are destroying the economic future of our children.

The burden we are passing on to them is unconscionable. It is unfair. It is wrong. At some point we have to say "no." This is a good point to do so.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. Clinger].

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Mr. CLINGER. Mr. Chairman, I rise in support of the Regula substitute and against the Conte amendment because the Regual substitute provides the kind of predictability and continuity that the gentleman from Kentucky pointed out is going to be vitally necessary if we are really ever going to see clean coal technology put into operation.

Mr. Chairman, the coal industry in the United States is in crisis. In the State of Pennsylvania, which I come from, we have bankruptcies every day. We have abandoned tipples, abandoned mines, people out of work, on the streets. At the same time, Mr. Chairman, we are continuing to import an increasing amount of oil from the Middle East. We have increased by 8 percent over the last year and there is no end in sight. We anticipate that that is going to go up periodically.

What is the problem? The problem obviously is that we have coal, which is dirty, which is high sulfur, which cannot be used in an environmentally sound way. You say, "Do not subsidize losers. We cannot continue to subsidize these various industries if they are losers. Let the free market system take care of it."

That would be fine, Mr. Chairman, if in fact we were never going to need this coal, if we were never going to have to rely on this coal to provide the very energy needs that are going to keep this country going. But, my colleagues, we are going to need this coal some day, and unless we can find a way to do it and use it and provide those energy needs in an environmentally sound way, we are going to be in very, very bad trouble when that day of reckoning comes.

So, Mr. Chairman, I would urge my colleagues to support the Regula amendment because it does give us an opportunity to develop clean coal technologies in an expeditious way, in the time that we have available to do it. As the gentleman from Minnesota pointed out, that time could come at any moment if OPEC decides to pull the plug on us. Let us do it and do it in as rapid a manner as possible so that we can develop a technology that will allow us to use this coal in an environmentally sound way so that we can utilize the supply of over 500 years of our energy needs in the ground.

Mr. Chairman, I urge support for the Regula substitute.

Mr. CONTE. Can the Chair give us a report on the time remaining on each side?

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. Conte] has 11 minutes remaining and the gentleman from Ohio [Mr. Regula] has 14½ minutes remaining.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. Sharp].

Mr. SHARP. I thank the gentleman for yielding this time to me.

Mr. Chairman, I strongly support the Regula amendment. Between now and the year 2000, this country is going to build between 200 and 300 new powerplants to meet our electrical needs, perhaps more.

The question is: What fuel will go into those powerplants? Will it be domestic coal?

The other question is: What technology will be used if it is coal? Will it be old scrubbers, or will it be new technology which is more efficient for the ratepayer and more efficient for clean air?

There are new, emerging technologies to burn coal more cleanly. The gentleman from New Mexico brought those out. But the fact is, utilities are not going to adopt those in the new powerplants unless those technologies have been commercially demonstrated and have been proven to be reliable over time. Unless we accelerate the schedule on those technologies and their development, we are going to miss out when the investments are made in the new powerplants.

It is very important that we be for this now, not next year, not 4 years from now. This is the right vote if we are serious about clean air. This is the right vote if we are serious about coal. This is the right vote for our consumers.

Mr. CONTE. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I want to clarify a few of the misstatements concering the intent and the effect of my amendment and the amendment offered by my good friend, the gentleman from Ohio.

His substitute fails to cure the fundamental problem that I have and the administration has with this bill in regard to the clean coal provision. The provision calls for multiyear funding. That is one of our objections. The reduction of the outyear funding for the clean coal subsidy does not alter the fact that each dollar spent in those outyears would be beyond the House budget targets for the fossil fuel outlays.

My amendment supports the premise that is behind the synfuel rescission movement: That Congress should not rush to commit itself to massive subsidies of a multiyear basis for new technology demonstration projects. My amendment respects the House budget targets for the fossil fuels and respects the tried and the true process of appropriating moneys for 1 year at a time. The administration strongly supports my amendment and opposes the Regula amendment.

There was a lot of talk here about acid rain. There is nobody in this Congress who has worked harder to try to come out with a good acid rain bill, and it is amazing that outside of one person who spoke today, my good friend, the gentleman from Massachusetts [Mr. Boland] the only one; all the others came from the dirty emission States, and all of them are against any legislation on acid rain. They are all from coal-producing States, and I tell my colleagues, if that coal lobby was really serious about the budget deficit, I think they are so powerful here tonight they could balance the budget in a week, before we go home for the August recess.

Mr. RAHALL. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield briefly to the gentleman from West Virginia.

Mr. RAHALL. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is saying that all the other Members who have spoken are from the dirty pollution States; is that correct?

Mr. CONTE. Dirty emission States.

Mr. RAHALL. The dirty emission States. Does not the gentleman from Massachusetts have cars that run on his highways that perhaps pollute his air?

Mr. CONTE. We have our problem, and the bill that we have on acid rain, I hope the gentleman will cosponsor it, assesses emissions reductions in Massachusetts, as well as the other States, but we are being blocked by the State of Ohio and the other Midwestern States and certain members of the Energy and Commerce Committee.

Wait a minute, now. We have $348 million in fossil fuels in this budget. Sid Yates, he was very generous in this on R&D budget, $250 million of which is specifically for clean coal, and I am willing to give him another $100 million for this year. Keep their feet to the fire. Find out if they are doing a good job. We do not have this kind of money to burn, nearly a billion dollars.

The CHAIRMAN pro tempore. The time of the gentleman from Massachusetts [Mr. Conte] has expired.

Mr. CONTE. Mr. Chairman, I yield myself 2 additional minutes.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I would be glad to yield to my good friend, the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman's point is well taken about the cutbacks that we have had in research. As a matter of fact, in 1980, in our bill there was almost a billion dollars in research for clean coal technology. We have been cutting it back and cutting it back. We think the time has come to take a stand in favor of clean coal technology and that is why we support the Regula amendment.

Mr. CONTE. Well, I support the first-year funding, and stop funding the outyears of $200 million for 1987 and then $200 million for 1988.

I am not against research for clean coal. We both agree on that. But I am against this boondoggle of nearly a billion dollars when we do not have it. Where are you going to get it? I ask you: Where are you going to get it?

You go out front on the lawn out there and look at those trees. See what they produce. A lot of leaves. They are not producing dollar bills, and yet some of those who stood up here today are the ones who are saying we ought to have a constitutional amendment for a balanced budget. But when you gore their ox, when you try to save a few bucks, they all get up pleading.

I have been here 27 years. I have seen this like the handwriting on the wall. I am going down in defeat; there is no doubt about it. That lobby is too strong for me. But let me tell you, we are going to live to regret it, for one thing, Mr. Yates.

The CHAIRMAN pro tempore. The time of the gentleman from Massachusetts [Mr. Conte] has again expired.

Mr. CONTE. Mr. Chairman, I yield myself 2 more minutes.

Mr. Chairman, as ranking Republican on the Appropriations Committee, my good friend, the gentleman from Kentucky, Bill Natcher knows I have worked hard down at that White House trying to get bills signed and I have tried to negotiate and compromise, but I cannot do it on this bill if you are going to leave this boondoggle in there. I cannot do it. I cannot be of any help to you.

Mr. YATES. If the gentleman will yield further, what is going to happen to all the money to put fish in the Connecticut River and put in the hatcheries and keep the ducks flying in New England? We have that money in this bill, too.

Mr. CONTE. We will keep those ducks flying. We will get another bill without this provision in there. We will take care of the ducks and fish.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. Walgren].

Mr. WALGREN. I thank the gentleman for yielding this time to me.

Mr. Chairman, I would like to note that the gentleman from Massachusetts has been here 27 years and he has loved every minute of it. He will probably be here 27 more before all is said and done.

☐ 1940

I want to speak in support of the Regula amendment and in opposition to the amendment offered by the gentleman from Massachusetts [Mr. Conte] and to try to focus on a couple of misinterpretations that I consider rise almost to the level of hogwash. First, several have said that we have spent some $2 billion since 1981 on clean-coal development. Whatever we have spent $2 billion on, it was not the demonstration of clean coal technologies.

There have been several large-scale demonstration projects, liquefaction and the like, but clean-coal technology was not the focus of those projects.

Second, it was said that we are about to spend $250 million on clean coal research in the Department of Energy's fossil research budget for the coming year. The fact of the matter is that the Department of Energy is willing to spend absolutely zip, zero, on demonstration projects beyond the proof-of-concept stage. The testimony has been that it is their job in demonstration where the key to clear coal technology lies. The Department's own advisory study states that we would be abandoning clean coal technology if we follow the present policies of the Department of Energy. If I may quote the report of the Department's Energy Research Advisory Board, "The current policy of abandoning a development after proof of concept has been established will result in just that—abandonment. Clean use of coal is of major new-term and long-term national importance and deserves a change in this policy." So I do not see the substantial money spent in this area that has been talked about.

Third, it has been alleged that this program would not be subject to congressional review—that it would become sort of a "son of synfuels" program which foundered in many ways because of its power to commit large amounts of funds independent of congressional review. To say that their program would be beyond the reach of Congress is simply untrue. Any such program would be required to conform to the requirements of Public Law 93-577, The Federal nonnuclear Energy Research and Development Act. This law requires that any project involving over $50 million in Federal funds must be specifically authorized and that no commitment can be made exceeding $25 million without a report being filed with the appropriate committees of the Congress 60 days prior to such commitment. Moreover, the great advantage of moving funds from the Synthetic Fuels Corporation to the DOE research budget is that the Congress would regain the ability of project by project oversight and the influence on a project by project basis that only the Congress can bring to bear.

Fourth, it has been said that this program exceeds the budget. The budget report specifically states that the category has room for a Clean Coal Technology Program of this size. Clearly the $6,000 million worth of energy programs provided for in the budget can make room for a $100 million a year program of their importance—especially when we are well on our way to rescinding previously appropriated expenditures in the Synfuels Program more than 10 times the size of this program.

Finally, Mr. Chairman, perhaps the most important reason to oppose the Conte-Broyhill amendment is because it will eliminate the outyear funding for the Clean Coal Program. Simply put, adoption of the Conte amendment will render the Clean Coal Program virtually meaningless.

The committee bill requires a significant contribution from the private sector, which goes beyond any requirements of any prior DOE projects. A full 50-percent private sector cost sharing is mandated in the committee bill, which would involve every phase of the proposed projects. We are requiring the private sector to take some real risk here. Contribution of equipment, data, and personnel is not considered as cost sharing. All projects would be multiyear projects. We cannot expect utilities and private industries to take the program seriously knowing the Federal Government may very well renege on its share of the partnership in future years.

I understand the reluctance of many Members to fund projects beyond 1 year. But I believe we have set up a unique partnership between the private sector and government in this program. This program is not a remake of the Synthetic Fuels Corporation. There are no free handouts to private industry involved in the Clean Coal Program.

One of the major criticisms of past DOE research programs is that the Government would be involved in picking and choosing technologies. The strict cost-sharing requirements of the committee erase those concerns. According to the committee report, "projects in this program should be industry projects assisted by the Government, and not Government-directed demonstrations."

I think it is important to note that support for a fully-funded Clean Coal Program comes from environmentalists, utilities, labor unions and coal producers. When we have that broad a range of support for any particular issue, especially from parties who have traditionally opposed each other on important energy and environmental matters, that tells us something about the merits of the issue.

We need a demonstration program in this area because the introduction of new technologies into the marketplace is both expensive and risky, and does not happen in one fiscal year. Because the greatest market for these technologies—utilities—are regulated, they have limited ability to fund such programs on their own. While we must rely on the private sector to take the initiative and to share significantly in cost, there is a need, in light national concerns over acid rain emissions, for an appropriate Federal role and leadership.

There are few Members here today who cannot see the day when we will be back here debating acid rain legislation. Before we ask industry and electricity consumers to make that sacrifice, however, I feel that we have an obligation to do everything we can to commercialize new technologies which reduce both SOx and NOx emissions and promise to burn coal more efficiently. We know that these technologies work in the laboratory or on a small scale. But without a clean coal program, these technologies will never leave the laboratory, and utilities will be faced with the same difficult choice of switching to low sulfur coal or building costly scrubbers.

The clean coal technology reserve has been the subject of extensive hearings before the Committee on Science and Technology, the Committee on Energy and Commerce, and the Appropriations Committee. Witness after witness testified on the need for a multiyear Clean Coal Program. Now is the time to move ahead and fund the reserve and conduct an open and competitive solicitation.

Mr. Chairman, there are those who argue that we must choose between clean air and dirty coal. I do not believe we need to make that choice. Technologies are emerging that will enable coal to be used more cleanly and more economically, and we all have a stake in bringing these technologies to the marketplace.

I urge defeat of the Conte amendment and support for the clean coal technology reserve as reported by the Appropriations Committee.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. Walgren] has expired.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Alabama [Mr. Erdreich].

Mr. ERDREICH. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of the Regula amendment.

I do not know how we can get clean-coal technology unless indeed we have a multiyear approach to it. But with a 1-year approach and a funding of only 1 year, we will not get the sort of development we want to see. We have a resource in the ground that this Nation should start using, and the only approach that makes sense is a multiyear approach.

Mr. Chairman, I wish to associate my remarks with those of the gentleman from Ohio [Mr. Regula] in strong support of his subsitute.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. Boucher].

Mr. BOUCHER. Mr. Chairman, I rise in support of the Regula substitute.

The provision of $500 million in moneys previously appropriated to the Synthetic Fuels Corporation for the clean coal technology reserve is a fiscally responsible effort to encourage the private sector to make investments in demonstration-scale clean-coal facilities.

The clean coal technology reserve is a significant nonregulatory approach to addressing the problems associated with acid rain. It should also be borne in mind that the commercialization of clean-coal technologies will both enhance America's energy independence and provide a much-needed stimulus to our distressed coal industry. The purpose of the clean coal technology reserve is to encourage private industry to make investments in commercial-scale demonstration facilities. Industry's commitment will be on a multiyear basis.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. Boucher] has expired.

Mr. BOUCHER. Mr. Chairman, I would ask the gentleman to yield me 30 additional seconds.

Mr. REGULA. Mr. Chairman, my time is limited, so I yield the gentleman 10 additional seconds.

Mr. BOUCHER. Mr. Chairman, a 1-year commitment of $100 million will simply not be sufficient to encourage the commitment that will be required from industry to sustain this program and make it successful. I strongly urge support of the Regula substitute.

The CHAIRMAN. The gentleman from Massachusetts [Mr. Conte] has 5 minutes remaining and the gentleman from Ohio [Mr. Regula] has 10½ minutes remaining.

Mr. REGULA. Mr. chairman, I yield 1 minute to the gentleman from Florida [Mr. Fuqua].

Mr. FUQUA. Mr. Chairman, I would like to point out that I do not come from a coal area. The only coal we have in Florida is what we have to burn. But I am very interested in clean coal, and in addition to being honored to chair the committee that deals with research and development, I chair that subcommittee.

We have been holding endless hours of hearings, and I can tell the Members that one of the real problems we have is the fact that we do not have modular demonstration plants that can demonstrate the technology that we are talking about.

A lot of my fiscally conservative friends have been asking, "Where do we get the money?" Well, we just rescinded $6 billion, and that is where we can get it, and it is not going to bust the budget. We have a $6 billion surplus, and this is just a little pittance, half a billion dollars over 3 years that we have just saved.

We need very desperately, I say to my colleagues, to move forward in this area. I have sat in endless hours of hearings listening to witness after witness. I think I know something about what I have to say, and I speak for the Regula amendment.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. Boland].

Mr. BOLAND. Mr. Chairman, I rise again in opposition to the amendment offered by my colleague from Massachusetts, Mr. Conte.

I repeat, Mr. Conte and I agree on a great number of issues, but the approach he wants to take, on funding the clear coal technology reserve is a matter on which we disagree. I believe that the elimination of the outyear funding for the reserve would so cripple the program as to guarantee its failure. And I further believe, that we are not in a position in this country, to be able to encourage additional delay, in developing the technologies by which coal can be burned more efficiently, and therefore, more cleanly.

Most studies predict that the demand for electric generating capacity will rise in the 1990's. Conservation is never going to be able to reduce that trend. We are quite simply going to have to build more powerplants. Let's consider how those facilities are going to be fueled. Forget about the nuclear option, it's not an option for the near-term. The nuclear power construction industry is moribund, and will not be able to play a significant role, in meeting the predicted increase in demand for electricity. That leaves utilities with two choices—they can fuel their new plants with coal, or they can fuel them with oil. What kind of a choice is oil? I would submit it's not a very good one. We import oil in this country, and we import much more than we should.

What's worse, our level of imports, which had been declining, is on the rise again. While oil price are somewhat lower than they have been, there's no guarantee that they will stay that way. And there has been talk in this city recently, that a tax on imported oil might be a helpful way of dealing with our budget deficit. To plan on using oil to fuel new electric powerplants in light of those circumstances, would seem to me, to be an exceedingly unwise, and even a dangerous process.

That leaves coal our most abundant energy resource. For those of us concerned about air pollution and particularly the manifestation of that pollution as acid rain and Mr. Conte is certainly in that number the prospect of additional coal-burning powerplants is unsettling. Nevertheless, we recognize the realities which will dictate that new coal-fired powerplants come on line. I think it makes sense to use all possible efforts to make sure that coal is burned as cleanly and efficiently as possible.

The administration would like to study acid rain to death. Those of us whose areas suffer from acid rain believe that there has been sufficient study done to point to the need for some control programs. Burning coal more efficiently is one of the most obvious ways to reduce the emissions which many knowledgeable people believe, contribute to acid rain. The clean coal technology reserve will contribute to that end by encouraging the development of systems and technologies to burn coal more cleanly.

But the reserve will not produce those results if it is not given a fair chance. I agree with the proponents of this amendment; we do fund at other places in this bill clean coal demonstration projects. But that is not the purpose of the reserve. The projects to be funded by the reserve are intended to be, at the commercialization stage quickly, so that new coal-burning powerplants can come online on time, and with as negligible an impact on the environment as possible.

These projects will require substantial cost sharing by industry. As such, the reserve will represent a new approach to Federal funding of development in this area. The reserve will not represent a free ride for industry. It will represent a partnership opportunity in which only projects, with a clear commercial adaptation need apply. I cannot believe, Mr. Chairman, that we will attract the kind of high quality projects we so desperately need, if the Federal commitment appears uncertain. By striking the outyear funding, the amendment would produce precisely that result. We cede no review authority, by making a long-term commitment to the reserve through this bill. We do, however, demonstrate the kind of steadfastness of purpose necessary, to convince our potential partners in industry, that cost sharing on their part would be a sound use of resources. Without that conviction, this program, in my judgment, will fail.

Regions like New England need some relief from acid rain, and they need it now. We certainly do not need to have the existing situation made worse. New coal-burning powerplants, which do not have the best possible emissions reduction equipment, will make the situation worse. The reserve, offers a promise, that the development of the needed technologies and equipment, will coincide with the new plants coming online. As such, it represents a potentially significant component, to an acid rain control strategy. The work of the reserve needs to be encouraged, not discouraged, and the Conte amendment should therefore be defeated.

Mr. Chairman, I yield to the gentleman from Ohio [Mr. Eckart].

Mr. ECKART of Ohio. Mr. Chairman, I thank my friend, the gentleman from Massachusetts, for yielding to me.

One of the issues here is the ability of taking high technology, as my friend, the gentleman from Florida [Mr. Fuqua] said, off the drawing board and hanging it on the utility plants and the steel plants and the smelters and mining facilities of this Nation. There is an old commercial on television that says, "You can pay me now or you can pay me later."

The bottom line is in the development of precombustion cleaning of coal; what we can do is vitiate the tremendous cost of cleaning that coal after it is burned and dealing with it before it is burned. It has been demonstrated to our committee that it costs one-third less to build and one-fifth less to operate coal-cleaning equipment than it does to go through the current scrubbing process.

Now, where do the dollars come from? We just repealed $6 billion of misguided spending in the Synthetic Fuels Corporation, and I think what we are doing clearly is just reprioritizing the necessities of Government. We have learned the lessons of the Synfuels Corporation. Why can we not learn the lesson of a Nation that is capable of putting a man on the Moon and use our technologies to figure out how to burn our coal cleanly, safely, and efficiently?

Four days worth of imported oil would pay for this program, and less than 20 hours of Pentagon spending would pay for this, a different form of national security and independence, the ability to use that which is indigenous to the United States and not to be depending upon foreign nations, not only to dictate foreign policy but our energy policy as well.

Mr. Chairman, this amendment, as advanced by my friend, the gentleman from Ohio [Mr. Regula], makes eminent economic sense. It is good sense for the environment, and it is most important to those of us who really do want to do something about the environment and the economy in which that environment is found.

So, Mr. Chairman, it makes sense to support the Regula amendment. We need to, as one Member who preceded me said, make sure that what we do makes sense. This makes good sense. It makes good sense in dollars and cents environmentally.

SUPPORT THE REGULA AMENDMENT

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. Boland] has expired.

Mr. REGULA. Mr. Chairman, I yield 30 seconds to the gentleman from Indiana [Mr. McCloskey].

Mr. McCLOSKEY Mr. Chairman, there has been a lot of talk tonight about busting the budget, but we must remember that this is not just a matter of money. All the money for next year and beyond would have been transferred from the Synthetic Fuels Corporation.

I am very much in favor of the Regula amendment and against the Conte amendment. I think the clean-coal technology reserve is a program that gives hope to many of the depressed coal-producing areas of our Nation.

Mr. REGULA. Mr. Chairman, I yield 30 seconds to the gentleman from West Virginia [Mr. Wise].

Mr. WISE. Mr. Chairman, I rise in support of the Regula amendment.

I say to the gentleman from Massachusetts, "Say it isn't so, gentleman from Massachusetts, long-time leader in acid rain." It was only a few days ago that you were on the floor and you were going to embark us all on a multiyear program—10 years, 10 million tons of SO_2, billions of dollars of cost, ratepayers' costs go way up, and with no certainty as to what was going to be accomplished. That was a multiyear program.

We just need three-quarters of $1 million to embark us on this project. It is an acid-rain bill. The Regula amendment is an acid-rain bill, and I say to the gentleman from Massachusetts [Mr. Conte], we want to keep those ducks flying through cleaner skies than we presently have.

□ 1950

Mr. CONTE. Mr. Chairman, I yield myself 30 seconds.

I just want to tell that young fellow, the gentleman from West Virginia, that when I was down in that well asking for acid-rain legislation, I did not have my hand out and did not have my hand in the public trough, like the gentleman has here tonight. My acid-rain bill would not have cost the taxpayers a single nickel.

I have been on the Appropriations Committee for 27 years. The State of West Virginia is going to sink for what their Senator has got and what my old friend, Mr. Staggers, has got.

Mr. REGULA. Mr. Chairman, I yield myself 30 seconds to point out that the Office of Technology Assessment estimates that the cost to the taxpayer of the acid-rain legislation would be $3 billion to $4 billion, not $500 million.

Mr. Chairman, I yield 30 seconds to the gentleman from West Virginia [Mr. Mollohan].

Mr. MOLLOHAN. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I rise in support of the Regula amendment. There has been criticism that this program costs too much. Indeed, this program does not cost too much. It does not cost too much when you compare it with the acid rain legislation which has been introduced by the gentleman from Massachusetts.

Conservative estimates are that the total cost for implementation of that acid rain legislation would be $200 billion. That comes out of the taxpayers' pockets, whether it comes through the Government or not.

With regard to the criticism of the multiyear nature of the program, we do not have a clean-coal program if it is not multiyear. Investors just do not make decisions in that timeframe.

Mr. REGULA. Mr. Chairman, I yield 4 minutes and 30 seconds to the majority leader, the gentleman from Texas [Mr. Wright].

Mr. WRIGHT. Mr. Chairman, I recently ran into a fellow who said, "Jim, I think I've got some problems with the energy situation."

He said, "I know we are running out of oil and I don't think you fellows ought to depend on oil anymore. Another thing, coal, they tell me that coal is dirty and you burn that coal and it causes acid rain. I really don't think we ought to be depending on coal."

He said, "I just can't believe that this nuclear power is clean and safe. I don't think we ought to go into that nuclear business."

I said, "Well, what do you think we ought to do?"

He said, "Well, why don't we just use electricity?"

Now, it seems to me that is kind of the attitude of those people who are not willing to do anything to develop any form of energy for the security and the future of the United States. We are going to need more electricity. In the 1990's we are going to need an additional generating capacity of some 100,000 to 200,000 megawatts beyond that which we have. How are we going to get that?

We are running out of oil, indeed. Surely nobody is foolish enough to think that the energy crisis is behind us. We are importing as much oil as we were at the height of that energy crisis just 6 short years ago when an Arab embargo brought our economy to its very knees and raised the price of everything we were producing and had long queues of American motorists lined up in the streets waiting for service. Our import level has not changed. The only way in which it has changed is that today we are importing not only crude oil; today we also are importing refined petroleum products.

Do you know what has happened to the industrial base of the United States as we have grown more and more dependent on foreign countries? In the last 3 years, 150 independent petroleum refineries in the United States have gone out of business. We are importing refined products.

We are not making headway very rapidly on nuclear power because every nuclear facility in this country has had long delays and cost overruns.

We have just about exhausted all the hydroelectric power sites. What do we have?

I will tell you what we have. We have coal. I do not come from a major coal producing area. I do not even come from a major coal-burning area. But I do come from the greatest coal country in the whole world. The United States has about one-third of the world's known coal reserves. We could be the Middle East of the world in coal. We would not have to depend upon the Middle East. We would not have to depend upon any foreign country if we were simply to develop the means of our own greatest resource, if we were willing and able to stick with a program long enough so that we could act from strength. And coal is our answer. Clean coal, not dirty coal.

Surely it makes sense to continue this modest program that will enable us to burn and use effectively, cleanly, and safely more and more of that product which is in the greatest abundance in our own country. That is an American deal. All of the requirements of national security, all of the claims of the domestic economy, all of the considerations of a clean environment call out for this modest action. We ought to be doing many times more.

If you look up at the wall behind the Speaker's dais, you will see a famous quotation from Daniel Webster. All those generations ago, he called upon us to develop the potential of America. "Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests and see whether we also in our day and generation may not perform something worthy to be remembered."

Here is our chance. Last week, we virtually voted to do away with the Synthetic Fuels Corporation. I think that was a mistake, but it is done.

In that sense, I guess I may know how Disraeli felt when he pleaded with the House of Commons to build the Suez Canal and they voted him down. He said, "Gentleman, I appeal to history."

I am not arguing that case now. I am simply saying that if we have let private industry invest $2 billion in the Great Plains plant in North Dakota and then wiped it out, if we have spent all this time trying to develop a synthetic fuels capability and let it go down the tube, for goodness sakes, let us save one thing. Let us save our clean-coal technology.

Let us move ahead on at least one energy front. Let us develop the resources of our land. Let us give the answer to the world that, no, you cannot just sit back and wait for the United States to destroy itself, because we are not a self-destructive people.

We may be a forgetful people. We may be a people who have a small capacity to sustain a sense of urgency, but at least we are not so totally negligent that we will abandon altogether our determination to be energy sufficient, to build upon our own strength, for jobs in our economy, for an American industry fueled by American fuel and for a clean environment in which future generations of Americans can live.

So I ask your vote for the amendment by the gentleman from Ohio [Mr. Regula].

● Mr. EDGAR. Mr. Chairman, I rise in opposition to the Conte amendment and in support of the clean coal technology reserve. It is with great regret that I oppose Representative Conte, for whom I have the greatest respect; but in this case his amendment does not represent good public policy.

Along with Mr. Conte, I have expressed reservations about parts of the Synfuels program. However, problems with synfuels should not mean that we have to gut the clean coal technology reserve, which is an important part of our drive for energy independence. While not affecting the $100 million dedicated to the clean coal reserve this year, the Conte amendment would eliminate the $300 million in the bill for fiscal year 1987 and the $350 million for fiscal year 1988. Let me enumerate the reasons why this is a mistake and why the reserve is so vital:

First, the clean coal technology reserve promotes low-cost electricity development from an abundant, indigenous natural resource. Most of my colleagues are probably aware that coal currently provides over half of the Nation's electricity and a sixth of our industrial energy consumption. In my State of Pennsylvania coal was responsible for 78 percent of electric utility consumption and 39 percent of total energy consumption in 1981. Furthermore, our country's demonstrated reserve base contains nearly 500 billion tons of coal, enough for hundreds of years of consumption.

Second, it is fiscally prudent. The stringent cost-sharing provisions applicable to the clean coal technology reserve require that the private sector provide at least a 50-percent cost-share for reserve projects. In addition, no new funds utilized for the reserve. Rather, the $750 million for the outyears is transferred from previously appropriated but unobligated funds remaining in the Synthetic Fuels Corporation's budget for the reserve.

Next, it brings security to long-term industrial decisions regarding energy investment. Demonstrating new technologies is both expensive and risky. Since we are requiring that industry fund 50 percent of every reserve project, we cannot expect private utilities and industries to take the program seriously if they feel that the Federal Government may renege on its share of the partnership in later years.

The program is also environmentally sound. The reserve will fund demonstrations of advanced technologies which reduce both SO_x and NO_x emissions and promise to burn coal more efficiently. If we are to consider legislation requiring emission reductions by industries and utilities to address rain, we should begin now to advance technologies which will achieve such reductions.

Finally, this promotes energy independence. As our most abundant domestic energy resource, increased use of coal will revitalize the coal industry and put our unemployed miners back to work.

Mr. Chairman, the clean coal technology reserve is supported by the Environmental Policy Institute, the United Mine Workers of America, the Edison Electric Institute, and the National Coal Association. I urge my colleagues to join environmentalists, labor unions and industry in support of the reserve and to oppose the Conte amendment.

PARLIAMENTARY INQUIRY

Mr. REGULA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. REGULA. Mr. Chairman, the parliamentary situation now is that we will be voting on the substitute amendment for the amendment of the gentleman from Massachusetts, is that correct?

The CHAIRMAN. The gentleman is correct. The first vote will come on the Regula substitute offered by the gentleman from Ohio [Mr. Regula] for the amendment offered by the gentleman from Massachusetts [Mr. Conte].

Mr. REGULA. Mr. Chairman, I urge a vote for this substitute. It is a responsible way to address the need to have clean coal to make America safe, to make America independent, to make America secure in the years ahead.

Mr. Chairman, I yield back the balance of my time.

Mr. CONTE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. Regula] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. Conte].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. Conte], as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CONTE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. YATES. Mr. Chairman, I should like to ask what happens if the substitute amendment, as amended, is voted down?

□ 2000

The CHAIRMAN. The paragraph remains unamended and we will return to the original bill.

Mr. YATES. With the provision for $750 million.

The CHAIRMAN. The original bill, that is correct.

Mr. YATES. I thank the Chair.

PARLIAMENTARY INQUIRY

Mr. REGULA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Ohio will state his parliamentary inquiry.

Mr. REGULA. If I understand it correctly, a vote no would return us to $750 million; a vote aye will leave it at $500 million for clean coal technology. Is that correct?

The CHAIRMAN. The Chair will state the gentleman's request is not a proper parliamentary inquiry. It is whatever is in the original bill that we will, of course, return to if the amendment is not adopted.

Members will record their votes by electronic device.

The votes was taken by electronic device, and there were—ayes 238, noes 184, not voting 11, as follows:

[Roll No. 282]

AYES—238

Addabbo
Akaka
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
Badham
Barnard
Bartlett
Barton
Bateman
Bates
Bedell
Bennett
Bereuter
Bliley
Boland
Boner (TN)
Breaux
Brooks
Broomfield
Brown (CA)
Broyhill
Burton (CA)
Burton (IN)
Bustamante
Callahan
Campbell
Carper
Chandler
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Coleman (TX)
Combest
Conte
Coughlin
Craig
Daniel
Dannemeyer
Darden
Daub
de la Garza
DeLay
DeWine
Dickinson
Dicks
DioGuardi
Dixon
Dornan (CA)
Dreier
Dyson
Eckart (OH)
Edwards (CA)
Edwards (OK)
Emerson
English
Evans (IA)
Fawell
Feighan
Fiedler
Fields
Foglietta
Foley
Fowler
Franklin
Frenzel
Gallo
Gaydos
Gephardt
Gingrich
Glickman
Goodling
Gradison
Green
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hatcher
Heftel
Hendon
Henry
Hiler
Hillis
Horton
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jenkins
Johnson
Jones (NC)
Jones (TN)
Kasich
Kemp
Kennelly
Kindness
Kleczka
Kolbe
Kramer
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lungren
MacKay
Madigan
Martinez
Mazzoli
McCain
McCandless
McCollum
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (WA)
Mineta
Mitchell
Monson
Montgomery
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Natcher
Neal
Nielson
O'Brien
Olin
Ortiz
Oxley
Packard
Panetta
Pashayan
Penny
Petri
Pickle
Porter
Price
Pursell
Ray
Regula
Roberts
Robinson
Rodino
Roemer
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schneider
Schroeder
Schuette
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shumway
Siljander
Sisisky
Skeen
Skelton
Slaughter
Smith (NE)
Smith, Denny
Smith, Robert
Snowe
Snyder
Spence
Spratt
St Germain
Stallings
Stangeland
Stenholm
Stratton
Stump
Sweeney
Swift
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Udall
Valentine
Vander Jagt
Visclosky
Volkmer
Vucanovich
Walker
Weaver
Weiss
Whitehurst
Whitley
Whitten
Wolf
Wright
Young (FL)
Zschau
Solomon
Staggers
Stark
Stokes
Strang
Studds
Sundquist
Synar
Torres
Torricelli
Towns
Traficant
Traxler
Vento
Walgren
Watkins
Waxman
Weber
Wheat
Whittaker
Williams
Wilson
Wirth
Wise
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)

NOES—184

Ackerman
Alexander
Anderson
AuCoin
Barnes
Beilenson
Bentley
Berman
Bevill
Biaggi
Bilirakis
Boehlert
Boggs
Bonior (MI)
Borski
Boucher
Boxer
Brown (CO)
Bruce
Bryant
Byron
Carney
Carr
Clay
Coelho
Collins
Conyers
Cooper
Courter
Coyne
Crockett
Daschle
Davis
Dellums
Derrick
Dingell
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Early
Eckert (NY)
Edgar
Erdreich
Evans (IL)
Fascell
Fazio
Fish
Florio
Ford (MI)
Ford (TN)
Frank
Frost
Fuqua
Garcia
Gejdenson
Gekas
Gibbons
Gilman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Gregg
Hamilton
Hayes
Hertel
Holt
Hopkins
Howard
Hoyer
Hubbard
Jeffords
Jones (OK)
Kanjorski
Kaptur
Kastenmeier
Kildee
Kolter
Kostmayer
LaFalce
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lipinski
Lloyd
Long
Lowry (WA)
Luken
Lundine
Mack
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Matsui
Mavroules
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
Miller (CA)
Miller (OH)
Moakley
Molinari
Mollohan
Moody
Murphy
Nelson
Nowak
Oakar
Oberstar
Obey
Owens
Parris
Pease
Pepper
Perkins
Quillen
Rahall
Rangel
Reid
Richardson
Ridge
Rinaldo
Ritter
Roe
Rogers
Rostenkowski
Roybal
Russo
Sabo
Schaefer
Scheuer
Schulze
Shelby
Shuster
Sikorski
Slattery
Smith (FL)
Smith (IA)
Smith (NH)
Smith (NJ)
Solarz

NOT VOTING—11

Bonker
Bosco
Boulter
Crane
Flippo
Hawkins
Hefner
Loeffler
Nichols
Savage
Wortley

□ 2020

Mr. GEKAS, Mrs. LLOYD, and Messrs. EARLY, COOPER, SCHAEFER, DUNCAN, ROYBAL, WHITTAKER, BILIRAKIS, TRAXLER, ACKERMAN, TORRICELLI, GRAY of Illinois, BROWN of Colorado, STRANG, RINALDO, DINGELL, WOLPE, RICHARDSON, KOSTMAYER, BOEHLERT, GILMAN, GONZALEZ, ANDERSON, CONYERS, and LOWRY of Washington changed their votes from "aye" to "no."

Messrs. SPRATT, BROWN of Colorado, and PANETTA, Mrs. KENNELLY, and Messrs. BREAUX, GROTBERG, KASICH, EDWARDS of California, and O'BRIEN changed their votes from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Within ninety days following enactment of this Act, the Secretary of Energy pursuant to the Federal Nonnuclear Energy Research and Development Act of 1974, as amended (42 U.S.C. 5901, et seq.), shall issue a general request for proposals for clean coal technology projects described in this account, and immediately begin the contract process for providing financial assistance to such projects.

Mrs. BOGGS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. Studds].

Mr. STUDDS. Mr. Chairman, I rise in strong support of this bill and particularly the provision that retains the congressional prohibition on leasing for oil and gas in four areas of critical economic and ecological importance off the Massachusetts coast. I shall not take the House's time to further detail the importance of the fertile Georges Bank Fishing Ground to New England and to the Nation.

That is well known

While I deeply appreciate the efforts of the Appropriations Committee to preserve the sanctity of this resource, I am hopeful that we in New England can reach a long-term agreement with the Interior Department—similar to the accord recently reached with the

California delegation—that would obviate the need for Congress to continue to impose a specific statutory prohibition on leasing in these areas.

Last April, I wrote to Secretary of the Interior Donald Hodel asking for an assurance that the tracts subject to the congressional ban off the New England coast would not be subject to future leasing. The Secretary replied that it would be "impossible" to provide me with such an assurance. In light of the Department's ability to reach an agreement with the California delegation, I wrote again to the Secretary last week, stating my belief that an agreement might also be reached on the Massachusetts tracts. I am hopeful that such an agreement can be reached before final congressional action on the Interior appropriations bill for 1986. Pending that outcome, however, the continued inclusion of the moratorium language in this bill remains crucial.

I want to express by gratitude and that of all New Englanders to Chairman Yates, and to my Massachusetts colleagues Silvio Conte, Edward Boland, and Joe Early for their leadership in protecting our coast.

Mrs. BOGGS. Mr. Chairman, I rise to express my appreciation to the gentleman from Illinois and the other members of the subcommittee for the fine job they have done this year as custodians of our parks and natural resources, our energy efforts and our cultural programs.

However, I must express my disappointment with the agreement that has been reached between the Secretary of Interior and some members of the California delegation on the issue of oil and gas leasing off the coast of California. In the name of compromise, I fear they have severely undermined the future energy security of this Nation in a manner that may expose our people and our economy to the same type of manipulation of energy prices we experienced in 1973 and 1979.

Our resolve to protect our environment is unequivocal but we must also be unequivocal in our commitment to our national security and to a sound economy. We must view offshore oil and gas development as a major component of an integrated national energy supply system, not as an isolated, regional issue.

We must bear in mind that our petroleum situation is more precarious than falling oil prices indicate. Our level of consumption will gradually increase over the next decade and a half and, at the same time, domestic production of oil and gas will remain steady, at best. Thus, even in the most optimistic situation, we will continue to rely heavily on the imported petroleum products for which we paid $52 billion to foreign suppliers in 1983. This represents a sizable portion of our staggering foreign trade deficit. If current trends continue, we will continue to consume as much or more imported oil, thus contributing even more to our trade deficit.

The Energy Department projects that the United States can continue to produce about 8 million barrels per day through the end of this century. This is slightly below current domestic production levels. To produce at this rate through the year 2000 we must discover and produce 2.9 billion barrels of petroleum each year. We cannot rely on proven, recoverable reserves if we are to maintain our current level of domestic production.

Unfortunately, low oil prices and a buyers market have led to general complacency about energy supplies. These soft market conditions will not last forever and when the market changes the economic consequences may be quite severe. Inflation during the past 4 years was not whipped as much by skilled economic strategies, as by greedy petroleum-producing countries seeking hard currency in a worldwide recession by increasing oil production, thereby depressing world energy prices.

Unfortunately, our national energy policy continues to respond only to crises. Because of a false sense of security resulting from soft oil prices, the administration has reduced emphasis on energy conservation and phased down oil purchases for the strategic petroleum reserve, and we have altered the future of synthetic fuels research. These actions underline the need to accelerate exploration in the OCS and onshore as a cushion in the event of an oil supply disruption.

Ironically, the offshore drilling program in the frontier regions have not proven to be successful. Interest has dropped in the Atlantic region, the Gulf of Alaska and lower Cook Inlet after a number of dry holes and the Beaufort Sea and Bering Sea exploration have not been very promising. Because these areas have not lived up to their promise, it now appears the OCS will not contribute as substantially to the Nation's future energy supplies as was once thought.

Last March the Minerals Management Service reassessed offshore oil and gas potential based on exploration since 1981. As a result, OCS oil potential was reduced 55 percent and natural gas 44 percent. Most of these reductions were in areas once considered to be the prime locations for large discoveries.

Those who believe we can rely on the proven reserves in the Gulf and Alaska are wrong. Those who believe there are mega-reserves out there just waiting to be discovered are misinformed. We must begin the long exploration and development process now—today—if we are to locate and produce the reserves we will need in 10 years. We cannot afford to put any one area of the country off-limits for another decade or more.

I hope our friends in the Interior Department and from California will face reality and accept a balanced, environmentally sound development program.

Mr. MARLENEE. Mr. Chairman, will the gentlewoman yield?

Mrs. BOGGS. I yield to the gentleman from Montana.

Mr. MARLENEE. I heartily endorse what the gentlewoman, my colleague, has to say, and want to associate myself with her remarks.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95-91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, $299,534,000, to remain available until expended, of which $535,000 is for the functions of the Office of the Federal Inspector for the Alaska Natural Gas Transportation System established pursuant to the authority of Public Law 94-586 (90 Stat. 2908-2909), and $12,760,000 to be derived by transfer from unobligated balances in the "Fossil energy construction" account, $2,137,000 to be derived by transfer from the account entitled "Alternative fuels production", and $2,775,000 to be derived by transfer from amounts derived from fees for guarantees of obligations collected pursuant to section 19 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended (42 U.S.C. 5919), and deposited in the "Energy security reserve" established by Public Law 96-126: *Provided,* That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas: *Provided further,* That notwithstanding any other provision of law, funds appropriated under this head in Public Law 97-394 for a Western Hemisphere alternative fuels facility feasibility study, which remain unobligated, shall be available for carrying out any fossil energy research and development activities.

NAVAL PETROLEUM AND OIL SHALE RESERVES

For necessary expenses in carrying out naval petroleum and oil shale reserves activities, including the purchase of not to exceed 3 passenger motor vehicles, for replacement only, $13,668,000, to remain available until expended.

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, $468,326,000, to remain available until expended: *Provided,* That pursuant to section 111(b)(1)(B) of the Energy Reorganization Act of 1974, as amended, 42 U.S.C. 5821(b)(1)(B), of the amount appropriated under this head, $10,319,000 shall be available for a grant for basic industry research facilities located at Northwestern University without section 111(b)(2) of such Act being applicable: *Provided further,* That section 404 of Public

Law 98-558 shall not be effective in any fiscal year in which the amount made available for low income weatherization assistance from appropriations under this head is less than 5 per centum above the amount made available in fiscal year 1985.

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Economic Regulatory Administration and the Office of Hearings and Appeals, $24,623,000.

EMERGENCY PREPAREDNESS

For necessary expenses in carrying out emergency preparedness activities, $3,989,000.

STRATEGIC PETROLEUM RESERVE

For expenses necessary to carry out the provisions of sections 151 through 166 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), $199,017,000, to remain available until expended: *Provided*, That none of the funds appropriated under this head in this and other appropriation Acts may be used for test sales of oil from the Strategic Petroleum Reserve: *Provided further*, That in compliance with section 160(d)(1) of the Energy Policy and Conservation Act (Public Law 94-163), as amended, the minimum required rate of fill during fiscal year 1986 is 100,000 barrels a day until the Strategic Petroleum Reserve is 500,000,000 barrels and 50,000 barrels a day thereafter.

POINT OF ORDER

Mr. SHARP. Mr. Chairman, I make the point of order that the first proviso of the first paragraph on page 50, lines 5 through 8, is legislation in a general appropriations bill in violation of rule XXI, clause 2.

Mr. YATES. Mr. Chairman, we concede the point of order.

The CHAIRMAN. The gentleman from Illinois concedes the point of order, and the proviso objected to is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, $60,782,000.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign: *Provided*, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further*, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That any contract, agreement or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

The Secretary of Energy may transfer to the Emergency Preparedness appropriation such funds as are necessary to meet any unforeseen emergency needs from any funds available to the Department of Energy from this Act.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles III and V and section 338G of the Public Health Service Act with respect to the Indian Health Service, including hire of passenger motor vehicles and aircraft; purchase of reprints; purchase and erection of portable buildings; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary, $836,483,000: *Provided*, That funds made available to tribes and tribal organizations through grants and contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450), shall remain available until September 30, 1987. Funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: *Provided further*, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall be available until September 30, 1987, for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, construction of new facilities, or major renovation of existing Indian Health Service facilities): *Provided further*, That funding contained herein, and in any earlier appropriation Acts, for scholarship programs under section 103 of the Indian Health Care Improvement Act and section 338G of the Public Health Service Act with respect to the Indian Health Service shall remain available for expenditure until September 30, 1987.

INDIAN HEALTH FACILITIES

For construction, major repair, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of portable buildings, purchases of trailers and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act and the Indian Health Care Improvement Act, $61,483,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem equivalent to the rate for GS-18, and for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902), and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided*, That none of the funds appropriated under this Act to the Indian Health Service shall be available for the initial lease of permanent structures without advance provision therefor in appropriation Acts: *Provided further*, That non-Indian patients may be extended health care at all Indian Health Service facilities, if such care can be extended without impairing the ability of the Indian Health Service to fulfill its responsibility to provide health care to Indians served by such facilities and subject to such reasonable charges as the Secretary of Health and Human Services shall prescribe, the proceeds of which shall be deposited in the fund established by sections 401 and 402 of the Indian Health Care Improvement Act: *Provided further*, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: *Provided further*, That with the exception of service units which currently have a billing policy, the Indian Health Service shall not initiate any further action to bill Indians in order to collect from third-party payers nor to charge those Indians who may have the economic means to pay unless and until such time as Congress has agreed upon a specific policy to do so and has directed the Indian Health Service to implement such a policy: *Provided further*, That notwithstanding any other provision of law, to satisfy the outstanding judgment against the Seattle Indian Health Board resulting from termination of its occupancy of the Kobe Park building in Seattle, Washington, $270,000 plus interest shall be provided from the unobligated balance available to the Indian Health Service from prior years' appropriations.

DEPARTMENT OF EDUCATION

Office of Elementary and Secondary Education

INDIAN EDUCATION

For necessary expenses to carry out, to the extent not otherwise provided, the Indian Education Act, $67,656,000, of which $50,323,000 shall be for part A and $15,000,000 shall be for parts B and C.

OTHER RELATED AGENCIES

Navajo and Hopi Indian Relocation Commission

SALARIES AND EXPENSES

For necessary expenses of the Navajo and Hopi Indian Relocation Commission as authorized by Public Law 93-531, $20,442,000, to remain available until expended, for operating expenses of the Commission.

Smithsonian Institution

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed ten years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; $182,599,000 including not less than $793,000 to carry out the provisions of the National Museum Act, $350,000 to be made available to the trustees of the John F. Kennedy Center for the Performing Arts for payment to the National Symphony Orchestra and $350,000 for payment to the Washington Opera Society for activities related to their responsibilities as resident entities of the Center: *Provided*, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations: *Provided further*, That none of these funds shall be available to a Smithsonian Research Foundation.

MUSEUM PROGRAMS AND RELATED RESEARCH

(SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department shall determine to be excess to the normal requirements of the United States, for necessary expenses for carrying out museum programs, scientific and cultural research, and related educational activities, as authorized by law, $2,500,000, to remain available until expended and to be available only to United States institutions: *Provided*, That this appropriation shall be available, in addition to other appropriations to the Smithsonian Institution, for payments in the foregoing currencies: *Provided further*, That none of these funds shall be available to a Smithsonian Research Foundation: *Provided further*, That not to exceed $500,000 may be used to make grant awards to employees of the Smithsonian Institution.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, by contract or otherwise, $4,851,000, to remain available until expended.

RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of restoration and renovation of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $13,575,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

□ 2030

POINT OF ORDER

Mr. SHAW. Mr. Chairman, I have a point of order with regard to that part of the bill, that paragraph as to restoration and renovation of buildings.

The provision is in violation of clause 2, rule XXI, in that it is attempting to legislate on a general appropriations bill.

The CHAIRMAN. Does the gentleman from Illinois [Mr. Yates] wish to be heard on the point of order?

Mr. YATES. I do, Mr. Chairman.

We resist the point of order. It is a question of interpretation of the word "alteration."

The authorizing language is as follows:

Appropriations are authorized for the maintenance of the astrophysical observatory and the making of solar observations at high altitudes for repairs and alterations of buildings and grounds occupied by the Smithsonian Institution in the District of Columbia and elsewhere and for the preparation of manuscripts, et cetera.

Mr. Chairman, the alteration in question is within the center of the building. It is under the courtyard of the Freer Gallery, and it requires that the structure of the building be altered by digging down beneath the garden of the center of the building. It is an alteration of an existing structure and, therefore, Mr. Chairman, I suggest that the point of order should be overruled.

The CHAIRMAN. Does the gentleman from Florida [Mr. Shaw] desire to be heard further on his point of order?

Mr. SHAW. Yes, I do, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. SHAW. Mr. Chairman, the gentleman from Illinois is quite right in citing that particular provision which he has relied upon for the authorization of the appropriation. However, the provision that I am concerned with commences at line 19, which reads: "* * * to remain available until expended: Provided that contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price."

That particular provision is clearly legislation in nature, and it is not contemplated by the authorization that the gentleman from Illinois cited and, therefore, that provision would knock out the entire paragraph that I have cited to the House.

Mr. YATES. Mr. Chairman, the gentleman is quite correct. I misconstrued the gentleman's point of order. His point of order to the phrase "to remain available until expended" is legislation, and we concede that point of order.

The CHAIRMAN. The gentleman from Illinois [Mr. Yates] concedes the point of order. The Chair sustains the point of order. That language of the paragraph will be stricken from the bill.

Mr. SHAW. I am sorry, I could not hear the Chair. Did the Chair strike the whole paragraph?

The CHAIRMAN. The Chair struck the whole paragraph.

Mr. SHAW. I thank the Chair.

AMENDMENT OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Yates: On page 58, line 13, insert the following:

RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of restoration and renovation of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $11,075,000 to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

Mr. YATES. Mr. Chairman, I ask unanimous consent to correct an error that was made. The figure "$11,075,000" should be "$13,575,000."

Mr. SHAW. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. Does the gentleman from Florida reserve a point of order?

Mr. SHAW. Yes, I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Florida reserves a point of order on the amendment.

Mr. SHAW. We do not have a copy of the amendment over here. However, as I heard it read by the Clerk, the provision "to remain available until expended" is still in there.

Mr. YATES. Mr. Chairman, if that is in there, I ask unanimous consent that that phrase be stricken.

The CHAIRMAN. It is the understanding of the Chair that the gentleman from Illinois [Mr. Yates] is asking unanimous consent to correct the figure in his amendment.

Does the gentleman from Florida [Mr. Shaw] object to that?

Mr. SHAW. Yes, I do object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

The gentleman from Illinois [Mr. Yates] is recognized in support of his amendment. A point of order on the amendment is reserved by the gentleman from Florida [Mr. Shaw].

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Chairman, I have a parliamentary inquiry.

What is the state of the amendment as read by the Clerk? Is the phrase "to remain available until expended" still in the amendment, or has that been striken?

The CHAIRMAN. The Chair's understanding is that the pending amendment is the amendment as read, there being an objection to a unanimous-consent request to correct the figure in the amendment.

Mr. YATES. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDMENT OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Yates: On page 58, line 13, insert the following:
>
> RESTORATION AND RENOVATION OF BUILDINGS
>
> For necessary expenses of restoration and renovation of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $13,575,000.

Mr. YATES. Mr. Chairman, this restores the paragraph for the Smithsonian Institution as it was as voted out by committee. It provides the funds that are necessary for the restoration and renovation of the buildings of the Smithsonian, and I ask that the amendment be approved.

● Mrs. COLLINS. Mr. Chairman, I rise in support of the proposed funding for the arts and humanities as suggested by my honorable colleague and fellow Chicagoan, Sid Yates, who chairs the House Interior Appropriations Subcommittee, which has suggested increases over the much lower amounts announced by the administration.

As chairwoman of the House Government Activities and Transportation Subcommittee, I have spent the past 2 years doing extensive oversight work on the various agencies that would be affected by this bill: The National Endowments for the Arts and Humanities, the Institute of Museum Services and the Smithsonian, in particular.

One of these agencies, the IMS, has been singled out by the administration for exclusion repeatedly during the past 4 years—in spite of the excellent grants for operating support that it provides to museums and cultural institutions in each of the 50 States. Without these small incentive grants, many museums would either have to charge higher admission fees or close their doors.

This is the 20th anniversary year of the National Endowments, which have enriched this country beyond measure. Both these organizations serve as a catalyst to increase financial support from private citizens, public and private organizations, and State and local governments.

NEA describes its task to:

> Foster artistic excellence by helping to develop the nation's finest creative talent, to preserve our cultural heritage in all its diversity, to make the arts available to wider, more informed audiences, and to promote the overall financial stability of American arts organizations.

In a similar vein, the NEH sees its mandate as encouraging high quality research and teaching, media programs for the general public and critical commentaries and scholarship in literature, history, philosophy, languages, the social sciences and archeology, to name but a few. Such a partnership between the NEH and the public "would lead to a better comprehension of man in relation to his environment," noted the Senate in its report with the enabling legislation.

Yes, we are in a period of the deficit spending but it is time to stop making up the difference by continually hacking away at the arts and humanities budgets.

Contrast the cost of one MX missile for $70 million with the request of $23 million for the IMS. Or think of the IMS budget, as one-tenth of the cost of one B-1 bomber.

Contrast the Music Program at NEA, with a budget of $15 million for fiscal year 1984 versus the $102 million requested by the administration for military bands. And now the President wants to further whittle the NEA Music Program to $9.7 million.

Let us definitely balance the budget, but with a more realistic view of the priorities and the common good for all our citizens. In view of the spiraling military expenditures, let us remember that the best defense of a democracy is a well educated, informed citizenry that is aware of the culture, history, and various resources of this country. These arts and humanities agencies do not deserve to be underfunded when vast abuses of waste and fraud go uncorrected throughout our military procurement system.

In 1969, the Congress was experiencing similar "severe budget stringency," but President Nixon recommended doubling the appropriation for the arts and humanities. He proclaimed that:

> Too many American have been too long denied the inspiration and uplift of our cultural heritage. Now is the time to enrich the life of the mind and to evoke the splendid qualities of the American spirit.

That message remains equally true 15 years later and I urge you to support its directive. Thank you.●

AMENDMENT OFFERED BY MR. SHAW TO THE AMENDMENT OFFERED BY MR. YATES

Mr. SHAW. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

> Amendment offered by Mr. Shaw to the amendment offered by Mr. Yates: Strike "$13,575,000" and insert in lieu thereof "$11,075,000".

Mr. SHAW. Mr. Chairman, the amendment I am offering would decrease the amount authorized to the Smithsonian Institution for the restoration and renovation of buildings by $2.5 million.

Among the items for which the Smithsonian has requested funding in fiscal year 1986 is for $2.5 million for the construction of additional storage space beneath the Freer Gallery, located on the Mall; the building, I might add, was donated to the Smithsonian and not constructed at Government expense.

The Smithsonian's intention is to construct approximately 8,000 square feet of storage space at a total estimated cost of $5.5 million; the balance of the funding is to be revested in fiscal year 1987.

Mr. Chairman, the Subcommittee on Public Buildings and Grounds reviewed the Smithsonian's proposal in great detail earlier this year and based on that review, I can say without hesitation, that this proposal is unjustifiable and a blatant waste of taxpayers' money.

Basically, what the Smithsonian would like to do is construct an 8,000-square-foot basement under an existing building at a cost of more than $680 per square foot.

We are being asked to appropriate, here and now, funds for a costly, time-consuming, labor-intensive excavation of dirt beneath the existing building; incremental underpinning of the structure to insure it does not collapse as the work is going along; and the construction of a new structural shell or basement level.

Work of this nature is fraught with construction uncertainties which translated means a larger contingency fund, and possibly additional funds, to pay for unexpected problems.

By comparison, for the $5.5 million being requested to construct this 8,000 square feet for storage space, in excess of 100,000 square feet of storage space, and could be constructed elsewhere in the city above ground.

I would like to point out that this amendment will not affect the funds requested for the construction of the link structure which will connect the Freer and Sackler Galleries or the funds requested for the renovation of the basement areas which currently exist.

Mr. Chairman, as I said earlier, to appropriate funds for the construction of a $680 per square foot basement cannot be justified by this Congress and I would urge to adopt the amendment.

□ 2040

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. I thank the gentleman for yielding.

Mr. Chairman, as a member of the Subcommittee on Public Buildings and Grounds, I concur and rise in support of the gentleman's amendment. I think unless we do this, it is going to be a blatant waste of taxpayers' money.

The Smithsonian wants to construct an 8,000-square-foot basement under an existing building. And as the gentleman has described, at a cost of $680 per square foot. For the same amount of money, we could build, as he said, a storage facility of 100,000 square feet. We are talking about $5 million for the project. If those in this body want to go home and say that we supported the construction of a $5 million, 8,000-square-foot storage area, I think that our taxpayers and our constituents are going to be very unhappy.

As the gentleman from Florida has emphasized. His amendment will not affect the funds requested for the construction of the link structure which will connect the Freer and Sackler Galleries.

It is incredible to me that the Smithsonian would ask for this amount and that this body would consider spending that much money for that square footage. I urge your support for the amendment offered by my colleague from Florida.

Mr. SHAW. Mr. Chairman, I would like to say in closing that this is in no way an attack upon the Smithsonian, the present management, the past management, or what they are doing. They are doing a splendid job. They are doing a service for the entire country and I support them in just about everything they do. But there are limits to our generosity here in Washington, and this is absolutely an absurd request, and I urge the adoption of the amendment to the amendment.

Mr. MINETA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in reluctant opposition to the amendment offered by our very fine colleague from Florida.

I am speaking on this issue not only as a Member of this body, but also as one of the three Representatives of the House of Representatives on the Smithsonian Board of Regents. Moreover, not only am I a Regent of the Smithsonian, I also chair the Freer Art Gallery Visiting Committee.

I oppose this amendment because the work to be done with the funds at issue is needed. The funds and the construction project here is timely, and it is appropriate. As many of you know, we are constructing a quadrangle project. The total cost is $75 million, of which half of that amount is coming from the private sector, already raised, and the other half from the public sector. As part of the ongoing Quadrangle project, about one-third of the Freer's courtyard will be excavated and facilities will be constructed which will link the Freer Gallery with the new Sackler Gallery being constructed as part of the Quadrangle project.

At issue here, however, is the question of what to do with the portion of the courtyard not being used for the Quadrangle link. The Smithsonian believes that as long as a portion of the courtyard is being converted to usable space, it only makes sense to complete the job and complete the entire courtyard.

Let me emphasize that this is not the construction of a new building, but merely the alteration of an existing structure. If we do not do the work at this time, we will lose forever the chance to make maximum use of this space, and we do need the space.

The Freer Building now houses more than 26,000 valuable art objects. This building has served the people of Washington and the Nation for more than 60 years. With this modest expenditure, it will continue to be of service for generations to come. This work will increase the storage space by some 43 percent, and provide additional exhibit and office space as well.

Moreover, Mr. Chairman, I believe this work falls completely within the permanent authorization that is contained in chapter 20 of the United States Code, which allows "repairs and alterations of buildings and grounds occupied by the Smithsonian Institution."

Surely converting an interior courtyard into basement storage space is unambiguously an alteration. And therefore, Mr. Chairman, I urge the defeat of this amendment.

In closing, let me add my congratulations to the Appropriations Committee, and especially to Chairman Yates for his usual thoughtful and finely crafted legislative package.

Let me also add this whole issue about how expensive is this quadrangle project on the basis of this $180 or on the basis of my figure, which is $180 a square foot, rather than the $680 being quoted by the proponents of this amendment.

What we are talking about here is the construction of space to an existing structure, and that is not a building of 13,000 square feet, but it is really the efficient use of the 45,000 square feet in the Freer Art Gallery. So to me, the amount of construction cost here, the $2.5 million, ought not to be just allocated to the 13,000 square feet of space, but the 45,000 square feet of space that is going to be available under the total construction project as part of the Quadrangle project.

So it is my hope that the Members will allow the $2.5 millon to be kept in this appropriations bill so that we might be able to make that connection between the Quadrangle project and the Freer Art Gallery.

The CHAIRMAN. The time of the gentleman from California [Mr. Mineta] has expired.

(On request of Mr. Shaw and by unanimous consent, Mr. Mineta was allowed to proceed for 2 additional minutes.)

Mr. MINETA. Mr. Chairman, I yield to the gentleman from Florida [Mr. Shaw].

Mr. SHAW. I thank the gentleman for yielding.

Mr. Chairman, I would like to point out to the gentleman as well as to the committee seated here tonight that what we are talking about is $2.5 million for the first year, with a total estimated cost of $5 million, so we are talking about more than that. I am not talking about the connecting corridors, I am talking about just 8,000 square feet of storage space which does work out to $680 per square foot. We are talking about over $5 million.

Mr. MINETA. The gentleman is correct. The total amount for construction is $5 million, but that is my point. It is not just for construction, it is also for renovation of the existing space.

Mr. SHAW. I would respectfully disagree with the gentleman.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman.

Mr. BOLAND. I appreciate the remarks of the gentleman from California who is a Regent for the Smithsonian and is familiar with the Freer Art Gallery.

I do not know whether some of the Members have ever been to the Freer Art Gallery, but I must say it has to be one of the finest art galleries in the world. If you have never seen it, you ought to see it. I am sure my friend from Florida has seen it and anyone that serves on Mr. Mineta's committee has been there.

What the gentleman from California says, I think, is correct, and it is more than just basement space. Actually, it does provide for the renovation of the Freer basement for a new gallery, and an expanded conservation laboratory and additional collection storage space below the Freer courtyard.

□ 2050

I wonder if the gentleman from Florida would agree with this? He does mention 8,000 square feet, and if we provide $2.5 million, it comes to something like $600 a square foot. But it is really more than 8,000 square feet. The substructure has to be built first. While the Sackler Museum is being built, it would be wise to start the construction on the basement of the Freer Gallery because it would cost less money in the long run.

The CHAIRMAN. The time of the gentleman from California [Mr. Mineta] has expired.

(On request of Mr. Boland and by unanimous consent, Mr. Mineta was allowed to proceed for 3 additional minutes.)

Mr. MINETA. I am pleased to yield further to my colleague, the gentleman from Massachusetts.

Mr. BOLAND. It would be less costly to start the construction of the basement of the Freer Gallery under that part of the courtyard that is not being used as a link to the Sackler Gallery. So we would have to count the 8,000 square feet as the subbasement, with an additional 7,000 square feet above that, for a total of about 15,000 square feet.

I agree with the gentleman from Florida that it still comes to around $300 a square foot, doubling the square footage and reducing the $600 figure by $300 a square foot.

As the gentleman from California has indicated, this museum now is about 62 years old and has been serving the population of the United States for that period of time. It was built as a result of a bequest by Mr. Freer, and incidentally, in the will it provides that no exhibits and no storage can be maintained outside of the Freer Gallery.

There is an absolute need for an addition to the Freer Gallery. If we did not have the limitation in the bequest in the Freer will, we might have done this a little bit cheaper. The fact of the matter is, we could have used part of the space in the new Sackler Museum or part of the space in the Smithsonian itself, but the will does not permit the Smithsonian to do that. It all has to be stored and exhibited in the Freer Gallery.

I think it is wise, really, to go ahead with $2.5 million now, and as the gentleman from Florida, Mr. Shaw, said, an additional $2.5 million would be needed in the next year.

Mr. SHAW. Mr. Chairman, would the gentleman yield to me?

Mr. MINETA. I would be pleased to yield to my colleague, the gentleman from Florida.

Mr. SHAW. I thank the gentleman for yielding.

Mr. Chairman, we have had discussion as to the design and renovation of the Freer basement. We are not talking about that money. That is an additional $2 million that we are not even talking about. So that $2 million stays in the bill if the Shaw amendment to the amendment is passed.

What I am talking about is the $2.5 million, plus another $2.5 million, for a total of $5 million, which is for 8,000 square feet of storage space.

Mr. MINETA. Mr. Chairman, let me reclaim my time and also indicate that this is not just conventional office space. This is a facility that has to take care of these art objects that require special environmentally controlled conditions. These are irreplaceable treasures, art objects of a civilization that dates back to the dawn of history.

So we just cannot compare this structure to a typical office kind of a building. The fact that we have this opportunity, since we are doing the underpinning at the Freer Art Gallery, to be able to build this link to the Freer Art Gallery to the quadrangle project, I do not think we ought to give it up.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me say to the gentleman from Florida that when the Smithsonian witnesses appeared before our committee, I was struck by the size of the numbers as well. I asked the witnesses for the Smithsonian to meet with our staff and with the Senate staff to try to find out what the actual figures were.

They presumably have agreed upon these as being the correct figures. I accepted their estimate, and the statements by the gentleman from Florida have concerned me because I would not want this job to be overexpensive as well. I want to point out, however, that I am impressed by the fact that the cost for constructing the Quad itself, which starts from a hole in the ground and just builds up from that, is assessed at being over $200 a square foot. That in itself is an expensive number. But that is a simple project by comparison with what the Freer has to do in this instance.

The Freer has to preserve its shell. It has to preserve its art objects. It has no place to put them. It has to, at the same time, try to protect them while it excavates under the building and tries to brace the building against whatever contingencies may happen.

I certainly do not want to pay more than should be paid for this building. I wonder whether the gentleman can tell me what he is referring to. He and the gentleman from Tennessee have been referring to a book there.

Mr. SHAW. If the gentleman will yield, I would be glad. That is the Smithsonian's 1986 budget justification supplied to us by the Smithsonian.

Mr. YATES. What does that justification tell the gentleman?

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. I thank the gentleman for yielding.

Mr. Chairman, it says, "For fiscal year 1986, an amount of $2 million is sought for the design and renovation of the Freer basement." That is the first part. "The tunnel connection from the Sackler Gallery to the Freer Gallery funded within the Quadrangle budget requires excavating one-third of the area beneath the existing Freer courtyard."

A further amount of $2.5 million is requested for fiscal year 1986 for the excavation of this room we are talking about.

We are not talking about doing anything with the tunnel or the connection. We are not talking about interfering with the basement remodeling. What we are talking about is 8,000 square feet of new space at a cost of $680 per square foot, $2.5 million this year, $2.5 million next year.

Mr. YATES. May I ask the gentleman, is the cost of $600 per square foot in that report?

Mr. SUNDQUIST. No, the cost is not in there; it is a mathematical computation of dividing the dollars by the amount of square feet.

Mr. MINETA. If the gentleman would yield, I would like to direct a question to the gentleman from Florida.

Where does the 8,000 square feet come from?

Mr. SHAW. That is the budget justification which was supplied to the Public Buildings and Grounds Subcommittee, and I would be glad to give the gentleman a copy of it.

Mr. MINETA. As far as I know, it is 15,000 square feet rather than 8,000, if we are talking about the same space.

Mr. SHAW. If we start adding those figures up the connection—what the problem is is that you are looking at the connecting link and everything else.

Let me say, if I may, what we are talking about here is the total project and maybe we will get this into the proper perspective. We are talking about the renovation of the basement for $2 million, we are talking about the connecting link, and we are also talking about the new basement construction, the latter of which I am opposed to. All of this has a total price tag of more than $14.3 million. We are only going after $2.5 million. But this total project is over $14.3 million.

Mr. YATES. Mr. Chairman, may I reclaim my time to read from the statement that the Smithsonian gave us?

An amount of $2 million is sought for the design and renovation of 24,000 square feet of the lower level of the Freer that will, for the most part, be dedicated to public purposes.

A further amount of $2.5 million is required for the excavation, underpinning and construction of a structural shell for the two-thirds of the courtyard area that is not part of the Quadrangle link but which will create an additional 15,000 square feet of space primarily for collection storage.

□ 2100

That is the $15,000 the gentleman from California mentioned.

Mr. SHAW. Mr. Chairman, if the gentleman will yield, that includes the existing basement and that is an additional $2 million, so that is a separate project. We have not affected that project at all.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. Yates] has expired.

(By unanimous consent, Mr. Yates was allowed to proceed for 2 additional minutes.)

Mr. YATES. Mr. Chairman, I have this suggestion to make. I think what I would like to do, I would like to take the gentleman's amendment with the understanding that we will try to work out the correct figures with the Senate as we go into the conference and come to the correct conclusion.

I know that my friends who are regents of the Smithsonian may be somewhat disappointed in this, but I think the gentleman has raised a valid point. The figures are not specific. They are not certain.

Mr. Chairman, I propose to accept the amendment, with that understanding.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. YATES. Yes.

Mr. BOLAND. Well, Mr. Chairman, I welcome the suggestion of the distinguished chairman of this committee. I think it is a good suggestion and I would hope that the membership would follow that advice.

Mr. SHAW. Mr. Chairman, I would welcome that. I know the gentleman from Illinois and I want the same thing. Even though it is a very important building, it is a very important renovation, we still want to be sure that are getting our money's worth.

Mr. YATES. We will try to get the correct answer.

Mr. SUNDQUIST. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Tennessee.

● Mr. SUNDQUIST. Mr. Chairman, I submit the following material for insertion in the Record regarding the construction at the Smithsonian's Freer Gallery:

QUADRANGLE AND FREER RELATED CONSTRUCTION/RENOVATION INFORMATION ON SELECTED SUBPROJECTS

CONNECTING LINK

The Freer and the Sackler constitute the Center for Asian Art. The connecting link will provide safe and secure underground movement between the Sackler Gallery and the Freer Gallery with direct passage for the public to exhibition areas of both galleries meeting safety, health and disabled access code requirements presently not met in the Freer building. The link will also provide separate and secure passage between collection and staff areas in both galleries. The concept of joint administration and operation of the Galleries, including sharing of conservation facilities located in the Freer, is dependent on access and communications via this underground connection.

The funding account for the link is the Quadrangle federal construction appropriation and Institution trust funds in equal amounts. When the $3.5 million budget was established for the Freer link, planning was incomplete and the benefit of subsequent experience in underpinning structures at this site was not available. Subsequently we have completed our planning and have learned that our approach to underpinning must be more conservative. Accordingly the proposed budget has been adjusted to reflect more current knowledge. Discussions with the A/E concerning the present design and cost estimate resulted in an assessment that design refinements, as well as revised underpinning and structural plans, have added approximately $800,000 to the cost of the earlier design concept. In addition, based on advice from the General Services Administration, an amount of $250,000 per year, or in total, $1 million, has been added to the budget for escalation of labor and material costs and for increased construction management costs.

An amount of $310,000 was obligated in the fall of 1984 for preparation of design concepts and working drawings and specifications. An additional amount of $115,000 is anticipated for design and construction management. These amounts are being provided from Quadrangle funds, both federal and trust.

Furnishing of the Link will include approximately $10,000 of public seating to be funded from the Quadrangle furnishing sub-account using federal and trust funds on a matching basis.

FREER BASEMENT RENOVATION

This project will convert approximately 24,000 square feet of the current basement administrative area to new and more effective use, following relocation of staff presently occupying this space to the Quadrangle. The renovated space will provide much needed additional space for exhibitions, conservation, and collection storage to support the Freer collection, as well as the joint operating needs of the Freer and Sackler Galleries.

Unrestricted trust funds in the amount of $181,500 are committed to the GSA for design purposes and are expected to be obligated in Spring 1985. Federal R&R funds in the amount of $2 million are included in the Institution's FY 1986 budget request for construction.

Furnishing and equipping of the renovated basement area will be accomplished using existing items and seeking future federal Salaries and Expenses funds over a several year period. These additional funds, as well as those required for furnishing the expanded courtyard space (described below) are estimated to cost $2.3 million.

FREER COURTYARD

Excavating and construction of a two-story space beneath the existing courtyard garden will provide approximately 8,000 new square feet for required object storage and reference areas for the Freer Gallery exclusively. About one-third of the courtyard will be excavated on one level as part of the connecting link, meaning for practical and economic considerations, full courtyard expansion should be accomplished at the same time. Future construction in this area, including necessary excavation and underpinning, would be excessively expensive and so disruptive to the Museum, that it would not be feasible.

Unrestricted trust funds in the amount of $423,500 are committed to the GSA for design purposes and are expected to be obligated in Spring 1985. Federal R&R funds in the amount of $5 million are being requested for construction, half in FY 1986 and the balance in FY 1987.

Furnishing and equipping costs for courtyard expansion, as well as for renovation of the basement, will be requested as part of future year federal Salaries and Expenses budgets, as needed to supplement existing equipment. Current estimate is $2.3 million.●

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

To address the space problem at the Freer Gallery of Art, this bill includes funds for a renovation and improvement project designed to expand Freer collection storage space by 43 percent and provide 12 percent more exhibition space. Right now, the Freer Gallery has very limited exhibition space and only about 7,000 square feet of storage space. Corridors and offices are used to store furniture.

Painting storage is overflowing and other valuable objects could be damaged unless proper space is created.

The Smithsonian seized an ideal opportunity to improve the situation by combining this project with the construction of the quadrangle project now underway. Construction plans included tearing up half of the Freer courtyard to build a tunnel to the new underground museum. With this construction already in the works, the Smithsonian developed a plan to efficiently expand the project to include increased space for the Freer.

The bill provides $2.5 million for the excavation, underpinning, and construction of a structural shell for the two-thirds of the courtyard area that is not part of the quadrangle link. This expansion will create an additional 15,000 square feet of space primarily for collections storage. This project is a one-time opportunity to take advantage of work already planned for this area. In fact, this construction project was included in the President's budget and recommended by the committee.

Let me also address two concerns expressed by my good friend, the gentleman from Florida.

Besides the space requirements needed for museums generally, the Freer has a special problem. Under the Freer will that donated the museum, no part of the collection can be removed from the facility. As you can imagine, this presents special problems with storage and exhibition space.

There's also been discussion about the cost of the renovation. I understand the gentleman's concern, but any museum storage space must be customized to provide environmentally controlled conditions necessary to protect valuable artworks. In addition, special care must be exercised in dealing with an historic landmark building of architectural distinction.

The amendment by the gentleman from Florida [Mr. SHAW] would deny this unique opportunity and may force a more expensive solution to the space problems at the Freer later on.

Mr. Chairman, I urge my colleagues to oppose the amendment.

Mr. HOWARD. Mr. Chairman, I rise in opposition to the amendment which would delete $2.5 million from the Smithsonian's account for restoration of buildings. Currently, the Freer Gallery of Art is limited in its exhibition space and currently has only about 7,000 square feet of storage space, including areas in its attic. Corridors and offices are used to store furniture and paintings.

An ideal opportunity to correct these deficiencies arises in conjunction with the already planned excavation of one-third of the Freer's courtyard for construction of a tunnel which will link the Freer Gallery with the Sackler Gallery. A project that is included within the quadrangle construction budget. A parallel renovation of the lower level of the Freer and excavation of the remaining two-thirds of the courtyard would increase Freer collection storage space by 43 percent and provide 12 percent more exhibition space. In this regard, an amount of $2.5 million is necessary for the excavation and construction of a structural shell for the two-thirds of the courtyard area.

The courtyard expansion in connection with the ongoing quadrangle link represents a one-time opportunity to take advantage of work similar in character and piggy-back the excavation of the other part. The costs of the alteration and excavation projects are considerable, approximately $180 per square foot, due to the care that must be exercised in dealing with an historic landmark building of architectural distinction and further that the space being created is not conventional office space. If the excavation is not done at this time it is highly unlikely that it will ever be done.

Therefore, I urge my colleagues to oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SHAW] to the amendment offered by the gentleman from Illinois [Mr. YATES].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. YATES], as amended.

The amendment, as amended, was agreed to.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to ask the distinguished subcommittee chairman where in this bill the National Museum Act grants are concealed and how much are they for fiscal year 1986?

Mr. YATES. Mr. Chairman, if the gentleman will yield.

Mr. FRENZEL. I yield to the distinguished chairman.

Mr. YATES. Mr. Chairman, I invite the gentleman's attention to line 4 of page 57, which shows that $793,000 is made available to carry out the provisions of the National Museum Act.

Mr. FRENZEL. Mr. Chairman, may I ask the distinguished chairman if that language is protected from a point of order?

Mr. YATES. It is, may I say to the gentleman.

Mr. FRENZEL. Mr. Chairman, I thank the distinguished chairman for the information.

Mr. Chairman, for the last 4 years this program has not been authorized. Nevertheless, the committee under the protection of a rule waiving points of order has continued, in my judgment, to fund, unwisely and in an unauthorized manner, a program which probably most of the Members of this Congress are not aware of and to which probably most of them would not subscribe

It is a very small amount of money, roughly $800,000. It is, however, spent on a very unusual program in which grants are awarded to various projects in museology. For instance, in the 1985 program, three grants were given for management and observation of herbarium projects. I do not know if any of you guys—any of you people have ever been in a herbarium, but I will bet you did not know we were giving grants to people to study them.

I suppose you probably did not know that five of these grants were awarded overseas, three of them in London, two of them in Rome.

Let me read you a couple other grants, but before I do that, Mr. Chairman, I want to say that the students are serious students. The work is in its own way serious work and these people are not living off the fat of the land on the taxpayers' money. They are rather small stipends to graduate students and postgraduate students in museology.

The problem is these could and should be taken care of privately. The Federal Government has no reason to be in them, particularly when the program is not authorized.

The one that I like best is a $10,000 project, research on "the use of micromanipulation for splitting the embryos of antelopes and exotic sea lions and on interspecies as well as intraspecies transfer of the resulting germinal material."

I will bet you did not know that museology grants were going for that sort of thing.

I will bet you also did not know that we are investigating the environment of historic adobe museums and repairing guidelines on the proper management and care of their collections, because adobe is so different from any other kind of construction.

Now, Mr. Chairman, this is a ridiculous situation. I do not want to make light of these grants, because I do not like to take advantage of silly titles when some fine research is being done and education is being achieved and absorbed.

Nevertheless, I really take objection to the fact that this program has been funded for 4 years, when the authorizing committee has refused authorization.

I serve notice to the distinguished chairman that if this program continues, his committee is going to have great trouble with this bill in the future. It will not be simply a matter of a few hours debate. We will be on this bill for weeks next year.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the distinguished chairman.

Mr. YATES. Mr. Chairman, I was unaware that the authorizing committee has refused to fund this program.

Mr. FRENZEL. I will tell the gentleman, the last year it was authorized was fiscal year 1982.

Mr. YATES. Well, may I say to the gentleman that is true of a number of programs in this bill. For example, the Bureau of Land Management and other agencies that are essential; the Department of Energy is another; the authorizing committees have not gotten around to funding those bills, and yet they tell us to go forward with the appropriation.

The gentleman raises a different point, though, when he says that the authorizing committee refuses to authorize this legislation.

I want to tell the gentleman that I will check with the authorizing committee in view of his objection and I will try to find out whether they can present legislation so that next year we well not have to ask for a rule for this.

Mr. FRENZEL. I thank the gentleman for his contribution and for his explanation.

I will tell the gentleman, with all due modesty, that one of the reasons the committee cannot pass it is because I have not been willing to let it do so.

I think the problem is that the committee is not afraid of me, but it is afraid to take these kinds of projects to the floor and subject them to debate, because they are not going to pass.

Mr. YATES. Which is the authorizing committee, may I ask?

Mr. FRENZEL. The Committee on House Administration.

Mr. YATES. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CONSTRUCTION

For necessary expenses to construct, equip, and furnish the Center for African, Near Eastern, and Asian Cultures in the area south of the original Smithsonian Institution Building, $4,000,000, to remain available until expended.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901-5902); purchase, or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $34,379,000, of which not to exceed $2,200,000 for the special exhibition program shall remain available until expended.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $2,900,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356), including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, $3,342,000.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $144,118,000, of which $128,218,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to groups and individuals pursuant to section 5(c) of the Act, of which not less than 20 per centum of the funds provided for section 5(c) shall be available for assistance pursuant to section 5(g) of the Act, and $15,900,000 shall be available for administering the functions of the Act.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $30,882,000, to remain available until September 30, 1987, to the National Endowment for the Arts, of which $21,617,000 shall be available for purposes of section 5(1): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

AMENDMENTS OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer amendments, and ask unanimous consent that they be considered en bloc.

The CHAIRMAN pro tempore (Mr. BENNETT). Is there objection to the request of the gentleman from Texas [Mr. ARMEY]?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. ARMEY: Page 61, line 7, strike out "$144,118,000" and insert in lieu thereof "$134,260,000".

Page 61, line 7, strike out "$128,218,000" and insert in lieu thereof "$118,678,000".

Page 61, line 13, strike out "$15,900,000" and insert in lieu thereof "$15,582,000".

Page 61, line 18, strike out "$30,882,000" and insert in lieu thereof "$29,400,000".

Page 61, line 20, strike out "$21,617,000" and insert in lieu thereof "$20,580,000".

Mr. ARMEY. Mr. Chairman, my amendments deal with the National Endowment for the Arts. The fiscal year 1985 NEA appropriation was $163.6 million. For fiscal year 1986, the Appropriations Committee has recommended a 7-percent increase to $175 million, $11 million above the House-passed budget resolution.

In the 20 years since NEA was first created, annual appropriations have increased approximately 8,000 percent, Mr. Chairman, from a little over $2 million to $164 million.

My amendment is a simple one. It merely freezes the NEA appropriation at 1985 levels, thereby saving the taxpayers approximately $11.34 million from the committee's recommendation.

☐ 2110

Now, Mr. Chairman, we are all aware of the budget deficit; we are all aware of the difficult problems in spending that we have. The fact of the matter is we must make tradeoffs if we are going to control Federal spending.

We have asked many programs and agencies, and we will ask many more, to take spending cuts. And in many cases where we are asking for people to take spending cuts or freezes, we are asking about programs that deal with the essential needs of the American people.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield for a moment?

Mr. ARMEY. I yield for a moment.

Mr. AuCOIN. The gentleman has made the statement that the figures the committee provides for the arts are over the House-passed budget resolution. There is no function in the House-passed budget resolution for the arts as such, and I am wondering what the gentleman is referring to.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I know that my colleague from Texas knows that, in fact, according to the CBO, the budget analysis, in fact, does list the House-passed budget amount for the National Endowment for the Arts, and also for the National Endowment for the Humanities, and also for the Institute of Museum Services. And it lists the National Endowment of the Arts at $164 million for the House-passed budget as well as the other body's passed budget.

So there seems to be no dispute on that in conference.

Mr. ARMEY. I thank the gentleman.

Mr. AuCOIN. Will the gentleman yield to me again?

Mr. ARMEY. For one more moment. I do have more points that I would like to make.

Mr. AuCOIN. I understand that, and I will ask unanimous consent to give the gentleman additional time if he needs it, and I appreciate the gentleman yielding.

It is not my understanding that the House-passed budget resolution is so line-item specific as to in effect provide a duplicative appropriation for these items. And I do not think the gentleman is accurate when he says

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that this subcommittee has breached the House-passed budget resolution.

Mr. ARMEY. With the gentleman's consent, I will express my agreement with the gentleman from Texas. But even if I do that, let me concede your point, and let me return to the point that I made earlier, that since 1965, the National Endowment for the Arts has had an 8,000-percent increase, from a little over $2 million to $164 million.

Certainly nobody in this body wants to suggest, in light of the difficult budgetary times we have had since 1965, that NEA has been given any short shrift in budget appropriations.

The problem I was addressing before I yielded was that we are asking many programs and many agencies across the National to take their cuts and to live with the freeze. This is something we must do. Everybody is aware of the budget deficit. Everybody is aware of the problems we have in trying to get a handle on that.

I am saying that NEA, that speaks to important needs, and let me address that because I share the committee's awareness of how important the arts are. The arts do give us a certain dimension to our lives; they add beauty and, indeed, a perspective on human events and human action that is important to us. I know the committee appreciates that, and I also want to express my appreciation for the hard work the committee has done. The committee has been very thorough.

But in this case, I think we have perhaps indulged here a very important, but yet favored, interest over that of many competing interests.

Now it is in that respect, it is for a budgetary reason that I rise to ask for the freeze, to ask the NEA to take the same cuts as somebody else.

Let me speak now to another concern.

The CHAIRMAN pro tempore. The time of the gentleman from Texas [Mr. Armey] has expired.

(On request of Mr. AuCoin and by unanimous consent, Mr. Armey was allowed to proceed for 2 additional minutes.)

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. Let me take my 2 minutes.

Mr. AuCOIN. I just got the gentleman time. Would he yield to me?

Mr. ARMEY. All right, if I can have one of those minutes.

Mr. AuCOIN. Surely.

Mr. YATES. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 5 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARMEY. I thank the chairman.

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman yielding. The gentleman made the statement that the program has grown by 8,000 percent since 1965. I would have to tell the gentleman that what he is referring to is the growth of the program since its inception.

If he wants to apply the same standard to the Department of Defense, for example, I can only guess at what the percentage of growth would be from the time of it being an embryo to the point where it became a full-fledged agency. The fact of the matter is this program has grown by 2 percent per year over the last several years leading us to the figure we have today, a very modest, moderate rate of growth, and not nearly as radical, or radical at all as the gentleman would seem to suggest.

Mr. ARMEY. Again, if you will, I will concede your point. And I would suggest that perhaps the Defense Department—I have not checked the figures—but perhaps they have not grown by the 2 percent that you have talked about. And furthermore, I do not think I would follow your suggestion that I equate funding of the National Endowment for the Arts with the national defense. I think one is an absolutely imperative function of the Government that we must carry out; and the other is, indeed, I think, an indulgence of, again, as I said, an important human interest and desire, but not one that is an essential function of the Government.

Mr. YATES. Mr. Chairman, will the gentleman yield for a question?

Mr. ARMEY. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I am reading from the Chronicle of Higher Education in Washington for May 15, and it says this:

> At least five hearings have been scheduled by the panel's Subcommittee on Select Education during the coming months to look at the endowments activities in more detail. Before the committee approved the bill, Rep. Richard Armey, Republican of Texas, attacked some poetry grants financed by the arts endowment, charging that the poems produced were obscene.
>
> He also charged that there was cronyism involved in the award of some grants, and that members of peer review panels had approved awards that went to publishing companies they were associated with. He won a commitment from committee leaders that the hearings would look into his allegations.

I would ask the gentleman if that is a correct depiction of what happened?

Mr. ARMEY. Yes, it is; and I appreciate the gentleman raising that because that is the point to which I was moving.

In fact, I did raise that point about 2 months ago. The gentleman from Texas [Mr. DeLay] will probably be speaking soon and is also concerned about that, and he has taken the liberty to bring those poems to the floor. I would be happy to have any Member of the House read those poems.

The fact of the matter is I have very real concerns about the matter on which the NEA spends funds, but also the manner in which they make spending decisions, and I raise those questions. I raised them with the National Endowment for the Arts. I have not been happy.

Just recently, I fell into a publication called "Z-Political Fictions." It says in here that it is funded, supported in part by the National Endowment for the Arts. I have checked with the National Endowment. It took them 2 days to confirm that, yes, indeed, they have given a grant to some agency that in turn had given money here. They did not even know what they were funding.

I think it is a matter, it is a requirement of our office that when we appropriate funds to any agency we know where those funds are and give surveillance. The agency must account to us. The agency has not been cooperative with me, and I do not believe that the gentleman from Texas [Mr. DeLay] would suggest that they have been cooperative with him.

But I do have the poems here that did bother me at that time and do bother me at this time. I sat in my office with seven young, virile men, and not one of us could read several of these poems aloud, they were that bad.

Mr. YATES. Will the gentleman yield further?

Mr. ARMEY. Yes; I yield to the gentleman from Illinois.

Mr. YATES. I am concerned with the gentleman's statement that the agency has not been cooperating with you. I called Frank Hodsoll personally and I told him that I knew of your efforts and those of Mr. DeLay, and I told him that he ought to cooperate fully with you, and he told me that he would.

Now I am informed by the people at the National Endowment for the Arts that you have had your staff members there, and the gentleman from Texas [Mr. DeLay] has his staff members there, and they are pouring through the files and they are trying to find additional poems. Is that not correct?

Mr. ARMEY. I do not know that any of my staff have been there. I do believe Mr. DeLay's staff have.

But again, do we not have not only the right but the responsibility to pour through the files, as it were? If we paid for the material, should it not be accessible to us, or should it be something that, indeed, they should prefer we not seek out?

Mr. YATES. Will the gentleman yield further?

Mr. ARMEY. Yes; I yield to the gentleman from Illinois.

Mr. YATES. The gentleman said it was correct that you had won a commitment from the committee leaders to look into your allegations. Does not the gentleman believe that that is the proper forum to go into these questions?

That committee is now undertaking hearings for the purpose of determining whether NEA should be reauthorized. I would think that that is the place that the gentleman should bring his complaints, as he did. And I think that the committee should go into those questions.

I will tell the gentleman in passing also that we raised the question of the buddy-buddy system, that the question raised some time ago, and we went into hearings on that periodically during the tenure of Nancy Hanks as the Administrator and during the tenure of Liv Biddle as the Administrator, and we have gone into it with Mr. Hodsoll as well, because we hear these rumors and we hear these statements.

The CHAIRMAN pro tempore. The time of the gentleman from Texas [Mr. Armey] has again expired.

(On request of Mr. Yates and by unanimous consent, Mr. Armey was allowed to proceed for 2 additional minutes.)

☐ 2120

Mr. YATES. It is important that we do this; the gentleman is right. Because the peer panel review is the guts of this system. It provides for supervision, for review by the peers of those who are applying and it is essential, it is essential that a fair system, the essence of fairness be there because so much goes into the application, so much of a person's life and hopes and dreams goes into the applications that go into these endowments for approval. And it is necessary that they get a fair trial and they get a fair hearing by them. So it is important that the panels be constituted by people who know their business and by people who are the essence of fairness. I take very seriously the gentleman's allegation.

Mr. ARMEY. If I may reclaim my time.

I appreciate the gentleman's concern and know he did indeed respond to us. After he responded to our inquiries, I know NEA responded much more favorably. My suggestion is that we do it now for budgetary reasons first and foremost but also out of these concerns, vote now on the freeze and at the same time talk to NEA, pardon the vernacular as they demonstrate that they are doing better we may be able to do this sometime in the future.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding.

I serve as the ranking Republican on the Select Education Committee which is going through the reauthorization of the National Endowment for the Arts. I respect the chairman of the subcommittee a great deal, who is very familiar with these endowments and has worked in the vineyards through the years. I think the arguments of the gentleman from Texas, and I listened carefully to him as he presented these as budgetary and economic arguments, that the National Endowment for the Arts should not be singled out for an increase.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. YATES. Mr. Chairman, I move to strike out the last word.

I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman.

I think the gentleman from Texas made his arguments on a budgetary and an economic basis that we should not single out the National Endowment for the Arts as the program that would break out of the House-passed budget resolution, as the program that would break out of a fiscal year 1985 freeze. The gentleman's motion is straightforward. This is not an authorizing program. This is simply an appropriation. I think the gentleman's amendment would appropriate a fiscal year budget freeze in line with the House-passed budget resolution.

I thank the gentleman for yielding.

Mr. ARMEY. Mr. Chairman, will the gentleman yield for a response?

Mr. YATES. I would be glad to yield to the gentleman from Texas.

Mr. ARMEY. I thank the gentleman.

My disappointment in the material and procedures as I found at NEA was only slightly greater than my disappointment in the level of enthusiasm with which the committee responded to my concerns. So I do not take great confidence in the extent to which I was given assurance. Nevertheless, we still, I think have to start with this budgetary concern and see that as the foundation of our concern. Then the others are of course points that you mentioned.

Mr. YATES. Let me tell the gentleman how this committee acted. Why did we, knowing the constraints that the House was voting on other programs, why did we increase this program? We did this year what we did last year. Last year the committee voted $175 million for the National Endowment for the Arts, the same sum as this year. That amount was subjected to a 3-percent cut across the board in the House of Representatives and it reduced it to $169 million approximately. It was then submitted to, in bargaining with the other body, we agreed upon $167 million and then there was another cut that was made necessary in order to persuade the White House to sign the bill and it went down to $163 million. That was the background for what we did this year as well. We started out with $175 million. What is a freeze? When we talk about freezing a particular level, must it be the same amount for each program? Or are we talking about the totals?

If we are talking about the totals, our bill, according to our calculations, is $346 million below the level of the same bill in 1985.

What we did was to reduce the 1985 program levels for 88 different programs. Having done that, we looked around and we said, "Well, some of these other programs should have increases." We put increases over the budget for Indian health programs, for example, we put increases over the budget for Indian education, increases over the budget for various kinds of public lands and public parks and things of that sort. We tried to balance the bill. Had we maintained the strict freeze approach that I think the gentleman is using, we would have not gone over the 1985 levels in programs that to us were manifestly in need of extra funding. But we nevertheless had our target on the overall level of the bill. And in that respect we brought this House a responsible bill, a bill that cut as we thought the House would cut. But we thought that the arts for which the committee approved $175 million last year should have the same chance this year to start out at that level.

That is the explanation as to why this bill got to $175 million.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding.

I want to concur in the remarks of the distinguished subcommittee chairman. I think it is a complete misunderstanding of the budget process to believe that it requires the appropriations subcommittees and the full Appropriations Committee to hold every program at the same level as last year. That just is not so. First of all, the budget resolution can in no way enforce that level of detail on the House. It simply sets certain levels for functions set forth in the budget resolution. The 1974 Budget Act then provides that the full amount of money to be appropriated is passed on by the Budget Committee to the Appropriations Committee and the Appropriations Committee then divides that money among its subcommittees. And the gentleman's subcommittee got its 302(b) allocation from the full Appropriations Committee and this is within it. And that is what is necessary to enforce the budget process.

Now in terms of the sentiment of this House to have a freeze, I submit to the gentleman that it is simply necessary to look at the appropriation bill last year and then the appropriation bill this year.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(On request of Mr. Green, and by unanimous consent, Mr. Yates was allowed to proceed for 3 additional minutes.

Mr. YATES. I yield to the gentleman from New York.

Mr. GREEN. It has never been contemplated that every item in every appropriation bill cannot grow from last year. I would like to ask any of the gentlemen who are advocating this amendment whether they voted for the Dellums amendment on the space defense initiative when the Defense Authorization Act for 1986 came on this floor? It they really believe that every program in every bill has to be frozen at the current year's level, why did they not vote for the Dellums amendment to freeze the space defense initiative? I would suggest that this bill ought to be put to no different test from the defense bill in that respect.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Texas.

Mr. ARMEY. I do not believe we ought to freeze across the board. I voted to raise spending in some levels. My preference would have been to cut this by 5 percent, this particular appropriation. Others I may want to freeze. I settled on a freeze here because I was trying to work out a response that we could pass in this House in an orderly fashion. But, yes indeed, I agree with the gentleman, freeze is not necessarily a magic word; sometimes we freeze, sometimes we raise, sometimes we lower. But a 7-percent raise for the National Endowment for the Arts when I have the concerns I do at this time is not something I can vote for.

I think quite frankly a freeze was generous on my part.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman yielding.

Mr. Chairman, I have voted for freeze amendments myself on the floor this year. But I want to tell my colleague that this bill is under current-year levels. Let us keep that in mind when we consider this bill. It is entirely appropriate for this subcommittee to make adjustments within that ceiling between various accounts. That is what appropriation committees are all about.

Furthermore, in eight of the agencies funded by the subcommittee, we make cuts in 1986 over the 1985 level.

I appreciate the gentleman yielding.

□ 2130

Mr. YATES. Just to supplement what the gentleman has said, we are $346 million below the 1985 level, and we are $284 million below our 302(b) allocation, under the House-approved budget bill.

So we did act responsibly, and I suggest we acted responsibly with respect to the arts program as well. I gave the gentleman the background; I respect the gentleman's opinion, I know that he is serious and I know that his amendment is serious.

I suggest, however, and I would hope that he would support the committee.

Mr. REGULA. Would the chairman yield?

Mr. YATES. I yield to the ranking member.

Mr. REGULA. I thank the chairman for yielding, and that is an accurate statement; that we made priority judgments. That is why we have committees, to determine what is the appropriate level for many, many different functions, and I think this is a reflection of the fact that we felt that this had a higher priority than some others and we made the adjustments, but the total is still $300 million under the 1985 level for the bill, and that is good management.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to reemphasize something I said in my opening remarks, and that is that this appropriation generates a lot of private money, because most of the NEA appropriation is tied to matching funds at the local level. In the case of programmatic appropriations, it is a 3-to-1 match; in the case of some of the other portions, it is a 1-for-1 match.

So in effect, for every dollar we appropriate to the NEA, we generate at least an additional dollar in the private sector, and in some instances much more.

Mr. ARMEY. Will the gentleman yield?

Mr. REGULA. I yield to the gentleman.

Mr. ARMEY. I really must take exception with the logic presented. What the gentleman is saying is, for every dollar we give the NEA, we require them to initiate and secure a transfer of some private money from some other purpose to their purpose. That is in effect, they have to earn part of their way.

It is not as if they generate dollars back to the U.S. Treasury or back to the taxpayer.

Mr. REGULA. No, that is not what I said.

Mr. ARMEY. Well, but there is a suggestion——

Mr. REGULA. I said it generates private dollars toward the activities nationally in the art field.

Mr. ARMEY. Again, from my point of view, because I hear a lot of budgetary talk here that is really quite fascinating to me.

Where I come from, you freeze what you had to spend last time; that is where you freeze. I would like to freeze at where, at what level I wanted to have last year, but I could not freeze at that level, you see.

Also, if you tell me I am going to generate another dollar back or in some way; that does not mean a thing to me. If I give you a dollar and say I am going to generate another dollar for myself.

Mr. REGULA. I understand the gentleman's point of view, and I am just making the point that it does generate additional dollars.

I think the important thing is the committee's responsibility is to make priority judgments within the constraints of fiscal year 1985 and hopefully less, as we have achieved.

Mr. ARMEY. If the gentleman will yield again.

Mr. REGULA. I yield further to the gentleman from Texas.

Mr. ARMEY. I do want to reemphasize that I have watched the committees' work today, all day, and you have done a good job; you have been very thorough, and you have made priority judgments. It just happens that this is one judgment that I disagree with, and I think we have the Whole House, then, to adjudicate such differences of opinion.

Mr. REGULA. That is a fair——

Mr. ARMEY. I do want to agree that I have a great deal of respect for the hard work, the judgment and the sense of preference revealed by the members of the committee. I just happen, in this case, to disagree and appeal to the House for its point of view.

Mr. REGULA. I thank the gentleman for his comments.

Mr. DOWNEY of New York. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, a number of points have been raised that I think deserve a little clarification. Let us deal first with the issue of budget.

In the budget, what we do is we deal with functional categories that go across committee jurisdictional lines. As has been pointed out here today, the Interior Appropriations Committee is under, I repeat, is under the budget that the House Budget Committee has adopted.

That does not mean that various elements, as in the case of the arts funding, are below that number, and as has been explained, it is up to the committee—not to the Budget Committee, not

to anybody else—to make decisions as to how to allocate the money.

Now they have decided to make the incremental increase in the arts funding this year over last year. There are good reasons for that.

The gentleman from Ohio [Mr. Regula] pointed out one reason for increased funding that bears further explanation. The point that he made was that the money that is provided through the NEA and the NEH serves to leverage a great deal of private money.

As most of my colleagues know, the vast majority of money for the arts comes from the appropriate sources in this country; namely, not the Government but individuals and institutions. The greatest subsidizer of the arts in America are the individual artists themselves who, for the most part, work without recognition for long periods of their lives, dedicated to their art.

There is also a great deal of money that comes from corporations and from individuals. A very, very small portion of money for the arts comes from the National Government. The small portion of the money that comes from the National Government goes to provide money toward those fledgling artists or groups to encourage excellence, access for the public, financial stability, and educational opportunities.

The principles of the original act in 1965 have been met in a glorious fashion. The evidence is all across the country in the form of new community orchestras, theater groups, and art museums.

Let me try to explain why a little public money can lead to a great deal of private support. Let us assume that you have a fledgling senior citizen orchestra in your district that needs the money for sheet music, or might need a small, additional incremental amount of money to go on tour.

If the NEA decides that such a venture is worthwhile they will, after careful review, provide a small amount of money for this project, and this effort must then be matched by individuals and corporations in the community so that that orchestra can do additional concerts, or in the case of some orchestras, travel around the country.

The money, the small amount of money that is provided here, leverages millions of dollars from private individuals and from corporations.

If you cut this budget, if the budget is reduced in this amount; it will mean that the private money will be lost as well. The old Reagan contentions that if the NEA is cut that the reductions will be made up by private sources is a fallacy. Reducing the NEA will stop some orchestras from touring, limit the activity of the museum, and help to stifle creative and talented people in our country. We will lose much more than money by this reduction.

Let me deal for one moment with this question of the poetry that has been raised.

The gentleman from Texas I do not believe would make the argument that the reductions that they are seeking here in any way are connected to the issue of the offending poetry. Because it is clear that we cannot do that. That has to take place in the authorizing committee. That has to be dealt with when we deal with the whole literature grant program, which in my opinion is an excellent program.

□ 2140

So, let us not suggest, for a moment, that the poetry that is being passed out on the floor is somehow going to be removed by this amendment. It will not be. It is like dropping an atomic bomb on an artist colony to get rid of a few of the offending poets. You would kill a whole variety of music programs, of art programs with this approach, if you believe that this amendment is somehow going to do away with one or two poems that offend you, look again.

So I ask you, my colleagues, to understand that this bill is under the budget, No. 1; No. 2, it leverages enormous amounts of private money. And if we decide to reduce it, as the gentleman from Texas suggests, we are going to work a hardship on a great number of people that, frankly, in my opinion, do not deserve to be hurt.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in support of this amendment, along with the two amendments that would likely follow, to likewise freeze the National Endowment for Humanities and the Institute of Museum Services. I would like to bring back to the committee the understanding that this is an economic argument, it is an argument over priorities, it is an argument over the budget, and it is an argument over the deficit.

I serve as the ranking minority member on the Select Education Subcommittee of the Education and Labor Committee, and at a later time this fall, we will continue with a set of hearings and markups to consider the various authorizing kinds of issues that have been raised during this debate.

Mr. Chairman, it is important to understand that the National Endowment for the Arts, under H.R. 3011, would be proposed to be increased by 6.5 percent, the Humanities by 7 percent and the Museum Services by 4.6 percent. This House has frozen at fiscal year 1985 levels program after program. I do understand that there is a difference of freeze in the aggregate versus program by program, but the fact is that the Endowments and Museum Services are separate and identifiable programs, and this House ought to consider whether this is a program, whether these endowments somehow ought to be separated out for increases this large. I think while the committee can obviously recommend it, the House will not choose to make that decision.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman yielding.

The gentleman makes the point that these are separate agencies. But again, the gentleman has to concede the point that these agencies, along with numerous others, are all subject to the appropriation in the bill before us, and that in the bill before us, the level of appropriation is not frozen at the current-year level but actually is $300 million less than the current-year level. The committee clearly has the right and the duty to make priorities.

Mr. BARTLETT. Reclaiming my time, this Congress then has to decide what the priorities should be and whether, in the face of the reauthorization which has not yet occurred for a multiyear, these three programs, the Arts, Humanities and Museum Services, are somehow deserving of increases this large.

I would like to call to the attention of the committee the CBO Budget analysis of the Unified Budget, which clearly breaks out the Arts, Humanities and Museum Services and demonstrates that at least in their opinion the House-passed Budget resolution contained a freeze amount.

I would also like to call to the committee's attention the recommendation from the National Endowment for the Arts itself. The National Endowment for the Arts, itself, in a letter signed by Frank Hodsoll, the chairman, said, in part:

> I also understand that amendments to this bill are being considered which would bring the Endowment's budget at current level fiscal year 1985 to $163 million, consistent with the House and Senate Budget regulations. I would urge you to accept these amendments. Making this contribution to reducing the Federal budget deficit seems to me reasonable. It will also not interfere with the Endowment's ability to support the arts in this country.

Now, the House should not think that somehow the Endowment for the Arts has been cut year after year. In fact, beginning in 1976, the appropriation was $2.5 million. By 1971, it had increased to $15 million. By 1977, to $94 million. And the current $163 million level of funding in nominal terms is the largest amount every appropriated for the National Endowment for the Arts.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman yielding again. I think it is useful to have exchanges between Members, and I appreciate it in that spirit.

The gentleman, though, repeated his point that the CBO has functional items, categories, and that it is so specific as to enumerate for the purposes of the budget resolution, the endowments. I would have to tell the gentleman that the function under which the endowments fall is the education function. CBO makes approximations as to how the expenditures might fall out, but I think the gentleman would agree that those are not the ceilings, the limits that are imposed by the budget resolution. He is wrong if he believes that.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from Illinois [Mr. Yates] is recognized for 5 minutes.

There was no objection.

Mr. YATES. Mr. Chairman, I have discussed the matter with the gentleman from Ohio [Mr. Regula], the ranking minority Member. I have discussed it with the gentleman from Texas [Mr. Armey], and I have discussed it with the gentleman from Texas [Mr. DeLay], who has a prospective amendment which he proposed to offer. All of us are in agreement with freezes to be made, with a freeze at last year's level for the National Endowment for the Arts, plus $3 million for the National Endowment for the Arts. There will be amendments offered, as well, to fix the levels for the National Endowment for the Humanities and for the Institute for Museum Services at last year's levels, as well.

Now, I have an amendment that I sent to the desk, which is an amendment to the amendment of the gentleman from Texas [Mr. Armey].

The CHAIRMAN. Does the gentleman from Illinois [Mr. Yates] yield back the balance of his time?

Mr. YATES. I yield back the balance of my time on my motion for the striking of the requisite number of words.

AMENDMENT OFFERED BY MR. YATES TO THE AMENDMENTS OFFERED BY MR. ARMEY

Mr. YATES. Mr. Chairman, I offer amendments to the amendments.

PARLIAMENTARY INQUIRIES

Mr. DeLAY. Mr. Chairman, I have a parliamentary inquiry.

Have we disposed of the Armey amendment as yet? Is the gentleman amending the amendment?

The CHAIRMAN. The Chair has not yet put the question on the Armey amendment. The gentleman from Illinois is offering an amendment to the Armey amendment.

Mr. ARMEY. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ARMEY. It was my understanding that the gentleman from Illinois was going to offer an amendment to my amendment. Is that correct?

Mr. YATES. Correct.

The CHAIRMAN. And that is also the Chair's understanding, if we can just have the amendment read.

The Clerk will report the amendment.

The Clerk read as follows:

Amendments offered by Mr. Yates to the amendments offered by Mr. Armey:

Page 61, line 7, strike out "$144,118,000" and insert in lieu thereof "$137,260,000".

Page 61, line 7, strike out "$128,218,000" and insert in lieu thereof "$121,678,000".

Page 61, line 13, strike out "$15,900,000" and insert in lieu thereof "$15,582,000".

Mr. YATES [during the reading]. Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Chairman, this amendment adds $3 million to the freeze level which was the 1985 level for the National Endowment for the Arts, for the purpose of carrying out an initiative of the committee to provide for greater funding of television and radio broadcasting of the arts on the Public Broadcasting System and National Public Radio, above the programs they have had in the past.

This is in furtherance of the agreement that we have had with the various people I have talked about, and it is my understanding that the gentleman from Texas [Mr. DeLay], who has proposed to offer a substitute, will not offer his substitute.

□ 2150

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, it is my further understanding then that the gentleman from Illinois will be prepared to accept the amendments, the freeze amendments and humanities and museums?

Mr. YATES At 1985 levels.

Mr. BARTLETT. At 1985 levels. I thank the gentleman.

Mr. DeLAY. Mr. Chairman, I move to strike the last word.

I only take this small amount of time to point out and make very firm in everybody's mind my concerns, and I felt that this agency could be cut even 10 percent. Even the President's budget is lower than my amendment for cutting 10 percent. So I felt a 10 percent cut was very much in order.

I am not going to offer that amendment because of the agreement reached, but I think that I would like to get into the Record a few of my concerns, concerns that we have been promised hearings will be held on these concerns. It is not only the pornography that is on this floor and many Members read that we cannot read over the mike or we cannot read in this chamber or cannot put in the Record for obvious reasons. But it is also a grant program by the Design Grants Department that I have a lot of concern with. That grant program gives grants, for instance, a $3,000 grant for a three-part series on the relationships between people and their cars. A $10,000 to research, design and test a new bathtub design. A grant that was given to a person who is not even a United States citizen to study an interreflection light theory and to translate his earlier work into English, amounting to about $10,000. I have $400,000 of those kinds of grants on a list right here. It goes even further than that, where this particular person, a person who received a $10,000 grant to take pictures of amusement parks on the Atlantic coast, received over a 13-year period eight grants from the NEA totaling almost $45,000.

So these are my concerns. These kinds of grants that I have concerns about, not only those but the grants that are awarded for what I consider pornography submitted to the panel at NEA.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. DeLAY. I yield to the gentleman.

Mr. HYDE. I want to commend the gentleman for his initiative. I think it was through his persistence on this issue that we have reached a satisfactory understanding this evening, and I think that you are to be praised for your not letting this issue get swept under the rug. I think it is good to remind the other side that this issue comes up every year, and I hope you do get the hearings that they have promised you on how some of this stuff is selected.

Mr. DeLAY. I just want to thank the chairman for working with us and for coming to a satisfactory conclusion.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when the distinguished chairman of the Interior Subcommittee announced the compromise which includes a freeze on the three items listed, arts, humanities and institute of museums, and an extra amount of $3 million in another account, he did not also include the item that was also agreed to, and that was that I shall not offer my across-the-board cut amendment, which I have already notified all the Members by letter, that I would do. That is part of the agreement and part of my response to the chairman's cooperative attitude on the handling of this matter, and the assurances given to the gentleman from Texas [Mr. DeLay] that we will look into the garbage that is apparently being generated in the name of art.

I am pleased to support the chairman, and I congratulate him for having reached this accommodation.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words.

I yield to the gentleman from Wisconsin [Mr. Moody].

Mr. MOODY. Mr. Chairman, I will only take a few seconds to not let go unchallenged something that has been said on this floor, although not explicitly in debate. That these poems that were handed out were all funded by NEA. They consist of two batches. The first batch of seven poems was not funded by NEA; we have checked this out thoroughly. These were other works by authors who received grants from NEA not funding those poems.

The second batch of four pages was funded by NEA, the second batch was funded, not the first batch, and those were selected out of 2,000 pages of poetry. They found four. They sent three young aids over there to find dirty words and found four pages. The first batch is not NEA.

Mr. YATES. What the gentleman was saying comes from the letter that I received from the Administrator of NEA, Frank Hodsoll. This was a statement that appeared in his letter.

Mr. DeLAY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. DeLAY. I thank the gentleman.

I would like to point out to the gentleman how could Hodsoll do that because he does not even have records. Those poems that are in that list, you cannot prove that they saw those poems before they granted it, but you can sure prove that those smut poets that wrote those poems received grants from NEA; we have proven that.

The gentleman did not prove that there was not more poems there because we did not have time to go completely through all the records of NEA. So the gentleman is absolutely wrong. The last poems were read by the panelists and grants were offered. So the gentleman is absolutely wrong and so is Hodsoll.

● Mr. LEVINE of California. Mr. Chairman, I am pleased that an agreement was reached by which the amendment proposed by Representative DeLay to reduce funding by 10 percent for the National Endowment for the Arts was not offered. That amendment would have constituted congressional censorship, even if the material at issue was in poor taste. While I recognize that some Members of Congress feel that they are on a legislative hot streak after having recently denied blind people access to Playboy magazine, I believe that Congress should exercise great caution in determining the cultural mores for the rest of country.

It would be disturbing, Mr. Chairman, if any Member of Congress could arbitarily determine that poems are unworthy of Federal support and that our Nation's arts agency should be penalized for a few selections if any of us might find unappealing or distasteful.

Mr. Chairman, unlike totalitarian regimes, it has never been part of our Nation's tradition to apply arbitrary standards to suppress or censor the writings of others. Therefore, I am pleased this amendment was dropped and I commend my colleagues for achieving this result.●

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois [Mr. Yates] to the amendments offered by the gentleman from Texas [Mr. Armey].

The amendments, to the amendments, were agreed to.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. Armey], as amended.

The amendments, as amended, were agreed to.

Mr. FRENZEL. Mr. Chairman, I have an amendment at the desk which causes a freeze in the humanities. I would ask the Chair if the amendment of the gentleman from Illinois actually covered the National Endowment for the Humanities, or whether it only included the Endowment for the Arts.

Mr. YATES. If the gentleman would yield, it included only the arts.

Mr. FRENZEL. Mr. Chairman, I would like to move my amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $119,964,000, of which $105,854,000 shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, of which not less than 20 per centum shall be available for assistance pursuant to section 7(f) of the Act, and $14,110,000 shall be available for administering the functions of the Act.

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Frenzel: National Endowment for the Humanities; Grants and Administration: Page 62, line 8, strike out "$119,964,000, of which $105,854,000", and insert in lieu thereof "$111,599,000, of which $98,929,000", and on page 62, line 13, strike out "$14,110,000", and insert in lieu thereof "$13,120,000".

National Endowment for the Humanities; Matching Grants: Page 62, line 18, strike out "$30,036,000", and insert in lieu thereof "$27,929,000".

Mr. FRENZEL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRENZEL. Mr. Chairman, I support the Yates compromise to freeze appropriations for the National Endowments for the Arts and Humanities, and the Institute for Museum Services at last year's levels.

This is a reasonable way to settle a controversy about these spending items. Nonetheless, I believe that the committee has not been faithful to the House budget resolution. This appropriation is $140 million over last year's discretionary spending.

So far, for fiscal year 1985, the current year, we have spent more than $19 billion over our first budget resolution. We have even exceed the budget resolution passed July 24, 1 week ago.

Every appropriations bill passed this year was over the freeze levels agreed in the budget resolutions. Nearly every bill, save this one, underfunded the salary account by 5 percent. That alone will put us about $1 billion over our own budget.

In my judgment, there is no merit at all to the claim that the appropriations bring in bills under budget.

In fact, it fully funds, or overfunds, discretionary items and underfunds mandatories and entitlements. The results are that, each year, supplemental appropriations are required. Those supplementals invariably bust the budget.

So much for frugality, now for aesthetics. I like the NEA, and have less affection for NEH. When we thought money was available, I voted for substantial increases in the annual appropriations for each. I believe the Federal Government has a role albeit a limited one, in promoting and encouraging the arts.

But, when this House votes for a freeze in discretionary spending, NEA and NEH ought to be a part of that freeze. The Yates amendments makes them conform to the spirit of our budget, feeble as it is, and I congratulate him for offering it.

I also congratulate the two gentlemen from Texas [Mr. Armey and Mr. DeLay] whose diligent work to achieve budget discipline, at least in this limited area, was successful tonight.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. Frenzel].

The amendment was agreed to.

□ 2200

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $30,036,000, to remain available until September 30, 1987, of which $18,643,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

Institute of Museum Services

GRANTS AND ADMINISTRATION

For carrying out title II of the Arts, Humanities, and Cultural Affairs Act of 1976, as amended, $23,220,000: *Provided*, That none of these funds shall be available for the compensation of Executive Level V or higher positions.

AMENDMENT OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer an amendment. The amendment would present the agreed upon freeze in Museum Services.

The Clerk read as follows:

Amendment offered by Mr. Armey: Page 63, line 6, strike out "$23,220,000" and insert in lieu thereof "$21,560,000".

Mr. ARMEY. Mr. Chairman, I do not think I will need the time. I think we have reached agreement.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

Mr. Chairman, we accept the amendment.

Mr. ARMEY. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Armey].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided*, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses.

Commission of Fine Arts

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $377,000.

Advisory Council on Historic Preservation

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing an Advisory Council on Historic Preservation, Public Law 89-665, as amended, $1,585,000: *Provided*, That none of these funds shall be available for the compensation of Executive Level V or higher positions.

National Capital Planning Commission

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71-71i), including services as authorized by 5 U.S.C. 3109, $2,721,000.

Franklin Delano Roosevelt Memorial Commission

SALARIES AND EXPENSES

For necessary expenses of the Franklin Delano Roosevelt Memorial Commission, established by the Act of August 11, 1955 (69 Stat. 694), as amended by Public Law 92-332 (86 Stat. 401), $21,000, to remain available for obligation until September 30, 1987.

Pennsylvania Avenue Development Corporation

SALARIES AND EXPENSES

For necessary expenses, as authorized by section 17(a) of Public Law 92-578, as amended, $2,316,000 for operating and administrative expenses of the Corporation.

PUBLIC DEVELOPMENT

For public development activities and projects in accordance with the development plan as authorized by section 17(b) of Public Law 92-578, as amended, $3,250,000, to remain available for obligation until expended.

United States Holocaust Memorial Council

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96-388, $2,119,000.

The CHAIRMAN. The Chair would like to state that the next title, which is title III of the bill on page 65, will be read by title.

The Clerk will read.

The Clerk read as follows:

TITLE III—GENERAL PROVISIONS

Sec. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

Sec. 302. No part of any appropriation under this Act shall be available to the Secretaries of the Interior and Agriculture for use for any sale hereafter made of unprocessed timber from Federal lands west of the 100th meridian in the contiguous 48 States which will be exported from the United States, or which will be used as a substitute for timber from private lands which is exported by the purchaser: *Provided*, That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs.

Sec. 303. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: *Provided*, That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.

Sec. 304. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

Sec. 305. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 306. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

Sec. 307. Except for lands described by sections 105 and 106 of Public Law 96-560, section 103 of Public Law 96-550, and except for land in the State of Alaska, and lands in the national forest system or public lands which have been released for nonwilderness uses by any Act of Congress designating components of the National Wilderness Preservation System now in effect or hereinafter enacted, and except to carry out the obligations and responsibilities of the Secretary of the Interior under section 17(k)(1) (A) and (B) of the Mineral Leasing Act of 1920 (30 U.S.C. 226), none of the funds provided in this Act shall be obligated for any aspect of the processing or issuance of permits or leases pertaining to exploration for or development of coal, oil, gas, oil shale, phosphate, potassium, sulphur, gilsonite, or geothermal resources on Federal lands within any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning in Executive Communication 1504, Ninety-sixth Congress (House Document numbered 96-119); or within any lands designated by Congress as wilderness study areas or within Bureau of Land Management wilderness study areas: *Provided*, That nothing in this section shall prohibit the expenditure of funds for any aspect of the processing or issuance of permits pertaining to exploration for or development of the mineral resources described in this section, within any component of the National Wilderness Preservation System now in effect or hereinafter enacted, any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning, within any lands designated by Congress as wilderness study areas, or Bureau of Land Management wilderness study areas, under valid existing rights, or leases validly issued in accordance with all applicable Federal, State, and local laws or valid mineral rights in existence prior to October 1, 1982: *Provided further*, That funds provided in this Act may be used by the Secretary of Agriculture in any area of National Forest lands or the Secretary of the Interior to issue under their existing authority in any area of National Forest or public lands withdrawn pursuant to this Act such permits as may be necessary to conduct prospecting, seismic surveys, and core sampling conducted by helicopter or other means not requiring construction of roads or improvement of existing roads or ways, for the purpose of gathering information about and

inventorying energy, mineral, and other resource values of such area, if such activity is carried out in a manner compatible with the preservation of the wilderness environment: *Provided further*, That seismic activities involving the use of explosives shall not be permitted in designated wilderness areas: *Provided further*, That funds provided in this Act may be used by the Secretary of the Interior to augment recurring surveys of the mineral values of wilderness areas pursuant to section 4(d)(2) of the Wilderness Act and acquire information on other national forest and public land areas withdrawn pursuant to this Act, by conducting, in conjunction with the Secretary of Energy, the national laboratories, or other Federal agencies, as appropriate, such mineral inventories of areas withdrawn pursuant to this Act as he deems appropriate. These inventories shall be conducted in a manner compatible with the preservation of the wilderness environment through the use of methods including core sampling conducted by helicopter; geophysical techniques such as induced polarization, synthetic aperture radar, magnetic and gravity surveys; geochemical techniques including stream sediment reconnaissance and X-ray diffraction analysis; land satellites; or any other methods he deems appropriate. The Secretary of the Interior is hereby authorized to conduct inventories or segments of inventories, such as data analysis activities, by contract with private entities deemed by him to be qualified to engage in such activities whenever he has determined that such contracts would decrease Federal expenditures and would produce comparable or superior results: *Provided further*, That in carrying out any such inventory or surveys, where National Forest System lands are involved, the Secretary of the Interior shall consult with the Secretary of Agriculture concerning any activities affecting surface resources: *Provided further*, That funds provided in this Act may be used by the Secretary of the Interior to issue oil and gas leases for the subsurface of any lands designated by Congress as wilderness study areas that are immediately adjacent to producing oil and gas fields or areas that are prospectively valuable. Such leases shall allow no surface occupancy and may be entered only by directional drilling from outside the wilderness study area or other nonsurface disturbing methods.

Sec. 308. None of the funds provided in this Act shall be used to evaluate, consider, process, or award oil, gas, or geothermal leases on Federal lands in the Mount Baker-Snoqualmie National Forest, State of Washington, within the hydrographic boundaries of the Cedar River municipal watershed upstream of river mile 21.6, the Green River municipal watershed upstream of river mile 61.0, the North Fork of the Tolt River proposed municipal watershed upstream of river mile 11.7, and the South Fork Tolt River municipal watershed upstream of river mile 8.4.

Sec. 309. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless such assessments and this basis therefor are presented to the Committees on Appropriations and are approved by such committees.

Sec. 310. Employment funded by this Act shall not be subject to any personnel ceiling or other personnel restriction for permanent or other than permanent employment except as provided by law.

Sec. 311. Notwithstanding any other provisions of law, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Energy, and the Secretary of the Smithsonian Institution, are authorized to enter into contracts with State and local governmental entities, including local fire districts, for procurement of services in the presuppression, detection, and suppression of fires on any units within their jurisdiction.

Sec. 312. None of the funds provided by this Act to the United States Fish and Wildlife Service may be obligated or expended to plan for, conduct, or supervise deer hunting on the Loxahatchee National Wildlife Refuge.

Sec. 313. No funds appropriated by this Act shall be available for the implementation or enforcement of any rule or regulation of the United States Fish and Wildlife Service, Department of the Interior, requiring the use of steel shot in connection with the hunting of waterfowl in any State of the United States unless the appropriate State regulatory authority approves such implementation.

Sec. 314. None of the funds appropriated by this Act may be used—

(1) to remove wild free-roaming horses and burros from public lands until all wild free-roaming horses and burros so removed previously have been adopted by qualified individuals under section 3(b)(2)(B) of the Act popularly known as the Wild Free-Roaming Horses and Burros Act, enacted December 15, 1971 (16 U.S.C. 1333(b)(2)(B));

(2) to effectuate the sale of wild free-roaming horses and burros, whether at public auction or otherwise, or

(3) to destroy healthy wild free-roaming horses and burros.

Sec. 315. No funds provided by this Act shall be expended to allow an increase in animal unit months above licensed active preference as of October 21, 1976, in wilderness study areas administered by the Bureau of Land Management.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there any points of order against title III?

POINT OF ORDER

Mr. SEIBERLING. Mr. Chairman, I make a point of order against section 314, which appears on page 71, lines 14 through 25, and page 72, lines 1 and 2.

The CHAIRMAN. The gentleman will state his point of order.

Mr. SEIBERLING. Mr. Chairman, I believe the language of section 314 violates clause 2 of rule XXI in that it is legislation in an appropriation bill and changes existing law by placing new restrictions on the Secretary of the Interior prior to allowing him to round up excess wild horses and burros on the public lands.

The current law mandates alternate disposal of round up animals where they cannot be placed for adoption under the so-called Adopt a Horse Program within a reasonable period of time, and there are court orders enforcing that law.

Section 314(1) would change the current law by prohibiting further roundups until all, and I quote, "all" previously rounded up animals have been adopted by qualified individuals. Not only would this require a determination by the Secretary, but it is quite possible that all the animals now rounded up can never be placed for adoption due to poor condition, physical deformities, ill temper, and so forth.

The language, therefore, creates a new test that also may be impossible to meet.

Subsection 314(3) also prohibits any destruction of "healthy" horses and burros, whatever those may be. Existing law contains no reference or criteria to define what a "healthy" animal is.

Subsection 314(3), therefore, sets up a new test and standard for the disposal of excess horses and burros and would necessitate a new determination by the Secretary as to which horses and burros meet the test and which do not and could, therefore, be destroyed in accordance with existing law.

In short, both of these provisions impose new affirmative duties upon the Secretary of the Interior that are not presently imposed by law.

The CHAIRMAN. Does the gentleman from New York [Mr. Green] wish to be heard on the point of order?

Mr. GREEN. I wish to be heard in opposition to the point of order, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Green].

Mr. GREEN. Mr. Chairman, the section which is objected to, section 314 of the bill, is a limitation on an appropriation made pursuant to the act popularly known as the Wild Free Roaming Horses and Burros Act, which occurs in 16 United States Code, section 1333, and it is basically because of a problem that has arisen in the enforcement and implementation of that act by the Secretary that this amendment was offered.

The problem is that the act requires that the Secretary first destroy old, sick, or lame animals in the most humane manner possible; second, that as to other animals, he tries to place them for adoption; and third, failing that, he causes additonal excess wild and free-roaming horses and burros for which an adoption demand by qualified individuals does not exist, to be destroyed.

The difficulty is that the Secretary has refused to cause animals to be destroyed, something in which I would encorage him, I might add. For that reason, I offered this amendment in the Appropriations Committee, which essentially seeks to limit the use of the appropriated funds by saying that the Secretary may not use the funds to acquire additional animals by rounding them up until he has disposed of the animals already rounded up, the purpose of that being to avoid creating pressures on the Secretary to destroy animals that he is unable to place.

I would point out to the Chair several things. First, I would suggest to the Chair that my amendment does not impose any new duty on the Secretary to determine what are well animals, because the Secretary is already required by subdivision A of this section to determine what are old, sick, or lame animals, and since "well" is simply an antonym, then in fact no new duty is imposed on the Secretary since, obviously, those animals which are in those categories are the well animals and that determination is one that the Secretary is already making by reason of the charge to him under the authorizing legislation.

The other claim that has been asserted, I think gravamen of that claim is that somehow we are imposing a new duty on the Secretary to try to place animals more rapidly than he has been doing. I would suggest that, as the offeror of this amendment in the committee, that was certainly not my intention and I have no desire to cause the Secretary to move any more rapidly than he is now is. However, I would suggest that the authorizing legislation already requires the Secretary to do every thing he can to cause these animals to be adopted.

Section 1333 specifically states that the actions the Secretary is required to take shall be taken in the following order and priority, and then it goes to list the three actions that may be taken. It is very clear under that language that the duty to place has a higher priority and must be dealt with before the Secretary may move on and destroy any animals. Therefore, the Secretary, under the priorities set forth in the authorizing legislation, is already required to use the maximum effort to place the animals.

□ 2010

Indeed, I would represent to the Chair that I have met with representatives of the Bureau of Land Management very recently and they tell me that they are already under this language moving heaven and Earth to try to place as many animals as they can, so I would suggest to the Chair that in fact the limiting language in the appropriation bill, as amended, strictly follows duties that are already imposed upon the Secretary, the definitions with which the Secretary already must deal under the authorizing legislation, and therefore it is not legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Montana [Mr. Marlenee] desire to be heard on the point of order?

Mr. MARLENEE. Mr. Chairman, I rise in support of the point of order.

I rise in strong support of the gentleman from Ohio, the chairman of the subcommittee which has jurisdiction, along with myself, the ranking minority member that has jurisdiction in the management area in public lands, the management of wild horses and burros.

I wish to point out in my argument how this not only restricts or limits appropriations, but it also places constrictions and restrictions on the Secretary and I will enumerate and outline a number of areas.

We weep for the people of Ethiopia, yet we allow a change in the law that condemns to death by malnutrition and starvation hundreds of wild horses.

We applaud the proper management of grazing levels and land management of public lands and private lands, yet we allow this amendment, which would change existing law and would effectively stop the gathering and controlling of numbers of the so-called wild horses, which in turn could lead to severe overgrazing, the degradation of the environment, to say nothing of condemnation to death by starvation and malnutrition.

The CHAIRMAN. The gentleman will restrict his argument to the point of order and not to the merits of the language.

Mr. MARLENEE. Mr. Chairman, the language in the appropriation bill also changes existing law by prohibiting any destruction of healthy horses. Existing law actually mandates that the Secretary dispose of excess horses in "the most humane and cost efficient manner possible."

No one wants to see this happen. In fact, BLM has a moratorium in place. I, personally, support the sale of these excess horses for which no adoption demand exists. You cannot adopt horses which are lame. You cannot adopt horses which are crippled. You cannot get people to adopt horses that are mentally deranged, so we have in confinement a number of horses that are unadoptable and what this law does is prevent unadoption. That is what this change does.

The CHAIRMAN (Mr. Fowler). The Chair is prepared to rule.

Section 314 of the bill prohibits the use of funds in the bill for the removal of wild free-roaming horses and burros from public lands until all wild free-roaming horses and burros so removed previously have been adopted by qualified individuals pursuant to the adoption provisions in 16 U.S.C. 133(b)(2)(B). Under that subsection of law, and under subparagraph (C) of the same subsection, if the Secretary of the Interior cannot place wild free-roaming horses and burros for adoption by qualified individuals, he may cause additional excess horses and burros for which an adoption demand does not exist to be destroyed in the most humane and cost efficient manner possible.

While it may be true that the intent of the Appropriations Committee in inserting this language into the bill was to effectively cut off funds in the bill for the removal of wild free-roaming horses and burros from public lands, the condition imposed by the committee for the availability of 1986 funds for that purpose goes beyond the alternatives available to the Secretary under existing law. The condition which would permit continued round ups of free-roaming horses and burros with 1986 funds is the placing for adoption for all animals already rounded up, rather than the alternative option of destruction of excess animals where qualified adopters cannot be found. In the opinion of the Chair, the condition imposed upon the availability of funds restricts the discretionary authority available to the Secretary under existing law and constitutes a change in existing law in violation of the rules.

The point of order of the gentleman from Ohio is sustained.

Are there further points of order against this title?

● Mrs. VUCANOVICH. Mr. Chairman, I would today like to address this distinguished body on a matter of great importance to my State and many other Western States.

An estimated 56,000 wild horses and burros roam our public lands. These wild inhabitants of the Western rangelands continue to proliferate further stressing our already overburdened rangelands. Currently the Bureau of Land Management gathers these animals in the hopes of circumventing a potential depletion of the range by multiplying wild herds. To halt or drastically reduce this program at this time would indeed lead to negative consequences including the starvation of the herds.

Wild horse and burro removal efforts included in resource management plans are an integral part of other land actions including adjustments in the number of domestic livestock and wildlife to balance forage use with animal production. Failure to make these adjustments in grazing use would be contrary to the intent of the Federal Land Policy and Management Act of 1976, and would reduce the credibility of the land use planning process. Moreover, if the BLM were to cease its gathering operations, the onslaught of potential litigation could end up costing the taxpayer much more in the long run.

Finally, it must be emphasized that the wild horses and burros represent just one use of the public lands. In considering potential damage to the public land resources, wild horses and

burros must be viewed as part of the total multiple-use picture. Given the condition of the range, including drought and near drought conditions in some areas of the pubic lands, allowing the 56,000 animals at the end of fiscal year 1985 to increase unchecked by the 16-percent annual rate of increase may be a questionable stewardship of the rangeland resource.

Thank you Mr. Chairman. I am glad that this point of order raised by the gentleman from Ohio [Mr. Seiberling] was sustained.●

Mr. GREEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in view of the ruling of the Chair, I would like to engage in a colloquy with the distinguished chairman of the Appropriations Subcommittee.

Mr. YATES. I would be delighted to engage in a colloquy with the gentleman from New York.

Mr. GREEN. Mr. Chairman, the committee report on the Department of the Interior and related agencies for fiscal year 1986 indicates a net increase of $1.38 million for the Wild Horse and Burro Program. At the same time, however, the committee also recommends a decrease of $1 million. Could the chairman enlighten us as to what was the intention in eliminating this $1 million?

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I am happy to yield to the distinguished chairman.

Mr. YATES. Well, our intention was to eliminate this amount from funds which had been requested to remove wild horses and burros from the range in fiscal year 1986. We also recommended $2.38 million to feed wild horses and burros taken off the range in fiscal year 1985.

Mr. GREEN. So, Mr. Chairman, am I correct in my understanding then that it is the intent of this committee, as stated in the report, that the funds appropriated to the Bureau of Land Management for this program will be used to feed the horses rounded up in fiscal year 1985 and that no funds will be used to round up horses in fiscal year 1986?

Mr. YATES. Mr. Chairman, I will say to the gentleman, that is the intention of the committee.

Mr. GREEN. I thank the distinguished chairman.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. YATES. Mr. Chairman, has the Committee completed consideration of this title?

The CHAIRMAN. No. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Conte: On page 72, after line 7, add a new section as follows:

Sec. . Notwithstanding any other provision of this Act, the amount appropriated by this Act for the Clean Coal Technology Reserve is hereby reduced by $400,000,000; the amount available beginning October 1, 1986, is hereby reduced by $200,000,000; and the amount available beginning October 1, 1987, is hereby reduced by $200,000,000.

Mr. YATES. Mr. Chairman, I reserve a point of order on the grounds that this is a matter previously considered by the committee.

The CHAIRMAN. The gentleman from Illinois [Mr. Yates] reserves a point of order.

Does the gentleman from Massachusetts wish to be heard on the point of order?

Mr. CONTE. On the point of order, Mr. Chairman? The gentleman has reserved a point of order.

POINT OF ORDER

Mr. YATES. Mr. Chairman, let me make the point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. YATES. Mr. Chairman, this is a subject that has already been considered and disposed of by the committee.

The CHAIRMAN. Does the gentleman from Massachusetts wish to be heard on the point of order?

Mr. CONTE. Mr. Chairman, the amendment should be held in order on its face. The amendment applies only to this bill and does not directly or indirectly change existing law. The reduction is made immediately by the amendment. Since the amendment does not change existing law, it does not fall within the general prohibition against provisions changing existing law in clause (b) of rule XXI.

Mr. YATES. Mr. Chairman, if I may be heard, that is not the point of order I made.

The only point of order I made was that this matter has already been considered by the House an hour ago. It has already been disposed of. I think for that reason it is a repetition that is not appropriate under the rules.

Mr. CONTE. Mr. Chairman, the amendment does not amend any previous law, and since the amendment does not change existing law, it is not a retrenchment within the meaning of clause (b) and clause (d) of rule XXI.

Clearly the amendment is not a limitation. Therefore, the amendment is in order.

The CHAIRMAN (Mr. Fowler). In the opinion of the Chair, the amendment of the gentleman from Massachusetts is germane to title 31—general provisions—which contains several restrictions on funds in the bill. It does not specifically amend any other part of the bill already amended and is merely separate language inserted in the bill.

The point of order is overruled.

The gentleman from Massachusetts [Mr. Conte] is recognized for 5 minutes.

Mr. CONTE. Mr. Chairman, I will not take the 5 minutes. The hour is late. We have debated this issue.

There are many on this side, for the information of my good friend, the majority leader, who felt they wanted a rollcall on this particular issue and I think they should be given that opportunity. It is the same amendment.

Mr. YATES. Mr. Chairman, if the gentleman will yield, then may I suggest that we come to a vote on it.

Mr. CONTE. Of course.

Mr. YATES. Mr. Chairman, may this be put to a vote?

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the 5 minutes. I just want to point out that a vote "no" on this amendment is a vote for clean air, for the clean coal program, for the environment, and for the reduction of acid rain.

□ 2220

We have been over those arguments, but just because there is some confusion, a vote "no" on this amendment will preserve the $500 million program that we approved about an hour ago to do the clean coal technology.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from North Carolina.

Mr. BROYHILL. Mr. Chairman, I do not see the amendment that way. I view the amendment as bringing the funding for this program down to what the funding had been before with $100 million.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, what the amendment does is provide for $100 million for research and development for clean coal for the first year, but does not go along with the 1987 $200 million that you have, and the $200 million for 1988.

Mr. REGULA. That is correct.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Indiana.

Mr. SHARP. If I understand correctly, a "no" vote is a support for the Regula amendment, which many, many people on the House floor spoke for earlier.

Mr. REGULA. That is correct.

Mr. SHARP. So if they wish to support the Regula position, they now vote "no."

Mr. REGULA. That is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. Conte].

The question was taken; and the chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. REGULA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic devise, and there were—ayes 98, noes 317, not voting 18, as follows:

[Roll No. 283]

AYES—98

Archer
Armey
Bartlett
Barton
Bedell
Bereuter
Boulter
Breaux
Broyhill
Burton (IN)
Chandler
Cheney
Coats
Cobey
Coble
Combest
Conte
Coughlin
Craig
Dannemeyer
Daub
DeLay
DioGuardi
Dornan (CA)
Dreier
Eckert (NY)
Evans (IA)
Fawell
Fiedler
Fields
Franklin
Frenzel
Glickman
Green
Gunderson
Hall, Ralph
Hansen
Hartnett
Hiler
Huckaby
Hunter
Hyde
Jacobs
Kolbe
Lagomarsino
Leach (IA)
Leath (TX)
Lewis (CA)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lungren
McKernan
McMillan
Michel
Miller (WA)
Monson
Montgomery
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Nielson
Pashayan
Penny
Petri
Porter
Pursell
Roberts
Roemer
Roth
Rowland (CT)
Rudd
Schneider
Schuette
Sensenbrenner
Shumway
Siljander
Skeen
Smith (NE)
Smith, Denny
Smith, Robert
Snowe
Stallings
Stangeland
Stenholm
Stratton
Stump
Sweeney
Tauke
Vander Jagt
Vucanovich
Walker
Whittaker
Wilson
Zschau

NOES—317

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Atkins
AuCoin
Barnard
Barnes
Bateman
Bates
Beilenson
Bennett
Bentley
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chappell
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conyers
Cooper
Courter
Coyne
Daniel
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Fowler
Frank
Frost
Fuqua
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Gregg
Grotberg
Guarini
Hall (OH)
Hamilton
Hammerschmidt
Hatcher
Hayes
Hendon
Henry
Hertel
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Hughes
Hutto
Ireland
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kindness
Kleczka
Kolter
Kostmayer
Kramer
LaFalce
Lantos
Latta
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lipinski
Lloyd
Long
Lowry (WA)
Luken
Lundine
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
Meyers
Mica
Mikulski
Miller (CA)
Miller (OH)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Moody
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pease
Pepper
Perkins
Pickle
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saxton
Schaefer
Scheuer
Schroeder
Schumer
Seiberling
Sharp
Shaw
Shelby
Shuster
Sikorski
Sisisky
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NH)
Smith (NJ)
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stark
Stokes
Strang
Studds
Sundquist
Swift
Swindall
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NOT VOTING—18

Aspin
Badham
Chappie
Crane
Crockett
Ford (MI)
Ford (TN)
Garcia
Hawkins
Hefner
Heftel
Kemp
Loeffler
Martin (NY)
Nichols
Price
Savage
Schulze

□ 2230

Mr. EMERSON changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. YATES. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

□ 2240

Accordingly the Committee rose and the Speaker pro tempore (Mr. Brown of California) having assumed the chair, Mr. Fowler, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3011) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. YATES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 270, nays 143, not voting 20, as follows:

[Roll No. 284]

YEAS—270

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnes
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Chappell
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Darden
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Dorgan (ND)
Downey
Duncan
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edgar
Edwards (CA)
Edwards (OK)
English
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fish
Florio
Foglietta
Foley
Fowler
Frank
Frost
Fuqua
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Green
Grotberg
Guarini
Hall (OH)
Hamilton
Hatcher

Hayes
Hendon
Henry
Horton
Howard
Hoyer
Huckaby
Hutto
Jeffords
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCurdy
McDade
McHugh
McKernan
McKinney
Meyers
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Parris
Pease
Pepper
Perkins
Pickle
Quillen
Rahall
Rangel
Regula
Reid
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Saxton
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Sikorski
Sisisky
Skeen
Skelton
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Vucanovich
Walgren
Watkins
Waxman
Weiss
Wheat
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)

NAYS—143

Archer
Armey
Barnard
Bartlett
Barton
Bedell
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Campbell
Carney
Chandler
Cheney
Coats
Cobey
Coble
Coleman (MO)
Combest
Courter
Craig
Daniel
Dannemeyer
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dowdy
Dreier
Dyson
Eckert (NY)
Emerson
Erdreich
Evans (IA)
Fiedler
Fields
Flippo
Franklin
Frenzel
Gingrich
Gradison
Gregg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hertel
Hiler
Hillis
Holt
Hopkins
Hubbard
Hughes
Hunter
Hyde
Ireland
Jacobs
Jenkins
Kasich
Kramer
LaFalce
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (FL)
Lightfoot
Lott
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
McEwen
McGrath
McMillan
Michel
Miller (OH)
Miller (WA)
Molinari
Monson
Montgomery
Moore
Moorhead
Nielson
Oxley
Packard
Pashayan
Penny
Petri
Porter
Pursell
Ray
Ritter
Roberts
Roemer
Roth
Rowland (CT)
Schaefer
Schuette
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Slattery
Slaughter
Smith (NH)
Smith, Denny
Snyder
Solomon
Spence
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Volkmer
Walker
Weaver
Weber
Whitehurst
Whittaker
Wortley
Young (FL)
Zschau

NOT VOTING—20

Badham
Chappie
Crane
Crockett
Davis
Donnelly
Ford (MI)
Ford (TN)
Garcia
Hawkins
Hefner
Heftel
Kemp
Loeffler
Martin (NY)
Nichols
Price
Savage
Schulze
Vander Jagt

□ 2250

The Clerk announced the following pair:

On this vote:

Mr. Hawkins of California for, with Mr. Donnelly against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE TECHNICAL CORRECTIONS IN ENGROSSMENT OF H.R. 3011

Mr. YATES. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill (H.R. 3011) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes, the Clerk shall be authorized to make any necessary technical corrections.

The SPEAKER pro tempore (Mr. Dowdy of Mississippi). Is there objection to the request of the gentleman from Illinois?

There was no objection.

PRODUCTIVITY IMPROVEMENT PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-91)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

We share a common objective—to make government more responsive and sensitive to the needs of the people. Over the past several years, significant progress has been made toward:

—Controlling the growth of government by selectively limiting funding through the budget process and by controlling personnel levels;

—Identifying and preventing waste and fraud in government spending;

—Improving individual agency management, to further reduce costs and make better use of its resources;

—Developing government-wide management systems that can be adapted to the needs of each agency; and

—Improving agency delivery systems to ensure that services are efficiently delivered to the American people.

Throughout this effort, I have sought the advice and counsel of the private sector. The President's Private Sector Survey on Cost Control conducted systematic studies of agencies to determine more effective and efficient approaches to delivering services to the public. Thousands of recommendations were made and a large number have been and are being implemented.

The Congress has also supported our efforts by giving the Executive branch important tools to improve efficiency, including milestone legislation such as the Paperwork Reduction Act, the Congressional Reports Elimination Act, the Prompt Payment Act, the Debt Collection Act, and the Deficit Reduction Act.

Today, I am requesting your further assistance to build on this foundation of progress through your continued support of our efforts to improve government performance. I am also asking you to pass a joint resolution establishing productivity improvement as a national goal and to enact management legislation that is critical to further improving the government's operations and reducing its costs. Together we can enhance our government's ability to use business-like procedures, providing the public with higher quality and more timely services at a lower cost—an objective shared by the Congress and the Executive branch.

THE PRODUCTIVITY IMPROVEMENT PROGRAM

The need for and importance of improving the efficiency with which the Federal government delivers goods and services to the American public cannot be overstated. The Federal government now accounts for 24.6% of the GNP. If we pattern our productivity efforts after those which have proven the most productive in the private sector, it is reasonable to expect that we could match or exceed the private sector's gains, which have recently climbed to about 3% per year.

Therefore, I will shortly establish a government-wide program to improve productivity 20% by 1992. Each agency will be called upon to establish specific priorities for improvement of their services, to examine each of their functions, and to achieve agency-wide productivity goals. They will be asked to focus on results, rather than on process. Agencies will be asked to draw upon the creativity and ingenuity of all employees, to properly reward any achievements in productivity improvement, and to minimize any negative impact productivity increases might have on their employees. This management approach is standard in the private sector and we plan to make it standard in the Federal government.

The President's Management Improvement Program: Reform '88 has provided a solid foundation upon which to base this productivity improvement program, as great strides have been made in establishing effective cash and credit management programs, improving agency management systems, lowering administrative costs, and reducing waste and fraud. Some of our Federal agencies have already demonstrated that they can make real improvements in productivity when they commit their time and talent.

The success of this effort will be reinforced by an early expression of Congressional resolve to make productivity improvement a national goal. Each department and agency will report to me through the Office of Management and Budget on their productivity goals, and on both the progress and the problems in accomplishing them. On the basis of that report, our annual management report to the Congress, which is part of the budget, will also describe our efforts to achieve productivity improvements.

THE ADMINISTRATION'S MANAGEMENT LEGISLATION INITIATIVES

The Congress has been most helpful in passing legislation that has made management reform possible. To further assure successful implementation of our Management Improvement Program: Reform '88, I have directed the Office of Management and Budget and agencies to transmit legislative proposals which would make it possible to improve substantially the effectiveness of the Executive branch. These management legislative initiatives cover the important areas of fraud prevention, payment integrity and simplification, procurement, reorganization authority, and reduction in regulatory and paperwork burdens. Some of these proposals have already been sent to the Congress, and others will be transmitted in the days ahead. I want to stress that each of these proposals plays an important role in improving government's management, reducing fraud and waste, or improving productivity. I hope that the Congress can enact them promptly.

CONCLUSION

Now is the time for us to redouble our efforts to improve the operations of government. The budget deficit, the need to make programs more responsive to their beneficiaries, the complexity of the problems we face, and the very size of government itself all require us to apply the best methods and procedures available to improve productivity. Enactment of the various legislative proposals outlined here will enable us to continue and strengthen our joint effort to improve government management.

Federal managers want to do a good job. Given the necessary tools and support, they can do so. Passage of these proposals will demonstrate our commitment to increased productivity and improved management practices in the Federal government. The American people want and deserve a Federal government that is fair, efficient, effective, and, above all, productive.

RONALD REAGAN.

THE WHITE HOUSE, *July 31, 1985.*

NURSE EDUCATION ACT OF 1985

Mr. **WAXMAN**. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2370) entitled "An act to amend the Public Health Service Act to extend the programs of assistance for nurse education," with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Nurse Education Amendments of 1985".

REFERENCE

Sec. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SPECIAL PROJECTS

Sec. 3. (a) Section 820(a) is amended—

(1) by striking out "or" after the semicolon in paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

(3) by inserting after paragraph (5) the following:

"(6) demonstrate clinical nurse education programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities;

"(7) demonstrate methods to improve access to nursing services in noninstitutional settings through support of nursing practice arrangements in communities; or

"(8) demonstrate methods to encourage nursing graduates to practice in health manpower shortage areas (designated under section 332) in order to improve the specialty and geographical distribution of nurses in the United States.".

(b) Section 820(d) is amended—

(1) by striking out the first sentence and inserting in lieu thereof: "(1) For payments under grants and contracts under paragraphs (1) through (5) of subsection (a), there are authorized to be appropriated $9,500,000 for the fiscal year ending September 30, 1986, $9,500,000 for the fiscal year ending September 30, 1987, and $9,500,000 for the fiscal year ending September 30, 1988.";

(2) by striking out "this subsection" in the second sentence and inserting in lieu thereof "this paragraph";

(3) by striking out "1981," in such sentence and inserting in lieu thereof "1985,"; and

(4) by adding at the end thereof the following new paragraph:

"(2) For payments under grants and contracts under paragraphs (6), (7), and (8) of subsection (a), there are authorized to be appropriated $2,700,000 for the fiscal year ending September 30, 1986, $2,700,000 for the fiscal year ending September 30, 1987, and $2,700,000 for the fiscal year ending September 30, 1988. In making grants and entering into contracts with amounts appropriated under this paragraph, the Secretary shall give priority to applications for grants and contracts under paragraph (7) of subsection (a).".

ADVANCED NURSE EDUCATION

Sec. 4. Section 821 is amended to read as follows:

"ADVANCED NURSE EDUCATION

"Sec. 821. (a) The Secretary may make grants to and enter into contracts with public and private nonprofit collegiate schools of nursing to meet the costs of projects to—

"(1) plan, develop, and operate,

"(2) expand, or

"(3) maintain,

programs which lead to masters' and doctoral degrees and which prepare nurses to serve as nurse educators, administrators, or researchers or to serve in clinical nurse specialties determined by the Secretary to require advanced education.

"(b) For payments under grants and contracts under this section, there are authorized to be appropriated $16,500,000 for the fiscal year ending September 30, 1986, $17,000,000 for the fiscal year ending September 30, 1987, and $17,500,000 for the fiscal year ending September 30, 1988.".

NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS

Sec. 5. (a)(1) Paragraph (1) of section 822(a) is amended to read as follows:

"(1) The Secretary may make grants to and enter into contracts with public or nonprofit private schools of nursing and public health, public or nonprofit private schools of medicine which received grants or contracts under this subsection prior to October 1, 1985, public or nonprofit private hospitals, and other public or nonprofit private entities to meet the cost of projects to—

"(A) plan, develop, and operate,

"(B) expand, or

"(C) maintain,

programs for the education of nurse practitioners and nurse midwives. The Secretary shall give special consideration to applications for grants or contracts for programs for the education of nurse practitioners and nurse midwives who will practice in health manpower shortage areas (designated under section 332) and for the education of nurse practitioners which emphasize education respecting the special problems of geriatric patients and education to meet the particular needs of nursing home patients and patients who are confined to their homes.".

(2) Paragraph (2) of such section is amended—

(A) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) For purposes of this section, the term 'programs for the education of nurse practitioners and nurse midwives' means educational programs for registered nurses (irrespective of the type of school of nursing in which the nurses received their training) which meet guidelines prescribed by the Secretary in accordance with subparagraph (B) and which have as their objective the education of nurses (including pediatric and geriatric nurses) who will, upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities (where appropriate), and other health care institutions.";

(B) by striking out "training" in the first sentence of subparagraph (B) and inserting in lieu thereof "education"; and

(C) by inserting "and nurse midwives" before the period in the first sentence of subparagraph (B).

(b) Section 822(b) is amended—

(1) by striking out "nursing, medicine, and public health," in paragraph (1) and inserting in lieu thereof "nursing and public health, schools of medicine which received grants or contracts under this subsection prior to October 1, 1985,";

(2) by inserting "and nurse midwives" before the period in the first sentence of paragraph (1);

(3) by inserting "or nurse midwife" after "practitioner" in paragraph (3); and

(4) by inserting "or in a public health care facility" before "for a period" in paragraph (3).

(c) Section 822(c) is amended—

(1) by striking out "training" and inserting in lieu thereof "education"; and

(2) by inserting "and nurse midwives" after "nurse practitioners".

(d) Section 822 is further amended by striking out subsection (d) and by redesignating subsection (e) as subsection (d).

(e) Section 822(d) (as redesignated by subsection (d) of this section) is amended to read as follows:

"(d) For payments under grants and contracts under this section, there are authorized to be appropriated $12,000,000 for the fiscal year ending September 30, 1986, $12,000,000 for the fiscal year ending September 30, 1987, and $12,000,000 for the fiscal year ending September 30, 1988.".

(f) The heading for section 822 is amended to read as follows:

"NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS".

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

Sec. 6. (a) Paragraph (1) of section 830(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to public or nonprofit private schools of nursing and public health, public or nonprofit private hospitals, and other public or nonprofit private entities to cover the cost of traineeships for nurses in masters' degree and doctoral degree programs in order to educate such nurses to—

"(i) serve in and prepare for practice as nurse practitioners,

"(ii) serve in and prepare for practice as nurse administrators, nurse educators, and nurse researchers, or

"(iii) serve in and prepare for practice in other professional nursing specialties determined by the Secretary to require advanced education.

"(B) The Secretary may make grants to public and private nonprofit schools of nursing and appropriate public and private nonprofit entities to cover the cost of traineeships to educate nurses to serve in and prepare for practice as nurse midwives.".

(b) Section 830 is further amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by striking out the first sentence of such subsection and inserting in lieu thereof the following:

"(1) There are authorized to be appropriated for the purposes of subsection (a) $11,500,000 for the fiscal year ending September 30, 1986, $12,250,000 for the fiscal year ending September 30, 1987, and $13,000,000 for the fiscal year ending September 30, 1988.";

(3) by striking out the second sentence of such subsection;

(4) by striking out "subsection (a)(1)(C)" in the third sentence and inserting in lieu thereof "subsection (a)(1)(A)(i)";

(5) by adding at the end of such subsection the following new paragraph:

"(2) There are authorized to be appropriated for the purposes of subsection (b) $1,100,000 for the fiscal year ending September 30, 1986, $1,100,000 for the fiscal year ending September 30, 1987, and $1,100,000 for the fiscal year ending September 30, 1988.";

(6) by inserting after subsection (a) the following new subsection:

"(b) The Secretary may make grants to public or private nonprofit schools of nursing to cover the costs of post-baccalaureate fellowships for faculty in such schools to enable such faculty to—

"(1) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature infants, physically and mentally disabled individuals, and ethnic and minority groups;

"(2) examine nursing interventions that result in positive outcomes in health status, with attention to interventions which address family violence, drug and alcohol abuse, the health of women, adolescent care, and disease prevention; and

"(3) address other areas of nursing practice considered by the Secretary to require additional study."; and

(7) by striking out "TRAINING" in the section heading and inserting in lieu thereof "EDUCATION".

NURSE ANESTHETISTS

Sec. 7. (a) Section 831(a)(1) is amended by striking out "Commissioner" and inserting in lieu thereof "Secretary".

(b) Section 831 is further amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) The Secretary may make grants to public or private nonprofit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists which are accredited by an entity or entities designated by the Secretary of Education. Such grants shall include grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such nurse anesthetists to obtain advanced education relevant to their teaching functions.".

(c) Section 831(c) (as redesignated by subsection (b) of this section) is amended to read as follows:

"(c) For the purpose of making grants under this section, there are authorized to be appropriated $800,000 for the fiscal year ending September 30, 1986, $800,000 for the fiscal year ending September 30, 1987, and $800,000 for the fiscal year ending September 30, 1988. Not more than 20 percent of the amount appropriated under this section for any fiscal year shall be obligated for grants under the second sentence of subsection (b).".

(d) The section heading for such section is amended by striking out "TRAINEESHIPS FOR TRAINING OF".

STUDENT LOANS

Sec. 8. (a) Section 835 is amended by adding at the end thereof the following new subsection:

"(c)(1) Any standard established by the Secretary by regulation for the collection by schools of nursing of loans made pursuant to loan agreements under this subpart shall provide that the failure of any such school to collect such loans shall be measured in accordance with this subsection.

"(2) The measurement of a school's failure to collect loans made under this subpart shall be the ratio (stated as a percentage) that the defaulted principal amount outstanding of such school bears to the matured loans of such school.

"(3) For purposes of this subsection—

"(A) the term 'default' means the failure of a borrower of a loan made under this subpart to—

"(i) make an installment payment when due; or

"(ii) comply with any other term of the promissory note for such loan,

except that a loan made under this subpart shall not be considered to be in default if the loan is discharged in bankruptcy or if the school reasonably concludes from written contacts with the borrower that the borrower intends to repay the loan;

"(B) the term 'defaulted principal amount outstanding' means the total amount borrowed from the loan fund of a school that has reached the repayment stage (minus any principal amount repaid or cancelled) on loans—

"(i) repayable monthly and in default for at least 120 days; and

"(ii) repayable less frequently than monthly and in default for at least 180 days;

"(C) the term 'grace period' means the period of one year beginning on—

"(i) the date on which the borrower ceases to pursue a full-time or half-time course of study at a school of nursing; or

"(ii) the date on which ends any period described in clause (A) or (B) of section 836(b)(2) which is applicable to such borrower,

whichever is later; and

"(D) the term 'matured loans' means the total principal amount of all loans made by a school of nursing under this subpart minus the total principal amount of loans made by such school to students who are—

"(i) enrolled in a full-time or half-time course of study at such school; or

"(ii) in their first grace period.".

(b) Section 836(b)(1) is amended—

(1) by striking out "and" before "(B)"; and

(2) by inserting before the period a comma and "and (C) if a student who will enroll in the school after June 30, 1986, is of exceptional financial need (as defined by regulations of the Secretary)".

(c) Section 836(f) is amended—

(1) by inserting "and in accordance with this section" after "Secretary" in the first sentence;

(2) by striking out "may" in such sentence and inserting in lieu thereof "shall"; and

(3) by striking out the second sentence and inserting in lieu thereof the following: "No such charge may be made if the payment of such installment or the filing of such evidence is made within 60 days after the date

on which such installment or filing is due. The amount of any such charge may not exceed an amount equal to 6 percent of the amount of such installment.".

(d) Section 836 is amended by adding at the end thereof the following new subsection:

"(k) The Secretary is authorized to attempt to collect any loan which was made under this subpart, which is in default, and which was referred to the Secretary by a school of nursing with which the Secretary has an agreement under this subpart, on behalf of that school under such terms and conditions as the Secretary may prescribe (including reimbursement from the school's student loan fund for expenses the Secretary may reasonably incur in attempting collection), but only if the school has complied with such requirements as the Secretary may specify by regulation with respect to the collection of loans under this subpart. A loan so referred shall be treated as a debt subject to section 5514 of title 5, United States Code. Amounts collected shall be deposited in the school's student loan fund. Whenever the Secretary desires the institution of a civil action regarding any such loan, the Secretary shall refer the matter to the Attorney General for appropriate action.".

(e) Section 838 is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a)(1) The Secretary shall from time to time set dates by which schools of nursing must file applications for Federal capital contributions.

"(2)(A) If the total of the amounts requested for any fiscal year in such applications exceeds the total amount appropriated under section 837 for that fiscal year, the allotment from such total amount to the loan fund of each school of nursing shall be reduced to whichever of the following is the smaller:

"(i) The amount requested in its application.

"(ii) An amount which bears the same ratio to the total amount appropriated as the number of students estimated by the Secretary to be enrolled on a full-time basis in such school during such fiscal year bears to the estimated total number of students enrolled in all such schools on a full-time basis during such year.

"(B) Amounts remaining after allotment under subparagraph (A) shall be reallotted in accordance with clause (ii) of such subparagraph among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school's loan fund under this paragraph and paragraph (3) from exceeding the total so requested by it.

"(3) Funds which, pursuant to section 839(c) or pursuant to a loan agreement under section 835, are returned to the Secretary in any fiscal year, shall be available for allotment in such fiscal year and in the fiscal year succeeding the fiscal year. Funds described in the preceding sentence shall be allotted among schools of nursing in such manner as the Secretary determines will best carry out this subpart, except that in making such allotments, the Secretary shall give priority to schools of nursing which established student loan funds under this subpart after September 30, 1975.

"(b) Allotments to a loan fund of a school shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.".

(f) Section 839 is amended—

(1) by striking out "1987," each place it appears in subsections (a) and (b) and inserting in lieu thereof "1991,"; and

(2) by adding at the end thereof the following new subsection:

"(c)(1) Within 90 days after the termination of any agreement with a school under section 835 or the termination in any other manner of a school's participation in the loan program under this subpart, such school shall pay to the Secretary from the balance of the loan fund of such school established under section 835, an amount which bears the same ratio to the balance in such fund on the date of such termination as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 835(b)(2)(A) bears to the total amount in such fund on such date derived from such Federal capital contributions and from funds deposited in the fund pursuant to section 835(b)(2)(B). The remainder of such balance shall be paid to the school.

"(2) A school to which paragraph (1) applies shall pay to the Secretary after the date on which payment is made under such paragraph and not less than quarterly, the same proportionate share of amounts received by the school after the date of termination referred to in paragraph (1) in payment of principal or interest on loans made from the loan fund as was determined for the Secretary under such paragraph.".

(g) Subpart II of part B of title VIII is amended by adding at the end thereof the following new section:

"PROCEDURES FOR APPEAL OF TERMINATIONS

"Sec. 842. In any case in which the Secretary intends to terminate an agreement with a school of nursing under this subpart, the Secretary shall provide the school with a written notice specifying such intention and stating that the school may request a formal hearing with respect to such termination. If the school requests such a hearing within 30 days after the receipt of such notice, the Secretary shall provide such school with a hearing conducted by an administrative law judge.".

(h) Section 6103(m) of the Internal Revenue Code of 1954 is amended—

(1) by inserting "ADMINISTERED BY THE DEPARTMENT OF EDUCATION" before the period in the paragraph heading of paragraph (4); and

(2) by adding at the end thereof the following new paragraph:

"(5) INDIVIDUALS WHO HAVE DEFAULTED ON STUDENT LOANS ADMINISTERED BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—

"(A) IN GENERAL.—Upon written request by the Secretary of Health and Human Services, the Secretary may disclose the mailing address of any taxpayer who has defaulted on a loan made under part C of title VII of the Public Health Service Act or under subpart II of part B of title VIII of such Act, for use only by officers, employees, or agents of the Department of Health and Human Services for purposes of locating such taxpayer for purposes of collecting such loan.

"(B) DISCLOSURE TO SCHOOLS AND ELIGIBLE LENDERS.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to—

"(i) any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part B of title VIII of such Act, or

"(ii) any eligible lender (within the meaning of section 737(4) of such Act) participating under subpart I of part C of title VII of such Act,

for use only by officers, employees, or agents of such school or eligible lender whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subparts for the purposes of collecting such loans.".

REPEALS

Sec. 9. (a)(1) Sections 801, 802, 803, 805, 810, 811, 815, and 841 are repealed.

(2) Subpart III of part B of title VIII is repealed.

(b)(1) Part A of title VIII is amended by striking out the headings for subparts I, II, III, and IV.

(2) The heading for part A of the title VIII is amended to read as follows:

"PART A—SPECIAL PROJECTS".

(3) The heading for title VIII is amended to read as follows:

"TITLE VIII—NURSE EDUCATION".

(c)(1) Section 804 is redesignated as section 858 and is amended to read as follows:

"RECOVERY FOR CONSTRUCTION ASSISTANCE

"Sec. 858. (a) If at any time within twenty years (or within such shorter period as the Secretary may prescribe by regulation for an interim facility) after the completion of construction of a facility with respect to which funds have been paid under subpart I of part A (as such subpart was in effect on September 30, 1985)—

"(1) the owner of the facility ceases to be a public or nonprofit school,

"(2) the facility ceases to be used for the training purposes for which it was constructed, or

"(3) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the owner of the facility the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

"(b) The owner of a facility which ceases to be a public or nonprofit school as described in paragraph (1) of subsection (a), or the owner of a facility the use of which changes as described in paragraph (2) or (3) of such subsection shall provide the Secretary written notice of such cessation or change of use not later than 10 days after the date on which such cessation or change of use occurs.

"(c)(1) The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of the facility as the amount of the Federal participation bore to the cost of the construction.

"(2)(A) The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined by the Secretary) based on the average of the bond equivalent rates of ninety-one-day Treasury bills auctioned during such period.

"(B) The period referred to in subparagraph (A) is the period beginning—

"(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which the owner of the facility ceases to be a public or nonprofit school as described in paragraph (1) of subsection (a), or 191 days

after the date on which the use of the facility changes as described in paragraph (2) or (3) of such subsection, or

"(ii) if notice is not provided as prescribed by subsection (b), 11 days after the date on which such cessation or change of use occurs,

and ending on the date the amount the United States is entitled to recover is collected.

"(d) The Secretary may waive the recovery rights of the United States under subsection (a) with respect to a facility (under such conditions as the Secretary may establish by regulation) if the Secretary determines that there is good cause for waiving such rights.

"(e) The right of recovery of the United States under subsection (a) shall not, prior to judgment, constitute a lien on any facility.".

(2) In the case of any facility that was or is constructed on or before the date of enactment of this Act or within 180 days after the date of enactment of this Act, the period described in subsection (c)(2)(B)(i) of section 858 of the Public Health Service Act (as amended by paragraph (1) of this subsection) shall begin no earlier than 181 days after the date of enactment of this Act.

(3) The amendments made by paragraph (1) of this subsection shall not adversely affect other legal rights of the United States.

(d) Section 851(b) is amended by striking out ", and in the review of applications for construction projects under subpart I of part A, of applications under section 805, and of applications under subpart III of part A".

(e) Section 853(1) is amended by striking out "the Canal Zone," and inserting in lieu thereof "the Commonwealth of the Northern Mariana Islands,".

(f) Section 853(6) is amended to read as follows:

"(6) The term 'accredited' when applied to any program of nurse education means a program accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education, except that a school of nursing seeking an agreement under subpart II of part B for the establishment of a student loan fund, which is not, at the time of the application under such subpart, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of such subpart if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the agreement with such school is made under such subpart; except that the provisions of this clause shall not apply for purposes of section 838. For the purpose of this paragraph, the Secretary of Education shall publish a list of recognized accrediting bodies, and of State agencies, which the Secretary of Education determines to be reliable authority as to the quality of education offered.".

EFFECTIVE DATE

Sec. 10. (a) Except as provided in subsection (b), this Act and the amendments and repeals made by this Act shall take effect on October 1, 1985.

(b)(1) The provisions of section 9(c) of this Act and the amendment made by paragraph (1) of such section shall take effect on the date of enactment of this Act.

(2) The amendment made by section 8(a) of this Act shall take effect June 30, 1984.

ROTATION OF LABEL STATEMENTS

Sec. 11. LABEL ROTATION.—Section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c)) is amended—

(1) by striking out "The label" in the first sentence and inserting in lieu thereof "(1) Except as provided in paragraph (2), the label"; and

(2) by inserting at the end the following:

"(2)(A) A manufacturer or importer of cigarettes may apply to the Federal Trade Commission to have the label rotation described in subparagraph (C) apply with respect to a brand of cigarettes manufactured or imported by such manufacturer or importer if—

"(i) the number of cigarettes of such brand style sold in the fiscal year of the manufacturer or importer preceding the submission of the application is less than one-fourth of one percent of all the cigarettes sold in the United States in such year, and

"(ii) more than one-half of the cigarettes manufactured or imported by such manufacturer or importer for sale in the United States are packaged into brand styles which meet the requirements of clause (i).

If an application is approved by the Commission, the label rotation described in subparagraph (C) shall apply with respect to the applicant during the one-year period beginning on the date of the application approval.

"(B) An applicant under subparagraph (A) shall include in its application a plan under which the label statements specified in paragraph (1) of subsection (a) will be rotated by the applicant manufacturer or importer in accordance with the label rotation described in subparagraph (C).

"(C) Under the label rotation which a manufacturer or importer with an approved application may put into effect each of the labels specified in paragraph (1) of subsection (a) shall appear on the packages of each brand style of cigarettes with respect to which the application was approved an equal number of times within the twelve-month period beginning on the date of the approval by the Commission of the application.".

(b) DEFINITION.—Section 3 of such Act (15 U.S.C. 1332) is amended by redesignating paragraph (8) as paragraph (9) and by inserting after paragraph (7) the following:

"(8) The term 'brand style' means a variety of cigarettes distinguished by the tobacco used, tar and nicotine content, flavoring used, size of the cigarette, filtration on the cigarette, or packaging.".

(C) EFFECTIVE DATE.—

(1) The amendments made by subsection (a) shall take effect October 12, 1985, except that—

(A) on and after the date of the enactment of this Act a manufacturer or importer of cigarettes may apply to the Federal Trade Commission to have the label rotation specified in section 4(c)(2) of the Federal Cigarette Labeling and Advertising Act, as amended by subsection (a), apply to its brand styles of cigarettes and the Commission may take action on such an application, and

(B) a manufacturer or importer of cigarettes may elect to have the amendments apply at an earlier date or dates selected by the manufacturer or importer.

(2) The Federal Trade Commission may, upon application of a manufacturer or importer of cigarettes with an approved application under section 4(c)(2) of the Federal Cigarette Labeling and Advertising Act, as amended by subsection (a), extend the effective date specified in paragraph (1) to January 11, 1986. The Commission may approve an application for such an extension only if the Commission determines that the effective date specified in such paragraph (1) would cause unreasonable economic hardship to the applicant. Section 4 of the Federal Cigarette Labeling and Advertising Act, as in effect before October 12, 1985, shall apply with respect to a manufacturer or importer with an application approved under this paragraph.

TECHNICAL AMENDMENT

Sec. 12. Section 8 of such Act (15 U.S.C. 1336) is amended by striking out "4(b)" and inserting in lieu thereof "4".

REPORT DATE

Sec. 13. Section 3(c) of the Comprehensive Smoking Education Act (15 U.S.C. 1341(c)) is amended by striking out "1985" and inserting in lieu thereof "1986".

Mr. BROYHILL (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The **SPEAKER** pro tempore. Is there objection to the initial request of the gentleman from California?

Mr. BROYHILL. Mr. Speaker, reserving the right to object, I do so for the purpose of making sure that the Members know what is taking place here.

☐ 2300

I yield to the gentleman and would be delighted to help in the explanation.

Mr. WAXMAN. I thank the gentleman for yielding to me.

The legislation is first of all the bill that passed the House, and the Senate added an amendment to it which we have no objection to. The bill is on nurse education. One of the amendments on that bill would deal with the labeling on tobacco products which deals with a problem that some of the tobacco companies have had in meeting the requirement of the legislation adopted last year.

Mr. BROYHILL. The gentleman has correctly stated what is in this Senate-passed bill. It is 3-year authorization of the Nurse Education Program which has had overwhelming support in this body for many years. This bill that has come to us from the Senate is very similar to the same one that we have been considering in the committee, and for whatever reasons, one of the Members of the other body have attached to it a bill that is an amendment to the tobacco warning labels that are required to go on the side panels of packages of cigarettes. Some of the smaller companies must have relief by the deadline of October 1, or they tell us that they cannot comply.

It is for this reason that we are urging that this bill pass now rather than have to wait until regular consideration of the bill from our committee, which could occur who knows when. That is why I am urging that we go ahead and take the Senate-passed bill, even though it has this odd amendment on it, and send it to the President for his signature.

I yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding under his reservation.

It is my understanding that the bill we have before us does come to us at a figure that is higher than the administration originally requested for this program, and that when this bill was on the floor, because of the nature of the funding levels in it, that the administration had opposed the bill. I am somewhat reluctant to see a bill pass under a unanimous-consent procedure that has that kind of budgetary problem in it.

Can the gentleman give me some assurance that those problems have been corrected?

Mr. BROYHILL. This bill is an authorization bill; it is not an appropriation bill. I think the total 3-year figures are somewhere in the neighborhood of about $7 million over the President's budget or the budgetary figures.

However, it is my understanding that the appropriation figures are in line with the figures that the gentleman would be more comfortable with. Now, the gentleman from California may want to confirm what I have said or correct it.

Mr. WAXMAN. I think the gentleman has stated the situation correctly to my information as well.

Mr. WALKER. If the gentleman would yield further, do we have an indication whether or not the administration is in favor of us taking this action by unanimous consent here this evening?

Mr. BROYHILL. I have not had any contact with the administration with respect to this bill. I have not had much contact with the administration with respect to many bills from committee, I hate to tell the gentleman. I am flying solo on a lot of the legislation that comes before my committee. We do not have timely information oftentimes from the administration with respect to what they want on this legislation so we have to use our own judgment. In this particular case, we are faced with some October 1 deadlines that are of considerable concern to a number of people and an important industry to my State. So for that reason, I am asking the gentleman from California to expedite consideration of this legislation at this hour.

Mr. WALKER. If the gentleman would yield further, I guess my problem is that I am a little bit concerned about bringing things up here late at night, where we do not have very much information, where we do not have the administration's position on it. I understand the gentleman's problem in getting that kind of information, but we really are in a position of acting blindly on something that as I recall when it went through here did have some budgetary problems, and I am just trying to figure out why, for instance we could not use——

Mr. BROYHILL. You are talking about the bill from last year. Is that the one you are talking about? The one from the last Congress?

Mr. WALKER. It was my understanding when we passed the bill out of the House this year that in fact there was administration opposition because it was over their budget. My understanding is that those levels have not been reduced.

Mr. BROYHILL. This bill is different than the one that passed last year.

I yield to the gentleman from California.

Mr. WAXMAN. This certainly is a different bill than last year, and we hope to have the administration approval. We are looking at amendments that have been offered by Senator HATCH and his committee and offered by the Senate. They are amendments that are agreeable with me. I suppose we will know the definitive administration position as soon as this bill reaches the White House. They will have the decision at that point whether to sign or veto it. I suspect they will sign it.

Mr. NIELSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman.

Mr. NIELSON of Utah. When this bill came before the Energy and Commerce Committee the administration did oppose it because they wanted to cut back on the nurses' training, and they also, when this bill came to the floor by suspension, they did suggest they were opposed to it and would seek changes in the Senate. They sought those changes in the Senate but they did not get them in the Senate, and in fact the Senate came back with the same numbers that we had, is that correct? The numbers in the Senate are the same as what we sent them, are they not?

Mr. WAXMAN. I do not believe that is the case, but I do not recall exactly the numbers that we have. I think they have a higher figure by around $7 million in an authorization bill for certain nurse education programs.

Mr. NIELSON of Utah. My understanding is that the Senate accepted the same numbers as the House sent to them, but the only amendment they did was add the cigarette labeling bill to it.

Mr. WAXMAN. That is not my understanding, but maybe Mr. BROYHILL can clear that up.

Mr. BROYHILL. They said that the labeling part was added as an amendment on the floor of the other body.

Mr. WALKER. If the gentleman would yield for one question: The labeling provision costs the Government no money?

Mr. BROYHILL. That is no cost. But I would like to put this in some context for the gentleman, because the gentleman realizes many of the problems that we do have with respect to many programs like this, and this is especially so in the health professions area.

The administration would like to phase out this program. It is a fact that last year in the last Congress that we did pass a bill that was vetoed that had some authorizations that were considerably above what we could call even freeze levels. These figures are below those. However, I think the difference between what this bill is and what the administration position is, the administration is trying to phase out the program, and I do not think the Senate, the other body, either acting jointly or in conference, would agree to a phaseout of the program. I think that is basically the difference.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. WAXMAN]?

Mr. NIELSON of Utah. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the Health and Environment Subcommittee, do you know why the Senate added $7 million to a bill that the administration is already opposed to on the basis of budget? I yield for his response.

Mr. WAXMAN. I am sorry; I am not able to answer the gentleman's question. I do not have an answer for him.

Mr. NIELSON of Utah. What assurance do we have that the Appropriations Committee will correct that error the Senate made?

Mr. WAXMAN. I am sure the Appropriations Committee will do its job with a great deal of attention to whether any amount of money they spend is justified or not. As the gentleman knows, an authorization is a simple authorization. The appropriation will be decided by the Appropriations Committee and then by the Congress.

Mr. NIELSON of Utah. If I may engage the Congressman from North Carolina for a moment.

You made the statement on the floor that the Senate was above the present bill, but the Appropriations Committee would bring it down to the appropriate level of last year?

Mr. BROYHILL. I am just judging from the past history of that committee that particularly this year they have been funding these various programs at about the same levels as last year.

I yield to the gentleman from California.

Mr. WAXMAN. I often regret the fact that the Appropriations Committee appropriates less than the authorization committee recommends, but that is usually the case. I do believe that their appropriation for this program is less than the authorization.

Mr. NIELSON of Utah. I would like either gentleman to say to the body that the importance of the cigarette labeling bill, which was attached by the Senate, overrides any difficulty we may have on the authorization level which can later be fixed by the appropriation. If you agree with that, then I will withdraw my reservation of objection.

Is that your assertion, that the cigarette labeling aspect of the bill overrides the concern about the authorization level?

□ 2310

Mr. BROYHILL. I think they are both important.

Mr. WAXMAN. I think they are both important as well, and I think there is a special time urgency in getting the bill passed because of the situation with the cigarette companies that need to fix their labels.

Mr. NIELSON of Utah. So in your opinion that overrides your concern on the appropriations.

Mr. BROYHILL. If the gentleman would yield, let me see if I can put this into some understanding here.

The cigarette labeling bill is time sensitive inasmuch as if we do not get it on over to the White House now we are running up against this October 1 deadline. When we come back here in September, we do not know what might happen with respect to the legislative process and what would happen with respect to this legislation.

The nurse training bill is important also, and I am not convinced, as one who has been around here for a long time and been through many of these conferences, that we are going to come back from the conference any better than what is in this bill.

So it seems to me we could waste a lot of weeks and weeks of arguing around here and we are not really going to do too much better than what we have in the bill which is on the Speaker's desk.

Mr. NIELSON of Utah. Again, let me ask the gentleman what assurance does he have for the statements he made that the Appropriations Committee would bring the level back to last year's spending level.

Mr. BROYHILL. I would have to seek the advice of some of my colleagues who are on that committee. All I can say is that it appears to me, at least in the observation of this one Member, that the Appropriations Committee has been somewhat more conservative in the funding of these programs that do have higher authorization. This authorization is, from the standpoint of the percentage over the appropriation, those of you who have dealt with it before know that the authorization is far less than it was a number of years ago. We went through a number of years where the authorization was double the levels of the appropriation. This one is relatively a small amount above the appropriation.

Mr. NIELSON of Utah. Reclaiming my time, I believed your statement that the Appropriations Committee was more conservative than the authorizing committee until we came to the bill involving NASA and the National Science Foundation, where they went above what we are authorized, and which upset me a great deal.

Mr. WAXMAN. We do not have such luck with the health bills. I do not recall too many times when the Appropriations Committee has gone over any authorization.

Mr. NIELSON of Utah. Then I will put the House on notice that if the Appropriations Committee is one dime over last year's budget, I will fight it to the death.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from California [Mr. WAXMAN]?

There was no objection.

A motion to reconsider was laid on the table.

ORPHAN DRUG AMENDMENTS OF 1985

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1147) to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and related laws, with Senate amendments to the House amendment, and concur in the Senate amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments to the House amendment, as follows:

Page 13, of the House engrossed amendment, strike out all after line 17 over to and including line 17 on page 14 and insert:

(b) PUBLIC LAW 98-527.—Section 122(b)(4)(C) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6022(b)(4)(C)) is amended to read as follows:

"(C) Notwithstanding subparagraph (E)(i), upon application of a State, which under section 133(b)(4)(C) of this act (as in effect on October 18, 1948) was permitted to make expenditures for services without regard to the requirements of section 133(b)(4)(B) of this Act (as so in effect) the Secretary, pursuant to regulations which the Secretary shall prescribe, may permit a portion of the funds which, pursuant to subparagraph (E)(i), must otherwise be expended under the State plan of such State for service activities in the priority services, to be expended in fiscal years 1985, 1986, and 1987 for the additional services for which expenditure was permitted under section 133(b)(4)(C) (as so in effect) if the Secretary determines that—

"(i) such additional services are not priority services;

"(ii) such additional services are not services for which funds are otherwise available under part C, D, or E; and

"(iii) the expenditures of such State on service activities in the priority services has reasonably met the need for those services in such State in comparison to the extent to which the need for such additional services has been met in such State.".

Page 14, of the House engrossed amendment, after line 17, insert;

SEC. 7. AREA HEALTH EDUCATION CENTERS.

Section 781(a)(2) of the Public Health Service Act (42 U.S.C. 295g-7(a)(2)) is amended by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii) and (iii), respectively, and by striking out all that precedes clause (i) (as so redesignated) and inserting in lieu thereof the following:

"(2)(A) The Secretary shall enter into contracts with schools of medicine and osteopathy—

"(i) which have previously received Federal financial assistance for an area health education center program under section 802 of the Health Professionals Educational Assistance Act of 1976 in fiscal year 1979 or under paragraph (1), or

"(ii) which are receiving assistance under paragraph (1),

to carry out projects described in subparagraph (B) through area health education centers for which Federal financial assistance was provided under paragraph (1) and which are no longer eligible to receive such assistance.

"(B) Projects for which assistance may be provided under subparagraph (A) are—".

Page 14, line 18, of the House engrossed amendment, strike out "7" and insert "8".

Page 15, line 2, of the House engrossed amendment, strike out "October 18, 1984" and insert "October 19, 1984".

Page 15, line 2, of the House engrossed amendment, after "1984." insert "The amendments made by section 7 shall take effect October 1, 1984, and shall cease to be in effect after September 30, 1985.".

Mr. WAXMAN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments to the House amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. BROYHILL. Mr. Speaker, reserving the right to object, I do so for the purpose of asking the gentleman from California to give an explanation of this bill.

Mr. WAXMAN. If the gentleman will yield, this bill is the reauthorization of the Orphan Drug Act which was adopted several years ago and has been a very successful law in encouraging the development of new drugs for people with rare diseases.

The Senate amendments to the bill deal with the developmental disabilities councils at the State level and there is no controversy over those items. The bill is without controversy in its entirety.

Mr. BROYHILL. I thank the gentleman for his explanation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Is there objection to the initial request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

TRIBUTE TO DEDICATED AND HARD-WORKING CAPITOL HILL POLICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. Lightfoot] is recognized for 5 minutes.

Mr. LIGHTFOOT. Mr. Speaker, I'd like to take a few minutes to recognize a dedicated, hard-working group of men and women that we oftentimes take for granted.

Due to the nature of their job, we aren't supposed to notice them. It's their duty to serve and protect, be in the background but ever present. I'm referring to the Capitol Hill Police.

During the day we may joke with the officer on the corner, trade a story with the officer by the door or hustle up to the steps in a breathless charge as the officer at the top of the stairs hollers "one more" and we try to make a vote.

There is a very serious side to their job. A side that entails danger, quick decisions, and, many times, hours of boredom.

We are fortunate to live in a country that puts freedom as its No. 1 priority. Unfortunately, there are those who will use that very freedom as a means to perpetrate a very negative end.

Each day literally thousands of people descend on Capitol Hill. Many want to see the inside of this great building that symbolizes the strongest Government on Earth. And they should. It's their building. It's their Capitol.

The officers handle their duties with apparent ease. Kids get lost, directions are asked, traffic tie ups are moved and all the while an eye is kept alert for that one individual that isn't here to see the sights.

That one person, for whatever twisted reason, who is bent on destruction. In most cases when an identity is made, the person or persons are quietly removed to an area of safety.

Most people don't even notice. That's the way it's suppose to be.

During the recent visit of Mr. Gandhi of India, we saw security at a maximum. That was as it should be, yet it was pretty much business as usual for all the rest of us.

One of the officers I had seen earlier in full riot gear joked as I walked back into my office building, "See, here, I am the mild mannered Clark Kent."

It's an appropriate description. Highly trained, motivated, and ready to take on the most dire emergency at a moment's notice, yet calm, friendly, and a helping hand when needed.

My family appreciates them for the job they do keeping our work area safe. I appreciate them as an ex-police officer that understands some of what they are up against.

Let me close by saying maybe we don't always show it, but we really do appreciate our crew in blue and white.

□ 2320

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Boulter] is recognized for 5 minutes.

● **Mr. BOULTER.** Mr. Speaker, I was unavoidably absent yesterday, July 30, 1985. Had I been present, I would have voted in the following manner:

Roll No. 266, final passage of Senate Joint Resolution 180, commemorating the 10th anniversary of the signing of the Helsinki Final Act; "yes."

Roll No. 268, the Coleman of Texas amendment to exempt appropriations for law enforcement agencies and the Postal Service from the Frenzel amendment to H.R. 3036, that reduces each appropriation not required by law by 2.65 percent; "no."

Roll No. 269, the Roybal motion that the Committee of the Whole rise and report H.R. 3036 back to the House; "no."

Roll No. 270, final passage of H.R. 3036, the Treasury-Postal Service appropriations; "no."

Roll No. 272, a Dixon motion that the Committee of the Whole rise and report the D.C. appropriations bill, H.R. 3067, back to the House; "no."

Roll No. 273, a Smith of New Jersey amendment to H.R. 3067 that prohibits use of funds to perform abortions; "yes."

Roll No. 274, final passage of H.R. 3067, the D.C. appropriations; "no."●

THE 50TH ANNIVERSARY OF THE PASSAGE OF THE SOCIAL SECURITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. Pepper] is recognized for 5 minutes.

● **Mr. PEPPER.** Mr. Speaker, on Wednesday, July 24, 1985, there was a ceremony to commemorate the 50th anniversary of the passage of the Social Security Act in Statuary Hall. The ceremony was planned and organized by a number of groups concerned about the history and future of the Social Security System.

The following is a record of the events of that day, which I wish to be included in today's Record, so that all who were not able to be in attendance at that time will be able to read that which occurred:

Mr. Pepper. Ladies and gentleman, I will ask the audience to please rise for the presentation of the colors, our National Anthem, and the invocation.

PARADE OF THE COLORS—UNITED STATES MARINE CORPS COLOR GUARD

The National Anthem—United States Marine Cordovox Combo

INVOCATION BY THE REVEREND JAMES DAVID FORD, CHAPLAIN OF THE U.S. HOUSE OF REPRESENTATIVES

Reverend Ford. Let us pray.

We thank You, Almighty God, for the gifts You have given Your people that promote justice and the common good. We are grateful for those whose visions for this nation have contributed to the welfare of all people, has promoted confidence and security, has given hope and assurance for a better day.

Continue, O Gracious God, to inspire men and women to work for the Mutual benefit of all the people of our nation, that, in the words of the biblical vision, the day will come when justice will roll down as waters, and righteousness like an ever-growing stream.

This we pray, Amen.

MUSICAL SELECTION

Mr. Pepper. Ladies and gentleman, this occasion is a citizens' demonstration of a national gratitude for an event that occurred almost exactly 50 years ago, the signing of the Social Security bill by President Franklin Delano Roosevelt. That ceremony was on the 17th of August. The Congress will be in recess at that time, so we have chosen to use this day as our day of appreciation and our commemoration.

I know no better spokesman for the meaning of that great enactment than the author of that legislation, Franklin Delano Roosevelt.

[Applause.]

Three years after Social Security had been in effect, or after its enactment in 1935, President Roosevelt spoke to the nation in one of his famous fireside chats. You will hear portions now of that fireside chat on Social Security by our beloved President, Franklin Delano Roosevelt.

RECORDING OF EXCERPT OF ADDRESS BY PRESIDENT FRANKLIN DELANO ROOSEVELT ON THE OCCASION OF THE THIRD ANNIVERSARY OF THE PASSAGE OF THE SOCIAL SECURITY ACT

Mr. Pepper. It seems as if there is something mysterious in the way in which providence chooses those who lead a great people in moments of crisis, in moments of great challenge. The man who conceived and initiated Social Security was a special man, Franklin Delano Roosevelt.

In the Congress, there were special men and women who inaugurated it; and in the intervening years, there have been men—

gallant, brave and strong—to protect and defend it.

At a time when Social Security was under its greatest attack, at a time when Social Security in principle and in provision was most uncertain as to its future, the Speaker of the House of Representatives has been strong and brave and determined in his defense, his protection of Social Security—a man I think well-qualified not only to bear one of the greatest honors of his country, but indeed the country's highest honor, a notable, great champion, friend, gallant defender of Social Security, the Speaker of the House, the Honorable Thomas P. O'Neill.

[Applause.]

REMARKS OF HONORABLE THOMAS P. O'NEILL, SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES

The Speaker. My colleagues in the Congress, so many distinguished people and old friends who have paid their duty to their government in holding high positions that have ranked through the years that are gathered here today. This idea, of course, is the birth child of Claude Pepper, who recalled that it was 50 years ago that the Social Security Act passed this House and Senate and was enacted into law.

Thank you, Claude, for the kind introduction.

I am pleased to be here to celebrate the 50th Anniversary of the passage of the Social Security Act, and it is an added pleasure to be joined by my former colleague and good friend, Senator Jennings Randolph.

Senator Randolph and Senator Pepper will recall vividly 1935. Those were the days when 25 percent of American workers were unemployed, when 50 percent of American workers were impoverished, when most American farmers were suffocating in either dust or debt. It was also a time when it meant more often than not that, if you were old, you were poor.

Fortunately, we had a President, Franklin Roosevelt, who refused to accept these conditions as a natural result of the business cycle. He realized that the Federal Government has a responsibility to all Americans to promote economic growth and, mostly, individual security.

President Roosevelt sought more than relief, he sought a full recovery for this nation and for his countrymen. He observed that a man needs more than something to live by—he needs something to live for. His support for the Social Security Act reflected his deep commitment to improving the quality of life for older Americans.

As a result of Social Security, most Americans today can look forward to their retirement years happy and confident that they can live in dignity and in relative comfort. Now that over 90 percent of the senior citizens receive Social Security, the poverty rate among the elderly in America today is 14 percent. Twenty-five years ago, many elderly did not qualify for Social Security; and, in 1964, 35 percent of the senior citizens were living in poverty. It is estimated that in 1935, approximately 65 percent of the senior citizens, the golden agers, were living in poverty.

In 1935, the United States was exhausted, in the Depresssion, limited by isolationism and drained by joblessness; yet, our country's leaders committed themselves to a change, committed themselves to a recovery, and committed this nation to a better America for all Americans.

Fifty years later, the United States is the most powerful, most prosperous nation on earth. We have come a long way in 50 years as a nation and as a people. Just think: Fifty years ago, 65 percent of the senior citizens impoverished, 50 percent of all of the average citizens, 25 percent of the nation unemployed. If you were fortunate enough to go to high school, 3 percent went on to college, 8 percent had pensions, and 3 percent had health insurance.

Just think how far this nation has come in improving the well-being not only of our senior citizens, but all Americans.

Social Security is a landmark piece of legislation we celebrate today, and it deserves most of the credit for the progress this nation has made. Today, just as 50 years ago, it represents a commitment to the future, to our nation, and to its people. It recognizes the contribution each generation makes to building a better America, and it demonstrates the ties that bind our people together in making the American dream a reality for all Americans, both young and old.

Senator Pepper has once again done the Congress a great service by organizing this celebration.

Claude, I want to congratulate you on this event. You and Senator Randolph deserve our thanks for the great role you played 50 years ago, as Members of this Congress, for this great Act and for continuing in giving it the continuing support over the past 50 years.

America owes a debt of gratitude to all of you here today who participated in the legislation of 50 years ago. It is the greatest Act that the senior citizens of this country have the privilege of enjoying.

Thank you.

[Applause.]

Mr. Pepper. Ladies and gentlemen, there was another part of that great defensive team for Social Security in the House of Representatives—a man elevated by his colleagues to the leadership of that body, a man possessed of rare capacity for eloquence. Patrick Henry never pleaded for liberty more passionately or eloquently than this man; as a member of the committee and a leader of the House, has pleaded for the protection of Social Security and for its perfection in the years ahead. His heart is in that great chorus because he knows what it means to so many for it to be enjoyed by the people of our country.

So, I am very proud to present on this occasion a great, eloquent, able defender of Social Security, the Majority Leader of the House of Representatives, the Honorable Jim Wright.

[Applause.]

REMARKS OF HON. JIM WRIGHT, MAJORITY LEADER OF THE U.S. HOUSE OF REPRESENTATIVES

Mr. Wright. Thank you very much, Claude. Thank you for the privilege of participating in this commemoration.

So pervasive a force in the life of our entire community has Social Security become that it is difficult, if not impossible, to summarize a few of the most benign parts of that heritage. But, to date, in the retrospect of 50 years, it seems to me that the Social Security program has done two magnificent things for the nation, because it has done two marvelous things for people.

The first is that it has banished the cloud of fear which hovered as an ever-present companion of aging over the lives of literally millions of American people. Before the days of Social Security, it was altogether common as middle age came and a man and woman began to realize that the sands of the days and the months and years were slipping inexorably through the hourglass of time, and that they were not accumulating a substantial amount of cash to tide them over the vicissitudes of the future, for fear to become their gnawing companion. Most Americans of middle age and older were haunted by fear of economic insecurity, fear of the disabling disease or illness that would render them jobless and incapacitated, fear of the humiliation of being helplessly dependent upon their loved ones, and losing their independence and their dignity; and, yes, fear of the thing called "the poorhouse"—the term that, but for the grace of God, has largely disappeared from the American vocabulary—fear.

And then on that cold and windy March day of 1933, a man stood with the aid of a cane and looked into the heart of the condition. What he saw there was a picture of stagnation and fear. But then he spoke; and as men and women gathered breathlessly beside radio sets all across this land, that clear, resonant voice came to them bespeaking confidence, and the nation seemed to regain its balance as it tottered there on the brink of the abyss of economic collapse. For the only thing we had to fear was fear itself.

And fear is no longer such a haunting spectre in the process of aging. Retirement has become a happy time of dignity and golden years of fulfillment.

The second thing it has done, I believe, is to reinforce something inherent in the American character to make it a reality, and that is dignity. The Social Security program has given dignity to millions upon millions of American people—the sense that they have earned and paid for a social compact which exists from one generation to the next, the right to have a retirement of dignity and fulfillment.

My recollection of the days before Social Security is intensely personal. I was very young at the time and of an impressionable age. And I suppose when I think of the term "dignity," I personify it in the character of one man—my grandfather.

In 1932, the story of my grandfather was the story of many millions of Americans. For in that year, he, having worked for 23 long years for a national company and being entitled upon the completion of 25 years of faithful service to a pension which would tide him over in his old age, along with all the others employed by that national company for as long as 20 years' duration, was summarily fired. All of them were without a job.

Picture this, if you will: A man of 63 years of age, having devoted the last 23 years of this life to one company and one profession, suddenly without work. There was no Social Security. There was no unemployment compensation. There most assuredly was no such thing as food stamps.

I can remember my grandfather each morning avidly reaching for the newspaper, fire in his eyes and hope in his mind, ready to leave, as he would do each day, and call personally upon everyone who had advertised for anyone to do any form of work, because work was the one thing he most desperately needed and wanted. But, I can remember him coming back each evening, almost visibly shrunken in stature, both drained from his eyes because there were no jobs in 1932 for anybody 63 years of age.

He struggled valiantly to maintain his dignity. My family and I did as many families did throughout the United States: We moved from the little town of Weatherford to Fort Worth, where we could take half of the home that my grandfather and grand-

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mother were attempting to pay for and retire the mortgage on, and give them rent in order that they might have the dignity of paying for that mortgage out of what they saved from the use of part of that home. Families were doing that in those days.

Well, today people receive Social Security payments, not as handouts, not as humiliating acceptances of some welfare, but rather as a matter of right; and they receive it in dignity. It seems to me this is what Franklin Roosevelt had in mind when, in 1935, in signing that historic landmark legislation, he said, "This is the cornerstone of a structure which is being built, and is by no means complete."

Over the intervening half a century, we have superimposed upon that magnificant cornerstone guarantees of medical treatment for those who need it and otherwise would be debilitated without it; unemployment compensation for those who are buffeted by the vicissitudes of an economy that they cannot control; job training and retraining; and employment opportunities for young men and women; opportunities for a young couple to own their own home; some Federal guarantee that, despite what might happen, the loan might be paid; and the assurance that every young couple or every young person born in the most humble circumstances in this country might have as his or her birthright the right to an education.

Those things have been building upon this cornerstone. Much of it goes to the vision, the dedication, the determination of men like him whom I am about to introduce to you.

Throughout the years, his faithfulness, his leadership, his ability to see the right, perform the right, his courage to stand for the right, have helped to build upon this cornerstone which he was present at the process of laying. He is, in many ways, the leader of us all. We acknowledge his inspiration as well as his leadership. Mr. Senior Citizen—more than that, Mr. Dignity—yes, that, too, in many ways, Mr. America: Claude Pepper.

[Standing Applause.]

REMARKS OF HONORABLE CLAUDE PEPPER, CHAIRMAN, COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES

Mr. Pepper. Thank you very much. Thank you.

I am very grateful to my distinguished friend, the leader, for those very generous and kind words of introduction.

I am privileged to be here with you today to have a part in this great occasion where, on behalf of the American people, the millions of them who are covered by Social Security, we can express to that man who once lived, and that spirit which shall never die, our gratitude for what he has done for so many to make life better and richer.

In the last century, down in the basement of this Capitol a man sent a message by a strange little machine to some people in Baltimore. It was what was known as the first telegraph, sent by S.B. Morse. The message was, "What has God wrought?"

I have on my office wall a picture of the first airplane flight at Kitty Hawk by Orville Wright. Aviation began with that brave pioneer.

Noble and historic were these deeds in terms of meaning to the lives of millions of people. I think nothing is deeper than social security in America. Of all the great deeds that President Roosevelt achieved, I put first his leadership in the destruction of that unspeakable dastard, Hitler; second, his saving of America for democracy; and third, Social Security.

I asked Wilbur Mills this morning: "Wilbur, how many people do you suppose, since Social Security has been enacted, have been the beneficiaries of that program?" You know, of course, the program was enacted in 1935. The payments began in 1937. The first benefits, I think, were paid in 1940. We made meaningful amendments in 1939 and thereafter.

But he said, "If you take all of the aspects of Social Security—the survivors' benefits, the dependent children, the educational benefits, the educational benefits which existed until taken away a little while ago, all other benefits," he said, "possibly 100 million people have been bettered by Social Security."

What a legacy. What a man to lead his country.

I don't like to speak about things so personal, but God has mysterious ways his aims to accomplish. If Franklin Roosevelt had remained a gallent, dashing, young figure—patrician that he was—in health, I don't know whether he would ever have had Social Security or not. I don't know whether we would have had many other social security programs that mean so much to so many. But God, or someone, forced the circumstances and brought the proud, handsome, young Franklin Delano Roosevelt in touch with anguish and reality.

He taught him suffering, and he knew he was not the only one in his country to suffer. He said on one occasion, "When you have struggled for a year just to raise your big toe, you can understand what suffering means." So, he had the great pleasure. He put it in that message that we heard portions of here, in that third annual address known as the "Fireside Chat on Social Security."

He said, "There is one unconquered frontier in America." He knew we conquered the wilderness. He knew we crossed the mountains. He knew we would even master the seas. But we still had not mastered fear and want. And he took it as his heavenly task to make a contribution to that last concept, and he challenged us to the maximum.

Today, there are 38 million people who get a check every month from the Social Security program. There are innumerable people who receive benefits as survivors, widows, children; the diminished program, I regret to say, for those seeking an education. Others live in a better shelter, eat better food, live healthier and happier lives, because they can get that Social Security check every month.

And Roosevelt, I read the other day, made a rather poignant observation about Social Security. One of our great battles has been to keep it from being distorted from the social insurance program it is intended to be, from that into a welfare program where the recipient shall have meekly to approach someone, a bureaucrat, and apply and pass a means test.

Roosevelt thought he had solved that. He said, "I put in there that every man and woman who shares in the hope of receiving benefits under Social Security is to pay out of his or her earnings into that fund." And then he added, "With that in the Social Security law, the damned politicians will never be able to take my Social Security bill away from me." And that is what we must never forget.

What it is today, the recipient of a Social Security check can pick it up out of the mailbox, get it in his Post Office box, pick it up from his home, proudly hold it up before the world: "This is mine. I helped to buy with my money."

And the way so many people feel about it was illustrated on one occasion when I was in Birmingham, Alabama, by a lady whose husband I grew up with. I was sitting in their neat, little home. She was a widow. She was proudly telling me about her two sons. One was a minister and the other a businessman. They were both doing well.

I said, "Eunice, do you have Social Security?"

"Yes," she said, "I have Social Security."

"Well," I said, "then you are well off, aren't you? You have your two sons to help you and you have your Social Security."

She drew herself up. "I don't need my sons to help me. I have my Social Security."

How proud she was that she had that. Let's don't ever let anybody take the quality of that character away from the Social Security program.

Well, we have been engaged in the last three or four years on the defensive. We have fought like everything to perserve Social Security and to protect it. We hope in the years ahead that we will be able to perfect it as Roosevelt dreamed and hoped we might be able to do.

Is there anything to do? Women have not been given full equality under the program. And what about Medicare, medical care for the people of America?

A lady sat by my desk the other day; poured out her heart to me: "I have liver disease," she said. "I'll have to have an operation in the next six or nine months, or I'll be dead in the next twelve. I've been to the hospitals. They tell me I'll have to have $150,000 before I can have the operation, and I'll need another $50,000 before the operation is over."

She said, "I have been able to raise some from kind people—$45,000. What am I to do?" Thirty-five years old, the mother of three children, life hanging in the balance for $200,000.

A little bit ago, I was taking testimony at a hearing. Two lovely daughters were pouring out their hearts as to how they had made themselves destitute, one said, in three months. "My sister and I won't have anything. We have been treating our mother who has Alzheimer's disease. We will be destitute. Who will look after her? Will we have to be destitute to get the benefits of Medicaid?"

I sat across the table from a lady in Florida not long ago. She said, "Mr. Pepper, I am a professional obstetrician." She said, "You just don't realize how many children are born with some defect, some handicap, which in most instances could be corrected, but only the big hospitals in the cities can do that kind of operation. Most of these mothers are poor women who don't have any money. They don't know how to get in touch with the proper people in the big hospitals. The children grow up handicapped for life."

One of Roosevelt's great disappointments was he was taken over by the war and he didn't have an opportunity to develop a medical care plan, a medical care program under which, in the American way, by doing his or her part as best as he or she can, every man and woman and child in America will be able to get the medical care that he or she should have.

Is money so dear and life so cheap that somehow we can't allow that divine spark of life to live as long as may be in those in whom it has been entrusted? In the last long journey of life, do people have to die ahead of time, live in ill-health or disease because they can't profit by the skills that we have developed, many of them by public funds?

So, I hope we will regard this day not only as a day of appreciation, but a day of gratitude.

God rest you, Mr. President. We will never forget you. We are grateful. But we will not let you down. We are going to fight whatever else there may be and keep the fight up as long as it needs to be maintained until we accomplish not only the preservation and the protection of social security but its perfection. God bless our ends.

[Standing Applause.]

Mr. Pepper. We will now have a choral presentation by the United States Army Chorale.

CHORAL PRESENTATION—UNITED STATES ARMY CHORALE

Mr. Pepper. Now we will hear another great actor in the part of the social security story, a man deeply dedicated to that deep objective. He is Chairman of the Select Committee on Aging, and he is performing a magnificent job in the leadership of the fight for the elderly of our blessed land.

I am very proud to present my friend and our distinguished leader of the elderly, the Chairman of the Select Committee on Aging, the Honorable Ed Roybal of California.

[Applause.]

REMARKS OF HONORABLE EDWARD ROYBAL, CHAIRMAN, SELECT COMMITTEE ON AGING, U.S. HOUSE OF REPRESENTATIVES

Mr. Roybal. Thank you, Mr. Pepper.

Ladies and gentlemen, I still firmly believe that it is best that I follow ten most excellent members of the Army choral group than one Claude Pepper. [Laughter.]

Ladies and gentlemen, when Social Security was passed many years ago, there were those who predicted it would not survive that decade. But today, on its golden anniversary, Social Security qualifies as one of the great success stories of the century, while at the same time it has a firm foundation for individual financial security in the 21st century.

Social Security is primarily responsible for this country's success in reducing proverty. Fifty years ago, half of all older Americans were, in Franklin D. Roosevelt's words, ill-housed, ill-clad, and ill-nourished. But today, the percentage of poverty among the elderly and the rest of Americans is almost identical. But, if Social Security did not exist, the elderly population—the elderly poverty rates would more than triple and half the nation's elderly would again be ill-housed, ill-clad, and ill-nourished.

Because it does exist, and because it is financially sound, 10 million Americans under age 65 receive Social Security benefits; 5 million children of surviving or disabled parents and other disabled adults depend on Social Security to keep out of poverty. This is a clear indication of how important Social Security can be to a surviving spouse and children and to the security of today's younger workers.

Ironically, some critics still point to Social Security's stunning success as proof that it has outlived its usefulness. To abolish Social Security or reduce its benefits makes about as much sense as doing away with private pensions or IRA's, or forcing healthy people to quit work because of age.

The challenge for Social Security's next years, during the next 50 years, is to preserve and to protect, to defend and improve its benefit package, while also encouraging the growth and development of private pensions, individual savings, and flexible opportunities for senior citizens who have both the ability and the desire to work.

We should make improvements in Social Security for women whose worker years are often interrupted with child care and other family responsibilities. And we should restore the cutbacks which hurt the disabled, which hurt students, and also those retirees who were born after 1916.

I firmly believe that we can reduce Social Security tax rates for all workers. We can eliminate the current tax exemption for those fortunate few who earn over $40,000 per year and, at the same time, continue the sound financing of a system that can provide benefits to a larger participating membership for the people of America.

Yes, ladies and gentlemen, changes should be made, and changes will be made. Social Security will again come under attack, but those changes should be gradual and should be based on common sense. But those changes, however they take place, should be reaffirmations of the principles which have made Social Security the great American success story for the 20th century.

Thank you.

[Applause.]

Mr. Pepper. Now, ladies and gentlemen, it is my privilege to introduce the next spokesman. He was a Member of the House of Representatives in 1935 when it passed the Social Security bill. He was elected to the House at the same time President Roosevelt was elected to the White House in 1932. He was here during those momentous 100 days when Roosevelt and the Congress saved America from collapse.

He spent 14 years in the House. Then he was out for a while, catching his breath, as it were. Thereafter, he served 26 years in the Senate. He remained in the Senate until the end of last year.

He is still in good health, great spirits, still busy going over America advocating, supporting, helping create good causes. He is a man deeply dedicated to this great cause, because he was in, as they say, at the beginning.

I have the honor to present a great American and my great friend, former United States Senator, former Representative, Jennings Randolph.

[Applause.]

REMARKS OF HONORABLE JENNINGS RANDOLPH

Senator Randolph. Good afternoon, ladies and gentlemen.

As we come to the end of the speaking program, Wilbur will close it out. We have made an agreement not to speak over 35 minutes each. [Laughter.]

Wilbur, I am going to cut it down to a few minutes. I thought you might have a message to take 17 or 18 minutes.

I do want to say the most significant bill ever passed in the Congress of the United States was the Social Security Act of 1935. [Applause.]

Yes, I was just thinking as I sat here with all of you young people today, we all are in that category. You know, we are not here thinking of aging. We are thinking of those we can speak of as being in that period of their lives in praise of age. Wouldn't that be better than aging?

But this is a very wonderful afternoon. I have never seen Statuary Hall come alive before. I look around and I can almost see smiles on the faces of some of those who are here at this time.

I loved the singers from the Army today, that choral group. They sang about the flag. Abraham Lincoln knew what that flag was. And there was a building constructed during his administration, a very small building. It was the Treasury Department. Very small; our deficit wasn't large then.

But they asked the President: "Mr. Lincoln, what part would you want in the program?"

"Well," he said, "I would like to raise the American flag."

So, he made the shortest speech that any Chief Executive of our great and wonderful country has ever made. He said, "I have been assigned to raise the American flag. This, I will do. And after I have raised it up, it will be for the people to keep it up."

I felt today, as I come here with all of you, that this is not the day just out of patriotic fervor, but it is a day of looking back, because, in looking back, America at that period looked forward. Franklin Roosevelt certainly looked back, yes; but he was constantly looking forward.

Yes, I remember when I came to this historic Hill in March of 1933. I will never forget those hours. But, as I sat here today, I was just thinking of F.D.R. over and over and over again. And, you know, of all the legislation perhaps that he fostered, this might be for many reasons perhaps the epitome.

Franklin Roosevelt, I know, would, if he could hear us here today, realize that we are remembering all of those who were a part of that early Congress in 1933. It is not very important, but I have cast 10,753 roll call votes on this Hill. I know I did right when I voted for Social Security in 1935. You know what was that vote? I checked it out today. We had the introduction of the measure on the 11th of April; but on the date, April 13, just two days later, in the House, we voted on a roll call for this legislation, in fact, by a vote of 372 to 33.

Those were the days, you know, the Soviet Union—believe it or not; it can all be proven—they were encouraging Americans who were unemployed in this country to come there and they would give them jobs. This was a time in the history of our country when we were really in trouble and the unemployment reaching sometimes 40 percent throughout the nation, millions of people actually on the move, living in almost cardboard houses in some parts of our country. Those were very crucial days.

So, I repeat: It was on April 13 that we voted on roll call 372 to 33; and then it was on June 19 that the Senate voted 77 to 6. I don't say the House was first. That is not important. But we had to go through two conferences—not one, but two—very difficult conferences. Then, of course, as I remember it, it was the 14th of August when Franklin Roosevelt signed the measure into law.

Today, it doesn't matter how many roll calls you cast, how many Members of the Senate with whom you served. I served with 283. How many House Members? I served with over 600. Yet, that all is not too important, except you permit me, perhaps, the mention of it here today.

I say that this is a happy hour, not just for a few—those in Statuary Hall with Claude Pepper—but for all men and women throughout the country. It is a day not just of memory, but a day of knowing that that which was done was right. Let us hope America will always do right.

Thank you very much.

[Applause.]

Mr. Pepper. Now, ladies and gentlemen, as our last speaker I wish to introduce a man—he may not have been the father or the mother of Social Security, but he is certainly the midwife, because he was most instrumental in its delivery. He was the assistant to the professor from his university invited to write the Economic Security bill in 1934 by President Roosevelt. He worked intermittently with him, all the way through on to the completion of the enactment of the Social Security bill and for years thereafter. And then, as Assistant Secretary of Health, Education and Welfare, and finally Secretary of Health, Education and Welfare, he has carried on this great program of Social Security.

He has had more to do with the inception, with the birth and the growth of Social Security than any living person. We are proud we can have here today, to tell us some of these people who worked with him and some of the throes of those early days, a great American, the Honorable Wilbur Cohen.

[Applause.]

REMARKS OF WILBUR COHEN

Mr. Cohen. I am especially happy today to have the House of Representatives take the leadership in commemorating the Social Security Act, since the House of Representatives has been so instrumental in the development, the preservation, the protection and the expansion of this magnificent program.

It is especially wonderful for me today to recognize the fact that, 50 years later, we have such a group of men and women in the Speaker, the Majority Leader, the Chairman of the Rules Committee, the Chairman of the Select Committee, and the former Chairman of the Social Security Committee here who have been such loyal protectors of the program. I am especially happy to participate today.

Fifty-one years ago, I was a student at the University of Wisconsin and I came on my longest and most important journey in a rumble seat. Since I didn't have any money, I begged a friend of mine going to Richmond to take me along. And that was 51 years ago when I came to this great city to work with several people who are here with me today, who I have remained both a colleague and a co-worker and a friend, and I want to introduce them to you.

First, a wonderful lady who came with me from Madison, Wisconsin 51 years ago and who did the major research on the German social security and the foreign social security systems: Marianne Sackmann.

[Applause.]

Marianne Sackmann Linnenberg today, but I always think of her as "Sackmann."

Secondly, a young man then who I worked with over these 50 years who has done the major actuarial work on practically every aspect of the Social Security program, and whose integrity has established the integrity of the actuarial estimates: Robert J. Myers.

[Applause.]

No Commissioner of Social Security, no Secretary, no Republican, no Democrat of the Ways and Means Committee, the Senate Finance Committee has ever basically challenged his estimates; although, I will come later to the searching questions of Mr. Mills, who was the only Member of Congress I know who could take Bob Myers on.

The third member here today is my good friend, Robert R. Nathan, who did all of the unemployment estimates in 1934–35 and, in effect, constructed the estimates for unemployment which didn't exist prior to 1934.

Bob?

[Applause.]

Today, you take for granted every month when you hear the unemployment estimates being given out, but there is the man who created the concept and developed the basic material upon which we all rely today.

They worked with me and I worked with them in the Committee on Economic Security. We little band of brothers and sisters keep in touch, because we were privileged to be part of this remarkable achievement 51 years ago.

Now I would like to introduce my dear friend of many years, Maurine Mulliner, the Secretary of the Social Security Board from its inception.

Maurine, will you stand?

[Applause.]

When any oral historian today wants to cite something about some initial controversy, they have to go back to her minutes in order to verify what was said or done in terms of the original development of the program.

The first Assistant Executive Director of the Social Security Board, and later the Director of the Bureau of Old Age Insurance, my good friend of many, many years, John Corson.

[Applause.]

I can't see because of the lights. I really can't see out in the audience very well, except if there are any others who are invited today from this group who will come—I don't see them. If there are, I wish you would stand up and I will introduce you.

We invited quite a number more, but 51 years later it is a little difficult for some of them to get there.

I now want to introduce two of the Members of Congress that I have worked with for many years and who have made great contributions to Social Security, as many others have. One of them I worked with for 35 years. I have answered at least 20,000 questions that he asked me over those years. We sometimes have differed; we sometimes had to work closely together; we sometimes had to force compromises. But he has been a loyal and dedicated believer in the principle of social security and social insurance; Wilbur D. Mills, the former Chairman of the Ways and Means Committee.

[Applause.]

And my own Congressman, who was Chairman of the Subcommittee on Social Security until recently and still is a Member of the House Committee on Ways and Means—and if I had 10 minutes, I would tell you what I think a great committee the Committee on Ways and Means is and what he has done to help defend Social Security, particularly the disability program: Jake Pickle, Congressman from Austin, Texas, a great city with a great university.

[Applause.]

Being a professor, I only speak in 50-minute units.

There were giants on the earth in 1935, giants in the Executive Branch, in the Legislative Branch, and in the Judicial Branch. The 74th Congress, which convened in January of 1935, had a rendezvous with history. It was to be an era of social reform at the national level, such as that which swept the States and the nation some 25 to 30 years before.

In five short months in 1934, the basic framework of the Social Security Act was formulated, and in seven months the Congress of the United States perfected it and enacted it into law. A monumental change in public policy was underway which was to have a tremendous impact upon generations to come.

Franklin Delano Roosevelt sent to Congress on January 17 a persuasive message of only 2½ pages, accompanied by a comprehensive report of 74 pages—a brilliant report, I might add. The latter report of the Cabinet Committee on Economic Security was prepared under the direction of a most remarkable woman, Frances Perkins, the Secretary of Labor and the first woman Cabinet member in the history of our nation. She has not really gotten her full due.

The report was written by Edwin E. Whittey, my professor of economics from the University of Wisconsin who, in 1934, contained in his one brain all of the encyclopedic information about social security throughout the world.

This report was orchestrated by one of the greatest public administrators I have ever known, Arthur J. Falkmeyer, an Assistant Secretary of Labor who later became the Chairman of the Social Security Board and who, with the help of several of the people here—Maurine and John and others—created the administrative structure on a nonpolitical, nonpartisan, merit basis that put the program in effect.

The proposed legislation, 63 pages in length, was sent up on the same day by the President and was called the Economic Security Act, or bill. It was primarily drafted by Thomas E. Eliot, a young man in the Labor Department whom we invited today but could not come, whose legislative insight subsequently earned him the great opportunity, cherished by many of you and by John Quincy Adams, since he later earned a seat in the House of Representatives.

The bill was introduced in the House on the same day by the Chairman of the House Committee on Ways and Means, that large, rugged farmer from North Carolina, Robert L. Doughton, nicknamed "Huey," and the sweet, gentle former coal miner from Maryland, David Lewis; and in the Senate by that nationally known leader of social legislation, Senator Robert F. Wagner.

The urgency and the uniqueness of this historic occasion was demonstrated by public hearings which began almost simultaneously in both Houses, in the House Ways and Means Committee and the Senate Committee on Finance.

But, in deference to the law of physics which holds that a person cannot be in two places at the same time, the Senate appropriately deferred to the constitutional prerogatives of the House of Representatives that all tax legislation must originate in the House, and began hearings two days later so that Professor Whittey could testify in both committees, which he did within 48 hours.

The nation was in such critical times, as Jennings Randolph and others have said, that there was an urgent need for prompt action; and I doubt there have been many times in our history when both Houses have hearings simultaneously on a single bill of such magnitude.

The hearings in the House took place between Monday, January 21, and February 7, 1935, and totaled 1,141 pages of testimony, the committee going into Executive Session almost immediately, and in less than two months, they reported out a clean bill.

In the Executive Sessions of the Committee on Ways and Means, there were, as there have been ever since, the legislators and lawyers, such as John W. McCormack of Massachusetts, later the Speaker of the House, and the man whose gavel passed the Medicare and Medicaid bill in 1935 in the House; Jere Cooper of Tennessee, who later became the Chairman of the Ways and Means Committee; Fred Vinson, who later became the Chief Justice of the United States; and John Dingell, the father of the present distinguished Chairman of the House Committee on Energy and Commerce, who was the House sponsor of the first national comprehensive insurance bill in 1943.

Day after day, these distinguished legislators went through the bill line by line, page after page. A lot were new, innovative, far-reaching ideas, new proposals, changing, elaborating, clarifying under constant questioning from Members of both the committee and of another towering figure in the House, Mr. Middleton Beaman, the House Legislative Counsel. Mr. Beaman was the first Legislative Counsel of the House, and I know not how many legislative innovations he drafted during his tenure from 1916 to 1949, but in his absence I will say that the Social Security bill was certainly one of the greatest accomplishments which he achieved, with the help of Tom Eliot.

And Jere Cooper, later on the Floor when he retired said, "It was my privilege to attend many conferences with the late President Roosevelt, with the Attorney General of the United States and other officials who were working on that important measure. We found the advice and counsel of Mr. Beaman to be valuable at all times, and it is my conviction that the measure today has served the test of constitutionality largely because of the contribution by Mr. Beaman."

Ever since, I think even during the tenure of Mr. Mills, we will learn the tremendous contribution made by the House Legislative Counsel in the perfection of legislation.

When the clean bill was reported out and the committee was in Executive Session, somebody said—we can't remember who it was—"Well, we have to distinguish the clean bill from the old bill."

Well, the old bill was called the "Economic Security" bill. So somebody said, "Well, call it the 'Social Security' bill. That will distinguish it."

No one thought much of this change at the time. It was a rather routine discussion. But this term spread first to New Zealand and then around the world, so that today this concept, this term, this Americanism has worldwide recognition just like Classic Coca-Cola.

The Minority report, however, of the Members representing the Minority party on the committee made five objections to the old age plan that we today call "Social Security." I would like to just read them to you.

The first was that it was unconstitutional. Well, that was overcome.

The second was it would destroy private pension plans. Even with all the pension plans that were in existence that day, at that time, on the railroad—there were only 400 in the United States as of that time—it not only did not destroy them, there are thousands upon thousands today which it helped to create.

Third was, it would retard the economic recovery. And the interesting thing, they said, if that is so, don't put a payroll tax on; pay it all out of general revenues. I think the present Administration would fall over if that is what had happened in 1935. But that is what the Minority group did then.

They said it would establish a bureaucracy in competition with private insurance. As a matter of fact, private insurance today has accelerated expansion particularly in light of this, because of Social Security.

Forth, it would impose a crushing burden upon industry and labor.

I tell my students—and I use this—don't believe everything you read. The House of Representatives did not agree with the Minority report. It passed on April 19 by a vote of 392. But there was a motion to recommit, to strike out the old age plan, which was defeated 149 to 253, and thereby stands the great contribution the House of Representatives made, because the Senate did try to emasculate the program. But it was the House of Representatives that recognized the nature of the plan and its importance, and it is the plan we have built upon today.

It is often overlooked that the Social Security Act also provided the basis for stimulating all the States to add State unemployment insurance laws, to finance nationwide employment service, for the establishment of maternal and child health, crippled children, aid to the blind, aid to dependent children for the basic Federal structure of public health grants, the permanent continuation of the vocational rehabilitation program. All of those were just little addons in the program of 1935.

In effect, what that Act of '35 did, in addition to old age, is it built into a permanent structure the nationwide safety net which progressive legislators of both political parties have been struggling to build for the previous 146 years without the basic help of the Federal Government until Franklin Delano Roosevelt came along.

Now, the other body did act promptly, reporting a revised bill on May 20, but proceeded to make several basic changes in the House bill, a few that were improvements but several retrogressive steps. One of the changes passed June 19 proposed to allow private pension plans to contract out a social security old age system, thus I think—and I think Mr. Heinz will agree with me—undermining the actuarial foundation and the portability and universality of the plan.

The House rightfully and prophetically refused to accept this basic departure, and that was the nature of the first conference report. They sent the bill back to the Senate for a second conference. Just think how far-sighted they were.

The technical problems presented by the idea of contracting out were so monumental that it was never possible to work it out in any reasonable period of time in 1935. The Senate then backed down and the House accepted the conference report on August 8, and the Senate on August 9, without the emasculation that the Senate provided, and a new day dawned in the United States.

Franklin D. Roosevelt, in his jovial mood, radiating the confidence which helped to restore the confidence of the American people in those difficult days, affixed his signature to the bill five days later. You heard several quotations from him. I won't repeat them. But I will give you a couple that have not been quoted.

"We can never insure 100 percent of the population against 100 percent of the hazards and vicissitudes of life," he said, "but we have tried to formulate a plan which will give some measure of protection to the average citizen and to his family against the loss of a job and against poverty-riddled old age."

In addition to his famous statement that it is a cornerstone in the structure but is by no means complete, he recognized the incremental nature of what had to be done, which occurred in 1939 with the addition of survivors' insurance; in 1956 with disability insurance; in 1965 with Medicare. And I am sure I can say without contradiction, if he were here today he would say it is still not complete.

It was enacted as a protection, he said, to future administrations in the necessity of going deeply into debt to furnish relief to the needy, to flatten out the peaks and valleys of inflation. It is, in short, a law that will take care of human needs and, at the same time, provide for the United States an economic structure of vastly greater sounding.

That is the philosophy of the economic stabilizer which Social Security has provided for the economy that has flattened out some of the worst ups and downs of our economic cycle.

Now, in my opinion, the Social Security Act of 1935 was, in one sense, a quantum leap in social policy; but, in another sense, also an incremental development, a social policy development. Under President Roosevelt's magnificent leadership, he broke with the negative Federal policy advanced by President Pierce and supported by President Hoover in expanding public and Federal responsibility for dealing with the problems of old age, unemployment, disability, health, welfare, and childhood dependency.

Yet, under his leadership, he carried that out in a way built upon well-accepted institutional practices. It utilized the widely understood pooling of the risk concept prevalent in private insurance by applying it in principle to social insurance in old age and unemployment and Federal/State cooperation in connection with unemployment insurance, welfare, rehabilitation, public welfare, child health and social services.

The Act, in my judgment, was thus an expression of the ability of the Roosevelt Administration and his advisers to combine both a radical and a conservative program in one legislative package. The Act has served as a mechanism over the past several decades, at least until 1981, to stimulate increases in both public and private expenditures for social security, health, welfare, and social services that have become a built-in stabilizer of consumer purchasing power permitting the continued function of the marketplace profit, collective bargaining system and a work-oriented free enterprise economy.

But President Roosevelt was concerned about the future of his handiwork; and, as you have been told, he was very concerned about the possible future, political changes and proposed cutbacks or repeal of the Social Security System in the future. Thus, he supported and justified the use of contributory social insurance by employers and employees paying the costs to finance the program as the method that would assure continuation and support of a statutory and political rights of individuals to receive benefits without an income or needs test in times of financial or budget constraints.

In my opinion, he foresaw the present and he built in adequate defenses against it. He helped establish the principle that social security was a social compact, a solemn commitment which the Congress made to the contributors of the system and which have nothing to do with the deficit.

At the time he signed the Act into law, President Roosevelt explained the basic incremental nature of the program and contemplated, as did the Committee on Economic Security, that eventually there would be survivors' insurance and disability insurance and Medicare, and hopefully national health insurance in the long-distant future. The building of the program has been a continuing process during the past 50 years which Roosevelt expected to go on until the program provided protection, as he said, against all the major hazards of life.

In my opinion, the task is still incomplete. There is a lot more to do. And I am certain that the House of Representatives will do that in the future.

It is obvious, as you look about the world, there is no one best or simple way to provide social security. There have to be accommodations to differing viewpoints and conditions. But, just as there are ways to form a more perfect union in marriage and in merchandising, there are even better ways to raise children than I know of, and there are better ways to improve family life, so does the Social Security.

But the one thing I learned in 50 years is, you got to build on what you have got. You can't constantly reform or restructure everything all the time and tinker with it in the hopes that it will improve it. When it isn't broke, as it isn't, don't fix it.

Nevertheless, the 1935 Act represents a significant and innovative step which created a workable institutional network, which has now survived 9 Presidents and 25 Congresses. There is no current evidence, in my opinion, despite harsh criticism and many proposed alternatives, that the Congress intends to change the basic structure, the fundamental philosophy or financing arrangements of the social insurance feature of the present law.

Although the provisions in the Social Security Act undoubtedly will change—and I hope improve in the future, as it has in the past—in my judgment, based on these 50 years, it will remain a dynamic and influential factor in the American economic, social and political life. And 50 years from now, people will still get their benefits and the system will still be financially sound, and I invite you to come back with me 50 years from now and celebrate that occasion.

[Applause.]

Certainly, the Social Security Act is one of the 10 greatest pieces of domestic legislation in the history of our republic. The House of Representatives, its Speakers, its Majority Leaders, its committee chairman of the Subcommittee on Social Security, have been its initiator over the years, its defender, its protector, and its mentor until this very day. May it always be so.

Thank you.

[Applause.]

Mr. Pepper. Ladies and gentlemen, I wish to thank all of those who have contributed to this great occasion. I especially want to thank the United States Marine Corps Color Guard, the Combo, and the United States Army Chorale for all the magnificant muscial renditions which we appreciate very much.

You have in front of you—I want this row to stand over here; and the first two people and one right down there in this row, please stand up.

This is the committee that worked with us in putting the program together: The Honorable Bert Siedman, representing the Honorable Lane Kirkland from the American Federation of Labor; Jake Kliman; William Hutton, Executive Director of the Council of Senior Citizens; the Honorable Peter Hughes, one of the leaders of AARD; this great lady here, Maggie Kunts, founder and head of the Gray Panthers; and Mr. Andrew Riden, head of the Aging Council.

Over here—I want him to stand up, too—Judge Hansen of the great international organization called the International Eagles. He came all the way from the West to be with us on this occasion. For many years, on the 14th of August, the date when President Roosevelt signed the Social Security bill, his organization, the International Eagles, has had a ceremony at Hyde Park to commemorate the significance of this great occasion.

Judge Hansen, we are grateful to all of you for being here with us today.

[Applause.]

This red-headed, tall, young man back here is the General Counsel to the Rules Committee and Staff Director of that committee. His name is Tom Spulak. He has been working with this committee and has put our program together. We are very grateful to you, Tom.

[Applause.]

Now we will have everyone rise, if you will, please.

I want to thank, in the warmest way, every one of you for being here. I hope you will go out and carry the message of gratitude for Social Security and determine that you will always be one of its preservers and its protector.

After our benediction, the audience will please remain standing; and, with the chorus, we will sing "God Bless America."

BENEDICTION

Reverend Ford. Let us pray.

The Lord bless us and keep us. The Lord make His face shine upon us and be gracious unto us. The Lord lift up His countenance upon us and give us peace. Amen.

SINGING OF "GOD BLESS AMERICA"

Mr. Pepper. Goodbye. God bless.●

HOW TO BREAK THE ARMS CONTROL IMPASSE—A STAR WARS SOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. McEwen] is recognized for 5 minutes.

Mr. McEWEN. Mr. Speaker, in a recent issue of the *New Republic* former National Security Adviser Zbigniew Brzezinski provided a cogent insightful observation concerning our Nations Strategic Defense Initiative. I commend the article by Mr. Brzezinski to the attention of my colleagues and ask that it be included in the Record.

HOW TO BREAK THE ARMS CONTROL IMPASSE

A Star Wars Solution

The usual *danse macabre* of American-Soviet arms control negotiations is about to begin. The process is typically initiated by a Soviet announcement to leaders of the U.S. government, and to the myriad self-appointed American accommodationists trooping to Moscow to seek on their own a "fair" solution, that the ongoing stalemate is due entirely to American rigidity. The Soviets insist that they cannot give an inch, and that only a massive display of American good faith—translated into unilateral concessions—can revive the negotiations.

In the late 1970s the Soviets made it clear that progress in negotiations would be contingent upon U.S. abandonment of its cruise missile program. In 1984 they premised even the beginning of arms control talks on the dismantling of the U.S. Pershing and cruise missiles already deployed in Europe. Then the MX missile came to be designated as the impediment to any compromise. And now the Strategic Defense Initiative, Reagan's so-called Star Wars proposal, has been identified as the mortal enemy of arms control.

These arguments are then faithfully reproduced on the Op-Ed pages of U.S. and West European papers. Renowned professors, former ambassadors, various politicized scientists, and leaders of the arms control lobby plead for a demonstration of American good faith—which happens to coincide with the acceptance of what the Soviets are demanding at the time. The process of negotiation thus begins in earnest—but among us Americans! The Russians, meanwhile, sit at the table in Geneva and wait for the eventual U.S. concessions.

It is a normal procedure for the United States to prepare for serious negotiations with the Soviet Union by defining a tough opening gambit, to be followed by a more flexible position that would be exercised in conjunction with some demonstrated Soviet willingness to compromise. But it is usually only a matter of time before some disgruntled official leaks the substance of the fallback position to one of the ex-ambassadors, peace-loving professors, or any one of the 535 representatives and senators who have lately become our surrogate secretaries of defense and state. Any one of them then feels free to publicize the fallback position as his constructive suggestion. Indeed, the latest fashion is to compose a joint letter published under three or four prestigious signatures, strongly urging the U.S. to make further unilateral concessions in order to convince the Soviets that we are negotiating in earnest. After we prove our good intentions, the Russians may be prepared to accept our third—or fourth—fallback position as a proper match for their own unyielding position.

The Soviet argument against SDI and the domestic critics' case against SDI are politically complementary. The Soviets say that SDI threatens the militarization of space, and that there will be no arms control agreement unless it is abandoned. The American critics say SDI will not work, that it will cost too much, that the Soviets can very easily overcome it, and that the Soviets are dreadfully fearful of it. The logical inconsistency of these arguments is less important than the political symmetry of their intended effect—namely that the U.S. should unilaterally forgo the SDI program.

In fact, nothing could be more damaging to the prospects for real arms control than the jettisoning of SDI. Indeed, the time has come for the United States to bite the bullet on the SDI question. Only if a strategic defense system is deployable within the next decade or so, and only if our will to deploy it is proven credible, can the United States trade it for a genuine and comprehensive arms control agreement with the Soviets. It is essential that this system be capable of disrupting and rendering militarily useless a Soviet first strike by intercepting missiles early in flight or by knocking them out as they descend toward the United States. Anything less than that virtually guarantees that there will be no comprehensive arms control agreement.

The reason for this proposition, unpalatable though it may be to the arms control lobby, is rooted both in the changing character of nuclear weaponry and in the nature of Soviet strategic deployments. In the 1970s both sides enjoyed large strategic forces whose primary function was to pose the threat of annihilation to the other country. These systems were not susceptible

to preemptive destruction. The emerging reality of the 1980s and 1990s is that both sides are deploying far more accurate weapons. These weapons are capable of a preemptive first strike that could eliminate the opponent's strategic forces—and prevent effective retaliation. For the first time it is possible to contemplate the possibility of an attack that destroys an overwhelming majority of the other side's forces while also disrupting its command and communications structures to such an extent that any response would be marginal, spasmodic, and conceivably not totally destructive. In short, as accuracy increases so does the benefit of striking first.

This is not to argue that the Soviets (or the United States) are likely or certain to launch a first strike. It is simply to say that the nuclear relationship is growing ever more precarious. This is the current danger in the American-Soviet military situation. It needs to be addressed and resolved by the arms control process, if possible; or unilaterally, if arms control remains stalemated.

But there is another problem raised by the advent of the highly accurate weaponry. The Soviet Union is now deploying such forces in large numbers; the United States is not. How can we negotiate effectively in this situation? We somehow have to convince the Soviets to limit the further deployment of their new SS-24 and SS-25 missiles, and to limit significantly the deployment of existing SS-18s and SS-19s, all of which have counterforce capability. Without such limitations, by the early 1990s the Soviets—even by conservative estimates—will have enough missiles to place the entire U.S. arsenal in jeopardy. Only our Trident and Poseidon submarines already out at sea *might* escape destruction from a Soviet first strike. And with the confusion and resulting disintegration of communications systems, the submarine forces might not be in a position to retaliate effectively.

In contrast, the United States is not likely to be able to threaten the Soviet Union in a comparable way. No ongoing or likely deployment program will enable us to launch a disarming attack. Even if the U.S. had some form of strategic defense in order to protect its missile forces, we would still have far too few MX missiles, D-5 missiles on Trident submarines, and Midgetmen to even permit contemplation of such a disarming first-strike attack at any point between now and the end of the century.

In these circumstances, the decision to go ahead with the SDI makes eminent sense. But it also means reformulating it politically and strategically. The U.S. should drop or at least de-emphasize President Reagan's idealistic hope for total nuclear defense for all our population. We should also abandon our unwillingness to consider SDI in the bargaining process. If we implement that part of the SDI program which by the mid-1990s would enable us to disrupt a Soviet first strike, we would reinforce deterrence and promote nuclear stability. That means concentrating on terminal defense and boost-phase interception.

Once we establish our determination to act on the SDI, we are in a better position to strike a bargain. We can say to the Soviets that we both face essentially two choices, one mutually beneficial, the other especially costly to them, but both stabilizing. The first choice is to renegotiate the 1972 ABM treaty to permit deployment of strategic missile defense, but without either side improving its ability to carry out a first strike. Then, in return for significant reductions in SS-24s, SS-25s, SS-18s, and SS-19s, the United States would not deploy its strategic defense system. The second option would be pursued if Soviets were unwilling to accept such a bargain. The United States would unilaterally terminate the ABM treaty and proceed with SDI. This would render the Soviets' new generation of accurate missiles useless and wipe out their multibillion ruble investment in them.

Some critics of the SDI argue that the Soviets could respond by vastly increasing their offensive deployments. There are two problems with this line of thinking. First, if the Soviets do respond by building up, they will confirm the ominous suspicion that they are intent on preserving a first-strike capability against the United States; if so, the urgency of negating that threat is all the greater.

Second, if the Soviets expand their offensive forces, the strategic defense could be expanded proportionally. Remember that such a system would not need to be foolproof since it would not be designed to defend populations; it would only need to be capable of significantly disrupting an attack on U.S. strategic forces. In such a competition we would have the advantage. It would be far cheaper for us to add defensive missiles than for them to add highly accurate offensive missiles. (Those who make the most ambitious claims for the SDI should bear in mind that we could not compete so well if we were seeking to build a foolproof defense of our cities. If our defense had to be 100 percent effective, it would cost us far more to expand it than it would cost the Soviets to expand their offensive forces.)

To shape such an effective U.S. defense strategy and a meaningful negotiating posture, President Reagan's SDI needs to be redefined. We must show the Soviets both that we can deploy a strategic defense system soon and that we will negotiate over its deployment if they are willing to make stabilizing reductions in their offensive missile forces. In the event of Soviet unwillingness to accept such an arrangement, we would be in position unilaterally to achieve strategic security for ourselves. And because the SDI would not be accompanied by a massive deployment of disarming first-strike offensive U.S. systems, we would in no way increase our strategic threat to the Soviets. Either way SDI promises a genuinely stabilized nuclear equilibrium between the United States and the Soviet Union. The time to act is now.

LOBBYING REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. Hamilton] is recognized for 5 minutes.

● Mr. HAMILTON. Mr. Speaker, our current lobbying disclosure law is not working well. Enacted in 1946, the Federal Regulation of Lobbying Act was designed to find out who the lobbyists are, how much they are spending on lobbying activities, and who their financial supporters are. Failure by lobbyists to comply could result in criminal penalties of imprisonment or fines, and restrictions on future lobbying. The law is rather limited in scope. For example, a description of the kinds of lobbying activities engaged in is not required. In 1954, the Supreme Court upheld the act's constitutionality, but in doing so further restricted its scope: Direct lobbying—directly and personally communicating with Members of Congress to influence legislation—is covered, but not indirect lobbying or some types of grassroots lobbying—stirring up a Member's constituents about a particular issue. Moreover, organizations that spend their own money to lobby are not covered.

The result is an act that seems more loophole than law. Currently, far fewer than half of the estimated lobbyists in Washington register, and some experts estimate that the amount spent on all types of lobbying may be 10 times higher than reported. The Justice Department has not tried to enforce the law since the 1954 Supreme Court decision. Adoption by lobbyists of state-of-the-art technologies is causing additional problems, as the source of the lobbying contacts becomes more and more difficult to detect. Lobbying organizations now use proxy mailings to contact Congressmen using constituents' names, develop artificial constituencies for a cause through the use of highly sophisticated computer mailing lists, and use laser printers to make up individualized grassroots letters for their members on what appears to be personalized stationery.

In an effort to improve the public disclosure of the nature and extent of lobbying activities, I am introducing two proposals embodying quite different approaches. I am introducing them in order to get the general concepts advanced and the congressional debate underway; I am open to suggestions for revising specific provisions. The first, the Public Disclosure of Lobbying Act of 1985, is essentially the tough lobbying reform bill passed by the House—but not the Senate—in 1978:

Instead of requiring registration only of groups whose principal purpose is to lobby and who receives funds from others to lobby, anyone who spends more than a specified amount of money or time lobbying must register.

It requires disclosure of an organization's lobbying activities, including basis information on issue interests, paid professionals who lobby on its behalf, and itemized expenditures relating to lobbying. It also requires disclosure of extensive grassroots lobbying activity.

Violators would be subject to civil as well as criminal penalties.

I prefer this approach of broad disclosure with tough sanctions. But, frankly, I believe it would be difficult to pass at the present time. Such a reform proposal failed to pass in the late 1970's even though there was a considerable push for post Watergate reforms, strong support by President

Carter for lobbying reform, and less emphasis on deregulation than today.

Thus I am also introducing a second proposed bill, the Integrity in Lobbying Act of 1985. Senator DURENBERGER is introducing identical legislation on the Senate side. This second approach calls for broader disclosure of more relevant lobbying information, while requiring less recordkeeping. The penalties for noncompliance are less strict as well:

It covers a broader spectrum of lobbyists, and covers grassroots and other indirect lobbying efforts, as well as traditional direct lobbying.

It expands the information to be reported, including rough estimates of expected lobbying activities, the amount of time spent by volunteers on lobbying activities, and the number of media contacts for the purpose of lobbying.

It will make the information easily accessible to Members through the congressional computer system. The information will also be retrievable according to subject area.

It will ease the recordkeeping burden on lobbyists by requiring only general estimates, and will make the reporting form easy to fill out—probably a one-page standardized form with boxes to check and space for short descriptions.

It tries a novel approach of having the disclosure voluntary, relying upon the value lobbyists place on their respectability.

This self-regulatory approach may be more plausible than it sounds at first. Some 6,500 lobbyists register under the current system, even though compliance is not enforced and the act is burdensome, not many organizations have a principal purpose of personally lobbying members, and Members of Congress have limited interest in the information reported. Moreover, recent studies have indicated that lobbyists value their respectability as their most important asset—ahead of money, membership, contacts, and allies. If Congress declares that such disclosure is important, and greatly simplifies the filing process, actual compliance might be high. In addition, although it is a voluntary process, those who choose not to register may lose some of their credibility on Capitol Hill.

It should be noted that the Integrity in Lobbying Act of 1985 is drafted to be an addition to current law, rather than its replacement. For those engaged in lobbying activities not covered by present law, the bill sets up a new reporting system. For those engaging in the limited lobbying activities covered by the 1946 act, the bill would encourage them to file under the new expanded and simplified reporting system; but if they decide not to, they would still be required to file under the 1946 act. In short, there is no loss from the present system, but significant possible gain.

Overall, the emphasis of this proposed bill is on providing Congress with management information—timely, general information of what lobbyists are up to in order to get a good feel for what pressures are being brought upon the legislative process—rather than on getting incriminating information, trying to catch lobbyists lying or engaging in sinister activities. Lobbyists play an important role in our democratic process, and their activity should not be stifled. However, it is in the best interest of Congress and the general public to know what sort of lobbying activities they are engaged in. As the Supreme Court pointed out in its 1954 decision:

> Present day legislative complexities are such that individual Members of Congress cannot be expected to explore the myriad pressures to which they are regularly subjected. Yet the full realization of the American ideal of government by elected representatives depends to no small extent on their ability to properly evaluate such pressures. Otherwise, the voice of the people may too easily be drowned out by the voice of special interests masquerading as proponents of the public weal.●

TELECOMMUNICATIONS TRADE ACT OF 1985

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. WIRTH] is recognized for 5 minutes.

● Mr. **WIRTH**. Mr. Speaker, today I am introducing, along with my colleague, Congressman JAMES J. FLORIO, of New Jersey, the Telecommunications Trade Act of 1985. This legislation deals with one of the most important areas of international trade, and one of the most important sectors of our economy—telecommunications.

The telecommunications industry is absolutely critical to the continued health, growth, and international competitiveness of the United States. Indeed, it is the economic infrastructure of the future—the brick and mortar foundation upon which this Nation can continue to build its economy in the information age. It is an area of international trade in which the United States provides products and services of extremely high quality, yet one where we have seen our trade posture seriously eroded in recent years—from a surplus of almost $1 billion in 1980 to a deficit of over $600 million in 1984.

This legislation is intended to deal with one of the key trade problems facing our telecomunications industry—restricted access to foreign markets. However, in setting forth a framework to open access by U.S. telecommunications suppliers to foreign markets, we must not simply slam the door to foreign competition in our market. Protectionist measures are not the answer. This bill rejects a protectionist approach. This moderate legislation is proactive—not reactive—intended and designed to open foreign markets through negotiations—not to close ours.

It represents a balanced, reasoned approach to the opening of international markets to the U.S. telecommunications industry. This legislation strikes a balance between negotiations and flexibility and, where markets are found restricted to U.S. firms, forceful remedial action.

As a result of a series of deregulatory decisions, the doors of the American telecommunications market have been thrown open to foreign competitors. Foreign companies enthusiastically entered our telecommunications market at unprecedented levels. But unfortunately, American telecommunications companies have been unable to equal our foreign competitors' success in exports.

Much of this problem is attributable to foreign markets that are characterized by government-owned telecommunications monopolies and a degree of government intrusion that substantially restricts U.S. access to those markets. Market access, however, is not the only problem affecting telecommunications trade efforts. The overvaluation of the dollar, for instance, has resulted in noncompetitive prices for telecommunications products sold abroad.

Moreover, American telecommunications businesses must rise to this trade challenge. They must recognize that the former domestic market has been transformed into a larger, global market, and they must engage in more extensive marketing efforts if they are going to cope with this new reality.

Our telecommunications industry is the world leader—it can compete successfully with anyone in the world, but it needs open access to foreign markets to compete; and we need to compete to sustain our economic and technological growth and development.

Government cannot improve our telecommunications trade posture singlehandedly. It cannot design, manufacture, or sell products. It can, though, create an environment conducive to exports—and that is the trust of this legislation.

Recognizing that negotiations are the most desirable method of achieving this open access to foreign markets, the bill contemplates a period of at least 18 months during which negotiations would occur. During this time, the Secretary of Commerce is directed to undertake a thorough investigation to determine whether U.S. companies are being denied equivalent access to a particular country's market.

The legislation is aimed at achieving market opportunities for U.S. suppliers in foreign markets on a level that

is equivalent to the access afforded the foreign suppliers in the U.S. Foreign governments are not, however, required to have a market that is the mirror image of the American market. Instead, they must provide substantially equivalent access.

While much attention has recently been focused upon the trade imbalance with Japan, the bill does not focus upon one foreign market. Instead, it recognizes that efforts must be made in a number of foreign countries that are currently characterized by pervasive government intervention that bars or restricts access by American telecommunications suppliers.

In addition, the bill covers both telecommunications equipment and service. By including services, U.S. companies will be able to gain access to telephone lines for purposes of reselling them as part of a value-added network or some other value-added offering. Our trade negotiators must focus not only on telecommunications equipment, but also the provision of telecommunications services by U.S. firms—an area which can very much serve to improve our overall trade balance in this sector.

While the bill offers the administration flexibility in choosing what is the most desirable means to open foreign markets—and does not call for the automatic imposition of some overly harsh sanctions that may do more to disrupt free trade than open up foreign markets—it does require that the President take some concrete action to remove identified trade barriers—either through some action by the Federal Communications Commission in, for example, its registration program, or through remedies under existing trade law.

Now is the time to act to open foreign markets to American telecommunications suppliers. By enacting this legislation, we will be assuring that the United States maintains its position as the world leader in telecommunications—a position that will assure the future health and growth of our entire economy.

SUMMARY OF THE "TELECOMMUNICATIONS TRADE ACT OF 1985"

INTRODUCTION

Among the fastest growing areas of world trade is the telecommunications equipment and services industry. Still, the United States balance of trade in telecommunications has significantly deteriorated in recent years—from a surplus of almost $1 billion in 1980 to a deficit of over $600 million in 1984—in large part as a result of barriers to foreign telecommunications markets. This telecommunications trade trend must be reversed to preserve the health, growth and competitiveness of the U.S. economy and telecommunications industry. The continued growth of this key industry is critical to the development of new and innovative telecommunications equipment and services for the American consumer and the preservation of American jobs.

The telecommunications industry is vitally important to the U.S. economy and promises to be a major component of international trade in the future. It is an area where American products and services are of extremely high quality and consequently, legislation directed specifically at this sector is essential to the encouragement of continued U.S. technological and economic preeminence.

PURPOSE AND STRUCTURE OF BILL

The Telecommunications Trade Act of 1985 is designed to open up foreign markets to U.S. telecommunications equipment and service suppliers rather than closing the domestic American markets. Recognizing that negotiations are the most desirable method of achieving this open access to foreign markets, the bill contemplates a period of at least 18 months during which negotiations could go forward prior to the institution of any necessary remedial actions.

The legislation is aimed at achieving access to foreign markets on a level that is equivalent to the access afforded the foreign suppliers in the U.S. Foreign governments are not, however, required to have a market that is the mirror image of the American market. Instead, they must provide "substantially" equivalent access.

While much attention has recently been focused upon the trade imbalance with Japan, the bill does not focus upon one market. Instead, it recognizes that efforts must be made in a number of foreign markets that are currently characterized by pervasive government intervention that bars access to American telecommunications suppliers. Moreover, the bill covers both equipment that is designed for use in providing or receiving telephone service, and services such as the resale of private lines. By including services, U.S. service providers will be able to gain access to telephone lines for purposes of reselling them as part of a value added network or some other value added service offering.

After negotiations, if it is determined that a country is denying equivalent access, the President must take remedial measures to open the foreign market. Again, the theory of the bill is that negotiations aimed at opening up foreign markets is the preferred course, but if barriers continue, some firm action must be taken. The bill requires the President to direct the Federal Communications Commission (FCC) to take action which restricts or denies access to foreign suppliers of the foreign country. However, if the President takes action under the Trade Act of 1974 such as imposing duties or import restrictions—which until now he has not done—he would not be required to implement a sanction through the FCC.

PROCEDURES

The bill sets forth the following procedures for identifying foreign telecommunications markets that may be restricting participation for U.S. suppliers and the steps to be taken in order to open up those markets.

After contemplated negotiations occur, the Secretary of Commerce is required to determine whether any foreign country which might provide a substantial market for U.S. telecommunications suppliers is denying equivalent market access to U.S. suppliers. The Secretary's investigation must also consider the marketing efforts made by U.S. suppliers, the competitiveness of their prices (which requires an analysis as to the effect the value of the dollar is having on telecommunications trade), the impact of market access gained by United States companies by virtue of joint ventures or foreign manufacturing plants, and the impact on U.S. employment.

In addition to the Secretary's initial investigation, any interested person can petition the Secretary to find that a foreign market is denying equivalent access to U.S. suppliers.

If the Secretary finds that a foreign country is denying access, the President would be required to take enforcement action by directing the FCC to restrict access to the U.S. telecommunications market.

If the President takes action under the Trade Act of 1974, however, he would not be required to implement restrictions through the FCC.

The Secretary must conduct an annual review to determine whether the purposes of the Act are being fulfilled.

FINDINGS OF THE BILL

Congress finds that:

(1) trade in telecommunications equipment and services is one of the fastest growing areas of world trade and is expected to reach $700,000,000,000 by 1993;

(2) the United States balance of trade in telecommunications equipment has deteriorated significantly in recent years, falling from a surplus of nearly $1,000,000,000 in 1980 to a deficit in 1984 of more than $600,000,000;

(3) the United States deficit in telecommunications equipment trade is the result of an increase in imports into the United States market for telecommunications equipment that greatly exceeds exports by United States suppliers of telecommunications equipment;

(4) the increase in imports into the United States market by foreign suppliers of telecommunications equipment is in part a result of the open nature of the United States telecommunications market;

(5) the recent decline in the rate of growth of United States exports in telecommunications equipment is in part a result of barriers to participation in foreign telecommunications markets that are characterized by pervasive government intervention (including restrictive practices governing market access and governmental favoritism of indigenous foreign suppliers);

(6) open and unrestricted access to foreign telecommunications markets by United States telecommunications suppliers is necessary and critical for the continued economic health, growth, and international competitiveness of the United States telecommunications industry and to the sustained growth and expansion of the United States economy;

(7) the provision of universal telephone service at reasonable rates for all Americans is closely linked to the continued economic growth of the domestic telecommunications industry;

(8) the continued economic growth and international competitiveness of the United States telecommunications industry is important and vital to—

(A) the long-term research and development projects and programs of the United States telecommunications industry,

(B) the rapid development and introduction into the marketplace of new and innovative telecommunications equipment and services for American residential and business telecommunications users,

(C) the development of efficient, reliable, and state-of-the-art telecommunications networks to serve the needs of American telecommunications consumers, and

(D) the maintaining of employment opportunities for United States workers in the telecommunications industry;

(9) while negotiations should be continued, significant efforts have been made and some progress has been achieved by United States negotiators to open the Japanese telecommunications market to United States suppliers of telecommunications equipment and service;

(10) significant efforts to open other foreign telecommunications markets to United States suppliers must be given equal priority by the United States;

(11) negotiated access to foreign telecommunications markets for United States telecommunications suppliers should be the means to achieve increased exports in telecommunications equipment and services;

(12) United States policies should be directed to opening up foreign markets and not the closing of domestic United States markets; and

(13) unless negotiations between the United States and country to achieve open market access in that foreign country for United States telecommunications suppliers are successful, the United States should take action to restrict open access to the United States telecommunications market to foreign suppliers of that country as a means of achieving an open global market for telecommunications trade.

THE "TELECOMMUNICATIONS TRADE ACT OF 1985"

I. SECTION-BY-SECTION ANALYSIS

Sec. 1—Short title and table of contents

The bill is titled the "Telecommunications Trade Act of 1985."

Sec. 2—Findings and purposes

(a) Findings.—While telecommunications equipment and services are among the fastest growing areas of world trade, the United States' balance of trade has fallen significantly in recent years—from a surplus of $1 billion in 1980 to a deficit of over $600 million in 1984. This trade imbalance is largely the result of the open nature of the American telecommunications market in combination with restricted foreign markets that are characterized by pervasive government intervention.

Open and unrestricted access to foreign markets is essential to the continued health and growth of the U.S. telecommunications industry and the economy in general. Moreover, the international competitiveness of the telecommunications industry is critically necessary to assure continued research and development of innovative telecommunications equipment and services, to preserve employment opportunities in the U.S., and to maintain an efficient state-of-the-art telecommunications network.

The bill's objective, therefore, is to obtain open and unrestricted access to foreign markets in telecommunications equipment and services. This goal should be achieved by negotiation, if possible. However, if consultations between the United States and an individual country are not successful, then the legislation finds that the United States should take remedial action as necessary to reduce access to its telecommunications market to foreign suppliers from that country as a means of achieving open access to that foreign country's market.

(b) Purpose.—The purpose of the Act is to identify and reduce barriers to international trade affecting United States suppliers of telecommunications equipment and services.

Sec. 3—Definitions

Section 3 sets forth the pertinent definitions to the bill.

"Foreign supplier" is defined as an entity whose corporate headquarters or primary corporate control are located or based in a foreign country, but does not include the American subsidiaries or affiliates of a foreign corporation.

"United States supplier" is defined as any entity that has its headquarters and primary control located or based in the U.S. and is in the business of providing telecommunications equipment or services. This definition does not include the subsidiaries or affiliates of American companies operating overseas.

"Equivalent telecommunications market access" is defined in a way that does not require a foreign telecommunications market to be the mirror image of the U.S. market. Instead, the bill defines market access in a way that is intended to measure whether United States suppliers have opportunities in providing telecommunications equipment and services in a foreign country that are "substantially equivalent" to the opportunities that foreign suppliers of that country have in providing telecommunications equipment and services in the United States.

The bill covers both telecommunications equipment and services. "Telecommunications equipment" is equipment that is designed for use in providing or receiving telephone service and may be regulated by the Federal Communications Commission (FCC). This includes customer premises, switching and transmission equipment, and is not limited to that equipment which might be covered by an existing FCC registration program. "Telecommunications service" is the resale of telephone service which may be regulated by the FCC. The definition of service does not include the provision of enhanced services not regulated by the Commission as a result of the Computer II decision. This definition of services is intended to focus efforts on assuring that American companies can obtain access to telephone private lines and resell them as part of a value added network or other value added service offering.

Sec. 4—Finding by the Secretary

The legislation encourages negotiation over the next year as a means of opening up foreign telecommunications markets. Commencing in August 1986, the Secretary of Commerce is required to identify those foreign countries denying substantially equivalent access to United States telecommunications suppliers.

Any foreign country whose potential market for U.S. suppliers is not substantial may be excluded from this mandatory investigation. Notice of the investigation must be published and an opportunity for presentation of views including a public hearing must be provided. The Secretary will also consult with appropriate Federal agencies and committees of Congress.

Subsection (b) provides an alternative procedure for triggering Administration action to open up foreign markets by allowing any interested person to petition the Secretary to determine that a foreign country is not providing substantially equivalent telecommunications market access. The Secretary must consider the petition and decide whether or not to investigate. If the Secretary decides that the petition does not warrant an investigation, an explanation of the reasons for the denial must be submitted to the petitioner as well as Congress, and published in the Federal Register. Subsection (c) sets forth the procedures to be followed in an investigation that is triggered by the petition process.

Subsection (d) requires the Secretary within 60 days of publishing notice of the decision to investigate a market, to publish a preliminary finding as to whether a foreign market is providing substantially equivalent market access, as well as preliminary recommendations for any enforcement actions to be taken. Any interested parties will then be given 60 days to comment on the preliminary finding.

Subsection (e) requires the Secretary to consider all the comments received and make a final decision regarding the investigation within 120 days of publishing the decision to investigate. A recommendation as to any action to be taken must be submitted to the President and published in the Federal Register.

Subsection (f) provides certain key factors that the Secretary must consider when investigating access to a foreign telecommunications market. The Secretary must consider: (1) the marketing efforts and the competitiveness of the prices of U.S. suppliers in the particular foreign market; (2) the access to the foreign markets afforded to U.S. suppliers through joint ventures and foreign manufacturing plants; (3) the success of U.S. suppliers in gaining access in the foreign country, compared to the success of U.S. telecommunications suppliers in other foreign countries and in the U.S.; and, (4) the impact on employment in the U.S. telecommunications industry.

Sec. 5—Presidential determination

Should the Secretary determine that a foreign country is denying market access to U.S. suppliers that is substantially equivalent to the access afforded the foreign suppliers in the U.S., the President *must* determine the proper action to achieve equivalent access. Within 60 days of the Secretary's finding, the President must direct the FCC to implement the appropriate action.

Sec. 6—Federal Communications Commission implementation

Section 6 requires the FCC to implement the action directed by the President within 30 days from the President's decision. In implementing the President's order, the FCC must provide public notice.

Sec. 7—Circumstances under which action not required

The President would not be required to implement action through the FCC if he instead took action under section 301 of the Trade Act of 1974. Under the Trade Act, the President could; (1) suspend or withdraw from a trade agreement with that country; (2) impose duties or other import restrictions on telecommunications equipment or services from that country; (3) restrict the terms of access authorizations from telecommunications suppliers from that country; or, (4) deny authorization to foreign suppliers of that country.

Consequently, the bill in effect gives the President the option of implementing enforcement actions through the FCC or through the existing trade remedies. He must, however, utilize one or the other.

Sec. 8—Action under this act not exclusive

Section 8 makes clear that the President's authority is not limited to directing the FCC to implement enforcement access. Instead, the President may in addition to any enforcement action involving the FCC, take steps under any other law that is designed

to achieve equivalent telecommunications market access.

Sec. 9—Report

Section 9 requires that the President inform the Congress and publish in the Federal Register any action to be taken along with the objectives to be achieved. If the President's action is different than that recommended by the Secretary of Commerce, the President must include in the report an explanation for the difference in the action taken.

Sec. 10—Monitoring the effect of actions

The Secretary must annually review the action taken in order to determine whether the action is fulfilling the purposes of the Act and to analyze the action's effect on interstate and foreign commerce. The Secretary must report these findings to the President and Congress.

If the President finds that the action is achieving its objectives, the President can suspend or modify the action. If the President takes such action, he must notify Congress, provide an explanation of the suspension or modification and publish notice in the Federal Register. If, conversely, the action taken is not having the desired effect, the President can take further action.

In addition to the review of the effectiveness of the actions, the Secretary must annually review the markets of those countries that were excluded from the initial investigation on the basis that the potential market in those countries would not be substantial. If after review, the Secretary finds that a country has a substantial market for U.S. equipment and services, the Secretary must conduct an investigation of that country.

Sec. 11—Amendment of the Communications Act of 1934

Section 11 amends Title VII of the Communications Act by adding a new section. The new section gives the Federal Communications Commission (FCC) explicit authority to implement any of the telecommunications market access enforcement action that the President orders under the Telecommunications Trade Act.

The new section also requires that the Commission issue regulations setting forth the procedures to be used in implementing the President's orders. While the Commission may specify the types of actions available to the President, the President's discretion will not be limited to the options set forth by the FCC.

Sec. 12—Effective date

The bill contemplates a period for negotiations to occur prior to any enforcement action being able to be taken pursuant to this legislation.

Consequently, the Act takes effect on July 1, 1986.●

PERSONAL EXPLANATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. SKELTON] is recognized for 5 minutes.

● **Mr. SKELTON.** Mr. Speaker, this morning I was out of town on official business and I returned after the vote on S. 960. Had I been able to be present, I would have voted "yea."●

PERSONAL EXPLANATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. LELAND] is recognized for 5 minutes.

● **Mr. LELAND.** Mr. Speaker, unfortunately I was unable to cast my "yea" vote today on the conference report on S. 960, the foreign assistance authorization. I was unavoidably detained outside the office on official business and literally arrived on the House floor seconds after the voting on the conference report had concluded.

It is inevitable that there will be differing perspectives on legislation as complex and comprehensive as the foreign assistance authorization. As chairman of the Select Committee on Hunger, I am particularly concerned that this body pass legislation that directly and efficiently benefits the poor, the hungry, and the malnourished people of the world. That should be—and must be—the goal of any true Foreign Assistance Program.

For far too long, in the guise of protecting U.S. security abroad, the focus of our foreign aid policy has been military assistance at the expense of developmental and economic assistance. It is ironic that while millions of people are dying in drought-striken countries, billions of dollars are authorized for military assistance to foreign nations.

I am greatly distressed that in order to pass a bill which helps the poor and malnourished of this world I must vote for a bill which also authorizes billions of dollars in foreign military assistance. The foreign assistance bill should symbolize our hope for peace and growth, not our fear of war and destruction.

The conference report does, however, provide us with a starting point. It reflects our Nation's commitment to developing countries and our responsibility to the needs of the poor and hungry of the world.

This bill helps us reach out to thousands of Third World children who are ill because they lack food and proper medical care. Investments in basic primary health care are among the most cost-effective means to reduce death rates, improve productivity, and promote development in less-developed nations. Maintaining funding for health aid projects, providing a modest increase in the child survival fund and supporting UNICEF's primary health care revolution—all included in this legislation—are investments crucial in meeting our goal of reducing the suffering of these children.

The reduction and elimination of hunger and famine will only result with the improvement of food production. This bill extends support to vital agricultural development projects managed by AID, international organizations, and American private and volunteer organizations.

It also provides support for continued U.S. participation in the International Fund for Agriculture Development [IFAD], a multilateral organization helping farmers in the poorest countries to feed themselves. IFAD has proven itself and we can be very proud of its accomplishments. It has been able to reach the poor farmers of Africa, Asia, and Latin America, giving them the ability to help themselves.

The vigil to end hunger must continue. We cannot falter in our efforts to avert future famine situations, help those affected return to self-sufficiency and dignity, reduce hunger and malnutrition, and remedy the massive poverty so prevalent throughout the world. That is what we must address in our foreign aid program. And that is why this conference report has my support.

Again, I sincerely regret I was unable to cast my vote on such an important piece of legislation.●

NEGOTIATE THE RELEASE OF THE SEVEN HOSTAGES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. DYMALLY] is recognized for 60 minutes.

Mr. DYMALLY. Mr. Speaker, yesterday, Tuesday, July 30, along with some other Members of the House, I had the privilege of hosting a meeting of some of the families of the seven American hostages now held in Lebanon. During the course of about 4 hours they had an opportunity to meet with the press, to meet with about about a dozen Members of Congress, to meet with the State Department, to meet with a representative from the White House who came from the National Security Council and to discuss their concerns and frustrations and brought to us some very interesting observations. As I observed the comments from the families of these hostages, it occurred to me there is a point of departure with approach of the administration and that point of departure is this. The families want the administration to be in communication with the Government of Kuwait, with the hope of negotiating an exchange of those prisoners held in Kuwait for the seven American hostages held in Lebanon.

□ 2330

Let me point out that the prisoners held in Kuwait were convicted for bombing the French and American Embassies, and I believe seven or eight people were killed, and maybe two or three dozen people were injured.

But the families also point out that some of the people held in Kuwait are related to the captors of the American hostages in Lebanon. The administration has taken the position that they do not negotiate with or for prisoners of a terrorist and, therefore, they stand on principle. The families of the Americans believe that because these are Americans and their lives are so important to us that our Government should negotiate, and so that is the point of departure.

But in the course of discussing their concerns with us, they brought some documents which I think the Members of the House would be interested in reading or hearing. First was a letter from the Rev. Benjamin Weir. On February 15, 1985, Reverend Weir wrote to Dr. Oscar McCloud, and this is what Reverend Weir had to say. I quote:

> February 15, 1985.
>
> Dear Dr. Oscar McCloud: I am writing to ask you to do everything in your means to demand that the U.S. government intervene effectively with the government of Kuwait, because I understand the U.S. government is not in fact acting effectively to secure the release of prisoners held there. I am assured that once those prisoners are set free, I and others will be released at the same time. This requires direct and effective action by the U.S. government with the government of Kuwait.
>
> The men who hold me insist they will refuse mediation or interference by any third party, Syria or other party. They are opposed to Syria and will not deal with them, nor any other party. If such interference is attempted. I am told our lives are in extreme danger and that the place we are held will be blown up with us. So please ask the U.S. government to take this matter seriously.
>
> Sincerely yours,
>
> Benjamin W. Weir.

This apparently is in the handwriting of Reverend Weir. In fact, I have reason to believe it is his handwriting, because this letter and another one, which I shall read in a minute, was given to me by Mrs. Carol Weir. She wrote "I have given permission for this letter to be released." I wanted to be sure that she was aware that I intended to bring this letter to the attention of the Members, and as I want to point out to the Members, it is written in Reverend Weir's handwriting.

He writes to Mrs. Weir on April 10, 1985:

> Dear Carol: I am well and your two messages have been received. I am here because of American political policy in support of Israel, and because of opposition to it others are prisoners in Kuwait. Thus far the U.S. government has not responded positively, but is able to do so. I ask you to do what you can to persuade the U.S. government to put pressure on the government of Kuwait to release those prisoners. I understand that if the U.S. government does not put pressure on Kuwait to release those prisoners then my life will be in danger and I will hold the U.S. government and President Reagan responsible. I ask you to act quickly because it is very hard for me to continue in this situation.
>
> Sincerely
>
> Bejamin M. Weir.
>
> April 10, 1985.

Attending this session we had yesterday, which lasted from 9 to 1 o'clock, was Mr. Jerry Levin. You recall Mr. Levin was the reporter from Cable News Network who was released or who escaped from the Syrians sometime last year. And he had a statement which he read to the media, and I thought it was of some significance to bring it to the attention of the Members of the House. Again I asked Mr. Levin's permission to read this statement to the Members of the House.

I quote:

> They are being called the "forgotten seven." Forgotten by whom? The public? I don't think so. I think they were ignored publicly by the government and the press until recently, so that the public knew very little about their situation, certainly not enough that it could be blamed for forgetting them. There is no question that the Administration knew plenty about the facts of our captivity, but refused to share them with the American people through the press. Rarely has one heard an official, or seen or read a story that discussed the reason for their kidnappings.
>
> In fact the reason for the seven's ordeal is similar to the reason for the ordeal of the hijacked hostages. In both cases it has been for exchange of prisoners. The Administration knew that exchange was the demand in our case over a year ago, yet it would not share that information with the public. Last July the government was informed in videotaped messages that our lives and freedom depended on the lives and freedom of the prisoners in Kuwait. Our captors required me and the two other Americans who had been kidnapped up to that time to make the tapes. The prisoners in Kuwait are seventeen Arabs—mostly Shiite Moslems—convicted in Kuwait in March 1984 of the bombings there of the American and French embassies in December 1983. Five people were killed and eighty six wounded in the explosions. Our government was asked to intercede with Kuwait to release the prisoners, three of whom have been sentenced to death.
>
> Lacking a clear idea of what the seven had been held for, the public has not been energised as it was in the hijacking crisis to communicate to the Administration and elected representatives its desire that the government do everything necessary to resolve the crisis as quickly as possible through the reciprocal release of the American hostages for the Arab prisoners. Without that public expression of concern, I think it is likely that the government will continue to treat this crisis differently from the hijacking crisis; and these men will continue to suffer, as did I, in squalid solitary confinement, locked away in a dark room, a wrist secured to the wall with a chain too short to permit standing. They will not be allowed to exercise. They will be blindfolded much of the time, always when their captors are present. They will be given little to eat—maybe seven to nine hundred calories a day; so they will lose weight and become physically weak. I lost thirty pounds. They will not be allowed to communicate with the outside world, except to write messages dictated by their captors; and they won't be allowed to receive any messages from the outside either. They will continue to suffer from the unrelenting strain and shock of isolation, separation, and uncertainty.
>
> Some of these men have been in captivity for more than a year. The hijacking crisis lasted less than three weeks. There is an important reason why the hijacking hostages are free and the seven are not. The government, out of the glare of public attention, has apparently been unwilling to foster an exchange. It is apparently standing firm on the kind of principle the public, out of concern for the lives of its fellow citizens, forced the Administration to abandon quickly during the hijack crisis. Public pressure convinced the Administration that it had to work energetically for a reciprocal release of prisoners while maintaining its public posture of standing firm against terrorism. If it could do that in the case of the thirty nine, it should have done it in the case of the seven.
>
> It is not pleasant to think of convicted extremist murderers being set free; but it is much more unpleasant to think of innocent Americans wasting away in chains, at the very least or, at the worst, being sacrificed because of the highly debatable components of an inconsistently observed principle.
>
> Let no one be swayed by the argument that terrorism will increase if the prisoners in Kuwait are set free. If that argument could be properly suspended during the hijacking crisis, it should be suspended now for the same reason; American lives are at stake. Terrorism has been and is on the increase. It will continue to increase whether the extremist prisoners in Kuwait are martyred or not. And that condition will exist so long as the Administration is presuasive in convincing the American people that the focus of concern should be primarily on eliminating terrorists and not on eliminating the root causes of terrorism.
>
> Now that the American people are becoming aware that the stakes in the case of the seven are quite similar to the stakes in the case of the thirty-nine, I hope they won't permit the Administration to ignore the similarities and act accordingly. If the public is successful in getting the Administration's attention, then I think these unfortunate men could be home soon. If not, then I am afraid, they will be locked away for a long long time.

□ 2340

Mr. Speaker, that was Jerry Levin, one of the freed hostages, who now is a correspondent for Cable News Network.

Now subsequent to the press conference, Mr. Speaker, there was a closed meeting with Members of Congress and the State Department and the White House. Again Mr. Levin was called upon to make a case for the seven courageous American hostages in Lebanon. Again I wish to quote from Mr. Levin. He stated:

> It is a privilege and a relief to be here talking to you today, when you consider the possible alternative. I might still be a hostage; and my wife, Sis, might still be suffering from the governmental and press inattention that has afflicted for too many months the families of the seven Americans still being held hostage.
>
> When Sis went public last fall, after being submissively silent for six months, she said, "I wish this was someone else talking." Even

> though she felt speaking out was necessary, doing so worried her more than anything she had ever done before. Going public with the facts of my captivity and the captivity of the two other Americans who had been taken hostage in Lebanon up to that time was an awesome even frightening step because she proposed to do what had been strongly resisted and advised against by almost everyone she knew at the State Department, many colleagues in the press, and members of our family. But she was equally worried by what she perceived as the Administration's and a considerable portion of the press's failure to devote much attention to what had been until then an almost untouchable topic. She was against silence on the issue, because being submissively silent for six months had not worked. We were still hostages. In all likelihood, she believed, more would be taken. She was right. A year and a half later, the number of hostages in the group, of which I was possibly the first, has risen, we believe, to be seven Americans, two Frenchmen, and one Kuwaiti. Sis and I can never feel completely freed from the horror of our experience as long as any of them is held hostage. So we continue to work with most of the families trying to help them keep the story of their men's plight, and the reason for it, before the public.
>
> They've been called the "Forgotten Seven." In truth, I, my wife, and most of the families involved feel they've been the "ignored seven." Six of them are probably still alive. The fate of the seventh is unsure. Most of the hostages, I believe, were and still are being held by terrorists who want to exchange them for seventeen Arabs, most of them Shiite Moslems convicted by a Kuwait court in the December 1983 bombings of the United States and French embassies there. Five people were killed and eighty six wounded in those explosions. Three of the convicted terrorists are Lebanese. Two of them have been sentenced to death, and they are reportedly relatives of some of the terrorists who took me and the others captive.
>
> While the United States and Kuwait have been standing firm against the terrorists' demand that the prisoners in Kuwait be freed, the terrorists have been relentlessly upping the ante.
>
> But the horrifying facts of our captivity, unlike the telling of the ordeal of the hostages on flight 847, were not widely known or frequently reported. Except in hostage home towns, there was little if any follow up to keep our story alive. So people forgot quickly, if they ever knew.
>
> The Administration refused to be drawn into making even remotely comprehensive public statements about the growing crisis until the middle of last May, seventeen months after it began. At that time the captors released pictures of six of the hostages to an Arabic newspaper in Beirut along with their first public statement of what they wanted. Until then, their demands had only been communicated privately to the hostage families and the United States Government; but the government did not tell the public through the press what it knew. The families in frustration made the contents of their messages available to the public through the press. But the government never felt compelled to offer public corroboration. So the impact of the family's revelations was fleeting.
>
> That to me is a shocking fact. I can tell you it is hard for the families of the other hostages to comprehend. I know, because there is an informal network of hostage families and friends. The network did not exist until Sis broke with government, press, and family advisors and went public seven hard months after my capture. She found a home on Today, Good Morning America, CBS Morning News, USA TODAY, The New York Times, The Detroit Free Press, and the Birmingham News. That was about "it"; but once hearing, seeing or reading Sis's appeals, the families quickly made contact and found that they had more than hostages in common. For one thing, they had been discouraged by the government from contacting each other. The families had also been advised by the government not to speak out. And it failed to even give periodic updates on the situation to hostage families. In other words, it didn't even provide simple hand holding, something that was done weekly during the Iranian hostage crisis and was done again during the Flight 847 crisis. The State Department's own manual on "Hostage Negotiation," published February 1984, a month before I was kidnapped, says "a family liaison function is vitally important. The families of those who are victims of terrorist incidents need a great deal of support and assistance during the crisis. They need most of all to be kept informed of what is happening and what is being done to ensure the safety of their loved one." That was not the case with the families of the seven remaining American hostages or with Sis when I was one. It is almost as if the manual had been written on the wind.
>
> But until recently most of Congress had been equally inattentive. Most of the families suffered rebuff and rejection. Peggy Say, the sister of hostage Terry Anderson, has horror stories to tell. The relatives of Father Lawrence Martin Jenco had to organize a congressional blitz of their own to get attention. Sis's Senator, Howell Heflin, a long time friend of the family, indeed his son is a member of her late father's and brother's law firm in Birmingham, Alabama, would not and has not to this day returned her phone calls. Yet the doors were wide open to the families of the hijack victims. Fortunately because of the hijack crisis the other families have been able to ride piggy back as it were, on the coattails of the attention that crisis gained, to a position of heightened visibility and concern; but what an agonizing way to have achieved it.
>
> Why was there such little attention? I think in part because the government was successful in persuading many editors and members of Congress that attention might get us killed. but the press rushed in undeterred to cover the Flight 847 story and the Iranian hostages story, and the government rushed to comply with the press's need for information, and congressmen began to speak out. It makes the hostage families think that quantity is a deciding factor in the degree of executive, legislative, and press concern, if any, as to whether or not those entities will devote much attention to this kind of story. Seven Americans, in the same kind of peril as the thirty-nine on Flight 847 apparently weren't enough to qualify. How many hostages does it take to make a crisis that the press and government will discuss? What is the magic number? Ten hostages? Twenty? Certainly not seven.
>
> I think the Administration should have been pressed to state the basic facts of our captivity when it knew them for sure for the first time. That was in early July of last year. Releasing the basic facts of our captivity not have harmed us. It is hardly known that the captors delivered their demands to the State Department nearly a year ago. But the Administration chose not to make them public and never has. The fact that the captors wanted to exchange me and the two other Americans they had rounded up by then for the seventeen prisoners in Kuwait was communicated in videotaped messages our captors wrote and required us to make on the 5th of July. Our messages clearly stated that our lives and freedom depended upon the lives and freedom of the prisoners in Kuwait. But the Administration did not share with the public the basic facts of our captivity.
>
> Reporting only the facts of our captivity and the terrorists' demands would not have been giving in to terrorism, as advocates of quiet diplomacy and the Administration's tall in the saddle stance would have you believe. It would have simply been the act of defining the problem for the public which has a legitimate and crucial need to be informed.
>
> So in this situation, we had a citizenry that did not have enough information to inform its elected representatives and the Administration as to its feelings in the matter. Sis and I and many other well intentioned loyal Americans think that news coverage-publicity, if you will—is protection. It is what has helped get us out of spots created by carelessly monitored Administrations before. I'm sure it will again. But the Administration's public emphasis has been to focus entirely on terrorism. Now terrorism is an issue which certainly needs to be addressed. But the Administration seems to want us to believe that terrorism is the sole program. But it is not. Terrorism is a sympton, not the disease. And if the Administration insists on simply treating the sympton, the disease won't be cured.
>
> As far as my own treatment was concerned, it improved a bit late last year. And I think publicity had something to do with it. At the time it got better, I wondered, why. When I reached freedom, I found that it improved when Sis was in Damascus last November speaking publicly about the need for peaceful unthreatening dialogue and negotiation that might help tame some of the hostility between people in the Middle East and their American counterparts as all levels of society. She explained that a truthful reporter was more valuable on the outside than in. A worried woman's lonely trip into the capital of what is conventionally considered a nation of hostile people was happily not ignored. Her story and what she was saying were carried in the Arab and American press. Her message reached President Assad's ears. He responded with a message to Sis through his foreign minister that Syria would work for my release. Her message of peace and genuine friendship also reached my captors ears. How do I know? They told me on Christmas eve. That was just about the first and last time they were ever that open with me about anything going on in the world.
>
> At this time, we think the key message, in so far as the seven hostages are concerned, is no longer simply that they need to be remembered. They finally are. What needs to be clearly understood is why they are being held, and what it will take to get them freed. I believe that the captors will accept nothing less than the return of the prisoners in Kuwait. Now that the Administration has proven that it can get around the problem of officially saving face while unofficially doing what it says publicly it can't do, I think the public, not to mention the fami-

lies, ought to be asking why the same benevolent sleight of hand should not be applied in this situation.

Arranging a reciprocal release, despite what some people have already said, will not be the cause of an increase in terrorism. Terrorism is going to continue to escalate, in all likelihood, whether or not the prisoners in Kuwait are released, simply because the momentum of our mistakes in the Middle East will, I think, carry on well past the point where we may begin to reverse it. And, of course, at this point there are not any signs to make us think that a reversal is in progress. I recognize that this is a highly controversial point of view. But it is one that should be widely discussed. However, since so few people have been aware what the stakes are, they have been mute in the matter in a way they were not in the hijack crisis when they knew what the captors wanted.

I think the judgements that went into the decisions not to publish in the case of the seven need to be examined as thoroughly as the exhaustive examinations of the decisions to publish, publish, and publish the facts, the surrounding facts, and the facts surrounding the surrounding facts of the hijack crisis. And, I think, the judgements surrounding the Administration's refusal to discuss this crisis publicly as thoroughly as it did the earlier one needs to be examined and evaluated also.

☐ 2400

Those are the words of Mr. Jerry Levin, and I bring it to the attention of the Members of the House.

Let me close by expressing my thanks to those Members who participated in the session with some of the families of the hostages and to express my deep admiration for the courage that the families have displayed.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

FRANCES HOLLEMAN BREATHITT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. HUBBARD] is recognized for 30 minutes.

Mr. HUBBARD. Mr. Speaker, I would like to compliment and congratulate my colleague and friend, the gentleman from California [Mr. DYMALLY], for his excellent presentation, for his concern, which, I might add, is the concern of all of the Members of the House of Representatives, for the seven Americans held hostage in Lebanon. Congratulations to you, my colleague, for taking this time to remind us again that these are, indeed, men who are too forgotten, too ignored.

Mr. Speaker, I take this time to pay tribute to an outstanding lady—Frances Holleman Breathitt, who died of cancer July 11 at Georgetown University Hospital.

Mrs. Breathitt, wife of former Kentucky Gov. Edward T. "Ned" Breathitt, was a member of the Kennedy Center Board of Directors and was a member and Sunday school teacher at Metropolitan Memorial United Methodist Church in Washington.

I'm proud that Frances Holleman Breathitt was born and raised in Mayfield, KY, which is my hometown.

When Edward T. "Ned" Breathitt was elected Governor of Kentucky in 1963 western Kentuckians were proud that a popular Hopkinsville, KY, attorney and former State legislator was the first Governor from the western part of our State ever elected.

We were also proud that western Kentucky's Frances Holleman Breathitt was Kentucky's first lady for 4 years.

Mrs. Breathitt was known to Kentuckians as a talented, pretty, conscientious, and dedicated person. She was described in those terms when she attended Western Kentucky University, graduated from the University of Kentucky, and married Ned Breathitt on December 20, 1948.

Mrs. Breathitt was a helpful and devoted wife and mother. I admit I'm prejudiced, because I truly liked and admired Frances Breathitt, but I sincerely believe Frances Breathitt was the most admired and respected first lady in Kentucky during this 20th century.

At age 58, a 3-year battle with cancer finally took the life of a brave Frances Breathitt.

The thousands of Kentuckians who knew her, especially those at Hopkinsville where Ned and Frances Breathitt were at home prior to his being elected Governor, mourned her death.

In recent years, former Governor and Mrs. Breathitt have resided in Washington, DC. Ned Breathitt is an effective lobbyist and public affairs official for Norfolk Southern Corp. in Washington.

My wife Carol and I attended a beautiful and impressive service—"A Service of Thanksgiving for the life of Frances Holleman Breathitt"—on Tuesday, July 23, at Washington's Metropolitan Memorial United Methodist Church.

Her minister, Dr. William A. Holmes, praised the Christian principles which Frances Breathitt exemplified and told of her courageous and optimistic fight against cancer.

Frances Breathitt was also praised at the memorial service by longtime friends Ann Blessing Bray—her college roommate at University of Kentucky—of Harlan, KY, Roger L. Stevens, Chairman of the Board of the Kennedy Center, and U.S. Senator MARK HATFIELD of Oregon. Senator HATFIELD's remarks about Frances Breathitt were especially memorable.

Frances Breathitt was especially proud of her four talented and handsome children—Mary Frances Breathitt and Linda Breathitt, both of Washington, and Mrs. Susan Brickman of Dallas; and a son, Edward T. Breathitt III of Dallas.

Other survivors are two brothers, M. L. Holleman of Jackson, MS, and Wallace Holleman of Nashville, TN; a sister, Mrs. Harold [Mary Anna] West of Nashville; and two grandchildren, Blake and Jennifer Brickman of Dallas.

I ask my colleagues to share "A Tribute by Her Friends" which appeared in the program of the recent memorial service for Frances Holleman Breathitt.

It is as follows:

> What we say here all too briefly is not the reflection of an emotional lament. It is our concept of Fran, Frannie, or Frankie, as we variously called her, when she was in our midst, enriching our lives. She will continue to do so for many years to come.
>
> If there were defects we should record, we would do so. The truth is we do not know them, or they were so overshadowed by her virtues that they went unnoticed.
>
> There was a tenderness wrapped in strength such as we have rarely seen. She showered these twin virtues upon her family without denying us our share. Her devotion to family was absolute and uncompromising. How often we heard a comment or two, ever so brief but profound, of her parents, her brother and sister. How often we observed her dedication to her beloved husband, her four treasured children, and her obsessive delight with her precious two grandchildren. All their joys and, inevitably, their sorrows became intimately hers. She protected them in their concerns with unselfish wisdom.
>
> Hers was an almost silent, self-effacing way of leading and inspiring. There was an innate modesty balanced by a subtle self-confidence. Never was an unnecessary or unkind word uttered. She was forever learning by listening and watching, but her occasional disagreement would never be withheld or concealed if she numbered you among her friends.
>
> She was endowed with a deep religious faith, quietly pursued but without the slightest intolerance toward others less believing.
>
> Her long, final struggle for survival—and how she loved life—became her finest hour. Her inner strength, her uncommon valor, her rare unselfishness, her deep faith, confronted by the brutal test of agonizing pain and uncertainty, reached their ultimate climax. She has left a legacy of leadership and inspiration for others to inherit.
>
> We have mentioned her happy reverence for the memory of her parents. She now becomes the object of that reverence for her children, her grandchildren, and those yet unborn.
>
> A young amateur poet, with an Irish whimsy and humor that Frances so richly possessed, described many years ago how we view our friendship with her:
>
> "We have touched the hem of a glory."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCEWEN (at the request of Mr. MICHEL), until 5 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BARTLETT) to revise and extend their remarks and include extraneous material:)

Mr. CRAIG, for 30 minutes, today.
Mr. BOULTER, for 5 minutes, today.
Mr. MCEWEN, for 5 minutes, today.

(The following Members (at the request of Mr. HUBBARD) to revise and extend their remarks and include extraneous material:)

Mr. PEPPER, for 5 minutes, today.
Mr. NELSON of Florida, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. HAMILTON, for 5 minutes, today.
Mr. WIRTH, for 5 minutes, today.
Mr. SKELTON, for 5 minutes, today.
Mr. LELAND, for 5 minutes, today.
Mr. HUBBARD, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BADHAM, on the subject of offshore oil leasing during general debate on H.R. 3011, in the Committee of the Whole, today.

Mrs. LLOYD, prior to the vote on the Sharp amendment to H.R. 3011, in the Committee of the Whole, today.

Mr. WOLPE, prior to the vote on the first Conte amendment to H.R. 3011, in the Committee of the Whole, today.

Mr. CONTE, on the Shaw amendment, to H.R. 3011, in the Committee of the Whole, today.

Mr. HOWARD, during debate on Freer Art Gallery amendment, to H.R. 3011, in the Committee of the Whole, today.

Mr. RAHALL, in support of H.R. 3011, Department of the Interior and related agencies appropriations, 1986, prior to final passage today.

(The following Members (at the request of Mr. BARTLETT) and to include extraneous matter:)

Mr. DANNEMEYER.
Mr. WOLF in two instances.
Mr. ECKERT of New York.
Mr. SCHUETTE.
Mr. MCKERNAN in two instances.
Mr. THOMAS of California in two instances.
Mr. ROTH in two instances.
Mr. KINDNESS.
Mr. CRAIG.
Mr. GILMAN in five instances.
Mr. MICHEL in two instances.
Mr. LENT.
Mr. CAMPBELL.
Mr. BROOMFIELD.
Mr. CHAPPIE.
Mr. CRANE.
Mr. WEBER.
Mr. BEREUTER.
Mr. SOLOMON.
Mr. GEKAS.
Mr. RINALDO.
Mr. DENNY SMITH.
Mr. GREEN.
Mr. YOUNG of Florida.
Mr. JEFFORDS.
Mr. COURTER.
Mr. RITTER.
Mr. GREGG.
Mr. KOLBE in two instances.
Mr. FRENZEL in five instances.
Mrs. VUCANOVICH.
Mr. SHUMWAY.
Mr. MCEWEN in two instances.
Mr. CLINGER.

(The following Members (at the request of Mr. HUBBARD) and to include extraneous matter:)

Mr. HUGHES.
Mr. STARK.
Mr. PEPPER.
Mr. RANGEL.
Mr. MURTHA.
Mr. SHELBY.
Mrs. SCHROEDER.
Mr. COELHO.
Mr. LEHMAN of Florida.
Mr. FLORIO.
Mr. DWYER of New Jersey.
Mr. GARCIA.
Mr. GAYDOS.
Mr. DASCHLE in five instances.
Mr. LEHMAN of California.
Mr. FASCELL in three instances.
Mr. HAYES.
Mr. CLAY.
Mr. FRANK in two instances.
Mr. MAVROULES.
Mr. JONES of North Carolina.
Mr. DONNELLY.
Mr. DORGAN of North Dakota.
Mr. HAMILTON in two instances.
Mr. RODINO.
Mr. BROOKS.
Mr. DYSON.
Mr. ECKART of Ohio.
Mr. LELAND.
Mr. MARKEY in two instances.
Mr. CONYERS.
Mr. MARTINEZ.
Mr. FAZIO.
Mr. SOLARZ.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 367. An act to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rukemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes; to the Committee on Veterans' Affairs.

S. 410. An act to repeal the Commercial and Apartment Conservation Service, and for other purposes; to the Committee on Energy and Commerce.

S. 415. An act to amend the Education of the Handicapped Act to authorize the award of reasonable attorneys' fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination; to the Committee on Education and Labor.

ADJOURNMENT

Mr. HUBBARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 7 minutes a.m.), the House adjourned until today, Thursday, August 1, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1795. A letter from the General Counsel, Department of Energy, transmitting a draft of proposed legislation to transfer title, control, and custody of certain lands near Aiken, SC, from the U.S. Department of Agriculture to the U.S. Department of Energy; to the Committee on Agriculture.

1796. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend various health professions training authorities, and for other purposes; to the Committee on Energy and Commerce.

1797. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend various health research authorities, and for other purposes; to the Committee on Energy and Commerce.

1798. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Relations, transmitting notice of a proposed manufacturing license agreement for the production of defense equipment in Pakistan, pursuant to 22 U.S.C. 2776(d); to the Committee on Foreign Affairs.

1799. A letter from the Assistant Secretary-Treasurer, Trustees of the Seventh Farm Credit District Employee Benefits Program, transmitting the annual report disclosing the financial condition of the retirement plan for the employees of the seventh farm credit district, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1800. A letter from the Acting Commissioner, Bureau of Reclamation, Department of the Interior, transmitting notice that it is necessary to construct modifications to Altus Dam and Dikes, W.C. Austin Project, OK, pursuant to Public Law 95-578, section

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5; to the Committee on Interior and Insular Affairs.

1801. A letter from the Assistant Secretary of the Interior, transmitting the "Agreement of the Special Representative on Future United States Financial Assistance for the Northern Mariana Islands," and a draft of proposed legislation to authorize financial assistance for the Northern Mariana Islands; to the Committee on Interior and Insular Affairs.

1802. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to require that non-Federal providers of hospital care and services receiving direct payment of Medicare funds for services to Medicare beneficiaries provide similar services to VA beneficiaries under similar VA payment policies; to the Committee on Veterans' Affairs.

1803. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend coverage under the Social Security Act to railroad employment; jointly, to the Committees on Ways and Means and Energy and Commerce.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 3128. A bill to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process; referred, for a period ending not later than September 11, 1985, to the Committee on Education and Labor for consideration of section 505 of the bill and to the Committee on the Judiciary for consideration of section 124 of the bill (Rept. 99-241, pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLAY (for himself, Mr. Hawkins, Mrs. Roukema, Mr. Jeffords, and Mr. Chandler):

H.R. 3126. A bill to provide reporting, disclosure, and fiduciary standards for State and local public employee retirement systems; to the Committee on Education and Labor.

By Mrs. ROUKEMA (for herself, Mr. Clay, Mr. Hawkins, Mr. Jeffords, and Mr. Chandler):

H.R. 3127. A bill to provide reporting, disclosure, and fiduciary standards for State and local public employee retirement plans and to amend the Internal Revenue Code of 1954 to limit the role of the Federal Government in the regulation of such plans with respect to contributions, benefits, and other matters, and to exempt such plans from the Federal income tax, and for other purposes; jointly, to the Committees on Education and Labor, and Ways and Means.

By Mr. ROSTENKOWSKI:

H.R. 3128. A bill to make changes in spending and revenue provisions for purposes of deficit reductions and program improvement, consistent with the budget process; referred to the Committee on Ways and Means; and referred to the Committee on Energy and Commerce, for a period ending not later than September 11, 1985, for consideration of parts B and C of title I.

By Mr. ANDERSON (for himself, Mr. Howard, Mr. Snyder, Mr. Shuster, Mr. Roe, Mr. Breaux, Mr. Hammerschmidt, Mr. Oberstar, Mr. Young of Missouri, Mr. Rahall, Mr. Applegate, Mr. Savage, Mr. Sunia, Mr. Bosco, Mr. Moody, Mr. Borski, Mr. Kolter, Mr. Lipinski, Mr. Wise, Mr. Gray of Illinois, Mr. Atkins, Mr. Visclosky, Mr. Traficant, Mr. Perkins, Mr. de Lugo, Mr. Stangeland, Mr. Gingrich, Mr. Clinger, Mr. Molinari, Mr. Shaw, Mr. McEwen, Mr. Petri, Mr. Sundquist, Mrs. Johnson, Mr. Packard, Mr. Boehlert, Mr. Callahan, Mr. Gallo, Mrs. Bentley, Mr. Lightfoot, and Mr. Mineta):

H.R. 3129. A bill to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BEREUTER:

H.R. 3130. A bill to prohibit the granting of trust status to Indian lands to be used for the conduct of gaming activities; to the Committee on Interior and Insular Affairs.

By Mr. WIRTH (for himself, Mr. Florio, Mr. Rinaldo, Mr. Lent, Mr. Swift, Mr. Markey, Mr. Leland, Mr. Ritter, Mr. Bryant, Mr. Dowdy of Mississippi, Mr. Slattery, Mr. Coats, Mr. Scheuer, Mrs. Collins, Mr. Bliley, Mr. Walgren, Mr. Eckart of Ohio, Mr. Richardson, Mr. Ralph M. Hall, Mr. Fish, Mr. Daschle, Mr. Rose, Mr. Tauzin, Mr. Carper, Ms. Mikulski, Mr. Nielson of Utah, and Mr. AuCoin):

H.R. 3131. A bill to identify and reduce barriers to, and distortions of, international trade affecting U.S. suppliers of telecommunications equipment and services in interstate and foreign commerce; to the Committee on Energy and Commerce.

By Mr. BIAGGI (for himself, Mr. Hughes, Mr. McCollum, Mr. Mazzoli, Mr. Feighan, Mr. Smith of Florida, Mr. Morrison of Connecticut, Mr. Lungren, Mr. Shaw, and Mr. Gekas):

H.R. 3132. A bill to amend chapter 44, of title 18, United States Code, to regulate the manufacture, importation, and sale of armor piercing ammunition, and for other purposes; to the Committee on the Judiciary.

By Mr. BREAUX (for himself, and Mr. Young of Alaska):

H.R. 3133. A bill to authorize appropriations to carry out the Atlantic Tunas Convention Act of 1975 during fiscal years 1987, 1988 and 1989; to the Committee on Merchant Marine and Fisheries.

By Mr. CRAIG (for himself, Mr. Hansen, Mr. Marlenee, Mr. Monson, and Mr. Stallings):

H.R. 3134. A bill to provide for the expenditure or transfer of funds by the Secretary of the Interior and the Secretary of Agriculture for the emergency prevention, suppression, control, or eradication of grasshoppers, or mormon crickets on public lands; jointly, to the Committees on Agriculture, and Interior and Insular Affairs.

By Mr. DUNCAN (for himself, and Mr. Anthony):

H.R. 3135. A bill to amend the Tax Reform Act of 1969 with respect to the application of the excess business holding provisions to private foundations; to the Committee on Ways and Means.

By Mr. GIBBONS:

H.R. 3136. A bill to amend the Internal Revenue Code of 1954 to provide for the reimbursement to State and local law enforcement agenices for costs incurred in investigations which substantially contribute to the recovery of Federal taxes; to the Committee on Ways and Means.

By Mr. GLICKMAN (for himself, Mr. Edwards of California, Mr. Berman, Mr. Jacobs, Mr. Torricelli, and Mr. Roe):

H.R. 3137. A bill to amend the Foreign Sovereign Immunities Act; to the Committee on the Judiciary.

By Mrs. HOLT:

H.R. 3138. A bill to make the theft, embezzlement, or unlawful concealment of a flag of the United States an offense against the United States; to the Committee on the Judiciary.

By Mrs. KENNELLY:

H.R. 3139. A bill to amend the Internal Revenue Code of 1954 to exempt certain emergency medical transportation from the excise tax on transportation by air; to the Committee on Ways and Means.

By Mr. LEHMAN of Florida (for himself, and Mr. Shaw):

H.R. 3140. A bill to amend the Airport and Airway Improvement Act of 1982 to require nondiscriminatory treatment of business located off airport property who pick up and discharge customers at the airport; to the Committee on Public Works and Transportation.

By Mr. LENT (for himself, Mr. Snyder, and Mr. Jones of North Carolina) (by request):

H.R. 3141. A bill to amend the Merchant Marine Act, 1936, to authorize the foreign acquisition of subsidized U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. McKERNAN (for himself, and Ms. Snowe):

H.R. 3142. A bill to amend title 38, United States Code, to provide that per diem subsidies paid by the Veterans' Administration for the care of veterans in State homes shall not be used to offset payments that are made under the Medicaid Program for the purpose of assisting eligible veterans; jointly, to the Committee on Veterans' Affairs, and Energy and Commerce.

By Mr. MATSUI (for himself, and Mr. Thomas of California):

H.R. 3143. A bill to amend the Internal Revenue Code to provide for a definition of adjusted gross income for purposes of the personal holding company tax; to the Committee on Ways and Means.

By Mr. ROWLAND of Georgia (for himself, and Mr. Roybal):

H.R. 3144. A bill to amend title 39, United States Code, to require that the U.S. Postal Service prescribe regulations relating to the delivery of mail to physically handicapped individuals; to the Committee on Post Office and Civil Service.

By Mrs. SCHROEDER:

H.R. 3145. A bill to amend title 5, United States Code, to encourage the employment of handicapped individuals by the Federal Government; to the Committee on Post Office and Civil Service.

By Mr. STARK (for himself, and Mr. Gregg.):

H.R. 3146. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment under the personal holding company provisions of computer software royalties earned by active businesses and the treatment under the minimum tax provisions of research or experimental expenditures of personal holding companies, and for other purposes; to the Committee on Ways and Means.

By Mr. THOMAS of California:

H.R. 3147. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income any employe achievement award to the extent that a deduction is allowable to the employer of such award; to the Committee on Ways and Means.

By Mr. WAXMAN:

H.R. 3148. A bill to assist the States to establish and operate protection and advocacy systems for mentally ill persons; to the Committee on Energy and Commerce.

By Mr. ANTHONY (for himself, Mr. Dingell, Mr. Breaux, Mr. Shaw, Mr. Flippo, Mr. Synar, Mr. Daschle, Mr. Coelho, Mr. Lowry of Washington, Mr. Roemer, Mr. Hunter, Mr. Robinson, Mr. Conte, Mr. Shelby, and Mr. Carr):

H.R. 3149. A bill relating to the conduct of public contests for the purpose of selecting the design of duck hunting stamps, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HAMILTON:

H.R. 3150. A bill to regulate lobbying and related activities; to the Committee on the Judiciary.

H.R. 3151. A bill to provide for a self-regulating system of lobby disclosure to supplement and make more effective current disclosure law in the least burdensome manner possible; to the Committee on the Judiciary.

By Mr. SHUMWAY:

H.R. 3152. A bill to amend the Fair Labor Standards Act of 1938 to exempt employees of public agencies who are engaged in fire protection or law enforcement activities from the overtime requirements of that act, and for other purposes; to the Committee on Education and Labor.

By Mr. LIGHTFOOT:

H.J. Res. 365. Joint resolution designating the week beginning September 15, 1986, as "National Independent Free Papers Week"; to the Committee on Post Office and Civil Service.

By Mr. WRIGHT:

H. Con. Res. 179. Concurrent resolution providing for a conditional adjournment of the House from August 1 or 2 to September 4, 1985, and a conditional adjournment of the Senate from August 1 or 2 to September 4 or 9, 1985; considered and agreed to.

By Mr. RANGEL:

H. Con. Res. 180. Concurrent resolution expressing the sense of the Congress that the current tax incentives available to companies which operate in Puerto Rico should be retained; to the Committee on Ways and Means.

By Mr. HARTNETT:

H. Res. 245. Resolution urging the Postmaster General to issue a commemorative stamp in honor of the 350th anniversary of the National Guard; to the Committee on Post Office and Civil Service.

By Mr. STRANG:

H. Res. 246. Resolution to amend the Rules of the House of Representatives to prohibit the Committee on Rules from reporting any rule or order waiving any section 303 point of order contained in the Congressional Budget Act of 1974 with respect to general appropriation bills; to the Committee on Rules.

By Mr. JEFFORDS (for himself, Mr. Clinger, Mr. Fish, Mr. Green, Mr. Pursell, Mr. McKinney, Mr. Nielson of Utah, and Ms. Snowe):

H. Res. 247. Resolution expressing the sense of the House of Representatives that the cost of our defense commitment to Japan and the present Japanese trade practices seriously threaten the economic health of the United States and that in order for Japan to retain access to our markets Japan should promptly assume a fair share of its defense costs and allow free and fair access to its markets; to the Committee on Foreign Affairs.

By Mr. TAUKE:

H. Res. 248. Resolution expressing the sense of the House of Representatives that the House shall not adjourn until after the first budget resolution is approved by both Houses of Congress; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DWYER of New Jersey:

H.R. 3153. A bill for the relief of Alberta R. Thomas; to the Committee on the Judiciary.

By Mr. FRANK:

H.R. 3154. A bill for the relief of John Patrick Brady, Ann M. Brady, and Mark P. Brady; to the Committee on the Judiciary.

By Mr. STARK:

H.J. Res. 366. A joint resolution for the relief of Solomon Monk; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. Udall and Mr. Brooks.

H.R. 44: Mr. Burton of Indiana.

H.R. 97: Mr. Fields.

H.R. 230: Mr. Howard.

H.R. 343: Mr. Sundquist, Mr. Wilson, Mr. Dreier of California, and Mr. Daub.

H.R. 370: Mr. Dwyer of New Jersey.

H.R. 442: Mr. Robinson.

H.R. 466: Mr. Evans of Iowa, Mr. Montgomery, and Mr. Bevill.

H.R. 479: Mr. Ritter.

H.R. 825: Mr. Shaw.

H.R. 870: Mr. Aspin, Mr. Bustamante, Mr. Carr, Mr. DioGuardi, Mr. Emerson, Mr. Gregg, Mr. Hamilton, Mr. Martin of New York, Mr. Morrison of Washington, and Mr. Whitehurst.

H.R. 930: Mr. Badham.

H.R. 1021: Mr. Skelton.

H.R. 1059: Mr. Bevill, Mr. Ortiz, Mrs. Smith of Nebraska, Mr. Frost, Mr. Whittaker, Mr. Bustamante, Mr. Lott, and Mr. Roberts.

H.R. 1186: Mr. Skeen.

H.R. 1190: Mrs. Boggs, and Mr. Hopkins.

H.R. 1207: Mr. Thomas of Georgia and Mr. Franklin.

H.R. 1294: Mr. Dyson.

H.R. 1309: Mr. Kostmayer, Mr. Coyne and Mr. Hoyer.

H.R. 1338: Mr. Frost, Mr. Howard, Mr. Rahall, and Mr. Torricelli.

H.R. 1345: Mr. Fields.

H.R. 1612: Mr. Stump.

H.R. 1613: Mr. Mollohan.

H.R. 1659: Mr. Dannemeyer, Mr. Darden, Mr. Dwyer of New Jersey, Mr. Evans of Illinois, Mr. Tallon, and Mr. Weber.

H.R. 1690: Mr. Feighan, Mr. Towns, Mr. Lundine, Mr. Matsui, and Mr. Weiss.

H.R. 1739: Mr. Hoyer.

H.R. 1811: Mr. Thomas of California, Mr. Vander Jagt, Mr. Wylie, Mr. Broomfield, Mr. Livingston, and Mr. Frenzel.

H.R. 1824: Mr. Sikorski and Mr. Miller of Washington.

H.R. 1825: Mr. Sikorski and Mr. Miller of Washington.

H.R. 1826: Mr. Sikorski and Mr. Miller of Washington.

H.R. 1827: Mr. Sikorski.

H.R. 1828: Mr. Sikorski and Mr. Miller of Washington.

H.R. 1893: Mr. Kramer.

H.R. 1917: Mr. Edgar, Mr. Rowland of Connecticut, and Mr. Weber.

H.R. 1927: Mr. Ford of Tennessee and Mr. Kolter.

H.R. 1980: Mr. Broomfield, Mr. Torricelli, Mr. Horton, and Mr. Hoyer.

H.R. 2001: Mr. Rudd, Mr. Pepper, and Mr. AuCoin.

H.R. 2116: Mr. Morrison of Washington.

H.R. 2198: Mr. Hubbard.

H.R. 2297: Mr. Archer, Mr. Barton of Texas, Mr. Crane, Mr. Dornan of California, Mr. Fawell, Mr. Goodling, Mr. Kolbe, Mr. Lagomarsino, Mr. Leach of Iowa, Mr. Lungren, Mr. McEwen, Mr. Monson, Mr. Oxley, Mr. Shumway, Mr. Siljander, and Mr. Denny Smith.

H.R. 2325: Mrs. Bentley, Mr. Wortley, Mr. Nielson of Utah, Mr. Armey, Mr. Hopkins, Mr. Rudd, and Mr. Monson.

H.R. 2342: Mr. Bustamante, Mr. Feighan, Mr. Clay, Mr. Evans of Iowa, Mr. Durbin, and Mr. Kostmayer.

H.R. 2436: Mr. Lundine, Mr. Gejdenson, Mr. Seiberling, Ms. Snowe, Mr. Dellums, Mr. Kildee, and Mr. Boucher.

H.R. 2451: Mrs. Boxer.

H.R. 2471: Mr. Shaw.

H.R. 2472: Mr. Biaggi.

H.R. 2489: Mr. Borski, Mr. Cooper, Mr. McCloskey, Mr. Shelby, Mr. Sabo, and Mr. Kleczka.

H.R. 2653: Mr. Atkins, Mr. Borski, Mr. Chandler, Mr. Dymally, Mr. Fazio, Mr. Green, Mr. Gray of Illinois, Mr. Horton, Mr. Howard, Mr. Kolter, Mr. Matsui, Mr. Markey, Mr. Mollohan, Mr. Ritter, Mr. Roe, and Mr. Weaver.

H.R. 2685: Mr. Borski.

H.R. 2712: Ms. Oakar and Mr. Kolter.

H.R. 2761: Mr. Kanjorski, Mr. Studds, and Mr. Oberstar.

H.R. 2793: Mr. Evans of Illinois.

H.R. 2811: Mr. Owens.

H.R. 2812: Mr. Owens.

H.R. 2813: Mr. Owens.

H.R. 2818: Mr. Murphy, Mr. Gray of Illinois, Mr. Kolter, Mr. Horton, Mr. Eckart of Ohio, Mr. Crockett, and Mr. Lundine.

H.R. 2834: Mr. Gunderson.

H.R. 2848: Mr. Addabbo and Mr. Owens.

H.R. 2866: Mr. Fazio.

H.R. 2943: Mr. Slaughter, Mr. Weber, Mr. Daub, Mr. McCollum, Mr. Madigan, and Mrs. Bentley.

H.R. 2944: Mr. Weber, Mr. Whitehurst, Mr. Bateman, Mr. Lagomarsino, Mr. Monson, Mr. Porter, and Mr. Thomas of California.

H.R. 2956: Mr. Coleman of Texas.

H.R. 2971: Mr. Fish, Mrs. Holt, Mr. Gallo, Mr. Hughes, and Mr. Yatron.

H.R. 2999: Mr. Biaggi, Mr. Hoyer, Mr. Torres, Mr. Rose, Mr. Dixon, Mr. McCurdy, Mr. Berman, Mr. Hertel of Michigan, Mr. Young of Florida, Mr. Murphy, Mr. Mollohan, Mr. Young of Missouri, and Mr. Tallon.

H.R. 3006: Mr. Lagomarsino, Mr. Hoyer, Mr. Frost, Mr. Olin, Mr. Lightfoot, Mr. Fazio, and Mr. Stump.

H.R. 3026: Mr. Bedell, Mrs. Burton of California, Mr. Weaver, Mr. Mollohan, Mr. Addabbo, and Mr. Vento.

H.R. 3035: Mr. Mitchell, Mr. Rahall, Mr. Burton of Indiana, Mr. Skelton, Mr. Florio, Mr. Wilson, Mr. Ortiz, Ms. Mikulski, Mr. Hayes, Mr. Bevill, Mr. Conyers, Mr. Gray of Illinois, Mr. Sabo, Mr. Bedell, Mr. Edgar, Mrs. Lloyd, and Mr. Wise.

H.R. 3050: Mr. Montgomery, Mr. Stump, Mrs. Martin of Illinois, Mr. Martinez, Mr. Fields, Mr. Mollohan, Mr. Shaw, Mr. Livingston, and Mr. Stangeland.

H.J. Res. 1: Mr. Quillen, Mr. Olin, Mr. Grotberg, Mr. Evans of Illinois, Mr. Martinez, Mr. Wheat, Mr. Frank, Mr. Daub, Mr. Mavroules, Mr. Clinger, Mr. Porter, Mr. Conyers, Mr. Ireland, and Mr. McGrath.

H.J. Res. 60: Mr. Brown of Colorado, Mrs. Vucanovich, Mr. Schuette, Mrs. Meyers of Kansas, Mr. Guarini, Mr. Davis, Mr. Borski, Mrs. Mikulski, and Mr. Bryant.

H.J. Res. 122: Mr. Lehman of Florida, Mr. Anderson, Mr. Howard, Mr. Young of Missouri, Mr. McKernan, Mr. Sunia, Mr. Weiss, Mr. Mineta, Mr. Rowland of Georgia, Mr. Solomon, Mr. Bryant, Mr. Hatcher, Mr. Conyers, Mr. Badham, and Mr. Borski.

H.J. Res. 126: Mr. Boner of Tennessee, Mr. Borski, Mr. Ford of Tennessee, Mr. Lundine, Mr. Ortiz, Mr. Loeffler, Mr. Denny Smith, Mr. Hamilton, and Mr. Roberts.

H.J. Res. 175: Mr. Dannemeyer, Mr. Atkins, Mr. Hyde, Mr. Sabo, Mr. Kindness, Mr. Manton, Mr. Wolpe, Mr. Gradison, Mr. Gray of Illinois, Mr. Guarini, Mr. McCloskey, Ms. Snowe, Mr. Evans of Iowa, Mr. English, Mr. Rudd, Mr. Brooks, and Mr. Bryant.

H.J. Res. 222: Mr. Coughlin and Mr. Gilman.

H.J. Res. 287: Mr. Annunzio, Mr. Anthony, Mr. Bennett, Mrs. Burton of California, Mr. Carney, Mr. Chandler, Mr. Clay, Mr. Coelho, Mrs. Collins, Mr. Cooper, Mr. Dornan of California, Mr. Emerson, Mr. Evans of Illinois, Mr. Olin, Mr. Smith of New Jersey, Mr. Tauzin, Mr. Torres, Mr. Traficant, Mr. Udall, Mr. Guarini, Mr. Jacobs, Mr. Kasich, Mrs. Kennelly, Mr. Lungren, Mr. Madigan, Mr. Mazzoli, Mr. Montgomery, and Mr. Neal.

H.J. Res. 289: Mr. Alexander, Mr. Applegate, Mr. Berman, Mr. Borski, Mr. Bryant, Mrs. Collins, Mr. de la Garza, Mr. Edgar, Mr. Evans of Illinois, Mr. Fazio, Mr. Flippo, Mr. Gordon, Mr. Guarini, Mr. Ralph M. Hall, Mr. Hefner, Mr. Horton, Mr. Hughes, Mr. Jones of Tennessee, Mr. Kanjorski, Ms. Kaptur, Mr. Lantos, Mr. Levin of Michigan, Mrs. Lloyd, Mr. McGrath, Mr. Madigan, Mr. Martinez, Mr. Mazzoli, Ms. Mikulski, Mr. Murphy, Mr. Murtha, Mr. Nowak, Mr. O'Brien, Mr. Owens, Mr. Rahall, Mr. Ray, Mr. Regula, Mr. Rinaldo, Mr. Roe, Mr. Russo, Mr. Smith of New Jersey, Mr. Smith of Florida, Mr. Thomas of Georgia, Mr. Torricelli, Mr. Towns, Mr. Volkmer, and Mr. Wortley.

H.J. Res. 296: Mrs. Boggs.

H.J. Res. 312: Mr. Addabbo, Mr. Foglietta, Mr. Franklin, Mr. Ralph M. Hall, Mr. Hammerschmidt, Mr. Hartnett, Mr. Hefner, Mr. Horton, Mr. Hyde, Mr. Kemp, Mrs. Kennelly, Mr. Matsui, Mr. Perkins, Mr. Price, Mr. Quillen, Mr. Rinaldo, Mr. Rodino, Mr. Shaw, Mr. Denny Smith, Mr. Snyder, Mr. Tauke, Mr. Visclosky, Mr. Weber, Mr. Wylie, Mr. Kindness, Mr. Torricelli, Mr. Kostmayer, Mr. Heftel of Hawaii, Mr. Badham, Mr. Guarini, Mr. Fuster, Mr. Clay, Mr. Howard, Mr. Bryant, Mr. Madigan, Mr. Volkmer, Mr. Sikorski, Mr. Bateman, Mr. Packard, Mr. Traficant, Mr. Hatcher, Mr. Lewis of Florida, Mr. Walgren, Mr. Erdreich, Mr. Daniel, Mr. Kolter, Ms. Mikulski, Mr. Smith of New Jersey, Mr. Leach of Iowa, Mr. Ortiz, Mr. Traxler, Mr. Biaggi, Mr. Kildee, Mr. Applegate, Mrs. Bentley, Mrs. Burton of California, Mr. Bustamante, Mr. Carney, Mr. Chappie, Mr. DeWine, Mr. DioGuardi, Mr. Lantos, Mr. Lowery of California, Mr. Moakley, Mr. Monson, Mr. Moore, Mr. Campbell, Mr. McEwen, Mr. Hayes, Mr. Dymally, Mr. Dyson, Mr. Levin of Michigan, Mr. Akaka, Mr. Coelho, Mr. Conyers, Mr. Dixon, Mr. Edgar, Mr. Fauntroy, Mr. Fish, Mr. Olin, Mr. Callahan, Mr. de la Garza, Mr. Conte, Mr. Walker, Mr. Synar, Mr. Daschle, Mr. Dickinson, Mr. Chandler, Mr. Durbin, Mr. Broyhill, Mr. Gilman, Mr. Clinger, Mrs. Johnson, Mr. Roth, Mr. Brown of Colorado, Mr. Gekas, Mr. Montgomery, Ms. Fiedler, Mr. Cheney, Mr. O'Brien, Mr. Coble, Mr. Loeffler, Mr. Lewis of California, Mr. Latta, Mr. Emerson, Mr. Bevill, Mr. Brown of California, Mr. Rangel, Mr. Thomas of California, Mr. Hendon, Mr. Henry, Mr. Hopkins, Mr. Lightfoot, Mr. Lott, Mr. Boehlert, Mr. Gaydos, Mr. Pickle, Mr. Oberstar, Mr. Bartlett, Mr. Slaughter, Mr. McMillan, Mr. Rogers, Mr. Murtha, Mr. Courter, Mr. Hiler, Mr. Gingrich, Mr. Hunter, Mrs. Meyers of Kansas, Mrs. Byron, Mr. Dreier of California, Mr. Daub, Mr. Bereuter, Mr. Gallo, Mrs. Vucanovich, Mr. Smith of Iowa, Mrs. Boggs, Mr. AuCoin, Mr. Weaver, Mr. Kanjorski, Mr. Dwyer of New Jersey, Mr. Craig, Mr. McCollum, Mr. Moorhead, Mr. Hansen, Mr. McGrath, Mr. Martin of New York, Mr. Boner of Tennessee, Mr. Shaw, Mr. Solomon, Mr. Ackerman, Mr. DeLay, Mr. Luken, Mr. Lowry of Washington, Mr. Siljander, Mr. Gunderson, Mr. Kramer, Mr. Edwards of Oklahoma, Mr. Rudd, Mr. Lent, Mr. McKinney, Mr. Coble, Mr. Howard, and Mr. Dannemeyer.

H.J. Res. 326: Mr. McCain, Mr. Hubbard, Mr. Robert F. Smith, Mr. Snyder, Mr. Latta, Mr. Jones of North Carolina, Mr. Kolter, Mr. Pashayan, Mr. Badham, Mr. Levine of California, Mr. English, Mr. Lewis of California, Ms. Oakar, Mr. McEwen, Mr. Dixon, Mr. Hoyer, Mr. Stump, and Mr. Rangel.

H. Con. Res. 169: Mr. Rangel, Mr. Rose, Mr. Swift, Mr. Bates, and Mr. Durbin.

H. Con. Res. 175: Mr. Martinez and Mr. Conyers.

H. Con. Res. 177: Mr. McEwen, Mr. Bustamante, Mr. Loeffler, Mr. Watkins, Mr. Skeen, Mr. Lightfoot, Mr. Smith of Iowa, Mr. Cheney, Mrs. Vucanovich, Mrs. Bentley, Mr. Leath of Texas, and Mr. Hopkins.

H. Res. 60: Mr. Durbin.

H. Res. 203: Mr. Montgomery, Mr. Dornan of California, Mr. Rangel, Mr. Berman, Mr. McGrath, Mrs. Holt, Mr. Boland, Mr. Sunia, and Mr. Porter.

PETITIONS, ETC.

Under clause 1 of rule XXII

185. The SPEAKER presented a petition of the Board of Commissioners, Hermitage, PA, relative to nuclear weapons; which was referred to the Committee on Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3008

By Mr. ARMEY:

—Page 3, line 22, strike out "and".

Page 4, line 17, strike out the period and insert in lieu thereof "; and".

Page 4, after line 17, insert the following:

(5) 5 members appointed by the director of the Office of Personnel Management from among individuals with Federal personnel management experience, of whom—

(A) 1 shall be appointed upon the recommendation of the Secretary of Defense;

(B) 1 shall be appointed upon the recommendation of the Secretary of Health and Human Services;

(C) 1 shall be appointed upon the recommendation of the Secretary of the Treasury;

(D) 1 shall be appointed upon the recommendation of the Secretary of Agriculture; and

(E) 1 shall be appointed upon the recommendation of the Secretary of the Interior;

Page 6, line 18, strike out "(3) and (4)" and insert in lieu thereof "(3) through (5)".

Page 7, line 6, strike out "Six" and insert in lieu thereof "Nine".

—Page 10, line 8, strike out "5" and insert in lieu thereof "10".

Page 10, strike out lines 14 through 17 and insert in lieu thereof the following:

(b) Final Selections.—The Commission shall select, from among the consultants included on the list prepared under subsection (a), at least 3 consultants to conduct the study under this Act. The functions of the consultants under this Act shall be performed by such consultants acting jointly.

Page 10, line 21, strike out "consultant" and insert in lieu thereof "consultants".

Page 11, line 15, strike out "consultant" and insert in lieu thereof "consultants".

Page 11, line 19, strike out "Consultant's" and insert in lieu thereof "Consultants' ".

Page 11, line 22, strike out "consultant, pursuant to its" and insert in lieu thereof "consultants pursuant to their".

Page 13, line 19, strike out "consultant's" and insert in lieu thereof "consultants' ".

—Page 10, strike out line 24 and all that follows thereafter through page 11, line 2, and insert in lieu thereof the following: "of occupations under each of the respective systems referred to in section 2(a).".

—Page 13, strike out lines 10 through 21 and insert in lieu thereof the following:

(d) Additional Requirement.—The Commission shall furnish a copy of the consultant's report, together with the Commission's comments—

(1) to each appointing authority in the legislative branch of the Government; and

(2) to the Office of Personnel Management for prompt investigation.

—Page 3, strike out line 10 and insert in lieu thereof the following:

(1) the Chairman of the Equal Employment Opportunity Commission;

—Page 13, line 23, strike out "limit" and insert in lieu thereof "limit, expand, or otherwise change".

—Page 14, line 7, strike out "Act." and insert in lieu thereof "Act if the Director of the Office of Personnel Management certifies to Congress in writing that allocation of such sums will not adversely affect the ability of the Office to carry out its statutory duties and responsibilities.".

By Mr. BARTON of Texas:

—Strike Section 7, paragraph C(3).

By Mr. BURTON of Indiana:

—In section 3, strike out subsections (b), (c) and (d) and insert in lieu thereof the following:

(b) Composition.—The Commission shall be composed of 14 members, of whom—

(1) 7 shall be appointed by the President in consultation with the majority leader of the Senate and the minority leader of the House of Representatives; and

(2) 7 shall be appointed by the President upon the joint recommendation of the Speaker of the House of Representatives and the minority leader of the Senate.

To the extent practicable, appointments under this section shall be made with a view towards maintaining a fair balance in the interests represented and the functions to be performed by the Commission.

(c) Condition for Membership.—(1) Members of the Commission shall not be officers or employees of the United States.

(2) If any member of the Commission becomes an officer or employee of the United States, that individual may continue as such a member for not longer than the 15-day period beginning on the date that such individual becomes such an officer or employee.

(3) An individual on leave without pay from the Government shall not, for purposes of this subsection, be considered an officer or employee of the United States.

(d) Compensation.—Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service under section 5703 of title 5, United States Code.

In section 3(e), strike out "paragraphs (3) and (4) of".

In section 3(h), strike out "Six" and insert in lieu thereof "Eight".

—Strike out Sec. 4(b)(4).
—Strike out Sec. 4(b)(5).
—Strike out Sec. 5.
—Strike out Sec. 5(a).
—Strike out Sec. 5(b).
—Strike out Sec. 6.
—Strike out Sec. 6(a).
—Strike out Sec. 6(b).
—Strike out Sec. 7.
—Strike out Sec. 7(a).
—Strike out Sec. 7(b).
—Strike out Sec. 7(b)(1).
—Strike out Sec. 7(b)(2).
—Strike out Sec. 7(b)(3).
—Strike out Sec. 7(c).
—Strike out Sec. 7(c)(2).
—Strike out Sec. 7(c)(3).
—Strike out Sec. 7(d).
—Strike out Sec. 8.
—Strike out Sec. 9.
—Strike out Sec. 10.
—Strike out Sec. 10(1).
—Strike out Sec. 10(2).
—Strike out Sec. 10(3).
—Strike out Sec. 10(4).
—Strike out Sec. 10(5).
—Strike out Sec. 10(6).
—Strike out Sec. 10(7).
—Strike out Sec. 10(8).
—Strike out Sec. 10(9).
—Strike out Sec. 10(10).
—Strike out Sec. 10(11).
—Strike out Sec. 10(12).
—Strike out Sec. 10(13).
—Strike out Sec. 11.
—In section 7(c), strike out paragraph (4).
—Strike all after the enacting clause.

—Page 2, line 5, after "1985", add: ", the 320 Billion Dollar Mistake".

—Page 2, line 5, after "1985", add: ", the Eight Billion Dollar Boondoggle."

—Page 2, line 5, after "1985", add: ", Being Railroaded Through on a Greased Track."

—Page 2, line 5, after "1985", add: ", But You Can Call Me Comparable Worth."

—Strike out Section 1.
—Strike out Section 2.
—Strike out Section 2(a).
—Strike out Section 2(b).
—Strike out Section 3.
—Strike out Section 3(a).
—Strike out Section 3(b).
—Strike out Section 3(c).
—Strike out Section 3(b)(2).
—Strike out Section 3(b)(1).
—Strike out Section 3(b)(3).
—Strike out Section 3(b)(4).
—Strike out Section 3(c).
—Strike out Section 3(c)(B).
—Strike out Section 3(c)(2)(A).
—Strike out Section 3(d).
—Strike out Section 3(e).
—Strike out Section 3(f).
—Strike out Section 3(g).
—Strike out Section 3(h).
—Strike out Section 3(i).
—Strike out Section 3(j).
—Strike out Section 3(k).
—Strike out Section 4.
—Strike out Section 4(a).
—Strike out Section 4(a)(A).
—Strike out Section 4(b).
—Strike out Sec. 4(b)(3)(A).
—Strike out Section 4(b)(2).
—Strike out Sec. 4(b)(3)(B).
—Strike out Sec. 4(b)(3)(C).
—Strike out Sec. 4(b)(3)(D).

By Mr. GEKAS:

—Page 15, strike out lines 13 and 14 and insert in lieu thereof the following:

(5) "ethnicity" refers to the country where a person was born or the country from which his or her ancestors came;

—Page 15, line 14, insert after "of":

"Afgani, Albanian, Algerian, Andorran, Angolan, Antiguan & Barbudan, Argentinian, Australian, Austrian, Bahamian, Bahrainian, Bangladeshi, Barbadian, Belgian, Belizian, Beninian, Bhutanian, Bolivian, Botswanian, Brazilian, Bulgarian, Burman, Burundian, Kampuchean, Cameroon, Canadian, Cape Verdian, Central African, Chadian, Chilean, Chinese, Taiwanese, Colombian, Comorosian, Congolese, Costa Rican, Cuban, Cypriot, Czech, Danish, Djibouti, Dominica, Dominican, Ecuadoran, Egyptian, Salvadoran, Guinean, Ethiopian, Fiji, Finnish, French, Gabonese, Gambian, German, Ghanan, Greek, Grenadian, Guatemalan, Guyanese, Haitian, Honduran, Hungarian, Icelandian, Indian, Indonesian, Iranian, Iraqui, Israeli, Italian, Ivory Coastal, Jamaican, Japanese, Jordanian, Kenyan, Kiribatian, Korean, Kuwaiti, Laotian, Lebanese, Lesothian, Liberian, Libyan, Liechtensteinian, Luxembourger, Madagascaran, Malawian, Malaysian, Maldivian, Mali, Maltese, Mauritanian, Maurititian, Mexican, Monacan, Mongolian, Moroccan, Mozambiqan, Nauran, Nepalese, Dutch, New Zealander, Nicaraguan, Niger, Nigerian, Norweigian, Omanian, Pakistanian, Panamanian, Papuan, Paraguayan, Peruvian, Philippino, Polish, Portuguese, Qataran, Romanian, Rwandan, St. Lucian, St. Vincentian, San Marinan, Princip an, Saudi Arabian, Senegalese, Seychellian, Sierra Leonese, Singaporan, Solomonese, Somalian, South African, Spanish, Sri Lankese, Sudanese, Surinamese, Swazi, Swedish, Swiss, Syrian, Tanzanian, Thai, Togonese, Tonganese, Trinidad & Tobagon, Tunisian, Turkish, Tuvaluan, Ugandan, Russian, U.A.R., British, Upper Voltese, Uruguayan, Vanuatuan, Vatican, Venezuelan, Vietnamese, Western Samoan, Yemenese, Yugoslavian, Zairese, Zambian, Zimbabwean, or"

By Mr. HANSEN:

—Section 5 (A) and (B)

Page 10, line 8. delete "5" and insert "10".

Page 10, line 14. delete "a consultant" and insert "not less than three consultants".

By Mrs. VUCANOVICH:

—Page 13, strike out line 22 and insert in lieu thereof the following:

SEC. 8. CONSTRUCTION; ADVISORY NATURE OF STUDY; SENSE OF CONGRESS.

Page 13, line 23, insert "(a)" before "Nothing".

Page 14, after line 3, add the following:

(b) Advisory Nature.—The consultant's study and any findings, conclusions, recommendations, or comments by the consultant or the Commission under this Act with respect to such study shall be considered to be of an advisory nature only.

(c) Sense of the Congress.—The consultant's study and findings, conclusions, recommendations, or comments by the consultant or the Commission under this Act with respect to such study should not serve as the basis for any legal conclusion in a lawsuit against the government.

By Mr. WALKER:

—In section 7, on page 12, after line 6, insert the following new subsection and renumber succeeding sections accordingly:

"(b)(2) Such study shall include and measure the impact on wages in similar jobs negotiated under collective bargaining agreements."

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the second calendar quarter 1985:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.......... ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◆

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◆

Organization or Individual Filing	Employer/Client
JULIE ABBOT, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE
CHARLES ADAMS, 6324 VARIEL AVE., #323 WOODLAND HILLS CA 91367	CHAO THERAPEUTICS
JOHN J. ADAMS, 2000 PENNSYLVANIA AVE., NW, #900 WASHINGTON DC 20006	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION
Do	ORBITAL SCIENCES CORPORATION
SAM ADAMS, 600 MARYLAND AVE., SW, #700 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS
ADDUCI DINAN AND MASTRIANI, 1140 CONNECTICUT AVENUE, NW, #250 WASHINGTON DC 20036	VISAFLOR, S.A.
SAMUEL J. AGGER, 1818 N STREET, NW WASHINGTON DC 20036	DGA INTERNATIONAL, INC (FOR: SNECMA)
CREIGH H. AGNEW, 1625 EYE STREET, NW, #902 WASHINGTON DC 20006	WEYERHAEUSER COMPANY
AIR TRAFFIC CONTROL ASSN, INC, 2020 NORTH 14TH STREET, #410 ARLINGTON VA 22201	
AKIN GUMP STRAUSS HAUER & FELD, 1333 NEW HAMPSHIRE AVE., NW, #400 WASHINGTON DC 20036	GEICO CORPORATION
Do	GENERAL MOTORS CORP
Do	INTERNATIONAL TAXI ASSN
Do	NEDERLANDER THEATRES
SUSAN ALBERTS, 1411 K STREET, NW WASHINGTON DC 20005	AMERICANS FOR DEMOCRATIC ACTION
DONALD C. ALEXANDER, CADWALADER WICKERSHAM & TAFT 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AMERICAN FINANCIAL CORP
AMERICAN OPTOMETRIC ASSN, C/O DR. JOHN D. TUMBLIN 600 MARYLAND AVENUE, SW, #400E WASHINGTON DC 20024	
AMERICAN-EUROPEAN ACID RAIN PROHIBITION, 11573 EMBERS COURT RESTON VA 22091	
JOANNE M. AMOROSI, 1228 17TH STREET, NW WASHINGTON DC 20036	AIR CONDITIONING CONTRACTORS OF AMERICA
ANDERSON BENJAMIN & READ, INC, 1776 K STREET, NW, #900 WASHINGTON DC 20006	U.S. BANKNOTE CORP
ANDERSON HIBEY NAUHEIM & BLAIR, 1708 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20009	EARTH SATELLITE CORP
ANGLO AMERICAN AUTO AUCTIONS, INC, 2 INTERNATIONAL PLAZA DR., #600 NASHVILLE TN 37217	
REYNOLD V. ANSELMO, 460 W. 42ND STREET, 4TH FL NEW YORK NY 10036	PAN AMERICAN SATELLITE CORP
ARENT FOX KINTNER PLOTKIN & KAHN, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	TOSHIBA AMERICA, INC
Do	TVW PAPER MACHINES, INC
ALVIN J. ARNETT, P.O. BOX 23451 WASHINGTON DC 20026	CONSOLIDATED RAIL CORP
ARNOLD & PORTER, 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	CANADIAN FOREST INDUSTRIES COUNCIL
Do	CONSEJO EMPRESARIAL MEXICANO PARA ASUNTOS INTERNACIONALES
CLAIRE H. AUSTIN, 8701 TRIUMPH COURT ALEXANDRIA VA 22308	RUSSELL CORPORATION
LARRY AYRES, 1901 L STREET, NW, #303 WASHINGTON DC 20036	COLT INDUSTRIES, INC
BRENT A. BAGLIEN, 725 15TH STREET, NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN
BAKER & DANIELS, 1920 N ST., NW, #600 WASHINGTON DC 20036	DICKINSON BUSINESS SCHOOL
BAKER & MCKENZIE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	NATIONAL BUILDING GRANITE QUARRIES ASSN
BALLARD SPAHR ANDREWS & INGERSOLL, 1850 K STREET, NW, #1100 WASHINGTON DC 20006	CITY OF PHILADELPHIA
BARAFF KOERNER OLENDER & HOCHBERG, P.C., 2033 M STREET, NW, #203 WASHINGTON DC 20036	MAJOR INDOOR SOCCER LEAGUE
E. W. BARAGAR, 1700 NORTH MOORE ST., 20TH FL. ROSSLYN VA 22209	BOEING COMPANY
BARNES RICHARDSON & COLBURN, 1819 H ST., NW, #400 WASHINGTON DC 20006	STRATTON HATS, INC
Do	TEXAS CITRUS AND VEGETABLE IMPORT ASSOCIATION
THOMAS E. BASS, 1901 L STREET, NW, #303 WASHINGTON DC 20036	COLT INDUSTRIES, INC
RICHARD 'SANDY' BEACH, 1730 RHODE ISLAND AVE., NW, #810 WASHINGTON DC 20036	CREDIT UNION NATIONAL ASSN, INC
BEAR WEST COMPANY, INC, 9 EXCHANGE PLACE, #1000 SALT LAKE CITY UT 84111	ROCKY MOUNTAIN ENERGY CO
STEVEN M. BECKMAN, 1757 N STREET, NW WASHINGTON DC 20036	INT'L UNION, UNITED AUTO AEROSPACE & AGRIC IMPLEMENT WORKERS
JAMES P. BELLIS, 11 DUPONT CIRCLE, NW, #700 WASHINGTON DC 20036	PALUMBO & CERRELL, INC (FOR: G. D. SEARLE)
BENDIXEN & LAW, 1029 VERMONT AVENUE, NW, #505 WASHINGTON DC 20005	PANAMSAT
BENNER BURNETT & COLEMAN, 1401 NEW YORK AVENUE, NW WASHINGTON DC 20005	OMNINET CORPORATION
JAY HARRIS BERMAN, 419 10TH STREET, NE WASHINGTON DC 20002	PROFESSIONAL INSURANCE AGENTS
ZALMAN C. BERNSTEIN, SANFORD C. BERNSTEIN & CO, INC 767 FIFTH AVENUE NEW YORK NY 10153	
EVE BERTON, 2020 K STREET, NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES
FRED BILLINGS III, 1616 H STREET, NW WASHINGTON DC 20006	NATIONAL GRANGE
ROBERT BINGAMAN JR., 530 7TH STREET, SE WASHINGTON DC 20003	NATIONAL CLEAN AIR COALITION
BINGHAM DANA & GOULD, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	PARALYZED VETERANS OF AMERICA
BISHOP LIBERMAN COOK PURCELL & REYNOLDS, 1200 17TH STREET, NW, 7TH FL. WASHINGTON DC 20036	FIRST COLONY LIFE INSURANCE
Do	KILPATRICK LIFE INSURANCE COMPANY
Do	MONUMENTAL LIFE INSURANCE COMPANY
BLACK MANAFORT STONE & KELLY, P.C., 324 NORTH FAIRFAX STREET ALEXANDRIA VA 22314	TRANS WORLD AIRLINES
ROGER BLACKLOW, 100 INDIANA AVENUE, NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS
RICHARD W. BLISS, 3242 GRACE STREET, NW WASHINGTON DC 20007	AMAX, INC
Do	ENVIRONMENTAL SCIENCE & ENGINEERING
Do	NATIONAL PAINT & COATINGS ASSN
Do	PB-KBB, INC
Do	VARIAN EIMAC
WILLIAM F. BOLGER, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)
RICHARD H. BORNEMANN, 410 FIRST STREET, SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL
BOYD VEIGEL GAY & MCCALL, INC, 499 S. CAPITOL ST., SW, #412 WASHINGTON DC 20003	AMERICAN LAND DEVELOPMENT ASSN
Do	WHITEHALL CORPORATION
BRACEWELL & PATTERSON, 1825 EYE STREET, NW, #1200 WASHINGTON DC 20006	LIBERTY BANK & TRUST OF NEW JERSEY
ROBERT W. BRADFORD, 1900 WEST SUNSHINE STREET SPRINGFIELD MO 65808	
ROBERT M. BRANDON, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	CITIZEN ACTION
H. ANTHONY BREARD JR., P.O. BOX 3151 HOUSTON TX 77253	CECOS INTERNATIONAL
WILLIAM M. BRODHEAD, 900 MARQUETTE BUILDING DETROIT MI 48226	PLUNKETT COONEY RUTT WATTERS STANCZYK & PEDERSEN (FOR: BRACY WILLIAMS & COMPANY)
PHILIP A. BROOKS, 1125 15TH STREET, NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSN OF AMERICA
GARY W. BRUNER, P.O. BOX 2159 DALLAS TX 75221	AMERICAN PETROFINA, INC
PRISCILLA R. BUDEIRI, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	CONGRESS WATCH
G. N. BUFFINGTON, 2230 CALIFORNIA STREET, NW WASHINGTON DC 20008	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS
LOU ANN BURNEY, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS
BURSON-MARSTELLER, 1825 EYE ST., NW, #950 WASHINGTON DC 20006	SEARS ROEBUCK & CO
BUTLER & BINION, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ASSOCIATION OF EXECUTIVE SEARCH CONSULTANTS, INC
Do	CORNING ASSOCIATES
Do	JACQUES BOREL ENTERPRISES, INC AND ACCOR NORTH AMERICAN, INC
Do	NATIONAL FED OF INDEPENDENT BUSINESS
Do	PENNZOIL COMPANY
C. RICHARD CAHOON, 1120 VERMONT AVE., NW, #1130 WASHINGTON DC 20005	PETROLEUM MARKETERS ASSN OF AMERICA
CAMBRIDGE INTERNATIONAL, INC, 10057 MACLURA COURT FAIRFAX VA 22032	AVCO LYCOMING
Do	FMC CORPORATION
Do	GENERAL DYNAMICS LAND SYSTEMS
Do	LOCKHEED-GEORGIA CO
Do	NORDEN SYSTEMS, INC
JEANNE CAMPBELL, CAMPBELL-RAUPE ASSOCIATES, INC 1015 15TH STREET, NW, #907 WASHINGTON DC 20005	BODINE'S INC FOOD PRODUCTS
Do	INVEST TO COMPETE ALLIANCE
ANNE C. CANFIELD, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CREDIT CORP
CAPITOL GROUP, INC, 2550 M STREET, NW, #650 WASHINGTON DC 20037	APPLIED ENERGY SERVICES, INC
Do	CHEMFIX TECHNOLOGIES, INC, LUBRIZOL CORP
Do	GOVERNORS OFFICE, APPALACHIAN REGIONAL COMMISSION
Do	NATIONAL ASSN OF TOWN WATCH
CASSIDY AND ASSOCIATES, INC, 955 L'ENFANT PLAZA, SW, #1401 WASHINGTON DC 20024	CRAY RESEARCH, INC
Do	DREXEL UNIVERSITY
Do	NEW ENGLAND COLLEGE OF OPTOMETRY
Do	ROCKY MOUNTAIN ENERGY
Do	U.S. REPEATING ARMS
Do	UNITED HOSPITALS
Do	UNIVERSITY OF BRIDGEPORT
Do	UNIVERSITY OF SOUTHERN MISSISSIPPI
G. THOMAS CATOR, 1050 17TH STREET, NW WASHINGTON DC 20036	NEECE CATOR & ASSOCIATES, INC (FOR: SMALL BUSINESS UNITED)
MICHAEL CAUDELL-FEAGAN, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	U.S. PUBLIC INTEREST RESEARCH GROUP
CHADBOURNE PARKE WHITESIDE & WOLFF, 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	NAPP CHEMICALS, INC
CHAMBERS ASSOCIATES, INC, 1411 K STREET, NW, #500 WASHINGTON DC 20005	METCALF & EDDY/AWT GROUP
NANCY CHAPMAN, 1728 CHURCH STREET, NW WASHINGTON DC 20036	OLSSON & FRANK (FOR NATIONAL ASSN OF MARGARINE MFGRS)
LESLIE CHRISTENSEN, 600 MARYLAND AVE., SW, #700 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS
JAMES T. CHRISTY, 1730 PENNSYLVANIA AVE., NW, #265 WASHINGTON DC 20006	AIR PRODUCTS & CHEMICALS, INC
CHWAT/WEIGEND ASSOCIATES, 400 FIRST STREET, NW, #816 WASHINGTON DC 20001	BEER INDUSTRY LEAGUE OF LOUISIANA
Do	RETAIL TOBACCO DEALERS OF AMERICA, INC
CITIZEN ACTION, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	
CITIZENS AGAINST MIDSHIPMEN IMPRESSMENT, 1292 GOODRICH, #200 SAINT PAUL MN 55105	

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Organization or Individual Filing	Employer/Client
DENNIS B. CLARK, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN
CLEARY GOTTLIEB STEEN & HAMILTON, 1752 N STREET, NW WASHINGTON DC 20036	BEAR STEARNS & CO
Do	LONZA, INC
GEORGE E. CLIFFORD JR., 146 GRAFTON STREET CHEVY CHASE MD 20815	
CLINTON REILLY CAMPAIGNS, 1738 BUSH STREET SAN FRANCISCO CA 94109	SACRAMENTO MUNICIPAL UTILITY DISTRICT, ET AL
COALITION AGAINST DOUBLE TAXATION, INC, C/O KIERNAN & O'BRIEN 1050 THOMAS JEFFERSON STREET, NW WASHINGTON DC 20007	
COALITION FOR ALTERNATIVES IN NUTRITION & HEALTHCARE, INC, P.O. BOX B-12 RICHLANDTOWN PA 18955	
COALITION TO STOP GOV'T WASTE, 499 S. CAPITOL STREET, SW, #102 WASHINGTON DC 20003	
COAN COUTURE LYONS & MOORHEAD, 1625 EYE ST., NW, #1015 WASHINGTON DC 20006	PRESBYTERIAN ASSN ON AGING
ALAN J. COBB, 1120 VERMONT AVENUE, NW WASHINGTON DC 20005	PETROLEUM MARKETERS ASSN OF AMERICA
ALICE I. COHAN, 7981 EASTERN AVE SILVER SPRING MD 20910	NATIONAL ASSOCIATION OF SOCIAL WORKERS
DAVID COHEN, 1346 CONNECTICUT AVE., NW, #901 WASHINGTON DC 20036	PROFESSIONALS' COALITION FOR NUCLEAR ARMS CONTROL
SCOTT COHEN, 1750 NEW YORK AVENUE, NW, #210 WASHINGTON DC 20006	GILBERT A. ROBINSON INC
SHELDON S. COHEN, MORGAN LEWIS & BOCKIUS 1800 M STREET, NW WASHINGTON DC 20036	CONSOLIDATED RAILROAD CORP
COLLIER SHANNON RILL & SCOTT, 1055 THOMAS JEFFERSON ST., NW, #308 WASHINGTON DC 20007	SMOKELESS TOBACCO COUNCIL
COLORADO FAMILIES TO INCREASE THE TAX EXEMPTION, P.O. BOX 18217 DENVER CO 80218	
COMMITTEE FOR THE ELECTRIC CONSUMERS PROTECTION ACT, 1000 POTOMAC STREET, NW, #401 WASHINGTON DC 20007	
RAYMOND F. CONKLING, 1600 S. LYNN STREET ARLINGTON VA 22202	DIAMOND SHAMROCK CORP
THOMAS L. CONRAD, 2001 EYE STREET, NW WASHINGTON DC 20006	ELECTRONIC INDUSTRIES ASSN
MARK N. COOPER, 802 LANARK WAY SILVER SPRING MD 20901	CONSUMER FEDERATION OF AMERICA
JAY COPELAND, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY
JOSEPH L. COPPOLA, 3600 S. YOSEMITE, #830 DENVER CO 80237	KOGOVSEK AND ASSOCIATES, INC
MICHAEL J. COPPS, 1660 L ST., NW, #1000 WASHINGTON DC 20036	COLLINS AND AIKMAN CORP
CORMAN LAW OFFICES, 1420 16TH STREET, NW WASHINGTON DC 20036	AMERICAN BAKERS ASSOCIATION
Do	SYSTEMS & APPLIED SCIENCES CORP TECHNOLOGIES
TOM COSGROVE, 37 TRUMBULL STREET NEW HAVEN CT 06511	SIERRA CLUB
TAMARA COX, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR IOWA PORK PRODUCERS ASSN)
JOHN COZART, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR IOWA PORK PRODUCERS ASSN)
W. O. CRAFT JR., CRAFT & RICHARDS 1050 THOMAS JEFFERSON ST., NW, 6TH FL. WASHINGTON DC 20008	NATIONAL ARMORED CAR ASSN, INC
RONALD CRAWFORD, F/P RESEARCH ASSOCIATES 1700 K STREET, NW, #303 WASHINGTON DC 20006	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION
JOHN M. CROSS, 1201 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC
D L ASSOCIATES, INC, 1730 RHODE ISLAND AVENUE, NW, #210 WASHINGTON DC 20036	GENERAL DYNAMICS CORP
WILLIAM K. DABAGHI, ARTER & HADDEN 1919 PENNSYLVANIA AVE., NW, #400 WASHINGTON DC 20006	A.S. NEMIR ASSOCIATES (FOR SUGAR & ALCOHOL INSTITUTE)
DAIRY-FARMER DISTRIBUTORS OF AMERICA, INC, * CHITTENANGO NY 13037	
DAVIS & HARMAN, 655 15TH STREET, NW WASHINGTON DC 20005	AMERICAN GENERAL LIFE INSURANCE CO
Do	AMERICAN HORSE COUNCIL
Do	APACHE CORPORATION
Do	BETHLEHEM STEEL
Do	CAPITOL HOLDING CORP
Do	CHICAGO BOARD OF TRADE
Do	CNA INSURANCE
Do	COMMITTEE OF ANNUITY INSURERS
Do	FLORIDA POWER & LIGHT
Do	FLORIDA SUGAR CANE LEAGUE
Do	JACKSONVILLE ELECTRIC AUTHORITY
Do	LINCOLN NATIONAL LIFE INSURANCE CO
Do	NATIONAL CATTLEMEN'S ASSN
Do	PROPERTY/CASUALTY GROUP
Do	STOCK INFORMATION GROUP
Do	WINTHROP FINANCIAL ASSN
Do	WOODSTREAM CORPORATION
BRENDA S. DAVIS, 1050 CONNECTICUT AVE., NW, #800 WASHINGTON DC 20036	ALLIED CORP
MICHAEL K. DEAVER AND ASSOCIATES, INC, 1025 THOMAS JEFFERSON ST., NW, #800 WASHINGTON DC 20007	CBS, INC
Do	TRANS WORLD AIRLINES, INC
RANDY R. DEBENHAM, P.O. BOX 4267 TOPEKA KS 66604	KANSAS ELECTRIC COOPERATIVES
DECHERT PRICE & RHOADS, 1730 PENNSYLVANIA AVENUE, NW, #1100 WASHINGTON DC 20006	CENTER FOR CIVIC EDUCATION
LESLIE DELONG, 1925 K STREET, NW, #206 WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY
WILLARD L. DEMORY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BELL ATLANTIC MANAGEMENT SERVICES)
DEWEY BALLANTINE BUSHBY PALMER & WOOD, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	COMMITTEE FOR FUTURE INVESTMENT IN AMERICA'S PAST
Do	HERSHEY FOODS CORP
Do	MARRIOTT CORPORATION
Do	U.S. COALITION FOR FAIR CANADIAN LUMBER IMPORTS
DGA INTERNATIONAL, INC, 1818 N STREET, NW WASHINGTON DC 20036	ARIANESPACE, S.A.
ELAINE DICKINSON, 880 S. PICKETT STREET ALEXANDRIA VA 22304	BOAT OWNERS ASSN OF THE U.S.
GARY ALAN DICKINSON, 2 INTERNATIONAL PLAZA DR., #600 NASHVILLE TN 37217	ANGLO AMERICAN AUTO AUCTIONS, INC
DICKSTEIN SHAPIRO & MORIN, 2101 L ST., NW WASHINGTON DC 20037	AMERICAN GREYHOUND TRACK OPERATORS ASSN
Do	HERBALIFE INTERNATIONAL
Do	PROVIDENCE HOSPITAL
MICHAEL DINNERSTEIN, 1600 SOUTH EADS ST., #924-S CRYSTAL CITY VA 22202	NATIONAL TAX POLICY INSTITUTE FOR THE PUBLIC INTEREST
MARGARET R. DIPAULA, 1700 K STREET, NW, #1204 WASHINGTON DC 20006	CHEVRON USA, INC
KEVIN J. DONNELLAN, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS
SALLY L. DOUGLAS, 490 L'ENFANT PLAZA, SW, #3206 WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS
DOW LOHNES & ALBERTSON, 1255 23RD ST., NW WASHINGTON DC 20037	ARROWHEAD METALS, LTD
Do	HARRIS STEEL GROUP, INC
JOHN P. DOYLE JR., 8600 BOUNDBROOK LANE ALEXANDRIA VA 22309	J.P. DOYLE ENTERPRISES, INC
DAVID P. DRAKE, 1747 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20006	CIBA-GEIGY CORP
DUTKO & ASSOCIATES, 412 FIRST ST., SE, #214 WASHINGTON DC 20003	DSC COMMUNICATIONS
Do	GRANGER ASSOCIATES
DENNIS J. EARHART, 2001 WISCONSIN AVE., #100 WASHINGTON DC 20007	BEAR WEST CO, INC (FOR ROCKY MOUNTAIN ENERGY CO)
JOHN M. ELLIS, 1120 FAIRFIELD AVENUE ROSEVILLE CA 95678	NOR-CAL FEDERAL COALITION
DONALD C. EVANS JR., 655 15TH STREET, NW, #310 WASHINGTON DC 20005	STEPAN CORPORATION
BRUCE E. FEIN, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR. BELL ATLANTIC MANAGEMENT SERVICES)
FENSTERWALD ALCORN & BOWMAN, 1000 WILSON BLVD., #900 ARLINGTON VA 22209	EQUITY FOR NATIONAL GUARD TECHNICIANS
JACK FERGUSON ASSOCIATES, INC, 203 MARYLAND AVE., NE WASHINGTON DC 20002	TACOMA BOAT BUILDING CO/AT-SEA INCINERATION
WILLIAM FERGUSON JR., 1875 EYE ST., NW, #1275 WASHINGTON DC 20006	CITY OF BALDWIN PARK
Do	CITY OF INGLEWOOD
Do	CITY OF OCEANSIDE
Do	CITY OF PROVO
Do	CITY OF REDONDO BEACH
Do	CITY OF SOUTH SALT LAKE
Do	IMPERIAL IRRIGATION DISTRICT
Do	OCEANSIDE REDEVELOPMENT AGENCY
Do	SANTA CRUZ PROPERTIES, INC
LAWRENCE A. FINERAN, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS
FINLEY KUMBLE WAGNER HEINE UNDERBERG MANLEY & CASEY, 10TH FLOOR 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN COLLEGE OF NEUROPSYCHOPHARMACAOLOGY
Do	AMERICAN PROTESTANT HEALTH ASSN
Do	AMERICAN SOC OF PHARMACOLOGY & EXPERIMENTAL THERAPEUTICS
Do	COMMITTEE ON PROBLEMS OF DRUG DEPENDENCE, INC
Do	JOHNSON & JOHNSON
Do	NATIONAL ASSN OF ALCOHOLISM TREATMENT PROGRAMS, INC
Do	SOCIETY OF REAL ESTATE APPRAISERS
Do	STATE OF MARYLAND
CHARLES B. FITZGERALD IV, 15837 A CRABBS BRANCH WAY ROCKVILLE MD 20855	NATIONAL CENTER FOR DRUNK DRIVING CONTROL
RONALD JAMES FITZSIMMONS, 2010 MASSACHUSETTS AVE., NW, 5TH FL. WASHINGTON DC 20036	PLANNED PARENTHOOD FED OF AMERICA, INC
FRANK R. FLEMING, 6324 VARIEL AVE., #323 WOODLAND HILLS CA 91367	CHAS THERAPEUTICS
FLORIDA BUSINESS ASSOCIATES, 2000 L ST., NW, #200 WASHINGTON DC 20036	GENERAL DEVELOPMENT CORP
Do	SEABOARD SYSTEM RAILROAD
THOMAS H. FLOYD JR., DGA INTERNATIONAL, INC 1818 N STREET, NW WASHINGTON DC 20036	ARIANESPACE, S.A
R. D. FOLSOM, 1317 F STREET, NW, #400 WASHINGTON DC 20004	R DUFFY WALL & ASSOCIATES, INC (FOR: BRINKS, INC)
PAUL S. FORBES, 7700 LEESBURG PIKE FALLS CHURCH VA 22043	ROYAL SILK
FOREMAN AND COMPANY, 1826 JEFFERSON PLACE, NW, #201 WASHINGTON DC 20036	CAMP CARMOUCHE BARSH HUNTER GRAY & HOFFMAN, P.C

Organization or Individual Filing	Employer/Client
Do	GRAY AND COMPANY
Do	GREENE O'REILLY AGNEW & BROILLET
P WHITNEY FOSBURGH JR., 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY
ALAN FOX, 1424 16TH STREET, NW, #604 WASHINGTON DC 20036	CONSUMER FEDERATION OF AMERICA
DAVID C FRANKIL, 918 16TH STREET, NW, #402 WASHINGTON DC 20006	AMERICAN FURNITURE MANUFACTURERS ASSN
ELLIS B FRANKLIN, 5025 WISCONSIN AVE., NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO
RONNA FREIBERG, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)
ANNETTE P FRIBOURG, 3900 WISCONSIN AVE., NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN
FRIENDS OF THE RURAL DEVELOPMENT LOAN FUND, 2025 I STREET, NW, #901 WASHINGTON DC 20006	
JOHN B GANTT, 2000 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION
Do	ORBITAL SCIENCES CORPORATION
NANCY GARLAND, 600 MARYLAND AVENUE, SW, #400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN
GARVEY SCHUBERT ADAMS & BARER, 1000 POTOMAC ST., NW WASHINGTON DC 20006	PORT OF TILLAMOOK BAY & TILLAMOOK COUNTY
Do	TRANS WORLD AIRLINES, INC
RUSSELL J. GASPAR, 2555 M ST., NW, #100 WASHINGTON DC 20037	HANNA GASPAR & BIRKEL (FOR. AMERICAN HORSE PROTECTION ASSN, INC)
GARRY GEFFERT, 2001 S STREET, NW, #312 WASHINGTON DC 20009	FARMWORKER JUSTICE FUND, INC
GERARD BYLER & ASSOCIATES, INC, 1100 17TH STREET, NW WASHINGTON DC 20036	ALASKA FEDERATION OF NATIVES
GFE, LTD, 1835 K STREET, NW WASHINGTON DC 20006	CONSEJO EMPRESARIAL MEXICANO PARA ASUNTOS INTERNACIONALES
DANNY GHORBANI, 10506 CAVALCADE STREET GREAT FALLS VA 22066	ASSOCIATION FOR REGULATORY REFORM
GIBSON DUNN & CRUTCHER, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CALFED, INC
Do	CITIZENS & SOUTHERN GEORGIA CORP
Do	PRUDENTIAL BANK & TRUST CO
Do	WASHINGTON MUTUAL SAVINGS BANK
JOANNE GLISSON, 900 17TH STREET, NW, #1014 WASHINGTON DC 20006	KAISER FOUNDATION HEALTH PLAN
JUDITH M GOFF, 375 JACKSON STREET ST. PAUL MN 55101	FARM CREDIT SERVICES
GOLD & LIEBENGOOD, INC, 1050 CONNECTICUT AVENUE, NW, #980 WASHINGTON DC 20036	FORD MOTOR CO
Do	HANDGUN CONTROL, INC
Do	INTERNATIONAL GOLD CORP, LTD
Do	MCI COMMUNICATIONS
Do	TIMES MIRROR
HELEN C. GONZALES, 236 MASSACHUSETTS AVE., NE, #504 WASHINGTON DC 20002	NATIONAL CONSUMER LAW CENTER
RANDALL C GORDON, 725 15TH STREET, NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN
ROBERT K. GRAY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CHICAGO TITLE INSURANCE CO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FIRST AMERICAN TITLE INSURANCE CO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LAWYERS TITLE INSURANCE CO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SAFECO TITLE INSURANCE CO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STUART TITLE INSURANCE CO)
MARIANA E. GRIESMER, 1010 WISCONSIN AVE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC
RICHARD A. GROSS, 1300 19TH STREET, NW WASHINGTON DC 20036	WALD HARKRADER & ROSS (FOR. GENERAL MOTORS CORP)
MARY SCOTT GUEST, 1919 PENNSYLVANIA AVE., NW, #800 WASHINGTON DC 20006	O'CONNOR & HANNAN
JAMES E. GUIRARD JR., 1730 RHODE ISLAND AVENUE, NW, #419 WASHINGTON DC 20036	WALK-HAYDEL, INC
ALVIN M. GUTTMAN, 818 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20006	NATIONAL ASSN OF ATOMIC VETERANS
DANIEL GUTTMAN, SPIEGEL & MCDIARMID 1350 NEW YORK AVE., NW WASHINGTON DC 20005	SERVICE EMPLOYEES INTERNATIONAL UNION
JANE SCHERER HAAKE, 1667 K STREET, NW, #420 WASHINGTON DC 20006	MILAD CORPORATION
HAGEDORN-CANDO, INC, 1704 23RD ST., SO. ARLINGTON VA 22202	TRAILWAYS BUS CO; NATIONWIDE PASSENGER BUS CO
Do	YANKEE ENERGY CO
HALE AND DORR, 1201 PENNSYLVANIA AVE., NW, #807 WASHINGTON DC 20004	VILLERS ADVOCACY FOUNDATION
D MICHAEL HANCOCK, 100 MARYLAND AVENUE, NE WASHINGTON DC 20002	NATIONAL COALITION TO BAN HANDGUNS
HANSELL & POST, 1667 K ST., NW, #500 WASHINGTON DC 20006	CSX CORPORATION
DANIEL J. HANSON SR., 525 SCHOOL ST., SW WASHINGTON DC 20024	AMERICAN ROAD & TRANSPORTATION BUILDERS ASSOCIATION
CHARLES G. HARDIN ASSOCIATES, INC, 815 CONNECTICUT AVE., NW, #800 WASHINGTON DC 20006	ANDERSON HIBEY NAUHEIM & BLAIR
HARRIS & BERG, 1100 15TH STREET, NW, #1100 WASHINGTON DC 20005	CHEESE IMPORTERS ASSN OF AMERICA, INC
MILTON E. HARRIS, 20 QUEEN STREET WEST TORONTO ONTARIO CANADA	HARRIS STEEL GROUP, INC
RICHARD M. HARRIS, 525 SCHOOL ST., SW WASHINGTON DC 20024	AMERICAN ROAD & TRANSPORTATION BUILDERS ASSOCIATION
SUSAN P. HART, 1600 M STREET, NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE
DAVID J. HAYES, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	HOGAN & HARTSON (FOR: SEMICONDUCTOR INDUSTRY ASSN)
KEITH HEARD, 1030 15TH ST., NW, #700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMERICA
ROBERT E. HEGGESTAD, 1827 PHELPS PLACE, NW WASHINGTON DC 20008	CASEY SCOTT & CANFIELD, P.C. (FOR UNIFICATION CHURCH)
HENNESSY ASSOCIATES, 152 WASHINGTON AVENUE ALBANY NY 12210	
HERON BURCHETTE RUCKERT & ROTHWELL, 1025 THOMAS JEFFERSON ST., NW, #700 WASHINGTON DC 20007	AEROJET-GENERAL, INC
Do	ASARCO, INC
Do	AUTOMOBILE IMPORT COMPLIANCE ASSN
Do	CALIFORNIA STUDENT LOAN FINANCE CORP
Do	CPC INTERNATIONAL, INC
Do	GROCERY MANUFACTURERS OF AMERICA, INC
Do	MASSPORT/COMMONWEALTH OF MASSACHUSETTS
Do	NATIONAL ASSN OF MANUFACTURERS
Do	NATIONAL MEDICAL CARE
Do	TEX-LA
Do	UNIVERSITY OF NEVADA/LOS ANGELES
Do	3M, INC
DALE E. HEYDLAUFF, CRAFT & RICHARDS 1050 THOMAS JEFFERSON STREET, NW, 6TH FL WASHINGTON DC 20007	ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
ROBERT G. HIBBERT, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE
DAVID M. HIGGINS, 333 SOUTH GRAND AVE., #3930 LOS ANGELES CA 90071	
HOAG & ASSOCIATES, 1877 BROADWAY, #405 BOULDER CO 80302	NATIONAL ASSN OF BROADCASTERS
SCOTT HODES, 180 NORTH LA SALLE ST., #3800 CHICAGO IL 60601	ZALMAN C. BERNSTEIN
SUSAN HOECHSTETTER, 7981 EASTERN AVE. SILVER SPRING MD 20910	NATIONAL ASSN OF SOCIAL WORKERS
HOGAN & HARTSON, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	ECONOMICS LABORATORY, INC
NIELS C. HOLCH, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HOOPA VALLEY INDIANS)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR. LANE INDUSTRIES)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)
HOLLAND & KNIGHT, 888 17TH ST., NW WASHINGTON DC 20006	PAN AMERICAN SATELLITE CORP
WILLIAM HOLMBERG, 1001 CONNECTICUT AVE., NW, #638 WASHINGTON DC 20036	SOLAR LOBBY
JOHN F. HOLTZ, NJ PETROLEUM COUNCIL 170 WEST STATE STREET TRENTON NJ 08608	AMERICAN PETROLEUM INSTITUTE
SHERI L. HOPTMAN, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	JAPAN ECONOMIC INSTITUTE OF AMERICA
SENGA HOWAT, 1604 K STREET, NW WASHINGTON DC 20006	NATIONAL SMALL BUSINESS ASSN
HENRY W. HUBBARD, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR. REPUBLIC OF TURKEY)
HUGHES HUBBARD & REED, 1201 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20004	AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
Do	ANGLO AMERICAN AUTO AUCTIONS, INC
HUNTON & WILLIAMS, 2000 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ASSOCIATION FOR THE PRESERV OF HISTORIC COASTAL PROPERTIES
Do	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION
Do	LONG ISLAND LIGHTING CO
RONALD A. HURST, 5410 GROSVENOR LANE, #210 BETHESDA MD 20814	AMERICAN MEDICAL CARE & REVIEW ASSN
CATHY HURWIT, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	CITIZEN ACTION
GARY HYMEL, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HITACHI AMERICA, LTD)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR. KINGDOM OF MOROCCO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: RAUSCHENBERG OVERSEAS CULTURAL INTERCHANGE)
INDIANA HI-RAIL CORPORATION, RR 1, BOX 242 CONNERSVILLE IN 47331	
INDUSTRIAL BIOTECHNOLOGY ASSN, 2115 E. JEFFERSON ST. ROCKVILLE MD 20852	
IVINS PHILLIPS & BARKER, CHTD, 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	AMERICAN TEXTILE MANUFACTURERS INSTITUTE
Do	BLOUNT, INC
Do	COMMITTEE FOR REASONABLE INVENTORY ACCOUNTING RULES
Do	EMPLOYEE RELOCATION COUNCIL
Do	OBERLIN COLLEGE
Do	ROCHESTER TAX COUNCIL
JACOB K. JAVITS, 1211 AVENUE OF THE AMERICAS NEW YORK NY 10036	PARKER CHAPIN FLATTAU & KLIMPL (FOR: ASSOCIATION FOR A BETTER NEW YORK)
FRANK L. JENSEN JR., 1110 VERMONT AVE., NW, #430 WASHINGTON DC 20005	HELICOPTER ASSN INTERNATIONAL
BRUCE JOHNSON, AVENUE OF THE ARTS BLDG., #1009 PHILADELPHIA PA 19107	FAIC SECURITIES, INC
KENNETH A. JOHNSON, PILLSBURY CENTER MINNEAPOLIS MN 55402	PILLSBURY COMPANY
JONES DAY REAVIS & POGUE, 655 15TH ST., NW WASHINGTON DC 20005	SCM CORPORATION
ROBERT E. JULIANO ASSOCIATES, 1099 22ND STREET, NW, #404 WASHINGTON DC 20037	NATIONAL ASSN OF BROADCASTERS

Organization or Individual Filing	Employer/Client
LOEBE JULIE, 211 WEST 61 STREET NEW YORK NY 10023	COMMITTEE AGAINST GOVT WASTE & THE COAL. TO STOP GOVT WASTE
THOMAS W JURWA JR., 649 MISSION STREET SAN FRANCISCO CA 94105	IRS CORPORATION
KADISON PFAELZER WOODARD QUINN & ROSSI, 2000 PENNSYLVANIA AVE., NW WASHINGTON DC 20036	BASKIN-ROBBINS
ROBERT A. KAY, 260 EIGHTH STREET TORONTO ONTARIO CANADA M8V 3E1	ARROWHEAD METALS, LTD
KENDELL W. KEITH, 725 15TH STREET, NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN
JAMES J. KELLY, P.O. BOX 23451 WASHINGTON DC 20026	CONSOLIDATED RAIL CORP
KENDALL & ASSOCIATES, INC, 50 E ST., SE WASHINGTON DC 20003	WILLIAMS TECHNOLOGIES, INC
J. H. KENT, KENT & O'CONNOR 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	AMERICAN SOC OF PLASTIC & RECONSTRUCTIVE SURGERY
PAUL T. KERRIGAN, 400 FIRST STREET, NW, #819 WASHINGTON DC 20001	BROTHERHOOD OF LOCOMOTIVE ENGINEERS
DOROTHY A. KEVILLE, 2215 CONSTITUTION AVE., NW WASHINGTON DC 20037	AMERICAN PHARMACEUTICAL ASSN
CARSON K. KILLEN, 8118 ORVILLE STREET ALEXANDRIA VA 22309	FARM CREDIT SURVIVAL COALITION (FOR: DAVID C. LENSING)
KING & SPALDING, 1730 PENNSYLVANIA AVE., NW, #1200 WASHINGTON DC 20006	ANTITRUST REMEDIES REFORM GROUP
Do	GENERAL AVIATION MANUFACTURERS ASSN
KIRKPATRICK & LOCKHART, 1900 M ST., NW WASHINGTON DC 20036	WOLVERINE WORLD WIDE, INC
KOMINERS FORT SCHLEFER & BOYER, 1401 NEW YORK AVE., NW WASHINGTON DC 20005	ATLANTIC RICHFIELD CO
Do	CROWLEY MARITIME CORP AND SUBSIDIARIES
Do	MATSON NAVIGATION CO
NICHOLAS P. KOSKORES, 1800 MASSACHUSETTS AVE., NW, #510 WASHINGTON DC 20036	NEW ENGLAND COUNCIL, INC
BERNARD KOTEEN, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	KOTEEN & NAFTALIN (FOR: STORER COMMUNICATIONS, INC)
KATHERINE KRELL, 1201 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC
KUTAK ROCK & CAMPBELL, 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICA FIRST FEDERALLY GUARANTEED MORTGAGE FUND II.
Do	DISTRICT HEATING DEVELOPMENT CO
L/5 SOCIETY, 1060 E. ELM TUCSON AZ 85719	
JOHN LAGOMARCINO, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS
JOHN W. LAMPMANN, 2000 L STREET, NW, #810 WASHINGTON DC 20036	SPERRY CORP
FREDERICK LANDMAN, 460 W. 42ND STREET, 4TH FL. NEW YORK NY 10036	PAN AMERICAN SATELLITE CORP
LANE & MITTENDORF, 1750 K STREET, NW, #1200 WASHINGTON DC 20006	EQUITY PROGRAMS INVESTMENT CORP
JOSEPH L. LANG, 1121 L STREET, #1000 SACRAMENTO CA 95814	WEST COAST FABRICATORS & STEEL INDUSTRY ASSOCIATION
LAXALT CORPORATION, 214 MASSACHUSETTS AVE., NE, #380 WASHINGTON DC 20002	MESA PETROLEUM
THOMAS B. LEARY, HOGAN & HARTSON 815 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	BUSINESS ROUNDTABLE
LEGISLATIVE STUDIES INSTITUTE, INC, 3471 N. FEDERAL HIGHWAY, #511 FORT LAUDERDALE FL 33306	
TERRY L. LEITZELL, BOGLE AND GATES ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	COALITION FOR CLEAN WATER
ROBERT A. LEMBO, 1050 31ST STREET, NW WASHINGTON DC 20007	ASSOCIATION OF TRIAL LAWYERS OF AMERICA
CYNTHIA R. LENHART, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY
MILTON LEVENSON, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION
LEVENTHAL & SENTER, 1001 22ND STREET, NW, #550 WASHINGTON DC 20037	PAN AMERICAN SATELLITE CORP
LAWRENCE A. LEVIN, 1001 CONNECTICUT AVE., NW, #1120 WASHINGTON DC 20036	CHEMICAL SPECIALTIES MANUFACTURERS ASSN, INC
DAVID LEVY, 3055 OLD HIGHWAY EIGHT P.O. BOX 1453 MINNEAPOLIS MN 55440	MEDTRONIC, INC
STUART A. LEWIS, 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	FIRST INTERSTATE BANCORP
LINTON MIELDS REISLER & COTTONE, 1015 18TH ST., NW, #200 WASHINGTON DC 20036	MICHIGAN DEPT OF TRANSPORTATION
Do	STATE OF COLORADO, DEPT OF HIGHWAYS
JAMES D. LUCAS, 25 SOUTH CHARLES STREET BALTIMORE MD 21201	FIRST NATIONAL BANK OF MARYLAND
WILLIAM L. LUCAS, 2021 K STREET, NW, #300 WASHINGTON DC 20006	PRIMARK CORP
JOSEPH H. MACAULAY, 300 METROPOLITAN SQUARE 655 15TH STREET, NW WASHINGTON DC 20005	U.S. SURGICAL CORP
CLIFF MADISON GOVERNMENT RELATIONS, INC, P.O. BOX 3482 GRANADA HILLS CA 91344	BURBANK GLENDALE PASADENA AIRPORT AUTHORITY
Do	CITY OF AVALON
MARY MAHON, 380 SECOND AVENUE NEW YORK NY 10010	
DANIEL C. MALDONADO, 10000 FALLS RD., #306 POTOMAC MD 20854	AIDS ACTION COUNCIL
Do	DEPARTMENT OF PUBLIC HEALTH
Do	LOS ANGELES ALLIANCE FOR EQUITABLE CUSTOMS STAFFING
Do	UNIVERSITY OF NEVADA, LAS VEGAS
MANAGEMENT & GOVERNMENT RESOURCES, 1305 MT. HOLLY ROAD BURLINGTON NJ 08016	BURLINGTON COAT FACTORY
MANATT PHELPS ROTHENBERG & TUNNEY, 1200 NEW HAMPSHIRE AVE., NW, #200 WASHINGTON DC 20036	AUTO IMPORTERS COMPLIANCE ASSOCIATION
Do	CONNECTICUT NATIONAL BANK
Do	MONEY STORE
Do	DONALD T. STERLING & ASSOCIATES
DAINE K. MARESCO, 1899 L STREET, NW, #403 WASHINGTON DC 20036	OUTDOOR ADVERTISING ASSN OF AMERICA, INC
RICHARD MARK, 1346 CONNECTICUT AVE., NW, #901 WASHINGTON DC 20036	PROFESSIONALS' COALITION FOR NUCLEAR ARMS CONTROL
ANN MARTINO, 2200 COLUMBIA PIKE, #417 ARLINGTON VA 22204	COALITION TO STOP GOV'T WASTE
DONALD F. MASSEY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ASARCO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HITACHI AMERICA, LTD)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HOOPA VALLEY INDIAN RESERVATION)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: KINGDOM OF MOROCCO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: RAUSCHENBERG OVERSEAS CULTURAL INTERCHANGE)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: UNITED AIRLINES)
DAWSON MATHIS & ASSOCIATES, 1800 M STREET, NW, #950 NORTH WASHINGTON DC 20036	AMERICAN ELECTRONIC LABORATORIES, INC
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO
Do	PACIFIC GAS & ELECTRIC
Do	SOUTHEASTERN PEANUT ASSN
Do	WESTINGHOUSE CORPORATION
DAWSON MATHIS, 1800 M STREET, NW, #950 NORTH WASHINGTON DC 20036	DAWSON MATHIS & ASSOCIATES (FOR: AMERICAN ELECTRONIC LABORATORIES, INC)
Do	JACK MCDONALD CO (FOR: COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY)
Do	JACK MCDONALD CO (FOR: FIBER FABRIC & APPAREL COALITION FOR TRADE)
Do	DAWSON MATHIS & ASSOCIATES (FOR: MASSACHUSETTS MUTUAL LIFE INSURANCE CO)
Do	DAWSON MATHIS & ASSOCIATES (FOR: PACIFIC GAS & ELECTRIC)
Do	DAWSON MATHIS & ASSOCIATES (FOR: SOUTHEASTERN PEANUT ASSN)
Do	DAWSON MATHIS & ASSOCIATES (FOR: WESTINGHOUSE CORPORATION)
MICHAEL MAWBY, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE
MAYER BROWN & PLATT, 2000 PENNSYLVANIA AVENUE, NW, #6500 WASHINGTON DC 20006	INVEST TO COMPETE ALLIANCE
Do	MERRILL LYNCH CAPITAL MARKETS
H. WESLEY MCADEN, 1155 15TH ST., NW, #424 WASHINGTON DC 20005	NEW YORK COTTON EXCHANGE
Do	SUPIMA ASSOCIATION OF AMERICA
RICHARD G. MCALEE, 233 EAST REDWOOD STREET BALTIMORE MD 21202	GORDON FEINBLATT ROTHMAN HOFFBERGER & HOLLANDER (FOR: SINAI HOSPITAL OF BALTIMORE, INC)
THOMAS MCCOY, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF MANUFACTURERS
MCNEILL & COMPANY, 1217 ELM STREET DENVER CO 80220	
CYNTHIA A. MCNEILL, 1217 ELM STREET DENVER CO 80220	MCNEILL & COMPANY
COLISE G. MEDVED, 1701 PENNSYLVANIA AVE., NW, #830 WASHINGTON DC 20006	PENN CENTRAL CORP
STEPHEN E. MEILI, 600 NEW JERSEY AVENUE, NW WASHINGTON DC 20001	INSTITUTE FOR PUBLIC REPRESENTATION
MEMEL JACOBS PIERNO GERSH & ELLSWORTH, 1800 M STREET, NW, #1000-N WASHINGTON DC 20036	EQUATON HEALTH CORP
LARRY D. MEYERS, 412 FIRST STREET, SE WASHINGTON DC 20003	OPEX PACIFIC, INC
Do	RICE BELT WAREHOUSE, INC
HARRIS MILLER & ASSOCIATES, 1000 WILSON BLVD., #900 ARLINGTON VA 22209	FLORIDA FRUIT & VEGETABLE ASSN
MILLER & CHEVALIER, CHTD, METROPOLITAN SQUARE 655 15TH STREET, NW WASHINGTON DC 20005	WESTERN SAVINGS & LOAN ASSN
MILLER CASSIDY LARROCA & LEWIN, 2555 M ST., NW, #500 WASHINGTON DC 20037	NATIONAL ASSN OF LIFE UNDERWRITERS, ET AL
JOAN MOODY, 1001 CONNECTICUT AVE., NW, #638 WASHINGTON DC 20036	SOLAR LOBBY
WALTER K. MOORE, 840 NORTH LAKE SHORE DRIVE CHICAGO IL 60611	AMERICAN HOSPITAL ASSN
MORRISON & FOERSTER, 2000 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	NATIONAL ELECTRICAL MANUFACTURERS ASSN
JOE MOSS, P.O. BOX 2159 DALLAS TX 75221	AMERICAN PETROFINA, INC
BETH MOTEN, 2020 K STREET, NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES
MUDGE ROSE GUTHRIE ALEXANDER & FERDON, 2121 K STREET, NW WASHINGTON DC 20037	AMERICAN ASSN OF EXPORTERS-IMPORTERS-TEXTILE & APPAREL GROUP
Do	GOVERNMENT OF HONG KONG
Do	JAPAN LUMBER IMPORTERS ASSN
CHRISTINE ANN MULICK, 3600 S. YOSEMITE, #830 DENVER CO 80237	ROGOVSEK AND ASSOCIATES, INC
DANIEL J. MURPHY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)
LESTER L. MURPHY JR., P.O. BOX 4267 TOPEKA KS 66604	KANSAS ELECTRIC COOPERATIVES, INC
MURRAY & SCHEER, 2550 M ST., NW, #695 WASHINGTON DC 20037	AMERICAN CYANAMID COMPANY
Do	INDUSTRY COUNCIL FOR TANGIBLE ASSETS
Do	PROVIDENT MUTUAL LIFE INSURANCE CO OF PHILADELPHIA

Organization or Individual Filing	Employer/Client
Do	SHUBERT ORGANIZATION, INC
NATIONAL AUTOMOBILE DEALERS ASSN, 8400 WESTPARK DRIVE MCLEAN VA 22102	
NATIONAL BICYCLE DEALERS ASSN, INC, 25255 CABOT ROAD, #215 LAGUNA HILLS CA 92653	
NATIONAL TAX POLICY INSTITUTE FOR THE PUBLIC INTEREST, 933 PRESIDENT STREET BROOKLYN NY 11215	
NEILL & COMPANY, INC, 900 17TH ST., NW, #400 WASHINGTON DC 20006	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION
NEILL MULLENHOLZ SHAW & SEEGER, 900 17TH ST., NW, #400 WASHINGTON DC 20006	FHH GROUP
DIANE S. NINE, 1350 NEW YORK AVENUE, NW, #300 WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC
WILLIE ERVINE NORMAN, P.O. BOX 1000 SEAGSVILLE TX 75159	
O'CONNOR & HANNAN, 1919 PENNSYLVANIA AVE., NW, #800 WASHINGTON DC 20006	COCA-COLA COMPANY
Do	DIMENSIONS, INC
Do	EMBASSY OF ECUADOR
Do	HISTORIC LANDMARKS FOR LIVING
Do	NATIONAL APARTMENT ASSN
Do	NATIONAL CLUB ASSN
Do	PYRAMID COMPANIES
O'MELVENY & MYERS, 1800 M ST., NW WASHINGTON DC 20036	ASSOCIATION OF TELEPHONE TELEGRAPH & RELATED TELEMATICS INDS
Do	SECURITY FIRST GROUP (FOR PUBLIC EMPLOYER BENEFITS COUNCIL)
KIM M. OBOZ, 1819 L STREET, NW, #900 WASHINGTON DC 20036	U S WEST, INC
DONALD G. OGILVIE, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN
OLSSON AND FRANK, 1029 VERMONT AVENUE, NW, #400 WASHINGTON DC 20005	NATIONAL ASSN OF MARGARINE MANUFACTURERS
PHILIP C. OLSSON, OLSSON AND FRANK 1029 VERMONT AVE., NW, #400 WASHINGTON DC 20005	NATIONAL ASSN OF MARGARINE MANUFACTURERS
CASSANDRA OPPERMAN, 15837 A CRABBS BRANCH WAY ROCKVILLE MD 20855	NATIONAL CENTER FOR DRUNK DRIVING COUNCIL
THOMAS J. OPSUT, 733 15TH STREET, NW WASHINGTON DC 20005	LEGAL SERVICES CORP
P/M CONSULTING, INC, 3030 MCKINNEY AVE., #1001 DALLAS TX 75204	SYSCON CORPORATION
GEORGE G. PAGONIS, 1120 CONNECTICUT AVE., NW, #335 WASHINGTON DC 20036	STELCO, INC
BENJAMIN L. PALUMBO, 11 DUPONT CIRCLE, NW, #700 WASHINGTON DC 20036	MARRIOTT CORPORATION
Do	G. D. SEARLE
PAN AMERICAN SATELLITE CORP, 460 W. 42ND STREET, 4TH FL. NEW YORK NY 10036	
PARKER CHAPIN FLATTAU & KLIMPL, 1211 AVENUE OF THE AMERICAS NEW YORK NY 10036	ASSOCIATION FOR A BETTER NEW YORK
PARRY AND ROMANI ASSOCIATES, INC, 1140 CONNECTICUT AVENUE, NW, #400 WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN
GARY B. PATTERSON, DELAWARE PETROLEUM COUNCIL P.O. BOX 1429 DOVER DE 19903	AMERICAN PETROLEUM INSTITUTE
JERRY M. PATTERSON, LEFF & MASON 1700 PENNSYLVANIA AVE., NW, #450 WASHINGTON DC 20006	HERON CORPORATION, LTD
Do	PACIFIC MUTUAL LIFE INSURANCE CO
Do	WESTERN FINANCIAL SAVINGS BANK
PATTON BOGGS & BLOW, 2550 M ST., NW, #800 WASHINGTON DC 20037	ASSOCIATION OF PRIVATE PENSION & WELFARE PLANS
Do	CHAMPION INTERNATIONAL
Do	CITY OF AZUSA
Do	CITY OF BANNING
Do	CITY OF COLTON
Do	CITY OF RIVERSIDE
Do	CITY OF SANTA CLARA
Do	DEALER ACTION ASSOCIATION
Do	FREEMAN
Do	INVESTMENT PARTNER ASSN
Do	LAZARD FRERE & CO
Do	LIGGETT GROUP
Do	NORTHERN CALIFORNIA POWER AGENCY
Do	PAINE WEBBER, INC
Do	PUBLIC UTILITIES DEPARTMENT
Do	SACRAMENTO PUBLIC UTILITY DISTRICT
PAUL HASTINGS JANOFSKY & WALKER, 6TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	NATIONAL BUSINESS AIRCRAFT ASSN
PERKINS COIE, 1110 VERMONT AVE., NW, #1200 WASHINGTON DC 20005	AEROSPACE INDUSTRIES ASSN OF AMERICA, INC
ANTHONY D. PERL, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS
DAVID F. PERRY, 15 COMPUTER DRIVE, W. ALBANY NY 12205	HOSPITAL ASSN OF NEW YORK STATE
BARBARA PHILLIPS, 2000 M ST., NW, #230 WASHINGTON DC 20036	NETWORK OF AMERICA
BERNARD R. PHILLIPS III, P.O. BOX 4267 TOPEKA KS 66604	KANSAS ELECTRIC COOPERATIVES, INC
PIPER & MARBURY, 888 16TH ST., NW WASHINGTON DC 20006	CONSOLIDATED RAIL CORPORATION
MICHAEL PODHORZER, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	CITIZEN ACTION
PRESTON THORGRIMSON ELLIS & HOLMAN, 1735 NEW YORK AVENUE, NW, #500 WASHINGTON DC 20006	CH2M HILL
Do	UNIVERSITY OF MICHIGAN HOSPITALS
KEVIN JOSEPH PRICE, 3408 TOLEDO TER., #J HYATTSVILLE MD 20782	
THOMAS J. PRICE, 410 FIRST STRET, SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL
JEFFREY A. PRUSSIN, 1505 N.W. 167TH STREET MIAMI FL 33169	INTERNATIONAL MEDICAL CENTERS
CASSANDRA WALKER PYE, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE
ROBERT N. PYLE, 1701 K ST., NW, #1004 WASHINGTON DC 20007	INTERNATIONAL MEDICAL CENTERS
GEORGE GREGORY RAAB, 2000 L STREET, NW WASHINGTON DC 20036	MEDTRONIC, INC
JOHN D. RAFFAELLI, LAW OFFICES OF JOHN D. RAFFAELLI 499 SOUTH CAPITOL ST., SW, #407 WASHINGTON DC 20003	DEAN WITTER REALTY, INC
RODERIC W. RAHE JR., 1015 15TH STREET, NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL
RANDOLPH & TRUITT, 1752 N STREET, NW, #801 WASHINGTON DC 20036	TANADGUSIX CORPORATION
CRAIG RAUPE, CAMPBELL-RAUPE ASSOCIATES, INC 1015 15TH STREET, NW, #907 WASHINGTON DC 20005	BODINE'S INC FOOD PRODUCTS
Do	INVEST TO COMPETE ALLIANCE
REICHLER & APPELBAUM, 888 17TH ST., NW, #1101 WASHINGTON DC 20006	PERMANENT MISSION OF THE REPUBLIC OF SEYCHELLES
REID & PRIEST, 1111 19TH STREET, NW WASHINGTON DC 20036	CITY OF PHILADELPHIA
Do	PENNSYLVANIA SHIPBUILDING CO
Do	TELEFLEX, INC
STEPHEN M. RENNA, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS
WILSON L. REYNOLDS, 201 MASSACHUSETTS AVENUE, NE, #319 WASHINGTON DC 20002	HALT- AMERICANS FOR LEGAL REFORM
JOHN J. RHODES, HUNTON & WILLIAMS 2000 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION
RICHARD RICHARDS, CRAFT & RICHARDS 1050 THOMAS JEFFERSON STREET, NW, 6TH FL WASHINGTON DC 20007	NATIONAL ARMORED CAR ASSN, INC
RIVKIN RADLER DUNNE & BAYH, 1575 I STREET, NW, #1025 WASHINGTON DC 20005	AMERICAN CANCER SOCIETY
Do	LEXITEL CORPORATION
Do	SUGAR USERS GROUP
LIZ ROBBINS ASSOCIATES, 132 D STREET, SE WASHINGTON DC 20003	KIDDER PEABODY
Do	PAINE WEBBER JACKSON & CURTIS, INC
RICHARD R. ROBERTS, 1629 K STREET, NW, #500 WASHINGTON DC 20006	ROADSIDE BUSINESS ASSN
RUTH M. ROBERTS, P.O. BOX B-12 RICHLANDTOWN PA 18955	COALITION FOR ALTERNATIVES IN NUTRITION & HEALTHCARE, INC
ERNESTINE S. ROBINSON, 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN SOC OF ASSN EXECUTIVES
GILBERT A. ROBINSON, INC, 1825 K STREET, NW, #206 WASHINGTON DC 20008	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION
JACK E. ROEBEL, 712 COMMERCE BLDG. 127 W. BERRY STREET FORT WAYNE IN 46802	SHEET METAL WORKERS MID-STATES HEALTH & BENEFIT TRUST
ROGERS & WELLS, 1737 H STREET, NW WASHINGTON DC 20006	GROCERY MANUFACTURERS OF AMERICA
ROISMAN RENO & CAVANAUGH, 509 C STREET, NE WASHINGTON DC 20002	NATIONAL ASSN OF HOUSING COOPERATIVES
ROSE SCHMIDT CHAPMAN DUFF & HASLEY, 1825 EYE ST., NW, #300 WASHINGTON DC 20006	ANNUAL CHARGES POLICY GROUP
DAVID B. ROSENAUER, 1317 F STREET, NW, #400 WASHINGTON DC 20004	R. DUFFY WALL & ASSOCIATES, INC (FOR: CANTOR FITZGERALD & CO, INC)
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: ESSLETE BUSINESS SYSTEMS, INC)
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: NEW YORK STATE BANKERS ASSN)
ANN M. ROWAN, ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	NATIONAL COMM TO PRESERVE SOCIAL SECURITY & MEDICARE
Do	OAKLAND COLISEUM
Do	PORT OF OAKLAND
RONALD R. RUMBAUGH, 5205 LEESBURGH PIKE, #505 FALLS CHURCH VA 22041	NATIONAL BEER WHOLESALERS ASSN
ROBERT A. RUSBULDT, 1025 CONNECTICUT AVE., NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN
SHERYL P. RUTLEDGE, CRAFT & RICHARDS 1050 THOMAS JEFFERSON ST., NW, 6TH FL. WASHINGTON DC 20007	CONSUMERS UNITED FOR RAIL EQUITY
THOMAS G. SCHENDT, 111 EAST WISCONSIN AVE., #1800 MILWAUKEE WI 53202	NATIONAL EMPLOYEE BENEFITS INSTITUTE
ABRAHAM SCHNEIER, 600 MARYLAND AVE., SW, #700 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS
JUDY SCHUB, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS
DEBRA L. SCHULTZ, 354 LONGACRE AVENUE WOODMERE NY 11598	
RALPH D. SCHUMACK, 1800 M STREET, NW, #790 SOUTH WASHINGTON DC 20036	DOW CORNING CORP
SCRIBNER HALL & THOMPSON, SUITE 700 1875 EYE STREET, NW WASHINGTON DC 20006	SECURITY LIFE OF DENVER INSURANCE CO
WALTER J. SCZUDLO, 1730 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATURAL GAS SUPPLY ASSN
RICHARD C. SEMACK, 17000 EXECUTIVE PLAZA DRIVE DEARBORN MI 48126	AUTOMOBILE CLUB OF MICHIGAN
JAMES M. SHANNON, HALE & DORR 60 STATE STREET BOSTON MA 02109	COALITION AGAINST DOUBLE TAXATION, INC
SHAW PITTMAN POTTS & TROWBRIDGE, 1800 M ST., NW, #900-S WASHINGTON DC 20036	AMALGAMATED BANK OF NEW YORK
Do	MARRIOTT CORPORATION
Do	NATIONAL AUTOMOBILE DEALERS ASSN

Organization or Individual Filing	Employer/Client
MONICA M. SHEEHAN, 840 NORTH LAKE SHORE DRIVE CHICAGO IL 60611	AMERICAN HOSPITAL ASSN
DEBORAH A. SHEIMAN, 1350 NEW YORK AVENUE, NW WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL
VICTOR A. SHERLOCK, 1111 14TH STREET, NW, #300 WASHINGTON DC 20005	AMERICAN BAKERS ASSN
FREDERICK L. SHREVES II, HILL BETTS & NASH 1818 N STREET, NW, #700 WASHINGTON DC 20036	DONOHOE CONSTRUCTION CO, INC
STEVE SILVER, 1050 THOMAS JEFFERSON ST., NW, 6TH FL. WASHINGTON DC 20007	APEX MARINE CORP
Do	ARCO TRANSPORTATION CO
Do	MOORE MCCORMACK BULK TRANSPORT, INC
STANLEY C. SIMON, TOBOLOWSKY PRAGER & SCHLINGER 1900 SOUTHLAND CENTER DALLAS TX 75201	SOUTHLAND CORPORATION
JAMES W. SINGER III, 1100 15TH STREET, NW WASHINGTON DC 20005	PHARMACEUTICAL MANUFACTURERS ASSN
RICHARD L. SINNOTT, ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	NATIONAL COMM TO PRESERVE SOCIAL SECURITY & MEDICARE
MARCUS W. SISK JR., 2828 PENNSYLVANIA AVENUE, NW, #203 WASHINGTON DC 20037	FOGCO CORPORATION
KEITH R. SMALL, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS
WILLIAM H. SMALL, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS
SNYDER BALL KRISER & ASSOC, INC, 499 S. CAPITOL ST., SW, #520 WASHINGTON DC 20003	GENERAL MOTORS CORP
DAVID F. SNYDER, 1000 NATIONWIDE DR. HARRISBURG PA 17105	NATIONWIDE INSURANCE COMPANIES
SONOSKY CHAMBERS AND SACHSE, 1050 31ST ST., NW WASHINGTON DC 20007	DEVILS LAKE SIOUX TRIBE
WALTER LARKE SORG, 1625 EYE ST., NW, #204 WASHINGTON DC 20006	SOUTHEASTERN DREDGE OWNERS ASSN SIZE STANDARD APPEAL COMM
SQUIRE SANDERS & DEMPSEY, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	AMERICAN CEMENT TRADE ALLIANCE, INC
Do	CAN-AM CORPORATION
DAVID P. STANG, P.C., SUITE 601 1629 K ST., NW WASHINGTON DC 20006	MCDERMOTT, INC
Do	[illegible] SYSTEMS, INC
MELVIN L. STARK, 1025 CONNECTICUT AVE., NW, #415 WASHINGTON DC 20036	
JOHN F. STASIOWSKI, 5205 LEESBURG PIKE, #505 FALLS CHURCH VA 22041	NATIONAL BEER WHOLESALERS ASSN
HAROLD STEPHERSON, 59 FORSYTH STREET, NW ATLANTA GA 30303	ETHIOPIAN FOOD LOBBY
STEVEN F. STOCKMEYER, 1800 M ST., NW, #950 NORTH WASHINGTON DC 20036	VERNER LIIPFERT BERNHARD.. (FOR ICAHN & CO, INC)
Do	VERNER LIIPFERT BERNHARD.. (FOR TRAVELERS CORP)
Do	VERNER LIIPFERT BERNHARD.. (FOR TURNER BROADCASTING SYSTEM)
SULLIVAN & CROMWELL, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ESSELTE BUSINESS SYSTEMS, INC
SURREY & MORSE, 1250 EYE STREET, NW WASHINGTON DC 20005	MORGAN GRENFELL & CO, LTD, ET AL
SUTHERLAND ASBILL & BRENNAN, 1666 K STREET, NW, #800 WASHINGTON DC 20006	COMMITTEE AGAINST REVISING STAGGERS
Do	HOWARD ROSE COMPANY
Do	PRODUCTION OPERATORS CORP
Do	STATE OF NEVADA
Do	STATE OF WASHINGTON
DAVID L. SWANSON, CRAFT & RICHARDS 1050 THOMAS JEFFERSON ST., NW, 6TH FL. WASHINGTON DC 20007	NATIONAL ARMORED CAR ASSN
SWIDLER BERLIN & STRELOW, CHTD, 1000 THOMAS JEFFERSON ST., NW #500 WASHINGTON DC 20007	AMERICAN ELECTRONICS ASSN
TAGGART & ASSOCIATES, INC, 1015 15TH STREET, NW, #200 WASHINGTON DC 20005	ASSOCIATION OF AMERICAN RAILROADS
STEVEN TASGAL, 17TH & D STREETS, NW WASHINGTON DC 20006	AMERICAN RED CROSS NATIONAL HEADQUARTERS
CHARLES E. TAYLOR, 1801 K STREET, NW, #1200 WASHINGTON DC 20006	IBM CORPORATION
PAUL M. TENDLER, 1110 VERMONT AVENUE, NW, #840 WASHINGTON DC 20005	TENDLER & BIGGINS (FOR MAI BASIC FOUR, INC)
GORDON M. THOMAS, 1090 VERMONT AVENUE, NW, #1100 WASHINGTON DC 20005	TEXTRON, INC
KENNETH W. THOMPSON, 2021 K STREET, NW, #300 WASHINGTON DC 20006	PRIMARK CORPORATION
THOMPSON MANN & HUTSON, 1730 PENNSYLVANIA AVE., NW, #1250 WASHINGTON DC 20006	CSX CORPORATION
ROBERT L. THOMPSON JR., P.O. BOX 70 FORT MILL SC 29715	SPRINGS INDUSTRIES, INC
TIMMONS & CO, INC, 1850 K ST., NW, #850 WASHINGTON DC 20006	MORGAN STANLEY & CO, INC
JAMES TOBIN, PETER SMALL & ASSOCIATES, INC 295 MADISON AVENUE NEW YORK NY 10017	WILLIAM M. MERCER-MEIDINGER, INC
DAVID R. TOLL, 2121 K STREET, NW, #880 WASHINGTON DC 20037	PUBLIC SERVICE CO OF COLORADO
FRANK V. TOTI JR., 600 MARYLAND AVE., SW, #700 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS
JEFFREY B. TRAMMELL, 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR CHICAGO TITLE INSURANCE CO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR FIRST AMERICAN TITLE INSURANCE CO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR LAWYERS TITLE INSURANCE CO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR MIAMI CHAMBER OF COMMERCE)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR SAFECO TITLE INSURANCE CO)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR STEWART TITLE GUARANTY CO)
TWENTIETH CENTURY ENTERPRISES, 3615 WISCONSIN AVENUE, NW WASHINGTON DC 20016	
U S WEST, INC, 1819 L STREET, NW, #900 WASHINGTON DC 20036	
URANIUM PRODUCERS OF AMERICA, C/O COVINGTON & BURLING 1201 PENNSYLVANIA AVE., NW P.O. BOX 7566 WASHINGTON DC 20044	
VAN NESS FELDMAN SUTCLIFFE & CURTIS, P.C., 7TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	CASTLE & COOKE, INC
Do	DIAMOND ALASKA
Do	NORTHWEST POWER CO
MARTHA A. VANIER, 119 ORONOCO STREET P.O. BOX 1417-D50 ALEXANDRIA VA 22313	
ROBERT C. VARAH, 1330 BURLINGTON STREET EAST HAMILTON ONTARIO CANADA L8N 3J5	CANADIAN TUBULAR PRODUCERS ASSN
STEPHEN J. VERDIER, 1625 MASSACHUSETTS AVENUE, NW, #202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSN OF AMERICA
VERNER LIIPFERT BERNHARD MCPHERSON & HAND, CHTD, 1660 L STREET, NW, #1000 WASHINGTON DC 20036	ICAHN & COMPANY, INC
Do	TRW
Do	TURNER BROADCASTING SYSTEM, INC
MELODY V. VETRO, 214 MASSACHUSETTS AVENUE, NE, #550 WASHINGTON DC 20002	AMERICAN SPACE FOUNDATION
VINSON & ELKINS, 1101 CONNECTICUT AVE., NW, #900 WASHINGTON DC 20036	PROVIDENT LIFE & ACCIDENT INSURANCE CO
Do	SECTION 936 STEERING COMMITTEE
Do	WARBURG PINCUS CAPITAL CORP
Do	WARNER AMEX CABLE COMMUNICATIONS, INC
WAGNER & BAROODY, INC, 1100 17TH STREET, NW, #804 WASHINGTON DC 20036	DAEWOO INTERNATIONAL CORP
WALD HARKRADER & ROSS, 1300 19TH ST., NW WASHINGTON DC 20036	ABBOTT
ANDREW B. WALDO, 1330 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20036	SYNTHETIC ORGANIC CHEMICAL MANUFACTURERS ASSN
R. DUFFY WALL & ASSOCIATES, INC, 1317 F STREET, NW, #400 WASHINGTON DC 20004	BRINKS, INC
Do	CANTOR FITZGERALD & CO, INC
Do	ESSELTE BUSINESS SYSTEMS, INC
ERNEST R. WARNER JR., 1818 N ST., NW WASHINGTON DC 20036	ARIANESPACE, S.A
WASHINGTON ENERGY TRADE & AGRICULTURE GROUP, 655 15TH STREET, NW, #300 WASHINGTON DC 20005	CPM ENERGY CORP; VALLEY GREEN INT'L TRADING CORP, ET AL
WASHINGTON RESOURCES AND STRATEGY, INC, 220 EYE STREET, NE WASHINGTON DC 20002	AMERICAN LAND DEVELOPMENT ASSN
LEROY WATSON, 1616 H STREET, NW WASHINGTON DC 20006	NATIONAL GRANGE
WEBSTER & SHEFFIELD, 1200 NEW HAMPSHIRE AVE., NW, #350 WASHINGTON DC 20036	ASARCO CORPORATION
ROBERT R. WEED, 214 MASSACHUSETTS AVENUE, NE, #550 WASHINGTON DC 20002	AMERICAN SPACE FOUNDATION
DAVID F. WEEDA, OLSSON AND FRANK 1029 VERMONT AVE., NW, #400 WASHINGTON DC 20005	NATIONAL ASSN OF MARGARINE MANUFACTURERS
WEIL GOTSHAL & MANGES, 1101 14TH ST., NW WASHINGTON DC 20005	ACF INDUSTRIES, INC
Do	ANTITRUST REMEDIES REFORM GROUP
Do	NATIONAL VENTURE CAPITAL ASSN
EILEEN J. WEINER, 233 EAST REDWOOD STREET BALTIMORE MD 21202	GORDON FEINBLATT ROTHMAN HOFFBERGER & HOLLANDER (FOR SINAI HOSPITAL OF BALTIMORE, INC)
MARK G. WEISSHAAR, HUNTON & WILLIAMS 2000 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	ORBITAL SCIENCES CORP
JERRY WELCOME, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE
WELLFORD WEGMAN KRULWICH & HOFF, 1775 PENNSYLVANIA AVE., NW, #450 WASHINGTON DC 20006	CBS INC
Do	COALITION AGAINST DOUBLE TAXATION, INC
WEST COAST FABRICATORS & STEEL INDUSTRY ASSN, 2324 NAVY DRIVE STOCKTON CA 95206	
WEXLER REYNOLDS HARRISON & SCHULE, INC, SUITE 600 1317 F STREET, NW WASHINGTON DC 20004	CURTIN MAHONEY & CAIRNS
Do	MORGAN STANLEY & CO, INC
Do	NORTHWEST AIRLINES, INC
WHITE FINE & VERVILLE, SUITE 1100 1156 15TH ST., NW WASHINGTON DC 20005	UNIVERSITY OF MARYLAND
MARGITA E. WHITE, 1730 M STREET, NW, #407 WASHINGTON DC 20036	TELEVISION OPERATORS CAUCUS, INC
PHILLIP R. WIEDMEYER, 600 NORTH 18TH STREET BIRMINGHAM AL 35291	ALABAMA POWER CO
WILKINSON BARKER KNAUER & QUINN, 1735 NEW YORK AVE., NW WASHINGTON DC 20006	UNITED AIRLINES, INC
WILLIAMS & CONNOLLY, 839 17TH ST., NW WASHINGTON DC 20006	NINA COHEN
WILLIAMS & JENSEN, P.C., 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	PHARMACEUTICAL MANUFACTURERS ASSN
WILLKIE FARR & GALLAGHER, 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN RED CROSS RETIREMENT SYSTEM
Do	AMERICAN TRUCKING ASSN
Do	COMPTROLLER OF THE STATE OF NEW YORK
WILMER CUTLER & PICKERING, 1666 K ST., NW WASHINGTON DC 20006	CAPITAL CITIES COMMUNICATIONS, INC
WINSTON & STRAWN, #500 2550 M ST., NW WASHINGTON DC 20037	MERCEDES-BENZ OF NORTH AMERICA
ROBERT V. WITECK, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR UNITED AIRLINES)
WOOD LUCKSINGER & EPSTEIN, 2000 M STREET, NW, #500 WASHINGTON DC 20036	CHAD THERAPEUTICS, INC
GEORGE M. WORDEN, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	HILL & KNOWLTON, INC
KENNETH P. YALE, 1111 14TH STREET, NW, #1200 WASHINGTON DC 20005	AMERICAN DENTAL ASSN

Organization or Individual Filing	Employer/Client
LINDA YELDEZIAN, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE
DONALD ZARIN, BLUM NASH & RAILSBACK 1015 18TH STREET, NW WASHINGTON DC 20036	TIME, INC
KURT D. ZWIKL, 702 HAMILTON MALL ALLENTOWN PA 18101	MERCHANTS BANK

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the second calendar quarter 1985:

(Note.—The form used for reporting is reproduced below. In the interest of economy in the Record, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

File One Copy With the Secretary of the Senate and File Two Copies With the Clerk of the House of Representatives:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

Place an "X" Below the Appropriate Letter or Figure in the Box at the Right of the "Report" Heading Below:

"Preliminary" Report ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"Quarterly" Report: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.......... ◆

REPORT

Pursuant to Federal Regulation of Lobbying Act

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Note on Item "A".—(a) In General. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) Separate Reports. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. Organization or Individual Filing:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Note on Item "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. Employer.—State name, address, and nature of business. If there is no employer, write "None."

Note on Item "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. Legislative Interests, and Publications in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ◆

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◆

Note on Item "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) If This Report Is for an Employer.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) If This Report Is for an Agent or Employee.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. Receipts (Including Contributions and Loans):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............Total for this Quarter (Add items "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............Total from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $..............Total now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............“Expense money” and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor*
	(*"Period"* from Jan. 1 through.............................., 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	Total

Note on Item "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) If This Report Is for an Agent or Employee. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. Expenditures (Including Loans) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............Total for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............Total from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $..............Total now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	Total

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Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ROBERT J. AAGRE, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		37.00
JULIE ABBOT, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	2,538.28	
LEANNE J. ABDNOR, 1899 L ST., NW, #1250 WASHINGTON DC 20036	VENNERS & CO, LTD (FOR KOCH INDUSTRIES)		
PAUL C. ABENANTE, 3RD FLOOR 1111 14TH ST., NW WASHINGTON DC 20005	AMERICAN BAKERS ASSN	720.00	2.50
THOMAS G. ABERNETHY SR., 3973 STUART PLACE JACKSON MS 39211	U.S. CANE SUGAR REFINERS' ASSN	[illegible]	645.34
ALBERT E. ABRAHAMS, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	8,000.00	1,288.34
ELAINE ACEVEDO, 1601 DUKE STREET ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS	7,384.78	
ACTION FOR CHILDREN'S TELEVISION, 46 AUSTIN ST NEWTONVILLE MA 02160		24,393.32	459.17
JOHN J. ADAMS, 2000 PENNSYLVANIA AVE., NW, #900 WASHINGTON DC 20006	ETHYL CORPORATION	8,388.75	
Do	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION	4,025.00	
Do	ORBITAL SCIENCES CORPORATION	1,520.00	
Do	VEPCO		
ADAMS QUACKENBUSH HERRING & STUART, P.O. BOX 394 COLUMBIA SC 29202	U.S. CAPITAL CORP	1,353.50	911.44
THOMAS L. ADAMS JR., 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	AMERICAN SOCIETY OF ANESTHESIOLOGISTS	1,560.00	23.00
SANDRA LEE ADAMSON, P.O. BOX 44026 WASHINGTON DC 20026	L/5 SOCIETY	6,000.00	1,062.06
HOBSON H. ADCOCK, 700 ANDERSON HILL RD. PURCHASE NY 10577	PEPSICO, INC		
V. J. ADDUCI, 1620 EYE ST., NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC	42.00	
ROBERT O. ADERS, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	[illegible]	
TERRANCE M. ADLHOCK, 1111 19TH ST., NW, #303 WASHINGTON DC 20036	SOUTHERN CALIFORNIA EDISON CO	2,000.00	1,500.00
ADVOCATES TO SAVE LEGAL SERVICES, INC, 1625 K STREET, N.W. 8TH FLOOR WASHINGTON DC 20006			
AEROSPACE INDUSTRIES ASSN OF AMERICA, INC, 1725 DESALES ST., NW WASHINGTON DC 20036		17,443.41	17,443.41
AFL-CIO MARITIME COMMITTEE, 100 INDIANA AVE., NW WASHINGTON DC 20001		5,885.00	5,198.90
AGENCY FOR INSTRUCTIONAL TELEVISION, BOX A BLOOMINGTON IN 47401			
AGENDAS INTERNATIONAL, 820 SECOND AVENUE, #1302 NEW YORK NY 10017	MINISTERIO DEL EXTERIOR, REPUBLIC OF NICARAGUA		
ELIZABETH AGLE, 530 7TH ST., SE WASHINGTON DC 20003	NATIONAL CLEAN AIR COALITION, INC	8,542.11	52.36
ROBERT S. AGMAN, 100 INDIANA AVE., NW WASHINGTON DC 20001	LABOR MANAGEMENT MARITIME COMMITTEE, INC	1,436.00	102.14
DAVID J. AHO, 1090 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN HOSPITAL SUPPLY CORP	1,000.00	[illegible]
HERBERT ALLEN AILSWORTH, 1050 17TH STREET, NW, #1101 WASHINGTON DC 20036	SANDOZ, INC		[illegible]
AIR CONDITIONING & REFRIGERATION INSTITUTE, 1501 WILSON BLVD ARLINGTON VA 22209			
AIR PRODUCTS & CHEMICALS, INC, 1730 PENNSYLVANIA AVE., NW, #265 WASHINGTON DC 20006			1,360.00
AIR TRAFFIC CONTROL ASSN, INC, 2020 NORTH 14TH STREET, #410 ARLINGTON VA 22201		2,439.20	2,439.20
RANDOLF H. AIRES, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS ROEBUCK & CO	2,400.00	18.75
MICHAEL A. AISENBERG, 888 16TH ST., NW, #610 WASHINGTON DC 20006	DIGITAL EQUIPMENT CORPORATION	12,300.00	
AKIN GUMP STRAUSS HAUER & FELD, 1333 NEW HAMPSHIRE AVE., NW, #400 WASHINGTON DC 20036	AIR FREIGHT ASSOCIATION		
Do	AMERADA HESS CORPORATION	[illegible]	[illegible]
Do	AMERICAN INTERNATIONAL GROUP, INC		
Do	AMERICAN TELEPHONE & TELEGRAPH CO	1,000.00	[illegible]
Do	ARCHER DANIELS MIDLAND COMPANY		
Do	ATCOR, INC		
Do	BENEFICIAL CORPORATION	1,350.00	19.00
Do	CAPITAL MARKETS GROUP	18,600.00	342.00
Do	CELANESE CORPORATION	4,100.00	[illegible]
Do	COALITION OF SERVICE INDUSTRIES, INC	[illegible]	[illegible]
Do	COMMITTEE AGAINST NETWORK DOMINANCE		
Do	CONTINENTAL AIRLINES	[illegible]	[illegible]
Do	E & J GALLO WINERY	125.00	
Do	EMBASSY OF PEOPLE'S REPUBLIC OF CHINA	[illegible]	10.00
Do	FARM LABOR ALLIANCE		
Do	FRUPAC INTERNATIONAL CORP		
Do	GEICO CORPORATION	[illegible]	10.00
Do	GENERAL MOTORS CORP	6,975.00	133.00
Do	GOLDMAN SACHS & CO		
Do	GULF & WESTERN INDUSTRIES, INC	8,350.00	152.00
Do	INTERNATIONAL TAXI ASSN	[illegible]	
Do	LEVI STRAUSS & CO	3,750.00	76.00
Do	LONE STAR INDUSTRIES, INC		
Do	LONE STAR STEEL CO		
Do	MARRIOTT CORP	3,250.00	57.00
Do	MESA PETROLEUM CO	12,950.00	247.00
Do	METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY	5,125.00	[illegible]
Do	MILITARY ACCESSORIES SERVICE ASSN, INC		
Do	MORGAN STANLEY & CO, INC	[illegible]	475.00
Do	MOTION PICTURE ASSN OF AMERICA, INC	[illegible]	[illegible]
Do	NATIONAL FOOTBALL LEAGUE	8,750.00	171.00
Do	NEW YORK AIR		
Do	PUROLATOR, INC	11,120.00	[illegible]
Do	RAUSCHER PIERCE REFSNES, INC		
Do	RINGLING BROS BARNUM & BAILEY COMBINED SHOWS, INC		
Do	SOUTHERN CALIFORNIA EDISON CO	4,500.00	[illegible]
Do	TEXACO, INC		
Do	TEXAS AIR CORPORATION	440.00	10.00
Do	TIPPERARY CORP		
Do	WEBER HALL SALE & ASSOCIATES, INC		
Do	WERTHEIM & CO		
Do	WESTERN GOVERNORS POLICY OFFICE	[illegible]	19.00
Do	ZALE CORPORATION		
JAMES J. ALBERTINE, 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN SOC OF ASSN EXECUTIVES	[illegible]	
JOHN M. ALBERTINE, 1730 K ST., NW, #703 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE, INC	3,125.00	30.00
SUSAN ALBERTS, 1411 K STREET, NW WASHINGTON DC 20005	AMERICANS FOR DEMOCRATIC ACTION	2,688.00	
FREDERICK K. ALDERSON, 1730 M STREET, NW, #607 WASHINGTON DC 20036	ARIZONA PUBLIC SERVICE COMPANY	[illegible]	739.96
DONALD C. ALEXANDER, CADWALADER WICKERSHAM & TAFT 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ALIGNPAC	149.00	
Do	BALDWIN-UNITED CORPORATION	12.50	
Do	BECHTEL GROUP, INC		
Do	COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT		
Do	DISABLED AMERICAN VETERANS	22.00	
Do	EASTERN AIR LINES, INC		
Do	GETTY SYNTHETIC FUELS, INC	25.00	
NANCY L. ALEXANDER, 245 SECOND STREET, NE WASHINGTON DC 20002	FRIENDS COMM ON NATIONAL LEGISLATION	3,882.24	
RICHARD F. ALI, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
JOHN D. ALLAN, ROYAL TRUST TOWER TORONTO DOMINION CENTER TORONTO, ONTARIO CANADA M5K 1J4	STELCO, INC	2,000.00	357.21
WAYNE G. ALLCOTT, 1819 L ST., NW, #900 WASHINGTON DC 20036	U S WEST, INC	4,856.25	1,970.04
MAXTON ALLCOX, 400 FIRST ST., NW, RM 801 WASHINGTON DC 20001	BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES	14,373.81	
DOROTHY D. ALLEN, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
ROBERT G. ALLEN, 511 C STREET, NE WASHINGTON DC 20002	C.A.R.E.		
ALLIANCE AGAINST HANDGUNS, P.O. BOX 75700 WASHINGTON DC 20013			
ALLIANCE OF AMERICAN INSURERS, 1501 WOODFIELD ROAD, #400 WEST SCHAUMBURG IL 60195			10,093.75
ALLIANCE TO SAVE ENERGY, 1925 K STREET, NW, #507 WASHINGTON DC 20006			[illegible]
ROBERT F. ALLNUT, 950 L'ENFANT PLAZA, SW WASHINGTON DC 20024	COMMUNICATIONS SATELLITE CORP	2,400.00	18.27
ALLTEL CORPORATION, 100 EXECUTIVE PARKWAY HUDSON OH 44236			1,077.00
JOSEPH C. ALLWARDEN, 220 DANIEL WEBSTER HWY SOUTH MERRIMACK NH 03054	KOLLSMAN INSTRUMENT CO		
HARVEY ALTER, 1615 H STREET, NW WASHINGTON DC 20062	U.S. CHAMBER OF COMMERCE	3,200.00	
MICHAEL J. ALTIER, 1000 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	NATIONAL RETAIL MERCHANTS ASSN	[illegible]	[illegible]
THOMAS H. ALTMEYER, 1575 I STREET, NW, #525 WASHINGTON DC 20005	MINING & RECLAMATION COUNCIL OF AMERICA	3,000.00	[illegible]
RICARDO R. ALVARADO, 2550 M STREET, NW, #600 WASHINGTON DC 20037	SIGNAL COMPANIES, INC	4,437.43	
SUSAN E. ALVARADO, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	5,409.73
AMALGAMATED TRANSIT UNION, AFL-CIO, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016			[illegible]
AMALGAMATED TRANSIT UNION, NATL CAP DIV 689, 100 INDIANA AVE., NW, #403 WASHINGTON DC 20001			
JEROME A. AMBRO ASSOCIATES, 2301 S. JEFFERSON DAVIS DR., #719 ARLINGTON VA 22202	ASSOCIATED UNIVERSITIES	7,650.00	7,832.40
Do	COUNTY OF SUFFOLK, NEW YORK	16,400.00	16,643.83
ROBERT P. AMBROSE, 14615 LONE OAK ROAD EDEN PRAIRIE MN 55344	COOPERATIVE POWER ASSOCIATION	3,000.00	46.64
AMERICAN ACADEMY OF FAMILY PHYSICIANS, 1740 WEST 92ND ST KANSAS CITY MO 64114		10,533.66	10,533.66
AMERICAN ADVERTISING FEDERATION, 1400 K STREET, NW, #1000 WASHINGTON DC 20005			
AMERICAN ARTS ALLIANCE, 424 C ST., NE WASHINGTON DC 20002		72,607.34	92,088.45

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
AMERICAN ASSN FOR COUNSELING AND DEVELOPMENT, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304		38,896.83	22,436.27
AMERICAN ASSN OF BLOOD BANKS, 1117 NORTH 19TH ST., #600 ARLINGTON VA 22209			
AMERICAN ASSN OF EQUIPMENT LESSORS, 1300 NORTH 17TH ST., #1010 ARLINGTON VA 22209			
AMERICAN ASSN OF MEAT PROCESSORS, P.O. BOX 269 ELIZABETHTOWN PA 17022		187.41	[illegible]
AMERICAN ASSN OF PORT AUTHORITIES, INC, 1010 DUKE ST. ALEXANDRIA VA 22314		12,546.12	13,251.77
AMERICAN ASSN OF PRESIDENTS OF INDEPENDENT COLLEGES & UNIVS, BOX 723 REXBURG ID 83440		31,450.00	31,258.17
AMERICAN AUTOMOBILE ASSN, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047			
AMERICAN BANKERS ASSN, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036		27,730.30	27,730.30
AMERICAN BUSINESS CONFERENCE, INC, 1025 CONNECTICUT AVENUE, NW, #209 WASHINGTON DC 20036		1,875.00	4,307.12
AMERICAN CAMPING ASSOCIATION, BRADFORD WOODS MARTINSVILLE IN 46151		12,285.88	[illegible]
AMERICAN CEMENT TRADE ALLIANCE, INC, 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004		59,495.00	63,395.71
AMERICAN CLEAN WATER ASSN, 3911 NORTHHAMPTON, NW WASHINGTON DC 20015		4,208.83	4,158.68
AMERICAN COUNCIL FOR CAPITAL FORMATION, 1850 K STREET, NW, #520 WASHINGTON DC 20006		[illegible]	2,983.00
AMERICAN COUNCIL OF LIFE INSURANCE, INC, 1850 K ST., NW WASHINGTON DC 20006			15,503.33
AMERICAN FARM BUREAU FED, 225 TOUHY AVE PARK RIDGE IL 60068		120,398.00	
AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS, 815 16TH ST., NW WASHINGTON DC 20006			129,892.55
AMERICAN FEED INDUSTRY ASSN, 1701 N. FT. MYER DR. ARLINGTON VA 22209		3,240.00	3,240.00
AMERICAN FINANCIAL SERVICES ASSN, 1101 14TH ST., NW WASHINGTON DC 20005			11,625.00
AMERICAN FROZEN FOOD INST, 1700 OLD MEADOW RD., #100 MCLEAN VA 22102		[illegible]	[illegible]
AMERICAN HEALTH CARE ASSN, 1200 15TH STREET, NW WASHINGTON DC 20005		212,098.20	31,387.35
AMERICAN HELLENIC INSTITUTE PUBLIC AFFAIRS COMMITTEE, 1730 K ST., NW WASHINGTON DC 20006			
AMERICAN HONEY PRODUCERS ASSN, P.O. BOX 368 MINCO OK 73059		[illegible]	6,901.76
AMERICAN HOSPITAL ASSN, 840 N. LAKE SHORE DR. CHICAGO IL 60611		45,588.02	45,588.02
AMERICAN HOTEL & MOTEL ASSN, 888 SEVENTH AVE NEW YORK NY 10019		21,959.48	11,266.45
AMERICAN INSTITUTE OF MERCHANT SHIPPING, 1625 K STREET, NW, #1000 WASHINGTON DC 20006			1,381.00
AMERICAN INSURANCE ASSN, 85 JOHN ST. NEW YORK NY 10038		2,290.00	[illegible]
AMERICAN ISRAEL PUBLIC AFFAIRS COMM, 500 N. CAPITOL ST., NW, #300 WASHINGTON DC 20001		102,535.00	113,993.69
AMERICAN LAND TITLE ASSN, 1828 L ST., NW WASHINGTON DC 20036			5,837.00
AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE, 122 C ST., NW, #740 WASHINGTON DC 20001		13,375.00	14,773.11
AMERICAN LIBRARY ASSN, 50 E. HURON ST CHICAGO IL 60611		1,968.73	8,216.50
AMERICAN MALTING BARLEY ASSN, INC, 735 NORTH WATER STREET, #908 MILWAUKEE WI 53202			
AMERICAN MEAT INSTITUTE, PO BOX 3556 WASHINGTON DC 20007			[illegible]
AMERICAN MEDICAL ASSN, 535 NORTH DEARBORN ST CHICAGO IL 60610		1,437.50	41,429.66
AMERICAN MEDICAL CARE & REVIEW ASSN, 5410 GROSVENOR LANE, #210 BETHESDA MD 20814			
AMERICAN MEDICAL PEER REVIEW ASSN, 440 FIRST STREET, NW, #510 WASHINGTON DC 20001			
AMERICAN METAL DETECTOR MANUFACTURERS' ASSN, 2814 NATIONAL DR GARLAND TX 75401			
AMERICAN MOVERS CONFERENCE, 2200 MILL ROAD ALEXANDRIA VA 22314			2,819.00
AMERICAN NEWSPAPER PUBLISHERS ASSN, BOX 17407 DULLES INTERNATIONAL AIRPORT WASHINGTON DC 20041		9,324.75	9,324.75
AMERICAN NUCLEAR ENERGY COUNCIL, 410 1ST ST., SE WASHINGTON DC 20003		242,517.71	63,648.26
AMERICAN NURSES' ASSN, 2420 PERSHING RD KANSAS CITY MO 64108		26,810.82	26,810.82
AMERICAN OPTOMETRIC ASSN, C/O DR. JOHN D. TUMBLIN 600 MARYLAND AVENUE, SW, #400E WASHINGTON DC 20024		95.04	[illegible]
AMERICAN ORTHOTIC AND PROSTHETIC ASSN, 717 PENDLETON ST. ALEXANDRIA VA 22314			
AMERICAN PAPER INSTITUTE, INC, 260 MADISON AVE NEW YORK NY 10016			8,234.37
AMERICAN PETROLEUM INSTITUTE, 1220 L ST., NW WASHINGTON DC 20037		209,823.42	266,473.19
AMERICAN PODIATRIC MEDICAL ASSN, 20 CHEVY CHASE CIRCLE WASHINGTON DC 20015			40,248.63
AMERICAN POSTAL WORKERS UNION, AFL-CIO, 817 14TH ST., NW WASHINGTON DC 20005		98,577.63	85,078.56
AMERICAN PSYCHOLOGICAL ASSN, 1200 17TH STREET, NW WASHINGTON DC 20036		28,560.28	[illegible]
AMERICAN PUBLIC TRANSIT ASSN, 1225 CONNECTICUT AVE., NW WASHINGTON DC 20036		73,270.00	73,270.00
AMERICAN PULPWOOD ASSN, 1025 VERMONT AVENUE, NW WASHINGTON DC 20005			
AMERICAN RED CROSS, 17TH & D STREETS, NW WASHINGTON DC 20006		2,000.00	[illegible]
AMERICAN RETREADERS' ASSN, P.O. BOX 17203 LOUISVILLE KY 40217		1,000.00	[illegible]
AMERICAN SEED TRADE ASSN, 1030 15TH STREET, NW, #964 WASHINGTON DC 20005			11,350.00
AMERICAN SHORT LINE RAILROAD ASSN, 2000 MASSACHUSETTS AVE., NW WASHINGTON DC 20036			
AMERICAN SOC OF ANESTHESIOLOGISTS, 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004			15,085.90
AMERICAN SOYBEAN ASSOCIATION, 600 MARYLAND AVENUE, SW, #510 WASHINGTON DC 20024			3,733.24
AMERICAN SUBCONTRACTORS ASSN, 1004 DUKE ST. ALEXANDRIA VA 22314			[illegible]
AMERICAN TEXTILE MACHINERY ASSN, 7297 N. LEE HWY FALLS CHURCH VA 22042		1,500.00	[illegible]
AMERICAN TEXTILE MANUFACTURERS INSTITUTE, INC, 1101 CONNECTICUT AVENUE, NW, #300 WASHINGTON DC 20036		51,708.26	51,708.26
AMERICAN VETERANS OF WORLD WAR II, KOREA & VIETNAM (AMVETS), 4647 FORBES BOULEVARD LANHAM MD 20706		6,950.47	6,950.47
AMERICAN VETERINARY MEDICAL ASSN, 1522 K STREET, NW, #828 WASHINGTON DC 20005		[illegible]	480.00
AMERICAN WATERWAYS OPERATORS, INC, 1600 WILSON BOULEVARD, #1000 ARLINGTON VA 22209		217,678.28	4,704.62
AMERICAN WOOD PRESERVERS INSTITUTE, 1945 GALLOWS ROAD, #405 VIENNA VA 22180			2,511.00
AMERICAN-EUROPEAN ACID RAIN PROHIBITION, 11573 EMBERS COURT RESTON VA 22091			
AMERICANS FOR IMMIGRATION CONTROL, INC, 107 2ND STREET, NE WASHINGTON DC 20002		7,206.23	7,206.23
AMERICANS FOR THE NATIONAL VOTER INITIATIVE AMENDMENT, 3115 N ST., NW WASHINGTON DC 20007			
MORRIS J. AMITAY, P.C., 444 N CAPITOL STREET, NW, #712 WASHINGTON DC 20001	NATHAN LEWIN (FOR 47TH STREET PHOTO)	7,500.00	
Do	NORTHROP CORP	[illegible]	
Do	PAN AMERICAN WORLD AIRWAYS, INC	6,000.00	
Do	SOLAR ENERGY INDUSTRIES ASSN	7,600.00	
Do	THOMPSON MEDICAL	[illegible]	
JOEL E. AMKRAUT, 1620 SEABRIGHT AVENUE P.O. BOX 2247 SANTA CRUZ CA 95063	NATIONAL RIGHT TO MAIL COMMITTEE		
JOANNE M. AMOROSI, 1228 17TH STREET, NW WASHINGTON DC 20036	AIR CONDITIONING CONTRACTORS OF AMERICA	[illegible]	
JAN S. AMUNDSON, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	[illegible]	41.00
EDWARD ANDERSEN, 1616 H ST., NW WASHINGTON DC 20006	NATIONAL GRANGE	8,450.00	
ANDERSON BENJAMIN & READ, INC, 1020 19TH STREET, NW, #520, WASHINGTON DC 20036	U.S. BANKNOTE CORP		
ARNE ANDERSON, 1325 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	7,488.72	
DESIREE C. ANDERSON, 1150 17TH STREET, NW, #306 WASHINGTON DC 20036	NATIONAL MULTI HOUSING COUNCIL		
H. KIM ANDERSON, VIRGINIA PETROLEUM COUNCIL 1809 STAPLES MILL ROAD RICHMOND VA 23230	AMERICAN PETROLEUM INSTITUTE	200.00	339.51
J. LEM ANDERSON, 4111 FRANCONIA RD. ALEXANDRIA VA 22310	TIME, INC	1,000.00	
JAMES A. ANDERSON JR., 1725 K STREET, NW, #710 WASHINGTON DC 20006	NATIONAL ASSN OF WHOLESALER-DISTRIBUTORS		
ROBERT L. ANDERSON, JOHN DEERE RD MOLINE IL 61265	DEERE & COMPANY		
ROMILDA R. ANDERSON, 10 WESTPORT ROAD WILTON CT 06897	RICHARDSON-VICKS	10,500.00	4,142.34
STEVEN C. ANDERSON, 1700 OLD MEADOW RD MCLEAN VA 22102	AMERICAN FROZEN FOOD INSTITUTE	5,000.00	
WAYNE C. ANDERSON, 1050 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20036	NABISCO BRANDS, INC	5,000.00	[illegible]
WILLIAM C. ANDERSON, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSN OF AMERICA		142.50
ANDREWS & KURTH, 1747 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	SPACE SERVICES INC OF AMERICA		
DAVID R. ANDREWS, THREE EMBARCADERO CENTER SAN FRANCISCO CA 94111	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR AMFAC, INC)		
Do	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR CASTLE & COOKE, INC)		
Do	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR ROHR INDUSTRIES)	[illegible]	
LEWIS D. ANDREWS JR., 1825 EYE STREET, NW, #400 WASHINGTON DC 20006	COMMITTEE FOR EQUITABLE COMPENSATION	[illegible]	357.00
LISA ANDREWS, 51 LOUISIANA AVENUE, NW WASHINGTON DC 20001	ACACIA MUTUAL LIFE INSURANCE CO	[illegible]	[illegible]
ROBERT B. ANDREWS, 1100 CONNECTICUT AVENUE, NW, #620 WASHINGTON DC 20036	MOBIL OIL CORP	[illegible]	
JACK R. ANGELL, 1101 17TH STREET, NW, #704 WASHINGTON DC 20036	UNITED GAS PIPE LINE CO		
JAY ANGOFF, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	CONGRESS WATCH	4,000.00	
J. DONALD ANNETT, 1050 17TH ST., NW, #500 WASHINGTON DC 20036	TEXACO, INC	[illegible]	
REYNOLD V. ANSELMO, 460 W. 42ND STREET, 4TH FL NEW YORK NY 10036	PAN AMERICAN SATELLITE CORP		
TOBIAS ANTHONY, 1819 H STREET, NW, #510 WASHINGTON DC 20006	AMERICAN COAL ASH ASSOCIATION, INC		
THOMAS ANTONE, CASSON CALLIGARO & MUTRYN 2600 VIRGINIA AVENUE, NW, #900 WASHINGTON DC 20037	SAMARITAN HEALTH SERVICE	500.00	[illegible]
PATRICK S. ANTRIM, 1800 K STREET, NW WASHINGTON DC 20006	BANKAMERICA CORPORATION		
APARTMENT & OFFICE BUILDING ASSN OF METROPOLITAN WASH, DC, 1413 K STREET, NW, #600 WASHINGTON DC 20005			
JOHN D. AQUILINO JR., 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER		
PAUL W. ARCARI, 201 N. WASHINGTON STREET ALEXANDRIA VA 22314	RETIRED OFFICERS ASSN	2,188.00	
JOHN CHRISTIAN ARCHER, 1730 RHODE ISLAND AVE., NW, #213 WASHINGTON DC 20036	BROWN & ROOT, INC		
JOHN ARCHER, 8111 GATEHOUSE RD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
R. M. JULIE ARCHULETA, 1747 PENNSYLVANIA AVENUE, NW, 3RD FL WASHINGTON DC 20006	OCCIDENTAL CHEMICAL CORP	[illegible]	
ARENT FOX KINTNER PLOTKIN & KAHN, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	BREED CORPORATION		751.08
Do	CENTRAL STATES SE & SW AREAS HEALTH, WELFARE & PENSION FUNDS	205,885.79	11,690.44
Do	GUARDIAN LIFE INSURANCE CO OF AMERICA	41,729.49	329.87
Do	MOTOR AND EQUIPMENT MANUFACTURERS ASSOCIATION		
Do	TOYOTA MOTOR CORPORATION	218.80	5.25
Do	TUBULAR CORP OF AMERICA, INC	25,169.53	778.68
R. G. ARMISTEAD, 8613 JANET LANE VIENNA VA 22180			
G. RAY ARNETT, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA	3,750.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ARNOLD & PORTER, 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AMERICAN ASSN OF EXPORTERS & IMPORTERS (AAEI)	[illegible]	[illegible]
Do	FLUOR CORPORATION		
Do	NATIONAL COORDINATING COMM FOR MULTIEMPLOYER PLANS	15,312.00	1,927.11
Do	SACRAMENTO MUNICIPAL UTILITY DISTRICT	1,892.24	133.90
CARL F ARNOLD, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN IRON & STEEL INSTITUTE	1,350.00	
Do	CORPORATE PROPERTY INVESTORS	[illegible]	
Do	MEAD CORPORATION	1,440.00	
Do	QUINTANA PETROLEUM CORP	1,687.00	
JULIE L. ARNOLD, 1050 17TH STREET, NW, #1126 WASHINGTON DC 20036	TRAVENOL LABORATORIES, INC		
SANDY ARNOLD, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES		
NAN ARON, 600 NEW JERSEY AVENUE, NW WASHINGTON DC 20001	ALLIANCE FOR JUSTICE	41.99	
ASBILL & JUNKIN, 1302 18TH STREET, NW, #603 WASHINGTON DC 20036	COALITION ON SMOKING OR HEALTH	23,987.50	14,350.22
LUD ASHLEY, P.C., 1735 NEW YORK AVENUE, NW, 6TH FL WASHINGTON DC 20006	AMERICAN INTERNATIONAL GROUP, INC	[illegible]	
Do	FEDERAL HOME LOAN MORTGAGE CORP		
Do	IRVING TRUST CO	[illegible]	
Do	[illegible] CORPORATION	18,860.96	
Do	MANVILLE CORPORATION	13,915.50	
Do	MERRILL LYNCH & CO, INC	[illegible]	
Do	NATIONAL ASSN OF STATE SAVINGS & LOAN SUPERVISORS	12,500.00	
Do	J.C. PENNEY CO, INC	36,680.00	
JOSEPH ASHOOM, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ASIAN PACIFIC ECONOMIC EDUCATIONAL CULTURAL ORGANIZATION, P.O. BOX 891 MANILA, PHILIPPINE			
ASPHALT ROOFING MANUFACTURERS ASSOCIATION, 6288 MONTROSE ROAD ROCKVILLE MD 20852			
ASSOCIATED BUILDERS & CONTRACTORS, INC, 729 15TH ST., NW WASHINGTON DC 20005		[illegible]	
ASSOCIATED CREDIT BUREAUS, INC, P.O. BOX 218300 16211 PARK 10 PLACE HOUSTON TX 77084		1,500.00	
ASSOCIATED EMPLOYERS, INC, 1222 N. MAIN, #315A SAN ANTONIO TX 78212			
ASSOCIATED GENERAL CONTRACTORS OF AMERICA, 1957 E ST., NW WASHINGTON DC 20006			
ASSOCIATION FOR BROADCAST ENGINEERING STANDARDS, INC, 2000 M STREET, NW, #600 WASHINGTON DC 20036			
ASSOCIATION FOR THE IMPROVEMENT OF THE MISSISSIPPI RIVER, 10 BROADWAY ST LOUIS MO 63102			
ASSOCIATION OF AMERICAN FOREIGN SERVICE WOMEN, P.O. BOX 8068 WASHINGTON DC 20024			[illegible]
ASSOCIATION OF AMERICAN LAW SCHOOLS, ONE DUPONT CIRCLE, NW, #370 WASHINGTON DC 20036			
ASSOCIATION OF AMERICAN PUBLISHERS, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036		7,535.17	7,535.17
ASSOCIATION OF AMERICAN RAILROADS, AMERICAN RAILROADS BLDG., SUITE 720 1920 L ST., NW WASHINGTON DC 20036.		97,545.74	97,545.74
ASSOCIATION OF AMERICAN VETERINARY MEDICAL COLLEGES, 1522 K STREET, NW, #828 WASHINGTON DC 20005		600.00	[illegible]
ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS, 1300 NORTH 17TH STREET, #300 ARLINGTON VA 22209			
ASSOCIATION OF GOVERNMENT ACCOUNTANTS, 727 SOUTH 23RD STREET, #100 ARLINGTON VA 22202			
ASSOCIATION OF TRIAL LAWYERS OF AMERICA, 1050 31ST ST., NW WASHINGTON DC 20007		13,334.92	13,334.92
GEORGE J ASTE, 1825 K ST., NW, #607 WASHINGTON DC 20006	UNITED AIRLINES	[illegible]	
ATLANTIC RICHFIELD CO, 515 SOUTH FLOWER STREET LOS ANGELES CA 90071			1,267.68
FRITZ E. ATTAWAY, 1600 EYE ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC		
JOHN J. AUCIELLO, P.O. BOX 269 ELIZABETHTOWN PA 17022	AMERICAN ASSN OF MEAT PROCESSORS		
AUDIO RECORDING RIGHTS COALITION, P.O. BOX 33705 WASHINGTON DC 20033		[illegible]	8,407.74
KENNETH E. AUER, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	FARM CREDIT COUNCIL	712.50	
JOHN D. AUSTIN JR., 1920 N STREET, N.W. WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
RONALD R. AUSTIN, 1201 16TH STREET, NW WASHINGTON DC 20036	OVERSEAS EDUCATION ASSN	546.75	
JOHN S. AUTRY, 2000 L STREET, NW, #810 WASHINGTON DC 20036	SPERRY CORPORATION	1,000.00	[illegible]
AVENEL ASSOCIATES, INC, P.O. BOX 53131 WASHINGTON DC 20009	FLORIDA DEFENDERS OF THE ENVIRONMENT	1,000.00	110.00
GEORGE C. AXTELL, 122 C ST., NW, #740 WASHINGTON DC 20001	AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE	1,000.00	[illegible]
WILLIAM H AXTMAN, 950 N. GLEBE RD., RM. 160 ARLINGTON VA 22203	AMERICAN BOILER MANUFACTURERS ASSN, INC		
CRAIG H. BAAB, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	[illegible]	59.25
BABCOCK & BROWN, INC, 639 FRONT STREET SAN FRANCISCO CA 94111			
DALE R. BABIONE, 1700 N. MOORE ST ROSSLYN VA 22209	BOEING COMPANY	3,380.00	
CARL E. BAGGE, COAL BUILDING WASHINGTON DC 20036	NATIONAL COAL ASSN	3,185.00	275.00
JOAN N. BAGGETT, 815 15TH ST., NW WASHINGTON DC 20005	INTERNATIONAL UNION OF BRICKLAYERS & ALLIED CRAFTSMEN	[illegible]	[illegible]
GEORGE F. BAILEY JR., P.O. BOX 21 MONTGOMERY AL 36101	ALABAMA RAILROAD ASSN		
PAUL C. BAILEY JR., 108 COLUMBUS ST. ARLINGTON VA 22204	SOUTHERN COMPANY SERVICES, INC	1,015.50	635.87
WILLIAM W. BAILEY, 1050 17TH STREET, NW, #650 WASHINGTON DC 20036	MERCK & CO, INC	[illegible]	[illegible]
JUDITH L. BAIRD, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	150.00	
JOHN BAIZE, CAPITOL GALLERY BLDG., #510 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN SOYBEAN ASSOCIATION	[illegible]	[illegible]
EDWARD R. BAJER, 1015 15TH ST., NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	450.00	
BAKER & BOTTS, 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	HOUSTON LIGHTING & POWER COMPANY		
Do	PENNZOIL CO		
BAKER & HOSTETLER, 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	CLEVELAND INSTITUTE OF ELECTRONICS		
DAVID BAKER, 530 7TH ST., SE WASHINGTON DC 20003	LEAGUE OF WOMEN VOTERS OF THE U.S	3,126.09	[illegible]
EMIL F. BAKER, 1303 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	FLEET RESERVE ASSN		
GERALD E. BAKER, 1625 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AIR LINE PILOTS ASSN	5,250.00	461.22
JAMES JAY BAKER, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA	[illegible]	[illegible]
KEITH L. BAKER, 1000 THOMAS JEFFERSON ST., NW, #600 WASHINGTON DC 20007	FEDERATION EMPLOYMENT & GUIDANCE SERVICE		
LISA BAKER, 1730 K STREET, NW, #703 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE	[illegible]	25.00
QUINTER S. BAKER, P.O. BOX 8091 FALLS CHURCH VA 22041	FRIENDSHIP HILL ASSN		
S. EASON BALCH JR., P.O. BOX 306 BIRMINGHAM AL 35201	BALCH & BINGHAM (FOR: SOUTHERN COMPANY SERVICES, INC)		
S. EASON BALCH, P.O. BOX 306 BIRMINGHAM AL 35201	BALCH & BINGHAM (FOR: SOUTHERN COMPANY SERVICES, INC)		
H. R. BALIKOV, 333 THORNALL ST. EDISON NJ 08818	J. M. HUBER CORP	438.00	1,905.10
CHRISTIAN BALLANTYNE, 214 N. HENRY STREET, #203 MADISON WI 53703	SIERRA CLUB	1,970.58	1,100.11
BALLARD SPAHR ANDREWS & INGERSOLL, 1850 K STREET, NW, #1100 WASHINGTON DC 20006	ATLANTIC ALLIANCE FOR MARITIME HERITAGE CONSERVATION		
Do	DELAWARE RIVER PORT AUTHORITY		17.50
Do	PHILADELPHIA PORT CORPORATION		[illegible]
Do	PORT OF WILMINGTON, DELAWARE		3.50
Do	SOUTH JERSEY PORT CORPORATION		3.50
Do	TEMPLE UNIVERSITY		
Do	TITAN OCEAN SYSTEMS, INC		
Do	TREASURE SALVORS, INC		
Do	U.S. COMMITTEE FOR UNICEF		
THOMAS M. BALMER, 888 16TH STREET, NW WASHINGTON DC 20006	MILK INDUSTRY FOUNDATION/INT'L ASSN OF ICE CREAM MFRS		
MICHAEL BALY III, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	3,000.00	247.08
GARY R. BALZHISER, 1050 CONNECTICUT AVE., NW, #760 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA	[illegible]	[illegible]
PHILIP A. BANGERT, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC	30.00	
CHARLES E. BANGERT, P.C., 1825 EYE STREET, NW, #300 WASHINGTON DC 20006	BUSINESS ROUNDTABLE	1,050.00	
BANK OF BOSTON CORPORATION, 100 FEDERAL ST BOSTON MA 02110			
JAMES T. BANKS, 600 MARYLAND AVE., SW, #607 WASHINGTON DC 20024	WASTE MANAGEMENT, INC		
DELMAR K. BANNER, 1800 MASSACHUSETTS AVENUE, NW, #604 WASHINGTON DC 20036	FARM CREDIT COUNCIL	4,540.00	
ROBERT D. BANNISTER, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S		
SAMUEL J. BAPTISTA, 1620 EYE STREET, NW, #603 WASHINGTON DC 20006	VISA U.S.A., INC		
BARAFF KOERNER OLENDER & HOCHBERG, P.C., 2033 M STREET, NW, #203 WASHINGTON DC 20036	COLLEGE FOOTBALL ASSOCIATION		
Do	MAJOR INDOOR SOCCER LEAGUE	200.00	
Do	NATIONAL BASKETBALL ASSN	3,200.00	
Do	NORTH AMERICAN SOCCER LEAGUE		
E. W. BARAGAR, 1700 NORTH MOORE ST., 20TH FL. ROSSLYN VA 22209	BOEING COMPANY	443.39	[illegible]
MAURICE A. BARBOZA, 1800 M STREET, NW WASHINGTON DC 20036	AMERICAN BAR ASSN	[illegible]	50.00
ROBERT O. BARKER, 801 NORTHLAND TOWERS WEST SOUTHFIELD MI 48075	NATIONAL ASSN OF MANUFACTURERS	1,500.00	[illegible]
THOMAS H. BARKSDALE JR., 1220 L ST., NW WASHINGTON DC 20036	AMERICAN PETROLEUM INST	5,500.00	334.32
DONNA R. BARNARD, 1200 15TH STREET, NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	1,743.75	148.24
WILLIAM J. BARNDS, 1000 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	JAPAN ECONOMIC INSTITUTE OF AMERICA	500.00	
BARNES RICHARDSON & COLBURN, 1819 H ST., NW, #400 WASHINGTON DC 20006	STRATTON HATS, INC	10,000.00	[illegible]
Do	TEXAS CITRUS AND VEGETABLE IMPORT ASSOCIATION	10,000.00	2,629.83
LARRY P. BARNETT, 1709 NEW YORK AVE., NW WASHINGTON DC 20006	AIR TRANSPORT ASSN OF AMERICA	7,000.00	
BARNETT YINGLING & SHAY, 1090 VERMONT AVE., NW, #810 WASHINGTON DC 20005	CITIBANK, N.A	7,000.00	85.00
NEIL D. BARON, BOOTH & BARON 122 EAST 42ND ST NEW YORK NY 10168	STANDARD & POOR'S CORPORATION		
JAMES C. BARR, 1840 WILSON BLVD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FEDERATION	3,300.00	
DAVID M. BARRETT, BARRETT HANNA DAILY & GASPAR 2555 M STREET, NW, #100 WASHINGTON DC 20037	ALLIED TUBE & CONDUIT CORP	7,515.67	2,129.41
Do	ENERGY CONSUMERS & PRODUCERS ASSN	4,500.00	[illegible]
Do	NATIONAL MEDICAL ENTERPRISES, INC	[illegible]	212.12

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
BARRETT SMITH SCHAPIRO SIMON & ARMSTRONG, 1201 PENNSYLVANIA AVENUE, NW, #821 WASHINGTON DC 20004	COFFEE SUGAR & COCOA EXCHANGE, INC		
Do	IRVING TRUST CO		
ROBERT W. BARRIE, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	[illegible]	
HARVEY BARRISON, 291 BROADWAY NEW YORK NY 10007	C. A. SHEA & COMPANY, INC		
DAVID S. BARROWS, 1201 S. W. 12TH, #200 PORTLAND OR 97205	ASSOCIATION OF OREGON & CALIFORNIA LAND GRANT COUNTIES	[illegible]	
JAMES E. BARTLEY, 1090 VERMONT AVENUE, NW, #410 WASHINGTON DC 20005	NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE	[illegible]	[illegible]
Do	PROCOMPETITIVE RETAIL STEERING COMM		10.00
MARK A. BARTNER, 100 MARYLAND AVENUE, NE WASHINGTON DC 20002	RELIGIOUS COALITION FOR ABORTION RIGHTS, INC	5,250.00	199.10
R. WILLIAM BARTON, 1000 POTOMAC STREET, NW, #302 WASHINGTON DC 20007	FEDERATION EMPLOYMENT & GUIDANCE SERVICE		
RICHARD A. BARTON, 1101 17TH ST., NW, #900 WASHINGTON DC 20036	DIRECT MARKETING ASSN	1,400.00	
WELDON V. BARTON, 1625 MASSACHUSETTS AVENUE, NW, #202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSN OF AMERICA	12,500.00	[illegible]
WALTER F. BATCHELOR, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	[illegible]	[illegible]
DIANE BATEMAN, 1015 18TH STREET, NW WASHINGTON DC 20036	FERTILIZER INSTITUTE	15,000.00	3,427.58
ROBERT E. BATES JR., 1100 CONNECTICUT AVE, NW WASHINGTON DC 20036	MOBIL OIL CORP	1,125.00	
DAVIS M. BATSON, 1155 15TH STREET, NW, #611 WASHINGTON DC 20005	ETHYL CORPORATION	[illegible]	
LAURIE C. BATTLE, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	3,125.00	
JOHN F. BATTLES, MASSACHUSETTS PETROLEUM COUNCIL 11 BEACON ST., #515 BOSTON MA 02108	AMERICAN PETROLEUM INSTITUTE	[illegible]	1,141.49
ROBERT J. BAUGHMAN, 717 PENDLETON ST. ALEXANDRIA VA 22314	AMERICAN ORTHOTIC AND PROSTHETIC ASSN		
BARBARA BAUMAN, 1990 M STREET, NW, #480 WASHINGTON DC 20036	DETROIT EDISON COMPANY	[illegible]	[illegible]
BARRY H. BAUMAN, 1615 H ST., NW WASHINGTON DC 20062	U.S. CHAMBER OF COMMERCE	1,600.00	
TINA MARTS BEACH, 1331 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20004	GENERAL ELECTRIC CO	372.00	
BRUCE A. BEAM, 1667 K ST., NW, #450 WASHINGTON DC 20006	AMERICAN ELECTRIC POWER SERVICE CORP	457.52	1,328.12
BEAR WEST COMPANY, INC, 9 EXCHANGE PLACE, #1000 SALT LAKE CITY UT 84111	ROCKY MOUNTAIN ENERGY CO	4,652.50	1,528.13
DONALD S. BEATTIE, 1815 H STREET, NW, #1000 WASHINGTON DC 20006	AMERICAN PETROCHEMICAL CONSUMERS		
Do	RAILWAY LABOR EXECUTIVES' ASSN	2,914.91	
BARBARA F. BEATTY, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
CHRISTINE T. BEATTY, 1627 K STREET, NW, #200 WASHINGTON DC 20006	ST. JOE MINERALS CORP	7,500.00	[illegible]
HUBERT BEATTY, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
LAURA L. BEATY, 806 N. JEFFERSON ST. ARLINGTON VA 22205	NATIONAL PARKS & CONSERVATION ASSOCIATION	[illegible]	[illegible]
ORREN BEATY JR., 700 JEFFERSON BUILDING 1225 19TH STREET, NW WASHINGTON DC 20036	WESTERN FUELS ASSOCIATION, INC	9,623.00	[illegible]
JEAN A. BECHERER, 1800 K STREET, NW, #530 WASHINGTON DC 20006	TESORO PETROLEUM CORP	1,500.00	
EDWARD A. BECK III, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INSTITUTE	8,165.07	[illegible]
ROBERT J. BECKER, 800 E. NORTHWEST HWY., #101 MT. PROSPECT IL 60056	JOINT COUNCIL OF ALLERGY & IMMUNOLOGY		
WILLIAM W. BEDDOW, 1101 15TH ST., NW WASHINGTON DC 20005	NATIONAL CONSTRUCTORS ASSOCIATION	1,600.00	
HOWARD BEDLIN, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	[illegible]	122.57
JON CHARLES BEDNERIK, 11 EMBARCADERO WEST, #202 OAKLAND CA 94607	WESTERN INDEPENDENT BANKERS	[illegible]	1,197.83
LYDIA I. BEEBE, 1700 K STREET, NW, #1204 WASHINGTON DC 20006	CHEVRON USA, INC	[illegible]	
RONALD L. BEEBER, 1660 L STREET, NW WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	[illegible]
ROBERT M. BEERS, 2101 E STREET, NW WASHINGTON DC 20037	AMERICAN FOREIGN SERVICE ASSN	4,895.25	1,363.65
EDWIN L. BEHRENS, 801 18TH STREET, NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	75.00	
JAMES BEIZER, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
MARK BELANGER, 805 THIRD AVENUE NEW YORK NY 10022	MAJOR LEAGUE BASEBALL PLAYERS ASSN		
DONALD K. BELCH, STELCO TOWER HAMILTON, ONTARIO CANADA L8N 3 T1	CANADIAN TUBULAR PRODUCERS ASSN	[illegible]	38.12
Do	STELCO, INC	[illegible]	[illegible]
HOWARD H. BELL, 1400 K ST., NW, #1000 WASHINGTON DC 20036	AMERICAN ADVERTISING FEDERATION		
WINSTON EVERETT BELL, P.O. BOX 26543 LAS VEGAS NV 89126			
MARY K. BELLAMY, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT CO INSTITUTE		
JAMES P. BELLIS, 11 DUPONT CIRCLE, NW, #700 WASHINGTON DC 20036	PALUMBO & CERRELL, INC (FOR: AMERICAN SOC OF COMPOSERS AUTHORS & PUBLISHERS).	9,600.00	
Do	PALUMBO & CERRELL, INC (FOR: NATIONAL SCHOOL TRANSPORTATION ASSN)	[illegible]	
Do	PALUMBO & CERRELL, INC (FOR: G. D. SEARLE)	[illegible]	
Do	PALUMBO & CERRELL, INC (FOR: SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT).	[illegible]	
BENCHMARK TECHNOLOGIES CORP, 1995 TREMAINSVILLE RD. TOLEDO OH 43613			
BENDIXEN & LAW, 1029 VERMONT AVENUE, NW, #505 WASHINGTON DC 20005	PANAMSAT	3,275.00	
BRUCE BENEFIELD, 1000 WILSON BLVD., #2600 ARLINGTON VA 22209	TRW, INC	550.00	[illegible]
KENNETH U. BENJAMIN JR., 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	1,142.00	181.74
BENNER BURNETT & COLEMAN, 1401 NEW YORK AVENUE, NW WASHINGTON DC 20005	SCHNITZER STEEL PRODUCTS CO	7,650.00	936.60
DANIEL BENNET, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	[illegible]	
BEVERLY L. BENNETT, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		[illegible]
CATHERINE BENNETT, 1700 PENNSYLVANIA AVE., NW, #730 WASHINGTON DC 20006	PFIZER, INC	[illegible]	372.29
WILLIAM C. BENNETT JR., 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	150.00	
JOHN C. BENNISON, 4400 MACARTHUR BLVD., NW WASHINGTON DC 20007	AMERICAN SOC OF TRAVEL AGENTS	[illegible]	
BENOIT SMITH & LAUGHLIN, 2001 JEFFERSON DAVIS HIGHWAY, #501 ARLINGTON VA 22202	ECONOPURE		
Do	HUGHES AIRCRAFT COMPANY		
FREDERICK S. BENSON III, 1625 EYE STREET, NW, #902 WASHINGTON DC 20006	WEYERHAEUSER COMPANY		
NANCY C. BENSON, 1575 EYE ST., NW, #220 WASHINGTON DC 20005	AMERICAN CYANAMID CO	[illegible]	330.65
JAMES E. BENTON, N. J. PETROLEUM COUNCIL 170 W. STATE ST. TRENTON NJ 08608	AMERICAN PETROLEUM INSTITUTE	112.00	[illegible]
GEORGE L. BERG JR., 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FEDERATION	5,062.50	74.12
PETER E. BERG, BERG & ASSOCIATES 641 INDIANA AVENUE, NW WASHINGTON DC 20006			
REBECCA J. BERG, 900 17TH STREET, NW, #1100 WASHINGTON DC 20006	SEA-LAND CORPORATION	[illegible]	72.18
O. M. BERGE, 12050 WOODWARD AVE. DETROIT MI 48203	BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES		
BOB BERGLAND, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	[illegible]	20.00
EDWIN M. BERGSMARK, THREE SEAGATE TOLEDO OH 43603	TOLEDO TRUST COMPANY		
PAUL C. BERGSON, 2550 M ST., NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC		
JANE W. BERGWIN, 1050 17TH STREET, NW, #490 WASHINGTON DC 20036	CONSUMERS POWER CO	3,448.00	1,266.00
JASON S. BERMAN, 2020 K ST., NW, #250 WASHINGTON DC 20006	WARNER COMMUNICATIONS, INC	15,000.00	10,423.00
JAY HARRIS BERMAN, 419 10TH STREET, NE WASHINGTON DC 20002	PROFESSIONAL INSURANCE AGENTS		
WILLIAM R. BERMAN, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
MARY E. BERNHARD, 1090 VERMONT AVENUE, NW, #500 WASHINGTON DC 20005	FLEXIBLE PACKAGING ASSOCIATION		
CHARLES BERNHARDT, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
DONALD C. BERNO, 1615 H ST., NW WASHINGTON DC 20062	U.S. CHAMBER OF COMMERCE	7,500.00	244.90
GEORGE K. BERNSTEIN, 1730 K ST., NW WASHINGTON DC 20006	AMERICAN INSURANCE ASSN	2,500.00	
MAX N. BERRY, 3213 O ST., NW WASHINGTON DC 20007	AMERICAN IMPORTERS MEAT PRODUCTS GROUP		
Do	CENTRE NATIONAL INTERPROFESSIONNEL DE L'ECONOMIC LAITIERE		
Do	COMMITTEE TO ASSURE THE AVAILABILITY OF CASEIN		[illegible]
Do	FEDERATION DES EXPORTATEURS DE VINS & SPIRITUEUX DE FRANCE		
FRANK S. BESSON III, 1725 JEFFERSON DAVIS HWY, #900 ARLINGTON VA 22202	AM GENERAL CORPORATION	1,925.00	
ROBERT BETZ, 1101 14TH STREET, NW, #1100 WASHINGTON DC 20005	ROBERT BETZ ASSOCIATES, INC (FOR: ALABAMA HOSPITAL ASSOCIATION)	5,250.00	[illegible]
BEVERLY ENTERPRISES, INC, 1901 N. FORT MYER DRIVE, #302 ROSSLYN VA 22209			25,649.68
CHERYL BEVERSDORF, 1200 15TH STREET, NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	2,755.00	317.81
RALPH A. BIEDERMANN, ONE BRUNSWICK PLAZA SKOKIE IL 60077	BRUNSWICK CORP		
JOAN T. BIER, 1726 M STREET, NW, #701 WASHINGTON DC 20036	INTERNATIONAL MINERALS & CHEMICAL CORP	[illegible]	23.00
JAMES H. BIERMAN, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY LARNDER HOLLABAUGH & JACOBS (FOR: VGS CORPORATION)		
MOE BILLER, 817 14TH ST., NW WASHINGTON DC 20005	AMERICAN POSTAL WORKERS UNION, AFL-CIO	8,452.30	
BILLIG SHER & JONES, P.C., 2033 K ST., NW, #300 WASHINGTON DC 20006	BARBER BLUE SEA LINE		7.00
Do	HAPAG-LLOYD, A.G		7.00
Do	MAERSK LINE		7.00
Do	NEDLLOYD LINES		7.00
Do	PORT USERS	5,000.00	470.00
Do	PRIVATE TRUCK COUNCIL OF AMERICA, INC		
Do	SOUTH DAKOTA DEPT. OF TRANSPORTATION, DIV. OF RAILROADS		
FRED BILLINGS III, 1616 H STREET, NW WASHINGTON DC 20006	NATIONAL GRANGE	2,500.00	
KEVIN W. BILLINGS, 410 FIRST STREET, SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	2,712.50	637.62
LEON G. BILLINGS, INC, 1660 L ST., NW, #713 WASHINGTON DC 20036	STATE OF MONTANA	[illegible]	
VITINA BIONDO, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	244.00	
BIRCH HORTON BITTNER PESTINGER & ANDERSON, 12TH FLOOR 1155 CONNECTICUT AVE., NW WASHINGTON DC 20036	ALASCOM, INC		
Do	ALASKA POWER AUTHORITY		
Do	ALASKA TEAMSTERS-EMPLOYER PENSION TRUST		
Do	ALASKA TEAMSTERS-EMPLOYER WELFARE TRUST		
Do	AMERADA HESS		
Do	CALISTA CORP		
Do	CITY OF ST. GEORGE		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	FIRST FEDERAL BANK OF ALASKA, S.B		
Do	NORTHERN AIR CARGO		
Do	SEALASKA CORP		
Do	ST GEORGE TANAQ CORP		
Do	TEAMSTERS LOCAL 959		
Do	WESTINGHOUSE ELECTRIC CORP		
Do	YUKON PACIFIC CORP		
ROBERT J. BIRD, 888 16TH STREET, NW WASHINGTON DC 20006	ZACHRY INC		
WILLIAM J. BIRKHOFER, 1015 15TH STREET, NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	875.00	
CHARLES O. BISHOP, 1225 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN PUBLIC TRANSIT ASSN	6,000.00	
H. RADFORD BISHOP II, P.O. BOX 946 HOLLY HILL FL 32017	NATIONAL HEALTH CARE FINANCING ASSN		
DENNIS A. BITZ, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORP		
GERRIE BJORNSON, 1800 K ST., NW, #929 WASHINGTON DC 20006	B.F. GOODRICH CO	100.00	
NEAL R. BJORNSON, 1840 WILSON BLVD. ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED		
BLACK MANAFORT STONE & KELLY, P.C., 324 NORTH FAIRFAX STREET ALEXANDRIA VA 22314	BETHLEHEM STEEL	22,500.00	223.60
Do	CHICAGO RTA	[illegible]	297.13
Do	DOMINICAN REPUBLIC	15,000.00	675.64
Do	FINA OIL & CHEMICAL CO	3,000.00	466.78
Do	FOOTWEAR INDUSTRIES OF AMERICA	12,000.00	204.22
Do	GOVERNMENT OF BARBADOS		502.55
Do	GOVERNMENT OF ST. LUCIA	2,100.00	1,387.99
Do	GOVERNMENT OF THE BAHAMAS	45,000.00	
Do	INTERNATIONAL MEDICAL CENTERS	4,500.00	292.64
Do	JOHNSON & JOHNSON	[illegible]	302.74
Do	KAMAN AEROSPACE	24,000.00	[illegible]
Do	NATURAL GAS SUPPLY ASSN	11,250.00	[illegible]
Do	SALOMON BROTHERS INC	18,000.00	1,575.14
Do	SIGNAL COMPANIES	22,500.00	334.89
Do	SOLAR ENERGY INDUSTRY ASSN	4,000.00	
Do	TOBACCO INSTITUTE	22,500.00	20.50
Do	UNION PACIFIC	16,000.00	[illegible]
BEV D. BLACKWOOD, 1899 L STREET, NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION		
BOWEN BLAIR JR., 519 S.W. THIRD AVE., #810 PORTLAND OR 97204	FRIENDS OF THE COLUMBIA GORGE		
DAVID A. BLAIR, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORTAION	227.00	
NEAL B. BLAIR, SUITE J 11244 WAPLES MILL RD. FAIRFAX VA 22030	FREE THE EAGLE & TARGET, INC	15,290.88	
ROSLYNNE BLAKE, 316 PENNSYLVANIA AVENUE, SE, #301 WASHINGTON DC 20003	SAN DIEGO GAS & ELECTRIC	625.00	18.70
MICHAEL D. BLANCHARD, P.O. BOX 2943 FORT WORTH TX 76113	TEXAS-NEW MEXICO POWER CO	12,812.10	1,000.00
HELEN BLANK, 122 C STREET, NW WASHINGTON DC 20001	CHILDREN'S DEFENSE FUND	1,558.80	300.05
MICHAEL K. BLEVINS, 2001 EYE STREET, NW WASHINGTON DC 20006	ELECTRONIC INDUSTRIES ASSN		
VIRGINIA B. BLISS, 1725 K STREET NW WASHINGTON DC 20006	COURTNEY MCCAMANT & TURNEY	[illegible]	
JERALD BLIZIN, 1201 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC		
L. THOMAS BLOCK, ONE WALL STREET NEW YORK NY 10015	IRVING TRUST CO	4,000.00	1,200.00
PETER L. BLOCKLIN, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,500.00	
HOLTON E. BLOMGREN, 1015 15TH STREET, NW, #1220 WASHINGTON DC 20005	NATIONAL MANUFACTURED HOUSING FEDERATION	25,000.00	
DOUGLAS M. BLOOMFIELD, 444 N. CAPITOL STREET, NW, #412 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	18,250.02	629.67
MARK BLOOMFIELD, 1850 K ST., NW, #520 WASHINGTON DC 20006	AMERICAN COUNCIL FOR CAPITAL FORMATION	1,188.00	
JOHN B. BLOUNT JR., 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	493.55
JARED O. BLUM, 1730 M ST., NW, #610 WASHINGTON DC 20036	DIRECT SELLING ASSOCIATION	[illegible]	270.92
BLUM NASH & RAILSBACK, 1133 15 ST. WASHINGTON DC 20005	WALT DISNEY PRODUCTIONS	448.00	[illegible]
ROBERT A. BLUM, THREE EMBARCADERO CENTER 28TH FLOOR SAN FRANCISCO CA 94111	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR: PERMANENTE MEDICAL GROUP, INC)	2,718.00	734.78
MILLY S. BLUMEL, 1050 CONNECTICUT AVENUE, NW, #760 WASHINGTON DC 20036	UNION OIL COMPANY OF CALIFORNIA		765.54
CHARLES R. BLUMENFELD, BOGLE & GATES 2100 THE BANK OF CALIFORNIA CENTER SEATTLE WA 98164	PACIFIC SEAFOOD PROCESSORS ASSN		
SAMUEL D. BLUNT, 444 N. CAPITOL STREET, #828 WASHINGTON DC 20001	RADIO OFFICERS UNION	1,657.38	
BOAT OWNERS ASSOCIATION OF THE U.S., 880 S. PICKETT ST. ALEXANDRIA VA 22304		50,000.00	32,625.00
SETH M. BODNER, 386 PARK AVENUE SOUTH NEW YORK NY 10016	NATIONAL KNITWEAR & SPORTSWEAR ASSN		4,396.00
HAROLD BOEL, 444 N. CAPITOL STREET, NW, #718 WASHINGTON DC 20001	PACIFIC TELESIS GROUP	12,000.00	
LARRY A. BOGGS, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
TIMOTHY A. BOGGS, 2020 K STREET, NW, #250 WASHINGTON DC 20006	WARNER COMMUNICATIONS, INC	14,400.00	8,156.82
ROBERT Z. BOHAN, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		246.87
PATRICIA BOINSKI, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	40.00	
MARK P. BOLDUC, 600 MARYLAND AVE., SW, #700 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS	2,250.00	[illegible]
RICHARD O. BOLGER, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC		
ROBERT J. BOLGER, P.O. BOX 1417-D49 ALEXANDRIA VA 22313	NATIONAL ASSN OF CHAIN DRUG STORES, INC	1,500.00	
WILLIAM F. BOLGER, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	350.00	
BERNADETTE BOLTON, 400 FIRST STREET, NW, #800 WASHINGTON DC 20001	BROTHERHOOD OF RAILROAD SIGNALMEN	300.00	
SHARON E. BOMER, 727 N. WASHINGTON STREET ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN	980.00	285.56
A. DEWEY BOND, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	[illegible]	
JOHN E. BONITT, 1150 CONNECTICUT AVENUE, NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION	1,150.00	[illegible]
SHARON LEE BONITT, 1025 CONNECTICUT AVE., NW, #200 WASHINGTON DC 20036	SHELL OIL CO	[illegible]	
GAYLON B. BOOKER, 1918 N. PARKWAY MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMER	[illegible]	118.83
W. DAN BOONE, 345 PARK AVE. NEW YORK NY 10154	UNION PACIFIC CORP AND ALLIANCE FOR CLEAN ENERGY		
JOHN K. BOOTH, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	100.00	
DIANE BORATYN, 1230 31ST ST., NW, #5 WASHINGTON DC 20007	D BORATYN, LTD		
EDWARD T. BORDA, 1625 EYE ST., NW, #1023 WASHINGTON DC 20006	ASSOCIATION OF GENERAL MERCHANDISE CHAINS	4,000.00	
LAURENCE D. BORY, 1015 15TH ST., NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	750.00	
G. STEWART BOSWELL, 1611 NORTH KENT ST., #800 ARLINGTON VA 22209	AMERICAN APPAREL MANUFACTURERS ASSN, INC	3,750.00	85.00
CHARLES G. BOTSFORD, 1730 M ST., NW, #515 WASHINGTON DC 20036		1,500.00	454.00
JOHN E. BOUCHARD, 1667 K STREET, NW, #350 WASHINGTON DC 20036	MOLLER STEAMSHIP COMPANY, INC		
ALBERT D. BOURLAND, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
FRANK J. BOWDEN JR., ASSOCIATED PETROLEUM INDUSTRIES OF PA P.O. BOX 925 HARRISBURG PA 17108	AMERICAN PETROLEUM INST	2,340.00	1,438.36
JAMES J. BOWE, 4 WORLD TRADE CENTER NEW YORK NY 10048	COFFEE SUGAR & COCOA EXCHANGE, INC		
RODNEY A. BOWER, 818 ROEDER RD., #702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
ROBERT R. BOWERS, WEST VIRGINIA PETROLEUM COUNCIL SUITE 714 ATLAS BLDG. CHARLESTON WV 25301	AMERICAN PETROLEUM INSTITUTE	940.00	746.44
BOWERY SAVINGS BANK, 110 EAST 42ND STREET NEW YORK NY 10017			
DOUG B. BOWLES, 205 SPRING HILL TERRACE ROSWELL GA 30075	GEORGIA POWER CO	9,193.50	9,751.82
RICHARD P. BOWLING, 1020 PRINCESS STREET ALEXANDRIA VA 22314	TRUCK TRAILER MANUFACTURERS ASSN	1,000.00	5.28
BOWMAN CONNER TOUHEY & PETRILLO, 2828 PENNSYLVANIA AVENUE, NW, #203 WASHINGTON DC 20007	AMERICAN PETROFINA, INC	6,843.75	6,246.05
BOWMER COURTNEY BURLESON PEMBERTON & NORMAND, P.O. BOX 844 TEMPLE TX 76503	TRIBAL COUNCIL OF THE COUSHATTA TRIBE OF LOUISIANA		14,244.06
JIM D. BOWMER, P.O. BOX 844 TEMPLE TX 76503	TRIBAL COUNCIL OF THE COUSHATTA TRIBE OF LOUISIANA		124.87
JOAN COSTAIN BOWYER, 1015 15TH ST., NW WASHINGTON DC 20005	PHELPS DODGE CORP	150.00	
JOHN G. BOYD, 1801 K ST., NW WASHINGTON DC 20006	INTERNATIONAL BUSINESS MACHINES CORP	432.50	23.60
ROBERT K. BOYD, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	3,500.00	805.67
BOYD VEIGEL GAY & MCCALL, INC, 499 S. CAPITOL ST., SW, #412 WASHINGTON DC 20003	AMERICAN LAND DEVELOPMENT ASSN	11,052.10	11,052.10
Do	WHITEHALL CORPORATION	10,000.00	1,560.00
J. PATRICK BOYLE, 1910 K STREET, NW, #700 WASHINGTON DC 20005	NATIONAL GROCERS ASSN		
BRACEWELL & PATTERSON, 1825 EYE STREET, NW, #1200 WASHINGTON DC 20006	AMERICAN COUNCIL ON EDUCATION		
Do	APPALACHIAN ENERGY GROUP	1,320.00	526.68
Do	AUSTRIAN LANCE & STEWART, P.C.		
Do	CHEMICAL MANUFACTURERS ASSN	3,465.00	1,382.53
Do	DRESSER INDUSTRIES, INC		
Do	HOUSTON NATURAL GAS CORP	[illegible]	329.17
Do	LIBERTY BANK & TRUST OF NEW JERSEY	495.00	197.50
Do	LOUISIANA LAND & EXPLORATION CO	1,650.00	658.35
Do	PENNSYLVANIA NATURAL GAS ASSOCIATES	495.00	197.50
Do	RALSTON PURINA CO		
Do	SOUTHDOWN/PELTO OIL COMPANY		
Do	U.S. TUNA FOUNDATION		
Do	VALERO ENERGY CORPORATION	3,300.00	1,316.70
BRACY WILLIAMS & COMPANY, 1000 CONNECTICUT AVENUE, NW, #304 WASHINGTON DC 20036	AMERICAN SOUTHWEST FINANCIAL CO	30,000.00	875.00
Do	CALIFORNIA NICKEL CORP		175.00
Do	CITY OF TUCSON	7,000.00	150.00
Do	CSX CORPORATION	20,000.00	[illegible]

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	DAYLIGHT SAVING TIME COALITION	10,000.00	[illegible]
Do	ENERGY ABSORPTION SYSTEMS, INC	[illegible]	115.00
Do	ESTES COMPANY	3,000.00	[illegible]
Do	PRATT & WHITNEY AIRCRAFT GROUP	5,000.00	[illegible]
Do	SINGAPORE AIRLINES, LTD	12,000.00	[illegible]
Do	SOUTHERN ARIZONA WATER RESOURCES ASSOCIATION	3,000.00	[illegible]
FRANK W. BRADLEY, 1700 K ST., NW WASHINGTON DC 20006	CHEVRON USA, INC	3,000.00	
WAYNE W. BRADLEY, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	[illegible]	
DENNIS M. BRADSHAW, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
CHARLES N. BRADY, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
CARREN BRAGG, 1901 L STREET, NW, #303 WASHINGTON DC 20036	COLT INDUSTRIES, INC		
CHARLES G. BRAGG, P.O. BOX 12285 MEMPHIS TN 38182	NATIONAL COTTON COUNCIL OF AMERICA	779.63	231.80
RAYMOND F. BRAGG JR., 114 THIRD STREET, SE WASHINGTON DC 20003	AMERICAN INDEPENDENT REFINERS ASSN	[illegible]	
ROBERT M. BRANDON, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	CITIZEN ACTION	[illegible]	
Do	CITIZEN/LABOR ENERGY COALITION	2,500.00	
RICHARD D. BRANNICK, P.O. BOX 550 DEXTER NY 13634	NATIONAL BORDER PATROL COUNCIL		
GERARD M. BRANNON, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
CHRISTIAN N. BRAUNLICH, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	125.00	
ROY BRAUNSTEIN, 817 14TH ST., NW WASHINGTON DC 20005	AMERICAN POSTAL WORKERS UNION, AFL-CIO	9,593.54	
DONALD H. BRAZIER, P.O. BOX 12266 SEATTLE WA 98102	DOLLAR SAVINGS BANK, ET AL		
HAROLD E. BRAZIL, 1900 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20068	POTOMAC ELECTRIC POWER CO	121.97	
NOEL BRAZIL, 600 MARYLAND AVENUE, SW, #400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
H. ANTHONY BREARD JR., P.O. BOX 3151 HOUSTON TX 77253	CECOS INTERNATIONAL	[illegible]	600.00
EDWARD T. BREATHITT, 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	NORFOLK SOUTHERN CORPORATION	1,000.00	
ROY S. BREDDER, 1111 14TH ST., NW, #1200 WASHINGTON DC 20005	AMERICAN DENTAL ASSN	1,000.00	170.00
BREGMAN ABELL KAY & SIMON, 1156 15TH ST., NW, #1212 WASHINGTON DC 20005	AIR TRANSPORT ASSN OF AMERICA		
Do	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	1,500.00	
Do	NATIONAL CAR RENTAL SYSTEM, INC	5,000.00	
Do	RYDER SYSTEMS, INC		
Do	TRANS WORLD AIRLINES, INC	2,500.00	
Do	TRUCK RENTING & LEASING ASSN	1,500.00	
JAMES PATRICK BRENNAN, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING & DEVELOPMENT	4,925.01	341.49
MICHAEL J. BRENNAN, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF BRIDGE STRUCT & ORNAMENTAL IRON WKRS	10,800.00	374.67
PETER E. BRERETON, 900 EUCLID AVENUE CLEVELAND OH 44101	AMERITRUST CO, NAT'L ASSN	550.00	[illegible]
THOMAS M. BRESNAHAN III, 1700 K STREET, NW, #1204 WASHINGTON DC 20006	CHEVRON U.S.A., INC	[illegible]	
ALBERT E. BREWSTER, 1000 WILSON BLVD., #2300 ARLINGTON VA 22209	NORTHROP CORP		134.54
CHARLES BRIMER, 201 PARK WASHINGTON COURT FALLS CHURCH VA 22046	NATIONAL-AMERICAN WHOLESALE GROCERS' ASSN	1,000.00	
CLAUDE S. BRINEGAR, 461 S. BOYLSTON ST. LOS ANGELES CA 90017	UNION OIL CO OF CALIFORNIA	592.00	
BELVA B. BRISSETT, 1771 N ST., NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	2,337.28
ELIZABETH Y. BRITTON, 2550 M STREET, NW WASHINGTON DC 20037	RJR INDUSTRIES, INC	[illegible]	[illegible]
STEPHEN W. BROADIE, 1629 K STREET, NW WASHINGTON DC 20006	ALLIANCE OF AMERICAN INSURERS	1,500.00	45.75
MARINA L. BROCKMANN, 605 14TH STREET, NW WASHINGTON DC 20005	SOCIETY OF THE PLASTICS INDUSTRY		
WILLIAM M. BRODHEAD, 900 MARQUETTE BUILDING DETROIT MI 48226	PLUNKETT COONEY RUTT WATTERS STANCZYK & PEDERSEN (FOR: BRACY WILLIAMS & COMPANY)	2,500.00	[illegible]
Do	PLUNKETT COONEY RUTT WATTERS STANCZYK & PEDERSEN, P.C. (FOR: MICHIGAN CONSOLIDATED GAS CO)	7,170.00	1,948.03
Do	PLUNKETT COONEY RUTT WATTERS STANCZYK & PEDERSEN, P.C. (FOR: CITY OF DETROIT, MICHIGAN)	7,500.00	453.73
DAVID A. BRODY, 1640 RHODE ISLAND AVE., NW WASHINGTON DC 20036	ANTI-DEFAMATION LEAGUE OF B'NAI B'RITH	3,500.00	
PHILLIP J. BROMAN, 919 18TH STREET, NW, #600 WASHINGTON DC 20006	TOYOTA MOTOR SALES, USA, INC		
MICHAEL D. BROMBERG, 1111 19TH ST., NW, #402 WASHINGTON DC 20036	FEDERATION OF AMERICAN HOSPITALS	4,500.00	
MARY E. BROOKS, 1730 M STREET, NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S.	3,357.68	[illegible]
DAVID W. BROOME, 1726 M STREET, NW, #401 WASHINGTON DC 20036	BURLINGTON INDUSTRIES, INC	8,755.00	710.00
DANIEL T. BROSS, P.O. BOX 1478 HOUSTON TX 77001	UNITED GAS PIPE LINE CO		
MARIO BROSSI, 1730 M ST., NW WASHINGTON DC 20036	DIRECT SELLING ASSOCIATION	[illegible]	52.70
BROTHERHOOD OF RAILWAY AIRLINE & STEAMSHIP CLERKS, 815 16TH STREET, NW WASHINGTON DC 20006		14,900.00	[illegible]
DONALD G. BROTZMAN, 1400 K ST., NW WASHINGTON DC 20005	RUBBER MFGRS ASSN	[illegible]	
BROWN & FINN, 1920 N STREET, NW, #510 WASHINGTON DC 20036	SATELLITE TELEVISION INDUSTRY ASSN/S.P.A.C.E		
Do	SATELLITE TV VIEWING RIGHTS SUPERFUND, INC	30,159.50	
BEN JARRATT BROWN, 888 17TH ST., NW, #300 WASHINGTON DC 20006	CORPORATION FOR GOVERNMENT ACTION, INC		
CHARLES T. BROWN, P.O. BOX 100 MIAMI AZ 85539	PINTO VALLEY COPPER CORPORATION		
DAVID S. J. BROWN, 1101 17TH ST., NW, #604 WASHINGTON DC 20036	MONSANTO CO	700.00	177.33
DIANE R. BROWN, 1515 WILSON BOULEVARD ARLINGTON VA 22209	AMERICAN GAS ASSN	4,000.00	970.06
DOREEN L. BROWN, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036	CONSUMERS FOR WORLD TRADE		
ELLEN B. BROWN, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,400.00	739.56
GEORGE L. BROWN, 1000 WILSON BOULEVARD ARLINGTON VA 22209	GRUMMAN CORP	1,250.00	129.72
JAMES P. BROWN, BROWN & ASSOCIATES 301 SOVEREIGN COURT, #102 ST. LOUIS MO 63011	CITY OF ST. LOUIS - CITY HALL		
JESSE P. BROWN JR., 1918 N. PARKWAY MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMER	3,173.08	261.92
REBECCA G. BROWN, 1275 K ST., NW, #750 WASHINGTON DC 20005	NATIONAL WOMEN'S POLITICAL CAUCUS	1,406.25	2.60
BROWN ROADY BONVILLIAN & GOLD, 1300 19TH STREET, NW, #300 WASHINGTON DC 20036	CITICORP CAPITAL INVESTORS, LTD	5,808.55	452.23
Do	KANSAS CITY SOUTHERN RAILWAY	4,667.40	364.92
Do	METROPOLITAN TRANSIT AUTHORITY	7,966.57	783.12
Do	NORTHEASTERN INTERNATIONAL AIRWAYS, INC		
Do	SECONDARY LEAD SMELTERS ASSN (SLSA)	1,590.30	[illegible]
Do	SMITH DAWSON ASSOCS (FOR SAN FRAN. PUBLIC UTIL. COMMISSION)	3,000.00	146.33
Do	WESTERN RIVER GUIDES ASSN		
S. M. HENRY BROWN JR., 411 FAYETTEVILLE STREET MALL, #2035 RALEIGH NC 27601	CAROLINA POWER & LIGHT CO	917.92	[illegible]
VINCENT D. BROWN, NEBRASKA PETROLEUM COUNCIL P.O. BOX 95063 LINCOLN NB 68509	AMERICAN PETROLEUM INSTITUTE	2,000.00	[illegible]
VIRGINIA BROWN, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
WILLIAM E. BROWN, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	[illegible]	[illegible]
WILLIAM R. BROWN, 122 C STREET, NW, #200 WASHINGTON DC 20001	COUNCIL OF STATE CHAMBERS OF COMMERCE	270.00	
WILLIAM Y. BROWN, 600 MARYLAND AVE., SW, #607 WASHINGTON DC 20024	WASTE MANAGEMENT, INC	5,000.00	22.72
DONALD T. BROWNE, 205 EAST 42ND STREET NEW YORK NY 10017	RISK & INSURANCE MANAGEMENT SOCIETY, INC		
BROWNSTEIN ZEIDMAN & SCHOMER, 1025 CONNECTICUT AVENUE, NW, #900 WASHINGTON DC 20036	CANADIAN FINANCIAL CORPORATION		
Do	NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS		
Do	NATIONAL HOUSING REHABILITATION ASSN		
Do	SCHOCHET ASSOCIATES		
DAVID BRUBAKER, P.O. BOX 329 B-110 EPHRATA PA 17522	PENNAG INDUSTRIES ASSOCIATION		
JAMES W. BRUNER JR., 555 CAPITOL MALL, #1200 SACRAMENTO CA 95814	ORRICK HERRINGTON & SUTCLIFFE		
KATHRYNE M. BRUNER, 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	GA TECHNOLOGIES, INC	750.00	[illegible]
WILLIAM K. BRUNETTE, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	477.89	[illegible]
MICHAEL E. BRUNNER, 2626 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20037	NATIONAL TELEPHONE COOPERATIVE ASSN	1,000.00	113.70
ROBERT O. BRUNNER, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	[illegible]	41.80
J. CHARLES BRUSE, 633 PENNSYLVANIA AVE., NW, #600 WASHINGTON DC 20004	ALLSTATE INSURANCE GROUP	720.00	328.60
DAWN M. BRYDON, 888 16TH STREET, NW WASHINGTON DC 20006	MILK INDUSTRY FOUNDATION/INT'L ASSN OF ICE CREAM MFRS		
BUCHANAN INGERSOLL, P.C., 1667 K STREET, NW, 9TH FL. WASHINGTON DC 20006	CLOROX CO		
Do	EXPRESS FOODS CO, INC		
Do	FEDERATION OF APPAREL MANUFACTURERS		
Do	GENERAL INSTRUMENT CORP		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	LANGASCO ENERGY CORP		
Do	NORFOLK SOUTHERN CORP		
Do	OHIO OIL & GAS ASSN		
Do	WHEY PRODUCTS INSTITUTE		
LANA BUCK, 1319 F STREET, NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS	110.00	
ROBERT D. BUEHLER, 1800 K ST., NW, #929 WASHINGTON DC 20006	BF GOODRICH CO	[illegible]	
G. N. BUFFINGTON, 2230 CALIFORNIA STREET, NW WASHINGTON DC 20008	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS	1,377.50	
DOUGLAS W. BULCAO, 1101 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20036	AMERICAN TEXTILE MANUFACTURERS INSTITUTE, INC	2,400.00	[illegible]
LINDA KNELL BUMBALO, 1125 15TH STREET, NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSN OF AMERICA	5,850.00	[illegible]
DARREL D. BUNGE, MINNESOTA PETROLEUM COUNCIL 386 N. WABASHA ST., #1025 ST. PAUL MN 55102	AMERICAN PETROLEUM INSTITUTE	1,250.00	[illegible]
DAVID A. BUNN, 1211 CONNECTICUT AVENUE, NW, #406 WASHINGTON DC 20036	HEARST CORPORATION	[illegible]	
Do	MAGAZINE PUBLISHERS ASSN, INC	[illegible]	
Do	PARCEL SHIPPERS ASSN	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CHRISTINE CAPITO BURCH, 1625 L STREET, NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES	5,200.00	108.00
NORMAN D. BURCH, 1101 VERMONT AVE., NW, #401 WASHINGTON DC 20005	COLLEGE OF AMER PATHOLOGISTS		
BARBARA G. BURCHETT, 1201 PENNSYLVANIA AVENUE, NW, #210 WASHINGTON DC 20004	HALLMARK CARDS, INC	372.00	744.00
DAVID G. BURDEN, 200 E. RANDOLPH DR. CHICAGO IL 60601	AMOCO CORP		87.00
PAUL F. BURDETT, SUITE 700 SOUTH 1800 M STREET, NW WASHINGTON DC 20036	MERRELL DOW PHARMACEUTICALS, INC	9,000.00	2,663.35
CLAIR W. BURGENER, P.O. BOX 8186 RANCH SANTA FE CA 92067	G A TECHNOLOGIES, INC	10,200.00	
WILLIAM J. BURHOP, 1709 NEW YORK AVE., NW WASHINGTON DC 20006	AIR TRANSPORT ASSN OF AMERICA		
GERARD P. BURKE, 117 SPOTSWOOD RIVE SILVER SPRING MD 20904	INTERNATIONAL AIR LEASES, INC	1,500.00	[illegible]
KEVIN BURKE, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	720.00	
SALLY J. BURKE, SCOTT HARRISON & MCLEOD 2501 M STREET, NW WASHINGTON DC 20037	AMERICAN ASSN OF CROP INSURERS	67.50	
Do	UNITED EGG PRODUCERS	43,399.81	2,008.81
BURLEY & DARK LEAF TOBACCO EXPORT ASSN, 1100 17TH ST., NW WASHINGTON DC 20036		[illegible]	[illegible]
BILL D. BURLISON, 499 SOUTH CAPITOL STREET, SE, #103 WASHINGTON DC 20003	MCDONNELL DOUGLAS CORPORATION		
Do	PLANNING RESEARCH CORPORATION	5,148.75	2,929.92
MAHLON A. BURNETTE III, 3812 NORTH 13TH STREET ARLINGTON VA 22201	GROCERY MANUFACTURERS OF AMERICA, INC	1,200.00	
CHARLES S. BURNS, 1015 15TH ST., NW WASHINGTON DC 20005	PHELPS DODGE CORP	3,285.00	[illegible]
MICHAEL BURNS, 21 DUPONT CIRCLE, NW, #401 WASHINGTON DC 20036	BUSINESS EXECUTIVES FOR NATIONAL SECURITY	2,000.00	274.55
TIMOTHY F. BURNS, 2501 M ST., NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSN, INC		
BURR PEASE & KURTZ, INC, 810 N ST. ANCHORAGE AK 99501	EKLUTNA, INC	[illegible]	
BURSON-MARSTELLER, 1825 EYE ST., NW, #950 WASHINGTON DC 20006	CBS, INC	[illegible]	
Do	MORGAN STANLEY & CO, INC	1,041.87	
FRANK BURTNETT, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING & DEVELOPMENT	1,655.00	[illegible]
BUSBY REHM & LEONARD, 1629 K ST., NW, #1100 WASHINGTON DC 20006	AUTOMOBILE IMPORTERS OF AMERICA, INC	1,800.00	[illegible]
Do	TIMEX CORP		
Do	UNIVERSAL LEAF TOBACCO CO, INC	[illegible]	
BARBARA L. BUSH, 1220 L ST., NW WASHINGTON DC 20005	AMERICAN PETROLEUM INSTITUTE		
E. PHILIP BUSH, 300 LINCOLN PLAZA, LB-5 DALLAS TX 75201	TAYLOR & MIZELL	115.00	
ROY BUSSEWITZ, 1319 F STREET, NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS		
RICHARD R. BUTA, 1620 EYE ST., NW, #703 WASHINGTON DC 20006	BECHTEL NATIONAL, INC		
BUTLER & BINION, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ASSOCIATION OF EXECUTIVE SEARCH CONSULTANTS, INC	38,492.66	
Do	CITY OF PHILADELPHIA		
Do	CORNING ASSOCIATES		
Do	JACQUES BOREL ENTERPRISES, INC AND ACCOR NORTH AMERICAN, INC	36,389.12	
Do	PHILADELPHIA FACILITIES MANAGEMENT CORP	4,500.00	
HELEN C. BUTLER, 1630 CONNECTICUT AVENUE, NW, #202 WASHINGTON DC 20009	GOVERNMENT OF THE REPUBLIC OF HAITI	4,500.00	
Do	TAIWAN POWER CO	1,250.00	61.61
JOHN BUTTS, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
C.A.R.E., 511 C STREET, NE WASHINGTON DC 20002			65.50
CADES SCHUTTE FLEMING & WRIGHT, 740 WASHINGTON PARK BUILDING 1001 22ND STREET, NW WASHINGTON DC 20037	HAWAII CONSUMER FINANCE ASSN, INC	193.75	[illegible]
Do	HAWAIIAN ELECTRIC CO, INC		
Do	U.S. WINDPOWER, INC		
CADWALADER WICKERSHAM & TAFT, 7TH FLOOR 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ASPHALT ROOFING MANUFACTURERS ASSN		4,877.51
Do	KWAJALEIN ATOLL CORP		
JOHN R. CADY, 1711 KING STREET ALEXANDRIA VA 22314	POTATO CHIP/SNACK FOOD ASSN		
ANDREW A. CAFFEY, 1025 CONNECTICUT AVENUE, NW, #707 WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN	1,000.00	
C. RICHARD CAHOON, 1120 VERMONT AVE., NW, #1130 WASHINGTON DC 20005	PETROLEUM MARKETERS ASSN OF AMERICA	1,250.00	
MORRISON G. CAIN, 1625 I ST., NW, #1023 WASHINGTON DC 20006	ASSOCIATION OF GENERAL MERCHANDISE CHAINS	1,200.00	13.25
ALAN CALDWELL, 2550 M STREET, NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC		
CAROL V. CALHOUN, MORGAN LEWIS & BOCKIUS 1800 M STREET, NW WASHINGTON DC 20036	ALIGNPAC	2,133.62	
CHARLES D. CALHOUN, 30 MONTGOMERY STREET JERSEY CITY NJ 07302	RADIO OFFICERS UNION		
FRANK W. CALHOUN, 3400 TEXAS COMMERCE TOWER HOUSTON TX 77002	HOUSTON ENDOWMENT, INC		
CALIFORNIA HOUSING COUNCIL, 1225 8TH STREET, #325 SACRAMENTO CA 95814		[illegible]	[illegible]
PETER E. CALLANAN, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	HONEYWELL, INC		
JOHN C. CALLIHAN, 299 PARK AVENUE NEW YORK NY 10171	WESTVACO CORP		550.00
CALORIE CONTROL COUNCIL, 5775 PEACHTREE-DUNWOODY RD., #500-D ATLANTA GA 30342			
GORDON L. CALVERT, BOX 34-531 BETHESDA MD 20817	COMMERICIAL LAW LEAGUE OF AMER, COMM COLL AGENCY SECTION		
DONALD L. CALVIN, 11 WALL ST. NEW YORK NY 10005	NEW YORK STOCK EXCHANGE, INC	[illegible]	[illegible]
CAMBRIDGE INTERNATIONAL, INC, 10057 MACLURA COURT FAIRFAX VA 22032	AVCO LYCOMING	175.00	
Do	FMC CORPORATION	[illegible]	[illegible]
Do	GENERAL DYNAMICS LAND SYSTEMS	150.00	75.00
Do	LOCKHEED-GEORGIA CO	150.00	
Do	NORDEN SYSTEMS, INC	4,813.00	
ARTHUR E. CAMERON, 499 S. CAPITOL ST., SW, #110 WASHINGTON DC 20003	AMERACE CORPORATION, ET AL	4,500.00	
Do	AMERICAN GREYHOUND TRACK OPERATORS ASSN	6,525.00	
Do	SAFETRAN SYSTEMS CORPORATION		
Do	SIGNAL COMMUNICATIONS	1,500.00	
BRUCE P. CAMERON, 1411 K ST., NW, SUITE 850 WASHINGTON DC 20005	AMERICANS FOR DEMOCRATIC ACTION	90.63	220.45
NANCY CAMM, 1800 K STREET, NW, #900 WASHINGTON DC 20006	BANKAMERICA CORP	250.00	
CAMP CARMOUCHE BARSH HUNTER GRAY HOFFMAN & GILL, 2550 M ST., NW, #275 WASHINGTON DC 20037	ALLSTATE		
Do	CHAMPLIN PETROLEUM COMPANY	8,850.00	
Do	CHEMICAL MANUFACTURERS ASSOCIATION, INC		
Do	EASTERN CENTRAL MOTOR CARRIERS ASSN	250.00	
Do	GEORGIA PACIFIC CORP		
Do	HOLLYWOOD MARINE SERVICES, INC		
Do	INTERMEDICS		
Do	MOBIL OIL CORP	1,750.00	
Do	NATURAL GAS SUPPLY ASSN		
Do	OCCIDENTAL PETROLEUM CORP	250.00	
Do	PENNZOIL CO		
Do	PPG INDUSTRIES, INC	11,900.00	
Do	SEARS ROEBUCK & CO		
Do	SIGNAL COMPANIES, INC		
Do	SOUTH CENTRAL BELL	550.00	
Do	TEXACO, INC		
C. R. CAMPBELL JR., 1120 CONNECTICUT AVENUE, NW, #900 WASHINGTON DC 20036	GTE CORP	[illegible]	
CARL C. CAMPBELL, 1030 15TH ST., NW, SUITE 700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMERICA		
CHARLES ARGYLL CAMPBELL, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	[illegible]	[illegible]
CHARLES O. CAMPBELL, 1745 JEFFERSON DAVIS HIGHWAY, #511 ARLINGTON VA 22202	MANUFACTURED HOUSING INSTITUTE		
JEANNE CAMPBELL, CAMPBELL-RAUPE ASSOCIATES, INC 1015 15TH STREET, NW, #907 WASHINGTON DC 20005	ALGONQUIN GAS TRANSMISSION		
Do	AMERICAN NUCLEAR ENERGY COUNCIL		
Do	BODINE'S INC FOOD PRODUCTS		
Do	INVEST TO COMPETE ALLIANCE		
Do	LTV AEROSPACE & DEFENSE CO		
Do	NEW ENGLAND LIFE		
Do	PITNEY BOWES		
Do	RIFFE PETROLEUM CO		
Do	TEXAS AIR CORP		
Do	TEXAS UTILITIES SERVICE		
Do	WESTINGHOUSE CORP		
JERRY L. CAMPBELL, 1201 CHESTNUT ST CHATTANOOGA TN 37402	TENNESSEE VALLEY PUBLIC POWER ASSN	9,600.00	6,640.48
KEVIN B. CAMPBELL, 101 CONSTITUTION AVENUE, N.W. WASHINGTON DC 20001	UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA		
THOMAS D. CAMPBELL, 1000 16TH ST., NW, #500 WASHINGTON DC 20036	AMOCO CORP	[illegible]	2,172.08
CANADIAN COALITION ON ACID RAIN, 112 ST. CLAIR AVENUE, #504 TORONTO, ONTARIO CANADA M4V2Y3		6,810.00	195.00
SHARON M. CANAVAN, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSN OF AMERICA	20.00	
CANDLELIGHTERS, 123 C ST., SE WASHINGTON DC 20003			
PAUL W. CANE, 50 BEALE ST., P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION	[illegible]	215.00
ANNE C. CANFIELD, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CREDIT CORP	2,000.00	
H. SPOFFORD CANFIELD, 1015 15TH STREET, NW, #900 WASHINGTON DC 20005	INTERNORTH, INC		
DAVE CANNARD, 113 W. 1ST VANCOUVER WA 98660	FRIENDS OF THE COLUMBIA GORGE		
W. DEAN CANNON JR., 9800 S. SEPULVEDA BLVD., #500 LOS ANGELES CA 90045	CALIFORNIA LEAGUE OF SAVINGS INSTITUTIONS	95.40	
DAVID L. CANTOR, 1133 15TH STREET, NW, #1200 WASHINGTON DC 20005	PORTER WRIGHT MORRIS & ARTHUR (FOR: COALITION FOR ENVIRONMENTAL ENERGY BALANCE (CEEB))		
RICHARD A. CANTOR, P.O. BOX 8293 WASHINGTON DC 20024	OIL INVESTMENT INSTITUTE		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
GARY CAPISTRANT, 1200 15TH STREET, NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	3,602.50	[illegible]
CAPITOL GROUP, INC, 2550 M STREET, NW, #650 WASHINGTON DC 20037	APPLIED ENERGY SERVICES, INC		
Do	CHEMKRETE TECHNOLOGIES, INC; LUBRIZOL CORP	5,125.00	445.81
Do	GOVERNORS OFFICE, APPALACHIAN REGIONAL COMMISSION	[illegible]	[illegible]
ROSS CAPON, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS	10,794.83	
CONSTANTINE G. CARAS, 2828 PENNSYLVANIA AVENUE, NW, #205 WASHINGTON DC 20007	OGDEN CORPORATION		
DENISE A. CARDMAN, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
NORVAL E. CAREY, 1025 CONNECTICUT AVE., NW #704 WASHINGTON DC 20036	GULF OIL CORP (FOR GA TECHNOLOGIES, INC)	4,311.00	472.81
ROBERT B. CARLESON, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	KING MAIN HURDMAN, CPA'S (FOR: MERCEDES BENZ OF NORTH AMERICA)	400.00	10.00
EDWARD J. CARLOUGH, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTERNATIONAL ASSN	15,987.00	
ANNE E. CARLSON, 1620 EYE STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC	250.00	
ROBERT E. CARLSTROM JR., 1627 K STREET, NW, #200 WASHINGTON DC 20006	ST. JOE MINERALS CORPORATION	6,000.00	[illegible]
BERTRAM W. CARP, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN	[illegible]	
CY CARPENTER, 12025 E 45TH AVE. DENVER CO 80251	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	8,750.00	264.85
GEORGE D. CARPENTER, 7162 READING ROAD CINCINNATI OH 45222	PROCTER & GAMBLE MANUFACTURING CO	[illegible]	
JACK CARPENTER, 1920 N ST. NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
SUSAN CARR, 1709 NEW YORK AVENUE, NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	1,000.00	
JOHN R. CARSON, 20 CHEVY CHASE CIRCLE WASHINGTON DC 20015	AMERICAN PODIATRIC MEDICAL ASSN	16,000.00	
HANS L. CARSTENSEN, 1625 EYE STREET N.W. #902 WASHINGTON DC 20006	WEYERHAEUSER CO		
DAVID C. CARTER, 1156 15TH ST., NW, #1019 WASHINGTON DC 20005	U.S. BEET SUGAR ASSN		
JOHN R. CARTER, 1000 WILSON BLVD., #2600 ARLINGTON VA 22209	TRW, INC	205.00	
JOSEPH L. CARTER JR., 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	862.83	118.90
TERRIE M. CARTER, 1667 K STREET, NW, #370 WASHINGTON DC 20006	DEERE & CO	43.75	
JAMES P. CARTY, 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	500.00	
SUSAN B. CARVER, 1130 17TH STREET, NW WASHINGTON DC 20036	NATIONAL COAL ASSN	525.00	1,540.54
ALLEN R. CASKIE, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
EUGENE I. CASRAISS JR., 1757 N ST., NW WASHINGTON DC 20036	UNITED AUTO AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	12,393.04	247.40
WILLIAM E. CASSELMAN II, 2000 L STREET, NW, #802 WASHINGTON DC 20036	POPHAM HAIK SCHNOBRICH KAUFMAN & DOTY, LTD (FOR: APCOA, INC)		
CASSIDY AND ASSOCIATES, INC, 955 L'ENFANT PLAZA, SW, #1401 WASHINGTON DC 20024	ALEXANDER GRAHAM BELL ASSN	50.00	
Do	ANATOLIA COLLEGE BOARD OF TRUSTEES	700.00	
Do	ATLANTA UNIVERSITY	300.00	[illegible]
Do	BARRY UNIVERSITY	700.00	
Do	BOSTON COLLEGE	100.00	92.38
Do	BOSTON UNIVERSITY	600.00	217.93
Do	BROADHEAD INVESTMENTS, INC		
Do	BROWN UNIVERSITY	600.00	4.16
Do	CATHOLIC UNIVERSITY OF AMERICA		
Do	CENTEX COMMUNICATIONS, INC		
Do	CITY OF HATTIESBURG	200.00	25.00
Do	COLUMBIA UNIVERSITY	800.00	10.00
Do	COMMAND CONTROL & COMMUNICATIONS CORP		
Do	COMMUNITY CARE SYSTEMS, INC		
Do	CRAY RESEARCH, INC		
Do	DREXEL UNIVERSITY		
Do	INDIANA UNIVERSITY	550.00	64.42
Do	NEORX	100.00	11.00
Do	NEW ENGLAND COLLEGE OF OPTOMETRY		
Do	NORTHWESTERN UNIVERSITY		
Do	OCEAN SPRAY CRANBERRIES, INC	400.00	41.75
Do	OCEANIC INSTITUTE		
Do	PIRELLI CABLE CORPORATION	700.00	85.88
Do	POLYTECHNIC INSTITUTE OF NEW YORK		
Do	ROCHESTER INSTITUTE OF TECHNOLOGY	550.00	15.92
Do	ROCKY MOUNTAIN ENERGY		
Do	SOUTHWEST MARINE, INC		
Do	TUFTS UNIVERSITY	300.00	33.00
Do	U.S. REPEATING ARMS		
Do	UNITED HOSPITALS		
Do	UNIVERSITY OF BRIDGEPORT		
Do	UNIVERSITY OF SOUTHERN MISSISSIPPI		
J. WARREN CASSIDY, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER		
LAWRENCE J. CASSIDY, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTERNATIONAL ASSN	13,929.00	
MARK A. CASSO, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF ARCHITECTS	1,970.00	
JOHN J. CASTELLANI, 27TH FLOOR 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC	1,500.00	
RITA L. CASTLE, 100 NE ADAMS PEORIA IL 61629	CATERPILLAR TRACTOR CO	10,000.00	2,175.18
MICHAEL CAUDELL-FEAGAN, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	U.S. PUBLIC INTEREST RESEARCH GROUP	720.05	
JOSEPH E. CAVANAGH, 1125 15TH ST., NW WASHINGTON DC 20005	INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO-CLC	8,000.00	2,620.49
GORDON CAVANAUGH, 509 C STREET, NE WASHINGTON DC 20002	ROISMAN RENO & CAVANAUGH (FOR: COUNCIL OF LARGE PUBLIC HOUSING AUTHORITIES)	11,618.73	[illegible]
NICHOLAS G. CAVAROCCHI, 6TH FLOOR 2010 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036			
CEDERBERG & ASSOCIATES, 7100 SUSSEX PLACE ALEXANDRIA VA 22307	GRUMMAN CORPORATION		
Do	MARTIN MARIETTA CORP	200.00	
DAVID CERTNER, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	455.00	121.00
CF INDUSTRIES, INC, SALEM LAKE DR. LONG GROVE IL 60047			1,000.00
CHADBOURNE PARKE WHITESIDE & WOLFF, 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN PAPER INSTITUTE		
Do	APPLIED ENERGY SERVICES, INC		25.00
Do			
Do	MANUFACTURERS LIFE INSURANCE CO & MAINE FIDELITY LIC	4,156.20	434.30
Do	NAPP CHEMICALS, INC		25.00
Do	WASHINGTON PSYCHIATRIC SOCIETY	11,014.00	157.24
HENRY CHAJET, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS	90.00	
DURWOOD CHALKER, P.O. BOX 660164 DALLAS TX 75266	CENTRAL AND SOUTH WEST CORP		
CHARLES E. CHAMBERLAIN, 1747 PENNSYLVANIA AVENUE, N.W. WASHINGTON DC 20006	COMMITTEE FOR 806.30 AND 807, INC	750.00	
CHAMBERS ASSOCIATES, INC, 1411 K STREET, NW, #500 WASHINGTON DC 20005	AMERICAN HOSPITAL ASSN		
Do	AMERICAN POSTAL WORKERS UNION, AFL-CIO	7,200.00	
Do	APACHE CORPORATION		
Do	BEAR STEARNS & CO		
Do	COALITION OF PUBLICLY TRADED LIMITED PARTNERSHIPS	12,000.00	
Do	COMMISSIONED OFFICERS ASSN OF THE PUBLIC HEALTH SERVICE		
Do	MANVILLE CORPORATION	2,500.00	
Do	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	825.00	
Do	STATE OF IDAHO, DEPT OF EMPLOYMENT	867.50	
Do	U S WEST		
ED CHANDLER, 7901 WESTPARK DRIVE MCLEAN VA 22102	NATIONAL MACHINE TOOL BUILDERS' ASSN	9,158.00	500.00
J. W. CHANDLER, 1575 I ST., NW WASHINGTON DC 20005	YORK DIV, BORG-WARNER CORP		
CHAPMAN DUFF & PAUL, 1825 EYE ST., NW WASHINGTON DC 20006	ANNUAL CHARGES POLICY GROUP		
JOHN M. CHAPMAN, 1000 WILSON BOULEVARD ARLINGTON VA 22209	BENDIX AEROSPACE SECTOR		
WILLIAM C. CHAPMAN, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	7,065.15
CHARLES KARALEKAS MCCAHILL & WILSON, 1250 CONNECTICUT AVENUE, NW, #318 WASHINGTON DC 20036	INDEPENDENT INSURANCE AGENTS OF AMERICA		
RICHARD M. CHARLTON, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	ELECTRONIC DATA SYSTEMS CORPORATION	[illegible]	369.00
PEGGY CHARREN, 971 MEMORIAL DRIVE, #504 CAMBRIDGE MA 02138	ACTION FOR CHILDREN'S TELEVISION	416.67	
LESLIE CHEEK III, 1025 CONNECTICUT AVENUE, NW, #414 WASHINGTON DC 20036	CRUM & FOSTER CORP	16,250.00	726.65
JANE CHEEVER, 100 FEDERAL ST. BOSTON MA 02110	BANK OF BOSTON CORPORATION		
Do	FIRST NATIONAL BANK OF BOSTON		
CHEMICAL MANUFACTURERS ASSN, INC, 2501 M STREET, NW WASHINGTON DC 20037			
CHEMICAL SPECIALTIES MANUFACTURERS ASSN, 1001 CONNECTICUT AVENUE, NW, #1120 WASHINGTON DC 20036			1,262.61
WILLIAM B. CHERKASKY, 1025 CONNECTICUT AVENUE, NW, #707 WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN		
STEPHAN E. CHERTOFF, 1709 NEW YORK AVENUE, NW, #303 WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD		
CHILDREN'S TELEVISION WORKSHOP, ONE LINCOLN PLAZA NEW YORK NY 10023			
MICHAEL W. CHINWORTH, 1000 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	JAPAN ECONOMIC INSTITUTE OF AMERICA		
CHLORINE INSTITUTE, INC, 70 WEST 40TH STREET NEW YORK NY 10018		6,468.16	6,468.16
FRANK M. CHRISTENSEN, BOX 2030 HAMILTON, ONTARIO, CANADA	CANADIAN TUBULAR PRODUCERS ASSN		
HAL M. CHRISTENSEN, 1111 14TH STREET, NW, #1200 WASHINGTON DC 20005	AMERICAN DENTAL ASSN	3,000.00	964.68

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
WILLIAM T. CHRISTIAN, 2211 CONGRESS STREET PORTLAND ME 04122	UNION MUTUAL LIFE INSURANCE CO		
JACK E. CHRISTY, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	522.31	178.14
JAMES T. CHRISTY, 1730 PENNSYLVANIA AVE., NW, #265 WASHINGTON DC 20006	AIR PRODUCTS & CHEMICALS, INC	600.00	
CHUGACH ELECTRIC ASSN, INC, POUCH 6300 ANCHORAGE AK 99502			
DONALD T CHUMM, ROUTE 2, BOX 89 COLUMBIA TN 38401	TITLE ASSOCIATES, INC		
CHWAT/WEIGEND ASSOCIATES, 400 FIRST STREET, NW, #816 WASHINGTON DC 20001	AMERICAN HOME SEWING ASSN, INC	500.00	500.00
Do	ASSOCIATED LOCKSMITHS OF AMERICA	975.00	975.00
Do	BEER INDUSTRY LEAGUE OF LOUISIANA	400.00	400.00
Do	NATIONAL ASSN OF COMPANION SITTER AGENCIES & REFERRAL SERV	375.00	375.00
Do	NATIONAL ASSN OF CONVENIENCE STORES	500.00	500.00
Do	NATIONAL ASSN OF TOBACCO DISTRIBUTORS	2,000.00	2,000.00
Do	NATIONAL WEATHER SERVICE EMPLOYEES ORGANIZATION	300.00	300.00
			493.30
CIGAR ASSN OF AMERICA, INC, 1100 17TH STREET, NW, #1201 WASHINGTON DC 20036	WATER QUALITY ASSN		
DONNA M. CIROLIA, 1518 K STREET, NW, #401 WASHINGTON DC 20005		8,000.00	
CITIZEN ACTION, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036		9,000.00	9,000.00
CITIZEN/LABOR ENERGY COALITION, 1300 CONNECTICUT AVENUE, NW, RM. 401 WASHINGTON DC 20036		349,201.48	83,906.00
CITIZENS COMM FOR THE RIGHT TO KEEP & BEAR ARMS, LIBERTY PARK, 12500 NE TENTH PLACE BELLEVUE WA 98005			
CITIZENS FOR SENSIBLE CONTROL OF ACID RAIN (CSCAR), P.O. BOX 33729 WASHINGTON DC 20033			
CITIZENS POLITICAL ACTION COMMITTEE, P.O. BOX 645 228 SOUTH A STREET, #2 OXNARD CA 93032			
R. NANCY CLACK, 1250 EYE ST., NW, #602 WASHINGTON DC 20005	DETROIT & MACKINAC RAILWAY CO		
DAVID A. CLANTON, 1667 K STREET, NW, 9TH FL WASHINGTON DC 20006	BUCHANAN INGERSOLL, P.C. (FOR: FEDERATION OF APPAREL MANUFACTURERS)		
PATRICIA T. CLAREY, 1025 CONNECTICUT AVENUE, NW, #507 WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
BOB CLARK, SUITE 1900 400 MADISON ST. ALEXANDRIA VA 22314	RYDER SYSTEMS, INC		
DENNIS B. CLARK, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
GILBERT CLARK, 1117 N. 19TH STREET, NW, #600 ARLINGTON VA 22209	AMERICAN ASSN OF BLOOD BANKS		
JAMES W. CLARK JR, 600 MARYLAND AVENUE, SW, #400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN	95.94	144.25
JORDAN CLARK, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
JOSEPH J. F. CLARK, 1725 K ST., NW, #1111 WASHINGTON DC 20006	EATON ASSOCIATES, INC		
JULIE CLARK, 1625 K ST., NW EIGHTH FLOOR WASHINGTON DC 20006	NATIONAL LEGAL AID & DEFENDERS ASSN	10,000.00	218.65
PHILLIP A. CLARK, 1050 17TH ST., NW, #700 WASHINGTON DC 20036	NATIONAL OCEAN INDUSTRIES ASSN	4,050.00	
ROBERT A. CLARK, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS	425.00	21.43
RUDY I. CLARK, 5342 WOODBURY WOODS LANE FAIRFAX VA 22032	AIR FORCE SERGEANTS ASSN, INC		
VERNON A. CLARK, 1899 L ST., NW, #403 WASHINGTON DC 20036	OUTDOOR ADVERTISING ASSN OF AMERICA, INC	2,438.00	11,581.00
WADE P. CLARKE JR, JOHN DEERE RD MOLINE IL 61265	DEERE & COMPANY		
SCOTT CHARLES CLARKSON, 600 MARYLAND AVENUE, SW, #607 WASHINGTON DC 20024	WASTE MANAGEMENT, INC	2,000.00	407.25
CECIL D. CLAY, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INT'L ASSN	23,908.00	
JOAN CLAYBROOK, 2000 P STREET, NW, #605 WASHINGTON DC 20036	PUBLIC CITIZEN, INC	2,000.00	
CLAYMARK CORPORATION, INC, C/O MILBANK TWEED HADLEY & MCCLOY 30 ROCKEFELLER PLAZA, RM. 5600 NEW YORK NY 10112			
CLEARY GOTTLIEB STEEN & HAMILTON, 1752 N STREET, NW WASHINGTON DC 20036	BEAR STEARNS & CO		
Do	PUBLIC SECURITIES ASSN		35.00
Do	SYNTHETIC ORGANIC CHEMICAL MANUFACTURERS ASSN, INC		
JACQUELINE W. CLEMENTS, 1015 15TH STREET, NW, #900 WASHINGTON DC 20005	INTERNORTH	1,500.00	
RONALD D. CLEMENTS, 1111 19TH ST., NW, 9TH FLOOR WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	2,295.45	266.94
CLEVELAND ELECTRIC ILLUMINATING CO, 55 PUBLIC SQUARE P.O. BOX 5000 CLEVELAND OH 44113			752.00
W. M. CLICK, BOX 719 DALLAS TX 75221	SOUTHLAND CORPORATION		
CLIFFORD & WARNKE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	AUSTRALIAN MEAT & LIVE-STOCK CORP	1,200.00	412.50
Do	JOINT CORPORATE COMM ON CUBAN CLAIMS	600.00	180.00
GEORGE E. CLIFFORD JR., 146 GRAFTON STREET CHEVY CHASE MD 20815			
DEXANNE CLOHAN, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	3,769.00	
STANLEY A. CMICH, 1700 GATEWAY BOULEVARD CANTON OH 44707	FISCAL ASSOCIATES, INC		
Do	GIBBONS & GRABLE CO		
Do	TIMKEN CO		
Do	WHITE ENGINES, INC		
COALITION TO KEEP ALASKA OIL, AFL-CIO BUILDING 815 16TH STREET, NW, #309 WASHINGTON DC 20006		688.00	688.00
COAN COUTURE LYONS & MOORHEAD, 1625 EYE ST., NW, #1015 WASHINGTON DC 20006	A - C VALLEY CORPORATION		
Do	PRESBYTERIAN ASSN ON AGING		
Do	VIETNAM VETERANS OF AMERICA		
Do	WESTINGHOUSE ELECTRIC CORPORATION		
COASTAL PROPERTIES INSTITUTE, INC, 66 SURFWATCH DRIVE JOHNS ISLAND SC 29455			
ALAN J. COBB, 1120 VERMONT AVENUE, NW WASHINGTON DC 20005	PETROLEUM MARKETERS ASSN OF AMERICA	7,500.00	1,317.68
RICHARD B. COBB, PETROLEUM COUNCIL OF GA 230 PEACHTREE ST., NW, #1500 ATLANTA GA 30303	AMERICAN PETROLEUM INSTITUTE	750.00	
COFFEE SUGAR & COCOA EXCHANGE, INC, 4 WORLD TRADE CENTER, 8TH FL. NEW YORK NY 10048			
JOHN J. COFFEY, 1700 K STREET, NW, #1204 WASHINGTON DC 20006	CHEVRON USA, INC	900.00	
DON V. COGMAN, 1100 CONNECTICUT AVENUE, NW, #820 WASHINGTON DC 20036	MAPCO, INC	4,750.00	44.50
DANIEL L. COHEN, 1050 31ST STREET, NW WASHINGTON DC 20007	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	200.00	100.00
DEBORAH A. COHN, 2000 P STREET, NW, #305 WASHINGTON DC 20036	FORESIGHT SCIENCE & TECHNOLOGY, INC (FOR: NATIONAL COALITION FOR SCIENCE & TECHNOLOGY)		
HERBERT B. COHN, MORGAN, LEWIS & BOCKIUS 1800 M ST., NW WASHINGTON DC 20036	COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT	27.00	
COLE & CORETTE, P.C., 1100 VERMONT AVENUE, NW, #900 WASHINGTON DC 20005	CHASE MANHATTAN BANK, N.A.	86.25	
Do	GOVERNMENT OF THE NETHERLANDS ANTILLES		
Do	JAMES D. & LOIS M. LAROSA AND JAMES D. LAROSA	550.00	4.50
Do	LOTUS DEVELOPMENT CORP	580.00	4.50
Do	MEDTRONIC, INC		
Do	MILLIPORE CORPORATION		
Do	WORLD ZIONIST ORGANIZATION JERUSALEM, ISRAEL	507.50	5.00
E. WILLIAM COLE, 1050 CONNECTICUT AVENUE, NW, #760 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA	700.00	50.00
KEN W. COLE, 1150 CONNECTICUT AVENUE, NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION		
RANDALL I. COLE, 1050 CONNECTICUT AVENUE, NW, #200 WASHINGTON DC 20036	EL PASO NATURAL GAS CO	1,000.00	418.18
STACEY W. COLE, NEW HAMPSHIRE PETROLEUM COUNCIL 23 SCHOOL ST. CONCORD NH 03301	AMERICAN PETROLEUM INSTITUTE		
COLETTE R. COLEMAN, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
COLLIER SHANNON RILL & SCOTT, 1055 THOMAS JEFFERSON ST., NW, #308 WASHINGTON DC 20007	AMERICAN FROZEN FOOD INST		
Do	AMERICAN MEAT INSTITUTE		
Do	AMERICAN TEXTILE MACHINERY ASSN	1,500.00	1,500.00
Do	BICYCLE MFGRS ASSN OF AMER, INC	1,500.00	1,300.00
Do	CYLINDER MANUFACTURERS ASSOCIATION		
Do	FOOD MARKETING INSTITUTE		
Do	NATIONAL BROILER COUNCIL		
Do	NATIONAL HAIRDRESSERS & COSMETOLOGISTS ASSN		
Do	NORRIS INDUSTRIES	2,000.00	2,000.00
Do	OUTDOOR POWER EQUIPMENT INSTITUTE		
Do	PITTSBURGH CORNING CORPORATION		
Do	SPECIALTY STEEL INDUSTRY OF THE UNITED STATES		
Do	WEST TEXAS LAND & ROYALTY OWNERS ASSN		
TERESE COLLING, 2062 N. 14TH ST. ARLINGTON VA 22201	MEDIA GENERAL, INC	1,600.00	130.99
MARY M. COLLINS, 1120 20TH STREET, NW, #600 SOUTH WASHINGTON DC 20036	UNION PACIFIC CORP	1,500.00	
STEPHEN J. COLLINS, 1620 EYE ST., NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC		
COLORADO SKI COUNTRY USA, INC., SUITE A-201 1410 GRANT STREET DENVER CO 80203			
KENT W. COLTON, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
COLUMBIA GORGE UNITED, BOX 328 STEVENSON WA 98648		5,124.10	911.98
COMMERCIAL UNION INSURANCE COMPANIES, ONE BEACON STREET BOSTON MA 02108			
COMMITTEE FOR A RESPONSIBLE TAX POLICY, INC, 1750 PENNSYLVANIA AVE., NW, #1201 WASHINGTON DC 20006			
COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT, C/O HERBERT COHN 1800 M ST., NW, #800 NORTH WASHINGTON DC 20036		447.07	447.07
COMMITTEE FOR CONSTITUTIONAL INTEGRITY, 1156 15TH ST., NW, #1212 WASHINGTON DC 20005			
COMMITTEE FOR DO-IT-YOURSELF HOUSEHOLD MOVING, 1725 K ST., NW, #401 WASHINGTON DC 20005			
COMMITTEE FOR EQUALITY OF CITIZENS BEFORE THE COURTS, 2762 N. CLAYBOURN AVENUE CHICAGO IL 60614			
COMMITTEE FOR HUMANE LEGISLATION, INC, 11 WEST 60TH ST. NEW YORK NY 10023		17,273.97	3,473.04
COMMITTEE FOR PRIVATE EDUCATION, 1025 MICHIGAN AVENUE, NE WASHINGTON DC 20036			
COMMITTEE FOR PROPOSITION THIRTY, P.O. BOX 915 HARTSELLE AL 35640			
COMMITTEE TO ASSURE THE AVAILABILITY OF CASEIN, 3213 O ST., NW WASHINGTON DC 20007		70,000.00	
COMMON CAUSE, 2030 M ST., NW WASHINGTON DC 20036		1,781,722.00	477,224.26
COMMUNICATIONS MANAGEMENT, INC, 1925 NORTH LYNN STREET, #1140 ARLINGTON VA 22209	CITIZENS FOR SENSIBLE CONTROL OF ACID RAIN (CSCAR)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	NATURAL GAS SUPPLY ASSN		
Do	PHILIP MORRIS U.S.A.	12,606.40	12,606.40
COMMUNITY NUTRITION INSTITUTE, 2001 S ST., NW, #530 WASHINGTON DC 20009			
LANCE COMPA, 1411 K ST., NW, #410 WASHINGTON DC 20005	UNITED ELECTRICAL RADIO & MACHINE WORKERS OF AMERICA	6,098.90	
COMPETITIVE ENTERPRISE INSTITUTE, 2039 NEW HAMPSHIRE AVENUE, NW, #206 WASHINGTON DC 20009			66.72
COMPUTER & COMMUNICATIONS INDUSTRY ASSOCIATION, 1500 WILSON BLVD., #512 ARLINGTON VA 22209			
BERT M. CONCKLIN, 1500 PLANNING RESEARCH DRIVE MCLEAN VA 22102	PLANNING RESEARCH CORPORATION		673.02
EDWARD C. CONE JR., P.O. BOX 1788 FOREST PARK GA 30051	SOUTHEASTERN LUMBER MANUFACTURERS ASSN		
CAROLE K. CONES, 1515 N. COURTHOUSE RD., #301 ARLINGTON VA 22201	DCM GROUP (FOR: AD HOC COMM FOR AMERICAN SILVER)	3,000.00	41.32
CONFERENCE OF STATE BANK SUPERVISORS, 1015 18TH ST., NW WASHINGTON DC 20036			4,559.11
CONGRESS WATCH, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003		69,920.29	49,173.23
RAYMOND F. CONKLING, 1600 S. LYNN STREET ARLINGTON VA 22202	DIAMOND SHAMROCK CORP	200.00	
JEFFREY B. CONLEY, 605 14TH ST., NW WASHINGTON DC 20005	E. BRUCE HARRISON COMPANY, INC (FOR: NEDA/CAAP)		
JEANNE K. CONNELLY, 1875 EYE ST., NW, #540 WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORP		
ROBERT J. CONNER JR., 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	CHRYSLER CORPORATION	500.00	1,145.89
STEPHEN N. CONNER, ROUTE 1, BOX 506 EASTON MD 21601	FOREIGN MINISTRY OF KINGDOM OF SAUDI ARABIA		837.59
PAULA J. CONNOLLY, 1020 19TH ST., NW, #600 WASHINGTON DC 20036	AMERICAN EXPRESS CO		
SUSAN CONNOLLY, 1615 H ST., N.W. WASHINGTON DC 20061	CHAMBER OF COMMERCE OF THE U.S.	2,617.75	
BRIAN L. CONNOR, 1420 KING STREET ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	2,000.00	
GERALD R. CONNOR, 1030 15TH STREET, NW, #1100 WASHINGTON DC 20005	HEALTH INDUSTRY MANUFACTURERS ASSN	2,375.00	102.67
RICHARD J. CONNOR JR., 1201 PENNSYLVANIA AVENUE, NW, #720 WASHINGTON DC 20004	JOSEPH E. SEAGRAM & SONS, INC	562.50	
JERRY C. CONNORS, 1745 JEFFERSON DAVIS HIGHWAY, #511 ARLINGTON VA 22202	MANUFACTURED HOUSING INST	1,000.00	100.00
GREGORY E. CONRAD, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
KATHY P. CONRAD, 1420 KING ST. ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,250.00	
MARK R. CONRAD, 1200 PEAVEY BUILDING MINNEAPOLIS MN 55479	NORWEST CORPORATION	12,528.00	5,340.00
SHEILA A. CONSAUL, 1020 19TH ST., NW WASHINGTON DC 20036	BALCOR/AMERICAN EXPRESS, INC	6,500.00	6,068.49
CONSOLIDATED EDISON CO OF NEW YORK, INC, 4 IRVING PLACE NEW YORK NY 10003			415.00
CONSUMERS FOR WORLD TRADE, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036		1,610.68	20,440.19
CONSUMERS UNION OF U.S., INC., 256 WASHINGTON ST. MOUNT VERNON NY 10550			7,000.00
CONTACT SYSTEMS CORP, 200 MADISON AVENUE, #1207 NEW YORK NY 10016			
JOHN J. CONTNEY, 1250 E. HOLLANDALE BEACH BLVD HOLLANDALE FL 33009	TEXTILE RENTAL SERVICES ASSN OF AMERICA		
DANIEL J. CONWAY, 1025 CONNECTICUT AVENUE, NW, #512 WASHINGTON DC 20036	REINSURANCE ASSN OF AMERICA		
EMERY S. CONYERS, P.O. BOX 1706 MIDLAND MI 48640	DOW CHEMICAL CO		
ALEXANDRA W. COOK, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	ELECTRONIC DATA SYSTEMS CORPORATION	352.00	248.00
FREDERICK N. COOK, VERMONT PETROLEUM ASSOCIATION P.O. BOX 566 MONTPELIER VT 05602	AMERICAN PETROLEUM INSTITUTE	750.00	625.44
HARRY N. COOK, 1130 17TH ST., NW WASHINGTON DC 20036	NATIONAL WATERWAYS CONFERENCE, INC		
K. RICHARD COOK, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	425.00	
THOMAS M. COOK, 1301 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN	1,000.00	
EILEEN D. COOKE, 110 MARYLAND AVE., NE, SUITE 101, BOX 54 WASHINGTON DC 20002	AMERICAN LIBRARY ASSN	1,440.00	
BRIAN D. COONEY, 1125 15TH STREET, NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSN OF AMERICA	8,600.00	42.00
BENJAMIN Y. COOPER JR., 1730 NORTH LYNN ST. ARLINGTON VA 22209	PRINTING INDUSTRIES OF AMERICA, INC	8,500.00	
CHESTER L. COOPER, 1616 P ST., NW, #410 WASHINGTON DC 20036	AMERICAN ACADEMY OF ARTS & SCIENCES	10,000.00	175.00
JESSE D. COOPER, 345 PETROLEUM BLDG DENVER CO 80202	ROCKY MOUNTAIN OIL & GAS ASSN	2,600.00	1,043.38
JOSHUA W. COOPER, 400 MADISON STREET, APT. 808 ALEXANDRIA VA 22314	PORTSMOUTH-KITTERY ARMED SERVICES COMM, INC	800.00	713.20
KATHY J. COOPER, 1700 K ST., NW, #1204 WASHINGTON DC 20006	CHEVRON USA, INC	125.00	
MITCHELL J. COOPER, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036	FOOTWEAR DIV, RUBBER MFGRS ASSN	14,250.00	
ROBIN A. COOPER, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	300.00	
DARRELL COOVER, 499 SOUTH CAPITOL ST., SW, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	2,000.00	703.00
JAY COPELAND, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	1,086.40	164.96
JOSEPH L. COPPOLA, 3600 S. YOSEMITE, #830 DENVER CO 80237	KOGOVSEK AND ASSOCIATES, INC	6,300.00	450.00
MICHAEL J. COPPS, 1660 L ST., NW, #1000 WASHINGTON DC 20036	COLLINS AND AIKMAN CORP	7,400.00	1,268.00
JOHN F. CORCORAN, 1050 CONNECTICUT AVE., NW, #740 WASHINGTON DC 20036	NORFOLK SOUTHERN CORPORATION	1,000.00	
PATRICK H. CORCORAN, 1725 K ST., NW, #1205 WASHINGTON DC 20006	ASSOCIATION OF OIL PIPELINES		
ALFRED C. CORDON, 1920 N ST., NW WASHINGTON DC 20036	BUFFALO BROADCASTING CO, INC		
CORMAN LAW OFFICES, 1420 16TH STREET, NW WASHINGTON DC 20036	AMERICAN BAKERS ASSOCIATION	2,500.00	
Do	BAITY & JOSEPH	8,600.00	
Do	BANK AMERILEASE GROUP	465.00	
Do	CALIFORNIA VISION SERVICE PLAN		
Do	CARGILL LEASING CORP	465.00	
Do	CCS AUTOMATION SYSTEMS, INC	1,400.00	
Do	CONNELL FINANCE CO, INC	465.00	
Do	CONSOLIDATED CAPITAL COMPANIES	2,500.00	
Do	EDS FINANCIAL CORPORATION	465.00	
Do	FIRST CHICAGO LEASING CORP	465.00	
Do	FIRST NATIONAL BANK OF BOSTON	465.00	
Do	FIRST NATIONAL BANK OF MINNEAPOLIS	465.00	
Do	GATX CORPORATION		
Do	GATX LEASING CORP	465.00	
Do	GENERAL ELECTRIC CREDIT CORP	465.00	
Do	KELSO & COMPANY	12,400.00	
Do	MANUFACTURERS HANOVER LEASING CORP	465.00	
Do	MUSIC CORP OF AMERICA, INC	2,300.00	
Do	STATE OF MICHIGAN	3,760.00	
Do	SYSTEMS & APPLIED SCIENCES CORP TECHNOLOGIES		
Do	SYSTEMS AND APPLIED SCIENCES CORP		
Do	TEXAS AIR CORP	900.00	
Do	UNITED ENERGY CORP	5,150.00	
BENNETT J. CORN, FOUR WORLD TRADE CENTER NEW YORK NY 10048	COFFEE SUGAR & COCOA EXCHANGE, INC		
CORN REFINERS ASSOCIATION, INC, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036		4,463.00	2,737.00
CORPORATION FOR GOVERNMENT ACTION, INC, 888 17TH ST., NW, #300 WASHINGTON DC 20006	COUNCIL ON MULTIEMPLOYER PENSION SECURITY	36,500.00	12,483.73
ERNEST J. CORRADO, 1625 K ST., NW, #1000 WASHINGTON DC 20006	AMERICAN INST OF MERCHANT SHIPPING	1,389.00	17.00
MARY MARCOTTE CORRIGAN, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER		
RICHARD L. CORRIGAN, 1201 PENNSYLVANIA AVENUE, NW, #250 WASHINGTON DC 20004	CH2M HILL, INC	2,000.00	
MARTY CORRY, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	543.85	788.34
ALLAN D. CORS, 1800 K ST., NW, SUITE 1104 WASHINGTON DC 20006	CORNING GLASS WORKS	2,500.00	
WILLIAM R. CORSON, 1707 H ST., NW WASHINGTON DC 20006	PENTHOUSE INTL LTD		
R. H. CORY, 1005 CONGRESS AVENUE, #795 AUSTIN TX 78701	CENTRAL AND SOUTH WEST SERVICES, INC	232.00	693.54
TOM COSGROVE, 37 TRUMBULL STREET NEW HAVEN CT 06511	SIERRA CLUB	3,105.00	828.10
COSMETIC TOILETRY & FRAGRANCE ASSN, INC, 1110 VERMONT AVE., NW, #800 WASHINGTON DC 20005			
J. DANIEL COSTELLO, 1615 H ST., NW SILVER SPRING MD 20062	U.S. CHAMBER OF COMMERCE		
MICHAEL E. COSTELLO, 1090 VERMONT AVENUE, NW, #600 WASHINGTON DC 20005	TEXAS EASTERN TRANSMISSION CORP		259.40
MEREDITH COTE, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	452.31	52.55
MARY ALICE COTTER, 410 FIRST STREET, SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	1,100.00	80.61
COUNCIL FOR LANGUAGES AND OTHER INT'L STUDIES, 3520 PROSPECT ST., NW WASHINGTON DC 20007		10,113.87	11,560.78
COUNCIL FOR RURAL HOUSING AND DEVELOPMENT, 2300 M ST., NW WASHINGTON DC 20036		6,000.00	6,000.00
COUNCIL OF STATE CHAMBERS OF COMMERCE, 122 C ST., NW, #200 WASHINGTON DC 20001		1,189.58	562.05
COUNCIL ON MULTIEMPLOYER PENSION SECURITY, INC, 888 17TH ST., NW, #300 WASHINGTON DC 20006		34,250.00	39,789.84
COUNCIL ON SYNTHETIC FUELS, 1301 PENNSYLVANIA AVE., NW, #325 WASHINGTON DC 20006			
WILLIAM R. COURTNEY, P.O. BOX 844 TEMPLE TX 76503	TRIBAL COUNCIL OF THE COUSHATTA TRIBE OF LOUISIANA		
JOHN F. COVE, 918 16TH ST., NW, #702 WASHINGTON DC 20006	COVE ASSOCIATES, INC (FOR: ASSOCIATION OF U.S. NIGHT VISION MANUFACTURERS)		
COVINGTON & BURLING, 1201 PENNSYLVANIA AVENUE, NW P.O. BOX 7566 WASHINGTON DC 20044	AMERICAN ASSN OF ORAL & MAXILLOFACIAL SURGEONS		
Do	AMERICAN WATCH ASSN		50.00
Do	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC		
Do	COALITION TO PRESERVE THE INTEGRITY OF AMERICAN TRADEMARKS		
Do	COMMONWEALTH OF PUERTO RICO		
Do	GEORGE ROWE, JR. (FOR: ESTATE OF EDMUND G. NOWELL)		
Do	HOUDAILLE INDUSTRIES, INC		
Do	INVESTMENT COMPANY INSTITUTE	3,000.00	5.00
Do	LUTHERAN BROTHERHOOD	5,568.75	32.40
Do	MIDWEST TELEVISION, INC		
Do	NATIONAL FOOTBALL LEAGUE	4,500.00	
Do	PACIFIC STOCK EXCHANGE, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	POST-NEWSWEEK STATIONS, INC		
Do	WESLEYAN UNIVERSITY, AMHERST COLLEGE, ET AL	8,500.00	70.90
EUGENE S. COWEN, 1150 17TH ST., NW WASHINGTON DC 20036	AMERICAN BROADCASTING CO, INC	193.05	
C. DEMING COWLES, 6TH FLOOR 1050 THOMAS JEFFERSON STREET, NW WASHINGTON DC 20007	BERING SEA FISHERMEN'S ASSN	2,500.00	954.91
Do	MUNICIPALITY OF ANCHORAGE	8,700.00	2,236.78
Do	UNITED FISHERMEN OF ALASKA	3,000.05	953.09
ARCHIBALD COX, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	3,350.02	
C. BRYAN COX, PO BOX 139 KANSAS CITY MO 64141	KANSAS CITY LIFE INSURANCE CO		223.24
JEFFREY T. COX, 1420 KING ST. ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,250.00	
DONALD FORSYTH CRAIG III, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS ROEBUCK & CO	200.00	53.00
CRAMER HABER & LUKIS, P.C., 818 CONNECTICUT AVE., NW WASHINGTON DC 20036	CANAVERAL PORT AUTHORITY	13,500.00	87.09
Do	CITY OF MIAMI	11,360.00	1,197.01
Do	DADE COUNTY INTERNATIONAL AIRPORT		
Do	DADE COUNTY	7,800.00	
Do	PENNSYLVANIA ENGINEERING CORP	12,500.00	1,333.43
WILLIAM C. CRAMER, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	CRAMER HABER & LUKIS, P.C. (FOR: CANAVERAL PORT AUTHORITY)		
Do	CRAMER HABER & LUKIS, P.C. (FOR: CITY OF MIAMI)		
Do	CRAMER HABER & LUKIS, P.C. (FOR: DADE COUNTY INTERNATIONAL AIRPORT)		
Do	CRAMER HABER & LUKIS, P.C. (FOR: DADE COUNTY)		
Do	CRAMER HABER & LUKIS, P.C. (FOR: PENNSYLVANIA ENGINEERING CORP)		
JOHN R. CRANE, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE		
RICHARD L. CRAWFORD, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
RONALD CRAWFORD, F/P RESEARCH ASSOCIATES 1700 K STREET, NW, #303 WASHINGTON DC 20006	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION	2,000.00	
WILLIAM D. CRAWFORD, 400 FIRST ST., NW WASHINGTON DC 20001	BROTHERHOOD OF RAILWAY CARMEN OF THE U.S. & CANADA	2,032.50	
JOHN P. CREGAN, 1000 CONNECTICUT AVENUE, NW, #1200 WASHINGTON DC 20036	U.S. BUSINESS & INDUSTRIAL COUNCIL	8,060.50	
RICHARD C. CREIGHTON, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	5,000.00	500.00
DOUGLAS P. CREW, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO		
JOSEPH M. CRIBBEN, 6900 VALLEY BROOK DR. FALLS CHURCH VA 22042	UNITED ASSN OF JNYMEN & APPREN OF PLMBG & PIPEFTG INDUSTRY	1,750.00	
MICHAEL F. CRIM, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES		
RICHARD E. CRISTOL, 5775 PEACHTREE-DUNWOODY RD., #500D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)		
P. H. CROFT, 2000 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN SHORT LINE RAILROAD ASSN		
ROBERT W. CROMARTIE, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	175.00	
CHARLES H. CROMWELL, INC, 6709 GEORGIA ST CHEVY CHASE MD 20815	GENERAL ELECTRIC CO		
Do	HUGHES HELICOPTERS		
Do	NORTHROP CORP		
DONALD J. CRONIN, 1511 K STREET, NW, #820 WASHINGTON DC 20005	FRANK G. KINGSLEY	5,000.00	55.00
LAUREN J. CRONIN, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	AMERICAN CEMENT TRADE ALLIANCE, INC	10,875.00	88.00
RAE E. CRONMILLER, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	150.00	
THOMAS R. CROSBY JR., 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
JOHN M. CROSS, 1201 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC		
COLLEEN CROSSLAND, 444 N. CAPITOL STREET, NW, #718 WASHINGTON DC 20001	PACIFIC TELESIS GROUP	15,450.00	
BOBBY E. CROW, 3805 W. ALABAMA HOUSTON TX 77027	COLUMBIA GULF TRANSMISSION CO		
CROWELL & MORING, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASARCO INC		
Do	ASSOCIATED GAS DISTRIBUTORS		
Do	AVON PRODUCTS, INC		
Do	BROOKLYN UNION GAS CO	85.00	10.00
Do	BURLINGTON NORTHERN	1,395.90	12.00
Do	COMMUNICATIONS SATELLITE CORP		
Do	CONTRACTORS LIABILITY & INDEMNIFICATION ALLIANCE	540.00	11.00
Do	CONTROL DATA CORPORATION		
Do	COOK INLET REGION, INC		
Do	ELI LILLY AND COMPANY	7,250.00	10.00
Do	NATIONAL ASSN OF MANUFACTURERS		
Do	NATIONAL ASSN OF WHOLESALER DISTRIBUTORS	8,120.00	10.00
Do	PAN AMERICAN WORLD AIRWAYS, INC; PAN AM WORLD SERVICES	3,561.00	94.53
Do	REGIONAL AIRLINE ASSOCIATION		
Do	TRUST FOR PUBLIC LANDS		
Do	WESTERN GOVERNORS' ASSN	348.75	8.00
CUBA CLAIMS ASSOCIATION, PO BOX 014004 MIAMI FL 33101			
JONNA LYNNE CULLEN, 1300 ARMY NAVY DR., #209, ARLINGTON VA 22202	LAWRENCE KUDLOW ASSOCIATES	4,800.00	
WILLIAM E. CUMBERLAND, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSN OF AMERICA	9,340.00	226.00
SCOTT S. CUNNINGHAM, 1100 15TH STREET, NW WASHINGTON DC 20005	UNION CARBIDE CORP		
JOHN T. CURRAN, 905 16TH ST., NW WASHINGTON DC 20006	LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO	14,182.50	400.25
Do	NATIONAL COORDINATING COMM FOR MULTIEMPLOYER PLANS		
MARY BETH CURRY, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	262.00	34.50
RICHARD C. CURRY, 6819 ELM STREET, #3 MCLEAN VA 22101	FIRE ISLAND ASSOCIATES, INC	2,610.00	325.77
EDWARD P. CURTIS JR., GENESEE PUBLIC AFFAIRS, INC 36 W. MAIN STREET ROCHESTER NY 14614	MINISTRY OF THE ENVIRONMENT PROVINCE OF ONTARIO, CANADA		
M. RUPERT CUTLER, 1325 G ST., NW, #103 WASHINGTON DC 20005	ENVIRONMENTAL FUND	420.00	17.00
EVERETT E. CUTTER, 620 SW FIFTH AVENUE BLDG., SUITE 912 PORTLAND OR 97204	OREGON RAILROAD ASSN		
D L ASSOCIATES, INC, 1730 RHODE ISLAND AVENUE, NW, #210 WASHINGTON DC 20036	BRIGGS & STRATTON	250.00	
Do	PHILLIPS PETROLEUM CO		
Do	SCIENCE APPLICATIONS, INC	250.00	
D'AMICO LUEDTKE DEMAREST & GOLDEN, 1920 N STREET, NW, #400 WASHINGTON DC 20036	ENERGY EXPLORATION CO	190.63	
Do	MITCHELL ENERGY & DEVELOPMENT CORP	190.63	
Do	MURCHISON OIL & GAS, INC	190.63	
Do	PITTS ENERGY GROUP	190.63	
Do	SOUTHLAND CORPORATION	262.50	
Do	TEXAS OIL & GAS CORP	190.63	
Do	US TELECOM, INC	577.50	
Do	WEISELY ENERGY CORP	190.63	
WILLIAM D. D'ONOFRIO, 1800 W. 8TH ST. WILMINGTON DE 19805	NATIONAL ASSN FOR NEIGHBORHOOD SCHOOLS, INC		
WILLIAM X. DABAGHI, ARTER & HADDEN 1919 PENNSYLVANIA AVE., NW, #400 WASHINGTON DC 20006	A.S. NEMIR ASSOCIATES (FOR: SUGAR & ALCOHOL INSTITUTE)		15.00
Do	COALITION FOR REGIONAL BANKING & ECONOMIC DEVELOPMENT	9,090.75	1,894.74
Do	HOUSTON CLEARING HOUSE ASSN	3,584.00	282.82
WILLIAM KAY DAINES, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	900.00	111.00
LEWIS I. DALE, 1730 PENNSYLVANIA AVE., NW, #265 WASHINGTON DC 20006	AIR PRODUCTS & CHEMICALS, INC	700.00	
DONALD W. DALRYMPLE, 1575 I ST., NW WASHINGTON DC 20005	AMERICAN CYANAMID COMPANY (FOR: LEDERLE LABORATORIES)	2,360.00	807.01
JAMES G. DALTON, 1420 KING ST. ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	2,500.00	
JOHN M. DAMGARD, 1825 EYE STREET, NW, #1040 WASHINGTON DC 20006	FUTURES INDUSTRY ASSN, INC		
JOHN E. DANIEL, 1133 15TH STREET, NW, #1200 WASHINGTON DC 20005	OHIO EDISON CO		
DAVID C. DANIELS, 1608 K STREET, NW WASHINGTON DC 20006	AMERICAN LEGION	5,280.00	20.90
DAVID S. DANIELSON, 600 MARYLAND AVENUE, SW, #400-E WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
CHARLES FRANKLIN DAOUST, P.O. BOX 12910 CHARLESTON SC 29412	KIAWAH ISLAND CO LTD		
COLLEEN A. DARLING, 1730 RHODE ISLAND AVENUE, NW, #204 WASHINGTON DC 20036	JAPANESE AMERICAN CITIZENS LEAGUE	5,846.00	176.53
DIANE DAVENNY DARNEILLE, 1726 M ST., NW, #300 WASHINGTON DC 20036	SCHERING-PLOUGH CORP	3,078.00	6,677.30
CRAIG D. DART, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
LINDA DASCHLE, 1709 NEW YORK AVE., NW WASHINGTON DC 20006	AIR TRANSPORT ASSN OF AMERICA	5,000.00	
JOHN C. DATT, 600 MARYLAND AVE., SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FEDERATION	10,250.01	
M. DENNIS DAUGHERTY, 733 15TH STREET, NW WASHINGTON DC 20005	LEGAL SERVICES CORP	49.37	6.05
JOHN B. DAVENPORT JR., 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	145.00	
LARRY C. DAVENPORT, 5775 PEACHTREE-DUNWOODY RD., #500-D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)		
THEODORE S. J. DAVI, 371-106 BURGUNDY LN. LONGWOOD FL 32779			
EARL F. DAVID, 1825 K ST., NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY	1,000.00	
DANIEL I. DAVIDSON, 1350 NEW YORK AVE., NW WASHINGTON DC 20005	SPIEGEL & MCDIARMID (FOR: NORTHERN CALIFORNIA POWER AGENCY)		
JAMES H. DAVIDSON, 2000 L STREET, NW, #200 WASHINGTON DC 20036	AMERICAN NEWSPAPER PUBLISHERS ASSN	7,393.50	
DAVIS & HARMAN, 655 15TH STREET, NW WASHINGTON DC 20005	AMERICAN GENERAL LIFE INSURANCE CO	975.00	231.09
Do	AMERICAN HORSE COUNCIL	1,043.00	261.30
Do	APACHE CORPORATION		
Do	BETHLEHEM STEEL	500.00	198.20
Do	CAPITOL HOLDING CORP		
Do	CHICAGO BOARD OF TRADE	1,000.00	354.10
Do	CNA INSURANCE	750.00	135.00
Do	COMMITTEE OF ANNUITY INSURERS		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	FLORIDA POWER & LIGHT		230.86
Do	FLORIDA SUGAR CANE LEAGUE		
Do	JACKSONVILLE ELECTRIC AUTHORITY	1,000.00	
Do	LINCOLN NATIONAL LIFE INSURANCE CO	937.50	83.87
Do	NATIONAL CATTLEMEN'S ASSN		
Do	PROPERTY/CASUALTY GROUP	450.00	55.63
Do	STOCK INFORMATION GROUP	1,245.00	194.29
Do	WINTHROP FINANCIAL ASSN	1,000.00	210.55
Do	WOODSTREAM CORPORATION		
DAVID R. DAVIS, INDIANA PETROLEUM COUNCIL 714 HARRISON BLDG. INDIANAPOLIS IN 46204	AMERICAN PETROLEUM INSTITUTE	1,857.72	492.59
DREW M DAVIS, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN	242.34	93.70
EDWARD M. DAVIS, 410 FIRST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	7,729.17	864.57
FRED G. DAVIS, 1111 19TH STREET, N.W. WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	2,849.61	455.34
DAVIS GRAHAM & STUBBS, 1001 22ND ST., NW, #500 WASHINGTON DC 20037	MUNICIPAL SUBDISTRICT, NO. COLORADO WATER CONSERVANCY DIST	16,159.50	16,159.50
Do	NORTHERN COLORADO WATER CONSERVANCY DISTRICT	4,455.00	4,455.00
Do	SNYDER OIL CO		
DAVIS HOCKENBERG WINE BROWN & KOEHN, 2300 FINANCIAL CENTER DES MOINES IA 50309	NORTHWESTERN BELL (IOWA DIV)	50.00	
KENNETH E. DAVIS, SUITE 1210 1667 K ST., NW WASHINGTON DC 20006	ROHM & HAAS CO	500.00	
OVID R. DAVIS, P.O. DRAWER 1734 ATLANTA GA 30301	COCA-COLA COMPANY		
DAVIS POLK & WARDWELL, 1575 EYE ST., NW WASHINGTON DC 20005	MANVILLE CORP	150.00	5.00
Do	NORWEST CORP		
Do	U.S. TRUST CORP		
ROBERT DAVIS, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	780.00	455.00
W. KENNETH DAVIS, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL GROUP, INC		
DAVIS WRIGHT TODD RIESE & JONES, 1752 N ST., NW, #800 WASHINGTON DC 20036	GTE SPRINT COMMUNICATIONS	200.00	5.00
HARRY F. DAY, 1800 K STREET, NW, #1100 WASHINGTON DC 20006	NEW YORK STOCK EXCHANGE, INC		
DCM GROUP, 1515 N. COURTHOUSE RD., #301 ARLINGTON VA 22201	AD HOC COMM FOR AMERICAN SILVER	5,112.50	5,901.21
RALPH DE LA CRUZ, 1225 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN PUBLIC TRANSIT ASSN	2,625.00	182.00
O. MARK DE MICHELE, 411 NORTH CENTRAL AVENUE P.O. BOX 21666 PHOENIX AZ 85014	ARIZONA PUBLIC SERVICE COMPANY		
DEALER BANK ASSN, 1800 K ST., NW, #1014 WASHINGTON DC 20006			
JOHN RUSSELL DEANE III, 1607 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20009	AMERICAN METAL DETECTORS MANUFACTURERS, INC		
Do	AUTO INTERNATIONAL ASSN	250.00	130.56
Do	COALITION OF AUTOMOTIVE ASSNS	14.85	6.68
Do	SPECIALTY EQUIPMENT MARKET ASSN	1,650.00	774.92
RANDY R. DEBENHAM, P.O. BOX 4267 TOPEKA KS 66604	KANSAS ELECTRIC COOPERATIVES	6,250.00	2,268.21
DEBEVOISE & PLIMPTON, 1777 F ST., NW WASHINGTON DC 20006	SONY CORP OF AMERICA	387.00	
Do	STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC		2,767.38
ROBERT L. DEBO, MISSOURI OIL COUNCIL 428 E. CAPITOL, #203 JEFFERSON CIY MO 65101	AMERICAN PETROLEUM INSTITUTE		
JEFF DEBOER, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,750.00	566.41
EDWARD S. DEBOLT, 1515 N. COURTHOUSE RD., #301 ARLINGTON VA 22201	DCM GROUP (FOR: AD HOC COMM FOR AMERICAN SILVER)	2,650.00	
DECHERT PRICE & RHOADS, 1730 PENNSYLVANIA AVENUE, NW, #1100 WASHINGTON DC 20006	CENTER FOR CIVIC EDUCATION		
Do	CONSITUTIONAL RIGHTS FOUNDATION	4,426.00	374.53
Do	YONKERS RACING CORP		333.00
MARK O. DECKER, 1120 VERMONT AVE., NW, #1130 WASHINGTON DC 20005	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS, INC	3,100.00	
WINSTON M. DECKER, 1522 K ST., NW, #828 WASHINGTON DC 20005	AMERICAN VETERINARY MEDICAL ASSN	480.00	
Do	ASSOCIATION OF AMERICAN VETERINARY MEDICAL COLLEGES	600.00	
RICHARD A. DEEM, 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	25.00	
BRIAN DEERY, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
DONALD H. DEFOE, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO	471.20	936.71
JOHN J. DEGNAN, SHANLEY & FISHER, P.C. 131 MADISON AVENUE MORRISTOWN NJ 07960	SHARP ELECTRONICS CORP		
GEORGE K. DEGNON ASSOCIATES, INC, 1311-A DOLLEY MADISON BLDG., #3A MCLEAN VA 22101	ASSOCIATION OF STATE & TERRITORIAL HEALTH OFFICIALS		1,000.00
GENE A. DEL POLITO, 1341 G STREET, NW, #500 WASHINGTON DC 20005	THIRD CLASS MAIL ASSN	600.00	
STEPHEN T. DELAMATER, 2600 SOUTHLAND CENTER 400 N. OLIVE ST. DALLAS TX 75201	HALLIBURTON CO		
JOHN W. DELANEY, 100 FEDERAL ST. BOSTON MA 02110	BANK OF BOSTON CORPORATION		
Do	FIRST NATIONAL BANK OF BOSTON		
DELANEY MIGDAIL & YOUNG, CHTD, 1629 K STREET, NW, #1000 WASHINGTON DC 20006	GOVERNMENT EMPLOYEES INSURANCE CO	10,000.00	363.47
Do	MARYLAND SAVINGS SHARE INSURANCE CORP	11,803.75	303.34
Do	NATIONAL ASSN OF INDEPENDENT INSURERS	4,000.00	309.80
THOMAS J. DELANEY, 1111 NORTH 19TH STREET, #700 ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS	1,500.00	119.92
LAW OFFICES OF PAUL DELANEY, JR., 1120 20TH STREET, NW WASHINGTON DC 20036	BOWATER INDUSTRIES PLC	8,821.35	
Do	CONTINENTAL GRAIN CO	13,242.42	
JOHN L. DELANO, 7 EDWARDS - BOX 1172 HELENA MT 59624	MONTANA RAILROAD ASSN		804.00
ROBERT B. DELANO, 225 TOUHY AVE. PARK RIDGE IL 60068	AMERICAN FARM BUREAU FED	3,125.00	
LESLIE DELONG, 1925 K STREET, NW, #206 WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY	185.82	
MICHAEL J. DELOOSE, 1015 18TH STREET, NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS	643.00	
GEORGIA L. DELYANNIS, 1730 K STREET, NW, #903 WASHINGTON DC 20006	AMERICAN HELLENIC INSTITUTE PUBLIC AFFAIRS COMMITTEE		
TANIA DEMCHUK, 499 SOUTH CAPITOL ST., SW, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	100.00	
WILLARD L. DEMORY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BELL ATLANTIC MANAGEMENT SERVICES)	230.00	
BRADFORD T. DEMPSEY, 512 W. MAPLE AVE., #210 VIENNA VA 22180			
PERRY COMO DENBY, BOX 7000 TEXARKANA TX 75501			
GEORGE H. DENISON, 4801 MASSACHUSETTS AVE., NW, #400 WASHINGTON DC 20016	CRUISE AMERICA LINE, INC	225.00	
Do	NATIONAL OFFICE PRODUCTS ASSN	300.00	
Do	WESTINGHOUSE ELECTRIC CORP	975.00	
RAY DENISON, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	15,769.00	373.28
JOHN H. DENMAN, MISSOURI OIL COUNCIL 428 E. CAPITAL ST., #203 JEFFERSON CITY MO 65101	AMERICAN PETROLEUM INSTITUTE	735.06	729.11
ROBERT A. DENMAN, 600 MARYLAND AVENUE, SW, #202W WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	4,152.96	764.48
WELLS DENYES, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	EASTMAN CHEMICALS DIVISION	1,100.00	143.32
DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		10,229.28	10,229.28
GREGORY L. DEPRIEST, 1735 DESALES STREET, NW WASHINGTON DC 20036	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC		
ALPHONSE DEROSSO, 1899 L ST., NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION	250.00	144.72
LLOYD J. DERRICKSON, 1828 L ST., NW, #906 WASHINGTON DC 20036	MERRILL LYNCH & CO, INC	6,500.00	
MICHAEL DESANTO, 11436 SCHUYKILL RD. ROCKVILLE MD 20852	GREATER WASHINGTON/MARYLAND SERVICE STATION ASSN	3,000.00	
JAMES T. DEVINE, LAW OFFICES OF DERRIS LEONARD, P.C. 900 17TH ST., NW, #1020 WASHINGTON DC 20006	BOWLING PROPRIETORS ASSN OF AMER		
SAMUEL L. DEVINE, 888 17TH ST., NW WASHINGTON DC 20006	AMERICAN SMALL AND RURAL HOSPITAL ASSOCIATION, OHIO CHAPTER		
Do	CONSOLIDATED RAIL CORP		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	OCCIDENTAL PETROLEUM CORP	15,999.98	
Do	PAYCO AMERICAN CORPORATION		
Do	PEPSICO, INC		
R. DANIEL DEVLIN, 1825 EYE STREET, NW, #350 WASHINGTON DC 20006	TRANS WORLD AIRLINES, INC	350.00	
DEWEY BALLANTINE BUSHBY PALMER & WOOD, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AMAX INC		
Do	AMERICAN CAN CO		
Do	AMERICAN STOCK EXCHANGE, INC		
Do	BENEFECIAL CORP		
Do	BROWNING-FERRIS INDUSTRIES, INC		
Do	CHASE MANHATTAN CORP	180.00	
Do	COMMITTEE FOR FUTURE INVESTMENT IN AMERICA'S PAST	2,250.00	
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	GENERAL ELECTRIC PENSION TRUST		
Do	GTE SERVICE CORP		
Do	INTEGRATED RESOURCES, INC		
Do	WARNER LEROY	337.50	
Do	MARRIOTT CORPORATION	1,125.00	
Do	PHIBRO-SALOMON, INC		
Do	JOSEPH E. SEAGRAM & SONS, INC	787.50	
Do	TEACHERS INSURANCE AND ANNUITY ASSN OF AMERICA		
DORIS J. DEWTON, 1025 CONNECTICUT AVE., NW, #507 WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
KENDALL P. DEXTER, 9 COUNTRY CLUB ROAD MOBILE AL 36608	MACMILLAN BLOEDEL, INC		
DGA INTERNATIONAL, INC, 1818 N STREET, NW WASHINGTON DC 20036	ARIANESPACE, S.A.		293.33
Do	DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS		
Do	SOCIETE NATIONALE D'ETUDE ET DE CONST. DE MOTEURS D'AVIATION		209.21
Do	SOFREAVIA		

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Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	THOMSON-CSF DIVISION SYSTEMS ELECTRONIQUE OF FRANCE		
DIAMOND SHAMROCK CORPORATION, 717 N. HARWOOD STREET DALLAS TX 75201			
CHARLES J. DIBONA, 1220 L ST., NW WASHINGTON DC 20005	AMERICAN PETROLEUM INSTITUTE	1,875.00	
JOHN M. DICKERMAN, 1015 15TH ST., NW, #700 WASHINGTON DC 20005	NATIONAL LUMBER & BUILDING MATERIAL DEALERS ASSN		
CHESTER T. DICKERSON JR., 1101 17TH ST., NW, #604 WASHINGTON DC 20036	MONSANTO CO		255.12
GARY ALAN DICKINSON, 2 INTERNATIONAL PLAZA DR., #600 NASHVILLE TN 37217	ANGLO AMERICAN AUTO AUCTIONS, INC		
WILLIAM E. DICKINSON, 206 N. WASHINGTON ST., #300 ALEXANDRIA VA 22314	SALT INSTITUTE	250.00	250.00
DICKSTEIN SHAPIRO & MORIN, 2101 L ST., NW WASHINGTON DC 20037	BEAR STEARNS & CO		
Do	BOUNDARY GAS, INC		
Do	CAR AUDIO SPECIALISTS ASSOCIATION		
Do	FEDERATED CASH MANAGEMENT SYSTEMS	6,100.00	
Do	HERBALIFE INTERNATIONAL		
Do	HUGHES AIRCRAFT CO		
Do	LTV AEROSPACE & DEFENSE CO		
Do	MARINE ENGINEERS' BENEFICIAL ASSN		
Do	MCDONNELL DOUGLAS CORP		
Do	NATIONAL ASSN OF GOV'T GUARANTEED LENDERS, INC		
Do	NATIONAL FEDERATION OF SOCIETIES FOR CLINICAL SOCIAL WORK	4,000.00	
Do	PAULUCCI ENTERPRISES		
Do	SACO DEFENSE, INC	[illegible]	
Do	STANDARD MANUFACTURING CO		
Do	STATE OF DELAWARE, STATE OF IOWA, STATE OF LOUISIANA, ET AL	[illegible]	
RICK DIEGEL, 1125 15TH STREET, NW WASHINGTON DC 20005	INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, ALF-CIO-CLC	2,281.25	150.00
GEORGE DILLARD, 5128 SAUER, SUITE A HOUSTON TX 77004	KALEIDOSCOPE RESEARCH & MARKETING GROUP		
DILLON READ & CO, INC, 535 MADISON AVENUE NEW YORK NY 10022			1,000.00
TIMOTHY V. A. DILLON, 1331 PENNSYLVANIA AVE., NW, #905 WASHINGTON DC 20004	SACRAMENTO MUNICIPAL UTILITY DISTRICT	[illegible]	210.66
Do	WESTLANDS WATER DISTRICT	3,000.00	92.18
THOMAS A. DINE, 444 NORTH CAPITOL ST, NW, #412 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	14,374.98	3,687.06
CHARLES VERN DINGES IV, 1325 G STREET, NW, #1003 WASHINGTON DC 20005	ENVIRONMENTAL FUND	450.00	55.00
DIRECT SELLING ASSOCIATION, 1730 M ST., NW WASHINGTON DC 20036			973.82
HARLEY M. DIRKS, 400 FIRST STREET, NW, #712 WASHINGTON DC 20002	HEALTH & MEDICINE COUNSEL OF WASHINGTON		
Do	PROFESSIONAL SERVICES COUNCIL		
DISABLED AMERICAN VETERANS, 3725 ALEXANDRIA PIKE COLD SPRING KY 41076		151,324.61	151,324.61
BARBARA A. DIXON, 1600 EYE STREET, NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC		
STEVEN P. DOEHLER, 1725 K ST., NW, #1405 WASHINGTON DC 20006	MORTGAGE INSURANCE COMPANIES OF AMERICA		
JULIE DOMENICK DOERR, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
JAMES F. DOHERTY, 624 9TH ST., NW 7TH FL WASHINGTON DC 20001	GROUP HEALTH ASSN OF AMERICA, INC		
DOMESTIC WILDCATTERS ASSN, P.O. BOX 4394 HOUSTON TX 77210			
BRIAN J. DONADIO, 122 C ST., NW, #875 WASHINGTON DC 20001	AMERICAN OSTEOPATHIC ASSN	[illegible]	
NANCY A. DONALDSON, 110 MARYLAND AVENUE, NE, #408 WASHINGTON DC 20002	WOMEN'S ACTION FOR NUCLEAR DISARMAMENT EDUCATION FUND, INC	1,593.58	
RICHARD M. DONALDSON, 1738 GUILDHALL BLDG. CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
JOHN F. DONELAN, DONELAN CLEARY WOOD & MASER, P.C. 914 WASHINGTON BUILDING WASHINGTON DC 20005	PROCOMPETITIVE RAIL STEERING COMMITTEE	[illegible]	5.00
ANDREW J. DONELSON, 1101 15TH STREET, NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO (3M)	2,500.00	
THOMAS E. DONLEY, 1615 H ST., NW, WASHINGTON DC 20062	U.S. CHAMBER OF COMMERCE		
KEVIN J. DONNELLAN, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	337.50	[illegible]
SALLY S. DONNER, 4TH FL. 1710 RHODE ISLAND AVE., NW WASHINGTON DC 20036	GENERAL FOODS CORPORATION	1,016.75	45.60
PAUL M. DONOVAN, LARDE WINN & MOERMAN 1120 G STREET, NW, #800 WASHINGTON DC 20005	[illegible] INSTITUTE, INC	[illegible]	518.16
WILLIAM DONOVAN, 1111 N. 19TH ST, #700 ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS	7,500.00	220.20
FRANCIS X. DOOLEY, 525 SCHOOL ST., SW WASHINGTON DC 20024	AMERICAN ROAD & TRANSPORTATION BLDRS ASSN	7,500.00	[illegible]
IRA DORFMAN, 3RD FLOOR 1111 14TH ST., NW WASHINGTON DC 20005	AMERICAN BAKERS ASSN	116.50	[illegible]
MAY DEL RIO DORFMAN, 380 SECOND AVENUE NEW YORK NY 10010	PLANNED PARENTHOOD OF NEW YORK CITY, INC	433.15	
JAMES A. DORSCH, 1750 K ST., NW WASHINGTON DC 20006	HEALTH INSURANCE ASSN OF AMERICA, INC		
DEAN R. DORT II, 1667 K STREET, NW, #370 WASHINGTON DC 20006	DEERE & COMPANY	783.75	
CHARLENE DOUGHERTY, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	[illegible]	756.35
CHARLES P. DOWNER, 7901 WESTPARK DRIVE MCLEAN VA 22102	NATIONAL MACHINE TOOL BUILDERS' ASSN	1,125.00	250.00
JANE LIND DOWNEY, 2200 MILL RD ALEXANDRIA VA 22314	AMERICAN MOVERS CONFERENCE	[illegible]	
CONNIE M. DOWNS, 1800 K STREET, NW WASHINGTON DC 20006	BANKAMERICA CORP		
JOHN H. DOWNS JR., 1101 16TH STREET, NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		291.32
JOHN P. DOYLE JR., 8600 BOUNDBROOK LANE ALEXANDRIA VA 22309	J.P. DOYLE ENTERPRISES, INC	[illegible]	
WILLIAM A. DOYLE, 2346 S. ROLFE STREET ARLINGTON VA 22202	HARRIS CORP	[illegible]	1,734.34
NANCY DRABBLE, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	CONGRESS WATCH	[illegible]	
RONALD W. DRACH, 807 MAINE AVENUE, SW WASHINGTON DC 20024	DISABLED AMERICAN VETERANS	15,688.41	13.05
JAMES E. DRAKE, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	5,272.00	
PAUL A. DRAZEK, 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FEDERATION	7,500.00	
JOAN ALBERT DREUX, 600 PENNSYLVANIA AVENUE, SE, #211 WASHINGTON DC 20003	NATIONAL ASSN OF CASUALTY & SURETY AGENTS	2,400.00	1,112.82
JEROME L. DREYER, 1300 N. 17TH ST. SUITE 300 ARLINGTON VA 22209	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS		
STEPHEN D. DRIESLER, 1150 17TH STREET, NW, #306 WASHINGTON DC 20036	NATIONAL MULTI HOUSING COUNCIL	2,375.00	522.93
JOHN P. DRING, 1331 PENNSYLVANIA AVE., NW, #565 WASHINGTON DC 20004	TEXAS GAS TRANSMISSION CORP	1,500.00	[illegible]
KEVIN J. DRISCOLL, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
DOROTHY J. DRUMMER, 1730 K ST., NW, #703 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE, INC	115.38	25.00
EDWIN JASON DRYER, 1775 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: VGS CORPORATION)		
FRAN DU MELLE, 1101 VERMONT AVENUE, NW, #402 WASHINGTON DC 20005	AMERICAN LUNG ASSN	[illegible]	1,053.00
ERNEST DUBESTER, 815 16TH STREET, NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	14,104.27	251.73
EVELYN DUBROW, 1710 BROADWAY NEW YORK NY 10019	INTERNATIONAL LADIES' GARMENT WORKERS UNION	11,739.00	3,133.00
MORGAN D. DUBROW, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	150.00	
TIM DUDGEON, 1250 EYE STREET, NW, #900 WASHINGTON DC 20005	DISTILLED SPIRITS COUNCIL OF THE U.S.	2,000.00	[illegible]
JANE MCPIKE DUDLEY, 1101 15TH STREET, N.W. WASHINGTON DC 20005	NATIONAL CONSTRUCTORS ASSOCIATION	1,050.00	
MARY JANE C. DUE, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
ANN ANDERSON DUFF, 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	1,200.00	
JOSEPH R. DUGAN, 888 16TH STREET, NW WASHINGTON DC 20006	MILK INDUSTRY FOUNDATION/INT'L ASSN OF ICE CREAM MFGRS		
C. R. DUGGAN, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY AIRLINE & STEAMSHIP CLERKS	2,700.00	2,700.00
FRANCIS J. DUGGAN, 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	681.95	197.70
EVELYN DUKOVIC, 475 RIVERSIDE DRIVE, #239 NEW YORK NY 10115	MORALITY IN MEDIA, INC		
MERVIN E. DULLUM, 1629 K ST., NW, #204 WASHINGTON DC 20006	DELTA AIR LINES, INC	[illegible]	[illegible]
DON R. DUNCAN, 1825 K ST., NW SUITE 1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY	4,500.00	227.85
DUNCAN WEINBERG & MILLER, P.C., 1775 PENNSYLVANIA AVE., NW, #1200 WASHINGTON DC 20006	GUAM POWER AUTHORITY		
Do	MID WEST ELECTRIC CONSUMERS' ASSN, INC		
Do	STATE OF NEVADA	125.00	
Do	STATE OF NORTH DAKOTA	210.00	
Do	WESTERN FUELS ASSOCIATION, INC		
WILLIAM C. DUNCAN, 1050 17TH STREET, NW, #410 WASHINGTON DC 20036	JAPAN AUTOMOBILE MANUFACTURERS ASSN	1,800.00	810.12
MARI LEE DUNN, 1850 K ST., NW, #520 WASHINGTON DC 20006	AMERICAN COUNCIL FOR CAPITAL FORMATION		
JOHN H. DUNNE, 818 ROEDER RD., #702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
DUNNELLS DUVALL BENNETT & PORTER, 1220 19TH STREET, NW, #400 WASHINGTON DC 20036	MULTIFAMILY HOUSING ASSOCIATION		
JAMES A. DUPREE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	2,400.00	910.20
JOSEPH L. DURAN, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
JUDY C. DURAND, 1120 20TH STREET, NW, #600S WASHINGTON DC 20036	UNION PACIFIC CORPORATION	[illegible]	615.18
MARGARET A. DURBIN, 1025 CONNECTICUT AVENUE, NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN	255.00	[illegible]
B. J. DURHAM, P.O. BOX 2121 CORPUS CHRISTI TX 78403	CENTRAL POWER AND LIGHT COMPANY	[illegible]	[illegible]
ED DURKIN, 101 CONSTITUTION AVENUE, NW WASHINGTON DC 20001	UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA		
DUTKO & ASSOCIATES, 412 FIRST ST., SE, #214 WASHINGTON DC 20003	A.R.M., INC		
Do	ANCHOR INDUSTRIES, INC	3,093.75	
Do	ASSOCIATES OF NORTH AMERICA		
Do	BILL'S COAL CO		
Do	CALIFORNIA SPACE INST. & SCRIPPS INSTITUTION OF OCEANOGRAPHY	6,000.00	
Do	CENERGY EXPLORATION CO	8,668.75	
Do	CHEROKEE COAL CO	10,641.00	
Do	D & B WHOLESALE COSMETICS, INC	3,119.33	
Do	DSC COMMUNICATIONS		
Do	GRANGER ASSOCIATES		
Do	GULF & WESTERN INDUSTRIES, INC	22,500.00	
Do	MITCHELL ENERGY & DEVELOPMENT CORP	238.75	
Do	OKLAHOMA STATE UNIVERSITY	6,000.00	
Do			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	PATCH COAL CO		
Do	PITTS ENERGY GROUP	238.75	
Do	SCHLENSKER DRILLING CO		
Do	M. STEVENS COSMETICS CO	2,591.67	
Do	SWEETWATER COAL CO		
Do	TEXAS OIL & GAS CORP (TXO)	238.75	
Do	TRADE MAX, INC	[illegible]	
Do	UNITED TELECOM COMMUNICATIONS, INC	[illegible]	
Do	WESSELY ENERGY CORP	238.75	
L. L. DUXBURY, 210 7TH STREET, SE, #517 WASHINGTON DC 20003	RAILROAD RETIREMENT ASSN		719.85
PEGGY L. DUXBURY, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	170.00	
HENRY I. DWORSHAK, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
DENIS J. DWYER, 700 NORTH FAIRFAX ST. ALEXANDRIA VA 22314	RAILWAY PROGRESS INSTITUTE	475.00	
RODERICK T. DWYER, 1920 N STREET,N.W. WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
MICHAEL J. DYER, 1331 PENNSYLVANIA AVENUE, NW, #905 WASHINGTON DC 20004	NATIONAL COALITION FOR EMERGENCY MEDICAL SERVICES		
DYNALECTRON CORPORATION, 1313 DOLLEY MADISON BLVD MCLEAN VA 22101			
TALIS DZENITIS, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS ROEBUCK & CO	500.00	19.15
DENNIS J. EARHART, 2001 WISCONSIN AVE., #100 WASHINGTON DC 20007	BEAR WEST CO, INC (FOR ROCKY MOUNTAIN ENERGY CO)	1,528.13	
JACK D. EARLY, 1155 15TH ST., NW, #514 WASHINGTON DC 20005	NATIONAL AGRICULTURAL CHEMICALS ASSN	[illegible]	[illegible]
GEORGE H. EATMAN, 1800 CONNECTICUT AVE., NW WASHINGTON DC 20009	SLURRY TECHNOLOGY ASSN	1,000.00	
EATON ASSOCIATES, INC, 1725 K ST., NW, #1111 WASHINGTON DC 20006			
CHARLES H. EATON, 1725 K ST., NW, #1111 WASHINGTON DC 20006	EATON ASSOCIATES, INC		
ROBERT E. L. EATON, 1725 K ST., NW, #1111 WASHINGTON DC 20006	EATON ASSOCIATES, INC		
ROBERT E. EBEL, 1025 CONNECTICUT AVE., NW, #1014 WASHINGTON DC 20036	ENSERCH CORPORATION	1,450.00	805.00
N. BOYD ECKER, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	MOBIL OIL CORP	1,500.00	73.61
ROBERT C. ECKHARDT, 1750 PENNSYLVANIA AVE., NW, #1105 WASHINGTON DC 20006	CERTAIN TEXAS CLAIMANTS LAWYERS	4,250.00	
Do	CONSOLIDATED NATURAL GAS CO	5,000.01	
Do	INVESTMENT COMPANY INSTITUTE	5,000.01	
Do	STATE BAR OF TEXAS	10,000.00	
Do	WESTERN FUELS ASSOCIATION, INC	9,999.99	
PATRICIA K. ECONOMOS, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
EDEA, INC, P.O. BOX 3056 VERO BEACH FL 32964	AMERICAN SHIP BUILDING CO		
WILLIAM R. EDGAR, 1620 EYE ST., NW, #501 WASHINGTON DC 20006	GATES LEARJET CORPORATION		
HELEN H. EDGE, 700 N. FAIRFAX ST. ALEXANDRIA VA 22314	RAILWAY PROGRESS INSTITUTE	462.50	
ARTHUR B. EDGEWORTH JR, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	[illegible]	
EDISON ELECTRIC INSTITUTE, 9TH FLOOR 1111 19TH ST., NW WASHINGTON DC 20036		[illegible]	143,552.45
V. ANNE EDLUND, 1620 EYE ST., NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC		
STEPHEN L. EDMISTON, 807 MAINE AVE., SW WASHINGTON DC 20024	DISABLED AMERICAN VETERANS	14,024.40	[illegible]
ED EDMONDSON, BOX 11 MUSKOGEE OK 74401	AMERICAN INLAND WATERWAYS COMMITTEE		
Do	CHEROKEE NATION		
Do	DOSS AVIATION, INC		
Do	IU INTERNATIONAL MANAGEMENT CORP		
Do	OKLAHOMA ASSN OF ELECTRIC COOPS		
Do	U.S. MARITIME COMMITTEE, INC		
EDS CORPORATION, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003			2,933.00
JOHN M. EDSALL, 1120 20TH STREET, NW, #600S WASHINGTON DC 20036	UNION PACIFIC CORPORATION	[illegible]	[illegible]
EDWARDS ASSOCIATES, 507 SECOND ST., NE WASHINGTON DC 20002	CONFEDERATED TRIBES OF WARM SPRINGS		
CHRISTINE A. EDWARDS, 633 PENNSYLVANIA AVE., NW, #600 WASHINGTON DC 20004	SEARS ROEBUCK & CO	[illegible]	40.00
J. RODNEY EDWARDS, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INSTITUTE, INC		
WILLIAM A. EDWARDS, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	4,768.83	[illegible]
PAUL S. EGAN, 1608 K ST., NW WASHINGTON DC 20006	AMERICAN LEGION	9,003.00	[illegible]
YVONNE B. EIDER, 400 FIRST STREET, NW, #800 WASHINGTON DC 20001	FRIENDS OF ANIMALS, INC	5,322.84	449.00
ROBERT F. EISEN, 111 WEST 40TH STREET NEW YORK NY 10018	GREENWOOD MILLS MARKETING CO		3,003.00
ALBERT C. EISENBERG, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS	9,000.00	[illegible]
H. J. ELAM III, 1201 MAPLE ST. GREENSBORO NC 27405	CONE MILLS CORPORATION	[illegible]	[illegible]
JANE ELDER, 214 N. HENRY ST., #203 MADISON WI 53703	SIERRA CLUB	[illegible]	3,504.23
GEORGE K. ELIADES, 7297 LEE HIGHWAY FALLS CHURCH VA 22042	SOCIETY OF AMERICAN WOOD PRESERVERS, INC	400.00	[illegible]
C. M. ELKINS ASSOCIATES, 1100 17TH ST., NW, #310 WASHINGTON DC 20036	DELAWARE & HUDSON RAILWAY CO		
Do	MISSOURI KANSAS TEXAS RAILROAD		
Do	PITTSBURGH & LAKE ERIE RAILROAD		
J. BURTON ELLER JR., 1301 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN	1,000.00	
CHARLES W. ELLIOTT, WISCONSIN PETROLEUM COUNCIL 25 W. MAIN ST., #703 MADISON WI 53703	AMERICAN PETROLEUM INSTITUTE	[illegible]	
JOHN DOYLE ELLIOTT, 5500 QUINCY ST. HYATTSVILLE MD 20784			
KEITH H. ELLIS, 1015 18TH ST.,NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS	[illegible]	114.11
ELY RITTS BRICKFIELD & BETTS, WATERGATE 600 BLDG., #915 WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN		
Do	OCEAN MINING ASSOCS		
EMERGENCY COMMITTEE FOR AMERICAN TRADE, 1211 CONNECTICUT AVE. WASHINGTON DC 20036		57,272.16	34,418.70
EMERSON ELECTRIC CO, 8000 FLORISSANT ST. LOUIS MO 63136			3,107.53
EMPLOYEE RELOCATION COUNCIL, 1627 K ST., NW, #600 WASHINGTON DC 20006			5,082.33
EMPLOYERS COUNCIL ON FLEXIBLE COMPENSATION, 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006		181,307.78	
IRENE R. EMSELLEM, 1800 M STREET, NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
LOWELL J. ENDAHL, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	175.00	
ENERGY CONSUMERS & PRODUCERS ASSN, BOX 1726 PETROLEUM PLAZA SEMINOLE OK 74868		[illegible]	8,619.13
RALPH ENGEL, 1001 CONNECTICUT AVE., NW, #1120 WASHINGTON DC 20036	CHEMICAL SPECIALTIES MFGRS ASSN	105.00	[illegible]
CHRISTOPHER ENGQUIST, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
CLINTON W. ENSIGN, 2600 VIRGINIA AVENUE, NW, #901 WASHINGTON DC 20037	SINCLAIR OIL CORPORATION	600.00	[illegible]
ENVIRONMENTAL FUND, 1325 G ST., NW #1003 WASHINGTON DC 20005			1,162.00
EPSTEIN BECKER BORSODY & GREEN, 1140 19TH ST., NW, #900 WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	1,790.00	
PAUL A. EQUALE, 600 PENNSYLVANIA AVE., SE, #200 WASHINGTON DC 20003	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC	[illegible]	
INGOLF G. ESDERS, 815 16TH STREET, NW WASHINGTON DC 20006	INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO	7,589.50	
MARK ESHERICK, 1346 CONNECTICUT AVENUE, NW, #603 WASHINGTON DC 20036	ZERO POPULATION GROWTH, INC	[illegible]	56.00
JOHN T. ESTES, 2550 M ST., NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	[illegible]	[illegible]
STEPHEN E. EURE, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	[illegible]	
EUROPEAN TRAVEL COMMISSION, 630 FIFTH AVENUE NEW YORK NY 10111			
DONALD C. EVANS JR., 655 15TH STREET, NW, #310 WASHINGTON DC 20005	FREIGHT FORWARDERS INSTITUTE		
Do	INDUSTRY COUNCIL FOR TANGIBLE ASSETS		
Do	OLYMPIA & YORK DEVELOPMENTS LTD		
Do	OLYMPIA & YORK EQUITY CORP		
Do	STEPAN CORPORATION		
JOHN R. EVANS, 9208 SEVEN LOCKS ROAD BETHESDA MD 20817	CAPITAL MARKETS GROUP	[illegible]	30.00
JOSEPH O. EVANS, APARTMENT 21 4401 LEE HWY. ARLINGTON VA 22207			
RAE FORKER EVANS, 1201 PENNSYLVANIA AVE., NW, #210 WASHINGTON DC 20004	HALLMARK CARDS, INC		
ROBERT B. EVANS, 1101 14TH STREET, NW WASHINGTON DC 20005	AMERICAN FINANCIAL SERVICES ASSN	1,375.00	
ROBERT D. EVANS, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
ROBERT J. EVANS, 2060 CANTERBURY ROAD KINGSPORT TN 37660			
WILLIAM J. EVANS JR., 1660 L ST., NW, #901 WASHINGTON DC 20036	PAN AMERICAN WORLD SERVICES, INC	[illegible]	[illegible]
J. BALLARD EVERETT, 1125 15TH STREET, NW, #700 WASHINGTON DC 20001	MORTGAGE BANKERS ASSN OF AMERICA	1,060.00	[illegible]
ELLEN E. EVES, NEW MURPHY RD. AND CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		59.32
KY P. EWING JR., 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	VINSON & ELKINS (FOR: ARCHIE BENNETT)		15.67
Do	VINSON & ELKINS (FOR: FEDERAL LAND BANK ASSNS OF TEXAS STOCKHOLDERS' DEFENSE FUND)	172,323.47	640.46
Do	VINSON & ELKINS (FOR: ALFRED C. GLASSELL JR.)	23,922.02	[illegible]
Do	VINSON & ELKINS (FOR: NORTHVILLE INDUSTRIES CORP)		
Do	VINSON & ELKINS (FOR: PUBLIC SERVICE BOARD OF THE CITY OF EL PASO, TX)	19,429.23	
Do	VINSON & ELKINS (FOR: TRAVELERS INSURANCE CO)	148,872.30	1,442.18
WAYNE S. EWING, ASSOCIATED PETROLEUM INDUSTRIES OF PA P.O. BOX 925 HARRISBURG PA 17108	AMERICAN PETROLEUM INSTITUTE		
ROBBIE G. EXLEY, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	77.94	
PAUL K. EYER, 122 C STREET, NW, #875 WASHINGTON DC 20001	AMERICAN OSTEOPATHIC ASSN	1,350.00	64.75
F/P RESEARCH ASSOCIATES, 1700 K ST., NW, #303 WASHINGTON DC 20006	NATIONAL CABLE TELEVISION ASSN, INC	1,000.00	
ROBERT R. FANS, 1101 15TH ST., NW, #205 WASHINGTON DC 20005	CARGILL INC	2,500.00	73.00
DALE W. FALLAT, P.O. BOX 119 MAUMEE OH 43537	ANDERSONS		
F. S. FALLON JR., P.O. BOX 888-F-9 ASHLAND KY 41101			
GEORGE W. FALLTRICK, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY AIRLINE & STEAMSHIP CLERKS		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
PETER M. FANNON, 1818 N STREET, NW, #410 WASHINGTON DC 20036	NATIONAL ASSN OF PUBLIC TELEVISION STATIONS	600.00	130.00
THOMAS B. FARLEY II, 1220 L ST., NW WASHINGTON DC 20005	AMERICAN PETROLEUM INSTITUTE	6,200.00	197.00
FARM CREDIT COUNCIL, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036		15,458.68	6,661.71
DAVID M. FARMER, 1629 K STREET, NW, #1010 WASHINGTON DC 20006	ALLIANCE OF AMERICAN INSURERS	1,300.00	
FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA, 600 MARYLAND AVE., SW, #202W WASHINGTON DC 20025.		167,250.25	65,037.65
JOHN W. FARQUHAR, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	300.00	
ROBERT M. FARQUHAR, P.O. BOX 130 LEVIS, QUEBEC, CANADA G6V 6M7	DAVIE SHIPBUILDING LIMITED		
DAGMAR T. FARR, 1750 K STREET, N.W. WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
CHRISTOPHER G. FARRAND, 1120 20TH STREET, NW, #720 WASHINGTON DC 20036	PEABODY HOLDING COMPANY, INC		187.00
MICHAEL FARRAR, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INSTITUTE, INC	300.00	
JOSEPH A. FARRELL, 1600 WILSON BOULEVARD, #1000 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC	1,000.00	11.00
MARCUS G. FAUST, 2121 K ST., NW, #880 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	11,250.00	
JANE FAWCETT-HOOVER, 801 18TH ST., NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	10.00	
WILLIAM D. FAY, 1130 17TH STREET, NW WASHINGTON DC 20036	NATIONAL COAL ASSN	6,125.00	3,451.26
FEDERAL JUDGES ASSOCIATION, 1355 MARKET STREET, #155 SAN FRANCISCO CA 94103		15,000.00	22,115.53
FEDERATION EMPLOYMENT & GUIDANCE SERVICE, 114 FIFTH AVENUE NEW YORK NY 10011			
FEDERATION FOR AMERICAN AFGHAN ACTION, 236 MASSACHUSETTS AVENUE, NE WASHINGTON DC 20002			12,219.86
FEDERATION OF AMERICAN CONTROLLED SHIPPING, 50 BROADWAY NEW YORK NY 10004		1,499.59	1,499.59
FEDERATION OF AMERICAN HOSPITALS, 1111 19TH ST., NW, #402 WASHINGTON DC 20036		11,500.00	11,500.00
FEDERATION OF AMERICAN SCIENTISTS, 307 MASSACHUSETTS AVE., NE WASHINGTON DC 20002			2,423.82
DONALD M. FEHR, 805 THIRD AVE. NEW YORK NY 10022	MAJOR LEAGUE BASEBALL PLAYERS ASSN		
BRUCE E. FEIN, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BELL ATLANTIC MANAGEMENT SERVICES).	275.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)		
CARL B. FELDBAUM, 1716 N STREET, NW WASHINGTON DC 20036	J. W. MARRIOTT JR.		
JOEL F. FELDMAN, LAW OFFICES OF SHELDON I. LONDON 1725 DESALES STREET, NW, #401 WASHINGTON DC 20036	AMERICAN HARDWARE MANUFACTURERS ASSN		
RANDOLPH B. FENNINGER, 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	4,500.00	
JUDITH W. FENSTERER, 242 E. 80TH STREET NEW YORK NY 10021	GENERIC PHARMACEUTICAL INDUSTRY ASSN	238.00	57.39
FENSTERWALD ALCORN & BOWMAN, 1000 WILSON BLVD., #900 ARLINGTON VA 22209	EQUITY FOR NATIONAL GUARD TECHNICIANS	2,512.50	207.13
Do	NATIONAL NUTRITIONAL FOODS ASSOCIATION	11,188.01	4,063.38
GEORGE F. FENTON JR., 1920 N STREET, NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS	45.00	10.00
EDWARD T. FERGUS, 100 GOLD ST NEW YORK NY 10292	PRUDENTIAL-BACHE SECURITIES INC	750.00	
JACK FERGUSON ASSOCIATES, INC, 203 MARYLAND AVE., NE WASHINGTON DC 20002	DILLINGHAM CONSTRUCTION GROUP	14,364.23	1,406.94
Do	DILLINGHAM SHIP REPAIR		
Do	FOSS LAUNCH & TUG COMPANY; FOSS ALASKA LINE		
Do	MIDLAND CAPITAL CORP		
Do	NORTHWEST ENERGY COMPANY	3,000.00	1,098.31
Do	TACOMA BOAT BUILDING CO/AT-SEA INCINERATION		1,172.71
Do	U.S. BORAX & CHEMICAL CORP	15,333.33	1,747.26
Do	WESTERN FOREST INDUSTRIES ASSN		
BETSY FERGUSON, 1875 EYE ST., NW, #1110 WASHINGTON DC 20006	TIMES MIRROR COMPANY		
JOHN L. FESTA, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INSTITUTE, INC		
FRED C. FIELDING, 1725 JEFFERSON DAVIS HWY, #900 ARLINGTON VA 22202	AM GENERAL CORPORATION	1,800.00	122.00
C. H. FIELDS, 600 MARYLAND AVE., SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FED	6,562.50	41.45
HERBERT A. FIERST, 610 RING BLDG. 1200 18TH ST., NW WASHINGTON DC 20036	COUNCIL OF FOREST INDUSTRIES OF B.C.	31,251.00	1,840.00
LOUIS F. FINCH, 2001 JEFFERSON DAVIS HIGHWAY, #307 ARLINGTON VA 22202	INTERNATIONAL REQUIREMENTS CORP		
LAWRENCE A. FINERAN, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
WILLIAM A. FINERFROCK, 1117 N. 19TH STREET, #300 ARLINGTON VA 22209	AMERICAN ACADEMY OF PHYSICIAN ASSISTANTS	8,076.00	37.50
MATTHEW P. FINK, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
FINLEY KUMBLE WAGNER HEINE UNDERBERG MANLEY & CASEY, 10TH FLOOR 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	DIRECT BROADCAST SATELLITE CORP		
Do	GENERAL DYNAMICS CORP		
Do	GOLDEN NUGGET, INC	5,768.00	
Do	GOVERNMENT OF ANTIGUA & BARBUDA	2,700.00	
Do	RCA		
Do	TRT TELECOMMUNICATIONS CORP		
Do	TURNER BROADCASTING SYSTEM, INC		
Do	UNITED SATELLITE ACTION	1,160.00	
STEPHEN A. FINN, P.O. BOX 520783 - GENERAL MAIL FACILITY MIAMI FL 33152	BURGER KING CORP		
FINNEGAN HENDERSON FARABOW GARRETT & DUNNER, 1775 K STREET, NW WASHINGTON DC 20006	INTERNATIONAL COMMUNICATIONS ASSN		
THOMAS D. FINNIGAN, OLD RIDGEBURY ROAD SECTION D228 DANBURY CT 06817	UNION CARBIDE CORP		
M. J. FIOCCO, 1090 VERMONT AVE., NW WASHINGTON DC 20005	NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE	4,625.00	46.50
FIRST NATIONAL BANK OF BOSTON, 100 FEDERAL ST. BOSTON MA 02110			17,699.31
RICHARD L. FISCHER, 1000 16TH ST., NW WASHINGTON DC 20036	AMOCO CORPORATION		
FISHER & PHILLIPS, 3500 FIRST ATLANTA TOWER TWO PEACHTREE STREET, NW ATLANTA GA 30383	SAVANNAH-CHATHAM COUNTY BOARD OF EDUCATION		
DONALD W. FISHER, 3814 IVANHOE LANE ALEXANDRIA VA 22310	AMERICAN GROUP PRACTICE ASSN, INC	150.00	
DWIGHT R. FISHER, 600 MARYLAND AVENUE, SW, #700 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS	700.00	100.00
JANET S. FISHER, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	250.00	
JOHN FISHER, 140 OKLAHOMA ROAD COOK WA 98605	COLUMBIA GORGE UNITED		
WILLIAM P. FISHER, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
CHARLES L. FISHMAN, P.C., 1717 K STREET, NW, #502 WASHINGTON DC 20036	CAROLINA POWER & LIGHT CO		
Do	CONSOLIDATED EDISON CO OF NEW YORK		
Do	DUKE POWER CO		
Do	STONE & WEBSTER ENGINEERING CORP		
Do	VIRGINIA ELECTRIC & POWER CO		
Do	WESTINGHOUSE ELECTRIC CORP		
LAURI J. FITZ, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: GOVERNMENT OF CANADA).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF HAITI)	600.00	
CHARLES B. FITZGERALD IV, 15837 A CRABBS BRANCH WAY ROCKVILLE MD 20855	NATIONAL CENTER FOR DRUNK DRIVING CONTROL		
MARY CLARE FITZGERALD, 1025 THOMAS JEFFERSON ST., NW, #301 WASHINGTON DC 20007	GOLEMBE ASSOCIATES, INC		
THOMAS H. FITZPATRICK, 410 ASYLUM STREET HARTFORD CT 06103	AMERICAN PETROLEUM INST	400.00	696.78
ALAN M. FITZWATER, 3800 CONTINENTAL PLAZA 777 MAIN STREET FORT WORTH TX 76102	BURLINGTON NORTHERN RAILROAD	20,000.00	1,023.70
HILLIARD J. FJORD, 602 MAIN ST., #600 CINCINNATI OH 45202	OHIO RIVER CO	3,000.00	178.56
DANIEL V. FLANAGAN JR., 1730 RHODE ISLAND AVENUE, NW, #206 WASHINGTON DC 20036	VIRGINIA POWER CO		
JAMES J. FLANAGAN, 25 RESEARCH DR. WESTBOROUGH MA 01581	NEW ENGLAND POWER SERVICE CO	684.30	155.45
MICHAEL FLEMING, 1300 17TH ST., #1010 ARLINGTON VA 22209	AMERICAN ASSN OF EQUIPMENT LESSORS		
RUTH FLOWER, 245 SECOND ST., NE WASHINGTON DC 20002	FRIENDS COMMITTEE ON NATIONAL LEGISLATION	4,050.99	
THOMAS H. FLOYD JR., DGA INTERNATIONAL, INC 1818 N STREET, NW WASHINGTON DC 20036	ARIANESPACE, S.A.		91.92
VERONICA M. FLOYD, 2001 S. JEFF DAVIS HIGHWAY, #1107 ARLINGTON VA 22202	BRUNSWICK CORP	5,700.00	545.71
RICHARD A. FLYE, MCKENNA CONNER & CUNEO 1575 EYE STREET, NW WASHINGTON DC 20005	FERTILIZER INSTITUTE	12,401.50	
FOLEY & LARDNER, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	VSI CORPORATION		
R. D. FOLSOM, 1317 F STREET, NW, #400 WASHINGTON DC 20004	R. DUFFY WALL & ASSOCIATES, INC (FOR: BRINKS, INC)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: FOOTWEAR RETAILERS OF AMERICA)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: LIBERTY NATIONAL)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: LIFE OF VIRGINIA)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: MORGAN GUARANTY TRUST CO)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: PHARMACEUTICAL MANUFACTURERS ASSN).	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: WINE & SPIRITS WHOLESALERS OF AMERICA).	300.00	
FOOD & ALLIED SERVICE TRADES DEPT, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		16,506.00	16,506.00
FOOD MARKETING INSTITUTE, 1750 K ST., NW WASHINGTON DC 20006			5,400.00
FOODSERVICE AND LODGING INSTITUTE, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006			
GORDON FORBES, 303 HANOVER BLDG., 480 CEDAR ST. ST. PAUL MN 55101	MINNESOTA RAILROADS	875.00	2,155.04
JAMES E. FORD, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO		
LAURENCE S. FORDHAM, FOLEY, HOAG & ELIOT ONE POST OFFICE SQUARE BOSTON MA 02109	C & S WHOLESALE GROCERS, INC		
JOHN H. FOREHAND III, 12216 FLEMING LANE BOWIE MD 20715	COMPUTERVISION		
Do	OMNI-TECH OF AMERICA, INC		
DONALD D. FOREMAN, 5001 W. 80TH ST., #880 MINNEAPOLIS MN 55437	STANDARD OIL CO (INDIANA)		
FORESIGHT SCIENCE & TECHNOLOGY, INC, 2000 P ST., NW, #305 WASHINGTON DC 20036	NATIONAL COALITION FOR SCIENCE & TECHNOLOGY	675.00	1,175.71
Do	SOCIETY FOR AMERICAN ARCHAEOLOGY	2,861.83	2,148.83

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
FOREST FARMERS ASSOCIATION, P.O. BOX 95385 ATLANTA GA 30347			881.15
MARK A. FORMAN, 345 PARK AVE., 31ST FL NEW YORK NY 10154	UNION PACIFIC CORP	695.00	
MARTI FORMAN, 3471 N. FEDERAL HIGHWAY, #511 FT. LAUDERDALE FL 33306	AMERISERV, INC		
SALLIE H. FORMAN, 1825 K ST., NW WASHINGTON DC 20006	NATIONAL BROADCASTING CO, INC	937.50	50.07
LUISE FORSETH, 3055 OLD HIGHWAY 8 P.O. BOX 1453 MINNEAPOLIS MN 55440	MEDTRONIC, INC	50.00	127.50
RICHARD C. FORTUNA, 2916 STEPHENSON PL., NW WASHINGTON DC 20015	HAZARDOUS WASTE TREATMENT COUNCIL	1,500.00	1,500.00
EBERT E. FOURNACE, 3706 EATON RD., NW CANTON OH 44708	AMERICAN ELECTRIC POWER SERVICE CORP		
CONRAD M. FOWLER, BOX 71 WEST POINT GA 31833	WEST POINT PEPPERELL	5,974.00	11,198.32
ALLAN M. FOX, 1575 I STREET, NW, #1150 WASHINGTON DC 20005	AMERICAN MEAT INSTITUTE		
ERIC R. FOX, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	APPLE COMPUTER CORP		
DONALD FRAHER, 633 E STREET, NW WASHINGTON DC 20004	AMERICAN SYMPHONY ORCHESTRA LEAGUE	3,745.98	500.35
DAVID E. FRANASIAK, 1001 22ND STREET, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	1,555.00	211.69
FRANCES E. FRANCIS, SPIEGEL & MCDIARMID 1350 NEW YORK AVE., NW WASHINGTON DC 20037	NORTHERN CALIFORNIA POWER AGENCY, ET AL		
DOUGLAS L. FRANCISCO, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSN OF AMERICA		122.00
ALFRED S. FRANK JR., 700 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	NCR CORP		
DAVID C. FRANKIL, 918 16TH STREET, NW, #402 WASHINGTON DC 20006	AMERICAN FURNITURE MANUFACTURERS ASSN	750.00	421.80
WALTER L. FRANKLAND JR., 1717 K ST., NW WASHINGTON DC 20006	SILVER USERS ASSN, INC	2,131.70	64.46
JAMES R. FRANKLIN, 1185 AVENUE OF THE AMERICAS NEW YORK NY 10036	J.P. STEVENS & CO, INC		1,680.00
MARIAN C. FRANZ, 2121 DECATUR PLACE, NW WASHINGTON DC 20008	NATIONAL COUNCIL FOR A PEACE TAX FUND	450.00	144.00
CHARLES L. FRAZIER, 475 L'ENFANT PLAZA, SW, #2250 WASHINGTON DC 20024	NATIONAL FARMERS ORGANIZATION	5,250.00	3,704.42
GREGORY W. FRAZIER, P.O. BOX 427 ENGLEWOOD CO 80151	INTERNATIONAL ENERGY BROKERS, INC		
ROBERT M. FREDERICK, 1616 H ST., NW WASHINGTON DC 20006	NATIONAL GRANGE	5,000.00	
FREDERICK SERVICE GROUP, 102 W. CHURCH STREET FREDERICK MD 21701			
ANN TODD FREE, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	500.00	
FREE THE EAGLE NATIONAL CITIZEN'S LOBBY, 11244 WAPLES MILL RD., SUITE J FAIRFAX VA 22030		3,100.00	272,970.81
D. MICHAL FREEDMAN, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	7,755.34	
JOEL FREEDMAN, 1600 M ST., NW, 5TH FLOOR WASHINGTON DC 20036	HARTFORD FIRE INSURANCE CO	5,000.00	
JAMES O. FREEMAN, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	4,845.00	20.00
LEWIS R. FREEMAN JR., 605 14TH STREET, NW WASHINGTON DC 20005	SOCIETY OF THE PLASTICS INDUSTRY		
MARY ANN FREEMAN, 1331 PENNSYLVANIA AVE, NW WASHINGTON DC 20005	GENERAL ELECTRIC CO	50.00	
PAULA A. FREER, 1800 M ST., NW, #975 WASHINGTON DC 20036	MARATHON OIL CO		
RONNA FREIBERG, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ASARCO INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BROWNING-FERRIS INDUSTRIES, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BUDD COMPANY)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CHICAGO TITLE INSURANCE CO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: COMMONWEALTH OF PUERTO RICO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FIRST AMERICAN TITLE INSURANCE CO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LAWYERS TITLE INSURANCE CO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BRADCASTING COMPANY).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	130.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SAFECO TITLE INSURANCE CO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SANTA FE CORP)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SHAKLEE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STEWART TITLE GUARANTY CO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STROH BREWERY CO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: TOBACCO INSTITUTE)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: WARNER COMMUNICATIONS).		
FRENCH & COMPANY, 1317 F ST., NW, #307 WASHINGTON DC 20004	NATIONAL RETAIL MERCHANTS ASSN	3,150.00	295.00
VERRICK O. FRENCH, FRENCH & COMPANY 1317 F STREET, NW WASHINGTON DC 20004	HONG KONG TRADE DEVELOPMENT COUNCIL	1,570.00	125.00
SARA HAMRIC FREUND, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INSTITUTE, INC		
ANNETTE P. FRIBOURG, 3900 WISCONSIN AVE., NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN	5,750.00	306.17
GEORGE L. FRICK, P.O. BOX 1429 20 E.DIVISION ST. DOVER DE 19903	AMERICAN PETROLEUM INSTITUTE		
SUSAN FRIDY, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	2,490.00	
FRIED FRANK HARRIS SHRIVER & JACOBSON, 600 NEW HAMPSHIRE AVE., NW, #1000 WASHINGTON DC 20037	GENERAL ELECTRIC CO	1,258.50	21.40
PHILIP P. FRIEDLANDER JR., 1250 EYE STREET, NW, #400 WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN		
JAMES M. FRIEDMAN, 1100 CITIZENS BLDG. CLEVELAND OH 44114	CLEVELAND ELECTRIC ILLUMINATING CO	7,235.00	361.45
Do	COALITION FOR ENVIRONMENTAL-ENERGY BALANCE	8,370.00	161.65
FRIENDS COMMITTEE ON NATIONAL LEGISLATION, 245 2ND ST., NE WASHINGTON DC 20002			24,490.26
FRIENDS OF ANIMALS, INC, 400 FIRST STREET, NW, #800 WASHINGTON DC 20001		10,000.00	13,624.53
FRIENDS OF THE COLUMBIA GORGE, 519 SW THIRD, #810 PORTLAND OR 97204			
SUSAN T. FRITSCHLER, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	2,463.12	573.16
CHARLES H. FRITTS, 1101 14TH STREET, NW, #804 WASHINGTON DC 20005	NATIONAL APARTMENT ASSN	9,000.00	339.96
CHARLES H. FRITZEL, 499 S. CAPITOL ST., SE, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	300.00	305.30
JEFFREY FRITZLEN, 1120 20TH STREET, NW, #600-S WASHINGTON DC 20036	UNION PACIFIC CORP	2,000.00	
RICHARD B. FROH, 900 17TH ST., NW, #1014 WASHINGTON DC 20006	KAISER FOUNDATION HEALTH PLAN, INC	21,250.00	
MARCY STEPHENS FROSH, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	5,570.00	88.00
ALBERT E. FRY, 1828 L STREET, NW, #402 WASHINGTON DC 20036	BUSINESS ROUNDTABLE	2,000.00	
FULBRIGHT & JAWORSKI, 1150 CONNECTICUT AVE., NW, #400 WASHINGTON DC 20036	CRYSTAL OIL COMPANY		
CLAUDIA R. FUQUAY, 1401 NEW YORK AVE., NW, #400 WASHINGTON DC 20036	NATIONAL FOOD PROCESSORS ASSN	500.00	76.59
FUTURES INDUSTRY ASSN, INC, 1825 EYE STREET, NW, #1040 WASHINGTON DC 20006			
DAVID H. FYOCK, 600 MARYLAND AVE., SW, #520 WASHINGTON DC 20024	GPU SERVICE CORPORATION	1,066.00	853.82
GA ASSN OF PETROLEUM RETAILERS, INC, 900 N. HAIRSTON RAOD, SUITE D STONE MOUNTAIN GA 30083			
MARC P. GABOR, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO	3,000.00	618.86
TERRY GABRIELSON, 490 L'ENFANT PLAZA, SW, #3202 WASHINGTON DC 20024	TRANSCO ENERGY CO		
JAMES E. GAFFIGAN, 1899 L ST., NW, #607 WASHINGTON DC 20036	TRAVEL & TOURISM GOVERNMENT AFFAIRS POLICY COUNCIL	1,875.00	
FRANK W. GAINES JR., OLWINE CONNELLY CHASE O'DONNELL & WEYHER 1850 K STREET, NW, #890 WASHINGTON DC 20006	PROGRESS TRADING CO		
NORMAN S. GAINES, 2550 M ST., NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	2,200.00	1,171.94
JOE H. GALIS, P.O. BOX 221 RAIFORD FL 32083			
KARL GALLANT, 8001 BRADDOCK ROAD SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMM	3,000.00	287.93
MARK GALLANT, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	1,600.00	
HARRY GANDERSON, P.O. BOX 871 CHARLOTTSVILLE VA 22902	INTERNATIONAL TRADE SERVICES CORP		
CURTIS B. GANS, ROUTE 2, BOX 60 LOVETTSVILLE VA 22190	COMMITTEE FOR THE STUDY OF THE AMERICAN ELECTORATE	23,000.00	
JOHN B. GANTT, 2000 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION	2,360.00	
Do	ORBITAL SCIENCES CORPORATION	1,020.00	
NICOLE GARA, 1117 NORTH 19TH STREET, NW, #300 ARLINGTON VA 22209	AMERICAN ACADEMY OF PHYSICIAN ASSISTANTS	7,941.08	
HARRY D. GARBER, 1285 AVENUE OF THE AMERICAS NEW YORK NY 10019	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.	4,400.00	45.00
GARDNER CARTON & DOUGLAS, 1875 I ST., NW WASHINGTON DC 20006	MIDCON CORP		
NANCY GARLAND, 600 MARYLAND AVENUE, SW, #400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
EDWARD A. GARMATZ, 2210 LAKE AVE. BALTIMORE MD 21213	BALTIMORE GAS & ELECTRIC CO		
NICHOLAS P. GARNETT, 1025 VERMONT AVE., NW, #410 WASHINGTON DC 20005	NATIONAL INSULATION CONTRACTORS ASSN		
GARRETT & COMPANY, 1630 CONNECTICUT AVENUE, NW, #202 WASHINGTON DC 20009	GOVERNMENT OF THE REPUBLIC OF HAITI	4,125.00	4,500.00
Do	TAIWAN POWER COMPANY	3,000.00	4,500.00
GRENVILLE GARSIDE, 1050 THOMAS JEFFERSON ST., NW, 7TH FL. WASHINGTON DC 20007	VAN NESS FELDMAN SUTCLIFFE & CURTIS, P.C. (FOR: CENTRAL & SOUTH WEST CORP).		
JOHN C. GARTLAND, 214 MASS. AVE., NE, #210 WASHINGTON DC 20002	AMWAY CORP	8,250.00	60.00
GARVEY SCHUBERT ADAMS & BARER, 1000 POTOMAC ST., NW WASHINGTON DC 20006	CONTRACTORS BONDING & INSURANCE CO	651.00	121.58
Do	CSX CORPORATION	5,675.00	
Do	GTE SERVICE CORP		
Do	JAPAN FISHERIES ASSOCIATION	2,695.00	
Do	NIKE, INC		
Do	NORTHWEST MARINE IRON WORKS	3,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	PACCAR, INC		
Do	PACIFIC RIM TRADE ASSN		
Do	PORT OF TILLAMOOK BAY & TILLAMOOK COUNTY	4,000.00	
Do	SONATRACH	3,225.00	
Do	TOTEM; OCEAN TRAILER EXPRESS, INC	455.00	
Do	TRAILWAYS, INC	8,675.00	
Do	TRANS WORLD AIRLINES, INC	5,000.00	
Do	WASHINGTON CITIZENS FOR WORLD TRADE		
E. JUNE GARVIN, OHIO PETROLEUM COUNCIL 88 E. BROAD, #1960 COLUMBUS OH 43215	AMERICAN PETROLEUM INSTITUTE	1,500.00	2,365.44
W. BRADFORD GARY, 1050 17TH STREET, NW, #1126 WASHINGTON DC 20036	BAXTER TRAVENOL LABORATORIES, INC		
MARY A. GARZA, P.O. BOX 152777, 58-7 IRVING TX 75015	ZALE CORP		
GAS APPLIANCE MANUFACTURERS ASSN, INC, 1901 NORTH FORT MYER DR. ARLINGTON VA 22209			
VERNON GASAWAY, 191 SANDS STREET, APT. 5J BROOKLYN NY 11201			
LILLIAN B. GASKIN, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	450.00	80.00
FRANK T. GASPER, 8104 RIVER FALLS DRIVE POTOMAC MD 20854	MOOG, INC		
PHILIP GASTEYER, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	3,250.00	
MARGARET L. GEHRES, 1828 L STREET, NW, #402 WASHINGTON DC 20036	BUSINESS ROUNDTABLE	700.00	145.46
RUTHANN GEIB, 1156 15TH STREET, NW, #1020 WASHINGTON DC 20005	AMERICAN SUGARBEET GROWERS ASSN		
RONALD L. GEIGLE, 1030 15TH STREET, NW, #1100 WASHINGTON DC 20005	HEALTH INDUSTRY MANUFACTURERS ASSOCIATION		
CAROLE SONNENFELD GEITHNER, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	3,400.03	
ROBERT C. GELARDI, 5775 PEACHTREE-DUNWOODY RD., #500-D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)	360.00	
MORTON A. GELLER, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
GENERAL AVIATION MANUFACTURERS ASSOCIATION, 1400 K STREET, NW, #801 WASHINGTON DC 20005			4,982.00
GENERAL INSTRUMENT CORPORATION, 767 5TH AVE. NEW YORK NY 10153		600.00	
GENERIC PHARMACEUTICAL INDUSTRY ASSN, 200 MADISON AVE., #2404 NEW YORK NY 10016		9,455.39	9,455.39
SUSAN STRAUSS GENN, 1025 CONNECTICUT AVENUE, NW, #707 WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN		
FRED J. GENTILE, 195 MONTAGUE STREET BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
JOHN GENTILLE, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
NANCY WHORTON GEORGE, 499 SOUTH CAPITOL STREET, SW, #400 WASHINGTON DC 20003	CELERON		
Do	HOUSTON NATURAL GAS		
Do	TRANSCO, INC		
GEORGE W. GEPHART, P.O. BOX 1475 BALTIMORE MD 21203	BALTIMORE GAS & ELECTRIC CO		
GERARD BYLER & ASSOCIATES, INC, 1100 17TH STREET, NW WASHINGTON DC 20036	AK CHIN INDIAN COMMUNITY		
Do	ALASKA FEDERATION OF NATIVES		
Do	COLVILLE BUSINESS COUNCIL	250.00	
Do	COMMISSIONED OFFICERS ASSN OF THE U.S. PUBLIC HEALTH SERVICE		
Do	LEECH LAKE RESERVATION BUSINESS COMMITTEE		
Do	MINNESOTA CHIPPEWA TRIBE		
Do	PAPAGO TRIBE OF ARIZONA	1,223.00	
Do	TULALIP TRIBES	653.00	
Do	WHITE EARTH RESERVATION BUSINESS COMMITTEE	510.00	
JOSEPH G. GERARD, 918 16TH ST., NW, #402 WASHINGTON DC 20006	AMERICAN FURNITURE MANUFACTURERS ASSN	1,500.00	1,048.16
LOUIS GERBER, 1925 K ST., NW WASHINGTON DC 20006	COMMUNICATIONS WORKERS OF AMERICA	5,999.38	111.75
DANIEL R. GERKIN, 1575 I STREET, NW, #525 WASHINGTON DC 20005	MINING & RECLAMATION COUNCIL OF AMERICA	500.00	
PHYLLIS H. GERSTELL, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
ALVIN J. GESKE, 1801 K ST., NW, #1109 WASHINGTON DC 20006	NATIONAL CATTLEMEN'S ASSN		
DAVID TROY SAXTON GETTY, P.O. BOX 7000-A TEXARKANA TX 75501			
DOROTHY F. GEVINSON, 801 18TH STREET, NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	36.66	
ROBERT N. GIAIMO, 1140 19TH ST., NW, #600 WASHINGTON DC 20036	AETNA LIFE & CASUALTY	9,375.00	
Do	INSURANCE ASSOCIATION OF CONNECTICUT	3,750.00	
WAYNE GIBBENS, 1919 PENNSYLVANIA AVE., NW, #503 WASHINGTON DC 20006	MID-CONTINENT OIL & GAS ASSN	17,255.00	725.40
ANNE MARIE GIBBONS, THIRD FLOOR 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	500.00	
GIBSON DUNN & CRUTCHER, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ASSOCIATED SPECIALTY CONTRACTORS, INC		
Do	FEDERATION OF APPAREL MANUFACTURERS		
Do	INSURANCE ASSN OF CONNECTICUT		
Do	MECHANICAL CONTRACTORS ASSN OF AMERICA, INC		
THERESA GIBSON, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	913.44
WILLIAM G. GIERY, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOODSERVICE AND LODGING INSTITUTE		
WILLIAM L. GIFFORD, 600 MARYLAND AVENUE, SW, #520 WASHINGTON DC 20024	GPU NUCLEAR CORP		
PAMELA GILBERT, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	U.S. PUBLIC INTEREST RESEARCH GROUP	3,250.00	
RICHARD C. GILBERT, 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN PUBLIC HEALTH ASSN	1,222.00	
MICHAEL GILDEA, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	14,151.00	
JOHN E. GILES, 1600 EYE ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC	250.00	267.03
FLOYD H. GILKEY, 2111 HARBOR DRIVE ANNAPOLIS MD 21401	CHESAPEAKE INDUSTRIES, INC		
GINN & EDINGTON, INC, 121 SOUTH COLUMBUS STREET ALEXANDRIA VA 22314	GARRETT CORPORATION	8,000.00	80.60
Do	GULFSTREAM AEROSPACE CORP	1,500.00	12.73
Do	HERCULES INC		
Do	LOCKHEED-GEORGIA COMPANY	4,000.00	38.18
Do	MECHANICAL TECHNOLOGY, INC	4,500.00	42.42
Do	PROFESSIONAL INSURANCE AGENTS	6,000.00	55.15
Do	ROCKWELL INTERNATIONAL CORP	6,000.00	59.39
Do	TEXAS INSTRUMENTS, INC	10,000.00	93.33
Do	TURNER BROADCASTING SYSTEM, INC	6,250.00	59.38
Do	U.S. CANE SUGAR REFINERS' ASSN		
GERARD GIOVANIELLO, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	456.89
MICHAEL K. GIRE, BRICKER & ECKLER 100 E. BROAD ST. COLUMBUS OH 43215	AMERICAN SMALL AND RURAL HOSPITAL ASSOCIATION, OHIO CHAPTER		
BRENDA M. GIRTON, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS ROEBUCK & CO	100.00	
FRANCIS J. GIST, 1511 K STREET, NW, #809 WASHINGTON DC 20005			
MICHAEL J. GIUFFRIDA, 204 E STREET, NE WASHINGTON DC 20002	NATIONAL FROZEN FOOD ASSOCIATION	1,000.00	
SOL GLASNER, 2000 L ST., NW, #810 WASHINGTON DC 20036	SPERRY CORPORATION		
CLAUDE R. GLAZE, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY AIRLINE & STEAMSHIP CLERKS	500.00	500.00
GEORGE L. GLEASON, 410 1ST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	6,583.76	607.59
JOHN P. GLEASON, 11490 COMMERCE PARK DR. RESTON VA 22041	BRICK INSTITUTE OF AMERICA		
LAW OFFICES OF THOS GLEASON, 90 BROAD STREET, #600 NEW YORK NY 10004	INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO		
ROBERT GLEASON, 815 SIXTEENTH STREET, N.W. WASHINGTON DC 20006	INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO	8,458.25	
DONALD R. GLENN, 1627 K STREET, NW, #200 WASHINGTON DC 20006	ENERGY RESEARCH CORP		
JERE W. GLOVER, 1725 K STREET, NW, #308 WASHINGTON DC 20006	NATIONAL COUNCIL FOR INDUSTRIAL INNOVATION		
THOMAS G. GODFREY, P.O. BOX 69 WOLWORTH WI 53184	KIKKOMAN FOODS, INC		
JAMES W. GODLOVE, 1825 K STREET, NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM CO	900.00	
RICHARD P. GODWIN, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL CIVIL & MINERALS, INC		
JOSEPH GOFFMAN, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	CONGRESS WATCH	4,249.98	
GEORGE TIMOTHY GOJIO, 1730 RHODE ISLAND AVENUE, NW, #204 WASHINGTON DC 20036	JAPANESE AMERICAN CITIZENS LEAGUE	7,000.00	1,200.00
A. JAMES GOLATO, 2300 M ST., NW, #800 WASHINGTON DC 20037	H&R BLOCK, INC	175.00	63.20
GOLD & LIEBENGOOD, INC, 1050 CONNECTICUT AVENUE, NW, #980 WASHINGTON DC 20036	COLLEGE OF AMERICAN PATHOLOGISTS	11,470.00	2,232.00
Do	[illegible] & CO	6,600.00	3,657.00
Do	ELECTRONIC DATA SYSTEMS	21,725.00	2,186.00
Do	ENERGY RESEARCH CORP #200	6,666.00	1,732.00
Do	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.	44,494.00	2,587.00
Do	FEDERATED INVESTORS, INC	15,000.00	2,170.00
Do	FUND FOR ASSURING AN INDEPENDENT RETIREMENT	4,413.00	1,612.00
Do	GLOBETROTTERS ENGINEERING CORP	770.00	1,613.00
Do	HANDGUN CONTROL, INC	5,000.00	1,587.00
Do	INVESTMENT COMPANY INSTITUTE	5,775.00	1,909.00
Do	MARIOTT GROUP/MARRIOTT CORP	3,565.00	1,714.00
Do	MARIST COLLEGE	5,105.00	1,647.00
Do	MARTIN MARIETTA CORP	22,474.00	[illegible]
Do	NATIONAL COALITION FOR PORT PROGRESS		
Do	NATIONAL FOOTBALL LEAGUE	10,700.00	2,482.00
Do	OIL INVESTMENT INSTITUTE	1,475.00	1,758.00
Do	OUTDOOR ADVERTISING ASSN OF AMERICA	16,500.00	1,875.00
Do	PHILLIPS PETROLEUM CO	20,388.00	1,963.00
Do	PURGATOIRE RIVER WATER CONSERVANCY DISTRICT	12,000.00	1,863.00
Do	TEXAS CATTLEFEEDERS ASSN	10,613.00	1,937.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	TICOR TITLE INSURANCE CO	26,950.00	1,780.00
Do	TIMES MIRROR	7,038.00	1,635.00
Do	TOBACCO INSTITUTE	60,000.00	1,709.00
HARVEY S. GOLD, 8100 OAK STREET DUNN LORING VA 22027	NATIONAL PEST CONTROL ASSN		
STEPHEN V. GOLD, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA		
HOWARD S. GOLDBERG, 1818 N ST., NW WASHINGTON DC 20036	DGA INTERNATIONAL INC (FOR: SOCIETE NATIONALE D'ETUDE ET DE CONST DE MOTEURS D'AVIATION)		
Do	DGA INTERNATIONAL, INC (FOR: SOFREAVIA)		
RONALD L. GOLDFARB, GOLDFARB, SINGER & AUSTERN 918 16TH STREET, NW, #503 WASHINGTON DC 20003	WASHINGTON INDEPENDENT WRITERS, INC		
PATRICIA R. GOLDMAN, 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	3,953.96	375.77
ROBERT H. GOLDSBOROUGH, 5508 LOMBARDY PLACE BALTIMORE MD 21210	AMERICANS FOR IMMIGRATION CONTROL, INC	1,000.00	552.20
BENSON S. GOLDSTEIN, 1600 M STREET, NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE	68.68	22.00
HELANE L. GOLDSTEIN, 2626 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20037	NATIONAL TELEPHONE COOPERATIVE ASSN	1,862.50	403.66
JACK GOLODNER, 815 16TH ST., N.W. WASHINGTON DC 20006	DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO	4,004.75	
RUTH M. GOLTZER, 1785 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL TRUST FOR HISTORIC PRESERVATION	4,619.93	
JOHN GONELLA, 412 FIRST ST., SE, #200 WASHINGTON DC 20036	ASSOCIATION OF AMERICAN RAILROADS	650.42	177.15
RUTH GONZE, THIRD FLOOR 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	500.00	
CHARLES E. GOODELL, KING & SPALDING 1730 PENNSYLVANIA AVENUE, NW, #1200 WASHINGTON DC 20006	DGA INTERNATIONAL, INC (FOR SOFREAVIA)		
Do	DGA INTERNATIONAL, INC (FOR SNECMA)		
Do	THOMSON-CSF, INC		
GOODWIN PROCTER & HOAR, 28 STATE STREET BOSTON MA 02109	POLAROID CORPORATION		
ROBERT F. GOODWIN, 1850 K ST., NW, SUITE 275 WASHINGTON DC 20006	MEREDITH CORP	40.00	25.00
DOUGLAS GORDON, 1401 NEW YORK AVE., NW, #400 WASHINGTON DC 20005	NATIONAL FOOD PROCESSORS ASSN	175.00	
RANDALL C. GORDON, 725 15TH STREET, NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN	60.00	
STEPHEN GORDON, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES		
IRMGARD GORDOS, 1504 FERNWOOD-GLENDALE, #L-4 SPARTANBURG SC 29302	AMERICAN SECURITY COUNCIL		
MILLICENT GORHAM, 600 MARYLAND AVE., SW, #400E WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
DAVID W. GORMAN, 807 MAINE AVENUE, SW WASHINGTON DC 20024	DISABLED AMERICAN VETERANS	12,688.00	160.00
JAMES D. GORMLEY, 1400 EYE ST., NW WASHINGTON DC 20005	GENERAL AVIATION MANUFACTURERS ASSOCIATION	1,917.00	
BARBARA DIANE GORRA, 1819 L STREET, NW, #820 WASHINGTON DC 20036	SANTA FE INTERNATIONAL CORP		
ANN M. GOSIER, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
JOHN T. GOULD JR., 1875 EYE STREET, NW, #540 WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORP	200.00	600.00
GOVERNMENT RELATIONS ASSOCIATES, INC, 655 15TH ST., NW, #300 WASHINGTON DC 20005	GILMORE STEEL CORP		
Do	KAISER STEEL CORP		
HUGH J. GOWNLEY, 1225 19TH STREET, NW WASHINGTON DC 20036	DGA INTERNATIONAL, INC (FOR: SNECMA)		
EDMUND GRABER, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	1,000.00	500.00
JOHN R. GRAFF, 1025 VERMONT AVE., NW, #330 WASHINGTON DC 20005	INTERNATIONAL ASSN OF AMUSEMENT PARKS AND ATTRACTIONS	107.50	1,452.00
DONALD E. GRAHAM, MCDERMOTT, WILL & EMERY 1850 K STREET, NW, #500 WASHINGTON DC 20006	NATIONAL COUNCIL OF FARMER COOPERATIVES		
LAWRENCE T. GRAHAM, 1401 NEW YORK AVENUE, NW, #400 WASHINGTON DC 20005	NATIONAL FOOD PROCESSORS ASSN	500.00	84.00
JOHN K. GRAM, 610 S.W. BROADWAY, #608 PORTLAND OR 97205	PUBLIC TIMBER PURCHASERS GROUP	1,781.25	346.50
FRANCES TURK GRANAHAN, 1090 VERMONT AVENUE, NW, #600 WASHINGTON DC 20005	TEXAS EASTERN TRANSMISSION CORP		201.19
JAMES I. GRANGER, 3806 MARYLAND STREET ALEXANDRIA VA 22309	PIPER AIRCRAFT CORPORATION	500.00	162.00
WILLIAM W. GRANT, 1150 CONNECTICUT AVE., NW, #710 WASHINGTON DC 20036	UTAH INTL, INC		130.00
JAMES L. GRANUM, 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	NORFOLK SOUTHERN CORPORATION	1,000.00	
GRAPHIC COMMUNICATIONS INTERNATIONAL UNION, AFL-CIO, CLC, 1900 L STREET, NW WASHINGTON DC 20036		27,806.00	32,020.00
KARLA L. GRAUE, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	892.00	
RUTH P. GRAVES, 600 MARYLAND AVE., SW, #500 WASHINGTON DC 20024	READING IS FUNDAMENTAL, INC	470.00	52.70
THOMAS P. GRAVES, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	125.00	
DAVID C. GRAY, 2939 VAN NESS STREET, NW, #108 WASHINGTON DC 20008	AMERICAN CAMPAIGN ASSOCIATION	7,000.00	766.36
JAMES A. GRAY, 7901 WESTPARK DR. MCLEAN VA 22102	NATIONAL MACHINE TOOL BUILDERS' ASSN	155.00	15.00
NEIL A. GRAY, 6811 KENILWORTH AVE. RIVERDALE MD 20737	NATIONAL ASPHALT PAVEMENT ASSN	6,623.64	1,492.15
ROBERT K. GRAY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN MARITIME ASSN)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ASARCO INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BROWNING-FERRIS INDUSTRIES, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BUDD COMPANY)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CANADIAN ASBESTOS INFORMATION CENTRE)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CHICAGO TITLE INSURANCE CO)	175.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ELECTRONIC INDUSTRIES ASSN OF JAPAN)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FIRST AMERICAN TITLE INSURANCE CO)	175.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: GRUMMAN CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HRH PRINCE TALAL BIN ABDUL AZIZ AL SAUD)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HTB CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LAWYERS TITLE INSURANCE CO)	175.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MARTIN BAKER AIRCRAFT COMPANY LTD)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MOTOROLA, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: QUIXOTE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	700.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SAFECO TITLE INSURANCE CO)	175.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SHAKLEE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STROH BREWERY CO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STUART TITLE INSURANCE CO)	175.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: TOBACCO INSTITUTE)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: U.S. BANKNOTE)		
MARK E. GRAYSON, 1201 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC		
SAMUEL A. GRAYSON, P.O. BOX 1745 BOISE ID 83701	UNION PACIFIC RAILROAD		
MARY R. GREALY, 1111 19TH STREET, NW, #402 WASHINGTON DC 20036	FEDERATION OF AMERICAN HOSPITALS	1,500.00	
GREAT AMERICAN RESERVE INSURANCE CO, 2020 LIVE OAK P.O. BOX 388 DALLAS TX 75221			
GREAT WESTERN SUGAR CO, P.O. BOX 5308 DENVER CO 80217			
GREATER WASHINGTON BOARD OF TRADE, 1129 20TH ST., NW WASHINGTON DC 20036			
GREATER WASHINGTON/MARYLAND SERVICE STATION ASSN, 9420 ANNAPOLIS RD., 307 LANHAM MD 20706		2,000.00	2,000.00
DONALD R. GREELEY, 1101 17TH ST., NW, #307 WASHINGTON DC 20036	CELANESE CORP	2,000.00	164.20
EDWARD M. GREEN, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
GEORGE R. GREEN, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
JOHN K. GREEN, 800 AMERICAN CHARTER CENTER 1623 FARNAM ST. OMAHA NB 68102	PAPILLION-LAVISTA NEBRASK SCHOOL DISTRICT	3,512.50	55.54
KAYLENE H. GREEN, 555 NEW JERSEY AVE., NW, #880 WASHINGTON DC 20001	CONGOLEUM CORPORATION	300.00	126.20
LAURA MARIE GREEN, 8001 BRADDOCK ROAD SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMMITTEE	900.00	600.75
LEON GREEN JR., 1819 L ST., NW, #700 WASHINGTON DC 20036	CLEAN COAL COALITION, INC		
RANDY GREEN, 600 MARYLAND AVENUE, SW, #510 WASHINGTON DC 20024	AMERICAN SOYBEAN ASSN	1,425.00	94.16
ROY G. GREEN, 500 E. JOHN CARPENTER FREEWAY DALLAS/FT. WORTH TX 75261	U.S. LEAGUE OF SAVINGS INSTITUTIONS		
ALLEN GREENBERG, 2000 P ST., NW, #708 WASHINGTON DC 20036	HEALTH RESEARCH GROUP	66.00	
ELDON V. C. GREENBERG, GALLOWAY & GREENBERG 1835 K ST., NW, #801 WASHINGTON DC 20006	SOUTHEASTERN FISHERIES ASSN, INC	6,000.00	2,972.13
ELLEN F. GREENBERG, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	2,325.00	395.75
H. THOMAS GREENE, 412 1ST ST., SE WASHINGTON DC 20003	NATIONAL AUTOMOBILE DEALERS ASSN	7,500.00	
MARCI E. GREENSTEIN, 2626 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20037	NATIONAL TELEPHONE COOPERATIVE ASSN	2,330.00	312.23
DALE W. GREENWOOD, 612 HOGE BLDG. SEATTLE WA 98104	WASHINGTON RAILROAD ASSN		
JOHN M. GREER, 1900 L STREET, NW WASHINGTON DC 20036	GRAPHIC COMMUNICATIONS INTERNATIONAL UNION, AFL-CIO, CLC	27,806.00	32,020.00
SARAH MASSENGALE GREGG, 1090 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN HOSPITAL SUPPLY CORP		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
SAUNDERS GREGG, PO BOX 2628 HOUSTON TX 77252	ENTEX, INC		
CHELLIS O. GREGORY JR., 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	HILL AND KNOWLTON, INC (FOR: T. RAMIREZ AND COMPANY, INC)	5,775.00	143.10
JOHN D. GREGORY, LEWIS BABCOCK GREGORY & PLEICONES 1529 LAUREL STREET, P.O. BOX 11208 COLUMBIA SC 29211	MULTIFAMILY HOUSING ASSOCIATION		
MARY ELIZABETH GREGORY, 2075 S. ATLANTIC BLVD. COMMERCE CA 90040	AMERICAN SUN, INC	11,070.00	
KAREN M. GREINER, 1300 NORTH 17TH STREET, #300 ARLINGTON VA 22209	ADAPSO		
GINNY GRENHAM, 2501 M STREET NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSN	280.00	783.00
MARIANA E. GRIESMER, 1010 WISCONSIN AVE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC		
ELLEN GRIFFEE, 1413 K STREET, NW, 10TH FL. WASHINGTON DC 20005	ASSOCIATION OF SCIENCE-TECHNOLOGY CENTERS	8,500.00	299.21
RANDALL GRIFFIN, 1515 WILSON BOULEVARD ARLINGTON VA 22209	AMERICAN GAS ASSN	3,000.00	101.78
TOM W. GRIFFITH, 1448 DUKE ST., #100 ALEXANDRIA VA 22314	NATIONAL RURAL LETTER CARRIERS' ASSN	11,877.00	
JACK GRIMES, 8100 OAK STREET DUNN LORING VA 22027	NATIONAL PEST CONTROL ASSN		
NORMAN E. GRIMM JR., 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
MARYBETH GRISWOLD, 1828 L STREET, NW, #500 WASHINGTON DC 20036	GTE SPRINT COMMUNICATIONS CORP	3,100.00	243.75
OLGA GRKAVAC, 1300 NORTH 17TH ST., #300 ARLINGTON VA 22209	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS		
GROCERY MANUFACTURERS OF AMERICA, INC, 1010 WISCONSIN AVE., NW, #800 WASHINGTON DC 20007			1,576.60
JAMES J. GROGAN, P.O. BOX 19614 IRVINE CA 92714	LINCOLN SAVINGS & LOAN ASSN	10,000.00	487.44
GROH EGGERS & PRICE, 550 WEST 7TH AVENUE, #1250 ANCHORAGE AK 99501	AMERICAN PETROFINA, INC		
GROOM & NORDBERG, 1775 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20006	AD HOC GROUP ON LIFE INSURANCE CO TAXATION OF PENSION FUNDS		
Do	AETNA LIFE & CASUALTY		
Do	ALUMINUM CO OF AMERICA		
Do	BANKERS LIFE COMPANY		
Do	BAXTER TRAVENOL LABORATORIES, INC		
Do	COLORADO-UTE	100.00	8.00
Do	CONNECTICUT GENERAL INSURANCE CO		
Do	DOW CHEMICAL CO		
Do	ELI LILLY AND COMPANY		
Do	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.		
Do	GLOBAL MARINE, INC		
Do	GOLDMAN SACHS & CO		
Do	GUARDIAN LIFE INSURANCE CO OF AMERICA		
Do	GULF OIL CORP		
Do	JOHN HANCOCK MUTUAL LIFE INSURANCE CO		
Do	MINNESOTA MUTUAL LIFE INSURANCE COMPANY		
Do	NEW YORK CITY TEACHERS RETIREMENT SYSTEM		
Do	NEW YORK LIFE INSURANCE COMPANY		
Do	OCEAN DRILLING & EXPLORATION CO		
Do	PHILLIPS PETROLEUM COMPANY		
Do	PHOENIX MUTUAL LIFE INSURANCE COMPANY		
Do	PROVIDENT MUTUAL LIFE INSURANCE CO OF PHILADELPHIA		
Do	PRUDENTIAL INSURANCE COMPANY OF AMERICA	[illegible]	[illegible]
Do	PUERTO RICO, U.S.A. FOUNDATION	1,200.00	11,839.36
Do	READING & BATES CORPORATION		
Do	SOUTHERN CALIFORNIA EDISON COMPANY	100.00	8.00
Do	TRAVELERS		
Do	UNION TEXAS PETROLEUM		
Do	WESTERN CONFERENCE OF TEAMSTERS PENSION TRUST FUND		
Do	WESTINGHOUSE ELECTRIC CORP		
NINA G. GROSS, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,500.00	341.37
STANLEY C. GROSS, 249 MAITLAND AVENUE ALTAMONTE SPRINGS FL 32701	INSTITUTE OF INTERNAL AUDITORS, INC		
ED GROSSWILER, 920 SW SIXTH AVENUE 1400 PUBLIC SERVICE BUILDING PORTLAND OR 97204	PACIFIC POWER & LIGHT CO	1,723.00	
WALTER B. GRUBBS, P.O. BOX 841 ABILENE TX 79604	WEST TEXAS UTILITIES CO	336.14	1,137.33
JOHN T. GRUPENHOFF, 10,000 FALLS RD., #306 POTOMAC MD 20854	AMERICAN ACADEMY OF DERMATOLOGY	1,400.00	197.00
Do	AMERICAN ACADEMY OF OTOLARYNGOLOGY-HEAD & NECK SURGERY	[illegible]	118.10
Do	AMERICAN GASTROENTEROLOGICAL ASSN	1,200.00	[illegible]
Do	AMERICAN SOC FOR GASTROINTESTINAL ENDOSCOPY	1,200.00	[illegible]
Do	AMERICAN SOC OF CLINICAL ONCOLOGY	[illegible]	[illegible]
Do	AMERICAN UROLOGICAL ASSN/AMER ASSN OF CLINICAL UROLOGISTS	[illegible]	114.70
Do	ASSOCIATION OF AMERICAN CANCER INSTITUTES	780.00	[illegible]
Do	COOLEY'S ANEMIA FOUNDATION	[illegible]	112.70
Do	NATIONAL HEMOPHILIA FOUNDATION	300.00	[illegible]
GERALD M. GUARILIA, 70 NORTH MAIN STREET WILKES-BARRE PA 18711	BLUE CROSS OF NORTHEASTERN PENNSYLVANIA		
KENNETH A. GUENTHER, 1625 MASSACHUAETTS AVE., #202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSN OF AMERICA		
CLARK J. GUILD JR., GUILD, HAGEN & CLARK, LTD. 102 ROFF WAY RENO NV 89505	MOTION PICTURE ASSN OF AMERICA, INC		
JAMES E. GUIRARD JR., 1730 RHODE ISLAND AVENUE, NW, #419 WASHINGTON DC 20036	BASF WYANDOTTE CORP		65.52
Do	BELL AEROSPACE TEXTRON		
Do	KMS FUSION, INC	[illegible]	[illegible]
Do	TAMO CORPORATION	1,500.00	514.52
Do	WALK-HAYDEL, INC	1,500.00	[illegible]
JEROME R. GULAN, 1604 K ST., NW WASHINGTON DC 20006	NATIONAL SMALL BUSINESS ASSN	4,500.00	
Do	SMALL BUSINESS LEGISLATIVE COUNCIL	2,500.00	
GUN OWNERS OF AMERICA, INC, 5881 LEESBURG PIKE, #204 FALLS CHURCH VA 22041		315,657.67	322,107.09
JOHN E. GUNTHER, 1725 K STREET, NW, #1405 WASHINGTON DC 20006	MORTGAGE INSURANCE COS OF AMERICA		
DAVID GUSKY, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	1,153.36	
SUSAN L. GUSTAFSON, 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
RAYMOND J. GUSTIN, LEFF & MASON 1700 PENNSYLVANIA AVENUE, NW, #450 WASHINGTON DC 20006	GREAT WESTERN FINANCIAL CORP	11,206.00	62.79
Do	HERON CORP. LTD	2,224.00	35.34
Do	U.S. LEAGUE OF SAVINGS INSTITUTIONS	1,568.00	
ROBERT F. GUTHRIE, 815 16TH ST., NW, #608 WASHINGTON DC 20006	DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO	4,901.00	
RICHARD E. GUTTING JR., 2000 M ST., NW, #580 WASHINGTON DC 20036	NATIONAL FISHERIES INSTITUTE	[illegible]	[illegible]
ALVIN M. GUTTMAN, 818 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20006	NATIONAL ASSN OF ATOMIC VETERANS	2,500.00	
Do	TOWING & RECOVERY ASSN OF AMERICA, INC	675.00	
DANIEL GUTTMAN, SPIEGEL & MCDIARMID 1350 NEW YORK AVE., NW WASHINGTON DC 20005	SERVICE EMPLOYEES INTERNATIONAL UNION	1,200.00	
DALLAS E. GWYNN, BALCOR PLAZA 4849 GOLF ROAD SKOKIE IL 60077	BALCOR/AMERICAN EXPRESS, INC	[illegible]	5,773.68
H&W DRILLING, INC, 422 NORTH CLIFFWOOD AVENUE LOS ANGELES CA 90049			
JANE SCHERER HAAKE, 1667 K STREET, NW, #420 WASHINGTON DC 20006	MEAD CORPORATION	225.00	
DANA W. HAAS, 1920 N ST., NW, #720 WASHINGTON DC 20036	KANSAS CITY POWER & LIGHT CO, ET AL	2,812.50	5,215.22
GLENN M. HACKBARTH, 444 N. CAPITOL STREET, #204 WASHINGTON DC 20001	BONNEVILLE ASSOCIATES, INC (FOR: INTERMOUNTAIN HEALTH CARE, INC)	13,750.00	
GEORGE HACKER, 1501 16TH STREET, NW WASHINGTON DC 20036	CENTER FOR SCIENCE IN THE PUBLIC INTEREST	800.00	
CRAIG HACKLER, 412 FIRST ST., SE, #214 WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORP OF AMERICA		
Do	INTERNATIONAL CHIROPRACTIC ASSN		
LOYD HACKLER, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	2,000.00	[illegible]
CHARLES W. HACKNEY JR., 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
WILLIAM F. HADDAD, ROUTE 12, SEDGEWOOD CARMEL NY 10512	GENERIC PHARMACEUTICAL INDUSTRY ASSN	3,000.00	
THOMAS M. HAGAN, 1005 CONGRESS AVE., #795 AUSTIN TX 78701	CENTRAL AND SOUTH WEST SERVICES, INC	[illegible]	1,090.62
HAGEDORN-CANDO, INC, 1704 23RD ST., SO. ARLINGTON VA 22202	DAVY MCKEE CORP		
Do	HANSEN ENGINE CO	1,000.00	
Do	TRAILWAYS BUS CO; NATIONWIDE PASSENGER BUS CO	1,312.50	
Do	YANKEE ENERGY CO	7,000.00	
ANN HAGEMANN, 1735 DESALES ST., NW, #400 WASHINGTON DC 20036	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC		
BRUCE N. HAHN, 9300 LIVINGSTON RD. FT. WASHINGTON MD 20744	NATIONAL TOOLING & MACHINING ASSN	11,420.00	3,696.32
THOMAS F. HAIRSTON, 1050 CONNECTICUT AVE., NW, #760 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA	[illegible]	816.13
HALE AND DORR, 1201 PENNSYLVANIA AVE., NW, #807 WASHINGTON DC 20004	INDIAN LAND CLAIM COMMITTEE		
Do	NORTHEASTERN UNIVERSITY	45,000.00	1,427.55
Do	TOWN OF MASHPEE		
Do	VILLERS ADVOCACY FOUNDATION	2,423.50	
Do	PHIL VILLERS		
RANDOLPH M. HALE, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
CHERYL A. HALEY, 444 NORTH CAPITOL ST., NW, #500 WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	1,845.70	248.85
MARTIN HALEY COMPANIES, INC, 1015 15TH ST., NW WASHINGTON DC 20005	M&M/MARS		
REBECCA L. HALKIAS, 1850 K STREET, NW, #1100 WASHINGTON DC 20006	BALLARD SPAHR ANDREWS & INGERSOLL		
DEBI HALL, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
JOHN F. HALL, 1619 MASSACHUSETTS AVE., N.W. WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	800.00	
RICHARD F. HALL, 1050 CONNECTICUT AVENUE, NW, #760 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA	[illegible]	[illegible]

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
WILLIAM F. HALL, P.O. BOX 7658 CHICAGO IL 60680	PUBLIC AFFAIRS RESEARCH ASSOCIATES, INC		
MARIAN HALL-CRAWFORD, 316 PENNSYLVANIA AVENUE, SE, #301 WASHINGTON DC 20003	SAN DIEGO GAS & ELECTRIC	1,186.00	2,948.74
PAUL HALLISAY, 1625 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AIR LINE PILOTS ASSN, INT'L	3,551.60	[illegible]
JOSEPH HALOW, 1747 PENNSYLVANIA AVE., NW, #1175 WASHINGTON DC 20006	NORTH AMERICAN EXPORT GRAIN ASSN, INC		
MAURICE E. HALSEY, P.O. BOX 190 AURORA IL 60507	NORTHERN ILLINOIS GAS COMPANY	2,000.00	
J. PHILLIP HALSTEAD, P.O. BOX 24305 OAKLAND CA 94623	CLOROX COMPANY		
PAUL T. HALUZA, 1120 19TH ST., NW, #333 WASHINGTON DC 20036	MOTOR AND EQUIPMENT MANUFACTURERS ASSOCIATION	3,000.00	376.51
RHONDA LEE HALVERSON, 1730 K ST., NW, #703 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE, INC	64.62	25.00
HAMEL & PARK, 888 16TH STREET, NW WASHINGTON DC 20006	BENEFICIAL FOUNDATION		
Do	ESTATE OF HELEN WODELL HALBACH		
Do	GRAEPER-VAN NOY-WAGNER, INC		
Do	GRAND TRUNK CORP	13,671.75	[illegible]
Do	SKYLINK CORPORATION, INC		
Do	TANDY CORPORATION		
J. LEE HAMILTON, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	[illegible]	
JAMES L. HAMILTON III, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	U.S. STEEL CORPORATION	770.00	213.79
PHILIP W. HAMILTON, 1825 K ST., NW WASHINGTON DC 20006	AMERICAN SOC OF MECHANICAL ENGINEERS		
STANLEY HAMILTON, 2200 MILL RD. ALEXANDRIA VA 22314	INTERSTATE CARRIERS CONFERENCE	500.00	50.00
VIOLET B. HAMILTON, 4-21 ASTORIA BLVD., #5B LONG ISLAND CITY NY 11102			
SUSAN WOODWARD HAMLIN, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
AMY R. HAMMER, 1899 L ST., NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION	2,000.00	674.63
ROBERT E. HAMPTON, NEW MURPHY ROAD & CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		
TIMOTHY A. HANAN, 1100 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	MOBIL CORPORATION	1,500.00	
NOLAN W. HANCOCK, 1126 16TH ST., NW WASHINGTON DC 20036	OIL CHEMICAL & ATOMIC WORKERS INTERNATIONAL UNION	5,549.00	
TED HANDEL, THIRD FLOOR 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	4,000.00	
DONALD K. HANES, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	184.75	
GEORGE J. HANKS JR., 1100 15TH ST., NW, 12TH FL. WASHINGTON DC 20005	UNION CARBIDE CORP		
JAMES M. HANLEY, 1337 PENNSYLVANIA AVE., NW, #905 WASHINGTON DC 20004	ALLIANCE OF NON-PROFIT MAILERS	12,501.00	280.00
ELISABETH HANLIN, 2000 L ST., NW, #810 WASHINGTON DC 20036	SPERRY CORPORATION		
HANSELL & POST, 1667 K ST., NW, #500 WASHINGTON DC 20006	CSX CORPORATION		12.35
Do	NATIONAL BROILER COUNCIL	7,450.00	[illegible]
Do	ROCKWELL INTERNATIONAL CORP		26.20
Do	UNITED FAMILY LIFE INSURANCE CO	668.00	13.00
CHRISTOPHER W. HANSEN, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS	1,000.00	415.00
HANSEN ENGINE CORP, 14920 MINNETONKA INDUSTRIAL ROAD MINNETONKA MN 55343			1,000.00
ERLING HANSEN, 624 9TH ST., NW, 7TH FL. WASHINGTON DC 20001	GROUP HEALTH ASSN OF AMERICA, INC		
J. E. HANSEN, 400 1ST ST., NW WASHINGTON DC 20001	BROTHERHOOD OF RAILROAD SIGNALMEN	350.00	
PETER J. HAPWORTH, 1015 15TH STREET, NW, #200 WASHINGTON DC 20005	NATIONAL PORK PRODUCERS COUNCIL	2,000.00	[illegible]
ROBERT N. HARBOR, 1050 CONNECTICUT AVENUE, NW, #200 WASHINGTON DC 20036	EL PASO NATURAL GAS CO		
CHARLES G. HARDIN ASSOCIATES, INC, 815 CONNECTICUT AVE., NW, #800 WASHINGTON DC 20006	ANDERSON HIBEY NAUHEIM & BLAIR		65.30
CHARLES G. HARDIN, 815 CONNECTICUT AVE., NW, #800 WASHINGTON DC 20006	MERCEDES-BENZ OF NORTH AMERICA, INC	[illegible]	220.24
RALPH HARDING, SUITE 717 WATERGATE 2600 VIRGINIA AVENUE, NW WASHINGTON DC 20037	PHILIPPINE SUGAR COMMISSION	60,000.00	[illegible]
WILLIAM E. HARDMAN, 9300 LIVINGSTON ROAD FT. WASHINGTON MD 20744	NATIONAL TOOLING & MACHINING ASSN	[illegible]	34.50
EUGENE J. HARDY, 1100 17TH ST., NW, #1000 WASHINGTON DC 20036	GERBER PRODUCTS COMPANY		
STUART B. HARDY, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
JON HARKAVY, 205 EAST 42ND STREET NEW YORK NY 10017	RISK & INSURANCE MANAGEMENT SOCIETY, INC		
CHARLES N. HARKEY, 453 NEW JERSEY AVENUE, SE WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA	1,400.00	
DAN R. HARLOW, 717 N. HARWOOD STREET DALLAS TX 75201	DIAMOND SHAMROCK CORPORATION	1,000.00	
LEON HARPER, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	750.00	
WILEY C. HARRELL JR., 1211 CONNECTICUT AVE., NW, #502 WASHINGTON DC 20036	ANHEUSER-BUSCH COMPANIES, INC		
TOM HARRINGTON, 955 L'ENFANT PLAZA NORTH, SW, #905 WASHINGTON DC 20024	AMERICAN HONDA MOTOR CO, INC	200.00	169.09
HARRIS & BERG, 1100 15TH STREET, NW, #1100 WASHINGTON DC 20005	ASSOCIATION OF FOOD INDUSTRIES, INC	2,500.00	170.00
Do	CHEESE IMPORTERS ASSN OF AMERICA, INC	[illegible]	241.00
Do	COMMITTEE OF DOMESTIC STEEL WIRE ROPE & SPECIALTY CABLE MFRS		
MARILYN A. HARRIS, 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	U.S. STEEL CORPORATION	800.00	62.50
ROBERT L. HARRIS, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	ALUMINUM ASSN		50.00
ANNE HARRISON-CLARK, 1707 H STREET, NW, #600 WSAHINGTON DC 20006	MARCH OF DIMES BIRTH DEFECTS FOUNDATION	4,125.00	102.55
J. WILLIAM W. HARSCH, 1600 M ST., NW, #701 WASHINGTON DC 20036	SIGNAL COMPANIES		
Do	SOLV-EX CORPORATION	[illegible]	[illegible]
WILLIAM H. HARSHA, 1102 DELF DRIVE MCLEAN VA 22101	WILLIAM H. HARSHA & ASSOCIATES, INC (FOR: NORFOLK SOUTHERN CORP)	15,000.00	238.01
LYNN S. HART, 444 N. CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	1,574.02	
SUSAN P. HART, 1600 M STREET, NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
HARTFORD FIRE INSURANCE CO, HARTFORD PLAZA HARTFORD CT 06115			54,685.21
EDWIN HAROLD HARVEY, 2020 K STREET, NW, #200 WASHINGTON DC 20006	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
JAY HARVEY, 815 16TH STREET, NW, #408 WASHINGTON DC 20006	FOOD & ALLIED SERVICE TRADES DEPT, AFL-CIO	[illegible]	149.00
CLIFFORD J. HARVISON, 2200 MILL RD. ALEXANDRIA VA 22314	NATIONAL TANK TRUCK CARRIERS, INC		
LINDA CAROL HASLETT, 55 PUBLIC SQUARE, #624 P.O. BOX 5000 CLEVELAND OH 44113	CLEVELAND ELECTRIC ILLUMINATING CO		
HOLLY HASSETT, 2000 L STREET, NW, #200 WASHINGTON DC 20036	HERSHEY FOODS CORP		
LEWIS B. HASTINGS, 1776 K ST., NW, #200 WASHINGTON DC 20006	MOTOROLA, INC	3,000.00	
WALTER A. HASTY JR., 801 18TH STREET, NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	[illegible]	
JANET HATHAWAY, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	CONGRESS WATCH	5,495.96	
GARY R. HATTAL, 818 ROEDER RD., #702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
HOWARD M. HAUG, 100 EAST 42ND ST. NEW YORK NY 10017	NATIONAL FOREIGN TRADE COUNCIL, INC	5,333.34	534.71
BARBARA S. HAUGEN, 311 FIRST STREET, NW, #700 WASHINGTON DC 20003	NATIONAL ASSN OF INSURANCE BROKERS		
MARILYN BETH HAUGEN, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AMERICAN PAPER INSTITUTE, INC		
BARBARA J. HAUGH, 1050 CONNECTICUT AVENUE, NW, #760 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA		[illegible]
MARY W. HAUGHT, 1800 K ST., NW, #820 WASHINGTON DC 20006	SUN CO, INC	700.00	
CHARLES W. HAVENS III, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	LEBOEUF LAMB LEIBY & MACRAE		
KATHRYN JOANN HAWES, 818 ROEDER RD., #702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
SIDNEY G. HAWKES, 1667 K ST., NW, #420 WASHINGTON DC 20006	MEAD CORPORATION	1,163.00	
CHARLES E. HAWKINS III, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
DAVID G. HAWKINS, 1350 NEW YORK AVE., NW, #300 WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC	1,494.31	6.00
JOHN H. HAWKINS JR., 600 N. 18TH ST. BIRMINGHAM AL 35291	ALABAMA POWER CO	15,114.00	
WESLEY F. HAYDEN, 5224 CHEROKEE AVE. ALEXANDRIA VA 22312	INTERNATIONAL ASSN OF FISH & WILDLIFE AGENCIES	8,574.96	184.95
DAVID J. HAYES, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	HOGAN & HARTSON (FOR: SEMICONDUCTOR INDUSTRY ASSN)		[illegible]
ROBERT G. HAYES, BOGLE AND GATES ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	KALAMA CHEMICAL, INC	1,000.00	
ROBERT A. HAYNOS, 4711 HUNT CIRCLE HARRISBURG PA 17112	HARSCO CORPORATION	15,249.99	1,131.02
HOLLY ELISABETH HAZARD, 400 FIRST STREET, NW, #800 WASHINGTON DC 20001	COMMITTEE FOR HUMANE LEGISLATION		
Do	FRIENDS OF ANIMALS, INC	5,500.00	69.12
HEALTH INSURANCE ASSN OF AMERICA, INC, 1750 K ST., NW WASHINGTON DC 20006			
ROBERT L. HEALY, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	300.00	
KEITH HEARD, 1030 15TH ST., NW, #700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMERICA	[illegible]	[illegible]
CHARLES L. HEBNER, NEW MURPHY ROAD & CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		
HERBERT A. HEDDEN, 1025 CONNECTICUT AVE., NW, #707 WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN		
JAY HEDLUND, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	10,650.42	[illegible]
EDWARD D. HEFFERMAN, 1513 16TH ST., NW, 4TH FL. WASHINGTON DC 20036	CAMP CARMOUCHE BARSH HUNTER GRAY & HOFFMAN, P.C.	12,000.00	
Do	CSX CORPORATION	[illegible]	39.02
Do	DUCTILE IRON PIPE RESEARCH ASSN		
Do	NATIONAL ASSN OF CRIMINAL DEFENSE LAWYERS	2,000.00	
Do	TRANSAMERICA INTERWAY, INC, ET AL	5,000.00	[illegible]
JOAN A. HEFFERNAN, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	[illegible]	71.50
JOHN HEFFNER, 1957 E STREET, N.W. WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ROBERT E. HEGGESTAD, 1827 PHELPS PLACE, NW WASHINGTON DC 20008	CASEY SCOTT & CANFIELD, P.C. (FOR UNIFICATION CHURCH)	1,250.00	26.00
ROSS J. HEIDE, 1001 22ND STREET, NW, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
JOHN F. HEILMAN, 807 MAINE AVE., SW WASHINGTON DC 20024	DISABLED AMERICAN VETERANS	17,331.60	244.56
ROBERT M. HEINE, 1701 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	CONOCO, INC	1,000.00	
RICHARD L. HELLWEGE, 1911 JEFFERSON DAVIS HIGHWAY, #1002 ARLINGTON VA 22202	LEAR SIEGLER, INC		
THOMAS M. HELSCHER, 1101 17TH STREET, NW, #604 WASHINGTON DC 20036	MONSANTO CO	450.00	216.10
CAROL C. HENDERSON, 110 MARYLAND AVE., NE, #101, BOX 54 WASHINGTON DC 20002	AMERICAN LIBRARY ASSN	903.00	
DONALD E. HENDERSON, 130 E. WASHINGTON STREET P.O. BOX 1290 INDIANAPOLIS IN 46204	INDIANA FARM BUREAU, INC	10,000.00	3,219.95
KATHLEEN M. HENDERSON, 1025 VERMONT AVENUE, NW, #500 WASHINGTON DC 20005	MILES LABORATORIES, INC		
CAROL DIANE HENDRICKS, 2601 PARK CENTER DRIVE, #C804 ALEXANDRIA VA 22302	AMERICAN MARITIME OFFICERS SERVICE		
DENNIS A. HENIGAN, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: VGS CORPORATION)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
C. DAYLE HENNINGTON, 1101 CONNECTICUT AVE., NW, #801 WASHINGTON DC 20036	CHICAGO MERCANTILE EXCHANGE		
EDMUND P. HENNELLY, 150 E. 42ND ST. NEW YORK NY 10017	MOBIL OIL CORP.	1,500.00	
HENNESSY ASSOCIATES, 152 WASHINGTON AVENUE ALBANY NY 12210			
GEORGE F. HENNRIKUS JR., 201 N. WASHINGTON ST. ALEXANDRIA VA 22314	RETIRED OFFICERS ASSN	4,607.00	
LEANN HENSCHE, 2550 M ST., NW, #770 WASHINGTON DC 20037	KW INDUSTRIES, INC	253.74	92.88
DAVID A. HENSON, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO		
BRUCE HEPPEN, 2020 K ST., NW, # 200 WASHINGTON DC 20006	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
STEPHEN HERM, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES		
LAWRENCE R. HERMAN, 600 PENNSYLVANIA AVENUE, SE, #200 WASHINGTON DC 20003	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC	10,846.00	
WILLIAM HERMELIN, 1200 15TH STREET, NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	4,375.00	186.56
HERON BURCHETTE RUCKERT & ROTHWELL, 1025 THOMAS JEFFERSON ST., NW, #700 WASHINGTON DC 20007	AMERICAN GRAPE GROWERS ALLIANCE FOR FAIR TRADE	2,512.50	
Do	ASSOCIATION OF FLORAL IMPORTERS OF FLORIDA	596.25	
Do	BAY AREA RAPID TRANSIT DISTRICT	4,818.75	
Do	CALIFORNIA ALMOND GROWERS EXCHANGE	10,712.50	
Do	CHICAGO MERCANTILE EXCHANGE	38,631.75	
Do	CONFEDERATED SALISH & KOOTENAI TRIBES OF THE FLATHEAD RESERV		
Do	FARM LABOR ALLIANCE	14,575.00	
Do	INDEPENDENT CEMENT CORP	3,393.75	
Do	NATIONAL ASSN OF INSURANCE COMMISSIONERS	12.50	
Do	NATIONAL POTATO COUNCIL	2,987.50	
Do	SOLID-TEX SYSTEMS, INC		
Do	SUN-DIAMOND GROWERS OF CALIFORNIA	21,281.25	
Do	SUNKIST GROWERS, INC	17,268.75	
CATHERINE L. HERON, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE	112.00	
HERRICK & SMITH, 1800 MASSACHUSETTS AVENUE, NW, #510 WASHINGTON DC 20036	HARD MINERALS CONSORTIUM		
Do	SMITH COLLEGE		
CAROL M. HERRINGTON, 1235 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202	EMERSON ELECTRIC CO		382.90
WILLIAM G. HERROLD, 1111 19TH ST., NW, #608 WASHINGTON DC 20036	INSTITUTE OF ELECTRICAL & ELECTRONICS ENGINEERS		
FRED HERVEY, P.O. BOX 29021 2645 E. WASHINGTON PHOENIX AZ 85038	REDUCE OUR DEBT FOUNDATION		
TED ALLEN HEYDINGER, 311 FIRST STREET, NW, #500 WASHINGTON DC 20001	COMPUTER & BUSINESS EQUIPMENT MANUFACTURERS ASSN	3,675.00	163.46
G. BROCKWEL HEYLIN, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
EDWARD HIDALGO, 1828 L ST., NW, #1111 WASHINGTON DC 20036	NORFOLK SOUTHERN CORP	15,600.00	93.30
J. THOMAS HIGGINBOTHAM, ONE MELLON BANK CENTER, #2002 PITTSBURGH PA 15258	MELLON BANK N.A. AND MELLON NATIONAL CORP	7,900.00	1,043.93
CAROL A. HIGGINS, 1101 14TH STREET, NW WASHINGTON DC 20005	AMERICAN FINANCIAL SERVICES ASSN	9,000.00	
DAVID M. HIGGINS, 333 SOUTH GRAND AVE., #3930 LOS ANGELES CA 90071		55,540.00	11,913.93
SHARON L. HILDEBRANDT, 444 N. CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN		
WILLIAM F. HILDENBRAND, GOLD & LIEBENGOOD, INC 1050 CONNECTICUT AVENUE, NW, #980 WASHINGTON DC 20036	CHEMICAL MANUFACTURERS ASSN	9,738.00	1,672.00
CLIFTON T. HILDERLEY JR., 1025 CONNECTICUT AVE., NW, #507 WASHINGTON DC 20036	ASHLAND OIL, INC	2,300.00	
GERALD 'JERRY' HILL, 6 EXECUTIVE PARK DRIVE ATLANTA GA 30329	AMOCO CORP		
J. ELDRED HILL JR., 600 MARYLAND AVE., SW, #603 WASHINGTON DC 20024	UBA, INC	7,000.00	
MORTON A. HILL, 475 RIVERSIDE DRIVE, #239 NEW YORK NY 10115	MORALITY IN MEDIA, INC		
PATRICIA HILL, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AMERICAN PAPER INSTITUTE, INC	2,635.42	153.95
ROBERT B. HILL, 2501 M STREET, N.W WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSN, INC	400.00	277.04
JOHN L. HILLS, RT. 1, BOX 645 PURCELLVILLE VA 22132	SUNDSTRAND CORPORATION	951.50	
JOHN M. HIMMELBERG, SCOTT HARRISON & MCLEOD 2501 M STREET, NW, #400 WASHINGTON DC 20037	FLORIDA FRUIT & VEGETABLE ASSN	3,000.00	
Do	FLORIDA TOMATO EXCHANGE	1,500.00	
RICK HIND, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	U.S. PUBLIC INTEREST RESEARCH GROUP	4,000.00	
STEPHEN HITCHNER, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	13,398.78	32.75
HOAG & ASSOCIATES, 1877 BROADWAY, #405 BOULDER CO 80302	DENELCOR, INC		
Do	NATIONAL ASSN OF BROADCASTERS		
LAWRENCE S. HOBART, 2301 M ST., NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	500.00	
CLAUDE E. HOBBS, 1801 K ST., NW WASHINGTON DC 20006	WESTINGHOUSE ELECTRIC CORP	3,000.00	210.00
HOBBS STRAUS DEAN & WILDER, 1819 H ST., NW, #800 WASHINGTON DC 20006	BRISTOL BAY AREA HEALTH CORP		
Do	MENOMINEE INDIAN TRIBE		
Do	METLAKATLA INDIAN COMMUNITY	200.00	
Do	MICCOSUKEE TRIBE OF INDIANS OF FLORIDA	100.00	
Do	NATIONAL CONGRESS OF AMERICAN INDIANS, INC		
Do	OGLALA SIOUX TRIBE	100.00	
Do	TANANA CHIEFS CONFERENCE, INC	30.00	
Do	THREE AFFILIATES TRIBES OF THE FORT BERTHOLD RESERVATION	500.00	
Do	UTE MOUNTAIN UTE TRIBE	6,600.00	16.00
SCOTT HODES, 180 NORTH LA SALLE ST., #3800 CHICAGO IL 60601	ZALMAN C. BERNSTEIN	2,500.00	
Do	INVESTMENT COMPANY INSTITUTE	4,500.00	
HOWARD E. HOELTER, ILLINOIS PETROLEUM COUNCIL P.O. BOX 5034 SPRINGFIELD IL 62705	AMERICAN PETROLEUM INSTITUTE		
GLEN D. HOFER, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	1,470.00	
IRVIN A. HOFF, 20 N. LIVE OAK RD. HILTON HEAD ISLAND SC 29928	U.S. CANE SUGAR REFINERS' ASSN	416.67	268.57
ADONIS E. HOFFMAN, 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: GOVERNMENT OF HAITI)	800.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF KOREA)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	400.00	
ELMO R. HOFFMAN, PARKER, JOHNSON, OWEN & MCGUIRE 108 EAST HILLCREST STREET P.O. BOX 2867 ORLANDO FL 32801	GLOBAL EXPLORATION & DEVELOPMENT CORP		
THOMAS F. HOFFMAN, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	CONSOLIDATION COAL CO	25.00	5.00
WILLIAM L. HOFFMAN, 516 FIRST ST., S.E. WASHINGTON DC 20003	AMERICAN UNIVERSITY OF BEIRUT	11,850.00	1,537.73
F. NORDY HOFFMANN AND ASSOC, INC, 400 N. CAPITOL ST., NW, #327 WASHINGTON DC 20001	ARCHER DANIELS MIDLAND COMPANY		
Do	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION		
Do	MARINE ENGINEERS BENEFICIAL ASSN		
Do	O'CONNOR & HANNAN		
Do	PAGE AIRWAYS		
Do	WESTINGHOUSE ELECTRIC		
HOGAN & HARTSON, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	CLEVELAND CLINIC FOUNDATION		
Do	COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSN		
Do	ECONOMICS LABORATORY, INC	1,006.25	
Do	HOME HEALTH SERVICES & STAFFING ASSN		21.78
Do	MAY DEPARTMENT STORES CO	1,282.50	52.00
Do	MEDTRONIC, INC		
Do	MEHARRY MEDICAL COLLEGE		
Do	MERCEDES-BENZ OF NORTH AMERICA, INC	13,917.50	50.00
Do	METHODIST HOSPITAL		
Do	MUTUAL LIFE INSURANCE CO OF NEW YORK		
Do	NATIONAL HOSPICE EDUCATION PROJECT		
Do	NATIONAL HOSPICE ORGANIZATION	7,143.02	3.30
Do	NATIONAL SOFT DRINK ASSN	4,080.00	32.00
Do	TOYOTA MOTOR SALES, U.S.A., INC	7,020.00	111.22
RICHARD F. HOHLT, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	6,412.50	25.15
WALTER HOLAN, 20 NORTH WACKER DRIVE CHICAGO IL 60606	PROFIT SHARING COUNCIL OF AMERICA		
BRUCE E. HOLBEIN, 111 POWDERMILL RD. (B79) MAYNARD MA 01754	DIGITAL EQUIPMENT CORPORATION	17,500.00	
MICHELE O'DONNELL HOLBROOK, 10 LAFAYETTE SQUARE, RM. 900 BUFFALO NY 14203	NATIONAL FUEL GAS DISTRIBUTION CORP, ET AL	1,733.20	4,855.65
NIELS C. HOLCH, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN MARITIME ASSN)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BROWNING-FERRIS INDUSTRIES, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CHICAGO TITLE INSURANCE CO)	2,340.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: COMMONWEALTH OF PUERTO RICO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FIRST AMERICAN TITLE INSURANCE CO)	2,340.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HOOPA VALLEY INDIANS)	260.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LANE INDUSTRIES)	520.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LAWYERS TITLE INSURANCE CO)	2,340.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LIFE CARE SERVICES CORP)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: QUIXOTE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	130.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SAFECO TITLE INSURANCE CO)	2,340.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SHAKLEE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STEWART TITLE GUARANTY CO)	2,340.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: TOBACCO INSTITUTE)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: U.S. BANKNOTE)		
HOLIDAY INNS, INC, C/O TALCOTT MCCABE & ASSOCIATES 600 MARYLAND AVE., SW, 302 W. WING WASHINGTON DC 20024			1,850.00
PHILIP C. HOLLADAY, 1025 CONNECTICUT AVENUE, NW, #200 WASHINGTON DC 20036	SHELL OIL COMPANY	500.00	
BRIGID A. HOLLERAN, 2550 M STREET, NW, #640 WASHINGTON DC 20037	CF INDUSTRIES, INC	500.00	653.50
THOMAS L. HOLLOWAY, 1920 N STREET, NW, #720 WASHINGTON DC 20036	UNION ELECTRIC CO, KANSAS CITY POWER & LIGHT CO, ET AL	2,187.00	4,542.65
WENDELL M. HOLLOWAY, 815 CONNECTICUT AVE., NW, #900 WASHINGTON DC 20006	FORD MOTOR CO	1,245.00	1,194.96
PETER E. HOLMES, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	900.00	
E. Y. HOLT JR., 1111 NORTH 19TH ST., #700 ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS		
FRED H. HOLT, 119 ORONOCO STREET BOX 1417-D50 ALEXANDRIA VA 22313	ANIMAL HEALTH INSTITUTE		
JOHN F. HOLTZ, NJ PETROLEUM COUNCIL 170 WEST STATE STREET TRENTON NJ 08608	AMERICAN PETROLEUM INSTITUTE		
PAUL R. HOLTZ, 1111 14TH STREET, NW, #1200 WASHINGTON DC 20005	AMERICAN DENTAL ASSN	3,000.00	690.71
HOLTZMAN & ASSOCIATES, 214 MASSACHUSETTS AVENUE, NE, #340 WASHINGTON DC 20002	HOLLAND ASSOCIATES		
Do	NATIONAL COALITION FOR LOWER PRICES		
LOIS HOLWERDA-HOYT, 600 MARYLAND AVENUE, SW, #770 WASHINGTON DC 20024	AMERICAN ACADEMY OF FAMILY PHYSICIANS	1,037.50	358.97
HOME RECORDING RIGHTS COALITION, P.O. BOX 33576 WASHINGTON DC 20033		40,000.00	70,025.99
KAREN C. HONTZ, 1875 EYE ST., NW, #940 WASHINGTON DC 20006	GULF & WESTERN MANAGEMENT COMPANY	3,500.00	150.00
EDWIN M. HOOD, 1725 K STREET, NW, #1102 WASHINGTON DC 20006	NATIONAL STEEL & SHIPBUILDING CO	936.75	34.50
CANDICE SHY HOOPER, 1025 CONNECTICUT AVE., NW, #1014 WASHINGTON DC 20036	ENSERCH CORPORATION	5,313.00	2,691.55
LILLIE E. HOOVER, P.O. BOX 1085 MARTINSBURG WV 25401	NATIONAL PEACH COUNCIL		
HOPKINS & SUTTER, THREE FIRST NATIONAL PLAZA, #4200 CHICAGO IL 60602	LAKE BANKING GROUP		
VIRGINIA E. HOPKINS, 1620 EYE ST., NW, #800 WASHINGTON DC 20006	TAFT STETTINIUS & HOLLISTER (FOR: KINGS ENTERTAINMENT CO)		
Do	TAFT STETTINIUS & HOLLISTER (FOR: TAFT BROADCASTING COMPANY)		
Do	TAFT STETTINIUS & HOLLISTER (FOR: TELEPHONE & DATA SYSTEMS, INC)		
Do	TAFT STETTINIUS & HOLLISTER (FOR: WALD MANUFACTURING CO, INC)		
SHERI L. HOPTMAN, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	JAPAN ECONOMIC INSTITUTE OF AMERICA	100.00	
ROBERT JACK HORN, 1990 M ST., NW, #480 WASHINGTON DC 20036	DETROIT EDISON COMPANY	750.00	55.00
STEVEN HORNBURG, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	187.00	120.00
HARRY J. HORROCKS II, 40 IVY STREET, SE WASHINGTON DC 20003	NATIONAL LUMBER & BUILDING MATERIAL DEALERS ASSN		
HOSPITAL ASSOCIATION OF NEW YORK STATE, 15 COMPUTER DRIVE WEST ALBANY NY 12205		1,076.00	1,076.00
HOSPITAL CORP OF AMERICA, 2000 L STREET, NW, #200 WASHINGTON DC 20035			1,453.00
WILLIAM J. HOTES, 919 18TH ST., NW, #400 WASHINGTON DC 20006	DIAMOND SHAMROCK CORPORATION	1,000.00	389.73
HOUDAILLE INDUSTRIES, INC, ONE FINANCIAL PLAZA FORT LAUDERDALE FL 33394			
MARGARET A. HOULIHAN, 1620 I ST., NW, #703 WASHINGTON DC 20006	BECHTEL POWER CORPORATION		
THOMAS B. HOUSE, 1700 OLD MEADOW RD. MCLEAN VA 22102	AMERICAN FROZEN FOOD INSTITUTE	1,000.00	
HOUSLEY GOLDBERG & KANTARIAN, P.C., 2301 M ST., NW, #500 WASHINGTON DC 20037			
JACK W. HOUSTON, 900 N. HAIRSTON ROAD, SUITE D STONE MOUNTAIN GA 30083	GEORGIA ASSN OF PETROLEUM RETAILERS, INC		
MARY GREER HOUSTON, 1901 L ST., NW #804 WASHINGTON DC 20036	SIEGEL HOUSTON & ASSOC, INC (FOR: FARM LABOR RESEARCH COMM)		
HOUSTON NATURAL GAS CORP, P.O. BOX 1188 HOUSTON TX 77001			7,663.45
HOVING GROUP, 910 17TH ST., NW, #318 WASHINGTON DC 20006	EAGLE-PICHER INDUSTRIES	150.00	
Do	WESTERN SOUTHERN		
ANNE L. HOWARD, ANNE L. HOWARD AND ASSOCIATES 888 17TH STREET, NW, #600 WASHINGTON DC 20006	LITTLE SIX BINGO	9,000.00	792.00
Do	PAN AMERICAN MANAGEMENT CO		
Do	SHAKOPEE MDEWAKANTON SIOUX COMMUNITY		
EDWARD F. HOWARD, 1334 G STREET, 3RD FL. WASHINGTON DC 20005	VILLERS ADVOCACY ASSOCIATES	3,228.82	65.49
ROBERT M. HOWARD, 815 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	FORD MOTOR CO	1,506.60	1,313.76
SENGA HOWAT, 1604 K STREET, NW WASHINGTON DC 20006	NATIONAL SMALL BUSINESS ASSN	2,000.00	
HOWELL CORP, 1010 LAMAR, SUITE 1800 HOUSTON TX 77002			
GARY HOWELL, 1745 JEFFERSON DAVIS HIGHWAY, #1006 ARLINGTON VA 22202	TEXAS INSTRUMENTS, INC	600.00	
J. WILLIAM HOWELL, 1801 K ST., NW WASHINGTON DC 20006	INTERNATIONAL BUSINESS MACHINES CORP		
JAMES P. HOWELL, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	1,165.00	
MARY J. LYNCH HOWELL, 1090 VERMONT AVE., NW, #1100 WASHINGTON DC 20005	TEXTRON, INC	1,500.00	280.00
STEVEN K. HOWELL, 1010 LAMAR, SUITE 1800 HOUSTON TX 77002	HOWELL CORP		
WELDON U. HOWELL JR., 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	SCHRAMM & RADDUE (FOR: H&W DRILLING, INC)		
JOHN B. HOWERTON, 1730 RHODE ISLAND AVE., NW, #209 WASHINGTON DC 20036	ASARCO INC	2,000.00	
JOHN A. HOWES, 1050 17TH ST., NW, #490 WASHINGTON DC 20036	CONSUMERS POWER CO	6,000.00	1,266.00
CLIFFORD T. HOWLETT JR., 1875 EYE ST., NW, #400 WASHINGTON DC 20006	GEORGIA-PACIFIC CORP	3,200.00	
PAUL R. HUARD, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	4,000.00	
HENRY W. HUBBARD, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	265.00	
BETTY HUDSON, 1627 K STREET, NW, #200 WASHINGTON DC 20006	FLUOR CORPORATION	15,000.00	1,091.34
HUDSON CREYKE KOEHLER & TACKE, 1744 R STREET, NW WASHINGTON DC 20009	JAMES P. PURVIS		59.08
HUDSON DAVENPORT & SEAY, ONE THOMAS CIRCLE, NW, #375 WASHINGTON DC 20005	CITY OF DETROIT		
MARGARET RENKEN HUDSON, 600 MARYLAND AVENUE, SW, #695 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS	2,250.00	100.00
STEVEN D. HUFF, 111 EAST WISCONSIN AVENUE, #1800 MILWAUKEE WI 53202	NATIONAL EMPLOYEE BENEFITS INSTITUTE		
DAVID EMERY HUGHES, 2211 CONGRESS ST. PORTLAND ME 04122	UNION MUTUAL LIFE INSURANCE CO		
GARY E. HUGHES, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
HUGHES HUBBARD & REED, 1201 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20004	ANGLO AMERICAN AUTO AUCTIONS, INC	1,830.00	9.75
Do	CONTINENTAL AIR LINES, INC		
Do	GROCERY MANUFACTURERS OF AMERICA, INC	155.00	4.25
Do	TEXAS AIR CORP		
Do	47TH STREET PHOTO		
PETER W. HUGHES, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	1,213.68	24.00
RICHARD H. HUGHES, P.O. BOX 880 VALLEY FORGE PA 19482	AVTEX FIBERS, INC		
WILLIAM HUGHES, 1522 K ST., NW, #836 WASHINGTON DC 20005	NATIONAL ASSN OF FEDERAL VETERINARIANS	17.90	
EDWARD L. HUIE, WHEATON PLAZA NORTH, #415 WHEATON MD 20902	NATIONAL ASSN OF AIR TRAFFIC SPECIALISTS	5,272.68	810.57
CORDELL W. HULL, 50 BEALE ST., P O BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
RANDALL K. HULME, 618 A STREET, SE, #25 WASHINGTON DC 20003	PETER FENN & ASSOCIATES, INC		
MARGOT SMILEY HUMPHREY, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	KOTEEN & NAFTALIN (FOR: ALASCOM, INC)		
Do	KOTEEN & NAFTALIN (FOR: TELEPHONE & DATA SYSTEMS, INC)		
ROBERT R. HUMPHREYS, 1667 K ST., NW, #500 WASHINGTON DC 20006	HELEN KELLER NATIONAL CENTER		
FRANCIS M. HUNT, 1800 M STREET, NW, #700S WASHINGTON DC 20036	DOW CHEMICAL CO	550.00	235.00
MICHELE HUNT, 8500 BYRON ROAD ZEELAND MI 49464	HERMAN MILLER, INC		
PETER C. HUNT, 195 MONTAGUE ST. BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
RICHARD M. HUNT, 1150 CONNECTICUT AVE., NW, #1009 WASHINGTON DC 20036	NL INDUSTRIES, INC	4,775.00	
HARRIET HUNT-BURGESS, 82 2ND ST. SAN FRANCISCO CA 94105	TRUST FOR PUBLIC LAND	4,560.00	1,978.00
JAMES C. HUNTER, 1747 PENNSYLVANIA AVENUE, NW, #300 WASHINGTON DC 20006	CITIES SERVICE OIL & GAS CORP	370.00	38.20
MICHAEL M. HUNTER, 1600 M ST., NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION	1,560.00	65.00
MILTON F. HUNTINGTON, MAINE PETROLEUM ASSN 283 WATER ST. AUGUSTA ME 04330	AMERICAN PETROLEUM INSTITUTE	204.00	
HUNTON & WILLIAMS, 2000 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AMERICAN INSURANCE ASSN	25,111.25	8.70
Do	EDISON ELECTRIC INSTITUTE	6,926.25	674.50
Do	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION	8,585.00	167.19
Do	LONG ISLAND LIGHTING CO		
ADELE M. HURLEY, 112 ST. CLAIR AVE., WEST, #504 TORONTO, ONTARIO CANADA M4V 2Y3	CANADIAN COALITION ON ACID RAIN	1,682.30	141.09
HURT RICHARDSON GARNER TODD & CADENHEAD, 1100 PEACHTREE CENTER HARRIS TOWER 233 PEACHTREE STREET, NE ATLANTA GA 30043	NATIONAL ASSN OF PENSION CONSULTANTS & ADMINISTRATORS, INC		825.92
ROBERT R. HURT, 1050 17TH ST., NW, #650 WASHINGTON DC 20036	MERCK & CO, INC		
CATHY HURWIT, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	CITIZEN ACTION	2,000.00	
Do	CITIZEN/LABOR ENERGY COALITION	5,000.00	
BENJAMIN MELVIN HURWITZ, 1925 K ST., NW, #200 WASHINGTON DC 20006	MITCHELL ENERGY & DEVELOPMENT CORP		75.00
GEOFFREY B. HURWITZ, 1667 K ST., NW, #1210 WASHINGTON DC 20006	ROHM AND HAAS COMPANY	500.00	331.53
RAYMOND W. HUSSEY, 29400 LAKELAND BLVD. WICKLIFFE OH 44092	LUBRIZOL CORPORATION	700.00	1,212.09
DEWEY M. HUTCHINS, 1919 PENNSYLVANIA AVE., NW, #705 WASHINGTON DC 20006	EASTMAN KODAK CO	500.00	257.00
PHILIP A. HUTCHINSON, 490 L'ENFANT PLAZA, #3210 WASHINGTON DC 20024	VOLKSWAGEN OF AMERICA, INC	250.00	
ROBERT E. HUTCHINSON, P.O. BOX 29021 2645 E. WASHINGTON PHOENIX AZ 85038	REDUCE OUR DEBT FOUNDATION		
JAMES L. HUTCHISON, 260 MADISON AVENUE NEW YORK NY 10016	AMERICAN PAPER INSTITUTE, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
HELENA C. HUTTON, 1101 15TH STREET, NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO (3M)	2,500.00	
RANDY HUWA, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	10,346.28	884.10
B. F. HYDE, TENNESSEE PETROLEUM COUNCIL 211 7TH AVENUE, NORTH, 4TH FL. NASHVILLE TN 37219	AMERICAN PETROLEUM INSTITUTE	1,500.00	707.47
GARY HYMEL, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN MARITIME ASSN).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ASARCO INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BROWNING-FERRIS INDUSTRIES, INC.).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BUDD COMPANY)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CANADIAN ASBESTOS INFORMATION CENTRE).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CHICAGO TITLE INSURANCE CO).	265.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FIRST AMERICAN TITLE INSURANCE CO).	265.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HEALTH INSURANCE ASSN OF AMERICA).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HITACHI AMERICA, LTD)	50.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HTB CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: KINGDOM OF MOROCCO)	50.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LAWYERS TITLE INSURANCE CO).	265.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LIFE CARE SERVICES CORP).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MARTIN BAKER AIRCRAFT COMPANY LTD.).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MOTOROLA, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MUTUAL OF OMAHA)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: QUIXOTE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: RAUSCHENBERG OVERSEAS CULTURAL INTERCHANGE)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF KOREA)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	2,445.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SAFECO TITLE INSURANCE CO).	265.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SANTA FE INTERNATIONAL).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SHAKLEE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STEWART TITLE INSURANCE CO).	265.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STROH BREWERY CO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: TOBACCO INSTITUTE)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: U.S. BANKNOTE)		
ROBERT D. HYNES JR., 1825 K ST., NW, #807 WASHINGTON DC 20006	NATIONAL BROADCASTING CO, INC	800.00	707.11
RICHARD H. ICHORD, 499 SOUTH CAPITOL STREET, SW, #400 WASHINGTON DC 20003	AAI CORPORATION	1,503.75	927.36
Do	EMERSON ELECTRIC CO	600.00	1,764.27
Do	WASHINGTON INDUSTRIAL TEAM, INC	600.00	
BERNARD J. IMMING, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN		
CATHERINE L. IMUS, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORP	33.00	
INDEPENDENT DATA COMMUNICATIONS MANUFACTURERS ASSN, C/O SQUIRE SANDERS & DEMPSEY 1201 PENNSYLVANIA AVE, NW WASHINGTON DC 20004.			
INDEPENDENT INSURANCE AGENTS OF AMERICA, INC, 100 CHURCH ST. NEW YORK NY 10007		24,247.00	24,247.00
INDEPENDENT PRODUCERS GROUP, 240 PAGE COURT 220 W. DOUGLAS WICHITA KS 67202		3,823.40	5,452.46
INDIANA HI-RAIL CORPORATION, RR 1, BOX 242 CONNERSVILLE IN 47331			60.00
INDIANA RAILROAD ASSN, 143 W. MARKET STREET, #201 INDIANAPOLIS IN 46204			1,515.36
INDUSTRIAL BIOTECHNOLOGY ASSN, 2115 E. JEFFERSON ST. ROCKVILLE MD 20852			416.00
INDUSTRIAL UNION DEPARTMENT, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		22,189.73	22,189.73
INDUSTRY COUNCIL FOR TANGIBLE ASSETS, 214 MASSACHUSETTS AVENUE, NE, #560 WASHINGTON DC 20002			
CHARLES E. ING, 412 FIRST STREET, SE WASHINGTON DC 20003	NATIONAL AUTOMOBILE DEALERS ASSN	3,000.00	
ANDREA L. INNES, 1130 17TH STREET, NW WASHINGTON DC 20036	NATIONAL COAL ASSN	5,375.00	288.06
INSTITUTE OF FOREIGN BANKERS, SUITE 303 EAST, RM. 23 200 PARK AVE. NEW YORK NY 10017		1,540.00	1,540.00
INSTITUTE OF MAKERS OF EXPLOSIVES, 1575 EYE STREET, NW, #550 WASHINGTON DC 20005			
INSURANCE ECONOMICS SOCIETY OF AMERICA, 1700 PENNSYLVANIA AVE., NW, #590 WASHINGTON, DC 20006		36,194.00	3,041.39
INTEGRATED RESOURCES, INC, 666 THIRD AVENUE, 4TH FL. NEW YORK NY 10017			4,250.00
INTERNATIONAL ASSN OF BRIDGE STRUCT & ORNAMENTAL IRON WKRS, 1750 NEW YORK AVE., NW WASHINGTON DC 20006.			10,820.00
INTERNATIONAL BROTHERHOOD OF TEAMSTERS, 25 LOUISIANA AVE., NW WASHINGTON DC 20001			75,654.93
INTERNATIONAL COMMUNICATIONS INDUSTRIES ASSN, 3150 SPRING ST. FAIRFAX VA 22031		18,974.58	4,925.28
INTERNATIONAL GOLD CORPORATION LIMITED, 900 THIRD AVENUE NEW YORK NY 10022			61,521.33
INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, 17 BATTERY PLACE, #1500 NEW YORK NY 10004			50,941.03
INTERNATIONAL TAXICAB ASSOCIATION, 3849 FARRAGUT AVENUE KENSINGTON MD 20895			2,300.00
INTERNATIONAL TECHNICAL EXPERTISE, LTD, 150 S. WASHINGTON ST., #100 FALLS CHURCH VA 22042			
INTERNATIONAL UNION OF BRICKLAYERS & ALLIED CRAFTSMEN, 815 15TH ST., NW WASHINGTON DC 20005			7,773.04
INVESTMENT COMPANY INSTITUTE, 1600 M ST., NW WASHINGTON DC 20036			10,226.28
INVESTMENT COUNSEL ASSN OF AMERICA, INC, 50 BROAD ST. NEW YORK NY 10004			
CHARLES C. IRONS, 2200 MILL RD. ALEXANDRIA VA 22314	AMERICAN MOVERS CONFERENCE	1,362.00	
THOMAS L. IRMEN, P.O. BOX 119 MAUMEE OH 43537	ANDERSONS		
IRON ORE LESSORS ASSN, INC, 1580 FIRST NATL BANK BLDG. SAINT PAUL MN 55101		15,508.97	15,296.66
ITEL CONTAINER CORP, 55 FRANCISCO STREET, 6TH FL SAN FRANCISCO CA 94133			81.00
J M FAMILY ENTERPRISES, INC, P.O. BOX 1160 DEERFIELD BEACH FL 33441			130.00
ROBERT A. JABLON, SPIEGEL & MCDIARMID 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	FT. PIERCE UTILITIES AUTH OF THE CITY OF FT. PIERCE, ET AL		
CARLTON JACKSON, FLORIDA PETROLEUM COUNCIL 325 JOHN KNOX RD., #F-210 TALLAHASSEE FL 32303	AMERICAN PETROLEUM INSTITUTE		
CHARLES L. JACKSON, 1990 M ST., NW, #450 WASHINGTON DC 20036	SHOOSHAN & JACKSON, INC (FOR: ROGERS U.S. CABLESYSTEMS, INC)		
GLENN JACKSON, 1660 L STREET, NW, #601 WASHINGTON DC 20036	INTERSTATE NATURAL GAS ASSN OF AMERICA	300.00	
WILLIAM P. JACKSON JR., JACKSON & JESSUP, P.C. 3426 N. WASHINGTON BOULEVARD ARLINGTON VA 22201	OSBORNE TRUCK LINE, INC, ET AL	5,088.42	10,826.02
STEPHEN JACOBS, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	1,594.64
WALTER K. JAENICKE, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	4,500.00	
E. A. JAENKE & ASSOCIATES, INC, 777 14TH ST., NW, #666 WASHINGTON DC 20005	FARMLAND INDUSTRIES	500.00	
Do	UNIVERSITY OF KANSAS	750.00	
DANIEL L. JAFFE, 1400 K ST., NW, #1000 WASHINGTON DC 20005	AMERICAN ADVERTISING FEDERATION		
JAFFE SNIDER RAITT & HEUER, P.C., 1800 FIRST NATIONAL BUILDING DETROIT MI 48226			
EDWARD L. JAFFEE, 1730 RHODE ISLAND AVENUE, NW, #713 WASHINGTON DC 20036	PPG INDUSTRIES, INC		
MARGO L. JAMES, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN		
MICHAEL JAMESON, P.O. BOX 5100 SAN DIEGO CA 92105	CONCERNED WOMEN FOR AMERICA		
JAPAN ECONOMIC INSTITUTE OF AMERICA, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036		375.00	375.00
JOSEPH J. JAQUAY, 5025 WISCONSIN AVE., NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
EVELYN JARVIS-FERRIS, 444 MARKET STREET SAN FRANCISCO CA 94111	SHAKLEE CORPORATION		
JERRY J. JASINOWSKI, 1776 F STREET, N.W. WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	7,000.00	
JACOB K. JAVITS, 1211 AVENUE OF THE AMERICAS NEW YORK NY 10036	PARKER CHAPIN FLATTAU & KLIMPL (FOR: ASSOCIATION FOR A BETTER NEW YORK).		2,354.09
JOSEPH A. JEFFREY, 1920 N ST., NW, #300 WASHINGTON DC 20036	AMERICAN MINING CONGRESS	800.00	
PHILIP F. JEHLE, 1150 CONNECTICUT AVE., NW, #310 WASHINGTON DC 20036	SMITHKLINE BECKMAN CORP	1,000.00	
JOSEPH S. JENCKES, SUITE 300 1710 RHODE ISLAND AVE., NW WASHINGTON DC 20036	ABBOTT LABORATORIES	5,000.00	187.50
LINDA JENCKES, 1750 K ST., NW WASHINGTON DC 20006	HEALTH INSURANCE ASSN OF AMERICA, INC		
DAVID M. JENKINS II, 1025 VERMONT AVENUE, NW, #500 WASHINGTON DC 20005	MILES LABORATORIES, INC		
JENNER & BLOCK, 21 DUPONT CIRCLE, NW WASHINGTON DC 20036	ADHESIVE & SEALANT COUNCIL, INC		
Do	AMERICAN ASSN OF NURSE ANESTHETISTS		
Do	AMERICAN DENTAL ASSISTANTS ASSN		
Do	AMERICAN DENTAL TRADE ASSN		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	AMERICAN FILM MARKETING ASSN		
Do	AMERICAN INTRA-OCULAR IMPLANT SOCIETY		
Do	AMERICAN PORTRAIT SOCIETY		
Do	AMERICAN SOC OF ASSN EXECUTIVES		
Do	AMUSEMENT & MUSIC OPERATORS ASSN	4,616.25	1,245.25
Do	ASSOCIATION OF OPERATING ROOM NURSES		
Do	AUTO GLASS INDUSTRY COMM		
Do	DENTAL GOLD INSTITUTE		
Do	INTRAOCULAR LENS MFRS ASSN		
Do	NATIONAL GLASS ASSN		
JAMES C. JENNINGS, 3255 GRACE ST., NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC		
JENNINGS STROUSS & SALMON, 111 WEST MONROE PHOENIX AZ 85003	SHAMROCK FOODS CO		
RUSTY L. JESSER, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	7,000.00	
NANCY H. JESSICK, 1331 PENNSYLVANIA AVE., NW, #720 WASHINGTON DC 20004	HIRAM WALKER & SONS, INC		
GUY E. JESTER, 2150 KIENLEN AVE. ST. LOUIS MO 63121	ASSOCIATION FOR THE IMPROVEMENT OF THE MISSISSIPPI RIVER		
CHARLES JOECKEL JR., 807 MAINE AVE., SW WASHINGTON DC 20024	DISABLED AMERICAN VETERANS	18,647.19	324.53
JOHNSON & ASSOCIATES, 3240 N. ALBEMARLE STREET ARLINGTON VA 22207	FOREMOST DAIRIES-HAWAII		
Do	MEADOWGOLD DAIRIES-HAWAII		
BRUCE JOHNSON, AVENUE OF THE ARTS BLDG., #1009 PHILADELPHIA PA 19107	FAIC SECURITIES, INC	6,000.00	2,180.36
CARL T. JOHNSON, 1800 K ST., NW, #1104 WASHINGTON DC 20006	CORNING GLASS WORKS	600.00	
CLIFFORD T. JOHNSON, 1700 NORTH MOORE STREET ROSSLYN VA 22209	BOEING MILITARY AIRPLANE COMPANY		
JAMES A. JOHNSON, 2550 M ST., NW, #500 WASHINGTON DC 20037	SHEARSON LEHMAN BROTHERS; NORFOLK SOUTHERN RAILWAY	7,650.00	33.00
JESS JOHNSON JR., 1025 CONNECTICUT AVE., NW, #200 WASHINGTON DC 20036	SHELL OIL CO	1,000.00	
JOEL L. JOHNSON, 122 C ST., NW, #740 WASHINGTON DC 20001	AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE	3,500.00	105.43
JOHN B. JOHNSON, ALABAMA PETROLEUM COUNCIL P.O. BOX 4220 MONTGOMERY AL 36195	AMERICAN PETROLEUM INSTITUTE	2,096.25	1,159.60
JUSTIN W. JOHNSON, P.O. BOX 970 FT. WORTH TX 76101	TEXAS ELECTRIC SERVICE CO	110.00	64.00
LARRY W. JOHNSON, P.O. BOX 3000 LEESBURG VA 22075	VOCATIONAL INDUSTRIAL CLUBS OF AMERICA, INC		
LINDA MEYER JOHNSON, 1575 EYE STREET, NW, #625 WASHINGTON DC 20005	ROLM CORPORATION		
MARK R. JOHNSON, 1667 K STREET, NW, #350 WASHINGTON DC 20036	MOLLER STEAMSHIP CO, INC		
NANCIE S. JOHNSON, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	CONOCO, INC	1,100.00	
RADY A. JOHNSON, 1000 16TH ST., NW WASHINGTON DC 20036	AMOCO CORP	800.00	
RICHARD W. JOHNSON JR., 219 N. WASHINGTON STREET ALEXANDRIA VA 22314	NON COMMISSIONED OFFICERS ASSN OF THE USA	5,955.04	464.41
STANLEY L. JOHNSON, 1050 17TH ST., NW WASHINGTON DC 20036	TEXACO, INC	125.00	
THOMAS G. JOHNSON, ONE SHELL PLAZA, #4868 P.O. BOX 2463 HOUSTON TX 77001	SHELL OIL COMPANY		
WALLACE E. JOHNSON, MOFFET, LARSON & JOHNSON, P.C. 1925 NORTH LYNN STREET, #700 ARLINGTON VA 22209	ASSOCIATION FOR BROADCASTING ENGINEERING STANDARDS, INC		
WILLIAM L. JOHNSON, 1050 17TH ST., NW, #301 WASHINGTON DC 20036	PRIMARK CORPORATION		
BARBARA W. JOHNSTON, 1150 CONNECTICUT AVE. NW #710 WASHINGTON DC 20036	UTAH INTERNATIONAL, INC		
DAVID JOHNSTON, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ERNEST JOHNSTON, 1825 K STREET, NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM CO	1,075.00	
JAMES D. JOHNSTON, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,600.00	5,298.44
JOINT CORPORATE COMM ON CUBAN CLAIMS, C/O LONE STAR INDUSTRIES, INC PO BOX 5050 GREENWICH CT 06830			180.00
JOINT TASK FORCE ON FED FINANCIAL ASSIST FOR LAW STUDENTS, P.O. BOX 40 NEWTOWN PA 18940			
MARY K. JOLLY, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA	800.00	137.39
HERBERT A. JOLOVITZ, 900 17TH STREET, NW WASHINGTON DC 20006	OWENS-CORNING FIBERGLAS CORPORATION	1,337.00	
BEVERLY E. JONES, WICKWIRE GAVIN & GIBBS, P.C. 1819 L STREET, NW, #700 WASHINGTON DC 20036	AMERICAN INDEPENDENT REFINERS ASSN	700.00	2.40
Do	CONSOLIDATED NATURAL GAS CO	230.00	
Do	NATIONAL HYDROPOWER ASSN, ET AL		
CHERYL L. JONES, 1331 PENNSYLVANIA AVE., NW, #565 WASHINGTON DC 20004	TEXAS GAS TRANSMISSION CORP		
JONES DAY REAVIS & POGUE, 655 15TH ST., NW WASHINGTON DC 20005	AUTOMOTIVE DISMANTLERS & RECYCLERS ASSN, INC		
Do	CARL M. FREEMAN ASSOCIATES		
Do	LOS ANGELES COUNTY	5,527.00	899.24
Do	MISSISSIPPI CHEMICAL CORP		
Do	PFIZER, INC	8,000.00	160.00
Do	SCM CORPORATION		
ERNEST W. JONES, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
JAMES E. JONES JR., 1629 K ST., NW, #1010 WASHINGTON DC 20006	ALLIANCE OF AMERICAN INSURERS	201.00	78.25
JAMES E. JONES, 40 FRANKLIN RD., SW P.O. BOX 2021 ROANOKE VA 24022	APPALACHIAN POWER COMPANY		
JULIE S. JONES, 1050 17TH STREET, NW, #301 WASHINGTON DC 20036	PRIMARK CORP	750.00	
NORVILL JONES, 1620 EYE ST., NW WASHINGTON DC 20006	REYNOLDS METALS CO	166.67	
RANDALL T. JONES, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	2,000.00	
WILEY N. JONES, 1667 K ST., NW, #600 WASHINGTON DC 20006	SOUTHERN PACIFIC TRANS CO & SANTA FE SOUTHERN PACIFIC CO	1,000.00	500.00
ALEXANDER H. JORDAN, 1201 PENNSYLVANIA AVENUE, NW, #730 WASHINGTON DC 20004	KIMBERLY-CLARK CORP		
DE SOTO JORDAN, 1331 PENNSYLVANIA AVE., NW, #1300 WASHINGTON DC 20004	ELECTRONIC DATA SYSTEMS CORPORATION	374.00	68.00
JAMES V. JORDAN III, PO BOX 2563 BIRMINGHAM AL 35202	SOUTHERN NATURAL GAS CO		
DAVID JORY, 1709 NEW YORK AVENUE, NW WASHINGTON DC 20006	AIR TRANSPORT ASSN OF AMERICA	5,000.00	
JEFFREY H. JOSEPH, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	1,400.00	10.00
MARY LOU JOSEPH, 2025 M STREET, NW WASHINGTON DC 20036	NATIONAL PUBLIC RADIO	17,509.64	520.07
ARDON B. JUDD JR., 1100 CONNECTICUT AVE., NW, #310 WASHINGTON DC 20036	DRESSER INDUSTRIES, INC		
ROBERT E. JULIANO ASSOCIATES, 1899 22ND STREET, NW, #404 WASHINGTON DC 20037	NATIONAL ASSN OF BROADCASTERS		
ROBERT E. JULIANO, 1875 I ST., NW, #450 WASHINGTON DC 20006	HOTEL & RESTAURANT EMPLOYEES & BARTENDERS INTL UNION	16,238.64	2,379.07
THOMAS W. JURIKA JR., 649 MISSION STREET SAN FRANCISCO CA 94105	URS CORPORATION		
GEZA KADAR, 1750 K STREET, N.W. WASHINGTON DC 20006	HEALTH INSURANCE ASSN OF AMERICA, INC		
SUZANNE KALFUS, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES		
LAUREL B. KAMEN, 1020 19TH ST., NW, #600 WASHINGTON DC 20036	AMERICAN EXPRESS CO		
LINDA HELLER KAMM, 1775 PENNSYLVANIA AVE., NW, #1000 WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: VGS CORPORATION)		
JAMES L. KANE JR., 1315 VINCENT PLACE MCLEAN VA 22101			
DONALD J. KANIEWSKI, 905 16TH ST., NW WASHINGTON DC 20006	LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO	7,500.00	203.60
KAPLAN RUSSIN & VECCHI, 1218 16TH STREET, NW WASHINGTON DC 20036	AMERICAN CHAMBER OF COMMERCE OF THE DOMINICAN REPUBLIC		
Do	TADIRAN ISRAEL ELECTRONICS INDUSTRIES, LTD		
GEORGE J. KARAM, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
GENE KARPINSKI, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	U.S. PUBLIC INTEREST RESEARCH GROUP	5,250.00	
PATRICIA L. KATSON, 300 INDEPENDENCE AVE., SE WASHINGTON DC 20003	LIBERTY LOBBY	5,500.00	
HOWARD C. KATZ, 4 WORLD TRADE CENTER NEW YORK NY 10048	J. ARON & CO (FOR: COFFEE SUGAR & COCOA EXCHANGE, INC)		
RICHARD S. KAUFMAN, 3471 N. FEDERAL HIGHWAY, #511 FT. LAUDERDALE FL 33306	AMERISERV, INC		
EVERETT E. KAVANAUGH, 1110 VERMONT AVE., NW, #800 WASHINGTON DC 20005	COSMETIC TOILETRY & FRAGRANCE ASSN, INC		
ROBERT A. KAY, 260 EIGHTH STREET TORONTO ONTARIO CANADA M8V 3E1	ARROWHEAD METALS, LTD		
KAYE SCHOLER FIERMAN HAYS & HANDLER, 1575 I STREET, NW, #1150 WASHINGTON DC 20005	AMERICAN MEAT INSTITUTE		
Do	AMERICAN PSYCHOANALYTIC ASSOCIATION		
Do	AMERICAN SOCIAL HEALTH ASSN		
Do	DRUMMOND COMPANY		
Do	ELSEVIER SCIENTIFIC PUBLISHERS		
RICHARD F. KEATING, 1211 CONNECTICUT AVE., NW, #502 WASHINGTON DC 20036	ANHEUSER-BUSCH COMPANIES, INC		
ROBERT J. KEEFE, 444 N. CAPITOL STREET, #711 WASHINGTON DC 20001	KEEFE COMPANY (FOR: WESTINGHOUSE ELECTRIC CORP)		
JOSEPH D. KEEFER, 1301 PENNSYLVANIA AVE., NW, #325 WASHINGTON DC 20006	COUNCIL ON SYNTHETIC FUELS		
VICKI R. KEENAN, 1620 EYE ST., NW, #703 WASHINGTON DC 20006	BECHTEL POWER CORPORATION		
KEITH KEENEY, 5775 PEACHTREE-DUNWOODY RD., #500-D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)	100.00	
ROBERT C. KEENEY, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN	2,006.00	486.36
ROBIN E. KEENEY, 1156 15TH STREET, NW, #1101 WASHINGTON DC 20005	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	7,000.00	
KENDELL W. KEITH, 725 15TH STREET, NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN	50.00	
ROBERT H. KELLEN, 5775 PEACHTREE-DUNWOODY RD., #500-D ATLANTA GA 20342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)	90.00	
KELLER & HECKMAN, 1150 17TH STREET, NW, #1000 WASHINGTON DC 20036	SPECIALTY ADVERTISING ASSN INT'L	500.00	35.00
DONALD W. KELLER, P.O. BOX 3331 HOUSTON TX 77253	QUINTANA PETROLEUM CORP		
JAY KELLER, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	5,542.87	128.77
JOHN J. KELLER, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
PAUL J. KELLEY, 2727 NORTH CENTRAL AVE. PHOENIX AZ 85004	U-HAUL INTL, INC		
THOMAS F. KELLEY III, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
TY KELLEY, P.O. BOX 1417-D49 ALEXANDRIA VA 22313	NATIONAL ASSN OF CHAIN DRUG STORES, INC	1,500.00	
STEPHEN G. KELLISON, 1835 K ST., NW, #515 WASHINGTON DC 20006	AMERICAN ACADEMY OF ACTUARIES		
STEPHEN S. KELLNER, 1001 CONNECTICUT AVE., NW, #1120 WASHINGTON DC 20036	CHEMICAL SPECIALTIES MFGRS ASSN	222.74	5.50
DEBORAH MARQUIS KELLY, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	2,100.00	57.90
ERNEST B. KELLY III, 950 L'ENFANT PLAZA, SW WASHINGTON DC 20024	COMMUNICATIONS SATELLITE CORPORATION		
HAROLD V. KELLY, 1025 THOMAS JEFFERSON ST., NW, #511 W. WASHINGTON DC 20007	LTV CORP		
JOHN F. KELLY, 1828 L STREET, NW # 906 WASHINGTON DC 20036	MERRILL LYNCH & CO, INC	2,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
PETER M. KELLY, BELL BOYD & LLOYD 70 W. MADISON, #3200 CHICAGO IL 60602	BALCOM/AMERICAN EXPRESS, INC		
MARK L. KEMMER, 1660 L STREET, N.W WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	2,983.18
KENDALL & ASSOCIATES, INC, 50 E ST., SE WASHINGTON DC 20003	ANDERSON HIBEY NAUHEIM & BLAIR (FOR MARRIOTT CORP)		
Do	CLADOUHOS & BRASHARES (FOR SMITH BARNEY HARRIS UPHAM & CO)		
Do	CARL M. FREEMAN ASSOCIATES, INC		
Do	HELLER EHRMAN WHITE & MCAULIFFE		
Do	MANVILLE CORPORATION	750.00	
Do	TOYOTA MOTOR SALES, U.S.A	600.00	
Do	WORLDWIDE INFORMATION RESOURCES, INC		
WILLIAM T. KENDALL, 50 E ST., SE WASHINGTON DC 20003	ALLIANCE FOR FREE ENTERPRISE		
JOSEPH W. KENNEBECK, 490 L'ENFANT PLAZA, SW, #3210 WASHINGTON DC 20024	VOLKSWAGEN OF AMERICA, INC	300.00	
ART KENNEDY, P.O. BOX 3576 ECB ANCHORAGE AK 99501	KONIAG, INC		
MICHAEL E. KENNEDY, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
EDWARD E. KENNEY & ASSOCIATES, INC, 499 S. CAPITOL ST., SW, #520 WASHINGTON DC 20003	LOCKHEED-GEORGIA CORPORATION		
JEREMIAH J. KENNEY JR., 12TH FL. 1100 15TH ST., NW WASHINGTON DC 20005	UNION CARBIDE CORP		817.25
BRENDAN KENNY, 1625 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AIR LINE PILOTS ASSN	4,200.00	441.67
J. H. KENT, KENT & O'CONNOR 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	AMERICAN DENTAL HYGIENISTS ASSN	8,309.59	3,523.06
Do	AMERICAN SOC OF PLASTIC & RECONSTRUCTIVE SURGERY	2,570.00	1,103.19
Do	AMERICAN SUPPLY ASSOCIATION	7,558.83	3,202.78
Do	AMERICAN WAREHOUSEMEN'S ASSOCIATION		
Do	CFS CONTINENTAL		
Do	GOULD, INC	8,292.14	3,523.06
Do	LOS ANGELES ALLIANCE FOR EQUITABLE CUSTOMS STAFFING	12,558.39	5,302.38
Do	NATIONAL CUSTOMS BROKERS & FORWARDERS ASSN OF AMERICA	7,467.65	3,167.19
Do	TRANSPORTATION LAWYERS ASSN		
RICHARD S. KESSLER, 1800 M STREET, NW, #950 WASHINGTON DC 20036	JACK MCDONALD CO (FOR: COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY)		
Do	JACK MCDONALD CO (FOR: FIBER FABRIC & APPAREL COALITION FOR TRADE)		
DALE RODNEY KETCHAM, 1980 N. ATLANTIC AVE., #918 COCOA BEACH FL 32931			
ROBERT M. KETCHEL, 1331 PENNSYLVANIA AVE., NW, #895 WASHINGTON DC 20004	GENERAL ELECTRIC CO		
GILBERT W. KEYES, P.O. BOX 3999 (MAIL STOP 8C-68) SEATTLE WA 98124	BOEING AEROSPACE CO	1,306.72	1,385.79
KIAWAH ISLAND COMPANY, P.O. BOX 12910 CHARLESTON SC 29142			
RICHARD F. KIBBEN, 200 PARK AVE. NEW YORK NY 10166	BUSINESS ROUNDTABLE		
BRIAN D. KIDNEY, 444 N. CAPITOL STREET, NW, #718 WASHINGTON DC 20001	PACIFIC TELESIS GROUP	15,450.00	
ROBERT W. KIERNAN, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	1,500.00	100.00
WILLIAM S. KIES, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	200.00	
KIKKOMAN FOODS, INC, P.O. BOX 69 WALWORTH WI 53184			
INGOLF N. KILAND JR., 1660 L STREET, NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	4,047.00
DANIEL L. KILEY, P.O. BOX 3609 NORFOLK VA 23514	NORFOLK SOUTHERN CORPORATION		
MARY K. KILLORAN, 1101 15TH STREET, NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO (3M)	1,500.00	
ROBERTA D. KIMBALL, 1015 15TH STREET, NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	200.00	
RICHARD N. KIMBERLY, 1201 PENNSYLVANIA AVENUE, NW, #730 WASHINGTON DC 20004	KIMBERLY-CLARK CORP	3,525.00	131.01
KIMBERLY-CLARK CORP, 401 NORTH LAKE STREET NEENAH WI 54956			4,677.41
JAMES L. KIMBLE, 1025 CONNECTICUT AVE., NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN	150.00	13.00
LISA KIMBRO, 1101 16TH STREET, NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSN OF AMERICA		19.40
KING & SPALDING, 1730 PENNSYLVANIA AVE., NW, #1200 WASHINGTON DC 20006	BETHLEHEM STEEL CORP		
Do	DAMSON OIL CORP	100.00	
Do	GENERAL AVIATION MANUFACTURERS ASSN		
Do	GENERAL ELECTRIC CREDIT CORP		
Do			30.50
Do	LINCOLN PROPERTY CO	19,977.50	115.75
CHARLES L. KING, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
EDWARD H. KING, 200 WILMOT RD. DEERFIELD IL 60015	WALGREEN CO		
G. JACK KING, WASHINGTON NATIONAL AIRPORT WASHINGTON DC 20001	U.S. AIR, INC	1,000.00	
GARY V. KING, P.O. BOX 12148 ARLINGTON VA 22209	COTTAGE INDUSTRIES		
W. RUSSELL KING, 1730 RHODE ISLAND AVE., NW, #400 WASHINGTON DC 20036	FREEPORT MCMORAN, INC	500.00	82.00
DANIEL T. KINGSLEY, 1655 N. FT. MYER DR., #700 ARLINGTON VA 22209	NATIONAL VENTURE CAPITAL ASSOCIATION	19,600.00	4,965.71
ROGER P. KINGSLEY, 10801 ROCKVILLE PIKE ROCKVILLE MD 20852	AMERICAN SPEECH-LANGUAGE-HEARING ASSN		
JANE A. KINNEY, BLUM NASH & RAILSBACK 1015 18TH ST., NW WASHINGTON DC 20036	MERCK & CO, INC	170.00	
Do	WALT DISNEY PRODUCTIONS		
MARCIA V. KINTER, 1600 WILSON BOULEVARD, #1000 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
CECILIA ANNE KIRBY, 1819 L STREET, NW, #600 WASHINGTON DC 20036	AMERICAN HOTEL & MOTEL ASSN	1,331.32	
KIRBY GILLICK SCHWARTZ & TUOHEY, P.C., 1220 L STREET, NW, #310 WASHINGTON DC 20005	AMERICA WEST AIRLINES, INC		
Do	LAKE ONTARIO CEMENT LIMITED	1,250.00	78.00
Do	NATIONAL VEHICLE LEASING ASSN	1,350.00	54.00
ALAN G. KIRK II, 1900 PENNSYLVANIA AVE., NW WASHINGTON DC 20068	POTOMAC ELECTRIC POWER CO	282.45	
JOHN R. KIRK, BINGHAM, DANA & GOULD 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
KIRKPATRICK & LOCKHART, 1900 M ST., NW WASHINGTON DC 20036	AMERICAN COUNCIL OF LIFE INSURANCE		
Do	CALVERT GROUP, LTD		
Do	COUNCIL OF STATE HOUSING AGENCIES		
Do	COUNTY OF SUFFOLK, NEW YORK		
Do	INTERNATIONAL GOLD CORPORATION LIMITED	2,499.00	
Do	INVESTORS FIDUCIARY TRUST CO	3,948.00	
Do	PAINE WEBBER JACKSON & CURTIS, INC		
Do	REPUBLIC NATIONAL BANK OF NEW YORK		
Do	SEARCH GROUP, INC		
Do	WHITNEY NATIONAL BANK OF NEW ORLEANS		
KIRLIN CAMPBELL & KEATING, 1150 CONNECTICUT AVE., NW, #800 WASHINGTON DC 20036	COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSN	44,063.62	300.06
ROBERT A. KIRSHNER, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN		
RICHARD L. KLASS, 1818 N ST., NW, #600 WASHINGTON DC 20036	DGA INTERNATIONAL, INC (FOR: DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS)		
Do	DGA INTERNATIONAL, INC (FOR: SOCIETE NATIONALE D'ETUDE ET DE CONST DE MOTEURS D'AVIATION)		
Do	DGA INTERNATIONAL, INC (FOR: THOMSON-CSF DIVISION SYSTEMS ELECTRONIQUE OF FRANCE)		
RICHARD P. KLEEMAN, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS		
JAMES A. KLEIN, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S	1,750.00	353.51
KLINE KNOPF & WOJDAK, INC, 355 N. 21ST STREET, #105 CAMP HILL PA 17011	GENERAL PUBLIC UTILITIES CORPORATION		
WILLIAM J. KLINEFELTER, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMERICA	9,192.84	
MICHAEL R. KLIPPER, 1600 I ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA	583.25	156.84
DAVID M. KLUCSIK, 1415 WYCKOFF ROAD, P.O. BOX 1464 WALL NJ 07719	NEW JERSEY NATURAL GAS CO		106.16
GLENN KNAPP, 773 DARTMOUTH AVE. SAN CARLOS CA 94070			
ALBERT B. KNOLL, 1800 K STREET, NW, #820 WASHINGTON DC 20006	SUN COMPANY, INC	1,500.00	780.98
ROBERT L. KNOUS JR., 1410 GRANT STREET, #A-201 DENVER CO 80203	COLORADO SKI COUNTRY USA		
C. NEAL KNOX, NEAL KNOX ASSOCIATES BOX 6537 SILVER SPRING MD 20906		3,000.00	200.00
RUTH E. KOBELL, 600 MARYLAND AVE., SW, #202 WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	2,635.00	92.88
THOMAS G. KOBUS, 1112 16TH ST., NW, #2000 WASHINGTON DC 20036	NATIONAL PARKING ASSOCIATION	26,563.41	
BRADLEY R. KOCH, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	137.50	
GEORGE W. KOCH, 1010 WISCONSIN AVE., NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC	47.00	
KOJM ASSSOCIATES, 2906 S. GRANT STREET ARLINGTON VA 22202	TECHNICUM INT'L CORP AND PACIFIC-SIERRA RESEARCH CORP		
MICHAEL S. KOLEDA, 1301 PENNSYLVANIA AVE., NW, #325 WASHINGTON DC 20004	COUNCIL ON SYNTHETIC FUELS		
JOHN C. KOLOJESKI, LARGE WINN & MOERMAN 1120 G STREET, NW, #800 WASHINGTON DC 20005	CHLORINE INSTITUTE, INC	1,850.00	318.16
KOMMERS FORT SCHLEFER & BOYER, 1401 NEW YORK AVE., NW WASHINGTON DC 20005	ATLANTIC RICHFIELD CO		
Do	CROWLEY MARITIME CORP AND SUBSIDIARIES		
Do	MATSON NAVIGATION CO		
NICHOLAS KOMINUS, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036	U.S. CANE SUGAR REFINERS' ASSN	600.00	72.55
EUGENE P. KOPP, SUITE 600 SOUTH 1120 20TH STREET, NW WASHINGTON DC 20036	UNION PACIFIC CORP	1,250.00	
STEVEN KOPPERUD, 1701 N. FT. MYER DRIVE ARLINGTON VA 22209	AMERICAN FEED INDUSTRY ASSN	3,240.00	
HORACE R. KORNEGAY, 1875 I ST., NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE		
NICHOLAS P. KOSKORES, 1800 MASSACHUSETTS AVE., NW, #510 WASHINGTON DC 20036	NEW ENGLAND COUNCIL, INC		
BERNARD KOTEEN, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	KOTEEN & NAFTALIN (FOR: STORER COMMUNICATIONS, INC)	900.00	
GERALD J. KOVACH, 1133 19TH STREET, NW WASHINGTON DC 20036	MCI COMMUNICATIONS CORP		
KENNETH S. KOVACK, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMERICA	9,192.84	
JOAN M. KOVALIC, 1620 EYE ST., NW, #800 WASHINGTON DC 20006	TAFT STETTINIUS & HOLLISTER (FOR: INMONT CORP)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	TAFT STETTINIUS & HOLLISTER (FOR: JAMES GRAHAM BROWN FOUNDATION)		
Do	TAFT STETTINIUS & HOLLISTER (FOR: SHERWIN-WILLIAMS COMPANY)		
MYLIO S. KRAJA, 1608 K ST., NW WASHINGTON DC 20006	AMERICAN LEGION	3,088.02	665.61
JOSEPH H. KRAMER III, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HTB CORPORATION)		
STEPHEN W. KRAUS, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
RAYMOND R. KRAUSE, THE PILLSBURY CENTER MS 3278 MINNEAPOLIS MN 55402	PILLSBURY COMPANY	1,500.00	
JEFFREY KRAUSS, 1350 PICCARD DRIVE, #304 ROCKVILLE MD 20850	M/A-COM, INC	2,500.00	
ALAN G. KRAUT, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	4,000.00	191.28
EARL R. KREHER, 1620 EYE STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC		
LAWRENCE E. KREIDER, 1015 18TH ST., NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS		
DAWN C. KRISTOF, P.O. BOX 17402 DULLES INTERNATIONAL AIRPORT WASHINGTON DC 20041	WATER & WASTEWATER EQUIPMENT MANUFACTURERS ASSN, INC		
KROGER COMPANY, 1014 VINE ST. CINCINNATI OH 45201			3,998.01
JAMES C. KRONE, 1152 HASLETT ROAD P.O. BOX 99 HASLETT MI 48840	ROSES, INC	600.00	
KROOTH & ALTMAN, 2101 L STREET, NW, #210 WASHINGTON DC 20037	BRISCOE CO		82.50
KEITH R. KRUEGER, 600 MARYLAND AVE., SW, #400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
K. H. KRUKE, 1776 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	HIGHWAY USERS FEDERATION FOR SAFETY & MOBILITY	1,000.00	34.53
PAUL R. KRUSE, 1155 15TH ST., NW WASHINGTON DC 20005	PENNZOIL CO	625.00	
JAMES S. KRZYMINSKI, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	1,075.00	
THOMAS A. KUBE, 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
PHILIP KUGLER, 555 NEW JERSEY AVE., NW WASHINGTON DC 20001	AMERICAN FED OF TEACHERS		
LLOYD R. KUHN, 1725 DESALES ST., NW WASHINGTON DC 20036	AEROSPACE INDUSTRIES ASSN OF AMERICA, INC	15,348.00	
THOMAS R. KUHN, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	5,084.42	725.72
ROSE KUNNINGHAM, 1900 K STREET, NW, #700 WASHINGTON DC 20006	NATIONAL GROCERS ASSN		
ESTER KURZ, 500 NORTH CAPITOL ST., NW, #300 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	13,562.52	257.43
JEFFREY KURZWEIL, HILL BETTS & NASH 1220 19TH ST., NW, SUITE 302 WASHINGTON DC 20036	MARRIOTT CORPORATION		
GARY JAY KUSHNER, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	1,000.00	
KUTAK ROCK & CAMPBELL, 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	DISTRICT HEATING DEVELOPMENT CO		86.88
Do	NATIONAL ELECTRICAL MANUFACTURERS ASSN	25,000.00	1,562.45
Do	VALMONT INDUSTRIES, INC	13,424.06	77.22
KWAJALEIN ATOLL CORP, P.O. BOX 5220 KWAJALEIN EBEYE MARSHALL ISLAN			74,400.00
LABOR BUREAU, INC, 1346 CONNECTICUT AVE., NW, #501 WASHINGTON DC 20036			
LABOR MANAGEMENT MARITIME COMMITTEE, INC, 100 INDIANA AVENUE, NW WASHINGTON DC 20001		9,633.00	7,930.00
LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO, 905 16TH ST., NW WASHINGTON DC 20006			22,376.15
JOSEPH L. LACH, 1025 CONNECTICUT AVENUE, NW, #214 WASHINGTON DC 20036	MANVILLE PRODUCTS CORP	300.00	
JOHN D. LACOPO, 1331 PENNSYLVANIA AVE., NW, #1300 WASHINGTON DC 20004	EDS CORPORATION	96.00	20.00
BRUCE C. LADD JR., 1776 K STREET, NW WASHINGTON DC 20006	MOTOROLA, INC	16,500.00	15.00
ROBERT A. LADIG, SCOTT PLAZA PHILADELPHIA PA 19113	SCOTT PAPER COMPANY	1,625.00	1,217.47
PETER M. LAFEN, 530 7TH ST., SE WASHINGTON DC 20003	FRIENDS OF THE EARTH		
SANDRA L. LAFEVRE, 2500 RIVA ROAD, SE ANNAPOLIS MD 21401	NATIONWIDE INSURANCE CO & AFFILIATES		
JOHN LAGOMARCINO, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS	8,500.00	
JACK L. LAHR, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: VGS CORPORATION)		
ROBERT LAMB, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INSTITUTE	5,000.00	139.78
DAVID F. LAMBERT III, 311 FIRST STREET, NW, #700 WASHINGTON DC 20001	NATIONAL ASSN OF INSURANCE BROKERS		
DAVID M. F. LAMBERT, 1000 POTOMAC STREET, NW, #302 WASHINGTON DC 20007	FEDERATION EMPLOYMENT & GUIDANCE SERVICE		
DAVID P. LAMBERT, 1800 K ST., NW WASHINGTON DC 20006	NEW YORK STOCK EXCHANGE, INC		
DAVID R. LAMBERT, 1030 15TH ST., NW, #964 WASHINGTON DC 20005	AMERICAN SEED TRADE ASSN	5,000.00	
MARCY LAMBOURNE, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,250.00	
VIRGINIA B. LAMP, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S	2,400.00	628.49
VIRGINIA A. LAMPLEY, 1818 N ST., NW, #600 WASHINGTON DC 20036	DGA INTERNATIONAL, INC (FOR: DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS)		
Do	DGA INTERNATIONAL, INC (FOR: SOCIETE NATIONALE D'ETUDE ET DE CONST. DE MOTEURS D'AVIATION)		42.37
Do	DGA INTERNATIONAL, INC (FOR: SOFREAVIA)		
Do	DGA INTERNATIONAL, INC (FOR: THOMSON-CSF DIVISION SYSTEMS ELECTRONIQUE OF FRANCE)		
JOHN W. LAMPMANN, 2000 L STREET, NW, #810 WASHINGTON DC 20036	SPERRY CORP		
LINDA L. LANAM, 1709 NEW YORK AVENUE, NW, #303 WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD ASSN		
RAY N. LANCASTER, 1331 PENNSYLVANIA AVE., NW, #565 WASHINGTON DC 20004	TEXAS GAS TRANSMISSION CORP	3,000.00	229.06
L. CHARLES LANDGRAF, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	LEBOEUF LAMB LEIBY & MACRAE		
THOMAS M. LANDIN, ONE FRANKLIN PLAZA PHILADELPHIA PA 19101	SMITHKLINE BECKMAN CORP		
LANDIS COHEN SINGMAN & RAUH, 1019 19TH ST., NW, #500 WASHINGTON DC 20036	AMERICAN SOC OF COMPOSERS AUTHORS & PUBLISHERS	1,600.00	
Do	NFL PLAYERS ASSOCIATION	4,000.00	
FREDERICK LANDMAN, 460 W. 42ND STREET, 4TH FL. NEW YORK NY 10036	PAN AMERICAN SATELLITE CORP		
BRUCE ALAN LANDY, 2601 VIRGINIA AVE., NW WASHINGTON DC 20037	B.A.L. CO		
Do	CRYOGENIC VACUUM TECHNOLOGY CO		
Do			
LANE & EDSON, P.C., 2300 M STREET, NW WASHINGTON DC 20036	CITY OF BALTIMORE	600.00	
Do	COUNCIL FOR RURAL HOUSING AND DEVELOPMENT	4,000.00	
Do	NATIONAL LEASED HOUSING ASSN	900.00	
ALBERT E. LANE, 1377 K ST., NW, #537 WASHINGTON DC 20005	MEDCOM-MIC		
Do	PEOPLE OPPOSED TO ENERGY LOBBY - POTEL		
RICHARD F. LANE, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
JOSEPH L. LANG, 1121 L STREET, #1000 SACRAMENTO CA 95814	WEST COAST FABRICATORS & STEEL INDUSTRY ASSOCIATION		2,724.46
ROBIN W. LANIER, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	NATIONAL RETAIL MERCHANTS ASSN	200.00	20.00
WAYNE R. LAPIERRE JR., 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA	1,187.50	950.00
CLIFFORD LAPLANTE, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	1,230.00	
WILLIAM L. LARSEN, 1025 CONNECTICUT AVENUE, NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
REED E. LARSON, 8001 BRADDOCK ROAD, #600 SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMM		
JAMES LASALA, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
MICHAEL LASHBROOK, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA	1,187.50	
WARREN LASKO, 1125 15TH STREET, NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSN OF AMERICA		
LATHAM WATKINS & HILLS, 1333 NEW HAMPSHIRE AVE., NW, #1200 WASHINGTON DC 20036	AMERICAN DIETETIC ASSN	150.00	75.40
KARL F. LAUENSTEIN, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS	1,000.00	364.44
LOUIS F. LAUN, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INSTITUTE, INC		
ROBERT LAUTERBERG, 1120 VERMONT AVE., NW, #1130 WASHINGTON DC 20006	PETROLEUM MARKETERS ASSN OF AMERICA		
LAVENTHOL & HORWATH, 1901 L STREET, NW WASHINGTON DC 20036	WORLD ZIONIST ORGANIZATION JERUSALEM, ISRAEL		
JOAN H. LAVOR, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
DEBORAH A. LAWRENCE, P.O. BOX 12148 ARLINGTON VA 22209	COTTAGE INDUSTRIES		
GEORGE H. LAWRENCE, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	1,250.00	
ELIZABETH LAWSON, 1730 M STREET, NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S	3,808.48	474.95
JANE L. LAWSON, 1025 CONNECTICUT AVENUE, NW, #200 WASHINGTON DC 20036	SHELL OIL COMPANY	500.00	
LAXALT CORPORATION, 214 MASSACHUSETTS AVE., NE, #380 WASHINGTON DC 20002	CITIZENS FOR AMERICA		
Do	MESA PETROLEUM	1,500.00	
Do	MOTION PICTURE ASSN OF AMERICA, INC		
Do	PHILIP MORRIS INTERNATIONAL	500.00	
ERNEST M. LE SUEUR, 453 NEW JERSEY AVENUE, SE WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORP OF AMERICA		
LEAGUE OF WOMEN VOTERS OF THE U.S., 1730 M ST., NW WASHINGTON DC 20036		44,966.47	44,966.47
LEAGUE TO SAVE LAKE TAHOE, 2197 LAKE TAHOE BLVD. P.O. BOX 10110 SOUTH LAKE TAHOE CA 95731			8,000.00
RICHARD J. LEASE, 2145 BOISE DRIVE LAS CRUCES NM 88001			
LEBOEUF LAMB LEIBY & MACRAE, 1333 NEW HAMPSHIRE AVE., NW, #1100 WASHINGTON DC 20036	BRITISH INSURANCE ASSN		
Do	UNDERWRITERS AT LLOYD'S LONDON		
THOMAS J. LEE JR., P.O. BOX 2628 HOUSTON TX 77252	ENTEX, INC		
LEFEVERE LEFLER KENNEDY O'BRIEN & DRAWZ, 2000 FIRST BANK PLACE WEST 120 SOUTH 6TH STREET MINNEAPOLIS MN 55402	CITY OF NEW BRIGHTON		
LEFF & MASON, 1700 PENNSYLVANIA AVE., NW, #450 WASHINGTON DC 20006	COUNTY OF ORANGE		
Do	ORANGE COUNTY TRANSPORTATION COMMISSION		
Do	ORANGE COUNTY WATER DISTRICT		
Do	SANITATION DISTRICTS OF ORANGE COUNTY		
Do	SANTA ANA RIVER FLOOD PROTECTION AGENCY		
LEGISLATIVE STUDIES INSTITUTE, INC, 3471 N. FEDERAL HIGHWAY, #511 FORT LAUDERDALE FL 33306		300.00	862.61
TERRY L. LEITZELL, BOGLE AND GATES ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	AMERICAN SHRIMPBOAT ASSOCIATION	1,000.00	
Do	MARINE CONSTRUCTION & DESIGN CO		
Do	OCEANTRAWL CORPORATION	7,000.00	
Do	BOGLE & GATES (FOR: PACIFIC SEAFOOD PROCESSORS ASSN)	3,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	PORT OF SEATTLE	2,940.00	
Do	SEATTLE METRO		
JOSEPH L. LEITZINGER, 900 4TH AVE. SEATTLE WA 98164	SIMPSON TIMBER CO	54.00	18.00
LYNN H. LEMASTER, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	1,739.61	882.58
ROBERT A. LEMBO, 1050 31ST STREET, NW WASHINGTON DC 20007	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	1,767.42	87.48
LAVERNE STILL LEIMEN, 1030 15TH ST., NW, #700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMERICA	962.50	28.80
LYNETTE LENARD, 1050 CONNECTICUT AVENUE, NW, #300 WASHINGTON DC 20036	NABISCO BRANDS, INC	2,500.00	1,120.00
THOMAS J. LENGYEL, 1625 K STREET, NW, #1000 WASHINGTON DC 20006	AMERICAN INSTITUTE OF MERCHANT SHIPPING		
LEONARD & MCGAUN, P.C., 900 17TH STREET, NW, #1020 WASHINGTON DC 20006	KANSAS CORPORATION COMMISSION		
Do	INTERNATIONAL UNION OF POLICE ASSNS, AFL-CIO		
Do	WISCONSIN DAIRIES		
BETTY JANE LEONARD, P.O. BOX 19109 GREENSBORO NC 27419	UNIFI, INC		257.36
BURLEIGH C. W. LEONARD, 2550 M STREET, NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	600.00	738.44
EARL T. LEONARD JR., P.O. DRAWER 1734 ATLANTA GA 30301	COCA-COLA COMPANY	2,048.00	1,548.16
LLOYD LEONARD, 1730 M ST., NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S.	4,804.59	
RODNEY E. LEONARD, 2001 S STREET, NW, #530 WASHINGTON DC 20009	COMMUNITY NUTRITION INSTITUTE		
CHARLES LEPPERT JR., 801 18TH STREET, NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	81.56	
RICHARD L. LESHER, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
LESNIK & COMPANY, 14701 GOV. ODEN BOWIE DRIVE UPPER MARLBORO MD 20772	BREED CORPORATION		
LEVA HAWES SYMINGTON & MARTIN, 815 CONNECTICUT AVE., NW, #1001 WASHINGTON DC 20006	FINNIGAN CORPORATION	177.00	
Do	SCIENTIFIC APPARATUS MAKERS ASSN	1,637.50	3.20
MILTON LEVENSON, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
LEVENTHAL & SENTER, 1001 22ND STREET, NW, #550 WASHINGTON DC 20037	PAN AMERICAN SATELLITE CORP		
MORRIS J. LEVIN, 1050 17TH ST., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN RAILROADS	7,500.00	
BARBARA W. LEVINE, 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN PUBLIC HEALTH ASSN	634.50	
HARRY LEVINE JR., 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	400.00	
KENNETH S. LEVINE, 1201 PENNSYLVANIA AVE., NW, #220 WASHINGTON DC 20004	JOSEPH SEAGRAM & SONS, INC	877.50	
LAWRENCE E. LEVINSON, 1875 EYE ST., NW, #940 WASHINGTON DC 20006	GULF & WESTERN INDUSTRIES, INC	3,500.00	500.00
JAMES F. LEVY, 5301 TRENHOLM ROAD COLUMBIA SC 29260	DENTAL MANAGEMENT SERVICES, INC		
LESLIE LEVY, 500 NORTH CAPITOL ST., NW, #300 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	9,375.00	330.36
F. THOMAS LEWAND, 1800 FIRST NATIONAL BUILDING DETROIT MI 48226	JAFFE SNIDER RAITT & HEUER, P.C.		
CLUNET R. LEWIS, 1800 FIRST NATIONAL BUILDING DETROIT MI 48226	JAFFE SNIDER RAITT & HEUER, P.C.		
E. DAVID LEWIS, UNIT P 7297 LEE HIGHWAY FALLS CHURCH VA 22042	SOCIETY OF AMERICAN WOOD PRESERVERS, INC	500.00	695.00
MICHAEL R. LEWIS, 1133 15TH ST., NW, #640 WASHINGTON DC 20005	INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION	10,150.00	1,608.79
RICHARD LEWIS, 1025 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN PULPWOOD ASSN		
STUART A. LEWIS, 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	MANUFACTURERS HANOVER CORP	800.00	
Do	NATIONAL BANK OF DETROIT	400.00	
JOHN F. LEYDEN, 815 16TH STREET, NW, #308 WASHINGTON DC 20006	PUBLIC EMPLOYEE DEPARTMENT, AFL-CIO	4,187.49	
WILLIAM J. LHOTA, 215 N. FRONT STREET COLUMBUS OH 43215	COLUMBUS AND SOUTHERN OHIO ELECTRIC CO	630.72	435.61
JUDITH LICHTMAN, 2000 P ST., NW, #400 WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND	2,139.83	372.45
HERBERT LIEBENSON, 1604 K ST., NW WASHINGTON DC 20006	NATIONAL SMALL BUSINESS ASSN	5,625.00	
Do	SMALL BUSINESS LEGISLATIVE COUNCIL		
WILLIAM C. LIENESCH, 238 10TH ST., SE WASHINGTON DC 20003	NATIONAL PARKS & CONSERVATION ASSOCIATION	533.70	24.40
TERRY L. LIERMAN, 1156 15TH STREET, NW, #1102 WASHINGTON DC 20005	ALBERT AND DIANE KANEB		
DUKE R. LIGON, 1575 EYE STREET, NW, #510 WASHINGTON DC 20005	CORCORAN HARDESTY WHYTE HEMPHILL & LIGON, P.C. (FOR: NOVA SCOTIA RESOURCES, LTD).		
Do	CORCORAN HARDESTY WHYTE HEMPHILL & LIGON (FOR: PROVINCE OF NOVA SCOTIA).		
ROSS W. LILLARD, 2100 CHARTERBANK CENTER KANSAS CITY MO 64105	STINSON MAG & FIZZELL (FOR: FARMLAND INDUSTRIES, INC)		
RICHARD A. LILLQUIST, 1000 VERMONT AVE., NW, #500 WASHINGTON DC 20005	FLEXIBLE PACKAGING ASSOCIATION		
DIANE PALMER LILLY, 1200 PEAVEY BUILDING MINNEAPOLIS MN 55479	NORWEST CORPORATION		
STEPHEN R. LINDAUER, 1957 E STREET, NW WASHINGTON DC 20515	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
DONALD LINDSEY, 8213 S. RICHMOND CHICAGO IL 60652	BROTHERHOOD OF LOCOMOTIVE ENGINEERS		
KATHLEEN M. LINEHAN, 1025 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	GULF OIL CORP		
ELENA LINTHICUM, 1050 CONNECTICUT AVE., NW, #800 WASHINGTON DC 20036	ALLIED CORPORATION		
LINTON MIELDS REISLER & COTTONE, 1015 18TH ST., NW, #200 WASHINGTON DC 20036	WISCONSIN GAS CO		
Do	WISCONSIN SOUTHERN GAS CO		
HERSHEL LIPOW, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF ARCHITECTS	3,625.00	167.73
LINDA A. LIPSEN, 2001 S STREET, NW, #520 WASHINGTON DC 20009	CONSUMERS UNION OF U.S., INC	2,160.00	
JOHN M. LISON, 16100 SOUTH LATHROP AVENUE HARVEY IL 60426	ATCOR, INC	6,000.00	195.90
SUSAN LISS, 600 NEW JERSEY AVENUE, NW WASHINGTON DC 20001	JUDICIAL SELECTION PROJECT	259.90	7.50
BARBARA A. LITTLE, 1155 15TH ST., NW, #611 WASHINGTON DC 20005	ETHYL CORPORATION	1,200.00	
CHARLES B. LITTLE, 600 MARYLAND AVE., SW, #603 WASHINGTON DC 20024	UBA, INC	1,000.00	
THOMAS W. LITTLE, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	750.00	
WILLIAM F. LITTLE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	467.00	455.10
ROY LITTLEFIELD, 15900 PINECROFT LANE BOWIE MD 20716	AMERICAN RETREADERS ASSN	1,000.00	
Do	GREATER WASHINGTON/MARYLAND SERVICE STATION ASSN	1,000.00	
E. GEOFFREY LITTLEHALE, 1101 14TH STREET, NW WASHINGTON DC 20005	AMERICAN FINANCIAL SERVICES ASSN	1,250.00	42.79
DAVID A. LITVIN, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL COMPANY (OHIO)	725.00	169.55
ROBERT W. LIVELY, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	115.00	
FRANCI LIVINGSTON, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	CONGRESS WATCH	3,750.00	
LOBEL NOVINS & LAMONT, 1275 K ST., NW, #770 WASHINGTON DC 20005	GENERIC PHARMACEUTICAL INDUSTRY ASSN	3,170.64	181.86
PAUL LOCIGNO, 25 LOUISIANA AVENUE, NW WASHINGTON DC 20001	INTERNATIONAL BROTHERHOOD OF TEAMSTERS	16,220.52	
ROBERT F. LOCKHART JR., 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO, INC		
KAREN LOCKWOOD, 444 NORTH CAPITOL ST., NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	1,889.61	519.87
ROBERT S. LONG, 919 18TH STREET, NW, #400 WASHINGTON DC 20006	DIAMOND SHAMROCK CORP	1,000.00	183.04
ROBERT W. LONG, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS	40.00	1.60
JOHN H. LONNQUIST, 1025 CONNECTICUT AVE., NW, #214 WASHINGTON DC 20036	MANVILLE CORPORATION	1,500.00	
LOOMIS OWEN FELLMAN & HOWE, 2020 K ST., NW WASHINGTON DC 20006	ASSOCIATION OF BITUMINOUS CONTRACTORS		
Do	CLASSROOM PUBLISHERS ASSN		
Do	OPTICAL MANUFACTURERS ASSN		
Do	TEXTILE RENTAL SERVICES ASSN OF AMERICA		
SUSAN J. LOOMIS, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	2,000.00	100.00
PHILIP J. LOREE, 50 BROADWAY NEW YORK NY 10004	FEDERATION OF AMERICAN CONTROLLED SHIPPING	200.00	
ROBERT E. LOSCH, P.C., 1716 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20009	AMERICAN DREDGING CO, ET AL	20,000.00	3,345.09
CLAUDIA J. LOUIS, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		
TIMOTHY LOVAIN, 3713 GUNSTEN RD. ALEXANDRIA VA 22302	DENNY MILLER ASSOCIATES	7,000.00	
JAMES F. LOVETT, 1801 K ST., NW WASHINGTON DC 20006	WESTINGHOUSE ELECTRIC CORP	500.00	100.00
PAULA D. LUCAK, 815 16TH STREET, NW, #308 WASHINGTON DC 20006	PUBLIC EMPLOYEE DEPARTMENT, AFL-CIO	2,062.51	295.62
JAMES D. LUCAS, 25 SOUTH CHARLES STREET BALTIMORE MD 21201	FIRST MARYLAND BANCORP		
Do	FIRST NATIONAL BANK OF MARYLAND		1,783.17
MRS. FREDDIE H. LUCAS, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	812.12
CHARLES EMMET LUCEY, MCDERMOTT, WILL & EMERY 1850 K STREET, NW, #500 WASHINGTON DC 20006	MCDERMOTT WILL & EMERY		
SYLVESTER LUKIS, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	CRAMER HABER & LUKIS, P.C. (FOR: CANAVERAL PORT AUTHORITY)		
Do	CRAMER HABER & LUKIS, P.C. (FOR: CITY OF MIAMI)		
Do	CRAMER HABER & LUKIS, P.C. (FOR: DADE COUNTY INTERNATIONAL AIRPORT)		
Do	CRAMER HABER & LUKIS, P.C. (FOR: DADE COUNTY)		
Do	CRAMER HABER & LUKIS, P.C. (FOR: PENNSYLVANIA ENGINEERING CORP)		
MILTON F. LUNCH, 1420 KING ST. ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,000.00	
LUND & O'BRIEN, 1625 EYE ST., NW WASHINGTON DC 20006	FEDERATION OF AMERICAN CONTROLLED SHIPPING	600.00	38.82
Do	PENNSYLVANIA POWER & LIGHT CO	1,814.70	193.61
CHRISTIAN J. LUND, 1825 I STREET, NW, #700 WASHINGTON DC 20006	UNITED TECHNOLOGIES CORPORATION	15,750.00	
FRANCIS M. LUNNIE JR., 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		456.00
W. FLETCHER LUTZ, 727 SOUTH 23RD ST., #100 ARLINGTON VA 22202	ASSOCIATION OF GOVERNMENT ACCOUNTANTS		
JOHN C. LYNCH, 1615 H STREET, NW WASHINGTON DC 20062	CITIZEN'S CHOICE, INC	10,375.00	
TIMOTHY P. LYNCH, 1501 WILSON BOULEVARD, #910 ARLINGTON VA 22209	ROADWAY EXPRESS, INC	425.00	200.00
JOHN E. LYNN, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF ARCHITECTS	1,600.00	
M/A-COM, INC, 1350 PICCARD DRIVE, #304 ROCKVILLE MD 20850			7,860.00
TIMOTHY MACCARTHY, 1620 I STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC	1,566.00	
ANTHONY R. MACCHIA, 127 JOHN STREET NEW YORK NY 10038	COFFEE SUGAR & COCOA EXCHANGE, INC		
RUSSELL MACCLEERY, 1250 I STREET, NW, #400 WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN		
JACK A. MACDONALD, 1901 N. FORT MEYER DRIVE, #302 ROSSLYN VA 22209	BEVERLY ENTERPRISES, INC	6,250.00	164.06
MIRIAM A. MACDONALD, 1025 CONNECTICUT AVENUE, NW, #1010 WASHINGTON DC 20036	METROPOLITAN INSURANCE COS	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
JAMES E. MACK, 9005 CONGRESSIONAL COURT POTOMAC MD 20854	NATIONAL ASSN OF MIRROR MANUFACTURERS		
Do	PEANUT BUTTER & NUT PROCESSORS ASSN	15,180.00	500.00
JAMES H. MACK, 7901 WESTPARK DR. MCLEAN VA 22102	NATIONAL MACHINE TOOL BUILDERS' ASSN	15,180.00	500.50
PETER T. MADIGAN, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	335.09
CLIFF MADISON GOVERNMENT RELATIONS, INC, P.O. BOX 3482 GRANADA HILLS CA 91344	BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY	2,000.00	
Do	CITY OF AVALON	750.00	
Do	MARK AIR, INC	1,200.00	
Do	SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT	1,000.00	
SUSAN MAGAW, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	2,000.00	
KATHERINE MAGRAW, 100 MARYLAND AVENUE, NE WASHINGTON DC 20002	PEACE POLITICAL ACTION COMMITTEE		
A. JOHN MAGUIRE, 1030 15TH STREET, NW WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMERICA	10,000.00	820.00
CHARLES MAGUIRE, 3315 P STREET, NW, #906 WASHINGTON DC 20036	MERRILL LYNCH & CO, INC	1,200.00	
W. TERRY MAGUIRE, BOX 17407 DULLES INTERNATIONAL AIRPORT WASHINGTON DC 20041	AMERICAN NEWSPAPER PUBLISHERS ASSN	1,125.00	150.00
JOAN A. MAHER, 1117 NORTH 19TH STREET, #600 ARLINGTON VA 22209	AMERICAN ASSN OF BLOOD BANKS		
THOMAS D. MAHER, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
JOHN F. MAHONEY, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	5,376.00	
TERENCE P. MAHONY, 1825 K STREET, NW, #807 WASHINGTON DC 20006	NATIONAL BROADCASTING CO, INC	500.00	485.84
MICHAEL MAIBACH, 3065 BOWERS AVE, SC6-30, SANTA CLARA CA 95051	INTEL CORPORATION	12,000.00	2,100.00
ROBERT L. MAIER, 900 17TH ST., NW, #1000 WASHINGTON DC 20006	KAISER ALUMINUM & CHEMICAL CORP		
STEVEN R. MAIMON, P.O. BOX 7579 WASHINGTON DC 20044			
MICHAL W. MAINWARING, 1730 RHODE ISLAND AVENUE, NW, #713 WASHINGTON DC 20036	PPG INDUSTRIES, INC		
ELLEN L. MAITLAND, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
MAJOR LEAGUE BASEBALL PLAYERS ASSN, 805 THIRD AVENUE NEW YORK NY 10022			
K. WAYNE MALBON, 1250 I STREET, NW, #400 WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN, INC	345.00	25.00
DANIEL C. MALDONADO, 10000 FALLS RD., #306 POTOMAC MD 20854	LOS ANGELES ALLIANCE FOR EQUITABLE CUSTOMS STAFFING	10,440.00	2,149.44
DAVID MALLINO, 815 16TH STREET, NW WASHINGTON DC 20006	INDUSTRIAL UNION DEPT, AFL-CIO	6,922.50	557.63
J. WILSON MALLOY JR., 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	EASTMAN CHEMICALS DIVISION	750.00	55.00
KURT L. MALMGREN, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	252.00	
LAWRENCE R. MALONE, 1211 AVENUE OF THE AMERICAS NEW YORK NY 10036	CELANESE CORP		
MARY JO MALONE, 1735 NEW YORK AVE., NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF ARCHITECTS	1,000.00	
ROBERT H. MALONEY, 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO, INC		
WILLIAM R. MALONI, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN	22,500.00	1,002.98
MAN-MADE FIBER PRODUCERS ASSN, INC, 1150 17TH ST., NW, #310 WASHINGTON DC 20036		159,000.00	201,002.00
MANAGEMENT INSIGHTS, INC, 5501 LBJ FREEWAY DALLAS TX 75240			
CARTER MANASCO, 5932 CHESTERBROOK RD. MCLEAN VA 22101	NATIONAL COAL ASSN	7,812.51	71.85
MANATT PHELPS ROTHENBERG & TUNNEY, 1200 NEW HAMPSHIRE AVE., NW, #200 WASHINGTON DC 20036	AUTO IMPORTERS COMPLIANCE ASSOCIATION	4,155.00	
Do	BANKERS TRUST CO		
Do	BKK CORPORATION		
Do	BOEING CO		
Do	CONNECTICUT NATIONAL BANK	164.25	
Do	FLYING TIGER LINE, INC	930.00	
Do	KAUFMAN & BROAD, INC		
Do	MANUFACTURERS HANOVER LEASING CORPORATION	1,050.00	
Do	MONEY STORE	1,455.00	
Do	NORTHROP CORP	3,967.50	
Do	SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT	1,250.00	
Do	DONALD T. STERLING & ASSOCIATES	420.00	
MANCHESTER ASSOCIATES, LTD, 1155 15TH STREET, NW, #811 WASHINGTON DC 20005	CORPORACION NACIONAL DEL COBRE DE CHILE (CODELCO)		
Do	NISSAN MOTOR COMPANY, LTD		
FRANK MANKIEWICZ, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN EXPRESS CO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CHICAGO TITLE INSURANCE CO).	1,500.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FIRST AMERICAN TITLE INSURANCE CO).	1,500.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LAWYERS TITLE INSURANCE CO).	1,500.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	7,115.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SAFECO TITLE INSURANCE CO).	1,500.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STEWART TITLE GUARANTY CO).	1,500.00	
DONALD W. MANN, 60-B FRANKLIN ST. TEANECK NJ 07666	NEGATIVE POPULATION GROWTH, INC		
RICHARD J. MANNIX, 195 MONTAGUE ST. BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
CYNTHIA MANSFIELD, 600 MARYLAND AVE., SW, #520 WASHINGTON DC 20024	GPU SERVICE CORPORATION	3,780.70	719.41
MANUFACTURED HOUSING INSTITUTE, 1745 JEFFERSON DAVIS HIGHWAY, #511 ARLINGTON VA 22202			4,900.00
MARCH FOR LIFE, INC, PO BOX 2950 WASHINGTON DC 20013		13,062.93	13,619.43
DAINE K. MARESCO, 1899 L STREET, NW, #403 WASHINGTON DC 20036	OUTDOOR ADVERTISING ASSN OF AMERICA, INC	338.00	1,979.00
R. V. MARIANI, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY AIRLINE & STEAMSHIP CLERKS	3,000.00	3,000.00
MARITIME INSTITUTE FOR RESEARCH & INDUSTRIAL DEVELOPMENT, 1133 15TH ST., NW, #600 WASHINGTON DC 20005		14,222.00	
E. VERNON MARKHAM III, 2121 K STREET, NW, #830 WASHINGTON DC 20037	STEPHENS OVERSEAS SERVICES, INC		
LAWRENCE D. MARKLEY, P.O. BOX 6300 ANCHORAGE AK 99501	CHUGACH ELECTRIC ASSN, INC		
RONALD ANTHONY MARKS, 10 WATERSIDE PLAZA, #2B NEW YORK NY 10010			
LUTHER A. MARKWART, 1156 15TH ST., NW, #1019 WASHINGTON DC 20005	AMERICAN SUGARBEET GROWERS ASSN		
HOWARD MARLOWE, 655 15TH STREET, NW, #300 WASHINGTON DC 20005	COALITION TO KEEP ALASKA OIL	550.00	18.00
CHALMERS H. MARQUIS, 1818 N STREET, NW, #410 WASHINGTON DC 20036	AGENCY FOR INSTRUCTIONAL TELEVISION		
Do	CHILDREN'S TELEVISION WORKSHOP		
Do	NATIONAL ASSN FOR PUBLIC TELEVISION STATIONS	600.00	150.00
DAN MARRIOTT, 900 KENNECOTT BUILDING SALT LAKE CITY UT 84133	GUARDIAN LIFE INSURANCE CO OF AMERICA		1,001.15
JOHN MARSH, 100 OAKVIEW DRIVE TRUMBULL CT 06611	RAYMARK CORPORATION		
CATHERINE A. MARSHALL, 1750 K STREET, NW WASHINGTON DC 20006	U.S. BREWERS ASSN, INC		
THOMAS A. MARTENS, P.O. BOX 10110 SO. LAKE TAHOE CA 95731	LEAGUE TO SAVE LAKE TAHOE	8,000.00	
DAVID F. MARTIN, 2020 14TH STREET, NORTH ARLINGTON VA 22201	AMERICAN STANDARD INC	750.00	
DONALD N. MARTIN, DONALD N. MARTIN & COMPANY, INC 630 FIFTH AVE. NEW YORK NY 10111			
FRED J. MARTIN JR., 1800 K STREET, NW WASHINGTON DC 20006	BANKAMERICA CORPORATION	1,017.29	453.58
J. ROSS MARTIN, KANSAS PETROLEUM COUNCIL 1414 MERCHANTS NAT'L BANK BLDG. 8TH & JACKSON TOPEKA KS 66612	AMERICAN PETROLEUM INSTITUTE	675.00	734.60
JAMES D. MARTIN, 950 L'ENFANT PLAZA, SW WASHINGTON DC 20024	COMMUNICATIONS SATELLITE CORPORATION		
JOHN M. MARTIN JR., 6909 FORT HUNT ROAD ALEXANDRIA VA 22307	FOOD MARKETING INSTITUTE	100.00	
KATHERINE E. MARTIN, 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	357.37	247.56
LARRY K. MARTIN, 1611 NORTH KENT STREET, #800 ARLINGTON VA 22209	AMERICAN APPAREL MANUFACTURERS ASSN, INC	1,500.00	40.00
STEPHEN I. MARTIN, HARTFORD PLAZA HARTFORD CT 06115	HARTFORD FIRE INSURANCE CO	50.00	
JAMES C. MARTINELLI, 1025 CONNECTICUT AVENUE, NW, #300 WASHINGTON DC 20036	ENVIRONMENTAL MANAGEMENT CONSULTANTS, INC		
VILMA S. MARTINEZ, 612 S. FLOWER STREET, 5TH FLOOR LOS ANGELES CA 90017	MUNGER TOLLES & RICKERSHAUSER (FOR: SPANISH INTERNATIONAL COMMUNICATION CORP).	480.00	513.95
ERNEST MARTY, 85 RIDGE ST. NORTH SIDNEY, NSW 2060 AUSTRALIA			
JUDITH MARTY, 85 RIDGE ST. NORTH SYDNEY, NSW 2060 AUSTRALIA			
JOSEPH J. MARTYAK, 1100 15TH ST., NW, 12TH FL. WASHINGTON DC 20005	UNION CARBIDE CORP		
MARYLAND SAVINGS-SHARE INSURANCE CORP, 901 NORTH HOWARD STREET BALTIMORE MD 21201			1.62
MIKE M. MASAOKA, SUITE 520, THE FARRAGUT BLDG. 900 17TH ST., NW WASHINGTON DC 20006	AMERICAN JAPANESE TRADE COMM		
Do	JAPAN TELESCOPES MANUFACTURERS ASSN	200.00	
Do	NISEI LOBBY		
Do	TOYOTA MOTOR SALES, U.S.A., INC	750.00	
Do	WEST MEXICO VEGETABLE DISTRIBUTORS ASSN	500.00	
MARK A. MASLYN, 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FEDERATION	5,250.00	254.73
W. A. MASON, P.O. BOX 21106 SHREVEPORT LA 71156	SOUTHWESTERN ELECTRIC POWER CO		
NED W. MASSEE, 299 PARK AVENUE NEW YORK NY 10171	WESTVACO CORP	900.00	398.05
DONALD F. MASSEY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ASARCO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CHICAGO TITLE INSURANCE CO).	2,050.50	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FIRST AMERICAN TITLE INSURANCE CO).	2,060.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HITACHI AMERICA, LTD)	270.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HOOPA VALLEY INDIAN RESERVATION).	560.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS).	660.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: KINGDOM OF MOROCCO)	80.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LAWYERS TITLE INSURANCE CO).	2,060.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MUTUAL OF OMAHA)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: RAUSCHENBERG OVERSEAS CULTURAL INTERCHANGE).	1,400.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	880.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SAFECO TITLE INSURANCE CO).	2,060.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STEWART TITLE INSURANCE CO).	2,060.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: UNITED AIRLINES)	800.00	
JAMES D. MASSIE, 1730 RHODE ISLAND AVENUE, NW, #400 WASHINGTON DC 20036	FREEPORT-MCMORAN, INC	300.00	211.50
CHARLES D. MATTHEWS, 1050 17TH ST., NW, #700 WASHINGTON DC 20036	NATIONAL OCEAN INDUSTRIES ASSN	1,359.60	184.54
ROBERT A. MATTHEWS, 700 NORTH FAIRFAX ST ALEXANDRIA VA 22314	RAILWAY PROGRESS INSTITUTE	1,021.88	
SUZETTE MATTHEWS, 1726 M STREET, NW, #806 WASHINGTON DC 20036	AIR TRAFFIC CONTROL ASSN, INC	2,432.00	12.42
JOANNE E. MATTIACE, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS ROEBUCK & CO	180.00	68.65
WILLIAM C. MATTOX, 1285 AVENUE OF THE AMERICAS NEW YORK NY 10019	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S	2,300.00	50.00
MARSHALL L. MATZ, SCOTT HARRISON & MCLEOD 2501 M STREET, NW, 4TH FL. WASHINGTON DC 20037	AFFILIATED FOOD PROCESSORS, INC		
Do	AMERICAN SCHOOL FOOD SERVICE ASSN	8,000.00	2,702.91
Do	ELECTRONIC DATA SYSTEMS	6,000.00	190.16
C.V & R.V. MAUDLIN, 1511 K STREET, NW, #535 WASHINGTON DC 20005	BRASS AND BRONZE INGOT INSTITUTE		
WILLIAM W. MAURER, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS	1,000.00	289.50
ANTHONY F. MAURIELLO, NEW YORK STATE PETROLEUM COUNCIL 150 STATE STREET ALBANY NY 12207	AMERICAN PETROLEUM INSTITUTE	3,187.50	2,138.81
THOMAS H. MAXEDON, KENTUCKY PETROLEUM COUNCIL 612-A SHELBY STREET FRANKFORT KY 40601	AMERICAN PETROLEUM INSTITUTE	489.16	45.12
WILLIAM A. MAXWELL, 311 FIRST STREET, NW, #500 WASHINGTON DC 20001	COMPUTER & BUSINESS EQUIPMENT MANUFACTURERS ASSN	1,400.00	82.00
ALBERT E. MAY, 1627 K STREET, NW WASHINGTON DC 20006	COUNCIL OF AMERICAN-FLAG SHIP OPERATORS	5,250.00	1.32
WALTER R. MAY, 7004 PARK TERRACE DRIVE ALEXANDRIA VA 22307	YELLOW FREIGHT SYSTEM, INC	12,000.00	2,539.00
MAYER BROWN & PLATT, 2000 PENNSYLVANIA AVENUE, NW, #6500 WASHINGTON DC 20006	AEROSPACE INDUSTRIES ASSN OF AMERICA, INC		
Do	BRUNSWICK CORP	200.00	
Do	COMDISCO, INC		
Do	GATX CORP	132.00	
Do	GOLDMAN SACHS & CO	500.00	
Do	JMB REALTY CORP		
Do	MERRILL LYNCH CAPITAL MARKETS		
Do	PFIZER, INC	400.00	
Do	RTS CAPITAL CORP		
Do	SEARS ROEBUCK & CO		
Do	TRANSCANADA PIPELINES LTD		
JEFFREY G. MAYS, 600 MARYLAND AVE., SW, #400E WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
MICHAEL J. MCADAMS, 1015 18TH STREET, NW WASHINGTON DC 20036	FERTILIZER INSTITUTE	10,000.00	2,099.33
H. WESLEY MCADEN, 1155 15TH ST., NW, #424 WASHINGTON DC 20005	J. G. BOSWELL CO	3,000.00	
DOUGLAS E. MCALLISTER, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
ANN MCBRIDE, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	13,398.78	170.50
R. G. MCBRIDE, MISSISSIPPI PETROLEUM COUNCIL P.O. BOX 42 JACKSON MS 39205	AMERICAN PETROLEUM INSTITUTE	1,000.00	119.76
STEPHEN C. MCCAFFREY, 1828 N. MERIDIAN STREET INDIANAPOLIS IN 46202	UNITED WAY OF INDIANAPOLIS		
JOHN A. MCCAHILL, 1250 CONNECTICUT AVE, NW WASHINGTON DC 20036	U.S. OLYMPIC COMMITTEE		
LAW OFFICES OF R. C. MCCANDLESS, 1707 H ST., NW WASHINGTON DC 20006	MILLER & SCHROEDER MUNICIPALS, INC		
Do	SANTA ANITA REALTY ENTERPRISES, INC		
Do	TRANSAMERICA CORPORATION		
Do	TRANSAMERICA INTERWAY CORP		
KATHERINE S. MCCARTER, 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN PUBLIC HEALTH ASSN	2,566.00	
CAROLYN KIM MCCARTHY, 7901 WESTPARK DRIVE MCLEAN VA 22102	NATIONAL MACHINE TOOL BUILDERS' ASSN	1,500.00	500.00
JAMES R. MCCARTHY, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INSTITUTE	280.00	
JAMES W. MCCARTHY, 1515 WILSON BOULEVARD ARLINGTON VA 22209	AMERICAN GAS ASSN	7,900.00	1,764.00
MCCARTY NOONE & WILLIAMS, 490 L'ENFANT PLAZA EAST, SW, #3306 WASHINGTON DC 20024	AMERICAN MEDICAL TECHNOLOGISTS	855.00	81.47
ROBIN W. MCCLUNG, 1667 K ST., NW, #1210 WASHINGTON DC 20006	ROHM AND HAAS CO	500.00	426.19
MCCLURE & TROTTER, 1100 CONNECTICUT AVE., NW, #600 WASHINGTON DC 20036	COCA-COLA COMPANY		
Do	GULF & WESTERN INDUSTRIES, INC		
Do	MOBIL OIL CORP		
Do	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS		
ROBERT S. MCCONNAUGHEY, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
JAMES F. MCCONNELL JR., 1700 PENNSYLVANIA AVENUE, NW, #450 WASHINGTON DC 20006	LEFF & MASON (FOR: CARMA-SANDLING GROUP)		
JOHN L. MCCONNELL, 1800 K ST., NW, #1100 WASHINGTON DC 20006	NEW YORK STOCK EXCHANGE, INC		
ALVIN MCCOY, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES		
DENNIS R. MCCOY, 1101 17TH STREET, NW WASHINGTON DC 20036	UNITED GAS PIPE LINE CO		
DAVID F. MCDERMITT, 1235 JEFFERSON-DAVIS HIGHWAY, #606 ARLINGTON VA 22202	NATIONAL UTILITY CONTRACTORS ASSN		6,426.38
ALBERT L. MCDERMOTT, 1819 L STREET, NW, #600 WASHINGTON DC 20036	AMERICAN HOTEL & MOTEL ASSN	2,431.13	
MARIANNE MCDERMOTT, 1350 NEW YORK AVENUE, NW, #615 WASHINGTON DC 20005	GREETING CARD ASSN		
MARK T. MCDERMOTT, JOSEPH, POWELL, MCDERMOTT & REINER, P.C. 1300 19TH STREET, NW, #400 WASHINGTON DC 20036.	CIVIL PILOTS FOR REGULATORY REFORM	2,000.00	
MCDERMOTT WILL & EMERY, 1850 K ST., NW, #500 WASHINGTON DC 20006	FEDERATION OF JAPAN SALMON FISHERIES COOPERATIVE ASSN		
Do	TIMBER REALIZATION		
Do	TUNA RESEARCH FOUNDATION, INC		
JACK MCDONALD CO, 1800 M STREET, NW, #950 NORTH WASHINGTON DC 20036	AMERICAN EXPRESS CORP		
Do	COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY		
Do	FIBER FABRIC & APPAREL COALITION FOR TRADE		
Do	MUTUAL BENEFIT LIFE INSURANCE CO		
E. T. MCDONALD, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY AIRLINE & STEAMSHIP CLERKS	2,700.00	2,700.00
JACK MCDONALD, 1800 M STREET, NW, #950 NORTH WASHINGTON DC 20036	JACK MCDONALD CO (FOR: AMERICAN EXPRESS CORP)		
Do	JACK MCDONALD CO (FOR: COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY).		
Do	JACK MCDONALD CO (FOR: FIBER FABRIC & APPAREL COALITION FOR TRADE)		
Do	JACK MCDONALD CO (FOR: MUTUAL BENEFIT LIFE INSURANCE CO)		
MICHAEL D. MCDONALD, MARYLAND PETROLEUM ASSN 60 WEST ST. ANNAPOLIS MD 21401	AMERICAN PETROLEUM INSTITUTE	400.00	
PATRICK J. MCDONOUGH, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING AND DEVELOPMENT		
MARIAN E. MCDOWELL, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	2,050.45	307.78
DINAH D. MCELFRESH, 1800 M ST., NW, #1030N WASHINGTON DC 20036	HAUCK & ASSOCIATES (FOR: NATIONAL ASSN OF CHILD CARE MANAGEMENT)		
AH QUON MCELRATH, 1334 G STREET, NW, THIRD FL. WASHINGTON DC 20005	VILLERS ADVOCACY ASSOCIATES	740.22	7.55
CHRISTINE W. MCENTEE, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	457.69	173.03
ROBERT H. MCFADDEN, 1620 EYE STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC		
PAUL J. MCGEADY, 475 RIVERSIDE DRIVE, #239 NEW YORK NY 10115	MORALITY IN MEDIA, INC	82.40	
DONNA LEE MCGEE, 1726 M ST., NW, #401 WASHINGTON DC 20036	BURLINGTON INDUSTRIES, INC	1,000.00	710.00
P. ANNE MCGHEE, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
ROBERT M. MCGLOTTEN, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	15,269.02	1,569.26
PHYLLIS M. MCGOVERN, 1875 EYE STREET, NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE	9.71	1.80
JEANNE H. MCGOWAN, 1025 CONNECTICUT AVENUE, NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN	190.00	5.00
CHRISTOPHER C. MCGRATH, NEW YORK STATE PETROLEUM COUNCIL 156 WILLIAM ST. NEW YORK NY 10038	AMERICAN PETROLEUM INSTITUTE		
JEROME J. MCGRATH, 1660 L ST., NW, #601 WASHINGTON DC 20036	INTERSTATE NATURAL GAS ASSN OF AMERICA	500.00	
JOSEPH M. MCGUIRE, 1501 WILSON BLVD. ARLINGTON VA 22209	AIR CONDITIONING & REFRIGERATION INSTITUTE		
PETER E. MCGUIRE, 400 FIRST ST., NW WASHINGTON DC 20001	NATIONAL ASSN OF RETIRED & VETERAN RAILWAY EMPLOYEES	2,500.00	
MCGUIRE WOODS & BATTLE, 1400 ROSS BUILDING RICHMOND VA 23219	CSX CORP	2,130.00	533.47
Do	UNITED COAL CO		
MCHALE COOK & WELCH, P.C., 1122 CHAMBER OF COMMERCE BUILDING INDIANAPOLIS IN 46204	ESTATE OF MABEL R. LADD		
MCHENRY & STAFFIER, P.C., 1300 19TH ST., NW, #408 WASHINGTON DC 20036	FOOTHILLS PIPE LINES (YUKON) LTD		
Do	NOVA, AN ALBERTA CORP		
Do	NOVACOR CHEMICALS, LTD		
Do	PAN-ALBERTA GAS LTD		
CLARENCE M. MCINTOSH JR., 400 FIRST ST., NW WASHINGTON DC 20001	RAILWAY LABOR EXECUTIVES' ASSN	1,244.14	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
DENNIS MCINTOSH, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	
WILLIAM F. MCKENNA, 2301 M ST., NW, #500 WASHINGTON DC 20037	HOUSLEY GOLDBERG & KANTARIAN, P.C		
JAN E. MCKENZIE, 1111 19TH ST., NW, #702 WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	4,380.00	398.25
ROBERT T. MCKERNAN, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INSTITUTE, INC	250.00	
WILLIAM COLM MCKEVENY, 30 ROCKEFELLER PLAZA NEW YORK NY 10112	AMERICAN PULPWOOD ASSN		
JAMES D. MCKEVITT, 600 MARYLAND AVE., SW, #695 WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	700.00
C. A. 'MACK' MCKINNEY, 219 NORTH WASHINGTON STREET ALEXANDRIA VA 22314	NON COMMISSIONED OFFICERS ASSN OF THE USA	9,018.00	8,943.77
THOMAS I. MCKNEW JR., 1667 K ST., NW, #600 WASHINGTON DC 20006	SANTA FE SOUTHERN PACIFIC CORP	1,500.00	
JAMES D. MCLAUGHLIN, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	850.00	
WILLIAM F. MCMANUS, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	435.00	
JANE PIERSON MCMICHAEL, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	12,159.48	12,761.26
JAMES D. MCMILLAN, 1899 L ST., NW, #1100 WASHINGTON DC	EXXON CORPORATION	900.00	482.17
KURT CHARLES MCMILLAN, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC		
KATHRYN M. MCNAMARA, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS ROEBUCK & CO	126.00	12.00
LARAMIE FAITH MCNAMARA, 1000 WILSON BLVD., #2700 ARLINGTON VA 22209	TRW, INC	2,000.00	
PATRICK H. MCNAMARA, 1800 M STREET, NW, #700 SOUTH WASHINGTON DC 20036	DOW CHEMICAL, U.S.A		
PETER F. MCNEISH, 1156 15TH STREET, NW, #1101 WASHINGTON DC 20005	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	3,000.00	
MICHAEL J. MCSHANE, 1200 NEW HAMPSHIRE AVE., NW, #360 WASHINGTON DC 20036	NATIONAL COMPUTER SYSTEMS		
RONALD E. MCWILLIAMS, 1700 N. MOORE ST. ROSSLYN VA 22209	BOEING MARINE SYSTEMS		
GEORGE G. MEAD, 1908 EDNOR ROAD CLOVERLY MD 20904	NORTH AMERICAN VAN LINES, INC	2,500.00	
LESLIE S. MEAD, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	76.25	
JOHN K. MEAGHER, 1155 15TH ST., N.W. SUITE 1004 WASHINGTON DC 20005	LTV CORPORATION	3,000.00	750.00
JOSEPH J. MEDER, 1050 17TH ST., NW, #1100 WASHINGTON DC 20036	INTERLAKE, INC	10,500.00	92.57
MEDTRONIC, INC, 3055 OLD HIGHWAY 8 P.O. BOX 1453 MINNEAPOLIS MN 55440			498.18
COLISE G. MEDVED, 1701 PENNSYLVANIA AVE., NW, #830 WASHINGTON DC 20006	PENN CENTRAL CORP		
WILLIAM H. MEGONNELL, 1111 19TH ST., NW, 9TH FLOOR WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	1,909.09	48.00
LARRY MEHLHAFF, 23 N. SCOTT SHERIDAN WY 82801	SIERRA CLUB	6,500.00	2,669.19
MICHELLE MEIER, 2001 S STREET, NW, #520 WASHINGTON DC 20009	CONSUMERS UNION OF U.S., INC	1,000.00	
MEMEL JACOBS PIERNO GERSH & ELLSWORTH, 1800 M STREET, NW, #1000-N WASHINGTON DC 20036	ALLIANCE FOR MEDICAL NUTRITION		
JOHANNA S.R. MENDELSON, 2025 M STREET, NW WASHINGTON DC 20036	NATIONAL PUBLIC RADIO		
HOWARD A. MENELL, 1020 19TH ST., NW, #600 WASHINGTON DC 20036	AMERICAN EXPRESS CO		
EDWARD L. MENNING, 1522 K ST., NW, #836 WASHINGTON DC 20005	NATIONAL ASSN OF FEDERAL VETERINARIANS	32.16	
JANE MENTZINGER, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	5,225.04	
EDWARD A. MERLIS, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN	2,750.00	
EDWARD L. MERRIGAN, 6000 CONNECTICUT AVE., NW WASHINGTON DC 20815	CENTRAL GULF LINES, INC		
Do	NATIONAL ASSN OF RECYCLING INDUSTRIES, INC	1,000.00	797.81
MERRILL LYNCH & CO, INC, 1828 L ST., NW, #906 WASHINGTON DC 20036			8,500.00
NANCY JO MERRILL, 1725 K ST., NW, #814 WASHINGTON DC 20006	MARCH OF DIMES BIRTH DEFECTS FOUNDATION	2,750.00	9.70
THOMAS L. MESKAN, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,250.00	955.89
JEAN L. MESTRES, 1747 PENNSYLVANIA AVENUE, NW, #300 WASHINGTON DC 20006	CITIES SERVICE OIL & GAS CORP	514.80	90.25
M. BARRY MEYER, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	ALUMINUM ASSN		
LARRY D. MEYERS, 412 FIRST STREET, SE WASHINGTON DC 20003	HUCHENG INTERNATIONAL CO		
Do	LEMA PROPERTIES, INC		
Do	NATIONAL PEANUT GROWERS GROUP	4,500.00	
Do	SAM KANE PACKING		
JAMES G. MICHAUX, 1200 NEW HAMPSHIRE AVENUE, NW, #430 WASHINGTON DC 20036	FEDERATED DEPT STORES, INC	500.00	
THOMAS A. MICHELETTI, 1111 19TH STREET, NW, #303 WASHINGTON DC 20036	SOUTHERN CALIFORNIA EDISON CO	3,750.00	1,500.00
KATHLEEN MICHELS, 1101 14TH STREET, NW, #200 WASHINGTON DC 20005	AMERICAN NURSES' ASSN	4,410.13	25.05
RONALD A. MICHIELI, 1301 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN	1,000.00	
CHARLES J. MICOLEAU, ONE CANAL PLAZA PORTLAND ME 04112	AMERICAN EXPRESS		
MID CONTINENT WILDCATTERS ASSN, 200 DOUGLAS BLDG. WICHITA KS 67202		53,000.00	
MID-CONTINENT OIL & GAS ASSN, 711 ADAMS OFFICE BLDG. TULSA OK 74103		1,661.09	22,681.51
PAUL J. MIGNINI SR., 815 16TH STREET, NW, #310 WASHINGTON DC 20006	AMALGAMATED CLOTHING & TEXTILE WORKERS UNION	3,412.50	124.50
SHARON MIHNOVETS, 2809 S. JOYCE ST. ARLINGTON VA 22202			
MILBANK TWEED HADLEY & MCCLOY, 1 CHASE MANHATTEN PLAZA NEW YORK NY 10005	CLAYMARK CORPORATION		
Do	JOINT TASK FORCE ON FEDERAL FINAN. ASSIST. FOR LAW STUDENTS		
MILES & STOCKBRIDGE, 1701 PENNSYLVANIA AVE., NW, #500 WASHINGTON DC 20006	BLACK AND DECKER MANUFACTURING COMPANY		50.00
Do	PEPSICO, INC		100.00
Do	PIZZA HUT, INC		200.00
HARRIS MILLER & ASSOCIATES, 1000 WILSON BLVD., #900 ARLINGTON VA 22209	AGRICULTURAL PRODUCERS		
Do	FLORIDA FRUIT & VEGETABLE ASSN		
MILLER & CHEVALIER, CHTD, METROPOLITAN SQUARE 655 15TH STREET, NW WASHINGTON DC 20005	HALLMARK CARDS, INC		
Do	NATIONAL ASSN OF TEMPORARY SERVICES, INC		
Do	NATURAL GAS SUPPLY ASSN		
Do	WESTERN SAVINGS & LOAN ASSN		
DENNY MILLER ASSOCIATES, 400 N. CAPITOL ST., NW, #325 WASHINGTON DC 20001	BOEING COMPANY	2,000.00	650.00
Do	MARINE ENGINEERS' BENEFICIAL ASSN	1,000.00	450.00
Do	PORT OF TACOMA	975.00	3,250.00
Do	ROCKCOR, INC	1,625.00	450.00
MILLER CASSIDY LARROCA & LEWIN, 2555 M ST., NW, #500 WASHINGTON DC 20037	NATIONAL ASSN OF LIFE UNDERWRITERS, ET AL	1,062.50	
DALE MILLER, 4000 RENO ROAD, NW WASHINGTON DC 20008	GULF INTRACOASTAL CANAL ASSN		
Do	TEXASGULF, INC		
DEBORAH HALE MILLER, 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S		
GRANT MILLER, 1725 JEFFERSON DAVIS HIGHWAY, #900 ARLINGTON VA 22202	LTV AEROSPACE & DEFENSE CO	2,500.00	125.00
HARRIS C. MILLER, 1747 PENNSYLVANIA AVENUE, #300 WASHINGTON DC 20006	OCCIDENTAL CHEMICAL CORP	665.00	44.72
JEFFREY T. MILLER, 7 CAMPUS DRIVE PARSIPPANY NJ 07054	NABISCO BRANDS, INC		
JOHN R. MILLER, 1750 MIDLAND BUILDING CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
JOSEPH E. MILLER JR., 1608 K STREET, NW WASHINGTON DC 20006	AMERICAN LEGION	6,960.00	72.30
NANCY A. MILLER, 1101 14TH STREET, NW WASHINGTON DC 20005	AMERICAN FINANCIAL SERVICES ASSN		
PAUL J. MILLER, 8000 SEARS TOWER CHICAGO IL 60606	INVESTMENT COUNSEL ASSN OF AMERICA, INC		
RICHARD G. MILLER, 1101 14TH STREET, NW, #200 WASHINGTON DC 20005	AMERICAN NURSES' ASSN	3,836.64	164.37
ROBERT H. MILLER, 490 L'ENFANT PLAZA EAST, SW, #2202 WASHINGTON DC 20024	TENNECO INC		
ROBIN MILLER, 1925 K STREET, NW WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY		
STEVEN T. MILLER, 1607 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20009	AMERICAN METAL DETECTORS MANUFACTURERS, INC		
Do	AUTO INTERNACIONAL ASSN	250.00	130.56
Do	COALITION OF AUTOMOTIVE ASSNS	14.85	6.64
Do	SPECIALTY EQUIPMENT MARKET ASSN	1,650.00	774.92
W. KIRK MILLER, 735 NORTH WATER STREET, #908 MILWAUKEE WI 53202	AMERICAN MALTING BARLEY ASSN, INC		
C.G. PETE MILLIGAN, 4360 N.E. JOE'S POINT STUART FL 33494	AMERICAN TELEPHONE & TELEGRAPH CO	4,484.00	
JOHN C. MILLINER JR., P.O. BOX 1788 FOREST PARK GA 30051	SOUTHEASTERN LUMBER MANUFACTURERS ASSN		
JOHN F. MILLS, 1875 I ST., NW WASHINGTON DC 20006	TOBACCO INSTITUTE		
ROBERT G. MILLS, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	600.00	
RICHARD V. MINCK, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	1,200.00	
MINERALS EXPLORATION COALITION, INC, P.O. BOX 15638 DENVER CO 80215	MINERAL EXPLORATION COALITION, INC	870.00	867.19
MINING & RECLAMATION COUNCIL OF AMERICA, 1575 I STREET, NW, #525 WASHINGTON DC 20005			
JOSEPH MINISH, 66 SHERIDAN AVE. WEST ORANGE NJ 07052	U.S. LEAGUE OF SAVINGS INSTITUTIONS	4,125.00	443.32
MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO, P.C., 1825 I STREET, NW, #1025 WASHINGTON DC 20006	CABLEVISION SYSTEMS DEVELOPMENT CO		
Do	GENERAL TELEPHONE & ELECTRONICS		
Do	HOME RECORDING RIGHTS COALITION	6,100.00	
Do	HOUGHTON MIFFLIN COMPANY		
Do	TURNER BROADCASTING SYSTEM, INC		
THOMAS B. MIRANDA, 410 FIRST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	2,718.75	291.00
EDWARD F. MITCHELL, 1900 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20068	POTOMAC ELECTRIC POWER CO	1,704.45	
THOMAS F. MITCHELL, 1875 EYE ST., NW, #400 WASHINGTON DC 20006	GEORGIA-PACIFIC CORP		
STACEY J. MOBLEY, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO		
DAVID T. MODI, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO	30.00	
ROBERT M. MOLITER, 1331 PENNSYLVANIA AVE., NW, #865 WASHINGTON DC 20004	GENERAL ELECTRIC CO	170.00	
JOHN V. MOLLER, 1155 15TH STREET, NW, #1010 WASHINGTON DC 20005	MANCHESTER ASSOCIATES (FOR: CORPORACION NACIONAL DEL COBRE DE CHILE (CODELCO)).		
Do	MANCHESTER ASSOCIATES, LTD (FOR: NISSAN MOTOR COMPANY, LTD)		
ROBERT A. MOLOFSKY, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO	5,000.00	171.00
MICHAEL J. MOLONY, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	60.00	
C. MANLY MOLPUS, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
HERMAN J. MOLZAHN, 1600 WILSON BLVD., #1101 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
CHRISTOPHER MONEK, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ELIZABETH R. MONRO, 1709 NEW YORK AVE., NW WASHINGTON DC 20006	AIR TRANSPORT ASSN OF AMERICA	5,000.00	
MICHAEL MONRONEY, 1000 WILSON BLVD., #2700 ARLINGTON VA 22209	TRW, INC	1,000.00	
NANCY JACKS MONTGOMERY, 1601 DUKE STREET ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS		
STEVEN M. MOODIE, 910 16TH ST., NW, #302 WASHINGTON DC 20006	FEDERATION OF AMERICAN CONTROLLED SHIPPING	200.00	
JAMES P. MOONEY, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	4,375.00	
MARILYN MOONEY, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO	70.00	
ALAN J. MOORE, 1667 K ST., NW, #600 WASHINGTON DC 20006	SANTA FE INDUSTRIES, INC	1,000.00	
CARLOS MOORE, 1101 CONNECTICUT AVENUE, NW, #300 WASHINGTON DC 20036	AMERICAN TEXTILE MANUFACTURERS INSTITUTE	480.75	28.00
FRANCIS B. MOORE, 3003 BUTTERFIELD ROAD OAK BROOK IL 60521	WASTE MANAGEMENT, INC	5,000.00	1,008.10
POWELL A. MOORE, 8637 WINTHROP DRIVE ALEXANDRIA VA 22307	LOCKHEED CORP	900.00	164.37
WILLIAM D. MOORE, 10 DORRANCE STREET PROVIDENCE RI 02903	GREATER PROVIDENCE CHAMBER OF COMMERCE		
MORALITY IN MEDIA, INC, 475 RIVERSIDE DR., #239 NEW YORK NY 10115		101.55	101.55
VINCENT L. MORELLI, 555 NEW JERSEY AVE., NW, #880 WASHINGTON DC 20001	CONGOLEUM CORPORATION	1,000.00	447.70
E. JOYCE MORGAN, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
JOHN MORGAN, 1925 K ST., NW WASHINGTON DC 20006	COMMUNICATIONS WORKERS OF AMERICA		
MORGAN LEWIS & BOCKIUS, SUITE 800 NORTH 1800 M ST., NW WASHINGTON DC 20036	BUSINESS ROUNDTABLE	4,273.00	
Do	COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT		
Do	CONSOLIDATED NATURAL GAS CO		
PETER DENIS MORGAN, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,750.00	116.69
JEANNE L. MORIN, 1511 K ST., NW, #1100 WASHINGTON DC 20005	NATIONAL ASSN OF DEVELOPMENT COMPANIES	3,000.00	155.16
ROBERT E. MORIN, 600 NEW HAMPSHIRE AVENUE, NW, #354 WASHINGTON DC 20037	SOCIETY OF REAL ESTATE APPRAISERS		
JAMES A. MORRILL, SCOTT PLAZA I PHILADELPHIA PA 19113	SCOTT PAPER COMPANY	2,250.00	833.33
GERALD D. MORRIS, 555 NEW JERSEY AVE., NW WASHINGTON DC 20001	AMERICAN FED OF TEACHERS	11,849.10	80.00
JANELLE MORRIS, 1828 L STREET, NW, #906 WASHINGTON DC 20036	MERRILL LYNCH & CO, INC		
MARTIN S. MORRIS, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
TESSA MORRIS, 1819 L STREET, NW, #800 WASHINGTON DC 20036	SECURITY PACIFIC NATIONAL BANK		
W. PATRICK MORRIS, 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	SHIPBUILDERS COUNCIL OF AMERICA		
MORRISON & FOERSTER, 2000 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	CROCKER NATIONAL BANK		
Do	NATIONAL ELECTRICAL MANUFACTURERS ASSN		
JAMES MORRISON, 21 DUPONT CIRCLE, NW, #401 WASHINGTON DC 20036	BUSINESS EXECUTIVES FOR NATIONAL SECURITY	1,800.00	95.00
JULIAN K. MORRISON III, 1015 15TH STREET, NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	750.00	
WILLIAM C. MORRISON, 2001 NORTH ADAMS ST. ARLINGTON VA 22201	MEAT IMPORTERS COUNCIL OF AMERICA, INC	875.00	
VALERIE T. MORSE, 453 NEW JERSEY AVE., SE WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORP OF AMERICA	850.00	
FRANK D. MORUZZI, 1235 JEFFERSON DAVIS HIGHWAY, #500 ARLINGTON VA 22202	ITALIAN ADVANCED INDUSTRIES INC	60.30	20.00
GEORGE R. MOSES, 1341 G STREET, NW, #202 WASHINGTON DC 20005	M/A-COM, INC	2,100.00	
Do	TRW, INC	900.00	
RUSSELL N. MOSHER, 950 N. GLEBE RD., #160 ARLINGTON VA 22203	AMERICAN BOILER MANUFACTURERS ASSN, INC		
MOSS ASSOCIATES, INC, 2450 VIRGINIA AVE., NW WASHINGTON DC 20037	ASSOCIATION OF BANK HOLDING COS	900.00	
DOROTHY J. MOSS, 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	25.00	
JOE MOSS, P.O. BOX 2159 DALLAS TX 75221	AMERICAN PETROFINA, INC	1,200.00	714.00
GERALD J. MOSSINGHOFF, 1100 15TH STREET, NW, #900 WASHINGTON DC 20005	PHARMACEUTICAL MANUFACTURERS ASSN	1,000.00	
THOMAS MOSTOWY, 201 MASSACHUSETTS AVENUE, NE, #319 WASHINGTON DC 20002	HALT, INC		
LYNN E. MOTE, 1015 15TH ST., NW, #900 WASHINGTON DC 20005	INTERNORTH	7,000.00	
MOTION PICTURE ASSN OF AMERICA, INC, 1600 EYE STREET, NW WASHINGTON DC 20006		13,262.10	13,262.10
JOHN J. MOTLEY, 600 MARYLAND AVE., SW, #695 WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	[illegible]
MOTOR AND EQUIPMENT MANUFACTURERS ASSOCIATION, 1120 19TH ST., NW, #333 WASHINGTON DC 20036			376.51
MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC, 300 NEW CENTER BLDG. DETROIT MI 48202		4,112.00	4,112.00
ROBERT N. MOTTICE, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	750.00	
MOUNTAIN WEST ASSOCIATES, 2121 K ST., NW, #880 WASHINGTON DC 20037	PUBLIC SERVICE COMPANY OF NEW MEXICO	11,875.00	[illegible]
Do	UTAH POWER & LIGHT CO	24,782.99	8,460.18
JAMES MULAR, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY AIRLINE & STEAMSHIP CLERKS		
JAMES S. MULHERN, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FEDERATION	2,925.00	24.33
CHRISTINE ANN MULICK, 3600 S. YOSEMITE, #830 DENVER CO 80237	KOGOVSEK AND ASSOCIATES, INC	6,300.00	464.12
RICHARD J. MULLER, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	CHRYSLER CORPORATION	7,500.00	105.00
ALBERT E. MULLIN JR., 111 POWDERMILL RD. (B79) MAYNARD MA 01754	DIGITAL EQUIPMENT CORPORATION	10,000.00	
TRACY MULLIN, 1000 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	NATIONAL RETAIL MERCHANTS ASSN	250.00	15.00
ROBERT J. MULLINS, SUITE 202-W 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	8,664.00	
W. H. L. MULLINS, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS	2,000.00	[illegible]
MULTIFAMILY HOUSING ASSOCIATION, C/O LIZ ARCURI 1220 19TH ST., NW, #400 WASHINGTON DC 20036			
DONNA T. MUNDY, 2211 CONGRESS STREET PORTLAND ME 04122	UNION MUTUAL LIFE INSURANCE CO	225.00	2,693.83
JOHN P. MURPHY, 1828 L STREET, NW, #710 WASHINGTON DC 20036	STAUFFER CHEMICAL CO	1,600.00	357.73
LESTER L. MURPHY JR., P.O. BOX 4267 TOPEKA KS 66604	KANSAS ELECTRIC COOPERATIVES, INC	15,150.00	[illegible]
PAUL T. MURPHY, 900 17TH ST., NW, #514 WASHINGTON DC 20006	NATIONAL FOREIGN TRADE COUNCIL, INC	1,000.00	597.00
RICHARD E. MURPHY, 2020 K ST., NW, #200 WASHINGTON DC 20006	SERVICE EMPLOYEES INTL UNION, AFL-CIO	1,000.00	416.79
MURRAY & SCHEER, 2550 M ST., NW, #695 WASHINGTON DC 20037	CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROADS	450.00	
Do	CLEVELAND CLIFFS IRON CO	250.00	
Do	CONNECTICUT MUTUAL LIFE INSURANCE CO	600.00	
Do	IRON ORE LESSORS ASSN, INC	750.00	
Do	LTV CORPORATION	100.00	
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO	500.00	
Do	MUTUAL BENEFIT LIFE	500.00	
Do	NATIONAL BUSINESS AIRCRAFT ASSN	500.00	
Do	NATIONAL COUNCIL OF COAL LESSORS	300.00	
Do	NEW ENGLAND MUTUAL LIFE INSURANCE CO	500.00	
Do	PENN MUTUAL LIFE INSURANCE CO	500.00	
Do	SHUBERT ORGANIZATION, INC	300.00	
Do	SWAZILAND SUGAR ASSN	500.00	
DANIEL H. MURRAY, 1828 L STREET, NW WASHINGTON DC 20036	GTE SPRINT COMMUNICATIONS CORP	20,798.00	
GORDON L. MURRAY, 1911 JEFFERSON DAVIS HIGHWAY, #1002 ARLINGTON VA 22202	LEAR SIEGLER, INC/ENERGY PRODUCTS DIV	100.00	100.00
JAMES E. MURRAY, ONE FARRAGUT SQUARE SOUTH WASHINGTON DC 20006	BROWN WOOD IVEY MITCHELL & PETTY (FOR: NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS, ET AL.).		
MARGARET R. MURRAY, 600 NEW HAMPSHIRE AVENUE, NW, #626 WASHINGTON DC 20037	NATIONAL RURAL TELECOM ASSN	409.50	
ROSEMARY GRIFFIN MURRAY, 1660 L ST., NW, #901 WASHINGTON DC 20036	PAN AMERICAN WORLD AIRWAYS, INC		
ROBERT J. MUTH, 180 MAIDEN LN. NEW YORK NY 10038	ASARCO INC	400.00	
FRED J. MUTZ, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	3,000.00	
PAUL J. MYER, 1150 17TH ST., NW, 11TH FLOOR WASHINGTON DC 20036	AMERICAN BROADCASTING CO, INC		
GARY D. MYERS, 1015 18TH STREET, NW WASHINGTON DC 20036	FERTILIZER INSTITUTE	4,500.00	
TIMOTHY D. NAEGELE & ASSOCIATES, 1850 K STREET, NW, #1280 WASHINGTON DC 20006	BAYBANKS, INC		
ALAN Y. NAFTALIN, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	KOTEEN & NAFTALIN (FOR: ALASCOM, INC)		
Do	KOTEEN & NAFTALIN (FOR: TELEPHONE & DATA SYSTEMS, INC)		
LINDA K. NAIDA, 1616 H STREET, NW WASHINGTON DC 20006	NATIONAL GRANGE		
PETER A. NALEWAIK, 4 WORLD TRADE CENTER NEW YORK NY 10048	COFFEE SUGAR & COCOA EXCHANGE, INC		
JOHN L. NAPIER, NAPIER AND JENNINGS P.O. DRAWER 995 BENNETTSVILLE SC 29512	NATIONAL BEER WHOLESALERS' ASSN OF AMERICA, INC	5,000.00	284.24
Do	OREGON INLET COMMISSION	11,700.00	1,011.76
Do	PHILLIPS PETROLEUM CO	15,173.76	1,873.76
KAREN J. NARDI, THREE EMBARCADERO CENTER SAN FRANCISCO CA 94111	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR: AMFAC, INC)		
Do	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR: CASTLE & COOKE, INC)		
Do	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR: ROHR INDUSTRIES)		
JOHN FRANCIS NASH JR., 17 N. GREENBRIER STREET ARLINGTON VA 22203	MILLIKEN & CO.	5,000.00	1,650.00
FRANCES E. NATHAN, 455 FIFTH AVENUE NEW YORK NY 10016	NEW YORK PUBLIC LIBRARY	5,021.00	
HARDY L. NATHAN, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	750.00	
RAYMOND NATHAN, 4242 EAST-WEST HWY CHEVY CHASE MD 20815	AMERICAN ETHICAL UNION	100.00	339.51
NATIONAL AGRICULTURAL CHEMICALS ASSN, 1155 15TH ST., NW WASHINGTON DC 20005		7,591.02	7,591.02
NATIONAL AIR CARRIER ASSN, 1730 M ST., NW, #710 WASHINGTON DC 20036			
NATIONAL ASSN FOR BIOMEDICAL RESEARCH, 1275 K STREET, NW, #900 WASHINGTON DC 20005		67,150.00	9,315.79
NATIONAL ASSN FOR NEIGHBORHOOD SCHOOLS, INC, 335 LOCUST ST. PITTSBURGH PA 15218		1,000.00	2,480.59
NATIONAL ASSN FOR STOCK CAR AUTO RACING, INC (NASCAR), 1801 SPEEDWAY BOULEVARD DAYTONA BEACH FL 32015			1,000.00
NATIONAL ASSN FOR UNIFORMED SERVICES, 5535 HEMPSTEAD WAY SPRINGFIELD VA 22151		2,995.79	2,583.14
NATIONAL ASSN OF AIR TRAFFIC SPECIALISTS, WHEATON PLAZA NORTH, #415 WHEATON MD 20902			6,083.25
NATIONAL ASSN OF BEVERAGE IMPORTERS, 1025 VERMONT AVENUE, NW, #1205 WASHINGTON DC 20005			
NATIONAL ASSN OF CHAIN DRUG STORES, INC, P.O. BOX 1417-D49 ALEXANDRIA VA 22313			11,679.66

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
NATIONAL ASSN OF DEVELOPMENT COMPANIES, 1612 K ST., NW, #706 WASHINGTON DC 20006		56,927.73	11,241.28
NATIONAL ASSN OF FEDERAL VETERINARIANS, 1522 K ST., NW, #836 WASHINGTON DC 20005			50.06
NATIONAL ASSN OF HOMES FOR CHILDREN, C/O TALCOTT, MCCABE & ASSOCIATES 600 MARYLAND AVE., SW, 302 W. WING WASHINGTON DC 20024			2,400.00
NATIONAL ASSN OF MANUFACTURERS, 1776 F ST., NW WASHINGTON DC 20006		93,931.84	93,931.84
NATIONAL ASSN OF PENSION CONSULTANTS & ADMINISTRATORS, INC, 359 E. PACES FERRY RD., NE ATLANTA GA 30305		3,000.00	665.91
NATIONAL ASSN OF RAILROAD PASSENGERS, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003		126,208.22	62,673.17
NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS, INC, 1101 17TH ST., NW, #700 WASHINGTON DC 20036			5,783.26
NATIONAL ASSN OF STEVEDORES, 2011 I STREET, NW, #601 WASHINGTON DC 20006		3,250.00	2,085.00
NATIONAL ASSN OF TEMPORARY SERVICES, INC, 119 SOUTH SAINT ASAPH STREET ALEXANDRIA VA 22314			
NATIONAL ASSN OF TRUCK STOP OPERATORS, INC, 1199 N. FAIRFAX STREET, #801 ALEXANDRIA VA 22314			
NATIONAL BROILER COUNCIL, 1155 15TH ST., NW WASHINGTON DC 20005		9,023.70	9,023.70
NATIONAL BUSINESS AIRCRAFT ASSN, 1200 18TH ST., NW WASHINGTON DC 20036			
NATIONAL CABLE TELEVISION ASSN, INC, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036		21,210.00	21,210.00
NATIONAL CATTLEMEN'S ASSN, 1301 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20004			4,000.00
NATIONAL CHILD FINDERS TASK FORCE, 515 E. WASHINGTON STREET, #1 CHARLES TOWN WV 25414			
NATIONAL CLEAN AIR COALITION, INC, 530 7TH ST., SE WASHINGTON DC 20003		42,415.69	27,816.72
NATIONAL COAL ASSN, 1130 17TH STREET, NW WASHINGTON DC 20036		1,449,199.17	15,432.17
NATIONAL COALITION FOR MARINE CONSERVATION, INC, P.O. BOX 23298 SAVANNAH GA 31403		16,617.00	19,248.91
NATIONAL COMM FOR CITIZENS IN EDUCATION, WILDE LAKE VILLAGE GREEN, #410 COLUMBIA MD 21044			
NATIONAL COMM ON SMALL ISSUE INDUSTRIAL DEVELOPMENT BONDS, BOX 1, 900 SOUTH 1800 M ST., NW WASHINGTON DC 20036			
NATIONAL COMMERCIAL FINANCE ASSOCIATION, 225 W. 34TH ST. NEW YORK NY 10001			
NATIONAL COTTON COUNCIL OF AMERICA, P.O. BOX 12285 MEMPHIS TN 38182		46,410.74	46,410.74
NATIONAL COUNCIL OF AGRICULTURAL EMPLOYERS, 499 S. CAPITOL ST, SW #411 WASHINGTON DC 20003		13,150.00	2,250.00
NATIONAL COUNCIL OF FARMER COOPERATIVES, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036		22,072.04	10,880.43
NATIONAL ELECTRICAL MFGRS ASSN, 2101 L ST., NW WASHINGTON DC 20037		4,580.59	4,580.59
NATIONAL EMPLOYEE BENEFITS INSTITUTE, 2550 M ST., NW, #303 WASHINGTON DC 20037		1,796.42	6,395.41
NATIONAL FEDERATION OF FEDERAL EMPLOYEES, 2020 K ST., NW, #200 WASHINGTON DC 20006		13,739.59	13,739.59
NATIONAL FEDERATION OF INDEPENDENT BUSINESS, 150 W. 20TH AVE. SAN MATEO CA 94403		10,400.00	10,400.00
NATIONAL FERTILIZER SOLUTIONS ASSN, 8823 NORTH INDUSTRIAL ROAD PEORIA IL 61615		8,578.41	1,986.35
NATIONAL FOOD PROCESSORS ASSN, 1401 NEW YORK AVENUE, NW, #400 WASHINGTON DC 20005		1,535.59	1,535.59
NATIONAL FOREIGN TRADE COUNCIL, INC, 100 EAST 42ND ST. NEW YORK NY 10017		17,405.05	17,405.05
NATIONAL GRAIN & FEED ASSN, 725 15TH ST., NW WASHINGTON DC 20005			1,898.47
NATIONAL GRANGE, 1616 H ST., NW WASHINGTON DC 20006		18,700.00	18,700.00
NATIONAL GUARD ASSN OF THE U.S., ONE MASSACHUSETTS AVE., NW WASHINGTON DC 20001		4,336.00	3.86
NATIONAL HEALTH CARE FINANCING ASSN, P.O. BOX 946 HOLLY HILL FL 32017			
NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE, 1090 VERMONT AVE., NW, #410 WASHINGTON DC 20005		12,000.00	11,257.50
NATIONAL KNITWEAR & SPORTSWEAR ASSN, 386 PARK AVENUE SOUTH NEW YORK NY 10016		1,250.00	
NATIONAL LEAGUE OF POSTMASTERS OF THE U.S., 1023 NORTH ROYAL STREET ALEXANDRIA VA 22314			44,190.00
NATIONAL LEASED HOUSING ASSN, 2300 M ST., NW, #260 WASHINGTON DC 20037		500.00	360.00
NATIONAL LOTTERY ASSOCIATION, P.O. BOX 13365 LAS VEGAS NV 89112			
NATIONAL MILK PRODUCERS FED, 1840 WILSON BLVD ARLINGTON VA 22201		16,408.10	16,408.10
NATIONAL MOTORSPORTS COMM OF ACCUS, 1500 SKOKIE BOULEVARD, #101 NORTHBROOK IL 60062		66.00	11,978.00
NATIONAL MULTI HOUSING COUNCIL, 1250 CONNECTICUT AVE., NW, #620 WASHINGTON DC 20036			8,295.30
NATIONAL PARKING ASSOCIATION, 1112 16TH ST., NW WASHINGTON DC 20036			48,013.30
NATIONAL PEST CONTROL ASSN, 8100 OAK ST. DUNN LORING VA 22027			
NATIONAL PUBLIC AFFAIRS CORP, 900 17TH STREET, NW WASHINGTON DC 20006	WESTINGHOUSE ELECTRIC CORP		
NATIONAL REHABILITATION ASSN, 633 S. WASHINGTON ST. ALEXANDRIA VA 22314			4,500.00
NATIONAL RETAIL MERCHANTS ASSN, 1000 CONNECTICUT AVENUE, NW WASHINGTON DC 20036			3,265.00
NATIONAL RIGHT TO WORK COMM, 8001 BRADDOCK RD., #600 SPRINGFIELD VA 22160		8,669.10	8,669.10
NATIONAL RURAL ELECTRIC COOPERATIVE ASSN, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036			3,865.16
NATIONAL RURAL LETTER CARRIERS' ASSN, 1448 DUKE ST., #100 ALEXANDRIA VA 22314		14,754.00	15,822.00
NATIONAL SECURITY TRADERS ASSN, INC, ONE WORLD TRADE CENTER, #4511 NEW YORK NY 10048			4,652.97
NATIONAL SMALL BUSINESS ASSN, 1604 K ST., NW WASHINGTON DC 20006		5,000.00	950.00
NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS, 1420 KING STREET ALEXANDRIA VA 22314		12,500.00	10,180.00
NATIONAL SOFT DRINK ASSN, 1101 16TH ST., NW WASHINGTON DC 20036			58,138.58
NATIONAL SOLID WASTES MANAGEMENT ASSN, 10TH FLOOR 1730 RHODE ISLAND AVE., NW WASHINGTON DC 20036			
NATIONAL TIRE DEALERS & RETREADERS ASSN, 1250 EYE STREET, NW, #400 WASHINGTON DC 20005		5,850.00	5,852.00
NATIONAL VENTURE CAPITAL ASSOCIATION, 1655 N. LYNN ST., #700 ARLINGTON VA 22209			1,838.87
NATIONAL-AMERICAN WHOLESALE GROCERS' ASSN, 201 PARK WASHINGTON COURT FALLS CHURCH VA 22046		7,000.00	7,000.00
MICHAEL W. NAYLOR, 1050 CONNECTICUT AVE., NW, #800 WASHINGTON DC 20036	ALLIED CORPORATION		
KAREN J. NEALE, 2501 M STREET N.W. WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSN, INC	465.00	50.08
JEFFREY NEDELMAN, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC	57.57	
STANLEY NEHMER, 1320 19TH STREET, NW, #600 WASHINGTON DC 20036	LEAD-ZINC PRODUCERS COMMITTEE	500.00	350.00
NEILL & COMPANY, INC, 900 17TH ST., NW, #400 WASHINGTON DC 20006	ARAB REPUBLIC OF EGYPT		1,200.00
Do	DEMOCRATIC REPUBLIC OF SUDAN		200.00
Do	HASHEMITE KINGDOM OF JORDAN	55,000.00	3,480.00
Do	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION	30,100.00	200.00
Do	KINGDOM OF MOROCCO		650.00
NEILL MULLENHOLZ SHAW & SEEGER, 900 17TH ST., NW, #400 WASHINGTON DC 20006	HASHEMITE KINGDOM OF JORDAN		
Do	KINGDOM OF MOROCCO		
Do	NATIONAL COUNCIL SOCIAL SECURITY MANAGEMENT ASSNS, INC	7,000.00	475.00
Do	NATIONAL FARM & POWER EQUIPMENT DEALERS ASSN	1,500.00	
Do	SENIOR EXECUTIVES ASSN	5,000.00	750.00
NELSON & YUDIN, 1707 H ST., NW, #500 WASHINGTON DC 20006	BUS TRANSIT CAUCUS	1,471.75	177.83
Do	DIMENSION FINANCIAL CORP		
CAROLYN B. NELSON, #2 METROPLEX DR., SUITE 500 BIRMINGHAM AL 35209	METROPOLITAN PROPERTIES, INC		
E. COLETTE NELSON, 1004 DUKE ST. ALEXANDRIA VA 22314	AMERICAN SUBCONTRACTORS ASSN	1,200.00	
THOMAS C. NELSON, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
SAMUEL B. NEMIROW, HILL BETTS & NASH 1220 19TH ST., NW, #302 WASHINGTON DC 20036	LYKES BROS. STEAMSHIP CO, INC		
NETWORK, 806 RHODE ISLAND AVE., NE WASHINGTON DC 20018		36,531.62	31,394.67
E. JOHN NEUMANN, 1100 CONNECTICUT AVE., NW, #820 WASHINGTON DC 20036	BALTIMORE GAS & ELECTRIC CO	1,076.30	2,636.06
NEW YORK COMM OF INTL COMM OF PASSENGER LINES, 74 TRINITY PLACE NEW YORK NY 10006			
LESLIE F. NEWCOMER, 226 W. RITTENHOUSE SQUARE PHILADELPHIA PA 19103	PHILADELPHIA NATIONAL BANK	345.50	509.76
NEWMAN & HOLTZINGER, P.C., 1615 L ST., NW, #1000 WASHINGTON DC 20036	UTILITY NUCLEAR WASTE MANAGEMENT GROUP		
NICHOLAS JOHN NICHOLS, 1620 EYE ST., NW WASHINGTON DC 20006	AMERICAN INST OF CERTIFIED PUBLIC ACCOUNTANTS	1,500.00	10,307.50
THOMAS NICKELS, 1101 14TH STREET, NW, #200 WASHINGTON DC 20005	AMERICAN NURSES' ASSN	5,143.96	272.82
NICKERSON INGRAM VENTO & ASSOCIATES, 8508 MT. ZEPHYR DR. ALEXANDRIA VA 22309	SYSTEMS CONTROL TECHNOLOGY, INC		
PATRICK J. NILAN, 817 14TH ST., NW WASHINGTON DC 20005	AMERICAN POSTAL WORKERS UNION, AFL-CIO	10,212.57	814.77
DIANE S. NINE, 1350 NEW YORK AVENUE, NW, #300 WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC	1,500.00	
NISSAN MOTOR CORPORATION IN U.S.A., 1919 PENNSYLVANIA AVENUE, NW, #707 WASHINGTON DC 20006			
NIXON HARGRAVE DEVANS & DOYLE, 1090 VERMONT AVENUE, NW, #1200 WASHINGTON DC 20005	AMERICAN FREE TRADE ASSN, INC	178.00	
Do	BAUSCH & LOMB		
NL INDUSTRIES, INC, 1230 AVENUE OF THE AMERICAS NEW YORK NY 10020			11,187.50
JOHN L. NOBLE, ONE AMERICAN PLAZA EVANSTON IL 60201	AMERICAN HOSPITAL SUPPLY CORP		
BARBARA D. NOCERA, 955 L'ENFANT PLAZA, SW, #905 WASHINGTON DC 20024	AMERICAN HONDA MOTOR CO, INC	295.06	47.00
A. ALLAN NOE, 1828 L STREET, NW, #710 WASHINGTON DC 20036	STAUFFER CHEMICAL CO	1,500.00	1,328.70
ROBERT W. NOLAN, 1303 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	FLEET RESERVE ASSN	100.00	
WALKER F. NOLAN, 1111 19TH ST., NW, 9TH FL. WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	5,785.39	344.40
H. CHRISTOPHER NOLDE, 2501 M ST., NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSN, INC	750.00	211.50
CHARLES M. NOONE, 490 L'ENFANT PLAZA EAST, SW, #3306 WASHINGTON DC 20024	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	1,700.00	36.13
ROBERT I. NOOTER, 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FEDERATION	5,000.01	215.38
WILLIE ERVINE NORMAN, P.O. BOX 1000 SEAGSVILLE TX 75159			
JULIA J. NORRELL, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	5,325.00	87.50
NORTH AMERICAN EXPORT GRAIN ASSN, INC, 1747 PENNSYLVANIA AVE., NW, #1175 WASHINGTON DC 20006			
NORTH AMERICAN TELECOMMUNICATIONS ASSOCIATION, 2000 M ST., NW, #550 WASHINGTON DC 20036		33,200.00	33,200.00
NORTHEAST UTILITIES SERVICE CO, SELDEN ST. BERLIN CT 06037			3,175.79
NORTHERN TELECOM, INC, 600 MARYLAND AVENUE, SW, #605 WASHINGTON DC 20024			1,635.00
MARY JANE NORVILLE, 600 MARYLAND AVENUE, SW, #695 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS	2,250.00	270.00
NOSSAMAN GUTHNER KNOX & ELLIOTT, 1140 19TH ST., NW, #600 WASHINGTON DC 20036	AETNA LIFE & CASUALTY		1,600.00
Do	HELIONETICS, INC		100.00
Do	INSURANCE ASSOCIATION OF CONNECTICUT		1,300.00

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Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	SOUTHERN CALIFORNIA EDISON		400.00
P. MICHAEL NUGENT, SUITE 1300, NORTH TOWER 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	ELECTRONIC DATA SYSTEMS CORPORATION	370.00	84.00
RALPH D. NURNBERGER, 500 NORTH CAPITOL STREET, NW, #300 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	11,763.48	655.40
C.D. NYBERG, P.O. BOX 800 AUSTIN MN 55912	GEO. A. HORMEL & CO		
GEORGE O'DEA JR., 815 16TH ST., NW, #304 WASHINGTON DC 20006	UNITED PAPERWORKERS INT'L UNION		
COLEMAN C. O'BRIEN, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	7,300.00	12.00
JOHN F. O'BRIEN, CONNECTICUT PETROLEUM COUNCIL 410 ASYLUM ST. HARTFORD CT 06103	AMERICAN PETROLEUM INSTITUTE		
MARY EILEEN O'BRIEN, 1800 M ST., NW, SUITE 710 SOUTH WASHINGTON DC 20036	DOW CORNING CORPORATION		
RAYMOND V. O'BRIEN, 1600 M ST., NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION	150.00	30.00
ROSEMARY L. O'BRIEN, 2550 M ST., NW, #640 WASHINGTON DC 20037	CF INDUSTRIES, INC	500.00	29.11
THOMAS H. O'BRIEN, 2600 VIRGINIA AVENUE, NW, #800 WASHINGTON DC 20037	HARRIS CORPORATION	2,500.00	2,073.68
DAVID S. O'BRYON, 1916 WILSON BLVD. ARLINGTON VA 22201	AMERICAN CHIROPRACTIC ASSN		
SHANNON O'CHESTER, 122 C STREET, NW, #800 WASHINGTON DC 20001	CONCERNED WOMEN FOR AMERICA	1,000.00	
JAMES J. O'CONNELL, 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	CONTROL DATA CORPORATION	721.50	170.17
RICHARD T. O'CONNELL, RICHARD T. O'CONNELL & ASSOCIATES, INC 3208 TRAVELER STREET FAIRFAX VA 22030	CHOCOLATE MANUFACTURERS ASSN OF THE USA		48.01
Do	NATIONAL CONFECTIONERS ASSN OF THE U.S		
TERRENCE M. O'CONNELL II, 444 N. CAPITOL STREET, #711 WASHINGTON DC 20001	KEEFE COMPANY (FOR: WESTINGHOUSE ELECTRIC CORP)		
WILLIAM B. O'CONNELL, 111 EAST WACKER DR. CHICAGO IL 60601	U.S. LEAGUE OF SAVINGS INSTITUTIONS	21,437.00	2,163.05
O'CONNOR & HANNAN, 1919 PENNSYLVANIA AVE., NW, #800 WASHINGTON DC 20006	AMERICAN BUS ASSN	13,755.02	
Do	AMERICAN CLINICAL LABORATORY ASSN	1,250.00	
Do	AMERICAN FAMILY LIFE ASSURANCE CO	750.00	
Do	AMERICAN INST OF CERTIFIED PUBLIC ACCOUNTANTS	4,805.00	
Do	AMERICAN INSURANCE ASSN	9,287.00	
Do	AMERICAN PETROFINA	[illegible]	
Do	AMERICAN SOC OF ASSOCIATION EXECUTIVES	8,164.27	
Do	AMERICAN TRUCKING ASSNS, INC		
Do	ARMCO, INC		
Do	ASSOCIATION OF INDEPENDENT TELEVISION STATIONS, INC		
Do	AUTOMOTIVE PARTS & ACCESSORIES ASSN		
Do	BALFOUR BEATTY LIMITED (BHC)		
Do	CENTER FOR ENVIRONMENTAL EDUCATION	500.00	
Do	CENTURY MEDIA CORP		
Do	CHAMBER OF COMMERCE OF THE U.S.		
Do	CHRONAR CORPORATION		
Do	CITY OF MINNEAPOLIS	1,200.00	
Do	CNA INSURANCE	16,728.09	
Do	COMMITTEE FOR PRUDENT DEREGULATION		
Do	COMMUNICATIONS COUNSEL		
Do	CONSOLIDATED RAIL CORP	24,595.00	
Do	DIMENSIONS, INC		
Do	ELECTRONIC DATA SYSTEMS CORPORATION	500.00	
Do	EMBASSY OF ECUADOR		
Do	FAIRCHILD INDUSTRIES, INC		
Do	FIRST PENNSYLVANIA BANK	3,125.00	
Do	GLASS PACKAGING INSTITUTE		
Do	GOVERNMENT OF CYPRUS	12,500.00	
Do	GOVERNMENT OF JAMAICA		
Do	GOVERNMENT OF SUDAN		
Do	GOVERNMENT OF THE COMMONWEALTH OF PUERTO RICO		
Do	HEALTH CARE FINANCING STUDY GROUP	3,550.00	
Do	HENNEPIN COUNTY	1,500.00	
Do	HISTORIC LANDMARKS FOR LIVING		
Do	HULES MEXICANOS, S.A.	2,800.00	
Do	INDUSTRIAS NEGROMEX, S.A. DE C.V.		
Do	INSURANCE ASSN OF CONNECTICUT	1,871.00	
Do	INVESTMENT COMPANY INSTITUTE	1,500.00	
Do	ITEL CORPORATION		
Do	J. C. PENNEY CO, INC	750.00	
Do	JAMAICAN BROADCASTING CORP		
Do	JOINT COMM OF KNITWEAR ASSOCIATIONS		
Do	KIMBERLY-CLARK CORP		
Do	MERCEDES-BENZ OF NORTH AMERICA, INC	1,390.00	
Do	MERRILL LYNCH & CO, INC	1,426.00	
Do	MEXICAN CEMENT CHAMBER	15,000.00	
Do	MILLER & SCHROEDER MUNICIPALS, INC	15,300.00	
Do	NATIONAL APARTMENT ASSN		
Do	NATIONAL CLUB ASSN		
Do	NATIONAL COAL CONSUMERS ALLIANCE		
Do	NATIONAL COMM FOR QUALITY HEALTH CARE		
Do	OPTICAL COATING LABORATORY, INC	2,600.00	
Do	PACIFIC TELESIS GROUP	8,368.00	
Do	PRUDENTIAL INSURANCE COMPANY OF AMERICA	4,180.00	
Do	PYRAMID COMPANIES	17,500.00	
Do	RLC CORPORATION		
Do	ROLLINS ENVIRONMENTAL SERVICES	2,043.95	
Do	JOSEPH E. SEAGRAM & SONS, INC	1,429.69	
Do	SECURITIES INDUSTRY ASSN	12,100.00	
Do	SMITHKLINE BECKMAN CORP	12,211.02	
Do	U.S. TELECOMMUNICATIONS SUPPLIERS ASSN		
Do	WESTINGHOUSE ELECTRIC CORP	3,300.00	
EMILY O'CONNOR, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
GEORGE E. O'CONNOR, 600 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20037	NEW YORK LIFE INSURANCE COMPANY	6,000.00	2,350.00
PATRICK C. O'CONNOR, KENT & O'CONNOR, INC 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	AMERICAN DENTAL HYGIENISTS ASSN		
Do	AMERICAN SUPPLY ASSOCIATION	7,558.83	3,201.38
Do	AMERICAN WAREHOUSEMEN'S ASSOCIATION	2,710.16	1,138.77
Do	ASSOCIATION OF FOOD INDUSTRIES, INC		
Do	NATIONAL ASSN OF FLEET ADMINISTRATORS, INC	3,254.58	1,387.26
Do	STEEL TANK INSTITUTE	8,091.13	3,114.81
Do	TRANSPORTATION LAWYERS ASSOCIATION	2,189.45	[illegible]
JOHN B. O'DAY, 1700 PENNSYLVANIA AVE., NW, #590 WASHINGTON, DC 20006	INSURANCE ECONOMICS SOCIETY OF AMERICA	1,000.00	
PAUL T. O'DAY, 1150 17TH STREET, NW WASHINGTON DC 20036	MAN-MADE FIBER PRODUCERS ASSN, INC	500.00	92.76
THOMAS A. O'DAY, 1629 K ST., NW, #1010 WASHINGTON DC 20006	ALLIANCE OF AMERICAN INSURERS	450.00	72.15
ASHTON J. O'DONNELL, 50 BEALE ST., P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL NATIONAL, INC		
DANIEL J. O'GRADY, 815 16TH STREET, NW, #408 WASHINGTON DC 20006	FOOD & ALLIED SERVICE TRADES DEPT, AFL-CIO	433.00	
JANE O'GRADY, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	15,019.03	214.70
TERRI O'GRADY, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA	775.00	309.29
BARBARA E. O'HARA, 4400 MACARTHUR BLVD., NW WASHINGTON DC 20007	AMERICAN SOC OF TRAVEL AGENTS	100.00	
O'KEEFE ASHENDEN LYONS & WARD, ONE FIRST NATIONAL PLAZA - SUITE 5100 CHICAGO IL 60603	AMERICAN INVSCO CORPORATION		
O'MELVENY & MYERS, 1800 M ST., NW WASHINGTON DC 20036	AMAX, INC		
Do	SANTA FE INTERNATIONAL CORP		
Do	SECURITY FIRST GROUP (FOR PUBLIC EMPLOYER BENEFITS COUNCIL)		
Do	WARNER COMMUNICATIONS, INC		
LAW OFFICES OF JOHN O'NEAL, P.C., 600 NEW HAMPSHIRE AVENUE, NW, #626 WASHINGTON DC 20037	NATIONAL RURAL TELECOM ASSN	1,050.00	
SARAH E. O'NEIL, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
O'NEILL AND HAASE, P.C., 1333 NEW HAMPSHIRE AVE., NW, #1110 WASHINGTON DC 20036	ALLEGHENY COUNTY COMMISSION		
Do	ASSOCIATION OF PROGRESIVE RENTAL ORGANIZATIONS		
Do	BANK OF NEW ENGLAND	500.00	
Do	BEER INDUSTRY ALLIANCE		
Do	BHC, INC		
Do	COMMERCIAL UNION INSURANCE COMPANIES		
Do	COMMERCIAL UNION INSURANCE COMPANIES	1,300.00	
Do	CRUISE AMERICA LINE, INC		
Do	GLASS PACKAGING INSTITUTE		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	MARATHON MANUFACTURING CO		
Do	MARRIOTT CORPORATION	1,200.00	
Do	MASSACHUSETTS GENERAL HOSPITAL		
Do	MILK INDUSTRY FOUNDATION		
Do	NORTHWESTERN MUTUAL LIFE		
Do	SEARS ROEBUCK & CO	1,150.00	
Do	TEXAS UTILITIES SERVICES, INC		
Do	U.S. FOOTBALL LEAGUE	500.00	
Do	U.S. STEEL	1,200.00	
Do	WESTINGHOUSE ELECTRIC CORP		
DONALD K. O'NEILL, 1000 WILSON BLVD., #2600 ARLINGTON VA 22209	TRW, INC	846.00	
J. DENIS O'TOOLE, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	4,500.00	
M. DIANE O'TOOLE, 1000 WILSON BLVD., #2300 ARLINGTON VA 22209	NORTHROP CORP		
STEPHEN E. O'TOOLE, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	3,622.92
PAUL C. OAKLEY, 1920 L STREET, NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN RAILROADS	210.00	5.00
HARRY R. OBLEY, MELLON SQUARE PITTSBURGH PA 15230	MELLON BANK N.A. AND MELLON NATIONAL CORP	2,000.00	2,565.41
KIM M. OBOZ, 1819 L STREET, NW, #900 WASHINGTON DC 20036	U S WEST, INC	4,500.00	1,128.58
THOMAS J. ODEN, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FEDERATION	4,062.48	345.42
BRADFORD C. OELMAN, 900 17TH STREET, NW, #508 WASHINGTON DC 20006	OWENS-CORNING FIBERGLAS CORPORATION		
NEIL H. OFFEN, 1730 M ST., NW WASHINGTON DC 20036	DIRECT SELLING ASSOCIATION		
OIL INVESTMENT INSTITUTE, PO BOX 8293 WASHINGTON DC 20024			
PHILIP M. OLA, 1919 PENNSYLVANIA AVENUE, NW, #400 WASHINGTON DC 20006	STEEL SERVICE CENTER INSTITUTE		
MICHAEL D. OLDAK, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	100.00	
ALVIN E. OLIVER, 725 15TH ST., NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN	65.00	
R. TEEL OLIVER, 1050 17TH STREET, NW, #650 WASHINGTON DC 20036	MERCK & CO, INC	687.50	500.00
VAN R. OLSEN, 1156 15TH ST., NW, #1019 WASHINGTON DC 20006	U.S. BEET SUGAR ASSN		
GERALD L. OLSON, PILLSBURY CENTER, MS 3771 MINNEAPOLIS MN 55402	PILLSBURY COMPANY		
RICHARD C. OLSON, 1313 DOLLEY MADISON BLVD MCLEAN VA 22101	DYNALECTRON CORPORATION		
ROY E. OLSON, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INSTITUTE, INC		
OLSSON AND FRANK, 1029 VERMONT AVENUE, NW, #400 WASHINGTON DC 20005	NATIONAL ASSN OF MARGARINE MANUFACTURERS	5,000.00	5,000.00
PHILIP C. OLSSON, OLSSON AND FRANK 1029 VERMONT AVE., NW, #400 WASHINGTON DC 20005	NATIONAL ASSN OF MARGARINE MANUFACTURERS	2,000.00	
CLARK ONSTAD, 1201 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20004	TEXAS AIR CORP AND CONTINENTAL AIR LINES	1,500.00	624.00
PHILIP C. ONSTAD, 500 WEST PUTNAM AVE. GREENWICH CT 06830	CONTROL DATA CORPORATION	200.00	
CASSANDRA OPPERMAN, 15837 A CRABBS BRANCH WAY ROCKVILLE MD 20855	NATIONAL CENTER FOR DRUNK DRIVING COUNCIL		
MICHEL ORBAN, 125 BROAD STREET, 39TH FL. NEW YORK NY 10004	AMERICAN EXPRESS CO		
ORGAN. FOR PROTECTION & ADVANCEMENT OF SMALL TELEPHONE COS, 2301 M STREET, NW, #530 WASHINGTON DC 20037		1,150.00	950.00
ABRAHAM ORLOFSKY, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	1,242.60	
ELVIRA J. ORLY, 1150 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION	31.25	
J. F. OTERO, 815 16TH STREET, NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY AIRLINE & STEAMSHIP CLERKS	1,000.00	300.00
ROLAND A. OUELLETTE, 1660 L ST., NW, #501 WASHINGTON DC 20036	GENERAL MOTORS CORP	3,500.00	2,929.99
CLIFF OUSE, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	25.00	
GENE E. OVERBECK, 1101 17TH STREET, NW WASHINGTON DC 20036	AMERICAN AIRLINES, INC	2,125.00	
OVERSEAS EDUCATION ASSOCIATION, 1201 16TH STREET, NW WASHINGTON DC 20036		1,000.00	656.79
JACK W. OWEN, 444 NORTH CAPITOL ST., NW, #500 WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN		194.57
THOMAS J. OWENS, P.O. BOX 12266 SEATTLE WA 98102	DOLLAR SAVINGS BANK, ET AL	16,625.00	6,659.57
WILLIAM J. OWENS, 1745 JEFFERSON DAVIS HIGHWAY, #511 ARLINGTON VA 22202	MANUFACTURED HOUSING INSTITUTE	950.00	100.00
R. RAY PAABO, 1667 K ST., NW, #600 WASHINGTON DC 20006	SANTA FE INDUSTRIES, INC	1,000.00	
PACIFIC MANAGEMENT DYNAMICS CORP, 910 FLOEIN RD., #107 SACRAMENTO CA 95831			
LEE W. PADEN, P.O. BOX 201 TULSA OK 74102	PUBLIC SERVICE COMPANY OF OKLAHOMA		
GEORGE G. PAGONIS, 1120 CONNECTICUT AVE., NW, #335 WASHINGTON DC 20036	STELCO, INC	1,500.00	1.50
HENRY H. PAIGE, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO		
JOHN M. PALATIELLO, 210 LITTLE FALLS STREET FALLS CHURCH VA 22046	AMERICAN CONG. ON SURVEY. & MAPP./AMER SOC OF PHOTOGRAMMETRY	10,386.88	12,978.97
HENRY S. PALAU, 201 N WASHINGTON ST. ALEXANDRIA VA 22134	RETIRED OFFICERS ASSN		
BRADLEY D. PALMER, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	2,400.00	
PALUMBO & CERRELL, INC, 11 DUPONT CIRCLE, NW, #700 WASHINGTON DC 20036	AMERICAN SOC OF COMPOSERS AUTHORS & PUBLISHERS	16,625.00	
Do	NATIONAL SCHOOL TRANSPORTATION ASSN	5,000.00	
Do	R.J. REYNOLDS TOBACCO CO	19,600.00	
Do	SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT	9,000.00	
BENJAMIN L. PALUMBO, 11 DUPONT CIRCLE, NW, #700 WASHINGTON DC 20036	G. D. SEARLE	18,000.00	
PAN AMERICAN SATELLITE CORP, 460 W. 42ND STREET, 4TH FL. NEW YORK NY 10036			
PETER J. PANTUSO, 7900 WESTPARK DRIVE, #514 MCLEAN VA 22102	NATIONAL CONFECTIONERS ASSN OF THE U.S.	7,000.00	617.77
G. OLIVER PAPPS, N.J. PETROLEUM COUNCIL 170 W. STATE ST. TRENTON NJ 08608	AMERICAN PETROLEUM INSTITUTE		
STEPHEN J. PARADISE, 1800 K STREET, NW, #1100 WASHINGTON DC 20006	NEW YORK STOCK EXCHANGE, INC		
HERSCHELL E. PARENT, 460 TWIN CITY BANK ONE RIVERFRONT PLACE NORTH LITTLE ROCK AR 72114	AMERICAN PETROLEUM INSTITUTE	1,437.00	2,920.33
ALAN A. PARKER, 1050 31ST STREET, NW WASHINGTON DC 20007	ASSOCIATION OF TRIAL LAWYERS	3,000.00	190.00
PARKER CHAPIN FLATTAU & KLIMPL, 1211 AVENUE OF THE AMERICAS NEW YORK NY 10036	ASSOCIATION FOR A BETTER NEW YORK	30,000.00	2,354.09
JOHN N. PARKER, 1100 CONNECTICUT AVE., NW, #620 WASHINGTON DC 20036	MOBIL OIL CORP	375.00	
CARL M. PARKS, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	ALLSTATE INSURANCE GROUP	500.00	230.00
KEN PARMELEE, 1448 DUKE STREET ALEXANDRIA VA 22314	NATIONAL RURAL LETTER CARRIERS' ASSN	10,615.00	2,073.00
CHARLES C. PARTRIDGE, 5535 HEMPSTEAD WAY SPRINGFIELD VA 22151	NATIONAL ASSN FOR UNIFORMED SERVICES	1,640.32	
JACK PARTRIDGE, 1014 VINE ST. CINCINNATI OH 45201	KROGER COMPANY	2,500.00	[illegible]
LANDON PARVIN, 5410 CONNECTICUT AVENUE, NW, #502 WASHINGTON DC 20015	COMMUNICATIONS COUNSEL, INC		
PASKUS GORDON & HYMAN, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL MUSIC PUBLISHERS ASSN, INC		
DAVID J. PASSAMANECK, 4647 FORBES BOULEVARD LANHAM MD 20706	AMVETS	5,850.00	150.47
GARY B. PATTERSON, DELAWARE PETROLEUM COUNCIL P.O. BOX 1429 DOVER DE 19903	AMERICAN PETROLEUM INSTITUTE	239.67	73.43
JERRY M. PATTERSON, LEFF & MASON 1700 PENNSYLVANIA AVE., NW, #450 WASHINGTON DC 20006	GREAT WESTERN FINANCIAL CORP	17,168.00	
RICHARD M. PATTERSON, 1800 M ST., NW, #700 SOUTH WASHINGTON DC 20036	DOW CHEMICAL CO	500.00	339.50
WILLIAM H. PATTERSON, 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	274.00	
KENTON H. PATTIE, 3150 SPRING ST. FAIRFAX VA 22031	NATIONAL AUDIO-VISUAL ASSN, INC	3,687.50	
DAVID J. PATTISON, 1750 K ST., NW WASHINGTON DC 20006	HEALTH INSURANCE ASSN OF AMERICA, INC		
PATTON BOGGS & BLOW, 2550 M ST., NW, #800 WASHINGTON DC 20037	AIWA AMERICA, INC	4.04	
Do	AKAI AMERICA, LTD	6.52	
Do	ALUMINUM COMPANY OF AMERICA		
Do	AMERICAN BROADCASTING CO, INC	430.00	
Do	AMERICAN CONGRESS ON SURVEYING & MAPPING		
Do	AMERICAN EXPRESS CO		
Do	AMERICAN INTERNATIONAL AUTOMOBILE DEALERS ASSN		
Do	AMERICAN MARITIME ASSN	6,860.00	[illegible]
Do	AMERICAN PUBLIC POWER ASSN	301.66	
Do	AMERICAN SOC OF ASSN EXECUTIVES		
Do	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	3,970.00	4,213.00
Do	BIOGEN		
Do	BURLINGTON INDUSTRIES, INC		
Do	CARLSON COMPANIES, INC	825.00	
Do	CASTLE & COOKE, INC		
Do	CHICAGO BOARD OPTIONS EXCHANGE		
Do	CHRYSLER CORPORATION	1,700.00	301.82
Do	CITY OF AZUSA	301.66	
Do	CITY OF BANNING	301.66	
Do	CITY OF COLTON	301.66	
Do	CITY OF RIVERSIDE	301.66	
Do	CITY OF SANTA CLARA	301.66	
Do	COALITION FOR NATIONAL AIRPORT	5,315.00	
Do	COLUMBIA, INC	[illegible]	
Do	COMMITTEE OF RAILROAD SHIPPERS	4,175.00	
Do	DEALER ACTION ASSOCIATION	875.00	
Do	DUTY FREE SHOPPERS, LTD	155.00	1,523.31
Do	ENERGY RESEARCH CORPORATION		
Do	FREEMAN	1,175.00	
Do	FUJI PHOTO FILM U.S.A., INC	11.63	
Do	GTE SPRINT		
Do	HITACHI SALES CORP OF AMERICA	107.25	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	E.F. HUTTON LIFE INSURANCE COMPANY	2,140.00	849.33
Do	IC INDUSTRIES		
Do	INSTITUTE OF SCRAP IRON & STEEL, INC	150.00	
Do	INTERMEDICS, INC		
Do	KENWOOD U.S.A. CORPORATION	3.38	
Do	LAUNDRY CLEANING COUNCIL		
Do	LAZARD FRERE & CO	1,350.00	
Do	LIGGETT GROUP	400.00	
Do	LOOP, INC	2,000.00	
Do	MARS, INC	1,930.00	721.43
Do	MATSUSHITA ELECTRIC CORP OF AMERICA	235.29	
Do	MAXELL CORP OF AMERICA	20.34	
Do	MCI TELECOMMUNICATIONS, INC	100.00	
Do	MICHIGAN INSURANCE ASSN	1,360.00	
Do	MITSUBISHI ELECTRIC SALES OF AMERICA, INC	33.00	
Do	MOCATTA METALS CORP	312.50	
Do	NAKAMICHI U.S.A. CORP	4.37	
Do	NATIONAL ASSN OF CHAIN DRUG STORES		
Do	NATIONAL CABLE TELEVISION ASSN, INC	260.00	
Do	NATIONAL MARINE MFRS ASSN	1,300.00	358.74
Do	NATIONAL SOFT DRINK ASSN	360.00	
Do	NEC ELECTRONICS (USA) INC	3.47	
Do	NEW PROCESS CO		
Do	NORTH AMERICAN VAN LINES		
Do	NORTHERN CALIFORNIA POWER AGENCY	361.44	
Do	OCEAN CATCH		
Do	ONKYO U.S.A. CORP	2.06	
Do	OSG BULK SHIPS, INC		
Do	OVERSEAS MILITARY SALES GROUP	820.00	
Do	PAINE WEBBER, INC		
Do	PIONEER ELECTRONICS (U.S.A.) INC	8.91	
Do	PUBLIC UTILITIES DEPARTMENT	301.00	
Do	READER'S DIGEST ASSN, INC		
Do	REDWOOD INDUSTRY PARK COMM	1,300.00	
Do	REPUBLIQUE D'HAITI	1,980.00	
Do	RETAIL INDUSTRY TRADE ACTION COALITION	10,065.84	160.35
Do	RETAIL TAX COMMITTEE	725.00	190.00
Do	RICE MILLERS ASSN		
Do	ROCKWELL INTERNATIONAL CORP		
Do	SACRAMENTO PUBLIC UTILITY DISTRICT	507.66	
Do	SANSUI ELECTRONICS CORP	4.37	
Do	SANYO ELECTRIC, INC	109.40	
Do	SHARP ELECTRONICS CORP	50.41	
Do	SLURRY TRANSPORT ASSN		
Do	SONY CORPORATION OF AMERICA	83.16	
Do	SQUIBB CORP	1,100.00	
Do	ST. JOE MINERALS CORP		
Do	STATE OF LA. DEPT OF CONSERVATION		
Do	STEPHENS, INC		
Do	SULTANTATE OF OMAN	575.00	
Do	SYSCON CORPORATION		
Do	TDK U.S.A. CORP	25.49	
Do	TEKNIKA ELECTRONICS CORP	4.04	
Do	TOSHIBA AMERICA, INC	39.60	
Do	U.S. FISHERIES DEVELOPMENT ASSN		
Do	U.S. LIFESAVING MANUFACTURERS ASSN		
Do	U.S. TUNA FOUNDATION		
Do	UNITED PLANT GUARD WORKERS ASSN		
Do	US JVC CORPORATION	65.67	
Do	ZEISS AVIONICS SYSTEMS, INC		
ANDREW R. PAUL, 1875 EYE STREET, NW, #940 WASHINGTON DC 20006	GULF & WESTERN MANAGEMENT CO	4,500.00	173.62
PAUL HASTINGS JANOFSKY & WALKER, 6TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	AMERICAN TELEPHONE & TELEGRAPH CO		
Do	ASPIRIN FOUNDATION OF AMERICA, INC	2,598.20	330.70
Do	CALMAT COMPANY	728.00	
Do	GAF CORPORATION	3,066.56	9.71
Do	M LIFE INSURANCE COMPANY	7,344.00	
Do	NATIONAL BUSINESS AIRCRAFT ASSN	5,236.00	
Do	OGLETHORPE POWER CORP		
Do	SECURITY LIFE OF DENVER	6,512.00	
PAUL WEISS RIFKIND WHARTON & GARRISON, 1714 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NEC ELECTRONICS U.S.A., INC		
Do	[illegible] SCIENCES CORP		
LARRY E. PAULICK, 2111 EISENHOWER AVENUE ALEXANDRIA VA 22314	NATIONAL SPA & POOL INSTITUTE		
LOUIS R. PAULICK, 1901 NORTH FORT MYER DRIVE ARLINGTON VA 22209	GAS APPLIANCE MANUFACTURERS ASSN, INC		
RICHARD A. PAYSOR, 1415 ELBRIDGE PAYNE RD., #135 ST. LOUIS MO 63017	FIRST CAPITOL ASSOCIATES - GATEWAY, INC		
PEABODY LAMBERT & MEYERS, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	COMMITTEE OF CORPORATE TELECOMMUNICATIONS USERS		
JAMES M. PEIRCE JR., 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	1,817.29	
LEEANN PELHAM, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	4,750.02	161.17
PELTON RESEARCH CENTER, 1400 S. JOYCE STREET ARLINGTON VA 22202	HELP, INC		
ELIN PELTZ, 1511 K STREET, NW WASHINGTON DC 20005	HAWAIIAN SUGAR PLANTERS' ASSN	300.00	50.00
CRISTSANDRA M. PENN, 1346 CHESTNUT, #800 PHILADELPHIA PA 19107	GREATER PHILADELPHIA CHAMBER OF COMMERCE		
JAMES C. PENNINGTON, 5535 HEMPSTEAD WAY SPRINGFIELD VA 22151	NATIONAL ASSN FOR UNIFORMED SERVICES	797.82	
PENNSYLVANIA POWER & LIGHT CO, 2 N. 9TH ST. ALLENTOWN PA 18101			1,918.33
DON PENNY, 1045 31ST STREET, NW, #506 WASHINGTON DC 20007	AMERICAN EXPRESS		
DOMINIC V. PENSABENE, 1700 K ST., NW WASHINGTON DC 20006	CHEVRON USA, INC	1,200.00	
GREGORY M. PENSABENE, 1667 K ST., NW, #600 WASHINGTON DC 20006	SANTA FE INDUSTRIES, INC	2,700.00	
PENSION RIGHTS CENTER, 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036			119.72
PEPPER & CORAZZINI, 1776 K ST., NW WASHINGTON DC 20006	SATELLITE SYNDICATED SYSTEMS, INC		
BARBARA K. PEQUET, P.O. BOX 29631 WASHINGTON DC 20017	AMERICAN SOC FOR PREVENTION OF CRUELTY TO ANIMALS (ASPCA)	6,250.00	478.00
VICTOR J. PERINI JR., 1776 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	HIGHWAY USERS FEDERATION FOR SAFETY & MOBILITY		
PERKINS COIE, 1110 VERMONT AVE., NW, #1200 WASHINGTON DC 20005	AEROSPACE INDUSTRIES ASSN OF AMERICA, INC		650.00
Do	BOEING CO		
Do	BURLINGTON NORTHERN, INC		
Do	KOOTZNOOWOO, INC		
Do	ORMAT SYSTEMS, INC		
ROBERT A. PERKINS, 1100 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CHRYSLER CORP	15,000.00	950.00
THOMAS P. PERKINS III, 1800 MERCANTILE BANK & TRUST BUILDING TWO HOPKINS PLAZA BALTIMORE MD 21201	MARYLAND SAVINGS-SHARE INSURANCE CORP		
GARY J. PERKINSON, 453 NEW JERSEY AVENUE, SE WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORP OF AMERICA	750.00	
ANTHONY D. PERL, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS	3,100.00	
ERNEST MICHAEL PERLEY, 112 ST CLAIR AVENUE, WEST, #504 TORONTO, ONTARIO M4V 2Y3	CANADIAN COALITION ON ACID RAIN		
JEFFRY L. PERLMAN, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,420.00	534.74
LEONARD PERLMAN, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING & DEVELOPMENT		
MARK PERMAR, P.O. BOX 12910 CHARLESTON SC 29142	KIAWAH ISLAND COMPANY, LTD		
DAVID F. PERRY, 15 COMPUTER DRIVE, W. ALBANY NY 12205	HOSPITAL ASSN OF NEW YORK STATE	384.00	235.63
G. STEPHEN PERRY, 950 L'ENFANT PLAZA, SW WASHINGTON DC 20024	COMMUNICATIONS SATELLITE CORP (COMSAT)		
KATE M. PERRY, 1785 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL TRUST FOR HISTORIC PRESERVATION		
SUSAN PERRY, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BUS ASSN	2,687.50	75.00
JOHN J. PESCH, 3422 STONEYBRAE DRIVE FALLS CHURCH VA 22044	NORTHROP CORP		
THOMAS D. PESTORIUS, 1025 CONNECTICUT AVENUE, NW, #1014 WASHINGTON DC 20036	EBASCO SERVICES, INC		
PHILLIPS S. PETER, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	150.00	
MARY PETERS, 1319 F STREET, NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS	100.00	
PAUL F. PETERS, 1522 K STREET, NW, #828 WASHINGTON DC 20005	AMERICAN VETERINARY MEDICAL ASSN		
Do	ASSOCIATION OF AMERICAN VETERINARY MEDICAL COLLEGES		
PETERSON ENGBERG & PETERSON, 1730 M ST., NW, #907 WASHINGTON DC 20036	FEDERATED RESEARCH CORP	22,500.00	1,019.46

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
GEOFFREY G. PETERSON, 1250 EYE ST., NW, #900 WASHINGTON DC 20004	DISTILLED SPIRITS COUNCIL OF THE U.S., INC	7,000.00	400.00
LARS E. PETERSON, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
MARY B. PETERSON, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	2,623.32
MARY JO PETERSON, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	1,000.00	500.00
RUSSELL W. PETERSON, 950 THIRD AVENUE NEW YORK NY 10022	NATIONAL AUDUBON SOCIETY	1,000.00	
SUSAN F. PETNIUNAS, 1025 CONNECTICUT AVE., NW, #214 WASHINGTON DC 20036	MANVILLE CORP	500.00	
MICHAEL J. PETRINA JR., 1110 VERMONT AVENUE, NW, #800 WASHINGTON DC 20005	COSMETIC TOILETRY & FRAGRANCE ASSN, INC		
PETROLEUM MARKETERS ASSN OF AMERICA, 1120 VERMONT AVE., NW, #1130 WASHINGTON DC 20005		187,285.60	17,270.68
BRIAN T. PETTY, 1901 L ST., NW, #702 WASHINGTON DC 20036	INTERNATIONAL ASSN OF DRILLING CONTRACTORS		
PHARMACEUTICAL MANUFACTURERS ASSN, 1100 15TH STREET, NW WASHINGTON DC 20005		6,551.85	6,551.85
MARSHALL A. PHARR, 6103 ADIRONDACK AMARILLO TX 79106	SOUTHWESTERN PUBLIC SERVICE CO	3,091.20	156.47
DENNIS J. PHELAN, ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	PACIFIC SEAFOOD PROCESSORS ASSN	7,500.00	100.00
BARBARA PHILLIPS, 2000 M ST., NW, #230 WASHINGTON DC 20036	NETWORK OF AMERICA	4,846.14	
BERNARD R. PHILLIPS III, P.O. BOX 4267 TOPEKA KS 66604	KANSAS ELECTRIC COOPERATIVES, INC	13,091.00	2,303.02
DEBORAH M. PHILLIPS, 1200 NEW HAMPSHIRE AVE., NW, #320 WASHINGTON DC 20036	GENERAL INSTRUMENT CORPORATION		
DEIRDRE B. PHILLIPS, 100 FEDERAL STREET BOSTON MA 02110	BANK OF BOSTON CORP		
Do	FIRST NATIONAL BANK OF BOSTON	178.00	436.00
MARK W. A. PHILLIPS, 507 2ND ST., NE WASHINGTON DC 20002	CONFEDERATED TRIBES OF WARM SPRINGS		
WILLIAM G. PHILLIPS, D.C. ASSOCIATES, INC 402 THIRD STREET, SE WASHINGTON DC 20003	AIR QUALITY RESEARCH, INC		19.65
Do	ASSOCIATION OF UNIV. PROGRAMS IN OCCUPA HEALTH & SAFETY	6,000.00	2,268.22
Do	ASSOCIATION OF UNIVERSITY ENVIRONMENTAL HEALTH CENTERS	4,500.00	190.97
Do	HARVARD SCHOOL OF PUBLIC HEALTH		
Do	METAL TRADES DEPARTMENT, AFL-CIO	10,750.00	905.71
JOAN PICCOLO, 1776 K STREET, NW, #200 WASHINGTON DC 20006	MOTOROLA, INC	2,000.00	
W.D. PICKETT, 400 FIRST ST. WASHINGTON DC 20001	BROTHERHOOD OF RAILROAD SIGNALMEN	150.00	
PAULETTE C. PIDCOCK, 1100 CONNECTICUT AVENUE, NW, #530 WASHINGTON DC 20036	BALTIMORE GAS & ELECTRIC CO	319.29	
ROBERT R. PIERCE, 1701 18TH ST., NW WASHINGTON DC 20036	NATIONAL PARKS & CONSERVATION ASSN		
WAYNE PIERCE, 101 CONSTITUTION AVENUE, NW WASHINGTON DC 20001	UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA	21,125.00	200.00
PIERSON BALL & DOWD, 1200 18TH ST., NW WASHINGTON DC 20036	AMERICAN ACADEMY OF PEDIATRICS	33,246.02	
Do	DUN & BRADSTREET CORP		
Do	EL POMAR		
Do	GENENTECH	27,071.20	
Do	INFECTIOUS DISEASES SOCIETY OF AMERICA	5,997.92	
Do	SATELLITE BUSINESS SYSTEMS	2,500.00	
PIERSON SEMMES & FINLEY, 1054 31ST STREET,NW WASHINGTON DC 20007	OKLAHOMA NATURAL GAS COMPANY		
Do	SIX FLAGS CORPORATION		
STUART F. PIERSON, VERNER, LIIPFERT, BERNHARD, & MCPHERSON 1660 L ST., NW, #1100 WASHINGTON DC 20036	PAN AM, ET AL		
JOHN H. PILCHER, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	175.00	
DANIEL J. PILIERO II, P.C., 1750 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	AD HOC COMM OF MUTUAL FUND MANAGERS	1,305.14	
Do	INTEGRATED RESOURCES, INC	750.00	
Do	NL INDUSTRIES	850.00	
Do	PRUDENTIAL LINES, INC	1,150.00	
PILLSBURY MADISON & SUTRO, 1667 K ST., NW, #1100 WASHINGTON DC 20006	AMERICAN PETROLEUM INSTITUTE		
Do	INDEPENDENT STAINLESS STEEL WIRE REDRAWERS	1,525.00	48.00
Do	TEIMS RAMIRES DE ARELLANO	1,975.00	48.00
Do	TRANSPACE CARRIERS, INC	75.00	6.00
PILOTS RIGHTS ASSOCIATION, P.O. BOX 7000-367 REDONDO BEACH CA 90277			
PINEAPPLE GROWERS ASSN OF HAWAII, P.O. BOX 3829 HONOLULU HI 96813			
VALERIE F. PINSON, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	1,050.00	
PIPER & MARBURY, 888 16TH ST., NW WASHINGTON DC 20006	CONSOLIDATED RAIL CORPORATION	34,231.75	3,128.32
Do	FIRST MARYLAND BANCORP		
Do	FIRST NATIONAL BANK OF MARYLAND		
Do	TRANSAMERICA INTERWAY, INC, ET AL	250.00	
LILLIAN M.S. PITCAITHLY, 1730 K ST., NW, #703 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE, INC	139.62	25.00
PLAINS COTTON GROWERS, INC, PO BOX 3640 LUBBOCK TX 79452			
PLANNED PARENTHOOD OF NEW YORK CITY, INC, 380 SECOND AVENUE, THIRD FL NEW YORK NY 10010			1,041.11
WYLL W. PLEGER, 1730 RHODE ISLAND AVE., NW, #213 WASHINGTON DC 20036	BROWN & ROOT, INC		
MICHAEL PODHORZER, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	CITIZEN ACTION	5,000.00	
Do	CITIZEN/LABOR ENERGY COALITION		
NANCY POLIKOFF, 2000 P STREET, NW, #400 WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND		
MICHAEL A. POLING, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
MINDY POLLACK, 1025 CONNECTICUT AVE, NW, #512 WASHINGTON DC 20036	REINSURANCE ASSN OF AMERICA		
RICHARD J. POLLACK, 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	2,142.90	856.47
FRANCES A. POLLAK, 1850 K ST., NW, #390 WASHINGTON DC 20006	UNION CAMP CORPORATION	250.00	25.00
ALFRED M. POLLARD, 1155 CONNECTICUT AVE., NW, #1130 WASHINGTON DC 20036	SECURITY PACIFIC NATIONAL BANK		
RAFE POMERANCE, 530 7TH ST., SE WASHINGTON DC 20003	FRIENDS OF THE EARTH		
RAYMOND K. POPE, 2000 L STREET, NW, #200 WASHINGTON DC 20036	AMFAC, INC	3,437.49	178.94
PAULA D. PORPILIA, 1120 CONNECTICUT AVE., NW, 7TH FL WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,250.00	132.04
PHILLIP PORTE & ASSOCS, INC, 3845 N. 26TH ST. ARLINGTON VA 22207	AMERICAN ASSN FOR RESPIRATORY THERAPY	7,000.00	
Do	AMERICAN MEDICAL RECORDS ASSN	2,500.00	
Do	NATIONAL ASSN OF MEDICAL DIRECTORS OF RESPIRATORY CARE	4,000.00	
CAROL ALICE PORTER, 1612 K ST., NW, #1101 WASHINGTON DC 20036	WILDLIFE LEGISLATIVE FUND OF AMERICA	4,524.00	
PORTER WRIGHT MORRIS & ARTHUR, 41 SOUTH HIGH STREET COLUMBUS OH 43215	COALITION FOR ENVIRONMENTAL-ENERGY BALANCE	27,225.00	993.14
SHARON T. PORTNOY, 225 W. 34TH ST. NEW YORK NY 10001	NATIONAL COMMERCIAL FINANCE ASSN		
WILLIAM J. POTTS JR., HALEY, BADER & POTTS 2000 M STREET, NW, #600 WASHINGTON DC 20036	ASSOCIATION FOR BROADCASTING ENGINEERING STANDARDS, INC		
JOHN MICHAEL POWDERLY, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMERICA	9,192.84	
POWELL GOLDSTEIN FRAZER & MURPHY, 1110 VERMONT AVE., NW, #1050 WASHINGTON DC 20005	ALTER GROUP	49,501.44	
Do	BEAR STEARNS & CO	3,000.00	
Do	COALITION FOR COMPETITION	28,000.00	
Do	COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY	11,185.00	
Do	COUNCIL OF STATE HOUSING AGENCIES	500.00	
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	FLOOD CONTROL ADVISORY COMMITTEE	1,230.00	
Do	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION	29,670.00	
Do	MARYLAND SAVINGS-SHARE INSURANCE CORP		
Do	MID-AMERICA ASSOCIATES		
Do	N & F DEVELOPMENT CORP, INC		
Do	NATIONAL INVESTMENT DEVELOPMENT CORP		
Do	NATIONAL MULTI HOUSING COUNCIL	1,525.00	
Do	SKW ALLOYS, INC		
Do	WESTINGHOUSE ELECTRIC CORPORATION	22,579.05	
ROBERT D. POWELL, 1300 19TH ST., NW, #400 WASHINGTON DC 20036	NATIONAL BUSINESS AIRCRAFT ASSN		
JOHN J. POWER, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	15,019.03	583.79
FREDERICK W. POWERS III, 223 PERIMETER CENTER PARKWAY P.O. BOX 89000 ATLANTA GA 30338	SIEMENS-ALLIS, INC		
ROBERT L. PRATT, 101 FIRST AVE. WALTHAM MA 02254	THERMO ELECTRON CORPORATION	2,000.00	1,452.00
LLOYD T. PRESLAR, 1818 N ST., NW, #600 WASHINGTON DC 20036	DGA INTERNATIONAL, INC (FOR: SOCIETE NATIONALE D'ETUDE ET DE CONST DE MOTEURS D'AVIATION).		
Do	DGA INTERNATIONAL, INC (FOR: SOFREAVIA)		
Do	THOMSON-CSF DIVISON SYSTEMS ELECTRONIQUE OF FRANCE		
PRESTON THORGRIMSON ELLIS & HOLMAN, 1735 NEW YORK AVENUE, NW, #500 WASHINGTON DC 20006	AETNA LIFE & CASUALTY		
Do	ALLEGHANY CORPORATION		
Do	AMERICAN PRESIDENT LINES		
Do	BELLINGHAM COLD STORAGE	1,465.00	58.55
Do	CALISTA CORP		
Do	COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY	3,695.00	
Do	COUNCIL OF AMERICAN-FLAG SHIP OPERATORS	1,207.50	
Do	GRANT COUNTY PUBLIC UTILITY DISTRICT		
Do	HUDSON WATERWAYS	2,636.00	
Do	INTELSAT	10,987.00	
Do	MOORE MCCORMACK RESOURCES, INC		
Do	NATIONAL ASSN OF STATE DIRECTORS OF COMMUN & JUNIOR COLLEGES		
Do	NORTH WEST TIMBER ASSN	4,662.50	
Do	PORT OF SEATTLE		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	SPOKANE COUNTY	1,617.00	
Do	SUNMAR SHIPPING, INC		
Do	TENNESSEE GAS PIPELINE CO	2,413.48	57.50
Do	TRANSPORTATION INSTITUTE	4,562.50	
Do	WESTERN FOREST INDUSTRIES ASSN		
KEITH A. PRETTY, 322 W. OTTAWA LANSING MI 48933	AMOCO CORPORATION	950.00	105.59
BARBARA J. PRICE, 1825 K ST., NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY	3,050.00	1,107.60
JAMES M. PRICE, P.O. BOX 11248 KNOXVILLE TN 37919	SIERRA CLUB	8,031.00	11.00
LEE PRICE, 1757 N STREET, NW WASHINGTON DC 20036	INT'L UNION, UNITED AUTO AEROSPACE & AGRIC IMPLEMENT WORKERS	328.37	28.40
PATRICIA PRIDE, 1129 20TH ST., NW WASHINGTON DC 20036	FINANCIAL ACCOUNTING FOUNDATION		
MICHAEL F. PRIESNITZ, 1310 HIGHWAY 96, #110 ST. PAUL MN 55108	FORESIGHT CONSULTING, INC		
SHARON D. PRINZ, 2121 K STREET, NW, #830 WASHINGTON DC 20037	STEPHENS OVERSEAS SERVICES, INC	2,250.00	700.00
GWENYTH PRITCHARD, 600 MARYLAND AVE., NW, #700 WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	1,000.00	
JOEL PRITCHARD, BOGLE & GATES ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	COALITION FOR CLEAN WATER	1,200.00	
Do	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION		
JERRY C. PRITCHETT, 5410 GROSVENOR LN., #120 BETHESDA MD 20814	MECHANICAL CONTRACTORS ASSN OF AMER, INC	90.00	380.40
PRO-LIFE COAC 12, P.O. BOX 7145 MENLO PARK CA 94025		7,050.00	200.00
SYDNEY PROBST, 1250 EYE STREET, NW, #900 WASHINGTON DC 20004	DISTILLED SPIRITS COUNCIL OF THE U.S.		16,398.75
PROCOMPETITIVE RAIL STEERING COMMITTEE, 1090 VERMONT AVENUE, NW, #410 WASHINGTON DC 20005		2,108.32	30.60
STUART PROCTOR, 600 MARYLAND AVE., SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FED	5,215.60	6,590.33
PROFESSIONAL MANAGERS' ASSN, P.O. BOX 7762, BEN FRANKLIN STATION WASHINGTON DC 20044			
PROFIT SHARING COUNCIL OF AMER, 20 N. WACKER DRIVE CHICAGO IL 60606			1,032.97
PROJECT ADVISORY GROUP, 1029 VERMONT AVE., NW, #860 WASHINGTON DC 20005			3,431.25
PROPRIETARY ASSN, 1150 CONNECTICUT AVE., NW, #1200 WASHINGTON DC 20036			750.00
PRUDENTIAL-BACHE SECURITIES, INC, 100 GOLD ST. NEW YORK NY 10272		270.00	
JAMES C. PRUITT, 1050 17TH ST., NW, #500 WASHINGTON DC 20036	TEXACO, INC	285.00	1,890.00
JEFFREY A. PRUSSIN, 1505 N.W. 167TH STREET MIAMI FL 33169	INTERNATIONAL MEDICAL CENTERS		
PRYOR CASHMAN SHERMAN & FLYNN, 410 PARK AVENUE NEW YORK NY 10022	O. EDMUND CLUBB	575.00	56.00
Do	POPULATION CRISIS COMMITTEE	55,459.22	15,089.25
PUBLIC EMPLOYEE DEPARTMENT, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		77,258.00	3,187.36
PUBLIC TIMBER PURCHASERS GROUP, 610 SW. BROADWAY, #608 PORTLAND OR 97205		1,000.00	
DAVID E. PULLEN, 1025 CONNECTICUT AVE., NW, #214 WASHINGTON DC 20036	MANVILLE CORP	500.00	
JOHN R. PURCELL, 204 E STREET, NE WASHINGTON DC 20002	NATIONAL FROZEN FOOD ASSN	500.00	
WILLIAM E. PURSLEY, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SHELL OIL COMPANY	2,000.00	553.00
SUE P. PURVIS, P.O. BOX 14042(D2B) ST. PETERSBURG FL 33733	FLORIDA POWER CORP.		
EARLE W. PUTNAM, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO	3,500.00	
HOWARD PYLE III, 4930 QUEBEC ST., NW WASHINGTON DC 20016	HOUSTON LIGHTING & POWER COMPANY	2,900.00	420.00
ROBERT N. PYLE, 1701 K ST., NW, #1004 WASHINGTON DC 20007	ELKEM METALS COMPANY	3,000.00	300.00
Do	INDEPENDENT BAKERS ASSN		
JOHN R. QUARLES JR., MORGAN LEWIS & BOCKIUS 1800 M ST., NW WASHINGTON DC 20036	NATIONAL ENVIRONMENTAL DEVELOPMENT ASSN CLEAN AIR ACT PROJ.		
JAMES M. QUIGLEY, 1875 EYE ST., NW, #540 WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORPORATION		
WILLIAM A. QUINLAN, 3045 RIVA RD. RIVA MD 21140	NATIONAL CANDY WHOLESALERS ASSN, INC		
Do	RETAIL BAKERS OF AMERICA	18,000.00	15.96
ARTHUR LEE QUINN, 1015 15TH STREET, NW, #200 WASHINGTON DC 20005	COOPER LABORATORIES, INC	1,500.00	190.24
Do	GOVERNMENT OF BELIZE	3,000.00	28.86
Do	GOVERNMENT OF REPUBLIC OF PANAMA		159.04
Do	SUGAR ASSN OF THE CARIBBEAN	1,000.00	100.00
PATRICK H. QUINN, 499 S. CAPITOL ST., SW, #411 WASHINGTON DC 20003	NATIONAL COUNCIL OF AGRICULTURAL EMPLOYERS		
R/R ASSOCIATES, 2 MARINE WAY, SUITE 217 JUNEAU AK 99801	CITY OF DILLINGHAM	410.70	175.02
CLIFFORD RABER, ONE MCDONALD'S PLAZA OAK BROOK IL 60521	MCDONALD'S CORP	1,579.20	
ALEX RADIN, 2301 M ST., NW WASHINGTON DC 20036	AMERICAN PUBLIC POWER ASSN		
TESS A. RAE, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
JOHN D. RAFFAELLI, LAW OFFICES OF JOHN D. RAFFAELLI 499 SOUTH CAPITOL ST., SW, #407 WASHINGTON DC 20003	DEAN WITTER REALTY, INC		
Do	GULF COAST WASTE DISPOSAL AUTHORITY		
Do	NATIONAL COUNCIL FOR HIGHER EDUCATION LOAN PROGRAMS	75.00	
ROBERT A. RAGLAND, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	3,450.00	777.38
TANYA A. RAHALL, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS	4,033.07	4,033.07
RAILROAD RETIREMENT ASSN, 210 7TH ST., SE, #517 WASHINGTON DC 20003			
THOMAS F. RAILSBACK, BLUM NASH & RAILSBACK 1133 15TH ST., NW, #1100 WASHINGTON DC 20005	FEDERAL JUDGES ASSN		
Do	INSURANCE ASSN OF CONNECTICUT	349.00	50.00
Do	NATIONAL ASSN OF BROADCASTERS	448.00	30.00
Do	WALT DISNEY PRODUCTIONS	67,200.00	121,705.54
RAILWAY LABOR EXECUTIVES' ASSN, 400 FIRST ST., NW, #804 WASHINGTON DC 20001			
RAILWAY PROGRESS INSTITUTE, 700 NORTH FAIRFAX ST. ALEXANDRIA VA 22314	RAILWAY PROGRESS INSTITUTE		
ELIZABETH RAISBECK, 530 7TH ST., SE WASHINGTON DC 20003	FRIENDS OF THE EARTH	682.80	
JOHN C. RANG, 1730 M STREET, NW, #900 WASHINGTON DC 20036	STOEL RIVES BOLEY FRASER & WYSE (FOR: ASSOCIATION OF O & C COUNTIES)	5,070.65	1,168.05
Do	STOEL RIVES BOLEY FRASER & WYSE (FOR: PACIFICORP)	23.00	
KATHLEEN MARIE RAMSEY, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC	5,000.00	1,172.10
JEANNETTE H. RANDALL, 3471 N. FEDERAL HIGHWAY, #511 FORT LAUDERDALE FL 33306	AMERISERV, INC	3,715.00	
DONALD A. RANDALL, P.C., 321 D STREET, NE WASHINGTON DC 20002	AUTOMOTIVE SERVICE COUNCILS, INC	7,450.00	
Do	NATIONAL INDEPENDENT DAIRY-FOODS ASSN		
RANDOLPH & TRUITT, 1752 N STREET, NW, #801 WASHINGTON DC 20036	TANADGUSIX CORPORATION	5,360.00	3,110.63
JAMES D. RANGE, 600 MARYLAND AVENUE, SW, #607 WASHINGTON DC 20024	WASTE MANAGEMENT, INC	1,580.00	4,179.66
D. MICHAEL RAPPOPORT, P.O. BOX 1980 PHOENIX AZ 85001	SALT RIVER PROJECT		
RARE, INC, 1601 CONNECTICUT AVENUE, NW WASHINGTON DC 20009			
CARL L. RASAK, 8301 FORT HUNT ROAD ALEXANDRIA VA 22308			
* MAGDA RATAJSKI, P.O. BOX 3609 NORFOLK VA 23514	NORFOLK SOUTHERN CORPORATION		
CAROL L. RAULSTON, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
CRAIG RAUPE, CAMPBELL-RAUPE ASSOCIATES, INC 1015 15TH STREET, NW, #907 WASHINGTON DC 20005	AMERICAN NUCLEAR ENERGY COUNCIL		
Do	INVEST TO COMPETE ALLIANCE		
Do	LTV AEROSPACE & DEFENSE CO		
Do	NEW ENGLAND LIFE		
Do	PITNEY BOWES		
Do	RIFFE PETROLEUM CO		
Do	TEXAS AIR CORP		
Do	TEXAS UTILITIES SERVICE		
Do	WESTINGHOUSE CORP	2,000.00	
G. DAVID RAVENCRAFT, 1025 CONNECTICUT AVE., NW, #507 WASHINGTON DC 20036	ASHLAND OIL, INC	850.00	395.00
EILER C. RAVNHOLT, 723 INVESTMENT BLDG. WASHINGTON DC 20005	HAWAIIAN SUGAR PLANTERS' ASSN	235.00	35.00
JOHN K. RAYBURN, 1801 K STREET, NW WASHINGTON DC 20006	WESTINGHOUSE ELECTRIC CORP		6,814.81
RAYMARK CORPORATION, 100 OAKVIEW DRIVE TRUMBULL CT 06611			
JULIAN O. READ, 1005 CONGRESS AVENUE, #500 AUSTIN TX 78701	CENTRAL AND SOUTH WEST CORP		825.25
READING IS FUNDAMENTAL, INC, 600 MARYLAND AVE., SW, #500 WASHINGTON DC 20560	READING IS FUNDAMENTAL, INC		
SYDNEY C. REAGAN, NO. 10 DUNCANNON CT. DALLAS TX 75225	SOUTHWESTERN PEANUT SHELLERS ASSN	700.00	150.00
JOHN M. RECTOR, 205 DAINGERFIELD RD. ALEXANDRIA VA 22314	NATIONAL ASSN OF RETAIL DRUGGISTS		
ROBERT E. REDDING, 7315 WISCONSIN AVE. BETHESDA MD 20814	SHIPPERS NATIONAL FREIGHT CLAIM		
ROBERT O. REDDING, 3519 S.W. 147TH LANE ROAD OCALA FL 32673			
DWIGHT C. REED, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN	476.54	
JO REED, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS		
REED ROBERTS TAX CREDIT ASSISTANCE CORP, 55 CHARLES LINDBERGH BLVD., #CS-101 UNIONDALE NY 11553			
PAULINE B. REEPING, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	NEW YORK SHIPPING ASSN, INC	4,000.00	
JOSEPH M. REES, FRANCIS MCGINNIS & REES, INC 1000 POTOMAC STREET, NW, #401 WASHINGTON DC 20007	DELTA DENTAL PLANS ASSOCIATION	850.00	
BENJAMIN F. REEVES, 1100 17TH STREET, NW WASHINGTON DC 20036	BURLEY & DARK LEAF TOBACCO EXPORT ASSN	2,000.00	243.75
J. RONALD REEVES, WASHINGTON NATIONAL AIRPORT WASHINGTON DC 20001	U.S. AIR, INC		
JOHN T. REGGITTS JR., 95 BOOTON AVE. P.O. BOX 470 BOONTON NJ 07005		4,000.00	
REICHLER & APPELBAUM, 888 17TH ST., NW, #1101 WASHINGTON DC 20006	REPUBLIC OF NICARAGUA		
REID & PRIEST, 1111 19TH STREET, NW WASHINGTON DC 20036	ASSOCIATED NATURAL GAS COMPANY, ET AL		12,206.00
Do	BALTIMORE GAS & ELECTRIC CO, ET AL		
Do	CITY OF PHILADELPHIA	214.00	
Do	EDISON ELECTRIC INSTITUTE		
Do	HILATURAS LERMA, S.A. DE C.V. AND AMYTEX CORP		
Do	PENNSYLVANIA SHIPBUILDING CO		
Do	TELEFLEX, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
REID & RIEGE, P.C., ONE STATE STREET HARTFORD CT 06103	WESLEYAN UNIVERSITY	1,307.00	
MICHAEL W. REID, 1925 K STREET, NW, #206 WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY		
MARY LYNN REILLY, 3805 ALTON PLACE, NW WASHINGTON DC 20016	NEIGHBORHOOD HOUSING SERVICES OF AMERICA		
HARRY O. REINSCH, 50 BEALE ST. P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
REINSURANCE ASSN OF AMERICA, 1025 CONNECTICUT AVENUE, NW, #512 WASHINGTON DC 20036			
RELIGIOUS COALITION FOR ABORTION RIGHTS, INC, 100 MARYLAND AVENUE, N.E. WASHINGTON DC 20002	RELIGIOUS COALITION FOR ABORTION RIGHTS, INC	783,497.21	13,947.90
GEORGE E. RENAULT, 1800 M ST., NW, #1040 WASHINGTON DC 20036	AMERICAN ENERGY PRODUCTS, INC		
RENDON COMPANY, 1439 RHODE ISLAND AVE., NW WASHINGTON DC 20005			
JOHN W. RENDON JR., 1439 RHODE ISLAND AVE., NW WASHINGTON DC 20005	RENDON COMPANY		
RENEWABLE FUELS ASSOCIATION, 499 S. CAPITOL ST., SW, #420 WASHINGTON DC 20003		1,827.20	4,090.02
STEPHEN M. RENNA, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,500.00	60.10
DIANE RENNERT, 2005 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS	4,300.00	375.55
RESOURCES FUND, INC, 810 18TH ST., NW, #804 WASHINGTON DC 20006			20,080.00
RETIRED OFFICERS ASSN, 201 N. WASHINGTON ST. ALEXANDRIA VA 22314		11,235.00	
JOHN H. REURS, 74 TRINITY PLACE NEW YORK NY 10006	NEW YORK COMM OF INTL COMM OF PASSENGER LINES		
VINCENT P. REUSING, 1025 CONNECTICUT AVENUE, NW, #1010 WASHINGTON DC 20036	METROPOLITAN INSURANCE COS	1,000.00	
ALAN V. REUTHER, 1757 N STREET, NW WASHINGTON DC 20036	UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	14,091.70	198.95
ALLAN R. REXINGER, 1150 CONNECTICUT AVE., NW, #1200 WASHINGTON DC 20036	PROPRIETARY ASSN	3,281.25	100.00
MARK E. REY, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	1,500.00	
RENEE REYMOND, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		200.00
REYNOLDS ALLEN & COOK, 1667 K STREET, NW, #300 WASHINGTON DC 20006	GRANADA MANAGEMENT CORP		
MARY ANNE REYNOLDS, 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
WILSON L. REYNOLDS, 201 MASSACHUSETTS AVENUE, NE, #319 WASHINGTON DC 20002	HALT: AMERICANS FOR LEGAL REFORM	4,800.00	18.00
JOHN J. RHODES, HUNTON & WILLIAMS 2000 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION	2,200.00	
Do	ROCKY MOUNTAIN ENERGY, UNION PACIFIC RAILROAD	500.00	
EDMUND B. RICE, 444 NORTH CAPITOL ST., NW, #500 WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	4,882.60	
RICE GENOCIDE RESEARCH, 3046 ROOSEVELT STREET DETROIT MI 48216			253.13
GRACE ELLEN RICE, 600 MARYLAND AVE., SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FED	5,762.49	97.65
M. LEE RICE, 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	SHIPBUILDERS COUNCIL OF AMERICA	1,500.00	
THERON J. RICE, 1700 PENNSYLVANIA AVE., NW, #900 WASHINGTON DC 20006	CONOCO, INC		
JAMES E. RICH JR., 1025 CONNECTICUT AVE., NW, #200 WASHINGTON DC 20036	SHELL OIL COMPANY	500.00	
RICHARD RICHARDS, CRAFT & RICHARDS 1050 THOMAS JEFFERSON STREET, NW, 6TH FL WASHINGTON DC 20007	SIKORSKY AIRCRAFT		
STACY RICHARDS, 1015 15TH ST., NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	375.00	
ALAN H. RICHARDSON, 2301 M ST., NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	4,000.00	
DONNA RICHARDSON, 1101 14TH STREET, NW, #200 WASHINGTON DC 20005	AMERICAN NURSES' ASSN	4,932.01	134.20
DOUGLAS B. RICHARDSON, 2001 WISCONSIN AVENUE, NW, #100 WASHINGTON DC 20007	GEORESEARCH, INC		
DOUGLAS C. RICHARDSON, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
JOHN C. RICHARDSON, 520 MADISON AVENUE NEW YORK NY 10022	LEBOEUF LAMB LEIBY & MACRAE (FOR: BRITISH INSURANCE ASSN AND LLOYD'S OF LONDON).		
K. O. RICHARDSON, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	3,000.00	113.90
LOIS RICHERSON, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	381.00	
LES RICHTER, 1801 SPEEDWAY BOULEVARD DAYTONA BEACH FL 32015	NATIONAL ASSN FOR STOCK CAR AUTO RACING, INC (NASCAR)	8,000.00	
Do	NATIONAL MOTORSPORTS COMMITTEE OF ACCUS, FIA, INC		11,978.00
LARRY D. RICKARDS, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	1,000.00	57.90
DON L. RICKETTS, 2550 M STREET, NW, #695 WASHINGTON DC 20037	BEAR STEARNS & CO	750.00	
Do	GENERAL AMERICAN LIFE INSURANCE CO	350.00	
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO	2,500.00	
Do	NORTHWESTERN MUTUAL LIFE	2,500.00	
JUDY NOEL RIDDLE, 6630 W. BROAD ST. RICHMOND VA 23230	LAWYERS TITLE INSURANCE CORP		
LOWELL J. RIDGEWAY, NORTH DAKOTA PETROLEUM COUNCIL P.O. BOX 1395 BISMARCK ND 58502	AMERICAN PETROLEUM INST	532.00	1,119.76
E. GEORGE RIEDEL, 1600 M STREET, NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION	1,800.00	150.00
E. PHILIP RIGGIN, 1608 K ST., NW WASHINGTON DC 20006	AMERICAN LEGION	11,372.00	369.38
PAT RILEY, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES		
SUSAN RILEY, 1250 CONNECTICUT AVE., NW, #620 WASHINGTON DC 20036	NATIONAL MULTI HOUSING COUNCIL	1,812.66	
DALE P. RIORDAN, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN	23,750.00	737.94
KEVIN J. RIORDAN, 1700 K ST., NW, #1204 WASHINGTON DC 20006	GULF OIL CORP	275.00	165.00
JOHN S. RIPPEY, 730 15TH ST., NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS	1,075.00	60.00
RISELLI & PRESSLER, 2033 M STREET, NW, #504 WASHINGTON DC 20036	PROFESSIONAL MANAGERS' ASSN	520.12	7.77
CAROL A. RISHER, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS	2,000.00	
ROBIN RISSO, 511 C STREET, NE WASHINGTON DC 20002	CONTINENTAL ASSN OF RESOLUTE EMPLOYERS (C.A.R.E.)		
JAMES E. RITCHIE & ASSOCIATES, 499 S. CAPITOL ST., SW, #400 WASHINGTON DC 20003	GAMING INDUSTRY ASSN OF NEVADA, INC		
Do	GOLDEN NUGGET, INC		
Do	NATIONAL ASSN OF OFF-TRACK BETTING		
Do	NATIONAL ASSN OF OPTOMETRISTS & OPTICIANS, INC		
Do	NEVADA RESORT ASSN		
JEANNE M. RITCHIE, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
PHILLIP W. RIVERS, 1050 17TH ST., NW #500 WASHINGTON DC 20036	TEXACO INC	137.25	
RIVKIN RADLER DUNNE & BAYH, 1575 I STREET, NW, #1025 WASHINGTON DC 20005	AMERICAN CANCER SOCIETY	7,500.00	500.00
Do	LEXITEL CORPORATION		
Do	NATIONAL SOFT DRINK ASSN	3,800.00	150.00
Do	NEW ENERGY CORPORATION		
Do	SIMON & ASSOCIATES, INC		
Do	SUGAR USERS GROUP	13,000.00	525.00
Do	FRANK W. WINNE & SON, INC		
RJR INDUSTRIES, INC, 1100 REYNOLDS BLVD. WINSTON-SALEM NC 27106			9,551.90
RAY ROBERTS & ASSOCIATES, 2224 PEMBROOKE DENTON TX 76201	J. W. BATESON & CO, INC	3,000.00	187.19
Do	TEXAS UTILITIES SERVICES, INC	3,000.00	543.43
BRADLEY H. ROBERTS, 1899 L STREET, NW WASHINGTON DC 20036	AMERICAN ASSN OF ADVERTISING AGENCIES	2,500.00	750.00
PATRICIA L. ROBERTS, 1825 K ST., NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY	1,250.00	142.00
PERRY A. ROBERTS, 8000 FLORISSANT ST. LOUIS MO 63136	EMERSON ELECTRIC CO		250.87
RICHARD R. ROBERTS, 1629 K STREET, NW, #500 WASHINGTON DC 20006	OUTDOOR ADVERTISING ASSOCIATION OF AMERICA, INC		
Do	ROADSIDE BUSINESS ASSN	370.00	588.61
RICHARD W. ROBERTS, 100 EAST 42ND ST. NEW YORK NY 10017	NATIONAL FOREIGN TRADE COUNCIL, INC	500.00	
WILLIAM A. ROBERTS, 444 NORTH CAPITOL STREET, #711 WASHINGTON DC 20001	KEEFE COMPANY (FOR: WESTINGHOUSE ELECTRIC CORP)		
MARK ROBERTSON, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN EXPRESS CO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO).		
BETTY S. ROBINSON, 1757 N ST., NW WASHINGTON DC 20036	UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	12,468.04	186.75
CHARLES A. ROBINSON JR., 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	162.54	
KENNETH L. ROBINSON, 1111 N. 19TH STREET, #700 ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS	1,400.00	
ROBINSON SILVERMAN PEARCE ARONSOHN & BERMAN, 230 PARK AVE. NEW YORK NY 10169	NATIONAL REALTY COMMITTEE		
THOMAS E. ROBINSON, 1101 17TH ST., NW, #700 WASHINGTON DC 20036	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS, INC	1,800.00	
GILBERT A. ROBINSON, INC, 1825 K STREET, NW, #206 WASHINGTON DC 20008	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION	6,757.50	4,110.00
BOB JOHN ROBISON, 1201 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC	2,500.00	137.15
ANTOINETTE K. ROCHE, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	GA TECHNOLOGIES, INC	2,000.00	350.00
JAMES ANTHONY ROCK, 1730 M STREET, NW, #607 WASHINGTON DC 20036	MONTANA POWER CO AND WASHINGTON WATER POWER CO	400.00	2,969.83
MICHAEL J. ROCK, 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	1,208.20	154.41
DAVID W. RODERER, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN		
RODEY DICKASON SLOAN AKIN & ROBB, P.O. BOX 1888 ALBUQUERQUE NM 87103	NAVAJO TRIBE		
QUINCY RODGERS, 1200 NEW HAMPSHIRE AVE., NW, #320 WASHINGTON DC 20036	GENERAL INSTRUMENT CORPORATION	800.00	
JACK E. ROEBEL, 712 COMMERCE BLDG. 127 W. BERRY STREET FORT WAYNE IN 46802	SHEET METAL WORKERS MID-STATES HEALTH & BENEFIT TRUST		
WILLI ROELLI, VOLKART BROTHERS, INC 120 WALL ST. NEW YORK NY 10005	COFFEE, SUGAR & COCOA EXCHANGE, INC		
ROGERS & WELLS, 1737 H STREET, NW WASHINGTON DC 20006	AMERICAN EXPRESS CO		
Do	CEMENTOS ANAHUAC DEL GOLFO, S.A.		
Do	LIZ CLAIBORNE, INC	900.00	
Do	DESERT PALACE, INC		
Do	DREYFUS CORPORATION	40,000.00	492.36
Do	FRANZIA, FRED T. JOHN C. & JOSEPH S.		
Do	GROCERY MANUFACTURERS OF AMERICA		345.36
Do	WILLIAM ANTHONY HOGAN		
Do	INTERNOOR TRADE, INC	675.00	
Do	KAMEHAMEHA SCHOOLS/BERNICE P. BISHOP ESTATE		
Do	MERRILL LYNCH & CO., INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	MERRILL LYNCH HUBBARD		
Do	MORRIS & GWENDOLYN CAFRITZ FOUNDATION		
Do	NATIONAL ASSN OF BEDDING MANUFACTURERS		
Do	PAN AMERICAN WORLD SERVICES	907.44	100.07
Do	PARIBAS CORPORATION		
Do	PFIZER, INC	25,172.93	278.55
Do	TEACHERS INSURANCE & ANNUITY ASSN/COLLEGE RET. EQUITIES FUND		
BRUCE N. ROGERS, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	6,491.39
DONALD L. ROGERS, 730 15TH ST., NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS	2,106.25	
ESTELLE H. ROGERS, 1350 NEW YORK AVENUE, NW, #300 WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC		
JAMES T. ROGERS, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
KEITH ROGERS, 47 LAFAYETTE PLACE, APT. 6D GREENWICH CT 06830	U.S. TOBACCO COMPANY		
NANCY ROGERS, 815 16TH STREET, NW WASHINGTON DC 20006	INDUSTRIAL UNION DEPARTMENT, ALF-CIO	5,595.50	180.11
TERRENCE L. ROGERS, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	9,192.06	188.93
CAROLE M. ROGIN, 1800 M STREET, NW, #1030 WASHINGTON DC 20036	HAUCK & ASSOCIATES, INC (FOR: HEARING INDUSTRIES ASSN)		
Do	HAUCK & ASSOCIATES, INC (FOR: NATIONAL ASSN FOR CHILD CARE MANAGEMENT).		
RICHARD A. ROHRBACH, 1625 I ST., NW, #809 WASHINGTON DC 20006	BOISE CASCADE CORP	22,250.00	156.95
JACK ROLLINS, 1201 16TH STREET, NW WASHINGTON DC 20036	OVERSEAS EDUCATION ASSN & NATIONAL EDUCATION ASSN		
JOHN F. ROLPH III, 1200 NEW HAMPSHIRE AVE., NW, #350 WASHINGTON DC 20036	CITIBANK, N.A.	1,000.00	
KENNETH S. ROLSTON JR., 1025 VERMONT AVE., NW, #1020 WASHINGTON DC 20005	AMERICAN PULPWOOD ASSN, INC		
EMIL A. ROMAGNOLI, 180 MAIDEN LANE NEW YORK NY 10038	ASARCO INC	200.00	
MICHAEL J. ROMIG, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	1,500.00	25.00
FRED B. ROONEY, 1050 CONNECTICUT AVE., NW, 12TH FL. WASHINGTON DC 20036	AMERICAN IRON & STEEL INSTITUTE	450.00	
Do	ASSOCIATION OF AMERICAN RAILROADS	150.00	
Do	CALMAT COMPANY	150.00	
Do	CONRAIL		
Do	CRAWFORD FITTING CO	150.00	
Do	DENVER & RIO GRANDE WESTERN RAILROAD CO	400.00	
Do	LONE STAR INDUSTRIES, INC	350.00	
Do	[illegible] LIFE INSURANCE CO	550.00	
Do	PAUL, HASTINGS, JANOFSKY & WALKER (FOR: SECURITY LIFE OF DENVER)	450.00	
JOHN C. ROOTS, 1333 NEW HAMPSHIRE AVE., NW, #1001 WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	344.44	
RAYMOND W. ROPER, 1601 DUKE STREET ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS		
ROPES & GRAY, 1001 22ND ST., NW, #700 WASHINGTON DC 20037	AMHERST COLLEGE, WELLESLEY COLLEGE	100.00	
ROSE SCHMIDT CHAPMAN DUFF & HASLEY, 1825 EYE ST., NW, #300 WASHINGTON DC 20006	ANNUAL CHARGES POLICY GROUP	1,125.00	10.00
Do	CIGAR ASSN OF AMERICA		
LOUISE L. ROSEMAN, 1620 I ST., NW, #603 WASHINGTON DC 20006	VISA U.S.A., INC		
BURT ROSEN, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	PFIZER, INC	1,000.00	662.83
LESTER L. ROSEN, 1025 VERMONT AVENUE, NW, #500 WASHINGTON DC 20005	MILES LABORATORIES, INC		
RICHARD ROSEN, 5010 WISCONSIN AVE., NW, #118 WASHINGTON DC 20016			
DAVID B. ROSENAUER, 1317 F STREET, NW, #400 WASHINGTON DC 20004	R. DUFFY WALL & ASSOCIATES, INC (FOR: BALCOR/AMERICAN EXPRESS, INC)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: FOOTWEAR RETAILERS OF AMERICA)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: JMB REALTY CORP)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: LIBERTY NATIONAL)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: LIFE OF VIRGINIA)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: MORGAN GUARANTY TRUST CO)	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: PHARMACEUTICAL MANUFACTURERS ASSN).	300.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: WINE & SPIRITS WHOLESALERS OF AMERICA, INC).	300.00	
ALBERT B. ROSENBAUM III, 2200 MILL RD. ALEXANDRIA VA 22314	NATIONAL TANK TRUCK CARRIERS, INC		
RICHARD ROSENBAUM, 666 THIRD AVE., 4TH FL. NEW YORK NY 10017	COMMITTEE FOR A RESPONSIBLE TAX POLICY, INC		
Do	INTEGRATED RESOURCES, INC	1,000.00	250.00
SARA ROSENBAUM, 122 C STREET, NW WASHINGTON DC 20001	CHILDREN'S DEFENSE FUND	142.50	
FRANCIS C. ROSENBERGER, 6809 MELROSE DRIVE MCLEAN VA 22101	NATIONAL CONFERENCE OF BANKRUPTCY JUDGES	3,750.00	
ROSES, INC., 1152 HASLETT ROAD P.O. BOX 99 HASLETT MI 48840		1,543.00	2,119.88
LYNN ROSINSKY, 1625 L STREET, NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES, AFL-CIO		
GAIL E. ROSS, GOLDFARB SINGER & AUSTERN 918 16TH STREET, NW WASHINGTON DC 20006	WASHINGTON INDEPENDENT WRITERS		
JOE ROSS, P.O. BOX 1582 LITTLE ROCK AR 72201			
JOHN W. ROSS, 1301 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN	1,000.00	
NANCY ROSS, 1010 VERMONT AVENUE, NW WASHINGTON DC 20005	RAINBOW ALLIANCE		20.00
WILLIAM F. ROSS, SOUTH CAROLINA PETROLEUM COUNCIL 716 KEENAN BLDG. COLUMBIA SC 29201	AMERICAN PETROLEUM INST	321.00	773.17
ALAN J. ROTH, SPIEGEL & MCDIARMID 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	FT. PIERCE UTILITIES AUTH OF THE CITY OF FT. PIERCE, ET AL		
BARRY N. ROTH, 1120 20TH STREET, NW, #700 WASHINGTON DC 20036	WILLIAMS COMPANIES	100.00	
SAMUEL A. ROTH, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,000.00	77.50
JOHN C. ROTHER, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS		
EDWIN ROTHSCHILD, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION	4,500.00	
DONALD D. ROUNDS, SOUTH DAKOTA PETROLEUM COUNCIL P.O. BOX 669 PIERRE SD 57501	AMERICAN PETROLEUM INST	910.00	1,879.29
WILLIAM C. ROUNTREE, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
MICHAEL O. ROUSH, CAPITAL GALLERY EAST, #695 600 MARYLAND AVE. WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	200.00
JOHN W. ROWLAND, 5025 WISCONSIN AVE., NW WASHINGTON DC 20006	AMALGAMATED TRANSIT UNION, AFL-CIO		
CHARLES ROWTON, 1899 L STREET, NW, #1100 WASHINGTON DC 20036	EXXON CORP	1,200.00	122.78
ROXTON, INC., 2000 S. EADS STREET, #1003 ARLINGTON VA 22202	GLOBAL IDENTIFICATION CORP		
ROBERT S. ROYER, ROYER & SHACKNAI 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AMERICAN MILITARY SALES		
Do	CHRYSLER MILITARY SALES CORP		
Do	CITY OF AKRON, OHIO		
Do	FORD, RIFF & BURGESS		
Do	HARLEY-DAVIDSON MILITARY SALES		
Do	INTERNATIONAL FUTURES EXCHANGE		
Do	INTEX HOLDINGS (BERMUDA) LTD		
Do	MICHIGAN TRADE EXCHANGE		
Do	MORGAN STANLEY & CO., INC		
Do	OVERSEAS MILITARY SALES GROUP		
Do	PHILLIPS PETROLEUM		
Do	SECURITIES INDUSTRY ASSOCIATION		
TOBI Z. ROZEN, 888 16TH ST., NW WASHINGTON DC 20006	MILK IND. FOUNDATION/INTL ASSN OF ICE CREAM MFRS		
ERIC M. RUBIN, RUBIN WINSTON & DIERCKS 1730 M ST., NW, #708 WASHINGTON DC 20036	COMMISSIONER OF PUBLIC LANDS FOR STATE OF NEW MEXICO		
Do	OUTDOOR ADVERTISING ASSOCIATION OF AMERICA, INC		
BARBARA A. RUDOLPH, 1901 N. FORT MYER DRIVE, #302 ROSSLYN VA 22209	BEVERLY ENTERPRISES	3,375.00	236.87
CAMILLE KEARNS RUDY, 1346 CHESTNUT, #800 PHILADELPHIA PA 19107	GREATER PHILADELPHIA CHAMBER OF COMMERCE		
HENRY C. RUEMPLER, 1200 NEW HAMPSHIRE AVENUE, NW, #350 WASHINGTON DC 20036	CITIBANK, N.A.	300.00	
RONALD R. RUMBAUGH, 5205 LEESBURGH PIKE, #505 FALLS CHURCH VA 22041	NATIONAL BEER WHOLESALERS ASSN		
JOHN RUNYAN, 1730 NORTH LYNN STREET SUITE 409 ARLINGTON VA 22209	PRINTING INDUSTRIES OF AMERICA, INC	500.00	
MORGAN S. RUPH, 4647 FORBES BOULEVARD LANHAM MD 20706	AMVETS	6,800.00	150.47
BARRY RUSSELL, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		43.00
DOROTHEA L. RUSSELL, 1120 VERMONT AVENUE, NW, #1120 WASHINGTON DC 20005	NATIONAL CANDY WHOLESALERS ASSN, INC		
NANCY RUSSELL, 4921 SW HEWETT BLVD. PORTLAND OR 97221	FRIENDS OF THE COLUMBIA GORGE		
WALLY RUSTAD, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	50.00	
HERMAN MAX RUTH, P.O. BOX 4000 SPINGFIELD MO 65802			
J. T. RUTHERFORD & ASSOCIATES, INC., 1301 N. COURTHOUSE RD., #1802 ARLINGTON VA 22201	AMERICAN ASSN OF BIOANALYSTS/INTL SOC OF CLINICAL LAB TECHS		111.50
Do	AMERICAN COLLEGE OF RADIOLOGY		350.00
Do	AMERICAN OPTOMETRIC ASSN		151.70
Do	GTE/SPRINT COMMUNICATIONS		20.10
ELLA MARICE RYAN, 1156 15TH ST., NW WASHINGTON DC 20005	J. C. PENNEY CO. INC	200.00	
FRANK T. RYAN, 1400 K STREET, NW WASHINGTON DC 20005	RUBBER MFGRS ASSN	2,500.00	
GEORGE J. RYAN, 915 ROCKEFELLER BUILDING CLEVELAND OH 44113	LAKE CARRIERS' ASSN		310.50
JOHN F. RYAN, 1600 M STREET, NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION		
JOSEPH RYAN, SUITE 320 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	GENERAL INSTRUMENT CORPORATION		
NAJWA SA'D, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
DAVID J. SADD, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS	1,000.00	
ANTHONY J. SAGGESE JR., 1050 17TH ST., NW, #500 WASHINGTON DC 20036	TEXACO, INC		
GREGORY A. SAHD, 2033 M STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS	1,750.00	631.74

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
FRANK MAX SALINGER, 1101 14TH ST., NW WASHINGTON DC 20005	AMERICAN FINANCIAL SERVICES ASSN		
JAMES H. SAMMONS, 535 NORTH DEARBORN STREET CHICAGO IL 60610	AMERICAN MEDICAL ASSN	900.00	
WILLIAM SAMUEL, 1325 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	7,246.98	147.40
SANDERS SCHNABEL & BRANDENBURG, P.C., 1110 VERMONT AVENUE, NW, #600 WASHINGTON DC 20005	AMERICAN SOC OF ASSN EXECUTIVES	7,139.50	
STEPHEN E. SANDHERR, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
CHARLES E. SANDLER, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	6,000.00	
PETER G. SANDLUND, 1725 EYE ST., NW, #315 WASHINGTON DC 20006	COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSN	300.00	
BRUCE W. SANFORD, BAKER & HOSTETLER 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	SOCIETY OF PROFESSIONAL JOURNALISTS, SIGMA DELTA CHI	1,500.00	108.01
JAMES D. SANTINI, BIBLE, SANTINI, HOY & MILLER 900 17TH ST., NW WASHINGTON DC 20006	CHICAGO NORTHWESTERN TRANSPORTATION CO	6,000.00	43.95
Do	GREENS CREEK JOINT VENTURE	7,500.00	178.13
Do	HOMESTAKE MINING CO	7,250.00	905.97
Do	ISL VENTURES, INC	5,000.00	1,378.00
Do	LOHMAN PRODUCTIONS	3,500.00	85.11
Do	MARLENE C. MCGUIRL	5,801.25	99.12
Do	NATIONAL TOUR ASSOCIATION, INC	9,000.00	629.28
Do	NORANDA EXPLORATION, INC	1,500.00	391.66
Do	REDFIELD LAND COMPANY		
Do	SAVAGE INDUSTRIES	3,000.00	55.60
CHARLES SAPP, 3500 TEXAS COMMERCE TOWER HOUSTON TX 77002	HOUSTON ENDOWMENT, INC		
RONALD A. SARASIN, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
KAREN SASAHARA, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
ALBERT C. SAUNDERS, 1100 15TH ST., NW #900 WASHINGTON DC 20005	PHARMACEUTICAL MANUFACTURERS ASSN	4,000.00	51.85
THOMAS C. SAWYER, 1825 K STREET, NW WASHINGTON DC 20006	NATIONAL BROADCASTING CO	2,000.00	27.57
ROBERT WAYNE SAYER, 4545 42ND STREET, NW WASHINGTON DC 20016	GCA CORP		25.00
OMAR SBITANI, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
JAMES P. SCALA, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
MIKE SCANLON, 406 COLIN LANE VIENNA VA 22180	NATIONAL TAXPAYERS UNION		
ROBERT H. SCARBOROUGH, 1700 PENNSYLVANIA AVE., NW, #600 WASHINGTON DC 20006	APPLE COMPUTER, INC		
HAROLD A. SCHAITBERGER, 1750 NEW YORK AVE. WASHINGTON DC 20006	INTERNATIONAL ASSN OF FIRE FIGHTERS	13,487.50	
JEROME D. SCHALLER, 1101 15TH ST., NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO.	10,000.00	30.00
WILLIAM T. SCHAPAUGH, 1030 15TH STREET, NW WASHINGTON DC 20005	AMERICAN SEED TRADE ASSN	4,000.00	
C. M. SCHAUERTE, P.O. BOX 3247 HOUSTON TX 77253	AMERICAN GENERAL CORPORATION		
DEBORAH SCHECHTER, 1501 16TH STREET, NW WASHINGTON DC 20036	CENTER FOR SCIENCE IN THE PUBLIC INTEREST	2,400.00	
JAY T. SCHECK JR., RT. 202-206 NORTH SOMERVILLE NJ 08876	AMERICAN HOECHST CORPORATION		
DALE E. SCHELL, 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	GATX CORP		
THOMAS G. SCHENDT, 111 EAST WISCONSIN AVE., #1800 MILWAUKEE WI 53202	NATIONAL EMPLOYEE BENEFITS INSTITUTE		158.78
JANE SCHERER HAAKE, 1667 K STREET, NW, #420 WASHINGTON DC 20006	CHEVRON USA, INC		
DAVID JOEL SCHLEIN, 545 FOURTH STREET, SE WASHINGTON DC 20003	AMERICAN FED OF GOV'T EMPLOYEES, LOCAL 12	4,448.00	
JACQUES T. SCHLENGER, 1800 MERCANTILE BANK & TRUST BLDG. THE HOPKINS PLAZA BALTIMORE MD 21201	MARYLAND SAVINGS-SHARE INSURANCE CORP.		1.62
KENNETH D. SCHLOMAN, 1600 RHODE ISLAND AVENUE, N.W. WASHINGTON DC 20036	NATIONAL RIFLE ASSOCIATION OF AMERICA	962.50	84.33
FOREST S. SCHMELING, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	1,100.00	491.95
RICHARD M. SCHMIDT JR., SUITE 600 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS	500.00	
SCHNADER HARRISON SEGAL & LEWIS, SUITE 1000 1111 19TH ST., NW WASHINGTON DC 20036	SAVIN CORPORATION		
Do	TOYOTA MOTOR CORPORATION	3,494.00	102.02
MARK L. SCHNEIDER, 1001 22ND STREET, NW, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
THERESA A. SCHNEIDER, 1575 EYE STREET, NW, #550 WASHINGTON DC 20005	INSTITUTE OF MAKERS OF EXPLOSIVES		
FRANK SCHNELLER, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
SCHRAMM & RADDUE, 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	H&W DRILLING CO		
JACK J. SCHRAMM, SUITE 607 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	WASTE MANAGEMENT, INC	3,000.00	
H. B. W. SCHROEDER, 1050 17TH STREET, NW, #490 WASHINGTON DC 20036	CONSUMERS POWER CO	8,000.00	1,266.00
N. DONALD SCHROEDER, MARYLAND PETROLEUM COUNCIL 60 WEST ST., #403 ANNAPOLIS MD 21401	AMERICAN PETROLEUM INST	140.00	
JUDY SCHUB, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	184.62	27.00
MARK SCHULTZ, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	5,000.00	135.85
RICHARD F. SCHULTZ, 807 MAINE AVENUE, SW WASHINGTON DC 20024	DISABLED AMERICAN VETERANS	11,653.20	1,241.18
WILLIAM B. SCHULTZ, SUITE 700 2000 P ST., NW WASHINGTON DC 20036	PUBLIC CITIZEN, INC		
ROBERT L. SCHULZ, C/O IOWA PETROLEUM COUNCIL 1012 FLEMING BLDG. DES MOINES IA 50309	AMERICAN PETROLEUM INST	446.50	178.80
WALTER A. SCHUMANN III, 1511 NATALIE JOY LN. MCLEAN VA 22101	POTOMAC OVERLOOK ASSOCIATES		
JAMES H. SCHUYLER, 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
DONALD H. SCHWAB, 200 MARYLAND AVE., NE WASHINGTON DC 20002	VETERANS OF FOREIGN WARS OF THE U.S.	12,750.00	142.20
SCHWABE WILLIAMSON WYATT MOORE & ROBERTS, SUITE 302 1000 POTOMAC ST., NW WASHINGTON DC 20007	NORTHWEST INLAND WATERWAYS COMMITTEE		
ELINOR SCHWARTZ, 318 S. ABINGDON STREE. ARLINGTON VA 22204	CALIFORNIA STATE LANDS COMMISSION	7,800.00	1,900.73
RICHARD SCHWARTZ, 880 S. PICKETT ST. ALEXANDRIA VA 22304	BOAT OWNERS ASSOCIATION OF THE U.S.	4,000.00	
STEVE AARON SCHWARTZ, 818 ROEDER ROAD SUITE 702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
RICHARD S. SCHWEIKER, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	4,500.00	15.75
MICHAEL SCIULLA, 880 S. PICKETT ST. ALEXANDRIA VA 22304	BOAT OWNERS ASSOCIATION OF THE U.S.	6,000.00	
HAROLD B. SCOGGINS, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		20.25
SCOTT COMPANY, INC., 66 SURFWATCH DRIVE JOHNS ISLAND SC 29455	COASTAL PROPERTIES INSTITUTE, INC		
DOUGLAS W. SCOTT, 530 BUSH ST. SAN FRANCISCO CA 94108	SIERRA CLUB		
ELLEN SCOTT, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS INT'L ASSN	6,325.00	
JAMES M. SCOTT, 66 SURFWATCH DRIVE JOHNS ISLAND SC 29455	SCOTT COMPANY		
JOHN M. SCOTT, 1825 K STREET, NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY	222.00	97.92
SCRIBNER HALL & THOMPSON, SUITE 700 1875 EYE STREET, NW WASHINGTON DC 20006	CNA FINANCIAL CORP		12,000.00
Do	PROVIDENT LIFE & ACCIDENT INSURANCE CO		
Do	SECURITY LIFE OF DENVER INSURANCE CO		
TIMOTHY SCULLY, 25 LOUISIANA AVENUE, NW WASHINGTON DC 20001	INTERNATIONAL BROTHERHOOD OF TEAMSTERS	9,187.50	
EARL W. SEARS, P.O. BOX 12285 MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMER	3,125.00	140.30
LAW OFFICES OF JOHN SEARS, 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	EMBASSY OF THE REPUBLIC OF SOUTH AFRICA	15,000.00	235.06
PAMELA SEDERHOLM, 2828 N. HASKELL AVE. DALLAS TX 75204	SOUTHLAND CORPORATION		
MARIA MCCREA SEGAL, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
HOWARD SEGERMARK, 214 MASSACHUSETTS AVENUE, NE, #560 WASHINGTON DC 20002	INDUSTRY COUNCIL FOR TANGIBLE ASSETS		
H. RICHARD SEIBERT JR., 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	900.00	
ARMISTEAD I. SELDEN, 122 C ST., NW, #740 WASHINGTON, DC 20001	AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE	5,500.00	
M. FRANK SELLERS, 1615 H STREET, NW WASHINGTON DC 20062	U.S. CHAMBER OF COMMERCE (FOR: BUSINESS ALLIANCE ON GOVERNMENT COMPETITION).	5,000.00	472.08
RICHARD C. SEMACK, 17000 EXECUTIVE PLAZA DRIVE DEARBORN MI 48126	AUTOMOBILE CLUB OF MICHIGAN		
STANTON P. SENDER, 633 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	SEARS, ROEBUCK AND CO	1,080.00	40.30
STUART D. SERKIN, 1800 CONNECTICUT AVENUE, NW WASHINGTON DC 20009	SLURRY TECHNOLOGY ASSN	1,000.00	
SERVICE MASTER INDUSTRIES, INC, C/O OF TALCOTT MCCABE & ASSOCIATES 600 MARYLAND AVE., SW, 302 W. WING WASHINGTON DC 20024.			550.00
SEVEN MONTHS SESSION FOR CONGRESS, 3306 YELLOWPINE TERRACE AUSTIN TX 78757			600.00
SEWARD & KISSEL, 919 18TH ST., NW WASHINGTON DC 20006	BALDWIN SECURITIES CORP	50.00	1.00
Do			
J. RICHARD SEWELL, 1111 19TH ST., NW, #1102 WASHINGTON DC 20036	FLORIDA POWER & LIGHT CO	2,100.00	470.00
SEYFARTH SHAW FAIRWEATHER & GERALDSON, 1111 19TH ST., NW WASHINGTON DC 20036	AGRICULTURAL PRODUCERS	23,789.97	
Do	AMERICAN SOC OF PENSION ACTUARIES	11,250.00	377.97
Do	FRIENDS OF THE HOP MARKETING ORDER		
Do	JOHNSON & HIGGINS		
DONNA S. SHAFFER, DULLES INTERNATIONAL AIRPORT P.O. BOX 17309 WASHINGTON DC 20041	PRIDE AIR, INC		
VICTORIA MCKENZIE SHAW, 1710 RHODE ISLAND AVENUE, NW, #300 WASHINGTON DC 20036	ABBOTT LABORATORIES	1,000.00	
JAMES M. SHAMBERGER, 1025 CONNECTICUT AVE., NW, #512 WASHINGTON DC 20036	REINSURANCE ASSN OF AMER		
SHAMROCK FOODS CO., 2228 N. BLACK CANYON PHOENIX AZ 85009			
DEBORAH L. SHANNON, 1150 17TH ST., NW, #306 WASHINGTON DC 20036	NATIONAL MULTI HOUSING COUNCIL	1,250.00	97.88
JAMES M. SHANNON, HALE & DORR 60 STATE STREET BOSTON MA 02109	COALITION AGAINST DOUBLE TAXATION, INC		
HARRY D. SHAPIRO, 1800 MERCANTILE BANK & TRUST BLDG. TWO HOPKINS PLAZA BALTIMORE MD 21201	MARYLAND SAVINGS-SHARE INSURANCE CORP.		1.62
NORMAN F. SHARP, 1100 17TH STREET, NW, #1201 WASHINGTON DC 20036	CIGAR ASSN OF AMERICA, INC		177.63
KAREN DOLMATCH SHAW, SUITE 920 1800 K ST., NW WASHINGTON DC 20006	BANKAMERICA CORPORATION	1,475.81	627.40
LUTHER W. SHAW, SUITE 514 1155 15TH ST., NW WASHINGTON DC 20005	NATIONAL AGRICULTURAL CHEMICALS ASSN	5,625.00	4.50
SHAW PITTMAN POTTS & TROWBRIDGE, 1800 M ST., NW, #900-S WASHINGTON DC 20036	AMALGAMATED BANK OF NEW YORK	1,250.00	55.00
Do	ASSOCIATION FOR THE IMPROVEMENT OF THE MISSISSIPPI RIVER	105.00	
Do	ATLAS MINERALS DIVISION	1,630.00	
Do	COMMITTEE FOR PRIVATE EDUCATION		
Do	EMERSON ELECTRIC CO	670.00	
Do	INSTITUTE OF FOREIGN BANKERS	1,500.00	40.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	INVESTMENT COMPANY INSTITUTE	600.00	
Do	INVESTMENT COUNSEL ASSN OF AMERICA, INC		
Do	MARRIOTT CORPORATION		
Do	NATIONAL AUTOMOBILE DEALERS ASSN	[illegible]	[illegible]
Do	NATIONAL COMM ON SMALL ISSUE INDUSTRIAL DEVELOPMENT BONDS		
Do	UTILITY NUCLEAR WASTE MANAGEMENT GROUP		
SHEA & GOULD, 330 MADISON AVE. NEW YORK NY 10017	ELEANOR A. CLARK		
Do	HOSPITAL CORP OF AMERICA		
Do	NABISCO, INC		
Do	REPUBLIC OF HAITI		21.50
DONALD B. SHEA, 1750 K STREET, NW WASHINGTON DC 20006	U.S. BREWERS ASSN, INC		
JAMES V. SHEAHAN, 223 PERIMETER CTR. PKWY. P.O. BOX 89000 ATLANTA GA 30338	SIEMENS-ALLIS, INC		
SHEARMAN & STERLING, 153 EAST 53RD ST. NEW YORK NY 10005	BUSINESS ROUNDTABLE		
JOHN J. SHEEHAN, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	12,275.73	
KATHLEEN SHEEKEY, 3RD FLOOR 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	10,529.20	741.91
DEBORAH A. SHEIMAN, 1350 NEW YORK AVENUE, NW WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL	431.34	
JONATHAN R. SHEINER, 410 FIRST ST., SE WASHINGTON DC 20003	CONSOLIDATED EDISON CO OF NEW YORK, INC	676.25	
JOHN J. SHEPPARD, 267 WESTERVELT PLACE ENGLEWOOD CLIFFS NJ 07632	C. A. SHEA & COMPANY, INC		
SEYMOUR SHERIFF, 1126 WOODWARD BLDG. WASHINGTON DC 20005	MAN-MADE FIBER PRODUCERS ASSN, INC		
R. PHILIP SHIMER, SUITE 405 444 N. CAPITAL ST., NW WASHINGTON DC 20001	WESTERN GOVERNORS ASSOCIATION		
RUSSELL L. SHIPLEY JR., 1120 VERMONT AVENUE, NW, #1120 WASHINGTON DC 20005	NATIONAL CANDY WHOLESALERS ASSN, INC		
SHIPLEY SMOOK HENRY & HOLDGREIWE, 910 17TH STREET, NW, #320 WASHINGTON DC 20006	BLUEJAY OIL COMPANY		
Do	FEDERATED DEPT STORES, INC		
Do	FLANIGAN'S ENTERPRISES, INC		
Do	FORT SILL GARDENS, INC		
Do	NATIONAL COMMITTEE OF DISCOUNT SECURITIES BROKERS		
Do	STEADMAN MUTUAL FUNDS		
Do	STEADMAN SECURITY CORPORATION		
Do	U.S.-SOUTH WEST AFRICA/NAMIBA TRADE & CULTURAL COUNCIL		
Do	WBNO RADIO AND WLKM RADIO		
HARVEY A. SHIPMAN, 1701 PENNSYLVANIA AVENUE, NW, #830 WASHINGTON DC 20006	PENN CENTRAL CORPORATION		
SHIPPERS NATIONAL FREIGHT CLAIM COUNCIL, INC, 120 MAIN STREET HUNTINGTON NY 11743			
MARY FRANCES SHLAGEL, SUITE 760 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA		
ELAINE SHOCAS, 555 NEW JERSEY AVENUE, NW WASHINGTON DC 20001	AMERICAN FED OF TEACHERS	8,793.21	80.00
THOMAS K. SHOEMAKER, 1899 L STREET, NW, #600 WASHINGTON DC 20036	TRAVEL INDUSTRY ASSN OF AMERICA		
SHOOSHAN & JACKSON, INC., 1990 M ST., NW, #450 WASHINGTON DC 20036	ROGERS U.S. CABLESYSTEMS, INC		
HARRY M. SHOOSHAN III, 1990 M ST., NW, #450 WASHINGTON DC 20036	SHOOSHAN & JACKSON, INC (FOR: ROGERS U.S. CABLESYSTEMS, INC)		
SCOTT SHOTWELL, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	2,475.00	
A. Z. SHOWS, RM 203 1801 COLUMBIA RD., NW WASHINGTON DC 20009			
FREDERICK L. SHREVES II, HILL BETTS & NASH 1818 N STREET, NW, #700 WASHINGTON DC 20036	DONOHOE CONSTRUCTION CO, INC		
SANA F. SHTASEL, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	1,019.17	172.16
JOHN SHUEY, P.O. BOX 3151 HOUSTON TX 77253	BROWNING-FERRIS INDUSTRIES, INC		
LAWRENCE E. SIEGEL, 8283 GREENSBORO DRIVE MCLEAN VA 22102	SATELLITE BUSINESS SYSTEMS		
JAMES V. SIENA, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF ARCHITECTS	2,000.00	
MARK SILBERGELD, 2001 S STREET, SW, #520 WASHINGTON DC 20009	CONSUMERS UNION OF U.S., INC	3,700.00	20.00
DAVID SILVER, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE	115.38	
STEVE SILVER, 1050 THOMAS JEFFERSON ST., NW, 6TH FL. WASHINGTON DC 20007	ALASKA PULP CORP		
Do	APEX MARINE CORP		
Do	ARCO TRANSPORTATION CO		
Do	MOORE MCCORMAK BULK TRANSPORT, INC		
Do	NORANDA MINING, INC		
SILVER USERS ASSN, INC, 1717 K ST., NW WASHINGTON DC 20006		1,381.41	3,276.36
SILVERSTEIN & MULLENS, 1776 K ST., NW WASHINGTON DC 20006	ASSOCIATION FOR ADVANCED LIFE UNDERWRITING	[illegible]	
Do	BRISTOL-MYERS CO		
Do	F.W. WOOLWORTH CO		
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	GATX CORP		
Do	MUSIC CORPORATION OF AMERICA, INC		
Do	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
Do	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS		
M. P. SIMMONS, P.O. BOX 860 VALLEY FORGE PA 19482	CERTAINTEED CORP		
NEIL A. SIMON, 1025 CONNECTICUT AVENUE, NW, #707 WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN		
PHILIP SIMON, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	3,800.01	
TALMAGE E. SIMPKINS, 100 INDIANA AVE., NW WASHINGTON DC 20001	AFL-CIO MARITIME COMMITTEE	300.00	881.44
Do	LABOR MANAGEMENT MARITIME COMMITTEE, INC	1,436.00	141.24
C. KYLE SIMPSON, P.O. BOX 3 HOUSTON TX 77001	BROWN & ROOT, INC		
WILLIAM G. SIMPSON, SUITE 424 1155 15TH STREET, NW WASHINGTON DC 20005	FIRST MISSISSIPPI CORPORATION	7,000.00	
Do	J.R. SCRIBNER EQUIPMENT	[illegible]	
Do	MISSISSIPPI POWER & LIGHT COMPANY	7,000.00	
Do	STATE OF MISSISSIPPI	4,000.00	
ALBERT M. SIMS, BOX 872 SMITHTOWN NY 11787	PERFORMANCE ENGINEERING, INC		
IVAN E. SINCLAIR, 1000 WILSON BOULEVARD, #2700 ARLINGTON VA 22209	TRW, INC	2,000.00	
RICHARD L. SINNOTT & CO, SUITE 900 ONE THOMAS CIRCLE, NW WASHINGTON DC 20005	OAKLAND COLISEUM	6,000.00	
Do	PORT OF OAKLAND	3,000.00	
RICHARD L. SINNOTT, ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	NATIONAL COMM TO PRESERVE SOCIAL SECURITY & MEDICARE	9,000.00	
JAMES C. SIVON, 730 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS	1,312.50	80.00
SKADDEN ARPS SLATE MEAGHER & FLOM, 919 18TH STREET, NW WASHINGTON DC 20006	AIR PRODUCTS & CHEMICALS, INC	10,000.00	
Do	CITIES SERVICE OIL & GAS CORP		
Do	DREXEL BURNHAM LAMBERT, INC	45,000.00	
Do	OCEAN THERMAL CORP	500.00	
Do	SEA-LAND CORP		
Do	TEXACO, INC		
Do	TRANSCO ENERGY COMPANY		
Do	TRICENTROL U.S., INC		
CYNTHIA ELLIOT SKIFF, 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
WILLIAM J. SKINNER, 815 15TH ST., NW WASHINGTON DC 20005	U.S. PHARMACOPEIAL CONVENTION, INC	218.18	9.57
BARNEY J. SKLADANY JR., 1100 CONNECTICUT AVE., NW, #620 WASHINGTON DC 20036	MOBIL OIL CORP	1,125.00	
RUTH L. SKY, 2211 CONGRESS ST. PORTLAND ME 04122	UNION MUTUAL LIFE INSURANCE CO		
F. SLATINSHEK & ASSOCIATES, INC., 1102 BELLE VISTA DR. ALEXANDRIA VA 20007	GRUMMAN AERO CORP; D.L. LYNCH & ASSOCS	300.00	
SCOTT L. SLESINGER, SUITE 804 1101 14TH ST., NW WASHINGTON DC 20005	NATIONAL APARTMENT ASSN		
BARRY S. SLEVIN, 1000 POTOMAC STREET, NW WASHINGTON DC 20007	SEIFMAN, SEMO, SLEVIN & MARCUS, P.C. (FOR: UNITED FOOD & COMMERCIAL WORKERS INT'L UNION)		
WILLIAM T. SLIDER, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
RONALD J. SLINN, 260 MADISON AVENUE NEW YORK NY 10016	AMERICAN PAPER INST, INC		
CATHERINE REISS SLOAN, 1990 M ST., NW, #450 WASHINGTON DC 20036	SHOOSHAN & JACKSON, INC (FOR: ROGERS U.S. CABLESYSTEMS, INC)		
JOHN E. SLOAN JR., CAPITAL GALLERY EAST, #695 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS	1,150.00	100.00
SLURRY TECHNOLOGY ASSN, 1800 CONNECTICUT AVE., NW WASHINGTON DC 20009		22,185.00	2,600.00
SMALL BUSINESS COUNCIL OF AMERICA, INC, P.O. BOX 4299 COLUMBUS GA 31904		18,125.00	50,505.67
SMALL BUSINESS LEGISLATIVE COUNCIL, 1604 K ST., NW WASHINGTON DC 20006		3,000.00	[illegible]
KEITH R. SMALL, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,250.00	17.85
PETER SMALL, 295 MADISON AVENUE NEW YORK NY 10017	PETER SMALL & ASSOCIATES, INC. (FOR: WILLIAM M. MERCER-MEIDINGER, INC)		
WILLIAM H. SMALL, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
SMATHERS SYMINGTON & HERLONG, SUITE 400 1700 K ST., NW WASHINGTON DC 20006	AMERICAN HORSE COUNCIL	3,666.00	
Do	FLORIDA EAST COAST RAILWAY CO	750.00	
Do	NATIONAL HOCKEY LEAGUE	1,500.00	
Do	PENNZOIL CO	6,000.00	
Do	REPUBLIC OF SOUTH AFRICA	7,500.00	
SMC INTERNATIONAL, 1820 JEFFERSON PL., NW WASHINGTON DC 20036	GC SERVICES CORP	1,500.00	[illegible]
Do	PIEDMONT AIRLINES, INC	3,000.00	[illegible]
Do	SAFECARD SERVICES, INC	875.00	569.37
ELEANOR SMEAL & ASSOCIATES, 2401 VIRGINIA AVE., NW, #306 WASHINGTON DC 20037	NATIONAL ORGANIZATION FOR WOMEN		
ROBERT G. SMERKO, 1945 OLD GALLOWS ROAD, #405 VIENNA VA 22180	AMERICAN WOOD PRESERVERS INSTITUTE	2,078.00	99.00
DONALD E. SMILEY, 1899 L ST., NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
JAMES R. SMIRCINA, P.O. BOX 5000 CLEVELAND OH 44101	CLEVELAND ELECTRIC ILLUMINATING CO	799.28	752.00
CATHERINE S. SMITH, 1730 K ST., NW, #703 SUITE 209 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE, INC	124.51	25.00
DANIEL T. SMITH, P.O. BOX 660074 DALLAS TX 75266	INTERNATIONAL AIRLINE PASSENGERS ASSN, INC		
ELIZABETH M. SMITH, 815 16TH ST., NW, #310 WASHINGTON DC 20006	AMALGAMATED CLOTHING & TEXTILE WORKERS UNION	5,277.48	155.50
FREDERICK P. SMITH JR., 1575 EYE STREET, NW, #550 WASHINGTON DC 20005	INSTITUTE OF MAKERS OF EXPLOSIVES		
GORDON L. SMITH, 1201 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC (FOR: FLORISTS' TRANSWORLD DELIVERY ASSN)	2,500.00	
GRACE H. SMITH, 2000 M STREET, NW, #230 WASHINGTON DC 20036	TELOCATOR NETWORK OF AMERICA		
HUGH H. SMITH, 1020 19TH STREET, NW, #600 WASHINGTON DC 20036	AMERICAN EXPRESS CO		
JAMES A. SMITH, 1020 19TH ST., NW WASHINGTON DC 20036	U S WEST, INC	4,015.60	3,139.00
JAMES P. SMITH, 2000 L STREET, NW, #200 WASHINGTON DC 20036	HOSPITAL CORP OF AMERICA	285.00	
JEFFREY A. SMITH, 1600 WILSON BOULEVARD, #1000 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
JEFFREY A. SMITH, 919 18TH STREET, NW, #600 WASHINGTON DC 20006	TOYOTA MOTOR SALES, USA, INC	300.00	79.12
JENNIFER L. SMITH, 900 17TH STREET, NW, #520 WASHINGTON DC 20006	WEST MEXICO VEGETABLE DISTRIBUTORS ASSN	[illegible]	
JOSEPH M. SMITH, 1730 K ST., NW, #703 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE	50.77	25.00
JULIAN H. SMITH JR., 600 NORTH 18TH STREET BIRMINGHAM AL 35291	ALABAMA POWER CO	13,785.00	13,043.75
MICHAEL E. SMITH, 55 PUBLIC SQUARE, RM. 624 P.O. BOX 5000 CLEVELAND OH 44113	CLEVELAND ELECTRIC ILLUMINATING CO		
MICHAEL P. SMITH, 485 LEXINGTON AVE. NEW YORK NY 10017	NEW YORK STATE BANKERS ASSN	800.00	4,608.00
RONALD E. SMITH, 2501 M STREET, NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSN	5,000.00	[illegible]
SHALAH SMITH, 1130 17TH STREET, NW WASHINGTON DC 20036	NATIONAL COAL ASSN	[illegible]	395.60
SUSAN SNYDER SMITH, 7900 WESTPARK DRIVE, #514 MCLEAN VA 22102	CHOCOLATE MANUFACTURERS ASSN OF THE USA	750.00	508.93
WILLIAM C. SMITH, 1850 K STREET, NW, #1100 WASHINGTON DC 20006	BALLARD, SPAHR, ANDREWS & INGERSOLL		
WAYNE H. SMITHEY, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	14,024.00	980.30
FRANK B. SNODGRASS, 1100 17TH ST., NW, #306 WASHINGTON DC 20036	BURLEY & DARK LEAF TOBACCO EXPORT ASSN	1,158.18	
LARRY S. SNOWHITE, 1825 EYE ST., NW WASHINGTON DC 20006	ENVIRITE CORPORATION		
Do	GSX CORPORATION	8.75	
Do	LIBERTY MUTUAL INSURANCE CO	3,064.64	40.12
Do	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY & POPEO (FOR: LION LINES, LTD.)		
Do	MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO (FOR: MASS. CONSTRUCTION INDUS. COUNCIL TRUCK WEIGHT COMM).		
Do	MASSACHUSETTS COLLEGE STUDENT LOAN AUTHORITY	1,925.00	
Do	NEW ENGLAND EDUCATION LOAN MARKETING CORP	2,303.00	35.41
Do	MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO (FOR: SECURITIES INDUSTRY ASSN)		
DAVID F. SNYDER, 1000 NATIONWIDE DR. HARRISBURG PA 17105	NATIONWIDE INSURANCE COMPANIES	600.00	344.00
EDWARD F. SNYDER, 245 2ND ST., NE WASHINGTON DC 20002	FRIENDS COMMITTEE ON NATIONAL LEGISLATION	4,726.26	
J. R. SNYDER, 400 1ST ST., NW, #704 WASHINGTON DC 20001	UNITED TRANSPORTATION UNION		812.82
JOHN M. SNYDER, 600 PENNSYLVANIA AVE., S.E. SUITE 205 WASHINGTON DC 20003	CITIZENS COMM FOR THE RIGHT TO KEEP & BEAR ARMS	9,000.00	
SOCIETY FOR ANIMAL PROTECTIVE LEGISLATION, P.O. BOX 3719 GEORGETOWN STATION WASHINGTON DC 20007		15,101.52	51,699.30
MICHAEL D. SOLOMON, 1709 NEW YORK AVENUE, NW WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	1,050.00	
FREDERICK P. SOMERS, 1625 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AIR LINE PILOTS ASSN		
EDMUND T. SOMMER JR., 1627 K STREET, NW, #1200 WASHINGTON DC 20006	COUNCIL OF AMERICAN-FLAG SHIP OPERATORS	1,250.00	8.50
EDWARD J. SONDEY, 195 MONTAGUE STREET BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
CHARLES R. SONNIER, SONNIER & HEBERT P.O. DRAWER 1040 ABBEVILLE LA 70511	COUSHATTA TRIBE OF LOUISIANA		
SONOSKY CHAMBERS AND SACHSE, 1050 31ST ST., NW WASHINGTON DC 20007	ASSINIBOINE AND SIOUX TRIBES		
Do	MACKENZIE TURNIPSEED		
Do	MULTI-HOUSING LAUNDRY ASSOCIATION, INC		
Do	STANDING ROCK SIOUX TRIBE		
E. RICHARD SOPER, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
IAN D. SPATZ, 1785 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL TRUST FOR HISTORIC PRESERVATION	3,184.02	
JOHN F. SPEER JR., 888 16TH STREET, NW WASHINGTON DC 20006	MILK INDUSTRY FOUNDATION/INT'L ASSN OF ICE CREAM MFRS		
WILLIAM C. SPENCE, 3805 W. ALABAMA HOUSTON TX 77027	COLUMBIA GULF TRANSMISSION CO		
PHILIP SPESER, 2000 P ST., NW WASHINGTON DC 20036	FORESIGHT SCIENCE & TECHNOLOGY, INC (FOR: NATIONAL COALITION FOR SCIENCE & TECHNOLOGY).		
Do	FORESIGHT, INC (FOR: SOCIETY FOR AMERICAN ARCHAEOLOGY)	1,200.00	
JOANN SPEVACEK, 1500 PLANNING RESEARCH DRIVE MCLEAN VA 22102	PLANNING RESEARCH CORP		[illegible]
SPIEGEL & MCDIARMID, 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	NORTHERN CALIFORNIA POWER AGENCY, ET AL		
LARRY N. SPILLER, 1015 15TH ST., NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	900.00	
PETER A. SPINA, 150 EAST 42ND STREET NEW YORK NY 10017	MOBIL OIL CORP	900.00	
EARL C. SPURRIER, THE MADISON BUILDING, #514 1155 15TH STREET, NW WASHINGTON DC 20005	NATIONAL AGRICULTURAL CHEMICALS ASSN	90.00	
ELISABETH A. SQUEGLIA, BRICKER & ECKLER 888 11TH ST., NW WASHINGTON DC 20006	AMERICAN SMALL AND RURAL HOSPITAL ASSOCIATION, OHIO CHAPTER		
SQUIRE SANDERS & DEMPSEY, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	ALAMO CEMENT COMPANY, ET AL	1,463.75	18.75
Do	AMERICAN CHAMBER OF COMMERCE IN EUROPE & THE MEDITERRANEAN		
Do	AMERICAN CHAMBER OF COMMERCE IN ITALY, INC		
Do	AMERICAN CHAMBER OF COMMERCE IN GERMANY		
Do	AMERICAN SOC OF ANESTHESIOLOGISTS		155.00
Do	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS		
Do	INDEPENDENT DATA COMMUNICATIONS MANUFACTURERS ASSOCIATION		
Do	MICROBAND CORP OF AMERICA		
Do	NATIONAL COLLEGIATE ATHLETIC ASSN	636.25	19.00
Do	TYMNET, INC		
JOHN W. SROKA, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
CARL F. ST. CIN, 1101 17TH STREET, NW, #604 WASHINGTON DC 20036	MONSANTO CO		
ROBERT P. ST. LOUIS, SUITE 880 555 NEW JERSEY AVE., NW WASHINGTON DC 20001	CONGOLEUM CORPORATION	1,000.00	423.34
JANIS ST. MARIE, 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	SCHRAMM & RADDUE (FOR: H&W DRILLING, INC)		
CONNELL STAFFORD, P.O. DRAWER 1734 ATLANTA GA 30301	COCA-COLA COMPANY	[illegible]	1,178.19
DAVID E. STAHL, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	3,500.00	
MELVIN R. STAHL, SUITE 1410 1235 JEFFERSON DAVIS HWY. ARLINGTON VA 22202	MOTORCYCLE INDUSTRY COUNCIL, INC		
ELVIS J. STAHR JR., 1815 H STREET, NW, #600 WASHINGTON DC 20006	CASSIDY & ASSOCIATES, INC	1,250.00	12.00
Do	NATIONAL AUDUBON SOCIETY		
LYNN E. STALBAUM, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	2,610.00	107.12
TYRONE STALLWORTH, 220 NORTH DEVILLERS STREET PENSACOLA FL 32501			
STANDARD OIL CO (OHIO), MIDLAND BLDG. CLEVELAND OH 44115			24,072.24
DAVID P. STANG, P.C., SUITE 601 1629 K ST., NW WASHINGTON DC 20006	AMOCO CORP	214.60	
Do	COMMITTEE FOR CAPITAL FORMATION THROUGH DIV. REINVESTMENT	445.02	
Do	EMPLOYEE STOCK OWNERSHIP ASSN	139.28	
Do	NATIONAL ASSN OF ROYALTY OWNERS, INC	69.37	
Do	SMALL BUSINESS COUNCIL OF AMERICA, INC	55.18	
Do	ZOND SYSTEMS, INC	[illegible]	
MICHAEL J. STANTON, 1620 EYE STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC	1,650.00	
WALTER M. STARKE, P.O. BOX 2563 BIRMINGHAM AL 35202	SOUTHERN NATURAL GAS CO		
BETTE ANNE STARKEY, 1030 15TH STREET, NW, #1100 WASHINGTON DC 20005	HEALTH INDUSTRY MANUFACTURERS ASSN		
LOIS STARKEY, SUITE 511 1745 JEFFERSON DAVIS HWY. ARLINGTON VA 22202	MANUFACTURED HOUSING INST	900.00	100.00
RONALD W. STASCH, 205 E. 42ND STREET NEW YORK NY 10017	RISK & INSURANCE MANAGEMENT SOCIETY, INC		
FRANK M. STASZESKY JR., 1620 EYE ST., NW, #703 WASHINGTON DC 20006	BECHTEL POWER CORP		
DAVID MICHAEL STATON, 1615 H STREET, NW WASHINGTON DC 20062	CITIZEN'S CHOICE, INC	2,000.00	
CHARLES D. STATTON, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
STAUFFER CHEMICAL CO, NYALA FARM ROAD WESTPORT CT 06881			9,264.70
SAMUEL E. STAVISKY & ASSOCIATES, INC, 1725 DESALES STREET, NW, #804 WASHINGTON DC 20036	BROADCAST MUSIC, INC		
SAMUEL E. STAVISKY, 1725 DESALES STREET, NW, #804 WASHINGTON DC 20036	SAMUEL E. STAVISKY (FOR: SHERWIN-WILLIAMS CO)		
Do	TAFT STETTINIUS & HOLLISTER (FOR: SPECIAL COMM FOR WORKPLACE PRODUCT LIABILITY REFORM).		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: WALD MANUFACTURING CO, INC)	187.25	
JOHN HOWARD STECKER, 2020 LIVE OAK DALLAS TX 75221	GREAT AMERICAN RESERVE INSURANCE CO		
STEELE SIMMONS & FORNACIARI, 2020 K STREET, NW, #850 WASHINGTON DC 20006	K MART CORP	25,628.75	2,394.35
J. C. STEEN, 412 FIRST STREET, SE, #301 WASHINGTON DC 20003	MCDONNELL DOUGLAS CORP	500.00	210.44
Do	NORTHROP CORP	500.00	178.32
WILLIAM STEINBERG, 217 MGC - AMERICAN UNIVERSITY S.C. NEBRASKA & MASSACHUSETTS AVENUE, NW WASHINGTON DC 20016	AMERICAN UNIVERSITY STUDENT CONFEDERATION		
JACK L. STEMPLER, 1725 JEFFERSON DAVIS HIGHWAY, #900 ARLINGTON VA 22202	LTV AEROSPACE DEFENSE CO	2,500.00	75.00
STEPHENS OVERSEAS SERVICES, INC., 2121 K STREET, NW, #830 WASHINGTON DC 20037	NATIONAL OFFICE MACHINE DEALERS ASSN		
Do			
STEPHENS, INC, 2121 K ST., NW, #830 WASHINGTON DC 20037			
VICTOR STEPSAY, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INT'L ASSN	13,298.00	
STEPTOE & JOHNSON, CHTD, 1330 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASSOCIATION OF PRIVATE PENSION & WELFARE PLANS, INC	6,854.75	487.92

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	RULE OF LAW COMMITTE		
Do	TRAILWAYS, IANC.		
RICHARD W. STERNBERG, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	175.00	
MICHAEL E. STEWARD, 7957 REVENNA LANE SPRINGFIELD VA 22153	PUGET SOUND POWER & LIGHT CO.	5,024.00	[illegible]
EUGENE L. STEWART, 1001 CONNECTICUT AVE., NW, #910 WASHINGTON DC 20036	ROSES, INC.	450.00	302.24
H. DONALD STEWART, 188 W. MAIN STREET PENNS GROVE NJ 08069			
IMAGENE STEWART, 214 P STREET, NW WASHINGTON DC 20001	AMERICAN WOMEN'S CLERGY ASSN		
S. LYNN STEWART, 3 EMBARCADERO CENTER SAN FRANCISCO CA 94111	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR: AMFAC, INC)		
Do	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR: CASTLE & COOKE, INC)		
Do	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR: ROHR INDUSTRIES)		
WALTER J. STEWART, SUITE 700 1100 15TH ST., NW WASHINGTON DC 20005	SONAT, INC		
WARREN E. STICKLE, SUITE 1120 1001 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CHEMICAL SPECIALTIES MFGRS ASSN	830.47	77.30
STEPHEN W. STILL, 1100 15TH STREET, NW, #700 WASHINGTON DC 20005	SONAT, INC		
DON STILLMAN, 1757 N STREET, NW WASHINGTON DC 20036	INT'L UNION, UNITED AUTO AEROSPACE & AGRIC IMPLEMENT WORKERS	1,496.65	15.00
EDWARD W. STIMPSON, SUITE 801 1400 K ST., NW WASHINGTON DC 20005	GENERAL AVIATION MANUFACTURERS ASSOCIATION	3,065.00	
JOHN J. STIRK, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS	1,000.00	750.17
JOHN J. STOCKER, 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	SHIPBUILDERS COUNCIL OF AMERICA	17,000.00	
STOCKHOLDERS OF AMERICA, INC., 1625 EYE ST., N.W. # 724A WASHINGTON DC 20006		9,495.00	[illegible]
STEVEN F. STOCKMEYER, 1800 M ST., NW, #950 NORTH WASHINGTON DC 20036	ALLNET COMMUNICATIONS SERVICES, INC		
Do	JACK MCDONALD CO (FOR: COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY).	1,200.00	
Do	JACK MCDONALD CO (FOR: FIBER FABRIC & APPAREL COALITION FOR TRADE)	2,250.00	
Do	MANVILLE CORP	1,875.00	
Do	VERNER LIIPFERT BERNHARD... (FOR NORFOLK SOUTHERN)	3,570.00	
DENNIS C. STOLTE, 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FED	4,937.49	112.83
JANE S. STONE, 1719 ROUTE 10 PARSIPPANY NJ 07054	NATIONAL ASSN OF MANUFACTURERS	500.00	
JAY STONE, JAY STONE AND ASSOCIATES, INC 412 FIRST STREET, SE, #50 WASHINGTON DC 20003	MASSACHUSETTS MUTUAL LIFE INSURANCE CO	2,000.00	
Do	MELAMINE CHEMICALS, INC	2,000.00	
WILLIAM STONE, 4301 MASSACHUSETTS AVENUE, NW, #4012 WASHINGTON DC 20016	AMERICAN UNIVERSITY STUDENT CONFEDERATION		
FLOYD E. STONER, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,000.00	
STEPHEN STORCH, 1800 K STREET, NW, #1100 WASHINGTON DC 20006	NEW YORK STOCK EXCHANGE, INC		
WILLIAM M. STOVER, 2501 M ST., NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC	1,000.00	
PAUL STRAUSS, 4301 MASSACHUSETTS AVENUE, NW, #4012 WASHINGTON DC 20016	AMERICAN UNIVERSITY STUDENT CONFEDERATION		
ROGER J. STROH, 727 N. WASHINGTON STREET ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN		
GEORGE W. STRONG, 2242 BARTLETT HOUSTON TX 77098	HOUSTON NATURAL GAS CORP		
STROOCK & STROOCK & LAVAN, 1150 17TH ST., NW WASHINGTON DC 20036	AMERICAN RED CROSS RETIREMENT SYSTEM		
Do	AMERICAN TRUCKING ASSNS, INC		
Do	CITY OF TUCSON	2,882.00	77.00
Do	DREYFUS CORPORATION		
Do	DREYFUS DOLLAR FUND		
Do	J. ARON & CO, INC		
GEORGE STRUMPF, 624 9TH ST., NW, 7TH FL. WASHINGTON DC 20001	GROUP HEALTH ASSOCIATION OF AMERICA, INC		
DOROTHY E. STUCKE, 1004 DUKE STREET ALEXANDRIA VA 22314	AMERICAN SUBCONSTRACTORS ASSN		
WALTER B. STULTS, 1156 15TH STREET, NW, #1101 WASHINGTON DC 20005	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	4,000.00	
EUGENE F. STURGEON, 182 CRATER LANE KENSINGTON CT 06037	NORTHEAST UTILITIES SERVICE CO	1,991.97	1,183.82
SULLIVAN & CROMWELL, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AMERICAN INTERNATIONAL GROUP, INC		
Do	BP NORTH AMERICA, INC		
Do	ESSELTE BUSINESS SYSTEMS, INC	175.00	282.70
Do	GOLDMAN SACHS & CO.		
Do	GRAND MET USA, INC		
Do	KIDDER PEABODY & CO, INC		
Do	SECURITIES INDUSTRY ASSN		
AUSTIN P. SULLIVAN JR., P.O. BOX 1113 MINNEAPOLIS MN 55440	GENERAL MILLS, INC		
BONNIE A. SULLIVAN, 725 15TH STREET, NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN	30.00	
GAEL M. SULLIVAN, SUITE 1004 1155 15TH STREET, NW WASHINGTON DC 20005	LTV CORPORATION	2,344.00	640.00
HAROLD R. SULLIVAN, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	750.00	
JOHN H. SULLIVAN, 2924 COLUMBIA PIKE ARLINGTON VA 22204	DEVELOPMENT ASSOCIATES, INC (FOR: GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA).	132.35	10.00
JUDY M. SULLIVAN, 1120 20TH STREET, NW, #700 WASHINGTON DC 20036	WILLIAMS COMPANIES		
MARGARET COX SULLIVAN, 1625 EYE ST., N.W. # 724A WASHINGTON DC 20006	STOCKHOLDERS OF AMERICA, INC		
PATRICK J. SULLIVAN, 815 SIXTEENTH STREET, N.W. WASHINGTON DC 20006	INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO	9,529.25	[illegible]
FERN SUMMER, P.O. BOX 17402 DULLES INT'L AIRPORT WASHINGTON DC 20041	WATER & WASTEWATER EQUIPMENT MANUFACTURERS ASSN, INC		
JOHN B. SUMMERS, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	498.88
IRIS SUNSHINE, 1710 BROADWAY NEW YORK NY 10019	INTERNATIONAL LADIES GARMENT WORKERS UNION	5,124.99	181.15
SURREY & MORSE, 1250 EYE STREET, NW WASHINGTON DC 20005	ALLNET COMMUNICATIONS SERVICES, INC	7,042.50	181.33
Do	EMBASSY OF THE PEOPLE'S REPUBLIC OF CHINA		15.00
Do	MORGAN GRENFELL & CO, LTD, ET AL	5,130.00	35.00
Do	WESTINGHOUSE ELECTRIC CORP		
SUTHERLAND ASBILL & BRENNAN, 1666 K STREET, NW, #800 WASHINGTON DC 20006	AMERICAN INDUSTRIAL CLAY & GEORGIA KAOLIN	11.66	1.84
Do	ANGLO-AMERICAN CLAYS CORP	11.66	1.84
Do	ASSOCIATION OF BUSINESSES ADVOCATING TARIFF EQUITY		
Do	BANKING ISSUES GROUP		84.03
Do	CAPITAL HOLDING CORP		456.65
Do	COMMITTEE AGAINST REVISING STAGGERS		
Do	COUNCIL OF INDUSTRIAL BOILER OWNERS		
Do	CREDIT UNION NATL ASSN, INC		
Do	ENGELHARD MINERALS & CHEMICALS CORP	11.66	1.84
Do	EQUIFAX, INC	5,170.50	256.71
Do	HOWARD ROSE COMPANY	1,000.00	80.00
Do	INDUSTRIAL OIL CONSUMERS GROUP		
Do	J. M. HUBER CORP	11.66	1.84
Do	MUTUAL OF OMAHA INSURANCE CO		
Do	NATIONAL HOME LIFE ASSURANCE COMPANY	2,496.75	210.66
Do	NORD RESOURCES CORP	11.66	1.84
Do	SOUTHEAST COMPACT COMMISSION		200.74
Do	STATE OF NEVADA		200.74
Do	STATE OF WASHINGTON		200.74
Do	THIELE KAOLIN CO	11.66	1.84
WILLIAM F. SUTHERLAND, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	150.00	
W. THOMAS SUTTLE, 1755 WILLARD ST., NW, #4 WASHINGTON DC 20009	INSTITUTE OF ELECTRICAL & ELECTRONICS ENGINEERS	2,566.00	680.00
WILLIAM W. SUTTLE, 1025 CONNECTICUT AVE., NW SUITE 415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
IRVING W. SWANSON, 11212 FARMLAND DRIVE ROCKVILLE MD 20852	HARRIS CORPORATION	17,200.00	1,892.09
DAVID A. SWEENEY, 25 LOUISIANA AVE., NW WASHINGTON DC 20001	INTERNATIONAL BROTHERHOOD OF TEAMSTERS	18,142.20	
SWIDLER BERLIN & STRELOW, CHTD, 1000 THOMAS JEFFERSON ST., NW #500 WASHINGTON DC 20007	AIRCO, INC		
Do	LUCASFILM, LTD		
Do	MD PEOPLE'S COUNSEL (NATL ASSN OF STATE UTIL CONSUMER ADVO)		
Do	NATIONAL COUNCIL OF COMMUNITY HOSPITALS	3,798.00	
Do	NATIONAL SHORTHAND REPORTERS ASSN		
TRICIA L. SWIFT, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	1,200.00	
RUSSELL A. SWINDELL, P.O. BOX 2635 RALEIGH NC 27602	NORTH CAROLINA RAILROAD ASSOCIATION		
RANDALL SWISHER, 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	2,500.00	
DAVID A. SYKUTA, ILLINOIS PETROLEUM COUNCIL P.O. BOX 5034 SPRINGFIELD IL 62705	AMERICAN PETROLEUM INST		
CHRISTOPHER U. SYLVESTER, 1831 BRIAR RIDGE COURT MCLEAN VA 22101	GARRISON DIVERSION CONSERVANCY DISTRICT	6,000.00	464.03
MERRIBEL SYMINGTON, SUITE 540 1875 EYE STREET, NW WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORPORATION		
SYSTEMATICS, INC, 4001 RODNEY PARHAM ROAD LITTLE ROCK AR 72212			
ROBERT TAFT JR., 1620 EYE ST., NW, #800 WASHINGTON DC 20006	TAFT, STETTINIUS & HOLLISTER (FOR: GROCERY MANUFACTURERS OF AMERICA, INC.).		
Do	TAFT STETTINIUS & HOLLISTER (FOR: INMONT CORP)		
Do	TAFT STETTINIUS & HOLLISTER (FOR: JAMES GRAHAM BROWN FOUNDATION)		
Do	TAFT STETTINIUS & HOLLISTER (FOR: KINGS ENTERTAINMENT CO)	[illegible]	
Do	TAFT, STETTINIUS & HOLLISTER (FOR: MACHINERY DEALERS NATIONAL ASSOCIATION).		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: RCA GLOBAL COMMUNICATIONS, INC)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	TAFT, STETTINIUS & HOLLISTER (FOR: SHERWIN-WILLIAMS CO)		34.04
Do	TAFT, STETTINIUS & HOLLISTER (FOR: SPECIAL COMM FOR WORKPLACE PRODUCT LIABILITY REFORM).	100.00	
Do	TAFT, STETTINIUS & HOLLISTER (FOR: TAFT BROADCASTING COMPANY)	2,000.00	
Do	TAFT, STETTINIUS & HOLLISTER (FOR: TELEPHONE & DATA SYSTEMS, INC.)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: WALD MANUFACTURING CO, INC)		
TAGGART & ASSOCIATES, INC, 1015 15TH STREET, NW, #200 WASHINGTON DC 20005	ANIMAL HEALTH INSTITUTE		
Do	MARION LABORATORIES, INC		
Do	TELEPHONE & DATA SYSTEMS, INC		
WALTER G. TALAREK, SUITE 405 1945 GALLOWS RD. VIENNA VA 22180	AMERICAN WOOD PRESERVERS INSTITUTE		
TALCOTT MCCABE & ASSOCIATES, SUITE 302, WEST WING 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	HOLIDAY INNS, INC	1,850.00	
Do	NATIONAL ASSN OF HOMES FOR CHILDREN	2,400.00	
Do	SERVICEMASTER INDUSTRIES, INC	650.00	
TANAKA WALDERS & RITGER, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ELECTRONIC INDUSTRIES ASSN OF JAPAN		
Do	JAPAN AUTOMOBILE TIRE MFGRS ASSN		
SUSAN TANNENBAUM, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	5,281.26	105.85
AUGUSTINE D. TANTILLO, 1726 M STREET, NW WASHINGTON DC 20036	RUSSELL CORP	3,500.00	1,656.00
TARGET, INC., 13924 BRADDOCK RD. P.O. BOX 881 CENTREVILLE VA 22020			10,500.00
JOHN F. TATE, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	1,200.00	
M. LOUISE TATE, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	900.00	
SUSAN TATUM, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	1,000.00	
GRACA DA SILVA TAVARES, 17 PERKINS STREET WEST NEWTON MA 02165			
TAYLOR & MIZELL, 3000 LINCOLN PL., LB5 DALLAS TX 75201			
CHARLES A. TAYLOR III, 499 SOUTH CAPITOL ST., SW, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	1,000.00	
CHARLES E. TAYLOR, 1801 K STREET, NW, #1200 WASHINGTON DC 20006	IBM CORPORATION	1,000.00	500.00
MARGIE A. TAYLOR, P.O. BOX 21 MONTGOMERY AL 36101	ALABAMA RAILROAD ASSN		
PEGGY TAYLOR, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	15,019.03	437.31
R. WILLIAM TAYLOR, 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN SOC OF ASSN EXECUTIVES	200.00	
ROBERT C. TAYLOR, 3000 LINCOLN PLAZA, LB-5 DALLAS TX 75201	TAYLOR & MIZELL		
WILLIAM S. TAYLOR, 239 W. NEW YORK AVENUE LAS VEGAS NV 89107			
ELAYNE L. TEMPEL, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
NORMAN J. TEMPLE, 155 DRESDEN AVENUE GARDINER ME 04345	MAINE YANKEE - CENTRAL MAINE POWER CO.	1,320.00	1,446.84
PAUL M. TENDLER, 1110 VERMONT AVENUE, NW, #840 WASHINGTON DC 20005	TENDLER & BIGGINS (FOR: ADVANCED CELLULAR PHONE CO)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: AMERICAN LICENSED PRACTICAL NURSES ASSN).		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: BASCOM, INC.)		
Do	TENDLER & BIGGINS (FOR: GEODESCO)		
Do	TENDLER & BIGGINS (FOR: MAI BASIC FOUR, INC)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: NATIONAL INSTITUTE OF TENANTS)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: RASCH ELEKTRONIK)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: SCHOENEMAN, INC)		
Do	TENDLER & BIGGINS (FOR: SOLARGISTICS CORP)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: SOUTHEASTERN EXPORTERS)		
BETTY-GRACE TERPSTRA, 918 16TH ST., NW, #402 WASHINGTON DC 20006	AMERICAN FURNITURE MANUFACTURERS ASSN		
Do	SCOTT PAPER CO		
MICHELLE C. TESSIER, 1818 N STREET, NW, #410 WASHINGTON DC 20036	NATIONAL ASSN OF PUBLIC TELEVISION STATIONS	800.00	150.00
TEXANS FOR A RESPONSIBLE AMERICA, 1300 MAIN STREET, #2100 HOUSTON TX 77002		31,292.34	22,486.11
TEXTRON, INC, 40 WESTMINSTER ST. PROVIDENCE RI 02903		2,850.00	580.00
THACHER PROFFITT & WOOD, SUITE 512 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMOSKEAG SAVINGS BANK	331.20	57.00
Do	BANK OF VERMONT	331.20	57.00
Do	FAMILY-BACKED MORTGAGE ASSN, INC	2,024.54	226.00
Do	MAINE SAVINGS BANK	331.20	57.00
Do	MUTUAL SAVINGS CENTRAL FUND, INC	1,388.89	226.00
Do	NEW HAMPSHIRE SAVINGS BANK	331.20	57.00
Do	SALOMON BROTHERS, INC	10,442.50	226.50
Do	SAVINGS BANKS ASSN OF MASSACHUSETTS	385.77	226.00
MARY KAY THATCHER, 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FED	4,374.99	308.39
KAREN E. THEIBERT, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	200.00	
BRUCE D. THEVENOT, 1155 15TH ST., NW, #424 WASHINGTON DC 20005	CASSON CALLIGARO & MUTRYN (FOR HUMANA, INC)	3,000.00	
Do	NATIONAL FED OF LICENSED PRACTICAL NURSES	5,000.00	
Do	OKLAHOMA STATE NURSING HOME ASSN	4,740.00	
ALAN J. THIEMANN, 1199 N. FAIRFAX STREET, #801 ALEXANDRIA VA 22314	NATIONAL ASSN OF TRUCK STOP OPERATORS		
THIRD CLASS MAIL ASSOCIATION, 1341 G ST., NW, #500 WASHINGTON DC 20005		500.00	600.00
EDLU J. THOM, 919 18TH STREET, NW, #400 WASHINGTON DC 20006	DIAMOND SHAMROCK CORP		
DIANE KAY THOMAS, 2727 29TH ST., NW, #634 WASHINGTON DC 20008	AMERICAN ASSN OF MINORITY ENTERPRISE SMALL BUS. INVEST COS	3,665.00	
DORIS I. THOMAS, 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
GORDON M. THOMAS, 1090 VERMONT AVENUE, NW, #1100 WASHINGTON DC 20005	TEXTRON, INC	600.00	150.00
JAMES M. THOMAS JR., 100 INDIANA AVENUE, NW, #403 WASHINGTON DC 20001	AMALGAMATED TRANSIT UNION, NATL CAP LOCAL 689		
JOHN W. THOMAS, 119 ORONOCO STREET BOX 1417-D50 ALEXANDRIA VA 22313	ANIMAL HEALTH INSTITUTE		
MESHALL THOMAS, SUITE 400 2000 P STREET, NW WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND		
PATRICIA THOMAS, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	9,448.40	
ROBERT L. THOMAS, 1319 F ST., NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS	75.00	
THOMAS E. THOMASON, 1620 EYE STREET, NW, #703 WASHINGTON DC 20006	BECHTEL POWER CORP		
THOMPSON & MITCHELL, 1120 VERMONT AVENUE, NW, #1000 WASHINGTON DC 20005	AMERICAN INLAND WATERWAYS COMMITTEE	475.00	
Do	COLD FINISHED STEEL BAR INSTITUTE		76.53
Do	CONTACT LENS MANUFACTURERS ASSN	810.00	
Do	CROWN LIFE INSURANCE CO	5,000.00	4,091.13
Do	MIDLAND ENTERPRISES, INC		
Do	VALLEY LINE COMPANY		
BOYD THOMPSON, SUITE 210 5410 GROSVENOR LANE BETHESDA MD 20814	AMERICAN MEDICAL CARE & REVIEW ASSN		
THOMPSON HINE & FLORY, 1920 N ST., NW, #700 WASHINGTON DC 20036	ALLTEL CORPORATION	1,077.00	
Do	GREAT WESTERN SUGAR CO.		
JAMES P. THOMPSON JR., 1957 E STREET, N.W. WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
KENNETH W. THOMPSON, 2021 K STREET, NW, #300 WASHINGTON DC 20006	INTERSTATE NATURAL GAS ASSOCIATION OF AMERICA		
MICHAEL F. THOMPSON, 1745 JEFFERSON DAVIS HIGHWAY, #511 ARLINGTON VA 22202	MANUFACTURED HOUSING INSTITUTE	700.00	100.00
NANCY THOMPSON, 1600 EYE STREET, NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC		
ROBERT L. THOMPSON JR., P.O. BOX 70 FORT MILL SC 29715	SPRINGS INDUSTRIES, INC		10,972.35
W. REID THOMPSON, 1900 PENNSYLVANIA AVE., NW WASHINGTON DC 20068	POTOMAC ELECTRIC POWER CO	55.64	
JOHN A. THORNER, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN		
WILLIAM R. THORNHILL, P.O. BOX 2511 HOUSTON TX 77001	TENNESSEE GAS PIPELINE CO	78.84	77.00
MARGO THORNING, 1850 K ST., NW, #520 WASHINGTON DC 20006	AMERICAN COUNCIL FOR CAPITAL FORMATION	300.00	
WALTER L. THREADGILL, 1220 19TH STREET, NW WASHINGTON DC 20036	STORER COMMUNICATIONS, INC	200.00	
SAMUEL THURM, 1725 K ST., NW WASHINGTON DC 20006	ASSOCIATION OF NATL ADVERTISERS		
WALLACE TILLMAN, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	148.00	
MARTIN R. TILSON JR., PO BOX 2563 BIRMINGHAM AL 35202	SOUTHERN NATURAL GAS CO	46.82	12.36
PATTI A. TILSON, SUITE 520 900 17TH STREET, NW WASHINGTON DC 20006	TOYOTA MOTOR SALES, U.S.A., INC	500.00	
C. H. TIMBERLAKE, 1825 K ST., NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY	875.00	254.82
TIMMONS & CO, INC, 1850 K ST., NW, #850 WASHINGTON DC 20006	AMERICAN BROADCASTING CO, INC	1,377.50	
Do	AMERICAN INLAND WATERWAYS COMMITTEE	1,425.00	
Do	AMERICAN PETROLEUM INST	1,050.00	
Do	AMOCO CORP	850.00	
Do	ANHEUSER-BUSCH COMPANIES, INC	887.50	
Do	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	97.50	
Do	BOEING COMPANY	900.00	
Do	BROWN GROUP, INC	1,200.00	
Do	CAPITAL MARKETS GROUP	1,450.00	
Do	CHRYSLER CORPORATION	1,045.00	
Do	EASTERN AIR LINES, INC	1,105.00	
Do	G. D. SEARLE & CO		
Do	H. J. HEINZ CO	330.00	
Do	MAJOR LEAGUE BASEBALL	2,500.00	710.50
Do	MIDDLE SOUTH SERVICES, INC	500.00	
Do	MORGAN STANLEY & CO, INC	1,451.25	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	NATIONAL RIFLE ASSN OF AMER	[illegible]	
Do	NORTHROP CORP	1,050.00	
WILLIAM C. TINKLEPAUGH, 888 16TH STREET, NW WASHINGTON DC 20006	MILK INDUSTRY FOUNDATION/INT'L ASSN OF ICE CREAM MFRS		
CONSTANCE D. TIPTON, 888 16TH STREET, NW WASHINGTON DC 20006	MILK IND FOUNDATION/INTL ASSN OF ICE CREAM MFRS		603.00
E. LINWOOD TIPTON, 888 16TH ST., NW WASHINGTON DC 20006	MILK IND FOUNDATION/INTL ASSN OF ICE CREAM MFRS		628.00
EBEN S. TISDALE, 1550 WILSON BLVD., #600 ARLINGTON VA 22209	HEWLETT-PACKARD CO	3,000.00	874.31
TITLE ASSOCIATES, INC., RT 2, BOX 89 COLUMBIA TN 38401			4,137.61
TOBACCO ASSOCIATES, INC, SUITE 912 1101 17TH ST., NW WASHINGTON DC 20036			
JAMES R. TOBIN, MACK CENTRE DR. PARAMUS NJ 07652	BECTON, DICKINSON & CO	2,000.00	
M. DOUGLAS TODD, SUITE 2300 1000 WILSON BOULEVARD ARLINGTON VA 22209	NORTHROP CORP		
DAVID R. TOLL, 2121 K STREET, NW, #880 WASHINGTON DC 20037	WESTERN UTILITIES CLEAN AIR GROUP		
WILLIAM R. TOLLEY JR., PO BOX 37 MELBOURNE FL 32919	HARRIS CORPORATION		621.66
SALLY AUSTEN TOM, SUITE 1120 1522 K STREET, NW WASHINGTON DC 20005	AMERICAN COLLEGE OF NURSE-MIDWIVES		
EDWARD TONAT, 6723 BRIGADOON DRIVE BETHESDA MD 20817	ROBERT GOFF & ASSOCIATES, INC		
WILLIAM D. TOOHEY, 1899 L ST., NW, #600 WASHINGTON DC 20036	TRAVEL INDUSTRY ASSOCIATION OF AMERICA		
PETER W. TOOKER, 1920 N STREET, NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
JOHN G. TOTH, 2408 WANDA WAY RESTON VA 22091	RESTON ADVISER COMMITTEE		
GILBERT D. TOUGH, 70 NORTH MAIN ST. WILKES-BARRE PA 18711	BLUE CROSS OF N.E. PENNSYLVANIA		
WANDA TOWNSEND, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	[illegible]	
JOSEPH P. TRAINOR, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	[illegible]	[illegible]
JEFFREY B. TRAMMELL, 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: [illegible] INDUSTRIES, INC.)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BUDD COMPANY)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CHICAGO TITLE INSURANCE CO).	115.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FIRST AMERICAN TITLE INSURANCE CO).	[illegible]	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS).	[illegible]	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LAWYERS TITLE INSURANCE CO).	115.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MIAMI CHAMBER OF COMMERCE).	[illegible]	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MOTOROLA, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MUTUAL OF OMAHA)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	[illegible]	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SAFECO TITLE INSURANCE CO).	115.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SANTA FE CORP)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SHAKLEE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STEWART TITLE GUARANTY CO).	115.00	
HUBERT TRAVAILLE, SUITE 510 1090 VERMONT AVE., NW WASHINGTON DC 20005	POTLATCH CORPORATION	1,500.00	107.90
TRAVEL & TOURISM GOVERNMENT AFFAIRS POLICY COUNCIL, SUITE 607 1899 L STREET, NW WASHINGTON DC 20036		1,885.00	1,885.00
TRAVEL INDUSTRY ASSOCIATION OF AMERICA, 1899 L ST., NW WASHINGTON DC 20036			
ERNEST B. TREMMEL, INC., 5908 ROSSMORE DRIVE BETHESDA MD 20014	BURNS & ROE, INC		
SALLY A. TRIPLETT, 1725 DESALES STREET, NW, #804 WASHINGTON DC 20036	SAMUEL E. STAVISKY & ASSOCIATES, INC (FOR: BROADCAST MUSIC INC. (BMI))		
EUGENE M. TRISKO, 9817 ROSENSTEEL AVENUE SILVER SPRING MD 20910	STERN BROS., INC		
VINCENT TRIVELLI, 815 16TH STREET, NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	10,992.80	52.16
MICHAEL G. TROOP, 1709 NEW YORK AVENUE, NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	[illegible]	12.50
ROBERT C. TROUP, 730 SMITH RIDGE RD. NEW CANAAN CT 06840			
GEORGE G. TROUTMAN, SUITE 1100 1090 VERMONT AVE., NW WASHINGTON DC 20005	BELL HELICOPTER TEXTRON, INC	150.00	
ALEXANDER B. TROWBRIDGE, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	1,250.00	
THOMAS TRUAX, 1200 15TH ST., NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	1,300.00	
THOMAS L. TRUEBLOOD, 401 NORTH MICHIGAN AVE. CHICAGO IL 60611	INTERNATIONAL HARVESTER CO		949.16
TRUST FOR PUBLIC LAND, 82 SECOND ST. SAN FRANCISCO CA 94105			8,957.00
MOTOYUKI TSUTSUI, 919 18TH STREET, NW, #600 WASHINGTON DC 20006	TOYOTA MOTOR SALES U.S.A. INC		
ANH TU, SUITE 860 1029 VERMONT AVE., NW WASHINGTON DC 20005	PROJECT ADVISORY GROUP	360.71	46.50
TUCKER & VAUGHT, WESTERN FEDERAL SAVINGS BLDG., #1330 718 17TH ST. DENVER CO 80202	THE MANVILLE CORPORATION	[illegible]	
SHANNON B. TUEL, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
B. ELIZABETH TUNNEY, 124 SALEM CHURCH ROAD MECHANICSBURG PA 17055	RETAIL, WHOLESALE & DEPT STORE UNION (INT'L), ET AL	7,380.00	1,325.05
BRIAN TURNER, 815 16TH STREET, NW WASHINGTON DC 20006	INDUSTRIAL UNION DEPARTMENT, AFL-CIO	7,218.25	135.50
JANE L. TURNER, 1920 N STREET, NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
WILLIAM W. TURNER, 1025 CONNECTICUT AVE., NW, #1014 WASHINGTON DC 20036	ENSERCH CORPORATION	[illegible]	2,538.33
RICHARD F. TURNEY, 1725 K ST., NW WASHINGTON DC 20006	COURTNEY, MCCAMANT & TURNEY	[illegible]	
MAX TURNIPSEED, 1155 15TH STREET, NW, #611 WASHINGTON DC 20005	ETHYL CORP	[illegible]	115.13
W. GLENN TUSSEY, 600 MARYLAND AVE., SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FED	8,124.99	73.40
TWENTIETH CENTURY ENTERPRISES, 3615 WISCONSIN AVENUE, NW WASHINGTON DC 20016		1,996.24	2,702.02
U.S. CANE SUGAR REFINERS' ASSN, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036			
U.S. COMMITTEE FOR THE OCEANS, ROUTE 2 ARARAT VA 24053		9,907.23	9,907.23
U.S. DEFENSE COMMITTEE, 3238 WYNFORD DRIVE FAIRFAX VA 22031			120,530.30
U.S. LEAGUE OF SAVINGS INSTITUTIONS, 111 E. WACKER DR. CHICAGO IL 60601		2,266.11	2,101.36
U.S. OUT OF CENTRAL AMERICA, P.O. BOX 42404 WASHINGTON DC 20015		32,924.10	51,892.26
U.S. PUBLIC INTEREST RESEARCH GROUP, 215 PENNSYLVANIA AVENUE WASHINGTON DC 20003			
GILMAN UDELL, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF FIRE FIGHTERS	4,500.00	
JERRY G. UDELL, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	[illegible]	33.50
KENJI UEMO, 919 18TH STREET, NW, #600 WASHINGTON DC 20006	TOYOTA MOTOR SALES, U.S.A., INC		
PHILIP J. UFHOLZ, 1025 CONNECTICUT AVENUE, NW, #1010 WASHINGTON DC 20036	METROPOLITAN INSURANCE COS	[illegible]	
ROBERT D. UMPHREY JR., 1150 17TH STREET, NW WASHINGTON DC 20036	MAN-MADE FIBER PRODUCERS ASSN, INC	[illegible]	159.24
MANYA S. UNGAR, 10 BRANDYWINE COURT SCOTCH PLAINS NJ 07076	NATIONAL CONGRESS OF PARENTS & TEACHERS	161.14	887.75
STEVEN W. UNGLESBEE, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
UNIFI, INC., P.O. BOX 19109 GREENSBORO NC 27419			450.36
UNION MUTUAL LIFE INSURANCE CO, 2211 CONGRESS ST. PORTLAND ME 04122			
UNIQUE ATHLETES, INC, 3 WOODLAND AVENUE WESTHAMPTON BEACH NY 11978			37,565.48
UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA, 101 CONSTITUTION AVE., NW WASHINGTON DC 20001		4,216.00	1,156.59
UNITED FRESH FRUIT & VEGETABLE ASSN, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314			
UNITED GAS PIPE LINE CO, PO BOX 1478 HOUSTON TX 77001			
UNITED IRISH & AMERICAN SOCIETY OF ILLINOIS, BOX 219 3400 W. 111TH STREET CHICAGO IL 60655			
UNITED SERVICES AUTOMOBILE ASSOCIATION, 9800 FREDERICKSBURG ROAD SAN ANTONIO TX 78288			
UNITED WAY OF INDIANAPOLIS, COMMUNITY SERVICE COUNCIL OF METRO INDIANAPOLIS 1828 N. MERIDIAN STREET INDIANAPOLIS IN 46202.			
LLOYD N. UNSELL, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		53.00
A. RUSSELL UPSHAW JR., 1030 15TH STREET, NW WASHINGTON DC 20005	EASTERN AIRLINES		[illegible]
MARIAN S. URNIKIS, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,050.00	
UTILITY NUCLEAR WASTE MANAGEMENT GROUP, C/O EDISON ELECTRIC INSTITUTE 1111 19TH ST., NW WASHINGTON DC 20036.			
RONALD D. UTT, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		263.13
MARY UYEDA, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	2,018.00	166.35
ANTHONY VALANZANO, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	2,400.00	
MATHEW VALENCIC, 201 MASSACHUSETTS AVE., NE SUITE 319 WASHINGTON DC 20002	[illegible], INC		
JACK J. VALENTI, 1600 EYE ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC	450.00	
R. THOMAS VAN ARSDALL, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	962.50	
RICHARD VAN DEUREN, 111 E. WISCONSIN AVENUE, NW, #1800 MILWAUKEE WI 53202	NATIONAL EMPLOYEE BENEFITS INST		199.62
JULIANE H. VAN EGMOND, SUITE 220 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN CYANAMID CO	1,267.20	[illegible]
VAN FLEET ASSOCIATES, INC, SUITE 102 499 SOUTH CAPITOL ST., SW WASHINGTON DC 20003	CADILLAC GAGE	11,250.00	
Do	FORD AEROSPACE & COMMUNICATIONS CORP	3,300.00	
Do	MARCONI ELECTRONICS	5,050.00	
C. D. VAN HOUWELING, 1015 15TH ST., NW, #200 WASHINGTON DC 20005	NATIONAL PORK PRODUCERS COUNCIL		
NICK L. VAN NELSON, SUITE 540 1875 EYE STREET, NW WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORPORATION		
VAN NESS FELDMAN SUTCLIFFE & CURTIS, P.C., 7TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	ALLIED-GENERAL NUCLEAR SERVICES		
Do	AMERICAN INST OF CERTIFIED PUBLIC ACCOUNTANTS	2,502.50	11.50

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	AMERICAN PRESIDENT LINES	[illegible]	
Do	ARCTIC SLOPE REGIONAL CORP		
Do	BRAE CORPORATION		
Do	CASTLE & COOKE, INC		
Do	CLEAN COAL TECHNOLOGY COALITION		
Do	COLUMBIA GAS SYSTEM SERVICE CORP		
Do	CONSUMERS UNITED FOR RAIL EQUITY (C.U.R.E.)	7,945.00	[illegible]
Do	HAWAIIAN ELECTRIC COMPANY, INC	2,292.50	[illegible]
Do	INTERNATIONAL LEISURE HOSTS, LTD		
Do	JACOBS ENGINEERING GROUP, INC		
Do	NATOMAS CO	1,242.50	
Do	NORTHWEST POWER CO	682.50	
Do	PEABODY HOLDING CO, INC		
Do	REPUBLIC GEOTHERMAL, INC		
Do	REPUBLIC OF PALAU	542.50	
Do	STATE OF ALASKA		
Do	TEXAS AIR CORP	2,117.50	
Do	UNION CARBIDE CORP		
DEBRA J. VANDERBEEK, 1575 EYE STREET, NW, #200 WASHINGTON DC 20005	AMERICAN CYANAMID CO	76.00	[illegible]
THERESA VARNER, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	[illegible]	
JENNIFER VASILOFF, 1730 M STREET, NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S.	2,672.09	47.46
ROBYN E. VAUGHAN, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
JOHN P. VENNERS, 1899 L ST., NW, #1250 WASHINGTON DC 20036	VENNERS & CO (FOR: KOCH INDUSTRIES)		
VENTURE ENTREPRENEURS, INC., 1201 SAN MARCO BLVD., #204 JACKSONVILLE FL 32207			
STEPHEN J. VERDIER, 1625 MASSACHUSETTS AVENUE, NW, #202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSN OF AMERICA	14,075.00	1,803.70
JERRY T. VERKLER, 1660 L STREET, NW, #601 WASHINGTON DC 20036	INTERSTATE NATURAL GAS ASSOCIATION OF AMERICA	[illegible]	195.54
VERNER LIIPFERT BERNHARD MCPHERSON & HAND, CHTD, 1660 L STREET, NW, #1000 WASHINGTON DC 20036	BROWN & ROOT, INC	1,400.00	
Do	ICAHN & COMPANY, INC	5,745.00	
Do	JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS		
Do	ORION SATELLITE CORP	612.50	
Do	TURNER BROADCASTING SYSTEM, INC	1,672.50	
FRANK VERRASTRO, 1155 15TH STREET, NW, #600 WASHINGTON DC 20005	PENNZOIL COMPANY	[illegible]	
LINDA VICKERS, 1706 23RD ST., SOUTH ARLINGTON VA 22202	NATIONAL ASSN OF CROP INSURANCE AGENTS	17,374.98	
R. ERIC VIGE, SUITE 300 1747 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	CITIES SERVICE OIL & GAS CORP	710.00	[illegible]
MICHAEL F. VIGIL JR., 900 THIRD AVENUE NEW YORK NY 10022	INTERNATIONAL GOLD CORPORATION LIMITED		
ANNE L. VIGNOVIC, 1750 K STREET, NW WASHINGTON DC 20006	U.S. BREWERS ASSN, INC		
RALPH VINOVICH, 1875 EYE STREET, NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE	5,000.00	184.10
VINSON & ELKINS, 1101 CONNECTICUT AVE., NW, #900 WASHINGTON DC 20036	SECTION 936 STEERING COMMITTEE	[illegible]	
Do	WARBURG PINCUS CAPITAL CORP	393.75	
Do	WARNER AMEX CABLE COMMUNICATIONS, INC	117.50	
WALTER D. VINYARD JR., ZUCKERT, SCOUTT, RASENBERGER & JOHNSON 888 17TH ST., NW, 7TH FL. WASHINGTON DC 20006.	CONTINENTAL INSURANCE COMPANIES	25,000.00	
Do	HARTFORD INSURANCE GROUP		
Do	ITT CORP	2,000.00	
Do	NATIONAL FRATERNAL CONGRESS OF AMERICA	[illegible]	
VIRGINIA ASSOCIATION OF RAILWAY PATRONS, P.O.BOX 867 RICHMOND VA 23207		10.63	10.63
GEORGE A. VIVERETTE JR., 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
NICK J. VOLCHEFF, 2509 E. SAN MIGUEL PHOENIX AZ 85016	AT&T		
VOLKSWAGEN OF AMERICA, INC, 490 L'ENFANT PLAZA, SW, #3210 WASHINGTON DC 20024			[illegible]
DOUGLAS K. VOLLMER, 801 18TH ST., NW WASHINGTON DC 20006	PARALYZED VETERANS OF AMERICA	10,512.72	
VOLPE BOSKEY & LYONS, SUITE 602 918 16TH STREET, NW WASHINGTON DC 20006	AMERICAN ASSN OF EQUIPMENT LESSORS		
INGRID A. VOORHEES, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	2,000.00	500.00
VORYS SATER SEYMOUR & PEASE, 1828 L STREET, NW, #1111 WASHINGTON DC 20036	CABOT CORPORATION	452.00	116.87
Do	COMMITTEE OF PUBLICLY OWNED COMPANIES		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	INTERNATIONAL AGRICULTURAL DEVELOPMENT SERVICE	13,931.90	[illegible]
Do	OHIO MFRS ASSN	2,394.75	715.71
Do	OHIO OIL & GAS ASSN		
Do	SCM CORPORATION	3,000.00	
Do	TOLEDO TRUSTCORP	15,600.00	1,264.32
Do	YANKEE RESOURCES, INC		
W.A.W. WAR AGAINST WOMEN, 1224 FREEMONT ROSEBURG OR 97470			
R. B. WACKERLE, 1000 WILSON BOULEVARD, #2300 ARLINGTON VA 22209	NORTHROP CORP		
ROBERT J. WAGER, 3RD FLOOR 1111 14TH ST., NW WASHINGTON DC 20005	AMERICAN BAKERS ASSN	1,951.25	5.25
WAGNER & BAROODY, INC, 1100 17TH STREET, NW, #804 WASHINGTON DC 20036	AMERICAN BUSINESS PRESS	14,218.75	3,207.77
Do	CHICAGO AND NORTHWESTERN RAILROAD	1,625.00	[illegible]
Do	CSX CORPORATION	31,187.50	9,925.26
Do	DAEWOO INTERNATIONAL CORP	3,468.75	1,092.16
Do	E-SYSTEMS		
Do	JARTRAN, INC		
Do	LANIHAU CORPORATIONS		
Do	NATIONAL BEER WHOLESALERS OF AMERICA	7,968.75	2,078.62
Do	NATIONAL DEBT REPAYMENT FOUNDATION		
Do	NORTH AMERICAN BANCORPORATION	1,468.75	577.17
Do	UNITED NATIONS EDUCATIONAL SCIENTIFIC & CULTURAL ORGAN		
KERRI WAGNER, 1155 15TH STREET, NW WASHINGTON DC 20005	NATIONAL BROILER COUNCIL	1,250.00	
HOWARD W. WAHL, P.O. BOX 1000 ANN ARBOR MI 48106	BECHTEL POWER CORPORATION		
CHRISTINE M. WAISANEN, NEW MURPHY ROAD & CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		
HERBERT R. WAITE, 100 FEDERAL ST. BOSTON MA 02110	BANK OF BOSTON CORPORATION		
Do	FIRST NATIONAL BANK OF BOSTON	8,750.00	8,281.31
JOHN A. WAITS, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	FARM CREDIT COUNCIL	825.00	
WALD HARKRADER & ROSS, 1300 19TH ST., NW WASHINGTON DC 20036	EMPACADORA DEL NORTE, S.A.		
ANGELA S. WALDORF, N.C. PETROLEUM COUNCIL P.O. BOX 167 RALEIGH NC 27602	AMERICAN PETROLEUM INST		
ROBERT E. WALDRON, ASSOCIATED PETROLEUM INDUSTRIES OF MICHI 930 MICHIGAN NATL TOWER, PO BOX 10070 LANSING MI 48901.	AMERICAN PETROLEUM INST	845.00	1,016.56
CHARLS E. WALKER ASSOCIATES, INC, 1730 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AGRICO CHEMICAL COMPANY, ET AL	5,000.00	
Do	ALABAMA POWER CO	2,500.00	
Do	ALUMINUM COMPANY OF AMERICA	750.00	
Do	AMERICAN TELEPHONE & TELEGRAPH CO	5,750.00	
Do	ARTHUR ANDERSON & CO	5,625.00	
Do	ANHEUSER-BUSCH COMPANIES, INC	3,750.00	
Do	CBS, INC	12,000.00	
Do	CHAMPION INTERNATIONAL CORP	750.00	
Do	COPIAT	2,500.00	
Do	DEALER BANK ASSN	9,000.00	
Do	DRESSER INDUSTRIES, INC	750.00	
Do	E. I. DU PONT DE NEMOURS & CO	750.00	
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	FORD MOTOR CO	750.00	
Do	GOODYEAR TIRE & RUBBER CO	750.00	
Do	GTE CORPORATION	750.00	
Do	IBM	1,500.00	
Do	INDEPENDENT REFINERS COALITION	11,250.00	
Do	LONE STAR STEEL CO	1,562.50	
Do	NORTHVILLE INDUSTRIES CORP	6,000.00	
Do	NORTHWESTERN MUTUAL LIFE INSURANCE CO	1,565.00	
Do	OWENS-ILLINOIS	750.00	
Do	PROCTER & GAMBLE MANUFACTURING CO	750.00	
Do	PUBLIC SECURITIES ASSN	6,000.00	
Do	SCOTT PAPER CO	750.00	
Do	SIMUFLITE TRAINING INTERNATIONAL, INC	1,500.00	
Do	SONGWRITERS GUILD		
Do	UNION CARBIDE CORP	750.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	UNOCAL CORPORATION	20,000.00	
Do	WEYERHAEUSER CO	2,000.00	
R. DUFFY WALL & ASSOCIATES, INC. 1317 F STREET, NW, #400 WASHINGTON DC 20004	BALCOR AMERICAN EXPRESS, INC	1,000.00	300.00
Do	BRINKS, INC	1,000.00	300.00
Do	FOOTWEAR RETAILERS OF AMERICA	1,500.00	600.00
Do	JMB REALTY CORP	1,000.00	300.00
Do	LIBERTY NATIONAL	1,000.00	600.00
Do	LIFE OF VIRGINIA	1,000.00	600.00
Do	MORGAN GUARANTY TRUST CO	1,500.00	600.00
Do	PHARMACEUTICAL MANUFACTURERS ASSN	1,500.00	600.00
Do	WINE & SPIRITS WHOLESALERS OF AMERICA, INC	1,000.00	600.00
MARTIN A. WALL, 1025 VERMONT AVENUE, NW, #800 WASHINGTON DC 20005	AMERICAN OSTEOPATHIC HOSPITAL ASSN	2,225.00	470.00
WALLACE & EDWARDS, 1150 CONNECTICUT AVE., NW, #507 WASHINGTON DC 20036	ALABAMA FARM BUREAU FEDERATION	6,000.00	891.58
Do	AMERICAN MEAT INSTITUTE	17,000.00	84.51
Do	AMERICAN SUGAR CANE LEAGUE OF THE USA, INC	6,000.00	4,490.10
Do	ARROW TRANSPORTATION CO		
Do	COTTON WAREHOUSE ASSOCIATION OF AMERICA	11,000.00	
Do	GROCERY MANUFACTURERS OF AMERICA, INC	1,000.00	
Do	NATIONAL COTTON COUNCIL OF AMERICA	7,500.00	5.80
Do	NATIONAL WOOL GROWERS ASSN	3,750.00	287.07
Do	SERVICE CORPORATION INTERNATIONAL	6,000.00	840.18
RAYMOND C. WALLACE, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
LIONEL L. WALLENROD, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
R. DOUGLAS WALLIN JR., 1235 JEFFERSON DAVIS HWY ARLINGTON VA 22202	EMERSON ELECTRIC CO		228.02
CHARLES S. WALSH, FLEISCHMEN & WALSH 1725 N ST., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC		
JAMES P. WALSH, DAVIS WRIGHT TODD RIESE & JONES 1752 N ST., NW, #800 WASHINGTON DC 20036	AMERICAN TUNABOAT ASSN	5,000.00	
HENRY L. WALTHER, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	1,000.00	
JAMES K. WALTON, 1819 L STREET, NW, #820 WASHINGTON DC 20036	SANTA FE INTERNATIONAL CORP		
WILLIAM C. WAMPLER, 412 FIRST STREET, SE WASHINGTON DC 20003	AMERICAN MEAT INSTITUTE		
Do	AMERICAN PEANUT PRODUCT MANUFACTURERS, INC	9,000.00	
HERBERT C. WAMSLEY, 1800 M STREET, NW, #1030N WASHINGTON DC 20036	INTELLECTUAL PROPERTY OWNERS, INC	17,539.00	
BONNIE B. WAN, 1201 PENNSYLVANIA AVENUE, #730 WASHINGTON DC 20004	KIMBERLY-CLARK CORP		
JOHN F. WANAMAKER, 201 N. WASHINGTON, ST. ALEXANDRIA VA 22314	RETIRED OFFICERS ASSN	2,350.00	
ALAN S. WARD, 1050 CONNECTICUT AVE., NW, #1100 WASHINGTON DC 20036	BAKER & HOSTETLER (FOR SOAP & DETERGENT ASSN)		
JUSTIN R. WARD, 1350 NEW YORK AVENUE, NW, #300 WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC	1,316.42	35.10
STEPHEN E. WARD, 1919 PENNSYLVANIA AVENUE, NW, #503 WASHINGTON DC 20006	MID-CONTINENT OIL & GAS ASSN	2,759.85	125.00
THOMAS J. WARD, 70 N. MAIN STREET WILKES-BARRE PA 18711	BLUE CROSS OF NORTHEASTERN PENNSYLVANIA		
RICHARD D. WARDEN, 1757 N ST., NW WASHINGTON DC 20036	UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	18,481.91	217.00
JACK WARE, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	7,680.00	343.88
MICHAEL O. WARE, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	CONOCO, INC	1,750.00	
WILLIAM L. WARFIELD, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN		
PETER F. WARKER, SUITE 2700 1000 WILSON BOULEVARD ARLINGTON VA 22209	TRW, INC	1,250.00	
ERNEST R. WARNER JR., 1818 N ST., NW WASHINGTON DC 20036	ARIANESPACE, S.A.		201.41
Do	DGA INTERNATIONAL, INC. (FOR: DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS).		
Do	DGA INTERNATIONAL, INC. (FOR SNECMA)		166.84
Do	DGA INTERNATIONAL, INC. (FOR SOFREAVIA)		
Do	THOMSON-CSF DIVISION SYSTEMS ELECTRONIQUE OF FRANCE		
WILLIAM H. WARNER, 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	CONTROL DATA CORP	500.00	27.05
CHRISTINE M. WARNKE, SUITE 300 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN TEXTILE MANUFACTURERS INSTITUTE, INC	400.00	275.85
B. JACK WARREN, P.O. BOX 95385 ATLANTA GA 30347	FOREST FARMERS ASSN	229.15	462.00
BARBARA J. WASHBURN, 1201 PENNSYLVANIA AVENUE, NW, #370 WASHINGTON DC 20004	CONTROL DATA CORPORATION	1,160.00	164.57
WASHINGTON BUR. FOR THE REP. OF THE SOCS. FOR THE DEFENSE..., 4301 COLUMBIA PIKE, #405 ARLINGTON VA 22204			
WASHINGTON INDEPENDENT WRITERS, INC, 1341 G ST., NW, #205 WASHINGTON DC 20005			
WASHINGTON INDUSTRIAL TEAM, INC, 499 S. CAPITOL ST., SW, #520 WASHINGTON DC 20003	BOEING COMPANY	900.00	423.32
Do	HUGHES AIRCRAFT COMPANY	1,500.00	705.54
Do	ROCKWELL INTL	1,500.00	705.54
WATERBED MANUFACTURERS ASSN, 1411 WEST OLYMPIC BOULEVARD LOS ANGELES CA 90015			1,000.00
RONALD D. WATERMAN, 4802 TABARD PLACE ANNANDALE VA 22003	MILWAUKEE COUNTY-INTERGOVERNMENTAL RELATIONS	9,375.00	183.00
Do	WISCONSIN COUNTIES ASSN	4,100.00	52.49
CLARKE R. WATSON, 655 BROADWAY, #425 DENVER CO 80203	WESTLAND COMPANIES, INC		
KENNETH W. WATSON, 900 THIRD AVENUE NEW YORK NY 10022	INTERNATIONAL GOLD CORPORATION LIMITED	75.00	
STEPHEN L. WATSON, 143 W. MARKET ST., #201 INDIANAPOLIS IN 46204	INDIANA RAILROAD ASSN	800.00	915.36
CAROLYN HERR WATTS, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	50.00	
DOUGLAS R. WATTS, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	1,300.00	
GEORGE B. WATTS, 1155 15TH ST., NW WASHINGTON DC 20005	NATIONAL BROILER COUNCIL	1,500.00	
BRUCE H. WATZMAN, 1130 17TH STREET, N.W. WASHINGTON DC 20036	NATIONAL COAL ASSN	5,750.00	357.07
WILLIAM H. WEATHERSPOON, NORTH CAROLINA PETROLEUM COUNCIL PO BOX 167 RALEIGH NC 27602	AMERICAN PETROLEUM INST	800.00	1,049.08
A. VERNON WEAVER, 2121 K STREET, NW, #830 WASHINGTON DC 20037	STEPHENS OVERSEAS SERVICES, INC		
MARY WEBB, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	189.00	32.15
ANDREW H. WEBBER, 440 FIRST STREET, NW, #510 WASHINGTON DC 20001	AMERICAN MEDICAL PEER REVIEW ASSN		
FREDERICK L. WEBBER, 1101 16TH STREET, NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		278.04
SUSAN WEBER, 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ZERO POPULATION GROWTH, INC	10.00	8.00
WEBSTER & SHEFFIELD, 1200 NEW HAMPSHIRE AVE., NW, #350 WASHINGTON DC 20036	ASARCO CORPORATION	180.00	
Do	PINKERTON TOBACCO CO		
Do	POGO PRODUCING CO		
WEBSTER CHAMBERLAIN & BEAN, 1747 PENNSYLVANIA AVE., NW, #1000 WASHINGTON DC 20006	BEER INDUSTRY ALLIANCE		
Do	INTERNATIONAL TAXICAB ASSN	2,300.00	
Do	MILLER BREWING COMPANY	1,625.00	118.00
Do	WATERBED MANUFACTURERS ASSN	2,000.00	
LEE J. WEDDIG, SUITE 580 2000 M ST., NW WASHINGTON DC 20036	NATIONAL FISHERIES INST	6,000.00	75.00
DAVID F. WEEDA, OLSSON AND FRANK 1029 VERMONT AVE., NW, #400 WASHINGTON DC 20005	NATIONAL ASSN OF MARGARINE MANUFACTURERS	2,000.00	
CHARLES W. WEGNER JR., 600 PENNSYLVANIA AVENUE, SE, #203 WASHINGTON DC 20003	PROFESSIONAL INSURANCE AGENTS	500.00	6,679.00
JACK R. WEHRLY, SUITE 790 SOUTH 1800 M ST., NW WASHINGTON DC 20036	DOW CORNING CORPORATION		
THEODORE F. WEIHE, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	U.S. OVERSEAS COOPERATIVE DEVELOPMENT COMMITTEE	2,812.00	
STEVEN A. WEIN, 1090 VERMONT AVENUE, NW, #1100 WASHINGTON DC 20005	TEXTRON, INC	600.00	150.00
DONALD G. WEINERT, 1420 KING ST. ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,500.00	
TAMARA WEINSTEIN, 1830 17TH STREET, NW, #704 WASHINGTON DC 20036	RAINBOW ALLIANCE		20.00
ARTHUR E. WEISBERG, 2200 FIRST BANK PLACE EAST MINNEAPOLIS MN 55402	DORSEY & WHITNEY		
ARTHUR A. WEISS, 1800 FIRST NATIONAL BUILDING DETROIT MI 48226	JAFFE SNIDER RAITT & HEUER, P.C.		
MORTON N. WEISS, SUITE 4511 ONE WORLD TRADE CENTER NEW YORK NY 10048	NATIONAL SECURITY TRADERS ASSN, INC	4,375.00	277.97
STANLEY A. WEISS, SUITE 401 21 DUPONT CIRCLE, NW WASHINGTON DC 20036	BUSINESS EXECUTIVES FOR NATIONAL SECURITY		
MARK G. WEISSHAAR, HUNTON & WILLIAMS 2000 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	ORBITAL SCIENCES CORP	187.50	
DON WELCH, P.O. BOX 841 ABILENE TX 79604	WEST TEXAS UTILITIES CO		
KATHLEEN WELCH, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	U.S. PUBLIC INTEREST RESEARCH GROUP	1,500.00	
WELLFORD WEGMAN KRULWICH & HOFF, 1775 PENNSYLVANIA AVE., NW, #450 WASHINGTON DC 20006	CANADIAN EMBASSY	850.00	
Do	CBS, INC	2,880.00	
Do	COALITION AGAINST DOUBLE TAXATION, INC	750.00	
Do	DEPARTMENT OF NATURAL RESOURCES, PROVINCE OF MANITOBA	1,250.00	
Do	GRANTS & CONTRACTS PROJECTS, UNITED WAY OF AMERICA	880.00	
Do	MANVILLE CORP	1,000.00	
Do	MITEX		
L. N. WELLS, SUITE 200 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SHELL OIL CO	500.00	
FRED WERTHEIMER, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	16,050.00	210.00
ROLAND WESLEY, 1159 QUAIL RUN BOLINGBROOK IL 60439	COMMITTEE FOR MINOR ACCESS TO POST SECOND. SCHOOL OWNERSHIP		
CHARLES W. WEST, 205 DAINGERFIELD ROAD ALEXANDRIA VA 22314	NATIONAL ASSN OF RETAIL DRUGGISTS	1,500.00	700.00
WEST COAST FABRICATORS & STEEL INDUSTRY ASSN, 2324 NAVY DRIVE STOCKTON CA 95206		10,833.34	1,920.37
FORD B. WEST, 1015 18TH STREET, NW WASHINGTON DC 20036	FERTILIZER INSTITUTE	25,000.00	1,284.92
WEST MEXICO VEGETABLE DISTRIBUTORS ASSN, PO BOX 848 NOGALES AZ 85621			1,000.00
PAMELA R. WEST, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	1,875.00	100.03
WEST TEXAS LAND & ROYALTY OWNERS ASSN., 4302 AIRPORT BLVD AUSTIN TX 78722		18.00	
W. P. WEST 1629 K ST., NW ROOM 204 WASHINGTON DC 20006	DELTA AIR LINES, INC	273.00	187.90
WESTERN FUELS ASSOCIATION, INC, 700 JEFFERSON BUILDING 1225 19TH ST., NW WASHINGTON DC 20036			25,609.18

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
JOHN F. WETZEL JR., 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	100.70	267.93
WEXLER REYNOLDS HARRISON & SCHULE, INC, SUITE 600 1317 F STREET, NW WASHINGTON DC 20004	AETNA LIFE & CASUALTY		
Do	ALLIED CORPORATION	700.00	178.10
Do	AMERICAN AIRLINES	5,200.00	291.60
Do	AMERICAN LOW POWER TELEVISION ASSN		
Do	AMUSEMENT & MUSIC OPERATORS ASSN	1,875.00	800.97
Do	COMMUNICATIONS SATELLITE CORP	2,265.00	76.50
Do	CURTIN MAHONEY & CAIRNS	390.00	223.58
Do	DEALER BANK ASSN COMMITTEE ON GLASS-STEAGALL REFORM	3,500.00	163.63
Do	DYCO PETROLEUM CO	3,675.00	49.64
Do	FOOTHILLS PIPE LINES (YUKON) LTD		6.00
Do	GENERAL MOTORS CORP		77.32
Do	HOECHST-ROUSSEL PHARMACEUTICALS, INC		
Do	INEXCO OIL CO		
Do	MANVILLE CORPORATION	5,200.00	331.75
Do	MORGAN STANLEY & CO, INC	6,680.00	6.00
Do	MOTION PICTURE ASSN OF AMERICA, INC	3,900.00	277.81
Do	NATIONAL CABLE TELEVISION ASSN, INC	8,500.00	13.50
Do	NATIONAL RADIO BROADCASTERS ASSOCIATION	600.00	18.00
Do	NEW ENGLAND ELECTRIC SYSTEM	745.00	35.90
Do	NEW YORK POWER AUTHORITY		
Do	NORTHWEST AIRLINES, INC	2,000.00	8.00
Do	NOVA, AN ALBERTA CORP		
Do	NOVACOR CHEMICALS, LTD	2,725.00	54.64
Do	ROCK-OLA MANUFACTURING CORP	260.00	
Do	SECURITY INVESTMENT CO		
Do	STORER COMMUNICATIONS, INC	4,450.00	168.36
Do	TURNER BROADCASTING SYSTEMS, INC	15,680.00	3,001.87
Do	VIACOM INTERNATIONAL, INC	6,480.00	729.54
ROBERT G. WEYMUELLER, 1101 VERMONT AVENUE, NW, #402 WASHINGTON DC 20005	AMERICAN LUNG ASSN	4,563.00	4,266.00
BRIAN B. WHALEN JR., 401 N. MICHIGAN AVE. CHICAGO IL 60611	INTERNATIONAL HARVESTER CO	1,250.00	309.13
CURTIS E. WHALEN, 490 L'ENFANT PLAZA, SW, #3202 WASHINGTON DC 20024	TRANSCO ENERGY COMPANY	4,500.00	4,427.23
ELLAN WHARTON, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO, INC		
LEONARD P. WHEAT, 1111 14TH ST., NW, #1200 WASHINGTON DC 20005	AMERICAN DENTAL ASSN	1,000.00	
CHARLES W. WHEELER, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,500.00	144.84
JUNE M. WHELAN, SUITE 600 S 1120 20TH STREET, NW WASHINGTON DC 20036	UNION PACIFIC CORPORATION	1,250.00	
WHITE & CASE, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ALLEGHANY CORPORATION		
DEBORAH A. WHITE, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	29.20	
DIANE WHITE, 122 C ST., NW, #800 WASHINGTON DC 20001	CONCERNED WOMEN FOR AMERICA	1,600.00	12.00
DONALD F. WHITE, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	1,500.00	145.00
DON WHITE, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSOCIATION	1,907.40	57.90
WHITE FINE & VERVILLE, SUITE 1100 1156 15TH ST., NW WASHINGTON DC 20005	AMERICAN EDUCATORS OF ARKANSAS, INC, ET AL	30,000.00	
Do	UNIVERSITY OF MARYLAND	50,000.00	
GEORGE E. WHITE JR., P.O. BOX 61000 NEW ORLEANS LA 70161	MIDDLE SOUTH SERVICES, INC	2,271.60	1,280.50
JOHN S. WHITE, 1800 M ST., NW, #975 WASHINGTON DC 20036	MARATHON OIL CO		
JOHN THOMAS WHITE II, SUITE 2202 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO INC		
SAM WHITE, 412 FIRST STREET, SE WASHINGTON DC 20003	INDEPENDENT CATTLEMEN'S ASSN		
Do	NATIONAL PEANUT GROWERS GROUP	1,500.00	
Do	SAM KANE PACKING		
WILLIAM R. WHITE, BRICKER & ECKLER 888 17TH STREET, NW, #1050 WASHINGTON DC 20006	CONSOLIDATED RAIL CORP		
Do	LINCOLN SAVINGS & LOAN ASSN	5,437.50	
ALTON W. WHITEHOUSE, 1750 MIDLAND BLDG, CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
MARSHALL E. WHITENTON, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	262.50	19.70
FRED WHITING, 214 MASSACHUSETTS AVENUE, NE, #420 WASHINGTON DC 20002	AMERICAN SPACE FOUNDATION		
RICHARD M. WHITING, 730 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS	937.50	
WHITMAN & RANSOM, 1333 NEW HAMPSHIRE AVE., NW, #650 WASHINGTON DC 20036	JAPAN EXTERNAL TRADE ORGANIZATION (JETRO)		161.58
JAMES A. WHITMAN, P.O. BOX 1417-D49 ALEXANDRIA VA 22313	NATIONAL ASSN OF CHAIN DRUG STORES, INC	500.00	
ROBERT L. WHITMIRE, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS	1,000.00	557.07
STEVEN C. WHITNEY, 27 SUNSET DRIVE ALEXANDRIA VA 22301	NATIONAL PARKS & CONSERVATION ASSN	462.00	75.00
WILLIAM F. WHITSITT, 1800 K ST., NW SUITE 820 WASHINGTON DC 20006	SUN CO, INC	1,600.00	1,454.19
DENNIS J. WHITTLESEY, KECK MAHIN & CATE 1730 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	COWLITZ INDIAN TRIBE		
WILLIAM E. WICKERT JR., 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	800.00	
WICKWIRE LEWIS GOLDMARK & SCHOOR, 500 MAYNARD BLDG. SEATTLE WA 98104	ARCTIC SLOPE REGIONAL CORP, ET AL		
RICHARD J. WIECHMANN, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
JUDY A. WIEDEMEIER, 1875 I STREET, NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE	54.00	
W. SCOTT WILBER, 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	3,975.00	492.44
ROBERT E. WILBUR, 3000 LINCOLN PL., LB5 DALLAS TX 75201	TAYLOR & MIZELL		
THOMAS D. WILCOX, P.C., 2011 EYE STREET, NW, #705 WASHINGTON DC 20006	NATIONAL ASSN OF STEVEDORES	1,830.00	1,830.00
HARRY G. WILES II, 499 S. CAPITOL STREET, SW, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS		210.00
GUENTHER O. WILHELM, SUITE 1100 1899 L STREET, NW WASHINGTON DC 20036	EXXON CORPORATION		
CARL B. WILKERSON, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
WILKINSON BARKER KNAUER & QUINN, 1735 NEW YORK AVE., NW WASHINGTON DC 20006	AMERICAN ASSN OF PRESIDENTS OF INDEPENDENT COLL. & UNIVER.	25,233.70	766.36
Do	BONNEVILLE INTERNATIONAL CORP	1,797.50	1.80
Do	CONFEDERATED SALISH & KOOTENAI TRIBES OF THE FLATHEAD RES.		
Do	MANVILLE CORPORATION	19,998.50	2,232.29
Do	MOUNTAIN STATES TELEPHONE & TELEGRAPH CO	15,280.00	436.51
Do	NANA REGIONAL CORP, INC		
Do	NORTHWESTERN BELL TELEPHONE CO	15,280.00	436.51
Do	PACIFIC NORTHWEST BELL TELEPHONE CO	15,280.00	436.51
Do	J.C. PENNEY CO, INC	15,340.00	392.63
Do	SHEE ATIKA, INC		
Do	U.S. WEST, INC	15,280.00	436.51
Do	UNITED AIRLINES, INC	30,896.00	1,211.16
PAUL R. WILLGING, 1200 15TH STREET, NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	6,875.00	36.00
RALPH E. WILLHAM, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTL ASSN	11,850.00	
WILLIAMS & CONNOLLY, 839 17TH ST., NW WASHINGTON DC 20006	NINA COHEN	2,011.25	20.00
BARRETT WILLIAMS, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS	4,366.16	
F. LEE WILLIAMS, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	1,500.00	
FLOYD L. WILLIAMS, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
KAREN WILLIAMS, 1750 K STREET, NW WASHINGTON DC 20006	HEALTH INSURANCE ASSN OF AMERICA		
LEONARD B. WILLIAMS, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	235.00	
LUCINDA L. WILLIAMS, 1111 19TH ST., NW, #402 ARLINGTON VA 20036	FEDERATION OF AMERICAN HOSPITALS	5,500.00	
MARGIE R. WILLIAMS, 415 2ND ST., NE SUITE 300 WASHINGTON DC 20002	NATIONAL ASSN OF WHEAT GROWERS	1,092.56	
WILLIAMS MYERS & QUIGGLE, 888 17TH ST., NW WASHINGTON DC 20006	CHURCH ALLIANCE FOR CLARIFICATION OF ERISA	15,433.38	374.63
ROBERT E. WILLIAMS, 1825 K ST., NW, #607 WASHINGTON DC 20006	UNITED AIRLINES	1,500.00	
THOMAS F. WILLIAMS, 6812 OLD KENT ROAD AMARILLO TX 79109	SOUTHWESTERN PUBLIC SERVICE CO	768.90	333.55
DAVID K. WILLIS, 1620 EYE STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
CHARLOTTE M. WILMER, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	130.00	
WILMER CUTLER & PICKERING, 1666 K ST., NW WASHINGTON DC 20006	AMERICAN CYANAMID CO	5,557.70	32.70
Do	AMERICAN SOC OF COMPOSERS AUTHORS & PUBLISHERS	2,765.38	5.93
Do	APACHE CORPORATION		
Do	CAPITAL CITIES COMMUNICATIONS, INC		
Do	CBS, INC	1,987.50	44.62
Do	CITICORP		
Do	G-4 CHILDREN'S COALITION	6,839.26	20.48
Do	HANDGUN CONTROL, INC		862.69
Do	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
Do	PEOPLE OF ENEWETAK		33.25
CHARLES D. WILSON, 1850 K ST., NW, #390 WASHINGTON DC 20006	UNION CAMP CORP	644.00	7,883.50
DENA L. WILSON, SUITE 1000 1600 WILSON BLVD. ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC	1,300.00	193.62
DON T. WILSON, 1250 I STREET, NW, #400 WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN, INC	455.00	25.00
DOROTHY WILSON, 4201 CATHEDRAL AVENUE, NW, #607-E WASHINGTON DC 20016	COALITION OF CONCERNED CHARITIES		
PATRICIA M. WILSON, 2910 3RD AVENUE NORTH BILLINGS MT 59103	THERMAL ENERGY CO		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
REID WILSON, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	U.S. PUBLIC INTEREST RESEARCH GROUP	3,250.00	
ROBERT C. WILSON, 499 S. CAPITOL ST., SW, #520 WASHINGTON DC 20003	RMI, INC	180.00	
Do	WASHINGTON INDUSTRIAL TEAM, INC	600.00	
ROBERT GARY WILSON, 1730 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	PPG INDUSTRIES, INC	30.45	15.00
ROSEMARY L. WILSON, MINNESOTA PETROLEUM COUNCIL 1025 NORTHERN FEDERAL BLDG. ST. PAUL MN 55102	AMERICAN PETROLEUM INST		
WILLIAM A. WILSON III, 8001 BRADDOCK ROAD SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMM	750.00	
JUDY WINCHESTER, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN	1,000.00	79.46
KATHLEEN J. WINN, 1155 15TH ST., NW SUITE 602 WASHINGTON DC 20005	PENNZOIL CO	475.00	21.00
MARIE WINSLOW, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES		
WINSTON & STRAWN, #500 2550 M ST., NW WASHINGTON DC 20037	AMERICAN ASSN OF MUSEUMS		
Do	BEATRICE FOODS CO	62.50	7.00
Do	BUILDING OWNERS & MANAGERS ASSN INTL		
Do	GOULD, INC		
Do	INTERNATIONAL COUNCIL OF SHOPPING CENTERS		
Do	LEASE MANAGEMENT CORP		
Do	MERCEDES-BENZ OF NORTH AMERICA		
Do	NATIONAL AUDUBON SOCIETY		
Do	[illegible] COMPANY, INC		
DAVID A. WINSTON, 1922 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF LIFE UNDERWRITERS	482.25	73.00
JAMES L. WINSTON, 1730 M STREET, NW, #708 WASHINGTON DC 20036	NATIONAL ASSN OF BLACK OWNED BROADCASTERS		
MARK E. WINTER, 1828 L ST., NW WASHINGTON DC 20036	AMERICAN LAND TITLE ASSN	3,223.00	
RONALD S. WISHART JR., 1100 15TH STREET, NW, #1200 WASHINGTON DC 20005	UNION CARBIDE CORP		
ROBERT V. WITECK, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN EXPRESS CORP).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN FLAGSHIPS)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CANADIAN ASBESTOS INFORMATION CENTRE).	800.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS).	1,500.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MUTUAL OF OMAHA)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	3,000.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: UNITED AIRLINES)	1,200.00	
CLAUDIA A. WITHERS, 2000 P STREET, NW, #400 WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND		
WITKOWSKI WEINER MCCAFFREY & BRODSKY, SUITE 350 1575 I ST., NW WASHINGTON DC 20005	COORDINATING COUNCIL ON MANUFACTURED HOUSING FINANCE	6,949.00	264.61
Do	FOREMOST INSURANCE CO	1,716.00	35.40
Do	NATIONAL MANUFACTURED HOUSING FINANCE ASSN	700.00	
GLENN P. WITTE, 888 16TH ST., NW WASHINGTON DC 20006	MILK IND. FOUNDATION/INTL ASSN OF ICE CREAM MFRS		
ERNEST WITTENBERG ASSOCIATES, INC, 1616 H ST., NW WASHINGTON DC 20006	FEDERAL LAND BANK ASSNS OF TEXAS STOCKHOLDERS' DEFENSE FUND	1,500.00	[illegible]
HERMAN C. WITTHAUS, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	1,000.00	2,837.02
CLINTON WOLCOTT, 2020 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL FED OF FEDERAL EMPLOYEES		
JAMES E. WOLF, 2020 14TH ST., NORTH ARLINGTON VA 22201	AMERICAN STANDARD INC	500.00	
JAMES WOLF, 1925 K ST., NW, #206 WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY	262.80	
SIDNEY M. WOLFE, 2000 P ST., NW, #708 WASHINGTON DC 20036	HEALTH RESEARCH GROUP	13.00	
THOMAS F. WOLFE, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,541.50	
RONALD WOLSEY, P.O. BOX 507 BALTIMORE MD 21203	AMOCO CORPORATION		
DON WOMACK, SUITE 303 1825 K ST., NW WASHINGTON DC 20006	TEXAS UTILITIES SERVICES, INC	2,575.00	85.47
WOMEN AGAINST MILITARY MADNESS POLITICAL ACTION COMM (WAMM), 3255 HENNEPIN AVENUE MINNEAPOLIS MN 55408.		200.00	115.00
BURTON C. WOOD, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSOCIATION OF AMERICA	14,400.00	2,998.00
CHARLES A. WOOD, 10 LAFAYETTE SQUARE BUFFALO NY 14203	NATIONAL FUEL GAS DISTRIBUTION CORP., ET AL		
JOHN L. WOOD, 2121 SAN JACINTO ST. P.O. BOX 660164 DALLAS TX 75266	CENTRAL AND SOUTH WEST CORP		
W. ALAN WOODFORD, 2501 M ST., NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC	300.00	225.21
THOMAS C. WOODS, 1660 L STREET, NW WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	2,813.72
PERRY W. WOOFTER, SUITE 530 1800 K ST NW WASHINGTON DC 20006	TESORO PETROLEUM CORP	[illegible]	
DAVID M. WOOLDRIDGE, 2222 ARLINGTON AVENUE SOUTH BIRMINGHAM AL 35205	EDMOND & VINES	[illegible]	
HOWARD E. WOOLLEY, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	1,125.93
LINDA ANZALONE WOOLLEY, 1600 M ST., NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION	120.00	[illegible]
NOEL C. WOOSLEY, 4647 FORBES BOULEVARD LANHAM MD 20706	AMVETS	[illegible]	150.47
GEORGE M. WORDEN, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	HILL & KNOWLTON, INC	18,750.00	1,600.00
DEE WORKMAN, 405 LEXINGTON AVE. NEW YORK NY 10017	MOBIL OIL CORP		
WORLDWIDE INFORMATION RESOURCES, LTD, 1717 K STREET, NW, #706 WASHINGTON DC 20006	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.		
Do	PAN AMERICAN WORLD AIRWAYS, INC		
Do	STATE OF MONTANA		
Do	TOYOTA MOTOR SALES U.S.A., INC		
W. ROBERT WORLEY, 1736 CREEK CROSSING ROAD VIENNA VA 22180	SOUTHERN COMPANY SERVICES, INC	1,710.00	[illegible]
JOSEPH T. WRABEK, BOX 70 CASCADE LOCKS OR 97014	COLUMBIA GORGE UNITED		
DAVID L. WRIGHT, ANDERSON HILL RD. PURCHASE NY 10577	PEPSICO, INC		1,828.83
THOMAS L. WYLIE, 1800 K STREET, NW, #820 WASHINGTON DC 20006	SUN COMPANY, INC	5,355.00	217.25
WYMAN BAUTZER ROTHMAN KUCHEL & SILBERT, SUITE 580 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	AMERICAN BOILER MANUFACTURERS ASSN, INC		
Do	AUTOMOTIVE DISMANTLERS & RECYCLERS ASSN		
Do	BRISTOL BAY NATIVE CORP.		
Do	EKLUTNA, INC		
Do	FILMWAYS, INC		
MARC D. YACKER, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC	195.00	
DAVID V. YADEN, 111 SW COLUMBIA, #800 PORTLAND OR 97201	NERCO, INC	500.00	146.61
MILAN P. YAGER, 727 N. WASHINGTON STREET ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN	1,230.00	384.67
T. ALBERT YAMADA, SUITE 520 900 17TH ST., NW WASHINGTON DC 20006	TOYOTA MOTOR SALES, U.S.A., INC	500.00	
Do	WEST MEXICO VEGETABLE DISTRIBUTORS ASSN	500.00	
NANCY FOSTER YAMISH, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	200.00	
DEBRA T. YARBROUGH, 1819 L ST., NW, #900 WASHINGTON DC 20036	U S WEST, INC	7,000.00	259.55
EDWARD R. YAWN, 1111 19TH ST., NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	1,434.55	197.22
KIM YELTON, 8120 FENTON ST. SILVER SPRING MD 20910	AMERICANS UNITED FOR SEPARATION OF CHURCH AND STATE	7,924.00	73.84
JACK YELVERTON, 1303 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	FLEET RESERVE ASSN		
RICHARD K. YEP, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING AND DEVELOPMENT	4,792.00	348.27
D. SCOTT YONE, 1629 K ST., NW, #204 WASHINGTON DC 20006	DELTA AIR LINES, INC	[illegible]	145.20
ANDREW YODD, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	200.00	
EDWARD A. YOPP, P.O. BOX 1072 EL PASO TX 79958	MBANK EL PASO		
ROBERTA LYNN YOUMANS, 509 C STREET, NE STANTON PARK WASHINGTON DC 20002	ROISMAN, RENO & CAVANAUGH (FOR: NATIONAL HOUSING LAW PROJECT)	1,809.95	
JOHN ANDREW YOUNG, 1333 NEW HAMPSHIRE AVE., NW, #207 WASHINGTON DC 20036	COASTAL CORPORATION		
THOMAS F. YOUNGBLOOD, 1819 L STREET, NW, #600 WASHINGTON DC 20036	AMERICAN HOTEL & MOTEL ASSN	1,575.00	
BETSY YOUNKINS, 1220 L STREET, NW, #1200 WASHINGTON DC 20005	AMERICAN PETROLEUM INST	6,000.00	171.82
EUGENE A. YOURCH, 50 BROADWAY NEW YORK NY 10004	FEDERATION OF AMERICAN CONTROLLED SHIPPING	[illegible]	
RALPH ZAAYENGA, 1800 K STREET, NW, #820 WASHINGTON DC 20006	SUN COMPANY, INC	1,419.60	163.32
HARRY M. ZACHEM, 1025 CONNECTICUT AVE., #507 WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
MICHAEL ZAGORAC 8333 BRYAN DAIRY RD., P.O. BOX 4689 CLEARWATER FL 33518	JACK ECKERD CORPORATION		
LYNN ZAKUPOWSKY, 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	1,000.00	
STEVEN S. ZALEZNICK, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	632.69	
JOHN S. ZAPP, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	[illegible]	132.36
ELAINE ZARAFONETIS, 201 PARK WASHINGTON COURT FALLS CHURCH VA 22046	NATIONAL-AMERICAN WHOLESALE GROCERS' ASSN	3,000.00	
LEO C. ZEFERETTI, 9912 FORT HAMILTON PARKWAY BROOKLYN NY 11209	BUILDING & CONSTRUCTION TRADES DEPT., AFL-CIO		
Do	NEW YORK TELEPHONE		
Do	PRATT AND WHITNEY		
Do	TRANSPORTATION INSTITUTE		
DENIS R. ZEGAR, 201 PARK WASHINGTON COURT FALLS CHURCH VA 22046	NATIONAL-AMERICAN WHOLESALE GROCERS' ASSN	3,000.00	
PHILIP F. ZEIDMAN, 1025 CONNECTICUT AVE., NW, #900 WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE, INC		
DON J. ZELLER, 1000 16TH ST., NW, #503 WASHINGTON DC 20036	AMOCO CORP	1,850.00	438.62
ZERO POPULATION GROWTH, INC, 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036		5,671.00	4,943.00
RONALD L. ZIEGLER, 1199 N. FAIRFAX STREET, #801 ALEXANDRIA VA 22314	NATIONAL ASSN OF TRUCK STOP OPERATORS, INC		
MICHAEL J. ZIMMER, WICKWIRE, GAVIN & GIBBS 1819 L STREET, NW, #700 WASHINGTON DC 20036	CLEAN COAL COALITION, INC		
Do	COGENERATION COALITION, INC		
Do	CONSOLIDATED NATURAL GAS CO	250.00	41.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ZIONTZ PIRTLE MORRISSET ERNSTOFF & CHESTNUT, METROPOLITAN PARK, 16TH FLOOR 1100 OLIVE WAY SEATTLE WA 98101.	CONFEDERATED TRIBES OF THE COLVILLE INDIAN RESERVATION		
Do	HOOPA VALLEY TRIBE	1,903.00	[illegible]
Do	INUPIAT COMMUNITY OF THE ARCTIC SLOPE		
Do	MAKAH INDIAN TRIBE		
Do	METLAKATLA INDIAN COMMUNITY		
Do	MILLE LACS BAND OF CHIPPEWA INDIANS		
Do	NORTHERN CHEYENNE INDIAN TRIBE		
Do	TULALIP INDIAN TRIBE		
Do	UKPEAGVIK INUPIAT CORPORATION		
ZUCKERT SCOUTT RASENBERGER & JOHNSON, 888 17TH ST., NW WASHINGTON DC 20006	BUSINESS ROUNDTABLE	9,012.50	[illegible]
Do	DREYFUS CORPORATION	[illegible]	2,745.74
Do	INCENTIVE FEDERATION, INC	5,100.00	1,398.38
CHARLES O. ZUVER, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	5,000.00	
KURT D. ZWIKL, 702 HAMILTON MALL ALLENTOWN PA 18101	MERCHANTS BANK		114.32
23RD CONGRESSIONAL DISTRICT ACTION COMM., 575 CHARLES ST. ST. MARYS PA 15857			
31ST PRO LIFE CONGRESSIONAL DISTRICT ACTION COMM, 8654 BONVIEW TERRACE WILLIAMSVILLE NY 14221			
34TH CONGRESSIONAL DISTRICT ACTION COMM (NY), RD 2 ALLEGANY NY 14706			

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the first calendar quarter of 1985 were received too late to be included in the published reports for that quarter:

(Note.—The form used for report is reproduced below. In the interest of economy in the Record, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

File One Copy With the Secretary of the Senate and File Two Copies With the Clerk of the House of Representatives:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

Place an "X" Below the Appropriate Letter or Figure in the Box at the Right of the "Report" Heading Below:

"Preliminary" Report ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"Quarterly" Report: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19..........

REPORT

Pursuant to Federal Regulation of Lobbying Act

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Note on Item "A".—(a) In General. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) Separate Reports. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. Organization or Individual Filing:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Note on Item "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. Employer.—State name, address, and nature of business. If there is no employer, write "None."

Note on Item "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. Legislative Interests, and Publications in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◆

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PAGE 1◆

Note on Item "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) If This Report Is for an Employer.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) If This Report Is for an Agent or Employee.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. Receipts (Including Contributions and Loans):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............Total for this Quarter (Add items "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............Total from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $..............Total now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............“Expense money” and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor*
	(*"Period"* from Jan. 1 through.............................., 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	Total

Note on Item "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) If This Report Is for an Agent or Employee. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. Expenditures (Including Loans) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............Total for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............Total from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $..............Total now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	Total

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Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A & S TRANSPORTATION COMPANY, 75 JACOBUS AVENUE SOUTH KEARNY NJ 07032			
A-K ASSOCIATES, INC, 1225 8TH STREET, #590 SACRAMENTO CA 95814	DIRECTOR OF TIMBER COUNTIES COALITION	12,916.00	17,269.72
Do	GOLDEN GATE BRIDGE HIGHWAY & TRANSPORTATION DISTRICT	[illegible]	17,029.29
Do	HEMET VALLEY FLYING SERVICE		
Do	INTERNATIONAL FIRE MANAGEMENT		
Do	PATHOLOGIST PRACTICE ASSOCIATION	[illegible]	25,047.86
Do	STRATOS TANKER, INC		
ALBERT E. ABRAHAMS, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	[illegible]	204.75
CHARLES A. ACQUARD, 1400 K STREET, NW, #500 WASHINGTON DC 20005	HANDGUN CONTROL, INC	4,062.00	
AGENCY FOR INSTRUCTIONAL TELEVISION, BOX A BLOOMINGTON IN 47401			
KAREN D. ALEXANDER, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
RICHARD F. ALI, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
WAYNE G. ALLCOTT, 1819 L ST., NW, #900 WASHINGTON DC 20036	U S WEST, INC	4,856.25	3,636.18
DOROTHY D. ALLEN, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
JEROME A. AMBRO ASSOCIATES, 2301 S. JEFFERSON DAVIS DR., #719 ARLINGTON VA 22202	ASSOCIATED UNIVERSITIES	2,550.00	2,019.98
Do	COUNTY OF SUFFOLK, NEW YORK	15,900.00	12,705.00
AMERICAN ASSN FOR RESPIRATORY THERAPY, 1720 REGAL ROW DALLAS TX 75235		1,438.60	19,243.76
AMERICAN ASSN OF BLOOD BANKS, 1117 NORTH 19TH ST., #600 ARLINGTON VA 22209			
AMERICAN ASSN OF EXPORTERS & IMPORTERS, 11 WEST 42ND STREET, 30TH FL. NEW YORK NY 10036			810.00
AMERICAN ASSN OF PRESIDENTS OF INDEPENDENT COLLEGES & UNIVS, BOX 723 REXBURG ID 83440		5,050.00	12,651.52
AMERICAN CHAMBER OF COMMERCE OF THE DOMINICAN REPUBLIC, P.O. BOX 95-2 SANTO DOMINGO DOMINICAN REPUBLIC			
AMERICAN CLEAN WATER ASSN, 3911 NORTHHAMPTON, NW WASHINGTON DC 20015		1,637.53	[illegible]
AMERICAN CONGRESS ON REAL ESTATE, 145 EAST CENTER STREET PROVO UT 84601			
AMERICAN DENTAL ASSN, 211 E. CHICAGO AVE. CHICAGO IL 60611		4,950.60	16,570.45
AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES, 1625 L ST., NW WASHINGTON DC 20036			117,397.50
AMERICAN MEDICAL PEER REVIEW ASSN, 440 FIRST STREET, NW, #510 WASHINGTON DC 20001			
AMERICAN PHYSICAL THERAPY ASSN, 1111 N. FAIRFAX ST. ALEXANDRIA VA 22314		4,256.54	4,256.54
AMERICAN REFUGEES IN AMERICA, 397 WALNUT HILL RD. ORANGE MA 01364			
AMERICAN SUBCONTRACTORS ASSN, 1004 DUKE ST. ALEXANDRIA VA 22314			1,400.00
AMERICAN TRUCKING ASSNS, INC, 2200 MILL RD. ALEXANDRIA VA 22314		10,290.06	69,812.35
STEPHEN O. ANDERSEN, 2000 L STREET, NW, #320 WASHINGTON DC 20036	CONSUMER ENERGY COUNCIL OF AMERICA		
ANDERSON & PENDLETON, 1000 CONNECTICUT AVENUE, NW, #707 WASHINGTON DC 20036	CANNED & COOKED MEAT IMPORTERS' ASSN		
Do	CORPORACION NACIONAL DEL COBRE (CHILE) (CODELCO)	6,249.00	6,508.11
ANNE ANDERSON, 1325 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	7,452.36	
L. J. ANDOLSEK, 1533 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	605.00	
DAVID R. ANDREWS, THREE EMBARCADERO CENTER SAN FRANCISCO CA 94111	MCCUTCHEN DOYLE BROWN & EMERSEN (FOR: ROHR INDUSTRIES)		[illegible]
R. G. ARMISTEAD, 8613 JANET LANE VIENNA VA 22180			
JOHN A. ARMSTRONG, 1330 BURLINGTON STREET EAST HAMILTON, ONTARIO CANADA L8N 3J5	CANADIAN TUBULAR PRODUCERS ASSN	[illegible]	[illegible]
Do	DOFASCO, INC		
ARNOLD & PORTER, 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	BUILDING & CONSTRUCTION TRADES DEPT, AFL-CIO	44.50	1.50
Do	CENTRAL SERVICES ORGANIZATION		
Do	CSX CORPORATION		10.00
Do	HAMILTON BROTHERS OIL & GAS CORP		
Do	HOFFMANN LA ROCHE, INC		
Do	NATIONAL COORDINATING COMM FOR MULTIEMPLOYER PLANS	15,312.00	[illegible]
Do	RECORDING INDUSTRY ASSN OF AMER, INC	2,022.25	20.97
Do	SACRAMENTO PUBLIC UTILITY DISTRICT, ET AL		521.55
ASSOCIATED BUILDERS & CONTRACTORS, INC, 729 15TH ST., NW WASHINGTON DC 20005		15,000.00	
ASSOCIATION FOR DEVELOPMENT POLICY RESEARCH, 1309 L STREET, NW WASHINGTON DC 20005		[illegible]	1,472.98
ASSOCIATION OF AMERICAN FOREIGN SERVICE WOMEN, P.O. BOX 8068 WASHINGTON DC 20024			
ASSOCIATION OF GOVERNMENT ACCOUNTANTS, 727 SOUTH 23RD STREET, #100 ARLINGTON VA 22202			
ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC, 1735 DESALES ST., NW WASHINGTON DC 20036			[illegible]
AVON PRODUCTS, INC, 9 WEST 57TH ST. NEW YORK NY 10019			
BAKER & MCKENZIE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	CAMBRIDGE RESEARCH & DEVELOPMENT GROUP		
DAVID BAKER, 530 7TH ST., SE WASHINGTON DC 20003	NATIONAL CLEAN AIR COALITION, INC	4,599.31	
MICHAEL BALY III, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	[illegible]	1,508.53
SAMUEL J. BAPTISTA, 1620 EYE STREET, NW, #603 WASHINGTON DC 20006	VISA U.S.A., INC		
BARAFF KOERNER OLENDER & HOCHBERG, P.C., 2033 M STREET, NW, #203 WASHINGTON DC 20036	COLLEGE FOOTBALL ASSOCIATION	200.00	
Do	MAJOR INDOOR SOCCER LEAGUE	700.00	
Do	NATIONAL BASKETBALL ASSN	2,200.00	
Do	NORTH AMERICAN SOCCER LEAGUE		
DAVID J. BARDIN, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SOLMECS CORPORATION		
BARNES RICHARDSON & COLBURN, 1819 H ST., NW, #400 WASHINGTON DC 20006	BROWN-FORMAN CORP		
Do	DOW CHEMICAL CO		
Do	HEUBLEIN, INC		
Do	HIRAM WALKER & SONS, INC		
Do	PFIZER, INC		
Do	SCHIEFFELIN & CO.		
Do	JOSEPH E. SEAGRAM & SONS, INC, ET AL		
Do	UNIROYAL, INC	605.75	
BARNETT & ALAGIA, 1000 THOMAS JEFFERSON STREET, NW, #900 WASHINGTON DC 20007	THAI FOOD PROCESSORS ASSN		
LARRY P. BARNETT, 1709 NEW YORK AVE., NW WASHINGTON DC 20006	AIR TRANSPORT ASSN OF AMERICA	[illegible]	
JAMES C. BARR, 1840 WILSON BLVD ARLINGTON VA 22201	CREDIT UNION NATL ASSN, INC	300.00	197.46
DAVID M. BARRETT, BARRETT HANNA DAILY & GASPAR 2555 M STREET, NW, #100 WASHINGTON DC 20037	ALLIED TUBE & CONDUIT CORP	11,589.58	1,926.63
Do	ENERGY CONSUMERS & PRODUCERS ASSN	4,500.00	[illegible]
Do	NATIONAL MEDICAL ENTERPRISES, INC	6,000.00	1,462.66
BARRETT SMITH SCHAPIRO SIMON & ARMSTRONG, 1201 PENNSYLVANIA AVENUE, NW, #821 WASHINGTON DC 20004	COFFEE SUGAR & COCOA EXCHANGE, INC		
Do	HUGO NEU & SONS, INC		
Do	IRVING TRUST CO		
Do	METROPOLITAN TRANSPORTATION AUTHORITY		
DAVID S. BARROWS, 1201 S. W. 12TH, #200 PORTLAND OR 97205	ASSOCIATION OF OREGON & CALIFORNIA LAND GRANT COUNTIES	1,200.00	
JAMES E. BARTLEY, 1090 VERMONT AVENUE, NW, #410 WASHINGTON DC 20005	PROCOMPETITIVE RETAIL STEERING COMM		[illegible]
WELDON V. BARTON, 1625 MASSACHUSETTS AVENUE, NW, #202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSN OF AMERICA	12,500.00	1,673.76
THOMAS W. BATTAGLIA, 2550 M STREET, NW, #300 WASHINGTON DC 20037	GLOBAL DEFENSE & SPACE, INC	[illegible]	[illegible]
MICHAEL K. BEARD, 100 MARYLAND AVE., NE WASHINGTON DC 20002	NATIONAL COALITION TO BAN HANDGUNS		
BARBARA F. BEATTY, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
HOWARD BEDLIN, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	[illegible]	115.64
LOUIS BEER, 1320 19TH ST., NW, #200 WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP		
JAMES BEIZER, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
DONALD K. BELCH, STELCO TOWER HAMILTON, ONTARIO CANADA L8N 3 T1	STELCO, INC		
BENCHMARK TECHNOLOGIES CORP, 1995 TREMAINSVILLE RD. TOLEDO OH 43613			
BENNER BURNETT & COLEMAN, 1401 NEW YORK AVENUE, NW WASHINGTON DC 20005	SCHNITZER STEEL PRODUCTS CO		[illegible]
DANIEL BENNET, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
JOHN C. BENNISON, 4400 MACARTHUR BLVD., NW WASHINGTON DC 20007	AMERICAN SOC OF TRAVEL AGENTS	[illegible]	
JANE W. BERGWIN, 1050 17TH STREET, NW, #490 WASHINGTON DC 20036	CONSUMERS POWER CO	[illegible]	1,266.00
RACHELLE B. BERNSTEIN, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		28.71
LEONARD BICKWIT JR., MILLER & CHEVALIER, CHTD. 655 15TH STREET, NW WASHINGTON DC 20005	CONSOLIDATED EDISON CO OF NEW YORK		
Do	GENERAL PUBLIC UTILITIES CORP	4,000.00	34.71
Do	LINCOLN SAVINGS & LOAN ASSN	27,714.10	20,187.56
PAT BILLINGS, 624 9TH STREET, NW, #700 WASHINGTON DC 20001	GROUP HEALTH ASSN OF AMERICA, INC	[illegible]	
VITINA BIONDO, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	244.00	
ROBERT J. BIRD, 888 16TH STREET, NW WASHINGTON DC 20006	ZACHRY, INC		
H. RADFORD BISHOP II, P.O. BOX 946 HOLLY HILL FL 32017	NATIONAL HEALTH CARE FINANCING ASSN		
BISHOP LIBERMAN COOK PURCELL & REYNOLDS, 1200 17TH STREET, NW, 7TH FL. WASHINGTON DC 20036	ALEUT CORPORATION	500.00	
Do	ALEUTIAN/PRIBILOF ISLANDS ASSN, INC	500.00	
Do	AMERICAN ACADEMY OF OPHTHALMOLOGY		
Do	ASSOCIATION OF FEDERAL HEALTH ORGANIZATIONS		
Do	AUDIO RECORDING RIGHTS COALITION		
Do	CNA INSURANCE CO OF CHICAGO, ILLINOIS	500.00	
Do	CONSOLIDATED NATURAL GAS CO		
Do	ETHYL CORPORATION		
Do	HOME RECORDING RIGHTS COALITION		
Do	MANUFACTURERS HANOVER BANK		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	NATIONAL MASS RETAILING INSTITUTE	3,500.00	
Do	PIPE LINE EQUITY ACT COALITION	16,046.50	
Do	RIO GRANDE INDUSTRIES		
Do	ROADWAY SERVICES, INC		
Do	TANADGUSIX CORPORATION	1,500.00	
Do	TEXACO, INC		
Do	TEXAS GAS TRANSMISSION CORP		
Do	TOBACCO INSTITUTE	15,350.00	
ROGER BLACKLOW, 100 INDIANA AVENUE, NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	2,115.40	
KENNETH T. BLAYLOCK, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	21,850.57	5,289.31
SAMUEL A. BLEICHER, FRANK BERNSTEIN CONAWAY & GOLDMAN 300 EAST LOMBARD STREET BALTIMORE MD 21201	A & S TRANSPORTATION COMPANY		
RICHARD W. BLISS, 3242 GRACE STREET, NW WASHINGTON DC 20007	ST. JOE MINERALS CORPORATION	1,942.00	35.81
JOANNE BLUM, 2010 MASSACHUSETTS AVENUE, NW, #500 WASHINGTON DC 20036	PLANNED PARENTHOOD FEDERATION OF AMERICA, INC	1,824.25	[illegible]
BLUM NASH & RAILSBACK, 1133 15 ST WASHINGTON DC 20005	FLOATING POINT SYSTEM	875.00	5.00
ROBERT A. BLUM, THREE EMBARCADERO CENTER 28TH FLOOR SAN FRANCISCO CA 94111	MCCUTCHEN DOYLE BROWN & EMERSEN (FOR: PERMANENTE MEDICAL GROUP, INC).		3,474.97
SETH M. BODNER, 386 PARK AVENUE SOUTH NEW YORK NY 10016	NATIONAL KNITWEAR & SPORTSWEAR ASSN		4,314.00
DIANE BORATYN, 1230 31ST ST., NW, #5 WASHINGTON DC 20007	D BORATYN, LTD		
MARY M. BOURDETTE, 4TH FLOOR 122 C STREET, NW WASHINGTON DC 20001	CHILDREN'S DEFENSE FUND OF THE WASHINGTON RESEARCH PROJECT	5,010.72	[illegible]
BOWMAN CONNER TOUHEY & PETRILLO, 2828 PENNSYLVANIA AVENUE, NW, #203 WASHINGTON DC 20007	NATIONAL ASSN OF AIRCRAFT & COMMUNICATIONS SUPPLIERS, INC		
JAMES H. BOYD, 1090 VERMONT AVENUE, NW, #530 WASHINGTON DC 20005	NEWMONT MINING CORP		
THURMAN L. BOYKIN, 1911 N. FT. MYER DR., #702 ARLINGTON VA 22209	AGRISTORE SYSTEMS COMPANY		
Do	ARKANSAS 2000, INC		
BRACEWELL & PATTERSON, 1825 EYE STREET, NW, #1200 WASHINGTON DC 20006	APPALACHIAN ENERGY GROUP	[illegible]	129.67
STUART J. BRAHS, 1331 PENNSYLVANIA AVE., NW, #719 WASHINGTON DC 20004	ASSOCIATION OF PRIVATE PENSION & WELFARE PLANS, INC	1,081.75	
ROY S. BREDDER, 1111 14TH ST., NW, #1200 WASHINGTON DC 20005	AMERICAN DENTAL ASSN	[illegible]	149.49
MARTHA M. BROAD, 1350 NEW YORK AVE., NW, #300 WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC	[illegible]	[illegible]
BROADHURST BROOK MANGHAM & HARDY, 1730 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	COLUMBIA GAS SYSTEM SERVICE CORP		
Do	CSX CORPORATION	3,787.50	914.00
Do	NORTHWEST PIPELINE CORP		
Do	PHILLIPS PETROLEUM CO	24,776.25	[illegible]
Do	TEXAS GAS TRANSMISSION CO		
BROWN & SEYMOUR, 100 PARK AVENUE, #2606 NEW YORK NY 10017	GRAY PANTHERS		
DONALD K. BROWN, 1121 L ST., #810 SACRAMENTO CA 95814	CROWLEY MARITIME CORPORATION		
Do	SUMMA CORPORATION		
MARGUERITE BRACY BROWN, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES	10,862.35	567.65
REBECCA G. BROWN, 1275 K ST., NW, #750 WASHINGTON DC 20005	NATIONAL WOMEN'S POLITICAL CAUCUS	1,406.25	2.40
SHIRLE L. BROWN, P.O. BOX 663, GPO NEW YORK NY 10016	SLB ENTERPRISES		
DAVID BRUBAKER, P.O. BOX 329 B-110 EPHRATA PA 17522	PENNAG INDUSTRIES ASSOCIATION		
JAMES W. BRUNER JR., 555 CAPITOL MALL, #1200 SACRAMENTO CA 95814	ORRICK HERRINGTON & SUTCLIFFE		
G. N. BUFFINGTON, 2230 CALIFORNIA STREET, NW WASHINGTON DC 20008	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS	3,514.50	5.76
SUSAN M. BUFFONE, 3604 34TH STREET, NW WASHINGTON DC 20009	NATIONAL PARKS & CONSERVATION ASSOCIATION	[illegible]	
BURCH AND BENNETT, P.C., 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP		
CHRISTINE CAPITO BURCH, 1625 L STREET, NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES	10,392.79	[illegible]
J. THOMAS BURCH JR., 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	BURCH AND BENNETT, P.C. (FOR: M.A.N. TRUCK & BUS CORP)		
DAVID G. BURDEN, 200 E. RANDOLPH DR. CHICAGO IL 60601	AMOCO CORP		
WILLIAM J. BURHOP, 1709 NEW YORK AVE., NW WASHINGTON DC 20006	AIR TRANSPORT ASSN OF AMERICA	[illegible]	
DIANE B. BURKE, 1625 L STREET, NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES, AFL-CIO	8,371.99	113.00
GERARD P. BURKE, 117 SPOTSWOOD RIVE SILVER SPRING MD 20904	INTERNATIONAL AIR LEASES, INC		
J. J. BURKE JR., 40 E. BROADWAY BUTTE MT 59701	MONTANA POWER CO		
FRANCIS X. BURKHARDT, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	INTERNATIONAL BROTHERHOOD OF PAINTERS & ALLIED TRADES		
BUSBY REHM & LEONARD, 1629 K ST., NW, #1100 WASHINGTON DC 20006	AUTOMOBILE IMPORTERS OF AMERICA, INC	1,500.00	140.41
NICHOLAS J. BUSH, 1730 RHODE ISLAND AVENUE, NW, #200 WASHINGTON DC 20036	NATURAL GAS SUPPLY ASSN	3,125.00	4,675.78
JAMES J. BUTERA, 4TH FLOOR 1101 15TH ST., NW WASHINGTON DC 20005	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS	[illegible]	212.12
WILLIAM A. BUTLER, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	5,000.00	[illegible]
F. PATRICIA CALLAHAN, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
CAMBRIDGE INTERNATIONAL, INC, 10057 MACLURA COURT FAIRFAX VA 22032	AVCO LYCOMING	875.00	170.00
Do	FMC CORPORATION	175.00	
Do	GENERAL DYNAMICS LAND SYSTEMS	200.00	
Do	LOCKHEED-GEORGIA CO	150.00	
Do	NORDEN SYSTEMS, INC	150.00	
BRUCE P. CAMERON, 1411 K ST., NW, SUITE 850 WASHINGTON DC 20005	AMERICANS FOR DEMOCRATIC ACTION	1,584.55	
CAMPAIGN FOR COMMUNITY-BASED ECONOMIC DEVELOPMENT, 2025 EYE STREET, NW, #901 WASHINGTON DC 20006		[illegible]	600.00
JEANNE CAMPBELL, CAMPBELL-RAUPE ASSOCIATES, INC 1015 15TH STREET, NW, #907 WASHINGTON DC 20005	NEW ENGLAND COUNCIL, INC		
CAMPBELL-RAUPE ASSOCIATES, INC, 1015 15TH STREET, NW, #907 WASHINGTON DC 20005	AMERICAN NUCLEAR ENERGY COUNCIL		
Do	CONTINENTAL AIRLINES		
Do	LTV CORPORATION		
Do	NEW ENGLAND LIFE		
Do	TEXAS UTILITIES SERVICES		
Do	WESTINGHOUSE		
ROBERT P. CANAVAN, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	2,649.00	117.50
WILLIAM F. CANIS, 1730 PENNSYLVANIA AVENUE, NW, #450 WASHINGTON DC 20006	CATERPILLAR TRACTOR CO	2,500.00	[illegible]
CAPITAL ADVOCATES, 1127 11TH STREET, #950 SACRAMENTO CA 95814	CROWLEY MARITIME CORP	1,875.00	6,156.51
Do	DISTILLED SPIRITS COUNCIL OF THE U.S., INC		
ROSS CAPON, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS	10,125.05	
C. SARGENT CARLETON, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS	12,500.00	1,618.27
EDWARD J. CARLOUGH, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTERNATIONAL ASSN	25,987.00	
CHAPIN CARPENTER JR., 1211 CONNECTICUT AVENUE, NW, #406 WASHINGTON DC 20036	MAGAZINE PUBLISHERS ASSN, INC	1,500.00	
JOHN BENJAMIN CARROLL, 100 E. WASHINGTON ST., #206 SYRACUSE NY 13202	DAIRY FARMER DISTRIBUTORS OF AMERICA, INC		
JOHN R. CARTER, 1000 WILSON BLVD., #2600 ARLINGTON VA 22209	TRW, INC	[illegible]	
LAWRENCE J. CASSIDY, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTERNATIONAL ASSN	[illegible]	
LUIS EDUARDO CASTANEDA, P.O. BOX 364 BUENA VISTA STATION MIAMI FL 33137	NEW GENERATION LOBBY		
G. THOMAS CATOR, 1050 17TH STREET, NW WASHINGTON DC 20036	NEECE CATOR & ASSOCIATES, INC (FOR: ASSOCIATION OF SMALL BUSINESS DEVELOPMENT CENTERS).	1,600.00	1,600.00
GORDON CAVANAUGH, 509 C STREET, NE WASHINGTON DC 20002	ROISMAN RENO & CAVANAUGH (FOR: COUNCIL OF LARGE PUBLIC HOUSING AUTHORITIES).	11,618.73	[illegible]
PHILIP CHABOT, 1317 F STREET, NW WASHINGTON DC 20004	EAST BAY REGIONAL PARK DISTRICT		
CHAMBERS ASSOCIATES, INC, 1411 K STREET, NW, #500 WASHINGTON DC 20005	STATE OF OREGON, DEPT OF HUMAN RESOURCES		
WILLIAM J. CHANDLER, 1511 K STREET, NW, #1100 WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC	5,000.00	[illegible]
CHARLES KARALEKAS MCCAHILL & WILSON, 1250 CONNECTICUT AVENUE, NW, #318 WASHINGTON DC 20036	INDEPENDENT INSURANCE AGENTS OF AMERICA		
WILLIAM CHASEY ORGANIZATION, INTERNATIONAL CLUB BLDG., #631 1800 K STREET, NW WASHINGTON DC 20006	ALLAN RONSON CO.		
Do	CAMPUS CRUSADE FOR CHRIST, INC		
Do	INDUSTRIAL DATA LINK	5,000.00	2,112.50
Do	LIFE INSURANCE COALITION OF AMERICA		
Do	NATIONAL UNIVERSITY	6,000.00	2,212.50
Do	PROFESSIONAL ASSET MANAGEMENT, INC	6,000.00	2,112.50
Do	REAL PROPERTY SERVICES CORP	[illegible]	2,212.50
Do	SYNCROTECH SOFTWARE CORP	12,000.00	2,112.50
STEPHAN E. CHERTOFF, 1709 NEW YORK AVENUE, NW, #303 WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD		
CHILDREN'S TELEVISION WORKSHOP, ONE LINCOLN PLAZA NEW YORK NY 10023			
FRANK M. CHRISTENSEN, BOX 2030 HAMILTON, ONTARIO, CANADA	CANADIAN TUBULAR PRODUCERS ASSN	150.00	405.00
HAL M. CHRISTENSEN, 1111 14TH STREET, NW, #1200 WASHINGTON DC 20005	AMERICAN DENTAL ASSN	[illegible]	[illegible]
DONALD C. CLARK, 8224 OLD COURT HOUSE ROAD TYSONS CORNER VA 22180	SHEET METAL AIR CONDITIONING CONTRACTORS' NAT'L ASSN		
GILBERT CLARK, 1117 N. 19TH STREET, NW, #600 ARLINGTON VA 22209	AMERICAN ASSN OF BLOOD BANKS		
JULIE CLARK, 1625 K ST., NW EIGHTH FLOOR WASHINGTON DC 20006	NATIONAL LEGAL AID & DEFENDERS ASSN	[illegible]	[illegible]
ROBERT A. CLARK, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS	[illegible]	113.75
CECIL D. CLAY, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INT'L ASSN	[illegible]	
COALITION TO PROMOTE AMERICA'S TRADE, 1875 EYE STREET, NW, #540 WASHINGTON DC 20006		41,400.00	
COHEN & WHITE, 2934 M ST., NW WASHINGTON DC 20007	COMPUTER & COMMUNICATIONS INDUSTRY ASSOCIATION	1,091.75	74.39
DAVID COHEN, 1346 CONNECTICUT AVE., NW, #901 WASHINGTON DC 20036	PROFESSIONALS' COALITION FOR NUCLEAR ARMS CONTROL	7,000.00	
DEBORAH A. COHN, 2000 P STREET, NW, #305 WASHINGTON DC 20036	FORESIGHT SCIENCE & TECHNOLOGY, INC (FOR: NATIONAL COALITION FOR SCIENCE & TECHNOLOGY).		
KEN W. COLE, 1150 CONNECTICUT AVENUE, NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ROBERT E. COLE, 900 17TH ST., NW WASHINGTON DC 20006	KAISER ALUMINUM & CHEMICAL CORP		
COLLIER SHANNON RILL & SCOTT, 1055 THOMAS JEFFERSON ST., NW, #308 WASHINGTON DC 20007	LTV CORP		
STEPHEN J. COLLINS, 1620 EYE ST., NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC		
COLUMBIA GORGE UNITED, BOX 329 STEVENSON WA 98648		1,935.00	47.30
COMMERCIAL UNION INSURANCE COMPANIES, ONE BEACON STREET BOSTON MA 02108			
COMMITTEE FOR DO-IT-YOURSELF HOUSEHOLD MOVING, 1725 K ST., NW, #401 WASHINGTON DC 20005			
STEPHEN R. CONAFAY, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	PFIZER, INC	3,500.00	1,110.97
CONCERNED WOMEN FOR AMERICA, 122 C STREET, NW, #800, WASHINGTON DC 20001		32,872.39	32,872.39
CONFERENCE OF STATE BANK SUPERVISORS, 1015 18TH ST., NW WASHINGTON DC 20036			4,649.06
CHARLES E. CONLON, 923 15TH STREET, NW WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	1,000.00	
ROBERT J. CONNER JR., 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	CHRYSLER CORPORATION	500.00	1,811.66
GERALD R. CONNOR, 1030 15TH STREET, NW, #1100 WASHINGTON DC 20005	HEALTH INDUSTRY MANUFACTURERS ASSN	2,375.00	258.71
MARK R. CONRAD, 1200 PEAVEY BUILDING MINNEAPOLIS MN 55479	NORWEST CORPORATION	12,578.00	1,225.93
CONSOLIDATED RAIL CORPORATION, P.O. BOX 23451 L'ENFANT PLAZA WASHINGTON DC 20024			11,638.00
CONSUMER FEDERATION OF AMERICA, 1424 16TH ST., NW, #604 WASHINGTON DC 20005		142,511.00	107,145.00
CONSUMERS UNION OF U.S., INC., 256 WASHINGTON ST. MOUNT VERNON NY 10550			5,900.00
JOHN A. CONWAY, 1201 16TH STREET, NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN		
BENJAMIN Y. COOPER JR., 1730 NORTH LYNN ST. ARLINGTON VA 22209	PRINTING INDUSTRIES OF AMERICA, INC	8,500.00	
CHESTER L. COOPER, 1616 P ST., NW, #410 WASHINGTON DC 20036	AMERICAN ACADEMY OF ARTS & SCIENCES	10,000.00	150.00
COOPERATIVE LEAGUE OF THE USA, 1828 L ST., NW, #1100 WASHINGTON DC 20036		199,236.54	1,256.14
JAY COPELAND, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	994.00	345.60
CORMAN LAW OFFICES, 1420 16TH STREET, NW WASHINGTON DC 20036	SUPERIOR ENGINEERING & ELECTRONICS	750.00	
COUNCIL FOR A COMPETITIVE ECONOMY, INC, 122 C ST., NW, #700 WASHINGTON DC 20001			
JAMES COUSINS, 1101 15TH ST., NW, #400 WASHINGTON DC 20005	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS	15,000.00	
ERIC COX, 418 7TH ST., SE WASHINGTON DC 20003	CAMPAIGN FOR U.N. REFORM-POLITICAL EDUCATION COMMITTEE	191.01	
W. D. CRAFT JR., CRAFT & RICHARDS 1050 THOMAS JEFFERSON ST., NW, 6TH FL. WASHINGTON DC 20008	ALLIS-CHALMERS ENERGY & MINERALS SYSTEMS CO	5,156.25	99.62
Do	BOEING ENGINEERING CO SOUTHEAST, INC	2,842.00	121.40
Do	CONSUMERS UNITED FOR RAIL EQUITY (C.U.R.E.)	7,712.00	301.90
Do	EDISON ELECTRIC INSTITUTE	1,995.00	103.35
Do	ILLINOIS DEPT OF ENERGY & NATURAL RESOURCES	2,524.00	102.60
Do	NAVAJO-HOPI RELOCATION COMMISSION	1,306.00	85.70
KEN A. CRERAR, 1611 NO. KENT STREET, #900 ARLINGTON VA 22209	FOOTWEAR INDUSTRIES OF AMERICA	3,000.00	3,723.44
LAUREN J. CRONIN, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	KAISER CEMENT CORPORATION	4,300.00	1,411.40
JOHN M. CROSS, 1201 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC		
BARRY M. CULLEN, 1620 EYE ST., NW, #700 WASHINGTON DC 20006	INTERNATIONAL PAPER CO	25.00	
DIANE BROWN CUNNINGHAM, 1620 EYE ST., NW, #700 WASHINGTON DC 20006	INTERNATIONAL PAPER CO	7,000.00	450.00
MARY BETH CURRY, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	262.00	17.50
D L ASSOCIATES, INC, 1730 RHODE ISLAND AVENUE, NW, #210 WASHINGTON DC 20036	MARTIN MARIETTA AEROSPACE		
RUDOLPH N. D'AGARIS, 4708 NORBECK RD. ROCKVILLE MD 20853			
DAIRY FARMER DISTRIBUTORS OF AMERICA, INC, * CHITTENANGO NY 13037			
TRACY DANESE, P.O. BOX 14000 JUNO BEACH FL 33408	FLORIDA POWER & LIGHT CO		2,672.87
DAN DANNER, 1667 K ST., NW, #650 WASHINGTON DC 20006	ARMCO, INC	1,200.00	160.97
LINDA DASCHLE, 1709 NEW YORK AVE., NW WASHINGTON DC 20006	AIR TRANSPORT ASSN OF AMERICA	1,000.00	
THEODORE S. J. DAVI, 371-106 BURGUNDY LN. LONGWOOD FL 32779			
KENNETH E. DAVIS, SUITE 1210 1667 K ST., NW WASHINGTON DC 20006	ROHM & HAAS CO	500.00	210.90
DAVIS WRIGHT TODD RIESE & JONES, 1752 N ST., NW, #800 WASHINGTON DC 20036	GTE SPRINT COMMUNICATIONS		
JEFF DEBOER, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,750.00	867.41
ROBERT DEBRAGGA, 26 FLANDER RD. RFD #1, BOX 239 STONINGTON CT 06388	PROJECT CURE, INC		50.00
JOHN J. DEGNAN, SHANLEY & FISHER, P.C. 131 MADISON AVENUE MORRISTOWN NJ 07960	SHARP ELECTRONICS CORP		
GEORGE K. DEGNON ASSOCIATES, INC, 1311-A DOLLEY MADISON BLDG., #3A MCLEAN VA 22101	ASSOCIATION OF STATE & TERRITORIAL HEALTH OFFICIALS		
LAW OFFICES OF PAUL DELANEY, JR., 1120 20TH STREET, NW WASHINGTON DC 20036	BOWATER INDUSTRIES PLC		
Do	CONTINENTAL GRAIN CO		
DELOITTE HASKINS & SELLS, 655 15TH STREET, NW WASHINGTON DC 20005	ARKANSAS ELECTRIC COOPERATIVE CORP		
Do	HYDRIL CO		
Do	TEKTRONIX CORPORATION		
Do	TRIANGLE INDUSTRIES, INC		
Do	UNION PACIFIC CORP		
MICHAEL J. DELOOSE, 1015 18TH STREET, NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS	645.00	
ELIZABETH C. DEMATO, 5210 AUTH WAY CAMP SPRINGS MD 20746	SEAFARERS INTERNATIONAL UNION	3,000.00	710.00
R. DANIEL DEVLIN, 1825 EYE STREET, NW, #350 WASHINGTON DC 20006	TRANS WORLD AIRLINES, INC	325.00	
DEWEY BALLANTINE BUSHBY PALMER & WOOD, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	BENEFECIAL CORP		
Do	GENERAL ELECTRIC PENSION TRUST		
Do	PHIBRO-SALOMON, INC		
Do	TEACHERS INSURANCE AND ANNUITY ASSN OF AMERICA		
KENDALL P. DEXTER, 9 COUNTRY CLUB ROAD MOBILE AL 36608	MACMILLAN BLOEDEL, INC		
PATSY B. DIX, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	2,375.00	115.00
JAMES F. DOHERTY, 624 9TH ST., NW 7TH FL. WASHINGTON DC 20001	GROUP HEALTH ASSN OF AMERICA, INC		
ROBIN C. DOLE, 1825 EYE ST., NW, #350 WASHINGTON DC 20006	CENTURY 21 REAL ESTATE CORP	611.00	
BRIAN J. DONADIO, 122 C ST., NW, #875 WASHINGTON DC 20001	AMERICAN OSTEOPATHIC ASSN	2,865.00	
RICHARD M. DONALDSON, 1738 GUILDHALL BLDG. CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
MARY ELIZABETH DONNELLY, 1090 VERMONT AVENUE, NW, #530 WASHINGTON DC 20005	NEWMONT MINING CORP		
MARY K. DONNY, 1828 L STREET, NW WASHINGTON DC 20036	COOPERATIVE LEAGUE OF THE U.S.A	490.00	
THOMAS J. DONOHUE, 2200 MILL ROAD ALEXANDRIA VA 22314	AMERICAN TRUCKING ASSNS, INC		
JOHN P. DOYLE JR., 8600 BOUNDBROOK LANE ALEXANDRIA VA 22309	J.P. DOYLE ENTERPRISES, INC	3,000.00	
E. I. DU PONT DE NEMOURS & CO, INC, 1007 MARKET STREET WILMINGTON DE 19898			
CATHERINE EAST, 1275 K ST., NW, 750 WASHINGTON DC 20005	NATIONAL WOMEN'S POLITICAL CAUCUS	1,999.99	
EDEA, INC, P.O. BOX 3056 VERO BEACH FL 32964	AMERICAN SHIP BUILDING CO		
MICHAEL D. EDWARDS, 1201 16TH STREET, NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN		
JILL W. EILAND, 507 SECOND STREET, NE WASHINGTON DC 20002	PORTLAND GENERAL ELECTRIC CO		
KEITH H. ELLIS, 1015 18TH ST., NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS	3,800.00	204.00
DOROTHY A. ELLSWORTH, 1300 CONNECTICUT AVE., NW WASHINGTON DC 20036	INTERNATIONAL ASSN OF MACHINISTS & AEROSPACE WORKERS	13,968.24	120.80
AMOS S. ENO, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	4,037.65	665.00
M. DALE ENSIGN, 2600 VIRGINIA AVENUE, NW, #901 WASHINGTON DC 20037	SINCLAIR OIL CORPORATION		
J. BARRY EPPERSON, P.O. BOX 42464 HOUSTON TX 77242	ASSOCIATED WIRE ROPE FABRICATORS	900.00	3,731.38
MARTHA M. ESCUTIA, 20 F STREET, NW, #200 WASHINGTON DC 20001	NATIONAL COUNCIL OF LA RAZA	2,000.00	650.00
BROCK EVANS, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	4,300.00	165.00
DONALD C. EVANS JR., 655 15TH STREET, NW, #310 WASHINGTON DC 20005	CONSOLIDATED FOODS CORP		
Do	FEDERATION FOR AMERICAN AFGHAN ACTION		
Do	FREIGHT FORWARDERS INSTITUTE		
Do	INDUSTRY COUNCIL FOR TANGIBLE ASSETS		
Do	OLYMPIA & YORK DEVELOPMENTS LTD		
Do	OLYMPIA & YORK EQUITY CORP		
ROBERT J. EVANS, 2060 CANTERBURY ROAD KINGSPORT TN 37660			
FAWN K. EVENSON, 1611 N. KENT ST., #900 ARLINGTON VA 22209	FOOTWEAR INDUSTRIES OF AMERICA	5,000.00	51.20
FEDERAL KEMPER LIFE ASSURANCE COMPANY, KEMPER BLDG. D-3 LONG GROVE IL 60049			886.94
JOEL F. FELDMAN, LAW OFFICES OF SHELDON I. LONDON 1725 DESALES STREET, NW, #401 WASHINGTON DC 20036	AMERICAN HARDWARE MANUFACTURERS ASSN		
FENSTERWALD ALCORN & BOWMAN, 1000 WILSON BLVD., #900 ARLINGTON VA 22209	EQUITY FOR NATIONAL GUARD TECHNICIANS		78.76
Do	NATIONAL NUTRITIONAL FOODS ASSOCIATION		1,527.42
JACK FERGUSON ASSOCIATES, INC, 203 MARYLAND AVE., NE WASHINGTON DC 20002	DILLINGHAM CONSTRUCTION GROUP	15,833.00	1,287.22
Do	DILLINGHAM SHIP REPAIR		
Do	FOSS LAUNCH & TUG COMPANY; FOSS ALASKA LINE		
Do	MIDLAND CAPITAL CORP		
Do	NORTHWEST ENERGY COMPANY		
Do	U.S. BORAX & CHEMICAL CORP	9,041.67	1,135.48
Do	WESTERN FOREST INDUSTRIES ASSN		
WILLIAM FERGUSON JR., 1875 EYE ST., NW, #1275 WASHINGTON DC 20006	IRVINE COMPANY	5,312.50	120.31
Do	SANTA CRUZ PROPERTIES, INC	660.00	8.55
FINLEY KUMBLE WAGNER HEINE UNDERBERG MANLEY & CASEY, 10TH FLOOR 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN COLLEGE OF NEUROPSYCHOPHARMACOLOGY	450.00	30.00
Do	AMERICAN PROTESTANT HEALTH ASSN	1,000.00	33.00
Do	AMERICAN SOC OF PHARMACOLOGY & EXPERIMENTAL THERAPEUTICS		
Do	COMMITTEE ON PROBLEMS OF DRUG DEPENDENCE, INC	166.00	10.00
Do	JOHNSON & JOHNSON		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	NATIONAL ASSN OF ALCOHOLISM TREATMENT PROGRAMS, INC	333.00	15.00
Do	SOCIETY OF REAL ESTATE APPRAISERS		
JILL FINSEN, 923 15TH ST., N.W. WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	3,000.00	
JOHN FISHER, 140 OKLAHOMA ROAD COOK WA [illegible]	COLUMBIA GORGE UNITED		
CHARLES L. FISHMAN, P.C., 1717 K STREET, NW, #502 WASHINGTON DC 20036	CAROLINA POWER & LIGHT CO		
Do	CONSOLIDATED EDISON CO OF NEW YORK		
Do	DUKE POWER CO		
Do	STONE & WEBSTER ENGINEERING CORP		
Do	VIRGINIA ELECTRIC & POWER CO		
Do	WESTINGHOUSE ELECTRIC CORP		
REV. MSGR. JAMES H. FITZPATRICK, 15 COMPUTER DRIVE WEST ALBANY NY 12205	HOSPITAL ASSOCIATION OF NEW YORK STATE		
ALAN M. FITZWATER, 3800 CONTINENTAL PLAZA 777 MAIN STREET FORT WORTH TX 76102	BURLINGTON NORTHERN RAILROAD	20,000.00	4,070.25
FELIPE M. FLORESCA, 67 WALL STREET, #1802 NEW YORK NY 10005			
DAVID H. FOERSTER, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN		
FOOTWEAR RETAILERS OF AMERICA, INC, 1319 F ST., NW, #700 WASHINGTON DC 20004			737.50
FOREMAN AND COMPANY, 1826 JEFFERSON PLACE, NW, #201 WASHINGTON DC 20036	GRAY AND COMPANY		
Do	HOME RECORDING RIGHTS COALITION		
CAROL TUCKER FOREMAN, 11 DUPONT CIRCLE, NW, #700 WASHINGTON DC 20005	HOME RECORDING RIGHTS COALITION		
FORESIGHT SCIENCE & TECHNOLOGY, INC, 2000 P ST., NW, #305 WASHINGTON DC 20036	NATIONAL COALITION FOR SCIENCE & TECHNOLOGY	675.00	877.86
Do	SOCIETY FOR AMERICAN ARCHAEOLOGY	2,438.55	1,739.98
RICHARD C. FORTUNA, 2916 STEPHENSON PL., NW WASHINGTON DC 20015	HAZARDOUS WASTE TREATMENT COUNCIL	1,500.00	1,500.00
NANCY E. FOSTER, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	399.79	
DAVID E. FRANASIAK, 1001 22ND STREET, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	812.50	182.55
GEORGE FRANKLIN, 235 PORTER ST. BATTLE CREEK MI 49016	KELLOGG COMPANY	3,000.00	325.00
JAMES R. FRANKLIN, 1185 AVENUE OF THE AMERICAS NEW YORK NY 10036	J.P. STEVENS & CO, INC		1,030.00
GREGORY W. FRAZIER, P.O. BOX 427 ENGLEWOOD CO 80151	INTERNATIONAL ENERGY BROKERS, INC		
SUSAN FRIDY, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	2,490.00	
GAY H. FRIEDMANN, 1150 CONNECTICUT AVE., NW, #717 WASHINGTON DC 20036	SOUTHERN CALIFORNIA GAS CO	6,000.00	105.11
FRIENDS OF THE RURAL DEVELOPMENT LOAN FUND, 2025 I STREET, NW, #901 WASHINGTON DC 20006			519.30
CHARLES H. FRITTS, 1101 14TH STREET, NW, #804 WASHINGTON DC 20005	NATIONAL APARTMENT ASSN		9,172.65
ROBERT F. FROEHLKE, 1285 AVENUE OF THE AMERICAS NEW YORK NY 10019	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.	1,000.00	15.00
RICHARD B. FROH, 900 17TH ST., NW, #1014 WASHINGTON DC 20006	KAISER FOUNDATION HEALTH PLAN, INC	21,250.00	
FULBRIGHT & JAWORSKI, 1150 CONNECTICUT AVE., NW, #400 WASHINGTON DC 20036	CRYSTAL OIL COMPANY		
CURTIS B. GANS, ROUTE 2, BOX 60 LOVETTSVILLE VA 22190	COMMITTEE FOR THE STUDY OF THE AMERICAN ELECTORATE	60,000.00	1,010.00
JOHN C. GARTLAND, 214 MASS. AVE., NE, #210 WASHINGTON DC 20002	AMWAY CORP	8,250.00	19.37
GARVEY SCHUBERT ADAMS & BARER, 1000 POTOMAC ST., NW WASHINGTON DC 20006	TRAILWAYS, INC	518.00	
GAS APPLIANCE MANUFACTURERS ASSN, INC, 1901 NORTH FORT MYER DR. ARLINGTON VA 22209			
GAY RIGHTS NATIONAL LOBBY, INC, 750 7TH ST., SE WASHINGTON DC 20003		118,911.13	57,774.70
WILLIAM L. GIFFORD, 600 MARYLAND AVENUE, SW, #520 WASHINGTON DC 20024	GPU NUCLEAR CORP		
WILLIAM GILMARTIN, 2010 MASSACHUSETTS AVE., NW, #500 WASHINGTON DC 20036	PLANNED PARENTHOOD FEDERATION OF AMERICA, INC	711.45	64.00
JAMES T. GLENN, 1331 PENNSYLVANIA AVE., NW, #560 WASHINGTON DC 20004	CSX CORPORATION	3,000.00	453.88
JERE W. GLOVER, 1725 K STREET, NW, #308 WASHINGTON DC 20006	NATIONAL COUNCIL FOR INDUSTRIAL INNOVATION		
GODFREY ASSOC, INC, 918 16TH ST., NW, SUITE S-501 WASHINGTON DC 20006			
HORACE D. GODFREY, 918 16TH ST., NW, SUITE S-501 WASHINGTON DC 20006	GODFREY ASSOC, INC		
GOLD & LIEBENGOOD, INC, 1050 CONNECTICUT AVENUE, NW, #980 WASHINGTON DC 20036	FUND FOR ASSURING AN INDEPENDENT RETIREMENT	4,413.00	1,612.00
DONNA GOLD, 1201 16TH STREET, NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	2,375.00	70.00
RONALD L. GOLDFARB, GOLDFARB, SINGER & AUSTERN 918 16TH STREET, NW, #503 WASHINGTON DC 20003	WASHINGTON INDEPENDENT WRITERS, INC		
CHARLES E. GOODELL, KING & SPALDING 1730 PENNSYLVANIA AVENUE, NW, #1200 WASHINGTON DC 20006	DGA INTERNATIONAL, INC (FOR SOFREAVIA)		
Do	DGA INTERNATIONAL, INC (FOR SNECMA)		
Do	THOMSON-CSF, INC		
GEORGE B. GOULD III, 100 INDIANA AVE., NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	12,337.77	9,436.18
GOVERNMENT RELATIONS ASSOCIATES, INC, 655 15TH ST., NW, #300 WASHINGTON DC 20005	GILMORE STEEL CORP		
Do	KAISER STEEL CORP		
GRAPHIC COMMUNICATIONS INTERNATIONAL UNION, AFL-CIO, CLC, 1900 L STREET, NW WASHINGTON DC 20036		47,987.00	49,166.00
GREAT AMERICAN RESERVE INSURANCE CO, 2020 LIVE OAK P.O. BOX 388 DALLAS TX 75221			
JAMES R. GRECO, P.O. BOX 3151 HOUSTON TX 77001	BROWNING-FERRIS INDUSTRIES, INC	2,500.00	310.00
JAMES W. GREEN, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN		
ALLEN GREENBERG, 2000 P ST., NW, #708 WASHINGTON DC 20036	HEALTH RESEARCH GROUP		
ROBERT GREENSTEIN, 236 MASSACHUSETTS AVENUE, NE WASHINGTON DC 20002	CENTER ON BUDGET & POLICY PRIORITIES	443.25	278.58
JOHN M. GREER, 1900 L STREET, NW WASHINGTON DC 20036	GRAPHIC COMMUNICATIONS INTERNATIONAL UNION, AFL-CIO, CLC	47,987.00	49,365.00
JANICE M. GREGORY, 1726 M ST., #704 WASHINGTON DC 20036	ERISA INDUSTRY COUNCIL	4,000.00	
WILLIAM G. GREIF, 1155 15TH ST., NW WASHINGTON DC 20005	BRISTOL-MYERS CO	25,000.00	
KAREN M. GREINER, 1300 NORTH 17TH STREET, #300 ARLINGTON VA 22209	ADAPSO		
JAMES J. GROGAN, P.O. BOX 19614 IRVINE CA 92714	LINCOLN SAVINGS & LOAN ASSN	10,000.00	2,640.87
GROH EGGERS & PRICE, 550 WEST 7TH AVENUE, #1250 ANCHORAGE AK 99501	AMERICAN PETROFINA, INC		
RICHARD L. GRUBER, P.O. BOX 2511 HOUSTON TX 77001	TENNESSEE GAS PIPELINE CO		
KENNETH A. GUENTHER, 1625 MASSACHUAETTS AVE., #202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSN OF AMERICA		
MARY SCOTT GUEST, 1919 PENNSYLVANIA AVE., NW, #800 WASHINGTON DC 20006	DILLON REED & CO, INC		
LELAND M. GUSTAFSON, 1050 17TH ST., NW, #1180 WASHINGTON DC 20036	PACIFIC GAS & ELECTRIC CO	914.40	427.06
NED H. GUTHRIE, 209 HAYES AVENUE CHARLESTON WV 25314	AMERICAN FED OF MUSICIANS	3,770.00	2,004.88
GLENN M. HACKBARTH, 444 N. CAPITOL STREET, #204 WASHINGTON DC 20001	BONNEVILLE ASSOCIATES, INC (FOR: INTERMOUNTAIN HEALTH CARE, INC)	13,750.00	131.83
GEORGE HACKER, 1501 16TH STREET, NW WASHINGTON DC 20036	CENTER FOR SCIENCE IN THE PUBLIC INTEREST	1,400.00	
BRUCE N. HAHN, 9300 LIVINGSTON RD. FT. WASHINGTON MD 20744	NATIONAL TOOLING & MACHINING ASSN	11,425.00	1,458.78
DEBI HALL, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
SEYMOUR HALPERN, 540 MADISON AVENUE, 23RD FL. NEW YORK NY 10022	BARON/CANNING & CO, INC (FOR: AMERICAN CAN CO)		
Do	BARON/CANNING & CO, INC (FOR: COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS)	1,300.00	623.90
Do	BARON/CANNING & CO, INC (FOR: ELECTRONIC INDUSTRIES ASSN OF JAPAN)	1,000.00	356.75
Do	BARON/CANNING & CO, INC (FOR: REPUBLIC OF KOREA)		
J. PHILLIP HALSTEAD, P.O. BOX 24305 OAKLAND CA 94623	CLOROX COMPANY		
JERALD V. HALVORSEN, 2200 MILL ROAD ALEXANDRIA VA 22314	AMERICAN TRUCKING ASSNS, INC	15,000.00	982.01
Do	NATIONAL COAL ASSN		
WILLIAM W. HAMILTON JR., 2010 MASSACHUSETTS AVE., NW, #500 WASHINGTON DC 20036	PLANNED PARENTHOOD FEDERATION OF AMERICA, INC		
HANDGUN CONTROL, INC, 1400 K STREET, NW, #500 WASHINGTON DC 20005		667,741.00	76,036.00
HANNAFORD CO, INC, 655 15TH ST., NW, #200 WASHINGTON DC 20005	ROCKWELL INTERNATIONAL CORP		
Do	TRANS WORLD AIRLINES, INC		
HANSEN ENGINE CORP, 14920 MINNETONKA INDUSTRIAL ROAD MINNETONKA MN 55343			1,500.00
ERLING HANSEN, 624 9TH ST., NW, 7TH FL. WASHINGTON DC 20001	GROUP HEALTH ASSN OF AMERICA, INC		
STUART B. HARDY, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
ANNE HARRISON-CLARK, 1707 H STREET, NW, #600 WSAHINGTON DC 20006	MARCH OF DIMES BIRTH DEFECTS FOUNDATION	4,125.00	43.00
CLIFFORD J. HARVISON, 2200 MILL RD. ALEXANDRIA VA 22314	NATIONAL TANK TRUCK CARRIERS, INC		
WALTER A. HASTY JR., 801 18TH STREET, NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	105.00	
CHARLES E. HAWKINS III, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,505.00	
DAVID G. HAWKINS, 1350 NEW YORK AVE., NW, #300 WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC	1,658.07	5.75
PATRICK B. HEALY, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FEDERATION	543.75	
ROBERT E. HEGGESTAD, 1827 PHELPS PLACE, NW WASHINGTON DC 20008	CASEY SCOTT & CANFIELD, P.C. (FOR UNIFICATION CHURCH)	875.00	24.50
Do	MANUFACTURED HOUSING INSTITUTE		
ROSS J. HEIDE, 1001 22ND STREET, NW, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	325.00	60.00
STEVEN B. HELLEM, 605 14TH ST., NW WASHINGTON DC 20005	E. BRUCE HARRISON CO, INC (FOR: NEDA/CAAP)		
NOEL HEMMENDINGER, 1300 19TH STREET, NW WASHINGTON DC 20036	WALD HARKRADER & ROSS (FOR: JAPAN IRON & STEEL EXPORTERS' ASSN)		
CAROL DIANE HENDRICKS, 2601 PARK CENTER DRIVE, #C804 ALEXANDRIA VA 22302	AMERICAN MARITIME OFFICERS SERVICE		
DAVID A. HENSON, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO	600.00	780.77
HERCULES, INC, HERCULES PLAZA WILMINGTON DE 19894			9,408.00
LAWRENCE R. HERMAN, 600 PENNSYLVANIA AVENUE, SE, #200 WASHINGTON DC 20003	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC	12,654.00	
HERON BURCHETTE RUCKERT & ROTHWELL, 1025 THOMAS JEFFERSON ST., NW, #700 WASHINGTON DC 20007	IMPERIAL VALLEY ASPARAGUS GROWERS ASSN		
WILLIAM G. HERROLD, 1111 19TH ST., NW, #608 WASHINGTON DC 20036	INSTITUTE OF ELECTRICAL & ELECTRONICS ENGINEERS		
FRED HERVEY, P.O. BOX 29021 2645 E. WASHINGTON PHOENIX AZ 85038	CIRCLE K CORPORATION		
DALE E. HEYDLAUFF, CRAFT & RICHARDS 1050 THOMAS JEFFERSON STREET, NW, 6TH FL WASHINGTON DC 20007	ALLIS CHALMERS ENERGY & MINERALS SYSTEMS CO	5,156.25	99.62
Do	CONSUMERS UNITED FOR RAIL EQUITY (C.U.R.E.)	7,712.00	301.90
Do	EDISON ELECTRIC INSTITUTE	1,995.00	103.35
Do	ILLINOIS DEPT OF ENERGY & NATURAL RESOURCES	2,524.00	102.60
GERALD 'JERRY' HILL, 6 EXECUTIVE PARK DRIVE ATLANTA GA 30329	AMOCO CORP		
SHEILA K. HIXSON, 1111 14TH STREET, NW WASHINGTON DC 20005	AMERICAN DENTAL ASSN	1,000.00	1,863.42

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
HOBBS STRAUS DEAN & WILDER, 1819 H ST., NW, #800 WASHINGTON DC 20006	BRISTOL BAY AREA HEALTH CORP		
Do	MENOMINEE INDIAN TRIBE		
Do	METLAKATLA INDIAN COMMUNITY		
Do	MICCOSUKEE TRIBE OF INDIANS OF FLORIDA		
Do	NATIONAL CONGRESS OF AMERICAN INDIANS, INC		
Do	OGLALA SIOUX TRIBE		
Do	TANANA CHIEFS CONFERENCE, INC	40.00	
Do	THREE AFFILIATES TRIBES OF THE FORT BERTHOLD RESERVATION	2,000.00	
Do	UTE MOUNTAIN UTE TRIBE	1,200.00	
HOGAN & HARTSON, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	AMERICAN ELECTRONICS ASSN		
Do	CLEVELAND CLINIC FOUNDATION		
Do	COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY	[illegible]	
Do	COMPUTER & BUSINESS EQUIPMENT MANUFACTURERS ASSN		
Do	SCIENTIFIC APPARATUS MAKERS ASSN		
Do	SEMICONDUCTOR INDUSTRY ASSOCIATION		
WILLIAM J. HOLAYTER, 1300 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	INTERNATIONAL ASSN OF MACHINISTS & AEROSPACE WORKERS	7,682.48	
LEE F. HOLDMANN, 7315 WISCONSIN AVENUE, #825W BETHESDA MD 20814			
MOSES D. HOLMES JR., 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	2,649.00	55.00
PAUL R. HOLTZ, 1111 14TH STREET, NW, #1200 WASHINGTON DC 20005	AMERICAN DENTAL ASSN	[illegible]	852.80
HOPKINS & SUTTER, THREE FIRST NATIONAL PLAZA, #4200 CHICAGO IL 60602	LANE BANKING GROUP	[illegible]	54.95
MARIAN HOPKINS, 1400 S. 28TH STREET, APT. 8 ARLINGTON VA 22206	BARNETT & ALAGIA	7,750.00	59.85
STEVEN HORNBURG, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	[illegible]	[illegible]
SANFORD D. HORWITT, 5935 N. 5TH ROAD ARLINGTON VA 22203	COMMITTEE FOR HUMANE LEGISLATION, INC		
Do	FRIENDS OF ANIMALS, INC		
HOSPITAL ASSOCIATION OF NEW YORK STATE, 15 COMPUTER DRIVE WEST ALBANY NY 12205		429.00	429.00
ANNE L. HOWARD, ANNE L. HOWARD AND ASSOCIATES 888 17TH STREET, NW, #600 WASHINGTON DC 20006	LITTLE SIX BINGO	[illegible]	[illegible]
Do	PAN AMERICAN MANAGEMENT CO		
Do	SHAKOPEE MDEWAKANTON SIOUX COMMUNITY		
EDWARD F. HOWARD, 1334 G STREET, 3RD FL. WASHINGTON DC 20005	VILLERS ADVOCACY ASSOCIATES	1,806.06	54.44
JOHN A. HOWES, 1050 17TH ST., NW, #490 WASHINGTON DC 20036	CONSUMERS POWER CO	[illegible]	1,266.00
BETTY HUDSON, 1627 K STREET, NW, #200 WASHINGTON DC 20006	FLUOR CORPORATION	15,000.00	[illegible]
HUDSON CREYKE KOEHLER & TACKE, 1744 R STREET, NW WASHINGTON DC 20009	JAMES P. PURVIS		103.95
HUDSON DAVENPORT & SEAY, ONE THOMAS CIRCLE, NW, #375 WASHINGTON DC 20005	CITY OF DETROIT		
TONY R. HUERTA, 100 INDIANA AVE., NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	5,305.17	
STEVEN D. HUFF, 111 EAST WISCONSIN AVENUE, #1800 MILWAUKEE WI 53202	NATIONAL EMPLOYEE BENEFITS INSTITUTE		62.92
ROBERT R. HUMPHREYS, 1667 K ST., NW, #500 WASHINGTON DC 20006	HELEN KELLER NATIONAL CENTER		
HARRIET HUNT-BURGESS, 82 2ND ST. SAN FRANCISCO CA 94105	TRUST FOR PUBLIC LAND	6,820.00	5,902.00
GEOFFREY B. HURWITZ, 1667 K ST., NW, #1210 WASHINGTON DC 20006	ROHM AND HAAS COMPANY	[illegible]	
ROBERT E. HUTCHINSON, P.O. BOX 29021 2645 E. WASHINGTON PHOENIX AZ 85038	CIRCLE K CORPORATION		
INDEPENDENT BANKERS ASSN OF AMERICA, 1625 MASSACHUSETTS AVE., NW, #202 WASHINGTON DC 20036		[illegible]	28,436.20
INDEPENDENT INSURANCE AGENTS OF AMERICA, INC, 100 CHURCH ST. NEW YORK NY 10007		25,863.00	[illegible]
INTERLAKE, INC, 2015 SPRING RD. OAK BROOK IL 60521			16,768.00
INTERNATIONAL ASSN OF MACHINISTS & AEROSPACE WORKERS, 1300 CONNECTICUT AVE., NW WASHINGTON DC 20036			28,155.59
INTERNATIONAL BROTHERHOOD OF PAINTERS & ALLIED TRADES, 1750 NEW YORK AVE., NW WASHINGTON DC 20006			
INTERNATIONAL TECHNICAL EXPERTISE, LTD, 150 S. WASHINGTON ST., #100 FALLS CHURCH VA 22042			
AMY F. ISAACS, 1411 K STREET, NW, #850 WASHINGTON DC 20005	AMERICANS FOR A DEMOCRATIC ACTION	5,625.10	83.05
J M FAMILY ENTERPRISES, INC, P.O. BOX 1160 DEERFIELD BEACH FL 33441			
JAPANESE AMERICAN CITIZENS LEAGUE, 1765 SUTTER STREET SAN FRANCISCO CA 94118			
DAVID JENNESS, 1200 17TH STREET, NW, #520 WASHINGTON DC 20036	CONSORTIUM OF SOCIAL SCIENCES ASSNS		
RONALD P. JOHNSEN, 1250 EYE ST., NW, #703 WASHINGTON DC 20005	COLUMBIA GAS SYSTEM SERVICE CORP	175.00	233.18
H. BRADLEY JOHNSON, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
JONES & WINBURN, 50 E STREET, SE WASHINGTON DC 20003	AMERICAN ASSN OF EQUIPMENT LESSORS	[illegible]	34,274.09
Do	AMERICAN AUTOMOTIVE LEASING ASSN	3,000.00	34,274.09
Do	BURLINGTON NORTHERN, INC	[illegible]	34,274.09
Do	CITY OF BATON ROUGE	[illegible]	34,274.09
Do	HARTFORD FIRE INSURANCE GROUP	[illegible]	34,274.09
Do	NATIONAL ASSN OF ASCS COUNTY OFFICE EMPLOYEES (NASCOE)	2,499.99	34,274.09
ALLAN R. JONES, 2200 MILL RD. ALEXANDRIA VA 22314	AMERICAN TRUCKING ASSNS, INC	[illegible]	1,373.50
DAVID W. JOYNER, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
THOMAS W. JURIKA JR., 649 MISSION STREET SAN FRANCISCO CA 94105	URS CORPORATION		[illegible]
LAUREL B. KAMEN, 1020 19TH ST., NW, #600 WASHINGTON DC 20036	AMERICAN EXPRESS CO		
DENNIS R. KANIN, FOLEY HOAG & ELIOT ONE POST OFFICE SQUARE BOSTON MA 02109	HUMANE SOCIETY OF THE U.S., ET AL	2,520.50	20,490.28
GEORGE J. KARAM, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
KAYE SCHOLER FIERMAN HAYS & HANDLER, 1575 I STREET, NW, #1150 WASHINGTON DC 20005	PIONEER SYSTEMS, INC		1,504.50
Do	RAYMARK CORPORATION	2,100.00	1,050.00
KECK MAHIN & CATE, 1730 PENNSYLVANIA AVENUE, NW, #350 WASHINGTON DC 20006	SCHWINN BICYCLE CO	[illegible]	114.09
DONALD W. KELLER, P.O. BOX 3331 HOUSTON TX 77253	QUINTANA PETROLEUM CORP		
PAUL J. KELLEY, 2727 NORTH CENTRAL AVE. PHOENIX AZ 85004	U-HAUL INTL, INC		
KEMPER FINANCIAL SERVICES, INC, 120 SOUTH LASALLE STREET CHICAGO IL 60603			352.82
KEMPER INVESTORS LIFE INSURANCE CO, 120 SOUTH LASALLE STREET CHICAGO IL 60603			
VYTAUTAS KERBELIS, 69 COTTAGE ST. BAR HARBOR ME 04609	ARAS		
T. MICHAEL KERR, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES	10,815.00	[illegible]
FREDERICK A. KESSINGER, 1201 4TH ST., SW WASHINGTON DC 20024	ANIMAL HEALTH INSTITUTE		
MARYANN KILDUFF, 923 15TH ST., N.W. WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	3,000.00	
GENE KIMMELMAN, 1424 16TH STREET, NW WASHINGTON DC 20036	CONSUMER FEDERATION OF AMERICA	[illegible]	
RUBY KING-WILLIAMS, 1201 16TH STREET, NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN		
PAUL G. KIRK JR., SULLIVAN & WORCESTER 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	NATIONAL FOOTBALL LEAGUE		
DONALD R. KIRTLEY, HERCULES PLAZA WILMINGTON DE 19894	HERCULES INC		
WILLIAM J. KISSICK, 503 QUEEN STREET EAST SAULT STE. MARIE ONTARIO CANADA P6A 5P2	ALGOMA STEEL CORP, LTD		
Do	CANADIAN TUBULAR PRODUCERS ASSN	[illegible]	[illegible]
RALPH W. KITTLE, 1620 EYE ST., NW, #700 WASHINGTON DC 20006	INTERNATIONAL PAPER CO	[illegible]	477.73
SAUL B. KLAMAN, 1101 15TH STREET, NW WASHINGTON DC 20005	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS	10,000.00	
DAVID M. KLUCSIK, 1415 WYCKOFF ROAD, P.O. BOX 1464 WALL NJ 07719	NEW JERSEY NATURAL GAS CO		
PETER E. KNIGHT, 1101 15TH STREET, NW, #400 WASHINGTON DC 20005	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS	8,000.00	
ROBERT L. KNOUS JR., 1410 GRANT STREET, #A-201 DENVER CO 80203	COLORADO SKI COUNTRY USA		
STANLEY E. KOLBE JR., 418 SOUTH CAPITOL STREET, SE WASHINGTON DC 20003	SHEET METAL & AIR CONDITIONING CONTRACTORS' NAT'L ASSN		
KOMINERS FORT SCHLEFER & BOYER, 1401 NEW YORK AVE., NW WASHINGTON DC 20005	APEX MARINE CORP	1,900.00	64.92
STEPHEN KOPLAN, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	16,174.34	1,113.93
AMOS KRAMER, KANSAS PETROLEUM COUNCIL SUITE 1414 MERCHANTS BANK BLDG. 8TH & JACKSON STS. TOPEKA KS 66612	AMERICAN PETROLEUM INSTITUTE		
LAWRENCE E. KREIDER, 1015 18TH ST., NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS		
JAMES M. KUSZAJ, SUITE 700 SOUTH 1800 M STREET, NW WASHINGTON DC 20036	DOW CHEMICAL U.S.A.		
BRUCE C. LADD JR., 1776 K STREET, NW WASHINGTON DC 20006	MOTOROLA, INC	16,500.00	[illegible]
MARCY LAMBOURNE, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,250.00	18.93
VIRGINIA A. LAMPLEY, 1818 N ST., NW, #600 WASHINGTON DC 20036	DGA INTERNATIONAL, INC (FOR: SOFREAVIA)		
LINDA L. LANAM, 1709 NEW YORK AVENUE, NW, #303 WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD ASSN		
JILL LANCELOT, 7100 SYCAMORE AVENUE TAKOMA PARK MD 20912	NATIONAL TAXPAYERS UNION		3,115.00
BRUCE ALAN LANDY, 2601 VIRGINIA AVE., NW WASHINGTON DC 20037	B.A.L. CO		
Do	CRYOGENIC VACUUM TECHNOLOGY CO		
Do			
LANE & EDSON, P.C., 2300 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF ENERGY SERVICE COS	2,439.00	2,439.00
LANE & MITTENDORF, 1750 K STREET, NW, #1200 WASHINGTON DC 20006	INDEPENDENT PRODUCERS GROUP	8,185.64	473.03
WILLIAM L. LARSEN, 1025 CONNECTICUT AVENUE, NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
JOHN LASTER, 1503 21ST ST., NW WASHINGTON DC 20036	SAVE OUR CHILDREN'S SECURITY		
LATHAM WATKINS & HILLS, 1333 NEW HAMPSHIRE AVE., NW, #1200 WASHINGTON DC 20036	WILSHIRE TERRACE COOPERATIVE HOUSING CORP	[illegible]	3.56
DENNIS LAVALLEE, 180 S. WASHINGTON ST., P.O. BOX 6808 FALLS CHURCH VA 22046	NATIONAL ASSN OF PLUMBING-HEATING-COOLING CONTRACTORS	[illegible]	113.85
CHARLES B. LAVIN JR., 180 S. WASHINGTON ST. FALLS CHURCH VA 22046	NATIONAL ASSN OF PLUMBING-HEATING-COOLING CONTRACTORS		
GEORGE H. LAWRENCE, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	1,250.00	
LEAGUE OF AMERICAN INVESTORS, 32123 LINDERO CANYON ROAD WESTLAKE VILLAGE CA 91361			
A. MICHAEL LEBECK, P.O. BOX 925 ALBUQUERQUE NM 87103			
LEBOEUF LAMB LEIBY & MACRAE, 1333 NEW HAMPSHIRE AVE., NW, #1100 WASHINGTON DC 20036	BRITISH INSURANCE ASSN		
LECHNER & BUTSAVAGE, P.C., 3101 SOUTH ST., NW WASHINGTON DC 20007	NATIONAL ASSN OF POLICE ORGANIZATIONS		7,421.55
MARY NELL LEHNHARD, 1709 NEW YORK AVE., NW WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CYNTHIA R. LENHART, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	3,751.00	1,330.00
KAYE LEONARD, 1090 VERMONT AVE., NW, #510 WASHINGTON DC 20005	POTLATCH CORPORATION	85.75	77.86
LESNIK & COMPANY, 14701 GOV. ODEN BOWIE DRIVE UPPER MARLBORO MD 20772	BREED CORPORATION		
DALE LESTINA, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	2,957.00	[illegible]
KENNETH S. LEVINE, 1201 PENNSYLVANIA AVE., NW, #220 WASHINGTON DC 20004	JOSEPH SEAGRAM & SONS, INC	977.50	
LAWRENCE E. LEVINSON, 1875 EYE ST., NW, #940 WASHINGTON DC 20006	GULF & WESTERN INDUSTRIES, INC	3,500.00	[illegible]
ANN F. LEWIS, 1411 K STREET, NW, #850 WASHINGTON DC 20005	AMERICANS FOR DEMOCRATIC ACTION	13,538.44	[illegible]
DIANE PALMER LILLY, 1200 PEAVEY BUILDING MINNEAPOLIS MN 55479	NORWEST CORPORATION		
DONALD LINDSEY, 8213 S. RICHMOND CHICAGO IL 60652	BROTHERHOOD OF LOCOMOTIVE ENGINEERS		
KATHLEEN M. LINEHAN, 1025 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	GULF OIL CORP	[illegible]	175.00
LINTON MIELDS REISLER & COTTONE, 1015 18TH ST., NW, #200 WASHINGTON DC 20036	IOWA DEPARTMENT OF TRANSPORTATION	4,162.00	47.00
Do	LAKE SUPERIOR DISTRICT POWER CO	[illegible]	
Do	MADISON GAS & ELECTRIC CO	1,443.00	
Do	METROPOLITAN SANITARY DISTRICT OF GREATER CHICAGO	5,587.00	
Do	NORTHERN STATES POWER CO	1,662.00	
Do	OREGON DEPT OF TRANSPORTATION	3,000.00	[illegible]
Do	STATE OF IL, DEPT OF TRANS, DIV OF WATER RES	3,515.00	
Do	STATE OF IL, DEPT OF TRANSPORTATION	6,309.00	101.00
Do	SUPERIOR WATER, LIGHT & POWER CO	[illegible]	
Do	WISCONSIN ELECTRIC POWER CO	4,607.00	437.00
Do	WISCONSIN FUEL AND LIGHT CO	272.00	
Do	WISCONSIN NATURAL GAS CO	1,522.00	111.00
Do	WISCONSIN POWER & LIGHT CO	2,492.00	
Do	WISCONSIN PUBLIC SERVICE CORP	2,649.00	
RON M. LINTON, 1015 18TH ST., NW, #200 WASHINGTON DC 20036	DENVER TECHNOLOGICAL CENTER		
LINDA A. LIPSEN, 2001 S STREET, NW, #520 WASHINGTON DC 20009	CONSUMERS UNION OF U.S., INC	2,160.00	
DAVID A. LITVIN, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL COMPANY (OHIO)	1,840.00	[illegible]
LOOMIS OWEN FELLMAN & HOWE, 2020 K ST., NW WASHINGTON DC 20006	INDUSTRIAL DIAMOND ASSN		
Do	OPTICAL MANUFACTURERS ASSN		
TIMOTHY LOVAIN, 3713 GUNSTEN RD. ALEXANDRIA VA 22302	DENNY MILLER ASSOCIATES	9,750.00	
SARA L. LOVELAND, P.O. BOX 65-761 WASHINGTON DC 20035	S.O.S. SMALL BUSINESS JOBS		
CHARLES M. LOVELESS, 1625 L STREET, NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES	10,815.00	[illegible]
JAMES D. LUCAS, 25 SOUTH CHARLES STREET, BALTIMORE MD 21201	FIRST NATIONAL BANK OF MARYLAND		
PETER J. LUCIANO, 923 15TH STREET, NW WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	5,000.00	
WILLIAM F. LUDLAM SR., P.O. BOX 5282 VIRGINIA BEACH VA 23455	ARBA LICENSEES ASSN	2,000.00	793.00
W. FLETCHER LUTZ, 727 SOUTH 23RD ST., #100 ARLINGTON VA 22202	ASSOCIATION OF GOVERNMENT ACCOUNTANTS		
CLINTON LYONS, 1625 K STREET, NW, 8TH FL. WASHINGTON DC 20006	ADVOCATES TO SAVE LEGAL SERVICES, INC		
WILLIAM T. LYONS, 1747 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20006	CIBA-GEIGY CORP	4,688.00	1,296.00
SAMUEL A. MABRY, 1800 K ST., NW WASHINGTON DC 20006	HERCULES INC	4,938.00	2,729.00
SHEILA MACDONALD, 3231 BEECH STREET, NW WASHINGTON DC 20015	NATIONAL TAXPAYERS UNION	[illegible]	
THOMAS L. MACK, 1145 ACACIA CIRCLE LITCHFIELD PARK AZ 85340	BECHTEL POWER CORPORATION		
JOHN MACNAMARA, 503 QUEEN STREET EAST SAULT STE. MARIE ONTARIO CANADA P6A 5P2	ALGOMA STEEL CORP, LTD		
CLIFF MADISON GOVERNMENT RELATIONS, INC, P.O. BOX 3482 GRANADA HILLS CA 91344	MARK AIR, INC	1,200.00	
Do	SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT	1,000.00	
Do	WESTERN AIRLINES		
JOAN A. MAHER, 1117 NORTH 19TH STREET, #600 ARLINGTON VA 22209	AMERICAN ASSN OF BLOOD BANKS		
LINDA J. MAHER, 1140 CONNECTICUT AVE., NW, #1006 WASHINGTON DC 20036	TURNER BROADCASTING SYSTEM, INC	4,600.00	722.46
JESSICA MAITZEN, 3900 WISCONSIN AVE., NW WASHINGTON DC 20016	NORWEST MORTGAGE, INC		
MAN-MADE FIBER PRODUCERS ASSN, INC, 1150 17TH ST., NW, #310 WASHINGTON DC 20036		168,000.00	201,075.18
MANCHESTER ASSOCIATES, LTD, 1155 15TH STREET, NW, #811 WASHINGTON DC 20005	CORPORACION NACIONAL DEL COBRE DE CHILE (CODELCO)		
Do	NISSAN MOTOR COMPANY, LTD		
PETER T. MANGIONE, 1319 F STREET, NW, #700 WASHINGTON DC 20004	FOOTWEAR RETAILERS OF AMERICA, INC	137.50	
DONALD W. MANN, 60-B FRANKLIN ST. TEANECK NJ 07666	NEGATIVE POPULATION GROWTH, INC		
THOMAS P. MARINIS JR., 3418 FIRST CITY TOWER HOUSTON TX 77002	VINSON & ELKINS (FOR: ARCHIE BENNETT JR.)	35,000.00	227.76
RICHARD MARK, 1346 CONNECTICUT AVE., NW, #901 WASHINGTON DC 20036	PROFESSIONALS' COALITION FOR NUCLEAR ARMS CONTROL	7,500.00	422.53
RICHARD P. MARKEY, 729 15TH ST., NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC		
RONALD ANTHONY MARKS, 10 WATERSIDE PLAZA, #2B NEW YORK NY 10010			
CHALMERS H. MARQUIS, 1818 N STREET, NW, #410 WASHINGTON DC 20036	AGENCY FOR INSTRUCTIONAL TELEVISION		
Do	CHILDREN'S TELEVISION WORKSHOP		
JOHN MARSH, 100 OAKVIEW DRIVE TRUMBULL CT 06611	RAYMARK CORPORATION		
PEGGY L. MARTIN, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
HERBERT S. MATTHEWS, RTE. 3, BOX 437 MECHANICSVILLE MD 20659	MARTIN MARIETTA AEROSPACE	6,000.00	67.50
ALBERT E. MAY, 1627 K STREET, NW WASHINGTON DC 20006	COUNCIL OF AMERICAN-FLAG SHIP OPERATORS	5,250.00	1.32
H. WESLEY MCADEN, 1155 15TH ST., NW, #424 WASHINGTON DC 20005	J. G. BOSWELL CO	3,000.00	
JOHN A. MCCAHILL, 1250 CONNECTICUT AVE, NW WASHINGTON DC 20036	U.S. OLYMPIC COMMITTEE		
LAW OFFICES OF R. C. MCCANDLESS, 1707 H ST., NW WASHINGTON DC 20006	MILLER & SCHROEDER MUNICIPALS, INC		
Do	SANTA ANITA REALTY ENTERPRISES, INC		
Do	TRANSAMERICA CORPORATION		
Do	TRANSAMERICA INTERWAY CORP		
ROBIN W. MCCLUNG, 1667 K ST., NW, #1210 WASHINGTON DC 20006	ROHM AND HAAS CO	500.00	
ROSE MCCULLOUGH, SOUTHERN PLAINS OFFICE 5611 SEARS AVENUE DALLAS TX 75206	SIERRA CLUB	922.83	1,484.45
MCDERMOTT WILL & EMERY, 1850 K ST., NW, #500 WASHINGTON DC 20006	FORT HOWARD PAPER CO		
Do			
AH QUON MCELRATH, 1334 G STREET, NW, THIRD FL. WASHINGTON DC 20005	VILLERS ADVOCACY ASSOCIATES	[illegible]	[illegible]
ROBERT MCINTYRE, 1313 L ST., NW WASHINGTON DC 20005	CITIZENS FOR TAX JUSTICE	7,700.28	
JANE PIERSON MCMICHAEL, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	14,117.52	13,978.50
PATRICK H. MCNAMARA, 1800 M STREET, NW, #700 SOUTH WASHINGTON DC 20036	DOW CHEMICAL, U.S.A.		
ROBERT MCVICKER, 2421 CAVENDISH DR. ALEXANDRIA VA 22309	KOLLSMAN INSTRUMENT CO		
LESLIE S. MEAD, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES		
FRANCIS X. MEANEY, 1825 EYE STREET, NW WASHINGTON DC 20006	MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO (FOR: NORTHERN ENERGY CORPORATION).		
Do	MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO (FOR: SCA SERVICES)		
MICHELLE MEIER, 2001 S STREET, NW, #520 WASHINGTON DC 20009	CONSUMERS UNION OF U.S., INC	1,000.00	
NANINE MEIKLEJOHN, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES	6,604.14	70.60
JAMES T. MELVILLE, 503 QUEEN STREET EAST SAULT STE. MARIE ONTARIO CANADA P6A 5P2	ALGOMA STEEL CORP, LTD		
MEMEL JACOBS PIERNO GERSH & ELLSWORTH, 1800 M STREET, NW, #1000-N WASHINGTON DC 20036	NATIONAL ASSN OF PUBLIC HOSPITALS		
HAROLD E. MESIROW, 21 DUPONT CIRCLE, NW WASHINGTON DC 20036	LILLICK MCHOSE & CHARLES (FOR: FOSS LAUNCH & TUG COMPANY; FOSS ALASKA LINE).		
Do	WESTERN PIONEER, INC		
CHRISTOPHER L. MEYER, 410 8TH AVENUE DAYTON KY 41074	NEW GENERATION LOBBY		
SHARON MIHNOVETS, 2809 S. JOYCE ST. ARLINGTON VA 22202			
MILLER & CHEVALIER, CHTD, METROPOLITAN SQUARE 655 15TH STREET, NW WASHINGTON DC 20005	NATURAL GAS SUPPLY ASSN		
Do	NUCLEAR FUEL SERVICES, INC		
DENNY MILLER ASSOCIATES, 400 N. CAPITOL ST., NW, #325 WASHINGTON DC 20001	BOEING COMPANY	2,000.00	450.00
Do	MARINE ENGINEERS' BENEFICIAL ASSN	1,000.00	[illegible]
Do	PORT OF TACOMA	[illegible]	3,250.00
Do	ROCKCOR, INC	1,625.00	[illegible]
DAVID H. MILLER, 900 17TH STREET, NW WASHINGTON DC 20006	CHASE MANHATTAN BANK, N.A.	153.75	[illegible]
JOHN R. MILLER, 1750 MIDLAND BUILDING CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
RICHARD H. MITMAN, 6520 GOODLAND AVENUE NORTH HOLLYWOOD CA 91606			
JOHN V. MOLLER, 1155 15TH STREET, NW, #1010 WASHINGTON DC 20005	MANCHESTER ASSOCIATES (FOR: CORPORACION NACIONAL DEL COBRE DE CHILE (CODELCO)).		
Do	MANCHESTER ASSOCIATES, LTD (FOR: NISSAN MOTOR COMPANY, LTD)		
HERMAN J. MOLZAHN, 1600 WILSON BLVD., #1101 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
ELIZABETH R. MONRO, 1709 NEW YORK AVE., NW WASHINGTON DC 20006	AIR TRANSPORT ASSN OF AMERICA	5,000.00	
JOHN MORGAN, 1925 K ST., NW WASHINGTON DC 20006	COMMUNICATIONS WORKERS OF AMERICA		
MORGAN LEWIS & BOCKIUS, SUITE 800 NORTH 1800 M ST., NW WASHINGTON DC 20036	ZALMAN C. BERNSTEIN		
JEANNE L. MORIN, 1511 K ST., NW, #1100 WASHINGTON DC 20005	NATIONAL ASSN OF DEVELOPMENT COMPANIES	2,976.22	102.11
MORRISON & FOERSTER, 2000 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	CONSOLIDATED FREIGHTWAYS		
Do	CROCKER NATIONAL BANK		
Do	ROSENBERG REAL ESTATE EQUITY FUND, INC		
MICHAEL L. MORTON, 918 16TH STREET, NW, #501 WASHINGTON DC 20006	GODFREY ASSOCIATES, INC		
SOL MOSHER, 1660 L ST., NW, #215 WASHINGTON DC 20036	CROWN ZELLERBACH CORPORATION		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
MUDGE ROSE GUTHRIE ALEXANDER & FERDON, 2121 K STREET, NW WASHINGTON DC 20037	AMERICAN ASSN OF EXPORTERS-IMPORTERS-TEXTILE & APPAREL GROUP		100.00
Do	BIG RIVERS ELECTRIC CORP, ET AL	333.00	
Do	GOVERNMENT OF HONG KONG		
Do	JAPAN LUMBER IMPROTERS ASSN		
HENRY K. MUI, 2025 EYE STREET, NW, #926 WASHINGTON DC 20006	ORGANIZATION OF CHINESE AMERICANS		872.00
DONNA T. MUNDY, 2211 CONGRESS STREET PORTLAND ME 04122	UNION MUTUAL LIFE INSURANCE CO	150.00	3,212.21
KEITH MURPHY, KEMP KLEIN ENDELMEN & BEER 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP		
WILLIAM T. MURPHY JR., 1225 19TH STREET, NW, #200 WASHINGTON DC 20036	DICKSTEIN SHAPIRO & MORIN		
Do	NATIONAL ASSN GOVERNMENT GUARANTEED LENDERS	1,200.00	18.00
Do	NATURAL GAS SUPPLY ASSN	1,500.00	35.00
MURRAY & SCHEER, 2550 M ST., NW, #695 WASHINGTON DC 20037	CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROADS	450.00	
Do	CLEVELAND CLIFFS IRON CO	250.00	
Do	CONNECTICUT MUTUAL LIFE INSURANCE CO	800.00	
Do	IRON ORE LESSORS ASSN, INC	250.00	
Do	LTV CORPORATION	500.00	
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO	800.00	
Do	MUTUAL BENEFIT LIFE	500.00	
Do	NATIONAL BUSINESS AIRCRAFT ASSN	500.00	
Do	NATIONAL COUNCIL OF COAL LESSORS	400.00	
Do	NEW ENGLAND MUTUAL LIFE INSURANCE CO	500.00	
Do	PENN MUTUAL LIFE INSURANCE CO	500.00	
Do	SHUBERT ORGANIZATION, INC	300.00	
Do	SWAZILAND SUGAR ASSN	500.00	
ROSEMARY GRIFFIN MURRAY, 1660 L ST., NW, #901 WASHINGTON DC 20036	PAN AMERICAN WORLD AIRWAYS, INC		
ROBERT J. MUTH, 180 MAIDEN LN. NEW YORK NY 10038	ASARCO INC	500.00	
NATA, 1000 CONNECTICUT AVE., NW, #1200 WASHINGTON DC 20006			
NATIONAL ASSN OF BEVERAGE IMPORTERS, 1025 VERMONT AVENUE, NW, #1205 WASHINGTON DC 20005			
NATIONAL ASSN OF DEVELOPMENT COMPANIES, 1612 K ST., NW, #706 WASHINGTON DC 20006		22,065.32	9,396.78
NATIONAL ASSN OF ENERGY SERVICE COMPANIES, 2330 M ST., NW WASHINGTON DC 20037		2,439.00	2,439.00
NATIONAL ASSN OF HOME BUILDERS OF THE U.S., 15TH & M STS., NW WASHINGTON DC 20005		52,356.40	85,921.82
NATIONAL ASSN OF LETTER CARRIERS, 100 INDIANA AVE., NW WASHINGTON DC 20001		3,771,049.40	358,863.44
NATIONAL ASSN OF MARGARINE MFGRS, 1625 I ST., NW, #1024-A WASHINGTON DC 20006			
NATIONAL ASSN OF PLUMBING-HEATING-COOLING CONTRACTORS, P.O. BOX 6806 FALLS CHURCH VA 22046		3,113.46	3,113.46
NATIONAL ASSN OF RAILROAD PASSENGERS, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003		104,216.31	33,464.24
NATIONAL ASSN OF REALTORS, 777 14TH ST., NW WASHINGTON DC 20005			85,295.42
NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES, 1533 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036		3,277.00	3,082.00
NATIONAL CLUB ASSOCIATION, 1625 EYE ST., NW, #609 WASHINGTON DC 20006			
NATIONAL COALITION FOR MARINE CONSERVATION, INC, P.O. BOX 23298 SAVANNAH GA 31403		7,689.40	18,784.10
NATIONAL COALITION TO BAN HANDGUNS, 100 MARYLAND AVE., NE WASHINGTON DC 20002			
NATIONAL COMMUNITY ACTION FOUNDATION, INC, 2100 M STREET, NW, #604A WASHINGTON DC 20037		193,274.00	34,388.00
NATIONAL COUNCIL OF SAVINGS INSTITUTIONS, 1101 15TH ST., NW, #400 WASHINGTON DC 20005		820,777.43	
NATIONAL EDUCATION ASSN, 1201 16TH ST., NW WASHINGTON DC 20036		19,685.00	19,685.00
NATIONAL EMPLOYEE BENEFITS INSTITUTE, 2550 M ST., NW, #303 WASHINGTON DC 20037		15,911.25	2,316.61
NATIONAL FAMILY PLANNING & REPRODUCTIVE HEALTH ASSN, INC, 122 C ST., NW, #380 WASHINGTON DC 20001		48,357.00	511.00
NATIONAL FEDERATION OF BUSINESS & PROFESSIONAL WOMEN'S CLUBS, 2012 MASSACHUSETTS AVE., NW WASHINGTON DC 20036		58,024.50	25,416.97
NATIONAL FEDERATION OF COMMUNITY DEVELOPMENT CREDIT UNIONS, 29 JOHN STREET, #903 NEW YORK NY 10038			
NATIONAL HEALTH CARE FINANCING ASSN, P.O. BOX 946 HOLLY HILL FL 32017			
NATIONAL KNITWEAR & SPORTSWEAR ASSN, 386 PARK AVENUE SOUTH NEW YORK NY 10016		1,250.00	
NATIONAL PRINTING EQUIPMENT & SUPPLIES ASSN, INC, 6849 OLD DOMINION DRIVE, #200 MCLEAN VA 22101			
NATIONAL TAX EQUALITY ASSN, 321 D ST., NE WASHINGTON DC 20002		2,814.00	3,044.82
NATIONAL TAX LIMITATION COMMITTEE, 500 N. WASHINGTON STREET, #201 FALLS CHURCH VA 22046			4,000.00
NATIONAL TAXPAYERS UNION, 325 PENNSYLVANIA AVE., SE WASHINGTON DC 20003		17,525.00	9,745.00
NATIONAL TOUR ASSN, INC, 120 KENTUCKY AVE. LEXINGTON KY 40502		34,574.00	34,574.00
NATIONAL TURKEY FEDERATION, 11319 SUNSET HILLS RD. RESTON VA 22090			
NATURAL GAS SUPPLY ASSN, 1730 RHODE ISLAND AVE., NW WASHINGTON DC 20036		1,067,350.00	20,145.72
MICHAEL W. NAYLOR, 1050 CONNECTICUT AVE., NW, #800 WASHINGTON DC 20036	ALLIED CORPORATION		
SUSAN BINGHAM NEAL, SUITE 695 600 MARYLAND AVE., SW WASHINGTON DC 20024	THOMPSON & CO		
NEECE CATOR & ASSOCIATES, INC, 1050 17TH STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS		
MARY ELIZABETH NEESE, 1101 15TH ST., NW, #400 WASHINGTON DC 20005	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS	2,000.00	88.40
NEIGHBORHOOD HOUSING SERVICES OF AMERICA, 1951 WEBSTER STREET OAKLAND CA 94612			
NEILL & COMPANY, INC, 900 17TH ST., NW, #400 WASHINGTON DC 20006	INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION		
NEILL MULLENHOLZ SHAW & SEEGER, 900 17TH ST., NW, #400 WASHINGTON DC 20006	HASHEMITE KINGDOM OF JORDAN		
Do	KINGDOM OF MOROCCO		
E. COLETTE NELSON, 1004 DUKE ST. ALEXANDRIA VA 22314	AMERICAN SUBCONTRACTORS ASSN	1,400.00	
GAYLORD NELSON, 1400 EYE STREET, NW WASHINGTON DC 20005	WILDERNESS SOCIETY	647.92	
FREDERICK H. NESBITT, 100 INDIANA AVENUE, NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	8,156.27	1,315.34
NEW GENERATION LOBBY, 410 8TH AVENUE DAYTON KY 41074			
MARY BENNETT NEWBOULD, 122 C STREET, NW, #875 WASHINGTON DC 20001	AMERICAN OSTEOPATHIC ASSN	1,800.00	
WILLIAM B. NEWMAN JR., P.O. BOX 23451 WASHINGTON DC 20024	CONSOLIDATED RAIL CORPORATION	4,150.00	
NICKERSON INGRAM VENTO & ASSOCIATES, 8508 MT. ZEPHYR DR. ALEXANDRIA VA 22309	SYSTEMS CONTROL TECHNOLOGY, INC		
NIXON HARGRAVE DEVANS & DOYLE, 1090 VERMONT AVENUE, NW, #1200 WASHINGTON DC 20005	AMERICAN FREE TRADE ASSN, INC		
Do	BAUSCH & LOMB		
PETER NIXON, 503 QUEEN STREET EAST SAULT STE. MARIE ONTARIO CANADA P6A 5P2	ALGOMA STEEL CORP, LTD		
NICHOLAS T. NONNENMACHER, 491 BROADWATER ARNOLD MD 21012	TERRENCE W. MOODGLIN & ASSOCIATES (FOR: MARITIME INSTITUTE FOR RESEARCH & INDUSTRIAL DEVELOPMENT)	775.00	
NONPROFIT MAILERS FEDERATION, 2555 M STREET, NW, #405 WASHINGTON DC 20037			6,332.20
JULIA J. NORRELL, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	5,325.00	40.56
J. HALLOCK NORTHCOTT, 1101 15TH ST., NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO		
NOSSAMAN GUTHNER KNOX & ELLIOTT, 1140 19TH ST., NW, #600 WASHINGTON DC 20036	AETNA LIFE & CASUALTY		1,200.00
Do	CALIFORNIA STUDENT LOAN FINANCE CORP		262.50
Do	HELIONETICS, INC		400.00
Do	INSURANCE ASSOCIATION OF CONNECTICUT		1,100.00
Do	NATIONAL SHORTHAND REPORTERS ASSN		
Do	SOUTHERN CALIFORNIA EDISON		800.00
MICHAEL NOVELLI, 3012 CAMBRIDGE PLACE, NW WASHINGTON DC 20007	PACIFIC POTOMAC SERVICES		
HUBERT K. O'BANNON, P.O. BOX 23451 WASHINGTON DC 20026	CONSOLIDATED RAIL CORPORATION	2,130.00	
MARY EILEEN O'BRIEN, 1800 M ST., NW, SUITE 710 SOUTH WASHINGTON DC 20036	DOW CORNING CORPORATION		
O'CONNOR & HANNAN, 1919 PENNSYLVANIA AVE., NW, #800 WASHINGTON DC 20006	AMERICAN CLINICAL LABORATORY ASSN	1,000.00	
Do	AMERICAN FAMILY LIFE ASSURANCE CO	750.00	
Do	AMERICAN PETROFINA	8,930.00	
Do	AMERICAN TRUCKING ASSNS, INC		
Do	BALFOUR BEATTY LIMITED (BHC)		
Do	CAMBRIDGE REDEVELOPMENT AUTHORITY		
Do	CHRONAR CORPORATION	4,800.00	
Do	CNA INSURANCE	7,509.03	
Do	COCA-COLA COMPANY	7,870.00	
Do	FIRST PENNSYLVANIA BANK	4,750.00	
Do	GOVERNMENT OF CYPRUS	79,990.00	
Do	GOVERNMENT OF JAMAICA		
Do	GOVERNMENT OF SUDAN		
Do	ITEL CORPORATION		
Do	JAMAICAN BROADCASTING CORP		
Do	RLC CORPORATION		
Do	ROLLINS ENVIRONMENTAL SERVICES	9,000.00	
Do	JOSEPH E. SEAGRAM & SONS, INC	1,625.76	
CHARLES ALBERT O'CONNOR JR., 2300 S. 24TH ROAD, #533 ARLINGTON VA 22206			
EMILY O'CONNOR, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,400.00	
IAN O'CONNOR, 111 CHIMNEY ROCK ROAD BRIDGEWATER NJ 08807	CANADIAN TUBULAR PRODUCERS ASSN	200.00	468.96
PAUL T. O'DAY, 1150 17TH STREET, NW WASHINGTON DC 20036	MAN-MADE FIBER PRODUCERS ASSN, INC	300.00	87.18
BARBARA E. O'HARA, 4400 MACARTHUR BLVD., NW WASHINGTON DC 20007	AMERICAN SOC OF TRAVEL AGENTS	100.00	
KATHLEEN O'LEARY, 1250 EYE ST., NW, #703 WASHINGTON DC 20005	COLUMBIA GAS DISTRIBUTION COMPANIES	3,500.00	248.20
LAW OFFICES OF JOHN O'NEAL, P.C., 600 NEW HAMPSHIRE AVENUE, NW, #626 WASHINGTON DC 20037	NATIONAL RURAL TELECOM ASSN	875.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
JACK JOHN OLIVERO, 36 W. 44 ST., #1115 NEW YORK NY 10036	OLIVERO FLORESCA ASSOCIATES		
VAN R. OLSEN, 1156 15TH ST., NW, #1019 WASHINGTON DC 20006	U.S. BEET SUGAR ASSN		
CHARLES J. ORASIN, 1400 K STREET, NW, #500 WASHINGTON DC 20005	HANDGUN CONTROL, INC	2,442.00	
MICHEL ORBAN, 125 BROAD STREET, 39TH FL. NEW YORK NY 10004	AMERICAN EXPRESS CO		
ELVIRA J. ORLY, 1150 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION	62.51	77.70
ORRICK HERRINGTON & SUTCLIFFE, 555 CAPITOL MALL, #1200 SACRAMENTO CA 95814			
J. ALLEN OVERTON, 1920 N ST., NW, #300 WASHINGTON DC 20006	AMERICAN MINING CONGRESS	150.30	15.50
WILLIAM H. OWENS JR., 1111 14TH ST., NW, #1200 WASHINGTON DC 20005	AMERICAN DENTAL ASSN	1,000.00	1,210.30
P/M CONSULTING, INC, 3030 MCKINNEY AVE., #1001 DALLAS TX 75204	FAIRCHILD INDUSTRIES		
Do	TALLEY CORPORATION		
JOEL PACKER, 1201 16TH STREET, NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	2,101.00	75.75
GERARD PAUL PANARO, WEBSTER CHAMBERLAIN & BEAN 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	RETAIL BAKERS ASSN	1,146.00	
JUDITH E. PARK, 1533 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	12,930.00	
PRUDENCE H. PARKS, 1100 H STREET, NW WASHINGTON DC 20080	WASHINGTON GAS LIGHT CO	120.41	435.16
TOM E. PARO, 1735 DESALES ST., NW WASHINGTON DC 20036	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC	506.00	
PARRY AND ROMANI ASSOCIATES, INC, 1140 CONNECTICUT AVENUE, NW, #400 WASHINGTON DC 20036	AFFILIATED CAPITAL CORP	4,950.00	
Do	AMERICAN FAMILY LIFE ASSURANCE CO	1,500.00	
Do	CARE ENTERPRISES	3,225.00	
Do	GENERIC PHARMACEUTICAL INDUSTRY ASSN, INC	1,500.00	100.00
Do	INTERNATIONAL BROTHERHOOD OF TEAMSTERS	2,250.00	
Do	JOHNSON & JOHNSON	3,333.00	
Do	K-MART	1,000.00	
Do	KNUDSEN CORPORATION	200.00	
Do	LINCOLN SAVINGS	3,380.90	
Do	LOYAL AMERICAN LIFE INSURANCE CO		
Do	MOTION PICTURE ASSN OF AMERICA, INC	1,200.00	362.15
Do	NATIONAL BEER WHOLESALERS ASSN	1,500.00	101.32
Do	NATIONAL SOFT DRINK ASSN		
Do	PFIZER, INC		
Do	SONY CORPORATION	1,400.00	
LOUIS R. PAULICK, 1901 NORTH FORT MYER DRIVE ARLINGTON VA 22209	GAS APPLIANCE MANUFACTURERS ASSN, INC		
ELIN PELTZ, 1511 K STREET, NW WASHINGTON DC 20005	HAWAIIAN SUGAR PLANTERS' ASSN	300.00	50.00
HUMBERTO R. PENA, 1155 15TH ST., NW WASHINGTON DC 20005	BRISTOL-MYERS CO	500.00	
PEPPER & CORAZZINI, 1776 K ST., NW WASHINGTON DC 20006	SATELLITE SYNDICATED SYSTEMS, INC		
BARBARA K. PEQUET, P.O. BOX 29631 WASHINGTON DC 20017	AMERICAN SOC FOR PREVENTION OF CRUELTY TO ANIMALS (ASPCA)		
PERITO DUERK & PINCO, P.C., 1140 CONNECTICUT AVENUE, NW, #400 WASHINGTON DC 20036	AMERICAN COLLEGE OF NEUROPSYCHOPHARMACOLOGY		
Do	AMERICAN PROTESTANT HEALTH ASSN	2,000.00	60.00
Do	AMERICAN SOC FOR PHARMACOLOGY & EXPERIMENTAL THERAPEUTICS		
Do	JOHNSON & JOHNSON		
Do	NATIONAL ASSN OF ALCOHOLISM TREATMENT PROGRAMS, INC	666.00	33.00
Do	SOCIETY OF REAL ESTATE APPRAISERS		
Do	COMMITTEE ON PROBLEMS OF DRUG DEPENDENCE, INC	333.00	20.00
ROBERT A. PERKINS, 1100 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CHRYSLER CORP	15,000.00	541.98
DAVID F. PERRY, 15 COMPUTER DRIVE, W. ALBANY NY 12205	HOSPITAL ASSN OF NEW YORK STATE	354.00	
JOHN J. PESCH, 3422 STONEYBRAE DRIVE FALLS CHURCH VA 22044	NORTHROP CORP		
SUSAN E. PHILLIPS, 1709 NEW YORK AVENUE, NW WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD ASSN		
PAUL J. PHOENIX, 1330 BURLINGTON STREET EAST HAMILTON ONTARIO CANADA L8N 3J5	DOFASCO, INC		
MOLLY J. PIERCE, 1709 NEW YORK AVE., NW, #303 WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD		
PIERSON BALL & DOWD, 1200 18TH ST., NW WASHINGTON DC 20036	AMERICAN ACADEMY OF PEDIATRICS	21,302.84	
Do	GENENTECH	4,194.52	
Do	INFECTIOUS DISEASES SOCIETY OF AMERICA	4,290.11	
PIERSON SEMMES & FINLEY, 1054 31ST STREET,NW WASHINGTON DC 20007	OKLAHOMA NATURAL GAS COMPANY		
JOHN H. PILCHER, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
PILLSBURY MADISON & SUTRO, 1667 K STREET, NW #1100	TRANSPACE CARRIERS, INC		
PILOTS RIGHTS ASSOCIATION, P.O. BOX 7000-367 REDONDO BEACH CA 90277			4,613.87
SUMNER PINGREE, 1400 EYE ST., NW WASHINGTON DC 20005	WILDERNESS SOCIETY		
PLANNED PARENTHOOD FEDERATION OF AMERICA, INC, 2010 MASSACHUSETTS AVENUE, NW, 5TH FL. WASHINGTON DC 20036		4,014.80	4,014.80
POWELL GOLDSTEIN FRAZER & MURPHY, 1110 VERMONT AVE., NW, #1050 WASHINGTON DC 20005	ALTER GROUP	20,250.71	[illegible]
Do	ASSOCIATION OF EXECUTIVE SEARCH CONSULTANTS, INC		
Do	BEAR STEARNS & CO		
Do	COALITION FOR COMPETITION	5,000.00	
Do	CORNING ASSOCIATES		
Do	COUNCIL OF STATE HOUSING AGENCIES	741.00	
Do	DIGITAL EQUIPMENT CORP	17,157.00	
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	FLOOD CONTROL ADVISORY COMMITTEE	1,750.00	35.49
Do	JACQUES BOREL ENTERPRISES, INC		
Do	MARYLAND SAVINGS-SHARE INSURANCE CORP		
Do	MID-AMERICA ASSOCIATES		
Do	N & F DEVELOPMENT CORP, INC		
Do	NATIONAL INVESTMENT DEVELOPMENT CORP		
Do	NATIONAL MULTI HOUSING COUNCIL	500.00	
Do	SKW ALLOYS, INC		
Do	WESTINGHOUSE ELECTRIC CORPORATION	6,450.00	467.01
WOODRUFF M. PRICE, 1331 PENNSYLVANIA AVE., NW, #560 WASHINGTON DC 20014	CSX CORPORATION	3,000.00	1,140.37
MICHAEL F. PRIESNITZ, 1310 HIGHWAY 96, #110 ST. PAUL MN 55108	FORESIGHT CONSULTING, INC		
PROJECT ADVISORY GROUP, 1029 VERMONT AVE., NW, #860 WASHINGTON DC 20005			744.79
PROJECT CURE, INC, 2020 K STREET, NW, #350 WASHINGTON DC 20006		71,298.38	32,781.65
PROTECT THE INNOCENT, INC, 451 SOUTH INDIANA STREET MOORESVILLE IN 46158	PROTECT THE INNOCENT, INC		[illegible]
TANYA A. RAHALL, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS	1,916.67	111.40
DONALD A. RANDALL, P.C., 321 D STREET, NE WASHINGTON DC 20002	AUTOMOTIVE SERVICE COUNCILS, INC	1,562.00	
Do	NATIONAL INDEPENDENT DAIRY-FOODS ASSN	11,477.50	
ROBERT A. RAPOZA ASSOCIATES, 2001 S STREET, NW WASHINGTON DC 20007	FRIENDS OF THE RURAL DEVELOPMENT LOAN FUND		
Do	NATIONAL RURAL HOUSING COALITION	8,500.00	5,362.44
ROBERT A. RAPOZA, 2001 S ST., NW, #500 WASHINGTON DC 20009	NATIONAL RURAL HOUSING COALITION		
EILER C. RAVNHOLT, 723 INVESTMENT BLDG. WASHINGTON DC 20005	HAWAIIAN SUGAR PLANTERS' ASSN	580.00	400.00
JOHN K. RAYBURN, 1801 K STREET, NW WASHINGTON DC 20006	WESTINGHOUSE ELECTRIC CORP	235.00	35.00
ROBERT O. REDDING, 3519 S.W. 147TH LANE ROAD OCALA FL 32673			
CHARLES C. REELY, 1840 WILSON BLVD., #203 ARLINGTON VA 22201	NATIONAL LIMESTONE INST, INC	3,240.00	
JOSEPH M. REES, FRANCIS MCGINNIS & REES, INC 1000 POTOMAC STREET, NW, #401 WASHINGTON DC 20007	DELTA DENTAL PLANS ASSOCIATION	4,000.00	
ROBERT S. REESE JR., 2200 MILL RD ALEXANDRIA VA 22314	AMERICAN TRUCKING ASSNS, INC	8,000.00	1,131.72
REID & PRIEST, 1111 19TH STREET, NW WASHINGTON DC 20036	ASSOCIATED NATURAL GAS COMPANY, ET AL		
Do	CITY OF PHILADELPHIA		
Do	PENNSYLVANIA SHIPBUILDING CO		
Do	TELEFLEX, INC		
MARY LYNN REILLY, 3805 ALTON PLACE, NW WASHINGTON DC 20016	NEIGHBORHOOD HOUSING SERVICES OF AMERICA		
RENEWABLE FUELS ASSOCIATION, 499 S. CAPITOL ST., SW, #420 WASHINGTON DC 20003		14,346.40	3,809.19
SARAH M. RENFROE, 2354 LAMBERT DR. TOLEDO OH 43613	BENCHMARK TECHNOLOGIES CORP		
STEPHEN M. RENNA, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	900.00	11.00
WILSON L. REYNOLDS, 201 MASSACHUSETTS AVENUE, NE, #319 WASHINGTON DC 20002	HALT· AMERICANS FOR LEGAL REFORM	4,600.00	10.00
DON L. RICKETTS, 2550 M STREET, NW, #695 WASHINGTON DC 20037	BEAR STEARNS & CO	250.00	
Do	GENERAL AMERICAN LIFE INSURANCE CO	350.00	
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO	2,500.00	
Do	NORTHWESTERN MUTUAL LIFE	2,500.00	
RIDDELL HOLROYD & BUTLER, 1331 PENNSYLVANIA AVENUE, NW, #1215 WASHINGTON DC 20004	ASSOCIATES CORP OF NORTH AMERICA	1,000.00	
Do	BENEFICIAL CORP	5,000.00	
Do	C.I.T. FINANCIAL CORP		
Do	W. K. KELLOGG FOUNDATION		
SIERT F. RIEPMA, 1625 I ST., NW, #1024-A WASHINGTON DC 20006	NATIONAL ASSN OF MARGARINE MFGRS		
STARK RITCHIE, 1220 L ST., NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST		
RIVKIN RADLER DUNNE & BAYH, 1575 I STREET, NW, #1025 WASHINGTON DC 20005	SIMON & ASSOCIATES, INC		
LIZ ROBBINS ASSOCIATES, 132 D STREET, SE WASHINGTON DC 20003	ASSOCIATION OF LOCAL HOUSING FINANCE AGENCIES (ALHFA)	2,045.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	GOLDMAN SACHS	3,235.00	
Do	NATIONAL COUNCIL OF COMMUNITY MENTAL HEALTH CENTERS		
Do	NATIONAL MUSIC PUBLISHERS ASSN, INC	[illegible]	
Do	NEW YORK STATE HOUSING FINANCE AGENCY	1,630.00	
Do	PHOENIX HOUSE		
Do	SCHOLASTIC, INC	1,200.00	
Do	SOUTHERN BAPTIST PRESS ASSN	[illegible]	
Do	[illegible] MUSIC GROUP		
MARK ROBERTSON, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN EXPRESS CO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO).		
ROBINSON SILVERMAN PEARCE ARONSOHN & BERMAN, 230 PARK AVE. NEW YORK NY 10169	NATIONAL REALTY COMMITTEE		
TERRENCE L. ROGERS, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	10,679.46	[illegible]
EMIL A. ROMAGNOLI, 180 MAIDEN LANE NEW YORK NY 10038	ASARCO INC	[illegible]	
ROSE SCHMIDT CHAPMAN DUFF & HASLEY, 1825 EYE ST., NW, #300 WASHINGTON DC 20006	CIGAR ASSN OF AMERICA		
RICHARD ROSEN, 5010 WISCONSIN AVE., NW, #118 WASHINGTON DC 20016			
DAVID B. ROSENAUER, 1317 F STREET, NW, #400 WASHINGTON DC 20004	INVESTMENT COMPANY INSTITUTE		
ALBERT B. ROSENBAUM III, 2200 MILL RD. ALEXANDRIA VA 22314	NATIONAL TANK TRUCK CARRIERS, INC		
MIRIAM A. ROSENBERG, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING & DEVELOPEMENT		
FRANCIS C. ROSENBERGER, 6809 MELROSE DRIVE MCLEAN VA 22101	NATIONAL CONFERENCE OF BANKRUPTCY JUDGES	3,750.00	
LYNN ROSINKSY, 1625 L STREET, NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES, AFL-CIO	7,619.80	320.30
GAIL E. ROSS, GOLDFARB SINGER & AUSTERN 918 16TH STREET, NW WASHINGTON DC 20006	WASHINGTON INDEPENDENT WRITERS		
STEPHEN O. ROSSETTI, 1434 DUKE STREET ALEXANDRIA VA 22314	INTERNATIONAL MILITARY CLUB EXECUTIVES		
JOSEPH L. ROSSO, 2200 MILL ROAD ALEXANDRIA VA 22314	AMERICAN TRUCKING ASSNS, INC	7,500.00	463.81
MARCUS ROTH, 100 INDIANA AVE., NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	5,717.92	
WILLIAM C. ROUNTREE, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
ROBERT S. ROYER, ROYER & SHACKNAI 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	MORGAN STANLEY & CO., INC		
Do	PHILLIPS PETROLEUM		
JOHN RUNYAN, 1730 NORTH LYNN STREET SUITE 409 ARLINGTON VA 22209	PRINTING INDUSTRIES OF AMERICA, INC	[illegible]	
CHARLOTTE RUSH, SUITE 700 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	GULF OIL CORP	[illegible]	
S.O.S. - SMALL BUSINESS JOBS, P.O. BOX 65761 WASHINGTON DC 20035		[illegible]	2,999.30
NAJWA SA'D, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
DAVID J. SADD, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS	[illegible]	450.00
DEAN SAGAR, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	[illegible]	70.64
THOMAS L. SAGER, 1007 MARKET ST. WILMINGTON DE 19898	E. I. DU PONT DE NEMOURS & CO		
GREGORY A. SAHD, 2033 M STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS	[illegible]	674.67
WILLIAM SAMUEL, 1325 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	8,419.62	375.64
COLIN D. SANDISON, 1899 L STREET, NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION	[illegible]	[illegible]
BRUCE W. SANFORD, BAKER & HOSTETLER 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	SOCIETY OF PROFESSIONAL JOURNALISTS, SIGMA DELTA CHI		
DONALD E. SANTARELLI, SUITE 700 2033 M ST., NW WASHINGTON DC 20036	EMPRESA BRASILEIRA DE AERONAUTICA, S.A.	[illegible]	85.00
Do	SAFARI CLUB INTERNATIONAL	[illegible]	[illegible]
Do	STURM, RUGER COMPANY, INC	200.00	[illegible]
KAREN SASAHARA, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
SATELLITE SYNDICATED SYSTEMS, INC, P.O. BOX 702160 TULSA OK 74170			
SAVE OUR SECURITY, SUITE 222 1201 16TH STREET, NW WASHINGTON DC 20036		18,925.33	17,533.34
OMAR SBITANI, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
MIKE SCANLON, 406 COLIN LANE VIENNA VA 22180	NATIONAL TAXPAYERS UNION	[illegible]	
HAROLD A. SCHAITBERGER, 1750 NEW YORK AVE. WASHINGTON DC 20006	INTERNATIONAL ASSN OF FIRE FIGHTERS	12,763.86	
MARK L. SCHNEIDER, 1001 22ND STREET, NW, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
H. B. W. SCHROEDER, 1050 17TH STREET, NW, #490 WASHINGTON DC 20036	CONSUMERS POWER CO	[illegible]	1,266.00
WILLIAM B. SCHULTZ, SUITE 700 2000 P ST., NW WASHINGTON DC 20036	PUBLIC CITIZEN INC		
NEIL D. SCHUSTER, SUITE #1000 1620 EYE ST., NW WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC		
SCHWINN BICYCLE CO, 1856 NORTH KOSTNER AVENUE CHICAGO IL 60639			1,071.59
DOUGLAS W. SCOTT, 530 BUSH ST. SAN FRANCISCO CA 94108	SIERRA CLUB		
ELLEN SCOTT, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS INT'L ASSN	[illegible]	
LAW OFFICES OF JOHN SEARS, 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	EMBASSY OF THE REPUBLIC OF SOUTH AFRICA	[illegible]	315.13
MARIA MCCREA SEGAL, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
SEIDMAN & SEIDMAN/BDO, 15 COLUMBUS CIRCLE NEW YORK NY 10023			
GEORGE M. SEITTS, SUITE 900 1015 15TH STREET, NW WASHINGTON DC 20005	INTERWORTH		
WILLIAM H. SHAKER, 500 N. WASHINGTON ST., #201 FALLS CHURCH VA 22046	NATIONAL TAX LIMITATION COMMITTEE		
DAVID L. SHAPIRO, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC		
RICHARD N. SHAROOD, 8TH FL. 1752 N ST., NW WASHINGTON DC 20036	CHEMICAL WASTE MANAGEMENT, INC	[illegible]	
RUSSELL N. SHAY, 6014 COLLEGE AVE. OAKLAND CA 94618	SIERRA CLUB	4,982.17	[illegible]
LOIS BURKE SHEPARD, 8602 HIDDEN HILL LN. POTOMAC MD 20854	REPUBLICANS ABROAD		
JOHN J. SHEPPARD, 267 WESTERVELT PLACE ENGLEWOOD CLIFFS NJ 07632	C. A. SHEA & COMPANY, INC		
DALE SHERWIN, 1735 I ST., NW, #717 WASHINGTON DC 20006	A. E. STALEY MANUFACTURING CO	[illegible]	[illegible]
NELSON T. SHIELDS, 1400 K ST., NW WASHINGTON DC 20015	HANDGUN CONTROL, INC	2,400.00	
RUSSELL L. SHIPLEY JR., 1120 VERMONT AVENUE, NW, #1120 WASHINGTON DC 20005	NATIONAL CANDY WHOLESALERS ASSN, INC		
SHIPLEY SMOAK HENRY & HOLDGREIWE, 910 17TH STREET, NW, #320 WASHINGTON DC 20006	BLUEJAY OIL COMPANY		
Do	FORT SILL GARDENS, INC		
SIERRA CLUB, 530 BUSH ST. SAN FRANCISCO CA 94108		228,502.15	228,502.15
MARK SILBERGELD, 2001 S STREET, SW, #520 WASHINGTON DC 20009	CONSUMERS UNION OF U.S., INC	3,700.00	[illegible]
STEPHEN SILBIGER, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES	13,987.19	435.30
HOWARD J. SILVER, 1200 17TH ST., NW, #520 WASHINGTON DC 20036	CONSORTIUM OF SOCIAL SCIENCE ASSNS	[illegible]	[illegible]
STEVE SILVER, 1050 THOMAS JEFFERSON ST., NW, 6TH FL. WASHINGTON DC 20007	NORANDA MINING, INC		
JEAN SINDAB, 2480 16TH ST., NW, #610 WASHINGTON DC 20009	WASHINGTON OFFICE ON AFRICA	3,750.00	
PETER SMALL, 295 MADISON AVENUE NEW YORK NY 10017	PETER SMALL & ASSOCIATES, INC. (FOR: WILLIAM M. MERCER-MEIDINGER, INC)		
SMATHERS SYMINGTON & HERLONG, SUITE 400 1700 K ST., NW WASHINGTON DC 20006	AMERICAN HORSE COUNCIL	3,666.00	
Do	COALITION OF COMMUNITY BANKS OF FLORIDA		
Do	FLORIDA EAST COAST RAILWAY CO	[illegible]	
Do	NATIONAL HOCKEY LEAGUE	1,500.00	
Do	PENNZOIL CO	[illegible]	
Do	REPUBLIC OF SOUTH AFRICA	7,500.00	
ROBERT G. SMERKO, 1945 OLD GALLOWS ROAD, #405 VIENNA VA 22180	AMERICAN WOOD PRESERVERS INSTITUTE		
DOUGLAS J. SMITH & ASSOCIATES, SUITE 704 1200 18TH ST., NW WASHINGTON DC 20036	AMERICAN SIGN & INDICATOR CORP		
Do	INSTITUTE OF SIGNAGE RESEARCH		
Do	NATIONAL ELECTRIC SIGN ASSN		
Do	SPERRY GYROSCOPE		
HUGH H. SMITH, 1020 19TH STREET, NW, #600 WASHINGTON DC 20036	AMERICAN EXPRESS CO		
JAMES A. SMITH, 1020 19TH ST., NW WASHINGTON DC 20036	U S WEST, INC	4,015.60	3,444.84
JEFFREY A. SMITH, 1600 WILSON BOULEVARD, #1000 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
DENNIS SMYTH, 503 QUEEN STREET EAST SAULT STE. MARIE ONTARIO CANADA P6A 5P2	CANADIAN TUBULAR PRODUCERS ASSN	60.00	176.95
SOCIETY FOR NUTRITION EDUCATION, 1736 FRANKLIN STREET OAKLAND CA 94612		7.16	[illegible]
VINCENT R. SOMBROTTO, 100 INDIANA AVE., NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	3,527.25	
KURT A. SOMMER, P.O. BOX 925 ALBUQUERQUE NM 87103			
BARRY SONSHINE, 111 RAYETTE ROAD CONCORD ONTARIO CANADA L4K 2E9	CANADIAN TUBULAR PRODUCERS ASSN	233.21	721.84
SOUTHERN FOREST PRODUCTS ASSN, P.O. BOX 52468 NEW ORLEANS LA 70152		32,033.72	32,033.72
SPACE SERVICES, INC (SSI) OF AMERICA, 7015 GULF FREEWAY, #140 HOUSTON TX 77087			
PHILIP SPESER, 2000 P ST., NW [illegible]	FORESIGHT SCIENCE & TECHNOLOGY, INC (FOR: NATIONAL COALITION FOR SCIENCE & TECHNOLOGY).		
Do	FORESIGHT, INC (FOR: SOCIETY FOR AMERICAN ARCHAEOLOGY)	1,200.00	
ALAN P. SPIELMAN, 1709 NEW YORK AVENUE, NW WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD ASSN		
SQUIRE SANDERS & DEMPSEY, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	AMERICAN CHAMBER OF COMMERCE IN EUROPE & THE MEDITERRANEAN		
Do	AMERICAN CHAMBER OF COMMERCE IN ITALY, INC		
Do	AMERICAN CHAMBER OF COMMERCE IN GERMANY		
VIVIAN ESCOBAR STACK, 2010 MASSACHUSETTS AVENUE, NW, #500 WASHINGTON DC 20036	PLANNED PARENTHOOD FEDERATION OF AMERICA, INC		
MELVIN R. STAHL, SUITE 1410 1235 JEFFERSON DAVIS HWY ARLINGTON VA 22202	MOTORCYCLE INDUSTRY COUNCIL, INC		
STANDARD OIL CO (OHIO), MIDLAND BLDG. CLEVELAND OH 44115			24,714.05
SAMUEL E. STAVISKY & ASSOCIATES, INC, 1725 DESALES STREET, NW, #804 WASHINGTON DC 20036	BROADCAST MUSIC, INC		
JOHN HOWARD STECKER, 2020 LIVE OAK DALLAS TX 75221	GREAT AMERICAN RESERVE INSURANCE CO		
VICTOR STEPSAY, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INT'L ASSN	13,928.00	
STEPTOE & JOHNSON, CHTD, 1330 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASSOCIATION OF PRIVATE PENSION & WELFARE PLANS, INC	2,355.00	[illegible]
Do	COALITION TO PROMOTE AMERICA'S TRADE	50,492.81	[illegible]

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
H. DONALD STEWART, 188 W. MAIN STREET PENNS GROVE NJ 08069			
KENNETH F. STINGER, 2200 MILL RD ALEXANDRIA VA 22314	AMERICAN TRUCKING ASSNS, INC	[illegible]	[illegible]
JOHN J. STOCKER, 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	SHIPBUILDERS COUNCIL OF AMERICA	17,000.00	
STOVALL SPRADLIN ARMSTRONG & ISRAEL, 1819 H STREET, NW, #700 WASHINGTON DC 20006	COMMISSION ON FUTURE POLITICAL STATUS & TRANSITION	5,000.00	[illegible]
PAUL STRAUSS, 4301 MASSACHUSETTS AVENUE, NW, #4012 WASHINGTON DC 20016	AMERICAN UNIVERSITY STUDENT CONFEDERATION		
RONALD J. STRECK, P.O. BOX 238 ALEXANDRIA VA 22313	NATIONAL WHOLESALE DRUGGISTS' ASSN		
RICHARD H. STREETER, 1729 H STREET, NW WASHINGTON DC 20006	CAST NORTH AMERICA LTD.		
GEORGE W. STRONG, 2242 BARTLETT HOUSTON TX 77098	HOUSTON NATURAL GAS CORP		
GEORGE STRUMPF, 624 9TH ST., NW, 7TH FL. WASHINGTON DC 20001	GROUP HEALTH ASSOCIATION OF AMERICA, INC		
DOROTHY E. STUCKE, 1004 DUKE STREET ALEXANDRIA VA 22314	AMERICAN SUBCONSTRACTORS ASSN		
SULLIVAN & WORCESTER, 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	MARION LABORATORIES, INC	16,570.00	
MARY BETH SULLIVAN, 923 15TH ST., N.W WASHINGTON DC 20005	TRANSPORTATION INSTITUTE		
SUTHERLAND ASBILL & BRENNAN, 1666 K STREET, NW, #800 WASHINGTON DC 20006	FLATHEAD JOINT BOARD OF CONTROL		
Do	FREEPORT KAOLIN	11.66	1.84
Do	[illegible] CO OF AMER	11.66	1.84
Do	PROCESS GAS CONSUMERS GROUP		
DAVID L. SWANSON, CRAFT & RICHARDS 1050 THOMAS JEFFERSON ST., NW, 6TH FL. WASHINGTON DC 20007	ALLIS-CHALMERS ENERGY & MINERALS SYSTEMS CO	5,156.25	[illegible]
Do	BOEING ENGINEERING CO SOUTHEAST, INC	2,842.00	[illegible]
Do	CONSUMERS UNITED FOR RAIL EQUITY (C.U.R.E.)	7,712.00	[illegible]
Do	EDISON ELECTRIC INSTITUTE	[illegible]	[illegible]
Do	GA TECHNOLOGIES, INC	1,500.00	
Do	ILLINOIS DEPT OF ENERGY & NATURAL RESOURCES	2,524.00	102.60
SWIDLER BERLIN & STRELOW, CHTD, 1000 THOMAS JEFFERSON ST., NW #500 WASHINGTON DC 20007	AMERICAN HOECHST CORPORATION		
Do	MD PEOPLE'S COUNSEL (NATL ASSN OF STATE UTIL. CONSUMER ADVO)		
TRICIA L. SWIFT, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	1,200.00	
SCOTT R. SWIRLING, SUITE 380 122 C ST., NW WASHINGTON DC 20001	NATIONAL FAMILY PLANNING & REPRODUCTIVE HEALTH ASSN, INC	483.00	[illegible]
KEITH TARR-WHELAN, 3626 N. KENSINGTON ST. ARLINGTON VA 22207	SAVE OUR SECURITY	[illegible]	
LINDA TARR-WHELAN, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	1,650.00	[illegible]
TEXTRON, INC, 40 WESTMINSTER ST. PROVIDENCE RI 02903		2,250.00	[illegible]
THACHER PROFFITT & WOOD, SUITE 512 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	BANK OF VERMONT		55.50
MARGARET P. THAXTON, 418 SOUTH CAPITOL STREET, SE WASHINGTON DC 20003	SHEET METAL & AIR CONDITIONING CONTRACTORS' NAT'L ASSN		
DIANE KAY THOMAS, 2727 29TH ST., NW, #634 WASHINGTON DC 20008	AMERICAN ASSN OF MINORITY ENTERPRISE SMALL BUS. INVEST COS	3,470.00	
BARBARA THOMPSON, 1828 L STREET, NW WASHINGTON DC 20036	COOPERATIVE LEAGUE OF THE U.S.	[illegible]	[illegible]
DANA S. THOMPSON, 418 SOUTH CAPITOL STREET, SE WASHINGTON DC 20003	SHEET METAL & AIR CONDITIONING CONTRACTORS' NAT'L ASSN		
LAW OFFICES OF FRED THOMPSON, 1919 PENNSYLVANIA AVENUE, NW, #850 WASHINGTON DC 20006	CENTRAL STATES SE & SW AREAS HEALTH, WELFARE & PENSION FUNDS	5,620.00	
Do	WESTINGHOUSE ELECTRIC CORP	3,061.00	
THOMPSON MANN & HUTSON, 1730 PENNSYLVANIA AVE., NW, #1250 WASHINGTON DC 20006	CSX CORPORATION	2,710.00	[illegible]
ROBERT N. THOMSON, ONE LANDMARK SQ. STAMFORD CT 06901	MOORE MCCORMACK RESOURCES, INC	[illegible]	[illegible]
RICHARD B. THORNBURG, SUITE 505 5205 LEESBURG PIKE FALLS CHURCH VA 22041	NATIONAL BEER WHOLESALERS' ASSN		[illegible]
GIL THURM, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
CYRUS C. TICHENOR III, 1101 VERMONT AVENUE, NW, #405 WASHINGTON DC 20005	A. H. ROBINS CO, INC	[illegible]	[illegible]
TIMMONS & CO, INC, 1850 K ST., NW, #850 WASHINGTON DC 20006	BOEING COMPANY	[illegible]	
GARY G. TIMMONS, 1201 16TH STREET, NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	2,101.00	[illegible]
JAY C. TOWNLEY, 1856 NORTH KOSTNER AVENUE CHICAGO IL 60639	SCHWINN BICYCLE CO		
THOMAS J. TRABUCCO, 1533 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	10,991.00	
TRANSPORTATION INSTITUTE, 923 15TH ST., NW WASHINGTON DC 20005			14,473.54
TRUST FOR PUBLIC LAND, 82 SECOND ST. SAN FRANCISCO CA 94105			16,888.00
ANH TU, SUITE 860 1029 VERMONT AVE., NW WASHINGTON DC 20005	PROJECT ADVISORY GROUP	105.77	3.55
TUCKER & VAUGHT, WESTERN FEDERAL SAVINGS BLDG., #1330 718 17TH ST. DENVER CO 80202	PETRO-LEWIS CORPORATION		
A. RAY TYRRELL, 1800 M ST., NW, #900-S WASHINGTON DC 20036	ATLAS CORPORATION		
U.S. COMMITTEE FOR THE OCEANS, ROUTE 2 ARARAT VA 24053			
U.S. RECREATIONAL SKI ASSOCIATION, 221 WEST DYER ROAD SANTA ANA CA 92707			
GILMAN UDELL, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF FIRE FIGHTERS	[illegible]	
ROBERT D. UMPHREY JR., 1150 17TH STREET, NW WASHINGTON DC 20036	MAN-MADE FIBER PRODUCERS ASSN, INC	[illegible]	[illegible]
STEVEN W. UNGLESBEE, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	[illegible]	
UNIQUE ATHLETES, INC, 3 WOODLAND AVENUE WESTHAMPTON BEACH NY 11978			
URANIUM PRODUCERS OF AMERICA, C/O COVINGTON & BURLING 1201 PENNSYLVANIA AVE., NW P.O. BOX 7566 [illegible] DC 20044		[illegible]	
RONALD D. UTT, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		[illegible]
RICHARD VAN DEUREN, 111 E. WISCONSIN AVENUE, NW, #1800 MILWAUKEE WI 53202	NATIONAL EMPLOYEE BENEFITS INST		[illegible]
H. B. VAN GIESON, 1700 NORTH MOORE STREET ROSSLYN VA 22209	BOEING COMPANY		
ROBERT C. VARAH, 1330 BURLINGTON STREET EAST HAMILTON ONTARIO CANADA L8N 3J5	DOFASCO, INC		
DONALD R. VAUGHAN, P.O. BOX 1288 ASHEBORO NC 27204	STEDMAN CORP		
VENTURE ENTREPRENEURS, INC., 1201 SAN MARCO BLVD., #204 JACKSONVILLE FL 32207			
STEPHEN J. VERDIER, 1625 MASSACHUSETTS AVENUE, NW, #202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSN OF AMERICA	14,075.00	[illegible]
VERNER LIIPFERT BERNHARD MCPHERSON & HAND, CHTD, 1660 L STREET, NW, #1000, WASHINGTON DC 20036	GENCORP	[illegible]	
Do	TRW	[illegible]	
ABE J. VORON, 6204 WHITE OAK LANE TAMARAC FL 33319	NATIONAL RADIO BROADCASTERS ASSOCIATION	[illegible]	[illegible]
VORYS SATER SEYMOUR & PEASE, 1828 L STREET, NW, #1111 WASHINGTON DC 20036	CABOT CORPORATION	1,710.00	[illegible]
Do	COMMITTEE OF PUBLICLY OWNED COMPANIES		
Do	INTERNATIONAL AGRICULTURAL DEVELOPMENT SERVICE	3,465.00	47.56
Do	NATIONAL ASSN OF STATE SAVINGS INSURERS		
Do	OHIO DEPOSIT GUARANTY FUND	18,025.00	1,756.01
Do	OHIO MFRS ASSN	1,875.00	1,473.63
Do	PITTSBURGH & LAKE ERIE RAILROAD CO	[illegible]	[illegible]
Do	SCM CORPORATION	3,000.00	
Do	TOLEDO TRUSTCORP	[illegible]	1,173.33
WAGNER & BAROODY, INC, 1100 17TH STREET, NW, #804 WASHINGTON DC 20036	AMERICAN BUSINESS PRESS	3,312.50	[illegible]
Do	CHICAGO AND NORTHWESTERN RAILROAD	3,156.25	1,471.52
Do	CSX CORPORATION	18,968.75	5,267.53
Do	E-SYSTEMS		
Do	JARTRAN, INC	[illegible]	137.83
Do	LANIHAU CORPORATIONS		
Do	NATIONAL BEER WHOLESALERS OF AMERICA	[illegible]	4,618.42
Do	NATIONAL DEBT REPAYMENT FOUNDATION		
Do	NORTH AMERICAN BANCORPORATION	1,031.25	[illegible]
Do	UNITED NATIONS EDUCATIONAL SCIENTIFIC & CULTURAL ORGAN		
WALD HARKRADER & ROSS, 1300 19TH ST., NW WASHINGTON DC 20036	JAPAN IRON & STEEL EXPORTERS' ASSN		
WASHINGTON GAS LIGHT CO, 1100 H ST., NW WASHINGTON DC 20080			555.57
WASHINGTON INDEPENDENT WRITERS, INC, 1341 G ST., NW, #205 WASHINGTON DC 20005			
WASHINGTON OFFICE ON AFRICA, 110 MARYLAND AVE., NE WASHINGTON DC 20002		45,471.99	[illegible]
RONALD D. WATERMAN, 4802 TABARD PLACE ANNANDALE VA 22003	MILWAUKEE COUNTY-INTERGOVERNMENTAL RELATIONS	9,375.00	[illegible]
Do	WISCONSIN COUNTIES ASSN	5,772.00	[illegible]
MARY WEBB, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	[illegible]	[illegible]
ANDREW H. WEBBER, 440 FIRST STREET, NW, #510 WASHINGTON DC 20001	AMERICAN MEDICAL PEER REVIEW ASSN		
WEBSTER CHAMBERLAIN & BEAN, 1747 PENNSYLVANIA AVE., NW, #1000 WASHINGTON DC 20006	BEER INDUSTRY ALLIANCE		
JACK R. WEHRLY, SUITE 790 SOUTH 1800 M ST., NW WASHINGTON DC 20036	DOW CORNING CORPORATION		
THEODORE F. WEIHE, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	U.S. OVERSEAS COOPERATIVE DEVELOPMENT COMMITTEE	2,812.00	
WILLIAM B. WELSH, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES	23,872.55	63.30
MARY LOUISE WESTMORELAND, 1400 K STREET, NW WASHINGTON DC 20005	HANDGUN CONTROL, INC	9,091.00	
ALTON W. WHITEHOUSE JR., 1750 MIDLAND BLDG. CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
MARSHALL E. WHITENTON, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	[illegible]	22.00
ANN R. WIESENECK, 900 17TH STREET, NW WASHINGTON DC 20006	KAISER ALUMINUM & CHEMICAL CORP		
T. J. WILDER, 1725 K STREET, NW, #1405 WASHINGTON DC 20006	MORTGAGE INSURANCE COS OF AMERICA		
HARRY G. WILES II, 499 S. CAPITOL STREET, SW, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS		[illegible]
JULIAN A. WILHELM, 1320 19TH STREET, NW WASHINGTON DC 20036	BURCH AND BENNETT, P.C. (FOR: M.A.N. TRUCK & BUS CORP)		
CARL B. WILKERSON, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
RALPH E. WILLHAM, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTL ASSN	11,850.00	
WILLIAMS & JENSEN, P.C., 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	ALAMO CEMENT COMPANY		
Do	AMERICAN HOME PRODUCTS	200.00	[illegible]
Do	AMERICAN HOSPITAL ASSN	[illegible]	[illegible]
Do	AMERICAN PHYSICAL THERAPY ASSN		
Do	AMERICAN REAL ESTATE COMMITTEE		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	CENTURY 21 REAL ESTATE CORP		
Do	CIGNA	452.50	22.51
Do	COMMITTEE FOR EMPLOYMENT OPPORTUNITIES		
Do	COMMITTEE FOR FAIRNESS IN REAL ESTATE TAXATION	175.50	80.31
Do	D'ANCONA & PFLAUM		
Do	DESIGN PROFESSIONALS COALITION		90.21
Do	ESTEE LAUDER, INC		
Do	FEDERATION FOR AMERICAN IMMIGRATION REFORM	765.00	39.50
Do	FIRST BOSTON CORP		138.24
Do	FIRST DATA		17.31
Do	FREIGHT FORWARDERS INSTITUTE		
Do	GENERAL ELECTRIC CO.	100.00	9.22
Do	GENERAL PORTLAND, INC		
Do	GIFFORD-HILL & COMPANY, INC.		
Do	HIGHER EDUATION ASSISTANCE FOUNDATION	113.00	17.00
Do	HOUSTON ENDOWMENT, INC	120.00	5.19
Do	IU INTERNATIONAL MANAGEMENT CORP.	142.50	88.33
Do	KAISER CEMENT CORPORATION		
Do	KELLOGG COMPANY		
Do	KELLY, APPLEMAN, HART & HALLMAN		
Do	KRAUSE MILLING CO.	62.50	9.22
Do	MONOLITH PORTLAND CEMENT COMPANY		
Do	MUSTANG FUEL CORPORATION		
Do	NATIONAL ASSN OF WATER COS.	810.00	86.65
Do	NATIONAL CABLE TELEVISION ASSN, INC.		43.33
Do	NATIONAL OFFICE MACHINE DEALERS ASSN		
Do	NATIONAL SOFT DRINK ASSN		
Do	NATIONWIDE INSURANCE COMPANIES		
Do	NORFOLK SOUTHERN CORP	5,512.50	372.66
Do	PARALYZED VETERANS OF AMERICA		
Do	RECORDING INDUSTRY OF AMERICA, INC.	50.00	9.22
Do	SOUTHLAND ROYALTY CO		
Do	SOUTHWESTERN PORTLAND CEMENT COMPANY		
Do	STUDENT LOAN MARKETING ASSN	1,250.00	15.78
Do	TEXACO, INC.		
Do	TEXAS AIR CORP	440.00	51.94
Do	U.S. TELEPHONE COMMUNICATIONS, INC		
Do	UNIVERSAL FOODS , INC		
Do	UNIVERSITY OF MICHIGAN HOSPITALS		
Do	USAA FINANCIAL SERVICE CO	125.00	17.31
Do	WILKIE FARR & GALLAGHER		
Do	NATIONAL ASSN OF RAILROAD PASSENGERS	6,000.02	
BARRETT WILLIAMS, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	ANHEUSER-BUSCH COS.		
DAVID W. WILMOT, 1029 VERMONT AVNEUE, NW WASHINGTON DC 20005	DOFASCO, INC.		
H. GRAHAM WILSON, 1330 BURLINGTON STREET EAST/BOX 460 HAMILTON ONTARIO L8N 3J5 CANADA	THERMAL ENERGY CO		
PATRICIA M. WILSON, 2910 3RD AVENUE NORTH BILLINGS MT 59103	AMERICAN ASSN OF MUSEUMS		27.40
WINSTON & STRAWN, #500 2550 M ST., NW WASHINGTON DC 20037	BEATRICE FOODS CO.	187.50	10.00
Do	BUILDING OWNERS & MANAGERS ASSN INTL		
Do	GOULD, INC.		
Do	INTERNATIONAL COUNCIL OF SHOPPING CENTERS		
Do	LEASE MANAGEMENT CORP		
Do	NATIONAL AUDUBON SOCIETY		
Do	TERSON COMPANY, INC.		
Do	HEALTH RESEARCH GROUP		
SIDNEY M. WOLFE, 2000 P ST., NW, #708 WASHINGTON DC 20036	HILL & KNOWLTON, INC		
GEORGE M. WORDEN, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	COLUMBIA GORGE UNITED		
JOSEPH T. WRABEK, BOX 70 CASCADE LOCKS OR 97014	PHH GROUP, INC.	1,250.00	204.87
SAMUEL H. WRIGHT, 11333 MCCORMICK ROAD HUNT VALLEY MD 21031	FEDERATED STATES OF MICRONESIA		
FREDERICK S. WYLE, ONE MARITIME PLAZA, #2500 SAN FRANCISCO CA 94111	AMERICAN BOILER MANUFACTURERS ASSN, INC.		
WYMAN BAUTZER ROTHMAN KUCHEL & SILBERT, SUITE 500 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	BRISTOL BAY NATIVE CORP.		
Do	EKLUTNA, INC.		
Do	FILMWAYS, INC.		
Do	NERCO, INC.		
DAVID V. YADEN, 111 SW COLUMBIA, #800 PORTLAND OR 97201	U S WEST, INC.	5,000.00	
DEBRA T. YARBROUGH, 1819 L ST., NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF REALTORS	1,500.00	50.48
JUDITH A. YOUNG, 777 14TH ST., NW WASHINGTON DC 20005	FLOATING POINT SYSTEMS, INC	202.99	3.00
DONALD ZARIN, BLUM NASH & RAILSBACK 1015 18TH STREET, NW WASHINGTON DC 20036	PENNZOIL CO.		
L. ANDREW ZAUSNER, 1155 15TH ST., NW, #602 WASHINGTON DC 20005	BUILDING & CONSTRUCTION TRADES DEPT., AFL-CIO		
LEO C. ZEFERETTI, 9912 FORT HAMILTON PARKWAY BROOKLYN NY 11209	GRUMMAN DATA SYSTEMS CORP		
Do	NEW YORK TELEPHONE		
Do	PRATT AND WHITNEY		
Do	TRANSPORTATION INSTITUTE		
Do	NATURAL GAS SUPPLY ASSN	7,500.00	659.21
MELINDA M. ZIMMERMAN, 1730 RHODE ISLAND AVENUE, NW, #200 WASHINGTON DC 20036	WASHINGTON OFFICE ON AFRICA	4,333.34	
KENNETH ZINN, 1837 WYOMING AVENUE, NW WASHINGTON DC 20009		58.25	162.67
13TH CONGRESSIONAL DISTRICT ACTION COMM, 5474 E. SCOVER LANE SAN JOSE CA 95118			
31ST PRO LIFE CONGRESSIONAL DISTRICT ACTION COMM, 8654 BONVIEW TERRACE WILLIAMSVILLE NY 14221			

EXTENSIONS OF REMARKS

STRENGTHENING DEVELOPING INSTITUTIONS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. DYMALLY. Mr. Speaker, I am pleased to bring to the attention of the Members of the House of Representatives a statement regarding title III of the Higher Education Act.

The statement was delivered by Dr. Stanley H. Smith, president, Shaw University, Raleigh, NC, to the Subcommittee on Postsecondary Education of the House Committee on Education and Labor on July 30, 1985.

The statement follows:

STRENGTHENING DEVELOPING INSTITUTIONS

(By Dr. Stanley H. Smith)

Mr. Chairman and other honorable and distinguished members of this very important Sub-committee on Post-Secondary Education, commendations are certainly very much in order for the roles that you are playing in dealing with educational issues, particularly Title III, which have impacted and will continue to impact on the future vitality, viability and competitiveness of this great Democratic country of ours.

My name is Stanley Hugh Smith. I have been president for seven years of Shaw University in Raleigh, North Carolina, an institution of Higher Education that has been in existence for 120 years, founded in 1865. I am a graduate of a Historically Black College, Fisk University, and received my Ph.D from Washington State University in Pullman, Washington, where I was elected to the academically prestigious Phi Beta Kappa Society. I have held administrative and teaching positions at Livingstone College, Tuskegee Institute, Meharry Medical College and Fisk University, all Historically Black Universities, before assuming the deanship of The College of Human Resources at Southern Illinois, a comprehensive University of more than 26,000 students.

From this relatively secure administrative position, I answered the call to become president of Shaw University at a time when this College was experiencing some financial problems. I am currently a member of The Commission on Colleges of The Southern Association of Colleges and Schools, the accrediting agency for The South Eastern Region of the United States.

With the firm belief that my educational background, training and experiences are typical of the more than 100 presidents and Chancellors of Historically Black Colleges and Universities, I will hereby attempt an evaluative assessment of the current operation of Title III, relying primarily on the methodology of a case study/participant observation approach. I will then suggest and recommend ways and means whereby this honorable and distinguished sub-committee can, conceivably, through legislation, enhance and strengthen the efficiency and effectiveness with which the primary beneficiaries of this legislative effort can be served.

Although some emphasis will herein be placed on the Title III experiences of a particular institution of Higher Education, inferences can, and will, safely be drawn with respect to their appropriateness and applicability to other educational institutions similarly structured and situated.

It is important in this context to be reminded that legislation establishing Title III—Strengthening Developing Institutions—was enacted in 1965 and had as its purpose "to assist in raising the academic quality of Colleges which have the desire and potential to make a substantial contribution to higher education resources of our nation, but which, for financial and other reasons are struggling for survival and are isolated from the main currents of academic life".

A "developing institution" is further defined as one which "is making a reasonable effort to improve the quality of its teaching and administrative staffs and its student services".

In the 1980 amendment, the program purpose was further clarified as "To improve the academic quality, institutional management and fiscal stability of eligible institutions, in order to increase their self-sufficiency and strengthen their capability to make substantial contributions to the higher education resources of the nation" and further:

"To assist an institution to plan, develop or implement activities that promise to strengthen the institution, in the areas of faculty development; funds and administrative management; development and improvement of academic programs . . ."

Title III, through the foresight and insight of this Congress is, therefore, the largest program of the U.S. Department of Education that makes grants directly to colleges and universities to develop their faculties, curricula and endowments designed to strengthen small institutions with weak and inadequate financial bases. In accordance with the sense of the act as discussed during the deliberations by Representative Edith Green of Oregon, Historically Black Colleges were to be the primary beneficiaries of Title III legislation to facilitate their accomplishing the referenced purposes. New categories of colleges have since been added without any significant increase in the level of funding. The share of HBCU's of Title III funding has decreased by approximately 50 percent since the program was initiated. The funding level even when conceived primarily for HBCU's, was not adequate to achieve the basic aims and objectives of Title III. Under these conditions, the possibilities and chances of moving from a developing to a developed status were, therefore, made very difficult. These goals were made even more unattainable by the significant increase in the operational cost of these institutions of Higher Education because of the spiralling cost of inflation. It is indeed ironic under these circumstances that some decision makers are wondering why these educational institutions are not now developed.

It is especially ironic that some decision makers consider this level of inadequate funding as overfunding and, therefore, seek, whenever and wherever possible, to reduce the funding level even further.

The irony is intensified when cognizance is taken that education is indeed the objective reality. The decision-making methodology should therefore be so documented and explicated that decision makers at varying points of time, should only have to follow the clearly defined rules of the games and arrive at similar, if not identical, decisions. For example, "developing institutions", as a concept, should be so operationally defined that all appropriate persons should agree on precise stages of development. Defining the universe to be measured would lead to the logical conclusion that a cluster of variables, to be teased out through multivariate analysis, will have to be taken into consideration in determining eligibility of institutions rather than reliance only on the Pell Grant.

Psychometric, sociometric and econmetric models should be developed and replicated identifying different typologies and their unique configuration of variables that constitute different funding levels for the attainment of the desired and expected goals. For example, funding levels structured to reach certain goals are not the same for a public institution where the State makes annual or semi-annual appropriations to the public institution contrasted with a private non-profit educational institution without such an appropriation. Questions of equity must also be raised concerning State appropriations to public institutions within the same State. There are important differences even among private educational institutions in terms of those institutions where tuition and fees constitute approximately 60 percent of operating expenses contrasted with all the Historically Black educational institutions where they are less than 50 per cent and if increased, will exclude significant proportions of the present consumers of these educational services.

Also ignored in the legislative conceptualization and the decision-making process is the great differential in the frequency of awards of contracts and grants to those colleges and universities that do not depend on Title III funding as a basic and fundamental dimension of institutional development. These institutions that do not rely on Title III funding, derive considerable revenues from contracts and grants from different federal agencies. It is not unusual to find these institutions carrying 85% to 90% Indirect Cost rate which goes directly to the educational institution for its general operating expenses. For example, such a university or colleage that has approved proposal funding for $500,000 for personnel could conceivably receive an additional $435,000 in indirect cost. This category of institutional development is at the seminal stages at most Title III funding, particularly HBCU schools. Some concern for equity should be evidenced in this regard.

It is additionally ironic that there are inconsistencies in the funding levels of institutions whose activities are congruent with the purpose and goals of the referenced educational institution and also consistent with the national goals and priorities es-

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

poused by the executive and legislative branches of government.

The case university in question submitted a proposal in 1982 under the Strengthening Program of Title III for funding for five years. This proposal was ranked, using criteria developed by the U.S. Department of Education in the top 10 percent in the nation and was subsequently funded. Two critical components of the package were a Comprehensive Long Range Plan and the Proposal for Funding. Long Range Planning was such a critical part of the package that instructions to Field Readers by the Department of Education staffers indicated that if the Long Range Plan did not meet the stringent criteria developed by the Department, that the Proposal for funding would not be read and considered for funding. The university Long Range Plan and Proposal were highly ranked.

Yet in 1984–85, the current year, the University requested $587,624 to conduct the program as outlined in the original proposal. In November 1984, after the Grant Year had begun and after the University had made contractual arrangements with faculty, staff, and consultants for the 1984–85 year, it received a list of "Noted Exceptions" and an announcement of a change in the Program Officer assigned to it. The University replied to these "Noted Exceptions" and in March, received information from the Grants Officer sustaining the Exceptions and reducing the Grant by $142,272, a twenty-four percent (24%) reduction.

For 1985–86, the University submitted a request for $488,406 and was recently notified that the recommended level of funding is $266,934, which represents a forty-five percent (45%) reduction for the 1985–86 year.

The case University in question in its planning, recognizes and takes cognizance of the very significant societal movement in the United States and in the global society from an industrial to a Post-Industrial, High-Technological, Third Wave Society. As a consequence, the University makes the basic assumption that no one can be considered truly educated in today's society who is not knowledgeable about the intricacies of high technology. It is, therefore, developing courses in Computer Science, Engineering Technology, etc., to meet the needs of the society. It has made it mandatory for all entering freshmen to take at least one course in Computer Literacy. Because of inadequate Teaching Personnel and Computer Terminals, it is unable to meet all of the needs of the freshman and sophomore classes. The same adequacy and paucity of computer resources have significantly retarded software development in the Computer Assisted Instruction for two important academic units.

This University also recognizes that Blacks are considerably underrepresented in the quantitative disciplines of physical and biological sciences, mathematics, engineering and computer and information sciences. This case University is in grave danger of having very severe cuts made in its 1984–85 Title III appropriation when most of the funds have already been expended. At the same time that high level funding have already been expended. At the same time that high level funding has seemingly been made to other colleges and universities for the same activities related to high-technology, cuts amounting to $363,744 have been recommended for this Title III funded program over a two-year period.

The impression is given that the Title III funded educational institutions, particularly the HBCU's are essentially welfare recipients, are really not viable and should not be assisted any more. The fact is that these are the institutions with a demonstrable track record of taking students where they are and moving them to the point where they are competitive. These are colleges and universities that continue to send students on to graduate and professional schools. The basic assumption of these colleges is that tht high rate of unemployment and the feminization of poverty, are drains on the U.S. economy and can be ameliorated by considering education, particularly a college education, as the basic answer to upward socioeconomic mobility. As education ncreases there is a marked decrease in the above negative indices.

It is of significance that at the undergraduate level, 42 percent of Black college students were enrolled in two-year colleges in 1980 with a very low retention rate when compared to that at HBCU's. This places in proper perspective the attempts made by persons to de-emphasize the role and importance of four-year HBCU's that enroll 35 percent of all Blacks who attend four-year colleges. These HBCU's also confer forty percent of bachelor's degrees earned by Blacks. The need is great for a much higher proportion of Blacks to be enrolled in four-year colleges. It is in this setting that these students are more likely to be exposed to the skills of problem-solving; to develop the ability to conceptualize and to think logically, rationally and in abstract terms. These are the exposures and experiences that are seemingly more conducive to functioning and coping in a highly complex, complicated, high-technological, third wave society.

In order for the United States to continue to be competitive on the global level, all human resources must be adequately utilized. It is imperative that this sub-committee consider that a reauthorization of Title III is in the best interest of the United States and its national security.

Because approximately 80% of the HBCU's are not eligible for continued funding in the next two years in accordance with present legislation and because, for reasons enumerated above, they cannot be considered developed, it is strongly recommended that legislation be enacted extending the length of Title III. More importantly, however, is the expansion of Title III by incorporating all of the elements of The Institutional Aid Act of 1985.

The cost to the United States of inadequate education and training is high. It costs approximately $25,000 to keep one person in a Federal penitentiary.

Benjamin Franklin is, therefore, of contemporary relevance when he stated that the only thing more expensive than education is ignorance.

SUMMARY RECOMMENDATIONS

The following summary recommendations are herein in order:

1. Recognizing the significant value and worth of these educational institutions eligible for and funded by Title III funds to the continued growth, stability and strength of this nation, the implementation of Title III must be supported by legislative language, which charges the U.S. Department of Education to work closely and not confrontationally with these institutions in actualizing their potential for making even more significant contributions to this great nation. Investing in these schools is not a "handout" but an investment in the future of this country.

2. These educational institutions must be regarded as holistic educational social systems. Consequently, rigid and subjectively drawn lines of demarcation separating "developmental" and "non-developmental" activities must not be drawn, established and implemented by administrative memorandum.

3. Legislation must address the construction of a valid and reliable instrument to determine eligibility and that Pell Grant data must not be considered the only independent variable.

4. Past funding levels of Title III, particularly as they pertained to HBCU's, were not conducive to the effective attainment of the goals of the legislation within the time frame established. The funding level should, therefore, be significantly raised without provisions for arbitrary cuts and reductions for the duration. The concept of Title III must also be expanded and extended to incorporate all elements and dimensions of the "Institutional Aid Act of 1985" which is the title of both H.R. 2907 introduced by Congressman Augustus Hawkins and S. 1328 introduced by Senator Paul Simon.●

ENTERPRISE ZONES: ALIVE AND WELL IN THE STATES

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● **Mr. GARCIA.** Mr. Speaker, the July 28, 1985, edition of the New York Times has an article about enterprise zones in several States. The article points out that the enterprise zones in these States have been very successful. Successful in attracting businesses and jobs to decaying areas. And successful in revitalizing distressed area. The States have indeed led the way in proving that enterprise zones are an important tool to rejuvenate inner cities.

It is timely that this article appears now because Jack Kemp and I are introducing our Federal enterprise zone legislation tomorrow. We will be asksing for cosponsors soon and ask that our colleagues read this article to see the evidence that exist in support of enterprise zones.

[From the New York Times, July 28, 1985]

LOCAL INCENTIVES DRAW INDUSTRY TO POORER ZONES

(By John Herbers)

While Congress has been deadlocked for four years on President Reagan's ideas for reviving blighted urban areas, half the states and hundreds of cities are offering a range of incentives to attract jobs and industry to "enterprise zones" such as he proposed.

State officials say the movement, which has spread quietly across the country, is beginning to show results in many areas and will continue even without Federal legislation.

The concept, as acted on by states and localities, is based on a reducing of taxes and regulation and on offering low-interest loans and other incentives for businesses to

settle within depressed areas of high unemployment and dependency on welfare.

A number of states without enterprise zones, including New York, are considering them, while other states, such as Massachusetts, are offering some of the same incentives for economic development in poor areas without using the "enterprise zone" label.

FROM MISSISSIPPI TO CONNECTICUT

Mr. Reagan first promoted the idea in his 1980 campaign for the White House, and although it remains controversial it has been embraced in states as diverse in economy, politics and geography as Mississippi and Connecticut. And it is being cited as a leading example of how domestic initiatives have shifted from the Federal level since Mr. Reagan took office.

"What happens to the Federal legislation is irrelevant to what we are doing here," said Carol Gaetjen, director of the Connecticut program, one of the first enacted. She pointed out that under Mr. Reagan's legislation Connecticut would probably have only one zone in which Federal incentives would be offered, whereas the state is operating six zones, each in a separate city.

In New York, the legislative Commission on Public-Private Cooperation, headed by State Senator Roy M. Goodman, Republican of Manhattan, concluded in a staff report drafted in late June after a three-month study of the phenomenon nationwide:

"Twenty-five states have enterprise zone programs, and there are now 1,281 enterprise zones in 524 different local jurisdictions. New York, Massachusetts and Michigan are the only major industrial states that have not passed enterprise zone legislation."

STATES REFINE THE IDEA

And Dick Cowden, associate director of policy for the Sabre Foundation, a private research organization based in Washington, says that although he believes Federal legislation is still needed, the states have redefined the concept by broadening the incentives beyond those in Mr. Reagan's proposal.

"The states," he says, "have developed capabilities once believed to be beyond their competence in housing, bond financing and even business loan pools and export promotion."

Although there is a consensus that it is too early to assess the success of the zones, the movement is considered important because it is the only major innovation for revitalizing those areas that contain large concentrations of poverty and unemployment, concentrations that have grown in recent years as entry-level jobs and plants have moved to the suburbs and beyond.

One indication of the interest in the movement is that national industrial real estate magazines are publishing long articles on the incentives being offered, and some localities are buying advertisements to attract businesses to the zones. For example, Streator, Ill., a small, declining city, said in an advertisement in Plants, Sites and Parks, a trade magazine, that it was offering "10-year 100 percent property tax abatement, sales and investment tax credits, waiver of local fees, income tax deductions, financing assistance, training programs and technical assistance" to industries that located in its zone, created by the state.

MANY DEMOCRATS FAVOR IDEA

Although Mr. Reagan promoted the concept of directing assistance into depressed areas, it goes against the general thrust of his policy, which is to offer aid primarily to individuals while reducing or eliminating assistance to declining communities. For the most part it has been urban Democrats rather than Reagan conservatives who have adopted the zone idea as their own at the state and local levels.

The idea behind Mr. Reagan's original legislation was to bring about community rejuvenation, job creation and capital investment through a program of reductions in property, business and investment taxes in specific blighted areas, coupled with a loosening of zoning and labor regulations. State and local contributions would expand the enticements.

Although the legislation had bipartisan support, with Representatives Jack F. Kemp, Republican of upstate New York, and Robert Garcia, Democrat of the Bronx, as sponsors in the House, it encountered opposition on several grounds. There were doubt that its tax incentives would actually create jobs, fear that enterprise zones would replace rather than augment other Federal programs, and concern that the 75 proposed zones to be spread throughout the nation in a demonstration program would place other depressed communities at a disadvantage.

The Senate passed the President's bill in 1984, but it was blocked in the House by Democratic leaders who questioned, among other things, whether businesses should be given tax breaks at a time of high Federal deficits. The legislation is being redrafted in committees, but its chances of eventual passage have been lessened and complicated by Mr. Reagan's tax proposals, which would reduce rather than increase business exemptions.

PLAN SEEN AS EFFECTIVE

Meantime, the states have proceeded with their own plans. The idea is so popular in some states that the University of Illinois and the Sabre Foundation have established long-term research plans to judge its effectiveness.

In its study of what has occurred so far, the New York legislative commission concluded, "Enterprise zoning is an effective method of improving chronically depressed neighborhoods." The Sabre Foundation found that the states "have not permitted zones to proliferate outside truly distressed areas" as Congress did in the past with a variety of antipoverty programs.

Although eligibility standards for a community to be designated as a zone vary widely from state to state, the criteria most often used include an unemployment rate substantially above the state average, a loss in population of 10 percent or more since 1970 and an incidence of poverty considerably higher than the average.

The most common incentives include tax credits based on the number of new employees, exemption from sales taxes on materials used for construction, abatements in real estate taxes, tax credits or deductions for capital improvements or employee training programs, offerings of low-interest loans to help businesses get started, and improvement of streets, water mains and sewers within the zone.

Most states have taken industrial development programs already under way and expanded the benefits for development within the zones. Since 1979, when Federal grants began to decline, most of the states have stepped up efforts to enhance development through a variety of incentives in communities of all kinds.

These examples point up some of the diversity in state approaches:

Connecticut: State officials say the state's small zones in the downtown areas of Bridgeport, Norwalk, New London, New Britain, New Haven and Hartford attracted $107 million in business investment, mostly by small concerns, and 3,668 new jobs in the two-year period ended last October, because of a range of incentives. The program is under review, and some critics say much of the development might have occurred anyway with the state's expanding economy.

New Jersey: Administration of a new law that provides tax credits and exemptions is now getting under way, with zones designated in Camden and Newark. Two zones may be added each year, with no more than 10 at any time.

Pennsylvania: The program puts more emphasis on loans to businesses than on tax incentives, and Gov. Dick Thornburgh, a Republican, says it has been used successfully to rehabilitate vacant steel mills, department stores and other enterprises and to subsidize transportation in old industrial cities of all sizes.

Kentucky: Corporations owned by residents of Kentucky's zones are eligible for dollar-a-year leases on commercial buildings and are exempt from all state and local taxes. In one zone in Louisville, labor unions have added to state-sponsored incentives by promising not to strike for 20 years if employers promised to resolve disputes by arbitration.

Louisiana: The state law requires that at least one-fourth of the state's census tracts qualify as enterprise zones. Businesses in urban zones are eligible for five-year exemptions from state taxes. Businesses in rural zones are entitled to a $2,500 tax credit for each new worker.

There is disagreement as to whether the Federal Government will ever establish enterprise zones. Although many state officials are indifferent about what Washington will do, Mr. Cowden of the Sabre Foundation says, "It is no longer true to say that the primary advocates of zones are the Reagan Administration and conservatives generally."

"As each new state passes an enterprise zone bill," he says, "two new senators and several representatives have a reason to vote for the measure, a fact that has been reflected in committee actions. If the states sustain their interest, some form of Federal zone policy will be inevitable."●

STRENGTHEN INADEQUATE SUPERFUND BILL

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● **Mr. FLORIO.** Mr. Speaker, last week the House Energy and Commerce Committee voted to report a bill reauthorizing the Superfund program. This bill contains several fatal flaws, which must be addressed as it proceeds through the legislative process.

Among other items, the bill does not establish standards or meaningful deadlines for Superfund cleanups; fails to give citizens the right to sue private

> parties to force cleanup; preempts stricter State cleanup laws unless the State pays for the additional cleanup; contains a blatant bailout for major oil companies for damages caused by leaking underground storage tanks; and substantially weakens the liability of polluters for cleanup costs.

A recent editorial in the Philadelphia Inquirer analyzes these deficiencies in some detail and I would commend this analysis to my colleagues' attention.

HOUSE SUPERFUND BILL LOOKS BETTER THAN IT IS

> Things aren't always what they seem. Consider, for instance, the House version of the Superfund reauthorization bill. On the surface, it looks pretty good. Funding of $10 billion (not as much as actually is needed, but better than the Senate bottom-line of $7.5 billion and a whale of a lot better than the Reagan administration's proposed $5.3 billion). A variety of provisions calling for clean-up schedules and standards (in short supply in the Senate and administration versions of the reauthorization bill).
>
> Look closer, however, and there's almost nothing there—nothing that can be counted upon to protect Americans over the next five years from the hazards of abandoned chemical wastes.
>
> Standards and schedules have been eliminated or weakened so as to be meaningless. Provisions making liable individuals or companies responsible for improperly disposing of toxic wastes have been gutted. For example, late last week, the House Energy and Commerce Committee set a $3 million limit on liability for damages caused by leaking underground storage tanks regardless of the extent of damage, or the assets of the company that owns the leaking tank. Leaks in underground chemical and gasoline storage tanks have been blamed for widespread contamination of drinking water supplies. While a liability limit might be appropriate for the corner gas station owner, it is hardly appropriate for giant oil corporations argue critics, but the committee made no distinction.
>
> And while they were at it, committee members also barred individuals from using the Environmental Protection Agency to force the agency to clean up waste sites.
>
> There is a growing sentiment in Washington that it would be better to abandon the Superfund effort, extend the existing law for a year and hope things will be better next year. The reason is simple: 1986 is an election year. In 1984, another election year, House members fell over themselves embracing Superfund. The Senate, however, failed to act, forcing action this year when the program is scheduled to expire. Advocates of strong legislation argue that no member of Congress up for re-election will want a string of weakening Superfund votes beside his or her name.
>
> Perhaps Postponing the vote is an alternative that should not be ruled out for the time being, but there still is time to salvage the House bill. As last week's House committee, votes demonstrate there is one special interest that has not been heard from yet—the public. It could be that the $10 billion price tag on the House passed bill has lulled people into thinking that they'll be getting a worthwhile enforcement package for their money. That's where appearances can be deceiving.
>
> Without strong guidance from Congress in the form of clean-up standards and schedules, EPA will drag its feet on Superfund programs regardless of how much money the Congress appropriates.
>
> That's the message advocates of a Superfund with teeth will be spreading in the next few weeks, an members of Congress head back to their home districts during the August recess. When they return to Washington in September, Superfund will be waiting. Whether they've heard the message—and heeded their responsibility to protect the American public from chemical hazards—will become apparent in the zeal and dedication of their salvage efforts.●

THE PENSION PLAN REVERSION MORATORIUM ACT OF 1985

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. ROYBAL. Mr. Speaker, in an attempt to address the problem of "overfunded" pension fund terminations by employers which deprive American workers and retirees of their retirement income security, I am introducing, the Pension Plan Reversion Moratorium Act of 1985. Although I introduced legislation on June 6, the Plan Termination and Reversion Control Act of 1985, H.R. 2701, designed to curtail "overfunded" plan terminations, a discouraging number of these termination requests continue to be processed by the administration while the bill awaits consideration by the Committee on Education and Labor and the Committee on Ways and Means.

As chairman of the House Select Committee on Aging, I have called on the administration to support a temporary moratorium on further "overfunded" private pension plan terminations. I have asked the administration to assist me in a legislative effort to impose a 9-month moratorium on the Pension Benefit Guaranty Corporation [PBGC] and the Internal Revenue Service in the processing of new notices of intent to terminate, and determination letters concerning defined benefit pension plans. The bill would suspend further processing of applications while Congress studies the issue and considers appropriate legislative remedies. Similar legislation is being introduced by Senator HOWARD METZENBAUM in the Senate.

On June 10, 1985, United Airlines announced the proposed recapture of $962 million from the termination of pension plans covering United Airlines employees and retirees. The proposed asset reversion would be the largest to date. Prior to the announcement by United Airlines, a total of 729 completed and pending plan terminations had already accounted for more than $6.7 billion in recaptured plan assets since 1980. There is every indication that overfunded terminations will continue and that the "Implementation Guidelines" of the administration serve as a prime catalyst for this continuing trend. It should be noted that both the number of termination applications and amounts obtained by employers from overfunded terminations increased dramatically in 1984, after issuance of the guidelines, realizing some $3.1 billion in excess assets to employers in 1984 alone.

The administration is well aware of the deficiencies of its guidelines approach to asset reversions by employers. Both the Treasury Department and the Internal Revenue Service have indicated in internal memoranda that a number of concerns remain unresolved by the guidelines. The Treasury Department and the Internal Revenue Service have noted that:

Even though the guidelines policy requires the annuitization of benefits accured as of a reversion transaction, the security of participants' benefits generally will be diminished by such transactions. This is particularly true with respect to ancillary benefits, such as subsidized early retirement benefits, that need not be annuitized upon termination of a plan (and are not guaranteed by the PBGC).

The elimination of excess assets from a defined benefit plan will eliminate a source of funds that some employers have used to provide benefit increases (e.g., cost-of-living adjustments) to current employees and retirees.

Because the guidelines policy will facilitate employers in extracting assets from ongoing defined benefit plans, such plans will be increasingly vulnerable to use as tax-favored savings accounts for the benefit of employers. The tax-favored treatment provided to qualified plans thus will accrue to the benefit of employers, rather than employees.

With a recognition of these and other shortcomings of the administration's policy in this area, it becomes imperative for the Congress to move swiftly to impose a moratorium and to move to enact substantive legislation which protects workers and retirees from the loss of their retirement security from "overfunded" pension plan terminations.

The workers and retirees that write to the Select Committee on Aging regarding the loss of their retirement security through overfunded terminations are devastated by the actions of their employer and the failure of their Government to protect them. These are men and women who regard their pension benefits as their principal protection and security in old age and they cannot understand why their Government would countenance such terminations. As Richard Ippolito, Director of Research at the Department of Labor's pension program, notes in his report entitled "Issues Surrounding Pension Terminations for Reversion,"

> First, unless otherwise offset by higher wages or new plans, terminations appear to be costly to workers, representing reductions in (presumably) expected real pensions that could easily be in the vicinity of 50 percent. Second, even if firms take steps to offset worker losses, funding levels in surviving plans will be reduced to the legal limit, creating more risk for workers that the plan may not be economic in the long run . . . If the termination truly represents the firm unilaterally breaking an implicit contract with workers, a case can be made that the reversion belongs to the workers, not the firm.

Why are corporations terminating their pension plans? A number of companies now find themselves with more assets in their pension plans than are needed to pay vested benefits. By terminating a pension plan, employers can recapture so-called excess assets which remain after the plan's termination liabilities have been satisfied. Originally contributed by plan sponsors to fund future pension benefits, the recaptured assets will instead be used for other corporate purposes.

According to a press release issued by United Airlines, the pension plans are being terminated so that "excess" assets will not serve as an inducement for a hostile corporate takeover. Other companies use recaptured assets for capital investments, to improve profitability on corporate balance sheets, or to finance corporate acquisitions.

In overfunded pension plan terminations, both employees and retirees may lose valuable retirement benefits they will need to make their retirement financially secure. Pensions under a successor plan (if any) may be significantly less generous. It should be noted that the administration guidelines do not require crediting for past service in any successor plan. By recapturing "excess" assets, employers strip away the "cushion" of plan assets employees formerly had to ensure that poor plan investment performance would not jeopardize the future solvency of their pension plan. Retirees will lose ad hoc cost-of-living adjustments because the excess assets which typically fund such increases will now be taken by the employer upon termination.

The Pension Plan Reversion Moratorium Act of 1985 would:

(1) Impose a moratorium effective for any notice of intent to terminate and any request for any qualification determination letter pursuant to a plan termination of a defined benefit pension plan received after June 12, 1985; and

(2) Enable the Congress to commission a study by the General Accounting Office, in consultation with U.S. Department of Labor, Department of Treasury, Internal Revenue Service, and the Pension Benefit Guaranty Corporation, to examine the trend and problems arising out of overfunded defined benefit pension plan terminations and reversion of excess assets to employers.

Such a study would examine the reasons behind the increased trend of overfunded terminations, their impact on workers and retirees and their retirement income security, the impact of such terminations and reversions on the development and maintenance of defined benefit pension plans and on the private pension system and the collateral effects that might be experienced by the PBGC.

In conclusion, I urge my colleagues to give careful consideration to the merits of this legislation. The Congress must not allow pension plans to become a sacrificial lamb on the alter of corporate expediency. To do otherwise is to allow the steady erosion of the retirement income security of additional thousands of American workers and retirees. Please cosponsor and support enactment of the Pension Plan Reversion Moratorium Act of 1985 for American workers and retirees.●

COMPUTER SOFTWARE ROYALTIES

HON. ED ZSCHAU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. ZSCHAU. Mr. Speaker, I am pleased to be introducing today the bill H.R. 3124, to amend the Internal Revenue Code so that computer software royalties would not be subject to personal holding company provisions.

I believe this bill goes a long way toward alleviating a crisis that has developed in one of this country's leading growth industries, computer software. The United States leads the world in productivity enhancing software technology written by relatively young, small scale, entrepreneurial operations. Most of these companies have only been in the business a short time and are growing at a rapid rate.

These software companies face vigorous competition from companies in the United States and around the world. In this competitive environment, a company which does not constantly advance is likely to find that its software products have become obsolete. Increased levels of investment in R&D are necessary just to avoid technologies obsolescence, Staying on top means that for most software companies, a very high percentage of retained earnings is not paid out in dividends to shareholders but, rather, is reinvested R&D.

It has become increasingly clear that the economic progress of the United States depends in large part upon the prosperity and growth of high-technology industries, particularly computer software. But if we are to make growth of high technologies industries an economic priority, it is important that we ascertain whether existing Federal tax policies provide a favorable environment for these high-tech companies. At the very least our tax policies should not impede their growth and competition both at home and abroad.

The software industry has been faced with what you might call a gap between law and technology. What I am talking about is demonstrated by a recent IRS ruling, which exposes computer software companies to serious personal holding company tax liability.

Letter Ruling 8450025, issued by the Internal Revenue Service last September, classifies software license and maintenance fees as passive income. The ruling holds that any company that receives most of its income from software license and maintenance fees may be subjected to the personal holding company tax penalties assessed against undistributed earnings.

This ruling hits hardest on small, closely held companies involved in some of the most innovative software development. This group was never intended to be affected by the personal holding company rules: In fact, there were no software companies in existence when the personal holding company rules were created.

The personal holding company rules were designed to attack "incorporated pocketbooks"; that is, corporations formed strictly to shelter personal income. At the time the personal holding company rules were created, corporate tax rates were much lower than individual rates, and many individuals tried to avoid paying the higher tax by declaring themselves to be corporations even though they did not have active businesses. This was the tax avoidance scheme that the personal holding company rules sought to eliminate. Unfortunately, innovative software companies, with active and ongoing business operations, get tarred with the same brush.

The personal holding company rules are applied mechanically. When a business meets certain definitional requirements, it may be classified as a personal holding company, regardless of whether the company is in fact a shelter or an active business. The problem with mechanical rules is that unintentioned inequities may result when the rules are applied to new situations or circumstances. This is exactly the case with the software industry.

Computer software is generally licensed to customers rather than being sold. License agreements are necessary in order to protect the developer's substantial investment in research and development and to protect its intellectual property rights. The licensee is given a limited set of rights to use the software, but the transaction is not a "sale" and the licensee does not "own" the program. Software developers also provide maintenance and support service which insure that errors are corrected, functions are enhanced, and the program runs smoothly and efficiently. These maintenance and support services are necessary to the licensee if the programs are to be of continuing utility. Unfortunately, under current regulations the IRS views both license and maintenance fees as passive royalty income.

If software companies confirm to be faced with a personal holding company tax liability, many of them will not be able to maintain high quality R&D programs. Moreover, some software developers may find themselves put right out of business by the tax. Clearly, the elimination of this unintended application of personal holding company provisions is necessary if we are to remain competitive in the computer software markets.

The legislation I am introducing today would exempt computer software royalties from passive income. A software company would not be subject to the personal holding company tax if more than 50 percent of its adjusted ordinary gross income comes from computer software royalties. "Computer software royalties" is defined to mean, compensation, however designated, which is derived in the active conduct of a trade or business, and which is received for the use of, or the right to use, a computer program.

Computer software royalty income will not be the only qualification for the exemption. A software company will also have to demonstrate that it has allowable deductions under sections 162 or 174 of the Internal Revenue Code, which are allocable to the trade or business in which the royalties are derived, equal or exceeding 15 percent of the company's adjusted gross income. For purposes of this section, compensation to major shareholders for personal services will be excluded from the calculation of allowable deductions. This in effect requires that the company's operations extend beyond merely the efforts of its major shareholders. The major shareholders whose services are excluded from the category of qualified expenses are defined as the fewest number of shareholders whose combined ownership interest exceeds 50 percent in value of the outstanding stock of the corporation.

H.R. 3124 also provides that section 553(a) of the Internal Revenue Code be amended to exclude computer software royalties from the definition of foreign personal holding company income if the proposed exceptions for domestic person holding company income are met. It also provides that these changes would be retroactive to taxable years beginning after December 31, 1975, so that the software companies which were founded during this period do not find themselves left with exposure to a penalty tax that should never have applied to them in the first place.

Mr. Speaker, this legislation is needed by a dynamic segment of our economy. It is fair to stop applying tax provisions to businesses for which they were never intended in the first place, and it is essential in order to preserve and enhance U.S. leadership in computer software.

Mr. Speaker, I ask unanimous consent that the bill be printed in the RECORD.

H.R. 3124

A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of computer software royalties for purposes of the personal holding company provisions

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF COMPUTER SOFTWARE ROYALTIES.

(a) GENERAL RULE.—Subsection (a) of section 543 of the Internal Revenue Code of 1954 (defining personal holding company income) is amended by adding at the end thereof the following new paragraph:

"(9) COMPUTER SOFTWARE ROYALTIES.—

"(A) Computer software royalties; except that such royalties shall not be included if—

"(i) such royalties constitute 50 percent or more of the adjusted gross income, and

"(ii) the sum of the deductions (other than for compensation for personal services rendered by persons in the top group of shareholders) which are allowable under section 162 or 174 and which are allocable to the trade or business in which such royalties are derived equals or exceeds 15 percent of the adjusted ordinary gross income.

"(B) For purposes of this paragraph, the term 'computer software royalties' means compensation (however designated) which is derived in the active conduct of a trade or business and which is received for the use of, or the right to use, a computer program (as defined in section 101 of title 17, United States Code).

"(C) For purposes of this paragraph, the top group of shareholders is the group consisting of the fewest number of individuals whose combined ownership interest meets the stock ownership requirements of section 542(a)(2).

"(D) Paragraphs (1) and (4) shall not apply to computer software royalties."

(b) FOREIGN PERSONAL HOLDING COMPANIES.—Paragraph (1) of section 553(a) of such Code (defining foreign personal holding company income) is amended by adding at the end thereof the following new sentence: "This paragraph shall not apply to computer software royalties (as defined in section 543(a)(9)(B)) if the requirements of clauses (i) and (ii) of section 543(a)(9)(A) are met."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1975.●

BLACK COLLEGES AND UNIVERSITIES NEED ADDITIONAL SUPPORT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. CONYERS. Mr. Speaker, the Nation's 105 traditionally black colleges and universities have a longstanding history, dating back to the 1850's of educating black Americans. These institutions have done an outstanding job throughout the years, and their role is even more important today. Sixty-two percent of all blacks who have undergraduate degrees received them from black colleges, 45 percent of all blacks who received their masters degrees obtained them from these institutions, and more than half of our black doctors received their medical degrees from historically black colleges and universities.

Furthermore, it is also considering H.R. 2907, the Institutional Aid Act of 1985, which was introduced by Congressman AUGUSTUS HAWKINS, chairman of the House Committee on Education and Labor, and our former colleague, Senator PAUL SIMON, who has introduced it in the Senate.

As a cosponsor of both bills, I fully and actively support both of them, especially H.R. 2907 which revises title III funding for historically black colleges and universities, it is important that the Congress continue to recognize and support the vital roles which our historically black institutions continue to play.

I strongly urge my colleagues to support the legislation reauthorizing the Higher Education Act, and H.R. 2907 the Institutional Aid Act. The following is a copy of the testimony which I gave at his morning's hearing:

TESTIMONY OF CONGRESSMAN JOHN CONYERS, JR., GIVEN BEFORE THE HOUSE COMMITTEE ON EDUCATION AND LABOR'S SUBCOMMITTEE ON POSTSECONDARY EDUCATION IN SUPPORT OF H.R. 2907

Chairman Hawkins, Chairman Ford, and distinguished members of the House Committee on Education and Labor's Subcommittee on Postsecondary Education, it is my honor on behalf of the members of the Congressional Black Caucus, to have the opportunity to come before this committee and to voice my support for the reauthorization of the Higher Education Act of 1965. Not long ago, I met with various college presidents in the Detroit area, and they indicated that this legislation was a matter of critical importance to them and the students which they serve.

Second, I would like to lend my strong endorsement for H.R. 2907, the Institutional Aid Act of 1985, which has been introduced by Chairman Hawkins on the House side and Senator Paul Simon on the Senate side. It is my hope that this measure, especially the black college and university provision, will be incorporated into the Higher Education Act which this subcommittee is considering.

I make that endorsement, Mr. Chairman, because I am a strong supporter of our Nation's historically black colleges and universities, institutions which, since 1850, have provided hope for hundreds of thousands of black Americans. I might add that they continue to provide that hope today.

While there are several higher educational institutions that are predominantly black in Detroit, there are not historically black colleges or universities. Yet, not a day passes that I don't see the works of the able men and women who are graduates of these historically black institutions which are mostly located in our Southern States.

A large number of Detroit's black doctors, dentists, lawyers, teachers, businesspersons, and other professionals graduated from the Nation's traditional black institutions. When you talk with them, as I have on many occasions, they will quickly tell you that had not it been for these institutions, Mr. Chairman, they most likely would not have been in the professional fields where they serve today.

In many cases, particularly if you lived in the South, you had no choice but to attend these institutions because racism was, in effect, the law of the land.

I might add, Mr. Chairman, that several of my staff members are graduates of black institutions, or have taught at these institutions.

Today, many say that there is no longer a need for our historically black institutions. That in today's world, they have become dinosaurs. Nothing could be farther from the truth. A handful of black institutions still produces half of the graduates in America who are black. In fact, 62 percent of blacks who received their undergraduate degrees received them from black colleges, 45 percent of all blacks who received their masters degrees obtained them from these institutions, and half of the practicing black doctors in the United States received their medical degrees from Meharry Medical College or Howard University.

It is incredible that less than 1 percent of the Nation's 3,000 colleges and universities have produced more than half of all blacks who have graduated from our higher educational system.

When we look at the current high unemployment rate among blacks, the high poverty level, the high infant mortality rate, and the disproportionate number of blacks in our prison system, deep in our hearts, we know that equality and justice are still distant dreams for 30 million black Americans.

Under the current administration, things have gotten worse as evidenced by their steady assaults on affirmative action, civil rights, voters' rights, and court decisions as well as legislation involving our educational system. In fact, it was this administration that proposed giving tax breaks to higher education institutions which practiced overt racial discrimination.

These institutions, both private and public, were started by either religious denominations or by State mandate. In the case of the latter, States preferred to start black colleges rather than integrate existing institutions for whites only. The problem was that they never allocated equal financial resources to the black institutions.

I remind you that these practices were reenforced by the law of the land, including those of the Federal Government. It was not that long ago that the Governor of Alabama stood in the doorway of the University of Alabama and said: "Never." Today, he says he is a member of the Rainbow Coalition.

It may be a surprise to some of you that the Nation's historically black colleges and universities have never practiced discrimination, and that their doors have always been open to students and faculty regardless of race, creed, or color.

Mr. Chairman, I am not here today to criticize any of the Nation's 3,000 higher educational institutions. In fact, I commend their efforts, in my own district, there are a variety of public, private, and religious-affiliated institutions, most of them have done a very good job of educating minority students, but the fact remains that the majority of black college graduates attended one of America's 105 historically black colleges and universities.

It is important to note that the vast majority of these graduates come from families that are poor. Yet, black colleges and universities for the past century have almost always been able to provide them with a good education. Many who came from economically disadvantaged areas tend to return to help others.

When I think of the number of black leaders and professionals such as the late Dr. Martin Luther King, Jr., Rev. Jesse Jackson, Justice Thurgood Marshall, and Detroit's Judge Wade McCree, Judge Damon Keith, Mayor Coleman Young, Congressman George Crockett, Jr., Wayne State University's Vice President Arthur Johnson, and superintendent of Highland Park's School System, Dr. Thomas Lloyd, Jr., one can easily see that they have done a tremendous job in producing leaders for blacks Americans as well as all Americans. But the work of these institutions is not yet finished.

Over the years, title III funds have been very valuable to the historically black colleges and universities as they continue their efforts of educating the majority of blacks who graduate from higher education institutions, yet, title III funding to black colleges has continued to shrink. In 1984, they received only 35 percent of the title III funds compared to about 60 percent in 1966. They are slowly being graduated out of the program.

Black college officials blame their declining share of the money on changes in the rules for title III eligibility which allowed more colleges to qualify for grants.

The aid that black colleges have received has not been enough to eliminate their deficiencies which are largely due to many years of underfunding by the Federal Government, and in the case of the public institutions, the various State governments.

As Sterling Henry of the NAACP has noted, "the title III program was designed to be a program for black colleges. But some predominantly white institutions contend that they are just as deserving of aid from the program as are colleges that concentrate on ethnic minorities."

Some complain that many black colleges have received aid as "developing" colleges for years and see the program as a permanent source of support. As one who has been in the Congress for over 20 years, it has always been my belief that Congress intended the money to go primarily to black colleges but it did not want to use race-specific language in the highly charged civil rights' ERA.

Former Congresswoman Edith Green, author of original title III program to aid developing institutions, said the program was not intended to be "a cooperative venture among the top ten colleges and universities, but rather we conceived it primarily to strengthen the negro colleges in the South."

Dr. Norman Francis, president of Xavier University in Louisiana also noted that everyone in the world knew at the time when the program was created that "developing meant historically black colleges."

Why should we distinguish predominantly black colleges from historically black colleges? The financial condition of the school and the financial condition of the student are two different criteria; one is far worse than the other. When you take a poor student and put him or her in a poor college that has always been poor, you have an entirely different situation than that of a student attending an institution which is used to being given everything that it needs. It is our responsibility to expand and enhance these institutions so they can keep on doing what they have done well.

It is with these thoughts in mind that I encourage members of this committee to incorporate H.R. 2907 into the legislation reauthorizing the Higher Education Act. We have seen what can happen to a society where higher education is available only to the wealthy and the middle class. Remember, "a mind is a terrible thing to waste."

Included for the record is an editorial which appeared in the July 27, 1985 issue of the Michigan Chronicle.

The editorial follows:

[From the Michigan Chronicle, July 27, 1985]

A MATTER OF BLACK PRIDE

One of the tragic stories of our times is the plight of the predominantly Black institutions of higher learning in this country. There are a number of factors involved in what appears to be continuing deterioration of many of these institutions, particularly those which are privately endowed. Prime among these factors is the obvious lack of interest on the part of the alumni, many of whom used these schools as stepping stones to successful careers.

According to a report in a recent edition of the Chronicle of Higher Education, "four prominent, historically Black institutions are having accreditation problems, and all four exhibit the same pattern: declining enrollment, internal turmoil and multi-million dollar deficits.

"The institutions, all of which are now fighting to retain accreditation, are Bishop College, Cheyney University, Fisk University and Knoxville College. One two year institution, Motown College, also remains on probation, because of its weak financial condition."

A check of the Black "Who's Who in America" would reveal a number of highly successful Americans who are alumni of the above mentioned colleges, particularly Fisk University in Nashville which was once one of the most prestigious of the nation's privately endowed schools.

The problems at Fisk have made national headlines over a period of years and yet there seems to be a total inability to come to grips with the financial and administrative policies of the university that would enable it to plow its way through troubled waters.

The stories emanating from the campuses listed above are being repeated on a number of other campuses and danger signals are being heard loud and clear. There are several organizations which are attempting to address themselves to the concerns of the traditional Black colleges which deserve national concern, if for no other reason than the remarkable contributions they have made to the nation as a whole. Somehow, somewhere, however, there must be an awakening of Black Americans to a responsibility that has not yet been properly assumed.

Close to a half century ago, Frederick Patterson, then president of Tuskegee Institute, saw the threatening clouds on the horizon when he began to note the decline in private philanthropy that had kept the doors of the predominantly Black colleges open. With the aid of Ira Lewis, then publisher of the Pittsburgh Courier, Patterson launched an idea that became the United Negro College Fund (UNCF).

The UNCF was the initial attempt to have Blacks become more involved not only in the financial support of the colleges which had become the cornerstone of education for Blacks across the nation, but also in having the alumni of these schools become more active in the affairs of the institutions.

The UNCF has served valiantly ever since it was created by these two forward looking men and yet it has failed to sufficiently involve enough of the communities across the nation in keeping these institutions alive.

There is still a great need for the Black colleges in spite of the great advances made since the UNCF was organized in opening the doors of institutions that once barred persons of color from their domains. The Fisks, the Cheyneys, the Bishops, the Knoxville and Morristown colleges must be kept alive. It is obvious, however, that there must be a much greater involvement of concerned Blacks in the affairs of these schools.

There is no reason why the citizens of Pennsylvania should have allowed Cheyney, a state supported institution, to have reached a point where its accreditation is being threatened because of what the assessment commission charged was "years of neglect." There is no reason why Fisk University, one of the great traditions of Black America, should reach the point where it faces the possibility of having to close its doors.

The painful crisis facing these institutions are a challenge to every Black American concerned about the future of their children. It is a challenge that must be faced or this whole matter of interest in Black pride will have to be re-examined.●

INTERSTATE BANKING

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. GARCIA. Mr. Speaker, during committee consideration of H.R. 2707, a bill that would authorize full interstate banking by 1990, many of my colleagues raised concerns regarding the effect interstate banking would have on small banks' ability to compete with the money center banks.

At the time I brought to my colleagues' attention the situation in New York State during the 1970's when bank zones were deregulated. The large New York City banks "invaded" the upstate New York market, and were quickly rebuffed by the long established hometown banks. The point is, banks that know their customers and give them the services they need at affordable rates need not fear out of State banks coming in and stealing their clients.

I enclose an article from the June/July issue of Economic Review which illustrates the point. This article is informative and "must" reading for those for, and against, interstate banking.

UPSTATE NEW YORK: TOUGH MARKETS FOR CITY BANKS

(B. Frank King)

Do larger banks necessarily enjoy insurmountable competitive advantages over smaller ones? The question of large banks' impact on smaller competitors lies at the heart of nearly all disagreements about easing geographic restrictions on banking.[1]

Many who oppose the liberalization of restrictions on banks' geographic expansion have argued that inherent advantages of larger banks allow them to jeopardize the market share and profitability of smaller banks and, eventually, to absorb them. Easing cross-state restrictions, these skeptics warn, will doom small institutions and eliminate the special service they provide to individuals and small-business customers.

Despite its popular appeal, this hypothesis has failed empirical tests consistently. One of its basic premises—that large banks are able to capture significant economies of scale or scope—has been tested in many studies; it has yet to find support. Further, several studies conclude that large banks entering new areas fail to win significant increases in market share or to reduce bank earnings seriously in the communities entered.

Yet the argument that large banks have an inherent advantage continues to win proponents, and not without reason. Studies of economies of scale in banking typically have used data from the 1960s and 1970s. Most studies of market entry by large banks also focus on a period before ceilings on interest payable on time and savings deposits began to be phased out under the Depository Institutions Deregulation and Monetary Control Act of 1980. Phasing out these ceilings may have diminished the advantages of local-office convenience and enhanced the competitive powers of both banks and thrift institutions by allowing them to offer market rates on a gradually increasing proportion of their deposits. The ceilings have improved large banks' ability to compete with smaller banks, or conversely, may have provided the smaller institutions an edge.

Banks' experience since 1980 should provide timely insight into large banks' current advantages. One of the most fruitful grounds for an analysis of large banks' experience is upstate New York, where some of our country's largest banks in the 1970s entered markets (such as Albany, Binghamton, and Elmira) dominated by smaller banks. Two previous studies have documented that the New York City banks, through 1980, had failed to enlarge their footholds significantly in upstate markets.[2]

An analysis of the most recently available data indicates that the upstate New York competitive situation has changed little, despite banks' new powers to compete for deposits. Relaxation of interest ceilings and the institutions' new authority to offer money market deposit accounts (MMDAs) and Super NOW (negotiable order of withdrawal) accounts apparently failed to enhance large New York City banks' ability to gain market share at the expense of other banks in these areas they entered through de novo and foothold acquisitions. The big banks' penetration remains low and their changes in market share since 1980—through generally positive—have been modest.

Evidence from this tough proving ground gives no indication that the regulatory changes of the early 1980s have made it any easier for some of the nation's largest banks to enter markets in competition against smaller banks. Deposit interest deregulation has continued since June 1983, possibly shifting the competitive balance between large and small banks still more. However, the record of 1980–1983 gives no indication that a transition is occurring.

THE ISSUE OF LARGE BANKS' ADVANTAGE

Except for the very largest banks, each broad banking size group tends to argue that larger banks have advantages that allow them to threaten small banks' market share and profitability and eventually to acquire the smaller banks. This can be a persuasive argument, particularly to legislatures, which typically are sympathetic to smaller businesses.

In the 1980s, even larger regional banks have argued, in supporting regional reciprocal interstate banking laws, that they should be given time to grow within their region to avoid being acquired by large money center institutions when national interstate banking arrives.[3] More often, though, the argument that large banks have inherent advantages has assumed that the smaller banks in question are community banks faced with the prospect of competing with regional and money center banks.

The Depository Institutions Deregulation and Monetary Control Act of 1980 and the Garn-St Germain Act of 1982 added to concern about the large bank-small bank issue. These pieces of legislation increased the number of institutions empowered to offer a full line of consumer financial services from about 14,000 commercial banks to more than 40,000 banks, thrifts and credit unions. They also added some 3,500 thrifts to the number of institutions able to offer a full line of business financial services. The question of larger institutions' advantage was underlined by the fact that some of these new competitors were larger than the commercial banks they were authorized to compete against.

Over the last two decades many studies have cast doubt on the assertion that larger banks have advantages that will allow them to overwhelm smaller banks. These studies have approached the issue from two directions: studies of economies of scale and scope in various samples of banks, and studies of changes in markets where the large banks began competing with smaller banks.

Little evidence has been found that large banks possess inherent advantages. A recent summary of evidence on large banks' advantages concludes that, "with remarkable consistency, the studies reported here suggest that large size does not seem to give a financial institution a significant competitive advantage."[4]

Studies have found that banks can achieve significant economies of scale in producing basic banking services only up to asset sizes of $50 million to $100 million, and the research has produced little evidence to demonstrate economies of scale for individual basic products. These studies use different approaches, but their evidence is consistent.[5] More recently, researchers have studied economies of scope—the effects on costs of combining a group of related production processes in one operation—in banking with similar results: no cost advantages for large banks are evident.[6]

The second type of study of large banks' advantages looks at the effects of size in banking markets. Such an approach avoids several criticisms often leveled at economies of scale studies because it views the large bank as a whole and assesses its ability to attract customers in a market situation. Results of these studies generally are consistent with studies of economies of scale and scope; they conclude that larger institutions usually gain neither significant market share nor erode local banks' profitability when they enter smaller banks' markets. This has been shown in many types of entry and markets.[7]

Recent changes in financial system regulation and technology have made evidence in these studies potentially less relevant in today's environment, however. Better communications technology and the substitution of rate for convenience competition are making local offices less important.[8] The phased removal of regulatory restrictions on interest payable on time deposits and the introduction of new deposit accounts open up new dimensions of competition among depository institutions. These dimensions, not directly relevant to studies of economies of scale, were unavailable when most studies of large banks' market performance were undertaken.

The decline in importance of the local office and the introduction of deposit interest competition may have become crucial as interest rate ceilings have been removed and as new deposit products—such as money market certificates (1978), MMDAs (late 1982) and Super NOW accounts (early 1983)—were introduced.[9] Larger banks' alleged advantages in raising funds, it might be reasoned, could allow them to pay higher interest on deposits. In addition, the large banks' purported advertising advantages could help them attract deposit accounts when interest rate competition is allowed. Although interest rate ceilings will not be removed completely from time and savings deposits until early next year, data already available should provide evidence of any sharp shift in large banks' competitive abilities since phased removal of the ceilings began in 1980.

A CASE STUDY

New York provides a useful case study of the impact of this changing environment. Money center banks from New York City moved upstate with de novo and foothold entries in the early 1970s.[10] The 1970 amendments to the Bank Holding Company Act that eliminated advantages of operating as a one-bank holding company allowed large New York City banks to consider upstate bank acquisitions without fear of losing other advantages. Further, a 1971 state act liberalized the conditions under which New York City banks could branch in upstate markets. In compliance with State Banking Department policy, they entered by establishing new banks or branches or by acquiring banks with small market shares.[11]

The performance of these banks in the new markets has been reported in two earlier studies.[12] Kunreuther found that, through 1975, New York City banks had little success penetrating upstate markets. Golembe Associates extended the record of de novo and foothold acquisitions through 1980 and reported similar findings. Through June 1980, Golembe reported 29 of the 33 de novo and foothold banks and branches acquired in upstate metropolitan areas had gained a somewhat larger share of the market; one lost share. Two entrants had ceased operations and one changed character in a way that made its experiences irrelevant. The average market share was only 1.8 percent; and fully 13 operations had gained less than one point. All the de novo operations that remained (18) had gained market share, but their average share at mid-1980 was a mere 1.5 percent. The largest de novo share was 5.2 percent at that time; six de novos had market shares of less than 1 percent. Market share gains by foothold acquisitions (12) averaged only 0.9 percentage points. The largest gain was 2.7 points.[13]

Between 1980 and 1983, New York City banks changed their upstate market shares by buying or selling offices in a few instances. Bankers Trust, for instance, decided to sell its upstate offices entirely and completed some of the program by mid-1983. In measuring share changes for this study, sales of offices (but not purchases) were counted as share changes. This seemingly asymmetrical treatment is used because office sales indicate that a firm is giving up in one market to pursue more attractive opportunities in another. Office purchases, on the other hand, increase market share by external means rather than through local market competition.

When these external changes are accounted for, however, changes in New York City banks' upstate market shares between mid-1980 and mid-1983 show even smaller gains than in the entry-mid-1980 period. The large banks gained market share more often than they lost share, but gains averaged only one percentage point. The largest single share gain in any market was 9.5 points. The largest loss was 2.8 points in another market. At least one New York City bank lost market share in five of the eight upstate metropolitan areas analyzed in this study. Two lost share in three of the markets. (Share changes are detailed in Table 1.)

TABLE 1.—MARKET SHARES OF LARGE NEW YORK CITY-BASED BANKS ENTERING UPSTATE METROPOLITAN AREAS BY DE NOVO OR FOOTHOLD ACQUISITIONS, 1970's TO 1983 [1]

	Deposits, June 30, 1983 (millions)	Market share, June 30, 1983 (percent)	Change in market share		
			1980–83 (percentage points)	Entry, 1983 (percentage points)	Entry, 1980 (percentage points)
Albany-Schenectady-Troy:					
Chase Manhattan Corp	$32.1	1.10	0.07	1.10	1.03
Chemical New York Corp	67.9	2.32	.27	2.32	2.05
Citicorp	74.7	2.55	.88	1.97	1.09
Irving Bank Corp	121.6	4.15	.10	.92	.82
Manufacturers Hanover Corp	69.5	2.37	−1.43	.26	1.68
Market total		12.22			
Binghamton:					
Bankers Trust New York Corp	33.5	[illegible]	−1.56	−1.38	.19
Chase Manhattan Corp	33.0	2.79	−.19	2.79	2.98
Chemical New York Corp	32.4	2.73	.68	2.73	2.05
Market total		8.33			
Buffalo:					
Bankers Trust	0	0	−.40	0	.40
Chase Manhattan Corp	158.7	3.54	1.04	3.13	2.09
Chemical New York Corp	42.4	.95	.48	0.95	.47
Citicrop	116.5	2.62	−2.60	2.62	5.22
Manufacturers Hanover Corp	65.4	1.47	.05	1.47	1.42
Market total		8.60			
Elmira: Chemical New York Corp	32.4	10.25	9.49	10.25	.76
Poughkeepsie:					
Chase Manhattan Corp	46.3	6.15	3.49	6.15	2.66
Chemical New York Corp	38.4	5.11	3.63	5.11	1.48
Market total		11.26			
Rochester [2]					
Bankers Trust New York Corp	0	0	−1.04	−3.36	−2.32
Chase Manhattan Corp	111.3	2.37	.34	1.96	1.62
Chemical New York Corp	81.6	1.74	1.09	1.37	.28
Manufacturers Hanover Corp	154.3	[illegible]	−.24	2.45	[illegible]

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[1] Footnotes at end of article.

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TABLE 1.—MARKET SHARES OF LARGE NEW YORK CITY-BASED BANKS ENTERING UPSTATE METROPOLITAN AREAS BY DE NOVO OR FOOTHOLD ACQUISITIONS, 1970's TO 1983 [1]—Continued

	Deposits, June 30, 1983 (millions)	Market share, June 30, 1983 (percent)	Change in market share		
			1980–83 (percentage points)	Entry, 1983 (percentage points)	Entry, 1980 (percentage points)
Market total		7.40			
Syracuse:					
Bankers Trust New York Corp	2.7	.13	.02	.13	.11
Chase Manhattan Corp	90.4	2.46	.60	2.46	1.86
Chemical New York Corp	79.5	3.85	2.78	3.85	1.07
Citicorp	52.0	2.52	1.66	2.52	.86
Manufacturers Hanover Corp	22.4	1.09	−.68	1.09	1.77
Market total		10.05			
Utica-Rome:					
Bankers Trust New York Corp	20.9	1.63	.12	.57	.45
Chase Manhattan Corp	24.7	1.93	.86	1.93	1.07
Chemical New York Corp	15.6	1.21	.97	1.21	.24
Citicorp	33.9	2.64	1.22	1.53	.31
Irving Bank Corp	46.0	3.58	.27	1.27	1.00
Market total		10.99			

[1] Data are as of June 30 of relevant year.

[2] Citicorp operates in Rochester, but its offices have a substantial volume of nonlocal deposits.

Overall, market share changes averaged a positive 0.7 percentage points, only about one-third of the change during the period between entry and 1980. (The larger share change during the earlier period is accounted for partially by the fact that the de novo operations begun before 1980 started from a zero base.) New York City banks lost share in eight instances during the 1980–1983 period, compared with the entry-1980 period when only one New York City bank lost share in an upstate market.

Thus, there is no evidence that the phased removal of deposit interest ceilings and the introduction of MMDA and Super NOW accounts has improved large New York banks' ability to gain market share from smaller upstate banks. If anything, more losses in market share during the 1980–1983 period might indicate the opposite.

The big banks' individual shares remained small at mid-1983, averaging just 3.64 percent. The average deposit size of their operations was $55 million. Acquired banks gained an average of 2.0 percentage points over the whole entry-1983 period. About two-thirds of that gain had occurred by 1980.

Large New York City banks' combined market shares have climbed since their entry into upstate markets, but they remain fairly small. The gains occurred primarily during the entry-1980 period when de novo operations accounted for most increases in market share. At entry, the large banks combined acquired an average market share of 3 percentage points in upstate markets. Their average combined share had risen sharply to 7.4 percentage points by mid-1980. It increased moderately by mid-1983, going to 9.9 percent.

SUMMARY

The continuing evidence from upstate New York seems to contradict the premise that allowing greater latitude for deposit competition increases large banks' ability to compete for deposits more than it improves small banks' competitiveness. This evidence also indicates that the large banks have not demonstrated substantial advantages over smaller upstate banks since they entered upstate metropolitan markets in the early 1970s. Deposit interest deregulation has continued since mid-1983; however, by that time some 55 percent of the nation's total bank deposits were free from interest rate regulation. Any change in large banks' competitive advantage should be noticeable in their relative performance.

The new evidence from northern New York remains quite consistent with the bulk of past evidence on both economies of scale and market performance and casts further doubt on the fabled advantage of large banks in producing and marketing basic financial services. Large banks have some advantages or they would not exist. But these advantages presently appear to be irrelevant in attracting the loan and deposit business of individuals and smaller business customers—the bread and butter of smaller banks.

NOTES

[1] This argument is elaborated in B. Frank King, "Interstate Banking: Issues and Evidence," *Economic Review* Federal Reserve Bank of Atlanta, vol. 69, (April 1984) pp. 36–45.

[2] See Judith Berry Kunreuther, "Banking Structure in New York State Progress and Prospects," *Monthly Review*, Federal Reserve Bank of New York, vol. 58 (April 1976) pp. 107–115 and Golembe Associates, Inc. "The Public Benefits and Costs of Maine Banks Affiliating with Out-of-State Institutions," Golembe Associates, Inc., Washington, D.C., January 1982, pp. 21–22.

[3] Thomas I. Storrs, "The Case for a Rational Banking System," *Proceedings of a Conference on Bank Structure and Competition*, April 23–25, 1984, (Chicago: Federal Reserve Bank of Chicago, 1984) pp. 37, 40–41.

[4] "Economics of Scale in Banking: An Overview," *Economic Review*, Federal Reserve Bank of Atlanta, vol., 67 (November 1982) pp. 4–5.

[5] A thorough summary of most of these studies is found in George J. Benston, Gerald A. Hanweck and David B. Humphrey, "Operating Costs in Commercial Banking," *Economic Review*, Federal Reserve Bank of Atlanta, vol. 67 (November 1982) pp. 6–21. George J. Benston, Allen N. Berger, Gerald A. Hanweck and David B. Humphrey, "Economies of Scale and Scope in Banking," *Proceedings of a Conference on Bank Structure and Competition*, May 2–4, 1983 (Chicago: Federal Reserve Bank of Chicago, 1983), pp. 432–455, provides additional evidence and discussion.

[6] See Benston and others (May 1983), pp. 450–452 and Thomas Gilligan, Michael Smirlock and William Marshall, "Multiproduct Cost Structures in Commercial Banking," *Proceedings of a Conference on Bank Structure and Competition*, April 13–14, 1982. (Chicago: Federal Reserve Bank of Chicago, 1982) pp. 262–282.

[7] Most of the studies of this sort are summarised and evaluated in B. Frank King, "Changes in Large Banks Market Shares," and "The Impact of Local Market Entry by Large Bank Holding Companies," *Economic Review*, Federal Reserve Bank of Atlanta, vol. 67 (November 1982) pp. 33–40 and 41–47. More recently Stephen A. Rhoades has analyzed evidence on bank scale and scope economics, bank entry and the impact of conglomerate mergers in other industries and found no clear indication of advantage for large, diversified firms, "The Implications for Bank Merger Policy of Financial Deregulation, Interstate Banking and Financial Supermarkets," Staff Study 132, Board of Governors of the Federal Reserve System, 1984.

[8] See Richard W. Nelson, "Branching, Scale Economies and Banking Costs," *Journal of Banking and Finance*, vol. 9 (June 1985) pp. 177–191, for a discussion of the role of convenience in the demand for bank services and in banking costs.

[9] See Storrs, p. 37 for an assertion by the chairman of a large regional bank that greater ability to compete on deposit interest gives large banks an extra advantage.

[10] Irving Bank Corp., then Charter New York Corp. acquired larger banks in Binghamton, Poughkeepsie, and Rochester. These are not analysed.

[11] Kunreuther (1976) gives a thorough discussion of the New York law and the early entry patterns.

[12] See Kunreuther (1976) and Golembe (1982).

[13] See Golembe (1982). The latest entry studied occurred on June 20, 1977; 27 entries occurred before 1975.●

COHA ASSESSMENT OF GAO REPORT ON U.S. ASSISTANCE TO HAITI

HON. WALTER E. FAUNTROY

OF THE DISTICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. FAUNTROY. Mr. Speaker, at my request the U.S. General Accounting Office has investigated and written a report on the status of economic assistance programs being implemented in Haiti by the Agency for International Development. Haiti, the poorest nation in the hemisphere, received $45 million in development assistance last year from AID, and the GAO report details how this money is being spent.

Jon Crystal, a research associate at the Council on Hemispheric Affairs, has written an analysis of this report in which he focuses on some of the problems AID faces in its efforts. He also discusses the significance of the new emphasis on using private organizations to implement development programs. I urge each of my colleagues to read Mr. Crystal's informative piece.

AN ANALYSIS OF THE GAO REPORT ON U.S. ASSISTANCE TO HAITI

(By Jon Crystal)

In a report released last month, the U.S. General Accounting Office (GAO) has given a painstakingly detailed summary of the United States' development assistance to Haiti and the effects such aid has had in recent years. The substitute of the report aptly sums up the conclusion that the Office reaches: "Progress Made, Challenges Remain." While the new emphasis on the work of U.S. and local private Non-Government Organizations (NGO's) in the country seems to have generated much optimism, it is still questionable whether this will overcome the obstacles to long-term success in the development field that have long existed and stem in part from the intrinsic shortcomings of the Haitian government.

To be sure, the task facing any development effort in the country is a formidable one, with the statistics speaking for themselves. Haiti's per capita income, the lowest in the hemisphere, is $300. There is one doctor for every 11,000 people and ⅛ of all Haitian children die before the age of five. Mountains cover 80 percent of the land, with much of the population crammed into urban slum areas. Officials from the Agency for International Development (AID)—the body that administers U.S. economic aid—has labeled past development ventures a "fiasco," including their own. An earlier GAO report produced in 1982 concluded, "Project results are generally unsatisfactory."

Many of the children that plagued earlier AID efforts remain today and chief among them is the government of Haitian president-for-life Jean-Claude ("Baby Doc") Duvalier. According to the recent report, AID officials attribute the government's "shortcomings" to "institutional weaknesses and poor economic and administrative policies." Put more bluntly, the massive corruption and inefficiency of the government bureaucracy has stymied development agencies in their struggle against widespread poverty.

The result has been twofolds: a negative international image for the country that dissuades investors from taking advantage of the rock bottom wages and more importantly, an inability of the Haitian government to assume the increasing costs and responsibilities of operating and maintaining finished development projects. The GAO report stresses that the recurrent cost problem—"a major constraint to an effective long-term rural development strategy"—is one which must be resolved by AID officials and the Haitian government. Donor's taking over the financing of such operations only delay the government in finding a permanent solution and fosters further dependence by cabinet ministries on foreign guidance and resources.

While the GAO report implies that Haitian cooperation is solving these dilemmas is "generally improving," certain inflexible constraints limit the amount of possible progress. A scarcity of financial resources and an I.M.F.-induced austerity program have acted as brakes on development, while on the political side, the Duvalier government fears that quick change will threaten the stability of the dictatorship. Were Baby Doc to disappear tomorrow, however, Haiti's economic woes would still remain; there are fundamental factors such as overpopulation, deforestation, and natural resource depletion that exist.

Nonetheless, AID officials have from past experiences recognized the difficulty of working with the Haitian authorities. Beyond this, AID has begun to circumvent the state apparatus altogether by following a new Caribbean Basin Initiative (CBI)-inspired policy of encouraging investment through the private sector. In the past year, for instance, AID has channeled nearly half of its $45 million total assistance through over 300 foreign and Haitian NGO's among which CARE and Catholic Relief Services are the largest. Officials enthusiastically assert that the NGO's can "effectively reach Haiti's poor, achieve quick program results . . . and fill voids in regions where little assistance is available." For example, an association of private health care providers has brought medical services to many rural areas hitherto not previously served by the government's clinic and hospital delivery system. Local organizations are also becoming involved in the implementation of ongoing NGO projects.

Problems have arisen however from this private sector strategy of assistance. It is difficult to coordinate so many organizations or indeed even to compile data on how many NGO's are operating in Haiti and what the focus of their activities are. Increased strains have been put on limited AID mission staff in the form of paperwork, monitoring progress, etc.

But what bothers many about the new strategy goes much deeper. On the one hand, World Bank officials have voiced concerns that this emphasis on NGO's may detract from efforts to strengthen government institutions. It is almost as though AID has given up on the possibility of the Haitian state ever achieving the ability to carry out development efforts on its own.

Similarly, the stress on developing the Haitian private sector contained both in the CBI and the AID strategy raises basic questions of development models. An AID document raises the possibility of Haiti as the "Taiwan of the Caribbean," and states, "what this implies is a more open Haitian economy, with greater potential for export of manufactured and processed agricultural products, but with a sharply growing need to import grain and consumer products." The provisions of the CBI and the proximity of the US market almost has to point Haiti in the direction of greater dependence on Washington. The question remains whether this path will lead to the future modernization of Haiti and the beginning of the end of its hunger, poverty, and despair on the one hand, and human rights violations, corruption and favoritism on the other. Indeed the GAO report itself asserts that Haiti's problems can only be solved through "a long-term sustained effort to encourage policies and institutions that strengthen development."

Progress thus far, while it has occurred, has and will be painfully slow. The report concludes that AID should continue its oversight and assistance to small community-implemented projects and food assistance programs while at the same time working with the Haitian authorities on how to meet the recurrent cost problem. The emphasis then belongs on the title of the report's second part: "Challenges remain"—an extreme understatement to say the least.●

SUCCESSFUL TAX BREAK AT RISK

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. FUSTER. Mr. Speaker, someone who knows the Caribbean well and who is thoroughly familiar with the important role Puerto Rico can play in the region calls attention to the fact that the proposed repeal of section 936 of the IRS Code can "reverse the Caribbean's present wholesome trend to democracy."

Georgie Anne Geyer, distinguished columnist and Latin American scholar, underscores some of the grave and adverse consequences the proposal could have not only on Puerto Rico but the other islands. Her July 24, 1985, article in the Washington Times provides good advice: * * * "we cannot afford to throw away any of the few tools that really work."

I request that the entire article be inserted in the RECORD so that my colleagues can have the opportunity of reading it and, perhaps, follow her sound advice.

[From the Washington Times, July 24, 1985]

SUCCESSFUL TAX BREAK AT RISK

(By Georgie Anne Geyer)

Every once in a while, from one of the bowels of bureaucracy in Washington, an idea emerges that is so utterly stupid, so cockamamie, and so self-destructively shortsighted that one wants to howl with a banshee's rage.

This time the culprit is the U.S. Treasury Department. Ostensibly, it is working at revamping the nation's tax system. In reality, what it is proposing—and what a diverted Congress may pass—is a "reform" that might well go so far as to reverse the Caribbean's present wholesome trend to democracy.

The Treasury Department has fixed its eagle eye on an obscure part of the Internal Revenue Code: Section 936. Adopted fully in 1976, this section of the code by itself has practically brought an enviable and symbolic development to the island of Puerto Rico in its unique and important commonwealth arrangement with the U.S. mainland.

The section, quite simply, provides that U.S. corporations settling in Puerto Rico need not pay federal taxes on Puerto Rican earnings. They can return those earnings to the mainland, tax-free. This had meant that this provision, alone, has generated at least 150,000 jobs and an annual payroll of $1.8 billion.

Now, this Puerto Rican-American mainland "experiment," which has been thriving since World War II (before which an impoverished Puerto Rico was only an object of pity throughout the Caribbean), is not just another "arrangement." It has been, for 40 years, the living proof that the United States could hammer out original relationships with developing areas and peoples.

Cuban President Fidel Castro and others within the Eastern bloc have consistently brought the Puerto Rico case up in the U.N.

Decolonialization Committee, trying to destroy the unique relationship. Only in the last two years has that attempt been given up—by them. Apparently, the Treasury Department and some U.S. congressmen have decided to take up where the Eastern bloc left off.

Testifying before Congress in mid-July, Puerto Rican Gov. Rafael Hernandez, who is having enough problems with 20 percent unemployment, said: "The proposal . . . would destabilize our entire economy, throw thousands out of work and force many to flee to the mainland in search of jobs. It would not increase U.S. tax revenues but would instead cost the U.S more money in terms of higher unemployment in Puerto Rico."

But, the proposal does not end with, in effect, destroying the Puerto Rican economy and the island's precarious social sanity. Gov. Hernandez, one of the finest leaders in the Caribbean, has been proposing—and very rapidly working out—a remarkable new investment program, which would extend some of the Puerto Rican solutions to the other economically troubled Caribbean and Central American states.

The governor recently proposed a plan, which would complement in the most direct manner President Reagan's Caribbean Basin Initiative, to establish "twin plants" in the basin. Plants established in Puerto Rico would be "twinned" with plants in the other countries, using the appropriate skilled or unskilled labor the circumstances dictate.

The program has been widely applauded by Caribbean leaders. In congressional testimony, Frederick Brooks of the important Caribbean Central American Action organization put it bluntly: "In the Caribbean Basin, we don't have the luxury of waiting. The CBI contemplated the immediate start-up of new investment, so that economic results would be visible while moderate leaders still have the confidence of their people."

The amazing thing is that the twin-plants idea is not just an idea.

It would be put into practice immediately in the most sensitive areas, where investment is crucial. Johnson & Johnson has announced it would build the first of the proposed plants in Grenada in 120 days.

If Section 936 is eliminated, this hope for the Caribbean goes down the drain as well.

George Fauriol, senior fellow at the Georgetown University's Center for Strategic and International Studies, said recently: "The health of the U.S.-Puerto Rican relationship may ultimately be the cornerstone of stability and progress in the Caribbean Basin region. . . . The island's democratic institutions and free-market system reinforce the regional sense of commitment against radicalism and authoritarianism."

And as Mr. Brooks summed up: "The loss would be tragic not only for Puerto Rico, but for the other islands which need these investments so badly.

"We don't have much time, and we can't afford to throw away any of the few tools that really work."●

RESOLUTION SUPPORTING NATIONAL GLEANING EFFORTS

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. HALL of Ohio. Mr. Speaker, today I have the privilege of introducing a resolution commending gleaning groups throughout the country and those food producers—individuals and organizations—who permit gleaners to collect unharvested crops from their fields to help feed the poor of this Nation. Gleaning is a cooperative effort between growers of commodities and church and other nonprofit organizations which allows gleaners to harvest food left in the field and distribute them to programs which provide food to needy individuals.

I am pleased to say that an identical resolution is being introduced today by Senator PAUL S. TRIBLE.

Gleaning is not a new form of food contribution. Rather, it is both an idea and an action that has been with us for centuries. The support of gleaning to supply food to the poor is part of the Judeo-Christian heritage as set out in the book of Leviticus:

> When you reap the harvest of your land, do not reap to the very edges of your field or gather the gleanings of your harvest. Do not go over your vineyard a second time or pick up the grapes that have fallen. Leave them for the poor and the alien.

This Nation is now experiencing a poverty rate that is higher than any we have faced over the last 15 years. Because we know that poverty is inextricably linked to hunger, we know that a great number of our citizens are living without sufficient resources to assure adequate nutrition for themselves and their families.

Many private nonprofit organizations such as the Society of St. Andrew in Virginia, Sparrow Outreach ministries in Washington State, and gleaners statewise in California are providing food to the needy through food pantries, food banks, and soup kitchens. For many, these food outlets may be their sole source of food. The public is generally aware of the food contributions made by grocery stores, produce markets, and food processors. However, I have found that few people are informed about the contributions made by gleaners. The donations of food producers and the efforts of gleaning organizations supply a great deal of the food available to the needy through food assistance outlets.

Across this Nation farmers are opening their fields to gleaners who channel the "fruits of their labor" to charitable organizations for distribution to the poor. Some States have enacted tax policies and good Samaritan laws to create incentives for gleaning activities. Many States are reviewing their legislation in this area. The resolution I am submitting today encourages State governments to invest in more incentives to increase the number of food producers who permit gleaning of their fields and the number of shippers who donate, or charge reduced rates for, transport services for gleaned produce.

In 1977, the General Accounting Office conducted a study of food loss during the 1974 crop year. It found that an estimated 49 million people could have been fed from the nearly 60 million tons of grain, fruit, and vegetables not harvested. This report to Congress confirms something that we already know: "food loss represents a missed opportunity to feed the hungry." With the growing rate of hunger in this country, we cannot afford to let these opportunities slip by.

I hope that my colleagues will join me in sponsoring this legislation. The text of my resolution follows:

H. CON. RES. —

Whereas a large number of people in this country are not able to regularly supply themselves and their families with food;

Whereas food banks, soup kitchens, and other emergency food providers are witnessing a substantial increase in the number of persons seeking food assistance;

Whereas gleaning is a partnership between food producers and nonprofit organizations through which food producers permit members of such organizations to collect grain, vegetables, and fruit which have not been harvested and distribute such food items to programs which provide food to needy individuals;

Whereas support of gleaning to supply food to the poor is part of the Judeo-Christian heritage as set out in the Book of Leviticus, "When you reap the harvests of your land, do not reap to the very edges of your field or gather the gleanings of your harvest. Do not go over your vineyard a second time or pick up the grapes that have fallen. Leave them for the poor and the alien.";

Whereas a 1977 General Accounting Office analysis estimated that during the 1974 harvest 60,000,000 tons of grain, vegetables, and fruit, valued at $5,000,000,000 were unharvested;

Whereas the diets of millions of hungry people in the United States could have been supplemented with such lost grain, vegetables, and fruit;

Whereas a number of State and local governments have enacted Good Samaritan laws which limit the liability of food donors and provide an incentive for food contributions; and

Whereas numerous civic, religious, charitable, and other nonprofit organizations throughout the country have begun gleaning programs to harvest such food items and channel them to the hungry in the United States: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) food producers who permit gleaning of their fields and civic, religious, charitable, and other nonprofit organizations which glean fields and distribute the resulting harvest to help alleviate hunger should be commended for their efforts; and

(2) State and local governments should be encouraged to enact tax and other incentives designed to increase the number of food producers who permit gleaning of their fields and the number of shippers who donate, or charge reduced rates for, transportation of gleaned produce.●

THE 20TH ANNIVERSARY OF MEDICARE AND MEDICAID

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Ms. SNOWE. Mr. Speaker, today marks the 20th anniversary of the birth of the Medicare and Medicaid Programs. Programs, like people, grow over the years so that each birthday marks another milestone along the path toward maturity. In the case of these two programs, much has been learned and changed, but much more can be done in the future.

Let us, just for a moment, go back to 1965. It was a time of economic expansion and a belief in abundance. It was in this environment that Medicare and Medicaid were created in order to protect those who were most in need of help: the elderly and the poor.

Now, 20 years later, Medicare insures 95 percent of all older persons, regardless of their income or their assets. Medicaid provides medical assistance for those with low incomes and for the bulk of nursing home care. Without these programs, the elderly and indigent would be at risk of catastrophic illness; many would not be able to seek adequate care.

But that is not to say that all the battles have been fought. In fact, like the maturing programs that they are, Medicare and Medicaid represent only a beginning. There is much left to be done. The elderly are paying large sums of money for out-of-pocket care under Medicare—over $1,500 per person. That must be remedied. The cost of medicine and prosthetic devices are not included under Medicare and therefore create a financial hardship for the elderly. That must be remedied. There is not a coordinated, comprehensive system of long-term care. That must be remedied.

In 15 short years, this Nation will enter the 21st century. We will face challenges that we can not begin to imagine. As we celebrate this important day, we should remember that we are celebrating an idea that, like all ideas, is only limited by our imagination.●

HELPING THE LEARNING DISABLED

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. SOLARZ. Mr. Speaker, I am extremely fortunate to represent the P'tach organization which is fast establishing a national reputation for education excellence.

P'tach [Parents for Torah for All Children] is an organization that establishes special education programs for learning disabled Jewish students in Yeshivot and day schools around the country.

Learning disabled children are prefectly capable of succeeding in the academic community, yet they require personal attention to maximize their potential. P'tach programs provide this individualized academic remediation and support services to enable these youngsters to remain in the mainstream of their Yeshiva.

P'tach graduates have pursued higher education and a variety of careers becoming productive members of the Jewish community and society at large.

Today there are 16 P'tach programs in operation in elementary and high school level Yeshivot serving over 400 children in the New York area alone. The cost to support these programs is enormous, averaging $10,000 per student per year, far more than most parents can afford to pay. P'tach must rely heavily on private donations in order to keep these vital programs afloat.

For hundreds of learning disabled Jewish children, P'tach opens the door to a brighter, more promising future.

I would like to place in the RECORD an article that recently appeared in the New York Times about the fine work of P'tach. I'm sure my colleagues will enjoy and appreciate reading about this first-rate educational institution.

[From the New York Times, June 9, 1985]

LEARNING DISABLED FIND EXTRA HELP AT YESHIVAS

(By Ari L. Goldman)

No matter how hard he tried, Daniel Plaut kept losing his place in the page of the Talmud that was spread out before him.

He lived in fear that his "rebbe," the rabbi who taught the class, would call on him and find out he was not following.

That was before Daniel, a brighteyed and articulate 17-year-old, was diagnosed as having a motor coordination problem that made following any printed text—let alone the small type on the page of a Talmud—virtually impossible without special help.

The evaluation also helped explain why he did poorly in the classes in secular studies at the Brooklyn yeshiva he attended.

A YEAR IN ISRAEL

Since the diagnosis five years ago, Daniel has been attending the country's first program in a yeshiva setting for youngsters with learning disabilities. Later this month he will graduate from high school, and he plans to spend a year in Israel working on a kibbutz before entering the College of Staten Island of the City University.

"I'm far from planning to become a rabbi," said Daniel, who wears a knit yarmulke over his dark wavy hair. "But I do plan to live the life of a religious Jew."

Daniel is one of 600 youngsters enrolled in a program called P'tach, which stands for Parents for Torah for All Children. P'tach chapters operate within established Jewish day schools, known as yeshivas, in New York, Boston, Chicago, Philadelphia, Baltimore, Washington, Los Angeles and Oak Park, Mich.

The program, which operates as an independent unit within a yeshiva, has its own teachers and own budget. As part of the arrangement with the yeshiva, P'tach students can participate in regular classes when they are able to keep up.

"What the public schools did 10 or 15 years ago, the yeshivas are dealing with now," said Joel Dickstein, the coordinator of P'tach at Yeshiva University High School in Manhattan, where Daniel is a senior. In 1975, Congress passed the Education of All Handicapped Children Act, under which public schools are required to provide services for handicapped youngsters, including the learning disabled.

IN THE BACK OF THE ROOM

The law, however, does not apply to the privately run yeshivas, which stress familiarity with the Talmud, the Jewish library of law and tradition, as well as academic excellence in secular subjects. "These are the kids that sat in the back of the room," Mr. Dickstein said. "They were not diagnosed in elementary school, so either they would get pushed ahead or they would get pushed out and go to public school."

In the public schools the learning-disabled youngsters would often get the special attention they required but would not get the Jewish learning—Hebrew, Bible, Talmud and Jewish history, laws and customs—that they needed to be part of the religious Jewish community.

At the P'tach program at the Manhattan yeshiva high school the other day, Rabbi Yehoshua Fulda was teaching the Bible to a class of six boys. Although all followed the same text from Numbers, what was going on was really six different classes. One youngster was learning Hebrew penmanship, another Jewish laws and another reading.

For half the period, the class examined the text together; during the second half each child concentrated on an individual assignment. Rabbi Fulda, who has a master's degree in special education, went from youngster to youngster, offering guidance and encouragement.

P'tach organizers acknowledge that the yeshiva program of Hebrew, which is read from right to left, and English, which is read from left to right, can be an additional frustration for a child trying to cope with dyslexia. A popular example is that a child with dyslexia might confuse a "b" with a "d."

PURELY PHONETIC

Rabbi Fulda said, however, that Hebrew can actually be a help to a child with a learning problem. "Hebrew is purely phonetic while English is not," he said. "If you learn the rules, you can deal with dyslexia better."

In the secular studies program at the Manhattan school, the P'tach students have small classes with time for concentration on individual lessons. In both the religious and secular classes the goal is to integrate the youngsters into the regular classes at the high school. Most of the P'tach youngsters take at least some classes with the regular high school students.

The P'tach program, with its 48 boys at the school, has added something new to the high school of 500. The school never had a shop for woodworking or stained glass until the P'tach program was established.

Daniel Plaut, who went from being a child with difficulty reading to a young man ready for college, said he still looked forward to shop each week. "When I came to school here, I felt like a low-life, a degenerate," he said. "That is what they taught me in elementary school. What they taught me here is a sense of self-esteem, a sense of value."

Five of the eight P'tach youngsters graduating this month will go on to college and three to vocational school. In addition to college programs, previous graduates have gone on to work in business, computers, jewelry and appliance repair.

P'tach was started in 1976 by a small group of parents of children with learning disabilities who felt that their youngsters were not being appropriately educated in Jewish day schools. The organization began as a support and advocacy group that hoped to convince the yeshivas to begin their own special education programs.

After getting encouragement but little action, P'tach decided to go into the education business itself, hiring educators and renting space from the yeshivas. In 1979, it opened its first program, with 13 students at the Manhattan yeshiva high school. There are now 600 students—400 of them in New York and New Jersey—in P'tach programs in 13 yeshiva elementary schools and 3 yeshiva high schools.

P'tach objective, its organizers say, is to turn the responsibility back to the Jewish day schools.

"Our goal is to go out of business," said Rabbi Burton Jaffa, the national director of P'tach, "and we will go out of business when every yeshiva recognizes that they have an obligation to these children."●

NATIONAL WATERMELON DAY

HON. WILLIAM W. COBEY, JR.

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. COBEY. Mr. Speaker, today I had the privilege of hosting the "Great Watermelon Feast" on the east lawn of the Capitol Grounds. At the event, Secretary of Agriculture John Block proclaimed today "National Watermelon Day."

This ceremony was held to reassure the American people that watermelons are safe to eat. Recently, watermelons from several fields in California were found to be tainted with the pesticide Aldicarb. When news of the tainted fruit was broadcast by the news media, many Americans across the country stopped buying watermelons.

National watermelon sales have dropped an average of 30 to 35 percent. In my own State of North Carolina, watermelon sales have dropped an average of 40 percent, with some areas in the State seeing a 50 percent decrease.

I hope the "Great Watermelon Feast" we held today will reassure the American people. California watermelons are now safe to eat, as all the watermelon-producing fields there have been checked for traces of the pesticide. Watermelons from other States, of course, have always been safe.

I trust that the word will go out that Americans should enjoy the summer and eat plenty of watermelon during the hot days ahead. People who buy watermelons from their local grocer or at farmers markets such as the Farmers Market in Raleigh, NC, which is part of the congressional district I represent, can be certain now that watermelons are safe.

Finally, Mr. Speaker, I wish to thank the National Watermelon Association for helping my staff organize today's event. Thanks also to Mr. DE LA GARZA, chairman of the House Agriculture Committee, Senator HELMS, the chairman of the Senate Agriculture Committee, the National Watermelon Queen, Shani Radney, and the North Carolina Watermelon Queen, Lynn Shirley, for joining us at this event.

And most of all, thanks to the farmers who work so hard to provide us with this high quality fruit.●

SHUTTING IN OIL, AGAIN

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. DANNEMEYER. Mr. Speaker, earlier this month the Secretary of the Interior took it upon himself to reach what has been described as a "preliminary" agreement with certain members of the congressional delegation from California on Outer Continental Shelf [OCS] energy development.

As a long-time advocate of increased U.S. energy efforts to offset oil imports and their negative impact on our balance of trade, I was distressed upon learning of the announcement. Subsequent meetings and a review of the agreement's details, including a meeting with Secretary Hodel, did nothing to dissuade me from the view that the agreement is not in our national interest.

While I will be speaking out in considerable detail on this issue, at this time I wanted to share with my colleagues an editorial from last Friday's Wall Street Journal which succinctly outlines the key objections to the proposal.

I ask permission to insert it at this point in the RECORD:

[From the Wall Street Journal, July 26, 1985]

SHUTTING IN OIL, AGAIN

Back in 1979, when American motorists were waiting in long gasoline lines, we were amazed to learn of "shut-in" oil wells in California. Federal regulations, it turned out, were the culprits. Price controls made it uneconomical to pump oil out of numerous existing wells, and allocation restrictions exacerbated the problems of the gas stations.

As one of his first acts as president, Ronald Reagan eliminated those federal controls in January 1981. Since then, of course, gas lines have vanished, supplies have grown, prices have fallen and OPEC is singing its swan song. Now, however, the Reagan administration plans to shut-in oil in California once more. Interior Secretary Donald Hodel last week reached a "preliminary" agreement with a California congressional delegation to sharply restrict oil and gas development off most of California's coast through 1999.

For the past four years Congress has passed, with ever slimmer majorities, annual moratoriums on the further exploration and development of California's offshore energy riches. Indeed, this area is considered the most promising of all the nation's waters in terms of oil and gas potential. This year, the effort to extend the moratorium seemed destined for defeat in a crucial House committee vote. A desperate delegation of Californians from Capitol Hill—mostly Democrats, but also including two Republicans, Sen. Pete Wilson and Rep. Bill Lowery—turned to Secretary Hodel for a bailout. They got it, at least tentatively.

Mr. Hodel agreed to offer for federal leasing a mere 150 of the 6,460 offshore tracts that Congress has so far withheld from development. The Hodel "compromise" would open up only 2.3% of the acreage. Moreover, instead of the year-to-year congressional bans, the Hodel pact would last until the end of the century, barring some undefined "national emergency."

Environmentalists were overjoyed. The Natural Resources Defense Council, long-time obstructionists of energy development, called Mr. Hodel's concessions a "breakthrough." The oil and gas industries were less sanguine. The specific tracts offered by Mr. Hodel were variously called "dogs," "junk", or "trash" by energy experts familiar with the geology of these areas. California Gov. George Deukmejian, too, was not pleased. As a historic opponent of "blanket moratoriums," Mr. Deukmejian clearly sees the benefits of offshore exploration, while still guarding the most sensitive sections of California's coastline. But the governor, like the energy industry, was not consulted prior to Mr. Hodel's decision. The word in Sacramento is that the interior secretary "paid a heavy price" to satisfy the demands of California's environmentalists lobby.

Already under the Reagan administration, with the prodding of Congress, federal bans on offshore drilling have expanded, unfathomably, from 700,000 acres in 1982 to 45 million acres today. In order for the U.S. to maintain present levels of oil and gas production at reasonable prices, reserves will have to be continually replaced with a high rate of new discoveries. The American Petroleum Institute estimates that between now and the year 2000 the U.S. will need to find more than 180% of its current proven reserves.

No such requisite amount of exploration is going to take place if federal authorities

again shut in oil in California or elsewhere in the U.S. The only "emergency" that the Interior Department should be planning for is the one preordained by Mr. Hodel's offshore decision.●

PRISONERS OF WAR

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. McEWEN. Mr. Speaker, I wish to take this opportunity to publish for the record the names of 39 brave Americans who have sacrificed themselves for the betterment of their Nation. The people, listed below, have served this great country to protect and defend the ideals of America and have proven their dedication by unwillfully serving as prisoners of war. I wish to take this opportunity to honor these men and, on behalf of all free Americans, thank them for their service. To these special individuals we owe an extra measure of thanks. Against all odds they did not give up on America, not during their darkest hours, days, weeks, months, and years. Mr. Speaker, may I present:

Mr. Robert M. Adams, Dayton, OH; Mr. Marcus Bacon, West Carrollton, OH; Mr. James E. Barkalow, Dayton, OH; Mr. Herman A. Boehmer, Dayton, OH; Mr. Albert E. Brown, Lewisburg, OH; Mr. Levi Burns, Richmond IN; Mr. Kenneth G. Castor, Dayton, OH; Mr. Earl Bradley Cooper, Dayton, OH; Mr. Jack Dail, Dayton, OH; Mr. James H. Daniel, Dayton, OH; Mr. Glen D. Dean, Dayton, OH; Mr. Merrill W. Demerit, Jr., Vandalia, OH; Mr. Norward Emrick, Dayton, OH; Mr. Zelotes C. Eschmeyer, St. Marys, OH; Mr. Eliga Denver Evans, Covington, OH; Mr. Willie Gibson, Wilmington, OH; Mr. Robert K. Hankey, Dayton, OH; Mr. John O. Jones, Fairborn, OH; Mr. John C. King, Dayton, OH; and Mr. Charles D. Krandall, Englewood, OH.

Also, Mr. Charles E. Larkin, Dayton, OH; Mr. Maynard Lawson, Dayton, OH; Mr. Basil F. Maxwell, Beavercreek, OH; Mr. Dwight Miller, Greenville, OH; Mr. James Mullen, Dayton, OH; Mr. George W. Murphy, Springfield, OH; Mr. Gary C. Music, Xenia, OH; Mr. Archie Neil, Fairborn, OH; Mr. Donald L. Nicely, Carlisle, OH; Mr. Dick E. Ogg, Dayton, OH; Mr. Jack Perry, Fairborn, OH; Mr. John E. Ratliff, Springfield, OH; Mr. Gerald G. Ruth, Gratis, OH; Mr. Paul Schuler, Kettering, OH; Mr. Lewis F. Sparrow, Dayton, OH; Mr. Herman P. Spratt, Miamisburg, OH; Mr. Robert E. Stone, Miamisburg, OH; Mr. George W. Sutton, Fairborn, OH; and Mr. Ralph Trucksis, Piqua, OH.●

TIME FOR THE SOVIETS TO PERMIT SOVIET JEWS TO EMIGRATE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. DORNAN of California. Mr. Speaker, I rise on behalf of this measure, Senate Joint Resolution 161, which I believe is both timely and compassionate. It seeks to support the case of individuals who suffer much through the refusal of the Soviet Government to permit their orderly emigration. It focuses on famed physicist Anatoly Shcharansky, who has won the hearts and admiration of the civilized world with his devotion to the cause of freedom. Shcharansky has protested in the last way available to him, by a hunger strike, while exiled internally in the Soviet Union. His valiant and devoted wife Avital, who herself had a difficult time leaving the Soviet Union, testified just yesterday before the House Foreign Affairs Committee, explaining how the Soviet Union seeks to exploit her husband.

It addresses the situation of all Soviet Jews, who face truncated opportunity within the Soviet Union, and limited chances to leave that country. As these courageous individuals have encountered Soviet discrimination, they have become activists on behalf of their coreligionists, with the result that they face persecution and terrible treatment at the hands of the Soviet State. Vladimir and Maria Slepak, Ida Nudel, Yosef Begun, and Vladimir Feistman, are just a few of the thousands who face Soviet heavy-handedness. We encourage the Soviet Union to respond to this appeal on behalf of Soviet Jewry and grant freedom to emigrate to Anatoly Shcharansky and all the others who have sought to exercise human rights subscribed to by the Soviet Union in the Helsinki accords. The 10th anniversary of the signing of those accords comes up in just a few days. What a wonderful celebration it would be of that anniversary if Anatoly Shcharansky and so many others were to be released from their various prisons and allowed to emigrate.

Thank you Mr. Speaker. I commend my colleagues in the House of Representatives and the Senate for their favorable action on Senate Resolution 161, and support it vigorously.●

IMPORTANT BANKING LEGISLATION

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. HUBBARD. Mr. Speaker, I received an excellent July 5, 1985, letter from Mr. Ted Bradshaw, director of government relations of the Kentucky Bankers Association in Louisville, KY.

I believe my colleagues will be interested in Ted Bradshaw's comments to me about two important banking measures which have been reported to the full House by our Committee on Banking, Finance and Urban Affairs. Upon reading his concerns, I am certain my colleagues will remember his support of closing the nonbank bank loophole (as embodied in H.R. 20, the Financial Institutions Equity Act of 1985) and his opposition to certain provisions of H.R. 2707, the Depository Institutions Acquisition Act of 1985, particularly those which override States' rights.

The letter to me from Ted Bradshaw follows:

JULY 5, 1985.

Hon. CARROLL HUBBARD, Jr.
2182 Rayburn Building,
Washington, DC.

DEAR CARROLL: Sometime within the next few weeks the House will take under consideration financial services legislation embodied in two bills reported by the House Banking Committee on June 12, 1985. H.R. 20, Financial Institutions Equity Act of 1985, would close the nonbank bank loophole while H.R. 2707, Depository Institutions Acquisitions Act of 1985, would authorize regional compacts with a state opt-out and a mandatory five year trigger for full nationwide interstate banking.

While none of these issues has been presented to the full membership of the Kentucky Bankers Association, my conversations with individual bankers across the state indicate a desire to see the loophole closed and the need to be able to offer additional services to their customers on a competitive basis. Most would prefer to see the loophole closed as of July, 1983 without grandfathering any nonbank banks but that date appears to be unattainable.

H.R. 2707, Depository Institutions Acquisitions Act, seems, to me, to be superfluous in that it authorizes interstate compacts which have been upheld by an 8-0 vote of the Supreme Court. The five ear "trigger" in this legislation is an "end run" by the big New York and California banks to get around the Supreme Court decision. The 1990 "trigger" does not make that much difference in Kentucky since we are one of only three states that has a national "trigger" that becomes effective in 1986. However, Kentucky made the decision on nationwide interstate banking at the state level which is where the decision should be made. Not mandated by Congress!

The real problem with H.R. 2707 is that the so called "opt-out provision" does not give a state that desires to participate in a regional interstate banking compact but not nationwide interstate banking any option. If a state remains a participant in a regional compact, H.R. 2707 requires that state to open its borders to nationwide banking in 1990. The effect of this provision is to take away the authority of the individual states to determine the banking structure under which they want to operate and will cause the formation of regional interstate compacts to cease.

I would certainly hope that Congress will act responsibly and close the nonbank loophole, authorize some expanded services for banks in order that they may compete and allow the states to determine the banking structure in each state.

Sincerely,

TED BRADSHAW,
Director of Government Relations,
Kentucky Bankers Association.●

A TRIBUTE TO RALPH ROMIG

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. APPLEGATE. Mr. Speaker, I would like to bring to the attention of my colleagues in the House of Representatives, a man who has achieved many goals in his lifetime and has also contributed much to his community in Tuscarawas County, OH. Ralph Romig is a teacher, journalist, historian and lecturer who integrates his life experiences into a healthy working philosophy.

Ralph Romig has a vast knowledge of Ohio history. He is the president of the Tuscarawas Historical Society and is often called upon to lecture on the subject of Ohio's frontier beginnings and advancements. "Trumpet in the Land," a play which portrays the life of Ohio Indian leader, Tecumseh, received many helpful contributions from Mr. Romig.

To promote national interest in Ohio's many historical sites, Ralph Romig is the publisher and editor of Buckeye Country magazine which is circulated in 27 States. He is also the author of "Valley of the Tuscarawas" which is a short history of Tuscarawas County.

"Opportunity at Your Doorstep" is a book written by Ralph Romig which illustrates the rural life of the Ohio countryside. Mr. Romig has always enjoyed the quiet simplicity of country living.

In addition to the previously mentioned periodicals, Mr. Romig has also written a biography about baseball great Cy Young, entitled "Cy Young—Baseball's Legendary Giant." Mr. Romig presents all his books free of charge to libraries, foster homes, YMCA's, and various historical societies.

Ralph Romig has served as a community leader for the residents of Tuscarawas County in several capacities. He has held various elected offices; mayor of Tuscarawas Village, jury commissioner of Tuscarawas County and a member of the village council where he served as president for 10 years. He also found time to serve as president of the Tuscarawas Village Development Club, World Peace superintendent of the Ohio C.E. Union, Boy Scout advisor and elder of the Sharon Moravian Church.

Although he is past the retirement age, Ralph Romig has not considered retiring. He echoes the words of former Justice Oliver Holmes; he will retire when his work has stopped being fun.●

DR. THOMAS D. STAPLETON RECEIVES PRESIDENT'S CITIZENSHIP AWARD

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. HORTON. Mr. Speaker, I am very proud to enter into the official RECORD of the U.S. Congress information about an award that was made to one of my constituents, Dr. Thomas D. Stapleton. Dr. Stapleton recently received the President's Citizenship Award from the Medical Society of the State of New York. Society president Dr. Allison B. Landolt presented the award during the June annual meeting of the organization's house of delegates in New York City.

Dr. Stapleton is a native of Auburn, NY, which is located in my congressional district. He is a graduate of Georgetown University Medical School. In addition, he received further training at Brooklyn Eye and Ear Hospital and the New York Eye Infirmary.

A Navy physician with the 4th Marine Division in World War II, he participated in invasions of the Marshall Islands, Saipan-Tinian, and Iwo Jima, receiving four battle stars, a Presidential Unit Citation, a Bronze Star, and a Navy Commendation Medal.

Serving his community, Dr. Stapleton helped organize the city's community-owned nonprofit baseball club in 1958 and served as vice president, president, and chairman of the New York-Penn League Auburn team.

He was appointed to the board of trustees of Auburn Community College in 1958, reappointed in 1961, and served as vice chairman from 1965 to 1975. Honored with the Most Outstanding Citizen of the Year Award by the Auburn Lion's Club in 1969, Dr. Stapleton also won the Monsignor Straub Memorial Trophy as Sportsman of the Year in 1974, and was named Man of the Year by the Holy Family Athletic Association in 1980.

In 1984, the physician was appointed to the mayor's advisory committee for Operation Auburn.

Mr. Speaker, I congratulate Dr. Stapleton on his outstanding work and am pleased to share his accomplishments with my colleagues.●

LOW-POWER TELEVISION AND COPYRIGHT

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. KASTENMEIER. Mr. Speaker, today I am introducing legislation, with a respected member of my subcommittee [Mr. BOUCHER], to cure a problem in current copyright law. The problem involves low-power television, a new service authorized in 1982 by the Federal Communications Commission, which is designed to provide local television service in markets underserved by conventional television. Ultimately such low-power television could serve communities much as local radio stations serve such communities today.

However, current copyright law creates confusion with regard to transmitting local low-power television station signals via cable because the law can be construed as defining such signals as "distant signals" under copyright, subjecting them to royalty fees and limiting the ability of such low-revenue stations to provide television service.

When I learned of the problem in October 1984, I contacted my counterpart chairman on the Senate, Senator CHARLES MCC. MATHIAS, Jr., and together we wrote to the then Register of Copyrights, David Ladd, asking that administrative action be taken to resolve the problem since Congress was scheduled to adjourn within days.

In our letter, we noted that under the potential interpretation of the law, "cable systems would be very reluctant to include low power stations within their complement of local services on a 'may-carry' basis, which in turn would seriously damage the development or viability of low power television."

The letter further noted that, practically speaking, a low power television signal is not powerful enough to be designated a "distant signal" since its maximum range is only 10 to 20 miles.

The Copyright Office responded by expeditiously holding a public hearing on the matter; the Office determined that it would henceforth abide by the determination of a cable system as to whether or not a low-power television signal carried by that cable system is a local signal and therefore exempt for the royalty fee. By way of a letter from General Counsel Dorothy Schraeder, the Office expressly stated:

> That the status of low power television signals under the cable compulsory license is ambiguous. Accordingly, in examining cable Statements of Account, the Copyright Office will not question the determination by a cable system that a low power station's signal is "local" within an area approximating the normal coverage zone of such station.

The Copyright Office further expressed its support for legislative clarifications of the statutory ambiguity by a technical amendment to the Copyright Act.

The legislation we are introducing today accomplishes that objective. The bill is in the nature of a technical amendment to section 111(f) to clarify that subsection's definition of "local service area of a primary transmitter" as applied to low power television.

The existing statutory definition of the "local service area of a primary transmitter" covers those broadcast services in existence in 1976, full-owner domestic TV stations, Canadian and Mexican stations, and radio stations. Because all full power domestic stations were subject to the mandatory carriage rules, Congress defined the area of local service for copyright purposes in terms of the must carry area specified in FCC rules. Parenthetically, today's legislation is not affected by the finding of the D.C. Circuit that present must-carry rules are unconstitutional as violative of the first amendment. See Quincy against Federal Communications Commission.

Because low power television stations did not exist in 1976 and are not subject to mandatory carriage at all, current law needs to be clarified to insure that low power stations are treated in the same manner as full-power domestic and Canadian and Mexican signals with respect to when carriage of those signals will be "local" and royalty-free and when they will be "distant." Because of confusion created by the current definition not specifically defining an area with respect to new low power service, there is considerable reluctance on the part of cable systems to carry the programing of LPTV stations and risk copyright liablity. The net result is that audiences, especially in rural areas, are deprived of local programming offered by these stations. Moreover, low power licensees are insulated from a growing proportion of the public they were licensed to serve, with devastating effects on the pool of programming available to low power stations and the economic viability of this fledgling broadcast service.

The proposed legislation modifies section 111(f) to define specifically the "local service area" of low power television station in a manner such that cable systems will know with precision when their carriage of such a station is "local" and when it is "distant." For low power stations located outside the 50 metropolitan statistical areas with the largest populations based on the 1980 census, that area would comprise a radius of 35 miles from the low-power station's transmitter site. Therefore, a cable system located within that area may carry that station's signal as a "local" signal without payment of royalties. In heavily populated areas represented by the top 50 metropolitan statistical areas, however, the area of local service would be reduced to 20 miles.

It is believed that the amendment will remove any remaining copyright ambiguities facing cable systems and enable decisions as to whether or not to carry low power stations on a local basis to be based on what is best for subscribers and the community served.

The result of this statutory clarification will be increased programming possibilities in underserved small communities, promotion of localism, the freer flow of information and ideas and more satisfied viewers.●

DREW KARPINSKI

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. GALLO. Mr. Speaker, today I rise to acknowledge professionalism of the highest degree. I rise to bring to the attention of all of my fellow Members of Congress the accomplishments of a constituent of mine, Mr. Drew Karpinski, of Mendham, NJ.

Earlier this month, Mr. Karpinski completed his term as president of the Professional Insurance Agents of New Jersey, and he finished with such a long list of accomplishments that his peers named him the "agent of the year." This is only the third time in the history of the organization that this award has been bestowed upon a president leaving office.

Recognition by one's peers is the highest mark of accomplishment. It is recognition by professionals who know the meaning of excellence. It is recognition by those individuals who know, from their own personal experience, just what it takes to get a job done, and, more importantly, what it takes to reach the top.

Drew Karpinski is deserving of this recognition. Because of his efforts, the Professional Insurance Agents of New Jersey have risen to new heights within their industry. Because of Drew Karpinski's vision and understanding of the changing environment within his industry, the educational programs, the membership programs, and the legislative action program of the association are now second to none.

Under Drew's leadership, the association looked not only to help itself and its own members, it also looked upon the quality of life around the association and ventured to improve that quality. The Professional Insurance Agent's involvement in the Special Olympics Program is worthy of the applause of each and every Member of Congress.

I am lucky to have a constitutent like Drew Karpinski. Having people in one's district like Drew helps to improve the district. Their enthusiam, their pride, and their abilities are contageous. Those qualities spread, and make the district a better place in which to live.

Mr. Speaker, I thank you for the time to acknowledge Drew Karpinski's accomplishments.●

JIM FAULK—AN INSPIRATIONAL LEADER

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. GILMAN. Mr. Speaker, Jim Faulk, the coach, counselor, and athletic director at the St. Agnes Home for Boys in Sparkill, NY, passed away on June 19 at the age of 77.

One of his former students, James E. Merna, of Lanham, MD, is now the public affairs officer at the U.S. Department of Energy here in Washington. Mr. Merna recently had published in the Rockland County Journal News a tribute to Coach Faulk which I found so inspirational and moving that I would like to share it with my colleagues:

JIM FAULK—AN INSPIRATIONAL LEADER

(By James E. Merna)

Even though Jim Faulk left St. Agnes and Rockland County in 1959 to move to Orlando, Fla., and more recently to Chambersburg, Pa., he was never forgotten by his friends in Rockland County.

In 1978, Jim and his wife Betty, to whom he was married for 43 years, attended a banquet at the Holiday Inn in Nanuet. Jim was inducted, along with five other sports figures, into the Rockland County Sports Hall of Fame.

The program citation read: "Jim not only was the coach, he was Mr. Everything at St. Agnes. He did it all, He was the athletic director, the guidance counselor, the social worker, the disciplinarian, the trainer, the varsity and J.V. coach for all the sports, which included football, basketball, baseball, wrestling and golf. In his spare time he also ran a full sports program for the alumni. He even drove the school bus."

Jim Faulk came to St. Agnes in 1933, fresh out of the University of Alabama. Through the years, he turned down lucrative offers from Villanova, the New York Military Academy and other prestigious institutions to remain at a much lower salary with the orphans at St. Agnes. He produced football teams so tough, many agree, that few schools wanted to play him. One of the schools that accepted the challenge was St. Cecelia's High School in Englewood, N.J. Its young coach then was Vince Lombardi, who later went on to fame as head coach of the Green Bay Packers and the Washington Redskins.

Jim established a relationship with New York Military Academy, playing them in a variety of sports for a number of years only after having them first believe that St. Agnes, like NYMA, was a fancy prep school. Well, a fancy prep school we were not. St Agnes kids, for the most part, were orphans and the products of broken homes, primarily from the New York City. Most of us were sent to St. Agnes under the auspices of New York Catholic Charities.

It was at St. Agnes were Jim dedicated his life to helping needy youngsters improve their lot in life. He always said that the boys he worked with were more important to him than any records he may set. When he was elected to the Rockland County Sports Hall of Fame, he said in his acceptance speech, "I made it only because of the gutsy kids I coached at St. Agnes.

During World War II, Jim took a leave of absence from St. Agnes to join the Marines. As a Marine Corps officer, he saw extensive combat duty in the Pacific, including action at Guadalcanal. He remained in the Marine Corps Reserve in later life and retired as a full colonel.

He wrote many inspiring letter from his combat assignments during the war that were reprinted in a * * *serving in the military around the globe. In one of his letters, as he was aboard ship and waiting to go over the side, he wrote:

"There is absolutely no group of men in this wide world as loyal and devoted to its alma mater and to each other as you fighting boys from St. Agnes. No doubt, as you move from place to place in your travels to all continents and mingle with men from all states and nations, you must begin to appreciate more and more that spirit of St. Agnes—the spirit that is so much part of your daily lives.

"No one but a St. Agnes boy could understand that deep loyalty and respect you have for each other. Stick together in war as you did in peace. Let the Sisters back home know where you are and what you are doing. Whether a private or a captain, you all speak the same language; you all have the same ideals and you are all heroes in my book. The Sisters feel likewise. They are bursting with pride and joy over your accomplishments."

That's the type of man Jim Faulk was—always inspiring, encouraging and motivating St. Agnes men to excel and achieve. And many St. Agnes graduates heard his message and followed in his footsteps. Many walk taller in life today because of Jim Faulk's effort and concern. He cared like nobody cared.

Literally hundreds and hundreds of St. Agnes men, including two brothers and myself, joined the Marine Corps, inspired by the example set by Coach Faulk. He was probably the greatest unofficial recruiter the Marine Corps ever had. Continually inspired by Coach Faulk, many St. Agnes graduates have gone on to achieve great success in life. Joe Rosen, widely known as "Mr. St. Agnes Alumni Association," reports we have more than our share of doctors, lawyers, priests * * * professionals in the crafts and trades.

Jim and his wife Betty were never blessed with children of their own. But that didn't bother us. Many St. Agnes men adopted the Faulks—and they adopted us, and our children, as part of one big, happy family.

Some of us, including myself, even named our children after Coach Faulk. My eldest son, James Faulk Merna, 21, is a midshipman second class at the U.S. Naval Academy and president of the Class of 1987. Coach Faulk was very proud of his namesake, and visited him at Annapolis.

Coach Faulk once told me in a letter, while I was in Korea during that war, "One character trait that I admired in all of you St. Agnes men—you went out into the world with two strikes on you and never expected to be embraced, gave your all for your country when it asked, and, now, most of you are raising families who can truly say—my father came up the hard way."

The citizens of Rockland County honored Jim Faulk during his lifetime—and he had a deep and abiding love for them as well. This was manifested to me a few years ago when I asked Coach Faulk for a thought or two that I might be able to use in speaking to the John M. Perry American Legion Post in Sparkill. He offered the following:

"The people from Piermont, Sparkill and St. Agnes represent what this America really stands for. Their loyalty was always unquestioned, their dedication 100 percent, and they proved to be the greatest fighters in the world. Proof of their courage and sacrifice is evident in the Sparkill Square on Memorial Day where so many crosses are on display. No two towns in Rockland County together gave so many of their youths for the cause of freedom in World War II."

This was Coach Faulk—a giant among men, a stout patriot, God loving, widely respected and emulated. We cherish his memory and share in the very personal grief of his loved ones. By his personal example and lifetime of encouragement, he inspired many to greatness.

Rest in peace, Coach Jim Faulk.●

A TRIBUTE TO WILLIAM DAVID SMITH II

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. SHELBY. Mr. Speaker, I would like to invite my colleagues to join me in congratulating William David Smith II, on his appointment as chairman of the board of Spaw-Glass, Inc., a general contracting firm based in Houston, TX.

Mr. Smith is a partner in the Tuscaloosa, AL, public accounting firm of Morrison & Smith, specializing in business consulting, tax and auditing. he has been a member of the board of directors of Spaw-Glass since 1983, and replaces T.F. Glass, Jr., who will serve as chairman emeritus and remain as a consultant.

Spaw-Glass, Inc., founded by Glass and Spaw in 1953, has grown from a two-man operation to a major firm that employes 1,200 people in Houston, Dallas, San Antonio, TX and Tampa, FL.

The firm has completed more than 2 billion dollars' worth of construction projects in Houston and elsewhere since 1953 and has been ranked among the 400 largest general contractors in the Nation for 21 years by Engineering News-Record.

Spaw-Glass, Inc., is noted for its work on schools, hotels, hospitals, churches, condominiums, office buildings, retail centers, and industrial complexes. Its current projects are in Texas, Florida, Louisiana, and New Mexico.

Bill David Smith is the kind of individual who knows the true meaning of hard work. We need more like him in our business world today in order to strengthen this country's economic path. Alabama is fortunate to have a man of his caliber on her business team. It was with the utmost pleasure and pride that I named him as a delegate to the 1986 White House Conference on Small Business.

Mr. Smith is a graduate of the University of Alabama in Tuscaloosa, receiving his B.S. in accounting in 1956. He returned to the university, and a year later earned his M.B.A. degree.

In addition to his duties at Morrison & Smith and Spaw-Glass, Mr. Smith is also a member of the American Institute of Certified Public Accountants where he serves as chairman, area 2 planning subcommittee of the State legislation full committee. He is also a member of the Alabama Society of Certified Public Accountants, where he serves as chairman of the State legislation committee. He also serves as the Federal key coordinator in Alabama for the Washington office of the American Institute of Certified Public Accountants. Through these efforts in his profession, Bill David is recognized as a leader—throughout the public accounting industry.

Even though he keeps a busy schedule, Mr. Smith takes an active interest in his community. His civic involvements include membership on the board of directors of both the United Way of Tuscaloosa County and West Alabama Arts Council. He has played a pivotal role in fundraising efforts for the Y.M.C.A., Industrial Development Authority, Chamber of Commerce and Boy Scouts.

William David Smith has brought great honor and pride to his family, his business, the Tuscaloosa community, and the State of Alabama. I am proud of his accomplishments and achievements and certainly wish him the very best in his future endeavors.●

THE RETIREMENT UNIVERSAL SECURITY ARRANGEMENT ACT OF 1985

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mrs. ROUKEMA. Mr. Speaker, I am pleased to join the gentleman from Vermont, JIM JEFFORDS, in introducing the Retirement Universal Security Arrangement Act of 1985. This bipartisan legislation—nicknamed "Retirement-USA"—takes a momentous step

forward in addressing one of the most serious shortcomings of our pension system today—the lack of "portability" of pension benefits from one job to another.

Earlier this year, the Subcommittee on Labor-Management Relations, on which I serve as ranking Republican, conducted a series of hearings on the need for a coherent national retirement income policy. These hearings were particularly timely in that the comprehensive Federal pension law—the Employee Retirement Income Security Act [ERISA] has just completed its first decade.

If there was a single point upon which a consensus was heard it was that ERISA is working well for those employees who retire with a vested benefit which they can then receive as a "stream of income" in annuity form. But we learned that the vast majority of employees do not fall within this category.

In the first place, 48 percent of the work force is not covered by an employer-provided pension plan. This varies considerably from industry to industry with a high percentage in some, like public utilities, 93.1 percent, and a low percentage in others, such as business and personal services, 33.8 percent.

Even among those employees who are covered, the value of their pension coverage is diminished considerably by the current mobility which characterizes our labor force. Among men, the average tenure on a single job varies from 3.7 to 8 years, depending on the age group. With women, it varies from 2.3 to 3.9 years.

What does this mobility mean as far as pension benefits are concerned? In the first place, where plans adopt the minimum vesting requirement of 10 years, it means that any service for a lesser period will earn no pension benefits. Yet, even where an employee does vest, the plan frequently will "cash-out" his benefit when he leaves employment, thus allowing the funds to be used for purposes other than retirement income. Clearly, this is unfavorable both for the economy, which loses savings and capital formation, and for the individual who loses a future source of retirement income to supplement Social Security.

Even where employees are trying to provide for their retirement income through individual retirement accounts [IRA's], it is hardly a sufficient substitute since IRA's provide lump-sum benefits. This money can be used to purchase an annuity, but at a much higher rate than those paid by pension plans, which benefit from economies of scale.

At the conclusion of our hearings, it was apparent that what is clearly needed to address these deficiencies is a vehicle for employees to be able to move from one job to another with a single pension plan following that employee for the duration of his career. Mr. Speaker, that is precisely the vehicle which this bill provides.

A Retirement-USA would operate much like a statutory "prototype" defined-contribution pension plan. It would be tax qualified and would be established and maintained by a pension asset manager—bank, insurance company, mutual fund, and so forth. The investments made for the Retirement-USA account would be directed by the employee-participant, who would have to have at least three investment options available to him, one of which would have to be principally backed by Treasury obligations.

Besides offering the employers of uncovered workers a no-frills incentive to make pension contributions, Retirement-USA's would also provide another option for employers who already have a pension plan. Instead of cashing out or retaining accounts for terminated employees, an employer could transfer the cash value of vested amounts to a Retirement-USA, thus relieving the employer of the administrative burden of continuing to carry these accounts.

This bill serves a number of worthy goals: First, to preserve preretirement pension funds in the form of retirement savings for ultimate payout in annuity form to meet death, disability, and retirement needs; second, to provide voluntary pension portability for our increasingly mobile work force; and third, to improve social and tax equity for those employees not now covered under employer-sponsored plans.●

OUTER SPACE INVENTIONS ACT

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. LUJAN. Mr. Speaker, today I am introducing a bill which is critically important to the future of space commercialization. Called the Outer Space Inventions Act, this bill, when coupled with a bill already introduced by my colleague [Mr. KASTENMEIER] which clarifies the application of U.S. patent law to outer space in general, will go a long way to creating a climate in which space commercialization can survive and even flourish in the years ahead.

Mr. Speaker, what my bill, the Outer Space Inventions Act, does is to lay some positive ground rules for intellectual property rights in space by providing that any person who makes an invention in the course of activities in outer space shall retain all patent rights to such an invention. To achieve this objective, this bill amends title 35 of the United States Code and the National Aeronautics and Space Act of 1958.

Many estimates have been made and revised on the economic impact of space commercialization to the future of our Nation. While it is not clear whether the payoff to our country will be a $50 billion a year industry by the year 2000 or a $40 billion a year industry, what is clear is that this fledgling industry will contribute substantially to our economy during the 21st century if the industry can get off the ground properly. While we in Congress have begun to examine ways in which to reduce the substantial risk of doing business in space by streamlining the regulatory process, and eliminating Government redtape in the case of commercial launch vehicles, we still haven't come up with a very good way to actively help space commercialization get off the ground. I believe that this bill is a good step in that direction.

As my colleagues know, there are some risks of doing business in space which, even if we set clear and consistent Federal space policies, we just can't do anything about. We can't for example, change gravity. We can't reduce some of the physical risks our emerging space pioneers and entrepreneurs will face living and working in zero gravity. What we can do, however, is try to make it more cost effective for companies to do business in space.

This bill, Mr. Speaker, does just that by granting the patents to any companies making discoveries in space. This legislation recognizes the importance of the profit motive to American industry and innovation, and encourages corporate America to go forth and commercialize space.

This legislation has received strong support from a variety of patent attorneys and companies. Nothing in this bill is intended to affect any pending cases.

I urge my colleagues to lend their full support to this legislation, for I believe that our future in space depends, in large part, upon the passage of initiatives just like this one.

H.R. 3112

A bill to amend title 35 of the United States Code, and the National Aeronautics and Space Act of 1958, to provide that any person who makes an invention in the course of activities in outer space shall retain all patent rights to such invention

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Outer Space Inventions Act".

SEC. 2. Part II of title 35, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter 19—PATENT RIGHTS IN INVENTIONS MADE IN OUTER SPACE

"Sec.

"221. Policy and objective.

"222. Ownership of patents on inventions made in outer space.

"223. Reservation of Federal license to use inventions made in outer space with full Federal funding.

"§ 221. Policy and objective

"It is the policy and objective of the Congress to use the patent system to promote the commercialization of outer space; to emphasize long-term economic and policy stability in the commercialization of outer space; to encourage innovative space ventures; to alleviate some of the extraordinary financial risks involved in the commercialization of outer space by business concerns and others; and to provide appropriate incentives for investments in commercial space ventures.

"§ 222. Ownership of patents on inventions made in outer space

"(a) In any case where an invention is made by a person in the course of activities of any kind in outer space, whether made with assistance from one or more Federal agencies or in the course of work performed under contract with one or more Federal agencies or otherwise, such invention shall be the exclusive property of that person, and if the invention is patentable a patent therefor may be issued to that person in accordance with this title notwithstanding any other provision of law. The rights given to an inventor under this subsection may not be waived or abrogated by any contract or other arrangement between the inventor and any such Federal agency.

"(b) As used in this chapter, the terms 'Federal agency' and 'made' have the meanings given them by section 201, and the term 'person' has the meaning given it by section 305(j)(1) of the National Aeronautics and Space Act of 1958.

"§ 223. Reservation of Federal license to use inventions made in outer space with full Federal funding

"In any case where an invention is made by a person in outer space with assistance from one or more Federal agencies or in the course of work performed under contract with one or more Federal agencies, and all or substantially all of the costs incurred and services required by that person in connection with the invention are paid or provided by such agency or agencies as part of such assistance or as payments under such contract, the head of such agency (or any of such agencies) may reserve an irrevocable, nonexclusive, nontransferrable, royalty-free license for the practice of the invention throughout the world by or on behalf of the United States or by any foreign government pursuant to any treaty or agreement with the United States.".

SEC. 3. Section 305 of the National Aeronautics and Space Act of 1958 is amended by adding at the end thereof the following new subsection:

"(m) None of the provisions of this section shall apply with respect to any invention which, under section 222 of title 35, United States Code, is the exclusive property of the inventor.".

SEC. 4. The amendments made by this Act shall apply with respect to inventions made on or after the date of the enactment of this Act.●

THE CROATIAN HOLOCAUST CAN NEVER BE FORGOTTEN

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. FEIGHAN. Mr. Speaker, on Sunday, May 26, a memorial Mass was celebrated at St. Paul (Croatian) Roman Catholic Church in Cleveland, OH, to commemorate Croatian war dead and the Croatian victims of the genocide perpetrated by the Yugoslav Communists after the Second World War. Following the ceremony, a commemorative program, sponsored by the Joint American Croatian Organization of Cleveland, was held. During the program, papers and resolutions dealing with the murders of numerous Croatians, including over 200,000 young soldiers, were read and approved. One resolution, signed by Bozidar Abjanic, president, Ratko Barisic, vice president, and Ivan Coric, secretary of the Joint American Croatian Organization of Cleveland, calls for an end to official U.S. silence and for a public acknowledgment of the genocide enacted against the Croatian nation by the Yugoslav Communist regime. The resolution has been called to my attention by Jerome A. Brentar, president of the American Croatian Academic Society.

I believe that other Members of the House will be interested in the resolution, and I ask that it be included in the RECORD.

JOINT COMMITTEE OF CROATIAN AMERICAN ORGANIZATIONS OF CLEVELAND RESOLUTION OF THE 40TH ANNIVERSARY OBSERVANCE OF THE CROATIAN GENOCIDE: SUNDAY, MAY 26, 1985

Whereas on this Memorial Day, a befitting annual observance has been set by the American people to commemorate and honor the war dead of this great country we as American Croatians join in this memorial observance and express our deepest gratitude for the sacrifices of all those Americans, since the founding of this Nation, who gave their lives for the preservation of future generations, and for the democratic ideals embodied in the Constitution and the American way of life; and

Whereas the freedom-seeking Croatian nation, from which we are descended, has also a special meaning to us, the assembly thus finds it especially fitting to honor the Croatian war dead, particularly the 200,000 Croatian soldiers, representing a whole generation of Croatian youth, together with an even greater number of Croatian civilians, who in May 1946, and the end of the World War II hostilities, fell victims to Communist treachery and virtual genocide for the recreation of the synthetic State of Yugoslavia; and

Whereas the perpetrators of genocide utilise mass murder with the intended result of the liquidation of a nation, the assembly, therefore wishes to emphasize to America and the Free World the reason for this horrendous crime by reiterating the phrase propagated by the communist minister of Propaganda and Provocation that "Croatian soldiers must die in order that (then defunct) Yugoslavia may live", which was followed to the letter by the partisan generals, Kosta Nadj and Koca Popovic, Tito's chief henchmen in charge of the genocidal operations against the Croatian nation;

Whereas genocide is an international crime of the worst nature, violating all the inalienable divine, civil and human rights of men and nations to existence, the assembly herewith petitions the U.S. government to end the forty years of public silence in regard to this peacetime holocaust and also to begin an investigation process for identifying the military and government figures involved in the extradition process against the Croatians from surrender points under Western allied control that has allowed for and, in some instances, even encouraged the greatest crime that has been committed against any European nation in the aftermath of World War II. Elementary justice demands that this genocide of the Croatians be acknowledged before the world and that the names of all those who, in any way, have been responsible for its happening be made a part of the public record.●

CHILDREN'S SURVIVAL BILL

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. MILLER of California. Mr. Speaker, I am pleased to introduce, along with my colleagues CHARLES RANGEL and MAJOR OWENS, the children's survival bill on behalf of the Children's Defense Fund, a nonprofit organization working to improve the quality of life for low-income children and their families. A companion bill has been introduced in the Senate by Senator CHRISTOPHER DODD.

With this bill, we hope to stem the rising tide of poverty, infant mortality, ill-health, abuse, and neglect that threatens to engulf America's children.

Today we can offer a serious response to the problems our children face. We can create an agenda for investment in children that is worthy of them, which is what this bill does.

I do not believe, given current conditions, this is an opportunity we can pass up.

Failure to act means accepting more impoverished children than at any time in the last 20 years—13.8 million. Three million new poor children in 5 years is a record of shame. We have erased a quarter century of progress in a very short time, and with it, heightened the risks for millions of children.

Failure to act means an end of reductions in the infant mortality rate. Our child health officials admit we cannot reach our own goals. Do we really want to be stuck at No. 16 in the world in infant mortality rates?

Failure to act means accepting more abused children, more untended latchkey children, more pregnant teenagers, more families driven apart

unable to provide the basics, drawing on shelters, and soup kitchens for their most basic needs.

There is little doubt or debate over the conditions children now face. Nor do we need to fashion miracle policies to solve these problems.

But we do first have to face reality. We know from our work at the Select Committee on Children, Youth and Families that children and their families are facing stresses greater than those faced in the past. A combination of changes in the workplace, in family composition, and in the economy have pushed children into circumstances that are far different, and in many ways, more difficult, than those in which we grew up. The children's survival bill will promote cost-effective programs which have proven records of preventing abuse and neglect, malnutrition, illiteracy, teen pregnancy, and dependency.

This bill invests in success, in healthier families and children. Four of the programs it contains, will themselves save the tens of millions of dollars, while enriching the lives of our children.

They include:

Head Start: A motivating program for young children that has a 20-year track record of success. For every $1 invested in Head Start, $3 are returned in reduced taxpayer costs, and increased public receipts. Head Start children are less likely to become pregnant as teens, less likely to become dependent on welfare, and more likely to enter vocational school, college, or the workforce.

WIC: The Women, Infants and Children Feeding Program, which study after study has found a success. A $35 a month WIC nutritional package for an infant can save far more than $1,400 a week it costs to hospitalize an infant for treatment of malnutrition.

Chapter I: The Education of the Disadvantaged Program teaches young children to read and compute at a cost of approximately $625 per year, compared to the more than $3,000 cost of keeping a child back to repeat a grade. Currently, nearly 10 million children repeat at least one grade during the course of their education.

Maternal and child health programs: Programs which are especially cost effective. Every dollar spent on comprehensive prenatal care saves $2 in the first year of an infant's life alone because of reduced need for hospital care.

Those are the core programs of this legislative package. They are workable, cost effective and urgently needed.

On behalf of the children of this country, and their futures, I invite you to join with me in cosponsoring the children's survival bill.●

THE ITEM VETO

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. DINGELL. Mr. Speaker, I enter into the CONGRESSIONAL RECORD an excellent editorial appearing recently in the Detroit News on July 22, 1985, denouncing the item veto. I believe this article merits the consideration of all of my colleagues in both bodies.

The article follows:

[From the Detroit News, July 22, 1985]

THE ITEM VETO MIRAGE

A filibuster in the U.S. Senate continues in an effort to block legislation that would give the president a line-item veto. Such a veto would allow the president to eliminate individual items in a congressional appropriations bill. Mr. Reagan has repeatedly called for such authority. On Thursday, he sent a letter to some senators in which he said a line-item veto "would go a long way toward assisting our efforts to provide sound fiscal management at the federal level."

It's a tempting device, particularly on the heels of the recent breakdown in budget negotiations in Congress. Despite all the handwringing about deficits in recent years, the spending path of the federal government has continued inexorably upward. Though revenue is rising at a record rate—because of the tax rate cuts in 1981, not in spite of them—spending has been rising as fast or even faster.

But would a line-item veto be the magic bullet that's needed to break this cycle? The evidence suggests it wouldn't. It might even provide encouragement for more federal spending.

The assumption behind the line-item veto is that presidents are fiscally prudent, while Congress, caught in the grip of narrow special interests, is profligate with federal tax dollars. But as Norman J. Ornstein, a scholar at the American Enterprise Institute and a student of Congress, has pointed out, our history suggests that presidents are no more willing than congressmen to take the political heat for cutting politically popular spending projects.

"More often than not," Mr. Ornstein has written in Fortune magazine, "Congress has had to protect the public purse from presidents pursuing expensive military objectives, wanting to buy more territory, or expanding federal involvement in commercial affairs." The self-aggrandizing tendency of the executive branch, Mr. Ornstein adds, can be seen in the parliamentary governments of the European nations, where strong executives dominate weak legislatures. In almost all cases, European government expenditures consume a larger portion of the gross national product than in the United States.

Adoption of the line-item veto would significantly change the balance between the executive branch and Congress, as those opposing it in the Senate, such as Charles McC. Mathias Jr. of Maryland, point out. An example: If the president wants congressional support for one of his spending projects, he can call up a senator or congressman and demand support for his project—with the threat that the dam or highway for the congressman's district will be line-itemed out of the budget if the vote goes the wrong way. Log-rolling will simply be extended one step further. The net result will be that the public will wind up paying for the president's pet projects and the congressman's projects, too.

Then there is the risk that members of Congress, secure in the knowledge that the president has line-item veto power, will dump ever more egregious amounts of pork into the federal budget, expecting the president to cut it while they take the credit from their constituents for trying to "bring home the bacon." Multiply that temptation 535 times and you have a formula for government spending growing even more wildly out of control.

But why, supporters of the line-item veto ask, should the president be denied the power granted to 43 state governors? Hasn't the line-item veto worked in those states? No. Benjamin Zycher, an economist at Cal Tech, has examined state and local spending in the seven states without an item veto and found that on average, their per capita spending rates are lower than in the rest of the states. The Constitution has already given President Reagan a weapon to cut federal spending that he has been loath to use; the veto. A study by Heritage Foundation scholars James Gatusso and Stephen Moore notes that Mr. Reagan vetoed 39 bills in his first term, slightly below the historical average. Ten out of the 15 presidents in this century, they add, vetoed more frequently than Mr. Reagan. In fact, Gerald Ford, whom Mr. Reagan called "soft on spending" in 1976, vetoed spending bills at four times the rate that Mr. Reagan has, according to Messrs. Gatusso and Moore.

The case for granting the president—any president—line-item veto power is dubious. Its benefits are a mirage. If Mr. Reagan wants to put a lid on spending, he could make more effective use of the tools he already has. The budget problem is fundamentally a political problem. Until a constituency has been built for cutting spending in significant ways, it matters little what devices we put in the hands of the politicians. We have opposed the idea of a constitutional amendment to balance the budget for much the same reason.

The line-item veto would do far less violence to the established ways of doing business then a balanced-budget amendment, and for that reason we would oppose its adoption too violently. But anybody who thinks it's likely to solve the federal governments' penchant for spending is likely to be disappointed.●

APARTHEID AS THE CAUSE OF REBELLION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. RANGEL. Mr. Speaker, we live in an age which has witnessed countless rebellions, coups, and civil wars. These events have sometimes been instigated by small groups of leftist or rightist extremists but, as often as not, a legitimate grievance has led common men and women to rise up.

Apartheid is the root cause of unrest in South Africa. The violence has not been inspired by communist ideology or terrorist fanaticism. Nor has it been engendered by racist polarization between blacks and whites. The catalyst has been a social system, one that has exploited a majority for the benefit of a minority.

The system of apartheid will not last forever. It cannot. Sheer numbers, combined with black activism, make apartheid's demise a matter of time. It is my hope that the white minority will relent before it is too late.

I would like to insert the following editorials into the CONGRESSIONAL RECORD. The column written by Bishop Desmond Tutu is particularly enlightening, and I urge my colleagues to consider it as the debate on United States/South Africa ties continues.

[From USA Today July 22, 1985]

THE ONLY ISSUE IS RACIST APARTHEID

Once more the dagger of apartheid has blood flowing from the wounds of South Africa—and still the racist government there clings to the myth that blacks are inferior and unworthy of full citizenship rights.

This weekend, the Botha government declared a state of emergency, the first in 25 years, and began throwing blacks in jail without due process of law.

For a year, the unrest among blacks has seethed. Gradually, a ground swell of black protest has gained momentum. There have been marches by blacks who have been met by force of arms, tear gas, gunfire. Now there are economic boycotts—blacks refusing to trade with white merchants.

And there is widespread disorder. Arson and stone-throwing, met by police tear gas and bullets, occured in 20 townships over the weekend.

Rivulets of blood threaten to become a raging river.

Sunday, police shot and killed three blacks in Tumahole. Not all the bloodshed has been by one race directed against the other. Last week, a black woman who traded with a white store owner was brutally slain by angry blacks.

In 10 months, more than 450 have been killed, hundreds of others jailed, and thousands have been wounded.

Many who are held in prison were arrested only because they spoke out against government racism.

Racial violence is by no means new to South Africa. Nor is the oppressive action of a government that has jailed blacks without legitimate charges, punished them without trial, and, in many documented cases, killed them for their political beliefs.

In the past, when discontent festered then erupted into outbreaks, the authorities smothered them. Always, there have been warnings that some day . . . some day . . .

But the racist leadership is too insensitive to listen, too intransigent to change, too ignorant to understand that 5 million whites cannot forever suppress the burning hopes of 22 million blacks for a chance to learn, to work, to vote, to live with dignity in freedom. The new, so-called "colored parliament" is a fraud on its face. Powerless.

In the USA, there has been a building sense of disgust over the rancid racism in South Africa.

In Congress, in corporations with investments in South Africa, in institutions of higher learning, and on the streets there have been different sorts of demonstrations reflecting outrage and opposition to South Africa's policies.

At this point, there is concern and fear that finally time may be running out in South Africa. Something—everything—must be done to try to bring the leaders there out of their mindless stupor.

Persuasion, diplomacy, economic sanctions—all this and more must be used to warn them that they will be wading into a bloodbath that will drown them.

They must wake up to the fact that "some day" may be now.

VIOLENCE WON'T SOLVE PROBLEMS

(By Desmond Tutu, Guest Columnist)

JOHANNESBURG, SOUTH AFRICA—The basic cause of all the trouble in our country is apartheid. Many in the black community, incensed at the injustice of apartheid, believe that anyone who collaborates to any extent with the apartheid system is a co-oppressor.

Collaborators were dealt with very, very harshly, with summary justice, during World War II. In Ulster, those thought to be sellouts of the IRA cause often have their kneecaps shot off. This is not to condone what is done, but it is a phenomenon that is universal.

Our effort as the church is to say that any form of violence is unacceptable and will not in the end solve the problems of our country. I spoke out very, very firmly against this kind of violence and said, "It fills or ought to fill any right-thinking person with repugnance." I called on the black community please to desist from methods that would discredit our cause.

I said, "You are harming the cause of liberation, because the government of South Africa will merely display scenes of this kind and say, 'Do you think that these people deserve the freedom for which they are crying out and for which they are working?' " This causes us considerable concern.

There is an escalation of violence in this land, and a great deal of it stems from the authorities. We are beginning to see something very much like what is happening in many Latin American countries.

But we in the churches are saying that there is still a great deal of good will, and if only the government were willing to sit down with the authentic leaders and representatives of every section of our community, there would be the possibility of moving forward.

As a Christian, there cannot come a time when we give in to despair and pessimism.

Because of the death and resurrection of our Lord Jesus Christ, we are bound to be prisoners of hope and hold onto the belief that it is still possible to persuade the authorities to see that our land is going to go up in flames unless they do what we are suggesting.●

THE 20TH ANNIVERSARY OF MEDICARE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Ms. OAKAR. Mr. Speaker, today is the 20th anniversary of Medicare—a key program in the promise of a great society for all Americans, young and old.

Twenty years ago, we as a nation promised our senior citizens they would have access to health care and protection from financial disaster brought on by high medical bills. Today, we have yet to fulfill that promise. On its 20th birthday, Medicare offers older Americans only partial protection against hospital and medical expenses, and no coverage at all for major expenses such as long-term care and prescription drugs.

Adequate health care protection is a crucial component of retirement security. As we age, senior citizens need roughly twice as much health care as younger Americans. Yet, older Americans continue to face the very real possibility of financial ruin from long term, disabling illness.

Before Medicare began, senior citizens were spending 15 percent of their income on health care. Now, after 20 years of health care inflation and 5 years of the Reagan administration's budget cuts, seniors again are spending 15 percent of their income on health care. By 1990, the elderly's health bills will consume almost 19 percent of their total income, or close to $2,600 annually. In addition, by 1990, the elderly's projected annual rise in health care costs will be 10.4 percent, although their income will grow by only 6.4 percent.

These figures describe the average burden. Medicare, as we know, covers only the average health care expenses. However, for the elderly in need of long-term care—the most threatening of unmet health care needs—prospects are even more grim. For over one-third of the elderly—and for over 60 percent of the elderly who live alone—the onset of a chronic illness such as Alzheimers would drive them completely into poverty within a matter of weeks. This is because Medicare contributes next to nothing toward the expenses of long-term care.

Medicare also contributes little or nothing toward the cost of prescription drugs, preventive care, dental care, vision care, hearing care, mental health care, or foot care. Furthermore, the heath care that is covered under Medicare will grow more and more expensive if the Reagan administration persists in its policies of raising premiums, copayments, and deductibles for the elderly. This must not continue.

As Medicare enters its third decade, let us strive to improve the program and fulfill its promise. To do this, we must accomplish three goals:

First, we must reject all efforts to place the elderly at greater risk by increasing the cost of their health care under Medicare. Never again should a President's budget threaten the elderly with delayed eligibility, higher payments, or reduced coverage under Medicare. Such cuts are not only

cruel, they are contrary to the program's purpose and exacerbate existing problems of limited access to care and high costs.

Second, we must take steps to make Medicare the comprehensive health care program that it was intended to be, and which seniors need. I have introduced a package of legislation to fill in the gaps in Medicare coverage. H.R. 1401 would cover long-term care under Medicare through innovative, comprehensive programs providing case management and community care. H.R. 1402 would offer a preventive care option under Medicare to cover regular health screening for the elderly. Finally, H.R. 1403 would create a part C of Medicare to cover dental, vision and hearing care, and prescription drugs. These benefit reform bills are vitally necessary if seniors are to have adequate health coverage to meet their needs.

Third, we must adopt reasonable, effective health care cost containment strategies so that neither Medicare, nor the elderly it serves will be threatened further by uncontrolled inflation. By working closely with health care providers, private employers, and the States, we can achieve our cost containment goals while protecting access to care for all Americans.

Mr. Speaker, I believe the 20th anniversary of Medicare is a time not only to reflect and celebrate, but to accept a challenge. Our Nation has both the will and the resources to fulfill the promise of adequate health care protection for all its citizens. Let us get on with this worthy task.●

NOMINATION OF ALFRED A. SLOCUM AS NEW JERSEY'S PUBLIC ADVOCATE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. RODINO. Mr. Speaker, last week Governor Kean of New Jersey nominated Rutgers Law School professor Alfred Slocum to be the State's public advocate. Al is a distinguished lawyer, a champion of the underpriviledged, a committee advocate, and a good friend. I want to extend my congratulations on his nomination.

Al's exemplary career is a story of energy, ingenuity, intelligence, and dedication. Born and raised in East Orange, NJ, Al earned his bachelor's degree from the Newark College of Engineering and worked as an electrical engineer for nearly a decade. During this time, he served on the NAACP but got frustrated hearing lawyers tell him what could not be done. So he went to law school—to find out what could be done.

Al attended Rutgers Law School in Newark, close to home, and while there helped found the Minority Student Program, which remains a success today. Upon graduation in 1970, he accepted a part-time position on the Rutgers faculty while obtaining his master of laws degree from Yale University School of Law. Since than, he has taught at Rutgers.

Al has been an active member of the legal community. Last fall he was elected president of the Council on Legal Education Opportunity, a nationwide program partially funded by the American Bar Association to help economically and academically deprived students prepare for law school. He is also on the board of directors of the Puerto Rican Legal Defense and Education Fund and the Essex County Legal Services Program, and is a member of the National Conference of Black Lawyers. Previously he has served as general counsel of the National Organization of Black Law Enforcement Executives.

The public advocate position is a challenge, and Al is the right man for it. The position was created under former Gov. Brendan Byrne to meet the very real need for providing legal access and advocacy for the many citizens who otherwise stand powerless before large institutions. Although "equal justice for all" is one of the great promises of our democracy, it is little more than an abstract notion for many Americans. The public advocate's role is to make this promise a reality. I know Al will do everything in his power to do just that.

My best wishes go out to Al Slocum as he undertakes his new role. He is a superb choice, and he will fulfill his responsibilities with great distinction.●

AMWAY CORP. CELEBRATES 25TH ANNIVERSARY

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. HENRY. Mr. Speaker, 25 years ago, two enterprising business partners from my district, Jay Van Andel and Richard DeVos, launched Amway Corp. from the basements of their Michigan homes. Combining their business acumen and leadership talents, DeVos and Van Andel built Amway into a major force in our national economy and the world's direct selling industry.

Today, Amway Corp. operates in more than 40 countries and territories around the world through 1 million independent distributors. Those distributors can offer their customers nearly 400 Amway products, most of which are manufactured at the company's world headquarters in Ada, MI, or its Nutrilite Products subsidiary in Buena Park, CA. Thus, Amway contributes directly to reducing our Nation's international trading deficit.

Throughout its history, Amway's cofounders have remained faithful to the fundamental principles of free enterprise and personal liberty. While building its sales to over $1 billion annually, this company consistently rewards individual success in proportion to individual effort.

Amway is one of our Nation's largest enterprises, providing a business opportunity to millions around the world. Therefore, I would like to ask my fellow Members to join me in offering our warmest congratulations to Amway Corp. on the occasion of its 25th anniversary—along with best wishes for many more years of business success.●

PROHIBIT USE OF FUNDS TO PERFORM ABORTIONS

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mrs. LLOYD. Mr. Speaker, earlier today, I voted for an amendment offered by Mr. SMITH of New Jersey to the D.C. appropriations bill to prohibit the use of funds to perform abortions. While I supported this amendment, I strongly feel that it should include an exception for the life of the mother. I have consistently voted for pro-life Measures in Congress with the expressed feeling that the life of the mother was paramount. It is my understanding that when this bill goes to conference a life of the mother disclaimer will be added.

I'm pleased to have had the honor of being voted the outstanding pro-life member of Congress by the American Life Lobby because of my strong support for the unborn. And while we have made significant progress in our fight for the right to life we must not relax our efforts. I urge my colleagues to join me in supporting this effort and call on the conferees to recognize the importance of protecting not just the unborn infant's life but also the life of the mother.●

FRIENDS OF THE EARTH OPPOSES U.S. POLICY TOWARD NICARAGUA

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. LOWRY of Washington. I would like to bring my colleagues' attention to a recent statement on Nicaragua by the environmental organization Friends of the Earth.

I believe that there are many reasons why the Reagan administration's policy toward Nicaragua is wrong and is not in the best interests of the United States. The victims of this policy are farmers, teachers, medical workers, and other innocent people. The policy is a counterproductive throwback to the old days of gunboat diplomacy that has negative effects throughout Latin America because it violates the principle of noninterventionism in a way that deeply concerns democratic elements in the region. It violates international law and treaty obligations which our Nation has pledged to honor. It employs a hypocritical double standard to criticize Nicaragua's human rights record while ignoring serious human rights abuses in other Central American countries. Finally, it risks more direct U.S. involvement, which would be disastrous. For these reasons, I continue to oppose U.S. aid to the Contras and to favor meaningful support for the Contadora process as well as negotiations between the United States and Nicaraguan Governments.

The Friends of the Earth resolution offers another perspective on this issue which I thought would be of interest. I commend it to your attention.

Resolution on United States in Nicaragua

Whereas the state of the environment in Central America is of concern to Friends of the Earth, and;

Whereas the elected government of Nicaragua has attempted to improve previous environmentally destructive policies by: initiating reforestation projects, instituting integrated pest management programs in agriculture, protecting genetic diversity in the wild and in seed banks, initiating agrarian reform and land redistribution, developing alternative soft-path energy systems, creating a national park system, protecting endangered wildlife, initiating a literacy campaign, and more, and;

Whereas Friends of the Earth would like to acknowledge the existence and implementation of sound environmental policies by the government of Nicaragua, and;

Whereas Friends of the Earth would like to encourage the government of Nicaragua to continue and expand sound environmental policies, and;

Whereas Nicaragua's environmental policies serve as a positive model for the region, and;

Whereas sound environmental policies offer the possibility of a sustainable society in Nicaragua, and;

Whereas the Contra war is draining Nicaragua's economic, human, and physical resources necessary to implement sound environmental policies, and;

Whereas the Contra war is making it physically impossible to safely institute many environmental reforms such as reforestation, and;

Whereas warfare is directly destructive to the environment, and;

Whereas the continued state of war in Nicaragua causes refugees and others to utilize the land more harshly than they might otherwise, and;

Whereas costs to the United States of funding the Contra war divert dollars, talents, attention, and resources from our own environment's protection and restoration, and;

Whereas Friends of the Earth believes that peaceful solutions to conflicts are possible: Be it, therefore,

Resolved, That Friends of the Earth, recognizing the moral imperative requiring it to address the Nicaraguan conflict for the sake of the Nicaraguan people and the Central American environment, calls upon the United States government to end its Contra war in Nicaragua and seek peaceful solutions to that conflict.●

INTRODUCTION OF RETIREMENT-USA: LEGISLATION TO IMPROVE PENSION COVERAGE, PORTABILITY, AND ASSET PRESERVATION FOR RETIREMENT

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. JEFFORDS. Mr. Speaker, today my colleagues on the Committee on Education and Labor—Mrs. Marge Roukema, Mr. Rod Chandler, Mr. Major Owens, Mr. Thomas E. Petri, Mr. Mervyn Dymally, Mr. Thomas J. Tauke, Mr. William D. Ford—and I are introducing a new legislative concept, "Retirement-USA," which is designed to improve pension coverage, to institute a form of pension portability, and to better preserve current pension plan asset accumulations for the payment of retirement benefits.

Our legislation, the Retirement Universal Security Arrangements Act of 1985, amends ERISA, the Employees Retirement Income Security Act of 1974, and the Internal Revenue Code to address those retirement issues which ERISA did not address or did not address well.

Take the issue of pension coverage. Experts agree that the widespread lack of pension coverage is the most serious problem remaining to be addressed by ERISA. Critics of the current tax structure also charge that by leaving out half of the Nation's work force, the system is inefficient and inequitable; they demand more from the $56 billion in retirement plan related tax expenditures. Far too many of our Nation's workers rely on Social Security alone for their retirement security. About half of recent retirees must meet their retirement living expenses without the benefit of employer sponsored or other individual retirement savings. The "Retirement-USA concept" meets head-on this challenge to expand pension coverage. It offers employers an attractive incentive to contribute on behalf of their employees to meet retirement, death, and disability needs; and it removes the significant barriers currently hindering employers from making pension contributions, as outlined in the May 1985 President's report on the State of Small Business.

Pension asset managers would establish Retirement-USA's thus removing the employer's burden to do so—for example, no employer start up costs. The pension asset manager of the Retirement-USA relieves the employer's burden by assuming all ERISA reporting, disclosure, and fiduciary obliations. The Retirement-USA operates with no administrative cost charged to the employer and the employer is under no obligation to continue to make contributions to a Retirement-USA—and, therefore, has no plan termination costs either. Employers would contribute on a simple formula percentage of compensation basis while employees would match employer contributions on a salary reduction, 401(k)-like basis, up to $2,000. Employees are more likely to save if the amounts do not show up in their W-2 wages. Finally, Retirement-USA's are group plans offering employees the freedom of choice of self-directed investments and availability of annuity, survivor, and other retirement income options.

A recent NBC news program labeled our Nation's $1.3 trillion in pension assets, "The Biggest Lump of Money in the World." A second pension policy challenge is to improve the efficiency with which this "Biggest Lump" delivers retirement income to supplement Social Security. Today too much of this sum is being cashed out and used for current consumption. This trend, magnified by the rise in the prevalence of defined contribution plans making distributions at job termination, will, if not properly channeled, have a negative effect on our national savings pool—pension assets being a primary source for new capital formation. On the other side of the coin, our increasingly mobile labor force, while generating a more frequent turnover of pension assets, is demanding a more attractive pension portability vehicle than currently exists.

The Retirement-USA steps up to meet these challenges to preserve pension assets for retirement purposes. Retirement-USA's are group portability plans that, unlike IRA's, allow employees to rollover their after-tax employee contributions as well as their pretax pension plan distribution. Retirement-USA's give employers a new incentive and means to deliver retirement benefits rather than lump-sum cash-outs. Retirement-USA's, as group plans, can offer spousal annuity and other retirement options at a lower cost—to emphasize the role of Retirement-USA's as a supplement to Social Security, all distributions would be made in a stream-of-income form unless spousal consent is otherwie obtained. Consistent with the current tax reform proposals before the Congress, if premature pension distributions are made subject to an excise tax, then such distributions from employer plans would be required to be transferred to a Retirement-USA, thus keeping such funds in the national savings column and lessening the future burden on Social Security.

The Retirement-USA legislation explicitly recognizes as a cornerstone of our national retirement income policy the so-called three-legged stool consisting of Social Security, employer provided pensions, and individual retirement savings.

By strengthening the second leg of the pension stool—the employer provided portion—the Retirement-USA concept builds on the Social Security floor of protection to the end that the private pension system is made more efficient in delivering retirement income. This result is also consistent that the tax policy goals—to achieve greater horizontal tax equity—embodied in the tax reform measures currently being debated in the Congress. We have worked cooperatively with the Department of the Treasury to achieve this result.

In brief the goals of the Retirement-USA concept are—first, to preserve preretirement pension plan distributions in the form of retirement savings for their ultimate payout in monthly benefit form to meet death, disability, and retirement needs; second, to provide voluntary pension portability for our increasingly mobile workforce by allowing employers to transfer to Retirement-USA's of their choice both after-tax and before-tax employee and employer pension accumulations for their terminated workers; and third, to improve tax equity for those employees not now covered under employer sponsored plans by removing ERISA burdens on employers, by providing a no-administrative-cost incentive for such employers to contribute for their employees on an immediately vested and nonintegrated basis, and by allowing matching tax-deductible employee contributions to Retirement-USA's.

The Retirement-USA concept can be likened to a statutory prototype tax-qualified defined-contribution pension plan. The arrangement is established and maintained by pension assets managers, in other words, those insurance companies, banks, mutual funds, and other managers now serving the pension investment community. Under the arrangement the employee-participants would self-direct their accumulated investments and each USA would have to provide at least three investment options—one of which would have to be principally backed by Treasury obligations—to serve both as an employee investment safe-haven and as a new source of Treasury financing to help lower interest costs. To emphasize the role of Retirement-USA as a supplement to Social Security death, disability, and retirement benefits, all distributions would be made in a stream-of-income form unless spousal consent is otherwise obtained.

Besides offering the employers of uncovered workers new incentives and a no-frills mechanism to make pension contributions, Retirement-USA's would provide employers who already have pension plans with a more meaningful option—a pension portability option—which contrasts with today's practice of cashing-out the vested benefits of terminated employees. Instead of cashing-out or retaining the accounts of terminated employees, an employer could transfer the cash value of vested amounts to a Retirement-USA. The amount transferred could be above or below the $3,500 limit under the Retirement Equity Act, thus relieving employers of the administrative burden of maintaining terminated employee accounts. It is intended that the proposal achieve the goal of retaining capital in the private sector for economic development while lessening the pressure for future increases in income transfer programs.

In summary the Retirement-USA concept was developed to take a long-term view with respect to retirement income policy; to address the fairness and horizontal tax equity issue in the retirement context; to address the challenges of a changing work force, increasing mobility and multiple careers, shifting of employment from heavy industry to service sector, need for employment of older workers, and so forth; to increase the efficiency of the private pension system in providing retirement income supplemental to Social Security; to address the growing demands for retirement flexibility and individual investment choice; and to improve on the capital formation and efficient market capabilities of the private pension system.

By way of background, in developing the Retirement-USA concept, it has been the view of not only my colleagues and I, but also the consensus of several Presidential commissions and other private and governmental study groups on retirement that a long-term approach should be fashioned in this most critical area of domestic policy. Trends in demographic, economic, employment and other social factors give clear warning that shortsighted policy changes today could serve up to future generations a retirement crisis of major proportions.

As a reflection of these concerns the Committee on Education and Labor, on which I serve as the ranking member, recently completed its hearings on the need for a national retirement income policy. There were several themes stemming from those hearings in which there appeared to be a rather broad consensus.

Let me capsulize some of these major issues reflecting my views and those of others who shared their expertise on the subject matter.

First, retirement and pension policy should be developed to take into account not only tax policy but social-labor policy as well. It follows that our national goal should be to explicitly recognize the so-called three-legged stool consisting of Social Security, employer provided pensions, and individual retirement savings as the basis for achieving adequate levels of retirement income.

Social Security must be recognized for what it was intended—as a basic floor of protection for every worker. Today all but a small minority of workers retire from their full-time jobs at age 65 or younger. Under the 1983 Social Security Amendments, future workers who voluntarily or involuntarily, because of health reasons, choose to retire at age 65 or under will have to adjust to retirement income levels up to 15 percent lower than is the case for today's retirees relying on Social Security alone. Not all future workers will have the opportunity to delay retirement until full Social Security benefits are available at age 67 or later. I mention this only to emphasize the point that in the future the other two legs of the three-legged stool—that is, employer provided pensions and individual retirement savings—will have to be relied on even more heavily than at present, if the relative retirement income levels of future retirees are to keep pace with today's levels.

Therefore, it is my conclusion that this is not the time for the Congress to be reducing incentives—tax incentives or otherwise—for employers and individuals to make contributions to pension arrangements providing more adequate supplements to Social Security. Even today too many workers, and as shown in the New Beneficiary Survey roughly one-half of new retirees, rely almost exclusively on Social Security. Rather than viewing current tax expenditures related to employer and individual retirement plans as a source to meet short-term budget and revenue needs, the policy focus should be a long-term one centered on making these expenditures a more efficient supplement to Social Security.

While a variety of ERISA changes for making the private pension system more efficient were suggested during the course of the Committee on Education and Labor's hearing on national retirement income policy, the themes most often repeated by business, labor, and employee groups fell into three general categories—briefly stated they are coverage, portability, and what I will term "pension preservation".

In his testimony Senator John Heinz stated that "coverage is the most serious problem." Dr. Emily Andrews of the Employee Benefit Research Institute [EBRI] reported on a disturbing finding from her research on pension coverage. She found that the coverage rate among nonfarm workers fell from 61 percent in 1979 to 56 percent in 1983. Stating that few are forecasting the robust growth in pension coverage experienced before 1979, she suggested the decline may have been caused by the 1982 recession and by post-ERISA legislation such as ERTA, Economic Recovery Tax Act of 1981 and TEFRA, Tax Equity and Fiscal Responsibility Act of 1982. Citing these and other examples of the effect of the frequent tax law changes to pension plans, the pension plan community seems to be speaking with one voice when as one proponent stated it "for the private employee benefit system to prosper, Government must follow a consistent and coherent long-term approach and not continually shift policies." Some suggest a 5-year moratorium on pension plan changes once a long-term policy has been put into place.

The individual retirement account [IRA] was the concept devised at the time ERISA, the Employee Retirement Income Security Act of 1974 was enacted to address the coverage and tax equity concerns at that time. Between 1975, the first year of IRA availability, and 1981, the last year the IRA was limited to the uncovered worker, utilization increased from 2.5 percent of those eligible to only 7 percent of the nearly 50 million uncovered work force. Even though the institution of the universal IRA in 1982 has expanded IRA coverage, principally for those who are already covered under pension plans, the fact remains that standing alone the IRA has not proven adequate as a pension savings vehicle for the vast numbers in the uncovered work force.

Given this fact as well as the current stagnation, if not retreat, in the percentage of workers covered by employer-pensions, we, as a nation, must consider the remarks of Dr. Andrews who concluded that "the challenge is to devise policies to encourage expanded coverage without producing adverse indirect effects on workers or firms." The Retirement-USA is the concept my colleagues and I have developed to meet this challenge.

The second general issue category suggested to us by business, labor, and employee groups as being ripe for policy development is along the lines of what some have labeled "pension portability." This term is not a well-defined one, but one business organization suggested that "it may be that portability's time has come" if the following advantages would accrue to employees and employers—if it would help to protect the purchasing power of an employee's vested benefits, and if it would remove from the employer's cost of administration those amounts attributable to maintaining the funds and records of vested terminated employees.

Additionally it was suggested that any proposal for portability address, among other things, the treatment of cash outs, whether participation should be optional, and the potential for a private sector solution. Advocates for multiemployer and single employer pension plans have expressed concerns that any portability scheme not mandate cash outs lest it lead to the underfunding of defined benefit plans. The Retirement-USA concept is designed to take all of these policy considerations into account, including the need for the portability of nondeductible employee contributions previously made to both private and public pension plans which are now precluded from IRA rollover treatment.

The third pension policy area in which there is a strong current for bipartisan agreement relates to what I have labeled "pension preservation." In the words of my Committee on Education and Labor colleague, BILL CLAY, "we ought to do more to insure that retirement plans are used to pay retirement benefits." The leading spokesman for multiemployer plans has also stated that the "practice of prematurely cashing out retirement benefits for consumption purposes ought to be discouraged." The explanation accompanying the President's tax reform initiative suggests that the proposed excise tax on premature pension distributions is designed to encourage retirement savings and discourage early and lump-sum withdrawals. Whatever appropriate means is finally fashioned to preserve current pension plan assets to pay retirement benefits and stem the considerable leakage from the system to the current consumption column, and the Retirement-USA vehicle is consistent with this policy concept, it is clear that not only will the private pension system be made efficient, but that national savings and capital formation will also be enhanced.

While retirement savings should be emphasized under any national retirement income policy that might be devised, plan savings by employees on an after-tax basis, for retirement or otherwise, should continue to be allowed. In this way individuals having fewer resources and who are less benefited by tax-deductible contributions, or salary-reduction tax treatment, will continue to participate in plans and increase the likelihood of their having a more adequate retirement income. Our legislation advances this concept by allowing the rollover of such nondeductible employee contributions into Retirement-USA's.

The question has been asked, "What role Federal tax policy plays in retirement income security?" Clearly, up to this point it has played an obvious and instrumental one in encouraging the growth of the private pension system—a true success story for the one-half of the work force covered by private pensions. The three policy topics I've described—coverage, portability, and pension preservation—are choice candidates for inclusion in any revised retirement policy structure which seeks to improve on the efficiency of the current supplemental employer plan and individual retirement savings framework. That framework is essentially a voluntary one, and we in the Congress must be careful to recognize that element as we fashion our intended improvements.

Pension plans provide the largest single source of new investment funds to our capital markets. To err in our policy judgment by reducing pension growth, which has already led to the accumulation of over $1.3 trillion under private and public plans, could result in a crippling of our national savings rate—already low at just above 6 percent—and place enormous upward pressure on interest rates. Increased efficiency both in retirement benefit delivery and in tax equity rather than systemwide reductions should be our bywords in the retirement policy arena.

These principles form the basis on which the following features of the Retirement-USA legislation have been developed.

Section 101 adds a new "Title V—Retirement Universal Security Arrangements" to ERISA.

Section 5001 of ERISA describes the general features of a retirement universal security arrangement—Retirement-USA—and states that such an arrangement may not accept contributions until a determination is made by the Secretary of the Treasury that the arrangement contains certain qualification requirements.

Section 5002 defines the term "pension asset manager." Generally, pension asset managers include those financial institutions and professional managers recognized by the Department of Labor as managing current pension asset portfolios under ERISA. Pension asset managers establish Retirement-USA's, not the employers who choose to transfer amounts from existing plans or who choose to contribute to such arrangements on behalf of their uncovered employees. Therefore, pension asset managers assume the reporting, disclosure, fiduciary, and other duties under ERISA, thus removing one of the significant barriers to employer establishment of pension plans; for example, see chapter 5 of the "State of Small Business: A Report of the President," May 1985. With respect to the pension coverages issue, the Retirement-USA concept addresses the shortcomings of current

law by targeting the uncovered worker in a more equitable and tax-efficient manner.

In addition to removing the abovementioned ERISA barrier to plan establishment, as described in following sections, the Retirement-USA concept encourages employer participation by operating with no administrative cost charged to the employer, by including a provision—similar to the rule for simplified employee pensions or SEP's—that an employer need not make continuous contributions, by simplifying the contribution formula which operates on an immediately vested, nonintegrated, and nondiscriminatory manner, by allowing employees to make contributions, on a salary reduction or 401(k)-like basis, matching the level of employer contributions up to $2,000, by providing important spousal and survivor protections, and by providing for employee freedom of choice to self-direct investments and receive payments in an annuity or other retirement income form.

Section 5003 provides that a Retirement-USA meeting the requirements of sections 5001(a), 5002(c), 5004, 5005, 5006, 5007, and subtitles C and D shall be considered to be a trust of a plan which meets the qualification requirements of section 410(a) of the Internal Revenue Code and is exempt from taxation under section 501(a) of such Code. The Secretary of the Treasury is to prescribe one or more prototype arrangements in order to facilitate the qualification process. Disqualification of an arrangement is not to be resorted to unless the civil and tax remedies applicable to such arrangement fail to achieve compliance.

Section 5004 extends the ERISA exclusive purpose rule to Retirement-USA's. As stated previously, such arrangements are to operate without administrative cost to contributing employers.

Section 5005 extends the ERISA nonforfeitability rule to Retirement-USA's. All contributions made to such an arrangement are 100 percent immediately vested in the participant.

Section 5006 requires Retirement-USA's to provide at least three investment options—in individual or pooled arrangements—at least one of which is principally backed by U.S. Treasury obligations—to serve as an employee safe-haven and as the default option in the case another option is not chosen by the participant. The excluded investments and 7-day free-look protection generally follow the IRA rules. Participants must be able to switch investments at least semiannually, although as under IRA's certain penalties can be made applicable in the case of premature switching, withdrawal, or transfer to another Retirement-USA.

Section 5007 extends the ERISA antiassignment and alienation provisions to Retirement-USA's.

Section 5008 defines terms and provides for rules of construction in connection with the application of various provisions of ERISA title I to Retirement-USA's.

Under subtitle B, section 5101, the ERISA annual report, disclosure of participant account balance, plan description, and related requirements are tailored to extend to Retirement-USA's in a manner similar to which they apply to defined contribution plans. Unless an alternative method of compliance is provided, Retirement-USA's must provide participants with part A prospectus information on investment options. Nothing in the legislation is intended to change the application of existing banking, insurance, or securities laws in this or any other connection.

Section 5102 extends the ERISA fiduciary provisions to Retirement-USA's. To avoid duplication, only the prohibited transaction provisions applicable to IRA's under section 4975 of the Internal Revenue Code apply to the accounts of participants under Retirement-USA's.

Section 5103 extends the ERISA title I enforcement provisions to Retirement-USA's.

Section 5201—subtitle C—generally describes the employee and employer contributions that may be made to a Retirement-USA.

Section 5202 allows as permissible contributions to a Retirement-USA—first, any rollover amount from another tax qualified plan, under new IRC section 402(a)(10), the transfer of nondeductible employee contributions to a Retirement-USA does not disqualify the rollover of the remainder of a plan distribution; second, an employee contribution, treated in the same manner as a salary-reduction payment under a 401(k) plan, which does not exceed the lesser of $2,000 or the amount of any employer contribution of the year; third, a payment by an individual which is treated in the same manner and subject to the same limits as a contribution to an IRA; and fourth, the payment of some or all of the amount of any nondeductible employee contributions distributed from a tax qualified plan—a Retirement-USA may, but is not required to, accept such nondeductible amounts. As under IRA's, employee contributions for a calendar year may be made before April 15 of the following year.

Section 5203 permits employers to make contributions to Retirement-USA's on behalf of their employees not covered under another pension plan. In order to initially target the availability of Retirement-USA's to the currently uncovered population, the employer's eligible work force must not have accrued a benefit under another plan for the previous 2 years—except in the case of a collectively bargained unit or a self-employed situation. Generally an employer must contribute on behalf of all noncovered employees in the general work force except that employees who are highly paid or who have worked less than 1 year may be excluded. In addition the ERISA age 21, resident alien, and collective bargaining exclusions are also permitted. The Secretary of the Treasury may provide, by regulation, that an employee may contribute for an allowable subdivision of an employer's general work force which is distinguishable by its distinct locality or separate product line.

The total amount of an employer's contribution—together with the amount of any employee contribution treated as a salary-reduction under section 5202—is limited in the same manner as for defined contribution plans under section 415 of the Internal Revenue Code. The employer may make contributions for each employee as a fixed percentage of compensation, subject to the SEP definition, or as a fixed dollar amount or in any combination of the two forms. As under SEP's employer contributions for a year may be made until April 15 of the following year—if so designated. The only reporting obligation of the employer is to submit to the Retirement-USA a listing by category of employee compensation and other relevant identification information in connection with the employer and employee contributions actually made for the year. Such listing meets the reporting requirement to the IRS if attached to the employer's Federal income tax return. Generally, the enforcement of contribution rules and limits is accomplished through tax sanctions administered by the IRS and by employee rights of action as under ERISA, the tax status of the Retirement-USA is generally not affected by such actions.

Section 5301 under subtitle D requires a Retirement-USA to provide for the distribution of a participant's account in a permitted retirement income form unless spousal consent is obtained. Permitted retirement income forms include a qualified joint and survivor annuity, other joint and single life annuity forms, and a recomputed distribution over life expectancy. The distribution rules under section 408(a)(6) of the Internal Revenue Code also apply.

Section 5302 provides that transfers among Retirement-USA's are to be allowed with respect to some or all of a participant's account balance, subject to certain permitted exceptions.

Section 102 amends ERISA and the Internal Revenue Code to allow for the voluntary transfer to a Retirement-USA from a tax qualified plan of the present value of the entire nonforfeitable benefit of a participant—or the participant's spouse in the case of the death of a participant—without such transfer being a violation of the restrictions under ERISA sections 203(e) and (g) or IRC sections 411(a) and 417(e). This provision allows employers an option to relieve their administrative burdens in connection with the benefits of terminated employees—employers may choose one or more Retirement-USA's to which to make such transfers; at the employer's option employees may also be given a choice—while also extending to such employees the opportunity to have their benefits paid in a retirement income form. The amount transferred may optionally exclude that portion of the vested benefit attributable to nondeductible employee contributions.

An additional rule is triggered in the event the Internal Revenue Code is amended to make distributions subject to an excise tax—which is generally applicable to the distributions made to all participants under a plan who are under a specified age—that is as suggested in the President's tax reform proposal. Only if such an excise tax is enacted, so much of the amount of any such a distribution which would be subject to the excise tax—if such distribution were actually made under such age—would, if a plan sponsor chooses to make such a distribution, be required to be transferred to a Retirement-USA. Of course a plan sponsor would not be required to make such a distribution or transfer except by choice.

Section 103 provides for a general effective date of January 1, 1987—although the qualification of Retirement-USA's could begin within 90 days after the date of enactment.

Title II contains conforming amendments to the Internal Revenue Code.

Section 201 provides for new IRC section 417A containing rules relating to Retirement-USA's. Matching employee contributions described under ERISA section 5202(b)(2) are accorded salary-reduction treatment as described in section 402(a)(8). The excise tax under section 4973 is made applicable to excess participant contributions made to a Retirement-USA. Employer contributions are made deductible under sections 162, 212, and 404 in the same manner as for a defined contribution plan—the section 405(c) limits also apply. The excise tax applicable to age 70½ and certain other distribution rules with respect to IRA's is also made applicable to Retirement-USA's. Generally the prohibited tranaction, borrowing, and security provisions—and related excise tax sanctions—applicable to IRA's are made applicable to Retirement-USA's.

The excise tax for withdrawals under age 59½ applicable to IRA's is extended to Retirement-USA's with the following exceptions—withdrawal of nondeductible employee contributions transferred into a USA, and to the extent the distribution is in the form of a single or joint life annuity. Tax free transfers on a trustee to trustee basis may be made from one Retirment-USA to another—subject to ERISA title V rules. The 10-year forward averaging and capital gains treatment under sections 402(a)(2) and 402(e) are made inapplicable to distributions from a Retirement-USA, except with respect to (A), rollover amounts—as described in section 402(a)(5) and (B), amounts transferred directly from a qualified plan to a Retirement-USA.

Section 202 amends IRC section 402(a) to allow rollover amounts to be transferred to Retirement-USA's.

Section 203 adds a new paragraph (10) to IRC section 402(a) to allow for the portability of nondeductible employee contributions to the extent some or all such contributions are transferred to a Retirment-USA—that is, such a transfer does not disqualify the deductible portion of a distribution from being considered an eligible rollover amount.

Section 204 provides that for tax deduction purposes ERISA section 5202(b)(3) employee contributions to a Retirement-USA be treated in the same manner as contributions to an IRA.

Section 205 provides an excise tax penalty on excess employer contributions.

Section 206 conforms the Internal Revenue Code with respect to the provisions described under section 102.●

THE SECRETARY OF STATE TALKS ABOUT HUMAN RIGHTS AT HELSINKI

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. BROOMFIELD. Mr. Speaker, I commend our distinguished Secretary of State, George Shultz, for his eloquent and timely comments about Soviet human rights violations. I have included excerpts from the Secretary's recent address before the Conference on Security and Cooperation in Europe, which met in Helsinki.

While the Soviet Union signed the Helsinki accords 10 years ago, human rights have since suffered in the Soviet Union. Thanks to the cynical attitude of Soviet leaders, the Moscow Helsinki Watch Group has been disbanded and most of its original members are in jail or have been banished. Jewish emigration from that police state has dramatically declined. Refuseniks by the thousands are being harassed by the all-powerful KGB. Overall, there has been no progress in the human rights area in the Soviet Union and in Eastern Bloc countries.

While I fervently hope that the Reagan-Gorbachev meeting this November will be productive and bear fruit, I remain concerned about the fact that the Soviets have little regard for signed agreements. While posturing in the international spotlight as a peace-loving and friendly country, Soviet actions appear to be the real measure of the goals of that country.

With these concerns in mind, I compliment the Secretary for his hard-hitting comments, and recommend them to my colleagues in the House:

SECRETARY OF STATE GEORGE SHULTZ, CSCE TENTH ANNIVERSARY COMMEMORATION ADDRESS, HELSINKI, JULY 30, 1985

The modern political values that underlie our civilization were born in Europe. The belief in human progress, in intellectual freedom, in religious tolerance, in the rights of the individual against the state, and in a peaceful international order—these are the legacies that have been passed on to us by European thought and culture since the Enlightenment. At times, oppression, intolerance, and war have banked the flames of this humane spirit. But always these values have stayed alive, offering hope and inspiration to mankind—that we might explore the outer reaches of knowledge, that we might ascent to a higher plane of human existence, that we might live in peace with our neighbors, that we might have faith in progress and in freedom, for ourselves, and our world.

Today, tragically, Europe is a divided continent. Yet the ideals of European civilization have not been extinguished. They live still in every nation, in every city and village, on every street, in every home, West and East. They bind Europe together. The barriers, the walls, the barbed wire, and the weapons cannot truly divide Europeans from each other or from their heritage. The spiritual strength of European civilization cannot be broken by government-made artifice.

Europe, let us not forget, has been divided before, though never so starkly. Vastly different political systems have lived side by side on this continent for hundreds of years. Empires, constitutional monarchies, and dictatorships have stood beside republics and democracies. Religious wars over the centuries, have caused the deaths of countless innocents. And in this century alone, the people of Europe have endured two world wars that ravaged their continent. Only the heroic efforts of the Western democracies and the Soviet Union saved Europe from Hitler's tyranny. Yet Europe has outlived even these times of trouble.

And the modern idea of liberty, since the eighteenth century, has continued to grow and flourish. It has survived all the historic conflicts and divisions of Europe because, even in the dark moments, the aspiration of individuals to speak, think, and travel freely—throughout the continent—was never extinguished. Belief in the rights of man has deep roots in European philosophy and history.

For now, we all live uneasily with the brutal and artificial division of this continent, even as we search for ways to end it. But nothing in human history has proven irreversible.

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And yet, ten years after the signing of the Final Act, no one can deny the gap between hope and performance. Despite the real value of the Final Act as a standard of conduct, the most important promises of a decade ago have not been kept.

Let's look at the specifics.

In the Final Act, we all committed ourselves to treat in a positive and humanitarian way the applications of persons who wish to be reunited with members of their family. Yet, over the past five years, the number of Soviet citizens of Jewish nationality permitted to emigrate, mainly for family reunification, fell from over 51,000 to 896. The regrettable trend is the same for Soviet citizens of German and Armenian nationality.

There are over twenty cases of American/Soviet marriages in which the Soviet spouse has been denied exit permission two or more times, in spite of specific provisions of the Helsinki Final Act. Yury Balovlenkov, who married an American citizen in 1978, was on a hunger strike from March 25 to July 4 protesting six years of continued denial. He has seen only one of his two daughters and is in terribly weakened health.

The Final Act confirms the right of the individual to know and act upon the provisions of the agreement. Yet the citizen's group set up in Moscow to monitor implementation of the Final Act in the Soviet Union disbanded in September 1982 for fear of further persecution. Here is a group of enthusiastic Soviet citizens who were pleased and proud of the decision of their government to sign the Helsinki Final Act. Yet today, Yuriy Orlov, the group's founder, languishes in remote Siberian exile after seven years in a labor camp. Founding member Anatoly Shcharansky, imprisoned on a false charge in 1977, has completed his term in the notorious Chistopel prison and is now serving out the rest of his thirteen-year sentence in one of the most brutal of Soviet labor camps. Imprisoned group member Anatoly Marchenko, currently serving a twelve-year sentence, has been permitted no correspondence with his family for more than a year. Group member Ivan Kovalyov's health has reportedly deteriorated badly since his transfer to labor camp. His wife and fellow group member Tatyana Osipova recently had her own five-year labor camp sentence extended by two years.

The founder of a peace group in Moscow, Sergei Batovrin, was first harassed, them put in a psychiatric ward, and then, when he persisted in advocating peace the way so many thousands of young people do in other countries, he was thrown out of his native land altogether. Other peace activists have met similar fates, as have those struggling for womens' rights and free trade unions. The founders of a Social Democratic party in Moscow were jailed in January of this year.

On June 14, Bogdan Lis, Adam Michnik, and Wladyslaw Frasyniuk were sentenced in Gdansk to terms ranging from two-and-a-half to three-and-a-half years on charges having nothing ostensibly to do with their real "crime" of leading the fight for free trade unionism—a right recognized in the Concluding Document of the Madrid Review meeting. In the Soviet Union, Vladimir Klebanov's efforts to found a free trade union put him in a psychiatric hospital for four years.

Nor has abuse of psychiatric treatment been limited to trade unionists and peace activists. In the Ukraine, Vladimir Khailo, an Evangelical Baptist, has been interned in psychiatric hospitals since 1980 for his faith and his efforts to emigrate with his wife and fifteen children. He has refused an offer of freedom in exchange for renunciation of his faith.

All who would live an active religious life according to their faith, whether Christian, Jewish, or Muslim, risk harassment, imprisonment, or confinement in psychiatric institutions. Baptists, Ukrainian and Lithuanian Catholics, Russian Orthodox, Seventh Day Adventists, and Pentacostals have all been increasingly subject to repression. Dina Shvedsova, Vasyl Kobrin, Father Alfonsas Svarinskas, Father Gleb Yakunin, Pastor Nikolai Goretoi, and Pastor Viktor Valter are only a few of the Christians currently serving sentences of up to twelve years in prison or exile in the Soviet Union because of their faith. A small community of Pentacostals from the village of Chuguevka in the Soviet Far East has suffered grievously in the past several months. Ten community elders have been sentenced to up to five years in labor camp and the rest fired from their jobs. Six families have been threatened with losing custody of their children.

At least sixteen Jewish cultural activists, including nine teachers of the Hebrew language, have been arrested in the Soviet Union since last July, and many have been convicted on obviously trumped-up criminal charges to three to four years of imprisonment and labor camp. Iosif Berenshtein, currently serving a four-year term, was savagely beaten and stabbed while in prison, and lost most of this vision. Yuly Edelshtein, who is serving a three-year term, is reportedly undergoing repreated beatings in his labor camp in Siberia, as part of an effort "to exorcise his religious fanaticism," according to camp authorities.

Abuzakar Rahimov, a Muslim from Tashkent in Soviet Central Asia, was sentenced to seven years in a strict regime labor camp in 1982 for distributing material about the Islamic faith, including translations from the Koran.

Last year in Czechoslovakia, seven priests and nuns were arrested for "obstructing state supervision over churches and religious orders."

Finally, the man who more than any other represents the ideals enshrined in the Final Act—Andrei Sakharov—remains totally isolated from the outside world—in exile, probably still in Gorky. Even as I speak, he may be in a hospital following his most recent hunger strike on behalf of decent medical treatment for his beloved wife. We have reason to believe he was force-fed to break his hunger strike.

We cannot talk about the Helsinki process without talking about human beings, for they are supposed to be the true beneficiaries of the Helsinki Final Act. The fate of these individuals, moreover, affects the actions of thousands, maybe millions, by showing what happens to those who dare exercise their rights and freedoms.

The United States and the Soviet Union have an opportunity to help build a more secure world in the arms control negotiations currently underway in Geneva.

And in November our leaders will meet to examine the whole spectrum of issues before us. We are ready and willing to seize the opportunity. Let our two countries begin the patient, serious work of resolving problems and reaching agreements of benefit to us both, and to other countries as well.

Steps to reduce weapons and enhance security, steps to enhance economic and other exchanges, and steps to relieve the suffering and enrich the lives of individuals—all these reinforce each other. They are part of the same broad program of security and cooperation enshrined in the Helsinki Final Act. Taken together, they could lead us toward a new era in relations in Europe—one that could bring alive once again the promise of Helsinki and the larger promise of European history.

They are not massive or difficult steps to take. But they are important; they have a larger meaning. They require only courage and political will on the part of all of us.●

HIGH TECHNOLOGY ACTIVE BUSINESS ACT OF 1985

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. STARK. Mr. Speaker, I am today introducing, together with Mr. GREGG, the High Technology Active Business Act of 1985, a bill that is intended to eliminate the problem of the imposition of the personal holding company penalty tax on small software companies.

Congress has not carefully reviewed the personal holding company rules in many years, and the unintended application of these penalty provisions to high technology companies only recently has come to our attention. In essence, this is a case in which small software companies have been improperly subjected to a penalty tax merely because the personal holding company provisions have failed to keep pace with the fast-changing nature of high technology and the manner in which high technology companies do business.

The personal holding company penalty tax provisions were adopted to prevent the incorporation of passive investment activities in a closely held company, at a time when the corporate tax rates were significantly lower than the top individual rates. By contrast to this "incorporated pocketbook" situation envisioned by Congress in enacting the personal holding company provisions, most software companies clearly are engaged in extensive active business activities on an ongoing basis, including the development of new and improved software products and maintenance and update activities with respect to existing software products. However, because these software companies, being small, are closely held and because of the manner in which the software industry sells its products, these companies are subject to the personal holding company penalty tax. Once developed, the software company's products are transferred to others either by means of a so-called boxtop license to the public—under which the purchaser agrees to the license merely by opening the software's package—or by

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means of licenses to particular customers, including computer manufacturers. The use of a license is necessary to protect the software company's proprietary interest in the software. Because these sales of software products are by means of licenses, the Revenue Service has taken the position that the resulting software income, characterized as royalties, constitutes personal holding company income, thereby triggering imposition of the 50 percent personal holding company penalty tax in addition to the regular corporate income tax already paid by the software company.

Since the personal holding company provisions were adopted to prevent incorporation of passive investment activities, the application of these provisions to software development companies conducting substantial active, ongoing business operations produces an unintended and extremely harsh result.

Accordingly, the proposed legislation adopts a new exclusion to the definition of personal holding company income for computer software royalties that are earned by a corporation from the active conduct of a trade or buisness. In keeping with the mechanical nature of the personal holding company provisions, the legislation establishes a number of objective, numerical tests for determining whether the corporation in fact is conducting an active business giving rise to the computer software royalty income, thereby offering a much more direct means than present law of distinguishing between active business operations and passive investment activities. These objective tests—which include a number of active business expenditure requirements—are similar to the approach taken in the nearly one dozen other "carve-outs" from personal holding company income that have been enacted by Congress through the years for various other types of active businesses that have become entangled in the personal holding company provisions because of the changing way in which they do business.

The proposed computer software royalties exclusion applies in general to royalties attributable to computer software that has been developed, manufactured, or produced by the corporation in connection with a trade or business. An active business, for purposes of the proposed exclusion, will be deemed to exist only if the total R&D and ordinary business expenses properly attributable to the business activities generating the computer software royalty income exceed a substantial specified percentage of the corporation's income. Qualifying business expenditures for this purpose do not include compensation for personal services of major shareholders. by requiring that R&D and other proper business expenses be significant as a percentage of the corporation's income, the test distinguishes active business operations from the passive investment repository of the "incorporated pocketbook" situation. In the "incorporated pocketbook" situation, it is unlikely that the corporation would be able to reinvest such a substantial portion of the royalty income in the active conduct of the same trade or business or to generate significant amounts of proper business expenses other than compensation of the major shareholders. Similarly, by so excluding the compensation of major shareholders, the proposed active business royalties exclusion avoids the "one-man corporation" concern by in effect requiring that the corporation's business activities extend well beyond merely the efforts of such major shareholders. Finally, the proposed exclusion is unavailable if the corporation has more than a minimal amount of other forms of personal holding company income, thereby providing further assurance that the exclusion will be applicable only to truly active software businesses.

The proposed exclusion for computer software royalties derived from the active conduct of a trade or business would be generally effective for taxable years ending after the date of enactment. However, the legislation also is intended to clarify the proper treatment of computer software royalties under present law for purposes of the personal holding company provisions.

The proposed legislation includes an additional provision that eliminates code section 174 R&D expenses as a preference item, for minimum tax purposes, in the case of personal holding companies. Under present law, R&D expenses are not a preference item for corporations other than personal holding companies. This provision of the proposed legislation addresses the following problem. If the startup high technology company constitutes a personal holding company because of the interest income generated on its venture capital balances during the startup phase, the company's loss carryforwards will be tainted such that, in future years when the loss carryforwards are offset against operating profits, the company will be subject to a minimum tax liability on 90 percent of the R&D that had been expensed in the taxable years in which the loss carryforwards were generated. Thus, this provision of the proposed legislation is merely making a technical correction of what clearly is an unintended result of the 1982 Tax Act.

The revenue effect of the proposed legislation should be very limited. Total actual collections of personal holding company tax from all corporations in all industries in recent years have been in the range of $3 to $5 million annually.

I believe that the proposed legislation provides a fair and carefully circumscribed solution to these very pressing problems of small software companies and startup high technology companies. I expect the bill to be noncontroversial and would hope that it can be promptly enacted.

The text of the bill follows:

H.R. —

A bill to amend the Internal Revenue Code of 1954 with respect to the treatment under the personal holding company provisions of computer software royalties earned by active businesses and the treatment under the minimum tax provisions of research or experimental expenditures of personal holding companies, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SHORT TITLE; ETC.

(a) Short Title.—This act may be cited as the "High Technology Active Business Act of 1985".

(b) Amendment of the 1954 Code.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954, as amended.

SEC. 2. TREATMENT FOR PERSONAL HOLDING COMPANY TAX PURPOSES OF COMPUTER SOFTWARE ROYALTIES DERIVED BY ACTIVE BUSINESSES.

(a) General Rule.—

(1) Paragraph (1) of section 543(a) (defining personal holding company income) is amended by striking the word "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting in lieu thereof the words ", and", and by adding at the end thereof the following new subparagraph (C):

"(C) computer software royalties derived from the active conduct of a trade or business (as provided in subsection (b)(5)) by the corporation."

(2) Subsection (b) of section 543 is amended by adding at the end thereof the following new paragraph (5):

"(5) Computer Software Royalties From Active Business.—For purposes of subsection (a)(1)(C), computer software royalties will be treated as derived from the active conduct of a trade or business by the corporation if—

"(A) the royalties are attributable to (i) computer software that is developed, manufactured, or produced (in whole or in substantial part) by the corporation (or its predecessor) in connection with a trade or business or (ii) computer software that is distributed by the corporation in carrying on a trade or business but only if the corporation otherwise is carrying on the trade or business or developing, manufacturing, or producing computer software,

"(B) computer software royalties constitute 50 percent or more of the ordinary gross income of the corporation,

"(C) the sum of the deductions which are properly allocable to the same trade or business of the corporation as the amounts described in subparagraph (A) and which—

"(i) are allowable under section 174 (relating to research or experimental expenditures),

"(ii) are allowable under section 162 (relating to trade or business expenses), and

"(iii) would be allowable under section 162 but for the application of section 195 (relating to start-up expenditures).

other than compensation for personal services rendered by the fewest number of individual shareholders among those described in section 542(a)(2) (as determined without regard to stock considered as owned by the shareholder solely by attribution from a partner under section 544(a)(2)) whose combined ownership interest exceeds 50 percent in value of the outstanding stock of the corporation, equals or exceeds 25 percent of the ordinary gross income of the corporation, and

"(D) the sum of—

"(i) the dividends paid during the taxable year (determined under section 562),

"(ii) the dividends considered as paid on the last day of the taxable year under section 563(c) (as limited by the second sentence of section 563(b)), and

"(iii) the consent dividends for the taxable year (determined under section 565),

equals or exceeds the amount, if any, by which the personal holding company income for the taxable year (computed (I) without regard to amounts described in subsection (a)(1)(C), to interest during any taxable year in which the corporation is subject to the provisions of section 195 and otherwise meets the requirements of this paragraph, or to dividends from any corporation in which the taxpayer owns at least 50 percent of all classes of stock entitled to vote and at least 50 percent of the total value of all classes of stock and which meets the requirements of this paragraph (except that the royalties derived by such corporation may be attributable to computer software that has been developed, manufactured, or produced by the taxpayer in the manner described in subparagraph (A)), and (II) by including as personal holding company income the adjusted income from rents and from mineral, oil, and gas royalties) exceeds 10 percent of the ordinary gross income of the corporation.

"For purposes of this paragraph, any costs of developing computer software that are not properly treated as research or experimental expenditures (as defined in section 174) shall be treated as amounts for which deductions are allowable under section 162 or as amounts for which deductions would be allowable under section 162 but for the application of section 195. A corporation that otherwise fails to satisfy the requirement in subparagraph (C) for the taxable year nevertheless will be treated as satisfying such requirement for the taxable year if the average sum of the deductions referred to in subparagraph (C) (as adjusted for major shareholder compensation) equals or exceeds 25 percent of the average ordinary gross income of the corporation for each year of a period consisting of the taxable year and the four immediately preceding taxable years; provided that if the corporation has not been in existence for one or more of the four immediately preceding taxable years, the five-year computation period shall consist of the taxable year, those of the four immediately preceding taxable years during which the corporation was in existence, and such of the years immediately succeeding the taxable year as are necessary to complete the five-year computation period."

(b) Foreign Personal Holding Company Income.—Paragraph (1) of section 553(a) (defining foreign personal holding company income) is amended by adding at the end thereof the following new sentence: "This paragraph shall not apply to royalties described in section 543(b)(5) (without regard to subparagraph (A) thereof) that are received by a corporation in respect of computer software that has been developed, manufactured, or produced (in whole or in substantial part) in connection with the active conduct of a trade or business (as determined under sections 543(a)(1)(C) and 543(b)(5)) by such corporation or by a member of the same affiliated group of corporations (as defined in section 1504(a) without regard to section 1504(b)(3)) as the corporation."

(c) Conforming Amendment.—Paragraph (4) of section 543(a) is amended by adding at the end thereof the following new sentence: "This paragraph shall not apply to royalties described in paragraph (1)(C)."

(d) Effective Date.—The amendments made by this section shall apply to all taxpayers years ending after the date of enactment of this Act.

SEC. 3. ELIMINATION OF RESEARCH OR EXPERIMENTAL EXPENDITURES AS A MINIMUM TAX PREFERENCE ITEM FOR PERSONAL HOLDING COMPANIES.

(a) General Rule.—The last sentence of section 57(a) (defining items of tax preference) is amended by inserting immediately before the period at the end thereof the following words: ", and paragraph (6) to the extent it relates to amounts allowable as a deduction under section 174(a) also shall not apply to a personal holding company (as so defined)."

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1982.●

RESTRICTING THE DISTRIBUTION OF HANDGUNS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. RANGEL. Mr. Speaker, the terrible proliferation of easily obtainable handguns continues to reap a harvest of death. More than 10,000 Americans die each year because of these weapons, largely because of insufficient gun control. This is a national shame, and I rise to commend the efforts of Congressman Peter Rodino, chairman of the House Judiciary Committee. He has worked to restrict the availability of small caliber weapons.

Congressman Rodino has offered a bill which asks for a reasonable waiting period whereby a prospective handgun purchaser would be required to wait until local law enforcement officers checked his criminal records. In this way, the acquisition of firearms would be much less arbitrary than it is now. The Rodino bill is an excellent step in the right direction.

Chairman Rodino has an admirable record in safeguarding the rights and civil liberties of Americans. He is to be congratulated for his fine efforts. I submit the following article written by Mr. Rodino for inclusion in the Record.

The article follows:

[From the Washington Post, July 23, 1985]

THE SENATE UNDER THE HANDGUN

(Peter W. Rodino, Jr.)

If Congress really wants to fight crime, emasculating controls on the interstate sale of handguns surely is not the way to do it. But that is exactly what the Senate did recently with the passage of a bill that will render toothless the minimal gun control laws we now have on the books. What these laws need is strengthening, not weakening.

Considering the grim statistics on handgun crime in America, the Senate's action is surprising. In 1980, there were more than 11,000 handgun murders in the United States—as compared to four in Australia, eight in Great Britain and eight in Canada, each of which has a tough handgun control law. In 1983 handguns were used in 200,000 robberies and 120,000 aggravated assaults, and accounted for 44 percent of all murders. Even more alarming is the fact that while the Vietnam war claimed 46,121 American lives in the decade from 1963 to 1973, handgun murders killed more than 70,000 civilians back home in America.

But statistics cannot tell the whole story. Behind the numbers are thousands of personal tragedies, grieving families and shattered futures, brought about solely by reckless use of handguns by criminals. Our national memory is equally scarred by handgun-welding assassins taking aim at our political leaders. Fortunately, presidents Reagan and Ford, as well as Gov. George Wallace, survived handgun attempts on their lives. Presidential Press Secretary James Brady barely did. Robert Kennedy, Allard Lowenstein and George Moscone did not.

Sadly, murder by handgun has become, in the words of one London newspaper, "a peculiarly American death."

So why did the Senate approve the bill weakening controls? Ostensibly to help out-of-state hunters and sportsmen who want easier access to weapons. But hunters have no use for handguns such as the easily concealed, snub-nosed "Saturday night special." Only criminals do. Loosening restrictions on such weapons defies reason.

While no one wants to inconvenience hunters and sportsmen, at the same time we don't want to make it easier for criminals, drug addicts, felons and mental incompetents to get their hands on a handgun. But with the bill passed by the Senate, all a criminal has to do is cross a state line and the snub-nosed gun is his.

It's no surprise that every major police or organization opposes this bill. Last year, two-thirds of the American police officers who died in the line of duty were killed by handguns. A bill that would loosen restrictions—making it easier for criminals to purchase a handgun—can only add to the crime rate and increase the chance that murder, robbery and other violent crimes will jeopardize more lives.

There is a clear consensus in America that crime must be reduced. Last year Congress passed the Comprehensive Crime Control Act with just that purpose. One of its provisions called for strict prison sentences for persons who commit crimes while carrying firearms. What we really need are laws to prevent these crimes from happening initially—after-the-fact prison sentences do little for the victims of crime. The Senate bill, however, only makes the fight against crime more difficult by affording potential criminals greater opportunity to commit a violent crime. Instead of giving law enforcement officials more tools to fight crime, this bill would end up giving criminals more tools to commit crimes.

Public opinion polls indicate that an overwhelming majority of Americans favors tougher gun control laws. So did the attorney general's 1981 Task Force on Violent Crime, which recommended a mandatory waiting period to enable law enforcement agencies to check the records of a prospective purchaser of a firearm.

To that end, I recently introduced legislation that calls for a reasonable waiting period. State and local laws with waiting periods have been highly effective: for example, two felons per week are prevented from buying handguns in Columbus, Ga., and in 1981, 1,200 felons were screened out in California. (In fact, had such a law been in place, John Hinckley might have been prevented from purchasing the handgun he used in his assassination attempt on President Reagan.)

A 1981 Gallup poll showed that 91 percent of Americans favor just such a waiting period. Americans are serious about fighting crime.

In America, we enact tough laws against drunk drivers and speeders because they cause highway deaths. We pass laws that crack down on drugs because they cause death and violent crime. Yet, if the bill passed by the Senate ever becomes law, we will be giving a free pass to criminals to purchase a gun.

For years opponents of gun control legislation have used the tired argument that guns don't kill, people do. But if the Senate's bill passes the House, more of the people who are likely to kill will find it easier to get their hands on a gun. It just doesn't make any sense.●

KEEPING SOUTH AFRICA IN PERSPECTIVE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. CRANE. Mr. Speaker, just over a week ago the Government of South Africa imposed a state of emergency in response to widespread unrest and rioting within the black community. That decision has been roundly criticised not only here in the United States but in the United Nations and in various foreign countries as well. But before rushing to judge the propriety of that action, I think that my colleagues here in this body would do well to remember several salient facts.

First, the state of emergency was imposed only after nearly 11 months of ongoing violence in black residential areas. Most of the rioting has been perpetrated by youths between the ages of 10 and 16. They have burned down schools, administration buildings, and houses. Cars, delivery vehicles, buses, and trains have all been stoned and set on fire, and businesses have been looted and burned. In this time period, more than $16 million worth of fixed property has been destroyed, and more than $6 million worth of motor vehicles and trains have also been destroyed.

Second, despite the impressions given by the press in this country, the violence has been largely black on black. More than 100 black town councilors have been attacked by black mobs, and more than 70 of these have also had their homes and businesses destroyed. Any black in a position of responsibility is in danger of being attacked, and many community leaders have been mutilated and set on fire in the streets. Black policemen and soldiers are favorite targets, with the homes of more than 360 black policemen having been razed in just over a year.

Third, while it is true that apartheid is abhorrent, we continue to focus only on South Africa, and not to any of the Eastern bloc countries that systematically abuse the human rights of their citizens, nor on any of the other African nations with human rights records far more tarnished than that of South Africa. Uganda, Angola, Zimbabwe, and numerous other black African states live in a perpetual "state of emergency," yet no protests are carried out in front of their Embassies, and no sanctions are imposed. Instead, we send them aid and maintain a business-as-usual policy toward them.

Many of South Africa's critics have claimed that the state of emergency was declared to suppress legitimate protest and to take the place of real reform. But this attitude denies the real situation within South Africa. Before condemning South Africa, each of us should ask ourselves the following questions. What would our response be if faced with the unrest that exists now in South Africa's black townships? If black violence reached the epidemic levels in this country that it has reached in South Africa—some 150 blacks murdered by other blacks—would we not act to bring an end to that violence? I daresay we would, and we would do so swiftly. Thus it is hard for me to condemn South Africa for acting as it has.

Along these same lines, I commend to my colleagues attention an editorial that recently appeared in the Washington Times. I think it is worthy of our attention.

The editorial follows:

SOUTH AFRICA IN PERSPECTIVE

With South Africa aflame, it's natural to think about what might arise from the ashes. An idealistic view—that once apartheid is overturned, a more democratic government will follow—is common among Americans who protest South African policies. They are justified in opposing apartheid, but wrong to assume that it is the sole evil in Africa, or even the greatest one.

In fact, South Africa is not the only nation on the continent in an official state of emergency. In Zimbabwe, parliament two weeks ago renewed a state of emergency, which allows it a freer hand in fighting opponents of Robert Mugabe's one-party state. Renewal was no surprise: the vote was 63-24, and Mr. Mugabe's Zimbabwe African National Union holds 63 of 100 seats. Opposing the measure was somewhat risky, since Justice Minister Eddison Zvobgo said anyone voting against extending the emergency would be seen as supporting the rebels.

There are worse places to be. Ethiopia, where brutal policies have teamed up with natural deficiencies to create famine, comes to mind. The Mengistu regime is nearly off limits for criticims, the fear being that if it becomes angry at donor nations, less food might be distributed to the starving. Mr. Mengistu holds his own countrymen hostage, his policies have led to innumerable deaths, yet he takes little heat.

In Uganda, it's as if Idi Amin never left. Some say it's worse, and last week's coup doesn't promise to be a liberating experience. Who wants to live in Mozambique? Angola? The Sudan? How about Libya? Few people courting arrest at the South African Embassy would. It's doubtful how many of them would dare get arrested if they weren't assured of being released in time for dinner.

The government of South Africa must share power with black leaders who are opposed to violence. It is equally important to realize that tyrants come in all colors, and that even relatively smooth transfers of power in Africa are often followed by regimes much worse than the one running South Africa. Americans should become more aware of this recurring phenomenon, especially those who have made the cause of black South Africans their own.●

TRIBUTE TO R.T. HANNA

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. COELHO. Mr. Speaker, this year, Chief R.T. Hanna, assistant commander of the central division of the California Highway Patrol, will retire after more than 28 years of service to the people of California.

Chief Hanna was born in Bakersfield, and attended schools in the Bakersfield area. After having graduated from Bakersfield College, he served with the Navy in the South Pacific during World War II. Hanna spent 12 years after his discharge from the Navy working as a mechanic for the Kern County Union High School District. In 1957, after having graduated from the California Highway Patrol Academy, he began his career with the CHP. He began by performing road patrol, commercial enforcement, and special duty assignments in the Bakersfield area.

In 1965, Hanna was promoted to the rank of sergeant and for the next 6 years served as the sergeant in charge of the Wheeler Ridge inspection facility. In 1971 he was promoted to the rank of lieutenant, and served as the field operations officer in the Indio area. The next year Hanna was transferred to Fresno, and he served as the

zone administrative lieutenant for the next 4 years. After being assigned to the CHP's Office of Internal Affairs in Sacramento, he was promoted to the rank of captain in 1976. The next year Hanna was assigned commander of the Fresno area. In 1980, he was appointed assistant commander of the central division, the position which Chief Hanna holds today.

Over the past four decades, R.T. Hanna has been a strong and dedicated servant of his country during World War II, his community as a mechanic with the Kern County Union School District, and his State as a leader in the California Highway Patrol. Chief Hanna has worked especially hard to make the highways of central California safe and efficient, and for that we are all grateful to him. I would like to thank Chief Hanna for his many years of dedicated public service, and I wish him much happiness in his retirement.●

A SALUTE TO JOHN M. TOUPS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. WOLF. Mr. Speaker, on September 7, 1985, the Virginia Community Foundation's Founders Award will be presented to John M. Toups, businessman and resident of McLean, VA, at a dinner at the Hyatt Regency Hotel in Crystal City, VA.

The Northern Virginia Community Foundation was formed in 1978 by a group of northern Virginia residents who wanted "to return to the community some of the riches that they had received from it." Five areas of concern benefit from the foundation's endowment funds: The arts, education, health, youth and civic improvement.

The foundation receives charitable gifts from people from all walks of life with all levels of income—families, business, national corporations, and foundations. Donations are used exclusively to benefit northern Virginia.

Each year, the foundation honors a citizen of northern Virginia who has made an unusual contribution to the life and prosperity of the community. The award is made to recognize the unselfish efforts of that individual and to promote awareness of the significance of individual action in improving the quality of life for all members of the community.

This year, John M. Toups, chairman, president and chief executive officer of Planning Research Corp., has been chosen to receive the 1985 Founders Award. In a few short years in northern Virginia, John Toups has made his leadership and influence felt in supporting the business community, in improving technical higher education, in supporting locally developed cultural activities and in helping to solve the area's transportation problems.

John Toups is a member of the board of directors of the Fairfax County Chamber of Commerce, the Fairfax Symphony, the George Mason Institute Industrial Policy Board, the Tysons Transportation Association, the Washington Dulles Task Force and Fairfax County Neighborhood Watch/Crime Prevention Education, Inc. He has chaired and served on numerous committees and programs in northern Virginia and in the Greater Washington area. He is president of the Professional Services Council, vice president of the National Security Industrial Association and a director of the national Committee for Employer Support of Veterans Employment and of the Greater Washington Board of Trade.

He has helped his company become a significant factor for development and social commitment in the northern Virginia community. PRC officers and employees work on business, health, youth, educational, and cultural programs throughout the area, and the PRC building is opened to numerous community activities.

John Toups combines professional skills as a registered engineer with entrepreneurial skills as a businessman. When Toups Corp., a hydrology and land development engineering firm of which he was founder and president, was acquired by Planning Research Corp. in 1970, he became a PRC vice president. The company quickly recognized his abilites, and he became a PRC director in 1973, president in 1978 and chairman in 1982. Under John Toups' leadership, the international professional services company has grown from $280 million in revenue in 1980 to $375 million in 1985.

While its headquarters were still in Los Angeles, CA, PRC opened its first offices in McLean, VA, in 1970. John Toups moved the corporate headquarters from Washington, DC, to PRC's showcase building in the new Tysons/McLean development in 1981. PRC is now the third largest employer in northern Virginia, with more than 1,400 employees in McLean and Dulles, VA, and 7,500 employees worldwide.

Community leaders in northern Virginia also have quickly recognized not only John Toups ability, but also his dedication to the well-being of his neighbors and his community. His friends, colleagues, and associates are inspired by his intelligence, integrity and leadership in working to solve the community's problems and to enrich the lives of its citizens.

John M. Toups is a uniquely deserving recipient of the northern Virginia foundation's Founders Award.●

A LOOK TO CANADA FOR HEALTH CARE

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. PEPPER. Mr. Speaker, during a recent visit to Canada, Ms. Maggie Kuhn, founder and national convener of the Gray Panthers, and Mr. Robert Weiner, former staff director of the House Select Committee on Aging, were impressed by the success of their national health system and its potential in the United States. In contrast with the United States, in Canada not one single Canadian is denied important health services for lack of ability to pay; hospital stays are free to everyone; and doctor visits are free to everyone.

I believe my colleagues who are seeking solutions to the high cost of health care would benefit from reading the following paper prepared by these two distinguished senior citizen representatives. For this reason, I would like to insert at this point in the RECORD, in its entirety, the article entitled "Universal Health Care: Canada Has It, Why Can't We?"

UNIVERSAL HEALTH CARE: CANADA HAS IT, WHY CAN'T WE?

(By Maggie Kuhn, Founder and National Convener, Gray Panthers, and Robert S. Weiner, Former Staff Director, U.S. House of Representatives Committee on Aging)

During a recent week-long visit to Canada, Gray Panthers were struck by three basic facts of the Canadian health care system:

(1) Not a single Canadian is denied important health services for lack of ability to pay.

(2) Hospital stays are free to everyone.

(3) Doctor visits are free to everyone.

We went to Canada to learn, and learn we did. We learned the amazing contrast of the philosophy of our neighbor to the North that health care must be and is free and universal, whereas in the United States, where we often mistakenly believe we have the best health system around, thirty-five million people—15 percent of our population—lack health insurance coverage, according to the Census Bureau.

The Canadian system has been in place since 1969. Under its laws, every person has the right to receive adequate, continuous and personal health services and social services without financial or other barriers.

Of the world's industrialized nations, only two remain without a universal health plan—the United States and South Africa. The irony is overwhelming. In many ways, the deaths that occur from people being dumped from hospital to hospital for lack of payment are as unconscionable as apartheid itself.

The pride we take in the science and efficiency of our own system is false when we realize that we are not even among the world's top five nations in infant mortality or longevity/life span, two key indicators at both ends of the age spectrum.

Americans will justifiably ask key questions of the viability of the Canadian system. For example, how is it paid for? What do the doctors think? Isn't this "socialized medicine"?

The Canadian system is run under federal law by each of the provinces (states), with each province taxing three percent of salaries, matched by three percent from employers, and both matched by an equal six percent from the national government. It started as a single province's (Saskatchewan) plan and was so successful that the country adopted it. Canada's costs per patient average $309 less annually than identical services in the United States, largely because of the efficiency of a universal system. Doctors bill the government for each patient rather than billing the patients themselves.

While there was a flurry of opposition at first by doctors, with some of the less successful ones leaving the country, physicians now are very satisfied, according to the many doctors and others with whom we spoke. Canadian physicians remain among the highest paid persons in society. And no, the word "socialized" is not used for medicine in Canada because health care there, like education, is considered a right, not a privilege.

Granted, under the Reagan administration, a national health service in our country is not likely to occur. But it is an idea long overdue. It is unconscionable that as we move this summer to celebrate social security's fiftieth birthday, the elderly are paying a higher percentage of their income now for health care than when Medicare, one of social security's major ingredients, was created. Medicare only covers forty percent of health care costs, and a Medicare recipient now has to pay over $400 of his or her own money for a hospital stay.

The Canadian system is by no means perfect. Because the system is provincially based, some specific services such as dental, optical, hearing and foot care vary by province. Also, some doctors attempt to overbill beyond the federal guidelines, and two privinces permit this action. In addition, services are not always available. The overcrowding we saw in some hospital emergency rooms was alarming, with beds stacked up in the halls. However, even this fact means that people have needed to use the system, and the system can be improved. Doctors, patients, and administrators with whom we talked agreed that Canada's sixteen-year-old law has dramatically improved access to health care in the nation.

We should at least try to have individual states in the United States pioneer a similar plan, as Canada's provinces first did before the national program went into effect. Gray Panthers across the nation will be asking Congress to support such states' pilot plans.

History can be made in our lifetime. On this last frontier, health care, it is time we caught up to the rest of the world.●

HIRING THE HANDICAPPED IN THE FEDERAL WORKFORCE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mrs. SCHROEDER. Mr. Speaker, I am today introducing legislation which will encourage the hiring of handicapped individuals by the Federal Government. As chairwoman of the Subcommittee on Civil Service, I strongly support equal employment opportunities. It's terribly important that all individuals who want to work for the Federal Government have the opportunity to do so. Disabled Americans can and do perform with excellence in the Federal Government.

My bill would make two basic changes in law: First, under current law, agencies are authorized to hire personal assistants for handicapped employees. This bill would ensure that personal assistants are not counted as part of the agency's personnel ceiling. Many personal assistants perform other tasks as well; so the bill would just exempt from the ceiling that proportion of the time spent on personal assistant duties.

Second, current law provides that success in meeting equal employment opportunity must be an element of an employee's performance appraisal standards. The bill would provide that success in hiring the handicapped would also be part of this requirement. While this provision should heighten awareness of bringing the disabled into Government service, it is not intended to weaken the current EEO laws relating to minorities and women.

There is a selective placement system in Federal agencies which deals with the planning and implementation of affirmative action for handicapped individuals. This program is staffed by selective placement coordinators who are responsible for providing direct services to handicapped individuals, bringing applicants and selecting officials together, keeping track of the types of positions agency managers and supervisors have to fill, and being up to date on rehabilitation organizations and services that can help solve problems when necessary. Linking performance standards to equal employment opportunity and affirmative action and specifically to programs dealing with the handicapped should start a cascade effect.

By holding managers and supervisors accountable for their success in hiring disabled citizens, we will encourage managers to consider whether each vacancy could be filled by a handicapped individual. This action alone should multiply the number of job opportunities there are for the handicapped in the Federal Government.

This idea will also greatly assist our overworked rehabilitation counselors. Certification of handicapped individuals will receive greater attention. Federal employees will be contacting counselors on a regular basis to advise them of job vacancies in their agencies. Handicapped individuals will no longer have to walk the pavement and bang on doors to have the opportunity to secure a job with the Federal Government.

While the two provisions of this bill are rather modest, they could go a long way toward making a career with the Federal Government a real possibility for disabled Americans.

The text of the bill follows:

H.R. –

A bill to amend title 5, United States Code, to encourage the employment of handicapped individuals by the Federal Government

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3102 of title 5, United States Code, is amended by adding at the end thereof the following:

"(f) Any individual employed as a personal assistant under this section shall not be counted for purposes of any personnel ceiling administered by the Office of Management and Budget or any other agency.".

(b) Section 4302a(c)(1)(B)(v) of title 5, United States Code, is amended to read as follows:

"(v) meeting affirmative action goals and achievement of equal employment opportunity requirements (including employment of handicapped employees, as defined in section 3102(a)(2) of this title);".

(c) Section 4313(5) of title 5, United States Code, is amended to read as follows:

"(5) meeting affirmative action goals and achievement of equal employment opportunity requirements (including employment of handicapped employees, as defined in section 3102(a)(2) of this title).".●

CONFERENCE ON SECURITY AND COOPERATION IN EUROPE

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. ROTH. Mr. Speaker, in view of the approach of the 10th anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe, I commend to the attention of my colleagues an article written by the Council of Free Czechoslovakia brought to my attention by Mojmir Povolny, president and chairman of the council:

STATEMENT BY THE COUNCIL OF FREE CZECHOSLOVAKIA

The Council of Free Czechoslovakia commends all the free and democratic governments of Europe and the governments succeeded ten years ago in including in the Final Act of Helsinki Principles I (Sovereign equality, respect for the right inherent in sovereignty), VI (Non-intervention in internal affairs), VII (Respect for human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief), and VIII (Equal rights and self-determination of peoples) as well as, and especially, of the entire section on Cooperation in Humanitarian and Other Fields. The Council of Free Czechoslovakia wishes to commend the same governments for their uncompromising defense in the review sessions of the conference on Security and Cooperation in Europe of those signatories of the provisions dealing with Cooperation in

Humanitarian and Other Fields in general and with human rights and fundamental freedoms in particular. The Council of Free Czechoslovakia is especially grateful for the firm stand taken by the representatives of the same governments at the recent Ottawa Human Rights Experts' Meeting of the Commission on Security and Cooperation in Europe.

The Council of Free Czechoslovakia, however, reminds the same governments that in spite of the commitments assumed by the communist government of Czechoslovakia under the Final Act and in spite of their efforts to influence the conduct of the Czechoslovak government the violations of human rights and fundamental freedoms by the Czechoslovak authorities have continued unabated. Those who in Czechoslovakia have tried to monitor the observation by the Czechoslovak government of the human rights provisions of the Final Act have been persecuted, arrested, and incarcerated. The signatories of Charter 77 and the members of the Committee for the Defense of the Unjustly Persecuted (VONS) have lost their jobs, many have been sentenced for their advocacy of human rights to serve years in prison, their children have been denied admission to institutions of higher education, and many have been simply exiled from their own country. The persecution of churches and of religious believers, of priests and ministers as well as of laymen, in Czechoslovakia is so severe that it has no parallel anywhere even in communist ruled Central and Eastern Europe and can be compared only to the persecution of the churches in Czechoslovakia in the late 1940's and early 1950's. The restrictions imposed by the Czechoslovak government upon the freedom of travel of Czechoslovak citizens run counter to and make a mockery of the corresponding provisions of the Final Act.

The essential issue in Czechoslovakia, however, is the violation of Principles I, VI, and VIII of the Final Act—the continuing occupation of Czechoslovakia by the Soviet armed forces and the denial of the fundamental freedom of the Czechoslovak citizens to be governed by a government of their free choice.

The Council of Free Czechoslovakia appeals, therefore, to the free and democratic signatories of the Final Act that on the solemn occasion of the tenth anniversary of the signing of the Final Act as well as in all future review sessions and meetings of Conference on Security and Cooperation in Europe:

(1) They insist on the unabiguous observation by all the Czechoslovak authorities of the obligations and pledges undertaken in the Final Act and concerning human rights and fundamental freedoms of all Czechoslovak citizens;

(2) They request the guaranteed freedom of the Czechoslovak citizens, through their own appropriate non-governmental organization or organizations, to monitor this observation and to report on it to the conference on Security and Cooperation in Europe;

(3) They insist on the termination of Czechoslovakia's occupation by the Soviet armed forces and on Soviet non-intervention in Czechoslovak internal affairs;

(4) They encourage and pursue such an evaluation of international relations in Europe that would make possible a free and complete expression by the Czechoslovak people of their right of self-determination including the right ot neutrality.

The Council of Free Czechoslovakia address this appeal to the free and democratic governments of Europe and to the governments of the United States of America and of Canada in the most sincere and solemn conviction that the fulfillment of its request would make a signal contribution to freedom, peace, security, justice, and cooperation in Europe.●

MERCHANT MARINE ACT, 1936, AMENDMENTS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. LENT. Mr. Speaker, I am introducing, by request, legislation to amend the Merchant Marine Act, 1936, to authorize the foreign acquisition of subsidized U.S.-flag vessels. This legislation was transmitted to Congress on April 2, 1985, by Secretary of Transportation Elizabeth H. Dole. Two of my colleagues, the chairman of the Merchant Marine and Fisheries Committee, Mr. Jones, and the ranking minority member of the Merchant Marine Subcommittee, Mr. SNYDER, join with me in introducing this bill.

This Nation's merchant marine is suffering through some very difficult times. The number of commercial merchant vessels in our fleet has been steadily declining. The operators of both the liner fleet as well as our liquid and dry-bulk vessels are having trouble securing adequate cargoes. The cost of constructing commercial ships in the United States has steadily gone up to the point where we have virtually priced ourselves out of the world market. It is not possible to build a vessel in the United States and have that ship be competitive with foreign operators. U.S. operators who have their vessels in international commerce are competing against foreign operators who are benefiting from Government construction subsidies and other forms of governmental assistance.

This legislation is intended to address one aspect of the problems facing the operators of the big liner vessels. The legislation proposes that section 615 of the Merchant Marine Act, 1936, originally approved in 1981, be amended to give the Secretary of Transportation permanent authority to authorize U.S.-flag operators receiving an operating-differential subsidy to construct or acquire vessels outside the United States. While the leadership of the Merchant Marine and Fisheries Committee does not necessarily agree with everything in this legislation, we do believe that it is a starting point from which the Congress can proceed in the development of legislation that would provide some benefit to our maritime industry.

This legislative proposal does not provide answers for all of the problems facing our maritime industry, in fact its scope is rather narrow. There will undoubtedly be those who oppose this legislation, arguing that it will cause harm to other sectors of our maritime industry—particularly the shipbuilding industry. In these difficult fiscal times, however, we need to be honest about what the Federal Government can do to help all sectors of our economy. It may not be possible, for example, to maintain a U.S. presence in the international shipping trade and, at the same time, continue to provide unlimited assistance to the U.S. shipyards. We may have to look at other alternatives rather than requiring U.S. operators on subsidy to use U.S.-built ships in the international trade. The cost impact of such a requirement—increased capital cost to the vessel operators, increased charges for shipping for transporting goods, and increased prices for U.S. consumers—may make this requirement unworkable.

Included with the executive communication from the Department of Transportation was a statement of purpose and need that was prepared by the Department to describe this proposed legislation. I have attached that document to my remarks for the benefit of my colleagues.

STATEMENT OF PURPOSE AND NEED

For a draft bill "To amend the Merchant Marine Act, 1936, to authorize the foreign acquisition of subsidized U.S.-flag vessels."

The draft bill would amend the Merchant Marine Act, 1936, to provide authority for subsidized U.S.-flag ship operators to construct or acquire vessels outside the United States and still receive operating-differential subsidies (ODS). Since the enactment of the Merchant Marine Act in 1936, ODS vessels have been required to be constructed in the United States. Such vessels were generally built with the aid of construction-differential subsidy (CDS). In order to assist subsidized operators in meeting their contractual obligations to replace overaged ships, section 1610 of Public Law 97–35 (approved August 13, 1981) added a section 615 to the Merchant Marine Act that generally authorized the acquisition of foreign-built vessels for subsidized U.S.-flag service in the absence of available CDS until the end of FY 1983. However, restrictions placed on this authority for FY 1983 mean that, for all practical purposes, the authority provided by section 615 was available only in FY 1982. Thereafter, section 134 of Public Law 98–151 (approved November 14, 1983) authorized the Secretary to permit two subsidized U.S.-flag operators to acquire a total of six existing foreign-built vessels.

Rather than continue such ad hoc approach, the draft bill would amend section 615 to continue to authorize U.S.-flag operators to construct or acquire vessels outside the United States and still receive ODS. It would also clarify current authority under section 615 to acquire existing vessels outside the United States to be reflagged and made eligible to receive ODS. However, funds from the Capital Construction Fund provided by section 607 of the Merchant Marine Act, 1936, could not be used for this purpose.

Section 615 authority would be effective upon a determination by the Secretary that the foreign-built vessel is over 5,000 DWT and would be suitable for use by the Federal government for national defense or military purposes in time of war or national emergency. This provision would allow replacement of overaged vessels to continue on schedule and thus avert a decline in the size of the U.S.-flag liner fleet, which is the primary U.S. source of military sealift capability.

When documented under U.S. registry, subsidized vessels constructed or acquired under proposed section 615, or previous "build-foreign" legislation enacted as section 1610 of Public Law 97-35, would be eligible to transport reserved cargoes subject to the Cargo Preference Act of 1954. This is one element of the Administration's proposal to amend the current three year waiting period of the Cargo Preference Act of 1954, for foreign-built vessels, whether subsidized or not, so that modern, foreign-built vessels with national security utility would be immediately eligible to transport such cargoes.

Finally, section 3704 of title 46 generally requires U.S. construction of certain specified antipollution fixtures on a vessel for coastwise operation. The draft bill would continue to waive this requirement for previously U.S.-built vessels installing such features in a foreign yard under proposed section 615 or Public Law 97-35.●

INTRODUCTION OF A BILL WHICH WOULD CLARIFY THE TAXATION OF EMPLOYEE AWARDS

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. THOMAS of California. Mr. Speaker, I am introducing today legislation to amend the Internal Revenue Code with respect to the taxation of employee awards. This bill would clarify the tax treatment of employee awards to the employee-recipients.

Present law—section 274 (b)(1)(C) and (b)(3) of the Internal Revenue Code, as amended by ERTA—allows an employer to deduct up to $400, and in the case of qualified plan awards, up to $1,600, of the cost of employee achievement awards; that is, items of tangible personal property awarded by reason of an employee's length of service, productivity, or safety achievement. It is clear that the intent of the sponsors of the ERTA amendments to section 274(b) of the code, raising the dollar limits for deductible employee awards, was that eligible gifts should be excluded from an employee's income. Absent such an exclusion from the income of an employee-recipient, the ERTA amendments would have little, if any, practical effect.

The ERTA provision, however, did not provide for any exclusion of the value of employee awards from the recipient's gross income, and the Internal Revenue Service has taken the position that whether an employer's award to an employee constitutes taxable compensation or a gift excludable from gross income depends upon the facts and circumstances surrounding the award. The potential taxation to employees of achievement awards brings into question the viability of these award programs by making the awards far less attractive to the recipient.

The intent in adopting the ERTA amendments to section 274(b) of the code was to make employee recognition awards more available and appealing. Employee awards by their nature strengthen the relationship between a business and its employees, an objective that should not be discouraged by the tax laws. Present law discourages employers from adopting employee incentive award programs by making such programs unattractive to employee-recipients.

This bill offers a simple, straightforward, nondiscriminatory solution to the problem of the taxability to employee awards. The proposal draws on the language of section 274(b)(1)(C) of the code, and would exclude from an employee-recipient's income the value of all awards deductible to an employer under that section, with a provision for cost of living adjustments. The bill also includes reporting requirements for awards to ensure that nonexcludable amounts are included in income.

The exclusion of employee awards from the income of the recipient should not be restricted to any one type of eligible property, as was proposed by the Senate last year in the Deficit Reduction Act of 1984, but, rather, should include all items deductible to the employer. Any exclusion for employee awards must reflect the intent of the ERTA amendments to section 274(b), to promote awards that strengthen the relationship between a business and its employees. Any restriction that would limit awards to a particular type of property has no foundation in the original section 274(b) nor the ERTA amendments. The fact that there is no justification for restricting an employer's ability to make a meaningful noncash award to its employees or for favoring one type of property over another, was recognized by the Committee of Conference on the Deficit Reduction Act of 1984 when it eliminated the restrictive Senate proposal.

Indeed, the absence of adequate choices could have the effect of not motivating employees whose personal tastes would not be satisfied by the restricted items offered. Where employees do not have any interest in the items being offered, they have no incentive to achieve the accomplishments which the employer wishes to reward.

Employee incentive awards should be promoted because such awards produce an important national benefit. There is little doubt that the recognition of employee achievement serves to strengthen the morale of the work force, fosters pride on the part of individual employees, and enhances employer-employee relationships.

The employee award industry believes that employee achievement awards are excludable gifts that have never constituted taxable income. Similarly, most taxpayers take the position that employee awards constitute gifts excludable from the employee's income. Because employee achievement awards have not previously been taxed, then, this proposal should not result in a revenue loss. Indeed, the bill may even raise revenue because it will increase compliance with respect to all award items above the $400 and $1,600 limits for the first time. The bill includes reporting requirements to help ensure that all awards above the excludable dollar limits are included in the taxable income of the employee-recipient.●

AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS BILL, 1986

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. DASCHLE. Mr. Speaker, I commend my colleagues on the Appropriations Committee, specifically Chairman Jamie Whitten, and Ranking Member Virginia Smith, for their leadership in passing H.R. 3037.

In the truly bipartisan spirit which has always characterized this committee, it has absolutely rejected the administration's drastic attempt to annihilate the Department of Agriculture and program critical to American agriculture. It has said "no" to the gutting of the Farmers Home Administration, it has told the administration to keep its hands off the Rural Electric Administration, critical to those living in rural areas. It has rejected out of hand the administration's proposal to eliminate almost entirely the Soil Conservation Programs available to our farmers.

Despite sugar-coated claims, the crisis in agriculture has not disappeared. Farm debt has continued to escalate. Prices are at the lowest point since the Depression. In fact, since 1936, the farmer's share of the consumer food dollar has decreased nearly 50 percent from 51 to 27 percent, while the share taken by those between the farmer and the consumer has nearly doubled, from 49 to 73 percent.

I commend the members of the committees for their awareness of the problems, of the enormity of these problems, and of the urgent need to respond quickly to them. This congressional recognition of the agriculture crisis is in marked contrast to the indifference of the administration in failing to acknowledge its existence.

The agriculture budget originally submitted by the administration to Congress completely ignored the needs of the farmer by proposing to abolish several critical programs such as conservation, rural housing, most direct farm lending by the Farmers Home Administration, and to reduce access to feeding programs for the elderly and needy women and children.

Although the President called for termination of the Soil Conservation Service, the Congress has recommended an appropriation of $365,629,000, an increase of $11 million more than the administration recommended for conservation operations. It has also included a minimum SCS staff number of 14,177 who will help develop conservation plans including grassed waterways, animal waste management systems, and erosion control structures.

Likewise, the administration proposed severe curtailment of loan funds for the Farmers Home Administration which provides loan funds to those farmers who are unable to obtain credit from other sources. This cut could not have come at a worse time for farmers who, while seeing their income drop steadily, suffer the impact of uncontrollable rising costs of industry and labor. Although the administration recommended a phase-out of the Direct Loan Program, the committee felt that this funding is absolutely critical and wisely rejected such a proposal.

The record of the REA Program is admirable and provides a model for the efficient and effective operation of a cooperative program between the people and their Government. Unfortunately and mistakenly, this administration has not strayed from its efforts to decimate, if not eliminate, the REA Program which is essential to the continued provision of electric and telephone services in rural areas. Ignoring its benefits and value, the current Administrators of REA apparently seek only the destruction and elimination of this valuable and needed program.

Commendably, as reported by committee, this measure prohibits USDA from continuing its present mistaken policy of dismantling the Engineering Standards Department of REA. Not only would consumer costs increase if engineering standards were eliminated, the dependability and economy of rural systems would be jeopardized.

The Engineering Standards Division has worked well in establishing and maintaining dependable and efficient rural electric and telephone systems. This administration would do well to heed the advice "if it ain't broke, don't fix it" and to cease its efforts to eliminate REA engineering standards activities.

Additionally, the committee has directed REA to abandon the policy of disqualifying rural telephone and electric systems for loans through the improper application of the general funds criteria. Neither the committee nor the Congress will accept this contrived policy and transparent effort to administratively repeal existing law. This effort to deny loans and loan guarantees to qualified rural electric and telephone systems is unfortunately not an isolated incident, but another in a long series of unprecedented attempts by USDA to destroy the REA program.

Finally, the Appropriations Committee has made a number of favorable recommendations in the area of the Food and Nutrition Service administered by the Agriculture Department. These include food stamps, school lunch, Commodity Supplemental Food Program, the Feeding Program for Women, Infants, and Children, and food donations. The committee rightly determined in each of these Domestic Food Programs to fund at or above the administration's recommended level and at a total funding level of $180 million more than the President's request. Again, I reaffirm my approval of the actions taken in this legislation.●

CONGRESSIONAL CALL TO CONSCIENCE—1985

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. FLORIO. Mr. Speaker, I am pleased to participate in the 1985 Congressional Call to Conscience on behalf of Soviet Jewry. I would like to commend my colleague, Sander Levin, for chairing this effort this year and for his help in focusing congressional attention to the devastatingly small numbers of Soviet Jews who are permitted to emigrate from the Soviet Union.

Mr. Speaker, in only a few days, we will commemorate the 10th anniversary of the signing of the Helsinki accords on August 1, 1975. The Helsinki Final Act, which was signed by 35 nations including the United States and the Soviet Union, committed the signatories to respecting fundamental freedoms and human rights. By signing the Helsinki accords, the Soviet Union pledged to respect the fundamental freedoms of thought, conscience, religion, and belief and to permit individuals the right to leave any country, including their own.

Yet, during these 10 years since the signing, Soviet Government sponsored harassment, persecution, and arrests of Soviet Jews has increased while emigration levels have dramatically decreased. As we commemorate this anniversary, it is vital that we continue to stress to the Soviet leadership that the human rights violations perpetrated by the Soviet Union are not only in violation to the Helsinki accords which they have signed, but also contrary to the fundamental laws of humanity and compassion.

Several months ago, I adopted Yosef Kalman and his wife Lilia Sinayskaya, two refuseniks who have sought since 1981 to leave the Soviet Union and join their son in Israel. Yosef and Lilia are elderly pensioners in their seventies that gave up their health working for the Soviet Union for 50 years. Yosef suffers from thrombophlebitis of both legs, a neurological disease and a heart condition. Lilia has both an ulcer and liver disease. In 1980, she had to have a gallbladder operation.

The Kalmans clearly need to be close to their family for care and support. Their emigration would not endanger any state secrets. However, Soviet authorities have refused them this fundamental right on the flimsy pretext that they would be leaving behind other relatives in Kazan and Leningrad, and that these relatives may also want to emigrate in the future. According to their son Yuri, who lives in Israel, they need his everyday support and assistance; they need the love and care of their grandchildren. They also badly need a special diet, which is impossible to obtain in Kursk. Everyday of their living, bad damage is caused to their health; the long separation and the endless anguish undermine the forces of their soul and endanger their lives.

And yet, the Soviet Government has remained stone-hearted in deciding their fate. The Kalmans have been repeatedly refused the right to emigrate and join their family. The plight of the Kalmans is very real indeed and I commend their courage and perserverance. However, they are just one couple out of the many thousands that are experiencing the same treatment, the same harassment, the same heartlessness.

We must continue to protest the treatment of the 2 million Soviet Jews at every step. We will not have accomplished our purpose and fulfilled our moral responsibilities until the day comes when Soviet Jews will be free to profess and practice their religion, preserve their cultural heritage and exercise their right to emigrate and live where they choose. Until that day, we must and will continue to persevere.●

REMOVING ASBESTOS HAZARDS IN OUR SCHOOLS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. WALGREN. Mr. Speaker, many school buildings across the country, including some in the Pittsburgh area, were constructed at a time when asbestos was used for its insulating and fire retardant qualities. However, since that time, many questions about asbestos have been raised and it has been found in some cases to be a human carcinogen. In many classrooms, teachers and students alike could be inhaling asbestos fibers, only to discover many years down the road that they have lung disease. All levels of government must respond to this dangerous situation.

In my own district in western Pennsylvania, efforts are underway to eliminate asbestos hazards. I would specifically point to the work of the Allegheny County Health Department which formed a task force to create an Asbestos Public Information Program. One of the task force's recommendations, which has been adopted by the health department, was to send asbestos school survey forms to all the schools in the county. Of the schools that returned the survey—228 of 500—and had been inspected for friable asbestos—86 percent, 60 percent reported that it is present.

I am pleased that the House on July 25 approved $50 million in funding for the Asbestos Abatement Program with my support. Earlier this year I urged the Appropriations Committee to include funding for the program. I will work for final enactment with the hope that this will help schools get started on what some have called a $1.4 billion problem. The Federal Government cannot do it all, but some seed money ought to help. Additionally, we must make sure the kinks are eliminated from the administration of the program and I am pleased that congressional hearings this year have highlighted these problems. There have been problems in schools determining what is and what is not a health risk. There have been problems with unqualified removal contractors. The bill we passed last week—H.R. 3038, provided EPA appropriations—requires that all projects funded by EPA be conducted by certified and trained contractors. And we have directed EPA to develop a hazard ranking system, to give schools guidance in this area.

Federal guidance on school asbestos removal has proceeded in fits and starts in recent years. In 1980, Congress enacted the Asbestos School Hazard Detection and Control Act, but the administration did not request funding for it. Regulations were not published until 1982. In 1984, we transferred the program to be solely administered by EPA and provided $50 million. I do hope that with this recent action we can put the program on a strong footing. We must insure a safe environment for our schoolchildren.●

DR. CAROLYNE K. DAVIS

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. SCHUETTE. Mr. Speaker, I rise today to note the accomplishments of the distinguished Dr. Carolyne K. Davis. I thank the gentleman from Michigan, Congressman Pursell for sponsoring this special order so that like-minded Members could offer their praise of Dr. Davis.

This occasion is particularly satisfying because Dr. Davis was chairman of the nursing department at the University of Michigan, where she later became vice president in charge of academic affairs, and I know that her tenure there was an unqualified success.

Dr. Davis' accomplishments as Director of the Health Care Financing Administration are their own tribute to her skills as an administrator. Dr. Davis knows the health care profession as well as she understands the budgetary nuts and bolts of financing Medicare and Medicaid.

When Dr. Davis assumed control of HCFA, it was heading for bankruptcy by 1986. Through sheer administrative skill and political fortitude, Dr. Davis has implemented the prospective payment program which brought spiralling Medicare cost under control while providing the same quality of health care. This sweeping change, among others, has been part of a comprehensive restructuring of the Medicare and Medicaid system. This restructuring has ensured that these health care systems will survive into the 1990's, and allow Congress the time to address the long-term health care needs of this Nation.

Mr. Speaker, Dr. Davis has been a tremendous help to me in my short time in Washington, and I for one, will be sorry to see her go.

She has presided over the operations of the HCFA through the Reagan administration, and should get much of the credit for the improvements that have been made in administering the health care of the 50 million citizens HCFA serves. I wanted to take a moment to express my thanks to her, my pride in her service to the people of Michigan and the United States, and to wish her the best of luck in her new endeavors.●

SALUTE TO THE 50TH ANNIVERSARY OF SOCIAL SECURITY

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. DWYER of New Jersey. Mr. Speaker, this year our Nation commemorates the 50th anniversary of our most landmark economic security legislation, the Social Security Act, enacted by the Congress and signed into law by President Franklin Roosevelt on August 14, 1935.

During the month of August, local Social Security offices in cities and towns throughout the Nation will be celebrating the 50th anniversary of this landmark law, and we all owe a huge debt of gratitude to those able and dedicated individuals who have staffed these offices and transformed the fine principles of the Social Security Act into practice.

Without the efforts of these professionals, Social Security would not be the tremendous success story that it is today. The fine record of service established by the local Social Security offices in New Jersey's Sixth District illustrate their importance.

As Members of Congress, we have occasion to deal frequently with the local Social Security offices, and I have been continually impressed with the efficiency and responsiveness of the staff in my district who exemplify this tradition of excellence we have come to associate with Social Security during the five decades since its enactment.

The 50th anniversary of the Social Security Act is also an appropriate time to reaffirm the fundamental principles of this law which has provided a measure of protection to the aged, disabled and needy of our society. Social Security has allowed people to contribute to their future, and not live in fear of losing their security and independence in their retirement years. The monthly cash benefits received by nearly 37 million Americans provide a base of economic protection on which beneficiaries can build additional protection through pensions, insurance, savings and other income. With the formation of Medicare in 1965, Social Security was expanded to provide much-needed medical assistance to senior citizens.

With the bipartisan agreement on the Social Security Amendments of 1983, we can reassure Americans that the system is securely financed and one on which we all can depend.

Mr. Speaker, I know that my colleagues join me in thanking the excellent workers who have staffed the Social Security district offices for the past 50 years, and in reaffirming our

steadfast support for this program in its 50th year.

All Americans should be proud of the brilliant success of the Social Security system in its first half century. It grew from the suffering of the Depression, and now provides the basic measure of safety and financial solvency for all Americans.●

THE 10TH ANNIVERSARY OF THE SIGNING OF THE HELSINKI FINAL ACT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, on August 1, 1975, the heads of 35 European and North American nations signed the Final Act of the Conference on Security and Cooperation in Europe. The Helsinki Final Act obligated the participants to work for greater cooperation in the military, economic, scientific, cultural, educational, and humanitarian spheres. The final act also includes broad humanitarian provisions commonly referred to as Basket III, which contains provisions for the reunification of families, the rights of citizens to enter and leave countries regularly on family visits, marriage across national lines, and the improvements in working conditions for journalist abroad.

On this day, August 1, 1985, the 10th anniversary of the signing of the Helsinki accord, very little can be seen in terms of concrete adherence to the Final Act by the Soviet Union.

The number of Soviet Jews permitted to emigrate has dwindled to almost nothing. The Soviet Union is violating the Helsinki agreement by denying political dissidents, refuseniks, and prisoners of conscience the basic human right of freedom of communication.

Soviet noncompliance reflects its weak commitment to the Helsinki agreement. A reassessment of this policy is long overdue. It is time to set a new course on Helsinki. I call on General Secretary Gorbachev to honor the Soviet commitment to the provisions of the Helsinki accords by making significant and visible changes in its emigration policies and treatment of Soviet Jews.●

THE 10TH ANNIVERSARY OF THE HELSINKI FINAL ACT

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. HORTON. Mr. Speaker, August 1 will mark the 10th anniversary of the Final Act of the Conference on Security and Cooperation in Europe, better known as the Helsinki accords. I would like to commend my colleagues on the Helsinki Commission for their diligence in bringing this anniversary to the public's attention.

Remembrances such as this serve many purposes. This anniversary is a reminder of the many commitments made by those 35 signatory nations. It reaffirms our stated objectives and obligations in the final act. Finally, it allows us to look back and examine the successes and failures of the first 10 years of the Helsinki accords.

We have seen many steps taken which promote East-West cooperation in the sciences, environment, and transportation. The final act encouraged the growth of trade, led to freer travel policies in Eastern Europe, and fostered better United States-Soviet communication before major military maneuvers.

In addition, the Helsinki accords provided a mutually agreed upon forum by which to examine the human rights records of each of the signatories, and provide greater discussion of internal policies which directly relate to human rights abuses.

However, it has become increasingly clear that a number of cosignatories have rejected the most basic tenets of the Helsinki Final Act. The Soviet Union and its Eastern European satellites have become more and more repressive in their fight against human rights activists. The number of activists arrested inside the Soviet Union has tripled in recent years. Religious persecution, forced labor, and psychiatric abuses have become commonplace throughout all of Eastern Europe. In addition, the invasion of Afghanistan and the imposition of martial law in Poland continue to serve as brutal reminders of the neglect the Helsinki Final Act has received in much of the Soviet bloc.

Mr. Speaker, the pledge by all 35 signatories to guarantee certain human rights and to improve the flow of information across borders must not be forgotten. As we approach the summit meetings between the United States and the Soviet Union, let this 10th anniversary serve as a reminder that some gains have been made. Many more must come.●

REPRESENTATIVE MONTGOMERY TO RECEIVE NCOA'S HIGHEST AWARD

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. PRICE. Mr. Speaker, as a past recipient of the Non Commissioned Officers Association of the USA [NCOA] L. Mendel Rivers Award for Legislative Action, I am proud and privileged to announce that our colleague, the Honorable G.V. Sonny Montgomery, has been selected to receive that prestigious honor for the year 1984-85.

The award, so aptly named as a tribute to the late L. Mendel Rivers, past chairman of the House Armed Services Committee and a giant of a friend to all men and women in our uniformed services, will be presented to Sonny, September 11, 1985, by the president of NCOA, retired Army command Sgt. Maj. Walter W. Krueger.

Sonny was selected by the NCOA International Board of Directors for his dedicated and devoted service as a member of this body and as one who in the past year has proven to the association to be a special friend of our service members, both past and present. He is a true patriot with a great love for this country and for those who serve and have served in the Armed Forces of the United States.

He has been and continues to be a standard bearer on the House Armed Services Committee for all military personnel on active duty and in the National Guard and Reserve. He is, as equally important, the No. 1 congressional spokesman for our veterans. His record as chairman, House Veterans' Affairs Committee, stands as a monument for those who serve or have served our Nation in war and peace.

Additionally, Sonny was selected for his tenacity in having a new peacetime GI bill enacted in law. NCOA was the first military or veterans organization to seek a new education package for post-Vietnam era veterans and realized the attainment of its 10-year goal when Sonny successfully moved his bill through Congress last year.

The NCOA L. Mendel Rivers Award was first introduced in Congress in 1972 by one of our colleagues, the late F. Edward Hebert of Louisiana, who alike to Mendel Rivers was a former chairman of the House Armed Services Committee.

Eddie was the first Member of the House to receive the award. Since then it has been presented to Representatives Tom Downing, Bob Wilson, and Mendel Davis, now retired; and to current Members, Charlie Bennett, Bill Nichols, and yours truly. On the Senate side, Strom Thurmond, John Tower (now retired), Bob Dole, Bill Armstrong, Bill Cohen, and Sam Nunn are past recipients.

Sonny will join this distinguished group, September 11, at the NCOA 13th annual congressional reception. all Members of Congress will receive an invitation to the affair so I encourage you to stop by the Cannon Caucus Room that evening to congratulate him.

Meanwhile, I extend to our colleague, Sonny, my personal congratulations and salute the noncommissioned and petty officers; active duty, reservists, guardsmen, and veterans; whose membership creates the largest enlisted military association in the Nation, the Non Commissioned Officers Association of the USA [NCOA]. They are to be commended for choosing my friend, Sonny, as this year's recipient.●

FEAST-OR-FAMINE AND DEFENSE WASTE

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. McKERNAN. Mr. Speaker, every Member of Congress is acutely aware of the Nation's burgeoning budget deficit. Gaining control over Federal spending is at the top of the congressional agenda but, based on the events of the past few weeks alone, I think we would all agree that there are no easy solutions to this problem.

Because of its size and the steady increases in its budget in recent years, the Department of Defense is frequently seen as a target for large-scale reductions. However, discussions about how to reduce defense spending have sometimes been characterized more by heat than by light.

In a recent article published by the Los Angeles Times, my colleague, Congressman John McCain of Arizona, provides a well-reasoned treatment of what can be done to reduce defense spending without endangering our national security. Congressman McCain's views on this subject are particularly credible, given his personal commitment to a strong national defense. I would like to share with my colleagues the views advanced by Congressman McCain in the Times article of June 23, 1985.

[From the Los Angeles Times, June 23, 1985]

FEAST OR FAMINE AND DEFENSE WASTE

(By John McCain)

Some years ago, as the Navy liaison officer to the Senate, I lobbied for the defense budget. Then, the job was relatively easy; Congress voiced little opposition to what most members realized was a desperately needed buildup. Today, my role in the defense budget process is different, and the task is not so simply. American are not as willing as they were in 1980 to devote staggering amounts of dollars to an agency that appears riddled with waste, mismanagement and greed.

Recently a group of senior Pentagon officials told the Republican Congressional Conference that not one dollar less could be spent on America's defense without harming national security. Billions, however, can be cut from the Pentagon's budget without endangering America's security or that of our allies.

Many in Congress agree that the solution to the dilemma of the deficit is an overall budget freeze that applies equally to all spending categories. The Pentagon, unlike other government agencies that have been streamlined over the past few years, is grossly inefficient and could play a significant role in reducing the debt. It has created obvious targets for those committed to reduce spending—the $600 ashtray, the $7,000 coffee pot, and other such horror stories. We must solve problems in the procurement process, but ending all the waste there will save only a few billion dollars—scarcely a dent in the deficit.

If we are truly dedicated to reducing the defense budget in a sensible fashion, we must look beyond spare-parts scandals. For example, the DIVAD anti-aircraft weapons has yet to prove its effectiveness in shooting down planes; it certainly does not merit a price tag of $6.8 million apiece. Cutting the entire program could save $4 billion. Similarly, additional savings could be realized by forgoing the purchase of almost 7,000 Bradley armored fighting vehicles requested by the Army. Existing personnel carriers could be modified and supplemented by procuring just 2,000 Bradleys, saving more than $4 billion.

These are just two examples of inefficient weapons systems that could be cut without endangering our national security. But members of Congress (and their constituents) will also have to take their licks if we are truly serious about defense cuts. Congress can no longer squander money on sacred cows of the defense budget.

Yet we must also recognize that facile criticisms serve no purpose in ending inefficiency. A recently published comparison of the costs of today's F-15 fighter with World War II's P-47 makes interesting reading, but such comparisons are superficial and serve only to divert attention from the real issues. The plane that I flew in Vietnam was less complex and expensive than its successor, but the increasing sophistication of the opponent we may face makes yesterday's weapons obsolete.

A broader misconception holds that simply reducing the Pentagon's budget will solve all of our fiscal problems. The 1986 defense budget will be approximately $270 billion; our deficit is close to $200 billion. Obviously, even cutting the defense budget by two-thirds would still not make the deficit disappear.

What are the solutions? We must recognize that our defense needs are a function of our foreign policy. So we must agree on overall foreign-policy goals and commitments. We can no longer be the world's policeman, nor can we withdraw to Fortress America. Between these two extremes, we need the bipartisan consensus that has been sadly absent since the Vietnam War. This does not mean falling into line behind successive Presidents. It means reaching broad agreement on our vital interests and the level of commitment needed to maintain them.

Few would deny that strategic realities require an American presence in Europe, but more than 60% of the defense budget is committed to the defense of our allies. Given the parsimonious attitude of our NATO and Asian allies, how large an American presence abroad is warranted? What are America's interests in the Persian Gulf, as opposed to those of our allies? And what level of American forces is required to defend our interests there?

Once the outlines of a broadly supported, long-term foreign policy are established, we can begin to match force (and spending) levels to those commitments. Such levels must then be funded with consistency. The feast-or-famine character of defense spending since the early 1960s is partly responsible for today's inflated budget; the sad state of America's defenses five years ago provoked what some would characterize as the Pentagon's greed.

A general who is offered more tanks than he can now use will probably accept, knowing that down the road he will face a drastically reduced budget. A Pentagon confident of consistent, adequate spending will not plead for excessive budgets as a buffer against future shortages; consistent levels would also ameliorate the Pentagon's willingness to accept inferior weapons.

We stand on the threshold of a long-needed redefinition of our defense needs. Presidents come and go, but our pledge to Europe has endured because the commitment was the result of bipartisan accord. The determination of our long-term national security needs must rest with Congress as well as the executive branch. Only by forging a bipartisan consensus can we truly resolve the current debate and provide the best possible defense at the least possible cost to the taxpayer.●

TRIBUTE TO DR. W.F. GIBSON

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. CAMPBELL. Mr. Speaker, I am pleased to pay special tribute to Dr. W.F. Gibson of Greenville, SC, who has recently been named chairman of the National Board of Directors of the NAACP.

This honor came as no surprise to those of us who know Bill Gibson, for his entire career has been marked by success and a tireless pursuit of human and civil rights. His tremendous leadership ability has been recognized through the many offices he has held including local, State and national NAACP positions, chair of the Greenville, SC, Human Relations Commission, chair of the S.C. Advisory Committee to the U.S. Commission on Civil Rights, member of the Alston-Wilkes Society, member of the S.C. Governor's Task Force on Critical Human Needs and member of the S.C. Human Affairs Commission.

In addition, Bill has received well-deserved awards and honors too numerous to mention from such organizations as civic clubs, educational institutions civil rights groups, religious organizations, fraternities, municipalities, and community groups.

Dr. Gibson was educated at Allen University, North Carolina A&T State University, and Meharry Medical College-School of Dentistry. He took his internship at Harlem Hospital in New York City, and now serves the Greenville area in the private practice of general dentistry.

As a Member of Congress, I have had occasions to call on Bill Gibson's

expertise many times, and I have always valued his input. He is a man of strongly held and vigorously defended beliefs, and he is highly respected for his concern, compassion and commitment.

We are proud of Bill Gibson in South Carolina, and that pride will be voiced on Friday, August 2, when some of this Nation's finest citizens will gather in Greenville to pay tribute to this man who has contributed so much to so many. Although a previously scheduled trade mission will not allow me to be with Bill and his friends, my thoughts will certainly be there.●

U.S. COAST GUARD

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. MICHEL. Mr. Speaker, we are celebrating the 195th anniversary of the U.S. Coast Guard. It is one of our most important services, yet its duties and accomplishments are relatively unknown. I believe our colleagues should know more about this vital part of our national security system.

First of all, it is our Nation's oldest, continuous sea going armed force.

In 1789, several enactments of the First Congress, providing authority for regulation of foreign commerce, recognized the need for a maritime police service as part of the national fiscal organization. The next year, Alexander Hamilton, Secretary of the Treasury, requested a fleet of 10 cutters, with the "first cost of one of these boats, completely equipped * * * computed at $1,000."

The Coast Guard was engaged in active service during the War of 1812, the Seminole War of 1836, the Mexican War, the Civil War and the Spanish-American War. During the First World War, by order of the President, the Coast Guard was transferred to the Navy. During the Korean war, the Coast Guard served independent of Navy control and played an important role in protecting harbor facilities and in helping to establish the Korean Coast Guard.

In 1965, a fleet of 17 82-foot patrol vessels was placed under U.S. Navy operational control for coastal and river surveillance in Vietnam. Coast Guard Squadron 1's mission expanded to include ports and waterways security, merchant marine details, navigational aid, and additional surveillance and interdiction duties.

Today the Coast Guard continues its traditional roles as the key Federal customs agency for maritime law enforcement, and as a component of the armed services. We each have read in recent months of Coast Guard seizures of thousands of pounds of marijuana, and increasing quantities of cocaine.

This "wartime" effort against well-financed adversaries has been waged, often under life-endangering circumstances, without loss of life.

Against more traditional aggressors, this armed service has enhanced the peacetime defense by assigning additional military duties to Coast Guard Atlantic and Pacific commanders in the newly established Maritime Defense Zones.

Today, this multimission service operates under the Department of Transportation—since 1967. My congratulations and best wishes go to Secretary Elizabeth Dole and to all those who proudly serve under the proud name of U.S. Coast Guard.●

TRIBUTE TO DR. HERBERT SCOVILLE, JR., ARMS CONTROL ADVOCATE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. FASCELL. Mr. Speaker, I want to pay tribute to Dr. Herbert Scoville, Jr., who died yesterday. Dr. Scoville had a long and distinguished career as an arms control advocate and as an authority on advanced military technologies.

Dr. Scoville was an active participant in the public debate on arms control, new nuclear weaponry, and relations with the Soviet Union. I respected him as a knowledgeable and experienced expert on arms control issues who could always be counted on to offer positive suggestions and recommendations for achieving progress in arms control.

In February of this year I invited Dr. Scoville to give a presentation as an arms control expert at the Foreign Affairs Committee's first arms control workshop. This workshop was the first in a series of arms control workshops sponsored by the Foreign Affairs Committee in conjunction with the Congressional Research Service. These workshops are part of an effort that I am making to involve my colleagues in a comprehensive review and study of our country's nuclear arms control policy and its role in our national security. Dr. Scoville was an excellent choice to begin this series. His perceptive comments and articulate conclusions about the history of nuclear arms control negotiations and the importance of arms control to U.S. national security were consistent with so many other fine appearances he had made with Congress. His educational efforts with the public and with Members of Congress have been appreciated. They are a lasting contribution to public awareness about the dangers of nuclear war and the importance of arms control.

Dr. Scoville had an extensive career in Government service and then in the arms control community. His Government service included work as a senior scientist from 1946 to 1948 at Los Alamos for the Atomic Energy Commission, as Technical Director from 1948 to 1955 of the Defense Department's Armed Forces Special Weapons Project, as Deputy Director of Science and Technology from 1955 to 1963 for the Central Intelligence Agency, and then, until 1969, as Assistant Director for Science and Technology at the Arms Control and Disarmament Agency. In 1969 Dr. Scoville left Government service and was selected as the Director of the Arms Control Program at the Carnegie Endowment for International Peace. Starting in the 1960's he served on a number of advisory panels and he was a member of several delegations to arms control conferences. Beginning in 1979 he served as president of the Arms Control Association. His most recent books include "Missile Madness" and "MX."

Dr. Scoville's long-term commitment to the process of arms control as a way of reducing the dangers of nuclear war was recognized in 1981 when he received the Rockefeller Public Service Award and was cited for "mobilizing his energies, his scientific knowledge, and his political insight in an effort to create a public awareness of the importance of arms control to American and international security." I simply want to add my own feelings of respect for Dr. Scoville's commitment to arms control, his dedication to public education, and his sense of urgency.●

THE 115TH ANNIVERSARY OF THE BEAUTIFUL ZION A.M.E. CHURCH

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. SHELBY. Mr. Speaker, Sunday, July 28, marked the 115th anniversary of the beautiful Zion African Methodist Episcopal Church in Tuscaloosa, AL. The church organized in 1870, is listed with the State of Alabama as a historical site created and developed by freed slaves in the Tuscaloosa community shortly after the Civil War.

This anniversary is a significant event in the life of the beautiful Zion A.M.E. Church, and its recognition and celebration are important. The occasion provides the church an opportunity to reflect on its history, to assess its past performance, and to reestablish pride in the past achievements.

This anniversary is a happy occasion because it does not mark the ending of an era, but the continuation of a dream, a task, begun 115 years ago. As the beautiful Zion A.M.E. Church approaches the future, it does so with renewed commitment and dedication. I am certain that this congregation will not only repeat the success of the past, but go on to higher levels of achievement. Please join me in congratulating Rev. John D. Windsor and the members of the beautiful Zion A.M.E. Church on this joyous occasion.●

HONORING MICHAEL S. PALLAK, PH.D.

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. WALGREN. Mr. Speaker, today I would like to commend Dr. Michael S. Pallak, who will end his term as executive officer of the American Psychological Association next month.

Dr. Pallak has guided his association during a phase of growth unprecedented in its 90 years of existence. He has overseen the publication of 20 scientific journals and has added the magazine Phychology Today to the association's portfolio. He has led a new effort to focus psychology's knowledge on national policy concerns and has assisted in congressional deliberations by testifying frequently before our committees. His guidance has been particularly helpful in the work of the subcommittee which I chair, the House Science, Research and Technology Subcommittee. Dr. Pallak has marshaled APA's financial resources to make certain that the psychologists of the future will have a vital national association behind them.

In his final report to the APA membership, published in June, he wrote:

> The decade ahead should see an amazing array of accomplishments on behalf of psychology and an impressive array of contributions to the national discussions. Anything less would violate the trust that our members and the public have placed in us.

Dr. Michael Pallak has earned the trust that all leaders must have. In the past 10 years, he has exemplified the professional qualities that make this Nation great. In the future, I trust that he will continue his superb work, and I look forward on behalf of my colleagues to the fruits of his labor.●

RECOGNIZING GENE R. LINDLEY

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. KINDNESS. Mr. Speaker, it is my pleasure today to have the opportunity to recognize and commend the outstanding service of Gene R. Lindley, president of State Line Truck Stop of New Paris, OH.

Mr. Lindley will be honored in August by the National Association of Truck Stop Operators for his service as chairman of the board of the association, and I would like to take this time to bring his accomplishments to the attention of my colleagues in the House of Representatives.

In addition to serving as chairman of the National Association of Truck Stop Operators, Mr. Lindley has also been vice chairman of the 900-member national organization. He has been active in his community for many years and has held numerous leading positions in community groups.

Mr. Lindley has served as president of the Eaton, OH, Rotary Club; director of the Eaton Area Chamber of Commerce; and president, vice president, and 8-year member of the Eaton Board of Education. Gene has also served as president of the Eaton PTA, as an elder in the Eaton Presbyterian Church; and as president of the Presbyterian Church Corp. I have known Gene for many years and have appreciated his service on my congressional advisory council. Gene and his wife Alice have four fine children: Doug, Susan, Brenda, and Matt.

I am sure that Gene's work with the National Association of Truck Stop Operators will continue long after his tenure as chairman is complete, just as I am sure that he will continue to add to his fine record of generous service and active participation in his community. I would ask my colleagues to join me in saluting Gene Lindley and in wishing him future success and fulfillment in his work.●

POLKA JOE WOJKIEWICZ

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. ROTH. Mr. Speaker, August 3 is "Polka Joe Wojkiewicz Day" in Wisconsin.

This proclamation coincides with the "International Polka Festival," which will be held this weekend, August 2–4, in Rosemont, IL. This musical celebration promises to be a fun-filled event. Bands from across the Nation will be featured, playing their best and most light-hearted melodies. I am sure festival attendees will be dancing from noon to night.

The spotlight will also be on the great polka musicians who have devoted many years to promoting the music. Mr. Joe Wojkiewicz, Sr., of Green Bay, WI, will be among those musicians.

Mr. Wojkiewicz, whom friends know as "Polka Joe," received this year the highest number of ballots in the selection of members to the Polka Music Hall of Fame. This honor is a culmination of a lifelong love for polka music and sharing its joys with other people.

A Wisconsin native, Mr. Wojkiewicz began performing at an early stage, for his father had his own band. As he grew to adulthood, his interest in promoting polka music grew, leading him to many ballrooms and dance halls, even during his World War II stint in the Army.

In the late 1940's, he and his wife, Beatrice, moved to Green Bay and began to raise a family. He continued to promote and perform actively in polka music festivals and concerts. He even was involved in the recording under his own private label the music of several polka bands.

Fortunately, his accomplishments have not gone unnoticed. He was named "Polka Man of the Year" by the Wisconsin Orchestra Leaders Association for the years 1971 and 1972. His fame spread throughout the Nation, wherever people enjoy listening and dancing to good polka music.

The citizens of Wisconsin's Eighth District enjoy good polka music and good times. They are well acquainted with the hard work and musical achievements of Mr. Wojkiewicz. He has devoted over 45 years to sharing polka music with his family and fellow Americans. His dedication to and love for the happy sound of polka music has led to enduring friendships and great personal satisfaction. "Polka Joe" Wojkiewicz has earned the respect and admiration of polka music followers everywhere.●

CAMBRIA COUNTY COMMUNITY ACTION 20TH ANNIVERSARY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. MURTHA. Mr. Speaker, on Friday, September 6, a banquet will honor the 20th anniversary of the Cambria County Community Action Counsel.

Those 20 years of activity have spanned a era of unprecedented challenge and change in the Cambria County area. We have had to overcome a stunning natural disaster while also offsetting the impact of an economic revolution that has changed the face of our economy and altered the lives of thousands of families.

Poverty, family problems, the difficulties caused by recession have not been strangers to our area over those years. A key in helping thousands of families to cope with the situation and hold their lives and families together has been the community action agency.

Through their work in programs like WIC, Head Start, Weatherization, homemaker services, emergency shelter, transportation, and information sharing, the agency and its workers have been essential to the community.

It is a pleasure for me to join in recognizing the outstanding contribution to our community made by the Cambria County Community Action Council, and to wish them continued success in facing the challenges ahead for our community.●

HELPING STATE VETERANS HOMES

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. McKERNAN. Mr. Speaker, today I am intoducing legislation designed to correct a problem facing Medicaid-certified State veterans' homes. Passage of this legislation will help these nursing homes, such as the Maine Veterans Home, to make full and proper use of the funds Congress has authorized for the benefit of veterans.

The problem these veterans' homes are facing stems from the treatment of the per diem payments made to the homes by the Veterans' Administration under section 641 of title 38, United States Code. The General Counsel of the U.S. Department of Health and Human Services has ruled, in an opinion requested by the Maine congressional delegation, that the per diem payments paid to veterans' homes must be treated as third-party liability payments, and, therefore, must be offset against Medicaid payments due to the homes. In other words, the VA per diem payments are of no benefit to those homes with Medicaid patients, since Medicaid payments are reduced by an amount equal to the VA stipend.

I do not believe that it is the intention of Congress, in authorizing the VA per diem payments, to have those funds simply replace Medicaid money. The VA payments are for the improvement in the quality of care for veterans. As long as the current legal requirement that the payments be treated as a third-party liability remains, there will be no choice as to the treatment of the payments by the States and the homes—the payments will simply offset Medicaid funds.

The legislation I am introducing today will resolve this situation by stating that the VA per diem payments shall not be treated as third party liability payments for Medicaid purposes. Under this legislation, States would not be required to reduce Medicaid payments to veterans' homes by the amount of the VA stipend. These homes would then be able to use these funds for the full benefit of their veterans.

As our Nation's veterans population grows older, we must take adequate steps to provide for their care. According to the VA report, "Caring for the Older Veteran," the VA will need to provide extended care capacity for at least 63,000 veterans in 1990 and 97,000 in 2000. This compares to an estimated average of 40,000 veterans in fiscal year 1985.

The system of State veterans' homes is an essential element in the provision of long-term care, and a key part of Federal support for these nursing homes is the VA per diem payment. By Congress passing legislation I am introducing, we can demonstrate that we will continue to give our full support to these homes.

I urge my colleagues to support this important legislation on behalf of our Nation's elderly veterans.●

WHY BOYCOTT JUST GRAPES?

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. LEHMAN of California. Mr. Speaker, today the United Farm Workers of America announced the expansion of their ill-conceived and counterproductive boycott of California table grapes.

What Congressmen, concerned citizens, and consumers should know is that the union, by it's own admission, has no legitimate complaint against the farmers it now seeks to destroy.

The union acknowledges that their complaint is against the Governor of California, George Deukmejian, and his appointees to the State Agricultural Labor Relations Board. They say he has stacked the board against them.

This haggling is nothing new. For 6 years the growers made the same allegation against Governor Brown, who stacked the board in favor of the UFW.

If the UFW wants to oppose Governor Deukmejian and his policies then they should do so in an upfront, straightforward manner. Boycotting thousands of family farmers will not change the Governors mind. It will only make farmers less willing to sign contracts with an organization more interested in destroying them, than in bettering their union's position.

One final point to demonstrate the flawed logic of this selective boycott. Why boycott just grapes? We grow hundreds of handpicked crops in California, but the UFW has chosen to punish only one group of farmers for the Governor's actions.●

CEASE FIRE

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. DASCHLE. Mr. Speaker, on July 16, Lane Evans, chairman of the Vietnam Era Veterans in Congress Caucus and I hosted a premier screening of "Cease Fire" for members of the caucus, the House and Senate Veterans' Affairs Committees and their staffs.

"Cease Fire" is a motion picture that realistically depicts the agonizing and destructive effects that combat and war can have on those who defend our freedoms.

Set 15 years following the return of a Vietnam veteran, "Cease Fire" focuses on the problems, remembrances, and tragedies of one man trying to survive his combat experiences.

It's a powerfully moving film and we recommend that everyone take the opportunity to see this movie when it is released later this fall. It is not a film about the rightness or the wrongness of the Vietnam conflict. It is not a film about the comic strip heroics of a fictional character. But instead, it is an exploration of the difficulties so many of our veterans face following their return home from war. It's a film that should be seen by veterans—to help them cope. It's a film that should be seen by everyone—to help them understand.

"Cease Fire" was written and coproduced by George Fernandez, a Vietnam veteran, and is based on his stage play "Vietnam Trilogy." It's haunting. It's real. And it should be seen by each of us—to help us remember the job we, as Members of Congress, have to do.●

PAN-AMERICAN GAMES

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. THOMAS of California. Mr. Speaker, with the approach of the 10th Quadrennial Pan-American Games in August 1987, we look forward to an event in which the 37 nations of the Western Hemisphere come together in a spirit of cooperation and competition. The games, which are to be held in Indianapolis will be hosted by the United States for the first time in 30 years. It will be an important athletic and cultural event and many people have come together to ensure the smooth and efficient operation of the games.

Legislation was recently introduced to allow the duty-free entry of the personal effects, equipment, and other related articles of participants, officials, and other accredited members of the delegations (H.R. 2723). This legislation, which is supported by the U.S. Customs Service, will greatly expedite the entry of participants through a portion of the Customs clearance process. There is another portion of the Federal inspection, however, which cannot be waived for participants of the Pan-American Games or any other individual entering the United States—agricultural inspection.

The U.S. Department of Agriculture's Animal and Plant Health Inspection Service [APHIS] inspects incoming passengers, baggage, and cargo at ports of entry to prevent the introduction of pests and diseases that could seriously damage the agricultural industry. Recent episodes with costly diseases such as citrus canker and avian influenza demonstrate the pressing need to provide adequate inspections to exclude such diseases.

Many of the participants in the Pan-American Games will want to bring familiar foods for their stay, and some of these foods could be the bearers of agricultural pests and diseases. In addition, equestrian events will require the inspection and quarantine of any horses entering the country. APHIS was fully involved in the Olympic Games in Los Angeles, and they stand prepared once again. They are ready to cooperate in every way possible with the organizing officials to provide advance information and to arrange expedited clearance procedures consistent with their mission of protecting American agriculture.●

OUTSTANDING CASEWORKER

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. CHAPPIE. Mr. Speaker, today I want to bring to the attention of the House an individual who deserves special recognition because of her 4½ years of public service on behalf of northern Californians. Her name is Jane Winston Rogers, and today is her last day as a caseworker in my Chico office.

Her coworkers and I will miss her, not only because she has done such an outstanding job for the people of northern California, but also because we've really enjoyed working with her.

It takes a special person to be a good caseworker, and Jane is one of the best. Good caseworkers are compassionate and caring. They're also persistent, efficient, and tough when they need to be. They work long hours, often without receiving the recognition and praise they deserve.

In the 4½ years Jane has worked as a caseworker, she's handled every type of case that is referred to a congressional office. She's solved Social Security and Medicare claim problems for senior citizens. She's helped disabled veterans who weren't receiving their veterans' disability checks, and assisted those who had trouble with the Immigration and Naturalization Service and the Internal Revenue Service. She's been a sounding board for the frustrated and a source of comfort for those tangled up in the Federal Government's bureaucracy.

Over the years, her hard work hasn't gone unnoticed. Last month, the regional commissioner for the Social Security Administration made a special trip to the Chico office to present Jane with a certificate of commendation for her work on behalf of Social Security recipients. I've also received many letters of appreciation from those helped by Jane. I'd like to share the contents of one of those letters with you from a Lewiston man who wrote, "I would also like to thank your very capable coworker, Jane Rogers, who spent quite a lot of time on my case and who was very pleasant and understanding even when I thought that I was being a pest."

I know I speak for many northern Californians when I wish Jane the best of luck in her new career and thank her for her outstanding service to the State. She won't be easy to replace, and she certainly won't be forgotten.●

PERSONAL EXPLANATION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. DANNEMEYER. Mr. Speaker, due to prior commitments in my congressional district, I was not present for the end of the session on July 25, in which I missed one vote, and the session on July 26, in which I missed four rollcall votes. Had I been present I would have voted:

JULY 25

"Aye" on House Joint Resolution 187, the Compact of Free Association, which was amended by a compromise substitute amendment.

JULY 26

"Aye" on the motion to approve the Journal proceedings of the previous day.

"Nay" on House Resolution 236 to waive certain points of order against consideration of H.R. 3036.

"Nay" on the Nelson substitute amendment which would moderately decrease the levels of spending for allowances and office staff for former Presidents.

"Aye" on the Jacobs amendment to reduce the appropriation for allowances and office staff for former Presidents.●

CROPS DESTROYED BY CRICKETS AND GRASSHOPPERS

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. CRAIG. Mr. Speaker, as many of you have heard over the past several months, millions of grasshoppers and crickets have ravaged the Federal rangelands of the West and have destroyed millions of dollars' worth of private croplands. Today I am introducing legislation to protect Western and Midwestern States from these crop damaging pests. My bill would provide for the expenditure or transfer of funds by the Secretary of the Interior to the Secretary of Agriculture for the emergency prevention, supression, control, or eradication of grasshoppers or crickets on public lands.

In the past, emergency measures have been taken but only to come up with too little too late for many farmers and ranchers who have been economically devastated. This bill would make available to the Secretary of the Interior funds for obligation incurred on Federal lands subject to the jurisdiction of the Secretary of the Interior during the preceding fiscal year.

This is not a Government program but merely asks that the Government be responsible neighbors on those areas where public and private land adjoin. In 1985 alone, over 6 million acres were sprayed in my home State of Idaho. And yet, crop losses will still range in the millions due to the lack of an adequate system of pest control on public rangeland.

Colleagues of the House, join me in sponsoring this legislation to see that the Federal Government fulfills its responsibilities of a landowner and help rid the American farmer and rancher of these devastating losses.●

REFLECTIONS ON THE HELSINKI ACCORDS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. GARCIA. Mr. Speaker, yesterday I inserted in the RECORD excerpts from a report published by the North Atlantic Assembly's Committee on Civilian Affairs on the "Implementation of the Humanitarian Commitments Entered into at the CSCE." Today I would like to share with my colleagues two articles on the Helsinki accords. One is from the July 25 edition of the

Christian Science Monitor. The other is from today's Washington Post.

I believe that both articles present a balanced and informative account of the Helsinki accords: its successes, its failures. I hope that my colleagues will take time to look at these articles, particularly during this week which marks the 10th anniversary of the Final Act of the Conference on Security in Europe—more commonly known as the Helsinki accords.

The articles follow:

[From the Washington Post, July 31, 1985]

HELSINKI REVISITED

In Helsinki, 35 governments are attending the 10th anniversary of the Helsinki agreement, and most of the democratic governments there are wondering why. For the West, the whole appeal of the 1975 agreement was that it made the Soviet bloc's commitment to human rights, heretofore regarded by bloc countries strictly as their internal affair, open to international review. The West dutifully demanded that these countries respect their new commitment, but most of the countries, and most of all the Soviet Union, refused. In some cases, the Russians perhaps got nastier than they otherwise might have been—hard as that is to imagine—in order to spite those leveling the human-rights demands.

So no one is enthusiastic about Helsinki, but all the original signers seem to be there, including those that are least enthusiastic. There are three good, if modest, reasons. Helsnki is a way for those who care in the West to keep faith with the victims of state repression in the East; these people are not only brave but also lonely—if they cannot have relief, they crave not to be forgotten. The agreement allows Westerners an opening to put a certain pressure for human rights on Eastern governments. And it lets East European governments so inclined—and all of them are at least mildly inclined from time to time—to distinguish their human-rights style from the well-oiled despotism practiced by the Soviet regime.

The painful question remains of what the West can do to reach into the Soviet Union and nurse the cause of human rights there—to do so effectively and not just for show, and to do so without seriously undercutting other substantial Western interests.

Here Western impulse, pointing toward intervention, vies with Western experience, which counsels not neglect but care. In raw East-West times, things get worse, but in easier East-West times they do not necessarily get better, or stay better. "Human rights" in the Western sense is in the Soviet sense a code word for challenge to the communist system. Western governments know this, although not all well-meaning Western individuals take it into account. The Soviet government can be shamed, but its capacity to resist shame is strong. This distinguishes it from East Europe, which shares in the Western humanistic tradition. All this is the bitter lesson of Helsinki.

[From the Christian Science Monitor, July 25, 1985]

WHAT YOU NEED TO KNOW ABOUT THE HELSINKI ACCORDS

(By Charlotte Saikowski)

Helsinki is getting ready for a giant birthday party.

Foreign ministers of 35 states will gather in the capital of Finland Aug. 1 to commemorate the 10th anniversary of the Final Act of the Conference on Security and Cooperation in Europe (CSCE). The act was signed in Helsinki in 1975 by the United States, Canada, the Soviet Union, and all the nations of Eastern and Western Europe except Albania.

The Helsinki event calls attention to one of the most unusual forums for East-West dialogue. Under the "Helsinki accords," as the Final Act is commonly called, the 35 member states, including neutral and nonaligned nations like Finland and Yugoslavia, gather periodically to review progress toward the goal of easing East-West tensions and promoting cooperation.

Public interest tends to focus on one aspect of the accords: human rights. This is because dissidents in the Soviet Union and East European countries invoke the accords when pressing for greater freedom—and because the West holds Moscow's feet to the fire on human rights violations.

But the Final Act is not only a declaration on human rights. It is a carefully balanced package of principles designed to provide a framework for improving cooperation in many areas, including military security, trade, science, technology, environment, culture, and education.

Although set out like an international agreement, the Final Act does not have legal status and there is no mechanism to enforce it. It is in fact a political rather than a legal undertaking.

A brief history explains why.

The idea was first broached by the Soviet Union in 1954. Because no peace conference followed the end of World War II, the Soviets saw a security conference as a kind of substitute peace treaty to seal the division of Europe and legitimize their wartime gains, including absorption of the Baltic states and the communization of Eastern Europe. The West European nations initially rejected the proposal as an effort to endorse Soviet hegemony over Eastern Europe and exclude the US from European affairs.

But a decade and a half later the European scene had appreciably changed. West Germany had concluded a series of treaties with its eastern neighbors enshrining the postwar borders. An era of détente began to emerge in East-West relations.

The Western nations agreed to explore the possibilities for a European security conference on three conditions: that the status of Berlin is regularized and separate talks to reduce conventional forces in Europe held simultaneously; that the US and Canada also take part; and that "European security" is broadened to include humanitarian concerns.

After three years of negotiation, the Western concept largely prevailed. Moscow had yielded in order to get the conference.

When the Final Act was finally signed, critics cried that the West had sold out to the Soviets. Many scorned it as a collection of wordy declarations. The Americans were ambivalent. Only idealists suggested it marked the beginning of a new era in East-West relations.

Today the optimists are disappointed. But many who criticized it now see its value as a political vehicle to pressure the Soviet-bloc countries to reform human rights practices and liberalize authoritarian systems. The US in particular has become an enthusiastic participant.

From Moscow's standpoint, the Helsinki accords provide tacit European and American acceptance of its wartime territorial acquisitions. But, while the document recognizes the "inviolability" of frontiers, it also says that the frontiers can be changed peacefully by mutual consent. In the Western view, therefore, the document does not freeze the borders of Europe.

Moreover, the term "inviolability" applies to East European frontiers as well. It thus challenges the so-called "Brezhnev doctrine" of limited sovereignty under which Moscow claims the right to intervene in bloc countries to preserve socialism (as it did in Czchoslovakia in 1968).

Helsinki has also provided the Soviets with a forum to press for European disarmament and the end of restrictions on trade with the West. But it has not realized the expected gains from the accords.

A major result of the Helsinki agreement has been the proliferation of informal groups in Eastern Europe to monitor compliance with the human rights provisions. Dozens of groups representing minorities and other dissidents have sprung up to gather evidence and write reports.

The most famous of these has been the "Moscow group" of intellectuals led by Yuri Orlov, Andrei Sakharov, and Anatoly Shcharansky a group now brutally disbanded. Helsinki also inspired such activity in Eastern Europe as Charter 77, a human rights manifesto and civil rights movement in Czechoslovakia.

In the West, too, there is monitoring activity. A special CSCE commission composed of representatives of Congress and the administration—the "Helsinki Commission"—functions in the US. Britian has a similar body. Many ethnic and private human rights groups also keep up pressure on signatory governments to hold the Soviet-bloc countries accountable for human rights violations.

Is it worth it?

Ten years after signing the Helsinki Final Act, no one can claim that the Helsinki process has ushered in a millennium in East-West relations. On the contrary, only limited progress can be recorded.

The Soviets have not changed their behavior in a substantial way. They have allowed some reunification of families, allowed more emigration, and improved conditions for foreign journalists. But progress falls far short of Helsinki standards.

The Soviet Union remains an oppressive society that denies political and economic freedom. Today the dissident community is shattered.

The Warsaw Pact nations have observed the compulsory provisions on prior notification of major military maneuvers. There is somewhat greater openness about military activities, including voluntary exchange of observers at exercises. But it has been difficult to extend "confidence building" measures.

The Helsinki process has stimulated activity in the UN Economic Commission for Europe. Scientific and economic cooperation took a leap in the late 1970s. Some East European states, such as Hungary, have improved facilities for Western businessmen.

But improvements have been spotty. Trade, in any case, declined in he 1980s because of the debt problems of Eastern Europe and recession in the West.

Despite disappointments over the Helsinki process, many believe it is a net plus for the West. They see it as a worthwhile forum in which to spotlight rights violations in the Soviet bloc, relate human rights to cooperation among states, mobilize world opinion, and give moral support to the repressed.

"We are really at the beginning of the history of a new process not only under the Helsinki accords but at the UN," Says Richard Schifter, US envoy to the recent Ottawa experts conference. "We have not been in the habit of commenting on violations of human rights in other countries—in Hitler's and Stalin's time, for example. Only 25 years from now will we be able to determine whether we are at the beginning of an era in which these concepts did take hold and states looked on the actions of other countries and caused them to change their behavior."

Certainly the Soviet leadership can no longer avoid discussion of its "internal affairs." It may sit impassively at Helsinki meetings. It may stonewall efforts to improve agreements or implement them. But the efforts are nonetheless there.

"Helsinki was never seen as a magic lever that would change the Soviet totalitarian dictatorship," says a State Department official. "But one mustn't overlook the impact in Eastern Europe. Even Romania has allowed a massive emigration of Jews."

Says Jeri Laber of the New York-based Helsinki Watch group. "At least the Soviets come to talk and sometime it's the only forum where East-West relations are raised and they have taken a lot of abuse without walking out."

In the eyes of some diplomatic experts, the most important benefit of Helsinki is its positive, unifying effect on the countries of Western Europe, the US, and the neutrals. Whatever the differences among them, they come together on high ground that shows what differentiates them from Soviet-bloc societies. And even nondissidents and governments in Eastern Europe, which would like to have more independence from the Soviet Union, quietly welcome the process.

"The high ground is an attractive high ground even to many whose circumstances are beyond their control on the other side of the fence," says Mark Garrison, director of the Center for Foreign Policy Development at Brown University. "It's an especially useful operation because it's not threatening in any way and encourages them to try to join us if possible on the high ground."

Frustrated over slow progress, many Soviet emigres favor repealing the Helsinki accords, but Western groups do not think withdrawal from the process is desirable.

"The first reason is we lose the best international forum in which to hold them to account for their violations of human rights," says Sen. Alfonse M. D'Amato (R) of New York, chairman of the US Helsinki Commission.

"Where else could we have so isolated the Soviet Union that its responses to our litany of human tragedy, enforced at the hands of Soviet officials, were confined to poorly crafted attacks on US employment, homelessness, discrimination, and medical care problems?"

Also, Senator D'Amato says Moscow would like to see the US withdraw from the Stockholm disarmament conference, leaving itself and the Europeans.

In the opinion of some diplomats, the Stockholm conference—if it ultimatly produces the desired military confidence-building measures—may prove to be the most valuable aspect of Helsinki, reducing the risk of war in Europe.

Comments William Schinn, a former United States State Department official: "We have observers at many Soviet exercises. That has helped heighten confidence and taken away some of the mystery."

One Decade Since the Final Act

1975—The Helsinki Final Act was signed by 35 states of Eastern and Western Europe after three years of negotiations.

1978—The first follow-up conference ended in Belgrade, Yugoslavia. The five-month meeting, attended by 140 delegates, was difficult. It produced only a short document, recording that different views were expressed on the degree to which the Final Act had been carried out and that consensus was not reached on a number of proposals submitted.

Nonetheless, the Soviets could not avoid talking about the suppression of freedom. The conference also gave the East Europeans leverage against Moscow. When the US and West Europeans criticized the Soviet arrest of three prominent dissidents—and Moscow threatened to walk out—the Poles, Romanians, and Hungarians refused to join the Soviets in a vote condemning such criticism as interference in their internal affairs.

1980—The Madrid conference was convened. This second review meeting was suspended for nine months in 1982 in response to the imposition of martial law in Poland. But it resumed, concluding in 1983.

Discussions focused almost entirely on human rights. An agreement was reached that did not go as far as Western members wished but that strengthened the Helsinki process by adding or bolstering language to: ensure the right of workers to organize; speed family reunification; strengthen religious freedom; condemn and supress terrorism; improve conditions for journalists; expand access of private citizens to foreign diplomatic missions.

Under the Madrid agreement, the "zone of applicability" of any such measures will apply to the entire European portion of the Soviet Union, right up to the Ural Mountains, instead of the 250 kilomter-wide band set at Helsinki.

1984—A conference on European military security was convened in Stockholm to develop confidence-and-security-building measures with a view to reducing the risk of military confrontation. It is scheduled to resume in September.

The NATO nations have on the table a package of military measures, including an exchange of annual forecasts of planned military maneuvers and the presence of observers at military exercises. The Soviets are pushing the idea of nonfirst use of nuclear weapons.

1984—A two-week seminar in Venice, Italy, on economic, scientific, and cultural cooperation in the Mediterranean.

1985—A human rights experts meeting was held in Ottawa, Canada. The Soviets refused to engage in substantive preliminary talks and the six-week meeting itself yielded no final document. The Western countries tabled a series of proposals aimed at making the Helsinki provisions more specific.

1985—A six week Cultural Forum attended by leading cultural figures will be held in Budapest, Hungary, in October. It will consider an expansion of cultural exchanges.

1986—A meeting on human contacts—family reunifications and visits, travel, binational marriages—will be held in Bern, Switzerland, in April.

1986—A third major review conference will begin in Vienna in November.

The Three Baskets of Helsinki

The Helsinki Final Act has three basic sections or "baskets," as they came to be known when participants threw in proposals during the negotiations.

Basket I contains the principles guiding relations between states that are defined in the United Nations Charter: respect for sovereignty, nonuse of force, inviolability of frontiers, nonintervention in the internal affairs of other countries, respect for human rights and fundamental freedoms, self-determination, and fulfillment of obligations under international law.

This basket also contains military "confidence building" measures, including the prior notification and the exchange of observers during major military exercises.

Basket II calls for cooperation in economics, science, technology, and the environment.

Basket III deals with cooperation in humanitarian and other fields, including freer movement of people and information, cross-border marriages and family reunification, and educational and cultural exchanges.

The Final Act also calls for periodic review conferences to evaluate implementation of the accord and take up new proposals. It designated that the first conference be held in Belgrade in 1977.●

SCOUTS IN SEEKONK, MA, AREA RECEIVE DISTINGUISHED AWARD

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. FRANK. Mr. Speaker, one of the most impressive programs for young people that I have encountered in my time in Congress is the Duke of Edinburgh Scouting project supervised by Dr. Albert Roy of Seekonk. Dr. Roy's dedication to providing the best possible experience for young people has redounded greatly to the benefit of the young people of the Seeknok area.

I was privileged some time ago to participate in a ceremony at the British Embassy in which the British Ambassador presented Duke of Edinburgh awards to deserving Scouts. Recently, through the great organizational efforts of Dr. Roy and the help of a lot of parents and others in Seekonk, a group of young people went to Scotland to receive their medals from Prince Philip.

I want to salute Dr. Roy for his skill and enthusiasm with which he guides this program. The young people of Seekonk are very lucky to have his support. And I want also to express my admiration for the young people who have participated in the program and have lived up to the high standards embodied by the Duke of Edinburgh awards.

Seekonk Scouts Hailed by Royalty

Seekonk—For the second consecutive year, scouts of Troop 3 have received gold Duke of Edinburgh medals from Prince Philip at Holyroodhouse Palace in Edinburgh, Scotland.

The presentation was the culmination of a three-year project by Bill Crowley of Scott

Road and Russell Humphrey of Howland Street.

Fiona Lubbock, now of Beckley, West Virginia also received her gold award from the prince. She is the only female member of the Seekonk awards group.

Assisting Prince Philip in the awards ceremony was Sandra Whittaker, who was a member of Britain's 1984 Olympic track team and holds the Scottish record for 200 meters. She later chatted with Seekonk's Crowley, who is a nationally ranked miler.

The highest British awards for excellence in youth, the Edinburgh awards were established 30 years ago and are issued in 40 countries of the British commonwealth, from Australia to Zimbabwe.

The Seekonk scouts are the only Americans involved in the program. Special permission was arranged by having the troop attached to Bermuda for administrative purposes. This is the 11th year of Troop 3's participation.

Meanwhile, three scouts from Rhode Island, two from Connecticut and three from Michigan are being guided through the program by Dr. Albert Roy of West Avenue, Seekonk, American administrator for the awards.●

CUPIDITY IN THE PHILIPPINES

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. BEREUTER. Mr. Speaker, I would like to commend to my colleagues' review a recent editorial in the Washington Times of July 25, 1985. Indeed, if we want to avoid battling over funding for Philippine "contras" in a few years, we need to begin now to assist in assuring a democratic successor to the Marcos regime. I certainly hope we can learn and avoid the mistakes made elsewhere by our inaction and the perceptions of our policies and views of the world. Too often, the first steps toward democracy are taken when nations are already too deeply polarized.

The United States can be a strong, positive force in assisting the further development of democracy in the Philippines. Today, as this editorial concludes, democratic government in the Philippines is indispensible and still possible. Hopefully, it will not soon be too late.

Cupidity in the Philippines

The Philippines are about to be promoted from problem to crisis. Unless we want to endure, five years hence, House debates on whether to fund Filipino "contras," we had best concern ourselves now with assisting a smooth post-Marcos transition.

This is manifestly our business, as the Philippines' ally and in view of the increasing Soviet naval presence in the Pacific. A high Pentagon official told columnist Cord Meyer recently that if a new regime in the Philippines turned Clark Field and Subic Bay over to Soviet use, "the balance of power in the Pacific would be reversed." Do not doubt it.

The corruption of the Marcos regime has combined with nationalism to galvanize the extreme opposition to President Marcos. For no other reason than the brutality of the police and army that are trying to stamp it out even a brutal Communist insurgency—the New Peoples' Army—has been gaining support in the countryside.

President Marcos still subjects himself to elections of sorts (his present term is up in 1987) and in spite of political and medical problems, he plans to run again. The thrust of American diplomacy should be to deter him and also his ridiculous wife, Imelda. Mr. Marcos has made important contributions to Filipino national destiny. Now he can serve his country best by allowing a mechanism of succession to take shape, with power passing to genuine moderates—those, for example, who belong to the reform group within the government called "We Belong."

The National Endowment for Democracy, an independent agency funded by the U.S. government, has been easing the way for peaceful change in the Philippines by aiding indigenous non-Communist reform movements and labor unions. The Soviet Union, through the World Federation of Trade Unions, never ceases trying to infiltrate and co-opt the labor movement and has been active throughout non-Communist Asia. The NED has been countering this activity through the AFL-CIO's Free Trade Union Institute.

But this effort has itself been a source of criticism, e.g., an article in last Sunday's San Francisco Chronicle implying something covert about this aid (not true). The article leaned heavily on an interview with Filipino Sen. Jose Diokno, who has repeatedly called for an end to all U.S. involvement in his country.

Achieving a democratic future for the Philippines is difficult, but indispensable.●

BASEBALL IN THE DISTRICT OF COLUMBIA

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. WOLF. Mr. Speaker, on June 21, 1985, over 75 of our colleagues—including Representatives STAN PARRIS of Virginia, MICHAEL BARNES of Maryland, STENY HOYER of Maryland and Delegate WALTER FAUNTROY of the District of Columbia—joined me in writing Baseball Commissioner Peter V. Ueberroth urging him to let major league team owners know of our support for the return of major league baseball to Washington, DC. Our letter was written to add support to the efforts of the D.C. Baseball Commission, a group formed by the District of Columbia government to promote the city as a site for a major league team.

On July 29, 1985, I received a letter of response from Commissioner Ueberroth, and I would like to share both letters with Members of the House.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 21, 1985.

PETER V. UEBERROTH,
Commissioner of Baseball, New York, NY.

DEAR COMMISSIONER UEBERROTH: While most of us are only part-time residents of the Washington, D.C., metropolitan area, we want you to know of our strong support for bringing major league baseball back to the Nation's Capitol.

You may be assured that we are aware of your understandable view that grassroots and not just political backing should be the gauge by which demonstration of support for a team can best be measured in a community. We don't believe, however, that the two are mutually exclusive. So, as grassroots baseball fans—who also happen to be Members of Congress—we urge you to make major league baseball owners aware of our deep commitment to the placement of an expansion franchise in Washington, D.C.

As you well know, the D.C. Baseball Commission has initiated a season ticket drive and provided excellent factual documentation on the reason why the Washington, D.C., metropolitan area deserves one of the new baseball franchises. But beyond the raw numbers of population and buying power and beyond the factors of the vigorous D.C. summer tourist business and excellent public transportation network, we believe that baseball—so much a part of the fabric of American life—should also be part of daily life in Washington, D.C. Many of us grew up with major league baseball and we believe that the people of this area—especially our young people, whose lives can be enriched growing up with the game's sights and sounds—deserve a team.

A famous baseball announcer once said, "There is nothing so truly American as hitting one out of the ballpark." The home runs in this town too often come from a president scoring a political triumph or from a committee chairman steering through an important legislative victory. They should really come from the crack of the bat of a young outfielder or the long, lazy swing of an aging first baseman.

Along with the rest of this great metropolitan area, we miss those real home runs, Mr. Commissioner. Let the owners know—we would like to see baseball back in D.C.

Sincerely,

FRANK R. WOLF,
STAN PARRIS,
WALTER E. FAUNTROY,
MICHAEL D. BARNES,
STENY H. HOYER.

Other signees are:

Guy Vander Jagt, Frank Horton, Melvin Price, Mickey Leland, Henry B. Gonzalez, Norman D. Dicks, William F. Goodling, Stan Ludine, Thomas J. Downey, Bill Green,

Thomas J. Manton, Silvio O. Conte, Daniel K. Akaka, Martin Frost, Dan Burton, John J. Duncan, Kenneth J. Gray, Dan Daniel, Charles Wilson, Frederick C. Boucher,

Thomas J. Bliley, Jr., Harold L. Volkmer, Carl C. Perkins, George C. Wortley, Mike Synar, Norman Sisisky, Howard L. Berman, James M. Jeffords, Dan Lungren, G. William Whitehurst,

Stephen L. Neal, Berkley Bedell, Carl D. Pursell, Bob McEwen, Robert J. Mrazek, Don Sundquist, Steve Gunderson, Barbara F. Vucanovich, Robert Garcia, Arlan Stangeland,

Michael DeWine, Dan Coats, Michael G. Oxley, Harold Rogers, Robert Walker, Ronald V. Dellums, Augustus F. Hawkins, Howard Wolpe, Joseph J. DioGuardi, Robert Lindsay Thomas,
Roy Dyson, Edward J. Markey, Jim Moody, Vic Fazio, Albert G. Bustamante, Dennis E. Eckart, Nancy L. Johnson, Robert H. Michel, Robin Tallon, William M. Thomas,
Bill Chappell, Jr., Robert A. Young, David E. Bonior, Thomas M. Foglietta, Gerry E. Studds, Martin O. Sabo, Bill Emerson, Mario Biaggi, Matthew G. Martinez, Beau Boulter, Pat Williams.

BASEBALL,
OFFICE OF THE COMMISSIONER,
New York, NY, July 24, 1985.

Hon. FRANK D. WOLF,
U.S. House of Representatives, Washington, DC

DEAR REPRESENTATIVE WOLF: Thank you very much for the letter in which you joined with a number of your colleagues to urge that Major League Baseball be returned to Washington. I recognize the support that exists for Baseball in Washington, and understand your interest in bringing the National Pastime to the Nation's Capital.

It is my expectation that expansion is likely in the next several years, something that I have indicated in testimony submitted earlier this year in the House and Senate. Moreover, it is clear that Washington is a major contender for an expansion franchise.

As your letter suggests, the final decision on expansion and the location of expansion franchises is left to the owners of the existing 26 Major League Clubs, and I shall make certain—as you and your colleagues requested—that the owners know of your views.

Again, thank you for writing. Best wishes.

Sincerely,

PETER V. UEBERROTH,
Commissioner.●

NAIROBI CONFERENCE MARKS CLOSE OF U.N. DECADE ON WOMEN

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mrs. SCHNEIDER. Mr. Speaker, the recently concluded U.N. Decade for Women Conference in Nairobi, Kenya, endorsed all the principles regarding the role and status of women recommended at the 1984 International Conference of Population in Mexico City. All these were included in a forward-looking strategy adopted at the conclusion of the meeting in the early hours of July 27, 1985.

What amazed me about this important women's conference were the many reports of significant progress being made in developing countries regarding family planning services and education, as well as the desire to implement more such advances. There is little doubt that many Third World governments seriously concerned about the population explosion in their countries, realize the necessity of these types of programs.

Particularly, I was very pleased to hear about the high level of commitment and support that the people of Kenya express in favor of improving access to family planning. Individuals would stop on the street during my visit to the conference and give me encouragement, telling me that they admired the work we were trying to accomplish on behalf of women who want to determine family size and the spacing of their children.

This situtation was made clear in a cogent article written by Werner Fornos, president of the Population Institute, which appeared in the Standard of Nairobi. I provide the article for your attention.

[From Nairobi, Kenya, July 18, 1985]

WOMEN MUST BE FREE TO DECIDE ON FAMILY

"POPULATION SEVERE PROBLEM"

(By Werner Fornos)

At the conclusion of the United Nations Decade for Women there must be a universal resolve to promote and extend the rights of women and none were more significant than the fundamental human right of reproductive freedom.

Article 13 of the 1984 Mexico City Declaration on Population and Development, signed by the official representatives of 147 nations, focused on the very crux of a severe and expanding global problem.

"By the year 2000 some 1.6 billion women will be of childbearing age, 1.3 billion of them in developing countries. Major efforts must be made now to ensure that couples and individuals can exercise their basic human right to decide freely responsibly, and without coercion, the number and spacing of their children and to have the information, education and means to do so".

One-third of the mothers in the developing world did not want their last pregnancy, according to the World Fertility Survey, the largest social science research project ever undertaken. About one-quarter said their actual family size was higher than their desired family size.

Family planning services, supported by adequate information and education, offer a viable solution to this enormous dilemma and have been shown to contribute substantially to the health of mothers and children and to the quality of life.

Yet 400 million couples in the developing world who need and want such services are deprived of them due to lack of funding.

TRAGIC NUMBERS

This huge chasm between need and fulfillment all too frequently results in tragically high numbers of maternal and infant deaths attributable to such factors as malnourishment, dangerously short intervals between pregnancies, and mother giving birth too early or too late in life.

Twenty five million women worldwide suffer serious illness or complications every year during pregnancy and childbirth. Eleven million of the 133 million babies born every year will not reach their first birthday.

In Africa and Asia, half a million women die every year from maternal causes, leaving behind one million orphans. In some African countries a woman may have to give birth to six children to assure the survival of one son.

Family planning is the first line of defence against unwanted pregnancies, which have indeed reached epidemic proportions worldwide.

Today there are two abortions in the world for every five births. One woman dies every three minutes of complications resulting from septic abortion. And illegal abortion is the leading killer of women between the ages of 15 and 39 in Latin America, and a major cause of maternal mortality in Asia and Africa.

Women everywhere must have nothing less than full equality with men and the opportunity to succeed in all human endeavours on the basis of their ability alone. Gender should be neither a handicap nor an advantage. But before sex discrimination can be given a long overdue burial, it is essential that all women be able to voluntarily and responsibly make the most personal decisions governing their lives.

The current Nairobi conference signalling the end of the U.N. Decade for Women must not fail to address this crucial issue as it works out a forward-looking strategy in the best interests of women of the world and humanity itself.

The Population Institute is the world's largest private organization dedicated to bringing the world's resources and its population into a more equitable balance.●

THE WAGNER ACT AT 50

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. CLAY. Mr. Speaker, I would like to bring to the attention of my colleagues an editiorial concerning the 50th anniversary of the Wagner Act. The editorial, from my hometown newspaper, The St. Louis Post-Dispatch, points out what is all too obvious, the National Labor Relations Act no longer protects the rights of workers to engage in and benefit from collective bargaining. I especially commend the last paragraph to my colleagues' attention:

In shaping the institutions that will govern future labor-management relations, unions must play a vital role. Fifty years after the Wagner Act, though, their legal standing is in peril. On this anniversary, the recognition that unions may well vanish should be sufficient to spark efforts to ensure that they don't.

I commend the following to the attention of the Members:

[From the St. Louis Post Dispatch, July 18, 1985]

THE WAGNER ACT AT 50

It's been 50 years since passage of the National Labor Relations Act, which, better known as the Wagner Act, is the set of laws that gave legal standing to labor unions. Thanks to this act—and only this act—unions have been able to fight for the sort of benefits that set the standards that nearly all employers, union or otherwise, have been forced to acknowledge and respect.

"But apart from past achievements, there is little to celebrate on this golden anniversary. In the last few years, labor has taken a beating. Instead of helping fend off the blows, as strict compliance with the Wagner Act would require, the administration instead has installed as enforcers of this law people who strive for its sabotage. Time and again, the National Labor Relations Board has mined the foundations of strong unions. The fact that the Supreme Court last month upheld one of its most egregious decisions—forbidding unions from pursuing sanctions against members who quit during strikes—would appear to set the NLRB's decisions in granite.

The Occupational Safety and Health Administration, charged with ensuring safety at the workplace, has repeatedly failed to follow up on worker complaints, has dropped the number and frequency of unannounced workplace inspections, and has unapologetically sided with management in deciding what shall and shall not be deemed workplace hazards.

There is little room for optimism in assessing labor's future. Congress has passed legislation exempting companies awarded certain defense contracts from compliance with the Davis-Bacon Act. More and more U.S. manufacturers are relocating plants in countries such as South Korea, where labor is extremely cheap and unions (to say nothing of strikes) are outlawed. Fewer and fewer American workers belong to unions, and even those who do are seeing benefits cut and wages frozen. Tiered wage scales, unthinkable in the past, are becoming common.

In this bleak scenario, what is required? AFL-CIO President Lane Kirkland, in an interview last August with The Wall Street Journal, called federal labor laws a "dead letter" and suggested workers might be "better off with the law of the jungle." He might be on to something. The face of the U.S. work force has changed dramatically in the last five decades. Blue-collar workers account now for less than a third of the working population. More women are working than ever before, and the impact that this change has on society, forcing the development of new approaches to family-rearing, is profound and lasting.

It is clear that new structures must be developed to address new needs, for the contract, written or implied, that exists between labor and business will wither in the absence of fair, reasonable and realistic expectations each party to the contract can make of the other. It is just as clear that such guidance as is needed is likely not to come from government any time soon.

In shaping the institutions that will govern future labor-management relations, unions must play a vital role. Fifty years after the Wagner Act, though, their legal standing is in peril. On this anniversary, the recognition that unions may well vanish should be sufficient to spark efforts to ensure that they don't.●

NEWARK WILL HOST UNITED STATES YOUTH GAMES

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. RODINO. Mr. Speaker, it is with deep pride that I take this opportunity to let my colleagues know about the United States Youth Games, which will take place this year in my home city of Newark.

The United States Youth Games evolved from a pioneer summer recreational program in 1966 in New York City. That year the New York City Urban Action Task Force, concerned about a lack of organized recreational programs for young teenagers, combined with widespread urban unrest around the Nation, instituted an invitational event called "The Eastern Youth Sports Festival." New York, Boston, and Washington took part in that first competition, and it became the first of the summer sports festivals. In 1967, the AMF Corp. adopted the summer sports competition as a sponsor, and the United States Youth Games came into existence. In addition to offering over 1,000 young people the chance to participate annually in sporting events, the games are the culmination of weeks of competition held in the individual participating cities prior to the games, so they serve to supplement and enhance local municipal recreational programs.

Mr. Speaker, this year will be the first time that the games have been held in the State of New Jersey, and I am very proud that Newark, the largest city in the State, has been selected for this honor. I am happy to insert the following article from the Newark Star-Ledger into the RECORD, and I know my colleagues join me in wishing all the participants in the United States Youth Games the best of luck.

[From the Star-Ledger, Feb. 11, 1985]

YOUTHS TO GATHER FOR OWN OLYMPICS

(By Barbara Kukla)

Move over, Los Angeles! Newark is gearing up for an "Olympics" of its own—the 1985 U.S. Youth Games, which the city will host Aug. 6–11. Nearly *2,000 participants*, coaches, chaperones and assistants from *14 cities* will take part in the 19th annual games, an event in which boys and girls between the ages of *9* and *15* compete in five different sports.

This is the first time that Newark will host the games and the first time that they will be held in New Jersey.

"We're doing it up just like the Olympics," said Leon Garcia of the Newark Department of Recreation and Parks, the national coordinator for the games.

"We have the support of the city council, which is providing the bulk of the financial support, and the mayor (Kenneth A. Gibson) has told us he intends to run the first five miles of our 'Torch Relay.' We anticipate having the opening ceremonies in front of City Hall."

"We are making great strides in our efforts to present a superior program," said Leonard Chavis, director of the city's department of recreation and parks. "A parade, several awards luncheons, sightseeing and entertainment, along with the athletic competition, will be part of the six-day series of events."

Garcia on March 6 and 7 will play host to the coordinators from the 14 participating cities, finalizing details for the games. The visit will include a tour of athletic facilities in Newark and at Montclair State College, led by the coordinators and city officials.

In the meantime, he has met with the principals of the city's public, parochial and private schools to arrange for informational sessions for their students.

"There will be five events—swimming, bowling, tennis, boys' and girls' basketball and track and field," Garcia said.

As a means of preparing youngsters who are interested in participating, Garcia said a series of "developmental meets" are planned for each Saturday in March, April and May. During the first two weeks in June, he said, tryouts will be held and members of the Newark team will be chosen.

Each team will have 88 members and about a dozen coaches, said Garcia. With the assistance of a corps of volunteers and staff members, participants will number about 2,000, he believes.

Garcia estimates that it will take about $360,000 to "house, clothe and feed" the youths and adults who take part. The city council, he said, has provided $50,000 in start-up funds and plans to allow another $100,000, while $50,000 will be donated by the AMF Corp., the national sponsor. Fundraising will account for most of the remainder, he said.

As Garcia explained, the games started in New York City in 1967 to provide constructive activities for youths of the inner city. Over the years, participation has branched out to involve more than a dozen cities.

Newark began participating in 1972, and while the team has never won the national title it has traditionally ranked "among the top four," according to Garcia. Over the past decade, he said, Newark has been considered a strong contender in bowling, basketball and track and field.

Participation, he said, is open to "any youth who lives in a 10-mile radius from Newark."

Serving as overall coordinators of the sporting events are William Wimberly and Vanessa Watson, basketball; Charles Davis, track and field; Patricia Sermon, tennis; James Patterson, bowling, and Steve Doxson, swimming. The coordinator for the Newark team is Harold Wright.

Participating in addition to Newark will be teams from Baltimore, Md.; Birmingham, Ala.; Boston, Mass.; Columbia, S.C.; Charleston, S.C.; East Orange; New Haven, Conn.; New York City; Paterson; Richmond, Va.; Washington, D.C.; Worcester Mass., and Syracuse, N.Y.

As chairman of the city's recreation committee, Councilman at-large Sharpe James said that while activities are being hosted at Montclair State College, "It's key that many of the related ceremonies and events take place within the City of Newark so that the participants come away with a better understanding and perception of Newark."●

KIDNEY TRANSPLANT CENTER AT SOUTH CHICAGO HOSPITAL

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. HAYES. Mr. Speaker, on August 8 and 9, the Illinois Health Facilities Planning Board will vote in Chicago on whether to approve a kidney transplant center at South Chicago Hospital.

BEST COPY AVAILABLE

Chicago currently has no renal transplant center primarily available to the minority population of the city—in spite of the fact that blacks suffer from end stage renal disease [ESRD] at a rate 2.6 times higher than that of whites. Whites, however, receive transplants at a rate 2.7 times higher than blacks in Illinois.

The community areas directly served by South Chicago Community Hospital have been officially designated by the Federal Government as medically underserved. This means that the areas served have much higher rates of poor health—higher infant death rate, higher VD rate, higher TB rate, and so forth—than other areas of the city of Chicago and the State of Illinois. This, for example, is reflected in fewer primary care physicians, a rate of 1 primary care physician for 3,417 population for the Southside versus 1 per 2,242 population for the city of Chicago. Black and Hispanic physicians combined, make up less than 2 percent of Chicago's physician population while the minority—black and Hispanic—composition of Chicago's total population is 40 percent black and 13.5 percent Hispanic. The maternal death rate is 22 times higher then the citywide average. The tuberculosis rate among Hispanics in the service area has doubled in the last 8 years. Blacks suffer from ESRD at a rate 2.6 times higher than whites.

The Chicago Health Systems Agency's [CHSA] health plan—1981-84—states that:

> Transplantation is cost-effective and can result in improved quality of life for ESRD patients. This alternative should be available to all medically appropriate patients desiring transplantation.

An appropriateness review of ESRD services conducted by the Chicago Health Systems Agency concluded that while the need standard for transplantation is set at a minimum of 15 transplants per center per year, "the need for this service exceeds fourfold the total number of procedures recomended by this standard."

That same CHSA Appropriateness Review states that:

> Approximately 50 percent of all patients with end stage renal disease are medically suitable for a kidney transplant.

For 50 percent of the 1983 dialysis pool of patients in Illinois to have received transplants, each transplant center would have had to perform 252 transplants. The actual total number of transplants performed in Illinois in 1983 was 243.

In documenting the high level of unmet need for kidney transplantation in Illinois, the CHSA's health plan states:

> The fact that 92 percent of all hemodialysis patients have never been evaluated for renal transplantation clearly demonstrates that there is considerable unmet demand for kidney transplantation services.

The level of unmet need is rising. The incidence of ESRD in Illinois increased by 38.5 percent from 1979 to 1983.

A major barrier to an increased rate of transplantation is the availability of kidneys. The CHSA health plan states that:

> Transplantation appears to be an underutilized alternative to dialysis * * * 43.9 percent of the cadaveric kidneys (obtained in Illinois) are transplanted while 45.6 percent of these kidneys are sent elsewhere; 10.5 percent of these kidneys are not used.
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> The Data available through the ESRD Network 15 indicate that during 1983, 81 of the kidneys obtained in Illinois were not transplanted in the State.

One member of South Chicago Community Hospital's joint application, the Chicago Regional Organ and Tissue Bank [CROTE] began operation in January 1983 and as reflected in the ESRD network 15 data, CROTE procured 26 kidneys accounting for 67 percent of the increase in kidney procurement from 1982 to 1983 in the entire State of Illinois.

Transplantation is both the most cost-effective form of treatment for ESRD and the treatment that affords to patients the highest quality of life. Moreover, South Chicago Community Hospital's proposed transplant center will perform transplants at a cost lower than those charged by all existing transplant centers in Chicago. Recent cost figures show an average cost of $56,300 at Rush Presbyterian-St. Luke's Hospital, $38,000 to $40,000 at the University of Chicago Hospital and $31,200 at South Chicago Community Hospital.

One of the country's leading transplant surgeons, Dr. Oscar Salvatierra, Jr., has written that:

> If 10,000 instead of 6,000 transplants could be performed annually, * * * then more than $400 million would be saved * * * Maintaining this transplant level of 10,000 each year would ultimately produce enormous savings, and many more patients would be returned to normal or near normal lives.

Mr. Speaker, let this record reflect that I am strongly in support of the approval of a kidney transplant center at South Chicago Community Hospital.●

ELECTIONS, MEXICAN STYLE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. FRANK. Mr. Speaker, those of us who are critical of violations of human rights in other countries have an obligation to be consistent in such criticism. And it therefore behooves those of us who have been critical of the lack of democratic procedures in many nations to comment on the sad spectacle of widespread abuse of basic democratic rights in the recent Mexican election. An editorial in the Washington Post for Saturday, July 20, underlines the dismay that many of us feel that Mexican officials continue to abuse democratic rights by engaging in fraudulent electoral practices. The failure of the Mexican Government to protect the right of individuals to vote, and to have their votes fairly counted, is deeply disturbing and I believe it is important that those of us who believe in democracy let the Mexican Government know how disappointed we are in their conduct in these recent elections.

[From the Washington Post, July 20, 1985]

ELECTIONS, MEXICAN STYLE

> It may be that the candidates of Mexico's governing party, the PRI, actually got the most votes in last week's elections in the states of Nuevo Leon and Sonora. But no one may ever know for sure. Ballot fraud was pervasive. Poll watches of the main opposition party, the PAN, were disqualified before the elction or physically ejected from polling places. Voting lists were inflated with duplicate and false names. Some ballot boxes were stuffed. Others were simply snatched away and driven off in speeding cars. These were not isolated practices.
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> It's dismaying to observe this tawdry performance in a nation that is capable of doing better and at a time when Latin nations with democratic traditions far less robust than Mexico's—the latest example is hapless Boliva—have conducted fair elections. We say this, we trust, in due and humble awareness of past vote fraud in the United States.
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> In Mexico, vote fraud has been a widely conceded feature of a political system that has, over a run of more than 50 years, brought the country economic growth, political stability and a record of considerable respect for civil liberties. The PRI has won all presidential and nearly all congressional and gubernatorial elections in Mexico since it was formed. Many of its operatives and supporters believe it would be against the national interest for it to lose any major contest.
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> But Mexico's president, Miguel de la Madrid, made a point of promising beforehand that elections would be fairly conducted. One of the dismaying things about the Nuevo Leon and Sonora elections is that they suggest there are limits to the control the president—a technocrat who has made his career in Mexico City and not in electoral politics—maintains over the local PRI organizations.
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> Mexico may be at a critical point and is certainly at an uncomfortable point in its gallant effort to whittle down its huge foreign debt and to get its economy in shape for sustained growth. Polls taken before the Nuevo Leon and Sonora contests suggest that the PRI was holding onto a lead in areas where the PAN seemed to have great potential. The massive electoral fraud, by casting doubt on the reported outcome, also casts a shadow over the legitimacy of the ruling party's majorities. That's not helpful for a country that has been working hard at home and abroad to build confidence in itself as a major economic and political power.●

SUPPORT FOR INSURGENCIES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Foreign Affairs Newsletter for July 1985 into the CONGRESSIONAL RECORD:

SUPPORT FOR INSURGENCIES

> In Ethiopia, Angola, Mozambique, Afghanistan, Nicaragua and Cambodia anti-communist insurgents are fighting pro-Moscow governments that seized power in the 1970s. Their struggles pose tough questions for U.S. policymakers. In some cases, the U.S. has chosen to help. We have aided rebels fighting the Soviets in Afghanistan. Congress recently voted aid for the Contras fighting Nicaragua's Sandinista government. Now many in Congress believe we should fund a third insurgency, the non-communist resistance in Cambodia, and some favor funding such insurgencies in general.
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> The idea of helping anti-communist rebels is attractive. The Soviets have funded armed insurgencies around the world for decades. Why shouldn't the U.S. do the same? For some people, the enemies of our enemy deserve our support. But every insurgency arises from a unique history. U.S. support for an insurgency should be based on a careful evaluation.
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> Are U.S. national interests served? Support for an insurgency should advance specific U.S. political and strategic goals. We must be clear whether we are committed to the insurgents or whether our support is merely to distract the Soviets. Unless assistance benefits U.S. friends or U.S. goals, public support for the venture will not likely be sustained. Funding a fight against a government we dislike does not necessarily mean our interests will be advanced.
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> What are the insurgents' chances for success? A successful insurgency exacts a high price from its opponents. The Afghan rebels hold much of the countryside, repeatedly attack major cities and military installations, and have fought the Soviets to a stalemate. The Contras in Nicaragua, on the other hand, do not hold a single town in Nicaragua and have little presence outside of border areas. The Cambodian insurgents have a precarious foothold along the Thai-Cambodian border and their bases inside Cambodia were recently overrun by Vietnamese occupation forces.
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> Is there broad international support for the insurgents? Such support is an important measure of an insurgency's legitimacy. The U.N. has repeatedly voiced opposition to the Soviet occupation of Afghanistan and the Vietnamese occupation of Cambodia. Pakistan and China, among other states in the region, have cooperated with the U.S. in aiding the Afghan rebels. Several, but not all, ASEAN states would support U.S. military aid to the Cambodian resistance. The European Community and most Latin American states, except those in Central America heavily dependent on U.S. aid, oppose U.S. aid to the Contras.
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> Do Congress and the American people support sustained U.S. involvement? The American people have a right to know where such aid will lead. Maintaining substantial levels of financial and political support for insurgent movements is problematic. Since its inception, the program to aid the Afghan resistance has had strong public and congressional support. The question of the Contras, however, remains divisive even though Congress now supports "humanitarian assistance" for them. Aid to the Cambodian resistance has not yet been the subject of much debate and it is premature to say a consensus exists.
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> What does the U.S. hope to achieve? Do we seek to overthrow a government or only to pressure it (and if so, for what purpose)? A negotiated settlement is often our goal. The insurgents and U.S. friends in the region must share our objective. The strength of the Afghan resistance has forced Soviet interest in U.N.-sponsored "proximity talks" with Pakistan. Asian friends acknowledge that, because of the Cambodian rebels' poor military performance, no negotiations with Vietnam are in sight. The Members of the Contadora group (Mexico, Venezuela, Colombia, and Panama) believe that U.S. support for the Contras undermines regional efforts at a diplomatic solution in Nicaragua.
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> What do we know about those who seek our support? Anti-communist rebels like to call themselves "freedom fighters" but often they do not share our traditions and values. Their behavior is often objectionable even when it is on behalf of goals we support. Afghan rebels seldom take Soviet prisoners of war. The majority of Contra military commanders served in the repressive National Guard under former president Somoza, and we must question their statements on democracy and their human rights practices. Most of the Cambodian resistance fighters are under the Khmer Rouge, which caused the deaths of some 2 million Cambodians during its 1975-79 rule. The non-communist resistance groups are overshadowed by the Khmer Rouge, raising questions about how to keep any U.S. assistance out of its hands.
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> What are the chances of military escalation involving the U.S.? Each insurgency seeks greater aid and U.S. commitment to its cause, and we must weigh the risks and costs carefully. Increased U.S. assistance to the Afghan rebels threatens Pakistan, a U.S. friend. Increasing Soviet violations of Pakistani airspace and hints of reprisal for supporting the rebels could lead to a more prominent U.S. role. U.S. emphesis on military pressure against the Sandinistas increases their reliance on Moscow and Havana and raises the possibility of escalation. In Cambodia, a direct U.S. connection to the resistance fighters may give the Vietnamese the pretext they have been waiting for to strike into Thailand and crush the resistance camps. Such a strike may lead to pressure for a greater U.S. military role. In all cases, we need to examine the chances of direct U.S. involvement
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> Assisting insurgents fighting pro-communist regimes is a complex issue that deserves scrutiny. Short-term political benefits may come from giving aid, but so do risks and costs. We should avoid adopting a formal doctrine or listing explicit criteria for supporting insurgencies. We should make decisions on a case-by-case basis, acting from a clear understanding of how U.S. national interests can be served best. With caution, we can avoid being forced to pursue goals we do not share or that damage our long-term interests.●

HON. JOHN PAUL HAMMERSCHMIDT'S ELOQUENT TRIBUTE TO AMERICA'S DISABLED VETERANS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. SOLOMON. Mr. Speaker, our distinguished colleague, the gentleman from Arkansas [Mr. HAMMERSCHMIDT] was a featured speaker at the recent National Convention of the Disabled American Veterans.

JOHN PAUL HAMMERSCHMIDT's reputation as an articulate advocate for America's disabled veterans is a well-deserved one. His speech in New Orleans was tremendously well received. I think it needs to be read by all of us and I am most pleased to submit it for the RECORD.

REMARKS OF HON. JOHN PAUL HAMMERSCHMIDT AT THE DISABLED AMERICAN VETERANS NATIONAL CONVENTION, NEW ORLEANS, LA, JULY 22, 1985

> Mr. Commander, distinguished officers, and delegates to this 64th National Convention of the Disabled American Veterans, administrator of veterans' affairs, Mr. Harry Walters, and ladies and gentlemen:
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> One of my most pleasant congressional activities is to come to a National Convention of the DAV.
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> At these meetings we review what has recently occurred legislatively in the field of veterans affairs. We renew old friendships and we pledge anew to do that which is right and proper for the veterans of this Nation and their dependents.
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> And most importantly, we annually renew a pledge towards the hallmark of the DAV which is that our Nation's first and foremost objective is to give the highest priority to that select group of individuals who have been disabled in the service of their country.
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> Insofar as I am concerned—and I believe I can speak for the entire Congress—that pledge will be honored, will be supreme, and will guide the Congress in all that it does.
>
> The DAV deserves many plaudits today. Its legislative program has been carefully crafted. Its spokesmen on Capitol Hill in Washington are excellent.
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> Dale Adams, Butch Joeckel, Rick Heilman, Dave Gorman, Ron Drach, Steve Edmiston, and all the others serve you extremely well and the Congress looks to them for advice and counsel.
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> The DAV—in a larger sense—also deserves other plaudits.
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> Your corps of national service officers—the vast majority or whom are seriously disabled Vietnam veterans—are second to none in their ability and dedication. The director, Art Wilson, is a fountain of knowledge in veterans' affairs.
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> The voice of the DAV in Washington is vibrant, strong, and reasoned.
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> You stick to your singleness of purpose—that the service connected come first.
>
> And you usually achieve your objectives. You do it with facts, with persuasion, and with much persistence. I congratulate you on your efforts and on your accomplishments.

The DAV deserves at least two other particular commendations.

You now have more than 1 million members, which is a phenomenal achievement, considering your membership eligibility rules. How very proud you have a right to be. This great strength speaks loudly throughout the land.

It commands a voice that ought to be, and will be, heard—of that you can be sure.

On a more personal note, let me congratulate you on another matter of great personal pride to the citizens of the Third Congressional District of Arkansas. You have had the good sense and great wisdom to place in your highest office one of our native sons.

Chad Colley is not just our friend. He is an inspirational leader who reminds us daily of what the DAV is all about, what our Veterans' Programs are all about, and what our country is all about.

You will understand then my own pride in being his Congressman. He is the best there is and I congratulate each of you for electing him to the honored position of national commander of the DAV.

Legislative dilemmas abound these days. I can tell you that the Congress needs you and needs your ideas and your ideals. By your example, you give the Congress an impetus to excell. By your faith in the Nation, you give us inspiration to enact just laws and to seek more effective solutions to national problems.

It is no secret that many such problems exist today, particularly with respect to high Federal deficits and huge budgets.

The Veterans' Administration budget is caught up in this difficulty and it will not go away.

The House and Senate Budget Committee conferees continue to try to resolve differences in the manner in which major national fiscal policies are addressed. They involve almost every fabric of our society. The proper amount of money to operate the VA in fiscal years 1986, 1987, and 1988 is one of these issues still to be decided.

The 1986 House budget includes money for a compensation and pension cost-of-living increase of 4.1 percent. It provides that the Medical Program will operate just as it did this fiscal year.

However, it also calls upon the House Veterans' Affairs Committee to find $300 million in savings.

The Senate budget bill goes further. It would have no COLA for anyone, including Social Security recipients.

It would increase fees on GI loans, establish a hospitalization means test for certain nonservice-connected veterans, and require insurance companies to reimburse the Veterans Administration for nonservice-connected hospitalization.

You need to know that the House and Senate positions are several hundred million dollars apart.

Our problem is to reconcile the difference while hopefully doing no harm to good Veterans Programs. This presents a great challenge and the answers are not easy.

But two answers are not difficult for me at all. Very simply, they are this: If anyone gets a COLA, it's going to be service-connected disabled veterans who will be at the head of the list. And the $300 million is not going to come from the service-connected either.

In addition, I don't want to see the fee on GI loans increased.

However, as to this item alone, if the fee is increased by just 1 percent, it brings $153 million into the Treasury. And so the Senate at least thinks it to be a viable option for the conferees to consider.

Third party reimbursement by insurance companies, coupled with a realistic, easy to manage, limited means test might be a possibility for a House-Senate compromise.

One such plan would bring in over $1 billion in 3 years. Another would bring in even more. If—to achieve a budget that will really attack our high Federal deficit—we must go this route, I am certain the Congress will assure that service-connected veterans will be completely protected, that pensioners will be protected, ex-POW's will be protected, the aged needy will be protected, and quality of care will be preserved for all.

Moreover, the leadership of the DAV would be fully consulted as these proposals are considered—its advice and counsel will be invaluable.

Let me make it clear that no one knows at this time how the budget will be worked out. The thoughts I have expressed are only in the realm of things to be possibly considered.

But we must be realistic. The veterans world cannot be in a national vacuum and we wouldn't want it to be.

If that happened, we might find ourselves in a position of having to accept ill-advised proposals, with little knowledge of their consequences.

I earlier mentioned consultation with your leaders.

Let me dwell on that for a moment. It works for the good of all of us and it works well.

I mentioned where I stand with respect to COLA's for service-connected veterans. As this matter evolved, I consulted with Commander Colley at a congressional hearing as to what would be the position of the DAV if all COLA's including Social Security, were proposed to be frozen for 1 year.

He didn't hesitate to answer. He said that DAV members had responded before to patriotic calls and would bite that bullet by immediately agreeing to giving up COLA's given the fact that everyone else would be treated the same way.

Chad's answer was in the great tradition of the DAV and everyone in that crowded hearing room that day had reason to be terribly proud that their organization had no difficulty putting Nation above self.

It was DAV at its finest.

And there was another time of excellent consultation. It was when DAV learned that some bureaucrat economists at the Treasury Department were giving serious consideration to urging the President—as part of his tax reform package—to ask the Congress to pass law taxing veterans' compensation.

Just let me say to you that this kind of proposal was not made by mean spirited people. It was made by people who had read a lot of books and heard a lot of theories.

But, they had never worn a uniform, and they had never received a wound, they also didn't understand the historic position of our citizenry and they certainly didn't understand the DAV.

The proposal to tax compensation rightfully never saw the light of a single legislative day.

The DAV led a campaign against it that left no stone unturned. Our offices were in daily contact. The Congress was thoroughly alerted. Thousands of your members wrote letters of protest. You were justifiably outraged that any serious thought could be given to such an idea.

Just let me tell you that I have every reason to believe that Secretary Jim Baker at Treasury never gave the idea any credence nor did the President of the United States.

Harry Walters campaigned against it. Sonny Montgomery campaigned against it and so did the entire House and Senate Veterans' Affairs Committees.

And the idea died and was never even presented to the Congress

The DAV rose to its full height during the time of this controversy. It flexed its good muscles. It showed its strength. It did its job and you can be proud—each of you—that you were part of a great effort.

The DAV Auxiliary deserves a share of the credit too. And so do many other individuals and organizations.

But the auxiliary was particularly effective in its letter-writing and in its telephone calls. Congress listens when the ladies speak, for their voice is a loving one and a caring one and also a very convincing one.

The auxiliary deserves another credit. Together with the DAV membership, it lends a tremendous hand to the VA Medical Program by its volunteer activity.

I have seen that activity in visits to scores of VA hospitals and its success is almost indescribable. The VA simply couldn't do its job without it and I congratulate all of you for this great national effort of compassion and love of neighbor and comrade.

And now let me conclude by leaving with you one final thought. The Congress is involved with doing the Nation's will in every field of endeavor.

You are involved in many of these fields and you have a time-honored tradition of contributing to the solving of problems associated with them. I know that you will continue with those contributions.

To do our job properly the Congress needs your assistance, your wisdom, and yes, too your courage. That it will receive all of this is a foregone conclusion.

I believe this to be a mortal certainty for I have walked side by side with the DAV on many issues, and I know of your devotion to the veterans cause and indeed to the cause of this great Nation.

Thank you, my friends, for inviting me to be with you. It's always good to be at a National Convention of the DAV, and to be with my good friend Chad Colley.●

IMMIGRATION REFORM

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. DONNELLY. Mr. Speaker, once again this year, Congress will attempt to reform our Nation's immigration code. In that context, I strongly urge my colleagues to consider the important argument made in the following editorial from the Boston Irish Echo.

[From the Boston Irish Echo, July 27, 1985]

NEW IMMIGRATION LAW NEEDED

Immigrants by the tens of thousands are welcomed each year to our country. Under the current immigration law's preference system, permanent visas were issued among others last year to 20,000 citizens of Mexico, Korea, India, China and the Philippines.

Nearly 8,000 new arrivals came here from Britain.

In 1984, under existing preference rules, only 537 such visas were issued to people from Ireland.

There is something radically wrong in a system that penalizes, no matter how inadvertently, a nation and a people who have contributed so uniquely to America's growth and prosperity.

Since 1820 over 4.5 million Irish men and women have emigrated to the United States. Today, close to 20 percent of America's population can claim some degree of Irish heritage. At the present rate of allowable immigration, however, what took the Irish 165 years to accomplish would now take nine thousand years.

The well-known litany of Irish success stories is virtually endless. In every field from literature, industry and medicine to banking, journalism and the arts, the Irish have given unselfishly of themselves and their talent. America would have a vastly different place without the Irish contribution.

The effect of present day immigration, however, has negatively and unfairly all but closed the door to thousands of Irish who want to emulate their parents and grandparents in finding a new life here.

In 1965 when the laws were changed, severely cutting back the number of Irish allowed into the U.S., Ireland was in the midst of an industrial awakening. Job opportunities, were plentiful and there was little need for the "safety valve" of immigration. Sadly, that is not the situation today. Economic difficulties in Ireland—and through much of Europe—have forced many of Ireland's young people to look anew to America as the land of opportunity. But unfortunately, our doors remain closed to all but a handful of the hopeful.

The controversial Simpson immigration bill is coming up for consideration in the Senate, but that legislation does not address the problems facing the Irish. Its inadequacy as a remedy is underlined by the fact that several national Irish American groups have expressed strong opposition to the measure.

One bill that would effectively open the door wider to increased Irish immigration is currently languishing in the House Judiciary Committee on Capitol Hill. Filed last May by Massachusetts Congressman Brian Donnelly, H.R. 2606 would redress many of the inequities in the preference system and make additional immigrant visas available to the Irish and other nationalities.

The Donnelly bill merits the vigorous support of all Irish and Irish Americans—not only here in Massachusetts but across the country.●

OBSERVATIONS ON POLITICS

HON. LEE. H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 31, 1985 into the CONGRESSIONAL RECORD:

OBSERVATIONS ON POLITICS

Politicians are talking about whether a political realignment is taking place in the country that will usher in a period of Republican party dominance. There has not been a realignment since Roosevelt established the New Deal Coalition as the center of American politics, so a realignment would be a historic development. The state of the economy is by far the strongest issue in creating a realignment.

The basic trends are not in dispute. Some kind of political restructuring is taking place. The Democrats have lost political ground and the Republicans have gained. More voters call themselves Republican than in the past and southern whites are clearly switching to the Republican party. The South may not be solid Republican, but it has clearly ceased to be solid Democratic. Except for a few minorities, nearly every group has moved toward the Republican party. Republicans have won six of nine presidential elections since Eisenhower; by 1988 they will have held the presidency sixteen of twenty years. They clearly have a great opportunity; the question for the Republicans is whether they have nailed it down. If they provide policy changes that meet the public mood (tax simplification could be one), they will continue to make gains and the historic realignment may take place. On the other hand, if an economic recession or foreign policy disaster occurs, their fortunes could change quickly.

The Democratic party has become identified as the party of special interest groups. Its problem is how to appeal to the country's white middle class majority without abandoning its historic commitment to the minorities. At the state and local level it remains strong. The question for the Democrats is whether they can build a winning national party from that state and local base. The Republicans have their problems too. They have demanding groups within the party, but their internal divisions are not as severe as those of the Democrats.

So, the Democrats have serious problems and the Republicans have made impressive gains. But the successes of the Republicans under President Reagan are by no means permanent; the President's success, or lack of it, during his second term will determine the durability of his electoral coalition. A realignment is defined by durability, and it is too early to say if the recent trends are lasting. The jury is still out on whether the elections of 1980 and 1984 are like those of 1932 and 1936, which turned out to be critical turning points in American political history. At this point, it is probably correct that no political institution has yet managed to fill the vacuum created by the collapse of the Democratic New Deal Coalition. It is a fluid situation. As one commentator put it, "It is musical chairs and the music is still playing. When it stops, we don't know if the voters will sit in Republican or Democrat chairs."

My view is that there is no decisive evidence yet of a partisan realignment. Elections in this country will continue to be decided by the independent voters who are attached firmly to neither party. They make up a majority of the electorate, and their views are uncertain, changeable, ambivalent and sometimes contradictory. They tend to be centrists in their views, but they are sometimes liberal, and sometimes conservative. Overall, I am inclined to the view that voters are less firmly attached to party loyalties and respond to particular candidates and issues. I doubt if there is a majority party in the country today. But at any given time voters are shifting party loyalties and the key question now is not whether a realignment is taking place, but how much of a realignment is going on and why. The one thing we can be certain of is that whatever changes are underway, they will not be forever. The volatility of the voter is the only permanent feature of American politics.

It does seem to me that American politics is fundamentally changing. The whole framework of political discourse is changing. The central question remains the same: What should the role of government be in meeting the problems of the day, particularly with respect to economic matters. But while the main issue formerly was how much the federal government should expand its role by taxing, spending and regulating, it now is how and where that role of government should be curtailed. This change in the direction of American politics is likely to continue, principally because the budget deficit looms as the great restraint on American politics. It is no longer possible to return to the days of the New Deal or the Great Society when problems in the country were identified and government programs were created to attack them. The big deficits will shape the policy choices of the future whatever the political party or whoever the president. We have entered the period of the new politics of deficits. The climate is austere and the debate centers on cuts, not increases, for particular programs.

The deficit is also the chief weapon to enforce control of spending and to limit the growth of government. With few exceptions political leaders today simply do not advocate new spending programs. They advocated only incremental changes in present programs. A few politically sacrosanct components of the budget—entitlements, defense, and interest payments—absorb such a large part of the budget that the rest of the budget must sustain most of the reductions. The result is that the politics of the deficit forces restraint on the decisions of political leaders. A question for the future is what happens when a recession comes. The traditional way of dealing with a recession is by stimulation through government spending or tax reductions, but those approaches may be shut off because the next recession will occur in the midst of already astronomical deficits and debt. The party in power when the recession comes could be in big trouble with the voters.

(This newsletter draws on material in the Brookings Review, Winter 1985, and a new book, The New Direction in American Politics.)●

POTENTIAL SHORTAGES AND THE RISKS OF BEING WRONG

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. GREEN. Mr. Speaker, I would like to call to the attention of my colleagues an article which was published in the June 13, 1985 issue of Public Utilities Fortnightly. The article, entitled "Potential Shortages and the Risks of Being Wrong," written by Russell J. Christesen, president and chief operating officer, Ebasco Services Inc., considers the debate over the amount of energy that the United States should be producing in order to prepare for the future. Although the country has enough energy to serve the country today, the possibility of a shortage is a constant threat. I would remind you that only 6 short years ago the gas lines wrapped around the block. I commend Mr. Christesen's article to my colleagues because of his in-depth look at the chance of another severe energy shortage.

The article follows:

[From the Public Utilities Fortnightly, June 13, 1985]

POTENTIAL SHORTAGES AND THE RISKS OF BEING WRONG

(By Russell J. Christesen)

The debate over whether to build new electric generating capacity, or to continue to rely on conservation and increased use of so-called alternate energy sources, continues unabated in the United States. The arguments on both sides are very familiar; indeed, one has a distinct, almost painful sense of deja vu when listening to them. That notwithstanding and on balance, we at Ebasco think the debate is a healthy thing. The issue needs to be examined and discussed in open forum, again and again, until it is resolved. That's the way we do things in a free society.

But . . . is anybody listening?

The answer is probably not the right people, by which I mean the people who really can help resolve the problem before it is in extremis, as the lawyers say.

Not the least of the reasons the right people are not listening is that the debate is being conducted in terms which many of them do not understand. They do not grasp (and probably don't care to grasp) gigawatts, capacity margins, reserve requirements, interconnections, et cetera. These esoteric terms reenforce their vaguely held notions that this is, after all, an electric utility debate, and the utilities and regulators should handle it. Furthermore, the arguments that we should count more on conservation and renewable sources such as wind, solar, and biomass are more readily understood by a lay public and those in government who may be looking for easy answers. These views are reenforced by experiences of the past decade, which saw rates rise inexorably and demand plummet. Finally, many people perceive the nation to be awash in a sea of unneeded kilowatts.

In my judgment they could not be more off the mark. But I hasten to add that their mistakes are partly of our making, because we have not focused the debate at the right level. Understandably, we have argued the case in terms of the effects of capacity shortages on individual or regional electric utility systems, and the publics they serve. While such an approach is perfectly valid from the industry's point of view, I respectfully suggest that the most promising way to focus public and governmental attention on the shortage problem is to cast it in terms of the *national interest*, rather than the industry's.

We must ask ourselves—as a nation, not merely as an industry—what would systemic electric power shortages really mean to us? What would they do to our economy and to the fabric of our society which, heaven knows, is being torn by so many other problems and differences? Last but not the least, what would such shortages mean to our national security?

The distressing fact is that we don't know what systemic power shortages would mean, because we have never really experienced them. Ironically, the U.S. electric utility industry is a victim of its own success in this respect.

SHORTAGES: WHAT PROBABILITY?

Perhaps the first step in coming to grips with the implications of shortages is to try to determine just how probable they are. After all, if there is no great likelihood that we will experience shortages, why worry about their costs? Some of the most rigorous studies of the relationship between economic growth and electricity have been done in recent years by the Electric Power Research Institute. One recent institute paper provides a sobering prospect of just how close we may be to power shortages.

The EPRI study determined total U.S. utility capacity requirements under the following four assumptions:

(1) Nonutility generation would be 4 percent of the total. It presently is 2.8 percent.

(2) Peak loads are assumed to grow only 92 percent as fast as total annual kilowatt-hours, due to improved load management.

(3) A 15 percent capacity margin is assumed to be needed for reliability.

(4) Retirements are limited to 30 gigawatts through 2000, which assumes some refurbishing of existing plants.

The study also assumes that all 135 gigawatts of presently planned capacity additions projected by the North American Electric Reliability Council will be completed, and that 15 gigawatts will have been retired by 1993.

It identifies three growth scenarios for gross national product: 2.9 percent ". . . would be the minimum socially acceptable target"; 3.5 percent would be a reasonable medium, and 4 percent would be a high growth rate.

With those assumptions in mind, the study indicates that required capacity additions during the seven years from 1994 to 2000 to be 208 gigawatts for the 2.9 percent GNP growth rate, 310 gigawatts for 3.5 percent, and 400 gigawatts for 4 percent. EPRI then goes on to put those required capacity additions in perspective:

These numbers are sufficiently large that they will be difficult to achieve under any foreseeable circumstance. Even with the low growth of 2.9 percent, by the year 2000 we would need to add 343 gigawatts of capacity, or about 20 gigawatts per year on average. This is roughly twice the present rate planned between 1984-93. The higher GNP growth rates, of course, would require much greater capacity additions.

Finally, the study pinpoints the years at which capacity surpluses disappear for each GNP growth rate. At 2.9 percent it is 1991; at 3.5 percent it is 1988-89; and at the high 4 percent we will have no surplus after 1987!

It is, of course, possible to take issue with these assumptions, particularly those concerning growth of GNP, but refining them does not change significantly the conclusion that capacity surpluses will begin to disappear during the next two to six years. Does it really matter whether we run out in 1938, 1989, or 1990 when all those years are well short of the time frame presently required to plan and build any plant, coal or nuclear, in this country? Arguing or refining those numbers is like rearranging the deck chairs on the Titanic.

Those EPRI numbers and others like them from equally reliable sources are telling us that capacity shortages are indeed very likely. Furthermore, they are saying that shortages may be upon us sooner than we think.

Common sense, to say nothing of national energy policy, dictates that we do something now about the situation.

THE SHORTAGE COSTS

If capacity shortages are a distinct possibility, we had better try to determine their costs to the country; i.e., to society, the economy, and our national security.

The likelihood and costs of shortages will vary due to differences in the nine coordination regions into which the country is divided. These differences include climate, economic growth, and the rate of peak demand growth. According to one EPRI researcher, "The perception of an impending electricity shortage in a particular region vis-a-vis other regions would disrupt business and industry expansion plans in that region and increase overall uncertaintly in other regions as well." So, in addition to their economic costs, shortages could give rise to societal costs in the form of rivalry and political factionalism from one region to another.

While it is extremely difficult to measure "downstream" social and economic costs of systemic shortages—i.e., the costs of such things as jobs lost, reduced economic output, shrunken tax bases—a number of individual studies have produced numbers that can only be described as scary. Here are a few examples of what it costs not to have an industrial or commercial kilowatt-hour where and when it is needed:

Oak Ridge Associated Universities studied outage costs for six industrial plants in the Tennessee Valley Authority region and found minimum total costs averaging between $286,000 for a one-hour once-per-year disruption to $734,000 for a three-hour outage occurring ten times per year. The range of costs varied by a factor of ten over the six plants, with the highest cost exceeding $1.5 million for the three-hour, ten-in-a year case.

Mathtech analyzed the environmental and socioeconomic consequences of a shortage of installed capacity for various duration interruptions to a chlor-alkali plant and a pulp and paper plant. A 15-minute outage to the chlor-alkali plant was estimated at $18,000 or $3.6 per kilowatt-hour. The same outage to the pulp and paper plant was estimated at $55,000, or $4.4 per kilowatt-hour.

Ontario Hydro has reported outage costs for a 20-minute disruption of $1.93 per kilowatt-hour for retail trade, $6.72 for an office building, and $174 for large farms. A Swedish study reports outage costs of $5.72 per kilowatt-hour for retail establishments and $11 per kilowatt-hour for offices for disruptions of momentary length through eight hours' duration.

If you assume that the average cost today of producing a kilowatthour where and when it is needed in the U.S. is in the range of six cents to ten cents, it is readily apparent that the costs of shortages are very much greater—anywhere from 15 to hundreds of times greater!

And this speaks only of economic costs. There would also be very large social and political costs and dislocations. In addition to the regional factionalism mentioned previously, shortages would pit different classes of customers against each other, and this would be reflected in the political process.

Shortages would also underscore the existing polarization in our society between the haves the the have nots, the rich and the poor, management and labor, and others, because it would be a competition for resources that would almost certainly be resolved, or at least approached, in populist fashion.

The risks which shortages pose to our national security are also obvious. Not only

might they cripple our military capabilities directly, they will also materially affect the industrial production needed for an adequate national defense.

So, while we cannot determine the costs of shortages with precision, it's a very good bet they would be large enough to produce strains in our society and economy, and if allowed to continue, could undermine its stability.

THE "RISK-TO-RISK" RATIO

In my opinion, the country simply cannot afford not to know the approximate size of those shortage costs or risks. We must quantify them on some reasonable, rational basis. That's the first step.

The next step is to compare these estimated shortage costs to the known costs of some modest degree of overbuilding and overinvestment in our electric power resources. Such costs are already known because we are experiencing them right now. They may be justified on the basis that demand, given the economic uncertainties we face, is impossible to predict exactly. Therefore, we have to be conservative and build in a small margin of safety, as well as a reserve margin, in our capacity planning.

Third, we need to compare these estimated shortage costs with the known costs of overbuilding to arrive at what might be called a "risk-to-risk" ratio. All the evidence to date suggests that this ratio will be large, which is to say the costs of systemic shortages to our society and economy are very much higher than are the costs of modest overbuilding.

Finally, we have to communicate the implications of that ratio to our leaders in government, to the press, to the regulatory community, and to the public. Consider how useful such a ratio, with all its underlying information, could be to a National Commission on Electric Power, such as that called for recently by the Edison Electric Institute and the National Association of Regulatory Utility Commissioners.

As a nation, our past experience in dealing with important national problems as they emerge—rather than when they are full force upon us—has not been encouraging, but we must try. The risks of being wrong are simply too great to do otherwise.●

THE 100TH BIRTHDAY SALUTE TO ROSE VIOLET BRYANT

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. DYSON. Mr. Speaker, I wish to bring to the attention of my colleagues a very special centennial commemoration. This Sunday, August 4, Mrs. Rose Violet Bryant of Indian Head, MD, will gather with her many friends to celebrate her 100th birthday.

Rose was born in Vienna, VA, not far from Wolf Trap on August 4, 1885—the year in which Grover Cleveland succeeded Chester A. Arthur as President of our Nation.

Rose and her late husband, Caleb Maltby Bryant, were married in Rockville, MD, on April 15, 1905 and spent 61 happy years together. Rose and Caleb set up their home in Indian Head, MD, in 1913 and it is in this home that Rose now resides.

Rose has remained socially active with the Worthy Matron of Grace Chapter of the Eastern Star, No. 21, for the past 68 years. Ever civic minded, Rose has voted in every Presidential election since American women gained their suffrage in 1920.

It is with pride that I salute Rose on this happy occasion, and I thank her for all she has done to serve our great Nation.●

A BILL TO EXPAND THE AVAILABILITY OF HEARING-AID COMPATIBLE TELEPHONES

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. MAVROULES. Mr. Speaker, yesterday I introduced a bill that expands the availability of hearing-aid compatible telephones. My bill would require that all telephones sold in the United States be hearing-aid compatible.

Alexander Graham Bell, the inventor of the telephone, once said he would rather be remembered for his work with the deaf than as the telephone's inventor. Technology has now produced special telephone equipment for the disabled, including small devices in the receiver of the phone that makes it compatible with hearing aids.

Yet, despite this available and relatively simple technology, people with hearing aids still have limited access to the telephone because not all phones are equipped with the device. Whether at home, at work, or on vacation the hearing impaired, just like everyone else, must have access to a telephone.

Phone manufacturers have stated that adding the compatibility device to the receiver can be done at no significant cost to the manufacturer. Right now all pay phones are equipped with a hearing-aid compatibility device, and the average consumer does not notice any difference. But, to those with hearing impairments, it makes all the difference in the world.

My bill does not dictate the technology that must be used to equip the phone with a hearing-aid compatibility device. Rather, I encourage technological advancement on the hearing-aid compatibility question. My bill also would not require any phones to be retrofitted. Only phones manufactured after enactment would be effected by the law.

More than one-third of all Americans over 65 wear hearing aids. And many younger citizens have hearing impairments. Whether we like it or not, most of us will confront a hearing impairment of some kind. And, all of us will have some occasion to communicate with a hearing-aid user. H.R. 3099 will ensure, in a cost-effective manner, that hearing impaired citizens have access to all telephones. I urge my colleagues to support this bill.●

DENY MFN STATUS TO ROMANIA

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. DENNY SMITH. Mr. Speaker, I rise to express my opposition to the continuation of most-favored-nation status for Romania. While I am normally supportive of the administration's foreign policy, I take issue with the President's notification to the Congress on June 4, 1985, of his intention to grant MFN status to Romania for another year.

Under provisions of the Trade Act of 1974, MFN status for a Communist country is closely linked to that nation's emigration policies. Romania's policies in years past have been costly and obstructionist. Even now, family reunification remains difficult.

The situation for Jews seeking to emigrate is particularly disturbing. Only 543 Jews were allowed to emigrate to Israel during the first half of 1985, half as many as allowed during the same period last year. Before Romania received MFN status, an average of 4,000 Jews a year were allowed to emigrate. Obviously, the emigration situation is not improving.

Although Romania is a signatory of the Helsinki human rights accords, it has an appalling record of human rights violations in other areas as well.

I am very concerned about religious persecution by the Ceausescu regime. According to reliable sources, those practicing their religious beliefs are continuously harassed. Churches are destroyed, internal visas are denied to clergy, and no building permits for new churches are being granted. It has also been reported that legal shipments of Bibles have been recycled into toilet paper. These are outrageous actions by a regime that has pledged to uphold the freedom of religion for its citizens.

Restriction of emigration and religious persecution are not the only human rights violations. The repressive treatment of the Hungarian minority continues unabated.

The time has come to end MFN status for this nation that flagrantly violates the very terms under which such status is supposed to be granted. That is why I have cosponsored House Resolution 234, a resolution disapproving the President's recommendation to extend MFN status to Romania for another year. I urge my colleagues to join with us in condemning the human rights record of the Ceaususcu regime.●

PASSAGE OF THE CONSUMER RAIL EQUITY ACT IS ESSENTIAL

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. WEBER. Mr. Speaker, I am pleased today to announce my cosponsorship of the Consumer Rail Equity Act, H.R. 1190. This legislation is important to those of our Nation's railroad shippers that are captive to single railroads for service, to consumers of a variety of goods and products, and to our electric ratepayers in many sections of our country, including my State of Minnesota.

In 1980, the Congress of the United States deregulated competitive railroad traffic and granted railroads contracting authority in the Staggers Rail Act of 1980. At the same time, however, Congress recognized that some shippers do not have the benefits of competition and directed the Interstate Commerce Commission to assure that the railroad rates paid by those shippers are "reasonable." I must say that the record of this Commission in implementing this mandate of Congress has been dismal. Since 1980, the Commission has found no rate charged to a captive railroad shipper to be "unreasonable." Many captive shippers have complained to me that the rates they pay are indeed unreasonable and have provided evidence to support their claim.

I support the judgments made in the Staggers Rail Act of 1980. Clearly, we should remove Government regulations from all industries where competition exists. However, Government has a responsibility to protect citizens from monopoly pricing power. After a careful review of the provisions of the Consumer Rail Equity Act, I am convinced that this legislation will assure that the judgments made by the Congress in the Staggers Rail Act of 1980 are implemented appropriately by the Interstate Commerce Commission.

Mr. Speaker, I commend the Consumer Rail Equity Act to the attention of my colleagues. I believe this legislation is worthy of their support. I would hope that the Transportation Subcommittee of the House Energy and Commerce Committee will soon turn its attention to this important legislation.●

MR. REAGAN HAS IMPOSED A TAX

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. BROOKS. Mr. Speaker, much attention has been given to the claimed reluctance of this administration to increase taxes upon our citizens. What in reality is occurring is an increase in the taxation of the present and future generations to compensate for the fiscal irresponsibilities of the current administration.

While the President is not willing to face up to the real effects of his policies, more responsible administrations in the future will be required to do so at outrageous costs to working Americans, our children and grandchildren. Mr. Reagan seems to take great pleasure in protecting the vested shelters of his wealthy associates and supporters while ignoring the monumental debts he is amassing, and all the while reducing services to our ordinary citizens and our deteriorating infrastructure.

An excellent commentary of this phenomenon appeared on the editorial pages of the Washington Post today. I am pleased to submit it for inclusion in the RECORD today:

MR. REAGAN HAS IMPOSED A TAX

President Reagan believes that he saved you from a tax increase this summer when he demolished the Republican senators' budget plan. But did he? Look again. He has imposed a different tax, and it is now in place.

The Reagan administration is now borrowing more than $200 billion a year to finance its budget deficit. Somebody is going to carry that burden. Who? President Reagan has spared you the kind of tax that Congress enacts—the kind that is predictable, limited and distributed with some concern for fairness. By ruling out that kind of a tax this year, he has only ensured that the Debt Repayment Tax of 1985 will be of another kind.

One possibility is a surge of high inflation. Many people in this country already assume that the solution to the accumulating burdens of federal debt will be simply to inflate the currency again, as in the 1970s. In that case, those debts will be paid off by savers and investors as they watch the value of their money shrink. Inflation is a hidden tax but a real one—and it falls blindly, with no consideration of ability to pay. The Reagan economic program was supposed to encourage savings and investment. Instead, it is making saving and investment much more risky.

But perhaps that surge of inflation will never happen. Fear of it is now sufficiently widespread that at the first hint of it interest rates will soar. Lenders and investors lost gigantic amounts of money in the inflation of the 1970s, and they will send interest shooting upward as they attempt to protect themselves from a repetition. If that happens, instead of inflation there will be a long and severe recession. In that case the tax will be paid by the working people who lose their jobs and the companies that go bankrupt. The Reagan economic program was supposed to generate a steady rise in employment and expansion for business.

In either case, Americans are also going to have to carry the foreign debts that this country is now running up because of its unbalanced domestic economy. The Commerce Department announced yesterday that the trade deficit in June was, once again extraordinarily high. The longer Mr. Reagan lets these debts continue to rise unchecked, the heavier the repayment taxes will ultimately become.

The next tax has already been enacted, by a mechanism that—unlike Congress—is not open to argument and appeal. The only question is the precise form of the tax, a detial that will eventually become clearer. This week Mr. Reagan prevented Congress from trying to devise a tax of its own. He has guaranteed the alternative—a tax that is blind, unfair, unforgiving and hostile to every element of the stable prosperity that Mr. Reagan originally hoped to build.●

ALLEGHENY COUNTY/AUTHORITY CITED FOR RANKIN PROJECT

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. GAYDOS. Mr. Speaker, the U.S. Department of Housing and Urban Development recently cited Allegheny County in Pennsylvania and its redevelopment authority [RAAC] for achieving a national "first" under the Federal Rental Rehabilitation Program [RRP].

The county and the authority were recognized as being the first in the Nation to complete the rehabilitation of a structure under RRP, which was authorized in amendments to the HUD Act of 1983. The amendments set aside $150 million for fiscal 1984 and 1985 for the improvement of multifamily rental structures in the low- to moderate-income range.

A plaque commemorating the achievement was presented County Commissioners Thomas Foerster, Pete Flaherty, and Barbara Hafer, and Alfred M. Lento, chairman of the board for the redevelopment authority, by Michael G. Zerega and John Susi, officials from HUD's Pittsburgh office.

The project which brought Allegheny County officials national attention is a six-unit structure in the Borough of Rankin. In all, the county is involved in the rehabilitation of more than 90 such units at a total cost of $1.1 million.

This work is being completed through the cooperation of various county units including the redevelopment authority, the housing authority, and the department of development.

Mr. Speaker, completion of the Rankin project is another example of what can be accomplished through the coordination of efforts by Federal, county, and local officials. It is a pleasure, therefore, to join HUD in publicly recognizing the work of Allegheny County and its redevelopment authority under the Federal Rental Rehabilitation Program.●

NEVER AGAIN

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. HUGHES. Mr. Speaker, today I rise once again to join many of my colleagues in decrying a brutal injustice. A mere 40 years ago, the Nazi war machine was finally stopped, but only after Hitler's satanic vision of a Judenrein Europe had, for all intents and purposes, been realized. Throughout the world we shocked citizens of conscience vowed, "Never again!" Today, as the Soviet regime is working to make its dream of a Judenrein Soviet Union reality, we must remember our solemn vow. Mr. Speaker, there is little time to waste. We cannot let the cry "never again" ring hollow.

We have heard that there is a vanguard of 400,000 brave refuseniks demanding rights for themselves, and for their approximately 2½ million Jewish brethren in the Soviet Union. Yes; we have heard the numbers, yet they mean little. What we often need is to hear the stories behind some of these people to add meaning to the math. Most of us have indeed heard the tragic tales of some of the more well-known refuseniks. Yet, for sure, everyone of the 400,000 has his own story of suffering.

Mr. Speaker, allow me to share with my colleagues some tales they may not be familiar with.

Iosif Lokshin is 1 of the 400,000. After receiving an invitation from Israel in 1979, Iosif applied to emigrate with his family in 1979 and again in 1980. He was refused both times. Unable to leave, Iosif became active in Jewish cultural activities and Hebrew language study. Then the harassment started. He was called for army retraining at age 39, and was repeatedly warned by the KGB to cease his Jewish activities.

After ignoring the warnings and participating in a protest demonstration, Iosif was arrested and sentenced to 3 years at a labor camp. In prison, Iosif became ill and was unable to fulfill his work quota. Instead of being given medical attention, Iosif was put on a punishment diet. Such a diet has killed many prisoners in Iosif's camp, but somehow he held on. Later, Iosif was repeatedly put into solitary confinement for extended periods of time. Finally, he was released in June 1984, after completing his sentence. Yet, while Iosif is no longer held within prison walls, he remains trapped behind the Iron Curtain. The tyranny of the prison system is no longer, but the oppression of the Soviet system remains.

Vladimir Tsukerman is 1 of the 400,000. In 1978, Vladimir's wife and child left the Soviet Union for Israel, expecting that Vladimir would follow shortly. Instead, Vladimir was denied exit and fired from his job. In 1981, Vladimir was arrested. The charge was "organizing mass disturbances." What had Vladimir done? He had dared to wear a placard saying, "Let me go to my wife and son." Soviet justice dictated 3 years at hard labor. Vladimir completed his sentence in 1984, yet he is far from free in the true sense of the word.

Such incredible tales do help us to fathom how much human suffering is represented by the figure 400,000. This is the importance of the Congressional Call to Conscience Vigil for Soviet Jews. These efforts wake us, often shock us, and constantly remind us. The Call to Conscience is a most important beginning. Let us heed this call and rise to meet our challenge. Let each of us, in whatever manner he thinks best, exercise his power and expend his energies on behalf of those languishing with no one to represent them.

Mr. Speaker, to this day the Soviet Union continues to treat the practice and study of Judaism as a crime and denies Jews the right to emigrate, in direct violation of the Helsinki Final Act, the Universal Declaration of Human Rights, and basic humanity. In the face of such continued Soviet efforts to destroy the spirit of its Jewish community—a community which represents 20 percent of the world Jewish population—we cannot remain passive. Forty years ago we were silent, and humanity sank to depths previously unimaginable. If we can salvage one thing from the tragedy of the Holocaust, it is the lesson that silence in the face of inhumanity is tantamount to complicity. We cannot allow ourselves to forget a lesson that came at so high a price.

Mr. Speaker, the Jews in the Soviet Union are our brothers in the struggle for freedom and dignity. We must be our brothers' keepers.●

OPERATING SUBSIDY FOR FOREIGN BUILT VESSELS

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. JONES of North Carolina. Mr. Speaker, today, at the request of the administration, I, with others, am introducing H.R. 3141, a bill to amend the Merchant Marine Act, 1936, to authorize the foreign acquisition of subsidized U.S.-flag vessels.

In 1981 the administration ended the Construction Subsidy Program. To grant relief to U.S. vessel operators who needed to build new and efficient vessels in order to compete in the U.S. foreign trade and who could not afford to build these vessels in U.S. shipyards without any construction subsidy, Congress created a temporary statutory "window" in which Congress could obtain authority to acquire vessels overseas and still remain eligible for operating differential subsidy [ODS].

As a result of this temporary window, 36 waivers have been issued and 25 new vessels have been added to the U.S.-flag fleet according to the Maritime Administration. The window period ended on September 30, 1983. The administration, through this legislation, is now proposing to make the build-foreign authority permanent.

At least two concerns face the Committee on Merchant Marine and Fisheries if build-foreign authority is made permanent and the balance of the maritime promotional legislation remains unchanged. The concerns for the U.S. shipbuilding industry, which is directly affected by the proposal, and concerns for the effect on the unsubsidized competitors of ODS operators, are based on the same theme—the lack of balance. As imperfect as the Merchant Marine Act, 1936, has become, its longevity and success over many years was attributable to the balance it achieved among the many, frequently divergent, maritime interests. Labor and management; subsidized and unsubsidized operators; shipbuilders and ship operators; all functioned in a state of regulatory equilibrium. Without judging whether the Nation has ultimately benefited from the arrangement, or whether the Government should have intervened to the extent it has, the fact remains that we chose to promote the maritime enterprise and 50 years worth of investment policy and management patterns have developed in reliance on the balanced maritime promotional programs.

I do not mean to imply that once established, Government programs must remain unchanged. But once a need for change is established, the change must be accomplished in the context of the overall economic, trade, and strategic policies that are in place at the time.

The bill introduced today does not fit the criteria outlined above, but is introduced, by request, to initiate the debate that, by necessity, will contemplate the balance that is the cornerstone of sound maritime policy.●

WHY CUBA AND NICARAGUA MATTER

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. COURTER. Mr. Speaker, we do not often consider how critical the Central and Latin American states can be to the global balance of power. Americans tend to take notice only when our national security interests there are revealed by the involvement of distant European powers in the region.

There was the Zimmermann telegram, and all that it revealed about imperial German machinations in Mexico to distract and endanger the United States and keep it from entering the fighting in Europe in World War I. German agents in Cuba instigated revolts in 1917 to disrupt production of sugar, required by both America and its European allies; the United States was required to land Marines on Cuba as a result. In the Second World War, a fantastic amount of Allied shipping was sunk in the Caribbean. Enemy submarines, which were not operating from Cuban or Nicaraguan ports as they could now, but from the Bay of Biscay 4,000 miles distant, sank 260 merchant ships in the Caribbean between January and August 1942 alone.

A series of such critical but forgotten strategic facts appear in Dr. Harold W. Rood's volume Kingdoms of the Blind (1980), and in his detailed essay on Cuba in the National Review (November 27, 1981). Similarly, and more recently, the excellent nationally syndicated columnist Jeffrey Hart has addressed the problem of "Mr. Reagan's strategic alarm about Soviet penetration of Cuba and Nicaragua," by turning to historical example. His analysis of Nazi policy in Latin America, particularly Uruguay, is a revealing brief on how a distant enemy might attempt to use such countries for themselves and against the United States in times of war or peace. The column by Mr. Hart follows.

[From the Washington Times, June 24, 1985]

ROOSEVELT, REAGAN, AND LATIN AMERICA

(By Jeffrey Hart)

In the summer of 1940, Franklin D. Roosevelt confronted a problem in Latin America that in many ways resembles the one with which President Reagan is now wrestling. Mr. Reagan, a Roosevelt supporter who frequently invokes the memory of FDR, would be fascinated by the parallels.

In the summer of 1940, with the sudden collapse of the supposedly formidable French army, Hitler stood at the English Channel and loomed over the continent of Europe. The catastrophic defeat of the Axis a few years later may cause us to forget how bleak things looked that summer.

The situation, with Britain standing alone between America and the Nazi forces, was in fact a major factor in causing FDR to seek a controversial third term that fall.

In June, as a bipartisan move, he had picked Republicans Frank L. Knox and Henry G. Stimson as secretaries of the Navy and War. In July, he told Mr. Knox that we must prepare and lose no time about it. And then the view most pertinent to us today: FDR told Mr. Knox that as soon as Germany had consolidated its gains in Europe it would proceed to penetrate South America—and that we then would have our work cut out for us in this country.

What Mr. Roosevelt had in mind was an impressive German economic and cultural penetration of the region, already under way, which could then provide the foundation of military cooperation.

Uruguay was to be the headquarters for the organization of the German economic effort. It was not a pipe dream. In 1940, more than 55 percent of Latin American exports went to Europe: Brazilian coffee, Peruvian tin, Argentine beef. Latin America needed the income from those exports, even to a Nazi-dominated Europe.

As FDR could see clearly, a Europe consolidated under Hitler and run from Berlin would be a powerful economic entity as well as a military one, and it could—and no doubt would—use its economic leverage to penetrate the Southern Hemisphere further.

Uruguay already had been invaded by German agents. Twelve of them led by a man named Julius Dalldorf and operating under the German minister, Otto Langman, had been arrested by the Uruguayan authorities in June.

The German plans rested on a promising ethnic situation. There were large German and Italian colonies throughout Latin America, especially in the vital ABC powers—Argentina, Brazil, and Chile. More recently, these communities have provided a haven for Nazi war criminals. There were riots between Nazi and anti-Nazi mobs in La Paz and Montevideo. Under American pressure, Colombia's government-owned airline, Avianca, fired all its German employees. Ecuador expelled the Italian mission for subversion. Mexico threw out Hitler's man in Mexico City, Arthur Dietrich.

Nevertheless, much of Latin America inclined toward the Axis until it became clear that Hitler was losing. In the summer of 1940, it was not clear that he could be beaten at all, and he had numerous disciples in Latin America, such as Argentina's Juan Peron.

In 1940, Hitler's interest in conquering England was secondary. His principal goal was to conquer Russia, seize its resources, destroy Bolshevism, and consolidate a Germanic continental empire. He in fact became startlingly close to doing so. Had he succeeded, his empire would have been a formidable economic and military force.

FDR saw all this. He would have been even more alarmed had he known that Hitler had already approved the German navy's "Z Plan" and given the orders for construction of a large surface fleet capable of operating on a global basis.

There is little doubt that FDR would share Mr. Reagan's strategic alarm about Soviet penetration of Cuba and Nicaragua. Again, a continental empire has designs on the hemisphere.

President Reagan knows that, even if many congressmen do not.●

A TRIBUTE TO MISS HELEN E. WOLFE

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. GEKAS. Mr. Speaker, I would like to bring to the attention of my colleagues in the U.S. Congress the achievements of Miss Helen E. Wolfe, my constituent from Sunbury, PA, who is being honored on September 4 at a dinner hosted by the board members of the John R. Kauffman, Jr. Public Library for her many years of service to the library and community.

Miss Wolfe retired as librarian of the John R. Kauffman, Jr. Public Library on June 1, 1985, ending a full-time career with the library that spanned more than four decades. I say full time career because I understand that Miss Wolfe is now serving in an advisory capacity to train new personnel.

Miss Wolfe began her career at the library on a part-time basis in 1940 and was appointed to the position of librarian on April 11, 1953. In 1961 she received the Certificate of Provisional Librarian from the Pennsylvania Library Association and in 1970 received the Commonwealth of Pennsylvania, Department of Education's Certificate of Public Librarianship. During her distinguished career, she held positions of ever increasing responsibility. She has served as president and secretary-treasurer of the West Branch Chapter Library Association, and at the State level served 3 years on the board of directors of the Pennsylvania Library Association. Her committee work within the association is equally noteworthy as she has served on its nominating, awards and membership committees.

Accomplishing all of these activities would seem to be enough to satisfy most of us in a lifetime, but for Miss Wolfe the list of achievements goes beyond her library work. In additional to currently serving on the Advisory Council of the North Central Library District, she serves on the Shikellamy School District's Citizens Advisory Art Committee and its Library Committee. She is also an active member of the Sunbury Business and Professional Women's Club.

Miss Wolfe has also devoted 40 years of her life as a Sunday school teacher at the Otterbein Church and, as is characteristic of this community-oriented individual, has served on her church's building, nominating, and pastor-parish committees.

I wish to extend my congratulations to Miss Wolfe for her remarkable efforts for the Kauffman Public Library and her community. She has truly

enriched the lives of all who been privileged to know her and work with her.●

CRIMINAL JUSTICE SUBCOMMITTEE REPORT ON PROPOSED AMENDMENTS TO CIVIL AND CRIMINAL PROCEDURE RULES

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. CONYERS. Mr. Speaker, last April 30, the Supreme Court sent to Congress several proposed amendments to the Federal Rules of Civil Procedure and the Federal Rules of Criminal Procedure. Pursuant to the Rules Enabling Acts, those amendments will take effect tomorrow, August 1, absent legislation to the contrary. The purpose of the delayed effective date is to give Congress an opportunity to review proposed changes before they take effect.

The Criminal Justice Subcommittee, which I chair, has reviewed the proposed amendments transmitted by the Supreme Court on April 30. A hearing explored in detail several of the proposed amendments. Three representatives of the Judicial Conference of the United States spoke in support of the proposed amendments, and three other witnesses—two University of Southern California law professors and an attorney with the New York City Legal Aid Society—criticized various of the proposed amendments. In addition, the subcommittee received written comments from several other persons.

The subcommittee met today and decided, based upon the testimony at the hearing and the written comments, not to recommend legislation modifying, abrogating, or postponing the effective date of any of the proposed rules. The subcommittee instead voted to adopt a report indicating, with regard to each of the proposal amendments that was criticized, why the subcommittee decided not to recommed legislation. This report will be printed and made available to the public through the offices of the Subcommittee on Criminal Justice, room 362, House Office Annex II, Washington, DC 20515.

Only a few of the proposed amendments were controversial. With regard to the Federal Rules of Civil Procedure two proposed amendments were criticized.

Civil Rule 52(a) sets forth a standard of "clearly erroneous" for appellate courts to apply when reviewing district court factfinding. The proposed amendment makes it clear that this standard applies even if the finding is based upon documentary or other evidence that does not involve the demeanor or credibility of the witness. The report indicates that no legislation was recommended because it appears likely that the proposed amendment will affect a limited number of cases. If the proposal has a broader or more frequent impact, however, I would expect the subcommittee to take another look at the matter.

Civil Rule 83 regulates the promulgation of local rules and "standing orders." The proposed amendments seek to provide greater public participation in the drafting of such rules and orders and to ensure greater conformity by such rules and orders with the national rules. The criticism of the proposed amendments has been that they do not go far enough. The report indicates that no legislation was recommended because the matter is presently under consideration by the Subcommittee on Courts, Civil Liberties, and the Administration of Justice, which is working on legislation to revise the rules Enabling Acts.

Three proposed amendments to the Federal Rules of Criminal Procedure were criticized. Criminal Rule 6(e) sets forth a general rule of grand jury secrecy that prohibits disclosure of matters occurring before the grand jury, and provides for some exceptions to that rule. The proposed amendment to rule 6(e) seeks to add a new exception and to expand an existing exception. The report indicates that the subcommittee decided to address grand jury secrecy problems during its work on grand jury reform legislation and not to recommend legislation to modify, abrogate, or delay the effective date of the proposed amendment to rule 6(e).

Criminal Rule 11(c) requires that a judge inform a defendant who wishes to plead guilty or nolo contendere of "the maximum possible penalty provided by law." The proposed amendment adds language that specifically requires the judge, when so informing a defendant, to include that restitution can be imposed. The drafters of the proposed amendment, as they explain in the committee note, do not believe that the rule, as it would be amended, requires the judge to specify the amount of restitution, or an upper limit. The report indicates that no legislation concerning this proposed amendment is being recommended because the committee note cannot alter the clear meaning of rule 11(c).

Criminal Rule 35(b) regulates motions for reduction of sentence. The proposed amendment modifies the rule to conform it to current court interpretations of it. The critics do not believe the proposed amendment goes far enough. The report indicates that, given the rather short life expectancy of rule 35 (it is repealed when the bulk of the Sentencing Reform Act's provisions take effect in November 1986), the subcommittee is not recommending legislation to modify, abrogate, or delay the effective date of the proposed amendment.

The report also expresses views on two aspects of the rulemaking process. The subcommittee believes that, in view of its long experience with rule changes promulgated under the Rules Enabling Acts, its views might be helpful to the Subcommittee on Courts, Civil Liberties, and the Administration of Justice. The two matters commented upon are first, the role of the Supreme Court as promulgator of rule changes, and second the supersession clause, which provides, in effect, that rules supersede enacted statutes.●

HENRY J. DESIMAS, JR., TO RETIRE FROM U.S. POSTAL SERVICE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. ANDERSON. Mr. Speaker, I would like to take this opportunity to draw attention to the achievements of one of the 32d District's exemplary citizens, Henry J. DeSimas, Jr., who is retiring after a distinguished career in the U.S. Postal Service.

One of California's native sons, Hank DeSimas was born and attended primary schools in San Pedro. A graduate of Loyola University with a major in business administration, his educational achievements also include postgraduate work at UCLA in the advanced management program.

Before starting his career with the Postal Service, his 3 years of active duty in World War II left him with numerous citations, including the Bronze Star for Valor, the Meritorious Service Medal, the Purple Heart, the Combat Infantry Badge, and campaign ribbons with nine battle stars and a bronze arrowhead. He retired after 27 years in the Active Reserve as a lieutenant colonel.

Hank started his postal career in 1946 as a letter carrier in San Pedro. Since then, he has moved up through the ranks and held various positions of increasing responsibility, including director of personnel and superintendent of the North Long Beach Station. From 1973 to 1982, he served as management sectional center manager/postmaster, Long Beach, CA. In this job, he had 23 postmasters reporting to him and was directly responsible for 3,600 employees, 89 facilities, and a budget of over $100 million. These challenging positions led up to what was surely one of the highlights of Hank's career when, in 1982, he was appointed Olympic program manager for the U.S. Postal Service. He was largely responsible for his organization's highly successful and financially profitable efforts during the Los Angeles Olympics.

Hank was honored by the Postmaster General in Washington, DC and presented with the Partners in Progress award in 1984. In May of this year, he received the Postmaster General's highest award for Executive Achievement, an award for performance which is accompanied by a check for $10,000.

Hank actively participates in civic affairs and functions, and has been on the boards of directors of both the Downtown Lions Club of Long Beach and the March of Dimes. His service includes participation in the National Association of Postmasters, the United States National Association of Postal Supervisors, the Loyola Alumni Association, and the Reserve Officers Association.

Mr. Speaker, although Hank DeSimas' retirement from his present assignment in the employee involvement/quality of work life process for the western region will most certainly be the loss of the U.S. Postal Service, I am confident that California's 32d District will continue to benefit from the endeavors of one of its most selfless community servants. My wife, Lee, joins me in saluting Henry J. DeSimas, Jr., and we wish him, his wife Pat, their eight children, Kathy, Diane, Henry, James, Thomas, Debra, Daniel, and Kimberly, and their 15 grandchildren all the best in the years to come.●

BRAILLE EDITION OF PLAYBOY MAGAZINE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. FAZIO. Mr. Speaker, on July 18, 1985, the House debated and passed the legislative branch appropriations bill for fiscal year 1986. During our deliberations, Congressman Chalmers Wylie offered an amendment to delete $103,000 from the appropriation to the Library of Congress for its National Program for the Blind and the Physically Handicapped. This is the amount that he estimated would be devoted to producing the braille edition of Playboy magazine.

I opposed Mr. Wylie's amendment at that time on the grounds that his effort amounted to censorship. Further, that the decisions on which publications should be produced in braille is best left up to those who utilize this service, the blind themselves, which is the way the program currently works.

I very much regret that the Wylie amendment passed. I have taken several opportunities to express my views, and I would like to also place in the Congressional Record the views of others who have spoken out on this matter. I think that the Members of the House of Representatives should take time to read the following statements and articles:

American Council of the Blind,
Washington, DC, July 23, 1985.

Re: Library of Congress funding for braille edition of Playboy Magazine.

On July 18, 1985, the House passed an amendment to its FY 1986 legislative branch appropriations bill which reduces funding for the Books for the Blind and Physically Handicapped program by $103,000. (Cong. Rec., July 18, 1985, at p. 19659) The purpose of this amendment was to prohibit the Library of Congress from producing a braille edition of Playboy magazine. Since 1970, Playboy magazine, published without advertising, pictorial material, or picture captions, has been available free of charge to blind readers who are eligible for the Library of Congress' Braille and Talking Book program. Other magazines such as the Ladies Home Journal, Better Homes and Gardens, the National Review, the Atlantic and Sports Illustrated are also available in braille or recorded editions through the Library of Congress program.

The American Council of the Blind believes that blind persons should have the right to read what we choose, and that censorship has no place in a free society. Any material distributed to the public at large should not be censored when transcribed into braille or recorded form for blind readers.

Since 1931 the Library of Congress has provided first in braille and then in recorded form reading material to blind persons and has attempted to represent in its collection a broad range of material appealing to many interests. This is as it should be, since blind and visually impaired people are as diverse as society itself. Playboy was included in the program at the request of blind people, and continues to be very popular among the approximate 1,000 readers who receive it each month.

The question is simply whether blind persons should have access to a wide range of contemporary thought. Playboy is one of 36 magazines produced in braille by the Library at reader request and we believe that the blind persons who use this service are in the best position to determine what they wish to read.

Both the American Library Association and the Association of American Publishers have joined with us in opposition to the House's action on July 18. Please let me know whether we can count on your support for full funding for the Library of Congress Books for the Blind program so that blind Americans can be assured that we will be able to read what we choose.

Very truly yours,
J. Scott Marshall,
Director of Governmental Affairs.

Statement by Counsel to Playboy Magazine

On July 18, 1985, the House of Representatives approved an amendment to the $1.3 billion appropriations bill for congressional operations (H.R. 2942). The amendment cut $103,000 from the appropriation to the Library of Congress for its National Program for the Blind and Physically Handicapped, an amount it was estimated would be devoted to producing a braille edition of *Playboy Magazine.*

Playboy Magazine has been published monthly for thirty years. During that time, not one single issue has ever been found obscene by any state or federal court. In the eyes of the law, *Playboy Magazine* stands on exactly the same footing as the *Reader's Digest,* the *New York Times Magazine,* and every other lawful publication. In fact, the courts have held that *Playboy Magazine* does not meet even one of the three tests a publication must meet before it can be found legally obscene.[1] Taken as a whole, *Playboy* does *not* appeal to the prurient interest, does *not* contain patently offensive descriptions of sexual conduct, and *does* have serious literary, artistic, political or scientific value.[2]

The law is crystal clear that Congress cannot discriminate between lawful publications on the basis of their content. Any other rule would be intolerable in a free society because discrimination on the basis of lawful content would enable the party that happens to be in power at the moment to suppress publications whose views that party deems unwise. If that *were* the law, one Congress could suppress *The Nation,* and the next Congress could suppress, instead, *The National Review.*

As the Supreme Court has said, "above all else, the First Amendment means that government has no power to restrict expression because of its message, its ideas, its subject matter, or its content." *Police Department of the City of Chicago v. Mosley,* 408 U.S. 92, 95 (1972). In fact, the most firmly established principle in the law of the First Amendment is that government may not discriminate among speakers because of the content of their speech.

The House amendment deleting funds from the Library of Congress' braille program was openly motivated by a desire to restrict the access of blind Americans to *Playboy Magazine* because of *Playboy's* content.[3] After the vote in the House of Representatives, Representative Wylie, the sponsor of the amendment, explained to the *Washington Post* that "*Playboy* assails traditional moral values. . . . I believe that promoting the reading of *Playboy* in this way does lead to undesirable activities." This content-based censorship of the reading material available to blind citizens is plainly unconstitutional.

It is not any more constitutional because access to a federal program, and a government subsidy, is involved. The Supreme Court, speaking through Justice O'Connor, earlier this month reaffirmed that "*those justifications cannot save an exclusion that is in fact based on the desire to suppress a particular point of view.*" *Cornelius v. NAACP Legal Defense and Educational Fund, Inc.,* 53 U.S.L.W. 5116 (July 2, 1985)

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[1] Before government may suppress speech as obscene, the Constitution requires that " 'the average person, applying contemporary community standards' would find that the work, taken as a whole, appeals to the prurient interests, . . .; [that] the work depicts or describes, in a patently offensive way, sexual conduct specifically defined by the applicable state law; and [that] the work, taken as a whole, lacks serious literary, artistic, political, or scientific value." *Miller v. California,* 413 U.S. 15, 22 (1973).

[2] For the most recent case holding that *Playboy Magazine* is not obscene under each of the *Miller* criteria, see the decision of the United States Court of Appeals for the Fifth Circuit in *Penthouse International, Ltd. v. McAuliffe,* 610 F.2d 1353, 1364-1373 (5th Cir. 1980).

[3] See Cong. Rec.-House, July 18, 1985, at H 5932-H 5935.

(emphasis added). The constitutional safeguards of free speech and equal protection of the laws would be violated "if Congress were to discriminate invidiously in its subsidies in such a way as to ' "aim at the suppression of dangerous ideas." ' " *Regan v. Taxation With Representatives of Washington,* 103 S. Ct. 1997, 2002 (1983); *see id.* at 2004 (Blackmun, J., concurring). Representative Wylie's amendment is therefore explicitly based on uncontitutional viewpoint discrimination.

For over half a century, Congress has provided funds to the Library of Congress to enable the nation's library to set in braille at least a few of the approximately 11,000 magazine published in this country. (The program currently provides sufficient funding to set 36 magazine in braille.) Not once during that long and proud history has Congress ever attempted to dictate which magazine must, or must not, be set in braille. Instead, Congress has wisely left the selection of magazine to the judgment of the Library of Congress and the blind Americans that program is designed to serve. Since 1970, representatives of the blind community have consistently included *Playboy Magazine* as one of the magazine they most want to read.[4]

Why is that? It is certainly not for the pictures, because only the text is set in braille. Perhaps it is because *Playboy* has for years published some of the very best fiction published in this country. Indeed, this year *Playboy Magazine* won the distinguished National Magazine Award "for excellence in fiction."[5] Where else can the blind have access to the fiction of writers such as Gabriel Garcia Marquez, John Le Carre, Saul Bellow, Isaac Asimov, and Joyce Carol Oates.[6] Perhaps the blind select *Playboy* because *Playboy* publishes candid interviews of individuals whose views or actions are of considerable interest or importance to the blind. Recent issues, for example, have contained interviews with then President Carter, and with Malcolm Forbes, Presidential candidate John Anderson, Lech Walesa and Dan Rather.[7] But whatever their reasons, the blind have decided *for themselves* what they want most to read.

The rights that would be most severely infringed are thus not those of *Playboy,* which will still be read each month by over 15 million sighted Americans, but the rights of blind people to read what they choose. That right to choose is fully protected by the Constitution, *Virginia State Board of Pharmacy v. Virginia Citizens Consumer Council, Inc.,* 425 U.S. 748 (1976); *Stanley v. Georgia,* 394 U.S. 557 (1969), and Congress may not constitutionally strip blind Americans of that choice.

[From the New York Times, July 24, 1985]

The Bland for the Blind

Tough luck, blind folks. For you there will be no more Playboy magazines in Braille from the Library of Congress.

Congressman Chalmers P. Wylie has caught you.

And put a stop to it.

With the consent and approval of the entire House of Representatives of the United States.

And of all decent, right-thinking people, too, I'll bet.

Imagine it—I am speaking now to the unblind—imagine blind people, American blind people, reading Playboy by moving their fingertips over it.

Make your blood boil?

All right, so the famous Playboy pictures—those disgusting pictures—are not reproduced in the Library's Braille editions.

Thank Heaven for small favors. Is that what you say? Well, our House of Representatives was not so easily satisfied, because what about the infamous Playboy party jokes?

What about the vile Playboy Advisor with his licentious hints on what to do about—well, this—and that?

Trenchant questions were confronted in the House of Representatives.

"Is the Honorable Member telling this House that the Braille edition does not make it possible to visualize the most minute details of the Playmate of the Month by application of fingertips to, ah, shall we say—?"

"Unfortunately, no. Only the reading material is reproduced. Infamous party jokes, vile Playboy Advisor hints, interviews with American Presidents discussing lust they have felt in their hearts."

Cries of "shame! shame!"

Party jokes. Lust.

These are concepts that outrage the House of Representatives. The disclosure that blind people were being exposed to them was maddening.

Speaker O'Neill was hard pressed to defeat motions for renting more mercenaries to overthrow the Nicaraguan Government, which was assumed to be in cahoots with the Soviet Union in a plot to destroy the moral fiber of America's blind with Braille Playboy party jokes.

Many a Member reminded the press gallery what Lenin had said:

"Today party jokes, at the fingertips of the blind; tomorrow the novels of D.H. Lawrence in the hands of women and college girls."

Speaker O'Neill blocked resolutions calling for the immigration bureaucracy to hound D.H. Lawrence out of the United States, but only after testimony from Congressman Wylie that D.H. Lawrence had been dead for many years.

Throughout the turmoil Congressman Wylie remained the very bedrock of responsible literary criticism. The distinguished Ohioan Republican, known in his native state as "the Buckeye Sainte-Beuve" (sometimes "the Buckeye Longinus" or "the Buckeye Edmund Wilson"), refused to be drawn into debate about licentious jokes and vile advice.

The facts were sufficient. Government money paid for Braille editions of 36 magazines selected by blind readers for their literary merit.

"I do not feel that Playboy meets those standards," Mr. Wylie announced.

He was referring to the literary standards of journals like Good Housekeeping and Popular Mechanics, which are also produced in Braille at Government expense.

The usual bleeding hearts were heard from:

"Censorship!" they cried.

"Who are we, in spite of our infinite wisdom, to decide that the blind are entitled to expensively produced magazines, telling how to build bird houses, and how to dust behind radiators, but not to magazines telling how to use bird houses and radiators to make one's sex life more fulfilling?"

Congressman Wylie noted that the question at issue was not the type of advice to which the blind were entitled, but the literary quality of its donors.

While it was true, he noted, that officially approved magazines in the 1930's had split a great many infinitives in such articles as "How to Build Your Own Autogyro" and "Seven Keys to Tastier Macaroni and Cheese," both Popular Mechanics and Good Housekeeping were better edited nowadays and certainly more literate than Playboy, which often contained interviews with politicians.

Congressman Wylie emphasized that not all blind people enjoyed reading Playboy in Braille. This produced astonished cries from the House floor:

"Do you mean many of them are just as pure, upright and clean-living as you and I?"

Congressman Wylie said such was the fact. Since they would be depriving only a few—and those few, people of inferior literary taste—the Members readily voted the Braille Playboy out of existence.

Thus do the blind lead the blind.

[From the Wall Street Journal, July 22, 1985]

Tunnel Vision

The Library of Congress usually gets fairly generous treatment from the legislative branch when budget time rolls around. But the House of Representatives has now voted to cut $103,000 from the institution's appropriation. This is what it costs the library to produce Playboy magazine in Braille.

Playboy is one of 36 magazines produced for the blind. Among the others are Fortune and Jack and Jill. Librarians and groups representing the blind choose the titles. No, Playboy's centerfold and other photos do not make it into the braille edition.

Rep. Chalmers Wylie spurred this move. "We have a budget deficit," he said in defending this action. We know. And $103,000 won't cure it. Such a pointed reduction is not economizing but censorship, a kind of legislative nannyism that treats the handicapped like children.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference.

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[4] It has been suggested that *Playboy* decides which portions of the text of *Playboy Magazine* will be set in braille. That is not true. *Playboy* exercises no control whatsoever over the selection of text. Under a copyright licensing agreement executed in 1970, *Playboy* has given the Library of Congress permission to set the text of *Playboy Magazine* in braille. *Playboy* charges nothing for that permission.

[5] That award is given to one magazine each year by the American Society of Magazine Editors, in conjunction with the Columbia University Graduate School of Journalism.

[6] The list of persons who have contributed fiction and other articles to *Playboy* includes, in additon, Ray Bradbury, Arthur C. Clarke, Justice William O. Douglas, Laurence Durrell, Graham Greene, Sen. Philip A. Hart, Sen. Vance Hartke, Ernest Hemingway, Martin Luther King, Jr., Norman Mailer, Bernard Malamud, Sen. George McGovern, Vladimir Nabokov, Isaac Bashevis Singer, John Steinbeck, Paul Theroux, and John Updike.

[7] The list of persons interviewed by *Playboy* includes, in addition, Sen. Charles Percy, Albert Schweitzer, George Wallace, Princess Grace Kelly, John Kenneth Galbraith, Jesse Jackson, William Buckley, Jr., Sen. George McGovern, Tennessee Williams, Walter Cronkite, Bob Hope, Henry Aaron, Admiral Elmo Zumwalt, Billie Jean King, Sen. Patrick Moynihan, Andrew Young, Barbara Streisand, and William Colby.

This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, may be found in the August 1, 1985, Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 2

9:30 a.m.
Joint Economic
To hold hearings on the employment/unemployment situation for July.
2359 Rayburn Building

10:00 a.m.
Judiciary
To hold hearings on issues surrounding Joseph Mengele.
SD-226

SEPTEMBER 5

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on competitiveness in the long-distance telephone markets.
SD-628

SEPTEMBER 9

9:00 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold oversight hearings on the implementation of the Motor Carrier Act (Pub. L. 96-296).
SR-253

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on S. 1265, to provide compensation for workers injured by exposure to asbestos.
SD-215

SEPTEMBER 10

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 1310, the Clean Campaign Act of 1985.
SR-253

Labor and Human Resources
Labor Subcommittee
To resume oversight hearings on the impact of the Supreme Court's ruling in Garcia vs. San Antonio Metropolitan Transit Authority on the coverage of state and local government employees under the Fair Labor Standards Act.
SD-430

SEPTEMBER 11

9:30 a.m.
Commerce, Science and Transportation
Business meeting, to consider proposals relating to the future of Washington National Airport and Washington Dulles International Airport.
SR-253

Labor and Human Resources
To hold hearings on United States' relations with the International Labor Organization (ILO).
SD-430

10:00 a.m.
Select on Indian Affairs
To hold hearings on S. 1396, to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation in Minnesota.
SD-628

1:00 p.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on competitiveness in the long-distance telephone markets.
SR-253

SEPTEMBER 12

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

SEPTEMBER 17

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

SEPTEMBER 18

10:00 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on S. 985, to protect the rights of victims of child abuse.
SD-226

SEPTEMBER 19

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 812, to authorize the President to control loans and other transfers of capital to any or all of the Soviet bloc countries.
SD-538

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

SEPTEMBER 24

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on the problem of illiteracy in America.
SD-430

SEPTEMBER 26

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on the problem of illiteracy in America.
SD-430

SEPTEMBER 30

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on proposed revisions in subchapter C of the Internal Revenue Code relating to corporate taxation.
SD-215

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATION

AUGUST 1

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

SENATE—*Thursday, August 1, 1985*

(Legislative day of Tuesday, July 16, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, sovereign Lord of history and nations, You are needed here: Your presence—Your mercy—Your judgment—Your wisdom—Your love. We need You in this formidable arena of controversy, conflict, and compromise, where unnumbered agendas converge and demand attention—where special interests collide—where strong wills clash. We need You when tempers rise, emotions boil, frustration enervates, and suppressed anger explodes.

Gracious God, in this vortex of the storm where personal, local, regional, national, international, special issues, and interests concentrate, give to the leaders, the Senators and their staffs grace exceeding the tempest. Somehow make it possible for them to enter recess without an undue burden of unfinished business. They do not recess to play games but to work harder than ever. Help them midst heavy schedules to tend to their own health and welfare and that of their families. In the name of Him Whose peace the world cannot give nor take away. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the two leaders have 10 minutes each unless reserved or yielded, then special orders not to exceed 15 minutes for Senators SIMON, PROXMIRE, KERRY, and BUMPERS, and routine morning business not to extend beyond the hour of 11:30 a.m. with statements limited therein to 5 minutes each.

Following morning business, the Senate will turn to the consideration of the conference report to accompany H.R. 2577, the supplemental appropriations bill. I hope we can complete that by 1 p.m. From 1 p.m. to 3 p.m., we will have a discussion of the various farm bills pending in the Agriculture Committee and hopefully at that time have some reliable cost estimates from various sources—CBO, OMB, USDA—so that we can focus on the various programs.

I must say, we only have a very few items remaining before we recess this evening or tomorrow before we begin the August recess. It could come this evening, I believe, if we can get a budget resolution. I know we have a conference starting at 10:15 and the Democrats have a caucus starting at 10:30. We will discuss the budget conference positions at that time. If that can be resolved and the supplemental appropriations can be resolved, that would leave the energy and water appropriations bill, the South Africa conference report, and the Genocide Treaty.

I am advised that it will take some time on the South Africa conference report, and as soon as that is confirmed we can make a judgment on that. But, if it is going to be extended discussion, it would be my hope we might call up that conference report, file cloture and go home, because I think it would take a number of days, into the next week, as I understand it. But I can advise the distinguished minority leader later on or early afternoon.

So I am prepared, if we can put it all together today, to complete action today. If not, hopefully by early afternoon tomorrow.

Mr. President, I reserve the balance of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. WALLOP). Under the previous order, the democratic leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that my time be reserved for me during the day throughout the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

RECOGNITION OF SENATOR SIMON

The PRESIDING OFFICER. Under the previous order, the Senator from

NOTICE

An interim issue of the daily Congressional Record for the Ninety-ninth Congress, first session, will be published on August 14, 1985, during the adjournment, unless otherwise ordered by the Joint Committee on Printing.

None of the material printed in the Congressional Record after adjournment may contain subject matter, or relate to any event, which occurred after the date Congress officially adjourned.

No provision herein shall be construed to supersede the two-page limitation rule.

All material must be signed by the Member and delivered to the respective Office of the Official Reporters of Debates, Room HT–60 or S–220 of the Capitol, Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m., through August 14.

Members of Congress desiring to purchase reprints of material submitted for Record printing during the adjournment may do so through the Congressional Printing Management staff located at the Government Printing Office. That office may be reached by telephoning 275–2226 between the hours of 8:00 a.m. and 4:30 p.m. daily.

By order of the Joint Committee on Printing.

CHARLES McC. MATHIAS, JR., *Chairman.*

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Illinois [Mr. Simon], is recognized for not to exceed 15 minutes.

HIROSHIMA REMEMBRANCE DAY

Mr. SIMON. Mr. President, this coming week, on August 6, when we are not in session, we will be noting the 40th anniversary of the dropping of the bomb at Hiroshima. Since that horrible display of weaponry, we have amassed more and more and more power. We are moving toward nuclear confrontation, at least I think that is the judgment of most people. And somehow we have to move away from that. We have to move away from it in ways that do not jeopardize in any way the security of our country nor the security of the Soviet Union. We have to start negotiating. My hope is that we can, as a first step, negotiate a verifiable comprehensive test ban treaty.

In any event, this body, our counterpart on the other side of the Capitol, and the administration ought to make a high priority of moving away from the present course. The present course ultimately means that these young pages here and all their counterparts all over this Nation and this world have a grim future. We can build a bright future, but it is absolutely essential, in order to build that bright future, that we negotiate away from the arms race which piles up more and more and more weapons of destruction.

Anniversaries can be good things or anniversaries can be bad things. I see the Chaplain on the floor. Sometimes when I attend church anniversaries I think they are not a good thing because they seem to say how good we are and pat themselves on the back.

The 40th anniversary of Hiroshima is not an occasion where we want to say how good we are. It is an occasion when we ought to say somehow we have to move away from piling up more and more and more weapons, because ultimately someone, somewhere, is going to light the match.

There is one safe way to deal with that, and that is to find verifiable ways of moving away from the arms race. I hope this body, the other body, and the President can move us in that direction.

Mr. President, I asked for this special order relating to Hiroshima Remembrance Day because the Senate will be in recess on August 6, the 40th anniversary of the atomic bombing of Hiroshima. The destruction of Hiroshima ushered in a new era in warfare, and I hope a new era in the conduct of international politics. While many of us rejoiced at the rapid close of World War II, we were skeptical that such enormous uncontrolled power could long keep the peace. Just after the war ended, Albert Einstein said: "Nuclear weapons have changed everything except our way of thinking." Unfortunately, Einstein turned out to frighteningly accurate—year after year, weapon after weapon.

Anniversaries are important. In 1985, we have already witnessed the 40th anniversary of the victory in Europe and the first successful atomic test in the desert of New Mexico. On August 6 we will note what is surely one of the most momentous of all dates—the destruction of Hiroshima by the first wartime use of nuclear weapons. Hiroshima was followed 3 days later by the atomic destruction of Nagasaki. And that second blast has so far been the last explosion of such terrible weapons fired in anger. But we would be complacent in the extreme if we were to assume that these two nuclear strikes were necessarily the last.

We stand on the brink of a qualitatively new and far more dangerous cycle of the arms race. The Reagan administration has embarked on one of the greatest arms race follies ever contemplated: the star wars space shield, the so-called strategic defense initiative. Every major premise of this program is faulty. SDI will not bring about a radical reduction in United States and Soviet offensive nuclear arms; it will instead increase the number of weapons necessary because both sides will require more weapons. It will not reduce the chances for a first strike; it will instead ensure that the Soviet military targets our orbital lasers early so that their nuclear weapons can get through the shield. And their weapons will shift to warhead that do not enter space. SDI will not make the world a safer place; it will instead raise the stakes in a crisis. Both sides will feel the necessity of quick and catastrophic action against the satellite "eyes and ears" essential to preserving military communications and nuclear launch-detection capabilities. And computers—which can malfunction—will make the ultimate decisions. The premium could shift to firing first, because there may no longer be the sure knowledge we each have today, that a first strike will invite a counter strike. In any event, nuclear weapons will still be delivered by suborbital or conventional means: a 1 megaton bomb could easily fit on the back of a standard-sized pickup truck.

There are other follies now under pursuit by both superpowers. We have our MX; Moscow has its SS-18 and SS-24. Our latest folly just arrived the other day, when the administration refused to join with the Soviet Union in a 5-month moratorium on nuclear tests and the Senate could not even agree to ask the President to resume talks. Even if the Soviets have conducted a number of extra tests in the past few weeks or months, what possible additional knowledge could they have gained in these tests? What kinds of militarily useful information could they have gleaned, that we could not with 40 years of testing and experimentation under our belt? A gesture of this sort could do wonders. Article 6 of the Non-Proliferation Treaty calls for the superpowers to make significant progress toward general and complete disarmament. Instead we push ahead with our test schedule as if a missed test spelled the end of Western civilization.

A comprehensive test ban treaty is verifiable down to exteremly small levels, and, with cooperative measures such as in-country tamper-proof seismic sensors, there is virtually unanimous sentiment that a good treaty could be negotiated with ironclad verification provisions. Why not take that first step toward fulfilling article 6 and meeting the aspirations of all the world's peoples? Why not engage in negotiations to stop all nuclear testing for all time? While no one would argue that an agreement banning tests will stop the arms race, it is clear that a treaty would dramatically slow the qualitative arms race and pave the way to reduce the numbers of missiles and warheads now spiralling out of control.

Mr. President, there are many arms control initiatives currently receiving attention in the public arena. Some are good ideas, others are less worthy. But it takes political wisdom, and political courage, to take that first step away from future Hiroshimas. We have spent the past 40 years moving closer to nuclear holocaust, devising new weapons programs and new strategic doctrines. When President Eisenhower met with Premier Khruschev, the two world leaders discussed the problems posed by nuclear fear. Eisenhower told Khruschev that when budgets are drawn up, his military come to him and say that they need more and better weapons to keep up with the Russians. Khruschev told the President that it was the same with Soviet defense spending: his military had to keep up with the Americans. And so it has been ever since.

We have legitimate differences with the Soviets. There are some disturbing trends under way, in the political and the military spheres. In the final analysis, however, we must put aside our fears and our concerns, and sit down with Moscow and negotiate over our differences. We have done it before on several occasions, and we can do it again. We owe nothing less to ourselves, our children, and to the legacy of Hiroshima.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from

Wisconsin [Mr. Proxmire] is recognized for not to exceed 15 minutes.

Mr. SIMON. Mr. President, I suggest the absence of a quorum, and I ask that the time not be charged to the Senator from Wisconsin.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 11:30 A.M.

Mr. DOLE. Mr. President, I note there are still three special orders remaining. I hope that in view of the conferences by both the Republicans and the Democrats—the Democrats starting at 10:15 and the Republicans at 10:30—that Senators might be able to abbreviate statements so that we can recess following the last special order until 11:30 a.m. I have cleared that with the distinguished minority leader.

I hope that Members who have special orders would come to the floor quickly and abbreviate their remarks because I know the Presiding Officer and others want to attend the conferences.

Mr. President, I ask unanimous consent that, following the execution of the final special order, the Senate stand in recess until the hour of 11:30 a.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, is there a particular order that I have to get unanimous consent to change in the sequence of speakers this morning?

The PRESIDING OFFICER. There is.

Mr. BUMPERS. Mr. President, I ask unanimous consent that I may be allowed to speak out of order and proceed under the special order that was arranged last evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR BUMPERS

The PRESIDING OFFICER. Under the previous order, the Senator from Arkansas [Mr. Bumpers] is recognized for not to exceed 15 minutes.

FORTIETH ANNIVERSARY OF THE BOMBING OF HIROSHIMA

Mr. BUMPERS. Mr. President, I join my distinguished colleagues, Senator Simon and Senator Kerry, in speaking this morning in commemoration of the 40th anniversary on Tuesday of the dropping of the bomb on Hiroshima. Incidentally, the Friday following next Tuesday, celebrates the 40th anniversary of the second nuclear bomb, which was dropped on Nagasaki. It was on that day that the world found that there was a power that we thought previously had been reserved to the Almighty. That was the ability to destroy all mankind.

Unfortunately, when we developed this power, we did not develop the wisdom of the Almighty to control it.

As Einstein has said, and has been quoted literally thousands of times, "The unleashed power of the atom has changed everything save our modes of thinking, and we thus drift toward unparalleled catastrophes."

The dropping of that first bomb on Hiroshima can be debated all you want. I only speak as one who was a 19-year-old marine aboard ship heading toward the invasion of Japan, so it is not necessary to say what my personal feelings were at the time.

I might also say—and I have said this on the floor before but this is an appropriate place to repeat it—the first year I was Governor of my State, I had the opportunity to go to Kansas City and I spent an hour with President Truman. I began to tell the President what a terrible job being Governor of Arkansas was, that I did not like it, that I did not like the pressures, that it was a lot more than I bargained for.

While I was sitting there lamenting about what a difficult job being Governor of Arkansas was, it suddenly dawned on me that I was talking to the man who had made the most awesome decision made by any American. That was the decision to drop the first bomb.

So I am not going through that exercise on the morality of the dropping of that bomb as I explain my position, and, in my opinion, it has probably saved untold millions of lives since that day.

But the dropping of that bomb started a clock ticking. Either we had to find a way to live with our friends and our adversaries and our enemies without the resort to major armed conflict, or we certainly would bring upon ourselves the final disaster.

We should not feel guilty as a nation over the development of the atomic bomb, though it is appropriate to be remorseful and sad. But had we not developed the bomb, someone else surely would have, and by now everybody would have had it anyway.

The bomb hastened the end of World War II, and there are varying estimates about how many Japanese and American lives would have been lost in a full-scale invasion of Japan. Probably as many as 2 million men and women.

But, you know, the dropping of that bomb has also served a very, very salutary purpose: It has brought Europe the longest uninterrupted period of peace since the beginning of man.

So in that sense, we owe a great debt to Hiroshima and Nagasaki. If it had not been for their tragedy as told by the gruesome pictures, and even the more gruesome personal accounts that we have seen in the past week, especially in Time and Newsweek, then the terrible destructive power of nuclear weapons might still be an abstraction on some scientist's drawing board.

You can look at a glazed desert floor where a test fused sand together and made the desert a glass floor. But you cannot compare that and the impact it has on our thinking with the impact of the twisted buildings and the poignant stories of Hiroshima and its residents.

With this awesome power which the world possesses comes great responsibility, and unhappily that has not been mankind's strong suit. We have avoided any further use of these weapons in anger, but that is about all you can say. And as long as nuclear threats are made and as long as one nation with a traditional adversary has the bomb and the other one does not, it is only natural that the other one wants it. As long as nations continue to use atomic diplomacy, the demand for these weapons is going to be irreversible.

It goes without saying, but it needs to be said over and over again, those two bombs on Hiroshima were in the 13- to 14-kiloton range. The world now has 50,000 nuclear weapons and hardly any of them that small, For the record, 1,000 kilotons is one megaton. A thousand kilotons is one megaton, and that was a 13-kiloton explosion in Hiroshima, and 5- to 10-megaton weapons are not unknown today.

Originally, we thought that an atomic bomb was just another weapon to be placed in our arsenal. We even seriously considered using them in Korea. President Eisenhower was strongly urged to use the atomic bomb from time to time. We considered using atomic weapons early in Vietnam. Fortunately, Presidents Truman and Eisenhower and their successors resisted all overtures to use this horrible weapon in anger. So, instead, we have developed the doctrine of deterrence. That is, that nuclear weapons should exist to deter certain types of behavior.

In the infancy of this doctrine, which was Eisenhower's New Look policy of massive retaliation, we leaned too much on deterrence. We let our conventional weapons go almost ignored and we said, "If anybody jumps on us, we will simply nuke 'em." That was our policy for several years. But we soon learned that nuclear weapons cannot deter everything, so we began to rebuild our conventional forces. Deterrence is a perfectly legitimate policy but in the long-run, it is not the ultimate solution.

I want you to look at the odds. If you believe, as many people do, that in any given year, there is a 1-percent chance of a nuclear war, that means that in the next 40 years, there is one chance in three that there would be such a conflict. And the longer you look into the future, the bleaker it gets. At 1 percent, the odds of nuclear conflict within 50 years are 4 in 10 and within 100 years, 7 in 10. In other words, in the next 100 years, there is a 7-out-of-10 chance that we are going to have a nuclear holocaust. And within 500 years, which is about the same time it is now from the time Christopher Columbus discovered this continent, the odds of escaping a nuclear conflagration are a tiny 1 in 200. There is a 199-out-of-200 chance that we will have nuclear war in that period of time.

So what do we do? There are only two things that we can do. One is, we can take a technological approach and say we are going to build a defense system that makes nuclear weapons obsolete and we will be safe from that standpoint. I shall talk about that in just a moment.

The other one, the one that Einstein, by implication, was recommending, is that we make a giant leap forward in our mentality and the way we think about nuclear war. They are both immeasurably difficult, whether you are talking about a technological breakthrough or a giant leap forward in our thinking about our relationships with other nations. The main thing we must not do is allow false promises to lure us into a belief that there is some kind of salvation awaiting us that will save us. We have to face the awful truth.

Mr. President, I am not suggesting that we live white-knuckled all day every day in anticipation of this or keep our children nervous and upset constantly about the threat. And, incidentally, we are not. The peace movement which was so strong 3 years ago is on the back burner. Gorbachev's offer the other day of a 5-month moratorium, as Mary McGrory said in her column this morning, was met in Europe, where most of these activities always begin, by a giant yawn.

First, we must recognize that nuclear weapons will never be uninvented.

As the scientists who created the first bomb wrote 2 months before Hiroshima, "The fundamental facts of nuclear power are common knowledge."

Mr. President, there is no technological way to eliminate the weapons and there is no technological way to eliminate the nuclear threat. There is never going to be a technological quick fix. Any technological breakthrough could save us. I am not saying it does not exist, that we may not find it, but I am telling you that it is not an ultimate solution, that any solution along those lines will ultimately be available to our enemies and other countries. So to preach that kind of pious nonsense exploits and deceives the deepest yearnings of mankind for peace.

Star wars is going to be a blind alley. I am absolutely certain that star wars will not only bankrupt this country, but that it will not work.

Incidentally, if this were just a layman standing on the floor of the U.S. Senate saying that, that would be one thing, but when 50 of 100 physicists at the University of Illinois, perhaps second only to MIT in the field, say that this is absolute folly, then I am in pretty good company.

Nobody suggests that star wars is 100 percent perfect. Nobody suggests that it is going to be effective against certain submarine missiles or bombers. So I want to quote the scientists, who spoke wisely in June of 1945, again, when they said:

> In the past, science has often been able to provide new methods of protection against new weapons of aggression it made possible, but it cannot promise such efficient protection against the destructive use of nuclear power. This protection can only come from the political organization of the world * * *. In no other type of warfare does the advantage lie so heavily with the aggressor. He can place his "infernal machines" in advance in all our major cities and explode them simultaneously, thus destroying a major part of our industry and a large part of our population.

That is taken from a report by the Franck committee to the Secretary of War on June 11, 1945.

This does not mean we should not spend a prudent amount of money for basic research on ballistic missile defense, but it does not make any sense to spend billions and maybe a trillion dollars when we know it is not going to work. I believe the sound approach is to make certain we have a credible deterrent and to work seriously and hard at reaching good arms control agreements and to meet the Soviets halfway in trying to improve our relations.

The PRESIDING OFFICER. The Senator's 15 minutes have expired.

Mr. BUMPERS. Mr. President, I shall wrap this up. I ask unanimous consent that I be permitted to proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, the measure of success for arms control is not whether it solves all of our problems or meets the gigantic criteria set by one side or the other.

The test of a good arms control agreement is would we be better off with it than we would be without it. Now, you can talk about deep cuts, which this administration has done, and I applaud that, but to say it has to be deep cuts according to our proposals at the START talks and nothing else will do is the height of folly. We have concerns about Soviet treaty compliance; everybody recognizes that, and that means we must put greater emphasis on verifiability but it does not mean that we ought to give up arms control treaties and arms control negotiations altogether.

So let us remember that the Soviets have done some things to come into compliance also, and let us not also forget that there is always room for improvements in relations. It has not been that long ago since Britain and France were at war with each other. It has not been that long ago that the United States and Japan, the two biggest trading partners in the world, were at war with each other. It has not been that long ago since China and Russia, the two greatest Communist powers in the world, were in active armed conflict and now they are living rather peaceably even though they have entirely different kinds of systems.

Mr. President, I ask unanimous consent that a quote by George Washington, saying that any nation which indulges toward another an habitual hatred or an habitual fondness is in some degree a slave, be printed in the RECORD.

There being no objection, the quotation was ordered to be printed in the RECORD, as follows:

> Nothing is more essential than that permanent, inveterate antipathies against particular nations * * * should be excluded; and that in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges toward another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or a slave to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury.
>
> To lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The Nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The Government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of a nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

THE LESSONS OF HIROSHIMA

Mr. PELL. Mr. President, 40 years ago today, the world entered the nuclear age in a blinding flash of light as the Japanese city of Hiroshima was obliterated; 3 days later, a second holocaust was visited upon the inhabitants of Nagasaki. Shortly thereafter, the Japanese surrendered.

Forty years later, five nations have massive nuclear arsenals totaling more than 50,000 weapons. Other nations may have nuclear weapons or be on the verge. The United States alone has about 11,000 nuclear warheads in its strategic arsenal—each one of them capable of causing more devastation by far than was brought about in Hiroshima and Nagasaki. A single B-52 carries more nuclear explosive force than all of the bombs dropped by the allies in World War II. A single Trident submarine carries about 200 warheads—each one capable of obliterating a major city and most of those who dwell in it.

Whether it is a divine providence or some wisdom of our own, or both, which has saved us from ultimate folly, the world should be grateful almost beyond imagining that the world has been spared more nuclear holocausts in the past four decades.

The fact we have been spared from the use of nuclear weapons in war gives us cause for profound relief, but it does not give us cause for us to conclude that the risk we face is anything less than terrible. We would be well advised to use this day to resolve that all of us—regardless of political outlook—will do all that we can to bring about genuine curbs on the arms race, that we will do our utmost to reduce our nuclear arsenals, and that we will mean it when we say we will try to remove nuclear weapons from the face of the Earth. These are goals which must transcend political differences.

We should bear in mind the words of one of the most distinguished military leaders of this century, General of the Army Douglas MacArthur, who reminded us in 1961:

> Global war has become a Frankenstein's monster, threatening to destroy both sides. . . . It contains now only the germs of a double suicide.

Recently, several of the distinguished scientists who developed the bombs which devastated Hiroshima and Nagasaki appeared in the Senate to tell of their experiences and to reflect upon the present dangers. They were unanimous in their view that we must move urgently to place better controls on nuclear weapons. These men were direct witnesses to the effects of nuclear weapons. We should listen to them and reject the misbegotten notions of those who would willingly risk the future of mankind on the theory that somehow one side or the other can prevail in a nuclear conflict.

As we face the task of bringing about arms control, we can take no comfort in the fact that relations with our principal adversary, the Soviet Union, remain so difficult. We look for hopeful signs, but we must be realistic in recognizing that we have a great distance to go in restoring a relationship in which we can forge solid arms control agreements which protect our interests, but move us further back from the brink of the nuclear abyss.

Despite the difficulties, we can succeed. Both the United States and the Soviet Union must recognize their self-interest. Both must know that it is a better course to control arms and remove the threat of mutual self-annihilation.

I hope that we can act in a bipartisan fashion to help the President move the negotiations in Geneva beyond the present stalemate so that solid agreements can be reached on space weapons, strategic offensive weapons, and intermediate-range nuclear weapons in Europe.

The President and the Senate should move to ratify the two yet-unratified testing treaties—the Threshold Test Ban Treaty of 1974 and Peaceful Nuclear Explosions Treaty of 1976. We should reopen negotiations on a comprehensive ban on nuclear explosions. We must find ways to bolster the Non-Proliferation Treaty of 1978 to give the 124 non-nuclear-weapons states party to that pact reason to continue to forswear nuclear weapons. Success in these endeavors will be difficult, but success will occur if we have the resolve.

Arms control agreements will not end the arms race. Nonetheless, they can blunt—and even remove—its most dangerous aspects. Most importantly, arms control can keep us away from the brink. In time, if we succeed, the present peril may be a dim memory to our grandchildren and their children.

We need to recall Nagasaki and Hiroshima now to strengthen our resolve that nuclear war will never happen again. There is no greater inheritance we can offer those who will follow us.

THE SCIENCE OF WAR AND THE ART OF PEACE

Mr. MATSUNAGA. Mr. President, I rise to join the distinguished junior Senator from Illinois [Mr. SIMON] to speak in observance of the 40th anniversary of one of the most somber and awe-inspiring events in human history. It is fitting and proper for us as Americans to commemorate that fateful event, for we indeed played the major role.

Ours is the greatest Nation on Earth, Mr. President, because we are an immigrant society founded upon, and bound together by, those ideals known by the word "democracy"; all other nations have sprung from a single dominant ethnic origin. Therefore, it is not surprising, I suppose, that among those of us in Congress old enough to have vivid memories of Hiroshima and Nagasaki we bring not only ambivalence in our feelings but different perspectives to our recollections. In yesterday's Washington Post the *Enola Gay*'s commander, Col. Paul Tibbets, tells of meeting my old friend from my years in the House, Congressman JACK BROOKS of Texas, who expressed his gratitude that the colonel's fateful flight had brought an end to the war in the Pacific because he had been a marine, poised for the massive invasion which Japan's surrender forestalled. For my part, as a twice-wounded survivor of the war in Europe, I too rejoiced that it was finally over, even as I grieved over the loss of maternal relatives among the 113,000 killed outright in that first blast from a single bomb. Hiroshima was my mother's homeland. It is a small world, after all, and one which is fragile to the forces of nature and the ways inherent in the human condition.

World War II's destruction was enormous—including the profound loss of belief that civilization progresses over time and the achievements of science can only benefit mankind. That single war's legacy was the loss of 50 million lives in the period of 5½ years: 20 million Russians, 5 million Germans, 2 million Japanese, 1 million British and French, and some 300,000 Americans, not to mention the 1.3 million killed in the concurrent Chinese-Japanese war. Its conclusion gave birth to the present unsettling era of nuclear warfare capable of dwarfing even its own enormity. Physicists, indeed, had forged a two-edge sword.

Newspapers and magazines have devoted much attention to this 40th anniversary, especially to the circumstances whereby the United States introduced atomic weaponry into modern warfare with such shattering results. Some of the reportage has been most revealing in detailing the communications gap between scientists and political policymakers regarding the bomb and its deployment, the ethical concerns of its creators, and the moral cautions consistently voiced by Chief of Staff Gen. George C. Marshall versus the tactical arguments advanced by Chief Scientist Dr. J. Robert Oppenheimer. Perhaps the greatest irony of all, in the circumstances surrounding that Earth-shaking event, was how woefully below the mark the estimates of our Nation's finest scientific minds were, regarding the bomb's anticipated death toll; how incredulous Gen. Leslie Groves, commander of the Manhattan Project, was upon hearing the first reports of widespread radiation sickness and death.

In the decades since that day when Hiroshima was obliterated by a single bomb on the order of 0.01 megaton, the nuclear stockpile of the two superpowers—Russia and the United States—has mushroomed to more than 50,000 such weapons with a total yield of 13,000 megatons. So the nuclear physicists have invalidated the proposition that warfare is one extreme option in the arsenal of international diplomacy. That option is no longer available. Nuclear science and the uncertain logic of deterrence defense strategy have raised the art of peacemaking to a global imperative. At Hiroshima the science of war demonstrated war's ultimate futility.

The art of peacemaking, hailed so long ago in the sermon on the mount, has long been valued in our Nation's history. The concept of a national agency devoted to peace research and education originated shortly after the American Revolutionary War when a "Plan for a Peace Office" appeared in a popular almanac. George Washington himself endorsed the idea of a "proper peace establishment" within the Federal Government. In this 20th century more than 140 bills have been introduced in Congress providing for the establishment of a Federal agency which would conduct peace research and training. Last year, after more than 200 years of hibernation, the idea finally reached fruition.

As for me, it represented the culmination of a dream going back to my college days when the 98th Congress passed legislation to establish just such an agency by the creation of the U.S. Institute of Peace. As a freshman in college writing a term paper on the tendencies of our culture that glorify war, I had called for replacing "attitudes favorable to war with attitudes opposed to war" and my own battlefield experiences as an Army infantry officer reinforced these sentiments a few years later. Then, when I was first elected to the U.S. Congress 23 years ago I introduced a bill calling for the establishment of a U.S. Academy of Peace. At that time there were newspaper editorialists who admonished me to "quit dreaming dreams and get on with the business of realistic legislation," a sentiment which was shared by some of my own political supporters and staff.

Nevertheless, I persisted and today I enjoy a feeling of gratification and expectation which comes from the near-realization of a dream, nurtured over a period of 48 years.

I say "near realization," Mr. President, because President Reagan, in seeming defiance of the statute, has yet to carry out this part of the legislation creating the U.S. Institute of Peace which he himself signed into law. The statutory deadline of April 20, 1985, for the President to submit to the Senate his nominations to the Peace Institute's Board of Directors, arrived more than 3 months ago—still no nominations. I devoutly hope it will not be necessary to take the President to court for a writ of mandamus ordering him to perform his duty under the law which he himself had approved by signing it. If and when he makes his appointments, I also hope and pray that the quality of his appointees will justify the undue delay.

Looking to the future, I can see an enormous influence on the preservation of world order and peace, emanating from the Institute's programs and catalytic activities, if those appointed to carry out its mission approach their assignment with dedication, imagination, and vigor. I urge the President to give us a slate of people capable of this most vital undertaking. He is well into his second term: the period when, it is said, he plans to make his mark in history as a major contributor to world peace. The Institute, therefore, represents an opportunity for him to make such a mark by appointing eminent, creative peacemakers who can fashion and build upon the congressional blueprint we have offered.

Mr. President, because Hiroshima was my mother's home, the event triggered by the *Enola Gay*'s flight 40 years ago was a traumatic one for me personally, even as it was traumatic for the world at large for what it foretold. While the quest of science is an endless one, the aspirations for peace are eternal. We must never lose faith in human reason and hence we must always strive for peace, even in ways which at times may appear foolish to others, for the lesson of Hiroshima is the ultimate absurdity of war itself.

THE 40th ANNIVERSARY OF HIROSHIMA

Mr. KENNEDY. On August 6, 1945 the world witnessed the detonation of the first atomic bomb over Hiroshima. As we prepare to commemorate the 40th anniversary of that fateful day, we solemnly recall the awful power of destruction that was unleashed in the world and renew our pledge—to ourselves and to future generations—that never again should such a terrible force be used.

Tragically, the 40 years since Hiroshima speak more of our failure than our success in learning the lessons of that day. We have accumulated 50,000 nuclear weapons on this planet in those four decades, most of them far more dangerous and destructive than the first atomic bombs. The arms race is gaining more momentum even though the stockpiles of the Soviet Union and the United States can already destroy the world many times over. In a world that contemplates overkill and megadeath, people ask when the United States and the Soviet Union will learn that enough is enough. When will we, the human family, begin to think in new ways and to act with bold measures so that our descendants will have us to thank rather than to condemn?

We have had some success in placing limits on nuclear competition. The Limited Test Ban Treaty of 1963 put an end to atmospheric testing. The Nonproliferation Treaty of 1968 helped restrict the spread of arms to other countries. The ABM Treaty halted a particularly dangerous and destabilizing arms race in defensive weapons and provided a basis for future reductions. Finally SALT II, although limited and never ratified, put a partial ceiling on the open-ended arms spiral.

But the arms race does continue and the risk of nuclear confrontation remains great. Even our existing arms control regimes are in danger undermined by both sides.

The bombings of Hiroshima and Nagasaki were the first, and so far, the last use of nuclear weapons. If we are to prevent a nuclear catastrophe in the future, we must redouble our efforts not simply to prevent nuclear war, but to prevent all war, because in a nuclear age we cannot rest on the hope that any war can be confined and controlled.

Let us make August 6 and 8 days of remembrance and peace. We mourn the tens of thousands dead and the afflicted survivors. We honor both cities as symbols of conscience and peace. However, it is not our words but our actions that will demonstrate our commitment to peace and the long road toward arms reduction and back from the nuclear brink.

In recent days, we have heard proposals from both sides concerning nuclear testing. Let us truly honor the memory of Hiroshima by making August 6 the date on which the United States and U.S.S.R. redouble their efforts for nuclear arms control, so that future generations will remember that date as a day not only of destruction, but also of hope and life.

The imagination and creativity that built the bomb can be harnessed to ensure that it never again be used. If we fail, there may be no one left to apportion the blame.

THE LESSONS OF HIROSHIMA

Mr. MATHIAS. Mr. President, on August 6, 1985, we will remember that 40 years ago the first atom bomb was exploded over the city of Hiroshima in Japan. The result revolutionized not only warfare but the entire world—the

nuclear age had begun. The first immediate effect was, of course, the death and injury of many thousands of people who lived in Hiroshima. The city itself was destroyed.

About a month after the bomb was dropped, I walked through the atomic ashes of Hiroshima and, of course, can never forget that experience. The entire city was leveled. As I approached the edges of the city, the first evidence of the bombing was apparent. Window panes were out, doors blown off the hinges and as one continued toward the center of the city, the damage got progressively worse; walls caved in, roofs collapsed. And finally, near the epicenter, near the point of greatest impact of the bomb, everything was totally destroyed. And what had been a populous urban center was as flat as a Kansas wheat field.

There were grim reminders of what life had been like at the moment the bomb was exploded. A tricycle sitting in the middle of the street, its wheels twisted by pressure and by heat, recalled that some child had been riding that tricycle at the moment the bomb was detonated. And a lump of molten glass, which upon examination proved to be three or four tumblers fused together by the intense heat of a fireball, was a reminder that a nuclear bomb—a triple threat combination of heat and explosive force and radiation—is a scourge for the human race.

It seems to me that the way to observe this anniversary is not to debate the act itself but rather to try to learn the lessons of Hiroshima. Certainly, the first lesson is that it should never happen again in any city. Hiroshima and Nagasaki should stand out in human history as the only cities where in all of time, in all of history, a nuclear attack took place. If we learn this lesson and apply it to our relationships today with the Soviet Union and with the rest of the world, and if all mankind will join with us in trying to apply the lessons of Hiroshima to the future, then in fact we will be able to stop the arms race. We will be able to reduce the chance that nuclear weapons will ever again be used on any population in any part of the world. We will be able to devote some of the resources that are now being squandered on armaments to improving the quality of life for all the people of the world.

That is the lesson of Hiroshima and that should be the monument of Hiroshima.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized.

THE PINCUS REPORT: NUCLEAR DETERRENCE WORKS BETTER WITH EACH PASSING YEAR

Mr. PROXMIRE. Mr. President, Walter Pincus completed a series of articles in the Washington Post in July on the remarkable revolution in the attitude of our Government toward nuclear weapons that has occurred in the 40 years since the dawn of the nuclear age at Hiroshima. The Pincus report examined a great deal of material that had been classified for many years. His articles shattered the secrecy that had enveloped our country's nuclear policy since nuclear weapons transformed the military policy of the superpowers. All careful readers of that report must have been shocked to be reminded of the initial attitude toward nuclear weapons during the first 10 to 20 years of the atomic age and warmly encouraged by the progress toward a far more cautious policy since that time.

The Pincus report begins with a description of the passionate rush to explode that first little, fat nuclear bomb over Hiroshima. Then came the rapid-fire race to prepare and drop another nuclear bomb over Nagasaki. Vice Adm. Frederick Ashworth, who was in charge of the second bomb on the raid, said, "This was the shortest time between development and operational use of any weapon in ordnance history." For the years that immediately followed—first in Korea and later in Vietnam—our Presidents were ready and willing to use the bomb.

President Eisenhower only decided against using the bomb in the Korean war for two reasons: First, the nuclear weapons seemed to be of little value against Chinese and North Korean troops that were scattered and well entrenched. Second, the President was concerned about a nuclear retaliation from the Soviet Union. But that cavalier attitude toward the use of nuclear weapons by the United States began to fade with the Cuban missile crisis of October 1962. That crisis showed American leadership how a military confrontation between the superpowers can lead with breathtaking swiftness to the brink of nuclear war.

The U-2 plane, at that time America's prime window on enemy nuclear weapons activity, provided photos on October 16, 1962, that showed the Soviet nuclear missile build up in Cuba. Then, wham bam this country raced toward a nuclear strike. That very day President Kennedy called a meeting of his top national security advisers. They discussed in detail a nuclear strike against the Soviet missiles in Cuba. The strike was set for October 20, 96 hours later. During that 96-hour span, the Kennedy administration decided to offer the Soviet Union a secret deal. The secrecy was critical.

The deal was this: We would withdraw our missiles from Turkey. Those American missiles could totally and instantly devastate many Russian cities against any defense. In return for U.S. withdrawal of missiles from Turkey, the Soviets would take their missiles out of Cuba. It worked. But for a week or so the world was literally on the brink of nuclear war. If the Soviets had not agreed to withdraw their missiles, we certainly would have struck with nuclear weapons against the Soviet nuclear missiles in Cuba. If one or two of those Soviet missiles in Cuba had survived, very possibly the Soviets would have fired the surviving missile to obliterate Washington or New York or both. Or the Soviets might have made a nuclear attack on U.S. missiles in Turkey. Such an attack would probably have triggered a general European war. Could this same kind of strategy that avoided a nuclear war in 1962 work again? Probably not. The secrecy of 1962 would be harder to achieve today. And without secrecy the deal would have collapsed. Advance notice of the intended U.S. withdrawal of missiles from Turkey would have been regarded as a sellout of our European allies, a fatal sign of weakness. But both superpowers are far more cautious today.

The progress toward caution and away from nuclear brinksmanship becomes apparent in another incident related by Pincus. In 1973, as the Israelis were on the verge of winning their war with Egypt, the Soviets moved nuclear weapons by ship toward Egypt. The threat to the very existence of Israel was obvious. The United States reacted by going on a full nuclear alert. That nuclear alert convinced the Russians that in spite of the domestic distractions in the United States with the Watergate crisis at its peak, the United States was ready, willing and able to respond in kind to a Soviet nuclear attack. But both President Nixon and his Secretary of Defense James Schlesinger, told Pincus that in their judgment in this later incident the superpowers were never close to nuclear war.

Pincus stresses the caution consistently exercised by the Soviets not only in the Egypt-Israeli incident but throughout their nearly 70-year history and particularly in the last 40 years, during the nuclear age. Far and away the most powerful element pushing the superpowers toward peace is the colossal growth in power of the superpowers' deterrent. As late as 1960 the United States had a roughly 10 to 1 edge in the strategic nuclear warheads over the Soviet Union. The count was 6,500 to 600. Today the U.S. advantage has practically vanished. It is 10,800 to 9,600. Pincus reports that most experts, including former National Security Director Bundy, and former Defense Secretaries McNamara and Schlesinger find that difference

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meaningless. In fact, McNamara calls the size of the deterrents ridiculously excessive. But it seems to have convinced most of the experts that a nuclear war will not start with a superpower attack.

How would it start? Schlesinger and Nixon see a nuclear war, if it does start, starting with a third country. This Senator shares that judgment. This is precisely why the weakening of the United States antiproliferation policies in the proposed nuclear transfer agreement with the People's Republic of China is such a dangerous mistake.

With that gloomy exception, let us be grateful for our blessings. The happy fact is that the likelihood of a superpower nuclear was has diminished. Why? Not because we have developed any mutual and reciprocated affection for our great adversary, not because of growing trust in the world. We do not love our enemy. Our enemy certainly does not love us. Why then has peace advanced? We keep the peace out of a deep, all-encompassing fear. We do not want to die. We want to live. The leaders in the other superpower feel exactly the same way. Americans and the Soviets know that a superpower war means that we are dead. We are gone forever. We are finished. We are through, kaput. At last we get the message. Capital punishment is a grim and terrible deterrent. Obviously it does not work very well with criminals. But for world leaders it has worked for 40 years. It has done more than that. As the Pincus report details so clearly, that message of deterrence is working better with each passing year. Not cooperation, not trust, not love, but fear has brought peace.

MYTH OF THE DAY: THAT PRAYER HAS NO PLACE IN GOVERNMENT—IF SO, WHY THE CHAPLAIN?

Mr. **PROXMIRE**. Mr. President, the myth of the day today is that any government that mixes prayer every single day with the sessions of its congress or parliament heads for big trouble. Well, Mr. President, for some 200 years the U.S. Senate, as well as the House of Representatives, has opened every session with a prayer. We did this morning. We will tomorrow morning. And where is the trouble? This U.S. Senate is a living denial of the myth that has cut American schools off from prayer on the theory that somehow prayer will demean, insult, offend, or shame those who hear the prayer. What absolute, total nonsense! Chaplain Halvorson and the remarkable chaplains who have preceded him have given this body inspiring spiritual counsel.

I ask my colleagues to listen carefully to these daily prayers. What do they tell us? They tell us to be kind and gentle, to care for the poor, to comfort the suffering, to forget about ourselves. They challenge us to meet three of the hardest tasks in the world: First, to return love for hate; second, to include the excluded and, third, to say: "I was wrong." Again and again the chaplain gives a spiritual dimension to an economic or even a military problem. Does he avoid the political problems of the day, so that he can keep religion free of politics? Never. He steps right in swinging with his spiritual counsel. It is true that few Members of the Senate are physically in this body to hear the chaplain's prayer every day. But that daily prayer is carried to every office in the Senate by radio. It is printed as the very first statement of any kind in the CONGRESSIONAL RECORD, in every issue, every day. That means 27,000 copies of the daily prayer are distributed by the Government all over the country in libraries and, yes, in schools, too.

Now, Mr. President, there are two reasons why this regular daily prayer for 200 years flatly rebuts the myth that prayer has no place in government. First, this Senator in a long lifetime has yet to hear or read the prayer—Protestant, Catholic, Jewish, Mohammedan, Russian Orthodox, or other—in or out of the Senate that could cause any significant offense to any person. Second, the daily prayers in the Senate constitute a true highlight of our daily proceedings. They provide a spiritual dimension that we need. They appeal to our best instincts of forgiveness, love, tolerance. We are not only better human beings because of these prayers we hear every day, at the very seat of Government, we are better Senators. And we have a better country.

THE POSSIBILITY OF POL POT REGAINING POWER IN CAMBODIA

Mr. **PROXMIRE**. Mr. President, a frightening political struggle is being waged in Cambodia today.

According to the New York Times of July 17, the Khmer Rouge has publicly stated for the first time that it is prepared to share power with the current Vietnamese-controlled government.

Pol Pot was mentioned in their announcement as the man best able to share leadership in Cambodia.

Nearly 2 million innocent Cambodians died under Pol Pot's savage regime, before he was overthrown in 1979 by the Vietnamese.

And now, 6 years later, the Khmer Rouge has announed a plan for Cambodia that would make it "economically capitalistic and diplomatically neutral."

A plan they think would be best realized if Pol Pot were in the position to help guide Cambodia's future.

Currently, the Heng Samrin puppet government is in power in Cambodia, but there is a coalition which has formed in opposition to this rule.

The primary coalition member is the Khmer Rouge—other members are Son Sann, of the Khmer People's National Liberation Front, and Prince Norodom Sihanouk of the Sihanoukist National Army.

But now people in and out of Cambodia worry that Pol Pot would not be satisfied with any new power, and would attempt to seize complete control of the government.

They also fear that the slaughter—the genocide—committed against millions of Cambodians under Pol Pot's past reign, could occur again.

It could happen again, Mr. President, if this vicious man is allowed to rule.

Pol Pot's tenure may have been short, but it was the most ruthless attempt to wipe out a culture since the Holocaust.

He should never be permitted another tenure—another chance to subject Cambodians to his atrocities.

The people in Cambodia have suffered under Pol Pot and the Khmer Rouge, they have suffered under the Vietnamese—they should not have to endure Pol Pot's madness again.

In the past, it has been difficult to get accurate and current news of Cambodia.

The millions killed before were almost unnoticed by our press and public.

So long as we are able to receive news that alerts us to the possibility of another genocide—the Khmer Rouge and Pol Pot wishing to regain power, for example—then we must not turn our backs to it.

Now that we have received such news we must take effective action.

We must ratify the Genocide Treaty.

Mr. **PROXMIRE**. Mr. President, I yield 2 minutes to the distinguished Senator from Montana [Mr. MELCHER].

THE FARM BILL

Mr. **MELCHER**. Mr. President, I thank my friend from Wisconsin.

The Agriculture Committee meeting this morning has been canceled due to the two conferences meeting. Pending is a key vote on holding target prices steady for the 4 years of the bill. We had a meeting canceled yesterday afternoon when that vote was pending. We hope we can meet this afternoon. The majority leader has said that despite any action or inaction by the Senate Agriculture Committee, he would have a farm bill up before the recess, but the majority leader very

wisely instead has opted for a discussion this afternoon of farm-related issues.

I thank my friend from Wisconsin for yielding me this time.

MILITARY PERSONNEL AND VETERANS GROUP LIFE INSURANCE

Mr. **PROXMIRE**. Mr. President, I am pleased that the Veterans Committee and the Senate have accepted my amendment dealing with Servicemen's and Veterans' Group Life Insurance as part of S. 876 the Veterans' Administration Health Care Programs Improvement Act.

Mr. President, this amendment, which has now passed the Senate three times, increases the amount of optional life insurance available to military personnel and veterans from the present cap of $35,000 to $50,000.

There is a great need for increasing the amount of optional insurance for our military personnel. The current cap of $35,000 is far too low for a typical military family and it is far less than the more generous insurance programs we have provided for Federal employees, congressional employees, and Members of Congress. Federal employee insurance is supported in part by Government contributions. The Military and Veteran Insurance Program addressed in this amendment is entirely self-supporting.

Federal employees and Members of Congress can now sign up for basic life insurance based on the dollar amount of their annual salary, plus an additional $10,000 in supplementary insurance plus an option of up to five times the amount of their annual salary. Thus someone in Federal service making, say $20,000 a year, could sign up for a total of $130,000 in life insurance. A military member making $20,000 a year is currently limited to $35,000.

This discriminatory system of optional life insurance mistreats our military personnel and is inequitable from every perspective. A military family with several dependents may need far more than $35,000 in insurance if college costs, mortgages and other long-term obligations are to be met for the survivors. And it is difficult if not impossible for many military families to get insurance that covers war risks through private insurance firms.

The average American family now has about $56,000 in life insurance coverage. My amendment brings our military families and our veterans nearly up to this national average.

Mr. President, this amendment had the support of the Secretary of Defense, the Assistant Secretary of Defense for Manpower, the Joint Chiefs of Staff, the Service Secretaries and the heads of the National Guard and Reserve components.

This is a self-supporting program. It has no budgetary impact. It does not cost the taxpayers anything unless we become engaged in a general war involving the deaths of thousands of our soldiers which would require the payment of death benefits to their families.

Payments to this program—the premiums paid by the service personnel, pay for insurance payments required during peacetime. There has been no Government cost to this program since 1974 when the last Vietnam related payments were made. Even when U.S. personnel have sustained several hundred casualties in recent years such as in Lebanon with our marines or during the Grenada invasion, the insurance program has been able to make all payments without recourse to Federal support.

If we were to become involved in a general war with thousands of casualties, as during Vietnam, then there would be a Federal cost. In that unlikely event, I think it is only fair and just and patriotic that our Government make such benefits available to the families who sacrificed so much for our country.

During the Vietnam war, the United States was required to pay out death benefits of $507 million to the families of those who died fighting for us. The United States spent over $150 billion on that war. If there was 1 penny that deserved to be spent on that war in Vietnam, it was for insurance for our military families—to help those families of soldiers who did not come home.

Mr. President, I wish to recognize and applaud the contribution to this effort made by Congressman SONNY MONTGOMERY, the chairman of the House Veterans' Committee. His bill, H.R. 1709, is the model for this amendment and his support for our men and women in uniform is unmatched in the Congress.

RECOGNITION OF SENATOR KERRY

The **PRESIDING OFFICER**. Under the previous order, the Senator from Massachusetts [Mr. KERRY] is recognized for not to exceed 15 minutes.

TIME IS RUNNING OUT IN THE PHILIPPINES

Mr. **KERRY**. Mr. President, over the past several months, it has become increasingly clear that we face a rapidly deteriorating situation in the Philippines.

The Communist New People's Army is growing at an alarmingly rapid rate. It is generally now accepted that, barring a reversal of current trends, the NPA could be in a position to challenge the Armed Forces of the Philippines within as little as 3 years.

Mr. President, the Congress has acknowledged, in the recently passed conference report on the fiscal year 1986 foreign assistance authorization, that the only way the United States can help avert such an eventuality is to convince the Philippine Government that it must make significant political and military reforms.

Last May, the Senate approved overwhelmingly a bipartisan resolution on the Philippines that called for the United States to "encourage the revitalization of democracy in the Philippines" and warned the Philippine Government that Congress intends to grant future aid to the Marcos regime only if progress has been made in human rights and the democratization process has been made in human rights and the democratization process. This resolution was incorporated in the foreign assistance bill recently approved by both bodies of the Congress.

Passage of this amendment represents a major step toward a constructive congressional role in supporting the full restoration of democracy in the Philippines. In the coming months, we need to consider carefully how Congress can best advance this aim.

Mr. President, I decided to visit the Philippines last April in order to develop a better basis for determining what Congress could do to support the democratization process, improvement in human rights, and reform in the military. During a 6-day trip to the Philippines, from April 6 to 11, I visited the U.S. naval facility at Subic Bay and met with U.S. Embassy officials, high officials of the Philippine Government, and a wide range of opposition figures, including politicians, academicians, human rights groups, and representatives of the church.

I prepared a report on my visit which I hope will help clarify for Members the choices we confront in the Philippines. Today, I should like to discuss briefly some of the findings and conclusions of that report, which I will ask to have printed in the RECORD.

This trip impressed upon me the moral and political stake of the United States in encouraging the revitalization of democratic institutions in the Philippines. I was struck by the commitment that hundreds of thousands of Filipinos have made to actively defending the fairness of the electoral process in their country. These people have no guns; they have no army. They cannot, and do not desire to, seize power through violence. Yet, these people who have been active in the movement for free and fair elections are freedom fighters in the truest sense of that term. And I believe that we have a moral obligation to support them.

Mr. President, the briefings I received on the NPA insurgency left no doubt in my mind that, as of now, the NPA is winning the political contest in the Philippines. According to the estimate given to me by one U.S. military official, out of a total population of 54 million, only 12 million, or a little over 20 percent, staunchly oppose the NPA, while another 12 million are susceptible to NPA influence. The remaining 30 million people are considered to be indifferent to the struggle. This means that some 78 percent of the population of the Philippines does not support the Marcos regime—a very bad omen for a government fighting a homegrown insurgency.

Why are a majority of the population believed to be either sympathetic to the NPA or indifferent? I was told that the reasons include a decline in Government services; the Government's loss of credibility; and the increasing violence directed against civilians by the armed forces. The key to reversing these trends, according to Embassy officials, is to restore the Government's legitimacy and to ensure that the army is no longer perceived by the population as being the enemy.

The most urgent need of all is an end to the arbitrary arrest, torture, and killing of civilians—activities which have so alienated the civilian population in areas of NPA activity that they have been driven willingly into the arms of the NPA. Unless the abusive behavior and wanton killing of civilians by Government security forces are curbed, there is every reason to believe that the NPA will continue to grow rapidly over the next 2 or 3 years.

On the day I left the Philippines, an Italian missionary, Father Tullio Favili, was savagely murdered in Cotabato by men who were allegedly part of an integrated civilian home defense force unit in that village. This murder has focused increasing attention in the Philippines on a serious problem which has aroused fear and anger among Catholic and Protestant clergy and laity alike. This, and similar incidents, can only serve to radicalize priests and nuns in a country which is overwhelmingly Catholic in its religious makeup.

The problem of curbing abuses against civilians is clearly related to the broader issue of military reform. The immediate obstacle to progress on this issue is the continued retention of most Filipino generals beyond their retirement age—generals, who for the most part are not professional military men, but cronies of President Marcos or Gen. Fabian Ver, who was chief of staff of the armed forces until he was indicted in the Aquino assassination. It is clear that there will not be any changes in policy regarding salvaging and other abuses of civilians unless and until the power of Ver and his allies in the military is broken.

Unfortunately, President Marcos has continued to indicate his support for General Ver. He has pledged to bring Ver back as chief of staff if he is found not guilty in the Aquino assassination. He appears to have tried to influence the trial of General Ver as well, by publicly casting doubt on prosecution witnesses. Most Americans and Filipinos with whom I talked expect Ver to be acquitted and to be reinstated by Marcos. Even though Ambassador Bosworth and other U.S. officials have made it clear that the United States feels strongly that Ver should not be reinstated, such representations appear to have made little impression on Marcos up to this moment.

Mr. President, I went to the Philippines with the belief that it was vital for Congress and the executive branch to throw the full weight of the United States behind genuinely free and fair elections in the Philippines. I returned from this trip even more convinced that free elections are an essential element in any plan to save the Philippines. Unless the people can bring new leadership into power through the ballot box, there is no chance for Government to regain a measure of popular support and credibility. Ballots which are perceived as meaningful may help turn the situation around; bullets alone will certainly fail.

Last year, President Marcos held parliamentary elections through which he hoped to legitimize his regime by allowing the opposition to participate but by guaranteeing that his party won a majority of seats. Those elections demonstrated not only how strongly attached the Filipino people are to free elections but how deep is the dissatisfaction with the present government. In a relatively short time, the National Citizen's Movement for Free Elections—Namfrel—a private volunteer poll-watching organization, was able to mobilize 150,000 volunteers to observe the polling in approximately 40 percent of the nation's precincts. In many races, that presence made the difference between a fraudulent election and a fair one, with the result that many more opposition candidates were elected than anticipated.

The combination of Namfrel's success and a high voter turnout gave the opposition an unexpectedly large number of seats—one-third of the 180 at stake. It raised the hopes of the democratic opposition that elections could once more reflect popular will—if safeguards of fairness are built into the process.

Democratic opposition figures with whom I met are still emerging from the long night of authoritarian rule, during which they were unable to participate in politics in any meaningful way. But they are counting heavily on the United States to pressure the Marcos regime to agree to specific guarantees of free and fair elections.

The elections for provincial and local offices now scheduled for May 1986 and the Presidential election scheduled for May 1987 are critical to the restoration of credible government in the Philippines. Unless the people are convinced that the government represents their free choice, the possibility for saving democracy will be very slim indeed.

One of the hopes for a free and fair electoral process is Namfrel's role. I learned from Namfrel officials that they intend to target all of the approximately 100,000 voting centers in the country in the elections for provincial and local offices scheduled for next May. That would give the democratic opposition a much better chance for establishing a local political base in preparation for the 1987 Presidential election.

But President Marcos has refused to allow Namfrel's monitoring of the vote counting in the 1986 local elections or the 1987 Presidential elections, charging that it is an opposition organization. There have been disturbing reports that he is planning to create an alternative poll-watching organization that would be ostensibly independent but could actually be manipulated by the government to ensure the desired results.

The accreditation of Namfrel is one of the issues on which the United States must take a firm stand with regard to President Marcos in the next few months. But the Commission on Elections, which carries out the counting of votes from precinct to national level, must also be independent and impartial to safeguard against fraud.

Since the May 1984 elections, President Marcos has made no move toward reform of Comelec. Instead, he has signaled his intention of maintaining tight political control over the electoral process, in defiance of the sense of Congress resolution. Just 5 days after the passage of that resolution, Marcos named Victor Savellano, a member of his own KBL political party, to replace the retiring chairman of Comelec. The new chairman was so lacking in impartiality that he publicly declared his loyalty to President Marcos upon being named to the post.

One further infringement of political freedoms merits out attention. Although martial law was officially ended in 1981, the Marcos regime retains the power to detain political opponents without trial for indefinite periods, which it has used to suppress the opposition, especially outside the Metro Manila area. President Marcos has routinely signed preventive detention actions and given them to the

military to arrest and detain individuals who could not be convicted of a crime. In recent months, the PDA has been used to arrest a number of human rights lawyers and activists, suggesting that the Marcos regime is determined to prevent targets of arbitrary arrest any access to legal assistance. This substitution of arbitrary power of arrest for the rule of law has set the regime against the legal community as well as the Catholic Church in the Philippines.

Even greater urgency now attaches to these issues of free and fair elections because of the possibility of a sudden election for the Presidency at any time during the next 2 years. Under legislation passed by the Parliament last year, the Speaker of the Parliament would automatically succeed President Marcos upon his death, whereupon a new election for President would be held within 45 to 60 days. Since last November, when Marcos became seriously ill, this provision has taken on new significance. Although the President's health now appears to have improved, the democratic opposition is preparing for the possibility of such a sudden election.

Mr. President, the situation in the Philippines obviously poses a painful dilemma for the United States. The administration, which was content to demonstrate its unequivocal support for President Marcos before the Aquino assassination, but is now trying to encourage necessary political, economic, and military reforms.

However, the fact is that the Philippine Government has not made a single positive move toward genuinely free and fair elections, or toward protection of basic human rights or curbing the activities of "death squads" during the past year.

On the contrary, there has been retrogression on each of these fronts, suggesting that President Marcos has concluded that he has a free hand to strengthen his grip on power: Marcos' interference in the Ver trial and his vow to restore Ver to his former position as chief of staff; his decertification of Namfrel and naming of a KBL member as chairman of Comelec; the increased numbers of extrajudicial killings, whose victims have included Catholic and Protestant clergymen as well as human rights lawyers and activists; and finally the stepped up arrests of human rights lawyers by the use of preventive detention actions; are examples of this strategy.

The Congress has now put the Marcos regime on notice that it cannot continue to provide economic and security assistance to his regime in the absence of significant reforms. If the situation does not improve in the coming months, we should seriously consider withholding most of the proposed military and economic support fund assistance to Marcos until a number of political and military reforms have been carried out.

Mr. President, some policymakers may fear that the use of security assistance as leverage on Marcos would expose the United States to the charge of violating the 1983 bases agreement with the Philippines. It has been argued that Marcos has come to expect "rent" for the U.S. use of bases in the Philippines, and that threatening to withhold aid could precipitate some drastic steps by President Marcos that would endanger U.S. access to Subic Bay and Clark.

We should be clear on what the 1983 bases agreement does and does not obligate us to do. U.S. negotiators never agreed to the Marcos regime's demands that U.S. security assistance be considered as "rent" for the bases. Nor could the executive branch commit the Congress to provide any amount of foreign assistance in advance. The President promised only to make his "best effort" to obtain $900 million in security assistance from Congress over 5 years, and the use of the bases is not legally contingent on any specific level of security assistance.

Whatever risks may exist to our use of military bases in the Philippines in imposing conditions on future military and economic assistance should not outweigh the risk that the Communist NPA will take power in the next few years in the absence of swift, far-reaching political and military reforms. Moreover, the policy Congress is now on record as supporting clearly expresses the values that we stand for at home and abroad. It would give support to those "freedom fighters" who continue to work for a democratic alternative to the authoritarianism of the left and the right.

Finally, Mr. President, I should like to call the attention of my colleagues to an excellent editorial which appeared in the July 30, 1985, Boston Globe. As the editorial pointed out:

> The Philippines today resemble the Nicaragua or Iran of 10 years ago. President Ferdinand Marcos has lost touch with his people, and his people are losing patience with him. Marcos's associates have accrued wealth through a corrupt system backed by a brutal incompetent military. Popular support for the Marxist New People's Army is growing. As economic crisis deepens and political crisis festers, it has become obvious that rapid reform is the only way to avert upheaval.

Yet, the editorial correctly points out that the Marcos regime is repeating the same mistakes of the Shah of Iran and the Dictator Somoza—"he assumes that because he is pro-American, he can count on U.S. support."

Because of the importance of Subic Bay Naval Base and Clark Air Force Base, the Marcos regime believes it can hold the United States hostage to its own domestic policies. But the Globe editorial had a reasonable recommendation for our policymakers in the executive branch. We should call Marcos's bluff. As the editorial suggested:

> A conspicuous order to the Pentagon to update its plans for relocating the Philippines would send a signal to both Marcos and his critics that the United States has learned from past mistakes * * *.
>
> Marcos expects the United States to lose its nerve because of its narrow interest in the bases. This is the moment to show him he is wrong. Philippine democracy, symbolizing values to the United States hopes to see thriving around the world, is too rare to be bartered for runways, drydocks, fuel tanks and barracks.

I believe that latter observation by the Boston Globe places the Philippines debate in its proper perspective.

Mr. President, I ask unanimous consent that my report and the Globe editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE PHILIPPINE CRISIS AND UNITED STATES INTERESTS

(Report on a trip to the Philippines by Senator John F. Kerry)

INTRODUCTION

During my trip to the Philippines from April 6 to 11, I visited the U.S. naval facility at Subic Bay and met with U.S. Embassy officials, high officials of the Philippine government and a wide range of opposition figures.

Ambassador Steven Bosworth and his staff were generous with their time and provided helpful briefings, as did Gen. Teddy Allen, chief of JUSMAG. At Subic Bay I was briefed by the base commander, Rear Admiral Edwin Kohn and shown around the facility by his staff. I talked with President Marcos in private for more than two hours, and with Minister of Human Settlements and Mayor of Metro Manila Imelda Marcos twice for a total of six hours. I would be happy to brief my colleagues on the Committee on the details of those conversations in executive session. Minister of Defense Juan Ponce Enrile and Acting Chief of Staff Gen. Fidel Ramos also met jointly with me.

I had a very useful breakfast meeting with Jaime Cardinal Sin and met with potential opposition candidates Ramon Mitra, Agapito "Butz" Aquino, Senator Jovito Salonga, and Ambrosio Padilla. I also had conversations with members of the opposition "Convenor Group", Mrs. Corazon Aquino and Jaime Ongpin, and with former Supreme Court Justice Cecelia Munoz-Palma, who was authorized by another opposition group to seek common ground with the Convenors Group.

I had a series of meetings with a number of business leaders, opposition parliamentarians, human rights activists, labor leaders, academicians and officials of the citizens volunteer pollwatching organization, NAMFREL. Among the opposition figures who met with me was the last President of the Philippines before Marcos, Diosdado Macapagal.

In my meetings with American officials and Filipinos I was primarily concerned with their assessment of the present political situation, the insurgency and the prospects for a return to democratic institutions. The picture that emerged from these briefings and conversations, which I have summarized in this report, led me to press for

Senate action linking future U.S. military and economic assistance to reasonable evidence of progress on the vital issues of free elections and basic human rights. While the situation in the Philippines is constantly changing, the facts which I brought back from this trip are still relevant to future Senate consideration of the issue.

Finally, I wish to add that in my opinion Ambassador Bosworth is doing an exceptional job in a very difficult post. It is apparent that he has an acute historical awareness and sensitivity so necessary to the management of this very complex relationship. Since he assumed his current post, I believe there has been a clear change in U.S. policy, with much more energy focused on the need for democratic reforms. As a result of my meetings with the Ambassador in Manila and subsequent discussions with him during his visit to Washington in early June, I am convinced that he has moved effectively to bring appropriate pressures on the Marcos government for change.

I. BACKGROUND: PHILIPPINE POLITICS AND ECONOMY

The Philippines is a society in which vast rural and ubran poverty is juxtaposed with the great wealth amassed by a small elite. Since the colonial period, the Philippine rural economy has been marked by inequitable landholding in the rice, sugar and coconut sectors. The misery of the poor and landless peasants has been the root cause of agrarian unrest for decades. Efforts at land reform during the 1950's and 1960's were inadequate and their implementation was blocked by powerful interests which dominated the legislature. As a result, the majority of the Philippine people have suffered high levels of malnutrition, poor health and infant mortality.

It is generally agreed that when President Ferdinand Marcos established the martial law regime in 1972, most citizens were willing to give him a chance to solve the chronic problems of social and economic inequities and corruption. But after so many years of Marcos' authoritarian rule, that tolerance has come to an end. Instead of social progress, there has been, by all accounts, a widening gap between rich and poor in Philippine society. Both agricultural and urban workers have suffered a dramatic reduction in real wages; malnutrition has grown to an estimated 80 percent of the children of preschool age. An estimated 35 to 40 percent of the labor force is unemployed or underemployed.

During the 1970's and 1980's there has been a steady decline of government services to the desperately poor majority. The land reform program was never fully implemented; rural credit has faded out; government revenues have declined; the government showed little interest in economic development outside Marcos' home island of Luzon.

A severe economic crisis has gripped the Philippines since 1982, which has added fuel to the opposition to the Marcos regime from all sectors of society. During the past three years, the economy has stopped growing and has begun to contract. In 1984, the growth rate was −6 percent; this year, it could be even worse. According to a leading Filipino economist, economic statistics for the first quarter of 1985 indicated an annual rate of −8 percent.

The virtual collapse of the Philippine economy cannot be explained by global economic conditions, since other non-Communist states in Southeast Asia have maintained healthy rates of economic growth over the past few years. A study of the problem by Dr. Bernardo Villegas, an economist at the Center for Research and Communications shows that the decline of the economy had its origins in the mid-1970's, when the absolute power assumed by President Marcos under the martial law regime enabled him to set up government-sponsored corporations controlled by his relatives and cronies in various sectors of the economy. These corporations were given low-interest government loans and other advantages which were financed, especially after 1978, by borrowing from the international banking system. When many of these "crony corporations" lost money or failed completely, because of unwise investments and mismanagement, the Marcos regime, through various government-controlled banks, bailed them out or continued to subsidize them. These subsidies and bail-outs were also financed from borrowing on the international banking system.

In the agricultural sector, the Marcos regime has created monopolies under the control of close friends, such as Robert Benedicto (sugar) and Eduardo Cojuangco (coconuts), which allowed them to siphon off enormous profits at the expense of everyone else. These policies have contributed to the sharp decline of both sectors and have required enormous budgetary subsidies by the government. The IMF has demanded in 1984 negotiations that these monopolies be replaced by more decentralized management of the sugar and coconut sectors as a condition for further loans. Marcos has agreed to carry out far reaching reform of the bodies managing both sectors, but U.S. officials say that the changes he has made have been only cosmetic in character, leaving his cronies' control unaffected.

The Philippines, whose foreign debt in 1972 was only $1.9 billion, now has a staggering $26 billion in foreign debt, and its ratio of debt to export earnings puts it in the same category as Argentina, Chile, Brazil and Mexico. However, the structure of the Philippine debt is actually worse than those of the other countries, because its ratio of short-term debt to long-term debt is two to three times higher. A significant proportion of the increases in foreign debt during the late 1970's and early 1980's has been the result of the Marcos system of "crony capitalism".

The mismanagement of the economy has been the major cause of massive disinvestment on the part of Filipino businessmen during the 1970's and early 1980's. That disinvestment in turn brought about the decline in GNP that began in 1982. The Aquino assassination, and the strong suspicion that the highest levels of government might have been responsible for it, accelerated the withdrawal of investment capital by Filipino businessmen from the Philippine economy. It is estimated by Dr. Villegas that a total of $10 to 30 billion owned by Filipino businessmen have been invested abroad in recent years. Foreign investment in the Philippines has also declared in recent years. The business leaders with whom I spoke were firmly convinced that this capital, which is vital to the future economic health of the country, will not return unless and until there is a democratic government which respects the rule of law and normal checks and balances.

II. THE COMMUNIST INSURGENCY AND THE PHILIPPINE GOVERNMENT RESPONSE

A little more than a year ago, the U.S. Embassy in Manila began to view the insurgency of the New People's Army with a sense of urgency. It now believes that the NPA could be in a position to contend for national power within a few years—a sharp revision of the assessment as late as 1983. Embassy officials emphasized during our discussions that the NPA is markedly different from the Hukbalahup movement of the late 1940's and early 1950's in that it is nationwide in character, rather than being limited to Central Luzon. The NPA is now active in every one of the 73 provinces and militarily active in 62 of them.

One U.S. official familiar with U.S. intelligence gave me the estimate that, of a total population of 54 million people, only about twelve million, or a little over 20 percent, staunchly oppose the NPA, while another 12 million are susceptible to NPA influence. He regards the remaining 30 million as indifferent to the struggle.

The Catholic Church is the only institution in the Philippines with the moral authority to challenge both the Marcos administration and the NPA. At the local level Catholic priests are both opinion leaders and weathervanes of popular attitudes. So it is extremely significant, in my view, that a leading Catholic layman has reported on the basis of a survey of parish priests in 10 provinces that 25 to 30 percent of the priests are already sympathetic to the NPA, and that the percentage is continuing to increase. If the NPA wins over most of Catholic clergy, it is well on its way to winning the country.

The success of the insurgency was explained by Ambassador Bosworth in terms of popular suspicions of the central government, the general decline of the level of government services, and violence against civilians by government troops. Most of the rank and file NPA, according to Ambassador Bosworth, join the insurgency out of alienation, fear and revenge against the abuses committed by the Armed Forces of the Philippines (AFP) and the Philippine Constabulary (PC), the paramilitary arm of the police.

The NPA has taken advantage of this situation to establish an image of protecting popular interests against the government. Those who have been following the problem most closely in the Embassy told me that a purely military response to the NPA problem would only ensure that the government will continue to lose the loyalty of the population and will ultimately be defeated. The key to reversing the present alarming trends in the growth of the NPA military forces and control of population, they said, is a credible, legitimate government and an army which is no longer perceived by the population as the enemy. That would require in particular an end to military abuses against civilians, including the extrajudicial killings of civilians known informally as "salvaging", and the terrorization of citizens who may have given food or shelter to the NPA or are suspected of sympathizing with it.

U.S. officials believe that the Armed Forces of the Philippines is failing to bring the insurgency under control. As one U.S. military officer declared in a meeting with me, "We've got an ineffective armed forces and an insurgency that's growing day by day." A specialist on the insurgency pointed out that the NPA is taking over the countryside with such speed that time is running out on the Philippine government. This official agreed with the estimate given by Assistant Secretary of Defense Armitage that the NPA could be as strong as the government militarily within three to five years but thought it might happen even sooner.

U.S. officials said they believe that acting Chief of Staff General Fidel Ramos and Minister of Defense Juan Ponce Enrile have finally recognized that major changes must be made in the AFP to increase its effectiveness. They noted that it has been only in the past several months that the Embassy has been able to conduct realistic discussions with them on the seriousness of the problem.

Other Embassy officials warned, however, that it is unclear whether these officials are capable of turning the deteriorating situation around. They observed that Enrile and Ramos are constrained in their ability to initiate personnel changes by the fact that most of the commanding generals of the AFP are loyal to General Fabian Ver, the former Chief of Staff. Ver, who is very close to President Marcos, is now on trial for his alleged involvement in the assassination of opposition leader Benigno Aquino in August 1983. Nevertheless, a statement pledging "unwavering loyalty" to Ver was signed by 68 Generals and flag officers, signifying Ver's continued domination of the military.

Of the 90 active duty generals in the AFP today, 30 are past retirement age, but have been kept on active duty by President Marcos. Most of these "overstaying generals" are considered political appointees whose main function is to protect the interests of Marcos and Ver in the military.

Both Defense Minister Enrile and Gen. Ramos told me they emphatically oppose the extension of active duty for these "overstaying generals" (even though Ramos himself also falls into this category). But they implied that they cannot do anything about the problem without the support of President Marcos. Marcos himself has publicly declared his intention to reinstate Ver as Chief of Staff if he is acquitted of the charges in the Aquino assassination, thus creating the impression among Filipinos that the outcome of the trial is a foregone conclusion. Most Americans and Filipinos with whom I talked expect Ver to be acquitted and to be reinstated by Marcos. That would be a serious blow to the chances for genuine reform of the AFP.

In our meeting, Enrile seemed to be arguing that the NPA problem is manageable without any major changes in organization or policy by the AFP. He emphasized that the NPA had little chance of winning without advancing from guerrilla warfare to main force warfare, and suggested that the NPA would be "lucky" to reach the stage of strategic stalemate within five to ten years. The Defense Minister also asserted that the AFP has already reversed the initiative on the battle-field. The NPA took the initiative in seventy percent of the contacts in 1984, he said, but the AFP has taken the initiative in sixty percent of the contacts so far this year. He said the AFP should be "alarmed" only if the NPA starts using artillery against it.

This view is a good deal more optimistic about the main trends in the conflict than that of U.S. officials in Manila. Even more disturbing, however, was the refusal of Enrile and Ramos to acknowledge that the AFP has a serious problem with abuses of civilians. He attributed reports of "salvaging" to "propaganda by radical anti-government groups". He also claimed that the AFP had investigated several cases in which such killings by AFP personnel had been alleged by human rights groups and had found no evidence to support the allegations.

U.S. Embassy officials indicated that the AFP and the Ministry of Defense are well aware that "salvaging" is continuing, however, and that they know the U.S. Embassy is also aware of it. The refusal of Enrile and Ramos to admit frankly in conversation with me that extrajudicial killings are a serious problem and to discuss the ways in which they intend to tackle it suggested to me that the government has not yet decided firmly to address the issue.

Enrile and Ramos have agreed to reforms in the previous AFP procurement system which will eliminate the systematic graft and corruption which previously surrounded the purchase of military equipment by the AFP. They have also agreed to the reorientation of procurement away from modern weapon systems like the F-16 fighter plan and toward enhancing force readiness through the purchase of basic items like trucks and communications equipment, and to the establishment of an effective operations and maintenance system. In addition, they have set up centers for the retraining of troops whose performance in the field has been particularly poor. But on the critical problem of military abuses and extrajudicial killings, U.S. officials say, the leadership of the AFP has yet to propose any concrete actions.

The attitude of President Marcos and the First Lady toward the insurgency has been to refuse to recognize—at least publicly—the urgency of the situation. The day before I met with him, President Marcos wrote to the heads of two ASEAN governments, Indonesian President Suharto and Singapore's Prime Minister Lee Kuan Yew, arguing that reports of the strength and influence of the NPA had been exaggerated. In the letter, Marcos claimed that the guerrillas had political and military infrastructure in only four percent of the country's villages and could "occasionally" visit another nine percent.

These figures contrasted sharply with the U.S. Embassy's estimate that the NPA influences one-third of the villages in the country. One Embassy official told me he believed the figures in Marcos' letter were simply fabricated.

III. THE POLITICAL CRISIS: MARCOS, THE DEMOCRATIC OPPOSITION AND FREE ELECTIONS

The massive failure of the economy and the outrage of the Aquino assassination have revived the relatively quiescent democratic opposition movement. After twelve years of authoritarian rule, during which the Marcos regime systematically repressed all political opposition, the democratic opposition has begun to recover its self-confidence and a fragile hope for peaceful political change. Dr. Emmanuel Soriano, former President of the University of the Philippines, observed that, "During martial law, our political growth was stunted. Now we are going through a process of rebuilding the institutions."

This process is a tenuous one, however, and it could be crushed by the Marcos regime unless the U.S. supports the restoration of democracy with firmness and consistency.

The initial manifestation of the democratic opposition was a series of mass demonstrations and protests against the regime that were notable for the participation of the urban professional and business class. In response to the nearly universal perception that the Marcos regime was complicit in the assassination of Benigno Aquino, an estimated four million people participated in some way in protests connected with the funeral. In late 1983 and 1984 the entire urban population appeared to express its desire for a change of government.

The crucial issue for the democratic opposition was whether or not to try to participate in Marcos-sponsored elections. Many opposition figures respected for their dedication to democratic principles feared that participation in May 1984 elections for the national parliament would merely help legitimize the Marcos regime without doing anything to end it, because of the regime's long history of using manipulated elections to strengthen its power. They organized a campaign to boycott the elections and, after the government party had succeeded in winning two-thirds of the parliamentary seats, called their mass demonstrations the "Parliament in the Streets" to emphasize the impotence of the Marcos/dominated parliament.

Others in the democratic opposition, however, felt that the electoral route was the only possible means of removing Marcos from power. They were willing to participate in the elections, provided that Marcos accredited the National Citizens Movement for Free Elections (Namfrel), an organization of volunteer poll-watchers whose aim was to ensure that the ballots were cast freely and counted fairly. Accreditation meant that Namfrel representatives had the authority to observe the counting of the votes at the precinct level.

Namfrel mobilized some 150,000 volunteers to observe the polling in approximately 40 percent of the nation's precincts. Although allegations of government fraud and intimidation were widespread, and Marcos' political party, the KBL, maintained a two-thirds majority in the parliament, Namfrel did make the difference in many cases between a fraudulent outcome and a fair one. Opposition parliamentarian Ramon Mitra of the PDP-Laban Party pointed out that in his constituency, where he ran against a Marcos cabinet member, the larger the Namfrel presence, the bigger was the vote for his candidacy.

The limited success of Namfrel in enforcing free and fair elections in a significant percentage of the 1984 races, combined with extremely high voter turnout, estimated at 85 percent, has brought a new surge of interest in trying to defeat Marcos through the electoral process. The opposition groups which boycotted last year's elections now concede that most Filipinos want to participate in elections. They have now decided to participate in the 1986 local elections on a selective basis and to play a role in trying to defeat Marcos in the 1987 Presidential election.

An official of Namfrel stated that he had seen a "tremendous change" in people's willingness to sacrifice and take risks for a democratic system. Many of its volunteer poll-watchers have told Namfrel officials that they are determined to go ahead with their poll-watching efforts in the 1986 elections, even if the government refuses to give them legal status.

The attention of the opposition has been focused in recent months on the possibility of a sudden election should President Marcos be unable to serve. Under legislation passed by the parliament last year, the Speaker of the parliament would automatically succeed President Marcos upon his death, and a new election for President would be held within 45 to 60 days. Since last November, when President Marcos became seriously ill and did not appear in public for several weeks, the problem of a possible emergency election has taken on new significance. The U.S. Embassy's assessment is that if Marcos is well enough he will definitely run for the Presidency in 1987. However, if the President's health is such that he is unable to do so, it is unclear whether or not he would encourage the First Lady, Imelda Marcos, to run. It is clear, however, that Mrs. Marcos has carefully cultivated Gen. Ver's support to make a run for the Presidency should her husband be unable to do so.

Opposition groups feel that they have a better chance of defeating Mrs. Marcos than they would President Marcos in the 1987 election. Former Senator Jovito Salonga, who boycotted both the 1981 Presidential election and the 1984 parliamentary elections, said the opposition considers an election campaign against Mrs. Marcos "too good a chance to pass up."

With this in mind, the opposition has been making serious efforts since December to unify behind a single candidate to run against the government candidate in the event of a sudden election. A Convenor Group organized by Senator Aquino's widow, Corazon (Cory) Aquino, businessman Jaime Ongpin, and the nationalist ex-Senator Lorenzo Tanada have brought together eleven opposition figures considered potential candidates for the Presidency in an effort to work out a process by which a single opposition candidate could be chosen. The agreement, signed by all but two of the eleven, called for a majority of the group to choose the opposition candidate by secret ballot. If one candidate could not command a majority of votes after five rounds, the three convenors would then join them in voting. If a candidate still could not be chosen after three more ballots, the three convenors themselves would choose the candidate by a majority vote.

Those political figures and groups who were not satisfied with the Convenor Group's election of "Potential Standard Bearers" have formed a "National Unification Committee" and are planning their own convention to choose a candidate. But Mrs. Aquino, representing the Convenor Group, and former Supreme Court Justice Cecilia Munoz-Palma, representing the National Unification Committee, have been authorized to work together to arbitrate the differences between the two groups by working out a common plan for selecting a single oposition candidate. Despite the apparent obstacles to unity, Mrs. Aquino said she was not concerned. She indicated that it would be dangerous to single out a leader of the opposition now, because, "He might be liquidated."

Whether the election is held as scheduled in 1987 or occurs earlier, opposition forces face some major disadvantages in trying to oust the Marcos regime through elections. In a country racked by massive poverty, money is an extremely important political asset and the regime is expected to spend lavishly in buying votes. According to businessmen in the opposition, the Philippine Chinese Chamber of Commerce has already raised a slush fund of $200 million for the KBL's campaign, while reserving $2 million for the opposition. Cory Aquino indicated that the opposition expects to be outspent by the Marcos regime by a 200 to 1 ratio.

The opposition nevertheless believes that money alone will not win the election for the Marcos regime. Those involved in last year's parlimentary elections observed that the traditional technique of buying votes did not work in many places last May. "Marcos distributed the money through Barangay captains," a Namfrel official observed. "They were called to the palace and given money three different times. But people took the money and voted against Marcos' candidates anyway."

A second advantage for the Marcos regime is the fact that the KBL already has a nationwide political structure reaching all the way down to the local level. The nation's 42,000 barangay or precinct leaders, who were elected in a non-partisan campaign in 1982, were absorbed into the KBL party after their election. The opposition, on the other hand, is strong in Metro Manila and other cities but has little organization in the rural areas. Unless the opposition can win a significant proportion of local offices in the elections scheduled for May 1986, the Marcos regime will be able to control the presidential election more easily.

However, opposition strategists are not dispirited by the official apparatus. They point out that in almost every barangay, the 1982 local elections were contested, and the losers are the natural allies of the opposition there. They also expect Namfrel to be a larger, more effective presence in the barangays than they were in last year's elections. The organizers of Namfrel say that they did not have enough time or money to send pollwatchers into all areas where they were needed. This year they intend to target all of the approximately 100,000 voting centers in the country. They also hope that sixteen independent Catholic radio stations, as well as Radio Veritas, which is funded by the Catholic Bishops of Southeast Asia, will provide the communications network for the Namfrel effort. That network will be backed by amateur radio operators sending messages directly from the polling places.

But opposition parlimentarians, businessmen and party leaders were in agreement that the two absolutely vital conditions for curbing the fraud and violence that the Marcos regime might otherwise carry out in local and presidential elections is an independent Commission on Elections (Comelec) and official accreditation of Namfrel, which provides a necessary oversight mechanism for the counting of ballots at the local level. In the past the national-level Comelec has been comprised of Marcos supporters. As a result, local and province or city election committees have been stacked with Marcos supporters. In last year's parliamentary elections, Marcos made only a slight concession in response to popular pressure to make Comelec independent: he named an independent figure to the nine-member committee. It wasn't enough to make any difference in the conduct of the election, since the pro-Marcos majority could always vote to accept its own vote totals at the precinct and province or city level.

Since the May 1984 elections, President Marcos has made no move toward reform of Comelec. Instead, he has signalled his intention of maintaining tight political control over the electoral process. In May, he named Victor Savellano, a member of his own KBL party, to replace the retiring Chairman of Comelec. The new Chairman was so lacking in impartiality that he publicly declared his loyalty to President Marcos upon being named to the post.

Opposition figures are united in demanding that Comelec be made truly neutral and nonpartisan. They want a new chairman who is not loyal to the Marcos regime and new members who are independent, but they do not demand that members of the Commission be associated with the opposition.

The situation in the Philippines is strikingly similar, in its broad outlines, to that in Guatemala, where another authoritarian regime has pledged to undertake a transition to democratic rule. There, however, the government has agreed to the creation of an Electoral Tribunal whose members are chosen from a list of names submitted by a committee comprised of respected figures from the legal community, thus insuring that its independence will be accepted by the democratic opposition. The principle involved in this procedure is obviously an important one, and that principle is bing breached by the policy of the Marcos regime toward the Electoral Commission.

Namfrel represents the main obstacle to election fraud at the precinct level. Where Namfrel was unable to operate last May, the fraud and intimidation were frequently alleged. Cory Aquino cited the example of one precinct in Tarlac province in which the opposition candidate got only 8 votes out of 8,000. Opposition parliamentarian Ramon Mitra recalled that in some precincts where Namfrel was absent there were more votes for government candidates than registered voters.

The democratic opposition sees an officially sanctioned Namfrel as the minimum condition for elections that would give them any chance of defeating Marcos. "If Namfrel could be enfranchised early, it would give the opposition a lift," said Jamie Ongpin. "But it has to go together with an independent Comelec; otherwise it would be meaningless."

President Marcos, who agreed to the accreditation of Namfrel for last year's elections, withdrew that status as soon as the election was over. He has refused to renew it for the elections scheduled for 1986 and 1987, charging that it is an opposition organization. There have been reports that he is planning to create a new pollwatching organization which he will have accredited for the coming elections instead of Namfrel. The organization would be ostensibly independent but would in fact be manipulated by the government. The current draft of the electoral code proposed by the government party in the parliament calls for the decision on accreditation to be made by the Electoral Commission. If the Marcos administration proceeds as it has so far on the 1986 elections, it would destroy the credibility of elections in general.

The free political atmosphere necessary for the electoral process to be meaningful is also threatened in the Philippines by the Marcos administration's arbitrary powers of arrest and detention. The suspension of the writ of habeas corpus in what the government calls national security cases during the martial law period has been maintained by means of Preventive Detention Actions. These actions have been issued regularly in the absence of formal charges, and detention is often for indefinite periods and in defiance of court-ordered releases. According to former Supreme Court Justice Cecilia Munoz-Palma, President Marcos has routinely signed blank Preventive Detention Actions and given them to the military to arrest and detain individuals who could not be convicted of a crime. The refusal of the President Marcos to give up his arbitrary power to arrest and detain has been resisted not only by the legal community in the Philippines, but by the Catholic Church as well. The use of Preventive Detention Actions, combined with the almost universal belief that high officials were involved in the Aquino assassination have created a

general feeling that those who oppose the Marcos regime no longer have any legal protection from physical repression.

Without U.S. pressure on Marcos, the opposition fears that the 1986 and 1987 elections will simply be repeats of the 1984 experience. "The electoral code would look good," Ongpin explained, "but he would withhold his ace and refuse to purge Comelec. So the KBL would lose in Manila and win outside." Everyone I met in the opposition expressed the belief that President and Mrs. Marcos will cling to power by keeping tight control over the electoral process.

Both Embassy officials and opposition leaders believe that, if the Marcos regime wins the coming elections through widespread fraud, violence and intimidation, the result would be a rapid increase in support for the NPA insurgency. Cory Aquino best articulated the opposition's view of the consequences of yet another rigged election: "If we don't succeed in the next presidential election," she said, "people will say we've gone along with you moderates long enough." Senator Salonga suggested that the NPA would actually prefer that Mrs. Marcos win the election, if she turns out to be the candidate, because "she would be their best recruiter."

The elections of 1986 and 1987 are seen by the democratic opposition as the last chance to restore a democratically-oriented leadership to power in the Philippines. In a discussion with some members of the business community one official of Namfrel expressed the fear that, unless the change to a different leadership is made through elections during the next two years, "it will be far more difficult to achieve peaceful change in the future." No one among the six moderate critics of the regime participating in the discussion disagreed.

The democratic opposition fears that the U.S. will continue to provide economic and military assistance to the Marcos regime without demanding specific steps toward democracy, including the conditions for free elections mentioned above. Opposition figures stated in no uncertain terms that such a policy would be a disaster for Philippine democracy. Far from regarding conditioning U.S. aid to Marcos as an infringment on Philippine sovereignty, they viewed it as U.S. support for the self-determination of the Filipino people. For the democratic opposition, firm pressures from the U.S. that go beyond mere advice to Marcos on issues of democratization is the only hope for peaceful change.

IV. U.S. NAVAL FACILITY AT SUBIC BAY

Briefings from Rear Admiral Edwin Kohn, Commander of the U.S. Naval Facility at Subic Bay, and his staff impressed upon me the importance of that base to the U.S. military posture in the Pacific and Indian Oceans.

The Subic Bay facility has an ideally protected harbor and a position close to the sea lanes of communication through Southeast Asia and the Indian Ocean that cannot be duplicated elsewhere. It is home port for two of the three carrier task forces in the Pacific Fleet, and has an average of 12 ships in port on any given day. Subic provides fleet support services for those ships, including a ship repair facility with three floating, deployable drydocks, and 4,500 Filipino repair personnel. The supply depot at Subic provides for the needs of all ships that home port there. It supplies the fuel not only for ships and planes of the U.S. fleet, but also for Clark Airbase through an underground pipeline.

The Naval Air Station at Cubi Point is the base for a naval air squadron which logs 13,000 take-offs and landings every month, and is also home to Orion P-3 surveillance planes. Subic's naval hospital has an 84-bed capacity under normal conditions, which can be expanded to 125 in an emergency. Subic also has the facilities for training naval personnel away from sealanes and population centers, as well as for rest and recreation.

As Admiral Kohn explained, there is no other place in the world where all these facilities are situated together in such a convenient location and at such a low cost. At the ship repair facility, the cost of labor is only $50 per man-day. "While the facilities could be replaced," Admiral Kohn told me, "they could never be duplicated." Fall-back positions in Guam and Tinian are further away from the sealanes themselves, compounding the problems of maintaining a U.S. presence in the Indian Ocean.

Admiral Kohn's briefing also underlined the degree to which the use of the bases at Subic and Clark depends on the outcome of the current struggle in the Philippines. The facility at Subic and the fuel pipeline to Clark are extremely vulnerable to sabotage, since they are located in a densely populated area which is subject to growing influence by the New People's Army and the Communist Party of the Philippines. According to Admiral Kohn, the NPA has large influence throughout Central Luzon and has begun to influence a number of barangays in Bataan and Zimbales provinces, which are near the base. In all there are an estimated 700 NPA regular troops in Bataan, Zimbales and Pampanga provinces alone and some 5,000 in Luzon as a whole. Even the base's internal security is assumed to be constantly penetrated by the NPA through the thousands of Filipino civilians who go in and out every day.

The NPA could probably make the normal operation of both Subic and Clark impossible if it chose to do so. So far, however, the NPA has chosen to leave Subic and Clark alone, and Admiral Kohn believes that neither will become a target, because these bases are the only livelihood for the entire region of Cental Luzon. "If we are targetted," he said, "it would be counterproductive to what the NPA is trying to do."

According to Admiral Kohn, the two U.S. facilities at Subic and Clark employ about 40,000 Filipinos, making it the second largest employer in the Philippines outside the Philippine government. The Subic facility injects an estimated quarter of a billion pesos into the economy each year and Clark another 100 million pesos, for a total of 350 million pesos (about $20 million at the current official rate of exchange) per year. It is also believed that for every peso spent by the bases, there is a multiplier effect of five or six, making them an even more important factor in the Philippine economy.

Although the Communists apparently have no interest in disrupting base operations while they build up their political-military strength, an NPA military victory would clearly jeopardize U.S. use of the bases in the longer run. That is why U.S. security interests in the Philippines depend on an effective response to the rising NPA insurgency.

V. UNITED STATES POLICY: COMING TO GRIPS WITH THE PHILIPPINE CRISIS

The U.S. Embassy in Manila is attempting to encourage President Marcos to implement political, economic and military reforms and is willing to give his government the benefit of the doubt that it is moving in the right direction on these issues. Ambassador Bosworth pointed to "incremental changes" he felt Marcos had already carried out: the May 1984 National Assembly elections, which he judged a great improvement over previous elections in terms of fairness; moves that Marcos has made toward dismantling the sugar and coconut monopolies; and the willingness of the armed forces to concentrate on force readiness rather than procurement of modern aircraft and large naval vessels. He also suggested that Marcos has lost some of his power and has had to be more responsive to public opinion than in the past.

U.S. officials maintain that different issues require different policy approaches by the U.S. On economic policy the U.S. might be willing to withhold some aid resources because economic restructuring to liberalize the economy had not taken place. With regard to the professionalization of the AFP, the U.S. approach is to increase MAP funding, on the assumption that "putting more chips on the table" will give the U.S. more leverage on the Philippine government to reform the military leadership and policies. But any reduction in military aid, according to the administration, would open the U.S. to the charge of "bad faith" regarding the 1983 agreement on military bases by the Marcos regime.

It appears that U.S. efforts to move the Philippine government toward significant reforms may be constricted by the official belief that the 1983 bases agreement with the Philippines requires the provision of approximately $180 million in security assistance per year. Threatening to reduce military assistance to a longtime ally who argues that it is "rent" for U.S. use of the bases is an unpleasant diplomatic course which the administration understandably would like to avoid.

Yet the alternative, in my view, is far more serious. Embassy officials believe that the political-military situation in the rural areas is deteriorating very rapidly, and they doubt that President Marcos is ready to give up his political control of the military and move toward democratization. The implications of this fact are twofold: first, Marcos will try to limit substantive political and military reforms over the next two years to a minimum, and try to ensure that elections will further consolidate his regime; second, the insurgency will continue to grow, taking advantage of popular disaffection.

There are indications that key officials of the Marcos Administration, including Marcos himself, understand how dangerously weak the Philippine government is politically in trying to carry out a counterinsurgency war against the NPA. In February, Labor Minister Blas Ople declared publicly that there were signs that the will to resist the NPA was breaking down. He warned that once that will has collapsed, "the Communists can take over and occupy Manila—without firing a shot."

Only a few weeks ago, President Marcos, who had previously maintained that the NPA insurgency was under control, spoke for the first time about the possibility that he might have to call on "allied troops" if the NPA had too much outside help and foreign training. Since the NPA is conceded by U.S. officials to be a purely indigenous phenomenon, this sounded like the beginning of a campaign to claim that NPA successes are due to outside support.

This situation requires that we review our options in the Philippines, taking into account the high risks of continuing on our present courses as well as those of a more forceful stance toward Marcos.

We must consider realistically whether present policy can achieve the political-military reforms necessary to reverse the very serious trend in the strength of the Communist insurgency in the Philippines. That policy calls for increasing the level of military assistance in FY 1986 by 150 percent over the FY 1985 level. This is $15 million above what would be required to maintain a flat rate of military assistance under the "best efforts" commitment. The rationale, as explained by Ambassador Bosworth, is that additional assistance beyond the "best efforts" pledge gives the U.S. leverage on the Marcos government to professionalize the AFP and control military abuses.

There is a serious question in my mind, however, whether the difference between the $100 million now requested by the administration and the $85 million the administration says it must provide in any case, gives us any meaningful leverage on the Marcos government. It is not clear that Marcos feels that he stands to lose much if he simply reinstates Gen. Ver or one of his cronies as Chief of Staff and thus assures the loyalty of the military. I am concerned that the U.S. government might not be able to succeed in bringing about the dramatic change in military leadership which everyone agrees is necessary.

I am also concerned that the Reagan Administration may be tempted to adopt a passive role on the fundamental issue of democratization. In my view, we would be sending the worst possible signal if we relax the pressure on the Marcos regime, especially with regard to free elections and democratic rights.

Since my trip and the 89–8 vote in the Senate in favor of the resolution offered by Senator Frank Murkowski and myself which addressed the above concerns, the human rights and political situation has deteriorated still further. Therefore, the alternative of withholding at least a significant portion of military and Economic Support Fund assistance to Marcos until a number of political and military reforms have been carried out deserves serious consideration if current trends are not soon reversed.

While this form of leverage may be dismissed by some as inconsistent with the 1983 bases agreement and with the Marcos government's expectations of annual "rent" for use of the bases, we need to be clear about the nature of the U.S. commitment on aid in connection with that agreement. U.S. negotiators never agreed to consider U.S. security assistance as "rent", nor can the executive branch make such a commitment on behalf of Congress. The President's pledge was only to make his "best effort" to obtain a given level of assistance from Congress.

The risks of failing to use all the leverage at the command of the U.S. to move Marcos toward free elections, political freedoms and control of military abuses seem to me far more serious than whatever uncertainties may be posed by conditioning military aid. We face the very real possibility in the Philippines of another third world country succumbing to a Communist movement because the democratic alternative was not given a chance.

The Marcos regime may be strong enough to resist the demands of the democratic opposition, but it does not have enough popular support to reverse the present trends toward insurgent political-military gains. Even the incremental changes undertaken by the government last year now appear to be jeopardized by actions which President Marcos has taken recently. Moreover, there have been reports from the Philippines in recent weeks of a new wave of violations of human rights, including extrajudicial killings, which suggest that the government is continuing to move in the wrong direction.

A failure to take a firm position on democratization in the Philippines now would also jeopardize future Philippine-American friendship. It would confirm the growing tendency among Filipinos—particularly those who came of political age during and since the martial law period—to see U.S. policy as concerned only with the use of military bases in the Philippines. Many Filipinos are angry about the U.S. role in the Philippines because they believe that it involves a quid pro quo of support for Marcos in return for base rights. As one opposition member of parliament put it to me, "The U.S. has two military bases in search of a policy toward the Philippines. That is why you are caught in a bind supporting an unpopular dictator like Marcos."

This trip has brought home to me the fact that our strategic interests in the Philippines must be more solidly based on support for democratic government and social and economic progress in that country than it has in the recent past. It is not simply because the U.S. had responsibility in the Philippines for nearly half a century or that Filipinos and Americans fought side by side during World War II that the U.S. has an obligation to support the popular aspirations of the Filipino people for democracy and human rights. What is even more important is that the Filipino people have a long tradition of respect for law and of functioning democratic institutions. There remains, even after thirteen years of martial law and authoritarian rule—or perhaps because of that experience—a tremendous popular desire in the Philippines for the kind of freedoms that the U.S. should stand for in the world. Millions of people have shown by their actions this past year and a half that they want a democratic system, with free elections, checks and balances and respect for basic human rights.

There are few third world countries where the opportunity to support a genuine democratic alternative to authoritarianism of the left or the right is so clear and compelling as in the Philippines. Democracy now hangs in the balance there. We owe it to the Filipino people as well as to our own interests to support their demands for democracy with more than words.

SCHEDULE OF APPOINTMENTS

April 6.—11:30 p.m.: Arrival in Manila; briefing with First Secretary Richard A. Holmes, U.S. Embassy, on the political situation.

April 7.—All day visit to Subic Bay Naval Facility; briefing by Rear Admiral Edwin Kohn; rolling tour of base.

April 8.—Morning: Meeting with Senator Jovito Salonga and former President of the University of the Philippines, Emmanuel Soriano. Afternoon: Briefing by Ambassador Steven Bosworth and Embassy staff. Late Afternoon: Meeting and dinner with potential Presidential candidates Senator Salonga, Agapito "Butz" Aquino and Senator Ambrosio Padilla.

April 9.—Breakfast: Meeting with Jaime Cardinal Sin. Morning: Meeting with Imelda Marcos. Afternoon: Meeting with opposition MP and potential Presidential candidate Ramon Mitra (PDP-Laban), Alliance; human rights lawyer Rene Seguisag (MABINI), and former Presidenti Diosdado Macapagal. Evening: Dinner with Convenor Group member Jaime Ongpin and businessmen Ramon del Rosario, Jr., Vicente T. Paterno and Dante Santos.

April 10.—Breakfast: Meeting with opposition MP's Antonio V. Cuenco, Orlando S. Mercado and Bobby Sanchez; labor leaders Rolando M. Olalia, President, National Federation of Labor Unions and Letyo Villar of KMU, and academicians Alex Magno and Randy David. Morning: Meeting with President Ferdinand Marcos. Afternoon: Meeting with Defense Minister Juan Ponce Enrile and Acting Chief of Staff Gen. Fidel Ramos. Afternoon: Meeting with General Teddy Allen, Chief of JUSMAG Philippines. Afternoon: Meeting with Mrs. Corazon Aquino and former Supreme Court Justice Cecelia-Munoz Palma. Evening: Dinner hosted by Ambassador Bosworth, and including Vicente Jaime and Christian Monsod of Namfrel; Dr. Enrique Estaban, President of the Center for Research and Communication, and Bernardo Villegas, economist at the Center; businesswoman Isabel Wilson; former MP Francisco Tatad, and President of the University of the Philippines Edgardo Anagara.

April 11.—Breakfast: Meeting with Imelda Marcos. Luncheon: Ambassador Bosworth. Afternoon: Press Conference. 4:00 p.m.: Departure from Manila.

[From the Boston Globe, July 30, 1985]

THE PHILIPPINE HOSTAGES

The Philippines today resemble the Nicaragua or the Iran of 10 years ago. President Ferdinand Marcos has lost touch with his people, and his people are losing patience with him. Marcos's associates have accrued wealth through a corrupt system backed by a brutal incompetent military. Popular support for the Marxist New People's Army is growing. As economic crisis deepens and political crisis festers, it has become obvious that rapid reform is the only way to avert upheaval.

Marcos is prepared neither to reform the system nor to allow the democratic opposition to do it. Like the shah of Iran and the dictator Somoza. Marcos assumes that because he is pro-American, he can count on US support.

Marcos blamed the New People's Army's insurrection on "the integration of aid and foreign-trained troops," and hinted at invoking a 1951 mutual-defense treaty to draw US troops into fighting his battles for him. He made clear that he believes he holds two important hostages, Clark Air Force Base and the Subic Bay Naval Base. Marcos repeated a perennial threat to deprive the United States of the bases.

US policy makers should call Marcos's bluff. This is a case in which the hostages are expendable. A conspicuous order to the Pentagon to update its plans for relocating the Philippine bases would send a signal to both Marcos and his critics that the United States has learned from past mistakes. The democratic opposition would be heartened. The violent left would lose an invaluable forensic target; "the US-Marcos dictatorship."

Clark Field and Subic Bay are undeniably important to the US strategic position in the Pacific and the Indian Ocean. They cannot be duplicated, but neither are they irreplacable. Other sites at Guam, Tinian, Singapore and Australia would serve. Certainly the Philippine bases are not worth a US war to sustain a discredited regime.

The Philippine people have notable strengths in their judicial system, their advanced system of education and their identification with many American political values. If Marcos would get out of the way, the opposition could manage the rapid evolutionary change needed to forestall violent revolution. An intelligent US policy could provide the opportunity.

Marcos expects the United States to lose its nerve because of its narrow interest in the bases. This is the moment to show him he is wrong. Philippine democracy, symbolizing values the United States hopes to see thriving around the world, is too rare to be bartered for runways, drydocks, fuel tanks and barracks.

RECESS UNTIL 11:30 A.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until 11:30 a.m.

Thereupon, at 10:43 a.m., the Senate recessed until 11:30 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. WARNER).

RECESS

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the Senate be in recess until 12 noon.

There being no objection, the Senate, at 11:30 a.m., recessed until 12 noon; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. KASTEN).

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, my understanding is that in just a few moments we will start the supplemental appropriations bill, H.R. 2577, and hopefully we will conclude action on that. Following disposition of the supplemental appropriations bill, it is my hope we can clean up some miscellaneous items prior to 2 o'clock.

We had scheduled from 1 to 3 o'clock debate on the cost of the farm programs. We did extend the recess from 11:30 to 12 noon at the request of the distinguished minority leader. I hope that now we can pick up that half-hour or hour on the farm discussion and maybe have that from 2 to 4 o'clock, because we have taken some time away from the supplemental appropriations bill.

I can also indicate that the Republicans did have a conference this morning on the budget resolution. The budget conferees should be meeting at this moment. I cannot speak for all Republicans who were there, I think there were 41 or 42. But, in any event, we hope to take up the budget resolution conference report this afternoon and dispose of it.

Beyond that, that would leave the South Africa conference report. I am advised, as I have indicated earlier, that there will be a number of Members who wish to discuss that at length. If it appears that "at length" means beyond tomorrow evening, we may either decide to call it up today, file a cloture motion, or let those who oppose it discuss it tonight and tomorrow, and then file a cloture motion so that we can vote on cloture when we return.

Beyond that, the only other outstanding matter we have on our list is the energy and water appropriations bill. I know the distinguished chairman of the Appropriations Committee is prepared to move on that. I understand that there are a number of amendments. That would take a number of hours. We could do that this evening, but there may be some objection to taking that up at this time.

On the Genocide Treaty, I have also been advised there will be lengthy debate on that matter. I will discuss that today with the distinguished chairman of the Foreign Relations Committee, Senator LUGAR, and make a final announcement on that sometime this afternoon.

The other matter we had hoped to at least bring to the floor would be a farm bill. I know at this moment there is a meeting in the White House, a Cabinet meeting, on farm legislation and farm credit legislation. There are also some who believe that we should wait to see what the final budget figure will be, if, in fact, there is a House-Senate agreement on a budget resolution, before we take what some have called precipitous action. So we will see what happens there in the next few hours.

It would seem to me if we can do the items that I have suggested, we could conclude our work this evening. If not, we would be here tomorrow.

Mr. Presdient, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1985—CONFERENCE REPORT

Mr. HATFIELD. Mr. President, I submit a report of the committee of conference on H.R. 2577 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill. (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their repective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the Record of July 31, 1985.)

The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, the conference report on H.R. 2577, the fiscal year 1985 Supplemental appropriations bill recommends a total of $13,009,352,536 for program and pay supplementals to continue operations of the Federal Government for the remainder of the current fiscal year. This amount is $405,763,000 below the House-passed level and $920,395,000 below the Senate-passed level. It is $124,399,100 above the administration's requested level.

A number of major items requested by the President are recommended in this conference report. These include: $3.5 billion for payment to the Social Security trust funds; $2.936 billion for reimbursement of net realized losses of the Commodity Credit Corporation [CCC], adjusted to reflect the prior provision of $1 billion for the CCC in the urgent supplemental signed into law by the President on July 24 (Public Law 99–71); $2.258 billion for the economic support funds, of which $2 billion is for aid to Egypt and Israel and $250 million is for aid to Jordan; $319 million for food stamps; and $175 million for veterans' compensation and pensions. In addition, the conferees recommend $27 million for humanitarian assistance to the Nicaraguan democratic resistance supported by the administration.

The conferees have recommended $287 million for student financial assistance—Pell grants—to cover the shortfall in the program in academic year 1985–86 not requested by the administration. This amount is the same as that recommended in the Senate-passed bill. Also included is $720,346,000 for guaranteed student loans recommended by both the House and Senate; $55.5 million above the level of the administration's request. The administration's lower amount is contingent on changes in authorizing language requiring action by the appropriate legislative committees.

Mr. President, I ask unanimous consent that a table listing these and other major items contained in the conference report on the fiscal year 1985 supplemental appropriations bill be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Major items in the conference report—supplemental, H.R. 2577

Program:	*Fiscal year 1985 budget authority*
Payment to the social security trust funds	$3,500,000,000
CCC reimbursement for net realized losses	2,935,790,000
Economic support fund (Egypt/Israel)	2,008,000,000
Guaranteed student loans	720,346,000
Food stamps	318,856,000
Student financial assistance (Pell grants)	287,000,000
Assistance to Jordan	250,000,000
International financial institutions	236,734,436
VA compensation and pensions	175,000,000
Dept. of State: buildings abroad (security)	167,579,000
Payment to the postal service	168,620,000
NOAA operations, research, and facilities	136,100,000
BLM: Management of lands and resources	115,500,000
Federal crop insurance program (borrowing authority)	113,000,000
Vocational and adult education	101,963,000
HDS: family social services	79,495,000
Dept. of State S&E (security)	73,342,000
Corps of Engineers/Bur. of Rec. (new starts)	63,100,000
National forest system (fire-fighting)	61,247,000
Federal crop insurance program	50,000,000
NASA research and development	40,000,000
Enhanced security countermeasures	35,000,000
Humanitarian Assistance for Nicaragua	29,000,000
FEMA: Emergency food and shelther program	20,000,000
Rental housing (rescission of contract authority)	(528,940,000)
Other rescission proposals	(207,516,000)
All other prgrams (net)	669,666,100
Total, title I	11,608,882,536
Pay raise costs:	
DOD pay costs	950,591,000
DOD pay costs (by transfer; non-add)	(916,450,000)
Non-DOD pay costs	449,879,000
Total, title II	1,400,470,000
Total bill	13,009,352,536

Note: Amounts in parenthesis ( ) are negative.

Mr. HATFIELD. Mr. President, the conference report includes $63.1 million for initiation of construction on water projects by the Corps of Engineers and the Bureau of Reclamation. As you will recall, the Senate bill included language "fencing" these funds until cost-sharing agreements are reached between the Secretary and the non-Federal project sponsors, and further providing that funds provided for specific projects shall lapse unless such an agreement is reached on that project by June 30, 1986. The administration dropped its opposition to the funding of new water projects based on this language and other assurances that the Senate would act on legislation providing for cost-sharing reforms.

The conferees adopted the Senate position. However, in acting on the conference amendments, the House rejected this position on a vote of 170 to 258. In acting on amendment No. 112 relating to Corps of Engineers construction, the House rejected the conferees' recommendation to accept an amendment incorporating the Senate cost-sharing language, and adopted instead a substitute amendment prohibiting initiation of construction on any of the projects funded unless cost sharing and any other needed authorizing legislation is enacted. Given the strength of the House vote, I recommend that the Senate agree to this language but adopt a further amendment making it effective only through May 15, 1986.

The House also rejected the conference position on one other amendment, amendment No. 262. The House bill recommended a rescission of $7.5 million of the funds available for carrying out a national program to encourage the use of automobile safety belts and passive restraints; the Senate bill recommended a $2 million rescission. The conferees recommended to rescind $3 million of funds available for this program and added language requiring the Secretary of Transportation to rule on the compliance of State mandatory safety belt use laws before available program funds are obligated and making the funds available until September 30, 1986. The conference recommendation was stricken on a point of order in the House. When the Senate acts on this amendment, I will move that the Senate recede to the House position. We are close to the end of the current fiscal year and can address this issue in the context of the regular fiscal year 1986 bill.

Mr. President, I yield to the ranking minority member of our subcommittee, the Senator from Wisconsin, for a statement.

Mr. PROXMIRE. Mr. President, I congratulate the chairman of the Appropriations Committee on this action.

All of us would like these appropriations as low as possible, in view of the size of the deficit. Under the circumstances, I think the conference committee did a good job.

We have checked with the Members on our side, and there is no objection to taking up the bill and acting on it at this time.

Mr. HATFIELD. I thank the Senator from Wisconsin.

Mr. President, this has been a very difficult bill to work out, and it has had nothing but the most bipartisan and excellent support from all members of our committee.

I should like to make a further observation: Because of the complexity of the appropriations process, as contrasted to the time I first went on the committee, when very few people would make most of the decisions in conference, I should like to state for the record the observation that in our conference we have practically every member on both sides of the aisle participating, hammering out the conference report, section by section, chapter by chapter, issue by issue, report by report. It really is a very remarkable demonstration of the comprehensiveness of the participation in our committees, and I am very proud of that.

In fact, 27 of the total membership of the committee of 29 participated in that conference. When you have 27 conferees on one side of a conference, you have a big audience and a big working force. So I commend Senators on both sides who participated so effectively.

Mr. PROXMIRE. Mr. President, we should not miss one part of this legislation, which is the fact that we now have cost sharing on water projects, and that is something for which the distinguished chairman of the Appropriations Committee deserves special credit. The administration worked for it, and it will result in economies in the future—less spending and less pork barrel, in my view, and more responsible projects.

This was something that was very difficult for many Senators, and I think the distinguished chairman has done an outstanding job in this respect and deserves great credit.

This is a controversial bill with respect to foreign aid and many other areas, but I think we did the best we could under the circumstances, in view of the legislative impasse.

Mr. HATFIELD. I thank the Senator from Wisconsin.

It is a historic and significant portion of this bill, as evidenced by the colloquy that accompanied the action by the Senate on this bill, engaged in by a number of Senators, relating to that very controversial issue of cost sharing.

Mr. President, let me outline the mechanics that we will follow, according to my understanding of the parliamentary situation.

We have about 60 amendments that are in disagreement, which will have to be acted upon en bloc or separately. There is one amendment I will offer at an appropriate time which would urge the Senate not to agree to one of the House amendments; to send back, in effect, a counterproposal; and that relates to the question of the water projects. Perhaps it is well that I should introduce that issue by merely explaining the situation at this point.

When the Senate passed the bill dealing with energy and water, we had a total of 33 or 34 projects. Some of

them were authorized and some were not authorized. The ones which were not authorized had been justified by extensive studies indicating that they represented some of the important needs of the infrastructure, particularly in our waterways programs.

We put them in the bill as unauthorized projects, primarily because the authorizing committees of the House and the Senate had not been able to get a comprehensive omnibus authorization bill for 14 years. I am not certain that there is much evidence that we are going to see a great change in that particular situation. But we did put in the cost-sharing requirement that, whether authorized or unauthorized, such projects, particularly as they were starting up construction, would have to engage in an understanding and a contract that the Secretary of the Army have local cost sharing. The Senate worked its will on that, adopted that, and we held to that in the conference.

In the conference activity, the House came in with 66 projects. In the conference, we worked it out for a total of 41, but again maintaining the Senate fence language relating to cost sharing.

When the House acted yesterday on this bill, they had the amendment in disagreement, and they voted to adopt an amendment which would exclude from that section of the appropriations supplemental all unauthorized projects.

That was the way in which the amendment was presented on the floor, and that was led by the chairman and subcommittee chairman of the authorizing committees of the House of Representatives, to adopt that amendment, which was adopted by an 80-vote margin.

Mr. President, since that time, a very careful review has been made by legal staff and others. Let me cite the language that was adopted by the House. It said:

> Notwithstanding any other provision of law (incuding any other provision of this Act), initiation of construction with respect to any project referred to in this paragraph shall be subject to subsequent enactment of legislation specifying the requirements of local cooperation for Water Resources Development Projects . . .

The intent, as I understood the debate on the floor of the House, was to exclude only unauthorized projects. Now it appears that that language includes all the projects in that bill, authorized and unauthorized. The division between the two categories is about 50-50. Out of the total 41 projects in the supplemental, about 20 are authorized and about 21 are unauthorized.

If this language should prevail, it would appear that then it would successfully inhibit any project from proceeding under construction, with or without authorization. I am sure that Members of the House who supported the amendment did not intend that, according to the debate, and I think that those who voted for it probably did not intend that.

Be that as it may, however one might interpret that language, what I am going to propose—and I have cleared it on the Democratic side of the aisle with Senators JOHNSTON, STENNIS, and BYRD—is to recognize the argument of the authorizing committees of the House and say, in effect: "All right, even though there has not been an omnibus bill provided by the authorizing committee that could be signed into law in 14 years, let us put a time certain for you to have a reasonable period of time to produce an authorizing bill. Therefore, we will fence, in effect, your language that was intended to exclude unauthorized projects until May 15, 1986. That, in effect, would say that you have 9 months to produce an authorization. If that 9-month period does not produce an authorization, then the conference report language that was initially agreed to shall take effect."

In other words, we could process with both the authorized and more especially the unauthorized, which seems to be the point of contention, the unauthorized projects, provided they have reached a cost-sharing arrangement, but at least will not totally exclude the opportunity to proceed with cost sharing on such unauthorized projects.

By the law, my colleagues know very well we do much of this on appropriation vehicles, authorizing projects or authorizing other things. There is nothing new about this. It just happens to be this is just one of the more controversial types of authorization. So we are not breaking any new ground, we are not establishing new precedents by authorizing these particular 21 projects.

But all we are doing is saying to the House, have another vote and look at it from the standpoint of a Senate counterproposal that is reasonable, and by the way, I have checked this with the chairman of the Senate authorizing committee and the Senate has also approved of this, the counterproposal as being a fair one and as being one that has reasonable time. We had originally suggested April 16. Senator STAFFORD has suggested another month, rather than 8, give them 9 months, and I am happy to do that. So consequently, that will be proposed in this process that I have outlined.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. PROXMIRE. I understand the administration, the Office of Management and Budget, approves this procedure; is that correct?

Mr. HATFIELD. The main point of contention as the Senator from Wisconsin recalls that we were involved in the CR last October related to the issue of cost sharing more than to the number of projects. Remember this: The administration has requested projects in their budget request, so the question is not projects or no projects. The question is cost sharing. We have worked that out with the administration, the administration has signed off on that and, therefore, to answer the Senator's question, yes.

Mr. PROXMIRE. They do not object to the fact that there would be a period between now and May 1986 in which the Senate could take action, having not taken action in the past. If they do not, as I understand it, then these projects would go forward.

Mr. HATFIELD. Yes.

Mr. PROXMIRE. There is no objection to this on their part as long as there is cost sharing.

Mr. HATFIELD. The question comes back to cost sharing and whatever action, whatever vehicles that the matter of projects are considered upon, the issue of cost sharing is what the administration has been most adamant in their position, and what I can say to the Senator has now been resolved with Mr. Stockman, representing the administration.

Mr. PROXMIRE. I thank the Senator.

Mr. DOMENICI. Mr. President, I would like to bring to the attention of the Senate an important provision of this supplemental conference agreement relating to Central America. Amidst all of the hoopla concerning renewal of U.S. assistance to the Nicaraguan Contras, most observers have overlooked a provision encouraging economic development in Central America as well as better understanding between ourselves and young leaders in Central America.

The conferees agreed to an amendment that I introduced in the Senate Appropriations Committee which provides $9 million for scholarships and educational exchanges in Central America. A major increase in funding for these programs, to enable the United States to compete with the Soviet Union in educational opportunities, was recommended by the National Bipartisan Commission on Central America and endorsed by the President last year.

I am pleased that Congress has finally acted to adequately fund graduate scholarships and educational exchanges for this vital region, but I am disappointed that an exciting scholarship program for third and fourth year undergraduates from Central America continues to be hobbled by restrictions imposed by a small band of Members in the other House.

All of us agree that prudence requires careful structuring of an initiative such as the Central America Undergraduate Scholarship Program, but to hold a 5-year program for 2,500 Central American scholars to a level of 143 for the first 2 years makes no sense when ten times as many young Central Americans travel each year to Cuba, the Soviet Union, or Eastern Europe. Frankly, if none went to those countries, we should do better than that for these people.

I am not alone in supporting this program, as long as it is carefully managed. Just yesterday, Congress cleared for the President's signature, H.R. 2068, the State-USIA authorization for fiscal year 1986–87. That legislation included several policy provisions endorsing the recommendations of the Kissinger Commission which this $9 million will support. House Majority Leader JIM WRIGHT, as well as an impressive group of Members from both Houses and both parties, support a broader-based effort to boost education in Central America through undergraduate and post-graduate scholarships to study in U.S. institutions.

I expect to return to this issue in the fiscal 1986 appropriation for the U.S. Information Agency. Perhaps it is time to bring the matter to a vote, to test whether Members agree that undergraduate scholarships for Central Americans are a good investment. Until then, I would encourage the U.S. Information Agency and the administration to work harder to support this program, and to work around the unnecessary restrictions included in the conference statement of managers. Those restrictions certainly are not the view of this Senator and those who originally sought the $9 million.

Mr. President, I would like to commend my distinguished colleague, Chairman HATFIELD, and my fellow members of the Appropriations Committee for bringing the fiscal year 1985 supplemental appropriations conference report to the Senate floor for final consideration before Congress adjourns for the August recess.

H.R. 2577 provides $13 billion in budget authority and $6.8 billion in outlays for a broad range of important Federal programs. Besides money for the traditional spring Federal pay supplemental, the conference report contains substantial funds for economic aid to Israel and Egypt, humanitarian aid for Nicaragua, student financial aid programs, the Food Stamp Program, and veterans compensation benefits.

The bill is within the Appropriations Committee's 302(a) allocation under the existing fiscal year 1985 budget resolution by $1.9 billion in budget authority and $0.8 billion in outlays—even considering outlays from prior-year budget authority and possible later requirements.

I would alert my colleagues to one provision of the conference agreement that could well result in higher Federal spending in the coming years. I am speaking of the provision that will fund an additional 210 NIH and ADAMHA extramural research grants in fiscal year 1985. While these are certainly important programs, I must point out that the number of grants now in the bill exceeds the total levels assumed in the Senate-passed budget resolution for fiscal year 1986 and each year through fiscal year 1988.

Mr. President, I ask unanimous consent that tables showing the relationship of the reported bill, with possible later requirements taken into account, to the fiscal year 1985 budget resolution (H. Con. Res. 280) be printed in the RECORD at the conclusion of my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1985 SUPPLEMENTAL APPROPRIATIONS BILL, H.R. 2577

[Conference report: (compared to House Concurrent Resolution 280)]

	Fiscal year 1985	
	Budget authority	Outlays
Action to date by Appropriations Committee	555.1	542.6
Senate passed H.R. 2577:		
Program supplemental	11.8	5.5
Pay raises	1.4	1.4
[illegible]	−0.2	−0.1
Total bill	13.0	6.8
Adjustment to conform mandatory programs to budget resolution	−10.3	−4.0
Appropriations Committee total	557.8	545.4
302(a) allocation	560.0	546.2
Committee total compared to 302(a) allocation	−2.2	−0.8

Note: Details may not add to totals due to rounding.

FISCAL YEAR 1985 SUPPLEMENTAL APPROPRIATION BILL—H.R. 2577

[Congressional action to date (compared to H. Con. Res. 280) conference report]

	Fiscal year 1985	
	Budget authority	Outlays
Congressional action to date	1,012.0	929.8
H.R. 2577	13.0	6.8
CCC adjustment	−2.6	
Offsetting receipts	−3.5	−3.5
Total	1,018.9	933.1
Budget resolution	1,021.4	[illegible]
Over (+)/under (−) budget resolution	−2.5	+1.1

Note: Details may not add to totals due to rounding.

Mr. PACKWOOD. Mr. President, I rise today to support the amendment of my good friend and colleague, Senator HATFIELD, on the funding of water projects in the 1985 supplemental appropriations conference report.

The Senate's position on the funding of these water projects was clear: Cost-sharing agreements with local project users would have to be in place before the moneys in this supplemental appropriations bill could be released.

The House's amendment to the conference report adds a second criterion which must be met: Projects would have to be authorized. This criterion was clearly different than the Senate's position.

One of the 21 unauthorized projects funded in the Senate-passed supplemental appropriations bill is of vital concern to my State, the replacement of the Bonneville lock on the Columbia/Snake River System.

The existing Bonneville lock is woefully inadequate. It poses both serious hazards and long delays to river traffic in both directions. The average time-in-system to pass through the existing Bonneville lock is approximately 12.7 hours. Tethered barges must be separated and taken through the lock one at a time. The resulting bottleneck is particularly onerous because the Bonneville lock is the farthest downstream and is therefore the most heavily used lock on the entire system.

In 1982 I road a river tugboat, the *Oregon*, going downstream through the Bonneville lock. Tugboat operators have dubbed the east entrance to the lock "the gut." Entering it can be a harrowing experience, as evidenced by the many scars which have occurred when barge tows have collided with the lock.

Funding for the construction of a new lock at Bonneville is needed now. Improving the Bonneville lock will facilitate increased trade with the Pacific Rim. The capacity of the new lock will be adequate through the year 2040. The current lock can accommodate 13 million tons annually; the new lock 30 million tons. Further delay in funding will only result in increased costs and additional deterioration of the existing lock.

HELICOPTER FOR DRUG LAW ENFORCEMENT IN HAWAII

Mr. INOUYE. Mr. President, I would like to call the attention of the distinguished chairman of our Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee, the senior Senator from Nevada [Mr. LAXALT] to the portion of the statement of the managers regarding the funds we added for the Drug Enforcement Administration.

I note that the managers agreed to provide the full $20 million proposed by the Senate to enhance the Federal drug law enforcement effort. That enhancement was proposed by our chairman in close consultation with the Attorney General. When we considered that proposal in the Committee on Appropriations the only addition was to provide an additional $1,200,000 for an urgently needed helicopter for surveillance and eradication of illegal drugs in Hawaii.

Both the chairman, and the distinguished ranking minority member, the junior Senator from South Carolina

[Mr. HOLLINGS] have privately assured me that the conference agreement includes the $1,200,000 for the helicopter for Hawaii. However, the statement of the managers does not mention the helicopter, and I fear that the Department of Justice may be inclined to divert the $1,200,000 to something else.

Mr. LAXALT. Let me assure the distinguished Senator from Hawaii that the conference agreement definitely provides the $1,200,000 for the helicopter for Hawaii. When we met with the House managers, Senator HOLLINGS specifically asked if we agreed on the Hawaii helicopter, and the House managers affirmed that we had.

While we have provided for the funds to carry over into fiscal 1986, I would oppose any fooling around with the $1,200,000 for the helicopter. I would expect the DEA and the Department of Justice to expedite the procurement of the helicopter so it could be brought on line in the battle against illegal drug trafficking.

Mr. HOLLINGS. Let me also affirm that the conference agreement provides the full $1,200,000 for the helicopter. I commend the senior Senator from Hawaii for his efforts to secure this vital addition to the effort the Federal and local police forces are mounting in Hawaii. With all the Defense activities in Hawaii, there had been some thought that a helicopter could be obtained from one of the services. But I know that the Senator and his staff made a long and unsuccessful effort to secure one from the military. A year ago two staff members of the Committee on Appropriations reviewed the situation in Hawaii and clearly established the priority for this helicopter.

Let there be no false impressions, the conference agreement includes the $1,200,000 for the helicopter and I expect the DEA to get started with the procurement right away.

Mr. INOUYE. I appreciate having the assurances of the chairman and the ranking minority member, and their taking the time to complete the record on this item. As they indicated, this has been a long effort, and I did not want the Department to get any wrong ideas from the statement of the managers. I also want to thank them for all their help along the way.

Mr. COCHRAN. Mr. President, the conference report now before us and the bill which it accompanies, H.R. 2577, include urgently needed funds for several agencies under the jurisdiction of the Subcommittee on Agriculture, Rural Development, and Related Agencies. Many programs cannot be carried out, as required by law, if funds in this bill are not approved by the Congress and signed into law by the President.

The most urgently needed funding is for the Federal Crop Insurance Corporation [FCIC]. The FCIC has terminated the payment of claims and has notified its employees that they will be furloughed in 30 days if the funds provided in this supplemental, totaling $163 million, do not become available soon.

In addition, the conference agreement provides $2,935,790,000 for reimbursement for Commodity Credit Corporation [CCC] net realized losses. The original amount in both the House and Senate versions of the supplemental was $3,935,790,000. As you recall, however, we passed House Joint Resolution 342 almost 2 weeks ago. That emergency legislation provided $1 billion to continue the programs of the CCC while the supplemental was awaiting conference action. Although the CCC was able to resume operations, I am advised by the Secretary of Agriculture that that $1 billion will be exhausted the week of August 5—next week.

Another important item in the bill is $318,856,000 for the Food Stamp Program. Although this is not yet a critical need, these funds will be necessary to fund the program for the last few days of the fiscal year. This will ensure that benefits are not cut to food stamp recipients.

Funds are also included for various research projects, including the transfer of research now conducted at the Fort Stanton Experiment Station in New Mexico. This transfer will make available the land necessary for a new airport at Ruidoso. Other research items include funds for graduate fellowships, warm-water aquaculture, and remote sensing evaluation.

Under the conference agreement, $19 million is made available to partially fund the Grasshopper Control Program. The appropriated amount is to be used first, to reimburse APHIS accounts from which the Secretary of Agriculture borrowed funds; and second, to reimburse the Commodity Credit Corporation for a portion of the funding it has provided for the control program. Because the Secretary has declared the grasshopper outbreak an extraordinary emergency, CCC funds will continue to be available to carry out the control program.

For the Temporary Emergency Food Assistance Program [TEFAP], the conference report contains $7 million, to remain available until March 31, 1986. These funds are needed to assist States and local authorities with storage and distribution costs of providing surplus commodities to needy individuals.

Mr. President, other items are included in the conference agreement, including rescissions pursuant to the Deficit Reduction Act of 1984 and additional pay costs for virtually every agency under our jurisdiction.

I believe this conference agreement represents a fair compromise and merits approval by the Congress and the President.

Mr. LAUTENBERG. Mr. President, I rise to state my opposition to the action of the House in the matter of amendment No. 262 to this supplemental appropriations conference report. Amendment No. 262 has to do with the Senate provision providing funds to the Department of Transportation to enhance the development of passive restraints in our Nation's automobiles and to increase the use of seatbelts.

The House moved to strike the provision arrived at in conference to provide $4.5 million to DOT for this program. The Senate had approved $5.5 million for the program and conditioned the expenditure to try to bring some balance between the Department's advocacy of seatbelts and their position on passive restraints.

My colleagues might ask why the Senator from New Jersey would raise what might seem like an obscure provision. Let me inform my colleagues what I believe to be going on here.

Last year, when the Senate was considering the continuing resolution, the Senator from Missouri, Senator DANFORTH and I offered an amendment to provide funding for a balanced program within the Department of Transportation to enhance the use of seatbelts and the development of airbags and other passive restraints. We were assured that the program would be balanced and not just a supplement to the $20 million campaign of the auto industry to pass mandatory seatbelt laws in the States and, in the process, under the rule issued by Secretary Dole, rescind the requirement that airbags be provided in 1987 model cars.

The Senator from North Dakota, Senator ANDREWS, the able chairman of the Appropriations Subcommittee, conditioned an appropriation requiring that the Department provide a plan as to how they would spend the funds. The plan was supposed to be in keeping with the balance between seatbelts and passive restraints called for by the Senate. The plans submitted, belatedly by the Department, were deemed to be inadequate.

The Department asked for $20 million for fiscal year 1985. Under the continuing resolution, it was given $2.5 million. In the supplemental, the House committee provided no additional funding. The Senate provided $5.5 million but stipulated that $3 million would go to passive restraints. These funds would be used to bring low-cost airbags systems into the marketplace.

In fact, Mr. President, the Supreme Court in its decision mandating that the airbag be considered by DOT as a safety device said that the auto industry had engaged in the regulatory version of war on the airbag for years. So, even this tiny amount of funding weighted against the millions spent by the auto industry is rejected by the House.

If you want an airbag in your car, you can get one, but you'll have to buy a Mercedes. They'll have airbags. But if you're an American of modest means, who buys the auto industry's Buy America campaign, then you're out of luck.

Mr. President, I would like to ask the Senator from North Dakota what he considers an appropriate response to this objectionable action by the House.

Mr. ANDREWS. My colleague from New Jersey has strong views about this matter. I can appreciate his frustration. This is a small amount of money when compared to the administration's request. The committee was trying to bring some balance to this program and to make the point that States should have a valid idea of what they were voting on before they considered mandatory seatbelt laws.

I cannot see holding up this vital legislation on this point. We have 60 days left in the fiscal year. We will have a 1986 fiscal year appropriations bill before the Senate in September. I would suggest to the Senator that we revisit this issue in that context. I am certainly prepared to work with him on this issue.

Mr. LAUTENBERG. I thank the Senator. Under the circumstances, I reluctantly accept his advice. I look forward to working with him to resolve this matter in September.

Mr. RIEGLE. Mr. President, there are a few comments I wish to make before the Senate finally adopts the conference report to the fiscal year 1985 supplemental appropriations bill. There are at least three items contained in this bill that I wanted to draw to the attention of my colleagues.

I am deeply upset that funding for the State Grants for Dependent Care Planning and Development Program was dropped by the conference committee. The Human Services Reauthorization Act—in which the State grants for dependent care was authorized—was passed so late in the 98th Congress, that there was insufficient time to secure the needed appropriations for this new program. Now a whole fiscal year will have passed for which this program was authorized and no funds were appropriated. It is extremely unfortunate that we are letting this opportunity pass without funding this small yet significant effort to address the vital child care needs of millions of parents and school age children. The reason given by the House conferees for taking this action was the short time left in the current fiscal year for issuing regulations and getting this program underway. Clearly this line of reasoning would not apply to fiscal year 1986. Therefore, I will continue my efforts to secure funding for this program in the regular fiscal year 1986 appropriations bill.

Mr. President, I am pleased however that this supplemental appropriations conference report retained the $5 million to fund the Federal Children's Trust Fund Challenge Grant Program authorized last Congress. This new grant program challenges States to establish special trust funds to finance child abuse prevention activities, by authorizing 25 percent Federal matching funds or $0.50 times the number of children in the State.

My own State is a leader in the field, having been one of the first States to establish a trust fund in 1982. Last year, by means of a $2 per taxpayer voluntary State income tax refund checkoff, $650,000 was raised for child abuse prevention activities. And now, with this additional appropriation, Michigan will be able to double her efforts in the critical fight against child abuse.

Mr. President, on a different subject, I am disappointed that this supplemental conference report continues our unwise policy of seeking to affect change in Central America by providing additional funding for the Contras in Nicaragua. For the reasons which I outlined earlier during Senate floor debate, I believe U.S. national security interests would best be served by a Central American policy which emphasizes nonmilitary, diplomatic solutions to the problems of the region. To that end, the United States should abandon its Contra policy, putting its energies instead behind the peace efforts of the Contadora nations, which seek to address the region's conflicts through serious negotiations. By actively supporting the Contadora peace process, I believe the United States could play an important role in both promoting regional stability and enhancing important U.S. national security interests.

One additional foreign policy issue addressed by this supplemental conference report is the $250 million in emergency economic assistance it contains for Jordan. I appreciate the fact that Jordan is facing difficult economic times, and share the hope that, by helping address that crisis through economic aid, the United States can nudge Jordan toward playing a more active role in the peace process.

My concern, which I express at length during Senate floor debate, is that receipt of this aid not prompt Jordan to increase its level of military spending with funds which would otherwise be required to address its economic needs.

In light of the absence of explicit Jordanian assurances on this point, I want the RECORD to show that it is the will of this Senator that provision of this emergency economic aid not result in further military spending by Jordan.

Mr. President, finally, I would like to mention that the conference report reiterates Congress' commitment to keep the Coast Guard at full force on the Great Lakes. In the 1986 budget proposal, the administration proposed the elimination or downgrading of 13 Coast Guard stations on the Great Lakes. This proposal is ill-advised, potentially dangerous, and has aroused tremendous opposition in many communities throughout the Great Lakes region. I am pleased this 1985 supplemental appropriations bills recognizes that the budget proposal should be examined very carefully prior to any actions being taken to close the Coast Guard stations. By prohibiting any expenditures for closure activities, the Congress will have sufficient time to investigate all aspects of this issue, and I am confident that upon examination, we will conclude that the continued operation of the Coast Guard stations is essential to the safety and the protection of lives on the Great Lakes.

TANGIER ISLAND

Mr. TRIBLE. Mr. President, I want to commend the chairman of the Appropriations Committee for his diligent work and leadership on this fiscal year 1985 supplemental appropriations bill. I regret the House's precipitous action last evening regarding the water projects language and I hope that the current impasse can be quickly resolved.

The four Virginia water projects included in the conference bill continue to be of great importance to the Commonwealth. Canal No. 2 and the hurricane protection project are designed to protect valuable inland and shoreline properties in the area of Virginia Beach area. The Richmond downtown floodwall protection plan is of vital importance to the city's commercial area.

Of course, the deepening of the Port of Hampton Roads is of great significance for not only the Commonwealth, but for the entire east coast.

Mr. President, I would like to clarify one point.

The House version of the bill provided $150,000 so that the U.S. Corps of Engineers could update project design and cost estimates in order that construction can begin at the earliest possible time at Tangier Island in the Chesapeake Bay. It's my understanding that this funding was not affected by last evening's floor action.

The chairman knows of Tangier Island's historic significance. An 8,200-foot seawall is desperately needed to check erosion of the shorefront adjacent to the airstrip at the northern tip of the island. The airstrip is the islanders' only link with the mainland during the winter. Without the airstrip the island will eventually have to be evacuated.

Authorization for construction of such a seawall is contained in both House and Senate versions of the water projects bill. Additionally, the Appropriations Committee has, in past years, included instructions to the Corps of Engineers to use available funds to update the seawall construction engineering and design work so that construction can begin immediately upon authorization. I believe the Senate clearly supports the Tangier Island seawall project.

Am I correct in understanding that, since the Senate conferees did not specifically disagree with the House-provided $150,000 for the Tangier seawall design, I should assume that these funds will be provided in fiscal year 1985?

Mr. HATFIELD. The Senator from Virginia is correct in his understanding regarding the funds provided in fiscal year 1985 for the Tangier Island seawall study update. The intent of the committee has been clear and is indicated by report language provided in the regular fiscal year 1985 appropriation bill. We recognize the historic and cultural significance of Tangier Island and believe that the update of the engineering and design plans for the seawall should be readied as soon as possible.

Mr. TRIBLE. I thank the gentleman from Oregon, chairman of the committee.

Mr. WARNER. Mr. President, I rise to associate myself with the remarks of my Virginia colleague, Senator TRIBLE, on the cultural and historic significance of Tangier Island and with the need for the U.S. Army Corps of Engineers to use the necessary funds to update the engineering and design study for the Tangier floodwall.

WATER PROJECTS—APPROPRIATIONS

Mr. STAFFORD. Mr. President, I wish to state my support for the House language that requires passage of a water resources authorization bill with cost-sharing reforms before any money from this bill can be spent to initiate new water projects.

This is an important provision; the Senate should support it.

The Committee on Environment and Public Works will this week file our omnibus water resources development bill, together with its report. The bill will then go to the Committee on Finance for its review of the bill's tax provisions.

The floor colloquy many of us had with the majority leader in June demonstrates that the Committee on Finance will move quickly to report its amendments, if any.

It would be my hope that the majority leader will then schedule early floor action on the entire bill.

I will be ready to move on this bill as soon as we return in September. My committee will be ready to move.

Unfortunately, this cannot be guaranteed. Therefore, I see the House language as a valuable tool to keep the pressure on the Congress.

We need to get a water resources bill. The assurance that new projects are linked to such a bill is worthy of our support.

I believe the further amendment offered by the floor manager, setting the May 15 date, is a sound compromise. I commend him, and urge that he join with me in making certain we get the water bill to the floor as soon as possible.

REPORT LANGUAGE ON INTERNATIONAL TELECOMMUNICATIONS SATELLITE SERVICE

Mr. HOLLINGS. Mr. President, I had no intention of offering a statement on the report language the conferees agreed upon in regard to international telecommunications satellite service, since I believed the language was clear on its face. I still believe the language is clear, however, the House manager inserted a statement in yesterday's House debate that tries to reinterpret this language. This statement of the House manager obviously reflects his opinions alone and not those agreed upon in the conference. The various executive branch and independent agencies directed to act in the report language shall follow the plain meaning of that language.

More specifically, let me make the following points in response to the House manager's statement:

First. The managers reached no conclusion that the decision of the FCC last week did not fully enforce the conditions in Presidential Determination 85-2.

Second. The managers did not conclude that Intelsat does not today have the ability to price flexibly.

Third. The managers only agreed to support Intelsat's ability to compete fully and fairly in all new international telecommunications satellite services. The managers did not conclude, as the House manager asserts, that this support extends to any service—old or new—for which competitive challenges to its—Intelsat's—provision of services appear.

Fourth. In conditioning the support of the United States to a modification of article 5(d) of the Intelsat Agreement, the managers agreed that Intelsat had to have in place measures to ensure prices are cost-based and not predatory, including the release of information on revenues, costs, and the allocation of costs. The managers in no way agreed that Intelsat already had those measures in place. In fact, if we believed that Intelsat already had such measures in place, why did we even refer to Intelsat having to adopt such measures and release such information? It is clear that the managers believed just the contrary to the House manager's statement. Intelsat does not now have such measures in place. The type of information Intelsat releases is not sufficient for the United States to determine that prices are not predatory. The President and the executive branch are to make sure these measures are adopted prior to any support for a modification to article 5(d).

Fifth. The managers believe the current Presidential determination is properly balanced. There was no determination by the managers that the conditions in this determination are so "absolute and fundamental" that they can never be altered. What the managers agreed to is that prior to any change the President must submit the tentative decision to Congress for 45 days review.

As I stated at the outset, the report language is clear on its face, and the comments of the House manager are his alone.

GALLIPOLIS LOCKS AND DAM

Mr. BYRD. Mr. President, the Senate version of this supplemental appropriations bill, H.R. 2577, contained authorization for 25 new water projects, including the Gallipolis locks and dam on the Ohio River. These same projects were previously included in the Senate-passed version of the fiscal year 1985 continuing resolution, House Joint Resolution 648. Unfortunately, the authorization for these projects was dropped in conference with the House last fall; and, again yesterday, the House voted to withhold construction of Gallipolis and some 40 other new projects approved by the conferees on H.R. 2577, pending congressional passage of an omnibus water projects authorization bill.

Mr. President, there continues to be a pressing need for the reconstruction of the Gallipolis locks and dam. This is not a project with marginal benefits. The U.S. Army Corps of Engineers has determined that the replacement project has an 11.3-to-1 benefit-to-cost ratio. Furthermore, the corps indicated to me during appropriation hearings on February 20, 1985, that the new locks would produce an average of $173 million in benefits every year. These annual benefits greatly outweigh the one-time estimated project cost of $370 million. The Gallipolis project is presently the only facility on a 900-mile stretch of the Ohio River that does not have a main lock chamber measuring at least 1,200 feet in length. The existing lock chambers at Gallipolis are only one-half the size of the modern locks on the river. Consequently, barge operators must disassemble their larger tows and push smaller segments through these inefficient locks. Gallipolis continues to be a bottleneck which wastes time and money for Ohio River commerce.

Gallipolis locks, while inefficient, are exceptionally busy with 4,042 commercial trips carrying 37 million tons of products through the facility last year alone. The Corps of Engineers predicts that, by 1990, 64.5 million tons of commerce will be transported through the existing locks with an average delay of approximately 30 hours per tow. So, Mr. President, the existing locks are becoming an intolerable impediment for waterborne commerce on the entire Ohio River navigation system.

The existing locks are not only inefficient, they are extremely dangerous. Their location on a bend in the river, where strong currents exist, make a tow operator's job extremely difficult and hazardous. The Gallipolis reconstruction project, consisting of two new locks, one 1,200 feet by 110 feet, and one 600 feet by 110, would be located in a channel on the West Virginia side of the Ohio River, bypassing the existing lock chambers. In addition to the inherent efficiency of these larger locks, the new design would slice off a portion of the bend in the river thereby straightening out the approach taken by river tow operators. This is an important safety feature of the new facility.

Mr. President, there is some consolation that the conference agreement on this supplemental appropriations bill contains a limited authorization, as well as $4.5 million for land acquisition and continued planning and design of the Gallipolis project so that some progress can be made at Gallipolis. I am hopeful, however, that Senator HATFIELD's amendment, which I cosponsored, will be accepted when the Senate returns this conference report to the House for further action. Our amendment would effectively authorize Gallipolis, and 20 other projects, on May 15, if no omnibus water projects authorization bill has been signed into law prior to that time. Mr. President, recognizing the urgent safety and financial considerations calling for the replacement of the Gallipolis locks, I hope that the House will accept this latest compromise offering by the Senate this afternoon. If they do not, the people of West Virginia can be assured that I will do all in my power to see that the Gallipolis locks and dam are authorized on the next appropriate legislative vehicle.

Mr. HATFIELD. Mr. President, I believe that the parliamentary situation now would call for me to urge the adoption of the conference report.

The PRESIDING OFFICER. The Senator is correct.

Mr. HATFIELD. Mr. President, I do now, therefore, urge the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATFIELD. I believe now we have before us the 60-some amendments that will either be adopted en bloc or one by one. Is that correct?

The PRESIDING OFFICER. Technically after the first amendment in disagreement is reported, it would take unanimous consent to dispose of the amendments en bloc.

Mr. HATFIELD. I understand.

Mr. President, I propose now to propound a unanimous-consent agreement that the amendments of the House to the amendments of the Senate in disagreement be considered and agreed to en bloc with the exception of amendments numbered 112 and 262.

Let me say what those two numbers are. The No. 112 is the water projects amendment. Amendment 262 has to do with seatbelt appropriations, that we will have to have a separate one.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments in disagreement agreed to en bloc are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

DEPARTMENTAL ADMINISTRATION

(Rescission)

Of available funds under this head, for budget and program analysis, $7,000; for personnel, finance and management, operations, information resources management, equal opportunity, small and disadvantaged business utilization, and administrative law judges and judicial officer, $42,000; making a total of $49,000, are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 5 to the aforesaid bill, and concur with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for graduate fellowship grants under section 1417 of Public Law 95-113, as amended (7 U.S.C. 3152), $2,000,000, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 6 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for a grant to Mississippi State University to conduct a program for and to promote research excellence in the area of warmwater aquaculture, including such lands, buildings, and equipment as may be necessary to carry out the program, $3,500,000, including $700,000 made available by Public Law 98-473 which shall be transferred to and merged with this appropriation, to remain available until expended, and to be matched by an equal non-Federal share.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered seven to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for a grant to the University of Kansas for the evaluation and transfer of remote sensing applications to agricultural users, $200,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 14 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *$500,000, to remain available until expended*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 23 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

None of the funds provided for fiscal year 1985 in this or any other Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

Notwithstanding any other provision of this Act, the amount appropriated by this Act for the Commodity Credit Corporation, reimbursement for net realized losses, shall be $2,935,790,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 29 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

CHILD NUTRITION PROGRAMS

Upon request to the Secretary of Agriculture, any school district receiving all cash or all letters of credit in lieu of commodities under the school lunch program on January 1, 1985, shall continue to receive all cash in lieu of commodities or all letters of credit in lieu of commodities through December 31, 1985. Such school districts shall receive bonus commodities in the same manner as such commodities are made available to any other school district participating in the school lunch program.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 35 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

to remain available through March 31, 1986: *Provided*, That the Secretary of Agriculture shall review the reported condition of the "street people" and other disadvantaged people in cities and counties throughout the Nation, including those reported in Tunica County, Mississippi, and report to the House and Senate Committees on Appropriations his recommendations for correcting or improving the situation which exists

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 41 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for "Operations, research, and facilities", $126,100,000, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 45 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

NATIONAL BUREAU OF STANDARDS

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

(Rescission)

Of available funds under this head, $500,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 51 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

(Transfer of Funds)

For an additional amount for "Salaries and Expenses", $2,400,000 for disaster loan making and servicing activities to be derived by transfer from the "Disaster Loan Fund".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 57 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for "Salaries and Expenses, United States Attorneys and Marshals", $12,103,000, and in addition $3,000,000 to be derived by transfer from the "Working Capital Fund", both amounts to remain available until September 30, 1986.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 63 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out "expended", in said amendment, and insert: *September 30, 1986*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 65 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$20,000,000, to remain available until September 30, 1986*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 70 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for a grant for the establishment of a clinical program to supplement the services of local Legal Services grantees at Drake University School of Law in Des Moines, Iowa, $4,000,000, to remain available until expended.

The purpose of the above grants is to fund two University Centers, which will provide legal clinics to supplement the civil legal services of Legal Services Corporation grantees, demonstrate how such legal clinics can be operated to benefit both law students and recipients, and conduct continuing legal education courses and seminars to encourage practicing attorneys for *pro bono* services. Under each such clinical program, no recipient shall receive legal services who would be disqualified by law or regulation from receiving such service from a Legal Services Corporation grantee.

$3,000,000 of each such grant shall be available to the governing body of the University to establish an endowment fund to provide income to support such a program on a continuing basis. Such endowment shall be held in a trust which dedicates the income exclusively to fulfilling the purposes above stated and shall be subject to audit by the General Accounting Office for the sole purpose of determining that all funds have been accounted for or used for such purposes. If either such grantee elects to discontinue the program established under this section, the corpus of the endowment trust shall revert to the Treasury of the United States and the document accepting the grant shall provide for such reversion.

The balance of the funds in each grant shall be made available to the grantee for facilities, equipment, and other costs actually incurred in establishing such a clinical program, and the application for the grant shall require only such information and supporting material as is reasonably necessary to assure that such funds will be used exclusively for the purposes described herein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 75 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

: *Provided*, That notwithstanding any other provison of law—

(a) The Secretary of State shall not permit the Soviet Union to occupy the new chancery building at its new embassy complex in Washington, D.C., or any other new facilities in the Washington, D.C. metropolitan area, if the Soviet Union fails to provide prompt and full reimbursement to the United States for damages incurred as a result of the construction of the new U.S. embassy in Moscow, in an amount to be determined by agreement between the U.S. and the U.S.S.R. or in the event of disagreement by the decision of an international arbital tribunal as created pursuant to the contract for construction between the U.S. and the U.S.S.R.

(b) Within 30 days after the enactment of this Act the Secretary of State shall initiate actions to begin the internationl arbitration process, which is provided for in the embassy construction agreement between the U.S. and the U.S.S.R., in order to resolve all U.S. claims against the U.S.S.R. for damages arising from delays in the construction of the new U.S. embassy complex in Moscow.

(c) In the event the amount of reimbursement provided to the U.S. under paragraph (a) by the U.S.S.R. is less than the amount of funds expended from this account for damages arising from delays at the site of the new U.S. embassy complex in Moscow that are determined by the Secretary of State to be the responsibility of the U.S.S.R., the Secretary of State shall submit to the Appropriations Committees of the House of Representatives and the Senate a detailed report explaining the reasons that the Secretary has accepted such arrangements and the financial costs to the U.S. of doing so.

(d) The Secretary of State may suspend the restrictions in paragraph (a) in the national security interests of the U.S. if he certifies to Congress that a substantial number of the claims described therein are settled and that resolution of any remaining claims is proceeding in a satisfactory manner. If the Secretary exercises the authority under this paragraph, he shall report to the Appropriations Committees of the House of Representatives and the Senate every six months concerning progress on resolution of any outstanding claims

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 77 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$1,200,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 87 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $75,000, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 91 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

; and for an additional amount under this head, $9,000,000, to remain available until September 30, 1986

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 92 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount under this head to promote the development of an independent media service by the Afghan people and to provide for the training of Afghans in media and media-related fields, $500,000, to remain available until September 30, 1986: Provided, That the Director, with the Secretary of State, shall report to the appropriate committees of Congress on the obigation of these funds 60 days from the date of enactment of this Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 102 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"Aircraft Procurement, Navy, 1983/1985" ($129,000,000); "Aircraft Procurement, Navy, 1984/1986" ($21,200,000); and "Aircraft Procurement, Navy, 1985/1987" ($89,800,000).

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 109 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

ENHANCED SECURITY COUNTERMEASURES CAPABILITIES

To the Director of Central Intelligence, for the enhancement of security countermeasures capabilities, $35,000,000, to remain available until September 30, 1986, to be allocated by the Director of Central Intelligence among the National Security Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, the Department of State, and any other agency that the Director of Central Intelligence may determine, such funds to be expended exclusively for the purpose of improving security countermeasures capabilities at United States Embassies and other facilities abroad in accordance with a plan to be developed by the Director of Central Intelligence in conjunction with the National Security Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, the Department of State, the National Security Council and any other agency that the Director of Central Intelligence may determine and submitted to the Appropriations and Intelligence Committees of the Congress by September 1, 1985.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 121 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for "Operation and Maintenance, General", to remain available until expended, $2,600,000 with which the Corps of Engineers is directed to construct recreation facilities (including a recreation lake) at Sepulveda Dam, California.

Within available funds, the Secretary of the Army is directed to use $400,000 to operate and maintain additional streambank stabilization structures in accordance with section 707 of Public Law 95–625.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 130 to aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to construct, operate, and maintain a sediment retention structure near the confluence of the Toutle and Green Rivers, Washington, with such design features and associated downstream actions as are necessary, in accordance with the Feasibility Report of the Chief of Engineers dated December 1984. The total non-Federal contribution toward payment of project costs shall be as set forth in such report.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 131 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Funds appropriated to the United States Army Corps of Engineers in the "Energy and Water Development Appropriation Act, 1985", Public Law 98–360, for the purpose of compensating certain landowners who have experienced damages as a result of drawdown operations of the Libby Dam in Montana shall be expended to evaluate and award compensation for erosion or other damages of leveed and unleveed tracts of land in Kootenai Flats, Boundary County, Idaho, resulting from power or flood control drawdown operations at Libby Dam, Montana: Provided, That such evaluation and compensation of claims shall be based solely on the drawdown of water from Libby Dam for flood control, power operations, or other authorized purposes: Provided further, That compensation paid pursuant to this provision shall not exceed $1,500,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 132 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for the Department of the Interior, Bureau of Reclamation, "Construction program", for the design and construction of the Animas-La Plata Project, Colorado and New Mexico; Buffalo Bill Dam Project, Wyoming; Boulder Canyon Project, Arizona and Nevada; and the Headgate Rock Project, Arizona, to remain available until expended, $14,300,000; or which $1,000,000 shall be available for transfers to the Upper Colorado River Basin Fund as authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d): Provided, That of the total appropriated, the amount for program activities which can be financed by the Reclamation Fund may be derived from that Fund: Provided further, That of the total appropriated, $8,300,000 is appropriated pursuant to the Snyder Act (25 U.S.C. 13), to be expended by the Bureau of Reclamation for the purpose of designing and initiating construction of the Headgate Rock Hydroelectric Project, Arizona: Provided further, That none of the funds herein appropriated may be expended to undertake such projects except under terms and conditions acceptable to the Secretary of the Interior as shall be set forth in binding agreements with those non-Federal entities desiring to participate in project construction. Each such agreement shall include a statement that the non-Federal entities are capable of and willing to participate in project cost-sharing and financing in accordance with terms of the agreement. At such time as the Secretary has executed a formal binding agreement and has determined that the non-Federal entities' financing plan demonstrates a reasonable likelihood of the non-Federal interest's ability to satisfy the terms and conditions of the agreement, the Secretary shall initiate construction at a project in accordance with such agreement: Provided further, That the funds appropriated herein shall lapse on June 30, 1986, if the agreement required herein for that project has not been executed.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 147 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

$3,600,000 to be derived by transfer from the "Economic Support Fund" for Lebanon as provided in Public Law 98–63: Provided, That these funds shall be available only for the International Atomic Energy Agency: Provided further, That no funds shall be obligated after the date of enactment of this Act for the International Atomic Energy Agency unless the Secretary of State determines and so reports to the Committees on Appropriations that Israel is not being denied its right to fully participate in the activities of that agency, including the rights, privileges or benefits that that Agency accords to all of its members

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 150 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

$2,258,000,000: Provided, That of the funds provided by this paragraph $250,000,000 shall be made available, and shall remain available for obligation for Jordan until September 30, 1987, only in accordance with the schedule of availability set forth in section 402(a)(1) and section 402(a)(2) of this Act: Provided further, That of the funds provided in this paragraph for Jordan, not more than 33⅓ percent may be disbursed before September 30, 1985; not more than 50 percent may be disbursed before March 31, 1986; not more than 66⅔ percent may be disbursed before September 30, 1986; and, not more than 85 percent may be disbursed before March 31, 1987: Provided further, That notwithstanding any other provision of law, funds provided in this Act for Jordan, if not utilized for programs, projects, or other activities in Jordan, must be returned to the United States Treasury: Provided further,

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 153 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

funds provided by this paragraph shall be made available notwithstanding section 10 of Public Law 91–672: Provided further, That the funds provided by this paragraph for Israel and Egypt shall be made available as cash grant transfers: Provided further, That not less than the Egyptian pound equivalent of $50,000,000 generated from funds made available by this paragraph, or from any other source, shall be deposited into the Trust Funds established by the Trust Account Agreement of 1980 to be used for United States supported programs in Egypt pursuant to the United States-Egypt Economic, Technical and Related Assistance Agreements of 1978 which provide for local currency requirements for programs of the United States in Egypt to be made available to the United States in the manner requested by the Government: Provided further, That prior to depositing funds into the Trust Fund, the Secretary of State shall notify the Appropriations Committees of both Houses of the Congress fifteen days in advance as to how the endowment is to be managed, where the funds will be deposited, the interest rate to be secured, and the procedures to be used in establishing, operating, and disbursing endowment funds: Provided further,

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 164 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert

BUILDINGS AND FACILITIES

For an additional amount for "Buildings and facilities", $500,000, to remain available until expended: Provided, That none of these funds may be obligated until the completion of a feasibility study by the Environmental Protection Agency to determine the most cost-effective way to house the research program at Newport, Oregon.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 166 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

EMERGENCY FOOD AND SHELTER PROGRAM

There is hereby appropriated $20,000,000 to the Federal Emergency Management Agency, to remain available until September 30, 1986, to carry out an emergency food and shelter program. Notwithstanding any other provision of this or any other Act, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the National Council of Churches of Christ in the U.S.A., the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for $20,000,000 to the national board within thirty days after enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations and through units of local government.

Eligible private voluntary organizations should be non-profit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's or unit of local government's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency.

The Director of the Federal Emergency Management Agency shall review the reported condition of the "street people" and other disadvantaged people in cities and counties throughout the Nation, including those reported in Tunica County, Mississippi, and report to the House and Senate Committees on Appropriations his recommendations for correcting or improving the situation which exists.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 167 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$1,105,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 168 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for "Research and development", $40,000,000, to remain available until September 30, 1986: Provided, That this amount shall be deferred and shall not become available until March 1, 1986.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 178 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$115,500,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 180 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

LAND ACQUISITION

For an additional amount for "Land acquisition", $1,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 183 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for "Land acquisition and state assistance", $22,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 194 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

: Provided further, That no funds shall be paid to creditors of the Sangre de Cristo Development Company, Inc., whose claims are set aside by the United States Bankruptcy Court for the District of New Mexico: Provided further, That general assistance payments made by the Bureau of Indian Affairs after April 29, 1985 shall be made on the basis of Aid to Families with Dependent Children (AFDC) standards of need except where a state ratably reduces AFDC payments in which event the Bureau shall reduce general assistance payments in such state by the same percentage as the state has reduced the AFDC payment

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 199 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for "Land acquisition", $7,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 200 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ADMINISTRATIVE PROVISIONS

To assure that National Forest timber under contract from the Mapleton District of the Siuslaw National Forest prior to enactment of the Federal Timber Contract Payment Modification Act remains available, the Secretary of Agriculture is authorized to resell all timber which is defaulted or which is returned under provisions of the Federal Timber Contract Payment Modification Act and permit roads and other associated developments, notwithstanding any other provision of law, and notwithstanding the injunctions issued in National Wildlife Federation et al. v. United States Forest Service et al., 592 F. Supp. 931 (D. ORE. 1984) and in No. 84–4274 (9th Cir., March 6, 1985). Any such timber shall be available for resale from the date of enactment of this Act until dissolution of the aforesaid injunctions. The Secretary shall determine the potential environmental degradation to streams or other bodies of water of timber sales returned pursuant to the Federal Timber Contract Payment Modification Act and shall characterize each sale's potential environmental impact as minimal, moderate, or serious. The Secretary shall give resale priority to those sales with the least risk of potential environmental degradation.

Sales that are reoffered may be modified, including minor additions. Any decision of the Secretary of Agriculture to resell such timber shall not be subject to judicial review.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 202 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$39,154,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 203 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

(DEFERRAL)

Of the funds available for obligation under this head, $1,600,000 shall not be available for obligation until October 1, 1985.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 204 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

SPR PETROLEUM ACCOUNT

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves $290,070,000 of the proposed deferral D85–42 relating to the Department of Energy, "SPR petroleum account", as set forth in the message of February 6, 1985, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this Act and the amount of the proposed

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deferral disapproved herein shall be made available for obligation.

Notwithstanding any other provision of law, section 160(d)(1) of the Energy Policy and Conservation Act (Public Law 94-163, as amended) is amended by adding a new subsection as follows:

Strike the period at the end of subsection (B) and insert the following: "; or

"(C) the fill rate is sufficient to attain a level of 500,000,000 barrels by the end of the fiscal year during which the fill rate fall below the rate established in (B)."●

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 211 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

GENERAL PROVISIONS

None of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1985 by this or any other Act may be used to implement the proposed jurisdictional interchange program.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 214 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

Section 117 of Public Law 98-151 (97 Stat. 977) is amended as follows:

(1) Delete the date "December 31, 1985" and insert in lieu thereof the following: "until future action by the Congress to the contrary".

(2) After the words, "Orange County" insert the following; ", Rockland County, Ulster County, or Sullivan County.

(3) Delete the words "up to 150 northbound and up to 150 southbound commercial vehicles" and insert in lieu thereof the following: "up to 125 northbound and up to 125 southbound commercial vehicles".

Public Law 98-63 (97 Stat. 329) is amended as follows:

(1) In subsection (2) delete the numeral "10" and insert in lieu thereof: "7".

(2) In subsection (4) delete the word "State's" and insert in lieu thereof: "States'".

(3) In subsection (4) after the words "State of New Jersey" insert "and the State of New York".

(4) In subsection (4) after the words "in New Jersey" insert "and in New York".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 230 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

NATIONAL INSTITUTES OF HEALTH

Of the funds appropriated by Public Law 98-619 for fiscal year 1985 for extramural research grants to be awarded by the National Institutes of Health, and required to be obligated in that fiscal year, not to exceed $20,000,000 shall remain available for obligation until September 30, 1986: Provided, That funds appropriated for fiscal year 1985 shall be used to support no fewer than 6,200 new and competing research projects and 533 research centers.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 234 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

Funds appropriated by Public Law 98-619 for fiscal year 1985 for extramural research grants to be awarded by the Alcohol, Drug Abuse and Mental Health Administration and required to be obligated in that fiscal year shall be used to support no fewer than 550 new and competing research projects.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 235 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

$11,000,000 to remain available until September 30, 1986, of which $6,000,000 shall be for carrying out the Family Violence Prevention and Services Act (title III of Public Law 98-457), and $5,000,000 shall be for carrying out a child abuse prevention Federal challenge grant program under sections 402 through 409 of Public Law 98-473.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 249 to the aforesaid bill, and concur therein with an amendment as follows:

Immediately before the heading ADMINISTRATIVE PROVISIONS in said amendment, insert:

INQUIRIES AND INVESTIGATIONS

For an additional amount for "Inquiries and Investigations", $3,000,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 257 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Operations", $15,000,000, of which $5,000,000 shall be derived by transfer from "Redeemable preference shares", $5,000,000 from "Payments to air carriers", $2,500,000 from "Construction, Metropolitan Washington Airports", and $2,500,000 from "Headquarters administration": Provided, That section 5532(f)(2) of title V, United States Code, is amended by striking "December 31, 1985" and inserting "December 31, 1986" in lieu thereof: Provided further, That section 8344(h) of title V, United States Code, is amended (a) by adding the following phrase at the end of paragraph (1): ": Provided, however, That the amount such an annuitant may receive in pay, excluding premium pay, in any pay period when aggregated with the annuity payable during that same period shall not exceed the rate payable for level V of the Executive Schedule ."; and (b) by striking "August 3, 1981" in paragraph (2) and inserting "April 1, 1985" in lieu thereof: Provided further, That in the event that the Federal Aviation Administrator employs annuitants subject to section 8344(h) of title V, United States Code, not to exceed $10,000,000, to be derived from the unobligated balance of any appropriation available for obligation by the Federal Aviation Administration as of the effective date of this Act, shall be available through December 31, 1986 for the purpose of funding such employment: Provided further, That any such funding shall be reported to the Committee on Appropriations of the Senate and the House of Representatives.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 258 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

For an additional amount, in addition to the other amounts provided under this head, $2,000,000, to remain available until expended, for an expanded air marshall program on international flights of United States air carriers pursuant to sections 315 and 316 of the Federal Aviation Act of 1958 (49 U.S.C. 1356 and 1357).

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 260 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$14,640,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 261 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$9,760,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 272 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *$15,000,000, of which $12,200,000 shall remain available until September 30, 1986.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 289 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

For an additional amount for "Governmental direction and support", $4,553,000: Provided, That $170,000 of this additional amount shall be allocated exclusively to the Commercial Assessment Division of the Department of Finance and Revenue to fund six new commercial assessor positions: Provided further, That of the $100,000 appropriated for fiscal year 1985 for the Statehood Constitutional Convention, $50,000 shall be for the Statehood Commission and $50,000 shall be for the Statehood Compact Commission: Provided further, That the cash and/or budget authority balance available to the Statehood Constitutional Convention on the date of expiration of the terms of its members, as distinguished from that allocated for the Statehood Commission and the Statehood Compact Commission, shall revert to the general fund of the District of Columbia.

ECONOMIC DEVELOPMENT AND REGULATION

For an additional amount for "Economic development and regulation", $9,873,000.

PUBLIC SAFETY AND JUSTICE

(INCLUDING RESCISSION)

For an additional amount for "Public safety and justice", $26,680,000: Provided, That $2,300,000 of this amount shall be allocated to the Metropolitan Police Department for the sole purpose of paying additional wages and fringe benefits of the Fraternal Order of Police arbitration award should that award not be disapproved according to law: Provided further, That if the arbitration award is disapproved, the $2,300,000 shall be used solely for repayment of the general fund deficit: Provided further, That notwithstanding any other provision of law, in the case of each employee who retired from the Fire Department of the District of Columbia before February 15, 1980, and who is receiving on the date of the enactment of this Act an annuity based on service in the Fire Department, the District of Columbia Retirement Board shall cause to be paid not later than September 30, 1985, to each such employee a lump-sum payment equal to three percent of his or her annuity: Provided further, That of available funds under this head for fiscal year 1985, $300,000 are rescinded.

PUBLIC EDUCATION SYSTEM

(Including Rescission)

For an additional amount for "Public education system", $6,835,000, to be allocated as follows: $5,000,000 additional for the public schools of the District of Columbia; $1,324,000 additional for the University of the District of Columbia; $4,000 additional for the Educational Institution Licensure Commission; $356,000 additional for the Public Library; and $151,000 additional for the Commission on the Arts and Humanities: Provided, That of the funds available under this head for fiscal year 1985, $11,794,000 of the amount allocated to the District of Columbia Teachers' Retirement Fund are rescinded.

HUMAN SUPPORT SERVICES

(Including Rescission)

For an additional amount for "Human support services", $9,598,000: Provided, That of the amount available from the revenue sharing trust fund for fiscal year 1985, $698,000 are rescinded.

PUBLIC WORKS

(Rescission)

Of available funds under this head for fiscal year 1985, $875,000 are rescinded.

WASHINGTON CONVENTION CENTER FUND

For an additional amount for "Washington Convention Center Fund", $324,000.

REPAYMENT OF LOANS AND INTEREST

(Rescission)

Of available funds under this head for fiscal year 1985, $1,473,000 are rescinded.

REPAYMENT OF GENERAL FUND DEFICIT

For an additional amount for "Repayment of general fund deficit", $3,500,000.

SHORT-TERM BORROWINGS

(Rescission)

Of available funds under this head for fiscal year 1985, $1,250,000 are rescinded.

CAPITAL OUTLAY

For an additional amount for "Capital outlay", $23,400,000.

WATER AND SEWER ENTERPRISE FUND

For an additional amount for "Water and sewer enterprise fund", $10,801,000.

GENERAL PROVISIONS

SEC. 134. The Public Service Commission is hereby authorized to order and to approve the deregualtion of streetlighting service to the District of Columbia as provided in its opinion and order in Formal Case No. 813, dated July 12, 1984 (Order No. 8056), notwithstanding the provisions of section 493(a) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 811; Public Law 93-198; D.C. Code, sec. 43-402), section 8, paragraph 2 of An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and fourteen, and for other purposes, approved March 4, 1913 (37 Stat. 977; Public Law 67-435; D.C. Code, sec. 43-501), and section 1 of An Act Making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred, and for other purposes, approved March 3, 1899 (30 Stat. 1053; D.C. Code, sec. 43-1207): Provided, That the provisions of this opinion and order regarding deregulation of streetlighting service are hereby ratified and declared to be in effect as of July 12, 1984, and shall continue to be in effect until revoked or rescinded.

Resolved, that the House recede from its disagreement to the amendment of the Senate numbered 299 to the aforesaid bill, and concur therein with an amendement as follows:

In lieu of the matter inserted by said amendment, insert: *$4,860,000, of which $2,783,000 shall*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 307 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$36,454,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 330 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: *: Provided, That expenses of transportation audit contracts and contract administration shall be in addition to this amount and shall be financed from over-charges collected from carriers on transportation bills paid by the government and other similar type refunds at not to exceed $5,200,000 annually. This proviso will be effective from date of enactment of this Act through September 30, 1989*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 340 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

TITLE IV—AUTHORIZATION OF ECONOMIC SUPPORT FUND ASSISTANCE FOR JORDAN

SHORT TITLE

SEC. 401. This title may be cited as the "Jordan Supplemental Economic Assistance Authorization Act of 1985".

ECONOMIC SUPPORT FUND

SEC. 402. (a)(1) In addition to funds otherwise available for such purposes for such fiscal year, there are authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $250,000,000 for the fiscal year 1985, which amount shall be available only for Jordan.

(2) Of the funds authorized to be appropriated by paragraph (1)—

(A) for the fiscal year 1985, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance;

(B) for fiscal year 1986, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance; and

(C) for the fiscal year 1987, $60,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance.

(b) Amounts appropriated to carry out this section are authorized to remain available until September 30, 1987.

POLICY

SEC. 403. (a) SENSE OF CONGRESS.—It is the sense of Congress that no foreign military sales financing authorized by this Act may be used to finance the procurement by Jordan of United States advanced aircraft, new air defense weapons systems, or other new advanced military weapons systems, and no notification may be made pursuant to section 36(b) of the Arms Export Control Act with respect to a proposal sale to Jordan of United States advanced aircraft, new air defense systems, or other new advanced military weapons systems, unless Jordan is publicly committed to the recognition of Israel and to negotiate promptly and directly with Israel under the basic tenets of United Nations Security Council Resolutions 242 and 338.

(b) CERTIFICATION.—Any notification made pursuant to section 36(b) of the Arms Export Control Act with respect to a proposed sale to Jordan of United States advanced aircraft, new air defense systems or other new advanced military weapons, must be accompanied by a Presidential certification of Jordan's public commitment to the recognition of Israel and to negotiate promptly and directly with Israel under the basic tenets of United Nations Security Council Resolutions 242 and 338.

EXCEPTED AMENDMENT NO. 112

The text of excepted amendment No. 112 is as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered one hundred twelve to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount for the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by State, local governments, or private groups) authorized or made available for selection by law (but such studies shall not constitute a commitment of the Government to construction), to remain available until expended, $48,000,000 for "Construction, general" and $800,000 for "Flood control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee"; of which $7,800,000 shall be derived from the Inland Waterways Trust Fund; except that the Secretary of the Army acting through the Chief of Engineers is authorized and directed to proceed with planning, design, engineering, and construction of the following projects substantially in accordance with the individual report describing such project as reflected in the Joint Explanatory Statement of the Committee of Conference accompanying the Conference Report for H.R. 2577: Ardsley, New York; Atchafalaya Basin Floodway System, Louisiana; Baltimore Harbor and Channels, Maryland and Virginia; Barnegat Inlet, New Jersey; Bassett Creek, Minnesota; Bonneville Navigation Lock, Oregon and Washington; Clear Creek, Texas; Cleveland Harbor, Ohio; Colorado River and tributaries, Boggy Creek at Austin, Texas; Cowanesque Lake, Pennsylvania; Dade County, Florida (north of Haulover Beach Park); Des

Moines Recreational River and Greenbelt, Iowa; Eight Mile Creek, Arkansas; Ellicott Creek, New York; Fairfield Vicinity Streams, California; Freeport Harbor, including relocation of North Jetty, Texas; Gallipolis Locks and Dams, Ohio and West Virginia; Geneva-on-the-Lake, Ohio; Gulfport Harbor, Mississippi; Jonesport Harbor, Maine; Kahoma Stream, Hawaii; Kill Van Kull Channel, Newark Bay Channel, New York and New Jersey; Liberty State Park Levee and Seawall, New Jersey; Little Dell Lake, Utah; Locks and Dam 26, Illinois and Missouri (Second Lock), including environmental management along the Upper Mississippi River Basin; Merced County Streams, California; Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana; Missouri National Recreational River, Nebraska and South Dakota; Mobile Harbor, Alabama; Moriches Inlet, New York; Norfolk Harbor, Virginia; Parker Lake, Oklahoma; Pearl River, Slidell, St. Tammany Parish, Louisiana; Port Ontario Harbor, New York; Richmond Harbor, California; Richmond local protection project, Virginia; Sacramento River Deep Water Ship Channel, California; Savannah Harbor Widening, Georgia; Tampa Harbor Branch Channels, including East Bay Channel maintenance, Florida; Virginia Beach Streams, Canal No. 2, Virginia; William Bacon Oliver Lock and Dam, Alabama: *Provided*, That none of the funds herein appropriated may be expended to undertake such projects except under terms and conditions acceptable to the Secretary of the Army (or under terms and conditions provided for in subsequent legislation when enacted into law) as shall be set forth in binding agreements with non-Federal entities desiring to participate in project construction. Each such agreement shall include a statement that the non-Federal entities are capable of and willing to participate in project cost-sharing and financing in accordance with terms of the agreement. At such time as the Secretary has executed a formal binding agreement and has determined that the non-Federal entities' financing plan demonstrates a reasonable likelihood of the non-Federal entities' ability to satisfy the terms and conditions of the agreement, the Secretary shall initiate construction at a project in accordance with such agreement: *Provided further*, That the funds appropriated herein shall lapse on June 30, 1986, if the agreement required herein for that project has not been executed: *Provided further*, That where construction of a comprehensive project for flood control and improvement of a multi-State region described in this paragraph has commenced prior to the date of enactment of this Act, new or additional non-Federal cost-sharing shall not be required for any part of such comprehensive project, and where construction of such a project has begun prior to the date of enactment of this Act, all elements or features of the comprehensive project shall be considered to be part of that project: *Provided further*, That the initiation of inland waterways projects identified for planning, design, engineering, and construction in this Act may be funded from sums available in the Inland Waterways Trust Fund, established by the Inland Waterways Revenue Act of 1978 (title II of Public Law 95-502) notwithstanding the second sentence of section 204 of such Act. Notwithstanding any other provision of law (including any other provision of this Act), initiation of construction with respect to any project referred to in this paragraph shall be subject to subsequent enactment of legislation specifying the requirements of local cooperation for water resources development projects under the jurisdiction of the Department of the Army and where appropriate, to enactment of needed authorizing legislation.

AMENDMENT NO. 574

(Purpose: To further amend Amendment No. 112)

Mr. HATFIELD. Mr. President, I call up that amendment and ask No. 112 be reported with a further amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 574 to amendment in disagreement 112.

After the word "legislation" at the end of the last sentence, add the following: "; except that this sentence shall not apply after May 15, 1986."

Mr. HATFIELD. Mr. President, I move to concur in amendment No. 112 with the further amendment that has just been read and I have explained exactly what the amendment does. It provides a reasonable period of time for the authorizing committees to come forth to resolve the question of the unauthorized projects, but if they fail to do that by May 15, then the provisions of the original conference report would take effect.

Mr. PROXMIRE. Mr. President, my understanding is it has been cleared with the leadership on the minority side, and there is no objection.

Mr. MATHIAS. Mr. President, will the Senator yield for a question?

Mr. HATFIELD. I yield.

Mr. MATHIAS. Will the manager of the bill tell us what is the impact on the projects that are already authorized?

Mr. HATFIELD. I was saying a little bit earlier to the Senator from Maryland that is somewhat debatable. What the intent of the House was as a verbally presented amendment in the session of the House yesterday was to provide an amendment that would separate out the unauthorized from the authorized projects and provide only for the authority to move ahead with the authorized projects but to lock out any opportunity to proceed with the unauthorized projects with or without cost sharing.

As we now reread that amendment in written, printed form, there is some question as to whether or not that amendment did precisely what it was intended to or whether now it can be interpreted to incorporate all projects in the supplemental, both authorized and unauthorized projects.

I would give to the Senator the wording of that amendment to illustrate my point.

It is the top section.

To be more specific, if I could, the Maryland projects are authorized but we are now looking at this language that would prohibit the Maryland projects from moving ahead even though they are authorized.

Mr. MATHIAS. Because the key words that the Senator is looking at are, "initiation of construction."

Mr. PROXMIRE. That is right.

Mr. HATFIELD. Yes, that is right on any projects.

Mr. MATHIAS. Except that this shall not apply after April 15.

Mr. HATFIELD. This has been changed to May 15.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

Mr. BYRD. Mr. President, reserving the right to object, and I will not object, I support the amendment that has been written by Mr. HATFIELD. I ask unanimous consent that my name may be added as a cosponsor of that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the Senate version of this supplemental appropriations bill, H.R. 2577, contained authorization for 25 new water projects, including the Gallipolis locks and dam on the Ohio River. These same projects were previously included in the Senate-passed version of the fiscal year 1985 continuing resolution, House Joint Resolution 648. Unfortunately, the authorization for these projects was dropped in conference with the House last fall; and, again yesterday, the House voted to withhold construction of Gallipolis and some 40 other new projects approved by the conference on H.R. 2577, pending congressional passage of an omnibus water projects authorization bill.

Mr. President, there continues to be a pressing need for the reconstruction of the Gallipolis locks and dam. This is not a project with marginal benefits. The U.S. Army Corps of Engineers has determined that the replacement project has an 11.3 to 1 benefit-to-cost ratio. Furthermore, the corps indicated to me during appropriations hearings on February 20, 1985, that the new locks would produce an average of $173 million in benefits every year. These annual benefits greatly outweigh the one-time estimated project cost of $370 million. The Gallipolis project is presently the only facility on a 900-mile stretch of the Ohio River that does not have a main lock chamber measuring at least 1,200 feet in length. The existing lock chambers at Gallipolis are only one-half the size of the modern locks on the river. Consequently, barge operators must disassemble their larger tows and push smaller segments through these inefficient locks. Gallipolis continues to be a bottleneck which wastes time and money for Ohio River commerce.

Gallipolis locks, while inefficient, are exceptionally busy with 4,042 commercial trips carrying 37 million tons

of products through the facility last year alone. The Corps of Engineers predicts that, by 1990, 64.5 million tons of commerce will be transported through the existing locks with an average delay of approximately 30 hours per tow. So, Mr. President, the existing locks are becoming an intolerable impediment for waterborne commerce on the entire Ohio River navigation system.

The existing locks are not only inefficient; they are also extremely dangerous. Their location on a bend in the river, where strong currents exist, makes a tow operator's job extremely difficult and hazardous. The Gallipolis reconstruction project, consisting of two new locks, one 1,200 feet by 110 feet, and one 600 feet by 110, would be located in a channel on the West Virginia side of the Ohio River, bypassing the existing lock chambers. In addition to the inherent efficiency of these larger locks, the new design would slice off a portion of the bend in the river, thereby straightening out the approach taken by river tow operators. This is an important safety feature of the new facility.

Mr. President, there is some consolation that the conference agreement on this supplemental appropriations bill contains a limited authorization, as well as $4.5 million for land acquisition and continued planning and design of the Gallipolis project so that some progress can be made at Gallipolis. I am hopeful, however, that Senator HATFIELD's amendment, which I cosponsored, will be accepted when the Senate returns this conference report to the House for further action. Our amendment would effectively authorize Gallipolis, and 20 other projects, on May 15, 1986, if no omnibus water projects authorization bill has been signed into law prior to that time. Mr. President, recognizing the urgent saftey and financial considerations calling for the replacement of the Gallipolis locks, I hope that the House will accept this latest compromise offering by the Senate this afternoon. If the House does not, the people of West Virginia can be assured that I will do all I can to see that the Gallipolis locks and dam are authorized on the next appropriate legislative vehicle.

Mr. HATFIELD. I thank the Democratic leader. He has certainly been a stalwart leader on this.

I believe I have a motion pending.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon [Mr. HATFIELD].

The motion was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXCEPTED AMENDMENT NO. 262

Mr. HATFIELD. Mr. President, I move that the Senate recede on amendment No. 262, which is the seat belt amendment. Let me explain that a little bit. We want to go back to the basic agreement on the committee, so we would recede to the House language.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon [Mr. HATFIELD].

The motion was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. I thank the Chair.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. HUMPHREY). The Chair, on behalf of the Vice President, pursuant to section 276 of title 22, United States Code, as amended, appoints the Senator from Wyoming [Mr. SIMPSON] and the Senator from Nebraska [Mr. ZORINSKY] as members of the Senate delegation to the Interparliamentary Union Conference to be held in Ottawa, Canada, on September 2-7, 1985.

DAVID STOCKMAN

Mr. SIMPSON. Mr. President, I would comment briefly to note the resignation of David Stockman, as Director of the Office of Management and Budget, becomes effective today. There is a reception for Mr. Stockman in the majority leader's office. I urge our colleagues to drop by and pay their regards to Mr. Stockman, or pay anything they wish in tribute to him or express at least their feelings. He is a very interesting man. I have come to know him. I have worked with him. He is an extraordinary person. I have never in my public life as a legislator met anyone who knew "the numbers" any better than David Stockman. He is truly a remarkable man.

The resignation of David Stockman as Director of the Office of Management and Budget will become effective today. In 4½ years in this most difficult and demanding position, David Stockman has displayed an absolute mastery of the Federal budget process second to none. Along with our fine President, he has changed the face of the Office of Management and Budget from a rather obscure entity into a very real force to be reckoned with in every area of Federal policy. He has grappled with the multitude of "the numbers" in the most professional and forthright manner possible—and by friend or foe, he is respected for that.

He is a dazzlingly bright fellow—and he will continue to dazzle and impress wherever he goes. He is a first-class act in any entourage. Dave will do well. He will even make a bit more out in public life than he could by further serving his Government. In fact, he may even make as much as most third basemen on many major league ball clubs! And why not? For he can handle the "hot corner" better than any man I have ever seen.

I want to wish David Stockman the very best in all his future endeavors. He and his lovely wife, Jennifer, deserve a time of respite and release from the hectic Washington scene. They can now, with their delightful daughter, Rachel, turn their attention toward what can only promise to be a most rewarding future—individually and as a family.

Dave leaves this arena a much better place for his having been here. I want to acknowledge and thank him for the great patience and consummate skill that he has displayed with me personally and with many of my colleagues as we have discussed, debated, cussed, and negotiated over these past years. I shall miss him greatly.

ORDER OF PROCEDURE

The PRESIDING OFFICER (Mr. HUMPHREY). Under the previous order, the hours between 1 and 3 o'clock are set aside for discussing of the pending options before the Agriculture Committee.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, it is my understanding we will start the discussion of a number of farm options here in just a few moments. I wish to thank the distinguished chairman of the Appropriations Committee, Senator HATFIELD, and the distinguished ranking member, Senator PROXMIRE, for their expeditious handling of the supplemental appropriations conference report. Thank you very much. We appreciate it.

After discussion of the different farm programs, it would be my hope that we might be in a position to take up the budget resolution. I have not conferred with the chairman of the Budget Committee. I know they are in conference now. It is my hope the Senate will act first on the budget resolution. We will have more to say on that later.

Then, it is my understanding that the distinguished Senator from Oregon would still like to take up the energy and water appropriations bill today. If we can either have a time agreement or some indication that would not take a great deal of time, we could dispose of that early, by 6 or 7 o'clock. That would leave only a couple of items. I understand we will not be able to complete either the South Africa conference report this week or the farm bill or the Genocide Treaty. I hope that, if that is a fact, as I understand it probably is, then we would call up the South Africa conference report, file cloture, and have a vote occur when we return from the August recess.

It is still my hope that we might complete action on all matters today. We have done rather well, I believe, in cleaning up the calendar and passing a number of legislative proposals. I urge my colleagues who are concerned about agriculture that there is an opportunity now that we can devote a couple of hours to discussing the cost of the program. One area that will be of interest is the final number that the Budget Committees agree on in their conference. That will be discussed as soon as that information is available.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM PROGRAMS

Mr. MELCHER. Mr. President, the situation on the farm bill in the Agriculture Committee is this:

Work on almost all the commodity title of the bill has been completed. When we last met yesterday morning, the pending motion was one that I made to have all of the coming 4 years or whatever the life of the bill is, to protect the current target prices where they are now. I am not asking that they be increased, but that they be held at the present level.

The committee had adopted previously a two-tiered system on target prices for wheat. By that, I mean the first 20,000 bushels of wheat produced by a farmer would receive a higher target price, $4.55 per bushel, and a lower target price of $4 per bushel for the next 40,000 bushels of wheat.

At that two-tier level, it comes out to about the same amount of dollars and deficiency payments as if we held it with no tier at $4.38 per bushel, which is the current target price.

If the committee does meet again—I believe we are scheduled to meet at 3 o'clock this afternoon—we will then proceed, I believe, to vote on the pending motion. That motion would leave the target prices at the same level, but would authorize discretion for the Secretary of Agriculture if he wanted to pay, in the 2 last years, 5 percent of the deficiency payment in commodities. The reason for that, Mr. President, is simply to avoid some of the budget impact connected with target prices and deficiency payments that are derived from those target prices.

The farmers and ranchers of this country want to know three key parts of this proposed new farm bill. First, they want to know about prices. They want to know what the prices of commodities are likely to be during the coming years. On most commodities, agricultural producers are suffering from very low prices, whether it is grain or soybeans or cotton or rice or cattle or hogs.

The prices are low and farmers and ranchers are in desperate straits in many instances because they have been selling their production for several years in a row at a loss. This eventually gets to your bank account. It gets to you on how much money you have borrowed to stay in operation during losing years.

There is another factor involved also. Land values in most agricultural States have dropped rather drastically. I really do not know of any agricultural State where land values have not dropped. The Department of Agriculture publishes every year a report on the current situation regarding land values. In the report in April of this year, which covered the previous 12 months—that is, the period between April 1984 and April 1985—their statistics showed the average drop in land owned by farmers and ranchers to be 12 percent during that 12-month period—a 12-percent drop nationwide average. If you look at my own State, Montana, it dropped a few percentage points more than that in that period of time.

Even more alarming was that six States in the Farm Belt—the two Dakotas, Iowa, Minnesota, Illinois, and Nebraska—had dropped an average, during that 12-month period, of 25 percent in land value.

Let me tell you this, Mr. President: That land value dropping that drastically in that year—that 12-month period—which, of course, followed drops in the preceding 12-month period and the 12-month period before that—that sort of decrease in land values is extremely catching; it is contagious. Even though Montana did not drop that much, do not think for a minute that I am not really scared for Montana, because it is all relative. We will see our land values sag further.

We are not in great shape in land values in Montana, but we have not had as drastic a drop over the last several years as many other States, particularly in the Corn Belt, have experienced.

What does all that mean to farmers and ranchers? It means a whole lot because more than half of agricultural land has a debt on it. As those values decline, the people holding the paper, the mortgages, get more itchy. And there is less collateral for those operators to show to their lending agencies, whether those agencies be commercial banks or the PCA's in farm credit system or the Farmers Home Administration of the Department of Agriculture. When farmers show their balance sheet, it gets worse and worse.

That certainly answers anybody who is wondering what is the major concern of farmers and ranchers about the situation and about the farm bill and about the economy of the United States: What is the price they are going to receive for their commodity? That is the No. 1 concern.

A farm bill is not meant to set everybody's prices. What we have had in the past in farm programs has not always been successful. Many people say, "Well, quit tinkering with it. Why should Congress be involved in it as much as they are? Obviously, it is a failure; why don't you get out of it? That, Mr. President, is an extremely fair and good question.

The answer is simply this: At this stage, with these commodity prices at the level they are, we could not conceivably think of getting out of it. There has to be a new farm bill and it has to protect the safety net features in the farm bill for the various commodities which are depending upon it. These are the grains, whether it is wheat or feed grains, cotton, rice, and soybeans. Those are the principal crops in the commodity program.

I could mention others: the sugar program, the wool program, the dairy program. In all instances, what we strive for and hope to succeed in our final efforts is that the farm bill will not remove the safety net, will not alter those safety features that are built into the underpinning of the agricultural commodities for the next 4 years or whatever the life of the bill will be.

With regard to what the prices are going to be, they are not going to be improving very much. We hope to hold the safety net there so that we can keep as many of these operators in business as possible for a brighter day. We do not want to lose them.

So we come to a point where people say, well, what does the bill do on moving more of the commodities abroad? This is the so-called market-oriented policy. The market-oriented policy, if my colleagues can follow me for a moment or two, is the theory that if the price can be allowed to float on the open market, perhaps we will sell more of our commodities abroad and, by selling more of our commodities abroad, eventually the prices will stabilize and, we hope, will start to come up.

The Department of Agriculture advocates this type of approach in this farm bill. A big majority of the committee is supporting that. There will be questions of course on how you "rig" this. I do not think I am misusing the term when I say "rig" because you actually set the market clearance price at where we believe we will export so many billion bushels of wheat or so many million bushels of soybeans, corn, and sorghum or get rid of so many bales of cotton or so many hundredweights of rice. Frankly, it is conjecture on the part of the Department of Agriculture economists in trying to arrive at that clearance price. I do not want to be too harsh on those economists in the Department of Agriculture because, as a matter of fact, what they are being asked to do is to give us their best judgment. Their best judgment in some instances is right. I wish it were right more often than it is wrong, but to be honest about it they are more often wrong than they are right.

Harry Truman, once said, that what he really needed was a one-armed economist because every economist he dealt with said, "On the one hand, it is this way and, on the other hand, it is that way," and he wanted a one-armed man so, whatever it was, it would be this way; there would not be two different choices.

Economics is not a science where you can just say X plus Y equals something. Economics looks at different sets of factors and tries to evaluate what could conceivably happen. But they are giving us their best judgment. They are saying that these market clearance prices are going to be very low for the 1986 crop, they will even get a little bit lower in the 1987 crop and perhaps start to stabilize in the 1988 crops or the 1989 crops and maybe even show a little improvement.

While I believe we have to concede that some type of market-oriented policy is absolutely necessary now, I do not believe we want to see that price drop down to zero.

There is a second key factor about which the farmers and ranchers need to know. When I say that, I mean all of the rural communities, I mean all of rural America, whether it is our lenders or bankers or PCA's or the John Deere dealers or other implement companies, or whether it is the doctors and the dentists and the beauty shops and the bakers, or whatever, in these small communities, or whether it is the school boards, the churches, or retired people living in these towns. They need to know what is going to keep rural America alive. We have to speak to them about exports.

Mr. ANDREWS. Mr. President, will my colleague yield?

Mr. MELCHER. Yes; I will be delighted to yield to my colleague from North Dakota.

Mr. ANDREWS. Mr. President, I appreciate the senior Senator from Montana yielding. What he is saying is precisely correct. Face it, Mr. President, none of us in this Chamber, none of the best economists in this country know from our crystal balls what the next year holds. But we do know what the situation is today. We need a new concept, a farm bill that is market oriented. My colleague, the senior Senator from Montana, has pointed out how we intend to write such a bill but, at the same time, Mr. President, we need a safety net for farmers, and a safety net which is a freeze is not asking too much.

Today's major credit crisis in agriculture is in long-term loans. Federal Land Banks all over this country are in a tough way. The long-term lenders, banks and insurance companies alike are wondering about the value of these loans. We have spent many hours, Mr. President, as the Senator from Montana knows so well because he has been in those meetings, trying to work out ways to make individual farm operations cash flow. You have difficulty making them cash flow on a level playing field, Mr. President, you cannot make them cash flow if income is decreasing 5 percent in each one of those out years. It is important to note also that a 5-percent cut in gross represents about a 25-percent cut in net, and that is tragic.

It is tragic for the family farmer, for the Nation's consumers, for the American economy and for our trade deficit.

It is an unconscionable and unthinkable situation

Many of us in this Chamber on both sides of the aisle feel that the way to get our runaway deficits under control is to write a budget act that would freeze spending across the board, and that, Mr. President, incidentally, could well be the best farm bill we could write because those deficits are killing us with high interest rates. The agriculture sector feels the impact of high interest rates probably more than any other sector. The increased value of the dollar necessary to bring in overseas investments to cover our own deficit, which we are not willing to finance ourselves, means that we had to attract $83 billion in foreign investments that has cost us dearly in agricultural exports. But when we were talking about how to deal with the deficit, so important to agriculture, we were saying the fairest way would be an across-the-board freeze, a freeze, Mr. President, and a freeze was thought to be fair and is fair.

Some of us were willing to vote a freeze on the Defense Department, a freeze on COLA's—it took a little courage to do that—a freeze in agriculture, yes, a freeze in transportation. That is the way, Mr. President, we felt we could get the deficits under control. Some of us were even willing to vote for revenue enhancement, our political word for taxes, because we felt it was important to get the deficit down. But, Mr. President, let me say the freeze has not worked in the case of COLA's. It was not acceptable. The freeze has not worked in the case of defense. The bloated defense contractors have continued to up their take. And now we cannot even maintain a freeze in agriculture. They are telling us we have to decrease that segment, the very segment of our economy that is in the most trouble today.

Mr. President, it simply does not make sense. We need a level playing field for our farm families. We need to have a system of support that allows them to have that safety net while we move toward a new era in farm programs that will be market oriented, that will be competitive, that will take away the protective umbrella from the Canadians and the Argentines and the Australians who have been benefiting from our irrational farm policies of the past.

I salute my colleague and good friend for the very significant effort he is making toward that end. I will continue to support him in what he is trying to do because I think it is right not just for farmers in this country but for the entire economy of our country.

In fact, Mr. President, let me conclude by saying we ought to quit talking about the farm problem and start talking about the agricultural opportunity. We ought to begin to realize in our own country that the Soviets can blow this world up 10 times over and so can we. They can put a man in space and so can we. But they cannot feed their own people, much less troubled people in the other parts of this world. We can.

That is the true strength of our country. We ought to be saying we are proud of it and we are going to use it to show the way and share our bounty with other less fortunate members of the world community of nations. This is the American system at its best, at producing, at marketing, at benefiting mankind. So we should stop talking about the farm problem and begin looking at the agricultural opportunity and move ahead.

I salute my colleague from Montana for the great work he is doing in this cause and thank him for yielding.

Mr. MELCHER. I thank my friend from North Dakota. One thing about North Dakota, they always send people to the Senate that know agriculture, and that is a tribute to the people of North Dakota.

I commend my long-time friend. He has been in Congress much longer than I, and I commend him for his leadership at all times, both in the House and in the Senate, in making certain that we have some recognition and some understanding of the agricultural problems and agricultural matters in Congress.

When we talk about what this country is about in producing all this food, it is obvious that we have to export a lot of it. But that is nothing new.

When the country started out long ago, Thomas Jefferson conceived the idea that the greatest asset for the United States was its great agricultural capability and its ability to outproduce other areas and to provide various parts of the world with needed commodities. He was absolutely right. Things have not changed.

Farmers have become very good in producing; ranchers have become very good in their endeavors in livestock. We find that we consistently and continuously outproduce our own needs. That is not a mistake or some sort of fault or some sort of failure. That is huge success. That is what this country is about.

We are a country that exports agricultural commodities; and when we fail to take advantage of the great abundance of agricultural commodities that we have available over our own needs and make sure that they can be utilized throughout the world, we are failing in the most significant peacetime policy this country could have.

I believe it is far better to use the abundance of food we have to increase our influence around the world in peaceful ways. That is for better than concocting these wild schemes we always seem to be having on how more armaments can be sold by the United States or can be given away by the United States. Assuredly, we do it for our allies. Do not get me wrong. We are not trying to give or sell arms to people who are not our friends. We do it as a national defense goal.

I point out that a continuing problem is still hunger and malnutrition throughout the world. For those countries with which we have friendly dealings, we should make sure that, through our export mechanisms, we are there with the commodities they need in order to satisfy that hunger and that malnourishment.

There are three types of main exports, in my judgment.

One is regular sales for cash—to Russia, to Taiwan, to Japan, and to other countries. Cash on the barrelhead is one type.

Then there are concessionary sales, when we give terms and conditions. They need some interest; they need a longer period of time to pay, and we sell it on concessionary sales.

Also, there are donations of food.

These three categories have been down for the last several years, and that is one of the reasons why we are having desperate times with prices. All three categories should be improved, whether it is cash sales, meeting the competition, and whatever we have to do to get the cash sales; whether we have to go the extra mile in concessionary sales to countries such as Mexico and the Philippines or other developing countries; or whether we are meeting all the opportunties for donations where it is logical, reasonable, and mutually beneficial for the other countries and ourselves to do so. We are not meeting those needs, and that is why the agricultural imports of this country have been declining during the last 2 or 3 years. We should correct that, and it is our hope that in the export title of this bill we will do so.

As a third concern, the farmers and ranchers need to know about the credit situation and whether the bill will provide some restructuring of those loans. By restructuring I mean longer terms, lower interest rates, a chance to recover. We have not come to that particular title in the bill, but when we do get to it, I think we will find that our committee and Congress want to provide the type of financing that will work and save as many ranchers and farmers as possible who are in distress at this time.

Another part of the bill deals with conservation, which is by far the best conservation section in any farm bill in history.

Another part is the food stamp title, which has to be reauthorized again.

Then there is a title on agricultural research.

I believe that on these parts of the bill, we are going to do credit to the Senate and to the country by presenting good titles. I hope we will have a very good, strong, far-reaching bill reported, and passed by the Senate, passed by the House, and signed by the President this coming September. Since this is August 1, that is next month. It would have been wiser to have it out earlier, but the situation was such that we could not, and we find that the House is in the same situation.

To be included in the farm bill, so far as I am concerned, are amendments I will offer dealing specifically with some unattended business. First, I believe that we cannot ignore the plight of the livestock producers of this country. Hogs and cattle are selling at miserable prices. It is a total disaster. Cattle prices are lower now than at any time I can recall since the early 1960's. These people have to have some kind of protection.

I believe we should have some restraints for a time on the amount of meat we are importing, whether live or fresh frozen or chilled or canned. I do not care how it comes into this country. I think we will have to have some restraint for a time in order to allow the markets in the United States to stabilize before the situation goes into utter disaster.

It is ironic that one of the reasons why we are having pressure on the cattle market and the hog market in the United States is the difference in the value of the Canadian dollar as compared to the American dollar. Their hogs and cattle have been pouring over the border into the United States because the Canadian dollar is worth about 32 cents more. That is the approximate difference between the Canadian and the U.S. dollar.

So their hogs and cattle have been pouring into this country while our market is clear down, and their market will fall clear down, too. Our two markets are tied together. There has to be some restraint at this time in order to allow the U.S. market, the much larger market, to stabilize and come back. I do not think we can act on that too soon. The farm bill seems to be the quickest way of addressing the problem.

I hope we can discuss this during August with our Canadian friends and see what we can work out between them and us so that we can stabilize this livestock market and allow it to recover.

Mr. President, people are going to say, "What about the budget I guess it depends upon whose computer you are looking at or how you put in the figures.

The House committee has a package very similar to what we are hammering out in the Senate committee, and they find that they are within the budget. I am not going to say that the Department of Agriculture computer is wiser than the Congressional Budget Office computer. I do not think either computer makes a difference. I think they are equally wise. But it depends on who puts in the figures. The Department of Agriculture, on their assumptions, comes back with a larger cost than the Congressional Budget Office. That can be hammered out, and we can arrange to make sure that the budget that is allowed for agriculture is sufficient to preserve the agricultural economy and preserve these operators on their farms and ranches without them going broke.

It is absolutely essential that that happen because this agricultural economy is the whole underpinning of the country.

While it looks like we are going into an agricultural depression, we want to

turn that around quickly enough so these farmers and ranchers can survive and that we can save the whole U.S. economy from going into a very deep recession. It is that critical.

So on the budget we will do what we have to do to meet whatever it is set at. It has not been finalized yet. Whenever it is, we will try to live with it or get some emergency measures with which we can put up for a while but hold back enough so the cost is not overrunning us in the final analysis.

Mr. President, I yield the floor.

Mr. HART. Mr. President, I compliment the Senator from Montana on his statement and leadership on the agricultural crisis which faces the country. He and the Senator from Illinois [Mr. DIXON], the Senator from Iowa [Mr. HARKIN], and others, have been on the forefront speaking not just for political party but for an entire industry and this Nation. I want to identify very strongly with the remarks of the distinguished Senator from Montana [Mr. MELCHER].

There is something remarkable and something remarkably wrong in the United States of America in the 1980's, when we can be one of the two host nations for one of the greatest fundraising efforts in the history of the world to alleviate hunger in Africa at a time when American producers are losing their land and ability to produce the very grain and agricultural products necessary to meet that disaster.

The efforts made by the Senator from Montana and our colleagues who are concerned on the broad base of agricultural production in this country will not go unnoticed by the people of this Nation or the people of the world. I think as long as we continue to speak out for what is fair and just, not just for the producers of this Nation but the needs of hungry people around the world, there will be those who will hear that message and respond to it.

A LITTLE BIT OF THE TOTAL RAISED FOR THE FARMER AND FOOD ASSISTANCE

At no time in recent history has world opinion closed ranks on a question of basic importance as it has in recent days. Just weeks ago the world conscience was stirred by the Aid for Africa concerts. Performers supporting Aid for Africa donated their services and within hours of the event raised upward of $70 million for a program of food procurement and transportation for innocent victims of the forces of nature.

The drought in Africa may continue, Mr. President, but with a welling of public opinion a drought of the spirit has ended.

Bob Dylan began his performance with a plea for realization that food is vital to all life. He reminded the audience as well, of the plight of America's farmers, going broke in record numbers. "A Little Bit of the Total Raised," he said, "Should go to the family farmer."

In the budget climate we are operating in right now, Mr. President, I want to echo that sentiment. While we are attempting to forge a 1985 farm bill I hope we will remember "A Little Bit of the Total" should go to the family farmer.

After perpetrating the most expensive farm program in the history of American agriculture, the Reagan administration has kept the Senate Agriculture Committee tied in knots in an attempt to apply so-called free-market principles to American farm programs. They seek to reduce target prices and loan rates. They want to depress the market price of grains. By reducing farm income over the next 4 years they seek to drive massive numbers of farmers over the brink of financial disaster. At the same time this administration has rejected all compromises attempted to date on the budget. Compromises which could foster an atmosphere conducive to reducing interest rates. Interest rates which are driving farmers from the land.

I contrast, many members of the Senate Agriculture Committee seek to enact a system of tiered price supports which I have long advocated and which met a warm welcome in family farm States. The committee, on some very close votes, has attempted to maintain farm income while targeting the benefits to struggling small and medium sized family farms. I will continue to support them in those efforts in the Senate.

The committee has favored a 4-year bill which would freeze target prices and allow the administration some leeway on adjusting loan rates. They have been hamstrung by unceasing efforts to cut those supports in the later years covered by the bill. Those efforts emanate from the White House and the Office of Management and Budget. Those efforts will continue when a bill is finally brought to this body for consideration. We have a lot to do to make sure this farm bill will provide direct assistance to the family farmer.

The farm bill must be a vehicle to help farmers through these tough financial times. It must be a vehicle to bring food to the hungry of this Nation and other nations of the world. It should not be a vehicle to provide uncontrolled price support payments to large corporate superfarms as occurred under the Reagan administration's budget-busting PIK Program.

It must contain reasonable set asides for major commodities which we already possess in surplus. It must provide an incentive for farmers to participate and it must be stable and long term, so America's farmers know what to expect. I prefer a 4-year program. I do not think we should throw renewal of this program, so vital to farmer's interests, into the heat of the political arena 2 years hence. It might serve some politician's interests, but it will not serve the Nation. Farmers need the long-term stability of a 4-year program and they need it now.

Farmers can be guaranteed availability of credit by this legislation. Right now that is an unsure proposition for many of them. We will be addressing additional assistance in the near future for the farm credit system.

We can guarantee that farmers receive if not a fair price, which they so desparately need, at least a stable price so they can plan the future of their operations.

In the name of budget fairness, we can guarantee that the large amounts of money we spend out of necessity on farm programs are not skimmed off by the superfarms. I welcome those who believe with me that cash payments must be targeted to the small and medium sized farms. We can tier cash payments to the first 20,000 and 40,000 bushels on a range of commodities. That will target help to those who need it most. At the same time we must provide an equitable cap on the amount of payments that can be received by an individual producer and we must bring all aspects of the farm program under that ceiling.

I hope too that this Senate will renew a dairy program which has already saved taxpayer's money over previous years and has encouraged a drop in overproduction. The paid diversion program has saved well over a billion dollars in the last year and has provided stability for our dairy farmers. At the same time it encourages reduced production farmers themselves to finance the program. Crafted by the Senator from Iowa, Senator HARKIN, when he chaired the Dairy, Poultry, and Livestock Subcommittee in the House, it has been reaffirmed by the House committee this year. I hope we will join in that effort for the sake of consumers and dairy farmers.

This farm bill must provide equity for America's farmers. I will oppose all efforts on the floor of the Senate attempting to knock the props from under Colorado farmers. Our wheat farmers, sugar beet producers and others are hard pressed. We cannot balance the budget on the backs of those who feed this Nation. Colorado farmers are looking for a possible record wheat crop this year. The price they will receive in a depressed marketplace takes much of the pride of production away.

Though farmers constitute 2 percent of our budgetary outlays this year they are being asked to take 6 percent of the budget cuts. If all areas of the budget were being asked to take like cuts this might be considered fair, but that is plainly not the case.

From my position on the Armed Services Committee I have just witnessed this administrations insistence that weapon system after weapon system be funded at levels exceeding anything we contemplate spending on efforts to save our family farms. An additional $6 billion may be authorized by the Secretary of Defense on August 31 for the aimless Divad gun. We ask for targeted farm programs and they give us a gun that can't shoot straight.

I am suggesting that the priorities approved at the White House, and some in this Congress, are out of sync with the hopes and desires of our country. A little bit of the total raised should go to the family farmer. A little bit of the total should go to those at home and abroad who are going hungry.

Every national poll on the subject tells us that Americans believe in support for the family farm. They believe in feeding those who are unable to feed themselves. They believe in preserving our resources for a future of food abundance. They believe in competing in world markets.

Farmers whether in Colorado or Kansas, Iowa, or Illinois deserve to know what the future holds for them at the earliest possible time. The farm program should reflect their concerns and those of the American public in general.

Insensitivity to the problems facing rural America is not being accepted back home. There is good reason for the farmer demonstrations; there is good reason for the farm crisis committees which have formed; and there is a genuine reason to fear a collapse of the farm credit system. With its associated impact on 23 percent of our gross national product, the effect of such a disaster would reach to Wall Street, corporate board rooms and even to the White House.

We have the choice, provide funding for reasonable farm programs now or pay the price later. Provide a little bit of total raised or suffer the consequences.

Mr. DIXON. Mr. President, I am delighted to be involved in the discussion that was called by the majority leader on the questions concerning the 1985 farm bill and the budget.

My colleague from Arkansas has suggested to me that this is like the war that was declared but no one came. I look across the Chamber and note that very little contribution to this subject matter is being made by my friends on the majority side, which leads me to my first point which is this one: My colleagues on this side have religiously attended meetings of the Agriculture Committee since the beginning of our work on the 1985 farm bill. The chairman has said that there have been 70 of these. I have not kept count. But I have been to almost all of the meetings of the committee, even when I was a member of the conference committee on the DOD authorization bill with my distinguished friend in the chair. I attended the meetings that were called separately in the majority leader's office. I had the pleasure of attending the meetings with four of the Secretaries of Agriculture who are still alive, and who came in from all parts of the country to give us the benefit of their points of view. So I attended the meetings.

Yesterday morning, shortly before noon, the majority leader prevailed on a close vote. The vote was on a motion made by the majority leader, not by this side, by the majority leader, to freeze supports for the commodities for the American farmers for the first 2 years and lower it 5 percent in the third and fourth years. That was the majority leader's motion and it prevailed.

Thereafter, my colleague from Montana, the distinguished Senator from Montana, offered a motion—which was the last order of business before we adjourned for lunch—to simply freeze for 4 years, instead of 2 years, and in the third and fourth years, to maintain the support system with up to 5 percent of the deficiency payment made in commodities in the third year and up to 7½ percent of the deficiency payment in the fourth year.

I have not done the arithmetic on this yet. It is being done. But I assert that the difference between the position of my distinguished colleague from Montana and the position of the majority leader is probably less than $1 billion over the 4-year life of the farm bill, a figure of little consequence when set against all of the money that is being spent here, including, as my distinguished colleague in the chair knows, the $302.5 billion DOD authorization bill for this year.

Now, after this vote in the Agriculture Committee yesterday morning, we were supposed to meet in the afternoon at 3 o'clock. That meeting was called off and we did not meet. A long discussion took place last night, and we were told that this issue would be resolved this morning at 10 a.m.

But shortly before the appointed hour, the meeting was called off. I simply want to announce for this side, before we go home and visit with our agricultural constituency, that this side stood prepared to the final moment to vote on this floor a 1985 farm bill. It was the strongest farm bill ever written by the Congress of the United States on conservation questions, a farm bill that had resolved the major issues on food stamps and would have addressed, yesterday afternoon or this morning, the final problem of commodities.

Now, none of us deny, Mr. President, that there are budget considerations. I voted in the Armed Services Committee, where I had the honor of serving with the Chair, and where I have the honor of being the ranking minority member on the Preparedness Subcommittee that the President chairs, for zero absolute growth for the DOD authorization bill for this year. I lost. But I voted for that.

I have voted twice on the floor of the Senate here for a freeze, including entitlements, and I have lost, but I voted for that.

I hold in my hand, Mr. President, what purports to be the probable result of the budget conference between the House and Senate on the budget. There is a division in my party and I believe the fact is that there is a division in your party, Mr. President, on how many will support this result. But speaking for this Senator from Illinois, half a loaf is better than none, and I will vote for whatever the result is, because it is better than no budget, and I deplore the fact that the result could not be a better one.

But let me say this: The debate here is on whether you will give the American farmer and American agriculture, in desperate circumstances with the commodity prices at the lowest level in the last 7 years and with the value of land in Illinois dropping in the last year, equity. Mr. President, listen to this: Last year in my State the land values dropped 27 percent, the greatest in the modern history of our country.

Land values in Illinois in 1933, in the depth of the Depression, dropped 19 percent, but in Illinois last year they dropped 27 percent.

So while American agriculture faces this problem, my colleagues—my distinguished colleague from Montana, my distinguished colleague from Arkansas, my distinguished colleague from Iowa, and my friend on the other side, my distinguished colleague from North Dakota—and I are fighting to preserve a freeze, nothing more for the next 4 years than they enjoy now.

Now, what has the Budget Committee done? In defense, the Budget Conference Committee accepted the Senate figure. Let the record show, Mr. President, that means that next year defense spending will grow approximately 4 percent while, if we win, the money we spend on farmers grows not at all.

And let the record show that in the second year, defense spending will grow 3 percent plus inflation, which will be at least 7 percent, while, if we win, agriculture's budget will not grow at all. And let the record show that in the third year, if this budget resolution passes, defense will again grow 3 percent plus inflation, while the farmer support system will not grow at all.

Now, if my math serves me, that means that in the next 3 years, de-

fense spending will probably grow a total of 18 percent while support programs for the American farmer will not grow a bit.

The COLA's—there are no changes from current policy on cost of living adjustments for retirement programs. I agree that there is a major difference in the Congress about that question. But I want to point out that for every person on an entitlement, on Social Security, military pensions or any other retirement system in the United States of America, their support system will grow every year at the inflationary rate of at least 4 percent, that being the ordinary average, for the next 3 years, a total of 12 percent, while under this proposition the farmer will have no additional increase at all.

The truth is that the 1985 farm bill that we have been discussing in committee is a modest attempt to support American agriculture at the reasonable level now enjoyed by the agricultural community. The difference between what the majority leader has prevailed upon in the committee and what we would suggest ought to be in the bill is a sum of money probably less than $1 billion.

Mr. President, I talked yesterday briefly about the Divad gun. And I want to take another shot at that gun that cannot hit anything. I have written a letter today, as a member of the Armed Services Committee, Mr. President, to the distinguished chairman of the Armed Services Committee. The Secretary of Defense, by August 30, while we are away, has to certify whether he believes that the Divad gun meets the specifications in order to unfence the money that I fenced, as a member of the Armed Services Committee, in a long and arduous session there where we were finally able to convince the committee that the gun was a questionable gun and the $4 to $6 billion that might be spent on it ought not to be spent on it.

I have today asked the chairman of the Armed Services Committee to hold hearings when we get back on that Divad gun. But so that people in this country, Mr. President, can understand what we are debating on the floor of the U.S. Senate today, I want the people of this country to understand that if we cut back the purchase of the Divad gun that cannot hit anything, if we cut back the purchase of the Divad gun that has never hit anything 25 percent over the life of the 1985 farm bill, it would pay—that one gun that never hit a thing—would pay for the difference between the position taken by the majority leader in the Agriculture Committee and this side. Believe it or not, that is a fact.

So I will only say this in conclusion: We have come to the floor of the U.S. Senate 2 days in a row to argue about the question of the American farmer and budgetary constraints. We have spent more time on the poor American farmer on this issue than on all the issues on these two pages of the Budget Committee report. And the plain fact is that there is not anything in the country that will do more for a viable, increasingly exuberant economy than the American farmer. The best investment, in my view, that this country can make is the investment we will make in maintaining farm price supports at the present level for the next 4 years.

I thank the Chair.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER (Mr. Grassley). The Senator from Arkansas.

Mr. PRYOR. Mr. President I associate myself with the remarks just given by my distinguished colleague from Illinois, Senator Dixon, and those given by Senator Melcher, from Montana, and Senator Hart, from Colorado.

I might also note, Mr. President, that 1 hour into this so-called colossal debate; that has been scheduled for the Senate floor, on the farm bill and program costs, we have had no debate. Up until just the past several moments, there have been only a few Members on this side of the aisle and I now see some Members on the other side of the aisle. I hope this discussion will be constructive and I hope we can come to grips with some of the problems agriculture is facing.

Mr. President, relative to the Divad gun, the $6 billion gun that my colleague from Illinois says will not hit a thing, I would just predict, Mr. President, that during the week of August 23, we are going to see a glowing report from either the Office of Operational Testing or the Pentagon, talking about how wonderful and how accurate this gun is and how we must rush production of the Divad gun. But, I hope, before that happens, that we will certainly give the Senator from Illinois another chance to fire that gun to see if it has improved. And I hope that the Pentagon will be honest with us before we rush into spending that $6 billion.

Mr. President, at this point in the Record, I would like to have printed an article on the Wharton School of Economic Study that was published this week in the Des Moines Register. Mr. President, with special attention on a paragraph in this article that states:

> If farm loan losses reach $50 billion the result will be a $42 billion increase in the Federal debt.

Mr. President, I think this study is quite significant. I now ask unanimous consent, Mr. President, that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Farm Crisis Threatens Economy, Study Warns

(By John Hyde)

Washington, DC.—An economic study released Tuesday by the national Corn Growers Association says the entire U.S. economy will suffer "serious consequences" unless steps are taken to resolve the farm debt crisis.

The analysis indicates the debt crisis will result in "higher interest rates, lower employment, reduced gross National Product, lower personal income and a larger federal deficit * * * if preemptive actions are not taken."

The study was performed by Wharton Econometric Forecasting Associates of Philadelphia, with the help of the Food and Agriculture Policy Research Institute at Iowa State University and the University of Missouri.

FARM LOAN LOSSES

Some data used in the study were provided by Farm Journal magazine, which recently completed an extensive survey of farm debt load.

The economists concluded farm loan losses of $25 billion during the next four years would result in a $21.5 billion increase in the federal debt, increase short-term interest rates by 1.25 percentage points, reduce total employment by 275,000 jobs and reduce the Gross National Product by $50 billion over eight years.

"This study points out that you can pay now or you can pay later," National Corn Growers Association President Varel Bailey told a Capitol Hill news conference. Bailey is a grain and livestock farmer from Anita, IA.

Bailey emphasized that farm loan losses could be much greater than $25 billion during the coming four years if farm price supports are eliminated or net farm income drops for some other reason. If farm loan losses reach $50 billion, according to the study, the result will be a $42.2 billion increase in the federal debt.

The Wharton study also stated:

About $140 billion of the $210 billion in total U.S. farm debt is held by farms with debt-to-asset ratios of 40 percent or more. These farms are most likely to "experience financial stress," the study said.

Young farmers living in the central United States have the highest debt-to-asset ratio of farmers in any age group or region. The average debt-to-asset ratio for farmers under 35 years of age living in the central states exceeds 50 percent. "We could potentially lose an entire generation of farmers, based on those figures," said Bailey.

Net farm income in likely to remain between $20 billion and $25 billion unless the government intervenes with an active support program. Even to maintain the $20 billion to $25 billion net farm income figure, government supports of $6 billion to $7 billion annually would be required.

The "most optimistic" of farm programs being considered in Congress would not result in a net farm income increase during the coming five years. If government support programs were eliminated, as the Reagan administration has proposed, net farm income would drop 40 percent in three years.

NEXT WEEK

The conclusions were set out in a brief summary of the Wharton Econometric study. The full study will not be released until next week.

Bailey said his association was releasing a preliminary version of the study in hopes of having an impact on farm legislation being debated in both the Senate and House agriculture committees.

"What we do in the short term will affect agricultural credit in the long term," he said. "We're laying the concrete now. I sure hope we don't have to take jackhammers and tear it up later on."

Bailey said the genesis of the study was a meeting between Budget Director David Stockman and Iowa Gov. Terry Branstad, in which the governor appealed for federal help to ease the farm debt crisis. Stockman reportedly told Branstad. "If you can show the ag crisis affects the rest of the country, then we'll do something."

Bailey said his group then "took up the challenge" of demonstrating the effect of the farm debt crisis on the U.S. economy as a whole.

TOP TO BOTTOM

"These figures are significant to me as a manager," Bailey said. "They say we can ignore the problem and pay the social and economic consequencies later, or we can address the problem now and have a stronger economy from top to bottom."

Bailey said he had presented the study's findings earlier in the week to officials of the Reagan administration, including Agriculture Secretary John Block, and they were well received. "We were surprised" by the administration's reaction, Bailey said.

Block told the corn growers, "These are the kind of numbers we have to have to prove our point to other people in the government," Bailey said.

Bailey said comments such as Block's have led him to conclude the administration is "reconsidering the ag issue" and will be more favorably inclined to support aid to farmers.

Mr. PRYOR. Mr. President, we now have had a debate on this farm bill for several months.

One of the issues in the debate is whether or nor we should concentrate on exports, or trying to make certain that we recognize the necessity of allowing some price to the farmer who produces these items for export.

It is my opinion, after listening to the U.S. Department of Agriculture, that it is their policy that we first build a farm bill around exports. I am not saying that I oppose that position 100 percent, but I do feel that we must have a program, we must develop a policy, that is going to make absolutely certain that the prices ultimately paid to that farmer provide a net profit on what that farmer produces.

If we permit or if we encourage a policy that will give that farmer a price, we are certainly going to cure a lot of economic ills in our country.

One of the major debates after Labor Day, Mr. President, is our discussion about the philosophy of exports versus price. To say that we can separate price from credit—and I think once again that this might be the policy being enunciated by our present farm policy and especially by our present administration—is flawed and I hope we will give it our most careful and proper consideration.

Mr. President, at this time, as I see the very distinguished majority leader and also a member of the Agriculture Committee on the floor, I would like to ask the distinguished majority leader about a particular piece of legislation that in 1978 the majority leader himself introduced on February 2.

I hope—and I say this in friendship—that this piece of legislation introduced by Senator Dole, Senator Tower, Senator Thurmond, Senator Zorinsky, Senator Allen, Senator Curtis, Senator Hayakawa, Senator Domenici, Senator Weicker, and Senator Schmidt, on February 2, 1978, might be discussed as a possible option after we return from our August recess.

I am not saying it is perfect or I am not saying it is going to work, and I am not saying it is going to bail us out of the farm crisis we are in today. But it should be discussed as a possibility.

Quoting the majority leader's words on February 2, 1978, he states:

> This bill will not interfere with exports. It will not contribute to farm production increase. It will not encourage subsidies. And under my bill costs will be reasonable since scaled-down production will result in higher market prices resulting in a reasonable level of deficiency payments.

Once again, we have not had the opportunity to examine this concept as it relates to today's prices, or as it relates to both deflated farm prices and deflated farm land values, but I have been looking at this particular bill and I, for one, will be doing a lot of studying and asking a lot of people about a flexible parity plan. I think we must do it sincerely because the present bill under consideration is not a bill that is going to help because it is not going to provide a great enough cash flow for our farmers.

I think we might be starting off at the beginning, not the end, of this farm debate after the Labor Day period.

Mr. HARKIN. Will the Senator yield?

Mr. PRYOR. I yield for a question.

Mr. HARKIN. I thank the Senator. The Senator from Arkansas has given us a good reminder of the fact that we have not recently examined this flexible parity approach, which was considered back in 1978.

Do I understand that this flexible parity approach actually passed the Senate?

Mr. PRYOR. It was referred to the Agriculture Committee at that time, in 1978. I understand from reading the Record that there were hearings held around the country, one in South Carolina, held by the distinguished Senator from South Carolina, Senator Thurmond, and others.

Mr. HARKIN. If the Senator will yield further, I am sorry I did not quite hear him correctly, I do not believe, but did I hear a quotation about reduced production would yield higher prices and, therefore, would not have a lowering of income, that reduced production would increase the income?

Mr. PRYOR. It is in the Congressional Record. The paragraph states, quoting from Senator Dole:

> Under my bill, costs would be reasonable since scaled-down production should result in higher market prices resulting in a reasonable level of deficiency payments.

And it goes farther.

I also share what he said in 1978, and we can certainly agree with this statement in 1985, when he said:

> Farmers are caught in a vicious cost-price squeeze and they, the American farmers, are unable to recover cost of production. Their situation is the worst since the Great Depression.

Since that time, many many farmers have gone out of business. So it has gotten a lot worse since Senator Dole mentioned this in his discussion on his bill.

Mr. HARKIN. If the Senator will yield further, I might point out that if the majority leader thought the times were bad in 1978, I will point out that recent figures show that farm income parity is now at 52 percent, the lowest it has ever been, even lower than it was during the Great Depression. So if times were bad in 1978, I will submit that they are twice as bad right now.

If the Senator will yield further, on that passage referring to the majority leader's statements about reduced production leading to higher market prices, if I am not mistaken, the Senator from Arkansas, this Senator, and others have been for some time talking in the Agriculture Committee about that kind of an approach. Really, what do we not want is to put farmers on welfare. Farmers do not want to get Government paychecks. Farmers want to earn their income from the marketplace.

As the Senator knows, I have used the example before that those who want farmers to produce, produce, produce, plow up to the fence-rows, plow up and down the hillsides and everything else, what they are really doing is just promoting bankruptcy among the farmers.

Using that kind of philosophy we could have Ford Motor Co., for example, operating their plants 24 hours a day, 7 days a week, 365 days a year to turn out as many cars as humanly possible.

Obviously, the reason they do not do that is because it would destroy the market.

I think those Senators who talk a lot about this marketplace approach are getting confused. There are two sides to the market. There is the willing buyer and there is also the willing seller. It seems to me that one of the things that makes the marketplace is that the seller can decide how much they want to contribute to the market. If they flood the market, of course, it depresses the prices; in fact, that is what is happening now with the farmers. It is because of Government policies, because of Government policies for the past 3 or 4 years which have forced farmers into this untenable position.

Now what I hear is that they want to push the farmers even further to produce more and more and get less and less for it.

I think the majority leader was right in 1978 in uttering those words, that by perhaps reducing our production it would increase the market price. I think that is what we have been talking about: A good supply management program, well managed by the Department of Agriculture, would keep our supply in line with demand. The reason that our farm economy is in the terrible situation it is in today, is that it has been horribly mismanaged over the last 4 years. In the first 2 years, 1981 and 1982, no meaningful set-asides, no reduction in production, plant fence-row to fence-row. Then they came in with the PIK Program, the largest set-aside in the history of this country. Of course, we all know how that operated.

First, the USDA came to us and said it would not cost anything. This is the same Department that is throwing these figures around now. They said it would not cost anything. Secretary Block said that before the House Agriculture Committee when I was in the other body. Then we found out it would cost billions of dollars.

In fact, 50 percent of the PIK payments went to 5.6 percent of the largest farmers.

So they had this massive set-aside. The next year, they bounced back again to really no effective set-aside at all. So there has not been any real management by the Department of Agriculture of our farm economy over the last 4 years. Farmers have been pushed from one extreme to the other. Now they are being told that the Department is going to wash its hands of it, that this administration will just walk away from the farmers and let those individual farmers compete with the Government of Argentina or the Government of Brazil or the European Economic Community.

What I understand my farmers want is the marketplace, which means they want supply in line with demand, so they get the price up, so they are able to make their profit in the marketplace and not because of a paycheck that comes from the Government.

I guess, in looking at this again, the question I wanted to propound to my dear friend from Arkansas is this: They are talking about reducing budget deficits, they are talking about this farm bill, about how much it is going to increase costs and all that. But it seems to me if we had just a little bit better management in the Department of Agriculture to manage effectively our set-asides, the farmers themselves would actually get their money from the marketplace; we would not have to get it out of the budget; we would not have to increase the deficit. That really is the way we ought to be going.

I want to get into that because we have heard a lot of talk about how much it is going to cost for this farm bill. As someone said the other day, you either pay now or you pay later; if you pay now you are going to pay a lot less than you will pay later. A 4-year freeze on target prices, I think, is the minimum we can accept. And even if you do that—a lot of people think that is going to keep income constant, but in fact, even if there is only a 4-percent inflation over the next 4 years, this is going to be a 16-percent real reduction in income to our farmers. Even if we freeze target prices.

Farmers are willing to take their share of sacrifice, but over the next 4 years, to have a reduction in their income of 16 percent, and that is just from a target price freeze, I think it is unfair to ask them to take more than that. I think it would be an unfair sacrifice.

The farm credit system reported last week that short-term borrowing increased from 5 to 22 basis points above the T-bill rate because of nervousness on Wall Street about the stability of the system. This represents an increase of $119 million in added interest costs to the borrowers of the system—$119 million in just the last week, added on top of all the other burdens the farmers have had, just because of the increase in the basis points because of the nervousness on Wall Street regarding the farm economy.

So, in looking at this, what we are seeing is a huge devaluation and loss of equity in our farm land and income to farmers. Wharton Econometrics did a study that showed if we took the so-called free market operation that we are being asked to take in the Agriculture Committee by the administration, we could have as much as a $50 billion discharge in agricultural debt. What this would mean throughout the country, is that this $50 billion of discharged agricultural debt would result in short-term interest rates—not just to farmers but all interest rates—going up by 2.5 percent.

Think what that will cost our economy: The study projects reduced business investment of $74 billion, a reduced output of our GNP of $96.7 billion, a total employment loss of 560,000 jobs, an increased Federal debt of $42.2 billion—just because of the discharge of this debt. So what we are talking about is that if we have that kind of discharge, the Federal debt is going up by $42 billion.

If, however, we freeze these target prices and we take the necessary preemptive action, we could have, perhaps, a minimum of even $10 billion being written off. The study projects the Federal debt would increase by only $5 billion.

So, if we go the way the administration wants us to go, the Federal debt will increase by $42 billion. If we have a target price freeze, we will have an increase in the Federal debt of $5 billion, for a difference of about $37 billion. In other words, by adding a little bit now to freeze the target prices, we will save going into debt by about $37 billion over the next 8 years.

It seems to me, Mr. President, that all of these figures that have come out from Wharton Econometrics and every other place only point to one course of action for us to take. That is to take preemptive action, to take the action needed now to prevent the fall in land prices and to keep this debt from being discharged in the amount that it will be discharged if, in fact, we take the administration's approach and reduce farm income.

I might just add that last evening, the distinguished chairman of the Committee on Agriculture talked about the average farmer having a net worth of $500,000. I got to looking into that. That did not sound quite right to me. What I found out is that from the 1980 census survey of a certain segment of farmers, indeed their net worth was $500,000. I began thinking about that.

That sounds like a lot, and it is a lot. But look at it this way: Let us say an Iowa farmer had 500 acres which had a value of $2,000 an acre. Let us say he had it half paid for in 1980, which was not out of line. His net worth would have been $500,000. But, since 1981, farm land values in Iowa have gone down an average of $1,000 an acre. So that farmer, who had a net worth of $500,000 when that census was taken in 1980, his net worth is now down to zero.

In fact, that is what happened. In Iowa, we lost $32 million in equity alone just since 1981.

So, again, as the distinguished Senator from Arkansas was pointing out, we really do have to take preemptive action. I am hopeful that we could take a harder look at the flexible parity concept, because I think there may be some promise there. It will give us the ability to have a higher support price for those farmers who take out more land out of production and less of a support price to those who take out less.

I would just like to ask the distinguished Senator from Arkansas who, indeed, does have the floor and has been so kind to yield me this time—I understand that last night, the distinguished chairman of the Committee on Agriculture said, and I am quoting his words from the Record, in response to a question, I think, propounded by the distinguished Senator from Nebraska [Mr. Exon]—who, I see, is on the floor at this time—the Agriculture Committee was going to meet today at 10 o'clock in the morning.

To quote his words, he said:

> I know this public display will be interesting news back home, but this committee has met regularly, it will, and we are scheduled to meet tomorrow morning at 10 o'clock, and I shall be there rapping the gavel tomorrow at 10 o'clock, Lord willing.

I know the Senator from Arkansas serves on the Agriculture Committee with this Senator. We were ready to meet at 10 o'clock this morning. I thought we had assurances that we were going to meet so that we could have voted on this and voted out a bill. We were ready to go. I thought we had assurances that we were going to meet, and we did not meet. Does the Senator from Arkansas have any information as to why the meeting was canceled this morning at 10 o'clock? I just wonder if the Senator has heard anything or if he can enlighten us as to why we did not meet?

Mr. EXON. Will the Senator from Iowa yield?

Mr. PRYOR. The Senator from Arkansas does not know. The Senator from Arkansas, like the Senator from Iowa, got to work this morning and was ready to go to the Agriculture Committee meeting. At about 9:30 or so I was informed that the Agriculture Committee would not meet. Perhaps the majority leader or especially the chairman of the Agriculture Committee, who is now on the floor, could tell us why we in fact did not meet.

Mr. EXON. If the Senator will yield, I think I could answer his question.

Mr. HARKIN. The Senator from Arkansas has the floor.

Mr. EXON. Will the Senator yield for just a second?

Mr. DOLE. The Senator does not know the answer. How can he answer the question?

Mr. EXON. I know the answer. If I may have a chance to explain it.

Mr. PRYOR. Mr. President, let me, if I might say to my very good friend from Nebraska, because the name of the chairman has been brought into the discussion, yield to the Senator from North Carolina, and then I will be happy to yield to the Senator.

Mr. EXON. I would be happy to.

I wonder if the Senator from North Carolina might be willing to yield to me just a moment. I think I might be able to help him out just a little bit. I always try to be helpful whenever I can.

The answer to the question propounded by the Senator from Iowa is very simple. The chairman of the Agriculture Committee said he would meet at 10 o'clock this morning, the Lord willing. I suspect that the chairman of the Agriculture Committee was willing but, obviously, the Lord was not. I do not know what other explanation could possibly be offered, but I just want to be helpful wherever I can to the distinguished chairman of the Agriculture Committee. I yield.

Mr. PRYOR. I yield for a question.

The PRESIDING OFFICER. The Senator from Arkansas yields the floor. The Chair recognizes the majority leader.

Mr. DOLE. Mr. President, there was a Republican conference at 10 o'clock this morning and there was a Democratic caucus at 10:30 to talk about the budget, which I will get into later, but I prefer, unless somebody else feels compelled to speak, that perhaps we could let a couple people on this side speak, and I would like to follow the distinguished chairman.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the distinguished majority leader. There may have been a less difficult question to answer than the question propounded by the distinguished Senator from Arkansas, but the committee could scarcely meet with the majority and minority having called conferences on the budget.

Now, I know the Senator from Arkansas agrees with me that the No. 1 responsibility facing this Congress is to try to come up with something that makes sense in terms of the Federal budget. In any case, no committees met at 10 0'clock or thereafter. As a matter of fact, the Democratic conference had to extend past noon. So I think the distinguished Senator from Iowa is chasing a rabbit and he did not quite catch one when he raised the question of why the committee did not meet.

Mr. President, let me level with my friends on the Agriculture Committee. As far as I know, I am still the chairman, and I do not propose to be deposed in terms of deciding what the agenda of the committee will be. I am anxious for the committee to meet, but I will tell Senators on what terms we are going to meet, and they can like it or lump it. That is, we are going to finish all of the farm bill and then do the commodities, because this chairman has sat patiently day after day, week after week, listening to filibusters. We are not going to do it any more. If Senators want to get the commodities, let us get through with the rest of the farm bill.

Mr. President, I have great affection for every member of the committee, but they have not fooled me 1 second. I made clear to the staff—and I think they will corroborate it—the first week of the markup that what was in progress was a filibuster. I have been through that a little bit. I have participated in a few around this place. But I say to the Senator from Iowa and anybody who is interested, we will be glad to meet the first opportunity, but we are going to finish the rest of the farm bill in the hope, the fervent hope of the chairman of the committee, that we can move along and finish the legislation.

Mr. MELCHER. Will the Senator yield?

Mr. HELMS. I do not believe I interrupted the Senator when he was speaking, if he will forbear. Now, then——

Mr. MELCHER addressed the Chair.

Mr. HELMS. Mr. President, who has the floor?

Mr. MELCHER. I do not want to interrupt the Senator. I would like to ask him to yield.

Mr. DOLE. Regular order.

Mr. HELMS. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. I thank the Chair.

The PRESIDING OFFICER. And he does not desire to yield. The Senator from North Carolina may proceed.

Mr. HELMS. I thank the Chair.

Let us go back in history just a little bit, Mr. President, on this farm bill. First of all, at the outset, the first crack of the bat, I made it clear that this Senator, the chairman of the Agriculture Committee, was not going to be a party to an irresponsible farm bill, one that is a budget buster. I said in committee, I said on this floor—I meant it and I mean it—that if it requires me to be the first chairman in the history of the Agriculture Committee to vote against a farm bill, I will do it rather than put my imprimatur on an irresponsible farm bill.

Now, that is the crux of the problem. I will get into the arithmetic of it in just a little bit.

Here we are, the Nation staggering under a Federal deficit with very little hope, as I see it, that we will get out of this deficit problem. We have had proposal after proposal not to reduce spending, not even to hold it in line but to escalate it, and now we are talking about a $20 billion escalation in the costs of the farm bill.

Mr. President, I will have no part of that. I made that clear from the very beginning, and I am not going to play politics. I am not going to mislead the farmers of America, because the farmers of America are not stupid. They know the genesis of their problem. Their problems began right here in the Congress of the United States decades ago when it became so fashionable to spend money we did not have, to place burdens on the coming generation.

The truth is, Mr. President, that the string has run out. We have no more illusions. We have no more subterfuges to advance. We have to put up or shut up with respect to the way this Nation is going.

The problems of the American farmer began right here, and we cannot pretend that we are going to dole out more and bail out more and solve the problems of the farmers, because they know better than that.

Let us suppose that there was an epidemic of common sense in Congress for a change.

Mr. DOLE. Do not worry about it.

Mr. HELMS. I am not worried about it.

Mr. DOLE. It will not happen.

[Laughter.]

Mr. HELMS. Let us suppose there would be the courage and the good sense to make the hard choices and to reduce Federal spending—not by the amount that was agreed upon by the conferees this morning but by enough to send a signal that this Congress, at long last, has come alive and realized our responsibility.

Interest rates would drop. Every percentage point that the interest rates would drop would mean an extra $2 billion in the pockets of the American farmers.

If you want a farm bill, let us practice some fiscal responsibility for a change and stop playing politics. But, no, that is not what I have heard: "Nail it down. Raise it up. To heck with how much it costs the American taxpayers. We are for the small farmers." Well, they are not.

It is demonstrable that what is being demanded will not benefit the small farmers but those big farmers, and that ought to raise some questions too, Mr. President.

Last year, at the beginning of this farm bill process—and I might add, parenthetically, that at that point I was in the middle of a political campaign and did not know whether I would be here. It really did not matter in terms of my wanting to be sure that we got off to a reasonable start toward a sensible farm program. I began by saying that one of the necessary objectives of the 1985 farm bill would be reduce Government spending on agriculture.

I did not sugarcoat the words. I was criticized in my campaign for being blunt, and that is all right. I have become accustomed to criticism. But I made the point that the more involved the American taxpayer and the Federal Government were, the less chance the American farmers had for profitability in the marketplace.

The irony is that in the past 5 years, as Government spending on farm programs has shot into the stratosphere, increasing 300 percent, farm income has decreased 27 percent. What does that say for Senators and Congressmen who say: "We must spend more; we must spend more"?

The U.S. share of world markets has eroded 10 percent during that period. That is the period when Federal expenditures on farm programs was going up 300 percent. We used to have a 50-percent share of the world market for agricultural products, and we have 40 percent today.

I think it is a fair conclusion—any logical American not involved in politics, at least, can see the handwriting on the wall. They can see what makes sense and what does not, if they are given the facts. But they are not.

I am not going to go into the news media situation, but I could. I say to my brethren in the news media that it is about time you spelled out what has happened to the American farmer and why.

One-fifth of what it costs a farmer in America today to do business is what? It is the interest on the debt he owes. Interest that is a result of what? Federal deficits, irresponsible economic policies by the Congress of the United States. So, what is it, other than a rhetorical sleight of hand, for the Senate to be talking about—and demands being made upon the chairman for—a farm bill that increases Government costs by billions of dollars?

Mr. President, what is being discussed today is a farm bill that will cost about $20 billion annually, up from the current level of about $12 billion right now, and just $4 billion annually a few years ago.

I was ready to have the committee meeting at 10 o'clock. The majority leader knows that. I commend the majority leader and the minority leader for making the judgment that Senators on both sides of the aisle should hear about the budget, because that, after all, is the No. 1 problem today.

As for the farm programs, I am willing to see this Government spend about $12 billion annually on the farm programs so long as that assistance is properly targeted to farmers who truly need the assistance and who would benefit from receiving it. I think $12 billion could be spent in a manner that would be appropriate and beneficial to the financially troubled farmers and improve the U.S. agricultural production system and increase our exports. But the bill we are talking about does not do that.

In fact, the expenditure of $20 billion a year would do far more to hurt farmers than help them. It would hurt farmers, first of all, obviously, because it would increase the deficit. It would hurt farmers because a large amount of the money would go to big, wealthy farmers.

Remember all the protestations made here on this floor: "We have to help the small family farmer." It is not so. They are talking about the big guys. I am being blunt because a lot of blunt things have been said; and, as they say down in North Carolina, I am not through yet.

Other Senators may vote, if they wish, to increase farm spending to $20 billion a year, but this Senator will not. So let us review the facts of where we now stand.

The budget resolution approved earlier this year by the Senate required savings in the agricultural functions—we call them the Commodity Credit Corporation, the Agricultural Credit Insurance Fund—this budget resolution required savings of $14.5 billion over a 3-year period. This includes $5.5 billion in Commodity Credit Corporation savings, and $9 billion in ACIF savings. The level for CCC outlays, which are the farm price supports and income support subsidies, for fiscal years 1986 to 1988, was $32.1 billion.

And the budget conference mark which was approved this morning for these same two functions, the CCC and the ACIF, that mark is $38.8 billion. And this includes about 4 billion for ACIF and $34.8 billion for CCC outlays in the fiscal years 1986 to 1988.

What does this mean, Mr. President? It means that the budget conference has increased the outlay ceiling for CCC programs by about $2.7 billion more than the Senate budget resolution level.

So, assuming for the moment that the new budget conference mark is the one we will end up using for CCC Programs, outlays allowed under the 1985 farm bill are $34.8 billion. In comparison to this new mark, the 4-year freeze being advanced in the Agriculture Committee by some of the members, will cost $53.2 billion for the 3-year period, which amounts to $18.4 billion more than the new budget mark and $21.1 billion over the old Senate budget resolution mark.

Now I ask you, Mr. President: Is that fiscal responsibility?

And to put into perspective the relative cost differences, maybe I should point out that if one were to consider the cost of the 4-year freeze proposal in the out-years, that is in the years 1989 through 1991, there would be an additional cost of $433.3 billion in outlays. If the 1-year freeze provided for in the originial Zorinsky-Dole proposal were adopted, the additional costs in the out-years from 1989 to 1991 would be $28.1 billion. So, the difference between the two proposals is just a little bit of pocket change around this place, $15.2 billion.

Local papers, please copy.

No, it is not pocket change. We are talking about real dollars and we are talking about real deficits. We are talking about an economic crisis in this country which has, of course, poured over onto the farmer.

The point, Mr. President, and I shall conclude, is that I decided early on that not only would this be bad fiscal policy, it would be bad farm policy. Beyond that, if we have any fidelity to our commitment to the American people as expressed in every political speech made by every Senator in this Chamber when he goes home, we have to say we cannot afford it, and it would be a cruel hoax on farmers and taxpayers alike to give any sort of indication that the proposal for the 4-year freeze being advanced has any chance of becoming a law.

Maybe what the Senators want to do is to have Ronald Reagan say, "Make my day; send me a bill like this." And I guarantee you that you will make his day.

I say again, in conclusion, I hope I will not hear any more suggestions that there was a breach of faith this morning about the Agriculture Committee meeting because every Senator who has mentioned it knows that both the Democrats and the Republians were meeting on the budget as well they should have been, and I say again, that when we meet, if we meet, and I want to meet as soon as possible, we are going to finish the farm bill because I want to spare myself all the filibusters. From now on I want some action on the remainder of the farm bill, and when we will get to the commodities. Unless I am——

Mr. MELCHER. Mr. President, will the chairman yield at that point?

Mr. HELMS. No.

Mr. MELCHER. Just to hear I agree with him on his scheduling.

Mr. HELMS. Mr. President, regular order.

The **PRESIDING OFFICER.** The Senator from North Carolina has the floor. He may continue.

Mr. HELMS. I think the record will show that I have not interrupted any Senator and I do not intend to. But I am saying that we will finish this farm bill, we will do it in an orderly process, and unless someone deposes me as chairman, and elects someone else, that is the way it is going to be.

Thank you, Mr. President.

I yield the floor.

STATUS OF THE 1986 FARM BILL DEBATE

Mr. DOLE. Mr. President, prior to the Fourth of July recess, I indicated my intention to have the farm bill—or at least a wheat bill—on the Senate floor before the August recess. I wanted to have the Senate act on farm legislation so that winter wheat farmers in Kansas and other States would have a fair idea of what their 1986 program will be before they begin planting in September.

The distinguished chairman of the Agriculture Committee, Senator Helms, made every possible effort to report a bill during July. I believe he has said the committee held some 34 markup sessions on the various titles of the omnibus legislation during the past 2 months. I want the chairman to know how much this Senator and other wheat State Senators appreciate his efforts to accommodate our concerns to have a bill before the August recess.

Unfortunately, we have now reached the day before the recess is scheduled to begin and there is little likelihood that a commodities bill or a wheat bill can be brought to the floor and passed. I do not want to begin an acrimonious debate over why the Agriculture Committee has not yet reported legislation. There are a number of reasons, and they may all be valid.

The severe conditions in the farm economy today, and our determination to address them in this bill, have made committee members more deliberate in their actions. We spent weeks coming to a consensus on an approach to the basic provisions of the major commodity programs. In addition, there were at least a dozen objections on both sides of the aisle to the committee meeting in the afternoon or after the 2-hour limit in the morning.

IMPACT OF THE BUDGET CONFERENCE

Only this week, the abandonment of major deficit reduction objectives in the House-Senate budget conference had a significant impact on efforts to keep the cost of the farm bill under restraint. We now expect to consider a compromise budget resolution prior to going home for the recess, including a revised level for agriculture outlays. But we have not had the benefit of these numbers in recent weeks, and the Congressional Budget Office has not yet converted its budget estimates to the latest July cost projections.

So for a variety of reasons, Congress, the Senate, and the Agriculture Committees have not been able to meet the deadline for considering authorizing legislation for next year's farm programs. I understand that the House Agriculture Committee met this morning and came to much of the same conclusion. However, with a budget compromise likely to be agreed to, we should be able to get a better handle on the cost of various programs and come back in September with a realistic idea of where we are going.

Despite our difficulties in recent weeks, I believe there are enough similarities between the House and the Senate Agriculture Committee bills to give wheat farmers some idea of what next year's program will be.

I hope that Secretary Block can take these similarities into account in making a provisional announcement of the likely provisions on next year's wheat program before the August 15 deadline. He may not be able to specify the level for the acreage reduction percentage or the exact loan rate, but he should be able to give producers a good idea of what to expect.

THE TARGET PRICE QUESTION

Mr. President, as these details indicate, the Senate Agriculture Committee has reached agreement on most of the substantive details for the major commodity programs. The only outstanding issue of disagreement at this point is over the potential cost of the bill. And the key variable in the cost equation is the number of years for which target prices would remain at the current 1985 levels.

About a month ago, the distinguished ranking member of the committee, Senator Zorinsky, proposed a framework for legislation that most members of the committee endorsed, and which we modified to provide for a 1-year target price freeze. The level of income support would be permitted to be adjusted down by 5 percent in the outyears. The committee adopted this version, the so-called Zorinsky-Dole bill, by a 10-to-7 vote.

Only last week, however, a bare majority of the committee decided to extend the target price freeze over the entire 4 years of the bill. Estimates of what the additional cost of the bill would be have varied widely, with USDA suggesting that it might cost an additional $18 billion over the life of the legislation. Unfortunately, the budget conference impasse and discrepancies between USDA and CBO baseline estimate prevented us from getting a reliable yardstick for comparing costs.

In an effort to get a broadly supported bill out of committee yesterday morning, we tried to get agreement on a compromise 2-year freeze, despite the expectation that it would be considerably out of budget. Although it passed on a 9-to-8 vote, it became clear to most committee members that we have not been able to reconcile policy expectations and desires with budget realities.

Earlier this week, I indicated that I might bring a separate bill to the floor as an amendment to another Agriculture Committee measure. Given the continuing confusion over what the numbers are, I decided that such an effort would not serve to resolve the remaining differences in committee. Instead, we agreed to have a thorough airing of where we are on the budget resolution today in the hope that some perspective can be introduced into the debate.

CHANGES IN BUDGET ESTIMATES

In looking over the most recent numbers, it is understandable how we have become so confused. The budget for the Commodity Credit Corporation in the original Senate budget resolution [SBR] is $32.1 billion. The SBR was developed using cost estimates based on conditions back in January. In July, the CBO raised the projected cost of CCC Programs by $8 billion, from $37.6 billion over fiscal year 1986–88 to $45.5 billion. With no budget resolution, it was unclear how much, if any, of this increased cost would need to be saved. The SBR

called for savings of $5.5 billion, or the difference between the $37.6 baseline and the $32.1 CCC budget. But with no new mark, the July CBO estimates only distorted efforts to match up programs with their cost impact.

I now understand that the budget conference report will set a new target for agriculture outlays of $38.8 billion, including the Agriculture Credit Insurance Fund [ACIF] as well as the CCC. At this point, I have no clear idea of how close the various bills introduced in the Agriculture Committee may be to this mark. The committee has yet to consider all the provisions of the credit title, which are included in the new House-Senate mark. We will need to consider these programs together with the commodity programs in order to get a full picture of the budget situation.

USDA has made estimates of outlays under the three basic variations of the committee bill: the 1, 2, and 4-year freeze proposals. Basically, they start at about $51 billion over 3 years and go on up to near $84 billion over the life of the bill. Compared to the CCC/ACIF mark of $38.8 billion in the conference report, there is still a lot of work to do before we can pass a bill with a reasonable chance of surviving conference and being signed into law.

There are still ways available to bring the basic committee farm bill closer to budget reality. We have about $6 billion in surplus commodities in CCC ownership that have already been paid for. They could be used to supplement farm income in lieu of cash. We are likely to take over a large share of the commodities placed under CCC loan in 1985 as well. The committee has considered using commodity certificates to maintain farm income and may have to revisit this area when we come back in September.

Still, it would be a disservice to American farmers for any of us to go back to our States and make wild promises about how many years we are going to freeze target prices or income support. More than many of us here in Washington, farmers understand where our $2 trillion debt and $200 billion deficits came from. They know that irresponsible spending by Congress, without consideration of revenues, has been the prime source of most of their economic woes over the past few years. And they know that, even as congressional appetites for spending invariably exceed available revenues, we will not be able to meet the exaggerated demands of some Members when we return in September.

Mr. President, I ask unanimous consent that the following tables on CCC savings targets, the budget conference status, and the USDA estimates on CCC outlays under farm bill proposals be printed in the Record.

There being no objection, the tables were ordered to be printed in the Record, as follows:

CCC SAVINGS TARGETS

[Dollar amounts in billions]

	CCC	ACIF	Total
Original Senate savings target:			
Fiscal year:			
1986	$0.5	$2.7	
1987	1.1	2.9	
1988	3.9	3.4	
Total 1986–88	5.5	9.0	$14.5
Conference savings target (combined CCC/ACIF):			
Fiscal year:			
1986	2.1		
1987	3.5		
1988	6.3		
Total 1986–88	11.9		11.9
Savings reduction			[illegible]

Budget conference status

[Dollar amounts in billions]

Baseline outlays (function 350):	
CCC	$37.6
ACIF	13.1
Other (research, etc.)	7.5
Total	58.2
Conference mark (function 350):	
CCC/ACIF [1]	$38.8
Other (research, etc.)	6.8
Total	45.6
Savings needed	12.6
Less savings from freeze on appropriated accounts	.7
Ag Committee savings target	11.9

[1] USDA estimates the Agriculture Credit Insurance Fund [ACIF] portion at $4 billion. This would leave the CCC portion at $34.8 billion for fiscal year 1986–88.

CCC OUTLAYS UNDER FARM BILL PROPOSALS

[USDA estimates]

Target price assumptions	Fiscal year— 1986–88	1986–90	1986–91
5 percent cuts, starting in 1986	$44.9	$62.5	[illegible]
1-year freeze	50.9	71.7	70.0
1-year freeze, with commodities in 1987	53.7	72.4	79.1
2-year freeze	53.2	76.3	84.9
4-year freeze	53.2	82.3	94.9
4-year freeze, with commodities in 1988–89	53.2	[illegible]	96.5

ASSUMPTIONS INCLUDED IN THE ABOVE ESTIMATES

$1.0 billion per year in direct credits for intermediate-term export credit program. If guaranteed credit is used, $3.0 billion would be saved over three years.

Average $1.0 billion cost of the conservation reserve. If CCC commodity payments are phased in over 3–4 years, up to $1.5 billion could be saved over three years.

Mr. DOLE. Mr. President, I also thank the distinguished chairman for putting a few facts in the Record. Facts may confuse some people but it is nice to have them available, if people really want the facts.

It would seem to me that if we are really concerned about the farmer and especially the small farmer, then we should talk about payment limitations. If we want to make certain that the small farmer is protected, we ought to have payment limitations and we are going to have payment limitations unless we can work out some accommodation on a farm bill. It is a little hard to understand all the posturing going on about targeting income for the small or family sized farmer and then not doing anything about payment limitations. But we will have a chance to vote after the recess to see who wants to target income and who is concerned about the big farmers walking off with most of the money.

If the chairman is right, we are talking about $10 billion, $15 billion, or even $20 billion in extra costs. Where is it going to go? It is not going to go to the family farmer. It is going to go to the big farmer. It is not going to go to the farmer who is in trouble, and there are a good many farmers in trouble. The windfall is going to be reaped by large farmers in every State.

So I think we ought to start off any debate, whether it is now or when we have the farm bill up, to determine what we want to do. Do we want to talk about the family farmer while we are protecting and promoting the large farmer in America, or do we really want to protect the family farmer? If we want to protect the family farmer, then let's adopt smaller payment limitations—a $20,000 payment limitation would protect a lot of farmers. Oh, some would not like it because they can get more now. They can get $50,000 now and, under some of these schemes, they can get much more than that.

But if we are going to come to this floor, with everyone talking about the family farmer, then we should expect amendments to be offered to protect the family farmer.

It just seems to me we ought to get back to reality in this Chamber and we ought to talk about what happens to agriculture and not become embroiled in some political oneupmanship. That is what all this is about. The Senator from Montana wants the Agriculture Committee to meet again so he can slap on a 4-year freeze. I would be willing to set aside the vote we took yesterday to start all over after the recess, if there is some concern that somehow the Republicans or some members of the committee, 9 out of 17, have some advantage prior to the recess. I would be willing to convene the committee or ask the chairman to convene the committee to set aside yesterday's vote and then have everyone go home and listen to their farmers.

The only people being addressed now are about 25 people in the press gallery and some do not know a jersey cow from an oil well, but they are writing great stories back home about what we are doing in agriculture. They never once cite the cost, never once indicate what we are really doing and who is going to get the benefits. It is who is offering the most money. Whoever offers the most money is for the farmer and whoever offers less money is against the farmer. That is how it is reported and that is how it is received, and that is unfortunate.

But it seems to me we have a problem and it is called the Federal deficit. Some say, well, we are not going to take it out on the poor farmer. We have taken it out on the poor farmer for a long, long time by running up the debt, by making the dollar so high we cannot export, by raising his interest payments, by subsidizing his interest payments in the meantime so he buys more and more land which now has fallen, as everyone knows, to about half the value. And then we all talk about how to generate more income to the farmer. This is not income. We are talking about more subsidies. We are not talking marketplace; we are talking about more Federal payments to more farmers.

If that is what we want, then we ought to tell the farmer that he is going to get his income, but it is not going to be from the marketplace; it is going to be from the Federal Government.

The Senator from Montana has always got the plan to do more for the farmer. Spend more money—that is his recipe to help the farmer. Target the income—says the Senator from Oklahoma. Do not put any payment limits on it. Target the income for those 900-acre farmers, those average farmers.

It just seems to me that we can either decide during the recess whether we want to play politics or whether we want to address the farm problem, because it is real.

There are a lot of farm organizations that have farm proposals and they have constituents and they all get more members if their program passes, pretty much like politics. You have the Farm Bureau, they have a program, you have the Farmer's Union, they have a program; you have the NFO, they have a program; you have the AAM, they have a program; the Grange has a program; the wheat growers, the corn growers, the cotton growers, the rice growers, and we have to try to accommodate all of them. That is why we are in trouble.

I have a view that if some of the farmers in my State walked into our committee room and heard the discussion, they would probably go out and sell the farm. They would give up.

But I do not believe the answer to the American farmer is mortgaging his children's future so he can get bigger subsidy payments and no increase in the market price. We are not competitive in the world markets, and I think most people agree with that and most Senators agree on both sides of the aisle.

But we cannot have it both ways. We cannot say, "Oh, boy, I'm a fiscal conservative but, or except when it comes to A, B, C, D, E, F, and G."

Some people never met a Federal program they did not like, and the bigger they are the better they are.

I think there are a lot of farmers who wonder what we are doing. We are still trying to get a budget resolution. The distinguished chairman has given us accurate numbers and I have some other numbers to place in the RECORD with reference to the costs of different options. I would urge the people who are not going to take the budget seriously to vote against it today. Do not vote for it and then come back 2 months later and say, "Oh, well, I didn't mean it as far as agriculture. I wanted to get the mileage back home that I voted for the budget, but I really didn't mean it for agriculture."

And do not try to pick out some defense weapon and say, "Well, if you just do away with that we can put more in the farm program."

The distinguished Senator from Illinois, who brought that up earlier, voted for the conference report on defense the other day. I assume there is some money in there for Illinois. If we did away with all that money we could do a lot for the farm program. So we can all play those kinds of games: just do something over here and put it in the farm program and that will be the answer.

The problem is the farmer needs some assistance and he needs it in the marketplace. He needs it in exports. I believe there is a lot of good bipartisan work that has gone into the farm bill, led by the distinguished chairman and the distinguished ranking Democrat, Senator ZORINSKY. There have been a lot of good ideas from both sides of the aisle.

In the export area, I think it is largely the work of the distinguished Senator from Montana, and others. The farm credit area is a tough one that we have not reached yet. But in nearly every title, it has been a bipartisan effort.

But when we get down to the nitty-gritty on how much are we going to break the budget by, then it becomes political because there is a feeling around here that to be on top in agriculture you have to spend more money and whoever spends the most is going to get the most votes. That may be true; I doubt it. I hope not, because we are prepared to spend a lot of money in agriculture. We have to spend a lot of money. But we cannot do it all through Government subsidies. It has to come from the marketplace. It has to come from export promotion. It has to come from other sound programs like the Conservation Reserve, which is another bipartisan program. No one quarreled about the Conservation Reserve Program. Some of us think it ought to be larger, but nobody thinks it should not be in the farm bill.

We have some commodities that have different problems. Cotton is a different commodity. I think the cotton people pretty well have their program together. Rice is a different commodity, wheat is a different commodity, corn is a different commodity. The soybean producers want to be left alone. They are doing fairly well without the Government, thank you, seems to be their message.

We have the hog people who want a little checkoff, and the cattle people. The honey people; the wool people, where the support prices are twice the market price. I think it is pretty much the same in honey, and even the bees are laughing about that.

There is one guy in North Dakota, according to the GAO report, who received $720,000 from his honey operation—a family farmer. This is real honey, $720,000 in Federal payments. But we do not want to put any payment limitation on somebody like that, because that would damage the family farmer. We have put together all of these programs under the guise of helping the family farmer.

So I think when this bill comes to the floor we ought to start right off with the payment limitation amendment and see how many people want to help the family farmer. It ought to apply to wheat, it ought to apply to corn, it ought to apply to rice, it ought to apply to cotton, it ought to apply to wool, and it ought to apply to honey, and it ought to apply to dairy where the costs are out of control and every other commodity where the taxpayers are paying the bill and other farmers are paying the bill. If we resolve that issue, then we can move on to others.

I remember somebody mentioned flexible parity a while ago. That is a great idea, not because I thought of it, because I did not think of it. A group of farmers told me about it. That year we passed out three farm bills. As I said yesterday, the one Senator Talmadge passed out was the one that passed. But we passed out three farm bills, bipartisan.

I hope, in the final analysis, this does not become a debate on how many Republicans can hang or how many Democrats we can hang in the Senate. Because if we did that, the only ones that are going to hang are the farmers. There will not be any farm bill, or if there is, it is going to be so politicized it will be vetoed.

There was a Cabinet meeting at the White House earlier on agriculture, not just on commodities, but on farm credit and cargo preference, which are also very important to the American farmer.

So I guess what I am suggesting today is maybe during the recess all of

us who have a little of our partisan juices flowing from time to time—and we all have—should go out and visit with a farmer or two, pick out a Republican and pick out a Democrat. Maybe we would find out that when we come back we ought to back off the "who can spend the most money techniques" and "I want to protect farm income"—those are great slogans—and come back and put some legislation together that will have a conservation reserve component, that will have a good export promotion component, and that will have a good farm credit component.

As I said, I am perfectly willing, to make everybody happy, to say, "OK, we will just forget about the vote yesterday. There was not any vote. There was not any 9-to-8 vote for a 2-year freeze, so it is wide open."

When we come back—and the House is coming back as well, since they decided they could not complete action either—perhaps we could complete action in a bipartisan way. If that is not the case, then I do not know what I can advise the chairman on bringing a bill to the Senate floor, because September, October, and November are going to be very busy months.

I believe we are going to get a budget resolution passed this afternoon. If that is the case, the committees have until September 27 to put together their reconciliation packages. That will take all the time of the committees to fit everything into the budget resolution. We are going to pass that. Then we are going to have other legislation that follows, and by that time it will be October.

We ought to keep in mind as we look at the options we have that we are looking at tax reform, some of the balanced budget amendments, some of the other things we have scheduled, and I guess it would take at least a week or 10 days on a farm bill unless we can have a bipartisan agreement of some kind.

Finally, Mr. President, I would like to include in the RECORD much of the information that has already been suggested by or stated by the distinguished chairman on the cost because we set aside this time to talk about the cost. All the bills are expensive. We have some who are under the impression they are not expensive. They are going to have to be expensive. As I said yesterday, in the 4 Carter years, the price support programs cost $20 billion. In the 4 Reagan years, the first 4, it jumped to $63 billion—tripled, three times as much. I assume it is going to be even more now.

If you start off with one program he talked about with a 5-percent cut starting in 1986, the 6-year cost of that program is $68 billion; 1-year freeze, 6-year cost is $79 billion; a 1-year freeze with commodities in 1987, 6-year cost is $79 billion; a 2-year freeze, 6-year cost is $85 billion; 4-year freeze, the cost is $95 billion; a 4-year freeze with commodities in 1988 and 1989 is $96.5 billion. That is a rather expensive farm bill. It seems to me that we have to face up to the realities. We can all find things in any program we would rather not spend money on and put it in agriculture, put it in education or put it in programs for the handicapped or for the disadvantaged or the low-income people. But it does not work that way. I believe the real answer is going to lie in having, as I said, a vote of 13-to-4 in the committee or 12-to-5, or even better, and then we can come to the floor with a bipartisan package, and live within the budget resolution that we hope to pass later on this afternoon.

Mr. MELCHER. Mr. President, will the majority leader yield?

Mr. DOLE. I am happy to yield to my friend from Montana.

Mr. MELCHER. I thank the majority leader for yielding.

I want to be clear on a point that was presented in the Democratic caucus. the proposal seemed to be a conference agreement, or non-conference agreement, that there be $7.9 billion of reconciled cuts for the farm programs. I believe that the chairman of the committee stated it accurately when he said that would mean about $38 billion for the 3 years. It would result in the necessary budget outlay of $38 billion for the 3 years. Was our understanding in our caucus correct?

Mr. DOLE. I think that is correct as far as the $38 billion. As I understand, the savings target is going to be about $11.9 billion, but the $7.9 billion is the reconciled figure.

Mr. MELCHER. Yes.

Mr. DOLE. The Senator is correct.

Mr. MELCHER. My understanding, and I will ask the majority leader, under the House committee which has a very similar proposal as we have for the next 3 years, we are within $2 to $3 billion of being within that figure?

Mr. DOLE. I am not certain which baseline they used, whether they used the July revised estimates or January's on the House side.

Mr. MELCHER. I recognize there may be some differences there. That is why we have to know what the assumptions are. But I have been instructed—I do not know whether it is accurate or not, and it may be hearsay—that we are very close to getting in there.

Might I say I commend the majority leader for having this discussion. I commend him for his statement in addition to that. I also commend his willingness to try to come together on it so that we do not come out of that committee with a 9–8 vote, but that we come out with a 12–5 or 13–4 or something, a resounding vote. But I do believe we are getting close on the budget figures. I am more optimistic than the majority leader at this point.

Mr. HARKIN. Will the majority leader yield?

Mr. DOLE. Let me indicate I hope that is correct. I hope we have enough flexibility in the budget to put it together. We have the seeds of compromise although we may have some differences. There are a lot of people who have fairly similar ideas on what we should do. We get torn apart when we start reciting figures. That is why we have directed the USDA to sit down in the next 7 to 10 days and let us all know during the recess just what their final estimates are on costs. We have too many numbers. We have CBO numbers. We have USDA numbers. We have OMB numbers, and January and July numbers. I defy anybody to write that way. I apologize to those who have to write these stories when you have about five sets of numbers to deal with and have to tell somebody out in Russell, what we are doing back here on the farm bill. But I say to the distinguished Senator from Montana that I am sincere. If there is any feeling that somehow there is an advantage because of the vote yesterday, I would be very happy if the chairman would convene a meeting for that purpose—to vitiate the vote so nobody has the "recess advantage." There is not any political advantage. Then perhaps when we come back in September we would be in a better position to try to get together and maybe even some of us can get together in August.

Mr. HARKIN. Will the majority leader yield?

Mr. DOLE. I am happy to yield.

Mr HARKIN. I thank the distinguished majority leader for yielding.

I hope over the recess that the majority leader, and perhaps, hopefully, your staff would take a look at the Wharton work done on econometrics. I spoke with the majority leader in private about it the other evening. I was told also you not only take a look at that, but at what they are talking about in terms of the macroeconomic effects of what we are doing here. Perhaps we can get focused a little better not just on the individual farmer, whether it is Kansas or Iowa, being driven off the farm but what is going to happen throughout the economy as a result of the actions that we take here.

So I commend the majority leader. And I also ask if the distinguished majority leader would perhaps help or assist in trying to get the new Director of OMB, who I guess is coming in this month, and his staff to sit down with the people who did this study, and perhap get someone else from the White House to sit down with them to go over it. I would like to know if they have any arguments with the Wharton study.

I would like to know if they have any problems with their figures and how they arrived at some of their conclusions. So perhaps the fact that we did not get to this vote may be very helpful in coming back in September to having take a look at it. I guess I have the question: Would the majority leader's office assist in getting the OMB and the White House to sit down with those who did this Wharton study?

Mr. DOLE. I thank the distinguished Senator from Iowa for calling this to my attention, as he did yesterday. We have since been able to acquire copies. I think it is an excellent idea. It is a study that should be looked at. I just instructed staff to try to put that together.

Mr. President, I yield the floor.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER (Mr. NICKLES). The Senator from Oklahoma.

Mr. BOREN. Mr. President, I listened with interest to the comments made by the distinguished majority leader. Let me say that I think people in the country would wish we would all quit making comments on the floor, go back to the Agriculture Committee, and go to work because the farmers in this country who are in desperate economic straits do not care which political party has any advantage in the recess.

Let me say that advantage is going to be an advantage to no one as we have more and more people going into bankruptcy. I wish we would quit commenting on the Senate floor, go back to the Agriculture Committee, and go to work.

I also do not intend to make any comments about any proposals made by the Senator from Kansas because I do not think that would be helpful to the discussion even though he has by implication made comments in my interest to target income of the family farmers. I made comments about the Senator from Kansas in committee yesterday. I commend him for having the courage to offer a budget proposal to the President which the President has rejected which would have enabled us to look at 100 percent of the income, not rule off limits income to this Government and 85 percent of the spending, not rule off limits defense and entitlements. Then we might be able to do something to get the budget proposal down.

The only comments I have to make by reference to the Senator from Kansas is trying to compliment him to try to develop a budget package that would make some sense and really do something to get the deficits down without putting unfair advantage on any one particular sector.

Mr. President, I do not apologize to the Senator from Kansas or anyone else for saying that as far as I am concerned my mission in the Agriculture Committee is to try to do something to help the family farmer. I do not apologize for 1 minute for trying to direct the target for more of the moneys paid to the family units. I am shocked and astounded that the Senator from Kansas would be opposed to trying to target benefits so that we pay a higher price on the first 20,000 bushels of wheat produced than we pay on the next many thousands of bushels produced.

We have to consider what it takes the family-size farm to survive. I hope we can quit paying so much to huge operators so that we can finally allow the family farm income to have enough cash flow to survive.

Let me say while I have voted, and the record is very clear, for budgets on this floor, including the Hollings-Chiles-Nunn proposal, which was the only proposal which would have brought us to the balanced budget by the year 1988, which did touch the so-called sacred cows, I do think we also have to consider equity in any budget we pass and have and use common sense.

The greatest danger to this economy in the short-run, along with the overriding danger posed by deficits in both the budget area and trade deficits as well, is that we are going to collapse one critical sector in this economy and by doing so we are going to cause turmoil in the banking system and eventually have a domino effect on the whole economy.

Agriculture is one of those sectors where the danger is extreme right now. We are going to be irresponsible, in my opinion, if we do not pass a bill that does enough to get the income level and the cash flow for the average-size family farm up to a level that we will not have so much land on the market that we collapse land values and threaten the stability of the banking system not only in the farm belt but all across this country before we are through.

Some of us met in the last 2 or 3 days with representatives of the farm credit system. They are concerned with falling land values at a rate that is truly alarming, harking back to the days of the late 1920's. As I mentioned yesterday in committee, land values in my State have fallen 20 percent since January. I do not think there is a single person in this country who reads the newspapers who cannot understand that if you continue to have deflation of a basic unit of value, that stands behind and secures billions of dollars of credit in this country in the banking system, if you continue to have a 38-percent deflation on an annual basis, that that does not eventually cast a threat to the entire economy of this country and the financial system of this country. We would absolutely be closing our eyes to the facts if we do not believe that.

We also have a continuing decline in land value which serves as a basic unit of value behind much credit in this country, well over $200 billion of credit. At the same time, we have the farm credit system in a situation where as more and more units are experiencing more and more members are unable to service the debt, the interest rate is raised on those remaining members to keep the system afloat. That interest rate is up to 13 percent for the farmers, even though the Government is paying only 7 percent for the money.

How long are we going to let this go on? How long will we close our eyes to the dire threat of this proposal?

We talked to the credit experts this week and they said, "We have no hope to stabilize land values, to keep them from continuing to decline at an alarming rate. To stabilize the farm credit system will take an increase in cash flow to the family farm, an increase in net income, of between 10 to 20 percent in the next year."

We have been struggling over a bill with pencil and paper that at the most increases net farm income the first year about 6 percent on the average size family farm.

That is barely the margin enough to hold the situation together. If we allow that level to decline over the next 3 years by 5 percent a year, it is very easy to see we are going to be in a negative situation by the third year, not even doing as well as we are now.

If that happens, we are going to have enough trouble in the financial system, let me say, that we would think an investment of $5 billion or $6 billion right now in family farm income would be a tremendous bargain compared to the multibillion dollars of damage that the Congress will have to come in and repair if we allow this situation to happen.

The question has been raised about payment limitations and I think this can be very misleading. I urge my colleagues from Kansas to listen to these figures. I urge him over the recess to examine the figures on payment limitations that he just gave.

I just costed out exactly what he talked about with the $20,000 payment limitation.

You would think to hear the discussion we were guaranteeing farmers an income of $20,000 or $50,000. That is not so. We are talking about a gross payment.

I took a 400-acre cotton farm. Assuming the average yield was 600 pounds per acre, which is what the Department says it is, roughly, and you take the program proposed in the Agriculture Committee right now, on a 400-acre cotton farm—which is not a huge farm; I would call it a family-size

farm—you are going to get gross deficiency payments of $53,000 plus an additional loan on production of $10,000.

You would cut that back to $20,000?

You can see what you have done to the income of a family-size farm.

Let us take an 800-acre wheat farm. And I might say I am not a bit ashamed to try to target enough of our farm program to get the income up on a family-size wheat farm. Again, I would ask the majority leader to listen to this particular figure because I think it will be of interest to him. I am using a 38.8 bushel yield, which is the average figure. We are talking about the average-size family wheat farm in a State like Kansas or Oklahoma. The deficiency payment under this particular program would be $34,936 in addition to loan protection payments under the bill he is talking about, and an additional $14,361.60. That is a total of $49,297.60 gross.

It is not a huge farm. We are talking about an 800-acre wheat farm.

Let us reduce that to a maximum gross payment of $20,000. That cuts the income of an 800-acre wheat farmer in Oklahoma and Kansas by approximately 17 percent, a 17-percent drop in income for the average family size farm.

Seventy percent of all those family size wheat farms in Oklahoma right now have a negative cash flow. Land values have dropped 19 percent. Interest rates under the farm credit system are up to 13 percent. We are in a cycle and better stop before it is too late.

Certainly, as one Senator I want to see us look at these figures again before we cut the net income for an 800-acre wheat farm by 17 percent. If we do, we are not going to have any farmers to worry about. We will not even need to debate the farm program on the floor of the U.S. Senate in another year.

I would just say that I think we can go back to work, we should go back to work. There are honest differences of opinion. I hope we can work in that spirit. As I said in the committee yesterday, I have great respect for the chairman. He has never misled anyone about his view. We have some difference of opinion. We are certainly in agreement about the deficit. We have some difference of opinion about where the priority should be. But he has never misled anyone.

I respect the majority leader and the effort he has made to get a fair budget proposal accepted by the White House. He has stuck his neck out further than almost anyone else in this city trying to get a statesmanlike and fair approach adopted by people in both parties on the budget. He has succeeded in one great goal. We have been trying to get TIP O'NEILL and the President together. They finally got together.

It was not the way it was intended or hoped for. I hope we can get them back apart, maybe, if we can get a little progress and then get them back together on something like the Senator from Kansas suggested to obtain some progress.

We have a crisis. We need to go back and get to work on the Agriculture Committee. We do not have any time to waste. I think maybe some people on our side would be ready to submit to a 5-minute time limitation on any section of the committee bill, go ahead and finish the food stamp section, finish the farm credit section, finish the whole commodity section, and get it out.

But I say again we are going to make a very, very serious mistake if we act in the committee and the Senate acts to pass a bill on the floor that does not address the problems of farm credit, does not try to get the income up on the average-sized farm unit significantly over where it is now so we can save those farm units.

I certainly do not want to allow hundreds of thousands of dollars in payment to gigantic farm units. I have led the fight to target the support payments we make so we pay a higher rate on the first 40,000 bushels of wheat than we do on the next 40,000 and less on the next, and so on.

We have to be very careful as we struggle with payment limitations that we make it very clear that we are talking about gross, not net, payments and we have to be very careful to sit down and calculate the impact on the average-sized family farm unit before we take the step to jump off the cliff and lower the average family farm income—not the income of huge farms, not the income of the industrial farms, but the average-sized family farm. We cannot afford it.

As I said, this is the last speech I intend to make on the floor until the Agriculture Committee has sent a bill to the floor for us to act upon. I hope we will go back to the committee very shortly to do our talking there, mainly do our voting there and get a bill out here that we can pass.

I hope we will adopt a rule in the committee or on the floor that none of us will belittle the proposals of anybody else. I think to say we are concerned about family farm income is not a political slogan. It is a matter of heartfelt political conviction. I give the benefit of that doubt to the sincerity of everybody who sits on the other side of the aisle, and I hope everybody who sits on the other side of the aisle will give the same benefit of the doubt to me and my colleagues on this side.

We are trying to fight for stability and support not only for the farmer but for everybody in this economy. As the Senator from Iowa said a moment ago in citing the Wharton study, the rest of the country had better wake up to the facts. If you think this banking system is immune from a deflationary collapse of land values to secure billions of dollars of loans, you had better go back and read the introductory paragraphs of the Economics 101 textbook and reexamine your position on economics.

I thank the Chair.

Mr. EXON. Mr. President, I have listened with great interest to the remarks by many of my colleagues, including the detailed analysis of the situation just outlined by my colleague from Oklahoma [Mr. BOREN]. I say to all my colleagues that they have spoken with prudence, they have spoken with diligence, and they have spoken with an understanding of what the problem is in agriculture today; not only in agriculture, but in all of rural America and all of the small businesses who are so closely associated with agriculture that everything we are saying here today applies directly to them.

Mr. President, almost a year ago, I came to the Senate floor to offer an amendment to a supplemental appropriations bill. The amendment was in the form of a resolution which urged "The President in cooperation with the Board of Governors of the Federal Reserve System * * * to assure that an adequate flow of credit be available to American farmers at reasonable rates and that the American farmers be treated no less favorably than foreign borrowers with comparable levels of risk."

I offered that resolution because I was struck by the contrast between the credit treatment of American farmers and foreign borrowers. At that time, the external debt of Venezuela, Brazil, Argentina, and Mexico were roughly equal to the total indebtedness of the American farmer. Yet the way the Federal Government handled each situation was anything but equal.

Although my sense-of-the-Congress resolution was unanimously adopted by the Senate, incorporated into the final version of the supplemental appropriations bill and signed into law, the disparity continues. When foreign borrowers face an inability to pay their debts, massive bailouts and loan restructuring schemes are designed to prevent even one default. When American farmers face a temporary inability to pay their obligations, primarily through no fault of their own, emergency credit legislation is vetoed and a market-oriented farm policy is presented to Congress.

Recently, the contrast between the treatment of farm borrowers and foreign borrowers was again highlighted. Pursuant to a variable interest rate formula, the World Bank, which receives 20 percent of its support from the U.S. taxpayer, just announced

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that the interest rate charged to developing countries would be lowered from 9.29 to 8.82 percent.

A few weeks prior to the World Bank announcement, the Omaha district of the Farm Credit System announced that its interest rates would increase from 12¾ to 13½ percent.

What in the world are our priorities?

The World Bank announcement is great news for Third World nations. It means that they will have an opportunity to lessen their debt burden. However, the American farmer is in as much need of favorable credit treatment as any Third World nation.

When the international banking system faced difficulty, the President enthusiastically embraced an $8.4 billion increase in U.S. contributions to the International Monetary Fund. Now the Federal farm credit system is experiencing difficulty and the administration is moving in slow motion to even discuss a rescue plan.

I have come to this floor dozens of times to discuss the economic crisis in rural America. I am here again to say that the situation is not improving and that major Federal action is needed.

I am beginning to think that the only way American farmers can get appropriate assistance from their Government is to form their own Third World nation. It could be called farmlandia. Then large international banks and multilateral lending institutions would line up to dole out cash to farmers. If there were ever a problem of repayment, the U.S. Treasury would then rush to the assistance of farmlandia.

But they cannot help the farmers because they are not a Third World nation.

Mr. President, it is time that the Federal Government got its priorities straight. We must put the needs of Americans first. Time after time, the Federal Government has come to the assistance of foreign borrowers or their lending institutions. Now the American farmer needs our help.

In the coming days, I am hopeful that the Congress will extend a helping hand to the American farmer through the approval of a farm bill that will lead rural America down a path toward prosperity. I also look forward to an administrative or, if necessary, a legislative solution to the crisis which cripples the farm credit system.

Alan L. Thober of Beatrice, NE, recently had a letter published in the Grand Island Independent newspaper and I shall ask that it be printed in the Record in its entirety. In it he notes the words of Daniel Webster. The Senate would do well to note those words. Webster said, "Let us never forget that the cultivation of the Earth is the most important labor of man. Unstable is the future of that country which has lost its taste for agriculture. If there is one lesson in history that is unmistakable, it is that national strength lies very near the soil."

Mr. President, the time for action is now.

I ask unanimous consent to have the article I mentioned printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Grand Island Independent, July 22, 1985]

Disturbed by Farm Policies

(By Alan L. Thober)

To the Editor:

A year has passed since I first received a copy of the President's program for the elimination of the family farmer from his deputy administrator. Some will remember my feeble efforts to influence the election through letters that were printed in various local newspapers, state and national magazines. The majority of farmers still voted in favor of the man that had already driven the first nail into the coffin of agriculture.

The futility of not believing the President's intentions has been demonstrated many times in the destruction of hundreds of family farms, the insolvency of dozens of ag-related banking institutions, hundreds of independent businesses and the severe problems of this nation's largest agricultural lender. The President's program is extremely simple and horrendously effective. It calls for the lowering of all market prices on major commodities through government manipulation until such time as the heartland of America is insolvent. To negate the President's influence and that of the three most powerful men in determining administrative policy, Senators Robert Dole and Jesse Helms, and the Farm Bureau's Robert Delano, hundreds of little publicized meetings have been held throughout this nation.

In attendance were governors, congressmen, senators, farmers and representatives of the grain trade and at least 22 farm organizations. It was clear from the beginning that if agriculture was to survive as a vital industry an entirely new direction must be taken. The direction chosen was a mandatory program based on bushel allotments that would produce food only for markets that allowed opportunity for profit. It would trim some $12 billion from the federal budget, retire for the use of future generations some 20 million acres of highly erodable land, reduce all surplus commodities to an amount needed for emergency and a host of contingencies beneficial to America and its largest industry.

On May 20, 1985, I received from the same source, Deputy Administrator Ray F. Volkil, a letter with an enclosure bearing the name and seal of the United States Department of Agriculture, revealing the reasons why the Reagan Administration will not support the program that is the concensus of the agriculture industry; 1. Farmer profits would be substantially higher. 2. Consumers would pay more for food. 3. Land prices would increase. 4. Farmers would continue owning the land.

The President perhaps has never read the words of Daniel Webster "Let us never forget that the cultivation of the earth is the most important labor of man. Unstable is the future of that country which has lost its taste for agriculture. If there is one lesson in history that is unmistakeable, it is that national strength lies very near the soil."

Mr. EXON. Mr. President, I guess what I am trying to get at here is that we seem to have our priorities all mixed up. I have heard figures thrown about here on the floor today indicating that we were trying to create a grandiose scheme of welfare, if you will, for the wealthy farmers. That is the farthest possible thing from the truth.

I have also heard remarks made that the less informed might assume that those of us who are trying to have a workable, pared-down effort for agriculture in their greatest time of need since the depression of the 1930's are somehow wild-eyed spenders. Let us talk about the latest budget figures that have just come out. I assume that the leadership on that side of the aisle has endorsed these because they are key parts of the budget compromise that we are now awaiting, patiently or otherwise, to come forth with an agreement between the House and the Senate Budget Committees.

The facts of the matter are that while the administration wanted a 40-percent cut in 3 years for agricultural programs, this latest plan incorporates a 22-percent cut. Mr. President, that 22-percent cut in agricultural programs that we are about ready to adopt in here, and many of us will be voting for that reluctantly, I presume, is one of the largest percentage cuts of any item in the budget. You would be led to believe, if you did not know to the contrary, that we were making no sacrifices whatsoever.

No, by and large, the budget proposal, which is not a good one, is a freeze across the board, except in national defense. National defense is not cut a penny. National defense gets full steam ahead, what they got before plus an inflationary increase on top of that. Many other programs, many of them worthy, are simply frozen.

Agriculture is taking and is scheduled to take one of the largest percentage cuts in the budget. That point should be made clear.

Also, I am almost shocked to hear some of my colleagues essentially get up and say that the more we cut farm programs, the better it is for the farmer.

Now, the farmers of America do not believe that, as much as they would like to get Government out of agriculture. This is not a welfare program we are talking about. It is a program that is designed to help the family-sized farmers now going broke in record numbers over the tide, if you will—this tide of despair that is engulfing not only them but the economies of rural America. How bad is it going to get? I do not know, Mr. President. But I know that the futures markets are kicking off numbers out there that have been, for the last 2 weeks, down, down, down, with agricultural prices.

It is now clear on the futures market that we are going to have wheat cash prices below $3 a bushel and we are going to have corn cash prices at or below $2 a bushel.

Now, anyone who knows anything about agriculture knows that you cannot begin to keep even the wolf's puppy away from the door with that kind or price. It may not be the Government's responsibility to set prices, but what is the difficulty our farmers face today and who caused it? Not the farmers primarily. No, it is the policies of their government and the policies of governments around the world. The overvalued dollar has not only wrecked our steel industry and many of our major smokestack industries but it has literally devastated agriculture in rural America.

Mr. HARKIN. Will the Senator yield?

Mr. . XON. I will be happy to yield. I yield to my friend from Iowa.

Mr. HARKIN. I thank the distinguished Senator from Nebraska for yielding. He is absolutely right. I said earlier on the floor of the Senate that it was the irresponsibility of Congress that cause the farmers' problems. The Senator from Nebraska has said that, too. In 1981, we had the Gramm-Latta budget, we had the tax cuts for the wealthy and we had this huge increase in defense spending—three of the most irresponsible things this Congress has ever done. And then we heard it said that these huge deficits have to be reduced, and it has been built up.

Well, the deficit, when President Reagan took office, was $932 billion. Today, that deficit is $1.8 trillion. This President has doubled the Federal deficit. And as the Senator from Nebraska correctly points out, it is that which is overvaluing the dollar, increasing the interest rates to our farmers. The misguided, the totally misguided policies of this administration have brought agriculture to its knees. The other thing I point out—and again the Senator from Nebraska was right on the mark talking about $2 corn and $3 wheat—I think this administration forgets the farmers do pay income taxes; that when those farmers do not make money, they will not be paying taxes and the deficit will go up even more. So if you want to get this economy back on track again, get the farm income back up and that will do it. If you keep driving the farm income down, the deficit is going to keep going up.

I thank the Senator. I wanted to point out from where most of the deficits have come. They have come in the last 4 years under the Reagan administration. This administration has had more deficits in its 4 years than the Presidents from George Washington to Jimmy Carter combined. That is what has ruined our economy, these huge budget deficits, piled up by this administration, doubling from $932 billion to $1.8 trillion in 4 years. The Senator from Nebraska is absolutely right. Misguided policies of this administration are destroying agriculture and if we follow those misguided policies once again, we are going to destroy agriculture even more.

I thank the distinguished Senator for yielding me this time.

Mr. EXON. I thank my friend from Iowa for his on-point remarks.

Mr. President, I ask unanimous consent that I might yield without losing my right to the floor to the distinguished chairman of the Agriculture Committee for an announcement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I thank the distinguished Senator from Nebraska. I asked Senator Exon if he would yield to me for the purpose of announcing that if the members of the Senate Agriculture Committee are willing, it is my intent to convene the Senate Committee on Agriculture, Nutrition, and Forestry at 4:30 to proceed, if we can, with the marking up of the 1985 farm bill. It is the chairman's intent to lay before the committee the credit title of the farm bill. Obviously, Mr. President, it will take unanimous consent for us to do that. I am simply making note that that is my intent. It will be up to the leadership, of course, to determine whether we can receive unanimous consent to do so.

I thank the Senator from Nebraska for yielding.

Mr. EXON. I thank the chairman of the Agriculture Committee for that very, very good news. I am delighted to hear it. I am going to cut my remarks short because I do not want to do anything that might impair the ability of the members of the Agriculture Committee to be there for that very, very important meeting.

I was at this desk 24 hours ago. We were pleading then for a meeting of the Agriculture Committee. One has now been scheduled and I am just delighted to hear the good news because at least we have a chance to get on with something constructive to solve the problems at hand.

Let me finish, Mr. President, by saying in addition to all of the other difficulties that our farmers are having—we have mentioned the high value of the dollar which has literally priced our agriculture products, along with other products, out of the international marketplace—in addition to that and equally devastating is highly subsidized foreign competition that is rampant in the world today, especially with our prime trading partners, the Common Market countries and Japan. They are subsidizing their agriculture to the point it makes it extremely difficult for the American farmer.

This morning, we had a hearing before a subcommittee of the Joint Economic Committee. We had the cattle people testify that they had a devastating situation brought about among other things by the fact that there has been an increased spread in the percentage of what the farmer receives for a critter at the farm gate and what that meat costs in the supermarket. Mr. President, that has mushroomed. It used to be about a 30-percent difference between the raw, live animal and what the meat costs. That has zoomed up to 44 percent today, and we want to know the reason why.

Mr. President, there is no question that unless we can do something constructive, unless we can keep from being attacked, those of us who are going to continue to fight for a sound farm program, recognizing that we are willing to go along possibly with agricultural programs taking the largest percentage cut of any other portion of the budget—and I want to drive that fact home—with these things we hope that we can work collectively together not as partisans but as people who are concerned about the survival of the family-sized farmer. The family farmers are the ones we are primarily concerned about today, in a climate of absolute depression in agricultural America. It seems to me that the Government caused the major portion of this program with embargoes, with high interest rates, with unbelievable expanding deficits, expecially in the last 4 years, creating the high value of the dollar which devastates agriculture more than any other industry and last but not least by the highly subsidized foreign competition that we see day in and day out.

I ask again the question I asked in opening these remarks: If we can do it for Third World nations; if we can give them a break on their interest rates; if we can give them a break by extending the time of their loans; if we can refrain from putting any of them out of business, not one; if we can refrain from having our bank examiners list even one of those foreign questionable loans when they examine banks, why are the regulatory agencies today not giving our farmers the same consideration?

If the farmers could get the same interest rates as Third World countries, which probably never will have a chance of paying back the money, we might be able to work our way out of this agricultural depression a lot faster than we otherwise might.

Mr. President, I hope the committee can meet at 4:30, as outlined by the chairman a few moments ago. It could take 24 hours to do it, but late is a lot better than never. Good luck, members of the Agricultural Committee.

Mr. KASTEN. Mr. President, the upcoming Senate debate on the 1985 farm bill will present us with an opportunity to set the course of Federal dairy policy for years to come. In view of the tremendous importance of dairy farmers and the dairy industry to my home State of Wisconsin, I want to take a few minutes today to outline to my colleagues where I think we ought to be going in this area.

I would observe first of all that dairy is more important to Wisconsin than to any other State, and more important to the upper Midwest than to any other region.

Wisconsin produces more milk and dairy products than any other State, over one-sixth of the Nation's total production. Wisconsin produces almost a quarter of the Nation's butter, and 40 percent of our cheese. Milk output in Wisconsin is almost as large as that in the next two largest dairy States combined.

Yet these statistics do not go to the heart of why dairying is so vital to Wisconsin. The fact that there are over 43,000 dairy farms in the State does.

These tens of thousands of diary farmers provide the economic foundation of rural communities across the State. We are speaking of family farmers here, according to any definition of that phrase that has ever been used. Too small to utilize the Tax Code to finance expansion, too large to offset farm losses with off-farm income, these are the mid-sized, full-time family farms whose survival and prosperity has always been one of the chief declared goals of Federal farm policy.

Dairying in Wisconsin is a $3 billion-plus industry that provides tens of thousands of jobs in processing, transportation, farm supply, and other areas. It is every bit as important to Wisconsin as corn is to Iowa, wheat to Kansas, or tobacco to North Carolina.

None of this will come as a surprise to my colleagues. I mention it to make a point I feel it vital that we all understand as we approach the debate over the dairy title of the farm bill.

The point is this: Dairy policy is almost always discussed in terms that suggest that our only proper objectives are reducing the dairy surplus and treating all the milk-producing regions of the country equitably. I submit that this focus is inappropriate.

Wisconsin dairy farmers know that the surplus must be dealt with. But they realize that sound dairy policy involves more than just reducing Government purchases under the Price-Support Program.

It involves preserving the family dairy farm, and the many rural communities that depend upon it.

It involves ensuring that the benefits of the dairy industry's amazing productivity is passed along to consumers.

Finally, it involves allowing market forces to encourage production in the most efficient dairying regions, without interference from outdated or inappropriate Government policy.

It is also long past time that we recognized that all milk-producing regions are not alike. Neither I nor any of my farm constituents bear any malice at all toward the dairy industry in Florida or other Southeastern States. But it would be bad policy—grossly inequitable policy—to treat the interests of the few hundred dairy farmers in certain Southeastern and Western States as in any way comparable to those of the many thousands of dairy farmers in Wisconsin and Minnesota.

How does the dairy title approved by the Senate Agriculture Committee address the needs of the most important dairying region in the country? Not very well.

The committee chose to adopt a provision calling for a support price freeze through 1986, with yearly reductions in the support price in each year after that, depending on the size of the dairy surplus.

This approach is better than many that have been suggested. At least it would give dairy farmers some time to plan, and avoid the absurd situation we have had this year, with policy changing every 3 months.

But it is still inadequate. Indeed, it shows a disappointing lack of imagination in an area where imagination is badly needed.

Let's look for a moment at what the Agriculture Committee's plan does not do:

It does not address the rising tide of subsidized casein imports, which displace huge quantities of domestically produced nonfat dry milk.

It does not change the sad fact that dairy, alone among the major commodity programs, makes no attempt to target program benefits to family dairy farmers.

It does not change the pointless restrictions on the pricing of reconstituted milk—restrictions that deny consumers across the country the benefit of low cost-of-production milk from the upper Midwest.

I would note here that the regulation of reconstituted milk, along with the system of class I differentials, is part of an unbelievably complex regulatory system designed to encourage local production of milk across the country. In an era when long-distance transportation of fluid milk and power for reconstitution is much easier than it used to be, what we have is a lot of regulation serving an outdated policy goal.

We do not, after all, structure farm policy to encourage the production of peanuts in Maine. As Senator Boschwitz has noted. The fact that oranges and orange juice are perishable does not give us an excuse to establish marketing orders that promote orange production in New Jersey or Wisconsin.

No—We allow these products to be produced where it is economically most efficient. Why should we not do the same for dairy?

Both economic efficiency and the cause of helping the mid-sized, full-time family farmer argues for a dairy title that does more than just adjust the price support level—A dairy title that is truly market-oriented. I regret that leadership from the administration, which is always proclaiming that we need a market-oriented farm policy, has not been forthcoming on this issue. On virtually everything save the price support issue, this administration has offered a policy of inertia. The only proposal on marketing order issues that this administration has made so far is one for a study. Not to be completed for 5 years.

I would welcome a change in the administration's nonposition on these issues in time for the Senate floor debate on dairy. Much more important, I invite my colleagues to examine these issues when we discuss the dairy title, and the various amendments to it that I and other dairy State Senators will be proposing.

These are troubled times for dairy farmers in Wisconsin and across the country. No Government policy by itself can bring prosperity to the dairy industry, or keep in business every individual dairy farmer. But we can come up with a dairy proposal that frees up markets for family dairy farmers, that targets dairy program benefits to those farmers, and that will last for long enough for all dairy farmers to plan for their future.

I ask my colleagues to join me in crafting such a policy when we debate the dairy title on the Senate floor.

Mr. BAUCUS. Mr. President, as we debate the future of the farm program, it is important to keep our eye on the ball.

U.S. farm exports are declining precipitously. In the past 4 years, they declined in volume by 17.6 percent.

This decline resulted in lost sales of farm commodities and products totalling 84.3 million tons.

The value of U.S. farm exports lost since 1981 will total over $36 billion by 1986. These losses would have added $300 billion to our gross national product.

All this translates into a drastic drop in farm income, and a record number of farm bankruptcies.

Federal farm programs are important. They make sure that America's farmers are able to continue to produce the food that feeds this Nation and much of the world.

But there are other reasons for the decline in American exports, and the subsequent loss of income by American farmers.

The American dollar—driven to exhorbitantly high levels by Federal budget deficits—has robbed American producers of many of their markets.

The budget deficit itself helped propel interest rates to double-digit levels.

The administration has failed to formulate a coherent and consistent international trade policy.

Many of America's agricultural products are blocked in foreign markets by unfair trade barriers, high tariffs and foreign subsidies.

The members of Montana Grain Growers Association understand that these problems are America's farmers' worst enemy.

The MGGA recently passed a resolution that urges their members to support efforts to stabilize the value of the dollar, balance the budget and design a trade policy that will allow us to compete in world markets.

This resolution is a voice of common sense at an uncommon time. The MGGA has its eye on the ball. They understand the real problems facing the farm economy.

I commend them for the leadership they are showing.

I ask unanimous consent that the MGGA's resolution be printed in the Record.

There being no objection, the material ordered to be printed in the Record, as follows:

Montana Grain Growers Association Resolution

MGGA views with alarms the escalating budget deficit, the unprecedented trade deficit and the inferior international trading position of U.S. business and industry, of which agriculture is one of the most important. We fail to understand the lack of action by Congress and the Executive Branch to improve our position in world markets. We fail to understand why we cannot achieve sound monetary and fiscal policies. We fail to understand why we cannot design a comprehensive long term trade policy that has the power to enforce, if not a free, a fair, international trade. American agriculture is technically competent and competitive, but cannot alone compete against foreign treasuries.

The Montana Grain Growers Association looks forward to the day when our government is no longer a hindrance to our international trade, but a supporting partner—a partnership that will surely bring jobs back to the U.S. and put dollars in the pockets of U.S. farmers and workers. We must balance the budget, get the value of the dollar in line and design a trade policy that will allow us to compete in world markets, help stabilize the world economy and secure a lasting world peace.

The MGGA Board of Directors urges all state growers to support these efforts so we can look forward to the day when American agriculture again can operate without complex government programs.

Mr. McCONNELL. Mr. President, on April 16, I introduced my first legislative proposal as a U.S. Senator, S. 908. It was, as my distinguished colleagues on the Agriculture Committee know, a farm bill endorsed by the American Farm Bureau Federation, which is now cosponsored by 10 Members of this body. I said in my floor statement accompanying the introduction of S. 908, that no single farm proposal of the some 16 considered by the Senate Agriculture Committee would be adopted in its entirety. And it appears that the bill which will eventually be reported to the full Senate will indeed be the product of earnest compromise and concessions from Senators on both sides of the agricultural debate. It also appears that the committee compromise proposal will bear a strong resemblance to the bill I understand.

We need some common sense in agricultural policy, Mr. President, because what we are doing just is not working. No less an expert than Joseph Kinney, who has served as an adviser on agricultural affairs to former Senators Hubert Humphrey and Robert Morgan publicly advocates, as he calls it, a "full production agriculture."

"American agriculture must be allowed to operate in a manner which utilizes the technological advantages which are available only to America's producers," said Mr. Kinney in an article he authored for the Wall Street Journal.

I cannot agree more. For far too long, Mr. President, we have been guided by agricultural policy which was drafted to meet the needs of American agriculture when 60 million citizens called farming their primary occupation. When the farm policy that is the basis for current policy was initiated in 1933, American farmers could not even produce enough to meet domestic needs. In the 1970's, with general farm policy as it was in 1933, American farmers could not produce enough to keep up with ever-expanding foreign markets. Times are far different now and I think that we must recognize and deal with the circumstances as they now exist. Mr. President, I think that Mr. Kinney makes a good case for a new approach to agricultural policy and I think this kind of innovative thinking is long overdue.

The arguments for a mandatory production control program have been very persuasively put forth by the Senator from Iowa, Senator Harkin, and are supported by a number of farmers in my State. But a majority of the farmers and agri-businesses in Kentucky are very much afraid of a mandatory control program. Studies from various sources have indeed shown that farm income will increase in the first year under Senator Harkin's approach. But the same studies have shown that within 2 years, you will begin to see a drastic drop in exports of U.S. farm commodities. And farm implement and supply dealers who have borne the brunt of the current farm crisis along with the farmers will be driven right out of business. Within a 5-year period, Kentucky and America's farmers will again be producing only for a domestic market and the corresponding drop in farm income caused by the massive reduction in farm exports will doubtless lead American agriculture right down the primrose path to a depression. I just do not believe we want to do that.

The farm bill which will be reported out of the Senate Agriculture Committee will be a bipartisan bill, although just barely. It is no consensus, because none of us know just how to deal effectively with the problems of American agriculture. The distinguished Senator from Oklahoma, Senator Boren, pointed out yesterday land prices in his State were declining at a rate of 38 percent annually, but in my own State of Kentucky, USDA estimates show that land values have decreased by less than 5 percent in 1985. We have a very real problem here because, the depth of the crisis facing Oklahoma farmers is somewhat different from the problems of the Kentucky farmer. It is very difficult to write a good farm bill under these conditions. The fact that we are dealing with a very real budget problem only complicates matters further.

Even though tobacco is Kentucky's leading cash crop, I must point out that Kentucky is 14th in the United States in soybean and corn production and is 12th overall in production of major U.S. farm export commodities. Farming is a $3 billion cash business in Kentucky. And I am convinced it could be even more if we could truly unleash the power of Kentucky agriculture.

We simply cannot unleash that power by idling up to 50 percent of our farmland and sending a clear signal to our competitors on the world market that American farmers are going to get out of the export business, as would happen in a mandatory control program. Contrary to what my friend from Montana may say, USDA does have an export policy—but this policy is worthless if our commodities are so overpriced that my Kentucky farmers are producing for Government storage instead of foreign buyers. A responsible export policy depends on responsible farm policy and I think we are slowly moving in the right direction.

Mr. President, as happens occasionally in this body, politics get in the way of policy. But all of us, on both sides of the aisle, are singing from the same page of the hymnbook, as the distinguished chairman of the Agriculture Committee might say. We want to make agriculture profitable again, we want to establish policy that will stabilize land prices, we want to put the American farmer back on equal footing with farmers from other parts of the world. And we can do it.

We must give our farmers the opportunity to do what they do best: use American farm technology to produce commodities more efficiently than any other farmer anywhere in the world. And with sound, cohesive, long-term farm policy we can use this farm bill as the vehicle to make it happen.

APPROACHING THE 1985 FARM BILL

Mr. QUAYLE. Mr. President, as the 99th Congress undertakes the vital task of constructing the most important and yet most difficult farm bill in the recent history of farm legislation, I want to offer my thoughts on how we can accomplish this formidable task within the parameters of clear and sound economic and social policy.

There is certainly good reason for the concern that all of us share over the future of the American farm community, and specifically, the family farm. The family farm, which began as a means of subsistence for millions of Americans during the first century and a half of this country's existence, has during the last 50 years developed into this Nation's largest industry and the primary supplier of food for the world.

The American farm community long ago shed its image as a small, simple sector of our society. Along with the input, processing, transportation and distribution industries which support it, agriculture has become this country's largest employer, requiring the services of over 20 million workers to produce and sell our farm products. Farm assets totaled $1.03 trillion on January 1, 1984, an amount equal to about 70 percent of the capital assets of all manufacturing corporations in the total United States. As a measure of our tremendous productivity, realize that today, one American farmer, the most efficient in the world, supplies enough food to feed 79 people.

Because of this tremendous productivity, we all enjoy a wide variety of inexpensive food. But the benefits of American agriculture extend far beyond our shores. In 1984, we exported over one-third of our aggregate crop production. To the credit of our farmers, the United States, thus far in 1985, has contributed to drought-stricken Africa over 3,076,260 metric tons of food assistance, valued at over $1 billion. Of course, this level of help would not be possible without the outstanding productivity of the American farmer.

The farm sector and the jobs that crop and livestock production create are especially important to the middle west, and to my State of Indiana. While Indiana leads the Nation in the production of steel and prides itself as a manufacturing State, agriculture remains the lifeblood of its economy. Ranked eighth overall in the value of farm produce sold, Indiana is rated near the top in corn, hog and soybean production. Poultry, eggs, popcorn, tobacco and wheat are also important to our State's economy.

Today, family farm operators big and small, old and new, with diverse management styles, are finding it difficult, if not impossible, to realize a profitable return from an investment in American agriculture. I would suggest several factors that have contributed to this alarming set of circumstances, as I think it important to isolate and understand the causes of our problems before we suggest solutions to them.

Sound farm policy must accurately reflect the uniqueness of agriculture as a business enterprise and its important interrelationship with our overall economy. The 1985 farm bill should authorize a program that will serve the long-run interests of the American food and fiber industry; a farm policy designed to foster long-term prosperity in American agriculture and based upon our farm operators' ability to realize a profitable return from the marketplace, not the U.S. Treasury. At the same time, we need a farm bill that will maintain a strong and stable domestic agricultural base, and thereby preserve both our economic strength and reasonable social stability, so that we may always meet our own food and fiber needs.

But before exploring how to achieve this objective, let us briefly review the many factors which have contributed to the difficult condition of American agriculture.

First of all, our capital intensive farm economy, sensitive to both interest costs and export volume, has, over the past couple of years, quite predictably, adjusted to prolonged high real interest rates as well as disadvantageous exchange rates. It has done so by moving asset values downward to a level consistent with current commodity prices and the revenues which these prices can produce. In short, the current farm economy cannot provide a return on asset values pushed well above reasonable levels by the high inflation periods of the late 1970's, and as a result, land and other farm asset values are declining.

Second, agricultural land values, from which critical operating and long-term financing are drawn, have tumbled to reflect this economic adjustment. disinflation in the farm environment has spurred a drastic realignment of our overcapitalized farm asset base. The estimated value of total farm assets increased from approximately $502.6 billion in 1975 to over $1.0456 trillion 1983, while during the same period total farm indebtedness increased from $81.6 billion to over $216.3 billion. This reflects the heavy increase in agricultural investment during the last half of the 1970's, but the pendulum has swung back toward more realistic and sustainable asset values during the 1980's. In my State of Indiana, land values on average have fallen over 21 percent during the last year, seriously restricting the ability of farm operators to borrow against such declining security, seriously undermining farm equity.

A decline in asset values of this magnitude is having serious repercussions in this Nation's banking system. As we consider means to stabilize our farm economy, we should not lose sight of the fact that in so doing we are addressing larger problems in our banking establishment that affect all Americans without regard to occupation.

Third, past farm programs, evolving under much the same structure since the 1930's, have introduced distorting and damaging incentives into the marketplace. These have encouraged overproduction, here and abroad, and excessive investment of capital into the production of farm produce; produce for which in many instances there is no market. How has this happened?

How? The current structure of our loan rates and target prices give the farm operator a higher price for his commodity bushel than he would otherwise receive from the market. Producers respond by increasing production, causing surpluses and further depressing prices. this vicious circle continues, requiring additional income support, forcing farmers to attempt to produce more in order to realize an equivalent gain for lower prices, and so forth.

The distorting effects of our farm programs impact the world market in a different manner. Developing agricultural economies around the world are often able to produce agricultural produce at costs lower than our most recent loan rates. Because our loan rates set minimum prices in the United States, foreign competitors can be assured a market for their production so long as it is sold below U.S. loan rates. Our increasing loan rates have encouraged other nations, such as Brazil, Agrentina, China, and Australia to increase their production, contributing both to already high grain surpluses and heightened world competition.

Forth, we must not forget that the economy of the 1980's is much different from the economy of the 1970's. As is evident to anyone who has studied the agricultural industry, changes in variables such as exchange, inflation and interest rates have a strong impact on both the health of the farm sector and on the effectiveness of agricultural legislation.

The 1970's, with their double-digit inflation and rapidly expanding export market, provided an ideal stage for an expansion of agricultural production. Inflated land values provided growing paper equity that could be used to finance growth. Progressive farmers followed the suggestions of the marketplace and invested in what appeared to be a bright future in agriculture. But in stark contrast to the atmosphere of the 1970's, which covered up both management and policy oversights, the 1980's are characterized by a strong overall U.S. economy, low inflation and vibrant economic growth, accompanied by a strong U.S. dollar. These factors, combined with a maturing world agricultural economy, have worked to reduce our ability to export agricultural commodities and reverse past economic trends.

As we draft the 1985 farm bill, we must bear in mind the fact that, unlike the economy which characterized the 1970's, the low inflation and steady growth we are now experiencing are sustainable in the long run and must be considered as we develop a plan for American agriculture.

Overzealous economic incentives, brought about by Federal farm legislation, will in the long run only jeopardize any opportunity our children may now have to make their homes and livelihoods on American farms.

Many recent studies have explored the damaging effect our farm programs have had on the agricultural economy. These studies clearly warn that, if we do not quickly correct ineffective agriculural policies, the European Economic Community, Brazil, Argentina, Australia, China and other developing agricultural economies will replace the United States as the world's primary supplier of food and fiber.

How can we promote the return of stability and vitality to our farm sector over the long run without fully relying upon Federal price support programs? I would suggest that we adhere to several general policy guidelines similar to those which Secretary John Block has developed over the last 5 years.

We must begin this reconstruction by going back to our roots, toward a truly market-based farm economy. The best way to return health to this most precious of natural resources, the American farm family, is through a gradual and well planned move toward market dependence. For let me make clear, that I believe the objective of our approach should be the strengthening of our agricultural economy, and specifically, the family farm.

The first plank in our program must encourage our farmers to utilize the enormous technological productivity advantage they now enjoy. Limits on production, over and above prudent conservation practices, should only be employed as a short-run, voluntary, supply management tool. It is abundantly clear, that as we unilaterally withdraw valuable cropland from production, our competitors have and will eagerly fill the supply gap. Additional agricultural resources brought into production by our competitors will not quickly be removed, but will ensure continued competition in the world marketplace. Under no circumstances should mandatory, broad-scale production controls be included as a permanent provision of our farm programs, as they quite obviously are contrary to everything our economy was built upon. I believe I can confidently speak for the farmers of Indiana and elsewhere when I say that additional Federal management on the farm is the last thing they want or need.

I have mentioned the need for conservation practices as one part of a program to revitalize the farm economy. I fully endorse efforts underway in both the Senate and House agriculture committees to include both a strong "sodbuster" provision and a long-term reserve in the 1985 farm bill. As an original cosponsor of Senator ARMSTRONG's sodbuster bill, as well as a supporter of similar efforts which have regrettably failed in Congress in the past, I am encouraged by Secretary Block's display of support for these measures.

The sodbuster provision that recently passed both agricultural committees would prohibit the payment of Federal assistance to an operator who has planted a crop on highly erodible soil within the past 5 years. As many experts have noted, soil erosion has increased drastically over the last few years. Erosion from wind and rain, if left unchecked, represents one of the most imminent threats confronting agriculture. Consistent with this constructive initiative, I also believe we must revisit our tax codes, through which investment and improvement incentives have encouraged the plowing of erodible soil and the draining of our wetlands.

In addition, a long-run conservation reserve, which would encourage farmers to idle up to 30 million acres of erodible soil, would have several advantages. It would protect fragile and valuable soil, and provide additional cover for wildlife habitat. The plan would provide farmers with an additional source of income stability, as the Department of Agriculture would contract with farmers based on competitive bids. Further, the conservation reserve would help reduce swelling grain surpluses, which reduce commodity prices and increase Federal farm-support program costs. The USDA estimates that as much as 53 million acres might be eligible for such contracts and that yearly payments to farmers could amount to between $40 and $50 per acre. Finally, the removal of erodible soil from production will help consolidate resources by limiting the use of costly inputs and labor to our most productive farmland, which will lower per unit cost of production and increase overall productivity and profitability.

The long-term viability of American agriculture depends on our ability to sell farm products abroad. As sponsor of S. 171, the Agricultural Trade Enhancement Act of 1985, I have spoken out repeatedly on the crucial role that exports play. I am pleased to see so much attention being given to the export title of the 1985 farm bill, and I am especially encouraged to see that the intermediate-term export credit program which I introduced on the first day the U.S. Senate met this year may be incorporated as a part of the 1985 act. But I must stress that the true measure of a successful export program will lie in the resulting commercial sales of farm products, not those which require Federal credit assistance or export bonuses.

The importance of agricultural trade cannot be overstated. From an economic, humanitarian and national security perspective, our ability to remain competitive in the world commodity markets is crucial to the health of both our farm economy and our Nation in general.

The United States is the world's leading supplier of agricultural produce. But, since 1981, agricultural exports have fallen from a high of over $43 billion to only $38 billion in 1984. The USDA has continued to reduce its projection of 1985 sales, now estimated to be below $34 billion. Several economic and trade related factors have contributed to this decline, including the 1980 grain embargo, increasingly aggressive competition and the high value of the dollar. In addition, the rigid increases of loan rates built into the 1981 bill systematically priced American wheat and feed grains out of world markets. We must work to make sure that the 1985 farm bill will not similarly restrict U.S. agricultural exports.

We simply must take into account the impact of changing market conditions as we craft new farm legislation in 1985. This may require that we divorce income protection mechanisms from commodity prices. The risks of continuing to set goals for world production through our farm legislation are too great to do otherwise. This brings me to my third point—the need to establish realistic yet effective price support levels for our major commodities, such as wheat and feed grains.

We must realize that the inflexibility of the 1981 legislation, along with its frequent alterations, brought about both an overpricing of our farm products, and burdensome requirements on the Treasury. This point is made painfully clear when one considers that from 1980 through 1984, the United States spent unprecedented levels on farm programs, over $50 billion, while at the same time we witnessed the most severe farm recession since the 1930's. This experience should be enough to convince us that we cannot ignore market mechanisms and continue an attempt to buy prosperity through Federal price and income supports. In sum, the 1985 farm bill should be market-sensitive and responsive to contemporary economic realities.

To accomplish this, we must set loan rates, the primary pricing mechanism of our support system, at levels that will encourage the sale of our products in world markets. Initially, this may require some downward adjustment in loan rates. But I would insist that we tie loan rates to market prices, perhaps as a fixed percentage of the 3-year average market price for each commodity, as many have suggested. In order to protect the income of our producers during this transition period, we can maintain target prices at levels that will enable them to maintain income while reestablishing the financial soundness and competitiveness of American agriculture. This process may take several years, but we must have as our goal the gradual elimination of income support programs.

Fourth, our new farm programs should target assistance where it is most needed and desired: toward the full-time family farmer. Unfortunately, most of the benefits from past programs have ended up in the hands of our largest producers, and while many of these operations may well be productive and efficient farms, they by no means require such a disproportionate share of Federal assistance.

There exist several proposed plans for the targeting of assistance to the family farm, including overall payment limitations, tiered loan and target price levels, and restricted eligibility requirements. All of these plans recognize the importance of accurately placing Federal support in the hands of the full-time producer, who depends upon farm income for his or her living.

Each recognizes too, that 88 percent of this Nation's 2.3 million farms sell less than $100,000 worth of farm products, while those who sell more than $100,000 have in the past enjoyed the benefits of a large share of Federal benefits. For example, in 1983, 95 percent of all Federal Farm Program participants received benefits totaling less than $25,000, but the remaining 5 percent of payees received funds accounting for over 39 percent of total assistance provided. The largest 12 percent of the participants accounted for some 45 percent of total assistance provided in 1983.

It is obvious that the structure of our programs have disproportionately channeled Federal assistance to the largest of our farms. The 1985 farm bill should efficiently target assistance to the full-time family farmer, who with his family as his primary source of labor, represents the group most in need of income support and stability. Smaller farm operators depend upon off-farm income as their principal means of income, and therefore generally do not require Federal assistance. Nor should we encourage, through our farm programs, the production of farm commodities as a hobby. On the other hand, very large operations enjoy the advantages of economies of scale. They are often owned by more than one proprietor, have available to them broader financial means, and usually require outside labor. These entities should be considered as would any other large business, and should not receive a disproportionate share of Federal assistance.

The construction of a new farm bill will allow Congress the opportunity to improve upon inconsistencies and conflicting priorities which have been much a part of past legislation. For example, our most recent dairy program paid farmers to produce milk, while simultaneously taxing them through assessments in order to pay them to reduce production. Our volume-based commodity price support programs encouraged overproduction and sodbusting, while the Commodity Credit Corporation spent millions in taxpayers dollars to store excess commodities. As I mentioned before, our Tax Code has served as a vehicle for crossed priorities as well. In short, the 1985 farm bill should be interprogram and cross-program consistent.

We can remedy these obvious inconsistencies by removing those provisions of our law which encourage practices that contrast with the intentions of our farm legislation. For example, I strongly support an agressive sodbuster provision, which would stop what has been a federally financed incentive to utilize highly erodible soils. Second, I support efforts to move our dairy price support program to a market-oriented program, where the level of price support would be based on the level of Commodity Credit Corporation dairy purchases. This approach would return realistic incentives to the marketplace, and assist in the reduction of costly surplus stocks. There are cetainly other areas where inconsistencies lie, including the complicated regulations which surround our set-aside requirements, which have in the past provided incentives for the production of livestock and alternative crops. Our restrictive production allotments should also be questioned, as they restrict entry into, and exit from the production of certain crops. I would hope that as we construct the 1985 farm bill, we will seriously examine the costs and benefits of these and other provisions.

One of the most important and timely issues that this Congress will address is that of farm credit. It is not surprising, given the factors I discussed earlier, that many of our farmers are finding it ever more difficult to secure dependable credit. Some have called this situation a "credit crisis," implying that a shortage of capital exists in the farm financial community. In fact the credit situation stems from a declining number of farmers capable of qualifying for the same loans they were able to receive only a few years ago. This is happening because land and asset values are falling, thereby diminishing farmers' collateral. Thus, what some are calling a credit crisis actually results from a lack of profitability. As land values soared during the 1970's, farmers were able to borrow against their land and often did so to finance expansion. Now, as collateral decreases, highly leveraged farmers are finding it impossible to borrow equivalent sums against the very same property.

One of the most disturbing consequences of these economic changes is the dramatic impact they have had on the Farm Credit System. The Farm Credit System, which includes the Federal land banks, the production credit associations and the bank for cooperatives, today finds itself in a very troublesome position. With a loan portfolio limited to farm credit, and faced with increasing losses, these banks have been forced to make drastic structural changes and may well require some form of Federal assistance in the near future. Congress must strongly consider the farm credit situation as it looks ahead toward efforts to revitalize the farm economy.

One cannot credibly examine nor effectively develop agricultural legislation without considering the dramatic impact our fiscal, trade, monetary, and budgetary policies have on the farm economy. In fact, these considerations, and how Congress and the President address them, may well have a more profound impact on the health of our farm economy than anything included in the 1985 farm legislation. Unless Congress can come to grips with the Federal budget deficit, barriers to international trade, inconsistent tax codes, and volatile interest rates, our painstaking efforts to construct a workable farm policy may well be in vain.

This farm bill must be developed within responsible budgetary restraints. Every budget-busting dollar we spend will be one added to the Federal budget deficit, and the effects of the deficit on such critical factors as real interest rates and the strength of the U.S. dollar are especially damaging to the farm economy.

In closing, I believe that in drafting the 1985 farm bill this Congress has both an opportunity and a tremendous responsibility to develop an effective agricultural policy that will work toward a strong and sound farm economy. Simply put, the livelihood of millions of Americans, both on and off the farm, is at stake. I hope that as Congress approaches this critical task, it does so with a solid understanding of the contemporary issues at hand, and with lessons of the past clearly in mind.

Mr. ABDNOR. Mr. President, chalk up another one for the U.S. Congress. No farm bill.

This is nonsense, Mr. President, absolute nonsense. This adds to a long string of injustices to the American farmer.

Just how much more depressed does the agricultural situation have to get before our Nation—including this Congress—wakes up. How much tears need to flow in roads and fields in rural America before this Congress recognizes the anguish of agriculture. We seem to care more about the future of the whooping crane than the family farmer and rancher. We need a broad-based national commitment to agriculture and rural America. Our neighbors residing on farms and in rural towns are exhausted, they've given all they have to give. They need and deserve our full attention and support and that support is an investment, not a subsidy. Future generations of Americans, and other nations, will stand in judgment of the inability of our generation to make decisions relative to food production.

It's been almost 5 months ago, Mr. President, that I was privileged to appear as the leadoff witness before the Senate Agriculture Committee as it began its deliberations on the 1985 farm bill. I presented to the committee, at that time, 3,000 pages of testimony received at Joint Economic Committee hearings, from over 200 expert witnesses during the previous 2 years, all addressing the economic condition of agriculture and future farm policy. As I am not a member of the Agriculture Committee, this was my contribution to getting that committee started quickly and in the right direction. Apparently, and sadly, partisan politics took precedence over public policy.

Over the last several weeks, I've pleaded with Members on both sides of the aisle in the Agriculture Committee to pick a bill, any bill—get something to the floor and let's give farmers the priority attention they deserve and so desperately need.

And now I—all of us—must return to our States emptyhanded and not one of us will or should escape the wrath of our farmer-constituents. There will be no acceptable excuses; we had the time, we had the resources, but we lacked the awareness and the heart. When I return to South Dakota I will share with my fellow farmers and ranchers my best judgments regarding the 1985 farm bill and then we shall return to Washington and nothing will stop us from doing what must be done.

Mr. President, I cosponsored the resolution calling for the Congress not to go out of session until the farm bill had been passed. I also signed a motion for cloture. If I could, I'd physically keep this Congress in session.

I have a suggestion, Mr. President. When the Congress reconvenes in September, I suggest it reconvene in Kenebec, SD; I would suggest the Odd Fellows Hall, but it's closed. You would be surprised how persuasive those folks can be.

TAX REFORM AND THE AGRICULTURAL ECONOMY

Mr. BAUCUS. Mr. President, the Federal income tax system has a significant impact on the agricultural economy. In some cases, this impact comes from provisions that affect businesses generally, such as the accelerated cost recovery system and the favorable treatment of capital gains. In other cases, it comes from provisions that affect farms and ranches specifically, such as special cash accounting rules and soil conservation deductions.

Most of these provisions were designed to help businesses in general, and farmers and ranchers in particular, by encouraging investment and increasing productivity. However, some farmers and ranchers and some agricultural economists think that these provisions' cumulative impact is largely negative. They believe that many of the provisions have grown so complicated that farmers and ranchers are burdened with excessive paperwork. And they believe that tax incentives have sometimes attracted tax shelter investments that encourage overproduction, increase land prices, and otherwise distort the agricultural economy.

TAX REFORM

In the same way that the current tax system has a significant impact on the farm economy, tax reform will have a significant impact on the farm economy, for good or ill.

At a time when the agricultural economy is reeling from heavy debt, low prices, and a record number of farm foreclosures, it's critical that we fully understand and openly debate the potential ramifications of tax reform for the agricultural economy.

Earlier this year, I asked the Congressional Research Service to study the effect of the Treasury Department's first tax reform plan on farm income. CRS completed the study in February. On May 28, the administration announced Treasury II, its revised tax reform plan.

In response, CRS has updated its first report to analyze the impact of Treasury II on farm income taxation.

CONCLUSION

I hope that this new report stimulates further study and debate. We must analyze not only the primary impact of reform on the tax burden on agricultural income, but also the secondary impact on the structure of the agricultural economy; not only the short-term impact, but also the long-term impact. Thus informed, we can openly debate the proper relationship between the Federal tax system and the agricultural economy.

I ask that the full text of CRS' updated report be printed in the RECORD.

The report follows:

IMPACT OF THE PRESIDENT'S TAX PROPOSALS ON FARM INCOME TAXATION

INTRODUCTION

On May 28, 1985, the Administration released its long-awaited entry into the area of tax reform, calling it "The President's Tax Proposals to the Congress for Fairness, Growth, and Simplicity." It is based on the document published by Treasury in November 1984 (now being called "Treasury I"), [1] but with a number of changes. Since Treasury I was extensively analyzed, most discussions of the President's Proposals start from these analyses.

This report is an updating of two previous CRS reports on the effects of Treasury I and other tax reform proposals on the taxes paid on farm income.[2] It follows the pattern of those reports in concentrating on the provisions of current tax law of special importance to farmers and how these provisions fare in the proposed tax revisions.

I. The President's proposals and Treasury I

Like the original Treasury proposal, the President's tax proposal trades reduced tax rates for a broader tax base. The broader base is achieved by taxing some currently tax-exempt income but mostly by reducing currently allowed deductions.

Tax rates for individuals are essentially the same in the President's proposals as they were in Treasury I, but the starting point (the zero-bracket amount) is slightly higher ($4,000 instead of $3,800 for couples, for example). The maximum corporate tax rate remains 33 percent, but there are graduated rates on the first $100,000 of taxable income (phased out as income rises so that any corporation with taxable income of $360,000 or more would pay at a flat 33 percent rate). Ten percent of dividends paid are deductible by the corporation, rather than the 50 percent provided in Treasury I.

The President's proposal does not attempt to bring in as many untaxed sources of income as the Treasury I proposal did. In particular, employee fringe benefits are not made taxable (except for a small "floor" under health insurance premiums). Of the changes in personal deductions from Treasury I, the floor under charitable contributions is removed but State and local taxes are still nondeductible. Most of the tax benefits of specific industries are repealed, as in Treasury I, with the well-publicized exception of the oil and gas industry.

Most of the reductions in tax benefits for agriculture from Treasury I are retained in the President's proposals, and in the case of cash accounting, the restrictions are tightened slightly. More liberal deductions for depreciation are provided and the indexing of interest payments is dropped, however, so on balance the taxes on farm income may be less under the President's proposal than under Treasury I.

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[1] U.S. Department of the Treasury. Tax Reform for Fairness, Simplicity, and Economic Growth. A Treasury Department Report to the President. Volume I, Overview. 262 p. Volume II, General Explanation. 408 p. November 1984.

[2] U.S. Library of Congress. Congressional Research Service. Effect of the Treasury Tax Reform Proposal on Farm Income Taxation. Report No. 85-543 E, by Jack Taylor. Washington, 1985. 24 p.; and Farm Income Taxation Under Four Tax Reform Proposals. Report No. 85-638 E, by Jack Taylor. Washington, 1985. 23 p.

II. Cash accounting

Farmers have never been required to keep their books on an accrual basis, even for the production of inventories or assets that will be held to produce income far into the future (with some specific exceptions, such as large, non-family corporations). Accounting for such costs on a cash basis allows the deduction of expenses before the income they produce has to be reported, sometimes long before. In addition, accelerating or postponing the purchase of materials and supplies can be used as an averaging device that can be of considerable importance in smoothing out the profitability cycles inherent in the farm economy.

Like the Treasury I proposal, the President's proposal requires the capitalization of all expenses incurred in raising livestock, trees, and other assets with preproduction periods of two years or more. Instead of being deductible currently, these expenses would be depreciated over the life of the asset they went to create after that asset producing income. Like the cost of other depreciable assets, these capitalized costs would be indexed for inflation. The President's proposal explicitly defines the preproduction period for livestock to include the gestation period.

Under Treasury I, farmers would not have been required to use inventory accounting if they were not required to do so under present law. Under the President's proposal, however, any farm with average gross receipts over the past three years of $5,000,000 or more would be required to use accrual accounting for all income and expenses, including inventory costs.

As under Treasury I, the special expensing privileges for soil and water conservation expenses, fertilizer and soil conditioner expenses, and land clearing expenses are repealed.

III. Capital gains

Under present law, gains on sales of assets classified as capital assets are tax-favored: for individuals, 60 percent are excluded from taxable income and for corporations, there is a maximum tax rate of 28 percent on them. Gains on long-lived assets used in trade or business receive this favorable treatment. Under some circumstances, sales of livestock, timber, and unharvested crops sold with the land also receive capital gains treatment.

The Treasury I proposal did away with the capital gains treatment altogether and taxed all gains on all sales at the same tax rates. Assets sold were indexed for inflation, however, so only real gains were taxed. The President's proposal contains tax preferences for capital gains (a 50 percent exclusion for individuals); but it does not include depreciable assets, livestock, timber, or unharvested crops sold with the land in the definition, so the effect is the same as Treasury I. The basis of any asset excluded from capital gains treatment would be indexed for inflation before computing gain or loss on its sale.

Farm land would, at least initially, receive capital gains treatment under the President's proposals. Individuals could exclude 50 percent of any gain and corporations would pay a maximum tax rate of 28 percent on it. But the discussion of the proposals expresses doubts about the propriety of this treatment for land used in a trade or business and suggests that "consideration would be given" to making it ineligible for capital gains treatment (p. 173).

IV. Depreciation

Present tax law contains depreciation and other capital recovery provisions that provide a heavy subsidy to the use of depreciable assets. In the case of some equipment and, particularly, single-purpose agricultural structures (such as hog barns), the subsidy is very large indeed. Singlepurpose structures, for example, receive a 10-percent investment tax credit and can be depreciated over 5 years.

Under Treasury I, the investment tax credits were repealed and depreciation was based on empirical studies of actual declines in economic value. Depreciation deductions were adjusted for inflation and so approximated real economic depreciation.

The President's proposal moves back toward explicit subsidies for investments in depreciable property. The investment tax credits are repealed, but a subsidy is delivered through a system of accelerated, real (inflation-adjusted) deductions. Assets are grouped into classes that correspond to observed patterns of economic depreciation, as in Treasury I, but the lives and depreciation rates are designed to give larger deductions than economic depreciation in the asset's early years. Most farm machinery and equipment (incuding, initially, single-purpose structures) is depreciated over a 7-year life with an initial depreciation rate corresponding to 154-percent declining balance depreciation. Farm buildings, except single-purpose structures, are depreciated over 28 years with an initial 112-percent declining balance rate. In both cases, the initial declining balance rates switch to straight-line rates at the most advantageous time. The depreciable basis is indexed each year for inflation, as in Treasury I.

The subsidy provided by this accelerated depreciation is greater than any in Treasury I, but it is much smaller than the subsidies provided by the investment tax credit and ACRS under present law. It must be borne in mind, however, that with indexation, reduced tax rates, and other tax changes in this proposal, the net effect may well be a reduced overall tax rate compared to present law. Such is the conclusion concerning the agricultural sector in a recent CRS study of corporation tax rates.[3]

Under both Treasury I and the President's proposal, the election allowed under present law to expense up to $5,000 of depreciable property purchases annually is retained.

V. Debt finance and indexation

The Treasury I proposal to index all interest income and most interest deductions except home mortgage interest is not included in the President's proposal. As net debtors, farmers stand to profit from this change, at least on their tax returns. Protecting lenders from inflation would have led to lower interest rates, however, so it is hard to say whether this change is positive or negative on balance.

The President's proposal retains from Treasury I the provision limiting the deductibility of nonbusiness interest to $5,000 plus net investment income, and also includes in the definition of nonbusiness interest a limited partner's share of the interest paid by a limited partnership. Since the proposal to tax limited partnerships with more than 35 partners was dropped, this interest limitation is the most important remaining curb on tax shelter partnerships.

The President's proposed tax system is much more thoroughly indexed than the present system, but it is not as thoroughly indexed as the Treasury I system. Physical assets are rather thoroughly protected from inflation, but debt instruments are not. In Treasury I, the indexation of interest income and deductions substituted for indexation of debt, but even that rough approximation is not included in the President's proposal. Indexing assets but not liabilities can serve to encourage debt financing and should probably be looked upon as a windfall by debtors.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Quayle). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, just briefly, let me remark on the farm bill and what we are doing there, or perhaps not doing. I speak now not as a Member of the leadership, but as a Senator representing a State which has a large agricultural interest, indeed, we have cattle, sheep, wool, feed grains, sugar beets, honey, and many other products and we find a situation where we see agriculture in America in absolute chaos. More ironically and tragically, we see a situation where we injected $3 billion into agriculture in 1979—that was our entire agricultural outlay of expenditure then—and now during the first 4 years of this administration, we have channeled $63 billion into agriculture, which is a figure of $16 billion per year. Totally extraordinary. And in that period of time, we have seen more farms go out of existence than any time in our history, in any 4-year period.

Obviously, agriculture is very sick and it will not be healed by partisan rambling with regard to the programs that we are considering.

I would speak about the cattle industry in Wyoming, which is about the only remaining part of agriculture that does not get a nickel from the Federal Government. But they are on the ropes, too. So whether you are laying the bucks on or keeping the bucks out, you have agriculture in turmoil.

As one not on the Agriculture Committee, I have watched, observed, and listened, and I know the turmoil that is going on in that place. I also know the intent of some of the participants. I would hope that others may begin to perceive the intent of some of the participants so that at least we begin to know where the bones are buried.

It is interesting to see how the measure is being used as kind of a self-detonating device. It seems they want to see how many Republican Senators from farm States can be blown out of the water. But I think we have a higher task than that. I do not speak to save my position as assistant majority leader. I will have plenty to do here in whatever capacity I choose to undertake.

But surely no responsible person can go through what we have gone through with the anguish of the budget, casting the hard votes, attacking 13 programs of the Federal Government, not only cutting back on some but completely eliminating some, dealing with the hard issues, and the gut-hard issue, if you will, of the cost-of-living allowance on Social Security, and the defense budget. You can't do all that and not have strong feelings about the course of the farm bill.

I have always said, and I mean it quite honestly, that the people of America are smarter than their elected representatives. I think that is the basic reason the country has existed for 200-plus years. It really does not take any effort to figure out that the way we will save money and cut the deficit is to deal candidly with the defense budget, Social Security, Medicare, Medicaid, veterans' benefits, and civilian and military retirement.

You really do not have to have any corner on intelligence or common sense to know that that is "where it is." But if we do not do that, then we are all at fault. I do not close myself out.

We have come to a point in this country where the interest groups begin to gin up their stuff, and they are very adept at that. The troubling thing is that if you were not alert and bright, like the people of America are when they have the full information before them, one would almost begin to believe that when we try to do something with Social Security, we are doing in all of the poor and the senior citizens, even a very limited thing, which would save us $20 billion to $28 billion in 3 years by limiting the cost-of-living allowance—and doing that across the board and the veterans are very agreeable to that and other groups within the society are very agreeable to that, as long as it affects everybody the same way. So we try to do that, and that is alarming to groups who are here in Washington and whose leadership has assigned the task to those people here somewhere down on K Street or in one of the warrens downtown. Their sole function is to juice up the troops. They do that magnificently, I might add.

I think we see that same thing occurring with regard to the farm problem. I think our vision of the farmer we are trying to help is someone with the earthy ring of someone from the early 1930's standing there with the Oshkosh B'Gosh overalls on, looking off into the sunset with a hoe in his hand. That solid American is not getting very much out of America's farm programs. He is not receiving the money.

Fifty percent of the farmers in the United States will never see one nickel of this farm bill money whether it is $2 billion or $82 billion. Fifty percent of the people in the United States who are in farming will never see that. It is important to hear that. We only have 2.5 million persons in farming anyway. So half of those will never see a nickel of whatever we produce here.

It is an extraordinary thing for we could be here doing it for the little guy, for the little farmer, and we pretend that is what we are doing. Yet all we have done is to inject an extraordinary amount of funds into the farm economy and nothing has happened. And nothing will happen as long as we simply extend these programs and that is what we will perhaps do in this body. Too bad.

I think it is important for the people at least to understand that in 1984 nearly 90 percent of all Federal farm payments went to wheat, feedgrains, cotton, rice, and dairy. Yet those commodities accounted for only 31 percent of the total cash receipts from all farming in 1984.

Even those payments do not appear to be distributed in a fair manner. Twenty-five percent of all dairymen got 62 percent of all total payments for 1984. For wheat in 1984, only 1.5 percent of the producers got 14.5 percent of all the payments. Two percent of the corn producers hauled down 16 percent of the total payments. Twelve percent of the cotton producers received 56 percent of all the cotton payments. And for heavy hitters try this: Twenty-two percent of the rice producers received 65 percent of the total payments.

I have not really included anybody from my area yet.

There is a serious issue in my State, with a very important agricultural component, the wool growers.

Under the present Wool Act, it is no longer appropriate to say that it does not cost the Government anything simply because it is raised from tariffs. It is appropriate to say that what you do not get into the general treasury in tariffs is less income to the United States. So it is a tough issue. And yet the Wool Act is the only program left in the agriculture economy that is still tied in some way to a type of parity.

We see wool production going down and the Wool Act payments going up. It is the only agricultural area where, with production going down, the cost of subsidizing it is going up. Those graph lines now cross on that.

I do not know what to do with that. We are going to be debating it. I think it calls for some type of correction.

Then, of course, one that I shall share with my colleagues and then cease ramblings—as one who is not on the Committee on Agriculture but rather interested in what has happened. A classic example would be to look at the honey programs of the United States, where we have 107 million going out to honey producers—maybe 2,500 of them, I do not know exactly how many there are. We subsidize the market for that product, but there is no world market for that product. It is odd, I think—a bit odd, it seems to me—that we would support a market for a product that has no world price. So we see that it is 65 cents a pound and one-half of the product is then purchased by the Federal Government. Yet, we still import that same one-half from other governments. Do not ask me how that works, Mr. President. It boggles the mind. It really is not worth commenting on any further. But that is what the honey program is: half of it is purchased by the Government and held in drums, which often then spoil. Then we import honey in the same amount as the half that is supported by the Federal Government, and in addition—and this is an extraordinary bit of adventurism—you can buy honey from another country for 30 cents and bring it in here and sell it to the Government for 65 cents, and sell the imported stuff in the local grocery and sell the home grown stuff to the Government to be stored by the barrel.

That, I think, is a dazzling program. And it fits with what I have said before, that our vision here, in the Senate and in the House, is that we are trying to take care of good solid people who are "working the land". I submit that we are not. We are taking care of the people who are "working the programs." And that is the difference. And there are a lot of them.

As Annie Landers says, as soon as we wake up and smell the coffee on that one, we will begin to make progress, because there are a lot of people interested in these farm programs who must be chuckling and saying "Lord, I think they are going to do it again." So stand behind the door while we pull the latch on Fort Knox and see if we can gimmick the system one more time—work the program instead of working the land. Put the battalions of accountants and lawyers into the trench and say, "How can we milk that program better than we can milk even the agriculture dairy program," which needs our attention. I hope we will give that to it too.

Those are the things that I think ought to be said out on the floor as we deal with the great hysteria and some real hype about the poor old guy in agricultural America. Sure they are there. Well help them then. Because when we are all done with this stuff at whatever level we come in, only half of them are ever going to get a penny of it. The rest of it is going to go to some pretty sharp cookies in America—guys who have learned beautifully how to work the programs instead of working the land.

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[3] See U.S. Library of Congress. Congressional Research Service. Effects of Business Tax Provisions in the Administration's Tax Proposal: Updated Tables. Report No. 85-783 E, by Jane G. Gravelle. Washington, 1985. 10 p.

Our programs are a "laughter" in any league when you think what we have done with agriculture in the United States. They still smack of what was the situation in this country in the 1930's, and that is not where we are now.

It is a jumble of contradictions. We pay farmers to produce and produce and produce and then turn around, the same Government, and tell them not to produce and pay them for that. We set up farmers' reserves and set-asides and targeted this and targeted that, all of it is absolute disarray—figures, numbers, nobody could give you the right figures; bring your own to the table and you can do better than if you take anybody else's.

Certainly continuing this in agriculture is not the answer. We must move toward some market-oriented programs, some loan program targeted to market. That must come. We cannot do it immediately but must structurally phase it in. If we do not get that done this trip, then we can continue the fun and games as to who can punch a hole in Senator So-and-So in November 1986 and chuckle about it.

Or we can be thoughtful in a very bipartisan way and say, what do we do about a program that is costing us $63 billion in 4 years and now are we going to do it again and just extend it? Or, if we do not extend it, just take care of the heavy hitters and forget the little guy? That enables us, of course, to generate the enthusiasm of the debate. The poor old little guy is how we get the debate going. But that is not who is getting the jack.

Maybe we can, I hope—not now, but as we get into the after-the-recess period—actually honestly confront the farm problems of this country and see where the money goes, who receives it, why they receive it, whether the reason for that is still here or whether those reasons are no longer here, whether things have changed.

I have a kind of hunch that things have changed a bit since the 1930's, so it might be well to reexamine the farm programs in the context of the market as of the 1980's instead of the 1930's and I harbor the fond hope that we might be able to do that.

So, Mr. President, I hope that I do not have to listen—yet I know I shall have to, because I have no choice—to too much more, however, about the poor old "little guy"—and he is there; he is indeed out there. But since he is there, why not help him instead of helping the entrenched and the powerful instead of the agricultural portion of America which is powerless and disenfranchised and not able to figure out how to work the program.

I shall be interested in the debate. I look forward to it. I shall be in there, perhaps in a way where I shall see things that will be detrimental to my own State's agricultural interests. But, for Heaven's sake, let us try a little honesty and less hype, a little bit of candor instead of emotion.

As you have all heard me state before, I deal with these issues of immigration reform, veterans, nuclear regulation. You learn how to pass or kill a bill in this place based upon a deft blend of fear, guilt, emotion, or racism. It is really sometimes a ringy place to work.

Maybe when we deal with the farm bill as we should with other issues, we can finally at least define that essence of politics and at least recognize it as the arena where appetite and ambition compete openly with knowledge and wisdom. Let us hope we use a little more of the latter instead of the former as we try to grapple with the farm bill in an honest way.

That is a naive hope, I admit, but perhaps that can be done.

I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **DOLE.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970

Mr. **DOLE.** Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 261, S. 249, uniform relocation assistance.

The **PRESIDING OFFICER.** Is there objection?

Mr. **BYRD.** No objection, Mr. President.

The **PRESIDING OFFICER.** The Chair hears none, and it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 249) to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

The Senate proceeded to consider the bill.

Mr. **DOMENICI.** Mr. President, I would like to make a few brief comments on the budget impact of S. 249, the Uniform Relocation Act Amendments of 1985.

This bill amends the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. That act provides for the compensation of individuals and businesses whose property must be destroyed or relocated as a result of the activities of State or Federal Government. Payments made under this program to displaced persons or businesses are considered to be entitlements under the Congressional Budget Act.

This bill would provide increased entitlement authority in years for which we do not yet have budget resolutions, and therefore, violates the Congressional Budget Act.

However, as chairman of the Budget Committee, I feel that this technical problem should not be raised in connection with this bill. Although S. 249 would increase Federal expenditures in fiscal year 1986 by $100,000 because of increased administrative expenses, those costs as well as the cost of the increased entitlement authority would be offset by savings in the bill which result in a net decrease in spending of $2 million in fiscal year 1987 and $8 million in fiscal year 1988. This information is derived from a 2-year-old-Congressional Budget Office cost estimate, but I am assured that the figures remain more or less accurate.

It is my understanding that the increased administrative expenses will be absorbed within the existing funds of the affected agencies for fiscal year 1986.

The **PRESIDING OFFICER.** The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 249

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Uniform Relocation Act Amendments of 1985".

TITLE I—GENERAL PROVISIONS

DEFINITIONS

Sec. 101. (a) Section 101(1) (42 U.S.C. 4601(1)) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (hereinafter the "Uniform Act") is amended by striking out "(except the National Capital Housing Authority)" and "(except the District of Columbia Redevelopment Land Agency)".

(b) Section 101(3) of the Uniform Act (42 U.S.C. 4601(3)) is amended to read as follows:

"(3) The term 'State agency' means any entity which has eminent domain authority under State law.".

(c) Section 101(4) of the Uniform Act (42 U.S.C. 4601(4)) is amended by inserting, "or mortgage interest subsidy to a person" after "insurance".

(d) Section 101(6) of the Uniform Act (42 U.S.C. 4601(6)) is amended to read as follows:

"(6) The term 'displaced person' means—

"(A) except as provided under paragraph (E) (with respect to a utility on real property under the control or ownership of a State or local agency), any person who moves from real property, moves personal property, or moves a business or farm operation, as a direct result of a written notice of intent to acquire or the acquisition of such real property in whole or in part for a program or project undertaken by a Federal agency or with Federal financial assistance;

"(B) solely for the purpose of subsections (a) and (b) of section 202 and of section 205, any person who moves from real property or moves personal property from real property—

"(i) as a direct result of the written notice of intent to acquire or the acquisition of other real property, on which such person conducts a business or farm operation, for a program or project undertaken by a Federal agency or with Federal financial assistance; and

"(ii) as a direct result of rehabilitation or demolition for a program or project undertaken by a Federal agency or with Federal financial assistance, where the person is a residential tenant, farm operation, or a small business and where the head of the displacing agency determines that such displacement is permanent;

"(C) solely for the purpose of subsections (a) and (b) of section 202 and of any other provisions of this Act which the head of the displacing agency may prescribe, any other person who is a residential tenant, farm operation, or small business and who the head of the displacing agency determines will be permanently displaced as a direct result of a program or project undertaken by a Federal agency or with Federal financial assistance;

"(D) any person who is eligible for relocation assistance under paragraphs (A), (B), or (C) of this subsection, unless such person has been determined, according to criteria established by the head of the lead agency, to be either in unlawful occupancy of the displacement dwelling or to have occupied such dwelling for the purpose of obtaining assistance under this Act; or

"(E) solely for the purpose of subsections (d) and (e) of section 202, any utility company which moves its facilities from real property under the ownership or control of a State or local agency.".

(e) Section 101 of the Uniform Act (42 U.S.C. 4601) is amended by adding at the end thereof the following new subsections:

"(10) The term 'suitable replacement dwelling' means any dwelling that is (A) decent, safe, and sanitary; (B) adequate in size to accommodate the occupants; (C) within the financial means of the displaced person; (D) functionally similar; (E) in an area not subject to unreasonable adverse environmental conditions; and (F) in a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities, facilities, services and the displaced person's place of employment.

"(11) The term 'displacing agency' means any Federal agency, State or State agency utilizing Federal financial assistance or, for the purposes of paragraphs (B) and (C) of section 101(6), any person furnished Federal financial assistance which causes a person to be a displaced person.

"(12) The term 'lead agency' means the Federal department, agency, or other entity designated by the President to coordinate implementation of the Uniform Act under section 213 of this Act.

"(13) The term 'appraisal' means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.".

TITLE II—UNIFORM RELOCATION ASSISTANCE

Sec. 201. Section 201 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4621), and its catchline are amended to read as follows:

"DECLARATION OF FINDINGS AND POLICY

"Sec. 201. (a) The Congress finds and declares that—

"(1) displacement as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance is caused by a number of activities, including rehabilitation, demolition, code enforcement, and acquisition;

"(2) displacement occurs in a variety of social, economic, geographic, and legal circumstances;

"(3) relocation assistance policies must provide for sufficient flexibility to assure fair, uniform, and equitable treatment of all affected persons;

"(4) the displacement of businesses often results in their closure; and

"(5) minimizing the adverse impact of displacement of businesses is essential to maintaining the economic and social well-being of communities.

"(b) This title establishes a uniform policy for the fair and equitable treatment of persons displaced as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance, in order that such persons shall not suffer disproportionate injuries as a result of programs designed for the benefit of the public as a whole.

"(c) It is the intent of Congress that—

"(1) the primary purpose of this title is to minimize the hardship of displacement on persons displaced as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance;

"(2) Federal agencies shall carry out this law in a manner which minimizes waste, fraud, and mismanagement;

"(3) the administration of this Act shall, to the maximum extent feasible, minimize unnecessary administrative and program costs borne by States and State agencies through the promulgation of economical regulatory requirements and the delegation of substantial administrative discretion to State and local governments;

"(4) uniform procedures for the administration of relocation assistance shall, to the maximum extent feasible, assure that the unique circumstances of any displaced person are taken into account and that persons in essentially similar circumstances are accorded equal treatment under this Act; and

"(5) the improvement of housing conditions of economically disadvantaged persons under this title shall be undertaken, to the maximum extent feasible, in coordination with existing Federal, State, and local governmental programs for accomplishing such goals.".

MOVING AND RELATED EXPENSES

Sec. 202. (a) Section 202(a) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4622(a)) is amended—

(1) by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"(a) Whenever a program or project to be undertaken by a displacing agency will result in the displacement of any person, the head of the displacing agency shall provide for the payment to the displaced person of—";

(2) by striking out "and" at the end of paragraph (2);

(3) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(4) by adding at the end thereof the following:

"(4) actual reasonable expenses necessary to reestablish a displaced nonprofit organization or small business at its new site, but not to exceed $10,000.".

(b) Section 202(b) of the Uniform Act (42 U.S.C. 4622(b)) is amended by striking out all that follows "may receive" and inserting in lieu thereof "an expense and dislocation allowance, which shall be determined according to a schedule established by the head of the lead agency.".

(c) Section 202(c) of such Act (42 U.S.C. 4622(c)) is amended to read as follows:

"(c) Any displaced person eligible for payments under subsection (a) of this section who is displaced from the person's place of business or farm operation and who is eligible under criteria established by the head of the lead agency may elect to accept the payment authorized by this subsection in lieu of the payment authorized by subsection (a) of this section. Such payment shall consist of a fixed payment in an amount to be determined according to criteria established by the head of the lead agency, except that such payment shall not be less than $1,000 nor more than $20,000. A person whose sole business is renting displacement property to others shall not qualify for this payment.".

(d) Section 202 of the Uniform Act (42 U.S.C. 4622) is amended by adding at the end thereof the following new subsections:

"(d)(1) For the purposes of this section and section 101(6)—

"(A) The term 'cost of relocation' shall include the entire amount paid by the utility company properly attributable to a relocation after deducting any betterment in the relocated utility and any salvage from the old utility.

"(B) The term 'utility' means any electric, gas, water, steam power or materials transmission or distribution system, any transportation system, or any communications system (including cable television), and any fixtures, equipment, or other property appropriate to the operation, maintenance, or repair of the foregoing. A utility may be publicly, privately, or cooperatively owned.

"(2) Except when provided otherwise by Federal law, whenever a federally assisted program or project undertaken by a displacing agency other than a Federal agency will result in the displacement of a utility from property under the ownership or control of a State or local agency, the head of the displacing agency shall provide a payment to the utility company pursuant to State or local law or a written contract, if any, between the utility company and the State or local agency, but in no event shall such payment exceed the actual reasonable cost of relocation of such utility.

"(3) Nothing in this subsection shall supercede a State or local law or a written contract between a utility company and a

State or local government, or require a payment to be made where none is required under State or local law or a written contract.

"(4) Nothing in this subsection shall deprive a utility company of its rights under State or local law.

"(5) Nothing in this subsection shall require a Federal agency to increase its payment if the increased payment is attributable to a contract or contract amendment that is made in anticipation of the Federal payment.

"(6) Nothing in this subsection shall require a Federal payment in excess of the payment that a State or local agency would pay if no Federal funds were involved.

"(7) Nothing in this subsection confers jurisdiction on a court of the United States (as defined in section 451 of title 28, United States Code) to review any action of a displacing agency in carrying out this subsection or to review the right of a utility company to be compensated under State or local law.

"(e) Whenever a program or project directly undertaken by a Federal agency will result in the displacement of a utility as the result of Federal acquisition of real property under the ownership or control of a State or local agency, the head of the Federal agency shall either relocate the utility with the utility company's consent, or provide a payment to the utility equal to the actual reasonable cost of relocation of such utility. Such relocation or such payment shall not be required when it is provided otherwise by a Federal law, or a Federal regulation promulgated prior to March 17, 1983, or a contract or agreement with a Federal agency.".

REPLACEMENT HOUSING FOR HOMEOWNER

Sec. 203. Section 203(a) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4623(a)) is amended—

(1) by striking out "Federal" in paragraph (1) and inserting in lieu thereof "displacing";

(2) by striking "$15,000" and inserting in lieu thereof, "$22,500";

(3) by striking out "acquired by" and all that follows through "market" in paragraph (1)(A) and inserting in lieu thereof "acquired by the displacing agency, equals the reasonable cost of a suitable replacement dwelling";

(4) by striking out paragraph (1)(B) and inserting in lieu thereof the following:

"(B) The amount, if any, which will compensate such person for any increased interest costs and other debt service costs which such person is required to pay for financing the acquisition of any such suitable replacement dwelling. Such amount shall be paid only if the dwelling acquired by the displacing agency was encumbered by a bona fide mortgage which was a valid lien on such dwelling for not less than one hundred and eighty days immediately prior to the initiation of negotiations for the acquisition of such dwelling."; and

(5) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) The additional payment authorized by this section shall be made only to a displaced person who purchases and occupies a decent, safe, and sanitary replacement dwelling within one year after the date on which such person receives final payment from the displacing agency for the acquired dwelling or the date on which the displacing agency's obligation under section 205(c)(3) of this Act is met, whichever is later, except that the displacing agency may extend such period for good cause. If such period is extended, the payment under this section shall be based on the costs of relocating the person to a suitable replacement dwelling within one year of such date.".

REPLACEMENT HOUSING FOR TENANTS AND CERTAIN OTHERS

Sec. 204. Section 204 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4624) is amended to read as follows:

"REPLACEMENT HOUSING FOR TENANTS AND CERTAIN OTHERS

"Sec. 204. (a) In addition to amounts otherwise authorized by this title, the head of a displacing agency shall make a payment to or for any displaced person displaced from any dwelling unit not eligible to receive a payment under section 203 which was actually and lawfully occupied by such displaced person for not less than ninety days immediately prior to the initiation of negotiations for acquisition of such dwelling, or, where displacement is not caused by acquisition, any other event which the head of the lead agency may prescribe. Such payment shall consist of the amount necessary to enable such person to lease or rent for a period not to exceed three years, a suitable replacement dwelling. For a person whose income exceeds 50 per centum of the median income of the area, as determined by the Secretary of Housing and Urban Development, the amount referred to shall equal the lesser of (i) $4,500 or (ii) 36 times the amount obtained by subtracting the monthly housing costs for the displacement dwelling from the monthly housing costs for a suitable replacement dwelling. At the discretion of the head of the displacing agency, a payment under this subsection may be made in periodic installments.

"(b) Any displaced person eligible for payments under subsection (a) of this section may elect to receive in lieu thereof either Federal low income housing assistance or similar State or local governmental assistance if such assistance is available at the time of displacement and such person is otherwise eligible for such assistance. The failure of any such person to make such an election shall be considered when evaluating the eligibility of such person for any Federal or federally assisted low income housing assistance program during the three years following the date on which such person received the payment authorized under subsection (a) of this section.

"(c) Any person eligible for a payment under subsection (a) of this section may elect to apply such payment to a downpayment on, and other incidental expenses pursuant to, the purchase of a decent, safe, and sanitary replacement dwelling. A displaced homeowner who has occupied the displacement dwelling for at least ninety days but not more than one hundred and eighty days immediately prior to the initiation of negotiations for the acquisition of such dwelling may, at the discretion of the head of the displacing agency, be eligible for the maximum payment allowed under this subsection: *Provided*, That such payment shall not exceed the payment such person would otherwise have received under section 203(a) of this Act had the person occupied the displacement dwelling for one hundred and eighty days immediately prior to the initiation of such negotiations.".

RELOCATION ASSISTANCE COORDINATION AND ADVISORY SERVICES

Sec. 205. Section 205 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4625) and its catchline are amended to read as follows:

"RELOCATION ASSISTANCE COORDINATION AND ADVISORY SERVICES

"Sec. 205. (a) The head of any displacing agency shall assure that the relocation assistance advisory services described in subsection (c) of this section are made available to all persons displaced by such agency. If such agency head determines that any person occupying property immediately adjacent to the property where the displacing activity occurs is caused substantial economic injury as a result thereof, the agency head may make available to such person such advisory services.

"(b) The Secretary of Housing and Urban Development shall assign a high priority for assistance under the programs referred to in sections 204(b) and 206(b) of this Act to persons eligible under such sections. To the extent practicable, the Secretary shall require that federally assisted State and local governmental low income housing assistance programs assign priority for assistance to such persons. To the extent practicable, the Administrator of the Small Business Administration and the heads of other Federal agencies administering programs which may be of assistance to displaced persons shall make available technical assistance under subsection (c)(5) of this section and expedite the applications for such assistance by such persons.

"(c) Each relocation assistance advisory program required by subsection (a) of this section shall include such measures, facilities, or services as may be necessary or appropriate in order to—

"(1) determine, and make timely recommendations on, the needs and preferences, if any, of displaced persons for relocation assistance;

"(2) provide current and continuing information about sales prices and rental charges on suitable replacement dwellings for displaced homeowners and tenants and suitable locations for businesses and farm operations;

"(3) assure that a person shall not be required to move from a dwelling unless the person has had a reasonable opportunity to relocate to a suitable replacement dwelling;

"(4) assist a person displaced from a business or farm operation in obtaining and becoming established in a suitable replacement location;

"(5) supply information concerning other Federal programs which may be of assistance to displaced persons, and technical assistance to such persons in applying for assistance under such programs;

"(6) provide other advisory services to displaced persons in order to minimize hardships to such persons in adjusting to relocation; and

"(7) assure that a one hundred and eighty day homeowner-occupant is given a reasonable opportunity to remain in such occupancy status.

"(d) The head of a displacing agency shall coordinate the relocation activities performed by such agency with other Federal, State, or local governmental actions in the community which could affect the efficient and effective delivery of relocation assistance and related services.

"(e) Whenever two or more Federal agencies provide financial assistance to a displacing agency other than a Federal agency, to implement functionally or geographically related activities which will result in the displacement of a person, the heads of such Federal agencies may by agreement designate one such agency as the cognizant Federal agency whose procedures shall be utilized to implement the activities. If such agreement cannot be reached, then the head of the lead agency shall designate one such agency as the cognizant agency. Such related activities constitute a single program or project for purposes of this Act.".

HOUSING REPLACEMENT BY FEDERAL AGENCY AS LAST RESORT

Sec. 206. Section 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4626) is amended to read as follows:

"HOUSING REPLACEMENT BY FEDERAL AGENCY AS LAST RESORT

"Sec. 206. (a) If a program or project undertaken by a Federal agency or with Federal financial assistance cannot proceed on a timely basis because suitable replacement dwellings are not available, and the need of the displacing agency determines that such dwellings cannot otherwise be made available, the head of the displacing agency may take such action as is necessary or appropriate to provide such dwellings by use of funds authorized for such project. The head of the lead agency shall require that this section may be used to exceed the payment ceilings established in sections 203 and 204 only on a case-by-case basis, for good cause.

"(b) Whenever housing replacement as a last resort will result in the provision of housing for persons who are otherwise eligible for low income housing assistance, the requirement that the displacing agency provide suitable replacement housing may be met through such assistance as the provision of a certificate of family participation under the existing section 8 housing program pursuant to the United States Housing Act of 1937, as amended (42 U.S.C. 1437f).".

CERTIFICATION

Sec. 207. (a) Section 210 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4630) and its catchline are amended to read as follows:

"AGENCY CERTIFICATION OF STATE PROGRAMS

"Sec. 210. (a) Except as provided in paragraph (b) of this section, the head of a Federal agency shall not approve any grant to or contract or agreement with a displacing agency, under which Federal financial assistance will be available to pay all or part of the cost of any program or project which will result in the displacement of any person on or after the effective date of this title, unless he receives satisfactory assurances from such agency that—

"(1) fair and reasonable relocation payments and assistance shall be provided to or for displaced persons, as are required to be provided by a Federal agency under sections 202, 203, and 204 of this title;

"(2) relocation assistance programs offering the services described in section 205 of this title shall be provided to such displaced person;

"(3) within a reasonable period of time prior to a displacement, suitable replacement dwellings will be available to displaced persons in accordance with section 205(c)(3) of this title.

"(b)(1) In lieu of the provisions of subsection (a) of this section, the head of a Federal agency may discharge his responsibilities under this title and title I of this Act, with the exception of sections 208 and 211 of this title, by accepting a certification from a State agency that it will implement State law in a manner which will accomplish the policies and objectives contained in this title and title I: *Provided*, That the head of the lead agency has determined that such State law will accomplish the same purpose and effect as this title and title I, particularly with respect to the definition of a displaced person, the categories of assistance required, and the levels of assistance provided to such persons in such categories.

"(2) The head of the lead agency shall, in coordination with other Federal agencies, monitor from time to time, and report biennially to the Congress on, State agency implementation of such certification, and a State agency shall make available any information required for such purpose. The head of a Federal agency, after consultation with the head of the lead agency, may withdraw his acceptance of the certification for good cause: *Provided*, That the State government is given due notice prior to taking any such action and is given a reasonable opportunity to demonstrate why such action should not be taken.

"(c) Prior to making a determination regarding State law under subsection (b) of this section, the head of the lead agency shall provide interested parties with an opportunity for public review and comment. In particular, the head of the lead agency shall consult with interested local general purpose governments within such States on the impacts of such State laws on the ability of local governments to carry out their responsibilities under the Act.

"(d) The head of a Federal agency may withhold his approval of any grant, contract, or cooperative agreement with any displacing agency found to have intentionally circumvented a State law adopted under subsection (b) of this section.".

FEDERAL SHARE OF COSTS

Sec. 208. (a) Section 211(a) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4631(a)) is amended to read as follows:

"(a) The cost to a displacing agency of providing payments and assistance pursuant to titles II and III shall be included as part of the cost of a program or project undertaken by a Federal agency or with Federal financial assistance. A displacing agency, other than a Federal agency, shall be eligible for Federal financial assistance with respect to such payments and assistance in the same manner and to the same extent as other program costs.".

(b) Section 210(b) of the Uniform Act (42 U.S.C. 4631(b)) is amended by striking out and all that follows "required by" and inserting in lieu thereof "State law which is determined by the head of the lead agency to have substantially the same purpose and effect of such payment under this section.".

REGULATION

Sec. 209. Section 213 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4633) and its catchline are amended to read as follows:

"REGULATION

"Sec. 213. (a) The President shall designate a lead agency.

"(b) The head of the lead agency shall—

"(1) develop, publish, and promulgate, with the active participation of other Federal agencies responsible for funding relocation and acquisition actions, and in full coordination with State and local governments, such rules as may be necessary to carry out this Act;

"(2) assure that relocation assistance activities under this Act are coordinated with low-income housing assistance programs or projects by a Federal agency, or a State or State agency with Federal financial assistance;

"(3) monitor, in coordination with other Federal agencies, the implementation and enforcement of this Act and report to the Congress, as appropriate, on any major issues or problems with respect to any policy or other provision of this Act; and

"(4) perform other duties as may be provided by law as relate to the purposes of this Act.

"(c) The rules promulgated pursuant to subsection (b) shall apply to the Tennessee Valley Authority only with respect to relocation assistance under this title and title I.".

TRANSFER OF SURPLUS PROPERTY

Sec. 210. Section 218 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4638) is amended by inserting "net" after "all".

REPEALS

Sec. 211. Sections 214, 215, 217, and 219 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4634, 4635, 4637, and 4639) are hereby repealed.

TITLE III—UNIFORM REAL PROPERTY ACQUISITION POLICY

UNIFORM POLICY ON REAL PROPERTY ACQUISITION PRACTICES

Sec. 301. (a) Section 301(2) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4651(2)) is amended by inserting the following before the period at the end thereof: ", except that the head of the lead agency may prescribe a procedure which forgoes the appraisal".

(b) Section 301(9) of the Uniform Act (42 U.S.C. 4651 (9)) is amended to read as follows:

"(9) If the acquisition of only a portion of a property would leave the owner with an uneconomic remnant, the head of the acquiring agency shall offer to acquire that remnant. For the purposes of this Act, an uneconomic remnant is a parcel of real property in which the owner is left with an interest after the partial acquisition of the owner's property and which the head of the acquiring agency has determined has little or no value or utility to the owner.".

(c) Section 301 of the Uniform Act (42 U.S.C. 4651) is amended by adding at the end thereof the following subsection:

"(10) A person whose real property is being acquired in connection with a project under this title may, after the person has been fully informed of his right to receive just compensation of such property, donate such property, any part thereof, any interest therein, or any compensation paid therefor to an acquiring agency, as said person shall determine.".

CERTIFICATION

Sec. 302. Section 305 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4655) and its catchline are amended to read as follows:

"AGENCY CERTIFICATION OF STATE PROGRAMS

"Sec. 305. (a) Except as provided in paragraph (b) of this section, the head of a Federal agency shall not approve any program or project or any grant to, or contract or agreement with, an acquiring agency under which Federal financial assistance will be available to pay all or part of the cost of any program or project which will result in the acquisition of real property on or after the effective date of this title, unless he receives satisfactory assurances that—

"(1) in acquiring real property it will be guided, to the greatest extent practicable under State law, by the land acquisition policies under section 301 of this title and the provisions of section 302 of this title; and

"(2) property owners will be paid or reimbursed for necessary expenses as specified in sections 303 and 304 of this title.

"(b)(1) In lieu of the provisions of subsection (a) of this section, the head of a Federal agency may discharge his responsibilities under this title by accepting a certification from a State agency that it will implement State law in a manner which will accomplish the policies and objectives contained in this title: *Provided*, That the head of the lead agency has determined that such State law will accomplish the same purpose and effect as this title.

"(2) The head of the lead agency in coordination with other Federal agencies shall from time to time monitor State agency implementation of such certification and the State agency shall make available any information required for such purpose. The head of the lead agency shall by regulation develop criteria for withdrawal of acceptance of a certification.

"(c) Prior to making a determination regarding State law under subsection (b) of this section, the head of the lead agency shall consult with interested local general purpose governments within such States on the impacts of such State laws on the ability of local governments to carry out their responsibilities under this Act.".

TITLE IV—EFFECTIVE DATE

SEC. 401. (a) Section 209 of the Uniform Act takes effect on the date of its enactment.

(b) The remainder of this Act takes effect either twenty-four months from the date of its enactment or when a State agency makes such provisions applicable under State laws, whichever is earlier.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to:

CORRECTION IN THE ENROLLMENT OF STATE DEPARTMENT AUTHORIZATION CONFERENCE REPORT

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of House Concurrent Resolution 181, making technical correction in the State Department Authorization Conference Report.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (H. Con. Res. 181) to correct the enrollment of the bill H.R. 2068.

The PRESIDING OFFICE. Is there objection to the consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The concurrent resolution was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that movtion on the table.

The motion to lay on the table was agreed to.

MEASURE PLACED ON CALENDAR

Mr. DOLE. Mr. President, I ask unanimous consent that H.R. 2466, to make miscellaneous changes in laws affecting the U.S. Coast Guard, received from the House yesterday, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. DOLE. Mr. President, I inquire of the distinguished minority leader if he is in a position to clear any or all of the following calendar items for passage today: Calendar No. 268, S. 811; Calendar No. 269, S. 816; Calendar No. 270, S. 140; Calendar No. 271, Senate Joint Resolution 183; and Calendar No. 267, S. 1027.

Mr. BYRD. Mr. President, I thank the Chair for indulging me. There is no objection to any of these five bills and resolutions to which the distinguished majority leader has referred. This side is ready to act upon them.

Mr. DOLE. I therefore ask unanimous consent, Mr. President, that the calendar items just identified be considered en bloc and confirmed en bloc and that the committee-reported amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

RELIEF OF KENNETH DAVID FRANKLIN

The Senate proceeded to consider the bill (S. 1027) for the relief of Kenneth David Franklin, which had been reported from the Committee on Governmental Affairs, with an amendment to strike out all after the enacting clause, and insert the following:

SECTION 1. WAIVER OF EMPLOYEE STATUS REQUIREMENT AND TIME LIMITATION FOR CLAIMING DISABILITY RETIREMENT BENEFITS

(a) WAVIER OF EMPLOYEE STATUS REQUIREMENT.—Notwithstanding the requirement of section 8334(d) of title 5, United States Code, relating to status as an employee, Kenneth David Franklin of Raleigh, North Carolina, of his spouse, may make a deposit under such section.

(b) WAVIER OF TIME LIMITATION.—Notwithstanding the time limitation of section 8337(b) of title 5, United States Code, on filing a claim for disability retirement benefits, Kenneth David Franklin shall be entitled, after making the deposit allowed in subsection (a), to receive disability retirement benefits under subchapter III of chapter 83 of such title based on the claim referred to in the decision of the Merit Systems Protection Board numbered AT831L8410231, dated April 20, 1984, and the decision of the Merit Systems Protection Board numbered AT08318410232, dated April 20, 1984.

SEC. 2. COMPUTATION OF BENEFITS.

Upon receipt of the deposit allowed in section 1(a), the Director of the Office of Personnel Management shall certify to the Secretary of the Treasury the aggregate amount of the disability retirement payments that Kenneth David Franklin would have received if he had been receiving such payments for the period beginning on February 3, 1980, and ending on the date of the commencement of the period covered by the first disability retirement payment pursuant to this Act. The Secretary of the Treasury shall pay such amount, and interest on such amount at an annual rate of 6 percent, compounded annually, to Kenneth David Franklin from funds contained in the Civil Service Retirement and Disability Fund.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TREATMENT OF MINERAL MATERIALS ON PUBLIC LANDS

The Senate proceeded to consider the bill (S. 811) to clarify the treatment of mineral materials on public lands.

Mr. HATCH. Mr. President, I am pleased to see the Senate take action on S. 811, a bill which will allow the Bureau of Land Management to dispose of sand and gravel deposits found on unpatented mining claims located on Federal lands administered by that agency and sponsored by Senator GARN and myself.

Currently, the Bureau of Land Management is unable to dispose of surface sand and gravel materials located on unpatented mining claims because of a legal interpretation by the Department of the Interior. This interpretation will not allow sand and gravel deposits to be sold, removed, or displaced even with the consent of a mining claim holder. However, the Forest Service interprets the same statute differently and does allow for the disposal of sand and gravel on national forest land as long as the mining claimant consents.

The irony of this situation is obvious. And the result of this policy has a detrimental effect. In Utah sand and gravel is scarce in the southern portion of the State where mining claims number over 120,000.

This bill will simply rectify the incongruousness of this situation by clarifying that "mineral material surface resources may be disposed of by all Federal land management agencies." It will also protect mining claimants by assuring that they will receive adequate compensation for any surface sand and gravel which they may need but which have been previously disposed of under this authority.

I appreciate the efforts of the senior Senator from Utah in seeking to rectify this matter, and the gracious efforts of Senator MCCLURE to bring this matter to the floor of the Senate.

The bill was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 811

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Act entitled "An Act to amend the Act of July 31, 1947 (61 Stat. 681) and the mining laws to provide for multiple use of the surface of the same tracts of public lands, and for other purposes", approved July 23, 1955 (69 Stat. 368; 30 U.S.C. 612) is amended—

(1) in subsection (b) by—

(A) inserting after "vegetative" the following "and mineral material"; and

(B) inserting after the second proviso the following: *"Provided further,* That if at any time the locator requires more mineral material for his mining operations than is available to him from the claim after disposition of mineral material therefrom by the United States subsequent to the location of the claim, he shall be entitled, free of charge, to mineral material for such requirements from the nearest mineral material site administered by the disposing agency which contains mineral material substantially equivalent to that estimated by the disposing agency to have been disposed of from the claim subject to reasonable rules and regulations for the protection of nonmineral resource values including environmental values:"; and

(2) in subsection (c) by inserting after "vegetative" the following "and mineral material".

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NEBRASKA WILDERNESS ACT

The Senate proceeded to consider the bill (S. 816) to establish the Pine Ridge Wilderness and Soldier Creek Wilderness in the Nebraska National Forest in the State of Nebraska, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHILDREN'S JUSTICE ACT

The Senate proceeded to consider the bill (S. 140) to amend the Child Abuse Amendments of 1984 to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike out all after the enacting clause, and insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Children's Justice Act".

CHILDREN'S JUSTICE GRANT

SEC. 2. Section 4 of the Child Abuse Prevention and Treatment Act is amended by—

(1) redesignating subsections (d), (e), (f), the first time such subsection appears, and (f), the second time such subsection appears, as subsections (e), (f), (g), and (h), respectively; and

(2) inserting after subsection (c) the following:

"(d)(1) In addition to grants made to States under subsection (b), the Secretary is authorized to make grants to States for the purpose of assisting States in the developing, establishing, operating, or implementing programs or procedures for—

"(A) handling child abuse cases, especially child sexual abuse cases, in a manner which reduces the trauma to child victims;

"(B) improving the chances of successful prosecution or legal action against individuals who abuse children, especially individuals who sexually abuse children; or

"(C) improving procedures for protecting children from abuse,

in accordance with the eligibility requirements of this subsection. Grants under this subsection may be made to the State agency which administers funds received under subsection (a) or to an appropriate statewide law enforcement agency which has developed a child abuse program which meets the requirements of paragraph (2). The determination as to which agency of a State may apply for a grant pursuant to the preceding sentence shall be made by the chief executive officer of such State.

"(2)(A) In order for a State to qualify for assistance under this subsection, such State shall, except as provided in subparagraphs (B) and (C)—

"(i) establish a multidisciplinary task force as provided in paragraph (3); and

"(ii) adopt reforms recommended by the multidisciplinary task force in each of the three categories provided in subparagraphs (B), (C), and (D) of paragraph (3).

For purposes of clause (ii), reforms may include proof that the State has made substantial improvement in implementing or enforcing State laws or administrative practices in effect on the date of enactment of the Children's Justice Act as recommended by the task force of such State under paragraph (3).

"(B) If the Secretary determines, at the request of any State on the basis of information submitted by the State that such State—

"(i) has established a multidisciplinary task force within the 3 years prior to the enactment of the Children's Justice Act with substantially the same functions as the multidisciplinary task force provided for under this subsection; and

"(ii) is making satisfactory progress toward developing, establishing, operating, or implementing the programs or procedures in each of the three categories provided in subparagraphs (B), (C), and (D) of paragraph (3) and will continue to do so,

then such State shall not be required to meet the requirements of subparagraph (A).

"(C) A State may adopt reforms recommended by the task force of such State in less than all three of the categories provided in subparagraphs (B), (C), and (D) of paragraph (3), but in the event that a State fails to adopt any recommendation in a category the State shall submit to the Secretary a detailed explanation of the reasons for the State not planning to carry out any such omitted recommendation.

"(3)(A) Each State desiring to receive a grant under this subsection shall establish a multidisciplinary task force on children's justice composed of professionals experienced in the criminal justice system and its operation relating to issues of child abuse. The task force shall include representatives of the law enforcement community, judicial and legal officers including representatives of the prosecution and the defense, child protective services, child advocates, health and mental health professionals, and parents. Each State task force shall, for fiscal year 1987, review, analyze, and make recommendations for reforms needed to improve the response of such State to child abuse cases in each of the categories described in subparagraphs (B), (C), and (D).

"(B) A State shall provide for the handling of child abuse cases, especially child sexual abuse cases, in a manner which reduces the trauma to the child victim. Administrative procedures consistent with the reduction of trauma may include—

"(i) the establishment of interdisciplinary teams of child abuse professionals such as law enforcement officers, child protective service workers, prosecutors, child's advocates, mental health professionals, and medical personnel for handling child abuse cases;

"(ii) coordinated court proceedings for handling intrafamily child abuse; or

"(iii) providing for specialized training of law enforcement legal, judicial, and child welfare personnel to deal with child abuse victims and their families.

"(C) A State shall establish reforms designed to improve the chances of successful prosecution or legal action against individuals who abuse children, especially individuals who sexually abuse children. Such reforms may include—

"(i) strengthening the State definition of child sexual abuse;

"(ii) modifications of certain evidentiary restrictions such as the corroboration requirement and the qualification of child abuse victims as witnesses to allow for the age of child abuse victims; or

"(iii) establishing procedures for the closed-circuit televising or videotaping of victims testimony under circumstances which ensure procedural fairness while minimizing the trauma to the child abuse victim, especially child sexual abuse victim.

"(D) In order to improve procedures to protect children from abuse, especially sexual abuse, a State shall establish administrative reforms by law or, if possible, pursuant to law by administrative action, such as—

"(i) providing a guardian ad litem who is assigned to make an independent investigation and report to the court on recommendations regarding what action should be taken that would be in the best interests of the child;

"(ii) granting courts authority to grant civil protection orders to protect children from further abuse; or

"(iii) providing treatment programs for the individual who abuses children, especially the individual who sexually abuses children, and the abused child.

"(4) A grant authorized by this subsection may be made by the Secretary upon application which is made at such time or times and contains or is accompanied by such information as the Secretary may prescribe. Each such application shall—

"(A) contain such assurances as may be necessary to evidence compliance with paragraphs (2) and (3);

"(B) contain assurances that the State will comply with the requirements of paragraph (2)(A)(ii) during the fiscal year for which the grant is made; and

"(C) provide for making such reports, in such form and containing such information as the Secretary may require to carry out his functions under this subsection, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

"(5)(A) In order to assist the States in developing effective approaches to achieve the objectives set forth in paragraph (1), the Secretary, through the National Center on Child Abuse and Neglect established pursuant to section 2(a), shall—

"(i) compile, analyze, publish, and disseminate to each State a summary, including an evaluation of the effectiveness or lack thereof, of approaches being utilized, developed, or proposed with respect to improving the investigation and prosecution of child sexual abuse cases in a manner which reduces the trauma to the child victim along with such other materials or information as may be helpful to the States in developing or implementing programs or procedures to satisfy the requirements of this subsection;

"(ii) develop and disseminate to appropriate State and officials model training materials and procedures to help ensure that all law enforcement, legal, judicial, and child welfare personnel are adequately trained to deal with child sexual abuse victims; and

"(iii) provide for the support of research projects to assist in identifying effective approaches to achieving the objectives of this subsection.

"(B) Not later than two years after the date funds are obligated under section 5(b) for the first fiscal year, the Secretary shall—

"(i) review and evaluate the effectiveness of the activities carried our with such funds in achieving the objectives of this subsection; and

"(ii) report to the appropriate committees of the Congress on the results of such review and evaluation and on the steps taken by the Secretary, through the National Center on Child Abuse and Neglect Center, to assist the States in achieving such objectives.

"(C) The summary, information, and materials required under subparagraph (A) shall be made available to appropriate State officials not later than 180 days after the date of the enactment of the Children's Justice Act.".

AUTHORIZATION

Sec. 3. Section 5 of the Child Abuse Prevention and Treatment Act is amended by—

(1) inserting "(a)" after "Sec. 5."; and

(2) inserting at the end thereof the following:

"(b) There are authorized to be appropriated $12,000,000 for each of the fiscal years 1987 and 1988 for the purposes of making grants under subsection (d) of section 4.".

COORDINATION OF FEDERAL PROGRAMS INVOLVING CHILD ABUSE

Sec. 4. Section 7 of the Child Abuse Prevention and Treatment Act is amended by—

(1) inserting "(a)" after "Sec. 7."; and

(2) inserting at the end thereof the following:

"(b)(1) Within 180 days of the date of enactment of the Children's Justice Act and every 6 months thereafter, the Attorney General, the Secretary of Health and Human Services, Secretary of Education, and the head of any other agency or department designated by the President, or their designees, responsible for programs involving child abuse prevention and treatment shall meet for the purpose of coordinating such programs in order to—

"(A) prevent the overlap of such programs and the resulting waste of resources; and

"(B) assure that such programs effectively address all aspects of the child abuse problem.

"(2) Within one year of the date of enactment of the Children's Justice Act and annually thereafter, the Secretary of Health and Human Services shall report to Congress with respect to the actions carried out by agencies and departments of the United States for the purpose of coordinating programs involving child abuse prevention and treatment as provided in paragraph (1).".

MODIFICATION OF FBI OFFENSE CLASSIFICATION SYSTEM

Sec. 5. The Attorney General shall modify the classification system used by the National Crime Information Center in its Interstate Identification Index, and by the Identification Division of the Federal Bureau of Investigation in its Criminal File, and its Uniform Crime Reporting System, with respect to offenses involving sexual exploitation of children by—

(1) including in the description of such offenses the age of the victim and the relationship of the victim to the offenders; and

(2) classifying such offenses by using a uniform definition of a child.

AMENDMENT TO PUBLIC HEALTH SERVICE ACT

Sec. 6. (a) Section 523 of the Public Health Service Act (42 U.S.C. 290dd-3) is amended—

(1) by striking our "subsection (e)" in subsection (a) and inserting in lieu thereof "subsections (e) and (i)"; and

(2) by adding at the end the following new subsection:

"(i) Nothing in this section shall be construed to supersede the application of State or local requirements for the reporting of incidents of suspected child abuse to the appropriate State or local authorities.".

(b) Section 527 of such Act (42 U.S.C. 290ee-3) is amended—

(1) by striking out "subsection (e)" in subsection (a) and inserting in lieu thereof "subsections (e) and (i)"; and

(2) by adding at the end the following new subsection:

"(i) Nothing in this section shall be construed to supersede the application of State or local requirements for the reporting of incidents of suspected child abuse to the appropriate State or local authorities.".

The amendment was agreed to.

Mr. HATCH. Mr. President, the U.S. Senate has an opportunity today to reaffirm our love for children by focusing our attention on legislation addressed at curbing the frightening reality of child abuse in our Nation. One of the greatest blessings for people everywhere is the family. It is within our own family that each of us individually learn to care, to cope and to develop the strong sense of values which together make up the society in which we live. But tragedy strikes some families in America through the harm of child abuse.

Senator Paula Hawkins has brought the issue of child abuse to the attention of the U.S. Congress. Through her dedication, she has brought to the attention of our country the problems of missing and exploited children. Now before the Congress is her legislation, S. 140, the Children's Justice Act which is designed to assist States in reducing the trauma to the child victims of sexual abuse; improving chances of successful prosecution of legal action against child molesters; and, improving procedures for protecting children from sexual abuse.

S. 140 authorizes $12 million in fiscal years 1987 and 1988 to assist States in these efforts. That is a small price tag when considering the emotional turmoil that children and parents suffer when a child is victimized.

This legislation was reported favorably from the Senate Committee on Labor and Human Resources on July 10, 1985. Now I ask my colleagues in the Senate to support S. 140 as an additional measure providing families support and assistance when the tragedy of child abuse occurs.

Mr. President, I ask unanimous consent, that a summary of the legislation be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Summary of Bill

As reported from the committee, S. 140 amends the Child Abuse Prevention and Treatment Act. It establishes within the Department of Health and Human Services, a new Federal grant program to assist the States in developing, establishing, operating, or implementing programs and procedures designed to:

(1) reduce the trauma to the child victim of abuse especially child sexual abuse;

(2) improve the chances of successful prosecution or legal action against child abusers and molesters; and

(3) improve procedures for protecting children from abuse.

The new grant program provides $12 million for each of the fiscal years 1987 and 1988.

The Children's Justice Act, like the Child Abuse Prevention and Treatment Act it is amending, is designed to provide a financial incentive to the States to encourage their enacting additional child protection reforms. No State will be automatically eligible. All States will be required to improve their response to cases of child sexual abuse as a condition for receiving additional funds under this act. The legislation requires that the States must improve their response to child sexual abuse cases in the three general categories specified above. However, the States make the actual determination of what reforms to enact within those three categories.

For a State to be eligible for their allocation of funds under S. 140, the State must establish a multidisciplinary task force comprised of individuals and professionals involved in sexual child abuse cases. This multidisciplinary task force will make recommendations to the Governor, the State Legislature, the judiciary and others regarding the reforms needed to improve the response of such State to child sexual abuse in the categories specified in the bill.

The bill contains a provision which permits the State to utilize the recommendations of an existing or recently disbanded task force as long as its membership and functions are substantially the same as those called for under the act. The reforms do not have to be legislative. They can be administrative or judicial reforms or proof that the State has made substantial improvement in implementing or enforcing existing State statutes or procedures. The legislation also contains a provision which permits a State which has not enacted a reform recommended by their State task force in all three categories to submit a detailed explanation to the Secretary, who may, after reviewing the States' efforts, grant them eligibility to receive funds under this act.

The bill requires the National Center on Child Abuse and Neglect to compile, analyze and disseminate information about State statutes, programs, and procedures involving child sexual abuse cases within 6 months of enactment. To insure that all existing Federal resources are utilized, the bill requires the Attorney General, the Secretary of Health and Human Services and the head of any other agency involved in child abuse prevention and treatment to meet every 6 months to coordinate their efforts and avoid duplication. The bill directs the Secretary through NCCAN to develop and disseminate model training materials and procedures regarding child sexual abuse victims and provide for the support of research projects in this area.

The bill directs the Attorney General to modify the classification system by the Federal Bureau of Investigation to include the description of child sexual abuse offenses, the age of the victim and the relationship of the victim to the offenders and classify such offenses by using a uniform definiton of a child.

The bill amends the confidentiality provision in the Public Health Act which deals with federally funded alcohol and drug abuse prevention treatment programs to clarify that the Federal confidentiality statutes do not supercede the application of State or local laws requiring the reporting of suspected incidences of child abuse.

Mrs. HAWKINS. Mr. President, I am very pleased that the Senate is giving such expedited consideration to S. 140, Children's Justice Act. This legislation is long overdue.

The Children's Justice Act is needed if we are to succeed in enacting reforms in order to guarantee our nation's sexually abused and exploited children that we will heed their cry for help.

After years of fighting to get this problem acknowledged and discussed in public, we may have succeeded in increasing the public's awareness of this serious crime and it's long lasting effects upon its victims. We may have succeeded in getting people to stop whispering about sexual child abuse and begin to acknowledge that the crime does indeed happen in their neighborhoods, in their communities, and perhaps even in their own families. But the vast majority of the American public is still ignorant about how inadequate our administrative and judicial system is after the child victim makes that cry for help.

People are shocked to learn how few incidences are actually reported, how few cases are ever thoroughly investigated, how few cases are actually prosecuted, how few child molesters are ever successfully convicted and how few of these convicted child molesters actually are imprisoned.

Given the additional trauma experienced by young children who must undergo multiple interviews, depositions and questioning on such a personal and painful subject. Children who are often treated as if they had something to be ashamed of, rather than their abusers, is it any wonder why more children don't report their abuse?

Given the increased workload of child protection caseworkers, the difficulty in obtaining answers from a frightened and terrified child, the tendency to "burn out" in a high stress job, and the fact that the child protection worker's level of pay is less than a garbage collector, is it any wonder that many suspected incidences of child abuse are not fully and thoroughly investigated.

Given the misconceptions about children's testimony and archaic legal impediments, such as corroboration, prior competency and grueling cross examination is it any wonder that prosecutors are unwilling to take a case to court that is based solely on the child's testimony?

Given the misuse of the right of confrontation and to cross-examination by defense attorney's until it becomes not a method of determining the truth but a means to destroy evidence, the crucial testimony of the child, is it any wonder that so few child molesters ever get convicted?

Given the trend toward treatment and counseling of child molesters and the fact that so little is known about the effectiveness of these rehabilitative efforts, is it any wonder that many convicted child molesters use the criminal justice system as a revolving door and molest children time and time again?

These disturbing trends must be reversed. Teaching children to speak out and report their abuse is just a first step, we need to be able to guarantee them that they will not be further abused and traumatized by the administrative and judicial system after they make that initial cry for help.

Mr. President, I have been very encouraged by the interest and support that I have received from my colleagues on this bill. The bill was unanimously reported out of both the Subcommittee on Children, Family, Drugs and Alcoholism and the full Senate Labor and Human Resources Committee. Members of the committee, Republicans and Democrats, put aside party differences to work to develop a bill which would provide the Federal leadership and funding necessary to promote the administrative, judicial and legislative reforms needed to guarantee justice to abused children. Senators Dodd, Grassley, and Metzenbaum, offered excellent, constructive amendments which improved the bill. Senators Cranston, Hatch, Denton and other committee members offered suggestions which were incorporated into the bill.

I would also like to thank the organizations that have provided our committee with information and their recommendations on this bill. The American Bar Association's National Legal Resource Center for Child Advocacy and Protection was particularly helpful, as was the National District Attorney's Association, the National Council on Family and Juvenile Court Judges, and the National Association of Attorneys General. The recommendations of the U.S. Attorney General's Task Force on Family Violence was utilized by the committee, as were the recommendations of the California Attorney General's Report and Recommendations on Enforcement of Child Abuse Laws. The spirit and advocacy of dedicated organizations and individuals to improving the plight of these abused children gives me hope that this legislation will result in changes in the administrative, judicial and legislative treatment of abused children, especially sexually abused child victims.

Mr. DODD. Mr. President, today the Senate acts to address a most serious problem: the sexual and physical abuse of American children. I am pleased to join my distinguished colleague from Florida, Senator Hawkins, as a sponsor of the Children's Justice Act.

Last session, I was a primary sponsor of the Child Abuse Amendments of 1984, restoring critical funds to child abuse prevention and treatment programs. The authorization levels for these essential programs had been cut in half during action on the Omnibus Reconciliation Act of 1981. Moreover, separate funding for the identification, treatment, and prevention of child sexual abuse was eliminated in 1981. Although the Senate acted to restore these funds, the magnitude and seriousness of the problem demands further congressional action.

The Children's Justice Act would encourage States to enact legislative and administrative recommendations designed to improve a State's response to cases of childhood sexual victimization. I am indebted to my colleague from Florida for accepting a provision I offered requiring each State to set up a multidisciplinary task force to make those recommendations necessary to improve the State's handling of child sexual abuse cases. These task forces will enable representatives from law enforcement, the judicial community, and child protective services, as well as child advocates, health and mental health professionals, and parents to sit down and devise new ways to improve the response of the legal system to child abuse victims.

Mr. President, each task force should arrive at recommendations focused on first, minimizing trauma to child victims associated with legal proceedings, second, increasing the possibility of successful prosecutions, and third, setting new procedures in place to protect children from abuse. Such a task force has already been established in my State of Connecticut. Likewise, similar task forces in California and in Maine have issued impressive reommendations designed to expedite court cases involving child abuse and to protect children by better coordinating the efforts of all State agencies involved in civil and criminal abuse cases.

The provision I offered in the subcommittee on Children, Families, Drugs and Alcoholism, authorized $12 million for each fiscal year 1987 and 1988 for grants assisting those States that have established task forces and enacted recommendations to carry out those recommendations. A State that chooses not to enact a specific recommendation made by its task force may still qualify for a grant if the reasons for not acting are delineated in writing for the Secretary of Health and Human Services.

In addition, I was pleased to offer two amendments on behalf of my distinguished colleague from Claifornia, Senator CRANSTON, during markup of the Children's Justic Act in the Subcommittee on Children, Families, Drugs and Alcoholism. One such provision would require the National Center on Child Abuse and Neglect to compile, analyze, evaluate, and disseminate information on child abuse programs and reforms to all States througout the country. Far too often, practitioners and parents in my State of Connecticut do not know what their counterparts in California and elsewhere are doing in terms of child abuse prevention and treatment. The other amendment authored by Senator CRANSTON would clarify that compliance with State and local child abuse reporting requirements supercedes the application of confidentiality provisions for patients in alcohol and drug abuse treatment programs. This amendment parallels one incorporated into the family violence legislation enacted into law during the last session of Congress. Both these amendments were accepted.

Mr. President, as founder and cochairman of the Senate children's caucus, I can attest to the public emergency presented by the sexual victimization of our Nation's children. By even the most conservative estimates, a child is sexually abused some place in this country every 2 minutes. One in every five victims is a child under the age of seven. And close to half of all victims under age 18 will be the targets of repeated sexual abuse.

As Senators heard at a children's caucus forum on sexual abuse held on April 26, 1984, child sexual abuse can trigger many other serious problems, some of them long-lasting. Police chiefs across the country report that 70 percent of all runaways have been sexually abused prior to making the decision to run. And, teenage prostitution itself is closely linked to prior sexual victimization.

Mr. President, cases involving the physical abuse of children pose just a serious problem. In my State of Connecticut, the death rate from physical abuse tripled between 1980 and 1982. In States such as Utah, that figure was even higher. For this reason, I am pleased a provision I offered in the Labor and Human Resources Committee markup of the Children Justice Act was accepted, encouraging States to improve their respective responses to cases involving the physical abuse of children as well as to cases involving sexual abuse.

In closing, I urge my colleagues to support this legislation to help States better protect children who have been abused or neglected from further trauma at the hands of the legal system. By enacting the Children's Justice Act, the Senate would take another important step toward curbing the tragic epidemic of child abuse in this country. I call for immediate enactment of this legislative package.

Mr. CRANSTON. Mr. President, I rise in support of S. 140, the proposed "Children's Justice Act" which I have cosponsored and strongly endorsed. This legislation is aimed at encouraging States to enact reforms designed to improve legal and administrative proceedings regarding the investigation and prosecution of child abuse cases, particularly sexual abuse cases. Enactment of these reforms would help prevent the further victimization of children through an insensitive judicial process that fails to recognize the special nature of the crime involved and the additional trauma inflicted upon the children who are often the principal sources of evidence in the judicial proceedings brought against the perpetrators of these crimes.

Mr. President, before focusing on the provisions of S. 140, I want to pay special tribute to the chairman of the Subcommittee on Children, Families, Alcoholism, and Drugs, the Senator from Florida [Mrs. HAWKINS] and the ranking minority member, the Senator from Connecticut [Mr. DODD], for the tremendous bipartisan effort they have made in both focusing attention upon the need for this legislation and working with other Senators in developing a strong and effective approach to dealing with these problems. Last year, Senator DODD and Senator HAWKINS participated in a forum conducted by the Senate Children's Caucus on the subject of sexual abuse of children—a subject which has too often been hidden from public view. That forum played a critical role in focusing national attention on the full dimensions of this problem.

As the Senate coauthor with former Senator Percy of the 1978 legislation which established the first Federal program directed specifically at the problem of sexual abuse of children, I believe that it has become increasingly clear that what seemed to us in 1978 to be an important problem appears today to have represented merely the tip of an iceberg.

The growing statistics on the incidence of sexual abuse of children—regardless of whether the statistics represent merely better reporting procedures or an increase in the cases themselves—demonstrate beyond any doubt that more needs to be done by government entities at every level to deal effectively with the devastating, scourge of child abuse. I was pleased, therefore, to testify on May 2, 1985 before the Subcommittee on Children, Families, Alcoholism, and Drugs in support of S. 140 and to make several recommendations to strengthen the legislation and to submit specific legislative amendments for that purpose.

Mr. President, the Senator from Florida [Mrs. HAWKINS] and the Senator from Connecticut [Mr. DODD] have brought before this body an excellent bill which will help stimulate these needed activities at the local, State, and Federal level. I am deeply appreciative to both of them for their willingness to incorporate my four legislative recommendations into this measure.

HISTORY

Mr. President, as the chairman for 4 years of the Child and Human Development Subcommittee on the Senate Labor and Human Resources Committee—one of the predecessors of the present Subcommittee on Children, Families, Alcoholism, and Drugs—I have had a longstanding interest and concern about the problems relating to child abuse and neglect. In 1978, former Senator Percy and I worked together to develop the sexual abuse treatment program, legislation that was enacted in Public Law 96-266. That measure established a new small grant authority under the Federal Child Abuse Prevention and Treatment Act to help establish programs to provide services and treatment to children who were the victims of sexual abuse and to help develop programs to prevent such abuse. Unfortunately, the separate funding authority was eliminated in the 1981 budget reconciliation legislation, but I am pleased to say that we were able to restore the separate funding authorization in last year's child abuse amendments, Public Law 98-457.

The legislation before us today provides a new and much needed focus upon what happens to children during the judicial prosecution of child abuse cases, particularly sexual abuse cases.

RECOMMENDATIONS OF THE CALIFORNIA ATTORNEY GENERAL

Mr. President, at the time I testified in support of S. 140, I presented to the subcommittee a report issued on April 1, 1985, by a Commission on the Enforcement of Child Abuse Laws appointed by the California attorney general, John Van de Kamp. That report contained a series of findings and recommendations focused on how the criminal justice system could be made to work better to protect children who are the victims of sexual or other physical abuse. Those recommendations closely parallel the areas for reform suggested in S. 140.

For example, the California commission recommended that local law enforcement agencies in California establish specialized units or specially trained officers to handle all phases of investigation and prosecution of these cases—a concept which would fall within the purposes of S. 140.

A number of recommendations in the report focus upon the need for legislation to modify courtroom procedures to accommodate the special needs of child victims. These recommendations include:

Placing responsible limitations, within constitutional limits, on repetitive questions asked of child witnesses;

Pending explicit judicial authority to control the method of questioning of child witnesses;

Establishment of special rules for determining the competency of child witnesses;

Expanding the evidentiary rules relating to hearsay testimony to provide, with appropriate safeguards, for the admissibility of out-of-court statements of young child abuse victims; and

Permitting the use of contemporaneous close-circuit televised testimony of very young witnesses in order to reduce the pressures and tensions experienced by these children in experiencing a typical courtroom situation.

OUTLINE OF S. 140

Mr. President, S. 140 would provide for Federal financial assistance to go to States which enact reforms along the lines outlined by the California Commission. It would authorize the appropriation of $12 million for each of fiscal years 1987 and 1988 for making grants to States for the purpose of developing, establishing, operating, or implementing programs or procedures for first, handling child sexual abuse cases in a manner which reduces the trauma to the child victim; second, improving the chances of successful prosecution or legal action against child molesters; or third, improving procedures for protecting children from sexual abuse.

As a result of an amendment proposed by Senator DODD, in order to be eligible to receive a grant, a State would have to establish a multidisciplinary task force on children's justice—like the California attorney general's Commission on Enforcement of Child Abuse Laws—which would review, analyze, and make recommendations for reforms needed to improve the response of such State to child abuse cases in the three areas I have listed. A State like California which had established such a task force within the 3 years prior to enactment of S. 140 would not be required to establish a new task force.

Mr. President, I believe that this basic approach would provide an incentive for States to enact the reforms needed while providing them with flexibility to design the specific reforms and programs that would best meet the needs of their particular jurisdiction. The bill would also authorize the financial help that is needed to get some of these programs operating.

CRANSTON AMENDMENTS

Mr. President, at the time I testified in support of S. 140, I proposed several amendments, derived from recommendations contained in the California commission's report. On June 18, I introduced legislation, S. 1320, containing three of these proposals. I am deeply appreciative of the fact that the subcommittee incorporated all of my amendments into the legislation.

STRENGTHENING THE ROLE OF THE NATIONAL CENTER ON CHILD ABUSE

First, Mr. President, I recommended that the National Center on Child Abuse and Neglect be given responsibility to play a more active role in helping States improve and reform their laws relating to the investigation and prosecution of child sexual abuse cases in a manner that will reduce the trauma experienced by the child victims.

Mr. President, repeatedly, the California commission stressed the need for development of appropriate procedures, training materials, and research into the various aspects of the problem of child abuse, particularly those relating to sexual abuse cases. One specific recommendation was for the State of California to investigate what other jurisdictions, both domestic and foreign, are doing in these areas and analyze the reasons for the effectiveness or lack thereof of approaches being tested in other jurisdictions. During the hearings on S. 140, witnesses repeatedly called for the sharing of information on what was being tried and what was effective. Jack Yelverton, executive director of the National District Attorneys Association specifically called for the establishment of a national network to share information and expertise on model programs, to report and track changes in case and statutory law throughout the States and disseminate this information, to monitor and evaluate changes in State and Federal laws based upon the actual case experience of prosecutors, and to develop model legislation based upon such experience.

At a hearing of the children's caucus in Los Angeles that I chaired on June 10, I heard a similar plea for clearinghouse activities to support local law enforcement efforts to deal with complex sexual abuse cases. It was suggested that there ought to be one telephone number that local officials throughout the country could call to get information and advice on how to proceed with these difficult cases.

Mr. President, I was one of the cosponsors of the legislation enacted in 1974 which established the National Center for Child Abuse and Neglect, and, as the chairman of the Senate Subcommittee on Child and Human Development, I authored the 1978 legislation which extended the authorization of appropriations in that act. The Center was established to serve as just such a clearinghouse for information and to help develop the materials and procedures to be used by individual States and localities in confronting these cases. One persistent problem that has plagued the Federal child abuse program since it was first established has been its not disseminating information and research findings on a timely basis to those in the field who need to know what approaches and techniques are being tested in other jurisdictions and which of those are working and which are not.

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A basic reason for this failing has been that the National Center has been buried in the HHS bureaucracy, with its funding diverted on occasion to support general discretionary projects supported by the Office of Human Development Services, rather than spent on projects focused specifically on the issues of child abuse and neglect. In April of 1980, the General Accounting Office [GAO] issued a report highlighting the weakness in the National Center's activities. That report—"Increased Federal Efforts Needed to Better Identify, Treat, and Prevent Child Abuse and Neglect"—noted that the "Center has provided little guidance and assistance to States and localities on effective approaches and programs to deal with abuse and neglect * * * Center officials had not clearly communicated to States and localities their opinions on promising approaches and programs even after extensive research and evaluation." GAO specifically recommended that to improve its leadership and assistance, the Center should be required to improve the coordination of Federal programs and resources, identify approaches and programs showing promise of success, and develop information on the progress of States and localities in addressing abuse and neglect.

GAO also noted that much of the problem arose from the lack of adequate support from HHS for the Center and noted prior efforts within HHS to divert some of the Center's research funds to other programs. Nothing in the intervening years since the GAO report was issued has changed much. Indeed, Congress was forced in last year's legislation reauthorizing appropriations for the Federal child abuse program to include provisions prohibiting HHS from using any funds appropriated under the child abuse act for any purpose other than that for which such funds were specifically authorized.

During the hearings held in the last Congress on reauthorizing funding for the National Center, the American Humane Association specifically recommended that the Center should emphasize its dissemination of information and knowledge in an assertive way.

Mr. President, it is not enough to have a National Center that serves merely as a repository of information; active efforts need to be made to share the information with those in the field who can put it to use. Without this kind of leadership and initiative to disseminate information, the individual States are needlessly left to duplicate activities and waste time and resources pursuing deadends.

The reported bill thus contains the amendment I proposed which would give the National Center a specific role and 6-month deadline to meet in the national effort to improve investigation and prosecution of child sexual abuse cases.

Specifically, the bill would require that, within 6 months, the Center compile, analyze, publish, and disseminate to each State information on the various approaches being utilized, developed, or proposed, including an evaluation of the effectiveness or lack thereof, to improve the investigation and prosecution of child sexual abuse cases in a manner which would reduce the trauma to the child victim and provide the States with other materials or information that may be helpful in making such improvements. It would also require the National Center to provide the States with model training materials and procedures to help ensure that all law enforcement, legal, judicial, and child welfare personnel are adequately trained to deal with child sexual abuse victims. Lastly, it would require the Center to provide for the support of research projects to assist in identifying effective approaches to improve the investigation and prosecution of child sexual abuse cases in a manner which reduces the trauma to the child victim.

Mr. President, I want to underscore the importance of the requirement that the National Center disseminate model training materials to law enforcement, judicial, legal, and child welfare personnel on how to deal with child sexual abuse victims. The need for this material has been stressed over and over, both in the Van de Camp Commission report and the testimony of witnesses who appeared before that commission. Dealing with a child who has been the victim of sexual abuse is a very difficult and very sensitive matter. The danger of further and deeper traumatization of the child by insensitive questioning or treatment is very high. Without adequate training, many professionals who want to help a child may actually do more harm than good. The judges as well as the lawyers who deal with these children in the courtroom setting need particularly to be sensitized to the special problems facing these young witnesses.

AUTHORIZING GRANTS TO BE MADE TO STATEWIDE LAW ENFORCEMENT AGENCIES

Mr. President, a second amendment I proposed to S. 140 which has been incorporated into the reported bill allows the funds appropriated under this new authority to go to statewide law enforcement agencies, and not be limited only to the social services agencies which currently receive grants under section 4(a) of the Federal Child Abuse Prevention and Treatment Act. I suggested this amendment because I believe that allowing these funds to go directly to statewide law enforcement agencies would be of significant benefit in helping to elevate the level of interest and attention paid to how the criminal justice system deals with child abuse cases. As long as child abuse is regarded primarily as a matter for the child welfare or social services agencies, rather than for law enforcement agencies as well, the changes that are contemplated under S. 140 are not likely to move forward with the speed they require.

COMPLIANCE WITH CHILD ABUSE REPORTING LAWS

Mr. President, a third amendment I proposed which was incorporated into S. 140 involves a problem identified by both the California attorney general's commission and the United States Attorney General's Task Force on Family Violence relating to a conflict between the general confidentiality provisions of the Federal drug abuse and alcoholism statutes, sections 290dd-3 and 290ee-3 of title 42, United States Code, and State and local laws which require all health-care professionals to report cases of known or suspected child abuse which come to their attention.

Mr. President, a full explanation of the need for this amendment is contained in my introductory statement on S. 1320 on June 18, 1985 which appears on page S8323 of the Record of that date (daily edition).

INCLUSION OF CHILD ABUSE DATA IN UNIFORM CRIME REPORTING SYSTEM

Finally, Mr. President, S. 140 includes the fourth amendment I had proposed which would direct the Attorney General to include specific information relating to child abuse in the FBI's Uniform Crime Reporting System. This amendment was incorporated into a similar amendment proposed by the Senator from Iowa [Mr. Grassley], relating to other information and data collection mechanisms operated by the Department of Justice. These amendments should help provide hard data on the incidence and disposition of child abuse cases. The lack of this kind of data has been a persistent problem to policymakers attempting to respond adequately in this area.

CONCLUSION

Mr. President, child abuse, particularly sexual abuse of children, is a very serious problem in our society. I am deeply committed to finding ways to prevent child abuse and child sexual abuse and to provide appropriate treatment for child abuse victims and their families. But we also must take steps to make sure that the judicial and the law enforcement aspects of these cases are adequately handled. Parents are justifiably reluctant to have their children subjected to a further abuse through the criminal prosecution of these cases. As a consequence, in some cases, the perpetrators of heinous crimes against young children are allowed to go free—go free to prey on other children. Better reporting and enforcement of child abuse laws can help deter potential abusers from engaging in the abuse in the first instance and certainly can be effective in removing them from society when they violate the law.

Companion legislation to S. 1320, H.R. 2791 was introduced in the House of Representatives on June 18 by my good friends and colleagues from California, Representatives Don Edwards, Mel Levine, and George Miller as well as Representative Dan Coats who serves as the ranking minority member of the House Select Committee on Children, Youth, and Families of which Representative Miller is the chairman. I am confident that our colleagues in the House will move quickly on this important, bipartisan initiative.

In closing, Mr. President, I want to extend my appreciation to the staff who have worked on this legislation, particularly Robin Rushton of Senator Hawkins' staff and Marsha Renwanz of Senator Dodd's staff, and Susanne Martinez of my own staff.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the Child Abuse Prevention and Treatment Act to establish a program to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of the child abuse cases, especially child sexual abuse cases."

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MYASTHENIA GRAVIS AWARENESS WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 183) to provide for the designation of the week of October 6 through October 12, 1985, as "Myasthenia Gravis Awareness Week."

MYASTHENIA GRAVIS AWARENESS WEEK

Mr. BYRD. Mr. President, I am very pleased that the Senate has moved with such speed to consider the joint resolution I introduce yesterday on behalf of myself and Senator Metzenbaum. That resolution designates the week of October 6 through October 12, 1985, as "Myasthenia Gravis Awareness Week." It is estimated that from 100,000 to 300,000 Americans are afflicted with this gravely disabling disease, a neuromuscular disorder that causes voluntary muscles to become weak and to tire easily.

It is the muscles of the head—particularly those of the eyes, the back of the throat, the larynx, and the respiratory tract—which are most prominently affected. It is a progressive disease—symptoms may advance irregularly, may get worse for a while and then remain the same for a period of time or even get better briefly. But over a period of years, there is always a gradual worsening of symptoms. The major danger in myasthenia gravis arises from progressive paralysis or infection, particularly that involving the respiratory tract.

There is no known cause of this disease, but it does appear that women are twice as susceptible to the disorder as men, afflicting the highest numbers of women between the ages of 20 and 40.

Mr. President, it is clear that much needs to be learned about myasthenia gravis. There is a continuing need to support innovative research into the causes, treatment, and cure of this disorder afflicting hundreds of thousands of American citizens. It is my hope that, by the passage of this resolution, the public's awareness will be raised by the programs, ceremonies, and activities which will stem from official designation of a national "Myasthenia Gravis Awareness Week", and that this will hasten the day when its cause will be known and effective treatment in all cases can be provided.

The joint resolution was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 183

Whereas the incidence and prevalence of myasthenia gravis present a significant health problem in the United States;

Whereas myasthenia gravis is a severe neuromuscular disorder, characterized by weakness of the voluntary muscles of the body;

Whereas an estimated one hundred thousand to two hundred thousand diagnosed, and over one hundred thousand undiagnosed, Americans of both sexes, and all races and ages, are afflicted with the disease;

Whereas the Nation faces a continuing need to support innovative research into the causes, treatment, and cure of myasthenia gravis; and

Whereas it is appropriate to focus the Nation's attention upon the problem of myasthenia gravis: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 6 through October 12, 1985, is designated as "Myasthenia Gravis Awareness Week" and the President of the United States is authorized and requested to issue a proclamation calling upon all government agencies and the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations.

There being no objection, the Senate proceeded to the consideration of executive business.

Mr. DOLE. The nominations to which I refer are as follows: Calendar No. 366, Constance Horner; Michael E. Baroody, reported by the Committee on Labor and Human Resources today; Richard S. Nicholson, reported by the Committee on Labor and Human Resources today; Frank Shakespeare, reported by the Foreign Relations Committee today; John Gunther Dean, reported by the Foreign Relations Committee today.

Mr. BYRD. Mr. President, these nominations have been cleared on this side of the aisle, and we have no objection to proceeding.

Mr. DOLE. Mr. President, I ask unanimous consent that the nominations just identified be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

(New Reports)

Office of Personnel Management

Constance Horner, of the District of Columbia, to be Director of the Office of Personnel Management for a term of 4 years.

Department of Labor

Michael E. Baroody, of Virginia, to be an Assistant Secretary of Labor.

National Science Foundation

Richard S. Nicholson, of Virginia, to be an Assistant Director of the National Science Foundation.

Department of State

Frank Shakespeare, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Portugal.

John Gunther Dean, of New York, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were considered en bloc and confirmed en bloc.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

SCHEDULE

Mr. DOLE. Mr. President, we are now waiting, as I understand it, for drafting to be done on the budget conference report. I am advised that it appears that the House may act first—I hope quickly; then the Senate will act—I hope quickly.

The only other matter that I believe we can possibly dispose of would be the energy and water appropriations bill. If the distinguished chairman of that committee and the ranking minority member are ready to proceed on that matter, I assume it may be at least 7 o'clock or 7:30 before we receive the conference report from the House. I hope that if there is a desire to dispose of the energy and water appropriations bill, that can be done between now and that time.

That would take care of nearly every major item, with the exception of the South Africa conference report. I am advised that there is still opposition to that as well as the Genocide Treaty and one other nonmajor piece of legislation which we have not been able to clear.

So I hope we can complete action on the energy and water appropriations matter in the next 2 hours and be prepared to take up the budget conference report, and dispose of that within an hour, and then conclude our business for the August recess.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. Abdnor]. Without objection, it is so ordered.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, 1986

Mr. JOHNSTON. Mr. President, in just a moment, I shall make the following unanimous-consent request:

> I ask unanimous consent that, when the Senate begins consideration of the bill, that is the energy and water appropriation bill, section 306 of the bill be withdrawn and that no other amendments dealing with the FERC rulemaking ability be referenced in section 306 be in order.

I shall not now ask for that, but I will in just a moment.

For the benefit of my colleagues, Mr. President, section 306 was inserted in the Appropriations Committee and reads as follows:

> None of the funds made available in this act or any other act may be expended by the Federal Energy Regulatory Commission for implementation of any regulations adopted by the Commission resulting from the Notice of Proposed Rulemaking issued May 30, 1985 . . . until the sine die adjournment of the first session of the 99th Congress.

What this says, Mr. President, is that the implementation of the presently pending notice of proposed rulemaking at FERC, be held up until adjournment of this session so that Congress has time to consider its ramifications.

Mr. President, the presently pending notice of proposed rulemaking is a very far-reaching set of rules dealing with the issue of natural gas. There is much feeling that FERC feels compelled to propose and adopt these rules with considerable haste because the presently used procedures dealing with transportation of gas and the special marketing programs, have been ruled illegal by the DC circuit. Fortunately, the DC circuit, knowing that FERC was dealing with a rulemaking, made the effective date of the illegality of those procedures November 1, 1985.

So that FERC has felt that the transportation aspects of the rule needed to be put into effect immediately. This haste, Mr. President, might possibly make waste in this instance, because this notice of proposed rulemaking is so far reaching. It deals not only with transportation, but also with block pricing, with take-or-pay, with rate design and with a number of other procedures and substantive rules under FERC.

Mr. President, the original proposed rule was issued at the very same time that the President's tax plan, known as Reagan II, was proposed. The proposed rule was issued May 30, 1985. I believe that was within 2 days submittal of the Reagan II tax plan.

Reagan II took the interest of almost everybody in Congress and most everybody in the energy community, almost to the exclusion of this notice of proposed rulemaking. As the weeks went by and people in the energy community had the opportunity to focus on the very far-reaching nature of these rules, they hastily began to prepare and present their comments.

The comments, Mr. President, were due on July 15, which was only 6 weeks from the issuance of the rule. Six weeks is a very short period of time in which to analyze these very extensive rules to make comments on them, and to present them to FERC.

There are, as I understand it, 6,300 pages of comments on this notice of proposed rulemaking, and 275 parties have filed comments.

Mr. President, it is an absolutely enormous job that FERC and the other parties have time to read and digest 6,300 pages of comments involving 275 parties before mid September. In my judgment, it simply cannot be done.

Mr. President, for that reason, I put in this amendment to slow down the process. There was an editorial in the New York Times, and letters written elsewhere saying, "Senator Johnston is opposed to this proposal because it is going to hurt producers." This is neither my conclusion nor my motive.

Mr. President, I am frank to say I have not read this notice of proposed rulemaking. I simply have not had time. Nor has my staff, which is very skilled and very good, had time to read this and digest it. We have been involved in a budget conference. We have been involved in appropriations bills; indeed this is one of those bills right here. We have had 2 day's hearing, on these very far-reaching rules which few of us were able to attend. These rules have been called the "Magna Charta" of natural gas. The Magna Charta of natural gas is presented before FERC, and 275 parties are given 6 weeks within which to comment, and FERC thinks that in a period of about an additional 6 weeks they can read, digest, interpret and decide on 6,300 pages of comments. It cannot be done.

So, Mr. President, that is the reason for the amendment; to ask, in fact to demand that FERC delay their process.

Mr. President, since the amendment was filed, a number of objections to the amendment, all, or some, at least, good objections, have been made. First, our colleagues from across the Capitol have said that this is impinging on their legislative jurisdiction. Indeed, it is. Sometimes that is necessary. It is better to have a measure that impinges on someone's legislative jurisdiction rather than to make a huge mistake or a huge series of mistakes in a rulemaking.

If, in fact, this has the effect of severely limiting the supply of natural gas, which I am advised it will, then surely it is better to impinge upon someone's jurisdiction in order to delay rather than to proceed in haste and adopt the rule.

Nevertheless, Mr. President, I find substance in their objections. And, in the meantime, my staff has been talking to staff over at FERC and they assure us that they are not trying to proceed in haste.

Indeed, on this very day, the distinguished chairman of the FERC, Mr.

Raymond O'Connor, issued an opening statement in which he pointed out:

> Rulemaking at the Commission is an open, objective, and on-going process. Perhaps it goes without saying, but it bears repeating that this process begins with only a notice of a proposal and then the public is offered a full and fair opportunity to review and comment on the notice. Then, the Commission, by law, must consider, weigh, and evaluate those comments and the record and its precedents and the requirements of law. Then, and only then, may the Commission consider making final decisions on whether or not to issue a final rule. Even after a final rule is issued, in the case of the Natural Gas Act, the public has a statutory right to seek rehearing. Today we are only at the midpoint of this process. We have made no final decisions and we intend to fully consider all comments and all issues in an open and deliberate manner.

The statement goes on, Mr. President, in the same light. So, Mr. President, in light of what the distinguished chairman of FERC has said, in light of the sensitivity of my colleagues relative to impinging upon legislative jurisdiction, and considering the fact in effect that we have gotten their attention, and have clearly indicated that we want to slow this thing down—long enough to not only allow these comments to be considered, but I hope long enough to refine the proposed rule and to reopen the process to ask for additional comment—I will today, Mr. President, ask that this amendment not be considered. Before I repeat the unanimous-consent request, Mr. President, I ask unanimous consent to enter into the Record a letter that I and some of my colleagues are writing to Mr. O'Connor on this subject.

There being no objection, the letter was ordered to be printed in the Record, as follows:

> U.S. Senate, Committee on
> Energy and Natural Resources,
> *Washington, DC, July 31, 1985.*
>
> Hon. Raymond J. O'Connor,
> *Chairman, Federal Energy Regulatory Commission, Washington, DC.*
>
> Dear Mr. Chairman: As you are no doubt aware, the Senate Appropriations Committee recently adopted an amendment to the energy and Water Appropriations bill which would have the effect of delaying implementation of any regulation stemming from your recent Notice of Proposed Rulemaking entitled "Regulation of Natural Gas Pipelines After Partial Wellhead Decontrol," Docket No. RM 85-1-000, until the adjournment of the first session of the 99th Congress. While it is not generally our practice to support limitations on the expenditure authorities of independent regulatory agencies, we felt compelled to do so in this instance in order to make clear to you and the other Commissioners our concern over the rate at which consideration of the NOPR is proceeding.
>
> While we in no way wish to prejudge the merits of the NOPR, it is undoubtedly one of the most sweeping changes to ever confront the natrual gas industry. Our review of the comments filed on the NOPR indicates that many members of the industry felt the proposed rule to be exceedingly vague and the comment period unusually short. We share many of the procedural concerns expressed by industry. These concerns seem especially valid in light of the fact that two of the Commissioners present when the NOPR was issued have since departed the Commission.
>
> We would therefore urge you to consider redrafting the NOPR taking into account the comments which have been filed, issuing a new proposed rule, and, thereafter reopening the comment period on the new, and presumably more refined, proposed rule. We are cognizant of the November 1, 1985, deadline for action on the new transportation program imposed upon the Commission by the D.C. Circuit as a result of the stay granted in the case of *Maryland Peoples Counsel* v. *FERC*, Nos. 84-1019 and 84-1090 (May 10, 1985) in its consideration of the blanket certificate transportation program and the special marketing program. If the above suggestion cannot be accommodated in that time frame, you may wish to formally issue the transportation provisions of the NOPR, while refining the remaining portion and resubmitting it for comment.
>
> We feel that this would adequately satisfy both the concerns of ourselves and those in industry, and would help lessen the vulnerability of the final rule to legal challenge on procedural grounds.
>
> Sincerely,

Mr. JOHNSTON. At this time I would like to put the request. I ask unanimous consent that when the Senate begins consideration of the bill—that is the energy and water appropriations bill—that the amendment on page 33, line 4, be withdrawn, and that no other amendments dealing with FERC rulemaking ability as referenced in that section be in order.

The PRESIDING OFFICER. Is there objection?

Mr. CHILES. Reserving the right to object, I have a little amendment to the bill. This does not mean my amendment is not going to be in order?

Mr. JOHNSTON. No. This will not affect that amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I thank the distinguished Senator from Louisiana for his willingness to make the unanimous-consent request. I have a slightly different view of the issue than the Senator from Louisiana, but I believe we both are interested in having the issue deliberated in a way that gives a full public hearing.

Until last spring, the FERC allowed gas pipelines to discriminate against residential consumers by providing preferential gas transportation services to selected industrial gas users. On May 10, 1985, the D.C. Court of Appeals found these programs discriminatory and ordered FERC to replace the programs with nondiscriminatory gas transportation programs by November 1, 1985. FERC decided not to appeal the decision further and began work on nondiscriminatory programs to replace the ones thrown out by the court.

FERC developed the proposed rule that requires natural gas pipelines to transport gas to anyone who requests this service on a nondiscriminatory basis if that pipeline transports gas for any other person. For example, if the pipeline agreed to transport gas from a customer considering switching from natural gas to low-cost oil, under the proposed rule the pipeline would also be required to transport gas for a local gas distribution company, the local gas utility, which previously had no option but to buy gas exclusively from the pipeline. Prior to May 10, pipelines were allowed to transport cheap gas for the industrial user but could deny similar service to the residential user.

The FERC rule would also allocate price-controlled gas, so-called old gas, to historic firm customers of each gas pipeline. The effect of this part of the proposed rule would be to encourage pipelines to buy the cheapest gas available for resale to distribution companies and residential consumers. Today, pipelines are able to average the prices of high-priced new gas with their low-priced old gas. With the proposed FERC rule the pipelines will be able to do so only for existing firm customers. Pipelines will be forced to bargain much more aggressively for lower gas prices. Gas prices to residential consumers will be unambiguously lower under the proposed rule.

Mr. President, as to whether there has been sufficient time to comment on the proposed rule, FERC notified the natural gas community of its intent to propose a comprehensive reform of the natural gas regulations 8 months ago. Beginning last December the commission conducted a 4-month in-depth inquiry into these issues and took over 200 comments. Based on these comments FERC issued the notice of proposed rulemaking by May 30, 1985. FERC has had its proposed rule available for comment for another 2 months giving all interested parties another opportunity to comment. It received voluminous comments, the overwhelming majority of which commended FERC on the general direction of the rulemaking and urged the Commission to issue the rule with various suggested revisions. FERC is today and tomorrow listening to oral comments and will revise its rule in light of all suggestions received.

Here I would refer to the opening statement at the conference today by Chairman O'Connor that the distinguished Senator from Louisiana referred to, and I ask unanimous consent that his full statement be printed in the Record at this time.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OPENING STATEMENT—NOTICE OF PROPOSED RULEMAKING PUBLIC CONFERENCE

Good morning. I am chairman Raymond O'Connor. With me are my fellow commissioners, Anthony Sousa and Charles Stalon.

We welcome all of you to this hearing on the Notice of Proposed Rulemaking we issued in May on the effects of partial wellhead decontrol on the regulation of natural gas pipelines.

We thank everyone for the great amount of interest shown in the NOPR. We received close to 300 comments. The Commission is extremely pleased that all segments of the industry, the consumers, and the public have chosen to respond and participate in a comprehensive and detailed fashion to our call for comments on the NOPR. Your extensive comments, coupled with your previous participation in the six-month Notice of Inquiry process which preceded the NOPR, will be indispensable to our own review of the NOPR here at the Commission. We welcome the expertise and substantive advice of the public at all stages of this rulemaking process, including, of course, our public conference today and tomorrow.

I would also like to emphasize that many, many years of Supreme Court legal precedents and Congressional statutory authorizations have combined to assure that notice-and-comment rulemaking at the Commission is an open, objective, and on-going process. Perhaps it goes without saying, but it bears repeating, that this process begins with only a notice of a proposal; and then the public is offered a full and fair opportunity to review and comment on the Notice. Then, the Commission by law must consider, weight, and evaluate those comments and the record and its precedents and the requirements of law. Then and only then may the Commission consider making final decisions on whether or not to issue a final rule. Even after a final rule is issued, in the case of the Natural Gas Act, the public has a statutory right to seek rehearing.

Today, we are only at the midpoint in this process. We have made no final decisions, and we intend to fully consider all comments and all issues in an open and deliberate manner. As we have stated before, throughout this process, we are committed to upholding our obligations under the Natural Gas Act, the Natural Gas Policy Act, and the DOE Organization Act to assure that natural gas rates are just and reasonable, in the public interest, and not unduly discriminatory.

Because of the number of requests to participate, we request your cooperation on some organizational matters. As stated in the notice, this is not a judicial-type proceeding or evidentiary hearing. Speakers have been divided into panels. Each member of the panel may deliver a statement before general discussions begin. Before speaking, please identify yourself and the organization you represent, so that the reporter can properly record your name.

A transcript of the hearing will be, as usual, a part of the Commission's record and available through the Division of Public Information or it can be ordered from the stenographer in the front of the room during recess periods.

Many of you have brought copies of statements that you will make today. Please leave these copies with Bobby Isaac at the table at the rear of the room.

Anyone desiring copies of these statements may obtain them from the Public Reference Room on the first floor of this building during the day.

Finally, I note that we have two very full days ahead of us, so I would ask your cooperation in respecting the rather tight schedule under which we will have to operate.

Each participant has been allotted approximately five minutes. There will be time for questions after each panel concludes.

Mr. BRADLEY. I quote Chairman O'Connor saying, "Today, we are only at the midpoint of this process. We have made no final decisions, and we intend to fully consider all comments and all issues in an open and deliberate manner." That, to me, sounds like he is going out of his way to be fair.

I would also ask unanimous consent to print in the RECORD letters to the distinguished subcommittee chairman of the House from a number of interested parties on the appropriate authorizing committee in the House.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, July 26, 1985.

Hon. TOM BEVILL,
Chairman, Subcommittee on Energy and Water Development, Committee on Appropriations, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: In our letter to you of July 25, 1985 concerning efforts on the part of some members of the other body to limit the Federal Energy Regulatory Commission's (FERC) ability to proceed with its rulemaking on natural gas (Docket No. RM 85-1-000), we erred in referring to the Supplemental Appropriation bill.

As a clarification, we intended to refer to the Energy and Water Appropriation for Fiscal Year 1986.

Sincerely,

John D. Dingell, Chairman, Committee on Energy and Commerce; Philip R. Sharp, Chairman, Subcommittee on Fossil and Synthetic Fuels, Committee on Energy and Commerce; James T. Broyhill, Banking Minority Member, Committee on Energy and Commerce; William E. Dannemeyer, Ranking Minority Member, Subcommittee on Fossil and Synthetic Fuels, Committee on Energy and Commerce.

Attachment.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, July 25, 1985.

Hon. TOM BEVILL,
Chairman, Subcommittee on Energy and Water Development, Committee on Appropriations, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: Some members of the Senate are considering attaching to the Supplemental Appropriation bill a limitation on the Federal Energy Regulatory Commission's ability to proceed on its notice of proposed rulemaking on natural gas (Docket No. RM 85-1-000). We are writing to strongly urge that you oppose their efforts to do substantive, authorizing legislation on an Appropriations bill.

The issue is a controversial one on which the Committee on Energy and Commerce is currently in the process of holding hearings. The Federal Energy Regulatory Commission is proceeding under their ongoing authority to protect the public interest under the Natural Gas Act of 1938 and the Natural Gas Policy Act of 1978. Any efforts to direct or limit the scope of their actions through the appropriations process would be an unwarranted intrusion in the independent regulatory process.

Thank you for your assistance in this matter.

Sincerely,

John D. Dingell, Chairman, Committee on Energy and Commerce; Philip R. Sharp, Chairman, Subcommittee on Fossil and Synthetic Fuels, Committee on Energy and Commerce; James T. Broyhill, Banking Minority Member, Committee on Energy and Commerce; William E. Dannemeyer, Ranking Minority Member, Subcommittee on Fossil and Synthetic Fuels, Committee on Energy and Commerce.

Mr. BRADLEY. Mr. President, I suppose the bottom line here is my sense that the normal procedures are being followed, the established processes are working. Acting under authority granted by law, FERC is making responsible action in response to the court order, and in the absence of any further policy direction from Congress. Anyone who disagrees with the final rule when it is published may petition the commission for a rehearing, challenge the rule in court, or seek legislation at that time.

Mr. President, I need not get into the history of the ill-fated attempt to pass natural gas legislation 2 years ago, but will simply refer to the time that legislation was being debated in the Energy Committee. The committee adopted by an 18-to-1 vote a provision similar to what FERC is now proposing in part A of its rule.

Finally, Mr. President, Congress can, of course, attempt to pass natural gas legislation at any time it desires. But relief from anticompetitive, discriminatory marketing practices and resulting high gas prices need not wait. In view of the court ordered deadline, I personally do not see any reason whatsoever to delay the implementation of this rule. A fair hearing? Yes. Unnecessary delay? No.

I thank the distinguished Senator from Louisiana for his leadership on the issue, for his strong feelings on the issue, and for his sense of fairness that he demonstrated today in propounding his unanimous-consent request. I look forward to working with him on the issue on the coming months, as I am sure we will.

Mr. JOHNSTON. I thank the distinguished Senator. I will make another comment since the distinguished chairman of the Appropriations Committee is not here; that is to say, one of the things that I have suggested to Mr. O'Connor in my letter just put into the RECORD was that it would be possible—and I think advisable—to put into operation immediately only those

provisions of the NOPR dealing with transportation.

The Senator referred to those in his opening statement. I think there is very little disagreement with those provisions. Those are the only parts of the NOPR which are time sensitive. They can withhold the rest of it for further comments before the FERC. That will allow the Congress, if it desires, to take a look at it. In any event, that has all been set forth in the letter.

I thank the distinguished Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I move that the Senate proceed to the consideration of H.R. 2959, an act making appropriations for energy and water development for the fiscal year ending September 30, 1986, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2959) making appropriations for energy and water development for the fiscal year ending September 30, 1986, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldfaced brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 2959

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1986, for energy and water development, and for other purposes, namely:

TITLE I DEPARTMENT OF DEFENSE—CIVIL DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and when authorized by law, surveys and detailed studies and plans and specification of projects prior to construction, **[**$133,189,000**]** $120,697,000, to remain available until expended **[**and in addition, $150,000, to remain available until expended for the Wabash River Basin comprehensive study.**]**

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), **[**$846,958,000**]** *$715,881,000* to remain available until expended **[**and in addition, to remain available until expended, for that increment of the project for beach erosion control, Sandy Hook to Barnegat Inlet, New Jersey, $1,500,000 shall be made available for the Ocean Township to Sandy Hook Beach at Sea Bright and Monmouth Beach extending to the vicinity of Long Branch; and in addition, $6,000,000, to remain available until expended, for the construction of the Yatesville Lake construction project;**]** and in addition, $95,700,000, to remain available until expended, for construction of the Red River Waterway, Mississippi River to Sherveport, Louisiana project, *of which $5,700,000 is for construction of Lock and Dam No. 3; and in addition $18,000,000, to remain available until expended, for construction of the main dam of the Elk Creek Lake, Rogue River Basin, Oregon Project, as authorized by the River and Harbor and Flood Control Act of 1962, Public Law 87-874***[**; and in addition, $1,880,000, to remain available until expended for construction of the Lorain small boat Harbor, Lorain, Ohio, project authorized by section 107 of the Rivers and Harbor Act of 1960, as amended; and in addition, $400,000 to remain available until expended for remedial, corrective design and construction of project deficiencies in the First Ward Area Front Street Levee in Binghamton, New York.**]**

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act, approved August 18, 1941, as amended, **[**$25,000,000**]** *$10,000,000,* to remain available until expended.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), **[**$321,685,000**]** *$285,735,000,* to remain available until expended: *Provided,* That not less than $250,000 shall be available for bank stabilization measures as determined by the Chief of Engineers to be advisable for the control of bank erosion of streams in the Yazoo Basin, including the foothill area, and where necessary such measures shall complement similar works planned and constructed by the Soil Conservation Service and be limited to the areas of responsibility mutually agreeable to the District Engineer and the State Conservationist.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; administration of laws pertaining to preservation of navigable waters; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, **[**$1,325,195,000**]** *$1,302,800,000,* to remain available until expended, of which $12,000,000 shall be for construction, operation, and maintenance of outdoor recreation facilities, to be derived from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601).

Within available funds under this account, advance maintenance of the Charleston Harbor navigation channel may be accomplished to allow for safe movement of vessels.

REVOLVING FUND

For initiation of construction on a dustpan dredge and for the Corps of Engineers Automation Plan, $7,000,000, to remain available until expended (33 U.S.C. 576).

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the office of the Chief of Engineers and offices of the Division Engineers; activities of the Board of Engineers for Rivers and Harbors and the Coastal Engineering Research Board, $107,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations in this title shall be available for expenses of attendance by military personnel at meetings in the manner authorized by 5 U.S.C. 4110, uniforms, and allowances therefor, as authorized by law (5 U.S.C. 5901-5902), and for printing, either during a recess or session of Congress, of survey reports authorized by law, and such survey reports as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress; not to exceed $2,000 for official reception and representation expenses; and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed 175 for replacement only) and hire of passenger motor vehicles.

GENERAL PROVISIONS, CORPS OF ENGINEERS

SEC. 101. None of the funds appropriated in this title, except as specifically contained herein, shall be used to alter, modify, dismantle, or otherwise change any project which is partially constructed but not funded for construction in this title.

[SEC. 102. The Secretary of the Army, acting through the Chief of Engineers, shall grant, within ninety days of enactment of this Act, to the University of Alabama at Huntsville the funds appropriated to the Secretary of the Army pursuant to title I of Public Law 98-50 for the design and construction of a Corps of Engineers learning facility at Huntsville, Alabama. This grant shall be made to the University of Alabama at Huntsville subject to the conditions that the university will convey the grant funds to the Chief of Engineers to design and construct the learning facility on lands owned by the University of Alabama and the completed facility is to be owned and maintained by the university and be operated by the university and the corps as a joint use facility, all according to such specifications, terms, and cost sharing arrangements for operation and maintenance as the University of Alabama at Huntsville and the Secretary of the Army, acting through the Chief of Engineers, may agree. The Secretary of the Army, acting through the Chief of Engineers, shall report to the Committee on Appropriations of the United States House of Representatives and the United States Senate on a monthly basis on the status of the required agreements and the construction of the learning facility until such time as the facility is constructed and operational at the University of Alabama at Huntsville.]

Sec. 102. Within available funds appropriated under "Operation and Maintenance, General", the Secretary of the Army may remove obstructions and ease bends at the Jacksonville Harbor navigation channel in the vicinity of Blount Island to allow for the free and safe movement of vessels.

TITLE II DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

GENERAL INVESTIGATIONS

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects, to remain available until expended, [$34,085,000] *$32,150,000: Provided*, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That all costs of an advance planning study of a proposed project shall be considered to be construction costs and to be reimbursable in accordance with the allocation of construction costs if the project is authorized for construction.

CONSTRUCTION PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For construction and rehabilitation of projects and parts thereof (including power transmission facilities for Bureau of Reclamation use) and for other related activities as authorized by law, to remain available until expended, [$541,074,000] *$512,730,000* of which $97,412,000 shall be available for transfers to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d), and [$147,200,000] *$141,200,000* shall be available for transfers to the Lower Colorado River Basin Development Fund authorized by section 403 of the Act of September 30, 1968 (43 U.S.C. 1543), and $1,430,000 shall be considered as though advanced to the Colorado River Dam Fund for the Boulder Canyon Project as authorized by the Act of December 21, 1928, as amended: *Provided*, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That transfers to the Upper Colorado River Basin Fund and Lower Colorado River Basin Development Fund may be increased or decreased by transfers within the overall appropriation to this heading: *Provided further*, That the final point of discharge for the interceptor drain for the San Luis Unit shall not be determined until development by the Secretary of the Interior and the State of California of a plan, which shall conform with the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters: *Provided further*, That no part of the funds herein approved shall be available for construction or operation of facilities to prevent waters of Lake Powell from entering any national monument: *Provided further*, That of the amount herein appropriated, such amounts as may be necessary shall be available to enable the Secretary of the Interior to continue work on rehabilitating the Velarde Community Ditch Project, New Mexico, in accordance with the Federal Reclamation Laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) for the purposes of diverting and conveying water to irrigated project lands. The cost of the rehabilitation will be non-reimbursable and constructed features will be turned over to the appropriate entity for operation and maintenance: *Provided further*, That of the amount herein appropriated, such amounts as may be required shall be available to continue improvement activities for the Lower Colorado Regional Complex: *Provided further*, That none of the funds made available by this Act for the Bonneville Unit of the Central Utah Project may be obligated or expended for the award of new construction contracts or for land acquisition related to new contracts until a supplemental repayment contract for municipal and industrial water supplies, sufficient to recover all allocable reimbursable costs, plus interest, has been executed between the Secretary and the Central Utah Water Conservancy District and such contract has been submitted to the Congress and 100 days have elapsed: *Provided further*, That $14,000,000 in unobligated balances of Teton Dam Failure of Payment of Claims funds provided under Public Laws 94-355, dated July 12, 1976, and 94-438, dated September 30, 1976, shall be available for use on projects under this appropriation: [*Provided further*, That none of the funds made available by this Act may be obligated or expended for construction of the Animas-LaPlata Participating Project, Colorado-New Mexico until: (1) an agreement has been executed between the Secretary of the Interior and non-Federal entities in Colorado and/or New Mexico providing for such non-Federal entities to contribute a reasonable portion of the total project costs; and (2) such agreement has been submitted to the Congress and 120 calendar days have elapsed. None of the funds made available to the Secretary of the Interior shall be made available for the Animas-LaPlata Project if the agreement required by this paragraph has not been reached by September 30, 1986:] *Provided further*, That none of the funds made available by this or any other appropriations Act shall be obligated or expended for construction (including land acquisition) of the Garrison Diversion Unit, North Dakota, unless the Congress has, prior to March 31, 1986, enacted legislation reformulating the Unit: *Provided further*, That this restriction shall not apply to the expenditure of funds pursuant to contracts that have been awarded prior to October 1, 1985: *Provided further, That the amount herein appropriated not to exceed $20,000 shall be available to continue a rehabilitation and betterment program with the Twin Falls Canal Company, Twin Falls County, Idaho, to rehabilitate facilities under the Act of October 7, 1949 (63 Stat. 724), as amended, to be repaid in full by the lands served and under conditions satisfactory to the Secretary of the Interior.*

OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, to remain available until expended, $132,665,000: *Provided*, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That of the total appropriated, such amounts as may be required for replacement work on the Boulder Canyon Project which would require readvances to the Colorado River Dam Fund shall be readvanced to the Colorado River Dam Fund pursuant to section 5 of the Boulder Canyon Project Adjustment Act of July 19, 1940 (43 U.S.C. 618d), and such readvances since October 1, 1984, and in the future shall bear interest at the rate determined pursuant to section 104(a)(5) of Public Law 98-381: *Provided further*, That funds advanced by water users for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same objects and in the same manner as sums appropriated herein may be expended, and such advances shall remain available until expended: *Provided further*, That nonreimbursable funds will be available from revenues for performing examination of existing structures on participating projects of the Colorado River Storage Project.

LOAN PROGRAM

For loans to irrigation districts and other public agencies for construction of distribution systems on authorized Federal reclamation projects, and for loans and grants to non-Federal agencies for construction of projects, as authorized by the Acts of July 4, 1955, as amended (43 U.S.C. 421a-421d), and August 6, 1956, as amended (43 U.S.C. 422a-422l), including expenses necessary for carrying out the program, [$42,515,000] *$39,315,000*, to remain available until expended: *Provided*, That of the total sums appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That during fiscal year 1986 and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed [$41,100,000] *$37,900,000: Provided further*, That any contract under the Act of July 4, 1955 (69 Stat. 244), as amended, not yet executed by the Secretary, which calls for the making of loans beyond the fiscal year in which the contract is entered into shall be made only on the same conditions as those prescribed in section 12 of the Act of August 4, 1939 (53 Stat. 1187, 1197).

GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions in the office of the Commissioner, the Denver Engineering and Research Center, and offices in the seven regions of the Bureau of Reclamation, $49,200,000, of which $4,900,000, shall remain available until expended, the total amount to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377): *Provided*, That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses.

EMERGENCY FUND

For an additional amount for the "Emergency fund", as authorized by the Act of June 26, 1948 (43 U.S.C. 502), as amended, to remain available until expended for the purposes specified in said Act, $1,000,000, to be derived from the reclamation fund.

SPECIAL FUNDS

Sums herein referred to as being derived from the reclamation fund, the Colorado River Dam fund, or the Colorado River development fund, are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391), and the Act of December 21, 1928 (43 U.S.C. 617a), and the Act of July 19, 1940 (43 U.S.C. 618a), respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified; and the unexpended balances of sums transferred for expenditure under the head "General Administrative Expenses" shall revert and be credited to the special fund from which derived.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed 16 passenger motor vehicles of which 15 shall be for replacement only; purchase of two aircraft, of which one shall be for replacement only; *payment of such amounts not to exceed $6,000,000 as may be necessary for alterations to existing building No. 53 to accommodate the new center computer facilities at the Denver Federal Center, Lakewood, Colorado;* payment of claims for damages to or loss of property, personal injury, or death arising out of activities of the Bureau of Reclamation; payment, except as otherwise provided for, of compensation and expenses of persons on the rolls of the Bureau of Reclamation appointed as authorized by law to represent the United States in the negotiations and administration of interstate compacts without reimbursement or return under the reclamation laws; for service as authorized by section 3109 of title 5, United States Code, in total not to exceed $500,000; rewards for information or evidence concerning violations of law involving property under the jurisdiction of the Bureau of Reclamation; performance of the functions specified under the head "Operation and Maintenance Administration", Bureau of Reclamation, in the Interior Department Appropriations Act, 1945; preparation and dissemination of useful information including recordings, photographs, and photographic prints; and studies of recreational uses of reservoir areas, and investigation and recovery of archeological and paleontological remains in such areas in the same manner as provided for in the Acts of August 21, 1935 (16 U.S.C. 461-467) and June 27, 1960 (16 U.S.C. 469): *Provided*, That no part of any appropriation made herein shall be available pursuant to the Act of April 19, 1945 (43 U.S.C. 377), for expenses other than those incurred on behalf of specific reclamation projects except "General Administrative Expenses" and amounts provided for plan formulation and advance planning investigations, and general engineering and research under the head "General Investigations".

Sums appropriated herein which are expended in the performance of reimbursable functions of the Bureau of Reclamation shall be returnable to the extent and in the manner provided by law.

No part of any appropriation for the Bureau of Reclamation, contained in this Act or in any prior Act, which represents amounts earned under the terms of a contract but remaining unpaid, shall be obligated for any other purpose, regardless of when such amounts are to be paid: *Provided*, That the incurring of any obligation prohibited by this paragraph shall be deemed a violation of section 3679 of the Revised Statutes, as amended (31 U.S.C. 1341).

No funds appropriated to the Bureau of Reclamation for operation and maintenance, except those derived from advances by water users, shall be used for the particular benefits of lands (a) within the boundaries of an irrigation district, (b) of any member of a water users' organization, or (c) of any individual when such district, organization, or individual is in arrears for more than twelve months in the payment of charges due under a contract entered into with the United States pursuant to laws administered by the Bureau of Reclamation.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

Sec. 201. Appropriations in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted.

Sec. 202. The Secretary may authorize the expenditure or transfer (within each bureau or office) of any appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior.

Sec. 203. Appropriations in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency, or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 1535 and 1536): *Provided*, That reimbursements for costs of supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Sec. 204. Appropriations in this title shall be available for hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchases of reprints; payment for telephone services in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

Sec. 205. (a) Within 30 days after enactment of this Act, there shall be established in the Treasury of the United States a working capital fund to assist in the management of certain support activities of the Bureau of Reclamation (hereafter referred to as the "Bureau"), Department of the Interior. The fund shall be available without fiscal year limitation for expenses necessary for furnishing materials, supplies, equipment, work, and services in support of Bureau programs, and, as authorized by law, to agencies of the Federal Government and others. Such expenses may include the acquisition, replacement, and operation of a central computer and related automatic data processing equipment; engineering services; payroll and other management services; acquisition and replacement of equipment and facilities, including the purchase, lease, or rent of motor vehicles and aircraft within any limitations set forth in appropriations made to carry out the functions of the Bureau and such other activities as may be approved by the Director, Office of Management and Budget.

(b) The fund shall be credited with appropriations made for the purpose of providing or increasing capital. There are authorized to be transferred to the fund (at fair and reasonable values at the time of transfer) the inventories, equipment, receivables, and other assets, less the liabilities, related to the functions to be financed by the fund as determined by the Secretary of the Interior.

(c) The fund shall be credited with appropriations and other funds of the Bureau, and other agencies of the Department of the Interior, other Federal agencies, and other sources, for providing materials, supplies, equipment, work, and services as authorized by law. Such payments may be made in advance or upon performance.

(d) Charges to users will be at rates approximately equal to the costs of furnishing the materials, supplies, equipment, facilities, and services (including such items as depreciation of equipment and accrued annual leave).

(e) There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

(f) Funds that are not necessary to carry out the activities to be financed by the fund, as determined by the Secretary, shall be covered into miscellaneous receipts of the Treasury.

TITLE III—DEPARTMENT OF ENERGY

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

(INCLUDING TRANSFER OF FUNDS)

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for energy supply, research and development activities, and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 17 for replacement only), [$1,947,836,000] *$1,989,721,000*, to remain available until expended [of which $200,000,000 shall be derived by transfer from Uranium Supply and Enrichment Activities provided in prior years, and of which $17,400,000 shall be derived by transfer from Operation and Maintenance, Southeastern Power Administration; and of which $25,000,000 shall be available only for construction of the Center for Science and Technology, the Center for Energy and Biomedical Technology, the Energy and Mineral Research Center and the Demonstration Center for Information Technologies as described in the report accompanying this Act; together with not to exceed $6,000,000, to be derived from revenues from activities of the Technical Information Services, which shall be credited to this account and used for necessary expenses and shall remain available until expended] *of which $92,600,000 shall be derived by transfer from Uranium Supply and Enrichment Activities provided in prior years, and of which $17,400,000 shall be derived by transfer from Operation and Maintenance, Southeastern Power Administration; and of which $18,500,000 shall be available only for construction of the Advanced Science Center, the Center for Energy and Biomedical Technology, and the Energy and Mineral Research Center as described in the report accompanying this Act; together with not to exceed $6,000,000, to be derived from revenues from activities of the Technical Information Services, which shall be credited to this account and used for necessary expenses and shall remain available until expended.*

URANIUM SUPPLY AND ENRICHMENT ACTIVITIES

For expenses of the Department of Energy in connection with operating expenses; the purchase, construction, and acquisition of plant and capital equipment and other expenses incidental thereto necessary for uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 34 for replacement only); $1,612,700,000, to remain available until expended: *Provided,* That revenues received by the Department for the enrichment of uranium and estimated to total $1,612,700,000 in fiscal year 1968, shall be retained and used for the specific purpose of offsetting costs incurred by the Department in providing uranium enrichment service activities as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of [section 3617 of the Revised Statutes (31 U.S.C. 484)] *section 3302(b) of 31 U.S.C. 484: Provided further,* That the sum herein appropriated shall be reduced as uranium enrichment revenues are received during fiscal year 1986 so as to result in a final fiscal year 1986 appropriation estimated at not more than $0.

GENERAL SCIENCE AND RESEARCH ACTIVITIES

(INCLUDING TRANSFER OF FUNDS)

For expenses of the Department of Energy, activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for general science and research activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 13 for replacement only); [$691,400,000] *$685,400,000,* to remain available until expended of which $6,000,000 shall be derived by transfer from Operation and Maintenance, Southeastern Power Administration.

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, including the acquisition of real property or facility construction or expansion, [$521,460,000] *$552,460,000,* to remain available until expended, to be derived from the Nuclear Waste Fund. To the extent that balances in the fund are not sufficient to cover amounts available for obligation in the account, the Secretary shall exercise his authority pursuant to section 302(e)(5) to issue obligations to the Secretary of the Treasury.

ATOMIC ENERGY DEFENSE ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for atomic energy defense activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 435 of which 274 are for replacement only) including 57 policy-type vehicles; and purchase of three aircraft, one of which is for replacement only, [$7,593,415,000] *$7,623,300,000,* to remain available until expended.

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for Departmental Administration and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000); $410,366,000, all of which is available for fiscal year 1986 and shall remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): *Provided,* That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: *Provided further,* That moneys received by the Department for miscellaneous revenues estimated to total $244,228,000 in fiscal year 1986 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302 of title 31, United States Code: *Provided further,* That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1986 so as to result in a final fiscal year 1986 appropriation estimated at not more than $166,138,000.

POWER MARKETING ADMINISTRATIONS

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For engineering and economic investigations to promote the development and utilization of the water, power, and related resources of Alaska, and for necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, $3,281,000, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, are approved for [White River Falls Fish Passage Facilities,] Nez Perce Fish Propagation Facility, Yakima Hatchery, Colville Hatchery, Dryden Dam Fish Passage Facilities, and Tumwater Falls Dam Fish Passage Facilities. Expenditures are also approved for: (1) acquisition of one fixed wing aircraft for replacement only and (2) official reception and representation expenses in an amount not to exceed $2,500.

During fiscal year 1986, and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed $20,000,000.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, $29,500,000, to remain available until expended.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (Public Law 95-91), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed $1,500, the purchase of passenger motor vehicles (not to exceed 18 for replacement only), $196,610,000, to remain available until expended, of which $189,619,000, shall be derived from the Department of the Interior Reclamation fund: *Provided,* That the Secretary of the Treasury is authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration $890,000, to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984 (Public Law 98-381, 98 Stat. 1333).

[Notwithstanding provisions of this or any other law, no funds approved by this Act shall be used to pay the rates of basic pay and premium pay for power system dispatchers unless such rates are based on those prevailing for similar occupations in the electric power industry.]

EMERGENCY FUND, WESTERN AREA POWER ADMINISTRATION

The Treasury of the United States shall set up and maintain a continuing fund of $500,000 out of Western Area Power Administration deposits to the Reclamation Fund. Said continuing fund shall be available to the Western Area Power Administration to assure the continuous operation and maintenance of its power system during unusual or emergency conditions, within the meaning of the Act of June 26, 1948 (43 U.S.C. 502-03): *Provided,* That expenditures from said continuing fund shall be replenished from power revenues of the Project for which funds were expended on an unusual or emergency basis.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (Public Law 95-91), including services as authorized by 5 U.S.C. 3109, including the hire of passenger motor vehicles; official reception nad representation expenses (not to exceed $1,500) [$93,068,000] *$95,568,000,* of which $3,000,000 shall remain available until expended and be available only for contractual activities: *Provided,* That notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), revenues from licensing fees, inspection services, and other services and collections estimated at $66,077,000 in fiscal year 1986 may be retained and used for necessary expenses in this account, and may remain available until expended: *Provided further,* That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1986, so as to result in a final fiscal year 1986 appropriation estimated at not more than [$26,991,000] *$29,491,000.*

GEOTHERMAL RESOURCES DEVELOPMENT FUND

For carrying out the Loan Guarantee and Interest Assistance Program as authorized by the Geothermal Energy Research, Development and Demonstration Act of 1974, as amended, $72,000, to remain available until expended: *Provided,* That the indebtedness guaranteed or committed to be guaranteed through funds provided by this or any other appropriation Act shall not exceed the aggregate of $500,000,000.

GENERAL PROVISIONS—DEPARTMENT OF ENERGY

SEC. 301. Appropriations for the Department of Energy under this title for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance and operation of aircraft; purchase, repair and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services. From these appropriations, transfers of sums may be made to other agencies of United States Government for the performance of work for which this appropriation is made. None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriation Act. The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign.

(TRANSFERS OF UNEXPENDED BALANCES)

SEC. 302. Not to exceed 5 per centum of any appropriations made available for the current fiscal year for Department of Energy activities funded in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise provided, shall be increased or decreased by more than 5 per centum by any such transfers, and any such proposed transfers shall be submitted promptly to the Committees on Appropriations of the House and Senate.

(TRANSFERS OF UNEXPENDED BALANCE)

SEC. 303. The unexpended balances of prior appropriations prior for activities covered in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time perod as originally enacted.

SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 305. None of the funds in the Department of Energy shall be used to pay the expenses of, or otherwise compensate, parties intervening in regulatory or adjudicatory proceedings funded in the Department of Energy.

[SEC. 306. Of the funds appropriated for Energy Supply, Research and Development Activities under this Act, $2,000,000 shall be available until expended to further domestic technology transfer by facilitating access to data within the national laboratories, including the use of super computers.

[SEC. 307. No funds authorized to be expended by this or any other Act from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, may be used for the procurement of, or for the payment of the salary of any person engaged in the procurement of, any extra high voltage (EHV) power equipment not produced in the United States or its possession.]

SEC. *306. None of the funds made available by this Act or any other Act may be expended by the Federal Energy Regulatory Commission for implementation of any regulation adopted by the Commission resulting from the Notice of Proposed Rulemaking issued May 30, 1985, entitled "Regulation of Natural Gas Pipelines After Partial Wellhead Decontrol", Docket No. RM85-1-000, until the sine die adjournment of the first session of the Ninety-ninth Congress.*

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, not withstanding section 405 of said Act, except expenses authorized by section 105 of said Act, including services as authorized by section 3109 of title 5, United States Code, and hire of passenger motor vehicles, [to remain available until expended, $141,500,000] *$80,000,000* of which [$100,000,000] *$50,000,000* shall be available for the Appalachian Development Highway System of which $10,000,000 shall be derived from prior year unobligated balances; and for necessary expenses of the Federal Cochairman and the alternate on the Applachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by section 3109 of title 5, United States Code, and hire of passenger motor vehicles, as additional [$2,500,000] *$1,800,000.*

DELAWARE RIVER BASIN COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), $168,000.

CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), $275,000.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), as amended by the Act of September 25, 1970 (Public Law 91-407), $79,000.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act, as amended, including the employment of aliens; services authorized by 5 U.S.C. 3109; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; official representation expenses (not to exceed $3,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, [$403,671,000] *$429,000,000,* to remain available until expended: *Provided,* That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further,* That moneys received by the Commission for the cooperative nuclear safety research program and the material access authorization program may be retained and used for salaries and expenses associated with those programs, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended.

SUSQUEHANNA RIVER BASIN COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1541), $163,000.

CONTRIBUTION TO SUSQUEHANNA RIVER BASIN COMMISSION

For payment of the United States share of the current expense of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1530, 1531), $230,000.

TENNESSEE VALLEY AUTHORITY

TENNESSEE VALLEY AUTHORITY FUND

(INCLUDING TRANSFER OF FUNDS)

For the purpose of carrying out the provisions of the Tennesee Valley Authority Act of 1933, as amended (16 U.S.C., ch. 12A), including purchase, hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, and for entering into contracts and making payments under section 11 of the National Trails System Act, as amended, [$118,000,000] *$90,861,000,* to remain available until expended [of which $9,000,000 shall be derived from prior year unobligated balances in the Tennessee Valley Authority Fund:] *Provided*, That this appropriation and other moneys available to the Tennessee Valley Authority may be used for payment of the allowances authorized by 5 U.S.C. 5948.

TITLE V—GENERAL PROVISIONS

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. None of the funds in this Act shall be used to pay the expenses of, or otherwise compensate, parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 503. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 504. None of the funds appropriated in this Act shall be used to implement a program of retention contracts for senior employees of the Tennessee Valley Authority.

Sec. 505. Notwithstanding any other provision of this Act or any other provision of law, none of the funds made available under this Act or any other law shall be used for the purposes of conducting any studies relating or leading to the possibility of changing from the currently required "at cost" to a "market rate" or any other non-cost-based method for the pricing of hydroelectric power by the six Federal public power authorities, or other agencies or authorities of the Federal Government, except as may be specifically authorized by Act of Congress hereafter enacted.

[SEC. 506. No funds appropriated in this Act may be used for the procurement of, or for the payment of the salary of any person engaged in the procurement of, any extra high voltage (EHV) power equipment not produced in the United States or its possessions.]

BUDGET ACT WAIVER

Mr. HATFIELD. Mr. President, I move that in accordance with section 904 of the Budget Act to waive section 303 of that act with respect to the pending measure, H.R. 2959, as reported by the Committee on Appropriations and any amendments thereto.

This matter has been cleared with the chairman of the Budget Committee and on both sides of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. CHAFEE. I object. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I repeat my request relating to the budget waiver.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to.

Mr. HATFIELD. Mr. President, I am pleased to bring before the Senate today H.R. 2959, the annual energy and water development appropriations bill for fiscal year 1986. The bill as recommended by the committee provides $15,182 million in new budget authority for energy and water development through activities of the Department of Energy, the Corps of Engineers, the Bureau of Reclamation, and several independent agencies. The amount reported is $97,588,000 lower than the President's budget request.

Let me repeat that. We are reporting today an appropriations measure relating to energy and water development that is $97,588,000 lower than the President of the United States, Ronald Reagan, requested, and $90,513,000 below the House of Representatives passed version. Our recommendation is within the Senate allocation for both defense and nondefense discretionary spending and I believe it represents a fiscally responsible appropriations measure.

Mr. President, I want to also underscore the fact that within this $15 billion, $7.623 billion is for the military procurement and military projects for energy defense activities.

I always like to emphasize the fact that in the energy bill it is not all water-related or civilian energy items, but we are carrying in that bill the Basic Nuclear Warhead Program of the military department.

Before proceeding further, Mr. President, I want to commend all the members of the subcommittee and the full committee, but particularly the Senator from Louisiana, BENNETT JOHNSTON, the ranking member of the subcommittee.

As former chairman of the Energy and Water Subcommittee, Senator JOHNSTON has developed a mastery of these programs.

I extend again my appreciation to him for his counsel and assistance in developing this legislation. As in previous years, Mr. President, this bill is the product of a nonpartisan and harmonious working relationship among many Members from both sides of the aisle, and I expect it to receive overwhelming support in the Senate.

The committee recommendation is the result of long hours of testimony from agency officials and private citizens during 10 sessions of hearings and two markup sessions.

No other committee or subcommittee has more public interest and participation. We hear from numerous local and private groups and organizations and literally hundreds of individual witnesses from throughout the United States. In addition, there have been literally hundreds of individual requests from Senators and Congressmen.

While we cannot support all these items within the limited funds available, I believe that priority requests have been adequately addressed as well as the critical national priorities of energy and water development.

Mr. President, the recommendation before us today provides $3.4 billion for Federal Water Resource Development Programs. This includes projects and related activities of the U.S. Army Corps of Engineers, the Bureau of Reclamation, and the Tennessee Valley Authority. This Water Development Program provides capital investment funding—capital investments with lasting benefits to the Nation in the areas of flood control, municipal and industrial water supply, irrigation, water conservation, commercial navigation, hydroelectric power, recreation, and fish and wildlife enhancement.

As OMB points out, the committee recommendation is approximately $330 million over the budget request for the Corps of Engineers. This $330 million was added by the committee to offset a a proposed reduction in the operation and maintenance of existing corps projects and facilities.

The administration's proposed cuts could have closed down important water projects and facilities, including ports and waterways navigation facilities across the United States. In a show of budget gimmickry, and false budget savings, I believe these cuts were proposed by OMB with the clear understanding that Congress would continue to provide funds for operations of these important projects. After receiving extensive testimony on the impact of these cuts, the committee does indeed recommend a restoration of the O&M account. Even with the reinstatement of these funds, the committee recommends about $250 million less than the House for the Water Development Programs and nearly $400 million below the current year level of funding.

Much of the reduction in budget authority comes from the corps construction program as ongoing projects are completed and no new projects are initiated.

Despite the impressive benefits of these projects, the process through which these capital investments are authorized and made eligible for funding has been delayed to the point of creating a slow death to the Water Resource Development Program. The last major construction bill for the Corps of Engineers was enacted in 1970. This type of delay in the authorization process has now and will continue to have serious impacts in the 1980's. The Appropriations Committee is under increasing pressure to fill this void created by the lack of authorizing

legislation and to provide project authorizations for some of these critical projects. The fiscal year 1985 supplemental appropriations bill includes a package of projects which, as a first step, will provide for a limited number of new starts and addresses the contentious cost-sharing issue. I hope the House will approve these important capital investment projects without delay.

In the energy area, the committee recommends approximately $11.2 billion for the Department of Energy. While most energy activities are maintained at current or slightly reduced levels of funding, there is an overall increase from fiscal year 1985 levels due to the amount provided for atomic energy defense activities. In energy defense activities, we recommend an increase of $293 million above the 1985 level. This increase is 4 percent over the current year level of funding, which is fully consistent with the Senate budget resolution recommendation for a 4-percent increase in defense spending. At the same time, the committee recommendation amounts to a $404 million reduction in energy defense from the budget request level.

As most of my colleagues know, I personally do not support any increase for these atomic weapons programs. That personal view, however, is not shared by the majority of the committee. In my view, even an increase of 4 percent in fiscal year 1986 is excessive.

Since 1981, the Nuclear Weapons Program has more than doubled in size. Each year, the Appropriations Committee has reduced the amount requested by the administration. Each year, we have trimmed the excessive appetites of the military planners and developers. We have accomplished these minimal reductions, when possible, within the guidance of the authorization committee. This year, the Appropriations Committee again has worked carefully to develop a recommendation which makes full use of all documents from the authorization process and provides an adequate amount for these activities.

In the nondefense energy area, the committee recommends about $1.8 billion for energy supply, research, and development. This includes slightly higher levels than the House for solar research, geothermal research, and nuclear energy programs. For uranium enrichment, the committee supports the Department of Energy's advanced enrichment decision to proceed with laser technology and expects to receive a budget amendment which will reflect current program plans. For general science activities, the committee provides $679 million, a reduction of $6 million below the budget request. This will provide adequate funding for the high energy physics and nuclear physics programs. In the Nuclear Waste Disposal Program, the committee trims by $19 million the large requested increase in the program. With prudent management, this reduction should not affect priority activities or critical milestones of the program.

Within title IV, the committee provides funding for independent agencies including Appalachian Regional Commission [ARC], the Tennessee Valley Authority [TVA], and the Nuclear Regulatory Commission [NRC].

The committee agrees with the budget request level of funding for the NRC. For ARC, the committee proposes a new appropriation of $71.8 million and a program level of $80 million in fiscal year 1986. The recommendation provides $50 million for highway activities and $30 million for economic development. The recommendation is about half the level approved in fiscal year 1985, and represents a phasedown of activities rather than the termination or zero funding proposed in the budget. For the TVA, the committee recommends additional budget authority of $90.8 million, which is $53 million over the budget and about $30 million below the fiscal year 1985 funding. Again, this level of funding would continue the phasing down of TVA nonpower activities in a more gradual manner than proposed in the budget request.

In conclusion, Mr. President, this is a fiscally responsible bill, a lean bill in all areas besides energy defense, and I urge the Senate to proceed with its early adoption.

Mr. President, let me add that we have some extraordinarily capable staff people on both sides of the aisle who assisted in bringing this bill to the floor. I would like the RECORD to indicate our deep commitment to them and our appreciation for their extraordinary talent and their professional skill.

Mr. President, I yield at this time to the Senator from Louisiana for any opening statement.

Mr. JOHNSTON. Mr. President, I concur with everything the distinguished Senator from Oregon said except the overly generous comments about myself which were not deserved; nevertheless, I thoroughly enjoyed hearing him say them.

Let me say, not because he said such nice things about me, but because I intended to say this anyway: The distinguished chairman has done a superlative job once again as chairman of this subcommittee. This is a product which I fully endorse, and I fully agree with his statement. It is indeed and in fact a bipartisan effort at the staff level and at the senatorial level. Our committee, I think, is united behind this bill. It represents a very good product. I endorse it fully and adopt the comments of the distinguished Senator from Oregon as my own.

Mr. HATFIELD. I thank the Senator.

Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and that the bill as thus amended be regarded as original text for the purpose of futher amendment, providing that no point of order shall be considered as having been waived by agreeing to this request.

This request has been cleared on both sides of the aisle.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, a point of information: The motion which was just agreed to by unanimous consent is, of course, subject to the unanimous consent previously agreed to, is it not?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSTON. I thank the Chair.

AMENDMENT NO. 575

AMENDMENT NO. 576

(Purpose: To assure completion of certain recreation facilities)

Mr. HATFIELD. Mr. President, I send two amendments to the desk, one on behalf of Senator BUMPERS and one on behalf of Senator DANFORTH, which are related in subject matter. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Is there objection? If not, without objection, it is so ordered.

The clerk will state the amendments.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] for Mr. BUMPERS, proposes an amendment numbered 575 and for Mr. DANFORTH, proposes an amendment numbered 576 en bloc.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 575

On page 4, after line 2, add the following new language:

"The Corps of Engineers is directed to construct recreation and management facilities at the Ouachita and Black Rivers, Arkansas and Louisiana, in the vicinity of the Felsenthal National Wildlife Refuge at full federal expense using funds heretofore provided, using the $3.5 million provided for such purpose in this Act.

AMENDMENT NO. 576

On page 4 after line 2, insert the following:

"SEC.   . From funds previously appropriated for the Clarence Cannon, the Secretary is directed to continue construction of the remaining authorized recreation facilities at the full Federal funding. Construction shall continue until completion, subject to availability of funds.".

Mr. HATFIELD. Mr. President, these are two cases relating to the construction of recreation facilities at two projects, one in Arkansas, one in Missouri, which had been previously authorized, and have been underway for some time.

This is merely language to direct the completion of these recreation facilities in accordance with the original intent of the project authorization.

Mr. JOHNSTON. Mr. President, the distinguished chairman is correct. The amendments have been cleared on this side.

Mr. DANFORTH. Mr. President, the Clarence Cannon Dam and Mark Twain Lake project in Missouri is all but complete. Unfortunately, one significant aspect of the project, promised to the people of the area when the project was planned, has been largely omitted. I refer to the recreational development associated with the lake—including the John F. Spalding Recreation Area, the spillway area, and about 25 hunter-fisherman access areas.

The need for the last of these items is particularly acute. The Corps of Engineers has built an excellent facility premised in large part on recreational benefits. But the ability of the people of Missouri to enjoy the lake has been severely compromised by the lack of access areas, particularly on the upstream end. It is my understanding that the corps can complete construction of the project—including the recreation facilities—not only under budget, but within the amount already appropriate for the project.

Mr. President, this amendment is very simple. It does not call for any additional appropriation for this project. It simply directs the corps to continue construction of the authorized recreation facilities at the Clarence Cannon Dam and Mark Twain Lake with the funds already appropriated to the project and not yet expended. Indeed, it saves money compared to the House bill, which appropriates an unneeded $1 million for this purpose.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments (Nos. 575 and 576) were agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendments were agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 578

Mr. CHILES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The bill clerk read as follows:

The Senator from Florida [Mr. Chiles] proposes an amendment numbered 578.

At the appropriate place:

Provided, That none of the funds appropriated in this title may be used for preliminary discussions, staff briefings or meetings as defined in 10 Code of Federal Regulations 9.101(c) published May 21, 1985.

Mr. CHILES. Mr. President, this amendment is very simple. It is designed to achieve a simple objective, to ensure that the Nuclear Regulatory Commission does not retreat from full compliance with the terms of the Government Sunshine Act.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Boschwitz). Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside.

The PRESIDING OFFICER. Is there objection?

Mr. CHILES. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. CHILES. Mr. President, I understand there are concerns from people who wish to see my amendment and have not seen it. At this time, I withdraw the amendment.

The PRESIDING OFFICER. The Senator has that right.

The amendment (No. 578) was withdrawn.

AMENDMENT NO. 579

(Purpose: To increase funding for research on verification and control technology by $7,500,000)

Mr. KENNEDY. Mr. President, I send an amendment to the desk on behalf of myself, Mr. Hart, and Mr. Bingaman and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. Kennedy], for himself, Mr. Hart and Mr. Bingaman, proposes an amendment numbered 579.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 13, strike out "$7,623,300,000" and insert in lieu thereof "$7,630,800,000".

On page 25, line 14, after "expended" insert the following: ", of which $101,075,000 shall be available for verification and control technology".

Mr. KENNEDY. Mr. President, this amendment would increase the funding for DOE verification and control technology research to the level contained in the conference report on the DOD Authorization Act passed yesterday by the Senate. The level is $7.5 million above the amount contained in this bill.

Just yesterday we had an extended discussion on the floor of the Senate concerning the importance of verification to arms control, particularly for verification in the context of a comprehensive test ban treaty. The DOE verifications budget funds research in areas such as seismic detection of nuclear explosions, which is critical to a testing treaty.

One of the key issues is distinguishing nuclear explosions from earthquakes, and significant progress is being made in the use of seismic arrays to detect and discriminate low-yield nuclear tests from earthquakes. A seismic array is operating in Norway and negotiations are underway to install a second array in Finland. Upgrading the current North American seismic array to higher frequencies is one example of the proposals for additional funds in this area.

In addition, work is also proceeding in the area of noseismic detection of nuclear explosion.

The verification research program is not limited to detection of underground explosions. Detection of above ground testing, chemical and biological warfare verification and detection of the testing of directed weapons are all areas of immediate arms control concern which are included in this program.

Research in verification and control technology has high payoff, since improvements in verification can lead to new and greater opportunities for arms control and head off new escalation of the arms race. At a time when tens of billion of dollars are being spent on both sides for new weapons of mass destruction, it is little indeed to ask that we increase by a few million dollars—only about 8 percent of the total DOE verification budget, the vital research that can contribute so much to our hope for peace and an end to the arms race.

Mr. BINGAMAN. Mr. President, I am pleased to join the senior Senator from Massachusetts and the senior Senator from Colorado as a cosponsor of their amendment to increase funding for verification research in the Department of Energy's laboratories by $7.5 million.

Earlier this year at our initiative the Senate Armed Services Committee added $10 million to the Omnibus Defense authorization bill for verification and control technology in the Department of Energy. In the House-Senate conference on the Defense authorization bill, the add-on was reduced to $7.5 million, the amount we are requesting today.

Mr. President, the need for these additional funds were examined in detail at a March 14 hearing before the Strategic and Theater Nuclear Forces Subcommittee of the Senate Armed Services Committee. At that hearing the Directors of all three DOE nuclear weapons laboratories testified that additional funds were needed to pursue potentially high-payoff research in such areas as seismic detection of nuclear explosion, detection of the testing of directed energy weapons, and remote detection of nuclear warheads. Since that hearing Argonne National Laboratory has also proposed to use its expertise to pursue research projects on verification technology. With the additional funds we are proposing in this amendment DOE will be able to fund only a small fraction of these research projects. Our intention is that they do so on the basis of the technical merit of the proposals.

Mr. President, there is no doubt as to the central role verification issues play in all of our arms control negotiations and in the ratification process following successful conclusion of negotiations. We need to have a forward-looking research program on verification technologies, one that keeps pace with the research on new strategic weapons technologies. Otherwise, we could deny ourselves the possibility of negotiating verifiable limits on the testing and deployment of these new weapons in the future.

Our amendment will help support such forward-looking research effort. This effort needs to be given a higher priority within DOE's and other agencies' budgets. By adopting this amendment the Senate will be sending a clear signal of the priority it places on this research program. So I join my colleagues in urging adoption of the amendment.

Mr. KENNEDY. Mr. President, I have discussed this amendment with the floor manager as well as the ranking minority member, and I hope that the amendment will be accepted.

Mr. HATFIELD. Mr. President, the Senator is correct. This is within the authorized level and we will accept the amendment on this side of aisle.

Mr. JOHNSTON. Mr. President, the amendment has been cleared and has been properly described.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment (No. 579) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 580

(Purpose: To set aside funds for a report on research in arms control verification technology)

Mr. SIMON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Illinois [Mr. Simon] proposes an amendment numbered 580.

Mr. SIMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 9, after the semicolon insert the following: "the preparation and submission of a report in classified and unclassified versions, not later than March 1, 1986, by the Secretary of Energy, in consultation with the Secretary of Defense, to the Congress on recent developments in the capabilities of the United States to monitor compliance with any comprehensive nuclear test ban agreement which may be negotiated by the governments of the United States and the Soviet Union;".

Mr. SIMON. Mr. President, this is an amendment that I have cleared with Senator Hatfield and Senator Johnston. There was a dispute the other evening about where we stand on verifiability of the comprehensive nuclear test ban. It simply asks the Secretaries of Energy and Defense to report to Congress on where we do stand. I believe there is no controversy.

Mr. HATFIELD. Mr. President, the Senator from Illinois has submitted this amendment. We have checked it and are willing to accept the amendment on this side of the aisle.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 580) was agreed to.

Mr. SIMON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMON. Mr. President, if I may engage the Senator from Oregon in a colloquy, one of the items that is included in the House version of this bill but not included in the Senate version is $500,000 that the Corps of Engineers requested for a study for Alexander and Pulaski Counties, a study that was partially completed.

I do not ask the Senator from Oregon to commit himself to support that, but simply to take a good, serious look at it.

Mr. HATFIELD. I am happy to respond to the inquiry of the Senator from Illinois concerning this project. As he has indicated, it is in the House version; therefore, it will be a matter in conference. I assure the Senator from Illinois that we will look at this carefully. We do need to have some differences between the two bills in order to make a meaningful conference.

Mr. SIMON. I understand, and I thank the distinguished chairman of the committee.

Mr. JOHNSTON. Mr. President, we endorse the statements that have been made by both Senators.

Mr. HATFIELD. Mr. President, I ask for third reading.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. EVANS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 581

Mr. EVANS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. Evans], for himself, Mr. McClure and Mr. Gorton, proposes an amendment numbered 581.

Mr. EVANS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, line 22, strike "$95,568,000" and insert in lieu thereof the following: $95,568,000, of which $2,750,000 shall be available to conduct geographic and resource sorting for the purpose of identifying applications for hydroelectric licenses or exemptions which do not have the potential to adversely affect environmental resources in a cumulative manner,".

Mr. EVANS. Mr. President, I rise on behalf of myself, Senator McClure, and Senator Gorton to offer an amendment to H.R. 2959. The amendment would earmark $2,750,000 to the Federal Energy Regulatory Commission to conduct resource and geographic sorting for the purpose of identifying applications for hydroelectric licenses or exemptions which do not have the potential to adversely affect environmental resources in a cumulative manner.

On April 24, 1985, the FERC adopted a staff report outlining a methodology for review of the potential for adverse environmental impacts posed by multiple license applications for projects that could possibly be clustered together in limited geographical areas. The cluster impact assessment procedure [CIAP] is designed to: First, identify basins where there is a potential for adverse environmental impacts from clustered hydroelectric projects; second, identify target resources in particular river basins; third, determine the geographical extent of potential adverse impacts; fourth, determine the interaction of target resources and proposed and existing hydropower projects; and fifth, perform an environmental impact assessment of clustered projects for the purposes of preparing the appropriate NEPA documents for licensing the proposed projects.

The initial step in the CIAP is to identify basins where there is a potential for adverse environmental impacts from clustered hydroelectric projects. The analysis is based on legal filings or comments in individual licensing proceedings. For the purposes of determining which basins may be subject to CIAP, the FERC staff proposes evaluation of pending license applications. Pending exemption applications are to be included only where nonfishery target resources are concerned. Otherwise, applications for exemptions and preliminary permits and applications are to be excluded from CIAP analysis.

The next step in the CIAP analysis is to identify target resources in particular river basins where hydroelectric development proposals exist. The target resources are those which could be adversely affected by multiple hydroelectric developments. Again, they would be identified through legal filings or comments in individual license proceedings.

The third step in the CIAP is to determine the geographical extent of potential adverse impacts. Using the CIAP, the Commission could choose to assess potential environmental impacts on something less than a basinwide scope. The staff report suggested that clusters of closely spaced hydropower sites on particular rivers or tributaries may be an appropriate context for CIAP analysis. According to FERC, the narrower context could be justified on the basis of either the facts concerning the nature and geographic extent of the potential impacts, or reasons of administrative feasibility.

The fourth step in the CIAP analysis would be to determine the interaction of target resources and proposed and existing hydropower projects. The FERC staff proposes use of a computer-assisted matrix analysis to conduct an impact assessment. The assessment would determine the optimum relationship between energy production and loss in the quality and quantity of target resources.

Adoption by the FERC of the CIAP is a significant step toward systematic review of cumulative environmental impacts of hydropower development. But a lack of financial resources will prevent the FERC from conducting these environmental studies.

Mr. President, this amendment would allow the FERC to proceed expeditiously in the evaluation of license and exemption applications which may be environmentally benign. The amendment would provide the FERC with the financial resources to conduct geographic and resource sorting on rivers basins in addition to the Salmon River, ID, the Snohomish River, WA, and the Owens River, CA, where the FERC is currently conducting a full CIAP analysis. I believe it is appropriate to continue this process.

Mr. McCLURE. I ask the Senator from Washington: Am I not correct that this amendment would not retard in any way the Federal Energy Regulatory Commission's ongoing cluster impact assessment procedure for the Salmon, Snohomish and Owens Rivers?

Mr. EVANS. Yes, that is correct.

Mr. President, this amendment has been cleared with the floor manager and the ranking minority member, and I believe it is acceptable to them.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, as I understand the amendment which has been offered by the Senator from Washington, the figure of $95 million is a matter the committee has supported. We, in effect, are earmarking the $2.750 million, which would be within that total sum for the purpose he has indicated in his amendment.

Mr. EVANS. The Senator from Oregon is correct.

Mr. HATFIELD. Mr. President, there is no objection on this side of the aisle. We are willing to accept the amendment.

Mr. JOHNSTON. Mr. President, this is a very worthy goal. They do not have a great deal of play in their budget, but I think this is the kind of thing we should investigate, considering the worthiness of the end that the Senator from Washington is trying to accomplish. Therefore, we will endorse the amendment and look at it very carefully in conference and try to find out how much they can do within the restrictions of their budget.

Mr. EVANS. I appreciate that.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 581) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SEMINOE FEASIBILITY STUDY

Mr. WALLOP. Mr. President, I would like to thank my distinguished colleague from Oregon, Senator HATFIELD, for including my amendment providing $100,000 within available funds to be used by the Bureau of Reclamation for a feasibility study on Seminoe Dam and Reservoir for the purposes of irrigation, municipal and industrial water, and available storage in the fiscal year 1986 Energy and Water Development appropriation bill.

During the past year, the Wyoming Water Development Commission and the Bureau of Reclamation performed hydrology studies which indicated then an additional firm yield water supply could be achieved by enlarging Seminoe Reservoir. The Seminoe enlargement, in conjunction with the Deer Creek project presently being pursued by the Wyoming Water Development Commission could serve to meet a substantial portion of the long-term needs of the North Platte Basin.

The enlargement may also be necessary to store water from the Little Snake River water management project if trans-basin diversion is pursued. Flood control and water management benefits to the North Platte Basin could also be provided if enlargement of Seminoe is feasible. Because of these possibilities, both the State of Wyoming and citizens in Casper and elsewhere in the basin support this study, and have indicated a willingness to provide voluntary cost sharing in order to have the study proceed. As you know, the State of Wyoming has been a leader in voluntarily providing up front cost sharing to help finance vitally needed water development projects in our State.

The Seminoe Dam and powerplant are on the North Platte River about 72 miles southwest of Casper, WY. It is part of the Kendrick project in Carbon and Natrona Counties, and at present the reservoir has a total capacity of 1,017,280 acre-feet of water for the irrigation of project lands.

If the study proceeds on a fast track, as I am hopeful that it will, the possibility of enlarging the dam will mean

that other needed water uses can be obtained from this same site. That is cost efficient, and it makes multiple use of a very scarce resource in our region of this great Nation. At a time when water resource development funds are all too limited, making the most out of what is already there makes good sense.

I would like to commend my colleague from Oregon for bringing to the floor an energy and water budget for fiscal year 1986 which is sensitive to the need for fiscal restraint. While each of us might wish for more, the budget deficit is a matter of serious national concern. We must each do what we can on a daily basis to exercise fiscal restraint in Federal spending.

Mr. GORTON. Mr. President, I am pleased that H.R. 2959, the Energy and Water Development bill of fiscal year 1986 includes the $78,900,000 necessary to continue the operations of the Hanford Engineering Development Laboratory [HEDL] at Hanford, WA. HEDL is a facility dedicated to the breeder reactor program. The crown jewel of the U.S. breeder program is the fast flux test facility [FFTF]—the world's largest breeder test reactor.

Today this program is providing operating experience which surpasses the fuel burnup and reactor availability of any other breeder reactor facility in the world. It has proven the liquid metal reactor concept to be highly reliable by setting a world record of over 100 days of continuous full power operations. It has functioned at over 99 percent capacity factor. Futhermore, FFTF is providing extremely helpful data on fuel cycle technology, innovative safety features, artificial intelligence development and advanced core materials.

Despite the unparalleled operating success and the importance of the advanced breeder reactor program in the aftermath of Clinch River, the program has been cut significantly. The advanced breeder reactor program budget was cut by 18 percent by this year's administration request for a cumulative reduction of 50 percent over 2 years. The FFTF funding restorations provided for in this bill will mitigate the substantial job loss that was expected at HEDL as well as preserve the technology programs essential to maintain U.S. leadership in nonproliferation efforts.

Mr. HATFIELD. Mr. President, I ask for third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The assistant legislative clerk commenced third reading of the bill.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The assistant legislative clerk commenced third reading of the bill.

Mr. HATFIELD. Mr. President, before third reading is completed, the Senator from New Mexico asks to be recognized.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

AMENDMENT NO. 582

Mr. DOMENICI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from New Mexico [Mr. DOMENICI] for himself and MCCLURE, Mr. THURMOND, and Mr. BINGAMAN proposes an amendment numbered 582.
>
> On page 25, line 13, strike "$7,623,300,000" and insert in lieu thereof "$7,641,800,000".

Mr. DOMENICI. Mr. President, this amendment has been modified substantially since I offered it in full committee and has been cleared with the distinguished chairman of the full committee and the ranking minority member.

I have a table to accompany it which indicates the places that these safeguards and security safety and environment construction projects are located and the amount of money that will be used to get them started.

This amendment moves in the direction of the administration's request in areas related to nuclear energy, but more specifically in the security environment and safety area.

Mr. President, my amendment seeks to restore funds to the level of the administration request for certain projects which I believe we all agree are ones which we should not shortchange. These are projects within the Department of Energy's defense activities.

Mr. President, this proposed amendment would restore cuts in the Senate bill for construction projects related to nuclear safeguards, security, safety and environment. These projects are also intended to bring certain facilities into compliance with environmental and safety regulations and upgrade their productivity. The amendment would also provide an increase in operating funds—over the Senate level, but still below the administration request—for nuclear reactor operations.

The amendment also includes a $24 million reduction in the funds available to the House level, for the procurement of enriched uranium for naval reactors—these funds are not needed because of a delay in scheduled fueling. The overall addition is $17 million.

This would change total funding as follows:

E & W Subcommittee	$7.623
Domenici amendment	7.640
Senate budget resolution	7.850
Armed Services conference	7.684
Administration request	8.047

Some examples of the kinds of projects this amendment would restore, include work on a plant at Oak Ridge which has been cited by the EPA for air and water emissions. If the problem is not corrected the State of Tennessee has threatened to shut it down. Another project would upgrade a facility at Savannah River so workers would be exposed to lesser amounts of radiation.

Mr. President, I ask unanimous consent to have printed in the RECORD the table to which I have referred.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	Request	Conf. auth.	House	Senate	Change
Safeguards and security safety and environment					$+10.0
Construction:					
86–D–130 Tritium loading facility replacement, Savannah River, SC	$5.0	$5.0	$0	$2.0	$+3.0
86–D–136 Nuclear Safeguards Technology Laboratory, LANL, NM	1.0	1.0	0	0	+1.0
85–D–115 Renovate plutonium building utility systems, Rocky Flats, Golden, CO	17.7	17.7	15.7	15.7	+2.0
85–D–121 Air and water pollution control facilities, Y–12 Plant, Oak Ridge, TN	14.0	14.0	12.0	12.0	+2.0
86–D–124 Safeguards and site security upgrading phase II, Mound Plant, Miamisburg, OH	3.0	3.0	[illegible]	2.0	+1.0
86–N–104 Reactor modifications, ATR, INEL, Idaho	4.5	4.5	3.5	3.5	+1.0
Revitalization and restoration					+20.0
Construction:					
Defense Waste: 85–D–158 Central warehouse upgrade, Richland, WA	5.0	5.0	3.0	3.0	+2.0
Nuclear Materials:					
86–D–149 Productivity Retention Program, Phase I, VL	27.2	24.2	17.2	15.2	+9.0
82–D–124 Restoration of production capabilities, phase II–IV, VL	[illegible]	43.9	34.9	34.9	+9.0
Nuclear materials production—operating expenses-reactor operation	[illegible]	576.4	[illegible]	[illegible]	+11.0
Materials production—enriched materials					−24.0
Total appropriation change					+17.0

Mr. DOMENICI. Mr. President, I believe the chairman of the committee is inclined to support this legislation.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico has the floor. Does he wish to yield?

Mr. METZENBAUM. I have no intention of interrupting.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Do I need a unanimous-consent request that the section of the bill that was previously closed that I amend be opened subject to amendment?

The PRESIDING OFFICER. The Senator needs unanimous consent.

Mr. DOMENICI. I so ask unanimous consent.

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. METZENBAUM. Mr. President, I am objecting because I do not know what this is all about. Until I find out, I am going to object.

That is the reason I wish to have a quorum call in order that I may be further enlightened.

Mr. DOMENICI. Perhaps I could just tell the Senator.

Mr. METZENBAUM. Sure.

Mr. DOMENICI. Mr. President, in the committee I sought to add money for the environmental and safety parts of the nuclear program where we were under the requests of the administration. I have modified that down to $17 million which still does not meet the request.

Mr. METZENBAUM. Seventeen billion?

Mr. DOMENICI. Million.

Mr. METZENBAUM. Million.

Mr. DOMENICI. And we are still under the overall allocation.

This would be spread across this country, none in my State, but in the States of Ohio, Tennessee, South Carolina, and Washington, to start programs which make our present facilities more safe and more environmentally sound.

They have all been looked at before. We thought that we should start more of them than the committee started, and that is what this amendment does.

The reason I needed consent is that section of the bill has been closed prior to my offering of my amendment.

Mr. METZENBAUM. Mr. President, will the Senator from New Mexico apprise us as to what impact this amendment would have on the budget and has it been taken into account as far as the budgetary consideration?

Mr. DOMENICI. I say to my friend, it still makes this section of the bill under the authorizing levels that were reported out by our authorizing committee and the section of the bill that relates to nuclear is still under the budget crosswalk even with this addition.

Mr. METZENBAUM. When the Senator from New Mexico has concluded his remarks, if he has additional remarks, I would appreciate his putting in a quorum call or I will put in one, just so I may learn a little more about it. I do not intend to delay it.

Mr. DOMENICI. Of course. I have nothing further. I will be glad to share the information with the distinguished Senator from Ohio.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, if the Senator will yield, the Senator is correct. We have checked this amendment. We have cleared it on this side of the aisle.

Mr. JOHNSTON. Mr. President, this is a $17 million amendment for an item for which the Department of Defense has recommended $60 million, which means we have very carefully gone over every item and agreed to the minimum amount. We, therefore, have cleared it on this side.

Mr. THURMOND. Mr. President, I rise in support of the amendment offered by my distinguished colleague from New Mexico, Mr. DOMENICI. The amendment would restore funds for various Department of Energy defense programs, and I am pleased to join Senator DOMENICI as a cosponsor of the amendment.

When the Appropriations Committee began markup of the Energy and Water appropriations bill, the House and Senate had not completed conference action on the fiscal year 1986 Department of Defense authorization bill which contains the authorization for the Department of Energy defense programs.

Unfortunately, the Appropriations Committee reduced several important defense programs below the level that has now been agreed to in the House-Senate conference on the fiscal year 1986 Department of Defense authorization bill.

Mr. President, the amendment offered today will not add funds above the level requested by the administration. It will simply restore the funding of certain very important programs to the authorization level agreed to by the House and the Senate in the fiscal year 1986 Department of Defense authorization bill.

Mr. President, I might add the fact that the conference report on the DOD authorization bill has already passed the Senate by a vote of 94 to 5.

I urge all of my colleagues to support this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 582) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I rise to commend my distinguished friend and colleague, Chairman HATFIELD, and the members of the Senate Appropriations Committee for bringing the energy and water development appropriation bill to the Senate floor.

In view of the impending action on the conference report accompanying the first concurrent resolution on the budget, I will not insert into the RECORD today the usual tables scoring the relationship of the pending appropriation bill to the budget resolution, the President's budget request, and the House-passed bill. I will do so later at an appropriate time. I will simply congratulate Chairman HATFIELD for reporting an energy and water development appropriation bill that is under the assumptions of the Senate-passed budget resolution in budget authority and generally on track in outlays.

CALIFORNIA WATER PROJECTS

Mr. CRANSTON. Mr. President, I am pleased to note that the bill before us, the fiscal year 1986 energy and water appropriation bill, contains $4 million for the Corps of Engineers to continue the Santa Ana River phase 1 studies. The area below the existing Prado Dam on the Santa Ana River faces the most serious flood threat in the State of California, in fact in the Western United States. But the House failed to include the funding requested by the Reagan administration and the State of California for this important investigation. I want to thank the chairman of the Senate Appropriations Committee for the tremendous help he's given thus far and ask the Senator from Oregon for his continued support in conference to see that the Santa Ana River phase 1 studies receive full funding.

Mr. HATFIELD. I thank the Senator from California for his comments. I want to assure him that I am aware of the importance of completing the Santa Ana River flood control studies. I will do everything possible to ensure that his concerns are addressed in the conference.

Mr. CRANSTON. I thank the Senator for that assurance. There are several other California water projects

which I would also like to call to my colleagues' attention.

King Harbor at Redondo Beach, CA, is a small craft harbor protected by a 3,700-foot-long breakwater. Most of the breakwater is 22 feet high, but a lower 14-foot portion inadequately protects the harbor. As a result, storms have caused nearly $7 million in damages in 1978, 1980, and 1983 and the inadequacy of the breakwater continues to pose a threat to public safety. The House approved $200,000 for the Corps of Engineers to conduct a study of raising the lower portion of the breakwater to 22 feet. Completing this study is a vital first step in providing needed protection. As the Senate bill does not include $200,000 for this study, I urge the chairman and the Senate conferees to recognize the importance of this study and accede to the House provision on this issue.

I would also like to mention the corps' coast of California storm and tidal waves study. Originally focused on San Diego County, the study has been expanded to look at erosion problems along the entire California coast. Southern Californians are concerned that if the study is funded at $750,000 as provided in the Senate bill, it will delay completion of the investigation and availability of important information. An appropriation of $1.5 million in fiscal year 1986 as approved by the House would permit the corps to work at full capability and undertake more research along the San Diego coastline without jeopardizing their contemplated study work on the coast. I hope that the chairman and the Senate conferees will take another look at the need for this investigation and in conference accede to the House on this issue.

The Corps of Engineers is currently engaged in planning for flood control work on the Guadalupe River in San Jose, CA. A project is needed to protect downtown San Jose from flooding and provide the basis for a downtown revitalization effort that includes a locally financed park along side the river. This work, however, cannot proceed until the flood control work is performed. Although the Senate bill provides $135,000 for Guadalupe River and adjacent streams as requested by the administration, this money is slated for work on adjacent Coyote Creek. I understand the feasibility study on Guadalupe River was completed sooner than expected. An appropriation of $400,000 as recommended by the House would speed up the Guadalupe project by as much as 2 years. I ask the Senate conferees to look carefully at increased funding for the Guadalupe River in conference.

Finally, I note that fiscal year 1986 energy and water appropriation bill includes funds for two projects of importance to Ventura, CA. The bill provides $1,640,000 for the maintenance dredging of the Ventura Harbor entrance channel and $100,000 for the feasibility phase of the ongoing channel navigation study. However, the Ventura Port District advises that only $1,540,000 is needed for maintenance dredging—$100,000 less than the Senate bill provides—while $200,000—an additional $100,000—is needed for the channel study. These levels are essential to assure the continuing operation of the harbor and to develop the remedial design measures necessary to alleviate the periodic shoaling that now plagues the Ventura Harbor entrance. Since a transfer of the money from one Ventura project to the other is budget neutral, I urge the committee to accede to the House position and make this adjustment in conference.

Mr. HATFIELD. I appreciate the Senator's remarks and I will certainly keep his concerns in mind during the conference and see what we can do to accommodate them.

Mr. WILSON. Mr. President, I would like to call the attention of my distinguished colleague, the chairman of the Committee on Appropriations, to three waters projects which are of great importance to my State. Before doing so, I want to express my gratitude to my friend from the neighboring State of Oregon, for the assistance he has already provided to my State. Particularly for his efforts to restore funding for the Santa Ana mainstem project which is one of the Nation's most important flood control projects.

As the committee prepares for conference, it is my hope that the Senate conferees will give serious consideration to funding for King Harbor, Redondo Beach, CA. As you are well aware, this small craft harbor is protected by a 3,700-foot breakwater that is 22 feet high except for 1,600 feet which is 14 feet in height. This lower portion inadequately protects the harbor, which sustained nearly $7 million in damages during storms in 1978, 1980, and 1983.

Initial study of the situation by the Army Corps of Engineers indicates that the raising of the breakwater to 22 feet is in the Federal interest. The House has included $200,000 to allow the continuation of this study. It is my hope that the Senate conferees will recede to the House on this matter thus enabling the completion of this important study.

Mr. HATFIELD. I am well aware of your continuing concern for this project and as a result, understand the importance of the King Harbor study to you and to Redondo Beach.

Mr. WILSON. I would like to ask the chairman's assistance with a matter in Ventura, CA. I would like to know if the committee would object to the transfer of $100,000 from the corps' general investigations budget for Ventura Marina for fiscal year 1986 to the Ventura Marina breakwater feasibility study for fiscal year 1986. When added to the $100,000 already provided in the committee bill for this purpose, this would provide $200,000 in fiscal year 1986 for the study, which is the stated amount of the corps' capability.

As the committee knows, the goal of the study is to devise ways of correcting a problem of shoaling at the marina, caused by a deficiency in the corps' design of the breakwater several years ago. Should the corps request this transfer, the additional $100,000 for study would continue efforts to prevent future sand buildup. It is my hope that the committee will approve the transfer should it be requested.

Mr. HATFIELD. I appreciate the Senator's concerns and ask that the record reflects the possibility of the transfer mentioned above.

Mr. WILSON. Finally, I would like to bring the coast of California storm and tidal waves study to the attention of the committee. I appreciate the consistent support that your committee has given this project. As you know, this project is expected to offer great insight into erosion problems along the coast of California and ultimately lead to decreased erosion. As can be expected, this study has been extremely popular and been expanded to meet needs beyond its original intent. While I believe that these expansions are important, I hope they do not come at the expense of the original project. Therefore, it is my sincere hope that the conferees will give serious consideration to increasing the appropriation of $750,000 that has been included in the Senate budget.

Mr. HATFIELD. Again, I can assure the Senator from California that his concerns are well understood. While I cannot guarantee that each of these concerns can be met in conference, I do want my friend, the Senator from California, to know that his concerns will be given every consideration.

Mr. WILSON. I thank the chairman, the committee, and especially your excellent staff for the consistent support and assistance that you have offered as I try to meet the diverse water needs of my State. I appreciate your interest in these projects and any help you are able to provide during the upcoming conference.

Mrs. HAWKINS. I would like to draw the attention of the chairman to a project in Florida which I believe is deserving of funding this year. This is a reconnaissance study for deepening a portion of the harbor at Port Canaveral, FL, to permit transshipment of bulk cargoes such as coal, citrus, and lumber. The study is estimated to require $262,000 in Federal funds, of which no more than $80,000 would be utilized this fiscal year.

The study is authorized under prior legislation, and the Corps of Engineers has indicated that they have the capability to proceed on the study.

Mr. HATFIELD. Let me respond to the Senator from Florida by saying that I am aware of her interest in deepening the Port Canaveral harbor. I would indicate that the Corps of Engineers has the capability to proceed with the study from available funds this year and every consideration will be given to the funding requirements when the bill comes before the committee next year.

Mrs. HAWKINS. I would like to express my sincere appreciation to the Senator from Oregon. He and the committee have been more than generous to Florida this year, as they have been for many years in the past, and, I certainly hope, will be for many years in the future.

Mr. MATHIAS. Mr. President, Maryland's premier beach, Ocean City suffers from a continuing danger of beach erosion and other storm damage that threatens to undermine the foundation of 1½ billion dollars' worth of private ocean-front property investment and destroy a community that contributes millions of dollars to Maryland's economy.

The State of Maryland is conducting a comprehensive review of a number of plans, including those of the Corps of Engineers, State agencies, and private organizations, to ensure that Ocean City and its residents are provided adequate hurricane and beach protection. To be most effective, that review should include the Corps of Engineers' Atlantic coast and Assateague Island study. Unfortunately however, the study has elapsed.

In order for the State of Maryland to exercise the most prudent use of its dollars and achieve its objective to protect Ocean City, I feel it is necessary that the Secretary of the Army continue this study. This will ensure that the best information is made available to the State of Maryland to achieve its goal. Therefore, I request that my colleague, when drafting the final report accompanying this bill, instruct the Chief of Engineers to utilize available funds to continue the planning and engineering part of this study to help provide adequate hurricane protection to Ocean City.

Mr. HATFIELD. I would like to assure my colleague from Maryland that I am aware of the importance and urgency of this project. While this item is not included in the bill and I cannot guarantee your concerns can be met, I want to assure you that this matter will be given every consideration in conference.

Mr. SARBANES. I thank the Senator from Oregon for his assistance. This is a matter of great importance to Maryland's premier beach resort.

SMALL BEACH EROSION CONTROL PROJECTS AT THE INDIAN RIVER INLET, DE

Mr. ROTH. Mr. President, I want to commend my great friend and colleague from Oregon [Mr. Hatfield] and his committee for the quick and efficient work that they have undertaken to resolve all energy and water issues and thereby insure that sufficient appropriations will be available for fiscal year 1986 energy and water programs. I am pleased to see that he has included sand bypassing at the Indian River Inlet. There is an additional aspect to this project which I hope he would consider in the energy and water development appropriations bill for 1986. Authorizing language indicates that stone revetment erosion control measures on the inside of the Indian River Inlet are also proposed.

May I suggest to the Senator that the Corps of Engineers fund this project under the miscellaneous section 103 funds for small beach erosion control projects during fiscal year 1986. The projects were designed to be complementary, and to fund one project while not undertaking the others would be inefficient utilization of Federal appropriations.

I say to my good friend from Oregon, Delaware's beaches draw thousands of tourists yearly to enjoy the beach, bask in the sun, and swim in the ocean. It is an important component of Delaware's primary industry: tourism and recreation. To undertake this project as soon as possible will insure the safe and continuous use of Delaware's outdoor recreational facilities and in particular those around the Indian River Inlet region.

Mr. HATFIELD. Mr. President, I agree with my good friend from Delaware, that it would be a shame if this project were not completed in a timely manner. In the event that authorization is needed for the additional erosion control work, the committee expects the Corps of Engineers to complete the erosion control measure and the sand bypass facility, when that authorizing legislation is obtained.

Mr. ROTH. Am I correct that the Senator urges the Corps of Engineers to give this project top priority for consideration as a section 103 small beach erosion control project? I do want to remind him that this project should be completed as soon as possible.

Mr. HATFIELD. I do feel that the Corps of Engineers will do a good job in alleviating the problems at this inlet, and hope that the corps will take care of this work as soon as possible.

LORAIN SMALL BOAT HARBOR

Mr. GLENN. Mr. President, I would like to address the floor manager of H.R. 2959, Mr. Hatfield regarding an issue of importance to me and the people of Lorain, OH. First I would like to commend both Mr. Hatfield and Mr. Johnson for the fine work they have done on this appropriation measure. Unfortunately, they left out $1.8 million for the Lorain Small Boat Harbor.

This project is part of a vital economic revitalization effort funded by the people of Lorain and the State of Ohio. The State of Ohio has set aside $1.23 million in its capital improvement budget. The City of Lorain has set aside $615,000 for its share. The Federal Government would match these funds with $1.8 million.

This planned $3.6 million project will spur investment of $10 million in docks, launch ramps, boat sales and services, food services, housing, and lodging. Construction jobs will be generated with wages estimated at $5 million. The Army Corps of Engineers' cost benefit ratio for this project is 4 to 1, an enormous return for public investment.

In order to achieve these benefits the Federal Government must supply $1.8 million.

Mr. HATFIELD. My colleague from Ohio is aware that the Appropriations Committee is trying to keep the energy and water appropriation for 1986 as low as possible. That means some very good projects could not be included.

Mr. GLENN. I can appreciate the committee's desire to keep the cost of this measure under control. However, Lorain is suffering from severe economic distress. The development of recreational facilities appear to offer real hope for overcoming some of this distress. The Ohio Sea Grant Program has demonstrated the importance of this type of recreational development. According to Ohio sea grant, the charter and sport fishing industry alone have contributed $18 million to the economy of area surrounding Lorain, OH. So its important to remember what our President would say—"a rising tide lifts all boats."

If we are interested in improving the economy of Lorain we need to invest in its future. We have a responsible cost-sharing proposal here and there is enormous potential for private investment. I hope the chairman will consider this when the Lorain Small Boat Harbor is discussed in conference.

Mr. HATFIELD. That is an important point and I am sure that my colleague from Ohio is aware that I will consider all his points when discussing this project in conference.

Mr. DANFORTH. Mr. President, on September 12 and 13, 1977, the worst rain of record fell on Kansas City, MO—16 inches in 24 hours. Brush Creek, a tributary of the Blue River that passes through the heart of Kansas City, rapidly rose above its banks with devastating results, killing 12 people and causing millions of dollars in damages.

The Corps of Engineers has recommended a $15 million project along the middle stretch of Brush Creek, of which the city's share would be $5 million. Kansas City has asked for a larger project, with all of the additional work upstream and downstream to be financed by the city. In short, a $36 million flood control project would be built with a $10 million Federal contribution. Authorization of the project is included in the omnibus water project bills pending in both the House and the Senate.

Pending that authorization, continued planning and engineering work can proceed on the larger project. The House has provided $350,000 for that purpose; the Appropriations Committee provided only $100,000. The local contribution to this project is extraordinary; the need for it is urgent. Can the distinguished Senator from Oregon, the chairman of the committee, provide me with any indication of his intentions on this matter in conference?

Mr. HATFIELD. Mr. President, the Senator from Missouri has stated the arguments for this project in a forceful way. In view of the amount of money involved, I can assure the Senator that I will take a careful look at this matter in conference.

Mr. DANFORTH. I thank the Senator. Mr. President, on another matter, I want to commend the Appropriations Committee for supporting the budget request of the President with regard to the management of surplus radioactively contaminated Department of Energy facilities. The Senate figure, like the budget figure, for this program is $39 million; the House figure is $5 million less.

In my own State of Missouri, we have been trying for some time to encourage the cleanup of a 230-acre site at Weldon Spring, used by the Army during World War II for production of TNT and by the Atomic Energy Commission from 1957 to 1967 for processing of uranium and thorium ore concentrates. As of October 1, the site will be wholly in the hands of the Department of Energy, and a draft environmental impact statement for cleanup is expected in March.

If the House figure is adopted in conference for this program, it would have a major impact on the Weldon Spring cleanup. I am told that work on the contaminated uranium feed materials plant would be delayed for another year as a result. Such a delay would be a serious blow to the people of the area, especially those whose children attend high school just half a mile away. I strongly urge the chairman to do everything he can to preserve the Senate position on this matter.

Mr. HATFIELD. The Senator certainly has my assurance in that regard.

PORT AUSTIN HARBOR BREAKWATER

Mr. RIEGLE. Mr. President, my colleague from Michigan, Senator Levin, and I are particularly concerned about the need for construction of a northeast breakwall at Port Austin Harbor in Michigan. This harbor, as the House report notes, is an important refuge for small craft. However, the existing breakwall is not sufficient to protect the inner harbor. The House has provided $2.8 million to modify the existing harbor-of-refuge. I would like to ask the distinguished chairman of the Appropriations Committee to give this project favorable consideration during the conference on this legislation.

Mr. HATFIELD. I would like to assure my colleagues from Michigan that we will give their request all due consideration.

Mr. LEVIN. I would just like to add my personal support for this project and to point out that the House report indicates that this project should be funded at full Federal expense. This is a modification of an existing authorized project. The entire local cash contribution has already been provided as part of the existing project. I hope that the chairman of the Appropriations Committee and conferees to this legislation will take that into consideration in their deliberations.

Mr. HATFIELD. I thank my colleagues for their interest in this project and will keep their concerns in mind when the conference on this legislation convenes in September.

CONTINUOUS ELECTRON BEAM ACCELERATOR FACILITY

Mr. WARNER. Mr. Chairman, I commend you and other members of the Appropriations Committee for bringing an energy and water development appropriations bill, fiscal year 1986, to the floor which is $97.5 million below the budget estimates and $90.5 million below the House bill. I wish to have a clear understanding that within the activities of the nuclear physics budget for which the committee has provided $172.9 million, it is the committee's intention that $5 million is to be provided for the Continuous Electron Beam Accelerator Facility for research and development, and advanced architectural and engineering design work to better define the CEBAF project's scope, schedule and total cost, and for other necessary activities in support of the project.

Mr. HATFIELD. Senator Warner, you are correct. It is the intention of this committee to approve the administration's request of $5 million for the Continuous Electron Beam Accelerator Facility for advanced architectural and engineering design work in fiscal year 1986.

Mr. WARNER. I thank my distinguished colleague from Oregon for clarifying this point.

Mr. DOMENICI. Mr. President, during the markup of this bill the chairman agreed to revisit the allocations for the various participants in the Inertial Confinement Fusion Program. I believe our staffs have done that, and they have found that the Senate bill should have had the figure for Los Alamos at the same level as the House—that is $38 million. I would like to ask the chairman if that is his understanding?

Mr. HATFIELD. I believe the Senator is correct. Our report should have read $38 million rather than $33 million.

Mr. DOMENICI. I hope the chairman will have that in mind when he begins his conference negotiations.

Mr. HATFIELD. The Senator can be assured that I will.

Mr. GORE. Mr. President, as we debate the energy and water appropriations bill, in particular the funding for the Tennessee Valley Authority, I believe it is important that our colleagues understand just how TVA works. There has been considerable misunderstanding about the nature of TVA's federally funded efforts, and about how TVA provides electricity to its service area.

The Senate Environment and Public Works Subcommittee on Regional and Community Development has recently been holding hearings to look at TVA and its programs. These have been informative and constructive efforts that have, I believe, shown the exceptional national benefits TVA is producing with appropriated funds.

Any expenditure of Federal tax dollars should be subject to careful oversight in the Congress. And we should insist on accountability for those who manage these dollars. When I served in the House, I renewed the Tennessee Valley caucus and held extensive meetings between Members of Congress and the TVA Board to examine a variety of problems then facing TVA ratepayers—the financial difficulties in the nuclear power program, various management initiatives, environmental problems, and rates in general.

For those of us in the Congress and in the valley, these problems are not new. We have been involved in oversight on TVA activities for as long as the agency has existed.

We have continually been pleasantly surprised that TVA is forthcoming, candid, and as eager as we in the Congress are to get to the bottom of whatever issue is at hand. During the recent hearings, TVA's Board and its managers have been straightforward advocates of public power, of their ratepayers, and of the innovative Federal programs they operate for our country.

I also had the opportunity in the House to serve on the principal committees involved in energy and envi-

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ronmental matters. It was always striking to me that, when we sought an example of outstanding performance in nuclear waste handling, renewal energy and energy conservation, acid rain solutions, new coal burning technologies, water resource management, and a wide range of other energy and environmental technologies, invariably it was TVA which presented the model.

The ability of utilities and the Federal Government to rapidly implement a home insulation program in the late 1970's was made possible by TVA's pioneer work in this area. And this is but one of many such examples of efficient technology transfer from TVA to other utilities, as well as Federal, State and local government programs, to farm enterprises, and a wide range of businesses and educational institutions.

Clearly, the Tennessee Valley Authority has, in its half-century of serving electricity consumers in the Southeast, given this country much more than a hugely successful experiment in public power and economic development. The TVA has become a major laboratory for this country's efforts to find solutions to many tough energy and environmental problems.

As we look at the TVA programs covered in the energy and water bill before us today, I would like to take the opportunity to go over a few important points and try to clarify several key issues that might be causing some confusion.

TAXPAYER SUBSIDIES TO TVA

It has been suggested in the recent hearings, and several years ago by the Director of OMB that TVA's access to the Federal Financing Bank amounts to a taxpayer subsidy of TVA electric rates.

Mr. President, I wish there was some way we could put this issue to rest once and for all. The fact is, not one dime of taxpayer funds has ever gone to subsidize a TVA bond issue through the FFB. Moreover, the taxpayer has actually benefited from TVA's borrowing through the FFB as a result of the one-eighth percent fee it pays FFB on these issues.

Since it began using FFB authority for its borrowing, TVA has paid more than $100 million to the U.S. Treasury in these fees. There is simply no way that TVA's borrowing authority from the FFB can be considered a subsidy. A good deal for TVA ratepayers? Absolutely. But a good deal for the taxpayers, too.

However, removing TVA's eligibility for FFB financing would have cost TVA ratepayers between $100 million to as much as $1.5 billion in added borrowing costs since 1974—based on a 25 to 1.5-percent increase over FFB-issued rates. That would have translated into significant rate increases. And taking TVA out of the FFB Program would not have saved taxpayers one thin dime.

I want to also briefly address a memorandum from David Stockman about TVA's so-called unfair advantages, that TVA's exemption from property taxes gave it some special advantage. The fact is, TVA pays taxes in the form of in-lieu-of-tax payments to local governments based upon the value of property. These payments are as valuable to local governments as property taxes. So it is not accurate to say that TVA acquires some advantage through tax avoidance.

FINANCING FEDERAL NONPOWER PROGRAMS WITH POWER REVENUES

The question has been asked: Why could TVA not simply pay for these programs out of its power revenues? There are two good reasons why this is not only inappropriate but possibly illegal.

When the Congress created the TVA, it very wisely declared that revenues from TVA's Power Program be used solely for those activities which meet TVA demand for electricity. This was done to prevent any kind of cross-subsidy from electricity users to other residents in the valley. That was a smart, fair provision, and I think it still works.

Moreover, TVA's bonding covenants prohibit the use of power revenues for nonpower activities. So it should be clear that TVA should not—it cannot—use power revenues to fund its programs in fertilizer development, natural resource management, and economic development. These are regionally conducted programs, but they benefit everyone in not only the Tennessee Valley but the entire country, whether they use TVA electricity or not.

TVA BOARD AUTONOMY

TVA Directors are appointed by the President, confirmed by the Senate. The Board meets publicly twice a month. Compare that to such regulatory agencies as the ICC, which has hardly met at all over the past several years, and the FCC, FERC, and so on, and I believe you will see that TVA has a remarkable record of public access to its decisionmaking.

The issue of TVA accountability has always been openly debated in the valley. As I mentioned earlier, I have vigorously encouraged oversight by the Congress and people in the valley.

So, while TVA's Board does have statutory autonomy to set rates and make critical management decisions, I would strongly suggest that it has done so in the open, fully accountable to the Congress and its ratepayers.

There is a tension here. On the one hand we give TVA Directors the freedom to make decisions, and from that we get a streamlined process that produces efficiencies not possible in traditional Federal agency organizations. And on the other hand we want TVA to be accountable to its ratepayers. I believe we have both in TVA's organizational makeup. And while some of TVA's mistakes might not have occurred had it been a typical private utility or simply another Federal agency, I would submit that a much greater number of measurable benefits and efficiencies would have been lost had TVA been encumbered with a more restrictive management structure.

TVA'S PLANNING MISTAKES IN ITS NUCLEAR PROGRAM

It has been suggested that TVA's mistake in failing to forecast dramatic drop in electricity demand is a substantial indictment of its management and of TVA itself.

The fact is that TVA was far from unique in failing to predict the decoupling of growth and energy demand that occurred in the late 1970's. Four years ago I chaired House Science Subcommittee hearings on energy demand forecasting. The testimony at those hearings was troubling in that energy forecasters were far off the mark. But the hearings also revealed that all the forecasters erred—not only TVA, which had had a remarkably strong record until 1973, but also Shell, Exxon, the IOU's, and the Federal Government.

For instance, Henry Kelly of the Office of Technology Assessment testified that industrywide forecasts in 1973 overestimated national demand in 1980 by 700 billion kwh—the equivalent of nearly 140 large coal or nuclear plants. The 1990 estimates were even more dramatically off the mark—by nearly 400 large plants.

So it is wrong to suggest that TVA was somehow especially negligent in its planning for future electricity demand when it contracted to expand its nuclear plant operations.

No one in the valley is pleased that TVA committed to build nuclear plants it ultimately did not need. As ratepayers we will pay for that mistake. But TVA was not unique in not having a crystal ball when it made its building decisions in the early 1970's. And the Directors have done everything possible to soften the blow of that mistake for its ratepayers, and they have done it without asking the taxpayers for a bailout.

I strongly support this vigorous debate about TVA's activities. When we have the kind of successful programs TVA has—when we've created the kind of national and international yardstick for excellence TVA has created—when we've produced an effective laboratory for working out the problems in natural resource management, air and water quality, fertilizer development, environmental education—we should make these successes known.

Thank you.

APPALACHIAN REGIONAL COMMISSION

Mr. President, the Appalachian Regional Commission has made a difference in the everyday lives of millions. The rate of job growth in the rural areas of Appalachia would not have been what it has been without the ARC. And, the health of the region's young adults would not be what it is today if it were not for the contributions of the ARC to the good health of children.

The ARC has given hope to today's children and tomorrow's adults. It has meant an improvement in the health and quality of life of children and youths through nutrition, community centers and educational efforts. And, it has given hope to young adults as they enter the job market by opening up opportunities with new factories and developing the public facilities much of America takes for granted.

There has never been a better example of the new federalism than the ARC. Projects are funded by Washington, coordinated by the States, and planned and conducted at the local level, almost always with substantial local and private money. I hope the administration will not pursue a penny-wise and pound-foolish strategy and continue to press for the elimination of the ARC. There has been a lot of progress, but there is much more to be done, and many more benefits to be gained from continuing to invest in the region.

The region has seen a reversal of trends in outmigration that took two world wars, a depression, and several decades to create. It has taken only 15 years to come this far. Let's not give up now.

The budget dilemma has the ARC caught on its horns. The Senate approved a budget by one vote which does not fund ARC. An amendment which I cosponsored failed narrowly to return most ARC funds. The House reduced but continued ARC funds. Negotiations have concluded which ironed out a compromise on the entire budget from A to Z. Negotiations were intense, but a reasonable compromise was crafted.

Let's accept the spirit of compromise, and accept the committee's recommendation. Let's not go against the tide which is working its way toward a responsible compromise. I urge my colleagues to accept the committee recommendation as the best possible response, considering the many different views.

Mr. BYRD. Mr. President, I believe there is an urgent need for the continuation of the ARC Program at an effective level. This is an excellent program—a program of proven worth and accomplishment for the Appalachian States. That is why I offered, and the Appropriations Committee accepted, my amendment to add $50 million to this fiscal year 1986 energy and water development appropriation bill for construction of Appalachian highways.

The Appalachian States are those 13 States with the most fragile economic bases, hardest hit by economic recession, and the slowest to recover as the economy turns around.

The $81.8 million which the Appropriations Committee has recommended for ARC programs in this bill is not a Federal give away. It is not a handout. It is an investment in the economic future of a region of this Nation that has a proven need. Furthermore, the committee report language directs that the local share of any ARC area development programs must be at least 70 percent, except in distressed counties where the cost share is 50/50.

The need for the ARC and its programs in West Virginia continues to be of the utmost importance. Reductions in the Environmental Protection Agency's water and sewer grants program, farmers home rural development programs, urban development action grants, and the programs of the economic development administration have combined to put a great strain on community and infrastructure development in West Virginia at a time when the State does not have the resources to assume these additional financial responsibilities.

The ARC highway program is essential to the future economic health of the region. Completion of the corridor G highway between Charleston and Williamson on the Kentucky border—which can continue only with ARC help—is especially important. The new highway will substantially reduce travel time, thereby enhancing commerce in areas of southern West Virginia which are presently experiencing exceptionally high levels of unemployment. Without this type of improvement in the transportation network, this area will be condemned to poor economic development prospects for the foreseeable future.

Conversely, completed segments of the Appalachian Highway System have helped to attract hundreds of new businesses which have added more than 430,000 new jobs according to a study conducted in 1981. Failure to complete construction which is now under way on corridor G and other segments of the highway system would preclude the realization of such benefits in the future and largely waste the investment to date in partial construction of these roads.

Mr. Chairman, in my home State of West Virginia, unemployment was 15.9 percent earlier this year, down from a high of 21 percent a few months back. As late as May of this year, unemployment in Logan and Mingo counties—which could derive great economic assistance from the completion of the corridor G highway network—continued above 15 percent.

The construction of corridor G and other Appalachian highways is extremely expensive because of the mountainous terrain. Interstate highways throughout the United States have historically averaged about $2.2 million per mile while the figure for Appalachia is more than double that at $5.5 million per mile. So, interstate highway funding does not go as far in my State of West Virginia as it would in say New England or New Mexico, for example.

The ARC highways are especially important to the economy of the region because nearly 50 percent of the present highway system is used to haul coal from the hills and valleys of Appalachia. These Appalachian highways have national significance because 25.5 percent of U.S. coal reserves are located within the ARC boundaries.

Since 1982, when the ARC authorization expired, the program has been kept alive—at least at a 50-percent reduced level—through the appropriations process, by those of us who were able to recognize the tremendous benefits derived by so many of our citizens from the program and its leveraging abilities. We must not now—when the need remains so critical—so severely cripple this essential program that we abandon those of our citizens who have virtually no alternative source of help offering hope for the future.

I fully agree with the need to balance the Federal budget and to reduce the deficit. However, I believe that the ARC represents a necessary investment in the future of Appalachia. I do not believe we can afford to abandon those irreplaceable programs of proven effectiveness, which are relatively small, and which leverage substantial private investment as well. I, therefore, urge my colleagues to support the retention of funding for this program at least at the level approved by the subcommittee—$81.8 million—a level already reduced by some $62 million under the amount recommended by the House, and nearly $70 million under the fiscal year 1985 appropriation.

Mr. President, I thank Senator Hatfield, the distinguished chairman of the Appropriations Committee, and Senator Johnston for their fairness and assistance in restoring a substantial amount of funding for the Appalachian Regional Development Programs. I look forward to working with them further on this and other programs in the bill when the House and Senate conferees meet this September.

Mr. HATFIELD. Mr. President, third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the en-

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grossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass?

So the bill (H.R. 2959) as amended, was passed.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes thereon and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. Boschwitz] appointed Mr. Hatfield, Mr. McClure, Mr. Garn, Mr. Cochran, Mr. Abdnor, Mr. Kasten, Mr. Mattingly, Mr. Domenici, Mr. Johnston, Mr. Stennis, Mr. Byrd, Mr. Hollings, Mr. Burdick, Mr. Sasser, and Mr. DeConcini conferees on the part of the Senate.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, is it possible for the floor manager, or whoever is in control of the floor at the moment, to give us some idea what is going on? Are we just waiting for the budget or for other legislation as well?

Mr. HATFIELD. I am sorry, would the Senator repeat the question?

Mr. METZENBAUM. The question is, Are we only waiting for the budget or are we waiting and intending to pass other legislation during that interim period, if the chairman of the Appropriations Committee knows? He may not.

Mr. HATFIELD. Mr. President, I defer to the distinguished assistant majority leader, the Senator from Wyoming, to give an indication of what the schedule is at this time. We have completed, of course, the appropriation bills, the conference report, and now this bill. There are no other appropriation bills that are ready to be taken up on the floor. That is all I could report at this time from my perspective.

I yield to the Senator from Wyoming.

ORDER OF PROCEDURE

Mr. METZENBAUM. Is the Senator in a position to give us some idea what the schedule is?

Mr. SIMPSON. Mr. President, I would first thank Senator Hatfield and Senator Johnston for their remarkable work on this measure. I deeply appreciate the assistance of the Senator from Louisiana on a serious matter with regard to the issue of the NRC. Certainly none of us wish to abrogate the Sunshine Act but, nevertheless the NRC is not functioning, in my opinion. It will function better if we are able to assure that those five members of that collegial body are able to "college." And they do not now do that. Hopefully, we can deal with that later and I know Senator Chiles and Senator Johnston can work toward that.

Mr. President, in response to the request of the Senator from Ohio, it is the intent of the majority leader—and I believe he is coming to the floor—that we will select something at this point to proceed with and then try to deal with the budget resoluton.

Mr. KENNEDY. Will the Senator from Ohio yield for an inquiry?

Mr. METZENBAUM. Yes; I yield.

Mr. KENNEDY. I understand the Anti-Apartheid Act has passed the House of Representatives by a 274 to 50 vote. The papers are at the desk at the present time. There is every indication that the kind of overwhelming, bipartisan support that was reflected in the House of Representatives would be reflected here in the Senate.

I am just wondering, since we do have some time now and since it is a privileged matter, whether the leadership would give consideration to calling that matter up so that we might be able to debate that conference report.

Mr. SIMPSON. Mr. President, having just come into the Chamber and now being at least more up to date, let me express that the House is dealing with the budget resolution and it is hoped that they will do that and then that measure will come here. In the interim, it would be perfectly appropriate to the leadership to proceed with the anti-apartheid conference report. But I would request the Senator's indulgence so that the minute the budget resolution is here before us, that we may cease discussion of that measure and go immediately to the budget resolution for disposition here in the Senate.

Mr. KENNEDY. Well, as the leader knows, the time has been set for the budget debate in the House for 8 o'clock this evening for a 5-hour rule. It is 6:30 now. I know that the leadership will want to consult with the chairman of the Foreign Relations Committee on this issue. I just happened to be on the floor at this time, and I certainly hope that we can address that issue and perhaps dispose of it prior to the time we have final action over in the House on the budget.

Since there has been such overwhelming support in the conference, and in the House of Representatives, and since the conference report represents what I consider to be a very real compromise between the House and the Senate proposal, and actually I think adopted the better aspect of each of the different proposals, I would hope that the assistant majority leader would urge the majority leader, as well as the chairman of the committee, to bring this matter to the floor at this time so that we might go about this business.

I see the majority leader on the floor and I address those questions to him.

Mr. SIMON. Mr. President, let me yield to the majority leader, who is now here on the floor. But I would emphasize that the House time limit is not of the duration of 5 hours. It would be much less than that, perhaps 1 hour or less.

I yield to Senator Dole.

Mr. DOLE. Mr. President, I have indicated a number of times today that we had hoped to take up the conference report on South Africa. I still have that intention. I would be willing to ever take it up in the next few moments if we could agree that when the budget conference arrived it would be set aside. I am advised—as I have also said a couple of times today—by Members on this side that they intend to discuss the South Africa conference report, H.R. 1460 at length. I have indicated to them if that is the case, and there is no way we can get it down today, tonight, or tomorrow, then I would file a cloture motion and that would be the first thing we would vote on when we come back.

Mr. KENNEDY. I appreciate the willingness of the majority leader to see that this matter be laid before the Senate. It might be that we could lay it before the Senate and perhaps either have one or two test votes to get a very clear indication about what the sentiment is in this body, and the various procedures by which that might be done.

Since the House vote was so overwhelming, bipartisan in nature, and since this conference report represents what I previously mentioned as the very best of both bills, I hope we might be able to address it at this time. It is a matter of enormous importance and urgency. I know there is a full program and schedule, but given the fact this is a privileged matter, I would hope we might be able to at

least begin the debate and discussion on it at this time.

Mr. DOLE. Mr. President, let me make it clear I supported the bill, I support the conference report and I am prepared to file cloture. I am prepared to enter into some agreement right now. I believe we will have the budget conference report here within an hour and 15 minutes. Maybe I can visit with the distinguished Senator from Massachusetts privately.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Gramm). Without objection, it is so ordered.

THE 10TH ANNIVERSARY OF HELSINKI ACCORDS

Mr. BOSCHWITZ. Mr. President, I rise today on this 10th anniversary of the signing of the Helsinki accords to speak out once again on behalf of Soviet Jews and Christians.

The accords were originally set forth to promote improvement in human rights and religious freedoms, to increase the number of cultural and educational exchanges between the East and the West, and to foster cooperation in economics, science, and technology. Negotiations surrounding the Helsinki accords resulted in an international standard by which participating states can be held accountable. Unfortunately, there is very little to point to in terms of real changes in East-West relations resulting from the Helsinki accords. In fact, in some areas, such as human rights and emigration, there has actually been a step backward since the signing of the accords.

What this means, Mr. Chairman, is that as our societies grow and become more advanced in technology, simple human rights are being denied; in fact, they are being repudiated.

Many of my colleagues in the Senate know of and have participated in the congressional call to conscience for Soviet Jews and Christians. This program is a continuing vigil by Congress for the Soviet Jews and Christians who are held hostage by the Soviet Union. In the face of miserable emigration figures for 1985, we in Congress raise our voices every day to let the world know that we have not forgotten the oppressed peoples of the Soviet Union.

Although the Soviets signed Helsinki 10 years ago on this day, their ruthless state-sponsored persecution continues at an alarming rate. They have desecrated the agreement they once swore to uphold. What does this mean to those of us who are living in freedom?

The momentum of the upcoming summit conference fosters an ideal atmosphere for positive action. The spirit of cooperation cannot proceed without accounting for the predicament of the Soviet Jews and Christians. We must ask that future détente be contingent upon improvement of human rights in the U.S.S.R.

Mr. President, Helsinki has been defiled. I hope that as we enter this season of cooperation and dicussion, we will remember the Jews and Christians of the Soviet Union, and continue to fight for their rights.

RESPONSE TO JAPANESE TRADE PRACTICES

Mr. BOSCHWITZ. Mr. President, today I rise to speak on the issue of our country's growing trade deficits and I speak in support of the legislation pending in the Senate that specifically addresses our trade deficit with Japan.

Mr. President, I am just a single Senator. Perhaps my remarks and my comments will be judged as that by those who read this speech. However, I point out that I have long been an advocate of free trade and I have never made a speech of this type before. I have listened often and attentively to the arguments of my friend, Representative Bill Frenzel, who is an ardent supporter of free trade. Yet I must rise in support of legislation that perhaps will be construed as a limitation of that principle.

I believe my record has been most consistently in support of the principles of free trade. But, at this time of record trade deficits, I shall vote for legislation that no doubt may will say will be a vote against free trade.

Indeed, the President's principal trade negotiator, U.S. Trade Representative Clayton Yeutter, strongly opposes the legislation because it "ties the President's hands in responding to unfair Japanese trading practices." In addition, Mr. Yeutter has stated that:

> Our disastrous experience during the 1930's, after passage of the Smoot-Hawley Tariff Act of 1930, shows that protectionist legislation is not the answer to trade problems.

I agree with that, Mr. President. Nevertheless, I support the legislation because I think unusual and extraordinary circumstances now exist that are not in conflict with free trade but, indeed, are in conflict with fair trade.

Mr. President, I have great respect for Mr. Yeutter, and I do not make this decision lightly. I actively supported Mr. Yeutter when he sought the position of our trade negotiator. I continue to do so. But I also have great respect for Senator Danforth, chairman of the Subcommittee on International Trade, and I agree with him that the ideal role of Congress in trade policy is to set general policy only by passing rather broad legislation.

I do not believe that Congress is particularly effective at implementing legislation or managing the day-to-day tactics of international trade, or international politics, for that matter.

But, Mr. President, we do not live in an ideal world. In an ideal world, Japan's markets would be as open to U.S. products as U.S. markets are open to Japanese products. Two factors are compelling in understanding the realities of our trade relations with Japan.

The first factor is the growing imbalance of trade between Japan and the United States. Between 1979 and 1983, U.S. exports to Japan increased from $8.2 billion to $11.6 billion. That is about a 40-percent increase. During that same period, however, Japan's exports to the United States increased from $25.7 billion to $42 billion. That increase alone—$16.3 billion—is nearly 1½ times the total $11.6 billion of U.S. exports to Japan in 1983. And, the imbalance is increasing. In 1984, our trade deficit with Japan was about $36 billion. It is expected to reach an incredible $50 billion this year.

Now, I do not believe that trade deficits, standing alone, are inherently dangerous or always bad. Imports give consumers and businesses a choice and encourage competition, if—and this is a crucial point—the exporting country's trade policies are fair. That point—whether Japan has fair trade policies—must be addressed in the context of the second factor, our history of negotiations with the Japanese.

In the past years, our trade negotiators have obtained about seven packages in which the Japanese have pledged to open Japan's markets to U.S. exports. Still, our trade deficit grows and barriers to U.S. exports continue to exist. Earlier this week, the Japanese announced another "action program" to reduce its trade barriers. So far, it has been received with skepticism, and for good reason. Previous packages have sounded good, but produced few tangible results.

There is more to obtaining access to Japan's markets than reducing specific barriers. The key to market access is the overall policy and attitude of the Japanese. And, history shows that the outlook is not that good.

Earlier this year, articles in the Asian Wall Street Journal Weekly and the Asahi Evening News, the largest English language paper in Japan, were brought to my attention. I ask unanimous consent that the articles be printed in the Record and recommend them to my colleagues for reading.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Japan Shrugs Off Tough Trade Talk From the U.S.

(By E.S. Browning)

Tokyo.—It is a ritual as predictable as the arrival of the cherry blossoms, which are just appearing here. Every spring, the U.S. damands trade concessions from Japan. Every spring, Japan grovels and concedes. And every spring the U.S. trade deficit with Japan goes on growing.

This year, U.S. conglressmen say they finnally are getting tough, and will force Japan to truly open its markets to U.S. goods.

The Senate Finance Committee last week approved legislation that would require President Reagan to take steps within 90 days to offset the increase to the U.S. trade deficit expected to result from Japan's decision to expand the number of autos it exports to the U.S. to 2.3 million a year, from 1.85 million in the year ended March 31.

That bill followed on the heels of similar non-binding resolutions passed by the two houses of Congress calling on Mr. Reagan to restrict imports of Japanese goods if he can't persuade Japan to increase its purchases of U.S. products.

In Tokyo, a senior Japanese official holds his head in his hands, cowering in mock horror. "We are so afraid," he says. Turning serious, he adds, "This is nonsense, you know. How can we take it seriously?"

Many Japanese officials do take the threat seriously, of course. But they tend to see it as yet another inconsistent, unpredictable American attack. They say privately that change here requires long, steady pressure and patience, and that American outrage usually fades as quickly as it rises. Since Congress insists on seeing results within 60 to 90 days, the Japanese, from Prime Minister Yasuhiro Nakasone on down, are offering promises. They assure the U.S. among other things, that the Japanese telecommunications market now is "fully" liberalized.

EMOTIONAL PROBLEM

Japanese cynics are hoping that the American outcry will go away soon so they can get back to real work. More thoughtful Japanese worry that the problem could be getting serious—not only in economic terms.

"I am seriously concerned that there is too much emotion and impatience in Congress, without due understanding of the situation," say a former foreign minister, Saburo Okita, who is Mr. Nakasone's chief adviser on trade.

"There is the concern (here) that if we are pressed too much by a foreign government, it may arouse nationalistic sentiment," says Mr. Okita, one of the most internationally minded of Japanese officials. "This would really damage Japan. At the same time . . . if you have a nationalistic, unfriendly Japan in this part of Asia, the whole U.S. policy would be upset."

On a less exalted plane, a deficit like last year's $37 billion U.S. imbalance in trade with Japan (likely to exceed $40 billion this year) poses some purely practical problems. Even if Japan's government suddenly ordered an end to the deficit—something even Japan Inc., can't do—it is hard to see how the imbalance could be ended. Even fanciful solutions fall short. Consider:

All Japanese could be required to eat USDA beef. Japan produces around $2.5 billion worth of beef each year—much of it expensive, marbled beef from hand-massaged, beer-fed cattle. If Japan replaced that with U.S. prime, and continued paying Japanese beef prices, it would be a big new market. But the Japanese would have to increase consumption sixfold in order to bring the deficit back even to the already-whopping 1983 level of $19 billion. It would help only a little if the Japanese ate, with their steak sandwiches, only U.S. oranges, which also currently are limited by quota. That would knock $1.5 billion more of the deficit.

Japan could buy only American telephones and switching systems, another business whose rapid growth had caused tensions with the U.S. That would have knocked another $2.3 billion being off the 1984 deficit, $2.3 billion being the total of Japan's 1983 production for export and domestic use.

The U.S. could require that Japan buy only American military hardware (about 90% of Japan's needs currently are made in Japan, often under license from the U.S.). That would be a boon to beleaguered defense contractors, but it would reduce the deficit by just $2.8 billion (90% of Japan's 1984 hardware spending).

JUNK AUTOS

With Japan eating only U.S. beef and oranges, buying only U.S. telephones and firing only U.S. rifles, the trade deficit still would have stood at $28 billion last year. For the U.S. to eliminate the deficit entirely, it would have to require that Japan also junk its entire auto industry. The U.S. auto industry then could pick up $16.8 billion in Japanese sales, and Japan would lose around $15.4 billion in U.S. sales, finally wiping out the deficit.

Small wonder that U.S. officials don't even hope to put the U.S. trade balance back in the Black.

"Take away all barriers to the Japanese market, push the yen to a sharply higher level against the U.S. dollar, and I believe the U.S. would still run a trade deficit with Japan, perhaps on the order of $15 billion," the undersecretary of commerce for international trade, Lionel Olmer, said in a recent speech.

If Japan accepts all of the current demands, Washington officials say, the best they could hope for would be a $10 billion increase in U.S. exports, which would be offset partly by growing Japanese exports. Most Japanese and U.S. officials consider even the $10 billion figure well beyond reach.

So what can be done? The answers, according to U.S. and Japanese businessmen here, are old and they aren't exciting.

Instead of demanding that Japan become more like the U.S., American businessmen must learn to operate in the Japanese market. They must join Japanese business associations, and they must be prepared to make mistakes and lose money at first, as Japanese companies like Toyota Motor Corp. and NEC Corp. did in the U.S.

They must adjust their products to Japan. American made goods are getting the same bad reputation in Japan that Japanese goods once had in the U.S. Japanese officials delight in telling stories about U.S. products that won't hold up in Japanese humidity, or that burn out because of the difference between U.S. and Japanese electric power voltage.

The U.S. government must take a more consistent approach. U.S. officials are proud of their recent four-pronged effort to open Japanese markets—in telecommunications, wood products, electronics and medical supplies. But the Japanese snicker privately about it. The U.S. has a particularly strong grievance in medical equipment, for example; Japan has been dragging its feet for nearly two years about changing testing requirements that restrict the sale of foreign-made equipment. But it took the U.S. weeks to name someone to head the medical negotiating team, and to tell the Japanese specifically what the U.S. wanted.

U.S. HABITATS

Economists add that the U.S. needs to reduce its government budget deficit and the dollar's value, which inflates the price of U.S. goods. They also talk about U.S. labor costs and executive salaries, both higher than in Japan, and about the strong American tendency to borrow and consume, while the Japanese tend to save nearly 20% of income.

To many experts, it seems a too-tall order.

"We realize we must import, particularly from the U.S., in view of the severe trade imbalance," says Mr. Okita. Mr. Nakasone's trade adviser. But he and others say they doubt that Japan will buy as much as Americans hope. "We recognize that the U.S. has very real abilities in high technology. But when it comes to ordinary equipment, the equipment isn't quite up to standard," says Mr. Okita. The U.S. deficit with Japan is bound to grow further this year, he says—an assessment that many U.S. and Japanese officials share.

Given the frustrations, Japanese experts are worrying more and more that Congress will end up enacting some form of punitive legislation. If it does so, it will want to draft it carefully.

An economist at one of Japan's securities houses has been conducting simulations of what would happen if the U.S. put a surcharge on all Japanese goods. The surcharge would undoubtedly hurt Japan, by slowing its economic growth, this economist says. But he says it wouldn't reduce the U.S. trade deficit. Like the quotas on Japanese auto exports, he says, it would drive up the prices of Japanese goods, offsetting the drop in volume.

AUTO EXPORTS TO U.S.

U.S. President Ronald Reagan announced last Friday that he did not intend to seek the extension of Japan's voluntary automobile export restriction, due to expire at the end of March. The Japanese parties concerned, however, are already taking steps in the direction of virtually extending the restriction. This does not stand to reason.

Reagan stated in the announcement that he believed in the wisdom of upholding the principle of free and fair trade for consumers of the world. His objective seems to be to go back to the spirit of the General Agreement on Tariff and Trade (GATT) and the Antitrust Law by discontinuing what was, for all intents and purposes, an export cartel that existed for four years.

The export restriction on Japanese automobiles that began in 1981 (the quota was 1.85 million units for 1984) led to an absence of competition in the U.S. market, and raised the prices not only of Japanese cars but also American cars. But now that American makers have rang up record profits, the export restriction is being severely criticized by American consumers.

Reagan had to decide between heeding the voice of general consumers or giving in to the protectionist pressure in Congress and the auto industry, including the unions. He opted for the former. His choice is quite understandable, considering that his present interest, now that he is serving his second term, is to make sure that his name will go down in history.

The Japanese Ministry of International Trade and Industry (MITI), however, fearing a potential large increase of exports after the lifting of the quota, is considering some sort of export restriction measure. The most likely measure, in light of the nature of the U.S. Antitrust Law, is the export trade control measure which MITI has so far practiced—that is, to allot the production quotas individually to makers. The Japanese auto industry has more or less accepted MITI's approach, and the main concern of automakers here is now said to be their shares under the new arrangement.

The voluntary export restriction that came into force in 1981 was at the urging of the United States, whose automobile industry was in a dire recession. At the time, the U.S. attorney general announced that the action did not violate the Antitrust Law, and the American public accepted it as a contingency measure.

Over the next four years, the U.S. economy recovered, and the situation changed altogether. The people are now emphasizing "consumers' interests" more than "bringing salvation to the jobless." Actually, everyone seems to be talking of how much consumers lost as a result of the import control on foreign cars.

Should Japan decide to continue curbing its auto exports to the United States in these circumstances, the U.S. auto industry may be elated, but general consumers will be bitterly disappointed. And since the U.S. government has not asked Japan to take such a measure, it will certainly not do anything about it. Furthermore, Japan cannot expect immunity from the Antitrust Law this time. In fact, there is every possibility that American consumer groups may file an action with the Federal Trade Commission (FTC) on the grounds of infringement of the Antitrust Law. As a matter of fact, the Japanese home electrical appliance industry currently has a case of suspected export cartel pending in the U.S. Supreme Court.

MITI is afraid of the possibility that the ongoing trade disputes between Japan and the United States may escalate as a result of a sudden increase in Japanese auto exports to the United States following the abolition of the export restriction. We certainly do not rule out that possibility. However, future Japanese export cars are bound to include those which even the staunchest of trade protectionists in America will not be able to complain about—specifically, those which are ordered by American carmakers from Japanese makers for sale under American brand names. Such cars should number quite many.

Furthermore, the U.S. Department of Commerce report, which Reagan referred to in deciding against imposing further import quotas, stated that while Japanese cars in the U.S. market will have increased by 1.1 million units three years after the lifting of the import control, this should not pose any threat to the U.S. auto industry.

In correcting the Japan-U.S. trade imbalance, the root of the matter is to balance the extremely lopsided dollar-yen exchange rate. Of course it is also necessary to continue making item-wise and sector-wise adjustments where problems exist. Still, any measure to be taken must be in keeping with the spirit of the Antitrust Law and the underlying principles of GATT.

Reagan's statement last Friday also touched on the ongoing Japan-U.S. trade talks which are nearing their final stages. The U.S. president urged Japan to "respond in a reciprocal manner." But surely, the United States has merely "paid back" its four-year "debt" to Japan, and is in no position to press Japan to reciprocate.

The Japanese side must not play into America's tough bargaining hands. Japan must play cool and follow through the principle of free trade. (March 5)

Mr. BOSCHWITZ. Mr. President, these articles provide some insights into the issue. When the President did not request an extension of the voluntary restraint agreement on automobile imports, he urged the Japanese to reciprocate and increase access to Japan's markets. Rather than praise the President for ending the restraint agreement and allow unlimited access, the Asahi Evening News editorialized that we owe the Japanese something. Referring to the President's action of ending the quota, the newspaper stated:

> But surely, the United States has merely "paid back" its four-year "debt" to Japan, and is in no position to press Japan to reciprocate. The Japanese side must not play into America's tough bargaining hands. Japan must play cool and follow through the principles of free trade.

I certainly hope that we have tough bargaining hands.

As I indicated earlier, I am not convinced that our "tough bargaining" has yielded tangible results. I am not convinced that Japan plays fairly by the rules of open trading relationships or that the credibility of our negotiators is so greatly respected or feared by the Japanese.

Only 1 month after the above editorial appeared, the headlines of the Asian Wall Street Journal read "Japan Shrugs Off Tough Trade Talk from the U.S." as a "rite of spring." The article quoted a senior Japanese official as saying, "This is nonsense you know. How can we take it seriously?" The article goes on to contend that our protests against lifting the auto restraints are simply "another inconsistent, unpredictable American attack" and asserts that change "requires long, steady pressure and patience, and American outrage fades as quickly as it rises."

Mr. President, it is America's patience that is fading and our outrage is more consistent and predictable. This legislation is a clear indication that we are serious. The legislation is not a free trader's dream. But I do not believe it is a protectionist measure like that of the 1930's. Our trade laws empower the President to negotiate the removal of unfair trade policies or retaliate against the offending countries. This legislation requires the President to enforce those trade laws. It may not be the ideal role for the Congress to play in trade policy. But, it reflects reality. The Congress is serious about obtaining true access to the markets in Japan and our other trading partners. I believe that Congress has the right to expect the aggressive, effective enforcement of our trade laws. That can strengthen and reinforce the credibility of our negotiators and help prevent precipitous protectionist actions by the Congress.

Mr. President, I believe that now is the time to act. I am disappointed that the legislation will not be considered this week. But I pledge my support when it is considered later in this Congress.

I thank the Chair.

ANTI-APARTHEID ACTION ACT OF 1987

Mr. DOLE. Mr. President, I have been asked by a number of Senators about plans for the conference report on H.R. 1460. I think there are some who have indicated that if it were not laid down until everything else was finished this evening, they would like to debate it and have a vote at that time in some way to indicate support or lack of support for the conference report. I have suggested that rather than do that, we take from now until quarter of 8 to debate the conference report on H.R. 1460, at which time I understand the Senator from Massachusetts and the Senator from Connecticut would move to table the conference report, which they would oppose, and following that vote it would be set aside so that we might go on to the budget conference report, which should be arriving about that time.

Mr. KENNEDY. If it is not possible to complete action prior to the time of the vote, is it the intention of the majority leader to file a cloture motion?

Mr. DOLE. that is correct. I indicated that earlier. I have been advised by Members who feel very strongly on the other side that they are prepared to discuss this at length, which would be tonight and tomorrow. Under those conditions, it seems to me the best course of action to pursue is to have it before the senate when we come back with a cloture motion filed. That motion would not mature unless we come in tomorrow, as I understand it, so I would need consent that we could have the cloture vote when we return on September 9, on a Monday.

Mr. KENNEDY. Parliamentary inquiry. Will the Chair repeat the unanimous-consent request for the benefit of the Senator from Massachusetts?

The PRESIDING OFFICER. The distinguished majority leader.

Mr. DOLE. That we debate the conference report on H.R. 1460 until 7:45 p.m., at which time the Senators from Massachusetts and Connecticut would offer a motion to table the conference report, which I understand they would oppose, and following the conclusion of that vote, the conference report on H.R. 1460 be set aside.

Mr. KENNEDY. Mr. President, reserving the right to object—and I will not—am I correct in my understanding that at some time after the chairman of the Foreign Relations Committee calls up the conference report, the majority leader will file a cloture motion and that he will work out, if not by consent agreement, a designated time for a cloture vote? I am obviously concerned that if we have that vote on Monday after we return, the votes will be there, but I would hope that every Senator would be alerted as to the possibility of a vote at that time.

Mr. DOLE. That is correct. I would indicate that I have determined, since we have accomplished so much in the past few days with the cooperation of every Member, that we would be better served by coming on the ninth but having votes on the ninth, and this is one vote that will be scheduled on that date.

ANTI-APARTHEID ACTION ACT OF 1985—CONFERENCE REPORT

Mr. LUGAR. Mr. President, I submit a report of the committee of conference on H.R. 1460 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The Legislative Clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the Record of today, August 1, 1985.)

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I rise to ask Members to vote favorably for this conference report.

The conferees from the Senate and the House met for approximately 4½ hours yesterday. We discussed the nature of our conference, which came about because the House of Representatives had decided that they wished to have a conference as opposed to conducting a vote on the original Senate bill that was passed on this floor 80 to 12.

I make this point, Mr. President, because on numerous occasions, I mentioned to colleagues in the House that if they were to approach this subject and have a bill, certainly there was an option that was clearly available to do that, and my colleagues in the House carefully considered that option and demanded a conference, which we held.

Now, during the course of the conference, we faced early on the fact that there were different points of view as to how the South African question should be approached. In truth, both of the bills, the Senate and the House, were restrained measures in most respects. The Senate bill, as you will recall, Mr. President, from our debate on this floor, was aimed at incentives for American business to enter into South Africa more vigorously, to have opportunities for service with American citizens, black and white citizens of South Africa; that that country might prosper under the right conditions, the Sullivan Principles, and that there might be more opportunities for a hands-on experience of Americans in that troubled country.

During the course of committee consideration—and this was confirmed on the Senate floor—there were three sanctions: No more bank loans to the South African Government, no nuclear cooperation with that government, and no computer sales to elements of that government that are enforcing apartheid. By any standard, most Americans felt these were relatively mild sanctions. Indeed, in the debate it was pointed out that very few bank loans are being made to the South African Government, and the American Banking Association has recommended that none be made.

Now, we see in the papers today, coincident with this debate, that a major bank in this country has decided not to make anymore loans to anybody in that country. That was not our course, Mr. President. We encouraged active American involvement, and we went the route of incentives, not a punitive route.

Now, the House bill basically went that same route but had two additional features: First, a banning of new investments in South Africa. This was circumscribed to say that if you were making money in South Africa, you could reinvest it in South African markets, but essentially it stopped new investments. That ran counter to the entire philosophy of our bill.

I indicated to conferees that we would find that unacceptable because, philosophically, it was totally out of kilter with our thrust.

The second major issue was the banning of the further import of Krugerrands into this country. On that issue, I indicated that we would have to negotiate if there was to be a conference, and indeed we did. Ultimately, the outcome of the conference—and the only significant change in the Senate bill—was that Krugerrands could no longer be imported into the United States of America unless, and I think this is important, Mr. President, the South African Government meets only one of eight conditions which shows even a partial movement toward the ending of apartheid.

I point out that those eight conditions are clearly specified in our bill. In my judgment, they are really, without debate, in human terms.

For example, if the Government of South Africa frees political prisoners, that is enough for the President to lift the ban on Krugerrands if persons are interested in buying those coins in our country.

I point out that prior to our debate yesterday, the sale of Krugerrands in America had plummeted to a point that the Canadian Maple Leaf is by far the predominant coin.

To add one more thing, our Senate bill, which we passed with a vote of 80 to 12, provided for the minting of an American gold coin; and in a bipartisan spirit yesterday, we said it would have denomination, legal tender status. There would be a $50 coin, a $20 coin, a $10 coin, and a $5 coin, as I recall, that Americans could buy. They could vote with their dollars for gold in an American mint. I think that is important.

Mr. President, if I speak with some emotion about this subject, so be it, because it is time we spoke, it is time we acted. This is the time to do so.

I appreciate that some would say that there is no urgency, that there are all sorts of difficulties. Someone even suggested in conference that movement on our part would somehow assist the Soviet Union, that there would be battleships of the Soviet Union in South African ports within weeks. The extravagance of language with regard to this bill is astonishing, and it is wrong.

Mr. President, the time to act is now. I appreciate the calm words of the majority leader, in which he suggests that there are Senators prepared to talk on and on, and that is their privilege. It takes no skill to postpone action, if you want to do so at this point in the session. All of us have tried to do that on some occasion, and many of us have done it with some success.

I make these points because even on the very specific point on which the Senator yielded, there are at least eight remedies by which the President can lift the whole situation if that is required.

I point out that we are in a situation with this bill in which we are still encouraging active American involvement in South Africa. We still have a set of mild sanctions which indicate our seriousness of intent.

Mr. President, this is bill designed to help an ailing country, and I think that is important. It is also a bill that speaks a great deal about our compassion for blacks in South Africa and says it loud and clear. As Representative Parren Mitchell said in our conference yesterday, we need a clear signal, and he spoke movingly about that fact that blacks in South Africa see the Krugerrand issue as that kind of clear signal—unambiguous, immediate, and clear.

I suppose if the issue did not have such gravity, it would not be of great moment, but this one is serious. This is our opportunity in Congress to act. I pray that if we are not able to do so, the President of the United States and the Secretary of State will move to shape our policy, to move beyond constructive engagement to things they should be doing as they wrestle with these grave problems.

All of us will attempt to help in that respect. But this was our opportunity to speak in a bipartisan way, loud and clear. The House has done so by a vote of 380 to 48.

The Republicans in the House voted 3 to 1 for this conference report. The vote on the conference report, I point out, was a great deal stronger than on the original House bill, and for good reason. The people on our side of the aisle in the House said this is a bill that preserves the right to invest, to get in there, to help. They like that idea. I like that idea. That was the major push we had, in addition to pointing out, in a compassionate but compelling way, that we must act, that we must send clear signals to blacks who have been oppressed by the apartheid system.

Mr. President, I shall not speak much longer. We have before us, I think, an excellent piece of legislation, one that I am certain in due course will command a large majority of this body.

We do not know what will occur in 5 or 6 weeks. There may be other times and other occasions to treat the issue in different ways. But, for the moment, this seems to be a product that comes from persons on both sides of the aisle who have wisdom and a heart for persons who need our help and a very high regard for a nation that clearly needs the help of the international community, if it is to pull itself out of the spiral of despair in which South Africa is currently headed. We have that opportunity, and I hope the conference report will have strong support in this body.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, I will not deny the Senator from Massachusetts a chance to speak. We can proceed only until 7:45.

Mr. President, there is room for a most reasonable and strenuous disagreement with the statement of the Senator from Indiana, the distinguished chairman of the Foreign Relations Committee, that this is an excellent piece of legislation. I have no truck for apartheid—indeed it is evil and I deplore it. But this action will not end it, and more than likely this action will prolong it.

There is a great deal of doubt in this Senator's mind that this will help a nation in trouble, as was suggested by him. Who is going to stop this ball from rolling down the hill when the violence it fosters erupts even greater?

It is no coincidence that the violence in South Africa escalated after the House and the Senate separately acted.

If you take a look at the resolution itself, one of the things in there is a typical piece of our racist pandering and meandering, in trying to accomplish what looks good to the public.

If anybody here can demonstrate to me how this piece of legislation is going to improve the lot of those black Africans who we say we want to help, I have yet to hear the argument. Our moral suasion is not increased by our statement that puts comparative worth on evils in this world.

Look at the sixth requirement, which is entering into meaningful negotiations with truly representative black leaders. Who, in heaven's name, is going to define who those are? Who in this room is going to say that somebody can say that one of them is not truly representative? So one of the requirements, on its face, is impossible to meet.

Who is to pick them? Representative Solarz, or the Senator from Massachusetts, or the Senator from Wyoming? Who is going to pick the truly representative black leaders?

Who in this room is going to say that it perhaps should be those who are elected by the blacks? There are those people in South Africa who are elected black officials, elected by blacks. Would they be? No; they would not be acceptable to these people who offer us this.

I warn the Senate that once that ball starts down the hill, nobody is going to stop it.

And I ask us to look back at those countries we have sought to help with sanctions and other maneuvers from the floor of this Senate, to tell me that the Iranians are better off under Khomeini than they were under the Shah or that the Nicaraguans are better off under the Communist grip than they were under Somoza, or that the Cambodians are better off in our abandonment of responsibility over there. These balls gain the momentum that nothing we do on this floor can cease and, when the violence erupts and erupts and erupts again, when is it that we in this body, since we chose to govern South Africa, are going to say enough? And you know and I know that the answer to that is perfectly never.

There are many ways that we can do this to help the situation. One of the curious things about South Africa is that the business establishment perhaps is the only example in the world where it sits to the left of the government in power, where the business community is the one that has been bringing changes. But this action would harm the business community, the most reform-oriented sector of South African Society.

I have heard endless numbers of Senators on this floor time and time again express outrage at the concept of sanctions as they operate in the diplomatic world but particularly as they operate in the Soviet Union.

This country, says the Senator from Indiana, is in need of help, and perhaps that is true, but ought we not to consider what help amounts to?

Is it we who are helping ourselves and our reputations in front of our own constituents? Or is it we who are actually seeking to help South Africans?

Chief Butalesi, even Bishop Tutu, has said that sanctions are not the way to go. When it comes down to choosing truly representative black leaders, are we going to suggest that they are not because they disagree with what takes place on the floor of the Senate of the United States?

Probably.

Mr. President, when I introduced my amendment to this resolution 2 weeks ago, to my partial delight and my outright dismay, a number of Senators came afterwards and told me that they really believe in it and if I would introduce it as a piece of freestanding legislation or a freestanding resolution, they would vote for it.

It is nice to be recognized for having pricked the conscience of the Senate, but it was pricked. Why not do it when we had the opportunity? Why is it more moral to do it as a piece of freestand legislation or resolution than it is attached to the very thing which I asked us to be consistent over? Why? Because politics got in the way.

Mr. President, I believe that this conference report is not excellent as the chairman has suggested. If we adopt it, we would be retracing the tragic steps of previous American Congresses and administrations that have helped to topple bad regimes and install ones that are immeasurably worse. The people of Vietnam, Cambodia, Laos, Iran, Nicaragua, Zimbabwe, to mention only a few, have the U.S. Government to thank for pushing them out of the frying pan and right into the fire. Now we seem bent on going through this dreary exercise again. Now the people of South Africa are to be "helped" in the words of the distinguished chairman of the Foreign Relations Committee, out of a regime we find unsatisfactory—but helped into what?

Who is this body or in the White House will stand up and guarantee that if sanctions make the lives of ordinary South Africans poorer and less free, he will willingly stand up and admit it? Do the supporters of sanctions even conceive of a possible scenario in which sanctions will make for better lives for South Africans?

What happens when Soviet-directed forces, emboldened by the sanctions, cause huge disruptions? What would our long-distance Governors of South Africa have the government do? Should it repress these disruptions? Should it give in to the demands of the Soviet-directed African National Congress? What will the Congress do to try to fine-tune the situation down there? We all know what the Congress will do: Handwringing and defensive posturing, just like in the cases of Vietnam, Iran, Cambodia and on and on. When will this body begin to feel shame for the peoples it has helped to push under worse tyrannies?

Posturing with regard to South Africa, however, is all the more dishonorable because it is driven by racial politics in this country. I am dismayed by how many elected officials know that it is wrong to try to destabilize the South African regime, but rush to do so because they think they will curry favor with black American votes for doing so. What an insult to black American voter. Of course, black American voters don't like apartheid—but how insulting to suppose that they find the bloody, cannibalistic tyrannies of black Africa more to their liking. How shameful it is for white middle-class Members of Congress to try to foster racism in black voters.

Let us not indulge in the nonsense we heard on the floor last week about these sanctions "helping" South Africa. If any Member believes they are a help, he ought to apply such helpful measures to his own State! No. The question before us is whether we ought to put the United States on the side of those who are trying to overthrow the Government of South Africa, and bring about a situation immeasurably worse for blacks and whites alike than the one which exists now.

Mr. President, before we voted last time, I tried to amend the South Africa resolution, to at least make this Government's actions with regard to unsavory regimes morally consistent. Why, I ask, do we declare economic war on South Africa, and not on regimes that are much, much worse? It is not morality, but the opposite thereof, to fight lesser evils while siding with greater evils. Although the amendment lost, a majority of Members have told me privately that they agreed with me, and that they would vote for my approach to this problem were it to be offered as free-standing legislation.

I intend to do that and seek a vote because we owe no less to our morality.

Mr. President, I ask unanimous consent to have printed in the RECORD a series of articles and editorials from various newspapers around the world and from this country.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Times, July 29, 1985]

IN S. AFRICA, SOVIETS TURN INVISIBLE SCREWS

(By Arnaud de Borchgrave)

The "winds of change" that drove the colonial powers—Belgium, France, Britain and Portugal—from the African continent brought great hopes for democracy and economic development. More than a quarter century has passed since the wave of independence began. The shining hope has been supplanted by dictatorship, repression, brutality, venality, starvation and despair now commonplace throughout the continent. The exception has been South Africa, long an enclave of prosperity and order.

Over the years, most recently in conversations with President Pieter W. Botha, I learned of the constructive changes and steady progress taking place in South Africa that would lead to the dismantling of the abhorrent apartheid system not by violent revolution and race war, but by a reasoned process. Mr. Botha spoke to me of the tremendous political risks he was taking to bring about constitutional and other internal reforms. He said, "We can see all of black Africa slowly dying, and we have no intention of abandoning our country to the same fate."

What South Africans once found unmanaginable may now become a reality.

How curious it is to find the United States government expressing its "revulsion" at the South African state of emergency declared by the Pretoria government to put down a wave of terrorism in which an estimated 450 black South Africans have been the victims of systematic atrocities perpetrated by revolutionaries who also happen to be black. Would our State Department officials rather that South Africa decide that the lives and property of black people should not enjoy the protection of the law?

Ironically, the wave of violence washing over South Africa's urban black townships, bringing death to scores of black people at the hands of the revolutionary terrorists of the African National Congress, was generated in large part by the Nkomati accord, signed on March 16 last year between Mozambique and South Africa.

The crucial provision of Nkomati required Samora Machel, the Marxist leader of Mozambique, to close down the bases and facilities enjoyed by the African National Congress (ANC). This revolutionary movement has long been supported by the Soviet Union and has been under the political domination of the South African Communist Party for the past four decades. Mozambique had allowed ANC to use its territory to establish camps from which terrorist teams were infiltrated into South Africa. Mr. Machel immediately fulfilled his Nkomati pledge. The ANC's terror cadre was sent packing (to Zambia, Tanzania and Angola), and key personnel in the ANC political and terrorist command structure were expelled. ANC's terrorist operations were disrupted, and South Africa maintained the pressure by raiding ANC camps harbored by other neighboring countries.

President Botha's government had high expectations that Nkomati would signal the end of ANC as a terrorist problem. Then they could divert much of their defense budget into expanding their economy, and resume the ponderous pace of the progressive integration of black, Asian and mixed-race South Africans into the country's economic and political system. This is the key point: to bring black South Africans into the POLITICAL system would be to destroy the whole system of apartheid with its restrictions on areas of residence and property ownership.

Pretoria made this assumption, however, without considering that the only option left to the ANC, other than admission of defeat, was to mobilize their supporters inside South Africa, particularly in some of the black trade unions and in the United Democratic Front (UDF) coalition. Furthermore, for non-white South Africans, a climate of rising expectations had been created that encouraged militancy and pressure tactics to accelerate the sluggish pace of change. The dropping of a number of restrictive racial laws and the first officially sanctioned cracks in political segregation have contributed to that feeling of expectation, as has the fact that wages in South Africa are well above the African norm. Wages may be low compared with those in the United States, but they are so far above the norm for Africa that tens of thousands of black voluntarily leave their black-ruled bordering countries to take jobs in South Africa in spite of the inane, degrading humiliations of apartheid regulations.

ANC's regrouping after the Nkomati reverse was speedy. Last summer the ANC leadership held lengthy consultations with leading American anti-South Africa activists at the United Nations, then immediately went to Havana to work out details on creating external diplomatic pressure against South Africa in the United States and Western Europe, in which U.N. agencies would play a supporting role. By last October, the plans were ready for implementation. The opening round in "making South Africa ungovernable" commenced with illegal strikes by black trade unions. Some of the leaders were arrested, and those arrests were the focus of protests in Europe and America in the first two weeks of November.

On Thanksgiving, the campaign of American protests and sit-ins against South Africa moved into high gear. The U.S. protest coalition, known as the Free South Africa Movement (FSAM), is spearheaded by Randall Robinson's TransAfrica, a lobbying organization. They have made clear their commitment to the ANC and to other revolutionary movements and regimes sponsored by Moscow in Africa and the Caribbean.

Since then, Mr. Robinson has given the national media a daily, carefully orchestrated "story." He has de facto *"proprietary rights"* over protest at the South African Embassy. Two or three prominent people are lined up in advance to get arrested, which is a perfectly convenient thing to do since the U.S. attorney for the District of Columbia has refused to prosecute anyone demonstrating at the South African Embassy, while vigorously prosecuting those who protest at the Soviet Union's Embassy. A press conference is held at which the prominent people make statements, and then a group of demonstrators selected well in advance by TransAfrica goes to the embassy, where they demonstrate and are arrested.

Having learned from the civil rights and anti-Vietnam war protests, today's demonstrators are neatly dressed, orderly, polite—and in the long run as dangerous as the ANC-inspired mobs who have killed more than 450 black South Africans since the present terrorism campaign erupted. "On camera," the protestors are concerned, as indeed, most of us are, with human rights and the abuse of power. But the FSAM agenda aims at persuading the U.S. government to help economically isolate South Africa from the Free World and thus assist in overthrowing it and replacing it with a Soviet-dominated, pseudo-"nationalist" revolutionary regime. The polite dignitaries on the picket line, knowingly or unwittingly, are acting to transform South Africa into an Ethiopia, a Uganda, an Angola, a Tanzania or a Zimbabwe—a process in which democracy has meant one man, one vote, one time! And no less a personage than Richard Lugar, chairman of the Senate Foreign Relations Committee, is lending himself, albeit unwittingly, to this demolition exercise.

That is the ultimate purpose of the economic warfare campaigns to end economic relations and isolate South Africa from the United States. TransAfrica's FSAM crusaders are not fazed by the fact that such economic measures would force America to depend on the Soviet Union as the sole alternative supplier of a variety of strategic minerals we now buy freely from South Africa. After all, TransAfrica consistently promoted the nasty little pro-Soviet regime on Grenada.

Does it matter particularly whether South Africa is ruled in five years time by a government allied with the Soviet Union? The answer is yes, because ultimately our continued freedom depends on it.

South Africa is essential to the strategic survival of the United States and Western Europe. That strategic importance is the result of her geology and geography; and it is not a fact that is going to change for many years. South Africa is the sole source in the non-Communist world of a multitude of rare minerals which are critical to the industrial and military strength of the West—among them chromium, platinum and vanadium. These and other rare metals form the exotic alloys that enable rockets and jet engines to withstand intense heat, and which strengthen submarine hulls against the enormous pressures of the deep oceans, and have many specialized functions in our high technology. There is one alternative source for those minerals—the Soviet Union.

Furthermore, geography has placed South Africa astride the shipping lanes traveled by the oil tankers carrying crude oil from the Persian Gulf across the Indian Ocean and around the Cape of Good Hope into the Atlantic. The government which rules South Africa can control the tanker traffic carrying the Gulf's petroleum to Western Europe, Latin America and the United States.

The leaders of the Soviet Union obviously are aware of this. In sum, the blunt fact remains that South Africa represents the jugular vein of the West, and that even if South Africa had no controversial and unpopular racial and ethnic regulations, that country would be a target of Soviet imperialism. The Kremlin would prefer to win world power without provoking us to resist. The name of the geopolitical game is, after all, as Sun Tsu told us 25 centuries ago, to subdue the armies of one's enemies without ever having to fight them. Therefore, they use what is called in Soviet jargon "active measures" that entail propaganda, subversion, agents of influence, disinformation and other techniques implemented primarily by the KGB in cooperation with all Soviet agencies and assets to bring about the gradual collapse of our will to resist.

In the case of South Africa, as with Vietnam 15 years ago, the multifaceted Soviet "active measures" campaign aims to persuade our leaders to forget that America's strategic viability will be at risk in South Africa for many decades—regardless of the political and racial complexion of its government.

Is there proof that the Soviets are engaging in "active measures" to promote an ANC rule over South Africa? Yes, in fact the only time in history that the Soviets ever publicly admitted that such "active measures" existed came in a statement to the U.N. General Assembly four years ago. The U.S.S.R. formally stated, "Efforts are under way in the Soviet Union to mobilize world opinion in the fight to eliminate colonialism, racism and apartheid in southern Africa. Active measures in this direction are being carried out." The Soviets even named some of the agencies implementing "active measures." They were the Soviet organizations run by the International Department of the Soviet Communist Party Central Committee in cooperation with the KGB that, in turn, control the international fronts, among which are the World Peace Council (WPC), International Association of Democratic Lawyers (IADL), Women's International Democratic Federation (WIDF), and World Federation of Trade Unions (WFTU).

However, most Western public officials, public opinion molders, and particularly Congress and the media are hesitant, if not unwilling, to acknowledge the fact that the Soviet Union is seeking directly and through local surrogates to detach South Africa from the West, deny the West access to its strategic minerals and, sooner or later, replace its government with a regime more to Moscow's liking. Some argue instead that "nationalists" will take over ANC and expel the Marxists; but to date ANC's Marxist have regularly purged "nationalists" who chafed under their strict discipline.

The bottom line is that it is irrelevant whether anti-American "nationalists" or anti-American Marxists seize power in South Africa. The Soviets undoubtedly would prefer to see a Marxist-Leninist regime of the Angolan, Ethiopian or Cuban model take over. For many years, Soviet policy in the Third World has been to support any movement or regime so long as it was anti-American. They recognize that an ultra-nationalist or extremist regime determinedly hostile to American interests—Khomeini's Iran being a prime example—would serve Moscow's interests nearly as well in placing control of U.S. access to strategic minerals in hostile hands.

Without South Africa's minerals, America's high-technology defense industries would have to depend on the Soviets for those rare strategic minerals. If America did not buy minerals from South Africa, what price do you think the Soviets would set?

There is also a moral irony in this. Year by year over the past decade and more, as the urban black population has increased and skilled, educated black people play an expanding role in the modern urban economy, South Africa has been dropping racially restrictive laws and now is committed to opening the political power structure. On the other hand, Soviet gold, as Alexander Solzhenitsyn told us, is the product of the Soviet forced labor camps which comprise the Gulag Archipelago. Forced labor accounts for nearly all of Soviet mining operations. How the Soviet cynics must jeer to see America and Europe urging abandonment of trade with South Africa when their only alternative must be to line up at the Soviet trade counter and, therefore, to encourage the Soviets to expand their use of forced labor.

When the Politburo first considered how South Africa might be brought into the Communist camp back in Stalin's time, they used a classic tactic; develop a well-organized Communist Party and Communist underground; then penetrate and take over the African National Congress (ANC); organize a "popular front"; use terror to dispose of political opponents, demoralize the population, bring them under control and escalate into mass confrontational protests in order to elicit a stern reaction on the part of the government and police; then use that as the "justification" for a move into terrorist "armed struggle."

But in more recent years, in the Third World, the Soviets have recognized that it is sufficient that a government merely be anti-American for Soviet interests to be served. Of course the Soviets eventually would like to see traditional Marxist-Leninist parties ruling the countries of the Third World. But they realize that revolution by stages is less likely to alarm Western governments, thus they can avoid armed confrontations. After all, is the loss of one more slice of salami worth fighting over? In this type of "cold" conflict, all the tactics short of armed confrontation—propaganda, "active measures," disinformation and deception—play a very important role in undermining America's will to act in defense of our national interest, and, in the case of South Africa, in persuading our government to isolate America from South Africa.

From secret information provided by a high-level Soviet official who has now defected to the West, it has been learned that Moscow's overall plan has four main points:

Consolidate Soviet influence in Angola, Mozambique and Zimbabwe; at the same time enhance the military capabilities of these countries to act as Soviet surrogates; and provide aid sufficient to reduce their economic dependence on South Africa;

Strengthen the underground organization of the African National Congress and its fronts inside South Africa;

Weaken the South African military capacity and will to resist;

Increase the international political and economic isolation of South Africa through an intensified "active measures" campaign in Europe and America.

The international campaign for United Nations imposition of a total mandatory and binding international economic boycott against South Africa is spearheaded by various African states backed to the hilt by the Soviet bloc. Both in America and in the European countries who are South Africa's major trading partners, the campaigns are coordinated by the ANC's solidarity networks. (Shades of the various Central American solidarity networks, e.g., CISPES).

There is some peculiar self-delusion found among ANC supporters. Some back ANC because they see it as their revolutionary duty to support so-called "national liberation movements." Overall, they are a minority. Many more among the public figures in the so-called "anti-apartheid' campaigns understand that the brutal assassinations of moderate black spokesmen, community leaders, individuals known to oppose ANC, police officers and those who work in some capacity for the government, the atrocities in which ANC-inspired mobs hack and burn alive the infants, children, wives and other relatives of their victims or intended victims, the car bombs and sabotage are prima facie evidence that ANC is a terrorist group of the most vicious nature. Even Bishop Desmond Tutu has implored the militants to stop their reign of terror—or "I'll pack my bags, collect my family and leave," as he himself put it last week. But our activists omit from their calculations those atrocities perpetrated on blacks by the ANC and South African Communist Party and deplore the fact that the white government has declared a state of emergency to put down the terror.

At bottom, the excuses for ANC terrorism amount to "the devil made them do it"—the devil being South Africa's racial policies. When did the fact that you do not like someone's presumed politics give you the right to disembowel his wife and burn his children to death? Individuals are responsible for their own actions; no one who argues that a grievance against society justifies murder can retain credibility as a "human rights" advocate. Those who take that position may well believe that similar tactics should be applied in America. Even six generations after civil war and 30 years after the civil rights movement was launched, we have failed to construct the racial utopia that is demanded overnight of South Africa. Thirty-five million Americans are living below the poverty line—most of them blacks. Does that justify terrorism?

The fact that South Africa has scrapped many repugnant racial rules seems to have no impact on the anti-South Africa lobby. Perhaps with their minds made up, they do not want to be confused by facts. They want revolution.

The strategic needs of our own people should be the overriding concern of Congress, but the anit-South Africa forces, including the Marxists, are arguing that apartheid problem is not a political one capable of rational political solutions involving formulae for opening the South African political power structure by degrees to all the people. Rather they say it is a moral issue. So they preach that "apartheid" is a sin, and that those "sinners" should stop sinning at once without respect to any other consideration such as transferring power in an orderly manner and maintaining social order. Pretoria, for its part, should begin by bringing black leaders, who renounce violence, into a new powersharing system.

[From the Washington Times, July 30, 1985]

Anti-South African Lobby Traced to Left-Wing Groups

(By Arnaud de Borchgrave)

Dennis V. Brutus, 60, one of the most influential political leaders of the anti-South Africa lobby in America, told an activist audience in Washington recently that the key U.S. groups in the network against South Africa were the American Committee on Africa (ACOA); Washington Office on Africa (WOA); TransAfrica and the coalition it heads called the Free South Africa Movement (FSAM); and the Institute for Policy Studies (IPS).

If his audience was particularly pleased, it may have been because he was addressing an IPS seminar audience that was representative of those organizations. He himself is prominent in the U.S. committee of the London-based International Defence and Aid Fund (IDAF) and The Africa Network (TAN), and was co-founder of the American Coordinating Committee for Equality in Sport and Society (ACCESS), which took the lead in setting up protests against a tour by South Africa's Springbok rugby team.

Mr. Brutus was born in Rhodesia and is a citizen of Zimbabwe. He left South Africa for London in 1966, having become active with the African National Congress (ANC) in the carly 1950s. His current role, is to present the political action desires of the ANC to the intellectual leaders and activists of the American left. He is effective at that. With turmoil in South Africa having driven Communist expansionism in Central America from the headlines, The Washington Times will examine some key organizations of the Network against South Africa.

The International Defence and Aid Fund was established in London in the 1960s by South African "exiles" to raise funds to help defray legal defense costs for black South Africans charged with treason, terrorism and other serious offenses. Mr. Brutus has been involved with IDAF for many years.

As for the activist credentials of Mr. Brutus, from 1948 to 1961 he taught English and Afrikaans in various South African schools, became active in ANC, and founded the campaign to expel South Africa from international sporting events. The 1961-63 period encompassed ANC's first terrorist campaign and his ANC affiliation cost Mr. Brutus his government teaching post. He was arrested in 1963 for violating the terms of his banning and was released on pretrial bond.

Mr. Brutus' reaction to this was extraordinary. He promptly fled to Mozambique where he was arrested by the Portugese and extradited to South Africa.

Mr. Brutus served an 18-month sentence on Robben Island where he was in the same work detail as Nelson Mandela of the ANC. Mr. Brutus claims to have hidden Mr. Mandela in his home while an underground fugitive. On his release, Mr. Brutus took his wife and seven children to London, where he led a number of campaigns organized by IDAF.

In 1978, the London Economist's prestigious Foreign Report published discussion documents by a Dutch support group for the ANC called Ikhela. The word means "spark" in Zulu, echoing Lenin's "Iskra" publication, which was "spark" in Russian. Members of the Dutch leftist group came to support a "black nationalist" faction in ANC. In defense of that faction, which wanted to expel the white Communists from ANC, they commented that "since the very beginning, the politics of the liberation movement in exile has been under the domination of the South African Communist Party;" and that as a result of SACP dominance, only two issues "formed the backbone of the antiapartheid politics: the disinvestment issue and the armed struggle."

Ikhela criticized the IDAF as "an inconsistent jelly fish" that "appears to be Christian-motivated," but accepts a program politically "run along highly sectarian lines" and is "controlled by members of the South African Communist Party."

IDAF has received substantial grants from the World Council of Churches, the U.S. National Council of Churches and from the government of the Ukranian Soviet Socialist Republic in other words, the government of the Soviet Union. The Ukranian SSR told the U.N. General Assembly it was "making regular contributions to the International Defence and Aid Fund."

There is no evidence in the public record that Mr. Brutus is a secret member of the South African Communist Party. In 1970, he moved to the United States to teach literature at Northwestern University. He did not come for political reasons or to seek political asylum, but, as he told The Washington Post more recently, because "Northwestern made me the best offer." Mr. Brutus has been associated with a number of anti-South African groups, and prominently with the U.S. committee of the IDAF. The U.S. Immigration and Naturalization Service tried for years to deport Mr. Brutus as an excludable alien under the McCarran Act provisions barring communists and members of communist-controlled organizations. The government was not willing to disclose to Mr. Brutus or his attorneys from Chicago's People's Law Office the sources of their intelligence concerning him. Declassified FBI documents and Justice Department legal papers have linked People's Law Office lawyers and staff to the terrorist Weather Underground Organization and to the Puerto Rican FALN (Armed Forces of National Liberation of Puerto Rico).

In 1983, after two years of proceedings, during which Mr. Brutus' cause was supported by Chicago Mayor Harold Washington, Cardinal Joseph Bernardin, former Illinois Sen. Charles Percy (who then was chairman of the Senate Foreign Affairs Committee), House Speaker Thomas P. O'Neill Jr., Sens. Howard Metzenbaum, Edward Kennedy and then Massachusetts Sen. Paul Tsongas, a federal judge granted Mr. Brutus political asylum in the United States.

[From the Washington Times, July 31, 1985]

KGB Fronts Push Campaign To Destabilize South Africa

(By Arnaud de Borchgrave)

The protest campaign against South Africa corresponds to a pattern established by the Soviet KGB as one part of a broad "active measures" campaign that is being implemented by the U.S.S.R.'s "assets"—witting and unwitting—in the United States and Western Europe.

Is there collateral for that assertion? Yes, from the Federal Bureau of Investigation. FBI Assistant Director Edward O'Malley, in testimony before the House Intelligence Committee, held up as an example of "specific Soviet active measure, activities and operations in the United States" a conference of anti-South African activists in New York. Many of the initiators and leaders of the present protest participated actively in that conference whose "stars" were the political leadership of the African National Congress (ANC), which resumed terrorist operations against civilian targets in South Africa after the former Portuguese colonies of Mozambique and Angola achieved independence under Soviet-allied Marxist regimes and provided ANC with bases.

In 1961, at the instigation of the South African Communist Party (SACP), the ANC commenced a terrorist campaign. ANC formed a terrorist cadre called "Umkonto We Sizwe" (Spear of the Nation in Zulu), led by Nelson Mandela, who was not a member of the Communist Party but worked closely with it.

Not too long ago. The New York Times commented that Mr. Mandela would probably become the first black prime minister in the "new order" in South Africa. When he was on trial, Mr. Mandela delivered a statement in open court in which he said, "I admit immediately . . . that I was one of the persons who helped to form Umkonto We Sizwe, and that I played a prominent role in its affairs until I was arrested in August 1962." He said, "I do not deny that I planned sabotage," and continued, "I did not plan it . . . because I have any love of violence. I planned it as a result of a calm and sober assessment of the political situation. . . ." (Note: Quoted in THE AFRICAN COMMUNIST, official publication of the SACP, 3rd Quarter, 1964.)

The terrorist campaign failed. There was no rebellion, and the ANC and the SACP were outlawed and dwindled. They became primarily exile movements based in London whose publications were produced in East Germany. During the late 1960s and through the 1970s, ANC cadre received training in the Soviet bloc, Algeria, Libya, several Marxist African states and in Palestine Liberation Organization (PLO) camps. Johnstone Makatini, the ANC representative in Algiers during the early 1970s, now their U.N. observer, was responsible for organizing terrorist training for selected ANC members in the Soviet Union.

Following the Portuguese "carnation revolution" of 1974, pro-Soviet regimes too power in Mozambique and Angola which gave ANC training facilities after the 1976 Soweto riots produced a flood of new militant recruits. The camps were staffed by Cuban, East German, Soviet and other bloc experts. Selected ANC members were given advanced training in the Soviet Union, Cuba and several East European countries.

The principal coordinator of the Free South Africa Movement (FSAM) is Randall Robinson, executive director of TransAfrica, a self-described "lobby" formed eight years ago "to inform and organize popular opinion in the United States to advocate policies and practices that will help to achieve more progressive U.S. forign policy toward the nations of Africa and the Caribbean and peoples of African descent generally throughout the world." As translated into action. TransAfrica has promoted the interests of the ANC, SWAPO and Moscow-allied client regimes in Africa and the Caribbean. The link with the ANC has been open.

Recently, Dennis Brutus, a "political refugee" who successfully resisted U.S. efforts to deport him as an "excludable alien" under the McCarran act, and is one of the most influential interpreters of ANC's political wishes to the U.S. anti-South Africa movement, described the American Friends Service Committee (AFSC), Washington Office on Africa (WOA), American Committee on Africa (ACOA), TransAfrica and its Free South Africa Coalition (FSAM), and the Institute for Policy Studies (IPS) as providing the leadership for the U.S. anti-South Africa campaign.

Those ties are not recent developments. There was, for example, a conference on American divestment legislation supported by the United Nations Special Committee Against Apartheid and nine American groups in June 1981. Organizations taking leadership roles included the AFSC, ACOA, IPS, TransAfrica and WOA, along with several projects set up jointly and separately by these groups. ANC president Oliver Tambo had met with some of the leading figures a week before the conference in Atlanta. Others prominent in the conference were members of TransAfrica's board along with some leaders of communist front organizations used by the Soviets as vehicles for "active measures" and "disinformation" operations.

During the last four years, Mr. Tambo has made repeated trips to the United States for meetings with his U.S. supporters.

The October 1981 "Conference in Solidarity with the Liberation Struggles of Southern Africa," named by FBI Assistant Director O'Malley as a classic example of Soviet "active measures," had at least 20 officials of the ANC present. ANC president Tambo was unable to attend, but the ANC delegation "working" the conference was ably headed by Thabo Mbeki, Mr. Tambo's personal aide; Johnstone Mfanafuthi Makatini, ANC's chief U.N. representative, Yusuf Saloojee, ANC's representative in Canada; David Ndaba of the U.N. observer delegation, and others.

As violence erupted in the black townships of South Africa, Mr. Ndaba, administrative secretary of ANC's U.N. group who said he was involved in the Soweto riots of 1976, explained ANC's rationale for violence against black and colored moderates. The aim is to destroy by terrorism any alternative or moderate voice to the ANC and to use terror to bring the urban black population under ANC control. Any form of cooperation with the system would bring death and would demonstrate to black moderates that the government was incapable of protecting them from ANC violence.

Mr. Ndaba described the riots as "mass struggles carried out . . . to destroy the . . . institutions which make it possible for that regime to dominate our people. These mass political actions are accompanied by armed actions carried out by the . . . African National Congress."

Terming the violence that has killed an estimated 450 black South Africans "people's war," Mr. Ndaba noted that in a New Year's message last year, several weeks before South Africa and Mozambique signed the Nkomati pact that brought expulsion of the ANC from their Mozambican bases, Oliver Tambo called on ANC supporters "to make themselves ungovernable, to make apartheid institutions unworkable, and to challenge these institutions by confronting the most vulnerable links of the apartheid regime, and eventually, to change the racist rule in Pretoria."

The slaughter of black people at the hands of the ANC mobs did not seem to upset Mr. Ndaba, who said that "a number of black stooges have been killed; many heads of black townships have been petrol-bombed because the people are now challenging these collaborators. . . . The issue of black collaborators is becoming . . . a major issue." [NOTE: Interview was published in The Black Scholar, a Marxist monthly—contributing editors range from Angela Davis and several TransAfrica directors to leaders of terrorist Republic of New Afrika.]

During the congressional debates on economic sanctions against South Africa, many wondered whether U.S. measures to isolate South Africa were of any real significance. ANC's U.N. officials insist that the campaign against South Africa here is critical to their success.

Mr. Ndaba said at the start of the FSAM protests that "We will appeal to the black people in this country to take their place as the leading force of the anti-apartheid movement in this country. . . . It won't be until the Afro-Americans have taken the struggles . . . to the same level as Americans did in opposing the war in Vietnam that we will finally achieve our freedom." That ANC officials likened South Africa to "another Vietnam war" that produced over a million refugee "boat people" could indicate what lies in store for South Africa should ANC be victorious.

Mr. Ndaba said, "How long the struggle will be allowed to last depends to a great extent on how strong an anti-apartheid movement will develop in the United States to reverse the policies of the U.S. administration with whomever is in power—Republicans or Democrats. . . . It is true that the liberation of the people of South Africa will be brought about by the people of South Africa. . . . But the international community and Afro-Americans here can really play a complementary role. What we are saying is that this complementary role is indispensable. We can no longer do without your support, and the time for that support is now."

Mr. Ndaba's boss at the U.N. observer group, Mr. Makatini, confirmed the high value the ANC places on the U.S. anti-South Africa campaigns to ease the path for their armed revolution during his March 29 appearance on the MacNeil-Lehrer Newshour. During the interview, Mr. Makatini said the current level of violent protests in South Africa meant people were reaching "the position reached by the ANC in 1961—that non-violence could not work against the apartheid regime." He continued indicating that ANC's 1961 venture into terrorist "armed struggle" failed in large part because South Africa was isolated and the neighboring territories were "under colonial domination themselves. . . . But today, they are potential rear bases, and nothing can stop that revolution. Nothing."

Asked whether there was an alternative to violent revolution, Mr. Makatini did not directly answer. Instead he asked for "effective international action in the form of the imposition of comprehensive and mandatory sanctions against South Africa," and explained: "That would help to shorten the duration of the inevitable armed conflict. It would help lessen the loss of human lives. But nothing can stop the bloodshed now because we've been bleeding for the past 300 years, and it's soon that the bleeding has to be on both sides."

South Africa's Survival Essential to U.S. as Source of Key Materials

Leaders of the U.S. network against South Africa concentrate on creating a public sense of mutual repugnance surrounding apartheid and the injustices of the South African system. So far, so good. At least on the surface.

Censorship by omission, however, as wheeled into play when it comes to the U.S. national interest in maintaining a steady supply of strategic minerals. In the Free World only South Africa produces many of the strategic minerals essential in defense and modern industry. To boycott South Africa would render the Soviet Union our sole source for these minerals.

During the Rhodesian boycott, the Soviet Union quickly snapped up Rhodesian chrome—no compunction at all about trading through third parties with a white supremacist regime—and sold it back to the United States at a premium.

The politicians and "solidarity" activists of Europe and America do not have a monopoly on this sort of hypocrisy. When speaking privately with leaders of the black-ruled countries of southern and central Africa, I found a keen recognition that the economic survival of their countries depends on South Africa.

Zambia, Zimbabwe, Angola, Mozambique, Botswana, Lesotho, Malawi, even Nigeria (albeit covertly), and other African states rely on South Africa for much of their technology and skilled technicians; for food and other imports; as an export market and for assistance in getting their goods to world markets; and for the foreign exchange earned in South Africa by their black citizens who find jobs there.

Revolution in South Africa would mean disaster for black Africans. Nevertheless, whenever the United Nations is assembled, its diplomats stand up and pronounce dire imprecations on the heads of South African whites while singing the praises of the African National Congress terrorists and blacks killing other blacks for "collaboration" with the government.

Among the U.S. groups that have pioneered the "moral" argument for sanctions against, and revolutionary change in, South Africa are the American Committee on Africa (ACOA) and its "independent" spin-off, the Washington Office on Africa (WOA); the American Friends Service Committee (AFSC); TransAfrica; and the Institute for Policy Studies (IPS). Each has provided "moral support" and sometimes more to the African National Congress (ANC), whose Soviet-allied revolutionaries began committing acts of terrorism against civilians more than two decades ago.

AMERICAN COMMITTEE ON AFRICA

George Houser, founder and executive director of the American Committee on Africa, celebrated the 25th anniversary of the organization by writing a booklet history of the committee called "Meeting Africa's Challenge: The Story of the American Committee on Africa."

According to Mr. Houser, now retired from ACOA, the impetus for the committee arose in 1951 during London meetings between U.S. black Activist Bill Sutherland and the editor of ANC's newspaper, "African World," who told Mr. Sutherland about ANC's plans to launch the "Defiance Campaign" of the early 1950s. When Mr. Sutherland returned to the United States, he told Mr. Houser, who then was executive secretary of the Congress of Racial Equality (CORE) and race relations secretary of the Fellowship of Reconciliation (FOR), about ANC's plans. Still, according to Mr. Houser, "We wrote to Walter Sisulu, the secretary general of the African National Congress . . . [who] responded eagerly, and in New York we decided to set up an ad hoc organization, which we called Americans for South African Resistance (AFSAR), in support of this campaign."

Mr. Houser reported that when the "Defiance Campaign" started in June 1952, its link to the ANC was Professor Z.K. Matthews, head of ANC's Cape branch, who had just arrived to teach at Union Theological Seminary. He remained in "constant touch" with ANC leaders in South Africa, and he was the source for bulletins issued by AFSAR. Mr. Houser also said that "AFSAR . . . raised several thousand dollars which, through Z.K. Matthews, was sent to ANC." When the ANC effort collapsed in 1953, AFSAR was reorganized into ACOA. The "Defiance" support set the pattern for ACOA activities.

Mr. Houser's organization shifted its focus to supporting Algeria's National Liberation Front (FLN) whose eight-year civil war was marked by atrocities and violence and repression that left one million dead.

Mr. Houser explained that "ACOA worked closely with . . . the FLN representatives in New York and at the U.N. Numerous public meetings were sponsored to call attention to the Algerian struggle and to condemn the support the U.S. was giving France." He also recalled that ACOA was the first to display the flag of the FLN's provisional revolutionary government at public meetings in New York.

Mr. Houser claimed that "there is not a major liberation movement in southern Africa which has not received some support from ACOA." "Much of this," he volunteered, "has been done through the Africa Defense and Aid Fund . . . sometimes the assistance given is to cover the emergency needs of visitors to New York and U.N. or to liberation movement leaders traveling in the U.S. It may help with travel expenses, accommodations, telephone bills, etc. . . . In the case of some of the liberation movements. . . . ACOA has taken major responsibility for raising the funds to make it possible for the organization to have an office and a full-time representative here."

During the 1970s, Mr. Houser described ACOA logistical support to "liberation movements" as including the supply of vehicles such as jeeps, Land Rovers and Volkswagon buses. Anti-communist and non-communist forces were slighted. For example, in Angola, there were three armed movements: The then-Peking-allied FNLA led by Holden Roberto, the nationalist UNITA headed by Jonas Savimbi and the Soviet-controlled MPLA. According to Mr. Houser, "a lengthy discussion was held in 1970, and the decision was to recognize the primacy of the MPLA at that time." The Marxist-Leninist MPLA, with Soviet assistance and Cuban troops, fought its way to power in 1975.

ACOA's Washington lobbying activities were outlined by Mr. Houser. "ACOA," he wrote, "has consistently opposed U.S. policies" in South Africa. The organization's representatives have appeared on numerous occasions before "the appropriate Senate and House committees. ACOA has kept a full-time office in Washington since 1968. Funds for the Washington operation, according to Mr. Houser's organizational history, have been provided primarily by four religious denominations: "Methodists, Presbyterian, United Church of Christ and Episcopalian." When these churches wanted to take a more active role against South Africa, he explained, "ACOA's Washington office was transformed into the independent, jointly sponsored Washington Office on Africa."

Among the best known ACOA representatives have been Mr. Houser himself before his retirement; Jennifer Davis, a South African "exile" who replaced him as executive director after years as ACOA's research director, and New York attorney Peter Weiss, who was ACOA president for 10 years and provided a significant amount of funding to ACOA's tax-exempt spin-off, The African Fund, through the Samuel Rubin Foundation. Mr. Weiss has performed similar functions on the board of the Institute for Policy Studies (IPS), which has cooperated with the ACOA on campaigns for legislation against U.S. bank loans to South Africa and other issues.

AMERICAN FRIENDS SERVICE COMMITTEE

The Philadelphia-based American Friends Service Committee (AFSC) increased the level of its southern Africa program in 1974 when it hired as program director Bill Sutherland, co-founder of ACOA. Mr. Sutherland moved to Africa in 1953 and later worked for the first government of Ghana under Kwame Nkrumah. He played a role in organizing the 1958 All African Peoples Conference in Accra. From 1963 to 1975, Mr. Sutherland was an employee of the Tanzanian Ministry of Foreign Affairs. When he went to work for the AFSC, he moved to Lusaka, Zambia.

The general trend of the AFSC southern Africa program was visible in the August 1977 16-member AFSC delegation Mr. Sutherland led on a tour of the "front-line" states. The proclaimed purpose was to "build relationships with the opponents of the status quo in southern Africa, particularly the liberation movements."

TRANS AFRICA

The principal coordinator of the Free South Africa Movement (FSAM) protest coalition is Randall Robinson, executive director of TransAfrica. The group was formed eight years ago "to inform and organize popular opinion in the United States to advocate policies and practices that will help to achieve a more progressive U.S. foreign policy toward the nations of Africa and the Caribbean and peoples of African descent generally throughout the world."

As this policy was translated into action. TransAfrica has promoted the interests of the ANC, the South-West Africa People's Organization (SWAPO) and Moscow-allied client regimes in Africa and the Caribbean. The link with the ANC has been open.

After graduating from Harvard Law School, Mr. Robinson worked in Tanzania as a Ford Foundation fellow before returning to Boston to practice public interest law. In 1975 he joined the staff of Rep. William Clay, D-Mo. Later he worked for Rep. Charles Diggs, D-Mich. ACOA's former executive director, George Houser, wrote that his organization had "maintained a working relationship" with Mr. Diggs, who was chairman of the House subcommittee on Africa. Mr. Robinson was executive director of the Congressional Black Caucus before taking on the TransAfrica project. His brother is Chicago-based television newsman Max Robinson.

The roll call of past and present members of the TransAfrica board of directors includes Harry Belafonte; the Rev. Isaac Bivens, United Methodist Church Board of Global Missions; Courtland Cox; Dr. Carlton Goodlett, for many years a member of the Presidium of the Soviet controlled World Peace Council and publisher of two San Francisco area black community newspapers; William Lucy of the American Federation of State, County and Municipal Employees (AFSCME); R. Prexy Nesbitt, former IPS fellow who headed the World Council of Churches Program to Combat Racism; the Rev. Wyatt Tee Walker; and Ronald Walters.

The list shows a preponderance of personalities on the left wing of the American political spectrum with respect to South Africa and other social issues.

INSTITUTE FOR POLICY STUDIES

The Institute for Policy Studies (IPS), which has offices just off Dupont Circle in Washington has amassed a 20-year public record remarkable for its consistency in supporting disarmament (by the West), nonintervention against Soviet surrogates, but intervention against authoritarian governments aligned with the West, abolition of nuclear power (by the West), and the drastic curtailment of intelligence and internal security agencies (the American ones).

IPS and its subsidiary, the Transnational Institute (TNI), which has offices in Amsterdam as well as in IPS's Washington headquarters, play central roles in coordinating pressure campaigns on parliaments in Europe and on the U.S. Congress for such policies. In part, IPS exercises influences through a network of "progressive" congressional staff aides. IPS has acted as a conduit for Soviet and Cuban disinformation themes.

In 1982, the institute concluded a formal "exchange" agreement with the Arbatov Institute in Moscow and another Soviet agency, both used by Soviet intelligence for "active measures." The IPS/Soviet 1983 "Bilateral Exchange" conference in Minneapolis attracted Soviet GRU (military intelligence) Gen. Mikhail Milsteyn and others from those agencies experienced in "active measures" and political influence operations.

IPS Chairman Peter Weiss was president of ACOA for 10 years. Other IPS figures have been affiliated with the committee. Members of IPS's Southern Africa Project and Militarism and Disarmament Project have played key roles in coordinating divestment and antibank loan campaigns in Western Europe and the United States. Indeed, the Committee to Oppose Bank Loans to South Africa operated from IPS's headquarters and ACOA's New York office.

Even more significant was the central role of a member of the ANC and the South African Communist Party Central Committee, Ruth First Slovo, in organizing IPS/TNI solidarity efforts. Ruth First Slovo was killed in 1982 by a parcel bomb which exploded at ANC headquarters in Maputo. Her husband Joe Slovo heads the ANC's "military" arm, the terrorist "Umkonto we Sizwe" cadre. The Lithuanian-born Mr. Slovo, a member of the SACP Politburo and the ANC Revolutionary Council, was a lawyer in South African until ANC and the SACP commenced terrorist operations in the early 1960s. South Africa authorities have identified him as holding the rank of colonel in the Soviet KGB.

Yes, apartheid is repugnant. But there is a lot more to the anti-South African campaign than meets the eye in the current deluge of press releases.

Seeking a Quick Fix—Can it be Achieved Without Patience?

Confronted with a wrong, many Americans have a compulsive urge to do something about it, now. But in a sensitive, explosive situation, "now" can be the worst of times.

One of the wisest of Britain's colonial administrators, Sir David Trench, then governor-general of Hong Kong, commented to me nearly 20 years ago about what he saw as a characteristic flaw in American foreign policy. Americans, he said, "seem to have a passion for tying up all the loose ends. Out here, it's often better to leave a few loose ends dangling."

He was right. Patience with "loose ends" is particularly needed when engineering social transformations that pose irreconcilable conflicts among the vital interests of contending groups.

For example, South Africa.

In such a situation, time is needed not only to allay fears and modify attitudes, but also to alter those conditions that make the present circumstances so intractable.

America's new relationship with China, for example, was made possible by deliberately leaving loose ends untied: in particular, by a carefully crafted formula that deferred resolution of the Taiwan issue. Both sides have lived, however uncomfortably, with an understanding that recognizes the principle of one China (a principle that both Peking and Taiwan proclaim) but accepts the present existence of two governments. The dramatic evolution of mainland China suggests that time will, in fact, bring a way to bridge the unbridgeable gulf. As conditions in China change, an eventual voluntary union, under terms that recognize a special status for the Taiwanese, seems increasingly possible.

Some will argue that the Taiwan analogy is irrelevant: that the Taiwan dispute is political and therefore tolerable, while the problem in South Africa is one of racial oppression and therefore intolerable.

However, branding a situation "intolerable" does not create an alternative that will be both tolerable and achievable. The Soviet hold on Eastern Europe is intolerable, but we and the Eastern Europeans have tolerated it for almost 40 years. We fulminate against it, but we don't send NATO armies crashing across the East German frontier and we don't break diplomatic relations with the Soviet Union. We learned tragically in Hungary in 1956 that encouraging rebellion when we were not in a position to assist that rebellion was, to put it gently, not helpful.

Short term, there simply is no way to restore freedom to Eastern Europe. Long term, there is hope that Eastern Europe will evolve toward freedom.

Tolerating the intolerable, for a time, can be the price of achieving the unachievable. In activities as diverse as love, baseball, politics, and show business, timing is crucial. So, too, in diplomacy. Conditions change. Rulers change. Systems change. Attitudes change. Interests change. What one party to a dispute finds unacceptable today, it may find acceptable tomorrow.

In South Africa, the conflict is not simply black vs. white. The country's whites are also divided, some protesting that the pace of reform is too fast, others that it is too slow. (The nation's most powerful business leader, Sir Harry Oppenheimer, is pressing for more reform.) And blacks as well as whites have cause to fear a too precipitate change.

To see cause for fear, all they have to do is look north. Africa is a continental catastrophe. In Uganda—where another coup has just ushered in another regime, promising like those before it to redress the sins of its predecessors—the 100,000 Ugandans killed by their government in recent years have been black, not white. Some had their legs chopped off and were forced to eat the flesh of their fellow prisoners before they themselves were put to death. In country after country, the post-colonial history of the continent has been a tragic chronicle of hopes betrayed, of cruelty, tyranny, corruption, and failure.

In the worlds' haste to press independence on the African colonies, it was politically easier to be on the side of immediate "change" than to insist on the patience to prepare the way for it, and to accept for a while a temporary wrong in order to achieve a permanent right. Hundreds of millions of black Africans today are paying a terrible price for that impatience.

South Africa is changing. It will continue to change. With luck, change may come at a pace that allows South Africans, black, white, "colored," and Asian alike, to evolve a genuinely multiracial society that preserves the country's strengths while correcting its shortcomings. But achieving this will require leaving some of the loose ends untied. And it will require time, patience, and forebearance, not only from South Africans, but also from the world.

Abhorrent System: But Why Do Blacks Still Come There?

My urbane friend and colleague William Rusher notes the comically repetitive formula with which South Africa's racial system is routinely censured: one is required to use the adjective "abhorrent." I think "South Africa's abhorrent system of apartheid" must be the most frequently repeated phrase since "Polly want a cracker?"

Now, nobody feels compelled to refer to "the Soviet Union's abhorrent system of communism," even though that system is obviously far worse than apartheid. The first distinction between forms of government is not whether they are democratic or undemocratic, capitalist or socialist, or even free or unfree; it is whether they are bearable or unbearable.

Apartheid, whatever else it has done, has not driven blacks out of South Africa; on the contrary, South Africa, even with apartheid, attracts black immigration. South Africa has no equivalent of the Berlin Wall; it has no need, as communist systems do, to treat its people as captives who must be prevented from escaping. It is necessary to cling to such basic facts during the storms of propaganda.

So why do we make such a point of calling apartheid "abhorrent"? It's a matter of informal etiquette, like smiling and nodding while shaking hands. It's supposed to show our benevolence toward black people and our detestation—embarrassment, really—at the very idea of white rule.

The white man has been deeply embarrassed about white rule, or "colonialism," for a generation. But we can take this too far: Africa has paid dearly for the biracial mania for getting rid of white rule. The last 25 years have been bitter ones for such newly free African countries as Uganda, Nigeria, Angola, and Mozambique, to name a few.

An article in the Wall Street Journal mentions a farmer in Ghana, who performed a strange ritual before a reporter: He sprinkled a few drops of scotch on the ground, as a sort of sacrifice, and began a chant. His son explained: "He's praying that the British will come back and make everyone rich."

An English friend of mine tells of a recent trip to Jamaica, which he found sadly dilapidated. He told a native that it was his first visit there since the '50s, when the British still ruled the island. "Ah," said the Jamaican, "the good old days"—then caught himself, embarrassed at what he had admitted. Another friend, just back from India, met an Indian who has a recurrent dream that the British have returned. When he wakes up and finds they haven't, he cries.

Touching stories. They undermine the myth that colonialism was purely evil. In fact no empire can endure unless it brings prosperity to its provinces, as the Roman and British empires did. White rule had its benefits, not because it was white, but because white men happened to be the vehicles of civilization and the rule of law, even when their motives were selfish. The tragedy is that the colonial peoples got their independence before they had fully absorbed the civilized tradition. The poor Ghanaian farmer who thinks the British can magically bring wealth makes the same mistake as the doctrinaire racist: He thinks race itself is the key. But civilized habits are slow to develop and easy to abandon, as the history of Europe in this century proves.

In their way, the liberated African nations have been the victims of an obsession with race. They thought that getting rid of white rule would solve all their problems; and they dispensed with the good institutions that the white man had brought. It was right and natural that they should want independence; it was shortsighted to throw away the rule of law.

The American revolution succeeded because the Americans were fighting less to get free of England than to keep the traditional freedoms of Englishmen. They were fighting not to destroy, but to conserve.

South Africa has several free institutions that are likewise worth conserving: the rule of law, a market economy, an independent judiciary, a free press. These should be reformed to extend their benefits to blacks, not sacrificed to crude majority rule, especially if such rule would have the character of the murderous mobs who burn and hack to death suspected government informers.

In order to conserve, as Edmund Burke said, you must be able to reform. But to reform you must also know what to conserve. And there are few signs that most of the people who want to destroy the "abhorrent system" even realise that they have anything to lose. They may find out only when they have lost it. It would be a bitter irony if, a few years down the road, South Africa's blacks were praying vainly for the return of white rule.

VERY VICIOUS CIRCLE

The South African government, like the governments of eastern Europe, believes in crushing dissent rather than dealing with it by negotiation. It assumes that concessions made under duress will be taken as weakness. As a result, President Botha has got caught on an escalator of repression. The present wave of unrest in the African townships began 10 months ago. On July 20th Mr. Botha declared a state of emergency in nearly all the urban areas of Eastern Cape and the industrial heartland of Transvaal.

Will this stamp out the trouble and enable Mr. Botha to start considering the big political changes needed to calm the black townships? Probably not. Before the emergency was declared, the government already had formidable powers of arbitrary arrest and detention. It could banish people without giving reasons. It could hold them for interrogation for as long as it wished. South Africa has long been in a state of undeclared emergency. The declaration is primarily a symbolic gesture. Mr. Botha wants to be seen, especially by his constituency of fellow-Afrikaners, to be acting tough.

There is, though, nothing new about Mr. Botha's toughness. He has always tried to squash dissent. When demonstrations began last August, in support of a campaign to boycott Indian and mixed-race elections to Mr. Botha's new three-chamber parliament, riot police used batons and tear-gas to keep the campaigners away from the polling booths. That was like a match to a tinder of resentment among opponents of the new constitution, particularly among the black Africans who were pointedly excluded from the reforms.

Within days the flames began licking into some of the black townships. By chance, the first to ignite was Sharpeville, whose name is woven into the soil of black resistance because of the 67 protesters killed there by the police 25 years ago. This time the government had handed powers of local government to a number of black township councils as a compensation for excluding blacks from national politics. In practice, black councillors, instead of white civil servants, became the everyday administrators of these apartheid ghettoes.

When feelings were already running high over the Indian and mixed-race elections, and with clashes occurring regularly between demonstrators and the police, the council administering Sharpeville and five neighboring townships announced a big increase in house rents. The tenants rebelled. Young radicals turned on the councillors, burning their houses and killing two of them.

If Mr. Botha had then made a conciliatory gesture—a declaration of intent, perhaps, that he had some political plans in mind for the blacks—he might have dampened the fury. Instead, he sent in the riot police. He said he regarded the unrest as a communist-inspired campaign to sabotage his reforms. Dissenters would be crushed.

A vicious circle of anger and repression began. As the troubles spread, the government sent the army for the first time into the township, where it has been sporadically in action ever since. Soldiers surrounded four of the townships, while policemen went from house to house on search-and-interrogation work. Then the fledgling trade unions were sucked in. The infuriated town-dwellers of the industrialized areas got their own labour unions to protest. Until then the unions had tried to avoid overt politics. After a three-day strike, the government detained the country's two top black union leaders. The unions were now in the fray.

At each attempt by the government to snuff out the rebellion, the township revolt has become more violent and purposeful. Last March, in the eastern part of the Cape province, riot police stopped carrying tear-gas and rubber-bullet guns, and used real guns instead. On March 22nd police killed 20 people in Langa township.

Since September about 500 blacks have been killed, more than 2,000 injured and more than 3,000 arrested. The black radicals are now waging open war against black councillors and others they call collaborators. Some 120 councillors have been attacked and five killed, including a mayor and two deputy-mayors, and 75 have had their homes burnt down. Of the 38 councils granted the highest level of autonomy, only two are reported to be functioning.

THE NOT-QUITE REVOLUTION

Draw no premature conclusions from President Botha's "state of emergency". The edifice of white power in South Africa may be trembling, but it is not about to crumble. The country's black majority is justifiably and increasingly angry, but it does not follow that revolution will come tomorrow. South Africa's is not Iran. If South Africa's present Shah-of-the-Afrikaners were to bow out, there would be another to replace him. The whites have the guns, the blacks do not; and Mr. Botha's army and police force, though they have a growing black component, will not turn the guns on the big white chief. South Africa's blacks still lack the unifying do-or-die zeal of Shia Islam. The size of the recent wave of rebellious black optimism could make an ensuing trough of black despair even deeper.

Mr. Botha's declaration of a state of emergency on July 20th may mark a symbolic step along the bloody road to freedom or chaos (or both), but it brings no dramatic change in the balance of real power. The apparatus of repression was very nearly as powerful last week as it is now. Mr. Botha's main motive in raising the storm-flag is less to frighten the blacks than to impress his white constituents that he is not going soft in the face of black fury; and to show the outside world that the growing international disapproval of the past six months leaves him unmoved.

BUT SOMETHING HAS CHANGED

Yet the not-quite revolution will go on, and Mr. Botha would be foolish to think otherwise. Since the Soweto troubles nearly a decade ago, there has been a steady bulging of black muscle. The past 10 months' violence has been geographically far more widespread. For the first time there is a fierce sharpening of the conflict among blacks themselves: about a quarter of those killed have been "system blacks"—black policemen, urban councillors, alleged collaborators—regarded as stooges by the militants. The black trade unions have grown apace, and have not confined themselves to pushing up wages; they have become increasingly ready to use their new-found strength to win political concessions. Mr. Botha's biggest outside ally, President Reagan, may soon turn his back on him, and European conservatives are wearily exasperated. This time the blacks, more sophisticated and more determined, have reason to be more confident.

So, even if white power is not immediately threatened, President Botha is politically beleaguered. On the face of things, so long as the economy ticks over and the killing does not spread to the white suburbs or the city centres, he can ignore black riots, and move on with the reforms which have already tossed a sop to the critics of apartheid. The trouble is that Mr. Botha looks more and more like a man who does not know where he is going.

His reforms so far have been designed to cut out the most impractical bits of apartheid, and to steamline the rest: to apply white power more flexibly, not to throw it away. Many people outside South Africa welcomed even this limited change. They argued that, although Mr. Botha is no liberal, once he started picking little holes in apartheid he would find himself, willy-nilly, gradually taking the whole construction to bits. That may still prove true. But once Mr. Botha saw the holes appearing more rapidly than he had foreseen, he shrank back from drilling more of them.

When a government-funded Afrikaner think-tank told him last month to scrap apartheid altogether, he told it to shut up. He still cannot help looking over his shoulder at those whites who believe he has already gone too far, and at the increasingly political South African generals who think the police force can no longer be trusted to run the black townships. And—the American and other disinvestment lobbies please note—when foreigners start poking Afrikaners like Mr. Botha too vigorously in the ribs, they tend to march smartly in the opposite direction from the one the rib-pokers want.

If Mr. Botha is to get back to any sort of reformist course, he has to return to the craft of politics, not the thump of repression. He has four years until the next parliamentary election. During this time he should have the guts to ignore the fears of the Afrikaner diehards, and gamble that the whites with eyes to see will come to terms with the black reality around them. He can:

Make a declaration of intent that he will grant full citizenship, under one constitution, to South Africans of all colours;

Draw up an agenda for a national convention to be attended by all South African leaders, including those of the banned African National Congress;

Release Mr. Nelson Mandela, leader of the ANC, provided he tells his followers to stop the violence, in return for the concessions mentioned above;

Suggest that Natal-cum-KwaZulu, where the Zulus Chief Gatsha Buthelezi has kept things astonishingly quiet, should embark on a provincial experiment in multiracial government that might become the model for a future South African federation.

Abandon the proposals for new regional councils, which are to be run on apartheid lines, and give local government in black and white areas real autonomy and much more money.

Some important blacks, such as Mr. Buthelezi and the Nobel prizewinner Bishop Tutu, still show a striking restraint. They do not—and should not—insist on immediate one-man-one-vote in a winner-takes-all unitary state. If there is to be any chance of evolutionary change in South Africa, it has to be established that 23m blacks will not treat the 8m-plus whites and browns as badly as the minority has treated the majority. A lot of blacks are still willing to accept that. Mr. Botha, having cracked his whip, should now start talking while there are still such people to talk to.

THE ACTION ACT AGAINST VIOLATIONS OF HUMAN RIGHTS

Mr. WALLOP. Mr. President, I ask unanimous consent to have printed the RECORD a bill which I am introducing called an action act against violations of human rights.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1506

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

1. The Congress finds that a number of practices by governments on all continents that deprive citizens of their human rights and of full citizenship on the basis of religion, class, race, or national origin. These practices, whether they are called Apartheid, as in South Africa, Socialist Construction as in the Soviet Union and other Communist countries:

A. Deliberately restrict people's right to live and work as they wish, and restrict the right to form free labor unions;

B. Deny meaningful democratic participation in the political process by the majority of the population;

C. Consign most citizens to lives of economic, religious, and cultural deprivation;

D. Deny citizens the right to travel in their country or abroad;

E. Leads to the negation of property rights supposedly guaranteed by local laws;

F. Effectively deprive people of rights enjoyed by others on the basis of religion, class, race, or national origin.

2. Such practices are repugnant to the moral and political values of democratic free societies, and run counter to United States policies to promote democratic governments throughout the world and respect for human rights; and

3. It is the policy of the United States to promote peaceful change in countries where such practices are prevalent through diplomatic means, but also, where necessary and appropriate, through the adoption of other measures, in conjunction with our allies in order to reinforce United States opposition to such practices.

4. The President shall report within eighteen months of the enactment of this statute on which countries have a record equal to or worse than that of South Africa with regard to:

1. Interference with the free movement of persons within the country, interference with the right of persons to reside wherever they wish in the country, or to emigrate.

2. Restriction on the freedom to contract labor, to organize for collective bargaining, on the basis of race, color, creed, class or political affiliation.

3. Slave or forced labor.

4. Denial of equal treatment and due process before civil and criminal courts.

5. Restriction on the free exercise of religion, religious worship, religious instruction, and discrimination in employment, housing or any other respect on the basis of religion.

6. Any other undue burden placed on individuals and families because of their race, religion, national or tribal affiliation, class, or political affiliation.

The President shall report whether and how during the previous twelve months the record of each country with regard to these criteria has improved, remained the same or worsened.

5. The President shall impose the following sanctions upon those countries that have an overall record equal to or worse than that of South Africa *and* have failed to improve

a. prohibition of sales of U.S. made computer products to any such country;

b. prohibition of purchase by U.S. persons of the five principal export products or commodities of any such country.

Mr. PELL. Mr. President, I strongly support the conference report on the Anti-Apartheid Action Act of 1985. I believe it sends a clear and strong signal to the South African Government and black community in South Africa, that is, the majority of the people, of our opposition to apartheid, and our determination to take action to move the Government to dismantle its evil and immoral system of apartheid.

By banning the importation of Krugerrands, which are the foremost symbol of apartheid, by prohibiting loans to the Government of South Africa, by restricting computer sales and nuclear trade, we are bringing pressure to bear upon the South African Government and sending an unmistakable message that we are abandoning the administration's failed policy of constructive engagement.

I think that the conference report, which reflects hard work and a good faith effort by all the conferees, is a good measure. It makes an even split between the antiapartheid bill passed by the House of Representatives in June and the Senate version, adopted a few weeks ago. I think all parties are to be congratulated on it.

I hope very much that my colleagues will approve the conference report.

Mr. CRANSTON. Mr. President, I join with those who have spoken and those who are about to speak in support of this measure.

The chairman of the committee made a very fine statement, and he led the committee very effectively in regard to this issue.

This is vitally important to our country and in terms of the leadership that we should offer in the world morally and more than morally, substantively, on the abomination of apartheid in South Africa. Apartheid is official Government-sponsored, Government-led discrimination, akin in that way to the horrors of the discrimination in Nazi Germany, which I saw at first hand.

The Senate passed a fine measure originally by a very strong vote. The House of Representatives passed an even stronger measure.

Now we have a stronger measure than the original Senate bill before us.

I urge my colleagues on both sides of the aisle to approve this measure and to approve it speedily.

If we do not have that opportunity now, I know that in the course of time we will pass it. It will be more meaningful if we are able to proceed at this point. If we have to wait awhile, so be it. But we have the votes to break a filibuster and we will do so.

The issue tonight is simply this: Who will stand up and vote against apartheid and who will not? Who will bring economic pressure against the South African Government to end this abomination of apartheid and who will not? Who will vote for American ideals of freedom, fair play, and the brotherhood of man, and who will not?

The issue is clear. The line, Mr. President, is drawn.

Mr. KENNEDY. Mr. President, I believe there are a few times in the history of the Senate when a vote by individual Members of the Senate can send such a powerful signal—to the American people and to people across the world. I hope we will have that opportunity to do so tonight, without efforts to delay this vote by a handful of our colleagues, the same handful that attempted to block the Senate from expressing its will when this legislation was initially brought to the floor of the Senate.

Mr. President, the policy of constructive engagement is dead. The decision that was made last evening in a bipartisan way—between Democrats and Republicans alike, between Senators and Congressmen alike—in signing this conference report sent a very clear signal to the American people and to all the people of South Africa that the American people's representatives no longer want to be identified with the repression and human exploitation of apartheid.

Mr. President, in the past, America has actually been supporting apartheid. Every time a Krugerrand was brought in and sold here in the United States, we were adding a brick to the wall of apartheid. Every time the United States extended a loan to the Government of South Africa, we were financing apartheid. And every time U.S. companies were selling computers to the South African Government we were assisting the South African Government in enforcing the laws of apartheid.

The action that was taken last night, Mr. President, was very clear. Apartheid must end.

This action demonstrates that the American people want to exert what influence they can to assist the forces within South Africa who want peaceful change, to show that there are forces outside of South Africa who also want to assist the process of change such as the United States, such as France, such as Canada, such as the nine European countries which only in the past few hours have withdrawn their ambassadors from South Africa.

Finally, Mr. President, I remember what President Kennedy said 1 year after the announcement of the Alliance for Progress; that those that make peaceful revolution impossible make violent revolution inevitable. How can we possibly accept, that in 1985, as we go into the 1990's and the year 2000, in a country of 23 million people, where 2 million are white and the rest are black or colored or Indian, that those citizens who are not white will be denied citizenship in their own country?

The South Africans are going to have to resolve their own future. But someday South Africa will be free, and I hope that then those individuals who participated in what I hope will be a peaceful revolution will look to the United States once again as a source of hope, a source of inspiration and a country that was true to its own most cherished values.

Mr. MATHIAS. Mr. President, the chairman of the Committee on Foreign Relations has followed this subject with great care, with great concern, and with great prudence. He is aware, as I am sure all of us are, that this is an explosive subject, and he has dealt with it as you deal with explosive subjects. His thorough command of all of the facts and his careful evaluation of all of the factors that affect not only the welfare of the people of South Africa but the interests of the United States of America, have already been expressed in his statement. Very little needs to be added to what he has already said.

I would point out that one of the provisions of the conference report is designed to meet a critical need of the people of South Africa which is not now being met by the present government there. That is the education of new leadership to serve in the future. It is, of course, all very well to say that the 70-percent black majority in South Africa should have a role in the determination of its own destiny. But this is a complex and difficult world and these people have been very largely denied the benefits of adequate modern education.

So in the conference report Senator Lugar is bringing to the Senate tonight there is a provision—I do not think anyone will pretend that it is an adequate provision—but the bill does plant the seed that encourages a greater opportunity for education among the black majority of South Africa.

There was another point raised in opposition to the conference report, that I think deserves attention this evening. It was said that Bishop Tutu had at one time been for restraint in the application of sanctions. I would close by quoting Bishop Tutu's latest comment after he had been denied an interview with Mr. Botha. He said:

> Certainly the young will say we told you so. There is no language they understand other than the language of violence. The young are right. We have nothing to show for the advocacy of nonviolence except the continued intransigence of the government and the escalation of their own violence.

Mr. President, I hope this conference report is adopted.

Mr. McCONNELL. Mr. President, I rise today to give my qualified support to the conference report and the Anti-Apartheid Action Act of 1985. I commend my colleagues for their dedicated efforts to resolve the differences between the House and Senate positions. There were substantial differences between the House and Senate in the legislative approach and solutions to the problems posed by South Africa's policy of apartheid. I believe that most of the measures in the bill represent an effective, appropriate responsible plan for our relations with South Africa.

As I have said before, I believe our policy should build bridges with the black community as we diminish the South African Government's ability and incentive to enforce apartheid. I think this intention is represented by the combination of scholarships to blacks and mandatory fair labor principles balanced with termination of computer sales and bank loans to the South African Government agencies enforcing apartheid.

The bill the Senate passed on July 11 was a first step taken by Congress in its involvement in redefining U.S. policy toward South Africa. As such, it was intended to send a clear message to the South African Government that Congress believes the time has come—indeed the time has passed—for immediate meaningful reforms. Apartheid must end, on this there is unanimous bipartisan support. The bill we passed epitomized the carrot and stick approach. There were positive measures to aid the economically disadvantaged black community and there were negative measures to reflect our dissatisfaction with the Government's policy of apartheid. The negatives were narrowly targeted only at the South African Government. I have discussed the merits of this balanced approach on the floor, before the Senate Foreign Relations, Committee and with my constituents. It is a sensible first step.

I was and remain deeply concerned by the prospect of taking any steps which may jeopardize the economic conditions of the majority of South Africans. I believe the addition of language which bans the sale of Krugerrands may cost black miners jobs. And the loss of jobs can only add to the turmoil we have seen erupt over the last 2 weeks. How will this ban help? When the first black miner is laid off, will he thank the United States for trying to bring an end to apartheid? Let's not forget 465,000 blacks are dependent upon their wages from gold mining. How many of those miners endorsed this ban?

While I am deeply concerned about the addition of this measure, I am hopeful the fact that the ban can be lifted if any of eight conditions are met will provide the necessary incentive for the South African Government to initiate reforms. There is an opportunity for them to be relieved of this burden. There is an opportunity for the South African Government to change their future.

On balance, given the constructive role I believe most of the bill will have I will support its passage. The bill is a first step. It affords the South African Government and the United States Government an opportunity to review and redefine how we will construct and continue our relations in the future. I am hopeful this bill will contribute to a better future for all South Africans.

Mr. PROXMIRE. Mr. President, I rise to voice my strong support for the Anti-Apartheid Action Act of 1985 which was agreed upon in the conference committee yesterday. Our colleagues in the House demonstrated, just a few hours ago, the overwhelming bipartisan support that is behind this bill by voting to pass the conference report by a vote of 380 to 48. I am absolutely delighted by the House action and hope we in the Senate will give this bill the same kind of overwhelming vote of approval.

I believe we need to pass such legislaton—both because it is right and in our national interest to do so. That's why I put in a bill setting forth sanctions against South Africa on the very first day of this session of Congress. And that's why on March 7, 1985, I joined Senators KENNEDY, WEICKER, and several other of our colleagues in introducing S. 635, the Anti-Apartheid Act of 1985. We had extensive hearings on that bill in the Banking Committee—but he Senate never had a chance to vote on it. Instead on July 11, 1985, the Senate passed S. 995, a bill that was reported out by the Foreign Relations Committee, by a vote of 80 to 12. Although I think the Senate bill made a good start in demonstrating American opposition to apartheid—I favored the bill passed by the House on June 5 by a vote of 295 to 127.

I hope the few Senators who oppose this legislation will let us vote on it today and send it to the President prior to our August recess. It is important to do so.

The French Government reacted swiftly to the recent escalation of violence in South Africa by barring new investment there by French firms. The U.N. Security Council last Friday also condemned the situation in South Africa and recent actions by that Government. The United States must also act at this crucial time. The administration will not move—it is paralyzed and clings tenaciously to its discredited policy of constructive engagement. By agreeing on a bill today the Congress, at least, will send a clear message to the South African Government that it must move beyond a policy of maintaining order through an armed repression of dissent. The Government must begin a dialog with black leaders about how to carry out nonviolent change and an eventual end to apartheid. Bishop Tutu and other black leaders have made it clear they are eager to begin such talks.

Americans have always understood that governments must, if they are to have legitimacy, obtain their power from the consent of the governed. I am afraid that until South Africa has a government that is based on the consent of all its people, and not just the small proportion of the population that is white, there will be serious and tragic trouble in that land. It is in America's interest to encourage nonviolent reform in that country and that is the purpose of the legislation being considered by us today. Let us move to pass this legislation without further delay. Let us put a clear statement of U.S. policy on the books. I do not exaggerate when I say the world is watching what we do here today.

● Mr. EAGLETON. Mr. President, I support these very limited sanctions on South Africa. I do so not for the impact it will have on the Government of South Africa in changing its repugnant white supremacy policy of apartheid, for it will have little. I do so as a means of registering collective protest against legally sanctioned racism.

The history of sanctions is one of noble purpose and flawed results. For example, sanctions were attempted against Mussolini in response to his invasion of Ethiopia and in the Spanish Civil War, both in the 1930's, and they failed. Responding to Poland's declaration of martial law in 1981, the United States imposed economic sanctions on both Poland and the U.S.S.R. They had no discernible effect.

Effective sanctions against South Africa would require the rigorous and scrupulous participation of dozens of nations. Even assuming the fullest cooperation of France, which recently announced economic sanctions, the very limited U.S. sanctions called for in this bill will have only a miniscule impact, if any at all, on the industrial and commercial life in South Africa.

Thus, our vote on this bill is, in all candor, a symbolic one. It is a message from the American Government that declares South Africa's policy of apartheid and its various schemes of enforcing that policy, including the current "state of emergency" martial law, to be abhorrent.

In so condemning South Africa, we must be mindful of our own history of legally sanctioned racism.

We must remember that our Government was founded with slavery written into the Constitution. Heroic men of good will—Washington, Jefferson, and Madison—knew slavery to be a vicious evil yet, slaveowners themselves, were politically helpless in removing it from our midst. Thus, an abomination was sanctioned in our Constitution.

Our Nation fought a bloody Civil War over slavery. In the war's aftermath, we thought we had excised it's presence from our society with three constitutional amendments.

The 13th—which abolished slavery.

The 14th—which guarantees to all persons "equal protection of the laws."

The 15th—which guarantees all citizens the right to vote regardless of "race, color, or previous condition of servitude."

Yet for close to 100 years after these amendments were adopted, America ignored their meaning and practiced a policy of white supremacy sanctioned by the Supreme Court itself in a noxious constitutional doctrine of "separate but equal rights." American blacks were in every respect second-class citizens. Not until 1954 did the Supreme Court fully abandon this doctrine in Brown versus Board of Education.

Even today, the legacy of slavery and "separate but equal" haunts us in terms of de facto segregated education and housing and black economic deprivation. Only last night CBS carried a story on Tunica County, the poorest county in Mississippi. Pictured in the story was a cluster of impoverished blacks living in roach-infested clapboard houses bordering an open stream of human excrement. When CBS began its examination of conditions in Tunica, the white officials in charge decided it was time to begin improving conditions in this area. One black interviewed on camera said, "It's still slavery. Now the chains are invisible, but it's still slavery."

Both America's segregated past and its remnants of economic inequality make us ill at ease when dealing with another nation's racial policies.

Do not misunderstand me. I am not comparing anything in 1985 America with 1985 South Africa. In terms of personal cruelty and crass inhumanity to mankind, 1985 South Africa tops the so-called free world in the indecency of its official policy.

That is why we wish to our very core that we could influence great change there.

But I fear we cannot.

There are certain conditions in certain places in the world where the dynamics of the situation are such that even a well-intentioned superpower is virtually powerless to bring about a solution. Northern Ireland is one. Lebanon, we have found in terms of the spilling of our own blood, is another. South Africa is a third.

Twenty-two million blacks, 70 percent of the population in South Africa, want to exercise the basic political and personal freedoms of mankind; 5.5 million whites, 18 percent of the population, want to continue the dominance that has been theirs for 200 years. South Africa's Government pays lipservice to the goal of ending apartheid, but its glacial pace ensures revolution.

The present crisis in which 25 blacks have been killed and 1,259 blacks have been jailed for political activity may abate. The "state of emergency" may be lifted. After all, it was 25 years between Sharpeville and today. Without meaningful progress toward ending apartheid, the manifest inhumanity will remain to fester; the seeds of explosion will remain to be nurtured.

Mr. HEINZ. Mr. President, I rise to commend my conference committee chairman, the distinguished Senator from Indiana [Mr. LUGAR], on the compromise reached with the House regarding the Anti-Apartheid Act of 1985.

It is a settlement that I fully endorse. It clearly demonstrates our Nation's abhorrence of apartheid, with sanctions that are far more than merely symbolic. Yet, very importantly, the compromise bill also permits our continued presence in South Africa, as long as that presence is tied to the commitment to work against apartheid and for reform from the South African Government. U.S. companies that choose to remain in South Africa would be bound to subscribe to and follow the precepts of the Sullivan principles of fair play and nondiscriminatory employment. Thus, the final compromise package combines both the carrot of continued investment along with the stick of sanctions that I believe are necessary if the dismantling of apartheid is to become a reality.

Mr. President, I endorse the conclusion of the conference that the United States can best contribute to the ending of apartheid if it retains a physical presence in South Africa, and if such a physical presence is a force for economic and political change. While a "no new investment" section—which amounts to phased-in disinvestment—would have greater initial impact, once implemented its leverage is gone. An ongoing U.S. business presence in South Africa, actively lobbying for political change and creating economic and social change by force of example, in my judgment, is a more powerful tactic over the long term, and this is clearly a long-term battle. In that regard, the Sullivan principles have made a significant contribution toward bettering the lives of black and other nonwhite workers in South Africa. They have made the U.S. companies subscribing to them become a positive force in that troubled land, a symbol and a model of fairness and equity in economic and social relations between businesses and their nonwhite workers. But those principles—and foreign company adherence to them—needs to be strengthened.

The conference compromise is a good bill, and it provides a number of significant sanctions on the Government of South Africa. However, if there were not such strong reasons for avoiding a long and decisive battle over amendments earlier on the Senate floor, I would have favored a number of amendments to strengthen the sanctions contained in the bill. Most importantly, I would have favored an import sanction for foreign companies that failed to subscribe to the Sullivan principles or a similarly stringent code. That is a provision which very well may become relevant and necessary in the future if the Europeans and Japanese adopt policies that undercut the mandatory Sullivan principles mandated in this bill.

The terrible events of the past 6 months in South Africa have been the catalyst for this package. But, sanctions against South Africa were inevitable, given the moral repugnance of the system of apartheid.

I have come to the conclusion that it is time for the U.S. Government to move decisively away from the policy of "constructive engagement," in which our American patience was mistaken by the Government in Pretoria as an indication of acquiescence—or even approval—of the policy of apartheid. The passage of this bill should be seen as a death knell for that policy and a very significant symbolic gesture, one which begins the process of disassociation of the United States from the oppressor in South Africa and places our Nation in support of the oppressed.

Mr. President, there will be those who will say that this bill contains some awfully strong medicine, and that such remedies should be used only in extreme situations. My response to them would be that the disease of apartheid is so debilitating to the nonwhite citizens of South Africa that only strong remedies are likely to work. Let us not forget that South Africa is the only nation in the world where legalized and institutionalized racism is a cornerstone of public policy. This means that nonwhites are denied the fundamental right of citizenship which underpins civil rights and political liberties throughout the West. From that premise follows the absence of property rights, the pass laws restricting movement within the country, and all the other hated laws and regulations that implement apartheid. The homelands—or Bantustans—policy is but the most recent manifestation of a system that is based on the proposition that more than 80 percent of South Africa's population are nonpersons, completely at the mercy and whim of the Central Government.

Mr. President, the South African Government would most likely respond to my points about the lack of civil rights and liberties by saying that favorable economic opportunities for blacks in South Africa offset whatever political privation they may suffer. But are conditions really good for blacks there? In black areas infant mortality is 15 times that of whites. One out of two children die before the age of 5. Half the children under 10 suffer from malnutrition. All this is occurring in one of the most advanced technological societies in the industrialized world, not in the poorest of the poor less developed countries where one would expect such statistics. These tragic numbers are a logical result of the public policy pursued by the Government of South Africa.

The shame, Mr. President, is that it took the deaths of hundreds of blacks and the declaration of a state of emergency—in effect the terrible happenings of the past few months—to induce action. If only we had made it clear to the South African Government that if it continued to violate basic human rights we would begin to sever our economic ties, then perhaps things might not be as bad as they are now. The Export Administration Act of 1984, which I played a major role in drafting and managing, contained a number of the sanctions contained in the bill before us. Unfortunately, the House and Senate failed in their attempts at compromise. I am pleased, however, that important elements of that bill were incorporated into this package, particularly the ban on bank loans to the South African Government and the compulsory Sullivan principles. I am also pleased that the conferees agreed to a ban on the further importation of Krugerrands, a provision which I strongly supported in conference.

Mr. President, the greater the support for this bill the less the chance there will be a Presidential veto. I say to my colleagues, those of you who have reservations about the effectiveness of this bill, consider the strong possibility of other countries following our lead and example. In view of France's decision to impose sanctions and the EEC's resolution to call back their ambassadors for consultation, a continuing snowball effect is not at all unlikely. I call on you to join with me in strongly endorsing this bill and to send a message to South African and to the world that the days of apartheid are numbered.

Mr. SYMMS. Mr. President, on July 11, 1985, the Senate took what I view as inappropriate and thoroughly irresponsible action by passing the South Africa sanctions bill. Though the bill is intended to hasten the demise of apartheid, its effect will be to harm the very people it claims to help. Yesterday, the conference committee resolved the differences between the two bills, and wound up with legislation that is more punitive than the Senate bill.

This is the wrong approach to ending apartheid, and I reject the contention of some Members who are trying to legitimize their actions against South Africa by saying blacks are willing to suffer and lose their jobs for freedom. I do not deny that blacks want freedom, as they deserve, but I doubt very much that they want their homes destroyed, their lives threatened, or their country destroyed by radicals who do not want reform but want revolution and power. If it is true that House Members supporting sanctions are acting in the blacks' best interest, then why did the House of Representatives overwhelmingly reject a proposal to poll South African blacks about their feelings about disinvestment? Could it be that the majority in the House are not actually concerned with what blacks in South Africa want America to do to help them?

I would like to ask my colleagues who support these sanctions if they have ever heard of the Schlemmer poll, which proved that 75 percent of South African blacks oppose disinvestment. Some have questioned the

methodology of that study, but it was above reproach. Some said that blacks are afraid to say what they really think about disinvestment, but the poll was conducted with blacks interviewing blacks. So all these arguments when brought to light fall flat on their face, and the glaring truth is that Washington politicians are only pandering to the national news media, which is driving this issue. They show no concern for the welfare or the wishes of the blacks in South Africa.

There is still considerable debate in the international community regarding the best way to eliminate apartheid. Recently, my colleague from Massachusetts remarked approvingly on France's imposition of sanctions. But he failed to mention Great Britain's position toward South Africa, which I feel is both humane and moral, unlike the French position. Last Tuesday, British Foreign Secretary Sir Geoffrey Howe said that South Africa's policy of apartheid is "abhorrent in moral and social terms" but that his Government is still "firmly opposed to economic sanctions of any kind." Howe repeated his Government's official position saying, "The effects of economic measures would of course be felt most keenly by black South Africans."

While man's inhumanity to man is always abhorrent, ignoring it is a far greater offense. Unfortunately, injustice to blacks only draws attention and press coverage when the injustice is caused by whites. Time and again black crimes against blacks go unreported, while white crimes against blacks are front-page news. My question to my colleagues who support sanctions against South Africa, but ignore the greater abuses in other African nations or in Communist countries is—"Are we really not being racist ourselves by concerning ourselves solely with white injustice against blacks?"

Currently, the South African Government has been forced to invoke emergency powers in an attempt to control the enormous amount of especially vicious violence, much of which is blacks killing other blacks who are viewed as collaborators, and mob attacks against policeman, many of whom are black, forcing them to respond in self-defense. In other words, while the Government of South Africa is criticized for detaining persons without due process, there are blacks in South Africa being slaughtered by other blacks without proof of guilt, and without trial.

Desmond Tutu himself is speaking out vigorously against this black violence, and pleads that he will be forced to leave his beloved South Africa if these savageries do not end. Nightmarish events, such as the one about a black woman being axed to death, and her body burned by a black mob because she had allegedly violated the boycott against white-owned stores are becoming commonplace. The networks have shown film footage from South Africa—from Duduza, of another young black woman, accused of being a police informer, who was stoned and set on fire by a black mob. As the woman in agony tried to rise from her knees, her body ablaze, a bystander kicked her viciously in the head. Clearly, the ends do not justify the means; this type of hideous behavior makes one question the ugly influences in the antiapartheid movement, and as Tutu himself said, "whether South Africa's blacks are ready for freedom."

Let me quote from Oliver Tambo, the head of the Soviet-controlled African National Congress. Tambo declared, after the first executive gathering of the ANC since 1969 in Zambia, that an intensified war would make it difficult "to distinguish between soft and hard targets." A Radio Freedom ANC broadcast from Marxist Ethiopia vowed that black killings in South Africa would be on the increase, and that the ANC would target so-called "collaborators," that is, anyone suspected of trying to work solutions out peaceably with the Government, of those living in the homelands, and of the colored and Indian members of the tricameral Parliament. Let me read from a Foreign Broadcast Information Service release from July 23 of this year, an interview from London's The Guardian with an ANC official.

This official, Joe Slovo, who calls himself chief military planner for the African National Congress, states that the ANC's highest priority is to "build up and expand its underground cells." He remarks on the growth of internal leadership, and the appearance of the United Democratic Front. The South African Government has been criticized for linking the UDF with the ANC. However, this ANC official acknowledges that "many UDF leaders are veterans of the ANC."

Slovo comments on the growth of the trade unions, and says that the fact that there are more blacks in unions than whites "creates the possibility of making the economy unworkable as well as the country ungovernable." So this is the ultimate objective, Mr. President, to make South Africa ungovernable. Do my colleagues know that the ANC, which has been exposed as being a puppet organization of the South African Communist Party, is in favor of the exact type of sanctions legislation that this Congress seems to be supporting?

Joe Slovo, who gave this interview, is a veteran member of the South African Communist Party. And the Communists' war against South Africa is on the increase. Slovo claims that the line between civilian and military targets is "becoming thinner and thinner." The ANC is asking black policemen to turn their guns on their masters. The interview notes the new development of death squads, which have been responsible for killing 11 people and abducting 25 black activists.

My colleagues should read the remarks of these ANC officials, and rethink their position on this issue. Some of the biggest promoters of sanctions in the Senate are the same ones that display horror at "right-wing death-squads" operating in El Salvador. They don't seem nearly as concerned about Communist death squads operating in South Africa. In fact, the do not speak at all about Communist hit teams seeking to undermine the strongest American ally in Africa. It would be hard to explain to constituents I guess that one supports punitive measures against an ally that will weaken its economic position, and therefore open it up to a more volatile internal situation, and yet oppose taking strong measures against countries that are our declared enemies, because we have to keep a "dialog" going with them. This type of attitude is reprehensible, Mr. President.

I repeat, the goal of this ANC terrorism, which has already claimed so many civilian lives, is to make South Africa ungovernable. I find it astonishing that some of the biggest critics of South Africa are the same people who believe U.S. support for freedom fighters in Nicaragua is state terrorism. Curiously, that is Moscow's line too. And of course, Trans-Africa, which has promoted the "Free South Africa" movement, believes the United States should provide aid to the ANC and SWAPO, both pro-Soviet terrorist groups, because the United States, according to Robinson, provides "arms to all of the right-wing heinous regimes around the world." Naturally, Robinson believes the ANC and SWAPO are liberation movements. How well I remember how other Marxist liberation groups freed countries like Vietnam, North Korea, Cuba, and Nicaragua. Too bad the free world media cannot concern itself with the plight of those in the Marxist-dominated states, because those governments no longer allow foreign media inside, nor is native free press tolerated.

On the PBS program, Capitol Journal last Friday, Robinson was quoted as saying South Africa is "the most vicious regime on Earth." It defies explanation that Robinson can justify that comment when Desmond Tutu can fly freely around the world criticizing the Government, and return home without fear of reprisal. Meanwhile Andrei Sakharov is confined in the bowels of the Soviet Union, his whereabouts unknown, and Lech Walesa is forbidden to travel outside

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Poland—and sometimes inside Poland too. But no protestors appear in an orchestrated campaign before the embassies of these Communist governments, the most oppressive system of government the world has ever seen. How can Randall Robinson single out South Africa's political system for criticism when in Liberia whites can neither vote nor own property? Is black-imposed apartheid less objectionable than white-imposed apartheid? As to justice, one particularly enlightened practice in Liberia applied to suspected criminals is to pour a toxic potion called sassywood down their throats. If they regurgitate the substance, they're considered innocent, and if they retain it, they are guilty. This practice is referred to somewhat clinically in the "1984 State Department Country Reports" as "trial by ordeal."

The press vilifies the South African Government for invoking emergency powers even though designed to put an end to the violence, to the lynchings, and to prevent mobs' taking the law into their own hands. How can the South African Government restore an environment in which blacks feel safe in dealing with white political leaders in renewing the political dialogue, when many local black leaders are resigning their positions in the community for fear of assassination?

Also, there is literally no condemnation, either officially or in the press, of the atrocities committed by Robert Mugabe's Marxist regime against other blacks. Again, is apartheid more press-worthy than the genocidal campaign against the Ndebele Tribe by Mugabe's death squads? Where is the concern for minority rights in Zimbabwe? Or is it tolerated because the liberals feel uncomfortable in pressuring a black dictator to behave in a civilized fashion? How many of us are aware that Mugabe has had an emergency decree in place, and has recently extended it for another 6 months? Unlike President Botha who is anxious to renew a political dialog with black leaders, Mugabe has called his rapidly diminishing political opposition "malcontents" and said bluntly that they can leave Zimbabwe if they don't like his rule. Where is the national outcry over this dictatorial behavior—where is the media outrage—or are all the news cameras fixated only on South Africa?

Mr. President, this is only the tip of a very large iceberg of African violence. To futher my point, I would ask unanimous consent that an article that appeared in the Wall Street Journal on Monday, July 22, 1985 be printed in the RECORD. This article was written by Mr. George B.N. Ayittey, who is a native of Ghana and an assistant professor of economics at Bloomsburg University in Pennsylvania. Mr. Ayittey argues eloquently the hypocrisy of the U.S. fixation on South African apartheid, and the ignoring of gross atrocities of the rest of the continent.

I would also like to include in the RECORD an excellent piece by a member of the opposition party in South Africa, which appeared in last Wednesday's Washington Post. I commend Helen Suzman for her clarity of vision in suggesting how the United States can constructively enhance political rights in South Africa.

I also ask unanimous consent that other articles on this subject be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 24, 1985]

South Africa: What the West Can Do

(By Helen Suzman)

What can be done by the West to speed up the dismantling of apartheid? Many options are under consideration, with disinvestment and sanctions much to the fore. If I thought these would work, they would have my unconditional support.

Not only do I not believe these campaigns would be effective I also believe they would be counter-productive.

I respect the moral motivation for disinvestment and sanctions. But, once gone from the South African scene, any good that may have resulted from American or European codes of employment conduct, for companies with interests in South Africa, will go by the board.

The Sullivan and European Community codes have certainly made businessmen more conscious of their social responsibilities, and have led to improvements in employment practices and also to assistance in education and housing.

More recently—perhaps because of the threat of disinvestment—organized business in South Africa has expressed its objections to the detention of trade unionists and is pressing for the repeal of influx control.

The vacuum left by the withdrawal of U.S. and European firms will be filled, if at all, by companies with less interest in the welfare of their black employees.

Moreover, if it is fondly imagined that the South African government will buckle under such pressures and abandon apartheid faster than it intends, this illusion should be immediately dispelled. Far more likely, far more in keeping with the temperament of the government and of the majority of the white inhabitants, would be the development of a siege mentality.

Nor should the idea be seriously entertained that economic hardship would lead to a successful black revolution, followed by a black majority socialist government to replace the white capitalist regime. It just is not on, as anyone acquainted with the ferocity and determination of the South African army and police will agree. Nor is there any guarantee that the replacement would be any better or more democratic than the present regime, should a revolution succeed.

That disinvestment, lack of foreign capital and imposition of sanctions would be effective as a punitive measure is undeniable. But it would not be selective of its victims.

Although the white South Africans would be affected, the major sufferers would be black—South African blacks and also blacks from neighboring states heavily dependent on South Africa for financial aid, grants, markets and jobs.

"Blacks don't care if there is mass unemployment," people say. I am on the receiving end of many requests from recent job losers for assistance in obtaining jobs, and I say that blacks who don't care are those whose jobs are not endangered or who have never had a job to loose.

My main opposition to any steps that inhibit economic expansion is that such action blunts the only weapon that blacks have or are in the process of acquiring—the economic muscle that accompanies upward mobility on the economic ladder by virtue of greater skills and increased consumer power. Too slowly, but nevertheless surely, blacks are obtaining the leverage with which to demand redress in the imbalances in power and wealth and privilege in South Africa.

It is totally counterproductive to put obstacles in the way of the economic forces that so far have led to changes that are more than cosmetic—trade unionism, skilled job opportunities, urbanization.

And it is counterproductive to drive whites, who are in growing numbers increasingly disillusioned with apartheid and who have begun to accept power-sharing, back into the laager.

I have to admit I resent the way in which people living many thousands of miles away from South Africa totally ignore the hundreds of thousands of white South Africans who abhor race discrimination and who have been fighting apartheid for years.

My party, with its policy of a no statutory discrimination and full adult suffrage with no domination, obtained 20 percent of the votes of the white electorate at the last election. We will do better next time, but not if the country is under grave economic stress. Liberalizing forces are not strengthened in such circumstances.

What can or should the West do to help bring apartheid to an end without causing chaos in South Africa? There are limits to what can be done from outside, if peaceful reform is the objective.

Most helpful would be for Western interests to stay in South Africa and use their influence with the government and white South Africans. Contact, not isolation, is needed. In one area only—sport—has isolation been successful in helping to break down segregation. It worked because of South Africa's longing to get back into international sport, but also because desegregation in sport did not affect the power structure. That there have been no rewards forthcoming in sport, I might add, is not conducive to South Africans making other changes.

U.S. and European firms should accelerate their efforts to uplift black participation in the South African economy. The latest reports on the implementation of the codes should have penalties imposed on them. The United States is considering making the Sullivan code compulsory for American firms in South Africa. I appreciate the problems in monitoring, but there have been positive results from the codes, and this should be considered.

The West should raise its voice long and loud against apartheid in general, and in particular against any outrageous actions by the South African government. Never mind about "double standards": South Africa claims Western values and must be judged as such.

I have no doubt that protest by Western envoys helped to un-ban people such as Beyers Naude and was instrumental in

freezing forced removals as at Crossroads. The South African government is more sensitive than one thinks. It does not enjoy being a pariah. It would like to be welcomed back into the Western community of nations.

But not at any cost. Rather should you aim at attainable objectives than adopt measures that could reduce the country to economic chaos, with totally unpredictable consequences.

Share the Power

(By William Raspberry)

The South African government is once again a day late and a concession short in its drive to forestall the inevitable. Conciliatory words that would have signaled a breakthrough a few years ago come across now as empty justification for the armed repression of the country's black majority.

The repression itself (invoked under emergency powers so sweeping that the press is forbidden even to print the names of those arrested and jailed) might have worked a few years ago to produce at least an uneasy calm. Now it serves only to radicalize the black population, threatening to turn what the government calls "riots" into what it fears most; full-fledged revolution.

The time-tested way of dealing with violent uprisings is to isolate the radical leadership while making serious concessions to the rank and file. South Africa is expert at isolating, incompetent at making concessions. Again and again, it makes concessions only after the thing conceded has ceased to hold even symbolic importance.

It concedes the permanency of its black urban population only after its "homelands" policy, under which, by definition, there would be no black South Africans, has been rejected by the entire world. It offers semicitizenship to its Asian and mixed-race population, hoping that the blacks will read that to mean "We must be next." With protest building both inside and outside the country, with police-provoked violence resulting in hundreds of deaths, with every funeral of every police victim threatening to launch the revolution, the government offers: what? A relaxation of the official ban on mixed marriages.

Now the offer is for negotiations between the government and the black leadership, negotiations with a view to power sharing. Listen to the government, and you get the impression that such negotiations are all it ever wanted, that the only reason for invoking the emergency powers now in force was to buy a period of peace during which the negotiations could move forward.

But first, you understand, the government must move to protect the blacks who are interested in negotiations from the black radicals bent on murdering them. The South African ambassador-designate Herbert Beukes sought to make that point on ABC-TV's "Nightime" the other night. Fortunately the Rev. Alan Boesak, one of the brightest new opposition leaders in the country, was also on that show to point out that the blacks being killed by blacks are not "moderates" and bridge-builders but men suspected of being collaborators, informants and quislings.

A Double Standard in Black and White

(By George B.N. Ayittey)

Apartheid is an abomination. But the sad fact is that many of the black African leaders who applaud sanctions on South Africa have themselves instituted de facto "apartheid" regimes in their own countries against their own black people.

The first characteristic of apartheid is its caste system: separation of people on the basis of race. White South Africans, who control the government, have refused to share meaningful power with the disenfranchised black majority. The standards of living of the whites are far higher than those of the blacks. The second feature is a dual system of justice: a relatively lenient one for whites but a swift and brutal one for blacks. The third is an intolerance of any opposition—the death of Steve Biko and the imprisonment of Nelson Mandela are well-known. The fourth is insidious repression of the black majority in general through such devices as the pass laws.

Now, if one looks beyond the issue of skin color, similar characteristics also can be found in many black African regimes.

Negotiations, in fact, may be the way out of the turmoil and injustice in South Africa. The ruling whites cannot be expected to concede voluntarily any principle approximating one man-one vote. But just as blacks in charge of what was then Rhodesia were willing to negotiate a reserve of political power to the white minority, so might the whites in charge of South Africa see the wisdom of negotiating a settlement with the black majority.

The prospects for such a negotiated outcome increase with every acknowledgment, implicit or otherwise, from the ruling white minority that the present situation is untenable, politically, militarily and morally.

The danger is that the government, once again being too clever for its own good, will try to negotiate with its own handpicked "trusties," rendering any agreement worse than useless.

The government knows which black leaders have the confidence of the majority of black South Africans—men such as Nelson Mandela and Walter Sisulu, imprisoned since the early 1960s, or Nobelist Desmond Tutu, who may be in prison before the current unrest is over.

If South Africa's whites really are ready for peaceful change (as opposed to buying time to retain their absolute power) they know how to do it. The fear is that they will, as has become their sorry custom, do too little too late.

ONE-MAN, NO-VOTE

In black Africa, the two classes are not whites vs. blacks but rather the elites (the educated class and the military) vs. the people (the peasants). The elite minority, which controls the government, does not share power with the people. As in South Africa, the elite minority disenfranchises the peasant majority. Until 1984, the peasants of Liberia could not vote in a presidential election unless they had property valued at more than $25,000.

Indeed, some African leaders who advocate majority rule and one-man-one-vote for south Africa do not give their own black people the right to vote. Many have declared themselves "Presidents for Life." Other black regimes are military dictatorships or farcical "democracies."

The standards of living enjoyed by the elites far outstrip those for the peasants. Contrast the plush and subsidized amenities for the ruling class in the urban areas with the dingy and wretched lives of rural peasants. In Mauritania, while the elites have access to subsidized tap-water supplies, the peasants pay seven to 40 times more for their water from sellers with donkey carts. In Zaire, officials each earn between $5,000 and $9,000 a month while a peasant is lucky to make $50 a month. Cameroon, with a per-capita income of less than $1,000 a year, is the world's ninth-largest importer of champagne.

The prices at which the rural poor sell their produce are dictated, not by market forces, but by government directives. They face stiff penalties and outright confiscation of their produce if they sell above the dictated prices. In Ghana, farmers receive less than 10% of the world market price for their cocoa. In Gambia, they receive less than 20% of the world market price for their peanuts.

In many African countries, when peasants run afoul of the law, justice is swift and brutal. Consider two cases:

In September 1981, a 43-year-old peasant woman, Kporkporvie Dada, was beaten to death by Ghanaian border guards for taking a gallon of kerosene across a border to a relative.

Phillipine Addo, a 27-year-old peasant who in 1982 attempted to smuggle $3 worth of cocoa into Togo, was jailed for five years at hard labor.

The ruling elites also smuggle, embezzle funds, plunder state treasuries and illegally transfer their booty abroad. If corrupt ministers are apprehended, the sentences tend to be light or nonexistent: forfeiture of the booty or mere dismissals or transfers. Some examples:

In Upper Volta (now Burkina Faso), at corruption trials in 1984, former President Sangoule Lamizana who could not account for about $1 million he was charged with embezzling, was acquitted. Three top officials of his government were ordered only to repay to the state money they had allegedly stolen while in office.

Three top officials of the Ghana Meat Marketing Board were merely sacked in 1984 for "gross abuse of office."

In Gambia, the attorney general, M. Fafa M'Bai, set up an Asset Evaluation Commission in 1984 to probe illicit enrichment. While the commission was sending questionnaries to 16 Gambians to explain their riches, Mr. M'Bai was illegally transferring about $180,000 to Standard Charted Bank of London. He resigned and then sought an injunction to debar the commission from probing his assets. The Gambian Supreme Court granted that injunction!

South African crackdowns on the African National Congress can be compared with those meted out to opposition elements in black Africa; many leaders have either outlawed political parties or have declared their countries one-party states and liquidated the opposition. Many opposition members have mysteriously vanished in Zaire, Kenya, Uganda, Zambia and Guinea.

There are also parallels between apartheid and black African regimes in the control of their populations. For example, black South Africans must carry passes that allow them only into certain areas; in black Africa peasants must contend with curfews and roadblocks. Only members of the ruling class have the passes or permits to sail through road barriers and break curfew hours. For the majority of others, harassment is the norm. Policemen have deliberately set their watches ahead in order to harass and extort money from "curfew breakers." Peasants in Ghana could not legally cross regional borders until restrictions were lifted last year by the military government of Flight Lt. Jerry J. Rawlings. (Some economic reforms demanded by the

International Monetary Fund have also been implemented by Mr. Rawlings, but he shows no signs of allowing political freedoms.)

Despite the parallels, world opinion tends to apply radically different standards of morality to South Africa and black Africa. If South Africa had savagely expelled its illegal black aliens, as Nigeria recently did; or if South Africa had resettled some blacks on "homelands" in the midst of a famine, as Ethiopia recently attempted, condemnations at the United Nations and in Congress would have been deafening. As if the skin color or the ideology of the tyrant makes any difference to the oppressed. Does one see demonstrations in front of culpable black African embassies in Washington or calls for sanctions against any black African countries? There are 16 million oppressed blacks in South Africa. But some 400 million people live elsewhere in black Africa, a majority under despotic rule. Why is so little attention given to their plight?

The U.N. does not condemn despotism in black Africa for fear of "interfering in the domestic affairs of sovereign nations." South Africa is not a sovereign nation, it might be argued—its government is illegitimate and unrepresentative of its people. But what black African government is legitimate and representative? Virulent condemnation of apartheid without parallel denunciations of tyranny in black African countries only serves to perpetuate the myth of black inferiority. Applying a lower standard of morality to black Africa betrays an insulting double standard against blacks.

REBUTTING RACISM

Some of the remaining support for apartheid may be caused by conditions in black Africa itself. When South Africans look across their border they see the same atrocities the black African governments accuse them of committing. Furthermore, these governments have, through misguided policies, reduced their economies to tatters. Ian Smith, the former white prime minister of Rhodesia, defended his refusal to hand over power to the majority by observing that black Africans were incapable of running a country and managing an economy. That statement was rightly denounced as racist and invalid, but black Africa's execrable economic record is not a convincing rebuttal.

To the majority of black Africans, the peasants, the whole apartheid issue is largely irrelevant. Many of them would affirm that they fared better economically under the white colonialists. To many, independence has meant oppression and economic deprivation. Indeed, back in 1981, many peasants in Ghana were calling upon the British to recolonize the country. If we had to die, I and many oppressed Africans would rather be shot dead in South Africa than in an independent African nation under black rule. It seems that only in South Africa does the killing and subjugation of innocent blacks prompt world-wide pressure for reform.

[From the Washington Times, July 29, 1985]

IN SOUTH AFRICA, SOVIETS TURN INVISIBLE SCREWS

The "winds of change" that drove the colonial powers—Belgium, France, Britain and Portugal—from the African continent brought great hopes for democracy and economic development. More than a quarter century has passed since the wave of independence began. The shining hope has been supplanted by dictatorship, repression, brutality, venality, starvation and despair now commonplace throughout the continent. The exception has been South Africa, long an enclave of prosperity and order.

Over the years, most recently in conversations with President Pieter W. Botha, I learned of the constructive changes and steady progress taking place in South Africa that would lead to the dismantling of the abhorrent apartheid system not by violent revolution and race war, but by a reasoned process. Mr. Botha spoke to me of the tremendous political risks he was taking to bring about constitutional and other internal reforms. He said, "We can see all of black Africa slowly dying, and we have no intention of abandoning our country to the same fate."

What South Africans once found unimaginable may now become a reality.

How curious it is to find the United States government expressing its "revulsion" at the South African state of emergency declared by the Pretoria government to put down a wave of terrorism in which an estimated 450 black South Africans have been the victims of systematic atrocities perpetrated by revolutionaries who also happen to be black. Would our State Department officials rather than South Africa decide that the lives and property of black people should not enjoy the protection of the law?

Ironically, the wave of violence washing over South Africa's urban black townships, bringing death to scores of black people at the hands of the revolutionary terrorists of the African National Congress, was generated in large part by the Nkomati accord, signed on March 16 last year between Mozambique and South Africa.

The crucial provision of Nkomati required Samora Machel, the Marxist leader of Mozambique, to close down the bases and facilities enjoyed by the African National Congress (ANC). This revolutionary movement has long been supported by the Soviet Union and has been under the political domination of the South African Communist Party for the past four decades. Mozambique had allowed ANC to use its territory to establish camps from which terrorist teams were infiltrated into South Africa. Mr. Machel immediately fulfilled his Nkomati pledge. The ANC's terror cadre was sent packing (to Zambia, Tanzania and Angola), and key personnel in the ANC political and terrorist command structure were expelled. ANC's terrorist operations were disrupted, and South Africa maintained the pressure by raiding ANC camps harbored by other neighboring countries.

President Botha's government has high expectations that Nkomati would signal the end of ANC as a terrorist probleim. Then they could divert much of their defense budget into expanding their economy, and resume the ponderous pace of the progressive integration of black, Asian and mixed-race South Africans into the country's economic and political system. This is the key point: To bring black South Africans into the political system would be to destroy the whole system of apartheid with its restrictions on areas of residence and property ownership.

Pretoria made this assumption, however, without considering that the only option left to the ANC, other than admission of defeat, was to mobilize their supporters inside South Africa, particularly in some of the black trade unions and in the United Democratic Front (UDF) coalition. Furthermore, for non-white South Africans, a climate of rising expectations had been created that encouraged militancy and pressure tactics to accelerate the sluggish pace of change. The dropping of a number of restrictive racial laws and the first officially sanctioned cracks in political segregation have contributed to that feeling of expectation, as has the fact that wages in South Africa are well above the African norm. Wages may be low compared with those in the United States, but they are so far above the norm for Africa that tens of thousands of blacks voluntarily leave their black-ruled bordering countries to take jobs in South Africa in spite of the inane, degrading humiliations of apartheid regulations.

ANC's regrouping after the Nkomati reverse was speedy. Last summer the ANC leadership held lengthy consultations with leading American anti-South Africa activists at the United Nations, then immediately went to havana to work out details on creating external diplomatic pressure against South Africa in the United States and Western Europe, in which U.N. agencies would play a supporting role. By last October, the plans were ready for implementation. The opening round in "making South Africa ungovernable" commenced with illegal strikes by black trade unions. Some of the leaders were arrested, and those arrests were the focus of protests in Europe and America in the first two weeks of November.

On Thanksgiving, the campaign of American protests and sit-ins against South Africa moved into high gear. The U.S. protest coalition, known as the Free South Africa Movement (FSAM), is spearheaded by Randall Robinson's Trans Africa, a lobbying organization. They have made clear their commitment to the ANC and to other revolutionary movements and regimes sponsored by Moscow in Africa and the Caribbean.

Since then, Mr. Robinson has given the national media a daily, carefully orchestrated "story." He has de facto "proprietary rights" over protest at the South African Embassy. Two or three prominent people are lined up in advance to get arrested, which is a perfectly convenient thing to do since the U.S. attorney for the District of Columbia has refused to prosecute anyone demonstrating at the South African Embassy, while vigorously prosecuting those who protest at the Soviet Union's Embassy. A press conference is held at which the prominent people make statements, and then a group of demonstrators selected well in advance by TransAfrica goes to the embassy, where they demonstrate and are arrested.

Having learned from the civil rights and anti-Vietnam war protests, today's demonstrators are neatly dressed, orderly, polite—and in the long run as dangerous as the ANC-inspired mobs who have killed more than 450 black South Africans since the present terrorism campaign erupted. "On camera," the protestors are concerned, as indeed, most of us are, with human rights and the abuse of power. But the FSAM agenda aims at persuading the U.S. government to help economically isolate South Africa from the Free World and thus assist in overthrowing it and replacing it with a Soviet-dominated, pseudo-"nationalist" revolutionary regime. The polite dignitaries on the picket line, knowingly or unwittingly, are acting to transform South Africa into an Ethiopia, a Uganda, an Angola, A Tanzania or a Zimbabwe—a process in which democracy has meant one man, one vote, one time! And no less a personage than Richard Lugar, chairman of the Senate Foreign Relations Committee, is lending himself, albeit unwittingly, to this demolition exercise.

That is the ultimate purpose of the economic warfare campaigns to end economic relations and isolate South Africa from the United States. TransAfrica's FSAM crusaders are not fazed by the fact that such economic measures would force America to depend on the Soviet Union as the sole alternative supplier of a variety of strategic minerals we now buy freely from South Africa. After all, TransAfrica consistently promoted the nasty little pro-Soviet regime on Grenada.

Does it matter particularly whether South Africa is ruled in five years time by a government allied with the Soviet Union? The answer is yes, because ultimately our continued freedom depends on it.

South Africa is essential to the strategic survival of the United States and Western Europe. That strategic importance is the result of her geology and geography; and it is not a fact that is going to change for many years. South Africa is the sole source in the non-Communist world of a multitude of rare minerals which are critical to the industrial and military strength of the West—among them chromium, platinum and vanadium. These and other rare metals form the exotic alloys that enable rockets and jet engines to withstand intense heat, and which strengthen submarine hulls against the enormous pressures of the deep oceans, and have many specialized functions in our high technology. There is one alternative source for those minerals—the Soviet Union.

Furthermore, geography has placed South Africa astride the shipping lanes traveled by the oil tankers carrying crude oil from the Persian Gulf across the Indian Ocean and around the Cape of Good Hope into the Atlantic. The government which rules South Africa can control the tanker traffic carrying the Gulf's petroleum to Western Europe, Latin America and the United States.

The leaders of the Soviet Union obviously are aware of this. In sum, the blunt fact remains that South Africa represents the jugular vein of the West, and that even if South Africa had no controversial and unpopular racial and ethnic regulations, that country would be a target of Soviet imperialism. The Kremlin would prefer to win world power without provoking us to resist. The name of the geopolitical game is, after all, as Sun Tsu told us 25 centuries ago, to subdue the armies of one's enemies without ever having to fight them. Therefore, they use what is called in Soviet jargon "active measures" that entail propaganda, subversion, agents of influence, disinformation and other techniques implemented primarily by the KGB in cooperation with all Soviet agencies and assets to bring about the gradual collapse of our will to resist.

In the case of South Africa, as with Vietnam 15 years ago, the multifaceted Soviet "active measures" campaign aims to persuade our leaders to forget that America's strategic viability will be at risk in South Africa for many decades—regardless of the political and racial complexion of its government.

Is there proof that the Soviets are engaging in "active measures" to promote an ANC rule over South Africa? Yes, in fact the only time in history that the Soviets ever publicly admitted that such "active measures" existed came in a statement to the U.N. General Assembly four years ago. The U.S.S.R. formally stated, "Efforts are under way in the Soviet Union to mobilize world opinion in the fight to eliminate colonialism, racism and apartheid in southern Africa. Active measures in this direction are being carried out." The Soviets even named some of the agencies implementing "active measures." They were the Soviet organizations run by the International Department of the Soviet Communist Party Central Committee in cooperation with the KGB that, in turn control the international fronts, among which are the World Peace Council (WPC), International Association of Democratic Lawyers (IADL), Women's International Democratic Federation (WIDF), and World Federation of Trade Unions (WFTU).

However, most Western public officials, public opinion molders, and particularly Congress and the media are hesitant, if not unwilling, to acknowledge the fact that the Soviet Union is seeking directly and through local surrogates to detach South Africa from the West, deny the West access to its strategic minerals and, sooner or later, replace its government with a regime more to Moscow's liking. Some argue that "nationalists" will take over ANC and expel the Marxists; but to date, ANC's Marxists have regularly purged "nationalists" who chafed under their strict discipline.

The bottom line is that it is irrelevant whether anti-America "nationalists" or anti-American Marxists seize power in South Africa. The Soviets undoubtedly would perfer to see a Marxist-Leninist regime of the Angolan Ethiopian or Cuban model take over. For many years, Soviet policy in the Third World has been to support any movement or regime so long as it was anti-American. They recognize that an ultra-nationalist or extremist regime determinedly hostile to American interests—Khomeini's Iran being a prime example—would serve Moscow's interest nearly as well in placing control of U.S. access to strategic minerals in hostile hands.

Without South Africa's minerals, America's high-technology defense industries would have to depend on the Soviets for those rare strategic minerals. If America did not buy minerals from South Africa, what price do you think the Soviets would set?

There is also a moral irony in this. Year by year over the past decade and more, as the urban black population has increased and skilled, educated black people play an expanding role in the modern urban economy, South Africa has been dropping racially restrictive laws and now is committed to opening the political power structure. On the other hand, Soviet gold, as Alexander Solzhenitsyn told us, is the product of the Soviet forced labor camps that constitute the Gulag Archipelago. Forced labor accounts for nearly all of Soviet mining operations. How the Soviet cynics must jeer to see America and Europe urging abandonment of trade with South Africa when their only alternative must be to line up at the Soviet trade counter and, therefore, to encourage the Soviets to expand their use of forced labor.

When the Politburo first considered how South Africa might be brought into the Communist camp back in Stalin's time, they used a classic tactic; develop a well-organized Communist Party and Communist underground; then penetrate and take over the African National Congress (ANC); organize a "popular front"; use terror to dispose of political opponents, demoralize the population, bring them under control and escalate into mass confrontational protests in order to elicit a stern reaction on the part of the government and police; then use that as the "justification" for a move into terrorist "armed struggle."

But in more recent years, in the Third World, the Soviets have recognized that it is sufficient that a government merely be anti-American for Soviet interests to be served. Of course the Soviets eventually would like to see traditional Marxist-Leninist parties ruling the countries of the Third World. But they realize that revolution by stages is less likely to alarm Western governments, thus they can avoid armed confrontations. After all, is the loss of one more slice of salami worth fighting over? In this type of "cold" conflict, all the tactics short of armed confrontation—propaganda, "active measures," disinformation and deception—play a very important role in undermining America's will to act in defense of our national interest, and, in the case of South Africa, in persuading our government to isolate America from South Africa.

From secret information provided by a high-level Soviet official who has now defected to the West, it has been learned that Moscow's overall plan has four main points:

Consolidate Soviet influence in Angola, Mozambique and Zimbabwe; at the same time enhance the military capabilities of these countries to act as Soviet surrogates; and provide aid sufficient to reduce their economic dependence on South Africa;

Strengthen the underground organization of the African National Congress and its fronts inside South Africa;

Weaken the South African military capacity and will to resist;

Increase the international political and economic isolation of South Africa through an intensified "active measures" campaign in Europe and America.

The international campaign for United Nations imposition of a total mandatory and binding international economic boycott against South Africa is spearheaded by various African states backed to the hilt by the Soviet bloc. Both in America and in the European countries who are South Africa's major trading partners, the campaigns are coordinated by the ANC's solidarity networks. (Shades of the various Central American solidarity networks, e.g., CISPES).

There is some peculiar self-delusion found among ANC supporters. Some back ANC because they see it as their revolutionary duty to support so-called "national liberation movements." Overall, they are a minority. Many more among the public figures in the so-called "anti-apartheid" campaigns understand that the brutal assassinations of moderate black spokesmen, community leaders, individuals known to oppose ANC, police officers and those who work in some capacity for the government, the atrocities in which ANC-inspired mobs hack and burn alive the infants, children, wives and other relatives of their victims or intended victims, the car bombs and sabotage are prima facie evidence that ANC is a terrorist group of the most vicious nature. Even Bishop Desmond Tutu has implored the militants to stop their reign of terror—or "I'll pack my bags, collect my family and leave," as he himself put it last week. But our activists omit from their calculations those atrocities perpetrated on blacks by the ANC and South African Communist Party and deplore the fact that the white government has declared a state of emergency to put down the terror.

At bottom, the excuses for ANC terrorism amount to "the devil made them do it"—the devil being South Africa's racial policies. When did the fact that you do not like someone's presumed politics give you the right to disembowel his wife and burn his children to death? Individuals are responsible for their own actions; no one who argues that a grievance against society justifies murder can retain credibility as a "human rights" advocate. Those who take that position may well believe that similar tactics should be applied in America. Even six generations after civil war and 30 years after the civil rights movement was launched, we have failed to construct the racial utopia that is demanded overnight of South Africa. Thirty-five million Americans are living below the poverty line—most of them blacks. Does that justify terrorism?

The fact that South Africa has scrapped many repugnant racial rules seems to have no impact on the anti-South Africa lobby. Perhaps with their minds made up, they do not want to be confused by facts. They want revolution.

The strategic needs of our own people should be the overriding concern of Congress, but the anti-South Africa forces, including the Marxists, are arguing that apartheid problem is not a political one capable of rational political solutions involving formulae for opening the South African political power structure by degrees to all the people. Rather, they say it is a moral issue. So they preach that "apartheid" is a sin, and that those "sinners" should stop sinning at once without respect to any other consideration such as transferring power in an orderly manner and maintaining social order. Pretoria, for its part, should begin by bringing black leaders, who renounce violence, into a new power-sharing system.

[From the Washington Times, July 30, 1985]

ANTI-SOUTH AFRICAN LOBBY TRACED TO LEFT-WING GROUPS

(By Arnaud de Borchgrave)

Dennis V. Brutus, 60, one of the most influential political leaders of the anti-South Africa lobby in America, told an activist audience in Washington recently that the key U.S. groups in the network against South Africa were the American Committee on Africa (ACOA); Washington Office on Africa (WOA); TransAfrica and the coalition it heads called the Free South Africa Movement (FSAM); and the Institute for Policy Studies (IPS).

If his audience was particularly pleased, it may have been because he was addressing an IPS seminar audience that was representative of those organizations. He himself is prominent in the U.S. committee of the London-based International Defence and Aid Fund (IDAF) and The Africa Network (TAN), and was co-founder of the American Coordinating Committee for Equality in Sport and Society (ACCESS), which took the lead in setting up protests against a tour by South Africa's Springbok rugby team.

Mr. Brutus was born in Rhodesia and is a citizen of Zimbabwe. He left South Africa for London in 1966, having become active with the African National Congress (ANC) in the early 1950s. His current role is to present the political action desires of the ANC to the intellectual leaders and activists of the American left. He is effective at that. With turmoil in South Africa having driven Communist expansionism in Central America from the headlines, The Washington Times will examine some key organizations of the Network against South Africa.

The International Defense and Aid Fund was established in London in the 1960s by South African "exiles" to raise funds to help defray legal defense costs for black South Africans charged with treason, terrorism and other serious offenses. Mr. Brutus has been involved with IDAF for many years.

As for the activist credentials of Mr. Brutus, from 1948 to 1961 he taught English and Afrikaans in various South African schools, became active in ANC, and founded the campaign to expel South Africa from international sporting events. The 1961-63 period encompassed ANC's first terrorist campaign and his ANC affiliation cost Mr. Brutus his government teaching post. He was arrested in 1963 for violating the terms of his banning and was released on pretrail bond.

Mr. Brutus' reaction to this was extraordinary. He promptly fled to Mozambique where he was arrested by the Portugese and extradicted to South Africa.

Mr. Brutus served an 18-month sentence on Robben Island where he was in the same work detail as Nelson Mandela of the ANC. Mr. Brutus claims to have hidden Mr. Mandela in his home while an underground fugitive. On his release, Mr. Brutus took his wife and seven children to London, where he led a number of campaigns organized by IDAF.

In 1978, the London Economist's prestigious Foreign Report published discussion documents by a Dutch support group for the ANC called Ikhela. The word means "spark" in Zulu, echoing Lenin's "Iskra" publication which was "spark" in Russian. Members of the Dutch leftist group came to support a "black nationalist" faction in ANC. In defense of that faction, which wanted to expel the white Communists from ANC, they commented that "since the very beginning, the politics of the liberation movement in exile has been under the domination of the South African Communist Party;" and that as a result of SACP dominance, only two issues "formed the backbone of the anti-apartheid politics: the disinvestment issue and the armed struggle."

Ikhela criticied the IDAF as "an inconsistent jelly-fish" that "appears to be Christian-motivated," but accepts a program politically "run along highly sectarian lines" and is "controlled by members of the South African Communist Party."

IDAF has received sustantial grants from the World Council of Churches, the U.S. National Council of Churches, and from the government of the Ukrainian Soviet Socialist Republic—in other words, the government of the Soviet Union. The Ukrainian SSR told the U.N. General Assembly it was "making regular contributions to the International Defense and Aid Fund."

There is no evidence in the public record that Mr. Brutus is a secret member of the South African Communist Party. In 1970, he moved to the United States to teach literature at Northwestern University. He did not come for political reasons or to seek political asylum; but, as he told The Washington Post more recently, because "Northwestern made me the best offer." Mr. Brutus has been associated with a number of anti-South African groups, and prominently with the U.S. Immigration and Naturalization Service tried for years to deport Mr. Brutus as an excludable alien under the McCarran Act provisions barring communists and members of communist-controlled organizations. The government was not willing to disclose to Mr. Brutus or his attorneys from Chicago's People's Law Office the sources of their intelligence concerning him. Declassified FBI documents and Justice Department legal papers have linked People's Law Office lawyers and staff to the terrorist Weather Underground Organization and to the Puerto Rican FALN (Armed Forces of National Liberation of Puerto Rico).

In 1983, after two years of proceedings, during which Mr. Brutus' cause was supported by Chicago Mayor Harold Washington, Cardinal Joseph Bernardin, former Illinois Sen. Charles Percy (who then was chairman of the Senate Foreign Affairs Committee), House Speaker Thomas P. O'Neill Jr., Sens. Howard Metzenbaum, Edward Kennedy and then Massachusetts Sen. Paul Tsongas, a federal judge granted Mr. Brutus political asylum in the United States.

[From the Washington Times, July 31, 1985]

KGB FRONTS PUSH CAMPAIGN TO DESTABILIZE SOUTH AFRICA

The protest campaign against South Africa corresponds to a pattern established by the Soviet KGB as one part of a broad "active measures" campaign that is being implemented by the U.S.S.R.'s "assets"—witting and unwitting—in the United States and Western Europe.

Is there collateral for that assertion? Yes, from the Federal Bureau of Investigation. FBI Assistant Director Edward O'Malley, in testimony before the House Intelligence Committee, held up as an example of "specific Soviet active measures, activities and operations in the United States" a conference of anti-South African activists in New York. Many of the initiators and leaders of the present protest participated actively in that conference whose "stars" were the political leadership of the African National Congress (ANC), which resumed terrorist operations against civilian targets in South Africa after the former Portuguese colonies of Mozambique and Angola achieved independence under Soviet-allied Marxist regimes and provided ANC with bases.

In 1961, at the instigation of the South African Communist Party (SACP), the ANC commenced a terrorist campaign. ANC formed a terrorist cadre called "Unkonto We Sizwe" (Spear of the Nation in Zulu), led by Nelson Mandela, who was not a member of the Communist Party but worked closely with it.

Not too long ago, the New York Times commented that Mr. Mandela would probably become the first black prime minister in the "new order" in South Africa. When he was on trial, Mr. Mandela delivered a statement in open court in which he said, "I admit immediately . . . that I was one of the persons who helped to form Umkonto We Sizwe, and that I played a prominent role in its affairs until I was arrested in August 1962." He said, "I do not deny that I planned sabotage," and continued, "I did not plan it . . . because I have any love of violence. I planned it as a result of a calm and sober assessment of the political situation. . . ." (Note: Quoted in the African Communist, official publication of the SACP, 3rd Quarter, 1964.)

The terrorist campaign failed. There was no rebellion, and the ANC and the SACP were outlawed and dwindled. They became primarily exile movements based in London whose publications were produced in East Germany. During the late 1960s and through the 1970s, ANC cadre received training in the Soviet bloc, Algeria, Libya, several Marxist African states and in Palestine Liberation Organization (PLO) camps. Johnstone Makatini, the ANC representa-

tive in Algiers during the early 1970s, now their U.N. observer, was responsible for organizing terrorist training for selected ANC members in the Soviet Union.

Following the Portuguese "carnation revolution" of 1974, pro-Soviet regimes took power in Mozambique and Angola which gave ANC training facilities after the 1976 Soweto riots produced a flood of new militant recruits. The camps were staffed by Cuban, East German, Soviet and other bloc experts. Selected ANC members were given advanced training in the Soviet Union, Cuba and several East European countries.

The principal coordinator of the Free South Africa Movement (FSAM) is Randall Robinson, executive director of TransAfrica, a self-described "lobby" formed eight years ago "to inform and organize popular opinion in the United States to advocate policies and practices that will help to achieve a more progressive U.S. foreign policy toward the nations of Africa and the Caribbean and peoples of Africa descent generally throughout the world." As translated into action, TransAfrica has promoted the interests of the ANC, SWAPO and Moscow-allied client regimes in Africa and the Caribbean. The link with the ANC has been open.

Recently, Dennis Brutus, a "political refugee" who successfully resisted U.S. efforts to deport him as an "excludable alien" under the McCarran act, and is one of the most influential interpreters of ANC's political wishes to the U.S. anti-South Africa movement, described the American Friends Service Committee (AFSC), Washington Office on Africa (WOA), American Committee on Africa (ACOA), TransAfrica and its Free South Africa Coalition (FSAM), and the Institute for Policy Studies (IPS) as providing the leadership for the U.S. anti-South Africa campaign.

Those ties are not recent developments. There was, for example, a conference on American divestment legislation supported by the United Nations Special Committee Against Apartheid and nine American groups in June 1981. Organizations taking leadership roles included the AFSC, ACOA, IPS, TransAfrica and WOA, along with several projects set up jointly and separately by these groups. ANC president Oliver Tambo had met with some of the leading figures a week before the conference in Atlanta. Others prominent in the conference were members of TransAfrica's board along with some leaders or communist front organizations used by the Soviets as vehicles for "active measures" and "disinformation" operations.

During the last four years, Mr. Tambo has made repeated trips to the United States for meetings with his U.S. supporters.

The October 1981 "Conference in Solidarity with the Liberation Struggles of Southern Africa," named by FBI Assistant Director O'Malley as a classic example of Soviet "active measures," had at least 20 officals of the ANC present. ANC president Tambo was unable to attend, but the ANC delegation "working" the conference was ably headed by Thabo Mbeki, Mr. Tambo's personal aide; Johnstone Mfanafuthi Makatini, ANC's chief U.N. representative; Yusuf Saloojee, ANC's representative in Canada; David Ndaba of the U.N. observer delegation, and others.

As violence erupted in the black townships of South Africa, Mr. Ndaba, administrative secretary of ANC's U.N. group who said he was involved in the Soweto riots of 1976, explained ANC's rationale for violence against black and colored moderates. The aim is to destroy by terrorism any alternative or moderate voice to the ANC and to use terror to bring the urban black population under ANC control. Any form of cooperation with the system would bring death and would demonstrate to black moderates that the government was incapable of protecting them from ANC violence.

Mr. Ndaba described the riots as "mass struggles carried out . . . to destroy the . . . institutions which make it possible for that regime to dominate our people. These mass political actions are accompanied by armed actions carried out by the . . . African National Congress."

Terming the violence that has killed an estimated 450 black South Africans "people's war," Mr. Ndaba noted that in a New Year's message last year, several weeks before South Africa and Mozambique signed the Nkomati pact that brought expulsion of the ANC from their Mozambican bases, Oliver Tambo called on ANC supporters "to make themselves ungovernable, to make apartheid institutions unworkable, and to challenge these institutions by confronting the most vulnerable links of the apartheid regime, and eventually, to change the racist rule in Pretoria."

The slaughter of black people at the hands of the ANC mobs did not seem to upset Mr. Ndaba, who said that "a number of black stooges have been killed; many heads of black townships have been petrol-bombed because the people are now challenging these collaborators. . . . The issue of black collaborators is becoming . . . a major issue." [NOTE: Interview was published in The Black Scholar, a Marxist monthly—contributing editors range from Angela Davis and several TransAfrica directors to leaders of terrorist Republic of New Afrika.]

During the congressional debates on economic sanctions against South Africa, many wondered whether U.S. measures to isolate South Africa were of any real significance. ANC's U.N. officials insist that the campaign against South Africa here is critical to their success.

Mr. Ndaba said at the start of the FSAM protests that "We will appeal to the black people in this country to take their place as the leading force of the anti-apartheid movement in this country. . . . It won't be until the Afro-Americans have taken the struggles . . . to the same level as Americans did in opposing the war in Vietnam that we will finally achieve our freedom." That ANC officials likened South Africa to "another Vietnam war" that produced over a million refugee "boat people" could indicate what lies in store for South Africa should ANC be victorious.

Mr. Ndaba said, "How long the struggle will be allowed to last depends to a great extent on how strong an anti-apartheid movement will develop in the United States to reverse the policies of the U.S. administration with whomever is in power—Republicans or Democrats. . . . It is true that the liberation of the people of South Africa will be brought about by the people of South Africa. . . . But the international community and Afro-Americans here can really play a complementary role. What we are saying is that this complementary role is indispensable. We can no longer do without your support, and the time for that support is now."

Mr. Ndaba's boss at the U.N. observer group, Mr. Makatini, confirmed the high value the ANC places on the U.S. anti-South Africa campaigns to ease the path for their armed revolution during his March 29 appearance on the MacNeil/Lehrer/Newshour. During the interview, Mr. Makatini said the current level of violent protests in South Africa meant people were reaching "the position reached by the ANC in 1961—that non-violence could not work against the apartheid regime." He continued indicating that ANC's 1961 venture into terrorist "armed struggle" failed in large part because South Africa was isolated and the neighboring territories were "under colonial domination themselves. . . . But today, they are potential rear bases, and nothing can stop that revolution Nothing."

Asked whether there was an alternative to violent revolution, Mr. Makatini did not directly answer. Instead he asked for "effective international action in the form of the imposition of comprehensive and mandatory sanctions against South Africa," and explained: "That would help to shorten the duration of the inevitable armed conflict. It would help lessen the loss of human lives. But nothing can stop the bloodshed now because we've been bleeding for the past 300 years, and it's soon that the bleeding has to be on both sides."

SOUTH AFRICA'S SURVIVAL ESSENTIAL TO UNITED STATES AS SOURCE OF KEY MATERIALS

Leaders of the U.S. network against South Africa concentrate on creating a public sense of moral repugnance surrounding apartheid and the injustices of the South African system. So far, so good. At least on the surface.

Censorship by omission, however, is wheeled into play when it comes to the U.S. national interest in maintaining a steady supply of strategic minerals. In the Free World, only South Africa produces many of the strategic minerals essential in defense and modern industry. To boycott South Africa would render the Soviet Union our sole source for these materials.

During the Rhodesian boycott, the Soviet Union quickly snapped up Rhodesian chrome—no compunction at all about trading through third parties with a white supremacist regime—and sold it back to the United States at a premium.

The politicians and "solidarity" activists of Europe and America do not have a monopoly on this sort of hypocrisy. When speaking privately with leaders of the black-ruled countries of southern and central Africa, I found a keen recognition that the economic survivial of their countries depends on South Africa.

Zambia, Zimbabwe, Angola, Mozambique, Botswana, Lesotho, Malawi, even Nigeria (albeit covertly), and other African states rely on South Africa for much of their technology and skilled technicians; for food and other imports; as an export market and for assistance in getting their goods to world markets; and for the foreign exchange earned in South Africa by their black citizens who find jobs there.

Revolution in South Africa would mean disaster for black Africans. Nevertheless, whenever the United Nations is assembled, its diplomats stand up and pronounce dire imprecations on the heads of South African whites while singing the praises of the African National Congress terrorists and blacks killing other blacks for "collaboration" with the government.

Among the U.S. groups that have pioneered the "moral" argument for sanctions against, and revolutionary change in, South Africa are the American Committee on

Africa (ACOA) and its "independent" spin-off, the Washington Office on Africa (WOA); the American Friends Service Committee (AFSC); TransAfrica; and the Institute for Policy Studies (IPS). Each has provided "moral support" and sometimes more to the African National Congress (ANC), whose Soviet-allied revolutionaries began committing acts of terrorism against civilians more than two decades ago.

AMERICAN COMMITTEE ON AFRICA

George Houser, founder and executive director of the American Committee on Africa, celebrated the 25th anniversary of the organization by writing a booklet history of the committee called "Meeting Africa's Challenge: The Story of the American Committee on Africa."

According to Mr. Houser, now retired from ACOA, the impetus for the committee arose in 1951 during London meetings between U.S. black activist Bill Sutherland and the editor of ANC's newspaper, "African World," who told Mr. Sutherland about ANC's plans to launch the "Defiance Campaign" of the early 1050s. When Mr. Sutherland returned to the United States, he told Mr. Houser, who then was executive secretary of the Congress of Racial Equality (CORE) and race relations secretary of the Fellowship of Reconciliation (FOR), about ANC's plans. Still, according to Mr. Houser, "We wrote to Walter Sisulu, the secretary general of the African National Congress . . . [who] responded eagerly, and in New York we decided to set up an ad hoc organization, which we called Americans for South African Resistance (AFSAR), in support of this campaign."

Mr. Houser reported that when the "Defiance Campaign" started in June 1952, its link to the ANC was Professor Z.K. Matthews, head of ANC's Cape branch, who had just arrived to teach at Union Theological Seminary. He remained in "constant touch" with ANC leaders in South Africa, and he was the source for bulletins issued by AFSAR. Mr. Houser also said that "AFSAR . . . raised several thousand dollars which, through Z.K. Matthews, was sent to ANC." When the ANC effort collapsed in 1953, AFSAR was reorganzied into ACOA. The "Defiance" support set the pattern for ACOA activities.

Mr. Houser's organization shifted its focus to supporting Algeria's National Liberation Front (FLN) whose eight year civil war was marked by atrocities and violence and repression that left one million dead.

Mr. Houser explained that "ACOA worked closely with . . . the FLN representatives in New York and at the U.N. Numerous public meetings were sponsored to call attention to the Aglerian struggle and to condemn the support the U.S. was giving France." He also recalled that ACOA was the first to display the flag of the FLN's provisional revolutionary government at public meetings in New York.

Mr. Houser claimed that "there is not a major liberation movement in southern Africa which has not received some support from ACOA." "Much of this," he volunteered, "has been done through the Africa Defense and Aid Fund . . . sometimes the assistance given is to cover the emergency needs of visitors to New York and U.N. or to liberation movement leaders traveling in the U.S. It may help with travel expenses, accommodations, telephone bills, etc. . . . In the case of some of the liberation movements . . . ACOA has taken major responsibility for raising the funds to make it possible for the organization to have an office and a full-time representative here."

During the 1970s, Mr. Houser described ACOA logistical support to "liberation movements" as including the supply of vehicles such as jeeps, Land Rovers and Volkswagen buses. Anti-communist and non-communist forces were slighted. For example, in Angola, there were three armed movements: The then-Peking-allied FNLA led by Holden Roberto, the Nationalist UNITA headed by Jonas Savimbi and the Soviet-controlled MPLA. According to Mr. Houser, "a lengthy discussion was held in 1970, and the decision was to recognize the primacy of the MPLA at that time." The Marxist-Leninist MPLA, with Soviet assistance and Cuban troops, fought its way to power in 1975.

ACOA's Washington lobbying activities were outlined by Mr. Houser. "ACOA," he wrote, "has consistently opposed U.S. policies" in South Africa. The organization's representatives have appeared on numerous occasions before "the appropriate Senate and House committees. ACOA has kept a full-time office in Washington since 1968. Funds for the Washington operation, according to Mr. Houser's organizational history, have been provided primarily by four religious denominations: "Methodist, Presbyterian, United Church of Christ and Episcopalian." When these churches wanted to take a more active role against South Africa, he explained, "ACOA's Washington office was transformed into the independent, jointly sponsored Washington Office on Africa."

Among the best known ACOA representatives have been Mr. Houser himself before his retirement; Jennifer Davis, a South African "exile" who replaced him as executive director after years as ACOA's research director; and New York attorney Peter Weiss, who was ACOA president for 10 years and provided a significant amount of funding to ACOA's tax-exempt spin-off, The Africa Fund, through the Samuel Rubin Foundation. Mr. Weiss has perfomed similar functions on the board of Institute for Policy Studies (IPS), which has cooperated with the ACOA on campaigns for legislation against U.S. bank loans to South Africa and other issues.

AMERICAN FRIENDS SERVICE COMMITTEE

The Philadelphia-based American Friends Service Committee (AFSC) increased the level of its southern Africa program in 1974 when it hired as program director Bill Sutherland, co-founder of ACOA. Mr. Sutherland moved to Africa in 1953 and later worked for the first government of Ghana under Kwame Nkrumah. He played a role in organizing the 1958 All African Peoples Conference in Accra. From 1963 to 1975, Mr. Sutherland was an employee of the Tanzanian Ministry of Foreign Affairs. When he went to work for the AFSC, he moved to Lusaka, Zambia.

The general trend of the AFSC southern Africa program was visible in the August 1977 16-member AFSC delegation Mr. Sutherland led on a tour of the "front-line" states. The proclaimed purpose was to "build relationships with the opponents of the status quo in southern Africa, particularly the liberation movements."

TRANSAFRICA

The principal coordinator of the Free South Africa Movement (FSAM) protest coalition is Randall Robinson, executive director of TransAfrica. The group was formed eight years ago "to inform and organize popular opinion in the United States to advocate policies and practices that will help to achieve a more progressive U.S. foreign policy toward the nations of Africa and the Caribbean and peoples of African descent generally throughout the world."

As this policy was translated into action, TransAfrica has promoted the interests of the ANC, the South-West Africa People's Organization (SWAPO) and Moscow-allied client regimes in Africa and the Caribbean. The link with the ANC has been open.

After graduating from Harvard Law School, Mr. Robinson worked in Tanzania as a Ford Foundation fellow before returning to Boston to practice public interest law. In 1975 he joined the staff of Rep. William Clay, D-Mo. Later he worked for Rep Charles Diggs, D-Mich. ACOA's former executive director, George Houser, wrote that his organization had "maintained a working relationship" with Mr. Diggs, who was chairman of the House subcommittee on Africa. Mr. Robinson was executive director of the Congressional Black Caucus before taking on the TransAfrica project. His brother is Chicago-based television newsman Max Robinson.

The roll call of past and present members of the TransAfrica board of directors includes Harry Belafonte; the Rev. Isaac Bivens, United Methodist Church Board of Global Missions, Courtland Cox; Dr. Carlton Goodlett, for many years a member of the Presidium of the Soviet-controlled World Peace Council and publisher of two San Francisco-area black community newspapers; William Lucy of the American Federation of State, County and Municipal Employees (AFSCME); R. Prexy Nesbitt, former IPS fellow who headed the World Council of Churches Program to Combat Racism; the Rev. Wyatt Tee Walker; and Ronald Walters.

The list shows a preponderance of personalities on the left wing of the American political spectrum with respect to South Africa and other social issues.

INSTITUTE FOR POLICY STUDIES

The Institute for Policy Studies (IPS), which has offices just off Dupont Circle in Washington has amassed a 20-year public record remarkable for its consistency in supporting disarmament (by the West), nonintervention against Soviet surrogates, but intervention against authoritarian governments aligned with the West, abolition of nuclear power (by the West), and the drastic curtailment of intelligence and internal security agencies (the American ones).

IPS and its subsidiary, the Transnational Institute (TNI), which has offices in Amsterdam as well as in IPS's Washington headquarters, play central roles in coordinating pressure campaigns on parliaments in Europe and on the U.S. Congress for such policies. In part, IPS exercises influence through a network of "progressive" congressional staff aides. IPS has acted as a conduit for Soviet and Cuban disinformation themes.

In 1982, the institute concluded a formal "exchange" agreement with the Arbatov Institute in Moscow and another Soviet agency, both used by Soviet intelligence for "active measures." The IPS/Soviet 1983 "Bilateral Exchange" conference in Minneapolis attracted Soviet GRU (military intelligence) Gen. Mikhail Milsteyn and others from those agencies experienced in "active measures" and political influence operations.

IPS Chairman Peter Weiss was president of ACOA for 10 years. Other IPS figures

have been affiliated with the committee. Members of IPS's Southern Africa Project and Militarism and Disarmament Project have played key roles in coordinating divestment and anti-bank loan campaigns in Western Europe and the United States. Indeed, the Committee to Oppose Bank Loans to South Africa operated from IPS's headquarters and ACOA's New York office.

Even more significant was the central role of a member of the ANC and the South African Communist Party Central Committee, Ruth First Slovo, in organizing IPS/TNI solidarity efforts, Ruth First was killed in 1982 by a parcel bomb which exploded at ANC headquarters in Maputo. Her husband Joe Slovo heads the ANC's "military" arm, the terrorist "Umkonto we Sizwe" cadre. The Lithuanian-born Mr. Slovo, a member of the SACP Politburo and the ANC Revolutionary Council, was a lawyer in South Africa until ANC and the SACP commenced terrorist operations in the early 1960s. South African authorities have identified him as holding the rank of colonel in the Soviet KGB.

Yes, apartheid is repugnant. But there is a lot more to the anti-South African campaign than meets the eye in the current deluge of press releases.

[From the Christian Science Monitor, July 23, 1985]

PRETORIA'S ECONOMIC FUTURE

(By Michael Spicer)

JOHANNESBURG.—International pressure on the South African government to change its racial policies can be effective—if it is the right kind of pressure. But the type of economic sanctions the United States Congress is in the process of approving are likely to be counterproductive: If effective, they would harm South Africa's economic future without strengthening the negotiating position of black South Africans.

The debate over disinvestment and other economic sanctions, conducted so vigorously over the past six months in the U.S., has had both positive and negative aspects for South Africans.

In the past, external pressure has played a part in promoting reform in South Africa. Just as sports boycotts have contributed to the process of integrating South African sport, so the sanctions debate has given impetus to coordinated South African business efforts to abolish apartheid.

South Africa's six employer federations represent English, Afrikaans, and black businessmen. When Sen. Edward M. Kennedy—a proponent of no new U.S. investment in South Africa—was in South Africa in January, the federations handed him a memorandum committing themselves to the fundamentals of a nonracial societty.

The disinvestment campaign in the U.S. has certainly had a pronounced educational effect on all the key players in the U.S.-South African equation.

The proposals accepted June 4 by the U.S. Senate would have the U.S. government strengthen the negotiating position of South African blacks by increasing scholarships for blacks and providing support for organizations actively opposing apartheid, and they would extend U.S. government loans and lending guarantees to black-owned businesses.

Those striving for evolutionary reform in South Africa are not so naive as to suppose that a vigorous process of bargaining between whites, other minority groups, and their increasingly activist black fellow citizens will be an entirely comfortable experience. But they believe that economic growth will not only make the process sustainable in removing the fear of many whites that negotiation is a game of "winners and losers" but will also offer a prize worth promoting moderation: a viable and expanding economy.

The impact of the disinvestment debate on the South African government is less easy to judge. Americans, accustomed to the difficulty of encouraging the Soviet Union, Poland, Cuba, and others to make reforms by means of sanctions, should by now understand that the most common political response to that threat is an assertion of sovereignty and noncompliance. Nicaragua is but the latest example.

This counterproductive side of pressure was demonstrated in President P.W. Botha's sternly inflexible performance when interviewed by Ted Koppel on ABC's "Nightline" in March.

The ruling National Party, faced by a sizable and vocal white right wing, cannot afford to be seen to be changing at America's behest. One ironic effect of the disinvestment threat from the US may well have been to encourage Pretoria to use more strong-arm tactics within Southern Africa.

The manifest absurdity of linking timetables for South African reform to the US election cycle compounds the concern that, as with the sports boycott, the target will be a constantly shifting one in which the confusion of motives and goals of the disinvestment lobby will encourage a constant upping of the ante. In this respect even the mildest of symbolic measures supposedly intended to "send a message to Pretoria" may turn out to open a back door to real and damaging disinvestment measures.

Blacks in South Africa, fragmented in many ways as they are, have pretty generally combined to oppose the Reagan administration's South African policy of constructive engagement, which they believe takes no account of their interests. Manipulating the moral imperative of Americans in the interests of resisting apartheid has become a goal common to black South Africans.

One of the most interesting cleavages, however, that may be observed in black South African reactions to disinvestment is the distinction often drawn between threat and reality. Many black trade unions, as willing as others to encourage the threat of disinvestment as a stick with which to belabor Pretoria, are ambivalent about the debate moving on to actual implementation of disinvestment of sanctions. That would conflict with the unions' interest in preserving or maintaining their power base, which can only be achieved if the South African economy is not damaged and continues to grow.

Economic growth has been a major factor in breaking down apartheid. In short, a rigid social, economic, and political order is incompatible with a modern industrial state. But political will is required to create an even more just and equitable society. In that respect, international pressure, if calculated on the basis of the limits of its leverage—although recognizing the potential for provoking a counterproductive defensive posture within South Africa—can act as an important spur.

Insofar as the United States has the capacity to influence developments in South Africa, it needs to do so with the long-term future of South Africa in mind. America's own historical experience should help US citizens understand that truism—and lead toward a policy aimed at strengthening black negotiating power, and not toward damaging a productive economic future which all South Africans are working to bring about.

[From the Washington Times, July 26, 1985]

THE SOUTH AFRICAN GOVERNMENT IS MAKING A GRAVE MISTAKE IN NOT INSISTING ON AN ANSWER TO THE QUESTION: WITH WHAT SHALL APARTHEID BE REPLACED?

(By William Rusher)

Watching developments—both good and bad—in South Africa, and the responses thereto in the United States and elsewhere, I am struck by the fact that South Africa is failing to make one extremely important point in its own behalf.

The typical discussion of South Africa and its problems, at least in the United States, opens with declarations by everyone present that South Africa's current policy of apartheid is "abhorrent," and then goes on to analyze some subordinate aspect of the problem: should the South African government release Nelson Mandela unconditionally? Should the United States bar further loans to South Africa by American banks? And so on.

Seldom, if ever, do the discussants pause to specify what ought to replace apartheid. For apartheid—meaning those laws that discriminate against blacks, and especially those that bar blacks from participating in the political process—cannot simply be abolished: it must be replaced by something else.

And I have come to the conclusion that the South African government is making a grave mistake in not insisting on an answer to the question: with what shall apartheid be replaced?

It is not a trick question, or an unanswerable one. In fact, there are dozens of possible answers to it, each with its adherents. But it is a difficult question, because every answer is, in one way or another, manifestly unsatisfactory.

The most clear-cut and sweeping answer, favored by many if not most South Africa blacks and many of South Africa's more extreme foreign critics, is summed up in the formula, "One man, one vote, in a unitary state." That is to say, simply confer the franchise on every adult citizen inside the present borders of the Republic of South Africa, regardless of race, and may the best man win.

This solution has at least the merit of simplicity, and is moreover the system followed (more or less) in most of the world's democratic societies. But South Africa is, without much question, the most piebald, polyglot society on earth: a nation in which a high European culture composed of 5 million English- and Dutch-descended whites, 2.5 million long-acculturated "coloureds" of mixed ancestry, and perhaps a million "Asians" of Indian descent, plus an indeterminate number of blacks, exists side by side with a numerically dominant group of primitive, tribalized blacks who 150 years ago possessed neither a written language nor the principle of the wheel.

I do not say that South Africa's American critics, if pressed, would refuse to argue that it should submit itself unconditionally to rule by this black majority. But I notice that they don't dwell on the subject any longer than they have to, and I am confident that they would lose, if they adopted such a position, a large portion of the sympathy the anti-South African cause enjoys in the United States, because most Americans understand instinctively the inevitable and disastrous consequences of such a "solution." The implacable evolution of Robert Mugabe's Zimbabwe into a one-party tribal dictatorship is an object lesson to everyone.

Apartheid in its present form is not the answer, either—as the South African government fully recognizes. But, as noted earlier, there are other ways of assuring every citizen of South Africa full and equal participation in the political processes that affect his life—most of them involving drastic partition of the present republic, plus consensual processes for matters of common concern. That is the direction South Africa is heading in already—the only sensible direction in which it can head. If it meanwhile insisted on more candor from its critics, it would succeed in demonstrating both the true difficulty of its problem and the wisdom of its unfolding policy.

[From the Washington Times, July 26, 1985]

The Dangerous Situation Does Not Mean Constructive Engagement Was or Is Wrong; It's the Only Policy That Holds Any Hope for a Just Political Evolution

(By Smith Hempstone)

Events in mineral-rich, strategically located South Africa, where President P.W. Botha declared a state of emergency Sunday, are fast approaching a point of no return.

In September, Mr. Botha—a moderate reformer by the lights of his 2.8 million fellow Afrikaners—introduced a new constitution giving limited political rights to the country's 3.5 million people of Asian and mixed racial origin.

This new constitution, viewed as window-dressing by liberals of all races and as dangerously radical by conservatives among the country's 4.7 million whites, conceded nothing to the nation's 24 million blacks beyond the small, impoverished, nominally autonomous tribal homelands established in 1979. As a gesture toward the 8 million urban blacks, many of whom have never seen these homelands, Mr. Botha threw them the bone of 38 local black councils, giving them at least some control over municipal affairs.

Implementation of the new constitution came hand-in-hand with the deterioration of the economic situation of South Africa, which is engaged in an expensive war against Angola-based Namibian guerrillas.

South African blacks not only are politically disenfranchised but are, in the main, confined to the lowest rungs of the economic ladder. Three million blacks lack work in a nation where unemployment compensation is virtually unknown. Even those who have jobs find themselves losing economic ground in the face of a wave of inflation that this year will exceed 16 percent.

Growing discontent with overcrowded black schools and inadequate housing fueled the political flames ignited by the new constitution. In disorders during the 10 months since then, 443 people—all but one of them black—have lost their lives. In the past year, 27 black mayors (and 213 other municipal officials) resigned amid accusations they were serving the cause of white domination. Of the 38 black municipal councils established by Mr. Botha, only five are functioning toady.

The state of emergency declared by Mr. Botha, the first called in a quarter-century of racial turmoil, unleashes the full power of the state against dissidents in 36 South African cities and towns.

The authorities already had at their disposal a massive array of legal weapons. In addition to these, any police or army officer now may arrest without warrant and hold any person for questioning for up to 14 days, and such detention without trial may be lengthened indefinitely by ministerial order.

Premises can be searched and property seized without written authority. The names of those detained cannot be published, permitting the government to wage war against its critics in silence. Curfews can be imposed, and there is no legal redress against the authorities for acts committed by them in the districts to which the emergency applies.

The last South African emergency declared—after the Sharpeville riots of 1960—covered 83 districts and lasted 56 days (under present legislation, a state of emergency is limited to one year).

During those two months, the police detained 11,503 people. Several hundred dissidents of all races were arrested this week in a widespread police dragnet.

What many liberals fear—not entirely without reason—is that this time extreme right-wing elements within the army and police may seek an Argentine solution to South Africa's unrest: the secret elimination of thousands of the government's foes.

It goes without saying that the Reagan administration should warn President Botha that such a policy would have disastrous consequences for white rule in South Africa. In this respect, it ought to be noted in passing that the ill-considered action of the Senate and the House in passing economic sanctions against South Africa earlier this month—the president has yet to sign the bill—is not going to add to American leverage. Once you have imposed sanctions, the threat of so doing no longer exists.

Mr. Botha has indicated in the past that the present constitution is not graven in stone, that he is willing to work out with representative African leaders a new "constitutional dispensation" that will address the legitimate aspirations of urban blacks.

There are moderate black leaders still interested in power-sharing with South African whites rather than their subjugation—Zulu paramount chief Gatsha Buthelezi, for one—and President Ronald Reagan ought to employ the carrot and the stick to get Mr. Botha into serious negotiations with them right now.

The dangerous situation does not mean that Mr. Reagan's policy of "constructive engagement" with South Africa (rather than ostracism) was or is wrong. On the contrary, it is the only policy that holds any hope for a just and peaceful political evoloution, rather than a bloody revolution in which there would be many losers and almost no winners.

What it does suggest is that this policy has not been effectively implemented. This is no time for the American embassy in Pretoria to be leaderless. Ambassador Herman W. Nickel, who has been recalled for consultation, has indicated that he is uninterested in returning, and he ought to be replaced immediately. Assistant Secretary of State for African Affairs Chester Crocker has run out his five-year string, and also ought to go.

Both men did their best, but Mr. Botha's declaration of a state of emergency is a measure of their failure. It's time now for some new faces and innovative implementation of a policy that is fundamentally sound.

[From the Washington Times, Aug. 1, 1985]

Abhorrent System: But Why do Blacks Still Come There?

(By Joseph Sobran)

My urbane friend and colleague William Rusher notes the comically repetitive formula with which South Africa's racial system is routinely censured: one is required to use the adjective "abhorrent." I think "South Africa's abhorrent system of apartheid" must be the most frequently repeated phrase since "Polly want a cracker?"

Now, nobody feels compelled to refer to "the Soviet Union's abhorrent system of communism," even though that system is obviously far worse than apartheid. The first distinction between forms of government is not whether they are democratic or undemocratic, capitalist or socialist, or even free or unfree; it is whether they are bearable or unbearable.

Apartheid, whatever else it has done, has not driven blacks out of South Africa; on the contrary, South Africa, even with apartheid, attracts black immigration. South Africa has no equivalent of the Berlin Wall; it has no need, as communist systems do, to treat its people as captives who must be prevented from escaping. It is necessary to cling to such basic facts during the storms of propaganda.

So why do we make such a point of calling apartheid "abhorrent"? It's a matter of informal etiquette, like smiling and nodding while shaking hands. It's supposed to show our benevolence toward black people and our detestation—embarrassment, really—at the very idea of white rule.

The white man has been deeply embarrassed about white rule, or "colonialism," for a generation. But we can take this too far: Africa has paid dearly for the biracial mania for getting rid of white rule. The last 25 years have been bitter ones for such newly free African countries as Uganda, Nigeria, Angola, and Mozambique, to name a few.

An article in the Wall Street Journal mentions a farmer in Ghana, who performed a strange ritual before a reporter: He sprinkled a few drops of Scotch on the ground, as a sort of sacrifice, and began a chant. His son explained: "He's praying that the British will come back and make everyone rich."

An English friend of mine tells of a recent trip to Jamaica, which he found sadly dilapidated. He told a native that it was his first visit there since the '50s, when the British still ruled the island. "Ah," said the Jamaican, "the good old days"—then caught himself, embarrassed at what he had admitted. Another friend, just back from India, met an Indian who has a recurrent dream that the British have returned. When he wakes up and finds they haven't, he cries.

Touching stories. They undermine the myth that colonialism was purely evil. In fact no empire can endure unless it brings prosperity to its provinces, as the Roman and British empires did. White rule had its benefits, not because it was white, but because white men happened to be the vehicles of civilization and the rule of law, even when their motives were selfish. The tragedy is that the colonial peoples got their independence before they had fully absorbed the civilized tradition. The poor Ghanaian farmer who thinks the British can magically bring wealth makes the same mistake as the doctrinaire racist: He thinks race itself is the key. But civilized habits are slow to develop and easy to abandon, as the history of Europe in this century proves.

In their way, the liberated African nations have been the victims of an obsession with race. They thought that getting rid of white rule would solve all their problems; and they dispensed with the good institutions that the white man had brought. It was right and natural that they should want independence; it was shortsighted to throw away the rule of law.

The American Revolution succeeded because the Americans were fighting less to get free of England than to keep the traditional freedoms of Englishmen. They were fighting not to destroy, but to conserve.

South Africa has several free institutions that are likewise worth conserving: the rule of law, a market economy, an independent judiciary, a free press. These should be reformed to extend their benefits to blacks, not sacrificed to crude majority rule, especially if such rule would have the character of the murderous mobs who burn and hack to death suspected government informers.

In order to conserve, as Edmund Burke said, you must be able to reform. But to reform you must also know what to conserve. And there are few signs that most of the people who want to destroy the "abhorrent system" even realize that they have anything to lose. They may find out only when they have lost it. It would be a bitter irony if, a few years down the road, South Africa's blacks were praying vainly for the return of white rule.

Seeking a Quick Fix:

Can It Be Achieved Without Patience?

(By Raymond Price)

Confronted with a wrong, many Americans have a compulsive urge to do something about it, now. But in a sensitive, explosive situation, "now" can be the worst of times.

One of the wisest of Britian's colonial administrators, Sir David Trench, then governor-general of Hong Kong, commented to me nearly 20 years ago about what he saw as a characteristic flaw in American foreign policy. Americans, he said, "seem to have a passion for tying up all the loose ends. Out here, it's often better to leave a few loose ends dangling."

He was right. Patience with "loose ends" is particularly needed when engineering social transformations that pose irreconcilable conflicts among the vital interests of contending groups.

For example, South Africa.

In such a situation, time is needed not only to allay fears and modify attitudes, but also to alter those conditions that make the present circumstances so intractable.

America's new relationship with China, for example, was made possible by deliberately leaving loose ends untied: in particular, by a carefully crafted formula that deferred resolution of the Taiwan issue. Both sides have lived, however uncomfortably, with an understanding that recognizes the principle of one China (a principle that both Peking and Taipei proclaim) but accepts the present existence of two governments. The dramatic evolution of mainland China suggests that time will, in fact, bring a way to bridge the unbridgeable gulf. As conditions in China change, an eventual voluntary union, under terms that recognize a special status for the Taiwanese, seems increasingly possible.

Some will argue that the Taiwan analogy is irrelevant: that the Taiwan dispute is political, and therefore tolerable, while the problem in South Africa is one of racial oppression and therefore intolerable.

However, branding a situation "intolerable" does not create an alternative that will be both tolerable and achievable. The Soviet hold on Eastern Europe is intolerable, but we and the Eastern Europeans have tolerated it for almost 40 years. We fulminate against it, but we don't send NATO armies crashing across the East German frontier—and we don't break diplomatic relations with the Soviet Union. We learned tragically in Hungary in 1956 that encouraging rebellion when we were not in a position to assist that rebellion was, to put it gently, not helpful.

Short term, there simply is no way to restore freedom to Eastern Europe. Long term, there is hope that Eastern Europe will evolve toward freedom.

Tolerating the intolerable, for a time, can be the price of achieving the unachievable. In activities as diverse as love, baseball, politics, and show business, timing is crucial. So, too, in diplomacy. Conditions change. Rulers change. Systems change. Attitudes change. Interests change. What one party to a dispute finds unacceptable today, it may find acceptable tomorrow.

In South Africa, the conflict is not simply black vs. white. The country's whites are also divided, some protesting that the pace of reform is too fast, others that it is too slow. (The nation's most powerful business leader, Sir Harry Oppenheimer, is pressing for more reform.) And blacks as well as whites have cause to fear a too-precipitate change.

To see cause for fear, all they have to do is to look north. Africa is a continental catastrophe. In Uganda—where another coup has just ushered in another regime, promising like those before it to redress the sins of its predecessors—the 100,000 Ugandans killed by their government in recent years have been black, not white. Some had their legs chopped off and were forced to eat the flesh of their fellow prisoners before they themselves were put to death. In country after country, the post-colonial history of the continent has been a tragic chronicle of hopes betrayed, of cruelty, tyranny, corruption, and failure.

In the world's haste to press independence on the African colonies, it was politically easier to be on the side of immediate "change" than to insist on the patience to prepare the way for it, and to accept for a while a temporary wrong in order to achieve a permanent right. Hundreds of millions of black Africans today are paying a terrible price for that impatience.

South Africa is changing. It will continue to change. With luck, change may come at a pace that allows South Africans, black, white, "colored," and Asian alike, to evolve a genuinely multiracial society that preserves the country's strengths while correcting its shortcomings. But achieving this will require leaving some of the loose ends untied. And it will require time, patience, and forebearance, not only from South Africans, but also from the world.

Is United States for Freedom in Africa—or Not?

(By Maj. Gen. Henry Mohr (U.S. Army Ret.))

The Soviet Union and its surrogates are gaining a stranglehold on the continent of Africa. A very senior U.S. military officer told me not long ago, "The Russians are walking across the entire face of Africa, practically unopposed."

Yet, free access by all nations to southern Africa's vast storehouse of strategic minerals is critical.

South Africa's policies may not conform to all of our ideals. However, it wasn't long ago that we practiced slavery in the United States. Women did not have the right to vote. A young United States of America would not, in those days, have accepted criticism by other nations of its internal policies, as we are doing to South Africa. Change takes time.

Essentially the same objections being thrown at South Africa were heard earlier about the policies of Rhodesia. People condemned Rhodesia's government because they thought it ruled the predominantly black country with a small white minority.

However, in 1979, Rhodesia had three blacks in its government out of a total of four government leaders. But under international pressures, Rhodesia's government fell. It is now a captive nation—part of the Communist Empire—under the new name of Zimbabwe. We can take no pride in our part of this sorry chapter of history.

Vital U.S. security interests are at stake in Africa. Our only dependable allies on the southern part of the continent are the Republic of South Africa and the UNITA freedom fighters of Angola. Strangely, we are allowing—even helping—surround the fiercely independent nation of South Africa with lustful, Soviet-backed Marxist nations. By yielding to a United Nations decision to turn control of Namibia over to a left-wing terrorist faction called SWAPO, current U.S. policy seems headed toward isolating the anti-Communist freedom fighters of UNITA in Angola from outside support they desperately need. This would leave South Africa encircled on all sides, with its back to the sea.

Angola is partially under a Marxist government, supported by 25,000 or more Soviet-backed Cuban troops, East German secret police and North Koreans. Namibia has become the pawn of diplomats trying to negotiate some Cuban troops out of Angola, perhaps at the cost of Namibia's right to selfdetermination and UNITA's hope for a free Angola.

The "recognized" Communist government of Angola is virtually a city-bound prisoner of the anti-Communist UNITA freedom fighters. Almost with no help, UNITA controls more than half of Angola, and has established an efficient government, operating openly throughout much of the country.

Considerable financial support for the Angolan Marxists comes from U.S. industries, such as Gulf Oil, which have reached an "understanding" with Angola's Marxist government.

The Communists have help from the U.S. Congress, too. It passed the Clark Amendment, which prohibits the U.S. from providing aid to UNITA, just as Congress, in an equally wierd action, has cut aid to the Contras in Nicaragua.

Heroic Angolan resistance to Communism has continued for a decade. It may win, in the end. But the U.S. State Department and Congress have some explaining to do. Is the United States supporting freedom in Africa, or is it not? As of now, neither our record nor our actions, in Angola and Namibia seem consistent with announced U.S. policy.

Impressions of South Africa

1. The Republic of South Africa remains the most interesting country I have ever visited. This hasn't changed during my twenty

years of personal involvement—from a Foreign Area Specialist/Student at University of Witwatersrand in Johannesburg to this most recent visit. During this time I have travelled to all corners of this beautiful country and all the surrounding countries/areas as well: Rhodesia/Zimbabwe; Southwest Africa/Namibia; Basutoland/Lesotho; Bechuanaland/Botswana; Swaziland; Angola; and Mozambique/Maputo.

2. I have always felt that external political pressure and threats will accomplish only small changes in the policy of Apartheid. It just drives the Afrikaner ruling group tighter into a laager. For example, the South African armed forces 25 years ago were almost totally dependent upon western sources (allies) for military power. Today they are almost totally self sufficient, producing all the army, navy and air force equipment they need for modern operations. Because third world groups have called repeatedly in the UN for economic embargoes and oil embargoes (never implemented), South Africa is today near self sufficient for power supplies. Their core energy system is based upon the world's largest coal reserves—billions of tons—enough to last 400-500 years. Much of the country's transportation is electrified—powered by electricity from giant coal-burning thermal power plants. Their need for petroleum is largely met by the world's largest and most advanced Oil-from-coal complexes. The government-financed, privately owned, profit making industry is operated by South African Synthetic Oil Limited (SASOL). There are now three gigantic SASOL plants built on top of huge coal fields producing the entire range of petroleum products from coal. There are petroleum-derivative plants circling the basic operation which siphon off residuals to produce over 100 byproducts; chemicals; gases; and feedstock for plastics and fertilizers. These huge areas look like something from a science fiction movie.

3. In my estimation, the integration of South Africa society is still decades away. It will come and will be driven by economics. This is a modern, industrialized society coexisting with primitive tribal customs and beliefs. The catalyst for change is the absolute requirement (growing all the time) for a skilled work force. This has produced a large urban non-white population which has become highly skilled in administrative and technical positions. In this category are all of the Coloreds (2.5 million), Indians (1.0 million), and long term urban blacks (maybe 10 million). Outside this group are blacks living in tribal "homelands" totalling maybe 10 million. These tribes are not homogeneous, but are separated by language, beliefs, customs, and organization. The Zulus are the largest tribe, and by far the most dominant, aggressive group.

The importance of the non-white, skilled urban worker is illustrated by two examples in the heart of white-run industry. Armscor is a government industry which designs and builds, or procures, equipment, supplies, ammunition for the defense forces. Armscor uses extensive non-white labor in the most sensitive areas. There is equal pay for equal work. White supervisors who can't get along and work smoothly with non-whites are fired!

In SASOL, the last two plants were built in record time (six years) by a predominantly non-white labor force and are run today by a highly trained work force containing many nonwhite technicians in sensitive positions. Again there is equal pay for equal work. Non-whites in industrial/urban areas are now able to own/build houses as they can afford with the land secured by 99-year leases. Very attractive government loans are available to non-whites for home finance.

4. Does all of this justify apartheid? Of course not. Are all non-whites moving up economically and socially? Of course not. I'm just providing some evidence for my idea of how the future will develop.

5. The ruling whites are by no means united on how to handle the situation. Even the dominant Afrikaners are divided among themselves. Some basic, rending changes must occur in key areas before political power will begin to move to non-whites. Some of these changes are in the areas of education, rural Afrikaner power, and the Dutch Reformed Church. Changes are occurring at a rapid pace. However, they are happening as the ruling Afrikaners see the need, not as the outside world would desire.

6. Some interesting observations of change on this trip:

a. Black policemen with pistols on their hip at Jan Smuts Airport.

b. Black policemen in highway patrol cars unaccompanied by whites.

c. Colored and black combat units in the Armed Forces, pulling border/combat duty in Namibia and Angola. Black and colored officers and NCOs training along with whites at SADF schools.

d. An evening at the Pretoria (heart of Afrikanerdom) Rotary Club provided these observations: The very impressive President of this Rotary Club is William * * *, who is colored; I noticed several colored and Indian businessmen in the group of 100+; there were a number of blacks, including a gynecologist at my table.

e. During a long discussion with Peter Botha, general manager of Armscor, he described their drive for productiveness and efficiency in these terms: "We are one of the most efficient industrial operations in the world. We cannot afford skilled labor turnover. Our black technicians are paid equal pay for equal work. When we have what appears to be mediocre production it often traces to an unmotivated work group and this often traces to prejudiced, ineffective white supervision at the foreman level. We recently fired a long term white supervisor who ignored two warnings about mishandling black workers. We no longer mix black and white when we start a new line. We go all-white or all-black with black supervisors and find we have no trouble." These are interesting observations from a white manager of Armscor, producing weaponry to preserve the present system.

f. Military magazines and newspapers are giving prominant space to the performance of black units and individual soldiers.

g. There are blacks everywhere in the big cities like Pretoria, Johannesburg, Cape Town twenty-four hours a day. There is no preoccupation with security by the whites. Their homes are much less secure than those in Washington, D.C.

h. Advertising and product packaging is strongly aimed at the huge black urban market.

i. In Cape Province, people are mixed and rubbing shoulders in the parks, on the beaches, in stores, restaurants, transport, literally everywhere. Colored housing areas are adjacent to white housing areas—the houses are the same quality.

7. Is all this a justification for apartheid? Not at all. It illustrates that the white ruling group is caught in an inexorable movement based on economic power. The non-whites will gain political rights. But it will come according to interactions and pressures inside South Africa and will take another twenty years. Millions of non-whites in South Africa are part of the establishment and have something to lose, even though they are unhappy about carrying passbooks, lack of political rights, and all kinds of demeaning racially-based customs. They are the best judges of when and how to push, not outsiders who won't have to lead the charge. The non-whites can paralyze South Africa tomorrow by simply stopping work. They will use their power eventually. Changes may be relatively non-violent compared to U.S. history and they will come much more quickly than in the U.S. South Africa has been an independent country only since 1910 and ruled by the Afrikaners since 1948. It took the U.S. from 1783 until the Supreme Court decision of 1954 to legally eliminate racial discrimination.

8. As stated earlier, the Dutch Reformed Church is virtually a State Church. It is powerful and a center of conservatism. It has evolved an interpretation of the Bible which makes the Afrikaner Volk similar to the Jews, as chosen people of God. Without any real basis in the scriptures, the DRC has largely ignored the entire new testament message and derived a doctrine which justifies the white Volk mission to build the country and take God's message to the (inferior) natives who will at some vague time be modernized and christianized. To do this work, the DRC has created "daughter" churches to carry its unique gospel to the various non-white groups. The religious/psychological support provided by the DRC for apartheid must weaken over time for a more liberal society to evolve peacefully or even semi-peacefully.

PAUL PEARSON.

WASHINGTON, DC,
June 19, 1985.

SIR: As South Africans visiting your great country, we are writing to you because we are concerned about the campaign for punitive measures being waged against our country in the United States.

Like all Americans, we also feel that things have to change in South Africa to bring about a situation of equality of opportunity for all who live in South Africa, regardless of colour, race or creed, in every area of endeavour—political, social, economical and educational. What many Americans apparently do not realise is that things are changing and that the pace of change is accelerating.

We see this as a welcome development and would not like to see the pace of change being slowed down or brought to a halt. We fear that the campaign for disinvestment or sanctions will do just that: it will slow down the pace of change.

It will do far more than that: it will punish the wrong people—those who want to bring about change and those who need it most—namely South Africa's black population who will be hardest hurt in terms of unemployment and economic deprivation if the disinvestment campaign succeeds.

If anyone believes that the Whites of South Africa can be browbeaten into a more reasonable frame of mind by making the Blacks suffer more, he is sorely mistaken. Quite the opposite will happen. Sanctions, therefore, can only reduce the changes of peaceful change in South Africa.

It is supremely ironical that the sanctions campaign is taking place now of all times—when things really are beginning to change. It gives the impression that South Africa is

being punished for changing for the better. What South Africa now needs is encouragement—not punishment, if the changes that have stated are to continue and accelerate.

One of the main accusations directed at South Africa is that it is governed without the consent of the majority. How is it to be justified that the very people who make this accusation are now acting in exactly the same way? The vast majority of South Africans—all of the Whites, almost all of the Coloureds and Indians and most of the Blacks reject disinvestment or sanctions. A scientific survey conducted by Professor Laurence Schlemmer of the University of Natal shows that 75 percent of all black South African factory workers are totally opposed to disinvestment. They will feel it most, after all.

That being so, what right have Americans to ignore the wishes of the vast majority of South Africans and increase their hardship and suffering at no cost or suffering to the Americans themselves. It is simply too easy to expect other people to suffer while one sits back in unaffected affluence in the safety of a distant land.

If the pace of change in South Africa is to be helped and quickened, South Africa needs more investment—not less, more job opportunities—not less, more education—not less, and above all, more encouragement—not less. Only by such encouragement and constructive engagement can we achieve what all reasonable Americans and South Africans wish to see: a South Africa in which all the people share equitably in the government, decision-making and the wealth of the land. We all want the same result, but we as South Africans think the methods advocated by the protagonists of punitive measures now, will not help to achieve the desired result.

F.G. BACKMAN,
Dr. W.R. HOODS,
T.L. GOUNDEN,
C.R.E. RENCKEN.
Members of the
President's Council
on South Africa.

Mr. WEICKER. Mr. President, I wish to first of all pay my compliments to the managers of the bill, especially my good friend DICK LUGAR for doing such an outstanding job. I am proud of him.

Mr. President, this is a historic moment in the proud history of America standing up for her ideals.

On January 14, I stood in front of the South African Embassy on Massachusetts Avenue. I said that the conscience of America had begun to move and that action would come on behalf of freedom in South Africa when the American people demanded it. Only 7 months later we stand on this floor to give final congressional approval to legislation imposing significant economic sanctions against South Africa. Decades of tolerant silence by our Government had deadened our sensitivity to the plight of the oppressed of South Africa and lent tacit support to the regime which oppresses them. The passage of this bill shatters that silence. It is a testament to the character of the American people that they have rallied to the cause which is before us today.

Mr. President, passage of this bill is not an academic exercise. What we are attempting to do is make a positive contribution to a moderate process of change in South Africa. Black majority rule is inevitable in South Africa; it will come by evolution or revolution. It is the hope of all who have been involved in this legislation that it will strengthen moderate forces in the black community and encourage the minority government to enter into a sincere dialog. The alternative to such a course is a holocaust for South African blacks and whites. I only hope, Mr. President, that our action has not come too late.

I want to congratulate some of those who have placed a role in passage of this measure. Majority Leader ROBERT DOLE and Chairman LUGAR have provided a timely and fair process through which the Senate could work its will. Senators PROXMIRE, CRANSTON, PELL, ROTH, DODD, MCCONNELL, and MATHIAS made valuable contributions to the drafting of this bill. Our colleagues on the House side, Congressmen GREY, BERMAN, WOLPE, and others built an overwhelming bipartisan consensus for H.R. 1460. But perhaps the greatest debt of gratitude is owed to the Senator from Massachusetts [Mr. KENNEDY]. His trip to South Africa focused the attention of the Nation on this matter. We have all been inspired by his passionate advocacy for an American policy worthy of her ideals and history.

Mr. President, on behalf of Senator KENNEDY and myself, I move to table the conference report, and I hope that everybody on this floor will soundly and roundly defeat Senator KENNEDY and myself.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut [Mr. WEICKER].

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Idaho [Mr. SYMMS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Mississippi [Mr. Stennis] is necessarily absent.

The PRESIDING OFFICER (Mr. STENNIS). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 0, nays 97, as follows:

[Rollcall Vote No. 168 Leg.]

NAYS—97

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Evans
Exon
Ford
Garn
Glenn
Gore
Gorton
Gramm
Grassley
Harkin
Hart
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stevens
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NOT VOTING—3

Goldwater
Stennis
Symms

So the motion was rejected.

CLOTURE MOTION

Mr. DOLE. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the conference report on H.R. 1460, the Anti-Apartheid Act of 1985.

Lowell Weicker, Nancy Landon Kassebaum, Arlen Specter, Dave Durenberger, Bill Cohen, Bob Dole, John H. Chafee, John Danforth, Al Simpson, Daniel J. Evans, Rudy Boschwitz, Bob Packwood, John Heinz, Frank Murkowski, Charles McC. Mathias, and Mark Andrews.

The following proceedings occurred subsequently:

Mr. DOMENICI. Mr. President, on behalf of the majority leader, I ask unanimous consent that for the purpose of rule XXII, the Senate be deemed to be in session on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOMENICI. Further, I ask unanimous consent that at 1 p.m. on Monday, September 9, 1985, there be 3 hours of debate on the conference report to accompany H.R. 1460, to be equally divided; that following the conclusion of the debate, at 4 p.m., the Senate proceed to vote on the cloture motion on the conference report on H.R. 1460.

Mr. BYRD. Mr. President, reserving the right to object, and I will not object, will the distinguished Senator indicate the parties between whom the time will be equally divided?

Mr. DOMENICI. The majority leader and the minority leader or their designees.

Mr. BYRD. I have no objection.

Mr. DOMENICI. Finally, I ask unanimous consent that the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I yield to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I ask unanimous consent that remarks I will make in explaining this parliamentary maneuver be included right after the tabulation of the vote so I do not have some Democratic opponent in 1988 waving this in front of me saying that I was for apartheid. A little explanation, I think, is in order.

It was my intention in moving to table the conference report to put the Senate on record on this issue before we recess. I regret that a small number of Senators have chosen to prevent final Senate action tonight, but as this vote indicates, there is overwhelming support for this conference agreement. I look forward to its passage in September by a strong bipartisan vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, let me indicate I am pleased the Senator has made his announcement for 1988.

UNANIMOUS CONSENT REQUEST

Mr. KENNEDY. Mr. President, I wonder if the majority leader would yield to me to propound a brief unanimous-consent request?

Mr. DOLE. Yes; Mr. President.

Mr. KENNEDY. Mr. President, I ask unanimous consent that we have a vote on the passage of the conference report on South Africa at 9 o'clock tonight.

Mr. HELMS. Objection, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. KENNEDY. I ask unanimous consent that we have it at 10 o'clock to-night.

Mr. HELMS. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. KENNEDY. I ask unanimous consent that we have it before we go into recess.

Mr. HELMS. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

ADJOURNMENT OF THE TWO HOUSES FOR THE AUGUST RECESS

Mr. DOLE. Mr. President, for the information of all Senators, it is the intention of the majority leader to bring the Senate back in session on Monday, September 9, 1985, at 12 noon. With that statement, I ask unanimous consent that the Senate now turn to the consideration of House Concurrent Resolution 179, the adjournment resolution.

The PRESIDING OFFICER. The clerk will state the resolution.

The legislative clerk read as follows:

A resolution (H. Con. Res. 179) providing for a conditional adjournment of the House from August 1 or 2 to September 4, 1985, and a conditional adjournment of the Senate from August 1 or 2 to September 4 or 9, 1985.

Mr. BYRD. Mr. President, will the clerk read the rest of the resolution.

The legislative clerk resumed reading of the resolution:

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, August 1, 1985, or on Friday, August 2, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Wednesday, September 4, 1985, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first, and that when the Senate adjourns on Thursday, August 1, 1985, or on Friday, August 2, 1985, pursuant to a motion made by the Majority Leader in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Wednesday, September 4, 1985, or until 12 o'clock meridian on Monday, September 9, 1985, pursuant to a motion made by the Majority Leader, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The Senate proceeded to consider the resolution.

Mr. BYRD. Mr. President, I thank the clerk. I merely want the Senate to know that under section 2 the leadership of the two Houses is empowered by this resolution to call the Congress back into session if need be.

Mr. DOLE. I thank the distinguished minority leader.

I ask unanimous consent that the mandatory rollcall vote required by 2 U.S.C. section 198 be waived.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

The question is on agreeing to the resolution.

The concurrent resolution (H. Con. Res. 179) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to

FIRST CONCURRENT BUDGET RESOLUTION FOR FISCAL YEARS 1986, 1987, AND 1988—CONFERENCE REPORT

Mr. DOLE. Mr. President, I understand we can now start the debate on the budget resolution. We do not have the papers yet, but we are going to make the same speeches with or without the papers. It will save us some time. I have a number of Members who have commitments later on this evening. We would like to complete our work this evening and that will begin the August recess. I have asked the distinguished chairman of the Committee on the Budget, who is prepared, to make his opening statement, and the distinguished Democratic leader of the Budget Committee [Mr. CHILES] who suggested this procedure.

I hope there is no objection to at least having statements made. We have been debating the budget for 6 months. I would think it could be something we could dispose of in a fairly short time this evening.

Mr. BUMPERS. Mr. President, will the majority leader tell us if we can have a time agreement on the budget conference report?

Mr. DOLE. I say to my friend from Arkansas that I thought about a time agreement. There was some hope we might have gotten the papers first, but we decided not to pursue a time agreement.

As I understand it, under the Budget Act, we can, without debate, move to shorten the time. I hope that is not necessary. Many of us are prepared to vote right now—we do not have the papers, but without a lot of debate.

I think both Senator DOMENICI and Senator CHILES can respond to questions and others who are opposed to it want to be heard. I think we would save some time if we started now on an informal basis.

Mr. BUMPERS. Is that going to be the end of the legislative agenda when we finish with this?

Mr. DOLE. When this vote is taken, you are safe. The country is safe.

Mr. DOMENICI. Mr. President, I am authorized to announce on behalf of the majority leader that he has two schedules for reconvening: Those who talk tonight come back on September 4; those who do not talk will come back on September 9. I guess that means I am going to have to come back on September 4. But clearly, I am not going to talk very long.

As a matter of fact, Mr. President, I believe the House is voting now and we should have the papers shortly. I do want Senators who are not present and who might be listening to know that we do not intend to debate this

matter very long. We have been at it so long that if the rest of my colleagues are not tired, I certainly am. But I am prepared for those who would like to inquire, either generally or specifically, what we propose in this budget resolution.

(Later the following occurred:)

Mr. DOMENICI. Mr. President, while we have been debating the budget resolution that has not been called up, I ask unanimous consent to proceed to the conference report on Senate Concurrent Resolution 32, the first concurrent resolution on the budget for fiscal year 1986.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

FIRST CONCURRENT RESOLUTION ON THE BUDGET

Mr. DOMENICI. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate Concurrent Resolution 32.

The PRESIDING OFFICER laid before the Senate the message from the House of Representatives.

(Conclusion of later proceedings.)

Mr. DOMENICI. Mr. President, I rise tonight in support of the conference report on Senate Concurrent Resolution 32, the first concurrent budget resolution for fiscal years 1986, 1987, and 1988.

That this conference report even comes to the Senate tonight, in my opinion, is a minor miracle. I must admit to my colleagues that I had serious doubts during this entire year about the possibility that we could get a budget resolution at all. As I said when we brought this budget to the floor of the Senate this past spring, the Senate Budget Committee performed an improbable legislative feat when it passed out, by 1 vote, a budget for this year.

I must admit that at times, I was pessimistic about the possibility of getting a budget for the Nation, a budget with real deficit reduction, but against what I consider to be overwhelming odds and overcoming a series of well-publicized events that I need not reiterate because they are well known personally by many and vicariously by everyone because of the publicity that surrounded them, but that would have doomed most other efforts, the Senate conferees are proud to bring to our Chamber tonight a conference agreement on the budget for the next 3 years to come.

This conference report contains the largest deficit reduction effort ever undertaken by the Congress. In fact, for those who want comparisons, it is the largest deficit reduction effort in the history of the Congress. That does not mean it ought to satisfy everyone, because we have a very strange situation. While this deficit reduction package is the largest, the deficits that they apply to are also the largest ever and clearly, the deficits that remain after this deficit reduction package will be extremely large in the opinion of the Senator from New Mexico for these times. It will save more than $276 billion from projected deficits during the next 3 years. Not even in the famous reconciliation effort of 1981 has the Congress been able to cut deficits by such a large amount at one fell swoop.

This conference report will reduce deficits in fiscal year 1986 alone by $55.5 billion. If the recommendations and mandates of this conference report are accepted and implemented entirely by the Congress, we will have deficits using the economics we started with some 3 months ago, of $112 billion by fiscal year 1988. This compares favorably to the goal this Senate set for itself 4 months ago of getting the 1988 deficit down to $100 billion.

I am not telling you that is what they will be; I am telling you that based upon this format, and this set of assumptions, that is what they are. Indeed, they could be substantially higher if any of the major economic components vary from those that we assumed.

Mr. President, at this time I ask unanimous consent that a table which summarizes the components of the deficit reduction portion of this conference report be made a part of the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPONENTS OF CONFERENCE SUBSTITUTE

[In billions of dollars]

	Fiscal year—			Total 1986 to 1988
	1986	1987	1988	
SBC baseline deficit	227.4	244.7	243.6	715.7
Revenue increases	−3.0	−5.1	−7.6	−15.7
Outlay reductions:				
Defense	−27.5	−45.2	−64.6	−137.3
Nondefense	−22.3	−30.3	−40.3	−92.8
Debt service savings	−2.7	−9.4	−18.2	−30.3
Total deficit reduction	−55.5	−90.0	−130.7	−276.2
Deficit in conference substitute	171.9	154.7	112.9	439.5

Note.—Details may not add to totals due to rounding.

Mr. DOMENICI. Mr. President, the Senate-passed version reduced the deficit by $56.2 billion in the first year and had a $295 billion overall deficit reduction over the next 3 years.

Lest I give a false impression, let me say that I agree with almost everyone in this Chamber, whether they vote for or against this resolution, who would conclude that we should do more. This is merely a second step following last year's first step in what will be a long road toward balancing this Nation's fiscal accounts. And if major components of the fiscal budget continue to be left off the negotiating table, either by the Congress or by the President of the United States, then the road will indeed be very long. At least that is the opinion of the Senator from New Mexico.

The Senate conferees in a bipartisan move offered a much larger package of deficit reduction. One would have reduced it by $338 billion from the projected deficit in the next 3 years. It contained adjustments in the cost-of-living increases for Federal pension programs, modest revenue increases, and more domestic reforms than what I bring to you today. I believe that this Senate would have approved such a bold plan, but unfortunately, as all of us know, the White House and House of Representatives had serious problems with some of the elements in that package. I have said before that I think it was the best package and far better than what we have now.

But whether it is a mistake or not, it was rejected by those who have much to say about what we can do. Thus, many of those ingredients are not on the table. I think we have done the best we can with what is there, so all of that is history and hindsight and I do not want to dwell on it tonight. The fact is that the conference report which I bring to the Senate is the best that can be done under the circumstances. We were able to get more savings than we expected from the House conferees and we were able to impose more reconciliation than we thought. In this regard I would point out that this conference report mandates $67.1 billion in reconciliation spending savings, $8.4 billion in reconciled revenues. Those reconciliation savings will put almost every committee in the U.S. Senate to work upon their return to make some changes in the legislation that they have within their jurisdiction.

Some are entitlements, others direct spending, and yet others are authorizing legislation which would reduce the level that the appropriators are authorized to spend. It will not be easy. We will probably have a conference when both bodies do their work, a conference at which 250 to 300 Members of both bodies combined will be spread into a number of conferences to work out that bill.

Although that will be onerous, many of us think it is the most significant part of this budget and the most significant tool to force policy changes on the Congress of the United States, both in the House and the Senate.

I ask unanimous consent that a table summarizing these reconciliation savings made by the Senate committee be printed in the RECORD at this time.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SUMMARY OF RECONCILIATION SAVINGS BY SENATE COMMITTEE

[In millions of dollars]

Senate committee	Fiscal year 1986		Fiscal year 1987		Fiscal year 1988		Total fiscal year 1986–88	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Agriculture, Nutrition, and Forestry		−1,250		−2,050		−4,600		−7,900
Armed Services		−100		−200		−300		−600
Banking, Housing, and Urban Affairs	−2,374	−2,814	−2,828	−3,685	−2,998	−3,821	−8,200	10,320
Commerce, Science, and Transportation	−328	−310	−133	−119	−135	−130	−596	−559
Energy and Natural Resources	−5,485	−5,403	−291	−147	−337	−314	−5,531	−5,570
Environment and Public Works		−200		−850		−1,050		−2,100
Finance		−3,307		−7,951		−10,908		−22,166
Governmental Affairs		−3,219		−4,421		−4,986		−12,626
Labor and Human Resources	−670	−170	−860	−535	−1,085	−960	−2,615	−1,665
Small Business	−448	−509	−564	−972	−1,060	−998	−2,072	−2,479
Veterans' Affairs	−300	−300	−400	−400	−450	−450	−1,150	−1,150
Total reconciliation (spending)	−9,605	−17,582	−4,494	−21,036	−6,065	−28,517	−20,164	−67,135
Total reconciliation (revenues)		+1,800		+3,000		+3,600		+8,400

RECONCILIATION SAVINGS BY SENATE COMMITTEE

[In millions of dollars]

Function and committee program	Fiscal year 1986		Fiscal year 1987		Fiscal year 1988		Total fiscal year 1986–88	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Agriculture, Nutrition, and Forestry:								
350—Reform farm programs		−1,250		−2,050		−4,600		−7,900
Armed Services:								
600—Reform military retirement		−100		−200		+300		−600
Banking, Housing, and Urban Affairs:								
370—Reduce and reform Farmers Home Administration rural housing programs	−1,585	−1,091	−2,046	−1,765	−2,113	−1,834	−5,744	−4,690
450—Terminate Section 108 loans	−4	−12	12	−46	−62	−78	−54	−136
600—Forgive debt service payment for certain public housing projects	−497	−1,567	−467	−1,567	−463	−1,567	−1,427	−4,701
600—Reduce public housing operating subsidies	−288	−144	−327	−307	−360	−342	−975	−793
Total, Banking, Housing and Urban Affairs Committee	−2,374	−2,814	−2,828	−3,685	−2,998	−3,821	−8,200	−10,320
Commerce, Science, and Transportation:								
370—Miscellaneous small reductions	−9	−6	−13	−11	−14	−13	−36	−30
400—Eliminate local rail service assistance	−19	−4	−20	−8	−21	−17	−60	−29
400—Allow construction differential subsidy paybacks	−200	−200					−200	−200
400—Levy Coast Guard user fees	−100	−100	−100	−100	−100	−110	−300	−300
Total, Commerce, Science, and Transportation Committee	−328	−310	−133	−119	−135	−130	−596	−559
Energy and Natural Resources:								
270—Reduce funding for strategic petroleum reserve oil acquisition but limited facilities construction	−1,471	−1,389	−1,185	−1,329	−1,335	−1,312	−3,991	−4,030
270—Increase Federal Energy Regulatory Commission fees	−14	−14	−28	−28	−31	−31	−73	−73
950—OCS timing changes	−4,000	−4,000	1,504	1,504	[illegible]	[illegible]	−1,467	−1,467
Total, Energy and Natural Resources Committee	−5,485	−5,403	291	147	−337	−314	−5,531	−5,570
Environment and Public Works:								
400—Reduce federal-aid highway programs		−200		−850		−1,050		−2,100
Finance:								
550—Reduce medicaid outlays		−80		−180		−190		−450
570—Reduce medicare outlays		−2,454		−3,452		−4,949		−10,855
600—Increase Pension Benefit Guarantee Corporation insurance premiums		−300		−300		−300		−900
800—Levy Customs Service user fees		−473		−473		−513		−1,479
850—Terminate general revenue sharing beginning in FY 1987				−3,526		−4,956		−8,482
Total, Finance Committee (spending)		−3,307		−7,951		−10,908		−22,166
Total, Finance Committee (revenues)		+1,800		+3,000		+3,600		+8,400
Governmental Affairs:								
370—Reform postal subsidies		−123		−161		−198		−482
550—Federal employees health benefits program rebates		−800		−300				−1,100
920—Freeze federal civilian agency pay in FY 1986 and permanently shift effective date for pay raise to January		−1,232		−2,120		−2,557		−5,909
920—Freeze DOD civilian pay in FY 1986 and permanently shift effective date for pay raise to January		−904		−1,600		−2,061		−4,645
920—2,087-hour work year		−160		−160		−170		−490
Total, Governmental Affairs Committee		−3,219		−4,421		−4,986		−12,626
Labor and Human Resources:								
500—Reform guaranteed student loans	−100	−100	−250	[illegible]	−450	−450	−800	[illegible]
920—Change in overtime provision (Walsh-Healey)	−570	−70	−610	[illegible]	−635	−510	−1,815	−865
Total, Labor and Human Resources Committee	−670	−170	−860	−535	−1,085	[illegible]	−2,615	−1,665
Small Business:								
370—Reform Small Business Administration business assistance	−448	[illegible]	−564	−551	[illegible]	−541	−1,613	−1,472
450—Reform Small Business Administration disaster assistance programs		−129		−412	−459	−457	−459	−1,007
Total, Small Business Committee	−448	[illegible]	−564	−972	−1,060	−998	−2,072	−2,479
Veterans' Affairs:								
700—Reform Veterans Administration programs	[illegible]	[illegible]	−400	−400	−450	−450	−1,150	−1,150

Mr. DOMENICI. I urge that those committees having jurisdiction, as indicated on the table that I have just inserted, be ready for their activities in the month of September because they will be charged with making changes in the laws within their jurisdiction to the tune and to the extent in dollars stated in each of the 3 years in the table which I have just inserted.

Let me talk for just a few moments as my last thoughts here.

I have heard some say that the budget process is not producing enough or that it cannot produce enough on time or that it is not getting deficits lower. I regret to say that, in my humble opinion, such talk ignores some realities, realities that some would like us to forget. We cannot ask the process to do more, whether it be the appropriation process, the budget process, the authorizing process, or any other. We cannot ask any of them to do more than the membership of this body and the other body is willing to do. When revenues and true entitlement changes were taken off the table during this conference, no process, no matter how ingenious, could have produced the savings that were lost.

We must be mature in our judgment. If the Congress will not act to cut deficits more, then no process will make up for that lack of will. If the President will not cooperate in areas that are absolutely vital for his support, then no Congress can be asked to do more.

The budget process brings the Senate tonight a realistic reflection of the collective judgment of the House and the Senate. And I say to those who want to do more that there is nothing in this resolution that precludes you from doing more. If you can find some way in the next 3 months as appropriation bills come, as authorizing bills come, as the debt limit rears its face in 2½ months, if you can find ways to do more and get 51 votes here and work its will on the U.S. House and get it signed by the President of the United States, I encourage you to try. I think there are a few items on which I would not join you if you make such an effort. I do not think very many of them will work, or at least I do not think they will work as well as the savings we are going to get here tonight when this budget is implemented. If we do nothing but rely on those other approaches, it is my honest opinion that we will get confusion, chaos, all kinds of bottlenecks, and when you add it up at the end of the year, I am not so sure you will come even close to these savings.

So it appears to me once again that this is realistic; it is the best we can do. Regardless of the system, regardless of the process, when we have the kind of activity that has taken place in the last 2½, 3 months with what we are left with on the table, I compliment the conferees from the House and the Senate and hope the Senate will pass this resolution.

Let me close with some specific information in some major areas. First, the Senate prevailed in the defense budget authority issue. Our numbers on budget authority are before us now, those that we voted in here that historic night when we passed the real courageous budget resolution. This conference report incorporates the Senate's authority levels and the estimated House levels for outlays in each of the 3 years for function 050, the defense function. This result validates the defense authorization bill that the Senate overwhelmingly approved earlier this week. I hope later to provide specific information on programmatic levels to the Senate but I do believe that for the time being, detailed reconciliation summaries that I have inserted in the RECORD should help Senators who wish to understand the very detailed assumptions that are made in this budget.

I also at this point ask unanimous consent that two charts, "Change From Senate Budget Committee Baseline" and "Change From Senate-Passed Budget Resolution" in each of the functions of Government, be made a part of the RECORD for the information of the Senate and those who use the CONGRESSIONAL RECORD.

And I ask unanimous consent to insert at this point a letter from the National Federation of Independent Businessmen supporting the budget resolution.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

CHANGE FROM SBC BASELINE

[In billions of dollars]

	Fiscal year 1985		Fiscal year 1986		Fiscal year 1987		Fiscal year 1988	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Function:								
050 National Defense	0.01	−2.60	−31.14	−27.48	−48.51	−45.17	−74.62	−64.58
150 International Affairs	.54	−.57	−2.98	.74	−3.82	−1.20	−4.62	−2.23
250 General Science and Space	.00	−.03	−.05	−.06	−.31	−.25	−.34	−.41
270 Energy	−1.01	−1.42	−2.19	−1.89	−2.12	−2.25	−2.61	−2.56
300 Natural Resources	.48	−.03	−.29	−.24	−.49	−.51	−.89	−.64
350 Agriculture	2.25	[illegible]	−2.26	−2.27	−3.29	−3.75	−4.90	−6.62
370 Commerce & Housing Credit	−.02	−.13	−2.22	−1.63	−2.92	−2.63	−3.15	−2.78
400 Transportation	[illegible]	−.05	−3.36	−2.40	−2.20	−2.14	−2.38	−2.71
450 Comm. & Reg. Development	−.07	−.30	−1.09	−.29	−1.50	−1.27	−2.13	−1.92
500 Ed., Empl., & Soc. Svcs.	.46	.11	−.73	−.40	−1.13	−1.05	−1.45	−1.34
550 Health	.03	[illegible]	−.33	−1.04	−.63	−.78	−.75	−.62
570 Medical Insurance	.25	[illegible]	−.84	−2.49	−1.03	−3.47	−1.22	−4.98
600 Income Security	1.40	[illegible]	−4.29	−4.17	−4.83	−5.06	−4.58	−4.76
650 Social Security	3.17	−.31	−.02	[illegible]	−.02	−.14	−.02	−.35
700 Veterans Benefits	.19	.05	−.29	−.30	−.63	−.53	−.77	−.78
750 Administration of Justice	.17	−.04	[illegible]	[illegible]	.07	−.06	−.07	[illegible]
800 General Government	−.04	−.09	−.50	−.48	−.76	−.72	−.77	−.78
850 Gen. Purpose Fiscal Asst.	.00	[illegible]	.00	[illegible]	−4.77	−3.52	−4.99	−4.93
900 Net Interest	−.53	−.53	−.89	−.89	−6.88	−6.88	−14.88	−14.88
920 Allowances	.21	−.31	−3.29	−2.88	−4.83	−4.70	−5.35	−5.44
950 Undist. Offsetting Rcpts	−.03	−.03	−4.37	−4.37	[illegible]	[illegible]	.16	.16
Total	7.54	−3.22	−61.09	−52.49	−89.60	−84.94	−130.20	−123.10
Revenues				3.00		5.10		[illegible]
Deficit		−3.22		−55.49		−90.04	—	−130.70

CHANGE FROM SENATE-PASSED BUDGET RESOLUTION

[In billions of dollars]

	Fiscal year 1985		Fiscal year 1986		Fiscal year 1987		Fiscal year 1988	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Function:								
050 National Defense	0.00	−2.60	0.00	−6.00	[illegible]	−6.90	0.00	−9.10
150 International Affairs	−.60	−.80	.10	[illegible]	−.30	[illegible]	−.80	−.25
250 General Science and Space	[illegible]	[illegible]	[illegible]	−.10	.05	.10	.00	.00
270 Energy	−.70	−1.00	.70	.45	[illegible]	.55	.05	.25

CHANGE FROM SENATE-PASSED BUDGET RESOLUTION—Continued

[In billions of dollars]

	Fiscal year 1985		Fiscal year 1986		Fiscal year 1987		Fiscal year 1988	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
300 Natural Resources	[illegible]	-.10	[illegible]	[illegible]	[illegible]	.35	.35	.45
350 Agriculture	2.20	[illegible]	1.10	1.05	[illegible]	.45	-.80	[illegible]
370 Commerce and Housing Credit	[illegible]	-.10	[illegible]	[illegible]	2.10	1.15	1.75	[illegible]
400 Transportation	-.20	-.10	-.35	-.30	[illegible]	.00	2.45	[illegible]
450 Comm. & Reg. Development	-.10	-.30	[illegible]	.15	[illegible]	[illegible]	[illegible]	.15
500 Ed., Empl., & Soc. Svcs	[illegible]	.10	1.45	[illegible]	1.65	1.45	1.65	1.70
550 Health	[illegible]	.00	[illegible]	-.40	.20	.00	.30	[illegible]
570 Medical Insurance	[illegible]	[illegible]	-.40	[illegible]	-.60	[illegible]	-.60	[illegible]
600 Income Security	1.70	[illegible]	-.30	2.45	-1.15	[illegible]	-1.50	[illegible]
650 Social Security	[illegible]	-.30	-.20	[illegible]	-.75	[illegible]	-1.50	8.10
700 Veterans Benefits	.20	[illegible]	.75	.70	.75	1.05	[illegible]	[illegible]
750 Administration of Justice	.10	-.10	[illegible]	.10	.15	.10	[illegible]	.15
800 General Government	-.10	-.10	[illegible]	.25	-.10	[illegible]	.00	-.05
850 Gen. Purpose Fiscal Asst	[illegible]	.00	[illegible]	.00	[illegible]	[illegible]	[illegible]	[illegible]
900 Net Interest	-.50	-.50	.00	.00	.40	[illegible]	1.10	1.10
920 Allowances	[illegible]	-.30	-.50	-.05	-.40	-.10	-.10	.00
950 Undist. Offsetting Rcpts	[illegible]	.00	-4.90	-4.90	.70	[illegible]	[illegible]	[illegible]
Total	[illegible]	-2.80	[illegible]	2.60	5.15	13.00	3.55	[illegible]
Revenues		0.30		2.10		3.10		4.20
Deficit		-3.10		0.50		[illegible]		[illegible]

National Federation
of Independent Business,
August 1, 1985.

Hon. Pete V. Domenici,
Chairman, Senate Budget Committee, Washington, DC.

Dear Chairman Domenici: On behalf of the membership of NFIB, comprising more than 500,000 small and independent businesses, I am writing you to indicate our support for the budget compromise the Budget Conferees have apparently worked out.

Earlier in the year NFIB set out five basic requirements for a budget proposal we could support. Using polls of our members as guidelines, we defined the following budget criteria: (1) deficit reduction of at least $50 billion in fiscal year 1986; (2) no new taxes; (3) a freeze on defense; (4) a freeze on Social Security COLAs; (5) preservation of an independent SBA. The budget you have achieved meets four out of these five criteria and therefore warrants our support.

While we congratulate you for your hard efforts, NFIB urges you to continue working toward two basic goals. First, we hope you will encourage your colleagues to pass authorizations on unreconciled portions of the budget as close to budget guidelines as possible. Second, we hope that the savings effected by this budget will be a first step in the long term project of balancing the budget. Efforts by the Congress to examine strategies for achieving this goal, and to reduce our huge national debt, will be of great benefit to our country and its economy.

Once again, NFIB commends you for your efforts and is pleased to support the Conference Report as a "Key Small Business Vote".

Sincerely,

John J. Motley III,
Director of Federal Legislation.

Mr. DOMENICI. Mr. President, I believe that we, as Senators, fail to say a word of encouragement, to give a pat on the back, or simply to say, "Thank you," to those without whose help this legislative process would not work. I am speaking about our staffs, who put in long hours to make all of us look good and to make sure we know what we were doing.

I believe, with some obvious parochial pride, that we have as good a staff as there is on Capitol Hill, and in this case they have gone beyond the call of duty. Because we have been through so many different budgets that were on and off, that their work has been extremely difficult and the quantity has been astronomic.

I ask unanimous consent that the names of the majority staff of the Senate Budget Committee, with their positions, be printed in the Record at this point.

There being no objection, the names were ordered to be printed in the Record, as follows:

Stephen E. Bell, Staff Director.

William Hoagland, Deputy Staff Director.

Susan Yurko, Special Assistant to the Staff Director.

Carla Garcia Voight, Secretary to the Staff Director.

Judee Klepec, Secretary to the Deputy Staff Director.

Suzanne Watson, Correspondence.

Carole McGuire, Director of Appropriations Activities.

Patricia Niffinegger, Secretary and Analyst for Appropriations Activities.

Theresa Flynn, Temporary Secretary for Appropriations.

Nell Payne, Counsel.

Chuck Konigsberg, Staff Attorney.

Elise Paylan, Budget Analyst.

Gabriella Carducci, Legislative Coordinator.

Catherine Woods, Secretary for Legal Group.

Sidney Brown, Chief of Budget Review.

Sue Nelson, Senior Analyst for Budget Review.

Anne Miller, Analyst for Budget Review.

Tom Foxwell, Director of Publications.

Roy Smith, Assistant to Director of Publications.

Buck White, Assistant to Director of Publications.

Gail Fosler, Chief Economist.

Cheri Janas Reidy, Economist.

John Rand, Economic Analyst.

David Nummy, Senior Analyst for Tax Policy.

David Malpass, International Economist.

Susie Fish, Secretary for Economics.

Jan Lilja, Senior Analyst for Human Resources Group.

Michael Carozza, Analyst for Income Security.

Anthony McCann, Analyst for Health Programs.

Margo Miller, Analyst for General Purpose Fiscal Assistance, Community and Regional Development and Employment and Training.

Michelle Mrdeza, Analyst for Veterans Programs.

Virginia Pounds, Legislative Tracker and Research Assistant.

Lorrie Tainter, PMI.

Carolyn Willis, Secretary for Human Resources.

Deborah Swartz Lipman, Senior Analyst for Natural Resources Group.

Austin Smythe, Analyst for Energy & Natural Resources and Environment.

Linda Crowl, Analyst for Justice and General Government.

Bill Hughes, Analyst for Space, Science, Justice & General Government.

Sonja Taylor, Legislative Tracker.

Laura White, Secretary for Natural Resources Group.

Charles Flickner, Senior Analyst for International Security and Credit.

Paul Heilig, Analyst for National Defense.

Carol Hartwell, Analyst for Commerce and Housing Credit.

Brenda Gompers, Secretary and Legislative Tracker for International Security and Credit.

Debbie Paul, Chief Clerk.

Kathryn Hamilton Cummings, Assistant Chief Clerk.

Beth Clark Strader, Staff Assistant.

Lynne Hausheer Zegeer, Staff Assistant.

Tyrone Cole, Staff Assistant.

Mr. DOMENICI. Mr. President, I would be remiss in my expressions of appreciation if I did not point out the excellent work of Senator Chiles' budget staff. Finally, the staff of the majority leader have worked with my committee staff throughout the long arduous meetings and preparation of this fiscal year 1986 budget resolution. Their help and guidance has been appreciated.

Mr. CHILES. Mr. President, I rise in support of this conference agreement.

This is not a conference agreement that I would have started off wanting to support, and I do not think we can tell anybody that it does the job on

the deficit. But it is the only program and the only opportunity we have now; and I think the only way we have to judge this is to ask whether this is better than no budget. When I look at it in that regard, this is better than no budget.

Within Congress and around the country, I think the deficit has now evolved as an understandable and dangerous issue that people want solved. I think they understand that there is a connection between deficits and interest rates and high trade deficits and the loss of jobs, the moving of our plants overseas. I believe that is a question that is becoming clearer and clearer to people. They know we need to get the deficit down.

We could have gotten the deficit down this time with the help of the White House and some of our leaders in the other House, but that was not to be. We did not get the help, but we found something else. I think we found a consensus in this body that spending cuts alone will not get it down. That is pretty helpful.

I believe we found a bipartisan spirit in this body as to how dangerous these deficits are, how it is going to take work on the part of everybody to get them down, and how you will have to look at every program in the Federal Government if you are going to get the deficit down.

You will have to look at every interest group in the Federal Government, and you will have to share the pain in all those interest groups if you are going to get the deficit down. You will have to look at revenues as well as the spending side if you are going to make a major cut.

This budget will reduce deficits substantially through reconciliation. That has always been important to the Senate. It is anathema to the House.

With respect to where we stand on reconciliation, I would give a couple of numbers. One, if you take out the COLA restraints—and we had to take those out—if you reduce those COLA restraints and then look at the Gorton-Chiles amendment, which was a compromise proposal put before the Budget Committee, which a lot of people wanted to support, it had about $72 billion in reconciliation. This has about $67 billion or $68 billion in deficit reconciliation.

Under the circumstances, I applaud the chairman and the work of the conferees in getting a product as good as this, given the fact that we lost the ability to work on anything on revenues or entitlement restraints.

Mr. President, one of the other things we have in this budget is that we have an understanding that was reached that we would not cut any of the poverty programs, any of the programs that affected those people who could not help themselves. That was a bipartisan agreement. It was an agreement made with the House. If you look at those programs you will see that they are not cut in this budget.

Mr. President, we have to ask ourselves what happens if we do not have a budget. We leave and go home for a month's recess. I think the people would perceive that Congress is being irresponsible.

We have to realize that we are a deliberative body, and there is one thing about a deliberative body—it is supposed to come to a conclusion. There are a lot of times I do not like the conclusion that is there. I would like to say that we will keep that from happening. But it seems to me that if you are going to be a deliberative body, you come down to the art of the possible, you come down to the responsibility of having to produce a product.

I believe the hour has come, the time has come, that we have to face up to that and determine whether or not we are going to produce that product or not. If we do not, then I feel that the people can well say:

> There is no way that bunch up there can do anything. They have been the problem in getting these deficits up. Now they won't do anything to put any kind of budget in effect, and we should have a plague on their Houses, both parties, both Houses.

I think they might well be right in making that determination.

Mr. President, if we do not have a budget, we will have another strategy, and I have heard that referred to as the veto strategy. That is the strategy that says:

> We in the White House will run against that irresponsible Congress. We will show them that we can control spending, that we do not have to worry about them having a budget. We don't have to worry about them because we will make them responsible and we will control the spending.

Mr. President, I know there are people who have advocated that strategy. They have said:

> That is better for us politically. We should have that strategy. It will make our President look good. We can show the House as being the big spenders.

Mr. President, when you consider the chaos that could result from that kind of strategy, I think that the public, before it was over, would say:

> A pox on all of them. Why in the world do they have that kind of wrangling? Why in the world are they doing that?

Frankly, I do not want to give the President that kind of veto strategy. After he has been the one who kept us from getting a good budget, torpedoed plan after plan that we had, I do not want him now to be able to sit on top and say:

> Look at what I'm doing. I'm making them do right. I'm making them save money. I'm making them not spend.

To me that would be the height of folly for us to allow him to have that, sort of have his cake and eat it, too.

Mr. President, if we have no budget resolution, item veto or impoundment certainly could be attached or likely could be attached to the debt ceiling bill. If we have no resolution, by the same token, that strategy I do not think would work because there would be no control against new spending increases.

So regardless of this it would be a great show of the veto at the same time; on the other hand, you would see new programs start and we see that veto strategy works until something is pretty popular. When something comes down that is pretty popular there is no veto and has not been any veto around here. We have seen that happen many times.

I think we could see that at the end of that process we would see we adopted new sending programs, and we would see there would be no reconciliation because without this instrument, there is no way of instructing those committees to go back and get savings. So that $68 billion that we are talking about in reconciled savings, those would be gone. If you had a veto of every project that came before us, you still would not get those savings.

Also, Mr. President, remember if there is no budget, then points of order lie against all of the appropriations bills.

The Senator from Florida has made himself pretty unpopular in the body before by standing on the floor and raising points against the appropriations bills when we had no budget. That is not a very pleasant thing for me to do or anyone else.

The way to not have that is to follow the law that we have adopted that we have set forth and see that that would not happen.

There are those in here who care about tax reform. I can tell you that if we do not have a budget we certainly would not have tax reform. You would not even be able to see that taken up in this Congress.

This product, as we have said before, is not great, but it is certainly better than nothing. It would cut deficits $29 billion in 1986, it would cut deficits by $200 billion over the 3 years, and then it reconciles $68 billion on domestic programs.

Mr. President, I think this budget is better in its priorities than the budget that was passed by the Senate earlier on before we went to conference. That budget basically cut domestic programs about two-thirds to what defense programs were cut. This one is very close to a one-to-one ratio. It cuts defense about $86 billion. It cuts domestic programs $93 billion. So basically now you are getting down to a one-to-one cut.

We would have a budget in place. We would be able to hold off new increases and I think again if we have the will in this body, down the hall, and down the street, then we set the stage for future action and hopefully we would be able to take that action.

Certainly, we need to do that. We would have to have a change in some of the thinking. We would have to recognize that we do need revenue. We would have to recognize that we would have to be willing to put all the programs on the table. Maybe that is something that can happen.

I think that the pluses far outweigh the minuses. The fact that we now have a constituency for going further and trying to do that in this body, and we have seen that constituency grow during this debate on this conference report, I think that has been very healthy.

Mr. President, I urge that we adopt the resolution.

Mr. RUDMAN. Mr. President, I rise in opposition to the conference report on the first fiscal year 1986 budget resolution. In so doing, I am not implying any criticism of the efforts of the chairman of the Budget Committee, nor the majority leader. I believe that Senators Domenici, Dole, and Chiles, and others on both sides of the aisle, have done yeoman work in trying to produce a budget resolution which would lead to meaningful reductions in the Federal deficit over the long term. Unfortunately, due to factors beyond their control, they failed.

Mr. President, the record budget deficits that the Federal Government has incurred over the last few years, and apparently will continue to run up, represents the single most pressing problem facing the President, Congress, and the American people. These deficits are already causing serious dislocations within the economy since they are primarily responsible for the continued high interest rates, the high value of the dollar, and the increasing U.S. trade deficit.

There has been much breast beating in recent months about unfair competition from imports; yet, how much of a problem would there really be if the dollar were not overvalued by as much as 35 percent? We see that farmers are having trouble getting credit and that whatever credit is available costs too much. Yet, how much of a problem would that be if the Federal Government's credit demands were not so excessive?

It was in this context that the Senate, on May 9, surprised the skeptics and passed a historic budget resolution calling for a $56 billion reduction in the Federal deficit in fiscal 1986 alone and $295 billion in savings over the next 3 years.

The Senate resolution accomplished this by making significant savings in the President's Defense Program, eliminating the automatic cost-of-living adjustments in most Federal entitlement programs, cutting or eliminating a number of discretionary programs, and freezing most other discretionary programs at the fiscal 1985 level. The prospects on May 9 for meaningful action on the deficit appeared very bright.

Although the vote on the final Senate package was close, that did not particularly concern me. Many of those who voted against the Senate package showed their support for strong action on the budget by voting for well-conceived alternatives, notably the substitute offered by Senators Chiles and Hollings and the one by Senators Grassley and Biden. Few people realize it, given the partisan rhetoric surrounding much of the debate on the budget, but 81 Senators, including two-thirds of the Democrats in this body, voted to cut at least half of the 1986 Social Security cost-of-living adjustment.

Within that total, 68 Senators, including 40 percent of the Democrats, voted to do away with the 1986 cost-of-living adjustment entirely, and if anyone doubts those figures I suggest they go back and check the Record.

Notwithstanding this, the Senate now finds itself faced with a conference report which accomplishes little. How can that be?

The bottom line, quite frankly, is that the President and the majority leadership of the House of Representatives have agendas in which the budget deficit problem, notwithstanding their rhetoric, does not rank very high. The position of the House leadership is clear. The most important item on their budget agenda is to prevent any restriction on statutory automatic cost-of-living adjustments in any entitlement program, no matter how limited.

Their apparent hope is that the Republicans will initiate this action, which even most Democrats in the Senate supported, so that they can turn it into an issue in the next campaign and talk about the Republicans who wanted to hurt the elderly of this country. Agenda item No. 2 is to protect every domestic program in the Federal Government's inventory, no matter how wasteful or inefficient it may be. The American public ought to be astounded that the House Democratic budget resolution did not call for the elimination of even one program in fiscal 1986. Among the thousands of Federal programs, they could not agree that one was sufficiently devoid of merit to justify its elimination. If that is not an endorsement of the status quo, I do not know what is.

Given the House's unwillingness to make more than minimal additional cuts in defense beyond what the Senate did, anyone with a basic grasp of arithmetic can figure out the only remaining option to address the deficit: Raise revenue. But, the House decided against that.

Instead, they resorted to a variety of gimmicks and accounting tricks to give the appearance of addressing the deficit. That, however, does not do the job and it will not fool the American people. Dealing with the Federal budget deficit clearly is not an item on the House Democratic leadership's agenda.

The administration is just as weak on the deficit. As has become crystal clear over the last couple of months, it is difficult to find reducing the deficit on the list of administration budget priorities, other than their rhetorical priorities. At the top of the list is an unwillingness to consider any measure which will lead to a revenue increase. Parenthetically, it is ironic to note that they failed to even propose a revenue neutral tax reform plan, notwithstanding their frequent statements to the contrary. The administration now concedes their tax reform plan will lose in excess of $11 billion in revenue over the next 5 years alone, with higher losses in subsequent years, and that assumes enactment of a retroactive recapture provision which will raise $60 billion.

Second, the administration is determined to keep as much money following through the Defense Department as possible. While I share the President's view that maintaining national security is probably the most important function of the Federal Government, the administration's attitude has resembled the House leadership's position on domestic programs: if the money is for defense, it cannot be bad. Third, the administration is determined to avoid exercising any leadership on cost-of-living adjustments, an attitude similar to that of the House leadership on taxes. It is then, after taking the entire revenue side of the equation off the table and three-quarters of the spending side, that they want action against the deficit. That does not, somehow, strike me as a commitment reducing the deficit.

But, the administration's impact on the budget deliberations in Congress were worse then benign. When it finally began to look like the Senate, under the leadership of Senators Dole and Domenici, was making progress in conference with the House, the administration pulled the rug out from under negotiations. They did this without a word of warning to the very same Senators who had done so much, in some cases at considerable political risk, to secure enactment of as much of the administration's program as possible.

This may seem like a trite statement, but successful action against the deficit requires a focus on the deficit. The reason is quite simple. Every dollar spent by the Federal Government and every dollar not collected in revenue due to a tax deduction or credit has a constituency which will

argue that such money in question is critical to the national welfare. Reducing the deficit means, by definition, taking a series of steps, each of which will offend some individuals or organizations.

To the extent the attention of the President and Congress are focused on deficit reduction, these constituencies have little room to maneuver. But as soon as attention is divided and diffused, whether it be with tax reform, South Africa sanctions, or whatever, it becomes much easier for these narrowly focused constituencies to operate. And, as soon as the President, who is after all the leader of the Government, shows his lack of concern for the deficit, Congress will begin to cave to these particularized pressures. In fact, I saw this scenario at work yesterday in the Senate Appropriations Committee's markup. A budget-busting amendment was passed 17 to 9, although the Senate voted to table a similar amendment during floor consideration of the budget resolution with Appropriations Committee members voting 15 to 14 to table.

The President and the House majority leadership have succeeded in creating a situation where meaningful deficit reduction will not occur in 1985 for sure, and possibly not for the remainder of President Reagan's term in office. The conference report eliminates the Senate's proposed restraints on cost-of-living adjustments. It eliminates the House's proposed restraints on defense. It eliminates most of the domestic program cuts proposed by the Senate. And no new savings are offered as a replacement. The dollar savings in this conference report consist of those reductions in the President's defense program approved by the Senate, a freeze on most domestic discretionary programs at the fiscal 1985 level, and little else. This conference report will ensure deficits in excess of $180 billion range, or higher, in fiscal 1986 and probably for several years to come, if we are lucky.

Certainly, nobody should be fooled by the deficits estimated in the conference report before us. One can start with the fact that the impact of the defense program approved by the conference report is $22 billion low. The conferees took the Senate passed defense program, but simply reduced the cost estimate by $22 billion with the stroke of a pen, with the consent of the Defense Department. It appears that the conference report assumes the inclusion of all State and local employees in the Social Security Program, An assumption that many would argue is unconstitutional since it involves the Federal Government imposing a tax on State and local governments. This conference report has not been before the Senate long enough to give it a thorough examination, but I feel confident in asserting that there are other similar unrealistic assumptions.

On top of everything else, the conference report understates the deficit because it uses overly optimistic economic assumptions, in particular the assumption that there will be 4 percent annual real growth in the economy.

There was speculation that 4 percent was too optimistic when the Senate passed the budget resolution in early May. We know it now. I would probably be able to live with understating the projected deficits in this way, if it was a budget resolution that would make a real dent. I cannot live with it in the context of a budget resolution which accomplishes so little.

While the economy appears sound today, the combination of record budget deficits, record trade deficits and the resulting decline in the manufacturing sector of the economy, the overvalued dollar, high real interest rates, and a reliance on foreign capital to finance U.S. credit needs is inherently unstable. The failure to take serious action to reduce the deficit, and thereby move against these structural imbalances, will lead to a recession of the type this country has not experienced in years. And, if Congress cannot reduce the deficit when the economy is in decent shape, how will it be able to do so in the midst of a recession?

Supporters of the conference report argue that the minimal steps called for by the conference report are better than nothing. I strongly disagree. In fact, most of the minimal steps in this budget resolution can and probably will be followed even in the absence of an adopted conference report. I believe this conference report is a surrender to the deficit. I cannot vote for it and, come next fall, I will not support the increase in the Federal debt ceiling which will be necesssary to accommodate the outrageous deficits which are coming.

Mr. President, I urge my colleagues to join with me in voting against the budget resolution.

Mr. President, I will conclude by simply saying this: After 7 months of blood, sweat, and tears, we have come to this sorry state. I yield the floor.

(Mr. TRIBLE assumed the Chair.)

Mr. HOLLINGS. Mr. President, I will try to be as brief as possible. What makes you take any time at all is the historical approach to what we have been trying to do now for the past 3 to 4 years. We knew immediately after we passed Reaganomics in 1981 that we were in serious trouble.

I relate back to that particular time when we passed a budget on August 13, 1981. Incidentally, I had been the ranking member of the Budget Committee at that particular time and cosponsored with Senator Domenici the $35.4 billion spending cut package. Although we passed it on August 13, by September 24, President Ronald Reagan was on national TV saying we are going to have to raise taxes. Of course, we did not. Dave Stockman came out with the Trojan horse article about the trickle-down theory. The President and the White House then got their nose out of joint.

The word was, "Look, this is a Carter budget. After all, the President hasn't even had a chance to submit anything." And even though he was elected on what he submitted, they said, "Wait until January." So from January 1982 until August 1985, we tried to control this runaway horse of growing deficits.

With that in mind, I went to Howard Baker, then the majority leader, submitted a resolution that would appoint a joint committee to study the growing deficit problem. The committee would make recommendations to the President on how to get these deficits under control. They would be shared sacrifices across the board that would be fair to all.

The rest is history with respect to the President's approach to this particular responsibility. He submitted a budget that was voted down in the Budget Committee by a vote of 17 to 4. The Republicans on the committee did not like to vote against the President. I did not like to vote against the President. But it called for $200 billion deficits.

In January, in a bipartisan approach, the Senator from North Dakota, the Senator from Nebraska, the Senator from Mississippi, and myself circulated a "Dear Colleague" letter that consisted across-the-board freeze on spending and a freeze on tax expenditures.

That received four votes in the Budget Committee, but we began at that particular time on the very premise that not only was it necessary but it was politically attainable. I emphasize it was politically attainable. If you were a mayor of a city in any hometown in America and you could not print dollars like we do here in Washington, you would call together the city council and say, "No one is really suffering, we are doing pretty good, we are trying to allow the economy a chance to bounce back, so let us just hold the line 1 more year." This was the budget President Reagan ran on and been reelected overwhelmingly. This was the budget that had received three readings in the House last year, three readings in the Senate, signed into law. So we were not worried about it being politically attainable. We were worried about the will here in the national Congress.

We made progress in this particular budget process. We had Senator Domenici, Senator Chiles, Congressman Gray and Congressman Latta working

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around the clock, all in good spirit trying to put together a particular budget under the circumstances. On that score they received the gratitude of all of us. They have done as good a job as can be done under those circumstances. But they were not the circumstances that would lead to real deficit reduction, and we in essence have missed a golden opportunity.

Throughout January, February, and March you could not mention Social Security. By April we had frozen Social Security. We had a majority of Democrats on this side of the aisle to do it. In January, February, and March, you could not mention defense to the President as a means to reduce the deficit. Senator Stennis, the expert on national defense in the Congress, had joined in our bipartisan freeze which included defense. We were voting for a freeze with no growth except for inflation. We froze social programs and made some additional cuts. By the July 4 break, in a bipartisian submission of a majority of the Senate conferees we submitted just that: the Gorton-Chiles across-the-board freeze, a shared sacrifice. I talked to Chairman Gray. He was working diligently, and thought we could make some progress. We were really encouraged. we were not in a logjam.

A real deficit reduction package was now at the table. Unfortunately it was derailed. The distinguished Congressman from New York, Jack Kemp, went to the White House to talk to Don Regan. He convinced the President's Chief of Staff that we were in a logjam. We were not. It was a bad representation. I attended all the budget meetings. We were making progress. We were not in a logjam.

He further convinced Mr. Regan to convince President Reagan that the only way to get us out of the logjam was to go back on Social Security. When we returned from the July 4 break the President commented that we have to do something about the deficit. However, the President emphasized tax reform like that was the priority need of this Government.

We met only last Friday morning, and the subject the President wanted to discuss was tax reform and not the deficit. The President said that when Congress comes back, I will get those conferees over and talk to them like a Dutch uncle. We are going to make them know we are really going to have to do something about the deficit.

In the meantime, with the Kemp-Regan message to President Reagan, the President determined, wait a minute, before I get those conferees together at 11 o'clock on Wednesday morning I had better get the House leadership and Senate leadership over for a conference about this logjam, Social Security, and defense, because the word had been put out, and the thing was pretty well arranged so that when President Reagan and Speaker O'Neill got out under the tree by themselves, the Speaker said, Mr. President, if you take my Social Security, I will take your defense. And the President in essence says that is a good deal and we will not pay for it. There will be no revenues.

So what they did was take the $9 billion increase in budget authority for defense which is in this particular measure here today, and the $7.5 billion on COLA's—for the total of 17.4 that we are going to add to the deficit, and we are not going to pay for it. There will be no revenues.

That put us in gridlock. And through the genius of Pete Domenici, we now have that double COLA idea. Well, the distinguished majority leader in the House, Mr. Wright, believes in the classic COLA, Mr. Domenici believes in the double COLA, and this Senator believes in the diet COLA. So we are into the COLA fight here in this U.S. Congress. But through the genius of Pete Domenici, he came up with a double COLA. I thought that was fanciful. But in any event, it changed the framework, and got us back into conversation.

I talked to leaders such as our distinguished friend, the Senator from Nevada, Paul Laxalt, Senator Dole and others and said we really ought to get you leaders together. It was leadership in a way that got us off track. Do not bother about the conferees. Get the leaders together, and then let us go back to the White House where you can all walk out at one time, not seeing who is going to blink first, but all blink together.

Politically, that was the only way it was done. To this dismay of those who were going over to the Speaker's office, when they got there, they got called. Mr. Reagan and Mr. Speaker had already announced that there would be no change, that they would insist on increases in Social Security and other COLA's; they would insist on the increases in defense. So what you have is a patchwork done here as best it can be done.

I say patchwork advisedly. That is what the poor chairman on the House side had to do. That is what took all the time. All day yesterday he would have to run to this chairman, "What will you take here and what will you take there?" What will a particular chairman take to get this particular budget and these particular votes? The environment of crisis and need did not pertain. We have a budget resolution developed by House chairmen—chairmen who never saw a dollar they could not spend.

I can tell you that the environment that is controlling this deficit persists here in the Nation's Capital but not out in the hinterland.

Out in the countryside, Mr. President, everyone fairly understands that we have now gotten by the election last year when we should have done something, when 38 Senators in an election year voted to freeze, freeze, freeze. And to add revenues in an election year, including the majority of Democrats in this body. That is how they felt the teeth on their backs. They wanted to be responsible. The proof of the pudding is there. The Senator from Nebraska and the Senator from Michigan who voted for a freeze both ran for reelection and won because they had the votes for fiscal integrity and responsibility.

Let me say on that particular point we have been totally mesmerized and misled on Social Security.

If you go up to the distinguished Senator from Maine, they will tell you, "Do not come up here running for office unless you leave alone any kind of import oil fee. If you go for the import oil fee, we use oil that is 95 percent imported and it will run up the heating bills of every voter and you will be swaying at the polls."

Interestingly, to show how we get the wrong word down here in this national kind of politically incubative Congress, Senator Gary Hart ran on a $10 a barrel import oil fee, and he took Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut. He went through the whole of New England with the Democratic vote.

There is no question in my mind that similarly we have all been hung up on the mantle of Social Security. Nobody is cutting it. We are just asking the recipients—and I mean those who do not have need, because we have always provided COLA's for those at the poverty level and 10 percent above it—to hold off for 1 year. And we were careful not to shove anyone into poverty.

We did not have COLA's under President Lyndon Johnson. We had a good Democrat. We did not have COLA's under President Kennedy. He was a good Democrat. Incidentally, President Johnson did balance the budget. But we were mesmerized by that.

Now we have missed the opportunity. The opportunity here was not for Speaker O'Neill to join President Reagan, but, rather, join the majority of Republicans and Democrats in this Congress.

I have a pretty good feel for legislative bodies. I served 10 years in a State legislature and 19 years here. After 29 years I have a pretty good nose and smell on political and legislative trends. A majority of the Republicans and Democrats in this Congress are ready, willing and prepared to do their duty, to face up to the responsibility and bite the bullet now. They have

been prevented from doing so because of President Reagan on the one hand upsetting the apple cart, and, more than anything else, Speaker O'Neill running down the Social Security road, with his leader Jim Wright sitting there at every one of the conferences. "But the veto, the veto," We heard more about the veto and what the White House was going to do than the White House ever told us.

He was not afraid of the veto; he was enjoying the veto. The chairman knows it and I know it.

So we were told how we were concerned and worried. There was not any worrying. They were just ramming home an impossible situation, where in this body, by a majority vote, as cited by the distinguished Senator from New Hampshire a while ago, joined together for a freeze on Social Security. But over on the House side this real concern about grappling with the deficit has never been exhibited.

When Tip misrepresented what he did, he went back and they went with him.

Senator Domenici can talk for the Republicans. Two-thirds of the Republicans voted with Senator Domenici. We ought to get that on the record.

So, Tip had the thought of going pell-mell down the road to victory. He was going to say that to senior citizens and all—we saved the COLA. Of course, he won't admit he saved it at the expense of all sound reason and fiscal responsibility toward all citizens.

But we have a far, far greater responsibility here than just being true to our senior citizens. The truth is that we are untrue to the senior citizens and all citizenry when we go along with this particular budget. We missed that opportunity. If we had ever gotten together and gotten a majority going, what you would really have had would be a bipartisan congressional budget. We could have come out with revenues and Social Security, minimum defense figures, and all the cuts. We would have come with the cuts. We really would have done the job.

Selfishly now, just talking in a partisan fashion for Democrats, we would have been released from the fiscal cancer that we suffer over this land of Democrats always wanting to spend and spend and spend.

We have earned that particular perception by constantly doing just that. They do not want to sacrifice. It the Democrat leaders had led for that sacrifice, we would have had it on this side and we would have had it in the House. We would have solved the problem this year.

What happens when you adopt this budget. I think the Senate should be fully informed that they are not solving anything. What we are doing here is suffering from battle fatigue. We are trying to get something done so we can have a lift in August and go on our trips and smile and say, "It is only a process. We cannot control processes and human nature. Under the process, we have done the best we can." Then go out and enjoy ourselves.

What happens? What really happens, if nothing changes between now and next year, is you are committed to a horrible deficits for as far as one can see. You are committed by this particular vote until August of next year when we will be struggling with the 1987 budget resolution.

When you come back on August 1 of next year you are committed to 3- percent real growth in defense. That is over and above inflation.

The Department of Defense is using a 4.7-percent inflation this year. They will use over 7 percent with increased inflation by next year.

You are committed to this increase, to keep your commitment for 3- percent real growth. This adds $25 billion to this year's totals. You are committed to COLA's, which will be at least another $10 billion add-on and probably more. That is $35 billion. You are committed, since you gave us a dificit of $190 billion to $200 billion, to another $30 billion jump in interest costs. That adds up to a $65 billion add-on.

You get another $12 billion increase due to health costs; you cannot divert them, there is no way in the world. If you can hold that kind of cap, you are lucky. That is $77 billion. And of course, add food stamps, veterans and a few other little things, and you have $80 billion. So you have on the one hand committed to spending the $80 billion in the next year, and what are you going to do? You are going back with no revenues and you are going to have to cut your program further.

And that, to me, is the Reagan designed program. That has always been his design. We have tried to emphasize it at every turn for the last 4 or 5 years, that President Reagan really believes that deficits are the only way to control congressional spending. He does not state it in words, but he states it in actions. He says, "Look, they are going to start new programs and do this and do that, and the only kind of discipline or control that I can put on that spending engine across there on Capitol Hill is to have these $190–$200 billion deficits so that when Tip O'Neill and Fritz Hollings get together, they talk about how to cut spending rather than how to start new programs."

I think the distinguished Senator from New York [Mr. Moynihan] will come and cite Tom Wicker's article in the paper and the economist Pyatt, who was told by a top economist of the Reagan administration that that is exactly why a man, grown, mature, and responsible as the President is, would do such a thing.

So we fall politically into the trap of running higher deficits and continuing them on, to what? Not to just cut spending, but to eliminate Government.

The gentleman in the White House is of the western mentality. He developed in the wild and woolly West the idea that it was developed without social security, without welfare, without food stamps, and without education. And if they did it that way, then the whole country can do it that way. And that is what the President came East to do. To dismantle this bureaucracy on the Potomac.

Of course, we down in the South know that is not quite the case on how to run Government. We tried it for 100 years in the State of South Carolina without a central government and thereupon mutually pledged each other our lives, our fortunes, and our sacred honor. So we are the ones who tried it for 100 years without these programs and forming this Nation, one Nation indivisible, we think we have done pretty well.

I agree with the President's attempt to discipline, but now it has gotten to the point of folly. What he has done now is cause us to do this: We have put out a fraudulent budget.

I say a fraudulent budget because they will tell you in Gant versus Coca Cola, 172 South Carolina at page 28, that is one that we learned as freshmen in law school, that to be fraud, it must be false, it must be material, it must be depended upon, that they did depend upon it, they were defrauded, and damage was caused—I say to my distinguished friend from Maine.

Here is what they are doing in this agreement. First, they start off with false OMB figures. Dave Stockman came over with his OMB figures and he sold that to the House.

Mr. DOLE. Will the Senator yield?

Mr. HOLLINGS. Yes, Mr. President.

Mr. DOLE. May I interrupt the Senator to pass the adjournment resolution? The House people want to go home.

Mr. HOLLINGS. If the Senator wants me to yield to do that, I will, but I am going to finish in just a minute.

Mr. DOLE. Then I shall wait.

Mr. HOLLINGS. I shall try my best.

We have these fraudulent figures. I was very interested in the distinguished chairman of the Budget Committee saying, just this afternoon, that we need reports from the Congressional Budget Office—we need CBO figures. But Stockman gave us these figures, got the Senate to use them. They got the House to use Stockman figures.

When Stockman is going up to Salomon Bros, he goes up to the stock market and says, "Man, they were so fraudulent that if the SEC were overseeing us and the figures we used, they would send us all to jail." Thereupon, the Washington Post finally found out they were fraudulent and the New York Times and Time magazine and Newsweek. Senator EXON and I had three new conferences talking about the nature of these fraudulent figures. You could not get anyone's attention. They would not listen that they were fraudulent.

Well, even a blind hog picks up a acorn. We finally have their attention on these false figures. And if we use CBO estimates, we add $9 billion to this so-called cut—well, add the $9 billion onto the deficit of $172 billion in the agreement. That will make it $181 billion. The 1 percent decrease in the GNP that has also not been figured into the total. And now the administration says in order to maintain the 3-percent annual GNP rate, we would have to have, in the last two quarters, 5 percent real growth and anybody thinks in industry, nobody thinks that in the financial market.

What we have is a very fraudulent base in the resolution. There are many phony things lying around here. Take a look at some of them. Agricultural savings, we asked and we have now at the present time over a 3-year period a $45 billion cut from the baseline for agriculture. The conference report says cut it to $39 billion, but the majority leader told us this morning that the Agriculture Committee—and those on the committee can tell me—are talking about increases in the tens of billions of dollars. We know we have over a billion dollars in agriculture unreconciled. You won't achieve it if it's not reconciled and the Agriculture Committee is proving that point.

The Outer Continental Shelf issue is another one. These are law cases to be settled mostly between the States and the Federal Government. They will be lucky to get that over there.

We factored in Conrail, a saving of $1.2 billion. A majority in the House and Senate feels at this moment it is not going to pass, but we have it in this conference report.

Civil service, we have already frozen the pay of Government employees. They do not think they are going to put on top of a pay freeze, a 2-percent increase on their Social Security and retirement taxes.

Medicare revenue is another $1 billion to $2 billion. I can go down the list about the States going under. Whether or not that happens, there is a $600 million figure for Eximbank. We are not talking about selling loan assets of the Government, but the House is. I have been at the conference and they still are. That is not going to happen.

Mass transit is not reconciled and Amtrak and public housing, while it is reconciled, there is some debt forgiveness trickery in that particular one.

I could go down the others, Mr. President, but returning to my point I think there are phony savings of $7 billion to $10 billion easily there. So what you have instead of a $55 billion cut, it is nearer $37 billion. If you luck out instead of ending up with a deficit of $172 billion, Mr. President, you end up with a defict of $192 billion, perhaps more nearly $200 billion.

Last year, in October, the President, running for office, stood up and said, "We have estimated a deficit of $175 billion for this year, 1985." Now, today, they have it to $213 billion, but with the 1-percent drop in the gross national product, that is bound to go to 223, 225. So instead of 175, we are now running at a $225 billion deficit of $50 billion greater than projected only nine months ago. I ask the distinguished Senator to put bets with me: They would take the 172, I would take the 192 or 200 and I bet anybody in the Senate I come out closer; you pick the odds.

They do not believe it and they should not believe it. This year, in reality, we should be putting the pressure on at this point to create the environment that will make us act.

Maybe in August, if the bond market will go down 10 points, we can come back here in September on the debt limit bill and develop a real second concurrent resolution. We have the right under this conference report to do it. I would urge that happen so that we can attack the deficit this year, because—as I have told my colleagues—we will have deficits next year of $200 billion. And you are going into an election year with even more increases in Social Security, defense, interest costs, and everything else. They cannot be avoided.

It will be even more difficult to bring the deficit down. What we really need is responsibility and leadership. I am distressed that we have not developed it here in this particular debate. People are ready for the resolution so they can go home on their vacations, and more power to them. But we in the Congress will finally realize that we cannot have our cake and eat it, too.

Yes, go ahead, vote for it tonight. We have been doing this for 3 years running. But you come back next July and look around and see exactly where you have put yourself and this country. I do not think that is responsible. I know a majority do not want to do it. As a result, I did not sign the conference report, and I urge my colleagues to sincerely, not politically but on the fiscal basis alone, reject it. We should not heed any words about what the President is going to veto. This is a congressional concurrent resolution. We have known all Presidents were snookering us. They would always put in there the cut on veterans, knowing we would put it back. They would always cut impact aid knowing we in Congress would put it back. That is why we started 10 years ago the budget process, to get away from the maneuvers of the executive branch and get a concurrent budget resolution from the House and Senate. It is our responsibility. Do not tell us about vetoes. If we have a bipartisan, across-the-board freeze, including those revenues, I can tell you here and now the President would be isolated and he would be in a very difficult position to veto it. But at least we would have done our work and given this country heart.

I thank the distinguished majority leader.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent to transfer all time on the conference report to the amendment in disagreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the following estimates be considered to be the allocations required by section 302(a) of the Budget Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

The estimates are as follows:

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1985

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Outlays	Budget authority	Outlays
Appropriations	[illegible]	[illegible]		
Agriculture, Nutrition, and Forestry	15,528	[illegible]	12,420	132
Armed Services	[illegible]	26,620	147	[illegible]
Banking, Housing, and Urban Affairs	[illegible]	14,960		
Commerce, Science, and Transportation	1,719	[illegible]	[illegible]	[illegible]
Energy and Natural Resources	[illegible]	373	54	56
Environment and Public Works	15,571	933	[illegible]	6
Finance	[illegible]	477,641	43,639	[illegible]
Foreign Relations	[illegible]	13,375		
Governmental Affairs	[illegible]	33,345	(1)	(1)
Judiciary	570	477	[illegible]	76
Labor and Human Resources	4,071	2,657	[illegible]	5,952
Rules and Administration	45	9		
Small Business	[illegible]	378		
Veterans' Affairs	1,502	1,141	15,317	15,416
Select Indian Affairs	445	443		
Not allocated to committees	−185,503	−182,113		
Total, budget	1,062,100	[illegible]	[illegible]	68,432

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[1] Less than $500,000.

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1986

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Outlays	Budget authority	Outlays
Appropriations	565,410	552,084		
Agriculture, Nutrition, and Forestry	[illegible]	17,275	213	218
Armed Services	40,622	[illegible]	[illegible]	165
Banking, Housing, and Urban Affairs	6,710	3,215		
Commerce, Science, and Transportation	1,561	−151	352	[illegible]
Energy and Natural Resources	−2,468	−2,839		
Environment and Public Works	16,266	573	[illegible]	6
Finance	540,805	510,642	46,622	46,723
Foreign Relations	15,208	13,000		
Governmental Affairs	54,043	34,687	(1)	(1)
Judiciary	512	[illegible]	82	82
Labor and Human Resources	4,273	2,608	5,568	5,572
Rules and Administration	45	[illegible]		
Small Business	[illegible]	153		
Veterans' Affairs	1,502	1,316	15,557	15,525
Select Indian Affairs	[illegible]	457		
Not allocated to committees	−193,756	−193,935		
Total, budget	1,069,700	967,600	68,564	68,647

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[1] Less than $500,000.

Mr. DOMENICI. Mr. President, so the Senators that are listening will know what the floor manager's thoughts are on further debate, unless there are questions of the chairman, I have no further comments to make on the budget resolution.

Mr. BYRD. Mr. President, I have a question. This may have already been answered, but I have not heard it said. Will the distinguished chairman indicate whether or not the President supports this resolution?

Mr. DOMENICI. Perhaps I ought to yield to the distinguished majority leader on that. I have not been in communication. I do not know whether he has or not.

Mr. DOLE. Mr. President, I think it is fair to say that the President feels this is a step in the right direction.

Mr. DOMENICI. Might I say to the distinguished minority leader, I yielded because I knew he would answer it that way.

Mr. BYRD. I will shortly be casting a vote one way or the other on this resolution. If the President supports it, I would like to vote for it.

Mr. President, I would like to support this conference report, but if the President is going to at some future time criticize the Congress, and particularly those of us on this side of the aisle, for having supported this resolution, I might regret that I had cast my vote for it. It would be too late at that point. And there may be other votes over here, may I say.

Mr. DOLE. Mr. President, I am not certain what the President will say, but I have had an opportunity to visit with the President today and we did discuss the budget resolution. He did indicate that there were probably things that he would prefer. I believe I can say safely that the President will not criticize those who vote for it.

Mr. BYRD. Mr. President, will the distinguished majority leader or someone on the other side of the aisle try to get an answer from the White House before we cast our vote? I want to vote for this resolution, but I would like first to know whether or not the President of the United States supports this budget conference report.

Mr. DOLE. I think I have made it clear—perfectly clear we used to say. The President will indicate after passage of the conference report, assuming it passes, that he thinks it is a step in the right direction. I think he may even indicate that he would have preferred the Senate-passed measure on May 10, but I can assure the Senator from West Virginia, my good friend and supporter of this conference report, hopefully, that the President feels it is a step in the right direction. I think that is fairly definite. It is definite.

Mr. BYRD. Mr. President, I still ask the distinguished majority leader if he or someone on his side who is on good speaking terms with the President can find out whether or not he supports this resolution. I know that he might like something different. I would, also.

Mr. DOLE. Let me check on that. [Laughter.]

Mr. BYRD. I thank the majority leader.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Several Senators addressed the Chair.

The PRESIDING OFFICER. There is no time remaining on the conference report. All time was transferred to the amendment.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the conference report.

The conference report was agreed to.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The House recedes from its amendment and concurs therein with a further amendment.

The text of the amendment follows:

Strike out all after the resolving clause, and insert:

That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1985 is hereby revised and replaced, the first concurrent resolution on the budget for fiscal year 1986 is hereby established, and the appropriate budgetary levels for fiscal years 1987 and 1988 are hereby set forth.

(a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1985: $736,500,000,000.
Fiscal year 1986: $795,700,000,000.
Fiscal year 1987: $869,400,000,000.
Fiscal year 1988: $960,100,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1985: $0.
Fiscal year 1986: $3,000,000,000.
Fiscal year 1987: $5,100,000,000.
Fiscal year 1988: $7,600,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $44,800,000,000.
Fiscal year 1986: $50,900,000,000.
Fiscal year 1987: $56,100,000,000.
Fiscal year 1988: $61,200,000,000.

and the amounts for Federal Insurance Contributions Act revenues for old-age, survivors, and disability insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $186,200,000,000.
Fiscal year 1986: $200,400,000,000.
Fiscal year 1987: $216,800,000,000.
Fiscal year 1988: $248,000,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1985: $1,062,100,000,000.
Fiscal year 1986: $1,069,700,000,000.
Fiscal year 1987: $1,137,950,000,000.
Fiscal year 1988: $1,216,450,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1985: $946,300,000,000.
Fiscal year 1986: $967,600,000,000.
Fiscal year 1987: $1,024,100,000,000.
Fiscal year 1988: $1,073,000,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1985: $209,800,000,000.
Fiscal year 1986: $171,900,000,000.
Fiscal year 1987: $154,700,000,000.
Fiscal year 1988: $112,900,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1985: $1,847,800,000,000.
Fiscal year 1986: $2,078,700,000,000.
Fiscal year 1987: $2,301,900,000,000.
Fiscal year 1988: $2,507,000,000,000.

and the amounts by which the statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1985: $24,000,000,000.
Fiscal year 1986: $230,900,000,000.
Fiscal year 1987: $223,200,000,000.
Fiscal year 1988: $205,100,000,000.

(6) The appropriate levels of total Federal Credit activity for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987, are as follows:

Fiscal year 1995:

(A) New direct loan obligations, $52,850,000,000.

(B) New primary loan guarantee commitments, $69,350,000,000.

(C) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1986:

(A) New direct loan obligations, $34,400,000,000.

(B) New primary loan guarantee commitments, $80,150,000,000.

(C) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1987:

(A) New direct loan obligations, $32,150,000,000.

(B) New primary loan guarantee commitments, $79,050,000,000.

(C) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1988:

(A) New direct loan obligations, $31,400,000,000.

(B) New primary loan guarantee commitments, $84,000,000,000.

(C) New secondary loan guarantee commitments, $68,200,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1985 through 1988 for each major functional category are:

(1) National Defense (050):

Fiscal year 1985:

(A) New budget authority, $292,600,000,000.

(B) Outlays, $249,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $302,500,000,000.

(B) Outlays, $267,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $323,400,000,000.

(B) Outlays, $285,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $346,800,000,000.

(B) Outlays, $303,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1985:

(A) New budget authority, $24,700,000,000.

(B) Outlays, $17,200,000,000.

(C) New direct loan obligations, $11,500,000,000.

(D) New primary loan guarantee commitments, $10,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $21,300,000,000.

(B) Outlays, $18,850,000,000.

(C) New direct loan obligations, $9,900,000,000.

(D) New primary loan guarantee commitments, $12,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $20,100,000,000.

(B) Outlays, $17,300,000,000.

(C) New direct loan obligations, $9,600,000,000.

(D) New primary loan guarantee commitments, $12,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $19,900,000,000.

(B) Outlays, $16,450,000,000.

(C) New direct loan obligations, $9,700,000,000.

(D) New primary loan guarantee commitments, $12,300,000,000.

(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

Fiscal year 1985:

(A) New budget authority, $9,100,000,000.

(B) Outlays, $8,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $9,100,000,000.

(B) Outlays, $8,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $9,050,000,000.

(B) Outlays, $8,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $9,300,000,000.

(B) Outlays, $9,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1985:

(A) New budget authority, $900,000,000.

(B) Outlays, $5,500,000,000.

(C) New direct loan obligations, $2,100,000,000.

(D) New primary loan guarantee commitments, $100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $5,900,000,000.

(B) Outlays, $5,550,000,000.

(C) New direct loan obligations, $2,100,000,000.

(D) New primary loan guarantee commitments, $4,100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $5,850,000,000.

(B) Outlays, $5,150,000,000.

(C) New direct loan obligations, $2,100,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $4,950,000,000.

(B) Outlays, $4,450,000,000.

(C) New direct loan obligations, $2,100,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

Fiscal year 1985:

(A) New budget authority, $13,100,000,000.

(B) Outlays, $13,000,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $13,100,000,000.

(B) Outlays, $13,000,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $13,200,000,000.

(B) Outlays, $12,750,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $13,150,000,000.

(B) Outlays, $12,950,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1985:

(A) New budget authority, $27,000,000,000.

(B) Outlays, $23,300,000,000.

(C) New direct loan obligations, $13,800,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $18,300,000,000.

(B) Outlays, $15,550,000,000.

(C) New direct loan obligations, $13,600,000,000.

(D) New primary loan guarantee commitments, $6,400,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $17,700,000,000.

(B) Outlays, $16,250,000,000.

(C) New direct loan obligations, $11,400,000,000.

(D) New primary loan guarantee commitments, $5,600,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $16,200,000,000.

(B) Outlays, $13,750,000,000.

(C) New direct loan obligations, $10,500,000,000.

(D) New primary loan guarantee commitments, $6,900,000,000.

(E) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

Fiscal year 1985:

(A) New budget authority, $12,600,000,000.

(B) Outlays, $5,500,000,000.

(C) New direct loan obligations, $6,500,000,000.

(D) New primary loan guarantee commitments, $26,900,000,000.

(E) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1986:

(A) New budget authority, $7,700,000,000.

(B) Outlays, $3,700,000,000.

(C) New direct loan obligations, $5,000,000,000.

(D) New primary loan guarantee commitments, $28,200,000,000.

(E) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1987:

(A) New budget authority, $7,700,000,000.

(B) Outlays, $3,450,000,000.

(C) New direct loan obligations, $5,300,000,000.

(D) New primary loan guarantee commitments, $29,900,000,000.

(E) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1988:

(A) New budget authority, $7,850,000,000.

(B) Outlays, $5,200,000,000.

(C) New direct loan obligations, $5,400,000,000.

(D) New primary loan guarantee commitments, $31,700,000,000.

(E) New secondary loan guarantee commitments, $68,200,000,000.

(8) Transportation (400):

Fiscal year 1985:

(A) New budget authority, $29,400,000,000.

(B) Outlays, $26,000,000,000.

(C) New direct loan obligations, $300,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $26,850,000,000.

(B) Outlays, $25,800,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $28,900,000,000.

(B) Outlays, $27,700,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $29,750,000,000.

(B) Outlays, $28,100,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1985:

(A) New budget authority, $8,300,000,000.

(B) Outlays, $8,400,000,000.

(C) New direct loan obligations, $1,700,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $6,950,000,000.

(B) Outlays, $8,050,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $6,900,000,000.

(B) Outlays, $7,300,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $7,200,000,000.

(B) Outlays, $6,850,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1985:

(A) New budget authority, $32,100,000,000.

(B) Outlays, $30,400,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $8,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $31,550,000,000.

(B) Outlays, $30,850,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $9,000,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $32,350,000,000.

(B) Outlays, $31,350,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $9,400,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $32,950,000,000.

(B) Outlays, $32,100,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $9,600,000,000.

(E) New secondary loan guarantee commitments, $0.

(11) Health (550):

Fiscal year 1985:

(A) New budget authority, $33,600,000,000.

(B) Outlays, $33,500,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $[illegible]0,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $36,000,000,000.

(B) Outlays, $34,900,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $250,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $38,400,000,000.

(B) Outlays, $37,800,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $250,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $41,100,000,000.

(B) Outlays, $40,700,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

(12) Medical Insurance (570):

Fiscal year 1985:

(A) New budget authority, $72,000,000,000.

(B) Outlays, $65,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $81,500,000,000.

(B) Outlays, $69,200,000,000.

(C) New direct loan obligations, $0.

(D) New Primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $90,600,000,000.

(B) Outlays, $76,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $94,200,000,000.

(B) Outlays, $84,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(13) Income Security (600):

Fiscal year 1985:

(A) New budget authority, $164,500,000,000.

(B) Outlays, $128,900,000,000.

(C) New direct loan obligations, $14,300,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $155,100,000,000.

(B) Outlays, $119,050,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $163,750,000,000.

(B) Outlays, $124,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $2,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $172,400,000,000.

(B) Outlays, $130,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,800,000,000.

(E) New secondary loan guarantee commitments, $0.

(14) Social Security (650)

Fiscal year 1985:

(A) New budget authority, $198,700,000,000.

(B) Outlays, $189,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $207,200,000,000.

(B) Outlays, $200,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $224,750,000,000.

(B) Outlays, $214,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $264,600,000,000.

(B) Outlays, $228,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1985:

(A) New budget authority, $27,400,000,000.

(B) Outlays, $26,400,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $16,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $27,450,000,000.

(B) Outlays, $26,800,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $17,600,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $27,550,000,000.

(B) Outlays, $27,250,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $18,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $27,900,000,000.

(B) Outlays, $27,650,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $20,900,000,000.

(E) New secondary loan guarantee commitments, $0.

(16) Administration of Justice (750):

Fiscal year 1985:

(A) New budget authority, $6,700,000,000.

(B) Outlays, $6,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $6,900,000,000.

(B) Outlays, $6,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $7,050,000,000.

(B) Outlays, $7,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $7,200,000,000.

(B) Outlays, $7,150,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(17) General Government (800):

Fiscal year 1985:

(A) New budget authority, $5,700,000,000.

(B) Outlays, $5,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $5,500,000,000.

(B) Outlays, $5,450,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $5,300,000,000.

(B) Outlays, $5,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $5,500,000,000.

(B) Outlays, $5,450,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(18) General Purpose Fiscal Assistance (850):

Fiscal year 1985:

(A) New budget authority, $6,400,000,000.

(B) Outlays, $6,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $6,500,000,000.

(B) Outlays, $6,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $2,000,000,000.

(B) Outlays, $3,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $2,100,000,000.

(B) Outlays, $2,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(19) Net Interest (900):

Fiscal year 1985:

(A) New budget authority, $129,200,000,000.

(B) Outlays, $129,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $142,300,000,000.

(B) Outlays, $142,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $152,500,000,000.

(B) Outlays, $152,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $155,000,000,000.

(B) Outlays, $155,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Allowances (920):

Fiscal year 1985:

(A) New budget authority, $500,000,000.

(B) Outlays, $0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $2,100,000,000.

(B) Outlays, $1,650,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $2,000,000,000.

(B) Outlays, $1,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $700,000,000.

(B) Outlays, $500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(21) Undistributed Offsetting Receipts (950):

Fiscal year 1985:

(A) New budget authority, $32,400,000,000.

(B) Outlays, $32,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $39,900,000,000.

(B) Outlays, $39,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $37,100,000,000.

(B) Outlays, $37,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $40,900,000,000.

(B) Outlays, $40,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

RECONCILIATION

SEC. 2. (a) Not later than September 27, 1985, the committees named in subsections (b) through (z) of this section shall submit their recommendations to the Committees on the Budget of their respective Houses. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

SENATE COMMITTEES

(b) The Senate Committee on Agriculture, Nutrition, and Forestry shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $1,250,000,000 in outlays in fiscal year 1986, $0 in budget authority and $2,050,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $4,600,000,000 in outlays in fiscal year 1988.

(c) The Senate Committee on Armed Services shall report changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to achieve savings of $0 in budget authority and $100,000,000 in outlays in fiscal year 1986, $0 in budget authority and $200,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $300,000,000 in outlays in fiscal year 1988.

(d) The Senate Committee on Banking, Housing, and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $2,374,000,000 in budget authority and $2,814,000,000 in outlays in fiscal year 1986, $2,828,000,000 in budget authority and $3,685,000,000 in outlays in fiscal year 1987, and $2,998,000,000 in budget authority and $3,821,000,000 in outlays in fiscal year 1988.

(e) The Senate Committee on Commerce, Science, and Transportation shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $328,000,000 in budget authority and $310,000,000 in outlays in fiscal year 1986, $133,000,000 in budget authority and $119,000,000 in outlays in fiscal year 1987 1987, and $135,000,000 in budget authority and $130,000,000 in outlays in fiscal year 1988.

(f) The Senate Committee on Energy and Natural Resources shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, or (3) any combination thereof, sufficient to achieve the following; saving of $5,485,000 in budget authority and $5,403,000,000 in outlays in fiscal year 1986, increases of $291,000,000 in budget authority and $147,000,000 in outlays in fiscal year 1987, and savings of $337,000,000 in budget authority and $314,000,000 in outlays in fiscal year 1988.

(g) The Senate Committee on Environment and Public Works shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other then those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $200,000,000 in outlays in year 1986. $0 in budget authority and $850,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $1,050,000,000 in outlays in fiscal year 1988.

(h)(1) The Senate Committee on Finance shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (C) any combination thereof, as follows: $0 in budget authority and $3,307,000,000 in outlays in fiscal year 1986, $0 in budget authority and $7,951,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $10,908,000,000 in outlays in fiscal year 1988.

(2) The Senate Committee on Finance shall report changes in laws within the jurisdiction of the committee sufficient to increase revenues as follows: $1,800,000,000 in fiscal year 1986; $3,000,000,000 in fiscal year 1987; and $3,600,000,000 in fiscal year 1988.

(i) The Senate Committee on Governmental Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $3,219,000,000 in outlays in fiscal year 1986, $0 in budget authority and $4,421,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $4,986,000,000 in outlays in fiscal year 1988.

(j) The Senate Committee on Labor and Human Resources shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $670,000,000 in budget authority and $170,000,000 in outlays in fiscal year 1986, $860,000,000 in budget authority and $535,000,000 in outlays in fiscal year 1987, and $1,085,000,000 in budget authority and $960,000,000 in outlays in fiscal year 1988.

(k) The Senate Committee on Small Business shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $448,000,000 in budget authority and $509,000,000 in outlays in fiscal year 1986, $564,000,000 in budget authority and $972,000,000 in outlays in fiscal year 1987, and $1,060,000,000 in budget authority and $998,000,000 in outlays in fiscal year 1988.

(l) The Senate Committee on Veterans' Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $300,000,000 in budget authority and $300,000,000 in outlays in fiscal year 1986, $400,000,000 in budget authority and $400,000,000 in outlays in fiscal year 1987, and $450,000,000 in budget authority and $450,000,000 in outlays in fiscal year 1988.

(m) The House Committee on Agriculture shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $1,250,000,000 in fiscal year 1986; to reduce outlays by $2,050,000,000 in fiscal year 1987; and to reduce outlays by $4,600,000,000 in fiscal year 1988.

(n) The House Committee on Armed Services shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional

Budget Act of 1974, sufficient to reduce outlays by $100,000,000 in fiscal year 1986; to reduce outlays by $200,000,000 in fiscal year 1987; and to reduce outlays by $300,000,000 in fiscal year 1988.

(o) The House Committee on Banking, Finance and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $2,374,000,000 in budget authority and $2,814,000,000 in outlays in fiscal year 1986; $2,828,000,000 in budget authority and $3,685,000,000 in outlays in fiscal year 1987, and $2,998,000,000 in budget authority and $3,821,000,000 in outlays in fiscal year 1988.

(p) The House Committee on Education and Labor shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $670,000,000 and outlays by $470,000,000 in fiscal year 1986; to reduce budget authority by $860,000,000 and outlays by $835,000,000 in fiscal year 1987; and to reduce budget authority by $1,085,000,000 and outlays by $1,260,000,000 in fiscal year 1988.

(q) The House Committee on Energy and Commerce shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $1,513,000,000 in budget authority and $3,947,000,000 in outlays in fiscal year 1986, $1,246,000,000 in budget authority and $5,008,000,000 in outlays in fiscal year 1987, and $1,401,000,000 in budget authority and $6,512,000,000 in outlays in fiscal year 1988.

(r) The House Committee on Government Operations shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays by $0 in fiscal year 1986; to reduce outlays by $3,526,000,000 in fiscal year 1987; and to reduct outlays by $4,956,000,000 in fiscal year 1988.

(s) The House Committee on Interior and Insular shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $4,000,000,000 and outlays by $4,000,000,000 in fiscal year 1986; to increase budget authority by $1,504,000,000 and outlays by $1,504,000,000 in fiscal year 1987; and to increase budget authority by $1,029,000,000 and outlays by $1,029,000,000 in fiscal year 1988.

(t) The House Committee on Judiciary shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $570,000,000 and outlays by $70,000,000 in fiscal year 1986; to reduce budget authority by $610,000,000 and outlays by $285,000,000 in fiscal year 1987; and to reduce budget authority by $635,000,000 and outlays by $510,000,000 in fiscal year 1988.

(u) The House Committee on Merchant Marine and Fisheries shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $3,000,000 and outlays by $300,000,000 in fiscal year 1986; to reduce budget authority by $100,000,000 and outlays by $100,000,000 in fiscal year 1987; and to reduce budget authority by $100,000,000 and outlays by $100,000,000 in fiscal year 1988.

(v) The House Committee on Post Office and Civil Service shall report (1) changes in laws within the jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $3,219,000,000 in outlays in fiscal year 1986; $4,421,000,000 in outlays in fiscal year 1987, and $4,986,000,000 in outlays in fiscal year 1988.

(w) The House Committee on Public Works and Transportation shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $200,000,000 in fiscal year 1986, to reduce outlays by $850,000,000 in fiscal year 1987, and to reduce outlays by $1,050,000,000 in fiscal year 1988.

(x) The House Committee on Small Business shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $448,000,000 in budget authority and $509,000,000 in outlays in fiscal year 1986, $564,000,000 in budget authority and $972,000,000 in outlays in fiscal year 1987, and $1,060,000,000 in budget authority and $998,000,000 in outlays in fiscal year 1988.

(y) The House Committee on Veterans' Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $300,000,000 and outlays by $300,000,000 in fiscal year 1986; to reduce budget authority by $400,000,000 and outlays by $400,000,000 in fiscal year 1987; and to reduce budget authority by $450,000,000 and outlays by $450,000,000 in fiscal year 1988.

(z) The House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee sufficient to reduce the budget deficit by $5,027,000,000 in fiscal year 1986; to reduce the budget deficit by $7,245,000,000 in fiscal year 1987; and to reduce the budget deficit by $9,362,000,000 in fiscal year 1988.

MISCELLANEOUS PROVISIONS

AUTOMATIC SECOND BUDGET RESOLUTION

Sec. 3(a). If the Congress has not completed action by October 1, 1985, on the concurrent resolution on the budget required to be reported under section 310(a) of the Congressional Budget Act of 1974 for fiscal year 1986, then, for purposes of section 311 of such Act, this concurrent resolution shall be deemed to be the concurrent resolution required to be reported under section 310 of such Act.

(b) In the House of Representatives, section 311(a) of the Congressional Budget Act of 1974, as made applicable by subsection (a) of this section, shall not apply to bills, resolutions, or admendments within the jurisdiction of a committee, or any conference report on any such bill or resolution, If—

(1) the enactment of such bill or resolution as reported;

(2) the adoption and enactment of such amendment; or

(3) the enactment of such bill or resolution in the form recommended in such conference report;

would not cause the appropriate allocation for such committee of new discretionary budget authority or new spending authority as described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 made pursuant to section 302(a) of such Act for fiscal year 1986 to be exceeded.

TAX REFORM

Sec. 4. (a) The Congress finds that—

(1) the existing tax structure of the United States distorts economic activity, leading to an inefficient use of national resources and a weakening of our domestic economic vitality and competitive posture in international markets;

(2) the relative tax burdens among various taxpayer categories are manifestly unfair insofar as they arise from differences in the capabilities of taxpayers to take advantage of complicated tax laws;

(3) the ability of the Federal Government to plan and conduct rational fiscal policy is frustrated by elaborate schemes to avoid taxation and the unintended effects of tax incentives and penalties;

(4) progressive erosion of voluntary compliance threatens the fiscal integrity of our public finances and the confidence of our citizens in the Federal Government's capacity to govern; and

(5) a number of plans, each designed to simplify and reform the Tax Code, have been before the Congress for a time sufficient to allow for extensive analysis and evaluation.

(b) It is therefore the sense of the Congress that tax reform should be adopted as soon as possible, and that it should incorporate the following principles and objectives:

(1) efficiency and responsiveness to market conditions in the economic activities of American businesses and consumers;

(2) simplicity of structure and lower marginal tax rates;

(3) a fair and equitable distribution of the tax burden among all taxpayers, with relief for those below the poverty level, and incentive to bring them into the work force;

(4) a broader tax base, with deductions essential to avoid genuine hardship or to protect the economic security of the American people; and

(5) increased incentives for work, saving, and investment.

CBO SCOREKEEPING REQUIREMENTS

Sec. 5. It is the sense of the Senate that because the Senate requires timely reporting of legislative action on spending bills, and because the Senate requires continual control over the budget, the Director of the Congressional Budget Office shall issue a weekly report during periods when the Senate is in session detailing and tabulating the progress of congressional action on bills and resolutions providing new budget authority and changing revenues and the public debt for a fiscal year, including, but not limited to the requirements set forth in Public Law 93-344, section 308(b).

FARM LOSS DEDUCTION

Sec. 6. It is the sense of the Senate that revenues should be increased and it is assumed that tax legislation will be enacted to

limit to the national median family income the amount of farm loss which may be deducted against nonfarm income, and it is further assumed that revenues derived from enactment of such legislation be used to reduce individual income tax rates and to assure that full-time, family-size farm operators will not be disadvantaged by unfair competition from high-income taxpayers with substantial nonfarm income.

ENHANCED TAX LAW ENFORCEMENT

Sec. 7. It is the sense of the Congress that revenues should be increased and it is assumed that the Committees on Finance and Ways and Means will develop legislation to reduce the tax enforcement gap, estimated by the Internal Revenue Service at $92,000,000,000 in fiscal year 1986. It is further assumed that such legislation should provide for increased and improved enforcement and collection, through audits, examinations, and other steps designed to identify and eliminate tax cheating and increase revenue collections from individuals and corporations currently evading Federal taxes, and that the legislation should include steps designed to increase voluntary compliance with tax laws and that such steps may include increased staff for taxpayer assistance, speedier processing of returns and provision of public information designed to build public trust and understanding of Internal Revenue Service enforcement efforts and that such legisation should also provide that the resources of the Internal Revenue Service shall be increased to accomplish full enforcement of United States tax laws, increasing voluntary compliance.

INTERNATIONAL MONETARY CONFERENCE

Sec. 8. It is the sense of the Congress that the Administration should consider convening a high level meeting of the major industrial countries for the express purpose of exploring options to improve the functioning of the international monetary system, including measures to stablize currency exchange rates, reduce interest rates, promote maximum domestic and world economic growth, and help assure domestic price stability.

COMMITTEE REVIEW OF THE PRESIDENT'S PRIVATE SECTOR SURVEY ON COST CONTROL

Sec. 9. It is the sense of the House of Representatives that—

(1) each of its standing committees should review and study, on a continuing basis, those portions of the the President's Private Sector Survey on Cost Control affecting subjects within its jurisdiction;

(2) each of its standing committees should, in its consideration of any bill or joint resolution of a public character within its jurisdictions, review those portions of the President's Private Sector Survey on Cost Control pertaining to such bill or resolution; and

(3) each report of any such committee on a bill or joint resolution of a public character should contain—

(A) an identification of each recommendation of the President's Private Sector Survey on Cost Control implemented in such bill or resolution and the estimated dollar amount of program cost savings or revenue enhancement as a result of the implementation of each such recommendation; and

(B) a statement setting forth each recommendation of the President's Private Sector Survey on Cost Control pertaining to such bill or resolution, the disposition of each such recommendation, and the reasons for such disposition.

LIMITATION ON BENEFITS TO ALIENS

Sec. 10. It is the sense of the Congress that functional totals should be reduced to reflect a limitation on the amount of social security benefits paid to illegal and nonresident aliens. It is assumed that the Finance Committee and the Ways and Means Committee will report legislation to accomplish the required changes in law. Such legislation may limit benefits to the amount of wage-earner's contribution plus interest, unless the wage-earner is a citizen of a country with which the United States has a treaty or totalization agreement and that this provision would apply to individuals becoming eligible on or after January 1, 1986.

Resolved, That the House recede from its amendment to the title of the aforesaid resolution.

Mr. DOMENICI. Mr. President, I move that the Senate concur.

The PRESIDING OFFICER. Is all time yielded back?

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, we now have all the time anyone wants. The matter before us is the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield whatever time the distinguished Senator desires.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I should like to read a resolution which was adopted by the Republican conference of the U.S. Senate today. This resolution was adopted unanimously, and we are grateful to Senators ARMSTRONG and DANFORTH for drafting what was the reflection of the views of all those present:

> Whereas, the the Republican Conference of the Senate of the United States expresses its appreciation for the outstanding leadership and tireless efforts of the Majority Leader, Senator Dole, and the Chairman of the Budget Committee, Senator Domenici, in achieving the pending conference report on the budget resolution; and
>
> Whereas, the Conference finds that this budget resolution achieves significant spending reduction, but reduces the budget far less than needed; and
>
> Whereas, the Conference finds that, despite passage of this budget resolution, enormous deficits are in prospect which threaten the economic future of this nation and the financial well-being of every family in America; and
>
> Whereas, the Conference finds that the magnitude of current debt and the compounding effect of interest on the national debt urgently require additional deficit reduction; and
>
> Whereas, the Conference finds that this budget resolution provides only a ceiling on permissible spending and that nothing in this resolution is intended to prevent Congress from spending less than the amounts reflected therein or from acting on the numerous and bipartisan proposals for further substantial deficit reduction,
>
> *Therefore, be it resolved* That the Congress should adopt further deficit reduction measures at the earliest available opportunity, in order to reduce deficits to no more than 2 percent of the GNP in 1988 and balance the budget by 1990.

That is the Republican conference resolution.

Mr. CHILES. I would like to urge that it be adopted.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. I yield to the Senator from Washington such time as he desires.

Mr. GORTON. Mr. President, it has been my distinct honor to serve on the conference committee on this budget resolution with eight very hard-working and dedicated colleagues who have signed the recommendation that the conference committee report be adopted. I do so with some considerable disappointment, but at the same time with the firm feeling that we should adopt this conference committee report and then enforce this budget resolution.

From the beginning of this process in January, I suspect that all of us sought a budget resolution which was both effective and fair. By effective, we mean a budget resolution which would succeed in substantially reducing budget deficits and give us at least a promise that that budget, at some time in the future, would be balanced. By fair, we mean one which defines the burden of coming to that conclusion equitably among the people of the United States.

From the point of view of this debate, of course, we have had at least four distinct major proposals before us: That proposed by the Senate Budget Committee; that passed by the Senate dramatically, early in May, by the vote of the courageous Senator from California; the so-called Gorton-Chiles proposal in the Budget Committee itself; and the most recent bipartisan proposal by members of this committee of both parties. But none of those four proposals is before us tonight.

Mr. COHEN. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate is not in order. Those Senators wishing to converse are urged to remove themselves from the Chamber.

Mr. GORTON. I thank the Chair.

Mr. President, it is my view that each of those four proposals was more effective and more fair, under that definition, than is the proposal before us at the present time—most particularly the last two, because they were clearly the most effective and the only two which gave the slightest indication that we would ever reduce our deficits below $100 billion a year, much less to a balance, and were preferable even to the first of those two.

1Mr. President, I must say in this regard, as in many others, we find that the perfect can easily be the mortal enemy of the good. Maybe each of those is an exaggeration with respect to the proposals before us, and it should be more appropriate to say that the good is the mortal enemy of the fair, a distinct step forward.

Given the fact that the President of the United States and the leadership of the House of Representatives—probably fairly stated, the leadership of the House of Representatives in both parties—were adamantly opposed to all four of those proposals, and most particularly to the last two, and due to the fact that we do have a divided Government in this Congress and in this administration, that effective alliance between the President and the Speaker of the House of Representatives makes it impossible to come to a perfect or even to a very good solution. But we do not have that choice here tonight. We have a choice between this budget resolution and Government by chaos and Government by no budget resolution.

The PRESIDING OFFICER. The Senate is not in order. Staff members at the rear of the Chamber are requested to leave the Chamber. Those staff members conversing on the Republican side are to absent themselves from the Chamber.

Mr. GORTON. Mr. President, as I was attempting to communicate, at this point, given a divided Government, we have the option between this budget resolution and Government by chaos.

An attempt to bring points of order against appropriations bills or to utilize the debt ceiling resolution in another month or two in an attempt to see whether or not we can reach a better conclusion, that is highly unlikely at best and disastrous at worst.

This is the best solution achievable under the circumstances. It is due to the efforts of many Members in this body, but three in particular: the majority leader, who has courageously represented the point of view of the majority of the Senate of the United States, a majority, I suspect, on both sides of the debates, both public and with the administration; the most distinguished and thoughtful and considerate ranking minority member of the Budget Committee, the Senator from Florida, who has often lost in proposals which he has made but who has seen many of the ideas which he has expounded at least reach the point at which a majority of this body support them very, very wholeheartedly; but most particularly, Mr. President, the distinguished chairman of the Budget Committee, the Senator from New Mexico, who is literally worth his weight in diamonds to this body and to the people of the United States. His courage and constant persistence have brought us a proposal which he admits is far from what we would have wished but is infinitely better than anything we would have had without those efforts. And every person here and every person in the United States owes to the Senator from New Mexico an immense debt of gratitude.

This is half a loaf. Very few people will claim that it is more than that, but it is an important half loaf. It is important in that at least we will no longer see budget deficits which are increasing. Instead of deficits going from $220 billion, perhaps to $300 billion, we will see them in the order of $190 billion, $180 billion, maybe $170 billion.

I wished for much more, but the people of the United States will gain by receiving this half loaf and permitting us in the near future I hope to begin once again. This is not the end of the war. It is one scrimmage or one battle. The next battle if this resolution is passed at least will be fought on more favorable ground.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, may I have 2 minutes?

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. I thank the distinguished Senator.

Mr. DOMENICI. I yield the Senator however much time he needs.

Mr. BYRD. I thank the Chair.

I thank the distinguished majority leader for attempting to get an answer to my question or maybe he got the answer. May I ask him what he found out in his conversation with the White House?

Mr. DOLE. Mr. President, if the distinguished minority leader will yield, I did make a telephone call and I did find out the President would like us to pass this budget resolution.

Mr. BYRD. Who said so?

Mr. DOLE. The chief of staff.

Mr. BYRD. Who is the chief of staff?

Mr. DOLE. It was Donald Regan, but he was at a meeting I had with the President this afternoon and we discussed it and I want to make sure I have it right. But I think the President will indicate he would like more, but that this is a step in the right direction and that he would like us to pass it.

Mr. BYRD. I appreciate what the distinguished majority leader has said. Could he tell us what Mr. Regan, the chief of staff for the Commander in Chief, said about the resolution and whether or not the President supports it?

Mr. DOLE. I think my inference is the President wants us to pass it and that would indicate his support. I spent about an hour with the President this afternoon, and I think there was not any doubt in my mind that he wanted us to pass this proposal, that he supports it, not with great enthusiasm. I do not think a lot of people do here. But I do not know what else I could tell the distinguished minority leader. He is pleased it has no taxes in it. But I think he feels that we have actually done a pretty good job.

Mr. BYRD. Did Mr. Regan indicate that the President would not be critical of this resolution if it is passed?

Mr. DOLE. The President will issue a statement shortly, hopefully, if we pass the resolution, and I have heard that statement and it is not critical.

Mr. BYRD. And it is not critical.

I certainly appreciate the distinguished majority leader's statement. My vote on this will be determined by whether or not Mr. Regan, the chief of staff, clearly indicated that the President of the United States supports this resolution. It may not be everything he wants. It is not everything I want or everything the majority leader wants. But I am not sure that I yet have a clear understanding as to what Mr. Regan said in response to the question asked by the distinguished majority leader.

Mr. DOLE. I just say to the distinguished minority leader I was there. I was not really quoting Mr. Regan. You do not visit the President and run out and quote a President. But I think as I recall the visit and paraphrasing what was said, we discussed the history of the budget debate and a number of other things and focused on what would happen this evening, and I had the clear impression that the President supports this conference report again with reservations. I think everyone here has reservations. I am not going to vote for it with any enthusiasm. I am going to vote for it because I think it is an improvement over the House-passed budget resolution. So, I think that is fairly firm. It is not from the chief of staff. This is from the President himself.

And beyond that, I just cannot say unless I can call the President back and I hate to do that. I just say the President supports this conference report.

Mr. BYRD. Mr. President, I will not press the majority leader any further. I thank him. I take it by what the majority leader has said that the President does support this budget resolution conference report, and I ask the majority leader one more time, because I want to be sure as I can be, to state what Mr. Regan said in response to the majority leader's questions on the phone just a few minutes ago.

Mr. DOLE. I asked Mr. Regan, in fact I told Mr. Regan that I had been asked by the distinguished minority leader if I could indicate publicly that the President supported the conference report. I reviewed the conversation we had earlier and reviewed the release that I had seen at that time, and I indicated to Mr. Regan that I felt from that conversation, visit, and the statement which will be released that the President would want us to pass this conference report. He said that is true; the President wants it passed. He has reservations, and he did not say "supports," but I think everything else was there.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

Mr. LONG. Will the Senator yield me 1 minute?

Mr. DOMENICI. I yield.

Mr. LONG. Mr. President, I am not going to vote for the conference report. My reasons are very simple. I do not think the people of this country, the business element or for that matter any thoughtful student of this subject would recommend to us a deficit of the dimension that is called for in this measure. When the conferees, of the Senate and the House have reduced spending every way they responsibly could do it, and I assume they have done that, they should have been calling upon us to raise revenue to help further reduce the deficit.

Mr. Paul Volcker, Chairman of the Federal Reserve, has said on occasion that we should cut spending all we can and then reduce that deficit by adding some revenue.

I know the majority leader has suggested that. The minority leader has recommended that. Mr. CHILES has recommended that. I read by the reports that Mr. DOMENICI has recommended that.

The President does not agree.

But for us to stop at this point, by having reduced spending to the extent that the conferees have done and I assume the best of their ability to cut spending, it is my judgment that we should have been called upon to increase revenues to further reduce the deficit.

The Senator from Louisiana is the ranking Democrat on the Finance Committee, and in my judgment we should have been called on to recommend to this Senate a revenue measure to help further reduce this deficit and to not reduce the deficit any more than this resolution achieved in my judgment is not responsible.

While I appreciate the dedicated efforts of those who tried to reduce it and undoubtedly have tried to do it——

The PRESIDING OFFICER. Will the Senator suspend?

The Senate is not in order. The distinguished Senator from Louisiana has a right to be heard. The Senate is not in order. We will not continue until the Senate is in order.

The Senator from Louisiana.

Mr. LONG. Notwithstanding the long hours and diligent efforts made by those who represented the Senate in conference, the majority leader and minority leader, I do not think that the huge deficit is in the national interest, Mr. President, and I simply cannot vote for it.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. I yield time to the distinguished Senator from Montana.

Mr. MELCHER. I thank the ranking member of the Budget Committee for yielding me time.

I wonder if the majority leader would be kind enough to yield for a question.

We have looked over the agriculture figures, and the reconciliation for agriculture covering those programs for commodities and loan programs, credit programs, research, it is $7.9 billion. In other words, it is an $8 billion reconciliation.

Mr. DOLE. Which is the House number.

Mr. MELCHER. I would ask the distinguished majority leader, since we have been discussing the farm bill costs in debate in committee and here on the floor. I ask, is it not irrelevant what the deficiency payments are, the target prices are for crop years 1988 and 1989 as far as this budget resolution is concerned?

Mr. DOLE. What was the first part of the question?

Mr. MELCHER. Is it not irrelevant, as far as this budget resolution is concerned, what the deficiency payments are for crop years 1988 and 1989?

Mr. DOLE. No; I do not think it is irrelevant. It seems to me there have to be some assumptions made to reach these figures, the $7.9 billion figure, which was the House number.

Mr. MELCHER. I want to be sure we have the same understanding. The $7.9 billion reconciliation will come out of the fiscal years 1986, 1987, and 1988 expenditures.

Mr. DOLE. Right.

Mr. MELCHER. That being the case, since the deficiency payments for crop year 1988 will be paid in fiscal 1989, it does not apply in this budget, nor does the reconciliation figure of $7.9 billion?

Mr. DOLE. The Senator is talking about the outyears? We do not deal with that year; the Senator is correct.

Mr. MELCHER. I want to just make this point. Yesterday in committee we voted for a 2-year freeze on target prices that would cover the crop years 1986 and 1987. Since those deficiency payments called for target price freezes in which crop year 1987 would be paid in fiscal 1988, the full budget impact has been considered in that particular proposal. And that was the Senator's proposal, was it not?

Mr. DOLE. That is correct.

Mr. MELCHER. I thank the distinguished majority leader, because I think he is on the right track with his proposal in committee yesterday. So what was done by that particular amendment covered all of the deficiency payments that will be contemplated in this budget. But in the following 2 years, the so-called outyears, those deficiency payments will be made in fiscal 1989 and fiscal 1990, not covered by this budget. So, the proposal I have made for the last 2 years is not affected by this budget.

Mr. DOLE. That is correct.

Mr. MELCHER. So if we hold target prices steady in those 2 outyears, we are assuming, regretfully, and possibly mistakenly, that the current level of target prices will be enough.

But, nevertheless, the point I want to make is that we have been arguing for the past couple of days about a part of the farm bill on the target prices for crop years beyond this budget resolution. What we accepted in the committee on the motion of the distinguished majority leader, the Senator from Kansas, who understands the farm program and particularly the wheat program as well or better than anybody else on this floor, was to accept his motion to freeze target prices for at least the first 2 years; and by doing so, the full budget impact for target prices was addressed. Those of us who feel strongly that we cannot cut target prices in the next 2 fiscal years beyond that to anything less than that covered in this 3-year span, I think, have probably made our case on behalf of agriculture producers and that is the least we can do in the farm bill.

I hope that we will not be accused of following the wrong leadership and busting the budget when we take up the matter again, in September, because we have followed the majority leader in his proposal for the first 2 years of the bill and we believe we can do no less for the last 2 years of the bill.

Mr. CHILES. Mr. President, I yield 2 minutes to the distinguished Senator from Mississippi [Mr. STENNIS].

Mr. STENNIS. Mr. President, I am one of those who believes in the Senate as an institution. I think it is my personal duty to uphold it and back it, the institution, whenever I can. I have been here during the start of two wars and have had other hard questions arise, but this is the most critical test, I believe, that the Senate has had since I have been here. And it has made a start on finding a way through to a solution, a major part thereof, to this problem.

After all, this is our responsibility. This is purely a matter of raising revenue and appropriating revenue. It is clear as a bell throughout the Constitution that the sole power to raise revenue rests with the Congress and also to make appropriations. So, I wish it meant more.

First, a word about the men. I wish I was in the group that contributed to this. I have not been. But I have never seen a finer effort. Some men have been here a short term for Senate tenure and others are new faces. There were many that made tremendous contributions in this field and still have not attained anything like a solution, but they will keep trying. So I am going to support it, not because I like what it is, but it is a start. And I think we made that start, and we can finish it the same way.

Mr. DOMENICI. Mr. President, I yield myself 2 minutes.

Mr. President, let me say to Senators, regardless of what kind of economic forecasting you want to use and what you think about the future and what you think we might have done, let me tell you that of the budget that the President of the United States sent us, without putting any new taxes on—because the President says we should not now and I really urge to you that we cannot put it on here and count it if he says we are not going to get any. So let me go back. He sends us a budget. We have one little process, budget process. We reduce that expenditure level that he gives us by $277 billion—I have said it correctly—off of what he asks us to do, and there is still a deficit.

We are told by everyone that we cannot touch COLA's. And believe me, we have tried. They will not go in this thing. The President says, "No, and the House says, "No."

It seems to me there is only one issue, if that is all you have on the table: Have we done the best we could with what is there? And I will tell you, I have been at it awhile, and we are only one House. We are the Senate. The other body is another body, and the President is the other one. I think we have done the best we can with the agenda on the table that is before us.

We can talk about what we could have done, what we might have done, what we would have done if we had a bigger table. But there is not any. I was even told a few days ago what is gone is gone. You have done the best you could. Get on with the future. We did. I do not see how anybody can stand around here and say it is the greatest, but neither do I think you ought to run around saying $277 billion off a President's budget that is only 4 months old is a little insignificant kind of job. Sure, the Senator from Louisiana is right. We did not cut the budget enough. Sure, he could put some taxes on. Surely, if the President says we should not, we would have a real phony resolution if you want to put it in there. Put it in. He says it will never become law. So, it is not in there. So, I am not gung ho. I do not think it is a marvelous thing because we could have done better. But I have been sitting here all afternoon, we are finally getting down here, making a few speeches, and we are talking like it is nothing. It is only the biggest budget cut in the history of the Republic.

What are you going to do this afternoon? That may be nothing, but it is a first. You have been meeting for a couple hundred years. We never did anything like this in real dollars, proportionate dollars, or relevant to anything else. We never did anything like this. So, it seems to me that at least we ought to get on with voting it out of here, and let all of the other committees do their work.

Before I sit down, I want to thank the majority leader. He has been marvelous. When we started off, he was not even involved in this budget process. I would let him take the chair right now. He knows enough about it to run it.

I thank all of the rest of us, particularly LAWTON CHILES, and I apologize to some of you. Some chairmen were worried about us taking too much time. We are sorry we did. To those who have not been able to get their work done around here because we have been doing this, and we are sorry. We will get out of the way now. We hope you can all get your work done, and that we have not interfered too much. We just happened to think we could not give up. We could have given up 2 or 3 weeks ago. I felt very much like doing it, I tell you. If it had not been for your encouragement, the leaders' encouragement, some willingness to change along the way, to offer something new, I would have chucked it to you about 4 weeks ago, and to everybody else—to the U.S. House, and the President down there. And for those who say, "Well, good, some of you make that speech here because you say we should not do it"—those who are saying that is good, that is just what you should have done—I ask you what you would have gotten by the end of the year, and what you would have next year, and the year after. You get up here and tell me you would have gotten dynamite. You would have gotten nothing, vetos, continuing resolution, fights, debt limit that we never extend, and we may not, and we would have gotten no master plan or genius to put on that thing either. So, I think we ought to vote it in.

Unless somebody on my side wants some more time, I want to yield back the rest.

Mr. THURMOND and Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. I yield 4 minutes to the distinguished Senator from Idaho, and 3 minutes to the distinguished Senator from South Carolina.

Mr. McCLURE. Mr. President, I am very reluctant and very hesitant to take the floor this evening to make any remarks, particularly after that very eloquent and moving speech by the distinguished Senator from New Mexico has made, because I rise in opposition to the resolution. I do it for a very simple reason.

Everybody knows that we are not going to control the Federal spending until we are willing to confront the growth of the entitlement programs. This resolution does not do that. No matter how you slice it, until you are ready to do that, we are not going to stop the growth of the Federal spending.

It is less than 5 years that a new President took over in this country. The Republicans became the majority party in this body for the first time in a quarter of a century. And we had in our first year the unenviable task of voting to increase the debt limit to $1 trillion. Remember that day? Remember when some of my friends on the other side of the aisle were giving the Republicans the dickens for voting for the largest debt ceiling in the history of the country?

The distinguished minority leader suggests we have got to have a pledge from the President of the United States; he will not criticize our results. I do not see anybody over there making a pledge. You are not going to criticize Republicans for presiding over the big deficits. As a matter of fact, I suspect that is exactly what is going to happen. Perhaps they should, because in spite of this budget resolution now 5 years after we faced $1 trillion, we are facing next year a $2 trillion debt ceiling.

Ladies and gentlemen, with the budget resolution that we have here that has no restraint on the growth of entitlements, in 5 years, we will be facing a $3 trillion budget deficit—national debt. How are you going to vote on that? Are you going to withhold your criticism for the Republicans and the President of the United States for having allowed that to happen? No. Some of the people that demand assurances that the President would not criticize us will be turning around and criticizing the President loudly for having allowed that kind of a budget deficit. I, for one, recognize the difficulties that the distinguished members of the Budget Committee have had in trying to come to a resolution of this matter. I do not envy them their task. I commend them for their dogged determination to produce anything. I think they have done the very best that they can. But for the Senator from Idaho, it is not good enough. It is not good enough when we recognize the kind of fiscal and economic chaos that is in store for this country with $200 billion deficits built on top of $200 billion deficits, and we vote for a resolution that permits that, and say it has our approval. It does not have mine.

Mr. CHILES. I yield 3 minutes to the distinguished Senator from Louisiana.

THE PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I went to bed last night determined to vote against this resolution; disappointed because it did not cut enough, a little bit mad because of certain stubborn people in high places who kept us from doing that which was in the national interest and thinking that half a loaf is not enough, that we ought to hold out for a whole loaf. But, Mr. President, I thought how are we going to get from here to there. And as I began to dream off into sleep, not quite asleep, I thought am I going to lead that fight? Then I thought, well, maybe not, because I have not quite figured how to get from here to there. Just what is it we are going to do? And I figured, well, not me. Let us put somebody else in the leadership. Then I thought, who else has a plan? I finally figured out nobody has a plan, because there is no plan that is better than this. You can criticize it. I have soundly criticized it. It is only half a loaf. Maybe it is only a quarter of a loaf. But let me tell you, you are not going to get taxes because of the President, and you are not certainly going to get taxes without entitlement, and you are not going to get entitlements in this Congress. We all know that. The two go together. I think, with the distinguished Senator from Ohio, we ought to have both. But we cannot get both. There is just no way to get from here to there.

Mr. President, I do not see any strategy in chaos. We could break this thing down and go to an emergency status, have vetoes, have criminations, recriminations, and all the rest. But I do not see the strategy. I just do not see how it could work. And I am willing to follow. I would be willing to follow the President if he said, "Let us defy the rest of Congress and get a real budget," or I would follow my distinguished colleague from New Mexico, or my distinguished colleague from Florida. But we do not have a strategy, not any of us do. This is all we have.

There used to be a saying that all 535 Members of Congress want to balance the budget. They just have different ways of doing it. That is almost true today. I guess there are one or two so-called "supply siders" who think there is some positive good in having deficits, and maybe they do not have a strategy. The rest of us do. We just differ as to how to do it. But if anybody can give me a strategy as to how you can put together enough Members to do better than this, I have not heard it. I have been listening very, very carefully.

Mr. President, the fact is we have no one to follow. We have no one to follow. We have no plan other than this plan.

It does something. It is $68 billion in spending reconciliation. It is over $8 billion in taxes. They will call it something else, I guess. Reconciliation. And it is over $200 billion in cuts of the deficits, some of it smoke and mirrors, some of it real, but a heck of a lot more than we get without a plan.

This is the only game in town. It is the only plan. With a lot of sadness and in the cold light of day, I say it is our only choice.

Mr. DOMENICI. I thank the distinguished Senator from Louisiana for his observations. I yield back the balance of my time except for 6 minutes, 3 of which I yield to the Senator from South Carolina and 3 to the majority leader.

How much time does the Senator from Alaska desire?

Mr. STEVENS. Three minutes.

Mr. DOMENICI. And 3 minutes to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I do not know of a more important matter to the people of America today than cutting these taxes. It simply means we will have more inflation and higher interest rates if we do not take the necessary steps. We have balanced the budget once in 8 years, three times in 25 years. It is time we got busy and balance the budget.

On the other hand, the President takes a strong position. He has a right to the veto. The House has not taken the steps they should have taken, but I think the Senate took the right steps here. It took a lot of courage on the part of the Senate to do it. But we cannot do it alone.

I am convinced that it is better to save $277 billion and get this much done, if we do not get any more.

This is not the budget I want. I wanted to see a real budget, to balance it.

Senator DOMENICI has worked night and day. I have never seen a man work harder. In the years I have been here I have not seen a Senator who knows more about the budget and who has slaved to get something done than he.

The majority leader has had meetings in his office time after time. I stopped everything and went. Others did the same thing. That was to try to balance this budget. I think we better take this $277 billion or we will not get anything. This is the first step. Then if we have the courage we will take other steps to go further and try to bring this budget into balance.

I hope this budget, as advocated by the distinguished chairman, will be adopted.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I will not take the full time. I wanted to reaffirm the statements which have been made here about the others concerning the work of the distinguished Senator from New Mexico, but beyond that I would like the Senate to look ahead a little bit and realize that this is just the first of a series of years when we will be called upon to make really tough budget decisions.

We do not know where the majority is going to be in those years, I will tell you frankly, in terms of the relationship of the parties here in the Senate.

This chairman and the ranking member have done excellent work. I echo what my friend from Mississippi has said in that regard.

It could well be that in a short period of time the roles may be reversed. I remember when they were. But I think it is imperative that we establish a bipartisan support for the budget process. We need the support for the work of the majority on this side of the aisle, but the Members of the Senate on the other side of the aisle need fully to recognize that they, too, may need support sometime in the future just as some in this body needed it in the past.

I see my good friend looking at me now. He got support in the past.

The support is for the process inherent in the law that we passed. As I said, it is imperative that we give it that support. Unless we do, we are going to face worse chaos under some of the suggestions I have heard here as to how to bring about a reduction.

This is the only mechanism we have to bring about a reduction, not only this year but in the years to come.

So I would urge a strong bipartisan support for what I consider to be a very, very good effort, which has taken us, I will remind Members, 7 months.

It may be that the whole budget system itself and the basic law should be reviewed under the oversight process soon to see if we can devise a way so that it will not take that long, to put mandatory times in on getting the report back so there is an alternative to reach this vote earlier in the year. Under the system they are working under now, the Budget Committee has done a good job and they deserve our support.

THE BUDGET RESOLUTION CONFERENCE REPORT: FAR TOO LITTLE, FAR TOO LATE

Mr. HELMS. Mr. President, as we approach the rollcall vote, I must say that I am disappointed that the conference on the budget resolution failed to produce a responsible deficit reduction.

The American people had been led to believe that the major objective of the Congress in 1985 was to reduce the Federal deficit.

There had been much discussion last year about how this objective could be accomplished. Former Vice President Walter Mondale adopted the view that so-called deficit reduction could be achieved only by raising taxes and simultaneously increasing certain domestic spending. The voters spoke rather resoundingly last November on their view of this, and many other, of Mr. Mondale's views.

Mr. President, some Members of Congress have not yet received the message from the voters last November. They have persisted all year long in trying to devise means—directly and indirectly—for increasing taxes on the American people.

Thanks to the resolute opposition of President Reagan, the big taxers have been unsuccessful—at least thus far—in getting either the House or Senate to adopt tax increases as a part of so-called deficit reduction.

On the other side of Mr. Mondale's mistaken policy was a proposal for increases in domestic spending. Unfortunately, Mr. President, liberal big spenders have been more successful in this final budget document in implementing parts of this ill-conceived concept.

In the midst of a document that purports to be achieving major deficit reductions are numerous items to increase Federal spending.

Obviously, this document has just become available, but I have already discovered several increases in programs within the jurisdiction of the Committee on Agriculture, Nutrition, and Forestry, which I chair.

The conference report totally rejects the reasonable reductions included in the Senate-passed budget resolution for federally funded food assistance programs. Reductions of $500 million were proposed for the Food Stamp Program over a period of 3 years. Reductions of $1.2 billion were proposed for the various child nutrition programs over 3 years.

Rather than reduce spending by $1.7 billion over 3 years, however, the conference report increases spending for these programs by almost that amount.

The conference report proposes to increase food stamp spending by over $1 billion over 3 years—$1 billion over and above the increases already assumed for inflation. The Food Stamp Program, which now costs $12.5 billion, would escalate to over $14 billion annually by fiscal year 1988, under the assumptions included in the budget resolution conference report.

Part of that increase is a result of over $200 million increase for the Nutrition Assistance Program in Puerto Rico. That program was established at $825 million annually to reduce what had been the rapid growth in the Puerto Rican program. Without that reform, the program in Puerto Rico alone would be costing over $1 billion annually. Almost 60 percent of the Puerto Rican population was on the Food Stamp Program prior to the establishment of the $825 million grant. Under the conference report suggestion, Puerto Rico's program would once again begin escalating.

The President proposed in his budget to reduce spending in child nutrition programs. But what the President noted was that a large portion of spending for child nutrition programs—over $1 billion annually—goes for children receiving federally subsidized meals who are from families with incomes far above the poverty line. He recommended that reductions be made in the subsidies for these nonpoor families. The Senate-passed resolution included some of these reductions.

Instead, the conference report proposes to continue, unabated, this spendng for nonpoor children and to increase spending for child nutrition programs by over $100 million annually—again that much in increases over the increases already assumed for inflation. Spending for these programs will escalate from $5.5 billion to $6.4 billion by fiscal year 1988 under the assumptions contained in this conference report.

Frankly, Mr. President, I find too little in this conference report that is acceptable as true deficit reductions. It appears to this Senator that the conference report has become little more than a vehicle for restraining defense spending. No restraint of welfare spending or of other major domestic spending programs.

I have previously indicated to the distinguished chairman of the Budget Committee, Senator Domenici, that I would be unable to support such a final product. I ask that a copy of a letter to Senator Domenici be printed at this point in the Record:

The letter follows:

U.S. Senate,
Washington, DC, June 24, 1985.

Hon. Peter V. Domenici,
U.S. Senate, Washington, DC.

Dear Pete: Realizing that you are deeply involved in the conference on the budget resolution, I do not desire to complicate your already difficult task. However, I feel obliged to convey to you my concerns about various reports I'm hearing concerning the final shape of the conference report.

I am absolutely convinced that it is essential that the final package contain the features of the Senate-passed resolution which attempts to reform significantly some of the spending for domestic programs.

I am concerned that the final document not become merely an outline for restricting defense spending, without significantly addressing restraint or reductions in domestic spending. Frankly, if the final document becomes merely a guise for reducing defense expenditures—with little or no other reductions—it will have lost its central purpose, and I cannot support such a result.

The Senate-passed reductions are reasonable. I certainly hope that you and the other conferees will insist on these important provisions.

Kindest personal regards.

Sincerely,

Jesse Helms,
Chairman.

Mr. HELMS. Mr. President, for the reasons outlined in that letter and those already cited, I am forced to oppose the conference report. I hope that it will be rejected and then perhaps the conferees can get down to business of serious budget reduction—by reducing these large spending programs.

I should specify, Mr. President, that the conference report establishes increases for food stamps and child nutrition at the subtotal level without making corresponding increases in the overall total for income security—function 600. This will mean, if the resolution is properly enforced, that any attempts to increase spending in either food stamps or child nutrition will result in the necessity to reduce spending in other programs under the jurisdiction, for appropriations, of the Agriculture Subcommittee of the Appropriations Committee.

So while the increase may not materialize, it seems to me that the conference report contains "funny numbers" that create an appearance of doing something to reduce the deficit while at the same time giving encouragement to ever greater Federal domestic spending.

Mr. President, another serious shortcoming in the conference report is the slippage in savings attributed to agricultural programs within the jurisdiction of the Agriculture Committee.

The savings in the conference report for this function have been significantly reduced, by $2.4 billion. Again, Mr. President, the conference report moves in the wrong direction—toward less savings, rather than maximum savings.

Agriculture program spending can and must be reduced, for the good of both farmers and taxpayers.

Mr. President, I am also troubled by the inclusion of tax increases in the budget resolution—and especially troubled by specific tax that some of the budget conferees, and others, apparently have in mind.

The tax increases appear designed to be just large enough to allow, among other increases, a continuation in the 16 cents per pack tax on cigarettes.

That tax is currently scheduled to fall to 8 cents on October 1.

Mr. President, I must oppose any efforts seeking to make permanent the current 16 cents Federal excise tax on each pack of cigarettes. It was my amendment to the Tax Equity and Fiscal Responsibility Act of 1982 that calls for the tax to be lowered back to its original 8 cents per pack beginning October 1, 1985.

I am sure the budget conferees have good intentions, but there are two primary reasons why I will be forced to respectfully disagree with them on this particular matter.

First, this action proposes a tax increase. Although it may be tempting to suggest that this would freeze the existing 16 cents per pack cigarette excise tax, it is critical to remember that one-half of the 16 cents is a temporary surtax enacted in 1982 and scheduled to end, or "sunset," this year. The Senate Budget Committee, in its effort to maintain existing revenue law, quite properly assumed in the Senate passed resolution that the sunset would take place this year as promised by Congress in 1982.

Second, consumers of tobacco products already bear an inordinate share of taxes imposed by all levels of government. Smokers paid Federal, State, and local governments a record $9.3 billion in tobacco taxes for the year ending June 30, 1984. The amount, levied on 28.5 billion packs, was an increase of $1.5 billion over the previous year and was more than three times the amount received by tobacco farmers for their 1984 crop.

The Federal cigarette excise tax raised $4.7 billion in this 12-month period. The amount was a $1.3 billion increase over the previous year's collections. Tobacco has been taxed by the Federal Government since 1863. The first State cigarette tax was imposed by Iowa in 1921. Over the past 121 years, tobacco taxes have generated more than $164 billion in revenue. I do not know of any other commodity that is as overtaxed as tobacco.

It is also my strong feeling that the regressive nature of cigarette excise taxes causes them to affect most adversely those who can least afford them—the working people of this country. Excessive cigarette taxes are an undue hardship to the 55 million Americans who choose to smoke, as well as the 276,000 family farmers who depend on tobacco for their livelihoods and the 50,000 workers who earn their living in tobacco manufacturing.

In conclusion, Mr. President, this budget resolution proposes a tax increase, and tobacco is already overtaxed.

Mr. DeCONCINI. Mr. President, on May 9, I began my statement on the White House-Republican leadership budget plan by saying:

> It has been a tortuous 3 weeks since the first copy of the so-called White House-Republican leadership budget plan arrived on our desks, heralded as the bottom line in deficit reduction for 1986 through 1988.

Well, the last 3 months have been even more tortuous, as the House and Senate conferees have struggled to reach a budget compromise that makes meaningful headway in reducing the huge Federal budget deficit. The product of their labor is now before the Senate and I intend to support it. However, let me quickly add that much like the victory of Pyrrhus over the Romans at Apulum in 279 B.C., the "victory" of reaching a deficit reduction compromise tonight may be a hollow one. Let me attempt to explain.

First, Mr. President, the deficit reduction assumed in the conference agreement will total only $39 billion in fiscal year 1986, according to the Congressional Budget Office bookkeepers. Using CBO's numbers, the deficit would be $181 billion next year and would shrink to $161 billion by fiscal year 1988. Even the more optimistic Office of Management and Budget accounting system shows that the deficit would still be $112 billion by 1988. That is a far cry from the surplus that the President predicted we would have in 1985 and 1986, when he outlined his economic blueprint back in February 1981. Furthermore, these deficit reduction assumptions are largely predicated on passage of an omnibus reconciliation bill that changes existing law to achieve savings and revenue increases over the next 3 years. These legislative changes would tackle some of the most politically sensitive and popular programs and activities in the Federal Government and will be extremely difficult to do as the Senate and the House approach another election year. For example, legislation to impose user fees on businesses to cover the cost of Customs services at the border and airports; legislation to achieve cuts in farm programs; and legislation to achieve savings in veterans programs will not be easy to achieve. Failure to address these and other reconciliation guidelines by the end of this session of Congress can only mean even larger deficits next year and in the outyears. Therefore, when all of the dust settles, we may not have even the limited deficit reduction target contained in the conference agreement.

Second, as I understand it, the budget conferees have opted not to impose tough, binding enforcement mechanisms in the compromise agreement. For example, there is no appropriation "cap" in the conference agreement that would help discipline the House and Senate Appropriations Committees in reporting and passing annual spending bills. Frankly, I would support a comprehensive appropriation cap that covers both defense and nondefense discretionary spending. The Senate-passed budget resolution contained two separate caps—one for defense and one for everyone else. I opposed that approach because it virtually held harmless defense spending from being stacked up against nondefense spending priorities in competition for scarce taxpayers dollars. Therefore, aside from reconciliation, there is no real "traffic cop" provision in the conference agreement that would put a lid on overall defense and nondefense discretionary spending.

Finally, Mr. President, I believe that the final conference agreement on the budget is a hollow victory because it lacks the full support of the President of the United States. It is true with spending reform and tax reform: without the full weight and power of the President of the United States, true, meaningful reform and deficit reduction will not be achieved. I am deeply disappointed that the President apparently pulled out of the conference battle a few weeks back, leaving his own Republican budget conferees dangling by themselves to fight it out with the House on a deficit reduction compromise. I am convinced that if the President had waded in with his own party negotiators; rolled up his sleeves; and used the tremendous power of persuasion that he clearly possesses, we would have a deficit reduction package before us that would make real progress in reaching a balanced budget before 1990. Furthermore, the jury is still out as to whether the President will use his considerable political clout to help push the reconciliation bill that will implement many of the savings and revenue initiatives contained in this conference report. I hope that he will, but it is one more major intangible that will ultimately help dictate whether we really achieve savings and cut the deficit next year and over the next 3 years.

Mr. President, I trust that my doubts about whether or not this conference report will actually cut the deficit, will not cloud my support for the conference report.

The conference report at least establishes the groundwork for cutting the deficit by $39 to $55 billion, depending on whose economic assumptions you embrace. It does set in motion the machinery to cut the deficit by $200 billion over 3 years. It does take some meaningful steps toward rolling back low priority spending in such activities as administrative overhead in Government programs and foreign aid. It freezes certain nondefense discretionary spending programs at current levels, thus reigning-in the growth of these programs in fiscal year 1986 and beyond. And it forces cuts in spending for the legislative branch.

At the same time, the conference agreement allows full COLA's for Social Security recipients; protects critical law enforcement activities including our new initiatives against terrorism; and maintains full inflation adjustments for our most needy veterans who have served our country with dignity and courage. And, finally, the conference agreement provides enough room for a strong national defense program for fiscal year 1986 through 1988, without compromising our efforts to ferret out waste, fraud, and abuse in the Defense Department.

Mr. President, our colleagues in the Senate who have toiled so long and hard on this budget compromise deserve great credit for bringing us a package that takes a small but important step toward reducing the deficit next year and in the years to come. Senator DOMENICI and Senator CHILES, the chairman and ranking member of the Budget Committee respectively, should be applauded for pulling out this "overtime" victory on the budget, especially when they apparently did so with their star quarterback—the President of the United States—on the sideline. The compromise is a good balance of restraint and progress in our effort to reduce the deficit yet maintain essential Government services and programs. The conference report deserves our support.

Mrs. HAWKINS. Mr. President, I support this budget resolution and am pleased to see that it does not include a freeze on the Social Security cost-of-living adjustment which was the roadblock to my supporting the Senate budget resolution. I am also pleased that our veterans, who have served this country so selflessly, will also be treated fairly.

This budget process has been a long and arduous process, Mr. President, and one that has caught the attention of the Nation. Most Americans believe that our deficit is the No. 1 problem facing this country and they have no patience with a Congress that is unable to restrain spending and unable to make politically difficult decisions. While I am grateful to my Senate colleagues on the Budget Committee for their hours of work on this legislation, I must admit that this is merely a downpayment and that we still have substantial work to do before our financial house is in order. This resolution is a beginning, but we cannot stop here. If we do not continue to come to terms with Federal spending, it will wreak havoc in our economy and the resulting high interest rates will threaten every American in all walks of life.

Mr. President, the near collapse of the budget conference this year is clear evidence to me that Social Security should not be part of the unified budget. In March of this year, when I realized that Social Security would again become the political football in this debate, I introduced legislation to remove it from the unified budget. If adopted, my legislation would effect next year's budget process so that we could no longer hold Social Security recipients hostage during the debate on this Nation's debt, and it would no longer be a reason for delaying final action on a budget resolution.

I have stated many times on this floor, that Social Security is not part of the deficit problem. It does not compete for scarce general revenue funds and should not be placed on the reduction table enabling Congress to escape making even tougher spending reductions. I look forward to working on this issue when we return in the fall to ensure that this important legislation is adopted before this process begins next year.

Mr. CRANSTON. Mr. President, with the Nation facing a fiscal future of $200 billion annual deficits "as far as the eye can see," the Senate today solved the problem simply by closing its eyes.

I cosponsored, fought for, and voted for a substitute Democratic budget that would have cut the deficit $303 billion over the next 3 years and $56.5 billion in fiscal 1986 alone. We were defeated 54 to 43.

The Office of Management and Budget claims this Reagan-Republican budget will cut the deficit $277 billion over 3 years—$26 billion less than the Democratic budget—and $55 billion in 1986—$1.5 billion less than the Democratic budget.

The Congressional Budget Office—a no-ax-to-grind, nonpartisan agency with a far better record than the Budget Office for accurate economic analysis—says the Reagan-Republican budget actually will cut the deficit by only $200 billion over 3 years—$103 billion less than the Democratic budget—and just $39 billion in 1986—$17.5 billion less than the Democratic budget.

Senate Republican Leader ROBERT DOLE said that the budget that would come before us was a watered-down, nothing budget.

He is right.

He just votes wrong.

I am going to vote against the budget conference report because it is a business-as-usual budget.

This budget is not the best that Congress can do to cut spending.

To ratify this budget is to tell the country that Congress does not want to do better, not that Congress can't do better.

For example, I can find over $23 billion in spending cuts I supported during consideration of the Senate budget resolution which are omitted from this budget.

These are the spending cuts which I supported which are left out of the business-as-usual budget:

First, 50-percent cut in general revenue sharing—$2.3 billion;

Second, freeze defense spending—$6 billion;

Third, Agriculture Program cuts totaling $6.6 billion; and

Fourth, miscellaneous cuts I voted for, totaling $8.4 billion.

The list is not long, but it shows what can be done and what is within the capability of the Senate and the Congress to do to cut spending without injuring this country's essential priorities and needs.

In brief, Mr. President, these are the reasons why I cannot go along with the business-as-usual budget.

BUDGET RESOLUTION CONFERENCE DEFEAT

Mr. BAUCUS. Mr. President, I will oppose the conference report on the first concurrent budget resolution for fiscal year 1986. I do so because it is neither large nor fair.

At the end of 1980, debt held by the public was $715 billion. Under President Reagan, that has more than doubled—this year the debt will be $1.5 trillion. And at the rate we are going by the end of this decade it will be $2.5 trillion.

This year we will spend $130 billion on interest alone. That is money that does not buy health care, school lunches, national parks—or defense. It is just money down a rathole.

The ever-growing Federal deficit looms over our economic future like a dark cloud. The need to borrow to finance our consumption drives up our interest rates, draws money from abroad and drives up the value of the dollar. In turn the overvalued dollar is the single largest contributor to our ever-growing trade deficit.

Our failure to make the hard decisions necessary to slash these deficits endangers economic growth. We are in serious danger of failing to pass on to our children what our parents bequeathed us: a higher standard of living.

Mr. President, I have voted in this body for packages including COLA freezes, tax increases, defense freeze, and domestic spending cuts. I would have supported difficult reductions in worthy programs—as part of a large and balanced package.

This package is neither. Strip away the assumed management savings, some of the odd assumptions in defense and shift to CBO accounting and this package cuts the fiscal year 1986 deficit by less than $40 billion. And it does so by slashing domestic discretionary spending.

Mr. President, I began the year advocating that we rapidly enact an across-the-board freeze and then discuss further deficit reduction. The package we are offered tonight cuts not more than the freeze would have and lacks its balance.

The time has come for the President of the United States to take responsibility for the results of his fiscal policy—huge deficits. The time has come for him to cool his rhetoric and admit that ideology is no substitute for arithmetic. In return, Members of my party are willing to accept cuts in programs we care deeply about. All of us must give some. The game is worth the candle, but leadership must come from both ends of Pennsylvania Avenue.

Let me conclude with one thought uttered by a clever man: Every time you pass a 1-year-old, you should thank him. Because, Mr. President, we are spending and charging it to our children and their children after them. Our failure to make the hard choices only burdens the next generation.

This package assumes any budget is better than none. I do not agree.

Mr. LEVIN. Mr. President, this is an irresponsible budget because it does so little to reduce the deficit. But it would be even more irresponsible to do nothing. So with real reluctance I am voting for it.

Mr. BOREN. I agree with my colleague from Michigan, Mr. President. Passing this budget is better than doing nothing. However, it comes as close as possible to doing nothing. No one should be fooled into thinking that this budget seriously deals with the deficit crisis.

Mr. BYRD. Mr. President, I applaud the conferees for bringing us the conference agreement on the budget resolution. If we are to achieve any deficit reduction this year, we need a budget. The conferees overcame some major obstacles, not the least of which was the unwillingness of the President to deal seriously with the deficit. The conferees in both Houses and on both sides of the aisle deserve credit for their perseverence and hard work.

The conference agreement before us is not perfect, but it will result in significant reduction in the budget deficits that are undermining the economic base of this Nation. And it will do that without cutting benefits to Social Security recipients. I said earlier this year that we could reduce the deficit while protecting Social Security benefits. I am glad to see that, despite the rhetoric of some, we can do just that.

This conference agreement will achieve about $55 billion in deficit reduction in 1986 and $277 billion over the next 3 years. If all the savings included in this budget are enacted, it will result in a deficit of $112 billion by 1988.

That deficit is too high for my liking. But it represents a significant improvement over the budget the President sent us in February. I would remind my colleagues that the President's budget, measured on a comparable basis, would have resulted in a deficit of $147 billion in 1988. So that budget makes much more progress in the war against the deficit than the budget the President sent us.

It is still not as great a reduction as I would prefer. In May, I offered on the floor a proposal that would have achieved greater deficit reduction—some $303 billion over 3 years—and resulted in a 1988 deficit of $100 billion, half of the projected deficit for this year. It would have protected the cost of living adjustments for Social Security and other programs and would have provided for essential investments in our future, such as education and research.

My budget amendment also would have redressed some of the inequities created by this administration's tax policies. By allowing for a minimum corporate tax, my amendment would have ensured that all corporations pay some income tax. As it stands now, there are some profitable corporations that pay no Federal income tax—make no contribution to reducing the budget deficit. Worse still, many of these same companies get tax refunds from the Government. Mr. President, it seems that at a time when we are asking many Americans to make some sacrifice to reduce the deficit, we should not let a few corporations off the hook.

As I have said, this conference agreement is not perfect. It contains some notable flaws that I will work to correct. But it is a major improvement over the version that passed the Senate in May. For instance, the Senate budget would have increased the out of pocket expenses for Medicare beneficiaries. The conference agreement, however, would achieve Medicare savings of some $1 billion without increasing beneficiary's costs. Also, many programs that had been slated for elimination—such as the Appalachian Regional Commission, Economic Development Administration, and others—have been retained, although at reduced funding levels. Funding for Amtrak has also been reduced by 15 percent. Fortunately, the drastic cuts made in the Senate-passed budget were rejected. These and other changes will allow the needs of our people to be met while still achieving major reductions in the budget deficit.

The conference agreement would provide for full COLA's for all the major retirement programs. The conference agreement assumes that Federal pay would be frozen for 1 year. Since Black Lung COLA's are tied to Federal pay raises, not to the consumer price index as Social Security and other COLA's are, this would result in those beneficiaries not receiving a COLA next year. I am sure that the conferees did not intend to single out those suffering from black lung disease for this unfair treatment. I will work with the Government Affairs Committee and the Labor Committee to try to rectify this situation. I hope that I would have the support of my colleagues on both sides of the aisle to restore fairness to the treatment of the Black Lung Program.

I also wish to commend the conferees for the sensitivity they showed to the severe crisis in agriculture and rural America. They restored some $6 billion in reconciled cuts that were made in the Senate-passed budget. This will help us get a good farm bill that stays within the budget. We Democrats are committed to protecting farm income from further erosion. And this conference agreement will help us do that.

This budget agreement will not completely satisfy everyone. But is is an important element in our drive to reduce budget deficits. It does not go as far as I believe it should. I would prefer a budget that reduces the deficit far more and that restores some equity to our tax system. But I shall support this budget and continue my efforts to achieve a budget that significantly reduces the deficit, encourages sound economic growth, and is fair to all Americans.

Mr. GRASSLEY. Mr. President, this budget contains the defense budget authority levels passed by the Senate as a result of an amendment I offered May 2. It was indeed a difficult undertaking to bring about a fiscal year 1986 defense budget authority level of, essentially, a freeze plus inflation.

The incessant response from the Department of Defense prior to passsage of my amendment was not only that a freeze would greatly imperil national security, but that any cut at all would imperial national security. Notwithstanding the propaganda, the Senate proceeded to freeze the defense budget in real terms, and the House in nominal terms. The House cut an additional $32 billion in outlays from defense, over 3 years, below the Senate figure. The conference committee put back $10 billion. Even the Defense Department got into the cost-cutting act when it "discovered" an extra $4 billion in its "coffee can."

The bottom line is that Congress has chosen to reduce the original DOD request by $106 billion in outlays over the next 3 years.

Now Mr. President, we should all recognize—we in Congress, the executive branch, and the public at large—that even after disciplining the defense budget to the extent we have, we have not "imperiled national security." The simple fact is, the defense budget was too fat. We had rampant inflation in the defense industry. Prices were rising fast, and output was falling just as fast. Hammers were costing $500, and on and on—we all know the horror stories.

What the defense budget needed was a good freezing, an old fashioned recession. Not that a freeze will reduce the cost of $500 hammers to what they should cost, or $45 million fighters to what they should cost, but that the freeze is a necessary first step. The recession we have created in the defense industry will cause an increase in awareness of the value of each dollar spent for defense. As with any economic recession, less money leads to more efficiency and more productivity.

For this reason, Mr. President, I believe the defense budget action taken by Congress this year will be therapeutic for our national defense. And best of all, it will oblige us as a nation to regard with great skepticism in the future the proposition that subsidizing the defense budget necessarily increases the security of our country.

Mr. **LEVIN**. Mr. President, I will vote for this conference report only because it beats doing nothing. It will provide greater fiscal discipline than if we had no budget resolution at all. Using the accounting assumptions of the Office of Management and budget, it projects a budget deficit in 1988 of $112 billion, which would be $30 billion lower than the President called for in his February budget. It cuts spending more than the President proposed in that budget.

But all this means is that the budget resolution conference report which we are voting on today is an improvement over the totally inadequate budget which the President submitted earlier this year. First of all, it leaves the budget deficit far too high. The projected deficit of $112 billion in 1988 would still be about twice the size of the deficit when President Reagan entered office in 1981.

Second, the budget resolution conference report is based on very optimistic assumptions. The nonpartisian Congressional Budget Office estimates that this budget resolution conference report will result in a deficit in 1988 of $161 billion instead of $112 billion.

Third, this budget resolution does not recognize that both fairness and significant, real deficit reduction will require an increase in revenues. In order for a substantial deficit reduction package to be fair, it must be based on the principle of shared sacrifice. A package which focuses almost entirely on spending cuts, leaves open the possibility that many profitable corporations and wealthy individuals who are currently sheltering their incomes from any taxes, will still be able to do that at the same time many other of our citizens will be asked to sacrifice as a result of budget cuts. That is not fair and that is why any deficit reduction package should include a strengthened minimum tax on corporations and individuals.

The absence of significant revenues also places a limit on the amount of deficit reduction possible. The Chiles-Hollings package which I supported called for almost $50 billion more in deficit reduction than does this budget resolution conference report, and revenues were key to that difference. This lost $50 billion is the difference between doing little more than treading water, which is represented by this conference report, and substantial deficit reduction, which was represented by the Chiles-Hollings package.

Mr. President, to paraphrase Winston Churchill, this budget resolution conference report is not the end of the beginning in the battle for substantial deficit reduction; it is not even the beginning of the end; but if we are constant in our concern about the disastrous effects of the deficit, then it can be the end of the beginning.

Mr. **MOYNIHAN**. Mr. President, I vote "Nay." I do not support this budget resolution, because there is no resolution therein to a budget that now or in any time foreseeable will bring receipts and outlays into reasonable balance.

We know it can be done, and how to do it. Control every part of the budget: defense; domestic spending; entitlements; and taxes. The President and now the Congress have chosen not to do it. I choose not to join them in this budget resolution, that promises deficits of $180 billion next year and $160 billion 3 years out. That will bring us deficits much higher still if the business cycle does not disappear and another recession comes in the next 3 years. As it will.

I am gratified to see one new idea in this budget, a provision originally offered by myself and Senator Lautenberg in the Senate Budget Committee, to sell a portion of the Federal Government's $245 billion loan portfolio to private investors. This provision will reduce deficits by $3 billion over 3 years, and improve the management of Federal loans in the bargain. The proposal in the conference report is modest, but 10 percent of the pilot loan sale program we proposed on this floor last May, but it is a beginning.

It is not enough to make of this resolution much more than acquiescence to endless $200 billion deficits. To that I vote "Nay."

Mr. **KERRY**. Mr. President, I will vote against this budget. I commend the efforts of the budget conference and the hard work and energy that they and the Budget Committees have committed to this effort. But, unfortunately, hard work and commitment are not enough. I believe that we must meet our commitment to the American people for substantial deficit reduction. They look to the Congress for leadership—they expect it and deserve it. I do not believe that this budget fulfills that responsibility.

We are here at the end of a long negotiating road. In the closing minutes before the August recess, we have been presented a document that we are told will go a long way toward real deficit reduction. We are told that this is the best budget that is possible from this body. I disagree. This budget is not serious deficit reduction, it is a $37 billion not a $55 billion deficit reduction. The time to deal seriously with deficits is right now. Because what we are really doing here is avoiding the real problem of reductions by shifting an inordinate burden on a sector of Government that has already been hit hard in other parts of this budget.

I am very much opposed to a provision in this budget that would force State and local employees into the Medicare system effective January 1, 1986 and would also require that all new employees after January 1, 1986 be included in the Social Security system.

This new plan to include State and local employees in these systems will do considerable fiscal harm to both employer and employee. Massachusetts and its cities and towns will be profoundly affected by this provision. It will not only take money out of our employees paychecks, it will also take a great deal of money out of the overstrained coffers of our State and local governments.

Further, I can not support a budget which projects military spending of 3 percent increases after inflation in the out years, especially when domestic programs will be asked to absorb ever deeper cuts at the same time. If money alone could buy us the kind of national defense we needed, increases would make sense. But current defense programs are so fraught with waste, fraud and abuse in procurement as well as malfunctioning weapons systems, that we can not justify these ever increasing sums. They are commitments to buying more of the same. And I am bothered when the Secretary of Defense can find, overnight $4 billion in savings which did not exist the day before.

Military spending must be subjected to the same annual scrutiny every other program in our Federal budget meets.

Finally, there is far more room in the budget for revenues from tax compliance. I am pleased that compliance is included in the resolution and I am hopeful that it will be utilized to its full potential in the future.

Mr. President, having in the last few hours seen the details of the budget resolution, I must state that I am very much opposed to the provision which would force State and local employees into the Medicare system effective January 1, 1986 and would also require that all new employees after January 1, 1986 be included in the Social Security system.

Under current law, State and local government employee participation in Medicare and Social Security payroll taxes is not mandatory, therefore only 70 percent of these workers are covered by Medicare. To suddenly ask the remaining 30 percent of State and local workers to bear the burden of $8.4 billion in budget savings is unfair and surely disproportionate to the number of individuals involved.

The ability of State and local governments to pay the employer's share of the $8.4 billion to be raised will be extremely limited. In my own State for example, 2½ percent property tax limit would make it all but impossible for local government to meet the new commitment.

State and local governments do not pay lavish salaries. To enact this sudden change will certainly diminish the ability of these governments to provide responsible and attractive retirement systems. In the case of many State and local governments, a strong, modern retirement system is one of the key incentives which the governmental unit has to offer to attract quality people. Also, many of these governments will face consitutional restrictions prohibiting an unbalanced budget, because inadequate time has been provided for the additional revenue to be raised.

This proposal was not in the House or the Senate budget resolutions, nor has this proposal been given extensive consideration this year in any congressional hearings. A major change without adequate consideration is not a responsible way to legislate. Our States, communities and public servants do not deserve such a backdoor method on an issue that will so crucially touch their future.

Mr. **SASSER**. Mr. President, I would like to comment just briefly on the budget resolution before the body. First of all, it should be viewed as a significant achievement that we have before us a budget resolution at all. Just a few short weeks ago that did not seem likely. Both the chairmen and ranking members of the House and Senate Budget Committees must be applauded for their diligence and perseverence in this matter.

Now I know that this budget resolution does not meet with everyone's satisfaction. In fact, it may meet no one's satisfaction. The deficits are still too large, the deficit reduction is not enough. But Mr. President, I believe that when looked upon in light of the realities facing the conferees over the past several weeks, and in particular the limitations placed upon a basic framework for agreement by the administration, this budget resolution accomplishes about all that could realistically be expected of it.

The prospect of $200 billion deficits for as far as the eye can see poses one of the greatest dangers to sustained economic growth, in my estimation, than any other economic consequence facing the Nation at this point. These deficits are clearly the result of the failed economic policies and outright economic folly propounded by the administration over the past several years. Let there be no mistake, contrary to whatever rationale used to justify these policies, deficits do matter.

Until this administration faces up to this proposition, or abandons the threat of veto, there is not much that Congress will be able to do to address this serious problem. Unless the administration faces up to this proposition soon, the economy will inevitably be buried under an avalanche of debt.

The budget resolution before us is not completely negative, however, and the positive aspects of it must be cited.

First, the budget process, however damaged, has produced a budget resolution.

Second, $55 billion in deficit reduction next year, and some $278 billion over the next 3 years is not an insignificant amount, although I fear that the actual reductions will be considerably less than assumed in this resolution. Nonetheless, we have achieved a degree of deficit reduction.

Third, the budget resolution does effectively protect the more than 36 million Social Security beneficiaries from unwarranted reductions in their cost-of-living benefits next year.

Fourth, this resolution effectively rejects the notion that certain programs, particularly economic development programs which have benefitted areas bypassed by the current economic recovery, no longer warrant Federal funding. The rejection of outright elimination of programs such as the Economic Development Administration, the Appalachian Regional Commission, and the Urban Development Action Grant Program, signals that the Federal Government is still committed to the enrichment of undeveloped areas of this Nation.

Fourth, the budget resolution does effectively provide a safety net under those programs which benefit the most needy in our society. It effectively rejects increases in out-of-pocket expenses for our elderly on Medicare, and protects participants in the important Women, Infants, and Children Program.

Fifth, the resolution rejects the notion that farmers, students, and low- and moderate-income homebuyers should bear more of the brunt of deficit reduction than they have already contributed. By rejecting the imposition of user fees on Government-sponsored enterprises such as Fannie Mae, Freddie Mac, Sallie Mae, and the Farm Credit System, we once again are the Federal Government's commitment to the encouragement of family farms, education, and homeownership. In essence, we confirm our commitment to increased opportunity for all of our citizens.

In sum, Mr. President, given the constraints and parameters prevelant during consideration of this budget, we have done as much as we can do given the insistence of the President that we could and should do more. But somehow, we must continue the defense buildup that has increased defense spending 50 percent in the last 4 years—and convince the White House that mounting Federal budget deficits do pose a serious threat to the economy. I support the general principles which I have outlined above and are contained in this budget resolution. My only regret is that we were precluded from pursuing further principles of equity, such as the imposition of a minimum corporate tax structure which ensures that all pay their fair share, which would have accomplished even greater deficit reduction than that contained here.

Thus, with grave reservations, I lend my support to this budget resolution.

BUDGET ACCORD AND BEYOND

Mr. **DOLE**. Mr. President, almost 7 months ago to the day, a group of Republican Senators went to the Blair House to discuss the No. 1 domestic issue facing this Nation—the enormous and threatening Federal deficit. We decided, unanimously, to attack the problem head on by drafting a package of spending cuts that would cut the Federal deficit in half by 1988.

Today will not, and I repeat will not, be the culmination of that effort. But I have decided that this budget is better than no budget at all. This budget will be a step—a very small step—in the right direction.

The conference report on the fiscal 1986 budget fails to make the kind of savings we envisioned back in January, and we struggled months to achieve. What's more, it fails to address several of the critical fiscal issues we must eventually confront if we are ever to ensure long-term economic prosperity.

But it is a better product than the one passed by the House. And for this, I must give great credit to Pete Domenici and the other Senate budget conferees, who through their persistence, have brought us a conference agreement that could possibly save $277 billion over the next 3 years.

That total falls far shy of the $295 billion in savings in the original budget passed by the Senate, and woefully short of the $340 billion in deficit reductions that were part of the last Senate offer.

Nearly half of the savings in the final budget package will come from reductions in defense spending. And while the $68 billion in reconciled savings in the conference agreement almost doubles what was in the House-passed budget, it doesn't come close to

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the $135 billion in reconciliation savings in the original Senate budget plan.

The final budget plan eliminates about a half dozen minor programs, but it avoids many of the structural reforms which result in long-term savings and that were part of the Senate's budget.

The conferees did agree to the Senate's position on budget authority for defense, which means that, for the present, our revitalized military posture will remain secure.

The end result, if the conference agreement is carried out—and it is far from certain that the House will be willing or able to do that—in 1988, the deficit will be $112.1 billion.

THE FUTURE

I have been asked repeatedly over the past few days about how Republicans feel—do you feel abandoned, left out on a limb because of our stand and commitment on the deficit? Well, I think I can speak for most of my colleagues when I say that we know, and we believe that the American public knows, that the position we took when we voted for the Senate budget package on May 10, and our subsequent attempts at resolving the budget impasse, were the right and responsible ones. We made some extremely difficult choices in that budget—with one goal in mind—cutting that deficit so that the U.S. economy could continue to grow and expand.

There were others, this time around, who felt those choices were not necessary. Our differences have not been with President Reagan—he is committed to seeing the deficit reined in—but on how to achieve those deficit reductions.

Because, believe me, the deficit problem is not going to vanish. And while this budget package will make a contribution to the effort, come next January, we will have to face up to the deficit realities anew. Perhaps next time we will have more converts to the Senate Republicans' view.

Again, I want to offer a special and personal word of thanks to Pete Domenici, for his tireless efforts on seeking and achieving a budget. And to all of my Republican colleagues who have supported me and Senator Domenici, who were stalwarts in this year's budget battles, I also offer my thanks, and repeat the words of John Paul Jones spoken in answer to a demand for surrender, "I have not yet begun to fight."

Mr. BINGAMAN. Mr. President, I reluctantly support the conference agreement reached on the budget resolution.

I support the agreement because it is so very important that some action be taken at this time to reduce the $200 billion plus deficit. I support it reluctantly because in my opinion the agreement does not reduce the deficit nearly enough.

While I admire the long and diligent efforts of members of the Budget Committees of the House and Senate to reach an agreement on the budget, I, like many of my colleagues, regret that more cannot be done to reduce this deficit that threatens to strangle our economy. Although both the House and Senate have passed more substantial deficit-reduction measures, the package before us today is a shell of what it should be. It is extremely unfortunate that more serious deficit-reduction efforts have been thwarted. And, I am concerned that we are passing up our best opportunity to reduce the deficit. As a result it is very likely that we will have a major deficit of growing magnitude facing us for as far as we can see into the future.

Everyone agrees that major economic problems confront and challenge us. The soaring domestic budget deficit is one of those problems, and the persistent trade deficit is another. Both threaten our economic security and our ability to compete in the international marketplace. Both must be brought under control as soon as possible.

The trade deficit, which reached a record $123 billion last year and promises to set a new record again this year, is fueled by our domestic deficit. The trade imbalance is stark evidence that our competitive position in the world economy is in decline as more and more of our products face foreign competition and many of our industries experience lost jobs and plant closings and slowdowns. While I am hopeful that we can regain our competitive edge and reverse our trade deficit, I am concerned that we cannot be successful if we do not do more now to reduce our domestic budget deficit.

The budget deficit hurts everybody. It creates the need for Government borrowing, thus keeping interest rates high. This makes foreign capital more attractive to U.S. markets and artificially drives up the value of the dollar relative to other currencies. Also, the money necessary to pay the interest on the huge national debt takes money from needed Government programs. This year alone we will pay more than $130 billion interest on the debt. It is estimated that by 1990 the interest on the national debt will nearly equal what we now spend on national defense.

Most of all, the deficit hinders our efforts to compete in the international marketplace. It increases the cost of our products overseas and threatens our economic growth. And it costs us jobs. Over time, the burden of the debt lowers our standard of living as more and more money goes to pay off the debt and not to more productive uses. By creating debt we not only hurt ourselves, but, worse, we hurt our children who eventually will have to pay the bill for our mismanagement.

Without question, these factors all contribute to our economic instability. In fact, in recent months leading economic indicators reflect a continued economic slowdown. Some have called this a temporary lull. But it can cause serious consequences if it continues.

In 2 of the last 3 months the index of economic indicators has shown extremely weak growth. The index is the main gauge of future economic activity and reflects a continued weakness in the industrial sectors of the economy. As a result of this slowdown the administration has recently revised its economic assumptions to reflect the reality of slower economic growth. As a result it is no longer possible to expect our deficit problem to be solved solely by economic growth.

This documented slowdown stemming from the U.S. budget deficit, high interest rates, the trade deficit, the dollar exchange rate, and the inflow of capital to the United States combine to create real fear of another recession.

As a Member of Congress I have attempted to support all fair and responsible efforts to reduce the deficit, including an across-the-board freeze at last year's levels. I did not support the Senate-passed version of the budget, however, because I did not feel it went far enough in reducing the deficit and it did not fairly share the burdens of deficit reduction. I hoped then that a stronger version would be shaped in conference. But now I have some of the same concerns about the conference package.

It is clear that all Americans must share the burden of lowering the deficit. While I think people are willing to share in the sacrifice, they want assurances that it will be shared fairly.

It is also clear that while now is our best opportunity to lower the $200 billion deficit, that opportunity is rapidly slipping away from us. The consequences could be disastrous.

While we agree that the deficit is serious, it is unfortunate that we cannot agree on how it should be reduced. Everyone has an inflexible attitude and refuses to compromise. Some refuse to raise taxes, others refuse to touch cost-of-living adjustments, and no one wants to reduce defense spending. The only way to come up with the needed savings is to put everything on the table. We need a comprehensive solution that perhaps touches all three areas. We need to consider raising taxes. And we need to consider holding the line on COLA's and on defense spending.

I am sincerely concerned, Mr. President, that because we cannot do more today, we are destined to reap a whirlwind tomorrow. I would like to think I

am wrong, but the signs are not reassuring.

Mr. BOSCHWITZ. Mr. President, I support this budget conference report.

Certainly, I hoped for greater deficit reduction. I was on record early for freezing COLA's and raising some revenues. That's why I worked on a plan with the Senator from Washington, Mr. Gorton, during the Budget Committee markup and with the Senator from Oklahoma, Mr. Boren, on another plan during Senate floor consideration. Both of those plans would have reduced the deficit more than the conference report before us now. I am convinced the adoption of either of those plans would have resulted in a balanced budget by 1990, because both of those plans required some give from every program of the Federal Government across the board, and in addition raised some revenues.

Unfortunately, the budget conference committee, of which I was a member, could not agree on such a budget plan. At least twice we were looking at balanced budget plans in the eye, but certain important players, like the President and the Speaker, blinked.

Despite all of that, I will vote for this conference report. The deficit reduction in fiscal year 1986 will be $55.5 billion. Over 3 years we intend $277.4 billion in reductions. That's exactly half way between the $295 billion in the Senate-passed resolution, and the $259 billion in the House-passed resolution; $68.3 billion in savings are reconciled which is also about half way between the House and Senate when COLA's are removed.

So it's not everything I hoped for, but I sincerely believe it is better than not passing a budget.

Mr. President, I want to express my admiration and appreciation to Pete Domenici and Lawton Chiles, without whom we could not have accomplished all we did. Many others deserve our thanks, like Bob Dole, David Stockman, Bill Gray, Delbert Latta, and the other members of the budget conference committee. Finally, I want to express my admiration and respect to the many staff involved, especially Steve Bell and the staff of the Senate Budget Committee, who are so helpful, knowledgeable, and professional.

I thank the Chair.

Mr. LAUTENBERG. Mr. President, I rise to support the conference report on the budget, but I do so with misgivings.

The fact that we have a budget resolution at all maintains the integrity of the budget process. And the budget before us maintains a number of programs critical to my State. Yet, savings that could have been made, deficit reduction that could have been secured, were not. As a result, the budget plan before us falls short.

The deficit is like a cancer, Mr. President, that is plaguing our economy. The Congress has undergone the travail and the pain of major budget surgery, but we have failed to completely cure the problem. It will be with us next year, and we will have to cope with it, and make some of the hard choices that are not being made this year.

The budget before us calls for $56 billion in deficit reduction in the coming fiscal year, and $276 billion in savings over the next 3 years. It assumes a budget deficit of $172 billion next year, and $113 billion by 1988.

That is not enough, Mr. President, to bring confidence to financial markets. It is not enough to get the dollar down, so that we can sell goods abroad at competitive prices, and reduce the trade deficit. It is not enough to ensure the long-term health of our economy. Unfortunately, given the rosy economic assumptions that underlie the deficit projections in this budget, I am afraid that we will not even reach those targets.

When the Senate considered the budget resolution, I supported a plan that would have brought us well over $300 billion in deficit reduction. The budget deficit in 1988 would have been below $100 billion. That would have been a bigger step than the one we take today toward deficit reduction. It was a plan that, notwithstanding significant reductions, would have saved programs critical to my State and the Nation.

I am pleased to note that many of these programs survive in the budget plan approved by the conference. Superfund toxic waste cleanup is budgeted at the levels approved by the Environment and Public Works Committee in which I serve. This is the same level that I had proposed in the Senate Budget Committee. This increase will not affect the budget deficit, as it will be offset by dedicated taxes on industry.

The plan preserves Federal support of Amtrak and mass transit at 15 percent below current funding, and preserves funding of the urban development action grant program at 20 percent below current levels. These programs, which are critical to the economic welfare of my State, were slated for elimination by the administration. I had sought a freeze in funding in an amendment on the Senate floor. Instead, the Senate adopted a 40-percent cut in Amtrak, a 20-percent cut in mass transit, and slated UDAG for elimination. In the face of such action, the preservation of these programs at the levels approved by the conference must be considered a victory.

The budget plan also removes reconciliation of the sale of Conrail. I had sought assurances from the Secretary of Transportation that she would not seek legislation providing for the sale of Conrail under the procedural constraints of a reconciliation. I argued in the Senate Budget Committee that the concerns of New Jersey and the other States of the Northeast and Midwest deserved a full and fair debate on the floor of the Senate. This is too important an issue to fast-track under conditions that deprive Members of their rights to fully debate a measure and to amend it. I am pleased that this point of view has prevailed.

Mr. President, a key element of this conference report is the preservation of the cost-of-living adjustment in Social Security. I consistently and strongly opposed the effort by Senate Republicans and approved by the administration to delay or cut the cost of living adjustment for our elderly. While we were granting a cost of living adjustment to our generals for the management of our military, the Senate would have denied relief from inflation to the elderly. I am pleased that this budget allows the Congress to keep its promise to the elderly of our Nation, that their Social Security would not be used to correct fiscal mistakes of the administration that has brought us these crushing deficits.

Lastly, I am pleased to note that the conference report incorporates a budget reform on Federal credit programs that is closely related to a proposal that my colleague from New York [Mr. Moynihan] and I proposed in the committee and on the floor. We had proposed the pilot sale of loan assets, to reduce the deficit, to impose greater efficiency in the management of loan programs, and to clarify the true cost of Federal credit programs.

The conference report proposes that as new rural housing loans are issued, they shall be sold off to the private sector. First, we will recognize the payback of the loans promptly, at a time when we need the income. Second, we will recognize the true cost of these loans—the difference between the amount loaned, and the present value of the receivable. I am pleased that the conference has taken this significant step, and that its successful trial will provide a basis for adopting the broader proposal that Mr. Moynihan and I advocated.

Mr. President, the budget before us is by no means a perfect budget. The Nation faces a grave economic threat as a result of the fiscal mismanagement of the last few years. Without the budget before us, the problem would get even worse. But, because of the shortcomings of this budget, the problem will be with us next year. I am committed to continue to work in the Budget Committee and in the Senate to reform our fiscal policies, to get the deficit down, and to put our economy on the footing that will ensure prosperity in the future.

TOO LITTLE, TOO LATE

Mr. PROXMIRE. Mr. President, here we are, literally at the last minute, considering a budget resolution. This budget has come to us by a tortuous route, and it looks it.

Members of the Budget Committee tried. The conference had more ups and downs than a roller coaster. Their efforts made those of Sisyphus look half-hearted.

But they failed. This conference report serves one purpose—it defuses public blame for our not having passed a budget. It does not significantly reduce the deficit. It will be around $200 billion in 1986, about the same level as in 1985. Deficits in the outyears are likely to be considerably higher because this economic recovery has seen its best days.

How can I say this when the resolution estimates that the deficits will be somewhere between $180 and $112 billion? This resolution is still based on optimistic economic assumptions about unemployment, GNP growth, and interest rates. Take GNP growth as an example. The resolution assumes a growth rate of about 4 percent after adjusting for inflation. Most economists are now saying growth in 1985 will be somewhere between 2.5 to 3 percent.

Sometime this month both the CBO and the OMB will revise their economic projections to take account of the slower economic growth we have already experienced this year. This one adjustment will add $15 to $20 billion to the 1986 deficit. In other words, about one-half the advertised cut in the resolution will be wiped out by this one adjustment.

Then some of the cuts in spending will disappear. The cut in defense outlays is nothing but a figment of someone's imagination. Some "new financing mechanism" will turn out to cost money, not save it. And next summer, when we get around to passing supplemental appropriations bills, the ceilings set in this resolution will be long forgotten.

Add these factors and the cuts in the deficit evaporate. The one thing that will not disappear will be the $200 billion that we will have added to the national debt.

Mr. President, I would like to call the attention of my colleagues to a study done by the Congressional Research Service entitled, "Federal Deficits, Debt and the National Economy." This study is a sobering analysis of the dangers posed by such debt.

These include:

First. By 1990, foreign investors will have to be willing to buy our debt to the tune of $200 billion a year. If they are not willing to do so, then the Federal Government will have to double its domestic borrowings, driving out of the credit markets farmers, small businessmen, and home buyers.

Second. We will join Mexico, Brazil, and Argentina on the list of nations with staggering international debts. As citizens of those countries are discovering, dealing with that debt means a significantly lower standard of living.

Third. Interest payments on the debt will explode. Making these payments will mean draconian cuts in spending and a whopping big tax increase.

These dangers are real. They will not be dispelled by a budget resolution which is little more than a placebo. That is why I am voting against this budget. It is too little, too late.

Mr. DURENBERGER. Mr. President, it is hard to be enthused with this conference report. The byproduct of limited options, the conference report on the fiscal year 1986 first budget resolution is flawed. To those of us who supported passage of the budget when it was approved last spring, it is distressing to see the historic work of the Senate rendered meaningless by those who care so little about the consequence of budget deficits.

I am told by some that half a loaf is better than none at all, that a bird in the hand is better than two in the bush, that $277 billion in deficit reduction is less than $330 billion, but better than nothing at all. And, that may be true. But, when one looks at the mirrors used to produce the so-called $277 billion in savings, it is difficult to see what is real and what is illusion.

The simple fact of the matter is that the President and the House of Representatives took a look at the painful choices made by the Senate and wished there was a less painful way to reduce the deficit. They got together, compared wish lists, and wished for 4 percent real growth in GNP over the next 4 years, 5 percent rates on 3-month Treasury bills, and a number of other unrealistic economic conditions. They wished they could avoid making meaningful reforms in Federal programs by freezing spending on every program—except for those with a political constituency. And they wished they could muddle through one more budget resolution without having to compromise on defense spending, without having to compromise on Social Security, without having to make the tough decisions that have to be made to reduce the god-awful deficit.

Unfortunately, when the House of Representatives and the administration discovered that the Senate would not go along with their wishful thinking, that we were going to force them to make some difficult choices, they cut us, and future generations, out of the deal. The President got runaway defense spending. The Speaker got runaway entitlement spending. Our children got runaway deficits. But, without additional revenues, after you set aside defense, interest payments, Social Security and Medicare, there is not much left for the future.

One of the few—but consequent—failures that history will assign to the Reagan administration is its misguided belief that a healthy economy can be sustained in a competitive world on spending increases and revenue cuts. The efforts to reduce domestic spending and increase defense spending while simultaneously cutting tax revenue has created such a demand on the world investment to satisfy U.S. demand for debt financing that our heralded economic recovery is slowly grinding to a halt under the pressures of import competition, export degradation and high cost of capital investment. And the consequences for even greater deficit and for debt-demand is inevitable. The revenue projections in this conference report are so unrealistic as to be possibly deceitful. The economy is not growing at a 4-percent clip and hasn't been for the last two quarters. Revenue projections for fiscal year 1985 are way behind estimates a year ago. OMB has already reduced its estimate of revenue from income taxes—especially corporate taxes—for fiscal year 1986 by $20 billion.

Besides economic problems, their are other problems facing this country which are implicit in the conference report's commitment to unrealistic deficits.

With deficits as large as those contained in this conference report, Ronald Reagan may be right when he says we can't afford anything new. In his 8 years in office, President Reagan will have increased the national debt from $850 billion to $2.5 trillion. And the annual debt service will be more than triple to $155 billion per year and rising in fiscal year 1988. With a $2.5 trillion national debt, we won't be able to afford taking action on acid rain, ground water protection, or on our failing infrastructure.

Mr. President, if it sounds like this conference report bothers me, it's because it does. This conference report represents a tragic failure on the part of this Nation's elected representatives to do what has to be done. We can't effectively freeze ourselves out of a deficit, and we shouldn't kid ourselves into trying.

The Senate's original resolution contained an across-the-board freeze on spending in which every beneficiary of Federal spending participated equally—except the truly needy. But the truly greedy went to work on the House side and in the administration and equity was forced out the window. The Senate had the courage to vote to eliminate 13 Federal programs. The House agreed on only one. The Senate provided a $100 billion deficit in 1988

including 3 percent real growth in defense spending with the expectation the House would take that particular function down even further from the President's request for 6 percent real growth. But the administration and the House cut a deal—the President got what he could settle for in defense and the House got what it wanted in domestic spending cuts—almost none. After you take advantage in this budget resolution of $11 billion in Medicare hospital insurance spending reductions much of which the Secretary of HHS had already accomplished by regulation; and after you consider the fact the House raised revenues from user fees by almost $16 billion; you have a reduction in domestic spending in the "peanuts" category.

But, Mr. President, I will support my courageous Senate Republican leadership and vote for the conference report. I feel like the better team lost the seventh game of the World Series. But we were up against the other league and all the umpires on this one.

Mr. MATTINGLY. Mr. President, I am pleased the conferees have reached an agreement on a budget resolution for fiscal year 1986, which begins October 1. The conferees have worked long hours to achieve this compromise and deserve much credit for their tenacity.

Before supporting the resolution, I would like to make a few general observations concerning it.

First, I am elated that the budget resolution calls for no new taxes. Make no mistake about it, the Federal Government suffers not from a lack of revenues, but from an inability to control its spending habits. In fact, tax increases will not reduce the deficit. Every tax dollar that comes to Washington, and then some, is spent. The only way to reduce the deficit is with fair and meaningful reductions in Federal spending.

Second, while the resolution calls for deficit reduction of $55 billion in fiscal year 1986, and $276 billion over 3 years, I do not believe this resolution will produce the intended, and much needed, deficit reductions. As I just stated, the only way to reduce the deficit is through meaningful, but fair, fundamental reform of spending programs. The old trick of spending restraint by smoke and mirrors will not fool anyone. Institutional spending reform must be accomplished if deficit reduction is to be achieved. I hope Congress will use the targets or guidelines in the resolution as a floor for deficit reduction rather than a ceiling. Along those lines, I am pleased to support my friend from Colorado, Mr. Armstrong's call for further deficit reduction measures. Greater deficit reduction than called for in this resolution is needed. The deficit must be reduced in order for the favorable performance of the economy to continue. However, tax increases would be counterproductive since they retard economic growth and worsen the deficit problem.

To assure that these targets in the budget resolution are floors, and to achieve greater budgetary savings as Congress implements the resolution, I intend to offer amendments to the upcoming appropriations bills to reduce spending across the board. Such an approach is fair to all and will produce the much-needed additional savings.

Mr. President, we must not mislead the public or ourselves by thinking we have achieved a fiscal miracle by passing this budget resolution. It is better than no budget resolution, but just barely. Our job is not done. In fact it has only begun. Enactment of a resolution is only the starting point of the budget process. I challenge my colleagues in implementing the budget resolution to work for greater budgetary savings than is called for by the resolution. Only then can the deficit be reduced to a level that does not threaten continued economic growth.

Mr. McCONNELL. Mr. President, the conference report before us is the product of many hours of discussion and debate. It represents not a perfect utopian solution to the fiscal crisis we find ourselves in, but rather a document forged out of the give and take of the democratic process.

Therefore, there are provisions of this report that I do not agree with—there are items that if isolated for a single vote, I would surely oppose. The reality, however, is that we seldom make decisions in this body in a vacuum. Indeed, the very nature of the budget process forces us to take a broad view. We must look not only at line items, but at the way the entire package affects the level of Federal spending over the next few years.

We vote on this conference report in the context of a national debt that is well over $1.5 trillion. Last year, 13 percent of the total budget had to be set aside just to pay the 111 billion dollars' worth of interest on this debt. In fact, we are now paying more in interest every year than we did on the entire budget just 25 years ago!

What is perhaps even more astounding is that during the past 50 years Congress has increased taxes nearly 200 times. And as revenues have increased so has the budget. As a percent of the gross national product the budget has gone from 18.5 percent in 1960, to 20 percent in 1970, and to 23 percent in 1980. Today it stands at over 25 percent, and if one includes the spending of State and local governments that figure approaches nearly 40 percent of GNP.

Mr. President, I have represented the people of Kentucky in the U.S. Senate for just over 200 days. My tenture has been brief compared to that of many of my colleagues, but it has become abundantly clear that there is no greater issue facing the U.S. Congress than the Federal deficit.

I am encouraged that the budget resolution we debate tonight represents the largest deficit reduction in the history of the Congress—as it should, since we are faced with the largest deficit this Nation has ever seen. If fully enacted, this version of the budget will provide savings of $276 billion over the next 3 years.

Mr. President, I will support this conference report, not because it is perfect but because it does an equitable job of exacting substantial deficit reduction. I have no illusions that what is before us is a solution to the deficit problem; it is nothing more than a beginning and in some respects not even a very good beginning.

I would suggest to my colleagues, however, that the time has come to at least begin—we must show those we represent that we have the courage and political will to tackle the tough issues. I know that those that I have the high honor and privilege of representing demand no less.

Mr. HATCH. Mr. President, the conference report now before us on the first concurrent resolution on the budget, leaves me with an empty feeling and with a feeling of frustration. We have been promised that we would be able to save about $55 billion with the first resolution, but my analysis leads me to believe that this conference report leads in the same direction that so many other budgets adopted by the Congress have led. The estimate of the Congressional Budget Office is that this package of budget proposals would save only $39 billion. More than that, we are told that part of the deficit reduction will come through the imposition of user fees for certain Government services; yet I know from experience that the Congress, when it comes time to vote for those user fees in a legislative package, will not agree to bite the bullet and make such reductions. I am still awaiting the passage of a large package of user fees that were assumed in the budget 3 years ago.

The Senate is being asked to vote for new taxes as a part of this resolution. Admittedly the amount of tax increases requested in this report is small compared to previous years, but it is a bad principle to accept, given the record of previous years. We have raised taxes a great deal in the last few years, and we are still facing $220 billion deficit for fiscal year 1986. In 1982, I was told that I only had to agree to 98 billion dollars worth of new taxes over 3 years in order to guarantee three times that amount in spending reductions. Instead we ended up with $100 billion in additional spending.

Mr. President, I make a clear distinction between raising taxes and reducing spending to reduce the deficit for strong economic and political-economic reasons. Let me address the last issue first by saying that raising taxes has only tempted Congress to spend more money. This is the record of the late 1970's when inflation drove taxpayers into higher brackets and produced more revenue. This process reached its zenith in fiscal 1980 when Federal outlays increased by 17 percent. Let me now address the economic reason.

The heart of the matter is that Federal spending is the best indicator of the damage caused by our fiscal policy. Federal spending is the key because it is the best measure of the fiscal disincentives imposed on the private sector by the Federal Government. In the long run, it makes only a small difference whether we finance spending by raising taxes or borrowing funds, as long as we do not expect to do so forever. Increased taxes discourage work and investment, and, likewise, borrowing discourages both investment and consumption by raising interest rates. Each takes resources out of our economy for use by the Federal Government, often for programs that are of questionable value. So the size of the deficit simply tells us how Congress and the administration have chosen to fund Federal spending and not how damaging fiscal policy is to the economy.

A better measure of the burden of fiscal policy, as I have said, is the total amount of Federal spending. We ought to measure the number of jobs destroyed, the number of businesses closed, and the amount of income removed from the economy by Federal spending. Yet, this is an aspect of fiscal policy often overlooked. Recent years, of course, have seen a resurgence of concern about either the negative impact of high tax levels or the damaging effects of deficit spending. Nevertheless, very few concerned commentators in Washington focus their attention on the force that drives both of these variables—Federal spending.

Mr. President, even if the resolution now before us met the criteria that I felt were appropriate for reducing the deficit, there remains one more problem that has to be addressed concerning the true value of the budget process. What bothers me is the simple fact that in the last 5 completed fiscal years, the Congress has overspent its own first resolution by $28 billion a year. What does it mean to struggle over the resolution, attract so much attention to our efforts, and still start the next fiscal year's budget considerations in January with a $220 billion deficit once again. It seems to me that this has been the record of the last few years. We pass a resolution, make promises to control spending, and then promptly ignore them. The people of this Nation must be asking themselves how it can work out like this mathematically year after year. It could lead to a severe loss of confidence in those of us now in office. Before that happens, let me ask my colleagues to consider some reform of their own thinking and eventually a reform in the entire budget process. It is not now functioning.

Mr. CHILES. Mr. President, before we close off this debate on the budget resolution, I extend a special word of thanks to our Democratic staff on the Budget Committee. They have worked extremely hard over the long months it has taken us to get a budget. They have been here nights and weekends, analyzing the various proposals that have come from the administration, from each party in the Senate, from the House and from various Senators. They have of course used their analytic capabilities to develop our own proposals to reduce the deficit in a responsible way. The Senate and the public owe them a debt of gratitude for putting out clear information about difficult budget issues. Throughout the process, they have performed cheerfully and competently and we thank them for their efforts.

The staff members are Rick Brandon, Michelle Adams, Cheri Ball, Dennis Beal, Jim Carr, Barbara Chow, Alan Cohen, Doug Cook, Kathy Deignan, Lisa Faulkner, Peg Foley, John Hilley, Janet Holtzblatt, Connie Humphrey, Bentley Lipscomb, Brock MClane, Pat Monkres, Doug Olin, Jim Stasny, and Anne Willis.

I also thank two Presidential management interns who worked long and hard for us earlier in the year, Norman Chlosta of EPA and Kristin Faust of the SEC; as well as Geena Cohen and Jon Moyle, who did a fine job in their summer internships on the Budget Committee.

The PRESIDING OFFICER. The majority leader.

Mr. CHILES. I yield back my time.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I want to thank all Members for their patience over the past several months. We have been talking about the budget for probably too long. I particularly want to thank members of the Budget Committee and members of the budget conference; and, again, the distinguished chairman of the committee, Pete Domenici, and the distinguished ranking Democrat on the committee, Lawton Chiles. There have been times when we were frustrated and angry, we did not know which way to turn, and I think the constant meetings and communication on both sides of the aisle is the only reason we are here this evening.

This is a budget resolution passed by the Congress. The President does not have to sign it. He does not have to say whether he is for or against it. But, again, I want to indicate, in case anyone is in doubt, the only inference I have from a long meeting with the President is that he supports the resolution.

That does not mean he is not going to criticize deficits. That does not mean he is not going to criticize those who want to increase taxes. That does not mean he might not like a better package.

This is the only package. He does not have to vote with his signature. He does not have to sign this document. I can say that the President is not opposed to this and if you are not opposed to it, the opposite is you support it. I could not get any other inference.

Mr. President, I think it is time we vote. Obviously, we could all find different ways to reach different results, better results, but I am not nearly as excited about this vote as I was the one on May 10. I do not think Pete Wilson is either or Pete Domenici or anyone else.

Mr. WILSON. The Senator is correct.

Mr. DOLE. You are looking better, too.

[Laughter.]

But in any event, here we are. It is time to make a judgment. I hope, as the distinguished Senator from Alaska just stated, that we have broad bipartisan support, primarily for the reason that I think most of these reductions are supported pretty much on both sides of the aisle.

I hope this is a step. It is not a big step; it is a small step, but it is a right step. I again thank the distinguished chairman.

The PRESIDING OFFICER. All time has been yielded back.

Mr. CHILES. Mr. President, I ask unanimous consent that the Senator from Nebraska have a moment to put his statement into the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, first I want to thank the chairman of the Budget Committee and the ranking member, and the rest of the conferees for their tireless work and efforts on producing a budget compromise and returning here with the document. They tried and they did their best.

In the opinion of this Budget Committee member, this document is such a far cry from what all had envisioned or hoped for to arrest runaway deficits and begin to reduce the reliance upon unrestrained borrowing that is driving the national debt to over the $2 billion milestone, or millstone, that it is hardly worthy of favorable consideration.

The numbers are full of fluff and optimistic as opposed to realistic figures and projections. If this budget

produces annual deficits of much under $200 billion, it will be a miracle.

As budgets go, this one is like kissing your sister—it lacks any passion toward success.

This budget is like new Coke—it is not the real thing.

But what were the negotiators to do when the key players of the President and the Speaker of the House torpedoed any chance of meaningful success?

I will vote for this conference report not because I believe it to be a good one, but in the final analysis, it probably is better than no restraint at all.

At least this document begins to address the terrible and totally unrealistic restraints placed on agriculture in our May action.

The main reason I hesitatingly support this is that it takes a step toward giving us some increased flexibility by billions of dollars in writing a farm bill that will not further devastate agriculture, but unfortunately, not enough to solve its problems.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. No time remains.

Mr. WILSON. Mr. President, I ask unanimous consent to proceed for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I thank the majority leader for his kind observance that I am looking better on this occasion.

That night when I came in to vote I was on a gurney. Tonight it seems to me that what we are voting on should be on a gurney. I want to add, however, that I think it is the best that the distinguished chairman and the ranking member could do, given the opposition they were facing with the House.

I feel better physically. I do not feel better spirtually. I do congratulate them on their efforts.

I would agree with those who said that this is not the last step; it is a very small first one.

Mr. DOLE. This would be the last vote until 4 p.m. on September 9.

The PRESIDING OFFICER. The question is on the motion to concur in the House amendment to Senate Concurrent Resolution 32.

The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON Announced that the Senator from Arizona [Mr. Goldwater] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 67, nays 32—as follows:

[Rollcall Vote No. 169 Leg.]

YEAS—67

Abdnor
Armstrong
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Byrd
Chafee
Chiles
Cochran
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
East
Exon
Ford
Gore
Gorton
Gramm
Hatfield
Hawkins
Hecht
Heflin
Heinz
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Lautenberg
Laxalt
Leahy
Levin
Lugar
Matsunaga
Mattingly
McConnell
Mitchell
Murkowski
Nickles
Packwood
Pell
Pryor
Quayle
Riegle
Rockefeller
Roth
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Wilson
Zorinsky

NAYS—32

Andrews
Baucus
Bentsen
Biden
Burdick
Cranston
Evans
Garn
Glenn
Grassley
Harkin
Hart
Hatch
Helms
Hollings
Humphrey
Kerry
Long
Mathias
McClure
Melcher
Metzenbaum
Moynihan
Nunn
Pressler
Proxmire
Rudman
Sarbanes
Symms
Wallop
Warner
Weicker

NOT VOTING—1

Goldwater

So the motion to concur in the House amendment was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion to concur in the House amendment was agreed to.

Mr. CHILES and Mr. GORTON moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, Mark Twain once said that its easier to stay out of debt than get out of debt. The events of the last weeks and months prove that Twain's wisdom endures along with his wit.

Mr. President, I rise to address my colleagues, becasue we voted today to make a down payment on our Nation's debt. The plan we approved will cut the deficit by $39 billion next year and by $200 billion in the next 3 years. It wasn't enough. Our future is still mortgaged. But we have made a start.

We could have done more. The problem is immense. It staggers the imagination. I actually draw gasps of wonderment when I try to describe the magnitude of our problem to Vermont taxpayers.

I still have trouble believing this example myself. All of the Federal taxes paid by all of the citizens of my State of Vermont last year would only pay for 2 days of interest—that's interest only—on the national debt. Our taxes don't pay for programs like national defense or Social Security. Fifteen percent of all the taxes collected in the United States—is just the interest penalty for our profligate ways.

The budget we have approved is fair. Social Security Cost of Living Adjustments are kept intact. Defense spending is allowed to grow after inflation in 1987 and 1988, and guaranteed student loans and the child nutrition programs are maintained pretty much at current levels. Any reductions will not affect the delivery of services.

The farm program is cut by $8 billion, but it survives after attempts to put every small farmer in America out of business failed. Amtrak, schedule for derailment by the administration, a consumer service, survives, with a 15-percent cutback. The Small Business Administration, an agency that creates jobs and helps the eoncomy of rural States like mine, was saved from being eliminated altogether.

So we have a budget we can live with. But can our children and grandchildren live with it?

Our future, their future, depends on our decision to continue what we did today, and more. Decisions that will leave our children with a chance to grow and prosper. We must plan that future of promise, for the alternative is surely one of debt and dependence.

We can continue to spend, and send the bill to future generations of Americans. Or we can get this country back on the road to the frugality that is part of my own Vermont-Yankee tradition.

I cosponsored a budget plan this year that would have balanced the budget by 1990. Deficits would have been reduced by almost $400 billion, more than twice the savings of the budget we did approve.

That budget plan was tough. Too tough, I guess. Domestic spending would have been cut by $90 billion. Defense spending would have been reduced by $72 billion in 1986. Real growth would have occurred in defense during 1987 and 1988.

I had to swallow deep cuts in programs that are important to my State. Unless we get the deficits under control, we'll just have to cut to the point where Government fails to provide the basic security, services and programs that all Americans need.

The more the debt grows, the more dollars in the budget will go to interest payments. And interest only buys time, and time costs money—more money than we can any longer afford.

Our national debt limits our choices. It takes away our very freedom.

Americans have the courage to accept what we must have the courage to accomplish. Today was a start. Let's not proclaim it a solution.

THE POSSIBILITY OF PROPOSALS TO SELL ADVANCED ARMS TO JORDAN AND SAUDI ARABIA

Mr. DeCONCINI. Mr. President, just over a month ago, this body debated an amendment calling on the President to refrain from selling advanced weaponry to Jordan until that nation and Israel agree to a peace treaty. The opponents on this amendment stated that there were already sufficient provisions regarding this issue and that in any case, the King of Jordan needed to know that the United States is his friend. The opponents argued that the provision of $250 million in economic aid was a litmus test of U.S. support for Jordan that should not be encumbered by expressions of U.S. concern about the ultimate outcome of one of the most critical problems of the region.

I remember this amendment well because it was mine and because it was soundly defeated. In all fairness, many of my colleagues who are staunch supporters of a strong American-Israeli relationship voted against my amendment because they had participated in structuring the Jordanian econimic aid package, believed that Israel was adequately protected, and did not want to rock the boat by adding another safeguard. Also, in all fairness, I must say that the July 24, 1985, release by the Reagan administration of its Middle East arms sales study—the basis for a request for major advanced weapons sales to Jordan and Saudi Arabia that is expected in September—has led me to tell my colleagues "I told you so."

Clearly, in contemplating the proposal of advanced weapons sales to Jordan and Saudi Arabia, the administration is ignoring the safeguards that the supporters of the Jordan economic aid package thought that they had put in place. The fact of the matter is that the Reagan administration has pursued a consistent and single-minded strategy in the Middle East. This strategy has been in place since the beginning of the Reagan administration and it is based on two principles: The deemphasis of the Camp David accords and the attempt to carry the favor of the so-called more moderate of Israel's enemies through econimic aid and arms sales packages.

Mr. President, this strategy is based on several faulty assumptions and if it continues to be pursued, I have no doubt that the fragile peace that exists in the Middle East will soon come crashing down around us. The first faulty assumption is that the United States somehow needs to prove itself to Jordan and Saudi Arbia. This "litmus test" approach does not include any attempt to put Jordan and Saudi Arbia on record as supporting key United States interests in the region, particularly with regard to Israel. The term "Camp David accords" dropped out of President Reagan's vocabulary very early on in his administration.

Mr. President, I think I speak for a substantial portion of this body when I say I am tired of these litmus tests. The United States' interests in the Middle East have been clear for years, and we don't need to prove our intentions to anyone or to any nation. We want a just and lasting peace in the Middle East for all nations in the region. Three courageous statesmen of three starkly different nations joined together just a few years ago to establish a framework for this peace. That framework was called the Camp David accords, and it is long past time for President Reagan to put aside his party differences with President Carter and admit that that framework is a darn good one.

The second faulty assumption is the Reagan administration's belief that somehow you can strengthen the United States' position in the Middle East by weakening Israel's military position vis-a-vis its enemies in the region. The keystone of the United States' strength in the Middle East is a strong alliance between the United States and Israel. Let their be no doubt that our strengthening of Jordan and/or Saudi Arabia will leave Israel scrambling to recoup the ground that we have caused it to lose. Such an action on our part is foolish during even the best of economic times, but when you consider the current plight of the Israeli economy, the contortions that military aid to Jordan or Saudi Arabia will put Israel through are certainly not worthy products of an alliance.

The Reagan adminstration's third faulty assumption about the realities of the Middle East is that Jordan's security does not depend on a strong Israel. If it were not for Israel, it is my strong belief that Jordan would not exist today as we know it. Certainly, King Hussein would not be the leader of whatever might be left of Jordan if Israel somehow vanished from the region. Whatever arms the Reagan administration might want to sell to Jordan will not change this relationship. A weakening of Israel is a strengthening of Syria. A strengthening of Syria is a weakening of Jordan as well as Israel. A recognition of this simple fact by Jordan—and by the Reagan administration, as well—would hopefully lead King Hussein to recognize that his nation's security is inextricably and unavoidably intertwined with the security of Israel. Given this fact, the logical position of the Jordanian Government would be the acceptance of the Camp David accords as the best means for pursuing the mutual security interests of all nations in the region that are truly interested in lasting peace and stability in the Middle East.

Mr. President, the continuation of Middle East policymaking on the basis of these faulty assumptions will lead the United States to continue to tread water while the Soviet Union and Syria make rapid gains. Our investment in the Middle East seen in terms of our economic and military aid to Israel and Egypt is only about $6.5 billion. We just sent to the President for his signature a Defense Department authorization bill in excess of $302 billion. What a bargain we are getting in the Middle East—for about 2 percent of what we spend on our defense budget we protect our lifeline to that critical area. Let's stop undermining our own investment. Arms sales to Jordan and Saudi Arabia can only help the United States under one set of circumstances—the acceptance by those nations of Israel's right to exist and the acceptance of the Camp David accords as the only means for establishing a just and lasting peace in the Middle East.

TRIBUTE TO THE BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS INVESTIGATION OF THE ABORTION CLINIC BOMBINGS

Mr. DeCONCINI. Mr. President, I would like to take this opportunity to pay tribute to a relatively unheralded group of law enforcement professionals at the Bureau of Alcohol, Tobacco, and Firearms [ATF]. The results of their diligent efforts are not only remarkable, but they serve as examples to which others may aspire.

Over the last few years, our country has been tormented by a series of bombings and arsons directed at abortion clinics. These attacks have resulted in countless disruptions of lives and physical damage in excess of $4.6 million dollars. The responsibility for investigating these criminal acts is that of the Treasury Department's Bureau of Alcohol, Tobacco, and Firearms.

Although my opposition to the choice of abortion is well known, we can never allow such terrorist methods in our country. Since 1982, the Bureau of Alcohol, Tobacco, and Firearms has served notice to those who resort to criminal behavior. Their efforts have solved 25 out of 35 bombings and arsons nationwide. Thirteen individuals have been convicted and sentenced to serve terms in prison. Ten of these criminals have received sentences of at least 10 years in length.

ATF's unsurpassed expertise in the field of explosives and arson investigaton has been demonstrated time and again. During a 21-minute period last Christmas, explosions destroyed three clinics in Pensacola, FL. ATF immediately responded by dispatching a highly qualified team of special agents, forensic chemists, and explo-

sives technicians to the sites. Within days, ATF agents apprehended four suspects, charging them with Federal explosives and conspiracy violations. All four have been convicted for their roles in the scheme. Two of the individuals received 10-year prison terms for their part in these crimes.

In January, ATF, special agents ended a series of 10 bombing and arson attacks aimed at abortion-related facilities throughout Maryland, Delaware, Virginia, and the District of Columbia. Three men were arrested, culminating an intense investigation undertaking which involved laboratory analysis, round-the-clock surveillances, and countless interviews. Based upon overwhelming evidence gathered by ATF, two of the suspects admitted involvement in the conspiracy, and the third individual was found guilty following a jury trial and ordered to serve a 10-year sentence.

ATF's efforts have unequivocally dispelled the much-publicized theory that the violence was the result of a national conspiracy. While some physical evidence indicates that some incidents committed in specific geographic areas are related, the only common thread in all of the attacks appears to be a deep-seated, antiabortion sentiment carried to violent extremes.

There will always be those who seek to advance their cause through the use of violence. I firmly believe, however, that ATF's impressive record will serve as a deterrance to future criminal activity. It is in recognition of their accomplishments that I urge my colleagues to join me in commending the continuing dedication and professionlism of men and women of the Bureau of Alcohol, Tobacco, and Firearms.

MIRACLES THROUGH MEDICINE

Mr. CRANSTON. Mr. President, at a time when the Nation's health system is being rocked with ever-escalating health care costs, the possible insolvency of the Medicare Program, and administration cutbacks affecting not only Medicare and Medicaid but basic research, I am grateful that California can offer hope: The City of Hope National Medical Center and Beckman Research Institute, which for over 70 years has been dedicated to quality and compassion in patient care, research, and education in catastrophic diseases.

The soul of the medical center is its ability to provide its patients with the latest life-saving equipment in a warm and homelike setting. Free treatment is provided to individuals who cannot afford it and the research carried on is world renowned. In sum, the City of Hope is a model hospital whose services and research efforts are in the vanguard in the war against disease.

The City of Hope began in two tents; it has developed into one of the preeminent forces in the world's health care delivery scene. And the miracle is that its humanitarian efforts are still going on with unabated success, even in these financially strained times.

I am pleased to share with my colleagues the keynote address by the City of Hope's executive director, Ben Horowitz, given at the center's 1985 biennial convention. I ask unanimous consent that his speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record as follows:

Keynote Address By Executive Director Ben Horowitz

Ladies and gentleman, members of the City of Hope family.

Welcome to the 1985 Biennial Convention!

The men and women gathered in this room represent the leadership of our auxiliaries throughout America. You have been elected as delegates to fulfill special responsibilities. According to our Constitution and Bylaws, you will be reviewing our organizational activities during the past two years and setting the direction for the next two years.

It can be solemnly stated, however, that the deliberations of every Convention place an indelible mark on the long range progress of the City of Hope. So it will be with this Convention.

It is appropriate that the Convention open in a festive mood. It reflects the warm kinship we feel for each other as members of the City of Hope family. It reflects the fact that we need each other, for the sum total of our accomplishments makes possible the giant strides of the City of Hope. It reflects our joy that the auxiliary movement has raised record-breaking funds since the last Convention.

Yes, tonight is a gala occasion for, in truth, it is a victory celebration!

In the sessions to come, we will turn to the serious problems which will be confronting the City of Hope in the coming years. The harsh reality is that the health system in the nation is being shaken to its very foundations.

As a result of new regulations which are imposing financial drains, hospitals are retreating from proper concern for the ill. Admissions are being denied to many patients. Bed stays are being shortened despite continued need. Services are being reduced or eliminated. The quality of care is threatened.

The City of Hope is more vulnerable than other hospitals to the cutbacks in reimbursements by government agencies and insurance companies.

A substantial number of our patients are not covered by any insurance.

No personal charge is made to patients who do have insurance.

Our Medical Center treats only victims of major diseases, which involve expensive procedures. It costs us more than $1,000 a day to treat one patient.

While other hospitals have a declining patient census, ours has been steadily growing.

As a unique research oriented institution—that of being a pilot center—we also are affected by the large cutbacks in grants pursued by the government.

Nevertheless, we have adamantly refused to depart from our high standards of care of impede our research endeavors.

The contents of my Keynote Address, and what you will see and hear in the days and nights to follow, seek to inform and inspire you. More signficantly, our objective is to move you to extraordinary efforts: first, to assure the integrity of our livesaving programs and second, to alert the citizens of your communities to resist the downgrading of their health systems.

With these introductory comments as a backdrop, I present my report.

OUR PATIENT SERVICES

The free, personalized quality care at the City of Hope attracted the highest number of patients in our history. In our role as a think tank for hospitals, advanced health-giving therapies were offered to all our patients.

Some highlights are: improved diagnostic and treatment procedures for many cancer conditions, including non-surgical approaches and faster post-surgical recovery; new methods bringing even higher survival rates in our Bone Marrow Transplantation Program; new chemotherapy agents and innovative ways of administering them; new techniques to cope with congenital and genetic abnormalities; new systems for delivery of oxygen to patients with lung diseases; new surgical methods for cancer of the brain, spine and nervous system; and new implanted medication pumps to help liver cancer patients.

A complete listing would go on and on.

OUR CONSULTATION SERVICES

Second opinions from our professional staff have been provided for thousands of patients, under the care of private physicians and medical institutions, from virtually every state and many countries overseas.

OUR RESEARCH PROGRAMS

The U.S. National Cancer Institute renewed the designation of the City of Hope as a Clinical Cancer Research Center for the next five years. This is given only to selected institutions, and is highly prestigious.

We receive between $10 and $12 million in research grants and this is implemented by our own funds. More than 100 scientists are involved in 80 cancer research projects. Hundreds of findings and discoveries come from our laboratories every year.

As you know, our eminence in genetic engineering was attained several years ago by synthesizing human insulin. New discoveries from our laboratories in this field which have received world-wide attention were: a substance called tissue plasminogen activator (TPA) which assists the body in dissolving blood clots and helps avoid some of the consequences of heart attacks; the isolation and mass production of the tumor necrosis factor (TNF) which kills cancerous growth; and the invention of probes to identify many hereditary diseases from the DNA itself.

It is the conviction of scientists at the City of Hope that the current "knowledge explosion" will eliminate most of the diseases known today within the next 50 years. What a magnificent heritage we will be giving to future generations!

OUR AUXILIARY MOVEMENT

We now have 520 affiliates in 210 cities and 30 states. Their membership and fund-raising are at an all-time high.

Fifty-eight of them were organized since the last Convention in 1983. They encompassed the recruitment of young adults, industry leaders, and senior citizens.

Our tens of thousands of auxiliary members have gained an outstanding reputation for their devotion and diligence to our cause. This is understandable. There is a gladness of the heart which comes to us who are associated with the city of Hope. Our activities lift the spirits, enhance a sense of self-worth, and increase our capabilities.

OUR FINANCIAL CRISIS

For the fiscal year ending September, 1984, our income was $87,000,000. For the fiscal year ending September, 1985, it should reach $92,000,000.

These figures sound good, but they are offset by several factors. Income projected for the Medical Center declined by almost $2 million. Expenses projected for the Medical Center rose by more than $2 million. Cutbacks in grants are beginning to take effect.

We have been compelled to borrow $10 million to met immediate cash flow requirements.

We also have to take into account that, on October 1st, we must provide for an inflationary increase of four percent in our budget for the new fiscal year, when we will be spending almost $2 million a week.

To meet these problems, the Board of directors launched an Emergency Fund Campaign for $10 million. It is calling upon our members and supporters for gifts, over and above those given previously. These extra dollars will determine: how many patients will be accepted by our Medical Center; how many patients will be turned away; and how extensive our basic and clinical research programs will be.

In a real sense, we are deciding who shall live and who shall die! This is an awesome responsibility, but we are confident that the response will be swift and effective.

OUR LEADERSHIP

The City of Hope is composed of dedicated and talented members. Its leaders must, therefore, undertake burdensome duties and demonstrate special qualities which command the respect and bring forth the best efforts of those they lead.

Our heartfelt thanks for a job well done go to, President Abraham S. Bolsky, the National Board of Directors, past Presidents Mike Hersch, Mannie Fineman, Percy Solotoy, and the late Louis Tabak. Associate Executive Director Sanford Shapero, Executive Medical Director Charles Mittman, and Medical Administrator Thomas Galinski, the officers of all our auxiliaries, our auxiliary members who assume leadership in their communities.

FACING THE FUTURE

The quantity and quality of health care and medical research is everybody's "business". Diseases do not pick and choose their victims. They strike at the strong and the weak, the good and the bad, the rich and the poor, the old and the young. We are all "under the gun", to use the vernacular.

Without question, great progress has been made against these age-old enemies of humankind. The latest government figures indicate that one of every two persons stricken with cancer will survive. Some fourteen other diseases show similar encouraging data. These advances were particularly made possible by government funding over the years.

Sad to relate, the clock has been turned back in both patient care and research. Predictions are that the worst is yet to come . . . unless public consciousness can be aroused against it.

Whatever the outcome of these developments, the City of Hope must continue to be a leading force in the health field. Our theme for this Convention is "Miracles Through Medicine". This was adopted because of our awareness that the City of Hope and medical science in general are on the threshold of spectacular breakthroughs.

The members of the City of Hope have the vision, faith and courage to overcome all obstacles. These attributes make them "miracle workers".

We are being challenged to mobilize the maximum human and material resources to go forward in our mission . . . that of relieving pain, prolonging life, effecting cures and wiping diseases from our midst.

Let us carry on in the spirit expressed by Louis Pasteur, "The future belongs to those who have done the most for suffering humanity". That future belongs to the family of the City of Hope. That future will belong to the people of America.

CBS TO AIR MISSING CHILDREN PICTURES

Mr. SPECTER. Mr. President, the tragedy of missing and exploited children continues to plague our Nation. As many as 1.5 million children are reported missing each year. As chairman of the Senate Judiciary Committee Subcommittee on Juvenile Justice, and cochairman of the Senate's Children's Caucus, I have spent considerable time studying this horrible problem and working to solve it.

I am heartened to bring to the Senate's attention today a letter I have received from Mr. Gene F. Jankowski, president of the CBS Broadcast Group. In response to a May 20 letter from Senator HEINZ and me, in which 83 other Senators joined, Mr. Jankowski has advised me that CBS, beginning this fall, will air on a regular basis the pictures and descriptions of missing children. As Mr. Jankowski notes, CBS' commitment to devote prime time to this worthy cause will ensure that this crucial information reaches CBS' largest and most diverse audiences.

I heartily congratulate CBS on its commitment, and applaud its willingness to serve the public in this manner. The media, because of its ability to reach all Americans, is central to the efforts to find missing children. In the past, when pictures and descriptions of missing children have been aired on network television, many of those children have been recognized and returned safely to their homes. CBS' commitment can only increase the frequency of these reunions.

When President Reagan signed into law the Missing Children's Assistance Act, which I introduced in the 98th Congress, we took a great step forward in the fight against this national tragedy. Voluntary private sector initiatives like the one now undertaken by CBS are an essential compliment to the programs established by the act.

Mr. President, I again commend CBS, and ask that Mr. Jankowski's letter of July 3 be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CBS,
New York, NY, July 3, 1985.

Senators SPECTER and HEINZ,
U.S. Senate,
Washington, DC.

DEAR SENATORS SPECTER and HEINZ: On May 20, 1985 you and 78 of your colleagues in the Senate wrote to Mr. Thomas Wyman urging CBS to air on a regular basis the pictures and descriptions of missing children.

I am pleased to advise you that beginning this fall we will be able to do so. This will be one part of a new CBS plan for broadcasting additional public service announcements ("PSA") in prime time.

This effort is incremental to an already extensive commitment. In 1984 alone, that effort represented $195 million worth of air time. By adding to the prime time component we will ensure additional exposure to our largest and most diverse audiences.

The announcements about missing children will be prepared in cooperation with the National Center for Missing and Exploited Children. The tragedy of missing and exploited children is of grave concern to all of us. We hope that CBS's effort will assist significantly in the growing nationwide response to this problem.

Sincerely,

GENE JANKOWSKI.

FELLOW ALABAMIAN NAMED PRESIDENT OF PRIVATE CARRIER CONFERENCE

Mr. HEFLIN. Mr. President, it gives me a great deal of pleasure to announce that a constituent, Mr. Herman Granberry, director of Transportation for West Point-Pepperell, has been elected president of the Private Carrier Conference of the American Trucking Association [ATA].

The private carrier conference, the largest of 11 conferences affiliated with the ATA, represents manufacturers, distributors, shippers and receivers who operate trucks as an extension of their primary business endeavors. Private carriers are the dominant sector of the trucking industry today, hauling nearly 60 percent of the Nation's intercity truck ton mileage and operating 6 million vehicles.

A 21-year veteran with West Point-Pepperell, Mr. Granberry holds a dozen patents for innovations and advancements within the textile industry. He brings to his new position of leadership with the private carrier conference a wealth of knowledge and experience. I am confident that he will make an effective contribution toward the Nation's search for a responsible transportation policy in the months and year ahead.

I know that my colleagues join me in congratulating Mr. Granberry as he begins his new responsibilities.

Thank you, Mr. President.

VETERANS HEALTH

Mr. PRESSLER. Mr. President, I rise today to speak on an issue that is very important to all of us—veterans health. As a Vietnam veteran who spent time in a military hospital overseas, I am very concerned with the current state of affairs in this area and would like to again bring it to the attention of my colleagues.

The situation facing the Veterans' Administration health care system today is critical. We face an expanded demand for medical services as a result of the aging World War II and Korean veteran population. Steps must be taken now if we are to meet the future health needs of these and other veterans.

My home State of South Dakota has approximately 79,000 veterans—12,700 of whom are over the age of 65. By 1990 this figure will rise to 18,700. By the year 2000 the total will have jumped to more than 24,000. Their medical needs are met by VA hospitals in Sioux Falls, Hot Springs, and Fort Meade. Nationally, the number of veterans over 65 is expected to triple from the current 3 million to 9 million over the next two decades. The VA reports that it currently turns away 20,000 eligible patients a month.

By 1995, 60 percent of all elderly males in the United States will have served in the military. Currently, 4 of every 10 Americans are veterans or members of their immediate families. Clearly, VA issues are important to many people.

For fiscal year 1985 the Federal Government has budgeted nearly $26 billion for veterans programs. Over the years, South Dakota has received a steady increase in VA funds in order to keep pace with rising medical costs. Nationally, the VA has been granted significant funding increases in recent years and the current fiscal year budget is the highest ever. Still, more must be done.

As we have debated the fiscal year 1986 budget, veterans health care and the level of funding needed has been a prominent issue. Of course, the deficit has made everyone budget conscious; but the fact remains that a potentially serious problem must be addressed. A number of questions must be asked: Will VA funding allocations for South Dakota and other States be sufficient to continue VA programs at their current level of service? How do we best maintain the present system? What steps must we take to meet the increased patient load to which I have referred? What changes must be made in the VA health care delivery system? To answer these questions satisfactorily, every option must be considered.

According to a 1983 survey conducted by the VA, approximately 380,000 veterans will require nursing home care by 1990. Also, the VA will need a minimum of 134,000 hospital beds by the year 2000—an increase of 68 percent. This demand will decrease once the needs of the World War II and Korean veterans have been served—probably between the years of 2010 and 2020.

The U.S. General Accounting Office [GAO] reports that the VA has not adequately explored the availability of community-based health services. I have often said that, properly undertaken, this option could help overcome VA overcrowding, as well as offer the individual veteran more convenient services. Both the Senate and House Veterans' Affairs Committees are considering legislation to determine to what extent the private sector can be of assistance to the VA in meeting long-term health care demands.

I have cosponsored S. 1007, most of which was adopted as part of the fiscal year 1986 veterans health bill. S. 1007 calls on the VA to pursue several approaches which are aimed at more efficiently expanding VA medical and nursing home facilities. It requires the VA, when developing new or replacement facilities, to first consider leasing or purchasing existing private facilities. Also, because VA facilities are generally more expensive to build and operate, a pilot program would be established to analyze the cost and number of different VA/private sector intiatives.

Mr. President, S. 1007 is but one example of the type of legislation that must be pursued if we are to meet the needs of our veterans. The time is now. Innovative and constructive approaches must be taken. Federal involvement must remain as the foundation for an effective system, but there is room for more private, local, and State participation in meeting veterans' health care needs.

THE NATIONAL BAR ASSOCIATION'S NEW PRESIDENT

Mr. HEFLIN. Mr. President, on Friday night, July 26, 1985, in Chicago, IL, Fred D. Gray was sworn in as the forty-third (43d) president of the National Bar Association. Justice Oscar Adams, the first black elected to the Alabama Supreme Court, administered the oath of office to him (and subsequently to the remaining elected officers of the National Bar Association).

Mr. President, the National Bar Association was founded in 1925, and is the oldest minority bar association in America. Over the past 60 years it has flourished tremendously in size and influence. Its network of over 8,500 lawyers judges, law faculty and administrators, and law students, has made significant strides. However, Mr. Gray is the first Alabamian to head this prestigious organization.

Mr. Gray received his B.S. degree from Alabama State University, his law degree from Case Western Reserve University. He is a member of the Alabama, Ohio, American Bar Association, the National Association of Criminal Defense Attorneys, the Association of Trial Lawyers of America, the Alabama Trial Lawyers Association, and the American Judicature Society. He is a past president of both the Macon County, AL, Bar Association and the Alabama Lawyers Association.

He is a senior partner in an outstanding law firm, Gray, Langford, Sapp, Davis & McGowan, in Montgomery and Tuskegee. He has won numerous awards of merit and distinction from various groups, including the Alabama State University Alumni Association, the Civil Liberties Union of Alabama, the NAACP, the National Bar Association, and the Educational Board of Community Leaders of America.

He is admitted to practice in all courts, not only the 11th circuit, but also in the sixth circuit. By his informal account, he has tried more than 275 cases to verdicts.

He has a very broad practice. I doubt if there is a law student in recent years who has not read Gomillion versus Lightfoot in courses on constitutional law. This landmark case opened the door for redistricting and the reapportionment of various legislative bodies, and laid the groundwork for the Supreme Court's later one-man, one-vote decision. This was Fred Gray's case, as were other landmark cases dealing with the systematic exclusion of blacks from jury services or ordinances requiring segregation intrastate in violation of the 14th amendment and due process in student disciplinary proceedings.

Of course, Fred Gray had a little help. In three of these cases he tried and argued on appeal, he was associated with Thurgood Marshall. But there are few attorneys whose trial and appellate records can match Fred Gray's legacy of landmark decisions.

I have known Fred Gray for approximately 25 years. When I went on the bench in 1971, there were two black lawyers in Alabama who were universally acclaimed to have reputations of excellence among the enlightened bar of Alabama. These were a great lawyer in Birmingham who is now in his late seventies, Arthur Shores, and Fred Gray. He practiced before me while I was on the bench. He always did an outstanding job. I know that he will do an excellent job as the 43rd president of the National Bar Association.

Mr. President, I offer to Mr. Gray my congratulations and my pledge to assist him in any way that I properly can during his term of office.

SALLY A. KELLY—A MASSACHUSETTS LAWYER WHO MAKES A DIFFERENCE

Mr. KENNEDY. Mr. President, one of the most impressive victories in the recent term of the U.S. Supreme Court was won by Sally A. Kelly, administrative counsel in the office of Attorney General Francis X. Bellotti of Massachusetts in the case of Metropolitan Life Insurance Co. versus Massachusetts.

On June 3, 1985, in her first case before the Court, which she described as a "textbook example of federalism," Ms. Kelly won a unanimous decision that ERISA, the Federal pension statute, did not preempt State laws on the subject and that insurance companies could properly be required to provide coverage for mental health care, as mandated by a Massachusetts statute.

As a specialist in health law, Sally Kelly has been active on many fronts in upholding the right of citizens to decent health care, including authorship of the patient-abuse law in Massachusetts. She has also shown her commitment to the public interest through her tireless efforts on behalf of nonprofit groups in Boston, such as the Boston Food Bank and the Fellsway Inn.

Sally Kelly's remarkable contributions and her dedication to public service are recognized in the current issue of Business Week. It is a pleasure to share her achievements with my colleagues in the Senate, and I ask unanimous consent that the article in Business Week, "A Lawyer Who Wanted To Make a Difference" may be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Business Week, Aug. 5, 1985]

A Lawyer Who "Wanted To Make a Difference"

Sally A. Kelly, administrative counsel to Massachusetts Attorney General Francis X. Bellotti and aspiring gourmet, cherishes her cooking lessons with Odette, the well-known Boston chef. But her fellow attorneys could take a lesson from Kelly, who recently persuaded the U.S. Supreme Court to endorse the rights of states to regulate insurance benefits. The 33-year-old Kelly won a unanimous decision in her first case before the court.

Kelly took on the insurance industry in 1979 when a Wellesley (Mass.) man complained that his insurer, Travelers Corp., would not pay for his daughter's mental-health treatment as mandated by state law. Travelers argued that the 1973 state law, which required insurance companies to provide at least $500 in mental-health coverage, was preempted by the federal Employee Retirement Income Security Act. But Kelly successfully demonstrated that mental-health coverage was similar to state-regulated car and neonatal insurance. "This is a textbook example of federalism," she declares.

Kelly's specialty in health law also led her to bring the first suit against a Massachusetts nursing home for patient abuse, in 1977. She later helped to write the state's patient-abuse law. Kelly is active in Bellotti's task force on rights of the elderly and in Massachusetts' role as lead counsel for 40 states looking for a remedy for investors who lost money in Baldwin-United Corp. annuities. Kelly also assisted Bellotti when he was president of the National Association of Attorneys General, which works to promote states' rights.

As if that weren't enough, she serves on the boards of several nonprofit groups, including the Boston Food Bank, which distributes food to local shelters, and Fellsway Inn, a halfway house for alcoholic women. "I always wanted to make a difference," says Kelly. "My heroes were Robert Kennedy and Dorothy Day."

PRAISING TALENT SEARCH

Mr. ROCKEFELLER. Mr. President, I would like to comment the Department of Education for a program it has administered for over 10 years entitled Talent Search. This program is especially important to West Virginia—almost half of our counties have been aided by Talent Search. In my State where unemployment is very high, the education of young people is critical to improving economic conditions.

Talent Search's primary goal is to motivate young people with special problems or needs to seek higher education and to ensure them true access to a quality education. The program identifies youth with financial or cultural needs who possess exceptional potential, and then helps them with training, financial aid, and other services. Talent Search staff provide career and academic counseling, tutorial services, assistance with application forms, publicity and counseling of financial aid opportunities, and a followup service to all Talent Search participants.

Grants are awarded to colleges and universities, public and private agencies and organizations, and in exceptional cases, to secondary schools. Through this program, youth are encouraged to continue in and graduate from secondary schools and to enroll in and complete postsecondary educational programs.

Young people within the ages of 12 years and 17 years are aided by Talent Search. The target student population consists of high school students and high school and college dropouts. The program focuses attention toward low-income families where neither of the participant's parents have received a bachelor's degree. Veterans are also given special consideration.

In my own home State of West Virginia, 27 of 55 counties have been targeted for aid through Talent Search. The Talent Search Program, combined with many other educational programs within the State, has made a significant contribution is reducing West Virginia's high school dropout rate. It also has helped to strengthen college placement efforts throughout the State. Students in need of financial aid have been helped immensely in the application process and in learning of the aid that can enable them to gain the education they desire and deserve.

Ensuring access to higher education for these young people is extremely important to every State. In West Virginia, the effort to achieve this goal has been tremendously aided by the Talent Search Program. Again, I commend my colleagues and the Department of Education for their role in sustaining this valuable program. Through the education of our youth, all of society will prosper.

EQUAL CREDIT OPPORTUNITY ACT

Mr. HEINZ. Mr. President, the Equal Credit Opportunity Act was passed in 1977 in order to prohibit discrimination in credit transactions on the basis of race, sex, marital status and age. It was passed in recognition of the fact that race, sex, marital status or age are not and should not be part of a determination of creditworthiness. Employment should be considered. Credit history should be considered. Sex or marital status should not. Neither has any relevance to the question of ability to repay a loan.

Included in the Equal Credit Opportunity Act was a provision authorizing the Federal Reserve to exempt nonconsumer transactions from the law wherever the Federal Reserve determined that application of the law would not contribute substantially to achieving the purposes of the act. Pursuant to this authority, the Federal Reserve Board, in 1977, issued regulations exempting commercial credit transactions from important requirements of the Equal Credit Opportunity Act. Since that time, commercial transactions have been exempt from the ban on inquiries regarding the loan applicants' marital status, certain recordkeeping requirements, and the requirement that denials of credit be accompanied by written explanations of that denial.

The exemptions approved by the Federal Reserve Board are far more sweeping than Congress ever intended. In fact, the exemptions approved by the Federal Reserve reduce the Equal Credit Opportunity Act to an absurdity. Women must be ensured an equal opportunity to go into business and obtain the same financial assistance to do so as men.

I am proud to be an original cosponsor of the 1985 amendments to the Equal Credit Opportunity Act introduced by Senator Dole on July 23. This legislation limits the authority the Federal Reserve in promulgating regulations pursuant to the Equal Credit Opportunity Act to ensure that the rights of women and minorities are protected, as Congress intended them to be.

The bill specifies that no regulation may exempt personal, family, household or business loans from the requirements of the Equal Credit Opportunity Act. It further requires that any exemption that is granted by the Federal Reserve must be reviewed every 2 years and a determination made that the exemption remains appropriate.

This bill will correct an injustice that Congress thought it had corrected long ago. It will allow talented women who wish to enter the business world or expand their existing business to do so, and a bank may not require her husband's signature on the loan.

It will ensure that women or minorities who are turned down for loans are turned down for legitimate reasons, because a written explanation of that rejection will be issued.

It will also give women and minorities recourse in the courts if a lender consistently discriminates because records will exist that can be used as evidence to show discrimination.

The 1985 amendments to the Equal Credit Opportunity Act ensure fairness in the allocation of credit. It ensures that the equality we legislated in 1977 exists today. I urge my colleagues to join me in cosponsoring this important legislation.

PROBLEMS FACING DAIRY FARMERS

Mr. SPECTER. Mr. President, on Monday, July 29, 1985, I met with about 50 Pennsylvania dairy farmers from northeastern Pennsylvania, at the Carl Pensak dairy farm in Factoryville. These farmers, who are affiliated primarily with the Northern Tier Farmers Union Milk Producers Association, the Pennsylvania Farmers Union, ahd the Pennsylvania State Grange, expressed grave concerns about the State of the dairy industry in Pennsylvania and in the United States today. I would like to take this opportunity to share their views with the Senate, especially in light of the Senate's interest in the Farm bill and agricultural matters at this time.

The farmers with whom I met had two issues uppermost in their minds. The first of these concerned the importation of casein. Casein is a dry protein milk derivative used in dairy and dairy-substitute products, plastics, paint, and more. Imported chiefly from New Zealand, Australia, and the European Community countries, some 87,000 metric tons of casein was imported into the United States in 1984, according to the U.S. Foreign Agriculture Service. This represents, Mr. President, a startling jump from the 58,000 metric tons that the FAS reports were shipped to the United States in 1981. Other sources have placed the amount of casein brought into the country at even higher levels.

What is especially disconcerting about this situation is that at least some of the casein reaching our shores is being subsidized by foreign governments. As a result, dairy products from Pennsylvania and elsewhere in the United States reportedly are being displaced. The farmers with whom I talked expressed their strong view that import restrictions on casein should be imposed with the passage of the 1985 farm bill. It is my sense that this approach merits very strong consideration in this body, at an early time.

The other matter of special concern to the dairymen was the current dairy support program and, specifically, the dairy support price. One spokesman for the group noted that the current support price of $11.60 per hundredweight is the lowest in 6 years. In his view, and the view of others with whom I met, this is completely inadequate. It was suggested that, for dairy farmers to maintain a level of income that would keep them even with the national economy, support prices would have to be increased to $16 per hundredweight.

What is clear, Mr. President, is that our current dairy program is not meeting the needs of our Nation's dairy farmers. In 1983, the President enacted legislation that began a Dairy Diversion Program paying farmers $10 per hundredweight to reduce their marketings by 5 to 30 percent below their established production base. But my conversations showed that only a small number of farmers ever took advantage of this program. The price of milk has remained low. Dairy farmers throughout Pennsylvania are experiencing exceptional economic pressures at this time.

It may be necessary to deal with these issues on a regional basis because the problems for California, for example, are very different from those of Pennsylvania.

In the coming days the Senate will be contemplating reform of the current Dairy Program. It is imperative that we move quickly and firmly to deal with this problem at that time. We simply cannot afford to drive our farmers into perpetual hock with unrealistic and ineffective policies. I urge my colleagues to give this matter the most serious consideration when it is brought to the floor.

On a final note, I would like to briefly mention two other issues brought before me during my meeting. The first goes hand in hand with what I have been discussing. I refer specifically to the problem of farm loans. Without getting into extensive detail on this issue, I would like simply to emphasize my view that the criteria and guidelines for granting loans from the Farmers Home Administration must be reviewed thoroughly and addressed vigorously by this body in the upcoming farm legislation.

The last issue regards the Federal Government's Surplus Food Distribution Program. During the course of my meeting I was accompanied by Wyoming County Commissioners Robert Barziloski, Richard Fitzsimmons, and Harold Grow. Commissioner Barziloski, responsible for the Surplus Food Distribution Program in the county, expressed fear that the program might end this year. "There is no sense in having a hungry America," he said, "while there is a big food surplus in the country."

It is my strong sense that the Government's distribution will not end this year, but that is not the principal reason why I chose to mention this concern here. Rather, it is because I believe this remark has much greater implications. Simply put, we absolutely must rectify the problems that currently beset our agricultural community if we hope to have a strong and healthy economy and a strong and healthy Nation. Agriculture is the backbone of America, and, without the attention it deserves, we may all face a hungry America in the future.

JACK BARRY

Mr. LEAHY. Mr. President, the best-known personality, and the best-known voice, in Vermont does not reflect a public official. Instead, it is my good friend Jack Barry.

Virtually any time anyone discusses issues in Vermont—and we Vermonters discuss issues more than most people—the discussion usually turns to what Jack Barry has said on the subject.

I would like to share with my colleagues in the Senate an interesting article about Jack that appeared in the Vermont Vanguard Press, and I ask unanimous consent that it be printed in the Record.

[From the Vanguard Press, June 23–30, 1985]

Inside Track

(By Peter Freyne)

Jumpin' Jack Flash—This is a test. For the next three weeks no matter where you tune your AM receiver, you will not be able to pick up the mellifluous tones of Vermont's Mr. Radio—the one and only Jack Barry. Crisis intervention clinics will no doubt add extra staff and police patrols will be beefed up to handle any Barry fans exhibiting withdrawal symptoms.

After two and a half years on Burlington's WDOT, Jack says he's cut a deal with Peter Gibbert, owner of the Plattsburgh-based KDR, that will keep him in filet mignon until he retires. The Jack Barry Show will be produced out of new digs adjacent to the Mill Restaurant in Winooski and run in the same time slot it has had for years: 9-11 a.m.

Jack says phone calls will go to the New York studio first and then be rerouted to Winooski. Vermont callers will be able to dial a local number to get through to the voice that never quits.

For Jack, it's yet another radio station to add to his very impressive resumé. And it will be his first shot at taking on two separate audiences at once. That eight-mile wide puddle we call Lake Champlain may as well be a million miles wide in the minds of most local media. WPTZ-TV is just about the only operation to seriously attempt to cover both sides of the lake. And as their Burlington-based sales staff will tell you, it pays off.

Thirty years ago Jack Barry was an eyewitness to the birth of the radio call-in show. Working for a radio station in Wilmington, Delaware, the Waterbury Center native got a firsthand look at the legendary Joe Pyne in action. The brash and often insulting Mr. Pyne is credited by most observers with inventing the genre.

In 1954 Jack Barry came home to Vermont and started his first call-in talk show on the then brand-new WDOT. "It's Your Nickel" he called it. Over the years he's worked for the other major AM stations in town as well.

Many of Jack's Vermont listeners wish he'd be a little more brusque himself sometimes, and tell some of the windbags that call him up everyday to suck on glue. But Jack's a gentleman. And when the day comes that Vermont's only genuine media star hangs up his microphone, thousands of Vermonters will be missing a good friend. Until then let's enjoy him while we've still got him.

PARTY REFORM AND FEDERAL ELECTION LAWS

Mr. DURENBERGER. Mr. President, today I introduced the Integrity in Lobbying Act of 1985, a bill intended to improve our current ineffective and burdensome system of lobby registration. By establishing a system of more timely and complete disclosure, by fostering higher standards of professional ethics and responsibility among lobbyists, and by reducing unnecessary burdens on the first amendment rights of all Americans, this legislation can help generate greater public confidence in our legislative process.

As significant as this legislation is, it addresses only one portion of the problems currently confronting our representative system of government. On a broader level, if we are to deal responsibly with the difficult issues confronting Congress today, we must reform our entire electoral process in ways that place the collective interests of society above the growing multitude of narrow, special interest claimants. For however worthy each individual cause may be, this Nation can no longer afford a political process that separates complex problems into tiny fragments, blindly hoping that the cumulative outcome will somehow total the general public interest.

Mr. President, our electoral system historically has relied upon our political parties to perform this important representative function of combining disparate interests into broad coalitions, each representing a distinct public philosophy about the proper role of Government in society. Our political parties have never been rigid and disciplined collections of single-minded ideologues—they allowed ample room for expressing individual interests and opinions. But the parties were by far the most important organizations in our electoral system, providing a framework of shared ideals within which different points of view could be debated. And because our parties were decentralized, they provided avenues for representing regional and local values within the Federal Government as well as social and economic concerns.

In recent years, the broadly based system of representation provided by the parties has been eroded. Though still important, the parties' role in Government and elections has been diminished by the rise of new forms of campaign finance, heightened reliance on narrow interest organizations, and new modes of political communication. According to research conducted by the Advisory Commission on Intergovernmental Relations:

> America's political system has changed substantially since 1960. Patterns of politics based upon lasting commitments to party and place—community, State, and region—have eroded significantly. They are being replaced an increasingly national political marketplace in which competing candidates, interest groups, and parties vie for media attention and rely upon modern marketing techniques to win support from an ever more volatile and skeptical public. The past 25 years have witnessed the final withering-away of once powerful political machines; the development of a new process for nominating Presidents, characterized by the proliferation and heightened influence of Presidential primaries and by the declining role of State and local party leaders at national conventions; and the rise of television as possibly the most important single force in modern politics. As strong party loyalities have waned, the role of independent politicians, voters, and issue-oriented activists has expanded in contemporary elections. There has been an explosion of organized interest groups, single issue politics, and new group-related sources of campaign finance.

These are important and in some respects disturbing trends, with important implications for how Congress operates, for the messages we hear, and for the kinds of laws we enact. Most disturbing of all is evidence that Federal election laws have contributed to party decline, limiting party involvement in elections while favoring other forms of political activity. Thus, in 1972, 2 years before Congress established the current system of campaign contribution and expenditure limits, political parties provided approximately 17 percent of the contributions to candidates for the House of Representatives. Just 10 years after the landmark amendments to FECA in 1974, and despite historic fundraising efforts by both political parties, political party contributions to House candidates had fallen to less than 3 percent of total contributions, and the situation in the Senate was even worse.

Part of this decline was caused by the unrealistically low limits which FECA placed on party contributions to congressional candidates—limits which have not been raised since they were first passed in 1974. Moreover, as the accompanying article on "State Parties and the National Law of Campaign Finance" makes clear, State and local political parties have been particularly constrained by Federal election laws.

During the same period that the party role in campaign finance has been declining, the number of nonparty political action committees increased from 608 to 3,525, and the value of PAC contributions to congressional campaigns increased from $11.2 million in 1974—16 percent of total contributions—to $102 million in 1984—29 percent of all contributions. This does not mean, as we so often hear, that PAC's are corrupting our electoral system or brazenly undermining the integrity of the legislative process. So long as we require adequate disclosure—which we do—PAC's are a legitimate and constitutionally protected form of public involvement in the political arena. The problem with PAC's and other expressions of the current interest group explosion is that they encourage citizens and Congress alike to deal with complex issues on a parochial, ad hoc basis. They encourage us to look at every problem in simple terms of "what's in it for me, right here, right now." They make it easy to avoid, if only temporarily, the tough but unavoidable decisions we all must make to reconcile our competing goals with the resources available and to consider how our individual interests fit within a framework of the broader interests of society at large.

In such decisions, the parties play an irreplaceable role. They begin the process of building coalitions, of identifying areas of consensus, of focusing attention on priorities. Far from limiting the role of parties in our electoral process, as we have done in recent

years, we should be raising and removing limitations on party contributions in campaigns.

I want to emphasize that this is not a matter of partisan advantage or debate. Although many Democrats believe they have some catching up to do in terms of fundraising, leaders of both parties are in agreement on the basic goal of easing limitations on effective party competition. As former DNC director Eugene Eidenberg expressed it:

> The political process should be regulated by government only to the degree necessary to insure the integrity and legitimacy of its results. I support the principle of political parties being free to make unlimited expenditures in behalf of their candidates.

Or, in the words of RNC Chairman Frank Fahrenkopf:

> There is a legal limit on what each party can contribute to its candidates. As the cost of campaigns continue to grow, the percentage of funding from non-party sources must and will continue to grow. If the concern is really on the amount of money going to candidates from PAC's, a simple logical solution is readily apparent. There should be no limit on the amount political parties can spend or contribute to candidates for public office.

Ultimately, I support removing entirely the current limits on political party contributions to political campaigns. So long as we retain full and timely disclosure of party contributions and receipts, the public interest is protected. In the interim, we should at least raise the current party contribution limits for House and Senate candidates. Party contribution ceilings might be raised to 50 percent of funds received from other sources, and expenditures by parties on behalf of Senate candidates might be raised to 5 cents per voter from the current 2 cents. Limitations imposed by Federal laws on State and local parties should be eliminated entirely.

The important point is that enhancing the electoral roles of our political parties provides the surest way of improving communications between citizens and their elected officials, of promoting greater public confidence in our electoral system, and of protecting the performance and integrity of the legislative process.

Mr. President, I ask unanimous consent that the following articles entitled "Federalism and American Politics: New Relationships, a Changing System," Intergovernmental Aspects of FECA: State Parties and Campaign Finance,' and "View From the Commission" be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

FEDERALISM AND AMERICAN POLITICS: NEW RELATIONSHIPS, A CHANGING SYSTEM

(Timothy J. Conlan)

America's political system has changed substantially since 1960. Patterns of politics based upon lasting commitments to party and place—community, state, and region—have eroded significantly. They are being replaced by an increasingly national political marketplace in which competing candidates, interest groups, and parties vie for media attention and rely upon modern marketing techniques to win support from an ever more volatile and skeptical public. Specifically, the past 25 years have witnessed the final withering-away of once powerful political "machines"; the development of a new process for nominating presidents, characterized by the proliferation and heightened influence of presidential primaries and by the declining role of state and local party leaders at national conventions; and the rise of television as possibly the most important single force in modern politics. As strong party loyalties have waned, the role of independent politicians, voters, and issue-oriented activists has expanded in contemporary elections. There has been an explosion of organized interest groups, "single-issue" politics, and new group-related sources of campaign finance.

The party system has been at the center of many of these changes. Some believe the parties are trapped in a permanent pattern of decline. Others see parties adapting creatively to their new and complex political environment or undergoing a new phase of realignment. Normative assessments of these changes also vary widely. Some applaud what they perceive as greater openness, responsiveness, and heightened issue consciousness in contemporary politics. Others lament what appears to be growing volatility and fragmentation in a political system more reliant on the media and interest groups. To the extent that parties are indeed losing relative influence, however, individuals sharing both perspectives have raised concerns about the long-term exercise of effective representative government. Scholars in particular have come to view political parties as an indispensable link between elected leaders and the general public in a democratic society. According to the nonpartisan Committee for Party Renewal:

> Strong parties and a strong party system remain the best hope for representative and responsible democracy in an extended and diverse republic like ours. They are the only institutions in our electoral system that can be held accountable for what government does. Those elected to public office in their name must make policy, not just advocate it, and are answerable for their actions to the electorate as a whole, not to a narrow constituency of limited and special interest.[1]

Because of their obvious importance, these changes have been much studied and debated. Almost overlooked, however, have been the implications of these political developments for the conduct and institutions of intergovernmental relations. In particular, federalism and the political party system appear to intersect in three significant ways:

Historically, the highly decentralized structure of American political parties provided an important avenue of state and local influence and communication in Washington and helped maintain political balance among the different levels of government. In recent years, changes in the parties' roles in the political system appear to have upset some of these traditional relationships, especially where traditional party functions have been assumed by competing political institutions with predominantly national orientations.

Both the processes and outcomes of intergovernmental policy making appear to have been affected by such political changes. Organizations representing the clients and providers of new intergovernmental programs have contributed to the proliferation of Washington-based interest groups and encouraged the expansion of national lobbying offices representing state and local governments. It may be no coincidence that one of the most prolific periods of federal growth and activism corresponded with an era marked by rapid political evolution and declining state and local party influence in Washington.

Finally, the extent to which contemporary politics has altered roles and relationships within the federal system may have important implications for the basic values federalism was established to promote integrating diverse community values within the framework of broadly shared national perspectives; providing multiple arenas of meaningful public expression and participation; promoting policy experimentation and programmatic diversity; maintaining an effective system of shared and separated powers; and promoting more effective and responsive government by avoiding unworkable concentrations of governmental responsibility. Although it may be possible to pursue such values through other instruments of government or to concentrate on other possibly competing values, these objectives represent the stakes involved in the interplay of politics and federalism.

This article explores how these intergovernmental issues has been affected by political changes in America. Drawing upon the Commission's ongoing study of Transformations in American Politics and Their Implications for Federalism, it analyzes, first, changes in contemporary political processes that have had significant consequences for federal, state, and local roles in our political system. Traditional party roles in maintaining federalism, challenges to those roles by competing institutions, and emerging party adaptations to such challenges are discussed. The potential policy implications of these changes are then examined, followed by an exploration of their long term consequences for fundamental federal values.

PARTIES AND POLITICAL BALANCE IN THE FEDERAL SYSTEM

Because the United States has never had ideologically coherent, mass membership parties on the European model, political scientists are accustomed to thinking of American parties as relatively weak and loosely organized bodies. Yet, the party system traditionally has been the single most important political institution in American politics. The parties provided access to the governmental system for much of the electorate and served as an arbiter for prevailing values in individual communities.

This central role was most clearly manifested by the large urban machines, but it was not limited to them. In the late nineteenth century, political parties mobilized the electorate so fully and effectively that they were compared to "armies drawn up for combat."[2] At that time, parties dominated the popular press, controlled large numbers of government positions, and—through parades, clubs, and gatherings—provided a major source of popular entertainment. More important, until the mid twentieth century, American parties retained a paramount role in the most basic electoral functions of representative democracy: recruiting and nominating candidates

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Footnotes at end of article.

for office, structuring debate on public issues, organizing and mobilizing the electorate, financing politics, and informing citizens about candidates and government policies. Consequently, it is not surprising that some of the earliest research in political behavior underscored the influence of parties at both ends of the representational process: a citizen's identification with one political party or the other was found to be the single most important factor in predicting how that individual would vote,[3] while in Washington a representative's party affiliation was found to be the best indicator of what his or her position would be on the majority of roll call votes.[4]

PARTY DECENTRALIZATION

Equally significant, the structure of traditional American parties was intimately linked to the maintenance and operation of the federal system. American parties were traditionally organized in a highly decentralized manner. Indeed, less than 30 years ago a major authority on parties declared that:

> There is perhaps no point on which writers on American politics are so . . . agreed as that our state and local party organizations, taken collectively, are far more powerful than our national party organizations. As Professor Macmahon puts it, "Considered nationally political parties in the United States may be described as loose alliances [. . . of state and local party organizations] to win the stakes of power embodied in the presidency.[5]

This system strongly reinforced constitutional provisions intended to ensure state representation in the federal government, such as the electoral college and the structure of the Senate. National office holders owed their election to state and local party organizations and were closely attuned to the vagaries of local politics. "In the United States," wrote Edward Banfield and James Q. Wilson, "the connection between local and national politics is peculiarly close. . . . Congressmen and Senators are essentially local politicians, and those of them who forget it soon cease to be politicians at all."[6] In fact, some members of Congress held important positions within state or local party organizations themselves and could be viewed as local as well as national political officials.

For their part, presidential candidates were chosen by an assemblage of independent state and local party chieftains at the national convention. Historically, the ranks of such candidates were often swelled by governors running as "favorite sons" and leading unified state delegations. Such leaders frequently sought to broker the convention's decision and perhaps to gain the nomination themselves as "dark horse" candidates. Once the nominations were made, the chosen candidates relied for their election upon the permanently organized state and local parties with their armies of adherents and party workers.

Thus, the traditional party system provided broad channels for representing the interests of state and local officials in national policymaking and strong mechanisms for protecting those interests in the political arena. As Morton Grodzins expressed it:

> The parties . . . disperse power in favor of state and local governments. . . . States and localities, working through the parties, can assume that they will have an important role in many national programs. . . . [They] are more influential in federal affairs than the federal government is in theirs.[7]

The corresponding absence of party discipline and hierarchy at the national level often reinforced the decentralizing thrust of state and local party influence by raising obstacles to concerted legislative action in Washington. Because legislative opponents of the president and congressional party leaders were insulated from effective party sanctions—especially in the period after 1910—the natural difficulties of coalition building in a large and diverse nation were often magnified by national party weaknesses. On those rare occasions when presidents did attempt to use their political influence to defeat congressional opponents or to punish unreliable party members at the polls, their efforts generally failed dismally.

This is not to say that parties alone were responsible for maintaining governmental decentralization in the United States, nor that they were incapable of serving nationalizing purposes at specific points in time. During periods of national crisis, when strong leadership and popular support existed on behalf of vigorous and innovative federal policies, the parties served as convenient and necessary vehicles for mobilizing popular support and for encouraging effective legislative coalition building. At other times, the structure of the party system simply reinforced other factors promoting decentralization in the political system, notably the pervasive and intense popular attachment to the values of localism and laissez-faire, and constraints imposed on the federal government by reigning legal doctrines and provisions of the Constitution.

Over time, however, most of the explicit constitutional protections for states in the federal system were altered or eroded. Changing judicial interpretations greatly broadened the range of implied federal powers, and popular election of senators and presidential electors replace state legislative selection. Thus, by the early 1960s, prominent scholars widely credited the decentralized structure of American political parties with primary responsibility for shaping and preserving the decentralized character of the federal system itself. According to Grodzins:

> The nature of American political parties accounts in largest part for the nature of the American governmental system. The specific point is that the parties are responsible for both the existence and form of the considerable measure of decentralization that exists in the United States.[8]

CHANGING ROLES OF PARTIES

Over the past 25 years, the role of political parties in American politics has departed increasingly from this traditional, decentralized system—so much so that veteran political observer Theodore White maintains that our political system has changed "so dramatically . . . as to amount to a revolution."[9] In the process, the parties' capacity to act as balance wheels in the federal system has diminished, in part because certain traditional party functions have been assumed by competing institutions—like the mass media—that are more national in scope and orientation.

PUBLIC ATTITUDES

For example, even though party identification remains the single most important factor influencing how most people vote, it appears to have lost much of its past effectiveness as a voting guide, and personal loyalties to parties have grown attenuated. The number of self-described political independents climbed from 22% of the population in 1952 to 35% in 1980 and encompassed a much broader cross-section of the population. In sharp contrast, the number of persons declaring a strong loyalty to either party declined from 35% to 23% of the population during this period.[10] Although party identification, especially among Republicans, appears to have made a significant rebound in 1984, it is presently unclear whether this constitutes a short- or long-term reversal of the post-1960 decline, or if it represents, perhaps, the beginning of a long-expected party realignment.[11] Nevertheless, faith in the parties has diminished sufficiently that, by 1983, an ACIR-Gallup poll found that almost half the population (45%) believed that organized interest groups best represent their political interests, compared with only 34% who believed that either of the major political parties does so.

Most important, there is little doubt that patterns of party voting have changed in recent years. Voters' willingness to defect from their party and vote for a candidate from another party has increased markedly. Over 60% of American voters reported that they "split their ticket" in 1980, compared with about one-third who did so in the 1950s.[12] Similarly, the percentage of congressional districts supporting a congressional candidate from one party and a presidential candidate from another averaged 35% in the 1970s, compared to just 25% in the 1950s.[13] Comparable behavior is apparent for other offices at all levels of government.

THE NOMINATING PROCESS

The weakening hold of parties on the electorate has been paralleled by the dwindling capacity of party organizations and leaders to control candidates' use of the party label in elections. This erosion in party control over nominations began at the state and local level in the wake of the widespread adoption of primary elections. Primaries were explicitly intended to reduce the influence of party organizations in the electoral process by removing control over nominations from party conventions and granting it directly to voters instead. Initially, and especially in states and localities with strong party organizations, party leaders were often able to circumvent this effect and retain control over the nominating process by stimulating high turnout among party stalwarts. But over time, as most party organizations have faltered in their ability to determine voter behavior in primaries, they have often lost their once effective and predictable control over nominations.

At the national level as well, presidential primaries during the 1960s began to erode the capacity of national party conventions to select the presidential nominee. Previously, primary elections had been used by party leaders mainly for advisory purposes, to test the viability and weaknesses of different candidates. Due in part to a series of far-reaching reforms in the Democratic Party's delegate selection process, however, the number of presidential primaries increased from 17 in 1968 to 31 in 1980 and the number of delegates selected by primaries rose to more than two-thirds of the total.[14]

In combination with other party reforms, the vastly increased role of primaries has significantly altered the process of selecting presidential candidates. The role of the media as an indispensable means of direct communication between candidates and voters has increased, as has the influence of political amateurs and dedicated issue activists who form the core of new, independently established candidate organizations. On the other hand, the influence of state and local parties and government officials has diminished as critical nominating decisions have been removed from inside the halls of the party convention and transferred to an often fluctuating and poorly defined primary electorate. As a result, the nominating process has become far more open and volatile, often benefiting lesser known and less established politicians who are able to capitalize on waves of publicity stemming from a few unexpected early primary victories.

These changes in the electorate and in the nominating process have combined with the availability of new and independent electoral resources to diminish the parties' role in conducting campaigns. Primary elections encourage candidates to develop an independent and personalized campaign organization to seize their party's nomination. Consequently, primary victors increasingly find that they have less need to rely on the support of party organizations during the general election.

This tendency has been strongly reinforced by: (1) the availability of new campaign technologies that allow candidates to communicate directly with voters; (2) the proliferation of independent campaign specialists and professional consultants who perform election tasks ranging from polling and media advising to overall campaign management and strategy; and (3) the vast expansion of non-party financial and organizational resources, including new sources of funding, increased electoral activity by organized groups, and the post-1960 influx of issue-oriented volunteers.

COMPETING INSTITUTIONS IN POLITICS

Paralleling and often reinforcing these changes in party functions has been the growing influence of competing institutions in the political arena: Media, interest groups, and financial organizations.

MASS MEDIA

Most significant, perhaps, has been the expanding role of the mass media in American politics.[15] Indeed, two noted scholars of the electoral process have characterized television as:

> . . . the new political god. It has supplanted the political party as the main conduit between candidate and voter. It is the principal influence acting on the voter in a campaign and his chief source of information. It is the medium of information he is dependent on and the one he trusts most implicitly. However, it is both an expensive and unpredictable master.[16]

Changes in communications technology historically have had political and intergovernmental implications. One famed media analyst has gone so far as to argue that "a speed-up in communications always enables a central authority to extend its operations to more distant margins."[17] In the early years of the United States, news travelled slowly—limited by the sluggish pace of often primitive transportation—and the localistic pattern of communications tended to reinforce the decentralized system of governmental authority.[18] Moreover, newspapers at the time were often closely affiliated with political parties, frequently depending on them for news, patronage, and advertising and forming an integral part of their communications network.

This decentralizing influence of communications began to erode with the invention and application of the telegraph (in the 1840s) and radio (in the 1920s). Wire services and radio networks offered speed-of-light electronic communications between distant places, binding the nation much more closely together. In part because of the rise of the wire services, reporters adopted a less partisan—but somewhat more sensational—style of writing, calculated to please more diverse audiences.

The most significant changes, however, followed the introduction of television. Television has had a significant impact on politics and the news industry, as well as shaping popular culture and entertainment. Since 1963, when the networks first shifted from 15- to 30-minute evening newscasts, a majority of the population has said that television is its major source of news.

Intergovernmentally, the overall effect has been to shift the focus of political attention away from localities, away most particularly from the states, and toward the national government. The economics of broadcasting dictate that most network news stories originate in a comparatively small number of locations—with Washington and New York being the major focal points. Because television is at once more national in coverage and more political in content than other news media, there is reason to believe that its development has contributed to expanding the national agenda. At the same time, coverage of state and local government activities, by the media as a whole, often seems inadequate. Although the states enjoy essentially coequal status constitutionally, evidence suggests that this tier of government fares least well in terms of media coverage and public comprehension.[19]

Apart from such direct interactions between government and television, TV has also affected government through its impact on the political process. Summarizing his experiences from two decades of observing presidential elections, Theodore White argues that "American politics and television are now so completely intertwined that it is impossible to tell the story of one without the other."[20]

No aspect of the electoral process has been influenced more by television than presidential nominations. The glare of the cameras has helped erode the deliberative capacity of national conventions and reduced the role of state and local party leaders. At the same time, media coverage has magnified the importance of early state primaries and caucuses. Presidential nominating campaigns are now "brokered" by television commentators, opinion pollsters, and tiny electorates in such states as New Hampshire, Iowa, Maine, and Vermont. Many political observers believe that the personal attributes of successful nominees have been altered by the change of process.

During the course of the campaign itself, candidates now rely very heavily on television to reach voters, rather than upon the cadres of local party workers that once offered their aid. However, the cost of television time, and the fees of professional campaign managers who know how to use the media and other modern technologies, have created new forms of dependencies.

INTEREST GROUPS

Interest group developments in recent years have also affected the conduct of contemporary politics.[21] Although interest groups and voluntary associations have always been prominent features of American political culture, never have they been as numerous, entrenched, or politically active as they are today. Estimating the number of interest groups over time is a difficult task, but there is broad agreement that their ranks have grown. By one recent count the number of groups established between 1960 and 1980 increased by as much as 60%.[22]

On the whole, these modern interest groups contrast sharply with the traditionally decentralized parties by their heavy focus on Washington. Responding to "the increased salience of national politics," the number of groups represented in the nation's capital more than doubled in the 20 years after 1960.[23] This includes both groups that were formed in Washington and other previously established groups that migrated there. By far the fastest growing types of organizations have been citizen or "public interest" groups, civil rights and minority groups, social welfare organizations, and groups representing women, the elderly, and the handicapped. Because many of these organizations have relatively short life spans, however, and because business, trade, and professional associations also increased substantially in number, the overall distribution of group types represented in Washington has changed relatively little during this period.[24]

Many factors have contributed to interest group formation—from economic growth and specialization to rising levels of education—but a commonly overlooked source in recent years has been the federal government itself. As careful scholarship has documented, many recent groups were formed in response to new federal programs, as program clients and service providers banded together to share information and expand their resources.[25] Indeed, many groups have benefitted from direct governmental assistance to help them sustain or expand their operations.[26] Still other groups have organized for defensive purposes, responding to the perceived negative consequences of governmental action.

The increase in the size of the interest group population is only one component of their rise to prominence in national politics. Of equal significance have been changes in the way interest groups conduct their political activities. Many scholars contend that, during the last 20 years, interest groups have undergone a political metamorphosis. They have done so by adopting methods of influencing government policymakers that traditionally had been performed by political parties. The result has been a gradual blurring of the distinctions between interest group and party politics and, utlimately perhaps, a change in the political status of both.

Prior to 1964, interest groups in Washington primarily engaged in "institutional lobbying," focusing their efforts on influential legislators and administrators. Such lobbying usually consisted of exchanging technical advice and information, and, on occasion, applying various forms of political pressure. Seldom, if ever, did these kinds of political interactions include direct contributions to candidates for national office. Nor did they usually involve contact or interchanges with constituents on a daily basis.[27]

More recent research suggests that, in addition to these traditional activities of institutional lobbying, interest groups increasingly engage in broader forms of political activity, including political education, grassroots lobbying, coalition building, and electoral fundraising through political action committees.[28] Although traditional lobbying and information services still command the major share of most groups' resources, media contacts, coordinating efforts with other groups, and mobilizing mass membership campaigns are among the fastest growing interest group activities.

Although interest groups have always engaged in them to some extent, such techniques for financing campaigns, mobilizing the public, and building legislative coalitions have traditionally been the province of political parties. In the last few years, the functions of interest groups and the parties have continued to intersect even further. Although there have long been electoral relationships between the parties and certain interest groups, several groups have recently begun to devote substantial new financial and political resources to expanding their influence within the parties and to enlarging the scope of party activity in general. For example, some business interests have begun closely coordinating their electoral contributions with the Republican National Committee, while on the Democratic side, labor and education organizations have become intimately involved in the party's presidential nomination process.

CAMPAIGN FINANCE

Nowhere has the intersection of politics and interest groups changed more dramatically than in the field of campaign finance.[29] Interest-group-affiliated political action committees (PACs) have grown at an astonishing rate over the past ten years, from 608 in 1974 to 3,525 by January of 1983.[30] Moreover, PAC contributions to federal congressional campaigns alone increased from $11.2 million in 1974 (accounting for 15.7% of campaign funds) to $83.6 million in 1982 (about 28% of total funds).[31]

Although these data suggest much about contemporary group participation in politics, most important from an intergovernmental perspective are several nationalizing trends in campaign finance. First, in part because of the growing role of nationally-organised PACs, congressional (and some state and local) campaigns appear to be drawing larger proportions of funds from outside affected states or congressional districts. As one congressman lamented.

> The state of Iowa is a classic example of the problem. We're mainly rural and small business, but in elections the Republicans are largely funded by business, much of which has nothing to do with the state, and the Democrats are funded by labor, much of which doesn't have anything to do with the state. . . . We're seeing regional politics and state and citizen politics become national. National groups determine outcomes whereas local constituencies used to provide the crucial role. This is new.[32]

This pattern of funding has become sufficiently common that another member of Congress, when asked why he accepted large contributions from out-of-state PACs, replied that "I just don't feel right asking constituents in my district for campaign funds."[33]

Second, federal campaign election laws have had a dampening effect on state and local party activities and financial contributions to congressional candidates. (For details, see "State Parties and the National Law of Campaign Finance," Intergovernmental Perspective, Fall 1984.) Finally, stemming partly from these legal provisions, the relatively powerful and expanding fiscal role of the national parties, especially the Republican, has given powerful intraparty impetus to the nationalization of campaign finance. The national party committees now contribute far more to congressional (and many state) candidates than in the past. Indeed, in recent elections, the national committees of both parties have far outstripped state and local committees in their contributions and expenditures on behalf of congressional candidates. In 1981-82, for example, spending in support of congressional candidates by state and local party committees totaled $1,627,964 for Democrats and $1,213,999 for Republican.[34] In contrast, such spending by the national, senatorial, and congressional committees equaled $3,437,602 for the Democrats and a whopping $18,697,179 for the Republicans (see Figure 1). Such large sums, in turn, reflect the sophisticated direct mail fundraising operations established by the national Republican committees in recent years and now being imitated by their Democratic counterparts. In the view of at least one observer, this financial development carries the potential for permanently reversing the historically decentralized structure of American political parties:

> The decentralization and weak organizational structure characteristic of American parties at the national level are changing, and will continue to change until the parties . . . become national bureaucracies with hierarchies, divisions of labor, and so on.[35]

PARTY ADAPTATION AND NATIONALIZATION

These fiscal developments demonstrate clearly that, whatever loss in relative influence they may have suffered, political parties in the United States have begun adapting in complex and sophisticated ways to their new political environment. Overall, parties at both the state and national levels have enlarged their staffs and budgets, modernized their activities, and expanded the services they provide to candidates. Because the national parties have frequently assumed a leadership role in such adaptations, traditional patterns of party decentralization are being modified.

Although the national parties traditionally have been viewed as weak and part-time entities, by the latter 1970s striking gains were being made. Responding in part to party weaknesses apparent in the wake of the Watergate scandal, the Republican National Committee (RNC) launched a concerted effort to expand its resource base and organizational capabilities. National committee staff, which totaled an estimated 138 in the non-election year of 1967, grew to 220 by 1977.[36] At the same time, the committee's 1965 budget of $1.5 million was enlarged to $9.7 million by 1978.

This enhancement of party resources has allowed the Republican National Committee and its congressional counterparts to provide a broad array of expanded services both to candidates and to its state and local affiliates. At the congressional level, the party has shown unprecedented activity in recruiting and training strong candidates to run in targeted districts. It also provides an array of valuable electoral services, from sophisticated polling to fundraising assistance and co-ordinating PAC contributions to candidates. Finally, the RNC has engaged in large-scale programs of television advertising in recent years that provide a nationwide political umbrella for Republican candidates.

Although it has remained respectful of state party prerogatives, the Republican National Committee (RNC) has also become involved in a range of activities at the state and local level. In addition to recruiting and assisting congressional candidates at the district level, it has provided a range of contributions and services to gubernatorial and state legislative candidates in selected races. In 1980, for example, it spent $3 million in assisting more than 4,000 state legislative candidates, including direct financial contributions of $1.7 million. Moreover, the RNC has engaged in a variety of efforts to help modernize state and county party organizations and to improve their fundraising and candidate-assistance capabilities. Organizationally, then, the national Republican party has assumed a strong role in modernizing the party, reversing the traditional pattern of weak national leadership. As Leon Epstein observes, "the Republicans have nationalized their party effort by a method analogous to the federal government's grant-in-aid system."[37]

The national Democratic party has engaged in a process of nationalization as well, although it began in a distinctly different fashion. Over the course of the past 20 years, the Democratic party has begun to depart from the traditional confederal pattern of party structure—characterized by the legal independence and political autonomy of state and local party organizations—by asserting the national party's control over the presidential delegate selection process and promoting broadened citizen participation in party affairs. "The old hegemony of the state parties [has been] broken," conclude Huckshorn and Bibby, "at least in the area of delegate selection."[38]

Although the promulgation of new and frequently elaborate national party rules affecting this process has sometimes led to conflicts with state and local parties, the Supreme Court has affirmed the national party's authority to regulate its own affairs, even granting it precedence over contradictory state laws. Indeed, the Court's recognition of broad national party authority may ultimately rank among the most significant developments affecting the intergovernmental balance of power in party affairs, for both Democrats and Republicans. In addition, such decisions could have major repercussions for state regulation of state and local political parties if similar reasoning is applied to judgments at that level.[39]

The Democratic National Committee (DNC) and its congressional counterparts have also begun to emulate the successful organizational initiatives of the RNC. Although the DNC lags far behind in fundraising and candidate contributions, it has started to develop an expanded direct mail fundraising operation; to offer additional resources, training, and services to congressional candidates; and to experiment with a small program of national party advertisements. It has also attempted in recent years to assist in modernizing state party activities and to enhance Democratic participation in elections through get-out-the-vote efforts.

Significant efforts have been undertaken to modernize parties at the state level as well. Available evidence suggests that most state party organizations today are more professional, employ larger and more specialized staffs, have larger budgets, and engage in a wider range of services and activities than did their counterparts in the early 1960s.

Despite the overall growth in state party organizational capacity, however, state parties continue to vary considerably in terms of their resources and capabilities. Some, especially in many small states and in the South and West where party organizations traditionally have been weak, have only begun to join in the process of party modernization. Variations in resources and capacities are even greater at the local level, although virtually all of the once powerful

local "machines" have disappeared. Thus, whatever the ultimate influence of parties vis-a-vis their functional competitors, it is clear that the relative balance of influence and resources within the parties has significantly shifted over time.

BEHAVIORAL RESPONSES TO THE NEW POLITICAL ENVIRONMENT

Taken as a whole, these political developments have had important implications for the conduct of politics, the behavior of elected officials, and ultimately for intergovernmental relations. These effects have been especially evident in Congress. Although it was not uncommon in the past for Senators and Representatives to be active in or closely linked to state and local party organizations, most members today have adopted highly independent political styles. "The conditions favoring individualistic politicians," observes one congressional scholar, "have become even more prevalent now than in the past."[40]

This situation reflects both contemporary party inadequacies and the growing significance of nonparty political resources. Thus, most current members of Congress report little interaction with or reliance upon state and local party resources. Even by the early 1960s, a commonly accepted view among members of Congress was that "If we depended on the party organization to get elected, none of us would be here."[41] More recently, an indepth study of the "home styles" of 18 congressmen discovered that:

> . . . in only two or three cases is there an integrated working relationship between the congressman's personal organization and the local party organization. That is exactly the way most of our House members want it—separate organizations pursuing separate tasks. The task of the congressman's personal organization is to keep him in Congress. . . . Most members . . . prefer to remain minimally involved in local politics, not to become local political leaders.[42]

As previously indicated, numerous resources now exist that permit members of Congress—and other major political officials—to build personalized campaign organizations capable of winning elections with little party help or even over party opposition. Moreover, once elected to office, most members of Congress find that their legislative and constituent service responsibilities provide additional opportunities for developing direct and positive relationships with constituents of both political parties and for cementing the loyalties of past supporters.

Nowhere is the changing role played by parties in congressional elections more evident that in the changing sources and expenditures of campaign funds. In 1982, congressional candidates spent approximately $343 million on their campaigns, of which an estimated $100 million was devoted to television advertising.[43] Only 2% of total campaign contributions in that election were obtained from party sources (not including indirect expenditures in support of party candidates) down from 17% ten years earlier (see Figure 2).[44] And, as has been shown, that party assistance which is provided comes increasing from national committees.

Enhanced political independence by members of Congress has both positive and negative ramifications for voters, legislators, and the political system as a whole. The most apparent intergovernmental repercussion, however, has been declining interdependence between state and local parties and members of Congress. As former congressman Abner Mikva has written, modern legislators—because of their electoral independence—have "little or no loyalty to the state organization" upon their arrival in Washington.[45] This assessment is reaffirmed by others, who stress the increased importance of non-party sources of campaign finance.

Congressional and senatorial candidates must rely heavily on nonparty sources for funds. Therefore, representatives and senators, once in office, feel little sense of obligation to their state and local parties, and the parties lack significant influence on the behavior of legislators in the halls of Congress.[46]

THE NEW POLITICS AND INTERGOVERNMENTAL POLICY

As the preceding section has demonstrated, the American political system has been significantly altered—and in several respects nationalized—over the past quarter century. Political parties today are less important than in past years as channels for state and local influence and communication in the federal system, while the relative role of the parties; national committees has greatly expanded. As the political significance of national sources of campaign finance have also increased, voters and public officials alike have altered long familiar patterns of behavior.

Utltimately, the most critical issue raised by these developments concerns their effects on the practical operations of government and on the substance of public policy. The general absence of direct and precise links between political changes and specific government policies tends to cloud this issue in a wealth of ambiguities, and individual assessments of the outcomes are subject to widely varying standards of evaluation. Nevertheless, a number of significant institutional and policy consequences have been convincingly linked to contemporary political change, including some that directly affect federalism and intergovernmental policy and others that involve the governmental system as a whole.

On the broadest level, most observers believe that the political system today is more open, more responsive, and more sensitive to specific issues than in the past. At least during the late 1960s and 1970s, voters' attitudes toward major public issues appeared to exert a greater influence over their decision at the ballot box than was true in the 1950s, while the independent influence of party identification and social group affiliation declined.[47] Moreover, political conventions are now far more representative of women and minorities.[48] New groups—and new forms of interest groups—today play an active role in the nation's capital, represent a wider spectrum of political interests, and utilize new channels of access to public opinion through the mass media and modern technology. Finally, the national legislature has become more responsive to citizen initiatives and more active in identifying new issues of public policy.

At ths same time, many observers believe that contemporary political system is excessivly fragmented, volatile, and hyperresponsive to narrowly defined interests. Opinion analysts have detected "a much more volatile electorate . . . active and involved—but . . . with weaker institutional ties."[49] Political conventions—while more representative of major demographic segments of the population—appear to be increasingly dominated by dedicated issue activists, largely out of step with the party rank and file.[50] Moreover, because of high levels of political fragmentation both inside and outside of Congress, many observers believe that the always difficult task of legislative coalition building has become even more difficult, as members find it more and more costly to exert the political discipline needed to resolve the hard political decisions of the day.[51] At least one authority on Congress has related such problems directly to the declining influence of political parties:

> Why . . . do we hear all the contemporary hoopla about single-issue groups? Probably because politicians fear them now more than before and thus allow them to play a larger role in our politics. Why should this be so? Simply because the parties are too weak to protect their members and thus to contain single-issue politics.[52]

These issues are of obvious concern to citizens and public officials alike. Within the context of American politics as a whole, they have significant ramifications for federalism and intergovernmental policymaking.

INTERGOVERNMENTAL CONSEQUENCES

CONGRESS AND INTERGOVERNMENTAL PROGRAMS

Some analysts detect a more direct relationship between the declining influence of state and local parties on Congress and the content of recent intergovernmental policy. National policy activism and historic rates of growth in federal governmental responsibilities were among the most significant inter-governmental developments of the last quarter century. Although many factors contributed to this growth, political change and declining state and local party influence appear to have played a significant role. As Lewis Kaden has argued:

> The last twenty-five years have brought enormous changes in the types of persons elected to the Senate and the House, and the techniques used in their successful campaigns. The core element in this transformation has been the decline in importance of state party organization . . . . As Senators and Members of the House develop independent constituencies among groups such as farmers, businessmen, laborers, environmentalists, and the poor, each of which generally supports certain national initiatives, their tendency to identify with state interests and the positions of state officials is reduced.[53]

Specifically, changes in the political environment of Congress appeared to influence both the scope and the design of intergovernmental programs. As more and more members of Congress felt encouraged or compelled in recent years to build independent ad hoc political coalitions back home, the role of policy entrepreneur became increasingly prevalent. Initiating new programs and demonstrating legislative activism proved to be useful methods both for strengthening alliance with politically helpful interest groups and for appealing to individual constituents. The activities of former Representative John Brademas epitomized this electoral strategy. In 1968, Brademas reportedly utilized his legislative position on the House Education and Labor Committee to "mobilize the education community" on behalf of a difficult reelection bid.[54] Later, he authored and helped enact a new federal aid program, the Environmental Education Act of 1970, which enabled him to demonstrate his commitment to a highly popular issue. As two of his former staff assistants have written:

> Brademas [D-IN] felt very strongly that Congress can and should play a significant role as initiator and creator of public policy. . . . [T]he Environmental Education Act was his baby; he authored it, he felt re-

sponsible for it. . . . [T]he environmental response was becoming a burning and timely political issue in late 1969. . . . This bill gave Brademas a perfect opportunity to move into the environmental area, such opportunities would be limited for members of the Education Committee.[55]

Similar cases of intergovernmental policy entrepreneurship abound in the legislative annals of the 1960s and 1970s.[56]

The end results of this new legislative style were often paradoxical. Although individual initiatives were often responsive to legitimate interest group and constituency needs, their cumulative effect upon citizen attitudes toward government and on the intergovernmental system as a whole appeared to be counterproductive.[57] Meanwhile, many members of Congress found that legislative activism provided no substitute for stable coalitions at the local level and began perceiving their environment as a legislative treadmill. No matter what new programs were enacted, the popular attitude seemed increasingly to be: "What have you done for me lately?"[58]

Such political pressures have not only affected the overall scope of the intergovernmental system, they have significantly influenced program structures and design as well. At least throughout the 1960s and 1970s, Congress demonstrated a strong preference for narrowly defined categorical grants and tended to resist efforts at carefully targeting federal programs to neediest areas and individuals. As David Mayhew has emphasized, categorical grants can be a particularly useful congressional tool for building electoral support. Because they provide "particularized benefits" to discrete congressional constituencies, they enable legislators to claim political credit for tangible benefits delivered to their districts.[59]

Another often overlooked policy development in the last 1960s and 1970s was the enormous expansion that took place in intergovernmental regulation. As fiscal constraints on federal spending grew in the 1970s, intergovernmental regulation became increasingly popular as a means of permitting continued congressional activism while placing most of the costs onto state and local governments. By one count, 34 major regulatory statutes were adopted between 1964 and 1980, each directly or indirectly regulating state and local governments in new and intrusive ways.[60] As one former official in the Johnson administration has observed:

> Confronted with a problem and a showing that other levels of government are "defaulting," [Congress'] strong tendency is to pass a law. [In the 1960s], money was Washington's antidote for problems. Now, the new fiscal realities mean that Congress provides fewer dollars. Still determined to legislate against problems, Congress uses sticks instead of carrots.[61]

STATE AND LOCAL REPRESENTATION IN WASHINGTON

State and local governments also responded to the new political environment. Following the well-worn path trod by countless other groups, organizations representing the full-range of state and local officials—from the state house to townhall—have either located in Washington or established major offices there. Especially when viewed in historic perspective, this trend has been striking. In 1957, the National Association of Counties had a professional staff of one and a budget of $18,000. Twenty-five years later, its staff had swelled to 60 and its budget totalled $5 million.[62] The U.S. Conference of Mayors, which had a budget of $88,000 in 1960, had grown to a $3.5 million operation by 1983 with a staff of 40. In 1954, the Conference of Mayors was joined in Washington by the American Municipal Association (now the National League of Cities), which by 1983 had a staff of 55 and a budget of $4.5 million. Perhaps the most dramatic change occurred in the case of the National Governors Association (formerly the National Governors Conference), which did not open a Washington office until 1967. Fifteen years later the NGA had a staff of 70, a budget of $5.4 million, and had established a Washington center housing numerous individual states and affiliated organizations. During the 1960s and 1970s, many individual cities and countries also expanded their Washington presence by establishing independent offices or hiring a part-time national representative. Localities, too, have been joined by a host of specialized organizations and others, like the National Association of Towns and Townships, representing smaller jurisdictions.

Some have interpreted this expanded organizational presence as a sign of growing state and local political strength and sophistication. Clearly it has helped enable subnational officials to play a leading role in enacting and shaping certain major pieces of federal legislation, such as general revenue sharing and community development block grants. At the same time, however, this organizational boom also reflects erosion in the unique political role once occupied by these officials and their party organizations in the political system. Viewed from this perspective, it constitutes a form of compensation for lost political influence rather than a sign of mounting strength. As Haider expressed it: "For governors and mayors, individually and collectively, national party influence is generally declining. . . . [They] have acted upon the political necessity of banding together to deal with their federal constituencey."[63] Although their direct channels of representation have been enhanced, state and local officials are now viewed increasingly in Washington—not as uniquely constituted co-governors—but as a few more voices among a multitude of special interest claimants.

POLITICAL CHANGE AND FEDERAL VALUES

In the broadest sense, these congressional and public interest group developments testify to the degree to which contemporary changes in the political system have had important intergovernmental consequences. Such changes have served to open national political processes to new responsibilities and new constituents. But at the same time they may have helped to alter the very nature of the federal system. In the view of one authority on federalism:

> [We] have moved to a system in which it is taken as axiomatic that the federal government shall initiate policies and programs, shall determine their character, shall delegate their administration to the state and localities according to terms that it alone determines, and shall provide for whatever intervention on the part of its administrative agencies as it deems necessary to secure compliance with those terms.[64]

Agrees another academic observer:

> Over the past fifteen years the United States has crossed the fault line from a federal system to a decentralized national system. . . . When it comes time to make policy, all eyes look to Washington, and federalism is viewed as one among many cross-pressures rather than as a pathway through them. When it comes time to implement policy, federalism is transformed into a managerial model in which the states and localities are cast in the roles of middle and lower echelons of management that cannot be trusted to follow orders without being paid off and reined in. The political idea of states as polities and localities as communities has all but disappeared.[65]

Such pessimistic assessments of the contemporary status of American federalism are not universally shared. Some noted observers perceive, instead, that our governmental institutions are poised to enter a bold new era of decentralization.[66] Adherents to this view point to recent actions by a national administration publicly committed to fostering a "new federalism," and they emphasize the growing fiscal constraints confronting the federal budget. Moreover, the extraordinarily high levels of party unity exhibited in Congress on key economic and spending issues in 1981, coming in the wake of unprecedented national party activity in the 1980 congressional elections, may indicate the potential of future party-building efforts for enhancing Congress' capacity to confront broad and complex public issues in a comprehensive fashion.

As the nation's constitutional bicentennial approaches, basic and perennial issues of governmental performance—and the political system's role in promoting or hampering them—will receive renewed public attention and reflection. Among the issues certain to be considered will be the federal system's performance in furthering the values it has traditionally been viewed as promoting: integrating and preserving diverse community values within a shared national framework; providing multiple arenas of meaningful public expression and participation; promoting policy experimentation and programmatic diversity; maintaining an effective system of shared and separated powers; and promoting more effective and responsive government by avoiding unworkable concentrations of public responsibility.

If these values remain major public priorities and the federal system continues to be viewed as an effective governmental instrument to achieve them, then methods of assuring federalism's vitality through our political system will remain important items on the public agenda. In a political culture geared increasingly to the reflexive pursuit of more direct forms of democracy, thoughtful citizens may wish to place greater emphasis on representative instruments like political parties and federalism that help to manage and constrain the political agenda and impose greater structure on the policymaking process.

At bedrock, the maintenance of federalism is not a political end in itself but a vehicle to broader public goals. If the influence of state and local political institutions wanes, important avenues of public participation may wither. To the extent that local governmental and political bodies constitute "training schools of democracy," as Tocqueville put it, the civic foundations of democratic government are at stake. Moreover, the erosion of federalism's capacity to provide a territorial dimension to political representation that is distinct from the functionalism of interest group pluralism may rob our national governing bodies of a useful and important perspective in the making of public policy.[67] Thus, the stakes in the evolution of American politics extend beyond issues of distributing power and influence among the different levels of government, but address the wellsprings and vitality of democracy itself.

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THE CHAIRMAN'S VIEW

DEAR READER: In December, ACIR held a grand dinner to celebrate its 25th anniversary. The evening celebrated many of those individuals who gave so much of their time and energy to the formation and success of ACIR. Portraits of Frank Bane, our first Chairman, and Bill Coleman, our first executive director, were unveiled. Likewise, Senator Muskie and Congressman Fountain were singled out for their contributions to the Commission.

We were also celebrating more than individuals. We were celebrating an idea and an approach to government. Soon we will begin to celebrate these ideas through the bicentennial of the drafting and ratification of the Constitution. There is no more appropriate time to remind ourselves of ACIR's role in the federal republic. For it is that role that gives us steadfastness of purpose and clarity regarding our objectives.

There is no better place to start than with the Founding Fathers. While the Founding Fathers did not see the need to create an

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ACIR, they would see its need today. Then as now, problems plague relationships between the national government and the states. The Articles of Confederation created a weak national government, one incapable of bringing equal means to bear upon pressing problems of the day. The constitutional convention in Philadelphia was in direct response to these problems.

Their answer to these problems was the creation of a general government with adequate authority to pursue national objectives. The Founding Fathers thought that the division of powers within the general government as well as between it and the states would remain in equilibrium providing balance and reasonable government. Yet there was an even more fundamental principle in operation. The Founding Fathers held that good government could be brought about through reflection and choice rather than by accident and force. In other words, citizens could create their governments through reflection on the first principles, morals, and politics.

While few governments had ever been created through reflection and choice, none had been created on the scale of our experiment in self-governance, with the burden placed upon citizens to be not only their own governors but also to be constitution makers in deciding the rules by which their governments would operate. Yet the ability to reflect and choose implies that citizens have alternatives and information regarding the likely consequences of selecting one form of organization over another.

This is precisely where ACIR's role begins. In an increasingly complex federal system, there must be agencies committed to providing citizens and policymakers with well-thought-out studies on important issues facing the federal system. However, to be of value these studies must be more than mere factual summations of existing research. They must also meet the following criteria:

They must provide citizens and policymakers with a range of well-reasoned alternatives from which they can reflect and choose. This does not hinder the Commission from taking positions—far from it. Rather it lays down the basis upon which the commission and others can choose.

Our studies must pay particular attention to the role that citizens play as constitution makers as well as governors. For these roles were the cornerstone of the American revolution in self governance.

We must seek ways to bring about equilibrium in the federal system. Not only between the federal and state governments but also between state and local governments.

Finally, we must broaden our network of constituents to include those not commonly thought to be part of the intergovernmental system. Neighborhoods, special districts, and townships are important players in the intergovernmental system; we should understand their role in and contribution to a healthy federal system.

Some have questioned whether ACIR has outlived its usefulness.

VIEW FROM THE COMMISSION

DEAR READER: One of the few things growing faster than the national debt these days is the role of Political Action Committees (PACs) in financing federal elections. The October report of the Federal Election Commission showed PAC contributions to 1984 congressional campaigns up 143% over 1980 levels. PACs were also credited with a 250% rise in "independent expenditures," so called because they are made without consulting any candidate.

By contrast, the same report showed that political party contributions had made up less than 2% of all funds raised in these races, indicating that many of the activities formerly conducted by parties are now being performed by PACs.

These intriguing data support the basic premise underlying the ongoing study by the Advisory Commission on Intergovernmental Relations, "Transformations in American Politics and Their Implications for Federalism." Our political process is undergoing swift and fundamental change. And partly as a result of the way we have responded to these changes, the incentives for decisionmakers at all levels of government are much different today than they were 30, 20 or even 10 years ago.

On examination, few would dispute that federalism has been among the casualties of this new political order. Once labor-intensive affairs, successful federal election campaigns required extensive coordination among myriad ward bosses, majors and other officials at the state and local levels. But today, these campaigns tend to be expensive, centrally run media operations, often carried out with little, if any, need for cooperation from politicians at the lower levels of government. Contributing to this trend has been the increased election role of the national parties, which has helped to undermine state and local party autonomy.

This diminished role for non-federal polls has, in turn, led to a growing lack of symmetry in intergovernmental relations. We find today's Congress increasingly unresponsive to state and local concerns on such basic issues as federal preemption. Yet, having frequently deployed state and local governments as administrative instruments of federal policy, Congress exhibits little regard for their political and managerial concerns.

Grant simplification, inter-governmental regulatory reform, and a variety of needed improvements to state-implemented national law have long occupied the back-burner of national politics. Sadly, the diminished influence of state and local officials in Washington has left no one to hold the Congress accountable for the institutional concerns of state and local governments. The decline in state party organizations is certainly a contributing factor to this phenomenon.

Regardless of how reasonable, any effort to turn this situation around is bound to encounter difficult political obstacles, for the decline of congressional sensitivity to state and local institutional concerns has been mirrored by increased sensitivity to powerful special interests. These actors include "economic" and other moneyed interests, which, through PAC and individual contributions, fund candidates' access to media, as well as the self-described "public interest" activists, who influence legislators primarily through their access to free media publicity and their disproportionate weight in party nomination decisions.

Not surprisingly, many of these interest groups have a major stake in today's centralized policymaking process. Lobbies representing everything from highway construction to spending for the elderly would find it immeasurably more difficult to press their categorical agendas under a truly decentralized federal system, in which strong state party organizations would mediate among competing political interests. Many such groups could be expected to exert strong opposition to new decentralizing schemes.

Nevertheless, it remains both possible and desirable to upgrade the political roles of nonfederal officials and their party organizations through reforms designed to channel campaign contributions through state and local political parties. In fact, many of the current campaign funding channels were created as an unintended result of the Federal Election Campaign Act (FECA) reforms of the 1970s.

These earlier reforms placed strict limits on the amounts that parties, PACs and individuals could contribute to federal campaigns, with the principal goal being limiting the role of money in politics. However, because PACs could proliferate, while parties could not, the main effect of these reforms was to enhance greatly the importance of non-party contributors in the election process at the expenses of state party organizations.

In my opinion, these mistakes should be corrected. Ceilings on party contributions to federal candidates can be safely eliminated if combined with measures to preclude parties from becoming conduits for corruption. These and other reforms can be used to enhance the role of state and local party organizations in funding federal elections, and, with it, the influence of nonfederal officials in the legislative process.

At the same time, plans which seek to limit PAC contributions should be viewed with great caution. Such reforms would run afoul of the constitutional rights of Americans to participate in this political process, and would merely channel more campaign financing into "independent expenditures," which the Supreme Court has said are not subject to financial limits. We must remember that PACs are a legitimate form of political expression, and have actually helped to increase citizen involvement in the electoral process.

Notably, the need for sensible campaign finance reform extends beyond the issue of federalism and intergovernmental relations. With the parties no longer providing significant election support to congressional candidates, legislators have found themselves increasingly compelled to seek campaign funding from highly personalized coalitions of special interests. This situation has enhanced the ability of interest groups to undermine legislative discipline in Congress. And it has been this lack of legislative discipline that is largely responsible for our stalemate on such hotly contested, but vital, public issues as deficit reduction and tax reform.

While I cannot speak for all of my colleagues on the Commission, I believe it is essential that Congress undertake a timely review of the Federal Election Campaign Act, and that states also examine their own laws regulating political parties. Our investigation of this subject will hopefully stimulate awareness at all levels of government as to the broad significance of this arcane area of the law.

Once again, the Commission is to be commended for its illuminating insights into a major policy issue affecting the nation. I cannot think of any more important intergovernmental issue than the state of our political party system.

DAVE DURENBERGER,
United States Senator,
Minnesota.

INTERGOVERNMENTAL ASPECTS OF FECA: STATE PARTIES AND CAMPAIGN FINANCE

(Cynthia C. Colella)

A national law regulating the conduct of campaigns for national elective office, the Federal Election Campaign Act (FECA), is seldom thought of as having intergovernmental ramifications. Yet those offices covered by FECA, although national, represent single states or districts within single states. As a result, they are of intense interest to states and localities and to state and local constituencies. In addition, though treated somewhat differently by the law than other political committees which support candidates for federal office, state and local party committees—like their federal counterparts—are subject to the gamut of FECA requirements and limitations. These requirements and limitations affect the structure and operation of political parties at all levels. Finally, by design or effect, certain provisions of the law appear to have strengthened the national parties relative to their subnational counterparts, thus possibly contributing to the trend toward the nationalization of campaign finance.

THE ANTIPROLIFERATION RULE

Under the contribution limits of FECA, the national political party commmittees are given a distinct advantage over other political committees (see Tables I and II).

TABLE I.—FECA: DEFINITIONS IN BRIEF

FECA

The Federal Election Campaign Act of 1971, as amended in 1974, 1976, 1977 and 1979.

POLITICAL COMMITTEE

A group that meets one of the following conditions:

1. Any local unit of a political party (excluding a state committee) which: receives contributions aggregating over $5,000 during a calendar year; makes contributions or expenditures aggregating over $1,000 during a calendar year; or makes payments aggregating over $5,000 during a calendar year for activities exempted from the definition of contribution and expenditure.
2. Any state unit of a political party which receives contributions or makes expenditures aggregating in excess of $1,000 during a calendar year.
3. Any authorized committee regardless of how much it receives or spends, once the individual who authorized the committee becomes a candidate.
4. Any separate segregated fund, upon its establishment.
5. Any other organization, club, association, or group of persons that receives contributions or makes expenditures aggregating in excess of $1,000 during a calendar year.

PARTY COMMITTEE

A political committee which represents a political party and is part of the official party structure at the national, state, or local level.

LOCAL PARTY COMMITTEE

A political committee which functions at the level of a local party organization.

STATE PARTY COMMITTEE

A political committee which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of the party at the state level.

NATIONAL PARTY COMMITTEES

Political committees established and maintained by a national political party. A party's national committee, House campaign committee, and Senate campaign committee are defined as national party committees.

AFFILIATED COMMITTEES

Committees that are considered one political committee for purposes of contribution limits.

A state party committee is presumed to be affiliated with the local party committees within the state unless a local committee can demonstrate its independence.

All authorized committees of the same candidate are affiliated.

All political committees established, financed, maintained or controlled by the same person, group, corporation or labor organization are affiliated.

MULTICANDIDATE COMMITTEE

A political committee with more than 50 contributors that has been registered for at least 6 months and, with the exception of state party committees, has made contributions to 5 or more candidates for federal office.

SEPARATE SEGREGATED FUND

A political committee established by a corporation (profit or nonprofit), labor organization, or incorporated membership organization.

CONTRIBUTION

Anything of value given to (or provided on behalf of) a candidate or political committee to influence a federal election.

EXPENDITURE

A purchase or payment made to influence a federal election.

INDEPENDENT EXPENDITURE

An expenditure for a communication expressly advocating the election or defeat of a clearly identified candidate that is not made with the cooperation or prior consent of, or in consultation with, or at the request or suggestion of, any candidate or his/her authorized committees or agents.

COORDINATED PARTY EXPENDITURES

Limited expenditures made by party committees on behalf of federal candidates in general election campaigns.

[Source: Federal Election Commission.]

TABLE II.—CONTRIBUTION LIMITS UNDER FECA

Contributions from	Contributions to			
	Candidate or his/her authorized committee	National party committee[1] per calendar year[2]	Any other committee per calendar year	Total contributions per calendar year
Individual	$1,000 per election[3]	$20,000	$5,000	$25,000
Multicandidate committee[4]	$1,000 per election	$15,000	$5,000	No limit
Party committee	$1,000 or $5,000[5] per election	No limit	$5,000	No limit
Republican or Democratic Senatorial Campaign Committee,[6] or the National Party Committee, or a combination of both	$17,500 to Senate candidate per calendar year in which candidate seeks election	NA	NA	NA
Any other committee or group[7]	$1,000 per election	$20,000	$5,000	No limit

[1] For purposes of this limit, each of the following is considered a national party committee: a party's national committee, the Senate Campaign committees and the National Congressional committees, provided they are not authorized by any candidate.

[2] Calendar year extends from January 1 through December 31. Individual contributions made or earmarked to influence a specific election of a clearly identified candidate are counted as if made during the year in which the election is held.

[3] Each of the following elections is considered a separate election: primary election, general election, runoff election, special election, and party caucus or convention which has authority to select the nominee.

[4] A multicandidate committee is any committee with more than 50 contributors which has been registered for at least 6 months and, with the exception of State party committees, has made contributions to 5 or more Federal candidates.

[5] Limit depends on whether or not party committee is a multicandidate committee.

[6] Republican and Democratic Senatorial Campaign committees are subject to all other limits applicable to a multicandidate committee.

[7] Group includes an organization, partnership or group of partners.

Source: Federal Election Commission.

Notably, however, those advantages accrue only to parties at the national level. For purposes of contribution limitations, state and local party committees are legally considered to be just like other political committees—e.g., political action committees (PACs). Indeed, this even-handed treatment is fairly extensive, including in its reach a Federal Election Commission (FEC) provision known as the "antiproliferation rule." Originally designed to ensure against single businesses or unions setting up a number of different segregated funds to circumvent FECA's contribution limits, the FEC has also applied the antiproliferation rule to political parties and, in so doing, has decided that with rare exceptions state and local parties are one for the purposes of contribution and expenditure limits. In other words, local parties are legally assumed to be affiliates of the state parties in much the same way that divisional units of corporations are viewed as the affiliates of those groups. Consequently, a state party and all the local parties within a particular state share a single limit.

Because the national party and Senate campaign committees share a much higher contribution limit and the U.S. House of Representatives campaign committees are exempt from joint contribution restrictions, state and local parties find themselves at a distinct financial disadvantage. Hence, "Senate candidates can receive three and half times more from their national party than from the state party whose nominee they are, and House candidates can receive twice as much." [1]

COORDINATED EXPENDITURES

In 1976, the Supreme Court overturned some portions of FECA that restricted expenditures on the basis that such restrictions were in violation of First Amendment free speech guarantees. As a result, individuals and groups may now make unlimited expenditures for the purpose of "advocating the election or defeat of clearly identified candidate(s)" as long as those expenditures are "not made with the cooperation or prior consent of" any candidate or her/his agents.[2] This type of independent expenditure has been denied political parties at all levels on the assumption that they can never genuinely disconnect themselves from candidates bearing their labels.

A special category of expenditures, therefore, has been created for parties: coordinated expenditures. So named because the expenditures may be made in coordination with a candidate's campaign, the party rather than the candidate must actually do the spending. Although being able to coordinate expenditures with their candidates may be seen as giving the parties an advantage over other groups and individuals, critics are quick to point out a corresponding disadvantage. Unlike independent expenditures which are unlimited by law, coordinated expenditures are subject to per candidate limits.

AGENCY AGREEMENTS

The subject of coordinated expenditures takes on a more overtly intergovernmental cast when state party committees allow national party committees to act as their spending agents. Such agency agreements are the offspring of a provision of FECA which holds that "[t]he limitations on contributions . . . do not apply to transfers between and among political committees which are national, State, district, or local committees . . . of the same political party."

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[1] Footnotes at end of article.

Beginning in 1978, however, a number of state GOP party committees authorized the National Republican Senatorial Campaign Committee (NRSC) to spend their funds—in other words, to act as their agent for spending purposes—a practice subsequently upheld by the Supreme Court.

Although most observers feel that unlimited funds transfers are a perfectly acceptable feature of the law, some are less than sanguine about their newest permutation: agency agreements allowing national party committees to spend state party funds. Thus, political scientist and North Carolina state party chair David Price has commented:

> I really think unlimited transfers of funds between state and national party units is still desirable. [However,] I'm not sure . . . that simply letting the national party absorb the state parties' spending entitlements is desirable. . . . I'm not sure that's a healthy development from the standpoint of the strength of our state parties.[3]

THE 1979 AMENDMENTS: REVITALIZATION OR INTERGOVERNMENTAL LOOPHOLE?

In 1979, Congress amended portions of FECA. In so doing, it was responding to complaints that the statute discouraged state and local parties from engaging in grassroots activities. As President Ford's campaign manager observed in 1976.

> One of the major results of the spending limitations has been to encourage the development of highly centralized campaign organizations with elaborate controls over spending. . . . The experience of the Ford campaign in 1976 showed conclusively that it was easier to discourage grassroots activity than to try to control it and report it. In previous campaigns, it was possible to tell a local campaign or party official to go ahead with a project as long as he could raise the money to finance it. Now, federal law places a premium on actively discouraging such activity because of the danger that it could well lead to a violation of the spending or contribution limits in the primary. Furthermore, in the general election, because no contributions are permitted once federal funds become available, it is even more important to discourage such activity.[4]

In response, the 1979 amendments: allowed state and local party groups to buy campaign materials for voluntary activities, unencumbered by spending limits, and permitted unlimited spending by state and local parties for purposes of voter registration and get-out-the-vote drives on behalf of presidential tickets.

These amendments have been praised as an important first step toward rekindling state and local party viability—encouraging those longtime bulwarks of the party system to engage in the sort of grassroots activities that have been their traditional forte.

SOFT MONEY

On the other hand, as the now popular journalistic term "soft money" implies, some feel that the 1979 amendments are less notable as a means of strengthening state and local party committee involvement in federal elections than as a convenient loophole for circumventing the intent of FECA.

"Soft money" has been so named because it involves the use of funds—from corporate treasuries, union dues, and large individual donors—that cannot directly be contributed to federal elections. Such funding sources are, however, legal in many states and presumably allowable under the 1979 contribution and expenditure exemptions for party-building activities.[5]

The use of the 1979 amendments as a soft money vehicle first manifest itself during the 1980 campaigns, with the Republican National Committee (RNC) raising and spending approximately nine million such dollars.[6] The idea quickly caught on and [b]oth parties now see soft money as a way of supercharging their presidential campaigns. Both have active programs to collect cash and channel it through their state brethren.[7]

In 1984, Democrats planned to raise between $20 and $27 million through a separate Democratic Victory Fund. Of that amount, about $15 to $16 million was scheduled to be channelled through Democratic parties "in 20 key states" for registration and get-out-the-vote drives.[8] Although no figures were set for similar GOP activities, sources estimated the amounts to range between $10 and $14 million.[9]

Critics contend that it has been primarily the national—rather than state and local—party committees which have coordinated the raising, distribution, and use of soft monies. They view the 1979 amendments in practice more as a gignatic statutory loophole for national party spending rather than an effective means of energizing state and local parties. According to critic Elizabeth Drew:

> The theory was that the state parties should be able to participate in the publicly financed Presidentital campaign. . . . But in 1980 the national parties assumed the role of raising and distributing such funds—which was not the intent of the law—and have significantly expanded their use. Through an imaginative, and questionable, interpretation of the law, both parties now use soft money for congressional as well as Presidential campaigns. They use it as much as they can—and as much as they think they can get away with—for television advertising and get-out-the-vote drives. Their rationale is that they are using soft money for non-federal elections—for governorships, state legislatures, and so on. (The only federal election mentioned in the 1979 change in law was the one for President.) But, obviously, efforts to motivate people to vote the party ticket at the state level are likely to benefit the candidates for federal office as well. So the distinction is a false one, and the lengths to which the parties go to make the distinctions between their soft money and hard money expenditures are fairly ludicrous.[10]

Others, however, believe that Drew may be too harsh in her criticism and contend, in fact, that the amendments may potentially benefit state and local parties:

> Critics such as Drew are too quick . . . to condemn all loopholes in FECA indiscriminately. They 1980 experience suggests that the law as written and administered may be open to abuse; certainly contributions to large voter-mobilization efforts on behalf of the national ticket should be subject to FECA's limits and disclosure requirements. But to regard the 1979 amendments simply as a loophole is to beg important questions: if private and party money have any role to play in Presidential elections, then one must ask through what channels that money is best raised and spent. The 1974 law, while providing an ancillary role for national party committees, clearly tended to remove state and local parties and their voter contact activities from the Presidential campaign. Assuming that some "loopholes" for party initiatives are desirable, the 1979 provisions seem, on balance, to be well conceived. They open up the possibility of a significant campaign role for state and local organizations and make the Presidential campaign a less centrally controlled media/dominated affair.[11]

In either case, the political issue of soft money recently became a legal issue when the Center for Responsive Politics filed a complaint with the FEC. Specifically, the group alleges that "the Republicans and Democrats illegally transferred funds to their respective state committees to influence the outcome of the special election to fill a U.S. Senate seat in November 1983 in Washington State."[12] The group bases its allegations on the fact that in 1983 the Democratic National Committee contributed $20,000 from its Non-Federal Corporate Account to the Washington State Democratic Central Committee while Republican national committees contributed a combined $67,000 to the Washington State Republican Party for "party-building" and other purposes. Only one statewide office—the U.S. Senate vacancy—was at stake in the election; the remainder of contests were local and primarily nonpartisan. According to the Center's Executive Director Ellen Miller:

> It is hard for the Center to believe that the massive expenditures made by the national party committees were made to influence the outcome of a few races for county coroner (Spokane County), a county assessor, auditor, and sheriff (Whatcom County) or the city council (King and Snohomish Counties).[13]

As the foregoing suggests, current uses of the 1979 amendments are viewed alternatively as invidious on the one hand or invigorating on the other. The one claim probably awaits judicial consideration; the other time and additional research. At present, however, it does appear that amendments designed to enhance state and local parties may, at the same time (or perhaps instead), have further enhanced the fiscal position of their national counterparts.

CONCLUSION

As the accompanying article on "State Parties in the 1980s" illustrates, state political parties have become increasingly professional, financially sound, and better able to adapt to evolving political conditions. Nonetheless, state and local parties continue to face formidable obstacles and major challenges, including rapid technological changes and competition from organized interests.

Those parties also face legal challenges. To varying degrees, state laws regulate party structure, procedure, and electoral involvement. At the same time, federal law may be perceived as placing additional legal burdens on subnational party organizations. For instance, ACIR's survey of state party chairs found considerable dissatisfaction with FECA's reporting requirements and contribution limits.

If parties at all levels face competitive challenges in the forms of organized interests and PACs, subnational parties also face the challenge of maintaining their historical autonomy at a time when their national counterparts appear to be in financial and organizational ascendancy. That process, some contend, has been exacerbated by the Federal Election Campaign Act. By strengthening the financial bond between candidates and national party committees and encouraging state and local parties to defer to the fiscal and organizational superiority of their federal counterparts, some fear that the law has already contributed to unprecedented levels of party centralization. As one of the nation's leading scholars on campaign finance has noted:

> [R]ecent changes in party organization are the result of both political reform (in this case the Federal Election Campaign Act of 1971, as amended) and changes in other areas . . . which were not directed toward the parties but are, nonetheless, having unintended consequences on party structure.[14]

Whether or not these "unintended consequences" will ultimately lead to a nationalization of campaign finance remains to be seen.

FOOTNOTES

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[1] Jo Freeman, "Political Party Expenditures Under the Federal Election Campaign Act: Anomolies and Unfinished Business," Paper presented for delivery at the 1983 Annual Meeting of the American Political Association, Chicago, IL, September 1983, p. 17.

[2] Federal Election Commission, Campaign Guide for Nonconnected Committees (Washington, D.C.: FEC, 1983), p. 47.

[3] Testimony before the Advisory Commission on Intergovernmental Relations, Washington, D.C., June 6, 1984.

[4] Richard B. Cheney, "The Law's Impact on Presidential and Congressional Election Campaigns," in Parties, Interest Groups, and Campaign Finance Laws, ed. by Michael J. Malbin (Washington, D.C.: American Enterprize Institute, 1980), p. 240.

[5] For example, corporations are allowed to give money to state parties in 33 states.

[6] Xandra Kayden quoted in Peter Grier, "'Soft Money' and '84 Campaign Financing," The Christian Science Monitor, 19 June 1984, p. 4.

[7] Grier, "'Soft Money'," p. 4.

[8] Thomas B. Edsall, "'Soft Money' Will Finance Voter Signup," Washington Post, 12 August 1984, p. A4; and Jeff Gerth, "Democrats Set Up $27 Million Drive," New York Times, 29 August 1984, p. A20.

[9] Edsall, "'Soft Money'," p. A4.

[10] Elizabeth Drew, Politics and Money: The New Road to Corruption (New York: Macmillan Publishing Company, 1983), p. 15.

[11] David E. Price, Bringing Back the Parties (Washington, D.C.: Congressional Quarterly Press, 1984), pp. 252-53.

[12] Center for Responsive Politics, Press release and accompanying Complaint to the Federal Election Commission, August 28, 1984.

[13] Ibid.

[14] Xandra Kayden, "The Nationalizing of the Party System," in Parties, ed. Malbin, p. 257.

SENATE JOINT RESOLUTION 114—RAILROAD RETIREMENT DAY

Mr. GLENN. Mr. President, I am pleased to cosponsor Senate Joint Resolution 114, designating August 29, 1985, as "Railroad Retirement Day." With this resolution, we join more than a million railroad retirees across the Nation in celebrating the success of the railroad retirement program on its 50th anniversary.

Throughout our Nation's history, railroads have played a major role in industrial development, employment, and national defense. In fact, America and its railroads grew up together. Today, railroads continue to function as the irreplaceable lifeline of our Nation. The railroad retirement system was established in 1935 to provide basic social insurance and a private pension for the industry's workers. For the past 50 years, the program has ably protected railroad workers, retirees, and their families against loss of income due to retirement, disability, or death.

On the occasion of this 50th anniversary, I think it would be helpful if we reviewed the history of the railroad retirement program and the reasons why it was established.

Private pension plans originated in the railroad industry in 1874 when the first formal industrial pension plan in America was established. By 1927, over 80 percent of all railroad employees worked for employers who had formal pension plans, but only a small proportion of employees ever received benefits. The pension plans paid inadequate benefits, had limited disability coverage, and no transferability from employer to employer. The plans were inadequately financed and could be terminated at will.

The Great Depression of the 1930's led to the push for retirement plans on a national basis because few of the Nation's elderly were covered under any type of retirement plan. The railroad industry pension plans had difficulty meeting their obligations during this period. Older workers exercised seniority rights to continue working, and accounted for a disproportionate number of the industry's employees. While the Social Security system was in the planning stages, railroad workers sought a separate railroad retirement system which would continue and broaden the existing railroad pension programs under a uniform national plan. The proposed Social Security system was not scheduled to begin monthly benefit payments for several years and would not give credit for work performed before 1937. Conditions in the railroad industry called for immediate benefit payments based on prior service.

Legislation was enacted in 1934, 1935, and 1937 to establish a railroad retirement system separate from the Social Security Program enacted in 1935. The 1934 act was declared unconstitutional by the Supreme Court and the 1935 act was also challenged in the courts. The future of the program was uncertain when the first benefit checks were mailed to 18 retirees on July 13, 1936. While an appeal was pending in the courts, railroad management and labor, at the urging of President Roosevelt, resolved their differences and this lead to the Railroad Retirement and Carriers' Taxing Acts of 1937. In 1937, the benefit payments of nearly 50,000 pensioners were taken over by the Railroad Retirement Board, and by the end of 1938, almost 100,000 elderly employees had retired under the system.

The largest check issued on that first day of benefit payments in 1936 was for $91.04 and went to Mr. Thomas B. Strain, age 73, of Johnson City, TN. I believe Mr. Strain's story demonstrates the importance of the railroad retirement system. Mr. Strain's railroad career began at age 15 with the Southern, and he served for several different railroad employers in a variety of positions before retiring in 1936 at age 73. He told Labor magazine in 1936:

> I wasn't counting my chickens before they were hatched. In the light of what the courts have done to other liberal legislation, I scarcely dared hope that we would get our pensions for a long time, if ever. I have been living under suspense since I was retired. The $91.04 checks will lift a load of worry off my mind and make my future secure. The organziations which obtained this protection for old railroad men have done a great job, for which they are entitled to our prayers. I hope there will be no backing up now. (Labor, July 21, 1936.)

The first check, for $63.83, went to Mr. William Wesley Billett of Bellefonte, PA. Mr. Billett told the Labor reporter how important the pension was to him:

> The people at Washington have made our dreams come true. I wish I could tell how grateful I am. Unless one is past 70, and separated from the activities of a lifetime, he cannot begin to understand what it means to be able to look to the future without fear. (Labor, July 21, 1936)

Since that July day in 1936, railroad retirement benefits of $77 billion have been paid to more than 4 million retired workers, their spouses and survivors. The first retirement annuities awarded under the 1935 act averaged $60 a month and no monthly benefits were payable to spouses or survivors. Currently, employee annuity awards average about $900 a month, annuities for spouses average just over $300 a month, and annuities to aged and disabled widow(er)s about $540 a month. In 1985, nearly 1 million beneficiaries will receive retirement and survivor benefits.

The program has been amended several times since 1935, and has faced solvency problems in recent years due to high inflation, recession, and a general decrease in railroad employment. The Railroad Retirement Solvency Act of 1983 was worked out by railroad labor, management, and Congress and was necessary to prevent a drastic 40-percent cut in retirement benefits. The bill had some tough medicine that required sacrifices from workers, employers, and retirees. But most importantly, the system is now financially sound and benefit payments are not jeopardized.

In my home State of Ohio, 53,400 railroad retirees and their families receive benefits. As a Senator, I hear from many railroad retirees about how important the program has been in ensuring an adequate retirement. Mr. Ralph Miller Graeff of Cleveland worked for the Railway Express and REA Express for 30 years. Although Mr. Graeff retired from the railroad in 1975, he has been working harder than ever as an officer with the National Association of Retired and Veteran

Railway Employees in Cleveland. "The Railroad Retirement Act was a crucial piece of New Deal legislation, and has enabled millions of railroad workers to retire with a secure pension," Mr. Graeff told me. "But we have been worried in the past few years because of benefit cutbacks. I have been working against proposals to cut retirement benefits and eliminate the Railroad Retirement Board. I hope retirees can count on many more 50th anniversaries for the railroad retirement system, Mr. Graeff said.

Mr. President, this 50th anniversary occasion gives all of us the opportunity to renew our commitment to the railroad retirement system. It was established in a time of national crisis, and has faced financial crises and other challenges during the past five decades. Yet, the railroad retirement system continues to serve railroad employees and their families, providing protection against the economic hazards of old age, disability, unemployment, and sickness. I invite my colleagues to join me in supporting Senate Joint Resolution 114, to designate August 29, 1985, as "Railroad Retirement Day" and recognize one of the most important and successful social programs in our Nation's history.

NATIONAL HOME CARE WEEK

Mr. GLENN. Mr. President, as the ranking Democratic member of the Special Committee on Aging, I am deeply aware of the importance of home health services in meeting the long-term care needs of older Americans. Since joining the committee, I have worked to develop home health care as an available and cost-effective option for those who would prefer to be cared for at home rather than in a nursing home or hospital. I am proud to join my colleagues in support of Senate Joint Resolution 139, designating the week of December 1, 1985, as "National Home Care Week."

If Congress approves this resolution, 1985 would be the fifth year that Congress has formally recognized the importance of home health care and the dedication of thousands of people across this country who provide these services. I have supported this resolution in the past. I believe that passage of this resolution is particularly significant in 1985 because home health services, which Congress has sought to make increasingly available to the elderly and disabled, seem to be targeted for severe reductions by the Reagan administration.

The implementation of the new Medicare prospective payment system, based on diagnosis related groups [DRG's], is reducing lengths of hospital stays. In response to a request from the Special Committee on Aging, the General Accounting Office [GAO] is examining the impact of DRG's on long-term care services. The GAO findings indicate that Medicare patients are being discharged earlier and often in need of further care. As a result, home health agencies are experiencing significantly increased demand for their services. Despite the increased demand, the Reagan administration is seeking a freeze on Medicare home health providers and is taking other steps to limit home health care.

In mid-May the Health Care Financing Administration [HCFA] announced a radical change in the methodology for calculating cost limits for home health reimbursement, effective July 1, 1985. HCFA gave just 30 days' notice for providers and the public to comment upon this complex and significant change. I led an effort to urge the Department of Health and Human Services to extend the comment period to allow time for adequate analyses and response to such dramatic changes. The Secretary ignored this effort and on July 5, issued a final notice instituting the new methodology, effective July 1, 1985.

These changes, combined with the freeze on provider reimbursement, will have a devastating effect on home health agencies and the clients they serve, especially Medicare beneficiaries and the indigent. Mr. President, I would like to read a few statements as examples of the many comments that I have received from home health agencies in my home State of Ohio.

In a letter I recently received from Sister Linda Smith, executive director of Mercy Home Health Care in Cincinnati, she writes "Without a sufficient reimbursement level, no agency will be able to afford these services for Medicare recipients. What will happen is that home care will belong to those who can afford the services—leaving the indigent and the elderly in hospitals or nursing homes * * *"

The director of the Visiting Nurses Association in Dayton, Mr. Gregory J. Rozelle, said that if the new methodology had been used in 1984, his agency would have lost over $30,000. Mr. Rozelle points out that as a result of the DRG's "Home health agencies have had to provide longer visits and more intensive services to these patients. As a result, costs are rising. The proposed method of limiting payment would seem to single out home health agencies for cost containment when in fact they are facing extraordinary pressure and are inherently cost effective."

I agree with these comments and the many others I have received. Therefore, I have joined Senator John Heinz in cosponsoring S. 1450 which would prohibit the Secretary from changing home health care reimbursement levels or methodologies from the June 30, 1985, levels until October 1, 1986, or during a freeze period on home health reimbursement, whichever is longer. Unfortunately, the Secretary and HCFA have decided to make policy for home health care rather than implementing policy set by Congress, thus making S. 1450 necessary.

S. 778, the "Home Care Protection Act of 1985," which I am cosponsoring, is aimed at ensuring fairness for home health providers and the Americans they serve. S. 778 would clarify Congress' intent regarding the intermittent care standard for home health coverage. The fiscal intermediaries, under pressure from HCFA, are frequently interpreting the standard more narrowly than Congress intended in establishing the Medicare benefit for home health care. Furthermore, this standard is applied inconsistently across the country.

Earlier this year HCFA issued proposed new rules which will make it more difficult for States to receive waivers to provide home and community-based services under Medicaid. In fact, it is likely that many States will not even seek waivers under these rules because they are so restrictive, representing another attempt by the administration to reduce the availability of home and community-based long-term care services for the elderly and the poor. I have joined Senators Bradley and Chiles in introducing S. 1277, the "Medicaid Home and Community-Based Services Improvement Act of 1985," which would allow the States the choice of providing home and community based services, including home health care, as part of their State Medicaid plan, without first seeking a waiver from HCFA.

The administration has taken other steps as part of what appears to be a concerted strategy to reduce older Americans' access to home health services. Among these, I would like to cite two more examples: their proposal to impose a copayment on the Medicare home health benefit and their proposal to remove the Medicare waiver of liability presumption. It is encouraging to note, however, that thousands of dedicated people are continuing to provide home and other community-based, long-term care services to their clients despite these major roadblocks.

By supporting "National Home Care Week" and other Senate efforts to ensure the availability of home care services as a viable and humane option for ill and frail older Americans, we recognize the resourcefulness and commitment of those individuals who serve our Nation's elderly and disabled. At a time when Government and taxpayers alike seek ways to contain costs while providing health care with dignity, then home health care and other community based health services such as hospice, seem to me to be natural choices. I urge passage of

this resolution, as well as Senate Joint Resolution 155 which would designate November 1985 as "National Hospice Month." By this action, we will not only honor those who provide home care services but will send another message to the administration about Congress' belief in home care as a cost-effective and humane option for America's elderly.

WRIGHT-PATTERSON AFB POW/MIA MEMORIAL SERVICE

Mr. GLENN. Mr. President, no American family should be forced to live in the agonizing twilight between hope and despair, and I know I speak for every citizen of this land when I say we must do everything humanly possible to see that every last American soldier, sailor, marine, and airman who served in Southeast Asia is finally, fully, and completely accounted for. On this issue there can be no compromise.

On July 15, a memorial service was held at Wright-Patterson Air Force Base in Ohio to honor our POW/MIA servicemen and their families. The base chaplain, Maj. Howard V. Mellott, delivered a moving sermon which called upon the national conscience to keep faith with our POW/MIA families, to stand with them and support them in their hour of need. I believe that Chaplain Mellott's message is significant not only for those present at the July 15 ceremony but for the Nation as a whole. Thus I ask unanimous consent that the full text of his remarks be printed in the Record.

There being no objection, the text was ordered to be printed in the Record, as follows:

POW/MIA Service of Recognition and Remembrance

(By Chaplain, Maj. Howard V. Mellott)

No word, no prayers can adequately be spoken today that would give you the hope and the promise that you so much desire, the whereabouts, information that you have so desperately craved for and needed, since the end of the Vietnam conflict. But we are here today to show you in this small, but meaningful way that we do recognize and remember your husbands, your fathers, your brothers that are still missing in action or who are prisoners of war.

At a funeral a few weeks ago, I referred to the four Marines slain in El Salvador as the "Sons of America," and that I truly believe they were, for we were all caught up in the events of that tragedy. That being the feeling then, I think I can truthfuly say that these POWs—these MIAs whom we are remembering today are "the fathers and the brothers of America!" I served with some of them during the Vietnam conflict and many who are here today served with them too. Among the many who are still POWs and MIAs there is a Vice Commander from Nakon Phonom, Thailand who is among our POWs and MIAs. I met the Vice Commander on my way to my isolated tour at Nakon Phonom. He was returning from a visit with his wife and two small daughters (twins). That was April 1968. On the plane he showed me the family picture. In June of that year he left the base for a mission on Laos: A mission from which he did not return. Now his twin daughters, I'm sure are in their early twenties. They and their mother are still awaiting some kind of word as to what really happened to him! I cannot forget him nor will I ever forget him. Nor can we afford to forget any of our POWs or MIAs now!

Captain Gerald Coffee, United States Navy, a POW for seven years spoke this past May in the Garden Grove Crystal Cathedral where Dr. Bob Schuller is the Pastor. Captain Coffee emphasized the importance of faith and gave four aspects of their faith. A faith in themselves as individuals, a faith in each other, a faith in their country, and a faith in God. He related how he, along with other prisoners during that time of imprisonment, tapped out codes on the prison cell walls to encourage each other. There were the letters "G B" meaning "God Bless, be tough, hang in there, I'm praying for you." "G N"—"Good night". "G B A"—"God Bless America". There was also a code signal for church services each Sunday. Gathered at their respective cell walls they would repeat the Pledge of Allegiance, The Lord's Prayer, and the 23rd Psalm and other Bible passages they remembered from church and Sunday school. They even passed a bit of humor around for their cheer: "Little weevil in my bread, I think I just bit off your head!"

These men to whom we pay honor are military people, recognized for their duty and their devotion: They are men who fulfilled their obligation of honor to their country, America: They are men who obeyed the Military Code of Conduct, resisted exploitation, even at the cost of severe torture, they are still there—we cannot and must not forget them!

Our message today to our POWs and MIAs, especially to the families, is to not give up. Hold on! If you can force your heart and nerve and sinew to serve their term long after they are gone, the captors, when there's nothing left within you, accept the will that says to hold on! Hold on!

In Exodus, Chapter 17, beginning at Verse Eight, the children of Israel were attacked by the Amalekites. Moses stood at the top of the hill with the Rod of God in his hands. The Bible tells us that as long as Moses held up the rod in his hands, Israel was winning the battle. But whenever he rested his arms at his side, the Amalekites were winning. It was too much for Moses to continually hold up his arms with the Rod of God in his hands. Consequently, Aaron and Hur saw Moses' dilemma. They rolled a stone for Moses to sit upon and they stood on each side holding up his arms. The battle was then won when Moses' hands were strengthened by Aaron and Hur on each side of him holding his arms up so that he could hold high the Rod of God.

I say to the families of our POWs and MIAs that too often we have been guilty of letting you hold on to hope and faith by yourselves while we have stood over at a distance. We stood away from you, not because we wanted to, but because we did not understand. You have weakened, almost at times ready to give up. Experience has taught us that no one can stand alone, especially in the last few weeks has this been brought close to home to each of us. Please be assured you are not standing alone any longer. We are here to stand with you. We will stand on either side of you, as did Aaron and Hur with Moses. We will stand in front of you, in back of you, and all around you to hold you up, to encourage you, to go with you, if needs be, all the way until there are answers and results to your questions concerning your husbands, your fathers and your brothers. Our fathers and brothers too.

(Selected by Chaplain Mellott)

A Blessed Thought

There is promise in each sunrise,
There is hope for each new day;
There's a sunbeam for each raindrop,
There is help along the way.
There is grace for all life's problems,
There is strength for trials you face;
There is mercy and compassion
Even in life's darkest place.
There is love that can't be measured,
That makes all life's sorrows dim
When you place your hand in God's hand
And walk life's path with Him.

POLISH-AMERICAN HERITAGE MONTH

Mr. GLENN. Mr. President, today marks the first day of Polish-American Heritage Month. I am proud that the Senate, mindful of the many contributions of Polish-Americans, has set aside this time to recognize the achievements and culture of ethnic Poles.

Although for many years Poland has been ruled by the iron hand of autocracy and despotism, in 1791 and for 20 years thereafter, Poland enjoyed a brief period of freedom and democratic government under a constitution patterened after our own. In the early 20th century, Poles came to America seeking relief from an oppressive Prussian regime and from shortages of farmland in Europe. To many during this period, the New World embodied the promise of economic prosperity and democratic liberties. In Ohio, the Polish community flourished. Poles were drawn to the port city of Cleveland with the expectation that employment awaited them in the prosperous iron and steel mills of America's industrial heartland. As their numbers increased, Polish settlers in Ohio established a town of considerable vitality know as Warszawa or Little Warsaw. This community became a stronghold of Polish culture in northeastern Ohio, second only to Chicago in the Midwest.

Ohio Poles did not escape the stagnation and austerity of the Great Depression. Emigration from Europe declined during this period, while the Poles in Ohio strove to retain the advances they had made during the preceding years of prosperity. World War II and an increase in demand for the products of an industrial economy brought renewed vigor to the Nation and to the Polish community. Hitler's ruthless invasion of Poland and his persecution of the valiant Polish resistance prompted many Poles to join the American war effort to fight Nazi tyranny. Today, the Polish Legion of American Veterans, with who I have visited on several holiday occasions, and the Polish veterans of World War I and II, remember the sacrifices of the more than 1 million ethnic Poles who served in the American and Allied Armed Forces during World War II, in World War I, in Korea, and in Vietnam. There are no more loyal and patriotic U.S. citizens than those Americans of Polish extraction.

Like most American cities during the 1950's and 1960's, Cleveland became suburbanized. Similarly, second and third generation Poles moved from the security and homogeneity of Polish communities like Warszawa into the sprawling suburbs of modern America.

Today, in a community where Sunday Mass is still said in Polish and where tour buses bring visitors to the Slavic Harvest Festival every fall, Polish culture is undergoing a renaissance. Indeed, a June 1982 issue of the Ohio magazine reports that,

> In the melting pot of Cleveland, where assimilation and upward mobility have wiped out most of the ethnic strongholds and left them cheerless and transient, Warszawa is different. Here the Poles, and to a lesser degree the Bohemians, have stayed. An urban village. Self-contained. Self-sufficient. * * * They see in their customs something worth hanging on to, in their neighborhood a vitality worth keeping. * * * Let the rest of the world change, they say in Warszawa, we'll wait and see.

Finally, Mr. President, as we recognize the many contributions made by Polish-Americans and as we honor their heritage, let us also celebrate the confluence of ethnic traditions which combine to form a society that is uniquely American.

FORTIETH ANNIVERSARY OF THE UNITED NATIONS

Mr. PELL. Mr. President, as one who was present at the San Francisco Conference as part of the secretarial staff, I am intimately acquainted with the original goals and aspirations of the United Nations. The ideals embraced by the U.N. are similar to those which guide our country—to replace a world at war with one where the rule of law shall prevail; where human rights are honored; where development will blossom; and where conflict gives way to freedom from violence. After 40 years, these ideals still live within the United Nations.

Many in the United States criticize the United Nations and question U.S. membership and contributions to the U.N. family of organizations. It is clear that the United Nations could be a more effective organization but it is my firm belief that it still plays a vitally important role in preserving and promoting international peace and security, international development, and human rights. To date no one has been able to identify a better way to approach problems in these areas on a world scale.

Every administration since the founding of the United Nations has determined that U.S. membership is essential to our national interests and that the United States should play an active role in the various U.N. organizations as an important part of our overall program of diplomacy. Thoughtful people consistently agree that the U.N. system provides a means to accomplish important tasks that neither the United States nor other nations can achieve alone or in small coalitions.

Therefore, Mr. President, it is with great pleasure that I ask unanimous consent that the remarks of Elliot L. Richardson at the annual meeting of the National Capital United Nations Association delivered on June 6, 1985, be printed in the RECORD. Ambassador Richardson, an old friend, has an unrivaled record of distinction in the service of the United States. He has served as Deputy Secretary of State, Secretary of Commerce, Secretary of Defense, Attorney General, and Ambassador to the U.N. Conference on the Law of the Sea.

It is with great pleasure that I insert his enlightened remarks into the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY ELLIOT L. RICHARDSON

It is a great pleasure to join my fellow members of the United Nations Association in honoring the distinguished individuals here tonight who were present at the creation of the United Nations in San Francisco forty years ago. The high hopes kindled there may no longer burn so brightly, but they are still at the heart of the aspiration for peace.

I'm sure you will have noted that the program bills my remarks as an "address." After the buildup Ambassador Leonard gave me, an "address" is an intimidating assignment, and the only thing I can promise is length. So I urge you to sit back, settle down, and be prepared for a long oration. If it turns out to be shorter than you anticipated, please conceal your disappointment.

I join the veterans of San Francisco this evening in commemorating, in addition to the birth of the United Nations, two other closely related anniversaries. The Normandy invasion began forty-one years ago today; VE-Day came just over forty years ago. I was in the D-Day landing, and I celebrated V-E Day in Germany. In the circumstances, I hope you will tolerate a story about a couple of hunters in the Maine woods. It was a warm, late September day. The hunters had bagged a huge buck with a tremendous spread of antlers. They were dragging the buck by the forefeet, and the antlers kept catching on the underbrush. As they toiled, the hunters were passed by a brisk young female hiker. She noticed what a hard time they were having and said, "I hope you guys won't mind a suggestion, but the way the antlers are curved, it looks like they wouldn't catch so much if you dragged the deer by the hind legs."

The two hunters thanked her and decided that maybe she was right. So they dragged the stag by the hind legs for a while. It was a hot day, and when the time came for a breather, one hunter said to the other, "You know, that wasn't a bad idea that young woman gave us. It really is easier this way." The second hunter replied, "Yeah, that's true. The only trouble is we're getting farther and farther from the automobile."

I'm sure you're right, Ambassador Leonard, in saying that there has been no fundamental change in the spirit of idealism with which the UN was launched, and no change in the basic commitment to the cause of peace that emerged from World War II. It seems plain, nevertheless, that we have been getting farther and farther from the automobile.

In addition to landing in Normandy on D-Day, my regiment was selected for the privilege of being the first American unit to enter Paris. On the evening of August 24, 1944, our camp in the Bois de Vincennes was surrounded by an eager and curious crowd of Parisians. One woman asked me, "When you defeat the Germans, will you go on across Germany and attack the Soviet Army?" I was shocked and incredulous. The same question, nevertheless, kept cropping up as we crossed France and advanced into Belgium and Germany. I developed a stock reply. "That would be insane," I would say. "Why should we? We have no quarrel with Russia. Our two countries have ample resources and ample territory. Each has energetic, talented people. Each has enough internal problems to keep it busy. Just because the Russians have a different ideology from ours is no reason to go to war with them."

I still think this was a sensible, rational answer. It was the sort of answer you would expect from a well-brought-up American boy. Whatever we were, we young American soldiers were not cynics. Neither were we smart enough to foresee the mixture of Soviet truculence and paranoia that, within a few years, would trigger the Cold War. The West had no choice but to respond, of course, but that is small consolation for the cycle of action and reaction that has shadowed the global scene ever since. Meanwhile, the very existence of the Cold War continues to stand between the ideals on which the UN was founded and the possibility of their fulfillment.

A second reason why we have been getting farther and farther from the automobile, I think, is that people have simply gotten weary of the effort to keep old expectations alive. Although our native idealism occasionally reemerges in a new enthusiasm—the nuclear freeze movement, for instance—the American public has become bored by the UN and all its progeny. Someday, incidentally, I'm going to take a little time off and write an essay on the historical consequences of boredom. It will argue that boredom has been the single most important cause of war. We are told that "Man (woman) does not live by bread alone." Does this mean that we do not easily endure contentment?

However that may be, the decades since the founding of the UN have again and again confronted us with problems that turned out to be a lot harder than they originally seemed. Take conflict prevention and peacekeeping. If wars are endemic to relations among tribes, sovereign states, and ethnic groups, it was to have been expected that it would be difficult to develop the means of preventing and containing them.

What is new under the sun is the awesome reality that any given conflict could lead to a nuclear exchange, and a nuclear exchange could lead, via "nuclear winter," to the extinction of all life on earth. Nothing could be clearer, therefore, than that humanity has far more compelling reason than ever before to work out better means of conflict prevention and better means of conflict containment and peacekeeping. And yet, because the effort has been so difficult and because the successes have been so debatable, we have tended to throw up our hands and turn aside.

Surely any rational outline of a coherent system of foreign policy would have as one of its major headings "Management of the Politico-Military Balance." Arms control and disarmament would come under this heading. A second heading would be "International Economic Relations—Economic Development, Money, and Trade." A third heading, I submit—and I think many of you would agree—should be "Human Rights." Hubert Humphrey, whose sister Frances Howard is here tonight, would certainly have insisted that this belongs in the outline.

Only one other subject is of comparable importance: "Dispute Settlement, Conflict Prevention, Conflict Containment, and Peacekeeping." In fact, it is not a major plank in any country's foreign policy today. Now this may be a consequence partly of the sheer failure of imagination. It may be a consequence partly of emotional resistance to facing up to the implications of nuclear winter. It is also, surely, a symptom of "tired blood."

Another factor taking us farther and farther from the automobile is our reaction to the perception that the United Nations is just another bureaucracy. One answer to that is, "So? What large-scale human institution is not?" Now that I'm in the private sector, I'm chronically irked and amused by the tendency of private-sector managers to look toward governmental institutions, domestic or international, as if their bureaucratic behavior were somehow peculiar. The truth, of course, is that private enterprises like the steel and railroad industries have been among the most constipated bureaucracies the world has ever seen. It is, nevertheless, a fact that the perception of the management of the United Nations and its affiliated organizations as bloated and unwieldly has affected people's attitudes toward them.

Given, then, this diagnosis of the problem, it is obvious that I wouldn't be Chairman of the United Nations Association if I did not believe that there are some answers and if I were not convinced that it is important to resist these trends. The UNA is fighting against the three negative factors that I have just briefly outlined. The UNA is fighting for a stronger system of conflict prevention and peacekeeping. We few, we happy few, we band of sisters and brothers who belong to the UNA, rightly take pride in being a part of this effort. Ours is the only membership organization attempting to wrestle with these problems. Not only are we doing so with some success, but the momentum we are now developing will make us increasingly effective. We need, however, to do much more to enlist the help of others.

Take, for example, the deterioration of relations between the Soviet Union and the United States which has done so much to prevent the UN Security Council from fulfilling its promise. For 15 years, persistently, year in and year out, the United Nations Association has maintained exchanges with the Soviet Union directed toward both economic and security issues. This is our so-called "Parallel Studies Program." When I became chairman of the UNA-USA, the program had long been headed by my predecessor, former UN Ambassador Bill Scranton; it is now headed by former Ambassador to the Soviet Union and former Deputy Secretary of State Walter Stoessel. Alternating between the Soviet Union and the United States, meetings are held two or three times a year. Former Under Secretary of the Treasury Bob Roosa chaired the U.S. side at a recent discussion of economic issues in Moscow, and in New York earlier this year Ambassador Stoessel chaired a session on security issues in which former National Security Adviser Brent Scrowcroft participated.

These exchanges do not produce dramatic results, but they do significantly contribute to the development of better understanding of the issues that divide us. Foundations have been laid in the thinking of a great many people in key positions. The proof of the pudding will come whenever the political will exists at the highest levels to achieve progress toward a more rational relationship between our two countries.

Under the second heading—peacekeeping, conflict prevention, dispute settlement, and containment of the escalation of conflict—the UNA is the only membership organization resisting the "tired blood" syndrome. The Multilateral Issues Project for 1985 focused on these problems. Fifty of our own chapters, together with groups from the League of Women Voters and other organizations, grappled with them. The are hard problems, and when you read the report—it will be released next month—don't be disappointed because it doesn't advocate dramatic new departures. Our recommendations will be thoughtful; they will also be realistic. The subject will in any case be on the UNA-USA agenda for as long as it takes to find solutions. Given the 40 years in which these questions have been awaiting adequate answers, not even we, not even the UNA, should be expected to produce them in only one year.

The most important thing about the Multilateral Issues Project is that we the people, members of the UNA-USA, are tackling matters of genuinely vital concern. A week ago in Los Angeles, in an American Association for the Advancement of Sciences panel on nuclear nonproliferation, I summarized the recommendations contained in last year's UNA report on this subject. It's a first-rate report. No "think tank" could do better. We are already working to put its recommendations into effect; these too will remain on the UNA agenda for as long as it takes to get them adopted. But the report did not come from a think tank. It emerged from the hard thinking of UNA members all across the country. This is the aim of the Multilateral Issues Project—to involve individual citizens in finding better ways of assuring their own survival. That is what gives the report its special significance.

Finally, there is that matter of bureaucracy I touched on. The UNA has just launched a new project on the management and administration of the UN. Here again we are tackling, head-on, a problem that has sapped confidence in the UN system. In terms of its potential contribution to the rebuilding of public confidence in the UN, this could be one of the UNA's most valuable initiatives. With the help of a preliminary grant from the Ford Foundation, we brought together last spring a group drawn from a number of the permanent missions in New York as well as from the U.S. government and the UN secretariat. Speaking as a pretty experienced bureaucrat myself, I have been greatly impressed by the seriousness and objectivity of their deliberations.

Happily, we now have in Javier Pérez de Cuellar a Secretary-General who welcomes a searching examination of the way the UN manages its affairs. Although he was prevented by a critical development in the Iran-Iraq situation from attending a meeting on the subject in which he had planned to participate, we did discuss it with his principal advisers and were assured of their cooperation. With adequate follow-on financial support, this is another area in which the UNA can make a major contribution.

In general, and in the broadest terms, the gap between UN potential and UN performance is in part a consequence of a failure of U.S. leadership itself. This country's practice, I am sorry to say—and this is not a comment aimed only at the present administration—has been to measure our success at the UN solely in terms of our ability to defeat votes critical of ourselves and our friends. We have not kept score on the basis of our success in carrying out the U.S. agenda because we have not had an agenda.

This state of affairs should be remedied. The United States should be taking the initiative, not simply reacting to the initiatives of others. As the nation with the largest stake in the preservation of global stability, whatever strengthens world order is in our interest. Whatever strengthens the UN, therefore, is in our interest. And the way to strengthen the UN is to use it.

If you want to build a stronger structure of peace and stability in the world, you do not, as in the Malvinas-Falklands crisis, rush into an exercise in shuttle diplomacy and call on the UN Secretary-General to use his good offices only after the exercise has failed. You do not dispatch a great-power expedition to Lebanon and then, when the foreseeable reaction has forced its withdrawal, think belatedly of substituting a UN peacekeeping force. You do not act unilaterally in Nicaragua without first having exhausted the effort to build a structure based on Article 52 of the UN Charter under which the countries of the region commit themselves to resist Soviet/Cuban intervention.

The U.S. has the unique capacity—and the corresponding responsibility—to take the lead in creating a world order in which individual human beings are enabled to live their lives as free as possible from the threats of war and famine and oppression. Having failed to make clear how we propose to address these problems, the United States has no solid basis for criticizing the shortcomings of the UN. We owe it to ourselves—we owe it to the community of nations—to go before the UN with clearcut proposals for countering these threats. We owe it to ourselves—we owe it to the community of nations—to fight for these proposals. We owe it to ourselves—we owe it to the community of nations—to do our utmost to win the understanding and support of our critics and opponents.

You, the members of the Capital Area Division of the UNA-USA, and especially those of you who have been honored here tonight, have long been doing your part to support and defend the purposes of the UN. You deserve to take enduring satisfaction in the contributions you have made. I hope you will feel inspired to do even more in the years ahead.

Thank you very much.

A TRIBUTE TO ADM. HENRY E. ECCLES

Mr. PELL. Mr. President, the U.S. Navy has a long and proud tradition of producing from its ranks not only courageous and enterprising warriors, but also thoughtful, brilliant, and eloquent analysts and theoreticians who develop strategic and tactical concepts that ultimately shape our Nation's Naval forces.

Some of the outstanding examples of the U.S. Navy's great intellectuals have been Stephen B. Luce, Alfred Thayer Mahan, and William S. Sims.

I pay tribute today to a retired Naval officer who stands in the forefront of that great tradition, Rear Adm. (Ret.) Henry E. Eccles. Admiral Eccles, a graduate in 1922 from the U.S. Naval Academy, served on active duty in the Navy with great distinction for 30 years. His active duty service included 12 years of submarine duty and service on destroyers, cruisers, and battleships. Assigned to the Asiatic Fleet at the outbreak of World War II, he saw combat duty as a vessel commander, and then was deeply involved in the complex problems of base development and logistics planning and operations for campaigns in the Pacific.

Admiral Eccles was awarded, in recognition of his service in those years the Navy Cross, the Silver Star, the Legion of Merit, and the Netherlands Order of the Bronze Cross, before his retirement from active duty in 1952.

Perhaps more importantly, however, his service and experience in active duty provided the basis for his extraordinary contributions to theoretical and strategic thinking in all of the many years since his retirement.

As with Luce, Mahan and Sims, Admiral Eccles has produced his influential books, essays, and lectures in Newport, RI., where he has been closely associated with the Naval War College as a confident and advisor to War College presidents, as a lecturer, author, and conductor of seminars.

Admiral Eccles is best known as the Navy's earliest and most persuasive and influential exponent of the science of military logistics. While still on active duty, he established the Logistics Department at the Naval War College, and pursued the same subject after his retirement.

His understanding of the importance of logistics in warfare has led Admiral Eccles to perceptive analyses of the strong links of interdependence between a nation's defense capabilities and the strength and capacity of its private-sector economy, and between military strength and effectiveness and foreign policy and diplomacy. And his forceful and energetic presentation of his views has made him one of the most influential of the strategic thinkers of this century.

Through the years, I have myself frequently had the benefit of Admiral Eccles intelligent, perceptive and informed analyses of our Nation's military and political position in the world and I have always found it original, provocative, and highly useful.

Recently illness has caused Admiral Eccles to leave his home of many years in my home city of Newport, RI. We miss him mightily as a neighbor, but continue to look for his continued contributions to the theoretical structure which must underlie effective national defense.

THE URGENCY OF A COMPREHENSIVE BAN ON NUCLEAR EXPLOSIONS

Mr. PELL. Mr. President, earlier today, I and a number of my colleagues recalled the devastation of Hiroshima 40 years ago by the first atomic weapon used as an instrument of war. That recollection made some of us acutely aware of how much remains to be done if we are ever to get nuclear weapons truly under control.

This past week brought us stark evidence of the sorry plight of nuclear arms control as both the Soviet Union and the United States handled the test ban issue so capriciously.

Unfortunately, the way the offers and the rejections were made by both sides left the impression that the superpowers are still engaged in "grandstanding" about serious arms control issues. It would be most reassuring if each side were willing to take a fresh look at the offer of the other side and weigh it carefully before reacting. I hope they do not consider the matter closed.

In regard to the Soviet offer, I recognize that there are pitfalls to be avoided. We would need to be sure that verification was adequate, and we would have to ensure that a moratorium was not allowed to substitute for what should be the goal of both sides—a mutual and verifiable ban on nuclear explosions. Nonetheless, I believe that we should look upon the Soviet offer as an indication that they are seriously interested in sitting down at the negotiating table to see if agreement is possible on a test ban. We should not allow the opportunity to be lost.

Mr. President, there is no question in my mind that a mutual and verifiable ban on nuclear explosions is very much in the national interest of the United States. Unfortunately, the administration decided early in its first term to abandon the longstanding U.S. quest for a comprehensive ban on explosions. The administration also decided that it would not support Senate approval of two yet-unratified testing agreements—the Threshold Test Ban Treaty of 1974 and the Peaceful Nuclear Explosions Treaty of 1976. Both treaties were concluded by Republican Presidents and have received bipartisan support. For more than 2 years, the United States has sought expanded verification provisions in the two treaties, which already include unprecedented verification, and the Soviets have said ratification must precede talks on additional verification measures. The result is an impasse that continues to this day without any good prospect of resolution.

Unless some way is found to regain momentum, we could pay a very high price. A total of 124 nonnuclear weapons States have forsworn nuclear weapons in the Non-Proliferation Treaty based on a pledge of the nuclear weapons States that they would strive to bring an end to testing. Those nations will gather in September for the 5-year review of the treaty. We and the Soviets have scant little to tell them about our efforts to put an end to testing. Can anyone doubt that a decision by other nations that the superpowers are not doing anything and that they should get their own nuclear weapons would very quickly place the world in far greater jeopardy?

Mr. President, if we want progress, I believe that we should agree with the Soviets to begin negotiations at the earliest possible time. In those negotiations, we should explore all feasible avenues toward successful verification, including the exchange of inspection teams.

I do not believe that a mutual moratorium of reasonable duration would adversely affect our national security. Our ability to detect and measure testing has improved substantially in recent years. In addition, we could seek early exchanges of data and agreement upon other reasonable steps to enhance verification and reassure the sides during a moratorium.

Mr. President, some abhor the thought of a moratorium on nuclear testing simply because the Soviets have proposed it. I sometimes think that the Soviets should be urged to have only bad ideas, since Soviet support can taint a good idea, particularly in the field of arms control. Nonetheless, I believe that we should not reject a moratorium out of hand. It would be far more sensible to put the Soviets to the test of working with us to fashion a moratorium of a duration consistent with our national security interests. Such a moratorium must, of course, be mutual and must be adequately verifiable, consistent with our needs during its duration.

In this connection, I should note that many believe that the Soviets broke the terms of a testing moratorium before agreement was reached on the Limited Test Ban Treaty of 1963. On this basis, some argue that a moratorium shouldn't be attempted again. This judgment is based on a fundamental misreading of the facts. We, the British, and the Soviets agreed in October 1958, to suspend testing while test ban negotiations were pursued. In December 1959, we announced that we were ending our formal moratorium, thus releasing the others from their obligation to us. We and the Soviets began preparing for tests. The Soviets resumed atmospheric testing on September 1, 1961, and we resumed underground testing 2 weeks later. We were quite surprised by the magnitude of the Soviet testing program, but had no reason to believe that they were bound not to resume nuclear testing. The record thus demonstrates that the Soviets adhered to the only testing moratorium to date, rather than the reverse.

Most importantly, whether there were a moratorium or not, we should resume negotiations on a comprehensive ban started in the previous administration. Those negotiations were very productive. By 1979, almost all issues had been resolved or appeared resolvable. The sides were moving toward agreement that tests would be stopped in a treaty, that a moratorium would be placed indefinitely on so-called peaceful nuclear explosions, that national seismic stations would be placed by the United States and the Soviets on each other's territory and that there would be a system of challenge inspections.

Mr. President, it has been so long since we have gotten anywhere in arms control that I sometimes think we have forgotten the vital contribution arms limitation can make to our national security. There is no question in my mind that it would be tragic if we were to abandon our goal of a test ban. I believe we can achieve a test ban if both sides are willing. It is an opportunity waiting to be grasped. We would be wise to recall the example of President Kennedy, who, in 1963, seized upon an opportunity and, within a matter of weeks, concluded agreement on the first testing treaty. Fortunately, it is not too late for us to show similar wisdom and to conclude the effort he started.

TRIBUTE TO EDWIN CRAIG WALL, SR.

Mr. THURMOND. Mr. President, I rise today to pay tribute to a distinguished entrepreneur and philanthropist from South Carolina, Edwin Craig Wall, Sr., who died April 8, 1985. To his wife, May Wall; his son, E. Craig Wall, Jr., and his three daughters, Harriet Martin, May Wall, and Nell Otto, and indeed the entire Wall family, I extend my deepest sympathy.

Edwin Craig Wall, Sr., was born on February 14, 1911, in Lilesville, NC. He graduated from Lilesville High School with the class of 1928. Though he never earned a college degree, he was an example of the reality of the American dream. Coming out of a rural southern town paralyzed by the depression, he began a lumber business in Conway, SC, that grew rapidly and provided jobs for many citizens and economic growth for South Carolina.

Wall was a resourceful businessman. His company, Canal Industries, Inc., expanded in new areas and turned waste lumber into tomato stakes and step ladders, bark and sawdust into charcoal briquets, and fumes from his machinery into lumber-drying steam.

Through Canal Industries and its affiliated entities, Mr. Wall became involved in land development, management, and retailing. By financing other business ventures, he played a major role in the development of the "Grand Strand" along the South Carolina coast. One of his best known investments was Waccamaw Pottery, a huge outlet mall that has attracted millions of tourist dollars to the coastal area of the State, again providing much needed jobs and economic stability.

Craig Wall was not only an entrepreneur, but was a public servant as well. A registered forester and a pioneer in conservation work, he was long active in forestry organizations on the county, State, and national levels. For his community service, he was honored with the American Legion Outstanding Community Service Award in 1971 and the Boy Scouts' coveted Silver Beaver Award in 1960. He served on the board of directors of Conway Hospital and was trustee of the Belle Baruch Foundation in Georgetown, SC.

In the business community, he was director of the Peoples National Bank in Conway, SC, and served on the general board of directors for the C&S National Bank of South Carolina. He held a seat on the Federal Reserve Board of Richmond from 1972 to 1978.

Mr. Wall's interest in higher education reached across the Carolinas. He served on the board of visitors for Davidson College in North Carolina, Clemson University, and Presbyterian College in South Carolina, and was on the board of trustees at Queens College in Charlotte, NC. He was instrumental in the founding of the Coastal Carolina branch of the University of South Carolina. From 1967 to 1971 he was chairman of the South Carolina Higher Education Commission.

Mr. President, I would like to call to the attention of my colleagues the outstanding accomplishments of this man, since he is a typical example of one who has succeeded in realizing the opportunities that America offers and who has rendered great service to humanity.

CRISIS FACING AMERICA'S TEXTILE INDUSTRY

Mr. THURMOND. Mr. President, there is a growing crisis facing America's textile industry. With each week that passes, the flood of cheap imports grows enormously. The American textile/fiber/apparel market is literally being buried under a tidal wave of unfairly subsidized products against which high quality American products cannot compete.

America has a long and proven history of innovation and the ability to not only withstand competition, but to successfully compete in its own right. Not long ago, I introduced S. 680, a bill which would make major strides in saving America's textile industry if passed. For a long time I did not introduce this legislation in the hopes that a commitment made to me in 1980 by President Reagan would be realized. I feel certain the President is a man of his word. However, I believe his advisors have failed to present him with a true picture of the devastation which is threatening to obliterate our textile industry within the next decade. In my continuing effort to provide an accurate description of the industry and its rapid deterioration, I have been submitting a series of articles for the record so that my colleagues can read this for themselves.

Mr. President, the textile industry is becoming an endangered species. If present import levels are not reduced, by 1995 there will be no more textile industry. This sad tale of unfair foreign competition is revealed in this article from the Florence, SC, Morning News on Thursday, July 18, 1985, which I ask unanimous consent be printed in the Record for consideration by my colleagues.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Florence Morning News, July 18, 1985]

Imports a "Killer" for U.S. Textile Industry

Camden.—Sam the Detective discovered what was killing Dolly's dress sales: imports.

A humorous skit presented Wednesday by the S.C. Textile Manufacturers Association brought home the message that American-made goods mean more jobs and greater buying power for Americans. When Dolly began purchasing foreign-made dresses because they were cheaper, a local dress plant closed. Workers were laid off, so they had no money with which to shop.

Sam, who was really an out-of-work economics professor, pointed out the domino theory applies to business. If one is affected, the whole country is ultimately involved.

The textile association is promoting a program they hope will make the public more aware of American-made products. "Crafted With Pride in the U.S.A." will soon be seen on a lot more items, such as textiles and clothing.

The group sponsored a breakfast presentation for retail merchants and the media.

Its purpose was to promote a nationwide campaign to recognize American goods.

Dick Demarest, plant manager of the DuPont May Plant, said the association is trying to save American textiles. "The textile industry has been seriously damaged by imports. In 1984, imports increased by 34 percent," he said.

To bring the figures closer to home, he told the group that 18 textile and apparel plants in South Carolina closed last year. that meant 5,400 employees were laid off.

"The economy of the United States is hurt by imports," he said, noting there are 2 million textile-related jobs in the country. The group is not opposed to imports, but it was opposed to "the outrageous growth of imports in the past three of four years," he said.

American consumers prefer articles made in this country, he said. The Crafted With Pride program was initiated to make consumers aware of the need to purchase U.S. goods.

"The U.S. textile industry is the most productive in the world. It can be the most competitive if we are allowed free trade." Demarest explained that the textile association is pushing for legislation to control the amount of imports allowed in this country.

"We are asking the merchants of South Carolina to support us in the Crafted With Pride program," he said. The label, which features a red, white and blue star, will help consumers find goods made in America.

Monnie Broome, chairman of the S.C. Crafted With Pride committee, explained a new promotion for merchants. The Gold Seal Merchants Program will recognize those merchants whose stores carry 75 percent or more American-made goods. After taking a survey of their stock and having it verified, the merchants will be eligible for benefits such as promotional materials and advertising.

Banners, display ads, radio jingles, camera-ready logos for advertising, hang tags, and other promotional items will be sent to the Gold Seal Merchants. Articles will be sent to newspapers to help promote the Made in America theme.

After Broome's presentation, a panel fielded questions from the audience. Besides Demarest and Broome, the panel consisted of Terry May, director of public affairs for Milliken, and Ron Copsey, director of public relations for J.P. Stevens.

Asked whether fabric manufacturers are using the Crafted With Pride in U.S.A. labels, Copsey replied that the movement is not as strong as the committee had hoped. All clothing contains labels stating the country of origin, but the idea is to establish a sensitivity in the consumer for made-in-America products.

The panel revealed some interesting facts about textile manufacturing in this and other countries. Demarest said the commerce department does not have good data about foreign textiles. In other countries, the governments keep track of all such information. In fact, foreign governments are partners with industry and help subsidize many of them. Here, the government is often an adversary of business, he added.

May said there is no such thing as free trade in this country, because American manufacturers cannot carry textiles into Taiwan, Hong Kong, and China. On the other hand, those countries are free to bring goods here.

The association is pushing a bill in Congress that calls for the orderly growth of imports.

Broome explained why many American textile manufacturers use foreign-made equipment. In the '50s and '60s, American manufacturers decided they had the best technology in existence, so they abandoned research and development on new machinery. Governments in many foreign countries subsidized research for industry, and advances were made in equipment.

"Now we are trying to catch up," he said. "We have to buy foreign equipment because it is not available here."

Broome ended his remarks on an optimistic note. "We are the most productive industry in the world. We are going to survive and press forward."

Copsey said the message to the public is a vital part of the program. Commercials with well-known actors will be shown in selected areas to make people aware of the importance of buying American textiles.

The key to success, according to Broome, is for the retailer to give the consumer a choice. American consumers will buy American products if they have the chance, he said.

He earlier quoted Sam Walton, the founder of Wal-Mart: "We must realize that our American workers are our No. 1 customers."

CANADIAN SOFTWOOD LUMBER IMPORTS

Mr. BAUCUS. Mr. President, the Commerce Department recently announced trade statistics for the first 6 months of 1985. We ran a $70 billion deficit—larger than ever before.

This huge deficit represents millions of jobs lost and key industries endangered.

One such industry is the forest products industry.

Despite the fact that we have plentiful resources and the most efficient producers in the world, the industry is endangered by a flood of Canadian imports.

In my home State of Montana, the problem is severe.

The forest products industry has been a mainstay of Montana's economy since 1845, when Father Anthony Ravalli erected our first sawmill at St. Mary's Mission in the Bitteroot Valley.

Today we have hundreds of logging operations and lumber mills. They account for thousands of jobs, and about half the income in western Montana.

We're proud that our American sawmills are the most efficient in the world.

U.S. sawmill workers have made great sacrifices to maintain that competitive edge. In fact, our workers allowed their wages to be frozen during 1981 and 1982 so that their mills could survive the recession.

Nevertheless, the U.S. industry faces hard times.

Between 1979 and 1983, labor income in the Montana forest products industry fell by 17 percent.

During roughly the same period, 9 Montana sawmills closed and 2,700 forest products workers lost their jobs. This April, Louisiana Pacific closed its Trout Creek mill and many more workers became unemployed.

The same fate has befallen forest products workers all over the country, from Maine to Georgia to Oregon.

THE STUMPAGE PROBLEM

This disruption results from a direct attack, by the Canadian Provinces and their subidized lumber mills.

As the Wall Street Journal reported this morning, Canadian imports have risen 13 percent this year. They now account for 32 percent of U.S. softwood consumption. In Montana, they account for about 40 percent.

The primary reason Canadian imports have risen so high is Canada's stumpage practices. As the International Trade Commission found in 1982, Canadian lumber mills have been able to expand their share of the United States lumber market by paying cheap prices for the right to cut timber on Government-owned land.

In the United States, this stumpage price is set by either an open auction or competitive bids.

In Canada, nearly all the timberland is owned and controlled by provincial governments. They set the price at whatever level they think necessary to keep Canadian lumber mills open and Canadian workers employed.

This policy has a dramatic impact on the U.S. industry.

THE 1982 DECISION

After the ITC studied the issue in 1982, a group of U.S. producers brought a countervailing duty action, charging that Canadian softwood imports were benefiting from illegal subsidies.

The Commerce Department rejected this petition. The cornerstone of its decision was the legal conclusion that stumpage was generally available because it was provided to the furniture industry and other wood products industries.

Since that time, one court has questioned whether—as the Commerce Department assumed—there is an implicit general availability requirement in our countervailing duty law. Even if there is, it seems absurd to interpret it the way Commerce did, permitting availability to a few related industries to constitute general availability.

In any event, subsequent events have made the true nature of Canada's stumpage practices crystal clear.

Canadian production levels are high. And U.S. consumption levels are high. Given this situation, the free play of economic forces should result in high Canadian stumpage prices.

But that has not happened. To the contrary, Canadian stumpage prices have fallen dramatically since 1982, allowing the Canadian mills to expand their U.S. market share even further. This has undermined U.S. lumber prices, reduced the profitability of

U.S. lumber companies, and increased forest products industry unemployment.

Mr. President, the administration and Congress are again considering how to address this critical issue.

I believe that we should address it quickly and decisively. We should revise our countervailing duty law, to make clear that artificially low stumpage prices are illegal trade subsidies. I have introduced two bills—S. 982 and S. 1292—that would accomplish this. The distinguished chairman on the Energy Committee, Senator McClure, also has introduced legislation that would accomplish this.

THE ITC STUDY

An important part of our current effort is the International Trade Commission's update of its 1982 study.

Last week, the ITC held a hearing to gather testimony for this update. I had the privilege of testifying at this hearing, along with Congressman Bonker of Washington, Congressman Weaver of Oregon, and Congressman Craig of Idaho.

Also presenting testimony was Mr. Stanley Dennison, chairman of the U.S. Coalition for Fair Lumber Imports. Mr. Dennison's testimony persuasively explains the harm that unfair Canadian stumpage subsidies are causing United States producers. As he says, "Free trade is fair trade and this implies that there is balance and equality in trade practices. We think something should be done to restore fair play for the American industry."

Mr. President, the Canadian softwood lumber imports will be one of the most urgent ones confronting us when Congress returns. I look forward to helping the Finance Committee and the full Senate achieve decisive resolution of the issue, so that we can move on to consider other important United States-Canadian trade issues, such as the negotiation of a free trade agreement.

I ask unanimous consent that a copy of Mr. Dennison's testimony be inserted in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Testimony of Stanley Dennison

Good morning Madame Chairwoman and fellow Commissioners, I want to thank you for the opportunity to be here to discuss today's North American softwood lumber industry. I am Stan Dennison, Executive Vice President—Building Products for Georgia-Pacific Corporation and I am also Chairman of the U.S. Coalition for Fair Lumber Imports which represents landowners and manufacturers from every region of the country.

Georgia-Pacific is not only one of the largest manufacturers of American lumber but, to our knowledge, we are also one of the largest importers of Canadian lumber. Last year, according to our records, Georgia-Pacific purchased about 1.5 billion board feet of Canadian lumber at a cost of nearly 400 million dollars.

Georgia-Pacific has remained neutral in this controversy for a long time because of our position as both a manufacturer and importer. We have always supported policies and legislation that encourage fair trade.

We can no longer remain neutral—even though a reduction of Canadian imports could prove costly to Georgia-Pacific. These imports have reached levels that are causing a liquidation of our U.S. industry.

Today, low-cost Canadian imports account for close to one-third of all softwood lumber consumed in this country. In 1975, the Canadian lumber imports accounted for almost 19 percent of U.S. markets. In 1984 this percentage rose to more than 32 percent and it appears it will increase to 35 percent during 1985. That's overdoing the generosity of the American market.

Why are these percentages escalating? The answer is that Canadian lumber enjoys a delivered cost advantage mainly due to very low stumpage price. More than 90% of Canadian lumber production comes from federal or provincial government lands. The provincial governments use appraisal and selling methods that result in little or no cost of stumpage to the Canadian producer.

Canadian governments essentially set stumpage prices so low that Canadian lumber can be sold in the U.S. at whatever prices are needed to be competitive, regardless of how close American mills are to their own local markets. For example, stumpage prices in British Columbia interior, the largest exporting area to the U.S., are below the U.S. market in the South by $117 per thousand board feet.

In our country, one-third of timber production comes from government lands, one-third from company-owned lands, and one-third from private lands . . . where the assessed value of timber is based on bidding at competitive auctions. The differences are far too great . . . and exist because of Canadian government subsidies that U.S. producers do not enjoy from our own government. This is disrupting markets for our nation's forest products industry and is not fair trade.

In 1984, lumber consumption in the U.S. was the highest ever, yet increases in Canadian lumber imports devastated our American industry.

In just the last six years, more than 250 U.S. sawmills have closed . . . we estimate approximately 27,000 jobs have been lost because of Canadian imports. Georgia-Pacific closed a major sawmill in Arkansas because we were unable to realize sufficient prices to yield adequate profit.

It is rather staggering to close a Southern pine mill in Arkansas, while softwood from interior British Columbia is thriving in the same market.

The U.S. softwood lumber industry is as efficient as any in the world. Even in the face of dismal financial performance, the industry has invested heavily and improved productivity.

However, if Canadian lumber imports continue to flood into the United States, the resulting decline of the return on capital will be insufficient to justify continued investments in the U.S. softwood lumber industry. We will see even further liquidation of our American industry.

Moreover, if imports continue to come into the U.S. at the rate they are now, they will depress the price of stumpage in this country to the point that millions of private tree farmers will stop planting because they cannot get a fair return on their money.

Our forests wil not be replanted. They will not grow and provide income for the American tree farmer, the logger, the truck driver, the sawmill owner, and the industry's shareholder.

We have no objection to Canadian lumber being imported into this country. It's good lumber, as our own lumber is, but the situation is unfair.

Free trade is fair trade and this implies that there is balance and equality in trade practices. We think something should be done to restore fair play for the American industry.

We respectfully ask that you examine the facts of this situation and the destruction that is occurring in our domestic lumber market for U.S. producers. . . or there will be few American lumber producers left to compete in world markets.

SUPPLEMENTARY EXTRADITION TREATY BETWEEN UNITED STATES AND UNITED KINGDOM

Mr. TRIBLE. Mr. President, today I chaired a hearing before the Foreign Relations Committee to receive testimony on the recently signed Supplementary Extradition Treaty between the United States and the United Kingdom. The Honorable Lowell Jensen, Deputy Attorney General, and the Honorable Abraham Sofaer, legal adviser for the Department of State, testified in support of the treaty. In September, the committee will hold a second day of hearings to provide public witnesses an opportunity to testify.

It was my view that giving the public witnesses until September to prepare testimony would ensure a full airing of the issues this treaty presents. To this end, I asked the administration to appear today in order that their analysis of the treaty and the arguments in support of the treaty would be available at the earliest possible date. It's my hope that the public witnesses will comment in detail on the administration's views.

Mr. President, Mr. Jensen and Judge Sofaer have done an excellent job of presenting the case for this treaty and I find their arguments compelling. For the benefit of my colleagues, as well as for those who will appear before the committee in September or wish to submit written comments to the committee on the treaty, I ask unanimous consent that Judge Sofaer's and Mr. Jensen's statements on the treaty be inserted in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement of D. Lowell Jensen, Deputy Attorney General

Mr. Chairman and Members of the Committee, I appreciate this opportunity to testify in support of the Supplementary Extradition Treaty Between the United States and the United Kingdom.

With the entry into force of the Jay Treaty in 1794, the United Kingdom became our first extradition treaty partner. Since then it has remained one of our best partners in extradition. Extradition treaties are invaluable law enforcement tools that must be periodically updated to reflect the advent of new crimes or new trends in both law enforcement techniques and in the commission of old, familiar crimes. The various treaties and supplements thereto governing extradition relations between the United States and the United Kingdom have been revised and updated on numerous occasions to meet the evolving needs of our respective countries during the past 191 years.

The 1985 Supplementary Extradition Treaty, which amends several provisions of the 1972 United States-United Kingdom Extradition Treaty, is designed primarily to address an issue of concern to all civilized nations: terrorism. The issue of terrorism is of particular concern to the United States and the United Kingdom since the citizens of our two countries are primary targets of international terrorism.

The 1972 United States-United Kingdom Extradition Treaty bars the extradition of persons whose crimes are deemed to be political offenses. While this term has defied comprehensive definition, American courts have uniformly construed "political offenses" to mean those that are incidental to severe disturbances such as war, revolution, and rebellion.

In recent years there have been four cases involving requests by the United Kingdom for the extradition of Irish Republican Army members charged or convicted of terroristic crimes. The fugitive in the first such request had caused an explosion in a British army barracks in Yorkshire, England that injured a civilian.

The IRA member in the second request had attempted to murder a British soldier who was a member of a plain-clothes intelligence patrol in Belfast.

The *third* request was for a convicted IRA member (William Joseph *Quinn*) who is charged with murdering a twenty-one year old, plain-clothes, off-duty police constable in London; sending letter bombs that caused severe injuries to their recipients; placing an explosive device in the London area; and with conspiracy to cause explosions that were likely to result in the indiscriminate killing of civilians in the London area.

The fourth request was for an IRA member who, with several IRA associates, planned an ambush of a British army convoy. In furtherance of that scheme they commandeered the home of a Northern Irish family whose house overlooked the route to be followed by the convoy. Alerted to the proposed ambush, British Security Forces stormed the house. During the ensuing melee, this IRA member shot and killed a British officer. Caught, convicted, and sentenced to life imprisonment, he became one of twelve jailed IRA members who somehow obtained weapons and escaped from H.M. Prison, Crumlin Road, Belfast. They left behind several severely wounded guards.

In each of the four cases described, the fugitive claimed that the unsettled political situation in Northern Ireland constituted a "war, revolution, or rebellion" and that his offenses qualified for treatment as "political offenses." The United States courts have accepted this argument in all but one case (Quinn) which is currently on appeal before the Ninth Circuit Court of Appeals.

The British Government has concurred in our view that it is unacceptable that a criminal may commit a heinous offense which shocks the sensibilities of all decent people; flee the country which he has terrorized; and find safehaven in another country by labelling his crime a political offense. The United States cannot condemn terrorism committed abroad against our citizens and then provide shelter on these shores for perpetrators of such atrocities against citizens of other countries.

Article I of the 1985 Treaty lists a variety of crimes associated with terrorism that are so destructive of society that under no circumstances should they be considered as "political offenses" for which extradition may be denied. Thus, terrorists committing such crimes as aircraft hijacking and sabotage, crimes against diplomats, hostage taking; and other heinous crimes, such as murder, manslaughter, malicious assault, and certain offenses involving firearms, explosives, and damage to property, would no longer be able to hide behind the political offense exception to avoid extradition from either this country or the United Kingdom. Once the Supplementary Extradition Treaty enters into force, terrorists wanted by the United States or the United Kingdom, who are found within the territory of either, can expect swift and certain justice for their crimes.

I shall now highlight other provisions of the 1985 Supplementary Extradition Treaty.

Article II provides that the statute of limitations of the Requesting Party only, shall be applied in determining whether extradition is time barred. In the past, a fugitive has been able to claim that even though he committed a crime in the Requesting country, his extradition should be barred because the Requested country's statute of limitations would prevent his prosecution for the offense. This provision is standard in our new treaties.

Article III expands from 45 to 60 days the time by which a formal extradition request and supporting documents must be submitted by the Requesting Party to the Requested Party following the provisional arrest of a fugitive by the Requested Party. This will provide more time for the preparation and transmittal of documents for the increasingly complex crimes for which extradition is being sought by the United States and the United Kingdom. This increase in time is more in line with the provisions of our other extradition treaties negotiated in the last ten years.

Article IV provides that the Supplementary Treaty shall apply to any offense committed before or after it enters into force, except an offense which was not a crime under the laws of both Parties at the time of its commission. Such provisions have become standard in our more recent treaties.

Mr. Chairman and Members of the Committee, the Department of Justice joins the Department of State in urging the swift advice and consent of the Senate to ratification of this Supplementary Extradition Treaty between the United States and the United Kingdom.

I would be pleased to respond to any questions the Committee may have.

Statement by Abraham D. Sofaer

Mr. Chairman, members of the Committee, I am honored to appear before you to testify on the Supplementary Treaty Concerning the Extradition Treaty Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland. This treaty was signed on June 25 and transmitted to the Senate on July 17.

This is my first appearance before this Committee as Legal Adviser to the Department of State. Since my confirmation, I have had the pleasure of consulting with individual Senators on a number of issues before the Department. I look forward to ongoing development of this constructive working relationship.

Mr. Chairman, the Supplementary Treaty addresses a problem with which this Committee is all too familiar: the difficulty of combating international terrorism. Nearly every day, a new terrorist assault occurs somewhere in the world. The object of such atrocities is to use terror and fear to attract media attention and to coerce governments into capitulating to terrorist demands.

The public, both in the United States and in other civilized nations, is distressed and angry over the inability of governments to bring these criminals to justice. Indeed, many of our own legislators have expressed their impatience with the difficulties of capturing and punishing terrorists in foreign countries. This widespread frustration has given ruse to calls for extreme measures to prevent terrorist acts of violence and to punish their perpetrators.

Mr. Chairman, I share this sense of frustration. While we must resist demands that we—like the terrorists—act in disregard of the law, the Department of State, in cooperation with the Department of Justice and other federal agencies, is committed to developing new tools to fight international terrorism effectively and in a manner consistent with our legal traditions and social values. Toward this end, the Departments of State and Justice, acting jointly, took the initiative to negotiate this Supplementary Extradition Treaty.

The most important aspect of the Supplementary Treaty is that it explicitly identifies particular crimes—such as airplane hijacking and murder of diplomats—that may no longer be regarded as political offenses excepted from the extradition process that exists between the U.S. and its historic ally the United Kingdom. The Supplementary Treaty recognizes that terrorists who commit the specified, wanton acts of violence and destruction should not be immune from extradition merely because they believe they were acting to advance a political objective.

Mr. Chairman, I will begin by reviewing the provisions of the Supplementary Treaty and their relationship to the existing U.S.-U.K. extradition treaty. I shall then discuss the origin and evolution of the political offense exception and the urgent need to implement a version of that doctrine in relations with the United Kingdom that advances rather than retards the human values and other interests historically served by international law.

PROVISIONS OF THE SUPPLEMENTARY EXTRADITION TREATY

The Supplementary Extradition Treaty amends the Extradition Treaty between the United States and the United Kingdom, signed at London on June 8, 1982. The Supplementary Treaty contains four substantive articles. Article 1 addresses the political offense exception; Article 2, the statute of limitations; Article 3, the time limit within which documents must be submitted in support of an extradition request following a provisional arrest; and Article 4, retroactive application of the treaty.

Article 1 of the Supplementary Treaty amends the political offense exception to extradition, contained in Article V, paragraph (1)(c) of the current extradition treaty, by identifying particular crimes that shall not be regarded as offenses of a political character. The crimes listed are those typically committed by terrorists: aircraft hijacking and sabotage; crimes against internationally protected persons, including diplomats; hostage taking; murder; manslaughter; malicious assault; kidnapping; and specified offenses involving firearms, explosives, and serious property damage. These are not political acts, such as organizing, assembly, speech, or even espionage. They are heinous crimes, regardless of the motives of the perpetrators.

Recent events underscore the wisdom of this provision. Within the last two months, U.S. citizens have been the victims of almost every one of the types of terrorist acts excepted by the proposed treaty. How would we regard the argument that the murders of Robert Stethem on TWA-847 or of the Marine guards in El Salvador were "political offenses?" It is a shocking and disgraceful fact that criminals who commit these types of barbarous crimes against the citizens of other nations, and manage therefore to get to the U.S., are often able under current U.S. law, successfully to invoke the political offense exception and thereby escape extradition. Worst of all, in many cases in which the exception can be successfully invoked under present law, the United States is unable to prosecute the terrorists involved, because we lack jurisdiction for most offenses committed abroad. In such cases, the U.S. is limited to deporting such persons to some third country where they can continue to elude justice. The treaty amendment before you today would prevent such travesties of justice with respect to extradition requests between the United States and the United Kingdom.

Article 2 of the Supplementary Treaty amends Article V, paragraph (1)(b) of the current treaty to provide that extradition shall be denied if prosecution would be barred by the statute of limitations, of the requesting state. The current treaty permits the statute of limitations of either the requesting or requested state to bar extradition. The current formulation is included in several older extradition treaties. We have concluded, however, that the interests of justice are better served by applying the law of the requesting state—the place where the fugitive committed his crime—in determining whether his trial is time-barred. A criminal should not be able to avoid prosecution by fleeing to a country that has a shorter statute of limitations than the country in which the crime is committed.

Article 3 of the Supplementary Treaty amends Article VIII, paragraph (2) of the current treaty to provide that the requesting state shall have up to 60 days following the provisional arrest of a fugitive to submit evidence in support of its extradition request; if such evidence is not submitted within that time, the fugitive shall be freed. The current treaty allows only 45 days for submission of such evidence. Provisional arrest, a common feature of extradition treaties, allows the immediate apprehension of a fugitive from a foreign jurisdiction who might otherwise continue to elude capture, while at the same time requiring the foreign jurisdiction to substantiate its case within a reasonable time. We have concluded that 60 days is a more appropriate period, in light of the increasing complexity and volume of the documentary evidence necessary to substantiate requests for extradition. The full period, of course, will be used only if supporting documents cannot be prepared and transmitted in less time.

Article 4 provides that the Supplementary Treaty will apply to any offense committed before or after its entry into force; if the offense in question was committed before the Supplementary Treaty enters into force, it must have been an offense under the laws of both the United States and the United Kingdom at the time of commission. This is a standard provision in recent supplementary extradition treaties that the United States has concluded. Its purpose is to facilitate application of the changes effected by the Supplementary Treaty to prospective extradition requests for offenses committed in the past. The retroactive application of these procedural provisions is fully in accord with the U.S. extradition treaty practice.

Articles 5 and 6 are technical provisions that provide for the territorial application of the Supplementary Treaty, for its ratification, and for its entry into force.

ORIGIN AND EVOLUTION OF THE POLITICAL OFFENSE EXCEPTION

The overboard application of any concept, however enlightened, can lead to foolish and antisocial results. You will understand how the political offense exception has come to produce such results, by examining its evolution and true purposes.

First, the political offense exception is above all an exception. The basic tradition of international law applicable with respect to fugitives from justice is one of cooperation between nations to enhance their capacity to maintain the lawful order and security on which all liberty ultimately depends. The oldest known document in diplomatic history—a peace treaty between Ramses II of Egypt and the Hittite prince Hittusili III, concluded in 1280 B.C.—provided for the exchange of criminals of one nation found in the territory of the other. This principle of cooperation in extraditing fugitives has survived to modern times.

The great Eighteenth Century revolutions were based in part upon the notion that individuals have the right to engage in revolutionary political activity in pursuit of liberty. Those were times when today's democracies were ruled by Kings and Emperors, when universal suffrage did not exist, and when the mere open, verbal criticism of a ruler was frequently regarded as sedition or treason. In the wake of those revolutions, the emerging democracies of western Europe did not want to surrender to foreign sovereigns revolutionaries who had committed offenses in those nations in the course of exercising their political rights. The Jacobean Constitution of 1793, reflecting this revolutionary spirit, declared that the French people "grant asylum to foreigners banished from their countries for the cause of freedom." The same sentiment gave rise to the seminal provision in the Belgian extradition law of 1833, which provided that a fugitive "shall not be prosecuted or punished for any political offense . . ., nor for any act connected to such crime."

From its inception, the political offense exception has been applied without significant controversy to "pure" political offenses. Pure political offenses are those directly related to the security and structure of the state: sedition, treason, and the like. Governments and courts have had little trouble excepting these offenses from extradition. By contrast, application of the exception to "relative" political offenses has always been problematical. Relative political offenses are common, often violent crimes, such as murder and arson, whose perpetrators nevertheless claim immunity from extradition because their common, criminal acts were allegedly committed in a political context, or for a political purpose.

Claims of immunity from extradition based on "relative" political offenses have posed difficulties for civilized nations from the start. For example, in 1855, a Belgian court invoked the political offense exception to deny a French request for extradition of a fugitive who had placed a bomb under the railway over which Emperor Napoleon III was travelling. This decision led the Belgian legislature—the land in which the exception originated—to amend the 1833 extradition law to refuse to recognize as political offenses certain common crimes used by terrorists for political ends. The statute provided: "There shall not be considered as a political crime or as an act connected with such a crime an attack upon the person of the head of a foreign government or of members of his family, when this attack takes the form of either murder, assassination or poisoning."

This provision, known as an "attentat clause", gained widespread acceptance as a limitation on the political offense exception.

Courts have continued to grapple with the political offense exception through the years. For example, in 1891 Britain's Queen's Bench divisional court considered a Swiss extradition request for one Castioni, a fugitive who had shot and killed a State Council member in the course of an armed attack upon a municipal building. In a landmark decision, the Justices held that a criminal act was not protected under the political offense exception if committed merely "in the course of" a political conflict or uprising; it must also be done "in furtherance of" a political cause. The court found that Castioni had acted as a participant in an insurrection, that the shooting had occurred during this conflict, and that the shooting had in fact not been an act of personal malice against the victim. The Justices therefore ruled that the offense was political and denied extradition. American courts that have recently refused extradition have relied heavily on the ruling in Castioni.

Three years after Castioni, however, the British courts refined the doctrine. The French Government requested extradition of one Meunier, who had carried out bomb attacks on a crowded cafe and an army barrack. Meunier fought extradition by invoking the political offense exception. Justice Cave held that, for an offense to be judged political, "there must be two or more parties in the State, each seeking to impose the Government of their choice on the other." Meunier, the court found, was an anarchist who was the enemy of all organized society. Accordingly, he was not subject to the exception and was ordered extradited.

While Castioni, narrowly construed, may have made sense when it was decided, it makes no sense today to deny extradition to a nation such as Switzerland—with a democratic system of politics and a fair system of justice—of a man who willfully attempts to impose his will on the people through murder. If civilized society is to defend itself against terrorist violence, some offenses must fall outside the scope of the exception, even though they are politically motivated. The Meunier decision represents an early recognition that legal principles such as the political offense exception are based on the determination of sovereign nations to refuse for humane or ideological reasons to cooperate with other nations in the enforcement of criminal statutes. These principles do not create "rights" in the individuals that assert them. Each nation must decide how far to extend the doctrine based on its own values, and many have refused to shield from justice individuals who would destroy the freedoms and lives of others to gain political advantage.

A few examples should illustrate how harmful and unacceptable decisions of other nations can be, when they refuse to extradite Americans because of the political offense exception. In 1972, two American citizens, Holder and Kerkow, hijacked a domestic U.S. flight, extorted $500,000 from the airline that owned the plane, and forced the pilot to fly to Algeria. They were indicted in the United States for aircraft piracy, kidnapping, and extortion. The U.S. Government requested that France extradite Holder and Kerkow to this country to stand trial. Although the crimes were extraditable offenses under the U.S.-France Extradition Treaty, a French court denied extradition in 1975. The court noted that, at one point in the skyjacking, Holder had demanded that the plane be flown to Hanoi. He later dropped that demand. Nevertheless, the Court held that Holder's invocation of Hanoi demonstrated that he had acted out of a political motive, bringing the crimes within the scope of the political offense exception.

Another egregious example of overbroad application of the exception resulted from the hijacking in 1973 by five U.S. citizens of a domestic flight. They demanded, and received, $1 million in ransom for release of the passengers, and then forced the plane to fly to Algeria. Two of the fugitives had escaped from prison, where they had been serving sentences for murder and armed robbery. The U.S. Government sought extradition of the five from Paris in 1976 to stand trial for air piracy. But a French court refused to extradite the fugitives. It accepted their claims that they had hijacked the plane to escape racial segregation in the United States and that the charges against them constituted political persecution. The court therefore held that the skyjacking and extortion were political offenses.

In my view, some recent decisions in this country have applied the political offense exception as expansively and unreasonably as it has been applied against us by some nations. These recent decisions all concern Provisional Irish Republican Army (PIRA) fugitives, but our objections to them are based on principle and have nothing to do with the PIRA or other particular movements.

One such case involved Desmond Mackin, a PIRA member sought for the attempted murder of a British soldier. In that case, a U.S. Magistrate found that, at the time of the offense, the PIRA was conducting an armed uprising in the portion of Belfast where the crime was committed; that Mackin was an active member of the PIRA; and that the attack on the British soldier was incidental to Mackin's role in the PIRA's political uprising. The Magistrate therefore denied extradition. The decision was later upheld on appeal to the district court, and in a judgment of great significance the Second Circuit Court of Appeals refused to disturb the lower court decision, holding that the refusal of a court to grant extradition requests in certain contexts in not an appealable order.

A second case involved Joseph Patrick Doherty, who blasted his way out of a prison in Belfast while awaiting a court's decision on charges including the murder of a British Army officer. Doherty was convicted of murder and other offenses two days after his escape and fled to the United States. The United Kingdom sought his extradition with respect to his conviction on charges of murder, attempted murder, and possession of firearms with intent to endanger life, and on new charges relating to his escape. The latter charges included firearms offenses and inflicting grievous bodily harm on a prison officer. Based upon his review of Irish history and politics, a U.S. district judge concluded that a political conflict existed in Northern Ireland and that Doherty's offenses had been committed "in the course of and in furtherance of that struggle." The judge recognized that "it would be most unwise as a matter of policy to extend the benefit of the political offense exception to every fanatic group or individual with loosely defined political objectives who commit acts of violence in the name of these so-called political objectives." He nevertheless drew an exception for the PIRA, after an analysis of its nature, structure, and the mode of its internal discipline, concluding that it has "both an organization, discipline, and command structure that distinguishes it from more amorphous groups such as the Black Liberation Army or the Red Brigade." The judge thereupon declared that Doherty's offenses were political and denied extradition.

What the PIRA and other, less structured terrorist groups have in common is far more significant in applying the political offense exception than the ways in which they may differ. All these groups exhibit a willingness to engage in the indiscriminate killing of people to achieve political ends.

Mackin and Doherty are not the only cases granting political offense treatment to PIRA members. Since 1979, U.S. judges or magistrates have denied four British requests for extradition of PIRA fugitives accused or convicted of violent terrorist crimes. Each denial was based on the political offense exception to extradition.

The problem is not the magistrates or judges involved in these cases. Their opinions reflect sincere attempts to apply our extradition laws; and the view that these lower court decisions are not always appealable has obstructed the development of law through decisions of our highest courts. The basic problem is the law itself, insofar as it is being applied so that the United States has become a sanctuary for terrorist murderers.

This is an intolerable situation. We must not allow our country to become a haven for terrorists who belong to groups that use indiscriminate violence against the citizens of other countries—just as we expect that foreign governments should not harbor terrorists who commit violent acts against United States citizens.

Unsuccessful attempts have been made to amend our extradition statute. Those efforts differ significantly from the present one, in that they were based on changes in the political offense exception that would or could have been applied to any nation with which we have extradition relations, including some which have experienced political change or instability since establishment of those relations, and which may not permit opponents of the government in power any lawful means of political dissent. The present approach is more narrow, and carefully drawn. It seeks to remedy the overbroad application of the political offense exception through a particular agreement with the United Kingdom. The rationale for this new Supplementary Treaty is simple: with respect to violent crimes, the political offense exception has no place in extradition treaties between stable democracies, in which the political system is available to redress legitimate grievances and the judicial process provides fair treatment. While this particular agreement relates to the United Kingdom, we fully intend to negotiate—and are in the process of negotiating—similar agreements with other nations that meet these criteria.

The conditions for justifying extradition of political rebels who engage in common crimes of violence undeniably exist in both the United States and the United Kingdom. Members of the Republican movement who desire reunification have not been prevented from participating in the democratic political system in the United Kingdom. Indeed, the PIRA's close supporter, Sinn Fein, has participated in a number of elections in Northern Ireland and has secured a small proportion of the vote—just under 12 percent in the local elections held in May. A Sinn Fein member has been elected to one of Northern Ireland's 17 seats in Parliament, but has refused to take his seat. The violence is therefore not the result of a lack of opportunity to engage in the democratic process. It seems that extremists in the movement either reject the democratic system completely or are not confident of success at the polls. In any event, they conduct a campaign of violence. They have political rights, but they choose to act unlawfully.

Similarly, no one can seriously challenge the basic fairness of the British system of justice, even under the extraordinary situation that Britain has faced in Northern Ireland. To deal with that situation, the United Kingdom has developed special non-jury courts—commonly known as Diplock Courts—to try certain well-defined terrorist acts. Diplock Courts operate without a jury in order to eliminate the risk of jury intimidation and murders, especially likely in the trial of PIRA terrorists.

The absence of a jury does not mean the central principles of procedural fairness are not maintained: trials are held in open court; witnesses may be called and cross-examined; the burden remains on the prosecution to prove guilt beyond a reasonable doubt; the accused has a right to legal advice and representation; and the right of appeal is completely unfettered. The judge in the Doherty case recognized these facts. He found: "The Court . . . specifically rejects respondent's claim that the Diplock Courts and the procedures there employed are unfair, and that respondent did not get a fair trial and could not get a fair trial in the courts of Northern Ireland. The Court concludes that both Unionists and Republicans who commit offenses of a political character can and do receive fair and impartial justice and that the courts of Northern Ireland will continue to scrupulously and courageously discharge their responsibilities in that regard."

The Republic of Ireland also has non-jury courts for terrorist type offenses. Indeed, the Irish courts have recently decided to show their repugnance for IRA crimes by extraditing the PIRA terrorists arrested there to the United Kingdom.

Mr. Chairman, Secretary Shultz said last October that "the rule of law is congenial to

action against terrorists." We and the United Kingdom view this Supplementary Treaty as an important step in applying the rule of law to terrorism. The principle reflected in Article 1 of the Supplementary Treaty will establish a definite, workable rule for applying the political offense exception to extradition among stable democracies. It will also be consistent with the rules adopted in 1977 by the Council of Europe which authored the European Convention for the Suppression of Terrorism. That Convention established limits on the political offense exception virtually identical to those contained in this Supplementary Treaty. The United Kingdom is a party to the Convention without reservation, but it is open solely to members of the Council of Europe, and we are only an observer there. Nevertheless, in our search for a solution to the problems created by current applications of the political offense exception in U.S. courts, we looked to that Convention and concluded that its limitations were appropriate.

Mr. Chairman, I respectfully request that the Committee report on this treaty as a priority matter and that you recommend that the Senate give its advice and consent to ratification. I appreciate this opportunity to testify and will be pleased to answer any questions.

PROTECTING ANIMALS AGAINST INHUMANE TREATMENT

Mr. CHAFEE. Mr. President, the treatment of animals used in laboratory experiments is by no meams a new issue. It has, however, recently come to the forefront of public attention in the wake of disturbing revelations about the abuses at the University of Pennsylvania Head Injury Clinic. I am pleased that the National Institutes of Health has responded to public concerns by suspending funding for this clinic until a full investigation can be completed.

Abuses at the University of Pennsylvania are merely the most recent and visible example of a continuing problem: Current standards leave too much room for shoddy care and inhumane treatment.

Congress now has before it new legislation designed to tighten these standards. S. 1233, introduced in the Senate by Senator Dole, and H.R. 2653, introduced in the House by Representative Brown, would go a long way toward insuring that lab animals are properly cared for and humanely treated.

These bills represent a reasonable approach to a difficult problem. Certainly many research projects which have greatly benefited mankind might not have been conducted without some use of animals. While it is important for such efforts to continue, we most certainly should not condone the inhumane treatment of animals nor should we undertake experiments which sacrifice the lives of animals unnecessarily.

As a cosponsor of Senator Dole's bill, I urge my colleagues to support this important legislation. It would minimize the use of animals by directing researchers to consider alternatives. A new national information service would assist them in finding such alternatives, and would prevent unintended duplication of research. In those cases which require the use of animals, researchers would be directed to seek the least painful methods, and to use pain-relieving drugs and anesthesia to minimize the animals' distress.

Mr. President, until we can develop alternative methodologies, we will need to continue some use of animals in research. These projects have resulted in medical and scientific breakthroughs that have touched all of our lives, and have saved millions of others. But we can—and should—ensure that strict standards are in place to protect the subjects of such experiments.

This legislation represents a reasonable balance between the public's concern over the treatment of animals and the need to continue research which benefits us all. I believe its enactment will be a significant step toward a resolution of this continuing controversy.

In closing, Mr. President, I wish to direct my colleagues' attention to an editorial on this subject which appeared in yesterday's edition of the New York Times. It points out the need for this type of legislation, adding that the bills before us are endorsed by the American Physiological Society, the largest user of lab animals. I ask unanimous consent that the article be reprinted in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the New York Times, July 31, 1985]

Cruelty to Research Animals

Medical research would be impossible without experiments on animals, and most researchers treat them well, not least because badly kept animals make poor subjects. But there are distressing exceptions. Recently, the National Institutes of Health cut off funds for a University of Pennsylvania laboratory after a preliminary finding that the lab failed to treat animals humanely.

Experimentation on animals rouses strong public feeling, particularly when cats or dogs are concerned. Extremist animal rights groups have recently taken to raiding laboratories and turning animals loose. In May 1984 a group stole videotapes of experiments from the Head Injury Research Laboratory at the University of Pennsylvania. Another group, People for Ethical Treatment of Animals, has distributed excerpts of the tapes that seem to show baboons suffering from insufficient anesthesia and nonsterile surgery.

Animal rights advocates not long ago staged a sit-in at the National Institutes of Health protesting the Pennsylvania experiments. The demonstration ended when Margaret Heckler, Secretary of Health and Human Services, ordered the N.I.H. to suspend its funding.

Does the standard of animal care by researchers need improvement? Scientists currently observe voluntary codes. Their institutions have in-house committees that monitor animal research, and are subject to Department of Agriculture inspections. This light-handed control would be ideal if it worked. It doesn't. Painful experiments aside, Agriculture's veterinary inspectors regularly find violations of minimum standards of care. According to inspectors' reports analyzed by the Society for Animal Protective Legislation, 24 percent of one sample of research institutions were found to have major, repeated violations; 22 percent had some major violations, 29 percent had minor violations and only 24 percent were in compliance.

A bill to improve the system has been introduced by Bob Dole in the Senate and George Brown in the House. It would require researchers to minimize pain by all reasonable steps that do not frustrate the experiment. Institutions' animal care committees would have to include a veterinarian and a concerned public member. Researchers would have to consult a veterinarian in planning any painful experiment.

This moderate bill is supported by the American Physiological Society, the largest user of research animals. It believes the bill would impose no hardship on its members and would not impede research. Raising the standards of animal care, and catching offenders who have fallen into callousness, has instrinsic value. It is also necessary to preserve public support against those who oppose all use of animals in research.

NORTHERN VIRGINIA COMMUNITY FOUNDATION'S FOUNDER'S AWARD

Mr. WARNER. Mr. President, I rise today in recognition of the recipient of the Virginia Community Foundation's Founder's Award, John M. Toups, businessman and resident of McLean, VA.

Northern Virginia community leaders will present the award on September 7, 1985.

In publicly recognizing an individual who has made an unusual leadership contribution to the northern Virginia community, the foundation seeks to promote awareness of the significance of individual action in improving the quality of life for all members of the community.

The Northern Virginia Foundation was formed in 1978 by a group of residents who wanted "to return to the community some of the riches that they had received from it."

Five areas of concern benefit from the foundation's endowment funds: The arts, education, health, youth, and civic improvement.

The foundation receives charitable gifts from people from all walks of life at all income levels—families, businesses, national corporations, and foundations.

Donations are used exclusively to benefit northern Virginia.

The foundation has selected John M. Toups, chairman, president, and chief executive officer of Planning Research Corp. to receive the 1985 Founder's Award.

In his 5 years in northern Virginia, John Toups has made significant contributions of time and leadership for the betterment of the business community, the improvement of technical higher education, the support of locally developed cultural activities, and the solution of the area's transportation problems.

John Toups currently serves as a director of the Fairfax County Chamber of Commerce, the Fairfax Symphony, the George Mason Institute Industrial Policy Board, the Tysons Transportation Association, the Washington-Dulles Task Force, and Fairfax County Neighborhood Watch/Crime Prevention Education, Inc.

He has chaired numerous committees and programs in northern Virginia and in the Greater Washington area, and is incumbent president of the professional services council and vice president of the National Security Industrial Association.

Not only has John Toups devoted his personal energies and intelligence to improving the northern Virginia community, but he also has led his company and employees to be actively involved in community affairs.

PRC officers and employees work on business, health, youth, educational, and cultural programs throughout the area, and John Toups has made the PRC headquarters building available to the community as an "after hours" center for community events.

John Toups is a registered engineer and consummate businessman. After several years of municipal engineering, he founded Toups Corp., in Orange County, CA in the late 1950's.

In 1970, the hydrology and land development engineering company merged with Planning Research Corp. He became a PRC director in 1973, president in 1978, and chairman in 1982. Under his leadership, the compnay has grown from $280 million in 1980 when it moved its headquarters to McLean, to a $375 million professional services firm in 1985, providing engineering and information services worldwide.

PRC opened its first offices in McLean, VA in 1970, and John Toups moved the corporate headquarters to a showcase building in the new Tysons/McLean development in 1981.

PRC is now the third largest employer in northern Virginia, with more than 1,400 employees.

With his strong personal and corporate influence for good in the northern Virginia community, John Toups richly deserves the 1985 Northern Virginia Foundation's Founder's Award. When he receives the award on September 7, leaders of all elements of the northern Virginia community will rise to applaud.

THE SINGLE 6-YEAR PRESIDENTIAL TERM

Mr. MATHIAS. Mr. President, the enduring strength of our Constitution is an important source of our national stability. But all of the provisions that worked well during the early days of our Republic are necessarily well suited to today's world. The Presidential term is a prime example of a horse-and-buggy mechanism that requires another look in the space age. Because I believe this provision of our Constitution should be reevaluated, I am pleased to cosponsor Senate Joint Resolution 171. This measure, recently introduced by the chairman of the Judiciary Committee, Senator THURMOND, and by Senator DECONCINI, proposes to amend the Constitution to limit the President to a single, 6-year term.

All of our elected Presidents have been chosen for 4-year terms. Until the ratification of the 22d amendment in 1951, every President was eligible for reelection at the expiration of his term. Even today, a President may serve two terms. This is the status quo that has been the subject of much trenchant criticism.

The critics argue that 4 years may not be long enough for a President to design coherent national policies, work with the Congress to have them enacted, and put them into practice. The possibility that every President may seek reelection promotes partisanship and discourages statesmanship.

The Chief Executive, and his supporters and opponents in the Congress, can't keep their eyes on the ball if they are continually distracted by the prospect of a campaign a few months—or years—down the road. In recent years, we've seen some troubling indications of the price we pay for the current system: lack of continuity and predictability—particularly in foreign policy; inability to take the long view that's needed for wise policy choices; increased difficulty in forging a bipartisan approach to tough national problems.

Because of these shortcomings of the present system, the proposal to limit the President to a single term of 6 years is worth serious consideration. A single 6-year Presidential term—SSPT—would remove the temptation for the President to confuse what's best for the country with what will be best for the party—or the President—at the time for reelection. At the same time, it would give the President a better shot of translating his policy ideas into reality before his term expires.

Like many good insights, SSPT is not a new idea. It was hotly debated at the Constitutional Convention in 1787, which at one point adopted a proposal for a single 7-year term, but later reversed itself. Constitutional amendments to establish a 6-year term have been proposed more than 150 times in Congress over the years; most of these would also have limited the President to a single term.

Several Presidents, from Andrew Jackson through Jimmy Carter, have advocated the concept. Many congressional leaders have agreed: The most recent Senate hearings on the issue, in 1971, focused on a resolution offered jointly by the leader of the Senate Democrats, Mike Mansfield, and the dean of Senate Republicans, George Aiken.

In the 14 years since those last hearings on SSPT, four men have occupied the Oval Office. Each of these incumbents has been involved in a hard-fought Presidential campaign. This recent history has a lot to teach us about the contradictory roles of the President, as Chief Executive, and as a political partisan. President Reagan, in his second term, is the first President since Eisenhower to be barred from succeeding himself. It will be interesting to study his experience in search of clues as to the effect of that status on Presidential power and effectiveness.

There are able advocates on both sides of the Presidential term issue. Elected officials, constitutional scholars, and other citizens will no doubt draw divergent lessons from the recent past. A thorough debate on this topic can only enrich our political discourse.

One of the most thoughtful and vigorous advocates of the single 6-year term was the late Milton S. Eisenhower. Dr. Eisenhower had the rare opportunity to view the power and the problems of the Presidency from close up. Eight Presidents, from Calvin Coolidge to Richard Nixon, profited from his counsel, including, of course, his brother, President Dwight D. Eisenhower. Drawing from this wealth of experience with the modern Presidency, Milton Eisenhower concluded that the establishment of a single 6-year term would be a reform of inestimable importance. In his view, the "pursuit of electoral immortality" was the chief obstacle to increasing the efficiency and effectiveness of our Government. Accordingly, in 1982, Dr. Eisenhower joined with three other distinguished public servants—former Secretary of State Cyrus Vance, former Treasury Secretary William Simon, and former Attorney General Griffin Bell—as national chairmen of the Committee for a Single 6-Year Presidential Term. This committee, headquartered in Baltimore, has worked hard to encourage serious consideration of this proposal.

Milton Eisenhower's death last May deprived the country of one of its most experienced and articulate statesmen. I was fortunate enough to be able to draw on his experience and knowledge at various critical junctures over the past decades, so I feel his loss person-

ally. One way that we as a nation can acknowledge Dr. Eisenhower's legacy is to open a thorough and comprehensive debate on the proposal for a single 6-year Presidential term. One way that I can express my personal gratitude for his wise counsel is to join as a cosponsor of Senate Joint Resolution 171.

TRIBUTE TO MYRTLE E. GREEN

Mr. HEFLIN. Mr. President, it is with a great deal of sorrow that I stand today to acknowledge the passing of one of Alabama's most devoted public servants, Judge Myrtle G. Green of Huntsville.

There are many words with which to describe this rare woman, but perhaps none could be more accurate than the word "dedicated." Myrtle Green was a totally devoted person who contributed 54 years of service toward the betterment of Alabama and Madison County.

Miss Green, a graduate of Riverton High School, began working as a clerk typist in the probate office in 1928. She worked under three probate judges for 41 years before she ran for the office herself. Her bid was a successful one. She carried every ballot box in the county but one, and lost there by only three votes. During her 12 years in office, she not only distinguished herself as an untiring leader, but also as a committed community worker. She served as a member of the advisory board of the Huntsville-Madison County Mental Health Center, a member of the Huntsville Business & Professional Women's Club, the Salvation Army advisory board and the Democratic women's group.

To fully appreciate the depth and dimension of Myrtle Green, one must look at but a few of the honors bestowed on her by her constituents and colleagues. In 1970, she was cited as the "Outstanding Working Woman" by the Central Center Pacesetters. In 1971, the Huntsville-Madison County bar presented her the Liberty Bell Award.

There was no question that Myrtle G. Green was a great public servant. Her dedication and love for Alabama was exemplified through her work. Her perceptive insight, devotion, and integrity while in office meshed to make Myrtle G. Green a probate judge that any State would be proud to claim. Alabama and America have lost a great citizen.

Mr. President, I ask unanimous consent that two articles from the Huntsville Times be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Myrtle G. Green

Myrtle G. Green, Madison County's first woman probate judge, died Friday afternoon at her home at age 74. With the passing of Miss Green, the county lost one of its most devoted public servants, whose career spanned 54 years.

Miss Green, a graduate of Riverton High School, began working as a clerk-typist in the Probate Office at age 16. She worked under three probate judges for 41 years before deciding to run for the office herself in 1970. She carried every ballot box except for one—and lost that one by only three votes.

She was sworn in as the county's first woman probate judge in January 1971, a post she held until her retirement in early 1983. Miss Green found time for many other community activities. She was a member of the Advisory Board of the Huntsville-Madison County Mental Health Center, a member of the Huntsville Business and Professional Women's Club, the Salvation Army Advisory Board and the Democratic Women's group. She was cited in 1970 as the Outstanding Working Woman by the Central City Pacesetters, received the Good Government Award in 1971 from the Huntsville Jaycees and in 1982 was awarded the Liberty Bell by the Huntsville-Madison County Bar Association.

Miss Green's many friends and the citizens of Madison County she served so well for so long will miss her. She was a public servant in the truest sense.

County's First Woman Probate Judge Dies

(By Reta McKannan)

Myrtle G. Green, who retired in early 1983 as Madison County's first woman probate judge, died Friday afternoon at her home at the age of 74.

Miss Green, of 606 California St., served the county as probate judge from 1971 until her retirement in January 1983. She had compiled 54 years in public service, beginning work in the probate office in 1928 at the age of 16.

Funeral arrangements were to be announced later today.

Miss Green, a graduate of Riverton High School, took her first job as a clerk-typist in the Probate Judge's office after completing a business course at then-Howell Business School in Florence.

She worked under three probate judges for 41 years before running for the office hereself in 1970. She carried every ballot box in the county but one, losing there by only three votes. Miss Green took office in January 1971.

Responsible for all records filed for real estate, deeds, and until 1963, the issuing of all licenses, Miss Green said the work was interesting because "you meet people, help people . . . there's a lot of satisfaction in being able to do that. It made me stay 54 years."

For her accomplishments, Miss Green, was cited in 1970 as the Outstanding Working Woman by the Central City Pacesetters, and received the Good Government Award in 1971 for the Huntsville Jaycees. In 1982, she was awarded the Liberty Bell by the Huntsville-Madison County Bar Association.

She served as a member of the Advisory Board of the Huntsville-Madison County Mental Health Center, and was a member of the Huntsville Business and Professional Women's club, the Salvation Army Advisory Board and the Madison County Democratic Women's group.

Miss Green is survived by two sisters, Miss Lucy Green of Huntsville and Mrs. Elizabeth G. Orth of Decatur, Ga., and two brothers, John Marvin Green of Huntsville and Frank McArthur Green of New Market.

Visitation is scheduled for tonight from 6 to 9 p.m. at Laughlin Funeral Home.

TRIBUTE TO CHARLIE BURNS

Mr. HEFLIN. Mr. President, in the hustle and bustle and chaos of today's society, oftentimes people attach undue importance to material wealth and possessions when categorizing others. All too frequently, our judgments leave out the factors of personal generosity, concern for others, friendship, and kindness.

Today, Mr. President, I rise in sadness occasioned by the recent death of an individual who personified these best human traits, Charlie Burns. Charlie, a resident of Montgomery, AL, passed away on Friday, July 19, from a heart attack while on the way to visit his 91-year-old mother.

Born in Selma, AL, in 1919, Charlie Burns was a graduate of Auburn University. During his career, he worked as a freelance writer, and editor, and as assistant editor of the newsletter put out by the Alabama League of Municipalities. After leaving the league, Charlie worked putting out the Alabama Trucker Magazine for the Alabama Trucking Association, and then was manager and editor of his own Independent Trucker Magazine.

Charlie Burns was a person who could be described as a friend of everyone he ever met. Even when he could not afford to help others, he did anyway—although it would make life that much tougher for him.

Mr. President, our society has too few people like Charlie Burns. It is sad for all of us to have lost him.

Joe Azbell of the Montgomery Independent recently captured the true essence of Charlie Burns in an article he wrote. I ask unanimous consent that that article, and one from the Birmingham News, be printed in full in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Montgomery Independent, July 25, 1985]

Charlie Remembered

(By Joe Azbell)

Sgt. Charles J. Burns was editor of the Craig Field Journal before I took over as base newspaper editor at the end of WW II. He was a rip-snorter in those days rushing here and yonder, always on a project.

I will never forget our first encounter. Here was a round little doughboy with a squeaky voice like a toy mouse and a high pitched machine-gun laugh, suddenly appearing to show me some of the tricks to covering Craig Field. His cousin, Ann Burns, later wife of General William Wise, was secretary in the PR office and a crackerjack writer.

The Burnses were a rich, powerful family in Selma at the time. Charlie's uncle, L.P. Burns, was mayor. Mayor Burns literally ran Selma. He was good to Selma and Selma was good to him.

Charlie and I immediately became close friends. He was a civilian living in Montgomery in those days. He would call me up on the phone "Hey, Sergeant, how's the newspaper going? You sure know your onions. Heh! Heh! Anything I can do for you?" He was forever complimenting others but never praised himself.

Charlie died here last week. He was going to visit his mother who at 91 survives him. Charlie just fell over dead on the walkway. He was too heavy and didn't take care of himself.

Former WCOV-TV Announcer Ed Brown said of Charlie: "He was the greatest little guy who ever lived . . . never did a mean thing to anyone. We are going to miss him." Charlie and Ed, who was Gov. Jim Folsom's press secretary, had a warm relationship eating breakfast almost every morning at Farmer's Market.

THE "JEEP"

At Auburn University, Charlie was called "Jeep." He was one of the best loved students on the campus, involved in politics and fraternities, always laughing his show-stopping giggle.

"Heh. Heh. How you doing, buddy. You are sure looking great. I like your tie. It makes you look like a million."

Charlie, as he was later known by friends, never allowed his squeaky voice to slow him down. Then there was his toothy smile with the spaced teeth that lighted up a room.

"Have you heard from Georgy Porgy? I haven't seen him lately. You know the Governor (Wallace) is my old buddy. Met him with Eddie Reed. Eddie Reed just loved him. I think Eddie Reed had more to do with George Porgy's career than anybody."

Nobody ever said an unkind word about Charlie. He was not threatening to anyone. He loved everybody. Everybody loved him. He had a lot of personal problems and pain from his fight to make his Independent Trucker magazine go, his reaching out to help everybody, but he seldom mentioned them.

"Hey, Joe, I brung you something. A little present I picked up for you. If you don't like it, give to Miss Betty. Smartest thing you ever did was to marry a Selma girl and especially that girl."

A PRO

A lot of us used Charlie on occasions when we needed information. If he didn't have the information, he would find it. He was a pro.

Under Ed Reed's tutelage at the Alabama League of Municipalities, Charlie learned about editing a magazine. He was always "associate editor" but he could turn out great little pearls about city officials and they loved it.

Then Charlie left the league and the magazine, much to the shock of his friends. He went to work to make a success of the Alabama Trucker Magazine for the Alabama Trucking Assn. The late Lawrence (Snag) Andrews, a powerful state senator from Union Springs, got the job for Charlie.

After many years, Charlie, now grey-haired, parted from the trucking group and eventually set up the Independent Trucker magazine. He was always moving. He was at the Capitol constantly, running around the city or out in the state in his battered old car.

In later years, he was editor of the Alabama Legionnaire, a job that he got on my recommendations. He was beginning to get back on his feet after a lot of years of tough sledding. He seemed happy for the first time in a long time.

The last time I saw him was a few weeks ago, his white hair was shining and in place but he fussed because he was still fighting dandruff. "I thought when you got grey-haired, you lost dandruff . . . heh-heh, "heh-heh," he said. "What can I do. I've tried everything."

Charlie had a lot of close friends over the years, Jake Jordan, Lea Harris, Ned Jones, Ted Stancel, Henry Flinn Jr., Art Smith, Grover Hall Jr., Paul Robertson, Top Howard, Ray Evans, and just about anybody you can name. He thought Mayor Emory Folmar was the best mayor in Alabama and Mayor Joe Smitherman of Selma right up there with him.

A HAPPY FELLA

During his recent hard luck times, Charlie lived with some of his friends and did little chores for some of them. They loved him and encouraged him and that was why in his mid-sixties he was making a real comeback.

The Charlie Burnses of the world are few and far between. He was involved in hundreds of political campaigns but he never asked for a political favor. He had a lot of pride, a brilliant mind in the trade journal field, and an overflowing generosity. It was giving to friends and refusing to accept full pay for anything that kept him in hard straits. Gov. Wallace would have given him a job but Charlie wouldn't ask. It was his stubborn pride.

If ever there was a guy who considered everyone his brother, it was Charlie. For almost 40 years, we were close buddies. And a thousand others probably could say the same thing of him.

Jim Ritchey of the Truckers Association said Charlie had a small retirement check coming but he wouldn't come by to sign up. He was that way. Money meant little to him even when he needed it.

Out of the kindness of his heart, he helped people when he couldn't afford to do so. If he had money, his friends did, too. I know there must be a special place in heaven for the Charlie Burnses, those who love so deeply and yet get so little from life for themselves.

I can hear that little squeaky voice right now trying to soften up Saint Peter so some of his buddies can come up there and get in and keep him company for he never liked to eat alone and always wanted people around so he could gossip politics or find out what's going around.

[From the Birmingham News, July 20, 1985]

CHARLIE BURNS, WALLACE FRIEND, IS DEAD AT 66

MONTGOMERY.—A longtime friend of Gov. George Wallace and Alabama American Legion public relations officer died suddenly of a heart attack, relatives said.

Charlie Burns, a 66-year-old Montgomery resident, suffered a heart attack Friday morning while walking into the apartment building where his mother lives, said Francis Condit, his sister-in-law.

Wallace said Friday that Burns was a "dear and personal friend and fellow comrade whose death is a personal loss to me."

"His extreme dedication and patriotism to his state and nation was surpassed only by his love for humanity," Wallace said.

Burns worked as a freelance writer and editor, assistant editor of the Alabama League of Municipality newsletter, and manager and editor of the Independent Truckers' Magazine, Ms. Condit said.

Burns, born June 19, 1919 in Selma, graduated from Selma public schools and Auburn University.

Survivors include a son, Charles Burns III of Montgomery; daughters Elizabeth Burns of Montgomery and Mrs. Kendall McMoy of Atlanta; and his mother, Mrs. Charles J. Burns of Montgomery, 91.

Graveside service is set for 2 p.m. Sunday at the Old Live Oaks Cemetery in Selma.

TRIBUTE TO BRYANT WHITMIRE

Mr. HEFLIN. Mr. President, it is with a great deal of sadness that I rise today to note the passing of one of the most outstanding members of the legal profession, Bryant Whitmire of Birmingham, on July 10. 1985.

There are many phrases with which tribute may be paid to attorneys, but probably none convey greater respect than the description, "a common man's lawyer." Bryant Whitmire was truly a champion for the common man, deeply respected by all who met and worked with him. Born in 1912, Whitmire received his law degree from the University of Alabama and was admitted to the Alabama bar in 1936. He set up his own office in 1937 in downtown Birmingham where he practiced the rest of his life. During his distinguished career, his colleagues honored him many times. Among his most treasured award was being named Lawyer of the Year in 1981 by the Birmingham Bar Association.

To fully realize the depth and dimension of this dedicated man, one must look beyond a mere listing of his honors and awards to the true essence of his character.

Bryant Whitmire was a rare and unique character, as well as being a tremendous lawyer. His life was shaped around his love for other people. He had excellent logic and true merit and achieved much scholarly success, but I believe his own measure of success was not in his material or personal accomplishments, but in the simple everyday pleasure of helping other people.

Bryant Whitmire was truly fond of his clients, thinking of them not as impersonal numbers or mere faces, but as worthy human beings. He was widely known for his wit and humor, his storytelling abilities, his integrity, and his leadership but no more so than for his ability and willingness to give his time to listen and counsel.

Bryant Whitmire was fond of saying that he was a "country lawyer, the last of a dying breed." He was not only a lawyer, but a counselor, and a friend. He dealt with bankers and doctors, coal miners and coal operators, workers and laborers alike, never caring about their positions, only their needs. He earned many times over, the respect and admiration of all who knew him.

Mr. President, Bryant Whitmire was a truly great attorney and man. His life personified the true essence of the word citizen. I only wish that my words today could convey the same esteem toward him that he clearly held others in. Bryant Whitmire will be greatly missed. Alabama, and America, have lost a great citizen, I have lost a close friend.

Mr. President, I ask unanimous consent that an article from the Birmingham News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The Birmingham News, July 11, 1985]

BRYANT WHITMIRE DIES; SELF-STYLED COUNTRY LAWYER

He didn't think of himself as one of those big-city attorneys in a law firm with a string of last names for a company title.

But as you'd expect a lawyer to do, Bryant Whitmire kept an office tucked into a tall, downtown building, plaques dotting the walls and heavy books filling the shelves.

It was the client he could look to for a plate of turnip greens as he dropped off some legal papers that made Whitmire smile.

He once told The Birmingham News, "I even give (clients) curb service. I'm going to take a copy of a will to a lady in Leeds myself, not mail it to her or send somebody else with it. I know that lady, know her family, and if she's home, she'll have some turnip greens for me."

Whitmire, 73, died Wednesday. His son, Bryant Jr., said although his father had "slowed down in past years" because of asthma, he kept working with the law firm of Whitmire, Coleman and Whitmire until his death.

"He'd come in three or four hours a day. He'd handle as much as he could." When his father had more than he could do, he'd pass it on to his only son. "And that was fine. It's what I'm here for," he said.

Funeral will be at 11 a.m. Friday at Johns-Ridout's Southside with burial following in Cedar Grove in Leeds, Whitmire's hometown.

He is survived by his wife, Sue, his son Bryant, and two daughters, Elaine Whitmire of New York City and Suzanne Haugseth of Florence.

"He was a heavy-set man, jovial. A general practitioner," the younger Whitmire said

"He was a heavy-set man, jovial. A general practioneer," the younger Whitmire said of his father. "He had a thousand stories to tell. It's a shame we didn't get a tape recorder and go over his stories. We just didn't get that done," he said.

"He considered himself a country lawyer. He was one of the last of the breed," said the younger Whitmire.

In 1981 when the former president of the Birmingham Bar Association was named Lawyer of the Year, he told *The News*, "I never wanted to be a hotshot lawyer in one of those big firms where they have one lawyer interview a client, then another one do something else, then another one finally get down to handling you.

"I get to see people every day," he said with a wide smile. "There are lawyers in bigger firms that stay on their phones talking to places like San Francisco and New York and overseas all the time. It seems as if that's all they ever do.

"That isn't for me," he said. "I'm a local community lawyer. I deal with bankers and doctors, coal miners and coal operators, workers and laborers and the people they work for."

Shortly after he earned his law degree from the University of Alabama School of Law, Whitmire was offered three jobs—two which paid $50 a month and another which paid $100 a month.

"Daddy had a fit when I told him that," Whitmire once told The News. "He told me, 'After all that time and hard work and money spent to become a lawyer, that's the best they could do?' Then he said, "Come on, let's go get us an office and open up your own law practice."

It was 1937 when Whitmire and his father found an office in the City Federal Building in downtown Birmingham. It was where he practiced the rest of his life.

Current Bar Association President J. Mason Davis said the long table still dominating the group's meeting room was one Whitmire arranged to buy more than 30 years ago from a Leeds chair company. "We just had it refinished because of the sentiment attached to it," he said. "When we look at it, we think of (Whitmire)."

Davis said, "He was the fastest storyteller around. It's a great loss to Birmingham."

THE 34TH ANNUAL NATIONAL SQUARE DANCE CONVENTION

Mr. HEFLIN. Mr. President, on June 28, 1985, I had the privilege of attending an outstanding first for my home State, the 34th National Square Dance Convention.

The many folk arts that have always thrived in Alabama have long been a source of pride for the State. Both our musical and dancing heritage have played important roles in the development of America's musical tradition. Alabama's recognition of square dancing as the State dance has been a boon not only to square dancing itself, but to all the traditional arts.

The role of square dancing is an important one. Today, in an era when the traditional family unit is frequently criticized, square dancing is a form of family recreation which symbolizes the unity of the family, a basic cornerstone of our society. It is a joyful expression of the vibrant spirit of the American people. It is from this that the spirit of gatherings such as this one grows, a monument to a past expression of joy that overlaps to a bright future.

The 34th National Square Dance Convention was a tremendous success in many ways. It not only recognized and celebrated the square dance, but it also spread our much acclaimed "southern hospitality" to all parts of the Nation. The fellowship and interaction the fellow square dancers shared helped to intensify the friendly and open atmosphere that so characterizes Alabama. The convention was the largest gathering ever held in Alabama, boasting 19,730 dancers from 49 States and 10 countries.

Mr. President, for a moment I would like to commend the local Alabamians who put this convention together. It is not often that the kind of dedication that these people displayed is found. There were a total of 3,000 Alabama square dancers who volunteered their time and efforts over the past 3 years to accomplish this feat. If no administrative costs, it is estimated that between $11 and $15 million was generated into the economy. Most importantly, but their hard work and devotion, they set up a program that was organized, enjoyable, and successful. I take my hat off to these people, they represent the best resource that Alabama has to offer.

Like all Alabamians, I am very proud of the talent that lies in abundance in our home State. It was a great pleasure for me to attend the 34th National Square Dance Convention and speak to the participants. An important chapter of history was added to Alabama's heritage by this convention, and I would like to commend all those involved with this undertaking.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

AMENDMENT TO DEFENSE NUCLEAR COOPERATION AGREEMENT BETWEEN THE UNITED STATES AND FRANCE—MESSAGE FROM THE PRESIDENT—PM-72

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to Sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b), (d)), the text of an amendment modifying the 1961 defense nuclear cooperation agreement between the United States and France to provide for cooperation on the safety and security of

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nuclear activities and installations for mutual defense purposes. I am also including a copy of my written approval, authorization, and determination concerning that agreement, as amended. A copy of the joint unclassified letter submitted to me by the Secretaries of Energy and Defense, which provides a summary position on the amendments, is also enclosed. A classified letter and attachments are being transmitted directly to the appropriate congressional committees.

The amendment focuses our cooperation on the safety and security of each nation's nuclear activities and installations. It does not allow transfer of nuclear components or weapons, or special nuclear materials, or source material and, therefore, fully complies with the international agreements in matters of non-proliferation and does not alter other mutual cooperation agreements that exist between the two countries in the field of defense.

I have concluded that the cooperation authorized by the amendment is in the United States' interest and have determined that performance of the amended agreement will promote and not constitute an unreasonable risk to the common defense and security. Accordingly, I have approved the amendment and authorized its execution.

I have also found that the amendment meets all applicable requirements of the Atomic Energy Act, as amended, for agreements for defense nuclear cooperation; and therefore, I am transmitting it to the Congress without exempting it from any requirement contained in Section 123 a. of the Atomic Energy Act. The transmission shall constitute submittal for the purposes of Sections 123 b. and 123 d. of the Atomic Energy Act. The 30-day continuous session period specified in Section 123 b. shall begin immediately. Upon completion of this period, the 60-day continuous session period provided for in Section 123 d. shall commence.

Ronald Reagan.

The White House, *August 1, 1985.*

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTION SIGNED

At 10:38 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution.

S.J. Res. 180. Joint resolution commemorating the 10th anniversary of the signing of the Helsinki Final Act.

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. Thurmond].

At 3:31 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 1714) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes; it asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. Fuqua, Mr. Brown of California, Mr. Nelson of Florida, Mr. Andrews, Mr. Torricelli, Mr. Lujan, Mr. Walker, and Mr. Lewis, of Florida as managers of the conference on the part of the House.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2068) to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes.

The message further announced that the House agrees to the amendment of the Senate to the following bill:

H.R. 2370. An act to amend the Public Health Service Act to extend the programs of assistance for nurse education.

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 444. An act to amend the Alaska Native Claims Settlement Act.

The message further announced that the House agrees to the amendments of the Senate to the amendments of the House to the bill (S. 1147) to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and related laws.

The message also announced that the House agrees to the amendments of the Senate to the amendments of the House to the bill (S. 1195) to require that a portion of the mail of Congress and the executive branch include a photograph and biography of a missing child.

The message further announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 137. Joint resolution to designate the week of December 15, 1985, through December 21, 1985, as "National Drunk and Drugged Driving Awareness Week;" and

S.J. Res. 168. Joint resolution designating August 13, 1985, as "National Neighborhood Crime Watch Day."

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 9. Concurrent resolution expressing the sense of the Congress that Medicare be commended on its 20th anniversary for the program's success in protecting older Americans against the high cost of health care.

The message also announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 484. An act for the relief of certain former flight engineers of Western Airlines;

H.R. 1028. An act to promote and encourage management of priority interjurisdictional fishery resources;

H.R. 1095. An act for the relief of Meals on Wheels of the Monterey Peninsula, Incorporated;

H.R. 2121. An act to provide for the reauthorization of the Coastal Zone Management Act of 1972, and for other purposes;

H.R. 3036. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes;

H.R. 3067. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1986, and for other purposes;

H.J. Res. 60. Joint resolution to designate the week beginning September 1, 1985, as "National School-Age Child Care Awareness Week"; and

H.J. Res. 300. Joint resolution designating August 14, 1985, as "Social Security Day," and the week of August 11, 1985, through August 17, 1985, as "Social Security Week."

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 181. Concurrent resolution to correct the enrollment of the bill H.R. 2068.

At 6:10 p.m., a message from the House of Representatives, delivered by Mr. Berry, one if its reading clerks, announced that the House agrees to the report of the committee of conference of the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes.

The message also announced that the House agrees to the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 112 to the bill (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.

At 8:10 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the

two Houses thereon, and appoints Mr. Rostenkowski, Mr. Gibbons, Mr. Pickle, Mr. Rangel, Mr. Stark, Mr. Duncan, Mr. Archer, and Mr. Vander Jagt as managers of the conference on the part of the House.

The message also announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379 in the U.N. General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations.

At 8:58 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House recedes from its amendment to the concurrent resolution (S. Con. Res. 32) setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988 and revising the congressional budget for the U.S. Government for the fiscal year 1985, and concurs therein, with a further amendment, in which it requests the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

S. 1195. An act to amend title 3, United States Code, to authorize the use of penalty and franked mail efforts relating to the location and recovery of missing children.

At 9:36 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes.

MEASURES REFERRED

The following bills and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 484. An act for the relief of certain former flight engineers of Western Airlines; to the Committee on the Judiciary.

H.R. 1028. An act to promote and encourage management of priority interjurisdictional fishery resources; to the Committee on Commerce, Science, and Transportation.

H.R. 1095. An act for the relief of Meals on Wheels of the Monterey Peninsula, Incorporated; to the Committee on Finance.

H.R. 3036. An act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1986, and for other purposes; to the Committee on Appropriations.

H.R. 3067. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1986, and for other purposes; to the Committee on Appropriations.

H.J. Res. 60. Joint resolution to designate the week beginning September 1, 1985, as "National School-Age Child Care Awareness Week"; to the Committee on the Judiciary.

H.J. Res. 300. Joint resolution designating August 14, 1985, as "Social Security Day", and the week of August 11, 1985, through August 17, 1985, as "Social Security Week"; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2121. An act to provide for the reauthorization of the Coastal Zone Management Act of 1972, and for other purposes.

H.R. 2466. An act to make miscellaneous changes in laws affecting the United States Coast Guard, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

The Secretary of the Senate reported that on today, August 1, 1985, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 180. Joint resolution commenorating the tenth anniversary of the signing of the Helsinki Final Act.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were refered as indicated:

EC-1581. A communication from the General Counsel of the Department of Energy transmitting a draft of proposed legislation to transfer certain National Forest lands from the Department of Agriculture to the Department of Energy for added security enhancement for the Savannah River Plant; to the Committee on Agriculture, Nutrition and Forestry.

EC-1582. A communication from the Secretary to the Railroad Retirement Board transmitting, pursuant to law, a report on a violation of law involving overobligation of appropriated funds; to the Committee on Appropriations.

EC-1583. A communication from the Assistant Secretary of the Interior transmitting, pursuant to law, the Agreement of the Special Representatives on Future U.S. Financial Assistance for the Northern Mariana Islands, and a draft of proposed legislation to authorize financial assistance to the Mariana Islands; to the Committee on Energy and Natural Resources.

EC-1584. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to extend coverage under the Social Security Act to railroad employment; to the Committee on Finance.

EC-1585. A communication from the Director of Legislative Affairs, transmitting, pursuant to law, notice of the intention to increase level of aid to Mali for fiscal year 1985; to the Committee on Foreign Relations.

EC-1586. A communication from the Director of Legislative Affairs, AID, transmitting, pursuant to law, notice of the intention to increase aid to Liberia for fiscal year 1985; to the Committee on Foreign Relations.

EC-1587. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to amend Indian health authorities; to the Select Committee on Indian Affairs.

EC-1588. A communication from the Administrator of the Veterans' Administration transmitting a draft of proposed legislation to require non-Federal providers of hospital care and services receiving direct Medicare payments for services to Medicare beneficiaries provide similar services to VA beneficiaries under similar VA payment policies; to the Committee on Veterans' Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated.

POM-368. A concurrent resolution adopted by the Legislature of the State of Utah; to the Committee on Finance.

"Resolution

"Whereas, H.R. 1520 is a bill sponsored by Congressman Morris Udall in the U.S. House of Representatives which directs the President to negotiate a decrease in foreign copper production and, if a decreased is not agreed upon, imposes tariffs on foreign copper products being imported into this country;

"Whereas, the chief copper producers of the world, besides the United States, are Chile, Zambia, Zaire, and Peru;

"Whereas, H.R. 1520 calls upon the President to negotiate with these four countries to reach an agreement whereby they will limit their copper production to 1983 levels for five years after the agreement is reached;

"Whereas, if the President cannot reach such an agreement within six months with these four countries, H.R. 1520 would impose tariffs of 15 cents per pound of copper or fabricated copper imported into this country, including copper wire, sheets, bars, strips, angles, mesh, foil, and insulated wire;

"Whereas, H.R. 1520 has been proposed in response to the impact of cheap foreign copper products on the U.S. industry, which has caused a loss of over half of the jobs in the copper mining and smelting industry since 1979, and resulted in the closure of over 15 of the 28 major copper mines in the country, including the Kennecott Mines;

"Whereas, although in 1980 the U.S. copper mines produced one-quarter of the world's copper products, today they produce only one-sixth;

"Whereas, although copper prices are at a 60-year low in real dollars, foreign copper production has actually increased;

"Whereas, a number of circumstances have combined to give foreign copper producers an unfair advantage over U.S. copper producers;

"Whereas, foreign copper producers, unlike U.S. producers, have access to low-interest loans from multilateral lenders such as the World Bank, which allow them to function at substantially lower costs than U.S. producers;

"Whereas, foreign copper producers also have a cost advantage in the lack of environmental controls on copper production, in contrast to the high-cost environmental control equipment required on U.S. plants;

"Whereas, the current high levels of the dollar against foreign currency hurts the U.S. copper industry by making prices artificially high, and helps foreign copper producers by keeping the price of their copper artificially low; and

"Whereas, the devastation of the U.S. copper industry because of undue foreign competition causes problems for individual workers, and city, state, and federal governments.

"*Now, therefore, be it resolved*, That the Legislature of the state of Utah, the Governor concurring therein, expresses its support for the passage of H.R. 1520, sponsored by Congressman Morris Udall of Arizona and co-sponsored by Congressmen David Monson and Howard Nielson.

"*Be it further resolved*, That a copy of this resolution be prepared and forwarded to the members of Utah's congressional delegation, the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, and the chairman of the House Ways and Means Committee."

POM-369. A resolution adopted by the Hermitage Board of Commissioners relating to the use of nuclear weapons at Hiroshima and Nagasaki; to the Committee on Foreign Relations.

POM-370. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

"ASSEMBLY JOINT RESOLUTION No. 63

"Whereas, For 14 years Ida Nudel, a Jewish citizen of the Soviet Union, has tried to gain permission to emigrate to Israel, to join her only living relative, her sister; and

"Whereas, Ida Nudel has come to be known as the "Guardian Angel" of the Soviet Jewry movement, for her indefatigable efforts on behalf of "prisoners of conscience" and others who have suffered persecution by the Soviet government solely because they desire to celebrate their Jewish heritage and emigrate to Israel; and

"Whereas, For her efforts she was sentenced to a four-year prison term in Siberia, and since her release has been forced to live in "unofficial exile" far from her home in Moscow; and

"Whereas, In recent months she has been taken seriously ill, and the prospects for her recovery are not encouraging; and

"Whereas, Rather than allow her to receive the full medical attention and treatment she needs, the Soviet authorities have instead threatened her with a new trial and prison term; and

"Whereas, The type of treatment that Ida Nudel has received from the Soviet government is not worthy of such a powerful nation and is in violation of the international human rights accords to which the Soviet Union is a signator; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California urges the government of the Union of Soviet Socialist Republics to allow Ida Nudel to emigrate to Israel where she may be reunited with her sister, her only living relative, who will care for her in the remaining months of her life; and be it further

"*Resolved*, That the legislature urges the President of the United States and other federal officials to use all appropriate diplomatic channels to attempt to persuade Soviet authorities to allow the emigration of Ida Nudel; and be it further

"*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President, Vice President, and Secretary of State, the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Ambassador to the United States from the Union of Soviet Socialist Republics, and to the Consul General of the Union of Soviet Socialist Republics headquartered in San Francisco."

POM-371. A resolution adopted by the Army & Navy Union of U.S.A. relating to Bill S. 1456; to the Committee on the Judiciary.

POM-372. A joint resolution adopted by the General Assembly of the State of Tennessee; to the Committee on the Judiciary.

"HOUSE JOINT RESOLUTION No. 295

"Whereas, the 1st Congress of the United States of America, at its first session, by a two-thirds (⅔) majority of both Houses, made the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, two thirds of both Houses concurring*. That the following (article) be proposed to the legislatures of the several states, as (an amendment) to the constitution of the United States, . . . which (article), when ratified by three fourths of the said legislatures, to be valid to all intents and purposes, as part of the said Constitution, viz:

"ARTICLE

"No law varying the compensation for the services of the Senators and Representatives shall take effect, until an election of Representatives shall have intervened. Now, therefore,

"*Be it resolved by the House of Representatives of the Ninety-Fourth General Assembly of the State of Tennessee, the Senate Concurring*, That the proposed amendment to the Constitution of the United States of America quoted in the preamble of this Resolution is ratified.

"*Be it further resolved*, That certified copies of this Resolution be forwarded by the Secretary of State of Tennessee to the Governor of Tennessee; to the Administrator of General Services, Washington, D.C.; and to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States."

POM-373. A resolution adopted by the Council of the City of Fort Worth, Texas relating to the Fair Labor Standards Act; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services, unfavorably without amendment:

H.R. 752: A bill to amend title 38, United States Code, to ensure an orderly transition to the new educational assistance program established by chapter 30 of that title (Rept. No. 99-124).

By Mr. STAFFORD (for Mr. HATCH), from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 1264: A bill to amend the National Foundation on the Arts and Humanities Act of 1965, to extend the authorizations of appropriations for that Act, and for other purposes (Rept. No. 99-125).

By Mr. ABDNOR, from the Committee on Environment and Public Works, without amendment:

S. 1567: An original bill to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes (Rept. No. 99-126).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, without amendment:

S.J. Res. 43: Joint resolution to authorize the Armored Force Monument Committee, the United States Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations, jointly to erect a memorial to the "American Armored Force" on United States Government property in Arlington, Virginia, and for other purposes (Rept. No. 99-127).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 1097: A bill to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol (Rept. No. 99-128).

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment and with a preamble:

H.J. Res. 251: Joint resolution to provide that a special gold medal honoring George Gershwin be presented to his sister, Frances Gershwin Godowsky, and a special gold medal honoring Ira Gershwin be presented to his widow, Lenore Gershwin, and to provide for the production of bronze duplicates of such medals for sale to the public.

By Mr. ABDNOR, from the Committee on Environment and Public Works, without amendment:

S. Res. 207: An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1567, the Water Resources Development Act of 1985.

S. Res. 208: An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1567, the Water Resources Development Act of 1985.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on Labor and Human Resources:

Michael E. Baroody, of Virginia, to be an Assistant Secretary of Labor; and

Richard S. Nicholson, of Virginia, to be an Assistant Director of the National Science Foundation.

(The above nominations were reported from the Committee on Labor and Human Resources, with the recommendation that they be confirmed, subject to the nominees' commitment

to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. LUGAR, from the Committee on Foreign Relations:

John Gunther Dean, of New York, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John Gunther Dean.

Post: Ambassador to the Republic of India.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: John Gunther Dean: None.
2. Spouse: Martine Duphenieux Dean: None.
3. Children and Spouses names: Daughter: Catherine Dean Curtis: None. Son-in-law: William Curtis: None. Son: Paul Dean: None. Daughter-in-law: Lucinda Closson Dean: None. Son: Joseph Dean: None.
4. Parents names: None (deceased).
5. Grandparents names: None (deceased).
6. Brothers and spouses names: None.
7. Sisters and spouses names: None.

Frank Shakespeare, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Portugal.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Frank Shakespeare.

Post: Ambassador to Portugal.

CONTRIBUTIONS, AMOUNT, DATE, DONEE.

1. Self: 1983, none; 1981, none; October 1982, Fascell campaign committee, $100; October 1984, Fascell campaign committee, $100; August 1982, Lou Lehrman, $250; May 1982, Hatch, $150; May 1982, Vice President Bush, $100; May 1982, Blackburn, $100; September 1982, Buckley, $50.
2. Spouse: None.
3. Children and spouses: None.
4. Parents names: None (deceased).
5. Grandparents names: None (deceased).
6. Brothers and spouses names: None.
7. Sisters and spouses names: None.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. INOUYE:

S. 1549. A bill for the relief of Joseph Y.; wife, Jean Marichu; sons, Franz Joseph L.; Felix Roy L.; daughters, Maria Estrella L.; Milche L. Quijano; to the Committee on the Judiciary.

By Mr. DURENBERGER (by request):

S. 1550. A bill to reduce costs in the Medicare and Medicaid programs, and for other purposes; to the Committee on Finance.

By Mr. DURENBERGER (for himself, Mr. HEINZ and Mr. CHAFEE):

S. 1551. A bill to amend title XVIII of the Social Security Act to provide for administrative appeals and judicial review under part B of Medicare; to the Committee on Finance.

By Mr. HEINZ:

S. 1552. A bill to amend the Public Works and Economic Development Act of 1965 to establish a National Public Works Corporation for purposes of providing financial assistance to States and local governments for the construction, rehabilitation, and repair of certain public facilities, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HATFIELD (for himself, Mr. PACKWOOD, Mr. STAFFORD and Mr. KERRY):

S. 1553. A bill entitled the "Beverage Container Reuse and Recycling Act"; to the Committee on Commerce, Science, and Transportation.

By Mr. HATFIELD:

S. 1554. A bill for the relief of Samina Zafar and Saadia Zafar, her daughter; to the Committee on the Judiciary.

S. 1555. A bill for the relief of Fernando Casafranca and Theresa Bravo Casafranca, his wife, and Miguel Casafranca, their son; to the Committee on the Judiciary.

By Mr. FORD (for himself, Mr. PELL, Mr. NUNN, Mr. GARN, Mr. BUMPERS, Mr. COCHRAN, Mr. ZORINSKY, and Mr. GORE):

S. 1556. A bill to provide for a two-year Federal budget cycle, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977.

By Mr. METZENBAUM:

S. 1557. A bill to provide the public with information concerning the use of products containing aspartame, to provide for conduct of studies to determine the health effects of using products containing aspartame, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 1558. A bill to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada, and for other purposes; to the Committee on the Judiciary, the Committee on Energy and Natural Resources and the Select Committee on Indian Affairs, jointly, by unanimous consent provided, that if the Committee on Indian Affairs reports the bill, the other committees have 15 calendar days in which to report or be discharged.

By Mr. DURENBERGER (for himself and Mr. QUAYLE):

S. 1559. A bill to amend title XVIII of the Social Security Act to revise the method of payment to hospitals for capital related costs under the Medicare program; to the Committee on Finance.

By Mr. QUAYLE (for himself and Mr. DURENBERGER):

S. 1560. A bill to provide for a block grant to States for health planning activities, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SPECTER:

S. 1561. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 regarding contribution, and for other purposes; to the Committee on the Judiciary.

By Mr. GRASSLEY (for himself, Mr. DECONCINI and Mr. LEVIN):

S. 1562. A bill to amend the False Claims Act, and title 18 of the United States Code regarding penalties for false claims, and for other purposes; to the Committee on the Judiciary.

By Mr. HELMS (for himself, Mr. ABDNOR, Mr. DENTON, Mr. EAST, Mr. GOLDWATER, Mr. GRASSLEY, Mr. LAXALT, and Mr. NICKLES):

S. 1563. A bill to amend the Federal Campaign Act of 1971 to prohibit the use of compulsory union dues for political purposes; to the Committee on Rules and Administration.

By Mr. DURENBERGER:

S. 1564. A bill to provide for a self-regulating system of lobby disclosure to supplement and make more effective current disclosure law in the least burdensome manner possible; to the Committee on Governmental Affairs.

By Mr. NICKLES (for himself and Mr. BOREN):

S. 1565. A bill to require the Secretary of Agriculture to conduct a study of alternatives for providing agricultural credit during the 1986 through 1989 fiscal years; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DENTON (for himself and Mr. HATCH):

S. 1566. A bill to extend the Family Life Demonstration Program for three years; to the Committee on Labor and Human Resources.

By Mr. ABDNOR

S. 1567. An original bill to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; from the Committee on Environment and Public Works; placed on the calendar.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 1568. A bill to declare that the United States holds certain lands in trust for the Reno Sparks Indian Colony; to the Committee on Energy and Natural Resources.

By Mr. BINGAMAN (for himself, Mr. MATSUNAGA, Mr. CHILES, Mr. HOLLINGS and Mr. GORE):

S. 1569. A bill to amend title XVIII of the Public Health Service Act to encourage health promotion and disease prevention through the implementation of a coordinated national nutrition monitoring system; to the Committee on Governmental Affairs.

By Mr. NICKLES (for himself, Mr. WILSON, Mr. THURMOND, Mr. HATCH, Mr. MATTINGLY, Mr. EXON, Mr. COCHRAN, Mr. LUGAR, Mr. ZORINSKY, Mr. GRAMM, Mr. EVANS, Mr. McCLURE, Mr. EAST, Mr. McCONNELL, Mr. HECHT, Mr. ABDNOR, Mr. BOSCHWITZ, Mr. GARN, Mr. DURENBERGER, Mr. LAXALT, Mr. SIMPSON, Mrs. KASSEBAUM, Mr. DOLE, and Mr. DOMENICI):

S. 1570. A bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that Act relating to maximum hours, to clarify the application of that Act to volunteers, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BRADLEY:

S. 1571. A bill to stabilize international currency markets in support of fair global competition; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BOSCHWITZ:

S. 1572. A bill for the relief of Marie Ange Adolphe; to the Committee on the Judiciary.

By Mr. D'AMATO:

S. 1573. A bill to extend patent numbered 3,387,268, "Quotation Monitoring Unit", for a period of ten years; to the Committee on the Judiciary.

By Mr. LUGAR (for himself and Mr. Hatch):

S. 1574. A bill to provide for public education concerning the health consequences of using smokeless tobacco products; to the Committee on Labor and Human Resources.

By Mr. WEICKER (for himself and Mr. Bumpers):

S. 1575. A bill to recognize the Cabinet status of the Administrator of the Small Business Administration; to the Committee on Governmental Affairs.

By Mr. MITCHELL:

S. 1576. A bill to amend the Trade Act of 1974 to authorize the President to negotiate an agreement establishing a joint commission to resolve trade and other economic disputes between the United States and Canada; to the Committee on Finance.

By Mr. THURMOND (for himself and Mr. Hollings):

S. 1577. A bill to transfer title, control, and custody of certain lands near Aiken, South Carolina from the United States Department of Agriculture to the United States Department of Energy; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. THURMOND (for himself, Mr. Kennedy, Mr. Denton, Mr. Gorton, Mr. Symms, Mr. Gore, Mr. Mattingly, Mr. Laxalt, Mr. McConnell, Mr. Hecht, Mr. Hatfield, Mr. Packwood, Mr. Matsunaga, Mr. Stevens, Mr. Specter, Mr. Murkowski, Mr. Hatch, Mr. Evans, Mr. Wallop, Mr. East, Mr. Chiles, Mr. Inouye, Mr. Helms, Mr. Simpson and Mr. Hollings):

S. 1578. A bill to amend the Low-Level Radioactive Waste Policy Act to improve procedures for the implementation of compacts providing for the establishment and operations of regional disposal facilities for low-level radioactive waste, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CRANSTON (for himself, Mr. Stafford, Mr. Kennedy, Mr. Weicker, Mr. Kerry and Mr. Riegle):

S. 1579. A bill to clarify that the remedies available for the enforcement of certain civil rights statutes are applicable to the States; to the Committee on Labor and Human Resources.

By Mr. THURMOND (for himself, Mr. Hatch, Mr. Denton and Mr. East):

S. 1580. A bill to provide for comprehensive reforms and to achieve greater equity in the compensation of attorneys pursuant to Federal statute in civil and administrative proceedings in which the United States, or a State or local government, is a party; to the Committee on the Judiciary.

By Mr. THURMOND (for himself and Mr. Mathias) (by request):

S. 1581. A bill to amend section 3006A of title 18, United States Code, to improve the delivery of legal services in the criminal justice system to those persons financially unable to obtain adequate representation, and for other purposes; to the Committee on the Judiciary.

By Mr. MURKOWSKI:

S. 1582. A bill to amend the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. D'AMATO (for himself, Mrs. Hawkins, Mr. Abdnor and Mr. Murkowski):

S. 1583. A bill to provide additional funding for comprehensive drug law enforcement, prevention, and treatment; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 1584. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer to expense the costs of plant and equipment destroyed in whole or in part in a nature disaster; to the Committee on Finance.

By Mr. MATTINGLY (for himself, Mr. Nunn, Mr. Zorinsky, Mr. Durenberger, Mr. Thurmond, Mr. Stennis, Mr. Abdnor, Mr. Boren, Mr. Grassley, Mr. Pryor, Mr. Cochran, Mr. Heflin, Mr. Warner, Mr. Hollings, Mrs. Kassebaum, Mr. Boschwitz, Mr. Trible, Mrs. Hawkins, Mr. East, Mr. Andrews, Mr. Denton, Mr. Helms and Mr. Harkin):

S. 1585. A bill to amend the Internal Revenue Code in order to clarify the right of cooperatives to net earnings and losses among patronage allocation units, and for other purposes; to the Committee on Finance.

By Mr. WALLOP:

S. 1586. A bill entitled the "Action Act Against Violations of Human Rights"; to the Committee on Foreign Relations.

By Mr. ROTH (for himself, Mr. Metzenbaum, Mr. Ford and Mr. Proxmire):

S. 1587. A bill to establish a commission to review contract payments by departments and agencies of the Federal Government and to take appropriate action to recapture profits on those contracts which the commission determines to be excessive; to the Committee on Governmental Affairs.

By Mr. SARBANES:

S. 1588. A bill to amend title 5, United States Code, to modify the method for determining the amount payable by a Federal employee in order to receive credit under the civil service retirement system based on certain military service; to the Committee on Governmental Affairs.

By Mr. GRASSLEY:

S. 1589. A bill to amend the Farm Credit Act of 1971 to require institutions of the Farm Credit System to make available to the general public a list of the names of the members and stockholders of such institutions; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ARMSTRONG:

S. 1590. A bill to amend the United States Housing Act of 1937 to encourage resident management and ownership of public housing; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. LEVIN (for himself and Mr. Riegle):

S. 1591. A bill to recognize the organization known as the American Philatelic Society; to the Committee on the Judiciary.

By Mr. BINGAMAN:

S. 1592. A bill to amend the Tariff Act of 1930 to require that petitioners may elect whether price or constructed value is used in determining the foreign market value of merchandise imported from foreign state controlled economies; to the Committee on Finance.

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 1593. A bill to direct the Administrator of the Environmental Protection Agency to conduct a national assessment of the extent to which radon gas formed from naturally occurring deposits of uranium is a threat to public health, to authorize a demonstration program to test methods of eliminating the threat to public health from radon gas and to authorize disaster assistance for releases of radon gas; to the Committee on Environment and Public Works.

By Mr. LAUTENBERG (for himself, Mr. Rockefeller, Mr. Gore, Mr. Pell and Mr. Metzenbaum):

S. 1594. A bill to amend the Communications Act of 1934 to increase the availability of educational and informational television programs for children; to the Committee on Commerce, Science, and Transportation.

By Mr. WARNER (for himself, Mr. Wilson, Mr. Helms, Mr. Garn, Mr. Exon, Mr. Heflin, Mr. Grassley and Mr. Thurmond):

S. 1595. A bill to prevent the implementation of Revenue Ruling 83-3 and other similar considerations affecting the housing allowances of the military and clergy; to the Committee on Finance.

By Mr. WARNER (for himself and Mr. Weicker):

S. 1596. A bill to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia; to the Committee on Energy and Natural Resources.

By Mr. WARNER:

S. 1597. A bill to authorize awards, decorations, insignia, and other recognition for service in the United States Merchant Marine, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. GRASSLEY:

S. 1598. A bill to amend the Farm Credit Act of 1971 to provide additional farm credit resources, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

S. 1599. A bill to establish a commission to study the structure of the Farm Credit System and recommend any appropriate changes, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HEINZ (for himself, Mr. Durenberger, Mr. Abdnor, Mr. Andrews, Mr. Denton, Mrs. Hawkins, Mr. Specter, Mr. Pressler, Mr. Riegle, Mr. Warner, Mr. DeConcini, and Mr. Wilson):

S. 1600. A bill to provide that certain of the Social Security Trust Funds be excluded from the Federal budget process for fiscal years beginning on or after October 1, 1985, and to clarify that specifications and directions with respect to 9 such Trust Funds may not be included in any concurrent resolution on the budget adopted with respect to fiscal years beginning after such date; to the Committee on the Budget and the Committee on Governmental Affairs, jointly pursuant to the order of August 4, 1977.

By Mr. LEAHY:

S. 1601. A bill entitled the "Rural Transportation Equity Act of 1985"; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SPECTER (for himself, Mr. Rockefeller, and Mr. Murkowski):

S. 1602. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to assist certain disabled veterans in acquiring specially adapted residences; to the Committee on Veterans Affairs.

By Mrs. HAWKINS:

S. 1603. A bill to amend the Truth in Lending Act to impose a national ceiling on credit card interest rates; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. RIEGLE:

S. 1604. A bill to amend title XVIII of the Social Security Act to waive the late enrollment penalty under Medicare part B for any disabled individual who was covered under his own or his spouse's private employment-related health insurance; to the Committee on Finance.

By Mrs. HAWKINS:

S. 1605. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the credit for dependent care expenses, to make such credit refundable, and to provide that certain respite care expenses are eligible for such credit; to the Committee on Finance.

By Mr. DOLE (for himself and Mr. Durenberger):

S. 1606. A bill to amend title XVIII of the Social Security Act to revise the methodology for computing the additional payment to hospitals for indirect costs of medical education, and to provide an additional payment for hospitals which serve a disproportionate share of low-income or Medicare patients; to the Committee on Finance.

By Mr. THURMOND (for himself, Mr. Hollings, Mr. Helms, Mr. Nickles, Mr. Dole, Mr. Nunn, Mr. Heinz, Mr. Hatch, Mr. Stennis, Mr. Bentsen, Mr. Kerry, Mr. Pryor, Mr. Roth, Mr. Burdick, Mr. Johnston, Mr. Chaffee, Mr. East, Mr. Boren, Mr. Chiles, Mr. Bradley, Mr. Glenn, Mrs. Hawkins, Mr. Denton, Mr. Warner, Mr. Trible, Mr. McClure, Mr. Riegle, Mr. Rockefeller, Mr. Specter, Mr. Laxalt, Mr. Kennedy, Mr. Biden, Mr. Simon, Mr. Stafford, Mr. Mattingly, Mr. Bumpers, Mr. Zorinsky, Mr. Sasser, Mr. Melcher, Mr. Weicker, Mr. Danforth, Mr. Quayle, Mr. D'Amato, Mr. Heflin, Mr. Grassley, Mr. Matsunaga, Mr. Cochran, Mr. Hart, Mr. Wilson, Mr. Inouye, Mr. Metzenbaum, Mr. Lugar, Mr. Long, Mr. Gramm, Mr. Stevens and Mr. DeConcini):

S.J. Res. 186. A joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week"; to the Committee on the Judiciary.

By Mr. WARNER (for himself and Mr. Trible):

S.J. Res. 187. A bill designating Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a national Memorial to Patrick Henry; to the Committee on Energy and Natural Resources.

By Mrs. KASSEBAUM:

S.J. Res. 188. A joint resolution to designate July 6, 1986, as "National Air Traffic Control Day"; to the Committee on the Judiciary.

By Mr. HATCH (for himself and Mr. Thurmond):

S.J. Res. 189. A joint resolution designating the week beginning January 12, 1986 as "National Fetal Alcohol Syndrome Awareness Week"; to the Committee on the Judiciary.

By Mr. ROTH (for himself, Mr. Stevens, Mr. Cohen and Mr. Durenberger):

S.J. Res. 190. A joint resolution to establish greater productivity in Federal Government operations as a national goal of the United States; to the Committee on Governmental Affairs.

By Mr. BUMPERS (for himself, Mr. Mathias, Mr. Cranston, Mr. Weicker, Mr. Nunn, Mr. Murkowski, Mr. Inouye, Mr. Chafee, Mr. Simon, Mr. Dodd, Mr. Levin, Mr. Moynihan and Mr. Zorinsky):

S.J. Res. 191. A resolution to designate the month of October 1985 as "Learning Disabilities Awareness Month"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURENBERGER:

S. 1550. A bill to reduce costs in the Medicare and Medicaid Programs, and for other purposes; to the Committee on Finance.

HEALTH CARE FINANCING COST REDUCTION AMENDMENTS

Mr. DURENBERGER. Mr. President, at the request of the administration and in my capacity as chairman of the Senate Finance Committee's Health Subcommittee, I am introducing the "Health Care Planning and Cost Reduction Amendments of 1985." This bill would carry out the President's budget recommendations for the Medicare and Medicaid Programs.

Mr. President, this bill asks the Congress to change Medicare and Medicaid policy. I do not agree with the package in its entirety. But, I believe it is important that the issues raised by the bill be brought before the Senate.

For the purposes of this statement, it would be best to leave a discussion of my questions or concerns about the package to another day. The Finance Committee will review the recommendations made by this bill and give them due consideration when it marks up on a Medicare and Medicaid bill this fall.

Mr. President, I will take this opportunity, however, to again express my frustration with the fact the Secretary of Health and Human Services has promulgated regulations which freeze hospital reimbursement rates and medical education reimbursement, as well as reduce the reimbursement for home health agencies.

These regulations clearly flaunt congressional intent. They were obviously designed to meet the President's budget goals, not carry out the Secretary's duties as executive of the Medicare Program. They are another example of how high deficits and budget constraints adversely affect good health policy. And, it is for these reasons I support efforts to remove the Social Security Act, including Medicare, from the congressional budget.

The Congressional mandate given the Secretary concerning the updating of the DRG's was intended to "reflect changes in treatment patterns, technology, and other factors which may change the relative use of hospital resources." To use this mandate simply to reduce payments is wrong and will adversely affect the credibility of Medicare and its prospective payment system.

Mr. President, I ask unanimous consent that the bill summary and the bill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1550

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND REFERENCES IN ACT

Section 1. (a) This Act may be cited as the "Health Care Financing Cost Reduction Amendments of 1985".

(b) The amendments in this Act apply to the Social Security Act, unless otherwise specifically stated.

TITLE I—MEDICARE

Part A—Changes in Eligibility and Cost Sharing

USE OF MEDICARE PHYSICIANS' SERVICES ECONOMIC INDEX TO INCREASE ANNUALLY THE SUPPLEMENTARY MEDICAL INSURANCE DEDUCTIBLE

Sec. 101. (a) The matter in the first sentence of section 1833(b) (42 U.S.C. 1395l(b)) preceding clause (1) is amended by striking out "of $75" and inserting instead "equal to $75 increased by the percentage increase of an index (as determined by the Secretary), based on appropriate economic index data (as stated in the fourth sentence of section 1842(b)(3)) from 1985 to the year preceding such calendar year and (if not a multiple of $1) rounded to the next higher multiple of $1".

(b) The amendment made by subsection (a) shall apply to expenses incurred during calendar year 1987 and later years.

FIRST FULL MONTH OF MEDICARE ELIGIBILITY

Sec. 102. (a)(1) Subsections (a)(1), (b)(1), (c)(1)(B)(i), and (e) of section 226 (42 U.S.C. 426), section 1818(a)(1) (42 U.S.C. 1395i-2(a)(1)), section 1836(2)(42 U.S.C. 1935o(2)), subsections (d) and (g)(1) of section 1837 (42 U.S.C. 1395p), section 1839(d) (42 U.S.C. 1395r(d)), and section 1876(a)(5) (42 U.S.C. 1395mm(a)(5)) are each amended by inserting "and one month" after "age 65" each place it occurs.

(2) The first sentence of section 226(b) (42 U.S.C. 426(b)) is amended by striking out "before the month" in the matter following paragraph (2).

(3) Section 226(e)(1) (42 U.S.C. 426(e)(1)) is amended—

(A) by striking out "and" at the end of subparagraph (A),

(B) by substituting a semicolon for the period at the end of subparagraph (B), and

(C) by adding at the end the following:

"(C) section 202(e)(1)(C)(i) and section 202(f)(1)(C)(i) shall each be deemed to be amended by striking out 'and (I) has attained retirement age (as defined in section 216(l)) or (II) is not entitled to benefits under subsection (a) or section 223,';

"(D) section 202(e)(1)(D) and section 202(f)(1)(D) shall each be deemed to be repealed;

"(E) the matter in the first sentence of section 202(e)(1) following paragraph (F) shall be deemed to be amended—

"(i) by striking out 'becomes entitled to an old-age insurance benefit equal to or exceeding the primary insurance amount (as determined after application of subparagraphs (B) and (C) of paragraph (2)) of such deceased individual,', and

"(ii) by striking out 'retirement age (as defined in section 216(l))' and inserting instead 'age 65 and one month'; and

"(F) the matter in the first sentence of section 202(f)(1) following paragraph (F) shall be deemed to be amended—

"(i) by striking out 'or becomes entitled to an old-age insurance benefit equal to or exceeding the primary insurance amount (as determined after application of subparagraphs (B) and (C) of paragraph (3)) of such deceased individual,', and

"(ii) by striking out 'retirement age (as defined in section 216(l))' and inserting instead 'age 65 and one month'.".

(4) Section 226(e) (42 U.S.C. 426(e)) is amended by adding at the end the following:

"(5) For purposes of determining entitlement to hospital insurance benefits under subsection (b) in the case of an individual described in paragraph (2)(A)(i) of that subsection, 'the retirement age (as defined in section 216(l))' in section 223(a)(1)(B) shall be deemed to read 'age 65 and one month' and 'retirement age (as defined in section 216(l))' in the matter following paragraph (D) in the first sentence of section 223(a)(1) shall be deemed to read 'age 65 and one month'.

"(6) For purposes of determining entitlement to hospital insurance benefits under subsection (a) or (b) in the case of an individual who is a qualified railroad retirement beneficiary, section 7(d)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(d)(2)) shall be deemed to be amended by inserting 'and one month' after 'age 65' each place it occurs.".

(5) Section 1838(c) (42 U.S.C. 1395g(c)) is amended by inserting "and one month" after "age of 65".

(6) Section 103(a)(1) of the Social Security Amendments of 1965 (42 U.S.C. 426a(a)(1)) is amended by inserting "and one month" after "age 65".

(b) The amendments made by the preceding subsection apply to individuals who attain age 65 after 1985.

ONE PERCENT COINSURANCE FOR HOME HEALTH BENEFITS

Sec. 103. (a) Section 1813(a) (42 U.S.C. 1395e(a)) is amended by adding at the end the following:

"(5) The amount payable for home health services furnished an individual in any calendar year shall be reduced by a coinsurance amount equal to one-hundredth of the inpatient hospital deductible for each home health visit (after the twentieth) furnished to him in that year.".

(b) Section 1833(a)(2)(A) (42 U.S.C. 1395(a)(2)(A)) is amended by inserting before the semicolon the following: ", less in each case the coinsurance amount specified in section 1813(a)(5)".

(c) The first sentence of section 1866 (a)(2)(A) (42 U.S.C. 1395cc(a)(2)(A)) is amended by striking out "or (a)(4), section 1833(b)" and inserting instead "(a)(4), or (a)(5), section 1833 (a)(2)(A) or (b)".

(d) The amendments made by the preceding subsections apply to home health services furnished after 1985.

CHANGES IN SUPPLEMENTARY MEDICAL INSURANCE PREMIUM

Sec. 104. (a) Section 1839(a)(2) (42 U.S.C. 1395r(a)(2)) is amended by striking out "(e)" and inserting instead "(c)".

(b) The second sentence of section 1839(a)(3) (42 U.S.C. 2395r(a)(3)) is amended to read as follows: "The monthly premium shall be equal to the monthly actuarial rate for enrollees age 65 and over, determined according to paragraph (1) of this section, for that calendar year, multiplied by 0.5 for fiscal years 1984 and 1985, 0.54 for 1986, 0.58 for 1987, 0.62 for 1988, 0.66 for 1989, and 0.7 for 1990 and later years.".

(c) The first sentence of section 1839(b) (42 U.S.C. 1395r(b)) is amended by striking out "or (e)".

(d) Section 1839(c) (42 U.S.C. 1395r(c)) is amended by inserting "(or, if midway between multiples of 10 cents, to the next higher multiple of 10 cents)" before the period.

(e)(1) Subsection (e) of section 1839 (42 U.S.C. 1395r) is repealed.

(2) Subsection (f) of that section is redesignated as subsection (e).

(f) Sections 1844(a)(1)(A)(i) and 1844(a)(1)(B)(i) (42 U.S.C. 1395w(a)(1)(A)(i) and 1395w(a)(1)(B)(i)) are each amended by striking out "or 1839(e), as the case may be".

EXTENSION OF WORKING AGED PROVISIONS TO INDIVIDUALS OVER 69

Sec. 105. (a)(1) Section 1862(b)(3)(A)(i) (42 U.S.C. 1395y(b)(3)(A)(i)) is amended by striking out "who is under 70 years of age during any part of such month" and ", if the spouse is under 70 years of age during any part of such month".

(2) Section 1862(b)(3)(A)(iii) (42 U.S.C. 1395y(b)(3)(A)(iii)) is amended by striking out "and ending with the month before the month in which such individual attains the age of 70".

(3) Section 1837(i)(3) (42 U.S.C. 1395p(i)(3)) is amended to read as follows:

"(3) The Special enrollment period referred to in paragraphs (1) and (2) is the period beginning with the first day of the first month in which the individual is no longer enrolled in a group health plan described in section 1862(b)(3)(A)(iv) by reason of current employment and ending seven months later.".

(4) Section 1838(e) (42 U.S.C. 1395q(e)) is amended to read as follows:

"(e) Notwithstanding subsection (a), in the case of an individual who enrolls during a special enrollment period pursuant to section 1837(i)(3)—

(1) in the first month of the special enrollment period, the coverage period shall begin on the first day of that month, or

(2) in a month after the first month of the special enrollment period, the coverage period shall begin on the first day of the month following the month in which he so enrolls.".

(b)(1) Section 4(g)(1) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623(g)(1)) is amended by striking out "through 69" and inserting instead "or older".

(2) Section 12(a) of that Act (29 U.S.C. 631(a)) is amended by inserting "(except the provisions of section 4(g))" after "Act".

(c) The amendments made by the preceding subsections are effective January 1, 1986.

APPLICABILITY OF LIFETIME LIMIT ON PSYCHIATRIC CARE TO CERTAIN PSYCHIATRIC UNITS OF GENERAL HOSPITALS

Sec. 106. (a) Section 1861(c) (42 U.S.C. 1395x(c)) is amended by inserting the following before the period: "or of a psychiatric unit that is not subject to the provisions of section 1886(d)".

(b) The amendment made by subsection (a) applies to spells of illness beginning after the date of enactment of this Act.

PART B—CHANGES IN REIMBURSEMENT

EXTENSION OF FREEZE ON PAYMENTS FOR PHYSICIANS' SERVICES

Sec. 111. (a) Subparagraphs (A) and (B) of section 1842(b)(4) (42 U.S.C. 1395u(b)(4)) are each amended by striking out "15" and inserting instead "27".

(b) Section 1842(b)(4)(C) (42 U.S.C. 1395u(b)(4)(C)) is amended by striking out "1985" and inserting instead "1986".

(c) Section 1842(b)(4) (42 U.S.C. 1395u(b)(4)) is further amended by striking out subparagraph (D) and inserting instead the following:

"(D) In determining the customary charges for physicians' services furnished during the 12-month period beginning October 1, 1986, by a physician who at no time for any services furnished during the 24-month period beginning October 1, 1984, was a participating physician (as defined in subsection (h)(1)), the Secretary shall not recognize inceases in actual charges for services furnished during the 27-month period beginning on July 1, 1984, above the level of the physician's actual charges billed in the 3-month period ending on June 30, 1984.

"(E) In determining the customary charges for physicians' services furnished during the 12-month period beginning October 1, 1986, by a physician who was a participating physician (as defined in subsection (h)(1)) for services furnished during the 12-month period beginning October 1, 1985, the Secretary shall take into account only the actual charges for services furnished during the 6-month period beginning on October 1, 1985.

"(F) In determining the customary charges for physicians' services furnished during the 12-month period beginning October 1, 1986, by a physician who was a participating physician (as defined in subsection (h)(1)) for services furnished during the 12-month period beginning October 1, 1984, but who at no time for any services furnished during the following 12-month period was a participating physician, the Secretary shall take into account only the actual charges for services furnished during the 6-month period beginning on April 1, 1985.

"(G) In determining the customary charges for physicians' services furnished during the 12-month period beginning October 1, 1987, by a physician who at no time for any services furnished during the 12-month period beginning October 1, 1985, was a participating physician (as defined in subsection (h)(1)), the Secretary shall not recognize increases in actual charges for services furnished during the 6-month period beginning on April 1, 1986, above the level of the physician's actual charges billed in the 3-month period ending on June 30, 1984.".

(d) The first sentence of section 1842(j)(1) (42 U.S.C. 139u(j)(1)) is amended to read as follows: "In the case of a physician who is not a participating physician for items and services furnished during a portion of the 24-month period beginning October 1, 1984, the Secretary shall monitor the physician's actual charges to individuals enrolled under this part for physicians' services furnished during that portion of that period.".

REDUCTION IN AMOUNTS PAID FOR THE INDIRECT COSTS OF MEDICAL EDUCATION

Sec. 112. (a) The first sentence of section 1886(d)(5)(B) (42 U.S.C. 1395ww(d)(5)(B)) is amended by striking out "except that in the computation under this subparagraph the Secretary shall use an educational adjust-

ment factor equal to twice the factor provided under such regulations" and inserting instead "and in the computation under this subsection the Secretary shall use an educational adjustment factor equal to not more than 5.795%".

(b)(1) The amendment made by subsection (a) applies to admissions occurring after September 30, 1985.

(2) The amendment made by subsection (a) shall not require the Secretary of Health and Human Services to change any amount determined under section 1886(d)(2)(C)(i) of the Social Security Act (42 U.S.C. 1395ww(d)(2)(C)(i)).

FREEZE ON PAYMENTS FOR CLINICAL DIAGNOSTIC LABORATORY TESTS AND POTENTIAL PERMANENT APPLICATION OF FEE SCHEDULES TO SUCH TESTS FOR HOSPITAL OUTPATIENTS

Sec. 113. (a) Section 1833(h)(1) (42 U.S.C. 1395l(h)(1)) is amended—

(1) in the first sentence of subparagraphs (B) and (C), by striking out "June" and inserting instead "September",

(2) in the second sentence of subparagraphs (B) and (C), by striking out "July" and inserting instead "October", and

(3) in the second sentence of subparagraph (C), by inserting the following before the period: ", unless the Secretary, by June 30, 1987, determines that the fee schedule shall continue to apply, established on a nationwide basis".

(b) The first sentence of section 1833(h)(2) (42 U.S.C. 1395l(h)(2) is amended—

(1) by striking out "July 1, 1987" and inserting instead "October 1, 1987",

(2) by striking out "12-month" and inserting instead "27-month",

(3) by inserting "(for the 12-month period beginning October 1, 1986, and later periods)" after "adjusted annually", and

(4) by inserting "annual" after "equal to the".

FREEZE ON PAYMENTS FOR ROUTINE SERVICE COSTS OF SKILLED NURSING FACILITIES

Sec. 114. (a) The matter in section 1888(a) (42 U.S.C. 1395yy(a)) preceding paragraph (1) is amended by inserting "for cost reporting periods beginning after June 1984 but before July 1985," after "under this title".

(b) Section 1888(b) (42 U.S.C. 1395yy(b)) is amended by inserting "or in subsection (b)" before the period.

(c) Section 1888(c) (42 U.S.C. 1395yy(c)) is amended by inserting "or (b)" "after subsection (a)".

(d) Subsections (b) and (c) of section 1888 (42 U.S.C. 1395yy) are designated as subsections (c) and (d).

(e) Section 1888 (42 U.S.C. 1395yy) is amended by inserting after subsection (a) the following:

"(b) The Secretary, in determining the amount of the payments which may be made under this title with respect to routine service costs of extended care services for cost reporting periods beginning after June 1985, shall not recognize as reasonable (in the efficient delivery of health services) per diem costs of such services to the extent that such per diem costs exceed the per diem limits that applied (or would have applied) under subsection (a) for the cost reporting period immediately preceding the cost reporting period for which the amount of payments is being determined under this subsection.".

DIRECT APPORTIONMENT OF MALPRACTICE COSTS TO MEDICARE

Sec. 115. (a) Section 1861(v)(1) (42 U.S.C. 1395x(v)(1)) is amended by adding at the end the following:

(P) In determining the reasonable cost of services, the Secretary may separnely accumulate and directly apportion on a claims paid or other basis to the insurance programs established by this title costs of malpractice insurance premiums and self-insurance fund contributions.".

(b) The amendment made by subsection (a) is effective with respect to cost reporting periods beginning after June 1979. Any regulations or instructions issued previously to carry out the effect of that amendment are effective with respect to cost reporting periods beginning after that month until and unless modified or revoked.

INCLUSION OF LABOR OR DELIVERY ROOM DAYS IN DETERMINING HOSPITAL ROUTINE INPATIENT PER DIEM COSTS

Sec. 116. (a) Section 1861(v)(1) (42 U.S.C. 1395x(v)(1)) (as amended by section 115 of this Act) is further amended by adding at the end the following:

"(Q) In determining hospital routine inpatient per diem costs, the Secretary may count as a patient day a day on which a patient is in a labor or delivery room at the census-taking hour.".

(b) The amendment made by subsection (a) is effective with respect to cost reporting periods beginning after August 1976. Any regulations or instructions issued previously to carry out the effect of that amendment are effective with respect to cost reporting periods beginning after that month until and unless modified or revoked.

REDETERMINATION OF ALLOWABLE COSTS NOT TO AFFECT CERTAIN PAYMENTS TO HOSPITALS

Sec. 117. Section 1886(d) (42 U.S.C. 1395ww(d)) is amended by adding at the end the following:

"(9) No redetermination of any allowable operating costs of inpatient hospital services shall affect any payment under this subsection for a cost reporting period that has begun before the date of the redetermination.".

PART C—ADMINISTRATIVE CHANGES

ASSIGNMENT OF INPATIENT HOSPITAL BENEFIT PERIOD, DEDUCTIBLE, AND COINSURANCE IN THE ORDER OF FILING OF PAYMENT REQUESTS

Sec. 121. (a) Section 1812(b)(1) (42 U.S.C. 1395d(b)(1)) is amended—

(1) by inserting "as an inpatinet of a particular hospital" after "inpatient hospital services furnished to him", and

(2) by inserting "as an inpatient of that hospital, or of another hospital that has previously filed a request for payment under this part for such services," after "150 days during such spell".

(b)(1) The first sentence of section 1813(a)(1) (42 U.S.C. 1395e(a)(1)) is amended by inserting "as an inpatient of a hospital that first files a request for payment under this part for such services" after "any spell of illness".

(2) The second sentence of section 1813(a)(1) (42 U.S.C. 1395e(a)(1)) is amended to read as follows: "In addition, the amount payable for inpatient hospital services furnished an individual during any spell of illness shall be reduced by a coinsurance amount equal to—

"(A) one-fourth of the inpatient hospital deductible for each day (after the 60th but before the 91st day) on which such individual is furnished such services during such spell of illness as an inpatient of a particular hospital, or of another hospital that has previously filed a request for payment under this part for such services; and

"(B) one-half of the inpatient hospital deductible for each day (after the 90th but before the day following the last day for which such individual is entitled under section 1812(a)(1) to have payment made on his behalf for inpatient hospital services during such spell of illness) on which such individual is furnished such services during such spell of illness as an inpatient of a particular hospital, or of another hospital that has previously filed a request for payment under this part for such services;

except that the reduction under this sentence for any day shall not exceed the charges imposed for that day with respect to such individual for such services (and for this purpose, if the customary charges for such services are greater than the charges so imposed, such customary charges shall be considered to be the charges so imposed).".

(3) Section 1813(a)(2) (42 U.S.C. 1395e(a)(2)) is amended—

(A) by striking out "to any provider of services", and

(B) by inserting "as an inpatient of a particular hospital, or of another hospital that has previously filed a request for payment under this title for such services" after "such services".

(c) The amendments made by the preceding subsections apply to spells of illness beginning after September 1985.

ELIMINATION OF REQUIREMENT FOR A RAILROAD RETIREMENT BOARD CARRIER CONTRACT

Sec. 122. (a) Section 1842(g) (42 U.S.C. 1395u(g)) is repealed.

(b) The first sentence of section 1841(i) (42 U.S.C. 1395t(i)) is amended by striking out "and section 1842(g)".

(c) The amendments made by the preceding subsections are effective one year after the date of enactment of this Act, or as such earlier time as the Secretary and the Railroad Retirement Board may agree.

TITLE II—MEDICAID

LIMITATION ON STATES' ENTITLEMENT TO FEDERAL PAYMENTS FOR MEDICAL ASSISTANCE

Sec. 201. (a) Section 1903 (42 U.S.C. 1396b) is amended by adding at the end the following new subsection:

"(v)(1) Notwithstanding any other provision of this section, no State (other than Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, or American Samoa) shall be entitled to payment with respect to expenditures for medical assistance under paragraphs (1) and (5) of subsection (a), for fiscal year 1986 or any succeeding fiscal year, in excess of such State's allotment under paragraph (2).

"(2)(A) For fiscal year 1986, the allotment of each State subject to this subsection shall be an amount which bears the same ratio to $22,130,121,000 as the amount the State is entitled to receive under paragraphs (1) and (5) of subsection (a) for medical assistance expenditures for fiscal year 1984 bears to the total amount all such States are entitled to receive for such expenditures.

"(B) For fiscal year 1987 and each subsequent fiscal year, each State's allotment shall be an amount equal to its allotment for the preceding fiscal year, multiplied by the change in the MCPI (as defined in subparagraph (C)) for such subsequent fiscal year.

"(C) For purposes of this paragraph, the 'change in the MCPI' for a specified fiscal year means the ratio of (i) the annual average index of the medical care expenditure category of the Consumer Price Index for all urban consumers (U.S. city average) published by the Bureau of Labor Statistics for the first fiscal year preceding such specified fiscal year, to (ii) such index as so measured for the second such preceding fiscal year.

"(3) For purposes of paragraph (2), the amounts States are entitled to receive under paragraphs (1) and (5) of subsection (a) for medical assistance expenditures for fiscal year 1984 shall be the amounts approved by the Secretary before October 1, 1985, on the basis of expenditure reports received by the Secretary on or before January 20, 1985.

(b)(1) Notwithstanding the provisions of section 1903(v) of the Social Security Act, the Secretary shall make payments totaling $300,000,000 to qualifying States, for fiscal year 1986 only, in addition to payments subject to the limitation under section 1903(v)(1), in accordance with this subsection.

(2) For purposes of this subsection, the term "qualifying State" means a State (other than Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, or American Samoa)—

(A) which applies to the Secretary before January 1, 1986, for funding under this subsection, and

(B) the Federal share of whose medical assistance expenditures for fiscal year 1986, as approved by the Secretary before July 1, 1987, on the basis of expenditure reports received by the Secretary before January 1, 1987, exceed 108 percent of the State's allotment as determined under section 1903(v)(2)(A), and

(C) which can demonstrate either—

"(i) that the rate of increase in the Federal share of medical assistance expenditures from the 12-month period ending on September 30, 1983 to the 12-month period ending on September 30, 1985 did not exceed the percentage increase in the annual average index of the medical care expenditure category of the Consumer Price Index for all urban consumers (U.S. city average) published by the Bureau of Labor Statistics (MCPI) from the 12-month period ending on September 30, 1983 to the 12-month period ending on September 30, 1985, or

(ii) that the percentage change in the rate of increase in the Federal share of medical assistance expenditures between fiscal years 1984 and 1985 and fiscal years 1985 and 1986 did not exceed the percentage change in the rate of increase in the MCPI between those same periods.

For purposes of this paragraph, the Federal share of each State's medical assistance expenditures shall be calculated without regard to subsections (s) and (t) of section 1903 of the Social Security Act, and as if the Federal medical assistance percentage in effect in the State for fiscal year 1984 was the Federal medical assistance percentage in effect in the State for every fiscal year.

(3) The amount payable to a qualifying State under this subsection shall be that amount which bears the same ratio to $300,000,000 as the excess of the Federal share of the State's medical assistance expenditures for fiscal year 1986 (as determined under paragraph (2)(A)) over 108 percent of its allotment under section 1903(v)(2)(A) bears to the total of all such excess amounts for all qualifying States.

(4)(A) The Secretary shall make interim payments totaling $300,000,000 in accordance with paragraph (3) not later than July 1, 1986, to those States that appear to be qualifying States on the basis of the most recent estimates received by the Secretary as of January 1, 1986.

(B) The Secretary shall make fiscal adjustments in payments under this subsection (including reductions and increases as necessary in payments made under subparagraph (A)) not later than July 1, 1987.

GRANTS TO STATES FOR COSTS OF ADMINISTRATION

Sec. 202. (a) Section 1903 (42 U.S.C. 1396b), as amended by section 201 of this Act, is further amended by adding after subsection (v) the following new subsection:

"(w)(1) The Secretary shall, in accordance with the succeeding provisions of this subsection, make grants for fiscal year 1986, and each fiscal year thereafter, to each State other than Puerto Rico, Guam, the Virgin Islands. The Northern Mariana Islands, and American Samoa, for the proper and efficient administration of its plan approved under this title in lieu of payments under paragraphs (2), (3), (5), (6), and (7) of subsection (a) for quarters in such fiscal year.

"(2) The amount payable to a State under paragraph (1) for any fiscal year shall be that amount which bears the same ratio to the total amount appropriated to carry out such paragraph for such fiscal year as the amount payable by the Secretary under paragraphs (2), (3)(B), (5), (6), and (7) of subsection (a) with respect to such State's administrative expenditures made for fiscal year 1984 bears to such amounts payable to all the States to which this subsection applies.

"(3) For purposes of paragraph (2), the amount payable by the Secretary under paragraphs (2), (3)(B), (5), (6), and (7) of subsection (a) with respect to a State's administrative expenditures made for fiscal year 1984 shall be determined on the basis of expenditure reports sent to the Secretary by January 20, 1985, and approved by the Secretary prior to October 1, 1985.

"(4) Grants pursuant to paragraph (1) shall be made quarterly, in amounts as nearly equal as is feasible (unless the State's report pursuant to subsection (d) indicates that a lesser amount will be needed during the coming quarter for the proper and efficient administration of the State plan), reduced by amounts previously paid under this section that were not used by the State for such purpose.

"(5)(A) There are authorized to be appropriated for grants under paragraph (1) $1,191,148,000 for fiscal year 1986, and, for any subsequent fiscal year, the amount appropriated for the preceding fiscal year multiplied by the change in the GNP deflator (as defined in subparagraph (B)) for such subsequent fiscal year.

"(B) For purposes of this paragraph, the 'change in the GNP deflator' for a specified fiscal year means the ratio of (i) the gross national product implicit price deflator, measured for the second quarter of the first fiscal year preceding such specified year, published by the Bureau of Economic Analysis, Department of Commerce, before August 31 of such preceding fiscal year, to (ii) such deflator, as so measured, for the second such preceding fiscal year.

"(6) No amount shall be payable under paragraph (2), (3), (5), (6), or (7) of subsection (a) to any State for any quarter for which a grant under this subsection may be made to such State.".

FLEXIBILITY IN DETERMINING BENEFITS

Sec. 203. (a) Section 1902(a)(10) (42 U.S.C. 1396a(a)(10)) is amended—

(1) in paragraph (A), in the matter preceding clause (I), to read as follows:

"(A)(i) for making medical assistance available, including at least the care and services listed in paragraphs (1) through (5), (7), and (17) of section 1905(a), to all individuals—";

(2) by redesignating paragraph (A)(ii) and paragraph (B) as paragraph (B) and paragraph (A)(ii), respectively;

(3) in subparagraph (A)(ii), as redesignated,—

(A) by inserting ", with respect to the care and services listed in paragraphs (1) through (5), (7), and (17) of section 1905(a)" after "any individual described in subparagraph (A)"; and

(B) by striking out "subparagraph (A)" each place it occurs and inserting instead "clause (i)";

(4) in subparagraph (B), as redesignated,—

(A) by moving the left margin one em to the left;

(B) in the matter preceding clause (I), by inserting, "for making medical assistance available" before "at the option of the State";

(C) by striking out "clause (i) of this subparagraph" and "clause (i)" each place they occur and inserting instead "subparagraph (A)"; and

(D) by redesignating subclauses (I) through (VI) as clauses (i) through (vi); and

(E) by adding at the end "and"; and

(5)(A) by striking out "and" at the end of subparagraph (C); and

(B) by striking out subparagraph (D).

(b) Section 1902(a)(10)(C) (42 U.S.C. 1396a(a)(10)(C)) is amended—

(1) in clause (i), by striking out all that follows "all such groups" and inserting instead "not described in subparagraph (A) or (B); ".

(2) in clause (ii), by inserting "and" at the end; and

(3) by striking our clause (iv).

(c) Section 1902(a)(17) (42 U.S.C. 1396a(a)(17) is amended to read as follows:

"(17) include the standards and methods (which shall be reasonable) for determining eligibility for and the extent of medical assistance under the plan for each group of individuals not described in paragraph (10)(A) for which medical assistance is provided under the plan which—

"(A) in the case of the methodology used in determining income and resource eligibility for each group, shall be the same methodology which would be employed under the cash assistance program described in paragraph (10) (A) in effect in the State to which such group is most closely categorically related,

"(B) provide for taking into account only such income and resources as are, as determined in accordance with regulations of the Secretary, available to the applicant or recipient, except to the extent otherwise provided in paragraph (E);

"(C) do not take into account the financial responsibility of any individual for any applicant or recipient of assistance under the plan unless such applicant or recipient is such individual's spouse or such individual's child who is under age 21 or (with respect to States eligible to participate in the State program established under title XVI), is blind or permanently and totally disabled,

or is blind or disabled as defined in section 1614 (with respect to States which are not eligible to participate in such program);

"(D) take into account, in accordance with regulations of the Secretary, the costs of the applicant or recipient (or family members living with the applicant or recipient), whether in the form of insurance premiums or otherwise, for medical care or for any other type of remedial care recognized under State law; and

"(E) in determining the amount of income and resources which an individual residing in a medical institution who has been determined to be eligible may be required to contribute to the cost of medical care covered under the State plan (including income or resources of a spouse or parent as permitted under subparagraph (C))—

"(i) may take into account, to the extent permitted by the Secretary, income and resources of the applicant or recipient and of individuals financially responsible for the applicant or recipient (as described in paragraph (C)) which are not taken into account in determining eligibility, and

"(ii) do not take into account more than 20 percent of that portion of the total annual income of individuals financially responsible for the applicant or recipient (as described in paragraph (C)) that exceeds 200 percent of the poverty line as revised by the Secretary pursuant to section 652 of the Head Start Act;".

(d) Section 1902(f) (42 U.S.C. 1396a(f)) is amended by striking out "incurred medical expenses" each place it occurs and inserting instead "medical expenses".

(e) Section 1903(f) (42 U.S.C. 1396b(f)) is amended in paragraph (3) by striking out "incurred by such family" and inserting instead "of such family".

ELIGIBILITY OF CERTAIN INDIVIDUALS WHO BECOME INELIGIBLE FOR SUPPLEMENTAL SECURITY INCOME OR STATE SUPPLEMENTAL PAYMENTS

Sec. 204. Section 503 of the Unemployment Compensation Amendments of 1976, P.L. 94-566, is amended by inserting ", and for every month since April 1977 for which such individual was entitled to a monthly insurance benefit under title II," after "if for such month".

STATEWIDENESS REQUIREMENT RETAINED ONLY FOR MANDATORY SERVICES TO MANDATORY ELIGIBLES

Sec. 205. Section 1902(a)(1) (42 U.S.C. 1396a(a)(1)) is amended by inserting ", with respect to the care and services listed in paragraphs (1) through (5), (7), and (17) of section 1905(a) and furnished to individuals listed in paragraph (10)(A)," after "provide that".

AMENDMENT CONCERNING "FREEDOM OF CHOICE"

Sec. 206. (a) Section 1902(a)(23) (42 U.S.C. 1396a(a)(23)) is amended by striking out "any individual eligible for medical assistance (including drugs) may obtain such assistance" and inserting instead "any individual listed in paragraph (10)(A) may obtain medical assistance for any of the care and services listed in paragraphs (1) through (5), (7), and (17) of section 1905(a)".

AMENDMENTS CONCERNING HEALTH MAINTENANCE ORGANIZATIONS

Sec. 207. (a) Section 1902(e)(2)(A) (42 U.S.C. 1396a(e)(2)(A)) is amended—

(1) by striking out all that precedes "and who would" and inserting instead the following:

"(2)(A) In the case of an individual who is enrolled—

"(i) with any health maintenance organization under a contract under section 1903(m)(2)(A), or

"(ii) in a case management system approved under section 1915(b)(1),"; and

(2) by inserting "or system" before the period at the end.

(b) Section 1902(e)(2)(B) (42 U.S.C. 1396a(e)(2)(B)) is amended—

(1) by inserting "or case management system" before "under a State plan"; and

(2) by inserting "or system" after "the organization".

(c) Section 1915(b) (42 U.S.C. 1396n(b)) is amended by inserting "and section 1903(m)" after "section 1902".

AMENDMENTS CONCERNING COPAYMENTS

Sec. 208. (a) Section 1916 (42 U.S.C. 1396o) is amended to read as follows:

"Sec. 1916. (a) The State plan shall provide, with respect to the care and services listed in paragraphs (1) through (5), (7), and (17) of section 1905(a) and furnished to individuals listed in paragraph (10)(A), that—

"(1) no enrollment fees, premiums, deductibles, or similar charges will be made, and

"(2) any coinsurance or similar charges will be nominal (except that the charge for nonemergency services furnished in a hospital emergency room may be twice the nominal amount established under the State plan for hospital outpatient services).

"(b) The State plan may, at State option, provide that no deduction, cost sharing, or similar charge will be imposed under the plan with respect to any or all of the following:

"(1) services furnished to individuals under 18 years of age (and, at the option of the State, individuals under 21, 20, or 19 years of age, or any reasonable category of individuals 18 years of age or over),

"(2) services furnished to pregnant women, if such services relate to the pregnancy or to any other medical condition which may complicate the pregnancy (or, at the option of the State, any services furnished to pregnant women),

"(3) services furnished to any individual who is an inpatient in a hospital, skilled nursing facility, intermediate care facility, or other medical institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of his income required for personal needs, or

"(4) emergency services (as defined by the Secretary), or

"(5) services furnished to such an individual by a health maintenance organization (as defined in section 1903(m)) in which he is enrolled.

"(c) The State plan may provide, with respect to care and services furnished under the State plan (other than the care and services listed in paragraphs (1) through (5), (7), and (17) of section 1905(a) and furnished to individuals listed in paragraph (10)(A)), for—

"(1) enrollment fees, premiums, deductibles, or similar charges, in amounts left to State discretion, and

"(2) coinsurance or similar charges, in amounts left to State discretion.".

(b) Section 1902(a)(10) (42 U.S.C. 1396a(a)(10)), as previously amended by this Act, is further amended, in clause (IV) in the matter following subparagraph (C), to read as follows:

"(IV) the furnishing of an item or service to an individual without the imposition of a deductible, cost sharing, or similar charge under a State plan in accordance with subsection (a) or (b) of section 1916 shall not require the furnishing of that item or service without the imposition of such charge to an individual not exempted from such charge under the State plan;".

ELIMINATION OF FEDERAL REQUIREMENTS CONCERNING STATE PAYMENT RATES

Sec. 209. (a) Section 1902(a)(13) (42 U.S.C. 1396a(a)(13) is amended—

(1) in the matter preceding subparagraph (B), to read as follows:

"(13)(A) provide assurances satisfactory to the Secretary for the filing of uniform cost reports by each hospital, skilled nursing facility, and intermediate care facility and for periodic audits by the State of such reports; and";

(2) in subparagraph (B)—

(A) by striking out "that the State shall" and inserting instead "include a description of the methodology to be used by the State in setting payment rates for hospitals, skilled nursing facilities, and intermediate care facilities, and", and

(B) by striking out "and" at the end; and

(3) by striking out subparagraph (C).

(b) Section 1902(a)(30)(A) (42 U.S.C. 1396a(a)(30)(A)) is amended—

(1) by striking out ", and the payment for,", and

(2) by striking out "efficiency, economy, and quality of care" and inserting instead "efficiency and economy".

(c) Section 1903(h) (42 U.S.C. 1396b(h)) is repealed.

ELIMINATION OF REQUIREMENTS CONCERNING STATE AGENCY STAFF AND COOPERATIVE ARRANGEMENTS WITH OTHER STATE AGENCIES IN ADMINISTRATION OF STATE PLAN

Sec. 210. (a) Section 1902(a)(11) (42 U.S.C. 1396a(a)(11)) is repealed.

(b) Section 1902(a)(22) (42 U.S.C. 1396a(a)(22)) is amended—

(1) by striking out clause (A), and redesignating clause (B) as clause (A), and

(2) by striking out clause (C), and redesignating clause (D) as clause (B).

(c) Section 1902(a)(24)) (42 U.S.C. 1396a(a)(24) is repealed.

SIMPLIFICATION OF REQUIREMENT TO VERIFY THAT MEDICAL SERVICES WERE FURNISHED AS CLAIMED

Sec. 211. (a) Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking out "and" at the end of paragraph (45).

(2) by striking out the period at the end of paragraph (46) and inserting instead "; and ", and

(3) by inserting after paragraph (46) the following new paragraph:

"(47) provide for an effective method of verifying, by sampling techniques or other methods approved by the Secretary, whether services billed by all participating providers were furnished as claimed to individuals entitled to medical assistance under the State plan.".

(b) Section 1903(a)(3)(B) (42 U.S.C. 1396b(a)(3)(B)) is amended by striking out "and which include" and all that follows before the semicolon.

ELIMINATION OF PENALTY FOR FAILURE TO PAY PREMIUMS FOR INDIVIDUALS ELIGIBLE FOR MEDICARE PART B BENEFITS

Sec. 212. Section 1903(b) (42 U.S.C. 1396b(b)) is amended by striking out paragraph (1).

ELIMINATION OF REVIEW REQUIREMENTS AND PENALTIES RELATED TO MECHANIZED INFORMATION SYSTEMS

SEC. 213. Section 1903(r) (42 U.S.C. 1396b(r)) is repealed.

AMENDMENT TO UTILIZATION CONTROL PENALTY

SEC. 214. Section 1903(g)(4) (42 U.S.C. 1396(g)(4)) is amended by adding at the end the following new subparagraph:

"(C) "The Secretary shall not find a showing of a State unsatisfactory, with respect to the requirement to conduct annual onsite inspections in mental hospitals, skilled nursing facilities, and intermediate care facilities under paragraphs (26) and (31) of section 1902(a), for failure to review the care of each person receiving medical assistance (or, as permitted by the Secretary, each person in a sample group of such individuals) where the showing demonstrates, with respect to each institution subject to this requirement, that the State did not fail to meet the requirement with respect to more than—

"(i) (in the case of an institution with more than fifty such patients) the lesser of ten such individuals or two percent of the total number of such individuals in the institution, or

"(ii) (in the case of an institution with fifty or fewer such patients) one individual.".

EFFECTIVE DATE

SEC. 215. (a) The amendments made by sections 201 and 202 shall become effective upon enactment.

(b) The amendments made by sections 203 through 214 shall be effective with respect to calendar quarters beginning on or after the first day of the first fiscal year for which sections 201 and 202 are in effect.

SUMMARY OF PROPOSED HEALTH CARE FINANCING COST REDUCTION AMENDMENTS OF 1985

SHORT TITLE AND REFERENCES IN ACT

Section 1 would assign the draft bill the short title "Health Care Financing Cost Reduction Amendments of 1985".

TITLE I—MEDICARE

PART A—CHANGES IN ELIGIBILITY AND COST SHARING

USE OF MEDICARE PHYSICIANS' SERVICES ECONOMIC INDEX TO INCREASE ANNUALLY THE SUPPLEMENTARY MEDICAL INSURANCE DEDUCTIBLE

Section 101 would increase the Supplementary Medical Insurance (SMI) deductible (currently set at $75) each year, beginning with 1987, by the percentage increase in the economic index used to determine the allowable increase in prevailing charges for physicians' services, rounded to the next higher multiple of $1. This section would allow the SMI deductible to keep pace with changes in physician fees in the future.

FIRST FULL MONTH OF MEDICARE ELIGIBILTIY

Section 102 would provide for eligibility for Medicare benefits to begin in the first month throughout which all the eligibility requirements have been met.

ONE PERCENT COINSURANCE FOR HOME HEALTH BENEFITS

Section 103 would impose a coinsurance of one percent of the inpatient hospital deductible for each home health visit after the twentieth in any calendar year.

CHANGES IN SUPPLEMENTARY MEDICAL INSURANCE PREMIUM

Section 104 would increase the SMI premium over a period of five years from 25 percent of the estimated *per capita* costs of the SMI program to 35 percent. Under current law, the monthly premium for 1986 and 1987 will be set at 25 percent of the estimated *per capita* costs; annual increases in the monthly premium for later years is to be limited by the percentage increase in Social Security benefits. The proposed changes would provide a more reasonable balance between Federal and beneficiary shares of total program costs, which were originally intended to be evenly shared.

EXTENSION OF WORKING AGED PROVISIONS TO INDIVIDUALS OVER 69

Section 105 would expand the provisions that make Medicare the secondary payer for working beneficiaries (and spouses) to include individuals over 69 years of age (as well as those between 65 and 70), and would require an employer to continue to provide group health coverage to all older employees and spouses of employees, not only those under 70, to the same extent as the employer provided those benefits to employees and spouses under 65.

APPLICABILITY OF LIFETIME LIMIT ON PSYCHIATRIC CARE TO CERTAIN PSYCHIATRIC UNITS OF GENERAL HOSPITALS

Section 106 would apply the 190 day lifetime limit on inpatient psychiatric care to patients in a psychiatric unit of a general hospital if Medicare pays for services furnished in the unit on a cost rather than prospective basis. Under current law hospitals have little incentive to limit the length of stay of patients in such units.

PART B—CHANGES IN REIMBURSEMENT

EXTENSION OF FREEZE ON PAYMENTS FOR PHYSICIANS' SERVICES

Section 111 would extend the freeze on payments for physicians' services for another year, through fiscal year 1986. Prevailing charges for services furnished after the freeze would not include an allowance for the lack of an increase during the freeze. For physicians who were not participating physicians during fiscal years 1985 and 1986, actual charges for services furnished during that period that were above their actual charges from April, through June of 1984 would not be recognized in determining their customary charges for fiscal year 1987. For physicians who were participating physicians during fiscal year 1985 but not during fiscal year 1986, only actual charges from April through September 1985 would be considered in determining their customary charges for fiscal year 1987. For physicians who were participating physicians during fiscal year 1986, only actual charges from October 1985 through March 1986 would be considered in determining their customary charges for fiscal year 1987. For physicians who were not participating physicians during fiscal year 1986, actual charges from April through September of 1986 that were above their actual charges from April through June of 1984 would not be recognized in determining their customary charges for fiscal year 1988.

REDUCTION IN AMOUNTS PAID FOR THE INDIRECT COSTS OF MEDICAL EDUCATION

Current law requires that hospitals under the diagnosis related groups (DRG) system be paid additional amounts for the indirect costs of medical education equal to double the amounts determined under regulations for those costs before the DRG system was placed in effect. Section 112 would eliminate the doubling factor and limit the educational adjustment factor to not more than 5.795%.

FREEZE ON PAYMENTS FOR CLINICAL DIAGNOSTIC LABORATORY TESTS AND POTENTIAL PERMANENT APPLICATION OF FEE SCHEDULES TO SUCH TESTS FOR HOSPITAL OUTPATIENTS

Section 113 would freeze Medicare payments for clinical diagnostic laboratory tests for the 15 month period beginning in July 1985, and would set fees in future years without an allowance for the lack of an increase for that period. Section 113 would also apply fee schedules to such tests for hospital outpatients through September 1987, and permanently if the Secretary so decided before July 1987; current law applies fee schedules to tests for hospital outpatients only through June 1987.

FREEZE ON PAYMENTS FOR ROUTINE SERVICE COSTS OF SKILLED NURSING FACILITIES

Section 114 would freeze for one year, through June 1986, the limits on payments for routine service costs of skilled nursing facilities, and would preclude later adjustments for the lack of an increase during that year.

DIRECT APPORTIONMENT OF MALPRACTICE COSTS TO MEDICARE

Section 115 would provide explicit statutory authority for the Secretary to accumulate separately and directly apportion on a claims paid or other basis to Medicare the costs of malpractice insurance premiums and self-insurance fund contributions. The section would retroactively ratify regulations or instructions issued previously to carry out the effect of this section.

INCLUSION OF LABOR OR DELIVERY ROOM DAYS IN DETERMINING HOSPITAL ROUTINE INPATIENT PER DIEM COSTS

Section 116 would provide explicit statutory authority for the Secretary, for purposes of determining hospital routine inpatient per diem costs, to treat as inpatient days any days on which a patient is in a labor or delivery room. The section would retroactivity ratify regulations or instructions issued previsouly to carry out the effect of this section.

REDETERMINATION OF ALLOWABLE COSTS NOT TO AFFECT CERTAIN PAYMENTS TO HOSPITALS

Section 117 would preclude any retroactive changes in payments to hospitals subject to the prospective payment system (including retroactive changes to the hospital-specific portion of payments to those hospitals), due to redeterminations of any allowable costs of inpatient hospital services. Permitting such changes following judicial or other redeterminations of allowable costs for earlier cost reporting periods would erode the prospective nature of the hospital prospective payment system by introducing an element of uncertainty incompatible with the purpose of the system.

PART C—ADMINISTRATIVE CHANGES

ASSIGNMENT OF INPATIENT HOSPITAL BENEFIT PERIOD, DEDUCTIBLE, AND COINSURANCE IN THE ORDER OF FILING OF PAYMENT REQUESTS

Section 121 would change the order in which hospitals are responsible for collecting from a Medicare beneficiary the inpatient hospital deductible, coinsurance, and charges for services furnished after the Medicare coverage period has expired for a particular spell of illness, in cases in which the beneficiary is an inpatient of two or more hospitals during the same spell of illness. The responsibility for collecting these amounts is currently assigned in the chronological order in which services are furnished. Section 121 would instead assign the responsibility in the order in which hospitals submitted requests for Medicare payments, so that a hospital that provided services after another hospital, but submitted its request first, would be responsible for collecting the inpatient hospital deductible and would be credited with the first 60 days of Medicare coverage (for which no coinsurance is required). This change would simplify the administration of the Medicare program by eliminating the need to make later adjustments in amounts payable to specific hospitals.

ELIMINATION OF REQUIREMENT FOR A RAILROAD RETIREMENT BOARD CARRIER CONTRACT

Section 122 would eliminate the requirement for a separate Railroad Retirement Board carrier contract. Under the section, SMI claims of railroad retirees would be processed by the same organizations that process other SMI claims. The section would reduce administrative costs and improve service to beneficiaries.

TITLE II—MEDICAID

LIMITATION ON STATES' ENTITLEMENT TO FEDERAL PAYMENTS FOR MEDICAL ASSISTANCE

Section 201 would limit States' entitlement to Federal matching payments with respect to medical assistance expenditures. For FY 1986 Federal matching payments would be limited to $22,130,121,000; each State's share of this amount would be proportional to its share of Federal matching payments for FY 1984. For FY 1987 and succeeding fiscal years, each State's limit would be its FY 1986 ceiling, indexed by the medical care component of the Consumer Price Index. This amendment would not apply to the territories, whose Federal matching payments are already capped.

For FY 1986 only, the Secretary would be authorized to distribute additional funds appropriated, up to a ceiling of $300 million, in additional grants to States whose Federal medical assistance payments, but for their ceiling, would be more than 108 percent of such payments as limited by the ceiling.

GRANTS TO STATES FOR COSTS OF ADMINISTRATION

Section 202 would provide for grants to States (other than the territories) for costs of administration, in lieu of present authority for Federal matching payments for such costs.

Each such State's grant for FY 1986 and each succeeding fiscal year would be a proportion of the total appropriation for this purpose equal to that State's proportional share of Federal matching payments to all such States for administrative expenditures for FY 1984 (other than development costs of Medicaid management information systems (MMIS)), determined on the basis of expenditure reports sent to the Secretary by January 20, 1985, and approved by the Secretary prior to October 1, 1985.

Appropriations would be authorized for this purpose of $1,191,148,000 for FY 1986, and the prior year's appropriation adjusted by the GNP deflator for FY 1987 and succeeding fiscal years.

FLEXIBILITY IN DETERMINING BENEFITS

Section 203(a) would eliminate most minimum benefit requirements for the current "categorically needy" groups, retaining the requirements only for current mandatory services for the mandatory eligibles.

Subsection (b) would amend paragraph (10)(C) of section 1902(a) to eliminate the requirement that a State whose "medically needy" program includes care in institutions for mental diseases or in intermediate care facilities for the mentally retarded provide to all "medically needy" groups a minimum benefit package comparable to that required for the "categorically needy". This subsection would also eliminate from paragraph (10)(C) provisions concerning income and resource determinations which duplicate or overlap provisions of paragraph (17).

Subsection (c) would amend section 1902(a)(17) to contain all requirements concerning standards and methods for determining eligibility and benefits of individuals other than mandatory eligibles. As amended—

Section 1902(a)(17)(A) would maintain the requirement that the methodology used to determine income and resource eligibility must be the same as that of the cash assistance program for the group most closely categorically related to the optional medical assistance group;

Section 1902(a)(17) (B) and (C) would maintain the requirements to take into account only income and resources actually available to the applicant or recipient, and not to take into account the financial responsibility of any other individual (other than a spouse or parent);

Section 1902(a)(17)(D) would maintain the requirement to take into account costs of medical or remedial care, but eliminate the reference to "costs incurred" in order to allow States to consider also costs for which payment has not yet been made and foreseeable future costs;

Section 1902(a)(17)(E) would explicitly provide, that, in determining the amount an eligible individual residing in a medical institution must contribute to the cost of care—

(1) income and resources may be taken into account that were not counted in determining eligibility, to the extent the Secretary may permit (this is a clarifying amendment; the rule is necessarily implied to avoid results inconsistent with the intent of the Congress, and has been applied since the inception of the program in 1965, but the absence of an explicit statement is a source of recurring confusion); and

(2) up to 20 percent of that portion of the annual income of financially responsible spouses and parents that exceeds 200 percent of the Federal poverty line may be deemed available to the applicant or recipient (this is new authority).

Subsections (d) and (e) would amend section 1902(f) (the "209B eligibility provision") and section 1903(f) (which limits Medicaid eligibility to those whose income and resources do not exceed 133⅓ percent of the cash assistance standard for families with dependent children) to eliminate the restriction of spenddown to incurred medical costs, in order to include also costs for which payment has not yet been made and foreseeable future costs.

ELIGIBILITY OF CERTAIN INDIVIDUALS WHO BECOME INELIGIBLE FOR SUPPLEMENTAL SECURITY INCOME OR STATE SUPPLEMENTAL PAYMENTS

Section 204 would clarify that the disregard of certain income provided by section 503 of Public Law 94-566, for purposes of determining Medicaid eligibility, applies only to those individuals who become ineligible for supplemental security income (SSI) as a direct result of a cost-of-living increase in social security benefits, and would therefore, without this section, be ineligible for Medicaid as well. It is clear from the legislative history of section 503 that this provision was never intended to afford relief to individuals who lost SSI eligibility for reasons apart from the cost-of-living increase, but who, if that increase were deducted from their total income, would qualify for SSI (despite the contrary outcome in Lynch v. Rank).

STATEWIDENESS REQUIREMENTS RETAINED ONLY FOR MANDATORY SERVICES TO MANDATORY ELIGIBLES

Section 205 would amend the present requirement that the State plan be in effect throughout the State to apply only with respect to mandatory services to those groups the State is required to cover.

AMENDMENT CONCERNING "FREEDOM OF CHOICE"

Secton 206 would limit applicability of the requirement that recipients have freedom of choice in selection of a provider from whom to receive covered services to mandatory services for the categorically needy.

AMENDMENTS CONCERNING HEALTH MAINTENANCE ORGANIZATIONS

Section 207(a) and (b) would permit States to extend the minimum enrollment period now available to individuals enrolled in Federally qualified HMOs to individuals enrolled in (1) a case management system approved under the Medicaid freedom-of-choice waiver authority, or (2) all types of HMOs, both State and Federally qualified.

Subsection (c) would permit the Secretary to grant States waivers of the "freedom of choice" requirement with respect to entities qualifying as health maintenance organization under the Medicaid definition.

AMENDMENTS CONCERNING COPAYMENTS

Section 208 would amend provisions concerning copayments by Medicaid recipients. No premiums or like charges could be made for mandatory services for the mandatory groups, and copayments for such services could only be nominal. States would have the option to exempt from copayment requirements services furnished to children, pregnant women, inpatients subject to spenddown requirements, HMO services, and emergency services. There would be no restrictions on copayments for optional services for any individuals.

ELIMINATION OF FEDERAL REQUIREMENTS CONCERNING STATE PAYMENT RATES

Section 209 would eliminate all statutory requirements with respect to minimum payment rates for Medicaid services, but States would be required to include in their plans a description of the methods used to set payment rates for hospitals, skilled nursing facilities, and intermediate care facilities.

ELIMINATION OF REQUIREMENTS CONCERNING STATE AGENCY STAFF AND COOPERATIVE ARRANGEMENTS WITH OTHER STATE AGENCIES IN ADMINISTRATION OF STATE PLAN

Section 210 would eliminate requirements that the State agency cooperate with State health and rehabilitation agencies in the administration of services; and that it specify in its plan the health professionals to be used in plan administration.

SIMPLIFICATION OF REQUIREMENT TO VERIFY THAT MEDICAL SERVICES WERE FURNISHED AS CLAIMED

Section 211 would repeal the present requirement that MMIS systems provide for written notice to be given to individuals (or to a sample of individuals) of the medical services furnished under the State plan to those individuals, and would instead require the State plan to provide an adequate method for verifying whether services for which payment is claimed under the State

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plan were actually furnished to covered individuals.

ELIMINATION OF PENALTY FOR FAILURE TO PAY PREMIUMS FOR INDIVIDUALS ELIGIBLE FOR MEDICARE PART B BENEFITS

Section 212 would eliminate the reduction in Federal reimbursement with respect to expenditures which would not have been incurred by the State if it had exercised its option to pay Medicare part B premiums on behalf of eligible Medicaid recipients.

ELIMINATION OF REVIEW REQUIREMENTS AND PENALTIES RELATED TO MECHANIZED INFORMATION SYSTEMS

Section 213 would eliminate requirements and related penalties with respect to operation of States' mechanized claims processing and information retrieval systems.

AMENDMENT TO UTILIZATION CONTROL PENALTY

Section 214 would amend the utilization control penalty requirement to add a tolerance for error. Under present law, substantial penalties must be assessed if the State teams making onsite inspections in mental hospitals and skilled and intermediate care facilities fail to review the care of a single patient. Under this amendment, a State would not be penalized for failure to meet this requirement, so long as the number of individuals in any one institution whose care was not reviewed did not exceed the lesser of two percent of the Medicaid population or ten patients (or one patient, in the case of a small institution).

EFFECTIVE DATE

Section 215 would provide that amendments made by sections 201 and 202 of the bill would be effective upon enactment, and that amendments made by sections 203 through 214 would be effective with respect to calendar quarters beginning on and after the first day of the first fiscal year for which sections 201 and 202 are in effect.

By Mr. DURENBERGER (for himself, Mr. HEINZ, and Mr. CHAFEE):

S. 1551. A bill to amend title XVIII of the Social Security Act to provide for administrative appeals and judicial review under part B of Medicare; to the Committee on Finance.

FAIR MEDICARE APPEALS ACT

Mr. DURENBERGER. Mr. President, today, I join my distinguished colleagues Senator HEINZ and Senator CHAFEE in introducing the "Fair Medicare Appeals Act of 1985" to bring Medicare's part B appeals process up to date by providing for the appeal of part B claim determinations beyond the level of the fiscal intermediary.

Mr. President, the Social Security Act already provides for judicial review for disputes regarding the entitlement to benefits under both parts A and B of the Medicare Program. However, judicial review for disputes regarding the amount of benefits is only allowed under part A, but not under part B.

The Medicare Program is undergoing dramatic upheaval. In just the past few years Congress has legislated major Medicare systems reform at a rate unprecedented in the Halls of Congress. Using the vehicles of competition and consumer choice we have introduced needed financial incentives to encourage the cost effective delivery of quality care to our Nation's 30 million elderly and disabled beneficiaries.

Congress has reformed the way Medicare pays for inpatient hospital services—setting a prospective price for services provided based on a list of 468 diagnosis related groups [DRG's]. We have given Medicare beneficiaries the option to use their Medicare entitlement to purchase coverage from private health plans—the new Medicare voucher legislation. And we have developed and implemented a new peer review system to closely monitor the quality of care provided to Medicare beneficiaries.

But in all this flurry of activity we've overlooked one very important part of the program that now sticks out like a sore thumb—the appeals process under Medicare's supplemental insurance program, part B.

Part B is Medicare's optional insurance program that provides coverage for basic noninstitutional services including physician visits, outpatient procedures, plus medical home health care and durable medical equipment. It's an important part of the Medicare Program with 98 percent of Medicare beneficiaries opting to enroll.

I was, therefore, surprised to learn that under current law, there is no provision for judicial review of claims disputed by Medicare's beneficiaries. For amounts of benefits over $100, appeals are heard only by a hearing officer who is not only appointed by the carrier, but employed by him as well. The decision made by the hearing officer is final. There is absolutely no further review provided Medicare beneficiaries beyond the carrier level.

The part B appeals process was modeled after AETNA's Federal employee health benefit plan. When part B was designed it was the thought that claims under part B were relatively small when compared to part A, Medicare's Hospital Insurance Program. It was the intent of Congress to limit judicial review of part B claims to prevent the needless overloading of the courts with minor claim disputes.

Yet the health care system is not the same system it was 20 years ago. We are moving away from hospital-based services, financed primarily under part A, to services provided in doctor's offices, hospital outpatient units and home health agencies—financed primarily under part B. Many factors are contributing to the shift from part A to part B.

Medicare's new hospital prospective payment system limits the amount it will pay hospitals for services provided on the prospectively determined prices, associated with the 468 diagnosis related groups [DRG's]. Hospitals now have new financial incentives which encourage them to discharge patients as soon as it is medically possible. This shift places greater demands on post-hospital service providers.

New and increasingly sophisticated advances in medical technology have made possible the performance of many surgical procedures on an outpatient basis. At the same time, Medicare's new peer review program is contributing to the growth in out-patient surgery by effectively reducing hospital admissions for procedures that can safely be performed in an outpatient setting.

The rationale used to preclude judicial review—that part B claims are relatively small when compared to part A—can no longer be justified. In fact, under Medicare's current reimbursement system, certain procedures can cost the Medicare Program more if performed on an outpatient basis compared to its inpatient hospital rate. For example, the fixed inpatient DRG payment for cataract surgery is about $1,500. For outpatient surgery, the average charge is $2,200 and can go as high as $4,500.

Last week I introduced the "Medicare Outpatient Surgery Savings, Access, and Quality Act" (S. 1489) to bring Medicare's payment of outpatient surgery into line with its true costs. S. 1489 establishes fixed prospective prices for outpatient surgery based on the same fixed prospective rate paid to ambulatory surgical centers and hospital outpatient settings. My bill will bring down the costs of surgical procedures paid for under part B. But, the trend toward the use of more part B covered services will obviously continue.

Finally, technological advances have contributed to the increased availability of and demand for home health medical services equipment making home health care a new service option for many who would otherwise be institutionalized.

All these factors have contributed to an increase in part B payments at the rate of about 20 percent per year. Forty-one percent of the increase in part B payments can be attributed to an increase in the volume of claims filed. At the same time, there has been a substantial increase in the number of part B appeals filed at the carrier level. According to a recent HCFA's carrier appeals report, carrier review requests increased by 35 percent from October to December in 1983 to the same quarter in 1984. In fact, the report states that the number of cases pending at the end of 1984—248,493—was the highest ever recorded.

We mustn't ignore the facts any longer. Use of part B covered services under Medicare is increasing. Beneficiary appeals of part B claim determinations are increasing. Yet, carriers are paying out less under their review

determinations than ever before—$350,000 during October-December 1984 compared to $512,000 for the same period in 1983.

In addition to the lack of judicial review, the Health Care Financing Administration recently issued an intermediary manual change which took away the Medicare beneficiaries' option to be represented in an appeals hearing by their own physician. This was a major regulatory change in the administration of the Medicare Program that was never published or presented for public comment.

The reality of how the appeals process works for the average Medicare beneficiary disputing a part B claim determination clearly points to the need for reform.

Imagine youself a 70-year-old retired person who has just received a bill for $1,000, for relatively minor surgical procedure performed in your doctor's office. Upon submitting the bill for reimbursement, you find that Medicare will pay only half the charge. You are out $500.

You submit an appeal to the carrier to review your claim. After waiting for several months for a decision, the carrier denies your appeal, provides no explanation why your appeal was denied, plus correspondence from the carrier is written in a language you cannot understand. But that's it. You are stuck with the carrier's decision—under current law there is no appeal beyond the carrier.

Reform of the part B appeals process is needed to guarantee Medicare beneficiaries their right to due process. As Congress continues to reform the Medicare Program, we must closely monitor the quality of care being provided, the administration of benefits, and the appropriate payment of claims.

The "Fair Medicare Appeals Act of 1985" provides the following:

(1) Where the amount of dispute is between $100 and $500 beneficiary appeals will be settled by the carrier.

(2) Beneficiaries with disputes concerning a dispute greater than $500, but less than $1000, may appeal the claim determination to an administrative law judge appointed by the Department of Health and Human Services.

(3) Where the amount in dispute is greater than $1000, a beneficiary may appeal the administrative law judge's decision to the courts.

(4) Provides for the right of beneficiaries to choose representation by their providers in any of the appeals procedures under both Part A and Part B.

Mr. President, I ask unanimous consent that S. 1551 be printed in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Fair Medicare Appeals Act of 1985."

AMENDMENTS TO SOCIAL SECURITY ACT

SEC. 2. (a) section 1869(a) of the Social Security Act is amended by inserting "or part B" after "part A".

(b) Section 1869(b) of such Act is amended—

(1) in paragraph (1)(C), by inserting "or part B" after "part A";

(2) in paragraph (2), by inserting after "$100" the following: "in the case of benefits under part A, or $500 in the case of benefits under part B"; and

(3) by adding at the end thereof the following new paragraphs:

"(3) In the case of any hearing or judicial review conducted or requested pursuant to paragraph (1)(C), the beneficiary may allow the provider which furnished the services involved to act as such beneficiary's representative.

"(4) In determining the amount in controversy, the Secretary, under regulations, shall allow two or more claims to be aggregated if the claims involve the delivery of similar or related services to the same individual or involve common issues of law and fact arising from services furnished to two or more individuals.".

(c) Section 1842(b)(3)(C) of such Act is amended by striking out "$100 or more" and inserting in lieu thereof "at least $100, but not more than $500,".

(d) Section 1879(d) of such Act is amended by striking out "sections 1869(b)" and all that follows through "part (B)" and inserting in lieu thereof "sections 1869(b) and 1842(b)(3)(C), as may be applicable,".

(e) The amendments made by this Act shall apply to hearings and judicial review with respect to determinations under section 1869(a) of the Social Security Act made on or after the date of the enactment of this act.

Mr. HEINZ. Mr. President, today Senator DURENBERGER, Senator CHAFEE, and I are introducing legislation to improve the effectiveness and fairness of appeals and procedural protections available to Medicare beneficiaries. I am pleased to state that these amendments are supported by a broad-based coalition of beneficiary, provider, practitioner, and supplier organizations.

Congress has long recognized that the cost of medical care to the elderly can be enormous. For this reason, the Medicare Program was enacted, in 1965, to provide "help for old people who need assistance in meeting medical costs." The part B medical insurance program was created to provide security to all of the Nation's elderly faced with huge medical bills.

Part B of Medicare covers the costs of a variety of noninstitutional health care services. While most part B payments, which totaled $19.3 billion in fiscal year 1984, are for physician services, the program also covers many other services, such as outpatient laboratory tests, home health services, and durable medical equipment.

To deal with disputes that arise over the amount of payment due a beneficiary or provider of services under the Medicare Program, various appeal processes have been instituted. Unfortunately, under current law, part B beneficiaries whose claims are denied wholly or partially have had a very limited appeals process available to them. This has raised questions about whether the due process requirements of the Constitution have been met.

To begin to deal with this problem, I asked the General Accounting Office [GAO] in August of 1984 to review the current appeals process and due process protections for beneficiaries under part B of Medicare. That review was recently completed and I am releasing the GAO report today.

The GAO made two significant findings: First, with regard to the adequacy of the beneficiary appeals process under the due process principle of the Constitution, the GAO stated that their review of court decisions showed that courts have found the Health and Human Services Department's appeals procedures do not satisfy the requirements of due process.

Second, the GAO found that the Department's Health Care Financing Administration has not acted to implement GAO's 1980 and 1981 recommendations to improve protection against underpayments to beneficiaries because to do so would increase administrative costs and program payments. GAO stated that while it recognized that costs would increase, HCFA has an equally important obligation to pay for services that are covered in order to protect the elderly and disabled from inequitable out-of-pocket expenses.

For part B beneficiaries, as well as providers, the Medicare statute and recent court decisions have effectively precluded judicial review of part B programs and claims paid or not paid. Beneficiaries who receive low reimbursement for charges they have paid to their doctors may know that something is wrong, but are generally powerless to do anything about it.

Presently, a beneficiary may request an in-house paper review of unsatisfactory reimbursement, but the beneficiary plays no part in the process and must accept the result. Only if a dissatisfied claimant has a claim of more than $100 and expenses for a "fair" hearing is there any opportunity for direct examination of his or her file and a chance to express his or her side of the story. According to many claimant's attorneys, the "fair" hearing is mostly an exercise in arithmetic, with no opportunity to examine the underlying decisions and no further opportunity for review for disappointed beneficiaries.

A case in point is that of Mr. Salvatore Civello, a 69-year-old former truck driver from Ridgewood, NY. Mr. Civello paid his doctor $1,150 for the removal of a tumor. His initial Medicare reimbursement was $602.00. After he requested a review of that determination, he received an additional $353.00. The carrier never told him why or how these figures were derived.

The judge ruling in the case in which Mr. Civello was a plaintiff, stated that the language used in the review determination letter is "bureaucratic globbledegook, jargon, double talk, a form of officialese, federalese, and insurancese, and doublespeak. It does not qualify as English."

Mr. President, during fiscal year 1984, the beneficiaries' liabilities on unassigned claims for the difference between actual and allowed charges were almost $3 billion, up from $882 million in fiscal year 1978. And, as the GAO found in 1980, there is a high risk of underpayment in beneficiary submitted claims. This is illustrated by the fact that during fiscal year 1983, of 2,337,779 reviews conducted by carriers, 1,363,934, or 59 percent, were reversed. The vast majority of these reversals were made in favor of the beneficiary—68 percent—with awards to beneficiaries totaling $154,813,518. And carrier review requests are on the rise. They have increased dramatically—by 33.5 percent—from the last quarter in 1983 to the first quarter in 1984—576,448 to 769,557.

Mr. President, the legislation I am introducing today would give part B beneficiaries basic due process protections, without overburdening the courts with minor matters. Simply stated, it provides a hearing by an administrative law judge for any part B claim greater than $500. For disputes of more than $1,000 judicial review will be available if the beneficiary is not satisfied with the results of the administrative law judge review. It also allows beneficiaries to be represented in an appeals proceeding by their doctor or hospital.

Mr. President, this legislation is needed and it is needed now. Since the inception of the prospective payment system and DRG method of hospital payment, more medical services are being rendered in outpatient settings, thereby creating much larger part B bills than under the previous payment system. Already the percentage of claims submitted by beneficiaries is high and beneficiary liability for Medicare reasonable charge reductions is approaching $3 billion a year. For the individual beneficiary, living on a fixed income, close to the subsistence level, the losses may impose severe hardship and emotional strain.

Attorneys for beneficiaries have long complained that present procedures do not meet due process requirements, but the problems with the part B appeals process have not been fully resolved by the courts of this country. Our Nation's elderly Medicare beneficiaries are entitled to the due process protections afforded by the Constitution. This bill assures that they receive due process.

● Mr. CHAFEE. Mr. President, I am pleased to join my colleagues from Minnesota and Pennsylvania in introducing the Fair Medicare Appeals Act of 1985.

Under current law there is a difference between the manner in which disputes concerning the amount of benefits under part A and part B of Medicare are resolved. There is a two-track system for the appeal of carrier decisions. Under part A if a beneficiary has a dispute with a provider, he or she may appeal the decision by the carrier to an administrative law judge. If the dispute involves more than $1,000 the beneficiary may appeal the administrative law judge's decision through full judicial review. On the other hand, if there is a dispute under part B of the program, the beneficiary is entitled only to receive a hearing with a hearing officer who is not a lawyer, is employed by the carrier, and works out of a manual—with no consideration of case law or even previous decisions made by the carrier. The carrier's decision is final; there is no appeal.

This legislation would make four major changes in the part B appeals process. Disputes involving amounts between $100 and $500 will continue to be settled by the carrier. Disputes involving amounts between $500 and $1,000 will have recourse to a full hearing by an administrative law judge. If the amount in dispute is greater than $1,000, a beneficiary may appeal the administrative law judge's decision through full judicial review. Finally, all beneficiaries will have the right to choose representation by their providers in any appeals procedures under part A and part B.

The difference between these two appeal procedures was not a problem when the part B program was small. However, today with the increased complexity and increased number of claims the difference is difficult to justify.

The current part B appeals process was designed 20 years ago. It has been 13 years since Congress last took a serious look at Medicare appeals procedures and procedural protections. I believe it is time to reexamine the system and make much-needed reforms.

Part B of Medicare has become an integral part of health care for the elderly. Congress has added services under the program to address the changing needs of the elderly. With the advent of prospective payment system under part A of Medicare, beneficiaries rely heavily on the services offered under part B. That system has created pressures on hospitals to discharge patients sooner than in the past and consequently beneficiaries need the services of post-hospital providers, which are paid for through part B of the program, like physician and home health care services.

In addition to these demands, advances in medical technology have made possible the performance of many surgical procedures on an outpatient basis. Technological advances have also created increased availability and demand for beneficiaries to receive medical care in their homes rather than in hospitals or other institutional settings.

In short, the Medicare Program has changed dramatically in both structure and nature since its beginnings 20 years ago. Yet beneficiary and provider protections have not kept up with these changes. As Congress continues to reform and restructure the Medicare Program, our goals must be high quality of care, fair administration of benefits, appropriate payment of benefits, and a speedy and fair resolution of disputes. The Fair Medicare Appeals Act of 1985 will further these goals.●

By Mr. HEINZ:

S. 1552. A bill to amend the Public Works and Economic Development Act of 1965 to establish a National Public Works Corporation for purposes of providing financial assistance to States and local governments for the construction, rehabilitation, and repair of certain public facilities, and for other purposes; to the Committee on Environment and Public Works.

NATIONAL PUBLIC WORKS CORPORATION ACT

● Mr. HEINZ. Mr President, today I send to the desk a bill entitled the "National Public Works Corporation Act of 1985." This measure is designed to preserve and enhance the national infrastructure by establishing a National Public Works Corporation for purposes of providing financial assistance to State and local governments for the construction, rehabilitation, and repair of public facilities.

Mr. President, although there is no precise definition of what constitutes the "national infrastructure," it would certainly include this country's 557,000 bridges, 3.9 million miles of roads and streets, 8,400 public libraries, 106,000 public elementary and secondary schools, 1,250 public colleges and universities, 43,000 dams, 3,100 courthouses, 4,200 parks, and 4,700 public airports. In addition, a complete catalog of the national infrastructure would include innumerable water systems, waste water treatment facilities, jails, ports, waterways, and levees. To borrow an eloquent description crafted by the distinguished senior Senator from New Mexico, the national infrastructure may be summed up as "those things that make us a civilized and healthy society."

Regrettably, our national infrastructure has been deteriorating at an accelerating pace over the past several decades. According to Dr. Pat Choate, author of "America in Ruins" and perhaps the foremost expert in the United States on infrastructure investment, this country's public facilities are wearing out faster than they are being replaced, and are doing so at a time when the United States is seriously underinvesting in its public infrastructure. Dr. Choate reports that public works investment, measured in noninflated purchasing power—1972 dollars—fell from $30 billion in 1965 to $25 billion in 1984—a 17-percent decline. Measured against the value of the GNP, public works investment declined from 3.2 percent of the GNP in 1965 to 1.5 percent in 1984—a 52-percent decline. This underinvestment is the primary cause of America's public works deterioration.

Deterioration is evident in nearly every facet of the national infrastructure. The Congressional Budget Office notes that, by 1990, 41 of the Nation's 71 major airports will routinely experience peak-hour delays of 30 minutes due to antiquated traffic control systems. The U.S. Army Corps of Engineers estimates that, of the 184 principal locks on the inland waterway system, more than 100 are more than 50 years old, the average lifespan of a lock; 54 of these aged locks need major attention immediately. The U.S. Department of Transportation reports that 120,000 of the Nation's 557,000 bridges are structurally deficient while another 121,000 are obsolete. The Federal Highway Administration reveals that fully half of the primary, secondary, and urban roads in the United States are listed in only fair condition.

In my home State of Pennsylvania, the need for infrastructure investment is particularly acute. More than 9,400 of Pennsylvania's 55,000 bridges are either structurally deficient or functionally obsolete; 765 dams, out of a total of 3,000 pose a potential threat to life and property. More than 900 sewerage projects costing over $3.5 billion must be constructed in order to enable Pennsylvania to meet the minimum requirements of the Federal Clean Water Act. Most, if not all, of Pennsylvania's municipal waste disposal facilities will have to be replaced or expanded in the next 10 years, before they are filled to capacity.

Increasing the amount of money invested in the national infrastructure is not only necessary, but makes good economic sense as well. As proof, I would cite the conclusions of a study commissioned by the Associated General Contractors of America. According to the AGC, a sustained investment program of, say, $10 billion a year for 6 years would cause production in most industries to rise 0.2 percent per year. The Nation's hardhit industries would enjoy production increases of 0.5 to 1.0 percent annually. Overall, a $60 billion, 6-year construction program would lead to an increase in employment of 1.92 million man-years over the length of the undertaking.

Mr. President, the bill I am introducing today is identical to H.R. 2818, a bill introduced in the House of Representatives on June 20, 1985 by Congressman William Clinger of Pennsylvania. This measure, titled the Public Works Corporation Act, establishes a revolving loan fund for purposes of enabling State and local governments to repair and replace badly-deteriorated bridges, roads, sewers, water lines, and other facilities which generate a dependable stream of income.

Let me take a few minutes to describe the substantive provisions of this legislation.

ESTABLISHMENT OF A CORPORATION

Under the terms of this act, a National Public Works Corporation would be established to oversee and administer a revolving loan fund jointly capitalized by the Federal Government and the several States. This corporation, to be controlled by a bipartisan board of directors, would handle all fiduciary matters connected with this fund, and would act on loan requests submitted by participating States. The quasi-independent corporation's review of loan requests would be limited to: First, financial matters regarding the integrity of the corporation's reserves, and, second, the technical and competitive aspects of the projects submitted for funding. The corporation will reject only those requests which threaten the solvency of the loan fund or which the corporation has determined to be extravagant or unworkable. Individual States will determine for themselves what priority to assign to projects submitted and how much money each will receive.

CAPITALIZATION AND RESERVE-FUND

The National Public Works Corporation Act authorizes the Federal Government to deposit with the corporation $2.5 billion, to be matched by a $2.5 million contribution from the participating States. This $5.0 billion stake will be placed in reserve and leveraged up to $50.0 billion through the sale of taxable bonds backed with the full faith and credit of the U.S. Government. All proceeds from the sale of such bonds would be placed in a National Infrastructure Loan Fund, from which interest-bearing loans can be made to State and local governments for the purpose of replacing and rehabilitating public facilities. At no time may the total amount of outstanding loans exceed 10 times the amount of capital held in reserve.

Although the States are required to collectively contribute $2.5 billion to the loan fund, the effect of the legislation in practical terms is to permit them to leverage 20 times that amount in project loan funds. Moreover, in recognition of the fact that different States have different fiscal capabilities, this measure allows States to set their own timetables for contributing their share of the loan fund reserves.

Participation in this program is voluntary. States choose the amount and timing of their contributions. The maximum contribution is limited to the figure that bears the same ratio to $2.5 billion as the State's population bears to the national population. For example, a State with 10 percent of the country's population may contribute up to $250 million to the loan fund. The Federal Government will match this contribution with an equal amount. Assuming the loan fund is fully capitalized, the State is then under the bill's formula, entitled to receive loans of up to $5.0 billion, depending on the size of the State's original contribution to the fund. As the loans are repaid, the State is entitled to second-generation funds for other projects it wishes to advance.

LOANS TO STATE AND LOCAL GOVERNMENTS

The corporation is authorized to make loans to participating States and to units of local government within those States. States may request loans for amounts less than total estimated project-cost, if other funds are available from Federal and State grant programs, local entities, or private contributors. Loans are generally available for the construction, reconstruction, rehabilitation, or repair of any public facility. However, the repayment of the loan and the operation, maintenance, and replacement costs of the project must be tied to a guaranteed stream of revenues associated with the facility.

The interest rate charge on the loan will be based upon the cost of borrowing funds at the time the loan is granted and the corporation's administrative costs. Interest rates may be reduced across the board through a direct appropriation by Congress. This authority is to be used when high interest rates would make the cost of loans from the corporation an inordinate burden on borrowers.

The corporation may only approve loans that have the approval of the Governor of a participating State. The board shall ensure that the project is technically feasible and that awards are made on the basis of competitive bidding. The corporation is granted further powers to audit the borrower's compliance with the loan requirements and to take remedial actions when necessary.

DEFAULTS

In the event of a default on the loan by a State and local government, half of the amount of the default would be charged against the State's portion of the loan fund reserve. A State may replenish its reserves within 2 years, but after that time, if the reserves go unreplenished, the amount of loans available to the State in the future would be substantially reduced.

Mr. President, this bill is not a panacea for the ills of the Nation's infrastructure. Nor is it a comprehensive program designed to replace all other infrastructure programs currently operating under the auspices of the Federal Government. However, the creation of a Natonal Public Works Corporation and revolving loan fund is a major step in the right direction and important precedent for the future. I urge my colleague to give this measure their careful scrutiny and enthusiastic support.

I ask unanimous consent that the full text of the National Public Works Corporation Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1552

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Public Works Corporation Act".

Sec. 2. Title II of the Public Works and Economic Development Act of 1965 is amended to read as follows:

"TITLE II—PUBLIC WORKS CORPORATION

"ESTABLISHMENT OF THE PUBLIC WORKS CORPORATION

"Sec. 201. There is established a body corporate to be known as the National Public Works Corporation (referred to in this title as the 'Corporation') which shall be an instrumentality of the United States and shall have succession until dissolved by Act of Congress.

"BOARD OF DIRECTORS

"Sec. 202. (a) The management of the Corporation shall be vested in a Board of Directors consisting of seven directors who shall be appointed by the President by and with the advice and consent of the Senate. One director shall be appointed as Chairman and one director shall be appointed as Vice Chairman in accordance with subsection (b). Except as provided in subsection (b) of this section, the term of each director shall be eight years. Any director appointed to fill a vacancy shall be appointed only for the unexpired portion of the term. Any director may continue to serve as such after the expiration of the term for which he was appointed until his successor has been appointed and has qualified.

"(b) Of the members first appointed to the Board of Directors, one shall be appointed for a term of two years, one shall be appointed for a term of three years, one (who shall be appointed Vice Chairman) shall be appointed for a term of four years, one shall be appointed for a term of five years, one shall be appointed for a term of six years, one shall be appointed for a term of seven years, and one (who shall be appointed Chairman) shall be appointed for a term of eight years. Any person appointed as a director thereafter to fill the seat held by the Vice Chairman shall be appointed as Vice Chairman and any person appointed as a director thereafter to fill the seat held by the Chairman shall be appointed as Chairman.

"OFFICERS AND EMPLOYEES

"Sec. 203. (a) The Board of Directors of the Corporation shall appoint a President of the Corporation and such other officers and employees as it deems necessary to carry out the functions of the Corporation, subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and persons so appointed shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. The President of the Corporation shall be an ex officio member of the Board of Directors and may participate in meetings of the Board except that he shall have no vote except in case of an equal division. No individual other than a citizen of the United States may be an officer of the Corporation. No officer of the Corporation shall receive any salary or other remuneration from any source other than the Corporation during the period of his employment by the Corporation.

"(b) No director, officer, attorney, agent, or employee of the Corporation shall in any manner, directly or indirectly, participate in the deliberations upon or the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.

"(c) The Chairman and Vice Chairman shall be compensated at the rate payable under level III of the Executive Schedule under section 5314 of title 5, United States Code. The other directors shall be compensated at the rate payable under level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(d) Not more than four directors serving at any time may be from one political party.

"(e) The Corporation shall not engage in political activities nor provide financing for or assist in any manner any project or facility involving political parties, nor shall the directors, officers, employees, or agents of the Corporation in any way use their connection with the Corporation for the purpose of influencing the outcome of any election.

"CORPORATE POWERS

"Sec. 204. (a) The Corporation shall have power—

"(1) to adopt, alter, and use a corporate seal;

"(2) to make contracts;

"(3) to lease such real estate as may be necessary for the transaction of its business;

"(4) to sue and be sued, to complain and defend, in any court of competent jurisdiction, State or Federal;

"(5) to select, employ, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary for the transaction of the business of the Corporation;

"(6) to define the authority and duties of such officers, employees, attorneys, and agents, require bonds of them and fix the penalties thereof, and to dismiss at pleasure such officers, employees, attorneys, and agents;

"(7) to prescribe, amend, and repeal, by its Board of Directors, bylaws, rules, and regulations governing the manner in which its general business may be conducted and the powers granted to it by law may be exercised and enjoyed together with provision for such committees and the functions thereof as the Board of Directors may deem necessary for facilitating its business under this title; and

"(8) to exercise, to the extent not inconsistent with the provisions of this title, the general corporate powers of a corporation organized and existing under the laws of the District of Columbia.

"(b) The Board of Directors of the Corporation shall determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid.

"(c) The Corporation shall be entitled to the free use of the United States mails in the same manner as the executive departments of the Government.

"(d) The Corporation, with the consent of any board, commission, independent establishment, or executive department of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this title.

"PRINCIPAL OFFICE

"Sec. 205. The principal office of the Corporation shall be located in the District of Columbia.

"BORROWING AUTHORITY

"Sec. 206. (a) The Corporation may issue notes, debentures, bonds, and other evidences of indebtedness in such amounts and on such terms and conditions as its Board of Directors may determine subject to the limitations prescribed in this title.

"(b) Except as provided in section 209(b) of this title, the aggregate outstanding indebtedness of the Corporation under this section at any time may not exceed ten times the reserve fund of the Corporation under section 207(a) of this title at that time.

"(c) The obligations of the Corporation issued under this section shall be guaranteed with the full faith and credit of the United States.

"(d) Any of the obligations issued by the Corporation may be secured by its pledging or granting of security interests in all or any part of its revenues or other receipts or all or any part of its assets.

"(e) Neither the Directors nor any other person executing obligations shall be subject to any personal liability or accountability by reason of the issuance thereof.

"(f) All obligations of the Corporation shall be negotiable instruments, subject only to any provisions for registration of ownership of obligations.

"CAPITALIZATION AND RESERVE FUND

"Sec. 207. (a) The capitalization of the Corporation shall consist of amounts appropriated pursuant to subsection (b) of this section and amounts contributed by participating States in accordance with subsection (c) of this section. The amount of the capitalization shall constitute a reserve fund which shall not be available for making loans under this title. The Corporation may invest any portion of the reserve fund which is not, in its judgment, required to meet current needs. Such investments may be made only in interest-bearing obligations of the United States with maturities suitable for the needs of the Corporation. The interest

on and the proceeds from the sale or redemption of any such obligation shall be credited to and form a part of the reserve fund.

"(b) There is authorized to be appropriated for the capitalization of the Corporation for fiscal years beginning after September 30, 1985, not to exceed $2,500,000,000.

"(c) A State electing to participate in the Corporation may make contributions to the Corporation at such times and in such amounts as the State chooses. Except as provided in section 209(d) of this title, the total contributions of a State to the Corporation shall not exceed an amount equal to the amount which bears the same ratio to $2,500,000,000 as the population of such State bears to the population of all the States.

"LOANS TO STATES AND LOCAL GOVERNMENTS

"Sec. 208. (a) The Corporation is authorized to make loans to participating States and to units of local government located in participating States for projects for the construction, rehabilitation, and repair of public facilities in accordance with this section. Any such loan may be in an amount sufficient to pay for all or a portion of the cost of completing an approved project, except that the amount of any such loan may not be used for payment of the non-Federal share of the cost of any project for which a Federal grant is made.

"(b)(1) Except as otherwise provided in section 209(c) of this title, the total amount of the loans outstanding under subsection (a) of this section shall at no time exceed the aggregate outstanding indebtedness of the Corporation under section 206(b) of this title.

"(2)(A) Except as otherwise provided in subparagraph (B) of this paragraph and section 209(c) of this title, the total amount of the loans to a State and to units of local government within such State outstanding under subsection (a) of this section shall at no time exceed that amount which bears the same ratio to the total amount allowable under paragraph (1) of this subsection as the amount of contributions made by such State to the Corporation under section 207(c) of this title bears to the amount of contributions made by all participating States to the Corporation under section 207(c) of this title.

"(B) In no event shall the total amount allowable under subparagraph (A) for loans to a State and to units of local government in such State exceed the amount which would be allowable for loans to such State and such units under subparagraph (A) if (i) the full amount authorized by section 207(b) were appropriated, (ii) each State made the maximum contribution allowable to such State under section 207(c), and (iii) the Corporation incurred the maximum allowable indebtedness under section 206(b).

"(c) The Corporation may not make a loan for a project for a public facility unless the Corporation determines that the public facility after completion of the project will generate fees for the use of the facility in amounts sufficient to repay the principal and interest on the loan and to create a sufficient reserve for operation and maintenance of the project and for replacement costs over the useful life of the project. An applicant for a loan under this section shall demonstrate to the satisfaction of the Corporation that such applicant (or the agency or instrumentality for whom such applicant is applying under subsection (h)(1) or (h)(2)) has the legal authority to assess and collect such fees with respect to the project and that such fees will provide sufficient revenues to meet the requirements of the preceding sentence.

"(d) As a condition of any loan made under this title for a project for a public facility, the Corporation shall require that fees for the use of the facility be collected over the term of the loan in amounts sufficient to meet the requirements of subsection (c) and that all such fees be deposited in separate accounts (1) for the payment of principal and interest on such loan, and (2) for the payment of operation, maintenance, and replacement costs.

"(e) The Corporation may disapprove a loan application under this section for a project if it determines that the project is not feasible from an engineering standpoint, that the project will not generate revenues sufficient to satisfy the requirements of subsection (c) of this section, or that it is otherwise inconsistent with this title.

"(f) Each loan made under this title shall bear interest at a rate determined by the Corporation to be necessary to provide a return to the Corporation sufficient to pay for the Corporation's cost of borrowing funds and for the Corporation's administrative costs (including the costs of salaries of directors, officers, and employees).

"(g) The term of repayment for any loan made under this section shall not exceed the useful life of the project (as determined by the Corporation), except that in no event shall such term exceed twenty five years.

"(h)(1) The Governor of a State shall submit applications for loans for projects involving public facilities of such State or any agency or instrumentality of such State. In the case of any agency or instrumentality of two or more States, the Governors of such States shall jointly submit applications for loans for projects involving public facilities of such agency or instrumentality.

"(2) The responsible official of a unit of local government shall submit applications for loans for projects involving public facilities of such unit of local government or any agency or instrumentality of such unit. In the case of an agency or instrumentality of two or more units of local government, the responsible officials of such units shall jointly submit applications for loans for projects involving public facilities of such agency or instrumentality.

"(3) The Corporation shall not approve an application for a loan submitted by one or more units of local government within a State unless the Governor of such State has certified approval of the application.

"(4) The Governor of a State shall not submit applications for loans for such State and approve applications for loans for units of local government in such State in aggregate amounts which exceed the amount allowable for loans in such State under subsection (b)(2). Any application for a loan for a project for an agency or instrumentality of two or more States shall contain an agreement among such States as to the apportionment of costs among such States for purposes of this paragraph and section 208(b)(2).

"(5) The Governor of a State shall ensure a proper distribution of the funds allowable for loans in such State under subsection (b)(2) between urban and rural areas by selecting projects for submission under paragraph (1) and projects for approval under paragraph (2) so that the percentage of funds borrowed for projects in units of local government having a population of fifty thousand or more is not more than 5 per centum greater nor less than 5 per centum lower than the percentage of the State's population residing in units of local government having a population of fifty thousand or more. After the end of the two-year period beginning on the date the first loan is made under this title to a State or a unit of local government in such State, the Corporation shall only make a loan to such State or such a unit if, after taking into account that loan and all previous loans made to such State and such units, the Governor will be in compliance with the preceding sentence or will be more closely in compliance with the preceding sentence than before such loan was made.

"(i) As a condition of any loan under this title, the Corporation shall require that all contracts made with the proceeds of such loan be awarded on the basis of competitive bidding.

"(j) The Corporation shall conduct such audits as may be necessary to enforce this title. If the Corporation determines that fees are not being collected in sufficient amounts to meet the requirements of section 208(c) of this title, the Corporation shall notify the loan recipient of the amount by which such fees need to be increased. The Corporation shall not make additional loans to such recipient until the fees are so increased.

"(k) There is authorized to be appropriated to the Corporation for fiscal years beginning after September 30, 1983, such additional sums as may be necessary to reduce interest rates paid by borrowers under this title. Any amount appropriated under this subsection for a fiscal year shall be applied uniformly, as determined by the Corporation, to reduce interest rates for all recipients of loans under this title during such fiscal year.

"DEFAULTS

"Sec. 209. (a)(1) If the Corporation determines that any loan is in default, the Corporation shall notify the recipient (and the State in which a unit of local government is located if such unit is the recipient) of such default.

"(2) During the period beginning on the date of such notification and ending on the earlier of the date such default is cured or the date which is two years after the date of such notification, the Corporation shall not make loans to such recipient and, in any case in which the recipient is a State, the Corporation shall not make loans to any unit of local government within that State.

"(3) If the recipient (or the State on behalf of a recipient which is a unit of local government) does not cure any default within two years after the date of notification under paragraph (1), the Corporation shall reduce the reserve fund established under section 207(a) by the amount of the loan which remains in default. Such amount shall be set aside for purposes of repaying the holders of the obligations issued under section 206 of this title.

"(b) A reduction in the reserve fund under subsection (a)(3) of this section shall not affect any outstanding obligation for purposes of applying the limitation on indebtedness under section 206(b) of this title. The Corporation shall not issue any obligation under section 206 of this title after such a reduction if the outstanding indebtedness of the Corporation after the issuance of such obligation exceeds an amount equal to ten times the reserve fund, as so reduced.

"(c) A reduction in the reserve fund under subsection (a)(3) of this section shall not affect any outstanding loan for purposes of applying the limitations on amounts allowable for loans under paragraphs (1) and (2) of section 208(b) of this title. Any reduction in the amount available for loans which results from such a reduction in the reserve fund shall first be applied to reduce the amount available for future loans to the State which is found to be in default and to units of local government within such State. To the extent necessary, after the amount available to such State and such units is reduced to zero, such a reduction in the reserve fund shall be applied to reduce the amount available for future loans to the other States and units of local government within such States in proportion to the contributions of each such State to the Corporation.

"(d) At any time after a reduction is made in the reserve fund under subsection (a)(3) of this section on account of a default by a State or a unit of local government in such State, such State may contribute all or a portion of the amount of such reduction to the reserve fund. Any additional amount of authority to make loans under section 208(b)(1) resulting from such contribution shall first be made available to States other than the State making such contribution and to units of local government in such States to the extent that the amount available to such other States and units was reduced under subsection (c) of this section, and any excess authority to make loans resulting from such contribution shall be made available to the State making such contribution and to units of local government in such State.

"TAXABLE STATUS

"Sec. 210. The Corporation, its property, its franchise, capital, reserves, surplus, security holdings, and other funds, and its income shall be exempt from all taxation now or hereafter imposed by the United States or by any State or local taxing authority; except that (1) any real property and any tangible personal property of the Corporation shall be subject to Federal, State, and local taxation to the same extent according to its value as other such property is taxed, and (2) any and all obligations issued by the Corporation shall be subject both as to principal and interest to Federal, State, and local taxation to the same extent as the obligations of private corporations are taxed.

"AUDIT BY GENERAL ACCOUNTING OFFICE

"Sec. 211. The General Accounting Office shall audit the financial transactions of the Corporation, and for this purpose shall have access to all its books, records, and accounts.

"ANNUAL REPORT

"Sec. 212. The Corporation shall submit an annual report to the Congress and the President as soon as practicable after the end of each fiscal year on the status of the Corporation and its reserve fund. Each such report shall include a description of the projects for which loans were made during the preceding fiscal year.

"DEFINITIONS

"Sec. 213. For purposes of this title—

"(1) the term 'construction' means the actual building of a new public facility at a site where no similar facility previously existed, including the acquisition of land for such facility and nonstructural alternatives, and the reconstruction of a public facility at an existing site or adjacent to an existing site;

"(2) the term 'maintenance' means routine and regularly scheduled activities intended to keep a public facility operating at its designed specifications;

"(3) the term 'public facility' means any facility owned or operated by a State, a unit of local government, or an agency or instrumentality of one or more States or units of local government, including, but not limited to, highways, streets, bridges, mass transit facilities and equipment, airports, water supply and distribution systems, sewers, locks and dams, buildings, ports, waterways, and docks; except that such term does not include any highway on a Federal-aid system (as defined in title 23, United States Code);

"(4) the term 'rehabilitation' means the correction of structural flaws in a public facility so as to extend the design life of such facility;

"(5) the term 'repair' means the correction of a structural flaw in a public facility without adding significantly to the design life of such facility;

"(6) the term 'State' means the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Marianas; and

"(7) the term 'unit of local government' means a city, county, town, township, parish, village, or other general purpose political subdivision of a State, and an Indian tribe.".●

By Mr. HATFIELD (for himself, Mr. Packwood, Mr. Stafford, and Mr. Kerry):

S. 1553. A bill entitled the "Beverage Container Reuse and Recycling Act;" to the Committee on Commerce, Science, and Transportation.

BEVERAGE CONTAINER REUSE AND RECYCLING ACT

● Mr. HATFIELD. Mr. President, today I have the pleasure of introducing a bill aimed at the protection of our environment and resources, the Beverage Container, Reuse and Recycling Act. We can no longer afford to discard nearly 100 billion beverage containers annually—containers that are recyclable and reusable.

Each year, over 380 trillion Btu's of energy is expended in the manufacturing of beverage containers in the United States. Under this legislation, 70 to 130 Btu's would be saved. Through the mandatory deposit on beverage containers we will have the means to recycle 10.5 million tons of refuse each year. Presently nine States; including Oregon, Michigan, Maine, New York, Massachusetts, Iowa, Connecticut, Delaware, and Vermont, have laws similar to the one I am introducing in the 99th Congress, as I have each session since 1977. These States understand the importance and necessity of preserving our natural resources and eliminating waste of both those resources and our energy supply.

In 1980, the General Accounting Office [GAO] reported on four of the nine States which have refund and recycling systems. The report entitled, "States' Experience with Beverage Container Deposit Laws Show Positive Effects," found that an 80-percent reduction of beverage container waste could be realized. As a result, a 40-percent reduction in total litter is estimated. Another study conducted by New York State Commission found that roadside litter diminished as much as 30 percent, saving the taxpayer approximately $50 million per year. In addition, the GAO projected that a national law would create 97,100 new jobs nationwide.

The trend toward a national bottle bill has been displayed by American industry. A recent development, the reverse vending machine, is a system which enables consumers to feed empty beverage containers into a machine and in turn receive money or coupons. It meets the demands of supermarkets and convenience stores, entices even the most harried consumer, and has become a promising enterprise. This new technology is one more step toward increasing the efficacy of the act.

How will this law effect an already rushed consumer? In those States which have implemented beverage container laws, the public has shown overwhelming approval. In Oregon, for example, there is a 90-percent approval rate, while Vermont has 97 percent public support. The law does not infringe on any citizen's covenience. The consumer still has the option of discarding containers, but will have paid for the decision to do so. Instead the law provides an incentive for those who choose to participate in the recovery of resources, saving scarce energy, and maintaining a clean environment.

We have languished too long in the wastefulness of a throwaway society, frivolously using our natural resources. We cannot continue to live in this fashion. The choice is clear, conservation or plunder, we must give value for value. As stewards of the Earth, the consumption of our resources must be balanced with renewal whenever possible. This bill is not only a substantive step in that direction, but a symbolic one as well. It will serve to end the flip-top, snap-tab, throwaway society.

Oregonians, as well as several other States, have demonstrated that a beverage container law can work. It is now essential for the entire Nation to share in the responsibility of protecting our environment. It is my hope that the 99th Congress will adopt such legislation. I ask that the text of the Beverage Container Reuse and Recycling Act appear at this point in the text.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1553

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Beverage Container Reuse and Recycling Act".

FINDINGS AND PURPOSES

Sec. 2. Congress finds and declares that—

(1) the failure to reuse and recycle empty beverage containers represents a significant and unnecessary waste of important national energy and material resources;

(2) the littering of empty beverage containers constitutes a public nuisance, safety hazard, and esthetic blight and imposes upon public and private agencies unnecessary costs for the collection and removal of such containers;

(3) empty beverage containers constitute a significant and rapidly growing proportion of municipal solid waste, disposal of which imposes a severe financial burden on local governments;

(4) the reuse and recycling of empty beverage containers would eliminate these unnecessary burdens on individuals, local governments, and the environment;

(5) a uniform national system for requiring a refund value on the sale of all beverage containers would result in a high level of reuse and recycling of such containers;

(6) a national system for requiring a refund value on the sale of all beverage containers would result in significant energy conservation and resource recovery;

(7) a national system for requiring a refund value on the sale of all beverage containers would be anti-inflationary and would help create jobs in areas of commerce; and

(8) a national system for requiring a refund value on the sale of all beverage containers would be inexpensive to administer because of its self-enforcing nature.

DEFINITIONS

Sec. 3. For the purposes of this Act, the term—

(1) "beverage" means beer or other malt beverage, mineral water, soda water, or a carbonated soft drink of any variety in liquid form and intended for human consumption;

(2) "beverage container" means a container designed to contain a beverage under pressure of carbonation;

(3) "refundable beverage container" means a beverage container which has clearly, prominently, and securely affixed to, or printed on, it (in accordance with section 4) a statement of the amount of the refund value of the container;

(4) "consumer" means a person who purchases a beverage in a beverage container for any use other than resale;

(5) "distributor" means a person who sells or offers for sale in commerce beverages in beverage containers for resale;

(6) "retailer" means a person who purchases from a distributor beverages in beverage containers for sale to a consumer or who sells or offers to sell in commerce beverages in beverage containers under pressure of carbonation to a consumer. The Administrator shall prescribe such regulations as may be necessary to establish what person is a retailer with respect to the sale of beverages in beverage containers under pressure of carbonation to consumers through beverage vending machines;

(7) "Administrator" means the Administrator of the Environmental Protection Agency;

(8) "commerce" means trade, traffic or transportation—

(A) between a place in a State and any place outside thereof;

(B) within the District of Columbia or any territory of the United States; or

(C) which affects trade, traffic, commerce, or transportation described in subparagraph (A) or (B); and

(9) "State" includes the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

REQUIRED BEVERAGE CONTAINER LABELING

Sec. 4. No distributor or retailer may sell or offer for sale a beverage in a beverage container under pressure of carbonation unless there is clearly, prominently, and securely affixed to, or printed on, it (in accordance with regulations prescribed by the Administrator) a statement of the amount of the refund value of the container, such amount being not less than 5 cents.

RETURN OF REFUND VALUE OF BEVERAGE CONTAINERS

Sec. 5. (a)(1) If a consumer tenders for refund an empty and unbroken refundable beverage container to a retailer or distributor who sells (or has sold at any time during the period of three months ending on the date of such tender) a brand of beverage which was contained in the container, the retailer or distributor respectively shall promptly pay the consumer the amount of the refund value stated on the container.

(2) If a retailer tenders for refund an empty and unbroken refundable beverage container to a distributor who sells (or has sold at any time during the period of three months ending on the date of such tender) a brand of beverage which was contained in the container, the distributor shall promptly pay the retailer—

(A) the amount of the refund value stated on the container, plus

(B) an amount equal to 2 cents per container to help defray the retailer's cost of handling.

The payment amount specified in clause (B) may be adjusted by the Administrator, following evaluation and public comment, to reflect the true cost of recycling beverage containers. This paragraph shall not preclude a retailer from tendering refundable beverage containers to persons other than distributors.

(b) The opening of a refundable beverage container in a manner in which it was designed to be opened and the compression of a metal refundable beverage container shall not, for the purposes of this section, constitute the breaking of the container if the statement of the amount of the refund value of the container is still readable.

RESTRICTIONS ON METAL BEVERAGE CONTAINERS WITH DETACHABLE OPENINGS

Sec. 6. No distributor or retailer may sell or offer for sale a beverage in a metal beverage container a part of which is designed to be detached in order to open such container.

PREEMPTION OF STATE AND LOCAL LAW

Sec. 7. (a) Except as otherwise provided in this section, no State or political subdivision thereof may establish or continue in effect any law respecting a refund value of beverage containers sold with a beverage under the pressure of carbonation to the extent the Administrator determines the law is inconsistent with this Act.

(b) No State or political subdivision thereof may, for the purposes of determining the amount of any tax imposed by such State or subdivision on the sale of any refundable beverage container, take into account any amount charged which is attributable to the refund value of such container.

(c) Subsection (a) does not prevent a State or political subdivision thereof from establishing or continuing in effect any law respecting a refund value on containers other than for beverages or from regulating redemption and other centers which purchase refundable beverage containers from retailers and consumers.

PENALTIES

Sec. 8. Whoever violates any provision of sections 4, 5(a), or 6 shall be fined not more than $1,000 for each violation.

EFFECTIVE DATES

Sec. 9.(a) Except as otherwise provided in subsections (b) and (c), this Act shall take effect on the date of its enactment.

(b) The provisions of sections 4, 5, and 7 shall apply with respect to beverage containers sold or offered for sale in interstate commerce on or after two years after the date of enactment of this Act.

(c) The provisions of section 6 shall apply with respect to beverages in beverage containers sold or offered for sale in interstate commerce on or after one year after the date of enactment of this Act.

(d) The provisions of section 7(a) shall preempt State and local laws to the extent to which they are inconsistent with the provisions of this Act only on and after the respective effective dates of such provisions.●

By Mr. FORD (for himself, Mr. Quayle, Mr. Pell, Mr. Nunn, Mr. Garn, Mr. Bumpers, Mr. Cochran, Mr. Zorinsky, and Mr. Gore):

S. 1556. A bill to provide for 2-year Federal budget cycle, and for other purposes; pursuant to the order of August 4, 1977, referred jointly to the Committee on Governmental Affairs and the Committee on the Budget.

BUDGET PROCEDURES IMPROVEMENT ACT

Mr. FORD. Mr. President, I was delighted to learn last night that the chairmen of the Senate Budget and Governmental Affairs Committees have now publicly announced their intention to hold joint hearings on the subject of 2-year budget bills and other proposals to improve the Federal budget process. In view of this action I am today introducing, for myself and a number of cosponsors, a 2-year budget bill virtually identical to those bills which I have been introducing in the Senate since September 1981.

I look forward to those hearings and I express the sincere hope that out of these hearings will emerge from the appropriate committees a 2-year budget bill with such other improvements as the members of those committees deem desirable, so that the Senate and the House of Representatives can take definite action to put in place the 2-year budget and appropriation cycle.

As I have said many times before, on this floor and elsewhere, a 2-year budget and appropriation cycle won't begin to solve all of our many problems related to Federal spending and revenues. But, such a change will make some modest but important improvements in the budget and appropriation process.

We will gain precious time. Clearly recent experience shows that it is im-

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possible in these complex times to complete annual appropriations in an orderly manner. With our available time essentially doubled we should be able to do the job better, and also gain time to do needed oversight work.

The results of 2-year appropriation cycles should also benefit the Nation by permitting State governments to plan earlier with more certainty. Also, we should gain a new measure of economic stability throughout the public and private economic sectors.

Mr. President, when we return from the August recess we will have less than a month to complete the 1986 appropriation bills before the new fiscal year begins. As of today not one regular 1986 appropriation bill has been completed and enacted.

The need for a 2-year budget cycle becomes painfully more evident with the passage of each year. I sincerely hope we will not have to wait much longer for corrective action by Congress and the President.

Mr. President, I now send the 2-year budget bill to the desk and ask unanimous consent that it be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, this Act may be cited as the "Budget Procedures Improvement Act of 1985".

FINDINGS AND PURPOSE

Sec. 2. (a) The Congress finds and declares that the present annual Federal budgeting process—

(1) allows insufficient time for the fulfillment by the Congress of its legislative and oversight responsibilities;

(2) allows insufficient time for the review and consideration by the Congress of authorizing legislation, budget resolutions, and appropriation bills and resolutions and other spending measures;

(3) allows insufficient time for the evaluation of costly and complicated Federal programs, and thereby contributes to the unrestrained growth of the Federal budget; and

(4) allows insufficient time for agencies and State and local governments to plan for the implementation of programs.

(b) It is the purpose of this Act to establish a more thorough and timely process for the adoption of the Federal budget by—

(1) establishing a two-year cycle for the adoption of the budget;

(2) requiring the separate and distinct consideration of authorizing legislation, the budget, and appropriation bills and resolutions and other spending measures and thereby allowing full evaluation of the need for and the merits and costs of the various programs and agencies of the Federal Government;

(3) strengthening congressional procedures for the consideration of budget resolutions, reconciliation bills and resolutions, appropriation bills and resolutions, and other measures providing spending authority; and

(4) strengthening the requirement for congressional oversight of Federal programs by authorizing committees.

REVISION OF TIMETABLE

Sec. 3. Section 300 of the Congressional Budget Act of 1974 (2 U.S.C. 631) is amended to read as follows:

"TIMETABLE

"Sec. 300. The timetable with respect to the Congressional budget process for any Congress (beginning with the One-hundredth Congress) is as follows:

"First Session

"On or before:	Action to be completed:
November 10 (of the preceding year).	President submits current services budget for the 2-fiscal-year budget period beginning in the succeeding even-numbered year.
January 15	President submits his budget for the 2-fiscal-year budget period beginning in the succeeding calendar year.
April 15	Congressional Budget Office submits report to Budget Committees with respect to the 2-fiscal-year budget period.
May 15	Committees and joint committees submit reports to Budget Committees with respect to the 2-fiscal-year budget period.
June 15	Budget Committees report first concurrent resolution on the budget for the 2-fiscal-year budget period to their Houses.
July 1	Committees report bills and resolutions authorizing new budget authority for the 2-fiscal-year budget period.
July 31	Congress completes action on the first concurrent resolution on the budget for the 2-fiscal-year budget period.
September 15	Committees report allocations of the first concurrent resolution on the budget among programs within their jurisdiction.
December 1	Congress completes action on bills and resolutions authorizing new budget authority for the 2-fiscal-year budget period.

"Second Session

"On or before:	Action to be completed:
January 15	President submits revised budget for the 2-fiscal-year budget period.
March 31	House committees report bills providing new budget authority and new spending authority for the 2-fiscal-year budget period.
March 31	Congressional Budget Office submits report to Budget Committees with respect to the 2-fiscal-year budget period.
April 15	Senate committees report bills providing new budget authority and new spending authority for the 2-fiscal-year budget period.
June 15	Budget Committees report second required concurrent resolution on the budget for the 2-fiscal-year budget period to their Houses.
July 15	Congress completes action on bills and resolutions providing new budget authority and new spending authority for the 2-fiscal-year budget period.
August 1	Congress completes action on second required concurrent resolution on the budget for the 2-fiscal-year budget period.
September 25	Congress completes action on the reconciliation bill or resolution, or both, implementing the second required concurrent resolution on the budget for the 2-fiscal-year budget period.
October 1	2-fiscal-year budget period begins.".

AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974

Sec. 4. (a) Section 2(2) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 621(2)) is amended by striking out "each year" and inserting in lieu thereof "biennially".

(b)(1) Section 3(4) of such Act (2 U.S.C. 622(4)) is amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period".

(2) Section 3 of such Act (2 U.S.C. 622) is further amended by adding at the end thereof the following new paragraph:

"(6) The term '2-fiscal-year budget period' means the period of 2 consecutive fiscal years beginning on October 1 of any even-numbered year.".

(c)(1) Section 202(f)(1) of the Congressional Budget Act of 1974 (2 U.S.C. 602(f)(1)) is amended—

(A) by striking out "April 1 of each year" and inserting in lieu thereof "April 15 of each odd-numbered year";

(B) by striking out "the fiscal year commencing on October 1 of that year" and inserting in lieu thereof "each fiscal year in the succeeding 2-fiscal-year budget period".

(C) by striking out "such fiscal year" the first place it appears and inserting in lieu thereof "such 2-fiscal-year budget period"; and

(D) by striking out "such fiscal year" the second place it appears and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period".

(2) Section 202(f) of such Act (2 U.S.C. 602) is further amended—

(A) by striking out "paragraph (1)" in paragraph (2) and inserting in lieu thereof "paragraphs (1) and (2)";

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following new paragraph:

"(2) On March 31 of each even-numbered year, the Director shall transmit to the Committees on the Budget of the House of Representatives and the Senate such revisions of the report required by paragraph (1) as may be necessary due to changing economic conditions and due to any revisions in the Budget transmitted by the President to the Congress on January 15 of that year under the last sentence of subsection (a) of section 1105 of title 31, United States Code ".

(d)(1) Section 301(a) of such Act (2 U.S.C. 632(a)) is amended—

(A) by striking out "May 15" in the subsection heading and inserting in lieu thereof "July 31 of Each Odd-Numbered Year";

(B) by striking out "May 15 of each year" in the first sentence and inserting in lieu thereof "July 31 of each odd-numbered year";

(C) by striking out "the fiscal year beginning on October 1 of such year" and inserting in lieu thereof "the 2-fiscal-year budget period beginning on October 1 of the succeeding year"; and

(D) by inserting a comma and "for each fiscal year in such period" after "set forth".

(2) Section 301(a)(7) (2 U.S.C. 632(a)(7)) of such Act is amended by inserting "except as provided in subsection (b)(2)," before such other matters.

(3) Section 301(b) (2 U.S.C. 632(b)) of such Act is amended to read as follows:

"(b) Additional Matters in Concurrent Resolution.—

"(1) Except as provided in paragraph (2) the first concurrent resolution on the budget may also require any other procedure which is considered appropriate to carry out the purposes of this Act.

"(2) It shall not be in order in the Senate or the House of Representatives to consider any first concurrent resolution on the budget—

"(A) which directs any committee to determine and recommend changes in bills, laws, or resolutions; or

"(B) which includes any matter with respect to any subject other than budget outlays, budget authority, the surplus or deficit in the budget, revenues (including off-setting receipts and off-setting collections), or the level of the public debt.".

(4) Section 301(c) of such Act (2 U.S.C. 632(c)) is amended—

(A) by striking out "March 15 of each year" in the matter preceding paragraph (1) and inserting in lieu thereof "May 15 of each odd-numbered year";

(B) by striking out "the" the second place it appears in paragraph (2) and inserting in lieu thereof "an"; and

(C) by striking out "the fiscal year beginning on October 1 of such year" in paragraph (2) and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period beginning on October 1 of the succeeding year".

(5) Section 301(d) of such Act (2 U.S.C. 632(d)) is amended—

(A) by striking out "fiscal year" in the first sentence and inserting in lieu thereof "2-fiscal-year budget period";

(B) by striking out "April 15 of each year" in the third sentence and inserting in lieu thereof "June 15 of each odd-numbered year";

(C) by striking out "the fiscal year beginning on October 1 of such year" in the third sentence and inserting in lieu thereof "the 2-fiscal-year budget period beginning on October 1 of the succeeding year";

(D) by striking out "five" in paragraph (6) and inserting in lieu thereof "four";

(E) by striking out "such fiscal year" in paragraph (6) and inserting in lieu thereof "the first fiscal year of such 2-fiscal-year budget period,"; and

(F) by striking out "such period" in paragraph (6) and inserting in lieu thereof "such four-fiscal-year period".

(6) Section 301(e) of such Act (2 U.S.C. 632(e)) is amended—

(A) by striking out "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period"; and

(B) by striking out "set for" in paragraph (1) and inserting in lieu thereof "set forth".

(e)(1) Section 302(a) of such Act (2 U.S.C. 633(a)) is amended—

(A) by inserting "for a 2-fiscal-year budget period" after "budget" the first place it appears; and

(B) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "estimated allocation".

(2) The last sentence of section 302(b) of such Act (2 U.S.C. 633(b)) is amended—

(A) by striking out "Each" and inserting in lieu thereof "By September 15 of each odd-numbered year, each"; and

(B) by striking out "promptly".

(f)(1) Section 303(a) of such Act (2 U.S.C. 634(a)) is amended—

(A) by striking out "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period"; and

(B) by striking out "such year" and inserting in lieu thereof "such period".

(2) Section 303(b) of such Act (2 U.S.C. 634(b)) is amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period".

(g) Section 304 of such Act (2 U.S.C. 635) is amended—

(1) by striking out "OF" the second place it appears in the section heading and inserting in lieu thereof "ON";

(2) by striking out "fiscal year" the first two places it appears and inserting in lieu thereof "2-fiscal-year budget period";

(3) by striking out "for such fiscal year";

(4) by inserting before the period "for such 2-fiscal-year budget period"; and

(5) by adding at the end thereof the following: "Prior to the adoption of the second concurrent resolution on the budget required for a 2-fiscal-year budget period under section 310(a), it shall not be in order in the Senate or the House of Representatives to consider any concurrent resolution on the budget revising the most recently agreed to concurrent resolution on the budget for such 2-fiscal-year budget period if the concurrent resolution making such revisions—

"(1) directs any committee to determine and recommend changes in bills, laws, or resolutions; or

"(2) includes any matter with respect to any subject other than budget outlays, budget authority, the surplus or deficit in the budget, revenues (including offsetting receipts and offsetting collections), or the level of the public debt.".

(h) Section 305 of such Act (2 U.S.C. 636) is amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period".

(i)(1) Section 307 of such Act (2 U.S.C. 638) is amended—

(A) by striking out the section heading and inserting in lieu thereof "COMMITTEE ACTION ON APPROPRIATION AND OTHER SPENDING BILLS";

(B) by inserting "(a) Committee Action on Regular Appropriations Bills.—" before "Prior";

(C) by striking out "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period";

(D) by striking out "that year" each place it appears and inserting in lieu thereof "that 2-fiscal-year budget period"; and

(E) by inserting "for each fiscal year in that 2-fiscal-year budget period" after "committee's recommendations";

(F) by striking out "as" before "set forth";

(G) by inserting "for each such fiscal year" before "in the most recently"; and

(H) by adding at the end thereof the following new subsection:

"(b) Reporting of Certain Measures.—

"(1) All bills and resolutions providing budget authority or spending authority described in section 401(c)(2)(C) for any 2-fiscal-year budget period—

"(A) shall be reported to the House of Representatives no later than March 31 of the year in which such period begins; and

"(B) shall be reported to the Senate no later than April 15 of the year in which such period begins.

"(2) If a committee of the House of Representatives or the Senate determines that a waiver of paragraph (1) is necessary with respect to any bill or resolution providing supplemental appropriations for any period, such committee may report, and the House or Senate may consider and adopt, a resolution waiving the application of such paragraph in the case of such bill or resolution.".

(2) The table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out the item relating to section 307 and inserting in lieu thereof the following new item:

"Sec. 307. Committee action on appropriation and other spending bills.".

(j)(1) Section 308(a) of the Congressional Budget Act of 1974 (2 U.S.C. 639(a)) is amended—

(A) by striking out "fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "2-fiscal-year budget period";

(B) by striking out "fiscal year" in paragraph (1)(A) and inserting in lieu thereof "2-fiscal-year budget period";

(C) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "resolution" the first place it appears in paragraph (1)(A);

(D) by inserting "for each such fiscal year" after "set forth" in paragraph (1)(A);

(E) by inserting a comma after "projection" in paragraph (1)(B);

(F) by striking out "5" in paragraph (1)(B) and inserting in lieu thereof "4";

(G) by striking out "such fiscal year" in paragraph (1)(B) and inserting in lieu thereof "the first fiscal year of such 2-fiscal-year budget period,";

(H) by striking out "such period" in paragraph (1)(B) and inserting in lieu thereof "such 4-fiscal-year period";

(I) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "governments" in paragraph (1)(C);

(J) by striking out "fiscal year" in paragraph (2)(A) and inserting in lieu thereof "period";

(K) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "tax expenditures" the second place it appears in paragraph (2)(A);

(L) by striking out "such year" in paragraph (2)(A) and inserting in lieu thereof "such period";

(M) by inserting a comma after "projection" in paragraph (2)(B);

(N) by striking out "5" in paragraph (2)(B) and inserting in lieu thereof "4";

(O) by striking out "such fiscal year" in paragraph (2)(B) and inserting in lieu thereof "the first fiscal year of such 2-fiscal-year budget period,"; and

(P) by striking out "such period" in paragraph (2)(B) and inserting in lieu thereof "such 4-fiscal-year period".

(2) Section 308(b) of such Act (2 U.S.C. 639(b)) is amended—

(A) by striking out "fiscal year" in the first sentence and inserting in lieu thereof "2-fiscal-year budget period";

(B) by striking out "such fiscal year" the first place it appears in paragraph (1) and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period";

(C) by striking out "such fiscal year" the second place it appears in paragraph (1) and inserting in lieu thereof "each such fiscal year.";

(D) by striking out "such fiscal year" the third place it appears in paragraph (1) and inserting in lieu thereof "such 2-fiscal-year budget period";

(E) by inserting "for each such fiscal year" after "set forth" in paragraph (1);

(F) by striking out "fiscal year" in paragraph (2) and inserting in lieu thereof "2-fiscal-year budget period";

(G) by striking out "fiscal year" in paragraph (3) and inserting in lieu thereof "2-fiscal-year budget period";

(H) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "revenues" the first place it appears in paragraph (3);

(I) by striking out "such year" the first place it appears in paragraph (3) and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period";

(J) by striking out "such year" the second place it appears in paragraph (3) and inserting in lieu thereof "each such fiscal year";

(K) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "debt" the first place it appears in paragraph (4);

(L) by striking out "such fiscal year" the first place it appears in paragraph (4) and inserting in lieu thereof "such 2-fiscal-year budget period"; and

(M) by inserting "each" before "such fiscal year" the second place it appears in paragraph (4).

(3) Section 308(c) of such Act (2 U.S.C. 639(c)) is amended—

(A) by striking out "Five" in the subsection heading and inserting in lieu thereof "Four";

(B) by striking out "each fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "each 2-fiscal-year budget period";

(C) by striking out "5 fiscal years beginning with such fiscal year" and inserting in lieu thereof "4 fiscal years beginning with the first fiscal year in such 2-fiscal-year budget period"; and

(D) by striking out "such period" each place it appears and inserting in lieu thereof "such 4-fiscal-year period".

(k)(1) Section 309 of such Act (2 U.S.C. 640) is amended—

(A) by inserting a semicolon and "LIMITATION ON ENROLLMENT OF CERTAIN BILLS AND RESOLUTIONS" at the end of the section heading;

(B) by inserting "(a) COMPLETION OF ACTION REQUIRED.—" before "EXCEPT";

(C) by striking out "the seventh day after Labor Day of each year" in the matter preceding paragraph (1) and inserting in lieu thereof "July 15 of each even-numbered year";

(D) by striking out "such year" the second place it occurs in paragraph (1) and inserting in lieu thereof "such period";

(E) by striking out "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period"; and

(F) by adding at the end thereof the following new subsection:

"(b) LIMITATION ON ENROLLMENT.—Bills and resolutions providing new budget authority for any 2-fiscal-year budget period or new spending authority described in section 401(c)(2)(C) for any 2-fiscal-year budget period shall not be enrolled until the concurrent resolution on the budget required to be reported under section 310(a) for such 2-fiscal-year budget period has been agreed to, and if a reconciliation bill or reconciliation resolution, or both are required to be reported under section 310(c) for such 2-fiscal-year budget period, until Congress has completed action on that bill or resolution, or both.".

(2) The item relating to section 309 in the table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting before the period a semicolon and "limitation on enrollment of certain bills and resolutions.".

(l)(1) Section 310(a) of the Congressional Budget Act of 1974 (2 U.S.C. 641(a)) is amended—

(A) by striking out "The" in the first sentence and inserting in lieu thereof "By June 15 of each even-numbered year, the";

(B) by striking out "fiscal year" in the first sentence and inserting in lieu thereof "2-fiscal-year budget period";

(C) by striking out "such fiscal year" each place it appears in paragraph (1) and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period";

(D) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "revenues" in paragraph (2);

(E) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "debt" in paragraph (3); and

(F) by inserting before the matter following paragraph (4) the following new sentence:

"It shall not be in order in the Senate or the House of Representatives to consider any such concurrent resolution if such concurrent resolution directs any committee to determine and recommend changes in laws, bills, or resolutions directly or indirectly authorizing the enactment of new budget authority.".

(2) Section 310(b) of such Act (2 U.S.C. 641(b)) is amended by striking out "September 15 of each year" and inserting in lieu thereof "August 1 of each even-numbered year".

(3) Section 310(d) of such Act (2 U.S.C. 641(d)) is amended by inserting "even-numbered" after "each".

(4) Section 310(e) of such Act (2 U.S.C. 641(e)) is amended—

(A) by striking out "20 hours" in paragraph (2) and inserting in lieu thereof "100 hours"; and

(B) by adding at the end thereof the following new paragraph:

"(3) It shall not be in order in the Senate or the House of Representatives to consider any reconciliation bill or resolution or any amendment thereto or any conference report thereon which changes any provision of law other than provisions of law which—

"(A) provide new budget authority or spending authority described in section 401(c)(2)(C);

"(B) relate to revenues; or

"(C) specify the amount of the statutory limit on the public debt.".

(5) Section 310(f) of such Act (2 U.S.C. 641(f)) is amended—

(A) by striking out "It" and inserting in lieu thereof "In any even-numbered year, it"; and

(B) by striking out "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period".

(m) Section 311(a) of such Act (2 U.S.C. 642) is amended—

(1) by striking out "fiscal year" the first and second places it appears in the matter preceding paragraph (1) and inserting in lieu thereof "2-fiscal-year budget period";

(2) by striking out "such fiscal year" the second, third, and fourth places it appears in the matter preceding paragraph (1) and inserting in lieu thereof "any fiscal year in such 2-fiscal-year budget period".

(3) by striking out "such fiscal year" in the matter following paragraph (3) and inserting in lieu thereof "the 2-fiscal-year budget period in which such fiscal year occurs";

(4) by inserting "for any such fiscal year" after "outlays" in the matter following paragraph (3);

(5) by inserting "for any such fiscal year" after "revenues" the first place it appears in the matter following paragraph (3); and

(6) by inserting "for such fiscal year" after "revenues" the second place it appears in the matter following paragraph (3).

(n) Section 401(b) of such Act (2 U.S.C. 651(b)) is amended—

(1) by striking out "the fiscal year which begins during the calendar year in" in paragraph (1) and inserting in lieu thereof "the first 2-fiscal-year budget period which begins after the date on";

(2) by striking out "for such fiscal year" in paragraph (2) and inserting in lieu thereof "budget for the 2-fiscal-year budget period in which such fiscal year occurs"; and

(3) by inserting "for such fiscal year" after "new budget authority" the second place it appears in paragraph (2);

(o)(1) Section 402(a) of such Act (2 U.S.C. 652(a)) is amended—

(A) by striking out "REPORTING OF" in the section heading and inserting in lieu thereof "ACTION ON";

(B) by striking out "(a) REQUIRED REPORTING
Date.—" and inserting in lieu thereof "(a)(1) DATES FOR REPORTING AND FINAL ACTION.—";

(C) by striking out "May 15" and inserting in lieu thereof "July 1 of the odd-numbered year";

(D) by striking out "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period"; and

(E) by adding at the end thereof the following new paragraph:

"(2) The Congress shall complete action on all bills and resolutions directly or indirectly authorizing the enactment of new budget authority for a 2-fiscal-year budget period not later than December 1 of the year preceding the year in which such 2-fiscal-year budget period begins.".

(2) The table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out "Reporting of" in the item relating to section 402 and inserting in lieu thereof "Action on".

(p) Section 403(a) of the Congressional Budget Act of 1974 (2 U.S.C. 653(a)) is amended—

(1) by striking out "4" in paragraph (1) and inserting in lieu thereof "three"; and

(2) by striking out "four" in paragraph (2) and inserting in lieu thereof "three".

(q)(1) Title IV of such Act (2 U.S.C. 651 et seq.) is amended by adding at the end thereof the following new section:

"REPORTS

"SEC. 405. (a)(1) The reports required by sections 301(c), 302(b), 308(b), and 308(c) shall contain the tables described in subsection (b).

"(2) Any—

"(A) concurrent resolution on the budget reported by the Committee on the Budget of the Senate or the House of Representatives under section 301, 304, or 310 of this Act; and

"(B) bill or resolution reported by a committee of the Senate or the House of Representatives which provides, modifies, or terminates budget authority or spending authority described in section 401(c)(2)(C), or which contains or modifies estimates of budget outlays,

shall be accompanied by a report containing the tables described in subsection (b). The conference report on any bill or resolution described in clause (A) or (B) of the preceding sentence shall be accompanied by a joint statement of the managers containing such tables.

"(b)(1) The tables required by subsection (a) shall set forth estimates of budget authority, spending authority described in section 401(c)(2)(C), and budget outlays for each of the accounts (to which the report, bill, or resolution referred to in such subsection pertains) which are set forth in the Budget Accounts Listing contained in the Budget of the United States Government submitted by the President pursuant to subsection (a) of section 1105 of title 31, United States Code, during the Congress in which the report referred to in subsection (a)(1) is made or the bill or resolution described in subsection (a)(2) is reported. If any such report, bill, or resolution contains provisions involving budget authority, spending authority, or outlays for which accounts have not been included in such Budget Accounts Listing, the estimates therefor in the table required by this subsection shall be set forth in account records with account identification codes assigned by the Director of the Congressional Budget Office.

"(2) The tables described in paragraph (1) which are required to be included in the reports required by sections 301(c), 302(b), 308(b), and 308(c), and in the reports accompanying any concurrent resolution on the budget reported under section 301, 304, or 310 shall also set forth estimates for the budget authority and spending authority described in section 401(c)(2)(C) which will become available without further congressional action and estimates of the outlays that will result from such budget authority and spending authority. With respect to the reports required by sections 301(c) and 302(b), the estimates described in the preceding sentence are only required for the accounts or portions of accounts relating to the subject matter within the legislative jurisdiction of the committee submitting the report.".

(2) The table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 404 the following new item:

"Sec. 405. Reports.".

(r) Section 904(b) of the Congressional Budget Act of 1974 (2 U.S.C. 621(b)) is amended by inserting "or any provision of a first concurrent resolution on the budget requiring a procedure pursuant to section 301(b)(2)" after "title III or IV".

AMENDMENTS TO TITLE 31, UNITED STATES CODE

SEC. 5. (a) Section 1101 of title 31, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) 'two-fiscal-year budget period' has the meaning given to such term in paragraph (6) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(6))".

(b) Section 1104(c) of title 31, United States Code, is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking out the last sentence thereof; and

(3) by adding at the end thereof the following new paragraph:

"(2) The budget submitted pursuant to section 1105 for the 2-fiscal-year budget period beginning on October 1, 1988, and the estimates of outlays and proposed budget authority required to be submitted under section 1109 for such 2-fiscal-year budget period, shall be set forth in the same accounts which are set forth in the Budget Accounts Listing contained in the budget submitted for fiscal year 1987 under section 1105. Any change in the accounts used in the budget submitted under section 1105 for the 2-fiscal-year budget period beginning on October 1, 1988, or any succeeding 2-fiscal-year budget period, or in the estimates of outlays and proposed budget authority required under section 1109 for any such 2-fiscal-year budget period, from the accounts set forth in the Budget Accounts Listing contained in the budget submitted under section 1105 for fiscal year 1987 or the preceding 2-fiscal-year budget period, as the case may be, shall be made only in consultation with the Committees on Appropriations, the Committees on the Budget, and the committees having legislative jurisdiction over the programs or activities which will be affected by such changes. The provisions of this paragraph do not prohibit the inclusion of new accounts in the Budget Accounts Listing contained in the budget submitted pursuant to section 1105 solely for purposes of presenting estimates for new programs.".

(c)(1) So much of section 1105(a) of title 31, United States Code, as precedes paragraph (1) thereof is amended to read as follows:

"(a) By January 15 of each odd-numbered year, beginning with 1987, the President shall transmit to the Congress, the budget for the 2-fiscal-year budget period (as defined in section 3(6) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(6))) beginning on October 1 of the succeeding calendar year. The budget transmitted under this subsection shall include the President's Budget Message, summary data and text, and supporting detail. The budget shall set forth in such form and detail as the President may determine—".

(2) Section 1105(a)(5) of title 31, United States Code, is amended by striking out "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period for which the budget is submitted and the two fiscal years immediately following the second fiscal year in such 2-fiscal-year budget period".

(3) Section 1105(a)(6) of title 31, United States Code, is amended by striking out "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period for which the budget is submitted and the two fiscal years immediately following the second fiscal year in such 2-fiscal-year budget period".

(4) Section 1105(a)(9)(C) of title 31, United States Code, is amended by striking out "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(5) Section 1105(a)(12) of title 31, United States Code, is amended—

(A) by striking out "the fiscal year" in subparagraph (A) and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period"; and

(B) by striking out "each of the 4 fiscal years after that year" in subparagraph (B) and inserting in lieu thereof "each of the 2 fiscal years immediately following the second fiscal year in such 2-fiscal-year budget period".

(6) Section 1105(a)(13) of title 31, United States Code, is amended by striking out "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(7) Section 1105(a)(14) of title 31, United States Code, is amended by striking out "that year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period for which the budget is submitted".

(8) Section 1105(a)(16) of title 31, United States Code, is amended by striking out "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(9) Section 1105(a)(17) of title 31, United States Code, is amended—

(A) by striking out "fiscal year following the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period following the 2-fiscal-year budget period";

(B) by striking out "that following fiscal year" and inserting in lieu thereof "each such fiscal year"; and

(C) by striking out "fiscal year before the fiscal year" and inserting in lieu thereof "2-fiscal-year budget period before the 2-fiscal-year budget period".

(10) Section 1105(a)(18) of title 31, United States Code, is amended—

(A) by striking out "the prior fiscal year" and inserting in lieu thereof "each of the 2 most recently completed fiscal years";

(B) by striking out "for that year" and inserting in lieu thereof "with respect to that fiscal year"; and

(C) by striking out "in that year" and inserting in lieu thereof "in that fiscal year".

(11) Section 1105(a)(19) of title 31, United States Code, is amended—

(A) by striking out "the prior fiscal year" and inserting in lieu thereof "each of the 2 most recently completed fiscal years";

(B) by striking out "for that year" and inserting in lieu thereof "with respect to that fiscal year"; and

(C) by striking out "in that year" each place it appears and inserting in lieu thereof "in that fiscal year".

(12) Section 1105(a) of title 31, United States Code, is further amended by adding at the end thereof the following new sentence:

"By January 15 of each even-numbered year, the President shall transmit to the Congress any revisions the President may desire to make in the Budget transmitted in the previous year.".

(d) Section 1105(b) of title 31, United States Code, is amended by striking out

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"each year" and inserting in lieu thereof "each even-numbered year".

(e) Section 1105(c) of title 31, United States Code, is amended—

(1) by striking out "fiscal year for" each place it appears and inserting in lieu thereof "2-fiscal-year budget period for";

(2) by inserting "or current 2-fiscal-year budget period, as the case may be," after "current fiscal year"; and

(3) by striking out "that year" and inserting in lieu thereof "that period".

(f) Section 1105(d) of title 31, United States Code, is amended by striking out "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(g) Section 1106(a) of title 31, United States Code, is amended—

(1) by striking out "fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "2-fiscal-year budget period";

(2) by striking out "that fiscal year" in paragraph (1) and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period";

(3) by striking out "the 4 fiscal years following the fiscal year" in paragraph (2) and inserting in lieu thereof "each fiscal year in the first 2-fiscal-year budget period following the 2-fiscal-year budget period";

(4) by striking out "future fiscal years" in paragraph (3) and inserting in lieu thereof "each fiscal year in the first 2-fiscal-year budget period following the 2-fiscal-year budget period for which the budget is submitted"; and

(5) by striking out "fiscal year" the last place it appears in paragraph (3) and inserting in lieu thereof "2-fiscal-year budget period".

(h) Section 1106(b) of title 31, United States Code, is amended by striking out "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(i)(1) Section 1109(a) of title 31, United States Code, is amended—

(A) by striking out "each year" and inserting in lieu thereof "each even-numbered year (beginning with 1986)";

(B) by striking out "the following fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period beginning in the following even-numbered year"; and

(C) by striking out "during that year" and inserting in lieu thereof "during each such year".

(2) Section 1109(b) of title 31, United States Code, is amended by inserting "even-numbered" after "each".

(j) Section 1110 of title 31, United States Code, is amended—

(1) by striking out "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period (beginning on or after October 1, 1988)"; and

(2) by striking out "May 16 of the year before the year in which the fiscal year begins" and inserting in lieu thereof "May 16 of the year before the year in which the bills and resolutions setting forth such authorizations are to be reported under section 402 of the Congressional Budget Act of 1974 (2 U.S.C. 652)".

(k) Section 1114 of title 31, United States Code, is amended—

(1) by striking out "The" each place it appears and inserting in lieu thereof "For each 2-fiscal-year budget period, beginning with the 2-fiscal-year budget period beginning on October 1, 1988, the"; and

(2) by striking out "each year" each place it appears.

TITLE AND STYLE OF APPROPRIATION ACTS

SEC. 6. Section 105 of title 1, United States Code, is amended to read as follows:

"§ 105. Title and style of appropriation Acts

"(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: 'An Act making appropriations (here insert the object) for the 2-fiscal-year budget period ending September 30 (here insert the even-numbered calendar year.).'.

"(b) All Acts making regular appropriations for the support of the Government shall be enacted for a 2-fiscal-year budget period, and shall specify the amount of appropriations provided for each fiscal year in such period.

"(c) For purposes of this section, the term '2-fiscal-year budget period' has the same meaning as in section 3(6) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(6)).".

AMENDMENTS TO THE LEGISLATIVE REORGANIZATION ACT OF 1946

SEC. 7. (a) Section 136(a) of the Legislative Reorganization Act of 1946 is amended—

(1) by striking out "Congress" in the matter preceding paragraph (1) and inserting in lieu thereof "Senate and the House of Representatives";

(2) by striking out "its" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "their";

(3) by inserting "(except the Committees on Appropriations, the Committees on the Budget, the House Committee on House Administration, the House Committee on Rules, and the House Committee on Standards of Official Conduct)" after "Representatives" in the matter following paragraph (2); and

(4) by striking out the second and third sentences thereof.

(b) Section 136 of such Act is further amended by striking out subsections (b) and (c) and inserting in lieu thereof the following new subsections:

"(b) During the period beginning on January 15 of each odd-numbered year and ending October 1 of the following year, each standing committee of the House of Representatives and the Senate to which subsection (a) applies shall review and study—

"(1) the application, administration, execution, and effectiveness of those laws (or parts of laws) the subject matter of which is within the jurisdiction of that committee, and

"(2) the organization and operation of the Federal agencies and entities having responsibilities in or for the administration thereof,

in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, modified, or eliminated. During such period, each such committee shall also review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that committee (whether or not any bill or resolution has been introduced with respect thereto). Such committee may carry out the required reviews and studies by contract, or may require a Government agency to do so and furnish a report thereon to the committee. Such committees may rely on such techniques as pilot testing, analysis of costs in comparison with benefits, or provision for evaluation after a defined period of time. The findings and determinations made by each such committee from its oversight activities under this section in any year shall be reported to the House of Representatives or the Senate no later than October 1 of such even-numbered year, and shall constitute the basis for such committee's legislative work during the succeeding Congress.

"(c) To assist a standing committee in carrying out its responsibilities under this section, the head of each Federal agency which administers the laws or parts of laws under the jurisdiction of such committee shall provide to such committee such studies, information, analyses, reports, and assistance, including the requests for appropriations and the justifications therefor submitted by the agency to the President pursuant to section 1108 of title 31, United States Code, as may be requested by the chairman and ranking minority member of the committee, except that such request and justifications for a 2-fiscal-year budget period shall not be submitted under this subsection until after the day the President transmits the Budget to the Congress under section 1105 of such title for such period.

"(d)(1) To assist a standing committee in carrying out its responsibilities under this section, the head of any agency shall furnish without charge to such committee computer tapes or discs, together with explanatory documentation, containing information received, compiled, or maintained by the agency as part of the operation or administration of a program, or specifically compiled pursuant to a request in support of a review of a program, as may be requested by the chairman and ranking minority member of such committee.

"(2) The Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate shall prescribe rules and regulations for their respective Houses which will minimize duplication of requests under paragraph (1) of this subsection.

"(e) Within thirty days after the receipt of a request from a chairman and ranking minority member of a standing committee having jurisdiction over a program being reviewed and studied by such committee under this section, the Comptroller General of the United States shall furnish to such committee summaries of any audits or reviews of such program which the Comptroller General has completed during the preceding six years.

"(f) Consistent with their duties and functions under law, the Comptroller General of the United States, the Director of the Congressional Budget Office, the Director of the Office of Technology Assessment, and the Director of the Congressional Research Service shall furnish to each standing committee of the Senate or the House of Representatives such information, studies, analyses, and reports as the chairman and ranking minority member may request to assist the committee in conducting reviews and studies of programs under this section.

"(g) This section does not require the public disclosure of matters that are specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified pursuant to such Executive order, or which are otherwise specifically protected by law. This section does not require any committee of the Senate to disclose publicly information the disclosure of which is governed by Senate Resolution 400, Ninety-fourth Congress, or any other rule of the Senate.".

AMENDMENTS TO RULES OF SENATE AND HOUSE OF REPRESENTATIVES

SEC. 8. (a) Paragraph 8 of rule XXVI of the Standing Rules of the Senate is repealed.

(b)(1) Clause 4(a)(1)(A) of rule X of the Rules of the House of Representatives is amended by inserting "odd-numbered" after "each".

(2) Clause 4(a)(2) of rule X of the Rules of the House of Representatives is amended by striking out "such fiscal year" and inserting in lieu thereof "the 2-fiscal-year budget period in which such fiscal year occurs".

(3) Clause 4(b)(2) of rule X of the Rules of the House of Representatives is amended by striking out "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(4) Clause 4(f) of rule X of the Rules of the House of Representatives is amended by striking out "annually" each place it appears and inserting in lieu thereof "biennially".

(5) Clause 4(g) of rule X of the Rules of the House of Representatives is amended—

(A) by striking out "March 15 of each year" and inserting in lieu thereof "May 15 of each odd-numbered year";

(B) by striking out "fiscal year" the first place it appears and inserting in lieu thereof "2-fiscal-year budget period"; and

(C) by striking out "that fiscal year" and inserting in lieu thereof "each fiscal year in such ensuing 2-fiscal-year budget period".

(6) Clause 4(h) of rule X of the Rules of the House of Representatives is amended by striking out "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(c)(1) Clause 2(l)(1)(C) of rule XI of the Rules of the House of Representatives is amended—

(A) by striking out "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period";

(B) by striking out "that year" each place it appears and inserting in lieu thereof "that 2-fiscal-year budget period";

(C) by inserting "for each fiscal year in that 2-fiscal-year budget period" after "committee's recommendations";

(D) by striking out "as" before "set forth"; and

(E) by inserting "for each such fiscal year" before "in the most recently".

(2) Clause 4(a) of rule XI of the Rules of the House of Representatives is amended by striking out "fiscal year if reported after September 15 preceding the beginning of such fiscal year" and inserting in lieu thereof "2-fiscal-year budget period if reported after August 1 of the year in which such 2-fiscal-year budget period begins".

(d) Clause 2 of rule XLIX of the Rules of the House of Representatives is amended by striking out "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

EFFECTIVE DATE

SEC. 9. The provisions of this Act and the amendments made by this Act shall take effect the first day of the One-hundredth Congress, except that—

(1) the amendments made by section 5(i) of this Act shall take effect on November 9, 1986; and

(2) the provisions of section 10 of this Act shall take effect on the date of enactment of this Act.

FISCAL YEAR 1988

SEC. 10. (a) Notwithstanding the amendments made by sections 3, 4, 5, 6, 7, and 8 of this Act, the President shall submit to the Congress a budget for fiscal year 1988, and the estimates of outlays and proposed budget authority that would have been required under section 1109 of title 31, United States Code (as such section was in effect on November 8, 1986). The provisions of section 201 of the Budget and Accounting Act, 1921 (now 31 U.S.C. 1105), as such provisions were in effect on the day before the effective date of this Act, shall apply to the submission by the President of the budget for fiscal year 1988. The provisions of section 1109 of title 31, United States Code (as such provisions were in effect on November 8, 1986) shall apply with respect to the submission of such estimates by the President.

(b) Notwithstanding the amendments made by sections 3, 4, 5, 6, 7, and 8 of this Act, the Congress shall complete action on the concurrent resolutions on the budget that would have been required for fiscal year 1988 under the provisions of the Congressional Budget Act of 1974 as such provisions were in effect on the day before the effective date of this Act. The provisions of the Congressional Budget and Impoundment Control Act of 1974 (as such provisions were in effect on the day before the date of enactment of this Act) shall apply with respect to concurrent resolutions on the budget for fiscal year 1988, bills and resolutions providing new budget authority or new spending authority for fiscal year 1988, and bills and resolutions authorizing the enactment of new budget authority for fiscal year 1988, except that—

(1) the provisions of section 301(b)(1) of such Act (as in effect on the day before the effective date of this Act) shall not apply with respect to fiscal year 1988, and the provisions of section 301(b)(2) of such Act (as in effect on the day before the effective date of this Act) shall not apply with respect to fiscal year 1988 to the extent that such provisions are inconsistent with clause (2) of this subsection;

(2) it shall not be in order in the Senate or the House of Representatives to consider any first concurrent resolution on the budget for fiscal year 1988 required by section 301 of such Act (as in effect on the day before the effective date of this Act) if such concurrent resolution on the budget—

(A) directs any committee to determine and recommend changes in bills, laws, or resolutions; or

(B) includes any matter with respect to any subject other than budget outlays, budget authority, the surplus or deficit in the budget, revenues (including off-setting receipts and off-setting collections), or the level of the public debt.

(3) prior to the adoption of the second concurrent resolution on the budget required for a fiscal year under section 310(a) of such Act (as in effect on the day before the effective date of this Act), it shall not be in order in the Senate or the House of Representatives to consider under section 304 of such Act (as in effect on the day before the effective date of this Act) any concurrent resolution on the budget revising the most recently agreed to concurrent resolution on the budget for such fiscal year if the concurrent resolution making such revisions—

(A) directs any committee to determine and recommend changes in bills, laws, or resolutions; or

(B) includes any matter with respect to any subject other than budget outlays, budget authority, the surplus or deficit in the budget, revenues (including offsetting receipts and offsetting collections), or the level of the public debt.

(4) bills and resolutions providing new budget authority for fiscal year 1988 or new spending authority described in section 401(c)(2)(C) of such Act for fiscal year 1988 shall not be enrolled until the concurrent resolution on the budget required to be reported under section 310(a) of such Act (as in effect on the day before the effective date of this Act) for such fiscal year has been agreed to, and if a reconciliation bill or reconciliation resolution, or both, are required to be reported under section 310(c) of such Act (as in effect on the day before the effective date of this Act) for such fiscal year, until Congress has completed action on that bill or resolution, or both;

(5) it shall not be in order in the Senate or the House of Representatives to consider any concurrent resolution on the budget required under section 310(a) of such Act (as in effect on the day before the effective date of this Act) for fiscal year 1988 if such concurrent resolution directs any committee to determine and recommend changes in laws, bills, and resolutions directly or indirectly authorizing the enactment of new budget authority for fiscal year 1988;

(6) it shall not be in order in the Senate or the House of Representatives to consider any reconciliation bill or resolution for fiscal year 1988 or any amendment thereto or any conference report thereon which changes any provision of law other than provisions of law which—

(A) provide new budget authority or spending authority described in section 401(c)(2)(C) of such Act;

(B) relate to revenues; or

(C) specify the amount of the statutory limit on the public debt.

(7) section 405 of such Act, as added by section 4(q) of this Act, shall apply with respect to fiscal year 1988; and

(8) section 1104(c)(2) of title 31, United States Code, as added by section 5(b) of this Act, shall apply with respect to fiscal year 1988.

By Mr. METZENBAUM:

S. 1557. A bill to provide the public with information concerning the use of products containing aspartame, to provide for the conduct of studies to determine the health effects of using products containing aspartame, and for other purposes; to the Committee on Labor and Human Resources.

ASPARTAME SAFETY ACT

Mr. METZENBAUM. Mr. President, today I am introducing a bill entitled "the Aspartame Safety act of 1985." I consider this legislation the absolute minimum that Congress needs to do in order to protect the health and safety of the 100 million American consumers who are using this chemical sweetner under its better-known brand name of "Nutrasweet."

In 1984, Americans consumed over 7 million pounds of aspartame, which is equivalent to 1.4 billion pounds of sugar. This year we will consume over 20 billion cans of diet soft drinks, the vast majority of which are 100 percent Nutrasweet. We had better be sure that the questions which have been raised about the safety of this product are answered.

I must say at the outset, this product was approved by the FDA in circumstances which can only be described as troubling. The FDA originally approved aspartame in 1974. However, that decision was stayed after concerns were raised about health and safety problems. In March of 1976 a special FDA task force released its report on testing practices at GD Searle Co., the manufacturer of aspartame. That report contained the following conclusions:

> At the heart of FDA's regulatory process is its ability to rely upon the integrity of the basic safety data submitted by sponsors of regulated products. Our investigation clearly demonstrates that, in the G.D. Searle Company, we have no basis for such reliance now.
>
> Through our efforts, we have uncovered serious deficiencies in Searle's operations and practices which undermine the basis for reliance on Searle's integrity in conducting high quality animal research to accurately determine or characterize the toxic potential of its products.
>
> ". . . The studies we investigated reveal a pattern of conduct which compromises the scientific integrity of the studies."

Now, Mr. President, one might ask what does a 1976 report on testing practices at G.D. Searle have to do with aspartame, a chemical sweetner approved by the FDA in 1981? The answer is simple. Over 90 percent of the tests submitted by G.D. Searle to the FDA in order to get aspartame approved were submitted prior to March 1976, when the report was issued. In addition, of the 25 Searle tests examined by the FDA task force, 11 were tests done on aspartame. One of the major questions hanging over the approval process is this question of how the FDA resolved the issues raised by its own task force in 1976. There are serious questions about the quality of tests used to approve this chemical sweetner.

Mr. President, the questions do not stop with the 1976 task force report. For in 1977, the FDA wrote to the U.S. attorney in Chicago requesting a grand jury investigation of G.D. Searle Co. I quote from the letter sent by the chief counsel of the FDA, Richard Merrill:

> We request that your office convene a grand jury investigation into apparent violations of the Food, Drug, and Cosmetic Act . . . and the False Reports to the Government Act, by G.D. Searle and Company and three of its responsible officers for their willful and knowing failure to make reports to the Food and Drug Administration required by the Act, and for concealing material facts and making false statements in reports of animal studies conducted to establish the safety of the drug Aldactone and the food additive Aspartame.

In 1980, the FDA established a public board of inquiry on aspartame. What did they conclude? "The Board has not been presented with proof of a reasonable certainty that Aspartame is safe for use as a food additive under its intended conditions of use."

In May 1981, 2 months before the FDA Commissioner, Arthur Hayes, approved aspartame for use in dry foods, three FDA scientists informed the Commissioner that they did not believe that aspartame had been proven safe beyond a reasonable doubt. They questioned the reliability of key brain tumor tests which were submitted by G.D. Searle. These three FDA scientists comprised half of the so-called "Commissioner's Team" which was set up to advise the Commissioner on aspartame approval.

Despite all the questions raised by the chronology I have outlined, the FDA Commissioner decided to approve aspartame in July of 1981. He later approved aspartame for use in soft drinks in July 1983.

In May of this year I asked the GAO to undertake a full investigation of the aspartame approval process. That investigation is now under way and I have high hopes that it will shed some light on the questions surrounding the Commissioner's decision to approve this product.

Pending the completion of that report, however, there are a number of steps which Congress should take with relation to aspartame. The bill I am introducing today outlines the minimum steps I feel are necessary.

The bill mandates that independent tests on aspartame be conducted under the auspices of the National Institutes of Health. These tests will focus on the general effects which aspartame has on brain chemistry as well as the specific behavioral and neurological reactions experienced by individuals—headaches, mood alterations, memory loss et cetera.

The tests will also examine the health effects of aspartame on pregnant women and fetuses and whether aspartame consumption can lower the threshold for seizures. Another important area for investigation is how aspartame reacts to medicines particularly MAO inhibitors which are used in the treatment of depression, dopa used in the treatment of Parkinson's disease, and aldomet used in the treatment of hypertension.

Under the bill, there will be a moratorium imposed on new uses of aspartame in foods and drugs pending the completion of independent test or for the period of 1 year—whichever comes sooner.

There are credible questions which have been raised by eminent scientists, regarding aspartame.

Dr. Richard Wurtman of MIT has examined questions relating to aspartame's effect on brain chemistry, Dr. William Pardridge of UCLA has expressed his concerns about fetal IQ, Dr. Elsas of Emory University has warned us about groups in the population at high risk from large concentrations of phenylalanine in the blood. Dr. Matalon at the University of Illinois is particularly concerned about individuals who are genetically susceptible to phenylalanine—PKU carriers—and who may be a sizable risk group as far as aspartame is concerned. Nearly 5 million Americans are PKU carriers.

Two researchers in Philadelphia, Profs. Gautieri and Mahalik, have done studies on mice which show that aspartame affected the vision of newborn mice whose mothers had been exposed to the chemical sweetner.

Mr. President, I ask unanimous consent that reports and statements concerning these scientists be placed in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, one final point concerning tests. The Journal of the American Medical Association recently published a report on aspartame which, with some significant disclaimers, stated it was safe for most people. I wish that this report could ease my concerns. It does not. It merely restates the FDA position which relies solely on the tests conducted by G.D. Searle. As I have indicated, these tests are under a cloud. In addition, the concerns raised recently by the scientists I mentioned above were not even considered in the report.

Mr. President, the FDA is content to have the manufacturer of aspartame, G.D. Searle, conduct these studies. How absurd. We do not need the people who are making millions of dollars on aspartame telling us it's safe.

Has the FDA forgotten that in 1977 it sought to have a grand jury investigation into allegations that Searle conducted fraudulent tests on aspartame? Doesn't anyone in the agency know they are presently considering prosecuting that company for withholding information on adverse effects from another one of their drugs, Theo-24?

It is a sad fact that the current FDA is a mere shadow of what that agency used to be. Now it is more of a handmaiden to the food and chemical industry than it is a defender of the health and safety of American consumers.

In addition to mandating independent tests, my bill will require labeling which will inform consumers how much aspartame they are ingesting. This information is important not only for consumers who wish to regulate their intake of aspartame but also for physicians who may be treating individuals who feel they have experienced side effects. Such side effects are likely to be dose related and the physician will want to know how much aspartame has been consumed. In addition, consumers have a basic right to know the makeup of the foods which they consume.

The label will also contain the maximum allowable daily intake established by the FDA. How many consumers even know that the FDA has attached such a limit to aspartame consumption? The current ADI is 50 mg per kg. of body weight. It was originally 20 mg/kg. However, in 1983 the FDA decided to ignore its standard 100-fold safety factor by more than doubling the maximum allowable daily intake. Why did they decide to make an exception for aspartame? In 1983, they approved aspartame for soft drinks, so they decided to increase the limit knowing consumption was bound to increase. The justification the FDA used for violating its standard 100-fold safety factor was that the tests showed it was safe at the new levels of consumption. And guess who was responsible for all the tests—G.D. Searle Co., of course.

I intend to fully investigate the manner in which the FDA altered its safety standard for this product. In the meantime, consumers have a right to know at least that some such standard exists. Sure, if you weigh 130 pounds you would have to drink 4 to 5 liters of diet soft drink to hit the limit. But if you are a child who weighs 30 pounds, you hit that limit with 3 to 4 cans of diet soft drink. That's even without the gum, pudding, breakfast cereal—all sweetened with aspartame.

Under this bill, the Secretary will be responsible for deciding how best to express the ADI on the label so consumers can understand what it means. For example, on diet soft drinks the label might read: "Maximum Allowable Daily Intake: 3 cans per 25 lbs. of body weight." There may be better ways to express this concept. The Secretary can work on that but consumers have a right to this information particularly since the advertising for this product has left the impression that everyone in the population, including children, can consume as much as they want of this chemical sweetener and still remain within the standard FDA recommended range of a 100-fold safety factor.

My bill designates one other labeling requirement. The label will advise that aspartame is not intended for infant feeding.

Mr. President, I would like to quote from an FDA document dated February 28, 1980:

> Nevertheless, in consideration of the remote possibility that a parent might use aspartame as a non-sugar sweetener in the infant formula or food, there may be some merit in the inclusion of a statement on the label to the effect that aspartame-containing foods are not intended for use in infant feeding. Such labeling may provide added assurance that aspartame will not be fed to infants.

Did the FDA ever follow up on this recommendation? Of course not. Too troublesome for industry. How remote is the possibility that a parent will give nutrasweet to a child? A little diet coke in a bottle? Some pudding? A little kool-aid? Maybe some cereal?

This bill ensures that parents will know that aspartame-containing foods are not intended for infant feeding.

Finally, Mr. President, my bill will establish a Clinical Adverse Reaction Committee within the FDA. Consumers who feel they have experienced side effects from aspartame should have the right to have their complaint investigated.

The FDA claims such complaints have declined to almost zero. Isn't that interesting. What the FDA doesn't tell us is that since February of 1984, G.D. Searle has not forwarded any complaints they have received to the FDA. In addition, we learn that the FDA informed its regional office to forward only "serious complaints," for example, a complaint severe enough to require the attention of a physician. And did the FDA notify physicians that they were interested in collecting and analyzing reports of adverse reactions to aspartame? Absolutely not. So how are physicians to know they should even be notifying the FDA of such reports? The only notification physicians around the country have received is a medical bulletin from G.D. Searle quoting the FDA that aspartame is completely safe.

Now, however, the FDA has informed myself and Senator HEINZ that they are considering establishing a Clinical Adverse Reaction Committee to collect and evaluate reports of side effects.

This bill makes it easy for the FDA. It mandates the FDA to collect and study reports of side effects and to alert physicians around the country that they are interested in knowing about such reactions.

Only then can we get an accurate picture of the problem.

Mr. President, I said at the outset this bill represents a minimum response to the FDA which recently sent me a letter rejecting proposals for labeling and informing me that G.D. Searle's tests are insufficient to settle the questions raised.

To put it mildly, that response was totally unsatisfactory. We have an agency desperately attempting to explain away its unwillingness to protect the safety of American consumers. Clearly, at today's FDA politics and ideology come before the public health.

I know there are career FDA personnel who are committed to doing a good job. They are trying to be honest and professional. Their task is becoming impossible under the weight of leadership which has raised political interference to an art form. On the issue of aspartame, as on the issue of food dyes and infant formula, there are those of us in Congress who will not rest until this agency meets its responsibilities to the American consumer. That, I can promise.

Mr. President, I ask unanimous consent that the text of the bill, the letter, and scientific studies mentioned during my remarks, and other supporting materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1557

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Aspartame Safety Act of 1985".

LABELING REQUIREMENTS

SEC. 2. (a) Section 403 of the Federal Food, Drug, and Cosmetic Act is amended by adding at the end thereof the following new paragraph:

"(q)(1) If it contains aspartame, unless its label and labeling—

"(A) specify the total number of milligrams of aspartame contained in each serving;

"(B) specify the allowable daily intake of aspartame (in milligrams) for each kilogram of human body weight, as established by the Secretary; and

"(C) bear the following statement: 'THIS PRODUCT CONTAINS ASPARTAME, WHICH IS NOT INTENDED FOR USE IN INFANT FEEDING'".

"(2) The Secretary shall by regulation require that the information required by subparagraph (1)(B) to be specified on the label and labeling of any food containing aspartame be included on such label and labeling in a manner which is the most useful to individuals who consume such food.

"(3) The statement required by subparagraph (1)(C) shall be located in a conspicuous place on the label and labeling of each food containing aspartame as proximate as possible to the name of such food and shall appear in conspicuous and legible type in contrast by typography, layout, and color with other printed matter on such label and labeling.".

(b)(1) Section 502 of such Act is amended by adding at the end thereof the following new paragraph:

"(u)(1) If it is a drug containing aspartame, unless—

"(A) its label and labeling—

"(i) specify the total number of milligrams of aspartame contained in each dosage;

"(ii) specify the allowable daily intake of aspartame (in milligrams) for each kilogram of human body weight, as established by the Secretary; and

"(iii) bear the following statements: 'THIS PRODUCT CONTAINS ASPARTAME, AND IS NOT INTENDED FOR USE BY INFANTS 'PHENYLKETONURICS: CONTAINS PHENYLALANINE'; and

"(B) the manufacturer, packer, or distributor (including all retail establishments) thereof includes in all advertisements and other printed and descriptive matter issued or caused to be issued by the manufacturer, packer, or distributor with respect to such drug the information described in clauses (A)(i) and (A)(ii) and the statements specified in clause (A)(iii).".

"(2) The Secretary shall by regulation require that the information required by subparagraph (1)(A)(ii) to be specified on the label and labeling of drugs containing aspartame be included on such label and labeling in a manner which is the most useful to individuals who consume such drugs.

"(3) The statements required by subparagraph (1)(A)(iii) shall be located in a conspicuous place on the label and labeling of each drug containing aspartame as proximate as possible to the name of such drug and shall appear in conspicuous and legible type in contrast by typography, layout, and color with other printed matter on such label and labeling.".

(2) The first sentence of section 503(b)(2) of such Act is amended by striking out "and (1)," and inserting in lieu thereof "(1), and (u)(1)(B),".

MORATORIUM

SEC. 3. During the period beginning on the date of enactment of this Act and ending—

(1) on the date which is one year after the date of enactment of this Act, or

(2) the date on which all studies required under section 4 are completed, whichever is earlier,

the Secretary of Health and Human Services (hereinafter referred to as the "Secretary") shall not approve or permit any use of aspartame in any food or drug if such use was not approved or permitted on the date of enactment of this Act.

RESEARCH

SEC. 4. (a) The Secretary, through the Director of the National Institutes of Health, shall request proposals for, and make grants and enter into contracts for the conduct of, clinical studies on aspartame, including studies concerning—

(1) the effect of the consumption of aspartame on brain chemistry;

(2) the health effects of the consumption of aspartame on pregnant women and fetuses;

(3) behavioral and neurological effects experienced by individuals who have consumed aspartame, especially children who have consumed aspartame;

(4) the interaction of aspartame with drugs, including monoamine oxidase inhibitors, alpha-methyldopa, and L-dihydroxphenylalanine; and

(5) the effect of the consumption of aspartame in increasing the probability of seizures.

(b) In making grants and entering into contracts under subsection (a), the Secretary shall provide for the completion of the studies required under such subsection within one year after the date of enactment of this Act.

(c) To carry out this section, there are authorized to be appropriated such sums as may be necessary.

(d) The authority of the Secretary to enter into contracts under this section shall be to such extent or in such amounts as are provided in appropriated Acts.

CLINICAL ADVERSE REACTION COMMITTEE ON ASPARTAME

SEC. 5. (a) The Secretary, through the Commissioner of the Food and Drug Administration, shall establish a Clinical Adverse Reaction Committee on Aspartame. The Committee shall collect reports of individual reactions to the consumption of foods containing aspartame, including reports of reactions from individuals taking various medications, and shall evaluate and prepare appropriate responses to such reports.

(b) The Secretary shall announce the establishment of the Committee under subsection (a) through the mailing of written notices to physicians and other health care providers and through advertisements in medical journals and in publications read by the general public. Such advertisements shall include the telephone number of the telephone service established pursuant to subsection (c).

(c) The Secretary shall establish a telephone service for the reporting by individuals of reactions to the consumption of products containing aspartame. Calls on such telephone service shall be without charge to the caller.

SCIENTISTS SUGGEST NUTRASWEET LINK TO BRAIN DAMAGE

(By Geogory Gordon)

WASHINGTON (UPI).—Two pediatric and genetic researchers say many pregnant women who consume aspartame, the popular sugar substitute sold as NutraSweet in soft drinks and 70 other products, may have babies with permanent brain damage.

In a contention rejected by NutraSweet's manfacturer, one of the scientists, Dr. Louis Elsas of Emory University in Atlanta, also said he believes a key aspartame component can cause similar damage to infants if they ingest it in the six months following birth.

"There's no reason why the pregnant female should be taking aspartame," Elsas said, "and there's no reason why a child less than six months old should be taking aspartame. Period." He said the damage may not show up for years.

Meanwhile, lawyers for a 5-year-old boy who a research team said became "unconsolably and wildly emotional" after drinking NutraSweet products have filed a $2 million damage suit against the product's manufacturer, G.D. Searle Co. of Skokie, IL.

The suit, filed three weeks ago in Washington, charges that aspartame is an "unreasonably dangerous and harmful food additive" that causes permanent effects when combined with glucose and given to children under six years old.

It was disclosed last month the General Accounting Office is investigating the manner in which Commissioner Arthur Hull Hayes of the Food and Drug Administration approved aspartame in 1981 over the objections of several agency scientists who challenged brain tumor studies.

Officials of G.D. Searle, which last year sold more than $600 million in NutraSweet for diet soft drinks and other products, dismiss all the allegations and criticisms of aspartame. They assert the product has undergone the most extensive testing of any food additive ever approved by the FDA.

"I think quite clearly, the data on aspartame does support the safety of the product," Roger Thies, Searle's associate general counsel, said in a recent interview.

Dr. Lewis Stegink, a professor of pediatrics and biochemistry at the University of Iowa who, with funding from Searle, performed some of the pivotal studies that supported FDA approval, said, "Am I concerned about the safety? The answer is no. Would I like to see additional studies done? Of course. That's what science is all about."

Dr. Richard Guall, vice president for nutrition and medical affairs of Searle's NutraSweet group, said aspartame "has no adverse effects on the behavior of children" with the exception of a select group who are alerted to the contents in warning labels.

Elsas, director of medical senetics at Emory, and Dr. Reuben Matalon, professor of pediatrics and senetics at the University of Illinois Medical School, have yet to publish any findings that specifically refer to aspartame. But both said they have extensively studied a key component of the sweetener—phenylalinine—and that they consider it a hazard for fetuses and infants.

The scientists said in interviews that they approached Searle in the 1970s about their concerns, but that they believe company-sponsored studies of aspartame have not adequately tested the substance for its effects on the human fetus.

"The don't want to listen," Elsas said. "The people at Searle would like to have you think that nothing happens as long as the phenylalinine level is below the tenfold elevation level" that is the FDA's safety standard.

Elsas said that besides pregnant mothers, he is concerned about aspartame ingestion by newborn babies and young children who eat diet gelatins and puddings. He called Searle's studies on phenylalinine "a whitewash anecdote" that has received no scientific peer review. Elsas also noted that women who consume the substance while nursing could present a similar risk to their babies because the extent of phenylalinine in mother's milk has yet to be investigated.

Elsas and Matalon said consuming even moderate amounts of NutraSweet raises the concentration of phenylalinine in the blood. Matalon said he was "not too concerned" about older children consuming aspartame because the effects on them should be "reversible" through dietary changes.

Matalon, who began a study April 1 with a grant from the National Institutes of Health, said that one in 50 women are particularly sensitive to high phenylalinine consumption and if they ingest aspartame during pregnancy "it may cause birth defects" such as mild retardation. He said the defects would be a matter of concern because 8 to 10 million American women are believed to be sensitive to phenylalinine.

The affected women, Matalon said, are known as "carriers" of PKU—phenylketonuria—a disease resulting in reduced IQ's in babies. If not put on a special diet, PKU infants will suffer severe mental retardation as they grow, he said.

Although the FDA requires all aspartame products to carry a warning for PKU victims, no warnings is required for carriers, those who do not have the disease but have one PKU gene and are susceptible to phenylalinine.

The problem is complicated because carriers generally are not identified unless they have PKU offspring. "We don't know them and they don't know themselves," Matalon said.

Matalon, head of the PKU clinic at the University of Illinois, said he was concerned about studies showing that any rises in phenylalinine levels from aspartame consumption would still be within safe limits. Matalon said those studies are "not based on a lot of experiments."

He said Searle did not adquately test the levels and effects of breakdown products—known as metabolites—of phenylalinine in the body.

Gaull and Stesink, however, defended Searle's testing and said it shows that even at "abuse levels"—extremely heavy consumption of aspartame—the phenylalinine levels in the blood do not rise significantly.

Gaull also said the levels of phenylalinine quickly drop. He said that while PKU carriers "have less ability to metabolize" than those with the disease, "it is not limiting in their abilility to fully metabolize" the substance.

Consumption of aspartame, he argued, results in increases in blood phenylalinine levels "no greater than the increase in concentration after a meal . . . consisting of a hamburger and a milkshake."

Elsas, who already had published one study on humans, said he believes the potential danger extends to all present women who regularly consume aspartame, and possibly to young children who may experience behavioral and neurological disorders if they drink or eat aspartame.

Elsas said a woman who drinks one can of a soft drink sweetened with aspartame may experience a four-fold increase in her blood phenylalinine level. As a result, he said, the concentration found in the fetus can reach a level four times as high as the prospective mother's, because the chemical concentrates on the fetal side.

"Now the fetus's brain is growing, and that phenylalinine interferes at critical movements of brain cells, and that child could come out with severe mental retardation that's unrelated to anything you could measure after birth," Elsas said.

"I'm concerned that this could be a major health hazard that has been totally unexplored."

Gaull called Elsas's findings "incorrect," contending the fetus concentrates phenylalinine only at about 1.5 times the level in the mother.

Stegink called Elsas's projections of blood phenylalinine "totally impossible" but acknowledged no research has been conducted on the effect of aspartame on pregnant women.

The Washington lawsuit is based on research by Dr. Keith Conners of D.C. Children's Hospital, who said "Stephen," a 5-year-old boy "repeatedly ran full force into the wall, knocking himself to the floor, crying, and repeating the performance until we was restrained," after consuming aspartame.

The suit seeks $2 million in negligence and liability damages from Searle due to the alleged immediate adverse effects and long-term damages to a child's neurological, or brain, nervous and motor systems.

Asked about the suit, Gaull said, "The bottom line is that aspartame has no adverse effects on children. In view of the fact that this case is in litigation, I don't want to comment on it."

Stephen's doctors allege his injuries, subject of one of numerous complaints about NutraSweet to the Centers for Disease Control, include psychotic neurosis and other neurologic and psychiatric disease and side effects, ranging from behavioral changes to nightmares.

Negligence charges, that the company failed to test aspartame, failed to warn of its possible dangers, and failed to report "adverse studies regarding the safety and efficacy of aspartame," also were lodged.

Conners, a specialist in hyperactivity and neurologic disorders in children, would not comment on his research concerning aspartame. But in testomony to Congress, he said, "we are inclined to believe that the clear results . . . conclude that aspartame (and-or its vehicle) are causing deviant behavior of quite severe proportions in this boy."

"The FDA has never required adequate neurological pediatric testing to determine this kind of reaction on children. And to allow this on the market without testing it on kids is a crime," Aaron Levine, a lawyer representing Stephen, said.

Although Searle officials maintain the product is safe, four company-sponsored tests—investigating aspartame's possible effect on hyperactivity and seizures in children, seizures in adults, and headaches—are under way.

STUDY ON MICE SHOWS ASPARTAME PROBLEMS, RESEARCHERS SAY

PHILADELPHIA (AP).—Two researchers are calling for further studies into the effects on pregnant women of the artificial sweetener aspartame, saying that their study using mice showed that offspring had trouble with their eyes.

Aspartame is sold as a sugar substitute under the trade name Equal and as an additive under the name Nutrasweet.

"We don't advocate stopping the use of aspartame, but we do think there is a need for more studies on its use by pregnant women," said Ronald F. Gautieri, professor of pharmacology at the Temple University School of Pharmacy.

Gautieri and Michael P. Mahalik, assistant professor of pharmacology at the Philadelphia College of Osteopathic Medicine, reported their findings in a recent issue of Research Communications in Psychology, Psychiatry and Behavior.

In their study, the eyes of newborn mice whose mothers were not exposed to aspartame began focusing 20 days after birth. Babies born to pregnant mice fed 1 gram of the sweetener per kilogram of their weight took 2 days longer to focus, and 4 grams extended the focusing time to 4 days.

"Something affected the neurosensory system," Gautieri said.

In the last year, a growing number of researchers have warned pregnant women to avoid aspartame because of unknown consequences to fetuses.

"Something could happen over the long term," Mahalik said. "We feel that byproducts of aspartame somehow affect the process of myelimization, the sheath that covers nerves.

"We think the study supports the previously-stated opinion that aspartame could affect some brain functions."

The Food and Drug Administration and the National Centers for Disease Control, reacting to more than 500 consumer complaints of headaches, dizziness, and insomnia, have said tests reveal no problems with the sweetener. But the CDC also said it did not examine any possible problems relating to pregnancy.

The National Institutes of Health is conducting a 3-year study on aspartame.

The FDA's acceptable daily intake of the sweetener is 3 grams for a person weighing 130 pounds. That is equivalent to six quarts of soda containing NutraSweet or 150 packets of Equal.

GAO INVESTIGATING NUTRASWEET APPROVAL

(By Gregory Gordon)

WASHINGTON (UPI).—The General Accounting Office is investigating the manner in which the Food and Drug Administration approved the popular artificial low-calorie sweetener aspartame in 1981 over the objections of several agency scientists, it was disclosed Wednesday.

The inquiry was begun at the request of Sen. Howard Metzenbaum, D-Ohio, who said in a letter last week to Comptroller General Charles Bowsher that there were "serious deficiencies" in tests more than a decade ago on the product—marketed as NutraSweet by the G.D. Searle & Co.

Officials of G.D. Searle, a Skokie, IL.-based firm that last year sold more than $600 million in aspartame, said Wednesday they are absolutely convinced the product, widely used in diet soft drinks, is safe.

They acknowledged they have commissioned eight new studies on the effects of the sweetener on humans, including whether it may be linked to intense headaches, seizures in children and adults and hyperactivity in children—all subjects of hundreds of consumer complaints filed with the Centers for Disease Control.

Dr. Gerald Gaull, vice president for nutrition and medical affairs of Searle's NutraSweet group, said the FDA had concluded the company's earlier studies were sound. He said Searle is conducting new tests, four of which should be completed by early next year.

"If there is a real problem we'd better be the first ones to know because we're going to need some lead time to correct it, take the product off the market, or whatever," Gaull said.

James Turner, a Washington consumer lawyer who has challenged the FDA's approval process that began in the early 1970s, asserted that "Searle's undertaking of these new tests is an admission that this product has not been shown to be safe for marketing."

Turner is appealing a federal court lawsuit aimed at forcing the FDA to hold public hearings on the safety of aspartame.

Internal government memoranda obtained by the United Press International show that Commissioner Arthur Hull Hayes of the Food and Drug Administration overruled several agency scientists in approving G.D. Searle's application to market aspartame in 1981.

Three of six scientists on the "Commissioner's Team on Aspartame" said on May 18 and 19, 1981, that tests they had reviewed did not prove the product's safety with "reasonable certainty of no harm," as required by FDA regulations, according to agency memos obtained by UPI intern Joshua Meyer.

Metzenbaum last week asked the FDA to require labels showing the amount of aspartame a product uses; to ensure that "focused clinical tests" take place; and to commission a qualified independent lab to repeat the animal tests questioned by the FDA researchers.

In his letter to Bowsher, he said that "very serious questions have been raised regarding this approval process, questions which must be resolved if consumers are to have complete confidence in the safety of aspartame."

GAO officials confirmed that Congress' investigative arm is following up on Metzenbaum's request for an inquiry into:

The validity of G.D. Searle's tests on brain tumors in rats, challenged in 1975 for being sloppy and unscientific by an FDA task force and criticized again by the three scientists on the panel advising Hayes.

Why Hayes overruled the FDA-appointed Public Board of Inquiry, which opposed the approval of aspartame in 1980 on grounds the brain tumor studies were inadequate. Walle Nauta, chairman of the board of inquiry, has indicated the panel may have opposed the approval even more strongly had it known that G.D. Searle planned to widely market it in soft drinks. Nauta has said that a different set of tests should have been conducted for soft drink use.

Roger Thies, Searle's associate general counsel, asserted in an interview Wednesday that the likelihood aspartame would be used in carbonated beverages was made clear to the board and that the dosages tested proved safety of aspartame as a food or beverage additive. He said. "It would be almost inconceivable to me that somebody could drink enough (diet) soft drink in a day to go beyond the consumption levels that we have shown to be safe."

Hayes' decision to overturn the board of inquiry based on a summary of a "Japanese study" submitted after the board's decision. The study, UPI learned, was conducted by the Ajinomoto Co., Inc., the Japanese licensee of Searle's aspartame patent. Turner has alleged that Hayes had no legal basis to rely on a study that was not part of the administrative record.

The extent the FDA evaluated the concerns of Dr. Richard Wurtman of the Massachusetts Institute of Technology, who raised questions with the FDA regarding the effects of aspartame on brain chemistry, and Dr. William Pardridge of UCLA, who suggested women who consume aspartame may give birth to infants with lower I.Q. levels.

Whether officials of the Carter White House, Reagan White House or Reagan transition team discussed aspartame approval with FDA officials. Thies denied that Searle Chairman Donald Rumsfeld, a former top aide to President Gerald Ford, had any contact with White House or FDA officials about aspartame after joining the firm in 1977.

The same tests questioned by FDA scientists continue to be the foundation of proof of safety relied on by the agency in approving NutraSweet.

Gaull contended that aspartame, the three components of which are aspartic acid, phenylalanine and methanol, is "the most tested product ever approved by the FDA."

The Centers for Disease Control in Atlanta recently issued a report on the side effects of aspartame on humans, asking the FDA to start "focused, clinical studies" on the product's safety on "an expedited basis."

Two-thirds of 200 complaints reviewed in the report were considered adverse neurological or behavioral reactions—anxiety, seizures, extreme headaches, dizziness, severe depression and mood swings.

Other reactions consumers have blamed on the sweetener include the formation of benign skin tumors, menstrual irregularities and many other problems.

Thies said a small segment of the 100 million Americans who have tried aspartame products may have a "sensitive or allergic reaction, or idiosyncratic reaction" to aspartame.

In opposing aspartame approval, three of the six FDA scientists advising Hayes focused on G.D. Searle's brain tumor studies and concluded that aspartame "has not been shown to be safe and therefore may not be approved for marketing," the term head wrote in 1981.

One of the three, Dr. Satya Dubey, said in a letter to team leader Joseph Levitt that "statistical results obtained so far point out many problems . . . and some of them may be considered serious."

Also objecting were Dr. Robert Condon and Dr. Douglas Park, the staff science adviser for the FDA Office of Health Affairs.

Gaull said that although "three internal scientists raised questions about the brain tumor studies and the statistics on that, there is nothing new about the fact that not everyone agrees within a regulatory agency on every decision."

[From the New York Times, July 3, 1985]

A Sweetener's Effects: New Questions Raised

(By Marian Burros)

In 1984, G.D. Searle & Company of Skokie, Ill. sold $600 million worth of the artificial sweetener aspartame, on which it holds the exclusive United States patent. Produced under the trademark NutraSweet as a food additive and Equal as a table-top sweetener, aspartame is found in a wide variety of products—from puddings, bubble gum and breakfast cereals to some of the best known diet soft drinks marketed by Coca-Cola, Pepsi and Seven-Up.

Recently, however, aspartame has been the target of criticism from several scientists conducting studies of the sweetener or its components. While their findings are not conclusive, preliminary data have indicated that aspartame may be responsible for a range of problems from temporary dizziness to mental retardation.

Their contentions are strongly denied by Searle, which has done its own studies on aspartame in the past and is conducting new ones. "When any new product is marketed and attention is called to it, people tend to ascribe any adverse experience to that new product," said Dr. Frank M. Sturtevant, a pharmacologist who is director of the office of scientific affairs at Searle. "We expected a lot more in the way of complaints than we got: only 600 out of 70 million people who have used it."

Aspartame has been controversial since Searle first sought to market it in 1974. After considerable debate about its safety, the sweetener was approved by the United States Food and Drug Administration in 1981. But this spring questions about its effects began to surface again.

In May, the Senate Committee on Labor and Human Resources received testimony from two researchers favoring quantitative labeling of products containing aspartame. In accordance with Federal law, it is now listed on labels as an ingredient; no amount is specified. Dr. William Pardridge, an associate professor of medicine at the University of California at Los Angeles, said that too much of the artificial sweetener might cause subtle brain changes in young children. Dr. Richard J. Wurtman, director of the clinical research center at the Massachusetts Institute of Technology, said that consuming aspartame with carbohydrates might double aspartame's effect on the brain.

On June 17, Dr. Louis Elsas, director of the division of medical genetics at Emory University in Atlanta, said that neither pregnant women nor infants under the age of 6 months should consume aspartame because of the chance of brain damage to the fetus or infant.

Dr. Sturtevant, who calls these contentions "at best, highly speculative," says dozens of tests done by Searle prove the safety of aspartame. Dr. Sanford Miller, director of the F.D.A.'s Center for Food Safety and Applied Nutrition, says that the claims against aspartame are unfounded. And the American Diabetics Association has reaffirmed its faith in aspartame, saying that F.D.A.'s studies "appear sufficient to demonstrate its safety."

Since the marketing of aspartame four years ago, the Centers for Disease Control in Atlanta has received over 600 complaints from people who said they suffered dizziness, headaches, blurred vision or grand mal seizures (a type of epilepsy) after consuming aspartame. The centers called for studies to determine individual sensitivity to the sweetener.

On May 23, a $2 million lawsuit was filed against Searle in United States District Court in Washington on behalf of a 5-year-old boy in Olney, Md. The suit charged that consumption of NutraSweet caused irreversible brain damage, but it did not specify the amount consumed.

In granting approval of aspartame—which is 180 to 200 times sweeter than sugar with only one-tenth of the calories—Dr. Arthur Hull Hayes Jr., the F.D.A. Commissioner in 1981, overruled several of the agency's scientists and an independent public board of inquiry set up to evaluate the Searle studies of aspartame's effect on animals. These scientists said that the company's research did not adequately answer the safety questions about carcinogenicity. According to Congressional testimony from Dr. Alexander M. Schmidt, a former F.D.A. Commissioner, some of the experiments were "poorly conceived, carelessly executed or inaccurately analyzed or reported."

After a recent review of the Searle studies, Dr. M. Adrian Gross, a senior science adviser at the Environmental Protection Agency and a former pathologist at the F.D.A., wrote to the office of Senator Howard M. Metzenbaum, a member of the Committee on Labor and Human Resources. His letter said that despite the shortcomings of the experiments, "at least one of those studies has established beyond any reasonable doubt that aspartame is capable of inducing brain tumors in experimental animals."

In a telephone interview, Dr. Sturtevant asserted that some of the data presented to Dr. Gross for review were incorrect. The correct tabulations, he contended, were contained in a document that he wrote for the board of inquiry impaneled by the F.D.A. The document showed, he said, "that there is no statistically significant increase in brain tumors in experimental animals."

Aspartame-sweetened foods now carry a warning directed at phenylketonurics—people who are unable to metabolize phenylalanine, one of two amino acids that make up aspartame. Victims of phenylketonuria, or PKU, will become permanently retarded if the condition is not diagnosed at birth and consumption of phenylalanine strictly controlled.

According to Dr. Elsas, about 2 percent of the population are carriers of the PKU gene and are unaware of the condition. He has expressed concern about the effects of phenylalanine on unborn children of PKU carriers.

"A small change in the phenylalanine level in a pregnant woman's blood is magnified by the placenta into the fetal blood, and the fetal brain will concentrate that further," Dr. Elsas explained. "High levels of phenylalanine in unformed or forming brains could cause irreversible damage. No one knows what degree of elevation in the mother's blood may cause brain damage in the fetus."

Dr. Elsas's concern is based on two studies of the effects of phenylalanine on two groups of people—10 in each group ranging in age from 8 to 24—who have PKU but have developed normally. In these studies, the first of which was published in the Journal of Clinical Investigation in January, Dr. Elsas observed that the patient's reaction time was affected and the production of adrenalinlike chemicals in the brain was reduced.

The second study, just completed, confirms the first, he said, adding, "All of the

brain changes were reversible within a three-week period, but it took longer for full mental functions to return."

Dr. Elsas said that anybody over the age of 6 months should consume "aspartame in moderation, and if they have symptoms, they should get their phenylalanine blood level checked."

Dr. Sturtevant says that Dr. Elsas "is scaring people unnecessarily." "It is not physically possible for an unknown PKU carrier to maintain a phenylalanine blood level in the unsafe range by means of consuming products containing NutraSweet," he said. "There is no experimental evidence to suggest a risk to the fetus." Searle has eight studies of its own under way exploring the effects of aspartame on the brain.

Dr. Wurtman of M.I.T. does not believe that moderate amounts of aspartame are a hazard to normal people. "But" he said in a recent interview, "I think there are some numbers of people who are at risk." Dr. Wurtman, who is a consultant to Searle on products other than aspartame, said that when he and Searle "talk about aspartame we tend not to agree."

Dr. Wurtman's own animal studies show that "you double the effect of the phenylalanine in the brain when you have aspartame and carbohydrates together, and no one knows what a safe amount is," he said. "There are several groups of people who might be especially susceptible to high doses. These include people who are taking drugs that act on the brain like antihypertensives, people with a history of seizures, young people and pregnant women." For adults who do not fall into the above categories, Dr. Wurtman said half a gram to one gram of aspartame a day should be safe.

"But," he added, "if a 7-year-old, weighing about 45 or 50 pounds, drinks a 2-liter bottle of Diet Coke, which contains about 1,200 milligrams, he is already exceeding the allowable daily limit for aspartame suggested by F.D.A."

Dr. Wurtman said he knew of a dozen patients "with first-time seizures confirmed in university hospitals who were consuming very large amounts of aspartame." "It is very important," he said, "that such people be subjects in controlled studies."

Dr. Wurtman also said all foods containing aspartame should state the amount on the label.

But Searle and soft-drink manufacturers disagreed. "We have no objection to F.D.A. requiring quantitative labeling for food ingredients in general," Dr. Sturtevant said, "but we do object to F.D.A. singling out aspartame, because there is no scientific evidence suggesting that it need be."

"Aspartame is safe," said Dr. Miller of the F.D.A., but he added: "We are not moving very rapidly to approve new uses. If there is another segment of the population besides phenylketonurics who are sensitive, we will do whatever we have to do—from putting something on the label up to banning it if the population is large enough."

[From The Washington Post, July 3, 1985]

Expert Still Troubled by Aspartame

(By David Zinman)

Aspartame, the low-calorie sugar substitute marketed as NutraSweet, is one of the amazing success stories of the 1980s. In the four years since the artificial sweetener found its way onto grocery store shelves, more than 100 million Americans have tried it. They have tasted it in more than 90 types of products ranging from diet soft drinks to sugarfree gum. Last year, its manufacturer, G.D. Searle & Co., reported sales soaring to $535 million. By 1986, some expect it to top $1 billion.

But there is a possible dark side to all this. Aspartame contains a potentially harmful component, an amino acid called phenylalanine. Too much of it can cause brain damage, especially in fetuses and newborn of genetically susceptible women, according to studies done by Dr. Louis Elsas of Emory University in Atlanta.

"The big unanswered question," said Elsas, "is if pregnant women taking artificial sweeteners can elevate their blood level of phenylalanine to concentrations that adversely affect their fetuses. Is the damage from phenylalanine produced by a threshold effect? Or do little bits of the problem occur at lower levels?

"Aspartame is being promoted as something good for you. But I don't think that it is a legitimate thing for our nation to be exposed to in large quantity."

Searle said reports about potential adverse effects of aspartame on pregnant women and infants were "misleading and do a disservice to consumers." The Chicago-based firm pointed out that in 1981, the Food and Drug Administration found the product to be safe and effective.

Searle does not dispute the contention that high levels of phenylalanine can cause damage in fetuses. But it says there is no cause for alarm because current consumption amounts are not even close to a point where they might pose a problem. Most important, it says that studies on pregnant animals show that even at "abuse levels," aspartame presents no hazard to the fetus.

Nonetheless, Elsas, director of medical genetics at the Atlanta school, said he is concerned, in part, because the sweetener's sale has been so massive and there are still some unknowns about the product. What worries him—and this is not based on any study but his own personal thoughts as a scientist—is the notion that aspartame's effects could be slow and subtle. They could take a generation or more to uncover.

"It's not going to be so overt an explosion," Elsas said recently on "Nightline," an ABC-TV news program. "We may not be able to see the effects for a generation. And then we'll suddenly see a lot of kids with behavioral abnormalities—with IQs that aren't reaching what . . . we anticipated from their educational or their genetic input."

Searle says that more than 20 years of testing in animals has shown aspartame to be safe over long periods. Elsas acknowledges there has been no documented negative side effects of aspartame. Nor has he personally conducted a study on the sweetener.

But he has done research with children and young adults with gene defects who ingested phenylalanine at high levels and found that their reaction time had slowed. That means phenylalanine can produce quantifiable changes in brain function. "I believe," he says, "the unlimited use of phenylalanine products should be moderated especially in certain groups."

A pediatrician and a biochemist, Elsas is focusing on patients with a rare genetic disorder called phenylketonuria or PKU. These individuals cannot metabolize foods containing phenylalanine. As a result, the chemical concentrates in their brains. This can cause retardation in fetuses and newborns who have this genetic disorder. Many states require tests to discover PKU babies who must then be kept on special diets.

Elsas is also concerned about parents of these children, who are normal but may carry one of the two genes needed to have PKU. "There is a genetically susceptible subpopulation of well over a million women whose fetuses may be at risk if they take indiscriminate amounts of phenylalanine," says Elsas. They, too, he says, may also have an impaired ability to metabolize phenylalanine.

Since it is not always possible to detect these single gene carriers before a PKU baby is born, the vast majority don't know who they are. About 1 percent of babies delivered each year are born to mothers who are PKU carriers.

People in whom high levels of phenylalanine may pose problems, Elsas said, are:

Pregnant women. If blood phenylalanine rises to a level high enough to cause problems, the child's brain development could be affected.

Children under 6 months. A high level of blood phenylalanine can produce irreversible brain damage by slowing formation of mature brain cells and by altering the formation of myelin cells that insulate parts of the brain.

Older children and adults carrying the PKU disorder. A high blood concentration of phenylalanine will reduce the brain's ability to function as quickly and efficiently. But these changes are reversible once the level of phenylalanine returns to normal.

The flaw in Elsas' argument, says Daniel Azarnoff, president of research and development for Searle, is that he has no idea what is a dangerous level of phenylalanine concentration. Moreover, he said, Elsas' concern that people may be getting toxic amounts of phenylalanine flies in the face of scientific data. "He is saying people eat a lot of aspartame," says Azarnoff. "The evidence is they don't."

The FDA has set 50 milligrams of aspartame per kilogram (2.2 pounds) of body weight as an acceptable daily intake. To reach that amount, Searle says, a 132-pound person would have to drink 18 cans of diet soda in a day. The average 12 oz. can of diet soda contains 170 milligrms aspartame, Searle says.

But Dr. William Patridge of the University of California at Los Angeles says the FDA has underestimated consumption of aspartame. Patridge could not be reached for comment. However, the magazine Common Cause said Patridge wrote to the FDA in 1983 citing figures showing how children eating aspartame-sweetened foods all day could be on their way to consuming the maximum amounts the FDA uses for its safety assessment.

Searle says that tests it sponsored show no harmful effects have been seen even at levels of 200 milligrams—four times the FDA's intake standard. However, the quality of Searle-sponsored studies has been criticized. Sen. Howard Metzenbaum (D-Ohio) has complained that the FDA overruled many scientific questions raised about the reliability of testing. A federal investigation is now under way.

Elsas also argues that the FDA's own publications show that the daily phenylalanine intake of some children ages 7 to 9 goes as high as 70 milligrams per kilogram of body weight—exceeding the agency's acceptable daily amount of 50 milligrams. What Searle's studies do not show, he says, is long-term effects at intermediate levels. In addition, one scientist, Richard Wurtman of the Massachusetts Institute of Technology, says some foods intensify the effects of phenylalanine. "If one drinks a beverage containing aspartame at the same time one eats a carbohydrate-rich food," Wurtman says, "then aspartame's effect on brain phenylalanine is doubled."

To try to clarify the situation, Dr. Reuven Matalon of the University of Illinois has started a study funded by the National Institutes of Health to look at the effects of aspartame on PKU carriers as well as on normal individuals. The study will take about two years.

"In the meantime, I don't think it is fair to express concerns about aspartame as conclusions," he said. "There is no data to implicate it in any difficulty. At the same time, we do not know what a high level of intake will do and where the danger point comes. Until we get the data, if I were the FDA, I would recommend that pregnant women use caution. Moderation should be the key."

Sweet Suspicions

Steve Wilson. They say it's the biggest breakthrough in diet drinks, a better taste from a new product everybody is talking about.

Commercial.

Steve Wilson. 7-up has got it, too. And orange soda, and Dr. Pepper. And the fact is it's virtually impossible to find a can of diet soda without NutraSweet.

Commercial.

Steve Wilson. Powered drink mixes have it too: like Kool-Aid, Wylers fruit drinks, chocolate drink mixes. It's in Jello, it's in all kinds of sugar-free products. You can buy it in little packets under the brand name Equal. It's 200 times sweeter than sugar and Americans sure like the way it tastes. The company that makes it at $80 a pound made more than half-a-billion dollars worth last year and may sell twice as much in 1985—unless nagging safety questions slow down sales.

MOS. My girlfriend just told me yesterday it's not supposed to be good for you. So, now I'm not too sure if I'm drinking the right thing.

MOS. I'd like to know how safe it is. I imagine it is safe to a degree because it's in everything you drink now-a-days.

Robert Shapiro. It's safe.

Steve Wilson. Unquestionably?

Robert Shapiro. Unquestionably!

Steve Wilson. Not a doubt in your mind?

Robert Shapiro. Not a doubt in my mind.

Steve Wilson. Nobody expresses more confidence in the stuff than the man who is president of the NutraSweet Group, the division that brings in 70 percent of the total profits of the big Searle Pharmaceutical Company.

Steve Wilson. Why is it that you can't seem to convince so many others of that?

Robert Shapiro. That's just not right. The fact is we have convinced all the folks whose opinion matters.

Steve Wilson. He's not talking about Joyce Moscado. She's one of thousands of people who have complained about serious side effects, one of those who believes when all the facts are known.

Joyce Moscado. Everybody's going to be convinced that there are people who do have an adverse reaction to the consumption of NutraSweet.

Steve Wilson. Mary Carr is another one who's not convinced by Searle's multi-million-dollar advertising and public relations blitz.

Mary Carr. My body went through hell with this stuff, I really did. I think that they should take it off the market and do more research because I would not want to put anyone through this.

Steve Wilson. But it's not just all the letters from consumers who are reporting adverse effects. It's what so many respected scientists are saying.

Dr. Woodrow Monte. Every time a truly impartial team of scientists have looked at NutraSweet, it has been turned down, it has been denied. It's not been tested correctly. The tests that have been done that I consider to be honest tests show extreme dangers over the long term.

Wilson. When our report continues, a closer look at some of the complaints and why some scientists are still saying that despite government approval, your diet soft drink may not be as safe as you've been led to believe.

Steve Wilson. Are you telling me I shouldn't drink the stuff?

Dr. Woodrow Monte. Yes, I am saying you shouldn't drink the stuff.

Steve Wilson. It's dangerous.

Dr. Woodrow Monte. Yes, I'm saying that I believe that with all my heart.

Rod Leonard. Seizures, headaches; among women its the early onset of menopause, serious depression. People say they can't understand what's happening to them except that they keep getting more and more depressed until they want to kill themselves.

Joyce Moscato. You really don't want to go to work, you don't want to deal with friends, you don't want to communicate with the rest of the world.

Steve Wilson. They believe Nutrasweet, America's newest artificial sweetener, is responsible. And despite how good it tastes in diet drinks and gelatin and all kinds of sugar-free products, people all over the nation are reporting side effects. Like headaches—some mild, some unbearably painful; stomach problems; various allergic reactions, even seizures. But her complaints and thousands of others like them are "anecdotal", scientifically unsubstantiated stories that don't worry Robert Shapiro.

Robert Shapiro. No, I don't find it scary because I'm aware of what the evidence is and there is no evidence to suggest that younger females or anybody else has a problem with the product.

Steve Wilson. He's president of the group that makes it, the Nutrasweet Group at the G.D. Searle Drug Company where they can't ship it fast enough to meet demand. But on Capitol Hill just last month, FDA chairman Frank Young admitted to a Senate Committee that while he believes it's safe for most of us, there is a big exception.

Frank Young. With the exception of a sub-group in the population, young females and that is under further study at this point.

Steve Wilson. But diet drinks are big with lots of young women, a number of whom have reported the same problem Joyce Moscato had for the many months she consumed NutraSweet—her menstrual periods simply stopped.

Joyce Moscato. December 27th I quit using NutraSweet and on January 25th I had my first period. I felt great and I've been normal ever since.

Steve Wilson. Well, despite his claims nobody has a problem with his product, Shapiro knows better and reluctantly admitted NutraSweet—aspartame—can be trouble.

Robert Wilson. Now it's not just young women reporting side effects. Some of the nation's most respected scientists have some serious concerns about the product. Dr. Richard Wurtman at MIT believes it may adversely affect brain chemistry; that is can cause behavioral changes. Dr. John Olney at Washington University has raised questions about brain damage to children. And here on the campus of Arizona State University near Phoenix, Dr. Woodrow Monte says the big danger is from a substance left in our bodies when NutraSweet breaks down—methyl alcohol.

Dr. Woodrow Monte. If I could get a public hearing, if I could have a Congressional hearing, if I could have a hearing before the Food and Drug Administration which they have been stopping, trying to stop, I could prove easily, show easily, that even these so-called small amounts of methyl alcohol can cause extremely serious consequences over the long term.

Steve Wilson. Now these complaints we've been hearing from all over the country are certainly alarming but what may be even more alarming is how this product NutraSweet got past the Food and Drug Administration and onto our grocery shelves.

Steve Wilson. Politics?

Rob Leonard. I would call it politics.

Steve Wilson. Steve Wilson (reporting).

Joyce Moscato. Never for one minute did I suspect that a product that was on the market with the approval of the FDA would be causing such harm.

Steve Wilson. Joyce Moscato and many others like her say the harm—in her case depression and menstrual problems—is linked to NutraSweet: The only artificial sweetner the Food and Drug Administration has declared safe.

Robert McQuate. For FDA to cavalierly approve something on a whim is totally out of the realm of possibility.

Steve Wilson. But you weren't satisfied with the work that they'd done?

In fact the soft drink makers were so dissatisfied with what they believed was the lack of evidence NutraSweet was safe, they prepared a formal, 31-page protest—scientific chapter and verse raising serious questions. McQuate says now it was just designed to "spark discussion in the industry"—and it never WAS submitted to the FDA. He says secret tests his members paid for later answered all their questions. But others believe those who want to use NutraSweet discarded the scientific concerns for safety in favor of higher profits brought in from better-tasting diet products. But Searle—the big drug company—makes NutraSweet and has the legal responsibility to scientifically prove to the government that it's safe.

Dr. Adrian Gross. They lied and they didn't submit the real nature of their observations because had they done that it is more than likely that a great number of these studies would have been rejected simply for adequacy.

Steve Wilson. Dr. Gross was the chief scientist on a nine member task force that reported Searle made a number of "deliberate decisions" seemingly calculated to minimize the chances of discovering NutraSweet is toxic—a danger to our health.

Dr. Gross. What Searle did, they took great pains to camouflage these shortcomings of the study. As I say filter and just present to the FDA what they wished the FDA to know and they did other terrible things for instance animals would develop tumors while they were under study. Well, they would remove these tumors from the animals.

Steve Wilson. Other laboratory animals Searle used for tests on another product in the same lab seemed to die and come back to life—this one three times.

Robert Shapiro. It's apparently a recording keeping error.

The president of the NutraSweet Group at Searle says Dr. Gross and his task force are just wrong. But looking at other experiments on laboratory animals and other independent evidence, a scientific board of inquiry has also raised serious safety questions. So have other respected scientists. But the FDA approved it. So it's safe?

Robert Shapiro. It has been established by the people who are charged by law with the responsibility for making those decisions and they've made those decisions and the fact is it's safe.

Everybody who has looked at the cancer question has said this should not be marketed on the basis of the cancer question except for Dr. Hayes. The Reagan appointed commissioner of the FDA who now works as senior medical advisor to the Searle public relations firm.

Steve Wilson. Dr. Arthur Hayes who approves wider use of NutraSweet is also now dean of the New York Medical College and refuses to speak publicly about this issue.

Wilson Stand-up. Now we don't know if NutraSweet is safe or not. We do know that a lot of good scientists still have a lot of good questions and that's the point: The law requires the FDA to establish to a reasonable certainty that the stuff is safe before we start consuming it. About all that's certain at this point: there's big money riding on the outcome and so too is our health. At Searle Company headquarters in Chicago. . . . (Steve Wilson reporting).

NUTRASWEET UP-DATE

Commercial. "It's a little red swirl next to the name NutraSweet Brand Sweetner."

Steve Wilson. Thanks to a fortune spent on ads like this, even young Americans know what NutraSweet is.

Commercial. "100 percent NutraSweet. Oh, that's the good stuff.

Wilson. But since we reported more about all the questions still unanswered in regard to the safety of NutraSweet, there have been some new developments.

Sen. Howard Metzenbaum. There's enough reason to be suspicious.

Wilson. Senator Metzenbaum says he's seen enough now to have real suspicions and he has directed the General Accounting Office to investigate. Specifically, his letter to the Comptroller General asks for an investigation of NutraSweet test results, what really happened during the formal FDA approval process, and to what extent was the White House involved in the approval of the product.

Sen. Metzenbaum. Where there's smoke, there's fire. The Food and Drug Administration ought to act with dispatch to investigate these, the safety of this product. Too many people are drinking too many diet drinks to permit this to go on and they shouldn't need a Congressional prod in order to do the job that is truly their own responsibility.

Wilson. By the way, another Metzenbaum letter, this one also signed by Senator Heinz, puts some sharp questions to the F.D.A. The Senators want to know if more stringent labeling requirements are in the works. So we'll know how much of the stuff is safe to drink, what's being done to validate the test data the manufacturer provided, and who's monitoring and encouraging medical reports from doctors across the nation when they see evidence of medical problems possibly related to NutraSweet?

Searle—the maker of NutraSweet—is still standing behind the product, calling it absolutely safe. But the company has acknowledged now at least eight more studies are being done on the product safety questions, perhaps the biggest here at Duke University. Scientists on this campus and elsewhere will study whether NutraSweet causes headaches, seizures and special problems for children.

In Atlanta, scientists at Emory University are out with a report that links NutraSweet consumption by pregnant women to birth defects and problems with infants who eat or drink it. And in Maryland late last month, what may be the first lawsuit as a result of the safety concerns. The mother of a little boy is seeking $2 million from Searle claiming the child has suffered serious and permanent neurologic and psychiatric injury as a result of NutraSweet.

The product, meanwhile, is still selling briskly. Sales are expected to top $1 billion this year.

Department of Health,
Education, and Welfare,
Rockville, MD, January 10, 1977.

Hon. Samuel K. Skinner,
U.S. Attorney, Northern District of Illinois,
219 South Dearborn Street, Chicago, IL.

Dear Mr. Skinner: We request that your office convene a Grand Jury investigation into apparent violations of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 331(e), and the False Reports to the Government Act, 18 U.S.C. 1001, by G.D. Searle and Company and three of its responsible officers for their willful and knowing failure to make reports to the Food and Drug Administration required by the Act, 21 U.S.C. 355(i), and for concealing material facts and making false statements in reports of animal studies conducted to establish the safety of the drug Aldactone and the food additive Aspartame. Concealing material facts relative to the Aldactone study also resulted in that drug being misbranded within the meaning of 21 U.S.C. 352(a) and 321(n), in violation of 21 U.S.C. 331(a).

I—THE STATUTORY/REGULATION SCHEME

A. *Investigational New Drugs.* The Food and Drug Administration has responsibility for assuring that drugs marketed in this country are safe for their intended uses and are accurately labeled. The Federal Food, Drug, and Cosmetic Act prohibits the marketing of any "new drug" in interstate commerce unless a new drug application (NDA) filed pursuant to 21 U.S.C. 355 containing substantial evidence of the safety and effectiveness of the drug has been approved by the FDA. Before an NDA is approved for any particular use of a drug, that drug may lawfully be used only for investigational tests, first in animals and thereafter in humans. This testing is permitted only in accordance with 21 U.S.C. 355(i) and regulations promulgated thereunder.

The original statutory basis for regulating the investigational use of new drugs was provided in 1938 by the basic Federal Food, Drug, and Cosmetic Act. The Drug Amendments of 1962 authorized the FDA to establish by regulation new reporting requirements to assure that information about significant hazards, contraindications, side effects and adverse or unusual reactions associated with the investigational use of new drugs is disseminated rapidly. These regulations specify the form, content, and timeliness for the submission of such reports. Failure to comply with such requirements is prohibited under the Act, 21 U.S.C. 331(e).

A major purpose of the investigational drug regulations, 21 CFR Part 312, is to safeguard human subjects during the investigational phase of drug development. Accordingly, the regulations require that prior to the administration of any investigational drug to human subjects, the sponsor of the drug must file with the FDA a notice of claimed investigational exemption for a new drug (IND), which contains adequate information about preclinical (animal) investigations of the drug and any studies and other experience from which the sponsor has concluded that it is reasonably safe to initiate clinical (human) testing. A careful evaluation of the animal toxicity and pharmacological studies provides some assurance of the expected effects when the drug is administered to humans. If the data submitted in an IND justify the conclusion that the drug may safely be tested in humans, the FDA permits the sponsor to ship the drug to investigators. It is not uncommon, as is the case with Aldactone, that a drug may have an approved NDA for certain uses while simultaneously being tested in animals and/or humans for other uses under an IND.

Because the IND procedures provide a limited exemption for the distribution of a drug which has not as yet been shown to be safe and/or effective by adequate and well-controlled clinical investigations, the regulations require the sponsor to closely monitor the progress of pre-marketing investigations. The regulations provide that progress reports of such investigations be submitted to the FDA at reasonable intervals, not to exceed one year. 21 CFR 312.1(a)(5). In addition, the regulations require that a sponsor shall "promptly investigate" and report to the FDA "any findings associated with use of a drug that may suggest significant hazards, contraindications, side effects or precautions pertinent to the safety of the drug". If such a finding is "alarming", it must be reported "immediately" and clinical investigation discontinued or modified until the finding is adequately evaluated and a decision is reached that it is safe to proceed. 21 CFR 312.1(a)(6).

The results of drug testing are critical not only to establish the basic safety and effectiveness of the product, but also to identify possible side effects, contraindications, and the need for special warnings, all of which must be included in the drug labeling. The sponsor of every new drug submits proposed labeling for FDA approval at the time of initial marketing and thereafter to reflect new information resulting from its use.

B. *Food Additive Petitions.* The Act also provides for FDA approval of food additives. Approval of an additive is codified in a regulation prescribing conditions under which the additive may be safely used. The regulation is promulgated solely on the basis of a manufacturer's petition, filed pursuant to 21 U.S.C. 348(b), which contains reports of studies establishing the safety of the additive. As with investigational drugs, the FDA does not perform safety tests on food additives; it must rely upon the data developed by the petitioner. Studies supporting a petition are ordinarily performed only on animals; human testing is uncommon.

The major purpose of the food additive provisions, added to the Act in 1958, is to prevent the unrestricted marketing and consumption in human food of chemicals without reasonable proof that these chemicals will not adversely affect man, either immediately, over a life-time or in the next generation.

C. *Monitoring Test Integrity.* Reports of studies submitted to the FDA as part of INDs or NDAs and food additive petitions must be complete, balanced and truthful if the Agency is to fulfill its duty of assuring that these products are safe and that new drugs contain accurate labeling based on the result of preclinical and clinical testing.

The FDA has not routinely monitored the conduct of animal test results submitted in support of either new drugs or food additive petitions. The reliability of the testing is normally checked by FDA review of the sponsor's reports of the underlying raw data. If necessary, the FDA may review the underlying raw data itself in the possession of the sponsor. The FDA may also select manufacturers or preclinical testing laboratories for routine surveillance inspectors. When there is reason to believe that there are irregularities or discrepancies in the conduct of tests or the reporting of test data, the FDA may conduct a compliance inspection in order to evaluate the testing facilities, practices, and record keeping procedures to resolve any apparent discrepancy between the raw data and the report or to determine the truthfulness of data presented in the report.

Recent FDA experiences have identified significant problems in the manner in which many preclinical laboratory studies are performed. Deficiencies in the quality and integrity of reported data have prompted the Commissioner of Food and Drugs to establish a bioresearch monitoring program, and to propose the promulgation of good laboratory practices regulations which will delineate proper procedures for conducting preclinical laboratory studies. Congress has increased FDA's budget for the fiscal year 1977 by $16.6 million specifically to help achieve the goals of the new program.

II—THE SEARLE INVESTIGATION

The genesis of the investigation of studies conducted by and for G.D. Searle was the FDA's discovery in 1972 of certain discrepancies in Searle data submitted in support of a large-selling anti-infective drug Flagyl. FDA review of the data was initiated because independent investigators had reported evidence that Flagyl was a carcinogen (an agent capable of producing cancer). Searle's own long-term toxicity study, submitted in 1970, had not concluded that Flagyl was a carcinogen. In April 1974, Searle submitted more studies on the issue of Flagyl's carcinogenicity and also submitted corrections to the data from its original long-term study. These corrected data raised further questions, resulting in FDA inspections initiated at Searle beginning in May 1974 and proceeding intermittently until the first of July 1975. These initial inspections failed to satisfactorily resolve questions of discrepancies and inadequacies in Searle preclinical testing and reporting of test results.

On July 23, 1975, Dr. Alexander M. Schmidt, then the Commissioner of Food and Drugs, established a special internal Task Force to review the conduct of animal experiments conducted by and for G.D. Searle and report to him. Inspections were conducted at Searle and at three independent laboratories, Hazelton Laboratories, Vienna, Virginia, The Wisconsin Regional Primate Center, Madison, Wisconsin, and Microscopy for Biological Research, Albany, New York, which had conducted or participated in the evaluation of animal studies for Searle.

The Task Force reviewed inspection reports covering 25 separate studies on seven different products, totaling approximately 500 pages plus 15,000 exhibits. Based on this information, data originally submitted by Searle, the scientific evaluation of animal tissue slides and other raw data, the Task Force issued its report to the Commissioner on March 24, 1976. A copy of the Task Force report was forwarded to the Consumer Affairs Section, Antitrust Division, Department of Justice, and to your office in April. Among other observations, the Task Force questioned Searle's handling of data applicable to the drug Aldactone and the reporting of studies on the food additive Aspartame.

The Task Force report was provided to Searle and the firm requested an opportunity to submit a written reply and to meet with the Commissioner to respond to the conclusions and recommendations of the Task Force. The meeting was held on May 18; Searle submitted its written reply to the Task Force report on May 21. I am enclosing a copy of the transcript of the May 18 meeting and the written reply of Searle to the Task Force report (Exs. 1a, 1b). At the meeting, Searle requested an opportunity to make further written reply to two memoranda by FDA pathologist M. Adrain Gross, a Task Force consultant who had reviewed much of the Searle preclinical testing data. This Searle reply was sent to the Agency on June 21, 1976.

III—INFORMAL ADMINISTRATIVE HEARING

After review in my office and in the office of the Associate Commissioner for Compliance of all the material relating to this matter, on September 3, 1976, the Agency issued, pursuant to 21 U.S.C. 335, a Notice of Hearing to G.D. Searle and Company, and * * * for apparent violations of the Federal Food, Drug, and Cosmetic Act and related violations of 18 U.S.C. 1001 concerning Aldactone and Aspartame. The hearing, originally scheduled for September 21, 1976, was postponed at the request of Searle until October 20. An amended Notice of Hearing, dated September 15, 1976, was issued to correct an inadvertent omission from the earlier notice and to verify October 20 as the hearing date. A copy of the Notice of Hearing was forwarded to the Consumer Affairs Section and to Assistant United States Attorney Fred Branding of your office.

At the October hearing, Searle submitted lengthy written replies to the 305 Notice. Copies of these are enclosed. In addition, Searle reiterated a request for the Agency's investigational file covering the apparent violations which were the subject of the hearing. This request was denied, as was an earlier Searle request for "discovery" which referenced the Jencks Act, the Federal Rules of Criminal Procedure and *Brady* v. *Maryland.* Copies of correspondence concerning these requests have been provided to the Consumer Affairs Section and Mr. Branding.

As you know, preliminary reports of discrepancies in preclinical testing conducted by and for Searle were partially responsible for hearings on drug-related research held before the Senate Subcommittee on Health of the Committee on Labor and Public Welfare and the Subcommittee on Administrative Practices and Procedures of the Committee on the Judiciary both chaired by Senator Edward Kennedy on July 10, 1975. Subsequent testimony updating the investigation and the positions of the FDA and Searle were taken before the joint subcommittees on January 20 and April 8, 1976.

IV—FAILURE TO SUBMIT SAFETY DATA ON ALDACTONE

A. *The Drug.* Aldactone is a new drug marketed by Searle pursunat to NDA 12-151. The drug was first approved in 1960 for use as a diuretic (an agent that increases the secretion of urine) for congestive heart failure and for hyperaldosteronism, a relatively rare but severe disorder of the adrenal cortex often resulting in a marked increase in high blood pressure. By 1974, Aldactone and a related drug utilizing the same active ingredient, Aldactazide, constituted approximately —— of Searle's total pharmaceutical sales, approximately —— a year. Current sales are reported to be —— a year.

In 1963, Searle submitted IND 714 to conduct studies to develop data for the use of Aldactone in massive doses in the treatment of myasthenia gravis (serious muscular paralysis). In 1969, Searle amended its IND to cover testing of Aldactone for severe congestive heart failure at dosage levels much higher than those approved in the NDA.

B. *The MBR ("Mauro") Report.* In 1970 Searle designed two 78-week toxicity studies in the rat on Aldactone, one to support the long-term use of the drug at dosage levels approved in the NDA and the other to support higher dose levels in the treatment of severe congestive heart failure. The first study, later extended to 104 weeks in duration, was conducted by Hazelton Laboratories Vienna, Virginia; the second was performed by Searle in its own laboratories. The study conducted at Searle began in August 1970 and rates were sacrificed and necropsied (autopsied) during February and March 1972.

In November 1972, consistent with prior practices, Searle submitted the slides of sections of organ tissues of the rats from the study it had performed to an outside consultant pathologist for examination. The slides were examined by Dr. Jacqueline Mauro, a board certified pathologist, at Micropsy for Biological Research, Ltd. Alabany, New York (MBR). The report of her "readings"—the MBR report—was submitted to Searle on March 21, 1973. In a letter to MBR dated June 1, 1973, Dr. —— acknowledged receipt of the report which "looks just fine."

In the summary of the MBR report, Dr. Mauro stated that her pathology review of the data suggested a group relationship, meaning a drug-related or drug-induced relationship, with tumors (adenomas) of the testes and liver. She also noted a significant number of thyroid tumors and non-tumorous thyroid lesions which she called "adenomatous goiter". Dr. Mauro recommended that these findings be measured for statistical significance. A statistical review of pathology findings is important since an absolute cause-and-effect relationship usually cannot be established in experimental biology. Therefore, an association between an agent and an effect is determined as a probability. If the incidence of a toxic response, such as a lesion, is found among animals treated with the agent under study to a significant degree greater than in animals not exposed to the agent, the established practice is to regard the agent as responsible for that toxic reaction. Where, as here, the toxic reaction is the development of tumors, it is likely to result in restrictive labeling imposed by FDA or even revocation of marketing approval.

C. *Searle's Reaction to the MBR Report.* In early August 1973, a statistically significant relationship between the administration of Aldactone and liver and testicular tumors, as well as thyroid tumors, was confirmed by Searle's Mathematics-Statistics Department based on the MBR report. Thereafter, at the request of ——, some of the liver tissue slides were reviewed by a then recently hired Searle pathologist Dr. Rudolf Stejskal. He concluded that Dr. Mauro's analyses were "incorrect" and thus "unreliable" since certain slides which she had diagnosed as revealing benign tumors (adenomas) were, in his opinion, lesser lesions (hyperplasia) and that other slides that she had diagnosed as being benign tumors were in fact malignant tumors. On the basis of Dr. Stejskal's limited review of the liver slides, Searle did not submit the MPR report to the FDA.

In April or May 1974, Dr. Stejskal reviewed more of the slides which had been analyzed in the MBR report. This time, he felt that the slides revealed more thyroid tumors than had been reported by Dr. Mauro. Thus, while having concluded that her characterization of the liver slides was too extreme, he also found that her characterization of the thyroid lesions was too restrained. In various interviews with FDA personnel and in written submissions to the Agency, Dr. Stejskal has never commented on the MBR diagnosis of testicular tumors which, according to Searle's Mathematics-Statistics Department, were, as Dr. Mauro suggested, drug-related and statistically significant.

In August 1974—sixteen months after it received the MBR report—Searle sent the same slides examined by Dr. Mauro, and approximately 1,000 additional slides from the same study, to another contract pathologist, Dr. Donald A. Willigan. His report was received by Searle in December 1974. It reveals a statistically significant drug-related increase in tumors of the thyroid and tests, as did the MBR report, but most important to Searle, not tumors of the liver. The concern at Searle over the liver pathology of the MBR report must have been particularly acute; undoubtedly the firm recognized that this information would have to be included in the Aldactone labeling, with a probable decrease in sales. The production of tumors in the testes and thyroid of the test animals, at statistically significant levels, must also have been unwelcome news but, insofar as Aldactone is felt to be active in these endocrine glands, Searle was prepared to argue that these tumors would be less likely to concern the FDA and the prescribing physician. We disagree with Searle's discounting the tumors of endocrine glands. However, the liver findings were more alarming because there was no theory upon which they could be discounted. Thus, unlike the MBR report, the Willigan report was submitted to FDA promptly upon receipt at Searle.

Immediately after the first Congressional hearings and the Commissioner's establishment of the Task Force, and immediately prior to the initiation of inspections by the FDA Task Force, which Searle had every reason to believe would include studies on Aldactone, Searle finally disclosed the MBR report to the FDA in July 1975, some 27 months after it had been received.

D. *Violation of 21 U.S.C. 331(e) and 18 U.S.C. 1001.* The FDA regards the MBR report as containing "alarming findings", namely, statistically significant drug-related tumors of the liver and also of the thyroid and the testes, especially given the wide use of the drug in humans. Accordingly, Searle was required to report these findings to the Agency "immediately" pursuant to 21 CFR 312.1(a)(6). If one were to conclude that these findings were not "alarming", they unquestionably were of the type that suggested significant hazards, contraindications, effects and precautions pertinent to the safety of the drug and therefore should have been submitted to the Agency "promptly" as also required by 21 CFR 312.1(a)(6). Even if one took the view most favorable to Searle that these findings were neither alarming nor suggestive of significant precautions, they were significant and thus were required to be submitted to the Agency at least within one year of receipt by Searle. 21 CFR 312.1(a)(5).

The primary purpose of the requirement that test findings be submitted to the FDA promptly is to permit the agency to assess for itself whether the investigational exemption should be modified or revoked. A manufacturer is not entitled to withhold damaging information in the hope that ultimately it might be proved incorrect. Moreover, the regulations do not preclude a manufacturer from filing expert criticism along with or following the reported study. In short, under any view of the facts, Searle was not entitled to discount the entire MBR report on the basis of Dr. Stejskal's review of some of the slides for only one of the tissue types. Moreover, to give great weight to Dr. Stejskal's analyses is to conclude that in May 1974 Searle had reason to believe, based upon his subsequent review of more of the slides, that administration of Aldactone in the study had caused even a greater number of thyroid tumors than reported by Dr. Mauro.

21 U.S.C. 331(e) prohibits the failure to make any report required by regulations under the IND provisions of the Act. The decision not to submit the MBR report was a conscious one and thus our Notice of Hearing charged this violation as a intentional act under the felony provisions of the Act, 21 U.S.C. 333(b). Failure to submit the MBR report also constitutes concealment of a material fact, a violation of 18 U.S.C. 1001.

E. *Labeling of Aldacone: Violation of 21 U.S.C. 331(a).* When in March 1975 the FDA received from Searle the report of Dr. Willigan which confirmed the statistically significant incidences of thyroid and testes tumors reported to Searle two years earlier by Dr. Mauro, the Agency became concerned that the labeling for Aldactone was inadequate. On June 10, 1975, it convened the Cardio-Renal Advisory Committee, a group of non-FDA experts, to review the data then known on Aldactone. Even prior to the disclosure of the MBR report in July 1975, and based upon the result of the tissue slide examination by Dr. Willigan and the analysis at FDA's request of certain liver slides by Dr. John Boitnott, a pathologist at Johns Hopkins University, the Advisory Committee concluded that while the toxicological studies were incomplete they showed "definite and significant increases in neoplasia (tumors) of the thyroid gland, testes and possibly breasts and liver. They certainly warrant a warning to the medical profession and a curtailment in the recommendations for use." A copy of the Committee's report is enclosed. Aldactone has now been relabled consistent with the Committee's views.

In view of the similar statistically significant thyroid and testes tumor findings in the MBR and Willigan reports, and the findings of liver lesions by both pathologists, we believe Searle's failure to submit the MBR report resulted in violation of 21 U.S.C. 331(a) for causing the shipment in interestate commerce of Aldactone which was misbranded within the meaning of 21 U.S.C. 352(a) in that its labeling did not reveal the potential of the drug to cause tumors, a potential disclosed by the MBR report. As you can see, the Advisory Committee's conclusion also supports FDA's view that the findings in the MBR report were "alarming".

V—ANALYSIS OF SEARLE'S EXPLANATIONS FOR FAILURE TO SUBMIT THE MBR REPORT

The administrative process, including the special Task Force and the 305 Notice and hearing, has been extensive; much of the dialogue between Searle and the FDA invovles complex issues. The following portion of this letter, as well as parallel dicussions of apparent violations involving Aspartame, must necessarily be specific in order to comprehensively and accurately reflect the context of this case. Regrettably, the length of this letter bespeaks our goal.

Searle's explanation for its failure to submit the MBR report, set forth in various documents, is best summarized in the firm's response to the Notice of Hearing which was submitted to the FDA on October 20, 1976. Without attempting to provide at this time a point-by-point critique of the Searle submission, comment upon the main recurrent themes provided in Searle's defense may be useful.

1. From the beginning, Searle has repeatedly taken the position that the MBR report was "proven" by its own pathologist to be "incorrect" and thus Searle was under no obligation to submit it to the Government.

Searle's contention that Dr. Mauro's pathology results were unreliable must be evaluated in light of the fact that pathology is a judgmental discipline. Proliferative lesions of the liver cells can be subclassified according to the particular nature of the proliferation. A diffuse increase in hepatocellular elements is usually termed "diffuse hyperplasia", or mostly, "hyperplasia". When such proliferation is not diffuse but rather a spotty distribution throughout the tissues with islands or zones of proliferating cells, the term "nodular hyperplasia" is utilized. When such nodules of hyperplasia contain cells which the pathologist deems as having been permanently altered or "transformed" into neoplastic or tumor cells, the term "neoplastic nodule" is applied; this is taken to represent a group of proliferating cells which have "crossed the boundary" on the way to becoming a liver tumor. Various pathologists utilize other recognized terms such as "adenoma" to signify a benign liver tumor. A tissue slide characterized by one pathologist as an "adenoma" would also meet the criteria for "neoplastic nodule". The most extreme form of cellular proliferative stage, the malignant tumor variety, is commonly termed "hepatocellular carcinoma".

What is important, however, is that all these various terms represent a series of characterizations of stages of the proliferative process which can be viewed as a continuum. It is entirely possible that two pathologists may examine a given lesion and characterize it somewhat differently. This does not necessarily mean that one is "right" and the other is "wrong". Therefore, one must examine characterizations of liver alterations in a set of animals and ask whether a pathogenic process, such as a poliferative change, is evident.

Accordingly, it is proper to focus on the similarities among pathologists rather than emphasize the differences among them.

When Dr. Mauro refers to "adenomas" and Drs. Stejskal and Willigan reference "nodular hyperplasia" and Dr. Robert Squire, a cancer expert at the National Institutes of Health who reviewed some of the liver slides at the request of the FDA Task Force, talks about "neoplastic nodule", each one is calling attention to a proliferative change in the liver. One may grade such a proliferation along the continuum or by different phrases from another one, but basically they imply the same problem. The proclivity of experts to use different terms in liver pathology was recently demonstrated at a workshop at the National Cancer Institute published in "Cancer Research", Vol. 35, Nov. 1975.

Searle also alleges "extreme variation and contraindications in diagnosis" between Drs. Stejskal and Willigan on the one hand and Dr. Mauro on the other. FDA believes that the differences in diagnoses were not extreme and reflect merely the continuum of diagnostic evaluations of the same class that are well recognized in the field of pathology.

2. Searle argues that the IND regulations presuppose that the data which must be submitted must be accurate and reliable. 305 Reply, pages 10, 15. 21 CFR 312.1(a)(6) refers only to "findings" which are significant or alarming. Accuracy is not used as a standard precisely because such findings at this preliminary stage may, in many cases, be undermined. By contrast, the requirement to submit progress reports within a year does state they be "acurate", reflecting the Agency expectation that by then any discrepancies will have been resolved.

Searle argues that the applicable statute and regulations do not require reports of all animal studies conducted during the course of clinical investigations but only reports of testing on humans and of those animal tests conducted before human testing is initiated. In addition, Searle contends that the IND regulations are unreasonably ambiguous. These arguments are without merit.

In the interest of protecting patients taking experimental drugs, the statute authorises regulations requiring the reporting of animal tests before tests on humans are allowed. However, the regulations also permit so-called Phase I and Phase II clinical (human) trials to proceed before all the preclincial (animal) work is concluded. Accordingly, it is not uncommon that long-term animal studies, such as the 78-week Aldactone study, are undertaken concurrently with initial human testing. Item 10a of the form for the "Notice of Claimed Investigational Exemption for New Drugs" notes that these first two phases "may overlap and, when indicated, may require additional animal data before these phases may be completed or Phase III may be undertaken". 21 CFR 312.1(a)(2). The regulations therefore contemplate additional animal studies during testing in humans.

Searle also seems to rely on the phrase "such investigational use" in subsection 3 of the IND statutory provision, arguing that this refers to human test results only. This is incorrect. The results referred to in subsection 3 are those, as the statute goes on to state, "as the Secretary [by delegation, the Commissioner] finds will enable him to evaluate the safety and effectiveness of such drug in the event of the filing of [a new drug application]". Thus, reports must be submitted to the Commissioner to permit him to determine whether the subsequent new drug application will be approved or denied. 21 U.S.C. 355(b) provides that NDAs must contain full reports of "investigations" which have been made to show whether or not a drug is safe for use. There is no distinction between clinical and preclinical investigation; the statutory phrase included both. Indeed, a new drug application may not be approved unless "substantial evidence" is submitted in support of the safety and effectiveness of the drug substantial evidence is defined in the Act, 21 U.S.C. 355(d), as evidence consisting of "adequate and well controlled investigations, including clinical investigations". Obviously, the Act presupposes that reports will be submitted of preclinical investigations, otherwise the specific reference to "clinical investigations" would be meaningless.

Searle argues that the use of the term "investigators" in the regulations necessarily means investigators involved in clinical investigation. This is not true and the regulations do not use that phraseology. If anything, the regulations make clear that where clinical investigations are meant to be specified, that phrase is used.

Searle further argues that the MBR report cannot be considered a "finding" under the regulations identified by the charge. There can be no question that the readings of a pathologist of tissue slides are "findings" in preclinical tests; the results of an entire study are usually stated in terms of the tissue slide pathology. If anything, the use of the word "findings" in the regulations suggests that information must be submitted to the Agency whether or not it can be considered, of itself, a completed or final "report".

3. Searle notes that the 78-week rat study in question used much higher dose levels than would be the usual human daily dose and thus the tumor findings were neither alarming nor even significant in terms of safety. 305 Reply, page 1. Most investigational toxicity studies in animals involve massive doses of the drug being tested.

The reason for the use of large doses of a drug in test animals is that such tests are designed to identify toxic reactions in those portions of the user population who are most susceptible to the drug. Accordingly, to accentuate the effects and maximize the probability that adverse reactions will become manifest, the relatively small number of test animals are given large doses. In fact, because the purpose of a preclinical toxicity study is to determine a toxicological profile of a drug, the human dose is an almost meaningless comparative measure. In animal studies, the question is what reactions will be manifested, not how much can the animal tolerate.

Even if the comparison were valid, the level of the animal dose as compared to the human dose is misleadingly referenced by Searle. The animal study in question was designed specifically to establish human use for the treatment of severe congestive heart failure at dosage levels four to six times larger than the human dose for which the drug is marketed. Moreover, while comparing the animal test dose to the dosage for human use, Searle fails to acknowledge that at the time of this animal study, it was testing Aldactone in humans at six times the dosage of the drug then approved. In its written reply to the 305 Notice, Searle also emphasizes the lack of significant findings from the study done at Haselton which was completed on Aldactone at approximately the same time as Searle's own study. The Haselton study, however, does not balance the Searle study since, among other reasons, the amount of Aldactone received by the highest dosed animals in the Haselton study was an amount between the low and mid-doses for the Searle test animals.

4. Searle contends that the MBR report was incomplete. However, the report, as received by Searle and ultimately submitted to the Agency, is in precisely the same form as other pathology reports by Dr. Mauro that Searle unhesitatingly submitted to the FDA. In fact, Searle itself was capable of "completing" the study by adding to Dr. Mauro's pathology examination the statistical analysis it had performed in August 1973 and the gross observations from the necropsy. Searle chose not to do so.

5. Searle also insists that Dr. Willigan's diagnosis were more unfavorable to the drug and thus Searle cannot be accused of hiding "damaging" information 305 Reply, page 8. This assertion is very misleading. Dr. Willigan's diagnosis were unfavorable in the same respect (thyroid and testes) as Dr. Mauro's reports were unfavorable; his diagnosis simply made bad news worse. The real significance of Dr. Willigan's diagnosis is that he did not find a statistical significant incidence of liver tumors, which was Searle's greatest concern with the MBR report and was the reason why Dr. Stejskal was asked in August 1973 to initially review the liver slides, not all slides. It should also be noted that until May 1974, when Dr. Stejskal reviewed not only liver slides but numbers of the thyroid and testes slides, the only basis upon which Searle could conclude that the entire MBR report was unreliable was Dr. Stejskal's review of some of the liver slides from the high dose and control groups. Dr. Mauro, on the other hand, looked at approximately 5,000 slides, including 277 liver slides. But even the refutation of Searle's argument tends to obscure the point: The IND regulations are designed to funnel data to the FDA before it is reevaluated, whether the result be to confirm or undermine the initial conclusions.

In a similar vein, Searle also discounts the admittedly unfavorable thyroid and testes diagnosis on the ground that these are endocrine glands and were the "expected" site of drug-related reactions since Aldactone is felt to be an endocrine-active drug. This "target-organ" argument is unsupportable.

Even assuming that a drug acts where it is "expected" to act, the nature of the reaction is not predictable. That is why animal toxicity studies are conducted; to determine the range and severity of reactions. There were many abnormalities in the "target organs" of the rats on this study. A tumor is one of many reactions; but it is one of the most serious kinds of toxic reactions that are seen. Moreover, animal toxicity studies are regularly submitted to the FDA which reveal little or no significant toxic reactions, even in those organs theorized or "expected" as being the "target organs". Because every agent known to cause tumors in men also cause tumors in animals, tumors in animals constitute alarming implications for human toxic reactions.

FDA has required Searle and other manufacturers of oral contraceptives, which are endocrine-active compounds, to conduct long-term animal toxicity tests. When tumors of the mammary gland, one of the endocrine glands, are discovered, the FDA has forced the removal of the particular drug from the market and prevented testing in humans. With the oral contraceptives, all of which have basically the same therapeutic action, some have caused tumors in test animals, others have not. Obviously, therefore, "target-organ" tumors are not predictive.

6. Searle justifies its failure to submit the MBR report based in part on Dr. Mauro's use of terminology in evaluating the thyroid slides, arguing that her choice of words bespeaks Dr. Mauro's unreliability as a pathologist. Dr. Stejskal has also stated that her terminology indicated that her report could not be relied upon.

What Dr. Mauro classified as an "adenomatous goiter", a non-tumorous hyperplasia of the thyroid, was classified by Dr. Willigan and Dr. Stejskal as an "adenoma", that is, a benign tumor. Searle never notified Dr. Mauro or MBR of any questions about Dr. Mauro's report, including its terminology. On June 1, 1973, ——— wrote to MBR stating that Searle had received the MBR report and that it "looks just fine". Searle now argues that this reference applies not to the liver or other readings themselves but rather to the form of the report.

Whether form includes terminology we can only speculate. The fact is that the term "adenomatous goiter" is recognized as a very precise reference to a non-tumorous condition of the thyroid probably resulting from a metabolic imbalance. Thus, while Dr. Stejskal suggests Dr. Mauro's analyses were overly general and thus unreliable, her slide readings appear to have pin-pointed a significant distinction in thyroid proliferative lesions.

VI—SEARLE REPLY TO ALLEGATION OF MISBRANDING

Searle's reply to the allegations of causing Aldactone to be misbranded is essentially to accuse the FDA of not moving promptly in its role to review labeling. 305 Reply, pages 22-28. In fact, the Willigan report was submitted to FDA in March 1975; the Agency reviewed it and convened the Cardio-Renal Advisory Committee in June, which issued its conclusion in September. Also in September, Searle submitted proposed new labeling and thereafter a proposed "Dear Doctor" letter, both of which were inadequate. By comparison, Searle's first proposed amended labeling for Aldactone came not immediately upon their receipt of the Willigan preliminary report in December 1974, nor upon the submission to the Agency of the final report in March 1975 but rather after submission in July 1975 of the MBR report and, notably, after creation of FDA's investigatory Task Force.

The burden to provide adequate labeling is placed by the law squarely on the shoulders of the manufacturer-proponent of a product. Moreover, in order to promptly advise physicians, FDA drug regulations provide that warnings and hazards may be added to drug labeling without prior approval by the Agency. 21 CFR 314.8(d)(1). Searle did nothing to react to the MBR report even after May 1974, when the thyroid tumor problem documented in that report was confirmed by Dr. Stejskal.

FDA, of course, did not have an opportunity to take action on Aldactone labeling on the basis of the MBR report until that report was submitted in mid-July 1975. Searle questions whether the labeling would have been changed on the basis of the MBR diagnosis alone, suggesting that it would not. To the contrary, with respect to thyroid and testes, the findings of the MBR and Willigan reports were consistent; the Willigan report identifying even more tumors than the suppressed report. If Searle had used the MBR report as received in March 1973, the labeling for Aldactone would have contained a statement—as it does today—about possible dose-related thyroid, testicular and liver consequences. Contrary to the assertion in the 305 Reply, page 26, the FDA does not acknowledge that the MBR report is not the basis of the labeling change. The MBR report supports the labeling reference to liver lesions and, together with the Willigan report, substantiate the label warnings with respect to testicular and thyroid tumors.

VII—SUMMARY

In sum, Searle received in March 1973 a pathology report which contained damaging information about its largest selling drug; information that was confirmed two months later by its own Mathematics-Statistics Department. A few of the slides which concerned Searle most, those concerning the liver, were received by an in-house pathologist who took exception with some of the consultant pathologist's diagnoses. On that basis, the entire report, later confirmed by another pathologist to be substantially correct in its results, if not in its slide-by-slide analyses, was withheld from the FDA by Searle for over two years.

The legal as well as the practical answer to Searle's after-the-fact justifications for not submitting the MBR report is contained in Searle's own 305 reply. "The quality of the decision made must be judged by information available at the time, not by subsequent development". Nowhere in its submissions to the FDA does Searle explain why it initially reviewed only the MBR liver diagnoses. Unquestionably, it was the report by its Mathematics-Statistics Department that, just as Dr. Mauro had suggested, there *was* a drug-related increase in liver tumors. This was the motivation for the withholding of the MBR report, the use of a second outside pathologist and the prompt submission of his findings even though they confirmed drug-related tumors in two other organs.

VIII—CONCEALING MATERIAL FACTS AND MAKING FALSE STATEMENTS IN STUDIES SUBMITTED IN SUPPORT OF SEARLE'S FOOD ADDITIVE PETITION FOR ASPARTAME

A. *The Product.* Aspartame is the trade name of a sweetening ingredient for food manufactured by Searle. Because Aspartame is a food additive, it may be marketed only upon FDA approval of a petition establishing its safety, which approval is codified as a regulation published in the Federal Register.

Aspartame is a synthetic product based upon two amino acids, 1-aspartic acid and 1-phenylalanine. It is intensely sweet, about 180 times as sweet as sugar, but is metabolized in the human body as a protein unlike sugar which is metabolized as a carbohydrate. Because of its great sweetness, Aspartame used in place of sugar would provide only approximately 1/180th of the calories of a quantity of sugar yielding equivalent sweetness. The potential commercial value of Aspartame is enormous. Searle has built a manufacturing plant solely for the purpose of producing Aspartame.

B. *Status of Aspartame.* In the Federal Register of March 5, 1973 (38 F.R. 5921), FDA gave notice that a petition had been filed by Searle proposing the issuance of a regulation to provide for the safe use of Aspartame in foods as a nutritive substance with sweetness and flavor enhancing properties. In the Federal Register of July 16, 1974 (39 F.R. 27137) the Commissioner concluded that the evaluation of the data in the petition, which included approximately 150 studies and other relevant material, justified amending the food additive regulations to provide for the same use of Aspartame under specified conditions.

In response to this publication, FDA received objections to the regulation from members of the public and two requests for a hearing, provided under § 409 of the act, 21 U.S.C. 348. Issues concerning the safety of Aspartame were identified by the objectors in the first part of 1975, and it was agreed that there would be an administrative hearing, called a Board of Inquiry. Based upon the Commissioner's conclusion in July 1975 that the integrity of certain animal studies conducted by Searle was questionable, and in conjunction with the establishment of the investigatory Task Force, including auditing of certain animal studies relating to Aspartame, the FDA stayed the effectiveness of the food additive regulation in a notice published in the federal Register of December 5, 1973 (40 F.R. 56907).

After the issuance of the Task Force report in March 1976, FDA began to consider methods by which certain of the studies submitted by Searle would be authenticated at Searle's expense, by a non-government panel of experts. This process, to be performed under a contract approved by the FDA and paid for by Searle, is soon to begin.

The 52-week toxicity study in the infant monkey

A. *Initiation and Basic Description of the Study.* In November 1969, Searle officials decided it was "essential" to obtain the opinion of Dr. Harry A. Waisman about the differences and similarities in the side effects of Aspartame as compared with those of phenylalanine. Dr. Waisman was a leading researcher associated with the University of Wisconsin Regional Primate Center and had published extensively on the toxicity of phenylalanine. Dr. Waisman's published works establish that phenylalanine is capable of producing brain damage in Rhesus monkeys. The Aspartame study was initiated on January 15, 1970 and terminated on or about April 25, 1971. Searle submitted its report to the FDA on October 10, 1972. A copy of the report of the study, excluding appendix tables, is enclosed. Unfortunately, during the course of this study, in March 1971, Dr. Waisman died.

In this study, seven new-born Rhesus monkeys were placed on a diet which included Aspartame. The first infant monkeys became part of the study in January 1970; the last were added, at birth, in October 1970. The daily feeding of the monkeys, and monitoring and recording their actions, was the responsibility of Mr. Gunther Sheffler, a laboratory technician with a bachelors' degree who was selected by Dr. Waisman. The tables of the laboratory test results, feeding schedules and the like which constitute the summary of raw data of the Searle report were prepared primarily by Mr. Sheffler. Presumably, Mr. Sheffler selected the new-borns for inclusion in the study; his selection was consistent with criteria which may have been set by Dr. Waisman. Although Dr. Waisman had access to and was undoubtedly familiar with the monkey colony at the Primate Center, in all likelihood he rarely if ever directly participated in the conduct of the study. However, he and Searle were responsible for the study design.

The Aspartame monkey study did not have "untreated concurrent controls", that there was no parallel group of new-born monkeys identified and monitored for comparative purposes which were not fed Aspartame. According to a Searle protest drafted several months after initiation of the study, the monkeys were to be kept on a diet with Aspartame for one year, then returned to a basal diet, subjected to behavioral and learning tests; and finally sacrificed and necropsied (autopsied) for the preparation of tissue slides to be reviewed microscopically for alteration (post-mortem work-up). Of the seven test monkeys, one died after 300 days; four were kept on Aspartame for approximately 365 days as planned; and administration of Aspartame for two others was ceased on March 31, 1971, after approximately 200 days. No behavioral or learning tests were performed. Only the one monkey who had died during the test was necropsied and subject to post-mortem work-up.

B. *Conflict Between the Study and Searle's Report of the Study.* Before commenting briefly on the specific falsifications listed in the 305 Notice and to clarify why this study came to the attention of the Agency, you should note the very great literary license Searle officials took in drafting its report. Searle has repeatedly contended that Dr. Waisman was working on his own, that Searle had little or no control over his activities, that the Searle protocol for this study was drafted after the inception of the study in order to attempt to bring some retrospective structure to the work done by Dr. Waisman and that because of Dr. Waisman's death, the documents reflecting the daily conduct of the study were in chaos.

In essence, Searle now insists that the Waisman study was uncontrolled, and refers to it conspicuously as a "pilot" experiment; its shortcomings are itemized, all but enthusiastically.

Yet, while containing a few carefully couched disclaimers, the report of this toxicity study was submitted to the Agency just like any other of the 150 studies; it bears the authorship of the persons responsible for the study, namely —— and Waisman, in that order; it bears a Searle Pathology-Toxicology project number; it is in standard format setting forth methodology, observations, and the like, including a study design and conclusions.

Searle wanted data comparing Aspartame with phenylalanine. Dr. Waisman was the expert in the field and his name would carry great weight. The report to FDA is drafted in a manner which covers up the admitted inadequacy of the design, control and documentation of the study. However, when Searle is accused or representing this study for far more than it was, it denies almost all knowledge of or involvement with its initiation, design or performance; Searle cannot have it both ways.

Searle's conclusion that it had "no control over conduct of the study, and Dr. Waisman did not have to, nor did he, follow any suggestions by Searle or its employees" is difficult to understand. Searle documents in the possession of the FDA establish that in November 1969, Searle sought to involve Dr. Waisman in a study of Aspartame in order to compare its toxicity, particularly seizures and learning defects due to brain damage, with that of phenylalanine. In January 1970, such a study was initiated. It is also noteworthy that in a memorandum of a September 4, 1970, conversation with Dr. Waisman, —— reports that he suggested to Dr. Waisman that two animals be placed on the study at lower dosage levels within the next few days. This is exactly what happened. Searle asserts that the behavioral testing was never anticipated on this "pilot" study but rather on a subsequent study which was being planned by an associate of Dr. Waisman. 305 Reply, page 36. However, various Searle documents obtained by the Task Force investigators, written both during the subsequent to the monkey study, establish beyond any question that behavioral testing, as well as the necessary post-mortem work-up, was originally planned for this study.

C. *Specific False Statements or Concealed Facts.* The 305 Notice delineates four false statements and entries in Searle's report of this study. (1) The report failed to reveal that the infant monkeys were not suitable for the study. (2) The report states that acceptable historical and contemporary data on untreated control monkeys were available, thus diminishing the necessity for concurrent control groups of monkeys. (3) The report falsely states that animals were not available for purchase and sacrifice (necropsy) at the termination of the administration of the test compound, as originally planned, because of personnel shortages. This statement also gives the misleading impression that the animals were incapable of being purchased when in fact they were available for purchase, although not immediately, after the test compound had ceased to be administered. (4) The report falsely states that necropsy data on one non-surviving monkey was lost to Searle due to "similar" reasons, namely, confusion and personnel shortages after Dr. Waisman's death. In fact, the data were available and were obtained at the Regional Primate Center by FDA investigators during the Task Force investigation. Moreover, the monkey died approximately five months before Dr. Waisman's death.

1. The first specific violation listed in the 305 Notice is based, in part, upon a January 19, 1972, memorandum written by —— reflecting the reservations of Mr. Scheffler about the suitability and documentation of monkeys for the study. —— notes of a conversation with Mr. Scheffler state: "no extensive records on individual monkeys." In addition, on June 23, 1971 —— was made aware of the fact that one of the seven monkeys on the study "never should have been included in your experiment since he had an obvious birth defect."

Searle asserts that neither nutritional nor reproductive histories of the mothers of the infant test monkeys were in any way significant to the study. Nevertheless, the report states that only "infant Rhesus monkeys (Macaca mulatta) from full term, normal pregnancies" were used. In fact, the mothers were laboratory monkeys and had been on other tests. The impact of the mother's health, nutrition, reproductive history, etc., would be significant were the mother to pass to her off-spring some deficiency, some altered type or rate of metabolism due to another chemical she had been exposed to previously, any or all of which might affect the infant monkey and its reaction to Aspartame. Further, these effects may be completely unnoticed by laboratory technicians.

2. The second specific allegation in the 305 Notice was that the report falsely states that a concurrent comparison control group (monkeys in the study that were monitored but not exposed to Aspartame) was unnecessary because acceptable historical and contemporary data on untreated monkeys were available. Searle admits that there were no existing post-mortem data from other monkeys in the colony but notes that there was such ante-mortem (pre-sacrifice) data for other monkeys. This seems to be correct. And in view of the fact that the study did not include behavioral and post-mortem aspects as originally planned, the non-existence of post-mortem data for untreated monkeys was rendered essentially irrelevant. Accordingly, this alleged falsehood now appears to have been adequately explained.

3. The third charge of falsification in the 305 Notice alleges that the reasons given by Searle for the failure to sacrifice and necropsy the monkeys "at the termination of administration of the test compound", namely, shortage of personnel and lack of supervision following Dr. Waisman's death, are untrue.

Searle's reply to these allegations focuses upon the fact that the monkeys were taken off Aspartame feeding allegedly without notice to Searle, and were thus "unavailable" for sacrifice "at the point of termination". The documents available to the FDA do not now establish that Searle had knowledge of the termination dates of administration of Aspartame (March 31, April 4 and April 25, 1971) until mid-June 1971. But the fact that the availability of these monkeys for purchase and sacrifice did not immediately coincide with the termination of the Aspartame feedings is not relevant; the protocol for this study originally provided for cessation of administration of Aspartame prior to sacrifice and necropsy. Thus, Searle's lack of immediate awareness of the termination of administration of Aspartame does not negate the fact that Searle later had the opportunity to buy the monkeys. Searle could not truthfully assert in its report to FDA that the monkeys were "unavailable"; so Searle stated that they were "unavailable at the time" when they were taken off Aspartame feeding.

Searle's failure to necropsy the animals, including examining brain tissue for those monkeys which had manifested seizures, is more likely based on the fact that Dr. Waisman had no post-mortem comparative data. If Searle had found adverse effects, it would have had no way to show that the consequences were not attributable to Aspartame. Searle did not want to take this chance. But Searle also did not want to admit the real reason for its indifference. The same apprehension of a "can of worms" is reflected in Searle memoranda discussing the potential consequences of Dr. Waisman's feeding of Aspartame to pregnant monkeys.

Reliance upon alleged personnel shortages and lack of supervision do not explain why Searle did not closely monitor this study. FDA investigation did not reveal that things were plunged into chaos by Dr. Waisman's death as Searle has repeatedly suggested. 305 Reply, page 55. Treatment was continued for two to five weeks after Waisman's death on monkeys M-79 and M-14, completing their one year treatment as scheduled. During interviews in February of this year by FDA Task Force members, Mr. Schaffler stated that there were plenty of personnel on hand when Dr. Waisman dies and that when the new laboratory director took over, he dismissed a number of employees because they were not needed.

Searle asserts that it makes no difference what reason is given for certain events as long as the events are true. We disagree. None of the real reasons for Searle's decision not to purchase the monkeys for post-mortem work-up was included in the submission to FDA; the monkeys were available for purchase and post-mortem work-up, but —— advised ——, and Saunders that the

monkeys should not be purchased; they concurred. Nevertheless, it may be literally true that the monkeys were not known by Searle to be available "at the termination of administration of the test compound".

4. Finally, the report submitted to FDA states that necropsy data on the one non-surviving monkey, which received high doses of Aspartame and died after 300 days, were lost to Searle due to Dr. Waisman's death.

In fact, the data were available from the Primate Center and were obtained by the FDA Task Force investigators. The monkey died approximately five months before Dr. Waisman's death. Searle does not reply to this charge directly, but rather states that its use of the term "necropsy data" meant tissue slides, not the autopsy report dated October 22, 1970, which Searle claims it never received. It is undisputed that on October 21, 1970, Dr. —— was made aware of the death of the monkey and that sacrifice was planned. Apparently, Searle failed to follow up on this information to determine that a report had been generated.

Searle now admits that it does not know what happened to the "necropsy data"; nevertheless, the report gives an answer as if the facts were known, namely, that the data were lost in the confusion after Dr. Waisman's death. This is an excuse based on no information, rather than the truth.

The 46-week toxicity study in the hamster

A. *The study.* On April 20, 1970, Searle initiated what was to have been a 104-week toxicity study on Aspartame in the hamster. The study was terminated prematurely, after 46 weeks of treatment, due to an unexpectedly high mortality in both control and treated animals ascribed to a disease known as "wet tail" (severe diarrhea). Searle submitted its report to the Agency on December 8, 1972.

B. *The Violation of Title 18.* The alleged violation of Title 18, Section 1001, set forth in the FDA Notice of Hearing, is based on the following set of facts: Blood from certain animals in the study was collected for hematology testing and for blood chemistry at the scheduled 26-week interval. Samples were drawn and six different kinds of tests were conducted. Searle technicians appear to have experienced methodology problems with one of these, the test for serum glucose (blood sugar). Searle did not correct the problem with the glucose testing until approximately twelve weeks later. By that time, however, approximately 30 percent of the previously tested hamsters had died. Accordingly, at the 38th week of the study, other hamsters were taken as substitutes from the same feeding groups and blood was collected from them. The glucose values of these new animals were reported by Searle as being those of tests run at 26 weeks on blood samples from the original animals, which had since died. Thus, the glucose values represented for one set of animals at a different time.

C. *Searle's Inadequate Explanation.* Searle admits the fact that its report contains this false information, but argues that this did not result from willful conduct or any intentional act. Moreover, Searle argues that this falsehood is not material to the appraisal of the safety of Aspartame.

Most Courts of Appeal have held that a violation under §1001 can be sustained only upon a showing of the materiality of a falsehood. However, the courts generally define a "material" statement as one which has the tendency to influence or is capable of influencing. Actual reliance upon false information need not be shown. Nor must the Government prove that the person knew that a statement was false; rather, a reckless disregard for the truth or evidence of a conscious purpose to avoid learning the truth will establish the requisite culpability. Here, documents in the possession of FDA establish at least that —— knew of the need for a second glucose test and knew that hamsters were dying and substitutes were needed.

Searle suggests that these data were gathered and prepared by technicians reporting to Mr. Martinez, and that neither —— nor —— was aware of the existence of the problem concerning these data until they received FDA's Notice of Hearing. However, —— admits in his 305 reply that he was involved in resolving the serum glucose problems, although he claims that he did not review this matter when drafting the report. —— The substitute animals were identified as substitutes on the raw data sheets which, we believe, —— as the authors of this study, were obliged to review and may in fact have reviewed in order to attest to the integrity and accuracy of the report. Further evidence of disregard for the truth will have to be developed by the Grand Jury.

Searle argues that there was no motive for any intentional misrepresentation or concealing of the fact that glucose values for one animal were substituted for those of another. While the question of glucose levels seems to have been non-controversial in this study, the failure of the Searle report to simply note the substitution of test results could be attributed to the fact that at the time of the substitution the animals were contracting a disease and the study was accordingly threatened. Also, the reason for the wide variation in glucose values was, at first, not known. Until —— confirmed that it was a laboratory problem, the unexpected test results might have been thought to indicate severe liver or pancreas reactions in the test animals.

It is true that these entries may not have been material to a determination of the ultimate safety of Aspartame. However, as Searle points out, numerous studies have been conducted and submitted to the Agency in support of the safety of this sweetening agent and thus, arguably, even a wholly fabricated study might not qualify as material in the sense of being a "but for" or independently sufficient basis for a decision.

We believe that the law permits prosecution for a falsehood that has the potentiality for influencing the Government in its evaluation of the immediate report in which the falsehood is contained whether or not the sum of the safety data is altered by the falsehood at issue. Moreover, in this case, the hamster study was selected by the FDA Task Force as one of a few Aspartame studies for review upon the consultation with toxicologists in the FDA Bureau of Foods. Both this study and the monkey study met the criteria for selection of studies established by the Task Force.

Searle argues that the original records relating to the glucose substitutions are in existence and only their destruction or modification would be consistent with an intentional falsification in the final report. This, of course, is not a necessary prerequisite to a finding of intent; if it were, every defendant in every prosecution involving a crime of intent would argue, perversely, that his failure to destroy evidence of his culpability established his lack of intent.

One final note on both Aspartame studies. In considering the extent to which the reports were written to convey impressions more favorable than the underlying data would support, reference should be made to the memorandum of December 28, 1970, from Mr. Helling of Searle to, among others, Drs. ——, entitled "Food and Drug Sweetener Strategy." In that memorandum, Searle commits itself to obtaining favorable review by FDA personnel by seeking to develop in them a "subconscious spirit of participation" in the Searle studies. What FDA needs instead, and must have to evaluate products, are adequate and controlled studies, supported by the raw data, and reported accurately and in a timely fashion. The assumption that these reports can be relied on is at the heart of FDA's mission; the agency cannot possibly look over the shoulder of each laboratory technician or draftsman involved in each of the thousands of animal and human drug studies conducted each year. The FDA must receive the truth, not psychological warfare. To emphasize the importance of safety data on Aspartame, we note that if ultimately approved for marketing, this sweetening agent can reasonably be expected to be part of the daily diet of every American.

IX—INDIVIDUALS WHO APPEAR TO BE RESPONSIBLE FOR THE VIOLATIONS CHARGED IN FDA'S NOTICE OF HEARING

A principal purpose for convening an investigatory Grand Jury would be to identify those persons responsible for any violations of the law investigated by the Agency. The persons named in the FDA 305 Notice were identified on the basis of information known to or obtained by the Agency, but without the benefit of compaulsory process. All Searle officers, employees, and former employees, were interviewed by Task Force investigators in the presence of Searle counsel or monitors.

A. *Overall Corporate Organization.* The organization charts and similar information-available to the FDA reveal the following major outlines of responsibility within the Searle Company.

In 1971, T.B. Carney, Sr., was the Vice-President of Searle Laboratories for Research, Development and Control. —— was then the Vice-President for research and Development, under Mr. Carney. The research and development group consisted of six branches; Dr. —— was the Director of Biology and was superior to —— head of the pathology/toxicology section. In February 1972, —— replaced Mr. Carney as the head of the RD&C and —— became the Director for R&D. Dr. Francis J. Saunders replaced —— as the head of Biology. The Director of Chemistry, a branch on equal level with Biology was Dr. Paul D. Klimstra. In April 1972, —— became President of Searle Laboratores, a division of G.D. Searle and Company —— was designated as Vice-President for Research and Development.

In July 1973, at about the time that Searle was beginning to deal with the MBR report, the research and development group was reorganized and Dr. Klimstra was made the Director, Pre-Clinical Research and Development, operating directly under —— was made the Director of Pathology/Toxicology and reported directly to Dr. Klimstra. Dr. Saunders was given the title of Director, Research Liaison at the same level as Dr. Klimstra, but outside the reporting chain of —— Klimstra —— In May 1974, —— was given the title of Vice-President for Scientific Affairs although he continued to report —— and remained the immediate superior of Dr. Klimstra who in thru re-

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mained the immediate superior of ——. No other structural changes were made, and these designations remained the same through 1975.

B. *Responsibility for Failure to Submit the MBR Report.* When the MBR report was received at Searle in March 1973 it would have been within the immediate domain of —— Director of the Pathology/Toxicology Department and his superior Dr. Saunders. From about the time that Searle began its Mathematics/Statistical evaluation of the report (August 1973) until its submission, it would have remained within the jurisdiction of ——, who was then reporting to Dr. Klimstra. Dr. Stejskal, who originally reviewed the MBR tissue slide evaluations, was ultimately responsible to —— through his immediate superior in the Pathology Laboratory. —— functioned as head of the Toxicology Laboratory also reporting to ——.

1. *Evidence of Responsibility Developed by the Task Force.* The Agency has evidence that it was —— who originally requested Dr. Stejskal to review the MBR liver slide analyses in July or early August 1973, and it was either —— who requested further review of liver, thyroid, and testes slides in February 1974, which Dr. Stejskal performed in April or May of that year. —— were fully aware of Dr. Mauro's slide readings by September 1974. According to Dr. Dutt, the then head of Searle's Mathematics-Statistics Department, it was —— who requested him to perform a statistical analysis on the MBR report in August 1973.

The FDA has no direct knowledge of the extent, if any, of personal knowledge or participation of Drs. Saunders, Klimstra, —— in the decision to withhold the MBR report from the FDA. In view of the damaging effect of the liver findings, as well as the testes and thyroid tumors, and given the commercial importance of Aldactone in Searle's marketing line, it is difficult to believe that —— did not advise his superiors Drs. Saunders (and thereafter Klimstra) —— of the MBR report. Restrictive labeling for Aldactone, as in fact eventually resulted, would certainly have rendered these individuals accountable to their corporate superiors for any decline in sales of the drug. The evidence in our investigatory files leads us to the conclusion that —— were in a position to know of the report and certainly had authority to decide not to submit it; we have however no direct evidence of their actual knowledge or participation in that decision.

2. *The 305 Replies.* In the Searle 305 reply, we are told that —— —— promptly advised Dr. Klimstra of the findings of Dr. Willigan. This does not necessarily mean that Dr. Klimstra was advised of the earlier Mauro findings, but it does raise the provocative question of whether Dr. Klimstra, Dr. Saunders and —— were similarly advised when the MBR report was received in March 1973, particularly in view of the fact that Searle had no basis for discounting the MBR report until Dr. Stejskal's August review.

In —— 305 reply, he states that he first learned of the existence of the MBR report on June 17, 1975, as assertion that is certainly appropriate for Grand Jury inquiry. —— however, insists upon defending the institutional action of G.D. Searle and Company by arguing, at page 2 of his reply, that the MBR document was "preliminary and incomplete" since it "did not contain antemortem data, text or results of statistical analyses that are necessary for a final, complete and full report of the study".

This characterization of Dr. Mauro's pathology findings is nonsense. A pathologist's role in a study is to report examination of post-mortem lesions only; the contract pathologist never generates antemortem data or statistical analyses; the MBR report did not contain these and neither did the report from Dr. Willigan which waw submitted to FDA. When a firm, such as Searle, receives a report from an outside pathologist, the firm itself provides the antemortem data and conducts statistical analysis. —— further asserts that the MBR report lacks materiality. This is not true. The document was capable of and has influenced the Agency in its decision with respect to the labeling of Aldactone and in limiting human investigational studies.

—— also claims ignorance of the MBR report until June 1975. He admits that he was aware that Dr. Willigan had diagnosed the slides from the 78-week study, but insists that he was unaware of any prior involvement in the study by Dr. Mauro —— asserts that —— would not be expected to advise him of the results of pathology analysis on a rountine basis. With certain minor exceptions, the response of —— parallels that of ——. Apparently, neither —— was required to authorize the re-evaluation of the slides for this study by Dr. Willigan.

—— strongly asserts the corporate theory that the findings of Dr. Mauro were "so in error and so unreliable that the entire report was deemed untrustworthy"; that it was not a relevant part of the Searle Aldactone study, and in substance that it never was required to be submitted to the FDA. —— assumes full responsibility for concluding that the MBR report was "fundamentally incapable of serving as a valid, defensible representation of the tumor data from the rat study involved". —— claims he did not discuss the document with his superiors. Nevertheless, at page 11 of his reply, —— states in the third person that "internal Searle records show that —— regularly and candidly informed his superiors at G.D. Searle and Company of the toxicologics status of company products, including recommendations relating to procedures and testing programs". While he claims he discounted in toto the MBR findings, —— also states, at page 6 of his reply, that after Dr. Willigan's findings were reported he became concerned about human test subjects.

Accordingly, he discussed with Dr. Bernard M. Wagner, Professor of Pathology at Columbia University in New York the "question of tumors in thyroid, testes and liver."

C. *Responsibility for False Statements in Reports of Studies on Aspartame.* The 305 Notice with respect to Aspartame named. They were the authors of the reports that the FDA believes contain false information and/or omitted material facts. In our view, they are responsible for failing to report the substituted glucose values in the hamster study and are responsible for any false statements or concealed facts resulting from having drafted Dr. Waisman's "pilot" monkey study so that it would appear to be a valid, thorough scientific study.

X—GRAND JURY INVESTIGATION INTO OTHER POSSIBLE OFFENSES

The FDA Task Force investigated 25 studies involving seven products. Its report lists numerous incidences of poor laboratory practices, resulting in discrepancies and inadequacies in data in one or more of the investigational studies in support of each product. Some of these poor laboratory practices were characterized by the Task Force as "deliberate decisions" seemingly calculated by Searle to minimize discovery of toxicity and/or to allay FDA concern. The Task Force report also discusses examples of poor laboratory practices in animal studies submitted in support of the drug Flagyl, which were the subject of special attention at the Congressional hearings.

The Task Force report and each report of investigation for the 25 target studies have been reviewed by my office. Because the law does not make poor animal laboratory practices a punishable offense, much of the questionable conduct by Searle may not fairly be subject to a characterization, under the Act or Title 18, that will with reasonable probability establish a violation before a Judge or jury. For this reason, the scope of the Agency's 305 Notice was far more limited than the findings of the Task Force, whose investigation was designed primarily to review laboratory practices. Our selection of apparent violations for inclusion in the 305 Notice does not, of course, limit the inquiry of your office or by the Grand Jury.

One of the recommendations of the Task Force was that the FDA recommend to the Department of Justice that Grand Jury proceedings be instituted in the Northern District of Illinois using compulsory process in order to identify more particularly the nature of the violations and to identify all those responsible for such violations. Indeed, there are areas in which the Task Force investigation has raised serious questions that we believe your office should consider for presentation before the Grand Jury, but which were now included in the 305 Notice primarily on the ground that the notice is designed to give persons an opportunity to respond to apparent violations of law which the Agency, on the basis of available evidence, intends to recommend for prosecution. The extent to which evidence was available to the Task Force reflects the fact that inspections began three months after the Task Force was created; Searle knew it was going to be audited.

Four decisions or courses of conduct by Searle were specifically considered by our office for Grand Jury review. These are set forth in the memoranda from Arthur Levine to me dated August 6 and 30, 1976, copies of which have previously been provided to the Consumer Affairs Section and to Mr. Branding. Two of these appeal to us to be reasonably fruitful areas for Grand Jury investigation.

1. The Willigan report submitted to the Agency in March 1975 contained a computer print-out summary table of tumor findings which did not include four malignant mammary tumors in treated females which had in fact been diagnosed by Dr. Willigan and reported in his raw data. Searle explained the omission as the inadvertent error of a programmer in the Mathematics-Statistics Department who listed the mammary tumors as benign, although the raw data sheets she was using as a reference stated that they were malignant. These errors were not detected, or at least not corrected, by the supervisory statistician in that department or by Dr. Stejskal, the pathologist responsible for the study in Pathology/Toxicology Department. Thus the Searle report, based on the pathology examination of Dr. Willigan contains, in part, false data.

All of the individuals involved in this episode have been interviewed by the FDA, and state, in essence, that they simply made an error. The FDA investigatory file does not

now contain information which would establish a willfully false submission under Title 18. However, the drug industry generally and Searle particularly was concerned about evidence of malignant mammary tumors in test animals (Ex. 22). In order to accept the Searle explanation is to believe that the unfavorable mammary malignancy data were innocently omitted from the summary table four separate times by three different individuals.

2. With respect to the discrepancies between the submission to FDA and the underlying raw data for the 80-week rat study on Flagyl, I concur in Mr. Levine's suspicions that —— was asked to prepare for submission to the Agency an animal study which was poorly controlled and documented, and that he may well have known that the study contained inaccuracies or at least that the data was incomplete and could not be confirmed, but did not reveal these facts in the report of the study submitted to the FDA.

Two other actions by Searle, discussed in paragraphs 3 and 5 of the August 6 memorandum and which are the subject of the August 30 amended memorandum, do not now appear to be fruitful matters for further investigation within the context of the Aldactone 78-week rat study. However, the general inadequacy of Searle statistical and sampling methods was admitted by Dr. Dutt, former head of the Mathematics-Statistics Department. See Ex. 21. The Grand Jury may wish to investigate consequences of these practices which, unlike the case with Aldactone, were not subsequently remedied. Moreover, Searle's theoretically conceivable but in fact inapplicable arguments over the specific facts pertaining to Aldactone demonstrate a willingness to rationalize in order to avoid admitting any error, even an error which turns out to benefit their product or further corroborates their procedures. See August 30 memo., para. 2.

XI—PROCEDURE

The issues discussed in this transmittal letter as well as those raised by the Task Force report are based upon reports and supportive documents which amount to almost 20,000 pages. The Task Force report, Mr. Levine's memoranda of August 1976, and the Notice of Hearing focus these data into areas of potential criminal liability. It may not be necessary that each document be reviewed by your office in order to develop these matters for further investigation by the Grand Jury. However, Mr. Levine of our office (8-443-4360) and Mr. Carlton Sharp, a compliance officer in the Bureau of Drugs and Chairman of the Searle Task Force (8-443-1940), both of whom are intimately familiar with the facts of this case, would be pleased to provide any assistance in identifying particular documents in support of each charge in the Task Force report, the August memoranda, and the Notice of Hearing.

If you desire to review the exhibits and other significant data, such initial review might most efficiently be conducted in Rockville, Maryland, where the pertinent documents, together with Messrs. Levine, Sharp, and the other members of the Searle Task Force, are located. We would also be pleased to bring to Rockville, or to Chicago, at your request, the lead inspector for the Task Force, Mr. Philip Brodsky, and any or all others of the investigatory team. As issues are delineated and screened, Messrs. Levine and Sharp would be anxious to come to Chicago for whatever time necessary to continue discussions and preparation for the Grand Jury investigation.

In view of the breadth of the FDA investigation, the scientific matters raised, and the large volume of documents already assembled, his assistance would be extremely valuable. Moreover, such a procedure would eliminate any question, whether or not meritorious, that documents obtained by the Grand Jury may be shared only within the Department of Justice and not with the Food and Drug Administration.

As I mentioned previously, Mr. Fred Branding of your office has been kept fully advised of all pertinent developments in this case. Many of the attorneys in our office have had the privilege of working with him in cases recommended by our office. In his conversations with Mr. Levine over the last months, he has expressed a strong interest in this case and we would warmly support his designation as the attorney in your office responsible for reviewing the matter and handling the presentation to the Grand Jury.

As you know, this office cooperates closely with the Consumer Affairs Section in the prosecution of cases under the Act. A copy of this transmittal letter has been sent to Mr. Robert McConachie, Acting Chief. We anticipate that we will be apprised of your review of this transmittal and we and the Consumer Affairs Section will appreciate being kept advised of any developments. Mr. Sharp has already identified many potential witnesses to support the pathology and toxicology principles that underlie the charges in the 305 Notice and the Task Force report.

We look forward to hearing from you following your initial review of these materials, and discussing with you a schedule for future action on this important and precedent-setting case.

Very truly yours,

RICHARD A. MERRILL,
CHIEF COUNSEL,
Food and Drug Administration.

STATEMENT FROM ADRIAN GROSS, FORMER FDA INVESTIGATOR AND SCIENTIST

In the pages to follow here I am presenting a number of comments which you may find informative in any future efforts to curtail exposure to aspartame; those comments are centered around three main topics:

(a) The studies carried out by G.D. Searle & Co. to establish the safety of aspartame are to a large extent unreliable; this is a conclusion that would follow the FDA's own extensive investigations into the acceptability of experimental studies conducted by and for Searle; see top of page 2 here.

(b) Their serious shortcomings notwithstanding, at least one of those studies has established beyond any reasonable doubt that aspartame is capable of inducing brain tumors in experimental animals and that this predisposition of it is of extremely high significance; see bottom of page 16 here.

(c) I would view the Acceptable Daily Intake (ADI) set by the FDA for aspartame (50 mgm/kgm body weight/day) as totally unwarranted and extremely high in that it can be associated with completely unacceptable risks as far as the induction of such tumors is concerned; see top of page 19 here.

(a) The reliability of studies with experimental animals carried out by and for G.D. Searle & Co.

Beginning at the top of the next page there are given a number of quotes from the Final Report of the FDA's Task Force dated March the 24th, 1976, which had investigated the G.D. Searle & Co.:

It is important to realize that this particular document, although signed by the members of a special Task Force appointed by FDA Commissioner Alexander M. Schmidt, in fact represents an FDA *institutional* view. At the Joint Hearings held by the Subcommittee on Health of the Committee on Labor and Public Welfare and the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary of the United States Senate (both Subcommittees then chaired by Sen. Edward M. Kennedy of Massachusetts) on April 8 and 9 and July 10, 1976, Commissioner Schmidt said (page 3 of the record of that hearing): "today I would like to report to you the *final results of the Food and Drug Administration's (FDA) detailed investigation* of animal studies performed by Searle. . . ." (emphasis added).

(Page 4 of the record of that hearing):

"Senator KENNEDY. Let me ask you this. These are the conclusions of the (Task Force appointed to that) study. Do you agree with those conclusions?"

"Dr. SCHMIDT. Yes, I do."

"Senator KENNEDY. Yes, you do. Is this the first time, to your knowledge, that such a problem has been uncovered of this magnitude by the Food and Drug Administration?"

"Dr. SCHMIDT. It is certainly the first time that such an extensive and detailed examination of this kind has taken place. We have never before conducted such an examination as we did at Searle."

"From time to time, we have been aware of isolated problems, but we were not aware of the extent of the problem in one pharmaceutical house . . ."

I have reproduced here that particular exchange verbatim since in recent years and apparently at the urging of G.D. Searle & Co., Dr. Schmidt has found it expedient to distance himself from the conclusions in that particular report which he had accepted and represented as his own and as those of the agency he headed at the time (see the copy of the affidavit that he swore to on February the 4th, 1983, and the one sworn to by me subsequent to that date, both of which I had given to you).

To quote then from that particular report of the Task Force identified at the top of this page, much of which was also quoted by Commissioner Schmidt himself at the Senate subcommittee hearings mentioned above here:

(Pages 1 and 2 there):

"At the heart of FDA's regulatory process is its ability to rely upon the integrity of the basic safety data submitted by sponsors of regulated products. Our investigation clearly demonstrates that, in the (case of the) GD Searle Company, we have no basis for such reliance now."

"Reliance on a sponsor is justified when FDA has reasonable assurance that the sponsor will: (1) inform the agency of *all* material results, observations, and conclusions of an experiment, (2) report fully and completely *all* of the conditions and circumstances under which an experiment was conducted, and (3) submit its reports to the FDA in a timely fashion so that measures to protect the public health and safety can be taken promptly when warranted. Through our efforts, we have uncovered serious deficiencies in Searle's operations and practices which undermine the basis for reliance on Searle's integrity in conducting high quality animal research to accurately determine or characterize the toxic potential of its products."

"Searle has not met the above criteria on a number of occasions and in a number of ways. We have noted that Searle has not submitted *all* the facts of experiments to FDA, retaining unto itself the unpermitted option of filtering, interpreting, and not submitting information which we would consider material to the safety evaluation of the product. Some of our findings suggest an attitude of disregard for FDA's mission of protection of the public health by selectively reporting the results of studies in a manner which allays the concerns of questions of an FDA reviewer. Finally, we have found instances of irrelevant or unproductive animal research where experiments have been poorly conceived, carelessly executed, or inaccurately analyzed or reported."

"While a single discrepancy, error, or inconsistency in any given study may not be significant in and of itself, the cumulative findings of problems within and across the studies we investigated reveal a pattern of conduct which compromises the scientific integrity of the studies. We have attempted to analyze and characterize the problems and to determine why they are so pervasive in the studies we investigated."

"Unreliability in Searle's animal research does not imply, however, that its animal studies have provided no useful information on the safety of its products. Poorly controlled experiments containing random errors blur the differences between treated and control animals and increase the difficulty of discriminating between the two populations to detect a product induced effect. A positive finding of toxicity in the test animals in a poorly controlled study provides a reasonable lower bound on the true toxicity of the substance. The agency must be free to conclude that the results from such a study, while admittedly imprecise as to incidence or severity of the untoward effect, cannot be overlooked in arriving at a decision concerning the toxic potential of the product."

In addition to these general comments which are meant to apply to any study with experimental animals conducted by G.D. Searle & Co., that same Task Force Report contains additional references to problems encountered for individual studies carried out by G.D. Searle & Co. *specifically* for aspartame:

(Page 25, paragraph 3): "In the Aspartame (DKP) 115 week rat study, the submission (to the FDA) states that twelve lots of the test compound, diketopiperazine, a metabolite of Aspartame, were manufactured by a Searle chemist and used in the study. However, the investigators found that some of the batch numbers were merely different drum numbers and actually only seven batches were made. Searle personnel informed the investigators that records of manufacture and assay of two batches could not be located."

(Page 26, last paragraph): "Significant deviations from the protocols of several studies were noted which may have compromised the value of these studies, including the excision of tissue masses (which are likely to represent mammary tumors) from live animals during the course of a study. There is no indication that these deviations were reviewed or approved by the Protocol Design Committee; hence they may represent serious unauthorized changes in the experiments. . . . In at least one study, the Aspartame 52 weeks monkey study, the protocol was written *after* the study had been initiated."

(Page 31, paragraph 2): "In addition, we found evidence that, as far back as 1969, top management (at G.D. Searle & Co.) concerned itself with the animal studies to determine the safety of its artificial sweetener, Aspartame. An internal strategy memorandum from the Regulatory Affairs Department to top management advises management of tactics designed to produce favorable action by FDA officials and concludes that Searle must get Aspartame into commercial channels as soon as possible to mimimize the incentives of other firms to develop other sweeteners." (actually, the contents of that "strategy" memorandum originating at G.D. Searle & Co. are a veritable eye-opener; I would strongly urge you to actually read it in its entirety if you wish to obtain a whiff of exactly how G.D. Searle & Co. understand to approach their responsibility in the area of assuring the safety of their own products. I was given to understand that the memorandum to which reference is made here was included in the material sent to your Office by the Food and Drug Administration.)

(Page 32, last paragraph): ". . . there was little continuity of technicians that performed antemortem observations on animals from one observation period to another. In addition to a lack of continuity, there was a lack of adequate supervision and training of the technicians in all phases of the studies, which is documented in the . . . Aspartame (DKP) 115 week rat, and Aspartame 42 week hamster investigation reports. . . ."

(Page 33, paragraph 2): "In each study investigated, poor practices, inaccuracies, and discrepancies were noted in the antemortem phases which could compromise the study."

(Page 33, paragraph 3): "Protocols normally specified age and sex requirements of animals. In general, these criteria were followed. However, exceptions were found in the 106 week dog study of Aspartame, where the protocol called for dogs to be 150 to 160 days of age and yet three dogs were used in this study that were approximately 70 days older than the protocol specified.

(Page 34, paragraph 2): "At Hazleton Laboratories rats and mice were said to be held for a two week period before they are entered into a study. In the 104 week rat studies of Aldactone and Aspartame there were deviations from this holding period when rats were introduced into the studies after only five or six days respectively."

(Page 36, paragraph 3): "One of the most elementary considerations in a toxicological study is to assure that the test animals receive the active ingredient under test. When the substance to be tested is incorporated into the feed, its homogeneity and concentration in the diet mix should be determined prior to the start of the study. Random samples from freshly mixed batches should be analyzed periodically during the course of the study to ensure that the proper mixing and formulating procedures are being used. In studies conducted by both Searle and Hazleton, little concern was evidenced for the need of proper quality control of homogeneity, concentration, or stability of the active ingredient-diet mixture."

"When Dr. Frederick Reno of Hazleton Labs was asked why Hazleton did not conduct tests on the purity of the test substance, he replied that Hazleton's policy is that the purity of the test material is assumed to be 100% unless notified to the contrary by the client. Tests for (chemical) stability, (biologic) potency and homogeneity of the treatment feed mixture are performed only at the client's specific request; Searle never made such a request of Hazleton in its protocols. Further, Dr. Reno stated that Seale never requested that the basal feed be assayed for residual drugs, pesticides and other contaminants. Hazleton did not conduct such tests for Searle nor were any reserve samples of the treatment mixtures maintained for studies performed for Searle."

"It was noted in the investigation of the Aspartame (DKP) 115 week rat study that drums of the product for each dosage level were identified with color coded labels to match the color of the identification card on the animal cages. When the animal rooms at Searle were inspected on October 17, 1975, it was noted that each drum contained several labels pasted over one another and that the labels underneath the current labels were of various colors. If the current label were to come off, the technician could easily be misled by the label underneath (thus) resulting in a feed mix-up. This is the only study where we found evidence of a test of stability of the test substance in the diet mixture, but the value of this test was negated when, during the course of the study, there was a change in the supplier of the diet and new stability tests were not performed on the new diet-test substance mixture."

"In preparing mixtures of active substance with food both Hazleton and Searle used blenders that were not electrically grounded. This is of concern because of the potential for the electrostatic properties of the test substance to cause it to adhere to the metal walls of the mixer and/or to distribute unevenly through the food, thereby preventing a homogeneous food-test substance mixture."

"In view of the problems noted with all stages from the receipt of the test substance, preparation of the feed-test substance mixture, the failure of both Searle and Hazleton to analyze for concentration, homogeneity, and stability of the test substance in the diets, and the practices of feed replenishment, there is *no* way in which it can be assured that animals received the intended dosage."

(Page 39, paragraph 1): ". . . investigators toured the animal facilities on October 17, 1975, and noted the following poor current practices at that time:—"

"An exterminator company is employed by Searle for general pest control in the animal rooms. This company has a blanket order to spray the animal rooms twice a month and additional instructions may be given for specific animal rooms as required."

"The investigators were informed that animals are not removed from the animal rooms during the time that they are being fogged with insecticides. Evidence indicates that this practice has been in effect at least since 1970. A memorandum dated September 25, 1970, from Dr. McConnell to Dr. Victor Drill, which appears as a General Exhibit to the Aspartame inspection report, indicates that Dr. McConnell was concerned about this practice; at the time, however, there was no evidence that this practice was ever discontinued."

"The investigators inquired whether basal diets or treatment mixtures were subjected to analysis for pesticides. No records were found to indicate that any treatment mixtures used in the studies were ever tested or assayed for pesticide content."

"Currently a mixer with a capacity of 10 to 12 kg. is used for blending treatment mixtures. The investigators were informed that the mixture is cleaned with water, alcohol, ether, or is dry cleaned, depending on the material blended. When the mixer was examined on October 17, 1975, however, it was encrusted with material from previous use."

"Records are not maintained of weighing and blending of treatment mixtures. After mixing, the mixtures are placed in plastic, teflon lined containers and are identified with color coded stickers. . . . When the investigators examined the containers on October 17, 1975, they noted that the identification stickers of different colors were present underneath the current stickers and that the edges of some of the top stickers were raised."

"Running inventory records for either treatment mixtures or the test compounds used in treatment mixtures are not maintained. Dr. K.S. Rao, Senior Research Investigator (Toxicology), indicated that it is not necessary to maintain such records as fresh treatment mixtures are prepared weeky, biweekly, or every four weeks. Clearly, the lack of inventory records, the lack of batch records, and the lack of homogeneity and stability assays, results in poor control over the treatment mixtures."

"The practices enumerated above are such that any or all of them could compromise the integrity of a study."

(Page 42, paragraph 1): "Technicians participated in many studies simultaneously. The technicians weighing, withdrawing blood, feeding and observing the animals for tissue masses, etc., were not assigned to a particular study, but performed those functions for various studies in progress (at one time). . . ."

"Technician Bartolome Tangonen stated that the appearance of his initials at the top of a page (on the sheets entitled 'Observation for Drug Effects' where the heading provides a space for the name of the technician, but which was not invariably filled in) did not necessarily mean that he actually made the observations described in the sheets or that he filled out the sheets which bear his initials. His initials could indicate that he was supervising the work of other technicians or that he was making the observations."

"Numerous errors and inconsistencies were noted in all the antemortem phases of these experiments. . . . Because many of the observations required are of a subjective nature, continuity of the persons assigned to make these observations is critical, yet the names of the observers entered on the same animal groups are often different for subsequent observations."

"Inconsistencies were noted in observations of findings during the course of the Aldactone 78 week study with animals being reported as alive when they were actually dead, and in the reporting of the presence and location of certian tissue masses. These include approximtely 20 instances of animals reported as dead and then reported as having vital signs normal again at subsequent observation periods. (See Attachment 10)."

"Similar inconsistencies are contained in the Flagyl 80 week rat study, the Cu-7 rat study, the Aspartame (DKP) 155 week rat study, and in the Aspartame 46 week hamster study."

(Page 47 penultimate paragraph); "In the supplementary Statement of Mr. Daniel C. Searle dated February 13, 1976, which was appended to the record of the Joint Hearing before Senator Kennedy held on January 20, 1976, Mr. Searle, referring to the errors on Observations for Drug Effects sheets, stated 'In the truest sense, the errors identified by the FDA (in these records) were completely irrelevant to the scientific conclusions of the study. . .' ".

His comment on the irrelevancy of the mistakes on these records relates to his testimony that other records with information as to the date of death and tissue masses were kept by Searle and these other records contained the 'correct' information."

"We do not agree with Mr. Searle that the information on the Observations for Drug Effects sheets is irrelevant."

"The title printed on these 'Observations for Drug Effects' forms is 'Statistical Work Sheet'; it is therefore reasonable to expect that these 'careless' entries must have formed the basis for input for statistical operations which are crucial to the 'scientific conclusions of the study.' . . . If the alive/dead status of each animal was 'carelessly' entered on these 'statistical Work Sheets', as conceded by Mr. Searle, and if its status as a tumor-bearer at any time was largely in doubt, as demonstrated here, the statistical computations based on this kind of raw input data are of qustionable value, if any, and would clearly affect what Mr. Searle denominates as the 'scientific conclusions of the study'."

(Page 51, paragraph 1): "In the Aldactone 78 week rat study, the 115 week rat study of Aspartame, and in the Ovulen 7 year dog study, tissue masses (likely to be tumors) were excised from live animals during the course of the study and the animals were continued on the study."

(Page 52, paragraph 1): "The removal of tissue masses from rats in a chronic toxicity study is an unacceptable practice, since it may seriously prejudice the findings of the experiment. For example, if the removed mass, when excised, is found to be *benign*, . . . its excision may have prevented it from becoming malignant, a change which is not unusual, and which is normally a function of time. The purpose of a safety study in animals is to find out as completely as possible *all* the likely risks associated with the test products. Interference with the natural development of tumors will prejudice the findings of the experiment. . ."

(Page 52, last paragraph): "Animals found dead during the course of a study should be necropsied (examined post-mortem) promptly; when prompt necropsy is not possible, the animal remains should be refrigerated until the next working day, when the post-mortem examination must be performed. Delay or improper handling of dead animals results in the loss of valuable information through autolysis (post-mortem degeneration or spoilage) of tissues. Proper practice following necropsy is to fix (embalm) the tissue in freshly prepared neutral buffered formalin (solution) after slicing the organs and opening the respiratory and digestive tracts to permit penetration of the fixative to prevent autolysis."

"In a number of studies which we investigated at both Searle and Hazleton, loss of information through autolysis of tissues was substantial. While Searle's (written) submissions to FDA stated that animals were necropsied promptly after death, FDA investigators found that this was not always true; frequently animals were fixed in-toto (i.e., without opening up the various organ systems tracts and dissecting and slicing of organs) after opening only the thoracic and abdominal cavities and holding them for periods sometimes longer than a year before they were necropsied. Fixation in-toto is an unacceptable practice and its use by Searle had to contribute to tissue loss. At Hazleton, there was no evidence of fixation in-toto. However the unacceptably high incidence of autolysis, 14 percent in one study, indicates improper handling of the tissues."

"In the Aspartame (DKP) 115 week rat study at Searle 98 of the 196 (50 percent) animals that died during the study were fixed in-toto for periods ranging from 1 day to 1 year before they were necropsied. Of these, 20 animals had to be excluded from postmortem examinations because of excessive autolysis. Dr. K.S. Rao (of G.D. Searle & Co.) realized that Searle's procedures with regards to delays in necropsies were not proper. In a memorandum to Dr. McConnell dated July 13, 1973, Rao stated: "I realize animals which die during the study are the most critical ones to evaluate the (test) compound effects. Hence, our people are now ready to perform a complete autopsy of the dead animals. If there are any special instructions in handling the brain and spinal cord, please advise." (Exhibit R–64 to the Aspartame 115 week rat study). However, Dr. Rao did not write this memorandum until 78 weeks into this study (i.e., not until more than half of the time devoted to it has elapsed). Of the 20 animals in this study which had to be discarded because of excessive autolysis, 13 died prior to Dr. Rao's memorandum; the remaining 7 died subsequent to that memorandum, indicating that his recommendation for prompt necropsy was not followed. In fact, Searle's records show that only 3 of the 20 animals were necropsied on the day they were found dead. Similarly, in the . . . Aspartame 46 week hamster studies, a number of animals that died were fixed in-toto and necropsied at a later date."

(Page 55 at the top): "Searle had no formal training program for its prosectors (the technicians actually carrying out necropsies or gross post-mortem examinations of the carcasses and tissues of the experimental animals); its on-the-job training was minimal. An example of this is shown in the Aspartame (DKP) 115 week rat study where the necropsy of the animals was performed by Mr. Spaet. His written observations of gross pathology were later changed by Dr. Rudolph Stejskal, who was (designated as) the supervising pathologist on this study but who was *not* physically present during these autopsies (and, consequently, could not have verified the presence, absence or extent of the lesions observed and recorded by Mr. Spaet). When questioned by the investigators as to why he made these changes, Dr. Stejskal stated that Mr. Spaet was employed for only a few months and was encouraged to write down everything that appeared to be questionable or unusual. He also informed the investigators that Mr. Spaet sometimes used wrong terms in the description of his findings. The gross pathology observations submitted in the Food Additive Petition (to the FDA) were selected by Dr. Stejskal and represented his interpretation of Spaet's observations. Dr. Stejskal indicated if he could not confirm a gross observation microscopically, he would then omit the gross observation from his report. (Actually, failure to confirm a gross observation microscopically may not be due to the usage of a wrong term but simply due to a failure to collect for microscopic examination a representative part of a lesion actually present; therefore, what Dr. Stejskal may have very likely achieved here was to withhold from the attention of the FDA possibly real lesions in those experimental animals in which Aspartame was tested for safety.) . . . Had a professional (pathologist) been available to confirm Spaet's findings directly or to provide him with a practical on-the-job training during necropsies, then it would not have been necessary for Dr. Stejskal to have to change (perhaps improperly) or 'second-guess' Spaet's observations. Moreover, Mr. David Kie, a more experienced prosector, was also available during these necropsies and did some of the prosecting himself. Review of the gross pathology records disclosed that, in at least one instance, Dr. Stejskal omitted a statement made on the gross observation sheet by Mr. Kie."

(Page 57, paragraph 2): "Histopathology (the lesions manifest in any tissue by examination under the microscope) is an extremely important morphological indicator of the effects of an insult upon a tissue or cell. Careful preparation, cutting, slicing, mounting, staining, and interpretation of histologic slides from animal tissues to determine the changes occuring in test animals during the course of, and to some extent, as a result of the administration of a test substance to the animals, is crucial if the investigator is to glean valuable information from the experiment. Much valuable histopathologic information was lost in some of the studies which we investigated at Searle and Hazleton through preparation of poor quality slides which could not be interpreted by pathologists; inadequate numbers of acceptable quality slides of certain tissues upon which conclusions were based; and violations of protocol specifications which called for slides to be made of certain tissues for histopathological evaluation which was not done."

"In the Aspartame (DKP) 115 week rat study at Hazleton 3 tissues were noted on single animal sheets as having usual or unusual lesions and, yet, contrary to the protocol, slides were not prepared of this tissue for microscopic examinations. . . ."

(Page 60, paragraph 3): "Included in the report (by G.D. Searle & Co.) to FDA of the Aspartame hamster study is the report (of findings following examination of the) slides of several organs of one animal for which our investigators determined that slides were never prepared. . . . In the Aspartame 104 week rat study conducted at Hazleton, 5 animals were described as having tumors in the histopathological incidence table. A check of the slides and blocks (of tissue from which such slides must have been prepared) reveals that neither were present for the tissues in which the observations were made. Also at Hazleton, positive findings were reported by pathologists on 15 slides of this study but no record could be found that slides were ever made of these tissues. Since the investigation, Hazleton has attempted to determine the source of these errors relating to the tumor slides. The Task Force has received no report of Hazleton's findings."

"Part of the difficulty in attempting to identify precisely what tissues have been examined and what tissues have been reported to the FDA and to make a reasonable assessment of what happened in the conduct of the study, results from the lack of "original" postmortem work sheets or documents. Such instances include the Aspartame 115 week and 104 week rate studies; . . ."

"An example of one occurence which demonstrates the inadequacy of control between gross pathology and histopathology at Searle is available in a description of animal K23CF (an unexposed female animal) in the 115 Aspartame (DKP) rat study. This animal, a control female, was reported on gross necropsy as having a tissue mass of approximately 10x8x3 cm in the left inguinal region. A notation, in a different handwriting, made at the bottom of this gross observation records states, 'no (tissue) mass found in bottle (of fixative into which specimens of such tissue masses are to be placed so as to enable one to collect a sample of such masses for microscopic examination and characterization as to the nature of the mass)'. In the microscopic findings of this study the mammary gland is reported as having a 'necrotizing cystadenocarcinoma (a *malignant* tumor of the mammary gland); well differentiated.' Dr. Stejskal (the pathologist at G.D. Searle responsible for the pathology operations on this particular study) was asked how it would be possible for this mass to have been read microscopically when the technician responsible for preparing the slides indicated that the mass was not contained in the specimen bottle. (Note that by pretending that a control or unexposed animal manifested a malignant mammary tumor when in fact that animal did not have such tumor or even if it did, that tumor could not be found and therefore could not be confirmed to be a mammary gland cystadenocarcinoma, the significance of the incidence of such tumors amongst animals exposed to Aspartame has been improperly reduced). The pathologists's (Dr. Stejskal's) response, as reported by the investigators, was that, at the time the animals were sacrificed (i.e., killed so that their tissues could be dissected and examined) 'you should have seen things when this study was run—there were five studies being run at one time—things were a mess'."

(Page 62, paragraph 2): "Because of the serious consequences of teratogenicity (the ability of an agent on test to elicit developmental or birth anomalies in the newborn), assessment of the potential of a test substance on reproductive and developmental processes constitutes an extremely important phase in safety evaluation. The rapid rate of change in morphological, biochemical and physiological properties of the conceptus, the embryo, and the neonate presents special problems. Important considerations are selection of appropriate species, and absorption of test substance. The planning, performance and evaluation in this sphere requires a high degree of sophistication."

"The person responsible for most of the reproduction studies reviewed was apparently inexperienced in conducting studies of this nature and yet was given full responsibility at Searle with a title of Senior Research Assistant in teratology. His prior experience was one year's employment with the Illinios Wildlife Service where his work involved population dynamics of the cotton tail rabbit. When asked by the investigators during an interview what qualifications or training he had for conducting reproduction and teratology studies, he replied that shortly after his employment (began at Searle) he went to a meeting (lasting at most for a few days) of the Teratology Society and Searle provided him with any books on the subject he wanted. This individual was also responsible for the training and supervision of a research assistant and two technicians."

(Page 64 paragraph 3): "Review of 5 reproduction and teratology studies for Aspartame revealed poor animal husbandry practices and problems in the design of some of the studies. In a memorandum of October 19, 1972, from a Searle technician to Dr. Rao, with copies to his superior and to Dr. McConnell (of Searle), regarding the conception rate in the rabbit teratology study PT 1044S72, the author provided some possible reasons for the observed poor conception rate in the remaining animals following the death of 13 animals in this study. The memorandum includes statements regarding the poor physical condition of the animals when they were received by Searle, e.g., diarrhea; the lack of an adequate acclimatization period, e.g., 6 days instead of 3 weeks; breeding the animals before they were sexually mature, e.g., insemination at 96–116 days instead of 160–240 days and pseudopregnancies because of injection of hormone. The memorandum concludes with this paragraph:

" 'In view of the information that I have received, I feel the majority of the animals used for this study were sexually immature. Pseudopregnancy of some of the 27 rabbits may have also contributed to the lower conception rate. Some of these points were discussed at the beginning of this study, however we decided to go ahead as scheduled. Perhaps this information can be utilized in future teratology studies so that this type of problem will be eliminated.'

"A July 15, 1975, letter to Searle from one of its consultants on reproduction and teratology (Dr. Geoffrey Palmer from Great Britain) commented on the quality of the studies as follows: '. . . even following the track you did, it seems to me you have only confounded the issue by a series of studies most of which have severe design deficiencies or obvious lack of expertise in animal management. Because of the(se) twin factors, all the careful and detailed examination of fetuses, all the writing, summarization and resummarization is of little avail because of the shaky foundation.' "

(Page 66, paragraph 1): ". . . We conclude that Searle rarely monitored the performance of work done for it under contract (by other laboratories or institutions)."

(Page 66, paragraph 3): "Searle characterized the 52 week monkey study (with aspartame) by Dr. Waisman at the University of Wisconsin as a first priority with the Searle Company. Yet, to the investigators, Searle disclaimed any direct control in the study, despite the facts that the protocol (detailed specifications on precisely how the study is to be carried out) for the study was written by Dr. McConnell (of G.D. Searle & Co.) *after* Dr. Waisman initiated the study in January 1970; that frequent high-level communication took place between Searle executives and Dr. Waisman prior to and during the study; that Dr. Waisman was paid $15,000 by Searle for consultation on Aspartame; and that Searle provided Dr. Waisman with 200 grams of Aspartame to conduct the studies."

"While high-level communication between Searle management and Dr. Waisman, and knowledge of his activities (Waisman gave a seminar at Searle on his work in October 1970), is evident, there was virtually no effective monitoring of this work."

"From what can be inferred from an interview with Dr. McConnell on October 14, 1975, he had serious reservations about the quality of the study, but he then went on to indicate that, in the absence of hard data to substantiate his reservations, there was no way to set them down in written form in a submission to FDA (i.e., he gave no indication whatsoever to the FDA on such reservations as he said he had)."

(Page 80 at the top): "In the Aspartame 46 weeks hamster study, blood samples reported in the submission to FDA as 26 week values (for certain specified animals) were found by our investigators as being, in fact, values for different animals which were bled at the 38th week. Many of the animals for which these values were reported (to the FDA) were dead at the 38th week."

"In attempting to understand the entries in Table 8 of the Aspartame Food Additive Petition (submitted to the FDA by G.D. Searle & Co.) which described clinical chemistry values (Exhibit H-14 to the inspection report of the 46 week hamster study), the investigators interviewed Dr. K.S. Rao (of the G.D. Searle & Co.) on November 11, 1975, and asked him to clarify certain BUN (Blood Urea Nitrogen) values found in that table. After reviewing the table from the submission (to the FDA) and the original data (in G.D. Searle's own records of observations from which allegedly what was reported to the FDA originated), Dr. Rao replied in writing stating:

" 'It is apparent from the report, that the Appendix portion contains all the individual (animal) values of clinical lab data available from the raw data file. A selected portion of these values appears to have been used in computing group means (which were reported to the FDA). It is not clear what criteria may have been used for selecting a portion of the data or for deleting the others in computing the means (reported to the FDA).'

" 'For the above reasons, I cannot compute the means for the BUN values indicated (in the report submitted by G.D. Searle & Co. to the FDA) from the data available in the Appendix portion of the report.' "

"In the Aspartame 115 week rat study, the investigators point out data appearing on two tables, one in the raw data (in Searle's own files) and the other in the submission (by G.D. Searle & Co.) to the FDA. It is impossible to determine how some of the values in the submission were arrived at, although in two instances the submitted values appear to be an average of the two values shown in the raw data, and in other cases, it appears that a single value was selected from the two values which appear in raw data. These findings appear on pages 10 and 11 of the inspection report of this study and in Exhibits R34 and R35."

Following these quotations from the Final Report of the Searle Task Force, it may be useful to relate here what happened in the Fall of 1975 following that investigation at G.D. Searle & Co., particularly in reference to the aspartame studies:

Inasmuch as only a very small fraction of the fairly large number of studies on aspartame carried out either by or for G.D. Searle & Co. could be audited by the investigators at that time, the decision was made by the FDA to have the original records maintained by G.D. Searle & Co. for the balance of those studies sealed in place at G.D. Searle & Co. so as to preserve their authenticity for a future date when they might also be audited.

In fact, however, the only additional audit as far as aspartame studies are concerned that was carried out by the FDA did not take place until April to August 1977, i.e., almost *two years* subsequent to the original audit. Even then, only three additional studies were audited: two of these were relatively minor ones on the embryotoxic and teratogenic potential for aspartame (one in the rat and one in the mouse) while the third one was the same long-term study in rats of 115 weeks with DKP that had already been investigated during the original audit in 1975. Aside from this, as far as I know, no additional efforts at auditing any other study on aspartame was made by the FDA despite the fact, as mentioned earlier, that a relatively very large number of studies with experimental animals have been conducted by or for G.D. Searle & Co. for this particular food additive.

This apparent refusal by the FDA to do what would have been the "right" thing to do in this case is even more difficult to comprehend if one considers additionally that.

In December 1975 i.e., as a consequence of the initial findings by the FDA on the reliability of the aspartame studies conducted by and/or for G.D. Searle & Co., the FDA decided to prevent aspartame from entering the market;

The findings during the 1977 audits not only confirmed those made in 1975 with respect to the lack of reliability of the studies of aspartame, but actually extended them in a substantial fashion;

Despite all this, the FDA refused to allow its findings on the reliability of the aspartame studies to be put before the Scientific Board of Inquiry concerning aspartame which had been convened following the request of Dr. John W. Olney of the Washington University School of Medicine in St. Louis, Mo. and Mr. James Turner, a Washington, DC attorney. This refusal took place even though the two gentlemen insisted that such concerns on the reliability of the two studies were directly related to the evidence (or lack of it) for the safety of aspartame;

Although largely as a result of the findings arising from the 1975 investigation at G.D. Searle & Co., the U.S. Congress appropriated an additional $16,000,000 or so to the FDA for the express purpose to do a better job at monitoring the quality of studies carried out by the regulated industry and although the FDA took this money and recruited a large number of investigators *allegedly to devote to this program*, other than the limited audits carried out in 1977 by the FDA with respect to aspartame, apparently nothing more in the way of such audits were carried out for this particular product. Therefore, most of the raw data that had originally been sealed by the FDA at G.D. Searle & Co. in 1975 were eventually unsealed and returned to the custody of G.D. Searle & Co., without any further attempts at validating the reliability of such reports as that firm had elected to submit to the FDA on the safety of aspartame.

This kind of track record on the part of the FDA does not seem to me to inspire much confidence that the health of the people of this country is in fact adequately protected by its regulatory activities.

As to what was uncovered as a result of the 1977 audit, you may recall that I had given you a copy of that particular EIR (Establishment Inspection Report); that 76-page document came to be known as the "Bressler Report" after the name of the leader of the team of investigators and scientists that participated in that particular audit, Mr. Jerome Bressler, an FDA investigator located in the Chicago District. A perusal of its contents reveals that the original (1975) findings with respect to the 115-week rat study with DKP, or diketopiperazine, a breakdown product of aspartame, were confirmed with respect to:

Discrepancies between what was found in G.D. Searle's own internal records on the circumstances of the conduct of this study and on the observational findings actually made and what was actually reported by that firm to the FDA with respect to:

—The presence of tissue masses likely to be tumors (e.g., animal No. F6HF;

—Grossly detected pathological changes in general for the experimental animals;

—Records of ophthalmoscopic examinations for those animals;

—The alive/dead status of each animal at any given time;

—The presence of certain microscopically evident lesions when the G.D. Searle & Co. records indicate that such findings could not possibly have been made since no such examinations were made;

—Problems with clinical laboratory determinations;

The multifaceted evidence for this study being flawed due to:

—Substitution of some of the animals in the study;

—The presence of intercurrent disease and the administration of drugs to combat this, neither of which were completely reported to the FDA;

—Incomplete examination of tissues from the experimental rats;

—Excision of tissue masses likely to be tumors from live animals in this study;

—Absence of batch records and records for the mixing of the test substance into the diet of the experimental animals;

—Incomplete stability studies for the agent on test;

—Absence of homogeneity studies for the agent on test;

—Deficiencies in the methods of chemical assay for the actual DKP that was mixed into the diet of the experimental rats;

—Problems with the dosage of DKP given to the experimental rats;

—Problems with the fixation in-toto and autolysis;

—Failure to report to the FDA of all tissue masses (likely to be tumors) which were found in the experimental rats;

—Failure to report to the FDA of all internal tumors present in the experimental rats, e.g., polyps in the uterus (Animal K9MF, ovarian neoplasms (Animals H10CF, H19CF, and H7HF) as well as other lesions (Animal D29CF);

—Inconsistencies between different parts of the report on this study submnitted by G.D. Searle & Co. to the FDA on the percise nature of the lesions manifested by the test rats;

—Numerous transcription errors in that report.

Interestingly, the Bressler group found not only that no homogeneity tests were conducted by G.D. Searle & Co. on the mixture of the test agent with the diet of the experimental rats, but they obtaned direct evidence that in fact the distrbution of the test agent in that diet was clearly not homogeneous due to failure to have the test agent ground in a sufficiently fine manner. A Polaroid photograph of a sample of that diet obtained by the investigative team actually shows the test agent in the form of coarse particles within the diet. It follows that the experimental rats could eat that diet without actually touching the DKP and, consequently, no-one could state with any assurance just how much DKP (if any) those rats were actually exposed to in the course of that study.

In sum, problems such as this leave rather gaping holes in the reliability of such tests of safety as were conducted by G.D. Searle & Co. not only in general with respect to any of their products, but more specifically with respect to aspartame itself. And yet, it seems as if none of this had inhibited in any way or restrained the FDA from approving this product for marketing in an extremely widespread fashion.

(b) The problem with the brain tumors noted in the experimental animals:

You may recall that amongst the material that I had given you there was a rather extensive prepared statement by Dr. Olney before the Scientific Board of Inquiry. I shall not comment here on the bulk of Dr. Olney's concerns on the safety of aspartame; rather I shall limit myself here to only one aspect discussed by him there—the matter of the tumors of the central nervous system of the exposed rats. This can be found in Part III of that prepared address of Dr. Olney's.

Table 1 of Part III in that presentation by Dr. Olney presents the pertinent data on this:—no animals with any brain tumors were noted amongst the 120 control or unexposed rats, 5 were found with brain tumors amongst the 160 rats exposed at the low level of aspartame (1-2 grams/kg. body weight) and 7 were found with brain tumors amongst the 160 animals exposed to the high rate of 4-8 grams/kg. body weight. These three rates represent incidences of respectively 0.00%, 3.13% and 4.38%.

The question that arises as soon as a distribution such as this is observed is quite simple:—did the agent on test, aspartame in this case, *cause* the brain tumors noted amongst the animals exposed to it, or rather can one view the occurence of such tumors only in the two groups of rats exposed to aspartame as merely a "chance" event, an occurence unrelated to their exposure status?

The usual way the FDA (and any other recognized scientific institution) answers this kind of question is to compute the probability that a distribution such as the one observed here can arise due to sheer chance; if it turns out that such probability is rather small (0.05 or 5%) the policy in scientific circles is to state that the result observed has achieved "high statistical significance". What this implies is that the probability of the incidences observed arising by chance alone (i.e., that they are *unrelated* to the agent on test) is so small (5% or less) that one would *not* be justified in concluding that the test agent was *not* a factor causing such incidences.

In other words whenever the results of an appropriate statistical test for significance yields a p (for probability) value equal to or less than 0.5 or 5%, *the policy in the FDA and in any other scientific or regulatory circles* is to regard the agent on test as being a *cause* of the increase in incidence of whatever kind of lesion is being evaluated amongst the exposed animals by comparison with the control incidence. I am saying, therefore, that whether the agent on test had in fact *caused* that particular increase in incidence is not a matter that is usually decided according the "opinion" of any scientist or group of scientists; it is not a matter that is put to some kind of "vote", or on which there must be some form of "consensus"; rather, the decision is made by the results of the test for statistical significance—the "p" value is either larger than 0.05 and one then views the results as *not* having achieved statistical significance, or it is 0.05 or less in which case one must conclude that the results *are* statistically significant i.e., that they are extremely unlikely to be due to chance alone.

The data on brain tumors amongst the rats exposed to aspartame that were presented by Dr. Olney in his Part III, Table 1, have been analyzed statistically by me and the following are the results of my computations:

Slope of dose-response function	0.005,891
Standard error of this slope	0.003,046
Chi square for significance of this slope	3.724
"p" or probability of this chi square	0.027

The entry in the last row above, p = 0.027, indicates that the results on the incidence of brain tumors that were tabulated by Dr. Olney, had in fact achieved rather high statistical significance since p = 0.027 is barely more than half p = 0.05.

In fact, the statistical significance that applies here is considerably larger yet if one considers that brain tumors amongst rats are ordinarily very rare. In his Table 2 of Part III, Dr. Olney presents the results of what he had gleaned from the world literature on this subject—the "historical control rate" for such tumors amongst large populations of rats indicates that no more than 49 animals afflicted with them have been found amongst nearly 60,000 rats, an incidence rate of less than one tenth of 1 percent.

Interestingly, the FDA seems to have a policy that whenever faced with decisions of this sort, it never fails to consider this aspect of the "historical control" incidence; a recent example of this can be given in their decision concerning the carcinogenicity or cancer-induction propensities of a number of color additives, a matter that arose as recently as last year. One cannot help wondering just why they failed to consider this particular aspect in reference to the cancer-induction of aspartame. Had they in fact addressed the "historical incidence" of brain tumors amongst rats as presented by Dr. Olney, they could not have failed to conclude what I have concluded:—that the significance that attaches to those tumors amongst the rats exposed to aspartame increases many-fold over the already high significance mentioned above when what was observed merely in this particular study is considered.

In view of all these indications that the cancer-causing potential of aspartame is a matter that had been established way beyond any reasonable doubt, one can ask:—What is the reason for the apparent refusal by the FDA to invoke for this food additive the so-called Delaney Amendment to the Food, Drug, and Cosmetic Act? Is it not clear beyond any shadow of a doubt that aspartame had caused brain tumors or brain cancer in animals, and is this not sufficient to satisfy the provisions of that particular section of the law?

Given that this is so (and I cannot see any kind of tenable argument opposing the view that aspartame causes cancer) how would the FDA justify its position that it views a certain amount of aspartame (50 mgm/kgm body-weight) as consituting an ADI (Allowable Daily Intake) or "safe" level of it? Is that position in effect not equivalent to setting a "tolerance" for this food additive and thus a violation of that law? And if the FDA itself elects to violate the law, who is left to protect the health of the public?

(c) Precisely how safe is the FDA's estimate of the Allowable Daily Intake (ADI) of 50 mgm/kgm body-weight for aspartame?

Even though the FDA seemingly declined to apply the provisions of the Delaney Amendment in this case, they could have still elected to subject the data on brain tumors to a formal Risk Assessment or Risk Analysis; this is a procedure on which they have a regulation and FDA policy is to carry out such formal Risk Assessment in the case of suspected carcinogenic agents which find their way into human food through exposure to them by food-producing animals. In other words, this is not some kind of technique that would be new or unfamiliar to that regulatory agency. And yet, it appears that either that specific procedure was not attempted at all in the FDA as far as aspartame is concerned, or, if attempted, its results were set aside or ignored.

In this section I shall present the results of my own computations involving the risks of brain tumors; the specific set of data analyzed has been given in the previous section here—the incidences of such tumors as tabulated by Dr. Olney in his presentation before the Scientific Board of Inquiry with respect to aspartame.

The first item to be considered is that if one wishes to extend safety data from small laboratory rodents such as rats to much larger mammals such as humans, the exposure rates expressed in grams per body-weight must be modified or corrected by a certain adjustment.

The reason for this is that relatively small animals have, per unit body-weight or mass, a much larger body-surface. It is well known that most metabolic functions are better related to body-surface than they are to body-weight. For example, if one were to provide general anesthesia, say, for an elephant, and one were to select the same dose in mgm/kgm body-weight of a general anesthetic which is used in humans, chances are excellent that the animal will promptly die due to a drug-overdose; the reason for this is the same—for a given unit of body-weight, the elephant has a much smaller total surface area than the human and, therefore, a much lower tolerance for any drug given on a basis of body-weight.

The usual adjustment aimed at correcting this problem is to find what dose in humans is equivalent to a certain dose given to rats (expressed in grams per kgm body-weight). In the particular study of Searle where the brain tumors were found, the average adult weight of male rats was 506 gms. and that for female rats was 331 gms, for an average weight for the two sexes of 418.5 gms. A 60 kgm adult human is "worth" on a weight or mass basis 60,000/418.5=143.37 such rats. On a body-surface basis, however, that same 60 kgm. human would be "worth" only the two-thirds power of 143.37 i.e., only 27.39 rats of an identical average weight. Thus, in order to have equivalence between humans and rats, doses expressed in grams/kgm body-weight for the rate must be divided by the one-third power of 143.37 i.e., by 5.23. It is clear that 5.23 × 27.39 is 143.37, the ratio of the body-weights for the two species.

The formal risk assessment was carried out by utilizing two separate techniques: one was the Mantel-Bryan approach (also known as the log-probit method) while the other was the so-called One-Hit procedure. The latter is defined as $P(d)=1-\exp(-\lambda d)$ where P stands for probability, d for dosage, exp(i) indicates e, the wellknown mathematical constant, 2.718, raised to the power of $-\lambda$, and λ stands for a constant to be estimated from the observed experimental results.

The Mantel-Bryan procedure, published nearly a quarter century ago in 1961 in the Journal of the National Cancer Institute (Vol. 27, page 455, under the title "Safety

Testing of Carcinogenic Agents") represents the first rational and formal approach at risk analysis; in the time elapsed since its publication it has gained extremely widespread recognition and acceptance. Such regulatory agencies as the FDA and the EPA use it routinely in their risk assessment procedures inasmuch as it is being generally regarded as a "classic" method.

I have used here both of these extrapolating techniques with a confidence interval of 90 percent, and in either case the Abbott Correction was utilized.

The table that follows presents the "virtually" safe levels of aspartame expressed in mgm/kgm body-weight corresponding to a variety of upper limits on the risk with the data derived, as explained, from the observations on brain tumors in rats as tabulated by Dr. Olney. The results for each of the two methods of extrapolation (the log-probit and the one-hit procedures) are presented for either rats or humans; as explained on the previous page here, the estimates for the human are 5.23 times smaller than those for the rat due to the necessary correction for the relative body-surface of the two species.

RESULTS OF THE FORMAL RISK ASSESSMENT

[Based on data for brain tumors in rats]

Extrapolating procedure: Upper limit on brain tumor risk	"Virtually safe" levels of aspartame expressed in mgm/kgm body-weight			
	Mantel-Bryan or log-probit method		One-hit method	
	For rats	For humans	For rats	For humans
1/100,000,000	0.380	0.072,6	0.000,731	0.000,140
5/100,000,000	0.733	0.140	0.003,66	0.000,699
1/10,000,000	0.983	0.188	0.007,31	0.001,40
5/10,000,000	2.00	0.382	0.036,6	0.006,99
1/1,000,000	2.74	0.524	0.073,1	0.014,0
5/1,000,000	5.95	1.14	0.366	0.069,9
1/100,000	8.45	1.61	0.731	0.140
5/100,000	20.0	3.82	3.66	0.699
1/10,000	29.7	5.67	7.31	1.40
5/10,000	79.6	15.2	36.6	6.99
1/1,000	126	24.1	73.1	14.0
5/1,000	412	78.7	366	69.9
1/100	733	140	735	140

Examination of the entries in the table just above reveals that for very small upper limits on the risk, the one-hit procedure yields estimates much smaller than those generated by the log-probit method: For an upper limit on the risk as small as 1/100,000,000, the one-hit estimates are some 520 times smaller than the corresponding ones resulting from the log-probit approach. However, for larger upper limits on the risk, this difference between the two kinds of estimates gradually disappears—thus, for an upper limit on the risk as high as 1/100 the estimates generated by each of these two separate methods of extrapolation appear to be virtually identical.

If we now wish to enquire on the upper limit for the brain tumor risk associable with 50 mgms/kg body-weight for aspartame (the level that the FDA views as constituting an Allowable Daily Intake or ADI), we may consult the table on the previous page here; 50 mgms/kg body-weight for humans would fall between the entries in the third-last and the second-last row in that table; the upper limit on the risk would, therefore, be between 1 and 5 per thousand population for each of the two extrapolating procedures. More exact interpolation would yield for 50 mgm/kg body-weight for humans (equivalent to 261.69 mgm/kg body-weight for rats) an upper limit on the risk of 2.27/1,000 population under the log-probit kind of extrapolation and 3.57/1,000 population for the one-hit kind.

It is clear that risks of this magnitude for what the FDA regards as a "safe" level of exposure to aspartame represent an outright calamity or disaster. In fact, were the Allowable Daily Intake of aspartame be only *one-tenth* as large as decreed by the FDA, i.e., in the neighborhood of merely 5 mgm/kgm body-weight, the table on the previous page reveals the upper limit on the brain tumor risk would still be as large as approximately 1/10,000 population for the log-probit method and almost 5/10,000 population for the one-hit procedure, both of which would seem to me to be clearly and totally unacceptable. Even if the FDA's ADI were one-hundred times smaller (i.e., no more than 0.5 mgm/kgm body-weight) the upper limit on the brain tumor risk can be seen in the table on the previous page here to be approximately between 1 and 5/1,000,000; considering the widespread consumption of soft-drinks containing this food additive in this country alone, I should think that even this would represent a rather high risk.

This concludes my remarks that were briefly summarized near the bottom of the first page of this communication.

I should add here that the views given above are strictly my own and that they do not represent in any way those held by the U.S. Environmental Protection Agency where I am currently employed; that agency has no regulatory jurisdiction or interest in food-additives such as aspartame.

Wishing you and Senator Metzenbaum the very best and continued success in all your legislative efforts, and particularly those that involve aspartame, I remain, Mr. Wagoner,

Sincerely yours,

M. Adrian Gross,
Senior Science Advisor,
Benefits and Use Division,
Office of Pesticide Programs.

STATEMENTS FROM COMMUNITY NUTRITION INSTITUTE

A national organization, Aspartame Victims and Their Friends, Inc. was launched today at a Washington, D.C. press conference in which one of the organization's founding members announced that a lawsuit would be filed against G. D. Searle and Company, makers of aspartame under the trade name NutraSweet.

The organization, which is affiliated with the Aspartame Resource Center of the Community Nutrition Institute, a Washington-based consumer group, will be located in Ocala, Florida, and will operate a national telephone hot line.

A founding member of the organization, Mrs. Shannon Roth, Ocala, who recently lost vision permanently in one eye, said the onset of her blindness began with the use of NutraSweet and her vision deteriorated over a period of several months during which she consumed large amounts of the sweetener. Her loss of vision is linked to aspartame by her physician and other medical authorities.

Roth said she is filing a personal injury lawsuit against Searle in Florida, and that she is joining with several other members of "Victims" to file a personal injury claim against the Food and Drug Administration (FDA). James Turner, an attorney and consumer activist, said that an administrative petition is being filed with the Justice Department as the preliminary step toward the eventual personal injury lawsuit against FDA.

CNI's Executive Director, Rod Leonard, said the new organization would provide a link between aspartame users who have experienced adverse reactions and have suffered injury and economic loss. He described the symptoms which include grand mal seizures, severe suicidal depression, temporary and permanent blindness, menstrual problems and other severe disorders.

Leonard said that he and Turner also are filing a request with FDA to create a national surveillance program on aspartame complaints. He said FDA Commissioner Frank Young had told Senators John Heinz and Howard Metzenbaum that the agency is considering the establishment of a Clinical Adverse Reaction Review Committee on aspartame, including the orderly collection and transmission of reports from FDA field offices.

"The orderly collection and transmission of reports will be a charade," Leonard said, "unless the FDA also sends a memorandum to physicians, health clinics, psychologists, allergists and other specialists informing them of the plan by FDA to collect information on adverse reports." He and Turner said a national monitoring program must include notification of physicians.

Turner is also representing CNI and others in a legal action to require FDA to hold a public hearing to review the decision to approve aspartame for use in fluid products. The lawsuit, which is currently pending in the U.S. Circuit Court of Appeals, also asks the court to direct the FDA to suspend the authorization for aspartame as a food additive pending the outcome of the hearing.

COMMUNITY NUTRITION INSTITUTE,
Washington, DC, September 13, 1984.

Dr. FRANK E. YOUNG,
Commissioner, Food and Drug Administration, Rockville, MD.

DEAR MR. COMMISSIONER: This letter is a request for the Food and Drug Administration to establish and maintain a surveillance program to monitor the complaints of all consumers regarding aspartame, a sweetener product that is marketed as NutraSweet by Searle and Company. When FDA approved in July 1983 the use of aspartame in liquids, the agency was aware of health concerns expressed both by scientists (particularly the instability of the substance in liquids) and consumers and said it would monitor complaints.

However, no monitoring program was established until February, some eight months later, after we specifically requested that some action be taken by FDA to fulfill its July pledge. We proposed that the Centers for Disease Control be asked to make an epidemiological evaluation of the complaints, and we were subsequently informed that a monitoring program had been initiated—including a CDC evaluation.

We now have learned enough information to question whether an aspartame monitoring program ever has been, in fact, carried out by FDA. The evidence suggests that FDA has sought to avoid the collection and analysis of complaints, and has instructed regional offices to withhold data from its Washington headquarters.

For example, FDA has informed us and others that it has received some 680 complaints that were forwarded to CDC, with the implied conclusion that this is the total number of complaints. However, in discussions with the staff in the Freedom of Information Office (FIO) at FDA, we now learn that those complaints were all received prior to February or March of this year, and do not include any complaints received subsequently.

In addition, the FIO office said that regional FDA offices had been told that only "serious" complaints should be forwarded to FDA headquarters; and, for the guidance of regional office staff, a "serious" complaint

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is one in which the illness is severe enough to require the attention of a physician.

Thus, no effort has been made since April to determine the actual extent of consumer reactions to NutraSweet, or to analyze and categorize the complaints. In at least one regional office—located in Philadelphia—we understand that NutraSweet complaints filed since June have not even been examined.

We also had requested FDA early this year to notify physicians the agency was monitoring complaints of adverse reactions to aspartame, or NutraSweet. We were told that FDA had no intention of inviting physicians to send in reports of complaints. This attitude now seems self-serving on the part of an agency that instructs its field offices to forward only those complaints which have been filed by individuals who sought the counsel of their physician because of the severity of their reaction.

This also is a self-fulfilling argument for the basic FDA position that complaints about aspartame, or NutraSweet, have no pattern, and that all of them can be explained by the placebo effect—i.e., whenever any new product is introduced, it will be seized upon by the public as the source of their ailment. FDA has made no efforts to alert physicians to its need for information, but instead waits on consumers who seek medical advice about their complaints to make a special effort to alert FDA to the problem. Thus, FDA has consistently limited its knowledge as to whether a problem may or may not exist.

On the surface, FDA has made a gesture towards monitoring that the agency hopes will satisfy the public. In fact, the agency appears to want no information and is making no effort to acquire data on adverse reactions.

The material sent to CDC is meaningless, and no substantive conclusions can be drawn from an epidemiological assessment of data that has made its way through the indifference of public officials. The reports available to CDC are not reflective of the complaints that have been directed to FDA, nor do they represent a random selection of information from physicians.

This episode illuminates a darker problem within FDA and the procedures now employed in the regulation of food additives. Had aspartame been introduced as a drug, physicians would be routinely monitoring the reaction of their patients when prescribing the substance for use in weight control or for other special dietary purposes. The effects of aspartame, specifically the amino acid components, have been characterized by a number of scientists as the same as those of a drug. In approving the substance as a food additive, however, FDA has told physicians, in effect, that no adverse reactions should be expected; i.e., symptoms of aspartame use cannot be ascribed to the substance, according to the federal government.

The health consequences of aspartame have been a controversy of long standing within FDA. Over the 14 years prior to its approval, the agency had repeatedly examined the data on its health implications and could not make a declarative scientific finding that the substance is safe for use in the American food supply. Subsequent studies and further analysis of the data have served only to raise additional questions that preclude a finding that the product is safe. Only last week, for example, D. Jeffrey Bada of Scripps Institution in La Jolla, CA, found that potentially harmful chemical changes occur when NutraSweet is heated in liquid form. Your agency said it is reviewing the study "purely out of scientific interest," which is an odd reaction considering that the test performed by Dr. Bada should have been conducted by FDA before approving NutraSweet. In the face of this pattern of scientific controversy, which is further buttressed by the nature of the complaints of those consuming the substance, the least FDA should be doing is carefully monitoring the effects of aspartame on its consumers.

Thus far, FDA has spurned its responsibilities, and has no monitoring strategy. As the newly appointed Commissioner, you have the opportunity to take a more responsible stance than did your predecessor, and I urge you to develop and make public an effective and intensive surveillance program to monitor the health consequences of the consumption of aspartame. We stand ready to assist you in any way that we can.

Sincerely,

Rodney E. Leonard.
James S. Turner.

Statement of Richard J. Wurtman, M.D., Massachusetts Institute of Technology, to Senate Committee on Labor and Human Resources

Thank you for inviting me to comment on issues raised concerning the safety of aspartame when used as an artificial sweetener.

I am a physician, a research scientist, and a professor of neuroendocrinology and neuropharmacology at the Massachusetts Institute of Technology. For the past 15 years, much of my research has dealt with the effects of food constituents on the chemical composition of the brain, and on various brain functions and types of behavior. I have studied these effects in experimental animals, normal people, and people with brain disorders. My interest in aspartame derives from the fact that it contains two amino acids, phenylalanine and aspartic acid. Aspartame's consumption raises the levels of these amino acids in the blood stream, and one of them—phenylalanine—thereupon produces chemical changes in the brain. In 1980 I was invited to testify before the Board of Inquiry on aspartame, convened by the Food and Drug Administration, concerning the possibility that the aspartic acid in aspartame might do damage to the brain. I concluded then and continue to believe that there is no significant risk of toxicity from the aspartic acid in aspartame. Subsequently, however, I became concerned about risks that might result from the phenylalanine in aspartame, especially if—as seemed likely—the introduction of aspartame into soft drinks would increase the quantities that some people consumed beyond the FDA's consumption estimates (for example, on a hot day). My laboratory initiated pilot studies on this question about two years ago, and in July of 1984 we received a grant from the National Institute of Neurological and Communicative Diseases and Stroke to extend these studies.

I believe that the information now available about aspartame warrants the following conclusions about its possible effects on the brain:

1. When aspartame is consumed by laboratory rats in doses consonant with those sometimes ingested by people, it changes the chemical composition of the brain: It alters the brain's levels of some amino acids, and thereby affects the production and release of some of the neurotransmitters that the brain uses to carry signals from one nerve cell to another. These changes are enhanced when the aspartame is consumed along with a food that is rich in carbohydrate (as happens, for example, when someone eats a jelly sandwich or cookies or pasta along with diet soda). The changes in neurotransmitter release are likely to affect numerous brain functions (like the control of blood pressure, or the appetite) and aspects of behavior.

2. When normal human volunteers consume aspartame in doses that are high—but within the FDA's estimates of 90th percentile intakes—blood amino acid levels change in ways that almost certainly produce corresponding alterations in the chemical composition of their brains (especially if the aspartame has been ingested along with carbohydrate-rich foods). However the particular changes that occur in the human's brain are likely to be different from those occurring in the rat's. (This is because the rat's liver destroys the phenylalanine in aspartame very quickly, while the human's liver destroys the phenylalanine much more slowly. The predominant effect of aspartame on the human's brain is likely to be an increase in its phenylalanine levels; the predominant effect on the rat's brain has been shown to be an increase in its levels of tyrosine, another amino acid that is formed when the liver metabolizes phenylalanine.) Hence, while it seems likely that aspartame, in doses of sufficient size, will affect brain functions and behavior in people, the precise nature of its effects cannot necessarily be predicted using data from experiments on rats. It is necessary also to do functional and behavioral studies on people—normal people; people with metabolic disorders that impair their ability to metabolize phenylalanine; and people with brain disorders that might sensitize them to whatever changes in brain chemistry the aspartame might produce.

3. Such studies are essential before we can state categorically that aspartame does not affect the brain. However—in the absence of positive evidence that aspartame produces deleterious effects, their performance would not seem to be a prerequisite to the continued general use of aspartame. Of greater concern are the numerous anecdotal reports, written by consumers (and, in some cases, physicians), suggesting a relationship between their consumption of aspartame-sweetened foods and the subsequent appearance of various neurological and behavioral sequellae. A recent report prepared by the Center for Disease Control for the Food and Drug Administration summarized the contents of several hundred such letters; it concluded that the question of whether the sweetener can cause the signs and symptoms that have been ascribed to it can be resolved only by "controlled clinical studies" carried out in medical research centers. (In such studies, patients would alternately receive aspartame and a placebo, double-blind, while their physical condition was being carefully monitored.) I agree with the CDC and the FDA that it is imperative that such studies now be done. I also agree that, even though the evidence for a causal relationship (between aspartame consumption and subsequent behavioral or neurological symptoms, as described by some patients) is, in some cases, highly suggestive, such uncontrolled, anecodotal case reports provide an insufficient basis for limiting aspartame's use.

4. If aspartame does produce side-effects involving the brain, and if these side-effects result from the sweetener's phenylalanine content, then their production almost certainly requires that large amounts of aspartame—probably several grams—be consumed. The problem at present is that it is difficult if not impossible for the patient or his physician to know how much aspartame he has eaten or drunk. A can of diet soda is required to indicate that it contains aspartame, but nowhere on the can need it be stated how much aspartame it contains. I doubt that one consumer (or physician) in a thousand now realizes, for example, that a can of TAB provides less than one-fourth as much aspartame as a can of DIET-PEPSI or DIET-COKE. The unavailability of this information causes countless people to worry about aspartame who should not (because they consume only tiny amounts of it). Moreover it deprives consumers (or their physicians) of the ability to calculate how much aspartame they have drunk on days when they think the sweetener might have caused side-effects; and it deprives them of the opportunity to set reasonable limits on their aspartame intake. I believe it is essential that companies which include aspartame in their products be required to indicate on the labels (in readable print) how much of the sweetener is present in each can or serving. This simple change in labeling practice would, I believe, sharply reduce the number of consumers who believe without probable foundation that they have suffered aspartame related side-effects. Perhaps more importantly, it would also enable physicians to identify those patients who might really have had such responses, so that such people might then undergo controlled clinical testing.

Thank you again for giving me this opportunity to express these views.

Statement of Dr. Louis J. Elsas II

Thank you for your inquiry regarding the Phenylalanine containing sweeteners Nutrasweet, Aspartame, and Equal. All are dipeptides composed of two amino acids, aspartate and L-Phenylalanine. The following are responses to several inquiries like your own.

First let me allay your anxieties by saying that there have been no documented side effects from L-Phenylalanine-containing sweeteners.

1. I have no insight into alleged "victims" of aspartame, but suggest that after eating or drinking aspartame-containing food stuffs and while symptomatic, the blood concentrations of L-Phenylalanine be quantiated. Inquire where and how from your local physician or University medical center. Human biochemical geneticists usually can provide this service. A comparative repeat sample should be quantitated when symptoms are no longer present.

2. From my own and others studies, high blood concentrations of L-Phenylalanine are harmful to human brains in at least three situations:

a. In older than 6 months old children and adults with mature brains high blood concentrations will prolong performance time, slow brain wave cycles (EEG) and reduce neurotransmitter production in a reversible manner.

b. In newborns to 6 months old with rapidly growing brains elevated blood phenylalanine produces irreversible brain damage by slowing migration of oligodendroglia (brain cells) and altering myelin (nerves' insulation) formation.

c. In pregnancy, if the mother's blood phenylalanine is raised to high concentrations, her child's brain development can be irreversibly damaged.

No one has determined "how high" the blood phenylalanine must be elevated to produce any of these bad effects under any of these conditions or age groups. It has not been proven that "all people can take as much aspartame without fear of ill effects as they desire." In fact there are many genetically susceptible people: affected patients with phenylketonuria (about 20,000) and their asymptomatic parents (about 4,800,000 based on a U.S. Population of 240,000,000) who should not take unlimited amounts of aspartame until this information is available.

Several clinical investigators and organizations such as the Centers for Disease Control and the American Academy of Pediatrics are deciding on how to address these issues. In the interim I would suggest moderation particularly if you are pregnant, breast feeding or have had symptoms directly related to ingesting phenylalanine-containing sweeteners.

Biochemical and Neuropsychological Effects of Elevated Plasma Phenylalanine in Patients With Treated Phenylketonuria

(A Model for the Study of Phenylalanine and Brain Function in Man)

ABSTRACT

Phenyletonuria provides a human model for the study of the effect of phenylalanine on brain function. Although irreversible mental retardation is preventable through newborn diagnosis and dietary phenylalanine restriction, controversy exists regarding the effects of increased concentrations of phenylalanine in older patients. We have studied ten older, treated, phenylketonuric patients using a triple-blind, multiple trials, crossover design. Each patient was tested at the end of each of three 1-wk periods of high or low phenylalanine intakes. Tests included a repeatable battery of neuropsychological tests, analysis of plasma amino acids, and measurement of urine amino acids, phenyl organic acids, dopamine, and serotonin. In all 10 patients, plasma phenylalanine rose (900—4,000 μM). In 9 of 10 patients there was an inverse relationship between plasma phenylalanine and urine dopamine excretion. When blood phenylalanine was elevated, these patients had prolonged performance times on neuropsychological tests of higher but not lower integrative function. Urinary serotonin fell during phenylalanine loading in six patients. The concentration of phenylacids in the urine was not proportional to the plasma phenylalanine at concentrations below 1.5 mM. In one patient, neither performance time nor dopamine excretion varied as blood phenylalanine rose or fell. We interpret these data as follows: blood phenylalanine above 1.3 mM impairs performance on neuropsychological tests of higher integrative function, this effect is reversible, and one mechanism may involve impaired biogenic amine synthesis.

INTRODUCTION

Nearly a half-century ago Folling (1) attributed a syndrome of mental retardation and aberrant behavior to an inherited metabolic error. Since then, phenylketonuria (PKU)[1] has been the prototype for investigations of the effect of phenylalanine on central nervous system function in man. It is clear that if plasma phenylalanine is normalized before age 3 wk through dietary restriction of phenylalanine irreversible mental retardation is prevented (2). The mechanisms of producing this permanent structural damage remain unclear, but several hypotheses have developed. Decreased or abnormal myelin formation and/or impaired oligodendroglial migration during the first 6 mo of postpartum brain development are the most probable mechanisms.

Controversy persists regarding possible effects of elevated phenylalanine on brain function when development is nearly complete in older, treated patients with PKU. Whether or not elevated concentrations of phenylalanine disturb central nervous system function in these patients is unknown. Since ~1 in 16,000 Caucasian newborns (Georgia statistics) is affected with PKU, and effective newborn screening has prevented permanent brain damage since 1970 in the newborn screenee, an answer to the question of whether high plasma phenylalanine affects mental function becomes more urgent for this accumulating population.

Silverman and Guthrie (unpublished observations) approached the question by administering one loading dose of phenylalanine to control subjects, heterozygotes, and homozygous affected patients with PKU and compared errors in response time among the three groups. Their results suggested a difference among the three groups which related directly to the concentrations of plasma phenylalanine achieved.

In 1980, Waisbren et al. reviewed the available literature on psychological assessment of children after termination of phenylalanine/restricted diets. Results were mixed, some showing a drop in IQ and other achievement test scores and others showing no change. Numbers of patients, study design, and assessment tools varied greatly among the reports. The PKU Collaborative Study began a prospective study in 1967. Results of achievement tests (Stanford Binet. Wechsler Intelligence Scale (WISC), Wide Range Achievement Tests [WRAT]) on 81 children, 38 of whom had continued the diet beyond 6 yr of age and 43 of whom had discontinued at 6 yr of age, were reported in 1982. Results at 8 yr of age showed slightly lower achievement in reading and spelling in the discontinuers. No significant difference in IQ between the groups was observed after this 2-yr interval. Brunner et al. in a recent study (1983) reported a negative correlation between performance on neuropsychological tests and serum phenylalanine concentration on the day of testing in a group of early treated patients age 6–13 yr. Neither of these studies used the patient as his/her own control Interindividual variation, differences in phenylalanine concentrations achieved and in techniques used by collaborating centers have hindered interpretation of results.

In in vitro systems, phenylalanine influences the synthesis of two biogenic amines, dopamine and serotonin, which are critical compounds in neurotransmission. Both tyrosine-3-hydroxylase (E.C.C.1.14.16.2) and tryptophan-5-hydroxylase (E.C.C.1.14.16.4) are rate-limiting enzymes in the synthesis of dopamine and serotonin, respectively, and are competitively inhibited by phenylalanine at millimolar concentrations. Another potential inhibitory effect of phenylalanine on biogenic amine synthesis is through impaired uptake of tyrosine and tryptophan across the blood-brain barrier. Phenylalanine, tyrosine, and tryptophan share the same transport system and compete for a common transport function at physiologic concentrations. Since transport of amino acids across the blood-brain barrier is the rate limiting step in the movement of amino acids from plasma to brain, and since their plasma concentration is near saturation of their transporter proteins, increased concentrations of plasma phenylalanine could limit the transport of tyrosine and tryptophan and thus their availability to the brain cell membrane for neuropeptide synthesis or conversion to biogenic amines.

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[1] *Abbreviations used in this paper:* PKU, phenylketonuria: WISC, Wechsler Intelligence Scale; WRAT, Wide Range Achievement Tests.

The current study compares specific neuropsychological tests with changes in plasma phenylalanine and biogenic amine production in young adults and older children with PKU. Although the dopamine excreted in the urine is a reflection of multiple sources of dopamine synthesis, we chose to measure urine dopamine, since it reflects 24-h production of the amine, not an acute level, and becuse urine collection is a noninvasive method of obtaining biologic fluids. Assessment is made of competitive inhibition by phenylalanine of tyrosine and tryptophan transport by kidney tubule. We use a triple/blinded, crossover, clinical protocol to circumvent the influence of individual variations in this disorder.

METHODS

Study design. 10 patients with PKU, aged 6–24 yr, were admitted on a 21-d protocol to the Emory Univeristy Clinical Research Facility. Informed consent was obtained from adult patients or from the parents of patients <21 yr of age. Each patient served as his or her own control. Each patient was admitted on one of two double crossover protocols and five were studied in each protocol group. Either the patient entered on a low dietary phenylalanine which was increased the second week and decreased the third week (low-high-low) or in the reverse pattern (high-low-high). Patients equilibrated for 7 d after each change I dietary phenylalanine. Past plasma concentrations of phenylalanine on known intake and genotyping of parents were used to determine the amount of phenylalanine added to patient formulation for restriction and loading (23,24). Patients whose entering concentration of plasma phenylalanine was high either because of poor control or because of diet discontinuation for several years were on the high-low-high protocol. Five other patients who had been in consistently good dietary control entered the study on the low-high-low protocol.

The study diet was based on Phenylfree or Lofenalac as a phenylalanine-free amino acid source. A specified amount of tasteless I-phenyulalanine was added to the formula during the loading phases. The study was triple-blinded: neither the patients nor their parents could taste the difference in formula and were unaware of their experimental condition: the psychologist administering the neuropsychologic tests was uninformed of the patients' blood phenlyalanine concentration; and the laboratory personnel performing amino acid, organic acid, and amine analyses did not know the condition under which sample were obtained.

Biochemical tests. Blood and urine samples were obtained on all patients at the beginning of the first week as a baseline and at the new equilibria achieved at the end of each 7-d interval.

Plasma and urine amino acids were analyzed by ion exchange chromatography on the Beckman model 119 CL using lithium buffers (Beckman Instruments Inc., Palo Alto, CA). Because tryptophan is somewhat labile in extraction from blood, recovery of "spiked" standards from whole blood and urine was quantitated to determine losses. In the physiological ranges measured from 50 to 200 μM, recovery was 82–90% efficient. Data are presentred normalized to an internal standard without correction for these specific losses which are in the range for the internal standard, *S*-2-aminoethyl-L-cysteine.

Dopamine assays were performed using the single isotope radioenzymatic assay developed by Peuler and Johnson. This method used catechol-o-methyl transferase from rat liver to transfer a radioactive methyl group from *S*-adenosyl methionine to catecholamine, forming methyl catecholamine derivatives which were then characterized by radiochromatographic analysis. The assay was sensitive in urine to 120 pg/ml for dopamine.

Serotonin was determined by a radioimmunoassay developed by Peskar and Spector (26) using rabbit antibody prepared by coupling serotonin to bovine serum albumin. The antibody bound 50 percent of ^{3}H-serotonin in the absence of free serotonin. Less than 1 ng of free serotonin was detected by standard displacement methods.

Urine organic acids were analyzed by gas chromatography on a HP 5992 gas chromatograph/mass spectroscope and quantitated on a HP 5790 gas chromatograph. Organic acids were extracted with ethyl acetate and ether and derivatized with trimethylsilane and *bis*-(trimethysilyl)trifluoracetamide (27). The level of sensitivity for phenylacids in urine was ~5 μg. Specific recovery of phenylacetic, phenyllactic, and phenylpyruvic acids were 68, 91, and 58 percent, respectively. All calculations are corrected for these losses by parallel external and internal standards used during extraction, derivatization, and quantitation.

Renal clearances were calculated for phenylalanine, tyrosine, and tryptophan, from timed 24-h urine collections and midpoint plasma collections. Both specimens were quantitated for concentrations of amino acids and creatinine. The glomerular filtration rate (GFR) was calculated from the creatinine clearance, as were the rates of a specific amino acid filtration, excretion, and reabsorption using the following formulation: $F_{AA} = GFR \times P_{AA}$, $E_{AA} = U_{AA} \times V$, $T_{AA} = F_{AA} - E_{AA}$, where U was urinary amino acid concentration in mg-ml, V (urine volume) in ml/min, and P_{AA} the plasma amino acid concentration in mg/ml. The F_{AA} (filtered aminoacid), E_{AA} (excreted aminoacid), and T_{AA} (reabsorbed aminoacid) were expressed in mg/min. Percent reabsorption was calculated as $T_{AA}/E_{AA} \times 100$.

Neuropsychological tests. Measurements of general intelligence and achievement were based on the Wechsler Intelligence Scales. (The Wechsler Adult Intelligence Scale for adults and the WISC for children) and the WRAT. To determine the influence of phenylalanine concentrations on neuropsychological performance, a repeatable battery of tests was developed and administered as a baseline on admission to the study and at the end of each 1-wk treatment period. A confounding variable inherent in tests given multiple times is subject learning. Two procedures were incorporated in the study design to reduce the artifacts due to learning. For one group of test (type 1, Table I), the subject was allowed to practice the task until the asymptote of the learning curve was reached. Any changes in performance after becoming maximally competent with the task then reflected experimental manipulation of the patient. This procedure would not eliminate learning artifacts from a second group of tests (type 2, Table I). Because of this limitation, equivalent forms of this latter group tests were developed to be given at the end of each of the experimental conditions. Table I lists the test names and the neuropsychological variables they measured.

Interpretation of data. Data are arrayed for all subjects in tabular form (Tables II, III, IV, and V) to emphasize intraindividual differences because of the wide interindividual variability in age, sex, intellectual competence, and phenylalanine requirements. From these tables, individual differences and choice reaction time and the direction of change between the two dietary conditions are calculated and plotted against changes in plasma phenylalanine during the same intervals in Figs. 2 and 3.

TABLE 1.—NEUROPSYCHOLOGICAL TESTS USED AND THE VARIABLES MEASURED BY THEM

[illegible]	Type [1]	Age [2]	Variables
Tests of higher integrative function			
Choice reaction time:			
Figures	1	[2] 6	Visual-perceptual discrimination and associated latency
Letters	1	[2] 6	
Rhyme	1	[2] 6	
Trails B	2	[2] 8	Complex visual-motor coordination. Maintaining a set. Following instructions.
Digit span	2	[2] 8	Short term auditory memory Concentration.
Benton visual retention	1	[2] 8	Visual memory.
Buschke-Morgan	2	[2] 8	Attention Short term auditory memory.
Symbol digit	2	[2] 6	Visual-motor speed. Concentration.
Tests of lower integrative function			
RAN	2	[2] 6	Verbal visual integration.
Trails A	2	[2] 6	Visual-motor coordination.
Grooved pegboard	1	[2] 5	Visual-spatial-tactile coordination Visual-motor speed.
[illegible]	1	[2] 5	Fine motor skill.

[1] 1. A test which can be repeated over several testing sessions. 2. A test which cannot be repeated and must be presented as equivalent forms over several testing sessions.

[2] The age listed in years plus greater ages.

Patient profiles and study design. Age, sex, IQ, and achievement scores for all patients are listed in Fig. 1. Each patient was given a symbol which was used in subequent graphs. IQ scores below 85 in A.S. and K.K. were explained by their late diagnoses and treatment at 5 and 18 mo of age, respectively. K.K. is the older brother of T.K. Both D.A. and W.J. were diagnosed and treated before 3 wk of age and both had IQ scores which were consistent with parental scores (D.A.'s parents' scores were 103 and 83; W.J.'s were 88 and 70).

Biochemical results. Plasma and urine amino acid and urine organic acid concentrations are presented for all patients in Table II during each of the three experimental conditions. The level of dietary phenylalanine was calculated from actual intake in the Clinical Research Facility, Emory University. The time interval of 7 d required for stabilizating the plasma phenylalanine concentration on a constant diet was determined by sampling one subject daily. A new plateau of blood phenylalanine concentration was achieved on the sixth to seventh day after each diet change. The plasma phenylalanine reflected the diet changes, and the relationship between

intake and plasma concentration demonstrated interindividual variation between ingested phenylalanine ranging from 36 to 130 mg-kg per d and plasma phenylalanine concentration ranging from 800 to 4,400 μM.

Urinary phenyl acids are not detected in the urine of normal subjects. Four of the five patients who were on the High-low-high protocol and had not recently been on restricted phenylalanine intake were exreting large amounts of phenylpyruvate and phenyllocate at the end of the first week of high phenylalanine intake. Excretion of both fell dramatically after 1 wk of restricted phenylalanine intake. However, excretion reached the original high levels at the end of the third week (high dietary phenylalanine). In the low-high-low group who had been on continuous dietary control before entry into this study, excretion of organic acids never reached the high levels of the other group despite comparable plasma phenylalanine levels. In general, <50 mg of phenylacids per gram creatinine were excreted until the plasma phenylalanine rose above 1,500 μM. Those with the highest plasma phenylalanine did not consistently excrete the greatest amount of derived organic acids.

The results of dopamine and serotonin excretion are arrayed in Table III. Results were normalized to creatinine excretion. Interindividual variation in dopamine excretion was great. In general, the patients who were on the low-high-low protocol and had been on consistent dietary management before the study achieved higher levels of dopamine excretion than did those patients in the high-low-high group who were not well controlled immediately before the study. This kind of separation was not seen for serotonin excretion. Changes in dopamine excretion varied inversely with changes in plasma phenylalanine in 9 of 10 patients. The inverse relationship of changes in plasma phenylalanine concentrations and urinary dopamine excretion are graphed in Fig. 2. Solid symbols represent patients on the high-low-high protocol. Open symbols represent patients on low-high-low protocols. Results from all patients cluster in quadrants I and III regardless of the protocol (high-low-high or low-high-low) where quadrants I and III circumscribe an inverse relationship between plasma phenylalanine and urinary dopamine concentrations. Symbols in quadrant I show an increase in urine dopamine with decrease in plasma phenylalanine, those in quadrant III show a decrease in urine dopamine with an increase in plasma phenylalanine. Serotonin excretion did not vary directly with changes in phenylalanine.

TABLE II.—EFFECTS OF DIETARY MANIPULATION OF PHENYLALANINE (PHE) ON CONCENTRATIONS OF PHE, TYROSINE (TYR), AND TRYPTOPHAN (TRP) IN PLASMA AND URINE AND ON EXCRETION OF THREE ORGANIC ACIDS

Patient	Wk	Dietary PHE (mg/kg/d)	Plasma PHE (μM)	Plasma TYR (μM)	Plasma TRP (μM)	Urine PHE (mg/g creatinine)	Urine TYR (mg/g creatinine)	Urine TRP (mg/g creatinine)	Urine organic acids (mg/g creatinine): Phenylpyruvate	Phenylacetate	Penyllactate
B.R.	1	36	1,255	[illegible]	[illegible]	192	16	4.6	68	np	203
	2	4	252	[illegible]	[illegible]	[illegible]	8.5	2.4	28	np	[illegible]
	3	[illegible]	797	[illegible]	46	[illegible]	7.1	10.7	35	np	21
W.J.	1	[illegible]	1,790	[illegible]	24	155	6	2	[illegible]	150	950
	2	7	[illegible]	26	[illegible]	[illegible]	6	[illegible]	17	[illegible]	37
	3	105	1,303	29	[illegible]	375	7	16	1,057	377	872
K.K.	1	82	2,317	37	34	[illegible]	[illegible]	[illegible]	[illegible]	87	1,233
	2	7.5	1,426	24	[illegible]	114	[illegible]	7	55	38	87
	3	[illegible]	3,296	[illegible]	[illegible]	[illegible]	[illegible]	10	1,126	103	2,143
T.K.	1	74	2,058	28	42	850	14	37	787	128	1,179
	2	8	753	[illegible]	63	88	[illegible]	3	[illegible]	63	56
	3	74	2,647	35	[illegible]	313	[illegible]	[illegible]	1,217	152	1,776
A.S.	1	[illegible]	[illegible]	33	[illegible]	[illegible]	[illegible]	20	877	79	689
	2	8	441	22	45	74	[illegible]	[illegible]	[illegible]	[illegible]	23
	3	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	15	894	[illegible]	515
D.A.	1	10	[illegible]	[illegible]	117	[illegible]	[illegible]	3	13	1	[illegible]
	2	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	179	71	[illegible]
	3	10	1,632	[illegible]	113	44	5	2	34	[illegible]	[illegible]
M.B.	1	17	[illegible]	[illegible]	[illegible]	38	[illegible]	[illegible]	nd	[illegible]	15
	2	94	1,549	57	[illegible]	[illegible]	14	3	69	84	110
	3	[illegible]	[illegible]	[illegible]	63	[illegible]	6	7	34	5	71
M.F.	1	19	[illegible]	37	68	13	5	7	12	[illegible]	12
	2	95	1,402	[illegible]	[illegible]	195	13	19	15	175	[illegible]
	3	18	[illegible]	28	[illegible]	[illegible]	[illegible]	17	[illegible]	[illegible]	[illegible]
M.K.	1	[illegible]	[illegible]	[illegible]	[illegible]	112	25	14	19	[illegible]	50
	2	130	[illegible]	[illegible]	[illegible]	367	[illegible]	11	[illegible]	130	751
	3	[illegible]	577	47	41	94	[illegible]	[illegible]	9	58	45
T.W.	1	17	352	45	[illegible]	48	[illegible]	26	nd	[illegible]	[illegible]
	2	[illegible]	[illegible]	32	[illegible]	509	15	32	464	273	450
	3	15	[illegible]	32	[illegible]	[illegible]	7	[illegible]	[illegible]	[illegible]	[illegible]

Np, not processed; Nd, none detected. Data are single measurements. The space between patients A.S. and D.A. separates the patients on the high-low-high protocol above from those on the low-high-low protocol below.

Studies of membrane transport. To explore the possibility that increased concentration of phenylalanine might competitively inhibit tyrosine or tryptophan uptake by the only plasma membrane transport function available for study in children, we quantitated their renal tubular transport. Renal tubular reabsorption data were obtained on eight patients under these conditions of phenylalanine loading and are presented in Table IV. Phenylalanine did not inhibit tyrosine reabsorption by renal tubular epithelium at the levels of filtered phenylalanine reached in these patients. At the highest rate of filtered phenylalanine (45 mg/min/M2 in patient A.S.), we observed no less than 99% reabsorption of tyrosine. Maximum renal uptake of tryptophan was also seen at these filtered loads of phenylalanine. These findings differ from earlier results reported by Lines and Waisman, who reported a generalized aminoaciduria in PKU patients and suggested the possibility of competitive inhibition of reabsorption by high filtered loads of phenylalanine. However, their data were not adjusted for surface area. Our data for renal tubular transport provide negative evidence for a significant effect of phenylalanine on tyrosine uptake in the proximal renal tubule at the same time that dopamine excretion is reduced. Whether or not the lack of effect of increased phenylalanine reabsorption of amino acids in the proximal renal tubule is an appropriate reflection of transport across the blood-brain barrier is not known. Evaluation of blood-brain barrier transport using invasive techniques is not ethical in healthy children. Nuclear imaging techniques may be useful in the future.

TABLE III.—EFFECTS OF DIETARY MANIPULATION OF PHENYLALANINE (PHE) ON THE EXCRETION OF DOPAMINE AND SEROTONIN

Patient	Week	Dietary PHE (mg/λg/d)	Plasma PHE (μM)	Urine volume (ml/24 h)	Urine dopamine (μg/gm creatinine)	Urine serotonin (μg/gm creatinine)
B.R.	1	36	1.255	1.700	6	117
	2	4	252	655	166	204
	3	36	797	940	[illegible]	127

TABLE III.—EFFECTS OF DIETARY MANIPULATION OF PHENYLALANINE (PHE) ON THE EXCRETION OF DOPAMINE AND SEROTONIN—Continued

Patient	Week	Dietary PHE (mg/λg/d)	Plasma PHE (μM)	Urine volume (ml/24 h)	Urine dopamine (μg/gm creatinine)	Urine serotonin (μg/gm creatinine)
W.J.	1	[illegible]	[illegible]	[illegible]	16	151
	2	[illegible]	197	900	26	[illegible]
	3	105	1.303	955	[illegible]	1.273
K.K.	1	[illegible]	2.317	800	[illegible]	343
	2	7.5	1.426	[illegible]	[illegible]	324
	3	[illegible]	[illegible]	[illegible]	36	1.014
T.K.	1	74	[illegible]	[illegible]	41	[illegible]
	2	[illegible]	735	1.940	[illegible]	726
	3	74	2.647	1.724	73	370
A.S.	1	[illegible]	4.405	2.670	15	749
	2	8	441	[illegible]	51	[illegible]
	3	[illegible]	[illegible]	2.910	20	[illegible]
D.A.	1	[illegible]	668	970	[illegible]	512
	2	[illegible]	3.260	602	48	[illegible]
	3	10	[illegible]	405	192	442
M.B.	1	17	[illegible]	[illegible]	[illegible]	[illegible]
	2	94	1.549	[illegible]	39	234
	3	16	634	[illegible]	158	577
M.F.	1	19	199	570	26	[illegible]
	2	95	1.402	475	[illegible]	877
	3	18	[illegible]	820	[illegible]	1.070
M.K.	1	38	793	735	[illegible]	914

TABLE III.—EFFECTS OF DIETARY MANIPULATION OF PHENYLALANINE (PHE) ON THE EXCRETION OF DOPAMINE AND SEROTONIN—Continued

Patient	Week	Dietary PHE (mg/kg/d)	Plasma PHE (μM)	Urine volume (ml/24 h)	Urine dopamine (μg/gm creatinine)	Urine serotonin (μg/gm creatinine)
	2	130	[illegible]	570	[illegible]	571
	3	40	577	[illegible]	[illegible]	[illegible]
T.W.	1	17	352	[illegible]	[illegible]	[illegible]
	2	100	2 290	[illegible]	35	[illegible]
	3	15	[illegible]	[illegible]	[illegible]	623

Note.—The space between patients A.S. and D.A. separates the patients on the high-low-high protocol above from those on the low-high-low protocol below.

Neuropsychological tests. Part of the purpose of this study was to determine the kinds of tests most suitable for determining possible changes in performance in treated PKU children challenged with phenylalanine. We found that many of the standard tests were too difficult to be applicable across the age group we were assessing and data could not be obtained on all 10 subjects. More complete analysis of these issues will be presented in a separate paper. Results are presented here for those tests on which data were obtained for all subjects. Data were obtained from all 10 subjects on the Choice Reaction Time when figures were used for matching. They were also complete on the Pegboard Test, the Tapping Test, and on Trails "A". Table V summarizes the results of the Choice Reaction Time and the Grooved Pegboard Test. The latter is a test of visual-spatial-tactile coordination and motor speed, whereas the Computerized Choice Reaction Time is a test of visual-perceptual discrimination, and by comparison is a test of higher integrative function. The Grooved Pegboard Test results are typical of results of the tests of lower integrative function, i.e., no significant differences were seen between conditions. In three other tests of lower integrative function of which the Grooved Pegboard is representative, <3 of 10 showed changes consistent with changes in plasma phenylalanine. Those results are not reported here. In the Choice Reaction Time Test, 7 out of 10 subjects showed changes concomitant with changes in plasma phenylalanine, i.e., reaction time was prolonged with increased plasma phenylalanine. M.F., who did not demonstrate typical changes in his Choice Reaction Time, also did not have a decrease in urinary dopamine when plasma phenylalanine concentrations were elevated (compare Table V with Table III, week 1 to week 2). Differences in Choice Reaction Time were not as consistent in K.K. and A.S. as in the other subjects. It is pertinent to note that K.K. and A.S. were not treated effectively early in life, and were less competent by achievement testing than many of the other patients (see Fig. 1). A graphic display of changes in phenylalanine and changes in Choice Reaction Time among those 10 patients is shown in Fig. 3. A direct relationship was seen between changes in plasma phenylalanine concentration and reaction time. When plasma phenylalanine increased, the choice reaction time increased, that is, performance worsened. Conversely, when phenylalanin concentrations fell, choice reaction times were shorter, which indicated improved performance. Solid symbols again represent patients on high-low-high dietary protocol and open symbols those on low-high-low dietary protocol. Symbols in quadrant II represent changes of increased choice reaction time with changes reflecting increased plasma phenylalanine concentrations. Symbols in quadrant IV indicate decreased choice reaction time with decreased plasma phenylalanine (Fig. 3).

(Figures 1, 2, and 3 not reproducible for the RECORD.)

TABLE IV.—ABSENCE OF AN EFFECT OF INCREASED FILTERED PHENYLALANINE ON RENAL TUBULAR REABSORPTION OF TYROSINE (TYR) AND TRYPTOPHAN (TRP)

Patient	Week	Urine volume (ml/24 h)	^{F}Phe (mg/min/M²)	^{F}Tyr (mg/min/M²)	^{T}Tyr (mg/min/M²)	Tyrosine transport (percent Reabsorption)	^{F}Trp (mg/min/M²)	^{T}Trp (mg/min/M²)	Tryptophan transport (percent Reabsorption)
B.R.	1	[illegible]	[illegible]	0 357	[illegible]	[illegible]	0 402	[illegible]	[illegible]
	2	800	1 945	547	542	[illegible]	627	[illegible]	99
	3	940	5 737	[illegible]	257	[illegible]	[illegible]	404	99
W.J.	1	[illegible]	10 03	201	[illegible]	99	[illegible]	105	[illegible]
	2	[illegible]	1 35	195	194	[illegible]	[illegible]	[illegible]	[illegible]
	3	955	[illegible]	134	132	99	[illegible]	145	98
T.K.	1	[illegible]	[illegible]	248	242	[illegible]	416	[illegible]	96
	2	1,940	4 311	[illegible]	357	[illegible]	723	722	[illegible]
	3	1,724	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
A.S.	1	2,670	16 551	137	134	98	166	162	98
	2	[illegible]	3 146	121	[illegible]	99	272	[illegible]	[illegible]
	3	2,910	[illegible]	[illegible]	327	[illegible]	513	[illegible]	[illegible]
M.B.	1	[illegible]	1 558	[illegible]	254	[illegible]	413	411	99
	2	750	8 773	351	347	[illegible]	[illegible]	[illegible]	[illegible]
	3	342	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
M.F.	1	570	1 483	[illegible]	[illegible]	99	[illegible]	[illegible]	99
	2	475	[illegible]	418	415	[illegible]	434	[illegible]	[illegible]
	3	[illegible]	2 753	[illegible]	255	98	512	[illegible]	[illegible]
M.K.	1	735	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	934	[illegible]
	2	[illegible]	14 872	411	[illegible]	[illegible]	325	321	[illegible]
	3	928	4 552	[illegible]	418	[illegible]	[illegible]	[illegible]	99
T.W.	1	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	332	98
	2	1,340	18 641	[illegible]	[illegible]	[illegible]	331	316	[illegible]
	3	[illegible]	3 419	[illegible]	[illegible]	99	316	[illegible]	[illegible]

[1] Not processed. The space between patients A.S. and M.B. separates the patients on the high-low-high protocol above from those on the low-high-low protocol below. Calculations for renal tubular reabsorption are detailed in the methods section. ^{F}Phe, ^{F}Tyr, ^{F}Trp, filtration rate of phenylalanine, tyrosine, and tryptophan, respectively. ^{T}Phe, ^{T}Tyr, ^{T}Trp, tubular reabsorption rate of phenylalanine, tyrosine, and tryptophan, respectively mg/min/M², mg of indicated amino acid filtered or reabsorbed per minute normalized to meters squared of body surface area.

DISCUSSION

Although mechanisms are unclear, the negative effect of increased blood phenylalanine on the developing human brain during infancy and early childhood is clear. Early dietary restriction of phenylalanine prevents irreversible brain damage in children detected and treated for phenylalanine hydroxylase deficiency. The studies reported here investigate whether elevated blood phenylalanine in the older child and young adults is associated with altered mental function, and if so, by what mechanism.

Early studies by Weil-Malherbe, Nadler and Hsia, and McKean demonstrated decreased levels of catecholamines in blood, urine, and autopsied brains of untreated patients with phenylketonuria. McKean also demonstrated improvements in visual evoked response in three severely retarded untreated patients when dietary phenylalanine was restricted or when catecholamine precursors were administered without restricting phenylalanine in the diet. He postulated that although concentrations of tyrosine (1.2×10^{-4} M/g of brain) in brain of hyperphenylalaninemic patients were well above the K_m reported for tyrosine hydroxylase in mammalian brain tissue (5×10^{-5} M), phenylalanine itself might inhibit tyrosine hydroxylase activity directly. This hypothesis was supported by in vitro observations of Undenfriend who found that phenylalanine was a competitive inhibitor of rat brain tyrosine hydroxylase with a $K_i = 1.7 \times 10^{-3}$ M. Since the concentrations of phenylalanine found by McKean in his autopsy material averaged 8.4×10^{-4} M, such a mechanism of competitive inhibition was possible.

Phenylalanine may impair production of two psychoactive amines, namely dopamine and serotonin. Curtius et al. described both decreased serotonin and dopamine synthesis in patients with high plasma phenylalanine concentrations caused, by both phenylalanine hydroxylase deficiency and disorders in the tetrahydrobiopterin pathway. He also postulated competitive inhibition of both tyrosine and tryptophan hydroxylase by high phenylalanine at 1,500 and 600 μM concentrations, respectively Katz et al. demonstrated the direct conversion of 20 μM phenylalanine to dihydroxphenylalanine without the release of free tyrosine in rat brain striatal synaptosomal preparations. Phenylalanine was only 1/10 as good a substrate for this enzyme as tyrosine. However, he suggested that phenylalanine could be a substrate for tyrosine hydroxylase in the presence of saturating concentrations of tetrahydrobiopterin, and could be a competitive inhibitor as well.

TABLE 1.—EFFECTS OF DIETARY MANIPULATION OF PHENYLALANINE (PHE) ON CHOICE REACTION TIME AND GROOVED PEGBOARD ASSEMBLY

Patient	Week	Plasma PHE (uM)	Choice reaction time (m/s)	Pegboard ± (s/10 pegs)	
				Right	Left
B.R.	1	1,255	811	57	73
	2	252	[illegible]	57	[illegible]
	3	797	654	51	[illegible]
W.J.	1	1,790	1,940	[illegible]	100
	2	197	1,407	[illegible]	33
	3	1,303	1,594	50	50
K.K.	1	2,317	1,085	34	31
	2	1,426	[illegible]	35	32
	3	3,296	[illegible]	29	31
T.K.	1	2,058	[illegible]	[illegible]	[illegible]
	2	735	621	[illegible]	21
	3	2,647	767	18	[illegible]
A.S.	1	4,405	[illegible]	26	[illegible]
	2	441	[illegible]	26	35
	3	[illegible]	769	25	[illegible]
D.A.	1	[illegible]	1,658	52	31
	2	3,260	2,113	[illegible]	[illegible]
	3	1,632	1,518	[illegible]	31
M.B.	1	[illegible]	1,215	[illegible]	36
	2	1,549	1,485	[illegible]	[illegible]
	3	[illegible]	1,221	[illegible]	[illegible]
M.F.	1	[illegible]	[illegible]	25	25
	2	1,402	980	[illegible]	[illegible]
	3	[illegible]	[illegible]	25	25
M.K.	1	[illegible]	[illegible]	[illegible]	24
	2	2,460	1,062	21	32
	3	577	744	19	[illegible]
T.W.	1	352	1,286	22	34
	2	[illegible]	1,297	32	33
	3	[illegible]	1,193	24	[illegible]

Note.—The space between patients A.S. and D.A. separates the patients on the high-low-high protocol above from those on the low-high-low protocol below. The choice reaction time represents a mean of 20 trials. The pegboard results represent a mean of four trials.

Our results in vivo in treated PKU patients conform to the hypothesis that high phenylalanine inhibits dopamine synthesis, since 24-h urine dopamine excretion fell when plasma phenylalanine concentrations were maintained at an elevated concentration for days by dietary manipulation. A consistent relationship was not found between plasma phenylalanine and serotonin excretion in our study. Serotonin is stored in many tissues, and this inconsistency may be related to the high "background noise" of excretion of stored serotonin during a 24-h period.

The results from our experiments do support the hypothesis that brain function is altered by phenylalanine at the equilibrium concentrations achieved in the study. The battery of neuropyschological tests showed differences in a performance test which required higher integrative function rather than fine motor coordination. This was consistent over the whole group, regardless of the age or competence of the patients. Although many test batteries have been used in other surveys, the computerized reaction time has not been reported. We are currently attempting to determine whether patient competency, age, attention, or other factors influence the neuropyschological response to increased plasma phenylalanine, and deriving tests to maximize changes in accordance with patient competency.

Our data support a mechanism for prolonged performance through an inhibition by phenylalanine of biogenic amine synthesis. In our study when dopamine excretion fell, blood phenylalanine rose and performance times were prolonged. Data from two patients deserve special attention: the patient with the lowest IQ (K.K.) who was not diagnosed until 18 mo of age demonstrated expected biochemical changes in uninary dopamine excretion when phenylalanine concentrations were increased, but test scores on the Computerized Choice Reaction Time were unchanged. It is not surprising, in view of his overall low performance and achievement, that reaction time improved over the 3-wk period independent of the plasma phenylalanine, which suggested a gradual learning effect rather than relationship to biocheminal status. It is also likely that intellectual competency of a patient will control the amount of change produced by altered phenylalanine. The lower the individual's competency, the less change might be expected. The one major outlier (M.F.) did not show consistent trends in neuropsychological tests or in catecholamine excretion. despite attaining a concentration of 1,402 μM plasma phenylalanine, he excreted barely measurable amounts of derived organic acids. We can speculate that he has other "protective" functions. Possible mechanisms include impaired transport of phenylalanine across the blood brain barrier or an increased rate of phenylalanine incorporation into new protein synthesis. He could also have some "protective" variation in tyrosine hydroxylase which prevents inhibition by phenylalanine. He emphasizes the indivduality of patients with phenylketonuria and the "sensitivity" of brain function to phenylalanine loading.

The impairment in choice reaction time and decrease in dopamine excretion seen with increased plasma phenylalanine were reversible within the week periods studied. We are currently investing a variety of repeatable neuropsychological and electrophysiological tests with which to assess performance in patients with varying competency, age, and achievement scores.

These data support the hypothesis that high concentrations of phenylalanine reversibly affect neuropsychological performance, probably through reduction in L-dihydroxyphenylalanine and dopamine production. The mechanisms may be through increased intracellular phenylalanine and competitive inhibition of brain tyrosine-3-hydroxylase. Whether intracellular concentrations of brain tyrosine are diminished is unknown. Although the concentrations of blood phenylalanine attained in our studies did not inhibit renal tubular reabsorption of tyrosine, it should be noted that the transport K_m of phenylalanine, tyrosine, and tryptophan in brain and kidney differ. Additionally, the blood-brain barrier is saturated at normal plasma concentrations, whereas the renal tubular epithelium is not (16–19). Since nearly 80% of all brain dopamine is found in th corpus striatum, decreases in dopamine synthesis could affect neuropsychological functions that involve both nigrostriatal and corticostriatal pathways. This could explain the deterioration in response of our patients to a timed test, the Computerized Choice Reaction Time Test, which required integration of stimuli and a motor response. We have recently observed a change in the mean power frequency of electrical impulses detected by EEG in a different group of patients with phenylketonuria who were studied under similar clinical research protocols. This type of electrophysiological approach could assist in anatomical localization of changes in brain function.

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ASPARTAME-INDUCED GRANULOMATOUS PANNICULITIS

(Nelson Lee Novick, M.D.)

The low-calorie artificial sweetener, aspartame (NutraSweet; G. D. Searle & Co., Skokie, Illinois), a synthetic combination of aspartic acid and the methyl ester of phenyl-alanine, is currently used in many diet sodas, cereals, and chewing gums and as a substitute for granulated sugar. Although the Food and Drug Administration has approved aspartame for routine use (except in patients with phenylkentonuria), its potential for toxicity remains controversial. This report describes the first confirmed case of aspartame-induced granulomatous panniculitis.

A 22-year-old otherwise healthy woman had numerous, bilateral, nontender, nodular lesions on both legs for 2 months. The patient denied having used any oral, systemic, or topical medications during the preceding 6 months. She also denied any history of recent infections or trauma, and she had no accompanying constitutional symptoms. For the previous 6 years, the patient had habitually consumed between 1080 to 1320 mL (36 to 44 fl oz) daily of a popular saccharin-containing diet soft drink. Approximately 10 weeks before presenting for evaluation, she had switched to the same manufacturer's new aspartame-sweetened diet soda. She made no other changes in her diet. Two weeks later, the patient first noted the onset of several nontender, deep nodules on her left thigh. New lesions subsequently appeared elsewhere on her legs while the previous lesions slowly enlarged: none disappeared.

On examination, numerous deep nodules ranging from approximately 0.5 to 5 cm in diameter were palpated bilaterally on the thighs and calves. The overlying skin appeared normal. The nodules were firm and in some areas coalesced to form large deep plaques that were freely movable over the underlying fascial tissues. No adenopathy or other cutaneous or mucous membrane lesions were present; the rest of the general physical findings were normal.

Complete blood and differential count, erythrocyte sedimentation rate, serum electrolyte and amylase levels, and urinalysis findings were normal; liver function test, serum protein electrophoresis, direct and indirect immunofluorescence studies, tuberculin tine test, and tests for antinuclear antibody and anti-streptolysin-O were negative. The patient refused a chest roentgenogram. Histologically, a septal panniculitis with lymphocytes and histiocytes predominated within the thickened fibrotic septae. Many multinucleated histiocytic giant cells and a lymphohistiocytic infiltrate extended into the adjacent fatty lobules, consistent with erythema nodosum.

The patient was advised to stop using the recently introduced aspartame-sweetened beverage. During the next 4 weeks, no new lesions appeared and all previous lesions spontaneously resolved without residua. She was then advised to resume daily consumption of the suspected aspartame-sweetened diet drink; 10 days later, she again developed the nodular lesions on both legs, this time in greater number than before. Withdrawal of the beverage once again resulted in gradual and complete resolution of all lesions.

The patient was next challenged with pure aspartame, 50 mg four times daily, in capsule form (supplied by G.D. Searle & Co.). Ten days later, nodules reappeared on her legs. Withdrawal of aspartame resulted in spontaneous clearing of all lesions.

Widely used, aspartame is 180 times sweeter than sucrose and is metabolized primarily to aspartic acid, phenylalanine, and methanol. No previous reports could be found in the literature conclusively linking aspartame to any cutaneous eruptions. Several unconfirmed reports of "dermal eruptions" and urticaria have been received by the manufacturer according to Robert L. Alberti, M.D., Director of Medical Communications, G.D. Searle & Co. In addition, the Adverse Drug Reaction Report System of the American Academy of Dermatology has received one unconfirmed report of a macular, erythematous, confluent pruritic eruption in a man who had consumed large amounts of an aspartame-sweetened diet cola (Report No. 1170031284, reported 12 March 1984 and transferred to the FDA 10 April 1984).

The precise classification and pathogenetic mechanism of the panniculitis in my patient are unclear. Absence of tenderness in lesions, overlying skin changes, constitutional symptoms, and residual pigmentary changes upon resolution is inconsistent with erythema nodosum, whereas the histopathologic finding of septal panniculitis strongly favors that diagnosis.

The formation of toxic metabolites of aspartame, either during the drug's shelflife or as metabolic byproducts, offers one possible explanation for the reaction seen in this patient. Boehm and Bada have recently reported that the heating of aspartame results in conversion of some of its amino acids to their racemates. Although they note that the possible toxicity of consuming large amounts of these racemates remains to be determined, they speculate that some food or beverage components may catalyze the racemization of aspartic acid and phenylalanine in aspartame at room temperature. Furthermore, despite extensive prior testing, no such reaction has yet been reported, suggesting that this phenomenon may be idiosyncratic rather than dose-related. Fortunately, in the present patient, mere discontinuation of the aspartame-containing beverage resulted in complete and relatively rapid resolution of the condition without residua.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 1558. A bill to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada, and for other purposes; by unanimous consent jointly referred, to the Committees on Indian Affairs, and Energy and Natural Resources, and Judiciary. Provided that if Indian Affairs Committee reports the measure, the Energy and Natural Resources Committee and Judiciary Committee have 15 calendar days in which to report the measure or be automatically discharged.

PYRAMID LAKE PAIUTE AND TRUCKEE RIVER SETTLEMENT ACT

● Mr. LAXALT. Mr. President, I introduce with my distinguished colleague [Senator HECHT] a bill which settles a very longstanding water allocation dispute involving the waters of the Truckee and Carson Rivers. It settles the water rights for the Pyramid Lake Paiute Tribe, the cities of Reno and Sparks, NV, and the Newlands reclamation project. I am, I might say, extremely pleased to be able to bring this bill to the Senate after many years of litigation and negotiation.

Specifically, the bill allocates among the water users certain waters of Lake Tahoe, Stampede Dam, and the Truckee River. The measure also incorporates, as a separate title, a water compact agreed to by the States of Nevada and California, assigning water rights to both the Truckee and Carson Rivers. It establishes a fund from which the Pyramid Lake Tribe will provide for the propogation of the fishery at Pyramid Lake and other tribal enterprises. It directs the Secretary of the Interior to maintain and improve the fish habitat of the Truckee River for the cutthroat trout, a particularly impressive game fish, and for the endangered cui-ui fish, found nowhere else in the world. Finally, the bill provides for the dismissal of some six pending lawsuits.

Mr. President, I commend the parties who have negotiated this agreement for putting aside longstanding disputes, for working in a statesmanlike atmosphere, and for their willingness to compromise in behalf of a final agreement. Special thanks must go to Bob Broadbent, Assistant Secretary for Water and Science at the Department of the Interior, for all the time and effort he put into this effort.

Mr. President, as Governor of Nevada back in 1972, I called an emergency session of the Nevada Legislature in an effort to resolve the disputes surrounding this resource. Unfortunately, those early efforts were unsuccessful but they make the introduction of this bill today even more gratifying.

I believe the bill fully addresses all the issues involved and allocates to all the parties of interest a fair share of the limited water resource. To the extent that minor disagreements may remain in portions of the bill, I call upon the negotiating parties to continue in their good faith, openhanded way to reach agreement on those matters and let us proceed as a united Nevada family behind this settlement.

Mr. President, the Senate will be called on to approve this settlement and to provide part of the wherewithal to make it work. I assure my colleagues that this bill is far and away preferable to the course of the last 60 years of litigation and conflict. If the measure can be improved, I stand ready to work diligently to that end but hope that the same willingness of the Nevada negotiators will prevail in this body not to press narrow special interest but look rather to the total package and its overall benefits.●

● Mr. HECHT. Mr. President, today I am very pleased to be able to join my colleague, Senator LAXALT, in introducing a bill that will, at long last, settle some extremely nettlesome Indian water rights issues in northern Nevada. For more than half a century, the waters that flow in the Truckee and Carson River Basins have been a source of litigation and conflict, as well as a source of life and economic progress.

The longstanding disputes revolve around the Newlands project, the Nation's first reclamation project. The Pyramid Lake Paiute Indian Tribe, local farmers, and the growing cities of Reno and Sparks all rely on the water provided by the project.

After many years of difficult negotiations and legal battles, all the parties involved are now prepared to put the conflict behind them and work together for a better future. They have come to the Congress requesting legislation that will set in motion the mechanism they have agreed upon to manage the water in a fair and nonconfrontational manner.

It is important that Congress act swiftly and approve the necessary authorizing legislaton to put this agreement into place. I therefore look forward to working with my colleagues and urge their support as the Pyramid Lake Paiute and Truckee River Settlement Act moves through the legislative process.●

By Mr. DURENBERGER (for himself and Mr. QUAYLE):

S. 1559. A bill to amend title XVIII of the Social Security Act to revise the method of payment to hospitals for capital related costs under the Medicare Program; to the Committee on Finance.

MEDICARE CAPITAL PAYMENT REFORM ACT

● Mr. DURENBERGER. Mr. President, today I am introducing S. 1559 to amend title 18 of the Social Security Act, to restructure payment to hospitals for capital costs under Medicare. I am happy to be joined in introducing this bill by my colleague from Indiana, Mr. QUAYLE, who is a leader in health system reform. I will also be joining him today in introducing a bill to redefine the Federal commitment to health planning—a bill consistent with the intent of S. 1559.

Mr. President, 2 years ago Congress set in place a new payment system for Medicare hospital services. This system, based on a payment for episode of illness for 468 diagnosis related groups, was designed to change the incentives for hospitals—to encourage them to manage resources more efficiently. This new payment has had a tremendously positive effect on the health care system. But not all of Medicare's expenses for hospital services were included in the new methodology.

Excluded from the fixed-price was a passthrough for hospital capital cost. We were reticent to commit Medicare to a capital policy because the data we had on hospital capital costs was clearly not as adequate as what we had on the operating expenses. But, an agenda for restructuring capital payments was set forth. This agenda included: First, a deadline of October 1, 1986, to restructure Medicare payment for capital costs. At that point, unless Congress acts otherwise, 1122 facility review for Medicare would become mandatory. Second, the Congress instructed the Secretary of Health and Human Services to complete a study and make recommendations to the Congress on Medicare capital policy reform by October 1, 1984.

It was the intent of Congress that the two capital deadlines—the threat of mandatory 1122 review and the completion of the Secretary's report on capital—would provide a catalyst for reform. The hospital industry and other interested parties have been given time to develop a consensus approach. They have not. And, the Department of Health and Human Services is now woefully late with its report.

The time has come to move forward on this issue. Hospital capital expenses may only total in the range of 7 percent of the average amount Medicare pays for a hospital stay. But, it has a significant affect on the other 93 percent on the operating side. A reasonable new policy is needed now.

Hospitals must go to the financial markets for capitalization. Eighty percent of the capital raised for the hospital industry is financed through debt. To receive loans and sell bonds, it is essential that there be more certainty concerning the future of Medicare payment for capital expenses.

Whether or not hospitals are in an expansive mode, these institutions still must maintain a physical plant and constantly update equipment to keep abreast of the times. Quality care is as dependent on a hospital's ability to raise capital as it is to have revenues sufficient to keep the doors open.

For these reasons, I decided it was necessary to put a proposal on the table to get things rolling. My proposal is a starter. It may require refinement to make appropriate law in this complex area. I look forward to having a hearing on this proposal and the Secretary's Medicare capital report in the Finance Committee's Health Subcommittee in September or October. It is my intention to make Medicare capital payment the high priority issue it needs to be.

As this proposal and others are considered by the Congress, it is critical that each keep to a set of principles upon which prospective pricing and Medicare reform in general are based:

PROSPECTIVELY SET AND NONHOSPITAL-SPECIFIC RATES

The traditional Medicare capital passthrough does not provide the right incentive to hospitals and is contradictory to the prospective payment system. A new methodology for capital payment should be complementary to the DRG rate system and not hospital-specific.

SIMPLE AND STRAIGHTFORWARD METHODOLOGY

Hospitals should know how they will be paid and should be able to make reasonable decisions concerning the capital needs of their institutions within the parameters of the new methodology. An appeals process for hospitals with exceptional needs would be cumbersome and potentially regulating. But, the Congress should be open to considering some accomodation for special services.

REASONABLE TRANSITION

A prospective nonhospital-specific capital policy will be tough on mamy insititutions. A transition is essential to allow institutions to adjust and restructure capitalization to comply with the new methodology. A transition cannot be so long that it undermines the new payment methodology and it should be designed so that it cannot be "gamed."

FAIRNESS

A new capital payment structure should be neutral with respect to whether hospitals are nonprofit, forprofit or public. There is no reason to favor one ownership type over another.

MEDICARE CAPITAL—PAYMENT REFORM

Mr. President, S. 1559 has been carefully crafted to account for the principles I have laid out. There will, I am sure, be concerns expressed about the sensitivity of the approach to the many unique conditions hospitals may face in future capitalization. I will review some of these problems. It is not my intent through this measure to create disincentives to appropriate investment. I look forward to exploring with interested parties the implications of the proposal.

S. 1559 restructures Medicare payment for hospital capital costs providing an add-on percentage factor to the DRG rate in lieu of current capital cost passthroughs. The add-on factor would include a blend over a 6-year transition period of hospital-specific and national capital ratios. Return on equity for for-profit hospitals would be phased out over this period as part of the hospital-specific ratio. Over the transition, the weight applied to the national ratio in the add-on factor would increase year by year until the sixth year when the entire add-on factor would equal the national percentage.

The hospital-specific portion of the add-on for capital would be based on a ratio of Medicare payments for capital passthroughs to each hospital—including return on equity for those institutions which receive that payment now—to all other Medicare payments to that hospital. The national portion would be based on a comparable ratio of all Medicare payments for capital passthroughs to all other Medicare payments to PPS hospitals. Return on equity would not be included in the national ratio.

The hospital-specific and national ratios would be based on an average of 3 years: 1984, 1985, and 1986. The Secretary of Health and Human Services would be allowed to base these ratios on estimates. Since the final audited data from these years is unlikely to be available by October 1, 1986, the use of such data may be troublesome as it has been in the past. But, the calculation of the add-on using recent data is critical to make the payment levels relevant to the most current capital activity. It also reduces the need to have a roll-forward factor to account for differences between the base years and the start of the new methodology.

S. 1559 uses a 6-year phase-in for a number of reasons. Six years is longer than the depreciable life of or lease terms on almost all equipment and represents more than half the duration of almost all debt financing—for example on a 15-year, 12-percent bond with level annual payments of interest and principle, over 55 percent of the total interest will have already been paid in 6 years. Six years is clearly a sufficient period of time during which even the least aggressive of managers of hospitals would be able to restructure capital—the labor and capital intensity of his institution—refine lease and rental agreements, and make other changes to restructure the institution's capital requirements. It should also be pointed out that 6 years provide a reasonable, but finite, period after which the vagaries and inefficiencies of the current system can generally be put behind us.

Additionally, the approach would base its hospital-specific and national portions on the average of a 3-year base period. This 3-year average would minimize gaming during the phase-in. The fixed 6-year phase-in avoids equipment/nonequipment, old/new capital measurement, and complexity. It avoids continuation of a passthrough payment into the next century simply because some existing hospital buildings may be in service for 30 more years. At the end of the 6 years, nonprofit and for-profit institutions would be treated alike under Medicare.

In the longer term, the proposal provides all hospitals incentives to structure both assets and capitalizations in economically efficient ways, reflecting real use without the biases historically introduced through retrospective cost-based passthroughs. In addition, particularly in the short run, hospitals having a hospital-specific capital cost ratio greater than the national average cost would have greater incentive to restructure assets and capitalization in the direction of greater cost efficiency.

The approach used in this bill accepts the notion that transitions into prospective payment systems are essential. The hospital-specific payment portion of the add-on would equal 95 percent the first year, 85 percent the second year, 70 percent the third year, 50 percent the fourth year, 25 percent the fifth year, and finally the 100 percent national rate in 1991.

The bill also has a special rule for new hospitals which allows the Secretary to estimate their hospital-specific portion of the rate during the transition.

As I said, this plan appropriately moves Medicare away from a cost-based passthrough for capital to a prospective payment. It has, nevertheless, its drawbacks and raises broader issues which are worth review.

Hospitals having major capital expenses during the transition may have an arbitrarily low hospital-specific ratio. The transition does not recognize any portion of the actual capital costs of a major investment made less than 1 year prior to the implementation of the new payment model. This could be burdensome on hospitals which have unavoidable or nondiscretionary capital expenditures that may not be easy to restructure.

The other potential problem with the base period is the assumption made that the cost of capital will reflect in the future the base period data. Both the Reagan tax reform plan and the one proposed by Senator BRADLEY and Representative GEPHARDT would have us eliminate tax-exempt financing for private purposes. It has been estimated that this policy change would increase the cost of virtually all capital projects for nonprofit hospitals which depend on tax-exempt financing. Estimates vary, but it appears that the interest costs of projects could increase anywhere from 25 to 50 percent.

The nonprofit portion of the hospital industry is highly leveraged. Eighty percent of its capital costs are debt-financed, and the lion's share of this is from tax-exempt instruments. Tax reform is not the only factor. Currently, the nonprofits, for-profits, and public hospitals have a very uneven playing field in the area of capitalization. It is not always apparent which corporate grouping has the upper hand. The nonprofits do have tax-exempt financing, the for-profits have equity financing as well as debt available to them, and the public hospitals may have tax-exempt financing as well as public treasuries. I am not committed to having the industry move to one status under the law. However, I am convinced that investment in the industry is perverted by the differences I have outlined. As we make new tax policy over the next months, it is important that we evaluate the affects of these differences. This consideration is not related to a Medicare capital payment policy and is one of the keys to it. The Congress should not consider tax and health policy in isolation. If it does, the hospital industry will be the worse for it and access to quality and cost-effective health care for Americans will be threatened.

ELIMINATION OF 1122 REVIEW

The bill includes an additional provision which would delete section 1122 from title 18. I am proposing this change in policy because the facilities regulations sanctioned under section 1122 no longer has relevance to Medicare. This provision is not needed when Medicare adopts a payment system for capital which provides the right economic incentives for hospitals. I, also, believe that the regulation of facilities and equipment investment under section 1122 has not been a successful cost-containment mechanism and is an impediment to the development of a competitive marketplace in the health care system.

When Medicare and the other major payers in the health care marketplace paid on a cost or cost-plus basis, regulation of facilities investment may have been a rational policy. In a price-fixed market where Medicare will use its buying power to bring costs down through prospective pricing, the need for directing hospital management through regulation makes little sense.

HEALTH PLANNING

It has become a cliche in health circles that the Federal role in health planning cannot be reformed until the Medicare capital payment issue is settled. Therefore, I believe it is highly appropriate that S. 1559 which addresses the question of Medicare payment for capital and section 1122 review should be accompanied by legislation which addresses the issue of health planning. Health planning is more than simple regulation of hospital investment and it deserved Federal support.

I have developed the Health Planning Block Grant Act with Senator QUAYLE, a bill to redirect the national commitment to health planning.

Mr. President, 1122 review and its sister program, certificate of need, have had their day, and it is past. In the new environment of consumer choice, institutions are not going to be able to invest willy-nilly. This is not to say, however, that there are not other important roles for health planning. But, facilities regulation as an aspect of health planning is a bankrupt concept. My State, Minnesota, has recognized this fact and allowed certificate of need to sunset.

Our health planning bill would replace the current Public Health Service Act health planning provisions which have prescriptive language concerning certificate of need and other activities. Those provisions are not relevant to the reality of the health care marketplace or the objectives of health systems reform.

The bill provides funding to the states through a block grant for a range of health planning activities. These activities include development of health plans, data collection and research by State and local agencies. Agencies should assess access to health services as well as the cost and quality of care. I would hope the planning agencies would work closely with the Peer Review Organizations and the providers of health care.

As I have said, traditionally, health planning has been focused on regulating health care providers. The new direction mandated by the bill which I have developed with Senator QUAYLE sends clear signals that health planning should be made to complement the competitive, consumer-choice approach to health care reform.

Health planning should be aimed not at controlling providers, but at improving information available to consumers and payers so as to assist each in buying right in the marketplace. This includes keeping an eye on the marketing practices of providers.

Health planning can be a useful tool to maintain community attention to issues of access. Consumer choice of health plans and the markets it creates works. But, it may leave gaps in access. Those unsponsored by insurance, the frail elderly in need of long-term care services, and rural Americans may have needs the marketplace ignores. Planning agencies can help provide guidance to policymakers in these areas.

The health planning block grant bill gives States the freedom to design programs to meet their specific needs. There is a national purpose in subsidizing their effort. The Federal Government has a responsibility to assure access to care and promote a cost-effective, quality health care system for Americans. Health planning has a role to play in these goals though it is best carried out by the States and communities.

I look forward to working with Senator QUAYLE on the health planning block grant. It is critically important as the Congress considers health policy relative to Medicare and health care system issues like health planning that the relevant committees of jurisdiction work closely together to coordinate their efforts.

Mr. President, I ask that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1559

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION. 1. This Act may be cited as the "Medicare Capital Payment Reform Act of 1985".

AMENDMENTS TO SOCIAL SECURITY ACT

SEC. 2. (a) Section 1886(a)(4) of the Social Security Act is amended by striking out "with respect to costs incurred in cost reporting periods beginning prior to October 1, 1986" and inserting in lieu thereof "with respect to hospitals which are not subsection (d) hospitals".

(b) Section 1886(d)(3) of such Act is amended by adding at the end thereof the following new subparagraph:

"(F) ADJUSTMENT FOR CAPITAL RELATED COSTS.—The Secretary shall adjust the national DRG prospective payment rate for each hospital (as computed under subparagraph (D) and adjusted under subparagraph (E)) for fiscal years beginning on or after October 1, 1986, to provide an add-on payment for capital related costs in accordance with subsection (g).".

(c) Section 1886(g) of such Act is amended to read as follows:

"(g) CAPITAL RELATED COSTS.—

"(1) ADD-ON-AMOUNT.—For each fiscal year beginning on or after October 1, 1986, the amount of the add-on payment for each DRG rate for capital related costs for a subsection (d) hospital shall be equal to the amount of such DRG rate multiplied by the add-on ratio.

"(2) ADD-ON-RATIO.—The add-on ratio shall be equal to (P)(RH)+(1-P)(RN), where P is the factor determined under paragraph (5), RH is the hospital-specific ratio, and RN is the national ratio.

"(3) HOSPITAL-SPECIFIC RATIO.—(A) The hospital-specific ratio for a hospital is the fraction—

"(i) the numerator of which is the amount paid under part A to such hospital for the hospital's base period (defined in subparagraph (B)) for capital related costs (as defined by the Secretary), including return on equity, and

"(ii) the denominator of which is the total amount paid under part A to such hospital for such base period for operating costs of inpatient hospital services (as defined in subsection (a)(4)).

"(B) For purposes of subparagraph (A), a hospital's base period is the 3-year period consisting of fiscal years 1984, 1985, and 1986, or, if shorter, the period consisting of all of the complete fiscal years during which the hospital was in operation prior to October 1, 1986.

"(4) NATIONAL RATIO.—(A) The national ratio is the fraction—

"(i) the numerator of which is the amount paid under part A to all subsection (d) hospitals for the base period (defined in subparagraph (B)) for capital related costs (as defined by the Secretary), excluding return on equity, and

"(ii) the denominator of which is the total amount paid under part A to all such hospitals for such base period for operating costs of inpatient hospital services (as defined in subsection (a)(4)).

"(B) For purposes of subparagraph (A), the base period is the 3-year period consisting of fiscal years 1984, 1985, and 1986.

"(5) VALUE OF P.—For purposes of determining the add-on ratio, P is equal to—

"(A) 0.95 for the fiscal year beginning on October 1, 1986,

"(B) 0.85 for the fiscal year beginning on October 1, 1987,

"(C) 0.70 for the fiscal year beginning on October 1, 1988,

"(D) 0.50 for the fiscal year beginning on October 1, 1989,

"(E) 0.25 for the fiscal year beginning on October 1, 1990, and

"(6) SPECIAL RULE FOR NEW HOSPITALS.—In the case of a hospital which was not in operation for any complete fiscal year prior to October 1, 1986, the value of P for such hospital for all fiscal years beginning on or after October 1, 1986 shall be 0.00.

"(7) USE OF ESTIMATES.—In applying this subsection, the Secretary may, to the extent necessary, use estimates of costs and payments. Such estimates shall be readjusted as data becomes available, and payments to hospitals shall be readjusted accordingly.

"(8) REPORTS TO CONGRESS.—Whenever the Secretary adjusts classifications and weighting factors for DRG's pursuant to subsection (d)(4)(C), the Secretary shall also reexamine and report to Congress with respect to the appropriateness of the add-on amount for capital related costs established by this subsection.".

EFFECTIVE DATE

SEC. 3. The amendments made by section 2 shall apply to payments for operating costs of inpatient hospital services incurred on or after October 1, 1986.

REPEAL OF SECTION 1122

SEC. 4. Effective October 1, 1986, section 1122 of the Social Security Act is repealed.●

By Mr. QUAYLE (for himself and Mr. DURENBERGER):

S. 1560. A bill to provide for a block grant to States for health planning activities, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH PLANNING BLOCK GRANT ACT

● Mr. QUAYLE. Mr. President, I am introducing legislation today to establish a block grant to the States to support health planning activities designed to meet the needs of a competitive health care market structure. I am pleased that my distinguished colleague, Mr. DURENBERGER, the chairman of the Senate Finance Health Subcommittee, and a longtime advocate of reform of the health care marketplace, is joining me in this effort.

This proposal is designed to work in tandem with another bill I am cosponsoring with Mr. DURENBERGER today that proposes to integrate capital costs for part A reimbursement into Medicare's new prospective payment methodology. Together, these two proposals provide a comprehensive reform of our Federal policy of health facilities regulation.

In 1983, Congress enacted the prospective payment system for hospital inpatient services under the Medicare Program which reimburses hospitals on the basis of prospectively determined specific amounts on a case-by-case basis, according to individual patient diagnoses. However, Congress made the decision not to incorporate all of the expenses previously reimbursed by Medicare on a reasonable cost basis into the prospective payment system. Present law provides that the capital-related costs (including depreciation, interest expenses, leases, and rentals and, in the case of for-profit hospitals, a return on equity capital) paid by Medicare be excluded from the prospective payment system until October 1, 1986. That date was selected to allow sufficient time for the development of an alternative proposal to deal with capital costs. Until then, these costs will continue to be reimbursed on a reasonable cost basis. To date, little progress has been made by either the industry or the Department of Health and Human Services in developing a viable solution. Therefore, I believe that it is now time to move beyond mere discussion. It is time to take positive steps to resolve the capital issue and thereby strengthen the prospective payment system. This bill provides a valid starting point for moving this forward on the agendas of all parties involved—the hospitals, the administration, and the Congress. I do not believe this proposal is necessarily the final solution and I am eager to work with all interested parties to address their concerns. I look forward to working with Senator DURENBERGER on fine tuning this proposal and developing a consensus on this issue.

This proposal modifies the current reimbursement system for capital by adding on a percentage for capital costs to each DRG over a 6-year period with the majority of the transition in the last 2 years. Over the 6-year transition period, the add-on factor would reflect a blend of base-period hospital specific and national capital ratios with increasing weight applied to the national ratio each year, until the sixth year when the add-on factor would be equal to the national ratio. This transition period will be sufficient to avoid serious financial disruption to those hospitals that are highly leveraged in capital investments when the proposal is implemented.

This proposal would provide incentives for all hospitals to behave more efficiently with regard to their capital expenditures. For the first time, strong incentives would be in place for hospital managers to minimize the overall costs of new investments by selecting the right financial mix and by making capital investment decisions that are sensitive to marketplace conditions. It would also link payment for capital directly to a hospital's real volume and need, that is, number of cases instead of the institution's actual capacity.

It has been argued that a reevaluation of the Federal role in health planning would not be appropriate until the issue of reimbursement for capital expenditures was addressed because of the resulting effects of this change on the health care system. Thus, I believe that it is appropriate and timely to introduce these two bills which together will provide a consistent policy.

Historically, our health planning law has focused on the regulation of capital expenditures through mandatory Certificate of Need and its accompanying regulatory structure. S 1560 now obviates the need for this regulatory structure because it provides sufficient incentives for provider institutions to behave efficiently and not make unnecessary or uneconomic capital expenditures. Therefore, I believe the time has arrived to refocus our health planning law on current needs that reflect the realities of a competitive health care marketplace.

Health planning has been useful in many States in containing health costs and assuring equitable access to health services. However, since the enactment of health planning legislation in the early 1970's, dramatic changes have taken place in the delivery of health care services because of the competitive effects of the prospective payment system and, more significantly, because of initiatives the private sector has taken to contain costs; yet our health planning law has remained static.

Health planning should be reformed and updated to reflect these changes and this proposal would achieve that. Under the block grant approach proposed in this bill, all funds for health planning would flow to the States with each given the discretion to design its own health planning programs, establish the role of its statewide health planning agency, and choose whether or not to continue or designate agencies at the regional or local levels. This approach permits the States to use these funds for activities that fit their own individual and unique needs including data collection, research, and the development of health plans or together with such activities to regulate capital expenditures of institutional health care providers through certificate-of-need-type reviews. Additionally, it would give States the prerogative to use the funds to meet two pressing needs of the competitive health care system—to collect and disseminate purchaser information with respect to health care services and to assess access to health care services.

These two latter activities are particularly important in my view. As price competition has begun to dominate the financing of the health care delivery system, indirect subsidies that have existed within the system for years as a way of paying uncompensated costs have tended to be squeezed out of the system. Clearly this may be painful during the transition to a fully competitive system, but it provides an opportunity, in the long run, to deal with certain issues in a more explicit and, thus, a more effective way.

In this context, a major challenge confronting us is how to pay for health care for the poor. At the present, we are using a combination of Government funds—including in varying degrees in different communities local, State, and Federal funds—and the indirect subsidy provided by cost-shifting to pay for the hospital care for the poor. Competition is squeezing out the cost-shift subsidy, thus exposing the inadequacy of Government funding, not only Federal funding, but local and State funding also.

In addition, the problems of access to health care services, particularly tertiary care, in the rural areas is of deep concern as the competitive marketplace moves forward. Thus, I think it is important that the States utilize health planning funds to evaluate the magnitude of their access to care problems and to decide how to appropriately address them.

Adequate purchaser information about the cost and quality of health care services is necessary in a competitive marketplace. To foster competition in the health care marketplace, purchasers need access to easily understood and relevant cost and quality. Hopefully, forward-looking States will utilize the health planning dollars available to them to collect and disseminate such information to businesses and other consumers of health care services.

We have created in this country the most advanced health care system in the world but one which has proven to be extremely expensive. We are beginning to make progress in containing these costs and these two proposals will further this effort. I urge my colleagues to support them.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1560

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Health Planning Block Grant Act of 1986".

(b) Title XV of the Public Health Service Act is repealed.

(c) Title XIX of such Act is amended by adding at the end thereof the following new part:

"PART D—HEALTH PLANNING BLOCK GRANT

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1941. For the purpose of allotments to States to carry out this part, there are authorized to be appropriated $58,256,000 for each of the fiscal years, 1986, 1987, and 1988.

"ALLOTMENTS

"SEC. 1942. (a)(1) From amounts appropriated under section 1941 for any fiscal year, the Secretary shall allot to each State an amount which bears the same ratio to the total amount appropriated under such section for such fiscal year as the population of the State bears to the population of all States, except as provided in paragraph (2).

"(2) Notwithstanding paragraph (1), the allotment of any State in any fiscal year under this subsection shall not be less than $100,000. If, under paragraph (1), the allotment of any State in any fiscal year will be less than $100,000, the Secretary shall increase the allotment of such State to $100,000, and shall proportionately reduce the allotments of all other States whose allotment exceeds $100,000 in a manner that will insure that the allotment of each State in such fiscal year is at least $100,000.

"(3) For purposes of this part, the population of a State shall be determined on the basis of the 1980 decennial census.

"(b) To the extent that all funds appropriated under section 1941 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1945 for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1906(b)(3) (as such section applies to this part pursuant to section 1945(e)):

such excess shall be allotted among each of the remaining States in proporation to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"PAYMENTS UNDER ALLOTMENTS TO STATES

"SEC. 1943. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotments under section 1942 from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"USE OF ALLOTMENTS

"SEC. 1944. (a) Except as provided in subsection (c), amounts paid to a State under section 1943 from its allotment under section 1942 for any fiscal year may be used at the discretion of the States for any one or more of the following:

"(1) the compilation or conduct of studies and analyses, and the collection of data, by—

"(A) a State agency; or

"(B) local and regional public and private entities designated by the State,

with respect to the financing and delivery of health care in the State;

"(2) the development by a State agency of a plan for the allocation of health services and resources in the State, including assessments of access to health care services;

"(3) the development by public or private entities designated by the State of local and regional plans for the allocation of health services and resources in the applicable locality or region;

"(4) activities carried out by a State agency to review and determine, to the extent deemed appropriate by the State, the need for—

"(A) capital expenditures by health care providers in the State;

"(B) the acquisition by health care providers of major medical equipment for use in the State; and

"(C) major expansions in the provision of institutional health care services in the State;

"(5) the participation of local and regional and public and private entities designated by the State in the reviews conducted, and the determinations made, by the State under paragraph (4); and

"(6) the collection and dissemination of purchaser information with respect to health care services.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"SEC. 1945. (a) In order to receive an allotment for a fiscal year under section 1942, each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require. Each such application shall contain assurances that the legislature of the State has complied with the provisions of subsection (b) and that the State will meet the requirements of subsection (c).

"(b) After the expiration of the first fiscal year for which a State receives an allotment under section 1942, no funds shall be allotted to such State for any fiscal year under such section unless the legislature of the State conducts public hearings on the proposed use and distribution of funds to be provided under section 1943 for such fiscal year.

"(c) As part of the annual application required by subsection (a), the chief executive officer of each State shall—

"(1) certify that the State agrees to use the funds allotted to the State under section 1942 in accordance with the requirements of this part;

"(2) provide assurances that such chief executive officer will designate or establish a State agency to administer funds provided under this part;

"(3) agrees to cooperate with Federal investigations undertaken in accordance with section 1907 (as such section applies to this part pursuant to subsection (e) of this section); and

"(4) certify that the State agrees that Federal funds made available under section 1943 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

The Secretary may not prescribe for a State the manner of compliance with the requirements of this subsection.

"(d) The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1943 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(e) Except where inconsistent with the provisions of this part, the provisions of section 1903(b), section 1906(a), paragraphs (1) through (5) of section 1906(b), and sections 1907, 1908, and 1909 shall apply to this part in the same manner as such provisions apply to part A of this title.

"DEFINITION

"SEC. 1946. For purposes of this part, the term 'State' means each of the several States and the District of Columbia.".

(d) The amendments made by subsections (a) and (b) shall take effect on October 1, 1986.●

By Mr. SPECTER:

S. 1561. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 regarding contribution, and for other purposes; to the Committee on the Judiciary.

SUPERFUND FAIR CONTRIBUTION ACT

Mr. SPECTER. Mr. President, today I am introducing legislation which I believe represents an important advancement in the enforcement and fairness of our country's Superfund Program, officially known as the Comprehensive Environmental Response Compensation and Liability Act [CERCLA]. This legislation would codify a private party's right to contribution in a Superfund proceeding and ensure that such action is governed by the Federal Rules of Civil Procedure.

I am introducing this proposed legislation at this time so that it may be considered by Members of the Senate in advance of our taking up the Superfund legislation in the fall. I have also agreed to cosponsor certain amendments proposed by Senator THURMOND which, in my opinion, require further analysis and modification; and I reserve my final judgment until further constituent comments are received and floor debate is evaluated.

Following Senate Committee on Environment and Public Works consideration of Superfund reauthorization, I requested that Senator THURMOND seek a referral and hold hearings before the Judicary Committee, which has the responsibility for legislation on the Federal Rules of Civil Procedure and other court-related matters, because of my concern that the Superfund Program operate fairly in accordance with due process while carrying out its mandate to clear up the environment. The Judiciary Committee held 2 days of hearings which I chaired in part. I believe these hearings set out many issues and provided members of the committee important viewpoints and information.

In order to fully explore the issues, the committee heard from representatives to the Environmental Protection Agency, Department of Justice, environmental groups, and industry. In particular, I had the opportunity to question EPA Director, Lee Thomas; Gene A. Lucero, EPA; Henry Habicht, DOJ; Randy M. Mott, National Association of Manufacturers; Edmund Frost, Chemical Manufacturers Association; T. Lawrence Jones, American Insurance Association; the Honorable Charles D. Renfrew, American Petroleum Institute; George Freeman, Hunton & Williams; and Ann Powers, Chesapeake Bay Foundation.

During our hearings on the Superfund reauthorization, many questions were raised by expert witnesses from EPA, industry, and environmental groups. Problems were identified relating to the application of the Federal Rules of Civil Procedure and the scope, timing, and standard of judicial review. Questions also were raised about EPA efforts to identify and notify all possible responsible parties and the need to codify a good-faith defense to administrative orders. Environmental groups have concerns about administrative procedures and whether sufficient regulations have been promulgated.

I share these and other concerns. Due to the short term the Judiciary Committee had for referral, it was impossible to reach agreement on a committee amendment. With more time, an accord probably would have been reached.

Based upon our hearings and my experience in litigation in the Federal courts, it is my conclusion that defendants in Federal court litigation under Superfund should have a right of contribution to bring in additional defendants so that all parties may be before the court at the same time to determine issues of liability and damages with the appropriate determination as to contribution and/or indemnification.

This amendment would remove any doubts as to the right of contribution under Superfund. The Supreme Court in recent decisions has been hesitant to imply a right of contribution under other statutes unless expressly stated. These decisions create substantial doubts regarding the application of contribution to Superfund, despite several recent district court cases implying such a right.

I believe that any defendant in a Government enforcement action under Superfund should be able to file a claim for contribution against other defendants as third-party defendants as soon as the enforcement action has been brought. These private party actions would encourage additional parties to come foward and expedite settlement discussions with the Government. This bill would permit the timing and procedure for such contribution claims to be governed by the Federal Rules of Civil Procedure. In some instances, private party cleanup may occur more quickly if the courts first resolve issues of liability and remedy, leaving questions of apportionment until after the Government's action has been completed. In other cases, the reverse could be true. Consistent with the Federal Rules of Civil Procedure, these decisions should be left to the sound discretion of the court.

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This bill also authorizes contribution protection for parties that settle with the United States or a State in good faith. Where a party has entered into a judicially approved good faith settlement with the United States or a State, no other responsible or potentially responsible party may seek contribution from the settling party. This protection should attach to all matters that the settling party has resolved with the United States or a State. Thus, in cases of partial settlements, the settling party may remain liable for any other cleanup action or costs not addressed by the settlement.

This bill also provides that where the United States or a State has secured a partial settlement with or judgment against a party, it can seek relief for any of the remaining response actions or costs for which the nonsettlors are liable and that the party may also maintain a contribution action against nonsettlors or other potentially responsible parties regarding the portion of the response action or costs for which the party is liable.

One other issue of special concern to me is judicial review. It is my sense that more work needs to be undertaken to arrive at a better solution than that currently provided by law or yet suggested by any interested party. In my judgment, it is vital that actions to clean up the environment proceed without undue delay. At the same time, it is vital that litigants' rights be protected in accordance with established principles under the laws of administrative procedure and review. It is a difficult balance to find; and, as I see it, we are not quite there but we are making progress.

Before Superfund reauthorization reaches the floor for Senate action, there will be an opportunity for all interested groups to have their views and inputs considered so that we may strive for the best possible balance to obtain the dual objectives of cleaning up the environment and protecting litigants' rights to due process of law.

Four years after its inception, the Superfund Program has accomplished much in cleaning up hazardous waste sites. Remedial action has been started at over 160 locations. Depite EPA's accomplishments, the Office of Technology Assessment recently reported that over 10,000 sites still need attention. In my home State of Pennsylvania, there are numerous sites which present a threat to the public health in abandoned warehouses, near schools and homes, and in municipal landfills. Plainly, there is still a very long way to go.

Congress is determined to act this year to extend and improve this vital environmental legislation. It is apparent that the scope of Superfund will be expanded substantially, and its tax base will be broadened to assure adequate financing.

I have joined with many other Senators urging Senator Dole, the distinguished majority leader, to schedule Superfund for floor action at the earliest possible date. The cleanup of the numerous hazardous waste sites in Pennsylvania and over the entire Nation requires our immediate and urgent attention.

Mr. President, I ask for your support and that of my colleagues in enacting this important reform which will expedite environmental cleanup while protecting important due process rights.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record as if read

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1561

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(l)(1) Any person may seek contribution from any other person who is liable or potentially liable under subsection (a), during or following any civil action under section 106 or under such subsection (a). Such claims shall be brought in accordance with section 113 and the Federal Rules of Civil Procedure, and shall be governed by Federal law. Nothing in this subsection shall diminish the right of any person to bring an action for contribution or indemnification in the absence of a civil action under section 106 or this section.

"(2) When a person has resolved its liability to the United States or a State in a judicially approved good faith settlement or judgment against such person, such person shall not be liable for claims for contribution regarding matters addressed in the settlement or judgment. Such settlement does not discharge any of the other potentially liable persons unless its terms so provide, but it reduces the potential liability of the others to the extent of any amount stipulated by the settlement or judgment.

"(3) Where the United States or a State has obtained less than complete relief from a person who has resolved its liability to the United States or the State in a good faith settlement, the United States or the State may bring an action against any person who has not so resolved its liability. A person that has resolved its liability to the United States or a State in a good faith settlement may, where appropriate, maintain an action for contribution or indemnification against any person that was not a party to the settlement. In any action under this paragraph, the rights of any person that has resolved its liability to the United States or a State shall be subordinate to the rights of the United States or the State. Any contribution action brought under this paragraph shall be bought in accordance with section 113 and shall be governed by Federal law.".

By Mr. GRASSLEY (for himself, Mr. DeConcini, and Mr. Levin):

S. 1562. A bill to amend the False Claims Act, and title 18, of the United States Code regarding penalties for false claims, and for other purposes; to the Committee on the Judiciary.

PENALTIES FOR FALSE CLAIMS

Mr. GRASSLEY. Mr. President, today I am introducing, along with my colleague from Arizona [Mr. DeConcini], and my colleague from Michigan [Mr. Levin], the False Claims Reform Act of 1985.

This area of law is in desperate need of reform. We need only review the disturbing array of examples from the past several years of fraudulent use of taxpayer dollars to realize our Government is not able—and in too many cases not willing—to adequately protect the money entrusted it by its citizens.

Why the Government bureaucracy is, for whatever reason, unwilling to guard against or agressively punish fraud, is puzzling. But while we in Congress may not be able to legislate aggression on the part of investigators and prosecutors, we do have a very important responsibility to pursue a vigilant oversight of their activities.

What we can and should legislate is statutory assistance for those charged with protecting against fraud. This bill is intended to provide that assistance in three ways; by expanding enforcement tools, by strengthening deterrence, and by encouraging disclosure of fraud by private individuals.

For background purposes, I'd like to recount the history of the False Claims Act. In 1863, Abraham Lincoln recognized both the danger of government contractor profiteering and the need for private persons to become involved in its prevention when he signed into law the Federal False Claims Act. That act came in response to Civil War era horror stories that sound all too familiar, contractors selling boxes of sawdust in place of boxes of muskets, and reselling horses to the cavalry two and three times.

The False Claims Act allows an individual knowing of fraudulent practices to bring suit on behalf of the government and receive a portion of the recovery if the action is successful. Unfortunately, the teeth of President Lincoln's law were removed during World War II, and the provision has been little used since.

The main purpose behind the enactment of the False Claims Act of 1863—to encourage individuals to ferret out fraud against the government—is even more crucial today as the Government spends hundreds of billions of dollars on contracts with private corporations in areas such as defense, aerospace, and construction.

This False Claims Reform Act restores the incentive for individuals to come forward by establishing minimum award portions a prevailing whistleblower may receive, and by increasing that amount to 30 percent. Perhaps more important to persons who consider going public with their knowledge of fraud, is the added protective language assuring make whole relief for those suffering employer retaliation due to their disclosure.

Enforcement abilities will also be enhanced by this act with the establishment of a preponderance of evidence burden of proof in civil false claims cases as opposed to the more stringent clear and convincing burden. In addition, the act expands the scienter provision to include constructive as well as actual knowledge of a false claim.

In order to fully utilize all remedies available to the Government, the Reform Act will allow more information sharing among Justice Department attorneys, agencies, and Congress so that each branch is better able to assemble the information necessary to take appropriate action against violators of the False Claims Act.

The third major reform in this act increases deterrence by raising the civil forfeiture from $2,000 to $10,000 per claim. The original $2,000 amount has not been changed since 1863. In addition, damages payable to the Government would be increased from double to treble. In the criminal area, penalties would be raised to $1 million. The Senate passed these same increases earlier this year for false claims submitted by defense contractors.

Mr. President, the current fraud problems will not disappear by a wave of any magic fraud bill. But reform is desperately needed, and Congress must assume the responsibility.

Current law puts the Government at a critical disadvantage in fraud cases. Contractors have us over a barrel. Our choice is inexorably clear. If we like being over a barrel, I would suggest we leave the law the way it is and instead grin and bear continued rapes and pillages of the Treasury. The alternative is true reform that shifts the advantage back to the Government where it belongs, and deals with fraud as those who elect us would expect. I urge my colleagues to cosponsor this bill as a very significant step toward repelling the current wave of fraud sweeping this country.

By Mr. HELMS (for himself, Mr. Abdnor, Mr. Denton, Mr. East, Mr. Goldwater, Mr. Grassley, Mr. Laxalt, and Mr. Nickles):

S. 1563. A bill to amend the Federal Campaign Act of 1971 to prohibit the use of compulsory union dues for political purposes; to the Committee on Rules and Administration.

TO STOP THE USE OF COMPULSORY UNION DUES FOR POLITICAL PURPOSES

● Mr. HELMS. Mr. President, today I am introducing legislation to halt a blatant violation of political freedom, the use of compulsory union dues for political purposes.

Federal laws give organized labor a special privilege enjoyed by no other private association—the right to take money from American workers as a condition of employment and to contribute that money to political causes and candidates the workers themselves may not necessarily support.

Federal labor laws grant union officials the power to require a person to pay dues as a condition of getting and keeping a job. Under this unique grant of special privilege, unions collect an estimated $3.5 billion a year from individuals who have to pay up or risk being fired.

The Federal Election Campaign Act, as amended in 1976, gives the appearance of restricting the use of compulsory union dues for political purposes. The law prohibits the use of compulsory dues for direct cash contributions to political candidates. It does not, however, prohibit the use of forced union dues for a number of other indirect means of supporting union-backed political candidates and causes.

In light of this dichotomy created by Federal legislation, union officials have divided their political expenditures into two categories. The first is commonly referred to as union hard money. It consists of money given directly to candidates in the form of cash or in-kind contributions taken from funds given voluntarily by union members. The second category is referred to as union soft money, spent by union officals on behalf of—but not contributed directly to—political candidates.

Soft money comes directly from compulsory union dues. It finances the operations of union PAC's and provides extensive in-kind political services. While it represents the overwhelming bulk of union political expenditures, it is neither documented nor reported to the FEC.

A relatively small portion of the millions of dollars in soft compulsory union dues money is used to operate the union PAC's. This portion pays the salaries of numerous full-time union political operatives across the Nation. It provides PAC supplies, finances mass mailings and travel expense accounts, and purchases sophisticated office machinery and computers.

Mr. President, even voluntary PAC contributions from union members originate with this compulsory dues soft money. Compulsory dues bankroll the administrative overhead costs of union partisan political fundraisers. Compulsory dues soft money used for financing union PAC's runs well into the millions every year. In July 1976, AFL-CIO public relations director, Bernard Albert, admitted that the annual budget of the national COPE alone ran to approximately $2 million.

In spite of the vast sums of compulsory union dues that finance the operating costs of union PAC's, the bulk of compulsory dues soft money goes for unreported, unlimited in-kind political expenditures.

The July 1979 issue of Steelabor, the official newspaper of the United Steelworkers of America, offered its readers a surprisingly candid and straightforward explanation of in-kind political spending. Union dues money, reported the union paper,

> * * * can't go for direct political contributions—but it can do a lot; mailings supporting or opposing political candidates, phone banks, precinct visits, voter registration, and get-out-the-vote drives.

In spite of these admissions, Steelabor's account only tells half of the story. To fill out the picture, several key expenditures need to be added to the list: Weeks, thousands of union employees devoted almost solely to partisan politics; election day workers, paid overtime rates from compulsory dues; millions of political pamphlets and flyers; and paid election-day carpools and babysitters, to name a few.

Mr. President, once again, these indirect union in-kind political expenditures are not subject to any limitations under the FECA. They are paid for with dues money taken from workers as a condition of employment. And without question they represent the overwhelming bulk of union political expenditures.

Fortunately, the courts begun to address this problem. Most recently, Mr. President, the Supreme Court ruled in favor of workers in the case of Ellis/Fails versus Brotherhood of Railway, Airline and Steamship Clerks.

The Ellis/Fails case grew out of a collective bargaining agreement negotiated between Western Airlines and the Brotherhood of Railway, Airline and Steamship Clerks [BRAC] in 1971. Effective February 1971, all employees in BRAC's bargining union were required either to join the BRAC union or pay agency fees equal to full union dues.

BRAC officials forwarded portions of these dues to the State and national unions, used them for lobbying activities, made political contributions, administered members-only benefit plans, and took part in other activities unrelated to collective bargaining. Nonmember employees were opposed to several of the political and ideological activities supported by BRAC officials, yet were forced to finance them through the payment of agency fees. They filed a class action suit against BRAC employers.

The suit charged that BRAC officials had violated the Railway Labor Act [RLA] by charging agency fees above the amount needed to cover the nonmembers' share of collective bargaining costs. This practice violated

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the employees' rights as guaranteed under the first, fifth, and ninth amendments to the U.S. Constitution and under the RLA, and constituted a breach of the union's duty of fair representation for all members of the bargaining unit.

The suit also charged that BRAC's dues reduction procedure breached the union's duty of fair representation because of its arbitrary nature, because it offered only a small reduction of the total amount of nonbargaining spending, because it was not available to nonmembers, and because it was denied to members who had properly submitted objections.

Mr. President, the relief sought included a return by the union of all compulsory dues money improperly spent, injunctive relief imposing stringent requirements as to the purposes for which the union lawfully could spend future dues, and the recovery of attorneys' fees.

BRAC officials responded to the suit with two actions. They dropped the compulsory membership requirement, allowing employees to become agency fee-payors instead, and they amended their rebate scheme to provide a few more political expenditure rebates. The determination of the refund was entirely in the hands of BRAC officials, however, and was appealable only to a panel handpicked by BRAC.

In 1976, a U.S. district court ruled that protesting nonmember employees could not be forced to support financially the BRAC union's political and ideological activities, listed 12 other categories nonmembers could not be forced to support, such as lobbying, organizing, conventions, publications, and social activities.

In September 1982, the Ninth Circuit Court of Appeals reversed the rule that nonpolitical activities not essential to bargaining could not be charged to nonmembers, and affirmed the approval of BRAC's internal rebate scheme.

A petition to the Supreme Court of the United States was filed in January 1983 and the Court agreed in April to hear the case. Oral arguments were held in January 1984.

On April 15, 1984, the Supreme Court unanimously overturned the circuit court and struck down the controversial union rebate scheme. The Court held that employees' constitutional rights were violated when their forced union dues were used to finance activities and causes they opposed; and that a simple rebate of the involuntary loans, even with interest, was inadequate to protect workers' rights.

Under the Court's new ruling, union officials will initially have to reduce the fees charged to forced dues payers, or will have to deposit the fees in an interest-bearing escrow account while the correct chargeable amount of forced fees is determined.

Across the Nation, courts are responding to this hallmark Supreme Court decision. A compulsory unionism agreement requiring nonunion Chicago teachers to pay fees to the Chicago Teachers-Union [CTU] as a condition of employment was recently declared unconstitutional by the Seventh Circuit United States Court of Appeals in Hudson versus Chicago Board of Education.

Under this agreement, the Chicago Board of Education deducted a fee equal to 95 percent of full union dues from nonmember teachers' paychecks and turned the money over to the CTU. If the teachers protested the seizure and use of their money, they had recourse only to a rebate panel entirely controlled by CTU officials.

The Court ruled that before requiring nonunion employees to pay compulsory union fees, a public employer

> * * * must establish a procedure that will make reasonably sure that the wages of nonunion employees will not be used to support those of the union's political and ideological activities that are not germane to collective bargaining * * *

The union-controlled rebate procedure failed to ensure that the nonunion members' money would not be used for political purposes.

In a continuing series of cases in Ohio, officials of the National Education Association have used the State courts to force nonunion teachers to pay compulsory union fees. In at least four of these cases that have gone to trial, the courts have ruled that NEA records are not adequate to determine how much money any teacher owed for collective-bargaining services.

In the past, Ohio courts had ruled against dissenting employees. Given the stringent guidelines set down by the Ellis/Fails case, however, the Ohio courts now have a firm precedent for protesting nonunion members from supporting political, nonbargaining expenses.

Mr. President, it is essential to rebut a false allegation circulated by opponents of my proposals to prohibit the expenditure of compulsory union dues for political, nonbargaining activities. Claiming that the use of compulsory union dues for politics is analogous to the use of corporate funds to establish political action committees with which stockholders may disagree; they say my legislation would unfairly tip the political balance of power in favor of business interests by restricting only union politics.

Those who have been confused by this smokescreen argument should read a recent decision by the U.S. Court of Appeals in Federal Election Commission versus International Association of Machinists which, in my opinion, shatters this bogus argument once and for all.

In that case, Mr. President, attorneys for the International Association of Machinists union charged that 11 corporations had violated the Federal Elections Campaign Act by soliciting contributions to their political action committees from administrative personnel under what they termed "inherently coercive" conditions. Although the district court ruled that no such violation had occurred, it did allow several constitutional issues raised by the plaintiffs to be heard by the U.S. Court of Appeals for the District of Columbia.

Union attorneys asked the appeals court to decide, among other constitutional issues, whether the use of general corporate assets to establish and support corporate political action committees violates the first amendment rights of dissenting shareholders. Union attorneys cited the landmark Supreme Court decision in Abood versus Detroit Board of Education concerning the use of compulsory union dues by a union political action committee to promote the election of certain candidates.

In Abood, the Supreme Court held that the first amendment prohibits unions from forcing employees to support political causes against their will through the use of compulsory union dues. The union attorneys attempted to draw a parallel between Abood and FEC versus IAM. They argued that the use of treasury funds by corporations to establish and administer PAC's abridges the free speech rights of shareholders who object to such use of corporate assets. The Court of Appeals was not convinced.

Noting that ". . . in Abood the (Supreme) Court had held that the first amendment prohibited a public employee union from requiring any employee 'to contribute to the support of an ideological cause he may oppose as a condition of holding a job'", the appeals court ruled that there was no valid analogy between the union position in FEC versus IAM and Abood. The Court stated that a corporate shareholder is under no such compulsion to support a political cause against his will. Citing another Supreme Court decision in first National Bank of Boston versus Bellotti, the appeals court said "the shareholder invests in a corporation of his own volition and is free to withdraw his investment at any time and for any reason." A more appropriate analogy, according to the reasoning of the court, would be the employee who voluntarily joins the union, and later finds himself in disagreement with its stand on a political issue.

Any meaningful campaign reform must deal with the abusive use of compulsory union dues by implementing court decisions to protect worker rights. The time has come to return to individual workers the right to choose for themselves which political candidates and causes their dollars will be used to support.

Because of the continuing menace of the use of involuntary union dues for political purposes, I am introducing legislation today to guarantee that all political expenditures will come from money voluntarily contributed.

Enactment of this important legislation will guarantee the voluntary nature of each person's participation in the political process by prohibiting the use of compulsory union dues for political purposes. This bill will insure that, in matters of political conscience, Federal election laws will be neutral while voluntary participation will continue to be protected. I respectfully urge my colleagues to give this legislation their fullest consideration.●

By Mr. DURENBERGER:

S. 1564. A bill to provide for a self-regulating system of lobby disclosure to supplement and make more effective current disclosure law in the least burdensome manner possible; to the Committee on Governmental Affairs.

INTEGRITY IN LOBBYING ACT

Mr. DURENBERGER. Mr. President, organized interest group influence in the policymaking process has long been a concern of this Congress. That's why nearly 40 years ago it passed the Federal Regulation of Lobbying Act, a law designed to disclose certain basic information about the significant activities of professional lobbyists.

Much, however, has changed since 1946. There was, of course, the Supreme Court's 1954 decision in U.S. versus Harriss, which substantially narrowed the applicability of the new law.

More important, though, was the extraordinary proliferation of Washington-based interest groups during the 1960's and 1970's. These groups were lured to the Nation's Capital by the expansionist mood of the Federal Government itself and encouraged to put down Washington roots in order to protect spending programs, tax measures, and regulatory policies beneficial to their interests.

Once here, they found the atmosphere quite congenial. The declining influence of political parties throughout this same period created a leadership vacuum that many groups were eager to fill and formed a political void that encouraged them to engage in more diverse forms of communication with Government officials. At the same time, decentralizing reforms in Congress, including the great growth in the numbers of subcommittees and staff members, opened many additional pathways to interest group influence. And changes in campaign finance laws profoundly altered the nature and scope of interest group involvement in Federal elections. Finally, increasingly sophisticated technologies have made it easier and less expensive for groups to influence constituents, potential constitutents, and lawmakers.

Yet, despite these enormous changes in the number of interest groups and the nature of lobbying, our basic policy governing disclosure remains unaltered. And the statutory basis of that policy, according to one of the Nation's leading authorities on interest groups, is "recognized by everyone familiar with it * * * (as) a toothless, ineffective law" which fails to cover some of the most significant new forms of lobbying activity.

While recognizing that changing times, tactics, and actors require a new and more effective means of disclosure, it is also well to recognize that groups, like individuals, have certain legal rights, not least among them the right to petition Congress. We must therefore strike a balance in lobbying reform—a balance that takes into account both the tremendous need for improved public disclosure of the nature and extent of lobbying activities and the constitutional need to preserve fundamental group rights.

Thus, I am introducing the "Integrity in Lobbying Act of 1985," a bill that will supplement and greatly enhance current lobbying regulations. Congressman LEE HAMILTON is introducing an identical bill in the House. The central purpose of this legislation is to improve the management of existing lobby disclosure law and to encourage lobbyists to provide more and better information though a self-regulating system of lobby disclosure. Underlying his approach is a basic faith in the professional integrity found among the vast majority of lobbyists and lobbying organizations, as well as a belief that interest group input is an important part of our democratic process. I want to stress that this legislation takes nothing away from the current complusory system or registration. It establishes an optional self-regulatory system that I believe will provide more and better information to the public and place fewer ineffective regulatory burdens on interest groups. If lobbyists choose not to comply with its provisions, however, they remain covered by the existing law.

This proposed legislation will provide for fuller information in three ways. First, in recognition of the profound changes that have occurred over the past two decades in the numbers, scope, and practices of interest groups seeking to influence Federal policy, it covers a wider array of lobbyists and lobbying activities under its disclosure provisions than existing law. Second, it increases the amount of information to be provided, including information on lobbying by volunteers. And third, it provides for an efficient and accessible means of identifying and analyzing lobbying activity through a computerized filing, coding, and cross-indexing system.

At the same time, in order to produce the least possible burden on first amendment rights and organizational capacity, the legislation is based on a unique system of self-regulation that relies on professional ethics and integrity. Moreover, the bill is designed to keep to a minimum the amount of paperwork and recordkeeping required on an organization complying with its provisions.

There are at least three major benefits to be gained from this broad but largely voluntary approach to disclosure. To begin with, timely information on lobbying activities can help Congress reconcile the conflicting goals of popular sovereignty—the principle that government is responsive to the people—and equal representation—the ideal that no single interest receives undue consideration over others because it is more effectively represented. Information on the extent of the imbalance in resources devoted to representing competing interests will alert Members of Congress to the need to listen more closely to the weaker voices and to consider more carefully the overall public interest. Second, information on who is lobbying on what issues can help alert and mobilize competing interests, enabling more voices to be heard. And finally, an open and accountable lobbying process based upon the good faith of lobbyists themselves can further develop the sense of ethics and professionalism among the diverse lobbying community, while at the same time enhancing public confidence in congressional decisions.

Mr. President, I ask that a copy of S. 1564 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1564

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Integrity in Lobbying Act of 1985".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds and declares that—

(1) in recent years, changes in technology, campaigning, elections, and congressional procedures have combined to significantly enhance the influence of organized special interest groups in the legislative process;

(2) as Members of Congress are held increasingly accountable for their responses to such organized special interest groups, they have correspondingly less incentive to respond to the interests of unorganized segments of the public or to the political parties whose labels they bear;

(3) the timely disclosure of the nature and sources of activities undertaken by organized special interest groups for the purpose of influencing legislation can help dilute the bias in favor of such groups in the legislative process by—

(A) mobilizing previously unorganized segments of the public,

(B) creating countervailing pressures on Members of Congress to represent broad public interests in the face of organized special interest pressures, and

(C) enabling Members of Congress to more effectively assess the myriad pressures brought to bear upon them in the legislative process; (4) because the right to petition Congress for a redress of grievances is protected under the First Amendment of the Constitution of the United States, procedures for the implementation of lobbying disclosure policies must be designed to impose the least possible burden on this right; and

(5) although present lobbying disclosure regulations are inadequate, a system of disclosure that features voluntary compliance with professional standards can be an effective means of supplementing current law without infringing on First Amendment rights.

(b) It is the purpose of this Act to establish a program that—

(1) provides for the self-regulatory disclosure to the Congress and to the public of the nature and sources of the activities of organized special interests which are undertaken for the purpose of influencing Federal legislation; and

(2) provides for the Congress to actively encourage such disclosure.

DEFINITIONS

Sec. 3. As used in this Act—

(1) the term "affiliate" means an organization which is associated with another through a formal relationship based upon ownership or an agreement (including a charter, franchise agreement, or bylaws) under which—

(A) the governing instrument requires one such organization to be bound by decisions of the other organization on legislative issues, or

(B) the governing board of one such organization includes persons who—

(i) are designated representatives of another such organization or are members of the governing board, officers, or paid executive staff members of such other organization, and

(ii) by aggregating their votes, have sufficient voting power to cause or prevent action on legislation by the first such organization;

(2) the term "Secretary" means the Secretary of the Senate;

(3) the term "Clerk" means the Clerk of the House of Representatives;

(4) the term "direct expenditure" means—

(A) a payment, distribution (other than normal dividends and interest), loan (if made on terms or conditions that are more favorable than those available to the general public), advance, deposit, or gift or other thing of value made—

(i) for mailing, printing, advertising, consulting fees or the like, which are associated with activities described in section 4; or

(ii) for the retention or employment of an individual or organization that makes lobbying communications on behalf of the retaining or employing organization; or

(B) a contract, promise, or agreement, whether or not legally enforceable, to make, disburse, or furnish any item referred to in subparagraph (A);

(5) the term "identification" means—

(A) in the case of an individual, the name, occupation, and business address of the individual and the position held in such business; and

(B) in the case of an organization, the name and address of the organization, the principal place of business of the organization and a general description of its business or activities;

(6) the term "legislation" means the totality of all matter, both substantive and procedural, relating to the introduction, amendment, enactment, defeat or repeal of any bill, resolution, treaty, report, nomination, or other similar matter before the Congress;

(7) the term "lobbying communication"—

(A) means any oral or written communication (including a speech, address, article, advertisement, media appearance, press release, letter or personal appeal) directed to (i) a Member, officer or employee of Congress to influence the content or disposition of legislation, or (ii) any governmental official or employee to influence a decision by the President to sign or veto any legislation;

(B) means any oral or written communication (including a speech, address article, advertisement, media appearance, press release, letter or personal appeal) directed to any person designed to solicit such person to assist the soliciting organization's effort to influence legislation by (i) engaging in the activities described in this paragraph or paragraph (A), or (ii) participating in any demonstration, rally, or fund-raising drive intended to influence the content or disposition of legislation;

(C) does not include—

(i) a communication by an individual solely for a redress of personal grievances, or solely to express his personal opinion;

(ii) a communication by, or on behalf of, a candidate, as defined in section 301 (2) of the Federal Election Campaign Act (2 U.S.C. 431 (2)), or by, or on behalf of, an organization in its capacity as a political committee, as defined in section 301 (4) of such Act (2 U.S.C. 401 (4)); and

(iii) a communication which deals only with the existence, subject matter, or status of any issue,

(iv) a communication made through a speech or address, through a newspaper, book, periodical, magazine or newsletter published for distribution to the general public or published for purposes unrelated to engaging in activities described in section 3, (7) A, B, (a), except that this exemption shall not apply to a paid advertisement in a newspaper, book, periodical, or other publication distributed to the general public, or to a paid radio or television announcement, and

(D) in the case of an organization which is not registered under section 5 of this Act, shall not include a communication made to a Member, officer, or employee of the Congress in response to a request from that Member, officer, or employee, or submitted for inclusion in a report of a hearing or in the record or public file of a hearing;

(7) the term "Member, officer, or employee of the Congress" means—

(A) any Member of the Senate or the House of Representatives, or any Delegate or Resident Commissioner to the House of Representatives; and

(B) any officer or employee of the Senate or the House of Representatives or any employee of any Member, committee, or officer of the Congress;

(8) the term "organization" means any corporation, company, foundation, association, labor organization, firm, partnership, society, joint stock company, national organization of State or local appointed officials and any organizational unit thereof (excluding any organization of elected officials of general purpose State or local government whose employees operate solely on the authority of such public officials acting in their official capacities and whose employees receive their principal compensation and expenses for lobbying communications by such State and local governments), group of organizations, or group of individuals, which has one or more paid officers, directors, or employees;

(9) the term "paid officer, paid director, or paid employee" means an officer, director, or employee of an organization who received income from such organization as compensation for services at a rate in excess of the Federal minimum wage;

(10) the term "quarterly filing period" means any calendar quarter beginning on January 1, April 1, July 1, or October 1, of any year; and

(11) the term "volunteer" means an individual who works under the direction of an organization without compensation.

APPLICABILITY

Sec. 4. (a) The provisions of this Act shall apply to any organization which—

(1) makes, or makes plans to make, at least ten lobbying communications described in section 3(7)(A) during a quarterly filing period; or

(2) makes, or makes plans to make, at least five lobbying communications described in section 3(7)(A), and at least five lobbying communications described in section 3(7)(B) during a quarterly filing period.

(b) The provisions of sections 5 and 6 of this Act shall not apply to an affiliate of a registered organization if such affiliate engages in activities to the extent described in subsection (a) and such activities are reported by the registered organization. Any registered organization which reports on behalf of any affiliate shall include in its registration and reports an identification of such affiliate.

REGISTRATION

Sec. 5. (a) Each organization shall register with the Clerk of the House of Representatives and the Secretary of the Senate not later than fifteen days following the events described in section 4(a).

(b) The registration required by this section shall be in such form as the Secretary and Clerk shall jointly prescribe and shall contain the following:

(1) an identification of the organization;

(2) a description of the types of issues in which the organization, as of the date of filing, intends to engage in lobbying communications;

(3) the approximate number of individuals and organizations who are members of the organization and a description of the principal contributors to, and interests represented by, the registered organization, except that nothing in this paragraph shall be construed to require the disclosure of any membership or contributor list; and

(4) an identification of any retained individual or organization, any volunteer, and any employee who engages in lobbying communications on behalf of the organization, except that an organization shall not be required to identify a volunteer who has not engaged in lobbying communications to the extent described in section 4(a)(2).

(c) A registration filed under subsection (a) shall be effective until the first day of January of the year following the date upon which the initial registration is filed. Each organization shall file a new registration under subsection (a) within thirty days

after the first day of January of each year, unless the organization has (1) ceased to engage in the activities described in section 4, and (2) has not made plans to engage in such activities during the ensuing year.

REPORTS

Sec. 6. (a) Each organization shall, between the first and fifteenth day of each quarterly filing period, file a report with the Secretary and the Clerk, at such place as they shall jointly designate, concerning—

(1) any activities described in section 4 which the organization has engaged in, or plans to engage in, as the case may be, during the quarterly filing period in progress; and

(2) an update of the report filed by such organization for the previous quarterly filing period.

(b) The report described in subsection (a) shall be in such form as the Secretary and Clerk shall jointly prescribe and shall contain the following:

(1) an identification of the organization filing the report;

(2) an estimate of the total direct expenditures and indirect costs incurred, or planned to be incurred, with respect to the activities described in section 4;

(3)(A) an identification of any retainee, employee, or volunteer who has engaged, or plans to engage, during the quarterly filing period in progress in a lobbying communication described in section 3(7)(A) on behalf of the organization, except that an organization shall not be required to identify a volunteer who has not engaged in lobbying communications to the extent described in section 4(a)(2); and

(B) an identification of each subject concerning which the retainee, employee or volunteer identified under subparagraph (A) has made, or plans to make, such lobbying communications;

(4) with respect to each subject identified in paragraph (3)(B)—

(A) an estimate of the total direct expenditures with respect to such lobbying communications, which the organization (i) made during the preceding quarterly filing period, and (ii) made, or plans to make, during the quarterly filing period in progress, stated according to the categories described in subsection (c) of this section;

(B) an estimate of the percentage of the amount described in subparagraphs (A)(i) and (A)(ii) expended or planned to be expended, as the case may be, with respect to—

(i) lobbying communications described in section 3(7)(A) of this Act, and

(ii) lobbying communications described in section 3(7)(B) of this Act;

(C) an estimate of the total number of hours spent by volunteers engaging in the activities described in section 4 of this Act with respect to such subject;

(D) an estimate of the number of media contacts made, or planned to be made in conjunction with the activities described in paragraph (4)(B)(ii) of this section; and

(E) a general description of the methodology used by the organization in developing the estimates required under this section.

(c)(1) the amounts described in paragraph (2) shall be stated in the following categories: Category A—amounts less than $10,000; Category B—amounts equal to or greater than $10,000, but less than $100,000; Category C—amounts equal to or greater than $100,000, but less than $500,000; Category D—amounts equal to or greater than $500,000, but less than $1,000,000; and Category E—amounts equal to or greater than $1,000,000.

(2) Any amount listed in Category E shall be stated as the number of millions involved.

(d) For the purpose of this section, the term "indirect costs" means the costs of general operating overhead such as the costs of salaries, office equipment, utilities and rental or mortgage payments, and the costs of legislative activities other than lobbying communications such as attending hearings and gathering information on and analyzing legislation, which are allocable to the activities described in section. 4.

DUTIES OF THE SECRETARY AND CLERK

Sec. 7. (a) It shall be the joint duties of the Secretary and Clerk—

(1) to develop computerized filing, coding, and cross-indexing systems to carry out the purposes of this Act, including a cross-indexing system which, for any person identified in any registration or report filed under this Act, discloses each organization identifying such person in any such registration or report;

(2) to make copies of each registration and report filed with them under this Act available for public inspection and copying, commencing as soon as practicable after the date on which the registration and report involved is received, but no later than the end of the fifth working day following such date, and to permit copying of such registration or report by hand or by copying machine, or, at the request of any individual or organization, to furnish a copy of any such registration or report upon payment of the cost of making and furnishing such copy; but no information contained in any such registration or report shall be sold or utilized by any individual or organization for the purpose of soliciting contributions or business;

(3) to compile and summarize, with respect to each quarterly filing period, the information contained in registrations and reports filed during such period in a manner which clearly presents the extent and nature of the activities described in section 4 which are engaged in during such period;

(4) within forty-five days after the close of each quarterly filing period, to make available the information compiled and summarized under paragraph (3)—

(A) to the public (including offering copies for sale by mail), and

(B) to Members and committees of the Congress, through its online computer system; and

(5) to prescribe such guidelines, reporting formats and procedures as are necessary for the performance of his duties under this Act;

(6) compile each week of a quarterly filing period, from material submitted by the Chairman of each committee of the Congress, the names of each representative of an organization and each organization testifying before the Congress and the purpose of the hearing at which the representative of such organization was testifying; and

(7) collating the matter compiled as provided in paragraph (6) with the other disclosure data compiled for each quarter pursuant to paragraph (3).

RESPONSIBILITY UNDER OTHER LAWS

Sec. 8. Notwithstanding any other provision of law, compliance with this Act shall be deemed to be compliance with the Federal Regulation of Lobbying Act (2 U.S.C. 260 *et seq.*).

AUTHORIZATION

Sec. 9. There are authorized to be appropriated such sums as are necessary to carry out the purposes of this act.

EFFECTIVE DATES

Sec. 10. (a) Except as provided in subsection (b), the provisions of this Act shall take effect on the first day of the first calendar quarter which begins more than one hundred and eighty days after the date of the enactment of the Act.

(b) The provisions of this Act requiring the issuance of guidelines to implement this Act shall become effective upon the date of enactment.

By Mr. NICKLES (for himself and Mr. Boren):

S. 1565. A bill to require the Secretary of Agriculture to conduct a study of alternatives for providing agricultural credit during the 1986 through 1989 fiscal years; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL CREDIT RELIEF ANALYSIS

Mr. NICKLES. Mr. President, while we are concentrating our present efforts in agriculture on the 1985 farm bill, farmers and ranchers alike continue to experience farm credit problems, with interest comprising a healthy chunk of total farm expenses.

Today Senator Boren and I are introducing a measure to analyze three proposals which could drop farmers' interest rates by up to 30 percent on funds borrowed from the farm credit system. The bill I am introducing would require the Secretary of Agriculture to explore lowering farm interest rates by providing a Government guarantee on bonds issued by the farm credit system or by allowing the interest on the bonds to be free from Federal income tax or a combination of the two approaches.

The farm credit system [FCS] is a cooperative that provides credit to farmers and ranchers, their cooperatives, farm-related businesses, commercial fishermen, and rural homeowners. The FCS is supervised by the Farm Credit Administration, an independent Federal agency and contains about one-third of total farm debt. The FCS obtains its funds through the sale of securities to investors in the private credit market.

The FCS extends credit through its component parts: Federal Land Banks [FLB's] and Federal Land Bank Associations [FLBA's]; Federal Intermediate Credit Banks [FICB's] and Production Credit Associations [PCA's]; and the Banks for Cooperatives [BC's].

The 12 FLB's make 5 to 40-year loans, secured by mortgages on farms or rural real estate, to borrowers who apply at local FLBA's. Loans can be used to acquire farms, farmland, equipment and livestock, as well as to refinance existing debt. FLB's will make loans valued at an estimated $5.9 billion in 1986.

The 12 FICB's, through local PCA's, make loans of up to 7 years to farmers and ranchers, rural homeowners, and farm related businesses, and loans of up to 15 years to commercial fishermen. Loans can be used for the production of agricultural products; the harvesting and production of aquatic products; and the purchase, repair, and maintenance of rural homes.

The 12 BC's make long- and short-term loans directly to cooperatives of farmers, ranchers, or commercial fishermen.

Since September of last year, the prime rate has dropped from 13 percent to 9.5 percent, a 27-percent decline. But look at what has happened to farmers' cost of money during this time. Oklahoma Federal Land Bank borrowers saw interest rates jump from 11.75 percent to 12.5 percent on January 1 of this year. Something is wrong when agriculture has to pay more for money when the rest of the economy is paying less.

Mr. President, when the farm credit system takes a loss on a loan, this cost is not coming out of some investor's pocket. It is coming out of a farmer's pocket who can ill afford to bear additional financial liabilities. Last year, the PCA side of the ledger suffered a whopping $308 million in losses; in 1983, $245 million; in 1982, $160 million; and in 1981, $44 million. This trend is no different with the Federal Land Bank with $110 million in losses last year, up substantially from $8 million in 1983, $1.5 million in 1982, and less than $1 million in 1981.

Earlier this year, in testimony before the Committee on Small Business, John Harling, chief executive officer of the Farm Credit Banks of Omaha, explained how FCS borrowers are being hit twice from the deteriorating agriculture economy. When asked what would happen to agriculture lending institutions if the troubled agriculture situation continued, Mr. Harling stated the following:

> We are already seeing the pressure on both the farm credit associations and particularly the small local commercial banks. As those losses come into the portfolio and are written off, that brings continued pressure on earnings, continued pressure on capital and ultimately, if the losses continue, the organization will run out of capital base and will be forced into liquidation.
>
> Loss sharing agreements have been triggered now two years in a row in which the financially sound and strong PCA's provide capital to the others. The next step is to turn to the credit bank itself for financial assistance, and that is occurring now. But in both cases you can only go so far and then you start adversely impacting all of the other borrowers, and you can't raise your rates to the point where you put that next round of borrowers through the ringer until their loan won't work anymore.
>
> That is what we are seeing happening, that downward spiral as the pressure of increased costs of funds and losses comes to bear on interest costs.

Mr. Harling went on to state he felt we were "a ways away" from a total collapse of the agriculture credit system but stated, "we believe that some significant action needs to be taken and very soon, the sooner the better, to keep that from happening."

Mr. President, I do not propose that providing Government guaranteed or tax-free farm credit system bonds is the answer to all of agriculture's problems. Nor do I think the farm bill or any other single piece of legislation will cure all of the industry's ills. However, I do think the prospect of lowering farmer's interest rates through the measures I have outlined are worth pursuing.

According to special analyses F of the fiscal year 1986 Federal budget, "tax-exempt interest rates in 1984 have normally been about 75 percent of taxable interest rates on long-term obligations with similar credit risk." Typically, Government guarantees result in interest rates at about 95 percent of market rates. Together, these could result in a 30-percent interest rate reduction for Oklahoma farmers and ranchers. The proposals I am setting forth could be a tremendous boost to get agriculture back on its feet again.

Most of my colleagues are aware the farm credit system is trying to clean up its own house by undergoing some internal changes in order to obtain greater efficiencies in the system. But, I am not sure whether a reorganization plan will result in lower interest rates to farmers and ranchers. I am also concerned that localized input into lending and management decisions will suffer in the process.

Mr. President, we should not wait until the farm credit system comes knocking on the door to consider what should be done. Nor do I want to haphazardly set forth a proposal when certain questions remain unanswered. But this measure will give us the facts about Government guaranteed tax-free farm credit system bonds, and we will then be able to take the right course of action.

Under the bill I am introducing, the Secretary of Agriculture, in consultation with the Treasury Secretary, would take into account any loss in tax revenues resulting from my proposals together with gains in net farm income for farmers and farm-related businesses and the resulting increases in tax revenues. By October 31, the Secretary would tell us what he found. Quite frankly, there are many people in agriculture who would love to become taxpayers. They simply have not been turning a profit. Granted, revenue would be lost from tax-exempt bonds, but the Government might make a dollar by making taxpayers out of a few people along the way.

Under my bill, the Secretary would also consider the potential savings to the Farmers Home Administration resulting from fewer borrowers having to turn to the traditional lender of last resort. In Oklahoma, the demand for FmHA farm ownership money is three times greater than funds available. By easing credit terms at PCA's and Land Banks, the Federal Government could be doing itself a favor by lessening pressure on its own farm lending agency, the Farmers Home Administration.

In closing, let me say there is indeed a crisis in agriculture. No single piece of legislation will solve all of our problems. But collectively, congressional actions can improve the economic climate in agriculture. Through commodity programs, we will be addressing the income side of the equation. Through proposals such as those I have outlined today, we can take steps toward reducing the interest expense which is eating away profits for much of the Nation's agriculture sector. It is my hope to put this legislation on a fast track and hope my colleagues will join me in this effort to bring credit relief to America's farmers and ranchers.

Mr. President, I ask unanimous consent that a copy of my bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1565

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the Secretary of Agriculture, in consultation with the Secretary of the Treasury, shall conduct a study of alternatives for providing agricultural credit during the 1986 through 1989 fiscal years.

(2) In conducting such study, the Secretary shall—

(A) estimate the demand for agricultural credit during such fiscal years, based upon current trends in farm income, farm prices, projected interest rates, and changes in farm land values;

(B) estimate the cost of providing direct and guaranteed loans under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) during such fiscal years, based upon projected credit demands and farm income;

(C) evaluate a program of providing credit to agricultural producers that would offer cheaper credit to such producers and reduce the dependence of such producers on the Federal Government by providing—

(i) Government guarantees for bonds sold by institutions of the Farm Credit System established under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.);

(ii) exemptions from Federal income taxation for interest on such bonds; or

(iii) both such guarantees and exemptions;

(D) take into account any loss in tax revenue resulting from alternatives for providing agricultural credit, together with gains in net income for farmers and farm-related businesses and the resulting increase in tax revenues; and

(E) take into account potential savings to the Federal Government resulting from such alternatives.

(b) Not later than October 31, 1985, the Secretary of Agriculture shall submit a report containing the results of such study, together with any necessary legislation, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

By Mr. DENTON (for himself
and Mr. Hatch):

S. 1566. A bill to extend the Adolescent Family Life Demonstration Program for 3 years; to the Committee on Labor and Human Resources.

ADOLESCENT FAMILY LIFE DEMONSTRATION PROGRAM EXTENSION

Mr. DENTON. Mr. President, it is my pleasure to join with Senator Hatch to introduce a bill to reauthorize the Adolescent Family Life Act of 1981, title XX of the Public Health Service Act. The bill would reauthorize the law with no changes to the current statute, and at the current authorization level of $30 million for 1986, 1987, and 1988. The $30 million authorization would continue the operations of the multiyear demonstration projects at a time when all informed and thinking Americans acknowledge the alarming number of adolescent pregnancies and abortions.

During the closing days of the 98th Congress, Public Law 98-512 extended the program for an additional year, until September 30, 1985. After hearings and long deliberation, last year's reauthorization was amended by deleting the then existing references to referral for such services, to strengthen and emphasize requirements that care projects provide education and vocational training. Otherwise, the AFL Program remained unchanged as the result of the reauthorization.

Given the efforts of the last Congress, I see no need for extensive consideration of the proposed reauthorization. For my colleagues who are interested in the policy rationale and past achievements of the program, I recommend an examination of the report filed last year by the Committee on Labor and Human Resources (98-496), and of the hearings held on April 24 and 26, 1984, by the Subcommittee on Family and Human Services.

In short, Mr. President, I believe that all of my colleagues are concerned about the health and well-being of teenagers and their families. I urge them to join us in supporting a small but vital program. Through the AFL Program, we are finding and developing prevention, care, and research projects that can help thousands of adolescents directly and, through demonstration and dissemination, create models for successful programs that ultimately can help millions of adolescents and their parents deal with the causes and consequences of teenage pregnancy.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1566

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2010(a) of the Public Health Service Act is amended by striking out "and" after "1984," and by inserting before the period a comma and "$30,000,000 for the fiscal year ending September 30, 1986, $30,000,000 for the fiscal year ending September 30, 1987, and $30,000,000 for the fiscal year ending September 30, 1988".

Mr. HATCH. Mr. President, I am pleased to join with my colleague, Senator Denton, in introducing a bill to reauthorize the Adolescent Family Life Act of 1981, title XX of the Public Health Service Act. We propose that it be reauthorized for 3 years at the current authorization level of $30 million for 1986, 1987, and 1988.

Each year, more than a million American adolescents become pregnant, and a significant number of these pregnancies are unwed mothers. Certainly these statistics demonstrate that the issues of adolescent sexuality, pregnancy, and parenthood are of concern to all of us.

Nonetheless, I believe strongly that these issues are, at their core, family issues. The role of the family, as research supports, is a key factor in dealing with these serious problems. The involvement of the family, especially of parents, in the decisions made by a teenager can be critical to the outcome and adjustment of an adolescent.

For these reasons, I have been a supporter of the Adolescent Family Life Program and am proud to cosponsor its reauthorization for 3 years. This bill, which authorizes funding of service demonstration programs, promotes an integrated family approach which recognizes the sensitive and private nature of these problems.

The Adolescent Family Life Program is an important alternative to previous federally funded programs because it encourages family participation, because it promotes adoption as an alternative to abortion, and because it encourages care, counseling, and education and vocational training for pregnant teenagers and adolescent parents. Although a new governmental program, it takes a more traditional as well as a more comprehensive approach to the problems of adolescent sexuality, pregnancy, and parenthood. This is the correct approach—Government should act to strengthen the bond between parent and child and should support the family unit.

I encourage the Senate to recognize the positive potential of this alternative to the problems of teenage sexuality, pregnancy, and parenthood by reauthorizing the Adolescent Family Life Act for another 3 years.

By Mr. LAXALT (for himself
and Mr. Hecht):

S. 1568. A bill to declare that the United States holds certain lands in trust for the Reno Sparks Indian Colony.

RENO SPARKS INDIAN COLONY

● Mr. LAXALT. Mr. President, I introduce for myself and my distinguished colleague, Senator Hecht, a bill to declare that the United States holds certain lands in trust for the Reno Sparks Indian Colony.

This bill, Mr. President, will create a new colony consisting of some 1,900 acres in Hungry Valley, some 10 miles north of Reno, NV. The present colony, consisting of some 20 acres, was established in 1917. The tribe has grown over 400 percent since that time and its present land base is simply not sufficient to permit any tribal continuity. Additionally, the bill places the present colony land in trust for the tribe.

The new tribal land provides for the cancellation of grazing rights on some 640 acres which will be used for its housing needs. Separate agreements will be reached between the grazing right holder and the colony for that loss. Grazing rights to the remaining transferred land will remain intact.

For its part, the tribe has agreed to relinquish to Washoe County a parcel of land needed by the county in nearby Lemmon Valley.

I stress that the basic purpose of the bill is to relieve severe crowding of tribal housing and community activities in the colony's present restricted location.●

● Mr. HECHT. Mr. President, today I am privileged to join my senior colleague from Nevada, Senator Laxalt, in introducing legislation to withdraw some 1,900 acres of public land located in Hungry Valley, NV, for use by the Reno-Sparks Tribal Colony.

The Reno-Sparks Indian Colony was established in 1917 through the purchase of a 20-acre tract of land by the Federal Government for the amount of $6,000. This purchase was a direct result of the abolishment of certain treaties by the Congress in 1871 and the subsequent need to address various nonreservation Indian groups who had not been accommodated by the treaty allotment system.

The colony's population has grown in excess of 400 percent since that time, and for the past 15 years the colony has been working diligently to expand its land base for housing and economic development. Today's legislation is a balanced and well-planned culmination of these efforts.

Despite some initial misunderstandings about the colony's development intentions, this proposal now has virtually unanimous support at the local level. Most importantly, enactment of this bill will trigger a contractual agreement between the colony and Washoe County, dated June 26, 1984, which provides for transfer to the county of 160 acres of colony lands located in nearby Lemmon Valley.

Finally, this bill provides for the cancellation of grazing privileges on the 640 acres which the colony intends to develop for housing. It is our intention to cause as little disturbance as possible to the present grazing activities in Hungry Valley, and we believe that the bill's grazing provisions will accomplish this end.

I look forward to working with my colleagues toward this bill's swift enactment, and I ask unanimous consent that a copy of the bill, be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1568

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Except as otherwise provided in section 2, all right, title, and interest of the United States in the lands described in subsection (b) of this section are hereby declared to be held by the United States in trust for the benefit and use of the Reno Sparks Indian Colony and are hereby declared to be part of the Reno Sparks Indian Colony.

(b) The lands referred to in subsection (a) comprise approximately 1,948.38 acres of public land within Hungry Valley, Washoe County, Nevada, and are described as follows:

Township 21 North, Range 20 East, Mount Diablo base line and meridian, Section 4, 640 acres more or less, reservation, restrictions, and conditions, if any, rights of way and assessors either of record or actually existing on said premises.

Township 21 North, Range 20 East, Mount Diablo base line and meridian, Section 9, 640 acres more or less, reservations, restrictions, and conditions, if any, rights of way and assessors either of record or actually existing on said premises.

Township 21 North, Range 20 East, Mount Diablo base line and meridian, Section 16, 640 acres more or less, reservations, restrictions, and conditions, if any, rights of way and assessors either of record or actually existing on said premises.

Township 19 North, Range 20 East Mount Diablo base line and meridian, beginning at a point on the North County Road right-of-way fence line described as being 1,268 feet East and 30 feet North of the West quarter corner of Section 7 said point being at the intersection of the boundary fence between L.M. Christianson and A.L. Jensen, with said North County Road right-of-way line; thence North 0 8′ West 490.30 feet; thence West 787.74 feet thence South 0 12′ West 490.30 feet to North County Road right-of-way fence, thence along said fence line 373.16 feet; thence North 104.35 feet to the North County Road right-of-way fence line 208.71 feet to the place beginning, containing 8.38 acres more or less, beginning reservations, restrictions, and conditions, if any, rights of way and assessors either of record or actually existing on said premises.

Township 19 North, Range 20 East, Mount Diablo base line and a meridian, beginning at the intersection of the East boundary line of the West half of the South West quarter of Section 7 with the South line of Scott Street Road, said point being 30 feet South of the North East corner of said West half of the South West quarter; thence South 89 35′ West and along the South line of said Scott Street Road 361.2 feet; thence South and a parallel with the East boundary line of said West half of Southwest quarter of Section 7, 2,326.18 feet South to North line of Glendale Road; thence South 64 30′ East along the North line of said Glendale Road 400 feet to the East line of Glendale Road West half of South West quarter of Section 7; thence North along East boundary line 2,501 feet to the place of beginning containing 20 acres more or less, reservations, restrictions, and conditions, if any, rights of way and assessors either of record or actually existing on said premises.

Sec. 2. (a)(1) Except as otherwise provided in this section, nothing in this Act shall deprive any person of any right-of-way, mining claim, grazing permit, water right, or other right or interest which such person may have in the land described in the first section on the date preceding the date enactment of this Act.

(2) Notwithstanding the last sentence of section 402(g) of the Federal Land Policy and Management of 1976 (90 Stat. 2774, 43 U.S.C. 1752(g)), within 30 days after the date of enactment of this Act, the Secretary of the Interior shall cancel all grazing permits and leases on the following described land:

Township 21 North, Range 20 East, Mount Diablo Meridian, Section 4 comprising 640 acres more or less in Washoe County, Nevada.

(b) Within 120 days after the date of enactment of this Act, the Secretary of the Interior, in accordance with section 402(g) of the Federal Land Policy and Management Act of 1976 (90 Stat. 2774, 43 U.S.C. 1752(g)), shall pay to the holder of any lease or permit cancelled under subsection (a) of this section reasonable compensation, to be determined by the Secretary, for the adjusted value of any improvements which said holder constructed or placed on the land described in subsection (a)(2) of this section and cannot be removed. Such payment shall not exceed the fair market value of the terminated portion of the holder's interest therein.

(c) The Secretary of the Treasury is authorized and directed to pay to the Secretary of the Interior, out of funds in the Treasury of the United States not otherwise appropriated, such sums as the Secretary of the Interior may require to make the payments required under subsection (b) of this section.

(d) The grazing privileges exercised under any grazing permit or lease issued by the Secretary of the Interior on any of the following described lands located within the grazing unit known as the Paiute Canyon Grazing Allotment Range, Washoe County, Nevada, prior to the date of enactment of this Act shall not be affected by this Act, and shall continue to be subject to the terms and conditions of such permit or lease, and to the applicable rules, and regulations of the Secretary of the Interior:

Township 21 North, Range 20 East, Mount Diablo base line and meridian, Section 9, 640 acres more or less.

Township 21 North, Range 20 East, Mount Diablo base line and meridian, Section 16, 640 acres more or less.

(e) The grazing privileges exercised under any grazing permit or lease on the lands described in subsection (d) of this section shall continue to be administered by the Secretary of the Interior through the Bureau of Land Management in accordance with the rules and regulations governing grazing permits and leases on the public lands. Such grazing permits or leases may be canceled or modified by the Secretary of the Interior for failure to meet the terms and conditions of such permits or leases or for failure to abide by the applicable rules and regulations of the Secretary of the Interior. If a grazing permit or lease is so canceled, the Secretary of the Interior shall not issue a new grazing permit or lease covering the lands described in subsection (d) of this section.

(f) Grazing fees for the grazing permits and leases on the lands described in subsection (d) of this section shall continue to be payable by the holder of such permit or lease to the Secretary of the Interior at the prevailing rates. Notwithstanding any other provision of law, such fees shall be remitted by the Secretary of the Interior to the Reno Sparks Indian colony within 30 days after the date on which such fees are paid to the Secretary of the Interior.

(g) The grazing permits and leases on the lands described in subsection (d) of this section shall not be assigned or transferred to any person or organization other than the Reno Sparks Indian Colony.

Sec. 3. (a) Section 1 of the Act of August 9, 1955 (69 Stat. 539, as amended; 25 U.S.C. 415), is amended by inserting ", and lands held in trust for the Reno Sparks Indian Colony," immediately after "Twenty-nine Palms Band of Luiseno Mission Indians,".

(b) Section 164 of the Act of July 14, 1955 (42 U.S.C. 7474), shall be applied without regard to the provisions of the first section of this Act.●

By BINGAMAN (for himself, Mr. Matsunaga, Mr. Chiles, Mr. Hollings, and Mr. Gore):

S. 1569. A bill to amend title XVII of the Public Health Service Act to encourage health promotion and disease prevention through the implementation of a coordinated national nutrition monitoring system; to the Committee on Governmental Affairs.

IMPROVED PUBLIC HEALTH THROUGH NUTRITION MONITORING ACT

●Mr. BINGAMAN. Mr. President, today I am introducing the Improved Public Health through Nutrition Monitoring Act of 1985, a bill which I believe will help us better understand and assess the nutritional and health status of Americans.

Last year, I introduced similar legislation. This year's version has some important changes, but the basic purpose is the same. A national nutrition monitoring and surveillance system will help us obtain timely information about the nutritional health of Americans, including diet, nutrition, and health status measurements, food consumption patterns, with the overall goal of insuring a safe and nutritious food supply.

Importantly, this bill links nutrition monitoring efforts to health promotion. The bill promotes the public health and the prevention of diseases by coordinating and improving Federal efforts in nutrition monitoring. We need to begin to combine what we know about good nutrition and health promotion. This bill does this.

Much is being done in this country at this time to improve health care, to reduce costs, and to promote good health. Much of this activity has taken place as a self-help effort, and these efforts need to continue. But we also need to increase our knowledge of those Americans who are in high risk groups or geographic areas and who lack basic nutritional and dietary needs. Presently, however, we have a major problem—a lack of timely nutrition and dietary data, and an analysis of such data that can be used for public use and planning.

The Department of Health and Human Services now engages in several nutrition-related research and monitoring activities. Foremost is the National Health and Nutrition Examination Survey (NHANES). The Department of Agriculture also conducts a comparable survey in the Nationwide Food Consumption Survey (NFCS). In 1981, the administration submitted to Congress the long-awaited joint implementation plan for a Comprehensive National Nutrition Monitoring System. This was done to consolidate the two major nutrition studies of NHANES and NFCS into one coordinated survey to begin in 1987. To this date, we are still waiting for implementation and it looks virtually impossible to meet the 1987 deadline.

We now know that nutrition is linked to our health. It is a major component in promoting health and preventing disease, especially during pregnancy, infancy, childhood, and adolescence. We also know that without proper nutrients, the most severe impact can be malnutrition and even hunger and long-term illnesses.

Representative George E. Brown, Jr., of California, who has been a leading advocate for nutrition-monitoring legislation in the House, has eloquently described the connection between health and the use of nutrition data. I believe his statement concisely explains the critical need that we, in Congress, have for adequate up-to-date nutrition data to make informed policymaking decisions.

> Congress needs and should use the information from such a national nutrition monitoring system to formulate and evaluate the consequences of nutrition and health policies and programs, oversee the effectiveness and efficiency of such Federal programs, evaluate the quality of the administration of the programs, and assess the extent to which the programs and policies are consistent and coordinated. Establishment of national baseline data is essential for evaluating the implications of changes in agricultural policy related to food production, processing, and distribution which may affect the nutritional quality and safety of the food supply; for monitoring the impact of food consumption practices and trends; for identifying early warning signals of both low and high caloric and nutrient intake; and for determining the appropriateness of Federal efforts regarding food regulations and nutrition research and education.

Mr. President, my bill would amend title 17 of the Public Health Service Act and require that the Secretary of Health and Human Services prepare a comprehensive health promotion and nutrition monitoring plan over a 10-year period to improve Federal health promotion and disease prevention efforts, particularly nutrition monitoring and related research programs. To advise the Secretary, an Interagency Health Promotion and Nutrition Monitoring Board is established. Furthermore, an Advisory Council on Health Promotion and Nutrition Monitoring will be appointed by the President and Congress to give scientific and technical advice on the development and implementation of the comprehensive plan and to evaluate the progress of the nutrition monitoring program.

The bill authorizes $3 million to carry out the health promotion and nutrition plan: $2 million for a competitive grants program to encourage nutritional status research and cost-effective methods for surveillance, and $1 million for technical assistance to State and local governments. These costs, however, would be offset by the improved health and collection of new, useful nutrition information which would be generated.

In conclusion, Mr. President, nutrition monitoring and related research is now scattered among various Federal agencies and departments. The result has been inefficient management, untimely data collection and dissemination, and a lack of coordinating among the various Federal agencies. In these times of Federal spending restraints, more needs to be done to improve the efficiency and effectiveness of nutrition monitoring. This legislation is a first attempt to assure that accountability, while at the same time getting the information that is so desperately needed.

Similar legislation—H.R. 2436—has been introduced in the House by Representative MacKay. I urge my colleagues to support this critical measure.●

By Mr. NICKLES (for himself, Mr. Wilson, Mr. Thurmond, Mr. Hatch, Mr. Mattingly, Mr. Exon, Mr. Cochran, Mr. Lugar, Mr. Zorinsky, Mr. Symms, Mr. Gramm, Mr. Evans, Mr. McClure, Mr. East, Mr. McConnell, Mr. Hecht, Mr. Abdnor, Mr. Boschwitz, Mr. Garn, Mr. Durenberger, Mr. Laxalt, Mr. Simpson, Mrs. Kassebaum, Mr. Dole, and Mr. Domenici):

S. 1570. A bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that act relating to maximum hours, to clarify the application of that act to volunteers, and for other purposes; to the Committee on Labor and Human Resources.

FAIR LABOR STANDARDS ACT AMENDMENTS

Mr. NICKLES. Mr. President, today, I am introducing legislation in response to the Supreme Court's recent decision in Garcia versus San Antonio Metropolitan Transit Authority which held that the Fair Labor Standards Act [FLSA] is applicable to State and local governments. The total impact of this decision is still being assessed by various State and local entities but evidence presented to a hearing conducted by the Labor Subcommittee, on July 25, which I chair, was staggering. I am convinced that Federal intrusion into the employer-employee relationship at the State and local level is totally unwarranted.

I am very pleased that my distinguished colleague from California, Senator Wilson, has agreed to sponsor this legislation with me. His work and interest in this area are well known and of great assistance to the Labor Subcommittee. In addition, I am pleased to be joined by so many of my colleagues who, recognizing the potential impact of the Garcia decision on their constituents, have agreed to cosponsor this bill.

Briefly, as orginally enacted in 1938, the FLSA required every employer to pay each of its employees engaged in commerce or in the production of goods for commerce the statutory minimum wage and overtime rate. Initially, the definition of employer excluded both the United States or any State or political subdivision of a State.

This exemption for State and local governments first cracked in 1966. Then, coverage was extended to include an enterprise engaged in the operation of a hospital, an institution primarily engaged in the care of the sick, the aged, the mentally ill or defective who reside at such institution, a school for the mentally or physically handicapped or gifted children, an elementary or secondary school, or an institution of higher education, regardless of whether or not the hospital, institution, or school was public or private. Also, coverage was mandated for both public and private railways and carriers.

After the Supreme Court upheld the constitutionality of such extension to hospitals, institutions and schools in *Maryland* v. *Wirtz,* 392 U.S. 183 (1968), Congress proceeded to extend FLSA coverage to virtually all State and local employees in 1974. A partial exemption from the overtime provisions was granted for firefighters who, under the FLSA, are allowed to work 212 hours in a 28-day cycle and for police officers who are allowed to work 171 hours in the same time period before overtime or premium pay is required. This is in comparison to the standard 40-hour workweek otherwise applicable.

The congressional extension to State and local governments was short lived, however. In *National League of Cities* v. *Usery*, 426 U.S. 833 (1976), the Supreme Court ruled that the Commerce Clause did not empower Congress to enforce such requirements against the States "in areas of traditional governmental functions." 426 U.S. at 852.

Until February 19, 1985, this remained the law of the land. Then, in a 5–4 vote, the Supreme Court changed its mind and ruled that in covering employees of the San Antonio Metropolitan Transit Authority under the wage and hour provisions of the FLSA, Congress contravened no affirmative limit on its power under the Commerce Clause of the United States Constitution. Thus, overnight literally State and local governments found themselves facing a potential liability that could reach $3 billion.

For my own State of Oklahoma, the Department of Public Safety has informed me that including prospective troopers attending an intensive stress-type academy will cost the State an additional $68,000 per month in overtime for an average of 50 cadets because of FLSA requirements. The city of Stillwater has reported that the Garcia decision will cost it $624,279 this year alone. These are not isolated instances.

Evidence presented to the Labor Subcommittee on the potential effects of Garcia has led me to conclude that a legislative response is imperative. Therefore, the bill I am introducing today will address the three main problem areas resulting from this decision.

First, the legislation would exempt State and local governments from the overtime but not the wage provisions of the FLSA. This restores to State and local governments the flexibility to schedule their employees to serve best the needs of their own areas. Without this provision, overtime would have to be paid at any time after the statutory permitted hours for a workweek or period had been reached and compensatory time off or comp time in lieu of such overtime would not be permitted. In certain highly stressful occupations such as police work, firefighting, mental health counseling, to name a few, time off is preferable to employees over extra pay. The legislation does not require that compensatory time off be used or that overtime premium pay be given; it merely allows the flexibility to offer comp time as an alternative.

Mandating that overtime be compensated in cash, as Garcia does, presents significant cost problems in providing services needed on a cyclical basis. For example, testimony received at the Labor Subcommittee hearing indicated that Los Angeles County has fire problems about 6 months of each year. During this period, firefighters must work many extra hours and, prior to Garcia, would then take comp time during the slack season. Having to pay overtime is estimated to cost Los Angeles County an additional $12.5 million a year just for fire protection alone. In one 18-day period in June and July of this year, the Los Angeles County Fire Department incurred an additional cost of $564,000 for overtime as a result of Garcia. This legislation would restore Los Angeles County's ability to use comp time.

An extreme example of what can happen under the Garcia decision on police work occurred right here in Washington, DC. Two detectives were pulled off a homicide investigation by police officials who were concerned that the detectives would have to be paid overtime if they continued to work past the end of their shift. To add more insult to this, the two detectives reassigned to the case also were pulled off when their shifts ended. I would ask unanimous consent that a copy of the July 10, 1985, Washington Post article discussing these events be inserted in the Record at the end of my statement along with two other articles. One is an article entitled "Overtime Ruling Costly to the Localities" which appeared in the July 15, 1985, Washington Post; and the other, an editorial which appeared in the Wall Street Journal on July 24, 1985.

Second, the bill would exempt volunteers of State and local governments from both the wage and hour provisions of the FLSA. The most common example used in this area is volunteer firemen who, under Department of Labor regulations, are presumed to be employees if they receive more than $2.50 per call as reimbursement for expenses they may have incurred.

Although this is a serious problem, it is even more far reaching. Called into question as a result of the imposition of the FLSA on State and local governments would be, for example, a referee for the local high school basketball game or a school crossing guard who may receive some nominal fee. This local school district could find that time and attendance records are required to assure full compliance with all FLSA requirements. In an example presented at the Labor Subcommittee hearing, a county busdriver for the transportation department who desires to volunteer as a driver in a county-run meals-on-wheels program for the elderly would be prohibited.

Obviously, there are countless other examples. The point, however, is clear. The Federal Government should not be interfering with these individuals who, for humanitarian reasons want to offer their volunteer services at the State and local level. This legislation would not allow this type of intrusion.

Third, the bill would have an effective date with respect to workweeks beginning after February 19, 1985, the day the Supreme Court decided the Garcia case. Another troubling aspect of the Garcia decision to State and local governments is the potential liability they face while bringing themselves into compliance with the FLSA. Although the Labor Department will not institute enforcement proceedings until later, State and local governments are still subject to individual lawsuits not only for backpay but also punitive damages which means successful claimants can receive double the backpay award plus attorney fees. In light of the fact that State and local governments were complying with the law of the land one day and the Supreme Court changed it overnight, imposition of this type of liability seems inappropriate.

I have had several conversations on this matter with administration officials. While they assure me that the administation will not support legislation in this area unless there is active and coordinated support for it by State and local governments, I am confident this bill can meet that test. The administration has been invited to testify as the Labor Subcommittee continues its hearing on Garcia on September 10, 1985. Further, I ask unanimous consent that a copy of a letter I received be printed in the Record at the end of my statement and after the previously referred newspaper articles. The letter is dated July 22, 1985, and signed by representatives of seven States and local organizations asking for legislative relief.

With the added support of your cosponsorship, I am sure this bill can be a vehicle with the broad-based backing from the grassroots of the White House that is needed to enact a solution to this serious problem.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 13(b) of the Fair Labor Standards Act of 1938 is amended—

(1) by striking out the period at the end of clause (29) and inserting in lieu thereof a semicolon and "or"; and

(2) by adding at the end thereof the following new clause:

"(30) any employee of a public agency that is a State, a political subdivision of a State, or an interstate govenment agency.".

Sec. 2. Section 3(e) of the Fair Labor Standards Act of 1938 is amended—

(1) by striking out "paragraphs (2) and (3)" in paragraph (1) and by inserting in lieu thereof "paragraphs (2), (3), and (4)"; and

(2) by adding at the end thereof the following new paragraph:

"(4) The term 'employee' does not include any individual who is a volunteer for a public agency that is a State, a political subdivision of a State, or an interstate governmental agency, even if the individual is paid expenses or a nominal fee to perform the services for which the individual volunteered.".

Sec. 3. The amendments made by the first section of this Act shall take effect with respect to work weeks beginning after February 19, 1985.

D.C. Police Take Detectives Off Slaying Probe to Avoid Overtime

(By John Ward Anderson)

It apparently was one of the shortest cases that D.C. homicide detectives Tom Arnold and Joe Schwartz had ever worked.

At 10:30 Monday night they left the office at 300 Indiana Ave. NW to investigate a fatal shooting at Harvard Street and Georgia Avenue NW. About an hour later their roles in the investigation came to a halt when an official in the Criminal Investigations Division ordered them back to D.C. police headquarters for an unprecedented reason: police officials were concerned that the detectives, who got off work at 11:30 p.m., would have to be paid overtime to continue working the case.

Two more investigators, Julia Crosby and Daniel Villars, were assigned to the case and worked it through the night. When their shift of duty was finished at 7:30 a.m., they, too, were ordered to go home, again because of overtime.

When a suspect in the slaying was arrested about noon yesterday, Detective Dwayne Stanton appeared at the D.C. Superior Court arraignment, but because he had only limited knowledge of the case, the proceeding had to be postponed until today.

While homicide officials and investigators reacted with anger and frustration at what one termed the "round robin" of detectives assigned to the case, police officials—embarrassed at the way the investigation was handled—said a misinterpretation of a memo on work hours caused the confusion.

Gary Hankins, labor committee chairman of the Fraternal Order of Police, said the community was "shortchanged" in the quality of the investigation.

"Any time an investigation is being conducted, when the evidence is freshest and people's memories are freshest is the most productive time. The idea of pulling people off at that time of an investigation is ludicrous," Hankins said.

"We certainly are not going to stop our job as police officers because someone is going to eat up [compensatory] time or overtime," said Assistant Chief of Police Isaac Fulwood Jr., who called the removal of the original detectives "unacceptable."

"It should never have happened," Fulwood said. "They should have stayed on the scene and finished the case."

The victim of the shooting was identified by police as Duane Lee Taylor, 18, of 589 Columbia Rd. NW, who was shot once in the upper right chest and was taken by D.C. Fire Department ambulance to the Washington Hospital Center, where he died a short time later.

Police said a 16-year-old Northwest Washington youth, whose name was not released, was arrested about 1 p.m. yesterday and charged with second-degree murder in the slaying.

No officials or investigators in the homicide unit would speak on the record about the investigation of the incident because of a standing order that members of the unit not talk with the press. Details were provided by homicide officials, investigators, and other police department sources who were familiar with the case.

Fulwood said the removal of investigators was due to a "misinterpretation" of a July 3 police memo that attempted to spell out new guidelines on when and how police officers should be paid overtime.

The new guidelines were necessary, Fulwood said, because of a recent Supreme Court ruling that police officers and firefighters nationwide are covered by the federal Fair Labor Standards Act.

Previously, D.C. police officers who were not covered by the act could work overtime in exchange for an equal amount of leave. Under the Supreme Court ruling, however, an officer who works more than 171 hours in a 28-day period has to be paid time-and-a-half.

The memo said that "Compensatory time earned as a result of late runs, late arrest, etc., must be documented," justified and signed by the watch commander.

According to Fulwood, the purpose of the memo was "not only to control [compensatory] time but to get a handle on the impact" of the Supreme Court ruling, which he said could have a "devastating effect on the budget of the department." Fulwood said he thought the memo was "perfectly clear."

"If there was a misunderstanding, it's been cleared up," he said.

[From the Washington Post, July 15, 1985]

Overtime Ruling Costly to Localities

(By Lee Hockstader)

A recent Supreme Court ruling forcing state and local governments to adhere to federal wage and hour laws will add $10 to $15 million a year to the costs of operating the D.C. government and hundreds of thousands of dollars to suburban governments, area officials say.

That is only a small portion of what is now estimated to be the overall $2 billion to $4 billion cost to state and local governments from the ruling that forces the governments to pay overtime wages to most of their workers instead of giving them compensatory time off.

"It's too much money," complained attorney Gilbert J. Ginsburg, a labor lawyer who is an adviser to many cities, including Alexandria and New York.

The ruling "hits very, very hard and is a burden," said Cornelius J. O'Kane, Fairfax County's personnel director. Officials there estimate the court's Feb. 19 ruling will cost Fairfax taxpayers $500,000 to $1 million a year.

Most of the added costs will come in overtime to police and firefighters, who in the past have earned substantial amounts of compensatory time off.

For example, one immediate impact of the ruling is in western states such as California, where thousands of firefighters will be collecting time-and-a-half overtime pay for battling the forest fires that were out of control in that region last week. Paying the California firefighters overtime wages, rather than compensating them with time off later, will cost $10 million to $20 million, according to James D. Mosman, the state's director of personnel administration.

Cities, which are expected to be hit the hardest when the Labor Department starts enforcing the court ruling Oct. 15, are raising the possibility of layoffs, reduced services or higher taxes. Officials in the Labor Department and the White House say they have been flooded with calls and letters from mayors worried about the impact of the ruling on their budgets.

Local governments attacked the ruling when it was announced, but say they are only now beginning to add up the likely costs as their budget and personnel officers supply them with more precise estimates.

"We are just now getting a handle on it, and it is very difficult," said Donald Weinberg, the District's director of labor relations. "It is causing a real problem."

District officials say the impact of the ruling here will not be as severe as in some other large cities because Washington already pays overtime to many of its employes.

"If there are no other pressures then it is clearly manageable," said Betsy Reveal, the District's budget director. "But it cannot be seen in isolation. In combination with other pressures it could cause problems." The District's annual payroll is about $850 million.

Under guidelines for the Fair Labor Standards Act, which state and local governments now must follow, police must receive overtime pay if they work more than 171 hours in a 28-day period. For firefighters, overtime must be paid after 212 hours.

Blue-collar employes in public works as well as clerical and technical employes, many of whom commonly work overtime hours, would also be covered. Teachers, as professional employes, are excluded from coverage under the law.

The Supreme Court ruling came in a case known as *Garcia* v. *San Antonio Metropolitan Transit Authority* on the question of whether overtime provisions in the act apply to municipal workers.

Joseph Garcia, a bus driver in San Antonio, had brought suit against the city, challenging its practice of paying time-and-a-half overtime only when bus drivers worked on their days off or on holidays. For all other overtime hours worked, bus drivers were paid at the normal hourly rate. The city said it should be exempt from the act; Garcia, backed by labor unions, said it should not.

The 5-to-4 high court ruling has diverse implications. For example:

Municipalities will no longer be able to accept volunteer or subminimum wage services from their employes. Crossing guards—frequently senior citizens working for little or no pay—will have to be paid at least a minimum wage, for instance. This provision is expected to hurt small towns, which frequently depend on volunteer workers to a large degree.

Municipalities may have to pay substantial sums of overtime wages to police recruits in academies who devote long hours to their training. "We've heard of an instance where trainees are paid at a higher rate than police captains," said a White House official. The official who asked not to be identified, said the likely effect in that instance would be a cutback in training time for police officers.

Public employes in some rural jurisdictions who saved compensatory time by working long hours in the winter so they could plant their crops in the spring will be unable to continue that practice.

In Puerto Rico, implementing the act is expected to cost millions of dollars because the government must start paying the minimum wage to public employes who have been earning less.

Officials also express fears of curtailed work by public safety employes, and cite the case of four D.C. homicide detectives whose investigation of a murder was cut short last week to avoid paying them overtime. The incident occurred shortly after police officials had circulated a memorandum outlining steps to comply with the ruling.

"There's an increasing degree of alarm about the costs and the disruption, both of which will be substantial," said the White House official.

Congressional hearings on the issue are scheduled for July 25, and three governors as well as a host of local officials are expected to raise the prospect of budget-busting expenses because of the ruling.

Groups such as the National Association of Counties and the National League of Cities also are increasing pressure on the Reagan administration to introduce legislation that would repeal overtime provisions of the Fair Labor Standards Act and effectively neutralize the fiscal impact of the Supreme Court's ruling.

The White House official acknowledged that the administration is considering backing such a bill. Congressional aides say the measure would be opposed by organized labor, and would stand little chance of passage in the Democratic-controlled House of Representatives.

"What happens on the House side depends on how much pressure we can gin up," said one Senate aide who would like to see the *Garcia* decision undone by Congress. "But politically I just don't think we can do it."

Susan Meisinger, deputy under-secretary for employment standards in the Labor Department, said she believes legislation is possible. "There's a growing concern about the impact," she said. "What happens depends on how hard state and local governments push."

In a speech to the American Bar Association last week, Attorney General Edwin Meese III blasted the court for the *Garcia* ruling, declaring that it "undermines the stability" of state and local governments.

To comply with the ruling, Los Angeles will have to pay $100 million a year; San Francisco, $50 million, and New York, $40 million, according to Cynthia M. Pols, counsel to the National League of Cities.

Many municipalities are in the process of determining how many of their workers are covered by the federal guidelines and how many are not. Some personnel officials acknowledge privately that in borderline cases where there is room for discretion, governments may tend to classify workers as exempt from the law, and therefore ineligible for premium pay.

State and local government officials also are afraid of the effects of a provision in the federal law that allows employes to bring private lawsuits to recover back overtime pay. Because the court's ruling was effective April 15, any municipal worker who wants to collect overtime since that date will be able to do so, along with a penalty doubling the overtime payment.

Ironically, although labor union officials initially were elated by the Supreme Court decision in February, some are now acknowledging that their members are unhappy about losing compensatory time off.

[From the Wall Street Journal, July 24, 1985]

A MESSAGE FROM GARCIA

This week a Senate subcommittee will begin hearings on the application of the Fair Labor Standards Act to state and local governments, a subject that usually glazes the eyes of all but the most devoted. This year, though, it is not just a matter of a million dollars here, a million there. Real money is at stake. And state and local political leaders actually may be coming forward to say so.

Early this year the Supreme Court, in the Garcia decision, extended the reach of the FLSA to cover state and local government activities that were once exempt. Among other changes, local employees will not be permitted to work overtime and take compensatory time off later on. From now on the workers will have to be paid for their overtime at time-and-a-half rates. Local government trainees, from firefighting recruits to youth employment program workers, will also fall under the time-and-a-half rule.

The price tag will vary by locality and region. Big cities in the Northeast will suffer least, since their labor practices are already the most expensive and most favorable to public employee unions. But even these cities will pay more than their spokemen currently admit. And for the country as a whole, the Garcia decision may cost about $3 billion.

Lest you think this figure is a righ-wing scare tactic, be advised that it does not include the cost of renegotiating contract, administering the changes or going to court in disputes over retroactive pay. Nothing in the current Reagan budget will even approach this decision in added burden to local governments.

As the Journal's Joann S. Lublin pointed out in a story yesterday, even local government workers are not ecstatic about the Garcia decision. The rule requiring time-and-a-half for overtime will often mean no overtime at all, and hence less total wages than in the bad old days. Senior citizens who now do government jobs at relatively low wages in order to stay below their Social Security ceilings may well find the jobs eliminated. Paramedics who work in town and volunteer their after-hours services in their rural home communities will not be able to do so anymore. Though the public employee unions have an institutional interest in uniform national labor standards, labor organizations are divided on this issue.

Until very recently, local governments were urging the Reagan administration to press for corrective legislation but somehow not yelling quite loud enough for their voices to reach the general media or the Democrats in the House of Representatives. With state and local support slow in coming, the administration faced its own dilemma: Should it step forward and take the political heat alone, or should it let the cost run up and start to entrench themselves until the localities got up the gumption to join vigorously in the debate?

In the past few days there have been signs of more action. The hearings will give us the first public indication of how all the calculations have come out. If a thundering silence emerges from the hearing room, do not assume that the Garcia problem is trivial; what you hear will simply be local leaders whose ties to an old ideology make them afraid to acknowledge the depth of the trouble. And if you hear a bit of healthy yelling, you will know that economic realities are at last forcing some necessary reconsiderations in American urban politics.

JULY 22, 1985.

Senator DON NICKLES,
Chairman, Senate Labor Subcommittee, SH-608, Hart Senate Office Building, Washington, DC.

DEAR SENATOR NICKLES: We are writing to seek your support for legislation to mitigate the impact of the Supreme Court's February 19, 1985 decision in *Garcia* v. *San Antonio Metropolitan Transit Authority* on state and local government. In that decision, the Supreme Court overruled its 1976 *National League of Cities* v. *Usery* decision that the Tenth Amendment was a bar to application of the Fair Labor Standards Act (FLSA) to state and local employees engaged in traditional governmental functions, effectively extending the wage and hours provisions of the FLSA to states and localities.

We believe that, in at least three areas, amendments to the FLSA are necessary to accommodate the unique problems of state and local government.

First, individuals who provide service to state and local government on a volunteer basis should not be subject to the wage and hours provisions of the FLSA. Of particular concern to states and localities are the provisions of the Department of Labor's (DOL) regulations which establish the presumption that volunteer firefighters are employees whenever they receive more than $2.50 per call as reimbursement for incidental expenses. As a result of this regulation, many of the estimated one million volunteer firefighters in the nation will be entitled to receive the minimum wage and overtime compensation for volunteer activities. This regulation will have a devastating impact on the many state and local jurisdictions which rely on volunteer firefighters.

Second, the overtime provisions of the FLSA should not apply to state and local employees. Under Section 7 of the FLSA, regular employees are entitled to compensation on a time and a half basis for hours worked in a week in excess of 40. Similarly, overtime pay must be paid to firefighters for hours worked in excess of 212 in a 28 day period and to police officers for hours worked in excess of 171 in a 28 day period. These provisions mean that numerous employment practices of state and local government, many of which have been incorporated into collective bargaining agreements at the request of employees and are long-standing practices, must be ended.

For example, duty cycles for firefighters of 24 hours on duty and 48 off duty, the most common duty cycle in the nation, can no longer be utilized unless the governing body is willing to pay overtime compensation. Similarly, the practice of using compensatory time off in lieu of overtime compensation is generally not permissible under the overtime provisions of the FLSA. Under the "comp" time concept, both public safety and regular employees are allowed to accumulate compensatory time for later use as time off. This practice is advantageous to both the governmental entity, which is provided with scheduling flexibility, and the employee, who is able to take longer vacations.

Third, a prospective effective date for the application of the FLSA to states and localities should be established. On June 14, DOL announced plans to begin enforcement

actions against states and localities and to impose liability on states and localities retroactive to April 15. This retroactive enforcement policy will compound the problems caused by application of FLSA to states and localities. The FLSA regulations establish countless new regulatory requirements for states and localities, many of which are being imposed in the middle of budget cycles and collective bargaining agreements. In our view, it is essential that Congress establish a moratorium on the application of the FLSA to states and localities that will ensure an orderly and harmonious transition period.

The proposed changes in the FLSA, which are necessary to prevent undue federal interference with the operation of state and local government, must be approved by Congress as soon as possible, preferably before DOL enforcement activities begin on October 15. Furthermore, because expedited congressional action is essential, we urge your support for narrowly crafted legislation which includes only provisions relating to the application of the FLSA to states and localities.

Sincerely,

Alan Beals, Executive Director, National League of Cities; Matthew B. Coffey, Executive Director, National Association of Counties; John J. Gunther, Executive Director, U.S. Conference of Mayors; William Hansell, Jr., Executive Director, International City Management Association; Earl S. Mackey, Executive Director, National Conference of State Legislatures; Carl W. Stenberg, Executive Director, Council of State Governments; Barton D. Russell, Executive Director, National Association of Towns and Townships.

Mr. WILSON. Mr. President, I rise today in support of legislation that is being introduced to mitigate the severe financial and administrative impact that the U.S. Supreme Court's recent decision, *Garcia* v. *San Antonio Metropolitan Transit Authority,* is causing on the State and local governments of this Nation. I am pleased to join with my distinguished colleague from Oklahoma, Senator NICKLES, to introduce a bill to release State and local governments from the undue burdens of the maximum hours provisions of the Fair Labor Standards Act [FLSA].

On July 15, I introduced legislation, S. 1434, to relieve State and local governments and their employees from the inflexible maximum hours of the FLSA. I am pleased that this legislation has already been cosponsored by 20 of my colleagues. I am hopeful that my colleagues who have joined me in the effort to return fiscal stability and autonomy to the State and local governments, will support the Nickles-Wilson legislation.

The Nickles-Wilson bill incorporates the provisions of S. 1434 and enhance its impact by allowing volunteers to continue to provide services to State and local governments. To date, State laws and collective bargaining rights have been adequate to ensure that State and local government employees and volunteers are treated fairly.

Had the Supreme Court been rectifying employment abuses by State and local governments, I would have introduced S. 1434 or joined with the Senator from Oklahoma in introducing this legislation. However, nowhere in the Court's lengthy opinion is there one citation of an employment injustice committed by a State or local government. That is because these local governmental employers are not running sweat shops. Rather, they are forced by local tax reduction efforts and reduced Federal assistance to develop creative employment strategies, such as comp time and flexible scheduling, to provide needed community services within the constraints of extremely tight budgets.

The State and local governments of this Nation need this legislative relief immediately. A Joint Economic Committee hearing I chaired on the impact of the Garcia decision provided evidence that the FLSA's overtime requirements will cost States and municipal governments across the Nation billions of dollars. California alone, it has been estimated, will have to spend at least $300 million in order to comply with the FLSA's rigid requirements. These governmental entities will not receive any extra services for these tremendously increased costs.

I want to commend Senator NICKLES for his leadership in holding hearings before the Subcommittee on Labor. He too has taken testimony from local government officials who stated that the Garcia decision creates a financial and administrative nightmare for local governments.

I am extremely pleased that a position was solidified on this issue here in the Senate. Local government groups such as the U.S. Conference of Mayors, the National League of Cities, the National Association of Counties and others wholeheartedly support this legislation. I have heard from many State and local government employees from my State and others that support this legislation because it offers them the flexibility to negotiate for compensatory time off in lieu of overtime pay, a practice prohibited by the FLSA. The administration is supportive of the effort to mitigate the harsh effect of the Garcia decision.

Mr. President, State and local government employees should have the flexibility that is prohibited under the FLSA, citizens who choose to volunteer their time should have the option of doing so, and finally our State and local governments need the autonomy to deal with their special labor situations—pragmatism requires it and the Constitution mandates it. The Nickles-Wilson bill will achieve these objections.

Mr. MATTINGLY. Mr. President, I am pleased to be an original cosponsor of this important legislation, which will release State and local governments from the burdens of the Supreme Court's recent decision in *Garcia* v. *San Antonio Metropolitan Transit Authority.*

The Garcia case held that the Fair Labor Standards Act [FLSA] is applicable to State and local governments. The result of this decision is that State and local governments will no longer have the flexibility to set up their employees' work schedules without Federal interference.

Since the time of this decision, I have received letters from numerous local government officials from all over my State of Georgia. They have expressed deep concern about the effect of this ruling on critical government services. From small counties to large cities, the negative impact could be devastating. Though it is impossible to measure exactly what the financial effect of this decision will be around our Nation, it is estimated it could be in the billions of dollars.

By making the provisions of the FLSA applicable to State and local governments, many communities are forced to either shift resources from essential safety programs to comply with this mandate or reduce the manpower needed to provide these services. I seriously question the sensibility of any decision which so negatively impacts the services of communities throughout America. In these times of congressional actions to reduce the deficit, it is time to get the Federal Government off the backs of local communities. It is time to minimize the Federal mandates and regulations with which cities must comply, not increase them.

I believe this legislation addresses the problem in a comprehensive and constructive manner. This bill, which will take effect concerning work weeks beginning after February 19, 1985, will exempt State and local governments from the overtime provisions of the FLSA. These employees will be given the opportunity to again enjoy compensatory time off as a result of their hard work. However, State and local governments will not be exempted from the minimum wages provisions of the FLSA, the child labor provisions, or the Equal Pay Act.

Senior citizens, who now work in government jobs for relatively lower wages to stay below Social Security ceilings, may possibly find they no longer have these jobs. Yet the responsibilities they fulfill, such as bus-drivers and school-crossing guards, still exist. Also exempted will be volunteer firefighters, who perform such a vital public service to their communities.

Mr. President, the effect of the Garcia decision will be to place a costly and unnecessary burden on local governments, their employees, and the taxpayers. I urge my colleagues to join in the passage of this much-needed legislation.

By Mr. BRADLEY:

S. 1571. A bill to stabilize international currency markets in support of fair global competition; to the Committee on Banking, Housing, and Urban Affairs.

STRATEGIC CAPITAL RESERVE ACT

● Mr. BRADLEY. Mr. President, the volatility of the international currency market makes it impossible for U.S. employers to offer secure job opportunities in most of our trade-sensitive industries. In addition the lack of competitiveness of the dollar is eroding the selling strength of thousands of U.S. businesses. The resulting trade deficit threatens both our long-term economic health, and, ultimately, our national security. As our economic house starts to burn, the administration seems to be mesmerized by an academic debate on whether or not water will put out a fire. Some congressional proposals only add to the problem by confusing the problem of trade deficits and trade barriers.

We must start thinking strategically about the problems of trade barriers and trade deficits plaguing the world economy of the eighties. Only a clear economic strategy will provide the long-term stability we need to prosper, and that requires that we go to the source of our economic problem.

An article on the front page of Tuesday's Wall Street Journal addressed what I believe is the source of the problem of the trade deficit. The article reveals that $150 billion worth of currencies are traded worldwide each day. Furthermore, the net long-term capital flow from Japan to the rest of the world was $55 billion for the year that ended March 31. During the same time, net long-term capital inflows to the United States exceeded $100 billion a year. These financial tidal waves washing back and forth across the Atlantic and Pacific trade communities play havoc with daily investment decisions. They wipe out corporate gains overnight, and they destroy the competitiveness of American businesses. We cannot even establish the real impact of unfair trade barriers until we stabilize the dollar.

Congress must take action to make American companies more competitive in world markets. Today I am introducing the Strategic Capital Reserve Act of 1985. This bill will direct the Federal Reserve and the U.S. Treasury to build up a strategic capital reserve of foreign currencies for the purpose of stabilizing currency markets and simultaneously building up the competitiveness of the dollar. The bill improves the competitiveness of the dollar—and the competitiveness of U.S. businesses in trade-sensitive industries—by building a strategic reserve of foreign currencies to counteract financial flows that promote other countries' exports. Once the strategic capital reserve is in place, its very existence will stabilize international currency markets by giving the U.S. Government a tool for cushioning sharp movements in exchange rates in either direction.

First, the Strategic Capital Reserve Act will establish a set of procedures by which the Federal Reserve, in consultation with the U.S. Treasury, will build up the strategic capital reserve. It directs the Federal Reserve to purchase foreign currency in any fiscal quarter that two conditions are met. One, the amount by which U.S. imports of goods and services exceed U.S. exports of goods and services must have been running at a yearly rate greater than 1½ percent of GNP for the previous four quarters. In other words, the dollar must have a 1-year continuously uncompetitive track records on the foreign exchange markets.

Two, the value of the dollar measured against the other major trading currencies must be 15 percent above the level required for full U.S. competitiveness abroad. That is, the value of the dollar must be at least 15 percent above the level needed for a balanced current account. In any quarter that both conditions are met, the Federal Reserve will purchase at least $3 billion of foreign currencies for the strategic capital reserve. The purchase must not exceed the value of the current account deficit for the previous fiscal quarter. Under our current trade deficit, Treasury would have to establish a reserve of at least $12 billion and a maximum of $100 billion over the next year.

Second, the Strategic Capital Reserve Act amends the charter of the Federal Reserve to require the Federal Reserve to exclude the purchase of foreign currencies for the strategic capital reserve when it sets monetary policy. Currently, when any central bank—including the U.S. Treasury—sells dollars, the Federal Reserve considers itself forced to sell enough U.S. treasury bills to offset the additional dollars made available to worldwide consumers. For the buildup on the strategic capital reserve to strengthen the competitiveness of the dollar, it is necessary for the Federal Reserve to avoid counteracting the impact of strategic capital reserve foreign currency purchases and dollar sales.

The third provision of the bill directs the President to work with our 10 major trading partners to establish an international financial commission. The commission would be asked to report within 1 year on how to stabilize the world financial system to minimize financial shocks to our economy. The commission would include representatives of the 11 major financial world powers. One matter the commission should investigate is the availability of short-term as well as long-term securities issued by foreign governments tc residents of each major trading country. The commission will continue consideration of measures to improve international macroeconomic coordination started at the Williamsburg summit in 1983.

Fourth, the bill directs the Chairman of the Federal Reserve and the Secretary of the Treasury to report annually to Congress on strategic capital reserve operations, as well as to consult with the central banks of Germany, Japan, Britain, and France to ensure maximum cooperation in stabilizing trade conditions.

We have a serious problem in foreign trade. The size of our trade deficits threaten the stability of our economy. It has become a matter of national security. But as with other areas of national security, we must identify the greatest dangers and take effective steps to minimize their potential impact. In this case, we must cushion our economy against the potential impact of financial shocks by establishing a currency reserve, just as we have cushioned ourselves from the impact of oil supply shocks by building a strategic petroleum reserve. What we need is action, not more talk.

Our businesses have always been at the forefront of industrial change. It is time for the Government to get its house in order so that our businesses can continue to succeed on the basis of their natural advantages: innovation and commitment in the work force. The Strategic Capital Reserve Act is an important step toward unleashing the natural competitive potential of American workers and businesses. ●

By Mr. D'AMATO:

S. 1573. A bill to extend patent numbered 3,387,268, "Quotation Monitoring Unit," for a period of 10 years; to the Committee on the Judiciary.

EXTENSION OF PATENT

● Mr. D'AMATO. Mr. President, today I am introducing the Senate companion to H.R. 1012, legislation introduced earlier this year in the House by Representative Solarz. Our bills seek to undo a serious inequity resulting from 15 years of restrictive Federal regulations that have only recently been changed.

On September 9, 1963, Prof. Sidney Epstein of Brooklyn, NY, filed for a patent on his invention, the Quotation Monitoring Unit. This invention enables investors to obtain the most recent quotations on selected stock issues directly. Professor Epstein was awarded Patent No. 3,387,268 for this invention on June 4, 1968.

For this invention to be fully useful, however, a subsidiary communication authorization [SCA] is needed. The SCA permits information to be sent over FM airwaves to the Quotation Monitoring Unit. Unfortunately, for the first 15 years of the life of Professor Epstein's patent, FCC regulations did not permit SCA's to be used with Quotation Monitoring Units.

By the time the FCC's regulations were changed in 1983 to permit SCA's to be used with Professor Epstein's invention, the patent had nearly expired. For more than 10 years, Professor Epstein was denied the benefit of his patent by a set of Federal regulations that have since been abandoned.

Only Congress can correct this inequity. I urge my colleagues to support this bill to bring justice to a deserving individual inventor who has had the bad fortune to run into a series of bureaucratic regulations that should have been changed long before they were. I urge my colleagues to support this bill in the interests of equity and fair play and I ask unanimous consent that the full text of the bill be printed in the Record in its entirety at the conclusion of my remarks.

Thank you, Mr. President.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1573

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, acting through the Commissioner of Patents, shall, when patent numbered 3,387,268 (relating to a quotation monitoring unit) expires, or as soon thereafter as possible, extend such patent for ten years, with all the rights pertaining thereto.●

By Mr. LUGAR (for himself and Mr. Hatch):

S. 1574. A bill to provide for public education concerning the health consequences of using smokeless tobacco products; to the Committee on Labor and Human Resources.

HEALTH CONSEQUENCES OF SMOKELESS TOBACCO PRODUCTS

Mr. LUGAR. Mr. President, I am pleased, along with my colleague, Mr. Hatch, to introduce a bill that requires warning labeling for all smokeless tobacco products and advertisements and provides public education concerning the health consequences of using these products.

Like smoking tobacco, snuff, and chewing tobacco contain significant levels of nicotine which is associated with a rise in blood pressure and addiction. Additionally, use of smokeless tobacco causes commonly occurring alterations in the tissues of the mouth such as gingival recession, or recission of the gums, peridontal bone destruction, tooth abrasion, and most importantly, precancerous lesions such as leukoplakia. Approximately 7 percent of leukoplakia lesions convert to squamous cell carcinomas accounting for roughly 90 percent of all oral cancers.

A study by the Coalition on Smoking OR Health indicated that the risk of developing cancer is four times greater for snuff users than for nonusers, and is approaching 50 times greater for long-term chronic users. One research group reported that there may be as many as 70 deaths per year from oral cancer caused by smokeless tobacco. The Surgeon General reports that smokeless tobacco contains the highest amount of certain cancer causing toxins permitted in a consumer product for oral consumption. Because of the significant health risks associated with the use of smokeless tobacco products, a number of professional organizations encourage the enactment of legislation that would require warning labels on smokeless tobacco products, including the American Cancer Association, the American Lung Association, the American Heart Association, the American Dental Association, the American Academy of Otolaryngology, the American Association of Pediatrics, and the American Medical Association.

Until recently, the use of smokeless tobacco had been restricted to a relatively small percentage of the United States population. However, the National Cancer Institute estimates that today some 22 million Americans use smokeless tobacco. Sales of snuff increased 188 percent between 1970 and 1979, and continued to increase by 7 to 9 percent per year in the 1980's. In fact, Time magazine reported on July 15, 1985, that the amount of snuff sold annually in the United States has risen 60 percent since 1978.

This increase in the use of smokeless tobacco products is alarmingly pronounced among our youth. Surveys conducted in Indiana among 8th to 12th graders by Arden G. Christen of the Indiana University School of Dentistry, indicate that 48 percent of the students are users of smokeless tobacco. In fact, in one Indiana junior high school surveyed, 6.3 percent of the seventh-grade boys and 12.6 percent of the eighth-grade boys are regular users of smokeless tobacco. One study in Oregon recently found that 19 percent of ninth-graders and 23 percent of 10th-graders admitted they were daily users of smokeless tobacco. Other local studies in Massachusetts, Oklahoma, and Texas suggest that between 20 and 40 percent of high school boys are chewing or dipping. Moreover, smokeless tobacco usage has become quite common among college students nationwide.

Unfortunately, many of these young people are under the misimpression that use of smokeless tobacco carries no significant health risk. Teens seem to view smokeless tobacco as a healthy altenative to smoking cigarettes, and current advertising and packaging of smokeless tobacco products does nothing to dispel this inaccuracy.

Precedent for warning labels outlining the health hazards of regular use of tobacco products has been clearly established through legislation such as the Compehensive Smoking Education Act, signed into law during the 98th Congress. The serious health risks associated with use of smokeless tobacco products, in addition to the increase in use of these substances, particularly among young Americans, can no longer be ignored. It is imperative that warnings clearly outlining these health risks be prominently displayed on packages of smokeless tobacco and on all advertising of these products.

Mr. President, I ask that the text of this bill be printed in full.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1574

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Comprehensive Smokeless Tobacco and Health Education Act of 1985".

FINDINGS

Sec. 2. The Congress finds that—

(1) scientific research has determined that—

(A) the use of smokeless tobacco is a cause of oral and pharyngeal cancer, oral leukoplakia, gum disease, and tooth loss; and

(B) smokeless tobacco contains nicotine and may be addictive;

(2) the use of smokeless tobacco by adolescents is increasing;

(3) there is a widespread lack of knowledge among the general public of the health risks associated with the use of smokeless tobacco; and

(4) State and local efforts are insufficient to educate the public on the dangers of smokeless tobacco use.

PUBLIC EDUCATION

Sec. 3. (a)(1) The Secretary of Health and Human Services, through the Office of Smoking and Health of the Department of Health and Human Services, shall—

(A) develop educational programs and materials and public service announcements respecting the dangers to human health from the use of smokeless tobacco; and

(B) make such programs, materials, and announcements available to States, local governments, and school systems.

(2) In develping programs, materials, and announcements under paragraph (1), the Secretary shall consult with the Secretary of Education, medical and public health entities, consumer groups, and other appropriate entities.

(b) One year after the date of the enactment of this Act, and annually thereafter, the Secretary shall transmit a report to the Congress concerning the activities undertaken under subsection (a) during the preceding year.

(c) The Secretary, through the Office of Smoking and Health of the Department of Health and Human Services, may provide technical assistance to States to assist such States in the development of educational programs and materials and public service announcements respecting the dangers to human health from the use of smokeless tobacco.

REPORT ON SMOKELESS TOBACCO AND HEALTH

SEC. 4. The Secretary, through the Surgeon General of the United States, shall transmit a report to the Congress not later than January 1, 1987, and annually thereafter, containing—

(1) a description of the effects of health education efforts on the use of smokeless tobacco products;

(2) a description of current practices and methods of smokeless tobacco product advertising and promotion;

(3) a description of the use by the public of smokeless tobacco products;

(4) an evaluation of the known health effects of smokeless tobacco products; and

(5) such recommendations for legislation and administrative action as the Secretary considers appropriate.

SMOKELESS TOBACCO WARNING STATEMENTS

SEC. 5. (a)(1) It shall be unlawful for any person to manufacture, package, or import for sale or distribution within the United States any smokeless tobacco product unless the package of the product bears, in accordance with the requirements of this section, one of the following statements:

"WARNING: THIS PRODUCT MAY CAUSE MOUTH CANCER

"WARNING: THIS PRODUCT MAY CAUSE GUM DISEASE AND TOOTH LOSS

"WARNING: THIS PRODUCT CONTAINS NICOTINE AND MAY BE ADDICTIVE".

(2) It shall be unlawful for any manufacturer or importer of a smokeless tobacco product to advertise or cause to be advertised within the United States any smokeless tobacco product unless—

(A) the advertising of such product bears one of the statements specified in paragraph (1);

(B) in the case of television advertising, one of the statements specified in paragraph (1)—

(i) appears for the duration of each advertisement; or

(ii) is read once during each advertisement; and

(C) in the case of radio advertising, one of the statements specified in paragraph (1) is read once during each advertisement.

(b) Each statement required by subsection (a) shall appear—

(1) in the case of the smokeless tobacco product package—

(A) on the top of the package or in another prominent location on the package; and

(B) in conspicuous and legible type in contrast by typography, layout, and color with all other printed material on the package; and

(2) in the case of print and television advertising—

(A) in a conspicuous location and in conspicuous and legible type in contrast by typography, layout, and color with all other printed material in the advertisement; and

(B) in a format prescribed by the Federal Trade Commission.

(c) The statements specified in paragraph (1) of subsection (a) shall be rotated by each manufacturer or importer of a smokeless tobacco product in each twelve-month period in an alternating sequence on packages of each brand of smokeless tobacco product manufactured by the manufacturer or importer and in the advertisements for each such brand of smokeless tobacco product in accordance with a plan submitted by the manufacturer or importer and approved by the Federal Trade Commission. The Federal Trade Commission shall approve a plan submitted by a manufacturer or importer of a smokeless tobacco product which will provide the rotation required by this subsection and which assures that all of the statements required by paragraph (1) of subsection (a) will be displayed by the manufacturer or importer at the same time.

(d) Not later than 180 days after the date of enactment of this Act, the Federal Trade Commission shall promulgate such regulations as it may require to implement subsections (a), (b), and (c).

(e)(1) After the Advisory Committee on the Health Consequences of Using Smokeless Tobacco appointed by the Surgeon General of the United States completes its study and report products, the Surgeon General and the Federal Trade Commission shall review the findings and conclusions of such study. After the completion of such review, the Federal Trade Commission may, by regulation, promulgate revisions of the statements specified in paragraph (1) of subsection (a). Any such revision shall be based on the findings and conclusions of such study.

(2) Any regulations promulgated under paragraph (1) of this subsection shall be promulgated in accordance with subchapter II of chapter 5 of title 5, United States Code.

(f) Any person who violates the provisions of this section shall be guilty of a misdemeanor and shall on conviction thereof be subject to a fine of not more than $10,000.

(g) The several district courts of the United States are invested with jurisdiction, for cause shown, to prevent and restrain violations of this section upon application of the Attorney General of the United States acting through the several United States attorneys in their several districts.

(h)(1) No statement relating to the use of smokeless tobacco products and health, other than the statements required by this section, shall be required on any package of a smokeless tobacco product.

(2) No requirement or prohibition based on the use of smokeless tobacco products and health shall be imposed under State law with respect to the advertising or promotion of any smokeless tobacco product the packages of which are labeled, and the advertisement of which is conducted, in conformity with the provisions of this section.

DEFINITIONS

SEC. 6. For purposes of this Act—

(1) the term "package" means a pack, box, carton, can, or any other container of any kind in which smokeless tobacco is offered for sale, sold, or otherwise distributed to consumers;

(2) the term "person" has the same meaning as in section 3(5) of the Federal Cigarette Labeling and Advertising Act;

(3) the term "Secretary" means the Secretary of Health and Human Services;

(4) the term "smokeless tobacco" means any finely cut, ground, powdered, or leaf tobacco that is intended to be placed in the oral cavity; and

(5) the term "United States" has the same meaning as in section 3(3) of such Act.

EFFECTIVE DATE

SEC. 7. (a) Except as provided in subsection (b), this Act shall take effect one year after the date of enactment of this Act.

(b) Section 5(d) shall take effect on the date of enactment of this Act.

Mr. HATCH. Mr. President, I am pleased, along with my colleague, Mr. LUGAR, to introduce a bill which would require warning labeling for all smokeless tobacco products and advertisements.

Recently, the Surgeon General reported that smokeless tobacco contains the highest amount of certain cancer-causing elements of any consumer product intended for oral consumption. The suspect ingredient in smokeless tobacco is N-nitrosonornicotine [NNN]. This chemical has been proven to cause cancer of the esophagus, nasal cavity, trachea, and lungs in laboratory animals. The most common problem for smokeless tobacco users is leukoplakia, a precancerous lesion within the oral cavity, 7 percent of which convert to squamous cell carcinomas. These account for 90 percent of all oral cancers.

In the past, the number of smokeless tobacco users was only a small percentage of the population. However, today, the popularity of this product is increasing rapidly, especially among other youth. Of those that are regular users, 55 percent began the habit by or before the age of 13. In September 1984, the Utah Department of Health conducted a survey of 3,232 Utah students between the ages of 10 and 18. Fifty-two percent were male and 48 percent were female. The study showed that males are much more likely to use snuff or chew than are females. The survey also indicated that 39 percent of all males surveyed have tried smokeless tobacco at some point in their lives. Of all surveyed, females and males alike, 25 percent have used smokeless tobacco at some time in their life.

Many of these young people aren't aware of the dangers of chewing tobacco. It is essential that people are warned of the health risks associated with the use of these products. In 1984, I sponsored the "Smoking Education Act of 1984", which was signed into law. This will be effective in better educating the people of our country about the dangers of cigarette smoking. It is imperative that this additional warning labeling legislation be passed into law and the public made aware of the health risks of smokeless tobacco. We have made great strides toward cigarette smoking education and now it is time to do the same with smokeless tobacco use education.

Mr. President, I urge my colleagues to join with me and Senator LUGAR in sponsoring this important public health bill.

By Mr. WEICKER (for himself and Mr. BUMPERS):

S. 1575. A bill to recognize the Cabinet status of the Administrator of the Small Business Administration; to the Committee on Governmental Affairs.

CABINET STATUS OF THE ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION

● **Mr. WEICKER.** Mr. President, today I am introducing legislation to

raise the status of the Administrator of the Small Business Administration [SBA] to Cabinet level. This legislation urges the President to make the Administrator of SBA a full participant in the duties and activities of the President's Cabinet, and further, that he be the President's principal adviser on all matters relating to small business. Accordingly, his salary would be raised commensurate with this inceased status.

Mr. President, the SBA Administrator serves a critical role as the voice of small business within the administration. He or she is the chief advocate for small enterprise, clearly the driving force behind our economy. The President's 1985 Report of the State of Small Business states that there are 14.2 million American small businesses, which comprise 97 percent of all businesses in this country. The reports tells us that all—100 percent—of the 1 million net, new jobs created during the recent recession were generated by businesses with fewer than 20 employees. And while large firms lost 1.6 million jobs between 1980 and 1982, small firms created 2.6 million new jobs during that same time. In addition, small business dominated industries added jobs at a rate almost twice that of industries dominated by large firms between 1982 and 1984.

Mr. President, the small business sector is our Nation's undisputed economic leader. It clearly warrants Cabinet level representation, so that we may be assured that small business' concerns are addressed when tax, regulatory, and other executive branch policy decisions are being carved out.

Mr. President, Congress has once again recognized the importance of American small business by enacting legislation to reconvene the White House Conference on Small Business by September 1986, to be preceded by conferences in all 50 States, which are currently being implemented by the President. By elevating the status of the SBA administrator, this legislation gives proper recognition to the importance of this agency and the constituency it represents.

Mr. President, I ask unanimous consent that the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1575

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the Congress that the Administrator of the Small Business Administration should be designated by the President—

(1) as a member of, and a full participant in all functions, duties, and activities of, the Cabinet, and

(2) the President's principal advisor on all matters relating to small business.

(b)(1) Section 5312 of title 5, United States Code, is amended by adding at the end thereof the following:

"Administrator of the Small Business Administration."

(2) Section 5314 of such title is amended by striking out:

"Administrator of the Small Business Administration."●

By Mr. MITCHELL:

S. 1576. A bill to amend the Trade Act of 1974 to authorize the President to negotiate an agreement establishing a joint commission to resolve trade and other economic disputes between the United States and Canada; to the Committee on Finance.

JOINT COMMISSION TO RESOLVE ECONOMIC DISPUTES BETWEEN THE UNITED STATES AND CANADA

● **Mr. MITCHELL.** Mr. President, I am today reintroducing legislation I originally introduced in the 98th Congress calling for the creation of an International Joint Economic Commission to aid in resolving trade and economic disputes between the United States and Canada.

This bill would authorize the President to negotiate with Canada for the establishment of a joint commission which would have authority to conduct fact finding analysis, making advisory recommendations, and, if asked by both parties, provide arbitration of disputes on trade and other economic issues.

The United States enjoys a unique and special relationship with Canada marked by close political, social and economic ties. As each others largest trading partner we engage in extensive two way trade in many sectors. Last year that trading relatinship—the largest trading partnership in the world—grew a full 25 percent. But this growth in trade has been followed by an escalation in the number and intensity of trade disputes that threatens further progress in our relationship.

As a Senator from a border State, I witness the influence that lingering trade problems can have on public attitudes toward overall United States-Canadian relations. Maine has strong economic ties to the eastern provinces in Canada, but continuing complaints from such important regional industries, as fishing, lumber, and potatoes have strained relations and produced in some cases an ambivalent or even hostile attitude regarding further economic dealings with the Canadians.

The same is true in other parts of the country where industries have been hurt by the recent surge in Canadian imports. For many years, until 1982, United States-Canada trade flows were roughly equal. Then in 1982 the United States recorded a merchandise deficit of $13.9 billion which increased to $15.4 billion in 1983 and $21.8 billion last year. Next to Japan, that was our largest bilateral trade deficit.

In 1984, imports from Canada grew by almost 28 percent, double that recorded for the year before. In fact three-quarters of all Canadian exports go to the United States. Our exports to Canada have also increased and now account for one-fifth of our global sales.

As trade flows have increased and the strong growth in Canadian imports has displaced our domestic products, tensions have been aggravated and trade disputes, which in many cases have lingered for years, are taking on a new urgency. A number of bills have been introduced in Congress to deal with trade disputes with Canada involving softwood lumber, pork products, fresh vegetables, tourist literature, and beef products.

Precisely because our relationship with Canada is so close and of a unique nature we should make more of an effort to diffuse the kinds of economic conflicts that can too readily escalate out of control.

Although we do have close governmental ties with Canada, I believe that our process of settling disputes can be improved. The current process tends to be highly political, and there is significant likage among issues. Less powerful interests in each country become suspicious that their interests are being traded off and that their positions are not judged on their merit. Furthermore, there is nothing to compel the United States and Canada to resolve their disputes.

Of course, these drawbacks characterize most bilateral relationships. But the close ties and harmonious relationship the United States has with Canada suggest that a more effective method of dispute settlement may be possible.

This bill would authorize the creation of a new entity, the International Joint Economic Commission, with a mandate to facilitate the settlement of bilateral disputes involving economic issues. The new commission would be modeled after the successful International Joint Commission which has dealt successfully with boundary water problems since 1911. It would have an equal number of commissioners appointed by each country and would have three basic powers.

First, it would conduct fact-finding investigations and analyses of major bilateral issues. Disputes are often characterized by disagreements over facts, so the exercise of this function could help establish a common factual basis in controversial issues. Furthermore, an independent analysis of the issues involved in a dispute could highlight possible solutions overlooked by each country.

Second, the International Joint Economic Commission could give advisory opinions or recommendations on issues referred to it by both governments.

This function would obviously be most useful when each government follows the recommendation. The IJC has been especially successful in this regard. Because the decisionmaking process of the IJC is well respected, its recommendations are usually adopted.

Third, the International Joint Economic Commission could actually arbitrate disputes, again on a referral basis. While arbitration is a useful method if dispute settlement, this function would not likely be used very much. The IJC has never employed its arbitral responsibility, probably because this requires each country to yield part of its autonomy. Nonetheless, the new commission should be given this responsibility in the event that the United States and Canada determine that arbitration would be useful in settling certain disputes.

In spite of an escalation of trade problems, economic relations with Canada have improved as a result of recent changes in Canadian Government policies toward United States and other foreign investment. The Canadian Government is again emphasizing its special trade relationship with the United States and both governments are exploring the possibility of entering into a bilateral free-trade arrangement. Such an arrangement is at this time quite distant and may perhaps be undesirable. A number of divisive issues would first have to be resolved but if an arrangement is reached, our economic and political ties will be undoubtedly be furthered strengthened.

That would not, however, diminish the value of a joint commission to facilitate the settlement of economic and trade disputes between our two nations. Indeed, the closer economic ties and increased trade resulting from a free trade arrangement would make this type of dispute resolution body even more necessary.

Last year the Senate approved legislation giving the President authority to negotiate the establishment of a joint economic commission with Canada. That provision was deleted in conference with the House along with provisions for a free-trade arrangement with Canada. Regardless of what progress occurs on a free-trade arrangement, we should improve our bilateral relationship with Canada through the creation of a joint commission to address trade and other economic disputes.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1576

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. JOINT COMMISSION TO RESOLVE ECONOMIC DISPUTES BETWEEN THE UNITED STATES AND CANADA.

Section 612 of the Trade Act of 1974 (19 U.S.C. 2486) is amended by adding at the end thereof the following new subsection:

"(c) The President is authorized and requested to seek, through an agreement, the establishment of a joint commission to resolve trade and other economic issues between the United States and Canada. All disputes concerning such issues should be referred to the joint commission for fact-finding and resolution through arbitration in a manner similar to the procedure established by the Convention Concerning the Boundary Waters Between the United States and Canada (36 Stat. 2448). Nothing in this subsection shall be construed as prior approval of any legislation which may be necessary to implement such an agreement.".●

By Mr. THURMOND (for himself and Mr. Hollings):

S. 1577. A bill to transfer title, control, and custody of certain lands near Aiken, SC, from the U.S. Department of Agriculture to the U.S. Department of Energy; to the Committee on Agriculture, Nutrition, and Forestry.

TRANSFER OF CERTAIN FEDERAL LAND

Mr. THURMOND. Mr. President, along with my distinguished colleague from South Carolina, Senator Hollings, I am very pleased to introduce legislation today at the request of the Department of Energy. This bill would effect a transfer of title, control, and custody of certain Federal lands near Aiken, SC, from one Federal agency to another.

The background and need for this measure is amply detailed in the materials I will submit for the Record at the conclusion of my remarks. Therefore, I only wish to briefly state now that enactment of the bill would allow a land transfer to take place from the Department of Agriculture to the Department of Energy, thereby significantly enhancing security at the Savannah River plant in my home State of South Carolina.

Mr. President, I ask unanimous consent that a copy of a letter I have received from Assistant Secretary of Energy Garrish, together with a copy of a letter from the Honorable J. Michael Farrell, General Counsel of the Department of Energy, to Vice President Bush, appear in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Department of Energy,
Washington, DC, July 29, 1985.

Hon. Strom Thurmond,
U.S. Senate,
Washington, DC.

Dear Senator Thurmond: Today, the Department has forwarded to the Congress a legislative proposal to transfer lands near Aiken, South Carolina, from the United States Department of Agriculture to the United States Department of Energy.

This proposal would enhance security at the Department's Savannah River Plant. It is necessary because the Department of Agriculture, which concurs with this proposal, does not have the authority to transfer lands to another Federal agency without specific legislation.

I have enclosed a copy of the draft bill as well as the forwarding letter to the Vice President, which explains the proposal in detail. Your assistance with respect to this legislation would be very much appreciated.

Sincerely,

Theodore J. Garrish,
Assistant Secretary for Congressional, Intergovernmental, and Public Affairs.

Department of Energy,
Washington, DC, July 29, 1985.

Hon. George Bush,
President of the Senate,
Washington, DC.

Dear Mr. President: Enclosed is proposed legislation "[t]o transfer title, control, and custody of certain lands near Aiken, South Carolina from the United States Department of Agriculture to the United States Department of Energy." The Office of Management and Budget advises that it has no objection to the submission of this proposal from the standpoint of the President's program.

PURPOSE OF THE LEGISLATION

The purpose of this legislation is to transfer back to the Department of Energy lands near Aiken, South Carolina that had been transferred from the Department to the United States Forest Service in 1972. The lands were given National Forest status in 1974. The Forest Service does not have the authority to transfer lands to another Federal agency without specific legislation (16 U.S.C. § 521).

Acting under Executive Order 11508, dated February 10, 1970, the General Services Administration (GSA) surveyed Federal land holdings and utilization and made recommendations to the President regarding the use and disposal of property. Seven parcels of Savannah River Plant (SRP) lands, totaling 49,300 acres, were proposed for disposal by GSA. The Atomic Energy Commission, the Department's predecessor agency, strenuously objected to this transfer based on programmatic, security, and public safety grounds. Despite these objections, however, three parcels totaling 6,021 acres were transferred to the Forest Service. The transfer was done to provide public recreational benefits under the President's "Legacy of the Parks" program. Enclosure 1 depicts these parcels in relation to the SRP.

In recent years, there has been a continuing increase in the use of international and domestic terrorism by various groups to achieve political, economic, and other objectives. These trends and their implications for U.S. facilities have been the subject of intense interest and concern by the Administration and Congress. The Department has revised its internal threat guidance to recognize more specifically the terrorist threat and the potential for acts of sabotage resulting in program interruptions and adverse effects upon public safety. In particular, we have evaluated the security implications of uncontrolled public access to the three parcels near Aiken and concluded that their acquisition would enhance SRP security.

THE LEGISLATION

Section 1 of the proposed bill would transfer from the Forest Service to the Department, without cost, the three parcels of land numbered 1, 2, and 3 'n Enclosure 1. It would increase significantly the distance between areas of uncontrolled public access

and SRP facilities whose uninterrupted operations are essential to meeting our national defense mission.

In the specific case of parcels 2 and 3, the critical facilities of concern include the Savannah River Laboratory, Fuel Fabrication facilities, Computer Center, and Emergency Operating Center. See Enclosure 2. These facilities are potential sabotage targets. Roving patrols and intensive development provide active perimeter security for access routes directly in front of these facilities. Acquisition of parcels 2 and 3 would increase the distance between the less protected flanks and SRP boundaries from 5,000 feet to about 7,000 feet for the Savannah River Laboratory and from 4,000 feet to 8,000 feet in the case of the Fuel Fabrication facilities.

The critical facilities of concern for parcel 1 are the supporting facilities necessary for the effective and reliable operation of the SRP. Facilities in close proximity to this tract include electrical, cooling water, and steam distribution systems, power generation facilities, and experimental facilities. Our ability to deny public access to this tract would aid in the effectiveness and reliability of SRP security systems by reducing significantly the possibility of establishing staging areas in close proximity to critical facilities or undetected access onto existing Department land. See Enclosure 3. Acquisition of this parcel would increase the overland distance between these critical facilities and the SRP boundary from 3,000 feet to 15,000 feet.

Section 2 of our proposal would provide that valid existing rights with respect to these lands are protected.

The increasing incidence of terrorism throughout the world has added a new dimension to maintaining security at national defense facilities. Transfer of the land in question back to the Department will enhance security significantly by limiting public access to lands that are in close proximity to critical nuclear facilities.

Acquisition of these lands is consistent with, and an extension of, other recent actions taken to ensure the integrity of the SRP perimeter from uncontrolled public access, including requests for airspace restrictions, fencing and barricades on public Highway 125, additional security personnel, and security enhancements in the operating areas.

COST AND BUDGET DATA

Enactment of this legislation would result in no significant increase in the budgetary requirements for the Department of Energy.

Sincerely,

J. Michael Farrell,
General Council.

By Mr. THURMOND (for himself, Mr. Kennedy, Mr. Denton, Mr. Gorton, Mr. Symms, Mr. Gore, Mr. Mattingly, Mr. Laxalt, Mr. McConnell, Mr. Hecht, Mr. Hatfield, Mr. Packwood, Mr. Matsunaga, Mr. Stevens, Mr. Specter, Mr. Murkowski, Mr. Hatch, Mr. Evans, Mr. Wallop, Mr. East, Mr. Chiles, Mr. Inouye, Mr. Helms, Mr. Simpson, and Mr. Hollings):

S. 1578. A bill to amend the Low-Level Radioactive Waste Policy Act to improve procedures for the implementation of compacts providing for the establishment and operation of regional disposal facilities for low-level radioactive waste, and for other purposes; to the Committee on Environment and Public Works.

LOW-LEVEL RADIOACTIVE WASTE POLICY AMENDMENTS ACT

Mr. THURMOND. Mr. President, today, I am introducing a bill to amend the Low-Level Waste Policy Act of 1980. I am also offering this same language as an amendment to S. 1517, introduced by the Senator from Idaho [Mr. McClure] earlier this week. This language provides for an orderly system of low-level nuclear waste disposal during the period of 1986 through 1992.

Mr. President, the issue of how this Nation will dispose of its low-level nuclear waste is at a critical point. Under the 1980 act, States were encouraged to enter regional compacts to handle this waste. Thirty-three States have done so, and now the Senate Judiciary Committee has before it six of these regional agreements. As an incentive for entering such compacts, the 1980 act authorized any such organized region whose compact has obtained congressional approval to exclude out-of-region waste beginning January 1, 1986.

However, Congress has not yet granted consent to any such compact, and therefore the full burden of nationwide disposal continues to fall on the three current sites: Beatty, NV; Barnwell, SC; and Richland, WA. The Governors of these three States have indicated that they will close these sites at the end of this year if Congress has not satisfactorily addressed the disposal problem.

Thus, we face the situation where there could be no site for low-level waste disposal after December 31 of this year if Congress does not act before the end of this session. Since ratification of these compacts alone would allow Nevada, South Carolina, and Washington to exclude all waste generated outside their respective regions, and since other sites will not be available by January 1, 1986, I am introducing this legislation to provide the necessary transition beginning in 1986.

This legislation is similar to the one considered by the House Committee on Interior and Insular Affairs. It would give regions without sites time to create disposal sites by 1993, while enforcing caps on the amount of waste the currently sited States will have to accept.

This legislation contains several important features:

Under section 5, nonsited regions will be allowed access to existing disposal facilities through December 31, 1992. Caps will be placed on the volume of waste the three existing disposal facilities are required to take. In order to stay within the volume caps, each utility generator will be allocated a specific amount of disposal space;

To encourage the development of disposal sites, nonsited compact regions and nonmember States will be required to meet specified milestones. Failure to meet these milestones will result in loss of access to the generators of the violating compact region or State. Access will be restored once compliance with the milestone is established; and

All generators outside of sited compact regions will be required to pay surcharges on waste shipped to the existing disposal facilities.

I believe this legislation strikes a reasonable balance between the need for disposal of low-level waste and fairness to those States which have done more than their share in handling all of the Nation's low-level waste.

The Governors of Nevada, South Carolina, and Washington support this legislation, and I believe its passage, along with congressional approval of pending compacts, will avert the crisis we now face and will place us on the road to a long-term solution to this problem.

Mr. President, as I have already indicated, there are currently six compacts pending in the Judiciary Committee. These six regions and their member States are:

Southeast: Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia.

Northwest: Alaska, Hawaii, Idaho, Montana, Oregon, Utah, and Washington.

Rocky Mountain: Colorado, Nevada, New Mexico, and Wyoming.

Central Midwest: Illinois and Kentucky.

Central: Arkansas, Kansas, Louisana, Nebraska, and Oklahoma.

Midwest: Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, and Wisconsin.

I would also note that the Judiciary Committee has the option to report these compacts at anytime, and could attach this legislation, or similar language, as a condition for approval of these compacts. However, the House has opted to pursue the course of introducing separate legislation to address the transition period from 1986 through 1992, when the compact regions could exclude out-of-region waste. Therefore, I am introducing this legislation to put this body on a parallel track, which should expedite final congressional approval of the transition provisions. Also, by introducing this legislation as a separate item, other Senate committees, with expertise in this area, will be given the opportunity to review this proposed transition legislation.

However, I want to make it clear that I intend for this bill to be part of

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a package approach whereby Congress approves the pending compacts and provides for a transition period through 1992. In fact, this bill is strictly contingent upon congressional approval of the pending compacts. I will not support passage of this, or similar legislation, without concurrent approval of these compacts, and I have been assured by the majority leader of the Senate that this bill will only be considered as part of a package granting congressional approval for these compacts. Congressman MORRIS UDALL, chairman of the House Interior and Insular Affairs Committee, has also assured me that he will work to have this legislation and these compacts considered as a package by the House.

It is my hope that these other committees will move expeditiously in light of the deadline the Nation is facing. It is my intention to ask the majority leader to accommodate Senate floor consideration of this matter in time to obtain congressional approval for these compacts, with the transition provisions in one form or another, by the end of this year.

Mr. President, I ask unanimous consent that copies of letters I have written to Senator DOLE and Congressman UDALL and their replies, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, August 1, 1985.

Senator ROBERT DOLE,
Majority Leader, U.S. Senate, Washington, DC.

DEAR BOB: Thank you for your commitment to treat pending low-level nuclear waste compacts and legislation providing for a transition period for low-level waste disposal as a single package, and your agreement not to bring up any "transition" legislation without a concurrent agreement to approve these compacts.

The transition legislation will help provide a means to solve the low-level waste disposal problem, and your commitment means that currently-sited states can join in this earnest effort to reach a solution, without incurring the risk of continued responsibility for unlimited nationwide disposal.

I will be working with the other members of the Judiciary Committee, and with the other Committees involved, in an effort to reach a consensus solution before the January 1, 1986, deadline. Your commitment ensures that the Senate will undertake a comprehensive and fair review of this critical issue.

With kindest regards and best wishes,
Sincerely,
STROM THURMOND,
Chairman.

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, August 1, 1985.

Hon. STROM THURMOND,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR STROM: Thank you for your letter today concerning the proposed procedure for handling the ratification of regional compacts and the transitional legislation under the "Low Level Radioactive Waste Policy Act".

I agree that it would be unfair to the three States that are now burdened with all of the nation's radioactive waste to simply pass the transitional legislation without acting on the compacts that have been negotiated to handle this waste on a regional basis. I will be pleased to work with you to ensure the joint scheduling of these matters so that we can reach fair resolution for South Carolina, Kansas, and other States involved.

Sincerely yours,
BOB DOLE,
Majority Leader.

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, August 1, 1985.

Representative MORRIS K. UDALL,
Chairman, Committee on Interior and Insular Affairs, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I appreciate having the opportunity to discuss with you the low-level nuclear waste compacts and legislation providing for a transition period that was reported out of your Committee yesterday.

Thank you for your commitment to treat these compacts and any "transition" legislation as a single package. Your commitment ensures that currently-sited states can join in an earnest effort to reach a solution to the low-level waste problem, without incurring the risk of continued responsibility for unlimited nationwide disposal.

Senate Majority Leader Dole has assured me that he considers the compacts and the transition legislation to be a single package, and that he will not bring up any "transition" legislation without a concurrent agreement to approve these compacts.

I appreciate your fine work on this critical issue, and look forward to a successful resolution of this matter before the end of this Session.

With kindest regards and best wishes,
Sincerely,
STROM THURMOND,
Chairman.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, August 1, 1985.

Hon. STROM THURMOND,
U.S. Senate,
218 Russell Senate Office Building,
Washington, DC.

DEAR SENATOR THURMOND: Legislation for approval of interstate compacts for low-level radioactive waste management is essential this year. The Committee on Interior and Insular Affairs yesterday voted to report to the House all the bills on this subject. H.R. 1083, being the legislation under which the compact system will function, was agreed to first, and the six regional compacts were subsequently approved by unanimous consent.

I intend to pursue an identical procedural approach on the House floor. Once issues related to the compact system are resolved in H.R. 1083, there is no reason for delay in approval of the interstate compacts.

I look forward to completing work on all these bills this fall.

Sincerely,
MORRIS K. UDALL,
Chairman.

Mr. GORTON. Mr. President, I am pleased to join my colleagues in cosponsoring the Low-Level Radioactive Waste Policy Act Amendments of 1985.

It is my greatest hope that Congress will avoid a national crisis in low-level radioactive waste disposal by swiftly approving this bill and the six regional compacts pending before Congress.

Time is running out on this issue. Since passage of the Low-Level Radioactive Waste Policy Act of 1980, several attempts have been made to ratify the regional compacts pending before Congress. Congressional ratification of the compacts has been blocked, however, because some States failed to comply with the 1980 act and develop alternative disposal plans and sites in a timely manner. Thus, the full burden of nationwide disposal continues to fall on the three current sites: Richland, WA, Barnwell, SC, and Beatty, NV.

Washington, South Carolina, and Nevada have shouldered all of the other States' low-level waste burden for too long. The State of Washington has done much more than its share and has cooperated in dealing with the national problem of low-level waste disposal in an exemplary fashion. In 1981 Washington State, in conjunction with other Northwest States, established the first compact in the Nation. While waiting for Congress to ratify the Northwest Interstate Compact on Low-Level Radioactive Waste Management, Washington State has continued to accept for disposal over 50 percent of the low-level radioactive waste produced in the United States, although Washington itself generates only 3 percent of the Nation's waste.

Washington has been reasonable and patient long enough. This situation has become totally unacceptable to the citizens of Washington State, and I am prepared to support any reasonable actions which Washington officials decide are necessary to protect the health and safety of the people of our State, in the event that Congress does not ratify the Northwest Compact this year. The Governors of Washington, South Carolina, and Nevada all have indicated that they will not continue to accept the entire Nation's low-level waste after this year if Congress has not satisfactorily addressed the disposal problem.

We face a situation where there could be no site for low-level waste disposal after December 31, 1985, if Congress does not act before the end of this session. Since ratification of these compacts alone would allow Washington, South Carolina, and Nevada to exclude all waste generated outside their respective regions, and since other sites could not be available by January 1, 1986, it is imperative that Congress provide the necessary transition by approving the Low-Level Radioactive Waste Policy Act Amendments of 1985.

Washington, South Carolina, and Nevada have developed this compromise legislative package in consultation with unsited States and other interested parties. It strikes a reasonable balance between the needs of both the sited and unsited States.

The basic elements of the package—guaranteed post-1985 access for unsited States' generators, volume caps, volume reduction, surcharges, and enforceable milestones to ensure that new sites are developed—are carefully balanced and firmly linked together. They must be accepted as a package and passed in conjunction with the pending compacts. The provision requiring Washington, South Carolina, and Nevada to dispose of the Nation's low-level waste for another 7 years is very distasteful to the sited States and would be completely unacceptable if this requirement was not accompanied by the other elements in the package.

I firmly believe that the Low-Level Radioactive Waste Policy Act Amendments of 1985 offers a viable framework for averting the national disposal crisis that is certain to occur if the current legislative stalemate continues, and I urge Congress to give prompt consideration to this bill.

Mr. HECHT. Mr. President, today I am pleased to join my colleague from South Carolina, Senator THURMOND, in introducing a bill to provide for fair and reasonable management of the Nation's low-level nuclear waste. Although the Congress attempted to deal with the issue of low-level waste disposal sites in 1980, most States have not responded as the Congress and the Nation had hoped.

As a result, the States of Nevada, South Carolina, and Washington continue to bear the full national burden of low-level nuclear waste disposal. It is simply unfair to expect this situation to go on much longer. This bill provides administrative and financial incentives for all States to act responsibly and together plan for the safe and efficient disposal of low-level nuclear waste. It makes a gesture of good faith to all the States by extending the period during which they may free access to the Nevada, South Carolina, and Washington sites. Most importantly, it provides for a series of events that must occur on a preestablished schedule and a time certain when other waste disposal sites are to be in operation.

It is my hope that this bill will finally lay to rest the conflict and concern that has plagued this issue, and will lay the groundwork for the Nation to focus instead on how to best use nuclear technology to help build a safe and prosperous future.

I urge my colleagues to join with me in supporting this legislation.

Mr. HOLLINGS. Mr. President, I am a cosponsor of the low-level nuclear waste legislation being introduced today.

This bill is the result of a valiant effort, led by Gov. Richard Riley of South Carolina, to break the current increase over low-level nuclear waste policy. As my colleagues know, a 1980 law says that any region of the country with a congressionally approved interstate compact may stop taking out-of-region nuclear waste, starting on January 1 of next year. However, some other States have not lived up to their responsibilities under the 1980 act. They now seek to block congressional approval of the compacts formed by the three regions with existing low-level waste burial grounds. They want continued access to our sites.

Governor Riley and the Governors of Washington State and Nevada have bent over backward to try to find a reasonable solution to this impasse. They have worked with Congressman UDALL and others to fashion acceptable legislation. The bill being introduced in the Senate today reflects those negotiations. In this bill, South Carolina has gone just about as far as it can go. Because of pressures from other regions, the three States with disposal facilities agree to take waste from outside their regions for several more years.

In return, the amounts of waste disposed of annually at the three sites will not increase, and three States will receive special surcharges. States that do not meet clearly defined milestones for developing their own disposal capacity will be denied access to the three existing facilities. Most importantly, the bill makes clear that the provisions providing additional access to disposal sites will only become effective once the Southeast Compact and the other compacts receive congressional consent. Congressional consent to the compacts is a central part of this compromise agreement.

If this is the package that is finally brought before the full Senate, I will support it. It is more than generous to the regions without disposal sites, and it protects the key interests of my State, Washington State, and Nevada.

Mr. President, I would like to add to a final comment regarding this issue of low-level nuclear waste. The three States with waste facilities are under no obligation, legal or moral, to continue operating them. Nothing in current law requires it. My State opened a site many years ago to handle its own waste. South Carolina acted responsibly. But as I have said before, South Carolinians are increasingly impatient with those who somehow expect our State to keep taking their nuclear garbage indefinitely. We will not do that. Governor Riley has clearly stated that he will close our Barnwell site if Congress does not pass reasonable legislation on this issue. I fully support him in this matter.

Time is running very short on this issue, and, frankly, time is working against those who do not have their own disposal capacity. We need a legislative compromise soon, or whole regions of the country will find themselves without places to put their low-level waste. The bill being introduced today, when coupled with congressional consent language, will be just barely acceptable to South Carolina. I urge everyone involved to support this fragile compromise and not to push changes or alternatives that will simply destroy agreement. In particular, I hope that the utility industry does not push a rival bill. If they undercut the current compromise, they may find themselves with no burial sites at all.

Mr. President, I look forward to working with our colleagues to pass an acceptable legislative package that will protect both the States with waste sites and those without them.

Mr. KENNEDY. Mr. President, today I am pleased to join forces with the distinguished chairman of the Senate Judiciary Committee, Senator THURMOND, and sponsor the Low Level Radioactive Waste Policy Act Amendments of 1985.

The introduction of this measure signals a breakthrough on one of the most technically complicated and politically difficult issues before the 99th Congress. It offers a nonpartisan consensus proposal to avert an imminent problem over disposal of low-level radioactive waste.

Achieved after extensive negotiations over the past year, and the product of substantial compromises on all sides, this legislation offers a rational, workable solution that is in the interest of every State. It accommodates the need for States like Massachusetts to continue to have interim access to the three existing disposal sites, while bolstering ongoing efforts to develop their own alternatives. At the same time, the bill will implement the regional system Congress created in 1980 to lift sole responsibility for nationwide disposal from the three States—South Carolina, Nevada, and Washington—that have already shouldered more than their fair share of the burden.

Technology that produces low-level radioactive waste includes nuclear medicine, products like smoke detectors manufactured with radioactive isotopes, and nuclear generated electricity. Each year over half of the hospital patients in the country are treated or diagnosed with radiopharmaceuticals; and 3,300 medical centers, hospitals, and clinics are certified to handle radioactive materials. In just 1 year Boston's New England Medical Center uses nuclear medicine to treat or diagnose almost 30,000 patients. Massachusetts General Hospital generates eighty 30-gallon drums of waste annually. Harvard University, which performs research with radioactive materials and accepts radioactive waste from a dozen teaching hospitals in the Commonwealth, is responsible for 2,200 drums a year. And in Massachusetts alone the nuclear industry contributes over 10,000 jobs and more than a billion dollars annually to the State economy.

Obviously nuclear technology is important to the people of Massachusetts and to citizens all across the country, but it requires strict regulation and safe, environmentally sound disposal of the waste it generates. Since 1980 both Congress and Governors throughout the country recognized that low-level waste disposal is the responsibility of the 50 States, and that this responsibility should be shared fairly on a regional basis.

Congress launched this policy in the Low-Level Waste Policy Act of 1980, which encouraged States to form regional agreements for the disposal of low-level waste. As an incentive for entering "interstate compacts" the 1980 act permitted any region in a congressionally approved compact to refuse to accept waste from outside the region beginning January 1, 1986.

With that deadline rapidly approaching, Congress has not yet ratified a single compact; after 6 years, no additional disposal space has been created. The three States with operational sites are understandably concerned over the lack of progress. But it is now clear that States cannot move fast enough to build new waste facilities before the 1990's. The challenge, which until now has been insurmountable, has been to reach an agreement acceptable to the three States with disposal sites, and the 47 States without, that allows continued access to existing sites while assuring the timely development of new capacity.

The bill we introduce today breaks the deadlock by providing for an orderly system of nationwide low-level waste disposal for the next 7 years, together with congressional approval of pending regional compacts. South Carolina, Nevada, and Washington are guaranteed that by 1993 they will no longer be the sole dumping ground for all low-level waste in the country. During the transition period there will be restrictions on generators of waste to reduce the volume they ship to these three sites. A surcharge on waste will provide financial incentives for additional volume reduction. The States that do not yet belong to a regional compact with an operating site, are guaranteed access for 7 years to existing sites under tough but reasonable conditions they can satisfy. And enforceable milestones toward opening new sites will ensure continued progress in creating new disposal capacity.

Judging from the widespread support for this legislation, I believe this approach is realistic and achieveable. Massachusetts waste generators are already practicing significant waste reduction, and the Commonwealth no longer produced the largest amount of low-level waste. In addition, under the able guidance of State Senator Carol Amick, Secretary of Environmental Affairs James Hoyt, and other officials, the Commonwealth is on its way toward meeting its obligations for waste disposal, with full public involvement every step of the way. Massachusetts expects to reach the milestones that will be required under the Federal legislation as a preconditions for shipping its waste to existing sites.

The proposed amendments to the 1980 act are more than a good beginning—they provide a carefully crafted and balanced framework for avoiding a problem in 1986 that could damage the public health, the environment and the economy. I look forward to working with Senator THURMOND, State Governors and all interested parties to achieve timely action on this measure.

This bill would not have been possible without the leadership in the House of Representatives of the chairman of the Interior and Insular Affairs Committee, Mo UDALL, and the chairman of the Energy, Conservation and Power Subcommittee, ED MARKEY, my colleague from Massachusetts. Nor would we be at this point without the tireless efforts and cooperation of three outstanding Governors: Richard Riley of South Carolina, Richard Bryan of Nevada, and Booth Gardner of Washington. And as my colleagues are well aware, Senator THURMOND has almost single handedly kept the need for this legislation as a priority in the Senate.

Enactment of this bill will be an impressive legislative achievement. It will be as much a victory for Democrats as for Republicans, for Massachusetts as for South Carolina, for environmental groups, utilities, university research centers and all Americans. I urge my colleagues in the Senate to support this measure.

By Mr. CRANSTON (for himself, Mr. STAFFORD, Mr. KENNEDY, Mr. WEICKER, Mr. KERRY, and Mr. RIEGLE):

S. 1579. A bill to clarify the remedies available for the enactment of certain civil rights statutes are applicable to the States; to the Committee on Labor and Human Resources.

CIVIL RIGHTS REMEDIES EQUALIZATION ACT

Mr. CRANSTON. Mr. President, I have today introduced S. 1579 the proposed Civil Rights Remedies Equalization Act of 1985. This bill would clarify congressional intent that the remedies of violations of section 504 of the Rehabilitation Act of 1973 prohibiting Federal agencies and recipients of Federal financial assistance from discriminating against handicapped persons are available against the States to the same extent as they are available against Federal agencies and against local government and private recipients of Federal funds. This legislation is necessary, for the purpose of implementing congressional intent in enacting section 504, because of a recent Supreme Court ruling that, even though the statute authorizes an aggrieved party to bring suit in Federal court against a category of entities that literally includes the States, the States may not be sued in Federal court unless the law expressly makes the States answerable in Federal court.

The bill would, in the same manner, ensure equalization of the remedies for violations of the prohibition in title IX of the Education Amendments of 1972 against sex-based discrimination in education, and the prohibition in the Age Discrimination Act of 1975 against discrimination based on age.

I am also submitting an amendment to the bill amendment No. 584 with a substitute text extending the coverage to include the prohibition in title VI of the Civil Rights Act of 1964 against discrimination based on race, color, or national origin, and the provisions of any other Federal statute prohibiting discrimination by recipients of Federal financial assistance.

Joining me in introducing these measures are Senator STAFFORD, a coauthor with me of the original section 504 provision and the 1974 and 1978 amendments to section 504 and the chairman of the Subcommittee on Education of the Labor and Human Resources Committee; Senator KENNEDY, the ranking minority member of the Labor and Human Resources Committee; Senator WEICKER, chairman of that committee's Subcommittee on the Handicapped; Senator KERRY, the ranking minority member of that subcommittee, where I served throughout the seventies; and Senator RIEGLE, with whom I have often worked closely in efforts to improve the opportunities for disabled and elderly persons, among others.

BACKGROUND

Section 504 of the Rehabilitation Act of 1973, of which I was a principal author, prohibits Federal agencies and federally assisted programs from subjecting qualified handicapped individuals to discrimination. As the courts

have acknowledged, Congress created a right of action in Federal or State court to remedy violations of section 504—with no exception in the law either for the States or for any particular type of remedy, such as monetary damages.

Nevertheless, on June 28, 1985, in the case of Atascadero State Hospital versus Scanlon, the Supreme Court held—in a 5-4 decision—that the Congress, in enacting section 504, had not exercised its authority to waive the States' general immunity under the 11th amendment to suits for damages in the Federal courts. Senators STAFFORD and WEICKER and Representatives MARIO BIAGGI, DON EDWARDS, WILLIAM FORD, JAMES JEFFORDS, and GEORGE MILLER, and I had submitted an amicus brief urging the Court not to reach that result.

In this case, an individual suffering from diabetes and the loss of sight in one eye claimed that the State had violated section 504 by denying him employment in a State hospital as a graduate student assistant recreational therapist. The Supreme Court, reversing the Ninth Circuit Court of Appeals, held that the individual's claim for compensatory damages against the State or a State agency could not be heard in Federal court.

The same holding also applies to injunctions, but it is well established that the 11th amendment does not bar Federal courts from issuing injunctions against named State officials, as distinguished from the State itself, even though the effect is exactly the same as an injunction against the State. Therefore, as the result of Atascadero, injunctive relief is now the only relief available in Federal court against a State agency for a violation of section 504 or any other civil rights statute on the receipt of Federal financial assistance.

NEW RULE FOR CONSTRUING LEGISLATION WAVING THE 11TH AMENDMENT

Mr. President, as I have indicated, the Supreme Court has interpreted the 11th amendment of the Constitution—which literally shields a State only from suits brought in Federal courts by citizens of another State or by citizens or subjects of a foreign nation—as barring all private persons from suing a State in the Federal courts. However, the States themselves and the Congress may waive that immunity.

Federal legislation waiving the States' 11th amendment immunity, however, is subjected to special rules that the Court has been developing in recent years. These purported rules of statutory construction differ significantly from those ordinarily applied, which are designed to ascertain the Congress' intent and give it effect. Regardless of whether the congressional intent is clear, the Court now insists that for a Federal law to waive the States' immunity the intention to do so must be stated "in unmistakable language in the statute itself."

I want to emphasize for my colleagues how extraordinary this rule is. Even where—as in the case of section 504 of the Rehabilitation Act—a statute makes all persons and entities in a specified category of persons and entities subject to suit in Federal court and that category clearly and literally includes States and State agencies, and no exception is provided—or even anywhere implied—for States or their agencies, the Court will hold that the law is not sufficiently clear to constitute a waiver. To further underscore this point, I would note that the Congress always clearly intended and understood that section 504 would apply to the States. The language used in section 504 to apply to non-Federal entities—"any program or activity receiving Federal financial assistance"—had been used in the title VI of the Civil Rights Act of 1964 and, with the word "education" inserted before "program," in title IX of the Education Amendments of 1972. The regulations implementing title VI that had been adopted by Federal departments and agencies prior to the enactment of either title IX or section 504, as well as the regulations implementing title IX and section 504 itself, were, by their terms, expressly applicable to the States to the same extent as any other recipient of Federal financial assistance. Moreover, the 1973 Rehabilitation Act extensively restructured and authorized a substantial increase, from $600 million in fiscal year 1973 to $650 million in fiscal year 1974, in appropriations for the Federal-State Vocational Rehabilitation Program. The States now receive more than $1 billion annually under this program. In addition, the States and State agencies unquestionably have constituted a major segment of the category of recipients of all Federal financial assistance throughout the period which these three laws were enacted and since.

Nevertheless, in the absence of a single word in the statute or its legislative history or the implementing regulations of the lead agency or, for that matter, of any department or agency to support their position, five justices concluded that suits against the States for damages in Federal court for violations of section 504 were not authorized. Therefore, only private and Federal and local government entities may be sued in Federal court for damages for such violations.

Mr. President, the purpose of the rule that the Court has adopted seems to be not to assist it and other courts in ascertaining and carrying out congressional intent, but, rather to impose on the Congress a formalistic requirement that the Court now insists be complied with in order for it to give effect to congressional action.

As a result of the Court's decision, a disabled individual who has suffered unfair discrimination at the hands of a State agency has two choices—a suit in State court for damages or injunctive relief, or both, or Federal suit for an injunction against individual State officials. Those choices are not adequate. As to the limit on Federal remedies, litigation involving a claim of discrimination often takes years to resolve. Thus, where the disabled person is seeking employment or is trying to pursue an education or to particiapte in a project having only a 2- or 3-year life, an injunction may come too late to be a value in remedying the harm done through the unlawful discrimination. In a very real sense, the availability of only injunctive relief postpones the effective date of the antidiscrimination law, with respect to a State agency, to the date on which the court issues an injunction because there is no remedy available for violations occurring before that date.

This result is especially devastating in the context of employment discrimination against disabled persons because they—unlike women and members of race and national origin minorities—are not protected by the Civil Rights Act title VII prohibition against employment discrimination, which is enforceable in Federal court through suits for damages.

The availability of a remedy for damages in State court is not adequate for three main reasons. First, State courts—because of a variety of factors including the greater likelihood of State judges being deferential to State officials and laws—are not as likely to be as sympathetic to aggrieved parties in interpreting Federal statutes and applying them to state officials as are the Federal courts.

Second, State judges generally lack the familiarity with and the expertise in interpreting and applying Federal laws that Federal judges typically have.

Third, State courts often have backlogs far greater than those in the Federal courts in the same geographical areas.

Perhaps the best indication of the inadequacies of State courts in this regard is that, according to advice I have received from civil rights lawyers, the overwhelming majority of persons bringing suit based on claims that their rights under Federal laws have been violated by State agencies file their cases in Federal court.

QUESTIONS RAISED WITH RESPECT TO CIVIL RIGHTS LAWS OTHER THAN SECTION 504

Mr. President, it appears that the holding in Atascadero may create problems in carrying out congressional intent with respect to the availability of Federal court suit for damages against States under other civil rights laws in addition to section 504 of the Rehabilitation Act.

In terms of the entities that section 504 prohibits from discriminating and against which it thus creates a right of action for violations of that prohibition, section 504 was patterened after title VI of the Civil Rights Act of 1964 and title IX of the Education Amendments of 1972. In addition, the Age Discrimination Act of 1975 incorporates the basic structure of these three laws. Thus, it appears that legislation is needed to ensure that Federal court remedies are available against the States to the same extent that they are available against all other entities within the scope of these three statutes as well as any other Federal law prohibiting discrimination by recipients of Federal funds.

PROVISIONS OF THE LEGISLATION

Mr. President, I disagree with the Court's action in setting up a hurdle that the Congress must clear before its intent to waive the 11th amendment will be given effect. However, the fact is that the hurdle now exists and further legislative action is necessary in order for section 504, and possibly other civil rights laws using similar operative language, to be given full effect.

Therefore, our legislation would reverse the holding in Atascadero by providing that, unless otherwise expressly provided in Federal statute, the remedies available to enforce the four major Federal civil rights laws noted above, and any other Federal civil rights law based on receipt of Federal financial assistance, against public or private entities other than States shall also be available against the States. Thus, under our proposal, if a Federal suit for damages were generally available to enforce a civil rights law against a recipient of Federal funds—and nothing in that law were to exempt the States from such a suit—a Federal suit for damages would be available against a State or a State agency.

In this way, our legislation would eliminate the Court-made barrier to effectuating congressional intent that the holding in the Atascadero case raises. Under the bill as amended, a statute that is, on its face, equally as applicable to and enforceable against a State agency as it is against other entities, would be enforceable by the same means against State and non-State entities alike.

Our legislation also specifies that it would take effect, with respect to each affected statute, on the date that the law in question took effect. Thus, for example, in the case of section 504 of the Rehabilitation Act of 1973, which took effect on September 26, 1973, its date of enactment, our proposal would take effect retroactive to that date.

Finally, I would note my understanding that, as has been clearly established in Supreme Court cases, including the Atascadero case, over the past 21 years, the Congress has the authority to waive the States' 11th amendment immunity under the following provisions of the Constitution: the commerce clause, the spending clause, and section 5 of the 14th amendment. In my view, this legislation is clearly authorized by at least the latter two provisions.

CONCLUSION

Mr. President, without regard to one's views about the reasoning underlying the Atascadero case—and I believe, as did the four dissenting Justices in the case, that the decision was misguided—I believe that the overwhelming majority of my colleagues would agree that civil rights laws prohibiting discrimination on the part of Federal agencies and the recipients of Federal financial assistance should be enforceable against the States to the same extent that they are enforceable against municipalities and units of local governments, private schools, businesses, and other entities—and the Federal Government itself. Our bill would provide for that result and, thus, make clear that the States may be held accountable in Federal court for injuries they inflict on disabled persons, women, members of minority groups, and older persons through violations of such statutes.

Thus, I urge my colleagues to give this legislation prompt and thorough consideration and strong support. A very significant part of our national legal framework for combating unjust discrimination has been destroyed. We in the Congress should repair the damage as swiftly as possible.

(The text of amendment No. 584 appears in today's RECORD under "Amendments Submitted.")

By Mr. THURMOND (for himself, Mr. HATCH, Mr. DENTON, and Mr. EAST) (by request):

S. 1580. A bill to provide for comprehensive reforms and to achieve greater equity in the compensation of attorneys pursuant to Federal statute in civil and administrative proceedings in which the United States, or a State or local government, is a party; to the Committee on the Judiciary.

LEGAL FEES EQUITY ACT

Mr. THURMOND. Mr. President, I am introducing today an administration proposal—the Legal Fees Equity Act—to provide a revamping of the federally mandated attorney compensation schemes applicable to civil, criminal, and administrative proceedings involving the United States and to civil proceedings involving State and local governments.

The purpose of this legislation is to provide a statutory framework for a more equitable balance in compensation for professional legal services rendered in litigation involving the Government. In seeking to attain this goal, the bill would:

Set a $75 per hour maximum rate for attorney's fees awarded, and eliminate the use of bonuses and multipliers to escalate fee awards. This will compensate private attorneys general at a level commensurate with—but still significally higher than—that of their Government counterparts, but provide a reasonable incentive sufficient to attract competent counsel;

Allow recovery of attorneys' fees only when party has prevailed on the merits of its complaint, or where the suit is concluded by a favorable settlement agreement;

Allow recovery of attorneys' fees only for work performed on issues on which the party prevailed;

Permit the reduction or denial of the amount of fee awards, for example, where a party has unreasonably protracted the litigation; where the services provided were excessive with regard to the nature of the controversy; or where the fee award would unreasonably exceed the hourly salary of a salaried attorney;

Provide that monetary judgment be reduced—but not more than 25 percent—by the amount of the attorneys' fees allowed in the proceeding. Exceptions are allowed for suits under certain provisions of the Equal Access to Justice Act, suits for recovery of disputed taxes, or in cases of undue hardship;

Establish certain procedural requirements for attorneys' fee applications, including a 30-day time limit after final judgment for submitting fee applications, and require courts and agencies to develop additional guidelines; and

Clarify the circumstances in which attorneys' fees may be awarded when a claim becomes moot or the party refuses to accept a reasonable settlement offer.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD along with the letter of transmittal from the Department of Justice and accompanying section-by-section analysis.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1580

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Legal Fees Equity Act."

SEC. 2. Findings and Purposes.

(a) Congress hereby finds and declares that—

(1) Many Federal statutes authorize awards of attorneys' fees to be made to parties who prevail against the United States, or against state or local governments, in judicial and administrative proceedings;

(2) The failure to provide standards to guide courts and administrative bodies in awarding such fees has led to inconsistent interpretations of these federal civil fee-shifting statutes, and in many instances to excessive awards of attorneys' fees under them;

(3) It is inappropriate for the federal government to impose on state and local governments the statutory requirement to pay awards of attorneys' fees without providing standards by which to make such awards;

(4) The limitation of $75 per hour prescribed by Congress for civil judicial and administrative proceedings under the Equal Access to Justice Act provides a reasonable and appropriate maximum hourly rate for the award of attorneys' fees against the United States, or against state or local governments, in judicial or administrative proceedings;

(5) It is inappropriate for awards of attorneys' fees to be made to parties who have not prevailed on the merits of their complaint against the United States, or against state or local governments, in judicial or administrative proceedings;

(6) It is appropriate that parties in judicial or administrative proceedings against the United States, or against state or local governments, pay a reasonable portion of their attorneys' fees when monetary awards are recovered;

(7) Statutory provisions are necessary to control the circumstances and conditions under which awards of attorneys' fees and related expenses or costs may be made against the United States, or against state or local governments, in judicial or administrative proceedings; and

(8) Statutory amendments are also appropriate to limit the circumstances in which federal agencies hire outside private counsel from litigation and the amounts at which such outside counsel can be paid.

(b) It is the purpose of this Act—

(1) To establish a uniform hourly rate that shall be the maximum compensation authorized to be awarded against the United States, or against state or local governments, in judicial or administrative proceedings to which any federal fee-shifting statute applies;

(2) To require that awards of attorneys' fees against the United States, or against state or local governments, in judicial or administrative proceedings to which any federal fee-shifting statute applies be made only to parties who have prevailed in the proceedings;

(3) To prescribe standards for the awarding of attorneys' fees and related expenses or costs against the United States, or against state or local governments, in judicial or administrative proceedings to which any federal fee-shifting statute applies; and

(4) To authorize the Attorney General to promulgate regulations governing the circumstances in which federal agencies can retain outside private counsel for litigation and to impose a uniform limit on the rates such counsel can be paid from appropriated funds.

SEC. 3. DEFINITIONS.

For the purpose of this Act—

(1) "Attorneys' fees" means fees attributable to professional legal services performed by a person, or persons, licensed to practice law (but shall not include services by pro se claimants), or to services by enrolled tax practitioners with respect to proceedings before the United States Tax Court, including overhead expenses, as defined in this Act, but not including related expenses;

(2) "Fee-shifting statute" means any federal statute that provides for recovery by a party of attorneys' fees or related expenses against the United States, or against a state or local government;

(3) "Overhead expenses", except in extraordinary circumstances, shall include, but not be limited to, rent or mortgage payments, maintenance (including heating and cooling costs), furniture and supplies, reporters, treatises, and other books, secretarial and other clerical and librarian time (including computer word processing expenses), telephone services and calls, and mailing expenses;

(4) "Related expenses" means those expenses that may be awarded pursuant to a federal law, and which are actually incurred by the attorney in connection with judicial or administrative proceedings, but does not include attorneys' fees or overhead expenses, as defined in this Act, or costs enumerated in section 1920 or title 28, United States Code;

(5) "Party" means, for purposes of judicial proceedings, a party as defined by Rule 17 of the Federal Rules of Civil Procedure, or, for purposes of administrative proceedings, a party as defined in section 551(3) of Title 5, United States Code;

(6) "Judicial proceeding" means a civil proceeding in any court or under the jurisdiction of a judicial officer, in which a party may by law be awarded attorneys' fees or related expenses;

(7) "Administrative proceeding" means any proceeding, other than a judicial proceeding, in which a party may by law be awarded attorneys' fees or related expenses;

(8) "Administrative officer" means the official(s) or person(s) authorized by statute or regulation to decide the substantive issues being considered in an administrative proceeding, or the official(s) or person(s) designated by the head of the agency as the administrative officer(s) for the purpose of this Act;

(9) "Prevailed on the merits" means having obtained a final decision in which the party has succeeded on a significant issue or issues in the controversy and obtained significant relief in connection with that issue or issues, and may include, where the party is a defendant in a suit by the government, obtaining the dismissal of the complaint;

(10) "Final decision" means a final judgment by the court, or a final order by an agency, in which a party establishes entitlement to relief on the merits of the claim or claims brought in the proceeding, and includes a judgment or order obtained by a party dismissing the proceeding with prejudice or pursuant to a settlement agreement;

(11) "United States" means the United States, or any agency of the United States, or any official of the United States acting in his or her official capacity;

(12) "State" means any state government, or any agency of the state government, or any official of the state government acting in his or her official capacity, and includes the territories and the District of Columbia; and

(13) "Local government" means any county, city, town, municipality, municipal corporation, school board, special governmental district, or other political subdivision created by a state, or any agency of such entity, or any official of such entity acting in his or her official capacity.

SEC. 4. SCOPE AND APPLICATION; RELATIONSHIP TO OTHER LAWS.

(a) The provisions of this Act—

(1) apply to any judicial or administrative proceeding in which a award of attorneys' fees and related expenses is authorized, pursuant to any federal fee-shifting statute, to be made against the United States, or a state or local government, and

(2) establish minimum criteria and requirements for the award of attorneys' fees and related expenses to which this Act applies.

(b) Notwithstanding any other provision of law, no award of attorneys' fees or related expenses shall be made against the United States, or against state or local governments, in any judicial or administrative proceeding, except as expressly authorized by law (other than this Act), and in accordance with the provisions of this Act. No such award shall exceed the amount determined under the provisions of this Act.

(c)(1) The provisions of any applicable federal fee-shifting statute that establish criteria or requirements in addition to those provided in this Act for the award of attorneys' fees and related expenses in such proceedings, or that otherwise limit awards of attorneys' fees in such proceedings, shall apply in addition to the provisions of this Act.

(2) Nothing in this Act shall be interpreted to create any right to, or provide any authority for, an award of attorneys' fees or related expenses in any judicial or administrative proceeding.

(d) No award of attorneys' fees or related expenses shall be made under a federal fee-shifting statute against a party who has intervened to defend the validity of a law or action of the United States, or a state or local government, and who has not been found to have violated a constitutional or statutory right of the party seeking the award.

(e) Awards of attorneys' fees and related expenses otherwise authorized under section 504 of title 5 of the United States Code or section 2412(d) of title 28 of the United States Code (the Equal Access to Justice Act) shall be made in accordance with the provisions of this Act, except that subsections (a)(1), (b)(1)(C), (b)(2)(A), and (c) of section 6 of this Act shall not apply.

(f) The provisions of this Act shall not apply to compensation of attorneys in proceedings under section 3006A of title 18, United States Code.

SEC. 5. ALLOWANCE OF ATTORNEYS' FEES.

A party otherwise eligible to receive attorneys' fees and related expenses to which this Act applies must establish that—

(1) the party has prevailed on the merits against the United States, or against a state or local government;

(2) the work for which the award of attorneys' fees and related expenses is sought—

(A) was performed in the judicial or administrative proceeding in connection with issues upon which the party prevailed against the United States or against a state or local government, and

(B) was not excessive, redundant, or otherwise unnecessary to resolve the controversy; and

(3) the application for attorneys' fees and related expenses is made in accordance with sections 6(a) and 7 of this Act.

SEC. 6. AMOUNT OF ATTORNEYS' FEES.

(a)(1) No award of attorneys' fees against the United States, or against the state or local government, to which this Act applies shall exceed $75 per hour.

(2) Bonuses or multipliers shall not be used in calculating awards of attorneys' fees.

(b)(1) The court or administrative officer shall reduce or deny accordingly the amount of attorneys' fees and related expenses otherwise allowable if it is found that—

(A) the prevailing party, during the course of the proceeding, engaged in conduct that unreasonably protracted the final resolution of the controversy,

(B) the amount of attorneys' fees otherwise authorized to be awarded unreasonably exceeds the hourly salary of the the attorney representing the party, or

(C) the time spent and legal services provided were excessive with regard to the nature of the controversy.

(2) The court or administrative officer, in the exercise of discretion, may reduce or deny an award where—

(A) the amount of attorneys' fees otherwise authorized to be awarded unreasonably exceeds the monetary result or value of injunctive relief achieved in the proceeding, or

(B) a reduction or denial of the amount of attorneys' fees would otherwise be appropriate under the applicable fee-shifting statute.

(c) Whenever a monetary judgment is awarded in any judicial or administrative proceeding to which a federal fee-shifting statute applies, a portion of the judgment (but not more than 25% thereof) shall be applied to satisfy the amount of attorneys' fees authorized to be awarded against the United States, or against a state or local government. If the authorized award of attorneys' fees exceeds 25% of the judgment, the excess shall be paid by the United States, or the state or local government. This subsection shall not apply to awards of attorneys' fees pursuant to section 7430 of the Internal Revenue Code.

(b) Section 593(g) of title 28, United States Code, relating to independent counsel investigations, is amended by adding at the end thereof the following new sentence: "Such award shall not exceed $75 per hour.".

SEC. 7. TIMELY APPLICATIONS AND PROCEDURES.

(a) In any judicial or administrative proceeding to which this Act applies, a party may seek an award of attorneys' fees and related expenses only within thirty days after a final decision by the court or agency from which no appeal is taken. The party seeking an award of attorneys' fees shall submit to the court or agency such information as may be required by the court or agency.

(b) Courts and agencies shall develop procedures, not inconsistent with this Act, for filing of applications for awards of attorneys' fees, which shall provide guidance as to what information should be required to be submitted pursuant to subsection (a) of this section, when such information should be submitted, and when determinations should be made concerning awards of attorneys' fees and related expenses. In no event shall an award of attorneys' fees and related expenses be made prior to entry of a final decision by the court or agency.

SEC. 8 MOOTNESS AND SETTLEMENT DEFENSES

No award of attorneys' fees and related expenses subject to the provisions of this Act may be made—

(1) where the government demonstrates that—

(A) the claims have become moot due to a change in government policy, and

(B) the pendency of the judicial or administrative proceeding was not a material factor in such change in policy; or

(2) for services performed subsequent to the time a written offer of settlement is made to a party, if the offer is not accepted and a court or administrative officer finds that the relief finally obtained by the party is not more favorable to the party than the offer of settlement.

SEC. 9. COMPTROLLER GENERAL REPORT.

The Comptroller General of the United States shall submit on April 1 of each year a report to the President and the Congress on the amount of attorneys' fees and related expenses awarded during the preceding fiscal year against the United States, or against state or local governments, in judicial and administrative proceedings to which this Act applies. The courts and each agency shall provide the Comptroller General with such information as is necessary to comply with the requirements of this section.

SEC. 10. LIMITATION ON EMPLOYMENT AND COMPENSATION OF OUTSIDE, PRIVATE COUNSEL.

Section 3106 of title 5, United States Code, is amended to read as follows:

"§ a3106. Employment of attorneys; restrictions

"(a) Except as otherwise authorized by law, the head of an Executive department, military department, or other agency, including and independent agency, board, or commission, may not employ an attorney or counsel for the conduct of litigation in which the United States, as agency, or employee thereof is a party, or is interested, or for the securing of evidence therefor, but shall refer the matter to the Department of Justice.

"(b) Notwithstanding any other provision of law—

(1) an Executive department, military department, or other agency, including an independent agency, board, or commission, shall not retain outside, private counsel for the conduct of judicial or administrative litigation in which the United States, an agency, or employee thereof is a party, or is interested, or for the securing of evidence therefor, except upon a certification of need by the Attorney General and in accordance with regulations promulgated by the Attorney General; and

(2) no payment from appropriated funds to such outside, private counsel retained pursuant to subsection (b)(1) shall exceed $75 per hour.

"(c) The Attorney General, after consultation with the Office of Management and Budget, the Office of Personnel Management, and other interested agencies, and upon public notice and comment pursuant to section 553 of this title, shall promulgate regulations implementing this section, including-

(1) the circumstances, terms, and conditions under which Executive departments, military departments and other agencies, including independent agencies, boards, and commissions, are authorized to employ outside, private counsel to be paid from appropriated funds;

(2) procedures for the receipt and prompt resolution of applications from any agency for a certification of need by the Attorney General, in a particular case or class of cases, authorizing the retention of outside, private counsel for litigation in circumstances not otherwise permitted under this section; and

(3) the coordination of the use and availability of the expertise of attorneys within the Executive Branch of government for litigation.

The regulations authorized by this subsection and the determinations of the Attorney General pursuant to such regulations shall not be subject to judicial review.

"(d) For the purposes of this section, the term "outside, private counsel" means an attorney, firm, legal services organization, or association engaged in the practive of law other than as an employee of the United States.

"(e) This section does not apply to the employment and payment of counsel under section 1037 of title 10.".

SEC. 11. EFFECTIVE DATE.

The provisions of this Act shall apply to any award of attorneys' fees and related expenses incurred subsequent to the enactment of this Act, including those incurred after such date in actions commenced prior to such enactment.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AND
INTERGOVERNMENTAL AFFAIRS,
Washington, DC, July 31, 1985.

Hon. GEORGE BUSH,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed for your consideration and appropriate reference is a legislative proposal "To provide for comprehensive reforms in compensation of attorneys pursuant to federal statute in civil, criminal, and administrative proceedings in which the United States is a party, and in civil proceedings involving state and local governments."

The proposal, known as the "Legal Fees Equity Act," would establish standards and procedures for awards of attorneys' fees in civil judicial and administrative proceedings against the United States, states, and local governments in cases where federal statutes allow such awards, and eliminates excessive awards in such cases. This bill specifically includes fee awards to subjects of investigations under the Independent Counsel statute, 28 U.S.C. § 593(g), and also expands the authority of the Attorney General over the hiring of outside counsel by federal agencies for litigation.

Numerous federal statutes provide that parties to civil suits and administrative proceedings against the United States, states, or local governments may, in appropriate circumstances, recover. "reasonable attorneys' fees" from government defendants. These fee-shifting statutes, for the most part, provide little or no guidance as to when an award of attorneys' fees is appropriate, or as to what constitutes a reasonable award. As a consequence, courts have reached conflicting interpretations of these statutes, and in some cases have made awards of attorneys' fees that greatly exceed the relief obtained by the parties in the proceeding. Multipliers and bonuses have been used to double, even triple, normal commercial hourly rates. Attorneys' fees awards at rates in excess of $100 per hour are becoming increasingly common, with some attorneys' fee requests exceeding $400 per hour through the use of multipliers.

Federal, state, and local taxpayers are the ones who must bear the cost of these excessive attorneys' fee awards that confer windfalls upon a select group of attorneys. These developments have fueled litigation over attorneys' fee awards that frequently overshadows the case on the merits, and have created a burgeoning area of practice for legal practitioners and publishers who hold

themselves out as experts on how to obtain large awards of attorneys' fees against government defendants.

The need for legislation is, if anything, even more acute with respect to the award of attorneys' fees against state and local governments than against the federal government. As the liability of states and localities for damages and awards of attorneys' fees has greatly expanded under new federal statutes and recent decisions of the Supreme Court, the obligation of Congress to define more clearly the circumstances and extent to which these entities should be liable for attorneys' fees under federal statutes has also grown. The sound functioning of our federal system demands that the national government should not impose upon the state governments an obligation to pay attorneys' fees in circumstances and amounts not limited by Congress.

We are pleased that Congress was able last year to pass part of this proposal doubling the rates for cases under the Criminal Justice Act, 18 U.S.C. § 3006A, but we think that only strengthens the case for enacting the balance of this comprehensive reform of attorneys' fee statutes. We can see no justification for allowing the award of attorneys' fees at the rate of several hundred dollars per hour in civil actions when attorneys representing defendants in criminal proceedings or habeas corpus actions are paid at the revised rates of $40 or $60 per hour. The current state of the law still reflects a serious misallocation of resources, at the expense of the public treasury. The intent of the bill is to achieve a more equitable balance in compensation among the various attorneys litigating for or against the government—attorneys for the government, defense attorneys paid under the Criminal Justice Act, and private attorneys receiving fees under fee-shifting statutes.

The Department of Justice urges prompt and favorable consideration of the proposed legislation, which would establish much-needed guidelines for awards of attorneys' fees in civil cases against federal, state, and local government defendants. Enactment of this legislation would promote a more equitable system of compensation for attorneys paid by the government in civil cases, and should substantially reduce the present burdens of litigation over attorneys' fee awards, which one Supreme Court Justice has labeled "one of the least socially productive types of litigation imaginable." *Hensley* v. *Eckerhart*, 103 S. Ct. 1933, 1944 (1983) (Brennan, J., dissenting).

The brief summary accompanying this letter outlines the salient features of the bill.

The Office of Management and Budget has advised this Department that the enactment of this proposed legislation would be in accord with the President's program.

Sincerely,

PHILLIP D. BRADY,
Acting Assistant Attorney General.

SUMMARY OF KEY PROVISONS OF THE BILL

1. Level of the Fee Cap: The bill would set the maximum rate for attorney compensation in civil judicial and administrative proceedings under all federal fee-shifing statutes at $75 per hour, which is the same rate established in the Equal Access to Justice Act, 28 U.S.C. § 2412(d) and 5 U.S.C. § 504 (which is still in effect for cases filed before October 1, 1984). The bill would, in all cases under federal fee-shifing statutes, eliminate bonuses and multipliers that courts have used excessively to escalate awards of attorneys' fees.

Because private attorneys in cases under federal fee-shifting statutes are, in one sense, doing "government legal work," it is inappropriate for the compensation that taxpayers pay to "private attorneys general" who sue the government to exceed significantly the compensation paid to the "public attorneys general" who defend the government. The proposed legislation would compensate private attorneys at a level commensurate with (but still significantly higher than) that of their government counterparts, and would provide for a reasonable incentive sufficient to attract competent counsel in fee-shifting cases.

2. Awards to Prevailing Parties: The bill would allow recovery of attorney's fees only when a party has prevailed on the merits of its complaint, or, in accordance with existing case law, where the suit is concluded by settlement agreement. In addition, the bill would allow recovery of attorneys' fees only for work performed on issues in the case on which the party prevailed, and only to the extent the work performed was not excessive, redundant, or otherwise unnecessary.

3. Reduction of Fee Awards: The bill would specify several bases for reducing or denying fee awards that otherwise would be allowed under federal fee-shifting statutes. Reduction of the award would be appropriate, for example, in cases where a party has unreasonably protracted the litigation; where the award is excessive in comparison to the monetary results achieved in the litigation; or where the services provided were excessive with regard to the nature of the controversy. The bill would also provide for reduction of the fee award when it unreasonably exceeds the hourly salary of a salaried attorney. As a guideline, the proposal would require special scrutiny of awards at rates exceeding an amount double an attorney's hourly salary. Allowing twice the hourly salary should cover normal overhead expenses and provide for a reasonable allowance in most cases. The provision would not require courts to limit awards to an amount twice the attorneys' hourly salary, but is designed to ensure that courts carefully review awards to salaried attorneys so as to avoid conferring windfalls at the expense of taxpayers.

The bill would also provide that, in any case where a party recovers a money judgment against a federal, state, or local government, up to 25% of the judgment shall be applied to the party's legal fees. This provision would not apply to suits under certain provisions of the Equal Access to Justice Act that allow attorneys' fees only when the government's position is not found to be substantially justified. This provision also would not apply to suits for recovery of disputed taxes under 27 U.S.C. § 7430.

4. Procedural Guidelines: The bill would establish certain procedural requirements for processing of attorneys' fee applications under federal fee-shifting statutes, and would require courts and agencies to develop additional guidelines.

5. Independent Counsel Investigations: To avoid any ambiguity in the coverage of the legislation, the bill would specifically amend the Independent Counsel statute, 28 U.S.C. § 593(g), to impose the same $75 per hour limitation upon any fee award to a subject of an investigation under that statute.

6. Limitation on Outside Counsel Retained by Federal Agencies: To further the comprehensive nature of the bill, and to promote efficiency and economy in the federal government's use of outside counsel, the bill would impose a $75 per hour limit upon the amounts payable to outside private counsel retained by any federal agency for litigation where the taxpayers must foot the bill. It would also authorize the Attorney General to promulgate regulations governing the circumstances in which any federal agency could retain outside counsel for litigation. Although the Department of Justice presently has such regulations and enforces a $75 per hour limit for outside counsel in litigation subject to its litigation control, legislation such as this is necessary in order to extend the Attorney General's authority over the outside counsel practices of agencies with independent litigation authority. This amendment only relates to the hiring of outside counsel from appropriated funds for purposes of litigation, and does not affect an agency's use of its own attorney's for litigation.

SECTION-BY-SECTION ANALYSIS

SECTION 1—SHORT TITLE

Section 1 provides that the Act may be cited as the "Legal Fees Equity Act."

SECTION 2—FINDINGS AND PURPOSES

Numerous federal statutes provide that parties to Civil suits and administrative proceedings against the United States, states, or local governments may, in appropriate circumstances, recover "reasonable attorneys' fees" from government defendants. These statutes have put a great burden on the courts because, for the most part, Congress has provided little or no guidance as to when an award of attorney's fees is appropriate, or as to what constitutes a reasonable award. As a consequence, courts have reached conflicting interpretations of these statutes—in some cases using "multipliers" and "bonuses" to double, and even triple, the normal hourly rates of the prevailing party's attorney. This has resulted in uncertainty at least the appearance of arbitrariness or unfairness to litigants. Litigation over attorneys' fee awards frequently overshadows the case on the merits, and has led to the creation of a burgeoning area of practice for attorneys' fee litigators.

The problems evident in this area are in some respects even more serious with respect to the states and localities. Recent decisions of the Supreme Court have expanded greatly the liability of states and local governments to suits under various Federal statutes, and correspondingly to awards of attorneys' fees. As the liability of the states and localities has greatly expanded in recent years, the obligation of Congress to define more clearly the circumstances and extent to which they should be held liable for attorneys' fees under Federal statutes has also grown.

The purpose of the bill is to have Congress provide greater guidance to the courts and federal agencies for the award of attorneys' fees pursuant to federal statute, and to reduce the current uncertainties and disparities reflected in the present decisions. The bill is not intended to deny fees to attorneys for prevailing parties; only to set common standards and procedures that would apply to all awards of attorneys' fees against the United States, and against state and local governments. This will increase the fairness and equity of the current maze of fee-shifting statutes, and should increase public acceptance of these statutes which compensate private attorneys from the public treasury.

With respect to civil judicial and administrative proceedings, the bill is intended to provide guidance in the calculation of fee awards, and to limit the hourly rate of compensation to $75 per hour, which is the same rate established in the Equal Access to Justice Act, 28 U.S.C. § 2412 (d)(1) and (d)(3) and 5 U.S.C. § 504(b). This $75 per hour rate would also apply specifically to a fee award to a subject of an independent counsel investigation pursuant to 28 U.S.C. § 593(g). The bill would eliminate the use of bonuses and multipliers.

The bill is also intended to limit the recovery of attorneys' fees to those cases in which a party has prevailed on the merits of the complaint, and only for work performed on issue in the case on which the party prevailed. The bill also specifies several discretionary bases for reducing or denying fee awards that otherwise would be allowed under federal fee-shifting statutes—for example, where a party's conduct unreasonably protracted the litigation; or the requested fee award unreasonably exceeds the hourly salary of a salaried attorney—and provides, in any case where a party recovers a money judgment against a federal, state, or local government, for up to 25 percent of the judgment to be applied to the party's legal fees.[1]

Finally, the bill would amend the existing restrictions of 5 U.S.C. § 3106 to expand their coverage specifically to include the employment of outside private counsel by federal agencies.

SECTION 3—DEFINITIONS

Section 3 defines the terms used in the bill. "Attorneys' fees" are defined as fees attributable to professional legal services performed by a person, or persons, licensed to practice law, including enrolled tax practitioners who practice before the United States Tax Court. This definition is intended to limit awards to licensed practitioners, and not to allow awards to non-licensed, pro se claimants or law students.[2] The definition applies to all fee-shifting statutes, and is intended to cover all awards of fees that in fact reflect compensation of attorneys, however denominated, including those designated as "costs" by the court or administrative agency.[3] "Attorneys' fees" includes "overhead expenses" but does not include "related expenses."

Expenses to be included as "overhead expenses" should be considered as such except in extraordinary circumstances. The list of overhead expenses is not exhaustive, and other appropriate expenses may be included as "overhead expenses." The list is intended to preclude considering these expenses as "related expenses," except in extraordinary circumstances.

"Related expenses" are those expenses that may be awarded pursuant to federal statute, are not "overhead expenses," and are actually incurred by the attorney as a result of judicial or administrative proceedings. The term is intended to be a generic term encompassing those expenses that can properly be awarded under federal law; it does not expand the types of expenses that may be awarded. "Related expenses" does not include "attorneys' fees."

This definition is not intended to affect case law under Title VII and 42 U.S.C. § 1988 which, in some instances, has authorized awards of costs beyond those specified in 28 U.S.C. § 1920 to include such items as lodging and travel expenses. See, e.g., *Northcross* v. *Board of Education*, 611 F.2d 624, 639 (6th Cir. 1979), cert. denied, 447 U.S. 911 (1980). However, as noted, the definition of overhead expenses precludes considering the items enumerated there as "related expenses." The definition also excludes costs enumerated in 28 U.S.C. § 1920, and the bill is not intended to affect the allocation of costs enumerated in that section.

Courts and administrative officers may include as "related expenses" actual costs incurred for the services of paralegals and law clerks who assist attorneys in representing their clients.

The definitions of "final decision" and "prevail on the merits" are discussed in connection with the provisions of section 5(1) of the bill, which requires that a party seeking an award of attorneys' fees must prevail on the merits.

SECTION 4—SCOPE AND APPLICATION; RELATIONSHIP TO OTHER LAWS

Subsection (a) provides that the provisions of this bill are intended to apply to all awards of attorneys' fees against the United States, or any state or local government, and to establish minimum criteria for such awards. In this way, this bill will provide greater uniformity in the application of the scores of fee-shifting statutes that authorize awards of attorneys' fees and related expenses against the federal, state, and local governments.

Subsection (b) provides the general rule that, notwithstanding any other provision of law, the provisions of this bill would apply to, and modify, all federal fee-shifting statutes, including the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412 (b) and (d). No award of attorneys' fees and related expenses could exceed the amounts determined under the bill.

Nothing in this bill is intended to overturn cases such as *Christiansburg Garment Co.* v. *Equal Employment Opportunity Commission*, 434 U.S. 412, 421 (1978), where the Supreme Court held that attorneys' fees may be awarded to a prevailing defendant if the plaintiff's claim is found to be "frivolous, unreasonable or without foundation, even though not brought in subjective bad faith." Moreover, 28 U.S.C. § 2412(b) presently provides a statutory basis for the award of attorneys' fees against the United States under certain established common law theories. However, any such awards would be governed by the provisions of this bill.

Subsection (c)(1) provides that the criteria for the award of attorneys' fees and related expenses established by this bill would not supersede more restrictive criteria contained in other statutes for making such awards. The provisions of this bill establish minimum criteria to be applied for determining and awarding attorneys' fees and related expenses or costs in judicial and administrative proceedings against the United States or against state or local governments.[4] Subsection (c)(2) provides that nothing in the bill shall be interpreted to create any right to an award of attorneys' fees of related expenses. Any right to such an award derives solely from the provisions of other laws. Where the underlying federal law does not provide authority for an award of attorneys' fees, see, e.g., *Webb* v. *Board of Education*, 105 S. Ct. 1923 (1985), there would be no basis for a fee award under this bill.

The bill does not affect the compensation of attorneys in suits against the government such as those under the Federal Tort Claims Act, 28 U.S.C. §§ 2671-2680, or involving National Service Life Insurance or United States Government Life Insurance, under 38 U.S.C. § 784(g). Those statutes are not federal fee-shifting statutes, because the final award of damages or proceeds is calculated without reference to attorneys' fees and there is no additional element of the award that is attributable to the prevailing party's attorneys' fees. However, the bill would apply to an award of attorneys' fees under any statute that requires the inclusion of a separate element in the damage award to account for attorneys' fees. See e.g., the Uniform Property Relocation Act, 42 U.S.C. § 4654(c).

Subsection (d)(1) is similar to provisions for determining attorneys' fees in the Alaska Native Claims Settlement Act, 43 U.S.C. § 1619(d)(2). Subsection (d)(2) is intended to protect a party intervening in defense of his own interests with respect to a governmental action but whose conduct did not give rise to the dispute at issue from the specter of liability through an automatic shift of attorneys' fees should the plaintiff prevail. Under the fee-shifting statutes generally, a plaintiff who does not prevail is ordinarily not liable for the government's attorneys' fees. See *Christiansburg Garment Co.* v. *EEOC*, 434 U.S. 412 (1978). Similarly, an intervenor-defendant who defends his own rights under the challenged governmental scheme but whose conduct did not give rise to the controversy and did not violate the constitutional or statutory rights of the plaintiff also should not ordinarily be liable for attorneys' fees.

Subsection (e) provides that, although the bill generally would apply to awards under the Equal Access to Justice Act ("EAJA"), the provisions of section 6(a)(1) (establishing a limitation of $75 per hour for attorneys' fees) and section 6(c) (reduction of fee awards in money damages cases) of the bill would not apply to awards made under 5 U.S.C. § 504(a)(1) and 28 U.S.C. § 2412 (d)(1)(A) and (d)(3) (as in effect for cases filed before October 1, 1984). Those provisions of the EAJA provide for awards of attorneys' fees to eligible parties who prevail in litigation with the United States unless the government proves that its position in the litigation was substantially justified. Those provisions already have a general rule limiting fee awards to no more than $75 per hour. In addition, the factors listed for reduction of fee awards in paragraphs (3) and (4) of section 6(b) of the bill would not apply under those provisions of the EAJA.[5] The language and legislative history of those provisions of the EAJA reflect Congress's intent to award attorneys' fees to prevailing parties who meet the qualifications of that Act, unless the government's position was "substantially justified" or "special circumstances" would make an award of attorneys' fees unjust. The purpose of this subsection is to assure that the special characteristics of the EAJA in this respect will not be affected by this bill. The exceptions described in this subsection would not apply to attorneys' fee awards under 28 U.S.C. § 2412(b).

Subsection (f) provides that the provisions of the bill shall not apply in federal criminal proceedings or civil habeas corpus proceedings in the federal courts under the Criminal Justice Act, 18 U.S.C. § 3006A.

SECTION 5—ALLOWANCE OF ATTORNEYS' FEES

Section 5 of the bill establishes the prerequisites to an award of attorneys' fees and related expenses against the United States, or against state or local governments, in any civil judicial or administrative proceeding to which a federal fee-shifting statute applies. The party seeking such awards must establish, and the court or administrative officer must determine, (1) that the party prevailed on the merits of its complaint in the proceeding; (2) that the work for which the award is sought was performed in the proceeding in connection with issues on which the party prevailed against the United States or a state or local government and was necessary to resolve the controversy; (3) that the application is submitted in compliance with the procedural requirements of Section 7 and does not exceed amounts authorized under Section 6; and (4) that the services for which attorneys' fees are sought are not excessive, redundant, or otherwise unnecessary.

As set forth in section 4(c) of the bill, the requirements of this section for awards of attorneys' fees, including the requirement that a party "prevail," are not intended to supersede other additional requirements established by law, such as those under 5 U.S.C. § 7701(g)(1) (where an award to a prevailing party must be "warranted in the interest of justice").

Nothing in this section is intended to change the burden of proof for determinations of "substantial justification" in applications for fee awards under the Equal Access to Justice Act, 5 U.S.C. § 504(a)(1) and 28 U.S.C. § 2412 (d)(1)(A) and (d)(3) (as in effect for cases filed before October 1, 1984). The burden remains in the government to prove "substantial justification" in connection with such applications.

Prevail on the Merits.—Paragraph (1) would preclude awards of attorneys' fees and related expenses against the United States and against state and local governments unless the party seeking the award prevailed on the merits of its complaint. The definition of "prevail on the merits" focuses on whether the party was successful on significant issues in the controversy and obtained significant relief in connection with these issues. This is intended to be a more flexible standard than some formulations of this term. CF. *Taylor* v. *Sterrett*, 640 F.2d 663, 669 (5th Cir. 1981) (a prevailing party for attorneys' fees purposes "has been successful on the central issue" in the case, and has "acquired the primary relief sought"). The relief sought need not be "central," but must be significant in terms of the result sought by the party. In this respect, the bill reflects the first part of the test enunciated by the Supreme Court in *Hensley* v. *Eckerhart*, 461 U.S. 424, 433 (1983) ("plaintiffs may be considered 'prevailing parties' for attorneys' fees purposes if *they succeed on any significant issue in litigation* which achieves some of the benefit the parties sought in bringing suit") (emphasis added).

This bill differs, however, from the second part of the *Hensley* formulation. The language of *Hensley* is subject to an overly expansive reading, as the district court did in *Laffey* v. *Northwest Airlines, Inc.*, 572 F. Supp. 354 (D.D.C. 1983), rev'd, 746 F.2d 4 (D.C. Cir. 1984), cert. denied, 53 U.S.L.W. 3882 (U.S. June 17, 1985). There, the district court found the plaintiffs to be prevailing parties for all purposes even though they in fact failed to achieve the results sought in important respects.

The purpose of the bill is to state more precisely that the relief obtained by the party must be significant, not merely "some of the benefit" the party sought. The relief obtained should be significant in terms of the result sought by the party in bringing the suit. Cf. *Hensley* v. *Eckerhart*, 461 U.S. at 440 ("A reduced fee award is appropriate if the relief, however significant, is limited in comparison to the scope of the litigation as a whole").

The requirement to show that the party has prevailed on the merits would also apply to statutes, such as the Clean Air Act, that authorize the award of attorneys' fees "when appropriate."[6]

This paragraph provides that the party must prevail in a "final decision" of a court or a final disposition by an agency in an administrative proceeding. The Federal Rules of Civil Procedure generally define a final judgment as any order from which an appeal lies, including dismissals and default and summary judgments, and final judgments entered on less than all pending claims pursuant to Rule 54(b). In an adversary proceeding, the final decision is one which determines the rights of the parties and from which no further review is provided within the administrative process. The definition of "final decision" is limited to those final judgments in which the party establishes entitlement to relief on the merits. Thus, an award of attorneys' fees would not be appropriate for a party who has prevailed only on a motion for preliminary injunction or for a temporary restraining order, where the merits of the suit have not been resolved. However, the definition would permit the award of attorneys' fees where the party defending against a suit brought by the government obtains the dismissal of a groundless complaint.[7]

The bill would preclude so-called "interim awards" of attorneys' fees except where the text or legislative history of an applicable fee-shifting statute indicates that Congress has authorized them, but such awards should be made only "to a party who has established his entitlement to some relief on the merits of his claims, either in the trial court or on appeal." *Hanrahan* v. *Hampton*, 446 U.S. 754, 757 (1980) (per curiam). In *Hanrahan*, the Supreme Court noted that the legislative history of 42 U.S.C. § 1988 cited, as examples of appropriate circumstances for interim fee awards, two cases[8] in which the "party to whom the fees were awarded had established the liability of the opposing party, although final remedial orders had not been entered." Id. at 757. The Court found that the plaintiffs had not prevailed on the merits of any of their claims and reversed the award of attorneys' fees. Id. at 758. Further, the Court ruled that attorneys' fees are not to be awarded for nondispositive rulings regarding matters of discovery, evidence, or procedure. Id. at 759. See also *Smith* v. *University of North Carolina*, 632 F.2d 316, 350-51 (4th Cir. 1980).

Paragraph (1) is not intended to modify existing case law providing that attorneys' fee may be awarded in cases where the litigation is terminated by settlement agreement, as long as the party seeking fees has prevailed on the merits of the relief sought.[9] Nor is the provision intended to preclude discussions between the parties of attorneys' fees, or the waiver thereof, before the decision on the merits by a court or the final disposition by an administrative officer, or to prevent the government from discussing liability for attorneys' fees in conjunction with liability on the merits as part of a settlement agreement, or from including in a settlement agreement provisions for attorneys' fees and related expenses or costs.

Necessary Work on Prevailing Issues.—Under paragraph (2), a prevailing party

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[1] This 25 percent reduction would not apply to suits under certain provisions of the Equal Access to Justice Act, or to suits for recovery of disputed taxes under 26 U.S.C. § 7430.

[2] Most courts have ruled that pro se litigants generally are ineligible for attorneys' fees awards. See *Cofield* v. *City of Atlanta*, 648 F.2d 986 (5th Cir. 1981); *Owens-El* v. *Robinson*, 498 F. Supp. 877 (W.D. Pa. 1980); *Crooker* v. *Department of Justice*, 632 F.2d 916, 922 (1st Cir. 1980); and *Burke* v. *Department of Justice*, 559 F.2d 1182 (10th Cir. 1977), aff'g mem. 432 F. Supp. 251 (D. Kan. 1976). The D.C. Circuit, however, has awarded attorneys' fees under the FOIA to pro se prisoners and to law students who received 12 hours of course credit. See *Crooker* v. *Department of Treasury*, 663, F.2d 140 (D.C. Cir. 1980); *Jordan* v. *Department of Justice*, 691 F.2d 514 (D.C. Cir. 1982). The definition of "attorney," however, is not intended to affect judicial interpretations regarding whether individual statutes authorize awards of attorneys' fees to licensed attorneys appearing pro se. For example in *White* v. *Arien Realty & Development Corp.*, 614 F.2d 387 (4th Cir.) (per curiam), cert. denied, 447 U.S. 923 (1980), the Fourth Circuit denied an award of attorneys' fees to a plaintiff-attorney under the Truth-in-Lending Act.

[3] Generally, courts have followed the principle that attorneys' fees, which are authorized by various fee-shifting stautes, are distinct from costs, which are authorized by 28 U.S.C. §§ 2412(a) and 1920. However, some statutes, such as Title VII of the Civil Rights Act and 42 U.S.C. § 1988, have been interpreted to make attorneys' fees part of costs. See *Delta Air Lines* v. *August*, 450 U.S. 346 (1981) (Title VII). If left unaddressed, parties could attempt to circumvent the $75 fee limitation and other provisions in this bill regarding attorneys' fees by seeking attorneys' fees as costs under these statutes.

[4] For example, 5 U.S.C. § 7701(g)(1) provides that attorneys' fees may be awarded if (1) the party has prevailed; and (2) the award of attorneys' fees would be "warranted in the interest of Justice. . . ." The second of these two criteria, which is not contained in the bill, would continue to apply.

[5] These discretionary factors authorize a reduction of the attorneys' fee award based on findings that the time and legal services were excessive with regard to the nature of the controversy, or that the amount sought unreasonable exceeds the monetary result or injunctive relief achieved.

[6] The Supreme Court in *Ruckelshaus* v. *Sierra Club*, 103 S. Ct. 3274, 3281 (1983), held that the claimant must demonstrate that it enjoyed "some degree of success on the merits" in order to receive attorneys' fees under the Clean Air Act, which provides for such fees "when appropriate."

[7] See H.R. Conf. Rep. No. 96-1434, 96th Cong., 2d Sess. 21-22 (1980). See also *United States ex rel. Heydt* v. *Citizens State Bank*, 668 F.2d 444, 447 (8th Cir. 1982) (organization which successfully opposed IRS summons in order to protect the confidentiality of its members was a prevailing party under the EAJA; however, no attorneys' fees were awarded because the IRS position was substantially justified).

[8] *Bradley* v. *Richmond School Board*, 416 U.S. 696 (1974) and *Mills* v. *Electric Auto-Lite Co.* 396 U.S. 375 (1970), are cited in the legislative history of the Civil Rights Attorneys' Fees Awards Act of 1976. S. Rep. No. 94-1011, 94th Cong., 2d Sess. 2, and H.R. Rep. No. 94-1558, 94th Cong., 2d Sess. 6 (1976).

[9] See, e.g., *Ward* v. *Schweiker*, 562 F. Supp. 1173 (W.D. Mo. 1983). As the court stressed in *Parker* v. *Matthews*, 411 F. Supp. 1059, 1064 (D.D.C. 1976), aff'd, 561 F. 2d 320 (D.C. Cir. 1977), the settlement should be carefully scrutinized to determine if an award of attorneys' fees is justified:

> "[W]hether to award attorneys' fees where there has been a settlement of a title VII lawsuit must be determined by a close scrutiny of the totality of the circumstances surrounding the settlement, focusing particularly on the necessity for bringing the action and whether the party is the successful party with respect to the central issue—discrimination."

seeking an award of attorneys' fees and related expenses against the United States, or against state or local governments, must show that the work for which fees are sought was performed in connection with issues, substantive or procedural, upon which the party prevailed in the disposition of the controversy.[10] This provision is not intended to preclude awards of attorneys' fees and related expenses where a party's pleadings contain meritorious alternative grounds for relief, based on the same facts as those on which the party prevailed, on which a court or administrative officer did not rule because the party prevailed on other grounds. In such instances, awards of attorneys' fees and related expenses may include amounts attributable to time expended on such alternative pleadings, if the court or administrative officer determines that the alternative pleadings were reasonably directed to the resolution of the merits of the controversey. Of course, a party who seeks different types of relief under different statutory provisions is not entitled to fees for those claims where no relief was provided; nor are awards of attorneys' fees and related expenses to be made in cases where the specific statutory provisions construed in the case do not provide for the award of attorneys' fees.[11]

Paragraph (2) also requires the party seeking attorneys' fees to establish that the services for which fees are sought were not "excessive, redundant, ortherwise unnecesary."[12] Because prevailing intervenors are "parties" for the purposes of this bill, they may receive awards of attorneys' fees if they meet the requirements of the applicable fee-shifting statute and this bill, including the showing required by this paragraph.

Compliance with this Act.—Paragraph (3) requires that applications for an award of attorneys' fees and related expenses be made in accordance with the provisions of this Act.

SECTION 6—AMOUNT OF ATTORNEYS' FEES

Civil fee-shifting statutes

Paragraph 6(a)(1) establishes a maximum hourly rate of $75 for attorneys' fees awards against the United States, states, and local governments under federal fee-shifting statutes.[13] This provision shall not apply to awards under the Equal Access to Justice Act, 5 U.S.C. § 504(a)(1) and 28 U.S.C. § 2412(d)(1)(A) and (d)(3), because the EAJA has its own limit of $75 per hour, subject to specified exceptions.[14] In calculating the amount of any award of fees, section 6(a)(2) provides that multipliers or bonuses shall not be used.

The $75 per hour limit in subsection (a) is intended to assure that fees paid to private counsel in fee-shifting cases are brought somewhat more in line with the salaries of attorneys who represent the government in these cases, while providing sufficient incentive to attract competent counsel. This is appropriate, because many federal fee-shifting statutes are premised on the theory that groups or individuals who sue the government for the public benefit are acting as "private attorneys general." Attorneys' fees paid by taxpayers to these "private attorneys general" should be generally commensurate with the salaries paid by taxpayers to federal "public attorneys general."[15] Even the rate of $75 per hour set in the bill is well above the compensation of government attorneys.

It is emphasized that this subsection establishes only a maximum hourly rate of compensation, and that prevailing rates may in fact be less than the maximum allowed under the bill. Courts should give due consideration to the fees normally received by the attorney for similar work and other relevant factors. Attorneys' fees may be awarded at hourly rates less than the maximum established by this bill.

Subsection (b)(1) provides that courts or administrative officers shall reduce or deny awards of attorneys' fees and related expenses against the United States, or against state or local governments, where it is determined that (A) the prevailing party unreasonably protracted the final resolution of the controversy; (B) the attorneys' fee unreasonably exceeds the hourly salary of the attorney; or (C) the time spent and legal services provided were excessive with regard to the nature of the controversy. Subsection (b)(2) also authorizes a reduction or denial of a fee award if (A) the award otherwise allowable would unreasonably exceed the monetary result or the value of injunctive relief achieved in the proceeding; or (B) the award would otherwise by unjust or inappropriate. The amount of any reductions pursuant to subsection (b)(2) shall be at the discretion of the court or administrative officer.[16]

Paragraph (1)(A) is patterned on the Equal Access to Justice Act, 28 U.S.C. 2412(d)(1)(C) and 5 U.S.C. 504(a)(3). Paragraph (1)(C) addresses the problem of a case that is overlawyered. It is derived from *Hughes* v. *Repko*, 578 F.2d 483 (3d Cir. 1978), where the district court was directed to determine whether it was reasonably necessary to spend the number of hours claimed by the attorneys in order to perform the legal services for which compensation was sought.

Paragraph (1)(B) provides that the court or administrative officer may consider, as a basis for reducing an otherwise allowable fee award, whether the award would unreasonably exceed the hourly salary of the party's attorney. This provision is intended to apply to all attorneys who are paid on a salaried basis, including in-house counsel and associates in a law firm. As a general guideline, an application for an award may be regarded as unreasonably high under paragraph (1)(B) if it is more than twice the attorney's hourly salary. Twice the attorney's hourly salary should, in general, provide reasonable compensation and cover normal overhead expenses. The bill is intended to encourage courts and administrative officers carefully to review applications for awards that would substantially exceed the actual cost of the litigation, and to reduce awards that would confer windfalls on attorneys or the organizations that employ them.

Paragraph (2)(A) is intended to address the anomalous result where attorneys receive far greater benefit from the litigation than their clients, such as in cases where $100,000 is awarded in attorneys' fees for a $10,000 judgment, or where $22,000 in attorneys' fees is awarded for only a $500 award to each of three clients. In other cases, the injunctive relief actually achieved in the case might be so limited that it does not warrant the amount of attorneys' fees otherwise allowable. Cf. *Hensley* v. *Eckerhart*, supra, 461 U.S. at 435-36 & n.11 (The award of full attorneys' fees to a party who has achieved only partial or limited success would be "an excessive amount"). In determining whether reduction of an award is appropriate, courts or administrative officers should consider both the monetary judgment achieved and any significant injunctive or other equitable relief obtained by the parties in the proceeding.

Paragraph (2)(B) provides that the bases for reducing an award of attorneys' fees that are listed in this subsection are not meant to be exclusive, and courts and administrative officers should continue to consider other factors that are appropriate under existing law. See *Hensley* v. *Eckerhart*, supra, 461 U.S. at 436-37. For example, the legislative history of the Civil Rights Attorney's Fees Award Act of 1976, 42 U.S.C. § 1988, provides that "special circumstances" are to be considered by courts in awarding attorneys' fees. Nothing in this bill is intended to preclude consideration of

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[10] See *Hensley* v. *Eckerhart*, supra, 461 U.S. at 435 ("[W]ork on an unsuccessful claim cannot be deemed to have been 'expended in pursuit of the ultimate result achieved.' . . . [T]herefore no fee may be awarded for services on the unsuccessful claim.").

[11] See *Smith* v. *Robinson*, 104 S. Ct. 3457 (1984) (affirming court of appeals' reversal of district court's award of attorneys' fees where case was grounded on the Education for All Handicapped Children Act, which does not provide for the award of attorneys' fees, even though the plaintiff included allegations based on section 504 of the Rehabilitation Act of 1973 and 42 U.S.C. § 1983, which the courts did not reach). The Court agreed with the respondents' contention that "Whatever Congress' intent was in authorizing fees for substantial, unaddressed claims based on § 1988 or § 505, it could not have been to allow plaintiffs to receive an award of attorney's fees . . . where Congress has made clear its intent that fees not be available." Id. at 3466. See also *Irving Independent School District* v. *Tatro*, 104 S. Ct. 3371, 3379 (1984).

[12] See *Hensley* v. *Eckerhart*, supra, 461 U.S. at 434 ("Cases may be overstaffed, and the skill and experience of lawyers may vary widely. Counsel for the prevailing party should make a good-faith effort to exclude from a fee request hours that are excessive, redundant, or otherwise unnecessary, just as a lawyer in private practice ethically is obligated to exclude such hours from his fee submission.").

[13] In determining the total award of attorneys' fees, courts and administrative officers should continue the practice of determining the number of hours reasonably expended in the proceeding, multiplied by a reasonable hourly rate not exceeding $75. In deciding whether the hours claimed were "reasonably expended" under any fee shifting statute, the Supreme Court has admonished that "[h]ours that are not properly billed to one's client also are not properly billed to one's adversary pursuant to statutory authority." *Hensley* v. *Eckerhart*, supra, 461 U.S. at 434, citing *Copeland* v. *Marshall*, 641 F.2d 880, 891 (D.C. Cir. 1980) (en banc) (emphasis in original). In arriving at the total fee award, the factors set forth in section 6(b) and those identified by the Supreme Court in *Hensley* v. *Eckerhart*, supra, 461 U.S. at 434-37, should be considered.

[14] The provisions of the Equal Access to Justice Act, unlike other fee-shifting statutes, predicate awards of attorneys' fees not only upon a finding that the party prevailed, but also that the government was not substantially justified in its position. In light of the latter requirement and the EAJA's existing fee limitation provision, it is unnecessary to apply the general fee limitation of this bill to the EAJA.

[15] Federal fee-shifting statutes "should not be implemented in a manner to make the private attorney general's position so lucrative as to ridicule the public attorney general." *Johnson* v. *Georgia Highway Express, Inc.*, 488 F.2d 714, 719 (5th Cir. 1974).

[16] The factors set forth in paragraphs (1)(C) and (2)(A) would not apply to awards under 5 U.S.C. 504 and 28 U.S.C. 2412(d) of the Equal Access to Justice Act (as in effect for cases filed before October 1, 1984). This exception is intended to maintain the status quo in the interpretation of the "special circumstances" provision of the EAJA, and not to affect the courts' construction of that term in the context of fre awards under the EAJA.

such "special circumstances" to reduce the amount of fee awards against the government.

Subsection (c) provides that, whenever a monetary judgment is awarded against the United States, or against a state or local government, a portion of the judgment (but not more than 25%) shall be applied to satisfy the amount of attorneys' fees allowed in the proceeding. If a fee award exceeds 25% of the judgment, the defendant government would be liable for the excess. On the other hand, if a fee award is less than 25% of the judgment, the award would be satisfied from the amount of the judgment. Any amount not applied to attorneys' fees, of course, would be paid to the plaintiff.

The rationale for this offset is not to reduce the attorneys' compensation, but to provide that a prevailing party should pay part of its legal expenses from any monetary award recovered in a judicial or agency proceeding. This provision would not apply to attorneys' fee awards under the Equal Access to Justice Act, 5 U.S.C. § 504(a)(1) and 28 U.S.C. § 2412 (d)(1)(A) and (d)(3), where fee awards are available only where the government's position was not substantially justified. Cf. note 13, supra. It also would not apply to awards in cases brought for recovery of disputed tax payments under 26 U.S.C. § 7430, in order to avoid inconsistent adjudications under the Internal Revenue Code.[17]

The result of the 25 percent reduction in monetary awards to be applied toward attorneys' fees is similar to that under the Federal Tort Claims Act, 28 U.S.C. § 2678, and section 206 of the Social Security Act, 42 U.S.C. § 406, which provide for compensation of attorneys from any monetary awards recovered by the parties, except that the fee award under a fee-shifting statute would not be limited to 25 percent of the judgment.

Independent counsel investigations

As amended in 1982, the statute providing for the appointment of an Independent Counsel to investigate allegations of criminal wrongdoing by the President and other specified Executive officials now authorizes the court to award reimbursement to a subject of an independent counsel investigation for all or part of his or her attorneys' fees incurred in the course of such investigation if no indictment is brought against the subject and the attorneys' fees would not have been incurred but for the Independent Counsel investigation. 28 U.S.C. § 593(g). This statute, however, does not provide for a limitation on the amount of fees awarded.

New subsection 6(d) of the bill would impose a limit of $75 per hour on awards under the Independent Counsel provision, the same limit as for other civil fee-shifting statutes. This change is made expressly to avoid any uncertainty as to the reach of the statute. As provided in section 11 of the bill, this amendment would apply to all attorneys' fees incurred after the date of enactment of the bill.

Criminal Justice Act fees

As introduced in the 98th Congress (S. 2802 and H.R. 5757), the bill contained provisions that would amend the Criminal Justice Act, 18 U.S.C. § 3006A(d), to double the compensation rates for defense attorneys in criminal proceedings—from $30 per hour for time expended in court and $20 per hour for time expended out of court to $60 and $40, respectively—and also double the maximum total compensation to $2,000 per attorney for felony cases, $800 per attorney for misdemeanor cases, and $500 per attorney for post-trial and probation revocation proceedings.

Those provisions were enacted separately in the closing days of the 98th Congress as part of the Comprehensive Crime Control Act of 1984, Pub. L. No. 98-473. Thus, the much-needed increase in the maximum hourly rates for attorneys who represent parties under the Criminal Justice Act has already been achieved. Accordingly, the bill presently focuses solely on attorneys' fee awards in the civil and administrative context. We see the enactment of this bill as just as significant a step in bringing about a better balance in civil fee awards as the Criminal Justice Act amendments were in the criminal context.

SECTION 7—TIMELY APPLICATIONS AND PROCEDURES

Subsection (a) establishes a jurisdictional requirement that a party seeking an award of attorneys' fees and related expenses submit an application for such award within 30 days of a final decision on the merits by a court or the entry of a final disposition by an administrative officer, from which no appeal is taken. A final decision on the merits is defined as the entry of judgment under the Federal Rules of Civil Procedure, and includes a dismissal of the suit and a dismissal pursuant to a settlement agreement. Parties may not be awarded attorneys' fees and related expenses by a court or administrative officer if the fee award application is made after the 30 day time limit.

This requirement is consistent with the jurisdictional time for filing fee applications pursuant to the Equal Access to Justice Act, and is responsive to the Supreme Court's recent observation that courts can adopt procedural rules setting reasonable time limits for applications for attorneys' fee awards. *White* v. *New Hampshire Department of Employment Security*, 455 U.S. 445 (1982).[18] Subsection (a) also requires the party seeking an award to submit such information as may be required by the court or agency.

Subsection (b) directs courts and agencies to provide guidance to parties regarding the information required to be filed. Courts and agencies should, at the least, require submission of the following information: a statement of the basis of the claim for attorneys' fees; a statement that attorneys' fees are awardable under applicable law; a statement of the amount sought; a copy of any written fee agreement; and an itemized accounting of the hours expended and the specific tasks performed by the attorney on each issue in the proceedings.[19] Further, courts and agencies should require the submission of information to assist them in making the findings under section 6(b) of this bill, with respect to the reduction of awards of attorneys' fees. Subsection (b) further requires courts and agencies to establish procedures regarding the timing of applications for attorneys' fees and supporting information, and the timing of judicial and agency rulings on these applications.[20]

To ensure that courts are consistent in issuing requirements for submission of information for fee applications, the bill anticipates that the Judicial Conference of the United States would prescribe guidelines for courts to follow in establishing these requirements. These guidelines would not supersede any requirements for submission of information required by law in conjunction with attorneys' fees applications. The bill also anticipates that agencies, when establishing requirements for submission of information in conjunction with fee applications, will follow the guidelines established by the courts.

Section 7(b) requires that these guidelines provide that attorneys' fees may be awarded only final decisions. The meaning of final decision, including dismissals and so-called "interim awards" in the circumstances outlined by the Supreme Court in *Hanrahan* v. *Hampton*, supra, are discussed in connection with section 5(1) of the bill.

SECTION 8—MOOTNESS AND SETTLEMENT DEFENSES

Under existing law, a party will be held to be a prevailing party and entitled to recover attorneys' fees and related expenses or costs even if the claim has been mooted, if it is found that the suit was a "catalyst" for the change of policy that rendered the claim moot. See, e.g., *Maher* v. *Gagne*, 448 U.S. 122, 129-30 (1980). Subsection (a) would codify the standard by which pending litigation is determined to have been such a catalyst by requiring that the litigation be a "material factor" in the policy change. This is the standard that is currently being applied by most courts. See, e.g., *Morrison* v. *Ayoob*, 627 F.2d 669 (3d Cir. 1980), cert. denied, 449 U.S. 1102 (1981). This provision would ensure that courts do not place undue emphasis on chronology—that is, the fact that the plaintiff's case was pending when the government changed the policy that mooted the suit. Under this provision, governments would be encouraged to carry out planned policy reforms without fear of incurring liability for fees in pending suits, but would still be liable for attorneys' fees unless the government could prove that the suit actually was not a "material factor" in the policy change.

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[17] Inconsistent adjudications could result because the tax laws permit taxpayers who contest many government tax claims either: (1) to pay the contested taxes and sue for a refund in a district court or in the Claims Court, or (2) to bring suit, without payment, in the Tax Court. A taxpayer who sued in the District or Claims Court and won would receive a monetary award. Presumably, 25% of this amount would otherwise be applied to reduce any attorneys' fees award. However, a taxpayer who sued in the Tax Court and won would not receive a monetary award but, instead, simply a determination that no liability existed. Thus, the 25% reduction would hinge entirely upon the taxpayer's choice of forum, an anomalous result that would otherwise channel many more cases to the already overburdened Tax Court.

[18] As noted by the Supreme Court in *White*, courts currently differ with respect to the time in which attorneys' fees awards must be sought. Id., 455 U.S. at 450 n.9. Before *White*, some courts allowed only 10 days from the time of entry of judgment for filing of fee applications under Fed. R. Civ. P. 59(e); other circuits have imposed no time constraints. The Eighth Circuit has recommended a rule for filing attorneys' fee requests within 21 days after entry of judgment. See *Obin* v. *District 9, Int'l Ass'n of Machinists*, 651 F.2d 574, 583 (8th Cir. 1981).

[19] A requirement for this type of information is consistent with the District of Columbia Circuit's ruling in *National Ass'n of Concerned Veterans* v. *Secretary of Defense*, 675 F.2d 1319 (D.C. Cir. 1982), which required detailed documentation by a party seeking an award of attorneys' fees.

[20] For example, in some cases fee applications can be resolved immediately following the district court's decision on the merits in order to permit a simultaneous appeal on the merits and of the fee award. This would prevent piecemeal appeals, and might be appropriate where no disagreement existed over the calculation of the award or where the determination required complete familiarity with the record. See *White*, supra, 455 U.S. at 454. In other cases, however, it might be preferable to defer attorneys' fees issues until all appeals have been completed and the plaintiff's entitlement to relief on the merits has been established with finality. This might be appropriate in cases where the determination of attorneys' fees is difficult and likely to consume more time than the appeal on the merits.

Subsection (b) would deny awards of attorneys' fees and related expenses for services performed after a written offer of settlement by the United States, or by state or local governments, if the party refuses the offer but is ultimately able to do no better when the case is resolved on the merits. The Supreme Court has already construed Rule 68 of the Federal Rules of Civil Procedure to reach this same result in cases under 42 U.S.C. § 1983. *Marek* v. *Chesny*, No. 83-1437 (U.S. June 27, 1985). This subsection would apply the Marek result to all fee-shifting statutes under which attorneys' fees are awarded against the government. This would provide an incentive for governments to make reasonable settlement offers, and encourage parties to give serious consideration to such offers. As the Supreme Court noted in Marek, slip op. at 9, "Section 1988 encourages plaintiffs to bring meritorious civil rights suits; Rule 68 simply encourages settlements. There is nothing incompatible in these two objectives." [33] This bill would make that construction uniform for all fee-shifting statutes to avoid the need for litigation over the construction of each such statute.

SECTION 9—COMPTROLLER GENERAL REPORT

Section 9 requires the Comptroller General of the United States to submit an annual report to the President and the Congress on the amount of attorney's fees and related expenses or costs awarded against the United States or against state and local governments under federal fee-shifting statutes in judicial and administrative proceedings. To assist the Comptroller General, courts and agencies should provide whatever information is needed. In preparing this report, the Comptroller General should use the reports prepared under the Equal Access to Justice Act by the Director of the Administrative Office of the United States Courts and the Chairman of the Administrative Conference of the United States, respectively, under 28 U.S.C. § 2412(d)(5) and 5 U.S.C. § 504(e).

SECTION 10—LIMITATION ON EMPLOYMENT AND COMPENSATION OF OUTSIDE PRIVATE COUNSEL

This section, a new provision in the bill, would impose upon the federal government the same fee cap—$75 per hour—that the bill would impose upon attorneys' fee awards to parties in litigation with the federal government, or with the states.

Section 3106 of Title 5 of the United States Code currently requires that Executive departments must refer all litigation to the Department of Justice, unless otherwise authorized by law. The Department already has regulations governing the hiring of private counsel in litigation under its authority, and it has consistently limited the payment of private counsel to $75 per hour. But the Department's regulations now do not reach agencies with independent litigation authority. Where agencies are authorized by law to employ attorneys to conduct litigation, there presently are no statutory restrictions upon the hiring of outside counsel as opposed to staff attorneys, or upon the hourly rates that may be paid. As a result, many agencies presently expend taxpayer dollars on private attorneys at a cost well in excess of the cost of staff attorneys. Other agencies, though, including those with large litigation caseloads such as the Securities and Exchange Commission and the Federal Trade Commission, rely entirely upon staff counsel and do not use outside private counsel.

As part of the overall reform effort of the Legal Fees Equity Act, the bill would make all agencies accountable to the Attorney General with respect to the hiring of outside counsel. This amendment would provide that, notwithstanding any other provision of law, no agency could retain private counsel at the expense of the taxpayers to conduct litigation except in accordance with regulations adopted by the Attorney General. The bill also sets a limit of $75 on the hourly rate of such attorneys retained by the government and paid from appropriated funds. This provision corresponds to the $75 limit on the hourly rate on all fee-shifting statutes, so that the taxpayers will pay private agency counsel a rate no higher than would be paid by those same taxpayers to a prevailing plaintiff in a fee-shifting case. (For attorneys directly employed by the federal government, of course, the effective hourly rate would be far less than $75 per hour.)

This section would amend 5 U.S.C. § 3106. The two existing sentences of § 3106 would be retained largely without change as subsections (a) and (e), respectively. The only change is that the first sentence of present § 3106, which refers to Executive departments and military departments, would be expanded to include a reference to all other agencies including independent agencies, boards, and commissions, to make subsection (a) consistent with the reach of the limitations of subsection (b). Of course, there are many independent agencies, boards and commissions that already have independent litigation authority, and they would not be affected by the change to subsection (a). They would, however, be affected by the limitations of subsection (b), which would apply to the hiring of private counsel at taxpayer expense by any agency, independent or not.

Subsection (b) states the general rule that no agency may retain private counsel at taxpayer expense to handle any litigation except as provided in regulations adopted by the Department of Justice, and that, in any event, such private counsel may not be paid more than $75 per hour from funds appropriated for agency litigation. This includes any funds appropriated to the agency for litigation or legal services, and the permanent, indefinite appropriation to the Judgment Fund under 31 U.S.C. § 1304. It is not intended to apply, however, to the compensation of counsel on a contingency-fee basis, rather than on an hourly basis, for the collection of debts owed to the federal government, should that practice be authorized by Congress.

Subsection (c) authorizes the Attorney General to promulgate regulations implementing the provisions of this section as amended. The regulations could not raise the overall limit of $75 per hour in subsection (b)(2) but, subject to that limit, they may take into account different types of litigation and the experience and skill of attorneys. The subsection also contemplates a procedure for an agency, in exceptional circumstances, to apply to the Attorney General for a certification of need to employ outside private counsel, for a particular case or a class of litigation, in circumstances that would not otherwise be permitted by the regulations. This will preserve a measure of flexibility in the hiring of outside counsel in response to unexpected demands. The regulations also provide that the Attorney General may act to coordinate the use and availability of the expertise of the some 17,000 attorneys presently employed by the federal government, in order to promote their more efficient use and to reduce the need for hiring more expensive outside counsel. The bill specifically precludes judicial review of the regulations adopted by the Attorney General under this subsection and the determinations and actions he takes pursuant to those regulations, because judicial review of the Attorney General's supervison of litigation involving the United States would be most inappropriate.

SECTION 11—EFFECTIVE DATE

Section 11 applies the provisions of the bill to any award of attorneys' fees and related expenses incurred subsequent to the enactment of the bill. Further, the provisions of the bill apply to actions commenced prior to enactment, but only for attorneys' fees and related expenses incurred after the date.

Mr. HATCH. Mr. President, in July 1981, the Constitution Subcommittee began a series of hearings to examine the degree to which recent Federal statutes and court opinions have subjected States and municipalities to growing liabilities for awards of attorney fees. Several leading State and local officials testified about the deleterious effects to these unanticipated liabilities. One State attorney general, for instance, noted that:

> States have shown that they have paid sometimes 10 times as much money to pay off these attorney fee awards than they had to pay to satisfy plaintiffs.

Hearings on S. 584 and S. 585, Subcommittee on the Constitution, 97th Congress, 1st session 561 (1981).

At the same time, officials in the Reagan administration undertook a review of the need for some standards to govern the award of attorney fees under numerous statutes which, under broadly defined circumstances, shift the entire expense of litigation to the

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[33] The contrary rule would provide little incentive for parties to settle cases early in the litigation. See Fioretti and Convery, "Attorney's Fees Under The Civil Rights Act—A Time for Change," 16 J. Mar. L. Rev. 261, 277-78 (1983) (discussing earlier cases that had failed to apply the approach of *Marek* v. *Chesny*):

"Aside from the 'prevailing party' issue, the present application of § 1988 results in a lack of incentive for plaintiff's attorneys to enter into pretrial settlements. The more hours the attorney spends on the case, the higher his potential fee award. The motivation then is not to settle, but to proceed to trial, where the hourly rates are even higher.

"Nor is such a result in the plaintiff's best interests. The purpose of the Civil Rights Act as a whole is to protect those who have suffered a constitutional tort. It naturally follows that if an early settlement is possible, the plaintiff, the protected party under the Act, should be compensated swiftly. However, a plaintiff's attorney, who during the early phase of the litigation has spent relatively few hours in preparation, may lack incentive to settle until compensable hours have reached a significant level. Thus, the overriding goal of the Civil Rights Act is thwarted and litigation is encouraged. The already crowded courts are further congested, so that the taxpayer suffers as well."

State, local, or Federal Government defendant. The legislation, which I am sponsoring today, the Legal Fees Equity Act, is the product of careful study to develop uniform standards for setting fees at levels sufficient to attract competent counsel without granting windfalls to lawyers.

This careful study has shown that standards for determining eligibility for, and the amount of, attorney fees awarded against Government parties have varied widely from court to court and State to State. This has often resulted in the award of excessive fees. For example, some courts have even used "multipliers" to double or triple an attorney's customary hourly rate when computing the amount of a fee award.

These inconsistent and troublesome results are primarily due to the ambiguity of fee-shifting statutes which provide no uniform standards for the award of attorney fees to a litigant who prevails to some degree in litigation against a government. Judicial and administrative officers are simply left without adequate guidelines in the law to fashion uniform and fair awards. Thus, the Legal Fees Equity Act is needed to provide standards and procedures for awarding attorney fees in proceedings against the United States as well as State and local governments in cases where Federal statutes allow such awards.

This bill differs in several important respects from S. 2802, the version of this legislation which I sponsored in the 98th Congress. As a result of hearings held on S. 2802, this bill specifically applies to the Independent Counsel statute, 28 U.S.C. 593, and expands the authority of the Attorney General to enforce limits on the hiring of outside counsel by Federal agencies. This bill also differs from S. 2802 in that the portions of S. 2802 which doubled the attorney fee compensation rates for the Criminal Justice Act have already been enacted.

It is noteworthy, however, that disparities between the compensation of attorneys awarded fees in civil actions against the Government and the compensation of attorneys awarded fees for representing indigent criminal defendants. Although the attorneys working under the Criminal Justice Act protect some of our Nation's most vital constitutional rights in criminal trials where life and liberty may be at stake, they still are compensated at levels far below attorneys who are paid under fee-shifting statutes. The Legals Fees Equity Act continues to try to remedy that inequity.

BACKGROUND

Since first established by the Supreme Court in 1796, *Arcambel* v. *Wiseman*, 3 Dall. 306 (1796), the basic rule in America for the compensation of counsel has been that each party to a judicial proceeding is expected to bear the cost of his own litigation. The Supreme Court ruled in *Alyeska Pipeline Service Co.* v. *Wilderness Society*, 421 U.S. 240 (1974), that Federal courts lacked power to create exceptions to this rule by awarding fees to attorneys who undertook to enforce certain important rights. Alyeska makes it clear, however, that Congress may create exceptions to the traditional American rule by statute.

Since 1974 Congress has enacted over 129 fee-shifting statutes. These statutes authorize recovery of attorney fees in cases against State and local governments as well as the Federal Government. Most of these statutes simply grant the court discretion to award reasonable attorneys' fees to the prevailing plaintiff in a suit against a government. These enactments offer little or no guidance as to the limits of judicial discretion, the standards for determining a reasonable fee or the degree of success necessary to satisfy the prevailing requirement. Accordingly, the amount and complexity of litigation to determine the amount of counsel fees under these fee-shifting statutes has increased dramatically. In 1980 alone, the Supreme Court issued nine opinions on the award of attorney fees. That same year, the Fifth Circuit decided over 50 reported cases on counsel fees.

The Supreme Court reacted to this veritable flood of litigation with the comment that "a request for attorneys fees should not result in a second major litigation." *Hensley* v. *Eckerhart*, 103 S.Ct. 1933, 1941 (1983). In that same case, Justice Brennan argued that litigation over attorney fees "serves no productive purpose, vindicates no one's civil rights, and exacerbates the myriad problems of crowded appellate dockets." (Id. at 1950.) A hint of the Supreme Court's frustration with the absence of adequate legal standards governing the award of reasonable fees emerges later in Justice Brennan's concurrence: Ultimately—the fee shifting statute's—straightforward command is replaced by a vast body of artificial, judgmade doctrine, with its own arcane procedures, which, like Frankenstein's monster, meanders its well intentioned way through the legal landscape leaving waste and confusion—not to mention circuit splits—in its wake. (Id. at 1951.)

Not only has the absence of standards for the award of attorney fees clogged the courts, it has also led to exorbitant fee awards. A recent request for fees in Massachusetts is an example of this problem. A zoning law was declared unconstitutional after a lengthy series of appeals. The attorney, who is also a full-time law professor, requested $331,441 in fees at an effective hourly rate of $412.50 an hour for his services. The Washington Post issued the following commentary on that case:

> High-priced lawyers are just charging much too much—to the point of caricature—and the folks expected to pay their fees should put an end to the practice. Just because well-heeled private clients dole out huge sums doesn't mean that the public should be equally generous. The "prevailing wage" approach that government uses when it is buying services—which is the essence of Professor Tribe's claim—has a superficial appeal. But on closer inspection it reveals elements of a gigantic rip-off. * * * Lawyers—even civil rights lawyers—need at least as much wage restraint as others when it comes to billing the government.

The Post might also have asked how an hourly rate of $412.50 can be justified alongside the limits of $20 per hour imposed on attorneys relying on the Criminal Justice Act.

In the absence of adequate computation standards, attorney fee awards have also been subject to the criticism that the award is disproportionate to the degree of success achieved in the underlying case. For instance, in *Skoda* v. *Fontani*, 646 F.2d 1193 (7th Cir. 1981), the plaintiff was awarded $1 in damages, but the attorney fee award was awarded over $6,000. In *Rivera* v. *City of Riverside*, 679 F.2d 795 (9th Cir. 1982), the plaintiff was awarded $33,000 in damages, but the attorney fee award was nearly a quarter of a million dollars. The National Association of Attorneys General recently completed an exhaustive report on the award of attorney fees under the fee-shifting statute most often employed against State and local governments. This report gives a comprehensive overview of the problems created by the lack of adequate standards for the award of attorney fees. I would urge each of my colleagues to read this report.

The overall purpose of this proposal is to provide the courts and Federal agencies with greater guidance in implementing Federal fee-shifting statutes. This bill would not deny fees to prevailing attorneys, but would set standards and procedures to ensure that such fees are "reasonable." An important element of the standards proposed by this legislation is a cap of $75 per hour on attorney fees awarded against the Government in civil judicial or administrative proceedings. This $75 per hour fee cap is the same rate established in the recently enacted Equal Access to Justice Act, 28 U.S.C. 2412(d) and 5 U.S.C. 504(b). The bill would, therefore, allow courts to compensate private attorneys at a level commensurate with, though still higher than, that received by the Government attorneys they oppose.

In the absence of adequate statutory guidance, some courts have used bonuses and multipliers extensively to escalate awards. Multipliers were justified as compensation for litigating a particular complex case, as a reward for high quality work by the attorney, or as an offset for the riskiness or contingency of the case. In the recent Supreme Court case of *Blum* v. *Stetson*, — U.S. — (Mar. 21, 1984) (slip op. No. 81-1374), found that these justifications for multipliers "do not withstand examination." (Id. at 9.) The complexity of a case will be reflected in the number of hours expended in preparation. The quality of an attorney's work will be reflected in the customary hourly rate used to compute his award. Contingency is an element of every case brought under these fee-shifting statutes because they require a litigant to prevail in order to qualify for an award. This "prevailing" requirement was enacted by Congress to discourage frivolous or meritless suits. Granting a bonus for risky cases would be at odds with Congress' intent to award fees only for meritorious suits. Thus, where bonuses are used to compensate attorneys who are handling complex or novel cases, the net result is to inflate compensation which has already been adequately provided. Bonuses for contingency defeats a primary purpose of only compensating litigants for meritorious suits. Consistent with the Stetson case, this bill would eliminate the use of multipliers and bonuses in an effort to avoid absurdly high awards.

The bill is intended to apply to all awards of attorney fees against the United States and any State or local government. Its provisions apply to, and modify, all Federal fee-shifting statutes, but do not supersede more restrictive criteria contained in other statutes. This includes awards made under the Equal Access to Justice Act, except certain specified provisions of that act.

Federal fee-shifting statutes generally contain language indicating that such awards are available only to "prevailing parties." Ambiguities have developed concerning when a party has adequately prevailed so as to come within the statutes. For example, *Nadeau* v. *Helgemoe*, 581 F.2d 275 (1st Cir. 1978), adopted a standard which held that if a party had succeeded "on any significant issue in litigation which achieves some of the benefit the parties sought in bringing suit, "while *Taylor* v. *Sterrett*, 640 F.2d 663 (5th Cir. 1981), held that a party must have been "successful on the central issue as exhibited by the fact that he has acquired the primary relief sought."

The Legal Fees Equity Act, which I am proposing, clarifies this standard by requiring that a party prevail on the merits in order to obtain an award of fees. The bill's standard is neither as lenient as the "some benefit" test nor as strict as the "central issue" test. The relief sought must be "significant," not merely of "some benefit." Moreover an award of attorney fees may not be obtained prior to a final judgment. This latter requirement is not meant to be read so as to preclude interim awards where Congress has authorized them in the various fee-shifting statutes. Neither is the requirement of final disposition intended to preclude recovery of attorney fees where settlement is reached prior to judgment. Such settlements are generally desirable and so long as it can be shown that the party has prevailed on the merits of the relief sought an award of attorneys' fees may still be obtained.

Where a settlement offer is made by government officials and refused by the plaintiff who is unable thereafter to do any better at final judgment, this bill would deny the recovery of attorney fees for services performed subsequent to the refused offer. Such a provision will encourage government officials to make responsible settlement offers and urge complainants to give those offers meaningful consideration. Of course, where refusal is reasonable under the circumstances this provision would not apply.

The bill also provides that the amount of any judgment awarded against the United States, or against a State or local government shall be reduced by the amount of the attorney fees, not to exceed 25 percent of the judgment. This provision ensures that prevailing parties will pay part of their legal expenses from any monetary award. This subsection of the bill is not applicable to specific sections of the Equal Access to Justice Act, to certain tax cases or where it would result in undue hardship to the party.

Due to the protracted nature of some litigation, a claim may be rendered moot by State or Federal legislation enacted prior to judicial resolution of the conflict. Under existing case law such a turn of events would not preclude a recovery of attorneys' fees where a court determined that the case was a catalyst for the legislative change. See, e.g., *Maher* v. *Gagne*, 448 U.S. 122 (1980). This judicial doctrine, however, involves the courts in the rather difficult and unpredictable process of determining that a particular court action was the catalyst for a legislative enactment. As my colleagues understand, legislators rarely have the same things in mind when voting for a particular bill. A judicial inquiry into legislative motives is difficult at best. The Legal Fees Equity Act provides a standard for determining when a case provides such a catalyst by requiring that the litigation be a "material factor" in the legislative change. This provision would permit legislators and other State officials to proceed with policy changes without fear of incurring costly litigation expenses because some pending suit peripherally relates to their actions.

Finally, the bill contains several other provisions for timely application and uniform procedures to be followed in seeking recovery of attorney fees. The provisions of this bill would apply to all cases commenced subsequent to enactment as well as to those commenced prior to enactment respecting that amount of the attorney fees and expenses incurred following the date of enactment.

Mr. President, the sparsity of guidance given by the terse language of the myriad fee-shifting statutes is perhaps itself sufficient evidence that some clear standards are necessary to govern the award of attorney fees. Moreover the need to provide greater balance between the attorney fees policies applicable to lawyers representing indigent criminal defendants and those applicable to lawyers who sue governments civilly argues for the Legal Fees Equity Act.

Along with a copy of the Legal Fees Equity Act, I ask that the report of the National Association of Attorneys General, and the Washington Post editorial from December 16, 1983 be included in the Record following my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

[Report to Congress—From the National Association of Attorneys General]

Civil Rights Attorney's Fees Awards Act of 1976

FOREWORD

> . . . [O]ne of the least socially productive types of litigation imaginable [is] appeals from awards of attorney's fees . . .
>
> Ultimately, § 1988's straightforward command is replaced by a vast body of artificial, judge-made doctrine, with its own arcane procedures, which like a Frankenstein's monster meanders its well-intentioned way through the legal landscape leaving waste and confusion (not to mention circuit-splits) in its wake.
>
> *Hensley v. Eckerhart*, 103 S. Ct. 1933, 1944, 1951 (1983) (Brennan, Marshall, Blackmun, and Stevens, JJ., concurring in part and dissenting in part).
>
> The only truly consistent thread that runs through federal court decisions on attorney's fees is their lack of consistency.
>
> [I]nordinately high fee awards in some cases, and the absence of a coherent rationale for justifiably large awards in other cases, have lent support to the sentiments of the Italian proverb that "a lawsuit is a fruit tree planted in a lawyer's garden."
>
> Berger, *Court Awarded Attorney's Fees: What is "Reasonable"?*, 126 Pa. L. Rev. 281, 292 (1977).

As the foregoing comments suggest, courts and commentators alike have become critical of attorney's fees litigation. Since passage of the Civil Rights Attorney's Fees Awards Act of 1976, one constant voice expressing concern has been that of the National Association of Attorneys General, which has continuously monitored the implementation and effect of the Act. On the basis of its collective experience, the Association has become increasingly concerned that the Act, as interpreted and applied by

the courts, is operating contrary to its original purpose. Rather than simply facilitating access to the courts for disadvantaged victims of civil rights violations, a purpose that the Association wholeheartedly endorses, the Act has had the unintended effects of encouraging frivolous noncivil rights claims, deterring settlement of meritorious claims, awarding fees to plaintiffs who do not actually prevail, conferring unreasonable "windfall" fees on plaintiffs' counsel, draining public treasuries, and fostering an avalanche of litigation on attorney's fees that threatens to bury the underlying civil rights claims that the Act was intended to vindicate.

In this report, the Association outlines and documents these adverse and unintended applications of the Act and recommends the enactment of statutory standards that would restore the Act to its original purpose, provide needed guidance to the courts and the bar, and mitigate the possibility of abuse. In particular, the Association recommends that the Act be amended to apply solely to true civil rights cases; to define "prevailing party" in a realistic manner; to restore and guide judicial discretion to award or deny fees; to provide workable standards for computing a "reasonable" fee; to impose a ceiling on the hourly rates at which attorneys may be compensated; to prohibit the award of "bonuses" in excess of reasonable compensation for time reasonably spent by prevailing counsel; and to provide additional incentives for settlement.

This report begins with an outline of the Association's findings and recommendations, which is followed by a discussion and analysis of the basis for each finding and recommendation. After documenting the magnitude of the problem created by the lack of coherent and workable standards (Finding and Recommendation No. 1), the report makes specific findings and recommendations concerning the scope of the Act (Finding and Recommendation No. 2), the standard for determining a party's eligibility for fees (Findings and Recommendations Nos. 3, 4, and 5), and the standard for calculating a "reasonable" attorney's fee (Findings and Recommendations Nos. 6, 7, and 8). Finally, the report discusses the adverse impact of the Act on the process of dispute resolution both in and out of court, and recommends how that problem could be alleviated by legislative reform (Finding and Recommendation No. 9).

The various recommendations contained in this report are not intended to discourage or inhibit victims of civil rights violations from redressing their grievances through litigation. Rather, the intent of these recommendations is to turn the focus of civil rights litigation away from fee disputes and return it to the aggrieved parties whose rights the Act was intended to vindicate. This report does not take issue with the Congressional determination that a public entity that violates a person's civil rights should be burdened with having to pay attorney's fees necessary to prove such a violation. However, the process for awarding fees, the amounts of fees awarded, and the underlying claims must be viewed in light of the purposes of the original Act. As indicated by the findings contained in this report, the Act is operating contrary to its original purposes. Legislative action, along the lines recommended in this report, is urgently needed.

RESOLUTION

In plenary session on June 25, 1983, the Association adopted the following resolution:

Whereas, litigation under the Civil Rights Attorney's Fees Awards Act of 1976, 42 U.S.C. § 1988, is expanding at an alarming rate with further expansion in the future a near certainty; and

Whereas, lack of meaningful standards to determine what is a "reasonable" attorney's fee in any given case consistently results in exorbitant court-ordered fee awards paid from public treasuries of state and local governments and creates additional problems for public defendants; and

Whereas, cases decided under the Fees Act frequently involve the characterization of parties as "prevailing" for purposes of collateral attorney's fees requests when, in fact, they have not prevailed in any meaningful sense on the merits of their claim; and

Whereas, the reported Fees Act opinions so narrowly circumscribe the ability of lower courts to determine when special circumstances exist that justify outright denial of requested fees that the discretion expressly contemplated by the Fees Act itself can rarely be exercised at all; and

Whereas, a special subcommittee chaired by Attorney General Kenneth Eikenberry has studied abuses under 42 U.S.C. § 1988 and has compiled its findings into [this] Report;

Now, therefore, be it resolved, that the National Association of Attorneys General:

1. Urges the Congress to adopt legislation that will eliminate these and other related problems that have resulted from abuses under 42 U.S.C. § 1988;

2. Commends Attorney General Eikenberry and members of the Subcommittee for the diligent work on this matter and adopts the Report as part of the Association's policy position; and

3. Authorizes its General Counsel to transmit these views to the appropriate members of the Administration and Congress.

INTRODUCTION

A. Purpose of the Civil Rights Attorney's Fees Award Act

The Civil Rights Attorney's Fees Awards Act of 1976 was passed in direct response to the Supreme Court's decision in *Alyeska Pipeline Service Co. v. Wilderness Society*, 421 U.S. 240 (1975), which held that federal courts do not have the power to award attorney's fees to a prevailing party without express statutory authorization.[1] Prior to *Alyeska*, federal courts had been awarding attorney's fees to the prevailing party in civil rights cases on the theory that, in bringing such cases, plaintiffs serve in the capacity of "private attorneys general," seeking to vindicate constitutional rights, not for themselves alone, but also for the benefit of others similarly situated. By holding that the federal courts lack authority to award fees under such circumstances, *Alyeska* "created anomalous gaps in our civil rights laws," which the Act was intended to fill.[2]

The Act was thus intended to remove financial barriers that would otherwise prevent access to the courts by disadvantaged plaintiffs acting in the role of private attorneys general, by affording successful civil rights plaintiffs "the opportunity to recover what it costs them to vindicate these rights in court." [3] Such a measure was viewed as desirable in order to enforce "major civil rights laws," [4] protecting the most "basic" and "fundamental" civil rights.[5]

As a "narrowly drawn" response to *Alyeska*,[6] the Act was not intended as a wholesale abrogation of the "American Rule" that each party must bear its own litigation costs. Rather, it was viewed by its proponents as "only a first step and a rather limited and cautious one." [7] The proponents of the Act repeatedly emphasized its limited purpose by reiterating that the Act was not intended to "aid [ ] lawyers," [8] encourage meritless litigation,[9] or provide "windfalls" to prevailing counsel.[10] Rather, Congress stressed the Act's relatively moderate approach of authorizing courts, in their discretion, to award a "reasonable" attorney's fee to prevailing parties in certain civil rights cases, in contrast to that of more liberal statutes providing for mandatory fee awards or awards to nonprevailing parties.[11]

B. Good intentions gone away: A need for legislative action

As will be shown in this report, the good intentions of Congress outlined above have not been realized. Rather than simply facilitate the vindication of meritorious civil rights claims, as Congress intended, the Act has operated to foster a flood of litigation on the entitlement to and amount of attorney's fees. Rarely has a federal statute had the immediate and explosive impact on litigation involving state officials as has this Act. Particularly after *Maine v. Thiboutot*, 488 U.S. 1 (1980),[12] it has become routine for all governmental litigation—from the most complex class actions for institutional reform to the most commonplace complaints for state judicial review of administrative decisions—to include requests for attorney's fees under the Act. Not surprisingly, the soaring number of attorney's fees claims is reflected in the burgeoning amount of litigation engendered by the Act itself.

These developments are both undesirable and unnecessary. One can hardly conceive of a less socially valuable use of resources than fees litigation.[13] State and federal taxpayers are now routinely subjected to the spectacle of publicly-funded counsel making claims for fees to be paid by publicly-funded agencies, defended by publicly-funded attorneys general, and decided by publicly-funded courts. While no single participant in these exercises is exclusively responsible, it is the Association's firm belief that the lack of statutory standards governing the application for and adjudication of fee awards has unnecessarily encouraged unreasonably high requests, stymied settlement efforts, forced these matters into litigation, and permitted inconsistent, excessive, and ever-escalating fee awards. This chain of events has caused an outcry by the bench, the bar, and the tax-paying public for legislative reform.

The Association therefore urges the Congress to enact clear standards of eligibility for and computation of fee awards under the Act, in accordance with the recommendations contained in this report. Provision for such standards would render the application of the Act more consistent and, hence, more reasonable, to the mutual benefit of civil rights plaintiffs, state taxpayers, and the judiciary. Greater certainty would promote settlement, reduce fee litigation, and thereby permit counsel and the courts to devote more attention to substantive matters.

Footnotes at end of article.

The Association wishes to emphasize that it endorses the salutary purpose of the Act and is committed to the Act's concept of reasonable fees to prevailing parties in civil rights cases. The recommendations contained in this report are intended to further the Act's original purpose while eliminating its unintended and undesirable side-effects.

FINDINGS OF THE ASSOCIATION

Finding No. 1: Litigation under the Fees Act is expanding at an alarming rate with further expansion in the future a near certainty.

Finding No. 2: The Act, as interpreted and applied by the courts, makes attorney's fees available not only in civil rights cases but in virtually all cases against state and local governments or officials.

Finding No. 3: Cases decided under the Fees Act frequently involve the characterization of parties as "prevailing" for purposes of attorney's fees awards when, in fact, they have not prevailed, in any meaningful sense, on the merits of their claims.

Finding No. 4: In cases where the requesting party has, in fact, prevailed to some extent, attorney's fees awards under the Act are frequently disproportionate to the degree of success actually achieved.

Finding No. 5: The Fees Act, as interpreted and applied by the courts, makes the award of fees to a prevailing party virtually mandatory, thereby eliminating the "discretion" expressly granted to the courts by the Act.

Finding No. 6: Lack of meaningful standards for determining what constitutes a "reasonable" attorney's fee in any given case results in inconsistent and often excessive fee awards and makes it difficult to settle claims for attorney's fees.

Finding No. 7: Courts routinely make "bonus" awards or apply "multipliers" to the hourly rates set for prevailing counsel, resulting in grossly inflated awards constituting a "windfall" to prevailing counsel.

Finding No. 8: In applying the Fees Act to prevailing parties represented by publicly-funded salaried attorneys, courts normally award fees based on hourly rates charged by private counsel, resulting in windfalls that substantially exceed the actual cost of the litigation.

Finding No. 9: The Fees Act affects the process of legal dispute resolution in a way that is unfair to public defendants and that further burdens the courts by:

A. making it more desirable for plaintiffs to commence litigation, rather than settle disputes informally;

B. making it more advantageous for plaintiffs to continue litigation rather than settle where any meritorious claim is presented;

C. making it less desirable, once litigation is underway, for public defendants to alter challenged laws, administrative regulations, or official positions in any way that favors the plaintiffs;

D. making it less desirable for public defendants to litigate those close issues that should be litigated; and

E. making it difficult for plaintiffs and defendants to settle claims for attorney's fees.

RECOMMENDATIONS OF THE ASSOCIATION

Recommendation No. 1: The Congress should amend the Act, as specified in the further recommendations enumerated hereunder, to provide clear and precise standards governing eligibility for and computation of attorney's fees awards under the Act.

Recommendation No. 2: The Congress should amend the Fees Act to apply only to civil actions to redress the deprivation, under color of any state law, statute, ordinance, regulation, custom or usage, of any right secured by a provision of the Constitution of the United States or an Act of Congress providing for individual civil rights of citizens or of all persons within the jurisdiction of the United States.

Recommendation No. 3: The Congress should amend the Fees Act to require that, in order to be eligible for a fee award, a party must clearly and substantially prevail on the merits of each issue or claim as to which fees are being sought.

Recommendation No. 4: The Congress should amend the Fees Act to require that courts apportion the amount of fee awards to the degree of success actually attained by the prevailing party.

Recommendation No. 5: The Congress should amend the Fees Act to provide expressly that a court may deny fees where, in the court's view, denial is appropriate, including, but not limited to, cases in which the court determines:

A. that the defendant's position was substantially justified or advanced in good faith; or

B. that an award of fees would not further the substantive purposes of the Act.

Recommendation No. 6: The Congress should amend the Fees Act to provide that the prevailing party shall not be awarded fees in excess of $75 per hour.

Recommendation No. 7: The Congress should amend the Fees Act to prohibit the award of bonuses or multipliers in excess of compensation at a reasonable hourly rate for the number of hours reasonably spent by prevailing counsel.

Recommendation No. 8: The Congress should amend the Fees Act to provide that, where the prevailing party is represented by a publicly-funded legal services organization, courts should compute a reasonable hourly rate for such counsel based on the actual costs of the litigation to the organization, including the proportion of the attorney's annual salary and of the organization's annual overhead attributable to the number of hours reasonably spent on the case.

Recommendation No. 9: The Congress should amend the Fees Act to provide that the court shall deny attorney's fees to a prevailing party, where it determines:

A. that the lawsuit was brought principally for the purpose of obtaining attorney's fees; or

B. that the prevailing party rejected an offer of judgment made pursuant to Rule 68 of the Federal Rules of Civil Procedure, or a cognate state rule of procedure, that was more favorable than the relief ultimately granted by the court, in which case no fees shall be awarded for the services rendered after the date of the offer.

DISCUSSION OF FINDINGS AND RECOMMENDATIONS

Finding No. 1: Litigation under the Fees Act is expanding at an alarming rate with further expansion in the future a near certainty.

Since the inception of the Act in 1976, litigation on eligibility for and computation of attorney's fees has mushroomed. The number of reported cases involving attorney's fees is tremendous. West's annotations to 42 U.S.C. § 1988 now fill 179 closely printed pages.[14] A computer search for cases arising under § 1988 revealed almost 3,000 federal and state decisions as of December 1983. The advance sheets routinely report numerous attorney's fees cases each week; and the Supreme Court decides fee cases every term, while declining to review many more. Indeed, in just one month in 1980, the Court rendered six major attorney's fees decisions.[15]

This explosion of fee litigation has engendered numerous law review articles,[16] and several treatises on the subject,[17] as well as a bi-monthly newsletter designed to keep attorneys apprised of current developments in the area of attorney's fees.[18] As noted by Lloyd Cutler,[19] in his Foreword to a recent three-volume treatise on court-awarded attorney's fees, this Act and other similar fee-shifting statutes "have created a new field of law that has grown so fast and become so complex that it has baffled the efforts of courts and lawyers to comprehend and apply it."

The vast amount of litigation on attorney's fees has led the courts to complain that "the fee proceedings have become the main event rather than the side show" such that "the [attorney's fees] tail is wagging the [civil rights] dogs."[20] The Supreme Court has added its voice to this mournful chorus, recently stating that "a request for attorney's fees should not result in a second major litigation."[21] Other concurring and dissenting justices in the same case characterized fee litigation as "one of the least socially productive types of litigation imaginable" and bemoaned the fact that "[s]uch appeals [from fee awards], which greatly increase the costs to plaintiffs of vindicating their rights, frustrate the purposes of § 1988."[22] Those justices went on to state that:

> Congress enacted § 1988 . . . not to spawn litigation, however interesting, over [attorney's fees]. . . . In systemic terms, attorney's fees appeals take up lawyers' and judges' time that could more profitably be devoted to other cases, including the substantive civil rights claims that § 1988 was meant to facilitate.
>
> Ultimately, § 1988's straightforward command is replaced by a vast body of artificial, judge-made doctrine, with its own arcane procedures, which like a Frankenstein's monster meanders its well-intentioned way through the legal landscape leaving waste and confusion (not to mention circuit-splits) in its wake.[23]

As the above quotation indicates, the flood of litigation under § 1988 has done little to resolve the many questions arising from its implementation. Very few hard and fast rules have developed, and conflicts exist not only among circuits but often among the district courts or panels of a single circuit.[24] As a result of this continuing confusion, litigation in this area will undoubtedly continue to expand. For example, as indicated by the numerous lower-court majority and dissenting opinions citing or "explaining" *Hensley v. Eckerhart*,[25] the Supreme Court's latest "pronouncement" on § 1988, that case, like many of its predecessors, has apparently raised as many questions as it has answered.

Apparently, the confusion over the proper interpretation and application of § 1988 can be resolved only by the Congress. As noted by one commentator,

> Because [fee-shifting] is contrary to two hundred years of experience in American federal courts, the cases have been difficult for lawyers and judges alike. Understanding has not been materially helped by Congress which has frequently passed attorney fee provisions with . . . only minimal or inconsistent direction how the measures are to be interpreted and applied.

Derfner & Wolf, *supra* at ix. Only by setting clear statutory standards for the application of the Act can the rising tide of needless litigation be stemmed.

Recommendation No. 1: The Congress should amend the Act, as specified in the further recommendations enumerated hereunder, to provide clear and precise standards governing eligibility for and computation of attorney's fees awards under the Act.

Finding No. 2: The Act, as interpreted and applied by the courts, makes attorney's fees available not only in civil rights cases but in virtually all cases against state and local governments or officials.

The proponents of § 1988 touted the Act, as its name implies, as a measure designed to protect "basic" and "fundamental" civil rights by encouraging private enforcement of our "major civil rights laws," including § 1983.[26] Although there is strong evidence that Congress viewed § 1988 as a civil rights measure,[27] the Supreme Court subsequently held in *Maine v. Thiboutot* that fees are available not only in civil rights cases but in any action under § 1983, which the Court construed to include cases arising under *any* federal statute or constitutional provision.[28] In response to the state's argument that such a construction is contrary to legislative intent, the Court suggested that "[t]hat argument . . . can best be addressed to Congress, which, it is important to note, has remained quiet in the face of our many pronouncements on the scope of § 1983."[29] In his dissenting opinion in *Maine v. Thiboutot*, Justice Powell predicted that the Court's decision would "dramatically expand the liability of state and local officials and may virtually eliminate the 'American Rule' in suits against those officials." In Justice Powell's prescient view, the

> [P]ractical effect [of the majority opinion] means that state and local governments, officers and employees now face liability whenever a person believes that he has been injured by the administration of *any* federal-state cooperative program, whether or not that program is related to equal or civil rights.
>
> . . . [I]ngenious pleaders may find ways to recover attorney's fees in almost any suit against a state defendant.[30]

Even at that time, Justice Powell observed that "[t]here is some evidence that § 1983 claims already are being appended to complaints solely for the purpose of obtaining fees in actions where 'civil rights' of any kind are at best an afterthought."[31]

Unfortunately for state governments and their taxpayers, Justice Powell's prediction has now become a painful and expensive reality. Fees are now routinely sought and awarded in even the most routine state court reviews of administrative agency decisions, having little or no bearing on civil or equal rights. For example, the Supreme Judicial Court of Massachusetts ruled that a plaintiff who succeeded in obtaining a reversal of an administrative decision, thereby obtaining $250 toward the purchase of a washing machine, was entitled to attorney's fees under § 1988. The court reasoned that since the plaintiff's complaint contained a claim, not reached by the court, that the regulation in question violated the Equal Protection Clause of the United States Constitution (by discriminating between those who have broken-down washing machines and those who have none), a claim which the court viewed as "substantial," the action was one to enforce the provisions of § 1983, thereby invoking the fee-shifting provisions of § 1988.[32]

The *Stratos* case illustrates another related problem that has arisen under § 1988. Relying on statements in the legislative history of the Act that, in cases containing both § 1983 and non-§ 1983 claims, if the § 1983 claim meets the "substantiality" test articulated in *Hagans v. Lavine*, 415 U.S. 528 (1974), then attorney's fees may be allowed even though the court declines to enter judgment for the plaintiff on that claim,[33] courts have often awarded fees where the § 1983 claim is weak, but not "obviously frivolous," "absolutely devoid of merit," or "wholly insubstantial."[34] As noted by Justice Rehnquist in his dissenting opinion in *Hagans*, the substantially test is met whenever the "plaintiff is able to plead his claim with a straight face."[35] The effect of that test is therefore to stand the concept of federalism on its head by "federalizing" nearly all claims against state or local officials.[36]

The application of the substantiality test to § 1988 means that plaintiffs can recover fees under § 1988, even when they lose on their federal civil rights claims. For example, in *Seals* v. *Quarterly County Court*, 562 F.2d 390 (6th Cir. 1977), the district court had ruled in plaintiff's favor on state law grounds but had ruled *against* him on his § 1983 claim. Nevertheless, the Sixth Circuit held that plaintiff was entitled to fees under § 1988, since his claim under § 1983 was "substantial."

Clearly, in enacting § 1988, Congress did not intend to encourage litigants to pad their meritorious state law complaints with weak or meritless civil rights claims, in order to obtain fees under § 1988. Yet, that is the net effect of the case law discussed above. Congress must therefore act to clarify its original intent that § 1988 be used to enforce our most basic and fundamental civil rights. The Association is concerned that the statute not be revised so as to impair individuals seeking full redress for violations of their civil or equal rights. However, the Association believes that a restoration of the scope of the Act to pre-*Thiboutot* coverage is necessary.

In so acting, Congress will be able to answer a number of nagging questions concerning the proper scope of the statute: should it apply to cases brought by corporations or other business entities? Should it apply to all cases raising constitutional questions? One case that raises these questions and has already sparked considerable public criticism is *Grendel's Den* v. *Larkin*, No. 77-3418-T (D. Mass.). In that case, Harvard Law School Professor Lawrence Tribe is seeking almost $350,000 in attorney's fees and costs for his successful efforts to obtain a liquor license for a restaurant in Harvard Square. Although the Supreme Court's decision on the merits of that case was based on the Due Process and Establishment Clauses of the United States Constitution, it is unlikely that this liquor license matter is the type of case that Congress had in mind when it enacted § 1988 as a means of protecting disadvantaged victims from violations of their most basic human rights.[37]

Recommendation No. 2: The Congress should amend the Fees Act to apply only to civil actions to redress the deprivation, under color of any state law, statute, ordinance, regulation, custom or usage, of any right secured by a provision of the Constitution of the United States or an Act of Congress providing for individual civil rights of citizens or of all persons within the jurisdiction of the United States.

Finding No. 3: Cases decided under the Fees Act frequently involve the characterization of parties as "prevailing" for purposes of attorney's fees awards when, in fact, they have not prevailed, in any meaningful sense, on the merits of their claims.

Although the Act expressly provides that only a "prevailing" party may be awarded fees, the application of this provision by the courts to cases where parties have not prevailed in any meaningful sense has effectively eliminated the prevailing party requirement, contrary to the express language of the statute and the underlying Congressional intent. In numerous cases where judgment was rendered for the defendant, courts have nevertheless viewed the plaintiff as a prevailing party for purposes of § 1988 fee awards. For example, in *NAACP v. Wilmington Medical Center, Inc.*, 689 F.2d 1161 (3rd Cir. 1982), *cert. denied*, 103 S. Ct. 1499 (1983), the district court dismissed plaintiffs' claims against the state and federal defendants and, after trial, held that plaintiffs had failed to prove discrimination by the Wilmington Medical Center and accordingly entered judgment for the defendants and denied plaintiffs' request for fees. On appeal, the Third Circuit reversed the denial of fees, stating that "[t]he fact that a judgment was ultimately entered in favor of [the defendant] does not make the plaintiffs any less the prevailing party.[38] The court ruled that plaintiffs had "prevailed" since they had obtained "some of the benefits sought by the litigation," even though the actual "benefits" obtained, by means of an agreement between the state and federal defendants, had been vigorously but unsuccessfully *opposed* by the plaintiffs in the litigation.[39]

Similarly, in *Dayan v. Board of Regents*, 620 F.2d 107 (5th Cir. 1980), the Fifth Circuit affirmed the district court's ruling for the defendant on the merits, that the defendant's "rational procedural policy violates neither the First Amendment nor the Fourteenth Amendment to the United States Constitution," yet also affirmed an award of fees to the plaintiffs on the ground that they had obtained "substantial voluntary relief as a direct result of their lawsuit."[40] Another example of an award of fees to a losing party appears in *Ross v. Horn*, 598 F.2d 1312 (3rd Cir. 1979), *cert. denied*, 448 U.S. 906 (1980), in which the appellate court remanded the case for a redetermination of plaintiffs' eligibility for fees while, at the same time, affirming the district court's holding that the procedures employed by the defendant in processing suspected unemployment fraud cases adequately protected plaintiffs' statutory and constitutional due process rights.

In a number of cases, plaintiffs have been awarded fees where the benefits sought in their complaint were obtained by legislative action before a final judicial decision could be rendered on the merits. For example, in *DeMier v. Gondles*, 676 F.2d 92 (4th Cir. 1982), plaintiffs who voluntarily dismissed their claim after the state legislature enacted a statute that achieved the object of the suit were awarded fees, even though other complaints may have contributed to the change in policy.[41]

A striking example of the inequities that can result is *Institutionalized Juveniles v. Secretary of Public Welfare*, 568 F. Supp. 1020 (E.D. Pa. 1983). There, defendants had prevailed in the United States Supreme Court on what the District Court recognized were the central issues of the case. *Secretary of Public Welfare v. Institutionalized Juveniles*, 442 U.S. 640 (1979). Nonetheless, the District Court awarded almost $90,000 in fees, including a 50 percent multiplier, based on its view that various regulatory and statutory changes during the period of litigation provided some of the plaintiffs with some of the benefits they sought. An appeal is pending.

Although the legislative history of § 1988 indicates that the term "prevailing party" is to be read broadly to include cases that end in a consent decree or out-of-court settlement, "none of the cases cited in the House or Senate Reports involves a fee award in the context of such a remote and extra-judicial resolution of a lawsuit as legislative preemption."[42] Furthermore, even if such a result had been intended by the enactors of § 1988, the problems involved in determining whether and to what extent a particular lawsuit acted as a "catalyst" for legislative change, make the application of the "prevailing party" standard to cases mooted by legislative action judicially unworkable. Since legislators act from multifarious motives, it is difficult, if not impossible, to determine the impact, of a particular lawsuit on a legislative body as a whole.[43] Moreover, as recognized by one court, even attempting to make such a determination "might constitute an impermissible inquiry into legislative motive."[44]

Cases resolved by settlement present similar problems. For example, in *Young v. Kenley*, 641 F.2d 192 (4th Cir. 1981), the Fourth Circuit reversed a denial of attorney's fees to a plaintiff who alleged discrimination in the denial of a position for which she had never even applied. Once plaintiff applied for the position, after being urged to do so by the defendants and the district court, she passed the required test and was given the position in question, and the case was settled on that basis. Over the strong dissent of Justice Rehnquist, joined by Justice O'Connor, the Supreme Court denied a petition for a writ of certiorari on the prevailing party issue.[45] In his dissent from the denial of certiorari, Justice Rehnquist suggested that an award of fees in such circumstances "seems largely to disregard th[e] central purpose of § 1988 [—] * * * to 'enforce' the civil rights laws or to * * * promote[] their policies for the benefit of the public at large," and indicated that fees should not be awarded "if the discernible benefit was conferred gratuitously by the defendant or was taken simply to avoid further litigation expenses."[46] Nevertheless, on remand, the district court ultimately awarded fees in an amount exceeding $30,000.

Thus although Congress stressed that § 1988, unlike other more liberal fee provisions, was intended to apply only where a party has "prevailed,"[47] that intent has been undercut by subsequent court decisions construing the term "prevailing" so broadly as to include cases where the party awarded fees has actually lost the case on the merits or failed to succeed in any meaningful sense. Congress must therefore reassert its initial intent in a manner that will prevent such perversions of the statute's seemingly straightforward prevailing party requirement.

Recommendation No. 3: The Congress should amend the Fees Act to require that, in order to be eligible for a fee award, a party must clearly and substantially prevail on the merits of each issue or claim as to which fees are being sought.

Finding No. 4: In cases where the requesting party has, in fact, prevailed to some extent, attorney's fees awards under the Act are frequently disproportionate to the degree of success actually achieved.

In many cases, large amounts of fees have been awarded, despite the fact that the plaintiff received only nominal relief on the merits. For example, in *Skoda v. Fontani*, 646 F.2d 1193, 1194 (7th Cir. 1981), the court held that plaintiffs, who won a jury verdict of only one dollar on their civil rights claim, for which they had claimed $200,000 in damages, were "prevailing parties," contrary to the district court's conclusion. On remand, the district court reluctantly awarded plaintiffs $6,086.12 in fees and costs.[48] Similarly, in *Milwe v. Cavuoto*, 653 F.2d 80, 83-84 (2d Cir. 1981), the court held that "the one dollar assessed against [the defendant] on plaintiff's constitutional claim would be sufficient to support an award of fees under the Act."

Another case in which the amount of fees awarded was grossly disproportionate to the degree of success on the merits in *Rivera v. City of Riverside*, 679 F.2d (9th Cir. 1982), in which the Ninth Circuit found no abuse of discretion in the district court's award of $243,343.75 in fees incurred in obtaining a jury verdict of $33,350. An even more extreme example of a court's failure to proportion a fee award to the degree of success obtained is the decision reached in *Haygood v. Younger*, No. S-75-738LKK (E.D. Cal. 1983), a case in which plaintiff alleged illegal confinement in a state prison. The complaint named sixteen defendants and alleged nineteen separate causes of action. After five years of pre-trial proceedings, eleven defendants were dismissed or granted summary judgment, and seventeen causes of action were dismissed. Three defendants were granted a directed verdict after the plaintiff's case in chief. The jury returned a verdict of $640 against one of the remaining defendants and $1,450 against the other. The plaintiff then sought $75,968.75 in attorney's fees. Included was a demand for $17,831.25 in "paralegal fees" for assistance claimed to have been provided by the plaintiff's inmate advisor. The defedants' request for discovery and for an evidentiary hearing to contest the fee request were both denied by the court. The court then awarded $45,383.17 in attorney's fees, including $9,900 in paralegal fees for the inmate advisor. The award was apparently reduced from the amount originally requested only because counsel's representation had been of poor quality and the hours claimed had been "padded."

The effect of such decisions is to encourage civil rights plaintiffs to pad their complaints with multiple, meritless claims, "secure in the knowledge that any tactic reasonably related to his cause will be compensable." [49] Not only is the "penalty" incurred by the defendant in such cases disproportionate to the jury inflicted, but such results also operate to the disadvantage of plaintiffs (as opposed to their counsel). Plaintiff's counsel, who can expect to be compensated for time spend on *all* claims, if he prevails to any extent, has no incentive to settle a case in the early stages of litigation, but rather is encouraged to litigate every claim to the maximum extent. Aggrieved plaintiffs are thereby deprived of the benefit of an early settlement, and courts, as well, are subjected to congested dockets.[50]

The Supreme Court's recent decision in *Hensley v. Eckerhart*, 103 S. Ct. 1933 (1983), directing the lower court to reconsider the amount of its fee award in light of the extent of success achieved by the plaintiffs, is a step in the right direction, but it will not resolve all of the problems discussed above and may raise additional ones. For example, it remains to be seen how the lower courts will resolve the apparent contradiction between the Court's directive that, in cases where plaintiffs only partially succeed, the "results obtained" may warrant a downward adjustment in the amount of fees awarded,[51] with its caveat that "[w]here a plaintiff has obtained excellent results . . . the fee award should not be reduced simply because the plaintiff failed to prevail on every contention raised in the lawsuit." [52] Rather than "clarify the proper relationship of the results obtained to an award of attorney's fees," as the *Hensley* case purports to do,[53] it will undoubtedly generate further litigation on what constitutes an "unrelated claim" or "excellent results." [54] As stated by Justice Brennan in his concurring and dissenting opinion in *Hensley*, "Regular appellate scrutiny of issues like those in this case . . . generates a steady stream of opinions, each requiring yet another to harmonize it with the one before or the one after." [55] Indeed, in post-*Hensley* cases in the lower courts, *Hensley* is relied upon by fee applicants and opponents alike and is cited in both majority and dissenting opinions,[56] indicating that additional legislative guidance is needed on the propriety of apportioning the amount of fees awarded to the degree of success attained by the prevailing party.

Recommendation No. 4: The Congress should amend the Fees Act to require that courts apportion the amount of fee awards to the degree of success actually attained by the prevailing party.

Finding No. 5: The Fees Act, as interpreted and applied by the courts, makes the award of fees to a prevailing party virtually mandatory, thereby eliminating the "discretion" expressly granted to the courts by the Act.

The proponents of the Fees Act emphasized the discretionary nature of the Act, which expressly provides that "the court, *in its discretion, may* allow the prevailing party . . . a reasonable attorney's fee" (emphasis added), and contrasted that Act with other statutes *requiring* that fees be awarded to a prevailing party.[57] However, the Senate Report suggested that, in exercising their discretion, courts should apply the standard articulated by the Supreme Court in *Newman v. Piggie Park Enterprises, Inc.*, 390 U.S. 400, 402 (1968), i.e., that a prevailing party "should ordinarily recover an attorney's fee unless special circumstances would render such an award unjust."

That standard, which has become known as the *Newman* standard, "was initially used by the courts to explain or justify the *mandatory* imposition of fees." [58] Application of such a standard is appropriate where the purpose of the fee provision is "to *encourage* suit or to provide an *incentive* to litigate," [59] not where the provision in question was enacted "mainly for the purpose of preventing the cost of litigation from *deterring* a suit." [60] Since the purpose of § 1988, as articulated by its proponents, was not to encourage litigation, but rather "to insure the high cost of litigation does not bar the federal court to citizens who seek to enforce their rights under our civil rights laws," [61] the rationale underlying the *Newman* standard is inapplicable to § 1988.

Despite the incompatibility of the *Newman* standard with the overall purpose of the Act, and although Congress chose not to use the *Newman* language in § 1988,[62] most courts, in reliance on the Senate

Report, interpret § 1988 in a manner contrary to its express language.[63]

The practical effect of the application of the *Newman* standard to § 1988 is to make the award of fees to a prevailing party mandatory, since courts have rejected virtually every "special circumstance" proferred by defendants as a justification for denying fees.[64] Among the special circumstances that have been rejected by appellate courts as rendering an award of fees unjust are defendants' good faith,[65] defendants' reliance on previous court orders or government regulations,[66] that defendants' refusal to expend funds was based on lack of legislative appropriation,[67] that defendants were compelled by law to engage in the challenged conduct,[68] that plaintiff received only nominal damages,[69] that the fee award would be paid by a public entity and would thereby impair that entity's ability to provide further services,[70] that plaintiffs were able to afford counsel,[71] that plaintiffs refused to settle,[72] and that the suit did little or nothing to further civil rights.[73] Even the fact that the plaintiff committed perjury during trial has been rejected as a special circumstance justifying a denial of fees.[74]

As a result, one judge has described the application of the special circumstances exception by the courts as

> [R]ender[ing] [the exception] in effect a nullity. This interpretation is reminiscent of the passage wherein Macbeth remarked, "Life is but a walking shadow; . . . a tale told by an idiot, full of sound and fury, signifying nothing."[75]

Moreover, where fees are awarded despite the fact that, for example, the defendant acted in good faith, the plaintiff obtained only nominal damages, and the action did nothing to further civil rights, "a question arises as to what goals of the Attorney's Fees Act, if any, are being furthered."[76] In such cases, "the only true victor may be the plaintiff's attorney."[77]

Furthermore, given the prospect of a mandatory fee award if he prevails, plaintiff's counsel has no incentive to enter into a pretrial settlement. The more time he spends on the case, the higher his potential fee award. The motivation to proceed to trial is therefore enhanced, and the incentive to settle, diminished.[78]

Therefore, in order to restore the judicial discretion expressly intended by the Act, but virtually eliminated in its application, Congress should amend the Act to specify circumstances in which the courts' discretion may be exercised to deny fees. Such an amendment would not only further the original purpose of the Act, but would also be consistent with the standard applicable to fee awards against federal defendants under the Equal Access to Justice Act, which expressly provides that fees are *not* to be awarded when the government has demonstrated a substantial justification for its position.[79] Since the purpose of the Equal Access to Justice Act, as set forth in its legislative history,[80] is parallel to that of the Fees Act, there is no reason why state and local defendants should not share the protection, enjoyed by federal defendants under the Equal Access to Justice Act, from the imposition of unjust awards of attorney's fees.

Recommendation No. 5: The Congress should amend the Fees Act to expressly provide that a court may deny fees where, in the court's view, denial is appropriate, including, but not limited to, cases in which the court determines;

A. that the defendant's position was substantially justified or advanced in good faith; or

B. that an award of fees would not further the substantive purposes of the Act.

Finding No. 6: Lack of meaningful standards for determining what constitutes a "reasonable" attorney's fee in any given case results in inconsistent and often excessive fee awards and makes it difficult to settle claims for attorney's fees.

At the time Congress enacted the Fees Act, the pertinent House and Senate Reports indicated that the appropriate standards for determining what constitutes a reasonable fee are those contained in *Johnson* v. *Georgia Highway Express*, 488 F.2d 714 (5th Cir. 1974).[81] Both the House and Senate reports expressed confidence that the application of those standards would "result[] in fees which are adequate to attract competent counsel, but which do not produce windfalls to attorneys."[82]

That hope has not been realized. As early as 1977, one commentator noted that "[t]he only truly consistent thread that runs throughout federal court decisions on attorney's fees is their lack of consistency."[83] The situation is no better today. Some courts, finding the *Johnson* criteria too subjective and imprecise, have applied different approaches to computing a reasonable fee, most notably the lodestar approach, first articulated in *Lindy Brothers Builders, Inc.* v. *American Radiator & Standard Sanitary Corps.*, 487 F.2d 161 (3rd Cir. 1973) (*Lindy I*), in which a reasonable hourly rate is multiplied by the number of hours reasonably spent to produce a lodestar figure, which may then be adjusted upward and downward depending on additional factors not applied in determining reasonable hours and rates.[84] Still other courts have adopted a hybrid approach, combining the lodestar method with the *Johnson* criteria.[85] With different approaches being applied by different circuits and even by various courts within each circuit, parties litigating cases under § 1988 are subject to different approaches and, hence, different results. Courts disagree on what factors should be applied, how they should be applied, and even what they mean. Opposite holdings have been made on virtually every aspect of fee computation.[86] As a result, in cases decided between 1974 and 1979, hourly rates awarded to civil rights attorneys varied by 685 percent.[87]

As noted by one commentator, the adverse effects of this confusion are several:

> First, it inevitably results in unfairness to both attorneys and litigants. . . .
>
> A second consequence of the chaotic state of the law is an excessive amount of litigation concerning the proper fee amount. . . .[88]
>
> A third consequence of the existing state of the law is the arbitrary and haphazard allocation of legal resources . . .
>
> Finally, the high degree of subjectivity involved in most fee decisions is unhealthy for both the legal profession and for the conduct of litigation . . .[89]

Although, "[i]deally, . . . litigants will settle the amount of a fee," [90] this "ideal" cannot be realized where the parties have no way of estimating how much a court would award in a particular case.

Finally, the most significant adverse effect of the various methods presently employed to calculate the amount of fee awards under the Act is that the awards generated by the application of those methods cannot be characterized as "reasonable," in any conceivable sense of that term. The state of New York, for example, is currently appealing two cases in which the combined fee awards exceed $2 million. The cumulative effect of such awards on public treasuries is devastating. The state of Washington, for example, currently has pending against it over $8 million in attorney's fees claims. The state of Florida paid nearly $2.6 million in court-awarded attorney's fees during 1983 alone, and fee awards in recent years in that state have equalled roughly 80 percent of *all* substantive civil rights judgments against the state. Although the numbers are smaller, the state of Kansas has paid more in attorney's fees awards during the past three years than it has for all other settlements and judgments of any kind during that same period.

The escalating amount of fee awards has evoked harsh criticism from the judiciary, the press, and the public, as well as from many attorneys. In response to a survey of attorneys and federal judges, conducted by the Federal Judicial Center, 111 of 184 respondents agreed with the statement that "attorneys in class action suits [including civil rights actions] often reap 'windfall profits.' " [91] Judges also agreed, at a ratio of nearly three to one, that "fee abuses are a serious problem." [92] Concluding that "[t]he feeling that attorneys reap exorbitant fees appears to run deep," Professor Arthur Miller noted that "current attempts to reform the fee awards standards may be a logical response to a problem widely thought to exist by the judiciary, and many attorneys, as well as by the press and the public." [93]

Since the courts have thus been unable to arrive at consistent and workable standards for computing a "reasonable" fee under the Act, Congress should amend the statute to eliminate the chaos that is undermining its effective implementation. One partial solution that would eliminate much of the confusion and, at the same time, avoid blatantly excessive fees, would be for Congress to set a maximum hourly rate at which counsel may be compensated, as Congress was careful to do in the Equal Access to Justice Act, where the federal treasury was at risk.[94] In order to avoid disparate treatment for state and local treasuries, Congress should afford them the same protection. Other specific amendments are recommended later in this report.

Recommendaton No. 6: The Congress should amend the Fees Act to provide that the prevailing party shall not be awarded fees in excess of $75 per hour.

Finding No. 7: Courts routinely make "bonus" awards or apply "multipliers" to the hourly rates set for prevailing counsel, resulting in grossly inflated awards constituting a "windfall" to prevailing counsel.

The awarding of "bonuses" over and above the "lodestar" amount (reasonable number of hours spent times reasonable hourly rate) has become commonplace under § 1988.[95] This growing practice has netted spectacular fee awards in many cases, far in excess of the reasonable value of the services rendered. For example, in *Bolden v. Pennsylvania State Police*, 491 F. Supp. 958 (E.D. Pa. 1980), an employment discrimination case, the court increased the basic fee by 50 percent, converting an $88,450 award into $132,675 (the total award, including $6,685 for law student services and $12,612.50 for preparation and litigation of the fee application, came to over $151,000). Although the court noted that the legal issues in the case were not particu-

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larly novel, it awarded the 50 percent bonus on account of the "excellent quality" of the legal work and the case's advancement of civil rights.[96] Similar results were reached in the New York case of *Population Services International v. Carey*, 476 F. Supp. 4 (S.D.N.Y. 1979), in which a bonus of $23,240 was added to a base award of $46,760, because the attorneys demonstrated a "high degree of skill and comprehensive research." Presumably counsel's research would have already been reflected in the number of hours billed, and the attorneys' skill would be reflected in their hourly rates, making a further bonus superfluous. In *Vecchione v. Wohlgemuth*, 481 F. Supp. 776 (E.D. Pa. 1979), the court doubled the lodestar amount to account for delay in payment, the quality counsel's work, the case's furtherance of civil rights and defendants' bad faith. The resulting award exceeded $207,000.[97]

The concept of such bonuses or multipliers is nowhere mentioned in the Act. The legislative history, while citing a few cases in which minimal bonuses or multipliers were awarded,[98] fails far short of evincing clear Congressional support for the use of bonuses in computing fee awards. Rather, the concept of bonus awards is entirely a judicial creation, conceived in contexts that are entirely inapposite to the application of § 1988.

The concept originated in antitrust cases resulting in the creation of an equitable fund out of which both plaintiffs and their counsel recover.[99] In awarding fees in such cases, "the court exercises its equitable jurisdiction over the relationship between an attorney and his amorphous client." [100] The rationale for fee awards in such cases is one of quantum meruit—"the members of the [benefited] group should pay 'compensation as was reasonable'. . . to the attorney representing their interests." [101] Under that theory, bonus awards make sense and are easily implemented, particularly where the case has created a large monetary fund out of which the award will be paid.

By contrast, fee awards under § 1988 are paid by the defendant *in addition to* any other judgment against him. Since the defendant is not the one who *benefited* from the action, the quantum meruit theory cannot be used to justify inflation awards in such cases. Nor can a bonus in such cases be characterized as part of the defendant's equitable "punishment" for legal wrongs against the plaintiffs, since, under § 1988, unlike in the antitrust cases, fees must be paid in *addition* to the compensatory relief on the merits, rather than out of it.[102]

An additional significant difference between fee awards in antitrust cases and those in § 1983 actions is that, in the latter, the fee award must be paid by a state or other public entity rather than by a private defendant. The state, unlike a private defendant, is a representative of the public interest; and the taxpayers who ultimately bear the burden of such awards are not guilty of any wrongdoing. Extra caution is therefore warranted in assessing the amount of the award so as not to disrupt state and local governments or unduly reduce the amount of money available for other public purposes. Since the rationales underlying bonus awards have no application in the context of § 1988, the adoption of this mechanism into the calculation of fees under § 1988 is not warranted.

Moreover, bonus awards are entirely inconsistent with the purposes of § 1988. First of all, bonuses are, by definition, "windfalls" to plaintiff's counsel, since bonuses are awarded in addition to "compensation of [Plaintiffs] legal expenses," which is all that Congress intended to provide.[103] As noted by one court, "multiplying the number of hours properly spent times a reasonable hourly rate is sufficient to serve [the] goal" of attracting competent counsel.[104] Anything more than that is simply "unearned personal gain at the public expense[105] or, in other words, "windfall."[106]

Second, even where some rationale is given for awarding a bonus, the *amount* of the bonus awarded is entirely arbitrary,[107] thus violating Congress's mandate that fee awards be "reasonable." Even courts that have endorsed the use of bonuses have commented on the subjectivity of arriving at a precise amount.[108] As noted by one court, the use of bonuses is an "open-ended device" that "is able to undo in a twinkling . . . all of the careful calculations" involved in setting the lodestar amount.[109] The arbitrary nature of such awards is exacerbated by the fact that a difference between a bonus, of, *e.g.*, 10 percent and one 25 percent can result in a difference of hundreds of thousands of dollars in a protracted case.

The lack of consistency and predictability of bonus awards is directly contrary to Congress's purpose of ensuring uniformity and consisistency in fee awards.[110] Furthermore, as a practical matter, the unpredictability of bonus awards makes it difficult for the parties to settle fee claims, since the prospect of bonus awards makes it impossible to estimate, with any degree of accurancy, the total amount of fees a court would be likely to award in a particular case.[111] Finally, the exorbitant fee awards that result from the use of bonuses certainly cannot be characterized as "reasonable" in amount.[112]

An examination of the justifications offered by courts in support of bonus awards reveals that those justifications are, in fact, fallacious and inconsistent with the overall purposes of the Act. The primary justification used to support bonus awards is that a bonus is necessary to account for the contingent nature of success, often termed the "risk of loss" or the "contingency factor." The roots of this concept can be found in the contingent fee agreements that often obtain between tort plaintiffs and their attorneys. In those circumstances, a contingent fee arrangement has "an economic rationale: it compensates plaintiff's lawyer for his services as an entrepreneur who bears the risks of litigation."[113] By taking a number of cases on a contingency basis, plaintiff's counsel can use the large fees recovered in successful cases to cover the losses he incurs in unsuccessful ones. Such arrangements thus have the purpose and effect of financing not only meritorious but also losing cases.[114]

However, such a purpose and effect are entirely inconsistent with those of Congress in enacting § 1988. Congress intended the Act to encourage and provide compensation only for *meritorious cases,*[115] certainly not for losing cases,[116] nor even for cases that have a reasonable chance of success but do not ultimately succeed.[117] In fact, Congress intended the Act to *deter* meritless suits.[118] As the Supreme Court said recently with respect to another fee statute, "One might well imagine the surprise of the legislators who voted for this section as an instrument for deterring meritless suits upon learning that instead it could be employed to fund such suits."[119]

As pointed out by one commentator, ignoring the contingency factor is more consistent with Congressional intent: "Putting the lawyer to the risk in close cases helps weed out meritless claims . . . [and] provide[s] a desirable check on the . . . increase in court docket congestion."[120] Moreover, "[i]f [unsuccessful] litigation is to be subsidized, one may well ask why the subsidy should come from the defendant in another case."[121]

Contingency bonuses have the further untoward effect of rewarding, and hence encouraging, marginal claims to an even greater extent than clearly successful ones, since the amount of a contingency bonus varies inversely with the strength of plaintiff's claim.[122] Awarding bonuses on this basis is patently unfair to defendants, since such award have the converse effect of forcing defendants to pay higher attorney's fees where they had a strong, but ultimately unsuccessful, defense than where violations of plaintffs' rights were clear from the outset.[123] Such awards cannot serve to deter egregious civil rights violations by potential defendants, one of the subsidiary purposes of the Act,[124] since defendants are "penalized" only where it is unclear, prior to litigation, that their conduct is, in fact, illegal.[125]

Finally, to the extent that contingency bonuses are intended to protect plaintiffs' counsel against the risk of nonpayment for their services, such bonuses are particularly inappropriate where plaintiffs are represented by a legal services organization that never receives payment from its clients and whose funding is not contingent on whether it prevails in individual cases. Such attorneys "cannot truly be said to have undertaken a risk of no remuneration." 126 As aptly stated by one commentator:

"If an organization is not permitted to charge its clients for its services . . . what does that organization *risk* in undertaking representation in one of the *few* types of cases which permit recovery of a fee? . . . [L]itigation which permits the collection of a fee by a federally funded legal services organization is actually the most lucrative type of litigation available to such organizations.[127]

Nor can contingency bonuses to legal services attorneys be justified on other grounds. Such bonuses cannot operate as an incentive for such groups to take more civil rights cases,[128] since an Internal Revenue Service ruling prohibits public interest law firms seeking tax-exempt status from "us[ing] the likelihood or probability of a fee award as a consideration in its selection of cases."[129] Furthermore, no additional incentive is needed to induce such organizations to take on such cases, since "[t]hese organizations exist to represent groups like the [plaintiff] class, with constitutional claims at the cutting edge of the law." [130] Nor should contingency bonuses be used as an indirect means of funding legal services organizations.[131] This Act was not intended for that general purpose,[132] but rather, only to finance *successful civil rights* cases, and there is no guarantee that bonuses received by legal services organizations will be used for that limited purpose. Thus, contingency bonuses to legal service attorneys, which serve none of the purposes of § 1988, must be characterized as impermissible windfalls to such organizations.

Other rationales, in addition to contingency, used by the courts to justify bonus awards include the complexity of the case and the quality of the services provided by plaintiffs' counsel. Since the complexity of the case increases the number of hours reasonably spent, and the quality of representation increases the reasonable hourly rate used to compute the lodestar amount, a bonus supplementing the lodestar based on the factors necessarily constitutes a windfall, which should be disallowed.[133]

A bonus based on benefits obtained by the plaintiffs in the underlying case is also contrary to the purposes of the Act and unfair to the defendants. The basic fee award is designed to compensate plaintiffs to whatever extent that they prevail.[134] A party who fully prevails will receive compensation for all time reasonably spent in doing so and, accordingly, will receive a higher fee than one whose success is limited.[135] An additional bonus for success can only constitute a windfall. Moreover, the amount of a bonus based on results is likely to be arbitrary, particularly in nonmonetary cases where the results are difficult to translate into quantitative terms.[136] Finally, a court that has just ruled in plaintiff's favor might be inclined to reemphasize the importance of its ruling by rewarding plaintiff again, by way of a bonus, for his "outstanding" success. Such a bonus is unfair to defendants, since they have already "paid" for the results of their wrongdoing via the relief awarded against them on the merits. To "punish" them again by supplementing the fee award is contrary to the compensatory, nonpunitive purpose of the Act. Eliminating such bonuses would eliminate this subjective element of fee awards.[137]

For all of the reasons discussed above, bonus awards are inconsistent with the purposes of § 1988. Rather than merely compensate plaintiff's counsel for their legal expenses in prosecuting a particular civil rights case, all that the act intended, bonus awards constitute windfalls to plaintiff's counsel, a result that Congress expressly intended to avoid. Therefore, Congress should amend the Act to prohibit the use of bonuses or multipliers in computing a fee award.

Recommendation No. 7: The Congress should amend the Fees Act to prohibit the award of bonuses or multipliers in excess of compensation at a reasonable hourly rate for the number of hours reasonably spent by prevailing counsel.

Finding No. 8: In applying the Fees Act to prevailing parties represented by publicly-funded salaried attorneys, courts normally award fees based on hourly rates charged by private counsel, resulting in windfalls that substantially exceed the actual costs of the litigation.

In computing a "reasonable" attorney's fee for prevailing counsel, most courts have applied the market rates charged by private law firms to their fee-paying clients, even where the attorney seeking fees has not actually incurred the high costs ordinarily associated with private practice. For example, in a case now pending before the District Court of Massachusetts, a law professor employed by Harvard University at an annual salary of $70,000 and having minimal overhead expenses seeks to be compensated at the rate of $275 per hour (plus a bonus of 50 percent), a rate higher than those charged by even the most high-priced private firms in the area.[138]

In *Dennis* v. *Chang*, 611 F.2d 1302 (9th Cir. 1980), attorney's fees were awarded in four civil rights actions in which a nonprofit legal aid society, partially funded by the state of Hawaii, represented the prevailing plaintiffs. The Ninth Circuit specifically rejected the argument that the legal aid society should be reimbursed only for its actual costs in litigating the case. Rather, the court concluded that the fee award should be based upon rates charged by private Honolulu attorneys. Similarly, in *Stenson* v. *Blum* No. 81-7385 (2d Cir.), *cert. granted*, 103 S. Ct. 2426 (1983), the Second Circuit affirmed an award of fees to a publicly-funded legal services organization, at the rate of $95 to $105 per hour, "the rate[s] charged for similar work by [private] attorneys of like skill in the area." Those cases are not atypical.[139] However, as a few courts and commentators have recognized, awarding fees to legal services attorneys at "market" rates "constitute[s] a substantial windfall for the organizations involved" and therefore should not be permitted under § 1988.[140]

A proper determination of what constitutes a "reasonable" hourly rate for legal services attorneys must begin with an examination of the language of the Act and its legislative history. The Act itself provides some guidance by authorizing the award of "a reasonable attorney's fee *as part of the costs.*" The legislative history also repeatedly equates attorney's fees with the costs of litigation and emphasizes that the Act is intended to reimburse plaintiff's counsel for the "cost" of vindicating plaintiff's civil rights in court.[141]

The legislative history further indicates that the Act was intended primarily to encourage *private* attorneys to take civil rights cases,[142] although the House Report indicates, in a footnote, that "a prevailing party is entitled to counsel fees even if represented by an organization." [143] Thus, the legislative history falls far short of mandating that legal services attorneys be compensated at "market" rates. Moreover, even if Congressional endorsement of the market-rate system could be inferred form the legislative history, the escalating rates that have resulted from its application require a reexamination of that system in light of the overall puposes of § 1988.[144]

What the legislative history does unequivocally demonstrate is Congress's intent that, however fees are computed under the Act and to whomever they are awarded, the amount of such fees should not be such as to constitute a windfall to prevailing counsel.[145] A close examination of the market-rate system of computing hourly rates for legal services attorneys reveals that it is contrary to that clear legislative intent.

As a few courts and commentators have recognized, assigning "market" rates to legal services attorneys presents difficult, if not insurmountable, problems. First of all, to state the obvious, there is no true "market" for the services of legal services attorneys, since they receive no fees from their clients. Particularly since minimum fee schedules may no longer be used,[146] rates vary widely within communities and even within individual law firms,[147] depending on factors having no necessary relationship with the value of the services rendered or the experience and skill of the attorneys involved, for example, the attorney's relationship with a particular client, what that client can afford to pay, the firm's overhead expenses, and how much profit the firm desires to make.[148] Since such factors are unrelated to the value of a legal services attorney's services in a particular case, assigning such an attorney a rate based on these factors is patently unreasonable and inconsistent with the legislative purpose of compensating civil rights attorneys only for the value of their services in a particular case.

More significant, in light of Congress' clear intent to avoid windfalls, is the fact that rates determined in this manner are likely to far exceed the legal service organizations' actual costs, since such rates are computed on the basis of the high overhead expenses and profit margins of private firms, which are not shared by legal services organizations.[149] Any such excess is obviously a windfall to such organizations.[150] Particularly where the party paying the fee is a state government, "the difference, if any, between the 'market value' fee and the 'compensation' fee would be better spent in remedying [the civil rights violation that gave rise to the action]." [151]

Although the market-rate system may have been adopted in order to *avoid* treating legal services organizations any differently from private attorneys,[152] that system, in effect, gives such publicly-funded counsel an unfair advantage over their private counterparts. As noted by one commentator:

"Requiring district courts to award identical gross fees to private and organizational counsel, notwithstanding the greater litigation expenses incurred by private counsel, would effectively award a higher return of profit to organizational counsel. Such a rule would lead a court to arbitrarily increase an otherwise reasonable award of attorney's fees simply because plaintiff's counsel happened to be employed by a legal services organization." [153]

Such disparate treatment is not only unfair to the litigants on both sides of civil rights cases, but is also directly contrary to "the spirit of 'reasonableness' which is the heart of section 1988. * * * Legal services organizations, along with their counterparts in private practice, are not entitled to anything more than a reasonable fee under section 1988." [154]

In order to avoid windfalls to legal services attorneys, a few lower courts have adopted an alternative method of computing hourly rates for legal services organizations, based on the actual litigation expenses of such organizations. Rather than arbitrarily assigning "market" rates to such attorneys, hourly rates are computed according to the hourly wages of the attorneys involved plus the percentage of the annual overhead of the organization attributable to the number of hours reasonably spent by the organization's attorneys on the case.[155]

This cost-based method has the advantages of more accurately reflecting the actual costs of vindicating a plaintiff's rights in a particular case, without compensating plaintiff's counsel for overhead and other expenses not actually incurred.[156] Such a system is consistent with the factors enumerated in *Johnson* v. *Georgia Highway Express* and endorsed by the Congress. An individual attorney's salary presumably reflects his relative skill and experience within the organization.[157] Other pertinent factors, such as the novelty and complexity of the case, would still be reflected in the court's consideration of the number of hours reasonably spent. Moreover, it must be remembered that the *Johnson* criteria were intended only as guidelines and were *not* meant to be applied so as "to make the prevailing counsel rich.[158]

In addition, a cost-based system is actually easier to administer than the more subjective and essentially arbitrary market-rate system.[159] The information needed to compute rates on this basis, i.e., attorneys' salaries and organizational overhead, is readily available, since legal services organizations are required under the Legal Services Corporation Act[100] to report such information as a condition to their receipt of federal funding. By contrast, under the market-rate system, prevailing counsel have the substantial burden of producing detailed and case-specific affidavits from community lawyers of similar experience and other expert testimony in order to establish an appropriate market rate for their services.[101] Furthermore, the objectivity of such information will facilitate settlement of fee claims by such organizations.

In sum, a cost-based system for determining reasonable hourly rates for legal services attorneys is consistent with the language and intent of the Act and is certainly preferable to the subjective and inflationary market-rate analysis currently applied by most courts. Under a cost-based system, legal services attorneys would receive full compensation for the cost of vindicating their clients' rights. They should not and cannot reasonably expect to receive more. Accordingly, Congress should amend the Act to provide that fee awards to salaried publicly-funded attorneys be computed on the basis of their actual costs.

Recommendation No. 8: The Congress should amend the Fees Act to provide that, where the prevailing party is represented by a publicly-funded legal services organization, courts should compute a reasonable hourly rate for such counsel based on the actual costs of the litigation to the organization, including the proportion of the attorney's annual salary and of the organization's annual overhead attributable to the number of hours reasonably spent on the case.

Finding No. 9: The Fees Act affects the process of legal dispute resolution in a way that is unfair to public defendants and that further burdens the courts by:

A. making it more desirable for plaintiffs to commence litigation, rather than settle disputes informally;

B. making it more advantageous for plaintiffs to continue litigation rather than settle where any meritorious claim is presented;

C. making it less desirable, once litigation is underway, for public defendants to alter challenged laws, administrative regulations, or official positions in any way that favors the plaintiffs;

D. making it less desirable for public defendants to litigate those close issues that should be litigated; and

E. making it difficult for plaintiffs and defendants to settle claims for attorney's fees.

Throughout this report, a recurring theme has been the adverse effect of various aspects of the Fees Act, as interpreted and applied by the courts, on the process of settling disputes. Because of the courts' liberal construction of "prevailing party" combined with their rejection of virtually all circumstances justifying the denial of fees, plaintiffs with any colorable claim are encouraged to commence suits, rather than attempt to resolve disputes informally, and to continue to litigate every claim, secure in the prospect of a substantial fee award as long as they prevail on any issue or succeed in obtaining some benefit after the commencement of litigation. Moreover, the longer the litigation continues, the higher the award the plaintiffs can expect to receive.

Conversely, defendants are discouraged from informally resolving disputes for fear that their actions will confer prevailing party status on the plaintiffs, virtually guaranteeing liability for fees. Public defendants are discouraged, however, from litigating cases where they have a strong defense, since in such cases, if plaintiffs ultimately prevail, defendants are forced to pay for both sides of the litigation plus a "contingency bonus" based on plaintiffs' high risk of loss.

Furthermore, because of the absence of uniform standards for calculating a "reasonable" fee award, plaintiffs and defendants have difficulty settling fee claims without litigation. Plaintiffs are further encouraged to litigate their claims for fees, since the cost of fee litigation is also charged to the defendants.

The net result of these incentives and disincentives is to deter plaintiffs from settling meritorious cases but to encourage defendants to settle close cases where they have a strong, but possibly unsuccessful, defense. Many of the foregoing recommendations, if adopted by the Congress, would partially alleviate these skewed and undesirable effects of the Act. However, in order to further encourage settlement, where appropriate, and thereby reduce unnecessary litigation, to the mutual benefit of all parties and the courts, additional reforms are necessary.

In order to encourage pre-litigation settlement, plaintiffs should be precluded from receiving fees where it can be shown that the litigation was commenced primarily for the purpose of obtaining attorney's fees.[102] Such a denial would be warranted where, for example, plaintiffs made no attempt to resolve the dispute informally prior to litigation or filed suit despite defendants' willingness to settle the matter informally.

Once litigation is commenced, settlement could be encouraged by precluding an award of fees to plaintiffs who reject an offer of judgment made pursuant to Rule 68 of the Federal Rules of Civil Procedure and subsequently obtain a less favorable judgment from the court. Although some courts have construed Rule 68 to require the denial of attorney's fees in such circumstances,[103] other courts have disagreed.[104]

The denial of fees incurred after the rejection of a settlement offer that turns out to be more favorable than the relief eventually obtained from litigation would "work to further the legitimate concerns of judicial economy and efficiency without discouraging attorneys from pursuing civil rights litigation."[105]

Recommendation No. 9: The Congress should amend the Fees Act to provide that the court deny attorney's fees to a prevailing party, where it determines:

A. that the lawsuit was brought principally for the purpose of obtaining attorney's fees; or

B. that the prevailing party rejected an offer of judgment made pursuant to Rule 68 of the Federal Rules of Civil Procedure, or a cognate state rule of procedure, that was more favorable than the relief ultimately granted by the court, in which case no fees shall be awarded for the services rendered after the date of the offer.

CONCLUSION

The Association's recommendations are designed to further the original purposes of the Fees Act while eliminating some of the serious problems that have arisen from its application. In general terms, the major problem with the Act, as presently implemented by the courts, is the lack of uniform and easily applied standards of determining eligibility for fees and for computing the amount of a reasonable fee in particular cases. Absent such standards, state and local governments are faced not only with high and occasionally exorbitant fee awards, but also with the burden and expense of opposing excessive and unjustified claims for fees. Without clear standards, such opposition inevitably takes the form of complex and protracted litigation over fees, which further saps the resources of state and local governments, to the detriment of all parties, the courts, and ultimately, the public, the Act's intended beneficiaries. Legislative reform, along the lines recommended by the Association, is therefore urgently needed.

ABOUT THE ASSOCIATION

The National Association of Attorneys General was founded in 1907 for the purpose of fostering communication of legal developments and cooperative legal actions among the states' chief legal officers and their staff attorneys.

The Association staff compiles and disseminates information on legislative, agency, and judicial developments that have an impact on state legal affairs, and provides research and technical assistance to the offices of Attorneys General. The Association handles hundreds of information requests each month from the offices of Attorneys General, members of Congress, officials of the federal government, and the public. Information clearinghouses are maintained in ten substantive areas: antitrust, commerce, consumer protection, charitable trusts and solicitations, bankruptcy, criminal justice, corrections, and institutional confinement, energy, environment, and medicaid fraud. In addition, the Association has been fortunate to obtain under the Intergovernmental Personnel Act (IPA), the services of two senior attorneys from the Department of Justice to assist state Attorneys General in the areas of management and information systems, and Supreme Court advocacy.

The Association operates an extensive continuing legal education program in numerous substantive law areas attended by Attorneys General, Assistant Attorneys General, and other state and local govenment officials.

The Association publishes five monthly reports of significant state and federal legal developments and legislative activities, as well as A-G Report, which focuses on the activities and responsibilities of Attorneys General. These publications are available to the bar and the public.

The full Association meets twice yearly, in June and in December, at which time it receives recommendations from the committees and subcommittees, and thereafter debates and decides what action the Association shall take on litigation, legislation and policy issues. The autonomy of each Attorney General is carefully protected and the influence of the Attorneys General working within the Association is targeted at those issues on which there is unanimous or nearly support.

The Associations's staff works with numerous committees and subcommittees of the Congress in implementing the Association's policy positions by coordinating testimony of Attorneys General and providing such committees with the views of the Association on particular issues. In addition, we work closely with numerous state, local, and other associations on national issues of mutual concern.

Each spring, Attorneys General meet in Washington, D.C., with the President, Vice President, U.S. Attorney General, and chiefs of the antitrust, civil rights, criminal, and lands and natural resources divisions of the Department of Justice, the Chief Jus-

tice of the United States, House and Senate Judiciary Committee chairmen, and other key members of the Administration and Congress.

There are seven former Attorneys General who now serve in the Congress. Senator Jeff Bingaman (D-N.M.) was elected in November 1982 and joins Senators Slade Gorton (R-Wash.), Warren Rudman (R-N.H.), John Danforth (R-Mo.), Thomas Eagleton (D-Mo.), and Robert Stafford (R-Vt.), as well as Rep. Jim Jeffords (R-Vt.).

There are 10 Governors who are former Attorneys General: Governors Richard Bryan (D-Nev.), George Deukmejian (R-Calif.), Toney Anaya (D-N.M.), Mark White (D-Tex.), and Bill Clinton (D.-Ark.), William Allain (D-Miss.), William Brennan (R-Me.), Bruce Babbit (D-Ariz.), Alan Olson (R-N.D.), and William Janklow (R.-S.D.).

FOOTNOTES

[1] *Id.* at 269.

[2] S. Rep. No. 1011, 95th Cong., 2d Sess. 1,4(1976), *reprinted in* 1976 U.S. Code Cong. & Ad. News 5908.

[3] 121 Cong. Rec. 26,806 (1975) (remarks of Sen. Tunney); H.R. Rep. No. 1558, 95th Cong., 2d Sess. 2 (1976).

[4] 122 Cong. Rec. 33,314 (1976) (remarks of Sen. Abourezk), 35,116 (remarks of Rep. Anderson).

[5] 121 Cong. Rec. 26,806 (1975) (remarks of Sen. Tunney); 122 Cong. Rec. 31,472, 33,314 (remarks of Sen. Kennedy), 35,115 (remarks of Rep. Anderson), 35,124 (remarks of Rep. Railsback), 35,126 (remarks of Rep. Fish), 35,127 (remarks of Rep. Holtzman) (1976).

[6] 122 Cong. Rec. 35,126 (remarks of Rep. Kastenmeier) (1976).

[7] *Id.*

[8] 122 Cong. Rec. 33,314 (remarks of Sen. Kennedy), 35,127 (remarks of Rep. Jordan) ("This is not a food-stamp bill for lawyers. It is not going to work that way."), 35,128 (remarks of Rep. Seiberling) ("not a lawyers' bill") (1976).

[9] 121 Cong. Rec. 26,806 (1975) (remarks of Sen. Tunney) ("Bill would do nothing to encourage frivolous or bad faith litigation"); 122 Cong. Rec. 35,127 (remarks of Rep. Jordan), 35,128 (remarks of Rep. Seiberling) (1976); H.R. Rep. at 7.

[10] H.R. Rep. at 9; S. Rep. at 6.

[11] H.R. Rep. at 6-9; 122 Cong. Rec. 35,155-17 (remarks of Rep. Anderson and Rep. Railsback), 35,122-23 (remarks of Rep. Seiberling) (1976).

[12] In that case, the Supreme Court construed 42 U.S.C. §§ 1983 and 1988 to apply to actions to enforce rights secured by any federal statute and ruled that such actions could be brought in state as well as federal courts.

[13] *See Hensley* v. *Eckerhart*, 103 S. Ct. 1933, 1944 (1983) (Brennan, Marshall, Blackburn, and Stevens, JJ., concurring in part and dissenting in part) (referring to fees litigation as "one of the least socially productive types of litigation imaginable").

[14] 42 U.S.C.A. § 1988 (West 1981) at 155-305 and (West Supp. 1983) at 13-48.

[15] *Maher* v. *Gagne*, 448 U.S. 122 (1980); *Maine* v. *Thiboutot*, 448 U.S. 1 (1980); *Roadway Express, Inc.* v. *Piper*, 447 U.S. 752 (1980); *New York Gaslight Club* v. *Carey*, 447 U.S. 54 (1980); *Hanrahan* v. *Hampton*, 446 U.S. 754 (1980); *Supreme Court of Virginia* v. *Consumers Union*, 446 U.S. 719 (1980).

[16] *See, e.g.*, Note, *Awards of Attorney's Fees in the Federal Courts*, 56 St. John's L. Rev. 277 (1982) (citing numerous other articles on the subject); *see also* Fioretti & Convery, *Attorney's Fees Under the Civil Rights Act—A Time for Change*, 16 J. Mar. L. Rev. 261 (1983).

[17] E. Larson, *Federal Court Awards of Attorney's Fees* (1981); H. Newberg, *Public Interest Practice and Fee Awards* (1981); M. Derfner & A. Wolf, *Court Awarded Attorney Fees* (1983).

[18] *Attorney Fee Awards Reporter* (Harcourt Brace Jovanovich).

[19] L. Cutler, *Foreword* to Derfner & Wolf, *supra* at vii.

[20] *Mills* v. *Eltra Corp.*, 663 F.2d 760, 761 (7th Cir. 191) (186 hours devoted to case on the merits and over 350 hours on the fee portion).

[21] *Hensley* v. *Eckerhart*, 103 S. Ct. 1933, 1941 (1983).

[22] *Id.* at 1944 (Brennan, Marshall, Blackmun, and Stevens, JJ., concurring in part, dissenting in part).

[23] *Id.* at 1950-51.

[24] *Compare, e.g., New York Association for Retarded Citizens v. Carey*, 711 F.2d 1136 (2d Cir. 1983) *with Stenson v. Blum*, No. 81-7385 (2d Cir. 1982), *cert. granted*, 103 S. Ct. 2426 (1983); *compare also National Association of Concerned Veterans v. Secretary of Defense*, 675 F.2d 1319 (D.C. Cir. 1982), *with Environmental Defense Fund, Inc. v. EPA*, 672 F.2d 42 (D.C. Cir. 1982), *and Jordan v. United States Department of Justice*, 691 F.2d 514 (D.C. Cir. 1982).

[25] 82 *Shepard's United States Citations* (Supp. No. 6) at 308 and (Supp. No. 7) at 96.

[26] *See* floor debates and House and Senate reports cited in introduction, *supra*.

[27] *See Maine v. Thiboutot*, 488 U.S 1, 25-26 (1980) (Powell, J., dissenting); Comment, *The Scope of the Civil Rights Attorney's Fees Awards Act After Maine v. Thiboutot, Maher v. Gagne, and Supreme Court of Virginia v. Consumers Union*, 66 Iowa L. Rev. 1301, 1311-13 (1981); Case Comment, *Statutory Non-Civil Rights Violations of Section 1983 and Awards of Attorney's Fees After Maine v. Thiboutot*, 61 B.U.L. Rev. 1069, 1086-89 (1981).

[28] *Id.* at 4-9.

[29] *Id.* at 8.

[30] *Id.* at 22, 24.

[31] *Id.* at 24.

[32] *Stratos v. Department of Public Welfare*, 387 Mass. 312 (1982). Although the court viewed the claim as "substantial" under the "painstakingly minimal standard of substantiality defined in *Hagans v. Lavine*," *id.* at 319, it expressed doubt that plaintiff could have actually prevailed on his equal protection claim, given the minimal level of scrutiny applicable to classifications drawn by law or government practice where, as here, no suspect classification or fundamental right is involved. *Id.* at 318.

[33] H.R. Rep. at 4 n. 7. It should be noted that the test of "substantiality" articulated in *Hagans* was developed for purposes of federal *jurisdiction* and is therefore ill-suited to determining whether a party has prevailed on the merits. See M. Derfner & A. Wolf, *Court Awarded Attorney Fees*, ¶ 12.01 (1983).

[34] *Hagans* v. *Lavine, supra* at 536-43; *see Stratos, supra* at 319.

[35] *Id.* at 564.

[36] *See* m. Derfner & A. Wolf, *Court Awarded Attorney Fees* ¶¶ 12.01-03 (1983).

[37] *See* 122 Cong. Rec. 35,122 (1976) (remarks of Rep. Drinan, sponsor) (Act passed to encourage enforcement of civil rights by "'private attorney[s] general' advancing the rights of the public at large, and not merely some narrow parochial interest").

[38] *Id.* at 1167.

[39] *Id.* at 1167-68

[40] *Id.* at 108 (emphasis omitted).

[41] *See also Armstrong v. Reed*, 462 F. Supp. 496 (N.D. Miss. 1978) (where state statute was amended while case was pending, judgment entered in state defendants' favor, but fees awarded to plaintiffs since they "accomplished their goal"); *Coalition for Basic Human Needs v. King*, 691 F.2d 597 (1st Cir. 1982) (the First Circuit reversed the district court's denial of fees and awarded approximately $15,000 to the plaintiffs, based on their "success" in obtaining a short injunction pending appeal of a lower court denial of a requested preliminary injunction, even though the actual benefits, appropriation of welfare funds were conferred by the state legislature, not by the defendants or the court, even before the injunction went into effect).

[42] *Cicero v. Olgiati*, 473 F. Supp. 653, 655 (S.D. N.Y. 1979).

[43] M. Derfner & A. Wolf, *Court Awarded Attorney Fees* ¶ 9.02 (1983).

[44] *Bly* v. *McLeod*, 605 F.2d 134, 138 n. 6 (4th Cir. 1979), *cert. denied*, 445 U.S. 928 (1980).

[45] *Kenley* v. *Young*, 455 U.S. 961 (1982).

[46] *Id.* at 967.

[47] *See, e.g.*, H.R. Rep. at 6-7. *Compare, Vermont Low Income Advocacy Council, Inc.* v. *Usery*, 546 F.2d 509, 36 A.L.R. Fed. 519 (2nd Cir. 1976), applying stricter test under attorney's fees provision of the Freedom of Information Act (FOIA), 5 U.S.C. § 522 (a)(4)(E) under which "court may assess against the United States reasonable attorneys fees . . . in any case . . . in which the complainant has substantially prevailed".

[48] 519 F. Supp. 309 (N.D. Ill. 1981).

[49] Fioretti & Convery, *Attorney's Fees Under the Civil Rights Act—A Time for Change*, 16 J. Mar. L. Rev. 261, 278 (1983).

[50] *Id.*

[51] *Id.* at 1940.

[52] *Id.*

[53] *Id.* at 1939.

[54] *See id.* at 1950 (Brennan, J., concurring in part and dissenting in part).

[55] *Id.* at 1951.

[56] *See* 82 *Shephard's United States Citations* (Supp. No. 6) at 308 (Supp. No. 7) at 96.

[57] *See* H.R. Rep. at 8. Approximately half of the federal fee-shifting statutes are mandatory. M. Derfner & A. Wolf, *Court Awarded Attorney Fees* ¶ 5.02 [2] (1983); *see, e.g.*, Age Discrimination in Employment Act of 1967, 29 U.S.C. § 626(b); Truth in Lending Act, 15 U.S.C. §§ 1640(a), 1667b(a). 1667d(a), 1681n, 1681o, 1961e(d); Civil Service Reform Act of 1978, 5 U.S.C. § 5596(b)(1)(A)(ii); Right to Financial Privacy Act of 1978, 12 U.S.C. § 3417(a)(4).

[58] Derfner & Wolf, *supra* at ¶ 10.01 (emphasis added). *See, e.g., Hutchinson v. William C. Barry, Inc.*, 50 F. Supp. 292, 298 (D. Mass. 1943).

[59] Derfner & Wolf, *supra* at ¶ 10.01.

[60] *Id.* (emphasis added).

[61] 122 Cong. Rec. 31,471 (1976) (remarks of Sen. Mathias). *See also* 122 Cong. Rec. 31,472 (remarks of Sen. Kennedy), 35,118, 35,128 (remarks of Rep. Seiberling), 35,126 (remarks of Rep. Fish) (1976); H.R. Rep. at 1, 2-3, 6; S. Rep. at 2, 3, 6.

[62] *Compare, e.g.*, the Magnuson-Moss Warranty-Federal Trade Commission Improvement Act, 15 U.S.C. § 2310(d)(2), which provides as follows:

"If a consumer finally prevails . . . he may be allowed by the court to recover . . . attorney's fees . . . unless the court in its discretion shall determine that such an award of attorney's fees would be inappropriate."

[63] Fioretti & Convery, *Attorney's Fees Under the Civil Rights Act—A Time for Change*, 16 J. Mar. L. Rev. 276 (1983).

[64] Derfner & Wolf, *supra*, at ¶ 10.02[3] (1983); Fioretti & Convery, *supra* at 276; *Judicial Discretion and the 1976 Civil Rights Attorney's Fees Awards Act: What Special Circumstances Render an Award Unjust?*, 51 Fordham L. Rev. 320 (1982).

[65] *See, e.g., Supreme Court of Virginia v. Consumers Union*, 446 U.S. 719, 739 (1980); *Hutto v. Finney*, 437 U.S. 678, 693 (1978); *Nadeau v. Helgemoe*, 581 F.2d 275, 280 (1st Cir. 1978); *Holley v. Lavine*, 605 F.2d 638, 646 (2d Cir. 1979), *cert. denied*, 446 U.S. 913 (1980); *Bills v. Hodges* 628 F.2d 844, 847, (4th Cir. 1980); *Ellwest Stero Theatre, Inc. v. Jackson*, 653 F.2d 954, 956 (5th Cir. 1981); *Haycraft v. Hollenbach*, 606 F.2d 128, 132 (6th Cir. 1979); *Bond v. Stanton*, 630 F.2d 1231, 1234 (7th Cir. 1980); *Pickett v. Milam*, 579 F.2d 1118, 1121 (8th Cir. 1978); *Seattle School District No. 1 v. Washington*, 633 F.2d 1338, 1349 (9th Cir. 1980), *aff'd*, 102 S. Ct. 3187 (1982); *Love v. Mayor*, 620 F.2d 235, 236 (10th Cir. 1980).

[66] *See, e.g., Crosby v. Bowling*, 683 F.2d 1068, 1072-73 (7th Cir. 1982); *Johnson v. Mississippi*, 606 F.2d 635, 637 (5th Cir. 1979).

[67] *See, e.g., Coalition for Basic Human Needs v. King*, 691 F.2d 597, 602 (1st Cir. 1982).

[68] *See, e.g., Ellwest Stereo Theatre, Inc. v. Jackson, supra* at 956.

[69] *See, e.g., Skoda v. Fontani*, 646 F.2d 1193 (7th Cir. 1981).

[70] *See, e.g., Morrison v. Ayoob*, 627 F.2d 669, 673 (3rd Cir. 1980), *cert. denied*, 449 U.S. 1102 (1981).

[71] *See, e.g., Entertainment Concepts, Inc. v. Maciejewski*, 631 F.2d 497, 507 (7th Cir. 1980), *cert. denied*, 450 U.S. 919 (1981).

[72] *See, e.g., Coop v. City of South Bend*, 635 F.2d 652, 655 (7th Cir. 1980).

[73] *See, e.g., Concerned Democrats v. Reno*, 689 F.2d 1211 (5th Cir.), *rev'g* 493 F. Supp. 660 (S.D. Fla. 1980).

[74] *Price v. Pelka*, 690 F.2d 98 (6th Cir. 1982).

[75] *Connor v. Winter*, 519 F. Supp. 1337, 1348 (S.D. Miss. 1981) (Cox, J., dissenting).

[76] Fioretti & Convery, *supra* at 277.

[77] *Id.*

[78] Fioretti & Convery, *supra* at 277.

[79] 5 U.S.C. § 504(a)(1); 28 U.S.C. § 2412 (d)(1)(A). Congress created this exception as a "safety valve" to preclude fee awards when the federal government "advance[ed] in good faith the novel but credible extension and interpretations of the law that often underlie vigorous enforcement efforts." S. Rep. No. 253, 96th Cong., 2d Sess. 7 (1980). *See also, Vermont Low Income Advocacy Council, Inc. v. Usery, supra*, at 36 ALR F. at 525, 526. (FOIA attorney's fees would not be awarded if the government's withholding of information "had a reasonable basis in law").

[80] *See* Pub. L. No. 96-481, § 201, H.R. Rep. No. 1418, 96th Cong., 2d Sess. 5 (1980), *Reprinted* in 1980 U.S. Code Cong. & Ad. News 4984 (purpose of Act is to remove the financial deterrent to litigation against the United States).

[81] S. Rep. at 5; H.R. Rep. at 8-9. The twelve *Johnson* factors, similar to those contained in the American Bar Association's Code of Professional Responsibility, are: (1) the time and labor required; (2) the novelty and difficulty of the questions; (3) the skill requisite to perform the legal service properly; (4) the preclusion of other employment by the attorney due to acceptance of the case; (5) the attorney's customary fee; (6) whether the fee is fixed or contingent; (7) time limitations imposed by the client or the circumstances; (8) the amount involved and the results obtained; (9) the experience, reputation, and ability of the attorney; (10) the "undesirability" of the case; (11) the nature and length of the professional relationship with the client; and (12) awards in similar cases.

[82] S. Rep. at 5; *see also* H.R. Rep. at 8-9.

[83] Berger, *Court Awarded Attorney's Fees: What Is "Reasonable"?*, 126 U. Pa. L. Rev. 281, 283-93 (1977).

[84] *See, e.g., Furtado v. Bishop*, 635 F.2d 915, 920 (1st Cir. 1980); *Northcross v. Board of Education*, 611 F.2d 624 (6th Cir. 1979), *cert. denied*, 447 U.S. 911 (1980); *Copeland v. Marshall*, 641 F.2d 880 (D.C. Cir. 1980) (*Copeland III*).

[85] *See, e.g., Copper Liquor, Inc. v. Adolph Coors Co.*, 684 F.2d 1087 (5th Cir. 1982); *Anderson v. Morris*, 658 F.2d 246 (4th Cir. 1981); *Avalon Cinema Corp. v. Thompson*, 689 F.2d 137 (8th Cir. 1982).

[86] M. Derfner & A. Wolf, *Court Awarded Attorney's Fees* ¶ 16.01 (1983).

[87] Comment, *Calculation of a Reasonable Award of Attorneys' Fees under the Attorneys' Fees Awards Act of 1976*, 13 J. Mar. L. Rev. 331, 378 (1980).

[88] West's annotations to 42 U.S.C.A. § 1988, concerning guidelines and determinations of a "reasonable" fee, now fill 44 closely printed pages. 42 U.S.C.A. § 1988 (West 1981) at 221-58, (West Sup. 1983) at 29-39.

[89] Berger, *supra* at 283-93.

[90] *Hensley v. Eckerhart*, 103 S. Ct. 1933, 1941 (1983).

[91] A. Miller, *Attorney's Fees in Class Actions* (Federal Judicial Center 1980) at 300.

[92] *Id.* at 306.

[93] *Id.* at 301.

[94] 5 U.S.C. § 504(b)(1)(A); 28 U.S.C. § 241(d)(2)(A) (setting a maximum hourly rate of $75). The Association is sensitive to inflation's effect on the adequacy of an hourly rate and suggests that this should be adjusted periodically.

[95] Leubsdorf, *The Contingency Factor in Attorney Fee Awards*, 90 Yale L.J. 473 (1981).

[96] *Id.* at 965-66. Presumeably the purpose of any fee award under § 1988 is the advancement of civil rights.

[97] *Id.* at 795-800. *See also, e.g., Stenson v. Blum*, No. 81-7385 (2d Cir. 1983), *cert. granted*, 103 S. Ct. 2426 (1983) (affirming 50 percent bonus); *Graves v. Barnes*, 700 F.2d 220 (5th Cir. 1983) (approving multiplier of 2); *Louisville Black Police Officers Organization, Inc. v. City of Louisville*, 700 F.2d 268 (6th Cir. 1983) (approving 33-1/3 percent enhancement); *Manhart v. City of Los Angeles*, 652 F.2d 904 (9th Cir. 1981); *vacated and remanded on other grounds*, 103 S. Ct. 2420 (1983) (approving increments of 75 and 30 percent); *Rajender v. University of Minnesota*, 546 F. Supp. 158 (D. Minn. 1982) (multiplier of 3); *Wells v. Hutchinson*, 499 F. Supp. 174 (E.D. Tex. 1980) (multiplier of 2); *West v. Redman*, 530 F. Supp. 546 (D. Del. 1982) (multiplier of 1.75).

[98] S. Rep. at 6. Those cases were cited as examples of the application of the proper criteria for determining a reasonable fee. Congress nowhere expressly endorsed or even mentioned the use of bonuses.

[99] *See, e.g., Lindy I*, 487 F.2d 161 (3rd Cir. 1973); *Lindy Brothers Builders, Inc. v. American Radiator & Standard Sanitary Corp.*, 540 F.2d 102 (3rd Cir. 1976) *(Lindy II); City of Detroit v. Grinnell Corp.*, 495 F.2d 448 (2d Cir. 1974).

[100] *Prandini v. National Tea Co.*, 557 F.2d 1015, 1020 (3rd Cir. 1977).

[101] *City of Detroit v. Grinnell*, *supra* at 469; *Lindy I*, *supra* at 165.

[102] *See* Berger, *Court Awarded Attorneys Fees: What Is "Reasonable"?*, 126 U. Pa. L. Rev. 281, 317-18 (1977); *see also Hutto v. Finney*, 437 U.S. 678, 695 (1978) (fee award under § 1988 *not* intended to "compensate the plaintiff for the injury that first brought him into court").

[103] *See* S. Rep. at 6 ("counsel . . . should be paid, as is traditional with attorneys compensated by a fee-paying client, 'for all time reasonably expended on a matter' ").

[104] *Oliver v. Kalamazoo Board of Education*, 576 F.2d 714, 716 (6th Cir. 1978).

[105] *Northcross v. Board of Education*, 611 F.2d 624, 638 (6th Cir. 1979), *cert. denied*, 447 U.S. 911 (1980).

[106] *Id.; see also* Berger, *supra* at 292, 317-18, 324 n. 167; Rowe, *The Legal Theory of Attorney Fee Shifting: A Critical Overview*, 1982 Duke L. J. 651, 675.

[107] *See* Berger, *supra* at 290.

[108] *See, e.g., National Association of Concerned Veterans v. Secretary of Defense*, 675 F.2d 1319, 1382 (D.C. Cir. 1982) (amount of bonus "inherently imprecise"); *Foster v. Gloucester County Board of Chosen Freeholders*, 465 F. Supp. 293, 302 (D. N.J. 1978). *See also* M. Derfner & A. Wolf, *Court Awarded Attorney Fees* ¶ 16.05[1] (1983).

[109] *Swicker v. William Armstrong & Sons, Inc.*, 484 F. Supp. 762, 777 (E.D. Pa. 1980).

[110] *See* 122 Cong. Rec. 35,118, 35,122 (1976) (remarks of Rep. Sieberling); H.R. Rep. at 1.

[111] For example, in *Brewster v. Dukakis*, 544 F. Supp. 1069 (D. Mass. 1982), plaintiff's counsel sought fees of $1.2 million, including a 100 percent bonus. Following litigation of the fee claim, the district court awarded $386,204, including a 10 percent bonus. If bonuses were not available, the gulf between what plaintiffs were seeking and what defendants were willing to pay would have been much narrower and settlement much more likely.

[112] The size of such awards has brought harsh criticism from members of the public as well as the bench and bar. *See* Berger, *supra* at 292 and n. 55; *Alpine Pharmacy, Inc. v. Charles Pfizer & Co.*, 481 F.2d 1045, 1050, (2d Cir.), *cert. denied*, 414 U.S. 1092 (1973) ("lucrative fees involved in recent class actions may evoke public acceptance of an Italian proverb, 'A lawsuit is a fruit tree planted in a lawyer's garden' ").

[113] Leubsdorf, *supra* at 480.

[114] *Copeland III*, 641 F.2d 880, 913 (D.C. Cir. 1980) (Wilkey, J. dissenting); Leubsdorf, *supra* at 474 ("The current theory of contingency bonuses implies that lawyers and clients should be made as willing to bring a feeble suit as a promising one"); *id.* at 491-92.

[115] 122 Cong. Rec. 35,118 (remarks of Rep. Seiberling) ("provide for . . . compensation . . . in meritorious cases"), 35,127 (remarks of Rep. Jordon) ("access to the system of justice to everyone . . . if he does, in fact, have a meritorious claim"), 35,128 (remarks of Rep. Seiberling) ("meritorious . . . deserving cases") (1976).

[116] 121 Cong. Rec. 26,806 (1975) (remarks of Sen. Tunney) ("act would do nothing to encourage frivolous litigation").

[117] *Furtado v. Bishop*, 84 F.R.D. 671, 677 (D. Mass. 1979) ("There must be an element of reason; the fee must not be such as to encourage the overpressing of marginal claims"), *rev'd*, 635 F.2d 915 (1st Cir. 1980); H.R. Rep. at 6-8.

[118] S. Rep. at 5; *Christianburg Garment Co. v. EEOC*, 434 U.S. 412, 419-20 (1978).

[119] *Ruckelshaus v. Sierra Club*, 103 S. Ct. 3274, n. 6 (1983).

[120] Note, *Promoting the Vindication of Civil Rights Through the Attorney's Fees Awards Act*, 80 Colum. L. Rev. 346, 375 (1980).

[121] Leubsdorf, *supra* at 488-89.

[122] *See, e.g., City of Detroit v. Grinnell Corp.*, *supra* at 471 ("[t]he greater the probability of success . . . the less this consideration should serve to amplify the basic . . . fee"); *Prandini v. National Tea Co.*, *supra* at 1020.

[123] Leubsdorf, *supra* at 488-89.

[124] *See, e.g.,* 122 Cong. Rec. 31,471 (1976) (statement of Sen. Scott) (Act will help eradicate discrimination); S. Rep. at 5 ("fee awards . . . secur[e]) compliance with [civil rights] laws"); *Copeland III*, *supra* at 986.

[125] Rowe, *supra* at 656, 676, n. 115; Leubsdorf, supra at 490; Note, *Promoting the Vindication of Civil Rights Through the Attorney's Fees Awards Act*, *supra* at 375; *Hughes v. Repko*, 578 F.2d 483, 491 (3rd Cir. 1978) (Garth, J., concurring).

[126] *Vecchione v. Wohlgemuth*, *supra* at 795.

[127] Comment, *Calculation of a Reasonable Award of Attorneys' Fees Under the Attorneys' Fees Awards Act of 1976*, 13 J. Mar. L. Rev. 331, 369-70 and n. 189 (1980). *See also* Rowe, *supra* at 670.

[128] *Cf. Rodriguez v. Taylor*, 569 F.2d 1231, 1245, (3rd Cr. 1977), *cert. denied*, 436 U.S. 913 (1978).

[129] Rev. Proc. 75-13, § 3, 1975-1 Cu. Bull. 662.

[130] *NYSARC v. Carey*, 711 F.2d 1136, 1154 (2d Cir. 1983).

[131] *Compare Copeland III*, *supra* at 899 *with id.* at 920 n. 32 (dissent).

[132] *See* Comment, *Calculation of a Reasonable Award of Attorneys' Fees*, *supra* at 362-63, 395.

[133] *See* Leubsdorf, *supra* at 487; Berger, *supra* at 317-38.

[134] *See Hensley v. Eckerhart*, 103 S. Ct. 1933, 1940 (1983).

[135] *Id.*

[136] Berger, *supra* at 316.

[137] *Id.* The purpose of this and other recommendations contained in this report is to make the process of awarding fees more objective. If these recommendations are implemented, courts would be liberated from engaging in this unnecessarily subjective process, since more claims for fees could be settled and those that reached the courts could be resolved by the application of objective and easily applied criteria.

[138] *Grendel's Den v. Larkin*, No. 77-3418-T (D. Mass.). *See also Johnson v. Snyder*, 470 F. Supp. 972 (N.D. Ohio 1979); *Pugh v. Rainwater*, 465 F. Supp. 41 (S.D. Fla. 1979); *Pennsylvania v. O'Neill*, 431 F. Supp. 700 (E.D. Pa. 1977), *aff'd mem.* 573 F.2d 1301 (3rd Cir. 1978) (fees awarded to law professors at "market" rates).

[139] *See also, e.g., Rodriguez v. Taylor*, 569 F.2d 1231 (3rd Cir. 1977), *cert. denied*, 436 U.S. 913 (1978); *Lund v. Affleck*, 587 F.2d 75 (1st Cir. 1978).

[140] *NYSARC v. Carey*, 711 F.2d 1136 (2d Cir. 1983). *See also Ramos v. Lamm*, 713 F.2d 546 (10th Cir. 1983); *Copeland III*, 641 F.2d 880 (D.C. Cir. 1980) (Wilkey, J., dissenting); *Copeland v. Marshall*, 594 F.2d 244 (D.C. Cir. 1978) (*Copeland I*); *Greenspan v. Automobile Club*, 536 F. Supp. 411 (E.D. Mich. 1982); *Glover v. Johnson*, 531 F. Supp. 1036, 1039-44 (E.D. Mich. 1982); *Page v. Preisser*, 468 F. Supp. 399 (S.D. Iowa 1979); *Alsager v. District Court*, 447 F. Supp. 572, 577-80 (S.D. 1977); Comment, *Calculation of a Reasonable Award of Attorney's Fees Under Attorney's Fees Awards Act of 1976*, 13 J. Mar. L. Rev. 331, 378-400 (1980).

[141] 122 Cong. Rec. 31,471 (remarks of Sen. Mathias), 31,472 (remarks of Sen. Kennedy), 35,118 (remarks of Rep. Seiberling), 35,126 (remarks of Rep. Fish) (1976); H.R. Rep. at 1, 2-3, 6; S. Rep. at 2, 3, 6. *See also Alsager v. District Court*, *supra* at 577 ("Nothing . . . indicates that the purpose of the statute was other than *reimbursement* for costs and,, time spent."); *Page v. Preisser*, *supra* at 402-03.

[142] *See* H.R. Rep. at 2-3.

[143] H.R. Rep. at 8 n. 16.

[144] *See Copeland III*, *supra* at 908, 910 (dissent) ("path of attorney's fees [under market-rate system] . . . is Up, Up, and Away! . . . [S]pecific situations which arise in future cases will sometimes bring to light deficiencies in the general rules laid down in the past . . .").

[145] *See* H.R. Rep. at 9; S. Rep. at 6.

[146] *Goldfarb v. Virginia State Bar*, 421 U.S. 773 (1975).

[147] *See Copeland III*, *supra* at 910 n. 3, 924 (dissent) (" 'going hourly rate'. . is itself an artificial construct").

[148] Comment, *Calculation of a Reasonable Award of Attorney's Fees*, *supra* at 385; *Copeland III*, *supra* at 914, 924-25 (dissent).

[149] *See NYSARC v. Carey*, *supra* at 1150.

[150] Such a windfall cannot be justified as enabling legal services organizations to undertake other civil rights cases, *cf. Palmigiano v. Garrahy*, 616 F.2d 598, 602 (1st Cir.), *cert. denied*, 449 U.S. 839 (1980); *Copeland III*, *supra* at 899, since the Act was not intended to serve that purpose, however benevolent.

[151] *Glover v. Johnson*, *supra* at 1044.

[152] *See, e.g., Palmigiano v. Garrahy*, *supra* at 601.

[153] Comment, *Calculation of a Reasonable Award of Attorney's Fees*, *supra* at 398.

[154] *Id.* at 395.

[155] *See NYSARC v. Carey*, *supra* at 1150-52; *Glover v. Johnson*, *supra* at 1044; *Alsager v. District Court*, *supra* at 579; *Page v. Preisser*, *supra* at 402.

[156] *See Page v. Preisser*, *supra* at 401.

[157] *Rodriguez v. Tayler*, *supra* at 1248.

[158] *Johnson v. Georgia Highway Express*, 488 F.2d 714, 719 (5th Cir. 1974).

[159] *See Copeland III*, *supra* at 925-28 (dissent).

[160] 42 U.S.C. § 2996h(c)(1); 45 C.F.R. § 1602.

[161] *See* Berger, *supra* at 324; Comment, *Calculation of a Reasonable Award of Attorney's Fees*, *supra* at 385; *National Association of Concerned Veterans v. Secretary of Defense*, 675 F.2d 1319, 1325 (D.C. Cir. 1982) ("Setting a prevailing hourly rate has proven more difficult than perhaps may have been contemplated.").

[162] *Cf., e.g.,* 42 U.S.C. § 3612(c), precluding an award of fees which the lawsuit is "brought principally for the purpose of gaining attorney fees."

[163] *See, e.g., Fulps v. City of Springfield*, 715 F.2d 1088, 1092 (6th Cir. 1983); *Walters v. Heublein, Inc.*, 485 F. Supp. 110, 113 (N.D. Cal. 1979); *Jones v. Federated Department Stores, Inc.*, 527 F. Supp. 912, 920-21 (S.D. Ohio 1981); *Scheriff v. Beck*, 452 F. Supp. 1254 (D. Colo. 1978). *See also*, Note, *Rule 68: A "New" Tool for Litigation*, 1978 Duke L.J. 889, 899-90. A proposed amendment to Rule 68 is presently being considered, which would expressly provide that fees should be denied in such circumstances. 98 F.R.D. 361-67 (1983).

[164] *See, e.g., Chesny v. Marek*, 720 F.2d 474 (7th Cir. 1983); *Greenwood v. Stevenson*, 88 F.R.D. 225 (D. R.I. 1980).

[165] *Waters v. Heublein, Inc.*, *supra* at 114-15; *see also* Committee Note to Preliminary Draft of Proposed Amendment to Rule 68, 98 F.R.D. at 366 (1983).

[From the Washington Post, Dec. 16, 1983]

ATTORNEY'S FEES

Professor Laurence Tribe of Harvard Law School won a big constitutional case against the Commonwealth of Massachusetts and is therefore, by federal statute, allowed to collect "reasonable" attorney's fees from the loser. But the state is refusing to pay his $332,000 bill, which is based in part on an hourly rate of $275. No wonder. That's a pretty hefty fee for a moonlighting academic who wins a liquor license case. Yes, a liquor license.

Prof. Tribe, with two assistants, represented a restaurant in challenging a state statute that granted churches and schools a veto power over liquor license applications by nearby businesses. After three years he won decisively in the Supreme Court, arguing that this delegation of a governmental licensing decision to a private party, particularly a religious organization, violated due process and the establishment clause of the First Amendment. Under a 1976 federal statute, attorneys who win constitutional and civil rights cases against governments can request the court to make the losing defendant pay "reasonable" attorney's fees. The purpose is to promote vindication of those rights.

Prof. Tribe can command high fees from his paying clients (many are not) because he is an eminent constitutional scholar and a highly creative and successful advocate. Billing $275 per hour, he argues, is consistent with top wages in Boston law firms, is much less than in the priciest New York or Washington firms, and is much less than he himself has charged some affluent clients. Prof. Tribe also argues that the 50 percent "tip" he applied to the itemized bill is both legal and perfectly reasonable given the complexity of the constitutional theories involved, the risk of losing and the time he's waited to receive any compensation at all.

That's beside the point. High-priced lawyers are just charging much too much—to the point of caricature—and the folks expected to pay their fees should put an end to the practice. Just because well-heeled private clients dole out huge sums doesn't mean that the public should be equally generous. The "prevailing wage" approach that government uses when it is buying services—which is the essence of Prof. Tribe's claim—has a superficial appeal. But on closer inspection it reveals elements of a gigantic rip-off.

Public works cost too much in part because the Davis-Bacon Act effectively requires union-scale wages. Medical costs soar in part because doctors have dominated service and price decisions. There's news every week of some windfall for a government consultant or defense contractor. For all these groups, government should refuse to bolster inflated wages and profits. Sorry, Prof. Tribe. Lawyers—even civil rights lawyers—need at least as much wage restraint as others when it comes to billing the government.

Mr. DENTON. Mr. President, I am pleased to join my distinguished colleague, Mr. THURMOND as a cosponsor of the Legal Fees Equity Act. The bill would establish standards and procedures for awards of attorneys' fees in civil judicial and administrative proceedings against the United States, States, and local governments in cases where Federal statutes allow such awards, and eliminates excessive awards in such cases. This bill specifically includes fee awards to subjects of investigations under the Independent Counsel Statute, 28 U.S.C. 593(g), and also expands the authority of the Attorney General over the hiring of outside counsel by Federal agencies for litigation. The intent of the bill is to achieve a more equitable balance in compensation among the various attorneys litigating for or against the government and private attorneys receiving fees under civil fee-shifting statutes.

Mr. President, a number of Federal statutes provide that parties to civil suits and administrative proceedings against the United States, States, or local governments may, under appropriate circumstances, recover "reasonable attorneys' fees" from the government defendants. These statutes have, however, placed a great burden on the courts due to the lack of congressional guidance as to when an award of attorneys' fees is appropriate, or as to what constitutes a reasonable award. As a result, courts have reached conflicting interpretations of the civil fee-shifting statutes. In some cases the courts have used "multipliers" and "bonuses" to double, and even triple, the normal hourly rates of the prevailing party's attorney. Attorneys' fee in excess of $100 an hour are common, with some requests exceeding $400 an hour.

The Legal Fees Equity Act will provide the much-needed guidance to the courts and Federal agencies for the award of attorneys' fees pursuant to Federal statutes thereby reducing the current uncertainties and disparities reflected in present decisions.

Specifically, the bill will:

Set a $75 per hour maxmum rate for attorney's fees awarded, and eliminate the use of bonuses and multipliers to escalate fee awards. This will compensate "private attorneys' general" at a level commensurate with—but still significantly higher than—that of their government counterparts, but provide a reasonable incentive sufficient to attract competent counsel;

Allow recovery of attorney's fees only when a party has prevailed on the merits of its complaint, or where the suit is concluded by a favorable settlement agreement;

Allow recovery of attorneys' fees only for work performed on issues on which the party prevailed;

Permit the reduction or denial of the amount of fee awards, for example, where a party has unreasonably protracted the litigation; where the services provided were excessive with regard to the nature of the controversy; or where the fee award would unreasonably exceed the hourly salary of a salaried attorney;

Provide that monetary judgments be reduced—but not more than 25 percent—by the amount of the attorneys' fees allowed in the proceeding. Exceptions are allowed for suits under certain provisions of the Equal Access to Justice Act, suits for recovery of disputed taxes, or in cases of undue hardship;

Establish certain procedural requirements for attorneys' fee applications, including a 30-day time limit after final judgment for submitting fee applications, and require courts and agencies to develop additional guidelines;

Clarify the circumstances in which attorneys' fees may be awarded when a claim becomes moot or the party refuses to accept a reasonable settlement offer;

Amend the Independent Counsel Statute (28 U.S.C. 593(g)), to impose the same $75 per hour limitation upon any fee awarded to a subject of an investigation under the statute; and

Impose a $75 per hour limit upon the amounts payable to outside private counsel retained by any Federal agency for litigation where the taxpayer must foot the bill.

Mr. President, I welcome the guidance and reform which the Legal Fees Equity Act offers. I urge my colleagues to join me in cosponsoring the bill.

By Mr. THURMOND (for himself and Mr. MATHIAS) (by request):

S. 1581. A bill to amend section 3006A of title 18, United States Code, to improve the delivery of legal services in the criminal justice system to those persons financially unable to obtain adequate representation, and for other purposes; to the Committee on the Judiciary.

CRIMINAL JUSTICE ACT REVISION

● **Mr. THURMOND.** Mr. President, I rise today to introduce the proposed "Criminal Justice Act Revision of 1985" at the request of the Judicial Conference of the United States.

During the last two Congresses, the Judicial Conference has proposed legislation to amend the Criminal Justice Act [CJA] to increase the compensation available to attorneys and other persons providing representation under the act, and to update and streamline its operation. Although Congress did include the long overdue increase in CJA compensation in the Comprehensive Crime Control Act of 1984 (Public Law 98-473), enacted on October 12, 1984, Congress has not addressed several of the important issues which have been raised by the Judicial Conference.

In seeking to address those issues, the bill I am introducing today would, in part, provide for:

Variation of the hourly rates among districts and circuits to account for differences in economic conditions.

Elimination of the compensation rate differential for in-court and out-of-court hours.

Future increases in the hourly rates based upon cost-of-living salary adjustments given to Federal employees.

Further increases in the case compensation maximums and modification of the standard for waiving the maximums;

Increases in compensation limits pertaining to investigative, expert, and other services, with and without prior authorization, and provision for nunc pro tunc authorization in appropriate circumstances;

Authority to appoint counsel for financially eligible persons charged with a petty offense, where confinement is authorized and representation is determined to be in the interest of justice;

Mandatory appointment of counsel for financially eligible material witnesses in custody;

Professional liability protection for Federal defenders;

Funding for the continuing education and training of persons providing representational services under the act; and

Authorization for the establishment of a Federal defender organization for the U.S. District Court for the District of Columbia.

Mr. President, I believe that these proposals, and other issues addressed by this legislation are important ones which merit the serious consideration of Congress. I ask unanimous consent that the bill be printed in the Record, along with the letter of transmittal from the Judicial Conference of the United States and accompanying section-by-section analysis.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1581

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Criminal Justice Act Revision of 1985."

Sec. 2. (a) Section 3006A of title 18, United States Code, is amended as follows:

(1) Subsection (a) is amended by striking out "(1) who is" and all that follows through "subsection (h)." and inserting in lieu thereof the following: "in accordance with this section. Representation under each plan shall include counsel and investigative, expert, and other services necessary for adequate representation. Each plan shall provide the following:

"(1) Representation shall be provided for any financially eligible person who—

"(A) is charged with a felony or misdemeanor (other than a petty offense as defined in section 1 of this title);

"(B) is a juvenile alleged to have committed an act of juvenile delinquency as defined in section 5031 of this title;

"(C) is charged with a violation of probation;

"(D) is under arrest, when such representation is required by law;

"(E) is entitled to appointment of counsel in parole proceedings under chapter 311 of this title;

"(F) is subject to a mental competency hearing under chapter 313 of this title;

"(G) is in custody as a material witness;

"(H) is entitled to appointment of counsel under the Sixth amendment to the Constitution; or

"(I) faces loss of liberty in a case, and Federal law requires the appointment of counsel.

"(2) Whenever the United States magistrate or the court determines that the interests of justice so require, representation may be provided for any financially eligible person who—

"(A) is charged with a petty offense for which a sentence to confinement is authorized; or

"(B) is seeking relief under section 2241, 2254, or 2255 of title 28.

"(3) Private attorneys shall be appointed in a substantial proportion of the cases. Each plan may include, in addition to the provisions for private attorneys, either of the following or both:

"(A) attorneys furnished by a bar association or a legal aid agency.

"(B) Attorneys furnished by a defender organization established in accordance with the provisions of subsection (g).".

(2) Subsection (b) is amended—

(A) in the second sentence—

(i) by striking out "In every criminal case" and all that follows through "violation of probation and" and inserting in lieu thereof "In every case in which a person entitled to representation under a plan approved under subsection (a)"; and

(ii) by striking out "defendant"; and inserting in lieu thereof "person";

(B) in the third sentence by striking out "defendant" each place it appears and inserting in lieu thereof "person"; and

(C) in the fifth sentence by striking out "defendants" and inserting in lieu thereof "persons."

(3)(A) Subsection (d)(1) is amended by striking out "not exceeding $60" and all that follows through "Such attorney" and inserting in lieu thereof the following: "not in excess of $50 per hour, unless the Judicial Conference determines that a higher rate of not in excess of $75 per hour is justified for a circuit or for particular districts within a circuits, for time expended in court or before a United States magistrate and for time expended out of court. The Judicial Conference may develop guidelines for determining the maximum hourly rates for each circuit in accordance with the preceding sentence, with variations by district, where appropriate, taking into account such factors as the minimum range of the prevailing hourly rates for qualified attorneys in the district in which the representation is provided and the recommendations of the judicial councils of the circuits. Not less than three years after the effective date of the Criminal Justice Act Revision of 1985, the Judicial Conference is authorized to raise the maximum hourly rates specified in this paragraph up to the aggregate of the overall average percentages of the adjustments in the rates of pay under the General Schedule made pursuant to section 5305 of title 5, United States Code, on or after such effective date. After the rates are raised under the preceding sentence, such maximum hourly rates may be raised at intervals of not less than one year each, up to the aggregate of the overall average percentages of such adjustments made since the last raise was made under this paragraph. Attorneys".

(B) Subsection (d)(2) is amended—

(i) in the first sentence—

(I) by striking out "$2,000" and inserting in lieu thereof "$5,000"; and

(II) by striking out "$800" and inserting in lieu thereof "$1,500";

(ii) in the second sentence by striking out "$2,000" and inserting in lieu thereof "$3,000"; and

(iii) by striking out the third sentence and inserting in lieu thereof the following: "For any other representation required or authorized by this section, the compensation shall not exceed $1,000 for each attorney in each proceeding.".

(C) Subsection (d)(3) is amended by striking out "for extended or complex representation".

(D) Subsection (d)(4) is amended in the first sentence by striking out "represented the defendant" and inserting in lieu thereof "provided representation to the person involved".

(4)(A) Subsection (e)(1) is amended in the first sentence by striking out "an adequate defense" and inserting in lieu thereof "adequate representations".

(B) Subsection (e)(2) is amended to read as follows:

"(2) Without prior request.—(A) Counsel appointed under this section may obtain, subject to later review, investigative, expert, and other services without prior authorization if necessary for adequate representation. Except as provided in subparagraph (B) of this paragraph, the total cost of services obtained without for prior authorization may not exceed $300 and expenses reasonably incurred.

"(B) The court, or the United States magistrate, if the services were rendered in a case disposed of entirely before the United States magistrate, may, in the interest of justice, and upon the finding that timely procurement of necessary services could not await prior authorization, approve payment for such services after they have been obtained, even where the cost of such services exceeds $300.".

(C) Subsection (e)(3) is amended by striking out "$300" and inserting in lieu thereof "$1,000".

(5)(A) Subsection (h)(2)(A) is amended by striking out "similarly as under title 38, United States Code, section 605, and subject to the conditions of that section" and inserting in lieu thereof "in accordance with section 605 of title 28".

(B) Subsection (h)(2)(B) is amended in the third sentence by striking out "coming" and inserting in lieu thereof "next fiscal".

(C) Subsection (h) is further amended by adding at the end thereof the following:

"(3) Malpractice and negligence suits.—The Director of the Administrative Office of the United States Courts shall, to the extent the Director considers appropriate,

provide representation for and hold harmless, or provide liability insurance for, any person who is an officer or employee of a Federal Public Defender Organization, or a Community Defender Organization receiving periodic sustaining grants, established under this subsection, for money damages for injury, loss of property, or personal injury or death arising from malpractice or negligence of any such officer or employee in furnishing representational services under this section while acting within the scope of that person's office or employment.".

(6) Subsection (j) is amended by inserting immediately before the period at the end of the first sentence the following: ", including funds for the continuing education and training of persons providing representational services under this section".

(7) Subsection (1) is amended—

(A) by striking out ", other than subsection (h) of section 1,"; and

(B) by striking out "Act" each place it appears and inserting in lieu thereof "section".

(b)(1) Section 3006A of title 18, United States Code, is further amended by striking out subsection (g) and redesignating subsections (h) through (l) as subsections (g) through (k), respectively.

(2) Subsection (j), as redesignated by paragraph (l), is amended to read as follows:

"(j) Districts Included.—As used in this section, the term 'district court' means each district court of the United States created by chapter 5 of title 28, the District Court of the Virgin Islands, the District Court for the Northern Mariana Islands, and the District Court of Guam.".

Sec. 3. Section 223(e) of the Comprehensive Crime Control Act of 1984, title II, Public Law 98-473, 98 Stat. 1837, October 12, 1984, is amended to read as follows:

"Section 3006A(a) is amended

(1) in paragraph (1)(A) by deleting "misdemeanor (other than a petty offense as defined in Section 1 of this title)" and substituting "Class A misdemeanor"; and

(2) in paragraph (1) by deleting subparagraph (E) and by redesignating subparagraphs (F) through (I) as (E) through (H), respectively; and

(3) in paragraph (2)(A) by deleting "petty offense" and substituting "Class B or C misdemeanor or an infraction."

Sec. 4. Section 1825 of title 28, United States Code is amended to read as follows:

"1825. Payment of fees

"(a) In any case in which the United States or an officer or agency of the United States is a party, the United States marshal for the district shall pay all fees of witnesses on the certificate of the United States attorney or assistant United States attorney, and in the proceedings before a United States magistrate, on the certificate of such magistrate, except that any fees of defense witnesses, other than experts, appearing pursuant to subpoenas issued upon approval of the court, shall be paid by the United States marshal for the district—

"(1) on the certificate of a Federal public defender or assistant Federal public defender, in a criminal case in which the defendant is represented by such Federal public defender or assistant Federal public defender, and

"(2) on the certificate of the clerk of the court upon the affidavit of such witnesses' attendance given by other counsel appointed pursuant to section 3006A of title 18, in a criminal case in which a defendant is represented by such other counsel.

"(b) In proceedings in forma pauperis for a writ of habeas corpus, and in proceedings in forma pauperis under section 2255 of this title, the United States marshal for the district shall pay, on the certificate of the district judge, all fees of witnesses for the party authorized to proceed in forma pauperis, except that any fees of witnesses for such party, other than experts, appearing pursuant to subpoenas issued upon approval of the court, shall be paid by the United States marshal for the district—

"(1) on the certificate of a Federal public defender or assistant Federal public defender, in any such proceedings in which a party is represented by such Federal public defender or assistant Federal public defender, and

"(2) on the certificate of the clerk of the court upon the affidavit of such witnesses' attendance given by other counsel appointed pursuant to section 3006A of title 18, in any such proceedings in which a party is represented by such other counsel.

"(c) Fees and mileage need not be tendered to a witness upon service of a subpoena issued on behalf of the United States or an officer or agency of the United States, upon service of a subpoena issued on behalf of a defendant represented by a Federal public defender, assistant Federal public defender, or other attorney appointed pursuant to section 3006A of title 18, or upon service of a subpoena issued on behalf of a party authorized to proceed in forma pauperis, where the payment of such fees and mileage is to be made by the United States marshal under this section.".

Sec. 5. This Act and the amendments made by sections 2, 3 and 4 of the Act shall take effect on October 1, 1985, or 120 days after enactment, whichever is later.

Administrative Office
of the U.S. Courts,
Washington, DC, April 18, 1985.

Hon. George Bush,
President, U.S. Senate, Washington, DC.

Dear Mr. President: The Judicial Conference of the United States transmitted to the last two Congresses draft legislation to amend the Criminal Justice Act (CJA), 18 U.S.C. § 3006A. The purpose of the proposed amendments was to increase the compensation available to attorneys and other persons providing representation under the CJA as well as to update and streamline its operation. CJA revision bills embodying the Judicial Conference proposals were introduced in both the 97th (H.R. 5190) and 98th (S. 2420, H.R. 4307) Congresses. Although H.R. 4307 was passed by the House of Representatives, none of these bills was enacted into law.

A partial increase in CJA compensation was enacted, however, as "The Criminal Justice Act Revision of 1984," Chapter XIX of the Comprehensive Crime Control Act of 1984 (P.L. 98-473, 98 Stat. 1837, October 12, 1984). The Judicial Conference welcomes this adjustment, which doubled the hourly rates for attorney compensation by raising the limits to $60 per hour for in-court time and $40 per hour for out-of-court time. Also doubled by the CJA Revision of 1984 were the case compensation maximums. While we are hopeful that this compensation increase—the first in fourteen years—will encourage more qualified and experienced attorneys to accept appointments under the CJA, and thereby serve to improve the quality of representation, we note that the CJA Revision of 1984 did not address several of the very important issues that would have been resolved by the bills supported by the Judicial Conference. Among the most significant of these are provisions for:

1. Variation of the hourly rates among districts and circuits to account for differences in economic conditions;

2. Elimination of the compensation rate differential for in-court and out-of-court hours;

3. Future increases in the hourly rates based upon cost-of-living salary adjustments given to federal employees;

4. Further increases in the case compensation maximums and modification of the standard for waiving the maximums;

5. Increases in compensation limits pertaining to investigative, expert and other services, with and without prior authorization, and provision for *nunc pro tunc* authorization in appropriate circumstances;

6. Authority to appoint counsel for financially eligible persons charged with a petty offense, where confinement is authorized and representation is determined to be in the interest of justice;

7. Mandatory appointment of counsel for financially eligible material witnesses in custody;

8. Professional liability protection for federal defenders;

9. Funding for the continuing education and training of persons providing representational services under the persons providing representational services under the Act; and

10. Authorization for the establishment of a federal defender organization for the United States District Court for the District of Columbia.

Accordingly, on behalf of the Judicial Conference, I am once again transmitting for Congressional consideration a draft bill to revise the CJA. The draft bill incorporates, with minor technical revisions, each of the provisions of H.R. 4307. In addition, Section 4 of the bill would amend Section 1825 of title 28, United States Code, to authorize federal public defenders and other counsel appointed under the CJA to certify the payment of defense fact witness fees in federal criminal cases. Currently this certification is performed by U.S. attorneys and assistant U.S. attorneys, thus posing the potential for conflict of interest and also creating an administrative burden for prosecutors.

The language of the witness fee provision is identical to H.R. 5189 (97th Congress) which was introduced by Congressman Kastenmeier upon request of the Judicial Conference. While the concept embodied in H.R. 5189 has had the support of the Department of Justice through the last two Administrations as well as the support of the judiciary, no action was taken on it by the 97th Congress.

For your information, I have enclosed, along with the draft bill (1) a comparative text reflecting changes in existing law, (2) a section-by-section analysis and (3) a chart comparing the provisions of the draft bill with the CJA Revision of 1984.

Representatives of the Judicial Conference and Administrative Office personnel will, of course, provide whatever assistance the Congress may request in reviewing this proposal.

Sincerely,

Joseph F. Spaniol, Jr.,
Deputy Director.

SECTION-BY-SECTION ANALYSIS

Section 1 provides that the Act may be cited as "the Criminal Justice Act Revision of 1985".

Section 2 amends 18 U.S.C. 3006A in the following manner:

(a) Adequate Representation of Defendants

Subsection (a) has been restructured for purposes of clarity and to incorporate changes in the law since the last comprehensive revision of the Criminal Justice Act (hereinafter referred to as "CJA") in 1970. Mandatory appointments are listed in paragraph (a)(1) and discretionary appointments (previously found in subsection (g)) are now located directly below in paragraph (a)(2).

Paragraph (a)(1) has been amended to provide separately for mandatory representation of those charged with juvenile delinquency, a probation violation, or a felony or misdemeanor. Thus, subparagraph (a)(1)(A) provides for mandatory representation when a felony or misdemeanor is charged, subparagraph (a)(1)(B) provides for the mandatory representation of those charged with juvenile delinquency, and subparagraph (a)(1)(C) provides for mandatory representation of those alleged to have violated probation. The language of subparagraph (a)(1)(B) has also been changed slightly to conform with the provisions of chapter 403 of title 18, United States Code,—"Juvenile Delinquency."

Subparagraph (a)(1)(E) conforms the language of the CJA to that of the Parole Commission and Reorganization Act of 1976. The new language makes it clear that appointment of counsel under the CJA is mandatory in parole matters when so provided in the Parole Commission and Reorganization Act. (See comments below relating to Section 3 of the bill which further amends the CJA to eliminate references to parole in accordance with the Comprehensive Crime Control Act of 1984 (CCCA), title II, P.L. 98-473, 98 Stat. 1837, October 12, 1984).

Subparagraph (a)(1)(G) makes appointment of counsel mandatory for a material witness who is in custody, and not discretionary as currently provided in subsection (g). The Bail Reform Act of 1984, enacted as chapter I of the CCCA, provided for mandatory representation by appointed counsel at a detention hearing for a financially eligible person arrested as a material witness (See Sections 3144 and 3142(f) of title 18, United States Code). This requirement is incorporated into the CJA through the operation of current paragraph (a)(2) of the CJA which provides for the furnishing of representation to a person "who is under arrest when such representation is required by law," as well as current paragraph (a)(5) which provides for the representation of a person "for whom, in a case in which he faces loss of liberty, any Federal law requires the appointment of counsel." However, subsection (g) continues to provide *discretionary* authority for the appointment of counsel to represent a material witness in custody and, presumably, encompasses representation at every stage of such proceedings including the giving of a deposition by the material witness. Since the *mandatory* appointment provision of the Bail Reform Act of 1984 only refers to representation at the detention hearing, it is unclear whether the appointment of counsel to assist material witnesses in custody at *depositions* remains within the discretion of the presiding judge or magistrate. Amending the CJA to require the appointment of counsel for material witnesses will (1) eliminate any questions concerning the entitlement to representation throughout the material witness proceedings, (2) be consistent with what already is the general practice in a number of districts, and (3) reflect the view of the Judicial Conference that any person held in custody against his or her will, whether as a defendant or one designated by a party as a material witness, should have the assistance of an attorney in exercising all rights provided by law.

Subparagraphs (a)(1)(H) and (a)(1)(I) make no substantive change, but merely separate into two subparagraphs the provision appearing in current paragraph (a)(5).

Paragraph (a)(2) replaces current subsection (g) and lists those cases in which appointment of counsel is discretionary.

Subparagraph (a)(2)(A) is new and permits the appointment of counsel, as a matter of discretion, in petty offense cases where a sentence of confinement is authorized. At present, the language of the CJA excludes apointment of counsel in petty offense cases. However, as a result of two Supreme Court decisions, there are some petty offense cases and situations in which appointment of counsel is now required. In the first decision, *Argersinger* v. *Hamlin*, 407 U.S. 24 (1972), the Court held that under the Sixth Amendment to the Constitution an indigent defendant is entitled to appointment of counsel if there is a likelihood of imprisonment. The Court expressly reserved the question of the right to counsel in cases where incarceration is authorized but will not be imposed. Later, in *Scott* v. *Illinois*, 440 U.S. 367 (1979), the Supreme Court held that there is no constitutional right to appointed counsel unless imprisonment is actually imposed. In view of the *Argersinger* and *Scott* decisions, attorneys are presently being appointed in petty offense cases where there is a likelihood of imprisonment, and compensation is being provided under the authority of paragraph (a)(5) of the Criminal Justice Act, which extends the coverage of the Act to all cases where the Sixth Amendment to the Constitution requires the appointment of counsel.

There remains a practical difficulty however, since a judge or magistrate must predict at the commencement of proceedings whether or not a term of confinement is likely to be imposed. Generally, comparatively little information concerning the facts of the case, aggravating or mitigating circumstances, or the character of the defendant is available to the judicial officer at that time. A decision not to appoint counsel at the preliminary stages of proceedings serves to foreclose incarceration as a sentencing option of the court. Subparagraph (a)(2)(A) would eliminate this problem by permitting judges and magistrates to appoint counsel in petty offense cases where incarceration is authorized by statute and they determine that the interests of justice require it. The final decision concerning imposition of a term of confinement could then be reserved until the conclusion of the proceedings. Accordingly, maximum sentencing flexibility would be preserved. (See comments below relating to Section 3 of the bill which further amends the CJA to reflect the new offense classifications created by the CCCA.)

The language of paragraph (a)(3) contains no substantive changes, although it now comprises a separate subparagraph, with stylistic improvements.

(b) Appointment of Counsel

The second sentence is made less cumbersome by the omission of individual references to the category of cases for which a person may be entitled to appointed counsel. The word "person" has been substituted for the word "defendant" in this subsection, and elsewhere in the CJA, to reflect the fact that counsel may be appointed for habeas petitioners and material witnesses as well as for persons charged with a crime.

(d) Payment for Representation

(d)(1) Hourly Rate

(d)(2) Maximmum Amounts

The CJA, as enacted in 1964, provided for compensation of appointed counsel at a rate not to exceed $15 per hour for time expended in court, and $10 per hour for time expended out of court. The CJA also provided maximum compensation limits of $500 for felony cases and $300 for misdemeanor cases. The 1970 amendments increased the hourly rate maximums to $30 per hour for time expended in court, and $20 per hour for time expended out of court. Maximum compensation limits were increased to $1,000 for felony cases, and $400 for misdemeanor cases. In addition, new maximums were established—$1,000 for representation provided on appeal, and $250 for appointment under subsection (g), probation revocation cases, and post-trial motions made after entry of judgment.

The rates and maximums remained at the levels set in 1970 for nearly fourteen years, until the passage of the CJA Revision of 1984 which was enacted as chapter XIX of the CCCA. The CJA Revision of 1984 doubled the hourly rates of attorney compensation by raising the limits to their current levels of $60 per hour for in-court time, and $40 per hour for out-of-court time. In addition, the CJA Revision of 1984 doubled the case compensation maximums.

These compensation increases will provide the courts with, at least, partial relief from the difficulties they have been encountering in recent years in recruiting and retaining qualified private attorneys to serve on their CJA panels. There are, however, serious concerns that (1) in at least some high-cost districts, the new compensation levels continue to be inadequate, and (2) in those districts where the present compensation limits are sufficient, changes in economic conditions in the ensuing years will erode the value of these limits and render them inadequate long before Congress legislates additional increases.

Congressional action to increase compensation followed, by seven years, the determination by the Judicial Conference Committee to Implement the CJA that the rate and case compensation maximums had become inadequate and its recommendation that they be increased. It was this delay factor that led to the compensation CJA revision bill which was introduced in the 98th Congress and passed the House of Representatives, but not the Senate.

The compensation scheme of H.R. 4307 is retained in the new draft bill. It amends paragraph (d)(1) of the CJA to establish a maximum hourly compensation rate of $50, thus eliminating the in-court and out-of-court hourly rate differential and the administrative burdens and expenses associated with it. While the $50 rate represents a decrease from the $60 rate currently applicable to in-court hours, the change is expected to result in a moderate increase in their total amount of compensation available in most cases, since approximately 75% of all hours expended by CJA counsel are for services performed out of court and thus are subject to the $40 per hour limit. On the other hand, the elimination of the need to administer two rates should produce savings.

In addition, the Judicial Conference would be authorized to set a higher maximum hourly rate not to exceed $75, for a particular circuit or district within a circuit, if the Conference determines that circumstances existing in such circuit or district warrant an exception from the general maximum. Further, the Judicial Conference would be authorized to develop guidelines for determining such maximum hourly rates, taking into account such factors as (1) the minimum range of the prevailing rate for qualified attorneys in individuals districts, and (2) the recommendation of the judicial councils of the circuits

The provision for setting an alternate hourly rate would restore at least some of the flexibility and viability which the Congress created when, in 1970, it amended paragraph (d)(1) of the CJA to authorize judicial councils to set alternate hourly rates for districts, "not to exceed the minimum hourly scale established by a bar association for similar services rendered in the district." This goal was subsequently frustrated by the abolishment of minimum bar fee schedules following the decision of the Supreme Court in *Goldfarb* v. *Virginia State Bar*, 421 U.S. 733 (1975), which held that a minimum fee schedule promulgated and enforced by a bar association constitutes unlawful price-fixing in violation of the Sherman Act. The *Goldfarb* decision thus resulted in a collateral deactivation of the adjustment authority conferred by Congress in the Circuit Councils. In *Mills* v. *United States*, 713 F. 2d 1249, (7th Cir. 1983), *cert. denied*, 104 S.Ct. 974 (1984)), the Court of Appeals for the Seventh Circuit held that, in the absence of a local bar association minimum fee schedule, the Judicial Council for the Seventh Circuit lacked authority to increase the hourly rates payable to attorneys accepting appointments under the CJA above the $20 and $30 maximums. While the CJA Revision of 1984 removed the 1970 language authorizing judicial councils to set alternate hourly rates, it made no provision to replace this mechanism for affording flexibility to the CJA compensation scheme.

In addition the draft bill would authorize, but not require, the Judicial Conference to annually increase the $50 and $75 maximums up to the federal pay comparability raises, if any, given to federal employees. Thus, the CJA would include a limited mechanism for administrative adjustment of the compensation rates to provide for fair and reasonable compensation to counsel in light of future changes in economic conditions. This authority would not become operative until three years after the effective date of the proposed legislation.

Finally, in view of the increase in hourly rates, proposed paragraph (d)(2) would increase the overall per-case compensation maximums to $5,000 for felonies, $1,500 for misdemeanors, $3,000 for appeals and $1,000 for any other representation provided under the CJA. Cases falling within subsection (g) of the current law would be included in the new "other representation" category. Also included would be cases brought within the scope of the CJA under subparagraph (a)(1)(I) (current paragraph (a)(5)), as a result of judicial decisions or new Federal statutes which may require the appointment of counsel. The need for this provision was most recently demonstrated by the enactment of the Insanity Defense Reform Act of 1984 (Chapter IV of the CCCA) which amended the CJA to provide for representation at certain mental competency proceedings but failed to include a case compensation maximum for such appointments.

(d)(3) Waiving Maximum Amounts

While amendments to paragraph (d)(2) made by the draft bill allow for some variation among the districts with respect to the maximum hourly rate, and also contain a limited mechanism to permit raises to the hourly maximum to reflect increases in the cost of living, the case compensation maximums established by the new paragraph (d)(2) are limits to be applied in every district and circuit and may not be increased by the Judicial Conference. Thus, attorneys in districts where a higher hourly rate has been established under paragraph (d)(2) may reach the case compensation limit after expending fewer hours than attorneys in districts where the lower hourly rate is in effect. In order to avoid an erosion of the flexibility intended in the compensation scheme set forth in paragraph (d)(2), the standard for waiving the maximum amount has been broadened—the judicial officers' authority to certify compensation in excess of the maximum would no longer be limited to those cases which are "extended and complex". Under the new standard, the maximum could be waived by the chief judge of the court of appeals upon the certification of the presiding judicial officer that excess payment is necessary to provide "fair compensation".

The case compensation ceilings would also be effectively lowered if the Judicial Conference approved higher hourly rates based upon federal pay comparability increases. The proposed waiver standard will permit the full realization of the benefits of such adjustments.

(d)(4) Filing Claims

The word "person" has been substituted for "defendant."

(e) Services Other Than Counsel

(e)(1) Upon Request

The phrase "adequate representation" has been inserted in lieu of "an adequate defense".

(e)(2) Without Prior Request

The modest increase from $150 to $300 as the amount which may be incurred for expert services without prior authorization takes into account the dramatic increase in the cost of these services which has occurred since this limit was established in 1970. In addition, paragraph (e)(2) has been split into subparagraphs (A) and (B). Subparagraph (A) is substantially identical to current paragraph (e)(2), the exception being the substitution of "representation" for "defense", the increased dollar limitation, and the reference to subparagraph (B). Subparagraph (B) is a new provision which allows the judge or magistrate to approve a claim for investigative, expert, or other services obtained by appointed counsel, even though prior authorization has not been secured and the amount of the claim exceeds the new limit established by subparagraph (A). However, subparagraph (B) would limit the discretion of judicial officers to provide this ratification to those circumstances where "timely procurement of the necessary services could not await prior authorization".

(e)(3) Maximum Amounts

The $300 limit contained in the present Act has not been changed since the CJA was enacted in 1964. The proposed bill raises the limit to $1,000, a more realistic figure in view of the increase in fees charged by investigators and experts during the nearly twenty-one years since the current limit was established.

(g) Discretionary Appointments (Deleted); Redesignations

Current subsection (g) has been deleted and is found in new paragraph (a)(2), and current subsections (h) through (l) have been redesignated as subsection (g) through (k), respectively.

(g) Defender Organization (currently subsection (h))

(g)(2) Types of Defender Organization

This paragraph contains two minor stylistic revisions.

(g)(3) Malpractice and Negligence Suits (new)

This paragraph is intended to provide protection for employees of federal public and community defender organizations who face lawsuits alleging legal malpractice and negligence arising out of their performance of representational services within the scope of their employment. Since the Supreme Court's decision in *Ferri* v. *Ackerman*, 444 U.S. 193 (1979), there has been serious concern about the impact on the federal defender program of the potential exposure of employees of federal defender organizations to personal liability for legal malpractice claims. Paragraphs (g)(3) would give the Director of the Administrative Office of the United States Courts explicit statutory authority to either provide representation and indemnification, or liability insurance for employees of federal public and community defender organizations. The language of this provision is similar to current statutory authorities for insulating personnel against personal liability for medical malpractice. See 10 U.S.C. Sec. 1089; 38 U.S.C. Sec. 4116; and 42 U.S.C Sec.233.

(i) Appropriations (currently subsection (j))

At the present, the training and education of federal public defenders is provided through the Federal Judicial Center as part of its general training program for all members and employees of the Federal Judiciary. The amendment to this subsection is intended to specifically designate funds through the defender budgetary process for the continuing education and training of federal defenders and their staffs as well as for private counsel on the CJA panels. It will permit separate, flexible, and long-term planning for defender training which is more comparable to that provided United States attorneys. This amendment will further enhance cooperation between federal defenders and the private bar and facilitate their continuing efforts to improve the quality of representation in the federal courts. At present, Federal Judicial Center training programs for federal defenders are generally not open to CJA panel attorneys and there is no other federally sponsored program for training panel attorneys. This amendment would not preclude an interagency agreement with the Federal Judicial Center to take advantage of efficiencies and economies in the administration of these educational programs.

The training of CJA panel attorneys as well as federal defenders is of paramount importance in light of the need for the improvement of advocacy in the federal courts recognized in the report of the Committee of the Judicial Conference of the United States to Consider Standards for Admission to Practice in the Federal Courts. It is believed that making training funds available in this manner will provide the needed flexibility in the area of training and continuing education to increase the overall effectiveness of federal defenders and CJA lawyers.

(j) Districts Included (Currently Subsection (k))

This subsection has been amended to expressly provide that the District Court for the Northern Mariana Islands is a district court within the meaning of the CJA. A parallel provision currently appears in 48 U.S.C. 1694c(b), thus the change is merely a conforming revision. In addition, the subsection has been reworded for purposes of style.

(k) Applicability in the District of Columbia (Currently Subsection (1))

This subsection would give the United States District Court for the District of Columbia the option of establishing a federal defender organization.

Section 3 provides conforming amendments which will be required when the major part of the Sentencing Reform Act of 1984 (chapter II, Comprehensive Crime Control Act of 1984) becomes effective on November 1, 1986. These include technical amendments to reflect changes in offense classifications as well as the elimination of parole.

Section 4 amends 28 U.S.C. Section 1825 to authorize federal public defenders and other counsel appointed under the CJA to certify the payment of defense fact witness fees in federal criminal cases. The current language of this section provides that in any case in which the United States is a party (which includes all federal criminal cases) the United States attorney, or an assistant United States attorney, must certify the claims of witnesses for the payment of fees. This requirement applies to witnesses whether they are appearing on behalf of the government, or on behalf of a defendant or petitioner for whom CJA services are authorized.

The practice of having prosecutors certify the payment of defense witness fees posts the potential for conflicts of interest for the U.S. attorneys, as well as additional administrative burdens.

The amendment to the witness fee certification statute will authorize federal public defenders and their assistants to certify the payment of defense fact witness fees in those cases where representation is provided by federal public defenders or their assistants. In those cases where representation is furnished by other counsel appointed under the CJA—private panel attorneys or attorneys furnished by a community defender organization—defense fact witness fees would be certified by the court upon the affidavit of the witnesses' attendance by the appointed attorney. In each case, the appearance of the defense witness would be pursuant to a subpoena issued upon approval of the court.

The proposed revision of the procedures for certifying defense fact witness fees has had the support of the Department of Justice in the past two Administrations.

Section 5 provides that the Act and amendments made by sections 2, 3, and 4 of the Act shall take effect on October 1, 1985, or 120 days after enactment, whichever is later.●

● Mr. MATHIAS. Mr. President, I am pleased to join the distinguished chairman of the Judiciary Committee, Senator THURMOND, to introduce the Criminal Justice Act Revision of 1985. This legislation, which is being brought before the Congress at the request of the Judicial Conference of the United States, will make needed changes in the Criminal Justice Act [CJA] of 1964, in order to improve the delivery of legal services to indigent defendants in the Federal courts. Introduction of this bill marks another important step in the process of revitalizing our national response to the commands of the sixth amendment to the Constitution, which guarantees those accused of crime the effective assistance of counsel.

The Judicial Conference bill is substantially similar to the Criminal Justice Act Amendments of 1984, which I introduced on March 13, 1984. Legislation identical to my bill was passed by the House of Representatives in May 1984. Unfortunately, the Senate did not act upon these bills before the adjournment of the 98th Congress.

However, the Senate did take one important step last year to address a critical problem plaguing the administration of the CJA. The fees authorized to be paid to attorneys appointed to represent indigent criminal defendants in Federal court had not been adjusted since 1970. In the waning hours of the 98th Congress, the Senate adopted an amendment that doubled these hourly rates and case compensation maxima. This increase should ameliorate the problem of inducing competent counsel to accept CJA appointments. But more remains to be done before we can rest assured that indigent defendants benefit from the substance, not just the form, of the sixth amendment guarantee.

The bill we introduce today seeks to give us that assurance. It includes further improvements in the mechanisms for compensating court-appointed defense counsel; expansion of CJA coverage of investigative and expert services, and of representation of indigent material witnesses in custody; and authorization for professional liability insurance, and for improved continuing legal education and training, for Federal defenders. It also relieves the Federal courts in the District of Columbia of an outdated ban on the establishment of a Federal Defender Program in Washington.

Enactment of legislation addressing these issues will reaffirm our dedication to a Federal criminal justice system that is effective, efficient, and fair. I look forward to working with the chairman of the Judiciary Committee and my other colleagues toward that end.●

By Mr. MURKOWSKI:

S. 1582. A bill to amend the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

SHAREHOLDERS VOTING RIGHTS ACT

● Mr. MURKOWSKI. Mr. President, I am introducing a bill today to bring fairness and equity to shareholders who are too often the victims of the chaotic process of hostile corporate takeovers. This bill gives the shareholders of a target corporation the ability to decide collectively the future of their company in a reasonable manner, similar to the way they would make other fundamental decisions regarding their company.

I am alarmed by the systematic weakening of the American economy caused by the threat of hostile takeovers. Increasingly, either in anticipation of an attack or as part of repelling an onslaught or in the aftermath of a takeover, corporation are compelled to gravely weaken their capital structures. They substitute huge loads of equity for debt—debt often bearing interest rates and other provisions that create a real danger of liquidation or insolvency in the future.

The Shareholders Voting Rights Act, without preempting existing laws, would add provisions to the Williams Act to assure that the takeover process is fair and evenhanded.

With the relatively simple changes that I am proposing, I believe the current system will improve dramatically. Those who are in the game today simply to make a quick profit through the receipt of greenmail or through the temporary upsurge in market value created by the possibility of a takeover, would no longer find the takeover game attractive for such speculation. And shareholders, armed with information of the pros and cons of the offer, would have the last say on whether the offer was in the corporation's best interests.

This proposal includes the following:

Requires any person who seeks to acquire more than 15 percent of a target corporation to make a single offer to all shareholders for the remaining outstanding shares at an identical price.

Restores the role of the board of directors in the process by requiring that any takeover bid be made first to the directors of the company, who would have 10 days in which to consider it, negotiate if appropriate, and then accept or reject the offer.

Provides that if the board of directors rejects the takeover bid, the offeror may submit the bid to the entire shareholder body in a proxy contest. Only those persons who were shareholders at the time that the takeover bid was first made and who continue to maintain their interest will be permitted to vote on the offer.

Prevents the officers of a company whose shareholders have approved a takeover bid from taking any further defensive tactics to frustrate the takeover other than legal action based on a bona fide claim that the bid is in violation of law.

Provides for a 3 year "sunset" of this law.

Eliminating the questionable practice of two-tier offers, this bill allows shareholders to consider a tender offer without the fear of being "squeezed out."

Second, in allowing directors 10 days in which to study and then accept or reject the offer, the bill gives corporate officials time to make an informed decision.

There are many reasons why a board of directors should be directly involved in a takeover decision. In addition to the problems created for shareholders under the present system, current employees, retired pensioners, suppliers, creditors and entire communities may have their financial futures endangered by a hostile takeover bid. Under the present system, the board of directors, the body which traditionally concerns itself about these constituencies, can be entirely bypassed.

Increasingly, courts, investors, the Securities and Exchange Commission and others have relied upon the directors to protect the interests of the corporation, with its many constituencies. But more and more, shareholders are denied the insight and the judgment of the directors when making the most vital decision of corporate ownership.

The recent wave of hostile takeovers has not been directed solely against companies with bad managers; and many of the companies that have been victims of takeover attempts have good short-term or long-term earning potential. However, let me be clear that this bill is not meant to protect or entrench bad corporate management.

In a dramatic illustration of the detrimental impact of a recent hostile takeover attempt, the chairman of Unocal's testimony before the Senate Subcommittee on Securities illustrated the dangerous increase in debt loads created by hostile takeovers. He said:

> Before the proposed merger (with Mesa Petroleum), Unocal's equity was $5.7 billion, and our long-term debt, $1.3 billion. After the merger, the combined companies would have had . . . nearly $11 billion in debt, $10 million of Newco common stock!

Incidentally, Unocal acquired approximately another $4.5 billion in debt to stave off this takeover attempt.

I favor Government regulation of private business only when it is necessary to protect a vital interest of our country. This bill embodies the principles set forth by the Business Roundtable, a distinguished group of the leaders of 200 of the Nation's largest corporations, which also shares my concern about Government regulation. These principles recognize that mergers and acquisitions which are conducted in an orderly fashion are in the long-term best interest of both the shareholders and the economy as a whole.

My bill restores orderliness in the takeover or merger process, and I ask my colleagues to support this measure.●

By Mr. D'AMATO (for himself, Mrs. HAWKINS, and Mr. ABDNOR):

S. 1583. A bill to provide additional funding for comprehensive drug law enforcement, prevention, and treatment; to the Committee on the Judiciary.

COMPREHENSIVE DRUG LAW ENFORCEMENT, PREVENTION, AND TREATMENT ACT

● Mr. D'AMATO. Mr. President, today I am pleased to introduce the Comprehensive Drug Law Enforcement, Prevention, and Treatment Act, enactment of which will turn the great wealth of the drug kingpins into the weapons that will destroy their drug empires. This approach was recently recommended by the American Bar Association.

Last year alone, an estimated $360 million in drug money and property was seized. As we make full use of recent changes in our drug forfeiture laws, there is no reason why, in the next few years, we cannot seize $1 billion or more per year of the $100 billion a year narcotics industry's illegal income.

Last year, in the Comprehensive Crime Control Act, we established a Department of Justice Forfeiture Fund. This Fund consists of amounts received from the forfeiture of property under the laws enforced by the Department of Justice that remain after expenses for the forfeiture and sale of that property. Under this new law, however, money may be appropriated from this fund for only six specific purposes: First, payment of expenses necessary to inventory, safeguard, maintain, advertise, and sell forfeited property; second, payment for information leading to a forfeiture; third, compromise and payment of valid liens against forfeited property; fourth, disbursement in connection with the remission and mitigation of forfeitures; fifth, purchase of equipment for forfeited conveyances retained for official use; and sixth, purchase of evidence.

Last year, we also created the Customs Forfeiture Fund. This Fund consists of the proceeds of the sale of property forfeited under the customs laws. Money may be appropriated from this Fund only for: First, the payment of expenses necessary to inventory, safeguard, maintain, advertise, and sell forfeited property; and second, payment of awards to informants.

These were important, but limited, steps forward. Even this limited program is set to expire in fiscal year 1987. The law enforcement purposes of the Justice Fund, the more expansive of the two, are narrowly defined. Drug education and treatment are not even mentioned as possible purposes for these new funds. Not only are the purposes of the Customs Fund more restricted than those of the Justice Fund, but the amounts to be appropriated are quite small: No more than $20 million in fiscal years 1986 and 1987.

The Comprehensive Drug Law Enforcement, Prevention, and Treatment Act that I am introducing today, however, would expand our drug forfeiture program in three important ways:

First. It directs that the Justice and Customs Forfeiture Funds shall be used entirely for drug law enforcement, prevention, and treatment purposes; second, it provides that each of these purposes shall share equally in the two Funds; and third, it makes the Funds a permanent part of our drug abuse control strategy.

The bill I am introducing today does nothing to weaken our support for the law enforcement and asset maintenance purposes already established by law. It merely provides that the amounts remaining after these purposes are paid for will be available for additional drug law enforcement purposes, as well as for drug prevention and treatment.

The Department of Justice and Customs Service will distribute the additional law enforcement money. The Secretary of Health and Human Services will distribute the drug abuse prevention and treatment money. It will be used to assist public and private nonprofit entities in providing drug abuse prevention and clinical training programs, and drug abuse treatment services.

When our forfeiture efforts attain their full potential, the provisions of this bill would enable us to hire a thousand new DEA, Customs, and other drug law enforcement agents, inspectors, investigators, and prosecutors. It would enable these agencies to modernize their communications and investigative equipment, to expand their money laundering and financial investigations against drug kingpins, to mount a truly effective campaign against designer drugs and other dangerous synthetics such as PCP, and tend to a host of other law enforcement needs that are not now being adequately met.

With the money for an effective education and prevention program, we could reach milions of school children to teach them to say no to drugs while in the earliest grades when they are still reachable, and we can counter the peer pressure to use drugs and with the examples of positive role models.

We cannot ignore the long waiting lists of those already abusing drugs who now seek treatment. I urge my colleagues to support a national campaign to help these people recover, otherwise they will commit hundreds of thousands of crimes to pay for their habits.

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Drug and alcohol abuse constitutes a $200 billion a year drain on the American economy. In the workplace, it causes massive absenteeism, safety hazards, and losses in productivity. The health care costs it imposes on our economy are staggering. In the schools, drug and alcohol abuse make it impossible for teachers to teach and for students to learn. This epidemic is responsible for more than half of all crimes committed today.

Mr. President, we need massive reinforcements of people and resources to win the war on drugs. My bill can provide these reinforcements. At no additional cost to the taxpayer, it can help make our homes, streets, schools, and workplaces safe again. It can help remove from the American economy the hundreds of billions of dollars in costs under which it is now straining. I encourage my colleagues to join me in cosponsoring this legislation and to give it their full support.

Mr. President, I ask that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1583

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SHORT TITLE

SECTION 1. This Act may be cited as the "Comprehensive Drug Law Enforcement, Prevention, and Treatment Act".

FUNDING FOR DRUG ABUSE AND PREVENTION PROGRAMS UNDER THE DEPARTMENT OF JUSTICE ASSETS FORFEITURE FUND

SEC. 2. (a) Paragraph (1) of section 524(c) of title 28, United States Code, as added by section 310 of the Comprehensive Crime Control Act of 1984 (Public Law 98-473), is amended by—

(1) striking out "the following purposes of the Department of Justice";

(2) striking out "and" at the end of subparagraph (C);

(3) striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and"; and

(4) adding after subparagraph (D) the following:

"(E) disbursements to—

"(i) the Attorney General for drug law enforcement purposes;

"(ii) the Secretary of Health and Human Services to assist public and private nonprofit entities in providing drug abuse prevention and clinical training programs; and

"(iii) the Secretary of Health and Human Services to assist public and private, nonprofit entities in providing drug abuse treatment.

Any funds appropriated under subparagraph (E) shall be divided into thirds and distributed on a basis of one-third for the purposes provided in clause (i), one-third for the purposes in clause (ii), and one-third for the purposes provided in clause (iii). Disbursements to the Secretary of Health and Human Services under subparagraph (E) shall be made in accordance with written requests of the Secretary of Health and Human Services.".

(b) Paragraph (5) of section 524 of title 28, United States Code, is amended by inserting after "this subsection" the following: ", except that the Secretary of Health and Human Services shall prepare, for transmittal by the Attorney General, the portion of the report relating to expenditures under subparagraph (E) of paragraph (1)".

(c) Paragraph (7) of subsection (c) of section 524 is amended to read as follows:

"(7) There are hereby authorized to be appropriated for each fiscal year—

"(A) such sums as may be necessary for the purposes described in clauses (A), (B), (C), (D), and (E); and

"(B) $2,000,000 for the ACTION Drug Prevention Program.

At the end of each fiscal year, any amount in the fund in excess of the amounts appropriated shall be deposited in the general fund of the Treasury of the United States, except that an amount not to exceed $5,000,000 may be carried forward and available for appropriation in the next fiscal year.".

FUNDING FOR DRUG ABUSE AND PREVENTION PROGRAMS UNDER THE CUSTOMS FORFEITURE FUND

SEC. 3. (a) Subsection (a) of section 613a of the Tariff Act of 1930 (19 U.S.C. 1613), as added by section 317 of the Comprehensive Crime Control Act of 1984 (Public Law 98-473) is amended—

(1) by striking out "the following purposes of the United States Customs Service";

(2) in clause (1) by striking out "and" after the semicolon;

(3) in clause (2) by striking the period and inserting in lieu thereof "; and"; and

(4) by inserting at the end thereof the following:

"(3) disbursements to—

"(A) the Secretary of the Treasury for drug law enforcement purposes;

"(B) the Secretary of Health and Human Services to assist public and private nonprofit entities in providing drug abuse prevention and clinical training programs; and

"(C) the Secretary of Health and Human Services to assist public and private, nonprofit entities in providing drug abuse treatment.

Any funds appropriated under clause (3) shall be divided into thirds and distributed on a basis of one-third for the purposes provided in subclause (A), one-third for the purposes provided in subclause (B), and one-third for purposes provided in subclause (C). Disbursements to the Secretary of Health and Human Services under clause (3) shall be made in accordance with written requests of the Secretary of Health and Human Services.".

(b) Subsection (d) of section 613a is amended by inserting after "under this section" the following: ", except that the Secretary of Health and Human Services shall prepare, for transmittal by the Attorney General, the portion of the report relating to expenditures under clause (3) of subsection (a).●

By Mr. HEINZ:

S. 1584. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer to expense the costs of plant and equipment destroyed in whole or in part in a natural disaster; to the Committee on Finance.

DEDUCTION FOR REPLACEMENT COSTS INCURRED IN CONNECTION WITH A NATURAL DISASTER

● Mr. HEINZ. Mr. President, today, I am introducing a bill which will allow companies or businesses that have had property destroyed by natural disaster to write off immediately the cost of rebuilding their facilities, provided the facility is rebuilt in the same locality.

The purpose of this bill is to encourage companies to rebuild their plants or businesses in the same locality rather than move to another area. Currently if there is a natural disaster, such as a flood, tornado, hurricane, or earthquake, companies are entitled to SBA disaster loans at a lower interest rate. The purpose of these loans is to allow the company to rebuild its facilities, but there are no restrictions requiring that the facilities be rebuilt in the same location.

The Tax Code allows the companies to collect the insurance and rebuild without paying taxes on amounts they receive in excess of their basis in the property. Again, there is no restriction on where they have to rebuild.

My bill is very simple, it would allow taxpayers to deduct currently the cost of repairing or replacing the facility. These are the costs that would normally have to be depreciated over a period of years. However, the special tax break is only available if the company or business rebuilds in the same locality. This provision, is fair for several reasons: When a company is destroyed, either in whole or in part, they have a choice of rebuilding or taking the insurance money, and closing up their business. If they choose to rebuild, they have to borrow additional funds, and now have a large debt to pay off. This is an expense that they were not counting on, and will only reduce their profits. They didn't choose what was going to happen to them, it was an act of God, but they have to pay for it. By allowing them to expense the unanticipated additional cost of rebuilding or repairing their facility, it puts them closer to the financial position they were in prior to the disaster.

The requirement that they rebuild in the same locality is a protection for the residents of that area. They depend on the factory or business for their livelihood. The Tax Code should allow the company to recoup its losses, but not at the expense of the residents in the area.

Mr. President, I urge my colleagues to cosponsor this legislation, and work for its swift passage. I further ask that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1584

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the folloing new section:

"SEC. 197. DEDUCTION FOR REPLACEMENT COSTS INCURRED IN CONNECTION WITH A NATURAL DIASTER.

"(a) ALLOWANCE OF DEDUCTION.—A taxpayer may elect to treat qualified disaster replacement costs which are paid or incurred by the taxpayer during the taxable year as expenses which are not chargeable to capital account. The expenditures so treated shall be allowed as a deduction.

"(b) QUALIFIED DISASTER REPLACEMENT COSTS DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified disaster replacement costs' means any amount which (but for this section) would be included in the basis of any property which—

"(A) replaces property used in connection with a trade or business which was destroyed in whole or in part in connection with a disaster occurring in an area subsequently determined by the President of the United States to warrant the assistance by the Federal Government under the Disaster Relief Act of 1974,

"(B) is used, or to be used, in the same trade or business in which the property which it is replacing was used,

"(C) is of a character subject to an allowance for depreciation (or amortization in lieu thereof), and

"(D) is located in the locality in which the property which it is replacing is located.

"(2) NO SUBSTANTIAL EXPANSION.—The term 'qualified disaster replacement costs' shall not include any amount to the extent such amount is attributable to a significant expansion of the property which it is replacing.".

(b) CONFORMING AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 197. Deduction for replacement costs incurred in connection with a natural disaster.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 1984, with respect to disasters occurring after such date. ●

By Mr. MATTINGLY (for himself, Mr. NUNN, Mr. ZORINSKY, Mr. DURENBERGER, Mr. THURMOND, Mr. STENNIS, Mr. ABDNOR, Mr. BOREN, Mr. GRASSLEY, Mr. PRYOR, Mr. COCHRAN, Mr. HEFLIN, Mr. WARNER, Mr. HOLLINGS, Mrs. KASSEBAUM, Mr. BOSCHWITZ, Mr. TRIBLE, Mrs. HAWKINS, Mr. EAST, Mr. ANDREWS, Mr. DENTON, Mr. HELMS, and Mr. HARKIN):

S. 1585. A bill to amend the Internal Revenue Code in order to clarify the right of cooperatives to net earnings and losses among patronage allocation units, and for other purposes; to the Committee on Finance.

NET EARNINGS AND LOSSES AMONG COOPERATIVES

● Mr. MATTINGLY. Mr. President, the topic which this bill addresses is of great importance to the nearly 2 million members of our Nation's farmer-owned cooperatives. I might add that this issue is of some urgency to several co-ops which are in imminent danger of being told by the Internal Revenue Service that they must go back into past years and pay taxes, penalties and interest because they utilized the practice of "netting" their gains and losses among their several areas of cooperative business activity for the purpose of determining their taxable income.

This practice of offsetting profits made in one area of business activity against losses incurred in another area of activity conducted by the same organization is not an exception to the rule—indeed, it is a practice available to all types of business enterprises whether they be sole proprietorships, partnerships, or corporations. The U.S. Tax Court has distinctly found that farmer-owned cooperatives are also eligible to employ this same practice of netting gains and losses among their several divisions for tax purposes.

Despite the clear and unambigious language used by the Tax Court in overturning the IRS position against co-op netting, we find ourselves today faced with yet another attempt by the service to change the law by administrative fiat. Their cavalier attitude has obviously raised the concern of at least 32 of our Senate colleagues who have either addressed their complaint to Secretary Baker or who signed on as cosponsors of the amendment which I had earlier intended to introduce to the imputed interest bill.

Mr. President, the bill introduced today and cosponsored by 22 of our colleagues does not make any substantive changes in existing law as expressed in the Internal Revenue Code. It does not alter previous decisions of the U.S. Tax Court in cases involving netting of gains and losses among divisions by cooperatives. It only attempts to reaffirm existing law and effectuate the Tax Court rulings which the IRS has apparently chosen to ignore.

We are also aware of the concerns expressed by Secretary Block over the IRS actions. He too has expressed his feelings on this issue in letters to both Secretary Baker and to the Senate Finance Committee. USDA has studied this issue under several administrations, and Secretary Block's letters of support are based on the results of intensive studies conducted over the years.

As I have indicated in my earlier statements on this issue, we are here today to simply seek fairness and equity for our farmer-owned cooperatives in the application of the Tax Code. We do not ask that the statute be changed, only that language be added which makes perfectly clear to the IRS what the Tax Court has tried to tell them on three different occasions * * * that farm co-ops are entitled to use netting procedures in determining patronage dividends for tax purposes. One would think that such legislative action would be unnecessary given the rather blunt language found in the court decisions. Unfortunately, the service seems rather prone to selective deafness when anyone tells them something they don't want to hear.

The language which we have submitted today is only a minor modification of the amendment language which many of us had earlier offered to the imputed interest bill in an attempt to address this issue. At that time, the esteemed chairman of the Finance Committee quite correctly objected to our nongermane amendment and requested that we withhold pending a hearing before the committee. Such a hearing was expeditiously held on July 15, by Senator CHAFEE, chairman of the Subcommittee on Taxation and Debt Collection. We have since worked with committee staff in an effort to satisfactorily modify the bill language.

We have come a long way toward a meeting of the minds in drafting the bill, sufficiently far enough that we are offering the measure today. I know that over the coming recess period staff and other interested parties will continue to meet if there remain any unresolved, minor concerns which should be addressed before the committee takes up the measure in business session following our recess. Obviously, the sponsors of the bill would like to resolve any outstanding concerns in a spirit of cooperation and understanding. I feel confident that such will be the case and that we can expect a speedy consideration of this matter upon our return.

We urge the assistance of our colleagues in this effort to put an end to what the court referred to in one decision as the IRS's "* * * unwarranted tinkering with the tax structure applicable to cooperatives."●

By Mr. ROTH (for himself, Mr. METZENBAUM, Mr. FORD, and Mr. PROXMIRE):

S. 1587. A bill to establish a commission to review contract payments by departments and agencies of the Federal Government and to take appropriate action to recapture profits on those contracts which the commission determines to be excessive; to the Committee on Governmental Affairs.

FEDERAL CONTRACT FAIR PRICE COMMISSION ACT

● Mr. ROTH. Mr. President, we have read numerous accounts in the press of contractor overcharges and overpriced spare parts. Also, recent information available from the U.S. Census Bureau indicates that profits are healthy in the defense industry. For example, profits as a percent of equity or resources contributed for 10 large military contractors in 1984 averaged 25 percent whereas commercial manufacturing, mining, and trade corporations averaged 12.8 percent. This and other information from the Inspectors

General, the General Accounting Office, and the media provide growing evidence that some defense contractors are reaping unearned and exorbitant profits.

Mr. President, I believe we must strengthen our defenses and that contractors should realize fair and reasonable profits for performing Government contracts. However, the many disclosures of abuses by defense contractors have made the taxpayer suspicious of all Government procurement operations and Government contractors.

Government procurement regulations provide guidelines to be used in establishing the estimated initial contract profit levels; however, there are essentially no limits on final profit levels on Government contracts. I believe contractors should receive appropriate profits but those profits should be commensurate with the resources contributed by the contractor.

These press accounts of contractor profits suggests that action is needed to protect the Government's interest. One approach is to reactivate the Renegotiation Board although the Board has had a controversial history. While the concept of renegotiation may have caused controversy in the past, the revelations in the press suggests that the concept is worthy of reconsideration.

Mr. President, to encourage this reexamination, today Senators METZENBAUM, FORD, PROXMIRE, and I are introducing legislation designed to establish a commission to review contract payments by departments and agencies of the Federal Government and to take appropriate action to recapture profits on those contracts which the Commission determines to be excessive. Our bill, the Federal Contract Fair Price Commission Act of 1985, grew out of one section of earlier legislation, S. 940, that I introduced to prevent excess profits in the defense industry.

Mr. President, the Commission is similar to the Renegotiation Board which expired in 1979. While the Board existed it found excess profits of $1.3 billion on defense contracts. The Board could have found more but it was hampered in several ways. Our bill will correct the shortcomings of the Board and apply the revised principles to all Government contracts.

The Commission will be concerned with contractors or subcontractors who receive over $5 million in Federal contracts during any year. This should encourage the Commission to focus on larger firms rather than small businesses as generally happened under the old Renegotiation Board. Also profit levels will be determined by product line, preventing firms from averaging profitable with unprofitable work to obscure high profits on specific products.

The Defense Contract Audit Agency will be used for audit support to the Commission and subpoena power is added to assist the Agency if needed. This provides the Commission with immediate, experienced audit support by staffs who are already at many contractor plants.

To ensure compliance criminal and civil penalties are stipulated for contractors who fail or refuse to file the proper information or furnish false or misleading information. The Commission will not only recover excessive profits but will levy interest charges on those profits and can recover the moneys directly or indirectly from the contractor.

We offer this legislation to further the debate on measures to protect the taxpayer from paying excessive profits to Federal contractors.

Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

FEDERAL CONTRACT FAIR PRICE COMMISSION ACT OF 1985—A BRIEF SUMMARY

The bill establishes a commission to review contract payments by departments and agencies of the Federal Government and recapture excessive profits on those contracts. Guidelines currently exist in agency regulations to establish initial profit levels, however, there are essentially no limits on final Government contractor profit levels.

The commission is similar to the Renegotiation Board which went out of existence when its legislative authorization was allowed to lapse on September 30, 1976. However, the commission will apply to all government contracts and includes several new provisions. The primary provisions of the bill are as follows:

The profit levels will be determined by product line within a contractor or subcontractor organization, preventing firms from averaging profitable with unprofitable product lines to obscure high profits.

The Act shall apply to any contractor or subcontractor who received over $5,000,000 in Federal contract funds during any fiscal year. This is to encourage the commission to focus on larger firms rather than small businesses as generally happened with the old Renegotiation Board.

The commission will be composed of five members who after the first appointment will serve a term of five years with staggered expiration dates.

The Defense Contract Audit Agency with its contract audit expertise will be given subpena power and designated to make reviews of contractor reports and records in support of the commission.

Criminal and civil punishments are stipulated for failure or refusal to file the proper information or furnishing false or misleading information.

The commission may recover excessive profits by offsetting the amount against other payments due a contractor, or by directing other agencies to withhold the amount of the excess profits from their payments to the offending contractor.

Contractors will not only be required to repay excess profits but will be charged interest on the overpayment.

Contractors may seek relief from a commission determination, however, the court may not overturn a determination unless it was arbitrary, capricious, or not supported by substantial evidence.

The commission shall report annually to the Congress on its activities.●

● Mr. METZENBAUM. Mr. President, I am pleased to join the distinguished chairman of the Governmental Affairs Committee, Senator ROTH, as well as Senators FORD and PROXMIRE in introducing the Federal Contract Fair Pricing Act of 1985. This bill, which is designed to recover excess profits derived from Federal contracts, creates a mechanism that has the potential to impose discipline upon our chaotic and scandalously wasteful Federal procurement process.

There can be no argument about the urgency of our need to reform that process. Nor, Mr. President, is there any question about the deep frustration in Congress and among the public at large over the apparent inability of our Government to put its own house in order.

We have tried—and for the most part, without notable success—to require competition in Federal procurement.

We have tried to tell procurement officials VIA legislation to do what they should be doing in the normal course of business—things like using "should cost" analysis, seeking second sources, dealing severely with contractors who defraud the Government.

I have strongly supported efforts to force change in the procurement process.

I will continue to do so.

But, Mr. President, I believe that until the day comes—if it ever does—on which Congress and the administration are prepared to overhaul procurement from the ground up, contractors will continue to find ways around every requirement we write.

That is why the bill we are introducing today is in my judgment so very important.

This bill, Mr. President, establishes a commission that will have full authority to review all Federal contracts.

This is a commission with teeth.

It will have at its disposal the auditing capabilities of the Defense Contract Audit Agency.

It will have the power to gather information from contractors and to move against—with very substantial sanctions—those who fail to comply with filing requirements or who furnish false or misleading information.

The commission will have access to appropriate Government and corporate records—by subpoena, if necessary.

And above all, this commission will have the power to recover—with interest—on behalf of the taxpayers, contractor profits deemed to be excessive.

This commission, Mr. President, is a mechanism through which we can expect to recover very large amounts of money.

How much?

It is impossible to say, but we do know that hardly a day goes by without some new story surfacing about this or that contractor's efforts to bilk the Federal Treasury.

And we can also be reasonably sure that what we hear about is the tip of the iceberg—that if major, blue chip firms are playing fast and loose with defense and other contracts, then others may well be doing the same.

This bill makes good business sense.

It gives us the opportunity to correct mistakes and to save Federal dollars that would otherwise be lost forever.

And, the existence of a strong Federal fair price commission will say to contractors and to Federal procurement officials something that desperately needs saying—that someone is watching.

The Federal Fair Price Commission is intended to be a literal watchdog of the Treasury.

It is something we need.

And I hope, Mr. President, that we can and will move expeditiously to put it in place.●

By Mr. GRASSLEY:

S. 1589. A bill to amend the Farm Credit Act of 1971 to require institutions of the Farm Credit System to make available to the general public a list of the names of the members and stockholders of such institutions; to the Committee on Agriculture, Nutrition, and Forestry.

LIST OF MEMBERS AND STOCKHOLDERS OF INSTITUTIONS OF THE FARM CREDIT SYSTEM

Mr. GRASSLEY. Mr. President, today I am introducing legislation aimed at helping maintain the control of the Farm Credit System by its farmer borrowers. Simply, this legislation gives members and stockholders of the Farm Credit System the right to obtain, upon request, a list of other members and stockholders within the requester's lending association.

The Farm Credit System was created in order to give farmers a financial vehicle with which they could meet their borrowing needs. The system was set up to be owned and operated by farmers who actually borrow from the various lending associations which make up the Farm Credit System.

It is important to note that much, if not all, of the congressional support for this system has been based upon this unique characteristic as a farmer owned and operated self-help tool. Consequently, it should not be difficult to conclude that movement away from farmer control and away from the primary mission of helping farmers could seriously jeopardize support for this system, not only from Congress but also from farmers and the general public.

Unfortunately, recent decisions made that have a dramatic effect upon farmer borrowers of the Farm Credit System have raised serious questions as to who really controls the system. Farmers have had little or no say in decisions to freeze PCA stock, or to raise Federal Land Bank interest rates. In short, major action and decisions are being made that affect the Farm Credit System yet none of the farmers are being asked beforehand whether or not they approve.

How can we say this is a farmer owned and operated system when farmers are being left out of the decision process?

What is just as alarming is the fact that the farmers who make up the membership and own the stock of their local farm credit lending association or bank, are unable to obtain a list of the other member/stockholders of their association. How can mutual decisions be made when the decisionmakers are barred from communicating with each other? And how can you communicate with each other if you don't even know who the other member/stockholders are?

How many of my colleagues in the Senate would work under those conditions? What if you were expected to vote on legislation, but were not allowed to learn who the sponsors were, or who supported it or opposed it? Without this simple, basic knowledge, how could there exist a free flow of reliable information from which you make your decisions.

There is no legitimate excuse for the present obstructive policies which bar stockholders from learning who their colleagues are. We are not asking for sensitive financial information from the members. The purpose of making names available is simply to enhance the flow of information among those who are suppose to share the responsibility in making decisions affecting the policy and direction of their cooperative as well as the individual member/stockholder. If someone does not want their name made available, then arrangements can be made to accommodate those concerns.

Mr. President, the Farm Credit System is facing very trying times today that will require careful decisions to be made based upon the best possible information and under conditions which maximize communication. I urge my colleagues in joining me in this legislation that will serve as a good first step in that direction.

By Mr. ARMSTRONG:

S. 1590. A bill to amend the U.S. Housing Act of 1937 to encourage resident management and ownership of public housing; to the Committee on Banking, Housing, and Urban Affairs.

RESIDENT MANAGEMENT AND OWNERSHIP OF PUBLIC HOUSING

● Mr. ARMSTRONG. Mr. President, there's no telling what people can accomplish when they don't listen to the experts.

For the last quarter-century or so, the poverty experts have concentrated on failure. Sociologists, psychologists, urban studies directors, criminologists, and others have emphasized losing. Their work—and our public policies—have focused on inability, not ability.

We have started from negative axions; and not surprisingly, we have wound up with negative bottom lines. Why can't poor children learn as well as others? Why do the urban poor have such high crime rates? Why do low-income people in urban areas slide downward into greater dependency?

To answer these questions, we have spent hundreds of millions of dollars in research and experimentation. To implement our purported solutions, we have spent tens of billions of dollars. And to our amazement, we have made very little difference in dealing with the pathology of poverty.

The real poverty experts are those poor people who are finding ways to break out of the cycle of dependency. Instead of asking why poor kids cannot learn, they are showing us that their children, from Newark to Chicago to Los Angeles, can excel when taught with determination, ingenuity, and dedication. So far, the Congress has refused to bring Federal education progams into line with the reality of academic achievement by poor children. This indicates that there is, indeed, a learning problem; but it is right here in Washington, not in poor neighborhoods.

The same is true with regard to low-income housing. The projects, as they are known in every part of the Nation, have been an economic disaster, a political boondoggle, and a social disgrace. They have become symbols of everything wrong with Government's paternalistic approach to the poor: an approach that assumes helplessness, discourages initiative, and fosters dependency. In the process, it wastes staggering amounts of money.

Clearly it is time for some basic reform, for the sake of budget savings and, more important, to achieve practical improvements in the lives of the people who live in Federal housing projects. Having learned a lot from some of them, I am today proposing legislation based on their experience and in line with their aspirations. My bill is designed to facilitate resident management of federally assisted housing projects.

That is not a radical proposal, only a modest innovation. But I would rather take a few solid steps in the right di-

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rection than run a mile down a dead-end alley. And that is an apt metaphor for the current direction of our housing programs.

First, let me give credit where due. This legislation embodies not my ideas but the proven accomplishments of those actually living in public housing projects who have demonstrated that resident management of those properties does work. It isn't theory; it's an operational fact.

Almost within sight of the Capitol Building in which I speak, the residents of Kenilworth/Parkside, a 464 unit, inner city complex in Northeast Washington, have shown what a difference they could make when given a chance. From information given to me, I am told resident management at Kenilworth/Parkside has increased rent collections 179 percent by taking charge of finances themselves. That is only one of many improvements. Three years ago, 76 percent of the almost 3,000 residents were getting public assistance. Now less than 50 percent are on welfare. People have reason to work; young people aspire to more education; the facilities are better maintained because the residents are in charge of them. In other words, low-income people are behaving just like everyone else.

That should not be in the least surprising. What is remarkable is that, for so long, Government assumed that the poor either would not or could not make that adaptation. But they are making it in the Bromley-Heath development in Jamaica Plains, MA; in the Cochran project in St. Louis, MO; in the B.W. Cooper project in New Orleans; in the Iroquois Homes development in Louisville, and elsewhere.

This legislation is intended to give them a hand and, even more important, to extend the same chance to residents in other low-income housing projects. It would enable resident management corporations to contract directly with the Department of Housing and Urban Development to secure, on a project basis, their share of the operating subsidy the HUD currently gives to the public housing agency.

For the first 3 years of resident management, that operating subsidy would not be reduced if the residents succeed in increasing the housing project's income by holding down costs and increasing rents. After all, if the residents show they can do a better job, financially, than the public housing agency had been doing, they should not be penalized for their efficiency by losing their operating subsidy. Least of all should that operating subsidy simply be transferred back to the public housing agency, to be spent on poorly managed projects where rents are not collected and operating costs keep going up and up.

If the resident management corporation accrues funds in excess of operating and projects costs during its first 3 years, the money could be retained by the corporation for these purposes: improving maintenance and operation of the housing project, acquiring additional units of low-income housing, or acquiring ownership of the project if that becomes economically—and legally—possible.

This legislaton will provide resident management corporations with flexibility concerning Federal rules and regulations which unnecessarily increase costs. This provision has been included at the advice of tenants themselves, who object to the diversion of tax dollars from urgently needed repairs to redtape and bureaucratic requirements.

Anyone familiar with Federal housing projects know that our modernization efforts have been far less than successful. Here's the problem: When we target the most rundown, neglected, defaced projects for modernization funds, so that new appliances or screendoors or linoleum can be put in, we do nothing to permanently alter the conditions that made those projects the most abused. So in no time at all, the modernized project is back where it started, with the new appliances stolen or broken, the security locks destroyed, the windows smashed.

Conversely, when resident management improves a project, when the tenants themselves improve things and prevent deterioration, their commendable efforts put them farther down on the list for modernization. Because they are trying to keep up the property, they are not considered urgently in need of modernization grants, And so, we penalize desirable conduct and reward negative behavior.

To remedy that, this legislation would require HUD to give priority consideration to resident managed projects in awarding comprehensive modernization funds. It does not guarantee such funding for those projects; they would still have to demonstrate justification for their application. But it would push to the top of the waiting list, so to speak, those housing projects where the residents are most likely to protect the investment of modernization money.

There is much to learn from the resident management corporations that are already in operation. Their participants understand the need for sound training in all aspects of property management. They understand the need for strong bonding requirements and for procedures to make sure that the corporation is run democratically and for the benefit of all residents. They do not want their own success to be undermined by poorly planned enterprises elsewhere. And that is why this legislation specifies in some detail the procedures for setting up a resident management corporation, for training, for insurance, for contracts, and bookkeeping. These are stiff requirements, but they have already been met by those who are making resident management work; and in order to replicate their success elsewhere, we must maintain the high standards they have met for the protection of all involved.

It is equally important to be clear about what this legislation would not do. It does not take the Federal Government out of the housing business. Whatever we may think about the wisdom of current programs, resident management does not terminate any of HUD's activities or eliminate any of its programs.

This bill would not reduce Federal housing expenditures. Whether we want to spend more or less, resident management does not commit us either way.

My proposal does not transfer ownership of any properties away from HUD or from local public housing agencies, though it would permit resident management corporations to use excess revenues, if they should be able to accumulate any, for acquisition of additional units of low-income housing. Personally, I see no reason why qualified residents who aspire to home ownership should not be given every opportunity to fulfill that dream. Time will tell if it is feasible; and at some future time, after assessing the record of resident management, the Congress may want to address the potential for resident ownership. But that issue is apart from the purpose of this bill, which is to assist low-income residents to enter the mainstream of American life.

This bill does not usurp the local role in managing public housing. I frankly think this bill may help public housing authorities to achieve what ultimately is their main objective: to provide well-managed, decent, affordable housing for low-income tenants. In fact, a number of public housing officials have wanted to rid themselves of unnecessary Federal rules and regulations to improve project management. This bill can help achieve this goal.

My proposal would not require resident management in all public housing. That is not practicable in many places. It would not open the door to takeovers of low-income projects; for it provides safeguards by way of training, bonding, and oversight.

This bill is not intended to repudiate the role of public housing agencies within present HUD programs. Some may argue that that role will diminish if more and more subsidized housing is managed by its residents. If tenants learn to deal with community problems, collect more rent than the housing agencies, make their projects cleaner and safer, reduce the need for

rehabilitation funds, protect the taxpayers' investment, create project-based self-help groups, train and employ residents for maintenance and repair, generate economic development out of former slums, and move on up the opportunity ladder, then perhaps the role of housing agencies will change. But if resident management does produce those results, then perhaps the role of those agencies should have changed a long time ago.

It is important to keep in mind that the Federal Government pays almost all of the costs of public housing projects. We have an obligation to protect the taxpayer's multibillion dollar investment in those pojects. That is why the Federal Government has always set certain standards, operating conditions, and procedures for the housing agencies that wish to receive these tremendous amounts of Federal money. This legislation sets the condition that they must allow resident management wherever the circumstances clearly warrant it.

If ever there was a grassroots initiative, this is it. And it springs from grassroots that have been trodden upon for a long time. I want to pay tribute to those who, faced with challenges that would have daunted most of us in Congress, have persisted, insisted, and beat the odds against them. Kimi Gray and Gladys Roy at the Kenilworth Courts here in Washington, their counterparts in other parts of the country, and the residents who are helping them reshape life in the housing projects have overcome formidable obstacles. We should learn their example. If they can so greatly improve the operation of federal housing programs, so can the Congress, if we put our minds to it.

Finally, credit should be given to the National Center for Neighborhood Enterprise, its president, Bob Woodson, and staff. They have provided a forum for the poor people who, rich in energy and determination, are making resident management work. They have focused national attention, not so much upon the problems of low-income housing, as upon their solutions. They have studied success, not failure. Where others saw a dispossessed proletariat, they have looked for winners, doers, changers, darers. And they have found them, right where they always were: in America, waiting for a chance.

This bill gives them a chance. I ask unanimous consent that its text be printed in the RECORD, along with two newspaper articles explaining the background of this proposal and the successful implementation of resident management in Federal housing.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1590

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Housing Act of 1937 is amended by adding at the end thereof the following:

"RESIDENT MANAGEMENT

"SEC. 20. (a) The purpose of this section is to encourage increased resident management of public housing projects by providing for projects which are managed by residents increased flexibility by (1) waiving certain statutory and regulatory requirements, (2) giving such projects a priority for comprehensive improvement assistance, and (3) permitting the retention and use for certain purposes of any excess of revenues over operating and project costs.

"(b) The Secretary may not enter into or renew a contract with a public housing agency unless the Secretary finds that the public housing agency is making all reasonable efforts to encourage the assumption of project management responsibilities by resident management corporations established in accordance with this section. For the purpose of making the finding in the preceding sentence, the Secretary shall require public housing agencies to give residents of public housing projects an opportunity to submit comments prior to entering into a contract with respect to those projects.

"(c)(1) As a condition of entering into a resident management program, a majority of the adult residents of a public housing project must approve the establishment of a residents council to determine the feasibility of establishing a resident management corporation to manage the project.

"(2) The residents council and the public housing agency shall jointly select a qualified and certified management specialist to assist in determining the feasibility of, and to help establish, a resident manager corporation.

"(3) Prior to assuming any management responsibilities for a public housing project, the resident management corporation must provide fidelity bonding and insurance, or equivalent protection, in accordance with regulations by the Secretary and the public housing agency. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the public housing agency against loss, theft, embezzlement, or fraudlent acts on the part of the resident management corporation or its employees.

"(4) A resident management corporation which has qualified and supplied insurance and bonding or equivalent protection sufficient to the Secretary and the public housing agency may enter into a contract with the public housing agency establishing respective management rights and responsibilities of the corporation and the agency, including specific terms governing management personnel, access to project records, submission of and adherence to budgets, rent collection procedures, tenant income verification, tenant eligibility determinations, tenant eviction, the acquisition of supplies and materials, and such other matters as may be appropriate. For the purpose of this paragraph, the Secretary is authorized to develop and encourage the use of a model contract.

"(5) The books and records of a resident management corporation operating a public housing project shall be audited annually by a certified public accountant and a written report of such audit shall be forwarded to the public housing agency and the Secretary.

"(d)(1) The Secretary is authorized to publish a list of those Federal requirements which unnecessarily increase project costs or restrict project income, and which, at the option of the resident management corporation, may be waived with respect to the public housing project managed by that resident management corporation. The list of requirements which may be waived shall include the applicability of section 12 of this Act to the project, of minimum property standards prescribed by the Secretary (but only if local property standards are followed), and of such other operating and managerial requirements as the Secretary may specify.

"(2) Notwithstanding any provision of section 9 or any rule or regulation thereunder, the operating subsidy for a project managed by a resident management corporation shall be determined on an individual project basis and on the basis of statistical information from the two years preceding the year in which the subsidy is being determined. The subsidy amount so established for such a project may not be reduced during the first three years of management by the resident management corporation.

"(3) Any excess of project revenues over operating costs and project costs of a public housing project managed by a resident management corporation may be retained by the resident management corporation for the purposes of—

"(A) improving the maintenance and operation of the project;

"(B) acquiring ownership of the project; and

"(C) acquiring additional units of housing for lower income persons.

"(e) Public housing projects managed by resident management corporations shall be given a priority in the allocation of assistance under section 14.".

[From the Washington Times, May 17, 1985]

A SUCCESSFUL TEST OF THE AGENDA IN THE DISTRICT OF COLUMBIA

(By Richard Vigilante)

It is no surprise that the future of American public housing policy is being decided inside Washington, D.C. But it might be a surprise that in an important sense it's being decided just barely inside Washington, D.C. not downtown, where the politicans meet the policy pros, but in a questionable neighborhood one step from the Maryland border, where sits a public housing project that three years ago was known as one of the worst in the city.

The project is called Kenilworth-Parkside, and it is already famous in the policy community. Though there are others like it around the country, its phenomenal success and fortunate location have made it Exhibit A of the "housing radicals."

This merry band, mostly think-tankers and Hill staffers is convinced the solution to the disastrous state of public housing is to turn the projects over to the experts—the residents, most of whom are on welfare and some of whom have never held regular jobs or acquired marketable skills or even decent work habits. And odd choice of personnel to run, and eventually own, a multimillion-dollar piece of real estate. If Kenilworth-Parkside is a fair example, it works.

Three years ago, Kenilworth-Parkside was everything the phrase "the projects" has come to mean; Considered simply as housing, it was a disaster. Heat and hot water were the exception, not the rule. The most routine maintenance was neglected, and vandalism and tenant abuse made maintenance pointless, anyway. Rents were neither willingly paid nor vigorously collected and the project lost hordes of money.

As a community it was even worse; overrun by drugs, crime, despair, and fear; 85 percent of the residents relied chiefly on government largess for their income, 30 percent were totally dependent, teen-age pregnancies were frequent.

In 1982, the residents of the project decided that living conditions had crossed into the intolerable zone. They formed their own management corporation, elected a board of directors from among the residents, and convinced the city to let them run the place.

Within two years they radically improved living conditions; restored regular heat and hot water, patched up leaky roofs and other gross physical defects, cut operating costs 60 percent, and raised rent receipts 13 percent.

So much anyone who understand incentives might have predicted since the managers live in the project, they suffer when the heat goes off. But in those two years crime also dropped 75 percent, resident income rose substantially, and welfare dependency and teen-age pregnancies were reduced by half though essentially the same people were living there as in 1982.

The evidence indicates that over these broad social changes are directly attributable to the resident takeover.

The story of the transformational Kenilworth-Parkside could fill a book, though as told by Kimi Gray, the Kenilworth resident who heads the board of directors, it would be a novel, not a doctoral thesis. The theme would be straightforward—the end of childhood.

Current public housing programs, along with most welfare programs, assume their clients are part of an "underclass," not merely poor, but socially deranged members of a culture that attaches, as one theorist put it "no value to work, sacrifice, self-improvement, or service to family, friends, or community." But a similar description might be made of very young children—notoriously, though innocently, selfish because everything is done for them.

The Kenilworth experience suggests the "underclass" theorists who design welfare programs have it backwards. Residents of public housing and other government dependence behave irresponsibly because all responsibility has been taken from them.

According to Kimi Gray, Kenilworth residents behave responsibly because they have responsibility: they are self-governing, making their own rules and enforcing them.

Break a window? Pay a fine, enforced by the residents. Poor people can't afford to pay fines? "Wrong," says Kimi, "Poor people can't afford to break windows." Don't cut your grass? Management will cut it and send you a bill. Let your kids "hang out" all day causing trouble instead of going to school? You'll be reported to the authorities and if you don't straighten out your kid you'll be evicted. There have only been two evictions.

This is not totalitarianism—middle-class people live under similar restraints. Indeed at Kenilworth the rules are so cherished by the community they work more like the status restraints of middle-class neighborhoods than like citations from a lawbook.

One reason welfare dependency has declined is that all the work of the projects from running the furnaces to fixing the roofs, is done by resident employees. More importantly, self management has created a community, and in that community "watching soap operas all day and collecting welfare" is not acceptable behavior. Crime has dropped 75 percent because the community defends itself—one of the principal social activities at Kenilworth seems to be watching the street and calling the police.

The next step, the residents hope, will be the ultimate responsibility, ownership, first by management collectively and then by those residents who wish and, with subsidies, could afford to buy their units co-op style.

Public policy analyst Cicero Wilson, who has studied Kenilworth-Parkside closely for the American Enterprise Institute, points out that as tenants, public housing residents are encouraged to be irresponsible.

As their incomes rise, their rents rise, discouraging work. Indeed, income increases can eventually force them out of their homes. The current system guarantees that the most responsible residents of the community will be punished or forced to leave.

With ownership as a goal, tenants would have an incentive to raise their incomes and protect their homes—like adults in the real world, not children sentenced to the welfare nursery.

Ownership is the ultimate goal of the housing radicals. Rumor has it that mild-manner HUD Secretary Sam Pierce has radical blood in his veins. Let's hope.

[From the Dallas Times Herald, Aug. 16, 1984]

CARVING A PLANK

(By D. W. Nauss)

Two decades ago, when he was leading civil rights marches in West Chester, Pa., Robert Woodson never thought that someday he would be contributing to the Republican Party's platform.

But Woodson's ideas on self-help incentives leading to home ownership for public housing residents were incorporated this week into the party's plank by the Subcommittee on Community and Neighborhood Resources.

"It's very heartwarming," said Woodson, president of the non-profit National Center for Neighborhood Enterprise in Washington, D.C. "I hope this will become part of the national political debate."

Woodson, 47, has gained some national attention as a black conservative and for endorsing the belief that the way to help minorities and the poor is through self-sufficiency and less federal control of poverty programs.

Although he is vague on how low-income residents would buy public housing projects, he suggested a voucher system could be used in which assistance payments could be applied as mortgage payments.

His views make most Republicans smile.

"What he expounded was historical Republican philosophy—government helping people gain their economic independence," said Susan Auld, a delegate from Vermont.

"I am enthusiastic about this," said South Carolina delegate Elmer Rumminger, referring to Woodson's public housing proposal. "This could be one of the most dramatic things to come out of this convention."

Rumminger was so impressed that he invited Woodson to lunch with a dozen other delegates after Woodson testified before the community resources subcommitee. The luncheon resulted in an invitation for Woodson to draft a proposal for the GOP plank.

Woodson, who calls himself a conservative independent, said Democratic poverty programs have been a failure despite the infusion of billions of dollars. Republicans have adopted a "low-budget Great Society" program using the same ideas but less money, he said.

"The real answer to poverty is not some welfare dependency program," he said. "It's a ladder to help us walk out of the canyons of despair."

Woodson, who holds a master's degree in sociology from the University of Pennsylvania, said past poverty programs depended on massive expenditures. Professional social workers or social scientists decided how the money would be spent, not the poor people affected, he said.

But in several housing projects around the country, poor people have demonstrated they can improve their living conditions if given the opportunity to make major management decisions, Woodson said.

The next step is to provide residents of public housing projects an opportunity to buy the units where they live.

Woodson's journey to the Dallas Convention Center completes an ideological trip from the far left 20 years ago to the conservative right today.

Active in the civil rights movement of the early 1960s, he broke with mainstream black leaders over the issue of housing, which he opposed. He also worked several years as a social worker in Boston.

Today, he calls himself a "reconstructed social worker" and criticizes their role in the poverty cycle.

"The big hypocrisy is being played out by the poverty industry, consisting of professional social workers and scientists," he said. "They engage in a bait-and-switch games, using the condition of the poor to obtain money and then consume most of the money themselves."

[From the Washington Post, May 20, 1985]

HOUSING TENANTS EXPERIMENT WITH SELF-GOVERNMENT

(By Arthur S. Brisbane)

Every weekday morning about 7:30 Gladys Roy leaves her apartment at the Kenilworth Courts public housing project and walks to work, keeping an eye out for unmowed front yards in the sprawling complex. An unkempt lawn means she'll fine the tenant.

Crossing Quarles Street, where the junkies will hang out later in the day, Roy enters the offices of the Kenilworth-Parkside Resident Management Corp, and gets a whiff of the strong cleanser her staff uses to scour away the dirty residue of neglect.

She takes her seat behind the manager's desk. For two decades, the 52-year-old mother of nine was just one of the many welfare recipients living at Kenilworth. Now she runs the project and makes $17,000 a year doing it.

She and her staff have not converted Kenilworth Courts and its smaller sister project, Parkside, into anything like paradise. But they are making a case that tenants can fight poverty and perhaps run government housing better than the government can.

They are part of the District's first experiment in tenant management, in which the residents are managing and running their 25-year-old public housing complex. They appear to have halted somewhat the marked deterioration of their homes and, in

so doing, have brought jobs to the project and income to its residents.

One of fewer than 10 such operations in the country, the resident management program at Kenilworth, begun in 1982, receives mostly favorable reviews from some housing experts and federal Housing and Urban Development officials. District housing officials and some Kenilworth residents are more restrained in their assessment, however, and they suggest that claims made by the resident managers and their supporters may be overstated.

"I think it is one of the most successful in the country, in my experience of going around the country and looking at seven or eight of them," said Robert Woodson, president of the National Center for Neighborhood Enterprise, an organization that studies housing and other issues.

"Our general view is that it is working," said Ken Beirne, general deputy assistant secretary for HUD's policy development and research department. "The question of all the reasons why it is working I don't think has been resolved yet."

The District's Housing and Community Development department, which gave the management contract to tenants, appears to have adopted a wait-and-see attitude toward resident management.

"It's a concept that we do support, and it's one we do want to work with residents to expand," said Madeline M. Petty, department director." . . . On the surface it appears that it is something that we want to do."

Directed by a board of residents, the Kenilworth-Parkside managers head a staff of 30 residents hired to prepare the budget, collect the rent and perform the maintenance on the 464 units where 2,500 persons live in the far Northeast section of the District.

Through stricter enforcement, the resident managers have increased rent collections 179 percent, according to a report the American Enterprise Institute is compiling on the resident-management experiment.

On-site administrative costs have dropped 60 percent, the report says, and expenditures for routine maintenance have declined 20 percent since March 1982, when the residents took over from Central City Property Management Co., a private firm under contract with the city to run Kenilworth.

Yet even as the residents win battles, they discover new enemies. A recent increase in drug dealers and users, rousted by police from other areas of the city, demonstrates the affinity between public housing and some of society's most intractable ills.

And inside the project, not every resident is enamored of the new management headed by Kimi Gray, the 40-year-old spark plug and board chairman of the Kenilworth-Parkside Resident Management Corp.

Some residents, such as Jacqueline Robinson, think Kenilworth is much improved. "You could say it has picked up since the tenants took over," she said. But, then, her brother Garcia Robinson got a job with the resident management corporation.

Willie Mae James, who lives in a five-bedroom unit with 12 relatives, said, "I think it has gotten a little better but not too much. When they fix things, they don't stay fixed."

Her daughter, Neicy James, added, "They are too strict. They check on you. They see who's living here. They put your rent up, if you make more money. . . . If they see trash in your yard, they fine you for it—even if it's not yours."

Some tenants give the management good marks for maintenance but say they are frustrated by the crime problem. "No, they don't need those people [resident managers]," said Eleanor Farley. "They need somebody to do something about the drugs in the street."

Fred Thomas, deputy police chief for the 6th District, said his officers arrested 50 to 60 persons on drug charges last month at Kenilworth. Most of them were not residents. "They just come there to ply their trade," he said.

Thomas credits the residents with helping police discourage drug traffickers, who are attracted to the wooded areas and the sanctuary afforded by the nearby Maryland state line.

"If we didn't have help from them," he said, "it would be a heck of a lot worse situation."

Meanwhile officials at the city's housing department question whether the experiment is as successful as it is portrayed by Gray and the American Enterprise Institute.

Petty expressed doubt that the numbers cited by Gray and the institute are accurate and said her department was compiling its own statistics. She declined to release any data on rent collection, maintainance and administrative costs at Kenilworth-Parkside.

In similar experiments elsewhere, experts have reported tensions between tenant management groups and public housing authorities.

"There are some housing authorities that in fact have fear that they will lose control if they give residents more say in what's going on," said Clyde McHenry, a housing consultant who helped train the Kenilworth managers.

McHenry headed the New Orleans public housing authority and was later named an assistant secretary at HUD for public housing during the Carter administration.

Phil Abrams, a former HUD undersecretary, recalled that District housing officials in 1983 chose not to seek funds actively to completely renovate tenant-managed Kenilworth Courts. Abrams, the official responsible for doing out those funds, bypassed the city's list of priorities and designated $13.2 million for Kenilworth-Parkside.

"Mayor Barry had always been supportive [of resident management]," said Abrams, now a real estate developer in Denver, "but the bureaucracy in the housing authority was somewhat reticent and, I think, somewhat threatened by the success of tenant management. So they made the judgment, in applying for modernization funds, that there were other projects that were in worse shape than Kenilworth."

HUD has not released the funds for the modernization project, which was announced in October 1983. "The money is supposed to go to Kenilworth," a HUD spokesman said.

"But we are waiting to put in place a series of meetings that need to happen before decisions can be made."

When the rehabilitation project starts, the resident management corporation will become a partner with Gilbane/Smoot, a contractor and construction management corporation formed by the Gilbane Building Co. Gilbane/Smoot and the tenants will oversee the construction work.

The city's Housing and Community Development Department will retain the power to let contracts for the project, but Gray believes that the joint partnership will provide more jobs to Kenilworth residents.

Opened 25 years ago, Kenilworth was built to provide housing for some of the District residents displaced by the urban renewal of Southwest.

Parkside, a 42-unit housing project erected in 1940, was merged with Kenilworth Courts at the time of Kenilworth's opening.

In the years that followed, Kenilworth shared the fate of many big city public housing projects. Many welfare-dependent residents did not pay their rent regularly. The city failed to maintain the property properly, and it became run down. According to residents, there was little, if any, heat and hot water during 1979, 1980 and 1981. Rats were everywhere.

Meanwhile, Kimi Gray and her supporters were taking note of tenant groups in cities such as St. Louis, Boston and New Orleans that were experimenting in the 1970s with resident management of public housing.

Resident management, Gray came to believe, "gives residents back the responsibility of taking care of their community. It provides jobs. Maintenance calls are answered within 24 hours. The engineer lives on the grounds. When the heat goes out, he becomes cold, too."●

By Mr. LEVIN (for himself and Mr. RIEGLE):

S. 1591. A bill to recognize the organization known as the American Philatelic Society; to the Committee on the Judiciary.

AMERICAN PHILATELIC SOCIETY

● Mr. LEVIN. Mr. President, today I am introducing legislation, with Senator RIEGLE, to grant a Federal charter to the American Philatelic Society, a nonprofit corporation headquartered in State College, PA. Identical legislation, House Joint Resolution 2097, has already been introduced by Representative MORRISON.

The American Philatelic Society is the largest organization of stamp collecters in the United States. The society currently has 53,000 members who collect post and revenue stamps, first-day covers, and participate in other philatelic activities. Next year, the American Philatelic Society will observe its centennial. This is therefore a particularly appropriate time for the Congress to grant the society a Federal charter.

Mr. President, as one who has long enjoyed the hobby of stamp collecting, I am pleased to sponsor this resolution and I urge my colleagues to support it.●

By Mr. BINGAMAN:

S. 1592. A bill to amend the Tariff Act of 1930 to require that petitioners may elect whether price or constructed value is used in determining the foreign market value of merchandise imported from foreign state-controlled economies; to the Committee on Finance.

TARIFF ACT AMENDMENTS

● Mr. BINGAMAN. Mr. President, I am introducing a bill today to improve the administration of the antidumping duty laws dealing with imports from

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nonmarket economy countries. The level of imports from these countries is substantial—$5.2 billion in 1984—often undercutting the more vulnerable industries in the United States, and significantly contributing to the decline in our competitive position. Only by improving our trade remedy laws can we insure that our industries have a fair trade climate in which to compete. Before I describe the legislation, let me explain why it is necessary.

BACKGROUND

One of the U.S. industries severely affected by imports from nonmarket economy countries has been the potash industry centered in Carlsbad, NM. The industry is in trouble. Employment has dropped by one-third in just over 3 years. The industry's decline has been caused by several factors, including the recession, the PIK program, and increased competition from Canadian producers. However, one of the most serious causes of injury to the industry is subsidized and dumped potash entering the declining American market from the U.S.S.R. and East Germany and priced at a steep discount off the prevailing price. It is clear that the industry is suffering heavily from the effects on prices of these unfairly priced imports. There have not only been lost sales, but the unfairly priced imports have lowered prices along the coast and on the Mississippi and caused serious financial setbacks. Recent inadequate actions by the Department of Commerce and the International Trade Commission in response to this problem make it clear that remedial legislation is needed to improve our trade laws.

The domestic potash industry filed antidumping petitions against both the Soviet Union and East Germany. To determine if potash is being sold at less than fair value, the statute says the Department must establish the "normal value" of the Russian and East German potash in their internal markets "on the basis of normal costs, expenses and profits." The Department was correct in trying to use West German internal prices to establish that normal value in the Soviet Union and East Germany. Unfortunately, the West German producer, having agreed to cooperate, at the last minute refused to supply the necessary data. The Department of Commerce then drifted to more unsatisfactory and irrelevant alternatives—France, England—and ended up in the closing hours of the case using realizations from a Canadian export sales combine. The Canadian export prices are far less relevant than West German prices or any of the other alternatives recommended by the industry. These alternatives—constructed costs or price data from customers in West Germany—would have come closer to meeting the intent of the statute. Further, the domestic industry was not given an opportunity to point out obvious problems and calculation errors in the Department's analysis, before the statutory deadline.

The final result seems ludicrous: Preliminary determinations made last September showed dumping margins at 187 percent for the Soviet Union and 112 percent for East Germany. With a change in data based on availability, not relevance, the Department of Commerce concluded that there was no dumping by East Germany and an extraordinarily low margin of only 1.77 percent by the Soviet Union. The margin is the foreign market value minus the U.S. price received for foreign imports.

In the case of the Soviet Union, the Department's final determination means that Soviet potash exports could be assessed only a 1.77-percent duty upon entering the United States, and no duty could be assessed for East Germany. It is not surprising that the ITC ruled that no injury existed from either country. Something about our trade remedy laws is clearly not working.

Additional examples from other industries can be cited where the same problem of having to rely on unreliable data from nonsimilar economies exists. These include the classic case of golf carts from Poland. The Department of Commerce first was led to Canadian data and then had to create a fictional factory in Spain to determine what the normal value was of Polish golf carts in the Polish economy. We also have seen the economy of Paraguay used as a surrogate for the economy of China in a menthol case. In a case involving shop towels from China, Commerce pursued pricing leads in Pakistan, Malaysia, Hong Kong, the Dominican Republic, and Colombia and finally used import prices into the United States, 48 hours before the statutory deadline. Clearly, none of these comparisons were satisfactory.

The procedures, actual practices, and the final results of this process force me to conclude that our present laws and system of trade remedies are simply not being reasonably enforced by the Department. Perhaps, to be fair, these laws cannot be enforced in a completely satisfactory way. The legislation I offer today would arm the Commerce Department with the statutory authority to more fairly evaluate petitions against nonmarket or controlled economies and give it greater latitude to use the best information available.

LEGISLATION

The Department of Commerce has taken the position that the countervailing duty law does not apply to nonmarket economy countries. Therefore the antidumping duty law is the sole unfair trade law that the Department is prepared to enforce against the nonmarket economy countries. The question of whether the countervailing duty law effectively applies to these countries has been under review by the Court of International Trade (*Continental Steel et. al.* v. *U.S.*; *AMAX et. al.* v. *U.S.*, CIT No. 84-05-00728). The court has just decided that the countervailing duty law does apply to nonmarket economies. The Government will appeal to the Court of Appeals for the Federal Circuit, in all probability, with a request that further administrative proceedings be stayed pending that appellate decision. I believe, as the Court of International Trade does, that the countervailing duty law is absolutely comprehensive in coverage, both as to countries and government practices that may induce exports. But domestic industries are presently faced with the unfortunate situation in which there is only one remedy, the antidumping duty law, to evaluate the fairness of pricing from the nonmarket economies. And that statute does not work very effectively.

I have designed this bill to use acceptable existing practices to a large extent, without attempting to develop an entirely new concept for measuring the fairness of export pricing by centrally planned economies. Wholesale revision of the existing concepts was unsuccessfully attempted in the omnibus legislation that became the Trade and Tariff Act of 1984. My bill preserves the present Commerce Department goal of identifying a comparable market economy, or surrogate economy, to establish foreign market value.

However, the bill requires that the Department, at an early stage in the investigation, decide which market economy will be used for, first, home market price analysis; second, export price analysis, and third, constructed value. The Commerce Department would have to choose the best surrogate economy for each of these possible lines of analysis and justify its choice. Once the choice is made by the Department of Commerce, the petitioners have the right to elect which line of analysis will be used in the investigation. That would end the Department of Commerce practice of choosing a laundry list of countries and not deciding which country's data to use until late in the proceedings—to the detriment of the accuracy, fairness, and completeness of the investigation. The petitioners would also be able to decide, based on their knowledge of the foreign industry, whether constructed values or prices more fairly reflect the "normal costs, expenses and profits" associated with production in the nonmarket economy.

Sometimes petitioners know there are distortions in the home market or in the export markets of a surrogate

market economy country. But they have limited means and time to prove to the Commerce Department, in a series of mini cases within an investigation, that these prices do not reflect the normal situation the statute seeks to establish. Therefore, in my bill, the petitioners are given the right to elect conceptually how the investigation will proceed.

The Commerce Department has never decided what the hierarchy of economic criteria is in choosing a surrogate country. And the statute is silent. That gap is filled in my bill by making comparability of economies the primary factor in the choice of surrogate market economy. Only if it is necessary to decide between quite similar market economies may the Department compare sectors or analogs in actual manufacturing facilities. The bill seeks to end choices reached primarily on the technical similarity of production—the supply side of the overall analysis—because such claims tend to ignore entirely the demand side. They ignore, for example, the local demand for the commodity, and whether the countries are export oriented or insulated from the forces of the international economy. Also, the focus by the Department of Commerce from time to time on the technical similarity of production ignores the fact that costs of inputs are as important as the physical use of inputs.

Finally, the bill directs the Department of Commerce to use verifiable information, if possible, once a surrogate country and line of analysis have been selected, but as an alternative, to use the best information available. It ends the tail-wagging-the-dog situation that has come to exist, in which the Department draws up extensive lists of possible surrogate countries and descends far down the list and far from true economic comparability in an effort to secure verifiable data. Administrative experience at the Department of Commerce has been that foreign manufacturers not directly involved in antidumping proceedings have little interest in making their confidential costs and price data available. Indeed, if they do, they may expose themselves to the risk of trade action against them. It is poor practice to give predominant importance to the acquisition of verifiable information over the comparability of the surrogate economy. The bill avoids those situations where the availability or nonavailability of particular information has become critical to the outcome of the case—as was the situation of West German data in the potash cases. And it avoids interference with the investigation process by a party suppressing price or cost information.

CONCLUSION

As the international trade environment becomes more complex and competitive, it is imperative to apply effective remedies to deal with unfair competition from nonmarket economies. We have an existing set of remedies for dealing with unfair trade practices by market-oriented economies. It is only fair to have a similar system for nonmarket economies. I believe my legislation brings more equity to the trade remedy process, and I encourage my colleagues to support the bill.●

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 1593. A bill to direct the Administrator of the Environmental Protection Agency to conduct a national assessment of the extent to which radon gas formed from naturally occurring deposits of uranium is a threat to public health, to authorize a demonstration program to test methods of eliminating the threat to public health from radon gas, and to authorize disaster relief assistance for releases of radon gas; to the Committee on Environment and Public Works.

RADON ASSESSMENT AND REDUCTION ACT

● Mr. LAUTENBERG. Mr. President, I rise today to introduce the Radon Assessment and Reduction Act of 1985. A companion bill is being introduced in the House of Representatives by Congressman EDGAR. I am pleased to be joined by Senator BRADLEY as cosponsor.

Radon is just now being recognized as one of the major threats to public health facing us today. Environmental Protection Agency figures estimate that the number of lung cancer deaths annually due to radon exposure could be as high as 20,000. The Committee on Indoor Air Quality, an interagency research group including representatives of the EPA, Department of Energy, Department of Housing and Urban Development, Tennessee Valley Authority, and National Bureau of Standards, has put this figure as high as 30,000. This would place radon among the top 10 causes of death in the country.

Radon is a gas naturally emitted from uranium and radium found in hard rock and granite. It can travel for miles underground, and reaches the surface through fissures and porous soils. Radon can also reach the surface through ground water supplies. When emitted into the atmosphere, radon dissipates, and causes no health hazard to humans. However, when radon enters a home, due to restricted ventilation, it concentrates, reaching levels which can be a serious hazard to health. Efforts to improve insulation and conserve energy serve to increase radon concentration.

A geologic formation known as the Reading Prong has been found to emit high levels of radon. The Reading Prong extends from eastern Pennsylvania through northern New Jersey into western New York State. Some 20,000 homes located over the Reading Prong in Pennsylvania have been found to be at high risk of radon contamination. It is estimated that at least 80,000 homes in New Jersey face a similar risk.

Fortunately, the means of alleviating radon contamination are relatively simple. However, the costs of retrofitting a home to eliminate hazardous radon contamination can be quite high, with estimates beginning at $1,000. A home in Pennsylvania, found to have the highest radon concentration ever detected in a home in the United States, was retrofitted at a cost of over $30,000.

At present, such substantial costs would have to be borne in whole by the homeowner. Insurance would not provide coverage, and there is no existing mechanism for assistance on the Federal level.

This bill would provide relief to eligible homeowners incurring the costs associated with radon-reduction measures. By classifying radon and radon daughters as natural disasters under the Disaster Relief Act of 1974, it would make homeowners eligible for direct Federal assistance through the Federal Emergency Management Agency [FEMA]. Under FEMA programs, homeowners and businesses would be eligible to receive low interest loans for repairs instituted to eliminate radon exposure. Temporary housing could also be provided to affected residents. This relief would come out of existing FEMA funds, and would not require additional appropriation for radon mitigation measures.

The bill would also direct the EPA to conduct a national assessment of the extent of the hazards posed nationally by naturally occurring radon. The Agency would have to report back to Congress its findings within 1 year of enactment of the bill.

Mr. President, this bill also authorizes a $4 million demonstration program in EPA to test methods of eliminating radon gas from homes over the next 3 fiscal years. This demonstration program, to be conducted within the Reading Prong and any other sites deemed suitable by the EPA, directs the EPA to assess existing mitigation technologies in place, and develop new technologies based on this assessment. Through prompt implementation of the demonstration program, we would begin alleviation of this deadly hazard for those persons found to be at the greatest risk. Annual reports to Congress would be required detailing the progress of the demonstration program. The first of these reports is due in September 1986.

Mr. President, the extent of the radon problem throughout our country is just now being realized. Based upon very limited studies, it is estimated that at least 1 million homes nationwide may be afflicted with hazardous radon contamination.

Radon contamination is a problem that could inflict not only serious health problems, but also considerable financial hardship. Millions of citizens throughout the country could be afflicted with the hardships of radon contamination. Many will be unable to afford the repairs necessary to reduce exposure to carcinogenic radon, and will be forced to continue living in a highly dangerous indoor atmosphere. This bill will take positive, immediate steps to alleviate radon exposure, and will provide the financial assistance to enable citizens to safeguard themselves from continued exposure to the hazardous gas.

Mr. President, the Radon Assessment and Reduction Act of 1985 addresses a matter of serious and growing concern throughout our country, and I urge my colleagues to support the bill.

I ask unanimous consent that the text of the bill and recent articles from newspapers in New Jersey be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1593

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Radon Assessment and Reduction Act of 1985".

SEC. 2. NATIONAL ASSESSMENT OF RADON GAS.

(a) NATIONAL ASSESSMENT.—The Administrator of the Environmental Protection Agency (hereinafter in this Act referred to as the "Administrator") shall—

(1) identify the locations in populated areas in the United States where radon gas and radon daughters are forming from naturally occurring deposits of uranium and are collecting in residences and other structures;

(2) assess for each location identified under paragraph (1) the amounts of radon gas and radon daughters that are forming and the amounts that are present in residences and other structures; and

(3) determine the level of radon gas and radon daughters which poses a threat to human health and assess for each location identified under paragraph (1) the extent of the threat to human health.

(b) REPORT.—The Administrator shall submit a report to Congress on the results of the assessment conducted under subsection (a) not later than one year after the date of the enactment of this Act.

SEC. 3. DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Administrator shall conduct a demonstration program to test methods of reducing or eliminating the threat to public health of radon gas and radon daughters. Such methods shall include venting of residences and other structures and any other methods the Administrator determines may be effective in reducing or eliminating such threat. The demonstration program under this section shall be conducted at the Reading Prong, Pennsylvania and New Jersey, and at such other sites as the Administrator considers appropriate.

(b) REPORT.—The Administrator shall submit interim reports not later than September 30, 1986, and September 30, 1987, on the status of the demonstration program carried out under this section. The Administrator shall submit a final report on the results of such program not later than December 31, 1988.

(c) AUTHORIZATION.—There is authorized to be appropriated for fiscal years 1986, 1987, and 1988 a total of $4,000,000 to carry out this section.

SEC. 4. INCLUSION WITHIN DISASTER RELIEF PROGRAM.

Section 102 of the Disaster Relief Act of 1974 (42 U.S.C. 5122) is amended by inserting "release of radon gas and radon daughters," after "explosion," in paragraphs (1) and (2).

[From the Record, May 21, 1985]

RADON TESTS DUE IN N.J. WITHIN YEAR

(By Janny Scott)

It is likely to be a year before New Jersey begins systematic testing of radiation levels in houses on the Reading Prong, the three-state rock formation that has prompted Pennsylvania to begin a sampling of 21,000 homes.

New Jersey environmental officials have rejected the kind of "random sampling" being done in Pennsylvania, where officials say nearly half the homes tested so far have levels of cancer-causing radon that should be reduced.

"An area as large as you're talking about has to be narrowed down in scope," George Klenk, a state environmental spokesman, said yesterday. "You can't just go out and start sampling."

The Reading Prong extends from Reading, Pa., through northern New Jersey and into New York State. It passes through parts of seven counties, including most of Passaic and Morris, and a small section of Bergen.

The formation contains extensive uranium deposits. Pennsylvania officials believe the deposits are responsible for the elevated levels of radon, a radioactive gas that can cause lung cancer after long exposure.

Pennsylvania officials discovered the first, and worst, case last December: In a house near Reading they found levels 675 times higher than the level at which they recommend remedial action.

Since then, the Department of Environmental Resources (DER) has tested 1,600 homes in the Pennsylvania portion of the Prong. Officials figure the program will take up to 18 months to complete.

STRATEGY TO BE DEVELOPED

Klenk said New Jersey will hire a consultant to study the geology of the area and develop "a scientific strategy for a nonrandom sampling of radon in the area."

The Department of Environmental Protection hopes to invite bids by the end of the month. Consultants will have a month to bid, then the state will have a month to choose. The study is likely to take nine months, Klenk said.

"Random sampling has already been shown to be not as accurate as it should be," Klenk said. He pointed out that Pennsylvania has found that houses right next to each other have had widely divergent radon levels.

In the meantime, authorities in the newly discovered and little-understood field of indoor air pollution yesterday described several steps people can take to check their houses.

They said radon levels can usually be lowered through relatively small and inexpensive alterations, such as improving ventilation inside and under the house, and sealing cracks in the the basement.

Private testing costs about $50 and can take up to three months for a reliable reading. While consultants said repairs cost several thousand dollars at most, a state official said they can go as high as $20,000.

"The main point is it's almost always possible to fix the house and bring the levels down to an acceptable point," said Dr. Joel J. Nobel, MD, of the National Indoor Environmental Institute in Plymouth Meeting, Pa., a group of consultants that advises homeowners on how to reduce radon levels.

In Pennsylvania and New Jersey, officials are referring interested homeowners to Terradex Corporation of Walnut Creek, Calif., believed to be the only private company offering radon testing and analysis.

The company will send homeowners one or more pillbox-sized detectors to station in their basements and living quarters for one to three months, H. Ward Alter, the president of Terradex, said yesterday.

The radon gas leaves tiny tracks on a plastic chip in each detector, Alter said. Homeowners return the detectors to the company, which counts the tracks under a microscope and estimates the average concentrations in the house.

With concentrations above a certain level, Alter said his firm refers homeowners to contractors capable of recommending modifications in the house. The testing and analysis cost $50 for one detector and $80 for two.

The margin of error is 20 percent, said Alter, a physical chemist previously employed by General Electric. The device, developed by General Electric, has been used in environmental testing for about six years.

Nobel said his institute recommends people make changes within their home if they find radon levels of four to five picocuries per liter of air—though authorities differ on what levels necessitate action, and there are no standards for safe exposures in the home.

He said one common technique involves subsurface ventilation—installing blowers to enable the subterranean gas to escape from under the house and dissipate in the outdoor air rather than seep into the house.

He and others also recommended increasing household ventilation through such simple methods as opening windows, and sealing cracks in foundations, drains and sumps.

According to officials, randon can be found in most houses. A naturally occuring product of the decay of uranium, it moves easily through small spaces such as those between particles of soil and rock.

In older houses, with cracks and drafts, the radon and the dangerous byproducts of its composition do not collect in the house. But weatherization and the airtight construction of an energy-conscious era have made the houses built in the past 10 to 15 years radon traps.

There are no standards for dangerous levels in homes. The federal government and some states recommend action at certain levels, but they are drawn from standards for miners, who work under very different conditions.

The risk estimates, too, are based on the experience of miners. Studies have found high rates of lung cancer among uranium miners. But there are no data on the effects of long-term household exposures.

Yesterday, officials stressed that a location on a rock foundation like the Reading Prong does not necessarily mean a house will have high radon levels.

The construction of the house, the type of soil beneath it, the distance from a uranium deposit, and the life style of the residents are among the factors that can affect radon levels.

"One can have a house with low levels immediately adjuacent to a house with high levels," said Nobel.

In Pennsylvania, the state has distributed booklets showing how to reduce radon levels in 24 types of houses, and is trying to arrange for courses at local vocational and technical high schools, said Bruce Dallas of the DER.

"We're telling them that there's not an immediate health risk," Dallas said. He said short-term exposure is not believed to pose a threat, "but a long-term exposure really raises the likelihood of lung cancer."

One scientist widely considered an expert in radon said he found high levels in his house. Instead of moving out, he said he has been "studying it for a year and a half" and "treating it as a lab."

Suggesting that the media may have exaggerated the risks of low-level radiation, he said he is not concerned about his health. However, he asked not to be identified because his wife does not like people to know.

But Nobel, who found high levels in his house and has taken steps to bring them down, said, "Since the problem is relativley easy to get rid of, it would seem foolish to wait 20 to 25 years for castastrophic data."

[From the Home News]

WORRIED HOMEOWNERS CAN PURCHASE DETECTOR TO TEST FOR DEADLY RADON

(By Sarah Strohmeyer)

Homeowners who are concerned about the presence of radon in their homes can conduct their own tests for the lethal gas before the state begins testing in at least five central and northern New Jersey counties this summer.

The state Department of Environmental Protection was flooded with phone calls yesterday about the threat of radon gas and its division of air quality assigned a group of staff scientists to answer the inquiries, a spokemsan said.

A California company manufactures the only commercially available radon gas detector. The devise, which is used by the federal Envrionmental Protection Agency, is available to indivdiual homeowners for $50.

Dr. H. Ward Alter, president of Terradex Corp. Of Walnut Creek, Calif., said his company submitted a $500,000 bid May 15 to the DEP to use the devise in testing a random number of homes in all 21 New Jersey counties.

The concern about radon surfaced earlier this month when federal and state officials discovered that a geological formation, running across the northern half of New Jersey from Pennsylvania to New York state, contains uranium deposits that emit the gas.

Homes in northern Somerset County along the edge of the gological formation—the Reading Prog—which mainly runs through Morris, Passaic, Hunterdon and Warren counties.

Approximately 5,000 to 20,000 people die each year because of radiation from the gas, which causes lung cancer after long exposure at high levels, said Terry McLaughlin, position chief of environmental standards for the federal EPA.

Although the state has never tested homes for natural radon gas exposure, "hundreds to thousands of homes may contain higher than normal levels" of the gas, said Dr. Curtis E. Cummings, chief of the occupational environmental health clinic for the state Department of Health.

"Radon is everywhere all the time," said McLaughlin. "It's a matter of levels."

A "working level" of radon gas in the home is .02 (4 pico-Curries per liter), he said. If a home has a level of .04 (8 pico-Curries per liter) or more, the home should be ventilated.

"A high level of radon is relatively inexpensive to correct," said McLaughlin. Radon gas reaches high levels in homes that are poorly ventilated where it cannot escape to outside air. By improving the ventilation of crawl spaces, installing slab ventilation beneath the house or simply adding an air cleaner, the levels of radon can be drastically reduced, he said.

McLaughlin said he knew of no home that had to be permanently abandoned because it showed high levels of the gas.

Radon actually travels from miles below the earth's surface into the basement of many homes where it becomes trapped and lodged in dust. But clearing away the dust is not enough to remove the gas, said Alter.

"To filter the air is not enough, you have to get rid of the radon," Alter. He said the detector—called a Tractch—is a small cylinder that is set up in a basement for one to three months and then sent to Terradex for interpretation. When the homeowner is informed of the results of the radon test, the company then makes suggestions on how to clear the gas, depending on the house's design, he said.

Alter said federal and state environmental agencies have chosen to ignore naturally emitted radon gas in homes. Most testing has been done in western states where tailings from uranium minds have spread the gas.

"Radon gas is a natural hazard and the government has not informed the public about it," said Alter whose company has been making the testing device for 11 years. "We've been testing homes for six to seven years but the EPA has quietly swept the problem under the rug for the past five."

"Radon gas gets addressed when it shows up in high levels," said Cummings. He said routine radon testing of homes is too expensive for the state.

"Nobody anywhere has ever done routine testing," Cummings said.

But testing for radon gas should be done routinely, especially in newly built homes that are of tighter constructions, Alter said. He said Washington state is presently considering a bill to make radon testing a requirement for building permits.

New Jersey has tested for randon gas in the past. In 1983, 43 homes in the Essex County communities of West Orange, and Glen Ridge were found to have high levels of radon gas.

At that time, state environmental officials suggested the radon was linked to the former U.S. Radium Corp. plant in Orange that refined ore into radium and used the luminescent substance on watch faces. The DEP spent $8 million testing 339 homes with cleanup costing about $40 million.

[From the Home News, May 23, 1985]

TESTS FOR LETHAL RADON GAS SET FOR NORTHERN SOMERSET

(By Sarah Strohmeyer)

Some homes in the hills of northern Somerset County will be tested this summer for lethal radon gas seeping from radioactive uranium deposits located miles under the earth's surface, a state environmental official said yesterday.

"We expect very few houses will show radon," said Jim Staples, a Department of Environmental Protection spokesman. He said the DEP plans to start testing in "problem houses" by July.

A geological formation running across the northern half of the state, from Pennsylvania to New York, was recently found by federal and state officials to be emitting radon gas in some homes in the Reading, Pa. area.

Dubbed the "Reading Prong," the band of rock is located mainly in Morris, Passaic, Warren and Hunterdon counties. The top half of Somerset lies on the edge of the geological formation.

Staples said the DEP has received "hundreds of calls' about radon since the discovery was announced earlier this week.

Radon gas is a biproduct of disintegrating uranium, a radioactive metal usually found in types of granite. Long exposure increases the chance of getting lung cancer.

So far the state Health Department has proved no correlation between people living along the Reading Prong and reported cases of lung cancer, according to state officials.

Somerset County Administrator Bjorn E. Firing said he was not notified of radon gas testing.

The testing of the Somerset County homes will be the first time the state has ever searched for naturally emitted radon, Staples said. In 1983 radon was found in 43 homes in Essex County that were believed to contain uranium because of the former U.S. Radium Corp. plant in Orange.

At high risk are homes that are poorly ventilated, usually heavily winterized, that do not allow the gas to escape out of the house, Staples said. In the open air, radon presents no health threat. But gas that seeps into houses where it cannot escape is inhaled by occupants, doing great damage to lungs.

But homes that show a high presence of radon are not safe if they are just ventilated, according to Harvey Sachs, a radon expert. "If there is a level of radon 10 to 20 percent higher than normal, how can you ventilate a house that much and still pay the heating bills," he asked.

A former member of the Princeton University faculty who studied radon levels in Pennsylvania homes bordering the Reading Prong in 1980, Sachs said the state knew about the high levels of radon in that area three years ago.

"I have no basis to make a statement that the same levels are in New Jersey," said Sachs. He said thousands of people die each year because of radon.

Homeowners can buy commercial monitors that measure levels of radon in their homes, Sachs said. The monitors are then mailed back to the producing company which interprets the results, he said.

Sachs echoed opinions of other area geologists who said radon levels in new homes should be routinely measured and that local building codes should be changed in areas of high radon levels.●

By Mr. LAUTENBERG (for himself, Mr. ROCKEFELLER, Mr. GORE, Mr. PELL, and Mr. METZENBAUM):

S. 1594. A bill to amend the Communications Act of 1934 to increase the availability of educational and informational television programs for children; to the Committee on Commerce, Science, and Transportation.

CHILDREN'S TELEVISION EDUCATION ACT

● Mr. LAUTENBERG. Mr. President, I rise today to introduce the Children's Television Education Act of 1985. The legislation is intended to ensure that the Nation's children enjoy the educational and informational benefits that television can offer.

I am pleased that Senators ROCKEFELLER, GORE, PELL, and METZENBAUM join as cosponsors, and that Representative WIRTH, who has been a leading voice on this issue, is today introducing identical legislation in the House of Representatives.

There should be no question that television is still the most pervasive mass medium in our society. By the time the average student graduates from high school, that child has spent more time watching television than in the classroom.

Television can have a major impact in educating and informing children and exciting their curiosity about the world around them. Television can impart values and skills. Its role in the educational development of our children is all the more important, in light of findings that America's educational system must work harder and harder to prepare our children to compete effectively in an international economy.

Broadcasters must seek to fulfill television's potential to educate and inform. That is their legal obligation. They are granted use of the public's airwaves, a scarce but valuable resource. They are, in short, public trustees, obliged to serve the public interest. That is the basic principle of the Communications Act. And an important part of the public broadcasters are obliged to serve is children.

In general, commercial television broadcasters have failed the children of this Nation. Broadcasters air precious little programming directed toward children, even less of some educational or informational value. Notwithstanding the Federal Communications Commission declaration back in 1974 that broadcasters have a special responsibility to children, broadcasters have not responded. The amount of educational and age specific programming has remained static. Although children mostly watch television during the week, almost half of children's progamming is aired on weekends.

From a market perspective, the broadcasters' performance is no surprise. Broadcasters sell commercial time to advertisers who want to reach people who spend money. Children simply are not the most valuable audience. Left to their own devices, broadcasters will sell children short. Indeed, broadcasters who want to serve children, do so at their commerical peril.

This is a situation that justified regulation. But, just as broadcasters have failed the children, the Federal Communications Commission has failed the public. In December 1983, the Commission, by a 4 to 1 vote, closed the book on a 13-year proceeding on children's television and abdicated its regulatory responsibility. The Commission reasoned, in part, that children had access to information from other sources—like cable television and video cassette recorders.

As Commissioner Henry Rivera stated, in an eloquent dissent:

> At a time when the educational training and fitness of children are subject to increasing criticism, this indifference is unfortunate, if not outrageous.

More recently, the Commission rejected petitions to even inquire as to the growing commercialization of children's programming. In too many cases, the cartoons children watch are nothing more than program-length commercials, featuring the toy characters that sponsors want to sell. Marketing is done not just in 30-second spots, but in 30-minute program slots.

It is time for the Congress to step in. The legislation we introduce today would set up a clear but not inflexible standard for broadcasters to meet. The bill prescribes a guideline of 7 hours a week of educational and informational programming, 5 hours of which shall occur Monday through Friday.

If a broadcaster fails to meet that guideline, an interested party may file a petition before the Commission against the broadcaster when it comes time for license renewal. The Commission is required to hold a hearing. At that hearing, the broadcaster would have the burden to show that, notwithstanding its failue to meet the guideline, it has fulfilled its obligation to serve the child audience.

The bill makes clear that the obligation to serve children is a real one. The obligation is independent of considerations about the contribution, if any, of other media or electronic technologies. Broadcasters alone utilize scarce spectrum space. Their licenses are worth millions and millions of dollars. They have an obligation, in return for the use of the public's airwaves, to serve the public.

Mr. President, there is precedent for this kind of regulation. The FCC for many years imposed guidelines, setting a limit on the air time for commercials, and a minimum on the air time for public affairs and news and local programming. If a broadcaster failed to meet that guideline, his application for license renewal would be subject to review by the full Commission.

The FCC repealed those guidelines last year. It argued that marketplace forces compelled Broadcasters to limit commercials. Viewers would turn to other stations. Marketplace forces compelled broadcasters to provide news—because the viewers want it. However, the marketplace does not compel broadcasters to serve children. So, Congress, in the absence of FCC action, must step in.

The bill also addresses the problem of program-length commercials. It requires the Commission to commence an inquiry and to report its findings within 9 months. The problem is a serious one, and the Commission should not ignore it.

Mr. President, in the last Congress, Representative WIRTH introduced legislation in the House, and I introduced identical legislation in the Senate, mandating simply an hour a day of educational or information programming. The legislation we introduce today, I think, is an improvement. It sets a guideline that is clear, but not without flexibility. It states clearly the consequences of a broadcaster's failure to serve the needs of children.

Representative WIRTH and I have benefited from the active participation and support of Action for Children's Television, the National PTA, the National Education Association, and the American Academy of Pediatrics.

I ask unanimous consent that the text of the bill be printed in the RECORD.

I also ask unanimous consent that at the conclusion of my remarks, a recent editorial from Business Week be printed in the RECORD. It is worth noting that even while championing the deregulation of the Commission, the editorial draws a distinction with children's television, and criticizes the Commission for allowing its overcommercialization.

And finally, Mr. President, I ask unanimous consent that there be printed the policy statement of the American Academy of Pediatrics on children's television, a number of recent articles, and the full text of the dissent of Commissioner Rivera to the FCC's children's television ruling. The dissent lays out clearly the factual and legal basis for legislating in this area.

Mr. President, I intend to actively pursue this matter in the Senate in the coming weeks and months. Our children should not be shortchanged.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Children's Television Education Act of 1985".

SEC. 2. FINDINGS.

(1) a series of expert commissions have documented serious shortcomings in our Nation's educational system which will profoundly affect both the opportunities available to our Nation's children, and the ability of the United States to compete effectively in an international economy;

(2) by the time the average student graduates from high school, that child has spent more time watching television than the classroom;

(3) the potential of commercial television programming for making a major positive impact in improving the education of children has been largely unrealized;

(4) it has been clearly demonstrated that television can assist children in learning important information, skills, values, and behavior, while entertaining them and exciting their curiosity to learn about the world around them;

(5) commercial television is the most effective and pervasive mass medium;

(6) as public trustees, commercial television station operators have a legal obligation to serve children, regardless of the contribution that may be made by public television, cable television, video cassettes, or other new or traditional communications media;

(7) commercial television has generally failed to meet its obligation to provide educational and informational programming to children as part of its obligation to serve the public interest; and

(8) the Federal Communications Commission, in concluding its proceeding on children's television, has declined to take effective steps to increase educational and informational programming designed for children on commercial television and has instead rendered broadcaster's obligations to serve children vague and unenforceable.

SEC. 3. CHILDREN'S TELEVISION PROGRAMMING.

Part I of title III of the Communications Act of 1934 is amended by redesignating the last section as section 333 and by inserting before such section the following:

"CHILDREN'S TELEVISION PROGRAMMING OBLIGATION

"SEC. 332. (a) The purposes of this section are—

"(1) to further use the potential of television for the positive educational and informational benefit of our Nation's children;

"(2) to encourage expanded development of programming specifically designed to meet the educational and informational needs of children;

"(3) to enforce the obligation of broadcasters to meet the educational and informational needs of the child audience; and

"(4) to establish a presumptive quantitative guideline for serving the child audience, which broadcasters must meet or establish good cause for not doing so.

"(b) In exercising its obligation to serve the public interest, convenience, and necessity under this title, each television broadcasting station shall broadcast a substantial amount of programming—

"(1) which serves the educational and informational needs of children who are 12 years of age or younger through programming that is specially designed to meet such needs;

"(2) which is reasonably scheduled throughout the week; and

"(3) which is directed to specific age groups of children.

"(c) The Commission shall prescribe such regulations as are necessary to carry out the purposes of this section. Such regulations shall be initially prescribed not later than 180 days after the date of the enactment of the Children's Television Education Act of 1985.

"(d)(1) The Commission shall designate for hearing under section 309(e) any application for renewal of a license by a television station, if a petition for denial is filed under section 309(d)(1) that contains specific allegations of fact claiming that the applicant has failed to broadcast a minimum of 7 hours a week, 5 hours of which shall occur Monday through Friday, of programming that is described in subsection (b)(1), (2), and (3).

"(2) In a hearing held pursuant to this subsection, the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the applicant with respect to its fulfillment of its obligation to serve the child audience.

"(3) Notwithstanding section 309(d)(2), the Commission may dismiss any petition to deny an application for renewal only if it determines that the petition is frivolous.".

SEC. 4. REPORT.

Section 5(g) of the Communication Act of 1934 is amended—

(1) by striking out "and" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following:

"(5) list those television broadcast station licensees whose licenses were renewed, notwithstanding failure to meet the level of programming set forth in section 332(c)(1), and describe in detail the reasons for the renewal; and

"(6) describe the implementation by the Commission of section 332, and its impact on television programming designed to meet the educational and informational needs of children.".

SEC. 5. PROGRAM LENGTH COMMERCIALS.

(a). INQUIRY.—The Federal Communications Commission shall conduct an inquiry into program length commercials for which the primary audience is children who are 12 years of age or younger. As part of such inquiry, the Commission shall assess whether, and to what extent, the broadcasting of such commercials breaches the obligations of a commercial broadcast station licensee to serve the needs of children.

(b) REPORT.—Within 9 months after the date of the enactment of this Act, the Federal Communications Commission shall complete the inquiry under this section and send a report to the Congress on its findings.

(c) PROGRAM LENGTH COMMERCIAL.—The term "program length commercial" means programming—

(1) which is intended as the primary element of a program or programming segment of 20 minutes or longer; and

(2) which is designed, in whole or in part, to promote the purchase of one or more specific products by—

(A) the theme of the programming, and

(B)(i) the identification of the product by name in the title of the programming, or

(ii) the reference or display of the product in the content of program in a manner of to the extent that readily permits the identification of the particular product brand.

SEC. 6. EFFECTIVE DATE.

This Act shall take effect 60 days after the date of the enactment of this Act.

[From the Business Week, Aug. 5, 1985]

THE FCC IS ON THE RIGHT TRACK

Starting about 1980, exploding technology and burgeoning competition in the U.S. telecommunications and broadcasting industries began shaking the Federal Communications Commission out of its comfortable rut. The agency could have responded to the ensuing period of dramatic change by throwing a regulatory net over every new product and service that dared show its head. Instead, under its colorful chairman, Mark S. Fowler, who took over in May, 1981, the FCC has become a high-gear engine for deregulating the industries it was created to oversee.

The task of opening up two large and complex industries is bound to generate conflict. By pushing hard for marketplace solutions, Fowler has upset entrenched interests that prospered under the benign protection of regulation. Fowler has also made his share of mistakes. He has been brash, especially in dealing with powerful congressional committees, and he has exposed himself to some valid criticism, such as assertions that he has permitted the over-commercialization of some children's television programs.

But the most important point is that under Fowler the FCC has encouraged rather than slowed competition and innovation in services and products that were once the domain of government-sanctioned monopolies. He is on the right track.

[From the Business Week, Mar. 25, 1985]

ARE THE PROGRAMS YOUR KIDS WATCH SIMPLY COMMERCIALS?

On the distant planet of Eternia, Prince Adam changes into He-Man and does daily battle against the evil Skeletor and his legion of dastardly villains. At stake in He-Man and The Masters of the Universe, a syndicated television program for children, are Castle Grayskull and the secrets of the universe. But all the warfare in children's TV isn't fought on the screen. Battle lines are being drawn between broadcasters, toy manufacturers, children's advocates, and regulators. At issue: whether children's TV shows are becoming little more than feature-length commercials for new lines of toys.

Masters of the Universe is representative. Adam, Skeletor, and the others began their existence not as the brainchildren of cartoonists but as toys created by Mattel Inc. Then, in a joint effort with Filmation Studios, the company developed a TV show based on the characters as part of a coordinated package to promote and sell the toys.

Product licensing has been around since Mickey Mouse. But selling a program and a toy as a package is new. The trend has grown with the recent deregulation of television, and the practice angers many parents and children's advocates. "This is the worst kind of exploitation," says Frank W. Orme, the 79-year-old president of the Los Angeles-based National Association for Better Broadcasting (NABB). "It's deceptive and cynical because kids can't tell when they are being pitched." The Federal Communications Commission will consider the complaints within the next few weeks.

MONEY MACHINE

For toy companies, the fate of a powerful marketing tool hinges on the outcome of the FCC's deliberations. "Until recently, we would come out with a product, put on TV commercials, and kids would ask for the product after seeing the commercials," says Joseph Mendelsohn III, president of General Mill Inc.'s Kenner Products Div. Now, instead of being confined to a 30-second spot, Kenner weaves product-based characters, such as Care Bears and Strawberry Shortcake, into half-hour animated programs. "The payoff is much bigger," Mendelsohn says.

Indeed, the marketing edge that comes from turning a toy into a television star is proving increasingly irresistible to toy companies. The number of toy-based shows has jumped from 14 to 40 in the past two years. Mattel's Masters of the Universe line—priced from $5 to $30—racked up $500 million in worldwide sales in 1984, its third year. The company has had problems keeping up with demand. Helped by a TV show called The Transformers, Hasbro Bradley Inc.'s Transformers toy line—which can change from vehicles to robots—pulled in more than $100 million in its first year, making it the most successful toy introduction ever.

As the FCC continues to ease rules requiring the separation and clear identification of commercials, critics fear these programs will spread throughout children's television. "In a competitive environment, no toy manufacturer can afford not to have its own programs based on toys," says Peggy Charren, founder of Action for Children's Television (ACT), a Newtonville (Mass.) children's advocacy group. Adds FCC Commissioner Henry M. Rivera: "If the commission blesses this practice by inaction, the vast majority of children's programming eventually will be funded this way."

But Rivera is a minority of one on the five-member FCC. Despite his dissent, the commission eliminated children's programming guidelines just before Christmas in 1983 and later deregulated nearly all commercial practices on television. Broadcasters had claimed deregulation would have little effect because marketplace competition would keep them in line. But ACT and the NABB contend market forces do not adequately protect children, a uniquely vulnerable class of consumers. They filed the FCC complaints, hoping to slow the spread of product-based programming.

PROFIT SHARING

The FCC will also consider an ACT proposal that would keep station owners from receiving part of the profits from sales of merchandise featured on the programs they broadcast. That request attacks an unusual deal worked out by Telepicture Corp., producer of the forthcoming ThunderCats animated action series, which features cat-like superheroes. Telepicture offered station owners who signed on early an option to participate in profits from the program and from toys and other licensed products based on ThunderCats characters. To date, about 45 licensing deals have been arranged. The program which cost a staggering $15 million to produce, already is scheduled to air in nearly 90 percent of the country when it debuts this fall.

Opponents say this type of arrangement will distort programming decisions, leading broadcasters to consider retail sales potential in scheduling programs. But Telepictures President Michael N. Garin defends the profit-sharing plan as an innovative way of allowing small producers to mount expensive productions. "Only by bringing in stations at the initial stages to share the risks are you going to have any alternatives to network television," he says.

NATIONAL SCANDAL

Increasingly, toy companies are producing the product-based shows themselves, or are striking joint agreements with established producers such as Hanna-Barbera Productions, a Taft Broadcasting Co. subsidiary. Many of the shows are then sold to independent stations.

The networks, ambivalent about the trend to product-based programming, are partly responsible for the role the independents have taken. They turned down top-rated Masters of the Universe, for example, largely based on objections to Mattel's involvement in the program's production company. "I have a general discomfort with toy-company ownership positions [in these] series," says Squire D. Rushnell, American Broadcasting Cos.' vice-president for children's programming. "How do you separate the intention of doing a TV show from the intention of selling a product?" Still, all three networks are now running children's shows that were inspired by products. George F. Schweitzer, a CBS Broadcast Group vice-president, asks: "Why should it be wrong if the top inspired the program and not the other way around? We evaluate programming on entertainment value and not on its merchandising ability."

If the FCC rejects the complaints, as is widely expected, opponents shouldn't count on help from Congress. Although Representative Timothy E. Wirth (D-Colo.), chairman of the House telecommunications subcommittee, calls product-based programming "a national scandal," he says Congress can't tell broadcasters what they can or cannot air. Concludes Wirth: "You can't legislate good judgment."

[From the USA Today, Mar. 15, 1985]

FEDERAL HELP NEEDED TO GIVE CHILDREN CHOICE

(By Peggy Charren)

NEWTON, MA.—Choice is the secret to public service on that small screen from which most of us get our news, our entertainment, our fantasies, and our perceptions of what's happening all over the world.

The lack of choice in commercial TV's offerings to children is a national disgrace.

Neither CBS, NBC, nor ABC airs a single daily or even weekly show for children Monday through Friday.

The nation's major toy companies—Mattell, Hasbro and a dozen others—now control the production of more than 40 children's "program-length commercials" based on brand-name toys.

The new GI Joe series, for example, includes 90 half-hour shows featuring every character, vehicle, and weapon in Hasbro's GI Joe line.

It is too soon to depend on cable or home video to provide the diversity missing from TV station schedules.

These new delivery systems are not yet in a majority of U.S. homes and the cost means this solution discriminates unfairly against the poor.

Public broadcasting, the source of programs that serve a multitude of special audiences, including children, with education and entertainment, is underfinanced and cannot fill the void by itself.

That's the bad news.

But the good news is that TV choice for children and their families can be a reality before the end of 1985 if three Washington institutions each deal with a single piece of the problem.

The Federal Communications Commission must enforce its own guidelines against program-length commercials for children, a guideline first promulgated in 1974.

The President, instead of vetoing funds for the Corporation for Public Broadcasting—as he did twice last year—should become a vocal supporter of increased dollars for PBS.

Congress should act to pass the Children's Television Education Act, introduced last year by Rep. Tim C. Wirth, D-Colo., and Sen. Frank Lautenberg, D-N.J.

This bill would provide for each station to air five hours a week of children's educational programs Monday through Friday.

With enough choice for young audiences, parents can help their children to develop viewing patterns that educate, entertain, and enchance the process of growing into happy, productive adults.

The choice for choice is ours, but only if we all act together on behalf of our children.

[From the U.S. News & World Report]

WHY CHILDREN'S TV TURNS OFF SO MANY PARENTS

(By Geoffrey Tooth)

Amid growing alarm over violence on television, a wide-ranging drive is under way to improve the quality of TV shows for American children.

Heating the campaign that is reaching all the way to Congress is a concern that the nation's 33 million children between the ages of 2 and 11—some of TV's most ardent viewers—are being shortchanged by the electronic screen.

The A.C. Nielsen Company says the average child in that age group watched a record 27 hours and 21 minutes a week in its latest survey in November, compared with 23 hours and 18 minutes a decade ago. By the time most young people leave high school, they have spent more time before a television screen than in the classroom.

Critics complain that despite viewer enthusiasm the number of educational programs for children is declining, especially on the three commercial networks. Such shows as "Captain Kangaroo" have disappeared, and most of what remains on ABC, CBS and NBC are cartoons, which some say have little informational value.

LIMITED ACCESS

The Public Broadcasting Service offers highly acclaimed programs such as "Sesame Street," but many parents complain that they aren't enough because PBS is unavailable or reception is poor in some areas.

"The commercial TV networks have abandoned their obligation to children," says Peggy Charren, president of Action for Children's Television, a Boston-based citizen's group. "The problem with children's television is that there isn't enough, and what there is isn't diverse enough."

Initiatives for change include measures at the local and national levels, both inside and outside the broadcasting industry. Among them—

Legislation soon to be introduced in Congress would require every TV station to air a minimum of about 5 hours of programs a week to enhance the education of children. Backers of the plan include Senator Frank Lautenberg (D-NJ) and Representative Timothy Wirth (D-Colo), chairman of the House Telecommunications Subcommittee.

A bill sponsored by Senator John Heinz (R-Pa) would allow tax credits for corporations that invest in the development of children's programs on public broadcasting.

Commercial networks are about to introduce a variety of new programs for the young, including a half-hour show on NBC with news for children.

Some local stations also are trying new approaches. Channel 20 in Washington, D.C., for example, introduced a series January 27 designed to teach parents and young people how to learn more from the medium and to participate in the creation of shows.

Much of the desire for change stems from fears that many children are influenced as much or more by TV as by traditional sources of guidance—families, churches and schools. A 1982 study by the National Institute of Mental Health concluded that "violence on television does lead to aggressive behavior by children and teenagers who watch the programs." The National Coalition on Television Violence, a citizens' group, reports a recent "deluge of high-action, violent cartoon shows."

Says Dr. Thomas Radecki, head of the coalition and a psychiatrist: "We can only pump so much violence into our people before we explode."

The coalition reports that violent acts on television—viewed by many children as well as adults—increased 65 percent in the last four years. The group counted 46 acts of violence an hour on NBC's "The A Team." Defenders counter that TV mayhem is clearly perceived by most viewers as entertainment and reflects themes dating back to the plays of ancient Greece.

CRITICAL SURVEYS

A new study by the Task Force on Children and Television of the American Academy of Pediatrics, says TV contributes not only to violence but also to high rate of drug and alcohol abuse and encourages smoking and obesity. The report pinpoints advertising on children's programs and prime-time broadcasts as major influences.

Many scholars say that changes now being considered are inadequate. Notes a study by the Markle Foundation/Boys Town Conference: "The U.S. is failing to make full and effective use of television as an educational tool. In this technological age, there can be no effective education policy without an effective telecommunications policy."

The conference, to which some of the nation's leading educators contributed, found the U.S. far behind many other countries in providing educational programs for the young. The British Broadcasting Corporation, for example, airs 840 hours of at-home children's TV a year, compared with 150 hours a year of new shows on America's PBS.

The study urges that public broadcasting be a main conduit for more programs in light of generally low profits on children's shows on commercial channels. Also recommended: A crash program costing 62 million dollars a year—to be paid by the U.S. government—that would create a variety of new informational shows for children up to age 13.

The Markle report concludes: "Unless we begin to value television for its educational potential, that potential will never be realized."

CHILDREN, ADOLESCENTS, AND TELEVISION

Next to the family, television may be the most important source of information for children and a principal factor influencing their development. Children two to 12 years old in the United States watch approximately 25 hours of television per week. On an annual basis, children spend more time in front of their television sets than they spend in school.

Television is a powerful tool that can promote learning, create aspirations, and induce prosocial behavior. When it deals with medical topics, television contains many messages that promote health or prevent illness. However, television advertising and programming can adversely affect learning and behavior of children and adolescents in a number of significant areas:

1. Repeated exposure to televised violence promotes a proclivity to violence and a passive response to its practice.

2. Television viewing increases consumption of high caloric density snacks, and increases the prevalance of obesity.

3. Although the evidence that television may have a deleterious effect on school performance may be confounded by other factors, learning from television is passive rather than active, and detracts from time spent reading or using active learning skills.

4. Television conveys unrealistic messages regarding drugs, alcohol, and tobacco, and indirectly encourages their use.

5. The portrayal of sex roles and sexuality on television is unrealistic and misleading: sexual relationships develop rapidly; the risk of pregnancy is rarely considered; adolescence is portrayed as a constant state of sexual crisis. These characteristics may contribute directly or indirectly to the risk of adolescent pregnancy and clearly alter age-dependent experiential learning with respect to sexuality. Pornography on cable television is a particularly important concern.

6. Television promotes ethnic and racial stereotypes and does little to promote a sympathetic understanding of handicapped people.

7. Television conveys an unrealistic view of problem solving or conflict resolution.

To address these concerns, we recommend that the AAP:

1. Educate pediatricians with respect to the consequences of television viewing. Approaches should include the development of specific materials and curricula for teaching medical students, pediatric house staff, practicing pediatricians, and others who deal directly with the health of children and adolescents.

2. Provide materials and an approach to counseling children, adolescents and their families regarding the effects of television and methods suitable for altering viewing habits. Although an AAP pamphlet already exists for this purpose, additional materials regarding alcohol and sexuality would be useful. Specific recommendations for counseling should be developed.

3. Encourage legislative activity to increase quality programming and reduce advertising directed at children.

4. Establish liaisons with networks, producers, writers, and other professional organizations to improve the quality of programming and advertising and to act as a resource for these groups.

5. Provide an ongoing review of new technologies that enable families to alter or control their children's television viewing habits.

6. Encourage involvement by local and chapter groups to interact with network affiliates, independent television stations and cable companies to improve local programming and advertising directed at children.

Task Force on Children and Television: H. James Holroyd, M.D., Chairman; S. Norman Sherry, M.D.; Frank Palumbo, M.D.; Victor Strasburger, M.D.; William H. Dietz, Jr., M.D., Ph.D.

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FOWLER'S FCC TELLS KIDS TO GET LOST

(By Paul Harris)

WASHINGTON, Dec. 27.—The FCC's latest kidvid policy statement, depending on one's perspective, represents either the pinnacle or the nadir of chairman Mark Fowler's philosophy of "unregulation."

With the wave of a hand last week, Fowler dismissed the idea of adopting program standards for kidvid, arguing that doing so would violate a D.C. Appeals Court decision (see separate story). Never mind that view's unfirm legal footing, Fowler's message to the industry is clear: This agency wants to renew every broadcast license and can best do so by removing such petty technicalities as a station's performance.

In classic doublespeak, the commission ruled that tv stations have an obligation to serve moppet interests, but no minimum guidelines will be stipulated. So innocuous is the language that a station can now get by without programming anything specified for children, according to dissenting commissioner Henry Rivera, a Reagan appointee.

It need only argue that kids are served by other video sources in the community, from "Sesame Street" on a PBS station to cable tv or even homevideo. That's economic discrimination, as fundamental as it comes, Rivera argues.

Needless to say, the position goes farther then any previous FCC Chairman, either conservative or liberal, has been willing to tread in excusing broadcasters from recognizing the special needs of a constituency that can't fend for itself in the marketplace. Responsible broadcasters will continue to see a commitment—if only to ward off competing applications—while marginal stations may now bask in the realization that a once-feared FCC is now their true friend.

In short, the agency has muddled the kidvid lingo to such an extent that there is no way a station can be held accountable. FCC official Bill Johnson admitted as much when he said last week he could not conceive of how a broadcaster could be considered in violation of the new policy, there are so many variables.

Just how Fowler's well-known distaste for programming guidelines would withstand the first comparative hearing on the subject is open to question. The commission would be required to measure an incumbent's level of kivid programming—say, zero for example—against a petitioner's promise for a specific level of excellence. That's a quantitative collision he presumably would seek to avoid.

Meanwhile, broadcasters have officially suppressed their glee over the ruling with an innocuous statement of their own. "Children are our most valuable resource," cried Eddie Fritts, prez of the National Assn. of Broadcasters, who argued that interjecting Federally mandated programming is a dangerous precedent.

"We are entering an age with television of abundance. What should be analyzed in this situation is not what one individual station is telecasting but what is available to the child in the home on a daily basis."

The NAB's euphoria could conceivably turn sour in a month or two depending on how much furor is whipped up in Congress over the FCC's move. To politicians during an election year, a vote against children is like blaspheming motherhood. At a time when the industry is seeking friends on Capital Hill for deregulation legislation, it doesn't need an additional rallying cry against its special interest bill.

STATEMENT OF COMMISSIONER HENRY M. RIVERA CONCURRING IN PART, DISSENTING IN PART

REPORT AND ORDER REVISING COMMERCIAL TELEVISION LICENSING POLICIES

When the Commission issued the Notice of Proposed Rulemaking in this proceeding,[1] I expressed strong reservations about several of the reasons given for launching this regulatory review.[2] I am pleased that the *Report and Order* abandons the deregulatory rationales I found objectionable.[3] Doing so has forced the Commission to focus closely on the actual performance of the over-the-air television broadcast system, and this close study allows us responsibly to conclude that the regulations eliminated by this decision are unnecessary to protect the public interest.[4]

Frankly, although this proceeding is commonly referred to as "television deregulation," I do not think our actions are especially deregulatory [5]—nor could they be, as long as television remains a medium pervaded by structural scarcity. In reality, our decision changes very little of substance. The bedrock public interest obligation of broadcasters to serve the needs and interests of their communities of license still exists.[6] The primary change being made is the way we will measure compliance with the obligation. The key to the effectiveness of this revised scheme will be, as before, a sincere commitment by the FCC to police broadcasters' compliance with their substantive obligations. That sincere commitment, not the paperwork we eliminate here, is what is needed to maintain an accountable system. The requirements we retain generally give us the necessary tools to do our job properly, if we are committed to the task.

Except for the Commission's continuing inaction with regard to children's television programming, *see infra* pp. 11-14, I am persuaded that our decisions in this proceeding will not put the public interest in jeopardy. While I do not completely subscribe to the analysis advanced by the *Report and Order*,[7] the assembled evidence convinces me that the public can expect a continued healthy supply of non-entertainment programming and non-abusive levels of commercialization absent FCC processing guidelines. I also believe the quarterly issue-programs lists will allow the Commission and the general public to ensure that every television station remains publicly accountable, at least to the extent they are now.

Turning to the specifics of this decision, the evidence before us regarding adult-oriented non-entertainment programming establishes that commercial incentives rather than FCC guidelines spur broadcasters to provide such service, and that licensees in markets of all sizes will continue to provide an acceptable amount of informational and other similar programs absent our guidelines. I recognize that reasonable people may differ on these points [8] and that, at first blush, identical regulatory schemes for radio and television would seem unjustified in view of the quantum difference between the number of competitors in the two industries.[9] Initially, however, it bears emphasizing that although we are conforming the procedural rules governing television and radio licensees, the substantive requirements of the average radio of television license differ considerably. As described more fully below, pp. 9-11, television stations remain far more restricted in their discretion to specialize than their counterparts in radio. In addition, the degree to which most broadcasters are surpassing our informational, local and other non-entertainment program guidelines strongly suggests that this performance is generally due to economic self interest, not FCC processing guidelines.[10] By eliminating the guidelines, we are not saying that commercial television licensees are no longer required to air programming that responds to the needs and interests of the local community. We are simply choosing to deemphasize these benchmarks as monitoring devices because we are confident, based on the data, that from a strictly quantitative standpoint the system is functioning acceptably and will continue to do so.[11]

This issue of whether to retain a formal ascertainment procedure is a somewhat closer question. The ascertainment primers were adopted largely at the behest of broadcasters and broadcast lawyers in search of security in the licensing process. If broadcasters no longer want the safe harbor provided by the primer—and the record in this docket establishes that they do not [12]—there would have to be a very good reason for the FCC to insist upon it. While not without detractors, the primer does have its virtues. First, it provides an objective (if imperfect) framework within which to evaluate performance at renewal time. Second, some public interest advocates have argued that formal ascertainment is needed to guarantee broadcaster sensitivity to the programming needs of groups having limited economic resources. With regard to the first point, I am persuaded that the quarterly issues-programs lists can serve as well as the primer in providing evidence of a broadcaster's awareness of and attention to its community, without the undue formalisms of the primer.[13] As for the second point, if I believed that ascertainment in accordance with existing FCC guidelines assured programming responsive to all strongly felt needs, I would readily oppose repeal of those guidelines. However, broadcasters necessarily have broad discretion in deciding what programs to air and what local needs to address; and it is impossible to assure programming responsive to all local needs and interests simply by requiring broadcasters to ascertain according to a prescribed formula.[14] That being the case, retention of the ascertainment primers does not appear warranted and I concur in their elimination.[15]

For many of the same reasons, I can support the repeal of the logging duty. The FCC requires program logs primarily to determine how much non-entertainment programming each broadcaster is airing. If logging helped to assure adequate attention to community needs or an effective comparative renewal standard, these benefits would plainly outweigh the costs imposed and I would object to elimination of the program log requirement. From what I can gather, however, logging does neither. Failure to meet the Commission's processing guidelines (which is revealed by scrutiny of logs) does not prevent renewal and satisfaction of them does not assure renewal. More than that, the new quarterly issues-programs list may be a superior gauge of a broadcaster's programming because a licensee will have to account for its public interest performance more precisely than it does under a system of rote logging.[16]

Having discussed the particulars of this decision, it is important that I set forth my understanding of a television broadcaster's public interest responsibilities under this revised scheme. Television licensees, as public trustees, must remain accountable for their exclusive use of valuable spectrum. This decision maintains that public accountability. Indeed, most broadcasters' public interest responsibilities remain unchanged by our actions here: every broadcaster must continue to air programming responsive to local needs,[17] and to assure that issues of particular relevance to all significant segments of the community are addressed.[18] Now, however, when a broadcaster's overall programming performance is challenged at renewal time, its rendition of these duties will be measured in the first instance by reference to quarterly issues-programs lists, rather than by its compliance with the ascertainment primer. Furthermore, the 1960 *En Banc Programming Statement's* [19] requirement that each broadcaster provide well-rounded, "something-for-everyone" programming has been modified. Licensees may now specialize, but their discretion to do so is elastic and will expand or contract depending on the number of television outlets in a market. In markets with relatively few stations (and, thus, where satisfaction of all programming needs through specialization will be economically impossible), a broadcaster's programming responsibilities remain exactly what they were before this decision. And, under the reasoning of the *Report of Order*,[20] most television stations will fall into this category because few local television markets presently approximate the narrowcasting environment indispensible to specialization.[21] Seen in this light, it is evident that the substantive changes made possible by this decision are relatively limited.

As noted initially, I do take strong exception to this *Report and Order* in one respect: its failure to adopt a children's educational programming requirement and guideline.[22] This issue is the Achilles' heel of this Commission's efforts to deregulate the video marketplace and is a subject on which I have spoken elsewhere.[23] In brief, evidence before the FCC indicates that licensees are not fulfilling the special children's programming obligations previously imposed on them by the Commission; that commercial incentives discourage licensees from airing such programming; and, thus, that regulatory intervention is required to protect the public interest in this regard.[24] This proceeding, being framed broadly to review and revise the programming obligations of television licensees,[25] gave the Commission both the opportunity and the duty to correct the injury to children's interests caused by the Commission's refusal to promulgate a children's educational programming guideline.[26] The Commission seriously undermines the credibility and viability of its deregulatory efforts when it fails, as here, responsibly to address problems not accommodated by the marketplace. I dissent from the majority's continued irresponsibility in this regard.

Footnotes at end of article.

I cannot help noting that the thorough evaluation of adult-oriented non-entertainment programming in this proceeding stands in marked contrast to the shallow effort made in the children's television docket. This difference explains why I can support most of this decision and why I adamantly oppose the action taken by the children's television order. In this decision, the Commission has relaxed its regulations only because empirical evidence corroborates economic theory and confirms that adult-oriented informational and other non-entertainment programming is currently available in substantial amounts and is likely to continue undiminished under reduced regulation. By comparison, in the children's television decision, the Commission conducted no study or survey to discover how much and what kind of programming is presently broadcast on commercial television to meet children's special needs.[27] Then, in the face of substantial record evidence suggesting market failure and its own recognition that economic incentives to air such programming are weak, the majority arbitrarily concluded that programming responsive to children's needs was adequate and retained only token agency oversight.[28] Importantly, this decision retains a vehicle for overseeing licensees' compliance with their obligation to air programming responsive to the needs of the adult audience (the issues-programs lists), unlike Docket 19142, which eschewed any form of reporting to enable the Commission to enforce licensees' purported "special obligation" to children.[29] Finally, unlike its approach to children's television, the Commission in appraising the need for continuing these rules has wisely focussed on the actual performance of commercial television broadcasters—who form the backbone of our television system and will continue to fulfill this role for the forseeable future—instead of glossing over the facts and relying on the presumed performance of cable operators and others just now entering the video marketplace.[30]

In all other respects, I do not oppose the specific actions taken here. As I said at the outset, the success or failure of this new scheme from a public interest perspective will depend, as under the prior scheme, upon its good faith implementation. More specifically, its success or failure will depend, as before, upon the standards used to evaluate an incumbent's performance at renewal time in the face of a competing application or petition to deny. This Commission's pursuit of a comparative renewal policy that is both coherent and lawful merits a footnote, if not a chapter, in the annals of American administrative law.[31] Our comparative renewal policy was not at issue in this proceeding.[32] This decision, however, by abandoning the benchmarks provided by some of these now eliminated rules and failing concurrently to provide clear guidance about what must be done to earn a legitimate renewal expectancy has done nothing to render the renewal process more objective or less susceptible to judicial criticism. Therefore, the Commission was most unwise in failing to resolve the comparative renewal inquiry concurrent with this proceeding.[33]

In summary, I can generally concur in this decision because the scheme it adopts is no worse than the one it replaces in assuring licensee accountability and, in some respects, may be better.[34] The Commission's failure to adopt, together with this order, a clear comparative renewal policy may lead broadcasters to rue the day this action was taken. I cannot say, however, that the general public [35] will suffer as a result of this decision.

FOOTNOTES

[1] *Notice of Proposed Rulemaking to Revise Commercial Television Licensing Policies*, 94 FCC 2d 678 (1983) (*NPRM*).

[2] *Concurring Statement of Commissioner Henry M. Rivera, supra*, 94 FCC 2d at 721-27. I found unconvincing the argument that the Commission could rely on competition from new media in the video marketplace to safeguard the public interest in responsive programming, since the new media are not available nationwide. *Id.* at 721-25. I was also wholly unpersuaded by the claim that these regulations should be discarded because they place broadcasters at a disadvantage vis-a-vis the new video services. *Id.* at 725. After all, there can be no competitive disadvantage occurring from unborn competition and the cable industry, the principal alternative to over-the-air television, is often more extensively regulated by local municipalities than broadcasters are by the FCC.

[3] The *Report and Order* admits that most of the new competition adverted to in the NPRM is "just beginning to assert" itself and that the impact of this nascent competition is difficult to predict. Paras. 20-21. It contains no reference whatever to the level playing field rationale previously advanced.

[4] Although I harbored doubts about the reasons given for starting this proceeding, I was not convinced that the regulations under review were necessary to advance the public interest in a responsive and accountable television broadcast system. My initial view was that it might be possible to further this objective through more finely tuned administrative tools. 94 FCC 2d at 726. Our actions here are, in the main, procedural fine tuning. I said then, and I continue to believe, that any revised regulatory framework will have to: (1) assure that television stations continue to be subject to binding and enforceable public service obligations, consistent with their status as public trustees; (2) retain rational procedures to measure a licensee's rendition of these public obligations; and (3) preserve the public's opportunity to participate meaningfully in our licensing decisions. *Id.* at 721-22.

[5] That is no doubt why the unadopted "statutory option" proposed in this proceeding continues to draw attention from hopeful deregulators, *see Report and Order* para. 7, and why efforts to narrow the ambit of statutory obligations continue.
See generally Fairness Doctrine Notice of Inquiry, 49 Fed. Reg. 20317 (May 14, 1984).

[6] My fellow commissioners are apparently inclined to chip away at this bedrock by downgrading it here to a mere "obligation." *See Report and Order* paras. 3, 23, 29, 32, 54. Regardless of how this core public interest programming requirement may be described, however, the Commission's discretion to eliminate it altogether is statutorily foreclosed. *See UCC* v. *FCC*, 707 F.2d 1413, 1427-1430 (D.C. Cir. 1983).

[7] For example, I disagree with the suggestion that these regulations should be repealed simply because they are costly or allegedly raise First Amendment concerns. *See Report and Order* paras. 35-36.

[8] In fact, I was initially skeptical that statistics on licensee performance in a regulated environment could be probative of licensees' likely performance absent regulation. 94 FCC 2d at 725 n.25. Close examination of the evidence has put a new light on the matter.

[9] *See* 94 FCC 2d at 724.

[10] Some broadcasters do not meet current programming guidelines; however, the overwhelming majority far exceeds them in markets of all sizes. *See* Comments of the National Association of Broadcasters in MM Docket No. 83-670, Appendix B—NAB Television Programming Study, filed November 21, 1983. This is not entirely surprising since television is the dominant information provider and since informational programming, especially news, is a profitable business. In any event, viewing the statistics compiled in this proceeding, it is difficult to conclude that the public's overall access to issue-oriented and other non-entertainment programs on television will be impaired by this decision.

[11] When the FCC established the processing guidelines under review, it set them at a level at which most licenses were performing, rather than at a level of performance at which the public interest was theoretically optimized. However, insofar as the guidelines can be said to represent a level at which the system as a whole functioned acceptably, that level of acceptable performance will continue because: (1) there are more television licenses on the air now than there were in 1976; (2) the record shows that most licensees in markets of all sizes are airing substantially more informational and other non-entertainment programming than the FCC's guidelines; and therefore, (3) viewers have access to more of this programming than before. *See* Appendix B to NAB Comments.

[12] *See Report and Order*, Appendix B, paras. 42-52.

[13] A number of questions remain regarding the role of these lists in renewal cases. For example, the Commission has not described the standard to be used to evaluate the relationship between the issues a licensee singles out and the programs listed as responsive to those issues. Obviously, there must be a demonstrable relationship if the list is to serve its intended function. *See UCC* v. *FCC*, 707 F.2d at 1437. Similarly, how will a licensee show that its issue-responsive programming is sufficient to withstand a challenge? I agree that these questions can be answered on an *ad hoc* basis, but until this body of precedent has developed our failure to detail the mechanics of the process will disadvantage both the public and licensees. Nonetheless, our decision does provide some important guidance: (1) the issues-programs list will be the most significant vehicle for recording efforts to fulfill the bedrock programming responsibility; (2) licensees must adequately document their issue-responsive programming; (3) the lists will serve as an initial frame of reference by the Commission to evaluate programming issues raised in a petition to deny or comparative renewal; (4) if the lists are insufficient to resolve a substantial question, the Commission can ask the licensee for more information; and, most importantly, (5) the licensee bears the burden of proving that it has met the bedrock duty to air issue-responsive programming. *Report and Order paras.* 76-77.

[14] Citizens' groups and the judiciary have, in fact, complained about the inadequacy of formal ascertainment as a measure of licensee performance and as a public interest spur. *See Alianza Federal de Mercedes* v. *FCC*, 539 F.2d 732, 736 (D.C. Cir. 1976).

[15] The *Report and Order's* comment that the ascertainment requirement is being completely eliminated, *see* paras. 47 and 54, overstates the action being taken and should not lull licensees into a false security. All broadcasters remain responsible for seeing to it that all significant issues are addressed and for airing issue-responsive programming; therefore, a *fortiori* they will have to ascertain local programming needs to meet those requirements. *Cf. Committee for Community Access* v. *FCC*, No. 82-2314, slip op. at 6-7 (D.C. Cir. July 15, 1984). They would also be well advised to document their reasons for covering some issues but not others to guard against renewal challengers. The *Report and Order* indicates that "[i]f the programming presented by the licensee satisfies its obligation, the ascertainment efforts of the station are irrelevant." Para. 54. In other words, if confronted by evidence that a licensee has ignored a significant need or has failed to provide adequate issue-responsive programming the station would bear the burden of showing that its programming decisions were reasonable, and its ascertainment of local needs would be material to this issue. In this respect, our action is closer to Option II than Option I as specified in the NPRM. *See also* para. 39 ("Assessing the reasonableness of a licensee's decision [in a comparative challenge] will necessitate an ad hoc review to examine the circumstances in which the programming decision was made. The examination will focus on the licensee's evaluation of the programming of other television stations and on its own responsive programming in light of the needs of the community.") As we said in the radio deregulation proceeding: "[W]hat is important is that licensees utilize their good faith discretion in deter-

mining the type of programming that they will offer and this issues to which they will be responsive. It would be inconsistent with the exercise of good faith judgment for a broadcaster to be 'walled off' from its community. Rather, broadcasters should maintain contact with their community on a personal basis. . . . What is not important is that each licensee follow the same requirements dictating how to do so." *Deregulation of Radio*, 84 FCC 2d 968 (1981).

[16] The commission could have replaced the present logging duty with a rule requiring broadcasters to log all issue-responsive programming (as initially proposed in response to the court's remand of the radio regulation decision, *UCC v. FCC, supra*). However, the quarterly issues-programs list is likely to provide much the same information because a licensee must describe issue-responsive programming as well as its time date and duration. Since these lists will serve as "[t]he most significant source of issue-responsive information under the new regulatory scheme," *Report and Order* at para. 76, and since there is no limit to the number of issues that can be specified it will behoove broadcasters to assemble the most comprehensive and informative lists possible. Consequently, these lists are likely to provide an index of public interest performance that is as informative as the issue-oriented logs. *See also* Petition for Reconsideration by National Radio Broadcasters Association in BC Docket No. 79-219, filed June 4, 1984 (complaining that new quarterly lists are too burdensome).

[17] *Report and Order*, para. 37. While we are deemphasizing the significance of quantitative performance, the amount of issue-oriented programming aired by a licensee will continue to be relevant in some contexts, contrarty to the contention of the *Report and Order* in paragraph 37 ("arguments based solely on the failure to present amounts of nonentertainment programming will not be appropriate"). *See UCC* v. *FCC, supra*, 707 F.2d at 1433-34; *Committee for Community Access* v. *FCC*, No. 82-2314, Slip op. at 6-7 (June 15, 1984).

[18] *Report and Order*, para. 38.

[19] 44 FCC 2303 (1960).

[20] Footnotes 34 and 61.

[21] Even where specialization is feasible and permissible, no licensee may flatly ignore issues of concern to a significant segment of the communit. Rather, a licensee may do so only after developing a reasonable basis for relying on another station in the market to address the needs in question. Thus unless a broadcaster wants to endanger its renewal expectancy, it will exercise great care to assure that such needs are met.

[22] I also object to the apparent repeal of aggregate commercial time limitations insofar as children's programming is concerned. Not only does this represent an unexplained (and, thus unlawful) departure from the FCC's prior conviction that special policies are required to protect vulnerable young viewers from overcommercialization, *Children's Television Policy Statement*, 50 FCC 2d at 1, 12-14 (1979), but it does so without any record support. Because the Commission by this action does not alter other policies governing commercial practices in the children's programming area (*e.g.* the prohibition against host-selling, the requirement that program and commercial matter be separated, etc.), I can concur in its action in that regard. *See Report and Order* n. 99.

[23] *Children's Television Programming and Advertising Practices*, 49 Fed. Reg. 1704 (January 13, 1984), 55 RR 2d 199, 243 (1984) (Dissenting Statement of Commissioner Henry M. Rivera).

[24] *Id.* Despite the fact that specific evidence was proffered in this proceeding indicating that there is a continuing need for regulation addressing the children's programming issue— including a study by the House Subcommittee on Telecommunications, Consumer Protection and Finance and reports by the National Commission on Excellence in Education and the National Science Foundation—the Commission erroneously fails to discuss this evidence and persists in the mistaken course of action adopted in Docket 19142. *See* Comments of Action for Children's Television in Docket 83-670, filed November 17, 1983, at 5, 24.

[25] 94 FCC 2d at 700-01 (inviting commenters to propose all reasonable options for consideration).

[26] In fact, a specific proposal was lodged in the comments urging such action. *See* Comments of Action for Children's Television in Docket 83-670, filed Nov. 17, 1983.

[27] *See Children's Television Programming and Advertising Practices, supra*, 55 RR 2d at 247.

[28] *Id.* at 206-07, 215. "[A] fig leaf," I called the vestigial oversight role retained by my colleagues, "to clothe the nakedness of the new policy." 55 RR 2d at 245.

[29] I urged the Commission to devise a special reporting requirement to monitor licensees' performance and to provide a continuing picture of what programming is available on commercial television to meet the unique needs of child viewers. *See id*, 55 RR 2d at 250.

[30] The acknowledgement here that the structure of local television markets is not now conducive to programming specialization exposes the makeweight nature of the argument in Docket 19142 that a children's programming requirement would impede station specialization. *See* 55 RR 2d at 254.

[31] *See geneally Victor Broadcasting, Inc.* v. *FCC*, 722 F.2d 756 (D.C. Cir. 1983); *Central Florida Enterprises, Inc.* v. *FCC, 683 F.2d 503 (D.C. Cir. 1982)*, *cert. denied*, 103 S.Ct. 1774 (1983); *Central Florida Enterprises, Inc.* v. *FCC, 598 F.2d 37 (D.C. Cir. 1978); Citiznes Communications Center* v. *FCC*, 447 F.2d 1201 (D.C. Cir. 19712). *See also Committee for Community Access* v. *FCC, supra*.

[32] That question is being considered elsewhere. *See Comparative Renewal Notice of Inquiry*, BC Docket No. 81-742, 88 FCC 2d 120 (1981); *Further Notice of Inquiry*, 47 Fed. Reg. 46117 (October 1982).

[33] Prompt resolution of the pending inquiry on comparative renewal standards is essential and has been promised by the staff; in view of the meager results produced by the FCC's prior efforts, however, I am not confident that this issue can be properly resolved absent legislative intervention.

[34] An apparent mystique has attached to the regulations under review here—that they are essential to the public accountability of commercial licensees. I disagree. What is essential is responsible oversight by the FCC of broadcaster performance. If this exists, reams of rountinely filed paperwork are unnecessary. If it does not exist, no amount of administrative regulation will make a whit of difference.

[35] Except, as previously stated, the country's youth.

By Mr. WARNER (for himself, Mr. Wilson, Mr. Helms, Mr. Garn, Mr. Exon, Mr. Heflin, Mr. Grassley, and Mr. Thurmond):

S. 1595. A bill to prevent the implementation of Revenue Ruling 83-3 and other similar considerations affecting the housing allowances of the military and clergy; to the Committee on Finance.

HOUSING ALLOWANCES OF THE MILITARY AND CLERGY

Mr. WARNER. Mr. President, I rise today to introduce a measure preventing the Internal Revenue Service from implementing Revenue Ruling 83-3 and other similar considerations affecting the housing allowances of the military and clergy.

Joining me as cosponsors on this bill are Senators Helms, Wilson, Garn, Exon, Heflin, Grassley, and Thurmond.

This legislation is mandated despite the best efforts of the Senator from North Carolina [Mr. Helms], the Senator from Oregon [Mr. Packwood], the Senator from South Carolina [Mr. Thurmond], myself, and others during the last Congress who joined me in trying to prevent the IRS from promulgating Revenue Ruling 83-3.

This legislation is also mandated even though the President's tax reform proposal protects the tax exempt status of the military and clergys' housing allowance and the deductibility of mortgage interest payments for an individual's principal residence.

The President's proposal, unfortunately, does not prevent Revenue Ruling 83-3 from being implemented, thereby depriving members of the military and the clergy a substantial portion of their total compensation.

On several occasions during the 98th Congress this Senator, along with others, sponsored bills and amendments seeking to retain the current tax treatment of housing allowances for our uniformed service personnel and clergy.

The first major push came last June when the Senator from Virginia and the Senator from North Carolina successfully offered an amendment to the 1985 Defense authorization bill.

Unfortunately, many items considered nongermane to the DOD authorization bill were dropped in conference with the House of Representatives.

This amendment was one such item.

Mr. President, I ask unanimous consent that the conferees' statement on this issue be included at this point in my comments to illustrate the significance with which this matter was viewed at the time.

There being no objection, the statement was ordered to be printed in the Record, as follows:

> *Clarification of tax treatment of certain allowances.*—The Senate amendment contained a provision (sec. 160c) that would provide, for purposes of the tax benefit rule of section 265(1) of the Internal Revenue Code, that military housing and subsistence allowances and ministers' parsonage allowances not be considered as exempt fom the Federal income tax.
>
> The House bill contained no similar provision.
>
> The conferees are deeply troubled by the prospect of an Internal Revenue Service ruling that would treat military housing allowances in such a manner as to disallow military homeowners' itemized deductions of mortgage interest and real property taxes on their Federal income tax returns. The specter of such a ruling has created substantial anxiety within the armed forces.
>
> The Congress has consistently considered the tax advantage that accrues to military allowances in defining and setting military compensation levels. (See section 101(25) of title 37, United States Code.) If the tax advantage component of military compensation were to be neutralized by a change in current tax practice, then it would be necessary to adjust the other components of military compensation accordingly. The conferees believe that the better course would be to preserve the current tax practice.
>
> In the interest of setting the concerns of service members to rest, the conferees were sorely tempted to retain section 160c of the Senate amendment. Unfortunately, inclusion of the provision in Senate amendment. Unfortunately, inclusion of the provision in the conference report might be ruled to violate the rules of the House of Representatives by including a tax measure in legislation not reported by the Committee on Ways and Means. Consequently, the conferees reluctantly agreed to drop the provision.

Mr. WARNER. Mr. President, another major effort to get this issue before the Congress came on September 26, 1984, when the distinguished Senator from Oregon [Mr. Packwood] held hearings in the Subcommittee on Taxation and Debt Management.

In response to testimony by Congressman Parris, representatives of affected groups and myself, Senators Packwood and Moynihan expressed their strong support for retention of the pre-83-3 treatment.

Senator Packwood, recognizing the need to remove the chilling effect this ruling already created, offered his assistance to bring this issue before the Congress before adjournment.

Unfortunately, time ran out before that action could be taken.

But now, as the Congress begins its deliberations on tax reform, it seems appropriate to this Senator that attention be directed to revenue ruling 83-3 and the impact it will have on the military and clergy.

This is an issue of fundamental and urgent importance that has produced great fear and confusion.

Currently, ministers who purchased a home prior to 83-3 have protection from its effects until January 1, 1987.

However, those ministers who purchased a home after the effective date of 83-3 are affected immediately and have paid additional taxes on their 1984 returns because this situation was not resolved last year.

In addition, the Internal Revenue Service and the Treasury have been internally examining the extension of the housing allowance aspect of 83-3 to all uniformed service personnel receiving housing allowances.

Every day, hundreds of service people are forced to make rent-or-buy decisions with this issue hanging over their heads like the "Sword of Damocles."

With this background, Senators can see that the action Congress takes on this bill will assume tremendous signficance to our Nation's military personnel, our clergy, the families of both groups, and many builders and realtors.

This Senator fully supports continuation of the pre-83-3 tax treatment in both cases, not on the grounds of special treatment, though that is, indeed, justified.

This Senator takes this position because it is demonstrably more cost effective.

While, at first blush, it might seem proper that no one should use tax-free dollars to finance a tax deductible expense, closer examination reveals that, in these special cases, blind application of that concept not only leads to a serious decline in morale for the affected groups, but also creates a potential net loss for the Treasury.

The figure we historically use for determining comparability relative to civilian professions in "regular military compensation," or RMC.

The RMC is defined in title 37 of the United States Code of include the tax advantages resulting from tax-free allowances paid to military personnel.

Subsequently, Congress has historically computed the total compensation package of the military with these allowances included.

If revenue ruling 83-3 were applied to the military, as the IRS fully intends to do, it would breach longstanding pay and benefit commitments.

Further, the Department of Defense estimates that if 83-3 were applied, at least 270,000 military homeowners, at any one time, will incur an additional tax burden equivalent to 4 to 6 percent of their pay. Equity considerations and the potential impact on retention would virtually force us to restore the lost take-home pay.

The only way to restore RMC to its previous level of comparability would be through a pay raise. There is no way to target such a raise to homeowners only. Thus, it would cost approximately $1.2 billion while revenues gained by implementing 83-3 on the military would be about $350 million; a net loss to the Treasury of approximately $800 million.

In the case of the clergy, their salaries are paid by the tax-deductible contributions of the members of their respective congregations. Any loss to a minister due to additional taxes he must pay as a result of 83-3 will inevitably be made up by increased contributions from members of the congregation.

The contributions are tax deductible and, of course, must be greater than the after-tax net income of the minister since his housing costs are now greater due to his inability to deduct his mortgage interest costs to the extent of the tax-exempt housing allowance he receives.

As a result, the Treasury loses more income from increased charitable deductions than it receives from implementation of 83-3.

Gen. John W. Vessey, Jr., Chairman of the Joint Chiefs of Staff, the uniformed military adviser to the Commander in Chief, has assessed the impact of 83-3 and stated his deep concern. And I quote:

> Our most conservative projections indicate that this action would result in the loss of tens of thousands of trained career officers and enlisted personnel essential to the maintenance of the readiness of our forces.
>
> This revenue ruling (83-3) issue will continue to take its toll on the morale and welfare of service members until it is favorably and permanently resolved.

Mr. President, this is the most important pay and benefit issue of immediate impact to military personnel and clergy.

Failure to resolve it promptly could have more impact on military retention than almost any other personnel issue.

The problem for the clergy is equally critical. Retaining the pre-83-3 tax treatment will add no new costs to the Federal budget.

In fact, as this Senator has explained, prohibiting implementation of the housing allowance aspects of 83-3 for both the clergy and the military will save the Treasury substantial sums of money.

It has long been the intent of Congress that these housing allowances be tax exempt and that the military and clergy be able to take full advantage of the mortgage interest deduction as well.

The advantage for military personnel resulting from this consideration is an integral part of RMC. Congress has explicitly recognized and used this principle in setting military pay rates for many, many years. In addition, 83-3 contradicts earlier revenue rulings that expressly allowed such deductions.

I urge my colleagues in both Houses to act now to stop this unnecessary and fiscally unproductive attack on the morale of two professions central to our Nation. This measure will provide favorable and prompt resolution to this issue.

Congress must not leave the "Sword of Damocles" hanging over the heads of so many when it is within our power and ability to remove it.

Mr. President, I ask unanimous consent that two recent statements from the Internal Revenue Service on these matters be included at this point in my statement. Further, Mr. President, I ask unanimous consent that the bill be printed in full at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1595

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEDUCTIONS FOR CERTAIN EXPENSES INCURRED BY MEMBERS OF UNIFORMED SERVICES OF THE UNITED STATES, OR BY MINISTERS, WHO RECEIVE HOUSING, SUBSISTENCE OR PARSONAGE ALLOWANCES.

(a) In general.—With respect to any mortgage interest or real property tax costs paid or incurred by any minister of the gospel or any member of a uniformed service (within the meaning given to such term by section 101(3) of title 37, United States Code) or to a subsistance, quarters, housing or equivalent allowance or to income excluded from gross income of the taxpayer under section 107 of the Internal Revenue Code of 1954 (relating to rental value of parsonages) the application of section 285(1) of the Internal Revenue Code of 1954 shall be determined without regard to Revenue Ruling 83-3 (and without regard to any other regulation, ruling, or decision reaching the same result, or a result similar to the result, set forth in such Revenue Ruling).

(b) Members of Uniformed Services.—

(1) In general.—Chapter 7 of title 37, United States Code, is amended by adding at the end thereof the following new section:

"§431. Tax deductions allocable to basic allowance for quarters and basic subsistence allowance

"In determining whether any deduction allocable to basic allowance for quarters (including any variable housing allowance, station housing allowance, or similar allowance) or basic subsistence allowance is allowable under the Internal Revenue Code of 1954, and only for such determination, such allowance shall not be considered as exempt from income taxes nor shall any such deduction be considered as reimbursed by the receipt of any such allowance.".

(2) Technical amendment.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new section.

"431. Tax deductions allocable to basic allowance for quarters and basic subsistence allowance.".

(3) Cross references.—Section 134 of the Internal Revenue Code of 1954 (relating to cross references to other acts) is amended—

(A) by adding at the end of subsection (a) the following new paragraph:

"(7) Allowances paid as part of regular military compensation, see section 101 (25) of title 37, United States Code.", and

(B) by adding at the end thereof the following new subsection:

"(c) For deductions allocable to basic allowance for quarters and basic subsistence allowance see section 431 of title 37, United States Code.".

(c) Ministers.—Section 107 of the Internal Revenue Code of 1954 (relating to rental value of parsonages) is amended—

(1) by striking out the matter preceding paragraph (1) and inserting in lieu thereof:

"(a) General Rule.—In the case of a minister of the gospel, gross income does not include—", and

(2) by adding at the end thereof the following new subsection:

"(b) Special Rule.—Notwithstanding any other provision of this title, for the purposes of determining whether any deduction allocable to any allowance defined by this section or any similar housing allowance is allowable under this title, and only for such determination, such allowance shall not be considered as exempt from income taxes nor shall any such deduction be considered as reimbursed by the receipt of any such allowance.".

(d) Effective Date.—The provisions made by this section shall apply to taxable years beginning after December 31, 1982.

News Release—Department of the Treasury

Washington.—The Internal Revenue Service today announced that it has not concluded its consideration of the question of whether members of the uniformed services are entitled, under current law, to take deductions on their income tax returns for home mortgage interest and property taxes to the extent they receive tax-free housing allowances from the federal government.

The IRS said, however, that any determination on the issue that would adversely affect members of the uniformed services would not be applied to home mortgage interest and property taxes paid before Jan. 1, 1987. The IRS had previously announced that no adverse decision would be applied to home mortgage interest and property taxes paid by members of the uniformed service before Jan. 1, 1985.

The uniformed services include all branches of the armed forces, the National Oceanic and Atmospheric Administration, and the Public Health Service. By law, eligible members are entitled to receive tax-free housing and subsistence allowances if they do not reside on a federal base.

News Release—Department of the Treasury

Washington.—The Internal Revenue Service today announced that for certain ministers Revenue Ruling 83-3 will not be applied until Jan. 1, 1987, to disallow deductions for mortgage interest and property taxes paid by a minister out of a tax-free parsonage allowance. Relief from the disallowance of deduction is provided only to ministers who owned and occupied a home before Jan. 3, 1983, or who, on that date, had a contract to purchase a home and later owned and occupied that home.

If, on Jan. 3, 1983, a minister owned and occupied a home or had a contract to purchase a home, but later ceased to occupy that home, the disallowance in Revenue Ruling 83-3 applies for any home the minister may subsequently occupy, regardless of when that occupancy begins.

The IRS explained that Internal Revenue Code section 265(1) disallows any deductions for expenses allocable to tax-exempt income. In Revenue Ruling 83-3, issued on Jan. 3, 1983, the IRS said that section 265(1) precludes deductions for mortgage interest and property taxes paid by a minister out of a tax-free parsonage allowance.

Revenue Ruling 85-96, which modifies Revenue Ruling 83-3, is attached and will be published in Internal Revenue Bulletin No. 1985-29, dated July 22, 1985.

Part I—Section 265

Expenses and Interest Relating to Tax-Exempt Income 26 CFR 1.265-1: Expenses relating to tax-exempt income. (Also sections 107, 163, 164; 1.107-1, 1.163-1, 1.164-1.)

Rev. Rul. 85-96, Rev. Rul. 83-3, 1983-1 C.B. 72, holds, in part, that a minister may not deduct interest and property taxes that are allocable to a rental allowance excluded from gross income under section 107 of the Internal Revenue Code. This holding is based on section 265(1) of the Code, which provides, in part, that no deduction is allowed for any amount that is otherwise deductible but that is allocable to one or more classes of income (other than interest) wholly exempt from income tax. Section 7805(b) of the Code grants the discretion for any revenue ruling to be applied without retroactive effect. Under the authority contained in section 7805(b), Rev. Rul. 83-3 states that if a minister owned and occupied a home before January 3, 1983 (or before January 3, 1983, had a contract to purchase a home and subsequently owns and occupies that home), there will be no disallowance of deductions for interest and property taxes until the earlier of the date on which the minister no longer occupies the home or January 1, 1985.

Section 1052 of the Tax Reform Act of 1984, Pub. L. 98-369, provides that with respect to any mortgage interest or real property tax costs paid or incurred before January 1, 1986, by any minister of the gospel who owned and occupied a home before January 3, 1983 (or had a contract to purchase a home before such date and subsequently owned and occupied such home), the application of section 265(1) of the Code to such costs will be determined without regard to Rev. Rul. 83-3 (and without regard to any other regulation, ruling, or decision reaching the same result, or a result similar to the result, set forth in Rev. Rul. 83-3).

The Internal Revenue Service has decided, under the authority of section 7805(b), to grant further relief to taxpayers who may have relied on Rev. Rul. 62-212, 1962-2 C.B. 41, which was revoked by Rev. Rul. 83-3. Accordingly, deductions for mortgage interest and real property tax costs will not be disallowed under Rev. Rul. 83-3 if such costs are paid or incurred before January 1, 1987, and if section 1052 of the Tax Reform Act of 1984 would have applied to those costs had they been paid or incurred before January 1, 1986.

HOLDING

The second sentence of the next-to-the-last paragraph of Rev. Rul. 83-3 is amended to read as follows:

Further, if the minister described in Situation 2 owned and occupied a home before January 3, 1983, (or had a contract to purchase a home before January 3, 1983, and subsequently owns and occupies that home), the revenue ruling will not be applied to that minister so as to disallow deductions for mortgage interest or real property tax costs paid or incurred before January 1, 1987, or before such date as the minister ceases to occupy that home, whichever is earlier.

EFFECT ON OTHER REVENUE RULINGS

Rev. Rul. 83-3 is hereby modified.

Mr. HELMS. Mr. President, I am honored to join again with my friend from Virginia [Mr. Warner] in a continuation of our efforts to protect ministers and military personnel from overreaching by the Internal Revenue Service. The basic problem is that the IRS is constantly looking for ways to bring about what they call "tax enhancement"—which are, in fact, tax increases. In this case the IRS, through administrative action, has targeted ministers and military personnel and the tax breaks Congress has previously extended these groups through legislation.

Mr. President, in early 1983 the IRS issued a ruling preventing ministers from deducting mortgage interest and taxes paid on their residence, to the extent that they receive a traditional, nontaxable parsonage allowance. Later, the IRS indicated that it would apply the some ruling to military personnel with respect to their quarters allowance.

Because of these IRS actions, I introduced S. 2017 on October 27, 1984, to maintain the status quo for both ministers and military personnel. When the deficit-reduction package came before the Senate in April 1984, Senator Warner and I sponsored an amendment—which was adopted—to postpone the taking effect of the IRS ruling until January 1, 1986. Senator Warner and I believed that the interim provided by our amendment would allow Congress to study the matter carefully, and then work its will before

January 1, 1986. Many, including myself, have questioned whether the IRS should have attempted to make this substantive change in the law on its own anyway.

Mr. President, in addition to the Warner-Helms amendment postponing the full taking effect of the revenue ruling, we also offered an amendment to the Department of Defense authorization bill which, in a different way than S. 2017, would have maintained the status quo ante. This amendment was adopted in the Senate without opposition in June 1984, but it was deleted by the conference committee in an effort to maintain the customary prerogatives of the House on the initiation of revenue measures.

I believe these two separate Senate floor victories—which Senator Warner and I have had in connection with this issue—demonstrate that there is strong support for the objectives we seek. Because of this strong support, I urge prompt action by the Senate during this session.

Mr. President, let me explain now in more detail the background of this issue and the reasons for enacting this legislation.

In early January 1983, the Internal Revenue Service published Revenue Ruling 83-3. In part, this ruling provides that ministers may no longer deduct interest and taxes paid on a personal residence to the extent the amounts expended are allocable to tax-exempt income. In addition, there have been indications that Revenue Ruling 83-3 will be applied to military personnel who likewise receive housing allowances.

Mr. President, it is common practice in the United States for a minister to be given a housing allowance by his church. Under section 107 of the Internal Revenue Code this allowance is excludable from the minister's gross income. Up to new ministers have, fully within the letter of the law, deducted interest and taxes from their income just like other taxpayers. In their case, however, this deduction has an additional benefit because some of their compensation, in the form of a housing allowance, is exempted from gross income by section 107. With Revenue Ruling 83-3 and its new application of section 265, the IRS is attempting to diminish the benefit of section 107 to the clergy.

Traditionally, Congress has tried to promote religion by refraining from taxing religious activities and by providing certain tax benefits for those involved in religious activities. We provide these tax benefits because of the longstanding recognition by the American people that Government exists to serve the common good of society. Government is the servant, not the master, of the people. Therefore, it is perfectly proper for the Government to give preferred status to certain institutions in society for the public good. Religion certainly occupies such a place in American society.

Also, Mr. President, ever since the formation of the various branches of our armed services, it has been the practice to provide military personnel with appropriate housing or with a housing allowance when appropriate housing has been unavailable. The granting of subsistence and housing allowances, separate and apart from actual pay, has been the traditional method for compensating members of the armed services and has been provided for either by regulation or by statute. It is codified today in title 37 of the United States Code.

Allowances paid to our military personnel have in the past been recognized as being exempt from taxation. Both the courts and the Internal Revenue Service have held that subsistence and housing allowances are not items of income. For many years IRS regulations specifically have provided that subsistence and housing allowances need not be included in the income tax returns of members of the uniformed services. Up to now, members of the Armed Forces have, fully within the letter of the law, deducted interest and taxes on their personal residences just like other taxpayers.

As with ministers, prior to Revenue Ruling 83-3, members of the uniformed service have received an additional benefit when taking such deductions because some of their compensation, in the form of housing and subsistence allowances, is exempted from gross income. In Revenue Ruling 83-3, the IRS has attempted to diminish the benefits available to the clergy. Now the possibility exists that the IRS will also apply 83-3 to the military.

Mr. President, it is my strong conviction, shared by Senator Warner and others, that Revenue Ruling 83-3 should not be permitted by Congress to take effect in this way. In order to achieve the objectives of maintaining the status quo, I urge enactment of the legislation we are today introducing.

By Mr. WARNER:

S. 1596. A bill to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia; to the Committee on Energy and Natural Resources.

TRANSFER OF ROBERT F. KENNEDY MEMORIAL STADIUM TO THE DISTRICT OF COLUMBIA

Mr. WARNER. Mr. President, I rise today to introduce legislation requiring the Secretary of the Interior to convey ownership of the Robert F. Kennedy Memorial Stadium to the District of Columbia.

The origin of this proposal goes back several years.

President Carter's Task Force on the District of Columbia in 1977 laid the foundation, and now the Department of the Interior and the District of Columbia government have supported this step to complete a transfer.

I strongly support this legislation which was approved by the House of Representatives in the 98th Congress and again in this Congress on June 24, 1985.

Comparable Senate action is timely.

The Congressional Budget Office, in a letter to Chairman Dellums of the House District of Columbia Committee on June 18, 1985, has determined that transfer of the stadium "will not affect the budgets of either the Federal Government or the District of Columbia."

The Secretary of the Interior authorized the District of Columbia Armory Board to issue 20-year bonds to finance the construction of the stadium in 1960. However, revenue from the stadium operations was never enough to meet the interest payments on the bonds or to begin payment on the principal.

The District of Columbia has covered the interest payments of $12.8 million.

In the District of Columbia Appropriations Act of Fiscal Year 1978 and 1979, the bond principal of $19.8 million was jointly repaid by the Federal Government and the District of Columbia.

The District of Columbia, through the Armory Board, has operated and maintained the stadium since its construction, and has financed two-thirds of the stadium costs—$22.7 million of the total $36.2 million.

This transfer will not be a departure from the normal use of the stadium, or its operating procedures.

Provisions are included which require the District of Columbia to use the stadium for purposes previously approved by the Department of the Interior.

Should the terms and conditions of this agreement be reached, an orderly process for returning the ownership to the Federal Government is provided.

In the spirit of federalism, there is simply no logical reason for the Federal Government to own a stadium, a responsibility which should be purely local.

As an avid sports fan, and an unpaid director of the Washington Redskins, I am hopeful that this legislation will also enhance the attraction of the Nation's Capital as a major league baseball city.

As you may know, the District of Columbia is actively engaged in a campaign to win a major league baseball franchise for the city.

Baseball Commissioner Peter Ueberroth has indicated that a favorable stadium lease, including needed repairs to the stadium, is a key prerequisite in determining the site of a new franchise.

The District of Columbia is prepared to make the estimated $16 million in repairs with public and private funds.

This transfer legislation removes any Federal taxpayer obligation for future operation or maintenance of the stadium, and allows the District of Columbia to compete fairly with other cities for a major league baseball franchise.

I have asked the distinguished chairman of the Senate Energy and Natural Resources Committee, Mr. McClure, to schedule a hearing on the bill soon after the Senate returns from the August recess so that we may bring it to the floor before adjournment.

I ask unanimous consent that the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1596

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE OF STADIUM

Section 7 of the District of Columbia Stadium Act of 1957 (D.C. Code, sec. 2-326) is amended—

(1) by inserting "(a)" after "Sec. 7."; and

(2) by inserting after subsection (a) the following new subsections:

"(b) The Secretary of the Interior (hereinafter in this section referred to as the 'Secretary') shall convey without consideration to the government of the District of Columbia all right, title, and interest of the United States in and to the stadium constructed under this Act.

"(c) The conveyance of real property under subsection (b) shall be subject to such terms and conditions (which shall be set forth in the instrument of conveyance) as will ensure that title to the property shall not be transferred by the District to any person or entity other than the United States and that the property will be used only—

"(1) for stadium purposes;

"(2) for providing recreational facilities, open space, or public outdoor recreation opportunities;

"(3) for such other public purposes for which the property was used prior to June 1, 1985; and

"(4) for such other public purposes for which the property was approved for use by the Secretary with the concurrence of the National Capital Planning Commission prior to June 1, 1985.

"(d)(1) the instrument of conveyance referred to in subsection (c) shall provide all right, title, and interest conveyed to the District of Columbia pursuant to such instrument shall revert to the United States if—

"(A) the terms and conditions referred to in subsection (c) have not been complied with, as determined by the Secretary, and

"(B) such noncompliance has not been corrected within ninety days after written notice of such noncompliance has been received by the Mayor of the District of Columbia.

Such noncompliance shall be treated as corrected if the District of Columbia and the Secretary enter into an agreement, with the concurrence of the National Capital Planning Commission, which the Secretary considers adequate to ensure that the property will be used in a manner consistent with the purposes referred to in subsection (c).

"(2) No person may bring an action respecting a violation of any term or condition referred to in subsection (c) before the expiration of ninety days after the date on which such person has notified the Mayor of the District of Columbia of the alleged violation. The notice shall include notice of such person's intention to bring an action to declare a reversion under paragraph (1) of this subsection.

"(3) Any property which reverts to the Secretary under this subsection shall be administered by the Secretary as part of the Park System of the Nation's Capital in accordance with the provisions of the Act of August 25, 1916 (16 U.S.C. 1,2-4), and other provisions of law generally applicable to units of the national park system.".

SEC. 2. TECHNICAL AMENDMENT.

Section 11 of the District of Columbia Stadium Act of 1957 (D.C. Code, sec. 2-330) is amended by inserting "(including any area designated as area A, B, C, D, or E on the revised map entitled 'Map to Designate Transfer of Stadium and Parking Lots to the District', prepared jointly by the National Park Service (National Capital Region) and the District of Columbia Department of Public Works for site development and dated March 1985 (NPS drawing number 831/87284))," after "property of any kind".

By Mr. WARNER:

S. 1597. A bill to authorize awards, decorations, insignia, and other recognition for service on the U.S. Merchant Marine, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MERCHANT MARINE DEFENSE SERVICE RECOGNITIONS AND MEDALS ACT

Mr. WARNER. Mr. President, today I am introducing legislation to authorize the Secretary of Transportation to issue medals for service in the merchant marine during World War II and subsequent conflicts and to issue medals, ribbons, or bars previously awarded for merchant marine service.

The bill also authorizes the Secretary of Transportation to provide a U.S.-flag and grave markers for burials of merchant marine veterans who served in World War II, subsequent conflicts or in significant military operations.

Identical legislation, H.R. 679, was introduced in the House of Representatives by Representative Marjorie Holt.

My legislation is designed to provide appropriate recognition for merchant mariners who have served the United States in wartime. This measure establishes some comparability with persons who served under similar circumstances in the Armed Forces of the United States.

In both World Wars I and II, the U.S. merchant marine was greatly expanded to provide the necessary logistic support without which our forces could not have operated successfully overseas.

In 1917, troop ships, hospital ships, vessels serving in the war and Navy Departments and commercial vessels engaged in trade to ports in war zones were taken over by the Navy.

Naval Reserve members in the Naval Auxiliary Service were called to active duty to operate such ships under the Naval Overseas Transportation Service which transported about 60 percent of the supplies sent to the American Expeditionary Force in Europe, supplies to all U.S. naval bases abroad and other essential shipping purposes.

When the United States entered World War I, its ocean going merchant marine was very small and a tremendous effort was made to expand the U.S. merchant shipping capacity.

Vice Admiral A. Gleaves, USN, who commanded the Cruiser and Transport Force, stated in "The History of the Transport Service," published in 1921, that the merchant marine and Navy had worked together shoulder to shoulder during the war period, without differences or distinction as to status.

He further stated:

> The outstanding lesson which the experience of the war has driven home is of value both in peace and in war of a prosperous deepsea merchant marine.

The loss of merchant mariners due to enemy action in World War I numerically exceeded that of Navy losses.

With the advent of World War II, thousands of seafarers were needed to man new ships of all types that were soon to be coming off the ways.

The War Shipping Administration built U.S. Maritime Service training stations at ports around the Nation for a tremendous expansion of the U.S. merchant marine.

Men of the merchant marine shared the fighting during World War II with Navy armed guard crews and communications personnel assigned to augment the small merchant marine complements.

The percent of merchant marine personnel lost to enemy action was greater than that of any armed service with the possible exception of the Marine Corps.

However, the Navy did not mobilize the merchant marine in World War II as it had done in World War I.

Although President Roosevelt decided not to militarize the merchant marine, in the sense that it would have become officially an armed service, Admiral Land established the U.S. Maritime Service along Navy lines complete with Navy grades, similar uniforms, insignia, medals, ribbons, et cetera.

It was known as the fourth arm of defense.

Service in the merchant marine was voluntary.

Many joined who were too old or had disabilities which precluded their entry into the armed services.

Others joined because of the promise of early action with the enemy and were often not disappointed.

Following World War II, merchant marine veterans were given discharge lapel buttons, certificates of continuous service, and a document suitable for framing expressing the Nation's thanks from the President.

Because many returned to their shore occupations, they were given reemployment rights similar to veterans of the Armed Forces.

It is difficult to estimate the number of merchant mariners who served in World War II because accurate records are not available.

A considerable number of World War II merchant mariners either had served or subsequently served on active duty in the armed services.

Estimates of those who served in war zones in World War II range from 200,000 to 300,000.

Perhaps 25 to 50 percent of those are also veterans of an Armed Force.

Many have since died.

The sealift provided by the merchant marine remains indispensable to the ability of our armed services to sustain combat operations overseas.

Incentives are necessary to acquire and maintain a healthy sealift capacity.

In addition to acknowledging outstanding merit performed by members of the American merchant marine similar to official recognition of gallantry and heroism of men in the Armed Forces, this bill will serve as an incentive to others to adopt seafaring careers.

The disparity of treatment is highlighted when the merchant marine veteran of World War II, who is not also a veteran of the armed services, dies. This disparity was often brought to my attention, when serving as Secretary of Navy, by my special assistant for the merchant marine Robert Carl, a World War II merchant mariner of distinction.

Although the merchant mariner may have been exposed to considerable hardship and danger, fought the enemy, had ships sunk from under him and even may have been a prisoner of war, as more than 500 merchant mariners were during World War II, there is no official recognition of his sacrifices.

Additional costs incident to this bill with reference to the medals will be relatively small.

It is estimated 3,000 to 5,000 individuals may apply on reauthorization and the costs of administration and for new medals will be $18,000 to $30,000 total over several years.

Except for administration, the costs of replacements and medals for ribbons previously issued will be paid directly by those eligible.

It is estimated demand for flags and grave markers for deceased merchant mariners will range between 3,000 and 7,000 per year, costing, including administration costs, about $25 per death, for totals of $75,000 to $175,000 per year.

My bill will signal to these heroic merchant mariners that a great and grateful Nation does not forget their courageous service.

I urge my colleagues to support this bill and ask unanimous consent that it be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1597

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Merchant Marine Defense Service Recognition and Medals Act."

Sec. 2. The Secretary of Transportation ("Secretary"), is authorized to award any person decorations and insignia of appropriate design, including medals, ribbons, bars, ribbon bars, emblems, rosettes, miniature facsimiles, plaques, citations, or other appropriate awards, or other suitable devices or indicia symbolic thereof, and replacements or replicas therefor, for any of the following acts or service in the United States Merchant Marine:

(a) Distinguished service by outstanding acts, conduct, or valor beyond the line of duty;

(b) Meritorious acts, conduct or services, in the line of duty, but not of such outstanding character as would warrant an award for distinguished service;

(c) Service in time of war or national emergency proclaimed by the President or by Congress, or during operations by Armed Forces of the United States outside the continental United States, for such period of time and in such areas, or under such conditions or danger to life as the Secretary may set forth in regulations;

(d) For other acts or service of conspicuous gallantry, intrepidity, extraordinary heroism, at risk of life above and beyond the call of duty which would warrant decorations or awards for members of the Armed Forces.

Sec. 3. The Secretary is authorized to issue a citation to any United States ship or to any foreign ship which participates in outstanding or gallant action in marine disasters or other emergencies for the purpose of saving life or property. The Secretary may award a plaque to a ship so cited, and a replica of such plaque may be preserved, as a permanent historic record. The Secretary may also award an appropriate citation ribbon bar to the master or each person serving on board such ship at the time of the action for which the citation is made. Any award or citation to a foreign ship or crew under this section shall be subject to the concurrence of the Secretary of State.

Sec. 4. (a) Not more than one of any type of medal shall be awarded to any one person, but for each succeeding act, conduct, or service justifying such an award, a suitable device may be awarded to be in worn with the medal or ribbon.

(b) In the event a person scheduled to receive any award under this Act is unable to accept it, the Secretary may make the award to an acceptable personal representative.

(c) The Secretary may provide at cost, or authorize for manufacture and sale at reasonable prices by private persons, the decorations or insignia awarded under the authority of Section 2 of this Act, and replacements, including awards, medals for ribbons and ribbon bars previously issued under this Act or any predecessor Act.

(d) Decorations authorized under Section 2 (c) and (d) of this Act may be of the same design as are authorized for members of the Armed Services for similar service or acts.

Sec. 5. The Secretary is authorized to issue a flag of the United States and grave markers for the burial or similar service of merchant mariners who served in the United States Merchant Marine in World War II, or in support of the Armed Forces of the United States or its allies in subsequent periods of conflict.

Sec. 6. The Secretary may prescribe rules and regulations as necessary to carry out this Act.

Sec. 7. The manufacture, sale, possession or display of any awards, decorations or insignia provided for in this Act, or in any rule or regulation issued pursuant to this Act, is prohibited except as authorized by this Act or any rule or regulation issued pursuant thereto. Whoever violates any provision of this Section shall be punished by a fine not exceeding $250 or by imprisonment not exceeding six months, or both.

Sec. 8. The Merchant Marine Medals Act, as amended, (46 App. 249-249c), is repealed.

By Mr. GRASSLEY:

S. 1598. A bill to amend the Farm Credit Act of 1971 to provide additional farm credit resources, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

S. 1599. A bill to establish a commission to study the structure of the Farm Credit System and recommend any appropriate changes, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARM CREDIT SYSTEM LEGISLATION

Mr. GRASSLEY. Mr. President, the bill I am introducing today S. 1598, will provide assistance to the troubled Farm Credit System. Congressman Cooper Evans, my colleague from Iowa introduced this bill in the House. I realize that this bill may not provide all the answers to the problems in the Farm Credit System but it can serve as a blueprint and a beginning. This bill would establish a central reserve for the Farm Credit System and authorizes the appropriation of $5 billion to capitalize this central reserve. The purpose of this reserve is to assist troubled banks and associations. During the time Federal funds are on deposit in this reserve, the Governor of the Farm Credit System will serve at the pleasure of the President and will be required to hold reserve funds in Treasury bills or some other liquid form.

This bill also requires the Federal land banks and associations to offer fixed-rate, 20-year real estate mortgages to be financed by issuing a separate class of long-term bonds, with interest rates on the mortgages to be limited to not more than 1½ percent above the interest rate on the bonds.

This bill would provide the Farm Credit Administration with enforcement powers similar to other financial institution regulatory agencies. It also directs the governor to issue regulations requiring banks and associations to provide by-laws, lists of directors and officers, and stockholder meeting schedules to stockholders and members of the banks and associations on an annual basis and other times on request. The Governor is required to develop guidelines for an annual financial audit to be conducted by each bank and association using an independent CPA and the results of this audit is to be presented to the stockholders and members at an annual meeting. Limits will be established to prevent banks and associations from concentrating an excessive portion of its loans with any one borrower.

In addition, the General Accounting Office is required to audit the Farm Credit System every 3 years and report the results to Congress. This bill also will increase collateral requirements for Federal Land Bank loans by reducing the percentage limits which determine the amount which can be loaned in relation to total collateral on the loan, this is to protect against sharp fluctuations in land values.

Today I am also introducing a bill, S. 1599, that will establish a Farm Credit System Review Commission. The purpose of this Commission is to examine the Farm Credit System and recommend organizational changes which will maintain the long-term viability of the Farm Credit System and allow it to adapt to the changing nature of American agriculture.

I encourage my colleagues to support this legislation and work with me toward solutions. It is critical that the Congress starts to take action to deal with the serious problems facing the Farm Credit System and its members.

By Mr. HEINZ (for himself, Mr. Durenberger, Mr. Abdnor, Mr. Andrews, Mr. Denton Mrs. Hawkins, Mr. Specter, Mr. Pressler, Mr. Riegle, Mr. Mathias, Mr. DeConcini, Mr. Warner, and Mr. Wilson):

S. 1600. A bill to provide that certain of the Social Security Trust Funds be excluded from the Federal budget process for fiscal years beginning on or after October 1, 1985, and to clarify that specifications and directions with respect to such trust funds may not be included in any concurrent resolution on the budget adopted with respect to fiscal years beginning after such date; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

TAKING SOCIAL SECURITY OUT OF THE UNIFIED BUDGET

Mr. HEINZ. Mr. President, it is time to make it clear where the Congress stands on Social Security. The House and the President have agreed that Social Security should be put outside the budget discussion. The Senate should now take the lead in locking that door. Consequently, I am introducing legislation today that will remove Social Security from the Federal budget and, therefore, from all current and future budget debates, beginning on October 1, 1985.

Over the past several months many of the proposals we have taken up to reduce the deficit have included across-the-board COLA freezes. There is no reason for the Senate to be defensive about these proposals, which in their various forms claimed widespread bipartisan support. At one time or another at least 60 Senators supported a freeze, whether it be the Chiles proposal, the so-called KGB plan, or the final budget resolution adopted by the Senate. In all those efforts the key element was fairness. Millions of Americans who would have been affected by a COLA freeze supported these deficit reduction efforts because they touched all programs and they were fair. Most importantly, these proposals were comprehensive and effective approaches to solving the deficit.

Despite our determined efforts at effective deficit reduction, the President and the House have closed off any consideration of Social Security in the budget debate. Thus, it is time for the Senate to take the lead in closing the door once and for all on any further debate on this issue.

Beyond the politics of the budget there are substantive reasons for taking Social Security off budget. Social Security is a trust-funded program with its own source of tax revenues. This program is financially sound. It currently brings in more revenues than it pays out and is projected to be solvent well into the next century.

Despite Social Security's unique status, it can be, and occasionally has been, a target for irresponsible budget cutting. That is why I proposed an amendment in 1982 and again in 1983 to immediately remove Social Security from the unified budget. When I proposed that we take Social Security out of the unified budget, I did so because the acrimonious budget battles nearly felled the effort to restore solvency to Social Security and to reduce the Federal budget deficit. My amendment was narrowly defeated, but the Social Security Amendments of 1983 included a provision to remove the trust funds from the unified budget in 1992.

Mr. President, I think Social Security is every bit as explosive an issue today as it was during those earlier debates. In fact, I don't think we will get a real budget until we separate Social Security from the budget process. The legislation I am introducing today will accelerate Social Security's departure from the budget to fiscal year 1986. I have discussed this with the chairman of the Finance Committee, Senator Packwood, and he has indicated his support for this effort. Also, the bill I am introducing has broad bipartisan support and is cosponsored by Senators Durenberger, Abdnor, Riegle, DeConcini, Andrews, Denton, Mathias, Hawkins, Specter, and Pressler.

Mr. President, we have to recognize that with Social Security in the budget Congress loses sight of the real source of budget deficits. The real source of the budget deficit can be explained by basic arithmetic: We spend more on programs than we want to pay for from income taxes. Social Security now gives us billions in payroll taxes to make this difference look smaller. The real issue here is not Social Security, but rather our unwillingness to reconcile our expectations of Government with our tolerance for taxes. Social Security has nothing to do with this. We tax enough in Social Security to more than pay for the benefits. We deceive ourselves as to the structural causes of the deficit if we allow the current on-budget status of Social Security to obscure the unvarnished reality of spending beyond our means everywhere else.

Mr. President, we are now depending on Social Security to pay for programs that we don't have the guts to pay for through the income tax. This is a problem that can only get worse. Taking Social Security off budget will, in 1986, show the true deficit to be $16.8 billion higher than it is under current budget calculations. By 1990 it will be $67 billion higher. And, by the end of this century, if Social Security is not taken off budget we could well have more than $100 billion a year from its trust funds to lull us into a false sense of fiscal responsibility.

Not only does Social Security bail us out by masking the deficit, but it is an irresistible target for the budget cutters' knives. Social Security is a program of such enormous size—serving one out of seven Americans—the tremendous savings can be achieved with relatively small adjustments in the program. We have no other program—save defense—that allows us to make such sweeping deficit reductions with such a small stroke of the pen. We have to face up to the real need for spending reductions lies elsewhere.

Fifty years ago the Congress embarked on a new enterprise to guarantee a secure retirement, not just to those Americans who have already attained old age, but to the hundreds of millions of workers now planning for their retirement. The truly remarkable accomplishment of this system is the psychological security that it delivers. Yet, Mr. President, in the 15 years that the Social Security Program has appeared in the unified budget, the confidence of younger Americans has steadily declined. Today, the message of security is not being heard by younger generations. It's being drowned out by the hue and cry of deficit reduction. The radios of today's youth can barely detect the signals we work so hard to transmit on Social Security because of interference from our transmissions in the budget process.

Mr. President, we can never convince the younger generation of the durability of this program unless we respect the permanence of our promise. It is time that we recognize the uniqueness of this program with its own tax base, its own trust funds, and benefits based on earnings. We must stop holding Social Security hostage to the vicissitudes of budget negotiations. We need to free the program to pay benefits and collect contributions that American workers have come to rely on. It is my hope that by taking Social Security out of the budget debates, we can begin to restore public confidence in the system.

There is more at stake here than the integrity of the Social Security Program. I think we must concern ourselves in this Chamber with the integrity of the budget process. The mere mention of Social Security as a means to reduce deficits has once again threatened to grind the process to a halt.

We are never going to get an honest budget that has the agreement of both Chambers until we take Social Security out of the debate. We have nearly brought the budget process to grief in the last 5 years because of the mere mention of Social Security. If we are going to begin to get serious about budget deficits, we must heed the message that Social Security is clearly out of bounds. We must take the leadership to make sure it truly is out of bounds.

So, Mr. President, I rise today to urge my colleagues to join with me in moving the Social Security trust funds out of the unified budget so we can get on with the responsible job of solving our massive budget deficits.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) section 346(a)(2) of the Social Security Amendments of 1983 is amended by striking out "1992" and inserting in lieu thereof "1985".

(2) Section 346(b) of the Social Security Amendments of 1983 is amended by striking out "1992" and inserting in lieu thereof "1985".

(b) Section 710(a) of the Social Security Act (42 U.S.C. 911 note), as amended by section 346(b) of the Social Security Amendments of 1983 (to be effective with respect to fiscal years beginning on or after October 1, 1985, as provided in the amendments made by paragraph (2) of subsection (a) of this Act), is amended—

(A) by inserting "(1)" after the subsection designation; and

(B) by adding at the end thereof the following new paragraph:

"(2) No concurrent resolution on the budget considered under section 301, 304, or 310 of the Congressional Budget Act of 1974 (2 U.S.C. 632, 635, 641), or any amendment thereto, or conference report thereon, may contain any specifications or directions described in the second sentence of section 310(a) of such Act with respect to any Trust Fund specified in paragraph (1) of this subsection or with respect to revenues attributable to the taxes specified in such paragraph.".

● Mr. MATHIAS. Mr. President, this month marks the 50th anniversary of the signing into law of the Social Security Act. This landmark legislation has done so much to give all of us a measure of optimism and stability as we grow older.

As we celebrate the first half-century of Social Security, we must work together to sustain its future. The legislation that the Senator from Pennsylvania [Mr. Heinz] and I, with others, introduce today will help do that by removing the Social Security system from the unified budget. With enactment of this bill, decisions about Social Security can be based exclusively on maintaining solvent trust funds which guarantee benefits, rather than on other economic or budgetary constraints of the Government as a whole.

Legislation enacted in 1983 already requires that the Social Security and Medicare trust funds be removed from the budget beginning in fiscal year 1992. Our bill would immediately return Social Security to the same position of budget independence that it occupied from its origins until 1969. However, in our present attempts to reduce mounting Federal budget deficits, Social Security has become an unnecessary and unfair bargaining tool.

By removing Social Security from the unified budget, not only will we protect beneficiaries from recurring threats to the benefits on which they depend and which they have earned, but also we will gain a truer picture of just how bad the deficit problem really is. No longer will we mislead ourselves or the American people with distorted budget deficit figures that have reflected Social Security trust funds that don't belong in the picture.

Let us put the minds of our senior citizens at ease, once and for all. Let us end the temptation to make Social Security a political hostage to the necessity of controlling the budget deficits. Let us abandon cosmetic attempts to color the public perception of deficit figures. The time has come to return Social Security to its historic budgetary independence.●

Mr. WARNER. Mr. President, I ask unanimous consent to be added as a cosponsor of legislation offered by Senator Heinz removing the Social Security trust funds from the unified Federal budget.

Approximately 36 million Americans are receiving Social Security benefits, and nearly 90 million Americans are supporting the program by paying Social Security taxes.

Social Security is the bedrock of retirement income, and as we all know, the only means of subsistence for millions of our older citizens.

The Social Security Amendments Act of 1983 provided in part for this process beginning in 1992.

By moving the date of enactment to October 1, 1985, we may once and for all set Social Security apart from normal budgetary considerations.

I urge my colleagues to join me in supporting this effort.

By Mr. LEAHY:

S. 1601. A bill entitled the "Rural Transportation Equity Act of 1985"; to the Committee on Banking, Housing, and Urban Affairs.

RURAL TRANSPORTATION EQUITY ACT

● Mr. LEAHY. Mr. President, I rise today to introduce legislation to ensure that Americans living in rural areas of this country will have access to vital health care and social service programs.

The Rural Transportation Equity Act, which I am introducing today, would clarify the funding formula for the Section 18 Rural Bus Line Program administered by the Urban Mass Transportation Administration. The Section 18 Program has provided almost $500 million in much-needed aid to transportation systems in rural areas since 1978. Nearly 1,000 communities are served by this program, drawing them even closer together with effective and reliable transportation systems.

Since its inception, the Section 18 Transportation Program has been a partnership among the Federal and State and local governments. Under a funding formula established in 1978 by an amendment I offered with Senator Stafford, the Federal Government provides half of the operating funds, while State and local governments provide the other half.

In addition, the funding formula we designed allowed State and local governments to use the Federal moneys they receive to fund half of the State and local portion of Section 18 Rural Bus Programs. The other half of the State and local funds were generally intended to come from purely State and local moneys, with some specific exceptions.

Until 1983, the Federal Highway Administration [FHWA] had jurisdiction over the Rural Bus Program. FHWA's longstanding interpretation of our funding formula permitted rural communities to use some Federal moneys to meet the so-called local match requirement. FHWA correctly recognized that rural areas often have difficulty competing with metropolitan areas for State transportation funds. In light of these difficulties, the agency relaxed the requirement that local governments must foot a full 25 percent of the bill for a rural bus line.

Certain Federal funds could be devoted to the local matching funds, including revenue sharing, Appalachian Regional Commission funds, and HUD community block grant development funds. In addition, State and local social service agencies were permitted to contract with section 18 transportation providers to transport clients to and from their offices and programs. These social service contracts are an integral source of funds for section 18 rural bus lines. A majority of these bus lines devote more than 50 percent of their services to transporting the elderly, ill, and handicapped.

Soon after UMTA assumed authority over the Rural Bus Program in 1983, however, the agency ruled that social service contracts could no longer be used as part of the local match. Mr. President, this decision, I believe, strays from our original intention in Congress and has jeopardized the ability of rural communities to provide citizens access to health care and social services—access that is taken for granted in metropolitan areas.

A recent study published by Rural America found that the average rural transportation system that uses social service contracts has suffered up to a 25-percent loss of funds as a result of the UMTA ruling.

The legislation I am introducing today would restore the longstanding interpretation of the law that contracts with social service agencies and may be used to fund the local portion of the Rural Bus Program.

A few brief examples of the kinds of services provided by section 18 bus lines, Mr. President, should bear out the need to restore the previous interpretation of the funding formula. In my own State of Vermont, David Palmer has run a most successful Section 18 Program in Bethel. The Stage Coach Line is a 15-vehicle operation which devotes the majority of its energy to transporting the elderly and infirm under contract from social service agencies. Elderly residents of eight towns near Bethel are picked up each day and driven to centers which provide low-cost meals and recreational activities. In addition, residents of the area may use the Stage Coach for transportation to mental health workshops and day care centers.

All around the country, Section 18 Bus Programs provide these kinds of services. In rural Pennsylvania dislocated workers are transported to job training sites. In the Plains States, deaf and blind citizens are provided transportation to schools and recreational centers. And in California, children ride on section 18 bus lines to participate in the Foster Grandparents Program.

Section 18 bus lines are a vital link between health care, nutrition, social services, and the residents of the rural areas of this Nation. It was not too long ago that these important programs were only available in major metropolitan areas. Rural parts of this country were left out, for the most part. UMTA's misguided interpretation of the law has now made it more difficult for rural Americans to have access to the programs and services we fought so hard to bring to rural areas.

Mr. President, Americans living in rural areas are entitled to the same services and programs offered to other Americans. This is something we all agree upon. The Rural Transportation Equity Act would require UMTA to recognize that a consensus exists in this country in favor of the equitable treatment of rural America, and would enable section 18 bus lines to more readily provide citizens in rural areas with transportation to social service and health care programs.

I urge my colleagues to support this important legislation, and I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being on objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1601

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 18(e) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following: "For the purpose of this subsection, the term 'Federal funds or revenues' does not include funds received by a recipient of funds under this section pursuant to a service agreement with a State or local social service agency or a private social service organization.".●

By Mr. SPECTER (for himself, Mr. ROCKEFELLER, and Mr. MURKOWSKI):

S. 1602. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to assist certain disabled veterans in acquiring specifically adapted residences; to the Committee on Veterans' Affairs.

SPECIAL ADAPTED RESIDENCES FOR CERTAIN DISABLED VETERANS

Mr. SPECTER. Mr. President, I am proud to be introducing legislation today with my colleagues, Senators FRANK MURKOWSKI, and JAY ROCKEFELLER which would amend title 38, section 801, concerning the Veterans Administration's Adaptive Housing Program for disabled veterans.

This legislation would change title 38 to enhance the fairness of current law as it relates to America's veterans who have been blinded or have lost the use of both hands while serving their Nation. Unfortunately, the loss of the use of one's eyes or hands makes it difficult or impossible to live in comfort in a conventional home. In recognition of these disabled veterans' needs and of their service to the United States, the VA provides them with a $6,000 grant to be used in acquiring adaptations to their homes that are necessary due to their disability.

Currently, a blinded or disabled veteran eligible for this grant cannot use it toward the purchase of a home that has already been adapted. Yet, other disabled veterans who qualify for a similar adaptive housing grant under title 38, section 801(a) are able to utilize their grant to purchase an already adopted home. The legislation which I am introducing would correct this inequality in title 38, section 801(b), by enabling veterans covered under this section to also apply their grant to the purchase of a home that is already equipped with the adaptations that they need to live full and productive lives.

There would be no significant financial cost involved in making this change. The $6,000 grant for adaptations is already in effect. This bill would simply allow these disabled veterans to receive the money in a way that will be more useful to many of them.

This measure has the full support of the Blinded Veterans Association, chartered by this Congress in 1958 to serve as the official representative of America's blinded veterans. In addition, VA Administrator Harry Walters has endorsed this bill and it has already been favorably reported by the House of Representatives.

This legislation will bring fairness to current law and will help many veterans who were blinded or who lost the use of their hands while serving their country, by enabling them to purchase a home that has already been sensitized to their disability. We can make a major difference to the lives of these courageous people at an insignificant cost. I, therefore, urge all of you to joint with me in supporting this long overdue measure.

● Mr. ROCKEFELLER. Mr. President, with pride, I am joining my distinguished colleagues, Senators SPECTER and MURKOWSKI, in introducing legislation to address the special needs of our Nation's blind veterans. As a member of the Senate Veterans' Affairs Committee, which is chaired by Senator MURKOWSKI, this bill reflects my stong commitment to ensuring that all veterans are recognized for their sacrifices and service on behalf of our country.

As Senator SPECTER has explained, the legislation would amend title 38, section 801 concerning the Veterans Administration's existing Adaptive Housing Program for disabled veterans. We seek to make a very minor change in the current law; however, if and when enacted, it will result in providing more fairness to veterans who were blinded in service defending America.

This bill would amend the law to enable a service-connected blinded veteran to use a $6,000 adaptive housing grant, provided by the VA in an existing program, to purchase a home which already has the modifications he requires. It appears that the original authors overlooked the need to make this provision explicit. There is no reason to require a blinded veteran to purchase a home without the needed modifications in order to qualify for the grant. Through this bill, the veteran would receive this modest assistance for the best housing option available, which makes sense financially for him and fulfills the intent of the original law. For example, in another part of the original law, other disabled veterans who qualify for a different adaptive housing grant are clearly able to use a $37,000 grant to purchase a home with adaptions already constructed.

I wish to commend the Blinded Veterans Association for their assistance in bringing this matter to my attention as soon as I joined the Veterans Committee. The BVA was chartered by Congress in 1958 to serve as the official representative of America's blinded veterans. The organization has done an excellent job in educating Congress and the VA about the Adaptive Housing Program and the need improving upon its provisions for blinded veterans.

The Veterans' Administration is on record in support of this legislation. And the bill's companion has already been received favorably by the House Veterans Committee.

I encourage all of my colleagues in the Senate to join Senators MURKOWSKI, SPECTER, and myself in working to enact this legislation on behalf of blinded veterans. In doing so, we will bring more fairness and equity to a fine law in order to further pay the debt we owe to veterans who were disabled in performing their duty to America.●

By Mrs. HAWKINS:

S. 1603. A bill to amend the Truth in Lending Act to impose a national ceiling on credit card interest rates; to the Committee on Banking, Housing, and Urban Affairs.

NATIONAL CREDIT CARD CONSUMER PROTECTION ACT

● Mrs. HAWKINS. Mr. President, today I am introducing legislation to curtail the amount of interest charged on credit cards. This is a consumer issue that has concerned me for some time, and one that I believe requires our action.

According to the Congressional Research Service in December 1980, the prime rate in this country was 21.50 percent—an all-time high. In November of that year, just 1 month earlier, interest rates on credit cards were 17.41 percent.

Today, the prime rate is 9½ percent but interestingly, the average interest rate reported for credit cards in May of this year which is the most recent data available, was 18.71 percent.

As we all know the prime rate is usually defined as the rate that banks charge their most creditworthy customers. What I want to know is why the rest of us, who are also creditworthy customers, are being charged 18, 20 and even 22 percent. The American consumer is being taken to the cleaners to the tune of $12 billion annually which is the amount that Consumer Reports magazine recently reported lenders are making in interest collection assuming an average 18-percent interest rate. The magazine also reported another $3.4 billion in annual fees was collected by the issuers of the five major cards and 1 to 6 percent of the dollar value of each transaction was charged to merchants who use those cards.

Credit cards provide a safe and convenient method of payment. They are popularly used from vocationers to elderly consumers preferring not to carry cash. The bill I am introducing today will impose a national ceiling on credit card interest rates. It amends the Truth in Lending Act and provides that the interest rate on credit cards may not exceed more than 5 percentage points the average of the investment yield of U.S. Treasury bills, with maturities of 26 weeks, which were outstanding the year before.

I believe that this legislation is overdue. Credit card interest rates have remained consistently high over the past year and have not responded to anything other than State imposed usuary ceilings. The bill I am introducing today would ensure a reasonable ceiling nationwide. The average investment yield on U.S. Treasury bills in 1983 was 9.27. In 1984 it was 10.43. If this bill had been enacted last year, the maximum interest rate that could be charged this year on credit cards would be 15.43 percent—5 percentage points above 10.43 percent.

Mr. President, I do not favor legislative action to remedy this problem. I would prefer the banks to take voluntary action, but I do not see any movement in that direction, and I can no longer stand by and watch the elderly residents of my State on fixed incomes, or the young couples struggling to start a family, or the middle-class parents who are trying to send their son or daughter to college, continue to be gouged by these outrageous interest rates. Consumers need a friend on this issue. I urge my colleagues to join me in ths effort.

Mr. President, I ask that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1603

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this act may be cited as the "National Credit Card Consumer Protection Act".

SEC. 2. Section 107 of the Truth in Lending Act (15 U.S.C. 1606) is amended by adding at the end thereof the following:

"(f) The annual percentage rate which may be charged during a calendar year on an extension of credit obtained by use of a credit card may not exceed by more than 5 percentage points the average of the investment yield of United States Treasury bills with maturities of 26 weeks which were outstanding during the most recent 12-month period preceding January 1 of that year for which data are available, as determined by the Board.".●

By Mr. RIEGLE:

S. 1604. A bill to amend title XVIII of the Social Security Act to waive the late enrollment penalty under Medicare part B for any disabled individual who was covered under his own or his spouse's private employment-related health insurance; to the Committee on Finance.

ELIGIBILITY FOR SOCIAL SECURITY DISABILITY INSURANCE

● Mr. RIEGLE. Mr. President, today I am introducing S. 1604, a bill which will eliminate an inequity which exists in the Medicare Program for Social Security disability insurance [SSDI] beneficiaries. There is a small number of SSDI beneficiaries who are eligible for Medicare but who have failed to enroll because they have health coverage through the extension of their work-related health insurance or a spouse's employment-related health care plan. If these individuals ever need to enroll in the Medicare part B program, they will be subject to a 10-percent annual penalty for their delayed enrollment. This bill will address this persistent inequity.

Mr. President, as you know Medicare is a program first enacted in 1965 as title VIII of the Social Security Act to provide financial access to vital health

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care services to our elderly population. In 1973, Medicare coverage was extended to disabled individuals entitled to Social Security disability insurance for 24 months or more. Since its inception, the program has experienced an enormous growth. In 1983, 27-million elderly and 3-million disabled individuals were enrolled in the Medicare Program. In 1983, Medicare expenditures equaled $58.8 billion and accounted for 17 percent of all health care expenditures in this country. In 1986, Medicare is estimated to cost $67 billion. It is clear that this program is serving a vital source of access for our seniors and disabled individuals.

When Medicare was first enacted in 1965, a 10-percent annual surcharge was assessed against those who delayed their enrollment in the voluntary part B—supplemental medical insurance—of Medicare. This provision was enacted to create a disincentive for individuals who were planning to delay enrollment until they became ill and in need of health care services. This was a provision based on sound actuarial accounting and was designed to assure a sufficient amount of premiums to assist in the funding of the program. At that time, there was a maximum of a 30-percent penalty because the enrollment period for the part B of Medicare was limited to 3 years. In 1972, the limited enrollment period was abolished. However, Congress failed to repeal or cap the part B surcharge. We now have a small population of individuals who have incurred a substantial penalty for their late enrollment. According to the Health Care Financing Administration [HCFA], in 1983, 169 seniors were paying a 150-percent penalty and 18 seniors were paying a 160-percent penalty. This penalty is an add-on to their monthly premium payment. There are situations where this surcharge is not only unfair and inequitable but is penalizing American citizens who are actually saving the Federal Government significant Medicare outlays.

Congress recently addressed this problem and rectified a similar circumstance where old age and survivors beneficiaries were being inappropriately penalized. Included in Public Law 97-248, the Tax Equity and Fiscal Responsibility Act of 1982 [TEFRA], was the "working aged" provisions which made Medicare the "secondary payer" for certain elderly workers. The provisions amended the Federal Age Discrimination Employment Act [ADEA] to require employers to offer their employees aged 65 to 69 and their dependents the equivalent health care coverage as their younger employees. It became clear that it would be inappropriate to penalize these individuals and subject them to the part B premium surcharge if enrollment in the part B program would simply duplicate their work-based health care coverage. This inequity was rectified with the passage of Public Law 98-369, the Deficit Reduction Act of 1984 [DEFRA], which exempted these individuals from the surcharge.

The bill I am introducing today, S. 1604, would address another circumstance where individuals are being inappropriately penalized. A small number of disabled individuals who are qualified for Medicare as a result of their eligibility for SSDI, receive their health care coverage through a spouse's employment-related health care plan or through the continuation of their own work-related health plan. They are saving the Federal Government health care dollars by their utilization of an employment-related plan to cover the expenses of their disability and health care needs and they should not be penalized for their efforts. This bill will eliminate the part B premium penalty for the disabled person and/or disabled spouse who are enrolled in a group health care plan provided by the beneficiary's former employment or a spouse's current or former employment.

I urge all my colleagues to support this piece of legislation and help to eliminate this inequitable and unfair situation. We must persist in our efforts of making Medicare affordable, accessible, and fair in its design and implementation.●

By Mrs. HAWKINS:

S. 1605. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the credit for dependent care expenses, to make such credit refundable, and to provide that certain respite care expenses are eligible for such credit; to the Committee on Finance.

CREDIT FOR DEPENDENT CARE EXPENSES

● Mrs. HAWKINS. Mr. President, today I am introducing legislation to expand the dependent care tax credit and make it refundable for those whose tax liability does not exceed the credit to which they are otherwise entitled. This legislation would also provide for a limited credit for respite care expenses. Respite care is a service afforded seriously ill or disabled dependants and provides the caregiver some relief to their demanding job.

I have been involved in this issue for many years and am convinced that the dependant care tax credit plays a very important role in both young and older families. Access to affordable dependent care is a crucial factor in ensuring that women, who have a disproportionate share of the responsibility for caring for these family members, have an equal opportunity to enter and continue in the job market. The tax credit enables them to work and contribute to the economy while avoiding the terribly high costs of institutional care for children and elderly dependents.

Almost 46 percent mothers with children under three are in the labor force as are almost 57 percent of mothers with children ages 3 to 5. Additionally, 1 in 10 middle-aged women between 45 and 65 has responsibility for an older relative, and nearly 1 million women aged 44 to 58 claim that the health of a family member limits their work.

The need for this tax credit is well established. It is critical to young families with children who are struggling to keep up with the cost of living. Unfortunately, economic realities dictate that many mothers absolutely must work. Two-thirds of the women in the work force are either sole providers or have husbands who earn less than $15,000. Almost one in six American families is headed by a woman. If affordable child care is unavailable, the children are left to fend for themselves. As many as 6 to 7 million children 13 years and under may go without care for a substantial part of the day—those are alarming statistics. Broadening the dependent care tax credit is clearly another tool that we can use to help keep our children safe.

The credit is equally important to families caring for an elderly dependent. The availability of the dependent care tax credit encourages women in these families to stay in the work force. However, for those who do retire to assume the full-time job of caring for a dependent family member, it is important that the use of respite care be encouraged to give them an opportunity to rejuvenate. In the long run, this will enable them to provide quality care to the family member for a longer period of time.

Currently, the dependent care tax credit is available to taxpayers who incur work related expenses for the care of a child under the age of 15, a disabled spouse, or any other dependent who is physically or mentally incapable of caring for himself or herself. The sliding scale provides the maximum benefit to the lower income families, but it does not go far enough. It currently allows a 30-percent credit for work related dependent care expenditures up to $2,400 for taxpayers with incomes of $10,000 or less. The credit is reduced by the percentage point for each $2,000 of income between $10,000 and $28,000 to a minimum of 20 percent.

This is a rather unrealistic picture of the amount of assistance needed by low-income families. Under the current system, a family earning $10,000 a year would have to pay $2,400 per year, nearly one-fourth of its income, to receive the maximum credit. Most families at this income level are unable to spend that amount of money on child care. The scale needs to be adjusted to provide them with more assistance so that child care can be a realistically affordable option for them. In so doing, we will be directly assisting those children who have been left alone for several hours in the day while their mothers work. It is the children who will benefit from this change.

The bill I am introducing today would raise the sliding scale to 50 percent of work related expenses for families earning $11,000 or less. The scale would be reduced by 1 percentage point for each full $2,000 of income with earnings of $41,000 or more receiving a maximum credit of 20 percent. By expanding the credit to give low-income families greater access to the benefits of the credit, we are providing an incentive to these families to join or stay in the work force. Additionally, and very importantly, the credit would be refundable. A refundable tax credit that is also indexed to the cost of living will allow low-income families to take full advantage of the credit.

This legislation expands the concept of the dependent care tax credit and allows a credit for respite care. The credit is available for up to $1,200 of expenses for one dependent and $2,400 for two individuals. The legislation allows the care giver to either hire someone to come to the home and care for the dependent or to take the dependent to an adult day care center. It also permits a maximum 2-week stay in an institution. This is to allow the care giver an adequate block of free time each year in order to thoroughly rejuvenate and tend to personal affairs.

Respite care is a service afforded a dependent person which allows the full-time care giver some relief to the full-time job of tending to the needs of a dependent relative. It is a new concept, but a vitally important one. Full-time care of an elderly person is exhausting, demanding and sometimes lonely work. Respite care will allow the caregiver an opportunity to rest for a few hours during the day and tend to personal and family matters. In the long run, this will provide the caregiver with more stamina and mental energy to deal with the demands of this round-the-clock job.

Mr. President, I believe that I have established the critical need for expansion of the dependent care tax credit in my statement. This is an issue that affects our families—the very nucleus of society. The availability of affordable care for our children and family members who are unable to care for themselves should be a national priority. I hope that my colleagues will join me in this effort to enact a reform that keeps pace with our changing society, a society in which more and more women are working and there is a growing need for affordable child care.●

By Mr. DOLE (for himself and Mr. DURENBERGER):

S. 1606. A bill to amend title XVIII of the Social Security Act to revise the methodology for computing the additional payment to hospitals for indirect costs of medical education, and to provide an additional payment for hospitals which serve a disproportionate share of low-income or Medicare payments; to the Committee on Finance.

INDIRECT GRADUATE MEDICAL EDUCATION REIMBURSEMENT AND DISPROPORTIONATE SHARE HOSPITALS

Mr. DOLE. Mr. President, today I join my distinguished colleague Senator DURENBERGER in introducing S. 1606, a bill that revises the way the Medicare Program pays for the indirect costs of teaching hospitals and also provides for an added payment to hospitals serving a large number of poor elderly. The primary purpose of this bill is to begin working toward a more accurate and equitable Medicare reimbursement method for hospitals that have graduate medical education programs and/or serve a large portion of low-income elderly. While the bill we offer brings us closer to our stated purpose, we recognize that it is only the first step. We welcome suggestions and comments on the bill.

THE INDIRECT TEACHING ADJUSTMENT

Medicare currently provides an added payment to hospitals to account for the indirect costs of medical education programs. These so-called indirect costs are due to the increased patient care costs that are associated with the presence of a teaching program. These costs exist for a variety of reasons, such as an increase in the number of tests and procedures ordered and increased staffing requirements.

The original adjustment was calculated on the basis of the number of residents per bed. In 1983, when we moved away from cost based reimbursement to the new DRG system, due to a lack of clear information that took into account nonteaching factors that legitimately increase hospitals' costs, the Congress doubled the original adjustment factor. It was Congress' stated intention to continue the doubling until a better method could be developed. And I believe we have developed an interim strategy that is better.

S. 1606 has three major provisions which revise the indirect payment. First we reduce the overall level of the adjustment by approximately one quarter. Second, the reimbursement formula has been changed to take into account economies that are gained with the increase in size of a teaching program. The current formula provides for an 11.597-percent increase to each payment for every 0.1 of resident per patient bed. If the resident-to-bed ratio triples, so does the adjustment percent. With the revised formula, the rate of adjustment increases more slowly as the teaching program becomes larger.

Third, and also consistent with S. 1158 a bill introduced earlier dealing with Medicare payments for direct medical education expenses, and consistent with testimony given at the June 3, 1985, Senate Finance Committee Subcommittee on Health Hearing, after July 1986, the calculation of the resident per bed formula omits those who have not graduated from accredited United States or Canadian medical schools. We recognize that some States, particularly those in the Northeast, may have difficulty with this provision. We are continuing to work with Senators BRADLEY and MOYNIHAN to develop a strategy that will minimize disruptions that may occur in hospitals with large numbers of foreign medical graduates.

DISPROPORTIONATE SHARE ADJUSTMENT

There is mounting evidence that hospitals many of which are large urban public hospitals but also some located in rural areas who care for a large number of poor elderly incur higher costs. Provisions contained in TEFRA charged the Secretary of Heath and Human Services with the responsibility of providing for exceptions and adjustments to hospital payment amounts to take into account the special needs of public or other hospitals that serve a disproportionate share of poor elderly patients. To date the Secretary of Health and Human Services, however, has not provided for such a disproportionate share adjustment.

In 1983, Congress enacted the provisions creating the prospective payment system. The legislation included an exception for disproportionate share hospitals and again required the Secretary to provide for exceptions and adjustments as deemed appropriate. Still no action took place.

Finally again in DEFRA we required the Secretary to develop a definition of disproportionate share hospitals and to identify such hospitals by December 31, 1984. The Health Care Financing Administration, though currently working on meeting this requirement, is well past the deadline of December 31, 1984.

COURT ACTION REGARDING THE DISPROPORTIONATE SHARE ADJUSTMENT

In 1984 a California hospital—Redbud Hospital—filed suit against HHS challenging the hospital's initial payment rate under the new DRG system. On July 30, 1984, the court granted a preliminary injunction, prohibiting the Secretary from imposing the new system on the hospital. The court noted the hospital's status as a hospital serving a disproportionate number of Medicare and Medicaid patients and that Congress has singled this class of hospitals out for special consideration. The court required the

Secretary to promulgate regulations or written policies with respect to this class of hospitals serving a disproportionate share of Medicare and low income patients, as provided in law. On June 14, 1985 the court required that the Secretary publish interim final rules by July 1, 1985, and final rules by October 1, 1985. Although HCFA appealed the decision, it published interim rules on July 1, 1985.

These interim rules allowed hospitals, on a case-by-case basis, to apply for an adjustment. They were also given a number of requirements with which they had to comply in order to qualify for the adjustment. However, no specific adjustment method was described in the interim rule.

Last week the order was stayed. The interim rules are being withdrawn.

CURRENT RESEARCH EFFORTS

Preliminary results from research being conducted by a great many groups including the Health Care Financing Administration, the American Hospital Association, the Congressional Budget Office, and the Prospective Payment Assessment Commission, underscore the existence of a disproportionate share effect—higher costs do occur as a result of the presence of large numbers of Medicare or low income patients. Continuing research is building on these findings, along with work on the evaluation of alternative measures of disproportionate share and on an adjustment methodology. While a definitive answer is unlikely in the short run, we can take a step forward toward a solution.

DISPROPORTIONATE SHARE ADJUSTMENT

Thus in addition to revising the way Medicare pays teaching hospitals, S. 1606 also provides for a disproportionate share adjustment. The adjustment would be available to rural as well as urban hospitals.

This portion of the bill is made up of three major provisions.

First, hospitals larger than 100 beds serving a large portion of low-income individuals or those participating in Medicare, will be eligible to receive an adjustment calculated on the basis of the proportion of low-income elderly and the proportion of Medicaid patients they serve. In order to qualify for an adjustment, a hospital must have a specified proportion of its days accounted for by either dually eligible Medicare and Medicaid patients or nonaged Medicaid patients at which point a 3-percent adjustment is provided. The adjustment increases until the proportion reaches a maximum point and then the adjustment is capped at 13 percent thereafter.

Second, an exceptions process has been provided that permits the Secretary to provide the adjustment to hospitals who do not otherwise qualify by reason of their bed size or their failure to meet the other requirements previously described relating to the proportion of Medicare or low-income patients. This may provide some assistance to small rural hospitals which would not otherwise qualify but would also be available to urban hospitals.

Third, we require the Secretary to develop data files that will be instrumental in our ability to further target the adjustment in year two of this bill. Specifically, we wish to construct a method which targets the adjustment on institutions who serve a large number of low-income Medicare beneficiaries. We continue to believe that Medicare is not intended to subsidize access of nonelderly poor to hospital care.

CONCLUSION

There is broad consensus that under the current system at some hospitals are experiencing unusual hardships while others are receiving windfall profits. The disparity should not be allowed to continue if we can find an equitable method of reallocating these funds. We believe that the approach contained in this bill will eliminate some of the inequities and starts us down the road toward a more fair and reasonable approach. Also important to note is our continuing commitment to the support of medical education and to teaching institutions. They perform a critical function in our communities as do those nonteaching institutions who care for the poor and the elderly.

We knew at the outset of the new PPS system that changes would be necessary. We believe this bill is a responsible attempt to address some of the issues confronting us.

Mr. President, I request that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PAYMENT FOR INDIRECT COSTS OF MEDICAL EDUCATION

SECTION 1. (a) DETERMINATION OF PAYMENT.—Section 1886(d)(5)(B) of the Social Security Act is amended to read as follows:

"(B) Effective with respect to discharges occurring on or after October 1, 1985, the Secretary shall provide for an additional payment amount for subsection (d) hospitals with indirect costs of medical education, in an amount computed in the same manner as the adjustment for such costs under regulations (in effect as of January 1, 1983) under subsection (a)(2), except as follows:

"(i) The amount of such additional payment shall be equal to the DRG payment multiplied by an educational adjustment factor equal to ((1+r).442−1)(1.63), with r being the ratio of interns and residents to beds.

"(ii) In determing such adjustment the Secretary shall not distinguish between those interns and residents who are employees of a hospital and those interns and residents who furnish services to a hospital but are not employees of such hospital.

"(iii) Effective on and after July 1, 1986, such additional payments shall not be made with respect to any intern or resident who is not a graduate of a school of medicine approved by the Liaison Committee on Medical Education of the American Medical Association and the Association of American Medical Colleges, or of an accredited school of osteopathy, dentistry, or podiatry located in the United States or Canada.

"(iv) The Secretary shall continue to count interns and residents assigned to outpatient services of the hospital as part of the calculation of the full-time equivalent number of interns and residents.".

(b) STUDY RELATING TO INTERNS AND RESIDENTS ASSIGNED TO OUTPATIENT SERVICES.—Prior to June 1, 1986, the Secretary of Health and Human Services shall conduct a study and report to the Congress on the impact of eliminating the counting of interns and residents assigned to outpatient services of a hospital for purposes of section 1886(d)(5)(B) of the Social Security Act.

PAYMENT FOR HOSPITALS WHICH SERVE A DISPROPORTIONATE SHARE OF LOW-INCOME OR MEDICARE PATIENTS

SEC. 2. (a) DETERMINATION OF PAYMENT.—Section 1886(d)(5) of the Social Security Act is amended by adding at the end thereof the following new subparagraph:

"(F)(i) For fiscal years 1986 and 1987, the Secretary shall provide for an additional payment amount for subsection (d) hospitals which serve a significantly disproportionate number of low-income patients or patients entitled to benefits under part A of this title, and have 100 beds or more.

"(ii) A payment under this subparagraph shall be made to any hospital described in clause (i) for which, for the preceding fiscal year, the percentage determined under clause (iii) is 30 percent or greater

"(iii) The percentage for a hospital is the fraction (expressed as a percentage) equal to the sum of—

"(I) the fraction, the numerator of which is the number of such hospital's patient days for such fiscal year which were made up of patients who (for such days) were enrolled under part B of this title pursuant to an agreement under section 1843, and the denominator of which is the number of such hospital's patient days for such fiscal year which were made up of patients who (for such days) were entitled to benefits under part A of this title; plus

"(II) the fraction, the numerator of which is the number of such hospital's patient days for such fiscal year which were made up of patients who (for such days) were eligible for medical assistance under a State plan approved under title XIX of this act, other than individuals enrolled under part B of this title pursuant to an agreement under section 1843, and the denominator of which is the total number of such hospital's patient days for such fiscal year.

"(iv) The amount of the additional payment under this subparagraph shall be equal to—

"(I) 3.0 percent of the DRG payment in the case of a hospital for which the percentage under clause (iii) is equal to 30 percent;

"(II) 13.0 percent of the DRG payment in the case of equal to or greater than 55 percent; and

"(III) a percentage between 3.0 percent and 13.0 percent (determined at a rate of four-tenths of one percentage point increase for each 1 percentage point increase in the

hospital's percentage under clause (iii) of the DRG payment for a hospital for which the percentage under clause (iii) is greater than 30 percent but less than 55 percent.

"(v) The Secretary may make payments under this subparagraph to a hospital which does not qualify for an additional payment under this subparagraph by reason of the 100-bed requirement of clause (1) or the minimum percentage requirement of clause (ii), or may increase the payment amount to a hospital as otherwise determined under clause (iv) (but not to an amount in excess of 13.0 percent of the hospital's DRG payment), in the case of a hospital which the Secretary determines, on the basis of additional data on the economic status of its patients presented by the hospital, serves a significantly disproportionate share of low-income patients or patients entitled to benefits under part A of this title as compared to other hospitals.

"(vi) The Secretary shall, if feasible, for fiscal year 1987, make payments under this subparagraph on the basis of an index constructed by the Secretary which the Secretary determines is a better measure of the disproportionate share of low-income patients or patients entitled to benefits under part A of this title served by hospitals than are the provisions of clauses (ii), (iii), (iv), and (v). If the Secretary makes payments on the basis of such an index, the total amount of the payments made to all hospitals may not exceed the total amount which would be made under this subparagraph if clauses (ii), (iii), (iv), and (v) were to apply to such fiscal year.".

(b) DUAL ELIGIBILITY FILE.—For purposes of implementing section 1886(d)(5)(F) of the Social Security Act, the Secretary of Health and Human Services shall develop for each State statistical files of individuals in such State who are dually eligible under both title XVIII of such Act and under the State's plan approved under title XIX of such Act. For purposes of establishing such files, any State having a plan approved under such title XIX shall provide to the Secretary any data necessary to carry out this subsection.

(c) CONFORMING AMENDMENT.—Section 1886(d)(5)(C)(i) of the Social Security Act is amended by striking out ", and of public or other hospitals that serve a significantly disproportionate number of patients who have low income or are entitled to benefits under part A of this title".

EFFECTIVE DATE

SEC. 3. The amendments made by this Act shall become effective on October 1, 1985.

Mr. DURENBERGER. Mr. President, I rise to join my colleague from Kansas, the distinguished majority leader, Mr. DOLE, to introduce a bill to amend title IX of the Social Security Act to refine the payment adjustment to hospitals under Medicare Part A for indirect medical education and establish an adjustment in Medicare payments to those hospitals treating a disproportionate share of the poor, elderly, and disabled.

This amendment is an interim step in Medicare policy. The new prospective payment system will require further refinement. But this measure clearly moves the payment methodology for prospective payment forward and makes it fairer. It will also help assure that the elderly and disabled will have access to the quality hospital services they deserve.

INDIRECT MEDICAL EDUCATION ADJUSTMENT

The indirect medical education adjustment is a misnomer. It is actually an adjustment adopted as part of the Medicare prospective payment system to provide for the legitimate higher costs of services to Medicare beneficiaries in teaching hospitals. The prospective payment system's per-case payment methodology is based on averages. It was felt at the time of its establishment that these payments based on average per-case costs alone would not be sufficiently sensitive to the fact that teaching hospitals tend to: First, treat sicker patients, thus more intensive treatment; second, be located in inner cities where costs of operations are higher; third, be saddled with a disproportionate share of poor Medicare patients; and fourth, experience an increase in the number of tests and procedures prescribed due to the practice style of residents.

It was determined in 1983, as part of the Social Security amendments establishing prospective payment, that an indirect medical education adjustment should be set at 11.59 percent as an add-on to the per-case payment for teaching hospitals for every 0.1 resident-to-bed in a given teaching hospital. There is little question, from all analyses, that this adjustment has been set to high. The adminstration to meet its budget goals would have the Congress reduce it by half. This is inappropriate and would unduly harm many institutions.

On the other hand, the adjustment was set arbitrarily at 11.59 percent. Under the current methodology, the hospital of the University of Minnesota with a 0.43 ratio of residents to beds, gets at add-on of 48.89 percent. UCLA's hospital, on the other hand, with a ratio of 1.0, residents to beds, gets an add-on of 115.9 percent. The University of Minnesota is just not that much different in the type or people served and the services provided than UCLA.

Senator DOLE and I have developed this bill to refine the payment adjustment to account for the fact that it is too high and now oversubsidizes certain institutions simply because they have an extremely high ratio of residents to beds. The bill reduces the current payment adjustment of 11.59 percent by a quarter and provides a lesser adjustment for each increment of additional residents to beds. The methodology will better reflect the actual marginal costs of a higher ratio of the number of residents to beds. UCLA may receive higher payments than the University of Minnesota under this new model, but the proportions will be more in line.

We have already introduced legislation reforming Medicare payment for the direct costs of graduate medical education. That bill, S. 1158, reaffirms Medicare's commitment to support residents, interns, and other health professionals in training who provide services to Medicare beneficiaries. It also addresses the budgetary and health policy realities of 1985.

The policies outlined in S. 1158 are intricately related to the bill I am proposing today. At a hearing I chaired in the Finance Committee's Health Subcommittee on S. 1158, witnesses testified that Medicare would be justified in dropping its payment for the direct costs of residency slots filled by foreign medical graduates. This policy should be consistent in the indirect medical education adjustment as well, and so it is included in this bill.

I know eliminating the foreign medical graduates from the indirect adjustment will concern those who view the indirect as a necessary subsidy for the poor Medicare beneficiaries who frequently have access only to hospitals with a large number of foreign medical graduates. I share their concern though I am confident that the disproportionate share adjustments included in S. 1606—discussed below—will sufficiently substitute for the amounts lost due to new medicare policy toward foreign medical graduates in training in U.S. hospitals.

The indirect medical education adjustment is, at best, a crude measure of many factors relating to the higher cost of teaching hospitals. Eventually, when the Secretary of Health and Human Services is able to develop an index to adjust the per-case payments in the prospective payment system to severity, the indirect can be further reduced or eliminated. Such an index, however, seems currently out of our grasp. And, despite the Secretary's commitment to finding an acceptable index, I think adoption of such a measure is years away. Until we find the right measure, it is important to sustain an appropriate adjustment for teaching hospitals.

DISPROPORTIONATE SHARE

S. 1606 would establish a new adjustment to the per-case payment to hospitals which treat a disproportionate share of poor, elderly, and disabled. I chaired a hearing of the Finance Committee's Health Subcommittee on the disproportionate share issue earlier this week. The testimony from the hearing convinced me that Congress should adopt an adjustment, albeit crude, and put pressure on the Secretary to develop a more appropriate adjustment.

The Congress, in the 1982 Medicare law, the 1983 Medicare law, and the 1984 Medicare law instructed the Secretary to make provision in Medicare's payments for the hospitals which treat a disproportionate share of the poor. She has chosen to ignore this directive. And she has actually fought it in the Redbud versus Heckler case. She contends that the legislative language concerning disproportionate share hospitals is ambiguous as to its mandate, that the best-intentioned enforcers have difficulty finding adequate data with which to identify these institutions, and that even if we were able to identify the right institutions, we would have difficulty determining the nature of the payment.

Well, the Ways and Means Committee has already addressed these questions about disproportionate share in their Medicare package. The Finance Committee should act also, and S. 1606 provides a starting point for its action on disproportionate share. Our answers, even when conferenced this fall, may be less than accurate or adequate. But, at least they will put in law the clear congressional direction that the Secretary has argued is currently not available.

As I stated at the hearing, a disproportionate share amendment to the Medicare law should meet certain principles:

First, disproportionate share legislation will not be designed to bail out hospitals. The purpose of the Medicare prospective payment reform and health systems reform in general is to provide incentives for cost-effective management of hospitals and to reward the efficient providers of quality care. That is why the Congress moved away from a hospital-specific cost-based payment system to one based on prospectively set per-case prices.

The old cost-based system was inflationary and promoted inefficient management of hospital services. Public hospitals and others which primarily treat the poor did well in the cost-based environment because they passed their higher costs and bad debts on to other payers. In the new prospective pricing system for Medicare many of the hospitals are in trouble. Their survival, per se, is not Medicare's concern—it is only important that Medicare's pricing system not inhibit access to care for its beneficiaries.

Second, unless and until the law is changed and we decide to tax the payroll of working people in America to pay for indigent care, Medicare is not intended to subsidize access of the nonelderly poor to hospital care. Medicare cannot be in the business of saving public or inner city hospitals at the expense of all other hosptials, the elderly and disabled, and the workers of America.

The Congress has mandated commitment from Medicare's resources to finance its share of medical education, and we will make a recommitment to medical education in this year's legislative package. But we do this because it is directly relevant to the quality health care to which the elderly and disabled are entitled under Medicare.

I have been careful to articulate the limits of our commitment to the poor via the Medicare trust fund. But this does not mean that the Congress can leave to Crosby, Stills, and Nash—who are holding concerts to raise money for the poor—the financing of the health care of 30 million disadvantaged Americans. I have said many times how impressed I was to learn that the greatest killer of children in America today—10,000 young victims last year alone—is poverty. That is unconscionable. And, it is also unconscionable that this administration would have us cut more deeply into the national response to this crying need and that this Congress would be so ineffecutal in its commitment to health care for indigent Americans.

Third, the Finance Committee and the U.S. Senate, since the problem of the disproportionate share hospital came on the congressional scene in 1982, has always seen this as an issue, in large part of severity of illness. The Secretary hasn't been able to find a severity index to help make the prospective payment system more realistic. Even if she had, we would probably still be considering the disproportionate share issue because, as we will learn today, there are factors of the sick poor beyond simply severity which add to the cost of their treatment. Nutritional deficiency, chemical dependency, lack of family, social service requirements, and locational costs are examples. So we will be looking for severity measures that take these factors into account, while recognizing with work that's already been done in this area.

Finally, this Senator, in particular, will make two additional arguments. One is of location and the other of federalism. While most people—the Ways and Means Committee included—seem to think of disproportionate share in terms of downtown Chicago or Parkland in Dallas, it's no accident that the Secretary got sued by a 40-bed hospital in Redbud, CA. I think the problem is in many ways worse in rural America where choices are limited and the population is both older and poorer. I'm just afraid our big city researchers are going to overlook the Redbuds and the Windom, MN, in their sampling.

This leads me to federalism. For 4 years now we have been practicing devolution of responsibility from the Federal to State and local governments without devolution of resources. The administration would have us make a bad situation worse by eliminating deductibility of State and local taxes, eliminating tax-exempt bond financing, and increasing the Federal role in excise taxes—a field, except in wartime, usually left to the States. The problem in Redbud and Windom is a poor tax base which, throughout rural America is getting weaker every day. The municipalities and counties cannot pay to provide access for their indigent citizens to hospitals or to maintain their public hospitals. To make the problem even worse, the States are all cutting their taxes and their spending on income maintenance of the poor in an effort to attract the Saturn plants of this crazy world.

Even before the stiff competition for industry started, the disparity in State commitment to the poor, which we have blessed with Federal reimbursement, varies widely from a $138 a month AFDC payment in Tennessee—the new home of Saturn—to $474 a month in New York City to $524 a month in Minnesota.

S. 1606 meets these criteria. It provides an adjustment to per case payments for hospitals which serve a sufficient level of poor Medicare beneficiaries. The proxies used to determine that level are not perfect by any means.

The bill gives direction to the Secretary to do better on new proxy by fiscal year 1987. And, the entire provision will sunset after fiscal 1987. The sunset is important. It will compel the Congress to revisit the issue at that time and access the adjustment in light of progress on developing a severity index and the availability of better data generally.

The bill limits an automatic adjustment to hospitals with over 100 beds which meets the threshold for the proxy. This level is based on the advice of the analysts who tell us that the data shows little disproportionate share factor for hospitals of smaller size. I am not completely confident in their conclusions. Their determination is problematic and may exclude rural hospitals which are small and should qualify. Therefore, the bill allows for an exceptions process so smaller rural hospitals can make a case for the adjustment.

As I said, a portion of the indirect medical education expense can be attributed to the treatment of poorer Medicare patients. To fund the new disproportionate share adjustment, the indirect has been lowered by an amount proportional to the percentage of the indirect which can statistically be shown to represent treatment of poor patients. This is a tough cut to make. But, it is essential so that the new adjustment is based on appropriate assumptions and not a budget issue.

S. 1606 is a start. A final version of disproportionate share adjustment will be thrashed out in the Finance Committee this fall when we markup on Medicare. I look forward at that time to working closely with my colleagues on this bill and the Finance Committee chairman, Senator Packwood. I

know the chairman has done much thinking in this area and I look forward to cooperating with him in developing a final disproportionate share provision for the Finance Committee's package.

Mr. BRADLEY. Mr. President, there has been considerable discussion this year regarding the appropriate level of Medicare financing for medical education. In February of this year, the President proposed a long-term freeze in the level of support for direct medical education costs and an immediate halving of the indirect medical education payment. Over my objections, the Senate budget resolution adopted the level of cuts proposed by the President and reconciled this level of savings to the Senate Finance Committee.

Mr. President, as an alternative to the administration proposal, Senators Dole, Durenberger, and Bentsen recently introduced a bill (S. 1158) that provides for a 1-year freeze on all direct medical education payments, a limit on the number of years of physician training that Medicare will fund, and an immediate termination of the direct costs of training foreign medical school graduates.

Today, a companion bill is being introduced that provides for a sizeable reduction in funding—perhaps too sizeable—for the indirect medical education payment, an immediate termination of the indirect payment for foreign medical school graduates and a special payment for hospitals serving a disproportionate share of low-income patients.

Mr. President, both of these bills will most likely be debated as part of the Finance Committee reconciliation bill this September.

I know that changes in Federal support for medical education should be made, but there are two issues that I would like to address at this time.

The first relates to the abrupt termination of all funding for foreign medical graduates. Roughly 60 percent of all residents in New Jersey and 35 percent in New York are foreign medical graduates—well over the national average. Any proposal to eliminate funding will be felt more severely in New Jersey and New York than in other States. A precipitous cessation of funding will severely affect the capacity of these hospitals to effectively function. Rather than an immedate elimination of funding, these hospitals need a period of years to adjust to new conditions.

Mr. President, Senator Moynihan and I have entered into discussions with Senators Dole and Durenberger to see if there is some way that these proposals can be modified to help these hospitals adapt to changing conditions. I am pleased to report that everyone is making a good faith effort on this, and I am optimistic that we will be able to arrive at a mutually acceptable solution to this issue by September.

Mr. President, I would also like to commend the sponsors of this legislation for including in their bill a provision to help hospitals that serve a disproportionate share of low-income patients. Senator Moynihan and I have discussed the importance of this with the sponsors of the legislation. The evidence is compelling that many center city hospitals have higher costs, and the Medicare law should be changed to reimburse these hospitals accordingly. While some changes may need to be made in the legislative provisions on disproportionate share that are included in this bill, I want to commend the sponsors for agreeing that Federal legislation is needed in this area.

I look forward to working with my colleagues on the Finance Committee on a mutually acceptable solution to these issues.

By Mr. THURMOND (for himself, Mr. Hollings, Mr. Helms, Mr. Nickles, Mr. Dole, Mr. Nunn, Mr. Heinz, Mr. Hatch, Mr. Stennis, Mr. Bentsen, Mr. Kerry, Mr. Pryor, Mr. Roth, Mr. Burdick, Mr. Johnston, Mr. Chafee, Mr. East, Mr. Boren, Mr. Chiles, Mr. Bradley, Mr. Glenn, Mrs. Hawkins, Mr. Denton, Mr. Warner, Mr. Trible, Mr. McClure, Mr. Riegle, Mr. Rockefeller, Mr. Specter, Mr. Laxalt, Mr. Kennedy, Mr. Biden, Mr. Simon, Mr. Stafford, Mr. Mattingly, Mr. Bumpers, Mr. Zorinsky, Mr. Sasser, Mr. Melcher, Mr. Weicker, Mr. Danforth, Mr. Quayle, Mr. D'Amato, Mr. Heflin, Mr. Grassley, Mr. Matsunaga, Mr. Cochran, Mr. Hart, Mr. Wilson, Mr. Inouye, Mr. Metzenbaum, Mr. Lugar, Mr. Long, Mr. Gramm, Mr. Stevens, and Mr. DeConcini):

S.J. Res. 186. Joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week"; to the Committee on the Judiciary.

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

Mr. THURMOND. Mr. President, it gives me great pleasure, along with 55 of my distinguished colleagues, to introduce Senate Joint Resolution 186, which authorizes and requests the President to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week."

This is the third consecutive year that I have been pleased to author this legislation. This year, I am especially proud to see such an overwhelming display of bipartisan support from my colleagues for this joint resolution. Several of the original cosponsors of this bill do not have historically black colleges and universities located in their States. However, they appreciate, as do I, the great contributions made to our Nation by the historically black colleges and universities.

I am particularly pleased that six of these institutions of higher learning, namely Allen University, Benedict College, Claflin College, South Carolina State College, Morris College, and Voorhees College, are located in my home State. These colleges are vital to the higher education system of South Carolina. They have provided the opportunity for thousands of young people in my State to go to college who would not otherwise have been able to afford a college education.

Mr. President, hundreds of thousands of young Americans have received quality educations at these 102 schools. These institutions have a long and distinguished history of providing the training necessary for participation in a rapidly changing society. The predominantly black colleges and universities in America have offered to our citizens a variety of curriculums and programs through which they could develop their skills and talents, thereby expanding their opportunities as individuals and laying the foundation for continued social progress.

Specifically, recent statistics show that historically black colleges and universities have graduated 60 percent of the black physicians in our country, 60 percent of the black pharmacists, 40 percent of the black attorneys, 50 percent of the black engineers, 75 percent of the black military officers, and 80 percent of the black members of the judiciary.

Mr. President, through passage of this commemorative resolution, Congress can reaffirm its support of our historically black colleges, and appropriately recognize their important contributions to our Nation. I look forward to the speedy passage of this joint resolution, and I ask unanimous consent that a copy of the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 186

Whereas there are one hundred and two historically black colleges and universities in the United States;

Whereas such colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas such institutions have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of the historically black colleges are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 23, 1985, through September 29, 1985, is designated as "National Historically Black Colleges Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe such week with appropriate ceremonies, activities, and programs, thereby demonstrating support for historically black colleges and universities in the United States..

● Mr. D'AMATO. Mr. President, I rise today in recognition of historically black colleges throughout the Nation. These fine institutions of higher learning deserve this special recognition. Therefore, I am pleased to be an original cosponsor of a joint resolution introduced by my distinguished colleague from South Carolina, which designates September 23, 1985, as "National Historically Black Colleges Week."

One hundred and two historically black colleges and universities provide quality education for the advancement of our citizenry. They provide us with citizens who are both capable of functioning in a high technology world and who have not forgotten the history of the Romans or the beauty of Shakespeare. These historically black colleges not only have a rich heritage, but have played a significant role in American history as well.

For example, Tuskegee Institute was created in 1881 by an act of the Alabama State Legislature. Booker T. Washington opened the school and served as principal and instructor for 33 years. From 1896 to 1943, George Washington Carver was associated with this great institution and was one of its foremost instructors.

Many students have benefited from these institutions of higher education. Historically black colleges have the potential to continue to provide necessary educational programs so that more students will reach their fullest potential. Only through education do we set the minds of mankind, and mankind itself, free.

I urge my colleagues to join me as cosponsors of this joint resolution.●

By Mr. WARNER (for himself and Mr. Trible):

S.J. Res. 187. Joint resolution designating Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a National Memorial to Patrick Henry; to the Committee on Energy and Natural Resources.

NATIONAL MEMORIAL TO PATRICK HENRY

Mr. WARNER. Mr. President, next year our country will observe the 250th anniversary of the birth of one of our country's greatest orators and Revolutionary War heros, Patrick Henry.

Celebrations and events will be held throughout the year in remembrance of the contributions of Patrick Henry in our struggle for independence.

I rise today to introduce a joint resolution to commemorate this American's lifelong service to our country by designating his last home and burial place as The Red Hill Patrick Henry National Memorial.

His devotion to public service began in 1765 as a member of the Virginia House of Burgesses where he quickly became an outspoken advocate of the rights of the colonies.

With the leadership of Patrick Henry, Virginia led the opposition to the Stamp Act, the first direct tax to be levied by the British Parliament on the Colonies.

This solidified the growing unrest and produced a common bond among the Colonies.

As a delegate to the First Continental Congress in 1775, Patrick Henry argued vigorously for collective measures by the Colonies against Britain.

During that same year, he delivered his famous "Give me liberty or give me death" speech at the Second Virginia Convention at St. John's Church in Richmond, VA.

He devoted the spring of 1775 to sessions of Congress in Philadelphia and to organizing military forces in Virginia, of which he later served as Commander in Chief.

Patrick Henry became Virginia's first Governor, serving for 5 yearly terms.

Following the Revolutionary War, he was a delegate to the Constitutional Convention where he was successful in securing the adoption of the Bill of Rights by the Convention.

Following his long career as a public servant, Patrick Henry retired to Red Hill which he referred to as "one of the garden spots of the world."

Red Hill is presently managed by the Patrick Henry Memorial Foundation and is dedicated to the aims, ideals, and purposes for which Patrick Henry lived.

His home, gardens, and law office are preserved as a shrine and museum and are operated solely by private donations.

The joint resolution I introduce today will duly recognize the lifelong contributions of this dedicated American patriot by memorializing his last home and burial place, Red Hill.

This action follows the request of the Virginia General Assembly in its 1985 legislative session where Senate Joint Resolution 82 was enacted calling for national recognition and stewardship of Red Hill by the Federal Government.

Mr. President, I request that letters of endorsement of the joint resolution from other foundations in Virginia dedicated to the remembrance of Patrick Henry be printed in the Record.

This joint resolution reaffirms that the ownership of Red Hill remains non-Federal, and any future operation and maintenance costs will not be the responsibility of the Federal Government.

Mr. President, I believe approval of this joint resolution by the Senate will complete the deserved recognition of the life of Patrick Henry and provide for a successful 250th anniversary celebration next year.

There being no objection, the letters were ordered to be printed in the Record, as follows:

St. John's Church Foundation,
Richmond, VA, July 9, 1985.

Senator John Warner,
U.S. Senate,
Washington, DC.

Dear Senator Warner: We are in receipt of a copy of your letter which was written to Mr. Theodore W. Graves, President, Patrick Henry Memorial Foundation, relative to the draft resolution concerning the designation of Patrick Henry's home at Red Hill as a National Memorial. Upon reading this resolution, we feel that it is most appropriate and sincerely hope that it can be adopted by the Congress of the United States.

Thanking you for bringing this to our attention and with kindest regards, I remain,

Sincerely,

T.M. Carrington III,
President.

July 4, 1985.

Hon. John W. Warner, Senator,
Hon. Paul S. Trible, Senator,
Hon. Dan Daniel, Representative,
Washington, DC.

Gentlemen: Thank you for your consideration in sending a copy to me of your proposed House or Senate Joint Resolution to recognize the brilliance and contributions of Patrick Henry, the First Governor of Virginia under the first constitution of the independent states, in the formation and creation of the United States by designating Red Hill, his last home and site of his grave as a "National Memorial".

I could not possibly improve upon your statements which you have presented and I heartily endorse them and feel assured that they will be passed by the Congress and signed by the President.

As Chairman of the 250th Anniversary Celebration of the historic Hanover County Courthouse on May 29, 1985, Patrick Henry's 249th birthday I would like, herewith to send each of you a copy of that program and a book we published that day—Portraits in the Historic Hanover County Courthouse. The Hon. A. E. Dick Howard gave a remarkable address titled, "Virginia: The Hourglass of Constitutional Liberty". He further stated that the Historic Hanover County Courthouse because of Patrick Henry was an early stage for our seeking Constitutional Liberty.

As Chairman of the Bicentennial Committee for Hanover County I was proud to display the flag that Senator Warner helped design which was given to us when Hanover County was designated a Bicentennial Community.

As Chairman of the Courthouse Committee for the Honorable Richard H. C. Taylor, Judge of the 15th Judicial Circuit I am continuing our efforts to preserve this important property and to help to prepare for the

1986 Celebration of the 250th Anniversary of the birth of Patrick Henry.

We commend your efforts on behalf of Patrick Henry. Also, we are appealing to the Postmaster General for a Commemorative Stamp for Patrick Henry to be issued on May 29, 1986 at Hanover, Virginia 23069 which is near the site of his birthplace Studley Plantation.

The Red Hill designation as a "National Memorial" would be one of the highlights of the anniversary year. On July 5 at a special meeting of The Scotchtown Committee when I presented your proposal a resolution was passed unanimously endorsing Red Hill as a "National Memorial". We wish you Godspeed!

Respectfully submitted.

Bruce V. English,
Chairman, Bicentennial Committee
for Hanover County.

The Association for the
Preservation
of Virginia Antiquities,
Richmond, VA, July 26, 1985.

Senator John Warner,
Russell Senate Office Building, Washington, DC.

Dear Senator Warner: I am pleased to inform you that the matter of your proposed House or Senate Resolution concerning the Department of Interior recognizing Red Hill was a topic on the agenda of our Executive Committee meeting of 23 July.

Please know that, by a unanimous vote, the Executive Committee of the Board of Trustees for the Association for the Preservation of Virginia Antiquities wholeheartedly supports your efforts, along with those of Senator Trible and Representative Dan Daniel, to pass a resolution providing that Mr. Henry's Red Hill site be hereto recognized and known as The Red Hill Patrick Henry National Memorial. We feel that such action on the part of the Congress of the United States will further bring recognition and honor to a man who played an important part in the formation of our Nation; and that it is fitting and proper that the Red Hill site be designated a National Monument.

If the APVA can be of further assistance in this matter, please contact me. I am,

Sincerely,

Shirley T. VanLandingham,
President, APVA.

Patrick Henry Memorial Foundation,
Brookneal, VA, July 26, 1985.

Hon. John W. Warner,
U.S. Senate, 405 Russell Senate Office Building, Washington, DC.

Dear Senator Warner: I am authorized by the Executive Committee of the Patrick Henry Memorial Foundation to report that we have reviewed the revised draft resolution and find it acceptable as drafted.

It is pleasing to know that the citizens of Virginia and the Nation, as well as our colleagues that honor Patrick Henry in the preservation field, support a National Memorial to Patrick Henry at Red Hill. Special thanks to you and Congressman Daniel for crystallizing that feeling in the form of legislation.

Sincerely,

Patrick Daily,
Director.

By Mr. HATCH (for himself and Mr. Thurmond):

S.J. Res. 189. Joint resolution designating the week beginning January 12, 1986, as "National Fetal Alcohol Syndrome Awareness Week"; to the Committee on the Judiciary.

NATIONAL FETAL ALCOHOL SYNDROME AWARENESS WEEK

Mr. HATCH. Mr. President, the consumption of alcohol during pregnancy has been shown to cause extremely serious problems. To call attention to these problems and encourage their solution, I am pleased to introduce this resolution which designates the week of January 12, 1986, as National Fetal Alcohol Syndrome Awareness Week.

This issue, indeed, merits our attention. For, in the past few years, we have learned that the use of alcohol during pregnancy may cause serious birth defects. In 1981, Surgeon General Everett Koop issued a strong advisory warning about fetal alcohol syndrome and cautioned expectant women or women considering pregnancy to abstain from the use of alcoholic beverages.

Throughout pregnancy, a fetus is dependent entirely on its mother to provide the nutrients for physical development because the mother's blood carries nutrients directly through the placenta into the baby's bloodstream. Thus, alcohol in a mother's bloodstream is transported directly into her baby's bloodstream, possibly affecting the baby's development adversely.

Several of these adverse consequences of fetal alcohol syndrome have been identified: Deficient growth both before and after birth can occur. More specifically, a reduction in height and weight and in brain size, which is associated with mental retardation, are possible. Developmental disabilities can result, with the infant experiencing delays in learning to walk and speak. Heart defects also plague babies suffering from fetal alcohol syndrome.

Some of the striking tragic facts already known about fetal alcohol syndrome include the following:

Fetal alcohol syndrome is one of the three leading causes of birth defects with accompanying mental retardation in this country.

Fetal alcohol syndrome ranks behind only Down's and spina bifida as the most common cause of mental retardation due to birth defects.

Less severe effects, such as increased irritability and hyperactivity, are characteristics of babies whose mothers have consumed alcohol during pregnancy.

Not only are the problems associated with fetal alcohol syndrome severe, but also the magnitude of those affected is great. A conservative estimate of the number of infants born with irreversible abnormalities caused by fetal alcohol syndrome is 1,800 to 2,400 each year. Thirty-six thousand babies each year exhibit the less severe alcohol-related birth defects. The dollar costs are staggering, running over $1.5 billion per year. It is impossible to measure the emotional costs of fetal alcohol syndrome.

Let us spread the message that alcohol and pregnancy don't mix. This resolution is a first step. I urge you to join me in cosponsoring it.

By Mr. ROTH (for himself, Mr. Stevens, Mr. Cohen, and Mr. Durenberger):

S.J. Res. 190. Joint resolution to establish greater productivity in Federal Government operations as a national goal of the United States; to the Committee on Governmental Affairs.

PRODUCTIVITY IMPROVEMENT

● Mr. ROTH. Mr. President, today I, along with Senators Stevens, Cohen, and Durenberger, am introducing a joint resolution which would establish increased productivity in the Federal Government as a national goal.

To strengthen the integrity and improve the productivity of Federal programs, President Reagan is proposing several legislative initiatives to provide Government managers with the new tools necessary to effectively manage the Government's resources. These initiatives build upon past accomplishments in assuring that we get the most for each tax dollar spent. This joint resolution is the cornerstone of these initiatives.

Partnership between the Congress and the administration in support of a governmentwide productivity improvement program will help to assure success. A joint resolution establishing productivity improvement in the Federal Government as a national goal would be a strong signal of congressional intent to foster productivity improvement.

While Federal productivity has been improving, it has not been increasing as quickly as private and public organizations that have continuously focused on its importance. This resolution presents the Congress with an opportunity to show its support for better management, more efficient services to the public and a conscious effort to make productivity a higher priority.

Everyone knows what productivity is—getting the most for each tax dollar while efficiently delivering goods and services. In the Federal Government this means reducing costs in addition to providing better services. A 1984 GAO report on productivity management suggested that a 5-percent increase in Federal productivity could produce a 1-year savings of about $4.5 billion, and the Grace Commission estimated $3.18 billion might be saved with a 5-percent increase in productivity.

By Executive order, the President plans to establish a productivity program that will be administered by the

Office of Management and Budget and involves all major executive departments and agencies. Each agency is to appoint a productivity executive and develop a 5-year productivity plan. OMB will then review agency plans as a part of its budget and management review process to ensure overall guidance and control.

While the executive branch is primarily responsible for the operation of Government, it does so under the statutory limits and oversight powers of the Congress. That makes us, the legislators, partners in the delivery of better Government. Through this congressional resolution, we are reaffirming our responsibilities by making productivity a national goal, encouraging the President to make recommendations to Congress he believes necessary to achieve that goal, and requiring him to submit a report annually with the budget detailing the management improvements in each agency that contribute to greater Government productivity.

We expect this annual productivity report to provide, for each department and major independent agency, productivity data on relevant operations, productivity goals, management actions taken during the current and previous years which contribute to improving productivity, and planned management actions for the next year.

I hope the Senate will act quickly on this resolution and let the American public, as well as the executive branch, know that we are behind the President's initiative to provide those that rely on Government and those who pay for Government with the best management that we can deliver. I urge my colleagues to join me in sponsoring this legislation.●

By Mr. BUMPERS (for himself, Mr. Mathias, Mr. Cranston, Mr. Weicker, Mr. Nunn, Mr. Murkowski, Mr. Inouye, Mr. Chafee, Mr. Simon, Mr. Dodd, Mr. Levin, Mr. Moynihan, and Mr. Zorinsky):

S.J. Res. 191. Joint resolution to designate the month of October 1985 as "Learning Disabilities Awareness Month"; to the Committee on the Judiciary.

LEARNING DISABILITIES AWARENESS MONTH

Mr. BUMPERS. Mr. President, I rise today to introduce, along with Senators Mathias, Cranston, Weicker, Nunn, Murkowski, Inouye, Chafee, Simon, Dodd, Levin, Moynihan, and Zorinsky, a joint resolution to designate October 1985 as "Learning Disabilities Awareness Month." With this resolution, I hope to shed light on the problems that confront the learning disabled of this country and to help open the door to a greater understanding of the nature and causes of these learning difficulties.

There are over 10 million children in this country that have been positively diagnosed as learning disabled. I and my distinguished colleagues who have cosponsored this resolution simply want to say that we care about these children, and that we also care about the many more who may be suffering from learning disabilities but have not yet been diagnosed as such.

We have made great strides since the adoption of the Education for All Handicapped Children Act of 1975 (Public Law 94-142). The programs spawned by this law have brightened the lives of many children and allowed them to pursue the goals they fully deserve to attain. The number of learning disabled children served under the auspices of this act in the United States is over 1.8 million.

Yet, learning disabilities are not easily identified by even the most experienced teachers and pediatricians. Clearly, there are many more children who suffer from learning disabilities that may have not yet been identified. The number of children counted as learning disabled has increased substantially since 1976. While the rate of growth has declined, every day there are those whose disabilities have been recognized and the path to treatment illuminated.

The term "learning disability" itself is only 20 years old. Learning disabilities are neurological problems that can impair a child's ability to perform certain tasks that require accurate perceptive skills. These are physiological problems that in no way reflect a child's intellectual capacity or potential. The learning disabled child encounters difficulty in linguistic skills such as reading, writing, spelling, and often in mathematics, concentration, memory and symbolism. Regulations that accompany Public Law 94-142 state that learning disabilities include "such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia."

There is an important distinction between learning disabilities and other problems that are often mistaken as being similar. Learning disabled children are not mentally retarded, nor do they suffer from emotional disturbances that are the result of psychological ailments. The hyperactivity and antisocial behavior often associated with learning disabilities are simply a reflection of the frustration that these children feel.

These frustrations are manifested in many ways and often result in a sense of failure that breeds even further frustration. A recent article in the Journal of Learning Disabilities cites evidence that establishes a clear link between juvenile delinquency and learning disability. The so-called JD-LD link has also been confirmed by the American Bar Association. Of course, the overwhelming majority of learning disabled are not at risk of becoming delinquent. But the number of youths in the juvenile justice system that have been identified as suffering from learning disabilities is staggering.

Research conducted by the National Center of State Courts and the Association of Children with Learning Disabilities found the incidence of learning disabilities among youths brought before the juvenile justice system to be 36 percent. Other research shows that after 40 to 60 hours of remediation the rate of recidivism for JD-LD children drops drastically. This fall a bench book about learning disabilities for juvenile delinquency judges and family court judges will be distributed nationally through the National Council of Juvenile and Family Court Judges.

The current Presidential initiative on adult literacy has highlighted the problem of adult literacy in this country. Recent studies document that 60 million men and women in this country cannot read the front page of their local newspaper. The link between adult illiteracy and learning disabilities has also been firmly established. Can we allow today's learning disabled child to become tomorrow's illiterate adult?

Intelligent and gifted children can suffer with these problems, yet with early diagnosis and proper remediation these children can soar to the highest reaches of achievement. In fact such notable men as Einstein, Disney, Patton, Nelson Rockefeller, and Edison were victims of learning disability. How many more geniuses are there who may be suffering from this handicap? The trained and caring professional can take a learning disabled child and, like the cutting of rough diamond, reveal the sharp and perfect edge of genius that lies just below the surface.

There are many lives touched by learning disabilities and many that we know and love who have battled with these problems. One such battle has been won by the wife of my dear friend and colleague, Senator Charles Mathias, Ann Bradford Mathias. Her story brings inspiration to us all. I ask unanimous consent, Mr. President, that following my remarks be printed an article by Mrs Mathias that appeared in People magazine.

Before concluding, I wish to acknowledge the efforts of my distinguished colleagues in the House of Representatives who sponsored this resolution in that body—Mr. George Brown of California and Mr. Jack Kemp of New York. Also, Mr. President, I would also like to extend my praise for the tireless efforts of the many and varied organizations in this country who have embraced this cause and worked so hard to improve the

lives of the learning disabled. This praise particularly extends to the Foundation for Children with Learning Disabilities, who gave much assistance in drafting this resolution.

Mr. President, those with learning disabilities can overcome their difficulties. These problems do not have to be tragic. Current and emerging technology, such as tapes, computers, data processing equipment, and new teaching techniques can help in the eradication of learning disabilities as an impediment to achievement. This is clearly the time to interject hope and understanding into the lives of those who have such disabilities. With the designation of October as "Learning Disabilities Awareness Month" we can bring down the barriers that prevent the recognition and treatment of these problems. I urge the Senate to adopt this resolution.

Mr. President, along with the article, I ask unanimous consent that the joint resolution be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S.J. Res. 191

Whereas millions of Americans suffer from one or more learning disabilities;

Whereas it is estimated that 10,000,000 American children have been diagnosed as suffering from learning disabilities;

Whereas most learning-disabled persons are of normal or above normal intelligence but cannot learn to read and write in the conventional manner;

Whereas it is important for parents, educators, physicians, and learning-disabled persons to be aware of the nature of learning disabilities and the resources available to help learning-disabled persons;

Whereas early diagnosis and treatment of learning-disabled children gives such children a better chance for a happy and productive adult life;

Whereas the courage necessary for learning-disabled persons to meet their special challenges should be recognized;

Whereas hundreds of national and local support groups for learning-disabled persons, parents of learning-disabled children, and professionals who work with learning disabled persons have made important contributions to the treatment of learning disabilities;

Whereas research and study have contributed to public knowledge about learning disabilities, but much remains to be learned; and

Whereas public awareness of and concern about learning disabilities may encourage the establishment of the program necessary to promote early diagnosis and treatment of learning disabilities and to help learning-disabled persons and their families cope with their learning disabilities: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That October 1985 hereby is designated "Learning Disabilities Awareness Month," and the President of the United States is authorized and requested to issue a proclamation calling upon all public officials and the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

A Senator's Wife Struggles With a Learning Disability

(By Ann Bradford Mathias)

From the time I was very small, I can remember feeling that I was different. No one ever talked about it; it was just something I sensed. I was an underachiever in every subject. There was confusion within my brain, and I could not pull things out of it when I felt that I needed to.

At 5, like my older sister and younger brothers, I went off to a progressive private school in Cambridge, Mass. I was an academic disaster. Reading, writing and spelling were a problem from the very first. No matter how hard I tried to memorize spelling, I couldn't. As the material, particularly the math, became more complicated, I wasn't able to do it. We had a real math wizard teaching us in the fourth grade, and she would call out numbers for us to multiply. I would sit there cringing because I couldn't remember sequentially much more than the first two steps in any exercise. In front of my peers, I would always come up with the wrong answer or nothing. I couldn't compete.

As the work grew tougher, it only got worse. I became a habitually slow reader; trying to speed up only lessened my comprehension. I was good on the sports field and socially, and since I seemed to be growing in the area of leadership, I was allowed to pass into higher grades even though I wasn't going anywhere academically. I was getting C-minuses and D's no matter how hard I was trying. How I craved to go home to my parents with some good grades! There was never a discussion in my household about marks. There was sort of a vacuum, and that made me all the more uncomfortable. There were always conferences between my parents and the teachers, but I didn't know what they were about and would never be told.

Eighth grade was a real washout. In English we began to memorize the poems of John Masefield and other poets. I would work all evening and go to sleep memorizing, only to wake up in the morning and not be able to recall one line. None of the teachers believed me. I was accused again and again of not doing my homework. It was terribly painful. I felt the only thing I had going for me was my integrity, and to have it questioned struck at my very innards.

In the end I even traded that for a good mark. That same year we began French and Latin. I was having trouble reading my native tongue, much less a foreign one. One day during a Latin test I panicked. Sitting in front of me was the smartest boy in the class, and because he was left-handed his paper was always available for me to see. I desperately needed something to indicate to myself, and more importantly to my parents, that I could be okay, so I copied his paper. At the end of the week I got the test back with "terrific" written in Latin. I took it home and put it on my father's bureau, where it sat like a monument for the rest of the year. Every time I looked at it I felt uncomfortable for having done something so totally dishonest.

Later, when it came time to start thinking about college, I stunned my teachers by telling them I was applying to Vassar. By then I had learned how to organize my thoughts better and then get them down on paper. I still had to work four times harder than my peers, but I felt that if I didn't try I would always wonder if I could have made it. One of my former teachers, who had begun doing some work on identifying what are now called learning disabilities, had been following my progress over the years. She was on the Vassar board of trustees and was a personal friend of the dean of admissions and offered to take me for a private interview, where she was able to tell the dean something about my problems. Her interceding on my behalf got me in. The dean of admissions was very direct and told me I didn't have the necessary skills but that there was a steady progress in my learning. On the famous day when everybody heard whether they had been accepted at the colleges where they'd applied, I got a communication from Vassar that I was on a waiting list. Eight weeks later I got a call saying that I had been accepted as a Vassar "risk." For a long time afterward, whenever the phone would ring in my room at Vassar, I was sure it was some official telling me, "Bye-bye, Baby."

In my sophomore year I had a marvelous English teacher named Mrs. Bergeret. I credit her with the fact that I graduated. She gave me extra time for my papers and advised me to use pencil since it was easier to erase. She sat me down and said, "You know, there is nothing the matter with you. You are an extremely articulate and interesting person." I was astonished. I needed that kind of encouragement. I also needed to learn that there was a way to do things that addressed my needs as opposed to the norm. Although she didn't know about my learning disabilities per se, Mrs. Bergeret taught me that, in order to learn and retain facts, I first had to read, then write down everything I'd read, then speak it. It was simple reinforcement, but for me it worked. By the time I graduated from college, I was making B's and some A's.

My first job after college was with the CIA in Washington, D.C. I was placed in an area where I was performing very well, so well that I soon found myself having to do briefings. The fear of public utterance will always haunt me, but the CIA insisted. So they sent me to an elementary speaking course, where I bombed and was invited by the teacher not to come back.

During that time I met Mac, who had just decided to run for the Maryland legislature. Over the years I've campaigned for Mac, but it has always been on a one-to-one basis. I park my car and walk 15 miles a day, knocking on doors. That's been embarrassing too. Because of my confusion with directions, I've lost my car quite a few times.

One of my father's cousins is Dr. Edwin Cole, an expert in developmental dyslexia and founder of the language training program at Massachusetts General Hospital. He has traced a pattern of learning disorders in our family that goes back almost to William Bradford. When my own boys came, I was watching for it. There were few problems with our older boy, Charlie, but with our younger son, Rob, I have relived my own pain. He couldn't write, for instance. He had a real processing problem—a problem getting his thought from his brain through his muscles onto paper. I would have him dictate his creative stories to me and he would then illustrate them. That way he felt he could communicate. As he grew older he became an excellent skier and sailor, and though these sports were an additional expense we let him pursue them because they were great for his self-esteem. Rob is now 22 and a senior at the University of Vermont, and director of operations at the university rescue squad where he takes every message down on the typewriter rather than trusting his handwriting.

A year ago I became involved with the experimental Lab School of Washington. It was founded by educator Sally Smith and teaches learning-disabled children of ages 6 to 16 academic skills through the arts such as music and dance. Each child has his own so-called "prescription" that tells how he learns best. If, for example, he can't read, he can perhaps learn through hearing. The arts offer the children opportunities to strengthen their visual, auditory, tactile and motor skills.

It is a great relief to find out that there are neurological reasons for my disability. Organization is still a problem, though. Even now, when I get nervous, I have trouble pulling out my words. If I am handling my problems in any way today, it is by getting up and talking about them. It is terribly important that the public know such a syndrome exists. I wish they had known about it when I was growing up.

ADDITIONAL COSPONSORS

S. 58

At the request of Mr. Danforth, the name of the Senator from Connecticut [Mr. Dodd] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1954 tb increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education.

S. 127

At the request of Mr. Pryor, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 127, a bill to authorize the Secretary of Health and Human Services to conduct a clinical trial to determine the efficiency and economic feasibility of providing Medicare coverage for personal emergency response systems.

S. 274

At the request of Mr. Denton, the name of the Senator from Delaware [Mr. Roth] was added as a cosponsor of S. 274, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 359

At the request of Mr. Durenberger, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 359, a bill to provide for medical demonstrations in health promotion and disease prevention.

S. 360

At the request of Mr. Zorinsky, the name of the Senator from Nebraska [Mr. Exon] was added as a cosponsor of S. 360, a bill to direct the Secretary of Agriculture to convey, without consideration, to the Nebraska Game and Parks Commission, approximately 160 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Chadron State Park, NE.

S. 477

At the request of Mr. Durenberger, the name of the Senator from West Virginia [Mr. Rockefeller] was added as a cosponsor of S. 477, a bill to enhance rail competition and to ensure reasonable rail rates where there is an absence of effective competition.

S. 525

At the request of Mr. Glenn, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 525, a bill to transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of the effects of radiation, and for other purposes.

S. 528

At the request of Mr. Rudman, the name of the Senator from New Mexico [Mr. Bingaman] was added as a cosponsor of S. 528, a bill to establish a Bipartisan Commission on Congressional Campaign Financing, to improve the manner in which congressional campaigns are financed.

S. 558

At the request of Mr. Moynihan, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of S. 558, a bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes.

S. 725

At the request of Mr. Chafee, the name of the Senator from New Mexico [Mr. Bingaman] was added as a cosponsor of S. 725, a bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1986, 1987, 1988, 1989, and 1990.

S. 805

At the request of Mr. Riegle, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of S. 805, a bill to provide for a program for the provision of child care services in public housing projects.

S. 806

At the request of Mr. Riegle, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of S. 806, a bill to strengthen the program for grants to States for planning and development of dependent care programs, and for other purposes.

S. 855

At the request of Mr. Pryor, the name of the Senator from Kentucky [Mr. Ford] was added as a cosponsor of S. 855, a bill for the relief of rural mail carriers.

S. 859

At the request of Mr. Thurmond, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 859, a bill to suspend temporarily the duty on dicyclohexylbenzothiazylsulfenamide.

S. 961

At the request of Mr. Sarbanes, the names of the Senator from Tennessee [Mr. Gore] and the Senator from Pennsylvania [Mr. Specter] were added as cosponsors of S. 961, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

S. 975

At the request of Mr. Domenici, the name of the Senator from Vermont [Mr. Stafford] was added as a cosponsor of S. 975, a bill to amend the Securities Exchange Act of 1934 to provide a moratorium on hostile corporate takeovers financed by "junk" securities, to prohibit federally insured institutions from holding "junk" securities, and for other purposes.

S. 987

At the request of Mr. Exon, the name of the Senator from Kansas [Mrs. Kassebaum] was added as a cosponsor of S. 987, a bill to recognize the organization known as the Daughters of Union Veterans of the Civil War 1861-1865.

At the request of Mr. Exon, the name of the Senator from Alabama [Mr. Heflin] was withdrawn as a cosponsor of S. 987, supra.

S. 1084

At the request of Mr. Goldwater, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

At the request of Mr. Sarbanes, his name was added as a cosponsor of S. 1084, supra.

At the request of Mr. Moynihan, his name was added as a cosponsor of S. 1084, supra.

S. 1093

At the request of Mr. Byrd, his name was added as a cosponsor of S. 1093, a bill to amend the patent law to restore the term of the patent grant in the case of certain products for the time of the regulatory review period preventing the marketing of the product claimed in a patent.

At the request of Mr. Mathias, the names of the Senator from Indiana [Mr. Quayle] and the Senator from South Carolina [Mr. Hollings] were added as cosponsors of S. 1093, supra.

S. 1127

At the request of Mr. Dixon, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of S. 1127, a bill to extend the Medicare prospective payment transition period.

S. 1198

At the request of Mr. Mitchell, the names of the Senator from Maine [Mr. Cohen], the Senator from Minnesota

[Mr. Durenberger], the Senator from Rhode Island [Mr. Chafee], the Senator from Vermont [Mr. Leahy], the Senator from Massachusetts [Mr. Kerry] and the Senator from Montana [Mr. Baucus] were added as cosponsors of S. 1198, a bill to establish in the Environmental Protection Agency a program of research on indoor air quality, and for other purposes.

S. 1206

At the request of Mr. Roth, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of S. 1206, a bill to require the Director of the Office of Management and Budget to prepare and transmit to the Congress a comprehensive report and plan on the reorganization, restructuring, consolidation, or realignment of Federal field offices, and for other purposes.

S. 1209

At the request of Mr. Chiles, the names of the Senator from New York [Mr. Moynihan], and the Senator from Oregon [Mr. Hatfield] were added as cosponsors of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1223

At the request of Mr. Armstrong, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed forces of the United States who served in the Korean war.

S. 1286

At the request of Mr. Domenici, the name of the Senator from Vermont [Mr. Stafford] was added as a cosponsor of S. 1286, a bill to limit the amount of "junk" securities which may be held by federally insured institutions, and for other purposes.

S. 1312

At the request of Mr. Pressler, the names of the Senator from North Dakota [Mr. Burdick], the Senator from Rhode Island [Mr. Pell] and the Senator from New York [Mr. Moynihan] were added as cosponsors of S. 1312, a bill to provide that the Federal Communications Commission review the proposed acquisition of television networks to ensure such acquisitions are in the public interest, and for other purposes.

S. 1339

At the request of Mr. Dodd, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 1339, a bill to amend the Internal Revenue Code of 1954 to allow any distribution from an individual retirement account or annuity which is used in the purchase of a home to be rolled over into the basis of such home, and to be treated as ordinary income upon the recognition of gain from the sale of such home.

S. 1371

At the request of Mr. Levin, the names of the Senator from California [Mr. Cranston], the Senator from North Dakota [Mr. Andrews], the Senator from California [Mr. Wilson], the Senator from Illinois [Mr. Dixon], the Senator from New Jersey [Mr. Bradley], the Senator from Hawaii [Mr. Matsunaga], the Senator from Minnesota [Mr. Boschwitz], the Senator from Arkansas [Mr. Bumpers], and the Senator from South Carolina [Mr. Hollings] were added as cosponsors of S. 1371, a bill to designate the portion of 15th Street, Southwest, Washington, District of Columbia, located between Maine and Independence Avenues as "Raoul Wallenberg Avenue."

S. 1373

At the request of Mr. Specter, the names of the Senator from South Carolina [Mr. Hollings], the Senator from New Jersey [Mr. Bradley], and the Senator from Iowa [Mr. Grassley] were added as cosponsors of S. 1373, a bill to amend title 18, United States Code, to authorize prosecution of terrorists and others who attack U.S. Government employees abroad, and for other purposes.

S. 1378

At the request of Mr. Durenberger, the name of the Senator from Delaware [Mr. Roth] was added as a cosponsor of S. 1378, a bill entitled the "Long Term Care Insurance Promotion and Protection Act of 1985."

S. 1381

At the request Mr. Quayle, the names of the Senator from Hawaii [Mr. Matsunaga], the Senator from Rhode Island [Mr. Chafee], the Senator from Nebraska [Mr. Zorinsky], the Senator from Indiana [Mr. Lugar], the Senator from Maine [Mr. Mitchell], the Senator from South Carolina [Mr. Thurmond], and the Senator from Florida [Mr. Chiles] were added as cosponsors of S. 1381, a bill to amend the General Education Provisions Act to improve and expand the Assessment Policy Committee.

S. 1393

At the request of Mr. Abdnor, the name of the Senator from Wyoming [Mr. Wallop] was added as a cosponsor of S. 1393, a bill to provide for a study of the use of unleaded fuel in agricultural machinery, and for other purposes.

S. 1414

At the request of Mr. Bentsen, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of S. 1414, a bill to provide additional funding and authority for the Federal Bureau of Investigation in order to improve the counterterrorist capabilities of the Bureau.

S. 1430

At the request of Mr. Moynihan, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 1430, a bill to require the Secretary of Health and Human Services to make grants to eligible State and local governments to support projects for education and information dissemination concerning acquired immune deficiency syndrome, and to make grants to State and local governments for the establishment of programs to test blood to detect the present of antibodies to the human T-cell lymphotrophic virus.

S. 1450

At the request of Mr. Heinz, the names of the Senator from Tennessee [Mr. Gore], the Senator from Arizona [Mr. DeConcini], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of S. 1450, a bill to prohibit the Secretary of Health and Human Services from changing reimbursement levels or methodologies from home health services under the Medicare program prior to October 1, 1986, or during a freeze period.

S. 1451

At the request of Mr. Chafee, the names of the Senator from Texas [Mr. Bentsen], and the Senator from California [Mr. Wilson] were added as cosponsors of S. 1451, a bill to allocate funds appropriated to carry out section 103 of the Foreign Assistance Act of 1961 for nutrition programs which reduce vitamin A deficiency.

S. 1458

At the request of Mr. Zorinsky, the name of the Senator from Nebraska [Mr. Exon] was added as a cosponsor of S. 1458, a bill to amend the Internal Revenue Code of 1954 to provide that an activity relating to the free distribution of low cost articles by certain nonprofit organizations and veterans' organizations in connection with the solicitation of charitable contributions does not constitute an unrelated trade or business of such organization.

S. 1468

At the request of Mr. Hatfield, the names of the Senator from Maryland [Mr. Mathias], the Senator from Connecticut [Mr. Weicker], and the Senator from Iowa [Mr. Harkin] were added as cosponsors of S. 1468, a bill to amend the Internal Revenue Code of 1954 to provide that a taxpayer conscientiously opposed to participation in war may elect to have such taxpayer's income, estate, or gift tax payments spent for nonmilitary purposes; to create the U.S. Peace Tax Fund Board of Trustees; and for other purposes.

S. 1525

At the request of Mr. Specter, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of S. 1525, a bill to amend the

Elementary and Secondary Education Act of 1965 to provide grants to local educational agencies for dropout prevention demonstration projects.

S. 1543

At the request of Mr. Mathias, the names of the Senator from Indiana [Mr. Lugar] and the Senator from South Carolina [Mr. Hollings] were added as cosponsors of S. 1543, a bill to protect patent owners from importation into the United States of goods made overseas by use of U.S. patented process.

SENATE JOINT RESOLUTION 68

At the request of Mr. Dodd, the names of the Senator from Maine [Mr. Cohen], the Senator from Tennessee [Mr. Sasser], and the Senator from Oregon [Mr. Hatfield] were added as cosponsors of Senate Joint Resolution 68, a joint resolution to designate November 21, 1985, as "William Beaumont Day."

SENATE JOINT RESOLUTION 117

At the request of Mr. Levin, the names of the Senator from Rhode Island [Mr. Pell], and the Senator from Connecticut [Mr. Dodd] were added as cosponsors of Senate Joint Resolution 117, a joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 130

At the request of Mr. Quayle, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of Senate Joint Resolution 130, a joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week."

SENATE JOINT RESOLUTION 139

At the request of Mr. Glenn, his name was added as a cosponsor of Senate Joint Resolution 139, a joint resolution to designate the week of December 1, 1985, through December 7, 1985, as "National Home Care Week."

SENATE JOINT RESOLUTION 145

At the request of Mr. Grassley, his name was added as a cosponsor of Senate Joint Resolution 145, a joint resolution designating November 1985 as "National Diabetes Month."

SENATE JOINT RESOLUTION 149

At the request of Mr. Dixon, the names of the Senator from Louisiana [Mr. Johnston] the Senator from Arkansas [Mr. Bumpers], the Senator from Montana [Mr. Baucus], the Senator from Alabama [Mr. Heflin], and the Senator from California [Mr. Cranston] were added as cosponsors of Senate Joint Resolution 149, a joint resolution to designate the week of September 15, 1985, through September 21, 1985, as "National Dental Hygiene Week."

SENATE JOINT RESOLUTION 152

At the request of Mr. Cranston, his name was added as a cosponsor of Senate Joint Resolution 152, a joint resolution to recognize both Peace Corps Volunteers and Peace Corps on the Agency's 25th anniversary, 1985-86.

At the request of Mr. Dodd, the names of the Senator from Kansas [Mr. Dole], the Senator from Minnesota [Mr. Boschwitz], the Senator from Maine [Mr. Cohen], the Senator from Hawaii [Mr. Inouye], the Senator from Massachusetts [Mr. Kerry], and the Senator from Washington [Mr. Evans] were added as cosponsors of Senate Joint Resolution 152, supra.

SENATE JOINT RESOLUTION 155

At the request of Mr. Packwood, the names of the Senator from Massachusetts [Mr. Kerry], and the Senator from Ohio [Mr. Glenn] were added as cosponsors of Senate Joint Resolution 155, a joint resolution to designate the month of November 1985 as "National Hospice Month."

SENATE JOINT RESOLUTION 158

At the request of Mr. Murkowski, the names of the Senator from Illinois [Mr. Dixon], the Senator from Hawaii [Mr. Inouye], and the Senator from North Carolina [Mr. East] were added as cosponsors of Senate Joint Resolution 158, a joint resolution designating October 1985 as "National Community College Month."

SENATE JOINT RESOLUTION 165

At the request of Mr. Simon, the names of the Senator from Hawaii [Mr. Inouye], the Senator from Alabama [Mr. Heflin], the Senator from New York [Mr. D'Amato], the Senator from Minnesota [Mr. Durenberger], the Senator from North Carolina [Mr. East], the Senator from Virginia [Mr. Trible], the Senator from Tennessee [Mr. Gore], the Senator from North Carolina [Mr. Helms], the Senator from Georgia [Mr. Nunn], the Senator from Maryland [Mr. Sarbanes], the Senator from Tennessee [Mr. Sasser], the Senator from Alabama [Mr. Denton], the Senator from Pennsylvania [Mr. Specter], the Senator from California [Mr. Cranston], the Senator from Virginia [Mr. Warner], the Senator from Utah [Mr. Garn], the Senator from Pennsylvania [Mr. Heinz], the Senator from New York [Mr. Moynihan], the Senator from Arkansas [Mr. Bumpers], and the Senator from Massachusetts [Mr. Kennedy] were added as cosponsors of Senate Joint Resolution 165, a joint resolution designating the month of October 1985 as "National High-Tech Month."

SENATE JOINT RESOLUTION 166

At the request of Mr. Durenberger, the names of the Senator from Iowa [Mr. Grassley], and the Senator from Alabama [Mr. Denton] were added as cosponsors of Senate Joint Resolution 166, a joint resolution to appeal for the release of Dr. Yury Orlov and other Helsinki Final Act monitors.

SENATE JOINT RESOLUTION 171

At the request of Mr. Thurmond, the name of the Senator from Maryland [Mr. Mathias] was added as a cosponsor of Senate Joint Resolution 171, a joint resolution proposing an amendment to the Constitution of the United States with respect to the length of the term of office of the President and Vice President and the number of terms a President may serve.

SENATE JOINT RESOLUTION 176

At the request of Mr. D'Amato, the names of the Senator from Pennsylvania [Mr. Heinz], and the Senator from Illinois [Mr. Dixon] were added as cosponsors of Senate Joint Resolution 176, a joint resolution to provide that a special gold medal honoring George Gershwin be presented to his sister Frances Gershwin Godowsky, and a special gold medal honoring Ira Gershwin be presented to his widow, Leonore Gershwin, and to provide for the production of bronze duplicates of such medals for sale to the public.

SENATE JOINT RESOLUTION 179

At the request of Mr. Kennedy, the names of the Senator from Minnesota [Mr. Durenberger], and the Senator from Maine [Mr. Mitchell] were added as cosponsors of Senate Joint Resolution 179, a joint resolution requesting the President of the United States to resume negotiations with the Soviet Union for a verifiable comprehensive test ban treaty.

SENATE JOINT RESOLUTION 185

At the request of Mr. Moynihan, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of Senate Joint Resolution 185, a joint resolution to designate August 18, 1985, as "National Flowers-by-Wire Day."

SENATE CONCURRENT RESOLUTION 24

At the request of Mr. Mattingly, the name of the Senator from South Dakota [Mr. Abdnor] was added as a cosponsor of Senate Concurrent Resolution 24, a concurrent resolution to direct the Commissioner of Social Security and the Secretary of Health and Human Services to develop a plan outlining the steps which might be taken to correct the Social Security benefit disparity known as the notch problem.

SENATE CONCURRENT RESOLUTION 36

At the request of Mr. Proxmire, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of Senate Concurrent Resolution 36, a concurrent resolution expressing the sense of the Congress regarding the establishment of a joint commission between the United States and the Soviet Union to study the concept of "nuclear winter" and its impact for the national security of both nations.

SENATE CONCURRENT RESOLUTION 51

At the request of Mr. Dixon, the names of the Senator from Michigan [Mr. Riegle], the Senator from California [Mr. Cranston], and the Senator from Arizona [Mr. DeConcini] were added as cosponsors of Senate Concurrent Resolution 51, a concurrent resolution to congratulate the Society of Real Estate Appraisers on the fiftieth anniversary of its founding.

SENATE RESOLUTION 37

At the request of Mr. Pryor, the names of the Senator from Rhode Island [Mr. Pell], the Senator from Nebraska [Mr. Exon], the Senator from Nebraska [Mr. Zorinsky], the Senator from Oregon [Mr. Packwood], and the Senator from South Carolina [Mr. Hollings] were added as cosponsors of Senate Resolution 37, a resolution regarding small business and agricultural representatives on the Federal Reserve Board.

SENATE RESOLUTION 174

At the request of Mr. Gore, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of Senate Resolution 174, a resolution expressing the sense of the Senate with respect to the proposed closing and downgrading of certain offices of the Social Security Administration.

SENATE RESOLUTION 183

At the request of Mr. Bingaman, the names of the Senator from Oklahoma [Mr. Boren], and the Senator from Kentucky [Mr. Ford], were added as cosponsors of Senate Resolution 183, a resolution to express the sense of the Senate regarding maintenance of U.S. energy independence and national security interests with respect to uranium.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ABDNOR:

S. Res. 207. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1567, the Water Resources Development Act of 1985; from the Committee on Environment and Public Works; to the Committee on the Budget.

S. Res. 208. An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1567, the Water Resources Development Act of 1985; from the Committee on Environment and Public Works; to the Committee on the Budget.

By Mr. HEINZ:

S. Res. 209. A resolution expressing the sense of the Senate in opposition to the repeal of the Historic Rehabilitation Tax Credit; to the Committee on Finance.

By Mr. LEVIN:

S. Res. 210. Resolution expressing the sense of the Senate regarding the system of political representation in South Africa; to the Committee on Foreign Relations:

By Mr. BYRD (for Mr. Zorinsky (for himself, Mr. Helms, Mr. Leahy, Mr. Dole, Mr. Melcher, Mr. Lugar, Mr. Pryor, Mr. Cochran, Mr. Boren, Mr. Boschwitz, Mr. Dixon, Mrs. Hawkins, Mr. Heflin, Mr. Andrews, Mr. Harkin, Mr. Wilson, Mr. McConnell, and Mr. Exon)).

S. Res. 211. Resolution expressing the sense of the Senate regarding the need to maintain and assist the farmer-owned institutions of the Farm Credit System during this period of stress in agriculture; considered and agreed to.

By Mr. DOLE (for Mr. Gorton (for himself, Mr. Bentsen, Mr. Hatfield, Mr. Proxmire, Mr. Packwood, Mr. Abdnor, Mr. Evans, Mr. Cranston, Mr. Metzenbaum, Mr. Bradley, Mr. Kerry, Mr. Cohen, Mr. Riegle, Mr. Moynihan, Mr. Matsunaga, Mr. Bingaman, Mr. Biden, Mr. Chafee, Mr. Bumpers, Mr. Baucus, Mr. Eagleton, Mr. Weicker, Mr. Mathias, Mr. Simon, Mr. Kasten, Mr. Dodd, and Mr. DeConcini)):

S. Res. 212. Resolution expressing the sense of the Senate concerning violence against health care facilities.

By Mr. BYRD (for himself, Mr. Bradley, Mr. Chiles, Mr. Lautenberg, Mr. Leahy, Mr. Melcher, Mr. Dodd, Mr. Mitchell, Mr. Ford, Mr. Matsunaga, Mr. DeConcini, Mr. Hart, Mr. Biden, Mr. Baucus, Mr. Eagleton, Mr. Bumpers, Mr. Exon, Mr. Johnston, Mr. Inouye, Mr. Levin, Mr. Nunn, Mr. Pell, Mr. Proxmire, Mr. Riegle, Mr. Sarbanes, Mr. Sasser, Mr. Zorinsky, Mr. Simon, Mr. Kerry, Mr. Hollings, Mr. Bentsen, Mr. Stennis, Mr. Bingaman, Mr. Rockefeller, Mr. Cranston, Mr. Kennedy and Mr. Harkin):

S. Res. 213. A resolution to express the sense of the Senate concerning recess appointments; to the Committee on the Judiciary.

By Mrs. HAWKINS:

S. Res. 214. A resolution urging the U.S. Government to restrict the amount of its financial contributions to the United Nations until such time as the United Nations reduces the Soviet Union's number of votes in the United Nations from three to one, and for other purposes; to the Committee on Foreign Relations.

By Mr. MURKOWSKI:

S. Res. 215. A resolution to express the sense of the Senate that the July 30, 1985, Trade Action Program of Japan, is inadequate; to the Committee on Finance.

SENATE RESOLUTION 207—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. ABDNOR, from the Committee on Environment and Public Works, reported the following original resolution; which was referred to the Committee on the Budget:

S. Res. 207

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of the Water Resources Development Act of 1985. Such waiver is necessary because the bill authorizes enactment of new budget authority which becomes available in fiscal year 1986, and such bill was not reported prior to the statutory deadline imposed by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

The Committee postponed consideration of the legislation beyond the reporting date to ensure full and deliberate consideration of the complex issues surrounding the equitable allocation of costs among the users and the federal government.

SENATE RESOLUTION 208—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. ABDNOR, from the Committee on Environment and Public Works, reported the following original resoluton; which was referred to the Committee on the Budget:

S. Res. 208

Resolved, That Section 303(a) of the Congressional Budget Act is hereby waived with respect to consideration of The Water Resources Development Act of 1985. This waiver is necessary because the legislation provides an increase in revenue which first become effective in fiscal year 1986, and the first concurrent resolution on the budget for such year has not been agreed to pursuant to Section 301.

The Committee devoted substantial time to ensuring full and deliberate consideration of the complex issues surrounding the equitable allocation of costs among the users and the federal government and believes the legislation should be considered by the Senate promptly.

SENATE RESOLUTION 209—RELATING TO THE REPEAL OF THE HISTORIC REHABILITATION TAX CREDIT

Mr. HEINZ submitted the following resolution; which was referred to the Committee on Finance:

S. Res. 209

Whereas the 25% investment credit for the rehabilitation of cerfified historic buildings has been an unqualified success, working just as Congress intended to stimulate investment in our nation's cities and towns and to preserve the best of our older buildings;

Whereas as neighborhoods and central business districts are experiencing this renaissance, the state and local economies of which they are a part receive the benefits of increased local retail sales and business activity, increased employment and wages, and the resulting increased collection of income, sales, and property taxes;

Whereas the historic rehabilitation tax credit has generated more than $5 billion in private sector investment in more than 6,800 historic buildings since January, 1982, creating thousands of rental housing opportunities, including the provision of low- and moderate-income housing;

Whereas in the absence of preservation tax incentives, market forces would channel investment away from historic buildings, which would deprive Americans of the economic and cultural benefits of historic preservation; Therefore, be it

Resolved, That it is the sense of the Senate that legislation to revise or reform the Tax Code should not contain any provision to eliminate or in any way lessen the efficacy of the historic rehabilitation tax credit.

● Mr. HEINZ. Mr. President, I am submitting today a resolution expressing the sense of the Senate that if and when Congress enacts legislation to revise or reform the Tax Code, such legislation should not contain any provision to eliminate or in any way lessen the efficiency of the historic rehabilitation tax credit.

As most of my colleagues are aware, the President's tax reform proposal proposes to eliminate the historic rehabilitation tax credit. I support the thrust of President's effort for a fairer tax system and tax reform, however, I do not believe that our zeal for tax reform should blind us to those programs and tax provisions which are truly successful. The historic rehabilitation tax credit has contributed to the preservation of America's heritage, and has revitalized our cities and towns.

The Tax Reform Act of 1976 was the first initiative to eliminate some of the previous tax law's bias against historic preservation, but it did not go far enough. Consequently in the Economic Recovery Tax Act of 1981 Congress created the current three-tiered system of rehabilitation tax credits. The rehabilitation credit is provided for qualified expenditures incurred in connection with the rehabilitation—but not enlargement—of certain old or historic buildings. The credit rate is equal to 15 percent for qualified expenditures incurred in connection with buildings at least 30 years old but less than 40 years old. There is a 20-percent credit for qualified expenditures incurred in connection with buildings at least 40 years old, and a 25-percent credit for qualified expenditures incurred in connection with certified historic structures of any age.

The rehabilitation credit has met the goal which Congress established in an effective and efficient manner. In 1981, Congress expressed its intent to stimulate investment in our Nation's cities and towns to preserve the best of our older buildings. Since January 1982, more than $5 billion has been invested in more than 6,800 historic buildings. A recent Government Accounting Office report concluded that the credit has been effective, as well as efficient. One of the reasons for this is that the credit does not involve a lot of Government redtape or bureaucracy. The 25-percent credit is truly a model of what Government can do to stimulate private-sector development activity without undue bureaucratic controls.

The rehabilitation credit has led to the preservation of our cultural and architectural heritage. It has also generated what can be accurately described as an urban renaissance. In Pennsylvania, from large structures in Philadelphia and Pittsburgh to the Old School in Mechanicsburg, projects aided by the historic rehabilitation tax credit are serving as anchors for urban revitalization. This is truly an urban renewal program that has benefited State and local economies in terms of increased sales and business activity, increased employment and wages, and increased tax revenue.

My final point concerns the credit's effect in an area that should be a top priority of citizens and legislators alike: this Nation's housing stock. The rehabilitation credit has effectively been used to increase housing. More than half of all historic rehabilitation projects are housing. Since January 1982, more than 36,000 housing units have been rehabilitated. In my own State, Philadelphia estimates that in its Old City, use of the historic tax credit has resulted in 2,000 units, a 300-percent increase in housing units. In fact, 90 percent of the housing starts in Philadelphia last year resulted from construction activity induced by the rehabilitation tax credit, and I understand that Philadelphia's experience is not unique.

Mr. President, I am introducing this resolution to preserve the credit, and I urge all my colleagues to join me in this effort.●

SENATE RESOLUTION 210—REGARDING THE SYSTEM OF POLITICAL REPRESENTATION IN SOUTH AFRICA

Mr LEVIN submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 210

Whereas South Africa has implemented a new three-tiered Parliament where South African whites share power with mixed race and Indian South Africans, but blacks are still excluded from the Parliament;

Whereas approximately 500 persons have been killed in unrest in South Africa since the August 1984 elections for new members of Parliament;

Whereas numerous persons have been detained for publicly protesting against government policies or actions in 1984 and 1985;

Whereas in 1984 South Africa prohibited all indoor political gatherings, and in September at least 130 persons were arrested for violating this law; and

Whereas forty-five political prisoners died in detention in South Africa between 1976 and 1985, and two of these died in detention in 1985: Now, therefore, be it

Resloved, That it is the sense of the Senate that the President should strongly urge the Government of South Africa to implement a system of political representation for all South Africans which is based on the principle of "one person, one vote."

Sec. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

● Mr. LEVIN. Mr. President, today I am introducing a resolution which expresses the sense of the Congress that the President should urge the Government of South Africa to implement a system of political representation for all South Africans which is based on the principal of "one person one vote."

I intended to offer this resolution as an amendment during the July 11 deliberations on S. 995, the Anti-Apartheid Action Act of 1985. However, because any amendments to the bill would have slowed down and perhaps endangered passage of sanctions, I decided not to offer the amendment at that time.

Mr. President, we must continually reaffirm the legitimacy of the struggle of the majority of South Africans for a united, nonracial, and democratic South Africa.

The elections of August 1984—the so-called colored elections—were a mockery of the democratic process. They have not brought peace or justice to South Africa for the simple reason that they still denied the right to vote to the majority of South Africans. As Randall Robinson of the Free South Africa Movement so aptly put it:

> The Government of South Africa promulgated a constitution that it advertized as a human rights advance, but that, in fact, continued the total political disenfranchisement of blacks and actually heralded the government's intention to press on relentlessly with its program of denying all political rights to blacks, stripping them of their South African citizenship and shipping many of them off to "homelands." Black leaders who protested this new constitutional enshrinement of racism were immediately slapped into jail and held incommunicado without specified charges being brought against them.

I think that it is important for the Congress to send a clear message to the South African Government that the United States believes that the continuation of the policy of disenfranchisement of the black majority should be ended and should be replaced by a system of one person, one vote. It is impossible to speak of the value of individual freedom and of democracy and ignore the blatant and massive denial of the most fundamental method of expressing that freedom and protecting that democracy. Yet this denial occurs in South Africa day after day through the continued refusal of the Government of South Africa to adhere to a policy of full voting participation.

Our own history has taught us the basic fairness of this proposition—a proposition that recognizes the basic dignity of each individual and allows each individual to express that dignity through participation in the political process in the form of exercising the right to vote.

Most of us are familiar with Bishop Desmond Tutu's continued exhortations in support of the values of freedom and democracy which are denied to the majority of his countrymen.

But for those who might not have had the opportunity to hear this Nobel Peace Prize winner on the subject, I would like to share an excerpt from his remarks of February 3, 1985, on his Enthronement as Anglican Bishop of the Diocese of Johannesburg:

> I for my part cannot keep quiet when God's children hurt, when they live in single hostels, when they are banned or detained arbitrarily, when they are uprooted . . . Please dear white fellow South Africans hear the cri de coeur we utter. It is that we too are just ordinary human beings. We too love to be with our wives everyday, we too want our children to rush out to meet us as we come back from work, we too would like to live where we can afford it. We too want to be able to move freely everywhere in the land of our birth, we too want to have security of tenure. We too want to participate in the decisions that affect our lives. These are not extravagant demands. They are the expectation of any human being. We want to have a new kind of South Africa. Where we all, black and white can walk tall together. . .

Together, the President and the Congress, should send a message to the Government of South Africa that the time is now—that the time is in fact long past due—for it to adhere to the principle of one person, one vote.●

SENATE RESOLUTION 212—RELATING TO VIOLENCE AGAINST HEALTH CARE FACILITIES

Mr. DOLE (for Mr. Gorton) (for himself, Mr. Bentsen, Mr. Hatfield, Mr. Proxmire, Mr. Packwood, Mr. Abdnor, Mr. Evans, Mr. Cranston, Mr. Metzenbaum, Mr. Bradley, Mr. Kerry, Mr. Cohen, Mr. Riegle, Mr. Moynihan, Mr. Matsunaga, Mr. Bingaman, Mr. Biden, Mr. Chafee, Mr. Bumpers, Mr. Baucus, Mr. Eagleton, Mr. DeConcini, Mr. Weicker, Mr. Mathias, Mr. Simon, Mr. Long, Mr. Kasten, Mr. Gorton, and Mr. Dodd) submitted the following resolution; which was placed on the calendar:

S. Res. 212

Whereas over the last four years there has been nearly a 2000% increase in reported incidents of violence against health care facilities, most of which provide abortion services;

Whereas since January, 1984, there have been 228 reported incidents of violence, including bombings, arson, vandalism and burglaries, against certain health care facilities which provide abortion and reproductive services;

Whereas 29 of these facilities have been damaged or destroyed as a result of arson or bombings;

Whereas out of the 48 incidents of arson, bombings, and attempted arson bombings perpetrated against health care facilities since May, 1982, the efforts of the Bureau of Alcohol, Tobacco and Firearms have resulted in 14 indictments and 11 convictions with respect to 24 incidents;

Whereas since January, 1984 violence against health care facilities has resulted in millions of dollars worth of property damage;

Whereas violence not only results in destruction of property but also seriously jeopardizes the lives of patients, medical staff, and members of the general public;

Whereas violence has no place in the legitimate debate of public issues and is an immoral and totally unacceptable way by which to effect a change in law and public policy in our society;

Whereas the First Amendment guarantees the right to freedom of speech and to petition the Congress; now, therefore be it

Resolved, That it is the sense of the Senate that it condemns the growing incidence of violence against health care facilities, and it encourages the Bureau of Alcohol, Tobacco and Firearms and the Department of Justice to intensify their efforts to apprehend and convict the perpetrators of such violence. Further, the Senate urges the Department of Justice to use all applicable federal criminal statutes against individuals who engage in such violence.

● Mr. GORTON. Mr. President, today, I am introducing a sense of the Senate resolution condemning the growing incidence of violence against health care facilities.

Mr. President, last month the Nation reacted with horror at the hijacking of TWA flight 847 in Greece and has applauded the administration's determination to make a stand against terrorism around the world.

If outrage at terrorism is justified, then it is as valid when commenting about bombing an abortion clinic as when reacting to a skyjacked commerical airliner. Terrorism is an insidious crime that strikes at the innocent and the defenseless in the name of a larger cause. Those who criminally jeopardize others' lives are criminals, no matter what the rationalization and should be unanimously condemned by Congress.

In Washington State alone, there have been four incidences of bombings and arson of health care clinics which provide abortion services. An advocate of these violent attacks has declared that direct action against abortion clinics is the only appropriate response to abortion.

The tactics of "direct action" have escalated into a form of domestic terrorism. A group of fanatics has set out to impose its political will through fear rather than persuasion. Those who cannot change the law by peaceful means justify violence. The most bizarre among them are even risking murder out of the conviction that they are stopping murder.

In 1984, 24 health care facilities were damaged by bombings and arson and attempts were made at bombing six more clinics. In addition, 42 clinics received bomb threats and 35 were vandalized. A total of 173 specific acts of violence occurred against health care facilities in 1984. This statistic is particularly shocking when compared to the fact that only nine incidents of violence against health care facilities occurred in 1981.

In case after case, throughout the United States, the tactics of antiabortion protestors have been repeated. In addition to bombings and arson, they include invading clinics, blocking entrances and parking lots, making phone calls to clinics and to employees' homes which threaten death to employees or threaten bombing of the clinics; photographing and filming patients as they attempt to enter; pushing, shoving, and threatening patients and employees; copying down and tracing license plates of patients and making harassing phone calls to them at home; banging on doors and windows while surgery is in progress; flinging fetuses in the faces of patients trying to enter; and setting up gauntlets through which patients must pass.

These tactics are not simple expressions of opinion. They are part of concerted plans to intimidate women and close abortion and reproductive health clinics. In Roe versus Wade the U.S. Supreme Court ruled that the constitutional right of privacy encompasses a woman's right to decide to terminate a pregnancy under certain circumstances. The Court wrote that the right of privacy is "founded in the 14th amendment's concept of personal liberty and restrictions upon State Action" and that States may not completely prohibit women from choosing abortion. Understandably, Roe versus Wade has drawn both passionate support and furious opposition.

Abortion and family planning clinics are engaged in legal activity, however, and are entitled to the same protection under law as any other place of business. The issue here is not one of "prochoice" versus "prolife." This is a matter or order over chaos. Our society cannot survive if we express our opinions about public issues by committing violent acts rather than by exercising our precious right to freedom of speech and to petition our Government.

These incidents are the acts of a few individuals who do not appreciate that words are the tools of persuasion in our society, never violence. Terrorism of the kind aimed at the clinics undermines the rule of law that makes honest debate possible in a democracy, and should be condemned by all Americans who value the public peace and the preservation of our constitutional freedoms.

Mr. President, I urge my colleagues to join me as cosponsors of this resolution which condemns these vicious acts of violence, calls upon the administration to intensify its efforts to bring those persons responsible for these deplorable attacks to justice, and supports prompt, effective enforcement of our laws that prohibit these totally unacceptable actions.

● Mr. BENTSEN. Mr. President, today, I am pleased to introduce a

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Senate resolution which expresses the sense of the Senate concerning violence against health care facilities. In the United States, within the last 4 years, there has been nearly a 200-percent increase in the number of reported acts of violence against health care facilities, most of which provide abortion services. I strongly feel that these acts of violence and destruction demands the attention of Congress. My concern for safety at women's health care centers has prompted me to address these issues. Our society will not survive if we express our opinions about public issues by committing violent acts rather than by exercising our precious right to freedom of speech and to petition the Government. These violent acts have placed the lives of many Americans in jeopardy; solely because a group of misguided individuals have taken a vigilante approach to forcing social change on a society founded on the democratic principles of debate over civil unrest. These violent incidents are the actions of individuals who seek to change public policy through the use of violence. I strongly disagree with these individuals and believe that it is our responsibility to speak out against these reprehensive incidents.

I would like to mention a few of the violent acts that have occurred in my home State, several of which caused thousands of dollars of damage. For example, a bombing at the Cypress-Fairbanks Family Planning Center disrupted service at the entire clinic for several months. Additionally, at the West Loop Clinic, a Molotov cocktail was thrown through a window, causing $50,000 in damages. At the women's outpatient clinic, a bomb completely destroyed the reception area and created smoke damage through the office. A combined total of $1,620,000 damage was suffered by the Clear Lake Women's Center and the Mesquite Women's Clinic.

In a democratic society, controversial issues should be debated rather than resolved by acts of destruction. I must stress to you the potential trend that this violence exemplifies throughout our Nation. Our Nation prides itself on the fundamental right of freedom of speech. However, the issue before us is not the speech itself but the unbridled and lawless conduct of a few who act outside the established forum of government.●

● **Mr HATFIELD.** Today I join in introducing a resolution speaking out against the bombing of abortion clinics and requesting heightened efforts to apprehend and convict those responsible for these acts. Within the last 4 years there has been nearly a 2,000-percent increase in the number of reported acts of violence against health care facilities, which provide abortion services.

This shocking increase in the number of clinics bombed heightens my resolve against the tyranny of violence, not only that which is committed inside abortion clinics but the violence outside as well. Without equivocation or qualification I oppose abortion as a destruction of human life, just as I abhor the threatened destruction of life which is inherent in the buildup of nuclear weapons. It is imperative that we act to affirm the value we place on all human life, both existing and potential.

There may well be times when nonviolent civil disobedience is called for. There are times when our spiritual calling may not be compatible with the demands of governmental authority. However, in the case of civil disobedience, the use of violence is never permissible and those who engage in such acts must accept the full penalty of the law for their actions.

It is inconceivable to me that an act of destruction can be seen as fairly representing the cause of nonviolence and the preservation of life which those of us who oppose abortion advocate. The need to change our law concerning abortion is great, but I feel very strongly that criminal and desperate measures only serve to denigrate our efforts toward meaningful change.

Abortion is a form of violence. This is an undeniable reality. It is the destruction of life. It furthers the dehumanization of life. It cheapens life. In the same context, clinic bombings perpetuate that destruction. Each of these acts erodes the base of sanity on which our society teeters.●

● **Mr. PACKWOOD.** Mr. President, I rise today in strong support of the Senator from Washington's resolution condemning violence against women's health care facilities. Many women's clinics in my home State of Oregon have experienced such instances of violence and harassment; and the frequency of these incidents is only growing with each passing day. Just this past weekend, a Planned Parenthood clinic in Portland was vandalized.

I ask unanimous consent that an article published in the Oregonian (July 26, 1985) describing this incident be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Oregonian, July 27, 1985]

CLINIC STRUCK BY VANDALS

Anti-abortion slogans were spray-painted on Planned Parenthood's main clinic in Southeast Portland and rocks where thrown into the plate-glass doors early Friday morning, according to Jay Decker, public information officer for the Portland Police Bureau.

Two of the slogans read: "Planned death" and "Stop baby murder." Police think two vandals were involved because the slogans painted on the building showed two different styles of handwriting, Decker said.

The broken doors face the west side of the parking lot, and although the outer and inner glass doors were damaged, nothing was taken, Decker said. The incident, which police think happened between 1 a.m. and 7 a.m. Friday, was reported to police by a neighbor.

"The irony of the whole thing is that Planned Parenthood combats abortion by helping women prevent unwanted pregnancy," said Scott Frangos, public relations coordinator for the agency.

Joan Binninger, director of education for Planned Parenthood, said that "Planned Parenthood is outraged by this act of violence and vandalism. We would like the public to be aware that extreme right-wing groups are actively mounting a campaign designed to enforce their ideas through overt acts of violence."

Planned Parenthood is a United Way agency whose services include birth control counseling, treatment and testing for venereal disease, and education programs for schools and community groups.

Mr. PACKWOOD. Mr. President, my feelings on the matter of abortion are very strong. It is not my role, or your role or the role of any government to tell a woman what she must or must not do regarding an abortion. This relatively new and terrifying phenomenon, the bombings of clinics and harassment of their clients and employees, is yet another example of a small minority of people trying to enforce their point of view on all of us.

Unfortunately, I have a feeling that because the violence is directed at abortion and family planning clinics, some feel that these illegal acts are not as "illegal" as if, for example, the harassment was directed at a private school building. I have been involved in the fight for reproductive freedom for many years and have seen, time and time again, that the minute the word "abortion" is injected into the debate, all else becomes sidetracked. Mr. President, the subject of abortion stirs passionate emotions. But that is not the point to be made here today. The point to be made, is that illegal acts to overturn legal rights will never be successful. We will never allow a minority to violently force their view of the world on the rest of us.

As I said earlier this year on this floor on this subject, the danger of the liberties of all Americans is most threatened by those who want to compel conformity of thought and deed. Conversely, our liberties are most secured by a decent respect for diversity, and most especially on those subjects upon which there is no consensus.

I ask unanimous consent that an editorial by Adele Simmons which appeared in the New York Times (July 29, 1985) on the subject of abortion clinic violence and harassment appear at the conclusion of my remarks. I believe Ms. Simmons' conclusion is right on target. She said, "Our response to abortion clinic violence should not be determined by the political coloration of terrorists' cause." It is my hope that my colleagues on both sides of the abortion issue will join as cosponsors of this resolution and will condemn these acts for what they are: illegal. Let me not say that the subject of the harassment and violence—women exercising their right to choose to have an abortion—justifies the means.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, July 29, 1985]

REAGAN'S SILENCE ON ABORTION TERROR

(By Adele Simmons)

AMHERST, MA.—Bombs exploded in 25 abortion and family-planning clinics throughout America in 1984. Eighteen directors of abortion clinics were threatened with death. Opponents of abortion invaded one clinic and trampled employees. A doctor who headed an abortion clinic and his wife were abducted and held for eight days.

President Reagan remained silent on the subject throughout the year. Not unitl January did he publicly protest violence as a means of opposing abortion—and only then after heavy Congressional pressure.

From the record, it seems plain that the President's attitude toward terrorist incidents reflects his personal view of the politics of the terrorists. His outrage at the actions of the terrorists aboard the hijacked Trans World Airlines plane was both obvious and appropriate. But he has yet to demonstrate an equally passionate commitment to ending terrorism at home.

To do so would require him to set aside partisan concerns and discomfit some of his political allies. He and many Americans have been quick to denounce the terrorism associated with the Islamic fundamentalists. But what about the United States-based Christian "army of God," which claimed credit for several of the abortion clinic bombings and the abduction of the doctor and his wife? What about the Florida clinic bomber who, when arrested in January, explained that he was motivated by love of God as he sat at his kitchen table and, according to one account, "spooned explosive black powder into large iron pipes that were planted to explode before daybreak on Christmas at three abortion clinics"?

What of the lay pastor in a Maryland Lutheran church who was sentenced to jail for his role in a clinic bombing in Maryland? What of Joseph Scheidler, leader of the Pro-Life Action League, who informed the House Judiciary Subcommittee on Civil and Constitutional Rights that his organization did not answer to the law of our country? It answers, he said, to a "higher law." God has determined that abortion is immoral, according to Mr. Scheidler, and therefore anti-abortion activists who invade clinics should be compared to "the trespassing of a fireman into a burning building to save a life."

Family-planning and abortion clinics are engaged in legal activity and are entitled to the same protection under law as any other place of work. The Federal Bureau of Investigation defines terrorism as "the unlawful use of force or violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in furtherance of political and social objectives." That no one has been killed so far is sheer good fortune.

Five people were sentenced recently to 10 years in prison for their roles in abortion clinic bombings. What was particularly disturbing was the political nature of the response to these sentences. "Pro-choice" forces have condemned the sentences as too lenient; "right-to-life" people have celebrated their brevity. Both sides miss the heart of the matter: The point is not abortion, but rather terrorism.

Americans are focusing attention on terrorism. President Reagan has an opportunity to educate them on a crucial point: Our response to it should not be determined by the political coloration of terrorists' cause. If he does so, it is hard to imagine that more than a handful of Americans will oppose a consistent, firm approach to all terrorism.●

SENATE RESOLUTION 213—EXPRESSING THE SENSE OF THE SENATE CONCERNING RECESS APPOINTMENTS

Mr. BYRD (for himself, Mr. BRADLEY, Mr. CHILES, Mr. LAUTENBERG, Mr. LEAHY, Mr. MELCHER, Mr. DODD, Mr. MITCHELL, Mr. FORD, Mr. MATSUNAGA, Mr. DECONCINI, Mr. HART, Mr. BIDEN, Mr. BAUCUS, Mr. EAGLETON, Mr. BUMPERS, Mr. EXON, Mr. JOHNSTON, Mr. INOUYE, Mr. LEVIN, Mr. NUNN, Mr. PELL, Mr. PROXMIRE, Mr. RIEGLE, Mr. SARBANES, Mr. SASSER, Mr. ZORINSKY, Mr. SIMON, Mr. KERRY, Mr. HOLLINGS, Mr. BENTSEN, Mr. STENNIS, Mr. BINGAMAN, Mr. ROCKEFELLER, Mr. CRANSTON, Mr. KENNEDY, and Mr. HARKIN) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 213

Whereas, the United States Constitution in Article II, Section 2, Clause 2, vests in the Senate the power to give its advice and consent to presidential appointments,

Whereas, the Appointments Clause specifies the method clearly preferred by the Framers for the regular appointment of Officers of the United States,

Whereas, the Appointments Clause has been judicially determined to be an aspect of the principle of separation of powers woven into the United States Constitution (*Buckley* v. *Valeo*, 424 U.S. 1 (1976)),

Whereas, the reasons behind the Recess Appointment Clause, Article II, Section 2, Clause 3, like those supporting the pocket veto power, have been largely superseded by modern methods of instantaneous communication and the modern practice of Congress with respect to abbreviated intrasession adjournments (*Kennedy* v. *Sampson*, 511 F. 2d 430 (D.C. Cir. 1974)),

Whereas, the adherence to Appointment Clause procedures, unlike a recess appointment that thereafter may be rejected by the Senate, precludes subsequent challenges with respect to the appointee's rightful exercise of significant authority pursuant to the laws of the United States: Therefore be it

Resolved, That it is the sense of the Senate that—

(1) The exercise of the power to make recess appointments should be confined to a formal termination of a session of the Senate, or to a recess of the Senate, protracted enough to prevent it from discharging its constitutional function of advising and consenting to executive nominations;

(2) As the President as well as the heads of Executive and military departments are authorized to detail officers of the United States to fill vacancies in offices at all levels of the Federal Government, Chapter 33, Title 5, United States Code, which details are valid for at least thirty days, no recess appointment should be made when the Senate stands adjourned or recessed within a session for a period of less than thirty days; and

(3) No recess appointment should be made of any person to any office—

(a) if such person has previously, during the same presidential term, been nominated for appointment to such office; and

(b)(1) the Senate has voted not to give its advice and consent to such appointment; or

(2) the appropriate committee of the Senate has voted not to report such nomination to the Senate.

SENATE RESOLUTION 214—RELATING TO U.S. CONTRIBUTIONS TO THE UNITED NATIONS

Mrs. HAWKINS submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 214

Whereas the Soviet Union has three votes in the United Nations General Assembly, one for Byelorussia, one for the Ukraine, and one for the Soviet Union proper, while the United States has only one vote;

Whereas the United Nations Charter specifies that the United Nations shall be composed of "states";

Whereas the Soviet Union does not allow sovereignty and independence, the criteria for all other nation-states in the United Nations, for the Byelorussian Soviet Socialist Republic and the Ukrainian Soviet Socialist Republic;

Whereas the Soviet Union has not allowed its "republics" to establish or maintain separate sovereign diplomatic relations with any other sovereign state since 1920;

Whereas the American taxpayer pours more than one billion dollars per year into the United Nations;

Whereas this funding level is more than twice the amount given by any other country; and

Whereas the Soviet Union is nearly two hundred million dollars in arrears to the United Nations: Now, therefore, be it

Resolved, That it is the sense of the Senate that the financial contributions by the United States Government to the United Nations each year should not exceed one-third the financial contributions by the Government of the Soviet Union to the United Nations in such year until—

(1) such time as the Soviet Union grants independence and total sovereignty to Byelorussia and the Ukraine; or

(2) the United Nations reduces the number of votes of the Soviet Union in the United Nations from three to one,

at which time the United States' contribution to the United Nations should be adjusted so as not to exceed that of the Soviet Union.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of State.

● **Mrs. HAWKINS.** Mr. President, today I am submitting legislation to reduce the amount of the U.S. financial contribution to the United Nations.

Each year over $1 billion of the American taxpayer's money is poured into the coffers of the United Nations—more than twice the amount given by any other country. In fact, while the United States contributes 25 percent of the U.N. budget, the Soviets contribute less than 10 percent.

Yet day after day the United Nations is used as an international forum by the Soviets and Third World countries to denounce the United States and advance their own foreign policy objectives.

For example, the United Nations has been allocating American tax dollars to SWAPO, the PLO, and other known anti-U.S. terrorist groups.

If that isn't bad enough, the Soviets have three votes in the U.N. General Assembly—one for Byelorussia, one for the Ukraine, and one for the U.S.S.R. proper—while the United States has but one vote.

The legislation I'm introducing today would cut back our financial contribution to the United Nations until such time as the Soviet Union grants independence and total sovereignty to Byelorussia and the Ukraine or the United Nations reduces the number of votes of the Soviet Union from 3 to 1.

This would save the American taxpayers in excess of *x* million dollars a year, and better yet, free the people of the Ukraine and Byelorussia from Soviet reign.

Last year, President Reagan took a first step toward eliminating anti-American activity in the United Nations when he stood firm in his decision to withdraw the United States from UNESCO.

That move alone will save the American taxpayers some $47 million in 1985.

And the American people cheered when U.S. Ambassador Charles Lichenstein told the U.N. members that if they didn't feel welcome here, they should remove themselves and the organization from American soil.

The fact is, the American taxpayer is fed up with the goings-on at the United Nations. It is clear to them that the United Nations has failed its basic mission to keep the peace.

If we aren't willing to end our support for this organization then we ought to at least cut our contributions and end the ability of our adversaries to use the organization as a base for espionage and propaganda.

It is of vital importance that the voices of freedom and the interests of Western nations are heard within the United Nations.

To accomplish that goal, the United States must use any pressure available to roll back Soviet influence.

Ending the shrill anti-Western bias of the United Nations could also shift the terms of debate within the United Nations to focus outrage on Soviet aggression throughout the world, and lack of human rights within totalitarian systems.

Moving to forcefully reassert American influence within the United Nations would thus be part of a larger offensive on many fronts against Soviet power.

I urge my colleagues to join me in supporting this resolution.●

SENATE RESOLUTION 215—EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO THE JULY 30, 1985, JAPAN TRADE ACTION PROGRAM

Mr. MURKOWSKI submitted the following resolution; which was referred to the Committee on Finance:

S. Res. 215

Whereas the United States Senate on March 28, 1985, by a vote of 92 to 0, directed the President to respond to the unfair trade practices of Japan;

Whereas the United States House of Representatives on April 2, 1985, by a vote of 394 to 19 also directed the President to respond to the unfair trade practices of Japan;

Whereas the merchandise trade balance between the United States and Japan showed a deficit for the United States of $37 billion in 1984;

Whereas this bilateral merchandise trade deficit registered $25 billion for the first six months of 1985—a 40-percent increase over the comparable period in 1984;

Whereas U.S. merchandise exports to Japan in the first six months of 1985 have shown no growth and in fact have declined in the most recent reporting period;

Whereas the merchandise trade balance between the United States and Japan for the month of June showed the fourth consecutive monthly increase in the bilateral deficit including the entry of $450 million worth of additional new automobiles from Japan in one month;

Whereas other countries have experienced a similar pattern of inability to enter the Japanese market;

Whereas the currency misalignments do not sufficiently explain these trends given the five-month decline in the dollar and the decline of other major currencies against the yen, without comparable increases in Japanese imports into Japan;

Whereas the most recent United Nations statistics show that many nations, particularly in East Asia, are diverting their exports from their natural market, Japan, to the United States, thereby placing additional import pressures on important U.S. industries such as textiles and steel;

Whereas the Senate Finance Committee has reported on a pattern of unfair trading practices by Japan in merchandise trade, leading to the export of significant unemployment to the United States;

Whereas hearings before the Senate Foreign Relations Committee have shown that this pattern of unfair trading practices extends to United States-Japan services trade;

Whereas last year for the first time in our trade relations with Japan, the United States faced a deficit with Japan in the services sector amounting to over $1 billion.

Whereas the Congress and executive branch have repeatedly urged the Japanese Government to reduce or eliminate its barriers to imports;

Whereas the Japanese Government on July 30, 1985, announced an Action Plan to expand export opportunities to the Japanese market;

Whereas an examination of the Action Plan reveals it to be inadequate and unlikely to lead to a reduction of tension over trade;

Whereas the Senate declares its disappointment that so few of the specific U.S. requests for reduction of individual barriers were contained in the Action Plan;

Whereas the Senate declares the Japanese commitment to reduce plywood tariffs, beginning in 1987 and at an undetermined rate, to be unacceptable;

Whereas the Senate declares the Japanese refusal to renounce the practices of depression cartels to be unacceptable;

Whereas the Senate declares the policy of targeting specific industries such as aerospace, computers and satellites to be unacceptable;

Whereas the Senate declares the policy of controlled distribution through restrictions on store size in Japan to be unacceptable;

Whereas the Senate declares Japanese acquiescence in cartel-like authority by Japanese business at home and abroad to be unacceptable;

Whereas the Senate declares the Japanese Government prohibition against foreign company access to Japanese Government research and development projects to be unacceptable;

Whereas the Senate notes that the Action Plan calls for some limited participation by U.S. citizens in Japanese standards making but that such promises have been given in the past without notable results;

Whereas the Senate declares that the failure to reduce tariffs sufficiently in chocolate, aluminum, fresh grapefruit, walnuts, wine and other products is unacceptable;

Whereas the Senate notes that the Action Plan does not contain any reference to Japan's intentions of reducing the growing trade deficit by the purchase of United States natural resources: Now therefore, be it

Resolved, That it is the sense of the Senate that the President should inform the Government of Japan that the Action Plan is an insufficient response to the growing trade deficit, and be it further

Resolved, That the Government of Japan should immediately take any and all steps within its power to reduce trade barriers which have been brought to its attention by officials of the government of the United States, and be it further

Resolved, That the Senate, upon its return from the forthcoming recess period, shall act on legislative measures, including S. 1404, a bill to require the President to respond to unfair trade practices of Japan, that will assure relief from the growing trade imbalance with Japan.

Mr. MURKOWSKI. Mr. President, this morning the Republican Conference Trade Task Force met with the new USTR Clayton Yeutter to discuss the worsening trade deficit with Japan and to review Japan's most recent action plan to deal with this growing problem.

It is my firm conviction that the trade imbalance with Japan is only worsening, and that the July 30 action plan announced by that country is too little and too late.

In this regard, I prepared a sense of the Senate resolution that I hoped would have been considered by my colleagues before we recess tonight. Unfortunately, Mr. President, I have been informed that the resolution was not cleared by the minority for action today.

Mr. President, I find it most unfortunate that my colleagues did not have a chance to consider my resolution before the August recess. I am convinced that the resolution would have received wide support in the Senate because the Japan action plan is a considerable disappointment and is unlikely to signficantly deal with the trade problem. At a time when dramatic action would have been constructive, Japan has chosen instead to take a gradual approach over 3 years to implement some changes in the approach to the United States-Japan trading relationship.

Mr. President, as the recently announced June trade figures point out, our deficit with Japan is growing out of control. In June alone, the imbalance is $4.6 billion, and for the first 6 months of this year the trade deficit is $23.9 billion. At this rate, we will face a $48 billion trade deficit in 1985, compared with the $37 billion trade deficit that we experienced last year.

My reaction to Japan's action plan, and the underlying facts about our declining market shares is captured in the sense of the Senate resolution that I today submitted and I will not repeat what is set forth in that resolution.

Suffice it to say, Mr. President, Congress will have to take action after the August recess to assure that corrective measures will be taken to end this major problem. We cannot afford to watch the situation continue to deteriorate.

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1985

HATFIELD (AND BYRD) AMENDMENT NO. 574

Mr. HATFIELD (for himself and Mr. Byrd) proposed an amendment to the amendment of the House to the amendment of the Senate numbered 112 to the bill (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes; as follows:

After the word "legislation" at the end of the last sentence, add the following: "; except that this sentence shall not apply after May 15, 1986."

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS

BUMPERS AMENDMENT NO. 575

Mr. HATFIELD (for Mr. Bumpers) proposed an amendment to the bill (H.R. 2959) making appropriations for energy and water development for the fiscal year ending September 30, 1986, and for other purposes; as follows:

On page 4, after line 2, add the following new language:

"The Corps of Engineers is directed to construct recreation and management facilities at the Ouachita and Black Rivers, Arkansas and Louisiana, in the vicinity of the Felsenthal National Wildlife Refuge at full federal expenses using funds heretofore provided, using the $3.5 million provided for such purpose in this Act."

DANFORTH AMENDMENT NO. 576

Mr. HATFIELD (for Mr. Danforth) proposed an amendment to the bill H.R. 2959, supra; as follows:

On page 4 after line 2, insert the following:

SEC. . From funds previously appropriated for the Clarence Cannon Dam, the Secretary is directed to continue construction of the remaining authorized recreation facilities at full Federal funding. Construction shall continue until completion, subject to availability of funds.".

COMPREHENSIVE ENVIRONEMENTAL RESPONSE

COMPENSATION AND LIABILITY ACT EXTENSION

CRANSTON AMENDMENT NO, 577

(Ordered to lie on the table)

Mr. CRANSTON submitted an amendment intended to be proposed by him to the bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; as follows:

On page 124, line 16, strike out "FUNDS UNSPENT OR $7,500,000,000" and insert in lieu thereof "$10,000,000,000".

On page 125, strike out lines 1 through 18.

On page 125, line 19, strike out "(3)" and insert in lieu thereof "(2)".

On page 125, line 20, strike out "$7,500,000,000" and insert in lieu thereof "$10,000,000,000".

On page 126, line 10, strike out "$7,500,000,000" and insert in lieu thereof "$10,000,000,000".

On page 126, line 13, strike out "$7,500,000,000" and insert in lieu thereof "$10,000,000,000".

On page 126, line 18, strike out "$7,500,000,000" and insert in lieu thereof "$10,000,000,000".

On page 126, line 20, strike out "(4)" and insert in lieu thereof "(3)".

On page 126, line 23 strike out "or (3)".

On page 135, line 16, strike out ".08 percent" and insert in lieu thereof ".115 percent".

On page 135, line 20 and 21, strike out "FUNDS UNSPENT OR $7,500,000,000" and insert in lieu thereof "$10,000,000,000".

On page 136, line 3, strike out "or (3)".

On page 136, line 4, strike out "section 4611(d)(3)" and insert in lieu thereof "such paragraph".

On page 141, line 20, strike out ".08 percent" and insert in lieu thereof ".115 percent".

On page 142, line 2, strike out "$4,000" and insert in lieu thereof "$5,750".

On page 144, line 16 and 18, strike out "$4,000" each place it appears and insert in lieu thereof "$5,750".

ENERGY AND WATER DEVELOPMENT APPROPRIATION

CHILES AMENDMENT NO. 578

Mr. CHILES proposed an amendment to the bill H.R. 2959, supra; as follows:

At the appropriate place:

Provided, That none of the funds appropriated in this title may be used for preliminary discussions, staff briefings or meetings as defined in 10 Code of Federal Regulations 9.101(c) published May 21, 1985.

KENNEDY (AND OTHERS) AMENDMENT NO. 579

Mr. KENNEDY (for himself, Mr. Hart, and Mr. Bingaman) proposed an amendment to the bill H.R. 2959, supra; as follows:

On page 25, line 13, strike out "$7,623,300,000" and insert in lieu thereof "$7,630,800,000".

On page 25, line 14, after "expended" insert the following: ", of which $101,075,000 shall be available for verification and control technology".

SIMON AMENDMENT NO. 580

Mr. SIMON proposed an amendment to the bill H.R. 2959, supra; as follows:

On page 25, line 9, after the semicolon insert the following: "the preparation and submission of a report in classified and unclassified versions, not later than March 1, 1986, by the Secretary of Energy, in consultation with the Secretary of Defense, to the Congress on recent developments in the capabilities of the United States to monitor compliance with any comprehensive nuclear test ban agreement which may be negotiated by the governments of the United States and the Soviet Union;".

EVANS (AND OTHERS) AMENDMENT NO. 581

Mr. EVANS (for himself, Mr. McClure, and Mr. Gorton) proposed an amendment to the bill H.R. 2959, supra; as follows:

On page 29, line 22, strike "$95,568,000" and insert in lieu thereof the following:

"$95,568,000, of which $2,750,000 shall be available to conduct geographic and resource sorting for the purpose of identifying applications for hydroelectric licenses or exemptions which do not have the potential to adversely affect environmental resources in a cumulative manner,".

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DOMENICI (AND OTHERS) AMENDMENT NO. 582

Mr. DOMENICI (for himself, Mr. McClure, Mr. Thurmond, and Mr. Bingaman) proposed an amendment to the bill H.R. 2959, supra; as follows:

On page 25, line 13, strike "$7,623,300,000" and insert in lieu thereof "$7,647,800,000".

LOW-LEVEL RADIOACTIVE WASTE POLICY ACT AMENDMENTS

THURMOND AMENDMENT NO. 583

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill (S. 1517) to amend the Low-Level Radioactive Waste Policy Act to improve procedures for the implementation of compacts providing for the establishment and operation of regional disposal facilities for low-level radioactive waste, and for other purposes; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Low-Level Radioactive Waste Policy Amendments Act of 1985".

Sec. 2. The Low-Level Radioactive Waste Policy Act (42 U.S.C 2021b et seq.) is amended by striking out sections 2, 3, and 4 and inserting in lieu thereof the following:

"DEFINITIONS

"Sec. 2. For purposes of this Act:

"(1) The term 'activity of the Secretary' means any activity of the Secretary of Energy that is conducted at an atomic energy defense, research and development, or demonstration installation or institution owned by and operated principally for the Department of Energy or its successor.

"(2) The term 'agreement State' means a State that—

"(A) has entered into an agreement with the Nuclear Regulatory Commission under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021); and

"(B) has authority to regulate the disposal of low-level radioactive waste under such agreement.

"(3) The term 'atomic energy defense activity' means any activity of the Secretary of Energy performed in whole or part in carrying out any of the following functions:

"(A) naval reactors development, propulsion, and decommissioning;

"(B) weapons activities including defense inertial confinement;

"(C) verification and control technology;

"(D) defense nuclear materials production;

"(E) defense nuclear waste and materials byproducts management;

"(F) defense nuclear materials security and safeguards and security investigations; and

"(G) defense research and development, other than that described in subparagraphs (A) through (F).

"(4) The terms 'atomic weapon', 'byproduct material', 'source material', and 'special nuclear material' have the meanings given such terms in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014), as such section is in effect on January 1, 1985.

"(5) The term 'commercial nuclear power reactor' means any unit of a civilian nuclear powerplant required to be licensed under section 103 or 104 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133 or 2134(b)).

"(6) The term 'compact' means a compact entered into by two or more States pursuant to this Act.

"(7) The term 'compact commission' means the regional commission, committee, or board established in a compact to administer such compact.

"(8) The term 'compact region' means the area consisting of all States that are members of a compact.

"(9) The term 'disposal' means the isolation of low-level radioactive waste pursuant to the requirements established by the Nuclear Regulatory Commission under applicable laws, or by an agreement State if such isolation occurs in such agreement State.

"(10) The term 'Federal research and development activity' means any activity of the Secretary of Energy that is not an atomic energy defense activity specified in paragraph (3).

"(11) The term 'generate', when used in relation to low-level radioactive waste, means to produce new low-level radioactive waste.

"(12) The terms 'high-level radioactive waste' and 'spent nuclear fuel' have the meanings given such terms in section 2 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101), as such section is in effect on January 1, 1985.

"(13) The term 'low-level radioactive waste' means radioactive material that—

"(A) is not high-level radioactive waste, spent nuclear fuel, transuranic waste, or byproduct material (as defined in section 11 e. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)(2)) as in effect on January 1, 1985); and

"(B) the Nuclear Regulatory Commission, consistent with existing law, classifies as low-level radioactive waste.

"(14) The term 'non-sited compact region' means any compact region that is not a sited compact region.

"(15) The term 'regional disposal facility' means a low-level radioactive waste disposal facility in operation on January 1, 1985, or subsequently established and operated under a compact.

"(16) The term 'Secretary' means the Secretary of Energy.

"(17) The term 'sited compact region' means a compact region in which there is located one of the regional disposal facilities at Barnwell, in the State of South Carolina; Richland, in the State of Wahington; or Beatty, in the State of Nevada.

"(18) The term 'State' means any State of the United States, the District of Columbia, and, subject to the provisions of Public Law 96-205, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

"(19) The term 'transuranic waste' means radioactive waste contaminated with concentrations of transuranic elements greater than the limit for transuranic waste established by rule by the Nuclear Regulatory Commission.

"RESPONSIBILITIES FOR DISPOSAL OF LOW-LEVEL RADIOACTIVE WASTE

"Sec. 3. (a) State Responsibilities.—Each State shall be responsible for providing, either by itself or in cooperation with other States, for the disposal of—

"(1) low-level radioactive waste generated within the State (other than by the Federal Government) that consists of or contains class A, B, or C, radioactive waste as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on December 27, 1982;

"(2) low-level radioactive waste described in paragraph (1) that is generated by the Federal Government, except that any State shall not be required to, but may, provide for disposal of any such waste that results from an activity of the Secretary or the research, development, testing, or production of any atomic weapon; and

"(3) low-level radioactive waste described in paragaphs (1) and (2) and required to be accepted for disposal under section 5.

"(b) Federal Responsiblities.—(1) The Federal Government shall be responsible for ensuring the safe disposal of—

"(A) high-level readioactive waste and spent nuclear fuel, in accordance with the provisions of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.);

"(B) low-level radioactive waste generated as a result of any activity of the Secretary; and

"(C) low-level radioactive waste generated as a result of any research, development, testing, or production of any atomic weapon.

"(2)(A) Not later than the expiration of the 12-month period following the date of the enactment of the Low-Level Radioactive Waste Policy Amendments Act of 1985, the Secretary shall submit to the Congress a comprehensive report setting forth recommendations of the Secretary to ensure the safe disposal of any radioactive waste for which—

"(i) disposal is not provided under other Federal law in effect on the date of the enactment of the Low-Level Radioactive Waste Policy Amendments Act of 1985; and

"(ii) the Secretary determines that disposal as low-level waste may not be viable.

"(B) Such report shall include—

"(i) an identification of the radioactive waste for which neither the Federal Government nor the States have responsibility under existing Federal law, except for byproduct material as defined in section 11 e. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)(2)), as in effect on January 1, 1985;

"(ii) an identification of Federal and non-Federal options for disposal of such radioactive waste;

"(iii) a description of the actions proposed to ensure the safe disposal of such radioactive waste;

"(iv) a description of the projected costs of taking such actions; and

"(v) recommendations of the Secretary for resolving the issues related to disposal of radioactive waste described in subparagraph (A).

"REGIONAL COMPACTS FOR DISPOSAL OF LOW-LEVEL RADIOACTIVE WASTE

"Sec. 4. (a) In General.—(1) It is the policy of the Federal Government that the responsibilities of the States under section 3 for the disposal of low-level radioactive waste can be most safely and efficiently managed on a regional basis.

"(2) To carry out the policy set forth in paragraph (1), the States may enter into such compacts as may be necessary to provide for the establishment and operation of regional disposal facilities for low-level radioactive waste.

"(b) Applicability to Federal Activities.—(1)(A) Except as provided in subparagraph (B), no compact or action taken under a compact shall be applicable to the transportation, management, or disposal of

low-level radioactive waste generated by activities of the Secretary.

"(B) Low-level radioactive waste generated by the Federal Government that is disposed of a regional disposal facility or disposal facility within a State which is not a member of a compact shall be subject to the same conditions, regulations, requirements, fees, taxes, and surcharges imposed by the compact commission, and by the State in which such facility is located, in the same manner and to the same extent as any low-level radioactive waste not generated by the Federal Government.

"(2) Any low-level radioactive waste disposal facility established or operated exclusively for the disposal of low-level radioactive waste produced by the Federal Government shall not be subject to any compact or any action taken under a compact.

"(3) Nothing contained in this Act or any compact may be construed to confer any new authority on any compact commission or State—

"(A) to regulate the packaging or transportation of low-level radioactive waste in a manner inconsistent with the regulations of the Nuclear Regulatory Commission or the Department of Transportation;

"(B) to regulate health, safety, or environmental hazards from source material, byproduct material, or special nuclear material;

"(C) to inspect the facilities of licensees of the Nuclear Regulatory Commission;

"(D) to inspect security areas or operations at the site of the generation of any low-level radioactive waste by the Federal Government, or to inspect classified information related to such areas or operations; or

"(E) to require indemnification beyond the provisions of chapter 171 of title 28, United States Code (commonly referred to as the Federal Tort Claims Act), or section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) (commonly referred to as the Price-Anderson Act), whichever is applicable.

"(4) Nothing contained in this Act or any compact may be construed to limit the applicability of any Federal law or to diminish or otherwise impair the jurisdiction of the Federal agency, including the regulatory responsibilities of the Nuclear Regulatory Commission and the Department of Transportation.

"(c) Effectiveness of Authorities Under Compact.—(1) Except as provided in paragraphs (2) and (3), each compact shall take effect in accordance with the provisions of the compact.

"(2) Any authorty in a compact to restrict the use of the regional disposal facilities under the compact to the disposal of low-level radioactive waste generated within the compact region shall not take effect before each of the following occurs:

"(A) January 1, 1986; and

"(B) the Congress by law consents to the compact.

"(3) Any authority in a compact to restrict low-level radioactive waste generated within the compact region from being transported or disposed of outside the compact region shall not take effect before the Congress has by law consented to the compact.

"(d) Congressional Review.—Each compact shall provide that every 5 years after the compact has taken effect the Congress may by law withdraw its consent.

"LIMITED AVAILABILITY OF CERTAIN REGIONAL DISPOSAL FACILITIES DURING TRANSITION AND LICENSING PERIODS

"Sec. 5. (a) Availability of Disposal Capacity.—(1) Subject to the provisions of subsections (b) through (k), each State in which there is located a regional disposal facility referred to in paragraphs (1) through (3) of subsection (b) shall make disposal capacity available for low-level radioactive waste generated by pressurized-water and boiling-water commercial nuclear power reactors in accordance with the allocations established in subsections (c) and (e).

"(2) Subject to the provisions of subsections (b) through (k), each State in which there is located a regional disposal facility referred to in paragraphs (1) through (3) of subsection (b) shall make disposal capacity available for low-level radioactive waste generated by any source not referred to in paragraph (1).

"(3) Before the expiration of the 3-month period following the date of the enactment of the low-level Radioactive Waste Policy Amendments Act of 1985, the 3 States in which there is located a regional disposal facility referred to in paragraphs (1) through (3) of subsection (b) shall enter into an agreement with each other to establish which disposal facility shall accept low-level radioactive waste from which generators of such waste. Under such agreement such States—

"(A) may assign generators to such regional disposal facilities individually, region-by-region, or by any other method such States determine to be appropriate; and

"(B) shall provide a method for assigning disposal capacity to any generator of low-level radioactive waste not specifically provided for in such agreement.

"(4) Such States shall submit the agreement entered into under paragraph (3) to the compact commission for each sited compact region for such approval as may be required under the terms of the respective compacts for the disposal of waste generated outside such compact region at the regional disposal facility located in such State.

"(5) The agreement entered into under paragraph (3) shall not be required to receive any additional consent of the Congress.

"(6) The allocation provisions of this section shall not affect the distribution of low-level radioactive waste before January 1, 1986, or 30 days after the States referred to in paragraph (2) enter into the agreement referred to in paragraph (3), whichever is later.

"(7) No provision of this section shall be construed to obligate any disposal facility or State referred to in paragraphs (1) through (3) of subsection (b) to accept low-level radioactive waste from any source in the event that any such facility ceases operation.

"(b) Limitations.—The availability of disposal capacity for low-level radioactive waste from any source under subsection (a) shall be subject to the following limitations:

"(1) The regional disposal facility located at Barnwell, in the State of South Carolina, shall not be required to dispose of more than a total of 8,400,000 cubic feet of low-level radioactive waste during the 7-year period beginning January 1, 1986, and ending December 31, 1992 (as based on an average annual volume of 1,200,000 cubic feet of low-level radioactive waste).

"(2) The regional disposal facility located at Richland, in the State of Washington, shall not be required to dispose of more than a total of 9,800,000 cubic feet of low-level radioactive waste during the 7-year period beginning January 1, 1986, and ending December 31, 1992 (as based on an average annual volume of 1,400,000 cubic feet of low-level radioactive waste).

"(3) The regional disposal facility located at Beatty, in the State of Nevada, shall not be required to dispose of more than a total of 1,400,000 cubic feet of low-level radioactive waste during the 7-year period beginning January 1, 1986, and ending December 31, 1992 (as based on an average annual volume of 200,000 cubic feet of low-level radioactive waste).

"(c) Utility Allocations During the 4-Year Transition Period.—(1) Each commercial nuclear power reactor licensed to operate at full power before September 1, 1984, and in operation for not less than any 15-month period beginning on or after October 1, 1984, shall be allocated the following amount of disposal capacity available under subsection (b) for the 4-year period beginning January 1, 1986, and ending December 31, 1989:

"(A) Each pressurized-water reactor within a sited compact region shall be allocated 49,308 cubic feet of low-level radioactive waste disposal capacity.

"(B) Each pressurized-water reactor, other than those referred to in subparagraph (A), shall be allocated 41,832 cubic feet of low-level radioactive waste disposal capacity.

"(C) Each boiling-water reactor within a sited compact region shall be allocated 110,400 cubic feet of low-level radioactive waste disposal capacity.

"(D) Each boiling-water reactor, other than those referred to in subparagraph (C), shall be allocated 93,662 cubic feet of low-level radioactive waste disposal capacity.

"(2) Each commercial nuclear power reactor licensed to operate at full power after September 1, 1984, and in operation for not less than any 15-month period after issuance of the full power license beginning on or after October 1, 1984, shall be allocated the following amount of low-level radioactive waste disposal capacity available under subsection (b) for each month of operation during the 4-year period beginning January 1, 1986, and ending December 31, 1989 beginning with the sixteenth month following the date such reactor received it's full power operating license:

"(A) Each pressurized-water reactor within a sited compact region shall be allocated 1.027 cubic feet of low-level radioactive waste disposal capacity.

"(B) Each pressurized-water reactor, other than those referred to in subparagraph (A), shall be allocated 871 cubic feet of low-level radioactive waste disposal capacity.

"(C) Each boiling-water reactor within a sited compact region shall be allocated 2,300 cubic feet of low-level capacity.

"(D) Each boiling-water reactor, other than those referred to in subparagraph (C), shall be allocated 1,952 cubic feet of low-level radioactive waste disposal capacity.

"(3) For the purposes of this subsection and subsection (e), the term 'month of operation' shall include the entire sixteenth calendar month after a commercial nuclear power reactor receives its full power operating license and any month during which a commercial nuclear power reactor does not produce power by reason of ordinary maintenance.

"(4) The allocations of disposal capacity made under this subsection for any commercial nuclear power reactor may be used by the owner or operator of such reactor at any time during the 4-year period involved.

The owner or operator of more than one commercial nuclear power reactor may apportion the aggregate of its allocations under this subsection among such reactors as it determines to be appropriate.

"(5) Any State may, in accordance with its compact accept low-level radioactive waste in excess of the allocations described in this subsection * * * subsection (b), a State shall not reduce any allocation provided in this subsection.

"(d) Requirements for Access to Regional Disposal Facilities.—(1) Each non-sited compact region, or State that is not a member of a compact region and does not have an operating regional disposal facility, shall comply with the following requirements:

"(A) By July 1, 1986, each such non-member State shall ratify compact legislation or enact legislation indicating its intent to develop a site for the location of a low-level radioactive waste disposal facility within such State.

"(B) By January 1, 1988—

"(i) each non-sited compact region shall identify the State in which its low-level radioactive waste disposal facility is to be located and each compact region or the State in which its low-level radioactive waste disposal facility is to be located shall develop a siting plan for such facility and delegate authority to implement such plan; and

"(ii) each non-member State shall develop a siting plan for a low-level radioactive waste disposal facility and delegate authority to implement such plan.

"(C) By January 1, 1990, a complete application (as determined by the Nuclear Regulatory Commission or appropriate agency of an agreement State) shall be filed for a license to operate a low-level radioactive waste disposal facility within each non-sited compact region or within each non-member State.

"(2) If any non-sited compact region or non-member State fails to comply with any requirement of paragraph (1), any low-level radioactive waste generated within such non-sited compact region or non-member State may be denied access to the regional disposal facilities referred to in paragraphs (1) through (3) of subsection (b).

"(3) Any access to a regional disposal facility that is suspended under paragraph (2) shall be restored after the non-sited compact region or non-member State involved complies with such requirement.

"(e) Allocations During 3-Year Licensing and Construction Period.—(1) During the 3-year period beginning January 1, 1990, and ending December 31, 1992, each generator of low-level radioactive waste located within a non-sited compact region, or within a State that is not a member of a compact region, shall be provided the disposal capacity described in paragraphs (2) and (3) for such low-level radioactive waste in the regional disposal facilities referred to in paragraphs (1) through (3) of subsection (b) if a complete application (as determined by the nuclear Regulatory Commission or appropriate agency of an agreement State) has been filed for a license to operate a low-level radioactive waste disposal facility within such non-sited compact region or non-member State.

"(2) Each commercial nuclear power reactor allocated disposal capacity under subsection (c) or licensed to operate at full power after September 1, 1988, and in operation for not less than any 15-month period beginning on or after October 1, 1988, shall be allocated the following amount of low-level radioactive waste disposal capacity available under subsection (b) for each month of operation during the 3-year period referred to in paragraph (1), subject to the limitations in paragraph (4):

"(A) Each pressurized-water reactor within a sited compact region shall be alocated 934 cubic feet of low-level radioactive waste disposal capacity.

"(B) Each pressurized-water reactor, other than those referred to in subparagraph (A), shall be allocated 685 cubic feet of low-level radioactive waste disposal capacity.

"(C) Each boiling-water reactor within a sited compact region shall be allocated 2,091 cubic feet of low-level radioactive waste disposal capacity.

"(D) Each boiling-water reactor, other than those referred to in subparagraph (C), shall be allocated 1,533 cubic feet of low-level radioactive waste disposal capacity.

"(3) In addition to the allocation described in paragraph (2), any such generator may use any capacity allocated to it under subsection (C) * * * December 31, 1989.

"(4) Commercial nuclear power reactors located within a non-sited compact region, or within a State that is not a member of a compact region, Shall not receive an allocation under paragraph (2) for any month before such compact region or State complies with the requirements of paragraph (1).

"(5) The allocations of disposal capacity made under this subsection for any commercial nuclear power reactor may be used by the owner or operator of such reactor at any time during the 3-year period involved. The owner or operator of more than 1 commercial nuclear power reactor may apportion the aggregate of its allocations under this subsection among such reactors as it determines to be appropriate.

"(6) A State may, at its discretion, accept waste in excess of the allocations described in this subsection. Notwithstanding subsection (b), a State shall not reduce any allocation provided in this subsection.

"(f) Inter-Reactor Assignment of Disposal Capacity Allocations.—Any commercial nuclear power reactor whose access to a regional disposal facility has not been suspended for noncompliance with the requirements of subsection (d) may assign any disposal capacity allocated to it under subsection (c) or (e) to any other commercial nuclear power reactor whose access to a regional disposal facility has not been suspended for noncompliance with the requirements of subsection (d). Such assignment—

"(1) shall be in writing (a copy of which shall be delivered to the affected compact commission and State and accompanied by the assignor's unconditional written waiver of any right to the allocation being assigned, within 10 days of the execution of such an assignment and at least 3 days prior the delivery of any low-level radioactive waste pursuant to the assignment);

"(2) may be made for valuable consideration;

"(3) shall be invalid if the low-level radioactive waste to be disposed of under such assignment is not—

"(A) of the same general type (as determined by the appropriate regulatory agency of the State in which the recipient regional disposal facility is located) as the low-level radioactive waste originally allocated disposal capacity under the interstate agreement under subsection (a)(3); and

"(B) delivered to the disposal facility to which the low-level radioactive waste referred to in subparagraph (A) was assigned under such interstate agreement; and

"(4) shall be nullified by any event rendering either the assignor-reactor or the assignee-reactor ineligible for an allocation under subsection (c) or (e) of subject to the denial of access to a regional disposal facility under subsection (d).

"(g) Additional Allocation for Unusual Volumes of Low-Level Radioactive Waste.—(1) In January of each year from 1987 through 1992, inclusive, the 3 States in which there are located the regional disposal facilities referred to in paragraphs (1) through (3) of subsection (b) shall (in consultation with the Nuclear Regulatory Commission and operators of commercial nuclear power reactors) enter into an agreement with each other for the allocation of disposal capacity in addition to that allocated under subsections (c) and (e) among commercial nuclear power reactors whose allocation under such subsections has been inadequate over the preceding 12 months due to—

"(A) increased waste volume resulting from operation of a reactor without discharge of radioactively contaminated water; or

"(B) necessary, but irregular, maintenance or safety procedures.

"(2) No low-level radioactive waste shall be accepted for disposal under paragraph (1) unless such waste has been reduced in volume to the maximum extent technologically feasible.

"(3) The total amount allocated under this subsection during the period beginning January 1, 1987, and ending December 31, 1992, shall not exceed 794,792 cubic feet.

"(4) The agreement entered into under paragraph (1) shall not be required to receive any additional consent of the Congress.

"(h) Emergency Exemption.—(1) If the Governor of any State (or, for any State without a Governor, the chief executive officer of the State) determines that there exists a threat to the public health and safety that may be mitigated by exempting the disposal of any low-level radioactive waste generated in that State from any limitation, allocation, or requirements established in this section, such Governor (or chief executive officer) shall notify the Nuclear Regulatory Commission and the Governor of the State in which any applicable regional disposal facility is located of such need for an exemption.

"(2) Within 30 days of the receipt of notification under paragraph (1), the Nuclear Regulatory Commission shall determine whether there exists a threat to the public health and safety that may be mitigated by exempting the disposal of any low-level radioactive waste from any limitation, allocation, or requirement established in subsections (a) through (e).

"(3) The Governor of the State in which the applicable regional disposal facility is located shall decide whether to grant the exemption requested and, in making such decision, may take the determination of the Nuclear Regulatory Commission into consideration.

"(4) Any agreement under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021) shall not be applicable to the determination of the Nuclear Regulatory Commission under paragraph (2).

"(1) Surcharges.—The disposal of any low-level radioactive waste under this section (other than low-level radioactive waste generated in a sited compact region) may be charged a surcharge by the State in which the applicable regional disposal facility is located, in addition to the fees generally applicable for disposal of low-level radioactive waste in the regional disposal facility involved. Such surcharge shall not exceed—

"(1) in 1986 and 1987, $10.00 per cubic foot of low-level radioactive waste;

"(2) in 1988 and 1989, $20.00 per cubic foot of low-level radioactive waste; and

"(3) in 1990, 1991, and 1992, $40.00 per cubic foot of low-level radioactive waste.

"(j) Administration.—Each State in which a regional disposal facility referred to in paragraphs (1) through (3) of subsection (b) is located shall have authority—

"(1) to monitor compliance with the limitations, allocations, and requirements established in this section; and

"(2) to deny access to any low-level radioactive waste disposal facilities within is borders to any low-level radioactive waste that—

"(A) is assigned to a facility in another State under the agreement referred to in subsection (a)(3);

"(B) is in excess of the limitations or allocations established in this section; or

"(C) is not required to be accepted due to the failure of a compact region or State to comply with the requirements of subsection (d)(1).

"(k) Nondiscrimination.—Except as provided in subsections (b) through (j), low-level radioactive waste disposed of under this section shall be subject without discrimination to all applicable legal requirements of the compact region and State in which the disposal facility is located as if such low-level radioactive waste were generated within such compact region.

"ASSURANCE OF FINANCIAL RESPONSIBILITY

"Sec. 6. The Nuclear Regulatory Commission and each agreement State shall ensure that each low-level radioactive waste disposal facility licensed by the Nuclear Regulatory Commission or by such agreement State is covered by bonding or other financial assurance (from the commencement of operations through decommissioning and long-term care) that provides that all financial requirements of operating a safe and environmentally sound facility will be complied with, including any requirement for site closure and decommissioning or corrective action prior to the expected time of license termination due to economic or health and safety reasons.

"FINANCIAL AND TECHNICAL ASSISTANCE

"Sec. 7. The Secretary shall, to the extent provided in appropriation Acts, provide to compact regions, States that are members of compacts, and States that are not members of compacts, that are determined by the Secretary to require assistance for purposes of carrying out this Act—

"(1) continuing technical assistance to assist them in fulfilling their responsibilities under this Act; and

"(2) at least through the end of fiscal year 1992, financial assistance to assist them in fulfilling their resonsibilities under this Act.

"CONSULTATION AND COOPERATION OF FEDERAL AGENCIES

"Sec. 8. The Nuclear Regulatory Commission, the Secretary of Energy, the Secretary of Transportation, and the Administrator of the Environmental Protection Agency shall consult and cooperate with compact commissions and States in carrying out the provisions of this Act.

"PERIODIC REPORT OF SECRETARY

"Sec. 9. (a) In General.—The Secretary shall, not later than the expiration of each 5-year period following the date of the enactment of the Low-Level Radioactive Policy Amendments Act of 1985, prepare and submit to the Congress a comprehensive report regarding the operation of the national system for the management and disposal of low-level radioactive waste. Such report shall include an evaluation of the use by Federal agencies of each low-level radioactive waste disposal facility established under a compact or by a State, and an estimate of the anticipated use of each facility by all generators of low-level radioactive waste.

"(b) Consultation Requirements.—Before preparing the report required in subsection (a), the Secretary shall consult with each compact commission, the chief executive officer of each State, the operators of low-level radioactive waste disposal facilities licensed by the Nuclear Regulatory Commission or an agreement State, the principal generators of low-level radioactive waste, and the transporters of low-level radioactive waste.

"RESPONSIBILITIES OF THE COMMISSION AND AGREEMENT STATES

"Sec. 10. In order to ensure the timely development of new disposal facilities, the Nuclear Regulatory Commission or, as appropriate, Agreement State shall consider an application for a disposal facility license in accordance with the laws applicable to such application except that:

"(1) the Commission or Agreement State shall issue a final decision approving or disapproving the issuance of the license no later than 18 months after submission of the application; and

"(2) construction of the disposal facility may commence prior to issuance of the license.

"ALTERNATIVE DISPOSAL METHODS

"Sec. 11. The Nuclear Regulatory Commission shall within 12 months of the date of the enactment of this Act, by rule, promulgate criteria for the licensing of low-level radioactive waste disposal facilities that use disposal methods other than shallow land burial.

"RECLASSIFICATION OF CERTAIN RADIOACTIVE WASTE

"Sec. 12. Not later than December 31, 1986, the Nuclear Regulatory Commission, pursuant to authority under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) shall, by rule, promulgate minimal standards for the disposal of certain material classified as low-level radioactive waste. Such standards shall identify the low-level radioactive waste that is not required to be disposed of in a licensed low-level radioactive waste disposal facility due to its low radioactive material content and shall prescribe, as necessary, technical requirements and criteria governing the disposal of such waste to protect the public health and safety.".

"EFFECTIVE DATE

"Sec. 13. (a) Effective Date.—Sections 2 through 12 of this Act, as added by the Low-Level Radioactive Waste Policy Amendments Act of 1985, shall take effect on the date on which the Congress consents to the last of the compacts listed in subsection (b) having previously consented to the other five.

"(b) Compacts.—The compacts subject to consent as provided in subsection (a) are the—

"(1) Southeast Interstate Low-Level Radioactive Waste Management Compact;

"(2) Northwest Interstate Compact on Low-Level Radioactive Waste Management;

"(3) Rocky Mountain Low-Level Radioactive Waste Compact;

"(4) Central Interstate Low-Level Radioactive Waste Compact;

"(5) Central Midwest Interstate Low-Level Radioactive Waste Compact; and

"(6) Midwest Interstate Compact on Low-Level Radioactive Waste Compact.".

CIVIL RIGHTS REMEDIES EQUALIZATION ACT

CRANSTON (AND OTHERS) AMENDMENT NO. 584

(Ordered referred to the Committee on Labor and Human Resources.)

Mr. CRANSTON (for himself, Mr. Stafford, Mr. Kennedy, Mr. Weicker, Mr. Kerry, and Mr. Riegle) submitted an amendment intended to be proposed by them to the bill (S. 1579) to clarify that the remedies available for the enforcement of certain civil rights statutes are applicable to the State; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following: That this Act may be cited as the "Civil Rights Remedies Equalization Act of 1985".

Sec. 2. Except as otherwise expressly provided by Federal statute, all Federal remedies available for a violation of section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, or the provisions of any other Federal statute prohibiting discrimination by recipients of Federal financial assistance are applicable with respect to a State to the same extent as those remedies are applicable with respect to any public or private entity other than a State.

Sec. 3. The provisions of section 2 are effective with respect to a remedy as of the date on which the statutory provisions under which the remedy is sought became effective.

PRIMARY CARE INCENTIVES

HATCH (AND OTHERS) AMENDMENT NO. 585

(Ordered to lie on the table.)

Mr. HATCH (for himself, Mr. Quayle, and Mr. Kennedy) submitted an amendment intended to be proposed by them; as follows:

At the end of the bill add the following new section:

INCENTIVES UNDER THE MEDICARE REIMBURSEMENT SYSTEM FOR GRADUATE MEDICAL EDUCATION IN PRIMARY CARE SPECIALTIES

Sec. . (a) Title XVIII of the Social Security Act is amended by adding at the end thereof the following new section:

"INCENTIVES FOR GRADUATE MEDICAL EDUCATION IN PRIMARY CARE SPECIALITIES

"Sec. 1890. (a) The Secretary shall pay an incentive payment for each fiscal year to each hospital which, for such fiscal year—

"(1) complies with—

"(A) the minimum percentage for such fiscal year established by the Secretary under section 799B of the Public Health Service Act; and

"(B) subsections (a) and (b) of section 799C of such Act; or

"(2) makes significant progress toward compliance described in subparagraphs (A) and (B) of paragraph (1).

"(b)(1) The amount of the incentive payment for a fiscal year for a hospital which meets the requirements of paragraph (1) of subsection (a) shall be equal to 10 percent of the amount of the payment under this title to such hospital for such fiscal year for reimbursement of direct costs of approved educational activities.

"(2) The amount of the incentive payment for a hospital which meets the requirements of paragraph (2) of subsection (a) shall be a portion of the incentive payment which would be paid under paragraph (1). Such portion shall be determined by the Secretary under regulations, and shall reflect the progress made by the hospital toward achieving full compliance described in paragraph (1) of subsection (a).

"(c) The Secretary shall reduce total payments to hospitals under this title for each fiscal year by a total amount equal to the total amount of the incentive payments made under this section for such fiscal year.".

(b) The amendment made by subsection (a) shall apply to fiscal years beginning with the first fiscal year for which the registry under section 799A of the Public Health Service Act is in effect.

COMPACT OF FREE ASSOCIATION

HOLLINGS AMENDMENT NO. 586

(Ordered to lie on the table.)

Mr. HOLLINGS submitted an amendment intended to be proposed by him to the joint resolution (H.J. Res. 187) to approve the "Compact of Free Association", and for other purposes; as follows:

At the appropriate place insert the following:

SEC. 2. POLICY.

The policy of this Act is—

(1) to prevent further disruption of the United States textiles and textile products markets, damage to United States textile and apparel manufacturers, and loss of jobs by United States workers by providing for orderly and non-disruptive growth of imports of textiles and textile products; and

(2) to implement the objectives of the Multi-Fiber Arrangement by requiring the effective enforcement of import levels of textiles and textile products contemplated by the Multi-Fiber Arrangement.

SEC. 3. FINDINGS.

The Congress finds that—

(1) the United States and most major textile producing countries are parties to the Multi-Fiber Arrangement, the purpose of which is to ensure the orderly growth of imports of textiles and textile products and to avoid disruption of the markets for textiles and textile products in importing nations;

(2) the Multi-Fiber Arrangement, which first entered into force on January 1, 1974, and which was most recently extended in December, 1981, through July 1986, contemplates a 6 percent annual rate of growth for imports for most exporting countries and provides for a lower rate of growth for imports from major exporting countries;

(3) since 1980, the objective of orderly growth of imports of textiles and textile products provided for in the Multi-Fiber Arrangement has not been achieved; from 1981 through 1984 imports of textiles and textile products into the United States have grown at an annual rate of 19 percent, far in excess of the 1 percent growth rate of the United States market for textiles and textile products during the same period and far in excess of the annual rate of import growth of less than 2 percent that prevailed during the period 1974 through 1980;

(4) the disruptive surge in imports of textiles and textile products which occurred from 1981 through 1984 resulted from the failure of the United States to enforce adequately its rights under the Multi-Fiber Arrangement and to extend coverage of the Multi-Fiber Arrangement to imports made of competing fibers;

(5) imports growth of apparel products has substantially outstripped the growth of the domestic market so that import penetration of the domestic market has more than doubled in the last 6 years, reaching a level of 50 percent in 1984;

(6) based on a nationwide audit of major retail outlets, the import penetration of such major items of apparel as trousers, blouses, shirts, suits, skirts and sweaters exceeds 50 percent of domestic consumption;

(7) since the most recent extension of the Multi-Fiber Arrangement, certain exporting countries have sharply increased their exports of textiles and textile products made in whole or in part from fibers not subject to the Multi-Fiber Arrangement with the effect of circumventing restraints agreed to under the Arrangement; the increased imports of these textiles and textile products have caused disruption of the United States market for textiles and textile products and have seriously undercut the effectiveness of the Multi-Fiber Arrangement;

(8) imports of textiles and textile products into the United States are predominantly the product of major exporting countries, with 5 large exporting countries now accounting for more than 50 percent of all imports of textiles and textile products;

(9) the domination of import trade by producers in the major exporting countries has limited participation in the United States market by other exporting countries, many of which share important trade and other national interests, and encourage mutually beneficial trade and investment, with the United States;

(10) a change in United States textile trade policy to afford the smaller exporting countries and countries in the Caribbean region a relatively greater share of imports of textiles and textile products would promote the national economic interests of the United States;

(11) the textile and apparel trade deficit of the United States was more than $16,200,000,000 in 1984, an increase of 53 percent over 1983, and accounted for 13 percent of the nation's overall merchandise trade deficit;

(12) the current level of imports of textiles and textile products, 9,800,000,000 square yard equivalents in 1984, represents over 1,000,000 job opportunities lost to United States workers;

(13) imported textiles and textile products now account for 38 percent (the equivalent of 3.2 million bales of cotton) of the annual cotton consumption in the United States; only one of five of the bale equivalents included in imported textiles and textile products is grown in the United States; the result of the massive increases in cotton textile and apparel imports has been a declining market share for, and a $1 billion loss to, domestic cotton producers in 1983 alone, which was only partially offset by Federal cotton program benefits; another result is that U.S. cotton producers, who are spending about $20 million annually in research and promotion efforts, have built markets not for themselves but for foreign growers;

(14) imports of wool products have doubled since 1980, creating major disruptions among domestic wool products producers and seriously depressing the price of United States produced raw wool; the United States has long recognized that imports of wool products pose particular problems for the wool products industries in the United States and has therefore adopted a policy of 1 percent import growth on wool products; this policy has been acknowledged in our bilateral agreements under the Multi-Fiber Arrangement and has been reviewed by the Textile Surveillance Body;

(15) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products identical, or similar, to those imported have been seriously damaged, many of them have been forced out of business, many have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to local governments;

(16) the increase in imports and increased import penetration of the United States domestic market have occurred notwithstanding the fact that, through extensive modernization programs and investment in more modern equipment, productivity, as measured by output per man hour, in the textile mill products sector has increased in the last 10 years at the average annual rate of 4.2 percent and in the apparel sector at the average annual rate of 3.4 percent, as compared with the lower productivity growth of all manufacturing in the same period of 1.9 percent;

(17) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring the new measures established under this Act;

(18) based on experience during the past ten years and on other factors, the growth of the United States market for textiles and textile products is unlikely to exceed an average annual rate of 1 percent during the next several years;

(19) if the rate of growth of imports of textiles and textile products into the United States that occurred since 1980 continues, plant closings will continue to accelerate, leaving the United Statres market with reduced domestic competition for imported products;

(20) in order to avoid further market disruption and deterioration of the situation confronting the United States industry producing textiles and textile products, which is already seriously damaged, it is essential—

(A) to require the establishment of import levels for textiles and textile products supplied by major exporting countries that reflect—

(i) the import level that would have occurred had imports from these countries grown since 1980 by the 6 percent or lower annual growth rate contemplated by the Multi-Fiber Arrangement, or 1 percent in the case of wool products, or

(ii) the actual import level resulting from restraints under a bilateral agreement with the United States providing for an annual growth rate of less than 6 percent.

whichever is the lesser,

(B) to require the establishment of import levels for textiles and textile products supplied by smaller exporting countries that provide a significant increase in their market shares to meet their development needs and to permit future growth in such shares consistent with the Multi-Fiber Arrangement, and

(C) to limit the future growth rate of imports of textiles and textile products into the United States to levels which reflect orderly growth as provided for in the Multi-Fiber Arrangement and the most recent Protocol extending the Multi-Fiber Arrangement;

(21) the establishment of import levels, and limitation of future import growth to levels, that reflect effective enforcement of the Multi-Fiber Arrangement and that also reflect the expected growth rate of the United States market for textiles and textile products will fulfill announced policy objectives of the United States regarding trade in textiles and apparel;

(22) as the Department of Defense has long recognized, a strong, viable and efficient domestic textile products industry is essential in order to avoid impairment of the national security of the United States;

(23) the developments that have led to the sharp increase in imports of textiles and textile products since 1980 may not have been foreseeable; nevertheless, the rights of the United States under international agreements should have been invoked in order to prevent increased quantities of textiles and textile products from being imported under such conditions as to cause or threaten serious damage to domestic producers of textiles and textile products in the United States; and

(24) the sharp increase in imports of textiles and textile products since 1980, and the effect of this increase on the United States textile and apparel industry and its workers, constitutes exceptional circumstances within the meaning of the Multi-Fiber Arrangement and its Protocol.

SEC. 4. AMENDMENTS TO AGRICULTURAL ACT OF 1956.

Title II of the Agricultural Act of 1956 is amended by inserting immediately after section 204 of such title the folllowing new sections:

"DEFINITIONS

"SEC. 204A. For purposes of sections 204B through 204D of this Act—

"(1) The term 'textiles and textile products' includes, but is not limited to, all man-made fibers, tops, yarns, piece goods, made-up articles, garments, and other textile manufactured products (which derive their chief characteristics from their textile components) made in whole or in part from any natural or man-made fiber, or blend thereof, that are classified under Schedule 3, part 6 of Schedule 6, parts 1, 4, 5, 7, or 13 of Schedule 7, part 1 of Schedule 8, or part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202);

"(2) The term 'category' means, with respect to textiles and textile products imported from each country, each of the following—

"(A) Each category of textiles and textile products idenfitied by 3-digit textile category number in the Department of Commerce publication 'Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated', dated January 1985;

"(B) A category consisting of the man-made fiber articles calssified under subpart E of part 1 of Schedule 3 to the Tariff Schedules of the United States; and

"(C) Each category consisting of each of the following products when, because of any fiber content, that product is not subject to the Multi-Fiber Arrangement:

"(i) yarn,

"(ii) fabric,

"(iii) apparel, and

"(iv) other textile products;

"(3) The term 'import sensitive category' means—

"(A) A category (other than a category applicable to textiles and textile products that are a product of a country in the Caribbean region) for which the ratio of imports to domestic production, as reported in the Department of Commerce publication "U.S. Production, Imports and Import/Production Ratios for Cotton, Wool and Man-Made Fiber Textiles and Apparel", equals or exceeds 40.0 for the preceding calendar year; or

"(B) A category covering wool products;

"(4) The term 'country' means a foreign country (other than Canada and the Member States of the European Economic Community as constituted on January 1, 1985), a foreign territory, or an insular possession of the United States;

"(5) The term 'major exporting country' means a country (other than a country in the Caribbean region) from which the United States imported an annual aggregate quantity of textiles and textile products under all categories that equalled or exceeded 1.25 percent of all textiles and textile products under all categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during calendar year 1984;

"(6) The term 'country in the Caribbean region' means the United Mexican States and a country eligible for designation as a beneficiary country under section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702);

"(7) The term 'wool product' means an article containing over 17 percent by weight of wool;

"(8) The term 'exporting country' means a country other than a major exporting country;

"(9) The term 'entered' means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States;

"(10) The term 'imported' means entered; and

"(11) The term 'Multi-Fiber Arrangement' means the Arrangement Regarding International Trade in Textiles, as extended by the Protocol done at Geneva, December 22, 1981.34

"LIMITS ON TEXTILE AND APPAREL IMPORTS

"SEC. 204B. (a) Notwithstanding section 204 of this Act or any other provision of law, the aggregate quantity of textiles and textile products classified under each category that is entered during calendar year 1985 shall not exceed—

"(1) in the case of textiles and textile products that are a product of a major exporting country, the lesser of an amount equal to 101 percent (A) of the aggregate quantity of such products from such country classified under such category that would have entered during calendar year 1984 if the aggregate quantity of such products from such country classified under such category entered during calendar year 1980 had increased by six percent annually, or 1 percent annually in the case of a category covering a wool product, during calendar years 1981, 1982, 1983 and 1984, or (B) if the United States has an agreement with such country providing for an annual growth rate for such category of less than six percent, of the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984;

"(2) in the case of textiles and textile products that are a product of an exporting country, an amount equal to the aggregate quantity of such products from such country classified under such category that entered during calendar year 1984, plus an amount equal to (A) fifteen percent of such quantity, in the case of a category that is not an import sensitive category, or (B) one percent, in the case of a category that is an import sensitive category.

For purposes of this section, if during any calendar year after 1984 the United States imports from a country, other than a country in the Caribbean region, that is not a major exporting country an aggregate quantity of textiles and textile products under all categories that equal or exceeds 1.25 percent of all textiles and textile products under all categories imported into the United States from all countries and from Canada and the Member States of the European Economic Community during such calendar year, then such countries shall be considered to be a major exporting country for all succeeding calendar years.

"(b) For calendar years after 1985, the aggregate quantity of textiles and textile products classified under each category that may be entered during each such calendar year shall—

"(1) in the case of such products that are a product of a major exporting country, be increased by an amount equal to one percent of the aggregate quantity that could be entered under such category during the preceding calendar year; and

"(2) in the case of such products that are a product of an exporting country, be increased by an amount equal to—

"(A) in the case of a category (other than an import sensitive category), six percent of the aggregate quantity that could be entered under that category during the preceding calendar year, and

"(B) in the case of an import sensitive category, one percent of the aggregate quantity that could be entered under that category during the preceding calendar year.

"(c) If, under subsection (a) or (b), the aggregate quantity of textiles and textile products from a country that may be entered during a calendar year under a category is—

"(1) less than 1,000,000 square yard equivalents, in the case of a category covering yarn, fabric, made-ups, and miscellaneous products, other than wool products;

"(2) less than 700,000 square yard equivalents, in the case of a category covering apparel, other than wool products apparel; or

"(3) less than 100,000 square yard equivalents, in the case of a category covering wool products,

then, notwithstanding subsection (a) or (b), the aggregate quantity of textiles and textile products that may be entered from such country under such category during the calendar year shall be 1,000,000, 700,000 or 100,000 square yard equivalents, respectively. The amount prescribed in the preceding sentence shall be accorded growth subject to the provisions of subsection (b) beginning the first calendar year after the aggregate quantity of imports from such country under such category equals the minimum quantity prescribed under this subsection.

"(d) The Secretary of Commerce shall prescribe such regulations governing the entry, or withdrawal from warehouse, for consumption of textiles and textile products as may be necessary to carry out sections 204A through 204D of this Act.

"IMPORT LICENSING

"Sec. 204C. In order to ensure the equitable and efficient administration of section 204B of this Act, the Secretary of Commerce shall, within six months after the date of enactment of the Agricultural Act of 1956 Textile and Apparel Trade Enforcement Amendments Act of 1985, establish and administer an import licensing system under which an importer of any textiles and textile products from any country and from Canada and the Member States of the European Economic Community, will be required to present an import permit as a condition of entry. The Secretary shall charge a fee for import licenses in such amount as may be necessary to cover the cost of administration of the system.

"ANNUAL REPORT

"Sec. 204D. Not later than March 15, 1986, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of sections 204A through 204C of this Act during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 204B. All departments and agencies shall cooperate in preparation of this report as requested by the President."

SEC. 5. EFFECTIVE DATE.

(a) In General.—The amendments made by section 5 of this Act shall apply to textiles and textile products entered, or withdrawn from warehouse, for consumption after ——— —, 1985.

(b) Calendar Years 1985 and 1986.—The Secretary of Commerce shall prescribe by regulation the aggregate quantity, if any, of textiles and textile products that may be entered under section 204B(a) or (c) of the Agricultural Act of 1956 as amended by this Act from each country under each category during the period beginning on the date of enactment of this Act and ending December 31, 1985. Notwithstanding subsection (a), to the extent that the aggregate quantity of imports of textiles and textile products from a country under a category entered after December 31, 1984, and before the date of enactment of this Act exceeds the quantity permitted entry for such country and such category during calendar year 1985 under section 204B(a) or (c) of such Act, the limit that would otherwise apply under section 204(b) for such category for such country for calendar year 1986 shall be reduced by the amount of such excess quantity.

EXCLUSION OF CERTAIN NET CAPITAL GAIN OF INSOLVENT TAXPAYERS

GRASSLEY (AND OTHERS) AMENDMENT NO. 587

(Ordered referred to the Committee on Finance.)

Mr. GRASSLEY (for himself, Mr. Armstrong, Mr. Boschwitz, Mr. Bumpers, Mr. Durenberger, and Mr. Zorinsky) submitted an amendment intended to be proposed by them to the bill (S. 418) to amend the Internal Revenue Code of 1954 to exclude certain net capital gain of insolvent taxpayers from the alternative minimum tax; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. CERTAIN NET CAPITAL GAIN OF INSOLVENT TAXPAYERS EXCLUDED FROM ALTERNATIVE MINIMUM TAX.

(a) In General.—Paragraph (9) of section 57(a) of the Internal Revenue Code of 1954 (relating to items of preference) is amended by adding at the end thereof the following new subparagraph:

"(E) Exception for gain or loss from certain trade or business property.—For purposes of subparagraph (A), in the case of property used in the trade or business of the taxpayer, gain or loss from the transfer of such property to a creditor in cancellation of a debt or from the sale or exchange of such property under threat of foreclosure shall not be taken into account in computing net capital gain if—

"(i) the taxpayer is insolvent (as defined in section 108(d)(3)) as of the time of such transfer or sale or exchange, or

"(ii) the taxpayer is, during periods immediately preceding such transfer or sale or exchange, generally not paying such taxpayer's debts as such debts become due (determined in a manner similar to the manner under section 303(h) of title 11).".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 1982.

WESTWAY HIGHWAY PROJECT

LAUTENBERG (AND OTHERS) AMENDMENT NO. 588

(Ordered referred to the Committee on Environment and Public Works.)

Mr. LAUTENBERG (for himself, Mr. Bradley, Mr. Proxmire, and Mr. Humphrey) submitted an amendment intended to be proposed by him to the bill (S. 826) to direct the Secretary of Transportation not to expend or obligate any Federal funds for design and construction of the westway landfill in New York City, NY; as follows:

On page 3, after line 20, add the following:

SEC. 4. SUBSTITUTION PROJECTS.

Subsection (e) of section 103 of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"(10)(A) Notwithstanding paragraph (4) and any other provision of law, the Secretary shall withdraw approval of that portion of Interstate Highway 478 located in the State of New York that is know as 'Westway' if—

"(i) the Governor of New York and the appropriate officials of the local governments which are to be served by such portion of Interstate Highway 478 request the Secretary to withdraw such approval, and

"(ii) the Governor of New York provides assurance that the State of New York does not intend to construct a toll road in the traffic corridor that would be served by such portion of interstate Highway 478.

"(B)(i) Subject to the fiscal year limitation imposed by clause (ii), the Secretary is authorized to incur obligations for the Federal share of substitute highway or mass transit projects approved under this paragraph in an aggregate amount equal to the amount approved by law as the 1983 cost estimate of the portion of Interstate Highway 478 for which approval is withdrawn under subparagraph (A).

"(ii) There are authorized to be appropriated out of the Highway Trust Fund for the fiscal year in which approval of the portion of Interstate Highway 478 described in subparagraph (A) is withdrawn by the Secretary, and for each fiscal year thereafter, $220,000,000, for the purpose of paying the Federal share of substitute highway or mass transit projects approved under this paragraph. Such sums shall remain available until expended. The aggregate amount authorized under this clause shall not exceed the aggregate amount of obligations the Secretary is authorized to incur under clause (i).

"(iii) Notwithstanding any other provision of law—

"(I) the provisions of section 104 of the Highway Improvement Act of 1982 and of any other law imposing a limitation on obligations incurred for highway or mass transit projects shall not apply to obligations incurred with respect to any substitute highway or mass transit project approved under this paragraph, and

"(II) such obligations shall not be taken into account under section 104 of such Act or under such other law,

unless such other law specifically limits the applicability of this clause.

"(C)(i) A substitute highway or mass transit project may be eligible for Federal assistance under subparagraph (B) only if such project has been approved by the Secretary in accordance with such procedures as the Secretary may prescribe.

"(ii) The approval of the Secretary under this paragraph of the plans, specifications, and estimates for any substitute highway or mass transit project shall be treated as creating a contractual obligation of the United States to pay the Federal share of such project.

"(D) The Federal share of any substitute highway or mass transit project shall be 85 percent of the cost of such project.

"(E)(i) For purposes of this paragragh, the term substitute highway or mass transit project means any project described in clause (ii) which—

"(I) serves the same area that the portion of Interstate Highway 478 described in subparagraph (A) would serve,

"(II) is selected by the appropriate local officials of such area, and

"(III) is submitted by the Governor of New York to the Secretary for approval under this paragraph.

"(ii) The projects referred to in clause (i) are—

"(I) public mass transit projects involving the construction of fixed rail facilities or the purchase of passenger equipment (including rolling stock) for any mode of mass transit, or

"(II) projects authorized under any highway assistance program conducted under this chapter.

"(F) The provisions of paragraph (4) shall not apply with respect to the portion of Interstate Highway 478 described in subparagraph (A).".

● Mr. LAUTENBERG. Mr. President, today I am submitting, along with Senators Bradley, Humphrey, and Proxmire, legislation to facilitate the trade-in of the Westway highway project in New York City. I do not believe that the project, as presently designed, should be built. I do, however, believe that improvements to surface transportation on the West Side of Manhattan and in New York's extensive subway system are vital, not only to New Yorkers, but also to those who live in New Jersey and throughout the region.

To ensure that New York will be able to improve its transportation facilities, I favor a trade-in of the Westway highway project under section 103(e)(4) of the Federal highway statute. New York has until September 30 of this year to declare that they want to trade-in Westway. At present, they cannot build Westway, because they are enjoined from doing so by the U.S. District Court in Manhattan. There are proposals in Congress to stop this project, such as S. 826 introduced by Senator Proxmire of which I am a cosponsor. New York is therefore at the 11th hour to consider a trade-in. If they play chicken with the courts and Congress and lose, they stand to lose $1.71 billion in transportation improvement funding. I am offering this legislation to insure that New York will have the resources to make those improvements on a timely basis.

On April 21, I outlined in a statement in the Congressional Record my opposition to the Westway Highway project. Technically, the project is the construction of a 4.2-mile segment of I-478 from Battery Park to 42d Street on the West Side of Manhattan. As of today, the project cost is $2.25 billion, twice as large on a per-mile basis as any other segment in the Nation. The project, referred to as Westway, is designed to tunnel through more than 200 acres of landfill which will fill in the Hudson River. The State of New York is presently in U.S. District Court in New York, which has enjoined the start of the project. At issue is whether the U.S. Army Corps of Engineers, which issued a construction permit for this project, adequately assessed the environmental damage to the striped bass habitat in the Hudson which will result from Westway's construction.

My opposition to Westway is threefold: its cost to the highway trust fund far exceeds the transportation benefits to be derived from its construction; the benefits are perhaps primarily to real estate creation, an inappropriate use of Federal transportation dollars; and its construction will do permanent and irretrievable damage to a valuable striped bass habitat.

From the perspective of New Jersey, I have never been able to secure assurances from either the Corps of Engineers or the Environmental Protection Agency, that the construction of Westway will not ultimately lead to the curtailment of development of waterfront property in New Jersey.

Mr. President, opposition to the Westway project is not limited to Members of Congress from New Jersey. Given the potential that Westway's construction might lead to curtailment of development along the New Jersey shoreline, we from New Jersey have reason to be concerned. But, Mr. President, opposition to Westway did not originate nor is it limited to New Jersey citizens or legislators. Westway is a matter of national concern.

Earlier this year, the Environment and Public Works Committee reduced the obligation ceiling on all highway projects throughout the Nation. The budget, as passed by the Senate, assumes an obligation ceiling $1.7 billion below current program levels. We took this action to reduce outlays and the Federal deficit.

The Congressional Budget Office has testified before the Environment and Public Works Committee that the highway trust fund will not be able to pay for all the existing authorizations on the books. One way they suggest dealing with this potential crisis is to eliminate segments which are not of national significance. The Federal Highway Administration has determined that Westway is not an essential link in an interconnected system of Federal highways.

Mr. President, Congress passed the Atlantic Striped Bass Conservation Act to conserve the striped bass populations on the Atlantic coast. States have joined together in this conservation effort in the Atlantic States Marine Fisheries Commission. The Commission testified before the Environment and Public Works Committee in opposition to the Westway project. States from Maine to Florida urged the U.S. Army Corps of Engineers not to issue a permit for this project and for the Environmental Protection Agency to veto the permit if it was issued.

Westway is not a local project, nor is it merely a part of some interstate dispute. It is a matter of national concern. Westway is a relic of past transportation planning. It is a product of an era of grand designs and unlimited resources. It is not the era in which we live today.

Mr. President, it is not enough simply to oppose the construction of the Westway project. To do so would ignore the legitimate needs of New York City for better transportation. Hundreds of thousands of New Jersey residents travel into New York City every day to work, shop, recreate or go to school. They know all too well the need for better transportation in New York City.

It would be a tragedy for New York to lose an opportunity to improve its transportation because it played chicken with the Federal courts and the Congress. The legislation I am introducing today addresses the practical issues that arise from a Westway trade-in. I hope that New York will embrace this approach so that the region will get what it wants and needs: better transportation on the West Side of Manhattan.

Mr. President, if Westway was traded in today under current law, the State would be called upon to designate which alternative highway and mass transit projects it wished to construct. The State would be eligible over time for $1.71 billion in interstate transfer highway and mass transit funds. New York would compete for its funding along with the many States still drawing down funds from these two programs.

As a practical matter, the trade-in of Westway would come too late and be too large to be handled easily under current law. Because States receive their formula money through apportionment factors determined by the value of their trade-in versus all others in the country, the trade-in of Westway, which dwarfs all other trade-ins in terms of size, would cause other States to lose money. Funds for Illinois, Maryland, and Rhode Island would, to name just three States, be crowded out in an effort to give New York its just due under the formulas. In addition, the limit on interstate transfer expenditures would stretch out New York's payments well beyond the time that all other trade-ins should be funded.

To address these practical problems, this amendment would provide that the Westway trade-in be treated separately from all other trade-ins. I propose this to assure that States waiting for funding through the trade-in programs will stand a chance of getting their money and do not have to compete with Westway to do so. Funding to liquidate the Westway trade-in would be authorized under a special account. Over 8 years, some $220 million per year would be authorized until no more than $1.71 billion, the trade-in value of Westway under the 1983 interstate cost estimate, was expended. The Westway trade-in therefore would be treated in the manner assigned the Metropolitan Washington, DC, transit system under the Stark-Harris Program.

The $1.71 billion is a lot of money, but it is money New York is entitled to under current law. It is also far less money than the ultimate cost of building Westway. The current cost estimate of $2.25 billion is subject over time to cost overruns. Conservative estimates of its ultimate costs range from $3.5–4 billion. The monetary cost of Westway does not account for the damage done to the environment by its possible construction.

Mr. President, when the Senate takes up S. 826, sponsored by Senator PROXMIRE to prevent construction of the Westway highway, I hope it will act favorably on this amendment to that bill. I believe this amendment can ultimately save New York from a dangerous and counterproductive game of chicken with the Westway tradein deadline. This amendment will prove less costly to the Federal Government, more sensitive to the environment and more is Sync with current transportation needs in New York and throughout the Nation.

Mr. President, the Newark Star-Ledger has provided excellent coverage of the trial conducted by Judge Thomas Griesa in U.S. district court on the matter of the Westway permit. I believe my colleagues will be enlightened by this reporting on a most controversial project. I therefore ask unanimous consent that a series of articles regarding the Westway trial be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

CORPS, EPA CALLED TO DEFEND WESTWAY

(By J. Scott Orr)

WASHINGTON.—Top officials at the Army Corps of Engineers and the Environmental Protection Agency (EPA) told a Senate subcommittee yesterday that they did not feel additional review needed before the Corps issued its decision to allow the filling of 200 acres of the Hudson River for New York's Westway project.

Robert Dawson, acting assistant secretary of the Army for civil works, said in response to a question from Sen. Frank Lautenberg (D-N.J.) that he felt additional review of the decision to permit the Westway landfill would have been duplicative.

"I think a collective judgment was made that, after 10 or 12 years of study and restudy, little if anything would be gained by additional review," Dawson told the Senate subcommittee on environmental pollution chaired by Sen. John Chafee (R-R.I.).

"This issue will rise or fall in the U.S. District Court," Dawson added, referring to hearings before Judge Thomas Griesa in Manhattan to review the propriety of the Corps' decision.

"I remain unconvinced," Lautenberg said, "that EPA, the Corps or other agencies involved based their final decision on sound scientific findings. This is exactly the issue Judge Griesa has before his court, but it he gives the go ahead, Congress is going to have to take a hard look at whether this project should go forward."

The committee was looking at the Army Corps' record of issuing permits for dredging and filing of wetlands under Section 404 of the Clean Water Act. The Army Corps recently issued a permit for a landfill in the Hudson River for Westway, an estimated $6 billion highway planned for Manhattan's West Side.

"Review of the Westway project through the 404 process has been vitally important. It has highlighted significant problems with the project which, unfortunately, have been ignored." Lautenberg said.

"Westway is a prime example of the problem prompting these hearings, erosion of protection afforded by Section 404 of the Clean Water Act," he added.

"The federal agencies with responsibilities under Section 404 have historically opposed this project. Yet, after years of study, in a matter of days, their recommendations were summarily reversed in Washington. To my mind, there has never been a satisfactory explanation," Lautenberg said.

Also testifying yesterday was Josephine Cooper, assistant EPA administrator for external affairs, who said the agency also felt additional study of the proposal was unnecessary.

Lautenberg questioned Cooper on the agency's decision to reject EPA Regional Administrator Chris Daggett's recommendation that the EPA oppose the project. In addition, Lautenberg asked why the EPA did not seek a review of the plans by the Council on Environmental Quality (CEQ), a Reagan Administration advisory panel for environmental policy.

"A referral to the CEQ would very likely not have gained any more information with regard to the Westway situation," Cooper said. She added that Daggett's recommendation was not rejected, so much as "not accepted at headquarters."

Cooper added that the White House was interested in the status of Westway, but that there was no recommendation passed down to the agency.

"There were phone calls, mainly to ask what's going on, what's the status of the decision, where are you in the process, where are the other agencies, but that was the extent of the conversation, finding out what was going on," Cooper said.

She added that it is unlikely that the Administration had any role in recommending action on the issue. "I would have been privy to that kind of information," she said.

Joining Lautenberg in condemning the Corps' handling of wetlands permits was Brian Unger of the Sea Bright-based Clean Ocean Action, who attended the hearing but did not testify.

Unger condemned the Corps and the EPA for allowing the project to go forward without sufficient study of the migratory habits of striped bass, which use the Hudson River as a spawning grounds.

Unger, who has joined in calling on Congress to remove the Corps' authority to issue wetlands permits, said it is "ludicrous" to assume that the one-year study performed in the Hudson River could yield enough information about the bass population to decide on the projects effects on the habitat.

He added that he was not satisfied with Dawson's testimony. "We would certainly recommend that Mr. Dawson's nomination to be assistant Secretary of the Army should be throughly reviewed and question," Unger said after hearing the testimony.

CONFLICTING STATISTICS IRK WESTWAY JUDGE

(By David Schwab)

NEW YORK.—The federal judge who will decide whether to give the go-ahead to the controversial Westway project expressed some frustration yesterday at the differing statistics concerning the highway's potential environmental consequences.

During a hearing to determine whether to allow construction, U.S. District Court Judge Thomas Griesa said statistical measures of the potential harm to striped bass in the Hudson River are "extremely important."

But he expressed frustration at the different estimates presented by the Army Corps of Engineers and by environmental experts testifying for those opposing the project.

"The cross-examination of this witness indicated to me such enormous uncertainty with these figures that what does one do?" the judge asked. "The fish are not there lining up to be counted.

The judge's remarks followed a day of testimony from one environmental expert who was questioned by attorneys for both sides, as well as by the judge. The witness was asked about complex statistical techniques used to estimate the percentage of striped bass that swim in the portion of the Hudson River that would be filled in under the Westway project.

Griesa has been holding hearings to determine whether the most recent environmental impact statement prepared by the Army Corps is adequate. In 1982, he put a halt to the Westway project because the environmental impact statement was insufficient.

The estimated $8 billion Westway project would create a highway and 200 acres of new land for development, by filling in 240 acres of the Hudson River between 42d Street and Battery Park City. The Federal Highway Administration will pay for 90 percent of the project.

A crucial issue in determining whether to permit filling in part of the Hudson is whether the Corps had a "method in determining the percentage of striped bass affected before it approved a permit, Griesa said.

The figure used by the Corps in its final environmental impact statement is lower than initial estimates produced by the Corp's own computer models. The higher figures are cited by opponents of the project.

According to the federal government, 26 to 33 percent of the striped bass would be affected by the Westway project. opponents claim the number affected could be as high as 40 percent.

Yesterday, Douglas Heimbuch, an environmental scientist with Martin Marietta Environmental Systems of Columbia, Md., completed his testimony.

Heimbuch helped to develop a sophisticated statistical model for the Corps to determine the impact of the Westway project on juvenile striped bass. He later resigned his position when a proposed two-year study of the fish population was curtailed.

Testifying on behalf of a coalition of environmentalists opposing Westway, Heimbuch said the Corps has underestimated the percentage of bass that would be affected.

He noted the statistical evidence obtained by the Corps was mixed but added there was no basis for the government to select statistics that showed less of an impact.

Heimbuch also said a two-year study as originally contemplated would have produced more accurate results than the four-

month study conducted early last year by the Corps.

Attorneys representing the Corps and the New York State Department of Transportation have argued that the Corps properly rejected initial, higher estimates of the effect on the striped bass population in the Hudson. They said these figures were distorted because of problems with the testing procedures.

For example, the attorneys have argued that the model created by Heimbuch presumed the number of striped bass would remain constant as scientists took their samples. Instead, they said the evidence indicates the number of fish fluctuated during these periods.

Samples were taken from the Hudson River every 10 days during the first four months of last year. They were taken by the New Jersey Marine Science Consortium at various locations from Newark Bay to Peekskill, N.Y. including the site of the proposed Westway project.

WILDLIFE OFFICIAL SAYS WESTWAY COULD THREATEN EXISTENCE OF BASS

(By David Schwab)

NEW YORK.—an official of the U.S. Fish and Wildlife Service testified yesterday that the agency oposed building Westway because it believed that filing in a portion of the Hudson River could destroy important stocks of striped bass, and possibly endanger the species existence in the region.

Frank DeLuise, assistant chief of the branch of federal permits and licenses said filling in about 240 acres of the river, now a temporary home to a portion of the juvenile striped bass population, could kill off many of the fish.

"The only conclusion we could reach was that the removal of the Westway habitat would have a significant impact on the Hudson River stocks." DeLuise testified during a federal court hearing.

DeLuise, who until last July headed the agency's Long Island regional field office and was responsible for reviewing Westway project matters, rejected the lower estimates of the project's environmental impact prepared by the Army Corps of Engineers.

In February, the Corps issued a permit for the landfill over the objections of the wildlife service, as well as the federal Environmental Protection Agency and the National Marine Fisheries Service.

The objections by the service came in a Jan. 4 letter DeLuise wrote that he said was reviewed by Interior Secretary William Clark. The wildlife service is a part of the Interior Department.

The Corps determined that the landfill would not have a significant environmental impact, saying that most likely only about 26 percent of the juvenile stiped bass population could be found in the Westway area and the fish would move to other areas of the river.

Of this possibility, DeLuise said, "I don't believe the species can absorb that kind of impact."

DeLuise's testimony came during a trial presided over by U.S. District Court Judge Thomas Griesa, who will decide whether to permit construction of Westway to begin.

In 1982, Griesa blocked construction of the massive highway and development project after finding that environmental impact statements were insufficient.

Following additional studies, the Corps issued a new permit and government attorneys asked Griesa to lift his injunction. A coalition of environmentalists, however, filed suit claiming the new permit was improperly issued and that alternatives to Westway have not been considered.

In a related development yesterday, two New York congressmen announced they are organizing a fact-finding trip to Manhattan's West Side for members of the Senate and House committees that are considering legislation that would cut off funding for the controversial project.

The Federal Highway Administration would pay 90 percent of the estimated $6 million project cost.

During the court hearing, DeLuise testified that the impact on the striped bass in the Hudson is particularly significant because the species is threatened throughout the East.

Under direct examinaiton by Mitchell Bernard, an attorney representing Westway opponents, he said the fish have not been able to withstand many natural and man-made obstacles they have faced in recent times.

As a result, there has been a "precipitous decline" in striped bass stocks in the Chesapeake Bay and elsewhere and this "heightens our (the agency's) concern," he said.

DeLuise also testified that the Corps appeared to underestimate the percentage of striped bass that would be affected by the project by overlooking some of the experimental data that suggested otherwise, including that produced by the Corps' own sophisticated model.

The percentage of young bass affected by the landfill is one of the central issues in the trial. The Corps maintains that 26 to 33 percent might be displaced while opponents claim as many as 44 percent would be affected, with many perishing.

"In our estimate they (the Corps) looked at those things that would drive the number down. We were concerned some issues might drive it up," he said.

In addition, he said the agency found several flaws in the limited four-month study the Corps relied on in approving the landfill permit.

DeLuise said the study, shorter than the two-year study initially proposed by the Corps, did not measure the numbers of fish from October through December, when they appeared to be rising.

Without a second year of study, the Corps was unable to determine what might happen to those fish displaced by the landfill, he added. He said he "could not see the logic" in the Corps' assumption that the impact would be minimal.

The conclusions the Corps reached about the impact on the striped bass were also questioned yesterday by a second expert witness called by Westway opponents.

Joseph Mibursky, a University of Maryland professor who served as a consultant to the Corps, said the Corps underestimated the impact and should have conducted further studies.

Meanwhile, the Westway area is to be the destination of a congressional fact-finding trip being organized by New York Reps. Guy Molinari and Ted Weiss of Manhattan.

[From the Star-Ledger, June 21, 1985]

EPA POINTS TO DANGER OF WESTWAY LANDFILL

(By David Schwab)

NEW YORK—The federal Environmental Protection Agency (EPA) opposed the Westway project because the agency feared that filling in a portion of the Hudson River would have an "adverse impact" on significant numbers of striped bass and because other alternatives were not considered, an agency official testified yesterday.

Jay Benforado, who was responsible for assisting the EPA in its lengthy review of the controversial project, said the agency disputed the assertions of the U.S. Army Corps of Engineers. In February the Corps issued a landfill permit over the objections of EPA and two federal wildlife agencies after finding that Westway's environmental impact would be minimal.

During a hearing in federal court, Benforado, who works in the agency's office of research and development in Washington, testified that the Corps "underestimated" Westway's impact on the bass. In addition, the Corps' findings were "not justified by their presentation of the data," he said.

Benforado also said Westway would have an especially significant effect because stocks of striped bass have been declining in virtually all areas of the East Coast except the Hudson River. Westway construction calls for filling in 240 acres of the river that researchers say are frequently used by the fish during the winter months.

Called as a witness by opponents of Westway, Benforado gave testimony that was largely a summary of a Jan. 21 letter he helped to draft. In it, the EPA notified the Corps that there was no legal basis for issuing the landfill permit. The substance of the letter is considered essential to the case being presented by Westway opponents.

His testimony came during a trial presided over by U.S. Circuit Court Judge Thomas Griesa.

Griesa blocked the highway project in 1982 after finding that the environmental impact statements were insufficient.

Based on further studies, the Corps issued a new permit, but efforts to begin construction have been blocked by a coalition of environmentalists. They have filed suit claiming that the new permit was improperly issued and that alternatives to the highway were not considered.

In addition to commenting on the project's effect on the fish, Benforado briefly touched on two themes being presented by Westway opponents.

First, he testified that the EPA considered Westway primarily a transportation project and therefore believed that there were other alternatives that would pose less of a danger to the environment.

He said this was a "common sense" conclusion because 90 percent of the project is being funded by the Federal Highway Administration. The cost of the project is estimated at about $6 billion.

The Corps and Westway proponents, however, have argued that the project provides for more than a new highway and therefore there are no alternatives. They say this is because the landfill would also result in the creation of some 200 acres of real estate for future development.

Second, Benforado testified that he could find little explanation for changes the Corps made in its final environmental impact statement.

In its preliminary draft issued in May 1984, the Corps said Westway would have a "significant adverse impact" on the environment, especially considering the striped bass problem mentioned by the EPA and other agencies. This language was modified and toned down in the final draft issued in November.

Under questioning by Mitchell Bernard, an attorney representing Westway opponents. Benforado said these differences were discussed by EPA officials in Washington and New York.

He testified that he was not aware of any "substantive contact" between the Corps and the EPA during this period or of any new data the Corps might have used to change its conclusions.

The EPA's objections to Westway were detailed in a letter sent to the Corps' district engineer Col. Fletcher Griffis, before he approved the crucial landfill permit. A cover letter signed by EPA regional administrator Christopher Daggett was followed by 15 pages of technical comments.

The letter said the Corps had failed to prove that the project would "not inflict an unacceptable adverse effect on the environment because of the loss of the striped bass habitat.

In his letter Daggett said the Corps had left "unanswered many crucial questions." He added that it is clear there would be an adverse impact" on a "significant proportion of the striped bass population that spends the winter months in the shallow waters that would be filled in by Westway.

He also said it was "unclear" whether a number of these fish would simply be displaced by the landfill as the Corps predicted or whether many would perish.

The letter said that the questions surrounding the striped bass were of "national importance" because of the decline in stocks throughout the East Coast.

[From the Star-Ledger, June 27, 1985]

WESTWAY BIOLOGIST TIED TO ROCKEFELLER

(By Arthur K. Lenehan)

The biologist on whom the Army Corps of Engineers relied in deciding to issue a construction permit for New York's Westway project admitted in court yesterday that while giving the Corps ostensibly independent advice, he was being paid a salary by the Rockefeller family, who have been among Westway's most ardent supporters.

Biologist William Dovel testified that he went to the Rockefeller offices in Rockefeller Center and consulted with a family representative about his analysis of Westway's environmental impact "in order to get paid."

He conceded that while continuing his relationship with the Rockefellers, he furnished "expert" advice to the New York regional office of the federal Environmental Protection Agency (EPA), and did not inform EPA officials the Rockefellers were paying him.

Dovel traced his involvement with Westway to the fall of 1983, when the Corps of Engineers asked him to serve as a part-time consultant. Dovel was one of the key participants in a Corps study of Westway's potential impact on Hudson River stocks of striped bass in early 1984. He was the only outside consultant who worked full time on the Corps' four-month bass study, a study cut short at the insistence of New York Gov. Mario Cuomo.

It was Dovel who later devised and promoted the "migratory theory" to explain the dense concentrations of young bass found in the area of the proposed Westway landfill. The study had shown that at times the Westway area attracted as many as 44 percent of the young striped bass in the river.

Essentially, Dovel's migratory theory held that the young fish were just "passing through" the Westway area, and thus would not be harmed if the area were filled in. The Corps eventually adopted that theory and made extensive use of Dovel's rationale in an environmental impact statement that largely absolved Westway of environmental problems.

The theory was credited and used by the Corps despite the protests of fisheries biologists in three federal agencies.

Yesterday, it was revealed that the migratory theory was developed, at least in part, at Rockefeller Center, about the same time the Rockefeller family was pressuring the White House and federal agencies to approve Westway. The fully developed migratory theory, together with accompanying documentation paid for by the Rockefellers, later was passed to the Corps of Engineers through Dovel, without notation as to its origin.

Dovel testified in Manhattan before U.S. District Court Judge Thomas Griesa, who is holding hearings to decide whether the Corps' environmental impact statement on Westway was prepared according to law.

The biologist told the judge that following the end of the bass study in May 1984, he handled another part time assignment for the Corps continuing into last summer. He said his consulting contract with the Corps lapsed in September. At that point, he said, he returned to his work as an "independent consultant" in marine biology, a business in connection with which he could cite only two clients, the Corps and the Rockefellers.

Dovel first mentioned the Rockefeller family under examination by Assistant U.S. Attorney Randy Mastro, one of the federal attorneys representing the government.

The witness said he had received "three months' salary" from a Rockefeller representative named George Lamb. He said he had understood Lamb to represent Laurence Rockefeller, brother to both Nelson Rockefeller, the late vice president, and David Rockefeller, former head of the Chase Manhattan bank and now a leading proponent of the Westway project.

Mastro quickly left the subject of the Rockefellers, but the topic came up again when Dovel was cross-examined by Mitchell Bernard, who represents a coalition of environmentalists opposed to the Westway project. Bernard had developed his own information about the relationship between Dovel and the Rockefellers, and he got Dovel to explain the relationship in some detail.

On Monday, Bernard produced copies of letters and memoranda bearing on the efforts of David Rockefeller to convince the Washington-based leadership of the EPA that the agency's New York regional officials were biased against Westway, favoring New Jersey interests. Those efforts were made between last September and January, according to the documents. Much of the material Bernard produced yesterday pertained to the same period, when the Westway decision hung in the balance.

Bernard elicited from the consultant testimony that Dovel had initiated contact with the Rockefeller family himself, soon after leaving his assignment with the Corps of Engineers. Dovel said he called Lamb at Rockefeller Center last September and set up an appointment to speak with him about Westway and the striped bass question.

At the time, Dovel had submitted no written analysis of his work on the bass study to the Corps, nor had he been asked for one, he testified. He said he had always believed Westway would have no impact on the fish and had seen no point in elaborating on that view.

Dovel added, however, that he had for several years unsuccessfully sought funding for a major academic paper on the striped bass, exclusive of its importance in Westway. Dovel has written papers in scientific journals and said he holds a bachelor's degree in biology from Bridgewater College.

He said the idea occurred to him that the Rockefellers might pay for his bass paper. He said he was aware that Lamb handled some "environmental matters" for the family.

"I remember telling George, and I will try to give you the essence of the conversation." Dovel testified, "that I was convinced no issue in the lower Hudson should be addressed without the availability of a good summary of the life history of the striped bass. And, in all probability, since Westway was a major issue, I may well have said it could be most beneficial for the Westway concern."

Bernard then read from an account of Dovel's conversation with Lamb, in what appeard to be a deposition.

"Do you remember telling him, and I quote. " 'It was my feeling we needed this interpretation badly and that Westway could use it?' Do you remember telling that to Mr. Lamb?"

"That sounds familiar," Dovel responded.

"And Mr. Lamb agreed to fund your work right than and there, didn't he?" Bernard asked.

"He encouraged me to go ahead and start the work and said he probably would be able to arrange funding." Dovel answered.

The consultant recounted that, in September and October 1984, he spent eight weeks writing a first draft of a report on his migratory theory. For this work, Lamb paid him eight weeks' salary. Dovel said. He said he consulted with Lamb at least three times regarding the progress of the work, each time visiting Lamb at his office in Manhattan. If he had prepared a graphic or chart for the report, he routinely showed it to Lamb and explained it, Dovel said.

"I had discussions relative to the progress of my work in order to get paid," Dovel testified.

About December, Dovel said, he showed the draft of his report to Leonard Houston, the Corps of Engineers chief biologist on the Westway project. The migratory theory was nothing new to Houston, Dovel said, as he kept Houston posted on its evolution.

"Did you ever advise the Corps of Engineers that you were receiving payments from Laurence Rockefeller?" Griesa asked.

"I probably did," Dovel said.

"Whom did you tell?" Bernard asked.

"Probably Len Houston, said Dovel.

"When did you tell him?"

"I probably told him in early September that George Lamb had encouraged me to go ahead, and I would probably get funding," Dovel said.

A moment later the judge asked, "Did you tell Mr. Houston who Mr. Lamb was?"

"I assumed Mr. Houston knew who Mr. Lamb was," Dovel said.

Bernard produced a letter from Lamb to Col. Fletcher Griffis, the Corps officer who approved the building permit for Westway late in January.

The letter was dated Jan. 15 and was written on the stationery used by the Rockefeller brothers. The letterhead on the stationery refers not to any business or charitable concern, but only to the brothers' office address, 30 Rockefeller Plaza, Room 5600. Letters from David Rockefeller to the White House and the EPA on the subject of Westway were typed on the same stationery.

"I am writing in support of the Westway project," Lamb said in his letter to Griffis. At the end of the letter, he urged Griffis to provide funding for the work of a biologist Lamb expressly chose not to name.

"I will identify this biologist by noting that he was the one who found the fish," Lamb said, perhaps referring to earlier work Dovel had done on striped bass.

But Griffis would provide no funding for Dovel. Dovel testified that Lamb soon agreed to provide additional funds himself. Dovel said he received from Lamb another four weeks' salary toward finishing his report.

"That was to make final subtle changes, get it typed, that sort of thing," Dovel testified.

Only in connection with the final payments did Dovel hint at any discussion of a possible conflict of interest.

"I was aware that Mr. Lamb felt that this sort of work should be funded by environmental agencies," Dovel said. "But he felt so strongly that the work should be done that, if funds could not be found elsewhere, he would provide them.

Dovel explained that he spoke to New York officials of the EPA on Jan. 14, a time when the EPA's regional office was wrestling with the question of whether it should continue its longstanding opposition to Westway. David Rockefeller had been in EPA headquarters in Washington less than two weeks earlier, complaining to officials there that EPA's New York regional administrator, Christopher Daggett, was opposed to Westway solely because he favored New Jersey, Daggett's home state, over New York.

Records introduced in the Westway hearings show that Daggett attended the Jan. 14 meeting with Houston and others and questioned Houston closely about the adequacy of the Corps' bass study. The records show that Dovel told Daggett the studies were adequate in every respect. No mention was made of Lamb.

[From the Star-Ledger, June 23, 1985]

WESTWAY BIOLOGIST CONTRADICTS HIS OWN REPORT

(By Arthur K. Lenehan)

The biologist responsible for the analysis that led to federal approval of New York's Westway project testified in federal court in Manhattan yesterday that there were numerous errors and misstatements in his crucial report on Westway's potential impact on the Hudson River stocks of striped bass.

Under cross-examination by a lawyer representing Westway opponents, biologist William Dovel uniformly disavowed statements in his report that seemed to indicate Westway might cause environmental damage, as well as statements indicating there had been insufficient study of the project.

Referring to the bulk of his 130-page report, which favored Westway, Dovel said it was erroneous only in being stated too weakly. He said he would now use the word "conclusion" instead of the word "hypothesis" in numerous arguments favoring Westway. He said he would strengthen his endorsement of the project in other ways as well.

Dovel's repeated disavowals of statements in his striped bass report led U.S. District Court Judge Thomas P. Griesa to call his testimony "a bizarre situation."

The judge referred to Dovel's testimony of Wednesday, when the biologist admitted that he had accepted about three months' salary from the Rockefeller family in connection with work on his Westway report. The Rockefellers have been among Westway's most outspoken supporters. But their role in the preparation of Dovel's bass report was not publicly disclosed until Wednesday.

Dovel testified he had received two set of payments from Laurence Rockefeller, brother of the late Vice President, and New York Gov. Nelson A. Rockefeller. In his comments about Dovel's testimony, made while the witness was outside his courtroom, the judge referred to the final payments.

"When Mr. Dovel got another payment from Laurence Rockefeller, to have the thing typed up," the judge said of the report, "he didn't have it typed up with his conclusions, he had it typed up with something other than his conclusions."

At times, Dovel admitted spotting errors in his report as he reviewed it on the witness stand. He admitted that tenacious cross-examination was causing him to revise his report as he spoke. At other times, he claimed to have spotted errors months ago, and to have kept corrections in mind for months, without having written them down anywhere.

Of some three dozen changes Dovel said he would now make in his report, which was typed only three months ago, all were favorable to Westway.

Griesa recessed the hearings until Monday midway through the cross-examination of Dovel.

WESTWAY BIOLOGIST CONTINUES TO QUALIFY

(By Arthur K. Lenehan)

The biologist whose advice persuaded the Army Corps of Engineers to grant a construction permit for Westway continued to qualify and amend a critical report on the project while testifying yesterday at a federal court hearing in Manhattan.

Biologist William Dovel maintained through a second day of cross-examination that a report he wrote regarding the highway's impact on striped bass in the Hudson River did not reflect his own outlook at the time he wrote it.

Dovel has disavowed dozens of statements in his report that seemed to indicate he remained uncertain about the project's impact, at least in March when he last revised his report.

For example, Dovel rejected his earlier statement that the Westway area might be "uniquely beneficial" for young striped bass born in the upper reaches of the Hudson River.

"Now on page 49 of your report you talk about certain habitats being uniquely beneficial, is that right? asked attorney Mitchell Bernard, who represents environmentalists opposed to the project.

"Yes, but my definition of uniquely beneficial would be couched quite differently now," Dovel said.

"You've changed your definition of uniquely beneficial?" Bernard said.

"My definition of uniquely beneficial does not mean that areas natural or manmade are uniquely beneficial to the survival of the species," Dovel explained. "It means in this particular case of manmade areas that could be considered uniquely beneficial by some people simply increase the total area that is useable by the fish during the winter, and that these areas possess no special attribute."

Dovel's unwavering adherence to a line of analysis that favors the Westway project, even when that position has involved rejection of his own statements, prompted U.S. District Court Judge Thomas Griesa to question the witness's point of view.

"You're totally impartial on that point, aren't you?" Griesa asked after another of Dovel's disavowals. "You're not in any way acting as an advocate of the Corps of Engineers position, are you?"

"No," the witness said.

Dovel again answered questions about his acceptance of payments from the Rockefeller family in connection with his report on Westway. He conceded that, in the past three years, his one-man business as a consulting marine biologist has had only two clients, the Army Corps of Engineers and the Rockefellers. The Rockefellers have been among the most vigorous promoters of Westway.

Dovel has said he hopes to obtain further "grants" to complete his work on Hudson stocks of bass, and has not ruled out taking more money from the Rockefeller interest. He has said he has received about "three months' salary" from the family so far.

While the questions asked of Dovel have focused on those portions of his report that raise questions about Westway, by far the greater portion of the report is favorable to the project.

[From the Star-Ledger, July 3, 1985]

DOCUMENTS TRACE ROCKEFELLER ROLE IN FINANCING WESTWAY BASS STUDY

(By Arthur K. Lenehan)

Federal attorneys yesterday produced a sheaf of documents detailing how the Rockefeller family paid for and participated in the preparation of the environmental study that persuaded the Army Corps of Engineers to approve construction of Westway, a project with which the wealthy New York family has been closely associated.

The documents produced in U.S. District Court, Manhattan, showed that critical changes were made in the environmental study shortly after the author delivered a draft copy to the Rockefeller family offices in Rockefeller Center and collected a fee from a representative of the family. Without exception, the changes made in the document favored the Westway project.

The document's author, consulting biologist William Dovel, denied on the witness stand that Rockefeller representatives had discussed particular changes with him. But Dovel could not explain why certain key changes had been made. He again conceded on the stand that he views the Rockefeller family as a possible source of research funding in the future.

Discussing a related topic, Dovel testified that he went to Rockefeller Center and reported to Rockefeller representative George Lamb immediately following his delivery of a verbal report on Westway in the New York offices of the Federal Environmental Protection Agency (EPA). In his appearance before the EPA, Dovel presented himself as an unbiased, independent expert on fisheries.

Assistant U.S. Attorney Howard Wilson produced the Rockefeller documents at the start of yesterday's session before U.S. District Court Judge Thomas P. Griesa. Wilson indicated he had obtained the documents from the Rockefeller family offices. Wilson suggested he was producing them not for any purpose of his own, but rather to comply with Griesa's general instruction that the U.S. Attorney's Office produce all available information pertinent to Westway.

Immediately after the material was produced, the attorney representing environmentalists opposed to Westway seized on it as a basis for questions regarding the integrity of the author. For more than two hours, Mitchell Bernard grilled biologist Dovel on his relations with the Rockefellers and the manner in which he had revised his report.

It was Dovel who devised what is now known as the "migratory theory" on Hudson bass. In essence, the migratory theory holds that dense concentrations of young bass found in the area of the proposed Westway landfill are just "passing through" the area, and thus would not be harmed if the area were filled in for construction of Westway. The Westway project would require the filling of some 200 acres of the Hudson on the West Side of Manhattan between 42d Street and Battery Park City. The threat of a serious environmental impact has delayed the road project for years.

Yesterday, Bernard pointed out that a draft of the Dovel report delivered to Rockefeller Center last December, and turned over by the Rockefellers this week, contained statements indicating that Dovel had regarded his migratory theory as speculative at the time he prepared the draft. Bernard read from Dovel's early draft. "At the present time, there is no way to determine the duration of stay for individual fish in the metro area." The attorney then went on to ask a series of questions relating to the statement.

"Would you say that is an important sentence in terms of evaluating the impacts of the Westway landfill on striped bass?" Bernard asked.

"I believe I answered that as yes before." Dovel said, referring to earlier testimony.

Bernard established that Dovel's theory presumed a rapid movement of fish into and out of the Westway area, and Dovel concurred. Then Bernard returned to the assertion in the draft given the Rockefellers. Finally, Bernard pointed out that the sentence in question had been removed from a second draft of Dovel's study, one that was prepared shortly after Dovel visited Rockefeller Center and delivered the first draft to Lamb.

"When did you decide to take that sentence out?" Bernard asked.

"I don't remember," Dovel said.

"So you just dropped that sentence out?"

"At this point, I can't tell you why I dropped it out," Dovel said.

Bernard pursued the topic, referring to the original draft of the report by the initials O-O-O, the designation given the draft for purposes of identification in court.

"Is it just coincidence that there is a series of crossouts and revisions of material from O-O-O that might impart some special importance to the Westway area?" Bernard asked.

"I think it is. I know it is," Dovel replied.

"I don't understand the answer," the judge interjected.

"The answer is it's purely coincidental," Dovel continued.

"Is it also just purely coincidental that you were being funded to make these revisions by Mr. Lamb or Mr. Lamb's funding source?" Bernard asked.

"Purely coincidental?" Dovel said.

"Is that relevant?" said Bernard. "Is it relevant that you were being funded to make these revisions by Mr. Lamb, or Mr. Lamb's funding source?"

"Absolutely not," Dovel said.

Shortly, thereafter, Dovel explained that in revisions of his report he had succeeded in working out a comprehensive description of bass movements in the lower Hudson, notwithstanding his own statement in the Rockefeller draft that his task was impossible. The scheme he worked out came to be known as the migratory theory.

"You had concluded from the available data what you say in his previous sentence was impossible to determine: is that correct?" Bernard asked.

"That's correct," said Dovel.

Dovel had testified previously that he received about "three months' salary" from Lamb, in payments that bracketed a period during which Dovel was frequently conferring with Corps of Engineers officials and occasionally explaining to them the contents of his evolving report on the bass. That period lasted from last autumn until January, when the Corps of Engineers announced its approval of Westway.

During the winter and spring of 1984, Dovel had been employed by the Corps as a field supervisor for a survey of Hudson bass. He was the only full-time consultant employed on the survey. He had testified earlier this week that he had approached Lamb in Rockefeller Center just after leaving employment with the Corps, and had proposed that the Rockefellers finance development of the migratory theory because the theory might be a key element in any decision on development in the lower Hudson.

Yesterday, Assistant U.S. Attorney Howard produced among the other Rockefeller papers a copy of a written proposal Dovel mailed to Lamb last October, shortly after Dovel's initial meeting with Lamb. In the proposal, referring to the expected results of work agreed upon, Dovel told Lamb. "I appreciate the applicability of such results to the current concerns in the lower Hudson and anticipate no delay in accomplishing the goal."

The U.S. Attorney's Office also produced a letter that Dovel sent to Lamb last Dec. 20. In the letter, Dovel referred to meetings with Lamb in Rockefeller Center to discuss the progress of work on his report.

"You have seen the rough graphics but not the text," Dovel told Lamb in the letter. "The text is ready and, regardless of additional efforts to improve the graphics concept, the text material should remain essentially in the current state. I believe the need for this contribution in the next few months compels us to move ahead promptly."

Bernard asked Dovel, "What was the compulsion?"

"First off, because the product was long overdue," Dovel said, referring to his own analysis. "Second, because there was a concern in the lower Hudson regarding Westway, it was appropriate to finish the product."

Dovel said several times that he did not know how George Lamb felt about Westway, or how the Rockefeller brothers felt. He testified that, as a result of his letter to Lamb on December 20, Lamb sent him money "probably by return mail." A draft of the report was being typed by year's end, Dovel said. He said that this first typed draft was delivered to the Rockefeller offices in January. This was the draft produced in court yesterday, and disavowed to a great extent.

"You said to Mr. Lamb that the text should remain in its current state. Did you mean that?" Bernard asked Dovel, in connection with the December letter describing the report.

"I'm sure that the first time I read the document, I saw that it would need some further work," Dovel said. He then went on to reject the draft's statements that evidence on the migratory theory was "circumstantial," that other important data he used were "limited" in scope and that there was "no obvious way to anticipate how fish activity would change" in the event Westway was built.

With respect to the last of the three assertions. Bernard wanted to know whether Dovel had believed the statement in question when he wrote it.

"Yes," Dovel said, "but I don't consider it important to the Westway situation."

"Why not?" Bernard asked.

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"You said to Mr. Lamb that the text should remain in its current state. Did you mean that?" Bernard asked Dovel, in connection with the December letter describing the report.

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"Yes," Dovel said, "but I don't consider it important to the Westway situation."

"Why not?" Bernard asked.

"I think there is an obvious way to anticipate how fish activity would change," Dovel said.

"Isn't that the exact opposite of what you have written here?" Bernard exclaimed, brandishing some of the original pages delivered to Rockefeller Center.

"Yes," Dovel said.

Bernard noted that the letter to Lamb last Dec. 20 coincided with the Army Corps of Engineers' final analysis of Westway. The Corps of Engineers' final environmental impact statement on Westway had been published in November. The Corps was to announce its decision on a construction permit for Westway in January.

Bernard pointed out that the letter to Lamb included a list of expenditures necessary to complete the report and concluded. "Please advise me as to your response to this approach and the willingness of your source of financial support to cover these items."

There was also a postscript that read: "George, I have just reviewed the Corps' final impact statement. That statement uses my theory of migration as the only concept of organized movement of the young bass. Obviously, the final product is going to be criticized by a lot of experts. If you would like to talk about this. I'll call you.

Bernard hammered away at the significance of the postscript, referring to the Corps' final supplemental environmental impact statement by its acronym, FSEIS.

"Isn't it fair to say that you were appealing to Mr. Lamb for this new funding in order to defend, on behalf of the Corps, the anticipated criticism of the FSEIS?" Bernard asked.

"Absolutely not," Dovel said.

"It just has nothing to do with that?" Bernard said.

"Nothing whatsoever," Dovel said.

Dovel testified that Lamb paid him with checks from Jackson Hole Preserves, one of the Rockefeller brothers' philanthropic interests. He said he had received about $9,000 in salary from the Rockefellers in all. He explained that he and Lamb had agreed to defer some of the payments into 1985 in order to reduce Dovel's 1984 income tax liabilities.

"And what did you know at the time about Jackson Hole Preserves?" Bernard asked.

"Only that it was an interest of Laurance Rockefeller," Dovel said, referring to the brother of both the late Vice President Nelson Rockefeller and David Rockefeller, former head of the Chase Manhattan Bank in New York.

David Rockefeller has been one of Westway's key supporters. Lamb himself once wrote to the Corps of Engineers to endorse the project, using the stationery of the Rockefeller family offices.

Dovel testified that last January while he was at work on revisions of the report he had given Lamb, the New York regional office of the EPA sought his views on the striped bass question. The EPA at the time was deciding whether it should persist in its longstanding opposition to Westway.

Dovel said the request came from EPA Regional Administrator Christopher Daggett. Previous testimony in the Westway hearing has indicated that about the time Dovel received Daggett's request. David Rockefeller visited Washington and complained to ranking EPA officials that Daggett was biased on the Westway question, in favor of his home state of New Jersey.

Dovel said yesterday that within hours of reporting to Daggett, he went to Lamb's office at Rockefeller Center and told Lamb about his talk with Daggett.

Bernard asked Dovel what he told Lamb.

"It was a passing of friends in which I said I had a flight back to Florida in a few minutes," Dovel said.

"I said I'm simply stopping by to say that, at the request of Chris Daggett, I have given a copy of the work I am doing to the EPA workshop."

"You just stopped by to say that?" Bernard said.

"That's exactly right," Dovel said.

* * * * *

The marine biologist explained that he may seek further funding from the Rockefeller interests in the future. He said he last talked to Lamb in April and left the question of further funding in abeyance.

"In this case we have an understanding," Dovel said. "Since Mr. Lamb feels that this should really be the interest of federal environmental agencies, I would like him to hold off until we can see whether some more appropriate agency will be willing to fund the work."

"So you don't want further funding from Mr. Lamb?" Bernard asked.

"When I get ready to do the final graphics, I will want funding from anyone who will give it to me," Dovel said.

[From the Star Ledger July 9, 1985]

ARMY BIOLOGIST ADMITS ROCKEFELLER CONSULTANT GUIDED WESTWAY STUDY

(By Arthur K. Lenehan)

The Army Corps of Engineers biologist who handled the Corps environmental analysis of Westway admitted yesterday that he based his study on advice of an outside consultant he knew to be receiving money from the Rockefeller family, which has been among the project's most enthusiastic supporters.

According to Corps biologist Leonard Houston, fisheries consultant William Dovel informed him of his relationship with the Rockefellers during the final Corps review of Westway last fall. Houston said Dovel told him he was receiving money from "the Rockefeller Foundation." Houston said he knew then that the Rockefellers were outspoken advocates of Westway, and had seen letters from them to the Corps in defense of the project.

Houston said he mentioned the relationship between Dovel and the Rockefellers to his superiors, but heard no objection from them, and attached no significance to it himself.

"I didn't think it was anything special," Houston said.

Houston was testifying at continuing hearings on the Westway project at the federal courthouse in Manhattan. In earlier testimony, Dovel had said he had received at least $9,000 from a Rockefeller family representative named George Lamb over some six months. The payments from the Rockefellers bracketed the period of final Corps review of Westway, in which Dovel was a key adviser.

According to Dovel's earlier testimony, Lamb paid him to prepare a paper on the migratory movements of striped bass in the Hudson, a paper that was later to lay the basis for approval of the Westway project. The paper's critical rationale, eventually adopted by the Corps of Engineers, was that construction of Westway could not hurt young bass found in the area of the proposed landfill, since the fish were only "passing through" the area.

Yesterday, Houston said Dovel's rationale was so important to the decision to approve Westway he had recommended that the Corps append copies of the report to its enviromental impact statement. Houston said that suggestion was rejected by his boss, Col. Fletcher H. Griffis, because inclusion of the Dovel report would have taken too long.

"Ultimately I think it was Col. Griffis who said, 'No, I want you to go ahead. You know what Bill (Dovel) is saying. You have done your analysis. I don't want you to wait for Bill,' " Houston said.

In the latter hours of yesterday's hearing Houston became enbroiled in a lengthy analysis of his own written comments, as printed in the draft of the environmental impact statement published in May 1984. U.S. District Court Judge Thomas P. Griesa asked him to identify comments in the draft that were erroneous, and Houston picked out more than a score, all of which ascribed to the Westway area a special importance in the life cycle of the bass.

The main thrust of the opponents case against the project has been that the draft conceded Westway was environmentally unsound, and that this judgment was reversed in a final environmental impact statement on account of political pressure brought in the interim by the Rockefellers, Sen. Alfonse D'Amato and others.

[From the Star-Ledger, July 10, 1985]

JUDGE GRILLS ARMY CORPS BIOLOGIST ON WESTWAY STUDY INCONSISTENCIES

(By Arthur K. Lenehan)

The Army Corps of Engineers biologist who recommended approving New York's Westway project yesterday underwent a second day of technical cross-examination on inconsistencies in various drafts of the Corps' environmental impact statement on Westway.

The biologist, Leonard Houston, conceded at the federal courthouse in Manhattan that the rationales he used in the drafts and the conclusions he drew from those rationales did not always agree. Houston's explanation of the inconsistencies was that, in many cases, he had been thinking one thing and writing another.

U.S. District Court Judge Thomas P. Griesa became involved in discussion of the inconsistencies, as he had in such discussions previously during the current hearings on Westway. Noting that he was now six weeks into the Westway hearings, Griesa said yesterday he is still not satisfied with government explanations as to how the Corps could have predicted dire consequences from Westway in a draft environmental impact statement published in May 1984, then reversed that judgment in a final impact statement only six months later.

"Despite the fact that witnesses have been testifying here day after day after day after day, that question remains unanswered," Griesa said.

Environmentalists opposed to Westway have argued in court that the change in the Corps' analysis came about largely on account of political pressures brought by the Rockefeller family, New York Gov. Mario Cuomo, and U.S. Sen. Alfonse D'Amato (R-N.Y.), among others.

In a memorandum submitted to Griesa about a week ago, Assistant U.S. Attorney Howard Wilson, the lawyer representing the Corps, tried to dispose of this issue. In the memo Wilson argued that the changes in question were made because Houston had adopted one ecological theory over another and thus interpreted identical data differently.

Wilson proposed in his memorandum that Houston and the Corps at first expected severe harm to Hudson River stocks of striped bass because Houston initially accepted what he calls the "staging area" theory to explain dense concentrations of young bass found in the area of the proposed Westway landfill. As both Houston and Wilson have explained it, the staging area theory held that the fish needed the Westway area as a kind of halfway slop between the upriver spawning grounds where they are born and the coastal sea where they spend their adult lives.

Such a stop was necessary to the fish, the Corps said in its draft impact statement, because it afforded them rest, food and an opportunity to acclimate themselves to the marine environment before pushing out to sea.

The second theory Wilson mentioned in his memorandum was the "migratory theory," which held that the Westway area was not important to the fish found there because they were just "passing through" the area, or migrating.

Essentially, Wilson argued in his memorandum that the adoption of the migratory theory over the staging area theory naturally led the Corps to a reduced estimate of Westway's environmental impact.

Yesterday, Griesa interceded in the cross-examination of Houston after attorney Mitchell Bernard, who represents the environmentalists opposed to the project, introduced several unpublished drafts of the environmental impact statement and established that, long after Houston had abandoned any notion that Waterway was used as a "staging area," he continued to predict that it would have drastic effects on the Hudson bass.

Picking up on Bernard's line of questioning, the judge asked the witness to step outside, and explained to the attorneys that, in his view, Houston's testimony seemed to contradict Wilson's memorandum.

Griesa commented that the apparent contradiction, considered together with other questions regarding Corps practices, presented "a web of issues about the bona fides of all this activity that went on at the Corps.

Cross-examination of Houston will continue today.

[From The Star-Ledger, June 22, 1985]

Westway Foes Show Evidence of Selective Editing on Key EPA Advisory

(By David Schwab)

NEW YORK—Westway opponents tried to show yesterday that federal environmental officials in the region toned down their criticisms of the project at the direction of superiors in Washington.

During a hearing in federal court, attorneys representing a coalition of environmental groups presented a series of documents in an attempt to show that some of the harshest criticisms made by Environmental Protection Agency (EPA) officials in New York were subsequently deleted from documents later reviewed in Washington.

The changes concerned a Jan. 21 letter EPA officials in New York sent to the U.S. Army Corps of Engineers in which the EPA opposed the granting of a landfill permit. Over its objections, and those of two federal wildlife agencies, the Corps issued a permit in February to allow the filling-in of 240 acres of the Hudson River.

Government attorneys representing the Corps concede there were some changes made in the letter before it was sent to the Corps. They say these changes were irrelevant because there was no change in the agency's basic opposition to the project.

But attorney Mitchell Bernard, who represents Westway opponents, told U.S. District Court Judge Thomas Griesa that without these changes the Corps would not have been able to grant the permit. This is because of the EPA's initial finding that Westway would have a "significant adverse impact" on striped bass in the Hudson River.

"At the last minute, at what appears to be the highest level of the EPA, that criticism was cleansed." he said. "There was a recognition by the EPA that the conclusion of significant impact meant the permit had to be denied."

In an effort to show how these changes came about, Bernard questioned for a second day, Jay Benforado, an EPA official who helped to review in Washington initial drafts of the EPA comment letter. The final letter was issued by Christopher Daggett, EPA regional administrator in New York.

Of the changes in the documents, Benforado testified that it was his "general impression" that officials in Washington considered "the tone of the (initial) letter was strong" and that "you could get to the same place by not taking such a strong position."

When asked who was responsible for the final changes, Benforado said it was done "at the senior level."

According to the documents, there were several differences between the initial drafts of the letter and the final version, which were obtained through Freedom of Information requests.

For instance, initial drafts said the Westway project would have a "significant adverse impact" on striped bass in the Hudson River; the word "significant" was removed from the final version. Westway opponents say this is important because by law the Corps would have had to reject the permit if it resulted in a "significant" impact.

Also, the EPA's initial drafts of the letter noted that the Corps had changed its own mind about the project's impact on the population of striped bass with little or no data to support it. In the final version, these comments by the EPA were eliminated, according to the documents cited by Westway opponents.

These changes by the Corps are considered an essential issue in the trial. Griesa, who will decide whether to permit construction of Westway to begin, has called upon the Corps to provide a full explanation of the documents.

In its preliminary environmental impact statement, the Corps found Westway would have a "significant adverse impact" on the striped bass that use the shallow waters that would be filled in by Westway.

In its final version of the impact statement, the Corps concluded the project would most likely have a "perceptible" effect that would have a "minor impact."

[From the Star-Ledger, July 23, 2985]

Westway Foes Charge Corruption

(By Arthur K. Lenehan)

The attorney representing environmentalists opposed to New York's huge Westway project charged yesterday in federal court in Manhattan that the Army Corps of Engineers' decision to approve the project was tainted by political corruption.

Attorney Mitchell Bernard recalled that a published draft of the Corps' environmental impact statement on Westway foresaw grave damage to Hudson River stocks of striped bass. He suggested that the Corps reversed that finding in its final impact statement, calling Westway's impact "minor," because in the interim Corps offficials had buckled under political pressures brought by Westway advocates.

Bernard referred to documents from the federal Environmental Protection Agency (EPA), introduced as evidence during hearings on Westway. The documents described conversations between ranking EPA officials in Washington and financier David Rockefeller, a leading Westway proponent. Related testimony at the hearings established that the Rockefeller family had paid $9,000 to the biologist on whose advice the Corps relied in approving Westway.

"The corruption point is in my mind an added point, an inference that can reasonably be made based on the EPA documents, the chronology of events, and particularly from the absence of any rational explanation for the changes that were made," Bernard said.

Bernard asked U.S. District Court Judge Thomas P. Griesa to reverse the Corps' approval of Westway. The judge reserved decision. He had explained previously that he intends to decide the Westway case toward the end of this month.

Yesterday, Griesa rejected the main defense of the Corps offered by Assistant U.S. Attorney Howard Wilson in his own summation. Wilson told the judge that, in the minds of Corps officials, there was no substantial difference between the Corps' draft impact statement and the final version. Wilson argued that although the Corps, indeed, had predicted an "important" or "significant adverse impact" in the draft, Corps officials had always believed that Westway's impact would be "minor." Any appearance to the contrary was due to the Corps' inadvertent misuse of words, Wilson said.

The Corps' use of the term "significant adverse impact" in its draft environmental impact report, and the subsequent elimination of the term from the final report, has been one of the major issues in the Westway case.

The term is a standard of federal environmental law and in itself virtually would have compelled denial of a construction permit for Westway, had it remained in the final impact statement.

"I'm the first person to admit, your honor, that a lay person reading that document and seeing 'significant adverse impact' would think that meant a major impact," Wilson told the judge. He went on to argue that the opposite was true. Then Griesa interrupted.

"Does important mean minor?" the judge asked.

"Yes, your honor," Wilson said. "In the context of this case, it does. Important means you can't even see it. That's not the way you and I talk, but that's the way the document is written. I understand your honor's frustration with the language in this document. It doesn't always say what the author says it says."

The judge said he found Wilson's explanation "unrealistic."

"If we recognize that the draft environmental impact statement built up a picture of what was clearly a significant impact, in any normal usage of the word . . . the words are all there . . . and we recognize that there was a substantial change in the final, then we'll be dealing with the issues. We're not dealing with the issues now," the judge said.

Griesa said he thought it was "beyond any argument" that the Corps had radically changed its position on Westway. Wilson responded that he would have trouble continuing his summation if that was the judge's conviction. Wilson did continue only after Griesa encouraged him to do so.

Both Wilson and Paul Curran, who represented the State of New York before Griesa, sharply disagreed with Bernard's assertion of undue political influence or, as Bernard put it more than once, a "fix" of the Corps' decision.

"I say to your honor that that is a smear," Curran said, "because there is no evidence of that in this record."

Wilson noted that Col. Fletcher Griffis of the New York office of the Corps of Engineers wrote his Washington superiors of his intention to approve Westway two days before he announced his decision publicly.

"Certainly if the fix was in, how come the people in Washington don't even know the outcome of the colonel's decision two days before?" Wilson asked rhetorically.

"I don't like the word fix," Griesa said, a moment later. "I could be dealing with some very serious issues here. We're talking about impugning the integrity of officials in Washington."

The judge then went on to explain that he himself was puzzled by the Corps' reversal of its Westway analysis, and particularly concerned about meetings between Griffis and his Washington superiors just before the reversal.

"Why were they there? What was the meaning of their being there?" the judge wondered aloud.

Griesa also expressed doubts about the testimony of the biologist paid by the Rockefellers. The biologist, William Dovel, worked on a Corps study of Westway's impact on striped bass, then took money from the Rockefellers to prepare an analysis that minimized that impact. Dovel's study which was uniformly rejected by other fisheries biologists, eventually became the pivotal element in the Corps' decision in favor of Westway.

"I've got to ask you," the judge told Wilson yesterday, "whether an important decision like this one, a decision important for the community, the state, and the nation, should rest in any degree on the testimony of an individual who has testified in this courtroom the way he (Dovel) has, and produced the documents he has produced."

Wilson argued that the credibility of the government witnesses was beyond question. Griesa said he had his doubts.

"Suppose that I do not accept the testimony that the impact analysis was unchanged," the judge said. "Suppose I don't accept that. As a juror, I would then have to consider the reliability of the other phases of the testimony. I think the same applies to a judge."

Griesa will decide whether the Corps' final environmental impact statement was prepared according to law. He threw out an initial impact study three years ago, and forbade any construction work on Westway pending the submission of an adequate new study.

Westway would be built on a 240-acre landfill in the Hudson, on the West Side of Manhattan between 42d Street and Battery Park City. Besides a new highway, it would provide about 200 acres of new parkland and commercial property. It would cost about $6 billion, of which 90 percent would be paid from federal highway funds.●

ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS

MURKOWSKI AMENDMENT NO. 589

Mr. DOLE (for Mr. MURKOWSKI) proposed an amendment to the amendment of the House to the bill (S. 444) to amend the Alaska Native Claims Settlement Act; as follows:

Strike out all after the enacting clause and insert:

SECTION 1. The Alaska Native Claims Settlement Act (85 Stat. 688, 43 U.S.C. 1601–28), as amended, is further amended by adding at the end thereof the following new sections.

SEC. 34. (a) For purposes of this section the following terms shall have the following meanings:

(1) the term "The Agreement" or "Agreement" means the agreement entitled "Terms and Conditions Governing Legislative Land Consolidation and Exchange between NANA Regional Corporation, Inc., and the United States" executed by the Secretary of the Interior and the President of NANA Regional Corporation, Inc., on January 31 and January 24, 1985, respectively.

(2) the term "transportation system" means the Red Dog Mine Transportation System described in Exhibit B of the Agreement.

(3) the term "NANA" means NANA Regional Corporation, Inc., a corporation formed for the Natives of Northwest Alaska pursuant to the provisions of this Act.

(b) Except as otherwise provided by this section, the Secretary shall convey to NANA, in accordance with the terms and conditions set forth in the Agreement, lands and interests in lands specified in the Agreement in exchange for lands and interests in lands of NANA, specified in the Agreement, upon fulfillment by NANA of its obligations under the Agreement, provided, however, that this modified exchange is accepted by NANA within 60 days of enactment.

(c)(1) The Secretary shall convey to NANA, pursuant to the provisions of paragraph A(1) of the Agreement, the right, title and interest of the United States only in and to those lands designated as "Amended A(1) Lands" on the map entitled "Modified Cape Krusenstern Land Exchange," dated July 18, 1985. The charges to be made pursuant to paragraphs B(1) and D(27) of the Agreement against NANA's land entitlements under this Act shall be reduced by an amount equivalent to the difference between that acreage conveyed pursuant to this subsection and the acreage that would have been conveyed to NANA pursuant to paragraph A(1) of the Agreement but for this subsection.

(2) Notwithstanding the provisions of paragraph A(3) of the Agreement, the Secretary shall not convey to NANA any right, title and interest of the United States in the lands described in such paragraph A(3) and the Secretary shall make no charge to NANA's remaining entitlements under this Act with respect to such lands. Such lands shall be retained in federal ownership but shall be subject to the easement described in Exhibit D to the Agreement as if the lands had been conveyed to NANA pursuant to paragraph A(3) of the Agreement.

(d)(1) There is hereby granted to NANA an easement in and to the lands designated as "Transportation System Lands" on the map entitled "Modified Cape Krusenstern Land Exchange," dated July 18, 1985, for use in the construction, operation, maintenance, expansion and reclamation of the transportation system. Use of the easement for such purposes shall be subject only to the terms and conditions governing the construction, operation, maintenance, expansion and reclamation of the transportation system, as set forth in Exhibit B to the Agreement.

(2) The easement granted pursuant to this section shall be for a term of 100 years. The easement shall terminate prior to the 100-year term:

(i) if it is relinquished to the United States; or

(ii) if construction of the transportation system has not commenced within 20 years of the enactment of this subsection. Computation of the 20-year period shall exclude periods when construction could not commence because of force majeure, act of God or order of a court; or

(iii) upon completion of reclamation pursuant to the reclamation plan required by Exhibit B to the Agreement.

(3) Within 90 days after enactment of this section the Secretary shall execute the necessary documents evidencing the grant to NANA of the easement granted by this section.

(4) Except as regards the trail easement described in Exhibit D to the Agreement (to which the "Transportation System Lands" shall be subject as if such lands had been conveyed to NANA pursuant to paragraph A(1) of the Agreement), access to the lands subject to the easement granted by this section shall be subject to such limitations, restrictions or conditions as may be imposed by NANA, its successors and assigns, but NANA and its successors and assigns shall permit representatives of the Secretary such access as the Secretary determines is necessary for the monitoring required by this section.

(e) The easement granted by this section makes available land for the transportation system, and is intended to be sufficient to permit NANA to comply with the laws of the State of Alaska which may be necessary to secure financing of the construction of the transportation system and the operation, maintenance or expansion thereof by the State of Alaska or by the Alaska Industrial Development Authority.

(f) The easement granted to NANA by this section may be reconveyed by NANA, but after any such reconveyance the terms and conditions specified in Exhibit B of the Agreement shall continue to apply in full to the easement.

(g) NANA is hereby granted the right to use, develop and sell sand, gravel and related construction materials from borrow sites located within the easement granted pursuant to this section as required for the construction, operation, maintenance, expansion and reclamation of the transportation system, subject to the terms and conditions specified in Exhibit B of the Agreement.

(h)(1) The construction, operation, maintenance, expansion and reclamation of any portion of the transportation system on any of the lands subject to the easement granted to NANA by this section shall be governed solely by the terms and conditions of the Agreement, including the procedural and substantive provisions of Exhibit B to the Agreement, as if the lands covered by the easement granted to NANA by this section had been conveyed to NANA pursuant to Paragraph A(1) of the Agreement.

(2) The Secretary of the Interior, acting through the National Park Service, shall monitor the construction, operation, maintenance, expansion and reclamation of the transportation system, as provided in the Agreement. Any complaint by any person or entity that any aspect of the construction, operation, maintenance, expansion or reclamation of the portion of the transportation system on the lands subject to the easement granted to NANA by this section is not in accordance with the terms and conditions specified in the Agreement shall be made to the Secretary in writing. The Secretary shall review any such complaint and shall provide to NANA or its successors or assigns and to the complainant a decision in writing on the complaint within 90 days of receipt thereof. If the Secretary determines that the activity made the subject of a complaint is not in accordance with the terms specified in the Agreement, and NANA or its successors or assigns disagrees with that determination, the dispute shall be resolved according to the procedures established in Exhibit B to the Agreement.

(i) The Secretary shall make available to NANA and its successors and assigns the right to use sand, gravel and related construction materials located in Sections 23, 24, 25, 26, 35, and 36 of Township 26 North, Range 24 West, Kateel River Meridian, Alaska, if the Secretary determines either (1) that use of such sand, gravel or related construction material is necessary because there is no other sand, gravel or related construction material reasonably available for the construction, operation, maintenance expansion or reclamation of the transportation system; or (2) that use of such sand, gravel or related construction material is necessary in order to construct, operate, maintain, expand, or reclaim the transportation system in an environmentally sound manner, consistent with the requirements of Exhibit B of the Agreement. The right to use such sand, gravel and related construction material shall be subject to the terms and conditions of Paragraph A of Exhibit B of the Agreement and such other reasonable terms and conditions as the Secretary may prescribe.

(j) Notwithstanding Paragraph D(23) of the agreement, the Secretary shall not agree to any amendment to the Agreement without first consulting with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate and shall transmit copies of the text of any amendment to the Agreement to those Committees at the time of his agreeing to any such amendment.

Sec. 35. (a) The terms and conditions of this section are solely applicable to the lands described in paragraph A(1) of the agreement, which is defined by section 34(a)(1) of this Act and modified by section 34, and shall not affect the relinquishment by NANA described in section B(1) of such Agreement.

(b) NANA Regional Corporation, Inc. ("NANA"), may convey by quit-claim deed to the United States all of its interest in the surface and subsurface estate in any lands described in subsection (a) of this section, provided, however, NANA can relinquish only lands that are compact and contiguous to other public lands within the Krusenstern National Monument and, if the lands to be relinquished have been disturbed by NANA, the Secretary * * *

(c) NANA may relinquish any interest it has under selection applications filed pursuant to this Act, as amended, in the surface and subsurface estate in lands described in subsection (a) of this section by formally withdrawing such application pursuant to this section, provided, however, NANA can relinquish only interests in lands that are compact and contiguous to other public lands within the Krusenstern National Monument and, if the lands have been disturbed by NANA, the Secretary must first determine that such disturbance has not rendered the lands incompatible with Monument values. Whenever NANA formally withdraws a selection application pursuant to this section, it shall be entitled to designate and have conveyed to it lands outside the boundaries of Cape Krusenstern National Monument and any other conservation system unit, as established and defined by the Alaska National Interest Lands Conservation Act (Public Law 96-487; 94 Stat. 2371, et. seq.) pursuant to any of its pending selection applications filed under either section 12(b), 12(c) or 14(h)(8) of this Act. Lands conveyed to NANA under this subsection shall be of a like estate and equal in acreage to the interest which NANA relinquished, and when the lands are conveyed to NANA, the conveyance shall be charged against the same entitlement of NANA as if the lands had been conveyed pursuant to the relinquished selection applications. Lands received by NANA pursuant to this subsection are Settlement Act lands.

(d) The provisions of this section shall remain in effect only until December 18, 1991.

(e) Nothing in this section shall be deemed to alter or amend in any way NANA's selection rights or to increase or diminish NANA's total entitlement to lands pursuant to this Act.

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Small Business Committee will hold a series of field hearings on the impact of the various tax reform proposals on small business. On August 16, 1985, there will be a hearing at the Clark County PUD Building, in Vancouver, WA, convening at 9:15 a.m. On August 19, 1985 there will be a hearing held at the Jackson Federal Building, in Seattle, WA. It will begin at 1:30 p.m.

On August 26, 1985, the Small Business Committee will hold a hearing in West Memphis, AR, and on August 27, 1985 there will be another hearing in Fort Smith, AR. A time and place for these two hearings will be announced at a later date. In the meantime, if anyone needs more information they can call Stewart Hudson, of the committee staff at 224-5175.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the Public that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources will conduct a hearing to discuss the Department of Energy's "Mission Plan for the Civilian Radioactive Waste Management Program," which was released on July 10, 1985. The hearing will take place Thursday, September 12, 1985, beginning at 9:30 a.m. in SD366 in the Senate Dirksen Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Energy Research and Development, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information regarding this hearing, please contact Ms. Marilyn Meigs on the subcommittee staff at 202-224-4431.

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public, that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources has scheduled an oversight hearing on Tuesday, September 24, 1985, beginning at 9 a.m. in room SD-366 in the Senate Dirksen Office Building in Washington, DC.

Testimony will be received on innovative approaches in industrial energy efficiency. Those wishing to testify or submit a written statement for the hearing record should write to the Subcommittee on Energy Regulation and Conservation, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information regarding this hearing, please contact Mr. Al Stayman 202-224-2366.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, the Senate Committee on Governmental Affairs will hold a series of hearings on S. 1527, the Civil Service Pension Reform Act of 1985 beginning on Monday, September 9 at 10:00 in room 106 of the Dirksen Senate Office Building. The committee will continue the hearings on Wednesday and Thursday, September 10 and 11 at 10:00 a.m., in room 342 of the Dirksen Senate Office Building.

For further information regarding these hearings, please contact Wayne Schley at 224-4751.

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public, that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources has scheduled an oversight hearing on Thursday, September 19, 1985, beginning at 9:30 a.m. in room SD-366 in the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to review the Federal Energy Regulatory Commission's notice of proposed rulemaking on regulation of natural gas pipelines after partial wellhead decontrol, RM85-1-000.

Those wishing to testify or submit a written statements for the hearing record should write to the Subcommittee on Energy Regulation and Conservation, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information regarding this hearing, please contact Mr. Howard Ussem 202-224-2366.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, August 1, at 4:30 p.m., to mark up S. 616, the Farm Bill, provided that when the budget resolution is brought up in the Senate, the committee will no longer be authorized to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

EXPANDED CAPITAL OWNERSHIP

● Mr. SYMMS. Mr. President, today I am inserting the third of three statements on expanded capital ownership for the benefit of my colleagues and the American people. This final statement by Senator Russell B. Long is also taken from his floor comments on November 17, 1983, in support of the Employee Stock Ownership Act of 1983. His full testimony on that date, with the assistance of his aide Jeff Gates, is probably the best practical description ever prepared on the operations, history, and rationale of expanding capital ownership in the United States. Making it possible for virtually all Americans to have a stake in the action where they work is the essence of the American dream. What better way to end conflicts between workers and owners than enabling all workers to earn a growing share in the equity growth and profits in the companies for which they work. I highly commend to your attention these new tools for making the American free enterprise system work more efficiently and more justly for all. The ESOP demonstrates how we can finance faster rates of investment, while offering a new labor deal that can be a model of justice for workers everywhere.

I ask that the statement be printed in the Record.

The statement follows:

Technology for Improving the Quality of Economic Opportunity

(By Hon. Russell B. Long)

Our private property approach to economic matters recognizes the indisputable interplay between economic rights and political rights. Our Founding Fathers recognized that individual liberties and a democratic form of Government cannot long endure unless the majority of citizens have a high degree of economic independence. Thus, protection of the concept of private property was embodied in the Bill of Rights.

This forward-looking group also recognized that a private enterprise system was the most natural economic structure—a structure that evolved from the actions of a free people. It had not been forced; it had grown. It had not been enforced; it had come on its own.

As the 1980 Republican platform reminds us:

> The widespread distribution of private property ownership is the cornerstone of American liberty. Without it neither our free enterprise system nor our Republican form of Government could long endure.

Consequently, the 1980 Republican platform pledges the Reagan administration "to help millions of Americans . . . to share in the ownership of the wealth of their nation."

If a Nation is to be politically free, it must structure its social contract to first insure economic freedom. Economic freedom implies the right to participate freely in the economy and the right to a just return for one's participation. Our concern for equality of economic opportunity is closely linked to those ideals. . . ."

In a capital-intensive economy such as ours, the right to earn a living involves more than the right to work and the right to a just return for work done. True economic opportunity involves the right to economically participate by means consistent with the existing state of technology.

At our labor-saving, cost-containing insistence. American engineers, scientists, and managers have been remarkably successful at destroying the very employment that Governments—again, at our insistence—have been directed to promote.

Rather than break the relationship between effort and reward or, more accurately, between input and outtake, the expanded ownership concept suggests that we recognize—and adjust to—the increasingly dominant role that capital inputs play in the productive process.

Our full employment approach—both to providing economic opportunity and also to solving the income distribution problem—simply does not reflect the extent to which productive capital is now the factor most fully employed in providing the basic goods and services of a modern economy.

THE BENEFITS OF GROWTH

A century ago, President Lincoln understood the importance of widespread ownership, and he signed legislation insuring that the opportunity to own capital was within the reach of all. The philosophy underlying the Homestead Act of 1862 should be applied at every step of the Federal Government's relationship with its people. Why not use the public sector to build productive capital in reasonable-sized holdings into the vast majority of American households who presently own little if any?

President Reagan, in a July 1974 speech to the Young Americans for Freedom, explained the historical precedent for a national policy of expanded ownership and endorsed the uniquely American opportunity that such a policy would represent.

In a similar vein, Senator Hubert Humphrey explained his support of expanded ownership in a letter to the editor of the Washington Post not long before his death:

> Throughout my career as a public servant, I have viewed full employment as a top priority goal for this country. And I continue to do so. But I recognize that capital, and the question of who owns it and therefore reaps the benefit of its productiveness, is an extremely important issue that is complementary to the issue of full employment.
>
> I see these as twin pillars of our economy. Full employment of our labor resources and widespread ownership of our capital resources. Such twin pillars would go a long way in providing a firm underlying support for future economic growth that would be equitably shared.

Attention must be given to new ways to distribute the benefits of this growth more widely. Despite all the fine populist oratory and good intentions of great men like Franklin Delano Roosevelt, Harry Truman, Dwight Eisenhower, John Kennedy, and Lyndon Johnson, the distribution of wealth among Americans in relative terms, is about the same today as it was when Herbert Hoover succeeded Calvin Coolidge.

The already-rich of this Nation should warmly welcome this new dimension to our free enterprise economy. ESOP-type financing techniques are designed to avoid the redistribution of ownership of existing capital for the simple reason that we cannot build a broadly based private property economy on the expropriation of anyone's property.

The aim is to strengthen, not to further erode, the rights of private property ownership, and certainly we would not need to tax the rich nearly so much if we worked harder at broadening the base of those who have an opportunity to become rich.

The American people need and deserve a chance to own a stake in the U.S. economy—an economy of their own making. It is time to acknowledge the important role of the individual in our capital-intensive economy, and provide working Americans with access to ownership of the productive capital with which they work.

CREATING A WELCOME CONTEXT FOR TECHNOLOGY

Expanded capital ownership is a type of corporate responsibility that is consistent with the goals of American business. The free enterprise system is based on production for profit, not for employment. The concern is for the rational, efficient production of goods and services, generally with little thought given to just how consumers are to get the purchasing power to buy those goods and services.

The need for economy and efficiency is indisputable. U.S. business holds a franchise from the American public in large part because we believe that we can best achieve our economic goals by relying on private initiatives.

However, if we are to create a self-sustaining economic system and one in which Government plays only a minor role, as the business sector suggests it should, then the private sector itself must play a greater role in solving the economy's income distribution problem. This will become increasingly important once the private sector begins to take advantage of the recently enacted supply-side tax incentives to apply the latest advances in technology.

One of the market's greatest strengths is its ability to stimulate and harness new technologies and resources, and to direct innovation into socially desirable directions. The historically demonstrated power of market incentives to influence the pace and direction of technological change warrants every effort to retain such incentives as part of our economic and tax policy.

However, while these technological changes on balance create gains in the form of higher living standards, almost every one of them causes a loss of income to some firms and individuals.

A Carnegie-Mellon study, for example, indicates that industrial robots have the potential to eliminate 2 million jobs in the metal-working industry by 1990, and the Upjohn Institute for Employment Research contends that robots in Michigan will replace three times as many workers as they will provide new jobs. The trend toward increased automation seems likely to continue. Indeed, the Commerce Department insists that batch manufacturing companies must automate if they are to compete successfully in international markets.

With the advent of microelectronics, the jobless growth already apparent in agriculture, which now employes only 3.2 percent of the U.S. work force, is spreading beyond agriculture and manufacturing and into the economy's tertiary sector-finance, insurance, government services, et cetera.

According to Department of Labor statistics, from 1960 to 1980, the service sector accounted for more than 85 percent of new jobs. It is in the service sector, however, that most experts are predicting that the chief impact of this new technology will be felt. Moreover, it is those with low-level clerical and analytical skills who will be most affected, particularly women and minorities.

As a nation, the American people have greatly benefited from the remarkable labor-saving advances of the past century. As individuals, however, they have not fared as well. Due to the way in which those advances were financed, they continue to find themselves left with only their labor as their stock in trade.

Thus, each round of new investment further threatens their power to earn a living. Instead of being part owners of the system, they find themselves pitted against it. If this new technology is to have a welcome context for its use, we must begin to strike a new balance between social and economic objectives.

Our present supply-side, investment-based strategy can make the U.S. economy more successful-more growth oriented and less redistribution oriented. However, unless the benefits of this new growth are widely shared, for example, through a combination of employee ownership and job sharing, we may find ourselves 10 to 20 years from now with a population even more in need of governmental transfer payments.

WHY ESOP FINANCING?

Capital ownership is most emphatically a social opportunity, indeed, a socially created opportunity. It is the institutions of society and, more specifically, the institutions and conventions of finance that determine who will be the owners of productive capital that has yet to be created.

Capital ownership, however, is an opportunity historically reserved for a relative few. That is due to the simple fact that the ownership of new wealth is largely a function of the ownership of existing wealth. The current structure of our most widely used financing techniques insures that the rich will, in fact, continue to get richer.

The vast majority of Americans cannot afford capital ownership. Most working Americans owe rather than own: they accumulate debts rather than assets. Daily economic survival, not savings and investment, is their primary concern, and the less our technologically advanced economy needs their labor, the less they are able to save their way to capital ownership. Inflation, of course, further penalizes their thrift.

Concentrated wealth holdings contirbute to the cumulative and self-reinforcing nature of the concentration of wealth and income. The concentration of stock ownership leads to a situation where those who currently own stock are those best able to save significant amounts and, thus, best able to make additional investments, thereby increasing their stock ownership.

What the individual needs is access to the financial logic of self-liquidating debt—the logic used every day by businesses in borrowing to invest in productive assets that will pay for themselves. Most Americans lack assets to pledge as security for a loan to acquire income-producing capital; consequently, those who do not now own are unlikely to own in the future. Access to this type of financing simply is not available to the enormous number of Americans born into families without substantial capital assets.

Lacking access to cash or credit, they are instead encouraged to save their way to capital ownership. Thrift, they are told is their financial opportunity. I think of this as the Marie Antoinette approach to expanded ownership. Only instead of suggesting, "Let them eat cake," they recommend, "Let them buy stock." That financial philosophy brought us the concentrated pattern of ownership that we have today and, unless that philosophy is changed, our ownership pattern will remain largely unchanged.

If we are to break this monopoly of participation in the ownership of productive assets, we must first resolve the financial "catch-22" that requires accumulated savings or assets as a condition of capital ownership. ESOP type financing suggests that we approach this dilemma by broadening access to the financial logic of self-liquidating corporate debt.

The very purpose of corporate debt is to enable a business to acquire productive assets before it has saved the funds to pay for them. Instead, the acquisition is made on terms where the newly acquired assets will pay for themselves out of the earnings they generate.

Widespread access to this type of credit must be distinguished from the widespread access to consumer credit. Consumer credit produces no marketable wealth; rather, it is simply an advance against future purchasing power. Although originally developed to narrow the purchasing power gap, in the long run it only widens it; the end result is to mortgage future purchasing power, not to increase it. . . .

ESOP-type financing is of a different sort. It is producer credit—credit for the acquisition of productive assets rather than for consumer articles.

ESOP financing involves access to credit for the financing of assets which are calculated to generate earnings with which to repay the debt incurred over a reasonable period of time, and which can then go on to generate purchasing power for their owners, their productiveness preserved by reserves set aside for depreciation, or, as it is now termed, "cost recovery."

This approach puts the concept of thrift in a new and more workable context. Capital ownership is still attained by the individual in lieu of consumption. Only now the income generated by newly acquired productive capital is saved and applied to repay the debt incurred. . . .

A MODEL OF WORKABILITY

If we continue to rely solely on traditional techniques of finance, those techniques will continue to allocate productive credit primarily to the already wealthy. With that approach, the concentrated ownership of newly created capital is virtually assured, and the rich-get-richer legacy of U.S. capitalism will continue unabated.

That would show a great failure of foresight on our part, because not only will we continue to have an unworkable form of capitalism here in the United States, we will also have a form of capitalism unsuitable for imitation abroad.

We need a more hopeful model, a working model of what we would advocate for other nations. We need to be able to show people all over the world how the increasing prosperity of our private property economy spreads out and reaches Americans in all walks of life. Unless we have such a model, other nations will continue to see the false promises of socialism as a more attractive alternative.

By encouraging widespread employee ownership in the United States, we would be making good on our promise of a better life for our people and challenging other nations to do likewise. Such an approach could provide the leadership that is needed to encourage other nations to move our way rather than follow the Socialist path.

Although some nations continue to move in the direction of nationalized ownership, I do not believe that they do so because they necessarily think that State ownership will solve their problems. Rather, I see it as an act of desperation; they simply cannot think of a better solution.

State ownership has enormous drawbacks; experience has taught us that time after time. All too often, both freedom and efficiency are sacrificed in the name of equity. Yet even basic equity is sacrificed as a privileged bureaucratic elite emerges in place of the property-owning elite that socialism and communism claim they are designed to replace.

Socialism and communism are not alternatives; rather they are largely a reaction to the abuses of early models of capitalism.

A PRINCIPLED APPROACH TO FOREIGN POLICY

In recent testimony before the Finance Committee, Secretary of State Shultz suggested that what the United States needs is policies and programs "to get ahead of history." Employee stock ownership is just such a program. It not only increases the constituency for a private property economy, at the same time it undercuts the primary rationale for communism.

The path that expanded ownership takes faces in exactly the opposite direction from that taken by those who favor ownership by the State. Expanded ownership financing seeks to steadily increase the number of capital owners instead of preventing anyone from owning capital by making the State the only owner.

Employee ownership has far-reaching implications for those who share the democratic vision. By advocating employee ownership abroad, we can take a more principled approach to foreign policy, an approach that stands a far better chance than others to insure that a nation will realize its democratic ideas.

It is difficult to imagine an enduring democracy without widespread private property. Democracies are stable because people participate in them. A dictatorship—whether it be a dictatorship of the left or of the right—is unstable because people do not participate. Participation in ownership can contribute to stability by providing a broad base of support for economic and political reforms.

A principal objection to private property development is that not enough people own some of it. That has been a primary criticism of American capitalism throughout history.

Unfortunately, in many parts of the world capitalism is portrayed simply as an economic system in which a nation's productive wealth is concentrated in the hands of a privileged few.

It is a remarkably shortsighted strategy for us to expect other nations to move in the direction of a private enterprise economy when we ourselves have failed to set the U.S. economy on a sure path toward widespread capital ownership.

In an address to the American Legion convention in Washington, D.C., on February 22, 1983, President Reagan touched on this point in outlining America's foreign policy strategy. As the President explained:

> There is no more damaging misconsception than the notion that capitalism is an economic system benefiting only the rich. Economic freedom is the world's mightiest engine for abundance and social justice . . . . Developing countries need to be encouraged to experiment with the growing variety of arrangements for profit sharing and expanded capital ownership that can bring ecnomic betterment to their people.

The encouragement of employee ownership abroad could become a crucial factor in the U.S. foreign policy, particularly in resolving the developmental paradox of stability versus growth. It is difficult to have economic growth without stability; yet stability is elusive without a strong economic base. And, of course, where Marxism succeeds, or is seen as likely to succeed financial capital flows out of the country, further compounding the problem of financing development.

The coupling of development financing with employee ownership could provide an environment in which assistance is more likely to succeed and in which more people in the assisted country have an opportunity to share in that success.

It has also come to my attention that Pope John Paul II issued a papal encyclical on September 15, 1981, title "Laborem Exercens" (On Human Work), that addresses this subject. In this letter to Roman Catholic bishops, the pontiff places particular emphasis on the dignity and the rights of workers and gives special attention to the question of ownership of the means of production.

In addition to defending the right of workers to form labor unions as an "indispensable element" of modern society and as a vehicle "for the struggle for social justice," the encyclical suggests that each person, on the basis of his work, should be "* * * fully entitled to consider himself as a part owner of the great workbench at which he is working with everyone else. A way toward that goal could be found by associating labor with the ownership of capital, as far as possible * * *."

This farsighted and outspoken church statesman then goes on to cite the "need for ever new movements of solidarity" and suggests that union demands "can and should also aim at correcting—with a view to the common good of the whole of society—everything defective in the system of ownership of the means of production or in the way these are managed."

American's free enterprise system has been on the defensive for 65 years in a struggle that, it seems, cannot be won with simple neutrality. If we expect other nations to follow our lead, we should take the ideological offensive. We need to demonstrate how a government can operate to insure that its working people have an opportunity to become active partners in a nation's economic progress.

If we hope to prevail over those we oppose, we need to confront them with an idea that is better. In this battle for people's minds, we must make it clear not only what we are against but also what we are for. Employee ownership is the type of idea that we can all be for.

In a democratic nation in which only a few people are citizens, the solution is not to destroy citizenship but to make it possible for all to become citizens. Similarly, in an industrialized nation in which only a few people are owners of capital, the solution is not to destroy private ownership but to make it possible for all to become owners.●

SINKING HOMES

● Mr. SIMON. Mr. President, I saw a United Press International story the other day about Mr. and Mrs. Jack Phillips, of Sesser, IL whose home is sinking because of a coal mine 600–700 feet below their home.

This Nation is going to find that happening more and more, and the sooner we face up to this problem, the better.

Some years ago, I tried to get an amendment adopted putting a tax of 3 cents per ton on coal. That money would have been set aside to pay up to 50 percent of the cost of private or public loss caused by coal subsidence.

We still need to do that.

I recognize that in the present atmosphere, such a bill could not pass, but I ask to have printed in the RECORD the story of Mr. and Mrs. Phillips, to remind us that here is a problem that has not been faced, that must be faced sooner or later.

The article follows:

FAMILY'S HOME DROPS IN ON COAL MINE

SESSER, Ill.—Jack and Stacie Phillips and their four children spent Tuesday night in a motel because their $350,000 "dream home" south of town is sinking.

The Phillips were unsuccessful in their efforts in court and before the Illinois Department of Mines and Minerals to stop Old Ben Coal Co. from using the longwall mining system in extracting coal 600 to 700 feet below their home.

Mrs. Phillips said cracks began appearing in their 2½-story, 12-room home on July 6, just four years after they moved in.

"You can stick your fist into one crack in the steel-reinforced basement and see daylight through it," Mrs. Phillips said.

Cracks have appeared in walls throughout the house, she said. One of two 60-foot chimneys is crumbling, and the other is cracking, she said.

The 108-foot-long house has dropped about six inches on the east end, and the worst is yet to come, she said. "An engineer has predicted it will drop two feet on the west end and five feet on the east end," she said.

"It's unbelievable," Mrs. Phillips said. "There are cracking, popping and ripping noises."

She said they had to abandon a building used in the grave monument business they operated on their 80-acre farm.

Springs have developed along a creek that runs through the property because of the sinking.

Old Ben uses the longwall mining system that permits almost complete recovery of coal at its No. 21 mine near Sesser in Franklin County. Old Ben, which employs about 2,000 miners, also has applied for longwall permits at three other mines it operates in the county. It says the system is more efficient and permits it to remain competitive in the coal business.

Old Ben is the only mining company in Illinois using the longwall technique, in contrast to the room-and-pillar system of mining, which leaves pillars of coal to support the roof. Subsidence in room-and-pillar is more gradual, sometimes occurring years after a mine is abandoned.

Coal industry observers in Illinois say other mining companies are watching closely the outcome of the Phillips case.

The Phillipses and their attorney, Ivan Elliott, Jr., of Carmi, contend that the mineral rights obtained by Old Ben around 1910 were based on the room-and-pilar mining system.

"They can say that it's legal for them to take that coal and disturb the surface, but I'll never believe it," Mrs. Phillips said.

The Phillipses were denied a temporary restraining order against the longwall system. Elliott said a permanent injunction request hearing is pending, as is another administrative hearing next Tuesday in Springfield before the Department of Mines and Minerals.●

ENVIRONMENTAL AND ENERGY STUDY CONFERENCE ORGANIZES TASK FORCE ON TOXIC EMERGENCIES

● Mr. GORTON. Mr. President, as cochairman of the Environmental and Energy Study Conference, I am proud to announce today the formation of a Task Force on Toxic Emergencies to examine the readiness of our local communities to respond to accidents involving hazardous materials.

We need only look to recent headlines to appreciate the increasing frequency—and the serious threat—of accidental releases on hazardous materials. A train derails in Arkansas, forcing the evacuation of 1,200. Some 10,000 are evacuated in California during a fire at a pesticide facility. Firefighters in Washington, DC are forced to let a hotel fire burn for nearly 2 hours while they await information on whether deadly PCB's are present.

The threat to our health and safety is not limited to a few high risk areas. Virtually every community in the country needs at least some level of preparation for an emergency involving hazardous materials. It will be the job of the Task Force on Toxic Emergencies to assist local communities in reaching a prudent level of readiness.

The members of the Task Force on Toxic Emergencies will work with local officials and industry representatives to assess emergency response procedures. The task force will also examine the risks posed by local manufacturing and storage facilities and by the transport of hazardous materials. The study will also review, for the benefit of the local communities involved, Federal emergency assistance programs, State programs and regulations, and private industry efforts to promote planning and training.

Most accidents are dealt with by local firefighters and police. The decisions they make in the first few minutes can often make the difference between life and death, between a quickly contained incident and severe environmental contamination. These incidents can be as difficult to control as they are dangerous. For their own safety, and for the safety of the communities they protect, it is critical that "first responders" have the information, training and equipment they need in those first few minutes.

BEST COPY AVAILABLE

My cochairman, Representative BILL GREEN, and I have asked the study conference's covice chairmen, Senator ALBERT GORE, JR. and Representative BOB WISE, to head the task force. Their experience with this issue both in their home States and here in Congress make them particularly well qualified to head this effort.

The task force itself is a bipartisan group representing every region of the country:

Congressman Thomas R. Carper.
Congressman Don Edwards.
Congressman Dante B. Fascell.
Senator Albert Gore, Jr.
Congressman John J. LaFalce.
Congressman Mel Levine.
Congressman Bob Livingston.
Congressman Lynn Martin.
Congressman George Miller.
Congressman John R. Miller.
Congressman Bruce A. Morrison.
Senator Claiborne Pell.
Congressman Don Ritter.
Congressman Jim Saxton.
Congressman Peter J. Visclosky.
Congresswoman Barbara F. Vucanovich.
Congressman Bob Wise.

I am proud that the study conference has initiated this effort and I look forward to sharing our findings with our colleagues.●

STAR WARS

● Mr. SIMON. Mr. President, on July 11 a large majority of the University of Illinois physics faculty and graduate students signed a statement condemning the SDI Program as being "technically dubious and politically unwise." Their hope is that their scientific colleagues across the country will refuse to accept funds to work on star wars development projects. I support the physicists' statement, and I endorse their right to petition their fellow scientists.

The physics faculty is near-unanimous in their support for this statement: to date, those who have not signed are not now on campus and no one has refused to sign. These are not people who are reacting to unfounded fears of nuclear devastation, or people who are attempting to mask their political concern with technical credentials. Their political opposition is openly stated. Their technical backgrounds and experience leads them to conclude that, however well individual components or technical systems might work by themselves, it will never be feasible to integrate such a massive undertaking in the face of Soviet countermeasures. The director of the University's new National Center for Supercomputing Applications—one of four such centers—signed on to the statement as well, warning that the kind of computer software programs necessary to make SDI work is not even close to the horizon of technological developments.

These physicists are not saying anything new. Ever since the President's proposal, qualified physicists and engineers have repeatedly argued that the kind of strategic defense sought by the President could not be achieved except through enlisting the aid of the Soviet Union. Such a proposition, however, is made ever more unlikely by the shape and direction of the SDI Program as now conceived: radical reductions in Soviet offensive nuclear arms do not seem likely, and prospective violations of the ABM Treaty ensure that both countries will not be idle as their adversary forges ahead in these new arms race technologies. The end result is a vicious cycle in which both offensive and defensive weapons are researched, tested, developed and produced. The only defense we have in the nuclear age comes to us not in the form of orbital laser battle-stations, but in our willingness to engage in political courage and negotiate fair and equitable treaties limiting and reducing nuclear weapons and weapons tests.

Mr. President, I ask that the physicists' statement be printed in the RECORD.

The statement follows:

STATEMENT ON STAR WARS

The Congress is a present considering a massive expansion of the Strategic Defense Initiative (Star Wars Program). It seems likely that large amounts of money will soon be made available for scientific research under the Program. University-based scientists are already being invited to apply for funding under this program.

We believe that the Star Wars Program is technically dubious and politically unwise. Anti-ballastic missile defense of sufficient reliability to defend the population of the United States against a Soviet first strike is not technically feasible in the foreseeable future. A system of more limited capability will only serve to escalate the arms race by encouraging the development of both additional offensive overkill and an all-out competition in anti-ballistic missile weapons. The Program will make arms-control negotiation even more difficult than it is at present. The Program is a step toward precisely the type of weapons and strategy most likely to trigger a nuclear holocaust.

For these reasons, we believe that the Star Wars Program represents, not an advance towards genuine security, but rather a major step backwards. Accordingly, as working scientists, we will not apply for or accept support from the Strategic Defense Initiative Organization, which funds Star Wars research. We encourage other sceintists and technical personnel to join us in this refusal. We hope, together, to presuade the public and the Congress not to support this deeply misguided, dangerous, and enormously expensive program.●

NEW EXTRADITION TREATY WITH GREAT BRITAIN

● Mr. BOREN. Mr. President, in the past months the forces of terrorism—of fear and violence—have been on the increase. The forces of law and civilization have seemingly been unable to cope with the rising tide of bombings, hijackings, and killings which have swollen to over 500 incidents per year.

Far more disturbing than the actual number of terrorist attacks has been the increasing level of coordination and cooperation among terrorist groups and the nations which sponsor them. It is time that those nations which are committed to the preservation of international peace and security take steps toward working together to stop this campaign of murder and fear.

A step in this direction has already been taken with the signing of the supplementary extradition treaty with the United Kingdom. Traditionally, criminals have been able to avoid extradition by claiming that their crimes were political in nature. This exemption, meant to protect those whose only real crime was to disagree with the policies of their governments, could easily be twisted into providing a legal haven for terrorists. This supplementary treaty removes violent crimes from the list of "political" offenses and so removes the protection of the law from those who are its sworn enemies. I am pleased to see that a hearing is being held today on this constructive measure and I urge its speedy ratification by the Senate.

Mr. President, I would hope that President Reagan would continue this type of endeavor with all our friends with whom we have extradition treaties.

National frontiers must not be barriers to the prosecution of known terrorists. That is why, in a further step in this direction, I am cosponsoring S. 1373, which my good friend from Pennsylvania [Mr. SPECTER] authored, to extend U.S. legal jurisdiction to cover terrorists who attack or murder U.S. citizens on foreign territory. Thus, regardless of the attitude of the government of a country where a terrorist act occurs, the United States has a legal basis for bringing the terrorist back to the United States to face justice. It is imperative that we act now to reduce the legal obstacles to prosecuting terrorists.

We can no longer afford to lurch from crisis to crisis, each time swearing that we are now going to, once and for all, cure the cancer of terrorism and then letting our resolve and initiative slip away.

The legal framework for prosecuting terrorists and making them pay for their actions will make progress toward controlling this virulent disease. However, more international cooperation and greater national determination are needed. The democratic countries of the world must act with unity and confidence in demonstrating to these merchants of fear that there is no room for their barbaric and dastardly acts in or civilization. A long struggle lies ahead of us, but by acting

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promptly and decisively, we can and shall win out.●

ECONOMIC CANCERS

● Mr. SIMON. Mr. President, I guess we all like to read things we agree with.

But David Broder's column on the cancers that we face in our economic picture seems to me so obvious, and yet it is not obvious to many in the House and Senate and to many in the administration and to many in the public.

We can continue to skip along, blindly ignoring reality, or we can face it.

Obviously, I hope we will face it and heed David Broder's advice.

Just in case my colleagues in the House and Senate have not read this hard-hitting, straightforward column, I submit it for the RECORD.

The column follows:

THE COUNTY HAS ITS OWN CANCER

WASHINGTON.—George F. Will is exactly right in saying that President Reagan's illness will save the lives of thousands of potential cancer victims by ending their procrastination in getting tests and treatment for their own cases.

If this were a rational world, it would also end the government's mindless procrastination in dealing with the problem of runaway federal deficits.

Those deficits are the cancer in our economic system, and the longer they are left untreated, the more certain and painful will be the end of our current prosperity.

It must have struck someone that four days after the President's surgery and two days after the diagnosis of colon cancer, Federal Reserve Chairman Paul A. Volcker was issuing the same diagnosis for the economy.

"When you operate on borrowed money to the extent that we have," he said in congressional testimony, "you are living on borrowed time." It is exactly the same point—indeed, almost a word-for-word paraphrase—that Walter F. Mondale made in his Democratic convention acceptance speech a year ago last week and that many others of both parties have made before and since.

There is no serious challenge to that proposition among those businessmen, bankers and economists who look seriously at the picture or, for that matter, among many of the administration and congressional officials who are struggling with it.

Yet Senate Majority Leader Bob Dole, R-Kan., one of those who clearly understands the threat, has said that the government is "surrendering to the deficit."

Dole expressed that bitter view in criticizing the unwise budget concessions Reagan made just before his hospitalization. The White House has mismanaged this year's budget process starting with the unrealistic defense spending numbers of last January and continuing up through the cave-in on Social Security cost-of-living adjustments of which Dole complained.

But there is no one so blame-free in this process that he can walk away from responsibility if it collapses—as it recurrently has threatened to do. For the congressional budget-makers to quit in disagreement would be exactly as indefensible as it would have been for the President's doctors to throw up their hands when they found the new—and cancerous—polyp.

The basic strength of the American economy is being sapped by three cancers, closely linked and feeding each other. The first is the budget deficit, brushing $200 billion a year. When added to the existing trillion-dollar-plus national debt, it guarantees that a multiplying share of each year's tax collections will be consumed simply in paying runaway interest payments on the debt.

The second cancer is the rising tide of foreign borrowing—$100 billion a year from now until at least 1990, according to the latest Congressional Research Service estimate. This year, that borrowing has made the United States a debtor nation for the first time in 70 years.

By next year, we may be the world's biggest debtor. The rapid growth of that foreign debt almost strips us of control of our own economic future. More and more of our future income will be sent abroad to pay those foreign creditors, and if they put the squeeze on us by withdrawing their funds, we could in truth be "a pitiful, helpless giant."

The third cancer is the steadily worsening foreign trade deficit, estimated by Secretary of Commerce Malcolm Baldrige in the mind-boggling $140–$150 billion range this year. That measures the inability of the American economy to hold its own in international competition. It explains why, in a time of seeming prosperity, we are continuing to lose jobs in manufacturing, and seeing industry after industry overwhelmed by foreign competitors.

None of these facts is in dispute—any more than the President's diagnosis was subject to debate. Yet we continue to be lulled by stock-market highs and summer sloth into thinking there will not be a day of reckoning.

Ignoring these economic cancers is as stupid and criminal as it would have been to say of Ronald Reagan, "Hell, he can't be sick. Look at that tan he's got."

When Reagan's problem was diagnosed, his doctors did not hesitate or procrastinate. They did the surgery. He accepted the pain and discomfiture in order to achieve what should be a cure.

Every diagnosis of our economic cancer leads to the recommendation that the budget deficit must be cut—with whatever short-term pain and discomfiture—by dealing with defense, domestic spending, entitlements and taxes.

If Reagan's doctors had shrunk from doing what his life and health required, they would have been denounced and replaced. If this administration and Congress attempt to sneak off on vacation in August without acting on the budget deficit, they deserve no better treatment.

If they—and we—can't read the message we've been sent, and summon the will to act on it, we deserve the fate we will surely suffer.●

JUDGE PICKING

● Mr. SIMON. Mr. President, one of the tasks which the Senate has is approving judges. I serve on the Judiciary Committee where that responsibility is even more pointed.

I confess, I am less than completely satisfied with the job that we are now doing. I have conveyed to members of the American Bar Association some concerns I have in this area.

Recently, I read a speech by my former colleague in the Illinois General Assembly and later my former colleague in the U.S. House of Representatives, U.S. Circuit Judge Abner J. Mikva, on the whole question of judicial selection.

It does not provide any magic formulas, for none exists. But it does contain common sense that can be helpful to us.

I ask unanimous consent that Judge Mikva's remarks be inserted at this point, and I urge my colleages to read them.

REMARKS BY U.S. CIRCUIT JUDGE ABNER J. MIKVA TO THE DISTRICT OF COLUMBIA BAR ASSOCIATION

JUDGE PICKING

At the Constitutional Convention, legend has it that Ben Franklin suggested that Supreme Court nominations be made by lawyers. Praklin thought that lawyers would want to eliminate their strongest competitors, and so would nominate only the ablest lawyers. If a keen intellect were the only quality sought in judges, Franklin's suggestion may have had some merit. But the Convention opted for a judicial selection procedure that incorporates more than simply judgments of ability, giving the power to the President, to be exercised "by and with the Advice and Consent of the Senate."

I confess that even after my years in the Congress, I overlooked the significance and the complexities of that nomination process. I remember the day, over five years ago, that I was called by the Attorney General to tell me that President Carter was going to nominate me for one of the new judgeships on the U.S. Court of Appeals for the D.C. Circuit. I remember wondering what the President's timetable was, and how long it would be before I moved to my new offices down the street.

What naivete! At the time I thought the only cause for delay would be the period of time required for the ABA and the FBI to review my credentials and past. I saw no reason for worry—after all, I had spent 25 years in the fishbowl we call electoral politics. I had no ghosts in my closet that campaign opponents had not previously exposed. My financial affairs were uncomplicated, current and public—I was broke, but out of debt. Everything I had said and done was in the unrelenting limelight of a public forum—first as a member of the Illinois State Legislature, and then, for five terms, as a Member of the United States Congress.

The nomination process began to operate as I had envisioned. From time to time, I would hear from lawyers, former classmates, and neighbors that the FBI has spoken to them about me. I was teased by my friends in the Senate about how they would finally give me a plurality that was larger than my election pluralities of the last few years. I was asked to fill out some lengthy questionnaires for the FBI and for the American Bar Association. None of the questions were embarrassing. On the contrary, I enjoyed the opportunity to brag about past experiences that I thought qualified me for my new job—the time I had spent practicing law before I came to Congress, my law clerk days to Supreme Court Justice Sherman Minton, my oral advocacy days before the Supreme Courts of the United States and of Illinois, as well as various Courts of Appeals and District Courts.

To complete my feeling good symphony, I was a member of the fraternity-sorority we call the Congress of the United States—the Congress always did well by its own. All in all, I was feeling pretty good.

The excitement began to crumble when a friend advised me that the National Rifle Association was considering opposing my appointment. My first reaction was puzzlement—not that the NRA and I had not previously clashed. We had on many occasions. But I had not made gun control a high priority of mine for several years, even though I had continued to sponsor a bill banning the sale and distribution of handguns. In any event, I could not understand why the NRA would rather see me stay in Congress where I could raise their hackles than go to the court where I would have no influence or voice about the policy issues of gun control. When I thought hard about the role of judges, the NRA's opposition seemed to pose little threat.

Unfortunately, I was wrong. Regardless of what I had been taught and what I believed about the role of judges in deciding issues of social policy, the NRA began pressing its views. In May of 1979, the executive director of the NRA's lobbying arm announced I was "unfit for judgeship," that my views were "those of a Fascist," and my attitudes those of a "tin-pot dictator." It began to appear that he was not really for me. While I continued to receive support from the media and from friends on the Hill, the NRA was producing results. One Senator who earlier had volunteered his support, embarrassedly explained that he had not been aware of the NRA's opposition, and told me there was no way he could support me. The Senator candidly said, "You have to understand the folks back home. They would take after me with no mercy if I supported someone whom the NRA opposed." The same scenario unfolded in Senate office after office. I became a household word in little towns in Mississippi and Montana and Idaho.

The story came out all right for me. The Senate gave me an enthusiastic sendoff, by a vote of 58 to 31—I was confirmed. Not quite the overwhelming plurality I had anticipated—but better than any constituents had given me in Congress. The NRA reportedly spent a million dollars in their effort to prevent my confirmation. But the memories of that battle, and the oddity of single issue opposition to a candidate for a nonelectoral role has remained close. Unfortunately, the process is neither new nor diminished. Indeed, the current political challenges to important constitutional cases—abortion, busing, prayer in the schools,—have caused the selection of judges to become a hot political issue. In the last campaign the Democratic candidate tried to make Supreme Court selections a capaign issue. While it didn't fly, it did focus some attention on the institution—and how it gets its judges. In 1980, the Republican party included in their platform a plank pledging to "work for the appointment of judges at all levels of the judiciary who respect traditional family values and the sanctity of innocent human life."

This new, or revived attention is beginning to make a difference. Take, for example, Joseph Rodrigues, New Jersey's Public Advocate. Following his nomination, he was subjected to a test of his "liberal" philosophies. Some members of the Senate Judiciary Committee sent an eight page questionnaire to Rodrigues, asking him to spell out his opinions on the Equal Rights Amendment, abortion, the death penalty and school prayer. The questions did not address Rodriques's general philosophy, but rather sought answers that would indicate the way Rodrigues would decide cases that raised certain issues.

For example, question 9 asked:

"Is it unconstitutional for state or local governments to give tuition vouchers to parents of all children who attend nonpublic schools? Does it make any difference whether most of these children attend religious school, provided that the law makes no distinction between religious and nonreligious schools?"

Another question asked:

"Keeping in mind that unions are private associations rather than governments, do you think that the granting of exclusive representation powers to unions by the National Labor Relations Act is unconstitutional?"

The Senators also sought a list of all political contributions Rodrigues had ever made as well as a list of all organizations to which Rodrigues had ever belonged. Rodrigues deftly filled out the questionnaire without answering a single question. Suprisingly, the Senators backed off, possibly sensing that the questionnaire raised more serious questions about judicial independence than about Mr. Rodriguez's qualifications. Rodrigues was eventually confirmed.

One local nominee was blocked, however, even though his professional credentials were impeccable, and even though he had performed brilliantly in a public office, building a deserved reputation as a hardliner in the criminal justice field—because he had contributed to gun control organizations and financially supported pro-choice candidates for public office. Another potential judicial nominee was shot down early, even though both of his state's Senators supported him, apparently because he had served too well as a public defender.

Is this substantive screening by the Senate and by other political forces a new phenomenom? Only since 1795. George Washington was unable to obtain the confirmation of one of his nominees to the Supreme Court for interesting reasons. Washington nominated former Justice John Rutledge for Chief Justice of the United States. Rutledge had left the Court before the seat of the Chief Justice became open. Washington nominated Rutledge to the Chief Justice position, and assumed that his nomination of the man who was an author of the Constitution as well as a former Supreme Court Justice would meet no resistance. The Great Communicator of his time had enjoyed remarkably successful relations with the Congress, and had every reason to assume that Rutledge would be the new Chief Justice.

Unfortunately, a few weeks after his nomination, Rutledge attacked the Jay Treaty, which was designed by Washington to ease tensions with Great Britain. To the Federalists, who strongly supported the treaty, Rutledge's opposition called into question his views on foreign policy—whatever that had to do with his capacity to serve as Chief Justice of the United States. After a bitter debate, the Senate refused to confirm Rutlege.

The desire to install likeminded judges also transcends party and political labels. During the confirmation hearings of Justice John Paul Stevens, Senator Kennedy pressed Stevens for his views on numerous topics. At one point he asked: "As a private citizen, what are your views on the Equal Rights Amendment?" Contrast this to question 11 of the questionnaire sent to Rodrigues which asked: "Would you give your present personal opinion with regards to the Equal Rights Amendment?"

Like the Equal Rights Amendment, the question of race has been raised at confirmation hearings by people on both ends of the political spectrum. Harold Carswell's name did not make it through the Senate once his 1948 campaign pledges to support white supremacy surfaced. Taking a different view of race relations, some Southern Senators delayed the confirmation of Justice Potter Stewart for four months in 1959 after he admitted to the Judiciary Committee that he had no intention of voting to overturn *Brown* v. *Board of Education.*

Is this a politicization of the Court system? Is it bad? Is it new, or getting worse? Is it avoidable? The answers are as complicated as the interplay between the three branches of government, and I cannot give you any precise answers. Let me give you instead some highly *obiter dicta.*

First of all, the questions raise another question. What kind of a judiciary do we want? The major pronouncements of our federal courts—the ones that most directly affect the social and economic life of the nation—those decisions unavoidably have political impact. Over 100 years ago, Alexis de Tocqueville commented that "there is hardly a political question in the United States which does not sooner or later turn into a judicial one." We expect judges to be impartial, but our courts are not isolated from the political domain.

The Washington Post once ran an editorial deploring the view that a person with political beliefs is unfit to serve as a judge. The Post suggested that if we really want to avoid judges who have been exposed to politics, we should breed a class of judges. These judges would be selected in early childhood, trained to make decisions as Little League Umpires, and would be shielded from the pressing questions of our times. The editorial pointed out that this system might well improve the quality of baseball umpires but it would not do much for the judiciary.

We do not want judges who are completely devoid of political content, for that means they have spent no time in the mainstream of American life and have no connection with the hearts and minds of the American people. Being detached from day-to-day partisan affairs is one thing; being wholly divorced from the world of real people is something else. Judges need to know something about legal theory, but they also need to know something about the real world. Justice Rehnquist recognized this when he said:

"Proof that a Justice's mind at the time he joined the Court was a complete *tabula rasa* in the area of constitutional adjudication would be evidence of lack of qualification, not lack of bias."

If we acknowledge that politics and the judiciary have some enduring connection, why not use litmus tests—like abortion, prayer in the schools, the Equal Rights Amendment—to determine the political leanings of potential judges? Many people argue that litmus tests are simply a new way of doing what Presidents and Senators have always done. The problem with litmus tests is that they aim at much more than just an assessment of political views or preferences.

A president may certainly nominate judge who share his world view. What a president may not do is use the nomination process as a means to amend the Constitution or recast important constitutional precedents. A President may want judges who start out sharing his values. What he ought not seek is judges who forget or are willing to forego the anti-majoritorian purpose of the Bill of Rights. During the 1980 Presidential campaign, then-candidate Reagan said:

"Time and again in recent years, we have seen the Supreme Court override public opinion concerning school prayer, forced busing, the treatment of criminals . . . There must be new justices on the Court, women and men who respect and reflect the values and morals of the American majority. I pledge to make such appointments."

President Reagan's goals in appointing Justices are very similar to those of President Roosevelt when the Supreme Court began to strike down his New Deal Legislation:

"[If the Supreme Court strikes down the Wagner Act, the Social Security Act, and other pieces of New Deal legislation], Congress can enlarge the Supreme Court, increasing the number of justices from nine to twelve or fifteen."

While the specific court packing plan FDR proposed died aborning, FDR did get to appoint Justices who shared his New Deal views, including Hugo Black. Justice Black met opposition from all quarters when he was nominated, due to his advocacy of New Deal legislation while a Senator and his alleged membership of the Ku Klux Klan as a young lawyer in Alabama. Upon Black's confirmation, former President Hoover remarked, "The Court is one-ninth packed." The media was equally critical of Black: the Chicago Tribune dubbed his nomination "the worst [the President] could find," while the New York Herald Tribune called it "a nomination as menacing as it is unfit." We all know that Justice Black went on to a long and distinguished career of confounding his critics. The line we are concerned about in judicial selection is between a judge who constantly remembers who appointed him and a judge who remembers that popular decisions can be made easily by the popular branches of government, but that his function is to protect minority rights from majority passions. By minorities I mean not only racial, religious and political groupings—I include every defendant in every criminal case—by definition a minority is one who the public-square judges of the French Revolution would guillotine first and try later. Think of any important criminal law precedent where a constitutional right was upheld. Every one of these cases would have been decided differently if the decision had been by referendum—Miranda, Monte Durham, Mapp versus Ohio, Escobedo, Gideon.

And that is why the Senate, as the reflector of popular will, must also be circumscribed in its inquiries. What the Senate ought not do is determine, through questioning, a nominee's views on emerging constitutional doctrine, on issues likely to face courts in the near future. Why? Because these questions are really a signal to a nominee that he will become a judge only if he promises to be obsequious, to be a yes man to the powers that be. During Justice Thurgood Marshall's confirmation hearings, he was asked by Senator McClellan whether society must always sacrifice its security and safety in order to provide every conceivable right to suspects in criminal cases. Marshall answered that he did not believe that a society should give up its security. The question may have sounded innocent, but Senator McClellan's rejoinder makes clear that it was intended as a sharp warning to Marshall to cut back on the rights of the accused; Senator McClellan told Marshall:

"I hope that [belief] will have some influence with you, as you weigh some of these cases. It is one man's decision that often determines what the Constitution is."

The Constitution clearly does not permit the judiciary to be a subdivision of the Senate, nor judges to serve as inferior officers to the President. Just as the President must not seek to impact the independent and frequently unpopular judgments of the judges, the Senate also cannot use its confirmation power to create judicial I.O.U.'s. Justice Rehnquist has said that:

"For [a nominee] to express any but the most general observation about the law would suggest that, in order to obtain favorable consideration of his nomination, he deliberately was announcing in advance, without benefit of judicial oath, briefs, or argument, how he would decide a particular question that might come before him as a judge."

I am also disturbed by another message of these judicial I.O.U.'s. I think that when we ask prospective judges their views on an issue likely to arise in the future, we are locking those judges into a position. Today's litmus tests tell nominees that when the question is abortion, the answer is no, and when the question is prayer, the answer is yes. Do we want judges who have decided the outcome of a case even before looking at its facts? Do we want judges who disregard statutes and regulations to reach a particular result? The constitutional prohibition on advisory opinions tells us that justice is achieved by well-informed, concrete decisions, rather than by mere hypothetical speculation.

There is still another defect to the litmus test approach to picking and confirming judges. The test is always about a single ailment—a single cause. It tells you little about the rest of the corpus. What must be avoided is the selection of a nominee based solely on how he or she would decide a particular issue. Judges are appointed for life. No one can really predict what issues will be important in ten or twenty years. Andrew Jackson wanted to appoint a justice who would oppose the Bank of the United States. He found him in Roger Taney. Twenty years after President Jackson left office, Chief Justice Taney was still around to author the Dred Scott opinion. President Jackson's appointee almost succeeded in throwing out the Union with the Bank.

I would like to raise one last difficulty with the overinvolvement of popular concerns and institutions in judicial selection. We can agree that Judges and the appointment process are not without political content, but to be effective, courts must operate outside of the political sphere. There is a tendency, I think, to become so mesmerized by the awesome trappings of the judiciary and its historical power that we overlook just how fragile the court's power is. The legislature controls the money, the executive the army; all the judiciary has is its own moral authority. The Supreme Court's mandates are obeyed not because of police in the streets but because of public perceptions of the Court's legitimacy. When the Court is perceived as an apolitical, wise and impartial tribunal, the American people have evinced a willingness to abide by its decisions. But if the Court is viewed as simply a Congress in black robes, the Court's ability to perform its constitutional function is threatened. Former ABA President William Reece Smith, Jr. said:

"Attempts to politicize the judiciary lend legitimacy to the notion that federal judges make the law solely according to their own private viewpoints and prejudices. . . That implication . . . confounds the public's perception of the legal system and encourages disrespect of the vital role that judges play in our government."

What should a wise President and a forebearing Senate do in the best of worlds? I believe close examination should be made of a potential jurist. As Senator Ervin once remarked about nomination hearings:

"[If the Senate] ought not to be permitted to find out what [a nominee's] attitude is toward the Constitution, or what his philosophy is, [then] I don't see why the Constitution was so foolish as to suggest that the nominee for the Supreme Court ought to be confirmed by the Senate."

It is perfectly fair for presidents and senators to seek judges who share their view of the role of government in American life, who in the long run will do what presidents and senators believe is best. But to assess this compatibility, it is not merely unnecessary, it is patently offensive, to ask of a potential judge what he or she will decide in a future case. Nominees usually have made a public record, whether in past decisions, in writings, or in speeches. I do not believe there is an inherent impropriety in a nominee appearing before the Senate Judiciary Committee, although until fairly recently, nominees, including my former boss, Justice Minton, regularly declined the invitation. Some limits on a nominee's questioning by the Committee are required. Perhaps Felix Frankfurter, in refusing to answer certain questions in his confirmation hearings, said it best:

"My attitude and outlook on relevant matters have been fully expressed over a period of years and are easily accessible. I should think it is not only bad taste, but inconsistent with the duties of the office for which I have been nominated for me to attempt to supplement my past record with present declarations."

Justice O'Connor, at her 1981 confirmation hearings, was asked a litany of abortion-related questions. Numerous Senators attempted to extract her views on abortion in general and the Supreme Court's decision in Roe versus Wade in particular. Justice O'Connor consistently refused to respond to these inquiries, believing them to be beyond the scope of permissible questioning at a confirmation hearing. Justice O'Connor's approach seems to have been fair and correct: the Court's integrity remained intact, and she was confirmed by a vote of 99 to 0.

The litmus test, then, of a good appointment and confirmation procedure is restraint. There ought to be executive restraint—while the President is entitled to appoint people he likes and respects, he ought not exact or expect any pledge of fealty to the Chief. Some of the best of Justices and judges have confounded their appointees, whether we talk of John Marshall or Earl Warren, or William Brennan. There ought to be Senatorial Restraint. The Senators may have understandable curiosity about the candidates views on the hot issues of the day. They can look but they better not touch. As Senator Eastland said, "If the nominee thinks that the question is improper, he can decline to answer. And that when he declines his position will be respected." Satisfying a Senator's curiosity is not the way to enhance judicial independence.

And the nominees themselves must exercise restraint. Knowing which questions are properly posed to a nominee, and which are not, is perhaps the best litmus test of the qualities we want in a judge—the ability to judge and the exercise of good judgment. What a nominee will decide in a particular case tells us nothing about the nominee's judgment. But the refusal to respond to improper questions, invoking, as Senator Ervin once said, the "judicial fifth amendment," tells us that this nominee possesses the independence and courage we ought to want in our judges. And history tells us that when Senators display restraint and respect, and when nominees display good judgment, confirmation will not be denied. Felix Frankfurter, Sandra Day O'Connor, Thurgood Marshall, and Joseph Rodriguez all refused to answer certain questions; all were confirmed.

Mostly, we come back to the questions of the beginning. Do we really want a "popular" judiciary? Do we want a judiciary that has no strong views on anything, except the importance of being confirmed? I think not. What we want are women and men with integrity, with wisdom, with good judgment, and with the strength to take unpopular positions. I think that nominees who would answer the current breed of litmus tests lack these necessary qualities. Perhaps we can all take a lesson from Judge Bork of the D.C. Circuit. In a recent interview published in the District Lawyer, he was asked whether he could identify any Supreme Court doctrines that he regards as particularly worthy of reconsideration in the 1980's. His response? "Yes I can, but I won't." I think Abraham Lincoln would have liked Judge Bork, and not just because they both spent their formative years in Illinois. When Lincoln sought to appoint a Justice, he wanted a person with certain views, but he knew better than to ask. Instead, Lincoln said:

"We cannot ask a man what he will do, and if we should, and he should answer us, we should despise him for it."●

PARENTS EDUCATING PARENTS

● Mr. NUNN. Mr. President, I would like my colleagues to know of a special recognition received by the Parents Educating Parents Program of the Association for Retarded Citizens of Georgia. On June 11, 1985, PEP received a Distinguished Service Award from the National Council on Communicative Disorders [NCCD], which is 22 national professional and consumer organizations concerned with communicative disorders. NCCD seeks to provide recognition to companies, unions, organizations, and individuals who have made outstanding contributions to the cause of improving the lives of individuals with communicative disorders. These disorders cover a very wide range of conditions from the loss of language which can follow a stroke, to hearing loss which affects millions of Americans, to the communicative problems of individuals who have had their larynx or voice box surgically removed and to individuals with cleft palate, cerebral palsy, and many other conditions which affect the ability to communicate in society. PEP received the award for the important work they do in educating parents about the handicapping condition of their child, about the school's responsibilities, and about appropriate professional services.

I am pleased to have been involved with the Association for Retarded Citizens of Georgia for a number of years, and I am especially glad that NCCD has given national recognition to Parents Educating Parents, a project that Georgians have been proud of for quite some time. I would like to commend Mildred Hill, the executive director of the ARC of Georgia, and Bonnie Webb, the coordinator of Parents Educating Parents, for their hard work and dedication to assisting children with disabilities. Parents Educating Parents is a statewide project that is funded by a grant from the U.S. Department of Education, Department of Personnel Preparation, to provide information and training to parents of handicapped children. Approximately 75 to 90 percent of the targeted parent population have children with some type of communicative disorder. Through a newsletter, the Education Update, and a series of annual workshops, Parents Educating Parents shares information with thousands of concerned parents and professionals in Georgia, other States, and seven foreign countries.

In the past, the NCCD has provided awards to Bell Laboratories for their research accomplishments in computer responses to speech, to Johns Hopkins University Applied Physics Laboratory and the National Science Foundation for conducting a national search for applications for personal computing to aid the handicapped, and to the National Head Injury Foundation for focusing national attention on the problem of head injuries.

In addition, they have provided awards to Malcolm Fraser, a successful businessman and stutterer who created the Speech Foundation of America, to the Trace Center at the University of Wisconsin for its research and development of computer assisted communication for severely handicapped individuals, and to the Cerebral Palsy Research Foundation of Kansas for its multifaceted work in the provision of services to thousands of multiply handicapped young adults in Kansas. This award was presented last year by my colleague, Senator NANCY KASSEBAUM, who is very familiar with this center and its director, John Jonas.

NCCD has also recognized Gov. William Winter of the State of Mississippi for his work in improving that State's educational services. NCCD tries to particularly highlight the contribution made by businesses in providing greater access and accommodation to individuals with communicative disorders. It has honored IBM for its long-standing commitment to hiring the handicapped as well as to Union Carbide Corp., Nuclear Division, and Integrated Microcomputer Systems, Inc., of Rockville, MD. All of these companies have fine records in seeking out, hiring and accommodating to the needs of individuals with communicative disorders.

NCCD has also provided for individual recognition to persons who can provide all of us with a model for overcoming one's own disabilities. The winners in this category have included Clyde Cochran Berger, who is a elderly gentleman who grew up in Kansas with cerebral palsy and struggled to complete his education. Mr. Berger is a speech-language pathologist at the Institute of Logopedics in Wichita, KS, and an active writer and speaker describing to others his own struggles and accomplishments. In 1983, the award was given to Ross Milheiser, a top executive with Philip Morris, Inc., who provided access for employees of Philip Morris to effective treatment for stuttering and who was the creator of a film on the problems faced by stutterers in society and the rehabilitation services that are available. Winners in 1984 included Geri Jewell, the actress-comedienne, and Ken Levinson, an accounting executive with Northrop Corp., an advocate for deaf individuals.

At the awards banquet for 1985, Hyatt hotels was recognized for their program of providing television captioning equipment in all 75 of their hotels to facilitate the mobility of hearing impaired travelers. Also receiving an award was AT&T for their efforts in accommodating to the needs of handicapped employees and providing leadership in the accommodation that employers can make to workers with communication impairments. The United Auto Workers was also awarded for their successful efforts in achieving the first nationally negotiated labor union contract to cover both hearing aids for all of their workers and retirees and speech-language pathology services for the children of their employees.

Receiving the award for outstanding individual accomplishment in overcoming a handicap was Mrs. Esther Kratzer Everett of Williamsville, NY. Mrs. Everett had her larynx surgically removed but has learned to speak both with and without an electronic assistive device. In spite of the laryngectomy, she serves as president of her own insurance, investment, and real estate firm and is vice chairman of the New York State Republican Party and president of the New York State Federation of Republican Women. She is an active speaker and advocate for the employability of alaryngeal speakers and is truly a model for other individuals who must suffer this type of operation and who fear for how they can continue to communicate as effectively as they did before this type of surgery.

Mr. President, I am very proud that Parents Educating Parents was welcomed into this impressive list of organizations and individuals. The awards program of NCCD is meant to provide recognition for the very hard work that is being done by thousands of individuals around the country to make sure that individuals with speech, language, and hearing handicaps are fully integrated into the mainstream of American life. This involves a great deal of both public and private activity. In the public sector, the National Institute of Neurological and Communicative Disorders and Stroke, part of the National Institutes of Health, plays a leading role in providing for basic research in this area. The Department of Education's Office of Special Education and Related Services led by Assistant Secretary Mrs. Madeleine Will plays a crucial role in providing for a range of activities for those with communication impairments in our Nation's schools. The Medicare and Medicaid Programs also have crucial roles to play in getting services to these individuals. I congratulate NCCD on bringing to our attention those corporations and unions and other organizations who are actively involved in doing what public programs are often unable to do.

The member organizations of NCCD include: the American Speech-Language-Hearing Association; the Academy of Rehabilitative Audiology; the Division of Children With Communicative Disorders, Council for Exceptional Children; the National Association for Hearing and Speech Action; the Council of Graduate Programs in Communications Sciences and Disorders; the Alexander Graham Bell Association for the Deaf; Speech Communication Association; National Easter Seal Society; the Association for Children and Adults With Learning Disabilities; the National Black Association for Speech, Language and Hearing; the National Council of State Boards of Examiners for Speech-Language Pathology and Audiology; the Society of Medical Audiology; the Association of Service Programs in Communicative Disorders; Consumers Organization for the Hearing Impaired; the National Council on Stuttering; the American Society for Deaf Children; the Orton Dyslexia Society; Self-Help for Hard of Hearing People, Inc.; Psi Iota Xi; Audiological Resource Association; the American Association for Mental Deficiency; and the National Head Injury Foundation.●

MEDICAL RESEARCH

● Mr. SIMON. Mr. President, I was in the State of Oregon the other day to attend my high school reunion. High school reunions are both a joyous occasion and a dramatic reminder that time is moving on all of us.

While I was there, I read an inspiring story in the Eugene Register-Guard about a Mrs. Jan Brehm and her unusual conditon in which her brain is manipulated by a certain biochemical condition to cause panic attacks.

I am inserting the article in the RECORD for my colleagues to read.

But it reminded me that either the Federal Government or some drug company had to do research to make possible this family having hope.

Those who would reduce our research dollars, whether it is for the National Institute of Mental Health, or for systic fibrosis, or arthritis, or any one of a host of problems our civilization still faces, are doing a great disservice.

While I was at the high school reunion, I learned that two of the members of our classs are now fighting the battle against cancer. What if we spent a few dollars less on weapons of destruction and a few dollars more on cancer research? Would we be better off? Of course we would.

I am grateful to Bill Bishop, the reporter who wrote the story, and to Mrs. Brehm and her family and to her psychiatrist, Dr. Tom Foster, who noted the condition. I want future generations to be appreciative of our efforts to conquer sickness and disease. I do not want future generations to look back and say, "These were leaders of little vision."

Mr. President, I ask that the article to which I have referred be printed in the RECORD.

The article follows:

[From the Register-Guard, Eugene, OR, July 20, 1985]

ILLNESS SPURS PANIC BOUTS FOR VICTIMS

(By Bill Bishop)

One minute, Jan Brehm was immersed in the routine of dinner dishes in the kitchen of her Eugene home.

Moments later, she was running around the block—adrenaline pulsing through her shaky, sweaty body—fleeing in panic from nothing at all.

Brehm, 31, suffers from panic disorder.

Because of a biochemical condition, her brain triggers full-blown panic reactions for no apparent reason at all. Luckily, medication can correct the problem, and Brehm was able to get help soon after her first panic attack last October.

Since then, though, she has heard of other cases that have gone untreated for years and now she openly discusses her condition so that others who have panic disorder may seek help.

"It is the most frightening thing I've ever been through," says the 31-year-old mother of two. "The worst part is, you think you are losing your mind. You think you are going crazy. You think you're mentally ill. But you aren't. It's physiological. I am one of the fortunate ones who got help early. Many people don't get help because they are so afraid."

Help, for Brehm, is a tiny purple pill called Xanax. It is one of several medications that correct the chemical imbalance that triggers panic disorder. With Xanax, Brehm's life has returned to normal, except for one relapse in July after she began to cut down on her dosage.

"The drug does not make you feel good; it's not an upper, it's a normalizer," she says. "You can still feel all normal emotions. But it (the brain) just does not trigger the panic."

Sufferers of panic disorder who go without treatment frequently develop phobias that amplify the effects of the disorder, says Dr. Tom Foster, a psychiatrist at the Eugene Hospital and Clinic.

"I would guess there are a lot of people out there who are suffering and who aren't coming forward," Foster says "This is part of the larger problem of all psychological distress. It's a stigma that our culture has on all psychological matters. We have this idea that these things are not real conditions, that they are not equal to 'real' illness.

"I can think of several people who went five, six, seven years from the onset (of panic attacks) until the time they got something done about it."

The disorder has been described and recorded throughout medical history. It was called "Soldier's Heart" during the Civil War, Foster notes.

But only in the past five years have researchers begun to understand the disorder and to develop treatments.

"I think five years ago it was less well-understood and therefore, less diagnosed," Foster says. "There is something different, biologically, about these people.

"The statistics vary about what percentage of people have this," he says. "According to the people doing the research, the disorder is apparently common. They report good success (in treating the disorder). This is a condition with hope to it. You can make a difference. No one, of course, can promise, but it's not a pessimistic condition at all. People often have substantial improvement (after treatment)."

Foster says the difference between panic attack and normal anxiety is like the difference between a thunderstorm and a lawn sprinkler. The jitters you might feel before speaking in public won't even register on the panic attack scale.

"The panic attack is a very intense, attack-like wave of both physical and psychological symptoms," he says. "The attack will last several minutes, rarely longer. The person will have a tightening in the chest. They will sweat. They will have trouble breathing. They will just feel awful. At the same time, they often will feel like there is impending doom. They feel like they are going to die, that they are going crazy, that they are losing control. It looks like what it sounds like. Imagine the worst thing you can; this is it. The big one. The end. It's really bad."

After the attack subsides, the sufferer will continue feeling upset, edgy, anxious and depressed. Because of the intensity of the experience, sufferers of panic disorder frequently are ashamed of their behavior and refuse to seek help. Some of them develop agoraphobia; they stay away from places or situations that have triggered panic previously or may trigger it.

Sometimes the agoraphobia becomes so dominant that the sufferer will refuse to leave the house, to mingle in crowds or to go anyplace from which they cannot easily flee if panic sets in, Foster says.

"For some reason we don't understand well, there is a female predominance—80 percent of the persons with this were women. The onset (of attacks) can be between the ages of 15 and 35," says Foster, who estimates he has treated 75 to 100 panic disorders in his nine-year career.

"A friend of mine goes through it real bad," Brehm says. "She's gone through it for five years. She used to call me, crying, and I used to say to her, 'Get yourself together. You're in control of your life,' and all those kinds of things. And she would say to me, 'You will never know the pain of this until you experience it.'

"My faith has had a lot to do with this. At first I thought God had dealt me a bad card. I believe in healing and I realize that He is using this to bring out good in my character. I believe the suffering has caused more good than bad for me because it has given me compassion for the people who go through it," Brehm says.

The disorder also drew her closer to her husband, Chris.

"It was real hard for him," she says. "He had to handle the kids. He had to take care of everything. In a way it has brought us much, much closer because I am so strong and independent and I've always been that way. All of a sudden, when I was sick, I was so dependent on him and it did a really neat thing in our relationship."

On top of the added family duties, Chris also had to cope with his wife as she worked her way back to normalcy.

"You can't really expect the person to get well on their own," he says. "You can't put that much pressure on them. You find yourself frustrated."●

FRESH THINKING AND THE ILLINOIS ECONOMY

● **Mr. SIMON.** Mr. President, for our Nation to compete on the international trade scene, we need to encourage people to think creatively. For our domestic economy to thrive, we need innovation and fresh thinking. In a weekly column I write for newspapers in my home State, I have told about a man who keeps coming up with new ideas at an age when others have retired from inventive thinking. I ask that the column be reprinted in the CONGRESSIONAL RECORD.

The column follows:

Fresh Thinking and the Illinois Economy

On July 15, one of my neighbors in Southern Illinois will turn 89. We can all learn from him.

He is Wayman Presley, who retired at age 65 as a mail carrier and started a travel business in rural Southern Illinois. It is now the fourth largest travel agency in the nation, doing many millions of dollars worth of business each year.

But that is not what is remarkable about Wayman Presley. He is one of the most creative persons I know. He erupts with ideas like Mt. St. Helens erupts with lava. Some are good; some are not so good. But the flow continues, and if you separate the good from the not-so-good, the result is fresh thinking on a whole range of subjects—thinking that is tempered with the wisdom that only time can provide.

His latest idea I at first dismissed as one of his weaker ideas, but there is a good possibility I was wrong.

This idea grew out of his childhood.

When he was a boy he would run a stick along a picket fence and he found he could count the clicks, even when he ran full-speed along the fence. He found he could count the stitches as his mother worked on a sewing machine. And in some way that he did not understand—and still does not—he found it helped him with his school work.

He has invented a simple plastic "Klickerstick" where students can do the same. He tested it with some students and it helped their school work.

A group called Applied Research Consultants had Professor Jack McKillip of Southern Illinois University test it.

They tested 508 fourth and fifth graders, half of whom used the Klickerstick and half of whom did not. After five weeks, the users tested 16.2 percent better than the non-users, and a year later they tested 29.3 percent better.

Listening scores were much higher; logic was somewhat higher; and self-esteem had grown more.

Why?

I don't know the answer, nor does the professor at SIU, nor does Wayman Presley.

I am asking the National Institute of Education, the nation's federal education laboratory, to do further evaluation. It could be that Wayman Presley at the age of 88 has made his most significant contribution.

But even if it should not work out, Wayman Presley's example of thinking creatively is what we need as a nation, and what we particularly need in Illinois.

It is easy for a nation or a state or individual to "get in a rut."

We did not get a man to the moon by sticking to all of the old ideas; we had to venture forth.

If the United States is to stay competitive with the rest of the world, if we are to provide jobs for people, if we are to improve the quality of our education, part of the answers will come from new ideas, from fresh thinkers, from the Wayman Presley of this nation.

I'm proud to have him as an Illinois citizen.●

CABLE COMMUNICATIONS POLICY ACT OF 1984

● **Mr. GORE.** Mr. President, I was one of the cosponsors of section 705 of the Cable Communications Policy Act of 1984. I worked closely with Senator GOLDWATER, Congressmen ROSE and TAUZIN and others, to include this section which was intended to promote the greatest possible public access to the benefits of satellite technology.

I have been informed recently of two satellite program services, CNN and ESPN. At these prices home Earth station viewers are being charged a 1,000-percent markup over the price that cable television operators pay for these same signals. CNN and ESPN cite section 705 of the Cable Communications Policy Act of 1984 as support for their actions.

These marketing plans conflict directly with Congress' intention that marketing plans adopted pursuant to section 705 be the result of "good faith marketplace negotiations" for the development of a system for the sale of unscrambled signals to home satellite Earth station owners. There were no negotiations.

There can be no doubt that such negotiations are required. The committee report made clear Congress' intention concerning systems for marketing unscrambled signals:

> Authorization for the viewing of unscrambled signals ". . . is made available pursuant to a marketplace negotiation. (House report H.R. 4103)

In my floor statement accompanying the introduction of that legislation, I also reiterated the requirement for marketplace negotiations:

> The intention of the legislation is not to force programmers to establish a marketing program for home earth stations, but to make it clear that nothing in the legislation is meant to foreclose the establishment of a marketplace for the selling of such programming to home Earth station users in negotiations between parties . . . it must be done in good faith and not as a mechanism to deny home viewing of the satellite-delivered television programming.

The cosponsors of the Cable Communications Policy Act also made the requirements of marketplace negotiations plain:

> It should be emphasized that the intention of section 705 is that if there is a marketing plan for unencrypted signals, it will be the result of good faith marketplace negotiation for the programming. The plan cannot be unilaterally imposed." (Senator Barry Goldwater—Chairman, Senate Communications Subcommittee)
>
> . . . I believe that programmers can negotiate fair arrangements should they wish to market unscrambled signals. But no unrealistic or sham marketing plan can be tolerated. . . . (Congressman W.J. (Billy) Tauzin)
>
> I believe Congress should keep an eye on this issue to make sure the paramount interest of the public in viewing of satellite television is not abused. My understanding is that any marketing plan must be negotiated in good faith and realistically designed to facilitate authorized viewing. (Congressman Charlie Rose)

It appears that satellite program suppliers are being coerced by cable television system operators to scramble satellite signals as soon as possible to stifle open competition between cable and the Earth station industry. CNN and ESPN have "offered" plans which would, effectively force home Earth station viewers to pay unreasonable fees to watch unscrambled signals as a prelude to scrambling.

I know that one or more trade associations or other representatives have been willing to negotiate a payment plan for the sale of satellite programming signals to the home Earth station viewer—it is appropriate that the parties be paid. But CNN and ESPN have chosen to ignore these representatives and seek to impose a marketing system adopted without any negotiation.

I am disappointed at the approach both CNN and ESPN have taken toward home Earth station viewers, particularly in light of the clear requirements of section 705. Consensus on the language included in section 705 was reached only after exhaustive negotiation with representatives of satellite programmers, cable interest and home Earth station users. It is a compromise of individual industry self-interests to benefit the public interest. The actions of CNN and ESPN seem to be a substantial breach of the good faith compromises which made possible the adoption of the Cable Communications Policy Act. It is my opinion that the marketing systems these programmers are attempting to impose unilaterally on home satellite Earth station viewers are inconsistent with section 705 of the Communications Policy Act, and therefore are invalid and have no effect.●

REMEMBERING ADLAI STEVENSON

● **Mr. SIMON.** Mr. President, nearly 30 years ago, Adlai Stevenson stirred many in this country when he challenged Dwight Eisenhower for the Nation's highest office. Later, he represented this Nation well as Ambassador to the United Nations. Through his years of public service, including those as Governor of Illinois, Adlai Stevenson was an example for all of us and he sparked an interest in politics among many of those unmoved to that point by the political scene. In a column I write for newspapers in my State, I have recognized Adlai Stevenson for his contributions on the 20th anniversary of his death. I ask to have that column reprinted in the CONGRESSIONAL RECORD.

The column follows:

Remembering Adlai 20 Years Later

In July, the nation noted the 20th anniversary of the death of Gov. Adlai E. Stevenson, father of the former senator of the same name and the most prominent Illinois citizen on the national scene since Abraham Lincoln.

Looking back through those years, what did he contribute?

I speak with some prejudice since I had the good fortune to work with him a little. I was never part of any "inner circle," not a prominent player on his stage, but a bit player on the edges who had the chance to see and observe.

We are still too close in time to make many sweeping judgments, but a few conclusions can be safely drawn.

He contributed a "style" that brought into political life a whole generation of political leaders.

How often I have heard people say, "I got interested in politics after listening to Adlai Stevenson speak." He did it in the same way his rival and friend John F. Kennedy did. Both brought a sense of wordsmanship, challenge and vitality that appealed to many who were not turned on by the politics they had seen up to that point.

In a post-war period when there was a tendency on the part of many Americans to turn inward, to ignore the rest of the world, he spoke with an uncommon vision and understanding. He told us that the future of this nation would be increasingly entwined with the fate of other nations.

He spoke about arms control when we vaguely understood—but did not really understand—the immensity of the nuclear weapons power we would soon be amassing. He told us the course we were on—and are on—can only lead to the end of civilization. We listened a little; not enough.

As governor he practiced a combination of common sense and compassion. And he spoke about them as a national leader.

In the decades preceding Adlai Stevenson, Illinois had not been blessed with many honest governors. But to catalog him simply as an honest governor is to understate his leadership example.

Yes, he did order the state police to finally crack down on massive gambling and prostitution that many local officials around the state were paid to ignore.

But he also vetoed appropriations that were excessive and fought for programs that improved educational opportunities and helped the most disadvantaged in our society.

Perhaps it can be summed up by saying he appealed to the best in all of us.

Leadership can either pander to your fears and to the selfish that is part of all of us, or it can dream dreams and escalate hopes and make us work for those hopes, and we are better for having made the struggle even if we do not achieve all of our goals.

His funeral service was in a small Unitarian church in Bloomington, Ill. In a few benches sat the most powerful figures in the nation to pay him homage.

But the great homage we must pay is to remember.

To remember and to dream.

To create new goals and to appeal to one another not out of fear or greed, but to appeal knowing there is the spark of the noble in all of us, just as there is the beast in all of us.

If we appeal to the noble, we can achieve much for ourselves and even more for future generations.●

AL SHANKER—THE FUTURE OF AMERICA

● **Mr. SIMON.** Mr. President, one of the more remarkable leaders on the American scene today is Al Shanker, president of the American Federation of Teachers.

A few weeks ago, I read a speech of his which touched on many things that ought to be of concern to every Member of the House and Senate and to all serious thinking Americans.

He is talking about the future of our country, as we build it through education.

Al Shanker has shown remarkable courage in saying things that offend a few people, but things that need to be said.

From time to time, I may differ slightly on some viewpoints that he has, but clearly he is a leader in fact, as well as in name.

I urge my colleagues to read the speech that he gave to the New York State United Teachers Convention. It is filled with wisdom.

I ask that his remarks be printed at this point.

The remarks follow:

The Making of a Profession

(By Albert Shanker)

I have spent more than 30 years standing before groups of teachers like this one, arguing for unionism, collective bargaining, better salaries and working conditions. Today I stand before you not to ask that we abandon these goals—far from it—but to argue that unless we go beyond collective bargaining to teacher professionalism, we will fail in our major objectives: to preserve public education in the United States and to improve the status of teachers economically, socially and politically.

It is unusual for me to be advocating professionalism. My experience with the way the word professional is used in schools has not been good. There was the long battle of "professional" versus "unionist," a battle we've largely won, to convince teachers that it was not unprofessional to work to improve their salaries and conditions through effective organizing, militant struggle and political action. And there was the way the word professional was used so often to beat teachers down. A few examples from my early teaching experiences will explain why I haven't liked the word very much.

I can remember my first exposure to it as a teacher. I started teaching in a very tough elementary school. I had great doubts as to whether I would make it, and, after a couple of weeks, the door was opened and the assistant principal stood there. I remember thinking, "Thank God, help is coming." I kept motioning him in, but he continued to stand there, sort of pointing at something, for what seemed like a very long time but was probably only 30 seconds. Finally he said to me, "Mr. Shanker, there are a couple of pieces of paper on the floor over there. It is very unsightly and very unprofessional." Then he left.

Soon thereafter I went to my first faculty conference. In those days not many men taught in elementary schools; there was only one other male teacher in that school. At the faculty conference the organizational chart of the school was distributed, including a schedule of duties—who had hall patrol, lunch patrol and so forth, including "snow patrol." Snow patrol, by tradition, was assigned to the male teacher. On snow days he gave up his lunch period and walked around outside the building, warning kids not to throw snowballs at each other. Sure enough, Mr. Jones and Mr. Shanker were now assigned to snow patrol. Mr. Jones raised his hand and was called on by the principal. The teacher said, "Now that there are two men on the faculty to handle snow patrol, would it be okay to rotate—you know, the first day of snow he goes, and the next day I go?" The principal frowned at him and replied, "Mr. Jones, that is very unprofessional. First of all, it is unprofessional because the duty schedule has already been mimeographed, as you see. Secondly, I am surprised that you aren't concerned that one child might throw a snowball at another and hit him in the eye, with permanent damage. It's very unprofessional of you."

So that was my second run-in with this new and unusual use of professional and unprofessional. The next came a short time later.

A teacher in Westchester County, New York, made national headlines, a man named James Worley, who had been teaching for many years. Principals had come and gone in his school, and all had had unreserved praise for James Worley. His file was loaded with marvelous recommendations.

Then a new principal arrived. One of his first acts was to require all the teachers in the school to submit detailed lesson plans two weeks in advance; such additional work, he asserted, was within their professional responsibilities. His colleagues complied, but Worley refused. He pointed out that he had been teaching successfully for many years and was regarded by supervisors, colleagues, parents and students as an excellent teacher. Of course he planned. He knew what material had to be covered and roughly when he would cover it. The submission of a lesson plan represented not only an attack on his dignity as a teacher, but a very wrong notion as to how effective education took place. Successful teaching depended on an interchange with the students, which might take more or less time, so that a specific plan and rigid adherence to it would not be the mark of a good teacher but, rather, of a poor one. At stake, Worley said, was his professional integrity.

The principal fired Worley for insubordination, and the school board upheld the firing, which was appealed unsuccessfully to the State Tenure Commission and then to the State Commissioner of Education, James V. Allen. At every stage the case made headlines, and every government body was flooded with letters. One of those that went to Commissioner Allen was from the writer Paul Goodman. Goodman includes it as an appendix in the 1962 Vintage edition of his book Growing Up Absurd. Here is what Goodman wrote about Worley and his "insubordination":

"In content, his original protesting action (refusing to prepare a two-week lesson plan) seems to me beyond doubt correct. I myself have taught every age from ten-year-olds through Ph.D. candidates and older adults; it has been my universal experience that formal preparation of a lesson plan beyond the next hour or two is not only unrealistic but can be positively harmful and rigidifying, for it interferes with the main thing, the contact between the teacher and his class. Worley's disagreement with the administrative order is, to me, simply evidence that he is a good teacher and knows what the right teaching relation is. A teacher who would seriously comply with the order would likely be a poor teacher. (Our model must always be the Socratic dialogue, for the aim is not to convey some information but to get the information across as part of the student's nature and second nature, so he can make an individual and creative use of it.) On the other hand, if the compliance is not serious it is a waste of time; and, as you know well, teachers are burdened with paper work, much of which is absolutely necessary.

"In form, his protest was certainly insubordinate. But obviously each of us has the moral and social duty to draw the line somewhere against obedience to error. Worley has drawn it at a very crucial point, namely, where the order interferes with the right performance of the job. In the end this is the sacred and final obligation of every professional, to do the work and to defend the conditions under which the work can be done well. . . .

". . . We cannot afford to throw away good teachers to save face for mistaken administrators. It is the glory of good administration precisely to smooth the path for objective work to proceed. Therefore I urge you to intervene in this case and reinstate Mr. Worley."

Goodman's and the other appeals fell on deaf ears. On March 24, 1960 Commissioner Allen issued his decision, upholding the firing on grounds that Worley was clearly insubordinate. It was regrettable, Allen said, that "the students have been deprived of the services of a teacher, regarded by nearly everyone as a superior teacher," but even worse that a poor example had been set of the kind of cooperation between teachers and administrators that is necessary for schools and, between other people, for the functioning of society.

So Worley stayed fired, and things have not changed much in the years since. Obeying orders is still more important than professional judgment, and insubordination is still the thing the principal can fire you for. It is still not a question of what is the right or wrong thing to do but, rather, of who has the power to tell whom what to do. We are a long way from being a profession, as many of us and the larger society understand that word.

And, yet, unless we get there, the public schools are going to continue to face disaster. The signs are clear and ominous.

Here in New York, a tuition tax deduction/credit bill is on the floor of the State Senate. Other states are moving in this direction. If such bills pass, it will just be the beginning of an annual fight in each legislature over the size of the tax break for nonpublic schools—and the corresponding decrease in the budget for public education. The appointments Ronald Reagan will make to the Supreme Court will not help.

The President and the Secretary of Education will keep pushing tuition tax credits and vouchers on the national scene. Only the huge budget deficit prevents a major national move at this time.

The polls show that about half the American public now supports tuition tax credits.

Private school enrollment nationally went from 10% of school-age children a decade ago to about 15% today, a huge 50% increase.

The school reform movement gave us a period of relief, more money, public concern, support from the political and business communities. But if there are no results, there will be a backlash against public education. Improvements in achievement are not easy to obtain, and they don't come fast.

We are in the same situation as the steel and automobile industries were 10 or 15 years ago. They could see the tough competition that was coming, but they were unable to take action quickly enough. We can see what's likely to happen to public education. One million teachers are going to have to be replaced in eight years. Even with more money and better conditions, we will not get the good teachers we need unless teachers are treated very differently than they are today. Bright college graduates are not going to come into our schools to teach unless they are treated as professionals. And without them we have very little hope of rescuing our own "industry." I am going to go into this at great length later, for I believe that professionalising teaching in order both to attract the calibre of teacher that we need and give that person the optimum conditions to do the job is the most important issue facing American education today.

A REVOLUTION BEYOND BARGAINING

I believe there has to be a second revolution in American public education, one that builds upon the revolution we in the AFT made a quarter of a century ago when we plunged into collective bargaining. Collective bargaining has been a very powerful instrument. Through it we have increased teachers' salaries, limited class size, removed some of the more onerous non-teaching chores, given teachers a powerful political voice in their communities and in the country. Surely we cannot abandon it; if teacher salaries have slipped in recent years in relation to those of other occupations, think of how much more they would have slipped without that collective strength. Teachers need and must jealously guard the right to bargain collectively. And, yet, we have not been able to achieve all that we had hoped for through the bargaining process, and it is now time to go beyond it to something additional and quite different.

We learned early on that the negotiating process would not meet all of our needs. In New York City—and I daresay everywhere that a union represents teachers—we would go through a long process of listening to our members, usually at lunch and after-school meetings. We collected bargaining "demands," the items teachers wanted, often as many as 700 or 800. While some of these dealt with salary, class size and similar issues, many more had to do with professional matters, the items different groups of teachers—math teachers, English teachers, physical education teachers and others—wanted that would make their professional lives more satisfying.

Collecting the demands was one thing, getting them addressed, another. We went to the bargaining table under the assumption that boards of education would resist the salary demands but be open to a discussion of ways to reorganize the schools so that teachers and children would be happier and more productive. But quite the opposite was the case. Typically the school board said: You're a union. We'll be happy to talk with you about the salaries and working conditions teachers want. But we will not talk to you about anything that's good for children, because you weren't elected to represent the children. Professional issues are not subject to negotiation.

And so there we were. Teachers had gone from being weak and unorganized to being strong unionized employees with considerable power. But many of the issues they wanted to deal with could not be taken up at the negotiating table. Substantial improvements were made, but they fell short of creating the professional workplace that our members wanted then and want today.

If we are to achieve that professionalism, we have to take a step beyond collective bargaining—not to abandon it, but to build on it, to develop new processes, new institutions, new procedures which will bring us what teachers want in addition to what we get from collective bargaining: status, dignity, a voice in professional matters, the compensation of a professional. And I don't mean professional in the Orwellian sense in which it was used when I taught and is still often used today. A professional is not a person who merely follows orders. A professional is a person who is an expert, and by virtue of his or her expertise is permitted to operate fairly independently, to make decisions, to exercise discretion, to be free of most direct supervision. No one stands over a surgeon at the operating table, directing the surgeon to cut a little to the left or to the right. The surgeon is trusted to make the appropriate medical decision, and, of course, because of that trust and the expertise involved, is generally very well compensated. The question for us is: How do we get

there, how do we achieve professional status, responsibility and salaries for teachers?

THE CHANGES IN AMERICAN WORK STYLES

American work and American workers have changed dramatically in the last thirty years or so, as those of us who served on the AFL-CIO Committee on the Evolution of Work learned in the course of our research. If I had asked my parents, "Why are you working?" they would have thought I was crazy; the only reason they were working was to feed and clothe and shelter the family. It never dawned on them to think of a job primarily in terms of pride or satisfaction. Today, however, the answers pollsters get when they ask the question are quite different. The first response is not: because I have to earn a living. Instead, people say something like this: because I'm able to express various interests that I have through my job; because I get satisfaction; because I am respected on the job; because I'm allowed to do my work the way I think best, and I do it very well, and I like that.

Moreover, when the pollsters went further and asked what workers thought of the boss, the answers were even more surprising. The expectation was that there would be a fair amount of hostility expressed. On the contrary, roughly 70% of all employees in the United States say that their boss is good to work for, helpful when presented with problems. They like working at their jobs. They think well of unions—but only for the worker down the block who has a rotten boss, not for themselves. They believe unions create adversarial relationships that bring rigid rules in their wake. Before you know it, says the typical worker, I won't be able to exercise the judgment that I now exercise; the rules will infringe upon my ability to do my job well, and I won't get the same amount of satisfaction from it.

So, more and more frequently in the industrial world workers—and they are educated workers these days—are being treated with dignity and respect. But not in the educational workplace—and not teachers. Teachers are not accorded the trust and confidence that are becoming routine in the modern factory; our schools are the last bastions of the rigid 19th century industrial hierarchy. Two recent efforts at major overhaul, one in education, the other in the automobile industry, are worth comparing.

As the education reform reports were being issued, the California Business Round Table, composed of the chief executive officers of the 80 or so largest corporations in that state, persuaded the legislature and the governor to enact major new education law. The state came up with $2.7 billion in new money for education over a two-year period, badly needed in the wake of Proposition 13—but also with a piece of legislation 150 pages long that prescribed for teachers what textbooks to use, how many hours students should be instructed in this subject and that subject, virtually everything that teachers were expected to do. There is no other occupation that is regulated in this way by state legislatures, and California is by no means unique. The Regents Action Plan in New York and the Part 100 Regulations designed to implement it suffer from the same apparent lack of confidence in teachers, as do similar plans in other states. (Some of this, of course, probably stems from the thinking that anyone willing to accept a job today at the low starting salaries of teachers bears careful watching!) The hazard of this approach, aside from the demoralization it creates within the ranks of existing teachers, is that no bright young self-directed college graduate will want to become a teacher, to enter a field in which there is no opportunity to exercise judgment or make professional decisions.

The American auto industry, on the other hand, has learned a valuable lesson from its Japanese competitors. Instead of supervising workers to death, rewarding the good ones and firing the bad ones—and later recalling the lemons that this poor procedure manufactures—Japan treats its workers differently. It accords them lifetime job security, and involves each and every one of them in constantly trying to make the system of production better. The result is that the Japanese, carefully consulting those who actually do the job, have discovered how to make the product right to begin with, which is far less expensive than the recall/remake process that American cars have gone through.

A couple of years ago, Myron Tribus, director of the Center for advanced Engineering Study at M.I.T., wrote and article entitled "Deming's Way" about the ideas of W. Edwards Deming, the father of Japanese quality control. It appeared in the Spring 1983 issue of New Management, published by the Graduate School of Business Administration at the University of Southern California. The Deming Manager, Tribus wrote, "believes that he and the workers have a natural division of labor. They are responsible for doing the work within the system, and he is responsible for improving the system. He realizes that the potentials for improving the system are never ending, so he does not call upon consultants to teach him how to design the 'best' system. He knows that doesn't exist. Any system can be continuously improved. And the only people who really know where the potentials for improvement lie are the workers themselves. . . .

"Under Deming's Way," Tribus continued, "the manager understands that he needs the workers not only to do work, but to improve the system. Thus he will not regard them simply as flesh and bone robots, but as thinking, creative human beings."

American industry is catching on. There is a true story about a Ford small truck plant that was so bad it was about to go out of business. But before closing it down, Ford decided to try the Japanese method. It would ask each worker what was wrong, how the procedure and the product could be improved. For example, one of the managers approached a worker who was working in a pit. He had a fairly heavy tool, and every 15 or 20 seconds or so as a new truck came by just above him on the assembly line, he would pull the trigger on the tool and tigthen a bolt. The manager came up to him and the conversation went something like this:

MANAGER. "Look, this place is going to close down soon unless we improve. So you've got nothing to lose, and I'm asking all the workers here about things that go wrong. Tell me honestly, Jack, when you try to tigthen these bolts, do you ever miss?"

JACK. "Yes, I do."

MANAGER. "How often do you miss?"

JACK. "Well, about every six minutes or so I don't tigthen one of the bolts."

MANAGER. "Why is that?"

JACK. "Well, it's a very hard job. You have to keep looking up all day and holding the tool, and I get a crick in my neck. And every once in awhile, I get a muscle spasm and my head jerks away so that I can't look up, and when the spasm has passed, so has the truck and I haven't tightened it. I feel bad about it, but there's nothing I can do."

MANAGER. "Do you have any ideas about what we can do?"

JACK. "Yes, I do. I've been thinking about this for a long time. There are really two things you can do. One is to put a little pedal under my foot so that every time I feel a crick, I press the pedal and the assembly line will stop for a second, and as soon as I shake off the crick, I would tighten the bolt. Of course, it would mean that every six minutes or so the assembly line would stop for a couple of seconds, but you would get all the bolts tightened. And the other thing is—could you have me standing on top of the truck holding this tool down, because that would be a lot easier and a lot more natural than looking up and holding the tool up?

That's what the Ford management did in that plant. It went around to all the workers and sought their ideas about solving problems. And then Ford redid the entire plant in accordance with the wishes of the employees. The result was that the plant became the best in the entire Ford Motor Company anywhere in the country. It's a classic case.

How much of that happens in schools? When a decision is made to change anything about the organization of a school, the curriculum, the materials or anything else, that decision is made by legislatures, state education departments, school boards, superintendents, principals. And as long as those who govern schools keep making this same mistake in thinking—that all they have to do is have supervisors watching the teachers to see who's good and who's bad and reward some and punish others—they're going to keep having the failures and the "lemons" who are "recalled" for remediation and dropout prevention. The only thing that's going to turn the schools around is to start turning the decision-making as to what works and what doesn't work over to the people who are actually doing the work and know what's happening in classrooms.

School managers have to understand that the enterprise benefits when people exert substantial control over their work environments. The May 13, 1985 issue of Fortune recounts a laboratory experiment, detailed in In Search of Excellence, the best-seller about successful management by Thomas J. Peters and Robert H. Waterman, Jr. The subjects were given some hard puzzles to solve and some proofreading to do, with a raucous radio tape as background accompaniment. Half were given a button to push if they wanted to stop the noise; the other half had no such button. The half with the button solved five times more puzzles and made a quarter of the proofreading errors of those with no button. But nobody ever pushed a button. "The mere fact that people perceived that they had a modicum of control over their destiny—the option of pushing the button—led to an enormous improvement in performance," wrote Fortune. The magazine then told the story of a Ford Motor assembly plant in Edison, N.J., which reads like a sequel to the story of Jack-in-the-pit that I just talked about. Here is what happened:

"Every person on the line in the huge facility was given access to a button that he or she could push to shut down the line—quite a gutsy move on the part of the plant manager. The results we're sharing occurred during the first ten months of the experiment (the results since then have been consistent with those at the start). To begin with—no surprise here—Edison, New Jersey, is not like an industrial psych lab. People push their buttons at Edison. To be precise, they shut the facility down 30 times the first day and about ten times a day thereafter. The ameliorating news is that after the first day the average shutdown lasted only about ten seconds—just time enough to make a quality adjustment, a tweak, a twist, a turn, to tighten up a nut or bolt.

"Productivity in the plant did not change. Three other indicators, however, are worthy of note. The number of defects per car produced dropped during the first months of the experiment from 17.1 per car to 0.8 per car. The number of cars requiring rework after they had come off the line fell by 97%. And the backlog of union grievances plummeted. Moreover, the change in attitude was as extreme as the numbers. One old pro on the line commented, 'It's like someone opened the window and we can breathe.'

"And along with the opened-up atmosphere came exactly the things you pray for: the side benefits of ownership. Story after story emerges of the following sort. There had traditionally been difficulties with seat-cover installation. A line employee worked up a method using Saran Wrap in appropriate places to increase slipperiness and thus make it easier to set covers. He did the entire experiment on his own, at home. He then brought the results to work and shared them with his colleagues."

The major struggle in education over the next period will be attracting and retaining good teachers, and unless there is this kind of change, we will lose it. Even if we were to get better salaries and some improvement in working conditions, intelligent, well-educated people today, people who have other options, will not work for long in a traditional type of factory, and that's what the public schools of this country are. They will not work in a place where they are not trusted, where they are time-clocked, where they're supervised, where they're observed, where they are treated as people to be pushed around and instructed and regulated. The future of education depends very heavily on making teaching a profession and giving teachers—like even the assembly line workers at Ford—a modicum of control over their environment.

WHAT DOES A PROFESSION MEAN?

What does it mean to have a profession, to be a professional? First, you cannot have a profession without high standards. Teaching does not have high standards today, nor is it perceived as having high standards. College professors will steer the brighter students away from careers in teaching because they're "too smart for that." We are not getting our share of such students because they don't want to go into a profession that reputedly anybody can get into, where the rites of passage are perceived as easy, undemanding, and where the job itself is often a way station on the road to something else. If I were the president of the American Federation of Ex-Teachers, I would have a much larger constituency. There are more ex-teachers than teachers—sometimes it seems that everyone out there, everyone I encounter when I walk down the street or check into an airport or do a television interview, is an ex-teacher. Why is that? How many ex-surgeons are there? How many people go through the trouble of becoming an actuary and then decide to do something else? Raising the standard of entry into the profession will attract many of the higher-caliber young people who are gravitating toward other careers; indeed, we have evidence in California, for example, that as soon as a tough teacher examination was announced, more people lined up to take it—and with more solid academic credentials—than had applied to teach in recent previous years.

Second, there is no profession without a knowledge base. I have not suggested that we should take the power away from school boards and superintendents and principals because we're teachers and we want more power; that isn't it at all. We ought to have the power to make the decisions because we know more—more about what is right and wrong to do in the education of children, more about what distinguishes a good textbook from a poor one, more about all sorts of issues in education. Some of these things we do know, some we don't yet and ought to develop. So raising the standards also means expanding the knowledge base and demonstrating that we have it.

Third, there is no profession without a well-established set of collegial relationships—not a set of supervisory relationships but a set of peer relationships. Doctors do not have an absolute right to do anything they want to do. No doctor is going to say to you: Well, any other doctor would give you the following pills and that would take care of the problem, but I don't like that—it's boring—so I'm going to give you something different and see what happens. Doctors don't behave that way. They act in accordance with a knowledge base and in accordance with what all of their peers expect on the basis of that knowledge.

Part of what we need to attract people into teaching is the development of this set of collegial relationships. Most people do not want to spend a working lifetime locked in a room with 25 to 35 children. While there is a certain amount of satisfaction in that, unless it is supplemented by the different satisfactions that come from a relationship with colleagues and adults and other professionals, the relationship with children exclusively leads to extreme isolation and drives many out of the classroom and away from the profession.

Fourth, there is no profession unless the practitioners are seen as acting in the interest of the clients. And here we have a problem. At one time we were viewed as quite powerless, given flowers for our lapels on Teacher Recognition Day, patted on the head. Then along came this adversarial procedure known as collective bargaining. The pendulum has swung, and virtually no one now views teachers as being pattable on the head—the pooch barks, and even bites. We tend to be viewed today as though we are acting only in our own self interest. Teachers want better salaries and smaller classes so their lives can be made easier. (The public rarely considers that what we want may be good for children.) That image is standing in the way of our achieving professional status. We must act on behalf of our clients and be perceived as acting that way.

We have a decision to make. We can continue working away only at collective bargaining. But if that is our decision, I predict that in 10 or 15 years from now we will find that we have largely been on a treadmill. In good years we will make some gains and in bad years we will have to work very hard just to hold onto them, just to stand still. But right now there is low pay, linked to low standards, linked to an absence of trust, because you can't trust people who are willing to work for so little and have been brought in on those low standards. All this leads to an excess of supervision and to generally low prestige. On a national basis that's where teachers are in mid-1985. This situation has to be changed. Teachers must be viewed as professionals, as experts whose judgment can be counted on, who act on behalf of their clients, who are not supervised and rated and evaluated constantly, who have a peer relationship with other teachers.

There are some steps that ought to be taken, and some of them we can take ourselves. I am going to list five ideas. There are undoubtedly others.

1. A national teacher examination

Last January I proposed that there be a tough national teacher examination, similar to those for the bar and for medicine. This would not be a government examination. Rather, it would be devised initially by a commission composed of outstanding people in education and perhaps similarly qualified people in the other professions who have had some experience in administering professional examinations. Ultimately there would be a national Teacher Professional Practices Board, composed of the practitioners themselves, to update and administer the exam, but at the beginning it would be useful to have well known experts, so that the examination would get wide publicity that would increase the pressure on states and local districts to require it for certification.

The exam would consist of three parts. First there would be a stiff test of subject matter knowledge—not the cheap type of examination that can be machine scored but, rather, something that requires candidates to think and to write and to organize their thoughts and be able to persuade. The second part, probably given on a different day, would test knowledge of pedagogy, educational issues, the ability to apply educational principles to many different student developmental needs and learning styles. And the third part of the examination would be an internship program of from one to three years in which teachers would actually be evaluated on the basis of how well they work with students and with their colleagues.

With the exception of "A Nation of Risk" nothing in education in the past five or six years has gotten as much attention and editorial support as my proposal of a demanding national examination. Indeed, I believe that the next few months will see the launching of the commission to develop such an examination. But aside from having touched a sensitive public nerve, the idea is getting support because we have put ourselves and our union on the line in behalf of it. In the National Press Club speech, I said that within a few years after the establishment of such an examination, the American Federation of Teachers would refuse to accept into membership any newly hired teacher who had not passed the exam. I was signalling the public that we, the teachers, care about the quality of teachers, that we care about what happens in schools, that we are even prepared to make an organizational sacrifice in terms of not recruiting into membership or collecting the dues of people who do not meet the standards.

The day after that speech I went out to Utah, where we are organizing teachers. The morning I arrived in Utah, the local headline said, "Union Boss Supports Teacher Tests." I spoke at a couple of places in Salt Lake City, and the next day the headline said, "Speaker Reiterates Support for National Test." By the third day, the headline said, "Educator Supports Teacher Testing." Within three days I went from being a union boss to being an educator, and that's what this is all about—what our role is going to be and how the public sees us.

2. Expanding choices for parents, students and teachers

I believe that we in the teacher union movement ought to support the greatest possible choice among public schools by parents, students and teachers. The current system of placing kids in school on the basis of geography is one that was designed a long time ago, when most people who sent their children to school were not educated and wouldn't have been able to make an informed decision about a school; parents looked up to teachers and accepted the authority of government. But times have changed, and most of the public is just as well educated as teachers, some more educated. The day of automatic agreement that one's child will attend such and such school is over; parents shop for public schools when they move to a different community, and many will seek nonpublic alternatives if what they regard as a decent public school is not available to them. Students who drop out or attend high school only sporadically may be telling us not necessarily that they don't want school at all but that they don't want the particular school they're going to. Attendance is much higher and dropout rates are much lower in those public schools—vocational and option academic high schools—that students themselves have chosen to go to.

We now permit some choice among junior high and high schools within a single school district. Why not expand that, and permit much greater choice within the district and even across some district lines? I am talking about offering parents and students more options, not about conferring legal rights or instituting some sort of voucher system. In most school districts today, when a parent seeks a waiver of bureaucratic rules for a child to attend a school different from the one assigned—a school that is not an available option—the answer is generally no. Such a request creates more paperwork, and bureaucracies tend to be insensitive to requests for individual treatment. But the bureaucracy must be moved to be more flexible. The more public school choices we offer parents and students, the better are our arguments against destructive schemes like tuition tax credits and vouchers. Wider public school choice will very substantially negate the argument for giving money to parents to send their children to private schools. Incidentally, this is not as revolutionary as one might think: a number of school systems in Massachusetts which started out attracting kids to "magnet" schools for purposes of integration are now using choice as the primary means of placing students in schools, and there is a sort of friendly competition among the schools in a district for youngsters. Surely a competition among public schools, where everyone competes under the same ground rules, is a lot healthier than a private versus public competition which is inherently unequal and unfair because the rules don't apply to all.

I discussed earlier that idea that a professional must be seen to be acting in the interests of the client. But most clients choose the professionals they see—a doctor, a lawyer, an accountant. Children are the only clients who are perceived as the captives of the professionals who deal with them, captives of a given school and teacher. If, as occasionally happens, there is poor chemistry between a teacher and a student, even a within-school choice ought to be available. It is not in that student-client's interest to be stuck with the same teacher all year—and, by the way, it is not in the teacher's interest either. Suppose, for example, that a tired and pressured teacher snaps at a young child. The child goes home, refuses to eat, resumes an old pattern of bed-wetting and won't come to school over the succeeding days. Of course, there is value in having a child learn that in the real world one has to get along with many different people, but there are times when that won't work, when the particular child is just not ready for that particular lesson. And while it's not the job of the school to replicate the comforting bosom of the family, nevertheless there has to be concern and a humane orientation. Here, too, flexibility is critical. The child should be given another teacher.

Expanding public school choice—within schools, among schools in a district, among districts—would go a long way toward reducing the resentment, toward getting rid of the notion that people are captives.

Nor should choce be restricted to parents and students. Teachers need and deserve more options than they now have. For example, while there is much talk in education today about career ladders, those who recommend them for teachers haven't really taken a hard look at what passes for career ladders in the business world. Very few people, even in giant corporations, move straight up a ladder within one firm. Typically a person starts working for one company, gets some experience and a good reputation and maybe even a promotion or two. But pretty soon he or she is lured away by some other company, often with a salary increase and other "perks" as well as new and bigger responsibilities. That pattern repeats itself, and by mid-life the executive may well have worked for half a dozen businesses, improving her salary and status all along the way.

But teachers are stuck. If a 10-year teacher attempts to move to another school district, he or she will almost invariably find that the new district will not credit more than a fraction of that prior experience toward salary. Even if the new district has a better salary schedule, therefore, the incoming teacher is likely to lose or, at best, to stand still. He may also lose pension credit. Teaching may be the only occupation in this country where if you move voluntarily from one place to another, you have to suffer for it—the only occupation you have to leave in order to improve your lot. And that situation is probably another vestige of a time when schools could get smart women teachers on the cheap because women had few other career options. One of the elements of widening choice in public schools ought to be freedom for teachers to move around without penalty. Just as we ought not to lose students to private schools because of lack of sufficient choice in public education, we ought not to lose teachers to other jobs because they have no real mobility in teaching. And, of course, in failing to grant full credit for prior public school experience, school districts also prevent themselves from competing for talented teachers from other districts. I don't know of any business that could stay in business very long if it denied itself the opportunity to compete for talent. We ought to be pointing out to the business community this very unbusiness-like bind that school districts and teachers are in, captives just as much as children denied more choice in schools.

3. A professional teacher board

One of the things we might do to bring about the needed revolution does not require local, state or national legislation. We could create—perhaps first through a coalition of locals, then regionally within a state and eventually even on a statewide basis—a "Professional Teacher Board." It would be made up of outstanding teachers, selected through a process which we would develop. The board would be independent, even though initially appointed by the union, in the same sense that the Supreme Court of the United States is independent even though the justices are appointed by presidents—and most presidents have been surprised by the actions of their appointees.

The purposes of this professional board would be many. Let me suggest a few:

It would develop standards and an ethical code for the profession. It would, for example, administer the national teacher examination on a state level. It could inspect the practice of out-of-license teaching, which may be inimical to the idea of high subject area qualifications determined by examination. It could determine that, beyond ascertaining that the truth has been fairly reached, a union does not have the obligation of defending a teacher against discharge based upon immoral or criminal conduct; the board might well determine that there is certain immoral conduct toward children—child abuse, for example—which would prompt the board itself to seek a teacher's discharge and the revocation of certification.

The board could handle various types of complaints from parents. For example, is a teacher propagandizing for a particular point of view rather than teaching the various sides of a controversial political issue objectively—that is, teaching students to think? To what extent, in such cases, is academic freedom infringed upon?

The board could set up procedures to evaluate textbooks. Textbook selection is a national disgrace. Textbooks are selected by school boards who have no knowledge at all of what makes a good textbook. There are various trends—short, easy to read sentences that can rob a book of meaning or interest; the required inclusion of various gender, racial and ethnic references so that all groups are accounted for; demands for the elimination of evolution and inclusion of creationism. No one seems to be asking whether the book is a good textbook; whether students can read and understand it; whether, if a student has missed the lesson, he can understand the material from reading the book at home; whether the illustrations are clear and properly captioned; whether the questions which are asked are the questions that will help the student comprehend.

There is a new knowledge base about textbooks. Teachers who have studied it (and others who will) should be able to stand up before a school board or other body and demonstrate what's right and what's wrong about a textbook from a highly authoritative standpoint, much as a doctor or lawyer might explain the fine points of a case to a group of laymen. This kind of knowledge is power. The teacher professional board could establish a committee of such knowledgeable teachers to evaluate the textbooks, make this kind of analysis and earn the kind of professional respect that precedes professional empowerment.

Finally, like all other professional boards, the professional teacher board should be prepared to play an honest part when the question of incompetence is raised. If a teacher in a given school district is brought up on charges of incompetence, the board ought to select three outstanding teachers from somewhere else in the state who do not know either the teacher or the supervisor involved. That group of three should visit the teacher so accused and issue an independent report that evaluates the judgement of the principal or other supervisor. Of course, in order for this procedure to work, the three teachers have to be absolutely independent, the only direction from the union being that they're on jury duty as professional jurors and are to call it as they see it as teachers and as professionals.

What I am talking about is a process of peer appeal. The teacher would still have the right to a hearing panel and to go to court. But I see four possible scenarios that might be played out: (1) both the teacher and the supervisor agree in writing that the decision of the teacher review panel is binding; (2) the teacher agrees but the principal refuses, in which case the refusal of the principal to allow a trio of outstanding teachers to review the decision should be taken into account by any existing panel in law; (3) the principal agrees but the teacher refuses, in which case that refusal ought also to be taken into account by the existing panel in law, and (4) both parties refuse in which case existing procedures are followed without the intervention of the teacher review panel.

I am not proposing an abandonment of due process. Due process means that the decision of the supervisor is subject to outside review. I am suggesting that outstanding professionals from within teaching but from outside the immediate situation are just as equipped as—indeed, probably more so than—a panel of outside lawyers or other citizens to do an honest and professional job.

This could, of course, be the most controversial function of the teacher professional board, but we do not have the right to be called professionals—and we will never convince the public that we are—unless we are prepared honestly to decide what constitutes competence in our profession and what constitutes incompetence and apply those definitions to ourselves and our colleagues.

4. A different kind of career ladder

Most of the teacher career ladder proposals I've seen are merely devices to give a handful of people more money than others. Many, perhaps most, are a kind of cover-up for merit pay. I'm not opposed to a career ladder in principle, if somebody can come up with a real one. And there is something that might be called a career ladder that does make sense.

We have been talking about some new roles for teachers. For example, we have said that no new teacher should just be dumped into a classroom to sink or swim, with essentially the same responsibilities the first day on the job as the teacher will have 20 or 30 years into a career. We have talked about a real internship and I've called for it as part of the certification process. A good internship program, of course, will be conducted by experienced teachers, the veterans who have the most to offer the rookies, and, as in our AFT local in Toledo, Ohio, these senior teachers will play a role not only in the training of the new teachers but in determining which pass muster. Since the training of teachers is at least in part the responsibility of colleges and universities, I propose that the teachers who train newcomers during an internship period be given official employment status and rank on the faculties of area institutions of higher education that offer teacher training programs.

This would have a number of immediate benefits. First, the teacher trainers would receive additional compensation, some of which would come from the college or university; in Toledo the outstanding teachers who are selected to train others serve for a limited period and are replaced with outstanding others, so there would be an opportunity for many to be part of such a program. Second, there would be an automatic change in the image and status of such teachers and undoubtedly some spillover in the public mind to elementary and secondary teachers in general. Third, one of the most valid criticisms of colleges of teacher education is that courses are given by many people who have never themselves taught in elementary and secondary schools but, rather, are scholars and theorists. Clearly we still need the theorists and the researchers, but such faculties ought to be leavened by those who have had considerable classroom experience and continue to practice in the classroom. Such linkage would make that possible. For that matter, there would be considerable overlap in the functions, since the classroom teacher has a built-in opportunity to engage in research in his or her own school setting.

Moreover, there is no reason to limit university employment status to classroom teachers who train other teachers. We have said that teachers expert in textbooks should be the ones to evaluate and select them, largely because they are the people who use them in classrooms and know what makes sense and what doesn't, know a textbook that does the job from one that doesn't. Why shouldn't such teachers who are engaged in textbook evaluation at the school or district level also give the courses that teach teachers-to-be how to do this? Or, as another example, what of the teachers who are designing curriculums? Isn't this a skill appropriately learned, at least to start, at the university level? Why shouldn't the curriculum creators impart their knowledge and experience to those studying to be teachers?

Education may be the only profession in which the practitioners ultimately say that very few of their professional preparatory courses actually prepared them for the realities of the job. Isn't this a way to get more beef into the teacher education program—and at the same time to provide some upward mobility to classroom teachers . . . without taking them out of the classroom for good? And isn't that what a career ladder should be all about?

Furthermore, this continuity between the practice of teaching and the academic training of the next generation of teachers will constitute another step toward professionalism. Legions of doctors and lawyers both practice their profession and teach in the institutions which train their future colleagues. It is a major hallmark of a true profession.

5. Restructuring the delivery of education

It is time to consider a wholesale restructuring of the way in which educational services are delivered, for teaching will not be a genuine profession unless such restructuring is accomplished.

There are two million public school teachers in the United States. Half of them will retire and be replaced in the next decade. The cohort of those who will be entering college is about 20 percent smaller than the equivalent cohort a decade ago, and more of them, proportionately, will be minority young people who have not yet achieved the same rate of academic success as their nonminority peers. There is going to be a talent shortage in this country, and, given the increased demand for talent by new and revamped industries and by other agencies of government, there is very little chance that public education will get enough career teachers of the caliber we need in terms of the new standards we are calling for. The demographics are against us.

So are the economics. We know that vastly increased teacher salaries will be needed to recruit and retain good teachers. But if you were to give two million teachers each a thousand dollar raise, the cost would be $2 billion. Of course, a thousand dollar increase doesn't do very much—it certainly wouldn't solve the recruitment and retention problems. Suppose we gave each teacher a 50 percent increase. That would still not make us a very well paid profession, but it would cost $30 billion. Title I at its highest point was about $3.5 billion, so there is no likelihood at all of giving two million teachers a 50 percent raise. And it wouldn't do much good either, because as soon as we raise salaries substantially, so will IBM and other talent-intensive companies, because they are not about to close up shop just because the schools need teachers.

So we are not going to get either the talent or the money to replace a million teachers soon and another million some years later. What do we do? Part of the answer is to consider what it is that teachers do and whether part of it can be accomplished in some other ways, freeing teachers to do what only they can, tasks akin to what genuine professionals do, perhaps a smaller number of career teachers earning genuinely professional salaries, say in the $75,000-$85,000 range in 1985 dollars. Let me suggest a structure.

Three of the major education reports in the wake of "A Nation at Risk" dealt with what actually goes on in classrooms, those by Ernest Boyer, Theodore Sizer and John Goodlad. Enormously sympathetic to teachers, they nevertheless were extremely critical of how teachers teach. They found that most teachers spend an inordinate amount of their teaching time, up to 85 percent, lecturing, with very little exchange with a students. And, of course, since most teachers' lecture styles are not as entertaining as the previous evening's television fare, the attention span of the students (or even adults, for that matter) is not very long. Now, some of what teachers are lecturing about today can be dealt with much more effectively with the new technology. A well-produced half-hour video cassette on how the Eskimos live in Alaska is likely to communicate memorable information much better than any lecture, and in a medium which has already grabbed today's students from infancy on. The technology is here. Either we will seize it and use it to our advantage—to free teachers for what it is they can do uniquely, professionally—or it will be imposed on us in some unthinking attempt to replace some teachers without improving the work lives, status or salaries of the others.

Suppose that in addition to the technology there were substantial numbers of very bright college graduates who came into teaching for a variety of reasons—to repay a college loan, meet a scholarship commitment, fulfill some personal idealism in the same way people went into the Peace Corps—but who did not intend to stay more than five years or so. And suppose that a good deal of the normal classroom work were turned over to these very bright and idealistic "transients" who would not be regarded as career teachers, who would not have quite the same rites of passage into the profession (but would, nevertheless, have to demonstrate smarts and skills), who would be trained by the career teachers and work under their guidance and mentorship—and who could, of course, should they ultimately want to, pursue a path to the level of career teacher.

Who would the career teachers be, and what could their lives be like? first of all, they would be people who intended to make teaching their life's work and who got into the profession only with great difficulty, by meeting all of the very high standards I discussed earlier. They would be engaged not mainly in lecturing students but in actively coaching students, teaching thinking skills, stimulating creativity, working with students on rewriting papers, helping students learn to reason, argue and persuade. No machine can replace good teachers in these tasks, yet given the reality of life in today's public schools, the best teachers are left with too little time to perform them. In Horace's Compromise Ted Sizer talks about the typical high school teacher with anywhere from 150 10 175 students to see every day, and how it is virtually impossible to assign even two written pieces a week. Assuming 10 minutes per student per paper—a ridiculously small amount of time to mark the paper and go over it with the student—two themes a week would require 58 hours. Part of the restructuring I've proposed would be to ensure that teachers have far fewer students and are able to spend an appropriate amount of time with each. In addition, the career teachers would train the novice teachers, evaluate textbooks, select other materials, design curriculums, serve on the professional practice boards that set and monitor the standards for the profession, be part of university faculties and engage in a variety of other activities both with students and with their colleagues.

There would not be two million such career teachers. The numbers would be substantially smaller, perhaps only a third as many. But such teachers would earn $75,000 to $85,000 a year in today's terms. They would be true professionals in every sense of the word. And we would have created a delivery system in which the public could have a substantial amount of confidence, because both the career teachers and the "transient" teachers would have been selected only from among the best and brightest college students and, too, schools would be structured in such a way that important goals which are not being addressed well today—the teaching of critical thinking skills, for example, or the selection of first-rate textbooks—would be fully realised.

There is much more we could do to restructure schools and create a profession. Why shouldn't teachers have the capacity to teach from their strengths? Some elementary school teachers have a particular bent for math, others would prefer to focus on the teaching of reading skills. Why shouldn't teachers be able to trade off with their colleagues, not only in different subjects but in different aspects of the same subject; some teachers have a particular knack for teaching writing, while others are especially talented in stimulating an appreciation of poetry—why must both kinds be English teachers and do everything? Doctors and lawyers don't have difficulty in recommending colleagues with different specialties and different strengths.

Another major change would be to restructure our school calendar into shorter time units, perhaps terms no longer than six weeks, in which less material and fewer concepts are fully taught. This would give teachers and students a better opportunity to zero in on anything gone amiss. The longer the wait, the harder it is to tell what's wrong—and waiting a year makes such analysis untimely and correction harder. That's why some students drop farther and farther behind. If we empowered teachers to improve the system—like Deming's managers—they might consider using time in much more varied ways, moving youngsters along at their own pace. The rigid school year encourages youngsters (and sometimes teachers) to follow the Scarlet O'Hara path—"I'll think about it tomorrow." After all, missing a few days in September or October doesn't seem very important when the reckoning doesn't come until June, but often by December a child is too far behind to catch up, and the syndrome of failure sets in. Creative thinking on the shape of the school year is long overdue.

There are undoubtedly many other good ideas for our schools, and classroom teachers, if they have the opportunity, will come up with some of the best. But change is overdue. Our schools are organized today exactly the way they were a century ago. Other institutions are finding different and better ways to operate for these different times. We can continue, through collective bargaining, to make some incremental changes in salaries, in the size of classes and in some other areas. But if that's all we do, we are likely to draw into teaching ever lower segments of the talent pool, with disastrous results for us, for our students, for public education and for the country.

I am convinced that we will not attract the best and the brightest who are graduating today if teachers continue to be treated as they currently are, as workers in an old-fashioned factory who may not exercise judgment and discretion, who are supervised and directed by everyone from the state legislature down to the level of the school principal. In order to turn that around, we have to take a number of serious steps such as those I've discussed.

Many of us will ask how—even whether—these changes will be accepted by our members. They are huge and revolutionary. But this is not the first time we've had a vision of what needed to be done. How many thought a quarter of a century ago that more than half a million teachers would join a union? We did. How many thought that government bodies would sit at the table and deal with us as equals? Or allow a dispute between the "sovereign" government and public "servants" to be argued on the merits and decided by outside impartial arbitrators? We who lead teachers were once only a handful of believers with a vision, but we accomplished what most thought impossible. Now we have a new vision, but with the same goals.

Some weeks ago I heard a fascinating speech by a Terence Deal, a writer who specializes in organizational cultures. He talked about the difference between teachers and other employees. He had walked into a nationally known cosmetics company, approached someone who turned out to be a secretary and asked, "What do you do here?" Instead of telling him about her job, she talked about what a wonderful company it was, how they were increasing sales, how they had opened a big Latin American branch and would move into the European market within two years. She was filled with enthusiasm and clearly felt she was playing a very important part in her company. Then Deal visited IBM and bumped into someone who was obviously cleaning the place. Again he asked, "What do you do here?" And this custodial fellow started talking about IBM, how it's the greatest company in the world, how they were going to be first with a new chip and what sort of computer would be next. Clearly the man had a tremendous sense of pride and felt important and integral to the operation of IBM. Then Deal walked down a few blocks and into a local school. He approached someone and asked his question, "What do you do here?" "Oh," said the person, "I'm only a teacher."

We have to take the steps that will make teaching a true profession, so that when someone walks into a school and asks what a person does, no one will ever again reply, "I'm only a teacher."●

HERBERT M. DAVIDSON: A CHAMPION

● **Mr. CHILES.** Mr. President, we lost a remarkable man last Thursday—July 25—with the passing of Herbert M. Davidson, publisher of the Daytona Beach, FL, News-Journal and inveterate champion of people's rights and interests.

My first impression of Mr. Davidson was that he was a man of humanity and conscience, and that view never changed over the years, Those qualities were reflected in the pages of his newspaper and in everything he did. The deep respect and admiration he enjoyed were well earned, and there will always be a special place reserved for him in the memories of those who had the opportunity to know him well.

A full accounting of his life and contributions in his 89 years would be impossible, but I would like to recognize some highlights, using some excerpts from last Friday's edition of the newspaper he developed with his father and edited for over half a century:

> He was a gentle, stubborn, dedicated and visionary man whose principles became a part of his community.
>
> The Civic League of the Halifax Area described Herbert Davidson as a man of "consummate honesty, absolute integrity and indomitable courage" and gave him its distinguished service award in 1970.
>
> The Florida Bicentennial Commission honored him in 1976 as one of Florida's patriots, saying he "made the world a better place to live." The commission particularly cited Mr. Davidson's courage and integrity as an editor, his battles against bad government and corrupt politicians, and his leadership on behalf of better black-white relations.
>
> Mr. Davidson was honored throughout the South for his leadership in the quest for racial justice. He was a life fellow of the Southern Regional Council and had been president of the Florida Council on Human Relations.

Mr. President, Herbert Davidson had an unrequited love for journalism, showing up at the office daily right up to the day of his death. A little about his outstanding career.

While a student at Columbia University School of Journalism, he worked at the Kansas City Star, later started a military weekly while in the Army overseas in World War I, then gained experience on the Portland Journal and Los Angeles Examiner before he and his wife, Liliane, traveled Europe, earning expenses writing for six newspapers back home. Mr. Davidson worked awhile with the Paris bureau of the International News Service, then returned to work for the Chicago Daily News:

> Mr. Davidson became a friend of the late Clarence Darrow and, at the famed defense attorney's special request, he was sent in 1925 by the Daily News to cover the Scopes "monkey trial" in Dayton, TN.

He and his father took over the Daytona Beach newspapers in December 1928:

> Mr. Davidson's editorial wars against political corruption in the late 1920's and early 1930's toppled a political ring whose leaders had bragged: "We own the jail!" Led by the News-Journal, voters who once had been gripped by fear turned out the rascals at City Hall and brought reformers in.
>
> Because News-Journal reporters were denied access to City Hall records then, Floridians today have a right to "see the books." Editor Davidson and his father fought all the way to the State Supreme Court to win a 1934 landmark decision affirming the rights of Florida citizens to inspect public records.
>
> Mr. Davidson was arrested twice on the issue of press freedom—in 1952 and 1971—in cases that were first steps toward the U.S. Supreme Court decision which overturned the infamous "right to reply" law.

Herbert Davidson chaired the committee that led in 1949 to the establishment of the University of Florida's journalism school, and he persuaded Rae Weimer to come South from New York to become the first dean of what became one of the Nation's finer colleges of journalism and communications.

Yes, he left his mark on journalism, but he also used his talent and resources constantly for the community:

> His newspapers supported symphony orchestras and sports programs alike. They insisted on first class public education. They helped Bethune-Cookman College, Daytona Beach Community College and Embry-Riddle Aeronautical University to flourish. They made city beautification household words, did all they could to strengthen business and encourage the fine arts, and helped countless charity drives to go over the top.

And here's final testimony to his wisdom:

> He was a lifelong Democrat whose heroes included Franklin D. Roosevelt, Hubert Horatio Humphrey, and Adlai Stevenson. Mr. Davidson championed the Democrats because he believed they had the best interests of the ordinary people of the United States—and the world—at heart.

Herbert M. Davidson will be sorely missed.●

WLADYSLAW WYRWA

● Mr. D'AMATO. Mr. President, I urge my colleagues in support of S. 1467, legislation introduced by Senator Boschwitz and endorsed by Assistant Secretary of State for Human Rights and Humanitarian Affairs, Elliott Abrams, that I have been happy to cosponsor. This bill requires that Wladyslaw Wyrwa, a Polish national who helped numerous Jews escape the Nazis during World War II, shall be considered to have been lawfully admitted to the United States for permanent residence.

Put very simply, Mr. Wyrwa is a hero, a Polish Catholic who has received the highest medal of honor from Yad Vashem, the Israeli Government's Holocaust Memorial. Such merit and distinction, however, may very well cause this individual great difficulty if he is forced to return to Poland.

Mr. Wyrwa came to this country in 1981 at the invitation of some of those whose lives he saved. He found employment among their friends, settled in New York, and has come to feel that the United States is his true home. In the words of Assistant Secretary of State Abrams:

> I don't know how you repay someone for the heroism he showed during the Holocaust, but surely it is not too much to ask that we let him live here in the United States if he does not want to return to Poland.

This is legislation of outstanding merit. I urge my colleagues to give it their full and enthusiastic support.●

HERBERT SCOVILLE, JR.

● Mr. DODD. Mr. President, I rise to note with great sadness the passing yesterday of Herbert "Pete" Scoville, Jr., outstanding scholar, dedicated public servant, and a wise and eloquent advocate for arms control.

Pete Scoville was blessed with extraordinary talents and during his rich and productive life he served our Nation in many capacities. He was one of our leading scientists; a man who worked as a pioneer in nuclear energy and weapons research. He also served with great distinction at the Central Intelligence Agency and as an Assistant Director of the Arms Control and Disarmament Agency.

After leaving Federal service, Pete Scoville dedicated himself full-time to the task of educating the American people and public officials about the nature of nuclear weapons, the dangers of an unbridled arms race, and the absolute necessity of a broad national effort to establish arms control as a fundamental element of our national security policy.

It is important to emphasize that Pete Scoville was not a convert to the cause of arms control. He was not one of those scientists who first participated in the development of weapons of mass destruction and later, having recoiled from the results of their work, regretted their earlier activities. Pete Scoville did not have to undergo such a conversion because he always realized the importance of arms control and advocated it. His voice must have been a fairly lonely one in the early 1950's at the Pentagon, calling for a nuclear test ban treaty. Nevertheless, he never let up in his principled struggle to infuse our armaments policies with sanity.

He helped us all to understand that our Nation's security cannot be guaranteed by building more weapons of increased sophistication. A sane national security policy has to rest on a judicious balance between arms modernization policies and vigorous arms control efforts. These two elements are not mutually exclusive, in fact they must mutually reinforce each other.

We, who are Members of Congress, owe a particularly important debt to Pete Scoville. He was often with us on Capitol Hill, testifying at hearings, or educating a legislator one-on-one. His articles, books, and other works form a valuable contribution to the arms control debate. As a member of several of our most distinguished arms control advocacy groups he shares the credit for the enormous influence these groups have had on our public debate about this most crucial issue.

Mr. President, today when we are called upon to advance billions of dollars against vague promises for a new weapons system that rightfully belongs on the pages of a science fiction novel rather than on the drawing boards of our engineers, it may be instructive to recall these words Pete Scoville wrote 16 years ago:

> All manner of fantastic new systems are being designed every day; new submarines, thousands of mini-missiles spread all over the nation, new large missiles buried in rock mountains, new supersonic bombers armed with missiles. The expenditures required to develop these future technological dream-children will make present costs pale by comparison.

How sadly correct he was.

Pete Scoville had his home in Connecticut, therefore my State feels a special loss with his departure. Beyond that, our Nation lost a great and dedicated scientist, a wise teacher. I dedicate these brief remarks to his memory with gratitude for his outstanding service.●

THE LINE-ITEM VETO

● Mr. SYMMS. Mr. President, I wish to bring to the attention of my colleagues an excellent editorial appearing in Idaho's largest newspaper supporting the line-item veto.

On July 26, the Idaho Statesman stated that "corraling the Federal deficit seems to be a job that is beyond Congress' control," a fact which justifies giving the President the line-item veto.

Idaho's senior Senator Jim McClure and I have long supported the line-item veto and will continue to do so as long as Congress continues to demonstrate its inability, or lack of will, to reduce Federal spending.

The editorial also points out that 43 States, Idaho included, have given their Governors the line-item veto. So far, none of those States have experienced the horrors that line-item veto opponents claim will beset the Federal Government.

Mr. President, I ask that this excellent editorial be printed in the Record.

The editorial follows:

[From the Idaho Statesman, July 26, 1985]

Where We Stand: Weak Congress Denies Reagan Power He Needs

> Corraling the federal deficit seems to be a job that is beyond Congress' control—a prime reason why President Reagan should be given the power to veto parts of discretionary spending bills.
>
> But a bill that would have given the president the line-item veto fell victim to a filibuster in the Senate and has been pulled from further consideration. That's bad news. A Congress that is proving daily its inability to reduce federal spending significantly at least should have given the president the power it refuses to exercise.
>
> Forty-three governors, including Idaho's John Evans, have the line-item veto, which allows them to say no to specific portions of a bill. But the president must either accept or reject an entire bill. Congress has a habit of tacking on myriad riders and amendments to spending bills, often forcing the president to swallow a lot of pork with important legislation.
>
> The issue here is responsibility. As Sen. Edward Kennedy, D-Mass., "When 100 senators and 435 representatives have primary responsibility for the budget, no one is adequately responsible." That's been painfully obvious this year as budget-cutting rhetoric gave way to more spending. Someone needs to take responsibility for reducing the deficit and the president is the logical one.
>
> Opponents, such as Sen. Mark Hatfield, R-Ore., maintained that giving the president the line-item veto would damage the delicate balance of power between the executive and legislative branches. The president could wreak political mischief, opponents say, by holding a local works project captive for a favorable vote on an issue dear to the president. But such game-playing goes on now, with congressmen tagging unrelated riders onto crucial spending bills.
>
> If Congress had to limit its bills to specific subjects and were restricted from attaching unrelated amendments—as is the Idaho Legislature—the need for the line-item veto would not be as great. But chances are slim that Congress would divest itself of this self-serving process.
>
> Those who fear a shift in the power balance need look no further than the 43 states that have the line-item veto. Gov. Evans, for example, has used it sparingly, the last time in 1983, according to Legislative Council Director Myran Schlechte.
>
> The bill before the Senate even had an important safety feature—the measure would have expired two years after passage unless Congress reauthorized it.
>
> Congress has proved consistently that it's impotent to reduce the deficit. A president armed with a line-item veto would have been our best hope of getting a handle on that red-ink monster. It also would have added truth to President Truman's adage: "The buck stops here."●

EDWARD J. MARKEY—REMARKS BEFORE THE GROUPE DE BELLERIVE, GENEVA

● Mr. KENNEDY. Mr. President, recently, several Members of the Senate and I traveled to Geneva as official observers to the arms talks. While in Geneva, I attended a colloquium sponsored by the groupe de Bellerive concerning nuclear proliferation and nuclear war. Representative Markey of Massachusetts spoke at the colloquium and I would like to include his remarks in the Record for all my colleagues to read because they concern a topic which is cause for growing concern: nuclear proliferation. Congressman Markey outlines a valuable proposal to help control the spread of nuclear materials to nonnuclear weapons states. In an age of increasing terrorist incidents, the need to halt proliferation is even more imperative in order to prevent a terrorist use of a nuclear weapon.

The remarks follows:

Remarks of the Honorable Edward J. Markey Before the Groupe de Bellerive, Geneva, June 29, 1985

> First, let me say how pleased I am to have the opportunity to be with you today, and to exchange views with so many people who are also struggling to find the political and technical keys to progress in nuclear arms control and disarmament.
>
> As Chairman of a Subcommittee of the United States Congress which oversees civil energy development, including nuclear energy, I have been greatly disturbed to see the U.S. civilian energy budget decline in recent years, while the energy department's budget for nuclear weapons has almost doubled.
>
> Hand-in-hand with this unprecedented surge in spending for the research, development, and production of nuclear weapons, there has been a steady disintegration of U.S. Nonproliferation Policy—almost a "Laissez Faire" attitude toward the nuclear weapons programs of so-called "threshold" nuclear powers.
>
> These ominous developments have been matched by five years of fruitless negotiation here in Geneva, allegedly directed at major "reductions" in superpower arsenals.
>
> I do not know the Soviet view of the present situation with respect to proliferation, but the Reagan Administration apparently believes it can squeeze through another NPT Review conference without coming to grips with the fundamental contradictions in its present policies.
>
> I believe that if the major nuclear powers are unwilling, as a minimum requirement, to abandon military strategies which contemplate the first use of nuclear weapons to deter conventional as well as nuclear threats, then the appeal of nuclear weapons in world politics is certain to become universal.
>
> After all, if nuclear weapons really do confer immunity from conventional attack, why shouldn't every nation have one?
>
> One cannot chant the mantra of nuclear deterrence with unbridled enthusiasm, and, at the same time, attempt to silence other nations when they seek to add their voices to the nuclear chorus.
>
> The old double-standard of nuclear deterrence for the few, and nuclear denial for the many, has obviously run its course.
>
> To those outside the superpower conflict, or who somehow manage to see beyond it, the two-way tunnel-vision of the Soviet Union and the United States is truly stupefying.
>
> While the Reagan Administration wastes time here in Geneva trying to sell the Soviet Union on the president's vision of a "stabilizing" defensive arms race in space, and while the Soviet Union responds by becoming utterly engrossed in deflating these space war fantasies, some 260 commercial power reactors worldwide are churning out 45 metric tons of bomb-useable plutonium every year—the equivalent of 6,000 nuclear weapons.
>
> As long as this plutonium stays locked-up in spent fuel rods, nations or militant sub-national groups can not steal or divert the five kilograms required to build a bomb.
>
> Unfortunately, some twenty percent of the world's storehouse of plutonium has already been separated-out, and some countries want to separate even more—to fuel their current generation of power reactors through so-called "thermal recycle", or to use in "breeder" reactors which produce even more bomb-useable plutonium.
>
> If present trends continue, by the year 2000, there could be as much as 400 tons of bomb-useable plutonium circulating in world commerce—nearly twice the combined plutonium stockpile of the two superpowers.
>
> I do not believe the world is ready for widespread traffic in separated plutonium.
>
> I do not believe the world will ever be ready for it.
>
> The converging trends of increasing terrorism by sub-national groups, and the wider dispersion of nuclear fuel cycle technology, raise a frightening prospect.
>
> The hostage airliners of today could be merely precursors of the hostage cities of tomorrow.
>
> Regardless of our divergent viewpoints—East and West, North and South—can we not agree at least on one thing? That a world already strained to the breaking point can scarcely endure the added threat of nuclear terrorism.
>
> From New York to New Delhi to Beirut, we will all be vulnerable.
>
> There is only one solution to the nuclear terrorist threat that will actually afford real security.
>
> We must bite the bullet.
>
> We must take the required medicine straight-up.
>
> Those who still harbor dreams of breeding plutonium as a boundless source of power must give up their cherished illusions.
>
> We must deny potential terrorists even the possibility of building or obtaining nuclear bombs.
>
> And that means stopping the worldwide spread of nuclear-weapons-useable materials—plutonium and highly-enriched uranium, as well as the technology to produce it.

In contrast to the Ford and Carter Administrations, I am sorry to have to report to you that the Reagan Administration seems bent on making the world a convenient place for nuclear terrorists big and small. Paralleling its disinterest in meaningful arms control, it has taken a relaxed attitude toward sensitive nuclear exports to countries which have not signed the NPT.

And joined, unfortunately, by a number of advanced industrial countries, it is acquiescing in the development of a plutonium economy abroad as the pretext for eventually resurrecting the breeder reactor at home.

Fortunately, these views are not shared by many in Congress.

At least some of us believe that the current nonproliferation regime must be drastically reformed, and soon.

What are some of these changes?

First, we must cope with the fundamental contradiction between Articles One and Four of the NPT, the so called "non-assistance" and "assistance" clauses of the treaty.

Article One obliges the nuclear weapons states "not in any way to assist, encourage, or induce" any non-weapon state to acquire nuclear weapons.

But Article Four established the "inalienable right" of all parties to participate in the "fullest possible exchange of equipment materials, and scientific and technical information for the peaceful uses of nuclear energy."

That latter injunction has meant that the treaty does not bar possession of, or commerce in, weapons-useable nuclear materials, or the technology required to make them.

If we truly want to limit the spread of nuclear weapons among nation states, and preclude the threat of nuclear terrorism, we must act soon.

The non-assistance clause of Article One must be expanded to include all parties to the treaty, not just nuclear weapon states. As we know from painful experience in recent years, major transfers of nuclear bomb technology have originated from non-weapon states.

Second, weapon and non-weapon states alike must agree to expand the non-transfer obligation of Article One to include weapons useable nuclear materials, and the technology to make them.

This ban on commerce in plutonium and high-enriched uranium would apply to weapons and non-weapons states alike.

It would mean the end of commercial separation of plutonium. The continuation of such a ban beyond, say, five years, could be made contingent on the adoption by the nuclear-weapon states of a parallel negotiated ban on the production of plutonium and high-enriched uranium for military purposes.

It would also mean the conversion of research reactors worldwide to the use of low-enriched uranium fuel, a step which I'm pleased to say, we have just recently decided to move ahead with in the United States.

I am fully aware that there is formidable opposition to the course I am proposing. But I believe that after all the alternatives are carefully considered, it will prove to be the only approach that affords true security from the threat of nuclear violence.

But while we are planning for the transition to a world without the production of weapons-useable materials, there is something we must do right away.

Because the requirement for full-scope safeguards under Article Three of the treaty has been interpreted to apply only to receiving countries that are also party to the treaty, supplier nations have been free to export sensitive equipment to non-treaty nations that refuse to accept full-scope safeguards.

This has created an absurd situation—there is now a relative advantage in nuclear trade for those countries which stay outside the NPT, leaving them little incentive to ratify the treaty.

The upcoming review conference should consider requiring that full-scope safeguards be a condition of all transfers of nuclear material and equipment by suppliers party to the treaty.

Finally, Article Five, which permits the weapons states to conduct peaceful nuclear explosions on behalf of the non-weapons states, should be stricken from the treaty, as it perpetuates the myth that there are potentially beneficial peaceful uses for nuclear explosions.

Instead, I believe the nuclear-weapons states should begin fulfilling their obligations under Article Six of the treaty by halting nuclear explosive tests.

Our deepening understanding of the global environmental and economic consequences of nuclear war between the superpowers has underscored the mounting worldwide political awakening to the nuclear issue.

As President Raul Alfonsin of Argentina has so eloquently stated, "nuclear war between the superpowers threatens to deprive citizens and future generations of every nation of their most fundamental right—the right to life."

But we must not allow righteous indignation at the fundamental inequity, moral blindness, and political paralysis of the superpower arms race to blind us, or to paralyze our response to the imminent threat of nuclear terrorism and regional nuclear wars.

As our distinguished convenor, Prince Sadruddin, has so trenchantly written, "unpretentious little bombs that the Americans and Soviets would barely deign to count in their estimates of each other's firepower could blow a big hole in world peace."

MAURITANIA

● Mr. SIMON. Mr. President, a few weeks ago I visited Mauritania, Senegal, and the Soviet Union. I want to share my impressions with my colleagues and I shall do it in three separate floor statements.

Today I would like to talk briefly about Mauritania.

This country, with 1.7 million people, is the most sparsely populated country in Africa, and for good reason. The Sahel Desert poses a real threat to human, animal, and vegetable life.

Mauritania has 419,229 square miles, more than seven times the space of the State of Illinois. It faces the problems which the desert creates.

This past year it was able to produce only 9 percent of the food it consumed. Were it not for the generous aid of the United States and other countries, most of the people of Mauritania would have faced death.

Even as it is, life is grim for many people in Mauritania. The life expectancy is 45 years. One out of every seven babies born dies shortly after birth. Only 4 percent of the population goes to secondary school, and the literacy rate is 17 percent.

That is the grim side of things.

The other side I found in the spirit of the people of Mauritania—a spirit I came to admire and respect in my brief time there.

There is another, immediate problem on which we can be of assistance. The Ministry of Hydraulics has about $7 million worth of International Harvester trucks and drilling equipment that are important to the lifeline of that country, but are lacking spare parts and the expertise to put those spare parts in. I'm advised that with a grant of about $275,000 this important function in Mauritania could continue. I urge my colleagues on the Foreign Affairs Committee to include this in the next budget.

The two long-range problems Mauritania faces are the water problem and the education problem.

On the water problem, Mauritania is talking about the possibility of digging 1,800 wells and doing some other things. I do not oppose digging the wells, but I think it is inevitable that as those wells are dug, the water table will drop, and that those wells cannot provide adequately for the future water needs of this huge nation.

There is perhaps no more graphic illustration of the need for an inexpensive means of converting salt water to fresh water than the Mauritanian economy and landscape.

The sensible thing would be for the United States, Saudi Arabia, and Mauritania to join in a desalinization plant. Research is needed in this area, and the sooner we get on with the job, the sooner the problem is going to be solved—not only for Mauritania, but for our country, for the Saudis, for Israel, for a host of countries around the face of this Earth. I will be proposing a congressional mandate to increase efforts to study this problem.

In the next supplemental appropriation, I may offer an amendment suggesting that we move to at least 10 scholarships, 7 undergraduate, and 3 graduate, and I will insert into the Record a letter I am sending to the chairman of the Senate Foreign Relations Committee asking him to study this matter closely.

Right now, the United States offers three scholarships to Mauritania, and the Soviets offer approximately 100.

Senator Mathias, Senator Pell, Senator Lugar, and the others who are urging us to do more in the area of scholarships are providing leadership we need in a direction we need, and I wish to join in that effort.●

AMENDING THE EQUAL CREDIT OPPORTUNITY ACT

● Mr. D'AMATO. Mr. President, I rise today in support of S. 1486, a bill to

amend the Equal Credit Opportunity Act [ECOA] championed by my distinguished colleague from Kansas, the majority leader. This bill, which I have cosponsored, will strengthen current Federal prohibitions against discrimination in business credit. I support this bill because I believe that all those who wish to start their own business should have an equal opportunity to do so.

The act being amended prohibits discrimination on the basis of race, sex, marital status, and age. It also authorizes the Federal Reserve Board to exempt nonconsumer transactions from certain key requirements of ECOA, including the ban on inquiries into the credit applicants marital status.

The Federal Reserve Board's ability to supersede the ECOA antidiscrimination requirements has been a point of contention since enactment of the act in 1977. The bill which I am cosponsoring would amend the ECOA to require that any exemption from the act's requirements be narrowly defined and be promulgated only after public hearings have been held. This bill does not eliminate all ECOA exemptions, but rather requires that they be more narrowly defined and more carefully documented.

This bill is an attempt to ensure that all Americans have equal access to the commercial credit market. It is through commercial loans that new ideas reach the drawing board and eventually a waiting market. Every individual deserves a fair shake when it comes to business ventures. This is the very basis of our free enterprise system.

I am pleased to support S. 1486. I urge its adoption.●

THE AMERICAN RED CROSS AND FAMINE IN AFRICA

● Mr. DANFORTH. Mr. President, it has been my privilege to serve as cochairman of the American Red Cross Africa Famine Relief Campaign for 1985. When Americans became aware of the appalling suffering in Africa—the worst in this century—they reacted with compassion, and generosity. Initially, the Red Cross set $5 million as its goal for its African Famine Relief. However, the outpouring of support was so great that in 3 months contributions amounted to $15 million. Funds are still being contributed. Some donations have been large (one foundation gave $1 million), but the majority of the money came from the general public. Americans of all stripes and ages were touched by press accounts and photos of African youngsters with swollen bellies and bodies, more bone than flesh.

The American Red Cross determined that the money raised for Africa would not defray any overhead expense. It channeled all of the funds immediately to the League of Red Cross and Red Crescent Societies in Geneva. These affiliated organizations carry on relief operations in 14 of the most afflicted African nations.

By donating such a large part of the $70 million sought by the League for its 1985 estimate of African needs, American Red Cross chapters and volunteers have shown considerable enterprise and ingenuity in two critical ways. First, they focused public attention on the urgent need. Second, they provided the most precious relief commodity possible—cash.

In Orange County, CA, for instance, school students mounted a "Give a Bill and a Can" campaign. This effort not only generated funds for the suffering African nations, but also a can of food for the hungry in their own community.

The drive, which took place in 70 local schools, resulted in $31,705 being contributed to the American Red Cross. One high school class alone raised $4,000. The Girl Scouts brought in a donation of $700. A local restaurant attracted 150 people to a champagne brunch, and the proceeds—a $25 contribution from each person—went directly to the "Bill and Can" drive.

When an American Red Cross delegation recently visited Ethiopia, Mali, Mauritania, and Senegal, it was noted that the feeding camps lacked recreational equipment for use by the children. This prompted American grade school younsters to act. They assembled Red Cross "friendship boxes," which they filled with sports equipment and such practical items as sewing kits.

In opening their hearts and pocketbooks to help the starving, Americans devised many ways to focus attention on the famine in Africa:

In Washington, DC, embassies and local African restaurants joined forces to auction African art.

In Baltimore, Johns Hopkins University students held a 1-day fast; the University's food service sent the amount it would have spent on food preparaton to the Amercian Red Cross.

In Alabama, a restaurant held an all-day festival and donated the proceeds to African Famine Relief.

In California, a restaurant held a special celebrity dinner for contributors.

In New York, a food store donated the price of a quarter-page newspaper advertisement to boost the campaign.

Church members have also played a leading role. The General Missionary Baptist Convention of Georgia raised $125,000. The 10 congregations of the Gospel Spreading Church of God collected $7,550 for the American Red Cross. Wendell M. Green—a Washington, DC pastor—described his church collection as "more of a heart-giving thing than just giving of an offering." He said one little boy gave all the money he had, $5, saying, "If I had more, I'd give it."

One of the personal notes received by the Red Cross was from a man in Florida. It accompanied a check for $55.60. The note read:

> This is in memory of my daughter, Raimie, who was killed in a school bus-train accident while trying to save the life of another child.
>
> The amount is what was in her piggy bank. Since she was an active donor to charitable organizations, I feel that she would be proud to know that her savings are being used to help the starving in Africa.

The U.S. Postal Service presented $787,000 to the Red Cross, a sum raised by it employees and members of the National Association of Letter Carriers, the National Rural Letter Carriers, the National League of Postmasters, and the Post Office Mail Handlers.

Despite the ongoing efforts of governments and humanitarian agencies such as the Red Cross, there still is terrible need on the African continent. Solving even the short-term emergency problems will take time—something the victims of hunger don't have. The Red Cross notes that a $4 donation will feed a starving child for a month. A contribution of $98 is enough to save a small village for the same period.

Before the American Red Cross launched its African Famine Relief Campaign, its Board of Governors dispatched a factfinding team to four of the worst-affected countries. Its mission was to assess the need for Red Cross food assistance, to see how the help already being rendered was being managed, and to measure the actual delivery of Red Cross assistance to those who needed it most.

Through the generosity of Pan American World Airways, the American Red Cross delegation traveled 7,500 miles between hemispheres and continents. The members made up a cross-section of the United States. The delegation was composed of an Episcopal minister, a bank vice president, the head of a university, a college student, an accounting firm president, a nurse, an international management firm consultant, two civic leader Red Cross volunteers, a school supervisor, members of the American Red Cross Board of Governors, and two famous personalities—Mel Blount of professional football and Charlton Heston. The factfinding group was organized into five groups. They visited Mali, Senegal, Mauritania and Ethiopia.

What they reported should make the Red Cross proud. It was their opinion that the Red Cross is among the most effective, attentive and efficient of all government agencies and church and private groups helping the famine victims. As a conduit of such a large portion of the $70 million sought by the League's relief program, the American Red Cross felt that it had responsibility to monitor the help in order to assure that donations were being put to good use. When Americans give so generously, they have a right to know that their contributions are being used effectively.

The Red Cross is making a significant contribution to the relief effort. It is chartering aircraft to shuttle grain and other food stuffs to the more remote regions affected by the dropout. Tons of food have been purchased and are being distributed. Medical teams are helping the malnourished regain their health. Land transport has been purchased to haul humanitarian assistance across nearly trackless, parched and dusty wasteland. And an inventory of spare parts for these vehicles are on hand for repairs which are frequently needed under such harsh conditions.

The terrible need in Africa still persists. Red Cross figures show that 187 million people in 27 nations suffer the threat of starvation.

Through their contributions to the Red Cross and other organizations, the American people have shown that they will not turn their back on this tragic situation. Americans from every walk of life have shown that everyone can take a part in this lifesaving effort. For those who have not done so already, contributions can be sent to the nearest Red Cross chapter and designated for American Red Cross African Famine Relief.●

SUPERCLUSTERS: LARGEST KNOWN STRUCTURES IN THE UNIVERSE

● **Mr. DOMENICI.** Mr. President, I invite the attention of my colleagues to a recent announcement by the National Science Foundation on July 16, 1985, entitled "Astronomers Find Largest Known Structure in Universe, An Assemblage of Galaxies." I am especially proud to note that the discoverers are two fellow New Mexicans, Dr. Jack O. Burns, an associate professor of astronomy at the University of New Mexico, and David J. Batuski, a graduate student at the University of New Mexico.

Their work essentially established the fact that the Perseus-Pisces Supercluster in the northern sky is approximately three times as large than previously believed.

In a 2-year effort of data collection and analysis, these New Mexico astronomers have substantially refined the three-dimensional map of the universe. Their primary observations were done at Kitt Peak in Arizona with an intensified image dissector scanner on the 84-inch telescope. They have identified a star structure, an assemblage of galaxies and clusters of galaxies that make up the largest known structure in the universe—more than 1 billion light-years in length.

According to the NSF release:

> The largest previously reported similar structure, called a filament, was an assemblage or association of galaxies about 700 million light-years long, discovered in November 1982. A light-year is the distance light travels in a year at a speed of 186,000 miles per second—about 6 trillion miles.

In the article "Superclusters: Giants of the Universe,"—Astronomy, April 1984—Mr. Laurence A. Marschall reminds us that:

> Our own Milky Way Galaxy is itself a member of a cluster of galaxies—the "Local group," as astronomers call it. Because we are embedded in it, the Local Group is more difficult to recognize than the great cluster in Virgo. . . .
>
> The Local Group is a small and sparsely populated cluster, containing only a few dozen members. Rich clusters of galaxies, like the one in Virgo, contain hundreds or thousands of galaxies of all types. These rich clusters invariably contain near their center one or two of the largest types of galaxies known—giant elliptical galaxies, which may contain as much material as 50 spiral galaxies like our Milky Way.

To help put the above discussion of galaxies into perspective, it is helpful to remind ourselves about the size of our home galaxy, the Milky Way within the Local Group. If we imagine ourselves in space looking at the Local Group of a few dozen galaxies and searching for our Sun, we would have to magnify our view of the Local Group by about 400 billion times to see the part of the Milky Way containing the Sun. The National Geographic Picture Atlas, Our Universe, 1980, (pp. 237-9), further clarifies the size of the Milky Way as containing some 200,000 billions stars. Viewed on edge, our spiral galaxy is 100,000 light-years across. In the suburban area, on the Orion arm and about 30,000 light-years from the center, is our Sun. At its estimated speed of 220 kilometers per second, our Sun takes 230,000,000 years to circle the Milky Way Galaxy—1 galactic year.

It is quite a leap indeed to understand the vast dimensions of not only our own home galaxy, but its relationship to the Local Group, and the relative smallness of this group in comparison to the supercluster of galaxies verified by Dr. Burns and David Batuski.

It is quite an honor for the University of New Mexico to have its reputation enhanced by the fine work of these scientists. Dr. Burns earned his doctorate from the University of Illinois. He joined the faculty of the University of New Mexico in the fall of 1980. At the age of 32, Dr. Burns can be proud of his huge discovery. I know that he and his wife Cathleen are also proud of their twins—a boy and a girl—born in March of this year.

Dr. Jack O. Burns did his pre- and post-doctoral work in radio astronomy at the National Radio Astronomy Observatory in Charlottesville, VA. He then did field work at the Very Large Array (radio telescope) in Socorro, NM, before taking his post at the University of New Mexico in Albuquerque.

David J. Batuski, age 36, served 13 years in the U.S. Air Force where he spent 3 years at the Kirtland Air Force Base research facility in Albuquerque. Deciding to pursue his first love, David returned to graduate school in astronomy at the University of New Mexico—a long way from the farm where he was raised in Pennsylvania.

Mr. President, I believe that all of my colleagues will join me in this expression of our profound gratitude for the inspiring work of Jack Burns and David Batuski. The new enthusiasm and excitment they have brought to all of our lives deserves our attention. It is also gratifying to be a part of the Government that helps to make this type of effort possible.

Before inserting the National Science Foundation announcement and an article from the Albuquerque Journal, Sunday morning, July 21, 1985, I would like to close with a quotation from Laurence A. Marschall's article on "Superclusters: Giants of the Universe":

> We may at last have discerned the largest objects in the universe. . . . Yet the search for a complete understanding of the structural framework of the universe is just beginning. We have mapped only a short pace outward toward the limits of the universe. The Space Telescope, with the ability to penetrate several times farther and several times fainter, should change these figures significantly in just a few years. For those who would understand the largest structures in existence, there are exciting times ahead.

I ask to have printed in the Record the NSF announcement and the newspaper article in connection with this subject.

The material follows:

Astronomers Find Largest Known Structure in Universe, an Assemblage of Galaxies

Astronomers have identified the largest known structure in the universe, an assemblage of galaxies and clusters of galaxies more than one billion light years in length, the National Science Foundation (NSF) reported today.

The largest previously reported similar structure, called a filament, was an assemblage or association of galaxies about 700 million light years long, discovered in November, 1982. A light year is the distance light travels in a year at a speed of 186,000 miles per second—about six trillion miles.

The newly discovered system of galaxies was found in the northern region of the sky by Dr. Jack O. Burns, an associate professor of astronomy, and David J. Batuski, a graduate student, at the University of New Mexico. The large filament is in the direction of two constellations, Perseus and Pegasus, and lies between 200 million and one billion light years from earth.

The detection and study of such superclusters of galaxies is helpful to astronomers trying to learn more about the evolution of the universe. One group holds that galaxies were formed when super-cluster-size clouds of gas fragment and condense. Another school holds that relatively small galaxy-size structures formed first and then clustered as gravitational forces took hold and drew them together as the universe aged.

"We feel quite strongly that our data favor the model in which the superclusters formed first and galaxies later fragmented from supercluster clouds," Dr. Burns told the NSF.

"With such a model, the universe must be dominated by some form of dark or unseen matter such as exotic particles predicted recently by high energy physicists."

Dr. Burns explained that in order for structures of this size to be formed, more gravitationial force, and therefore more mass, is needed than is present in luminous matter—stars and galaxies.

"Therefore," he said, "we must postulate the existence of a dominant component of the universe consisting of non-luminous matter."

The New Mexico astronomers used an Intensified Image Dissector Scanner—an electronic spectrograph—on the National Optical Astronomy Observatories' 84-inch (21.-meter) telescope on Kitt Peak in Arizona. The spectrograph allowed the researchers to determine distances of the galaxies and, therefore, three dimensional positions of the galaxies within the filament.

"This technique allowed us to recognize, for the first time, the existence of this filament," Dr. Burns said.

The researchers reported their finding to the NSF which funded their research and in an article to be published December 1 in the Astrophysical Journal.

UNM Scientists Spot Galaxy Supercluster

(By Julie Clausen)

Scientists from the University of New Mexico say they have spotted a supercluster of galaxies that is believed to be the largest known entity in space.

The discovery of the snakelike cluster lends support to a new picture that has developed in recent years of how the universe formed after the Big Bang. According to the Big Bang theory, all matter and energy in the universe was concentrated in a very small volume that exploded about 10 to 20 billion years ago.

The cluster of galaxies is a billion light-years long, said Jack O. Burns, a UNM astronomer. A light-year is almost six trillion miles. The supercluster is a snakelike filament, so its distance from Earth ranges from 500 million to a billion light-years, Burns said.

Burns and UNM graduate student David Batuski found the supercluster while they were refining their three-dimensional map of the universe. The map covers an area that extends a billion light-years from Earth.

Using photographic plates and the Abell catalog, a listing of galaxy clusters compiled by George Abell about 25 years ago, the researchers scanned the sky with a telescope at Kitt Peak National Observatory near Tucson for possible superclusters in the direction of the constellations Pegasus and Perseus.

The telescope was used to verify the presence of a supercluster by measuring the distances of the galaxies within the supercluster from each other.

Burns and Batuski used UNM computers to plot the positions of the galaxies using computer-generated graphics. Additional computer models were used to try to understand how the structures were formed.

"The universe now appears much more stringy or filamentary than we had thought before," Burns said. For two years, Burns and Batuski have been developing a map of the universe that Burns says looks like a Swiss cheese or a sponge. The universe's dense areas—superclusters—are surrounded by larger voids.

Because of the extreme size of the supercluster, the researchers' discovery lends support to a theory first proposed in the 1970s by Russian astronomer Yakov Zel'dovich that superclusters were the first masses to form out of the hot soup that would become the universe. The theory says the pull of gravity then caused the matter to collapse into a pancake, which fragmented to form galaxies and finally, stars.

The previously accepted model of the creation of the universe proposed that galaxies formed first and only later grouped together to form superclusters.

Scientists believe that formation of such a cluster would require more gravitational force than has previously been attributed to all the known luminous galaxies and stars, Burns said.

"The universe must be dominated by some form of dark or unseen matter," he said.

The largest supercluster previously found was about 700 million light-years long and was reported in 1982 by Cornell University scientists, Burns said.●

COUNCIL OF INTERNATIONAL PROGRAMS

● **Mr. METZENBAUM.** Mr. President, on August 12, people from over 80 countries will meet at Baldwin-Wallace College to celebrate the 30th anniversary of the Council of International Programs.

The Council of International Programs—a nonprofit organization that receives support from the U.S. Information Agency—began 3 decades ago in my home city of Cleveland.

Its mission?

To strengthen the work of human services professionals from around the world by providing to them an opportunity to work with their counterparts here in the United States.

This, I am pleased to say, is a mission that CIP has performed in a truly outstanding manner. Since 1956, 6,000 professionals from 110 countries have lived and worked in the United States under CIP auspices.

And these, Mr. President, are not just any foreign visitors.

These are the people from other countries who are committed to serving their own people. They are educators, medical workers, people involved with youth programs and leaders in community development activities.

Their presence here enriches us.

It creates personal and professional ties between our country and others.

And it has a direct, long-term impact on the quality of social services available to people in every part of the world.

Mr. President, I have long supported the work of CIP and extend to all who will gather at Baldwin-Wallace on August 12 my best wishes for a memorable conference.●

THE 196TH ANNIVERSARY OF THE U.S. CUSTOMS SERVICE AND THE 195TH ANNIVERSARY OF THE U.S. COAST GUARD

● **Mr. D'AMATO.** Mr. President, I rise today to honor both the U.S. Customs Service and the U.S. Coast Guard. These two fine institutions serve as the guardians of our borders by preventing the illegal importation and exportation of contraband, fraudulent goods, undeclared goods, and drugs. They also save lives and collect duties. Such services have gone unrecognized for some time and now, as we approach their 200th birthdays, it is time to give credit where it is due.

On July 4, 1789 the First Tariff Act was passed by Congress. Then, on July 31, 1789, Congress created 59 Customs districts for 11 States. North Carolina and Rhode Island were not included because they had not yet ratified the Constitution and joined the Union. President Washington officially created the Service on August 3, 1789 when he appointed 59 collectors, 33 surveyors, and 10 naval officers. In 1790, North Carolina and Rhode Island ratified the Constitution and seven more Customs districts were established.

Customs has the unique characteristic of having been established one month before the Treasury Department, its parent department. It is sometimes known as the child that is older than its parent. In 1927, Customs became a separate bureau, although its Commissioner is appointed by the Secretary of the Treasury.

Today the U.S. Customs Service enforces the Tariff Act of 1930, enforces export control laws, intercepts illegal high-technology exports to Soviet bloc countries, suppresses illegal narcotics traffic, enforces reporting requirements of the Bank Secrecy Act, and enforces a whole range of trade regulations and quotas. The Service has representatives in London, Bonn, Hong Kong, Mexico City, Seoul, and Tokyo to name just a few places.

The Customs Service is not alone in its international role. The U.S. Coast Guard, the oldest continuous seagoing service, due in part to the fact that the Navy was disbanded for a period after the Revolutionary War, is also located abroad. Its worldwide service covers Germany, Turkey, Japan, Spain, and England, but is not limited to those countries.

The Coast Guard was established in 1790 to collect customs duties—closely

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related to the Customs Service—as the Federal Government was fiscally weak. It was even called the revenue cutter service and the revenue marines at times. In 1967, the Department of Transportation was created and later the Coast Guard was transferred to that Department. Not only does the Coast Guard save lives and rescue boats and boaters, but it also helps control the in and outflow of marine traffic that marks the background for so much of our country's smuggling.

Mr. President, while we struggle to preserve domestic tranquility and 1 in every 4 American families is victimized by crime that is all too frequently drug related, the efforts of these two organizations become increasingly important. For instance, from January 1, 1985 until July 15, 1985 the Coast Guard seized 857,864 pounds of marijuana, 94 vessels, 6,072 pounds of cocaine valued at almost $225 million, and made 340 arrests.

From 1977 to 1980, the Customs Service seized 12,214,353.4 pounds of marijuana valued at $5,761,673,850; 8,551.8 pounds of cocaine valued at $2,579,390,037; and 857.5 pounds of heroin valued at $452,758,571. These figures only skim the surface of the illicit substances flowing across our massive borders. These are the borders that heroin crosses to rob our youths of their dreams and often their lives. These are the very same borders that, if left unprotected, will be crossed by the terrorists who are not thwarted in sufficient time.

Tragic isn't it?

Mr. President, these two services have long protected the American people, the American economy, and American safety as a whole. We must not pull the rug out from beneath those who protect our Nation or we won't see another 200 years of the same proud service.●

THE UAW CLEBRATES ITS 50TH ANNIVERSARY

● Mr. RIEGLE. Mr. President, on Monday, August 26, the United Auto Workers, one of the oldest and proudest labor organizations in the United States, will celebrates its 50th anniversary. On this occasion, I would like to pay tribute to this great American institution, whose valiant struggle to protect and improve the lives of working men and women throughout the country is a model for all of the labor movement, here and throughout the world.

As a native of Flint, MI, where General Motors was born and where the UAW signed its first-ever contract with that automaker. I have followed the progress of the UAW during my years in Congress and as a private citizen with a special sense of admiration and respect.

Founded in 1935, in the wake of the Great Depression, the UAW was formed to address the special problems that confronted workers in the young and growing auto industry. Automobile workers responded enthusiastically to organizing initiatives and by 1937 the fledgling union had grown to a membership of nearly 300,000.

Bolstered by this extraordinary success, UAW leaders decided in early 1937 that the union was numerically strong enough to demand formal recognition from the big three automakers: Ford, GM, and Chrysler. With this goal strongly in mind, the union singled out GM as a test case because of its refusal to discuss collective bargaining with the UAW, and called a "sit-down" strike against the company. The result was a landmark in American labor history; the legacy of solidarity which has long been the trademark of the UAW dates from the famous 1937 Flint sitdown strike.

As the country geared up for World War II, UAW leaders showed foresight and patriotism in their call to mobilize the vast resources and idle capacity of the auto industry to produce fighter planes and other war materials. Recognizing the need to promote national unity and harmony in the wake of Pearl Harbor, the UAW leadership met on December 8, 1941, and adopted a voluntary no-strike pledge for the duration of the war. Nevertheless, UAW leaders continued to work vigorously to protect the collection bargaining rights of its members and to win equal pay and equal treatment for the thousands of women who entered the work force during the war.

Following the election of Walter Reuther to the union presidency in 1946, the UAW entered new negotiations with the major auto makers and called on the industry to share the benefits of their increased productivity with the workers. These negotiations produced the wage policy that has resulted in UAW members being among the best paid workers in the United States. In addition to attaining the first cost-of-living allowance from GM, the UAW won the first fully employer-paid pension program in any mass-production industry from the Ford Motor Co.

Having already achieved significant success in its goal to protect the rights and interests of its own members, the 1950's and 1960's saw the UAW's social vision expanding to encompass others from all walks of life. The UAW joined the fight for human justice and against prejudice and racism which still threaten the liberty and freedom of so many Americans. Walter Reuther and other UAW leaders walked side by side with Dr. Martin Luther King Jr. throughout the South and in his famous 1963 March of Washington.

At the same time, the UAW used its enormous strength and influence to help workers in other occupations. In addition to being among the first unions to help finance the United Farm Workers in their campaign for justice in California, it aided striking hospital workers in Charleston, SC, and gave funds to teachers trying to organize their own local unions.

After the tragic death of Walter Reuther in May 1970, Leonard Woodcock took over the reins of the UAW and continued to pursue Reuther's noble quest for social justice and progress as well as better conditions for workers throughout the country. This period saw the union leading the growing national protest against the Vietnam war and repeatedly testifying on Capitol Hill for national health insurance, environmental measures, welfare reform, and civil liberties. Meanwhile, on its own collective bargaining front, the UAW won a tough new health-and-safety program, pension gains, restrictions on the corporation's right to demand overtime, and benefit increases.

Douglas Fraser succeeded Leonard Woodcock as president of the UAW and under his leadership, the union again broke new and historical ground, proving that labor, management and Government can all work together toward a common goal. In this case, the UAW's contributions to the Chrysler loan guarantee legislation have helped bring about a complete turnaround of that automaker. The UAW role in the Chrysler legislation helped save hundreds of thousands of jobs all across this country. The union made still another breakthrough when Douglas Fraser was named to the Chrysler board of directors—the first step ever for a union into the boardrooms of America.

Today, under the leadership of Owen Bieber, the United Autoworkers Union is still making progress for working men and women and their communities. As the world of work is changing, as we grow into a worldwide economy, as we enter another industrial revolution, the UAW is in the forefront with new ideas and new concepts to help us adapt to these times.

As the UAW celebrates its 50th year of distinguished service to its members and the community at large, I think it is only appropriate that we in the Senate commend this fine organization and its leaders for the great contributions they have made to our society. Through it all, the UAW has kept—and will continue to keep—its original goal to bring dignity to the American workplace.●

THE JAPANESE THREAT TO U.S. JOBS

● Mr. HEINZ. Mr. President, I would like to call to the attention of my colleagues an article in the July 28 New York Times Magazine by Theodore H. White, entitled "The Danger From Japan."

Mr. White argues, and I am in agreement with him, that the noble principle of free trade is undermined by two factors. First, the whole world does not abide by it, those that do, such as the United States, are thus at a disadvantage. Second, in a world of free trade the cheapest producers will be those who dominate production; since advanced technology is now largely internationalized the United States cannot hope to simultaneously keep relatively high wages and its competitiveness.

Japan since the war has exploited both these factors. The Ministry of Finance sets the exchange rates and stimulates savings and investment. The Ministry of International Trade and Industry targets Japanese industries that are to grow, by giving them no interest loans and high tariffs to fend off competition. Wages are still on average lower than in the United States, although in this area the newly industrializing countries [NIC's] are a more dangerous threat to U.S. manufacturers. In contrast, American markets welcome foreign exports-advertising agencies eagerly explain how to dominate the consumer market. In Los Angeles alone there are 1,500 Japanese firms; in Japan, American companies are largely excluded. Not surprisingly, going on 2 million jobs have been lost in the manufacturing sector in the last 6 years in the United States; in the last 15 years Japanese exports to the United States have increased more than 10 times. White quotes the Secretary of Commerce Malcolm Baldrige:

> America's pursuit of free trade is like Sir Galahad's quest for the Holy Grail.

Mr. White's conclusion is, I think, worthy of my colleagues attention. What we need is an overall trade policy. We need to move away from the current ad hoc arrangements to something more embracing.

Mr. President, I ask that the article be printed at this point in the Record.

The article follows:

[From the New York Times Magazine, July 28, 1985]

The Danger From Japan

(By Theodore H. White)

No sense of irony stained the spectacle of victory aboard the U.S.S. Missouri, no sense of shadows to rise years later.

We were all too bedazzled by the splendor of the day—for here was American power at its zenith. We had won the war, totally, and the men who had won it, soon to become legend, were all there on the veranda deck in pressed suntans or navy whites. A band had been swinging through "Anchors Aweigh" as we gathered that morning, but as the climax approached a hush fell; silence stretched like a blanket over our murmurings.

None of us of course knew what America would make of the victory, or the Japanese of their defeat. But the power was all ours and stretched, visibly, as far as the eye could see. The Third Fleet had come in from offshore and now crowded Tokyo Bay—flattops and battleships, cruisers and destroyers, guns trained on the land we had laid waste. There was no question but that we had won this war.

It was Sunday, Sept. 2, 1945, there on the other side of the dateline, and the skies, after a Saturday drizzle, stretched gray. But this was no guarded and hidden schoolhouse, with only a handful present to watch, as at the surrender of German forces only four months earlier at Rheims. Douglas MacArthur's sense of drama insisted that all the world be there to witness, and we were several hundreds thick on the foredeck.

The Missouri had been swept clean. The Stars and Stripes above the mainmast was the same that had fluttered over the Capitol on the day Japan attacked Pearl Harbor; it had just been flown out from Washington. The flag of Commodore Perry, who had pried Japan open to the West 90 years before, was draped on the rear turret, with the 31 stars of the then half-grown union faded but clear. And on each of the three 16-inch guns clung our sailors in white, holding on by a handgrip, or with their legs curled tight about the barrels.

Just in front of the turret was the surrender table, draped in a navy-blue coverlet, bare but for the documents. There the Japanese would sign. A few minutes before the appointed hour we heard the piping that announced the launch carrying the Japanese was alongside. We watched them come aboard: Mamoru Shigemitsu, the Japanese Foreign Minister, in morning coat and striped trousers; Gen. Yoshijiro Umezu, Chief of Staff of the army, in his starched brown uniform. Shigemitsu limped, for he had been crippled years before by Japanese terrorists who had tried to kill him, considering him a man of peace. But that brought him no sympathy from us now as he grasped the rail to pull himself up, then limped to the table of surrender.

I bristled at the sight of them. I had seen the Japanese blast and flame Chungqing, the city I had lived in years before, then bring their planes down to machine-gun people in the streets. Japanese had shot at me, I had fired at them, and so the luxury of this moment was one I enjoyed. Others, too, hated the Japanese—perhaps all except Douglas MacArthur, who saw them as he saw all Orientals, as errant little brown brothers who must be rebuked, but then brought into Western civilization. Yet that day he was taskmaster and conqueror.

A few minutes after 9, General MacArthur himself appeared, and the Japanese came forward. No one helped Shigemitsu, but some Americans more generous than I brought him a chair to sit on as he signed the surrender. Next came Umezu, the brown pock marks on his cheeks swelling and falling as he clenched his jaws. He wanted no chair; he stood stiffly, unfolded like a jackknife, then bent and signed the paper. Neither said anything. Then MacArthur spoke, for peace and conciliation—rather well, I think now as I read his text 40 years later. Then all the others signed. I notice, as I follow the notes I made on my copy of the text, that when the Dutch representative signed, the sun broke through the clouded morning, and the scene began to glisten.

At this point happened the episode that stands out sharpest among the memories of that day—the flyover. As MacArthur intoned "These proceedings are closed," we heard a drone and looked up. It is difficult to recall now, after years of floundering and blunder, how very good we were in those days, with what precision we ordered things. Four hundred B-29s had taken off from Guam and Saipan hours before to arrive over the Missouri at this precise minute of climax. They stretched across the rim of the horizon, and their heavy droning almost instantly harmonized with a softer buzzing as 1,500 fleet aircraft from our flattops joined them. The B-29s had burned out Japan's cities, dropped the two big bombs; the fleet aircraft had sunk the Japanese Navy. Now the killing arms of our power, the air forces, slid down from their height in the sky to circle low over the armada of American ships. Then, still very low, they disappeared across the sky, over two cities they had left in ruins, first Yokohama, then Tokyo, as if brandishing our power over the people who had dared, without warrant and with planned deceit, to attack and bloody us at Pearl Harbor.

We had won out over them. We lost more than 100,000 men to prove we could not be lacerated without warning, without seeking revenge.

Except that America's revenge on Japan was of such an extraordinary character as to befuddle all scholars who claim that history has a logic of its own. What we are faced with now is the idea that events contradict history's logic. Perhaps we did not win the war, perhaps the Japanese, unknown even to themselves, were the winners.

It had taken us years to get to Tokyo Bay. But that story had begun with an idea, as all wars do.

As a very young reporter, I had gone to Asia, and there became acquainted with the crowning Japanese idea: "The Greater East Asia Co-Prosperity Sphere." The slogan was scrawled across the walls of all the regions I visited. from Manchukuo to North China, down finally to Hanoi in 1940, when the Japanese took over Vietnam. And they meant to go further: to Thailand (with its tin), Malaya (rubber), Indonesia (oil and timber). The Japanese idea was simple: that Japan was the leader of East Asia, and so it should harness Asia, with its resources, its genius of mind, its hundreds of millions of people, and all would grow prosperous—Japan most of all.

But the Chinese, both Nationalist and Communist, had resisted. And, as the Japanese did their best to beat the Chinese into submission, America said: No. Franklin Roosevelt imposed his embargo on Japanese trade—no scrap metal, no oil, nothing that would help Japan pursue its purpose of conquest. The noose had thus tightened about Japan in 1941, whereupon they atacked us and hoped, having hurt us, that we would negotiate on their terms. Tactically, the attack on Pearl Harbor was one of the most brilliantly executed strokes of the war. But politically, it was most unwise, for America fought back.

Today, 40 years after the end of World War II, the Japanese are on the move again in one of history's most brilliant commercial offensives, as they go about dismantling American industry. Whether they are still only smart, or have finally learned to be wiser than we, will be tested in the next 10 years. Only then will we know who finally won the war 50 years before.

So we must go back to Japan at that weekend of surrender and see what we made of it.

The eye recalls almost nothing sharp of those first three days. Both Tokyo and Yokohama were wasteland. Here and there was a speckle of corrugated iron shacks where the bombed-out victims of our raids lived. Spikes of smokestacks rose above rubble. In the streets trudged the Japanese—forlorn and shabby. Along the country roads trickled the first of their demobilized soldiers, their belongings slung over their shoulders. All of Japan was open to us, except for the Emperor's palace in Tokyo, behind its moat and earthen walls. The 11th Airborne Division had arrived to protect him from all intruders—Americans and Japanese alike.

A few days before we entered Japan, an intelligence officer had briefed a few of us correspondents on how delicate that mission would be: Japan was still fully armed, with 57 divisions in the home islands. Some units were violent. There had already been one assault on the Emperor's palace in the days since he had radioed his submission to us; it had been beaten off. The Emperor was our key. "In essence," concluded the officer, "we've achieved a coup d'état. Our coup has been to take the Emperor. We've given him the widest latitude in telling his people how to take defeat. But, when they learn he takes orders from us, that we're using him to restore order, there's no telling how the mechanism will react."

So, when we flew in on Friday, Aug. 31, before the surrender, the soldiers in my plane were taking apart, fingering, reassembling their guns as soldiers always do before assault, ready to shoot if this surrender was a trap.

But it was no trap; the Japanese *had* surrendered; the Emperor had defused the Japanese war machine, still capable of one last explosive bloodletting. The airfield perimeter had been guarded immediately by the 11th Airborne. The Japanese had not only obeyed our orders to remove all propellers from their planes at Atsugi Airfield, our point of descent, but the planes themselves had been bulldozed into a junk-heap at the far corner.

That first weekend of reconnaissance and tingling fear we roamed the streets of Yokohama with strut and swagger. We took over the new Grand Hotel on the Bund—just up the street from the offices of the House of Mitsui. So I strolled down to visit it.

The House of Mitsui was one of the grand *zaibatsu*, those great Japanese merchant trading houses that we meant to abolish but did not. I walked in with Jim Stewart of the Office of War Information, who spoke fluent Japanese, and we were ushered into an executive's suite.

His face I have forgotten; in my notes his name reads simply "Fujiro," and he spoke fine English. When he understood that we had come not to arrest him but to talk, he relaxed. I wanted to pick up the threads of the story of defeat and surrender.

Fujiro told it well: It had been four months since the last ocean-going vessel of Japan's far-flung merchant marine had made it safely back to Yokohama, Japan's largest port. It had been more than a year since Kawasaki, the nation's oil port, had received a tanker from the East Indies. Yokohama was prostrate, he said. He guessed that 200,000 people had been killed in our bombings and 700,000 had fled.

But the Americans were not hated, he assured us. The people hated their army. "Why no planes, no guns to defend us?" He spat out names like Tojo, Oshima, Shiratori. The people expected them to be executed. People hated the United States bombers, but the first Americans to land were well-behaved. Jim Stewart remarked that, unlike the Japanese, American soldiers did not rape. Fujiro acknowledged this.

Then to his plea. Hunger. Food. Let Japan work to support herself. Japan could still make ships—"let us make ships to earn our way." Some textile mills remained; the Japanese could still make cloth to earn a living. But Japan needed food most of all—one-third of all its food in the closing days of the war had come out of China. Japan could sell us tea and silk, but it needed food.

What were the plans now of the House of Mitsui? we asked. He replied: "Frankly, gentlemen, until your military tells us what to do, we have no plans." Before we left, he poured us a toast: "To your safe arrival!" We drank; the House of Mitsui bowed as if we were not only liberators but allies.

These days, the House of Mitsui is thriving again, its trading net spread from steel mills in China to refineries in Iran to operations in America—the whole world has become its "Greater Co-Prosperity Sphere."

Food, then, that weekend and that month was of the essence.

There is a strange and wonderful thing about Americans, of which I am proud. In war we bomb, we kill, occasionally our soldiers are savage, too—although when an American officer goes berserk, we try him in our own military courts, as we did Lieut. William Calley for the massacre at Mylai. But Americans abhor starvation, and they are very good at organizing to help all starving people—defeated Germans, defeated Japanese, Ethiopians subject to Marxism.

So, in the first few days of occupation, our rage evaporated in the task immediately at hand: to feed the Japanese people we had conquered.

What MacArthur was up against were the essentials that geography forces on anyone who governs Japan. Japan is a nation of four rocky islands—with a combined area that is smaller than California. Seventy-two percent of the land is mountain and rock, useless for anything but tourism and scenery. Only 16 percent is tillable. When, a century ago, the Japanese were a nation of 30 million people, they could barely feed themselves and infanticide was a common practice. Their internal history has thus been scorched with savage civil wars. Then, when Japan was opened, the coiled aggressions so long turned against each other turned against their neighbors—China first, then the Russians, then Korea.

But the Japanese add to their poverty of physical resources two extravagantly useful conditions. They have, first, a sharply indented coastline, with natural ports inviting deep water to their shore. England has the same advantage, which once gave that nation, and now gives Japan, access to all the world's resources of ore, oil, foods, timber; by cheap shipping, Japanese can draw raw materials from anywhere and can send competitive manufactures anywhere, too.

To this gift of geography is added a gift of genetics, a striking quality of mind. We often think of the Japanese as less than innovative but, technically, they are superb adapters and producers. We learned that in the war against them: their torpedoes were better and faster than ours . . . until we learned to make ours better. Their initial combat plane—the Zero—was a superlative machine; it could turn, dart, wheel away and mock American flying machines. No matter that Americans had invented the airplane and the flattop; when the war started, Japan had in several arms superior, if derivative, technology. What licked them was American bravery, the mobilization of then-Superior American science and industry, and their own blundering politics that led them to challenge us.

Whether Americans made an equal blunder in entering Asia in 1945 is something historians will debate for decades to come. But if we did blunder in that fall senon of 1945, the blunder stemmed from mercy and generosity. Both mercy and generosity proposed a peace the like of which had never been granted before to any conquered nation—except, perhaps, the Germany defeated only months before.

Our first challenge in those early weeks was, of course, the simple mechnanics of occupation. But then we faced the problem of how to govern the now-abject nation—above all, how to feed it. Japan's hospitals were full of the diseases of malnutrition. MacArthur ordered at once that our occupying forces distribute their rations to Japanese civilians from Army kitchens. He then ordered that all the 3½ million tons of food stockpiled for our own armies for the projected landings of October and November be rushed in. Yet still there was not enough. He himself described it best in a cable to the War Department in the spring of 1946—a spring of imminent starvation. We must either feed the Japanese or starve them, he wrote, and then we must face the consequences. "Starvation breeds mass unrest, disorder, violence. Give me bread or give me bullets," he finished in a grandiloquent MacArthurian flourish.

The next paragraph of MacArthur's reminiscences is a single sentence: "I got bread."

MacArthur had, almost immediately after moving his headquarters from Yokohama to Tokyo, set about creating a new Japan. Of the Emperor, he demanded that a new prime minister be immediately named. By October, the Emperor had replaced his uncle, the nominal prime minister at the time of surrender, with Baron Shidehara, to whom, on his first visit, MacArthur explained America's wishes for the new Japan.

MacArthur's directives were cut from the cloth of American good will. Japan (so ran his first directive) must completely emancipate Japanese women; must let workers organise in unions; ban abuse of child labor; abolish secret police. Further, Japan must reorganize its education system and "democratize" its industrial system. He left it to Shidehara to work out the details.

It was this broad grant of latitude that was most important. The Japanese could pick and choose their way through MacArthur's directives. The way they chose to implement them allowed their industry, their universities, their ingenuity to flourish. And the rebirth of Japan since its defeat is a parable of history. If one speeds up the interaction of ideas and drive, it becomes a drama.

It is impossible to blame the Japanese for accepting American mercy and the American invitation to thrive. Neither Congress nor the United States War Department wanted to feed Japan indefinitely or pay for its recovery. It was up to the Japanese to work their own way back, to remove themselves from the backs of the American taxpayer.

A young lieutenant with the 27th Infantry Division was among the first to land in that week after the surrender; his company had fought in the battle of Okinawa; it had entered with 180 men and come out with only 20. That young combat lieutenant, Malcolm Baldrige, is now Secretary of Commerce, and he recalls the desolation in Japan. "We sent them," he recalls now, "blood-fractionating technology on humanitarian grounds. Today the company we gave the technology to competes with Americans around the world. We sent them technicians from the Underwriters Laboratory to certify that Japanese products were up to American standards, fit for export. Today U.S. companies fight to get their exports certified for entry into Japan." Baldrige is both wise and somber. The Japanese, as Government policy, are undermining one American industry after another. But Baldrige, as a senior administration official, must restrain his forebodings in public.

To understand his bitterness one must again go back to the story of governing ideas. Early in 1947, as Japan was thawing from defeat, we sponsored something called GATT—the General Agreement on Tariffs and Trade, with headquarters in Geneva. GATT embodied an idea almost two centuries old, the idea of Adam Smith. Smith believed that history moves in stages, and, because he lived at the dawn of the Industrial Revolution, he denounced the outworn ideas of mercantilism—the world stage was now set for "free trade." An "invisible hand," Smith held, should and would shape the flow of goods from one nation to another, wherever "comparative advantage" in production would draw wares from one country to another.

By the mid-1940s, American thinking had made a holy cause of "free trade." Our conventional analysis of the second World War held that both Hitler and the Japanese had violated the theology of "free trade," staking out spheres of economic dominance with bayonets, thus bringing war. Now, however, in 1947, GATT would enforce free trade in all the non-Marxist world, eliminating tariffs and barriers, and allowing goods to flow freely from country to country. We were at our peak in the history of commerce. Thus—onward and upward to the sunlit plateau of world prosperity and peace.

For the Japanese it must have seemed to good to be true, and it took them several years to learn that the Americans had rewarded them with a world market far larger then the Great East Asia Co-Prosperity Sphere. The Americans had given them an invitation to the world trading game in total ignorance of what Japanese genius and tactics might accomplish. As late as 1954, a haze of victory still clouded American thinking. Said John Foster Dulles, Secretary of State, at a National Security Council meeting in August of that year, I "told Premier Yoshida frankly that Japan should not expect to find a big American market because the Japanese don't make the things we want. Japan must find markets elsewhere for the goods they export." It would be at least 30 years before history proved Dulles wrong, before our trade deficit with Japan grew to the thunderhead of an estimated $45 billion for 1985.

There were, of course several things wrong with the ideas that begot GATT. First was the belief that all the world would behave by the rules codified by GATT. We could not entertain the idea that some nations would race, like broken-field runners, through the new rules of tariffs and trade; that GATT would be riddled and pock-holed by subsidies, regulations, quotas and barriers that made mockery of the idea of free trade.

But the more important thing that went wrong with GATT was almost too simple to consider. If all people of the world were entitled to equally free trade, then the cheapest producers would be those who paid their people least, yet mastered world-class technology. In other words, nations whose workers were grateful for starvation wages could conquer the markets of countries like America, whose workers demanded the world's highest wages. The only way thus to compete was by efficiencies of production, in which the Japanese steadily strove to match the Americans, or by wage standards with which American workers could not compete, or both. Asian standards of living would have to go up or our standards would go down until an equilibrium would be reached.

In the 40 years since defeat, Japan has grown to be a giant. Japan has passed the Soviet Union in industrial production and stands as world class No. 2 to our No. 1. If the present Japanese expansion of production continues, it will be, in 20 years, a greater industrial power than the United States.

When the Japanese looked out from their world of ruins in the months after defeat, disaster drew self-examination as tight as skin about every individual as well as the community. "Japan was smashed," says one American industrialist. "It's industry was shattered or obsolete. Every institution had failed them . . . . There was no leadership, no model for creating a new Japan except that which America forced on it." So MacArthur and his staff became the leadership, America the model.

What the Japanese have done since in remodeling the American model is no less than spectacular. They have devised a system of government-industry partnership that is a paradigm for directing a modern industrial state for national purposes—and one designed for action in the new world of global commerce that the United States blueprinted.

The Japanese have a tangled bureaucracy that baffles foreign intruders, but one must recognize at least the two main players in the game to understand the dynamics of the Japanese trade thrust.

The Ministry of Finance comes first. In the words of one American Ambassador to Japan, "it has the ultimate call." Its policies set the exchange rate of the yen, keeping the currency undervalued in order to keep export prices low. It stimulates savings and investment, finances industry by directing the allocation of funds through the banks it controls. The Ministry of Finance provides the launching pad from which MITI directs the guided missiles of the trade offensive.

MITI—the Ministry of International Trade and Industry, the second major player in the game—is a totally new Japanese invention. MITI targets those Japanese industries that are to grow, targets the countries and markets to be penetrated. It can adjust depreciation rates for favored industries; coordinate research into arcane technologies—for example, into the fifth generation of computers. (Its only American rival in such research is the Pentagon, which can afford to match Japan's Incorporated budget).

Sometimes MITI makes mistakes—as in the overbuilding of the Japanese steel and shipbuilding industries, now in surplus capacity because of competition from South Korea. More often it is wise enough to put to sleep industries that can no longer compete. The island of Kyushu once employed 200,000 coal miners; only 7,000 remain there because oil and coal come cheaper from abroad—and so Kyushu has become a thriving center for electronics. MITI defines strategies; Japanese private enterprise follows through with zest. No better marriage of government planning and private enterprise has ever been seen.

The Japanese have caught the essence of Adam Smith—that history moves through its stages as opportunity and technology beckon. Nor is it alone in seeing the perspectives of the world America fostered. Although Jean Monnet designed Europe's Common Market, America has its godfather. Europe also presses to orient its industries to national purpose. West Germany, Europe's foremost industrial power, presses hardest. But the Germans expend much of their energies within the Common Market we sought to build. In American commerce, trade with West Germany is large, yet marginal. In 1971, when America first fell into the trade deficit that forced us off the gold standard, Germans exported $3.7 billion worth of goods to America, Japan $5.9 billion. Last year, the Germans shipped $16.9 billion—but the Japanese shipped $60.4 billion. The Germans, somehow, evoke little American bitterness because we understand their culture, establish American plants there without hindrance. The Japanese provoke American wrath because they are a locked and closed civilization that reciprocates our hushed fear with veiled contempt.

Few American businessmen abroad would qualify as Knights of the Round Table. American oil companies once, in the prime of their power, could make and unmake governments. But many American businesses have been welcomed overseas, if only because they usually pay higher wages than competitors. Most of all, they have been restrained by American antitrust laws from the kind of nationally coordinated trade offensive captained by MITI against all other countries.

American industry grew up in partnership with European industry. But Japan rouses different fears. Behind Japan ("the Big Dragon," some call it) march the "four little dragons" (Korea, Hong Kong, Taiwan, Singapore) following in its path. And behind loom China and India, desperate as they are to raise their standards of living—at the expense of American standards, if necessary.

The Japanese are far ahead in the race for world trade markets, and they are moving now to yet another stage. Their export surplus gives them huge sums to invest—in the Middle East and America—so that Japanese capital is moving from penetration to control. Japanese are beginning to supply venture capital for the seedbeds of American technology, from Silicon Valley in California to Route 128 in Boston. They hover over the Draper Laboratories in Massachusetts—the national laboratories that devise the guidance system of our missiles—and acquire what patents security lets free to the public. In the Los Angeles area alone, the Japanese have installed or acquired 1,500 firms. Their acquisitions in our banking system have grown significantly; contrarywise, Americans are all but excluded from Japanese capital markets. And, by the doctrine of GATT, all this is entirely legal.

Yet what is legal may also be unfair. While Japan's tariff rates are, in broad economic terms, roughy equal to those of other industrial nations, they are spiked with special tariffs in industries that are considered vulnerable to foreign competition. In addition, Japanese markets are protected by a maze of so-called nontariff barriers to trade—many of which fall outside the reach of GATT regulations. We cannot sell our exports freely in Japan, whether beef, tobacco, citrus fruits, or leather goods. Consumer markets, too, are closed by regulations that the Japanese attribute to "cultural differences."

What Japanese does import from us are, chiefly, those raw materials always taken by master nations from colonial nations—grain, cotton, ores, fuel. We still ship to Japan a few remaining high-technology items, like aircraft, and some telecommunications and high-powered computers in which we hold a narrowing lead. But the Japanese continue to squeeze that lead, because their infant-industry-protection laws are planned to give them time to catch up. They will not buy American satellites until they learn to make their own. Corning Glass Works has had a fiber-optics patent pending in Japan for 12 years; in this time, the Japanese have learned to make fiber optics of their own that they now sell to America. Crude oil may be sold to Japan; but the Japanese will not buy our refined oil. American products certified here must go through slow, tedious re-testing in Japan before entering the Japanese market, while Japanese technology catches up.

American markets for Japanese goods are not only open but come with an invitation. The United States Census makes its marketing information open to all; for a fee anyone can buy its tapes that define, area by area, county by county, income group by income group, where Toyota, Sony, Hitachi, Honda can best space their distributorships; and American advertising agencies will, for a fee, translate consumer appetite into market conquest. No nation that thinks of itself as an assembly of consumers can resist Japanese penetration. But a nation that thinks of itself as a community has reason for alarm.

Today not a single consumer radio is made in America, although Americans invented the modern radio; not a single black-and-white television set is made here, although America invented television. The few companies that assemble color television sets in the United States could not exist without imported parts made in Asia, although color television was originally developed in America. Almost all our video-cassette recorders are made in Japan; so are most hand-held calculators, watches, a huge share of our office machinery, and most high-fidelity audio equipment. Only one American motorcycle manufacturer remains (Harley-Davidson); the Japanese hold 95 percent of our market. Only one American piano manufacturer remains (Steinway). The Brooklyn Navy Yard, where the conquering U.S.S. Missouri was launched in 1943, no longer exists.

The American automobile and steel industries were the first to be hit by Japan's trade offensive—they were vulnerable. Emerging from the war fat, stuffy and complacent, content largely with obsolescent equipment and practices, shortsighted American management let its technologies fall well behind those developing elsewhere. In 1966, the Japanese shipped only 63,000 automobiles to America; by 1970, MITI had stimulated the shipment of 415,000. Americans found Japanese cars to be good cars; they consumed little gasoline, they were cheaper; their fit-and-finish were splendid, and with the rise in gasoline prices, the American appetite for Japanese automobiles soared. But when the Reagan Administration this spring released Japan from negotiated voluntary quotas on car exports to the United States, Japan announced that it would raise its shipment to 2.3 million autos to America, as if we were a controlled colonial market. It was too much. By a vote of 92 to 0, the Senate declared Japanese trade practice unfair. But it was a belated revolt; this summer, American consumers are gobbling up Japanese automobiles faster than the Japanese can gear up to ship them.

This year, apparently, MITI's chief target is the American electronic industry. Last year, the trade deficit with Japan in electronics surpassed our trade deficit in automobiles—reaching $15.4 billion of our total adverse balance with Japan of $37 billion. The American semiconductor industry is reeling from assault. The Japanese, without mercy, propose to wipe out our supremacy in this industry, based on our own research and invention. Hitachi, now an electronics exporter, was blasted to bits by our bombers in the last two weeks of the war as one of the leading Japanese armsmakers. But Hitachi is now on the counterattack, its tone martial again. Here, for example, is Hitachi's directive this year to its offices in Denver, where it is trying to take away the semiconductor market from America's Intel Corporation and Advanced Micro Devices. It reads: "Win with the 10 percent rule! Find AMD and Intel sockets. Quote 10 percent below their prices! If they requote, go 10 percent again. Don't quit till you win!"

A benign prosperity temporarily soothes the American economy. In the six years since 1979, America has added 6,000,000 jobs to its total work force. But these are mostly service jobs. In the skill-and-brawn base of American production, not only have real wages fallen, but the job base is shriveling. In machinery production, in these six years, the United States has lost 288,000 jobs; in primary meal-making (such as steel) we have lost 439,000 jobs; in fabricated metals, 241,000 jobs; in motor-vehicle production, 118,000 jobs; in textiles, 186,000 jobs. All in all, on the line, in the old shops, where Americans make things, we have lost 1,834,000 jobs.

No industry in America has been harder hit by Asian competition than the American garment industry, which has lost 155,000 jobs in the last six years alone. One should listen to Sol Chaikin, an air corps veteran of the China war theater against Japan.

Chaikin is now the president of the International Ladies Garment Workers Union. Once, in the early 1950s, his union counted 230,000 workers in New York City alone. Today he counts only 100,000 and they work at the lowest-paid union jobs in the city.

"Ours," says Chaikin, "is the most competitive industry in America. It's a cheap industry to get into and we have 15,000 ladies-garment manufacturers in the U.S.A. They all have the most modern machinery, but the Asians have the same machinery and they work for less and for longer hours. The Japanese once were our chief competitors, but Japanese wage rates have now risen to levels comparable to ours. The Japanese now buy American designs, open factories with new machinery in Singapore and Hong Kong, ship the fabrics from Japan, and export from offshore. In Korea and Taiwan, they pay 57 cents an hour; in Hong Kong, $1.08 an hour; and in Sri Lanka they pay $5.00 a week. In New York, our workers get only $175.00 a week take-home pay—and they pay almost $1 for a subway fare each way."

Chaikin knows that his workers in New York cannot compete with Asian standards of living. "It's as if we were being poured into a Mixmaster with China, India, Japan, Taiwan; they've homogenized the international labor market and are squeezing us out like toothpaste." Chaikin insists that some garment jobs, at least, must be preserved for American working people, that the American market should be shared with Americans. But there is no high-technology ladder to leap over cheap Asian wages when it comes to handwork. Of blue-collar jobs in America, one in seven is held by a textile-garment-apparel worker. The National Academy of Engineering estimated in 1983 that, of 2,000,000 jobs in the garment-textile industry, only 750,000 would be left in 10 years. Chaikin's back is up against the wall.

Less than a mile from Chaikin's union headquarters is the elegant executive suite of the Radio Corporation of America. Chairman of the Board Thornton F. Bradshaw is another combat veteran, whose destroyer was put out of action by the Japanese Navy in the last months of the war. Bradshaw, if anyone, is an authentic statesman of American industry. He is unworried about RCA, which is happy and prosperous. His view is entirely different from Chaikin's, for his company has adjusted to the world market. But RCA long ago gave up on penetrating Japan. Its creator, Gen. David Sarnoff, thought the American market was enough, and licensed to Japan and the rest of the world the technologies RCA has patented—technologies that underlie much of modern electronics production. RCA prospers from its lead in advanced electronics—from its satellites, from its arms contracts (like the Aegis guided missile cruiser), from its broadcast net, NBC, from its marketing of imported parts and products, from manufacturing television sets. But, despite RCA's prosperity, Bradshaw is deeply worried—about America as an industrial community where both work ethic and practice have decayed.

Bradshaw is concerned for America's economy as a whole, Chaikin for his working people—both equally honorable concerns. But neither believes that any reasonable persuasion can slow the Asian trade surge unless the American Government acts—sooner rather than later. What is needed is a structural change in American life and thinking, as sweeping as Japan's in 1945–1950—from factory floor to research labs and universities, from reduction of the Federal budget deficit, to a total review of our trading policies.

So the story moves to Washington.

Washington is always in crisis—small crises, acute crises, lurking crises. But the trade crisis is quite extraordinary for the anarchy of ideas that prevails. Ideas clash in perception of a world that has totally changed since the days of victory. Trade, as we designed it, has become completely global, and America has become the last open gaming table for world adventurers. Within the confusion of Washington's thinking, however, at least three truths are taken as paramount.

The first truth, the starting point of all thoughtful conversations, is the overwhelming burden of the overvalued dollar.

"When I was dealing with Japan the problem was different," says Robert S. Strauss, Jimmy Carter's trade representative from 1977 to 1979. "I talked in a universe of tariffs . . . of trade . . . nontrade . . . cultural barriers . . . political difficulties." Strauss, a very suave, but very tough man, is remembered as one of the few American trade representatives who have been able to out-negotiate the Japanese. For a brief period, his tenacity caused the impermeable membrane of Japanese resistance to yield. "Now," he says, "you're talking about a world where trade has reached $2 trillion a year, but capital flows have reached a magnitude of $20 trillion a year, swirling around the world like a jet stream. It drops off here because of safety and high interest rates, and pushes the dollar up. It makes the trade problem look like a pygmy problem. It distorts everything, and leaves the poor American exporter, no matter how good or efficient, like a runner doing a sprint with an anvil under his arm.

"The Japanese don't adjust the yen every day. But you don't have to be a genius to know that when the Bank of Japan coughs, everyone gets the sniffles. But we have no policy. Even if we started now, we couldn't work things out in a year, or five. We need a strategy."

There comes next the second truth: Japan's "unfair" trading practices, its regulations, rules, restrictions, quotas. Says Secretary of Commerce Baldrige: "Japanese export policy has as its objective not participation in, but dominance of, world markets. Japanese trade policies assume as a *right* protection of their industries that are emerging, like satellites, depressed industries like paper and chemicals, politically important industries like agriculture, socially sensitive industries like leather . . . .

"In 1983, we took 30 percent of Japan's overseas exports, in 1984, 35 percent. In practical terms, this means that all the net increase in Japanese domestic employment in recent years is attributable to sale to the United States. . . . America's pursuit of free trade is like Sir Galahad's quest for the Holy Grail."

From the National Association of Manufacturers to the AFL–CIO, one catches the alarm in vivid language. "There are six to eight main interacting trade-and-production groups, or 'keiretsu,'" says one association official, who asked not to be identified. "They buy and sell chiefly to their own subsidiaries, and they divide Japan's market up. When we squeeze, they'll allot, say, 11 percent of a particular market to all importers. They are opaque, insensitive people, who don't know that they have brought us to the edge."

Says Lane Kirkland, president of the AFL–CIO, the man most concerned for the fate of American workingmen, who last visited Japan this winter, "To hear the Japanese plead for free trade is like hearing the word 'love' on the lips of a harlot."

The last body of truths comes from the engineering community—it is the most serious, most somber, most challenging. It is that the Japanese are very, very good, better at some things than Americans. They are brilliant, efficient, aggressive people who prize education as much or more than Americans—and have learned to use it. John Gibbons is the head of Congress's Office of Technology Assessment—he is a physicist, who comes to Congress from the Oak Ridge Labs of the Atomic Energy Commission. He starts the story of Japan's renaissance with the occupation:

"The most important thing we did after the war was to reorganize it; we democratized it; we lifted the burden of arms from it, and they poured resources into education. We helped them. We gave free doctorates in nuclear science to their students and brought them to Oak Ridge. But you have to realize that the Japanese already had traditional skills and techniques; they were superb in alloying metals, in ceramics, in fermentation—out of the broths they knew how to brew came the fermentation know-how vital to biotechnologies.

"They are ahead of us in productivity in automobiles, in steel, in robotics. We are ahead in fundamental research, but they get all our science papers and research, and they add to that their mastery of 'process technology,' translating fundamental research into the making of things. They recruit their managers from the factory floor; we get ours out of law schools."

In Gibbons's view, the challenge lies, above all, to American technology and education. Unless we can translate our lead in fundamental research into practice, then others will be the chief beneficiaries of our science and laboratories.

In a few days in Washington, one can trace a trail of irritations blistering under the bland rhetoric that still binds the Pacific alliance together.

Start at the State Department with middle-level officers who deal daily with the Japanese—and one hears language almost unheard elsewhere in that labyrinth of quiet diplomats. "Japan," said one, who asked not to be identified, "is a protectionist nation: They have no sense of moderation; they are an island nation looking out on the rest of the world as plunder from a protected bastion. Negotiations are tedious, painful—oh, so painful—and, when they yield, they yield with no grace. It's not only quotas on beef, citrus fruits, leather, but even on our catsup and peanut butter.

"In 1981, they banned American metal baseball bats. We had the technology for making a safe cap for metal bats. The Japanese made a metal bat with a plastic plug top; a plug flew off at a baseball game and struck a spectator. So all metal bats, safe and dangerous, were banned. We negotiated for three years, we had to get them to change 18 laws and regulations; we had to get the consent of the Japanese Softball Association. Then, when the Japanese learned to make safe metal caps, they reopened the market. Last year, we finally managed to export 350 metal bats to Japan!"

This is the voice of a working deplomat in the State Department. The bureaucracy bows to political leadership. But it remains the national political scouting force abroad, and cannot help but observe politics at home. Its officers do not blink at the reality that Americans want to buy cheap quality goods; no one forces them to buy Japanese goods. Nor can they blink at the fact that no fewer than 30 states now have their own offices in Japan soliciting Japanese investment. But they cannot blink either at the fact that so much of American industry is being wiped out, and that the men and women discarded scream to Congress.

At the supreme level, President Reagan deals with Premier Yasuhiro Nakasone of Japan, who yields and, with exquisite courtesy, goes on television to urge his people to sample American and foreign imports. But at the working level, each negotiation is a tormented, ad hoc, item-by-item bargaining.

A shawl of self-restraint drapes over most official American spokesmen; to be accused of "Japan-bashing" is considered "protectionist" or, worse, "racist." Foremost among those who thus speak for the old free-trade tradition, one finds Secretary of State George P. Shultz. "There is great sentiment for protection around the country," he told a gathering of the American Stock Exchange recently, "but in my opinion it's wrong . . . it's bad . . . this is a matter of deep conviction on my part." But no such restraint binds Congress, or the unions who influence so many constituencies. Congress is entertaining half-a-dozen bills right now sponsored by afflicted Congressmen; it is even considering a 25 percent tariff on all imported goods.

Congress is where one can best see the deadlock of ideas, as shoe workers, garment workers, steel workers, auto workers demand protection. But Senator Christopher Dodd of Connecticut is typical of a Congressman in the middle; he is a young, liberal, thoughtful Democrat, and knows that foreign trade is essential to America. He comes from that state in the Union that is most dependent on foreign trade—25 percent of Connecticut's gross state product goes into exports. But Dodd also sits on the Senate Foreign Relations Committee, which he describes as torn between "bumper-sticker patriots," and those who believe that world peace rests on world trade.●

POLISH-AMERICAN HERITAGE MONTH

● **Mr. D'AMATO.** Mr. President, I rise today to reiterate my great admiration for Poland, its people, and its descendants here in the United States. Being a cosponsor of Senate Joint Resolution 146, legislation to designate this month as Polish-American Heritage Month, I am proud to further illuminate the struggles and the triumphs of the Polish peoples.

The story of the Polish struggle for survival is a long one. In 800 A.D., slavic tribes in what is now Poland united under the Polane and by 1025 Boleslaw I was crowned King. Struggling through the Middle Ages, the Polish Empire emerged in the 1500's at its pinnacle.

However, in 1772 Austria, Prussia, and Russia partitioned Poland. This began the ongoing struggle of the Polish people to preserve their freedoms and national solidarity. In this century alone, there have been three major geographical realignments. This includes 1939, when Nazi Germany and the Soviet Union, without respect for the self-determination of previously free peoples or even life itself, illegally divided Poland for their own devices. For a while Poland disappeared from the face of Europe, but not from the heart of Europe.

The Poles have suffered much, but have given more—they have given themselves. When Joseph Conrad left Poland, one could hardly have imagined that, after having learned English at 18 years old, he would go on to become the quintessential English writer of his period.

In the United States, we have enjoyed the talents of many Polish-Americans. After Germany moved through Europe, Wanda Landowska left her Paris school and came to America to grace us with her music. As harpsichordist, pianist, and composer, she enlivened the world and transcended the misery of what was occurring in her home country.

With the artistry of Wanda Landowska and Joseph Conrad, the world is a better place, as is America graced with the fortitude of such distinguished Polish-American leaders as Senator Edmund Muskie. Senator Muskie helped break ethnic barriers that this Senator knows all too well. Let us not forget the world leadership of a man I mentioned the last time I spoke on this topic: Pope John Paul II.

Mr. President, let us never forget the differing components that have created this great country and made us all Americans.

Thank you, Mr. President.●

DR. NORMAN J. ORNSTEIN

● Mr. MOYNIHAN. Mr. President, last Friday, July 26, I introduced into the RECORD a passage from Norman J. Ornstein's recent essay, "The Politics of the Deficit," which appeared in "Essays in Contemporary Economic Problems", a volume edited by Philip Cagan for the American Enterprise Institute. In my remarks, I referred to Dr. Ornstein as a "respected economist." He is most assuredly respected, but he is in fact a political scientist, and one of our distinguished students of the Congress. Through an error in transcription, for which I alone am responsible, I am also to be read referring to him as a "conservative." He is not that either, in the accepted sense of an advocate of certain policies. Nor yet is he a "liberal" political scientist. He keeps his politics to himself and reserves his objectivity for the profession he serves so well.

I apologize to the Senate and most especially to Dr. Ornstien.●

DR. YURIY ORLOV AND HELSINKI MONITORING GROUPS RELEASE

● Mr. D'AMATO. Mr. President, I rise today as a cosponsor of Senate Joint Resolution 166, introduced by my good friend and colleague, the senior Senator from Minnesota. This resolution appeals for the release by the Soviets of Dr. Yuriy Orlov and other members of Helsinki monitoring groups.

Today we commemorate the 10th anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe. It is a sober commemoration, however. Soviet and Eastern bloc respect for human rights has not improved since 1975. These nations have not lived up to either the spirit or the letter of the Helsinki Final Act.

When the accords were signed, monitoring groups were formed within the Soviet Union and its satellites. Although such groups thrived in the beginning, by the late seventies they faced annihilation. One of the most harshly treated monitoring groups was the Moscow Helsinki Watch Group.

This group was founded by Dr. Yuriy Orlov in 1976. Because of his efforts, Dr. Orlov was arrested in 1977 and sentenced to 7 years at hard labor and 5 years of internal exile. Dr. Orlov is currently forced to live in a remote part of Siberia where his health has deteriorated. He suffers from chronic illness and has lost all of his teeth.

His fate is shared by most of the members of the Moscow Helsinki Watch Group. Fifty-one members of that ill-fated group are incarcerated in prisons, labor camps, psychiatric hospitals, or are serving terms of exile. Eighteen members of the group have had to emigrate. Most tragically, three have died as a result of years of mistreatment at the hands of the ruthless Soviet regime. Such atrocities have been repeated throughout Eastern bloc nations. These actions are the ultimate proof of Moscow's contempt for the Helsinki Final Act.

Senate Joint Resolution 166 calls upon the Government of the U.S.S.R. to release Dr. Yuriy Orlov from exile and allow him to emigrate. This resolution also urges the President to instruct the Secretary of State to raise the case of Dr. Orlov publicly and privately with the Soviet Government. As a man of great hope, I think the release of Dr. Orlov would be a great first step toward beginning a new Soviet era of respect for human rights and to justify its signature on the Helsinki Final Act.

I urge my colleagues to join with me in cosponsoring of this important resolution.

Thank you, Mr. President.●

APPEAL OF SEPARATED SPOUSES

● Mr. LUGAR. Mr. President, I recently received an appeal from a group of Soviet citizens separated from their American spouses. One of the authors is Irina McClellan who has not even been permitted to see her husband since their marriage in 1974. This is the longest unresolved binational marriage case in which the American and Soviet spouses have not been permitted to be reunited.

Another of the authors of the appeal is Yuriy Balovlenkov who recently ended a prolonged hunger strike begun on March 25 to call attention to his efforts to be reunited with his wife and children in the United States. He was briefly hospitalized in mid-June and remains in serious condition.

Members of Congress as well as the U.S. Government have consistently urged Soviet authorities to adopt a more favorable attitude toward Soviet citizens who have applied to be reunited with their American spouses. In bilateral meetings, including those between Foreign Ministers, the United States has repeatedly stressed its desire to see these cases resolved. The Department of State maintains a list of those Soviet citizens who want to be reunited with their American spouses, but have been denied exit permission. It is presented to the Soviets at regular intervals and at the highest levels.

The authors of this appeal are included on the list of separated spouses, but their cases are of particular concern because they represent some of the longest enforced separations of husband and wife. The Department of State and the U.S. Embassy in Moscow have raised these cases repeatedly. Unfortunately, the Soviet Government has not been responsive to American efforts. While the Soviets claim to respect the principle of family reunification, their actions belie their words.

I ask that a copy of the appeal of the separated spouses as well as brief descriptions of the efforts which each of the authors of this appeal has made to obtain Soviet exit permission be printed in the RECORD.

For these Soviets, harassed by their own Government and denied the opportunity to live with their American spouses, U.S. support is the one hope that the Soviet Government will fulfill its Helsinki commitment and allow them to rejoin their families. Ten years ago, the Soviet Government promised to "deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family."

Mr. President, I intend to do whatever I can to encourage the Soviet Government to keep that pledge.

The material follows:

APPEAL OF SEPARATED SPOUSES

We appeal to you for help. Today, ten years after the signing of the Helsinki Agreement, we citizens of the Soviet Union remain forcibly separated from our wives, husbands and children. All our efforts, as well as those of our spouses, to reunite our families have been without success. We have been refused the right to live together with our loved ones for untenable or fictitious reasons, or, in some cases, for no reason at all. Our repeated appeals to the leadership of the Soviet Union remain unanswered. We have been deceived and even mocked by the official representatives of the very country which claims to be a guiding force in the forefront of the movement for security and cooperation in Europe. With every year, enduring in this forced separation from our loved ones, we continue to hope that at some point, the high humanitarian principles which have been enunciated will be fulfilled and will replace our bitterness and disillusionment.

If you still believe in the ideals to which you obligated yourself ten years ago in the concluding act of the Helsinki Conference, we appeal to you for help in proving that the words of the act were not empty fairy tales. For we are convinced that so long as national borders separate husbands and wives, parents and children, the people of the world will remain as far from the ideals of cooperation and mutual accord as in the worst periods of human history. So long as

national borders divide even one family, there will be no peace in the world.

Respectfully,

Yuriy Balovlenkov, Roman Kuperman, Sergey Petrov, Irina McClellan, Elena Kapland, Mikhail Iossel, Andrei Planson, Tamara Tretyakova, Matvey Finkel, Elena Rose.

CASE HISTORIES

YURIY BALOVLENKOV

Elena Kusmenko, an American citizen, married Yuriy Balovlenkov in December 1978. They have two daughters by their marriage. Only one has ever seen her father. Balovlenkov went on a hunger strike of several weeks' duration in the spring and summer of 1982 with the objective of gaining exit permission. At a July 1982 press conference, the Director of the Moscow Office of OVIR stated that Balovlenkov had only been "temporarily" refused exit permission. At that time, he reportedly received private assurances that his case would be favorably resolved by January 1985. In February 1985 Embassy Moscow made a representation to the MFA in support of Balovlenkov's request that his previously denied application for exit permission be reviewed. The Soviets denied his appeal in May, and he again made a new application. He has been on a hunger strike since March 25 protesting Soviet denials of his applications to be reunited with his wife and children. He was hospitalized at his own request on June 14.

ROMAN KUPERMAN

Fran Pergericht, an American citizen, married Roman Kuperman on February 24, 1982. Both are Jewish. Mr. Kuperman did not apply for Soviet exit permission until after his marriage. His father reportedly was a Colonel in the Soviet army, but does not oppose his son's efforts to be reunited with Ms. Pergericht. Mr. Kuperman's first application for exit permission was denied in March 1982. Subsequently, he has been denied three more times, most recently in January 1985. The Soviets have on several occasions denied Kuperman's wife the right to visit him in the Soviet Union.

SERGEY PETROV

Virginia Johnson and her Soviet spouse Sergey Petrov were married in February 1981. Mr. Petrov has been refused Soviet exit permission a number of times since then. He joined Balovlenkov and a number of other separated spouses in an unsuccessful hunger strike during the spring/summer of 1982. His last application was made on October 1984.

IRINA MCCLELLAN

Irina and Woodford McClellan were married in 1974. This is the longest unresolved binational marriage case in which the American and Soviet spouses have not been permitted to be reunited. She last applied for permission to emigrate in August 1984. Since their marriage, the McClellans have not been permitted even to see one another. All of Professor McClellan's applications to visit his wife have been denied over the past ten years. Mrs. McClellan's August 1984 application for exit permission had been solicited by OVIR, making her denial all the more difficult to understand.

ELENA KAPLAN

Gary Talanov (formerly Kaplan) married his Soviet spouse Elena Kaplan in April 1978 in Moscow. Elena last applied for Soviet exit permission in September 1984. She has been refused at least five times in applying for Soviet exist permission since their marriage. Elena again applied for exist permission in September 1984 and was denied.

MIKHAIL IOSSEL

Edith Luthi married Mikhail Iossel in August 1981 while she was in the Soviet Union for a six-week study tour. Since then, Iossel has applied for an exit visa three times and has been refused on each occasion. The couple has one son. To increase their chances of reuniting, Iossel quit his job as a computer programmer soon after the marriage. His father, a physicist, recently retired.

ANDREI PLANSON

Andrei Planson who married Carolyn Justice, an American citizen in 1981. He has been refused an exit visa on six occasions. He has not yet seen their newborn son. The couple believe that Planson's father's job as an engineer dealing with sensitive matters may be the major impediment to their reunification, an explanation given to them in 1982 by a Leningrad party official. Although the father has since been fired from his job and expelled from the Communist Party, the Soviet authorities have stated that Planson's situation remains unchanged.

TAMARA TRETYAKOVA

Tamara Tretyakov married Semyon Livshits (who has since changed his name to Simon Levin) in 1978 in the Soviet Union. Mr. Levin emigrated to Israel a month later in 1978 and subsequently moved to the U.S. later that same year. His wife was forced to remain in the USSR as she was about to give birth to their child. Since then she and their son, Mark, have applied for exit permission to join Simon, and have been repeatedly refused. The reason given is that Tretyakova had worked on a military construction site. In early 1985, Tretyakova went on a hunger strike in an attempt to encourage officials to allow her to join her husband in the U.S. She was finally persuaded to end her hunger strike and is still slowly recovering. In late April, Simon was awarded custody of their son Mark by an Illinois court. He has also been trying to obtain a visa to visit his wife and son in the Soviet Union, but has been constantly denied.

MATVEY FINKEL

Susan Graham and her Soviet spouse Matvey Finkel were married in December 1979 in Moscow. Since that time, Mr. Finkel has been denied exit permission numerous times, most recently in June 1984.

ELENA ROSE

Elena Rose is a Soviet citizen, married to Scott Jeffrey Rose of Austin, Texas. The couple has been married since 1983. Elena and her step-daughter, Julia Vadimovna Begun, have twice been denied permission to emigrate since their first application in December 1983.●

S. 1084, A BILL TO AUTHORIZE APPROPRIATIONS FOR THE CORPORATION FOR PUBLIC BROADCASTING

● Mr. MOYNIHAN. Mr. President, I rise today to ask that I be added as a cosponsor to S. 1084, a bill to authorize appropriations for the Corporation for Public Broadcasting [CPB].

I have been, and will continue to be, a strong supporter of public broadcasting. I am therefore, very concerned about its present and future funding.

Last year, I first cosponsored S. 2846, and then, after President Reagan exercised his "pocket veto" authority to kill that bill, I voted for a compromise funding measure, S. 607. This too, was vetoed by the President.

S. 2846 had 52 Senate cosponsors, was reported unanimously by the Senate Commerce Committee, and passed this body by a voice vote. The bill also enjoyed strong support in the House, which approved it by a vote of 302 to 91. Despite this broad-based support, the President claimed it would have increased Federal support for public broadcasting "too much, too fast." In fact, the legislation barely would have made up for the deep cuts in CPB's authorization during the early years of the administration.

The legislation I cosponsor today would authorize expenditures of $200 million for CPB in fiscal year 1987, $20 million less than its authorization in fiscal year 1983. I do so not because I wish to cut funding for this important organization, but rather because the President has made it clear that he will not accept anything more.

I am deeply disappointed with the administration's position. One year ago, in his veto message for S. 2846, the President acknowledged that, "Public broadcasting constitutes an important national resource and contributes to the diversity of news, information, and entertainment choices available to the public." The President has compared television, its programs, and its stars to neighbors who provide continuity and reassurance to their viewers. And, the President has committed himself to excellence in education.

I am troubled, because at the same time that the President makes statements such as these, he seeks to cut funding for an organization that promotes learning among our children with such programming as "Electric Company," "Mr. Roger's Neighborhood," and "Sesame Street." I do not worry that such cuts will make it harder to invite such distinguished guests as the "Morning Edition" to breakfast, "The McNeil-Lehrer New Hour" to dinner, or "Upstairs, Downstairs" for an evening at home.

Mr. President, this bill reflects the political realities of the President's previous vetoes of authorizations for the CPB. I continue to favor the level of support in the original authorization passed last year, but given the pressing need to approve forward funding for public broadcasting in this Congress, I do support S. 1084.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the Congressional Record this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Mr. David M. Strauss of the staff of Senator Quention Burdick to participate in a program, sponsored by the World Affairs Council, to be held in Jordan and Israel from August 3 to August 11, 1985.

The committee has determined that participation by Mr. Strauss in the program in Jordan and Israel, at the expense of the World Affairs Council, to meet with Jordanian and Israeli officials, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Timothy Ridley of the staff of Senator Frank Lautenberg to participate in a program in Taipei, Taiwan, sponsored by Soochow University, from August 2–10, 1985.

The committee has determined that participation by Mr. Ridley in the program in Taiwan, at the expense of Soochow University to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Robert B. Van Cleve of the staff of Senator John Danforth to participate in a program sponsored by the World Affairs Council, to be held in Jordon and Israel, from August 3–11, 1985.

The committee has determined that participation by Mr. Van Cleve in the program in Jordan and Israel, at the expense of the World Affairs Council, to meet with Jordanian and Israel officials, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Owen D. Ambur, of the staff of Senator James Abdnor, to participate in a program in Taipei, Taiwan, sponsored by Tunghai University, from August 3–10, 1985.

The committee has determined that participation by Mr. Ambur in the program in Taipei, Taiwan, at the expense of Tunghai University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Miss Margaret P. Calhoun, a member of the staff of Senator Steve Symms, to participate in a program in Southern Africa, sponsored by the South Africa Foundation, from August 17–29, 1985.

The committee has determined that participation by Ms. Calhoun in the program in Southern Africa at the expense of the South Africa Foundation, to meet with government and business leaders, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Dwight A. Howes of the staff of Senator John Heinz to participate in a program in Taipei, Taiwan, sponsored by Tunghai University, from August 2–10, 1985.

The committee has determined that participation by Mr. Howes in the program in Taipei, Taiwan, at the expense of Tunghai University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Gordon Riggle, a member of the Senate Armed Services Committee, to participate in a program in Taipei, Taiwan, sponsored by Tunghai University, from August 2 to August 10, 1985.

The committee has determined that participation by Mr. Riggle in the program in Taipei, Taiwan, at the expense of Tunghai University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.●

DEPARTMENT OF STATE APPOINTEES

● Mr. McCLURE. Mr. President, before the Senate enters its August recess, there is one matter of some import we should address. This will not require debate or a vote, but over the long run it may be more important than much of the legislation we have been considering in the last several weeks.

It is no secret that many Senators have been seriously concerned about the overall tendency of appointments within the Department of State. In fulfilling their responsibility as Members of this Chamber, they have questioned the policy positions of some nominees; they have sought ample time to investigate the records of certain nominees; they have challenged the propriety of other nominations. In a few cases, Senators have voted against some nominations.

These activities have been within the rules of the Senate. They have demonstrated the rights and responsibilities, not only of individual Senators, but of the Senate itself.

It was, therefore, a matter of grave concern to me—and I think to other Senators as well—to read in the Wall Street Journal of July 9 an article in which anonymous officials at the State Department demonstrated, at best, ignorance of the Senate's role in foreign policy matters and, at worst, contempt for that role. By explicitly likening senatorial opposition to certain departmental nominees to the despicable kidnaping of Americans by terrorists in the Middle East, those officials have done nothing to minimize future problems in the Congress. On the contrary, they have demonstrated the arrogance and lack of judgment which underlie the problems the Department has had in recent months.

One comment in particular deserves close attention, not only by the Senate but by the President as well. According to the Journal, "Some of the other detained nominees, however, joke about taking matters into their own hands: 'Personally, I'm calling for an air strike if someone will give me the map coordinates for Senator Helms' house,' says one, tongue in cheek." That verbal bravado was not only out of place; it was in sharp contrast to the pathetic weakness demonstrated at the same time by those responsible for the implementation of our foreign policy in the Middle East. No wonder the quoted official hid behind the cloak of anonymity. It is unfortunate that departmental functionaries do not speak with equal vigor in defense of U.S. interests in international affairs.

I never thought this would need to be said, but apparently it does: If the President's appointees at the Department of State do not understand the difference between Senators "holding hostage" certain dubious nominations and terrorist holding innocent hostages in Beirut, then it is incumbent upon the President to do either of two things. He must explain the difference to his appointees and make sure they learn the lesson, or he must secure other appointees who will not confuse the two in the first place.

I trust that no one in the administration will mistake this for routine griping. The prerogatives of the Senate are something I have always taken seriously, even when they are exercised by those with whom I personally disagree and for purposes contrary to my own. That is why I urge officials both in the White House and at the State Department to consider carefully the damage that has already been done, and the inconveniences that might still be engendered, by failure to understand the legitimate ways in which Members of the Senate carry out the responsibilities assigned them by the Constitution.●

REV. I. DeQUINCEY NEWMAN

● Mr. HOLLINGS. Mr. President, the Reverend I. DeQuincey Newman resigned from the South Carolina Senate today for health reasons. Rarely have I known a man of such distinction. He is a living testimony to the transformation this country has undergone in the last 30 years, a figure of dignity and strength. In October of 1983 he became the first black person elected to the South Carolina Senate since Reconstruction, and the numbers from that election speak volumes about Reverend Newman as an individual and about the changes he helped bring about in our society. In a district that was only one-third black, he won a 54-percent majority.

Reverend Newman's victory is illustrative of the newest phase of the civil rights movement in America—the influx of black Americans into mainstream politics. One year after his election, three other black men followed him into the State senate after the implementation of a single member district reapportionment plan. This evolution of our political structures is healthy for the Nation. It brings thousands of black politicians into the political process and allows them to reap the benefits of the seeds sown by the great civil rights leaders who came before them.

Reverend Newman, however, is a special case. His service in the senate is truly the result of his own labors. He has pried open the door of opportunity at every step of the political process, and then he has walked through it. He paved the way for blacks to participate in the Democratic Party. Then, he was a leader in the fight for electoral reform that provided entry into public service for blacks. You see, Reverend Newman is not only today's beneficiary of the civil rights struggle—he was also yesterday's leader. He walked with Martin Luther King, Jr. and Roy Wilkins, and was South Carolina's foremost civil rights activist as NAACP field secretary more than 20 years ago. In the years when equal opportunity and equal justice under the law were only a dream for the people of his race, Reverend Newman was on the front line fighting the battles that dismantled the structure of segregation and discrimination. He led the sit-ins, the boycotts, and the demonstrations that roused the conscience of a nation and led to peaceful social revolution. He was once arrested at Myrtle Beach. How far we have come in the last 30 years. And through it all, the Reverend I. DeQuincey Newman was there.

I owe much to Reverend Newman. And for that matter, so does our Nation. It was he who guided me on hunger tours of my State during my first full term as U.S. Senator. He showed me that in this, the greatest and wealthiest of all nations, people were slowly starving to death. Those hunger tours gave me the information and resolve I needed to lead the successful fight in Washington for expanded hunger and nutrition programs.

Mr. President, the people and the government of South Carolina have benefited greatly from the wisdom and expertise of this inspirational individual. I am only sorry that we had to wait so long for him to take public office, and that his tenure had to be so short.●

NATIONAL HIGH-TECH MONTH

● Mr. D'AMATO. Mr. President, I am pleased today to join as a cosponsor of Senate Joint Resolution 165, introduced by my distinguished colleague from Illinois, which designates October 1985 as National High-Tech Month. We should not only be concerned about high tech during October, but throughout the year as well. Therefore, I am pleased to support this resolution that calls attention to the importance of high tech for all of America.

National High-Tech Month celebrates past scientific achievements and inspires future advancement. It is essential that we continue to heighten public awareness and commitment to the technologies that make this country strong and prosperous. Our children must be provided with the necessary scientific information to enhance their understanding of the complexities with which we live.

We need programs that stimulate student interest in science and mathematics, which are vital for continued U.S. technological strength and development. The youth of this Nation need to have educational opportunities that expand their understanding and contributions to the field of high tech. A national focus on high tech will greatly enhance the future of America. To facilitate this goal, one of the highest national interests should be to maintain and to continue to develop U.S. technological strength.

Mr. President, this resolution provides an opportunity to focus public attention on the importance of science and technology. It is part of our continuing effort to make certain that our children are given every opportunity to advance in the field of high tech. Our children must be prepared for tomorrow by understanding the future of high technology today. Therefore, Mr. President, I urge my colleagues to join me in supporting "National High-Tech Month."●

THE BUSINESS TRANSFER ACT OF 1985

● Mr. ROTH. Mr. President, earlier this year I introduced the Business Transfer Tax Act of 1985 [BTT]. At the time I stressed that the BTT should be an integral part of any basic tax reform package that this Congress considers. In the time that has passed since the bill introduction, I have become increasingly convinced that the BTT should, and will, become a part of the tax reform package that will be produced by this body.

I am especially gratified by the support for this concept shown by members of the Senate Finance Committee. In hearings and in public appearances many Finance Committee members have endorsed the concept of a BTT and it is my feeling that if that committee were to mark up a bill today that the BTT would be an important part of that bill.

There has been considerable response to the President's tax reform proposal and it is the nature of this response that indicates just how crucial an addition a BTT would be. In order for tax reform to be politically viable it must enjoy broad support from the most productive sector of our economy—the middle class. As it is currently formulated, the President's plan cannot hope to achieve the type of middle class support it needs. The plan must be altered and the best way to achieve the desirable result is a further reduction of marginal tax rates.

The plan is also seriously deficient in the way it treats business capital. In 1981 there was a philosophy in this administration that held that removing the bias against investment in physical capital was essential to long run economic growth. In the current document there seems to be an almost singular obsession in removing differences in effective tax rates across investments even if it leads to an increase in the overall cost of capital to American business and a decrease in overall investment. An increase in the bias against investment runs counter to a progrowth philosophy but such an increase is evident in the President's proposal.

A third area of deficiency concerns personal savings. A New York Times editorial of July 5, 1985 makes the point that the Japanese have enjoyed such success internationally because of their tax treatment of saving and resultant hefty savings rates. The editorial gones on to say that if tax reform does not address the bias against saving in our Tax Code, then we would be missing a grand opportunity.

These three deficiencies in the President's plan can be corrected if the BTT is incorporated into tax reform. The BTT will also be a big step toward correcting biases against American goods in the international trade arena.

Mr. President, when we return from the August recess I will propose a package that corrects the three problems with the administration plan and creates a revenue neutral package by implimenting a BTT. This package will transform the President's plan into one that will enjoy broad middle class and business support. It will transform the plan from one with no promise of accelerated economic growth into one that will set the stage for economic growth for years to come. And finally, my package will result in a Tax Code that will aid us in international markets rather than to render us less than competitive.

Specifically, I will propose further rate reduction from the President's plan. I intend to offer a rate structure with the same brackets as the President's plan but with the rates set at 15, 20, and 25 percent.

Second, I intend to make permanent adjustments in the area of capital recovery. The administration's CCRS system is much less generous than the combination of ACRS and the ITC which produces an economic value roughly equivalent to expensing. I am currently weighing options that will allow me to propose a capital recovery system that retains much of the value of current law while equalizing effective tax rates across investments.

Third, the package will contain new individual savings incentives to lessen the bias against personal saving.

There are other areas on both the individual and corporate side that I may wish to address but the three things I just mentioned will provide the basic framework.

Of course the element that makes all these things possible is the BTT. The BTT will provide the revenues to make sure that the package does not increase the deficit. On the other hand, I will vigorously oppose efforts to use the BTT to increase the total tax burden on Americans.

Mr. President, when I first introduced S. 1102 it was with the understanding that the bill was offered for discussion purposes and was not to be considered a final product. Any time a brandnew tax system is proposed it is bound to contain problems of a technical nature. I freely solicited input from my colleagues and from the business community. The response was most gratifying. I found in the business community general support for the concept and a desire to change the course of American tax policy to reflect our country's position in the world economy of today.

Beyond the general support expressed so far, I find that the business community is constructively studying the specific details of S. 1102. I have already received a series of communications which identify both substantive and technical questions that need to be addressed for specific industries or for the BTT as a whole. For instance, the bill currently allows the BTT as a credit only against the employer's share of FICA taxes. This could result in a larger net BTT payment than is justified. For basic industries which have large carryovers of income tax credits and net operating loss carryovers, the impact of a large new BTT liability is a concern. Some intellectual labor intensive industries view the BTT/FICA credit approach as too harsh. Companies which import raw materials and other goods from their own foreign affiliates are raising concerns about the appropriate means for including such costs in the BTT base.

During the recess I will be taking a look at the concerns of these and other industries. In some cases we will agree. In other cases we will disagree. I can assure all concerned that I am open to discussion on all issues and the general support I have already received assures me that we can fashion a tax package with the BTT as its cornerstone which will provide economic benefits for the middle class, and provide an environment of growth for years to come.●

TRANSPORTATION SAFETY RULES

● Mr. DANFORTH. Mr. President, yesterday, Secretary Dole announced the Department of Tranportation's adoption of new safety rules dealing with alcohol and drug abuse on the railroads. I commend the Secretary for her determination to address this serious problem and for her efforts to develop comprehensive rules that would protect the public and railroad employees from the consequences of on-the-job use of alcohol and drugs. The new rules demonstrate once again that the Secretary is dedicated to saving lives and to improving safety in all the transportation modes.

One year ago, I chaired a hearing to examine the seriousness of the alcohol and drug abuse problem on the railroads and to review what the Federal Government could do to combat the problem.

During that hearing, the tragic dimensions of this problem were only too well documented. For example, Secretary Dole testified that her Department found in a study that 23 percent of railroad operating employees were problem drinkers, that 5 percent of all employees reported to work very drunk or got very drunk while on duty at least once during the study year, and that 13 percent of all employees reported to work a little drunk one or more times during the survey period. Further, the department identified 48 train accidents and incidents since 1975 which were caused by alcohol or drug-impaired employees. These accidents and incidents resulted in 37 fatalities and more than $34 million in property damage.

At the hearing, Secretary Dole announced that she was proposing new safety rules dealing with alcohol and drug abuse on the railroads. Yesterday, the rules became final. The rules: prohibit employees from reporting to work impaired by alcohol or drugs and prohibit on-the-job alcohol or drug use; mandate post-accident toxicological testing for significant accidents; authorize the railroads to test employees for alcohol or drug impairment where there is just cause; require improved accident reporting; mandate preemployment drug screening; and require policies to promote early identification and rehabilitation of problem drinkers or drug users.

The new rules are the first Federal rules dealing with this problem in the railroad industry, and are the product of a long and painstaking process. I am hopeful they will greatly improve railroad safety. In the fall, I plan to hold additional hearings on the problem of alcohol and drug abuse on all the transportation modes. In the meantime, I want to bring these new rules to the attention of our colleagues, and to commend Secretary Dole. The new rules are an important addition to her impressive list of safety initiatives, which includes a rule to require automobiles to have high-mounted stop lights, a rule to require the retrofitting of railroad tank cars carrying liquid flammable gases, a new program to provide for low-cost improvements at railroad-highway grade crossings, a rule to minimize the possibility of serious fires in aircraft cabins, and a rule to tighten the standards governing the use of alcohol and drugs before flight by airline pilots and attendants.●

BAD NEWS ON FOREIGN STEEL IMPORTS AND U.S. STEEL PRODUCTION

● Mr. HEINZ. Mr. President, the International Iron & Steel Institute [IISI] has just released the crude steel production figures for the first half of 1985, and the news is bad. Compared to the first 6 months of 1984, U.S. steel production has dropped by 12 percent. Of the 30 major world producers of crude steel sampled, only Denmark has a greater decline.

In contrast, steel production has increased by 5.7 percent in the United Kingdom and by 4 percent in the Federal Republic of Germany. Production has also increased in newly industrializing countries [NICs] like Brazil—up 7 percent—and Venezuela—up 13.4 percent. These increases have occurred despite a 1-percent drop in the production of the 30 major producers of crude steel. This rise in the steel production of certain European Community Countries and some NIC's in the face of lower United States and world steel production is indeed a worrisome development. It means that less efficient producers are delaying

adjustment and forcing their unemployment on the United States.

That U.S. steel production is down and foreign steel production is up is clearly revealed in the American Iron & Steel Institute's [AISI] June figures for imports of steel mill products. Steel imports rose sharply in June to 2.4 million tons. The June import penetration level is at 28 percent which is substantially higher than the 18.5 percent level set by the President. Canada—up 41 percent—and the EEC—up 19.9 percent—have been the worst violators during this most recent import surge.

The link between lower U.S. steel production and rising steel imports is obvious. We must, therefore, take steps to equalize the pace of adjustment in countries such as the United Kingdom, Federal Republic of Germany, Brazil, and Venezuela, so that the amount of steel imported into the United States is reduced. As I have also stated before, we must make the President's voluntary export restraint agreements comprehensive to include Canada; and we need to renew and expand our steel agreement with the European Community.

Ignored, the steel crisis can only grow worse. I urge Senators to promptly consider some response to this problem. I ask that the IISI and AISI data I have mentioned be printed at this point in the RECORD.

The material follows:

MONTHLY CRUDE STEEL PRODUCTION

[In thousand metric tons]

	June 1985	May 1985	June 1984	Percent change June 1985/1984	6 months		
					1985	1984	Percent change
Belgium	[illegible]	976	1,046	−13.4	5,490	5,877	−6.6
Denmark	43	43	[illegible]	19.4	233	[illegible]	−22.6
Federal Republic of Germany	3,649	3,406	3,221	13.3	20,522	19,732	4.0
France	1,674	1,692	1,644	1.8	[illegible]	9,924	0.4
Italy	2,093	2,143	2,160	−3.1	[illegible]	12,470	−0.8
Luxembourg	328	329	316	3.8	[illegible]	1,992	[illegible]
Netherlands	[illegible]	450	[illegible]	2.3	2,736	2,776	−1.4
United Kingdom	1,449	1,449	1,264	14.6	8,205	7,764	5.7
Economic Community total	10,631	[illegible]	10,165	4.6	61,527	[illegible]	1.1
Austria	[illegible]	[illegible]	[illegible]	1.6	[illegible]	2,440	−2.3
Finland	[1] 240	247	[illegible]	24.4	1,417	1,330	6.5
Norway	[1] 68	70	[illegible]	−16.0	[illegible]	461	−1.5
Portugal	54	49	55	−1.8	332	[illegible]	0.9
Spain	1,167	1,232	1,183	−1.4	7,199	[illegible]	3.6
Sweden	379	472	[illegible]	−3.8	2,616	2,527	3.5
Turkey	[1] 380	393	[illegible]	12.1	2,343	2,070	13.2
Yugoslavia	[1] 345	355	[illegible]	−2.8	2,075	[illegible]	−0.9
Canada	[1] 1,220	1,263	1,254	−2.7	7,302	7,649	−4.5
United States	6,622	7,103	7,208	−8.1	40,919	46,524	−12.0
Argentina	257	238	256	0.4	1,272	[illegible]	0.3
Brazil	1,691	1,759	1,474	14.7	[illegible]	[illegible]	7.0
Chile	54	[illegible]	50	8.0	343	[illegible]	−4.2
Mexico	[1] 585	[illegible]	613	−4.6	3,660	3,741	−2.2
Venezuela	[1] 250	255	[illegible]	8.7	1,511	1,332	13.4
Australia	529	531	524	1.0	[illegible]	[illegible]	−2.1
India	[illegible]	[illegible]	815	6.5	5,357	[illegible]	1.5
Japan	8,765	9,159	8,719	0.5	[illegible]	52,150	2.6
Republic of Korea	1,136	1,143	1,084	4.8	[illegible]	[illegible]	3.2
South Africa	[1] 675	[illegible]	[illegible]	12.9	4,058	3,780	7.4
Taiwan (Republic of China)	[1] 430	445	457	−5.9	2,457	2,582	−4.8
Nigeria	34	27	10	240.0	[illegible]	[illegible]	41.5
Total 30 countries	36,764	37,735	36,435	[illegible]	[illegible]	[illegible]	−1.0

[1] Estimated.

IMPORTS OF STEEL MILL PRODUCTS FOR JUNE 1985

Country of origin	June 1985 net tons	May 1985 net tons	Percent change June 1985 May 1985	June 1984 net tons	Percent change June 1985 June 1984	1985 year-to-date net tons	1984 year-to-date net tons	1985–1984 percent change year to date
Japan	629,233	562,191	+11.9	[illegible]	+45.1	3,480,663	3,218,756	+8.1
European Economic Community	666,174	555,727	+19.9	342,035	+94.8	3,537,690	2,668,439	+32.6
Canada	319,607	225,679	+41.6	278,343	+14.8	1,538,481	1,684,220	−8.7
All Others	746,751	617,238	+21.0	721,787	+3.5	4,427,553	4,885,920	−9.4
Total	2,361,765	1,960,835	+20.4	1,775,968	+33.0	12,984,387	12,457,334	+4.2

IMPORTS AS A PERCENT OF DOMESTIC APPARENT SUPPLY

[Because shipment data takes longer to compile, the tables below will always be a month behind the import date above]

Time period	Shipments	Plus imports	Minus exports	Equals apparent supply	Imports as a percent of apparent supply
May 1985	6,519,065	1,960,835	84,930	8,394,970	23.4
May 1984	6,948,118	1,997,646	90,031	8,855,733	22.6
Year-to-date 1985	30 881,771	10,622,622	371,921	41,132,472	25.8
Year-to-date 1984	32,841,363	10,681,262	[illegible]	43,120,559	24.8●

VENTURE MAGAZINE ARTICLE ADVOCATING PASSAGE OF SMALL BUSINESS PARTICIPATING DEBENTURE (SBPD) LEGISLATION

● Mr. WEICKER. Mr. President, last Thursday, July 25, 1985, I introduced S. 1498, legislation to create a small business participating debenture (SBPD). This financing instrument, which is designed to open up new sources of capital for our Nation's small businesses, was one of the top five recommendations of the 1980 White House Conference on Small Business. It was also the No. 1 recommendation of the 1982 and 1984 SEC Government-Business Forums on Capital Formation mandated by Congress. The participants of these forums, as well as the small business community, strongly support the creation of an SBPD as a much needed measure to help fill the capital formation needs of small business.

Mr. President, in the December 1984 issue of Venture magazine, a monthly publication addressed to venture capitalists and other entrepreneurs, Arthur Lipper III, the publisher and chairman of Venture magazine, urged the Congress to legislate quickly to make SBPD's a fact of life for small businesses. It is the thinking of Mr. Lipper and others that will, in the final analysis, help Congress to see the need for passing this important legislation to ensure that our small businesses will have access to affordable capital necessary to expand and create new jobs.

I ask that Mr. Lipper's article be printed in full in the RECORD.

The article follows:

CHAIRMAN'S COMMENT

The unemployment conundrum: It is generally accepted that one of America's most pressing problems is that of under- and unemployment. The problem is particularly acute because it affects both youth and minorities. Unemployment is at it most socially disruptive when found in combination, when minority youth are unsuccessful in their search for meaningful employment.

It is also generally recognized that our country's largest companies' primary management objective is increased productivity, which is reflected as an ongoing attempt to reduce the number of employees per unit produced. Only the most optimistic of future-tellers would predict that, in aggregate, the larger U.S. companies will ever again create a single net new job. At best, only replacement jobs will be created and their numbers, in the case of many companies, will decrease as managers allow attrition to function as the most painless and politically acceptable means of accomplishing their objective.

It is a fact that, of the net new jobs created, more than 66% will be created by companies employing fewer than 20 people. And more than 75% of net new jobs are created by companies that have been in business for less than five years.

It is broadly believed that most new companies fail during their first five years to achieve the financial predictions and objectives of their founders and frequently, particularly in their first year, fail financially. Further, it is known that most small companies are only marginally profitable after compensating their owner-managers.

Therefore, it can be observed that one of our country's major socioeconomic problems is being addressed, albeit inadequately, by companies that themselves are financially frail. Obviously, this is a dilemma of national significance.

Two questions arise: Is there anything the federal government can do to help? Should government even try to help? I am of the view that the government *must* attempt to help young businesses. The future economic, and perhaps social, stability of this country rests not only with small businesses, but even more so with young businesses. These young businesses usually start small but frequently do not remain so. These soon-to-be-*not*-so-small businesses are of special interest to our readers.

The federal government can assist in at least three areas. The first is by legislating that, in the first five years of a company's existence, retained earnings be tax free. The second is that the government adopt VENTURE Magazine's policy of sponsoring "profit education" by encouraging teacher training in free enterprise economics. The broader the understanding of the principles of profit making, the more positive will become the popular attitudes regarding free enterprise. The third area of assistance is a recognition of the essential role performed by entrepreneurial investors. In accepting the risk of total financial loss, they provide the fuel to set the process in motion. Such positive recognition could take the form of deferring a capital gains tax for funds reinvested in other new businesses within a specified period. A similar capital gains tax deferral is already available to homeowners purchasing a new home with proceeds from the sale of their former home. Certainly company formation, which is reflected in job creation, is as worthy of tax relief as individual residential upgrading.

To further induce owner-managers of businesses not only to hire but also to educate youth, particularly those who may be socioeconomically disadvantaged, tax incentives could be offered to companies for employees who can demonstrate significant skill enhancements, to the point that they are worth more to their employers and to themselves. In other words, a tax credit for promoting new workers *on the basis of demonstrated merit and contribution* specifically over those with greater seniority. This would create a significantly increased competition by entry-level employees in terms of striving for excellence, which can only benefit the enterprise and establish a continuing positive attitude by rewarding extra effort. Managers should be assisted in their need to continually improve the quality of available human resources.

The importance of investors: Finally, as readers of my book, Venture's *Guide to Investing in Private Companies*, know, I believe that in certain cases investors should be rewarded for their risk assumption by sharing in an investee company's revenues (rather than, or in addition to, profits) by holding a Revenue Participation Certificate. The Treasury could propose such payments be classified as long-term capital gains rather than income and yet still be deductible to the company. In this way companies could negotiate a lesser percentage payment due to the more favorable tax effect for the recipient. In any case, Congress should legislate quickly (an oxymoron) Small Business Participaitng Debentures. These instruments could provide lenders with a fixed return, plus profit participation, and a long-term capital gains tax result, while allowing the companies to deduct the payments.

If you believe some of the above thoughts could be constructive if enacted and applied, send a photocopy of this page (permission granted) to your representatives in Washington. Incidentally, the best description of Washington I've heard is, "a city of 35 sq. mi. surrounded by reality" and I should know; in 1945 I served as a U.S. Senate page and had a wonderful opportunity to learn the workings of a democracy that was designed to be, and once was, a meritocracy.—Arthur Lipper III, Chairman.●

THE VOYAGE OF CHRISTOPHER COLUMBUS

● Mr. D'AMATO. Mr. President, I rise today in honor of the upcoming anniversary of the voyage of Christopher Columbus. Just 2 weeks ago we celebrated National Space Week to honor the successful missions of our own space shuttle and the breaking of Earth's boundaries. In the face of such mammoth achievements, it is helpful to keep a keen perspective of our progress by looking back on endeavors such as Columbus'.

On August 3, 1492, Columbus left Palos, stopped briefly in the Canary Islands and then bravely continued on to the New World. While this may seem insignificant in comparison to reaching the Moon, we must remember that, in 1492, the Atlantic still was believed by most wise men to end by flowing off the edge of the world.

It had taken Columbus years of pleading with both Portugal and Spain to receive a commission to set sail. In the end, Christopher Columbus was about to approach Charles VIII of France when the court of Spain called him back. As we all know, Ferdinand and Isabella finally did lend their finances and support to the voyage.

Expecting to find an easier route to the Far East, the *Nina*, the *Pinta*, and the *Santa Maria* sailed on through August, September, and into October. How could Columbus have believed he would quickly reach China or Japan? Evidently, Marco Polo, who Columbus used for information, had never been to Japan and had incorrectly placed it 1,500 miles east of China. Also, Columbus utilized two bad theories of Ptolemy: His underestimate of the globe's circumference and his overestimate of the eastward extension of Asia.

In the end, it all seemed plausible to Columbus, who died without knowing he was wrong, and to the Spanish court. Then final arrival in what was thought to be the Far East must have been breathtaking. Around 10 o'clock on the night of October 11, 1492, Columbus saw a light. The *Pinta* was sent ahead and a sailor named Roderigo de Triana made the first unquestionable sighting at 2 in the morning. The anchors were then lowered and the brave explorers anxiously waited offshore until dawn.

We can only imagine the exhilaration they felt when dawn rose on the New World that October morning. To the men of the *Nina*, the *Pinta*, and the *Santa Maria*, the sight of the island of San Salvador must have been more exciting than the view of the astronauts looking from space on the Earth, for Columbus and his crew were beholding the vision of a heretofore undreamed of world.

The courage that guided Columbus 493 years ago is still with us today. When scientists open up the atom to see untold answers to the questons of science and when composers create symphonies from imaginary notes in their mind, then we know the challenger spirit is still alive.

Every October 12 we celebrate Columbus finding the New World and in a catalytic way spurring the creation of the United States. However, on August 3 we can celebrate the fortitude and courage that it took to convince Western Europe that more did exist and to convince those who would sail on the voyage that they would not drop off the edge of the Earth.

Thank you, Christopher Columbus for challenging superstition and moving mankind forward and thank you, Mr. President, for providing me the opportunity to make these few remarks today.●

COLORADO DAY

● Mr. ARMSTRONG. Mr. President, with these words a New York newspaper greeted Colorado's admission to the Union on this day in 1876: "There is something repulsive in the idea that a few handfuls of miners and reckless bushwackers should have the same representation in the Senate as Pennsylvania, Ohio, and New York."

While I have no doubt that those sentiments are no longer shared by New York newspapers nor certainly by my colleagues from Pennsylvania, Ohio, and New York, I could not let this day pass without stopping to pay homage to the "few handfuls of miners and reckless bushwackers" who fought for Colorado statehood.

It was not an easy fight.

Enabling legislation allowing Colorado to become a State first passed the Congress in 1864. According to one account, the motives were more political than civic. My party, the Republicans, were worried about the reelection of President Lincoln and hoped to bring some more electoral votes to his side by rushing through statehood for some of the Republican leaning territories—Colorado included.

Unfortunately, the Colorado voters rejected the proposed State constitution and with that put to an end this early chance for statehood. President Lincoln, as we know, was reelected without the help of Colorado electoral votes.

Advocates for statehood tried again a year later. They wrote another State constitution; squeaked this one past the voters by less than 200 votes; and ran head on into opposition from the new President, Andrew Johnson. President Johnson refused to issue the proclamation of statehood and argued that, with the first defeat by Colorado voters, the enabling legislation was no longer valid.

Colorado lived, some say suffered, under territorial government for another 10 years.

On December 8, 1873, in the first session of the 43d Congress, House bill 435 was introduced "to enable the people of Colorado to form a constitution and State government, and for the admission of the said State into the Union on an equal footing with the original States."

The bill was reported to the Committee on Territories and debated on the House floor on June 8, 1874. A few amendments were discussed; someone asked about the value of salt springs; and then the bill was passed 171 to 66.

On February 24, 1875, the Senate debated H.R. 435 at some length; considered a number of amendments; and then passed the bill by a vote of 42 to 12.

With amendments adopted by both Houses of Congress, more work was needed before the bill was ready for final passage. But reflecting the troubled history of Colorado statehood, that final action was another cliff-hanger.

On the last day of the session, March 3, 1875, a motion was made in the House to pass both the Colorado and New Mexico statehood bills and to agree to the Senate amendments. That motion failed.

We do not know the details, but can imagine a series of quick meetings off the floor or in the House cloakroom to work out the problem. Whatever the nature of these conversations, they were successful. Later that same day another motion was offered to pass just the Colorado bill with Senate amendments and not the New Mexico bill. That motion was adopted and enabling legislation for Colorado statehood passed into law.

Colorado went to work on a new State constitution, put that to the voters on July 1, 1876, with a favorable result, and on August 1, 1876, President Grant issued the necessary proclamation for statehood.

Thanks to those "few handfuls of miners and reckless bushwackers," we celebrate today as Colorado Day.●

SALUTE TO POLISH AMERICANS

● Mr. SIMON. Mr. President, on Wednesday, July 31, House Joint Resolution 106 was signed into law designating this August as Polish-American Heritage month. I believe that Polish-Americans have played an important role in American society and have greatly contributed to the rich fabric of American life.

Americans of Polish descent have fought in our wars, helped guide our national policy, and have enriched all of our lives through their leadership in the educational, business, cultural, scientific, Government, athletic and entertainment worlds.

I believe that this month will be a very special time for Polish-Americans throughout this country, and I am especially proud to represent one of the largest concentrations of Polish-Americans in the United States.

Finally, I hope that this commemorative month will not only serve to unite Polish-Americans across the country but will also give the rest of the Nation a chance to experience the beauty, splendor and richness of the Polish culture.●

SILVER ANNIVERSARY OF A REVOLUTIONARY PRODUCT

● Mr. MOYNIHAN. Mr. President, this year marks the 25th anniversary of commercial use of a machine without which we could not function: the plain-paper copier.

In 1960, the world's first such machine was sold by the Haloid Xerox, Inc., a company know in its headquarters city, Rochester, NY, but not much known elsewhere. A single, clear copy produced by the Xerox 914—so named because it could produce copies up to 9 by 14 inches—cost 5 cents, one-third the price of an inferior copy produced by other copying machines of the time.

The company changed its name that year; its product changed forevermore that way the world works.

Writing in the New York Times, on Janaury 14, 1972, James Reston said the Xerox system "now dominates the Federal Government and influences the flow of information in every other big institution in the country."

Today, much the same can be said for all countries. Every second, 18,750 plain-paper copies are made worldwide; 592 billion such every year. Not all, the good folk in Rochester would acknowledge, are made by Xerox products, but our language suggests otherwise.

How often do we hear, "I'd like a xerox of this"; or, "Will you xerox 10 copies of this?" and who among us does not refer to the Xerox machine, even if the copier in question is made by another company? An occasional product is fortunate enough, good enough, to have its trade name fixed in the public mind as the generic name. But it is rare, if not unique, for the trade name to enter our vocabulary as noun, verb, and adjective. This Xerox has done.

Mr. President, on August 20, 1985, David T. Kearns, the chairman and chief executive officer of the Xerox Corp. will present the original 914 machine to the Smithsonian Museum. It belongs there, alongside the Wright Brothers' Flyer I and the other technological marvels that changed our world.

I take an especial pride because the Xerox Corp. is based in New York. But we can all happily acknowledge the past and continuing success of this great American company. It has established a record none can copy.●

PROTECTION AND ADVOCACY FOR MENTALLY ILL PERSONS ACT OF 1985

● Mr. SIMON. Mr. President, yesterday the Senate approved by unanimous consent the bill S. 974, the Protection and Advocacy for Mentally Ill Persons Act of 1985. I would like to register my strong support for this bill, which I was pleased to be able to cosponsor.

I have one area of disagreement with the bill which was brought to the floor, but in general it is a good and much needed piece of legislation. Mentally ill persons are among the most vulnerable in our society, and are among the most likely to be victims blamed for their own crime. Senator Weicker and his staff deserve great credit for the concern they have shown for this vulnerable group of persons and for bringing the problem of abuse and neglect of mentally ill persons in residential facilities to our attention.

The Subcommittee on the Handicapped staff report—the result of a 9-month investigation, with onsite inspection of 31 facilities for mentally handicapped persons in 12 States—is a thorough documentation of the conditions in our state-run institutions today. For those of us who would like to believe we have progressed to a humane attitude and treatment toward persons with mental handicaps, the report is extremely disturbing. The testimony we heard before the subcommittee reinforced the findings of the report in a number of areas.

For example, because the Joint Committee on Accreditation of Hospitals and Health Care Finance Administration reviews of institutions occur at predictable times and are primarily a paper review of the overall condition of the institution, they are ineffective in remedying individual cases of abuse. Internal advocacy systems for institutions are hampered by lack of authority to investigate reports of abuse or bring about disciplinary action. Advocacy efforts are also seriously limited in their effectiveness by the lack of sufficient and reliable funding. Testimony also documented the failure of the Office of Civil Rights of the Department of Justice to take prompt action to end flagrant abuses of the civil rights of institutionalized persons.

S. 974 would provide a modest funding authorization for State protection and advocacy organizations to investigate complaints of abuse and neglect of mentally ill persons in residential facilities. This is one relatively small but vital step toward solving the problems we have seen documented. Senator Weicker has stated that he will be taking additional steps through further legislation to address the problems that will not be remedied by this bill. He will have my strong support in those efforts. The record shows there is a great deal more to be done to ensure that mentally handicapped persons are given the care and treatment they need to develop their potential, in addition to being assured of the simple justice of freedom from abuse.

I am grateful to Senator Weicker for agreeing to treat Puerto Rico as a State for purposes of the allocation of funds under this bill. We too frequently treat Puerto Rico in a discriminatory manner when it comes to distributing Federal funds. This occurs despite the fact that there are more Americans living in Puerto Rico than in 25 of our States, and despite the fact that the per capita income of Puerto Rico is only 35 percent of our national average. Any social problem which is related to poverty—and most do have that relationship—is a problem for Puerto Rico as much or more than any other State. I am pleased that this bill does not make the common error of ignoring that reality.

I am also pleased that this bill will permit protection and advocacy agencies to assist individuals who are being discharged from an institution and ensure that their rights are protected as they make the transfer from the institution into a community setting. The discharge process is critical if these individuals are to be successfully placed in the community and not to be found sometime later among the homeless on our streets. The number of homeless in this country is now estimated to be possibly as high as 2 million, and an estimated one-third of our homeless are said to have experienced some form of mental illness. To whatever extent the wholesale emptying of State institutions may have contributed to this situation, we may hope that this bill will prevent the post institutional needs of patients from being ignored in the future.

I regret that S. 974 includes a provision which would establish a dual standard for the payment of attorneys who litigate on behalf of mentally ill persons. Unlike attorneys now awarded fees under other statutes—who are paid on the basis of the prevailing market rate—attorneys who successfully litigate under this legislation would be eligible for reimbursement only for documented expenses. This dual standard is discriminatory in its effect upon low-income persons who must rely upon public advocates, and sets a troublesome precedent for other fee-shifting statutes. A cost-based fee award may be unworkable from a practical accounting perspective. It assuredly will reduce the services—and the effectiveness of services—available to those who most need them. Although I support S. 974 because of its overall benefit to persons who are mentally ill, I hope the bill which moves through the House and conference will not include this double standard for the attorneys of the poor.●

EMPLOYEE EDUCATIONAL ASSISTANCE

● Mr. MOYNIHAN. Mr. President, I would like to inform my colleagues about a report recently published by the American Society for Training and Development [ASTD], entitled "Employee Educational Assistance: Who Pays? Who Benefits?" ASTD is an umbrella organization representing more than 50,000 employers engaged in training and retraining workers, from entry level employees to top management. Its report is the first significant and comprehensive study ever undertaken to assess the impact of tax exempt employee educational assistance, as permitted under section 127 of the Tax Code. The results are noteworthy.

Of 319 employers who responded to ASTD's questionnaire—ranging in size from 43 to 100,000 employees and with a combined employment of 6.6 million—309 offered employee educational assistance. The survey determined that 72 percent of employees receiving educational assistance at these companies have annual salaries under $30,000. The survey also found that lower paid employees are more likely to participate; those earning under $15,000 were twice as likely to receive assistance as those earning over $50,000.

Another beneficiary of educational assistance, according to this study, are the companies which provide the assistance. Apart from helping lower level employees move up the ladder—a good proportion of them women, minorities and the unskilled—educational assistance improves performance on the job, and hence productivity, according to 96 percent of the respondents. And 54.4 percent of the companies said it helps their employees learn basic skills such as reading and writing.

The tax exemption for employee educational assistance is scheduled to expire December 31, 1985. Legislation I am sponsoring with 18 of my Senate colleagues, S. 558, would make section 127 a permanent part of the Tax Code. President Reagan's most recent tax reform plan endorses our proposal. I believe the ASTD study demonstrates most forcefully the worthiness of current law in this area and the need for congressional action to guarantee a permanent tax exemption for employee educational assistance.

Mr. President, I ask that the full text of the ASTD study, "Employee Educational Assistance: Who Pays? Who benefits?," be printed in the Record. I also ask that another ASTD publication, "Taxation of Educational Assistance to Employees," a very informative question and answer discussion of the tax treatment of employee educational assistance, be printed in the Record.

The material, except for charts and graphs which are not reproducible in the Record, follows:

Employee Educational Assistance: Who Pays, Who Benefits

INTRODUCTION

Employee Educational Assistance provisions, added to the Internal Revenue Code in 1978 (Section 127), allow employees to receive educational aid from employers without it being considered personal income. This education provision is due to expire December 31, 1985. In order to gather data on educational assistance use, and to aid in consideration of the extension, the American Society for Training and Development initiated a study of employer-provided educational assistance in the Winter of 1984.

The study was conducted on behalf of the 50,000 employer-based members of the American Society for Training and Development. Motorola, Inc. chaired an ASTD task force on educational assistance that led to the development of the survey instrument. ASTD Government Affairs Director Dorothy Walsh supervised the study. The survey was mailed to 1,000 private and public employers in late February. At the March 29 cutoff date, 319 employers responded. The resulted were tabulated in April.

The study, one of the largest conducted on educational assistance, includes data from a broad cross section of industries and employers. Responding employers include about six percent of today's labor force. Responses ranged from organizations with 43 employees to organizations with more than 100,000 employees.

The survey results show that educational assistance (typically tuition-aid) is a small but important part of work place training and retraining. It is especially significant for upgrading employees, creating incentives for upward mobility, and providing remediation and basic skills training.

Findings from the survey include: 97% of all respondents have educational assistance plans; 87% of respondents with less than 500 employees have educational assistance plans; 72% of participants in educational assistance courses earn less than $30,000 per year; 96% of respondents said educational assistance was used for improving skills on-the-job.

The highest participation rate (14%) was found in organizations with less than 500 employees; 54.8% of respondents said educational assistance helps employees learn basic skills like reading and writing; 91% of respondents cited the local community college as a provider of educational assistance courses.

The survey also found that employers are complying with the requirements of Section 127. For example, 97 percent post announcements, and many employers print materials or brochures on educational assistance. 100 percent responded that other taxable benefits or compensation is not reduced for those employees receiving educational assistance. The law specifically states that educational assistance programs cannot discriminate in favor of employees who are officers, owners or highly-compensated. Our survey data shows that in every case, employers offer educational assistance to a broad cross section of employees with the highest participation rates in the low- to middle-salary levels.

We submit these findings as evidence of the value of educational assistance to participants and in the interest of maintaining the nation's competitive advantage.

Without Section 127, employers will be forced to go back to confusing, vague and discriminatory pre-1979 regulations for educational assistance. Employers would either have to withhold taxes on all educational assistance to employees or determine, on an individual basis whether each course an employee takes is "related" to present job responsibilities. The inevitable result would be to discourage employers from providing educational assistance.—Curtis E. Plott, Executive Vice President, American Society for Training and Development.

What Is Employee Educational Assistance and Who Offers It?

Employee educational assistance (e.g. "tuition aid") is the practice or program of payment, by an employer, of expenses incurred by or on behalf of an employee for courses to benefit the employee.

Sample Educational Assistance Plans:

"The company views your continuing formal education as an essential element in your life-long learning. Employees need to continue the learning process in order to keep up with the rapid rate of technological change."—Metals company.

"It is the company's intent to provide educational opportunities to all eligible employees, to increase their effectiveness on the job and improve their potential. This lessens the need for seeking talent on the outside to meet the needs of the company and reduces the possibility of job obsolescence of employees."—Electronics company.

"It is our policy to encourage the self-development of full-time, regular employees. Whenever such development will improve the employee's effectiveness and value on the job and/or will help to prepare the employee for positions of greater responsibility within the company, we're prepared to absorb part of the cost."—Small manufacturer.

"Every full-time employee is eligible to participate. People who have been with the company less than 90 days may participate only at the discretion of the plant manager."—Illinois manufacturer.

"Our police labor agreement allows $1,000 for educational expenses for uniformed officers. All other employees are eligible, as required for their jobs."—Pennsylvania city government.

"Full-time employees must have been in the employ of the hospital for at least six continuous months prior to the beginning of the course. Part-time employees who have completed five years of service and have been scheduled for 20 hours or more per week are eligible for a total of one-half the reimbursement amount of full-time employees."—Medical center.

Who is Eligible for Educational Assistance?

Percent of all employees eligible for educational assistance by salary levels:

Salary level:	*Percent eligible*
Under $15,000	94.2
$15,000 to 29,999	96.8
$30,000 to 49,999	98.2
$50,000 and over	98.1
Not specified	93.4
Total for all employees	96.6

Source: Table 3.

(Note: In some cases, new employees are not eligible until they have been with the employer for some months.)

Publicity given educational assistance program:

Question: Do you provide employees with information about your program through postings, etc.?

Answer: Yes, 97% No, 3%.

Question: Do you publish materials on your program?

Answer: Yes, 75%, No, 25%.

(Note: Some of those replying "no" include information on their educational assistance program in general brochures.)

Source: Table 4.

Who Participates in Educational Assistance?

"At my age, going back to school was hard. I didn't know a thing about electronics. I think the future jobs are in the electronics area. In addition to tuition help, employees who've been laid off and not receiving UI because of full-time school, are eligible to receive a training allowance equal to half the employee's normal weekly pay."—Laid-off female employee receiving educational assistance.

"Former employees on layoff, who have six months' service, will be able to obtain tuition aid up to $1,200 per year for approved courses. Former employees on layoff will be eligible to receive a training allowance of 50% of weekly pay for a minimum of eight weeks while attending."—Large midwest manufacturer.

"The job-related distinction often seems both ambiguous and restrictive . . . If a person with little or no work experience is employed in an entry-level position, and receives education from his employer to advance to a job requiring some greater skills, the value of that education may be taxable. This discourages self-improvement."—Joint Committee on Taxation Revenue Act of 1978.

"Taking this class will allow me to graduate with an Associates Degree, upgrading my position from LPN to RN."—Hospital employee.

If we did not have a tuition reimbursement plan, many/most of our hourly and office employees would not take advantage of training offered by area colleges."—California manufacturer.

"Tuition aid is particularly valuable for our lower-income employees, who would not otherwise pursue further education."—Tire manufacturer.

"Educational assistance also aids our employees who are on layoff."—Electronics firm.

"Employer-provided educational assistance provides an opportunity for minorities, low-income and first generation employees to gain formal academic credentials, which impact on their mobility in the work place and their standing in the community. Continuing and lifelong learning, through formal academic endeavors, is a sure way to help prevent obsolescence."—New England insurance company.

"Both the city and its employees will benefit if the work force is properly trained. Continuous job and career-related education is encouraged."—City government.

Salary levels:	*Percent*
$15,000 and under	22.0
$15,000 to $29,999	49.1
$30,000 to $49,999	24.3
$50,000 and over	4.6

Source: Table 6.

Percent of employees participating in educational assistance by size of organizations:

Number of employees:	*Percent participating*
Less than 500	14.4
500 to 999	14.0
1,000 to 2,999	8.1
3,000 to 9,999	8.7
10,000 to 24,999	5.3
25,000 and over	5.0
Average for all organizations	5.6

Source: Table 7.

"Among our students taking courses through educational assistance, 79 percent said their companies paid for all costs. Thirteen percent received three-fourths, 7 percent received half, and 1 percent a fourth of the costs."—Eastern community college.

"Among our participating employees, many take more than one course a year. Employees earning over $35,000 are ineligible for educational assistance."—Medium-sized employer.

"The company will reimburse qualified employees 50 percent of the cost of tuition and certain fees up to $500 each fiscal year."—Eastern county government.

"The company will pay the education institution directly for approved courses. This payment method greatly reduces the financial burden on the employee."—Hospital.

"The company will reimburse registration fees and tuition up to $2,500 per year."—A bank.

"The course of study you select must be one that has relevance to your current or projected career within the firm."—Illinois firm.

How Much do Employers Spend on Educational Activities?

Expenditures by Size of Employing Organization:

Number of employees:	*Average expenditures*
Under 500	$18,121
500 to 999	46,538
1,000 to 2,999	80,984
3,000 to 9,999	631,807
10,000 to 24,999	434,969
25,000 plus	2,123,764
Average for all organizations	624,833

Source: Table 9.

Impact on other programs:

Question: If one of your employees receives educational assistance, will this reduce any taxable benefit or compensation (e.g., wages) the employee is otherwise entitled to receive?

Responses: No, 100% Yes, 0.

Question: Do you provide educational assistance courses in-house that are not intended to improve employee performance on the job?

Only 32 of the 319 respondents said they offered any educational assistance programs in-house. These courses represent about 8.2% of their total educational assistance plan (average was 5%).

When courses are offered in-house, they tend to be remedial and job-related. Examples cited included remedial education, arithmetic, literacy and other basic-skill classes, English as a second language and business courses.

"It is not the company's intent to reimburse an employee for pursuing a preplanned college education."—Medium size firm.

"Courses must be of an educational or technical nature and related to the employee's present job duties or those to which he/she will be assigned in the foreseeable future as determined by his/her manager."—Entertainment company.

"Among our students taking courses with help from their employers, these are the most popular: computer science, electrical technician, business management, mechanical technician, accounting, civil engineering technician."—Eastern community college.

"This plan does not cover short seminars and noncredit courses, hobbies or sports classes unless part of an approved degree program."—West Coast Manufacturer.

"If you start an approved course and are subsequently laid off, you will still be reimbursed for successfully completing the course."—Manufacturer.

What courses do employees take?

Educational Assistance stimulates productivity: 97.3% of all respondents said employees receiving educational assistance take some courses to improve their performance in their current jobs. 86.2% of all respondents said at least one-half of the courses directly improve employees', skills for their jobs.

Educational Assistance helps upward mobility of employees: 52.4% of all respondents said at least ¼ of all employees receiving educational aid take courses in basic educational skills. The category "basic skills" (e.g., reading, writing, math, GED, etc.) was cited by 54.8% of all respondents.

Between 25% and 49% of employees participating in educational assistance take courses that could lead to a bachelor's degree, and thus a promotion, higher wages or expanded job responsibilities.

Educational Assistance encourages collaboration between employer and local community colleges: 42.7% of all respondents said at least ½ of all their employees receiving educational assistance take courses at local community or junior colleges.

The category "community or junior college" was cited by 91.7% of all respondents. Employees take a variety of courses including word processing, computer literacy, business English or technical, vocational classes.

Educational Assistance is not used extensively for graduate school: 76% of all respondents said none of their employees receiving educational assistance take courses that could lead to a law degree. In all cases, of those respondents who allow employees to take legal courses, less than ¼ of all participating employees take legal courses; 50% of all respondents allowed courses that could lead to an MBA. These participating employees, however, take less than 24% of all courses allowed. Only 7 of 309 respondents said more than 50% of participating employees take courses that could lead to an MBA; 5% of participating employees receive educational assistance for other graduate-level courses (e.g., engineering).

"Continued education for our employees is a must, not a luxury."—Hi-tech company.

"Illiteracy costs us thousands of dollars in lost productivity."—Metals company.

"60% of our courses are taken to enhance current job skills; and 40% for career advancement."—A large company.

"Growth and development of employees through educational assistance is viewed as a direct benefit to the company's profitability."—Aircraft manufacturer.

Employers follow Internal Revenue Service guidelines: 94% of all respondents prohibited sports, games or hobby courses. To the extent sports-type courses were allowed, the classes tended to be either fulfillment of degree requirements or directly connected to company product lines.

"There are grade and dollar requirements. You must earn a "C" or better in undergraduate courses. The annual maximum support available is $800. At the graduate level, you must receive a grade of "B" or better and the maximum amount per year is $1,000."—Small manufacturer.

"The educational assistance program provides substantial financial assistance if you take, on your own time, from an approved educational institution, approved courses of an educational or vocational nature, which will benefit both you and the company."—Midwest oil company.

"The company will refund up to 80 percent of your expenses for approved courses. Books and laboratory fees are not eligible for refunds."—New York publisher.

"The company encourages employees to enroll in courses of study that will enhance professional growth and development. Courses may be taken will be mutually beneficial to both you and the company. All courses for which you wish to be reimbursed must be approved prior to their beginning by your supervisor and the Human Resources Director. Upon completion of the course with a "B" or better, the company will reimburse you for tuition and books."—Small communications firm.

How do Employers Feel about Educational Assistance Activities?

Attitude	Most common response
Used primarily by highly-paid employees	Strongly disagree
Used by all employees including lower- and middle-paid	Strongly agree
Helps lower-paid employees as other employees may more easily pay for their own education	Agree
Is viewed as helping the advancement of minorities and women	Do
Is viewed as an integral part of employee training and development	Strongly agree
Is considered a "perk" with little relationship to the job.	Strongly disagree
Helps employees receive new skills to help with technological and other work place needs	Agree

Source: Table 11

"I was able to use my education assistance to learn skills that are immediately applicable on the job"—A data processing employee.

"Going to school is important for a better future and to help me become a more valuable employee"—Tooling and fabrication employee.

"70% of our participants are in the first five years of their employment careers."—Service industry.

Who Conducted the Study?

What Types of Organizations Responsed?

This study was conducted on behalf of the 50,000 employer-based members of the American Society for Training and Development to provide data on the scope and characteristics of employer-provided educational assistance today.

Motorola, Inc. chaired a task force on educational assistance that led to the development of the survey instrument. The survey was conducted under the leadership of Curtis Plott, executive vice president for the American Society for Training and Development, and John Robinson, manager of research and development at Motorola's Corporate Training and Education Center. Dorothy Walsh, ASTD director of government affairs, coordinated the national planning and supervised the study. Statistical consultation and development of tables was done by Robert Calvert, Jr., a consultant to ASTD and a former deputy assistant administrator for statistical services at the National Center for Education Statistics. Within ASTD, Diane Charles and Adam Stoll processed incoming forms and, with Motorola, made follow-up calls. Motorola developed the case studies and contributed to the production of the final report.

A total of 1,000 survey forms was mailed to employing organizations selected at random from the ASTD membership and other private and public sector employer lists. 340 surveys were returned. As of the cutoff date (March 29, 1985), 319 employers had responded and 309 said they offered educational assistance to employees. The tables dealing with educational assistance are based on these 309 responses.

The 309 responses represent a good cross section of employers by size (as shown in Tables 9 and 10) and type of activity (as shown in Table 1). Total employment by responding employers was 6,609,932 or approximately six percent of today's labor force of 110,000,000.

TABLE 1.—PERCENT OF RESPONDENTS OFFERING EDUCATIONAL ASSISTANCE PROGRAMS BY TYPE OF INDUSTRY AND TOTAL EMPLOYMENT

Type of industry	Number responding	Total employment	Percent with educational assistance
Agriculture, forestry and fishing	4	53,845	[illegible]
Mining and construction	6	13,031	83
Manufacturing	133	3,921,434	100
Transportation	11	260,364	91
Communications	[illegible]	1,214,826	[illegible]
Public utility	17	136,531	100
Retail and wholesale trade	12	[illegible]	83
Finance, accounting, and banking	34	128,657	100
Insurance	13	154,308	100
Health, hospitals, and related	32	87,983	97
Government	24	218,513	87
Other (educational institutions, research institutes, consulting organizations, etc.)	13	33,736	85
Totals	319	6,609,932	97

A broad cross section of employers offers educational assistance to employees.

TABLE 2.—PERCENT OF RESPONDING EMPLOYERS OFFERING EDUCATIONAL ASSISTANCE BY SIZE OF EMPLOYING ORGANIZATION

Total number of employees	Number of organizations	Percent offering educational assistance
Under 500	38	87
500 to 999	33	97
1,000 to 2,999	79	99
3,000 to 9,999	57	98
10,000 to 24,999	36	100
25,000 and over	76	99
Totals	319	97

TABLE 3.—PERCENT OF ALL EMPLOYEES ELIGIBLE FOR EDUCATIONAL ASSISTANCE BY SALARY LEVEL OF EMPLOYEES

Salary level	Percent eligible—					Average eligibility
	100	75 to 99	50 to 74	25 to 49	24 or less	
Under $15,000	85.2	8.0	1.9	1.9	3.0	94.2
$15,000 to 29,999	88.3	7.8	2.0	0.6	1.3	96.8
$30,000 to 49,999	92.1	4.5	2.8	0.6	0.0	98.2
$50,000 and over	95.1	3.1	0.0	0.6	1.2	98.1
Not specified	73.9	17.4	4.3	2.2	2.2	93.4
Total for all organizations	89.1	6.6	1.9	1.0	1.4	96.6

Note: Some organizations reported less than 100% eligibity as new employees often are not eligible and part-time staff may not be eligible.

TABLE 4.—*Extent to which employers publicize availability of educational assistance programs by size of organization*

Do you provide employees with information about your program through postings, etc.?

Total number of employees:	*Percent*
Under 500	89
500 to 999	97
1,000 to 2,999	98
3,000 to 9,999	97
10,000 to 24,999	100
25,000 and over	[illegible]
Totals	97

Note: Table based on organizations providing educational assistance programs (309 out of 319 responding organizations).

TABLE 5.—RATE AT WHICH ELIGIBLE EMPLOYEES PARTICIPATE IN EDUCATIONAL ASSISTANCE PROGRAMS BY SIZE OF ORGANIZATION AND SALARY LEVEL OF EMPLOYEE

[In percent]

Salary level	Under 500	500 to 999	1,000 to 2,999	3,000 to 9,999	10,000 to 24,999	25,000 and over	Total by salary level
Less than $15,000	5.7	14.7	7.2	8.7	5.0	6.6	6.7
$15,000 to $29,999	15.3	13.0	7.7	14.7	5.6	5.5	6.2
$30,000 to $49,999	12.8	17.1	7.5	14.6	7.6	6.7	7.5
$50,000 and over	8.3	14.6	2.8	3.7	1.7	3.8	3.8
Level not specified	14.2	13.0	10.2	7.0	5.1	5.0	5.2
Total by size of organization	14.4	14.0	8.1	8.7	5.3	5.0	5.6

Lower-paid employees participate in educational assistance programs at a greater percentage than more highly-paid employees.

TABLE 6.—PROPORTION OF TOTAL PARTICIPANTS IN EDUCATIONAL ASSISTANCE BY SALARY LEVEL

Salary level	Total participants	Percent of total participants	Percent of total employees
Under $15,000	16,512	22.0	12
$15,000 to $29,999	36,893	49.1	44
$30,000 to $49,999	18,199	24.3	37
$50,000 and over	3,422	4.6	7
Total	75,026	100.0	100.0

The largest participation rates are in the lower salary ranges.

TABLE 7.—*Educational assistance participation rates by size of organization*

Number of employees:	*Percent of Eligible Employees Participating*
Less than 500	14.4
500 to 999	14.0
1,000 to 2,999	8.1
3,000 to 9,999	8.7
10,000 to 24,999	5.3
25,000 and over	5.0
Total for all organizations	5.6

TABLE 8.—AVERAGE AMOUNT OF EDUCATIONAL ASSISTANCE BY SIZE OF EMPLOYING ORGANIZATION AND SALARY LEVEL OF EMPLOYEE

Salary level of employee	Number of employees in organization—						Average for all employees
	Under 500	500 to 999	1,000 to 2,999	3,000 to 9,999	10,000 to 24,999	25,000 plus	
Under $15,000	$250	$388	$294	$432	$355	$476	$400
$15,000 to $29,999	316	439	366	1,051	417	480	596
$30,000 to $49,999	535	591	644	1,765	677	729	870
$50,000 and over	[illegible]	2,187	951	2,583	779	1,161	1,710
Not specified	392	458	471	497	698	380	400
Average by size of organization	376	456	421	1,014	[illegible]	475	491

TABLE 9.—AVERAGE AMOUNT SPENT ON EDUCATIONAL ASSISTANCE BY SIZE OF EMPLOYING ORGANIZATION

Number of employees	Number of respondents	Total employment by respondents	Total spent on educational assistance	Average per organization
Under 500	32	[illegible]	$579,871	$18,121
500 to 999	[illegible]	[illegible]	1,210,828	[illegible]
1,000 to 2,999	64	112,780	[illegible]	[illegible]
3,000 to 9,999	52	281,716	32,854,619	631,807
10,000 to 24,999	33	531,845	14,345,492	[illegible]
25,000 plus	51	4,322,852	108,312,701	2,123,764
Total	[illegible]	5,276,925	161,207,499	624,833

TABLE 10.—PARTICIPANTS IN EDUCATIONAL ASSISTANCE AND TOTAL DOLLARS OF ASSISTANCE BY SIZE OF ORGANIZATION AND SALARY LEVEL OF PARTICIPANTS

Salary level	Size of organization, number of employees—							
	Under 500		500 to 999		1,000 to 2,999		3,000 to 9,999	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Under $15,000	[illegible]	$65,477	421	$142,148	1,707	[illegible]	[illegible]	[illegible]
$15,000 to $29,999	327	[illegible]	[illegible]	256,617	3,452	1,261,078	6,618	10,236,641
$30,000 to $49,999	[illegible]	[illegible]	153	90,476	[illegible]	[illegible]	3,910	6,901,912
$50,000 and over	23	22,975	[illegible]	[illegible]	[illegible]	55,167	2,422	6,252,280
Level not specified	[illegible]	[illegible]	1,473	673,467	3,109	1,465,264	17,369	8,625,662
Totals	1,546	579,871	2,654	1,210,828	9,260	3,903,988	32,458	32,854,619

Salary level	Size of organization, number of employees—					
	10,000 to 24,999		25,000 and over		Total	
	Number	Amount	Number	Amount	Number	Amount
Under $15,000	2,516	[illegible]	10,123	$4,314,217	[illegible]	$6,752,848
$15,000 to $29,999	[illegible]	2,535,754	35,185	16,843,179	52,447	31,237,399
$30,000 to $49,999	3,487	2,167,450	[illegible]	[illegible]	25,410	22,091,005
$50,000 and over	297	231,516	3,267	[illegible]	[illegible]	10,396,316
Level not specified	17,092	8,519,989	187,285	71,136,549	227,116	90,729,931
Totals	29,472	14,345,492	252,640	108,312,701	328,030	161,207,499

Educational assistance is offered by a broad cross section of employers and participation rates concentrate in the lower salary ranges.

Note: Since the survey did not address the definition of cost, some respondents included such items as overhead and administrative costs. And many organizations don't collect data on educational assistance by salary and cost.

TABLE 11.—EMPLOYER ATTITUDES TOWARD EDUCATIONAL ASSISTANCE PROGRAMS.

[In percent]

Employer-provided educational assistance is—	Strongly agree	Agree	Disagree	Strongly disagree	No opinion	Total
1. Primarily designed for and used by highly-compensated employees	0.3	1.6	32.2	64.6	0.3	100
2. Utilized by employees in a variety of compensation ranges, including lower- and middle-paid levels	58.5	39.3	1.6	0.3	[illegible]	100
3. Benefits the lower-paid employees because the higher-paid employees can more easily deduct educational assistance as a job-related expense	17.3	41.6	16.7	7.1	17.3	100
4. Viewed by my organization as a way to assist job advancement by minorities and women	23.1	52.2	7.1	1.6	16.0	100
5. Viewed by my organization as an integral part of the training and development of employees	48.0	44.4	5.1	0.6	1.9	100
6. Considered primarily a "perk" in my organization, which has little to do with the effectiveness of the employee on the job	1.0	4.2	36.7	[illegible]	1 31	[illegible]
7. One way my organization helps employees receive new skills because of changing workplace needs (technology, etc)	43.6	50.0	3.9	[illegible]	1.9	[illegible]

TUITION REIMBURSEMENT CASE STUDY SUMMARY

Effect of educational assistance upon employee's career

Carol L. returned to her company as a production assembler after raising her family. She advanced through the system and attended some junior college classes. Although she always had an interest in furthering her career through education, the demands of raising a family and the scheduling of time posed problems. However, when a new program became available at a local university, Carol decided to concentrate on her education. This accelerated program of one, full-semester class a month allowed her the opportunity of a college degree.

Without employer encouragement and educational assistance, Carol would not have achieved her present position as production manager.

A high school drop out, Charles M. entered a federally-funded training program. He attended technical school for five months and again dropped out. In 1979, Charles was employed as a tester analyzer. Taking advantage of the educational assistance program, Charles has pursued his goal of an AA degree in electrical engineering. He plans to continue his education and become a certified engineer and group leader in radio frequency products. Charles believes that his education courses have aided him in his present position as engineering lab technician.

In the early 1970's, Blanche R. entered the local community college to continue her career growth. She recognized that she needed a broader educational background than the company internal development courses offered. In 1982, she received her AA and today needs only one semester to complete her BA in business administration. Her education, combined with her practical background, has enhanced her value to her company.

As a black single parent, Blanche, who is financially responsible for her invalid parents, is strongly aware that her career advancement would have been jeopardized without educational assistance.

As a specialist production training senior, Yvonne A. can look back with pride on her 18 years with her employer. Starting her career as an assembler in a manufacturing area, Yvonne later transferred into a training department. Because of a desire for further career growth, she began classes at a community college for her AA. She then attended a university life experience credit program. Her advancement from illustrator to her present position as special production trainer has coincided with her educational progress.

In 1970, Donna T. joined her employer as an entry-level secretary in the patent department. The availability of educational assistance made the idea of a college degree a realistic goal. After several general business courses at a junior college, she transferred to a university. She rapidly advanced as a legal secretary and a paralegal. In June 1980, Donna graduated with a BA in business management. Based on her education and career background, Donna chose to pursue a career in industrial relations. Currently, Donna is taking courses in an industrial relations masters program.

Donna has found that her combination of legal and business experience has been a

definite asset to her career; it has resulted in a 60% increase in salary in less than 4 years.

A shortage of teaching positions made Janice W. reassess her career choice. During her employment as a secretary, Janice began to investigate different job opportunities. Her vocational testing at her community college showed a definite strength in technical areas. Printed circuit board layout design became her chosen specialty. With educational assistance, she has completed various drafting, CAD and electronics classes. In 1981 she was hired for a new product, entry-level position. In six months she was transferred to a base station group where she acquired practical experience in drafting and design.

Janice's efforts to redesign a "T" connector resulted in product cost reduction of $12.98 and a co-inventor patent application was made. Her advancement has helped her operating group become more competitive.

"The main reason I went back to school was because my children were grown and I wanted to upgrade myself at work. Last summer [during the time Section 127 had expired], my employer withheld one-third of my tuition reimbursement money. I thought it was unfair for me to get penalized. I know of at least a dozen people at the bank who did not register this semester because they feared a tax on their education. They may have small children, or they are mothers on their own. $100 doesn't seem like a lot, but, in today's economy, you need the $100."—Bank employee.

"12.1% of our total educational-assistance participants earned promotions or job upgrading."—Medium-size firm.

"Among participants in our program, 22% are from minority groups and 53% are women."—Communications firm.

"Women and minority employees use our tuition program at a rate greatly exceeding their employment representation. Over half of our participants are hourly employees or low-level supervisors."—A large manufacturer.

"Most of our employees must attend training to keep up with changes in technology. Also, many must continue their studies to maintain licenses. Many of our lower-ranking staff use tuition reimbursement to prepare for higher level jobs."—Medical center.

"Our program is used primarily by employees in clerical or lower-paying jobs to advance within the organization. They acquire skills required to maintain their position or employment. All courses must be in a work-related area and all must be approved by the personnel office, which adheres closely to this policy."—Ohio manufacturer.

Female and Minority Participation:

Question: Do you keep records on participants in your educational assistance programs by sex, racial/ethic groups?

Most respondents do not collect demographic data on educational assistance. A few employers, however, sent sample demographic breakdowns or anecdotal information.

Here is a sample:

Participation Rate:

Minority, 32%; nonminority, 61%; male, 164; female, 279.—An insurance company.

Male, 70%; female, 30%; minority, 26%.—Large bank.

Minority participation, 23%; caucasian participation, 75%; minority male, 320; minority female, 160.—New York electric company.

50% female; 60% of those females are minorities.—A banking association

Female, 57%; male, 42%; minority, 25%.—A small company.

Salaried employees, 15%; hourly employees, 84.3%.

Courses: Basic skills, 100; associate of arts, 450; bachelor's, 125; master's, 125; 800 employees.—A Maryland company.

Nonmanagement, 75.5%; management, 24%; caucasian male, 368; minority male, 140; caucasian female, 560; minority female, 392.—A local government.

Male, 62%; female, 37.3%; caucasian, 85%; minority, 15%.—Power company.

EMPLOYER TUITION REFUND PLAN: EMPLOYEE UTILIZATION AT ONE LARGE COMPANY, CALENDAR YEAR 1982

[In percent]

Annual salary ranges	Percentage of employees by salary range—	Cumulative	Percentage of employees in this range completing a course	Percentage of participating employees in this range—	Cumulative
$5,000 to $19,999	23	23	11.0	35	35
$20,000 to $24,999	17	40	8.1	18	53
$25,000 to $29,000	23	63	5.3	17	70
$30,000 to $34,999	10	73	10.5	14	84
$35,000 to $44,999	12	85	6.5	11	95
$45,000 to $64,999	10	95	3.7	4	99
$65,000 and over	5	100	.4	1	100

Total employees: 40,063.

Summary: 40% of the employees earn less than $25,000. Of these employees, 53% completed courses; 73% of the employees earn less than $35,000. Of these employees, 84% completed courses.

The highest rate of completion is by employees in the lowest salary range, employees making less than $20,000 per year (11%).

Of all employees who participate, the greatest percentage are those in the lowest salary range (35%).

TUITION AID SURVEYS

1985—Opinion Research Corporation—Employers Offering Tuition Aid Plans: Under 350 employees, 71%; 351-1,000 employees, 80%; 1,001-2,500 employees, 88%; 2,501 and above, 93%.

1984—Hewitt Associates: N = 655; 96% have tuition aid plans.

1984—Valley National Corp: N = 75; 96% have tuition aid programs.

1984—Jos. O'Neill—Conference of Small Private Colleges: N = 655; 96% have tuition aid programs.

1983—U.S. Department of Labor: N = 1,273; 60% have tuition aid plans.

1982—National Institute for Work and Learning: N = 430; 56.2% have tuition aid plans.

1980—Jos. O'Neill—Conference of Small Private Colleges: N = 358; 98% have tuition aid programs.

1979—Industrial Relations News: N = 363 employers; 90% have tuition aid programs.

1979—Conference Board—79% have tuition aid programs for nonexempt production and operations personnel; 91% for nonexempt office and clerical staff.

1978—AT&T 100 of Fortune 500; 93% have tuition aid plans.

1977—Employers Assn. of Detroit: 96% have tuition aid plans.

1977—Bureau of National Affairs: N = 141 employers, ½ with 1,000 employees or more, and ½ with less than 1,000; 91% have tuition aid plans.

1977—City of Milwaukee: 28 private sector organizations; 100% with tuition aid, 13 public sector organizations; 77% with tuition aid.

1977—American Assn. of Industrial Management of New England hourly nonexempt employees, 77%; clerical, technical, salaried, nonexempt employees, 86%; supervisory, professional, exempt employees, 89%.

ADULT EDUCATION DATA

1981—National Center for Education Statistics Data. 5.1 million participants in adult education take courses paid for by the employer (job-related and nonjob-related courses). Total adult education participants is 21.2 million; 54% of all adult education participants are women; 60% of all adult education courses are taken to advance in a job or get a job; 12.2 million courses are taken with the employer as the source of payment; 54.5% of all participants in adult education earn less than $25,000.

Source: National Center for Education Statistics (U.S. Department of Education) Participation in Adult Education, 1981.

SUMMARY

The ASTD survey tends to be in agreement with other studies and national surveys on tuition aid. Available research from the federal government on adult education tends to correspond to this survey's results.

The responses received by the ASTD survey, as well as the information, brochures and other materials sent, show that educational assistance:

Is offered by a broad and diverse cross section of employers.

Is utilized by employees at different compensation levels with the highest concentration in the lower salary ranges.

Stimulates human resource development and improves performance in the work place.

Provides upward mobility and career development.

Helps laid-off workers to obtain new skills.

Allows employers to offer cost-effective programs for upgrading skills of employees.

Encourages workers to keep up to date with new technological and industrial developments.

AMERICAN SOCIETY FOR TRAINING AND DEVELOPMENT.

EMPLOYER EDUCATIONAL ASSISTANCE SURVEY

This short survey seeks information on educational assistance, such as tuition aid, which you make available to your employees. All responses to our survey will be treated confidentially, will not be released to any outside organization or federal agency, and the results will be presented in national summary tables only.

General Information

1. Name of person completing this survey form ———.
2. Title/position ———.
3. Company/organization name: ———.
4. Company/organization address: ———.
5. Office phone (area code): ———.
6. Brief description business or activity: ———.

Are you responding for your entire organization or a component? Entire organization ——— Component ———.

Please specify and give total number of employees: ———.

Educational Assistance Program

7. Does your organization have an educational assistance program? This is broadly defined as a practice or program of payment by an employer of expenses incurred, by or

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on behalf of an employee, for education courses for the benefit of the employee.

—— Yes. If yes, go on to item 8.

—— No. If no, please indicate how many persons are employed by your organization here: ——. Then skip to item 15.

8. Please answer the following short questions with either a "Yes" or "No."

a. Do you keep records on participants in your educational assistance programs by sex, racial/ethnic group?

Yes —— No ——.

If yes, please submit a current demographic breakdown.

b. Do you provide employees with information on the availability of your educational assistance program? (e.g., posting)

Yes —— No ——.

c. Do you provide educational assistance programs in-house that are not intended to improve employee performance on the job?

Yes —— No ——.

If yes, what (rough) proportion of your total educational assistance plan do these courses represent? ————.

9. Do you publish materials on your program? Yes —— No ——.

If so, please send us copies of any announcements, employee guidelines, and reports.

10. Please indicate (based on your estimates) what percentage of employees receiving educational assistance take courses or instruction in each of the categories below:

[In percent]

	More than 75 percent	50 to 74	25 to 49	10 to 24	5 to 9	Less than 5	0
Education for current job							
Basic educational skills (e.g., high school/GED)							
Community or junior college							
Bachelor's degree program							
MBA program							
Law school							
Medical school							
Other graduate level							
Hobbies, recreation, sports							
Other (Please specify)							

11. By general salary range, what is your total number of employees, how many are eligible for educational assistance programs, how many participated, and what was your cost? Reply for 1984 or for most recent year for which you have data. (If no actual data are available, please estimate.) Answer based on: Actual data —— or Estimate —— for year ending ——— 1981.

Salary range	Total number of employees in your organization	Total number of eligible for educational assistance programs	Number of participants in educational assistance programs	Total spent
$15,000 and under				
$15,001 to $30,000				
$30,001 to $50,000				
Over $50,000				

12. If an employee receives educational assistance, will this reduce any taxable benefit or compensation (e.g., wages) the employee is otherwise entitled to receive? Yes —— No ——.

13. The following list of short statements reflects the thoughts of some regarding employee educational assistance programs. Please check the appropriate response which best expresses your opinion.

	Strongly agree	Agree	Disagree	Strongly disagree	No opinion
Employer-provided educational assistance:					
1. Is primarily designed for and used by highly-compensated employees					
2. Is utilized by employees in a variety of compensation ranges, including lower and middle-paid levels					0
3. Benefits the lower paid employees because the higher paid employees can more easily deduct educational assistance as a job-related expense					
4. Is viewed by my organization as one way to assist job advancement by minorities and women					
5. Is viewed by my organization as an integral part of the training and development of employees					
6. Is considered primarily as a "perk" in my organization that has little to do with the effectiveness of the employee on the job					
7. Is one way my organization helps employees receive new skills because of changing work place needs (e.g., technology, competition)					

14. Additional Comments: ————.

15. Please return this survey by March 29, 1985, or as soon as possible.

TAXATION OF EDUCATIONAL ASSISTANCE TO EMPLOYEES

In 1978, Congress added a special provision to the Internal Revenue Code (section 127) that exempts from taxation education provided under employer educational assistance programs. Today these programs provide valuable training to millions of American workers. In order to increase understanding of educational assistance, the American Society for Training and Development has asked the law firm, Kilpatrick & Cody to review current law and legislative proposals. This pamphlet describes—in simple question and answer format—the tax rules that apply to educational assistance programs and legislative proposals to extend section 127 provisions.

In addition, this pamphlet describes the tax rules for similar education aid that does not qualify for exemption under section 127. Since section 127 is scheduled to expire on December 31, 1985, these rules could become critical to employers maintaining educational assistance programs and to their employees. These rules are also important for understanding the purpose and need for section 127, since it was the problems and complexities of these rules that sparked the 1978 enactment of section 127.

Except as otherwise noted in the text, the tax rules summarized in this pamphlet are those in effect on January 1, 1985.—Curtis E. Plott, Executive Vice President, American Society for Training and Development.

SECTION 127

1. What education aid can qualify for tax-free treatment under Code section 127?

Education aid that an employer provides pursuant to a qualifying educational assistance plan can be excluded from federal gross income under section 127. To qualify, an educational assistance plan must not discriminate (*i.e.*, favor highly-paid employees) and must meet certain other requirements described in Q/A-6 below. A qualifying plan may be designed to pay or reimburse expenses incurred by employees for education or to provide employees with education directly. "Education" is defined broadly by section 127 and includes "any form of instruction and training that improves or develops the capabilities of an individual." Reg. Sec. 1.127-2(c)(4). A typical example of an educational assistance plan is an employer "tuition aid" program.

2. What education aid does not qualify for tax-free treatment under Code section 127?

Section 127 does not exclude from gross income education aid provided under a plan that fails to meet the requirements described in Q/A-6 and Q/A-7. It also does not apply to:

Meals, lodging or transportation related to education;

Tools or supplies (other than text books) if they may be retained after the course is completed; or

Education involving sports, games or hobbies unless the education involves the business of the employer or is required as part of a degree program.

The maximum amount that an employee can exclude under section 127, in any calendar year, is $5,000.

3. How does the $5,000 cap on the exclusion under section 127 operate and what special problems does it present?

The $5,000 cap on the exclusion under section 127 applies on an individual employee basis. Thus, regardless of the number of different employers that an employee has during the year, the employee may exclude only $5,000 of education aid under section 127. However, whether an employee's education aid in excess of $5,000 is subject to tax depends upon its tax status under other provisions of the tax law. (These other provisions are explained in Q/A-13 through Q/A-16 below.) For example, if under a qualifying section 127 program an employee receives $6,000 of education aid in a year, and $1,000 would be excludible under other tax law provisions, the entire remaining $5,000 is excludible under section 127. Therefore, for employees receiving education aid in excess of $5,000 annually, the tax provisions described in Q/A-13 through Q/A-16 have particular significance.

Applying the $5,000 cap may also involve questions of valuation. Some employers hire instructors directly, for a few courses, and provide their employees with in-kind education aid. In these situations, whether more than $5,000 of education aid is provided to any employee apparently depends upon the "fair market value" of the education. Reg. Sec. 1.61-2T Q/A-5. The employer's cost for the education cannot be used in applying the cap (even though it might be more easily determined and might roughly reflect the fair market value.) Specifically, IRS temporary employee benefit regulations

only permit dollar limitations on employee exclusions to be applied based upon employer cost when the limitation is phrased in terms of employer cost. Reg. Sec. 1.61-2T Q/A-5 and Q/A-7. Although two bills presently pending in Congress (H.R. 1356 and S. 558) would modify the language of section 127 in this regard, the $5,000 limitation is not currently phrased in terms of employer cost. Therefore, at present, the $5,000 cap should be applied based on the fair market value of education received.

In valuing in-kind education aid for this purpose, employers should consider the price of comparable education provided on an arms-length basis. Reg. Sec. 1.61-2T Q/A-5 and Q/A-12. Because of this, the burden of valuation will fall most heavily on those few employers that provide unusual courses or that provide instruction under unusual circumstances, *e.g.*, individualized instruction.

Valuation burdens may also fall on certain employers that do not provide education in-kind. If an employer receives tuition discounts from an educational provider, it may be necessary to apply the $5,000 cap based on the undiscounted price of the education. This possibility is suggested by the Service's recently-stated position regarding valuation of employer-provided cars. In that context, the Service has indicated that the value of the cars must be determined "without regard to any group or volume discount" that may have reduced their purchase price. Reg. Sec. 1.61-2T Q/A-13. Therefore, to apply the $5,000 cap, it may be necessary for employers to keep records based on the *undiscounted* price of education provided to employees.

4. Do withholding taxes apply to education aid that is excludible under section 127?

Education aid is not subject to Social Security, unemployment or income tax withholding if, at the time provided, it is reasonable to believe that the aid will be excludible under section 127. Internal Revenue Code Sections 3121(a)(18), 3306(b)(13), and 3401(a)(18). The "reasonable belief" standard that governs an employer's withholding obligation is intended to protect an employer that acts reasonably from under-withholding liability in the event an employee's exclusion is ultimately denied. The IRS has explained this same standard in a different context (*i.e.*, in connection with moving expense reimbursements) by saying: "The reasonable belief . . . may be based upon any evidence reasonably sufficient to induce such belief even though such evidence may be insufficient upon closer examination by the district director or the courts finally to establish that [an exclusion] is allowable. . . ." Reg. Sec. 31.3401(a)(15)-1(a).

In practice, withholding on section 127 education aid has not generated extensive controversy; however, there are certain areas where questions can arise. To apply properly the $5,000 cap explained in Q/A-3, an employer must know the amount of education aid an employee has received from all employers during the year. For example, a mid-year hire may have received substantial education aid at a previous job. Therefore, a cautious employer may wish to have employees indicate the amount of any education aid received from other employers as part of an application or claim for education aid. While IRS guidance is not expected soon, it is understood that the IRS will at least consider exempting employers from any need to inquire about the amount of education aid provided by other, unrelated employers.

The problems of valuing certain types of education aid that arise in connection with the $5,000 cap were described in Q/A-3. Because of this limitation on the amount excludible under section 127, it is possible that an employer might be subject to underwithholding liability if it undervalues the education aid provided to an employee. However, an employer's exposure in this regard is limited significantly by the reasonable belief standard that governs the withholding obligation. While valuation is inevitably burdensome, so long as an employer's valuation of education aid is made in good faith and based on reasonable evidence, the employer should be generally immune from underwithholding liability.

5. Is education aid that is exempt from federal income tax under section 127 also exempt from state income taxes?

Since many state income tax statutes follow federal rules in defining gross income, education aid that is excludible under section 127 will generally be exempt from state income taxes as well. Nonetheless, there may be exceptions (for example, Georgia law may treat section 127 as expired), and therefore current local tax laws should be consulted.

6. In order to qualify under section 127, what requirements must an educational assistance plan meet?

In order to qualify under section 127, an educational assistance plan must be nondiscriminatory (see Q/A-7) and must meet the other requirements described in Q/A-6. An educational assistance plan that does not meet these requirements is not able to provide education aid that is excludible under section 127.

Separate written plan

To qualify, an educational assistance plan must be a separate written plan of an employer. This means that the terms of the plan must be set forth in a separate document, or documents, drafted to provide employees with only "qualifying educational assistance" (as defined below). Reg. Sec. 1.127-2(b). At least in the case of unfunded plans, the degree of formality of the document(s) appears largely up to the individual employer. IRS regulations impose only great requirements, and unfunded educational assistance plans are generally exempt from the plan document (and other) requirements of the Employee Retirement Income Security Act of 1974. Reg. Sec. 2510.3-1(k).

Qualifying educational assistance

The education aid provided under the plan must be solely "qualifying educational assistance." Reg. Sec. 1.127-2(c). This operational requirement compliments the similar documentary requirement described above. "Qualifying educational assistance" is defined as employee education aid, other than aid for meals, lodging and the other nonqualifying items listed in Q/A-2. Reg. Sec. 1.127-2(c). Under IRS regulations, a plan is not deemed to provide solely qualifying educational assistance if "in form or operation" it permits employees to choose between education aid and any taxable remuneration. Reg. Sec. 1.127-2(c)(2) (e.g., cafeteria plans). However, an employer may design its plan to be part of a more comprehensive program that permits employees to choose among various nontaxable benefits. Reg. Sec. 1.127-2(b).

Exclusive benefit

A qualifying educational assistance plan is permitted to benefit only the "employees" of an employer. Reg. Sec. 1.127-2(d). For this purpose, the regulations under section 127 define "employee" to include:

A retired, disabled or laid-off employee;

An employee on leave of absence; or

A self-employed individual. Reg. Sec. 1.127-2(h)(1).

Thus, for example, a retraining program solely for disabled and laid-off employees could qualify under section 127. However, a program which provides education aid for employees' spouses and dependents (who are not themselves employees) would not qualify under section 127. Reg. Sec. 1.127-2(d).

Reasonable notice

An employer must also provide its employees with the opportunity to benefit from an educational assistance plan by giving them fair notice of its terms. Reg. Sec. 1.127-2(g). IRS regulations do not impose specific requirements regarding form, content or timing for this notice; rather, they require only that an employer provide "reasonable" notice of a plan's availability and terms to those employees who are eligible to participate.

An educational assistance plan which is nondiscriminatory and which meets the foregoing requirements will qualify under section 127. If an employer wishes, a plan may be submitted to the IRS for a ruling on its qualification; however, an IRS ruling is not required. Reg. Sec. 1.127-2(a).

7. What nondiscrimination standards must an educational assistance plan satisfy?

In order to qualify under section 127, an educational assistance plan must satisfy two nondiscrimination standards—a 5 percent limitation on benefits for significant owners, and a general requirement for nondiscriminatory eligibility.

A plan meets the 5 percent limitation in any plan year only if no more than 5 percent of the plan's cost for such year is for education aid provided to "over 5 percent owners" (or their spouses and dependents who are employees). Internal Revenue Code (IRC) Sec. 127(b)(3). An individual is an "over 5 percent owner" if, on any day during the year, he/she owns more than 5 percent of either the capital or profits interest in the employer (if an unincorporated business), or more than 5 percent of the employer's total number of outstanding shares (if the employer is a corporation). Reg. Sec. 1.127-2(f)(2). In determining an individual's stock ownership in the employer, certain attribution rules are applied, i.e., the individual is deemed to own stock that is owned by certain related individuals or entities. Reg. Sec. 1.127-2(f)(2)(iii). Similar rules apply in determining an individual's ownership in an unincorporated business. Reg. Sec. 1.127-2(f)(2)(iii). (Ownership is determined in accordance with regulations under section 414(c).) IRS regulations require the 5 percent limitation to be applied based on the plan year that is specified in the written plan document; this plan year may be either the calendar year or the employer's fiscal year. Reg. Sec. 1.127-2(f)(1).

Nondiscriminatory eligibility

In order to satisfy the nondiscriminatory eligibility requirement, an educational assistance plan must make education aid available to employees on terms that do not discriminate in favor of employees who are officers, shareholders, self-employed or highly compensated, or in favor of their spouses or dependents who are employees. Internal Revenue Code Sec. 127(b)(2). While this permits education aid to be made available on a selective basis, the group eligible must constitute a "nondiscriminatory classification" of employees. For this purpose, the longstanding nondiscriminatory classification standards used in connection with qualified retirement plans (Sec. 410(b)(1)(B) are generally controlling. Reg. Sec. 1.127-2(e)(1). (For an example of a nondiscriminatory classification, see Rev. Rul. 83-58, 1983-1 C.B. 95.) Also, as in the retirement area, employees subject to collective bargaining may be disregarded in testing an eligibility classification, so long as educational assistance was the subject of good faith bargaining between the parties. However, in determining the scope of a classification, a plan's terms are not automatically accepted on their face. Instead, the availability of education aid to various employees is determined based on all the characteristics of the plan. Reg. Sec. 1.127-2(e)(1). For example, if a plan purports to be open to all employees, but only provides education aid for courses at the undergraduate level, only employees qualified to take courses at that level are deemed to be eligible in testing the plan. Unless this group constitutes a nondiscriminatory classification of all employees (other than employees who may be disregarded because of collective bargaining), the plan will not qualify under section 127.

If an educational assistance plan makes education aid available on a nondiscriminatory basis, disproportionate *utilization* of the program by employees who are officers, shareholders, etc. will not disqualify the plan. IRC Sec. 127(c)(5)(A); Reg. Sec. 1.127-2(e)(2)(i). Further, education aid will not be considered unavailable to eligible employees merely because the plan conditions reimbursement of expenses on successful completion of the course, attainment of a particular grade or satisfaction of a reasonable condition subsequent (such as remaining employed for one year after completion of the course). IRC Sec. 127(c)(5)(B); Reg. Sec. 1.127-2(e)(2)(ii). These special rules are important safeguards that help protect properly designed educational assistance plans from concerns about discriminating in operation. In essence, an educational assistance plan is required to provide a nondiscriminatory opportunity. Except as necessary to satisfy the 5% limitation, it need not compel nondiscriminatory utilization of that opportunity.

8. What reporting requirements apply to an educational assistance plan?

If an employer maintains an educational assistance plan during any "year" beginning after 1984, the employer is required to file an information return with the IRS setting forth the following information:

The number of employees of the employer;

The number of employees of the employer eligible to participate in the plan;

The number of employees who actually participate in the plan;

The total cost of the plan during the year; and

The employer's name, address, taxpayer identification number and type of business. IRC Sec. 6039D(a).

Reporting is apparently required with respect to the taxable year of the employer. See, H.R. Rep. No. 861, 98th Cong., 2d Sess. 1175(1984) (legislative history of section 6039D's predecessor). Therefore, an employer with a taxable year that begins on July 1 should not have to report on the operation of its plan during the first six months of 1985. The IRS is authorized to establish the due date for this information return. IRC Sec. 6039D(a). While no guidelines have yet been issued, it appears the Service may require these returns to be filed within just a month or two after the close of an employer's taxable year.

In reporting the cost of a plan, presumably an employer should only include the cost of education aid that is actually provided under the plan. Therefore, if an employer provides, for example, in-house training to employees as part of its operational activities (as a cost of doing business), but not under the plan, it should not be necessary to determine and include the cost of this training as part of its return. For those few cases where in-house training is provided pursuant to the terms of a section 127 plan, special rules apply. The employer should report the cost of all "direct" expenses, such as instructor's salaries and the cost of books and supplies; "overhead" expenses like utility and copying costs need not be reported. H.R. Rep. No. 1049, 98th Cong., 2d Sess. 7, n.2 (1984).

In addition to the reporting requirements outlined above, Code section 6039D gives the IRS the authority to require particular employers to file an additional return providing further information about their educational assistance plans. IRC Sec. 6039D(c) (e.g., information on employer cost by salary ranges might be required). If such additional reporting is required, it should only affect a small sample of employers maintaining educational assistance plans. The penalty for failing to file either information return is $25 for each day that the failure continues, up to a maximum of $15,000. IRC Sec. 6652(f).

The same legislation that enacted the reporting requirements described above, also contained a statement of congressional intent that may necessitate additional reporting. H.R. Rep. No. 1049, 98th Cong., 2d Sess. 7 (1984). Specifically, the legislative history of P.L. 98-611 indicates that employers should report to employees, who terminate during a year, the value of educational assistance received during that year. This information is intended to assist these employees in determining whether their educational assistance has exceeded the $5,000 annual cap. No IRS guidelines have been issued to clarify this requirement and it is not clear what penalty, if any, applies in the event an employer fails to provide this information.

EXPIRATION OF SECTION 127

9. When does section 127 expire?

Section 127 is currently scheduled to expire on December 31, 1985. Unless existing law is changed, educational assistance received after December 31, 1985 will not be excludible from income under section 127.

10. Have any proposals been made to extend section 127?

Yes, several. The President's tax reform proposal and at least two bills currently pending in Congress, S. 558 and H.R. 1356, would all make section 127 a permanent provision of the Internal Revenue Code. (The President's proposal also would make certain other changes to section 127; see Q/A-17 below).

11. If section 127 expires, would educational assistance become taxable?

As explained in Q/A-13 below, some education aid that is nontaxable under section 127 can also qualify for tax-free treatment under other provisions of the tax law. If section 127 expires, the taxability of education aid would be determined in accordance with these provisions. In addition, even if section 127 were to expire on December 31, 1985, Congress could restore the provision retroactively later on. For example, section 127 has already expired once before, on December 31, 1983. Thereafter, on October 31, 1984, P.L. 98-611 retroactively reinstated section 127 and extended the provision through December 31, 1985.

12. What withholding obligations would apply to education aid if section 127 expires?

If Congress declines to extend section 127, withholding taxes would apply to any education aid that is not excludible under other provisions of the tax law (see Q/A-13 and Q/A-14 below). On the other hand, if, when section 127 expires, it appears that the provision may be eventually restored, the answer is less clear. As explained in Q/A-4, education aid is not subject to withholding taxes if, at the time provided, it is reasonable to believe the aid will be excludible under section 127. If section 127 expires December 31, 1985, and early in 1986 it appears that section 127 will be retroactively re-enacted, then arguably an employer could "reasonably believe" that education aid provided at that time would ultimately be excludible under section 127. Nonetheless, when section 127 last expired, the Treasury Department indicated informally that it rejected this interpretation. Apparently in Treasury's view, section 127's likelihood of re-enactment could not be considered in determining whether withholding was required. The issue in 1984 was eventually defused by Congress, since the re-enactment of section 127 included a provision that waived penalties and interest for failures to withhold during 1984, P.L. 86-611, Sec. 1(g)(4). Nonetheless, Treasury's position in 1984 highlights the risks facing any employer who chooses not to withhold on otherwise taxable education aid in the event that section 127 should again expire.

NONCOMPENSATORY EDUCATION AID

13. Does any education aid qualify for tax-free treatment without regard to section 127?

Yes, education aid which qualifies as "noncompensatory" is excludible from the recipient's gross income without regard to section 127. Rev. Rul. 76-71, 1976-1 C.B. 308. In order to be considered noncompensatory, the education aid:

Must be for education that would meet the standards for an employees business deduction (see Q/A-16 below), and

Must be received pursuant to an employer plan that provides only job-related education aid. Rev. Rul. 76-62, 1976-1, C.B. 12; Rev. Rul. 76-352, 1976-2 C.B. 37.

For this purpose, and employer plan meets the "job-related" test if it makes available only education that improves an employee's effectiveness for the duties of his job. Rev. Rul. 76-71, 1976-1 C.B. 308; Rev. Rul. 76-62, 1976-1 C.B. 12.

14. Do withholding taxes apply to noncompensatory education aid?

The Internal Revenue Service has ruled that noncompensatory education aid is not subject to Social Security, unemployment or income tax withholding. Rev. Rul. 76-71, 1976-1 C.B. 308. Nonetheless, in practice, many employers find it difficult to determine whether particular education aid qualifies as noncompensatory.

15. What tax treatment applies to education aid that is not excludible under Section 127 and that fails to qualify as noncompensatory?

Education aid that is not excludible under Section 127 and that fails to qualify as noncompensatory is includible in the gross income of an employee and is subject to withholding taxes; however, if the education involved satisfies the standards in Q/A-16, the employee may claim an offsetting business deduction for the amount included in his income. Rev. Rul. 76-352, 1976-2 C.B. 37. Since this deduction affects the computation of the employee's "adjusted gross income," it is available even if the employee does not itemize his deductions. IRC Sec. 62(2)(A); Reg. Sec. 1.62-1(f)(1). The practical effect of the deduction is to exempt the education aid from federal income taxes. Still, it does not cancel out any Social Security or unemployment taxes that have been withheld by the employer. Therefore, for employees who earn less than the Social Security wage base ($39,600 in 1985) the deduction will be less valuable than a comparable exclusion.

16. What education expenses are deductible as employee business expenses?

In order for an employer's education expenses to be deductible, they must be for education that satisfies the following requirements:

The education must *either* (1) maintain or improve skills needed by the employee for his current job, or (2) meet the employer's express requirements for retaining the job;

The education must not qualify the employee for a new trade or business; and

The education must not be needed to satisfy the *minimum* educational requirements of the employee's job. Reg. Sec. 1.162-5.

Maintains or improves skills

The deductibility of an employee's education expenses depends to a large degree on the relationship of the education to his current job. Education that provides *new* skills, or which supports skills that are only remotely related to the duties of a current job, generally will not satisfy the "maintains or improves" standard of the Regulations. See, *McIlvoy v. Commissioner*, 38 T.C.M. 142 (1979). This serves to disallow deductions for personal enrichment education that is not employment motivated; *McAuliffe v. Commissioner*, 40 T.C.M. 987 (1980) (literature courses); *Mullen v. Commissioner*, 29 T.C.M. 925 (1970) (philosophy courses). However, it also denies deductions for employment-motivated education that relates more to advancement than to an employee's current job. *Smith v. Commissioner*, 41 T.C.M. 1186 (1981) (foreman taking MBA program). Because the focus is solely on an employee's current job, it appears that lower-level workers (whose jobs tend to be narrower) often have the greatest difficulty in satisfying the "maintains or improves" standard of the regulations. Compare, *McIlvoy v. Commissioner*, 38 T.C.M. 987 (1979) (lower-level engineer denied deduction for MBA expenses); and *Beatty v. Commissioner*, 40 T.C.M. 438 (1980) (engineer with some managerial duties allowed deduction for MBA-type expenses).

Express requirements of the employer

In some cases where the education does not maintain or improve current job skills, a deduction may be available because the education satisfies the express requirements of the employer. The requirements must be imposed by the employer for a bona fide business reason (or be a requirement of law) and must be a condition of the employee's retaining "his established employment relationship, status or rate of compensation." Reg. Sec. 1.162-5(c)(2). In addition, only the least education necessary to retain the employee's position will qualify under this standard. Reg. Sec. 1.162-5(c)(2).

New trade or business

Expenses incurred for education that qualifies an employee for a new trade or business are not eligible for deduction. However, education that prepares an employee for a "change of duties" does not fail this test if the new duties involve the same general type of work. Reg. Sec. 1.162-5(b)(3)(i). Thus, for example, a classroom teacher may train to become a guidance counselor or principal; however, a nonlawyer may not deduct expenses for law school courses required by his employer if they could lead to taking the bar examination. Reg. Sections 1.162-5(b)(3)(i)(c) and (d), and (b)(3)(ii) Example (2); Rev. Rul. 76-62, 1976-1 C.B. 12. In general, the Tax Court has tended to apply the "new trade or business" test rather narrowly. (See, for example, the following cases where deductions were denied: *Browne v. Commissioner*, 73 T.C. 723 (1980) (bookkeeper/return preparer's courses toward an undergraduate accounting degree); *Burt v. Commissioner*, 40 T.C.M. 1164 (1980) (music courses taken by church's minister of music—disallowed because could be used for teacher's position); *Josephs v. Commissioner*, 39 T.C.M. 138 (1979) (technician's engineering courses).)

MINIMUM EDUCATIONAL REQUIREMENTS

Expenses for education that is necessary to satisfy the minimum educational requirements for an employee's job will not qualify for deduction. The fact that an employee already has a job does not establish that he has met the minimum educational standards for the position. Reg. Sec. 1.162-5(b)(2)(i). Thus, some education that meets the "express requirements of the employer" will not qualify for deduction because it is needed to satisfy the "minimum educational requirements" for the position. For example, a temporary teacher studying for a bachelor's degree in order to obtain a permanent position may not deduct the cost of the education. Reg. Sec. 1.162-5(b)(2)(iiii). On the other hand, once an employee has initially satisfied the minimum educational requirements for his job, any subsequent increases in those requirements are not considered in determining the deductibility of his education expenses. Reg. Sec. 1.162-5(b)(2)(i).

The rules for determining the deductibility of education expenses are detailed and complex. Because they depend upon a case-by-case determination of the facts, they have been a fertile source for taxpayer litigation. In addition, this same complexity has made it difficult and burdensome for employers to determine their withholding obligations on education aid that does not qualify for exclusion under section 127.

PRESIDENT REAGAN'S TAX PROPOSAL

17. What changes would President Reagan's Tax Proposal make to section 127?

In addition to making section 127 a permanent provision of the Internal Revenue Code, the President's tax reform proposal would make several other significant changes in section 127:

The $5,000 cap would be eliminated;

The percentage limit on aid to significant owners would be modified; and

Two new utilization-based tests for nondiscrimination would be added.

Percentage limit

The current percentage limit on education aid for significant owners would generally be liberalized (and made more complicated) by the President's proposal. The percentage limit used for the test would be increased from 5% to 25%, while the group to whom the limit applies would be significantly changed. Under the proposal, the 25% limit would apply to the 20 highest-paid members of the "prohibited group." In general, the term "prohibited group" refers to:

Employees owning at least 1% of the employer;

Employees paid at least $50,000 annually;

Employees within the highest-paid 10%; and

Family members of these employees.

In addition, an employee, who is a prohibited group member in one year, would also be considered a prohibited group member in the two succeeding years. In applying the 25% limitation, only education leading to a degree would be considered and, therefore, employers would have to segregate degree and nondegree education in testing their plans.

New nondiscriminating tests

The proposal's new tests for nondiscrimination would, in contrast to present law, focus on the *utilization* of educational assistance under a plan. Under the first test, the percentage of prohibited group members actually receiving education aid under the plan could not exceed 125% of the percentage of other employees receiving aid. For example, if 20% of nonprohibited group employees received aid, then no more than 25% of the prohibited group could receive education aid under the plan. Under the second test, the average *amount* of education aid provided to members of the prohibited group could not exceed 125% of the average amount of aid provided to other employees. Thus, if the average education aid provided to nonprohibited group employees were $300, then the average amount of aid for prohibited group members could not exceed $375. In applying this second test, as in the case of the 25% limitation, only education leading to a degree would be considered.

Under the proposal, the penalty for failing a nondiscrimination test would fall solely on the prohibited group. Therefore, if a plan failed either utilization test or the 25% percentage limit described above, education aid provided to prohibited group members would not be excludible under Section 127. However, the aid apparently still could be tax-free under other tax provisions (see Q/A-13 through A/A-16).●

THE EXPERIMENTS OF DR. D. EWEN CAMERON

● **Mr. METZENBAUM.** Mr. President, I have long believed that when a person makes a mistake, the sooner he or she owns up to the mistake and does his or her best to rectify it, the better it is for all concerned. This principle applies as much to governments as to individuals, and I respectfully suggest that principle should be particularly applicable to the CIA-funded brainwashing experiments on unwitting Canadian citizens in the late 1950's and early 1960's. But, instead of making public apology and rectification to the Canadian citizens whose lives were wrecked by those experiments, the CIA has adamantly resisted the efforts of the Canadian victims of the experiments and their Government to obtain some recompense for the damage to the victims' lives.

The CIA was able to keep its actions secret from the Canadian people and the Canadian Government and from the American public until John Marks used the Freedom of Information Act in 1977 to break the story with his book "The Search for the Manchurian Candidate." At that time, the then CIA Director, Adm. Stansifield Turner, was aghast at what had happened and promised the Senate that he would find the people who had been subjected to these unwitting brainwashing experiments and would seek assistance for them. But that never happened. Instead, the CIA is even today stonewalling any fair settlement with the nine victims of the CIA-funded brainwashing experiments who have brought suit in the U.S. district court here.

The Washington Post did a great public service last Sunday in its story on one of the victims of the CIA-funded experiments and I am placing that story in the Record along with a number of editorials and pieces from the leading United States and Canadian newspapers which have called on the CIA to rectify its past errors in Canada.

Mr. President, I am as aghast as Admiral Turner at what the CIA did in Canada. But, I am even more aghast at the refusal of the United States Government to resolve this matter with the Canadian victims of the CIA actions. The suit of these nine victims has been pending for over 5 years and, instead of seeking a settlement on some reasonable basis, our Government and the CIA have placed every conceivable roadblock in the path of these victims. These people are now elderly—Louise Weinstein, the subject of the Post piece, is 79—and any further delays in fair recompense could literaly deprive some of the victims of any compensation at all. A fair settlement would serve the interests of justice and decency.

I ask that the material to which I have referred to be printed in the Record.

The material follows:

[From the Washington Post, July 28, 1985]

The Experiments of Dr. D. Ewen Cameron

(By David Remnick)

Harvey Weinstein, a quite bearded man who practices psychiatry at Stanford University, say there are days when he is "ashamed" of his profession, nights when he cannot stop thinking about the Canadian psychiatrist who "ruined my father's life . . . Left him with nothing. It's nightmare that never ends."

With funding from the CIA, the late Dr. D. Ewen Cameron did a series of mind-control experiments on 53 people, including Harvey Weinstein's father, Louis, a prosperous Montreal businessman. All had come to the Allan Memorial Institute of McGill University in Montreal between 1957 and 1961 for treatment of various psychological ailments.

The experiments, Weinstein, say, left his father "a human guinea pig, a poor pathetic man with no memory, no life. He lost his business, he lost everything." Weinstein is one of nine plaintiffs in a lawsuit, seeking damages from the CIA.

To erase or "de-pattern" personality traits, Cameron gave his subjects megadoses of LSD, subjected them to drug-induced "sleep therapy" for up to 65 consecutive days and applied electroshock therapy at 75 times the usual intensity. To shape new behavior, Cameron forced them to listen to repeated recorded messages for 16-hour intervals, a technique known as "psychic driving." Cameron and the CIA were interested in brainwashing and the ability to redirect thought and action. The patients did not consent to the treatment and were never told they were being used for research.

"When you're 13 years old and you see your father—an independent, kind, smart person—become a different man before your eyes, it's impossible to accommodate that," Weinstein says. "I remember one of his first visits home from the hospital. He didn't talk much, and when he did talk it made no sense. When he wasn't sleeping he was drowsy. He asked us things about his parents, even though they'd been dead for years. His memory was gone. At night once, when I was in bed, I saw him come into my room and urinate on the floor. He didn't know where he was.

"My father has ended up feeling guilty that he had done something to deserve this punishment. He is convinced the CIA listens to his telephone. He's ashamed, embarrassed. My mother died without seeing the end of this. It will be a tragedy if my father dies without restoring some sense of dignity to his life." Today Louis Weinstein lives alone in Montreal, cared for by his two grown daughters.

No one knows the whereabouts of all the subjects, some of whom may be dead. But Louis Weinstein and eight others, including Velma Orlikow, the wife of a New Democratic Party member of the Canadian parliament, claim they have been injured irreparably the the experiments. "I'd say Velma operates at about 20 percent of capacity," David Orlikow says. "It's horrific."

The CIA's involvement in mind control experiments has been coming to light for years. The suit filed by the group against the U.S. government has been pending here in U.S. District Court since December 1980 before Judge John Garrett Penn. The plaintiffs originally asked for $1 million each in damages but have cut that to $175,000. The government has offered to pay $25,000. The group's attorney, Joseph Rauh Jr., calls the settlement offer "demeaning" and contends that the CIA has managed to delay the proceedings by "stonewalling."

The CIA's counsel, Lee Strickland, declined to comment on the case. Agency spokeswoman Kathy Pherson said, "We don't comment on cases under litigation. It's inappropriate to try cases in the press."

In Cameron's defense, Brian Robertson, the present director of the Allan Institute, and James Farquhar, a psychiatrist there, wrote in the Montreal Gazette that "we have not been able to uncover a single shred of evidence that Dr. Cameron knew of the CIA connection with his research funding." They said Cameron's work "must be placed in its historical context" and that "in Cameron's day [researchers] were not expected to inform their patients of the nature of their research in the way that they are today."

The CIA has asked Judge Penn to block Rauh from taking depositions from two key agency figures—Stacey Hulse and John Knaus, who have been publicly identified as former CIA station chiefs in Ottawa. They are both retired.

Cameron, who died of a heart attack while mountain climbing in 1967, had been one of the most prominent psychiatrists in North America. A former president of both the Canadian and American psychiatric association, he was selected to diagnose Nazi figures, including Rudolf Hess, during the Nuremberg trials. (He declared Hess sane.) But for his work on brainwashing and mind control, critics have called him a "mad scientist."

"We hanged Nazis for doing the sort of things Cameron did," says Rauh.

"Cameron wanted to be up there with Freud," says David Orlikow. "He wanted that stature, so he would do anything. Anything! It was horrific."

Since World War II, U.S. intelligence agencies have been interested in the techniques of controlling behavior and thought. The military was especially intrigued by interrogation techniques used on American POWs during the Korean War. Brainwashing entered the American vocabulary.

The CIA's first major project in the area, called Artichoke, was rudimentary compared to Mkultra, which succeeded it in 1953. Through front organizations, the CIA channeled about $10 million to dozens of universities and independent researchers.

In one highly publicized experiment an Army employe, Dr. Frank Olson, was given LSD without his knowledge. He was hospitalized and days later jumped out a window to his death.

Few people knew much about Mkultra and cases like those of Frank Olson until 1977, when requests for documents under the Freedom of Information Act exposed the nature and breadth of the CIA's activities. Such intelligence experiments have since been outlawed.

Former CIA director Richard Helms had ordered papers concerning the experiments in Montreal destroyed in 1973, but in 1977, acting on a Freedom of Information Act request by writer John Marks, then CIA director Adm. Stansfield Turner announced that some files had not been destroyed. Those documents form the basis of what is generally known about the work of D. Ewen Cameron.

A CIA chemist, Sidney Gottlieb, supervised the Mkultra project from within the agency, documents show. A CIA doctor, Lt. Col. James L. Monroe, worked undercover and ran the Society for the Investigation of Human Ecology, the organization that channeled money to Cameron and the Allan Institute.

Rauh contends that Cameron knew the CIA was interested in his work and actively solicited the grant. With the CIA's approval (and with checks drawn against U.S. Treasury funds), documents show that Monroe got at least $60,000 to Cameron.

Velma Orlikow:

"I suffer from chronic depression which sometimes becomes acute. I call those periods my 'black holes.' I don't see anybody and I won't leave the house. I can't read and I used to love to read. I can't write a letter. I have unexplained fears. I wake up at night afraid and I don't know why. I'm trying to limp through my life like someone who's been in a terrible accident that leaves them crippled.

"Dr. Cameron could be cruel if you didn't do exactly what he wanted. He was a god figure to the patients. He'd say to me,

'What's the matter with you, lassie?' I still hear his voice sometimes."

Ewen Cameron was born in Scotland and educated at the University of Glasgow, the Glasgow Royal Mental Hospital and at Johns Hopkins. He first won a measure of fame for setting up mobile psychiatric clinics in the '30s in Canada.

During the war, Cameron was part of an international committee of psychiatrists and social scientists who studied the origins and nature of Nazi culture. He published numerous articles on mass psychology during wartime.

Cameron began the Allan Memorial Institute in 1943 with the help of a grant from the Rockefeller Foundation. He gave numerous speeches on "the problem of Germany" and believed that the psychology and forces that gave to rise to Nazism may have been longstanding in German culture.

Although he was based in Montreal, Cameron became an American citizen and angered many in the bilingual community of Montreal for being an insistent English speaker.

More and more, Cameron came to believe in the possibility of changing the human mind, of altering thought and behavior patterns. But rather than experiment in psychotherapy, what Freudians have called "the talking cure," Cameron believed in quicker, organic means, including drugs and electroshock. He began experimenting on organic ways of controlling schizophrenia.

The experiments of 1957–1961 were done on patients, mostly women, who entered the Allan Institute voluntarily, usually at the recommendation of a private physician.

Louis Weinstein went to the institute suffering from respiratory and digestive difficulties caused by anxiety. After undergoing the complete treatment of LSD and other drugs, electroshock and psychic driving, Weinstein is, in his son's words, a "lost soul . . . My father has no social sense, how to keep clean, how to carry on a conversation." "They took his self away from him."

Velma Orlikow suffered from depression after the birth of her daughter. After several years of treatment with a private psychiatrist in Winnipeg, she entered the Allan Institute to speed her progress. Without being told the nature of the injections, she was given shots of LSD on 14 occasions and went through psychic-driving sessions. She found the treatments frightening but, according to her testimony, Cameron persuaded her to continue until 1963. Now Orlikow says she cannot concentrate well, can no longer read books or magazine articles.

Dr. Mary Morrow approached Cameron for a fellowship in psychiatry, but Cameron thought, after a physical exam, that Morrow appeared "nervous" and admitted her as a patient instead. For 11 days, Morrow says she underwent de-patterning experiments that included electroshock treatment, and barbiturates. The treatment resulted in a brain anoxia—not enough oxygen reaching the brain—and she was hospitalized. Today Morrow suffers from prosopagnosia—she cannot recognize people's faces.

The list goes on. Robert Logie, a native of Vancouver, says he cannot hold a steady job or sleep without the help of drugs. He suffers from severe depression and still dreams about the experiments. Lyvia Stadler of Montreal has been institutionalized.

In his court claim, Rauh claims that not only did the experiments have "no likely therapeutic value." they also violated the accepted standards of medical experimentation as formulated at the Nuremberg War Crimes Trials and ratified in the Charter of the United Stated Nations.

"The frustration is incredible," Harvey Weinstein says. "It's impossible to know, to ever know, what kind of life my father might have led, what kind of lives all these people might have led, if this had never happened. So much has been stolen from my father and everyone like him."

[From the Washington Post, August 1, 1985]

Louis Weinstein's Nightmare

Last Sunday this newspaper carried a story that illustrated, in personal and human terms, a court case we have written about in this space. A Stanford University psychiatrist, Dr. Harvey Weinstein, described to Post reporter David Remnick the condition of his father, Louis, who was treated at a Montreal hospital in the late '50s for respiratory and digestive difficulties caused by anxiety. He is now, says his son, "a lost soul . . . a human guinea pig, a poor, pathetic man with no memory, no life . . . It's a nightmare that never ends." Louis Weinstein had been, without his knowledge or consent, the subject of horrible psychiatric experiments involving LSD, sleep deprivation, massive shock therapy and attempted brainwashing. The CIA financed those experiments in an attempt to learn more about mind-control techniques, and Mr. Weinstein and eight other Canadians who were similarly treated are now suing the U.S. government for redress.

It is possible to believe that the intelligence agency did not intend to harm innocent civilians in these experiments and simply put its faith in the psychiatrist who carried out the work. He was, after all, a former president of both that American and Canadian psychiatric associations and had a fine reputation. It is also possible to believe that the doctor, D. Ewen Cameron, did not foresee the terrible results of his experiments. Some psychiatrists have said, in his defense, that his work "must be placed in its historical context," since it was conducted at a time when informed consent was not generally required and when the long-term effects of powerful new drugs were unclear.

But it is not possible to consider it acceptable that such experiments be carried out on people without their knowledge or consent, *And* it is not possibe to refute facts: the Canadian plaintiffs were the involuntary subjects of Dr. Cameron's experiments. They have been grievously and permanently injured. And American taxpayers' money financed that research. The damages they seek—$175,000 each—are hardly more than symbolic and can in no way compensate for ruined lives and decades of suffering. Yet their case has dragged on in the U.S. District Court here for almost five years because the CIA refuses to settle or even to cooperate. There is no overriding security interest at stake here, only a few individuals and this nation's honor. It is shameful not to apologize and settle.

[From the Washington Post, February 19, 1984.]

The CIA's Canadian Victims

Remember how shocked you were when you learned that the CIA, using your tax money, had financed a series of psychiatric experiments on some unsuspecting fellow citizens? One victim, Frank Olsen, committed suicide as a direct result of having been given LSD in such "research." When this horrible history came to light during the Church committee investigation in the 1970s, apologies and compensation were offered, and assurances given that such conduct would never be repeated. But the shame lingers.

Now we learn that CIA-financed psychiatric experiments were not confined within U.S. borders. Canadian citizens were also involuntary and unwilling objects of experimentation in this grotesque program, and some were permanently and seriously injured. It happened at the Allen Memorial Institute, the psychiatric branch of the Royal Victoria Hospital in Montreal, in the late '50s. Dr. D. Ewen Cameron, who was once president of the Canadian Psychiatric Association, used CIA money to conduct experiments on mind control, brainwashing and behavior modification. His subjects were 53 patients who were given large doses of LSD and numerous electric shock treatments and were drugged into prolonged periods of sleep—weeks at a time—while attempts were made to brainwash them. These patients had all come to Dr. Cameron for treatment. Neither they nor their families were told that they were to be subjects in an experiment—let alone an experiment paid for by the CIA. Many still suffer the effects of this outrageous treatment; nine victims, including the wife of a member of the Canadian Parliament, have sued the United States for compensation.

The U.S. government is stonewalling these Canadians in their effort to obtain redress. A Feedom of Information Act request produced documentary evidence that the experiments occurred and that the United States officially apologized to the Canadian government—but not to the individual victims—for having financed them. But the apology itself has not been produced in spite of a request from Ottawa that a copy be made available to the litigants. Nor has the United States offered to do the right and sensible thing—settle these claims immediately and avoid a trial that would be difficult for those who have been injured and embarrassing to the agency responsible. That course would restore our valued good relations with the Canadians and do justice to innocent victims. It would signify a further rejection by this government of a policy abandoned years ago. It is the only right and decent thing to do.

[From the Washington Post, Apr. 18, 1985]

The Victims of MKULTRA

Nine Justices of the Supreme Court this week agreed that Congress gave the CIA broad powers to conceal information obtained from intelligence sources. Justices Brennan and Marshall, in a concurring opinion, would have defined "intelligence sources" more narrowly, so as to protect only those persons who supplied information with a promise of confidentiality. But even they agreed with the result in the case at issue.

It is reasonable that the CIA be given special exemptions from the Freedom of Information Act, and in principle the court's decision is understandable. However, this is more than a case of dry statutory interpretation. It involves real human beings who were severely injured and who need help.

In the '50s, the CIA embarked on a program, "MKULTRA," to experiment with forms of mind control in order to catch up with what was assumed to be dramatic Soviet and Chinese advances in this field. Eighty institutions and 185 private researchers had contracts with the CIA to perform this work. Many individuals became, without their consent, the subjects of psychiatric and drug experiments. With a few exceptions, it is not known who these people are or what has become of them. The plaintiffs in the case the Supreme Court decided this week tried to force the CIA to turn over records of the experiments so that the victims could be traced and informed. They were unsuccessful.

From the few known cases, the results of the experiments were horrible. Some subjects, given LSD, were permanently mentally impaired. Some committed suicide over drug-induced fears and depressions. Some research was carried out in Canada, where a private psychiatrist experimented on patients at the Royal Victoria Hospital in Montreal. A group of surviving victims, one the wife of a member of the Canadian Parliament, has sued the U.S. government for compensation; the CIA persists in denying liability, and the case has dragged on in court for more than four years. In another case involving an American whose family discovered the CIA's involvement in his suicide only years after the fact, compensation was awarded. But most of those who were the subjects of the MKULTRA experiments still do not know it.

These victims of government action must be found and cared for. The courts will not order the CIA to reveal the required information, but the agency, acting on its own, can trace many victims through its contractors. If this isn't done, Congress, which ultimately makes the rules governing CIA activity, can order a search and provide compensation for the Canadians as well as the Americans involved. It is the only just and honorable thing to do.

[From the Washington Post, Mar. 26, 1983]

What Was the CIA Up to in Canada?

All Canadians owe a debt of gratitude to David Broder for his March 13 column ["There's a Gorilla in the Hemisphere"] based on Lawrence Martin's invaluable book, "The Presidents and the Prime Ministers." Both the Broder piece and the Martin book expose a long history of ham-handed U.S. arrogance toward its Canadian neighbor. I am writing to attest to an additional instance of American callousness—the CIA-sponsored brain-washing experiments performed on unsuspecting Canadian citizens.

In those CIA-funded experiments during the late 1950s and early 1960s, patients at a Montreal mental hospital were subjected to some or all of the following procedures. They were given LSD and were "depatterned" by receiving large doses of drugs and/or intensive electro-shocks two or three times a day until they were reduced to a vegetative state. Some patients were subjected to "psychic driving"—tape recording repeated the same message over and over when played through speakers in the patients' pillows or headphones from 6 a.m. until 9 p.m. each day until the message had been repeated some one-quarter to one-half million times. Finally, to make some of the patients forget what had been done to them, powerful drugs were administered that caused them to sleep for a one week to 10 days.

All of this was done without even informing our government here in Canada, much less telling the patients who had come to the hospital seeking therapy that they were subjects of brainwashing experiments. As a Canadian citizen and a member of Parliament, the arrogance of the CIA angers me; but as a husband that anger knows no bounds—for my wife was one of the patients used as a guinea pig in the CIA-sponsored brainwashing experiments. I speak from distressing personal knowledge when I say that the CIA has caused great suffering and unhappiness to the Canadian citizens who were victimized by those unwitting experiments.

Concepts of justice and fairness require a person who injures another to recompense his victim, yet the U.S. government has consistently acted to conceal its wrongdoing and to shirk its responsibility. The CIA files relating to this program were ordered destroyed in 1973, but due to an oversight a limited portion of those documents survived and were found four years later. At that time, CIA Director Stansfield Turner promised the U.S. Senate that experimental subjects would be located and notified—yet not one Canadian victim has ever been contracted by the CIA.

To this day the U.S. government denies all responsibility toward the Canadians who were victims. When my wife and other Canadians who had been patients at the hospital approached the CIA seeking recompense, they encountered a stone wall of opposition. Those Canadian citizens were forced to sue for the compensation due them—a suit that the United States has resisted with all the resources available to it.

It is bad enough when, as Mr. Martin relates, the United States tries to station missiles in Canada with the purpose of making us a target for the Russians and when U.S. industries pollute so badly that acid rains kill our forests; but when the United States comes up here and uses our citizens as guinea pigs and then denies all responsibility, only one question remains: with friends like these.

David Orlikow.

[The writer is a member of Parliament from Winnipeg.]

[From the Los Angeles Times, Feb. 6, 1984]

Horror Story

In all decency, the U.S. government should move promptly to settle the long-pending lawsuit brought against it by nine Canadian citizens who were the unknowing subjects of medical experiments 27 years ago in a Montreal hospital.

This is a horror story that came to light seven years ago, and the horror has never ended for the victims. The Central Intelligence Agency secretly funded a 25-year experiment in the control of the human mind. Involved were several medical research institutions and government hospitals in the United States and Canada.

Without their knowledge, selected patients in the Montreal hospital were given heavy doses of LSD. A member of the Canadian Parliament, David Orlikow, first learned of the experiments in newspaper accounts. His wife had entered the Montreal hospital for treatment of depression during the time of the experiments. She said that she had been given doses of hallucinogenic drugs, and, in the 27 years since, she said that she has been unable to concentrate and even now is unable to read an entire magazine article. Another victim, according to a report in the New York Times, said that the experiments left her with no memory of the births of her four children.

The Canadian government had not shown much interest in the suit until after the case was discussed recently on a nationwide Canadian television program. The Canadian embassy in Washington then sent a note to the U.S. State Department asking the United States to give relevant documents to the attorneys for the nine Canadians. Foreign Minister Allan J. MacEachen of Canada said that he was considering an appeal to the International Court of Justice in The Hague in behalf of the subjects of the experiments. His statement was considered a move to persuade the United States to settle the suit, which was filed in federal court in Washington, seeking $1 million for each victim.

The evidence is plain. There is no way to reconcile the CIA-sponsored medical experiments on unknowing subjects with conduct worthy of this nation. They never should have been permitted, and the U.S. government should meet its obligation to negotiate a settlement without dragging the victims through the ordeal of long and tortuous legal proceedings.

[MacLean's magazine, June 10, 1985]

Unwitting Guinea Pigs for the CIA

(By Allan Fotheringham)

Montreal's Allan Memorial Institute was grateful to get the money back in the late 1950s. As part of the Royal Victoria Hospital's funding, the annual grants coming from the Cornell University medical school's "Society for the Investigation of Human Ecology" were most welcome. Particularly since the financing was going to the brilliant Dr. Ewen Cameron, the Scottish-born doctor who has been called "the godfather of Canadian psychiatry." He was the first professor of psychiatry ever appointed at McGill, then known as one of the finest medical schools on the continent. Cameron's stature was such that when he presented his startling and severe new treatment for schizophrenia before the Second International Congress for Psychiatry in Zurich in 1957, the grand old man of the profession, Dr. Carl Jung himself, was in the audience listening. Jung seemed surprised at Cameron's harsh "de-patterning" methods, but the medical fraternity seldom attacks its own, now does it? It is the tightest union in the world, tighter even than the one the lawyers inhabit.

As it happens, old Carl Jung had reason to raise his eyebrows. The Society for the Investigation of Human Ecology has turned out to be a front for the celebrated U.S. Central Intelligence Agency and the good Dr. Cameron was using Canadians as guinea pigs in brain-washing experiments.

For 20 years, between 1953 and 1973, the CIA spent $25 million in attempts to learn how to control the human mind. The excuse was that the Soviets and the Chinese might be perfecting techniques in that esoteric field. The CIA front run through Cornell was involved with more than 50 universities in 21 countries. The idea was for the CIA to subsidize research by recognized academics who had no idea of their sponsor—nor the real purpose of the "research."

The code name for the grisly project was MKULTRA. The CIA in 1973 illegally burned the MKULTRA documents and Dr. Cameron's family, after he was killed in a mountaineering accident in 1967, destroyed his files. But the U.S. Freedom of Information Act (which, unlike the Canadian version, actually frees information) has unveiled the goods on the CIA experiments with the minds of 53 patients at the Allan Institute.

The medical excuse was the need for speed. Psychiatrists were impatient with the long and laborious treatment through psychoanalysis as developed by Sigmund Freud

and Jung. They wanted swifter methods of restoring mental balance, and Dr. Ewen Cameron was a pioneer in the field.

In the United States the early experiments—often using the then-little-known drug LSD—were conducted on unsuspecting prisoners, prostitutes and other "undesirables" who functioned on the fringe of society. In Montreal, Cameron used ordinary people who came to him with severe problems. He used "sleep therapy," in which patients were heavily drugged and knocked out for as long as 65 days—disturbed several times a day through heavy electroshock treatments. His methods to repattern the troubled brain was something called "psychic driving"—patients tucked away in a "sleep room" where taped messages played up to half a million times were repeated into their drugged ears from speakers under their pillows. In a box in a stable behind his lab, Dr. Cameron put patients in total isolation—deprived completely of all sensory stimuli: nothing to see or hear or smell or feel. One woman was in the box for 35 days, allowed out only for toilet breaks and meals. At least one patient, Marian Jackson Robinson, died of what was called a stroke.

Val Orlikow is the wife of David Orlikow, the veteran NDP MP from Winnipeg North. She checked into the Allan Institute in 1956, suffering from neurosis and postpartum depression. Within two weeks she (unknowingly) began to receive heavy doses of the new drug LSD—14 treatments in all over two months. One thing the CIA was curious about was what techniques could be used to break down those interrogated by its agents and whether disinformation could be lodged in their memories. Mrs. Orlikow has lost the ability to concentrate, cannot read books or abide crowds and has probably suffered brain damage. Bob Logie of Vancouver, another guinea pig, lives on a disability pension (Cameron put him in a drug-induced sleep for 23 days) and still has nightmares over his stay at the Allan Institute.

Nine of the victims have sued the CIA, originally asking for $1 million each. It has dragged through U.S. courts for five years now, and the nine have reduced their demands—while legal costs drag on—to $175,000 apiece. They are represented by 74-year-old Joseph Rauh, one of the great civil liberties lawyers of this century. He and his junior partner have spent two years on the case. Orlikow and his clan have no money.

The U.S. refuses to budge on its offer of $25,000 to each of the nine. It admits guilt. Former CIA director Stansfield Turner says the experiments were "unethical" and left him "aghast." Joe Clark, supposedly our external affairs minister, says he has personally appealed to Secretary of State George Shultz—with no result. Rauh says he's appalled that Ottawa hasn't the guts to submit the case to the World Court in The Hague. There's the suspicion Ottawa is shy because of its own involvement in the Cameron experiments.

The Mulroney government makes much of its new, close, intimate relationship with the White House. This might be a very good test of the credibility of that claim. You say $25,000 measly bucks for lives ruined?

[From the Toronto Globe and Mail, Mar. 20, 1985]

The Cold Shoulder of the CIA

Guided apparently by the philosophy that you can't make an omelet without breaking a few eggs, the Central Intelligence Agency has taken many a bizarre misstep in its mission to make the world safe for democracy. One of its more appalling blunders was the funding of brainwashing experiments on patients at the Allan Memorial Institute in Montreal 25 years ago.

Quietly, the U.S. Government has acknowledged the episode and apologized for the CIA's hand in experiments involving the use of LSD and other powerful drugs, shock therapy and "psychic driving" by the use of tape recordings. There remains, however, a stubborn reluctance to make decent amends.

The suit filed in the U.S. District Court more than four years ago, on behalf of nine of the brainwashing victims, has been stonewalled. In an attempt to work around this, External Affairs Minister Joe Clark recently proposed a meeting of government officials and lawyers from both countries to settle the suit. This has been rejected by the U.S. Government, deepening the frustrations that have arisen from legal delays.

There have also been dark hints at Canadian complicity in the experiments. Scott Kragie, the U.S. Justice Department lawyer representing the CIA, says he is convinced that the late Dr. Ewan Cameron, the prominent Canadian psychiatrist under whom the experiements were conducted, would have conducted them with or without CIA funding, and that the Canadian Government knew about the experiments, helped pay for them and could have stopped them.

New Democratic Party MP David Orlikow, whose special interest in the subject stems from the fact that his wife, Velma, was one of the patients, has found no evidence that Canadian funding of Dr. Cameron's work was of anything but a general nature—the funding that would naturally flow to the research work of an eminent psychiatrist. The more sinister aspects of what went on at the Institute were, he believes, the exclusive product of CIA funding.

This is more or less conceded by the CIA, which believes the resulting suffering could be adequately soothed by a compensation offer of $20,000 to each victim. We think not.

[From the Toronto Globe and Mail, Jan. 18, 1985]

On the CIA's Behalf

The U.S. Central Intelligence Agency went shopping in Montreal in the late 1950s, and, using a front group called the Society for the Investigation of Human Ecology, financed the experiments of a renowned psychiatrist into the re-programming of human behavior. With the help of $60,000 contributed by the CIA between 1957 and 1960, Dr. D. Ewen Cameron subjected 53 patients to drug therapy with the hallucinogen LSD, electric shock treatment and chemically-induced sleep for up to 65 days.

Dr. Cameron died in 1967. When the news broke years later that the CIA had been behind his experiments, nine of his ex-patients launched a suit against the U.S. Government for $1-million each. Washington has now, on the CIA's behalf, offered an out-of-court settlement of $20,000 each—an astonishingly inadequate sum. As lawyer Joe Rauh says, "They are still saying to us this is a nuisance case and that's all you're going to get."

Some nuisance. When one patient, Velma Orlikow, entered the Allan Institute voluntarily in 1956 for treatment of neurosis and post-childbirth depression, she received instead 14 injections of LSD, administered without her knowledge, and a treatment called "psychic driving"—an attempt to break down her personality and rebuild it.

The Canadian Government has sent several sharp diplomatic notes to Washington, condemning the CIA's actions as an infringement of Canadian sovereignty, and has made 10 informal representations to the U.S. State Department for speedy compensation; the State Department in turn, says Canadian Ambassador Allan Gotlieb, "is trying to be helpful and is sensitive to our desire to expedite a solution or a settlement."

We see little evidence of it. The realism of a demand for $1 million may be open to debate, but the pitiful offer of $20,000 per head is an insult to the nine ex-patients and the Canadian Government, which is rightly indignant at the CIA's involvement, on Canadian soil, with psychological experiments on Canadians. More than two decades on, this sordid affair remains to be reasonably settled.

[From the Toronto Globe and Mail, Jan. 25, 1984]

Saying They're Sorry

The U.S. Government has said it is sorry that the Central Intelligence Agency funded the brainwashing of Montreal patients 25 years ago. We know this only because news of the apology leaked out. The U.S. Government refuses to make it public, and the Canadian Government says it can find no written copy of the apology.

It's a bizarre twist to a bizarre tale. The central character was Dr. D. Ewen Cameron, a respected psychiatrist who, before his death in 1967, served as president of the Canadian, American and World Psychiatric Associations. He was also director of McGill University's Allan Memorial Institute. It was here that, using $19,000 contributed by the CIA through a group called the Society for the Investigation of Human Ecology, Dr. Cameron treated patients with the hallucinogen LSD, electro-shock therapy and prolonged drug-induced sleep.

In 1979, former U.S. State Department official John Marks wrote that 53 people had undergone the treatments. One of them was Velma Orlikow, wife of Canadian MP David Orlikow, who entered the institute voluntarily in 1956 for treatment of neurosis and postchildbirth depression. What she received were 14 injections of LSD, administered without her knowledge, and a treatment, using pre-recorded tapes, called "psychic driving"—an attempt to break down her personality and rebuild it.

The CIA's interest was simple. It was intrigued by the thought that a spy's mind could be re-programmed with new patterns of behavior, and found in Dr. Cameron a phychiatrist willing to experiment on unsuspecting patients.

No one seemed to mind. Maurice Dongier, chairman of McGill's psychiatry department, said in 1979 that the experiments were designed to deprogram individuals who had anti-social delusions. (He added that they were found to have no practical application for spies. "In that sense, I guess you could say the CIA lost their money.") Barbara Wainrib, a psychologist who worked with Dr. Cameron at the institute, said he had been motivated by "a sincere desire to find some way of counteracting the schizophrenic pattern . . . He took drastic measures. My God, he took drastic measures. But in those days we all had a feeling that these drastic measures were for a very important goal—undoing the malfunctioning logical systems of schizophrenics."

Nine of those patients are now suing the U.S. Government for $1-million each. (Mrs. Orlikow has already sued the Royal Victoria Hospital, administrator of the institute, and received an out-of-court settlement of $65,000.) They say they were never told they were participating in experiments, and that their lives were all but destroyed by the treatments.

What they need now is the text of the U.S. apology and related documents. Last May, the U.S. Government asked the Canadian Government to "withhold from public disclosure the documents in question." A spokesman for the External Affairs Department, who could find no copy of the apology, said no information provided by the U.S. could be released without that country's permission. Since then, according to David Orlikow, officials from External Affairs have offered to provide any documents that will help his wife's case. "I am prepared to take them at their word, but on the basis of their slowness to date, I hope we will not be disappointed."

We share this hope. If it is too late to undo the harm done by Dr. Cameron, it is not too late for the CIA, which financed his experiments, to compensate the victims. Canada should do all it can to help.

[From the Vancouver Sun, Jan. 18, 1984]

MIND GAMES

When it was disclosed last year that the United States army had helped accused war criminal Klaus Barbie escape arrest by the French in 1949, the U.S. government studied the matter, admitted its guilt, and issued a prompt apology.

Canadians may well be wondering why there hasn't been a similar public apology for the Central Intelligence Agency's actions in funding nightmarish mind experiments on 50 patients at a Montreal hospital in the late 1950's.

True, there was a private apology made to the Canadian government after the experiments were disclosed in 1977, but that was apparently limited to regret that Canada hadn't been informed that the U.S. had paid for the experiments.

Declassified CIA documents indicate the spy agency admitted to itself that the experiments were "immoral and inhuman." But that hasn't prevented the agency and its government from blocking access to key files by a group of nine Canadians seeking redress in the courts.

The obstruction has provoked the Canadian government to exert diplomatic pressure and to threaten to take the case to the International Court of Justice in the Hague.

Unquestionably the Canadian litigants are entitled to some answers at least, for there is no denying they underwent terrible ordeals: exhaustive bombardment with tape-recorded messages, vicious electric shocks, repeated doses of mind-altering drugs, and sensory deprivation. For the victims, mostly women, the legacy is one of depression, amnesia, nightmares, brain damage, and Lord knows what else—thanks to secrecy surrounding the project, not all the names are known.

Blame rests not only with the CIA, which thought the experiments might shed light on wartime brainwashing techniques. The wife of Winnipeg MP David Orkikow, who suffered permanent brain damage after being injected with LSD on 14 occasions, sued the Montreal hospital where the experiments were conducted and won a $65,000 out-of-court settlement.

Dr. Ewan Cameron, the prominent Canadian psychiatrist who conducted the tests, apparently with determination, is dead, so the extent of his complicity in the outrage may never be fully known.

But all who do have knowledge of the episode should realize an obligation to do what they can to put the victims' minds at rest, at the very least. Secrecy is hardly merited on national security grounds, considering that the techniques and experiments involved have been utterly discredited.

The courts may find that the cases merit money damages too, which would be a small price toward expiating the crimes committed against that most fragile and precious of things, the human consciousness.

And finally, public apologies—simple things, really—are always respected among civilized people.

As The New York Times said in acknowledging the important gesture inherent in the U.S. government's mea culpa in the Barbie case: "How rare it is for a proud and powerful nation to admit shabby behavior."●

APPEAL FOR RELEASE OF HELSINKI FINAL ACT MONITORS

Mr. DOLE. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of Senate Joint Resolution 166, to appeal for the release of Dr. Yury Orlov and other Helsinki Final Act monitors, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 166) to appeal for the release of Dr. Yury Orlov and other Helsinki Final Act monitors.

The PRESIDING OFFICER. The question is on agreeing to the joint resolution.

The joint resolution was agreed to.

The preamble was agreed to.

The joint resolution, with the preamble, reads as follows:

S.J. RES. 166

Whereas on August 1, 1975, thirty-five nations, including the United States of America and the Union of Soviet Socialist Republics signed the Final Act of Security and Cooperation in Europe (the Helsinki Final Act); and

Whereas the Helsinki Final Act commits participating states to respect human rights and fundamental freedoms and confirms the right of the individual in each participating state to know and act upon his rights and duties in this field; and

Whereas, on May 12, 1976, Doctor Yury Orlov and his colleagues announced the formation of the Helsinki Watch Group and more than one hundred people openly became members of the group and its affiliates; and

Whereas today, fifty-one Helsinki Watch members are incarcerated in prisons, labor camps, psychiatric hospitals, or are serving terms of exile; and

Whereas three Helsinki Watch members have died after years of mistreatment in Soviet labor camps and twenty others have been released after serving sentences but live under the constant threat of resentencing or new arrest; and

Whereas eighteen Helsinki Watch members have emigrated to the West because of the threat of imprisonment in the Union of Soviet Socialist Republics; and

Whereas Doctor Yury Orlov, a sixty-year-old physicist and founder the Moscow Helsinki Watch Group was arrested in February 1977 and sentenced to seven years in a strict regime labor camp and five years of internal exile; and

Whereas Yury Orlov now lives in complete isolation in a remote part of Siberia in a workers' dormitory where he is abused and persecuted by local officials, where food is scarce, and proper medical care unavailable; and

Whereas Yury Orlov is in poor health, aggravated by years of harsh prison regimen, and suffers from kidney disease, the after effects of a skull injury, and other chronic illnesses; and

Whereas Doctory Yury Orlov has been denied employment in his scientific field, prevented from communicating with scientific colleagues abroad, and prohibited from receiving mail and journals: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Senate expresses its deepest concern about Doctor Yury Orlov and calls upon the Government of the Union of Soviet Socialist Republics to release him from exile and allow him to emigrate with his wife to the West, and urges the President of the United States to instruct the Secretary of State to raise the case of Doctor Yury Orlov publicly and privately with the Soviet Government, including the August 1 meeting in Helsinki, Finland commemorating the tenth anniversary of the Helsinki Final Act, at the 1986 session of the United Nations Commission on Human Rights, and at the November meeting in Geneva between President Reagan and Chairman Gorbachev.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONFEREES ON H.R. 2942

Mr. DOLE. Mr. President, I move that the Senate insist on its amendments to H.R. 2942, request a conference with the House on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Messrs. D'AMATO, HATFIELD, STEVENS, BUMPERS, and HARKIN conferees on the part of the Senate.

SUPPORT FOR THE FARM CREDIT SYSTEM

Mr. BYRD. Mr. President, on behalf of Mr. ZORINSKY, I send to the desk a Senate resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 211) expressing the sense of the Senate regarding the need to maintain and assist the farmer-owned institutions of the Farm Credit System during this period of stress in agriculture.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. ZORINSKY. Mr. President, this resolution is designed to provide assurances to Farm Credit System borrowers and investors. The resolution will place the Senate on record as recognizing the responsibility of the Federal Government to maintain a viable farm credit system.

May farmers are in a desperate financial bind because of high real interest rates, stagnant farm prices, rising production costs, and an erosion in the value of farm assets.

The severe financial problems of our Nation's farmers are adversely affecting the single most important source of agricultural credit—the Farm Credit System. The system has suffered record losses on loans over the past 4 years although—in its entirety—the system continues to show positive earnings.

Loan losses and the continued deterioration of the agricultural economy have been of great concern to the individuals and institutions who invest in Farm Credit System bonds. These investors provide billions of dollars in capital that the Federal land banks, production credit associations, and banks for cooperatives lend to farmers.

This understandable concern on the part of investors has resulted in the system having to pay higher interest rates to obtain capital. If this continues, farmers will have to pay more for their credit at a time when interest rates are generally declining.

The resolution notes that Congress created the Farm Credit System 50 years ago and that it provides an essential service—not just for farmers but the entire Nation.

Further, the resolution states that the Federal Government stands ready to assist the Farm Credit System if assistance is needed.

I believe the Farm Credit System has the resources to resolve its basic financial problems. However, if Federal assistance is needed, system borrowers and investors can rest assured that Congress will not allow the system to become impaired. The resolution will make that point clear.

I urge my colleagues to support the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 211

Whereas agriculture is the Nation's most basic industry, and its associated production, processing and marketing segments, together, provide more jobs than any other single industry;

Whereas it is in the Nation's interest to carry out an agricultural policy that will ensure an adequate and dependable supply of food and fiber at reasonable prices;

Whereas producers are the basic element in the food and fiber system and their ability to make a profit and meet their financial obligations is critical to their remaining in business;

Whereas the availability of an adequate source of sound credit is crucial to accomplish the objective of improving the income and well-being of American farmers;

Whereas for that purpose Congress more than fifty years ago created the farmer-owned institutions of the Farm Credit System, which lend only to agriculture and are directly tied to the success of that industry;

Whereas the cooperative Farm Credit System is today the single largest agricultural lender in the United States and provides essential financial services to many thousands of farmers and ranchers through production credit associations and Federal land bank associations: Now, therefore, be it

Resolved, That it is the sense of the Senate that it is in the best interest of the Nation that the farmer-owned and farmer-controlled cooperative Farm Credit System be maintained as a strong and viable source of credit for agriculture and that the Federal Government stands ready to assist efforts by the System in maintaining the System's ability to perform its vital role in financing U.S. agriculture during this time of financial stress in the farming sector.

SEC. 2. It is further the sense of the Senate that the Farm Credit System fully mobilize its resources to continue to address the financial problems of troubled farm credit banks and associations and their borrower-members.

SEC. 3. It is further the sense of the Senate that the leadership of the Farm Credit System work with the Governor of the Farm Credit Administration and the Secretary of Agriculture in furnishing to the Agriculture Committees of Congress as soon as practicable, but not later than September 10, 1985, a report on the present condition of the System and its ability to meet the credit demands of U.S. agriculture in 1986 and future years, including recommendations for any legislation the Secretary and the Governor deem necessary.

SEC. 4. The Secretary of the Senate shall transmit copies of this resolution to the President, the Secretary of Agriculture, and the Governor of the Farm Credit Administration.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOINT REFERRAL

Mr. DOLE. Mr. President, I ask unanimous consent that the bill introduced today by Senators LAXALT and HECHT dealing with the proposed settlement of legal disputes involving Pyramid Lake be jointly referred to the Committees on Indian Affairs, Energy and Natural Resources, and the Judiciary, provided that if the Indian Affairs Committee reports the measure, the Energy Committee and the Judiciary Committee have 15 calendar days in which to report the measure or be automatically discharged.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFERRAL OF S. 1504

Mr. DOLE. Mr. President, I ask unanimous consent that S. 1504, administrative law judge compensation, be re-referred to the Committee on Labor and Human Resources.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR INDEFINITE POSTPONEMENT—S. 1105

Mr. DOLE. Mr. President, I ask unanimous consent that Calendar No. 260, S. 1105, the Federal Contractors Employees Flextime Act, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL CONTRACTORS FLEXTIME BILL

Mr. ARMSTRONG. Mr. President, I am delighted that S. 1105, the Federal Contractors Flextime bill has been added to the Defense Authorization bill. I have introduced this legislation as a separate bill many times and am very pleased that it has been added to the Defense Authorization bill with such bipartisan support.

Not often does Congress have the opportunity to enact legislation that will save taxpayers at least $1 billion in this decade and at the same time increase industry's productivity, improve employee morale, reduce labor costs, save energy, and modernize the workplace. Yet this is what Walsh-Healey reform legislation will accomplish if passed by Congress.

Under current law, Federal agencies allow Federal employees to work flexible work schedules. This legislation was enacted by Congress 3 years ago, but Congress failed to allow the same benefits to Federal contractors in the private sector. In essence, Federal contractors in the private sector must pay their employees overtime pay for hours worked after an 8-hour workday. This prevents employers and employees from benefiting from flexible work schedules such as 4 days a week, 10 hours a day workweek.

This legislation, will create permanent statutory authority for alternative work schedules for Federal contractors in the private sector. The Senate passed this legislation once before in 1980, but it was dropped in conference. It is time that we provide these Federal contractors in the private sector the same benefits other Government contractors and other workers in the private sector enjoy.

A year ago the Grace Commission reported that the current Walsh-Healy Act drives up Federal contract costs by reducing competition and artificially inflating labor costs. The Commission estimated that this outdated law costs the Federal Government between $673 million and $1.3 billion annually, reports the Grace Commission. The Congressional Budget Office—in a just-released study—estimates that once Walsh-Healey reform is fully implemented that annual savings to the Government will exceed $550 million annually.

The Commission specifically recommended that the current law be amended to eliminate the now required 8-hour-a-day threshold from the overtime-pay requirement, while retaining the 40-hour-per-week requirement.

The Commission stated that the 8-hour-per-day overtime provision in this act "is out of step with the times" and serves only to increase costs to the Government for work performed by these contractors. "Changes in the composition of the work force, particularly the influx of women and working mothers, have substantially altered the needs and characteristics of the average American workers. The patterns of working the 40-hour workweek have also shifted so that flexibility has replaced tradition as the basis of work schedules."

In addition to the advantages to the Federal Government, the Grace Commission listed a number of advantages that Walsh-Healey reform would have on the private economy:

MORE JOBS

Experience at the corporate level with compressed workweeks has resulted in an increase in the total number of jobs. Increase in productivity, competitiveness, and the number of shifts employed translates into more job opportunities.

BENEFITS TO EMPLOYEES

The compressed workweek shows that employee morale and job satisfaction increase as a result of the increased flexibility of a compressed workweek. This is a result of reduced commuting costs and actual time spent commuting, allowing for increased blocks of leisure time for family commitments, education opportunities, and personal fitness.

BENEFITS TO EMPLOYERS

Compressed workweeks provide benefits and more flexibility for employers including decreased overtime costs, more efficient use of plant and office facilities, and increased employee productivity due to better employee morale.

BENEFITS TO THE COMMUNITY AT LARGE

In addition to creating more jobs, the Commission's report stated that studies on the compressed workweek provide benefits to the community due to reduction in traffic congestion, air pollution, energy consummation, and also better service to the public as a result of increased hours of operation.

Mr. President, this legislation has one objective and one aim: To allow Federal contractors the option of alternative work schedules. The benefits of flex time, however, go far beyond less Government interference in the private sector. There are distinct advantages for companies who have chosen to implement the alternative schedule that should be noted. In addition to the Grace Commission, numerous other studies have been conducted on the optional "compressed workweek." These studies, including those done by the Comptroller General, the Bureau of Labor Statistics," The Revised Workweek: Results of a Pilot Study of 16 firms," and the National Center for Energy Management and Power "Feasibility Study of a System of Staggered Industry Hours," point out many of the same conclusions found by the Grace Commission, such as: first, greater productivity—higher weekly output, improved use of plant equipment, and improved employee morale; second, improved working conditions—reduced employee working costs, increased job satisfaction, and ease in recruitment: and three, energy conservation—reduction in fuel costs associated with commuting, and reduction in energy usage for heating and cooling plants or offices.

One possible advantage of particular interest to me deals with the problem of air pollution. We now have evidence, as a result of a study released by the Denver Regional Council of Governments in cooperation with the Denver Federal Executive Board, examining the travel habits of some 7,000 Federal employees on the compressed workweek schedule in the Denver area. The study concludes that the compressed workweek is one of the most effective transportation management actions that Denver's Federal agencies can take in addressing the concern of air pollution and traffic congestion.

It has been estimated that neither providing free transit service at peak periods for everyone in the area, nor an extensive and complicated program of carpool matching would even equal the impact on air pollution that resulted from only 7,000 employees on a compressed workweek. Imagine what would result if all employees of Federal contractors in the study were allowed to shift to a 4-day workweek.

A change in the Walsh-Healey Act will not in any way affect the Fair Labor Standards Act, which governs all workers and provides that overtime premiums be paid whenever employees work more than 40 hours a week. The proposal will not impact the collective bargaining process, nor will it conflict with any of the Federal labor laws. Nothing in this amendment shall be construed to cover employees specified in the Walsh-Healy Act and the Contract Work Hours and Safety Standards Act. Finally, the bill does not mandate a compressed workweek, it only restores to American business and workers serving the Federal Government the basic freedom of choice.

Mr. President, in the past, we have heard many unions and workers testify that Government employees are eager to see the Federal Employee Flexible Work Schedules Act become permanent. The same is true for the employees in the private sector working on a Federal contract. Many private sector collective bargaining agreements across the Nation encompass the 4-day, 40-hour workweek. Many labor contracts in my own State of Colorado include provisions for a compressed workweek—and are merely waiting for Congress to update the archaic law. In my opinion, it is only fair for Federal contractors to have the same advantages that private-sector and Government employees do.

Many labor contracts in my own State of Colorado include provisions for a flexible workweek—and were waiting for Congress to update that archaic law. I am glad to say that all workers and their employers will now be able to benefit from flexible work hours.

Mr. President, I would like to compliment the conferees for their wise decision to include this very important reform legislation in the Defense Authorization bill. I would especially like to thank Senator GRAMM for adding the Walsh-Healey reform legislation to the Senate Defense Authorization bill and seeing it successfully through the Conference. I would also like to thank Senator NICKLES, and his labor counsel Chuck Carroll, for all their work on this legislation over the years. Senator NICKLES held hearings on this legislation this year and led its unanimous passage in the Senate Labor and Human Resources Committee just recently. I would also like to express my appreciation to Senator HATCH, as chairman of the Senate Labor and Human Resources Committee and Senator GOLDWATER, chairman of the Senate Armed Services Committee, for their help and support of Walsh-Healey reform legislation. Without their help final passage of this legislation would not have been possible.

Mr. President, last but not least, I would like to conclude my statement

by thanking the "Walsh-Healey Coalition" members for their diligent work on this legislative effort. This coalition, composed of private sector companies who have long ago recognized the benefits of Walsh-Healey reform, has been working on this issue for years to inform Congress and the public on the benefits of this much needed reform. It is largely due to their tireless efforts that this legislation has now become so popular resulting in its final passage. Mr. President, I would like to include the names of this coalition in the RECORD with a special thanks from me on the work they have done to spread the word on this important issue.

THE WALSH-HEALEY COALITION

Eli Lilly and Company; Caterpillar Tractor Company; American Electronics Association; Phillip-Morris USA; Printing Industries of America; Aluminum Company of America; U.S. Chamber of Commerce; American Gear Manufacturers Association; Deere & Company; Exxon Corporation USA; J.P. Stevens & Co., Inc.

The Business Roundtable; Procter and Gamble; Brick Institute of America; A.H. Robins Company, Inc.; FMC Corporation; Recreation Vehicle Industry; National Association of Manufacturers; Mobil Oil Corporation; National Utility Contractors Association; Burlington Industries, Inc.; TRW, Inc.; National Association of Home Builders; DuPont; Milliken & Company.

Aerospace Industries Association; Allied Corporation; American Textile Machinery Association; Thompson, Mann & Hutson; Electronic Industries Association; Motorola, Inc.; Pfizer, Inc.; National Federal of Independent Business, Inc.; RCA Service Company.

Rubber Manufacturers Association; Blue Bird Body Company; Bristol-Meyers; Harris Corporation; Truck Body & Equipment Association; Springs Industries; Labor Policy Association; Associated Builders & Contractors; Associated General Contractors; American Textile Manufacturers Institute; Shell Oil Company; Wood Machinery Manufacturers Association.

ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 444.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 444) entitled "An Act to amend the Alaska Native Claims Settlement Act", do pass with the following amendment:

Strike out all after the enacting clause, and insert:

That, the Alaska Native Claims Settlement Act (85 Stat. 688, 43 U.S.C. 1601-28), as amended, is further amended by adding at the end thereof the following new sections:

"SEC. 34. (a) For purposes of this section the following terms shall have the following meanings:

"(1) the term 'The Agreement' or 'Agreement' means the agreement entitled 'Terms and Conditions Governing Legislative Land Consolidation and Exchange between NANA Regional Corporation, Inc., and the United States' executed by the Secretary of the Interior and the President of NANA Regional Corporation, Inc., on January 31 and January 24, 1985,

"(2) the term 'transportation system' means the Red Dog Mine Transportation System described in Exhibit B of the Agreement.

"(3) the term 'NANA' means NANA Regional Corporation, Inc., a corporation formed for the Natives of Northwest Alaska pursuant to the provisions of this Act.

"(b) Except as otherwise provided by this section, the Secretary shall convey to NANA, in accordance with the terms and conditions set forth in the Agreement, lands and interests in lands specified in the Agreement in exchange for lands and interests in lands of NANA, specified in the Agreement, upon fulfillment by NANA of its obligations under the Agreement.

"(c)(1) The Secretary shall convey to NANA, pursuant to the provisions of paragraph A(1) of the Agreement, the right, title and interest of the United States only in and to those lands designated as 'Amended A(1) Lands' on the map entitled 'Modified Cape Krusenstern Land Exchange', dated July 18, 1985. The charges to be made pursuant to paragraphs B(2) and (27) of the Agreement against NANA's land entitlements under this Act shall be reduced by an amount equivalent to the difference between that acreage conveyed pursuant to this subsection and the acreage that would have been conveyed to NANA pursuant to paragraph A(1) of the Agreement but for this subsection.

"(2) Notwithstanding the provisions of paragraph A(3) of the Agreement, the Secretary shall not convey to NANA any right, title and interest of the United States in the lands described in such paragraph A(3) and the Secretary shall make no change to NANA's remaining entitlements under this Act with respect to such lands. Such lands shall be retained in Federal ownership but shall be subject to the easement described in Exhibit D to the Agreement as if the lands had been conveyed to NANA pursuant to paragraph A(3) of the Agreement.

"(d)(1) There is hereby granted to NANA an easement in and to the lands designated as 'Transportation System Lands' on the map entitled 'Modified Cape Krusenstern Land Exchange', dated July 18, 1985, for use in the construction, operation, maintenance, expansion and reclamation of the transportation system. Use of the easement for such purposes shall be subject only to the terms and conditions governing the construction, operation, maintenance, expansion and reclamation of the transportation system, as set forth in Exhibit B to the Agreement.

"(2) The easement granted pursuant to this section shall be for a term of 100 years. The easement shall terminate prior to the 100-year term:

"(i) if it is relinquished to the United States; or

"(ii) if construction of the transportation system has not commenced within 20 years of the enactment of this subsection. Computation of the 20-year period shall exclude periods when construction could not commence because of force majeure, act of God or order of a court; or

"(iii) upon completion of reclamation pursuant to the reclamation plan required by Exhibit B to the Agreement.

"(3) Within 60 days after enactment of this section the Secretary shall execute the necessary documents evidencing the grant to NANA of the easement granted by this section.

"(4) Except as regards the trail easement described in Exhibit D to the Agreement (to which the 'Transportation System Lands' shall be subject as if such lands had been conveyed to NANA pursuant to paragraph A(1) of the Agreement), access to the lands subject to the easement granted by this section shall be subject to such limitations, restrictions or conditions as may be imposed by NANA, its successors and assigns, but NANA and its successors and assigns shall permit representatives of the Secretary such access as the Secretary determines is necessary for the monitoring required by this section.

"(e) The easement granted by this section makes available land for the transportation system, and is intended to be sufficient to permit NANA to comply with the laws of the State of Alaska which may be nesessary to secure financing of the construction of the transportation system and the operation, maintenance or expansion thereof by the State of Alaska or by the Alaska Industrial Development Authority.

"(f) The easement granted to NANA by this section may be reconveyed by NANA, but after any such reconveyance the terms and conditions specified in Exhibit B of the Agreement shall continue to apply in full to the easement.

"(g) NANA is hereby granted the right to use, develop and sell sand, gravel and related construction materials from borrow sites located within the easement granted pursuant to this section as required for the construction, operation, maintenance, expension and reclamation of the transportation system, subject to the terms and conditions specified in Exhibit B of the Agreement.

"(h)(1) The construction, operation, maintenance, expansion and reclamation of any portion of the transportation system on any of the lands subject to the easement granted to NANA by this section shall be governed solely by the terms and conditions of the Agreement, including the procedural and substantive provisions of Exhibit B to the Agreement, as if the land covered by the easement granted to NANA by this section has been conveyed to NANA pursuant to Paragraph A(1) of the Agreement.

"(2) The Secretary of the Interior, acting through the National Park Service, shall monitor the construction, operation, maintenance, expansion and reclamation of the transportation system, as provided in the Agreement. Any complaint by any person or entity that any aspect of the construction, operation, maintenance, expansion or reclamation of the portion of the transportation system on the lands subject to the easement granted to NANA by this section is not in accordance with the terms and conditions specified in the Agreement shall be made to the Secretary in writing. The Secretary shall review any such complaint and shall provide to NANA or its successors or assigns and to the complainant a decision in writing on the complaint within 30 days of receipt thereof. If the Secretary determines that the activity made the subject of a complaint is not in accordance with the terms specified in the Agreement, and NANA or its successors or assigns disagrees with that determination, the dispute shall be resolved according to the procedures established in Exhibit B to the Agreement.

"(i) The Secretary shall make available to NANA and its successors and assigns the right to use sand, gravel and related construction materials located in Sections 23, 24, 25, 26, 35 and 36 of Township 26 North, Range 24 West, Kateel River Meridian, Alaska, if the Secretary determines either (1) that use of such sand, gravel and related construction materials is necessary because there is no other sand, gravel and related construction materials reasonably available for the construction, operation, maintenance, expansion or reclamation of the transportation system; or (2) that use of such sand, gravel and related construction materials is necessary in order to construct, operate, maintain, expand, or reclaim the transportation system in an environmentally sound manner, consistent with the requirements of Exhibit B of the Agreement. The right to use such sand, gravel and related construction materials shall be subject to the terms and conditions of Paragraph A of Exhibit B of the Agreement and such other reasonable terms and conditions as the Secretary may prescribe.

"(j) Notwithstanding Paragraph 23 of the Agreement, the Secretary shall not agree to any amendment to the Agreement without first consulting with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate and shall transmit copies of the text of any amendment to the Agreement to those Committees at the time of his agreeing to any such amendment.

"Sec. 35. (a) NANA Regional Corporation, Inc. ('NANA'), may convey by quit-claim deed to the United States any interest it has in the surface or subsurface estate in any lands located within the boundaries of any Conservation System Unit, as established and defined by the Alaska National Interest Lands Conservation Act (Public Law 96–487; 94 Stat. 2371, et seq.) and conveyed to NANA pursuant to this Act, as amended. Whenever NANA executes a quit-claim deed pursuant to this subsection, it shall be entitled to designate and have conveyed to it any lands outside the boundaries of a Conservation System Unit covered by any of its pending selection applications filed under any of the entitlement provisions of this Act, as amended, without regard to the entitlement provision under which such application was filed. Lands conveyed to NANA pursuant to this subsection shall be of a like estate and equal in acreage to that conveyed by NANA to the United States. The lands conveyed to NANA pursuant to this subsection shall be in exchange for the lands conveyed by NANA to the United States and there shall be no change in the charges previously made to NANA's land entitlements with respect to the lands conveyed by NANA to the United States. Lands received by NANA pursuant to this subsection are Settlement Act lands.

"(b) NANA may relinquish any interest it has under selection applications filed pursuant to this Act, as amended, in the surface or subsurface estate in any lands located within the boundaries of the Cape Krusenstern National Monument or any other Conservation System Unit, as established and defined by the Alaska National Interest Lands Conservation Act (Public Law 96–487; 94 Stat. 2371, et seq.), by formally withdrawing such application pursuant to this subsection. Whenever NANA formally withdraws a selection application pursuant to this subsection, it shall be entitled to designate and have conveyed to it lands outside the boundaries of a Conservation System Unit pursuant to any of its pending selection applications filed under any of the entitlement provisions of this Act, without regard to the entitlement provision under which the application was filed. Lands conveyed to NANA under this subsection shall be of a like estate and equal in acreage to the interest which NANA relinquished, and when the lands are conveyed to NANA, the conveyance shall be charged against the same entitlement of NANA as if the lands, had been conveyed pursuant to the relinquished selection applications. Lands received by NANA pursuant to this subsection are Settlement Act lands.

"(c) The provisions of this section shall remain in effect only until December 18, 1991.

"(d) Nothing in this section shall be deemed to alter or amend in any way NANA's selection rights or to increase or diminish NANA's total entitlement to lands pursuant to this Act.".

AMENDMENT NO. 589

Mr. DOLE. Mr. President, I move that the Senate concur in the House amendment with the further Senate amendment in the nature of a substitute which I send to the desk on behalf of Senator MURKOWSKI.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] for Mr. MURKOWSKI, proposes an amendment numbered 589.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert:

SECTION 1. The Alaska Native Claims Settlement Act (85 Stat. 688, 43 U.S.C. 1601–28), as amended, is further by adding at the end thereof the following new sections.

SEC. 34. (a) For purposes of this section the following terms shall have the following meanings:

(1) the term "The Agreement" or "Agreement" means the agreement entitled "Terms and Conditions Governing Legislative Land Consolidation and Exchange between NANA Regional Corporation Inc., and the United States" executed by the Secretary of the Interior and the President of NANA Regional Corporation, Inc., on January 31 and January 24, 1985, respectively.

(2) the term "transportation system" means the Red Dog Mine Transportation System described in Exhibit B of the Agreement.

(3) the term "NANA" means NANA Regional Corporation, Inc., a corporation formed for the Natives of Northwest Alaska pursuant to the provisions of this Act.

(b) Except as otherwise provided by this section, the Secretary shall convey to NANA, in accordance with the terms and conditions set forth in the Agreement, lands and interests in lands specified in the Agreement in exchange for lands and interests in lands of NANA, specified in the Agreement, upon fulfillment by NANA of its obligations under the Agreement, provided, however, that this modified exchange is accepted by NANA within 60 days of enactment.

(c)(1) The Secretary shall convey to NANA, pursuant to the provisions of paragraph A(1) of the Agreement, the right, title and interest of the United States only in and to those lands designated as "Amended A(1) Lands" on the map entitled "Modified Cape Krusenstern Land Exchange," dated July 18, 1985. The charges to be made pursuant to paragraphs B(1) and D(27) of the Agreement against NANA's land entitlements under this Act shall be reduced by an amount equivalent to the difference between that acreage conveyed pursuant to this subsection and the acreage that would have been conveyed to NANA pursuant to paragraph A(1) of the Agreement but for this subsection.

(2) Notwithstanding the provisions of paragraph A(3) of the Agreement, the Secretary shall not convey to NANA any right, title and interest of the United States in the lands described in such paragraph A(3) and the Secretary shall make no charge to NANA's remaining entitlements under this Act with respect to such lands. Such lands shall be retained in federal ownership but shall be subject to the easement described in Exhibit D to the Agreement as if the lands had been conveyed to NANA pursuant to paragraph A(3) of the Agreement.

(d)(1) There is hereby granted to NANA an easement in and to the lands designated as "Transportation System Lands" on the map entitled "Modified Cape Krusenstern Land Exchange," dated July 18, 1985, for use in the construction, operation, maintenance, expansion and reclamation of the transportation system. Use of the easement for such purposes shall be subject only to the terms and conditions governing the construction, operation, maintenance, expansion and reclamation of the transportation system, as set forth in Exhibit B to the Agreement.

(2) The easement granted pursuant to this section shall be for a term of 100 years. The easement shall terminate prior to the 100-year term:

(i) if it is relinquished to the United States; or

(ii) if construction of the transportation system has not commenced within 20 years of the enactment of this subsection. Computation of the 20-year period shall exclude periods when construction could not commence because of force majeure, act of God or order of a court; or

(iii) upon completion of reclamation pursuant to the reclamation plan required by Exhibit B to the Agreement.

(3) Within 90 days after enactment of this section the Secretary shall execute the necessary documents evidencing the grant to NANA of the easement granted by this section.

(4) Except as regards the trail easement described in Exhibit D to the Agreement (to which the "Transportation System Lands" shall be subject as if such lands had been conveyed to NANA pursuant to paragraph A(1) of the Agreement), access to the lands subject to the easement granted by this section shall be subject to such limitations, restrictions or conditions as may be imposed by NANA, its successors and assigns, but NANA and its successors and assigns shall permit representatives of the Secretary such access as the Secretary determines is necessary for the monitoring required by this section.

(e) The easement granted by this section makes available land for the transportation system, and is intended to be sufficient to permit NANA to comply with the laws of the State of Alaska which may be necessary to secure financing of the construction of the transportation system and the operation, maintenance or expansion thereof by the State of Alaska or by the Alaska Industrial Development Authority.

(f) The easement granted to NANA by this section may be reconveyed by NANA, but after any such reconveyance the terms and conditions specified in Exhibit B of the Agreement shall continue to apply in full to the easement.

(g) NANA is hereby granted the right to use, develop and sell sand, gravel and related construction materials from borrow sites located within the easement granted pursuant to this section as required for the construction, operation, maintenance, expansion and reclamation of the transportation system, subject to the terms and conditions specified in Exhibit B of the Agreement.

(h)(1) The construction, operation, maintenance, expansion and reclamation of any portion of the transportation system on any of the lands subject to the easement granted to NANA by this section shall be governed solely by the terms and conditions of the Agreement, including the procedural and substantive provisions of Exhibit B to the Agreement, as if the lands covered by the easement granted to NANA by this section had been conveyed to NANA pursuant to Paragraph A(1) of the Agreement.

(2) The Secretary of the Interior, acting through the National Park Service, shall monitor the construction, operation, maintenance, expansion and reclamation of the transportation system, as provided in the Agreement. Any complaint by any person or entity that any aspect of the construction, operation, maintenance, expansion or reclamation of the portion of the transportation system on the lands subject to the easement granted to NANA by this section is not in accordance with the terms and conditions specified in the Agreement shall be made to the Secretary in writing. The Secretary shall review any such complaint and shall provide to NANA or its successors or assigns and to the complainant a decision in writing on the complaint within 90 days of receipt thereof. If the Secretary determines that the activity made the subject of a complaint is not in accordance with the terms specified in the Agreement, and NANA or its successors or assigns disagrees with that determination, the dispute shall be resolved according to the procedures established in Exhibit B to the Agreement.

(i) The Secretary shall make available to NANA and its successors and assigns the right to use sand, gravel and related construction materials located in Sections 23, 24, 25, 26, 35 and 36 of Township 26 North, Range 24 West, Kateel River Meridian, Alaska, if the Secretary determines either (1) that use of such sand, gravel or related construction material is necessary because there is no other sand, gravel or related construction material reasonably available for the construction, operation, maintenance, expansion or reclamation of the transportation system; or (2) that use of such sand, gravel or related construction material is necessary in order to construct, operate, maintain, expand, or reclaim the transportation system in an environmentally sound manner, consistent with the requirements of Exhibit B of the Agreement. The right to use such sand, gravel or related construction material shall be subject to the terms and conditions of Paragraph A of Exhibit B of the Agreement and such other reasonable terms and conditions as the Secretary may prescribe.

(j) Notwithstanding Paragraph D(23) of the Agreement, the Secretary shall not agree to any amendment to the Agreement without first consulting with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate and shall transmit copies of the text of any amendment to the Agreement to those Committees at the time of his agreeing to any such amendment.

SEC. 35. (a) The terms and conditions of this section are solely applicable to the lands described in paragraph A(1) of the Agreement, which is defined by section 34(a)(1) of this Act and modified by section 34, and shall not affect the relinquishment by NANA described in section B(1) of such Agreement.

(b) NANA Regional Corporation, Inc. ("NANA"), may convey by quit-claim deed to the United States all of its interest in the surface and subsurface estate in any lands described in subsection (a) of this section, provided, however, NANA can relinquish only lands that are compact and contiguous to other public lands within the Krusenstern National Monument and, if the lands to be relinquished have been disturbed by NANA, the Secretary

* * * * *

(c) NANA may relinquish any interest it has under selection applications filed pursuant to this Act, as amended, in the surface and subsurface estate in lands described in subsection (a) of this section by formally withdrawing such application pursuant to this section, provided, however, NANA can relinquish only interests in lands that are compact and contiguous to other public lands within the Krusenstern National Monument and, if the lands have been disturbed by NANA, the Secretary must first determine that such disturbance has not rendered the lands incompatible with Monument values. Whenever NANA formally withdraws a selection application pursuant to this section, it shall be entitled to designate and have conveyed to its lands outside the boundaries of Cape Krusenstern National Monument and any other conservation system unit, as established and defined by the Alaska National Interest Lands Conservation Act (P. L. 96–487; 94 Stat. 2371, *et. seq.*) pursuant to any of its pending selection applications filed under either section 12(b), 12(c) or 14(h)(8) of this Act. Lands conveyed to NANA under this subsection shall be of a like estate and equal in acreage to the interest which NANA relinquished, and when the lands are conveyed to NANA, the conveyance shall be charged against the same entitlement of NANA as if the lands had been conveyed pursuant to the relinquished selection application. Lands recieved by NANA pursuant to this subsection are Settlement Act lands.

(d) The provisions of this section shall remain in effect only until December 18, 1991.

(e) Nothing in this section shall be deemed to alter or amend in any way NANA's selection rights or to increase or diminish NANA's total entitlement to lands prusuant to this Act.

Mr. MURKOWSKI. Mr. President, I rise today in support of S. 444, a bill to amend the Alaska Native Claims Settlement Act. This legislation was passed by the Senate by unanimous voice vote on July 18, 1985. The House of Representatives, by unanimous voice vote, passed the Senate bill with an amendment in the nature of a substitute on July 29, 1985. I ask the Senate today to approve an amendment in the nature of a substitute to the Senate bill as amended by the House.

As passed by the House, this bill would grant to Nana Regional Corporation, Inc., a corporation created under the Alaska Native Claims Settlement Act and owned by the Native people of northwest Alaska, an easement across Cape Krusenstern National Monument. A road connecting the Red Dog mineral deposit with a port site on the Chukchi Sea will be constructed on this easement. The Red Dog mineral deposit is a world class lead/zinc/silver prospect owned by Nana. The bill would also ratify, in modified form, a land exchange agreement between Nana and the Department of Interior which consolidates and reduces Nana's inholdings in the Cape Krusenstern National Monument.

The Red Dog Mine is landlocked and it is located northeast of Cape Krusenstern National Monument. Before the mine can be developed, an access road and port site will have to be built. A September 1984, environmental impact statement for the project determined that the environmentally preferred as well as economically acceptable route for such an access road was across the monument.

Mr. President, this legislation is exceptionally important to Nana, the native corporation which selected and received the lands containing the Red Dog deposit pursuant to the Alaska Native Claims Settlement Act [ANCSA]. Since that selection, Nana has negotiated an agreement with Cominco Alaska, a mining company, to develop that deposit. Passage of this legislation will permit actual development of Red Dog to begin in the near future. Timely development of the Red Dog Mine is essential if the Nana shareholders are to enjoy the potential benefits of ANSCA.

At the present time there is no economic base within the Nana region that can offer even remotely sufficient job opportunities to the residents. This is an area comparable in size to the States of Rhode Island and Delaware combined with a population of less than 5,000 and an unemployment rate of about 70 percent. As a result, many of Nana's residents are seeking employment outside the region, creating a great deal of dislocation. Development of the Red Dog Mine will change all of that. When fully developed, the mine will employ approximately 400 individuals, most of whom will be residents of the Nana region and Nana shareholders. The estimated life of the project is 50 years, and the annual income from these jobs is estimated to be approximately $15 million.

S. 444, as passed by the House, recognizes the importance of permitting the proposed road across the monument. All of the Federal agencies and two conservation organizations which have reviewed this proposed road have concluded that the route across the monument is economically and environmentally preferable to any other route. More importantly, the residents of the area who have used these lands for subsistence purposes for hundreds of years, agree.

Passage of the bill today will ensure that construction of the road can be initiated as soon as possible. This will enable the mine to be developed expeditiously, which will greatly benefit the Native people of the Nana region, the State of Alaska and our Nation.

The House-passed bill, amended in several significant respects, the bill passed by the Senate. I have thoroughly reviewed those changes and find them acceptable with a few exceptions. The amendments proposed in this substitute address the concerns that I have with the House-passed bill.

The amendments all deal with the portion of the House-passed bill which created section 35 of ANCSA. Basically, that section would have carried the impact of this legislation outside of the Cape Krusenstern National Monument. The amendments I have proposed would limit the impact of the bill to only Cape Krusenstern. I understand that this approach is acceptable to the House of Representatives and the bill passed by the Senate tonight should be enacted by the House immediately after the August recess.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas.

The motion was agreed to.

SPECIAL GOLD MEDAL FOR GEORGE AND IRA GERSHWIN

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of House Joint Resolution 251, to provide for a special gold medal for George Gershwin and Ira Gershwin, reported out of the Banking Committee today.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

> A joint resolution (H.J. Res. 251) to provide that a special gold medal honoring George Gershwin be presented to his sister, Frances Gershwin Godowsky, and a special gold medal honoring Ira Gershwin be presented to his widow, Lenore Gershwin, and to provide for the production of bronze duplicates of such medals for sale to the public.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 251) was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RE-REFERRAL OF S. 1313

Mr. DOLE. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 1313, a bill to amend the Federal Trade Commission Act to allow certain actions by States attorneys general and it be referred to the Commerce Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATUS QUO NOMINATIONS

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that during the adjournment of the Senate over until September 9, 1985, that all the nominations pending in the Senate remain in the status quo, with the exception of the following: Rosalie Silberman, Charles A. Trabandt, James W. Spain, Winston Lord, Raymond D. Lett, Richard H. Francis, Ann Brunsdale, Helen Marie Taylor, William McGinnis, Sidney Lovett, Richard John Neuhaus, W. Bruce Weinrod, and John Norton Moore.

Mr. BYRD. Mr. President, reserving the right to object, and I will not object, the last four names, I do not have.

Mr. DOLE. And also William Bradford Reynolds.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

RECESS APPOINTMENTS

Mr. BYRD. Mr. President, statements by administration officials have recently appeared in the press which border on total disregard for constitutional principles. I refer specifically to statements pertaining to the Senate's responsibility to advise and consent in Presidential appointments, and the authority granted to the President for recess appointments.

On June 27, 1985, the Senate Judiciary Committee rejected the nomination of William Bradford Reynolds for the position of Associate Attorney General. On July 16, the Washington Post contained a report that administration officials were "considering the possibility of installing Reynolds" as Associate Attorney General "as a recess appointee after the Senate adjourns August 2, sources said."

Further discussing the possibility of a recess appointment for Mr. Reynolds, an article in the Washington Post the following Day, July 17, quoted an unnamed White House official as saying "The tail is not going to wag the dog on these nominations. That Committee has to understand who is the President of the United States * * *. We expect to get our people confirmed * * *."

Mr. President, I have no desire to lecture the White House on constitutional law. The President's lawyers know full well that the recess appointment clause which appears in the U.S. Constitution was not created as a political loophole to thwart the will of the Senate. Article III, section 2, provides that officers of the United States shall be appointed by the President "with the advice and consent of the Senate." That appointment process was initiated by this administration when Mr. Reynolds was nominated for the position of Associate Attorney General. The nomination was rejected by the Senate Judiciary Committee on June 27, 1985, by a vote of 8 to 10. To attempt now to circumvent that rejection by making a recess appointment of Mr. Reynolds to the same position during our August break would make a mockery of the Senate's role. It would be wholly inappropriate and unacceptable, and I have so informed the White House, on behalf of Senate Democrats, in my letter to the President of July 16.

The recess appointment clause appears in article III, section 2, of the U.S. Constitution. It provides that:

> The President shall have power to fill up all vacancies that may happen during the recess of the Senate, by granting commissions which shall expire at the end of their next session.

Mr. President, when the Constitution was drafted, the framers recognized the practical realities of their time. Communications were slow and uncertain. Travel from one 18th century American city to another was measured in terms of days rather than hours. Accordingly, in order to make American Government effective, the framers allowed the President to make appointments during "the recess of the Senate." I stress the word "the." In the early days of this Republic, as now, there was a recess of the Senate between sessions.

The phrase "the recess"—again emphasizing the word "the"—should be borne in mind, and should be read in context of the entire clause which then states that the recess appointment "shall expire at the end of their next session." Read in that way, it seems to me that the recess appointment clause was included in the Constitution as a practical solution to filling essential Government positions in the horse and buggy age during the recess which occurred betwen the sessions of the Congress.

Mr. President, this is not the first time this administration has misinter-

preted the purpose of the recess appointment power. During the 24-day recess for the Fourth of July holiday in 1984, 17 recess appointments were made. In several cases, those recess appointments avoided serious and probing debate by the Senate on controversial issues. And there was no evidence that the needs of the Government required any of those appointments to be made as recess appointments.

Last year I introduced a Senate resolution in an attempt to make it absolutely clear that the recess appointment clause should not be used by any administration to thwart the will of the Senate, to skirt the "advice and consent" clause of the Constitution, or to avoid potential controversy. My proposal was introduced toward the end of the last term of the Congress and was not processed before the Senate adjourned for the year.

Because this issue is so fundamental to maintaining the delicate balance of powers which was incorporated into our constitutional system, and in view of the recurrence of this problem in the context of the Reynolds nomination, I am introducing a resolution on the same subject again today.

My resolution expresses the sense of the Senate that the exercise of the power to make recess appointments should be confined to a formal termination of a session of the Senate, or to a recess of the Senate, protracted enough to prevent it from discharging its constitutional function of advising and consenting to executive nominations. In addition, it expresses the sense of the Senate that the President should refrain from using his recess appointment powers unless there is a formal termination of a session of the Senate, or a recess that lasts longer than 30 days. Finally, my resolution expresses the sense of the Senate that a recess appointment should not be made of any individual whose nomination to the same office has been previously rejected by the Senate, or the appropriate Senate committee, during the same Presidential term.

By introducing this resolution, I am not suggesting that the President should never use his recess appointment power. Nor am I suggesting that there might never be a situation in which a recess appointment is necessary. In fact, I even recommended the use of the recess appointment power myself when an appointment was necessary to ensure that one of our important Government boards would have a quorum in order to continue to conduct its business.

However, the kinds of situations I have described today do not involve that kind of an emergency. The business of government, and the Department of Justice in particular, will, I am confident, function with efficiency during the month of August without a commissioned official serving in its No. 3 slot.

I am sure the administration is well aware of the practical purpose which was served by including the recess appointment clause in the Constitution. Introduction of this resolution is not intended to suggest that the issue is unclear. Senate Democrats have gone on record, separate and apart from this resolution, in their conclusion that Mr. Reynolds should not be a recess appointee. We went on record again this week in a letter to the President which expressed our views on the subject of recess appointments generally. However, I do believe the entire Senate should be on record in reinforcing our constitutional role with respect to Presidential appointments, and stating that we will not stand idly by and witness an erosion of our responsiblity and our duty under the law.

Mr. President, I ask unanimous consent that the text of my resolution, the two Washington Post articles, and my letters to the President, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The cosponsors of the resolution are: Mr. Byrd (for himself), Mr. Bradley, Mr. Chiles, Mr. Lautenberg, Mr. Leahy, Mr. Melcher, Mr. Dodd, Mr. Mitchell, Mr. Ford, Mr. Matsunaga, Mr. DeConcini, Mr. Hart, Mr. Biden, Mr. Baucus, Mr. Eagleton, Mr. Bumpers, Mr. Exon, Mr. Johnston, Mr. Inouye, Mr. Levin, Mr. Nunn, Mr. Pell, Mr. Proxmire, Mr. Riegle, Mr. Sarbanes, Mr. Sasser, Mr. Zorinsky, Mr. Simon, Mr. Kerry, Mr. Hollings, Mr. Bentsen, Mr. Stennis, Mr. Bingaman, Mr. Rockefeller, Mr. Cranston, Mr. Kennedy, and Mr. Harkin.

S. Res. 213

Whereas, the United States Constitution in Article II, Section 2, Clause 2, vests in the Senate the power to give its advice and consent to presidential appointments,

Whereas, the Appointments Clause specifies the method clearly preferred by the Framers for the regular appointment of Officers of the United States,

Whereas, the Appointments Clause has been judicially determined to be an aspect of the principle of separation of powers woven into the United States Constitution (*Buckley* v. *Valeo*, 424 U.S. 1 (1976)),

Whereas, the reasons behind the Recess Appointment Clause, Article II, Section 2, Clause 3, like those supporting the pocket veto power, have been largely superseded by modern methods of instantaneous communication and the modern practice of Congress with respect to abbreviated intrasession adjournments (*Kennedy* v. *Sampson*, 511 F.2d 430 (D.C. Cir. 1974)),

Whereas, the adherence to Appointment Clause procedures, unlike a recess appointment that thereafter may be rejected by the Senate, precludes subsequent challenges with respect to the appointee's rightful exercise of significant authority pursuant to the laws of the United States; Therefore be it

Resolved, That it is the sense of the Senate that—

(1) The exercise of the power to make recess appointments should be confined to a formal termination of a session of the Senate, or a recess of the Senate, protracted enough to prevent it from discharging its constitutional function of advising and consenting to executive nominations;

(2) As the President as well as the heads of Executive and military departments are authorized to detail officers of the United States to fill vacancies in offices at all levels of the Federal Government, Chapter 33, Title 5, United States Code, which details are valid for at least thirty days, no recess appointment should be made when the Senate stands adjourned or recessed within a session for a period of less than thirty days; and

(3) No recess appointment should be made of any person to any office—

(a) if such person has previously, during the same presidential term, been nominated for appointment to such office; and

(b) (1) the Senate has voted not to give its advice and consent to such appointment; or

(2) the appropriate committee of the Senate has voted not to report such nomination to the Senate.

[From the Washington Post, July 17, 1985]

DEMOCRATS OPPOSE REYNOLDS PROMOTION: SENATORS WARN REAGAN AGAINST RECESS APPOINTMENT OF REJECTED JUSTICE DEPARTMENT NOMINEE

(By Howard Kurtz and Juan Williams)

Senate Minority Leader Robert C. Byrd (D-W.VA.) urged President Reagan yesterday not to name William Bradford Reynolds as associate attorney general during Congress' August recess, saying such a move "would be an insult to the Senate and an affront to the Constitution."

In a letter to Reagan on behalf of all 47 Democratic Senators, Byrd reminded the President that the Senate Judiciary Committee rejected Reynolds for the Justice Department's No. 3 position last month.

He said that "a recess appointment of the same individual to the same position would be inappropriate and unacceptable."

Even Republicans cautioned against a recess appointment. Senate Majority Whip Alan K. Simpson (R-Wyo.) said he did not want to see "a subterranean campaign of some kind that would be a distraction from the heavy work load we have around here."

The swift reaction appeared to let much of the steam out of efforts to revive the Reynolds nomination. However, Simpson and Majority Leader Robert J. Dole (Kan.) said they would support a "discharge petition" to force the nomination to the floor.

Dole said there was "widespread" GOP support for that idea.

Reynolds, who has headed the Justice Department's Civil Rights Division for the last four years, was voted down 10 to 8 amid criticism that he had been lax in enforcing civil rights laws and has misled the Senate Judiciary Committee in sworn testimony.

Republicans Arlen Specter (Pa.) and Charles McC. Mathias Jr. (Md.) joined the eight committee Democrats in opposition.

Byrd's letter to Reagan cited a report in yesterday's Washington Post which said that White House officials are calling senators to gauge whether they have enough support to force the Senate to vote on Reynolds' nomination.

But even if such a move is successful, key senators acknowledged, opponents would filibuster the nomination.

The Republicans are unlikely to bring the matter to the floor unless they can muster the 60 votes needed to break a filibuster—a prospect made more unlikely by yesterday's Democratic criticism.

The Post article also said that some administration officials, anticipating a filibuster, are considering giving Reynolds an unusual recess appointment that would allow him to serve through 1986 without Senate confirmation. "The president's laywers know better than that," Byrd said. "That's not what the recess appointment is for." Sources said that if the administration promotes Reynold in August, it would also have to give recess appointments to several top Justice Department officials because an angry Senate would refuse to approve them.

"You wouldn't even get a U.S. attorney through," a Senate official said.

Despite yesterday's negative reaction and the considerable obstacles in their path, some administration officials remain adamant in their desire to promote Reynolds.

These officials, led by Attorney General Edwin Meese III, have argued strongly in the administration that the fight for the nomination should be continued.

First, they believe the Reynolds defeat unfairly tarred the president's civil rights record.

Both White House and Justice Department officials are convinced that Reynolds was "nit-picked to death" by opponents who seized on discrepancies in his statements, rather than challenged on what they see as the heart of the administration's civil rights policy, its opposition to racial quotas.

Second, several administration officials contend that the president needs to have the Judiciary Committee "in line" before a possible Supreme Court nomination. They anticipate at least one opening soon, possibly to succeed Justice Lewis F. Powell Jr. who was recently hospitalized. "The tail is not going to wag the dog on these nominations," said a White House official. "That committee has to understand who is the president of the United States and this is not a good experience to have as we approach bigger battles.

"We expect to get our people confirmed, not to expose them to shooting-gallery politics that embarrasses the president. There will not be a seond Brad Reynolds . . . there shouldn't be a first.

Many in the administration believe they should not be in a position of defending their policies after a landslide reelection victory last November. They also want to respond to negative votes by Specter and Mathias.

"Winning starts with having your own team in line," a White House official said.

But some leading Republicans said the White House should accept defeat rather than spend more political capital on a fight it is unlikely to win.

[From the Washington Post, July 16, 1985]

WHITE HOUSE HOPES TO REVIVE REYNOLDS PROMOTION AT JUSTICE: RECESS APPOINTMENT, FORCED VOTE CONSIDERED

(By Howard Kurtz and Mary Thornton)

White House officials are checking whether they have enough support to force a vote by the full Senate on William Bradford Reynolds' nomination as associate attorney general, which was rejected by a Senate committee last month.

Some administration officials are also considering the possibility of installing Reynolds in the Justice Department's No. 3 job as a recess appointee after the Senate adjourns Aug. 2, sources said. They said some department officials believe that if the nomination were forced to the Senate floor, and, as expected, encountered a filibuster, a recess appointment could be justified.

"If they do that, this place would shut down," said one high-level Senate official. "They'd go absolutely berserk. It would be an open declaration of war."

Senate Majority Leader Robert J. Dole (R-Kan.) is taking a formal head count of Republicans to gauge the chances of approving a "discharge petition" to bring Reynolds' nomination to the floor.

"If the president wants us to push Brad Reynolds, then we're going to help," Dole said yesterday.

Republicans and Democrats said the alternative—a recess appointment—would be an unprecedented affront to the Senate Judiciary Committee, which turned down the nomination after three weeks of contentious debate. Committee members said they voted against Reynolds, now head of the Justice Department's Civil Rights Division, because he repeatedly misled the panel in sworn testimony and had a lax "four-year record of enforcing civil rights laws.

Under the rarely used procedure of naming a presidential appointee while Congress is in recess, experts say, Reynolds could serve as associate attorney general without confirmation during the 99th Congress, which runs through 1986.

Attorney General Edwin Meese III told reporters last week that he considers the Reynolds nomination to be "still before the Senate. No decision has been made with regard to the next step."

Reynolds did not respond to inquiries yesterday. His spokesman, John Wilson, declined comment on the possibility of a recess appointment, saying, "Some people who oppose him are floating that story."

Meese and other top department officials were at an American Bar Association conference in London and could not be reached.

White House lobbyists have been calling senators in recent days to assess the depth of support for moving Reynolds' nomination to the floor. This would require a majority of voting senators to approve a discharge petition, an unusual device to force an issue from a reluctant committee to the full Senate.

"They're not necessarily trying to raise the Titanic," a Senate official said of the administration. "They're just trying to find out how deep it's buried."

GOP officials cautioned that the Reynolds nomination could tie up the Senate for weeks, while Dole is trying to deal with the federal budget deficit and other key legislation.

"It's not a high priority," one said of the nomination. "We've known all along it would be . . . tough getting the votes. The White House would have to make a . . . convincing case that the votes were there."

A Democratic senator said recently that he told White House officials that resurrecting the Reynolds nomination is "a no-win proposition for the Republicans."

"It would be a source of embarrassment to the Republican senators to make them walk that plank," the senator said. "Either you vote against your president, or you vote for a guy who's painted as being terrible on civil rights."

But there may be some support for Dole's efforts. Judiciary Committee Chairman Strom Thurmond (R-S.C.) would support an effort to bring the nomination to the floor, according to a spokesman.

On June 27, the committee voted, 10 to 8, against the nomination, with Republicans Arlen Specter (PA) and Charles McC. Mathias Jr. (MD) joining all eight Democrats in opposition. Two subsequent votes on reporting the nomination to the floor—either with no recommendation or a negative recommendation—failed on a 9-to-9 tie.

President Reagan and others have complained that Reynolds' critics opposed the nominee on ideological grounds and raised questions about his testimony as a way to explain their votes against him.

While the nomination has remained in dispute, the administration has not moved to fill several other vacancies in the Justice Department. Among those widely reported to be in line for top jobs are Herbert E. Ellingwood, chief of the Merit Systems Protection Board, to head the Office of Legal Policy; Charles J. Cooper, a deputy to Reynolds, to head the Office of Legal Counsel, and Carolyn B. Kuhl, now a deputy in the Civil Division, for Reynolds' civil rights post.

UNITED STATES SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC., July 16, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am writing to you at the instruction of the Democratic Conference with respect to the attached article concerning Assistant Attorney General William Bradford Reynolds which appeared in this morning's Washington Post.

According to the Post report, Administration officials are "considering the possibility of installing Reynolds" as Associate Attorney General "as a recess appointee after the Senate adjourns Aug. 2, sources said."

As you know, on June 27, the Judiciary Committee failed to report Mr. Reynolds' nomination to the Senate by a vote of 8-10. The Conference has asked me to inform you that in view of the Committee's action, a recess appointment of the same individual to the same position during the August break would be inappropriate and unacceptable. We urge you not to make this recess appointment.

Sincerely,

ROBERT C. BYRD.

UNITED STATES SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC., July 30, 1985.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As the Congress approaches adjournment for the August break, I would like once again to convey my views, and those of the Democratic Conference, on the subject of recess appointments. This same matter was the subject of my letter to you on August 6 of last year when I expressed my deep concern about the number of recess appointments which had been made during our brief July 1984 recess.

The forthcoming August recess should not, in our judgment, be considered the kind of extended recess contemplated by Article III, Section 2, Clause 3, of the Constitution. Rather, recess appointments should be limited to circumstances when the Senate, by reason of a protracted recess, is incapable of confirming a vitally needed public officer. Any other interpretation of the Recess Appointments clause could be seen as a deliberate effort to circumvent the Constitutional responsibility of the Senate to advise and consent to such appointments.

I would therefore ask that you refrain from making any recess appointments during the August break.

Your personal attention to this matter would be appreciated.

Sincerely,

ROBERT C. BYRD.

Mr. MATSUNAGA. Mr. President, I am privileged to join the distinguished minority leader in cosponsoring his resolution which calls on the President of the United States to respect the constitutional authority of the Senate to "advise and consent" on Presidential appointments to major Federal offices.

Article II, section 2 of our Constitution provides that officers of the United States shall be appointed "by and with the advice and consent of the Senate." While it also vests in the President the authority to fill temporarily any vacancies which may occur when the Senate is in recess, we must remember that this authority was granted at a time when the Congress was in session only 3 or 4 months each year and in recess for lengthy periods of 8 to 9 months. The state of the Nation's roads and Postal Service, too, made it impossible at that time for Senators to be notified and to return to the Capital to consider Presidential nominations in between sessions or during recesses. Today, the Senate is in session practically year-round and modern transportation and communication systems mean that the administration and Senators need never be out of constant touch.

Why then has the current administration used the Presidential "recess appointment" authority so frequently and so flagrantly? Many of us fear that this authority is being used to thwart the will of the Senate, as expressed by its standing committees, or to place in office candidates whose qualifications will not withstand a thorough examination. The Byrd amendment will serve to preserve the Congress as a coequal branch of Government, with specific constitutional prerogatives, which chief executives under stress tend to overlook.

Mr. President, I urge early and favorable consideration of the Byrd resolution.

SUSAN WEISS MANES

Mr. BYRD. Mr. President, it has been said that life is a series of changes—some profound, some seemingly insignificant, and many others in between. For those of us who serve here in the Senate, this is true no less than for others. One of the ways in which change manifests itself for those of us who have served a number of terms here is when members of the Senate staff are given and accept career opportunities which move them away from this Chamber.

When a staff member has earned the trust and respect of a Member for whom he or she has worked, such departures always are bitter-sweet for the Member. It goes without saying that the staff member's contributions to the vital work that is done in this place will be missed very much. But on the other hand, of course, one must share in the pleasure when another person—particularly one who has worked so capably, energetically, and effectively—has an opportunity to grow or build professionally or explore other areas of life which the pressures of the Senate did not permit.

And so it is with a member of the senior Senate staff who will be departing at the end of this week. Susan Weiss Manes has been an employee of the Senate now for 8 years. She began her service as a legislative assistant for Floyd Haskell, a former Senator from Colorado. Later she served in that same role for Senator DON RIEGLE of Michigan, moving on to become staff director of the Senate Subcommittee on Alcoholism. In 1982, she joined the staff of the Democratic Policy Committee as Director of the Domestic Policy Office, and currently serves as staff director for the committee.

During this period of public service, it is clear that Senators recognized Susan's keen mind, unflagging energy, and determination to do nothing less than the best work. In fact, her capabilities and dedication were responsible for her path to occupancy of her current post which is one of the key Senate staff offices.

I know, too, because I have watched her relationships with her colleagues—both those on the Policy Committee staff and others—that she is held in the highest esteem by her peers. Such respect from those with whom one works on a day-in, day-out basis is not freely bestowed. It must be earned the old-fashioned way by being a man or woman whose word always is fully dependable; by settling for no less than the best work product; by having a genuine interest and concern for fellow human beings and by not being too busy or distracted to demonstrate that interest and concern to all with whom one comes in contact; and by unswerving allegiance to fundamental principles which she carefully chose as the basis and motivation for her life.

We who labor here in the Senate, Mr. President, are very fortunate to be aided by a great many staff members who also labor diligently in pursuit of the public good. Without them, this great institution would grind to a halt, and the public's business would go undone regardless of what we Members may have invested. But even among a group which sets a high standard, some inevitably will stand out. Susan Manes is such a person.

Consequently, I have no doubt that Susan deserves one of the most valued compliments that I believe can be paid: On many occasions, Susan made a difference for good by what she did or what she said.

I know I am joined, Mr. President, by all who worked with Susan here—Senators and staff—in offering her our thanks for a job well done and our best wishes in her future endeavors.

EXPRESSIONS OF APPRECIATION

Mr. BYRD. Mr. President, I have nothing, except I wish to congratulate the distinguished majority leader on the high performance that he has demonstrated in carrying out the responsibilities of the majority leader. He, at all times, has been very courteous and considerate with respect to the minority. I feel that he deserves the thanks of all Senators on this side. He has sought at all times to be cooperative with the minority leader and always understanding with respect to the times when perhaps the minority leader could not approve of various matters which the distinguished majority leader may have sought to put before the Senate.

I feel that he has done his duty, he has done it honorably, and I do not think anyone else in the Senate other than I could really understand the problems that the distinguished majority leader has had to confront. It is not an easy task. You cannot please everyone, and many times he pleases no one. I wish him a very restful recess, and a safe journey. I understand he is going to be going to China. I know that he will enjoy that visit, and I wish him Godspeed and good luck.

Mr. DOLE. Mr. President, I thank the distinguished minority leader. I certainly appreciated his cooperation. In fact, as I indicated earlier today, we have actually accomplished not everything—but the calendar is fairly clean. For that reason we would be able to come back on the fourth, and probably not do much the balance of that week. But we will come back on the ninth, and there will be votes on the ninth. So we will be in action when we return. But it has been possible through largely the cooperation of the distinguished minority leader, because he has been pushing on his side, and I have been pushing on my side to help my distinguished majority whip, Senator SIMPSON. I know Senator CRANSTON has been doing pretty much the same.

So we have covered a lot of matters. Some have been hanging around here for several years. Some we have accomplished, some we have been successful with, and I am frankly relieved to have sort of the budget behind us for awhile.

I think we have spent a great deal of time on that. Maybe we have become too focused on the budget. But I can advise my colleagues when we come back, there is going to be a lot of work to do in September, and October, and probably November even without tax reform. If tax reform comes from the House, obviously we will do what we can to complete action in the Senate.

But I appreciate not only the courtesies extended to me by the minority leader, but also the counsel from time to time and the fact that we have never taken each other by surprise. It is very helpful and reassuring. I have learned that it is impossible to please everyone most of the time. But I enjoy the work.

Mr. BYRD. If the distinguished majority leader will allow me, I apologize for taking additional time. I do want to extend my thanks, felicitations, and commendations to the distinguished Republican whip, who has been at all times at his post of duty, and at all times he has been very congenial, most cooperative, and I enjoy working with him.

I also want to compliment Mr. Cranston, the minority whip, who never ceases to be cooperative, understanding, and hard working, and I want to express appreciation for the hard work and the good work that he has done for the minority, and with the minority and also in cooperation with the majority.

I thank also Danny Inouye, our very highly respected secretary of the Democratic conference, who can always be counted upon, who works hard, is a good Senator, and a great American.

I thank all Senators on both sides of the aisle for the courtesies that have been extended to me and my staff. I congratulate our staff and the director, Susan Manes; the deputy staff director, Scott Bunton; members of the Democratic floor staff, Abby Suffold, Charles Kinney and Marty Paone. The highly skilled and dedicated policy issues staff; and the Communications staff headed by Linda Peek.

I also want to commend and thank the secretary for the minority, David Pratt, and his able staff for their excellent work.

I thank the distinguished majority leader.

Mr. SIMPSON. Mr. President, I surely will not prolong the evening, but just very quickly say my appreciation to the majority leader for his remarkable guidance of this Senator in his new duty as assistant majority leader, and also to the Democratic leader for his patience, extreme patience, kindness to me in these rather rambunctious first 7 months of my tour of duty, and ups and downs thereof. Both of them are remarkably patient. It has been an extraordinary experience, a great experience for me, and particularly a pleasure to serve with them both, and I have come to know and enjoy them both. I appreciate that and deeply so. I thank them both.

I thank also Senator Cranston who, of course, I learned to work with through the Veterans' Affairs Committee, a rare treat also, and I thank the leaders.

Mr. DOLE. Mr. President, I want to thank the Presiding Officer [Mr. Trible] for his patience and his overtime. I appreciate that very much.

PROGRAM FOR SEPTEMBER 9, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, September 9, 1985, the journal of the proceedings be approved to date; that the call of the calendar be dispensed with; that no resolutions come over under the rule; that following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. Proxmire] for not to exceed 15 minutes, to be followed by a period for the transaction of routine morning business not to extend beyond 1 p.m., with statements therein limited to 5 minutes each; provided, further, that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEES TO FILE REPORTS ON WEDNESDAY, AUGUST 28, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until September 9, 1985, committees may file reports between the hours of 10 a.m. and 3 p.m. on Wednesday, August 28, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, I just indicate when we come back on the 9th of September, we will convene at 12 noon, the two leaders under the standing order have 10 minutes each; there will be an order in favor of the Senator from Wisconsin [Mr. Proxmire] for not to exceed 15 minutes; routine morning business not to extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes each.

At the hour of 1 p.m. there will be 3 hours of debate on the antiapartheid conference report, to be equally divided. At the hour of 4 p.m. on Monday, the cloture vote will occur.

Additional rollcall votes could occur during Monday's session. I think I can count on the cloture being invoked, and it may be possible to complete action on that conference report on the 9th of September, hopefully; if not, then on the 10th.

I am advised by the distinguished Senator from Wyoming that the immigration bill is ready. It can be disposed of in a fairly short time. So there will be a number of legislative opportunities as soon as we return.

ADJOURNMENT UNTIL MONDAY, SEPTEMBER 9, 1985

Mr. DOLE. Mr. President, I move, in accordance with the provisions of House Concurrent Resolution 179, that the Senate stand in adjournment until 12 noon on Monday, September 9, 1985.

The motion was agreed to; and at 11:13 p.m., the Senate adjourned until Monday, September 9, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate August 1, 1985:

Department of State

Herbert Stuart Okum, of the District of Columbia, a career member of the Senior Foreign Service, class of minister-counselor, to be the deputy representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Hugh Montgomery, of Virginia, to be the alternate representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador.

Department of the Treasury

George D. Gould, of New York, to be Under Secretary of the Treasury, vice Norman B. Ture, resigned.

Charles O. Sethness, of Massachusetts, to be an Assistant Secretary of the Treasury, vice Thomas J. Healey, resigned.

The Judiciary

Brian B. Duff, of Illinois, to be U.S. district judge for the northern district of Illinois, vice a new position created by Public Law 98-353, approved July 10, 1984.

Copyright Royalty Tribunal

J.C. Argetsinger, of Virginia, to be a commissioner of the Copyright Royalty Tribunal for the term of 7 years from September 27, 1984, vice Douglas Coulter, term expired.

Department of Energy

Donna R. Fitzpatrick, of the District of Columbia, to be an Assistant Secretary of Energy, conservation and renewable energy, vice Joseph J. Tribble, resigned.

Anthony G. Sousa, of Hawaii, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1988, reappointment.

Federal Deposit Insurance Corporation

L. William Seidman, of Arizona, to be a member of the board of directors of the Federal Deposit Insurance Corporation for a term of 6 years, vice William M. Isaac, term expired.

Executive Office of the President

James C. Miller III, of the District of Columbia, to be Director of the Office of Management and Budget, vice David A. Stockman, resigned.

In the Navy

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be admiral

Adm. Sylvester R. Foley, Jr., 573-26-0943/1310, U.S. Navy.

Department of Defense

Robert B. Sims, of Tennessee, to be an Assistant Secretary of Defense, vice Michael Ira Burch, resigned.

National Credit Union Administration

Elizabeth Flores Burkhart, of Texas, to be a member of the National Credit Union Administration Board for the term of 6 years expiring April 10, 1991, reappointment.

U.S. Institute of Peace

The following-named persons to be members of the board of directors of the U.S. Institute of Peace for the terms indicated:

For terms of 2 years expiring January 19, 1987:

Sidney Lovett, of Connecticut, new position.

Richard John Neuhaus, of New York, new position.

W. Bruce Weinrod, of the District of Columbia, new position.

For a term of 4 years expiring January 19, 1989:

John Norton Moore, of Virginia, new position.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 1, 1985:

Department of Labor

Michael E. Baroody, of Virginia, to be an Assistant Secretary of Labor.

National Science Foundation

Richard S. Nicholson, of Virginia, to be an Assistant Director of the National Science Foundation.

Department of State

John Gunther Dean, of New York, a career member of the Senior Foreign Service, class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India.

Frank Shakespeare, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Portugal.

Office of Personnel Management

Constance Horner, of the District of Columbia, to be Director of the Office of Personnel Management for a term of 4 years.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

WITHDRAWAL

Executive nomination withdrawn from the Senate August 1, 1985:

The nomination of Capt. Leon Paul Georges, Medical Corps, U.S. Navy, for promotion to the permanent grade of commodore, pursuant to title 10, United States Code, section 624, which was sent to the Senate on January 3, 1985.

BEST COPY AVAILABLE

HOUSE OF REPRESENTATIVES—*Thursday, August 1, 1985*

The House met at 10 a.m.

The Reverend Robert A. Rusbuldt, Emmanuel Baptist Church, Penn Yan, NY, offered the following prayer:

If my people, which are called by my name, shall humble themselves, and pray, and seek my face and turn from their wicked ways; then will I hear from heaven, and will forgive their sin, and will heal their land.—II Chronicles 7:14.

God, our Heavenly Father, thank You for the dedication of these men and women in this great Chamber. We pray for wisdom, understanding, and justice to prevail in their dealings with each other and for the good of our land.

Help them to seek their strength from above and may they lead our people in the proper paths. We know that our Congress faces difficult problems and decisions, but may You give them the insight to see clearly the way they should go for the good of our great Nation.

May the blessing of Your love rest upon our President. We pray for his physical needs and for complete healing in his body.

We commit our thoughts to Thee for we pray in the name of our Lord Jesus Christ. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SENSENBRENNER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 272, nays 125, answered "present" 4, not voting 32, as follows:

[Roll No. 285]

YEAS—272

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Barnard
Barnes
Bateman
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Broyhill
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Campbell
Carper
Carr
Chappell
Cheney
Clinger
Coats
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Daniel
Darden
Daschle
de la Garza
Dellums
Derrick
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Dwyer
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
English
Erdreich
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Fowler
Frank
Franklin
Frost
Fuqua
Garcia
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hatcher
Hawkins
Henry
Hertel
Holt
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jenkins
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
LaFalce
Lagomarsino
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Long
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McCurdy
McEwen
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Nelson
Nichols
Nowak
O'Brien
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Pepper
Perkins
Petri
Pickle
Price
Quillen
Rangel
Ray
Regula
Reid
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Scheuer
Schneider
Schumer
Sharp
Shelby
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Snyder
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (MO)

NAYS—125

Armey
Badham
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Burton (IN)
Callahan
Carney
Chappie
Cobey
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Dannemeyer
Daub
DeWine
Dickinson
Dornan (CA)
Dreier
Durbin
Edwards (OK)
Emerson
Evans (IA)
Fiedler
Fields
Frenzel
Gallo
Gekas
Gingrich
Goodling
Gregg
Grotberg
Gunderson
Hartnett
Hendon
Hiler
Hillis
Hopkins
Hunter
Ireland
Jacobs
Kasich
Kolbe
Kramer
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McGrath
McKernan
McMillan
Meyers
Michel
Miller (OH)
Molinari
Monson
Moorhead
Nielson
Oxley
Packard
Parris
Pashayan
Penny
Porter
Pursell
Ridge
Ritter
Roberts
Roemer
Rogers
Roukema
Saxton
Schaefer
Schroeder
Schuette
Schulze
Sensenbrenner
Shaw
Shuster
Sikorski
Siljander
Slaughter
Smith (NH)
Smith, Denny
Smith, Robert
Snowe
Solomon
Spence
Stangeland
Strang
Stump
Sundquist
Swindall
Tauke
Taylor
Vucanovich
Weber
Whittaker
Wolf
Young (AK)
Zschau

ANSWERED "PRESENT"—4

Davis
Dymally
Kostmayer
Lantos

NOT VOTING—32

Bates
Chandler
Clay
Crane
DeLay
Dingell
Ford (MI)
Ford (TN)
Gaydos
Hayes
Hefner
Heftel
Horton
Jeffords
Jones (NC)
Kemp
Kindness
Loeffler
McDade
Mitchell
Neal
Oakar
Rahall
Roth
Seiberling
Shumway
Skeen
Smith (NJ)
Thomas (CA)
Udall
Weaver
Young (FL)

☐ 1020

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendments of the House with amendments to bills of the Senate of the following titles:

S. 817. An act to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes;

S. 818. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974; and

S. 1195. An act to require that a portion of the mail of Congress and the executive branch include a photograph and biography of a missing child.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 63. An act to encourage the rendering of in-flight emergency care aboard aircraft by requiring the placement of emergency first aid medical supplies and equipment aboard aircraft and by relieving appropriate persons of liability for the provision and use of such equipment and supplies;

S. 974. An act to provide for protection and advocacy for mentally ill persons;

S. 1106. An act to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in dockets numbered 57, 59, and 13E of the Indian Claims Commission and docket numbered 13F of the U.S. Claims Court, and for other purposes;

S. 1349. An act to provide for the use and distribution of funds awarded in docket 363 to the Mdewakanton and Wahpekute Eastern or Mississippi Sioux before the U.S. Court of Claims and Claims Court;

S. 1515. An act to authorize a partial transfer of the authority of the Maine-New Hampshire Interstate Bridge Authority to the States of Maine and New Hampshire; and

S. 1529. An act to authorize appropriations for State and community highway safety grants, and for other purposes.

REV. ROBERT A. RUSBULDT

(Mr. CAMPBELL asked and was given permission to address the House for 1 minute.)

Mr. CAMPBELL. Mr. Speaker, I ask my colleagues to join me this morning in welcoming Rev. Robert A. Rusbuldt, senior pastor of the Emmanuel Baptist Church in Penn Yan, NY.

Reverend Rusbuldt has pastored churches in New York and New Jersey, and he is currently completing his 30th year in the ministry. Under his leadership, new church buildings have been erected, programs for the elderly, needy, and youth have been established, and many people have gained new confidence and direction in their lives through his ministry and several radio programs.

Throughout his distinguished service, Reverend Rusbuldt has served as president of the Eastern New York Bible Conference, president of the Finger Lakes Pastor's Fellowship, and a member of the board of directors of the Mid-State Baptist Youth Camp.

He has always provided special attention to our young people, giving leadership to an excellent school at Emmanuel Baptist Academy. Moreover, he has worked tirelessly to improve and enhance the spiritual, physical, and intellectual needs of our youth. I know he brings to his church, community, and spiritual mission a special dedication, understanding, and vigor that is an inspiration to all.

I have had the pleasure of knowing Reverend Rusbuldt through his son, and my former legislative director, Bob Rusbuldt. Mr. Speaker, it is an honor to have Reverend Rusbuldt as our guest chaplain today.

APPOINTMENT OF CONFEREES ON H.R. 1714, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT, 1986

Mr. FUQUA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1714) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. HENRY. Mr. Speaker, reserving the right to object, may I inquire as to whether this has been cleared with the gentleman from New Mexico [Mr. LUJAN]?

Mr. FUQUA. If the gentleman will yield, it has been cleared with the ranking minority member.

Mr. HENRY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida? The Chair hears none, and appoints the following conferees: Messrs. FUQUA, BROWN of California, NELSON of Florida, ANDREWS, TORRICELLI, LUJAN, WALKER, and LEWIS of Florida.

AN INDEPENDENT AGENCY FOR SOCIAL SECURITY

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, the announcement by President Reagan that he would agree to an immediate removal of Social Security from the unified budget is startling, yet welcome, news.

The House should "call and raise" him by agreeing to split the budget and also passing a bill which I and 62 other Members, have introduced, H.R. 825, making Social Security an independent agency. While the unified budget and an independent agency for Social Security are two separate issues, they are intertwined and it should naturally follow that if Social Security is made an independent agency, then it should be removed from the unified budget.

The Social Security Subcommittee, chaired by the gentleman from Oklahoma, Mr. JONES, held hearings earlier this year on both issues and has indicated that he will pursue the matter.

Mr. Speaker, making Social Security an independent agency will remove Social Security from politics as much as possible. Whether we have a board or commission, there is always an element of politics depending upon who is President, but we can minimize the influence of politics and restore the confidence of the people in the system by creating an independent agency.

Some of my colleagues on the other side of the aisle may have been surprised by what the President has proposed. But we should proceed with all due speed, accept the President's offer to remove Social Security from the unified budget and go him one better by also making it an independent agency.

THE DANGERS OF AN OUT-OF-CONTROL NATIONAL DEBT

(Mr. SENSENBRENNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SENSENBRENNER. Mr. Speaker, "A national debt, if it is not excessive, will be to us a national blessing." This statement, Mr. Speaker, was made in a letter to Robert Morris by Alexander Hamilton, the founder of our financial system. Secretary Hamilton realized the dangers an out-of-control national debt would hold for our young Nation. Today, our debt grows daily. When the Congress returns in September, one of our first tasks will be to raise the debt ceiling over the $2 trillion mark.

The collapse of the budget process, mounting deficits, and the failure of any significant movement toward a balanced budget compelled me to become a member of CLUBB—Congressional Leaders United for a Balanced Budget. CLUBB was founded in October 1983, as a bipartisan, bicameral coalition to coordinate Senate, House, and State forces working to enact the balanced budget/tax limitation amendment.

Article V of the Constitution provides a method for States to call a constitutional convention if two-thirds of the States call for a convention. Thirty-two States, two short of the required number of States, have called for a constitutional convention and more State legislatures are planning to debate and perhaps pass additional

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

resolutions calling for a convention. The Senate Judiciary Committee recently approved legislation establishing procedures for holding a constitutional convention.

As the ranking Republican member of the Judiciary Subcommittee on Civil and Constitutional Rights, I welcome the opportunity to explore the need for establishing procedures for a constitutional convention, thereby negating the concern over a "runaway convention."

Justice John Marshall endorsed the concept of constitutional change when he wrote in 1821, "The people made the Constitution and the people can unmake it. It is the creature of their own will, and lives only by their will."

Mr. Speaker, Chief Justice Marshall recognized the Constitution as a living, breathing document, one that could be changed if the circumstances required it. I believe change is warranted because of the historic and debilitating deficits we are now incurring. The danger of fiscal collapse is ever present. It is my belief a constitutional mandate is needed to force both the Congress and the Executive to come to grips with the deficit, and the cost of the deficit's interest payments.

The Business Roundtable estimated the Federal debt currently totals approximately $8,750 for every adult in the Nation. The interest alone on that debt will cost about $980 for every taxpaying American this year. I urge Members of this House and all legislative bodies to join together to amend the Constitution either through the traditional method in which the last 25 amendments have been approved or through the legislative mechanism established by our Founding Fathers in article V of our Constitution.

□ 1030

REPRESSION IS WIDESPREAD

(Mr. FOGLIETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOGLIETTA. Mr. Speaker, human rights are very much in the national consciousness right now. The state of emergency in South Africa has made us once more realize that the basic freedoms we enjoy here are not widespread. Unfortunately, repression is widespread—even among those we call our allies.

In South Korea, the government of Chun Doo Hwan has once more demonstrated its determination to silence democratic voices of opposition to its policies. Kim Dae Jung, South Korea's most passionate advocate of democratic rights, is again under house arrest. Having returned to South Korea from his exile in the United States to carry on the peaceful struggle for democracy, Kim has found himself frozen out, his rights subject to the whims of the Chun government.

Kim has been placed under house arrest to prevent him from attending the national convention of the New Korea Democratic Party. Instead of being allowed to attend as a simple delegate and leader, and thus giving credibility to the Chun government's claims of belief in human rights, he has been banned. His arrest has given the opposition all the proof it needs that Chun will never allow democracy, and made a mockery of the promises of a truly free South Korea made by Chun in his state visit earlier this year.

The United States should protest loudly Kim's arrest, and demand his release. To do any less undermines our protests of injustice elsewhere in the world, and gives tacit approval to actions which cannot be justified.

The Chun government should release Kim Dae Jung.

CONFERENCE REPORT ON H.R. 1460, ANTI-APARTHEID ACT OF 1985

Mr. FASCELL submitted the following conference report and statement on the bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 242)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Anti-Apartheid Action Act of 1985".

FINDINGS AND DECLARATIONS

SEC. 2. The Congress finds and declares that—

(1) the policy and practices of apartheid—

(A) deliberately separates millions of South African "migrant" workers from their families;

(B) denies meaningful, democratic participation in the political process to the majority of the South African population;

(C) consigns the mass the South African citizenry to lives of economic and educational deprivation;

(D) denies black citizens of South Africa the right to travel freely within their own country;

(E) leads to the arbitrary government confiscation of the private property legally owned by black South African nationals; and

(F) tries to deprive many South African citizens of South African citizenship;

(2) the policy and practice of apartheid is repugnant to the moral and political values of democratic and free societies, and runs counter to United States policies to promote democratic governments throughout the world and respect for human rights; and

(3) it is the policy of the United States to promote peaceful change in South Africa through diplomatic means, but also, where necessary and appropriate, through the adoption of other measures, in conjunction with our allies, in order to reinforce United States opposition to apartheid.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "national of the United States" means—

(A) a natural person who is a citizen of the United States or who owes permanent allegiance to the United States; or

(B) a corporation, partnership, or other enterprise if—

(i) natural persons who are nationals of the United States own or control, directly or indirectly, more than 50 percent of the outstanding voting securities;

(ii) natural persons who are nationals of the United States own or control, directly or indirectly 25 percent or more of the voting securities, and natural persons of another nationality do not own or control an equal or larger percentage;

(iii) any natural person who is a national of the United States operates the corporation, partnership, or enterprise pursuant to the provisions of an exclusive management contract;

(iv) a majority of the members of the board of directors are also members of the comparable governing body of a corporation or legal entity organized under the laws of the United States, any State or territory thereof, or the District of Columbia; or

(v) natural persons who are nationals of the United States have authority to appoint the chief operating officer;

(2) the term "Secretary" means the Secretary of State; and

(3) the term "South Africa" refers to the territory that constituted the Republic of South Africa on May 31, 1961.

SCHOLARSHIPS FOR BLACK SOUTH AFRICANS

SEC. 4. Section 105(b) of the Foreign Assistance Act of 1961 is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following new paragraph:

"(2)(A) Of the assistance provided under this section by the Administrator of the agency primarily responsible for administering this part of this Act—

"(i) for the fiscal year 1986, $8,000,000;

"(ii) for the fiscal year 1987, $11,000,000; and

"(iii) for the fiscal year 1988 and each fiscal year thereafter, $15,000,000,

shall be used to finance education, training, and scholarships for black South Africans who are attending universities, colleges, and secondary schools in South Africa and who are selected in accordance with subparagraph (B). Of the funds available under the preceding sentence to carry out this subparagraph, not less than one-third shall be available only for assistance to full-time teachers or other educational professionals pursuing studies toward the improvement of their professional credentials.

"(B) Of the funds provided in subparagraph (A) for each fiscal year, 50 percent shall be available for educational assistance for black South Africans in accordance with section 802(c) of the International Security and Development Cooperation Act of 1985.

The remainder of the funds in each fiscal year which are not made available under the preceding sentence shall be available to finance scholarships for individuals selected by a nationwide panel or by regional panels composed solely of members of the teaching profession appointed by the United States chief of diplomatic mission to South Africa. No such individual may be selected through any contract entered into with the agency primarily responsible for administering this part of this Act.".

HUMAN RIGHTS FUND

SEC. 5. (a) Section 116(e)(2)(A) of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "1984 and" and inserting in lieu thereof "1984,"; and

(2) by inserting after "1985" a comma and the following: "and $1,500,000 for the fiscal year 1986 and for each fiscal year thereafter".

(b) Section 116 of such Act is amended by adding at the end thereof the following new subsection:

"(f) Of the funds made available to carry out subsection (e)(2)(A) for each fiscal year, $350,000 shall be used for direct legal and other assistance to political detainees and prisoners and their families, including the investigation of the killing of protesters and prisoners, and for support for actions of black-led community organizations to resist, through nonviolent means, the enforcement of apartheid policies such as—

"(1) removal of black populations from certain geographic areas on account of race or ethnic origin,

"(2) denationalization of blacks, including any distinctions between the South African citizenships of blacks and whites,

"(3) residence restrictions based on race or ethnic origin,

"(4) restrictions on the rights of blacks to seek employment in South Africa and live wherever they find employment in South Africa, and

"(5) restrictions which make it impossible for black employees and their families to be housed in family accommodations near their place of employment.".

EXPANDING PARTICIPATION IN THE SOUTH AFRICAN ECONOMY

SEC. 6. (a) The Congress declares that—

(1) the denial under the apartheid laws of South Africa of the rights of South African blacks and other nonwhites to have the opportunity to participate equitably in the South African economy as managers or owners of, or professionals in, business enterprises, and

(2) the policy of confining South African blacks and other nonwhites to the status of employees in minority-dominated businesses

is an affront to the values of a free society.

(b) The Congress hereby—

(1) applauds the commitment of nationals of the United States adhering to the principles set forth in section 10 to assure that South African blacks and other nonwhites are given assistance in gaining their rightful place in the South African economy; and

(2) urges the United States Government to assist in all appropriate ways the realization by South African blacks and other nonwhites of their rightful place in the South African economy.

(c) The Secretary of State and any other head of a department or agency of the United States carrying out activities in South Africa shall, to the maximum extent practicable, in procuring goods or services, make affirmative efforts to assist business enterprises having more than 50 percent beneficial ownership by South African blacks or other nonwhite South Africans.

EXPORT-IMPORT BANK OF THE UNITED STATES

SEC. 7. Section 2(b)(9) of the Export-Import -Bank Act of 1945 is amended—

(1) by striking out "(9) In" and inserting in lieu thereof "(9)(A) Except as provided in subparagraph (B), in"; and

(2) by adding at the end thereof the following:

"(B) The Bank shall take active steps to encourage the use of its facilities to guarantee, insure, extend credit, or participate in the extension of credit to business enterprises in South Africa that are majority owned by South African blacks or other nonwhite South Africans. The certification requirement contained in clause (c) of subparagraph (A) shall not apply to exports to or purchases from business enterprises which are majority owned by South African blacks or other nonwhite South Africans.".

LABOR PRACTICES OF THE UNITED STATES GOVERNMENT IN SOUTH AFRICA

SEC. 8. (a) It is the sense of the Congress that the labor practices used by the United States Government—

(1) for the direct hire of South Africans,

(2) for the reimbursement out of official residence funds of South Africans and employees of South African organizations for their long-term employment services on behalf of the United States Government, and

(3) for the employment services of South Africans arranged by contract.

should represent the best of labor practices in the United States and should serve as a model for the labor practices of nationals of the United States in South Africa.

(b) Notwithstanding any other provision of law, the Secretary of State and any other head of a department or agency of the United States carrying out activities in South Africa shall promptly take the necessary steps to ensure that the labor practices applied to the employment services described in paragraphs (1) through (3) of subsection (a) are governed by the principles set forth in section 10(a).

EMPLOYMENT PRACTICES OF UNITED STATES NATIONALS IN SOUTH AFRICA

SEC. 9. (a) Any national of the United States that employs more than 25 persons in South Africa shall take the necessary steps to ensure that those principles relating to employment practices set forth in section 10(a) are implemented.

(b) No department or agency of the United States may intercede with any foreign government or any national regarding the export marketing activities in any country of any national of the United States employing more than 25 persons in South Africa that is not implementing the principles relating to employment practices in South Africa set forth in section 10(a).

STATEMENT OF PRINCIPLES

SEC. 10. (a) The principles referred to in sections 8 and 9 of this Act are as follows:

(1) Desegregating the races in each employment facility, including—

(A) removing all race designation signs;

(B) desegregating all eating, rest, and work facilities; and

(C) terminating all regulations which are based on racial discrimination.

(2) Providing equal employment for all employees without regard to race or ethnic origin, including—

(A) assuring that any health, accident, or death benefit plans that are established are nondiscriminatory and open to all employees without regard to race or ethnic origin; and

(B)(i) implementing equal and nondiscriminatory terms and conditions of employment for all employees, and (ii) abolishing job reservations, job fragmentation, apprenticeship restrictions for blacks and other nonwhites, and differential employment criteria, which discriminate on the basis of race or ethnic origin.

(3) Assuring that the pay system is equitably applied to all employees without regard to race or ethnic origin, including—

(A) assuring that any wage and salary structure that is implemented is applied equally to all employees without regard to race or ethnic origin;

(B) eliminating any distinctions between hourly and salaried job classifications on the basis of race or ethnic origin; and

(C) eliminating any inequities in seniority and ingrade benefits which are based on race or ethnic origin.

(4) Establishing a minimum wage and salary structure based on the appropriate local minimum economic level which takes into account the needs of employees and their families.

(5) Increasing, by appropriate means, the number of blacks and other nonwhites in managerial, supervisory, administrative, clerical, and technical jobs for the purpose of significantly increasing the representation of blacks and other nonwhites in such jobs, including—

(A) developing training programs that will prepare substantial numbers of blacks and other nonwhites for such jobs as soon as possible, including—

(i) expanding existing programs and forming new programs to train, upgrade, and improve the skills of all categories of employees, including establishing and expanding programs to enable employees to further their education and skills at recognized education facilities; and

(ii) creating on-the-job training programs and facilities to assist employees to advance to higher paying jobs requiring greater skills;

(B) establishing procedures to assess, identify, and actively recruit employees with potential for further advancement;

(C) identifying blacks and other nonwhites with high management potential and enrolling them in accelerated management programs; and

(D) establishing timetables to carry out this paragraph.

(6) Taking reasonable steps to improve the quality of employees' lives outside the work environment with respect to housing, transportation, schooling, recreation, and health, including—

(A) providing assistance to black and other nonwhite employees for housing, health care, transportation, and recreation either through the provision of facilities or services or providing financial assistance to employees for such purposes, including the expansion or creation of in-house medical facilities or other medical programs to improve medical care for black and other nonwhite employees and their dependents; and

(B) participating in the development of programs that address the education needs of employees, their dependents, and the local community.

(7) Implementing fair labor practices, including—

(A) recognizing the right of all employees, regardless of racial or other distinctions, to self-organization and to form, join, or assist

labor organizations, freely and without penalty or reprisal, and recognizing the right to refrain from any such activity;

(B) refraining from—

(i) interfering with, restraining, or coercing employees in the exercise of their rights of self-organization under this paragraph,

(ii) dominating or interfering with the formation or administration of any labor organization or sponsoring, controlling, or contributing financial or other assistance to it, except that any employer may permit employees to confer with the employer during working hours without loss of time or pay,

(iii) encouraging or discouraging membership in any labor organization by discrimination in regard to hiring, tenure, promotion, or other condition of employment,

(iv) discharging or otherwise disciplining or discriminating against any employee who has exercised any rights of self-organization under this paragraph, and

(v) refusing to bargain collectively with any organization freely chosen by employees under this paragraph; and

(C)(1) allowing employees to exercise rights of self-organization, including solicitation of fellow employees during nonworking hours, (ii) allowing distribution and posting of union literature by employees during nonworking hours in nonworking areas, and (iii) allowing reasonable access to labor organization representatives to communicate with employees on employer premises at reasonable times where there are no other available channels which will enable the labor organization to communicate with employees through reasonable efforts.

(b) It is the sense of the Congress that in addition to the principles enumerated in subsection (a), nationals of the United States subject to section 9 should seek to comply with the following principle: taking reasonable measures to extend the scope of influence on activities outside the workplace, including—

(1) supporting the unrestricted rights of black businesses to locate in urban areas;

(2) influencing other companies in South Africa to follow the standards of equal rights principles;

(3) supporting the freedom of mobility of black workers to seek employment opportunities wherever they exist, and making provision for adequate housing for families of employees within the proximity of workers' employment; and

(4) supporting the rescission of all apartheid laws.

(c) The Secretary may issue guidelines and criteria to assist persons who are or may be subject to section 9 in complying with the principles set forth in subsection (a) of this section. The Secretary may, upon request, give an advisory opinion to any person who is or may be subject to this section as to whether that person is subject to this section or would be considered to be in compliance with the principles set forth in subsection (a).

(d) The Secretary may require all nationals of the United States referred to in section 9 to register with the Department of State.

(e) Notwithstanding any other provision of law, the Secretary may, to such extent or in such amounts as are provided in appropriation Acts, enter into contracts with one or more private organizations or individuals to assist the Secretary in implementing this section.

ADVISORY COMMITTEE

Sec. 11. (a) The Secretary shall establish an Advisory Committee—

(1) to advise the Secretary with respect to the implementation of those principles set forth in section 10(a), and

(2) to review periodically the reports submitted pursuant to section 12(a) and, where necessary, to supplement the information contained in such reports.

The Advisory Committee shall be composed of at least 12 members appointed by the Secretary from among persons in the United States and South Africa representing trade unions committed to nondiscriminatory policies, representatives of business (including the American Chamber of Commerce in South Africa), and the academic community, and from among community and church leaders, including those in South Africa, who have demonstrated a concern for equal rights. In addition to the appointed members of the Advisory Committee, the United States Ambassador to South Africa shall be a member of the Advisory Committee, ex officio. The Committee shall be authorized to meet in the United States Embassy in South Africa or such other location as the Secretary may designate.

(b) Members of the Advisory Committee shall be appointed for 3-year terms, except that of the members first appointed, four shall be appointed for terms of two years, and four shall be appointed for terms of one year, as designated at the time of their appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the predecessor of such member was appointed shall be appointed only for the remainder of such term.

(c) The Secretary shall provide the necessary clerical and administrative assistance to the Advisory Committee.

(d) Members of the Advisory Committee shall serve without pay, except that, while away from their homes or regular places of business in the performance of services for the Committee, members of the Advisory Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

IMPLEMENTATION

Sec. 12. (a) The Secretary shall submit an annual report to the Congress describing—

(1) the extent to which each national of the United States referred to in section 9 has implemented each of the principles set forth in section 10(a);

(2) the progress each national of the United States referred to in section 9 has made since the previous annual report in implementing each of those principles;

(3) the actions the Secretary has taken to encourage implementation of those principles, by nationals of the United States as well as any person who is not a national of the United States and who employs at least 25 individuals in South Africa, as well as any related actions taken by other departments or agencies of the United States Government;

(4) any other information that the Secretary believes is appropriate relating to the implementation of those principles by nationals of the United States as well as any person who is not a national of the United States and who employs at least 25 individuals in South Africa;

(5) in the first five annual reports issued pursuant to this subsection, the extent to which each of the 100 largest foreign investors in South Africa who are not nationals of the United States have implemented the principles set forth in section 10(a);

(6) in the sixth and subsequent annual reports issued pursuant to this subsection, the extent to which each of the 200 largest foreign investors in South Africa who are not nationals of the United States have implemented the principles set forth in section 10(a); and

(7) recommendations by the Secretary for action which the Congress or the President could take to encourage implementation of those principles by persons who are not nationals of the United States and who employ at least 25 individuals in South Africa, including an analysis of the extent to which the imposition of restraints on imports into the United States from such persons would encourage implementation of those principles.

(b) The Secretary shall publish and make generally available to the public each annual report submitted pursuant to subsection (a).

(c) The Secretary may, to such extent or in such amounts as are provided in appropriation Acts, enter into contracts with one or more private organizations to assist the Secretary in preparing the report required by subsection (a).

(d) Each national of the United States referred to in section 9 of this act shall submit directly to the Secretary, or through an organization with which the Secretary has a contract under subsection (c)—

(1) detailed and fully documented annual report on the progress of that person in implementing the principles set forth in section 10(a); and

(2) such other information relating to implementation of the principles set forth in section 10(a) as the Secretary shall be regulation direct.

The reports and information required by this subsection shall be submitted at such times as the Secretary shall by regulation require.

(e) There are authorized to be appropriated such sums as may be necessary to the Department of State to carry out the provisions of this section. The Secretary may establish an office to carry out such provisions.

(f) Upon the request of any national of the United States subject to the provisions of this section and section 10 which is made within 60 days after the publication of the Secretary's report pursuant to subsection (b) of this section, the Secretary shall afford an opportunity for a hearing, within 90 days after such publication, in which such person may comment on the contents of such report.

(g)(1) The Secretary shall make available to the Advisory Committee established pursuant to section 11, and may make available to the public, information obtained pursuant to subsection (d) that relates to the employment practices of nationals of the United States subject to section 9 with respect to blacks and other nonwhite employees.

(2) Notwithstanding any other provision of law, the Secretary shall not make available to the Advisory Committee or disclose to the public any information that would harm the competitive position or the proprietary interests, or would reveal trade secrets or confidential commercial or financial information, of any national of the United States required to submit reports under subsection (d), as defined under regulations of the Secretary.

(h) The Secretary shall make all reasonable efforts to verify the information submitted under subsection (d), including the establishment of arrangements with nationals of the United States subject to section 9 for onsite monitoring, at least once every two years, of their activities and facilities in South Africa.

(i) The Secretary shall make reasonable and continuing efforts to promote the implementation of sections 9 and 10 and any regulations issued to carry out those sections.

NUCLEAR TRADE BETWEEN THE UNITED STATES AND SOUTH AFRICA

Sec. 13. (a) Except as provided in subsection (b) and notwithstanding any other provision of law—

(1) no license may be issued for the export to South Africa of goods or technology which are to be used in a nuclear production or utilization facility, or which, in the judgment of the Secretary of State, are likely to be diverted for use in such a facility;

(2) no authorization to engage, directly or indirectly, in the production of any special nuclear material in South Africa may be given;

(3) no license may be issued for the export to South Africa of component parts or other items or substances especially relevant from the standpoint of export control because of their significance for nuclear explosive purposes; and

(4) no retransfer to South Africa of any goods, technology, special nuclear material, components, items or substances described in paragraph (1), (2), or (3) may be approved.

(b) The provisions of subsection (a) shall not apply if the Secretary of State determines and certifies to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate that the Government of South Africa is a party to the Treaty on the Non-Proliferation of Nuclear Weapons, done at Washington, London, and Moscow on July 1, 1968.

EXPORTS TO SOUTH AFRICAN GOVERNMENT

Sec. 14. (a) No computers, computer software, or goods or technology intended to service computers may be exported, directly or indirectly, to or for use by any of the following entities of the Government of South Africa:

(1) The military.

(2) The police.

(3) The prison system.

(4) The national security agencies.

(5) ARMSCOR and its subsidiaries or the weapons research activities of the Council for Scientific and Industrial Research.

(6) The administering authorities for the black passbook and the book of life systems.

(7) Any other entity which implements restrictions on where nonwhites are permitted to live or work.

(8) Any other entity that administers programs which directly discriminate against nonwhites.

(9) Any local, regional, or homelands government entity which performs any function of any entity described in paragraphs (1) through (8).

(b) Computers, computer software, and goods or technology intended to service computers may be exported, directly or indirectly, to or for use by an entity of the Government of South Africa other than those set forth in subsection (a) only if—

(1) the services provided by the entity will benefit nonwhites, or both whites and nonwhites; and

(2) a system of end use verification is in effect to ensure that the computers involved will not be used for any function of any entity set forth in subsection (a).

The restriction set forth in paragraph (1) shall apply only to exports with a contract value of $100,000 or greater. The President may waive such restriction if he determines that a computer sale to an entity which serves whites only is necessary for humanitarian purposes.

(c) The President shall provide a detailed report to the Congress 12 months after the date of the enactment of this Act and annually thereafter on the implementation of the requirements set forth in paragraphs (1) and (2) of subsection (b).

(d) For purposes of this section, the term "computer" includes any computer that is the direct product of technology of United States origin.

PROHIBITION ON LOANS TO THE SOUTH AFRICAN GOVERNMENT

Sec. 15. (a) No national of the United States may make any loan or other extension of credit, directly or through a foreign affiliate of that national of the United States, to the Government of South Africa or to any corporation, partnership or other organization which is owned or controlled by the Government of South Africa, as determined under regulations which the President shall issue.

(b) The prohibition contained in subsection (a) shall not apply to—

(1) a loan or extension of credit for any educational, housing, or health facility which—

(A) is available to all persons on a nondiscriminatory basis; and

(B) is located in a geographic area accessible to all population groups without any legal or administrative restriction; or

(2) a loan or extension of credit for which an agreement is entered into before the date of the enactment of this Act.

(c) The President shall issue the regulations referred to in subsection (a) not later than 90 days after the date of the enactment of this Act.

REPORT AND POLICY ON ECONOMIC SANCTIONS

Sec. 16. (a) It shall be the policy of the United States to impose economic sanctions against the Government of South Africa if, within 12 months after the date of the enactment of this Act, but not later than January 1, 1987, significant progress has not been made toward ending the policy of apartheid.

(b) The President shall, by means of both bilateral and multilateral negotiations with other nations, develop appropriate multilateral economic sanctions against the Government of South Africa. Not later than 12 months after the date of the enactment of this Act, and at intervals of 12 months thereafter, the President shall submit to the Congress a report on the status of such negotiations. Each such report shall contain a detailed assessment of exports to South Africa from other countries of computers and other technology the export of which from the United States is prohibited under section 13 or 14 on this Act.

(c) The President shall prepare and transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate within 12 months after the date of the enactment of this Act, but not later than January 1, 1987, and every 12 months thereafter, a report on the extent to which significant progress has been made toward ending the system of apartheid, including—

(1) a detailed assessment of the extent to which the Government of South Africa has made significant progress towards meeting the following conditions:

(A) Eliminating the system which makes it impossible for black employees and their families to be housed in family accommodations near the place of employment;

(B) Eliminating all policies that restrict the rights of black people to seek employment in South Africa and to live wherever they find employment in South Africa;

(C) Eliminating all policies that make distinctions between the South African nationality of blacks and whites;

(D) Eliminating removals of black populations from certain geographic areas on account of race or ethnic origin;

(E) Eliminating all residence restrictions based on race or ethnic origin;

(F) Entering into meaningful negotiations with truly representative leaders of the black population for a new political system providing for the full national participation of all the people of South Africa in the social, political, and economic life in that country and an end to discrimination based on race or ethnic origin;

(G) Achieving an internationally recognized settlement for Namibia; and

(H) Freeing all political prisoners;

(2) a determination by the President as to whether significant progress has been made in meeting the conditions described in clauses (A) through (H) of paragraph (1); and

(3) if the President determines under paragraph (2) that significant progress has not been made, a recommendation as to which of the following sanctions should be imposed:

(A) A ban on new commercial investment in South Africa.

(B) a denial of most-favored-nation status to South Africa.

(C) A ban on the importation of coal, uranium ore, and uranim oxide from South Africa and Namibia.

(D) Other economic or political sanctions.

(d)(1) Any joint resolution which—

(A) would enact part or all of the sanctions described in clauses (A) through (D) of subsection (c)(3), and

(B) is introduced in the Senate after the date of receipt of the report required by subsection (c),

shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976, except that, for purposes of section 601(b)(3)(A) of such Act, a reference to the "same certification" shall be deemed to be a reference to the report required by subsection (c).

(2) A joint resolution which is described in paragraph (1) and which is introduced in the House of Representatives after the date of receipt of the report required by subsection (c) shall be considered in accordance with paragraphs (1) through (5) of section 17(e).

PROHIBITION ON THE IMPORTATION OF KRUGERRANDS; WAIVER AUTHORITY

Sec. 17. (a) No person, including a bank, may import into the United States any South African Krugerrand or any other gold coin minted in South Africa or offered for sale by the Government of South Africa.

(b) For purposes of this section, the term "United States" includes the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

(c)(1) The President may waive the prohibition contained in subsection (a) for a period of not more than 12 months if—

(A) the President determines that one or more of the conditions set forth in subsection (d) are met,

(B) the President submits that determination to the Congress, and

(C) a joint resolution is enacted approving the President's determination.

(2) The President may waive the prohibitions contained in subsection (a) for additional 6-month periods if, before each such waiver—

(A) the President determines that an additional condition set forth in subsection (d) has been met since the preceding waiver under this subsection became effective,

(B) the President submits that determination to the Congress, and

(C) a joint resolution is enacted approving the President's determination.

(d) The conditions referred to in subsection (c) are the following:

(1) The Government of South Africa has eliminated the system which makes it impossible for black employees and their families to be housed in family accommodations near the place of employment.

(2) The Government of South Africa has eliminated all policies that restrict the rights of black people to seek employment in South Africa and to live wherever they find employment in South Africa.

(3) The Government of South Africa has eliminated all policies that make distinctions between the South African nationality of blacks and whites.

(4) The Government of South Africa has eliminated removals of black populations from certain geographic areas on account of race or ethnic origin.

(5) The Government of South Africa has eliminated all residence restrictions based on race or ethnic origin.

(6) The Government of South Africa has entered into meaningful negotiations with truly representative leaders of the black population for a new political system providing for the full national participation of all the people of South Africa in the social, political, and economic life in that country and an end to discrimination based on race or ethnic origin.

(7) An internationally recognized settlement for Namibia has been achieved.

(8) The Government of South Africa has freed all political prisoners.

(e)(1) All joint resolutions introduced in the House of Representatives and the Senate shall be referred immediately to the appropriate committees.

(2) If the committee of either House to which a joint resolution has been referred has not reported it at the end of 30 days after its introduction, the committee shall be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter.

(3) A joint resolution under this subsection shall be considered in the Senate in accordance with the provisions of section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976. For the purpose of expediting the consideration and passage of joint resolutions reported or discharged pursuant to the provisions of this subsection, it shall be in order for the Committee on Rules of the House of Representatives to present for consideration a resolution of the House of Representatives providing procedures for the immediate consideration of a joint resolution under this subsection which may be similar, if applicable, to the procedures set forth in section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976.

(4) If before the passage by one House of a joint resolution of that House, that House receives a joint resolution with respect to the same matter from the other House, then—

(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

(B) the vote on final passage shall be on the joint resolution of the other House.

(5) In the computation of the period of 30 days referred to in paragraph (2) there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of the Congress sine die.

(6) For purposes of this subsection, the term "joint resolution" means a joint resolution the matter after the resolving clause of which is as follows: "That the Congress, having received on   a determination of the President under section 17(c) of the Anti-Apartheid Act of 1985, approves the President's determination.", with the date of the receipt of the determination inserted in the blank.

MINTING GOLD BULLION COINS

Sec. 18. (a) Section 5112(a) of title 31, United States Code, is amended by adding at the end thereof the following new paragraphs:

"(7) A fifty dollar gold coin that is 32.7 millimeters in diameter, weighs 33.931 grams, and contains one troy ounce of fine gold.

"(8) A twenty-five dollar gold coin that is 27.0 millimeters in diameter, weighs 16.966 grams, and contains one-half troy ounce of fine gold.

"(9) A ten dollar gold coin that is 22.0 millimeters in diameter, weighs 8.483 grams, and contains one-fourth troy ounce of fine gold.

"(10) A five dollar gold coin that is 16.5 millimeters in diameter, weighs 3.393 grams, and contains one-tenth troy ounce of fine gold.".

(b) Section 5112 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(i)(1) Notwithstanding section 5111(a)(1) of this title, the Secretary shall mint and issue the gold coins described in paragraphs (7), (8), (9), and (10) of subsection (a) of this section, in quantities sufficient to meet public demand, and such gold coins shall—

"(A) have a design determined by the Secretary, except that the fifty dollar gold coin shall have—

"(i) on the obverse side, a design symbolic of Liberty; and

"(ii) on the reverse side, a design representing a family of eagles, with the male carrying an olive branch and flying above a nest containing a female eagle and hatchlings;

"(B) have inscriptions of the denomination, the weight of the fine gold content, the year of minting or issuance, and the words 'Liberty', 'In God We Trust', 'United States of America', and 'E Pluribus Unum'; and

"(C) have reeded edges.

"(2)(A) The Secretary shall sell the coins minted under this subsection to the public at a price equal to the market value of the bullion at the time of sale, plus the cost of minting, marketing, and distributing such coins (including labor, materials, dies, use of machinery, and promotional and overhead expenses).

"(B) The Secretary shall make bulk sales of the coins minted under this subsection at a reasonable discount.

"(3) For purposes of section 5132(a)(1) of this title, all coins minted under this subsection shall be considered to be numismatic items.".

"(c) Section 5116(a)(2) of title 31, United States Code, is amended by inserting after the first sentence the following new sentence: "The Secretary shall acquire the gold for the coins issued under section 5112(i) of this title by purchase only from natural deposits in the United States or in a territory or possession of the United States, or from reserves of gold held by the United States.".

"(d) Section 5118(b) of title 31, United States Code, is amended—

(1) in the first sentence, by striking out "or deliver"; and

(2) in the second sentence, by inserting "(other than gold and silver coins)" before "that may be lawfully held".

(e) The third sentence of section 5132(a)(1) of title 31, United States Code, is amended by striking out "minted under section 5112(a) of this title" and inserting in lieu thereof "minted under paragraphs (1) through (6) of section 5112(a) of this title".

"(f) Notwithstanding any other provision of law, an amount equal to the amount by which the proceeds from the sale of the coins issued under section 5112(i) of title 31, United States Code, exceed the sum of—

(1) the cost of minting, marketing, and distributing such coins, and

(2) the value of gold certificates (not exceeding forty-two and two-ninths dollars a fine troy ounce) retired from the use of gold contained in such coins.

shall be deposited in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt.

"(g) The Secretary shall take all actions necessary to ensure that the issuance of the coins minted under section 5112(i) of title 31, United States Code, shall result in no net cost to the United States Government.

(h) This section shall take effect on October 1, 1985, except that no coins may be issued or sold under section 5112(i) of title 31, United States Code, before October 1, 1986.

STUDY OF HEALTH CONDITIONS IN THE "HOMELANDS" AREAS OF SOUTH AFRICA

Sec. 19. The Secretary of State shall conduct a study to examine the state of health conditions and to determine the extent of starvation and malnutrition now prevalent in the "homelands" areas of South Africa and shall, not later than December 1, 1985, prepare and transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report setting forth the results of such study.

REGULATORY AUTHORITY

Sec. 20. (a) The President shall issue such regulations, licenses, and orders as are necessary to carry out—

(1) the provisions of section 14 prohibiting certain exports to South African Government entities;

(20 the provisions of section 15 prohibiting loans to South African Government entities; and

(3) the provisions of section 17 prohibiting the importation of Krugerrands.

(b)(1) The Secretary shall issue such regulations as are necessary to carry out—

(A) the provisions of section 9;

(B) the provisions of section 10(d), relating to registration; and

(C) the provisions of section 12(d) requiring the submission of reports.

(2) The regulations of the Secretary first issued under paragraph (1) shall be issued not later than 120 days after the date of the enactment of this Act.

(c) Before issuing final regulations under this section, the President and the Secretary shall publish in the Federal Register the regulations proposed to be issued and shall give interested persons, including the Advisory Committee established pursuant to section 11, at least 30 days to submit comments on the proposed regulations. The President and the Secretary shall, in issuing the final regulations, take into account the comments so submitted.

(d) The first annual report of the Secretary under section 12(a) shall be submitted to the Congress not later than one year after the date on which final regulations issued under subsection (b)(2) of this section are published. Each subsequent annual report shall be submitted not later than the end of each 1-year period thereafter.

ENFORCEMENT AND PENALTIES

Sec. 21. (a) The President with respect to his authorities under section 20(a), and the Secretary with respect to his authorities under section 20(b), shall take the necessary steps to ensure compliance with the provisions of this Act and any regulations, licenses, and orders issued to carry out this Act, including establishing mechanisms to monitor compliance with this Act and such regulations, licenses, and orders. In ensuring such compliance, the President and the Secretary may conduct investigations, hold hearings, administer oaths, examine witnesses, receive evidence, take depositions, and require by subpoena the attendance and testimony of witnesses and the production of all books, papers and documents relating to any matter under investigation.

(b) Except as provided in subsection (d)—

(1) any person, other than an individual, that violates the provisions of this Act, or any regulation, license, or order issued to carry out this Act shall be fined not more than $1,000,000;

(2) any individual who violates the provisions of this Act or any regulation, license, or order issued to carry out this Act shall be fined not more than $50,000, or imprisoned not more than 5 years, or both; and

(3) any individual who violates section 17(a) or any regulations issued to carry out that section shall, instead of the penalty set forth in paragraph (2), be fined not more than 5 times the value the krugerrands or gold coins involved.

(c)(1) Whenever a person commits a violation under subsection (b)—

(A) any officer, director, or employee of such person, or any natural person in control of such person who knowingly and willfully ordered, authorized, acquiesced in, or carried out the act or practice constituting the violation, and

(B) any agent of such person who knowingly and willfully carried out such act or practice,

shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

(2) Paragraph (1) shall not apply in the case of a violation by an individual of section 17(a) or of any regulation issued to carry out that section.

(3) A fine imposed under paragraph (1) on an individual for an act or practice constituting a violation may not be paid, directly or indirectly, by the person committing the violation itself.

(d)(1) Any person who violates any regulation issued under section 10(d) or 12(d) or who, in a registration statement or report required by the Secretary, makes any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading, shall be subject to a civil penalty of not more than $10,000 imposed by the Secretary. The provisions of subsections (d), (e), and (f) of section 11 of the Export Administration Act of 1979 shall apply with respect to any such civil penalty.

(2) Any person who commits a willful violation under paragraph (1) shall upon conviction be fined not more than $1,000,000 or imprisoned not more than 2 years, or both.

(3) Nothing in this section may be construed to authorize the imposition of any penalty for failure to implement the principles set forth in section 10(a).

TERMINATION OF PROVISIONS OF ACT

Sec. 22. (a) If the President determines that the system of apartheid in South Africa has been abolished, the President may submit that determination, and the basis for the determination, to the Congress.

(b) Upon the enactment of a joint resolution approving a determination of the President submitted to the Congress under subsection (a), the provisions of this Act, the amendments made by this Act, and all regulations, licenses, and orders issued to carry out this Act, shall terminate.

(c) For purposes of subsection (a), the "abolition of apartheid" shall include—

(1) the repeal of all laws and regulations that discriminate on the basis of race; and

(2) the establishment of a body of laws that assures the full national participation of all the people of South Africa in the social, political, and economic life in that country.

APPLICABILITY TO EVASIONS OF ACT

Sec. 23. This Act and the regulations issued to carry out this Act shall apply to any person who undertakes or causes to be undertaken any transaction or activity with the intent to evade this Act or such regulations.

CONSTRUCTION OF ACT

Sec. 24, Nothing in this Act shall be construed as constituting any recognition by the United States of the homelands referred to in this Act.

And the Senate agree to the same.

From the Foreign Affairs Committee on all provisions (except section 17 of the Senate amendment) and modifications committed to conference:

Dante B. Fascell,
Stephen J. Solarz,
Don Bonker,
Howard Wolpe,
Geo. W. Crockett, Jr.,
Mervyn M. Dymally,
Howard Berman,
Ted Weiss,
Robert Garcia,
Wm. Broomfield,
Mike DeWine,

From the Banking, Finance and Urban Affairs Committee for section 17 of the Senate amendment and modifications committed to conference as additional conferees for the following sections: Section 3; section 4; section 5; sections 14(6) and 14(7) of the House bill; and section 8; section 15 of the Senate amendment:

Fernand J. St Germain,
Henry Gonzalez,
Frank Annunzio,
Parren J. Mitchell,
Stephen L. Neal,
Doug Barnard, Jr.,
Bruce A. Morrison,
Chalmers P. Wylie,
Stewart B. McKinney,
Jim Leach,
John Hiler,
Managers on the Part of the House.

Richard G. Lugar,
Charles McC. Mathias, Jr.,
Nancy Landon Kassebaum,
John Heinz,
Claiborne Pell,
Paul Sarbanes,
Alan Cranston,
Bill Proxmire,

For section 15 of the Senate amendment:

Ted Kennedy
(in lieu of Mr. Cranston),
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The House bill cited the act as the Anti-Apartheid Act of 1985.

The Senate amendment cited the act as the Anti-Apartheid Action Act of 1985.

The conference substitute is the same as the Senate provision.

FINDINGS AND POLICY DECLARATIONS

The House bill contains two congressional expressions of U.S. foreign policy: (1) Encouraging all nations to adopt policies guaranteeing broad human rights, civil liberties, and individual economic opportunities; and (2) condemnation and eradication of apartheid in South Africa.

The Senate amendment states that the policy and practice of apartheid harms the human rights of black South Africans, is repugnant to values of democratic societies, and runs counter to American efforts to promote democratic forms of government. It also declares that it shall be American policy to promote peaceful change in South Africa through diplomatic means, but where necessary through other measures as well.

The conference substitute is the same as the Senate provision.

Policy on Sanctions

The Senate amendment states that it shall be the policy of the United States to impose economic sanctions against the Government of South Africa if, within 18 months of enactment but not later than March 1, 1987, significant progress has not been made toward ending apartheid.

The House bill did not contain a comparable provision.

The conference substitute is the same as the Senate provision, with an amendment changing the time period to within 12 months but not later than January 1, 1987.

Negotiations on Sanctions

The House bill provides that the President shall attempt to persuade other governments to adopt economic restrictions similar to those in this bill and that the President report annually to Congress on the status of such negotiations.

The Senate bill directs the President to develop appropriate multilateral economic sanctions against the Government of South Africa through negotiations with other nations and to report annually to the Congress on the status of such negotiations.

The conference substitute is the same as the Senate provision.

Report on Status of Apartheid

The House bill requires an annual report on progress or lack thereof by the South African Government in eliminating apartheid.

The Senate amendment requires the President to transmit to Congress by March 1, 1987, and annually thereafter, a report on the extent of progress made toward ending apartheid, including a Presidential determination as to whether significant progress has been made.

The conference substitute is the same as the Senate provision with an amendment changing the date to January 1, 1987, and inserting the conditions provided for in the House waiver provisions for the House provisions that would prohibit new investments in South Africa and the importation of krugerrands.

Additional Anti-Apartheid Measures

The House bill contains a sense of Congress that the United States should take additional measures unless the South African Government makes progress toward eliminating apartheid.

The Senate amendment provides that in the event the President determines that significant progress has not been made toward abolishing apartheid, a recommendation is to be made to the Congress as to which of the following sanctions should be imposed: A ban on new commercial investment in South Africa, a ban on the importation of krugerrands, a denial of most-favored-nation tariff status to South Africa, or other economic or political sanctions.

The conference substitute is the Senate provision with an amendment removing from the list of prospective sanctions the ban on the importation of krugerrands and adding a ban on the importation of coal and uranium.

Restrictions on New Investments

The House bill requires the President to prohibit U.S. persons from making directly, or through a foreign affiliate, any investment (including bank loans) in South Africa. It exempts from this prohibition: (1) A loan or extension of credit for educational, housing, or health facility which are available to all persons and accessible to all population groups, or a loan agreement entered into before enactment of this act; (2) an investment of earnings from a business enterprise in South Africa established before enactment of the bill and which is made in the same business enterprise; and (3) the purchase, on a securities exchange registered as a national securities exchange under section 6 of the Securities Exchange Act of 1934, of securities in a business enterprise in South Africa established before enactment of the bill.

The Senate amendment authorized a ban on new investment as one of the prospective sanctions which the President may impose if he determines that no significant progress toward abolishing apartheid has been made and Congress approves.

The conference substitute is the same as the Senate provision.

Prohibition on Importation of Gold Coins

The House bill prohibits importation of South African krugerrands or other gold coins from South Africa.

The Senate amendment provides for a similar prohibition after 18 months if the President determines there is no significant progress toward abolishing apartheid and Congress approves.

The conference substitute is the same as the House provision.

Minting of U.S. Gold Coins

The Senate amendment provides for minting of a U.S. gold coin.

The House bill did not contain a comparable provision.

The conference substitute is the same as the Senate provision with an amendment adding language to provide that: (1) The gold coins shall be legal tender at their face value; (2) the Secretary of the Treasury shall make bulk sales of the coins at suitable discounts; (3) the profits from the sale of the coins shall be used solely to reduce the national debt; (4) the Secretary of the Treasury shall take all necessary action to assure there is no net cost to the government; and (5) a reaffirmation of current law that the coins and other gold and silver coins cannot be obtained dollar for dollar from the Secretary of the Treasury.

Waivers of Restrictions on New Investment and Importation of Gold Coins

The House bill provides that the President may waive the prohibitions on new investment and gold coins for not more than 12 months if the President determines that one or more of eight conditions have been met and Congress approves the determination.

The Senate amendment does not contain a comparable provision.

The conference substitute is the same as the House provision, except it applies only to the ban on the importation of krugerrands.

Exports of Computers to the South African Government

The House bill amends the Export Administration Act of 1979 to prohibit the direct or indirect export of computers, computer software, or goods or technology intended to service computers to or for use by the Government of South Africa or any corporation, partnership, or other organization controlled by the Government of South Africa.

The Senate amendment contains a comparable provision but specifies the government agencies of South Africa affected by the prohibition. It does not amend the Export Administration Act.

The conference substitute is the same as the Senate provision with an amendment adding several entities to the proscribed list. This provision restricts sales to the South African government of computers, computer software or goods or technology intended to service computers, allowing such sales only to those entities of the South African Government whose services are of benefit to nonwhites, or both whites and nonwhites except that this restriction may be waived if the sale is necessary for humanitarian purposes. The provision prohibits sales of computers and related parts and software to South Africa's military, police, and agencies which enforce apartheid, including national security agencies. This term is defined broadly to include all those entities that have a national intelligence function.

A major purpose of this legislation is to make certain the ban is complete on computer sales to the South African police, military, and other entities that enforce restrictions on blacks' freedom of movement, as well as on entities which have no beneficial impact on the nonwhite community. It is intended to close loopholes in current regulations, such as those relating to personal computers, and to prevent circumvention of the ban by the South African Government.

It is expected that in enforcing this ban, the administration will put into effect a system of end-use verifications on all computers covered by this provision sold to the South African Government, and on all computers for which spare parts and servicing are permitted. The end-use verifications must be adequate to assure that the computer in question is not used for prohibited purposes. The President is required to provide a detailed annual report to the Congress on the enforcement of the end-use verification system.

Computer companies are urged not to sell small- and medium-sized computers or to provide software or spare parts for computers owned by entities whose services are not available to nonwhites, even though the legislation explicitly bans such sales only if they have a contract value over $100,000.

Nuclear Exports

The House bill prohibits all nuclear cooperation between the United States and South Africa, including prior licenses or authorizations.

The Senate amendment prohibits the export of goods or technology to be used in any South African nuclear production or utilization facility, prohibits the authorization to engage, directly or indirectly, in production of special nuclear material in South Africa, prohibits the export to South Africa of component parts or other items or substances relevant because of their significance for nuclear explosive purposes, and prohibits the retransfer to South Africa of any of these goods, technology, special nuclear material, components, items, or substances unless the Secretary of State certifies that South Africa has become a party to the Treaty on the Non-Proliferation of Nuclear Weapons.

The conference substitute is the same as the Senate provision.

Labor Practices of the U.S. Government in South Africa

The Senate amendment directs the Secretary of State to take necessary steps to apply fair employment (Sullivan) principles to U.S. Embassy and contracts for services.

The House adopted a similar provision which applied only to Embassy direct hire personnel in H.R. 2068 (The Department of State authorization bill).

The conference substitute is identical to the Senate provision.

Employment Practices of U.S. Nationals in South Africa

The Senate amendment imposes mandatory fair employment practices for U.S. nationals controlling companies in South Africa. It establishes reporting requirements for U.S. companies and for the Secretary of State on U.S. and foreign company compliance.

The House bill contains no comparable provision.

The conference substitute is the Senate provision with an amendment establishing an advisory committee and procedures for onsight inspection.

Regulatory Authority

The House bill requires the President to issue regulations to carry out the act.

The Senate amendment contains regulatory authority in the provisions dealing with computer exports and employment practices.

The conference substitute is a combination of the two provisions.

Enforcement and Penalties

The House bill provides authority for the President to ensure compliance with the act and sets forth penalties for violation.

The Senate amendment contains specific violation provisions in the provision on computer exports and labor practices.

The conference substitute is the same as the House provision.

Termination of Provisions of the Act

The House bill provides for termination of the provisions of the act upon enactment of a joint congressional resolution concurring in a Presidential determination that apartheid has been abolished.

The Senate amendment contains no comparable provision.

The conference substitute is the same as the House provision.

Scholarships for Black South Africans

The Senate amendment sets aside $15 million of the funds authorized for the education and human resources account for the Agency for International Development for scholarships for black South Africans to attend South African universities, colleges, and secondary schools. It provides for the U.S. Ambassador to appoint the selection panels who will select students for the assistance.

The House bill contains no comparable provision.

The conference substitute is the Senate provision with an amendment setting the funding levels at $8 million in fiscal year 1986, $11 million in fiscal year 1987, and $15 million thereafter and allocating half the funds for scholarships in accordance with the selection process described in the Senate amendment and half the funds for nongovernmental antiapartheid groups to carry out education, training, and scholarship programs.

Human Rights Fund

The Senate amendment makes permanent section 116(c)(2)(A) of the Foreign Assistance Act of 1961 which provides assistance for human rights and increases the funding for these human rights grants to $1,500,000 annually. Twenty percent of the funds are reserved for legal defense of victims of apartheid. In addition, authority to make these grants is transferred to the Assistant Secretary of State for Human Rights and Humanitarian Affairs.

The House bill contains no comparable provision.

The conference substitute is the Senate provision with an amendment changing the 20 percent to $350,000 and expanding the criteria to include aid to community groups nonviolently resisting apartheid. These funds are intended to be in lieu of, not additional, to similar authority provided in chapter 4 of Part II of the Foreign Assistance Act of 1961.

Expanding Participation in the South African Economy

The Senate amendment urges the U.S. Government to assist in all appropriate ways the realization by South African blacks of their rightful place in the South African economy.

The House bill contains no comparable provision.

The conference substitute is the Senate provision.

Overseas Private Investment Corporation

The Senate amendment makes OPIC insurance and guarantees available for joint ventures between American investors and black South Africans and waives the requirement for a government-to-government agreement.

The House bill contains no comparable provision.

The conference substitute is the House position.

Export-Import Bank

The Senate amendment instructs the Export-Import Bank to take active steps to encourage use of its facilities by business enterprises owned by black South Africans and waives the Evans amendment which prohibits Eximbank activities in South Africa.

The House bill contains no comparable provision.

The conference substitute is the Senate provision.

Health Conditions in the Homelands

The Senate amendment directs the Secretary of State to conduct a study and to report to Congress on health conditions in the Homelands.

The House bill contains no comparable provision.

The conference substitute is the Senate provision.

Applicability to Evasions of Act

The House bill makes provisions of the bill applicable to persons who act to evade those provisions.

The Senate amendment contains no comparable provision.

The conference substitute is the House provision.

Construction of the Act

The House bill provides that nothing in the act is to be construed as U.S. recognition of the "Homelands".

The Senate amendment contains no comparable provision.

The conference substitute is the House provision.

Imports of Coal and Uranium From South Africa/Namibia

The House in H.R. 1555 (foreign aid bill) contains a provision which prohibits imports of coal and uranium from South Africa/Namibia.

The Senate amendment contains no comparable provision.

The conference substitute is to provide that this is one of the sanctions which may be imposed in the future if the Government of South Africa does not achieve significant progress in abolishing apartheid.

From the Foreign Affairs Committee on all provisions (except section 17 of the Senate amendment) and modifications committed to conference:

Dante B. Fascell,
Stephen J. Solarz,
Don Bonker,
Howard Wolpe,
Geo. W. Crockett, Jr.,
Mervyn M. Dymally,
Howard Berman,
Ted Weiss,
Robert Garcia,
Wm. Broomfield,
Mike DeWine,

From the Banking, Finance and Urban Affairs Committee for section 17 of the Senate amendment and modifications committed to conference as additional conferees for the following sections: Section 3; section 4; section 5; sections 14(6) and 14(7) of the House bill; and section 8; section 15 of the Senate amendment:

Fernand J. St Germain,
Henry Gonzalez,
Frank Annunzio,
Parren J. Mitchell,
Stephen L. Neal,
Doug Barnard, Jr.,
Bruce A. Morrison,
Chalmers P. Wylie,
Stewart B. McKinney,
Jim Leach,
John Hiler,

Managers on the Part of the House.

Richard G. Lugar,
Charles McC. Mathias, Jr.,
Nancy Landon Kassebaum,
John Heinz,
Claiborne Pell,
Paul Sarbanes,
Alan Cranston,
Bill Proxmire,

For section 15 of the Senate amendment:

Ted Kennedy
(in lieu of Mr. Cranston),

Managers on the Part of the Senate.

REQUEST TO MAKE IN ORDER CONSIDERATION ON THURSDAY, AUGUST 1, 1985, OR ANY DAY THEREAFTER OF SENATE CONCURRENT RESOLUTION 32, FIRST CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1986

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent that it shall be in order to consider at any time on Thursday, August 1, or any day thereafter, the conference report on Senate Concurrent Resolution 32, the first concurrent resolution on the budget for fiscal year 1986, or any amendment reported in disagreement from the conference, that all points of order against the conference report be waived, that it shall be in order for the House by motion to recede from its amendment with an amendment or amendments, and the previous question shall be considered as ordered on such motion.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. WALKER. Mr. Speaker, reserving the right to object, I would like to ask, if I may, the ranking Republican on the Budget Committee if he could answer a couple of questions from our perspective about it.

Could the gentleman give us some idea as to what the Budget Committee is likely to come to the House with in terms of first-year savings in the resolution?

Mr. LATTA. If the gentleman will yield, I would be happy to respond to the gentleman.

We are about $55 billion hard savings. We have taken out the contracting in, and we have, I think, crafted a budget that will be bipartisan that we can support on our side. We did not get everything that we wanted in the conference in the way of savings and termination of programs.

I might say to the gentleman that I have been on every conference since the Budget Act came into being and this has been the most difficult conference of them all, and the longest. There were differences on taxes and differences on COLA's, but through hard work on both sides, I think that we have come up with something that we can support.

Overall, we have about $276 billion in savings in 3 years, no new taxes, we have preserved COLA's, and I think it is something that we can be satisfied with when it comes.

Mr. WALKER. Further reserving the right to object, can the gentleman give us some idea as to how much of that $276 billion over 3 years is reconciled in the proposal?

Mr. LATTA. If the gentleman will yield further, about $68 billion at the moment, but we have not quite completed our conference.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and further reserving the right to object, I would be very glad to yield to the gentleman from Pennsylvania [Mr. GRAY] if he has any comments.

Mr. GRAY of Pennsylvania. I thank the gentleman for yielding.

Mr. Speaker, I think that the gentleman from Ohio, the ranking member of the Budget Committee, has adequately described the situation. I think those terms are in the ballpark. We still have a way to go. We have not completed a budget resolution.

All this unanimous-consent request does is allow us, if we are able to complete one when the conference resumes at 11:30, if we are able to complete one it essentially allows this body to act on it before we depart.

Mr. WALKER. Further reserving the right to object, Mr. Speaker, I appreciate that explanation.

One question I am getting from our side is, with the gentleman's unanimous-consent request, can we assume that the gentleman does have hopes that we will get this before us sometime yet in this legislative day?

Mr. GRAY of Pennsylvania. If the gentleman will yield further, the reason we are bringing this unanimous-consent request before the body is because we do have just that hope.

Mr. LATTA. Mr. Speaker, will the gentleman yield to me?

Mr. WALKER. Further reserving the right to object, I would be glad to yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

Let me say that is my extreme hope that we can do that this afternoon.

Mr. WALKER. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. SMITH of Iowa. Mr. Speaker, reserving the right to object, do I understand this proposal would increase budget authority for defense by $10 billion over 1985?

Mr. GRAY of Pennsylvania. If the gentleman will yield, at this time we do not have an agreement on a budget authority for the entire budget, and there has not been a finalization of the 050, or the defense number.

Mr. SMITH of Iowa. Further reserving the right to object, I think it is premature to make this request because I remember what happened last October 1. We were in conference on the continuing resolution. There was an agreement made by others to increase budget authority for the Defense Department by $8 billion. That became the floor for the defense part of the bill in conference.

A budget resolution is a goal for the Appropriations Committee. This is more binding on the House than the authorization bill. The authorization bill is a mere authorization and appropriations can be and are often less. We are talking here about a goal for the appropriation. You lock in a $10 billion increase in the goal for the authorization, and when we get into the conference on the continuing resolution on October 1, we will be required to take $10 billion out of other programs or else the deficit reduction will be cut by $10 billion. There is no other way to do it.

I think the House is entitled to a separate vote on whether or not they want to eliminate the freeze on military. If the majority want to vote to go up $10 billion, I would accept it but we ought to have a separate vote. If we grant a unanimous-consent request on this, there is no possibility. That eliminates the necessity to go to the Committee on Rules. The Committee on Rules will not have the opportunity to give us a separate vote on that.

For the last 3 weeks we have been passing little piddling thousand-dollar decreases to get bills down to the authorization or 1985 level on those bills, and we should not have one bill with a goal for a $10 billion increase that would, way more than offset all that we have done in the last 3 weeks on appropriations bills.

For that reason, I have to object, Mr. Speaker.

The SPEAKER. Objection is heard.

Mr. SMITH of Iowa. I will further reserve the right to object if somebody wants to say something.

Mr. GRAY of Pennsylvania. Mr. Speaker, if the gentleman would like me to respond, I will be glad to respond.

The SPEAKER. Does the gentleman ask unanimous consent to strike part of the remarks that he just made?

Mr. SMITH of Iowa. I do.

The SPEAKER. The gentleman reserves the right to object?

Mr. SMITH of Iowa. Yes.

Mr. GRAY of Pennsylvania. If the gentleman will yield, let me respond to the distinguished gentleman, who is a senior member of the Committee on Appropriations, on which I also serve, and simply say at this time all this does is allow us to bring before the body a budget resolution conference report if we should achieve one. We do not know what the final figures will be, and certainly there are many Members who will have concerns about those final figures in a variety of areas.

There will be those who will dispute the target or the ceiling in function 050, or defense. There may be those who will dispute and have strong feelings about the low-income programs that some of us are hoping will be fully funded. There will be those who will not agree with certain assumptions with regard to eliminations, et cetera.

However, let me remind the body that we will have ample opportunity to express our wills individually on all of these issues because there will be a defense conference report of the authorizing committee that will come before this body some time. There will also be a defense appropriation bill that will come before this body, as the gentleman knows, which will come out of the committee on which he serves. There will be authorizations and appropriations committee bills where this House will have an opportunity.

All the budget resolution does is set a target and a ceiling. I would point out to the body, and particularly to those members of the Committee on Appropriations, that so far, the bills that have come forth from the Committee on Appropriations—I think there have been about four of those bills that have passed this House—are $8 billion below the target set.

Thus, when you vote for the budget resolution, if there is a vote today, which I hope there will be, so that we can go home and tell the American people that we do have a budget, all this does is allow us to do that. We will be saying that these are the ceilings, these are the optimum targets.

However, as everyone knows, you will get an opportunity to vote on authorization bills, on conference reports, and on appropriations bills where this body will be able to work its legislative will if there are those who do not want to reach the ceiling.

So I would hope that we would not delay the possibility of passing a budget, sending a strong message to the financial markets of this Nation and to the American people that we are quite serious about fiscal responsibility simply because we see a ceiling and we are concerned about it. We will have an opportunity to work our will on the defense authorizing conference report as well as the appropriations bill, as well as others.

□ 1040

Mr. SMITH of Iowa. Mr. Speaker, here is the problem: If you get this unanimous consent, then when you come back with the resolution, we will have waived the 3-day rule; we will have also waived the 5 hours of debate. We then will not have an opportunity for a separate vote on whether or not we want to freeze the military. The only possibility of getting that, as I understand it, is if we do not waive those rules, and go to the Rules Committee, and the Rules Committee can grant a rule for a separate vote on an amendment freezing the military function at the 1985 level.

I think, after we have struggled on eight appropriation bills for 3 weeks to reduce $8 billion below the 1985 level, we ought not pass a budget resolution under this procedure and increase the military function by $10 billion over 1985 and more than offset what we have done in the last 3 weeks.

Mr. GLICKMAN. Mr. Speaker, will my colleague, the gentleman from Iowa yield?

Mr. SMITH of Iowa. Yes; I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Speaker, I guess what concerns me, I say to my colleagues, No. 1, as I understand it, whatever allocation would come in from the Budget Committee, it is a maximum allocation that could then be cut in the appropriation bill or in a separate vote on the authorization bill.

No. 2, if my colleague will yield further, what we are doing here is basically delaying the process because it appears to me that if an objection is raised right here, we will in fact go to the Rules Committee. The House will basically take up this same budget after a rule has been passed, and we will be here Friday or Saturday to do that kind of thing, and in fact we will end up with the same budget that the gentleman is proposing now.

Mr. SMITH of Iowa. Mr. Speaker, all I want is a separate vote on whether or not we are going to freeze military before September 30. We are going to get that military appropriations bill as the last bill this year, after we have done all this cutting. Then we are going to go over to the continuing resolution conference and the Senate conferees are going to say, "Hey, we have already agreed on this; the goal was for a $10 billion increase," and that will be the end of it and all of our work on other bills will be down the drain.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I wonder if I could address the chairman of the Budget Committee, the gentleman from Pennsylvania [Mr. GRAY], and make this inquiry:

Whatever the figure that the conference committee might reach on the 050 function, the defense function, would be, would it not, a maximum figure that would then be subject to further action in the appropriations process, and even in the unresolved authorization process, to determine what the actual level of authority for defense would be; is that correct?

Mr. GRAY of Pennsylvania. Mr. Speaker, if the gentleman will yield further, the gentleman from Washington is absolutely correct. It is a maximum. It does not mean that the House is limited in its actions.

Mr. SMITH of Iowa. As a practical matter, it does not work that way.

Mr. FOLEY. Mr. Speaker, if the gentleman will yield further, I think it is important to emphasize this point: that we are in no sense, in accepting a figure for the defense function, saying that is the minimum figure or that that figure is not subject to further consideration downward possibly by the appropriation process.

Mr. RUSSO. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. Mr. Speaker, before I yield further, let me have the attention of the gentleman from Pennsylvania.

Would the gentleman from Pennsylvania—and I would not object if he would do this—agree to amend his request to provide that the House shall have a separate vote on whether or not to increase defense over 1985?

Mr. RUSSO. Mr Speaker, will the gentleman yield on that point before he gets an answer from the chairman?

Mr. SMITH of Iowa. I would like to have an answer to that question.

Mr. RUSSO. I think I can clarify that for the gentleman from Iowa if I can bring up what happened at the meeting.

Mr. SMITH of Iowa. I would like to have the chairman of the committee respond to that.

Mr. GRAY of Pennsylvania. Mr. Speaker, if the gentleman will yield further, the answer to the gentleman's question is that that would violate the rules of the House, as I understand it, with regard to the unanimous-consent request with regard to the Budget Act.

Mr. SMITH of Iowa. But by unanimous consent, we can waive the rules of the House. You can do that by unanimous consent. I am just asking the gentleman, will he amend his unanimous-consent request to do that?

Mr. RUSSO. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. Mr. Speaker, will the gentleman yield to me?

Mr. SMITH of Iowa. I would like for the chairman of the committee to answer.

Mr. FOLEY. Mr. Speaker, while the gentleman is consulting, will the gentleman yield to me?

Mr. SMITH of Iowa. Yes; I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, would it meet the gentleman's purpose if he were assured that in the consideration of the authorization bill on the Department of Defense authorization, a separate vote could be obtained by Members on the figure of that authorization level?

Mr. SMITH of Iowa. Mr. Speaker, as a practical matter, I went through this last year, and I know what happens. Regardless of what is in the authorization, if we have your goal and we have established it by a vote in the House and the Senate and the goal is $10 billion over 1985, when we get in that continuing resolution conference, they are going to say, "Hey, you have already decided that. You have decided that, so you take it out of other things." Then you will have reconciliation, and I know what they will be on. They will be on fisheries, they will be on law enforcement, they will be on the things that the administration did not request.

Mr. FOLEY. Mr. Speaker, will the gentleman yield further?

Mr. SMITH of Iowa. Yes; I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I think it is, with respect, not a situation where the budget figure controls the authorization figure except as a maximum where the budget figure controls the appropriation figure, except as a maximum, and I think I can assure the gentleman that there will be an opportunity, regardless of what figure is set in the budget, for a lower figure, including a level of the previous position of the House to be considered in the authorization and the appropriation process.

Mr. SMITH of Iowa. Mr. Speaker, we need to do it in this process right here. What is wrong with unanimous consent to give us a separate vote on that? If the majority does not want it, all right, the majority said so.

What is wrong with the majority having an opportunity to vote on that?

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. Yes; I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, I thank the gentleman for yielding under his reservation.

Let me just say to my good friend—and he is my good friend; as a matter of fact, we came to this Congress together, and we know something about what goes on around here—let me say that if we start amending the budget process to permit individual votes on everything that comes along, then we are going to have to go down the list and have individual votes on all the things that we have agreed on. We have never done this, and the gentleman knows that.

As has been explained by the gentleman from Washington, we will have an ample opportunity, as the gentleman well knows, when the appropriate spending bills come along to offer amendments. You can make your voice known then.

Certainly this is a very tenuous situation that we face, and let me stress this. This has not been easy. We have had a Senate that has been very, very difficult to deal with, and if we start doing these things, this is going to fall apart. I want to assure the gentleman that may happen, and he does not want that. I know he does not want that. The American people and the financial markets are waiting on action by this House on this particular piece of legislation. I am certain the gentleman would not want the finger pointed at him as the individual who stopped the budget resolution in its tracks. If we do what you want, I can assure the gentleman there is not going to be any conference report on the budget; it is not going to pass, and it will come all apart.

The gentleman from Pennsylvania and everybody who has been working on this have had the country's interests at heart in all of this. I could start and name function after function that I disagree with, and I would like to have a separate vote, but I do not want to prolong the procedure. We could go on for days arguing about all these things, and we do not want that.

Mr. SMITH of Iowa. Mr. Speaker, I am not talking about separate votes on everything. I am talking about a vote on just one thing, and that one thing is the biggest function in the budget and it determines whether we are going to have a freeze or whether we are not going to have a freeze.

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. LATTA. Mr. Speaker, if the gentleman will yield for just one further thing—defense is taking the biggest cut, $27 billion out of the $55 billion in savings that comes out of 050. Does the gentleman know that? That is what is coming out of that particular function in the budget resolution.

The SPEAKER. The Chair will call for regular order.

Is there objection to the request of the gentleman from Pennsylvania?

Mr. SMITH of Iowa. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

THE BALANCED BUDGET AMENDMENT: THE TIME IS NOW

(Mr. SLAUGHTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLAUGHTER. Mr. Speaker, the time has come to make a serious effort to end the many years of deficit financing by this body. For 25 of the last 26 years, Congress has had to borrow money to finance the programs it has authorized. Our national debt now totals over $1.8 trillion. The interest on this debt is staggering: Last year it totaled $111 billion, a full 13 percent of the Federal budget.

This is fiscal irresponsibility, and it is time for it to end.

I am cosponsoring House Joint Resolution 27, the balanced budget amendment, as the best first step toward responsibility.

For the answer to soaring deficits is certainly not more taxes; the answer is fiscal responsibility. This body must discipline itself to establish priorities for financing Federal programs. Those with highest priority will get financed; those with lower priority must be cut back or eliminated. The answer is possible if only Congress would learn how to say "no."

Years of experience have shown that Congress cannot or will not do this; it cannot discipline itself to establish priorities. It seems that the only thing this body can say is "yes."

This balanced budget amendment would force Congress to establish national priorities for Federal spending. And it is only through establishing these priorities that we can begin to make some real progress toward reducing deficits. I think this can be done and I think it must be done.

I urge my colleagues to join me in supporting this amendment.

□ 1050

SAVE AMERICAN JOBS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, a recent news article reports that AT&T plans to move production of residential telephones to Singapore. These phones are currently produced in Shreveport, LA—and although this is not in my district this move is illustrative of what is happening to American jobs. About 875 jobs will be lost at the Shreveport plant, and over the next 5 years, AT&T will invest $30 million in the Singapore operation, which will employ 1,000 workers who will be paid 25 percent of what American workers would be paid.

Unfortunately, this is not just an isolated incident. Increasing numbers of U.S. multinational corporations are turning their backs on American workers, setting up operations overseas and across the Mexican border. What this means is jobs for foreign laborers and more unemployed Americans. This has got to stop. This is crazy!

I have introduced a bill, the Foreign Subsidiary Tax Equity Act, that would discourage American corporations from moving overseas by plugging the current loophole in the Tax Code by requiring these runaway plants to pay tax on the income generated in tax haven countries.

The time has come for Congress to take action to stop American corporations from pulling up stakes and taking away American jobs. American workers need our help! I urge all of you to cosponsor H.R. 1914, the Foreign Subsidiary Tax Equity Act.

CONGRESSWOMAN HOLT RETIRING FROM HOUSE

(Mrs. HOLT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. HOLT. Mr. Speaker, after some months of prayer and deliberation, I am announcing that I will not seek reelection to an eighth term in the House of Representatives.

The reason I have decided to retire from the House is that I simply want more time with my wonderful husband, Duncan, and our seven grandchildren.

Mr. Speaker, serving in this House has been a high honor of which I dreamed when I was a schoolgirl many years ago. I thank God that I have had this great privilege. I tried to represent my constituents to the best of my ability and I cherish the many wonderful friends I have come to know in this body.

I truly love this House and all that it means to this great, free country.

THE BUDGET RESOLUTION

(Mr. WHITTEN asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, as most of you know, I was cochairman of the committee that promoted the Budget and Impoundment Control Act and then served upon the Budget Committee. The Budget Act today is far different than was intended.

Let me just say to you that our appropriation bills are under the House-passed budget resolution. I hope the Senate will agree with us.

Again we are living within the House passed resolution, but to go and add $10 billion to the debt as insisted upon by the Senate is to step backward. It means little if there is no payment on the debt or deficit. In fact, none of the proposed budget resolutions require any reduction in either the debt or the deficit. If what we save goes to increase the carryover or the expenditures for military spending, it only means a transfer from domestic programs.

When we set up the Budget Committee, we did so because 42 percent of Federal spending was going around the annual review of our Committee on Appropriations. Now, after 10 years of operating with the Budget Act, 46 percent of our expenditures are beyond the annual appropriations review.

Not only that, but only 15.1 percent of spending is subject to action of Congress for discretionary spending. The other is tied down and in effect mandatory or for military spending.

The projected spending, however, for the Department of Defense as submitted in the budget for the next 5 years would increase to a figure which would leave nothing to run the domestic economy. I tell you now, defense must have public support. It must have behind it a strong economy, or we will have no defense. Military spending is just as dependent on our economy and our domestic programs as can be.

We just got through with a supplemental appropriation bill, which will come up again today. We argued and fussed with each other about every dime when it was to be used in this country. When we were asked to and did provide $2,250 million for increased foreign aid for the last 2 months of the fiscal year, August and September, we heard no criticism, no discussion, no editorialism—nothing. They took it for granted that it was necessary to increase foreign aid.

We argue and fuss with each other about doing anything to protect our own country. I tell you again, you have given us a total figure and we are living within it. We in the House do have a budget resolution. All we need to do is insist that our Senators will agree with us. We cannot afford to go into debt further when we have such a large deficit—and we must reduce the deficit and the debt. Nothing in the budget resolution that we deal with requires that.

Again, not a dime that you heard discussed in savings goes to reduce the deficit or the debt. We hope it will, but, if you are going to save it on one side and increase spending on the other side, we will go backward. We don't have to have the Senate to agree. We can draw the line and in conference insist that it be kept.

I ask you, give our Appropriations Committee a total figure as you have done and let us work it out as we are doing. Do not listen to a couple of economists to upset our hard work.

Our committee held hearings with thousands of witnesses with many years of experience. We are holding the line. Don't give our savings away—$10 billion.

LET US NOT FORGET THE SEVEN AMERICANS HELD HOSTAGE IN LEBANON

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, on January 8, 1985, negotiations between Israel and Lebanon for the withdrawl of Israeli forces from southern Lebanon were suspended.

The United States and the Soviet Union agreed to open wide-ranging arms control talks in Geneva.

In New York, the jury in the trial of Gen. William Westmoreland's charges of libel against CBS began hearing the defendant's case.

First Lady Nancy Reagan was Time magazine's cover story for the week.

The Cubs lost relief pitcher Tim "White Shoes" Stoddard when he signed with the San Diego Padres.

And at 7:30 a.m., that morning of January 8, 1985, Father Lawrence Jenco my friend, was kidnaped at gunpoint in Beirut on his way to work as director of Catholic Relief Services for Lebanon.

Today marks the 205th day Father Jenco has been held hostage in Lebanon.

Today is the 503d day William Buckley has been held hostage in Lebanon.

Today is the 450th day of captivity for the Rev. Benjamin Weir.

Terry Anderson, the Associated Press bureau chief in Beirut, has been held hostage for 138 days today.

Today is the 52d day Thomas Sutherland has been held hostage.

Today is the 65th day of captivity for David Jacobsen.

Today also marks the 240th day since the disappearance of Peter Kilburn in Beirut.

Mr. Speaker, America has had a hostage crisis in Lebanon 500 days old. As each of us returns nightly to our homes, to eat supper with our families, to sit with them in a family room, to watch a ballgame, a movie, a favorite program, to enjoy a cup of hot coffee and a piece of homemade cake, let us not forget the seven Americans still held hostage in Lebanon. Pray for them.

THE SLAUGHTER IN SOUTH AFRICA

(Mr. OWENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, for the second time in this century, millions of human beings are about to be slaughtered by a racist, diabolical government. In the 1930's and the 1940's, it was the government of Adolf Hitler in Nazi Germany who perpetrated the slaughter against the Jews. In the 1980's, it is the racist Government of South Africa about to slaughter their fellow countrymen.

The storm troopers, commanded from Johannesburg, have descended on the black townships with blitzkrieg speed and efficiency and isolated those townships and are now about to make those townships concentration camps.

We are going to witness a slaughter unlike any we have seen before and this time we cannot say that we did not know it was going on. We can expect the South African Government to dig in if it has no more pressure from the U.S. Government.

I urge all of my colleagues to understand what is going on and to join the Congressional Black Caucus members in requesting that the President revise his constructive engagement policy immediately and call on the South African Government to free Nelson Mandela and allow Nelson Mandela, who is the only recognized leader of all of the South African blacks, to participate in meaningful negotiations.

They should also call upon the South African Government to set a timetable for the granting of full and equal rights to the black population of South Africa.

WHAT IS A TERRORIST?

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, for some, the word "terrorist" is an epithet, a label governments apply to an enemy's guerrilla fighters but never to their own.

But this makes no sense. A terrorist is a man who deliberately seeks out the innocent, who deliberately maims or murders the uninvolved, for the purpose of enhancing the political shock effects of his crime.

It is therefore not true that "one man's terrorist is another man's freedom fighter." No murderer of innocents is fighting for freedom. It is equally false to pretend that every government prosecutes foreign terrorists while sheltering its own violent zealots.

We have been waiting since December for Iran to bring to the bar of justice the Shiites who murdered two American passengers on a Kuwaiti airliner at Tehran airport. We are still waiting for Nabih Berri, who carries the title of Lebanese Minister of Justice, to see justice done for the murder of Robert Stethem. On the other hand, in Israel, 15 Jewish terrorists have just been convicted under Israeli law for crimes against Arab lives and property. The judges condemned their countrymen to prison, some for life sentences.

Mr. Speaker, some governors rule according to their inclinations, while others rule according to law.

□ 1100

COMMEMORATION OF BRIDGEWATER, VA, SESQUICENTENNIAL

(Mr. OLIN asked and was given permission to address the House for 1 minute.)

Mr. OLIN. Mr. Speaker, today, the small town of Bridgewater, VA, will begin a 10-day celebration of its sesquicentennial—the 150th anniversary of its charter being granted by the Virginia General Assembly.

Bridgewater is a fine example of a small Shenandoah Valley town. Settled in the mid-1700's, first by the Scotch-Irish, then by the English, Dutch, Welsh, and Germans, the early community served as a prosperous port on the North River, one of the three forks of the Shenandoah River.

It has survived the Civil War, with opposing troops on each side of the river; it has survived disastrous floods; and it has prospered, by the efforts of hardworking, churchgoing people who share a spirit of community and commitment. The influence of Bridgewater College, a small, private school founded in 1880, extends well beyond the town, preparing teachers, doctors, lawyers, ministers, business and community leaders for service throughout Virginia and the Nation.

Bridgewater is one of the treasures of the Shenandoah Valley. I am pleased to offer my congratulations as the celebration begins on its 150th birthday. I hope all of you will be able to visit us sometime.

SUPREME COURT ATTEMPTS TO SEVER GOVERNMENT AND RELIGION

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I would like to address the Supreme Court's so-called neutrality principle of religion, especially as it relates to the school prayer issue.

On June 4, 1985, in the case of Wallace versus Jaffree, the Supreme Court declared unconstitutional an Alabama statute authorizing a 1-minute period of silence in all public schools for meditation or voluntary prayer. While the Court allowed for the period of silence, it stated that the use of the phrase, "for meditation or voluntary prayer," respected the establishment of religion and thus violated the first amendment.

Justice Stevens, who deliberated the opinion of the Court, states that the Alabama statute "is not consistent with the established principle that the Government must pursue a course of complete neutrality toward religion."

Does the Court mean to imply that this self-declared neutrality requires the Government to be wholly secular and devoid of any acknowledgement of a Supreme Being and Creator?

That would, indeed, be odd, for the Supreme Court itself begins its sessions with the invocation, "God save the United States and this Honorable Court." And we ourselves begin each session with a specific prayer to a very specific God.

Therefore, I would like to suggest that the Supreme Court's so-called neutrality is nothing more than an attempt to remove any connection whatsoever between Government and religion.

In order to get religion back in the public schools, we need to sign Discharge Petition No. 1 at the desk today.

THE RACKETEER WEAPONS AND VIOLENT CRIME CONTROL ACT OF 1985

(Mr. RODINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RODINO. Mr. Speaker, with my distinguished colleague from New Jersey, Mr. Hughes and joined by Congressemen Green and Whitehurst, I am today introducing a bill to help law enforcement officers combat crime by keeping guns out of the hands of criminals. This bill provides for a reasonable waiting period before a handgun can be purchased to ensure that potential criminals cannot obtain a handgun. At the same time, it also attempts to address some concerns of sportsmen and gun dealers.

Over 100 police chiefs have called for a waiting period. So do the major police organizations, who have urged me to submit this bill. They have good reason: Two-thirds of all police officers who died in line of duty last year were killed by handguns.

Public opinion polls show an overwhelming majority of the people support a waiting period. Newspapers endorse it. The Attorney General's 1981 Task Force on Violent Crime recommended it. And many sportsmen—tired of seeing reasonable law enforcement measures destroyed in their name—think it's a good idea.

As a nation, it is time to take the guns out of the hands of criminals.

COMPARABLE WORTH

(Mr. MONSON asked and was given permission to address the House for 1 minute.)

Mr. MONSON. Mr. Speaker, one of the controversial issues reemerging here is that of comparable worth—or equal pay for different work. The creative minds behind this proposal claim comparable worth is the same as equal pay. This is simply not true. Equal pay is the legal requirement that an employer must pay equal wages to men and women who do the same work. Comparable worth requires equal wages for jobs that are dissimilar but are thought to have the same worth.

As I have explained this difference to residents of my district in Utah, many have been surprised that Congress would spend time debating such a preposterous idea. Still, many are fooled by the rhetoric that this concept means fairness and equality.

The theory of comparable worth has many major flaws. First, it fails to address the reasons for the wage gap and presumes discrimination on the mere existence of a wage difference. Second, it ignores the civil rights and equal pay laws already on the books. Third, it assumes that each job has a measurable economic worth that can be scientifically and pragmatically determined and compared to different jobs.

I urge my colleagues in this body to look beyond the superficial and misleading language on this concept and examine the many flaws associated with it. Comparable worth is a concept that will not stand up under close scrutiny.

IT IS TIME TO BRING HOME THE REST OF THE HOSTAGES

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, for more than a year now Rev. Ben Weir has languished as a hostage in Lebanon. The Reverend Weir is one of seven such hostages whose fate concerns me deeply.

Reverend Weir's father-in-law lives in my district; and during the last year I have come to know and admire

Reverend Weir's family as they struggle to obtain his release.

We must not forget these hostages. We cannot allow this case to slip from our consciousness. We must insist that our Government do absolutely everything possible to bring these seven people back.

Frankly, I say this because along with many of the hostage families, I am not convinced that bringing these seven back is a top priority of this administration or of our State Department.

The hostage families tell me they feel that the administration is doing little, if anything, to bring these people home. At the time of the TWA hijacking, our President said he was committed to bringing all of the hostages home. Yet once the TWA hostages came home, we have seen the White House's focus on this problem dissolve and fade into vague statements.

Reverend Weir has been held for 450 days. It is time to bring him and the others home.

LET US SOLVE THE IMPUTED INTEREST IMPASSE

(Mr. HARTNETT asked and was given permission to address the House for 1 minute.)

Mr. HARTNETT. Mr. Speaker, as we prepare to leave Washington for our 5-week summer recess, I must remind my colleagues that because Congress has failed to act in a timely manner, thousands of seller-financed transactions of real estate are on hold and our economy will suffer substantially from this impasse.

You will all remember that on two occasions in the past year, this body has voted nearly unanimously to address the imputed interest problem created by the 1984 Tax Act. However, we have succeeded in passing only stopgap relief which expired more than a month ago. Still remaining is adoption of a conference report—and it is that action which this body should take before concluding our legislative agenda this week.

It is my understanding that the differences in the imputed interest bills passed by the House and Senate are few. Only nongermane, minor areas of disagreement remain.

Please join me in urging the leadership in the Ways and Means Committee to work in a bipartisan spirit to remove the serious uncertainty which exists in this marketplace because of the lack of a final imputed interest solution.

PLEASE MEET WITH US, MR. PRESIDENT, ON THE STATE OF EMERGENCY IN SOUTH AFRICA

(Mr. LELAND asked and was given permission to address the House for 1 minute.)

Mr. LELAND. Mr. Speaker, South Africa has now become a Fascist nation without question. On just yesterday the South African Government imposed the worst kind of cruelty on black people; the South African Government on yesterday, Mr. Speaker, denied black people the right to participate in public funerals.

Mr. Speaker, we have asked for a meeting, those of us in the Congressional Black Caucus, with the President of the United States to discuss with him the state of emergency in South Africa.

The President has yet to respond positively to that request.

We urge the President to sit down with those of us who care about the humanity of the people of South Africa, to meet with us. Over 900 people are incarcerated, Mr. Speaker, just as a matter of going to demonstrations against the imposition of the state of emergency, the curtailment of any kind or any inkling of human rights in South Africa.

Little schoolchildren are being arrested because they sing freedom songs in South Africa. Many hundreds of people now are suffering from all kinds of physical impairment and death, Mr. Speaker.

Something has to be done. Can we please get the President to respond positively to this issue?

TWO-TRILLION-DOLLAR DEBT PLUS INEFFICIENT BUDGET EQUALS A SCANDAL

(Mr. CRAIG asked and was given permission to address the House for 1 minute.)

Mr. CRAIG. Mr. Speaker, the dog days of summer are here. With Congress out of town in August the press is known for reporting scandals—real or imagined.

I know of one scandal that deserves the examination of the American press. The scandal is perpetrated here in this great building. It is a growing debt—$2 trillion and a budget process that, even when it works, is factually dishonest.

There is one way that Congress can come clean—can make this system honest again. That way is adopting a balanced budget tax limitation amendment to the U.S. Constitution. It's time has come.

PRESIDENT REAGAN SHOULD MEET WITH BLACK CAUCUS ON DETERIORATING SITUATION IN SOUTH AFRICA

(Mr. CONYERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONYERS. Mr. Speaker, I join with the Chairman of the Congressional Black Caucus and its entire membership to join in a request that that body be permitted to meet with the President of the United States at his earliest convenience with reference to the deteriorating situation in South Africa.

I hope that many Members in the Congress on both sides of the aisle will join in urging that this meeting between the President and this part of the House of Representatives, the Congressional Black Caucus, be agreed to and be arranged at his earliest convenience.

As is well known, the situation in South Africa is deteriorating, deteriorating at a rate faster than the news can report it. The U.S. Government and especially through the House of Representatives and the Senate have now taken measures to restrain the apartheid government and our relationship to it in a conference that was reported only last night. We are moving, but I think a meeting between the American black Representatives in Congress and the President of the United States is imperative.

Mr. Speaker, I urge that all of us join with the Congressional Black Caucus in facilitating this request and seeing that such a meeting is held forthwith.

THE IRS IS LICKING ITS CHOPS ON THIS ONE

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, I don't believe we should be leaving this Chamber for the August break without resolving an important issue.

As you know, the House and Senate have passed legislation enabling homeowners and small businessmen to use seller financing in the sale of their property.

However, there has been no conference on this matter and therefore, as of July 1, 1985, the IRS started licking its chops.

They see these transactions going on as we speak and without any law to protect the seller; the IRS may begin to penalize these sellers.

It is our job to provide certainty in the marketplace and nothing is happening.

I call on the chairman of the Ways and Means Committee to move quickly to a conference so that we can go home and tell our constitutents that the IRS has been held at bay.

POLISH-AMERICAN HERITAGE MONTH

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, today marks the first day of Polish-American Heritage Month. It is a time to honor the important role that Poles and Polish-Americans have played in developing our Nation's culture and history.

This is an opportunity to send a message to Poles struggling for freedom and democracy in their country. We can send that message by honoring Poland's native sons and daughters who have brought with them ideas and talents nurtured over centuries of Polish history. We stand in solidarity with those brave individuals seeking to stem the tide of social injustice in Poland.

Poles and Polish-Americans have played important roles in shaping America's political and military history. Glancing back through the pages of history, we note names such as Casimir Pulaski and Thaddeus Kosciusko, heroes from the Revolutionary War, or more recently, Zbigniew Brezezinski and Edmund Muskie, to name only a few.

Polish-Americans have also contributed to America's cultural, educational, scientific, athletic, and entertainment heritage. Without a doubt, our Nation has been greatly enriched by the contribution of Polish-Americans.

Mr. Speaker, as a representative of a district with a large Polish-American constituency, and as a Polish-American myself, I am proud to rise in recognition of the first day of Polish-American Heritage Month. During this month, let us be especially cognizant of the important contribution that Poles and Polish-Americans have made to the patchwork of our Nation's heritage.

□ 1120

BIRTHDAY OF FRANCIS SCOTT KEY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, today marks the 206th anniversary of the birthday of Francis Scott Key, a man who made many valuable contributions to his native State of Maryland but gave his greatest gift to the country, our national anthem.

Born in Frederick, MD, August 1, 1779, Key was the son of a lawyer and a descendant of the original settlers in Maryland. He was raised on the beliefs that founded this Nation: freedom of speech, freedom of religion, and the right to bear arms.

At Fort McHenry, in Baltimore, the British met their first major upset in the War of 1812. It was this battle which inspired Francis Scott Key to write the famous words: "Oh, say, does that star-spangled banner still wave, o'er the land of the free and the home of the brave?"

Yes, my distinguished colleagues, thanks to American patriots such as Francis Scott Key throughout history, the flag does still wave. Two hundred and six years later, Key's words are as powerful and true as the day he wrote them. We, in Maryland, are proud on this day as should be the rest of this great country.

MISSING CHILDREN: SHAWN MICHEAL GERDON

(Mr. NELSON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NELSON of Florida. Mr. Speaker, every mother and father can understand how it feels to see their children after being apart even for a short time. But tragically, many parents in our Nation live each day in uncertainty about the welfare and whereabouts of their sons and daughters. I am delivering these comments today because I want to help bring attention to the problem of missing children.

I have been informed by the National Center for Missing and Exploited Children that one of my young constituents in Florida has disappeared and is now listed as missing by the Center. According to the information provided to me by the National Center for Missing and Exploited Children, Shawn Micheal Gerdon was abducted by his father on November 16, 1979. He has not been seen or heard from since. In this photograph, the latest one we have of Shawn, he is shown at age 3.

Shawn was born on March 10, 1977, now 8 years old, has blonde hair and brown eyes. He is from Melbourne, FL. The National Center for Missing and Exploited Children has asked that anyone having information about Shawn, please call 1-800-843-5678.

I would like to add that special efforts are now underway in my home State of Florida to help find missing children. The Adam Walsh Child Resource Center, located at 227 South Orlando Avenue, Winter Park, FL, (305) 629-1811, and the Missing Children Help Center, at 410 Ware Boulevard, Suite 400, Tampa, FL, (813) 623-KIDS, are excellent organizations designed to bring our sons and daughters home.

Each year 1.8 million children disappear. I urge all Americans to join us in helping to locate these youngsters.

SELLER-FINANCED PROPERTY TRANSACTIONS IN TAX LIMBO

(Mr. DREIER of California, asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, at this moment, it remains to be seen whether or not we will pass a budget resolution before adjournment. Yet it appears that we will break for the August recess without taking care of some other vital business.

In May, we passed legislation protecting the rights of private property owners to use seller financing in the sale of property.

The Senate passed this measure in June. No conference has taken place and on July 1, 1985, seller-financed transactions went into tax limbo.

I ask the Ways and Means Committee to solve this dilemma before we go home.

THE TIME HAS COME FOR U.S. SANCTIONS AGAINST APARTHEID

(Mr. FAUNTROY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAUNTROY. Mr. Speaker, it has been 2 weeks now since the racist apartheid regime in South Africa declared a state of emergency, and with every passing day, the iron fist of Fascist repression has tightened. Twenty-five more people have been killed; 1,300 have been arrested without charge and without recourse. Only on yesterday, the regime added to the ban on blacks owning property and blacks voting and blacks' freedom of movement, a ban on the right of blacks to bury those who are being killed by the apartheid regime.

It is a sad time in world history. Quite frankly, however, we have seen some signs of hope as the world's conscience and its leaders have begun to respond. Last week, our ally in the free world, France, decided to do what we have been pondering for nearly 1 year now; banning new investments and the sale of Krugerrands in France.

The United Nations has now met and voted to recommend that member countries act voluntarily to impose sanctions. The tragedy is that we, in the United States, have, in response to the emergency, forfeited our rightful position at the forefront of this moral crusade.

The administration not only refused to agree to mandatory sanctions, but has maintained that it will not alter its position on constructive engagement. We must meet with the President on this critical question and I hope that Members of conscience in the House will join the Congressional Black Caucus in requesting that meeting.

THE WOMEN OF AMERICA DO NOT WANT COMPARABLE WORTH

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, a recent nationwide poll conducted by Decision/Making/Information shows some very interesting results. The poll, conducted between November 26 and December 4, 1984, sampled 2,704 adult Americans and focused on a broad range of issues but concentrated primarily on specific issues of concern to women.

Here are some of the key findings: 80 percent of all female respondents favor providing more information about existing laws as a means of eliminating sex discrimination rather than passing more laws. Only 18 percent of the respondents would choose the passage of more laws.

Only 56 percent of the female respondents have heard of comparable worth. Of those who have, over 26 percent are only slightly familiar with the issue.

In general the poll showed that among the issues that particularly affect women, the most important topic was equal pay for equal work. Discrimination, of course, was also important. Interesting, though, was the way women felt about how remedies for discrimination should be carried out. Respondents tended to feel that private industry, or women themselves, should remedy discrimination in the workplace.

In short, not even the women of America want comparable worth. What they want, and what they rightly should receive, is better enforcement of equal pay laws for that already exists on the books.

AMERICA'S MASSIVE INTERNATIONAL TRADE DEFICIT—AN ISSUE BURNING THROUGHOUT THE NATION

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, over the last several months, many of my colleagues and I have taken to this floor in an effort to highlight the issue of America's massive international trade deficit. Our goal has been to elevate an issue which was dormant here in Washington, but has been burning for a long time throughout this Nation. From the industrial heartland in the Midwest, to the high tech centers on both coasts; from the breadbasket of the Great Plains, to the textile communities of the South; from the timber centers of the Pacific Northwest to the oilfields of the Southwest—patience is running out. The House of Representatives has pushed and pushed this administration. We have done everything within our power to get the Reagan administration to grab hold of this issue and move it to the front burner—to take charge and lead our Nation on trade. America's standard of living is at stake. Nothing less.

Now, as we prepare to return to our districts, the ball is in the administration's court. We hope that we have been able to wake them up down there at the other end of Pennsylvania Avenue. We hope that during this next month, the administration will formulate a plan of attack on the trade deficit as the new Trade Representative makes his first official trip to Japan. Then, when Congress comes back, we can work together to solve this problem and give American workers and businesses a fair shake.

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

[Mrs. MARTIN of Illinois addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

REVOLVING DOOR

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BENNETT. Mr. Speaker, Since the House-Senate conference on the Defense authorization bill issued its report, there has developed some confusion as to the precise meaning of section 921 in that report, the "revolving door" provision. Some of the press have covered the revolving door matter in a rather awkward and inaccurate manner, and I would like to address some of these questions, briefly.

For example, some press reports said that the House-Senate language covered "the" primary person negotiating a contract, when actually that was changed in conference to say "a" person. This was done for the express purpose of not requiring the coverage to be limited to principal leadership.

Then some press went on to say that I was satisfied with the conference. Well, of course, anybody knows I was not very satisfied with it. But I had two things on my mind: One was the pressure to conclude the conference and the other one was that there is my conflict-of-interest bill which has been approved by the House Armed Services Committee and which will be coming to the floor dealing with the question of the revolving door issue. This bill may help solve this problem in a much better way.

The third thing which has been said in the press is that there are very few people covered by this bill. As a matter of fact, there are many thousands covered by the bill. The only way in which you could arrive at saying that not very many people are covered is by saying it does not include the military. But it does include the military. In conference, just prior to agreeing on the language we would use this very question was discussed, and I said that the words "in Federal employment" were broad enough to cover the military. I have since been advised by legislative counsel that they are indeed broad enough. The actual language is on page H6523 in the CONGRESSIONAL RECORD on July 29, 1985, and is as follows:

PART B—PROCUREMENT PERSONNEL MATTERS

SEC. 921. POST-GOVERNMENT-SERVICE EMPLOYMENT BARS ON SENIOR DEFENSE OFFICIALS

Whoever being a Presidential appointee in Federal employment acts as a primary government representative in the negotiation of a government contract or the settlement thereof with a defense contractor shall not within two years after the termination of said activities with such contractor accept employment from that contractor and upon a knowing violation of this provision the employee shall be punished, upon conviction, with a prison term of up to one year and a fine of up to $5,000 and said defense contractor shall forfeit up to $50,000 in liquidated damages to the Federal Government which shall be provided for in the contract. The Secretary of Defense shall implement this provision by appropriate regulations.

I think this language is very clear. It includes both military and civilian employees of the Federal Government. This is what we intended; and we discussed it in detail in connection with the other phrase "a Presidential appointee", concluding that it would reach down to captains in the Army and comparably in the other services.

Webster's Dictionary tells us that "employment" means: "the state of being employed with a job that pays wages or a salary." That clearly applies to both civilian and military employees of the Federal Government.

When the Office of Management and Budget lists total Federal employment in its "Special Analyses, Budget of the United States Government" it lists civilian and military employment. When OMB wants to distinguish between the two it referes to "Federal civilian employment", and, of course, that makes sense. Unless one distinguishes, it is common practice to assume that Federal employment refers to both military and civilian. That's what the conferees intended and that is what the English words mean.

Finally, the managers report makes clear on page H6647 of the July 29, 1985, Congressional Record, that the House and Senate bills were both concerned with limiting the post-Government employment activities of Department of Defense employees. The report notes that the Senate bill covers "employees (O-4 or GS-11 and above)," that is, "employees" clearly refers to both civilian and military employees. The report further notes that "the House receded with an amendment which would add a new provision to the Senate bill * * *."

I will take this matter up in more detail in September, but I would also like to say that my conflict-of-interest bill which was approved by the Armed Services Committee will also be coming to the floor. If, for whatever reason, the revolving door situation in the Department of Defense is not adequately addressed through the amendments to the authorization bill we will have another opportunity to do so when my separate revolving door bill comes before the House.

STUDENTS TO END NATIONAL DEFICITS WILL S.E.N.D. A MESSAGE TO CONGRESS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, today Congressman Andy Jacobs and I announce the creation of a brand new nationwide youth organization. It's called Students to End National Deficits [S.E.N.D.].

These young people will no longer sit quietly by while Congress drowns their future in a flood of red ink. No, they're going to start speaking out. Loudly, eloquently and persistently.

They will no longer tolerate $200 billion deficits, or the big-spending compromises which cause these deficits year after year. No, they're going to demand action. Now; and no more excuses.

These young debt busters, who stand to pay for all this fiscal profligacy, just might arouse the conscience of America. Let me ask any college student who wants to know more about Students to End National Deficits to write or call my Washington office.

America's young people are angry about the burdens Congress is placing on their future and Congress is going to hear from them.

UNITED STATES MUST ACT NOW FOR PEACE IN SOUTH AFRICA

(Mr. CROCKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROCKETT. Mr. Speaker, Commonsense tells us that the only way to prevent a bloody racial struggle in South Africa is for the Government to talk—now and face to face—with credible black leaders. Yet, the Pretoria regime, in its obstinacy, travels in the opposite direction. It refuses to meet with Bishop Tutu and it continues to imprison more and more black leaders.

Mr. Speaker, the recent tragic developments in South Africa bring us back again to the crucial point noted in the Mandela Freedom Resolution adopted by the last Congress and sent to President Reagan. If the United States is to be a catalyst for peace in the South Africa situation, then President Reagan must publicly urge South Africa's white leaders to unconditionally release Nelson Mandela from prison and to participate with him and other black leaders in meaningful talks aimed at ending apartheid.

Mr. Mandela is key to any meaningful negotiations. The United States, like the British Foreign Office and the U.N. Security Council, can focus on this important need to free Mandela and, by doing so, demonstrate both to black South Africans and to the international community our commitment to the abolition of apartheid.

CONGRESS SHOULD NOT RECESS UNTIL IT HAS A BUDGET

(Mr. KASICH asked and was given permission to address the House for 1 minute.)

Mr. KASICH. Mr. Speaker, yesterday 49 of my colleagues joined me in sending you a letter urging consideration for keeping the House in session until a responsible budget has been passed by Congress. We believe that the House has the responsibility to address the deficit issue now and must not leave for the recess until this task is completed.

While I am very encouraged by recent news that the budget conferees are making substantial progress, we must all resist the temptation to make unreasonable demands on the budget negotiators. I hope the rejection of the Budget Committee's chairman unanimous-consent request does not signal the House's unwillingness to adopt a reasonable deficit reduction package. As with all conference committee compromises—and the Members here know it—no one will ever be totally satisfied. However, Chairman Gray and Mr. Latta are attempting to hammer out a bill that meets the concerns of this House, including defense spending, and I say let's give them a chance.

While you may or may not agree with this opinion, I think we must agree that the House should not go on vacation, Members of Congress should not go on vacation until they complete our most important assignment, and that is to have a budget. I think we owe the American people that much.

WESTWAY LANDFILL

(Mr. GUARINI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUARINI. Mr. Speaker, bipartisan support of a bill to bar construction of the Westway landfill in New York City continues to grow. Liberals, conservatives, Republicans, Democrats from every quarter of our State and Nation are united against this megahighway and private real estate development which would consume between $4 billion and $10 billion from our highway trust fund.

The damaging Westway landfill will eliminate a vital striped bass industry, and it paves over a significant part of the Hudson River. Moreover, New Jersey's lowlands would face severe flooding and drainage.

Public officials, private citizens, taxpayers, and environmental groups have gone on record opposing the project. Our colleague Ted Weiss, in whose district Westway would be built, has fought it for more than 10 years. He favors trading in Westway for an alternate highway and aid to mass transit, and so do 74 of the cosponsors of H.R. 1888.

Westway is a threat to the future of our Federal Highway Program, our fiscal crisis, and our environment. I urge your support for H.R. 1888 and an amendment to the transportation appropriations bill which will be offered as a measure to prevent construction of the Westway landfill.

THE BALANCED BUDGET AMENDMENT

(Mr. DeLAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DeLAY. Mr. Speaker, I am addressing the House today to talk about an issue which is a high priority to my constituents, the balanced budget amendment. As a matter of fact, polls have shown that this amendment is a national priority.

The people of this Nation want their elected Representatives to act responsibly. Yet this Congress has failed to balance the Federal books for the last 15 years. We have now entered an era of seemingly perpetual $200 billion deficits. Why? Because there is no fundamental rule that says the budget must be balanced. There are laws that say we should have a balanced budget. The rules of the House are supposed to help us do that. But those rules are easily ignored and easily abused.

We've already done that numerous times this year.

The American people deserve, and the American people demand, a guarantee of fiscal sanity. A guarantee that their future and their children's future will not be spent away for political convenience. And this guarantee must ensure that our Nation will not be taxed into poverty to finance the spending programs which have created our present deficit.

The remedy is, of course, drastic. As a strict believer in the sanctity of our Constitution, I do not take this lightly. But such a serious and fundamental problem calls for drastic action. I implore my colleagues to heed their constituencies and get behind the balanced budget/tax limitation amendment.

□ 1140

KIM DAE JUNG UNDER HOUSE ARREST

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, the only effective human rights policy is a vigilant and consistent human rights policy. Though we may protest violations at different times, our disapprobation means nothing if our eyes are easily diverted or our censure soft. The danger, of course, is that with the passage of time we lose the sharpness with which we originally view a problem. Such is the case today in South Korea.

When Kim Dae Jung made his return trip to South Korea in February, the attention of the world focused on a U.S. democratic ally that had no freedom of the press, arbitrary political rights, curtailed freedom of speech, and a president with virtually unchecked constitutional powers.

But the attention that Mr. Kim's return focused on his country produced results. In the months that followed, 13 political opposition leaders had their political rights restored. Kim Dae Jung was released from House arrest and allowed to meet with other political opposition leaders. For the first time in years, Mr. Kim's picture appeared in the newspapers. And in a surprisingly strong showing, the new Korea Democratic Party, the party of Kim Dae Jung and Kim Young Sam, surpassed the Government-sanctioned opposition in the national assembly elections.

Many of us in the Congress who had spoken out against the political repression in South Korea were equally vocal in our praise of these signs of progress. Yesterday, however, we learned that Kim Dae Jung had once again been placed under house arrest. He was told not to leave his home just hours before the start of his party's political convention. Mr. Speaker, this is the same capricious and peremptory political censorship we had all hoped to see an end of in South Korea. It has no place in a full democracy, and it is my sincerest hope that my colleagues in the Congress will join me in decrying this action against Kim Dae Jung.

President Chun must know that our attention continues to focus on our friend, South Korea, and that we still hold his government to the highest standards of political pluralism and democratic principles.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON A BILL MAKING APPROPRIATIONS FOR FOREIGN ASSISTANCE AND RELATED PROGRAMS FOR FISCAL YEAR 1986

Mr. OBEY. Mr. Speaker I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the bill making appropriations for foreign assistance and related programs for the fiscal year ending September 30, 1986, and for other purposes.

Mr. MYERS of Indiana reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SUPPORT EXPRESSED FOR THE CONFERENCE REPORT ON SOUTH AFRICA

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I will support the conference report on South Africa. Furthermore, I urge the President to sign that conference report, and I will actively fight to override any veto. I share with the eloquent members of the Black Caucus their anguish and concern over the repression in South Africa.

However, we must be concerend about oppression whether it is against blacks by whites in South Africa; against blacks by blacks in Ethiopia; against Islamic Afghans by Russians in Afghanistan, or by Russians oppressing Poles, Lithuanians, Ukrainans and over other Russians in the Soviet Union.

For every black arrested in South Africa, there are literally a thousand whites arrested in the Soviet Union. For every black killed in South Africa, there are literaly a thousand Muslims killed by Soviets in Afghanistan.

Today we stand with the Black Caucus on behalf of human rights in South Africa. In September, when we return from the recess, I hope the Black Caucus will join us in forming a truly nonracial human rights effort that looks at the entire world and seeks freedom and rights for every human being in every country.

BEING PROTECTIVE OF AMERICA IS NOT PROTECTIONISM

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, a couple of days ago the Prime Minister of Japan delivered his country's plan to ease its huge trade surplus with the United States. Among other things, he said that he, "Does not understand the attitude of the U.S. Congress."

Mr. Prime Minister, as Congress adjourns today, let me try to explain our attitude. It is based on an assessment of the needs of our individual districts and States. It is based even more so on an assessment of our Nation's needs.

Your country has targeted American industries for Japanese economic efforts. We feel it is time for our Nation to target our industries in order to preserve them.

Your country has organized itself to expand its industrial base. We feel it is time for America to organize itself to preserve our industrial base.

If the shoe were on the other foot, and we are not producing many shoes anymore in the United States, if you had a $40 billion trade deficit with the United States, you would not depend only on the good will of America. Your country would act. That is why we in Congress are insisting that Japan act and that our own administration act.

Being protective of America is not protectionism. Our efforts in Congress are not, it should be clear, anti-Japanese; they are pro-America.

THE HOUSE DESERVES AN APOLOGY

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, one of the basic rules that we operate under in this body is the rule which says that we as Members are not to ascribe intent to that which another Member is doing. The basic rule, because what we attempt to do is have a spirit of comity in which what a Member is doing is considered to be serious.

Those rules not only apply to us as Members, they apply to the officers who serve this House. We in the minority have been told that those officers serve this House on a bipartisan basis. Today we have a memo from the Office of the Doorkeeper, in which the Doorkeeper or his staff has taken upon themselves to ascribe intent to

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amendments to be offered by members of the minority.

This memo, relating to the Pay Equity Act, describes amendments to be offered by Mr. Burton as dilatory and frivolous. Amendments to be offered by Mr. Armey as dilatory. I would say that that is absolutely unacceptable. It is unacceptable under the rules of this House. It is unacceptable as a manner in which officers of this House treat members of the minority.

I think that those two Members deserve an apology. I think the House deserves an apology from the officer.

THE LEADERSHIP WILL COME FROM HERE, NOT THE WHITE HOUSE

(Mr. MITCHELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL. Mr. Speaker, I certainly do not want to be dilatory in the presentation of my remarks.

Mr. Speaker, a number of my colleagues have been in the well of this House to speak out against the infamous conduct of the Government in South Africa. Indeed, my associate, Mr. Gingrich of Georgia, just joined in that effort. I greatly fear that we are going to witness a bloodbath in South Africa unless this Nation takes the leadership that it should.

The tragedy of a bloodbath is that when people are caught up in a frenzy, white South Africans who have fought against apartheid will be hurt by blacks. There is no reasoning that goes on during a bloodbath.

Let me indicate to you that while I applaud the efforts of the Congressional Black Caucus to have a meeting with the President, I know that the President is not going to meet with us. He is not going to do it. During his entire administration he has chosen the people that he wants to meet with; only those who knuckle under to him and espouse his point of view.

I do not think that the President is going to move to free Nelson Mandela; he just does not have that kind of mentality insofar as people of color are concerned in other parts of the world. But I am not discouraged by these things.

On the other hand, I am very encouraged that in a Senate-House conference which ended last evening, there was an agreement that we would take strong sanctions against South Africa. So the leadership will come from here, this Congress, not from the White House.

WE NEED TO ACT DURING A DETERIORATING SITUATION IN SOUTH AFRICA

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, a few minutes ago I joined Chairman Fascell before the Rules Committee requesting a rule on the conference report on the House-Senate agreement on the South African antiapartheid bill. I want to indicate that while I opposed this legislation when the issue was before the House, I believe the conference report reflects not only a fair and reasonable compromise, but also reflects a need to act in view of the deteriorating situation in South Africa in recent weeks.

Mr. Speaker, I want to say that I believe it is most urgent and morally right that this body stay in session until we have an opportunity to act on this important legislation.

THE 100TH ANNIVERSARY OF THE KANYAKU IMIN IN HAWAII

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Mr. Speaker, it is indeed an honor and privilege for me to rise today in commemoration of the 100th anniversary of the first arrival of the "Kanyaku Imin" or the "government contract immigrants" who came from Japan to Hawaii.

As a nation of immigrants, we are all justly proud of the diversity of our ethnic heritage and of the tremendous contributions that each group has made to our country. This year, we in Hawaii are honoring the largest group of immigrants, the Japanese, who came to Hawaii, beginning in 1885, 100 years ago. They came as immigrant contract labors to toil in our sugarcane fields and were the backbone of our early farm labor force, responsible in large measure for the successful development of our largest and most important agricultural enterprise, the sugarcane industry in Hawaii. The Japanese remained to become an integral and respected part of our community.

We are honoring this group of immigrants with a year-long series of activities and festivities in recognition of their contributions and accomplishments. As is true of many immigrant groups, their contributions were more recognized and appreciated as a group effort, in this instance, of providing the labor essential for a fledgling sugar industry rather than for individual achievements and sacrifices which nonetheless did occur. They fulfilled their contracts and acquitted themselves with honor.

Without overshadowing or detracting from the splendid accomplishments of the "Kanyaku Imin," no tribute to them would be complete without mentioning the contributions of their sons and daughters, products of their upbringing and a true credit to them, through whom they realized their finest hopes and aspirations. Today, they include two U.S. Senators, a Governor, a mayor, a State school superintendent, numerous other elected officials, many members of our judiciary, and outstanding professionals and businessmen. Not too many years ago, the list also included a university president, a State supreme court chief justice and a Congresswoman.

For all this, the "Kanyaku Imin" are grateful and humbly proud, that in this land of opportunity, all this was possible in one generation. Today, many are American citizens by choice and not by accident of birth.

Mr. Speaker, this gentleman expresses his gratitude to and salutes the "Kanyaku Imin."

□ 1150

OUR ACTION ON APARTHEID ONLY A DROP IN THE BUCKET

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, I, too, am very grateful that there has been an agreement regarding the conference report on the apartheid issue. I, however, think that while I welcome that, I think it is only a first step in the right direction. It is an initial step. Frankly, it is a drop in the bucket.

We want an end to apartheid in South Africa. I think our country could be demonstrating its leadership qualities more by showing the kind of vision and force that other countries are doing in that direction.

TAKE SOCIAL SECURITY OUT OF UNIFIED BUDGET

On another subject, I am gratified to see that there is movement in taking the Social Security trust fund out of the unified budget. I have had a bill to do that which I have introduced with many bipartisan cosponsors for the last 4 years. It is H.R. 151. Let us catch that momentum. Let us depoliticize Social Security, take it out of the budget, the way it was when President Roosevelt signed it into law 50 years ago.

It would be very fitting if we did that this year because this is the 50th anniversary of that great social program and it would be appropriate to put it back where it belongs—out of the unified budget—so that we would not try to get our hands on what belongs to the senior citizens and the disabled people of our country.

IMPUTED INTEREST/SELLER FINANCING CONTROVERSY

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, the country is increasingly frustrated at the inability of Congress to act, at the inability of the House and Senate to agree on legislation.

The budget for 1986 is the most outstanding example,

But, another issue of concern to many, including many in my congressional district, is the imputed interest/seller financing controversy.

Some 15 months ago Congress promised realtors and others that the rules regarding seller financed real estate sales would be settled by the July 1, 1985 interim deadline which was established.

Now, in spite of the fact that both the House and Senate have passed bills which would permit seller financed transactions, while at the same time stop the potentially abusive mismatch of interest income and deductions that can permit tax avoidance, that deadline has passed.

Right now realtors and all those wishing to sell property are in a quandary. They don't know if future legislation will be retroactive to July 1, 1985. They don't know what the rules will be.

These taxpayers are losing faith with the Congress, Mr. Speaker, and with good reason. I hope the House and Senate managers of the respective imputed interest bills can get together.

We need a bill to resolve this important and outstanding issue.

A MEASURE TO PREVENT USE OF BANKRUPTCY AS BOTH A SHIELD AND A SWORD

(Mr. BOSCO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOSCO. Mr. Speaker, today I submit the names of 65 cosponsors from both sides of the aisle for H.R. 2870, a measure to prevent bankruptcy from being used as both a shield and a sword.

A good example of what we are trying to prevent is Texas Air Corp.'s attempt to take over Trans World Airlines at a time when Texas Air's major subsidiary, Continental Airlines, is in chapter 11, owing almost a billion dollars to banks, insurance companies, suppliers, travel agents, ticket holders and a host of other victims. This same company now seeks to take over another of our Nation's largest airlines.

I thank our colleague, Mr. Mineta, for scheduling hearings on this subject as a majority of the Public Works Committee are now co-sponsors, and I encourage the Department of Transportation to give this transaction extraordinary scrutiny. Those who use our bankruptcy laws as a shield against creditors cannot at the same time use the same laws as a sword to conquer others.

ON BEING A PROTECTIONIST

(Mr. JENKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JENKINS. Mr. Speaker, it always amazes me that we want to inflict a sense of guilt upon ourselves when it comes to the question of protecting American industry and jobs. We have no hesitancy whatsoever to be called protectionists when we want to defend our country through military buildup. That is a protectionist attitude, and we should have it.

But it always amazes me that when we talk about trade, and when we talk about American jobs, when we talk about American industry, we shy away from the term "protectionist." There is nothing wrong with it. It is not alien to our basic thinking to want to protect American jobs, American industry. That is the reason we are strong today.

As we go back into our districts over the holidays, over the recess, I want my colleagues to go into the little mills, whether it is the lumber mills of the Far West or the steel mills of Minnesota or the automobile plants of Ohio and Michigan, or the textile mills of the South. I want my colleagues to talk to those people they do not hear from too much, those people who simply work day in and day out, pay their taxes, defend their country in times of emergency, and yet are beginning to lose everything that they believe in, because of our fear of the term "protectionism". Let us not be afraid to protect anything that is good for America.

I urge Members to do that and do not have a sense of guilt. There is nothing wrong with it.

ENVIRONMENTAL MISPERCEPTIONS ABOUT NEVADA

(Mr. REID asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REID. Mr. Speaker, it's interesting how perceptions are developed. Some are passed from person to person. Others are transmitted through the media. Still others are developed from firsthand experience.

Recently, Public Lands Subcommittee Chairman John Seiberling, other Members of Congress and I had the opportunity to get such firsthand knowledge of Nevada, information that will be used to dispel environmental misperceptions about the State.

We viewed more than 1 million acres of potential wilderness areas. In Nye County alone we spent 2 days touring more than three quarters of a million acres.

And what beauty we saw:

Areas with high peaks, wild lands and trout streams, as well as bighorn sheep, mountain lions and deer.

Geological landmarks that attest the former glaciation that shaped the highest great basin mountains.

A mountain with meadows and aspens, where elk roam freely.

Volcanic rock formations, dramatic cliffs, limestone geology, and even prehistoric archeological sites.

I'm proud that this sampling of Nevada geography not only creates a positive perception but also provides a critical foundation for those of us in Congress now working on wilderness legislation to protect Nevada lands for generations to come.

□ 1200

REVIEW OF 1960 ARTICLE SHOWS SITUATION IN SOUTH AFRICA HAS WORSENED

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Mr. Speaker, more than 25 years ago I met a young soldier in the Army who was also a radio announcer for the U.S. Information Service and a writer. Twenty-five years ago he wrote about the oppression and the repression in South Africa. The magazine in which his article appeared became defunct and the article was lost. Much to my delight, he sent me a copy of the article last week.

Have things changed in South Africa? Yes, they have gotten worse. The situation today in South Africa, with the oppression, the fascism, the racism, the bigotry, the hate, and the discrimination, is worse today than it was in 1960 when I met my friend, who is now the State senator from Watts that famous community in California. My friend and senator, Bill Green, pointed out that the situation in South Africa, Mr. Speaker, is worse now than it was when he wrote that article in 1960.

Today this House, indeed the Congress, will have an opportunity to send at least a first message, if not a strong message. I hope that all the Members on both sides of the aisle will join in sending that message, not only to South Africa but to the President of the United States. And I say to my friend, the gentleman from Georigia [Mr. Gingrich], that the Congressional Black Caucus accepts his challenge to join in a bipartisan, biracial effort to bring about human rights all over the world, including South Africa.

A LOSS OF DIGNITY

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, I was somewhat surprised that among the momentous issues we were to talk about today was the accusation that the Doorkeeper had hurt the feelings of some Members on the minority side. I believe it would be a mistake for people to accept the assertion that some impropriety had been committed because the Doorkeeper characterized certain amendments. As I heard the characterization, I would agree that it was less than accurate. It seemed to me excessively flattering.

I am a little surprised that some of the Members on the other side who are great believers in very vigorous debate and who are not always averse to imputing mistakes to people on the other side can be so sensitive when people respond. It seems to me that sensitivity ought not to be a one-way street. I would just remind my colleagues to muse on the general principle that one rarely looks more ridiculous than when one is excessively concerned about one's dignity.

Mr. Speaker, the principle of open and free debate is a very important one, and it seems to me it ought even to extend to the Doorkeeper of this institution.

HOUSE ARREST OF KIM DAE JUNG

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, this week Kim Dae Jung has been placed under house arrest, just days before the new Democratic Party is scheduled to hold its political convention in South Korea. This cynical display of power by the Government of South Korea represents a serious setback to the ongoing effort to secure a restoration of basic human rights and democratic institutions in that country.

I commend my colleague, Congressman ED FEIGHAN, for leading the effort to protest the placement of Kim under house arrest. Hopefully, the Reagan administration will take appropriate action.

FURTHER SUPPORT FOR ENTERPRISE ZONES SOUGHT FROM THE PRESIDENT

(Mr. GARCIA asked and was given permission to address the House for 1 minute.)

Mr. GARCIA. Mr. Speaker, yesterday my colleague, the gentleman from New York [Mr. JACK KEMP] and I once again introduced a bill that we have been sponsoring since the days of Jimmy Carter—The Urban Enterprise Zone Act. Last year, in the 98th Congress, we had 283 cosponsors. In the 99th Congress I believe we will probably get over 300 cosponsors.

Mr. Speaker, it is my hope that the President, who every year in his State of the Union Message, either asks the Speaker to give him enterprise zones as a birthday present or asks us as Members of Congress to work with him on this issue, will take an active role in seeing that this legislation is passed. I do not often agree with the President, but on this issue I do. I, therefore, hope that he will make every possible effort, using all his persuasive powers to help us pass an enterprise zone bill. I believe we can make good use of enterprise zones. In some States they are presently in place, and they are working without Federal taxes, without the benefit of the support of Congress and of this legislation. We certainly need something to cut back on the high unemployment in our inner cities.

COMMISSION ON THE U.S. HOUSE OF REPRESENTATIVES BICENTENARY

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (H. Res. 249) establishing the Commission on the U.S. House of Representatives Bicentenary, and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

Whereas the House of Representatives was established under the Constitution in the year 1789;

Whereas in the year 1989 the House of Representatives will celebrate the bicentennial of its establishment under the Constitution;

Whereas the House of Representatives for the past two hundred years has reflected the will and strength of the people of the United States and has, in its historical development, adhered to our national heritage of individual liberty and the attainment of equal and inalienable rights; and

Whereas it is appropriate and desirable to provide for the observation and commemoration of this anniversary: Now, therefore, be it

Resolved,

SECTION 1. ESTABLISHMENT.

There is established in the House of Representatives the Commission on the United States House of Representatives Bicentenary (hereinafter in this resolution referred to as the "Commission").

SEC. 2. FUNCTIONS.

It shall be the duty of the Commission to oversee the planning and direction of the commemoration of the bicentennial of the House of Representatives through an appropriate program of publications, exhibits, symposia, and related activities. The objective of this commemoration is to inform and emphasize to the Nation the role of the House of Representatives through two hundred years of growth, challenge, and change. The Commission is directed to develop a program, in consultation with the Office for the Bicentennial of the House of Representatives, that will draw upon the resources of current and former Members, scholars, and the general public.

SEC. 3. COMPOSITION.

(a) IN GENERAL.—The Commission shall be composed of 8 members appointed by the Speaker (in consultation with the minority leader) as follows:

(1) Six Members of the House, of whom not more than 3 shall be members of the same political party; and

(2) Two former Members of the House, of whom not more than 1 shall be members of the same political party.

The majority leader and the minority leader shall be ex officio members of the Commission.

(b) DESIGNATION OF CHAIRMAN.—The Speaker shall designate one of the members of the Commission to serve as Chairman of the Commission.

(c) VACANCY.—Any vacancy in the membership of the Commission shall be filled in the same manner as the original appointment.

(d) DEFINITION.—As used in this section, the term "Member" means a Representative in, or a Delegate or Resident Commissioner to, the Congress.

SEC. 4. ADMINISTRATIVE MATTERS.

(a) RULES OF ORGANIZATION.—The Commission may make such rules with respect to its procedure as it considers necessary.

(b) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

SEC. 5. POWERS

(a) IN GENERAL.—In order to carry out its functions, the Commission is authorized to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings as it deems necessary.

(b) ACQUISITIONS.—The Commission is authorized to acquire any work of art, historical object, document or material relating to historical matters, or exhibit for placement in the House wing of the Capitol or the House office buildings.

SEC. 6. STAFF.

The Commission shall be staffed by the Office for the Bicentennial of the House of Representatives and shall have full supervisory powers over such Office. The Commission may also draw upon the staff support of such other employees of the House or its support agencies as may be agreed to by mutual consent.

SEC. 7. PAYMENT OF EXPENSES.

The expenses of the Commission shall be paid from money appropriated to the Office for the Bicentennial of the House of Representatives.

SEC. 8. PERIODIC REPORTS.

The Commission may submit periodic reports on its activities to the House. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

SEC. 9. TERMINATION.

The Commission shall cease to exist at the end of the 99th Congress, unless otherwise provided by law or resolution.

Mr. ALEXANDER (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Arkansas?

Mr. WALKER. Mr. Speaker, reserving the right to object, I reserve the right to object simply to make certain that I understand the procedure here. It is my understanding that this has been cleared by the minority?

Mr. ALEXANDER. Yes, the gentleman is correct. Mr. Speaker, if the gentleman will yield and if I may respond further, the resolution is for the purpose of establishing a Commission on the Bicentenary of the U.S. House of Representatives. It has been cleared by the minority. There are no funds required for its implementation, and it is simply for the purpose of planning, directing, and consummating a program for the commemoration of the bicentenary of the U.S. House of Representatives.

Mr. WALKER. Further reserving the right to object, Mr. Speaker, I appreciate the gentleman's explanation, and I am particularly appreciative of his making the point that this is a resolution that requires no new funding, and that in fact any expenses that will be incurred from this will be out of the office for the bicentennial in the House of Representatives, and that that is previously appropriated money.

Mr. ALEXANDER. Yes, the gentleman is correct. The Bicentenary Commission will be paid for and administered by funds and staff that are currently provided for.

Mr. WALKER. It is also my understanding that the representation on the Commission is equal between the majority and the minority in this particular instance?

Mr. ALEXANDER. Yes, it is equal, and it is bipartisan in makeup.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Arkansas?

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

A PLEA TO THE PRESIDENT TO REPUDIATE OPPRESSION IN SOUTH AFRICA

(Mr. WHEAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHEAT. Mr. Speaker, last week I joined with my colleagues in the Congressional Black Caucus in sending a telegram to the President of the United States requesting an urgent meeting on the crisis in South Africa. Mr. President, we sought that meeting to bring you a message of deep concern about the deteriorating situation in that troubled country.

Last night the conference committee on this body and of the other body endorsed that message and called upon the Congress to pass the Anti-Apartheid Act of 1985. Upon passage of that legislation, Mr. President, we will call upon you to carry our message to the world, and our message is a simple one: The United States will no longer condone oppression in South Africa.

While you are sincere in your efforts to engage the South African Government in constructive dialog, that Government and the rest of the world perceive constructive engagement as tacit American approval of oppressive practices in South Africa. Mr. President, even the mere perception that Americans would tolerate South African repression is morally repugnant, and we call upon you now to repudiate that offensive misperception.

□ 1210

THE INSANITY OF APARTHEID

(Mr. DELLUMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELLUMS. Mr. Speaker, I rise this morning to join with all my colleagues who have taken the well to challenge the insanity of apartheid, the cruelty and oppression of the reality of what is taking place in South Africa at this very moment and to raise the point that a number of my distinguished colleagues, as well as this gentleman, have asked the President of the United States for a terribly important meeting to discuss this incredible issue.

Over the last several days we received a report that Mr. Botha of South Africa refused to meet with Bishop Desmond Tutu, but there are those of us who reside in this Chamber who have a compelling, obvious, yet not exclusive interest in what is taking place in South Africa, who have the right to expect more from our President.

We can understand ignoring Bishop Tutu in the context of the madness of South Africa, but this is obstensibly a democratic society.

The President of the United States, whether or not we agree ideologically, is the President of all the people and in my estimation has a moral, a political, and intellectual obligation to meet with all of the persons who are duly elected and respected representatives of major constituents in this country. The President has a profound obligation and, indeed, a responsibility to meet with us on this incredible issue.

USE OF OFFICIAL GOVERNMENT MAIL TO LOCATE MISSING CHILDREN

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1195) entitled "An Act to require that a portion of the mail of Congress and the executive branch include a photograph and biography of a missing child," with Senate amendments to the House amendments thereto, and concur in the Senate amendments to the House amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments to the House amendments, as follows:

Page 3, line 15, of the House engrossed amendment, before "Section" insert "(1)".

Page 3, after line 18 of the House engrossed amendment, insert:

(2) Section 733 of title 44, United States Code, is amended by inserting after the second sentence of the second undesignated paragraph the following: "Franks may also contain information relating to missing children as provided in section 3220 of title 39.".

The SPEAKER pro tempore (Mr. TORRES). Is there objection to the request of the gentleman from Indiana?

Mr. HANSEN. Mr. Speaker, the minority has no objection.

There was no objection.

A motion to reconsider was laid on the table.

NATIONAL SCHOOL-AGE CHILD CARE AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 60) to designate the week beginning September 1, 1985, as "National School-Age Child Care Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Reserving the right to object, Mr. Speaker, and I will not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from Maine [Mr. MCKERNAN] who is the chief sponsor of House Joint Resolution 60.

(Mr. McKERNAN asked and was given permission to revise and extend his remarks.)

Mr. McKERNAN. Mr. Speaker, every day 3 to 6 million children return home to an empty house after school. Single-parent families, two working parent families, are in fact a reality in this country. Over 50 percent of women with young children are in the work force today and therefore have child care needs.

This country needs to address our child care needs and we especially need to address the needs of those who return home to an empty house, so-called latch-key children. Especially those needs are children who return home to an empty house after school and also who need care before school.

I hope that the House will pass this resolution because I believe that by passing it we can call attention to what is a growing problem in this country through the designation of the first week of September as "National School-Age Child Care Awareness Week," and that will heighten the awareness of this growing national problem.

Mr. **HANSEN**. Mr. Speaker, under my reservation, I yield to the gentleman from New York [Mr. Garcia].

Mr. **GARCIA**. Mr. Speaker, with the permission of my colleague, the gentleman from Utah, I yield to my colleague, the gentlewoman from Louisiana [Mrs. Boggs].

Mrs. **BOGGS**. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as the chair of the Crisis Intervention Task Force of the Select Committee on Children, Youth and Families, I certainly do not object to this resolution, but applaud it, because it will be a great encouragement and help to all the people who are engaged in the very compelling business of child care in the United States.

I thank the gentleman for yielding.

Mr. **McKERNAN**. Mr. Speaker, will the gentleman yield further?

Mr. **HANSEN**. Mr. Speaker, under my reservation, I yield to the gentleman from Maine.

Mr. **McKERNAN**. Mr. Speaker, I just want to commend the gentlewoman from Louisiana for her work in the Select Committee on Children, Youth and Families, on this important issue. It is one that we really highlighted in the last session of Congress in the Select Committee on Children, Youth and Families and it is one that I think her leadership has made a big difference in throughout the country, and I thank the gentlewoman for supporting this resolution.

Mr. **HANSEN**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 60

Whereas more than half of the children in the United States are in families in which both parents are in the work force;

Whereas more than one in five children in the United States are in a one-parent family;

Whereas changes in the composition of American families and the American work force have resulted in an increased demand for child care for children of all ages;

Whereas the demand for child care for school-age children has increased at a greater rate than the availability of school-age child care;

Whereas estimates show that millions of school-age children between the ages of six and thirteen, often referred to as latchkey children, may return alone after school to an empty house or in the supervision of a slightly older brother or sister;

Whereas research studies have indicated that children in self and sibling care run greater physical and psychological risks, including accidents and feelings of fear and loneliness, than children who are cared for by an adult;

Whereas the Congress has begun to examine the issue of child care and the role of Federal and State government, the private sector, and parents in providing child care;

Whereas the parents, communities, employers, and agencies serving youth that have recognized the shortage of adequate and affordable school-age child care have developed after school programs for children in their communities; and

Whereas many more parents, communities, employers, and agencies serving youth need to address the problems facing these children and to maximize the use of State and Federal resources in collaboration with these efforts: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 1, 1985, is hereby designated as "National School-Age Child Care Awareness Week" and the President is hereby authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL DRUNK AND DRUGGED DRIVING AWARENESS WEEK

Mr. **GARCIA**. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 137) to designate the week of December 15, 1985, through December 21, 1985, as "National Drunk and Drugged Driving Awarness Week," and ask for its immediate consideration.

The clerk read the title of the Senate joint resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

Mr. **HANSEN**. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform that House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, as the chief sponsor, I would like to speak to it for just a moment.

Mr. Speaker, in 1981 I had the opportunity of going to the White House and talking to the President of the United States about the problem of drunk driving. I pointed out to him that 26,000 people a year died as a result of drunk driving and 450,000 people a year suffered because of bad backs, paraplegics, quadraplegics, and injuries such as that.

He picked up a memo and he penned a letter to Secretary of Transportation Lewis. Out of that came the Presidential Commission on Drunk Driving, on which I had the privilege to sit with my colleague, the gentleman from Maryland [Mr. Barnes].

We found a lot of things, Mr. Speaker, that were very interesting. We found that in America we do not take this too seriously. I notice today we are very serious about the problem in South Africa, and it truly is a problem, the problem in Chile and the problems in other areas, and they are truly problems; but here in America we seem to think it is all right to get ourselves up to a 0.05 blood alcohol count or 0.10, whatever it may be, getting in 2 tons of steel barreling down the road and kill 26,000 people per year.

We further found that the people in America who talk about this issue, especially our very respectful law enforcement people, have very little knowledge on how to recognize someone who is drinking and driving.

We found in this Commission that they actually use the archaic discovery methods of touching their nose, counting to 10 backward, doing one-legged pushups, and we find, and I say this very respectfully, that all over our 50 States they cannot identify a person who has been drinking and driving.

We further found, Mr. Speaker, that someone who gets in an S-turn with just a 0.05 blood alcohol count cannot make it. No one in America can make an S-turn with a 0.05 blood alcohol count.

We further found that all of our laws were to a 0.10 or 0.08. So we find in America that we are letting all these people loose every night to get in their cars with 2 tons of steel and go out and kill people. We can only recognize by archaic methods 26,000 of them that are killing people. It is absolutely amazing that we find this.

Out of this, however, Mr. Speaker, we were fortunate enough to have almost 40 States that have considered new drunk driving laws. Along came people who started things like Mothers Against Drunk Driving, Students Against Drunk Driving, Rid the Roads of Drunk Drivers, and fortunately we are starting to mitigate this problem in America.

If I may say in the most respectful terms, Mr. Speaker, I notice that every night we go to receptions around here and if people would carry in their wallets, as I do, and I am a teetotaler, that says, a card that says, "Know

your capacity"—that says that one drink will bring you above a 0.05 and then we noticed that our colleagues and the rest of us from both Houses and the executive branch go to these receptions, we have a drink or they have a drink at every one of these, and then get in their cars and go out on the road.

I would assume that the vast majority of these people who should be an example to the world find themselves with those who actually would lead to it. I hope the good Lord blesses them as they go out on the roads, because fortunately it has not come back to haunt this body or the body next to it, because of their own capacity of handling intoxicating beverages.

It would seem to me, Mr. Speaker, if I may say so, that it really is not too bright to get in a car after having a few drinks. Can we not let somebody else drive us? Can we not take a taxi, and above all the laws which are merely speed bumps, what we really should do is, like our friends from Sweden who we talked to, on this Presidential Commission on Drunk Driving, have in our hearts and in our minds that we do not want to kill other Americans. If we get down to that, the laws absolutely do not mean a thing.

I would hope that we would realize that to drink and drive is absolutely stupid, as it is to take drugs and drive.

□ 1220

Mr. **HANSEN**. Mr. Speaker, I yield to the gentleman from New York [Mr. Gilman].

Mr. **GILMAN**. Mr. Speaker, I rise in support of House Joint Resolution 358, designating the week of December 15 through December 21 as "National Drunk and Drugged Driving Awareness Week." As an original cosponsor of this measure I wish to thank the gentleman from Utah [Mr. Hansen] and the gentleman from Maryland [Mr. Barnes] for introducing this important piece of legislaiton.

Drunk and drugged driving has risen to epidemic proportions. Over the past decade our country has witnessed the death and injury of millions of Americans; death and injury directly attributable to alcohol and/or drug abuse. This horrifying social cost is further compounded by the tremendous economic cost of over $20 billion each year. The tragic effect on our Nation's youth is especially alarming: drunk and drug-related driving is the leading cause of death of thousands of teenagers today.

As the ranking minority member of the Select Committee on Narcotics, I can attest to the select committee's involvement is not only the drug abuse problem, but the alcohol problem as well. Although the phrase "driving under the influence" is most often associated with alcohol, we must not ignore the fact that drug-related driving incidents are also an ever-increasing problem.

Drug use in our Nation has grown considerably, among both the young and old. While we will continue to crack down on drunk and drugged drives alike, there is no substitute for an increased awareness among our parents, our teachers, and children on the disasterous effects of drunk and drugged driving. In this regard, I would like to commend the gentleman from from Utah and my colleagues for establishing "Drunk and Drugged Driving Awareness Week" each year since 1982 during the December holiday season.

The designation of National Drunk and Drugged Driving Awareness Week has a special significance at that time of year as the holiday season is a time of good will toward our neighbors and friends. Observance of this week will serve as a timely reminder and continue to draw attention to the serious effects of drunk and drugged driving.

Once again, I commend the gentleman for introducing House Joint Resolution 358 and urge my colleagues to fully support its adoption.

Ms. **OAKAR**. Mr. Speaker, will the gentleman yield?

Mr. **HANSEN**. I yield to the gentlewoman from Ohio.

Ms. **OAKAR**. Mr. Speaker, I want to also extend my commendation to the gentleman. I think this is a very important symbol of a horrendous thing that is taking place.

I have one of my former staff members who was hit by a drunk driver and her future fiance was killed. She is now in a kind of comatose state and has been for about 2 years. When you see the reality of how this affects a family, and everyone on the Hill who knew Mora, it just really hits home.

This kind of event happens to thousands of Americans every year, and indeed, hundreds every day, and I think that we really have to do something in our country to end this horrendous tragedy which takes more lives than I think any war we have ever participated in.

So I really want to congratulate you, and certainly I think we will pass this unanimously.

Mr. **HANSEN**. Mr. Speaker, I appreciate the kind words of the gentlewoman from Ohio [Ms. Oakar] and the gentleman from New York [Mr. Gilman].

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 137

Whereas traffic accidents cause more violent deaths in the United States than any other cause, approximately forty-four thousand in 1984;

Whereas traffic accidents cause thousands of serious injuries in the United States each year;

Whereas more than 60 per centum of drivers killed in single vehicle collisions and 45 per centum of all drivers fatally injured in 1984 had blood alcohol concentrations above the legal limit;

Whereas the United States Surgeon General has reported that life expectancy has risen for every age group over the past seventy-five years except for Americans fifteen to twenty-four years old, whose death rate, the leading cause of which is drunk driving, is higher now than it was twenty years ago;

Whereas the total societal cost of drunk driving has been estimated at over $24,000,000,000 per year, which does not include the human suffering that can never be measured;

Whereas there are increasing reports of driving after drug use and accidents involving drivers who have used marijuana or other illegal drugs;

Whereas driving after the use of therapeutic drugs, either alone or in combination with alcohol, contrary to the advice of physician, pharmacist, or manufacturer, may create a safety hazard on the roads;

Whereas more research is needed on the effect of drugs either alone or in combination with alcohol, on driving ability and the incidence of traffic accidents;

Whereas an increased public awareness of the gravity of the problem of drugged driving may warn drug users to refrain from driving and may stimulate interest in increasing necessary research on the effect of drugs on driving ability and the incidence of traffic accidents;

Whereas the public, particularly through the work of citizens groups, is demanding a solution to the problem of drunk and drugged driving;

Whereas the Presidential Commission on Drunk Driving, appointed to heighten public awareness and stimulate the pursuit of solutions, provided vital recommendations for remedies for the problem of drunk driving;

Whereas most States have appointed task forces to examine existing drunk driving programs and make recommendations for a renewed, comprehensive approach, and in many cases their recommendations are leading to enactment of new laws, along with stricter enforcement;

Whereas the best defense against the drunk or drugged driver is the use of safety belts and greater safety belt usage would increase the number of survivors of traffic accidents;

Whereas an increase in the public awareness of the problem of drunk and drugged driving may contribute to a change in society's attitude toward the drunk or drugged driver and help to sustain current efforts to develop comprehensive solutions at the State and local levels;

Whereas the Christmas and New Year holiday period, with more drivers on the roads and an increased number of social functions, is a particularly appropriate time to focus national attention on this critical problem;

Whereas designation of "National Drunk and Drugged Driving Awareness Week" in each of the last three years stimulated many activities and programs by groups in both the private and public sectors aimed at curbing drunk and drugged driving in the high-risk Christmas and New Year holiday period and thereafter; and

Whereas the activities and programs during "National Drunk and Drugged Driving Awareness Week" have heightened the awareness of the American public to the danger of drunk and drugged driving: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of December 15, 1985, through December 21, 1985, is designated as "National Drunk and Drugged Driving Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ADULT DAY CARE CENTER WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 229), designating the week beginning September 22, 1985, as "National Adult Day Care Center Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from New York [Mr. Gilman].

Mr. GILMAN. Mr. Speaker, as my colleagues know, I have long been committed to improving the quality of life for all people, both in the United States and abroad. Today, I am pleased to be able to give my support to the recognition of a program that improves the quality of life for our elderly and their families. I am proud to cosponsor House Joint Resolution 229, a bill to designate the week of September 22, 1985, as "National Adult Day Care Center Week." I thank the gentleman from Michigan [Mr. Hertel], for bringing this legislation before the House.

Adult day care is an organized program of structured activities designed to maintain or improve the physical, mental, and emotional functioning of frail, dependent, or isolated persons. Adult day care is a cost-effective alternative that can prevent premature or inappropriate institutionalization, provide respite to caregivers, curtail health care costs, and enable individuals to maintain their independence.

Our Nation has been experiencing the aging of our population. With improved nutrition and medical technology, more people are living longer. The group of persons aged 60 and older is the largest growing segment of our population. With this "graying of America" has come the need to provide support for those no longer able to be totally independent.

At the same time, we seem to be overburdened with health care and service costs. It is important, therefore, that we find innovative and cost-effective ways to provide the services needed by the people of this great country, especially our elderly. Day care programs for adults may be one way to accomplish this.

Adult day care programs provide various activities and services in a social group setting. These may include exercise; health and mental health screening; assistance with improving skills needed to perform activities of daily living, including the provision of occupational and physical therapy; reality orientation; and discussion group exercises to maintain or improve communication skills and memory. Nutritious, well-balanced meals are also provided.

An important function of adult day care is to prevent or delay costly institutionalization and to maintain independence. Many of our elderly have been prematurely or inappropriately placed in an institutional, long-term care facility, such as a nursing home, simply because the individual and his or her family had no alternative. More than 25 percent of those in nursing homes do not need to be there. Adult day care programs enable individuals to maintain their independent living by providing a safe, professional environment for them to spend 6 to 10 hours during the day. Adult day care also provides an important respite for families who want to care for their elderly relatives, but are hesitant to leave them alone during the day. A structured, supportive day program enables families to care for their elderly relatives at home while relieving the time and financial burden that home or institutional care places on family members. Many centers also offer support groups and other programs for the caregivers of the elderly. Day care is a welcome alternative to institutionalization for many individuals and their families.

According to the National Institute on Adult Day Care [NIAD], many activities will be held during "National Adult Day Care Center Week." The approximately 1,000 adult day care centers nationwide will be providing educational programs and holding open houses and ceremonies to increase the public's awareness about adult day care. Additionally, several new adult day care centers will be opening during the week of September 22.

I am proud to be able to say that one of the centers scheduled to open during "National Adult Day Care Center Week" is located in my 22d Congressional District of New York, which I am proud to represent. Homemaker Service of Orange County, Inc., a nonprofit organization, is scheduled to open its adult day care center in Middletown, NY, during the week of September 22. This program is an innovative combination of public and private resources working together to provide a needed service in a cost-effective manner, providing a savings to both the individuals and to the public. This program was initially funded through a grant by the Orange County Office for the Aging, and is now funded by a grant from the city of Middletown's Community Development Block Grant Program as well as through private sources. I am proud of the cooperative efforts made by the private and public sectors in my district and look forward to joining in the events marking "National Adult Day Care Center Week."

The theme selected by the National Institute on Adult Day Care is "adult day care: Rising to the Challenge." I encourage my colleagues to join in actively supporting "National Adult Day Care Center Week," to assist Adult Day Care programs to indeed be able to "Rise to the Challenge" of informing the public about this alternative long-term care program and improving the quality of life for all of our senior citizens.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 229

Whereas there are 1000 adult day care centers nationwide providing a safe and positive environment to partially disabled adults and senior citizens in need of daytime assistance and supervision;

Whereas adult day care centers provide necessary health maintenance functions and medical care, including medication monitoring, therapies, and health education, and are operated by professional staffs who identify the need for additional health services and make appropriate referrals;

Whereas adult day care centers provide opportunities for social interaction to otherwise isolated individuals and assist them in attaining and maintaining a maximum level of independence; and

Whereas these centers offer relief to families who otherwise must care for disabled elderly persons on a twenty-four-hour-per-day basis: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 22, 1985, is designated "National Adult Day Care Center Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SENSE OF CONGRESS COMMENDING MEDICARE ON ITS 20TH ANNIVERSARY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 9) expressing the sense of the Congress that Medicare be commended on its 20th anniversary for the program's success in protecting older Americans against the high cost of health care, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from New York [Mr. Gilman].

Mr. GILMAN. Mr. Speaker, I rise in strong support of Senate Concurrent Resolution 9, recognizing the 20th anniversary of the Medicare Program. As a cosponsor of this measure, I commend the gentleman from Florida, the distinguished chairman of the Select Committee on Aging, Mr. Pepper, for introducing the House companion bill, House Concurrent Resolution 88. I urge my colleagues to join in supporting this measure which demonstrates our firm commitment to maintaining the integrity of the Medicare Program.

Since the inception of the Medicare Program 20 years ago, countless individuals—the infirmed, the elderly, and the disabled, have enjoyed protection under this program. Indeed, over 28 million older persons and 3 million disabled individuals make Medicare the single largest personal health care financing program in the United States. Hundreds of thousands of physicians and more than 20,000 hospitals, nursing homes, home health agencies, labs, and clinics participate in the Medicare Program.

In more recent years the Medicare Program has had to respond to both the growing elderly population in this country and to the rising health care costs. Congress has been able to address in part, the changing face of health care in this Nation by increasing Medicare benefits to include hospice and health maintenance organization [HMO's] services. Our task is, however, by no means finished. Throughout this Congress, as we continue in the fiscal year 1986 budget process, and as we attempt to enact significant deficit reduction measures, we must make the continued solvency of the Medicare Program our top priority. I believe that efforts to control escalating health care costs while improving the delivery of health care, is one of the most difficult and pressing dilemmas facing this Congress. By adopting this resolution we will be recognizing the enormous success of this program while reaffirming our commitment to the elderly and the disabled to protect their continued access to quality health care.

Accordingly, I urge my colleagues to commemorate the 20th anniversary of the Medicare Program by adopting Senate Concurrent Resolution 9.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 9

Whereas Congress authorized Medicare in 1965 under title XVIII of the Social Security Act to consist of hospital insurance and supplemental medical insurance;

Whereas Medicare has contributed immeasurably to the security, improved health and extended longevity of older Americans;

Whereas Medicare provides health insurance coverage to thirty-one million aged and disabled persons, and is the largest personal health care financing program in the United States;

Whereas over half of all physicians serve Medicare patients, and over twenty thousand organizations—hospitals, nursing homes, home health agencies, labs, and clinics participate in Medicare;

Whereas Medicare is one of the most vitally important and successful programs in the history of the United States, without which many older Americans could not afford basic health care; and

Whereas one of the greatest social issues facing our Nation today is maintaining the integrity of Medicare to ensure the health and well-being of all older Americans: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Medicare be commended on its twentieth anniversary for the program's success in helping to protect older Americans against the high cost of health care.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

RECOGNIZING 50TH ANNIVERSARY OF RURAL ELECTRIFICATION PROGRAM

Mr. de la GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of the resolution (H. Res. 144), recognizing the 50th anniversary of the Rural Electrification Program, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the resolution, as follows:

H. Res. 144

Whereas in 1935, most of rural America did not have electric lighting—nine out of ten farms were without central station electricity;

Whereas fifty years ago, on May 11, 1935, President Franklin D. Roosevelt created the Rural Electrification Administration (REA) by signing Executive Order 7037;

Whereas since 1936, Congress has passed and the President has signed legislation strengthening the role of the Rural Electrification Administration in assisting rural electric systems to ease the burdens of farm labor and meet the power needs of America's farmers, ranchers, and rural residents;

Whereas today, rural United States has electric power, nearly one thousand membership-owned rural electric systems provide service to about twenty-five million people in forty-six States, Puerto Rico, and the Virgin Islands;

Whereas Rural Electrification Administration borrowers have established a record of responsibility in meeting their repayment obligations unmatched in any other Federal program of financial assistance;

Whereas since 1961 Rural Electrification Administration borrowers have helped establish and expand more than twenty thousand commercial and industrial enterprises and community facilities that have created nearly one million new jobs; and

Whereas the Rural Electrification Administration, its borrowers, and rural people have formed a partnership that has brought electric power to those who live off the main roads and outside of the cities, thereby permitting them more fully to contribute to and share in the American dream: Now, therefore, be it

Resolved, That it is the Sense of the House of Representatives that—

(1) the Rural Electrification Program must continue to provide financing and technical assistance at reasonable cost to ensure that the modern living standards of rural Americans and the quality of their communities are preserved through access to reliable and competitively priced electricity;

(2) the fiftieth anniversary of the creation of the Rural Electrification Administration and the Rural Electrification Program should be recognized; and

(3) the people of the United States and Federal and State governmental agencies are encouraged to commemorate, on the occasion of the fiftieth anniversary of the Rural Electrification Administration, the past accomplishments and continuing

achievements of America's Rural Electrification Program with appropriate ceremonies and activities paying tribute to the thousands of rural electrification leaders throughout the Nation, who, in partnership with their Government, have made the United States Rural Electrification Program the symbol of hope and a model of excellence for other nations throughout the world.

● Mr. de la GARZA. Mr. Speaker, I rise in support of House Resolution 144, recognizing the 50th anniversary year of the Rural Electrification Program. This resolution, which I introduced with the Honorable Edward R. Madigan, ranking minority member of the Committee on Agriculture, has the support of 147 cosponsors. The resolution, as amended, was unanimously approved by the Committee on Agriculture on July 30, 1985.

The amendment in the nature of a substitute that I offer was adopted unanimously by the Committee on Agriculture. It differs from the resolution as originally introduced only to reflect the fact that the 50th anniversary date of the Rural Electrification Program has already passed—it was observed on May 11, 1985. This amendment does not alter the meaning nor the intent of the original resolution.

It was 50 years ago that President Franklin D. Roosevelt signed an Executive order creating the Rural Electrification Administration. In those 50 years, the REA has worked with rural residents across the United States to better the quality of life of farm families and other rural residents through its Rural Electrification Program.

The Rural Electrification Program has an impressive record of accomplishments over the past 50 years. By working cooperatively with the REA, rural residents have built nearly 1,000 member-owned rural electric systems that provide electric power to about 25 million people in 46 States, the Commonwealth of Puerto Rico, and the Virgin Islands. In the process, the REA has created nearly 1 million jobs, and improved the living standards of millions of rural Americans.

As important as the past accomplishments of the Rural Electrification Program, however, is the work ahead. Low commodity prices, high real interest rates, plummeting land values, heavy debt loads, and declining export markets have brought serious economic problems to farm families and small towns across rural America. Reasonably priced electric power is an important farm input. The Rural Electrification Program can continue to make electricity available to the American farmer at a reasonable cost, through the Nation's rural electric cooperatives.

House Resolution 144 expresses the sense of the House of Representatives that the Rural Electrification Program must continue to provide reasonably priced financing and technical assistance for rural electric systems that serve rural residents. I urge my colleagues to join me in commending the Rural Electrification Program for 50 years of service to rural America, and in expressing our support for the program's continued success.●

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DE LA GARZA

Mr. de la GARZA. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. de la Garza: Strike out the text of the preamble and the resolution and insert in lieu thereof the following:

Whereas in 1935, most of rural United States did not have electric lighting, and nine out of ten farms were without central station electricity;

Whereas fifty years ago, on May 11, 1935, President Franklin D. Roosevelt created the Rural Electrification Administration by signing Executive Order 7037;

Whereas since 1936, Congress has passed and the President has signed legislation strengthening the role of the Rural Electrification Administration in assisting rural electric systems to ease the burdens of farm labor and meet the power needs of the Nation's farmers, ranchers, and rural residents;

Whereas today, rural United States has electric power, and nearly one thousand membership-owned rural electric systems provide service to about twenty-five million people in forty-six States, the Commonwealth of Puerto Rico, and the Virgin Islands;

Whereas Rural Electrification Administration borrowers have established a record of responsibility in meeting their repayment obligations unmatched in any other Federal program of financial assistance;

Whereas since 1961, Rural Electrification Administration borrowers have helped establish and expand more than twenty thousand commercial and industrial enterprises and community facilities in rural areas that have created nearly one million new jobs; and

Whereas the Rural Electrification Administration, its borrowers, and rural people have formed a partnership that has brought electric power to those who live off the main roads and outside of the cities, thereby permitting them more fully to contribute to and share in the American dream: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the rural electrification program must continue to provide financing and technical assistance at reasonable cost to ensure that the modern living standards of rural Americans and the quality of their communities are preserved through access to reliable and competitively priced electricity;

(2) the fiftieth anniversary year of the creation of the Rural Electrification Administration and the rural electrification program should be recognized; and

(3) the people of the United States and Federal and State governmental agencies are encouraged to commemorate the fiftieth anniversary year of the Rural Electrification Administration and the past accomplishments and continuing achievements of the Nation's rural electrification program with appropriate ceremonies and activities paying tribute to the thousands of rural electrification leaders throughout the Nation, who, in partnership with their Government, have made the United States rural electrification program the symbol of hope and a model of excellence for other nations throughout the world.

Mr. de la GARZA (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. de la Garza].

The amendment in the nature of a substitute was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2372, RAILROAD SAFETY IMPROVEMENT ACT OF 1985

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 99-243), on the resolution (H. Res. 250) providing for the consideration of the bill (H.R. 2372) authorizing appropriations for carrying out the Federal Railroad Safety Act of 1970, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1460, ANTI-APARTHEID ACT OF 1985

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 99-244) on the resolution (H. Res. 251) waiving certain points of order against the conference report on the bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes, which was referred to the House Calendar and ordered to be printed.

☐ 1230

NATIONAL FAMILY WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 31) to designate the week of November 24 through November 30, 1985, as "National Family Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection I yield to the gentleman from Indiana [Mr. Myers].

Mr. MYERS of Indiana. I thank the gentleman for yielding.

Mr. Speaker and colleagues, I thank the chairman and the ranking Member for bringing this issue up.

Back in 1970, a constituent of mine who was a schoolteacher, and still is a schoolteacher but not a constituent any longer, brought the idea of observing National Family Week to me. I introduced it in that year, and I have been introducing it every year since 1970. In fact, this year it is the only observation that I have introduced or cosponsored.

The purpose of the National Family Week is simple: It sets aside a specific time during the year to pay homage to the one institution which has given so much meaning to human life and provided a stable structure to our society. It recognizes the importance of the family as the foundation of American life and the fundamental role the family has played in securing those values upon which our Nation was founded.

Today, more than ever, recognition of the American family is important.

Mr. Speaker, I regret that we cannot make this permanent legislation because of an agreement that the committee has to not consider these for payment status. Since 1972 the President has proclaimed the week including Thanksgiving, which is most appropriate, in my judgment, as National Family Week as a tribute to the American family.

Mr. Speaker, I urge my colleagues to support this legislation which is most appropriate.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 31

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the week of November 24, 1985, through November 30, 1985, as "National Family Week", and inviting the Governors of the several States, the chief officials of local governments, and the people of the United States to observe such week with appropriate ceremonies and activities.

AMENDMENT OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Garcia: Amend line 5 by inserting after "November 30, 1985," "and the week of November 23, 1986, through November 29, 1986,".

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. Garcia].

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. Garcia: Amend title so as to read: "Joint resolution to designate the week of November 24 through November 30, 1985, and the week of November 23 through November 29, 1986, as 'National Family Week'."

The title amendment was agreed to.

A motion to reconsider was laid on the table.

NATIONAL NEIGHBORHOOD CRIME WATCH DAY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 168) designating August 13, 1985, as "National Neighborhood Crime Watch Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. Res. 168

Whereas neighborhood crime is of continuing concern to the American people;

Whereas the fight against neighborhood crime requires people to work together in cooperation with law enforcement officials;

Whereas neighborhood crime watch organizations are effective at promoting awareness about, and the participation of volunteers in, crime prevention activities at the local level; and

Whereas citizens across America will soon take part in a "National Night Out", a unique crime prevention event which will demonstrate the importance and effectiveness of community participation in crime prevention efforts by having people spend the period from 8 to 9 o'clock postmeridian on August 13, 1985, with their neighbors in front of their homes: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 13, 1985, is designated as "National Neighborhood Crime Watch Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities.

Mr. COUGHLIN. Mr. Speaker, I rise in strong support of Senate Joint Resolution 168 designating August 13, 1985 as "National Neighborhood Crime Watch Day." It is the Senate companion to House Joint Resolution 312 which I introduced earlier this year.

I am pleased that the Congress, by enacting this joint resolution, will be recognizing both the effectiveness and the growth of local crime watch organizations throughout the Nation.

The National Association of Town Watch is a national organization whose purpose is to promote and assist local crime prevention groups which work in cooperation with law enforcement officials. The National Association of Town Watch is sponsoring "National Night Out" on August 13, 1985, when neighbors are urged to spend the hour of 8–9 p.m. on their lawns, porches, and steps in front of their homes as a demonstration of community support for volunteer efforts to reduce crime in their neighborhoods. It is based on the idea that neighbors looking out for one another where they live and work is the most effective form of crime prevention.

A similar event last year successfully highlighted the efforts of local crime prevention programs, generated support for crime watch activities, and signaled to criminals that neighborhoods are pulling together to fight crime.

I urge that the resolution be passed.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOCIAL SECURITY DAY AND SOCIAL SECURITY WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 300) designating August 14, 1985, as "Social Security Day," and the week of August 11, 1985, through August 17, 1985, as "Social Security Week", and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection, I yield to my good friend, the gentleman from Texas [Mr. Bustamante].

Mr. BUSTAMANTE. Mr. Speaker, I thank the gentleman from Utah for yielding.

Mr. Speaker, I rise to urge passage of House Joint Resolution 300, which declares August 14, 1985 as "Social Security Day" and the week of August 11-17, 1985, as "Social Security Week." I thank the gentleman from New York [Mr. Garcia] and the gentleman from Utah [Mr. Hansen] for their support on this resolution.

On August 14, 1935, President Franklin Delano Roosevelt signed the Social Security Act into law. Fifty years later, Social Security is a vital system. In 1984 at least 36 million people received benefits under the Social Security Act. At the same time, more than 116 million workers continue to contribute over $200 billion annually to the Social Security trust funds.

Social Security is the most significant legislative and social achievement of the 20th century. Each time we use our Social Security number, we are reminded of how much Social Security has become a part of our lives.

House Joint Resolution 300 has received the endorsement of the National Gray Panthers, the National Association of Area Agencies on Aging and the National Association of State Units on Aging. These organizations and others across the country are planning their own programs for the August 14 anniversary. The Social Security Administration has also scheduled a week-long program of activities. Furthermore, the governors of a dozen States, including my State of Texas, have issued proclamations declaring August 11-17 as "Social Security Week."

A congressional resolution will enhance this anniversary celebration. I thank my colleagues for their support, and I hope this golden anniversary will be a memorable occasion.

Mr. HANSEN. Mr. Speaker, under my reservation of objection, I yield to the gentleman from Pennsylvania [Mr. Coughlin].

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 300

Whereas the original Social Security Act, which was signed into law by President Franklin Delano Roosevelt on August 14, 1935, represents the most significant social and legislative achievement of the 20th century;

Whereas, in the words of President Roosevelt, the Social Security Act represents the cornerstone of the Nation's commitment "to protect Americans from the hazards and vicissitudes of life";

Whereas basic income security under the Social Security Act has been provided to the elderly since 1935, to their survivors and dependents since 1939, and to disabled workers since 1956, and has included medical insurance coverage of the elderly and the disabled since 1965;

Whereas, in 1984, at least 36,000,000 people received benefits under the Social Security Act;

Whereas more than 116,000,000 workers jointly contributed over $200,000,000,000 annually to the Social Security Trust Funds;

Whereas, before the enactment of the Social Security Act, two-thirds of our Nation's elderly Americans had no means of support, except that which could be obtained from their friends, families, and private charities; and

Whereas, because of the protections of the Social Security Act more than 85 percent of elderly Americans have incomes above the poverty line and 14,000,000 other Americans who would otherwise have incomes below the poverty line have incomes above it: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) August 14, 1985, is designated as "Social Security Day", and the week of August 11, 1985, through August 17, 1985, is designated as "Social Security Week".

(b) The President is authorized and requested to issue a proclamation—

(1) commemorating August 14, 1985, as the 50th anniversary of the signing into law of the Social Security Act; and

(2) calling upon the people of the United States to observe the week of August 11, 1985, through August 17, 1985, with appropriate, ceremonies, and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 300, just passed, as well as on the commemorative legislation passed today, including House Resolution 144.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CONFERENCE REPORT ON H.R. 2068, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1986 AND 1987

Mr. MICA. Mr. Speaker, pursuant to the order of the House of Thursday, July 25, 1985, I call up the conference report on the bill (H.R. 2068) to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes, and ask unanimous consent that the statement of managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 30, 1985, at page H6812.)

Mr. MICA (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. Mica] will be recognized for 30 minutes and the gentlewoman from Maine [Ms. Snowe] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. Mica].

Mr. MICA. Today we bring to the floor the conference report on the Foreign Relations Authorization Act, known in this body as the State Department authorization. It has within it security for U.S. embassies and our personnel abroad, U.S. Information Agency, the Board for International Broadcasting, and other foreign affairs activities.

Mr. Speaker, I would like my colleages to know that, of course, we passed a freeze on this legislation when it moved through this body some months ago. I think they would be proud to know that not only has that freeze been maintained in this conference report, but we are $200 million, over a 2-year period, below that freeze figure.

I think we still carry out the vital functions of the State Department and related agencies and activities.

Some of the major provisions in the bill include diplomatic security, of course, some legislative initiatives regarding secure actions on fraud, visa, passport, and the like, and trying to strengthen our efforts to combat illegal and illicit drugs.

Mr. Speaker, we have a number of other items in the bill, but suffice it to say this: We have worked out some 95, I believe it was over 100 amendments

in contention, have come up to an agreement that I think all sides have come to approve.

The other body has already approved this legislation. I would like to commend the other body and its chairman for the diligent work they have done on this legislation, and the staff, to take 100 amendments in contention and work it out with as little trouble was really quite a feat in that time.

□ 1240

Also, I would like to commend my ranking minority member, Ms. Snowe, for the work that she has done; the Foreign Affairs Committee staff for the fine job they have done; in particular the leadership of our chairman, Congressman Fascell of Florida, the tremendous job he has done.

I think this is the smoothest and the best approach we have seen in a number of years on this legislation, and I am very proud to present it to the House in this fashion.

Mr. Speaker, today we bring to the floor the conference report on the Foreign Relations Authorization Act which provides funding authority for the Department of State, security for the U.S. embassies and personnel abroad, the U.S. Information Agency, the Board for International Broadcasting, and other related foreign affairs activities.

The conference substitute is approximately $200 million under the House-passed freeze level for fiscal years 1986 and 1987.

Some of the major provisions of the bill include:

Greater funding of security to our diplomats;

New legislative authorities to strengthen counter-espionage efforts;

Further strengthening of efforts to combat illicit drugs;

Funding to speed modernization of broadcasting facilities of the Voice of America and Radio Free Europe/Radio Liberty;

New authority for a scholarship program for undergraduate students from developing countries designed to counter Soviet efforts particularly in the Western Hemisphere; and

New arms control initiatives, including a 2-year authorization for the arms control and disarmament agency.

I want to commend the chairman of the Foreign Relations Committee in the other body and his staff for their exhaustive efforts and their spirit of cooperation. I would also like to thank our House Foreign Affairs staff for their efforts over the last few weeks, and I would particularly like to thank the gentleman from Florida, the chairman of the full committee, Mr. Fascell, for his guidance in managing this bill.

Mr. Speaker, I will not belabor the discussion, but urge my colleagues to support the conference report.

Several technical problems have been discovered in the conference report since it was filed last night.

Although section 113 reflects a change in the date by which the UNHCR is directed to comply with the section's specified audit, that new date is not reflected in the managers' statement. It was also the intent of the managers that the conference report language specify that the term "independent consultancy" as used in the bill, means a recognized, management consulting firm which is independent from the United Nations.

The conference report also indicates that the House provision establishing a commission in the Department of State to investigate Soviet and international Communist behavior has been accepted by the conference committee. Instead, it is the understanding of the conference committee that State Department's Bureau of Intelligence and Research will perform the study.

In section 812, entitled "Japan-United States Security Relationship," the word "should" in subsection 812(c) was intended to read as "shall."

In addition, in section 813(b) of the bill entitled, "Diplomatic Equivalence and Reciprocity," the reporting requirement is stated as a "sense of the Congress." The committee of conference intended that the Secretary of State and the Attorney General shall prepare a report for the Congress pursuant to section 813, and that the sense of the Congress phrase be deleted.

Section 150(c) was intended to provide that the nomination, appointment, and initiation of the new Office of Inspector General would be accomplished, or substantial progress made on or before 6 months after the date of enactment of this act. This would coincide with the report requirement in subsection (c). It is recognized that, during this period of time, the Department would continue to perform inspection functions under existing law, that is under section 209 of the Foreign Service Act.

After negotiations of the managers on a provision entitled, "Employees of the United Nations," dealing with the extent to which international civil servants employed by the United Nations are required to return all or part of their salaries to their respective governments, an error was made in recording the agreement on subsection (c). Section 151(c) of the legislation should now read: (c) reduction in contribution if substantial progress not made.—If the Secretary of State determines pursuant to subsection (b) that substantial progress has not been made in correcting this practice, the United States shall thereafter reduce the amount of its annual assessed contribution to the United Nations by the amount of that contribution which is the U.S. proportionate share of the salaries of those international civil servants employed by the United Nations who are returning any portion of their salaries to their respective governments.

I would also note that the conferees share in the concern over the worsening U.S. trade deficit, particularly the imbalance in trade between the United States and Japan. We do not want this problem exacerbated in the area of air-freight services. We believe that the viability of U.S.-flag-carrier freighter services is essential to the development of U.S. exports and to our national defense through the Civil Reserve Air Fleet Program.

In particular, the conferees are aware that the Japanese recently received valuable additional air-freight rights in the course of bilateral negotiations. The conferees request that no further expansion of Japanese access to U.S. air-freight markets occurs during the period covered by this authorization in order to enable the U.S. Government to state a clearly defined policy on international air-freight service. That policy statement shall encompass the already established congressionally mandated goals for U.S. air-freight service and shall be formulated jointly and submitted to the appropriate committees of Congress by the Departments of State, Commerce and Transportation, and the U.S. Trade Representative.

The conference report as printed in the Congressional Record also contains a sentence on page H6837 relating to employees of the United Nations which reads as follows: "The conference substitute does not make mandatory a reduction in the U.S. contribution to the United Nations." It was the intent of the managers that this sentence be deleted from the conference report.

Mr. HAWKINS. Will the gentleman yield?

Mr. MICA. I yield to the gentleman.

Mr. HAWKINS. Mr. Speaker, I would like to ask the gentleman from Florida some questions of clarification.

It is my understanding that language under sections 112 and 118 of the conference agreement will permit the Secretary of State the descretion to make determinations respecting the applicability of section 2(f) of the State Department Basic Authorities Act and any other law administered by the Secretary of State to individuals employed by contract to perform personal services abroad.

The Committee on Education and Labor is concerned that the language "any other law administered by the Secretary" could be construed to grant the Secretary of State authority to decide questions of eligibility of such individuals for medical and disability benefits under the Federal Employees Compensation Act [FECA].

Is it your understanding that the authority to decide such questions is exclusively that of the Secretary of Labor?

Mr. MICA. The distinguished Chairman is absolutely correct. We have discussed that, and the answer is yes.

Mr. HAWKINS. If the gentleman will yield further, is it also your understanding that in no way can the language in sections 112 and 118 of the conference report be construed to affect the Secretary of Labor's existing authority under FECA to determine questions involving an individual's employment relationship with the U.S. Government?

Mr. MICA. The Chairman is correct, yes.

Mr. HAWKINS. Can we, therefore, conclude that the language as expressed in the conference agreement is consistent with the position of the House?

Mr. MICA. Yes, Mr. Chairman.

Mr. HAWKINS. Can we also conclude that the conference agreement is consistent with the recommendations contained in Secretary Brock's letter of July 29, 1985, to the chairman, Mr. Fascell, and the ranking Republican member, Mr. Broomfield?

Mr. MICA. Yes, Mr. Chairman; that is also correct. That is with respect to the provisions in the FECA.

Mr. HAWKINS. Mr. Speaker, I would ask that that letter be included in the Record. It is my understanding that a letter from the Secretary of State regarding this matter is en route and is consistent with the language of the conference agreement.

Mr. MICA. Yes; that is also my understanding.

Mr. HAWKINS. I would ask that this letter also be included in the Record upon its arrival. I thank the gentleman for this clarification.

The letters follow:

U.S. Department of Labor,
Secretary of Labor,
Washington, DC, July 29, 1985.

Hon. Dante B. Fascell,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

Dear Mr. Chairman: This is to request that the House conferees agree to an amendment on H.R. 2068, a bill to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the United States Information Agency and the Board of International Broadcasting, and for other purposes. The amendment would be consistent with what we believe to be the intent of the House in adopting two provisions concerning the availability of Federal workers' compensation benefits for persons hired pursuant to personal service contracts under authority created by this legislation. By separate letter we are requesting that the Senate conferees recede to the House with the same amendment.

This action by the conferees is necessary in order to prevent the bill from establishing an unfortunate precedent for coverage under the Federal Employees' Compensation Act (FECA). FECA provides workers' compensation benefits to Federal employees and persons who are deemed to have an employment-type-relationship with the Federal Government. Sections 110 and 115(b)(3) of the Senate substitute, however, would go beyond this current FECA approach by explicitly providing benefits for individuals who have no employment-type relationship with the Federal Government. Specifically, the Senate substitute would make FECA benefits available to independent contractors who have entered into business relationships with U.S. missions abroad whenever any such contractor is injured on the job. This would not only be contrary to the intent of the FECA, but also open the door to extention of the program to cover other independent contractors, both within the U.S. and abroad.

The House bill contains language that was intended to solve this problem. Even though we believe that the intent of the House is clear, the text of the House provisions seems to indicate that those hired under contract authority are not Federal employees for any purpose, including FECA, regardless of the nature of their actual employment relationship with the Federal Government under traditional legal concepts. Accordingly, we recommend that the conferees accede to the position of the House in this matter, but accept an amendment of the House provisions to help ensure that the intent of the House is properly effectuated.

A copy of appropriate amendments is enclosed. The amendments would use language first suggested by the Administration in S. 659. The language is identical to that used in connection with personal service contract authority in the Foreign Assistance Act (22 U.S.C. 2396(a)(3)). The amendments state that personnel hired under the personal service contracts in question are not Federal employees with respect to laws administered by the Office of Personnel Management. By not specifying the status of these personnel under FECA, which is adminstered by the Department of Labor, it allows this Department to determine—as it has for many years in similar situations—whether an individual has the necessary employment relationship with the Federal Government to establish FECA coverage.

The amendments would also affect the application of the provisions in question to the Federal Tort Claims Act (FTCA). Both the House bill and Senate substitute deal with FTCA coverage in connection with the personal service contracts involved in the same manner as they deal with FECA coverage. Our proposed amendments would, as with FECA, allow case-by-case determinations of employment status for FTCA purposes.

Thank you for your attention to this matter.

The Office of Management and Budget advises that it has no objection to the submission of this letter to the Congress.

Very truly yours,

William E. Brock.

U.S. Department of Labor,
Secretary of Labor,
Washington, DC, July 29, 1985.

Hon. William S. Broomfield,
Ranking Minority Member, Committee on Foreign Affairs, House of Representatives, Washington, DC.

Dear Bill: This is to request that the House conferees agree to an amendment on H.R. 2068, a bill to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the United States Information Agency and the Board of International Broadcasting, and for other purposes. The amendment would be consistent with what we believe to be the intent of the House in adopting two provisions concerning the availability of Federal workers' compensation benefits for persons hired pursuant to personal service contracts under authority created by this legislation. By separate letter we are requesting that the Senate conferees recede to the House with the same amendment.

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Thank you for your attention to this matter.

The Office of Management and Budget advises that it has no objection to the submission of this letter to the Congress.

Very truly yours,

William E. Brock.

U.S. Department of State,
Washington, DC, August 7, 1985.

Hon. Augustus Hawkins,
Chairman, Committee on Education and Labor, House of Representatives.

Dear Mr. Chairman: In connection with the pending enactment of H.R. 2068, the State Department authorization bill for FY 86-87, I would like to clarify our understanding as to the intent and effect of sections 112 and 118 of the bill.

Sections 112 and 118 concern the overseas contracting authority of the Secretary of State. It is the position of the Administration—and we understand that this position is consistent with that of the managers of the bill for the House of Representatives and the Senate—that neither sections 112 or 118 contained in the Conference Report may be construed so as to affect the Secretary of Labor's existing authority under the Federal Employees Compensation Act to determine questions involving the employment relationship of any individual with the United States Government and the application of any benefits under that act to any such individual. It is further understood by the Administration that the terms "any other law administered by the Secretary (of State)" may not be construed, and is not intended to grant the Secretary of State any authority to decide questions of eligibility of such individuals for medical and disability benefits under the Federal Employees Compensation Act.

In addition, the Department of State is in full accord with Secretary Brock's letter of July 29, 1985 on the same subject with respect to the Federal Employees Compensation Act.

I would appreciate it if you could make this letter a matter of record in connection with the enactment of this measure.

With best wishes,

Sincerely,

William L. Ball III,
Assistant Secretary
Legislative and Intergovernmental Affairs.

Mr. MICA. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. Fascell].

Mr. FASCELL. Mr. Speaker, I want to commend the gentleman from Florida, the chairman of the Subcommittee on International Operations, the gentlewoman from Maine, the ranking minority member, and the other members of the subcommittee, all of whom were conferees, for the outstanding job they did in handling this complex legislation so adroitly, first in the House and then in conference.

Agreement on this major legislation where there were more than 90 differences between the House and Senate versions is another strong indication of congressional determination to work in a bipartisan manner to assure that the views of Congress are taken into account in the shaping of our national security policies.

Increasingly America's security and our economic welfare are linked to events around the globe. We have no choice other than full involvement in world affairs. To be successful the United States must maintain a strong, first-rate diplomatic establishment just as we sustain a strong military.

Congressman Dan Mica, chairman of our International Operations Subcommittee, and his colleagues on the subcommittee have done an outstanding job in crafting legislation which will assure that the President has the kind of foreign policy instruments needed to protect and promote American interests abroad. I also want to commend my counterpart, Senator Richard Lugar, for the vigorous leadership he has displayed in assuring that both this bill and the foreign aid bill will soon be law.

I would like to take this opportunity to commend the Senate and the House, and in particular the two subcommittee chairmen, the distinguished gentleman from Washington [Mr. Bonker], and the distinguished gentleman from Florida [Mr. Mica], as well as the gentlewoman from Maine [Ms. Snowe], for their successful effort to establish in this legislation a clear statutory basis for international telecommunications satellite policy. This provision assures that, as the international telecommunications networks enters upon a newly competitive era, the United States will firmly support policies that assure the continued viability of Intelsat. Intelsat has served well U.S. national and foreign policy interests since it was created by the Communications Satellite Act of 1962, and this provision will assure that it will continue to be able to do so.

Finally, I would like to thank the members of the full committee staff and the staff of the International Operations Subcommittee for the excellent job they did in assisting us with this very important legislation.

Mr. MICA. Mr. Speaker, I reserve the balance of my time.

Ms. SNOWE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join with my colleague from Florida in urging the House to adopt the conference report for the State Department authorization, and I want to take this opportunity to commend him for his excellent leadership on this legislation. He has managed this legislation in a fair, efficient manner during the entire process, from subcommittee hearings through the resolution of over 90 differences in conference. I also would note for the Members of the House the speed with which this legislation has moved through the legislative process. This authorization, along with the foreign aid bill, are the first major authorizations to be passed in final form. I think all the members of the full Foreign Affairs Committee, particularly our chairman and ranking Republican, deserve considerable credit for the work they have done.

I would also like to thank my colleagues on the International Operations Subcommittee for their valuable contribution. Each of the members played an important role in the development of this authorization, and it was because of their efforts that we have before the House legislation that should receive your strong support. And I should not go on without also praising the efforts of our staff. Their work over the past 2 weeks is responsible for what was certainly the most cooperative and productive conference I have ever experienced.

At every stage of this bill's progress through the House, those involved have worked together in a genuine spirit of cooperation and compromise. I am pleased to say that that process continued during conference. The conference report we have before us now represents a fair compromise with the other body, contains a number of important new initiatives, and comes in below a freeze from last years appropriations,

Unlike the foreign aid bill, the issues contained in the State Department authorization do not create headlines. But while the foreign aid bill is Congress' strategic input into U.S. foreign policy, the State Department authorization deals with the tactical nuts and bolts of foreign policy. Through the State Department authorization, Congress has great influence on the structure and direction of U.S. foreign policy. This bill authorizes appropriations, and establishes policies for a wide array of bodies, such as the State Department, the U.S. Information Agency, the Board for International Broadcasting, and a range of international organizations.

Expenses and fiscal constraints have been constantly in our minds as we have worked to fashion this bill. The conference report is $70 million below fiscal year 1985's appropriated level. We achieved these reductions even while maintaining the important modernization programs of Voice of America, Radio Free Europe, and Radio Liberty.

The heart of the bill, of course, is authorization for the basic functions of the Department of State. Although the State Department is the smallest of the Federal departments, it is involved in many vital areas not usually thought of as core State Department activities. Such efforts range from international drug control, to combating terrorism, to control over the export of sensitive technology.

Many of the new initiatives contained in the bill were requested by the administration, but the legislation before us is very much an expression of congressional will. Probably the most significant new initiative in the bill is the first congressional action on the Inman panel report on overseas security, on which my colleague on the International Operations Subcommittee—the gentleman from Florida—served so ably. The improvements contained in this bill for security measures at the Department of State and U.S. missions abroad, is a reflection of the Inman panel's call for a new security ethic at the Department of State. But while the increased profile for embassy security in the bill is significant, the task before us is far more vast than can be fully addressed in this legislation. I can assure the Members of the House that we will continue working to implement the full scope of the Inman panel recommendations, so that U.S. missions abroad will cease to be easy targets for terrorist threats.

I would like to draw special attention to several other provisions relating to the State Department. During subcommittee hearings, the State Department requested that its permanent authority to provide funding for United Nations and Middle Eastern peacekeeping forces be abandoned. I, and other members of the Subcommittee, felt that such an action would move in the wrong direction. We believed that it would be more productive to bring Congress earlier into peacekeeping decisions by requiring yearly authorization for the appropriation of funds for U.N. peacekeeping forces. I am pleased that this provision was retained in the conference report.

This bill also addresses the thorny issue of reform in the U.N. budget process. For the first time, both bodies passed provisions dealing with needed financial reform in the United Nations, and the final legislation before us would give the President leverage to encourage real reform at the United Nations. Agreement was reached that if the United Nations has not instituted weighted voting on budget matters after two more General Assemblies, the United States would cut back its contribution to no more than 20 percent of the U.N. budget. Presently, the United States is assessed 25 percent of the U.N. budget, but we have one lone vote on deciding how much money the United Nations should spend, and how our money should be used. Let me assure my colleagues that this provision will carry out the intent of Congress.

The automatic majority of votes on spending proposals from countries that provide negligible funding, is a direct cause of the U.N.'s fiscal irresponsibility. Thanks to the efforts of my colleague from New York [Mr. Solomon], who offered the House provision on the United Nations, we are all aware of the excessive salaries and pensions of U.N. employees. What may not be as well known, is the number of needless projects and programs that get underway because of the current voting practices at the United Nations.

For instance, in the midst of the severe and tragic famine in Ethiopia, the United Nations decided to build a new multimillion-dollar conference center in Addis Ababa, the capital of Ethiopia. Of course, the United States is still expected to pay a quarter of the costs.

The provision in the conference report, however, should not be construed as anti-United Nations. This is made clear in the statement of managers, and in fact the bill authorizes a full U.S. contribution to the United Nations for the next 2 years in anticipation that progress will be made. There is a growing consensus on both sides of the aisle, in both bodies, and in the United Nations itself, that budget reform will be key to the continued health and viability of the United Nations.

Before moving away from the Department of State, I would like to mention that the conference report contains the basic language passed by the House expressing our concern over the murder of DEA agent Camarena in Mexico, and that country's slow progress in taking action against drug traffickers that endanger all U.S. citizens unfortunate enough to be mistaken for drug agents. A compromise was reached that would urge in the strongest terms that the State Department issue a travel advisory for the most dangerous areas of Mexico until the cases of a number of murdered and missing Americans are resolved.

Another major provision in the State Department bill authorizes funding for the U.S. Information Agency. Last year USIA began a much needed modernization program. The subcommittee looked carefully at actual outlays in this program at USIA, and decided that the administration's request for the agency could be scaled back without endangering the modernization program.

The bill also shifts a requested $3.3 million for USIA's new Worldnet Television Program to the Book Program, which has long suffered, the subcommittee believed, from insufficient funding. This shift provides for more controlled and purposeful growth in Worldnet.

The bill and the conference took several important actions relating to the National Endowment for Democracy, which has been controversial in the past. Subcommittee members and conferees approached this issue with the determination to arrive at agreements that all sides could support. We provide in this bill for full disclosure of the Endowment's actions as if it were a Government agency to reassure those who questioned its activities. We did this, however, without placing an undue burden on the small staff and resources of the National Endowment for Democracy. We reached agreement with the other body on support for the important activities of the party institutes, while ensuring that the institutes have no financial connection with the parties, and have no involvement in political campaigns, whether foreign or domestic.

A third major area in the legislation is authorization for the Board of International Broadcasting, which oversees the activities of Radio Liberty and Radio Free Europe. There are two significant provisions relating to the Board for International Broadcasting. One provision allows for the inauguration of a radio program to Soviet-occupied Afghanistan, if it proves technically feasible. Another provision urges increased broadcasting to the Jewish population in the Soviet Union, and calls for a study on the advisability of establishing a separate Radio Maccabee to broadcast to Soviet Jewry.

I urge my colleagues to vote for passage of this legislation, so that before we begin the August district work period, we can take some pride in having achieved final passage this week on the two key foreign affairs authorizations: The foreign aid bill, and the State Department authorization. This will have been a considerable accomplishment, especially considering the difficulties with the foreign aid bill over the past few years. Such an accomplishment would be due largely to the energy and spirit of cooperation of the chairman of the Foreign Affairs Committee, the gentleman from Florida, and the ranking Republican of the committee, the gentleman from Michigan.

In addition, I have nothing but praise for my colleague from Florida on the subcommittee for his leadership on this legislation. As the new chairman of the International Operations Subcommittee, the gentleman did an exemplary job managing the bill, and as the new ranking Republican on the subcommittee, I always found him cooperative, and most of all fair. I look forward to working with him on other issues to be considered by the subcommittee and on oversight of these agencies.

Mr. Speaker, we have brought the House a sound authorization bill, and I urge the Members to support the conference report.

Mr. MICA. Mr. Speaker, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from Florida.

Mr. MICA. I would just like to take a moment to thank the gentlewoman for the very fine compliments and say that the cooperation that we have seen on this subcommittee, the full committee and on the floor of this House I think has been unmatched

this year, and it would not have been possible without your work and the work of the minority, and we are very pleased that we have come this far this way.

Ms. SNOWE. Mr. Speaker, I thank the gentleman for his comments and also his exemplary leadership on this issue. Not only has he been cooperative but he has been fair in every respect.

So I would urge, Mr. Speaker, passage of this conference report.

Mr. Speaker, I now yield such time at he may consume to the distinguished ranking Republican on the Committee on Foreign Affairs, the gentleman from Michigan [Mr. Broomfield].

Mr. BROOMFIELD. Mr. Speaker, I offer my support for the conference report before us. Thanks to the hard work of both Members and staff and the spirit of cooperation which has prevailed, the report before us was made possible. I urge my colleagues to adopt the conference report for the State Department authorization.

The conference report we have before us represent a fair compromise with the other body. The report contains a number of important new initiatives and has authorization levels below the 1985 freeze levels.

Through the State Department authorization, Congress has great influence on the direction of U.S. foreign policy.

This bill authorizes appropriations, and establishes policies for a wide array of bodies. These include the State Department, the U.S. Information Agency, the Board for International Broadcasting, and a range of international organizations.

Unlike the foreign aid bill, which was recently passed, the issues contained in the State Department authorization do not create headlines. The authorization, however, is critical in that it deals with the nuts and bolts of foreign policy.

It is commendable that fiscal constraints have been carefully considered in the crafting of this bill. The conference report is not only $150 million below the House-passed bill, but is $70 million below fiscal year 1985's appropriated levels as well.

Although the State Department is the smallest of the Federal department, it is involved in many vital areas not usually thought of as traditional diplomatic activities.

The most significant new intiative in the bill is the first congressional action on the Inman panel report on overseas security. The improvements contained in this bill for security measures at the Department of State and U.S. missions abroad are a reflection of the Inman panel's call for a new emphasis on security at the Department of State.

Another important aspect of the bill is a call for financial reform in the United Nation's budget process. A key provision allows for the inauguration of a radio program to Soviet-Occupied Afghanistan and urges increased broadcasting to the Jewish population in the Soviet Union.

I urge my colleagues to support this conference report and pass the State Department authorization.

Ms. SNOWE. Mr. Speaker. I yield such time as he may consume to the gentleman from Arizona [Mr. McCain].

Mr. McCAIN. Mr. Speaker, I thank the gentlelady from Maine [Ms. Snowe] for yielding to me, and I would also like to echo her views concerning the outstanding work of our subcommittee chairman, the gentleman from Florida [Mr. Mica], who has done yeoman-like work in order to achieve a bipartisan and widely supported piece of legislation.

I do not believe that it could have been possible without the active participation and leadership of Congresswoman Snowe.

I would like to discuss the issue of the National Endowment for Democracy, which has been the subject of a great deal of scrutiny and debate over the last few years. Valid concerns have been raised.

And I believe that this bill addresses most of these concerns. Some of those concerns were allegations of improper grants to questionable organizations; possible use of NED funds for direct involvement in a country's political activities, and the question of funding for the Democratic and Republican Party institutes.

I believe that beginning at the subcommittee level, these issues were largely resolved. The USIA now has the right to audit the National Endowment for Democracy. Language setting out restrictions on grant activities including consultations with U.S. chiefs of missions overseas is included.

Specific language on limitations of the activities of the party institutes, a very important item, is in this bill.

The conference substitute leaves full coverage of the Freedom of Information Act in place, yet it relieves some of the Freedom of Information Act's burden.

The USIA will be responsible for all costs and litigation relating to requests for the release of information.

There was some questions about how the grants were made and the decisionmaking process that was involved. I believe that the Freedom of Information aspect of this bill will clear up a lot of controversy surrounding that issue.

□ 1250

The National Endowment for Democracy has an important role to play and has already made great strides in aiding the establishment of Democratic institutions in other countries. With the language included in this year's authorization, I believe we have made it more accountable to the American taxpayer, important changes have been made, and I believe they deserve our support.

Ms. SNOWE. Mr. Speaker, will the gentleman yield?

Mr. McCAIN. I yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Speaker, I want to compliment the gentleman for his efforts in this area and I am pleased the conference committee accepted his recommendation and initiative. The gentleman from Arizona certainly has made a valuable contribution in developing the proper approach to opening up the files and providing access to the documents at the National Endowment for Democracy.

Mr. Speaker, the Members of the House should know the contribution the gentleman has made, because it was his insight that led to an appropriate solution without creating an undue burden on the agency. So I want to commend the gentleman for his leadership on this issue and also other issues within the jurisdiction of the subcommittee.

Mr. McCAIN. I thank the gentlewoman from Maine.

Mr. SUNDQUIST. Mr. Speaker, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. I thank the gentlewoman for yielding.

Mr. Speaker, I would like to take this opportunity to express my appreciation to the distinguished chairman of this committee, the distinguished chairman of the subcommittee as well as the distinguished gentleman from Michigan, our ranking member [Mr. Broomfield], and the distinguished gentlewoman from Maine for their cooperation and their assistance and understanding. I wanted to express it not only to all of you but to the staff as well.

Ms. SNOWE. I thank the gentleman for his comments.

Mr. GILMAN. Mr. Speaker, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentlewoman for yielding, and I join my colleagues in commending the distinguished chairman of the subcommittee, the gentleman from Florida [Mr. Mica], our ranking minority member, the gentlewoman from Maine [Ms. Snowe], and our distinguished chairman, the gentleman from Florida [Mr. Fascell] and our ranking minority member, the gentleman from Michigan [Mr. Broomfield], for bringing this measure to the floor in such an expeditious manner, similar to the expeditious manner in which we adopted the foreign aid bill just a few days ago.

I want to particularly commend our staffs for having worked out the numerous complex issues that were involved in this measure, saving valuable time on the floor and in conference.

This measure, Mr. Speaker, deals with some extremely important issues: Security of diplomatic posts, the National Endowment for Democracy, and particularly those sections relating to narcotics trafficking which strengthen the International Narcotics Matters Bureau's personnel system and increase interagency cooperation with respect to the sharing of information on drug traffickers. We also urge new extradition treaties and the creation of a new International Commission on Narcotics.

With regard to security, this conference report provides authority, as provided in the House, but not the Senate bill, for State Department special agents to make arrests and carry firearms as they discharge their duties. The Senate accepted House provisions for the protection of foreign missions.

We have in this conference report a requirement that the Secretary of State increase his efforts to negotiate updated extradition treaties relating to narcotics offenses.

The conference report also contains information on such issues as an earmark for expenses associated with certain games for the handicapped, such as the Special Olympics—referred to the statement of the managers, because of a typographical error, as the "Senior Olympics", games organized by the National Handicapped Sports and Recreation Association, and other important international events sporting events, such as the Pan American Games, to be held in Indianapolis, IN, in 1987.

Mr. Speaker, this bill also includes provisions providing for a scholarship program aimed at disadvantaged students from developing countries to study in the United States. The committee has found that under present arrangements, an insufficient number of underprivileged students are reaching our shores for college study. The fact is that many of the bright, but disadvantaged, to manage to reach positions of influence in their home countries. The bulk of such students are now coming to the Soviet Union for their university studies. We should be making opportunities available for all sorts of individuals to come and study here, and the conference substitute, which tracks a provision of the House foreign aid bill, does just that.

The bill contains compromise language on the degree to which Japan is currently meeting its obligation to defend the West. I think it is unfortunate that the Congress now singles out just one of many of our allies who may be lacking in some respect, in our view, with respect to their contributions to the defense of the West. It is possible that this language may be counterproductive in our efforts to continue to engage Japan in constructive discussions on the efforts they may make in the future, and perhaps does not sufficiently recognize the efforts that have been made up to this point by the Japanese Government under the leadership of Prime Minister Nakasone. I would not want the language of the bill or the report to be misinterpreted in Japan as indicating anything near widespread dissatisfaction with the Japanese effort. I think that the Japanese effort may be misunderstood, but is substantial and increasing. It is possible that the report called for in this bill, while perhaps singling out one of the allies unjustly, will make it easier for the American people, and the Congress, to see just how well Japan is doing, and laying some fears to rest, while allowing us to concentrate on the areas in which more progress might be needed.

Mr. Speaker, while this legislation is highly complex and technical, and it is not by any means glamour legislation, it is necessary for the operation of the American foreign policy machinery. Moreover, it contains certain items by which the Congress has been able to express its will on important policy matters. I congratulate once again the Members and staff who have worked so hard on the legislation and urge my colleagues to support the conference report.

Ms. SNOWE. Mr. Speaker, I reserve the balance of my time.

Mr. MICA. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. Coleman].

Mr. COLEMAN of Texas. I thank the chairman, the gentleman from Florida, for yielding this time to me.

Mr. Speaker, there has been a great deal of concern by a number of members of the border caucus with respect to the original language contained in the measure mandating to the State Department that a travel advisory be issued for the state of Jalisco in Mexico, and certainly I wanted to have the gentleman from Florida respond, if he would, as to what the language now contains and what the intent of the committee is.

Mr. MICA. Essentially, the language now has gone from a mandatory travel advisory to a recommendation to the Secretary of State to issue a travel advisory if he deems so appropriate.

The Secretary is also required every 90 days to supply a report to the Congress on the progress made on this situation.

I might indicate that I am fully aware of the sensitivity of this issue, and that was addressed by the conferees in attempting to make a recommendation, as they would with any country that they have some concerns that there might be a problem with.

Our comment from the State Department was, No. 1, they welcome this recommendation; No. 2, they will give us comment as to the Secretary's feelings as to how far Mexico has gone to comply with our desires in this particular case.

Mr. COLEMAN of Texas. And I would just reiterate that it is up to the Secretary of State to make that determination rather than the Congress.

Mr. MICA. The gentleman is correct.

Mr. COLEMAN of Texas. I thank the gentleman. I want to just tell the gentleman that I very much appreciate the fact that this committee has worked with our caucus.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN of Texas. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding, and want to commend the gentleman from Texas [Mr. Coleman], and the border caucus for their efforts to combat narcotics trafficking.

Mr. Speaker, I welcome the gentleman's concern about the Mexican trade advisory issue. We have addressed that issue with the Secretary of State and have been informed that the Department of State does not feel at this time that the conditions in Mexico warrant the imposition of a travel advisory. The Department further advises that information on the Camerena and other disappearance cases have been provided to the State Department and is presently available to the Congress, and that the State Department is continuing monitoring the safety of our citizens in all countries and issues travel advisories as warranted. The State Department notes that the Mexican Government is fully aware of the concerns of the Congress in regard to this issue and has taken additional steps to improve the safety of Americans in Mexico.

I might add that both our Foreign Affairs Committee and the Select Committee on Narcotics are closely monitoring developments with regard to the narcotics issue in Mexico.

Mr. COLEMAN of Texas. I thank the gentleman. I appreciate the language of the committee and the work it has done in this area.

Mr. MICA. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. Bonker].

Mr. BONKER. I thank the chairman for yielding. I want to take this opportunity to commend the gentleman from Florida [Mr. Mica] and the ranking minority Member [Ms. Snowe] for a really extraordinary task of resolving the 90-some issues in this authori-

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zation bill, and actually being able to accomplish it without a formal session of the conferees. We are proud of the efforts that were made and the final product.

I think the chairman understands my disappointment with respect to the conferees' decision which in effect will allow the appointment of Defense Department personnel as part of the U.S. permanent delegation at Cocom in Paris, but I am pleased to see that our language on Intelsat, as we amended the bill in the House, has remained intact. I want to note that this Intelsat language, of course, will supersede any report language by any other committee of this body.

Mr. MICA. Mr. Speaker, will the gentleman yield on that point?

Mr. BONKER. I yield to the gentleman from Florida.

Mr. MICA. I would just like to say, for the record, with regard to the Cocom issue, my disappointment is as strong and as great as the gentleman's, and I cannot tell him how much I am concerned about it. I expect to pursue this directly and hope the gentleman will join me with the Secretary of State as soon as we complete this legislation.

Mr. BONKER. I appreciate the chairman's comments and his support of our efforts to see that the State Department be retained as our representative of the U.S. delegation at Cocom.

Mr. Speaker, as we today consider the conference report on H.R. 2068, the State Department authorization bill, I would like to call to my colleagues attention two important issues in this legislation.

The decision of the conferees to allow the appointment of Defense Department personnel to the U.S. permanent delegation at Cocom—the international coordinating committee on multilateral export controls located in Paris—is a serious setback for U.S. foreign policy interests in general, and American exporters, specifically. Amid intense administration lobbying and at the insistence of the Senate majority conferees, a House provision to retain the State Department as the single U.S. voice at Cocom was deleted from the final legislation. That action also permits $2 million of Defense Department funds to be used for the expansion of the Cocom facilities.

Although the Secretary of State retains the legal authority to represent the United States at Cocom, it will now be most difficult for the State Department to exercise that responsibility. Defense Department personnel alone will outnumber diplomatic representatives, and other U.S. departments and agencies will now demand permanent representation at Cocom comparable to the Defense Department's presence. This loss of control by the State Department will cause interagency disagreements on export control policy previously settled in Washington to erupt in Paris, confusing and irritating our allies who participate with us in controlling the export of advanced technologies through the Cocom process. Any semblance of unity in U.S. policy and negotiating positions will be lost. This has happened all too often in the past, when various departments and agencies sent mere advisors to Cocom. It will be a far more serious problem with them permanently represented there. The net effect of this multiagency permanent U.S. delegation can only be less U.S. effectiveness, thereby weakening multilateral export control efforts at a time when they are the most critically needed.

I intend to continue my efforts to achieve unity and efficiency in U.S. export control administration by restoring exclusive State Department representation on U.S. positions at Cocom. I will reintroduce my amendment shortly as a separate bill, and look for a legislative vehicle to send that provision to the President's desk as soon as possible.

In the meantime, the American business community should make no mistake about it—the administration, stretching to the maximum extent possible its discretionary authorities under the Export Administration Act, has turned over the U.S. export control system to the Department of Defense. This militarization of the Cocom process has been done unilaterally, in violation of the rule of consensus that governs Cocom. No other Cocom nation has appointed military personnel to its permanent delegation at Cocom, and no common policy to do so has been adopted by Cocom.

I predict the practical effect of these developments will be greater delays and rejections of the more than $10 billion in proposed U.S. exports which must clear Cocom each year. These obstacles will occur from broader export controls insisted upon by the Defense Department officials, and from retaliation against U.S. export control demands.

The responsibility for these developments and the damage to U.S. trade, which I believe will be severe, now rests squarely on the shoulders of the Reagan administration and the senior majority members of the Senate Foreign Relations Committee and the Senate Banking Committee who insisted on this action. U.S. companies, large and small, encountering problems at Cocom with their export licenses should hereafter address their complaints and appeals for help to those who have given the Defense Department the controlling hand in U.S. export control policy.

On the issue of U.S. telecommunications satellite policy, Congress in this legislation establishes a clear and definitive statutory basis for U.S. policy initially prescribed by the Communications Satellite Act of 1962. The legislation commands U.S. support for competition in international satellite service, to the extent that this competition does not prevent Intelsat's global network from serving the unifying aims laid down in the 1962 act.

The legislation accomplishes two principal objectives. First, it codifies in statute Presidential Determination No. 85-2, and the conditions established thereunder by Secretary of State Shultz and Secretary of Commerce Baldrige. This determination provides that, in order to meet our international obligations and to avoid significant economic harm to Intelsat, U.S. sponsored separate international satellite systems must be coordinated with Intelsat pursuant to article XIV(d) of the Intelsat Agreement, and must be limited to providing private, customized telecommunications services. They must not be interconnected to public, switched networks. As indicated in the Statement of Managers, the Congress anticipates that the President will review Determination No. 85-2 from time to time, to see if its terms continue to serve the aims of protecting the viability of Intelsat and ensuring an efficient and responsive telecommunications system, as well as other U.S. interests, and, further, that he will recommend to the Congress any changes he finds may be necessary.

Second, the legislation assures U.S. support for an amendment to the Intelsat Agreement, article V(d), necessary to ensure that Intelsat has the tools to compete in the new competitive environment that the United States is taking the lead in establishing. Such an amendment must authorize Intelsat in exceptional circumstances to establish cost-based charges for individual traffic routes. Without such an amendment, Intelsat could be artificially constrained from meeting competition. The terms of this important provision in the conference report, which was much discussed when the legislation was on the House floor in May, are virtually identical to the original House version. Its substance is unaltered: The Secretary of State has discretion in determining the scope and character of an appropriate amendment, but he must support amending article V(d) to confer, in meaningful form, the authority for Intelsat to establish cost-based rates for individual routes.

In this regard, I would note that certain language touching on this issue appears in the Statement of Managers of the Conference Report on the fiscal 1985 supplemental appropriations bill, H.R. 2577. This report language would appear to make U.S. support for an amendment to article V(d) contingent upon the absence of a Presidential determination that such an amendment is not in the national interest. Such language, similar to language offered and rejected while H.R. 2068 was before the House, was also offered and also rejected in connection with the conference. It is inconsistent with a basic purpose and the express provisions of this legislation. As mere report language, is overridden by it. I understand that there are other provisions of this report language which could be construed to make U.S. support for an appropriate amendment to article V(d) discretionary or contingent. These are likewise superseded by the adoption of this bill.

In addition to the above provisions taken from the House bill, the conferees reported a new subsection c(2). This subsection, to ensure that rates by Intelsat are cost-based, the Secretary of State after consultation with the Secretary of Commerce and the chairman of the Federal Communications Commission shall instruct Comsat, the U.S. signatory to Intelsat's Operating Agreement, to ensure that significant documentation is provided by Intelsat to verify that such rates are in fact cost-based. As explained by the Statement of Managers, the new subsection also provides that the Government shall see that such documentation is made available to interested parties on a timely basis. This new subsection does not necessarily contemplate the provision of any further information by Intelsat to Comsat or the U.S. Government than is now routinely provided. Comsat, as a holder of 23 percent of the voting power on Intelsat's Board of Govenors, has immediate access to all information about Intelsat's revenues and costs, and the basis for its charges, and such information is promptly made available to the U.S. Government by Comsat.

I should emphasize that the limitations in the new subsection on disclosure and dissemination of Intelsat financial information are intentional and very important. In particular, the less precise and less carefully delimited provisions in the report of the fiscal 1985 supplemental appropriations conference report—providing for the "release" of such information, and providing for disclosure of information about "allocation of costs" as well as information about "revenues and costs"—are overridden by the legislation now before the House. Such provisions were offered and specifically rejected in connection with the conference on H.R. 2068.

● Mr. HYDE. Mr. Speaker, on July 18, I introduced H.R. 3043, to require the Secretary of State to promulgate regulations which would, for the first time, allow the United States to monitor and control improper or illegal activities of certain employees of the U.S. Secretariat.

This legislation was introduced as a free-standing bill because the State Department authorizations bill had already been considered in the House and because intelligence authorizations were considered under a restricted rule. Fortunately, Senator WILLIAM V. ROTH, of Delaware, successfully offered nearly identical language as an amendment to State authorizations in the other body. The goal of H.R. 3043 was to draw attention to this serious problem and to assist House conferees to accept this important language.

Our colleague, Mr. RUDD of Arizona, pointed out the report of the Senate Select Committee on Intelligence, Senate Print 99-52, reveals a relentless abuse of the U.N. personnel system and unrestricted travel by Soviet and other employees of the Secretariat. This House will lose a great friend of freedom when the gentleman from Arizona leaves this body. He, more than many of us, saw the pressing need to control the information hemorrhage to the enemies of freedom caused by this egregious loophole.

I wish to commend the 40 bipartisan cosponsors who have joined me in sponsoring H.R. 3043. And I particularly commend the distinguished chairman of the Committee on Foreign Affairs, Mr. FASCELL of Florida; the ranking Republican member of Foreign Affairs, Mr. BROOMFIELD of Michigan; the chairman and ranking Republican of the Subcommittee on International Operations, Mr. MICA of Florida and Ms. SNOWE of Maine for their assistance in preserving the other body's language with technical amendments as contained in H.R. 3043. Of course, I also salute the other conferees for addressing this pressing problem.

It is my hope that the Secretary of State will work closely with interested Members of Congress, the intelligence community, and individuals vitally concerned with drug smuggling so as to effectively apply stringent standards to those few United Nations employee who have exploited their privilege of living in the United States to break our laws and raid information sources.

Section 141 of the conference report to accompany H.R. 2068 is a major breakthrough and is a shining example of bipartisanship and cooperation between both Houses of Congress.●

● Mr. GOODLING. Mr. Speaker, I go on record today as being opposed to the outrageously high level of funding authorized in the conference report on the Foreign Assistance Act authorizations for fiscal years 1986 and 1987.

It is unconscionable that Congress should vote nearly $13 billion in foreign assistance at a time when our own citizens are being asked to bear the brunt of domestic spending cuts, many of which will affect the elderly and youths seeking an education. We owe it to our senior citizens to keep the promises made to them in the past, and yet I constantly receive letters from members of this community which urge me to vote for measures which would entail considerable sacrifice on their part in order to reduce the escalating national debt. These people understand that we cannot continue to spend vast amounts in excess of revenues without risking bankruptcy.

Furthermore, it is deplorable to note that half the amount authorized is earmarked for military aid, rather than economic or development assistance. All countries, with the possible exception of one, need humanitarian and economic aid, not our security assistance, in the amounts we send.

Please understand that I am not insensitive to the plight of many of our allies, who are threatened with either vast social problems or the imminent threat of totalitarian aggression. I am, however, suggesting that we must first put our own house in order, lest we shortly find ourselves in a position where we are powerless to help ourselves, let alone the rest of the world.●

Ms. SNOWE. Mr. Speaker, having no further requests for time, I yield back the balance of my time.

Mr. MICA. Mr. Speaker, having no further requests for time, I yield back the balance of my time.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HENRY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 350, nays 74, not voting 9, as follows:

[Roll No. 286]

YEAS—350

Ackerman
Addabbo
Akaka
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Broyhill
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Callahan
Chandler
Clay
Clinger
Coats
Cobey
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper

Coughlin
Courter
Coyne
Crockett
Daniel
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
Erdreich
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frost
Fuqua
Gallo
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Heftel
Henry
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Huckaby
Hutto
Hyde
Ireland
Jeffords
Johnson
Jones (NC)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Lundine
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pease
Pepper
Perkins
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Savage
Saxton
Scheuer
Schneider
Schuette
Schumer
Seiberling
Sharp
Shaw
Shelby
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Snyder
Solarz
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Waxman
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—74

Archer
Armey
Barton
Bentley
Boulter
Brown (CO)
Burton (IN)
Campbell
Carney
Carper
Chappie
Cheney
Coble
Craig
Dannemeyer
DeLay
Dreier
English
Evans (IA)
Fields
Frenzel
Gekas
Hansen
Hartnett
Hendon
Hertel
Hubbard
Hughes
Hunter
Jacobs
Jenkins
Jones (OK)
Kanjorski
Kindness
Latta
Luken
Lungren
Martin (IL)
McCandless
McEwen
Monson
Montgomery
Moorhead
Nielson
Pashayan
Penny
Petri
Ritter
Roberts
Roemer
Rogers
Rudd
Russo
Schaefer
Schroeder
Schulze
Sensenbrenner
Shumway
Shuster
Slattery
Smith (NH)
Smith, Denny
Smith, Robert
Solomon
Spence
Stenholm
Strang
Stump
Swindall
Walker
Watkins
Weaver
Weber
Whittaker

NOT VOTING—9

Alexander
Carr
Chappell
Crane
Garcia
Hefner
Kemp
Loeffler
Moody

□ 1310

Messrs. HANSEN, RUDD, and JENKINS changed their votes from "yea" to "nay."

Mr. DICKINSON changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GARCIA. Mr. Speaker, during rollcall vote No. 286, the vote on the conference report on the State Department authorization, I was unavoidably detained and missed the vote. Had I been present, I would have voted "aye."

CORRECTING ENROLLMENT OF H.R. 2068, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1986 AND 1987

Mr. MICA. Mr. Speaker, I send to the desk a concurrent resolution (H. Con. Res. 181) to correct the enrollment of the bill H.R. 2068, and ask unanimous consent for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 181

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 2068) to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the United States Information Agency, the Board for International Broadcasting, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) At the end of title I of the bill, after section 154, insert the following new section:

"SEC. 155. SOVIET AND INTERNATIONAL COMMUNIST BEHAVIOR.

"Not later than one year after the date of enactment of this section, the Secretary of State shall prepare and transmit to the Speaker of the House of Representatives, and to chairman of the Committee on Foreign Relations of the Senate, an unclassified report on the advisability of establishing a permanent office in the Department of State to study Soviet and international Communist behavior that violates the concepts of national sovereignty and peace between nations. In conducting the study required by this section, the Secretary may make use of suitably qualified journalists and scholars.".

(2) In the table of contents contained in section 1(b), after the item relating to section 154, insert the following new item:

"Sec. 155. Soviet and international Communist behavior.".

(3) In section 812(c), strike out "The President should submit" and insert in lieu thereof " The President shall submit".

(4) In section 813(b), strike out "It is the sense of the Congress that the Secretary of State and the Attorney General should" and insert in lieu thereof "The Secretary of State and the Attorney General shall" and strike out "should transmit" and insert in lieu thereof "shall transmit".

(5) In section 151, amend subsection (c) to read as follows:

(c) REDUCTION IN CONTRIBUTION IF SUBSTANTIAL PROGRESS NOT MADE.—If the Secretary of State determines pursuant to subsection (b) that substantial progress has not been made in correcting this practice, the United States shall thereafter reduce the amount of its annual assessed contribution to the United Nations by the amount of that contribution which is the United States proportionate share of the salaries of those international civil servants employed by the United Nations who are returning any portion of their salaries to their respective governments.

Mr. MICA (during the reading). Mr. Speaker, I ask unanimous consent that the concurrent resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. TRAFICANT). Is there objection to the request of the gentleman from Florida?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 2068, just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

BEST COPY AVAILABLE

☐ 1320

A POINT OF PERSONAL PRIVILEGE

Mr. BURTON of Indiana. Mr. Speaker, I rise to a point of personal privilege.

The SPEAKER pro tempore. The gentleman from Indiana [Mr. BURTON] wishes to state a point of personal privilege, and the gentleman is recognized.

Mr. BURTON of Indiana. Mr. Speaker, this morning the Doorkeeper's office issued the floor today report, and in this report, the integrity of myself and another member of the minority, I believe, was impugned because it stated that we were offering more than 100 dilatory and frivolous amendments to a very important piece of legislation, that being the pay equity bill, which is going to be debated later today, and I feel that is enough reason for a point of personal privilege.

I serve on the Committee on Post Office and Civil Service, and I have worked long and hard on this particular piece of legislation and proposed a number of amendments in committee, as well as a substitute. Along with my colleague, I considered it an affront when the majority party Doorkeeper indicated on the floor today that our amendments were frivolous and dilatory.

I have since talked with the Doorkeeper of the majority party, Mr. Molloy. He was very kind and said it was an error. We accept that, and we hope it does not happen in the future. Both sides should be respected in this body as far as their amendments are concerned, and I feel confident in the future that they will be.

Mr. Speaker, if my colleague, the gentleman from Texas [Mr. ARMEY], does not have a request for time, I yield back the balance of my time.

A POINT OF PERSONAL PRIVILEGE

Mr. ARMEY. Mr. Speaker, I, too, rise on a question of personal privilege.

The SPEAKER pro tempore. The Chair will inquire, does the gentleman rise for the same reason as the previous one?

Mr. ARMEY. For the same reason, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARMEY] is recognized.

Mr. ARMEY. Mr. Speaker, the gentleman from Indiana [Mr. BURTON], I think, explained the situation very well. I was offended by this language, and I did talk to the Doorkeeper and he, being the gentleman that he is, gave me an explanation. It was an error on their part. Unfortunately, a member of his staff copied the exact language by which my amendments were described as "dilatory" and the amendments of the gentleman from Indiana [Mr. BURTON] as "dilatory and frivolous" from the Democrat Study Committee's morning report. Obviously, we cannot expect the Doorkeeper's staff to be responsible for such language as appears in the Democrat Study Committee's report, and I did indeed accept his apology. I think he was quite a gentleman about it. He gave us a full explanation.

I do not choose to take the entire hour that I have allotted for this discussion, for two reasons: first, although I am prepared to discuss each and every one of these amendments and demonstrate them not to be dilatory, I do not believe I need to explain that at this point. We will have ample opportunity to do that during the debate on the bill. The other reason is, if indeed I were to take that hour and delay the day's work and perhaps even preempt some bills from being brought to consideration today, that indeed would be dilatory, and I would not want to do that to this body.

Mr. Speaker, I yield back the balance of my time.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3011, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1986

Mr. YATES. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct any technical and grammatical errors in the engrossment of the bill H.R. 3011, making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1460, ANTI-APARTHEID ACT OF 1985

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 251 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 251

Resolved, That all points of order against the conference report on the bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes, and against consideration of the conference report are hereby waived. The conference report shall be considered as having been read when called up for consideration.

The SPEAKER pro tempore. The question is, Will the House now consider House Resolution 251?

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 349, nays 75, not voting 9, as follows:

[Roll No. 287]

YEAS—349

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Campbell
Carney
Carper
Chandler
Chappell
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Daniel
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fiedler
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowry (WA)
Luken
Lundine
Lungren
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCurdy
McDade
McGrath
McHugh

McKernan
McKinney
McMillan
Meyers
Mica
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Penny
Perkins
Petri
Pickle
Porter
Price
Pursell
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shelby
Sikorski
Sisisky
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—75

Archer
Armey
Badham
Bartlett
Barton
Boulter
Burton (IN)
Callahan
Chapple
Cheney
Cobey
Coble
Combest
Craig
Dannemeyer
DeLay
Dornan (CA)
Dreier
Eckert (NY)
Evans (IA)
Fawell
Fields
Grotberg
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Holt
Hunter
Ireland
Latta
Leath (TX)
Lewis (FL)
Lott
Lujan
Mack
McCandless
McCollum
McEwen
Michel
Monson
Montgomery
Moore
Moorhead
Nielson
Oxley
Packard
Parris
Pashayan
Quillen
Ritter
Roberts
Rogers
Roth
Rudd
Schaefer
Shaw
Shumway
Shuster
Siljander
Skeen
Smith (NH)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stangeland
Stenholm
Strang
Stump
Sundquist
Swindall
Taylor
Vucanovich

NOT VOTING—9

Anthony
Carr
Crane
Hefner
Kemp
Lewis (CA)
Loeffler
Pepper
Whitten

☐ 1340

Mr. DANNEMEYER changed his vote from "yea" to "nay."

Mr. SWEENEY, Mrs. BENTLEY, and Mrs. SMITH of Nebraska changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 251.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. LOTT] and pending that, I yield myself such time as I may use.

Mr. Speaker, this rule would permit consideration of the conference report on H.R. 1460, the bill to express the opposition of the United States to the system of apartheid in South Africa.

Mr. Speaker, under the rules of the House conference reports are privileged and are considered in the House under the hour rule with no amendments in order. In this instance, the conferees reached agreement on this matter just last night and the report was filed in the House this morning. This rule simply facilitates expeditious consideration of the conference report by waiving all points of order, including any point of order against consideration of the conference report. In addition, the rule provides that when the conference report is called up for consideration, it shall be considered as having been read.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I object to considering this rule at this time for the simple reason that Members do not have an opportunity to review the conference report. This rule waives all points of order against the conference report. Ordinarily, the Rules Committee specifies what points of order it is waiving. But this was brought up in the Rules Committee as an emergency matter, and on such short notice that the Parliamentarian did not have adequate time to determine just what provisions violate which rules.

We were told that there is a possibility this violates the scope rule for conference reports because this contains a sanction relating to the importation of uranium and coal that was not contained in either the House- or Senate-passed versions. Under House rules, a scope violation, if sustained on a point of order, would prevent the consideration of the conference report.

We are also told that there are nongermane provisions and a reappropriation provision in this conference report. We don't know any of this for sure because there was not time to thoroughly examine this bill before a rule was reported. And there certainly is not time for the House to learn what the conferees have done before it votes on this. This is no way to legislate. I urge defeat of this rule so that we can come back another day when we have a better idea of what we are doing.

Mr. Speaker, I reserve the balance of my time so that I might be able to respond if there are any comments the chairman would like to address to me.

Mr. WHEAT. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. PEPPER], chairman of the Committee on Rules.

PERSONAL EXPLANATION

Mr. PEPPER. Mr. Speaker, I unavoidably missed the vote on the rule to bring up this resolution. If I had been here, of course I would have supported it.

Mr. LOTT. Mr. Speaker, I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we recognize that we are bringing up this measure under expeditious proceedings of the Rules of the House of Representatives. However, in light of the fact that this measure has been debated thoroughly by the House before and there is ample time allotted the rule and under the rules of the House for consideration of the measure, we would ask that the House proceed to adopt the rule and consider this important legislation.

Mr. Speaker. I move the previous question on the resolution.

The previous question was ordered.

☐ 1350

The resolution was agreed to.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2577) entitled "An act making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.".

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 2, 5, 6, 7, 14, 23, 29, 35, 41, 45, 51, 57, 63, 65, 70, 75, 77, 87, 91, 92, 102, 109, 121, 130, 131, 132, 147, 150, 153, 164, 166, 167, 168, 178, 180, 183, 194, 199, 200, 202, 203, 204, 211, 214, 230, 234, 235, 249, 257, 258, 260, 261, 272, 289, 299, 307, 330, and 340 to the above-entitled bill.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate numbered 112 with an amendment as follows: After "legislation" at the end of the last sentence, insert: "; except that this sentence shall not apply after May 15, 1986".

The message also announced that the Senate recedes from its amendment numbered 262 to the above-entitled bill.

CONFERENCE REPORT ON H.R. 1460, ANTI-APARTHEID ACT OF 1985

Mr. FASCELL. Mr. Speaker, I call up the conference report on the bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 251, the conference report is considered as having been read.

(For conference report and statement, see prior proceedings of the House of today.)

The SPEAKER pro tempore. The gentleman from Florida [Mr. Fascell] will be recognized for 30 minutes, and the gentleman from Michigan [Mr. Broomfield] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. Fascell].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report that we are considering is an important conference report because, on its adoption, the Congress of the United States will be making a statement on behalf of the American people with regard to the deplorable situation in South Africa.

There are many ways to interpret legislative action. I just want to give my own. As far as the details of the conference report are concerned and the legislation that will be considered, as you know, the bill was overwhelmingly adopted in the House, went to the other body and at that time it did not seem that there would be any strong action taken, considering the nature of the bill that was passed in the other body.

But a series of unfortunate, but yet dramatic, events took place and the whole atmosphere changed and it became more important than ever for us to make the statement which we are making today in this bill to indicate our disassociation from the Government and the actions of the Government of South Africa.

While I recognize the limitations of economic sanctions or any kind of sanctions, I think it is proper to state that the legislation makes a moral statement that far exceeds any economic leverage, as important as economic leverage may be.

It is for that reason that I personally think that this conference report is vital and particuarly appropriate at this time.

We must make it clear not only to that Government, but to the rest of the world that we are disassociating in the strongest possible way by taking this legislative action, imposing an economic sanction, to demonstrate our position.

I want to compliment the distinguished gentleman who is the chairman of the Subcommittee on Africa, Mr. Wolpe, and Mr. Solarz, The Black Caucus, the Members of the minority, my colleague, Mr. Broomfield from Michigan and others who have worked very, very diligently in a real bipartisan effort to bring you a measure which all of us, or at least most of us can genuinely support even though I know there are earnest and sincere differences of opinion as to the value of such action, that is economic sanctions.

But I dare say even though there may be disagreement or maybe differences of opinion with respect to the value of economic sanctions in bringing about a change in another government, I think there can be absolutely no difference of opinion, I would submit, on the issue that now is the time for the American people to make this moral statement.

The SPEAKER pro tempore. The gentleman from Florida [Mr. Fascell] has consumed 4 minutes.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I, too, join in offering my strong support for this bipartisan report that we have before us. We have what I call a very reasonable compromise, given the seriousness of the present situation in South Africa. While I originally opposed the House bill on this issue, much has happened in recent weeks that demands action by the House today.

I deplore the ongoing violence in South Africa and believe that sanctions are imperative and morally right. We must tell that government that America is concerned about the shameful system of apartheid in South Africa and the senseless bloodshed in that land. Pressure on South Africa cannot, however, be unilateral; we need the support of our allies if this effort is to succeed.

The report basically calls for immediate and weighty sanctions against the South African Government; Krugerrands, computers, nuclear goods, and bank loans would be affected. Additional sanctions are to be imposed in the future if no progress is made ending apartheid.

While sanctions by our country against South Africa are necessary, the cooperation of our allies in the effort is also essential and imperative. Pressure on the Government cannot be done by the United States alone. Over the years I have been a supporter of the policy of constructive engagement. That approach to our relations with South Africa has been useful and some progress has been made. The U.S. business in that country voluntarily complied with the provisions of the Sullivan code and South African blacks benefited from those efforts.

In recent months, however, the tension between groups in South Africa has increased and much senseless bloodletting has occurred. Something has to be done. I urge the Congress to pass this conference report.

Mr. Speaker, it is not only essential, I think it is morally right to do so.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. Broomfield] has consumed 2 minutes.

Mr. FASCELL. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. Wolpe].

Mr. WOLPE. Mr. Speaker, I think that the conference agreement that was reached last night was in many respects historic for this institution and for our country. I cannot tell you how proud I was personally as an American and as a Member of this institution to see House and Senate conferees, on a totally bipartisan basis, express a commitment to move in a new direction in our relationship toward South Africa. The conference agreement that was passed, a very creative and constructive agreement, will send to South Africans an unmistakable message that, henceforth, the United States will no longer enter into an accommodation with apartheid.

We are also signaling the South African regime that if the Afrikaners attempt to maintain the system of apartheid, and if they continue to manifest the repression and brutality that we have seen so much in evidence in recent days, that they will be increasingly isolated in their relationship to the United States and to the international community and they will experience increasing economic and political costs as a consequence of that repression and that brutality.

My colleagues, there is a terrible tragedy in the making in South Africa. Unless the international community joins with forces within that country that are seeking to eliminate the system of apartheid, a bloodbath will be inevitable.

□ 1400

The white minority regime will abandon apartheid, will agree to enter into negotiations with the credible black leadership of the majority of the population, only at that point when it concludes that it has more to lose than to gain by attempting to hold on to apartheid.

Throughout the debate on sanctions, those who have resisted the imposition of sanctions have argued that they will only hurt the black population. My colleagues, there is no argument that has been advanced in this debate that is more off target.

The reality is that it has been the current ambivalence of American policy which, on the one hand, verbally condemns apartheid but, on the other, practices business as usual that has done more than anything else to compound the repression and to add to the violence. This is because the message that has been heard by the Afrikaners is that they indeed do have a free hand to do what they will. We have signaled them in advance that there was not going to be any response, no matter how repressive they became internally and no matter how aggressive they were in their actions toward their neighboring states.

Make no mistake about it: Blacks in South Africa are themselves engaging in a policy of economic pressure and economic sanctions. They are pursuing boycotts now throughout the country, not because they wish to inflict economic hardship upon the black majority, but because they understand that it is that economic pressure, both internally and externally, that represents the only hope to avoid a massive bloodbath in South Africa.

We are in this legislation beginning to send straight signals to the South African Government. We are letting them know in advance that this system of apartheid cannot be maintained indefinitely, and it is up to the Afrikaners to take steps now to enter into negotiations with the black majority to achieve a new political order in which all citizens of South Africa will indeed be citizens of their own country, and full participants in the political system of that country.

Let me say one other thing, Mr. Speaker. There are some very profound moral issues at stake, and that is why I was so proud of my colleagues last night. And I want to pay tribute to the Republican leadership as well as the Democratic leadership, to Mr. Broomfield as well as Mr. Fascell on our side, and to the Republican as well as Democratic leaders in the Senate, for their willingness to join together in a genuinely bipartisan way.

I cannot tell you how important that unity is in terms of what we are conveying to the South Africans and to the rest of the world.

Mr. Speaker, I urge my colleagues on both sides of the aisle to speak with one voice in voting to approve the conference report.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio, Mr. Chalmers Wylie, a member of the conference committee and ranking member on the Committee on Banking, Finance and Urban Affairs.

Mr. WYLIE. Mr. Speaker, I rise in strong support of the conference report on H.R. 1460, the Anti-Apartheid Act.

The recent deterioration of events in South Africa lead me to the conclusion that the time is right to take stronger steps against the Government of South Africa. We do this with the fervent hope that our actions will aid all of the people in South Africa.

Mr. Speaker, other conferees more knowledgeable than I have and will address many important foreign policy aspects of this conference report. Since I was appointed as conferee on several sections because of my service as the ranking Republican member on the House Banking Committee, I will confine my remarks to the provisions under our jurisdiction.

First, the conferees adopted the House provision to immediately ban the importation of Krugerrands. The President may waive this ban if certain conditions are met as set forth in this conference report.

Second, the conferees agreed to a House amendment to the Senate provision which provided for the minting of U.S. gold coins to compete with the Krugerrand. This House amendment offered by my friend Mr. Annunzio, the chairman of our Consumer Affairs and Coinage Subcommittee, creates four new gold coins which are both legal tender and have face values of $50, $25, $10, and $5. These coins truly will be American gold coins which should compete fiercely against the Krugerrand on the world markets. The significance of this coin is heightened by the symbols we will have on the 1-ounce gold coins; that is, a symbol of liberty on the obverse side and a family of American eagles on the reverse side.

The gold for these coins is to be acquired only from natural deposits in the United States or from the gold reserves held by the United States. All the profits from the sale of these coins are to be used for sole purpose of reducing the national debt.

Moreover, at my suggestion, Chairman Annunzio graciously accepted language which states that the Secretary of the Treasury shall ensure that the minting of these gold coins will not result in any net cost to the U.S. Government.

In all fairness, I must tell my colleagues that the Treasury Department does not support these gold coins. Having said that, I have to believe that they will like the version adopted by the conferees more than the original Senate language, which provided for a legal tender coin without an assigned face value. In a letter to Senator Jake Garn, chairman of the Senate Committee on Banking, Housing, and Urban Affairs, dated April 19, 1985, Mrs. Katherine Ortega, Treasurer of the United States, pointed out that the unprecedented nature of the Senate proposed coin was addressed by President Reagan's Gold Commission, on which I served, which stated that the legal tender status of such gold bullion coins "could compel their acceptance by private creditors for debts or by the Treasury for taxes. Formidable problems involving profits and losses to private creditors and debtors could arise in assigning gold coins legal tender status at a fluctuating rate." Mrs. Ortega went on to say that a legal tender coin of the realm whose value would depend entirely upon the fluctuations of the precious metal market would represent a major departure from 200 years of coinage legislation.

I also should note that while nominal face values have been specified for the gold coins established by this act, the coins will be sold and traded at their market values. Specifically, I believe that the conferees meant to prohibit frivolous litigation based upon the disparity between face value and market value. Transactions, involving these coins will be valued at market, not face, value.

Clearly, this American gold coin will give people all over the world a chance to vote with their pocketbooks in favor of an American gold coin symbolizing liberty and freedom and against the abhorrent practice of apartheid in South Africa.

For those of my colleagues who are concerned that such a gold coin will reestablish a gold standard, let me assure you that this is not the case. We already have on the books a gold coin as part of the 1984 Olympics program, and earlier this year the Congress enacted a gold coin as part of the Statue of Liberty restoration effort. The gold coin in this legislation is no different from earlier Government coins authorized by this body. The face values of the proposed coins are nominal and unrelated to the market value of the coins. Their market value is determined by their content. Thus, the so-called $50 piece, which contains 1 troy ounce of fine gold, would be worth about $328 at the current price of gold.

Moreover, the bill expressly provides for the sale of these coins at a price equal to the market value of the gold content of the coins, plus markup for production and marketing. The dollar value of the coin, therefore, is determined by world gold market—demand and supply—conditions, not by a conversion ratio between a specified quantity of gold and paper dollars fixed by U.S. public authorities.

As I read the amendment, it is not, therefore, inconsistent with the findings of the President's Gold Commission.

Section 15 of this report prohibits loans to the South African Government or to any corporation owned or controlled by that Government. Certain loans for educational, health, and housing facilities to help the people of South Africa are exempted. These provisions were contained in both House and Senate versions of the legislation.

Moreover, Mr. Speaker, there is language in this report which instructs the Export-Import Bank to take active steps to encourage the use of its programs by Africans. While not affecting the present restrictions on Eximbank transactions for South Africa, this provision will make it possible for nonwhite businesses to get Eximbank assistance.

In conclusion, Mr. Speaker, I urge adoption of this conference report. It is a timely step for this Nation to take in protest of the repugnant racial policies of South Africa.

Mr. FASCELL. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. Annunzio], the chairman of the Subcommittee on Consumer Affairs and Coinage of the Committee on Banking, Finance and Urban Affairs.

Mr. ANNUNZIO. Mr. Speaker, I strongly support the conference report, and I want to commend the gentleman from Florida, [Mr. Fascell], Mr. Broomfield, and the other members of both sides of the Foreign Affairs Committee, for the outstanding job that they have done in bringing this legislation to the floor.

As you know, this legislation contains a ban on the sale of Krugerrands. It also contains provisions for the striking of a new series of U.S. gold coins, which I predict will become the most popular gold coins in the world.

Under the compromise legislation, four gold coins will be minted; a 1-ounce gold coin having a face value of $50, ½-ounce gold coin having a face value of $25, a ¼-ounce gold coin having a face value of $10 and a ⅒-ounce gold coin having a face value of $5. These coins will be legal tender.

The other body included in its legislation provisions for the gold coins, but did not assign face values or make the coins legal tender. Without such distinctions, the coins are really not coins, but medallions; or if you will, merely pieces of jewelry. But by assigning the coins value and making them legal tender, we make them much more attractive to the numismatic and investment communities. Experts around the country have told me that without legal tender face value the new U.S. coins would not sell.

While the Krugerrand does not have a face value and is quasi-legal tender, it should be noted that in recent months the sale of Krugerrands in this country has plummeted. The most popular gold piece now is the Canadian Maple Leaf, which does have a face value and is legal tender. More than three times the number of Maple Leafs are now being sold in this country compared to Krugerrands.

Not only will the new U.S. gold coins take away sales from Krugerrands, but if and when the situation in South Africa is stabilized and that country becomes a member of the international humanitarian world, the United States' coins will still be big sellers because of their legal tender status and face value requirements.

The compromise legislation further provides that rather than limiting private distribution and sales rights to a single concern, the Secretary of the Treasury shall make bulk sales at suitable discounts to any dealers, retail outlets, financial institutions, or anyone else who wants to sell the coins. Of course, the size of the discount will be determined by the number of coins purchased.

The compromise legislation also requires that the profits from the sale of these coins be used to retire the national debt. This is an important provision because I think it is the first time in the history of our Government that we will have an ongoing program to retire the national debt. While I have sponsored legislation in the past that would call for a one-time contribution to retire the national debt, such as the proceeds from the George Washington commemorative coin, my new national debt reduction program will go on as long as gold coins are produced. And I would add, there is no such cutoff in the legislation.

The contribution to retire the national debt could be substantial. And depending on the source of the gold used for the coins, the national debt reduction could reach as high as $300 per coin—a significant amount when you consider that other gold coins are selling in the millions in this country.

Mr. Speaker, I want to commend the members of the House Banking Committee who served as conferees on the gold coin provision; particularly the gentleman from North Carolina [Mr. Neal,] and the gentleman from Ohio [Mr. Wylie.] It is significant that both of these gentlemen were members of the Presidential Gold Commission, and both members supported strongly the legislation before us in this conference report.

I also want to commend the gentleman from Maryland [Mr. Mitchell,] who thoughout the conference was a champion of the new gold coin program, and who made one of the most eloquent speeches in that conference, on the evils of apartheid, that I have heard in my 21 years in Congress.

The issuance of these coins would have no effect on the Nation's monetary policy. The coins would be legal tender for their face value, like all U.S. coins. But since the bullion content of the coins is well above the face value of the coins, the coins will not circulate. This is the same approach taken by Canada in issuing its "Maple Leaf," a 1-ounce gold bullion coin, which has a $50 face value. That coin has been a popular bullion coin, and has had no adverse effect on Canadian monetary policy.

These coins will be handled the same way the public now treats the gold coins previously issued by the United States. Gold coins issued in the 19th and early 20th century are still legal tender and will be redeemed for their face value by the United States. None are ever presented for redemption however, since the coins' intrinsic bullion value are far in excess of their face value. The marketplace, not the face value, will determine their actual value as they are bought and sold in the public domain.

In fact, if a gold coin was presented to the United States for redemption, it would be a windfall for the Government. The coin, which would have been sold to the public for its bullion value, would be repurchased for its far lower face value. It could then be resold to the public at its bullion price.

Unlike some legal tender bullion coins issued by some other countries, the fixed legal tender value of the coins eliminates any problem of valuation. For legal tender purposes the coins are worth the value stamped on them, regardless of the value of their bullion content. This not only avoids valuation problems in the unlikely event they are used as legal tender, but solves the problem of how to account for them for measuring the amount of money in circulation. Simple multiplication of the number issued by the face value provides the answer.

The legislation would not deplete our gold reserves. The gold for the coins would be obtained in the same manner that gold used in U.S. commemorative coins is obtained. The gold could come from stocks already held by the Treasury. If the Secretary preferred, the gold could be purchased on the open market. The determination whether to use existing stocks or to purchase additional gold would be left to the Secretary, just as current law provides. There would be no change in the Secretary's authority to maintain the U.S. gold stocks at the level deemed appropriate.

The coins will be sold to the public at a price equal to the market value of the gold or silver at the time of sale, plus the cost of minting, marketing, and distribution.

In order to provide the mint with ample time to prepare to mint and issue the coins, no coins could be sold before October 1, 1986. However, the mint could begin work on the program on October 1, 1985. This will provide sufficient leadtime to develop outstanding designs for the coins, design an appropriate and effective distribution system and mint sufficient coins for an initial inventory.

The coin program will involve no net cost to the Government. Indeed, the revenues raised by the domestic and foreign sale of these coins will constitute substantial revenue to the United States that will be used solely to reduce the national debt. And the

availability of U.S. gold bullion coins will surely attract precious-metals buyers formerly dependent on foreign issues.

Over $500 million can be generated each year by the sale of U.S. bullion coins. At the current gold price of $327 per ounce the United States would realize a gain of $285 per ounce since the gold is carried on the books at $42.22 per ounce. If sales of gold coins were to average only 2 million ounces annually, a figure that is very reasonable, the United States would realize a gain of $570 million. In a situation where even the smallest saving would strike a blow against the deficit, these earnings would be a major contribution.

The minting of these new American coins will aid in reducing our record trade deficits. The Commerce Department has estimated that over 1 billion dollars' worth of foreign gold bullion coins were imported into the United States in 1984.

Most Americans would prefer to purchase U.S. coins and this legislation will provide the coins they seek. Every year, countless individuals contact the Consumer Affairs and Coinage Subcommittee asking for the United States to produce gold bullion coins. Many, if not all, of these individuals will buy an American gold bullion coin rather than a foreign bullion coin. Indeed, the coins are likely to become the standard by which all other bullion coins are measured.

I urge the adoption of the conference report.

Mr. BROOMFIELD. Mr. Speaker, I yield 6 minutes to the gentleman from Indiana [Mr. Burton], who is a member of the Subcommittee on Africa of the Committee on Foreign Affairs.

Mr. BURTON of Indiana. Mr. Speaker, first of all I would say that there is unanimity in this Chamber and in this Congress as far as the opposition to the policy of apartheid in South Africa is concerned. Nobody likes that form of government; the racial repression that exists; we would all like to see that change.

My problem with this legislation is not that it attacks the policy of apartheid which we all abhor, but that it goes so far as to hurt the very people that it purports to help.

☐ 1410

In addition to that, I think it bodes ill, in the long run, for the free world.

I would like to tell why on those two points.

First of all, banning the Krugerrand. If the free world all joins together in banning the Krugerrand, a lot of black people who work in the mines are going to lose their jobs. There are about 600,000 blacks who work in the gold mines of South Africa today. Each one of those people is responsible for feeding five other human beings. That is 3 million people who would be adversely affected if the mines were shut down.

If this legislation is passed here, and around the world the other free governments follow suit, many thousands of people are going to lose their jobs. They are not going to be able to put food on the table. The very people we want to help. Now, those people are going to be ripe for revolution. They are going to be grasping for existence, and the people who are Marxists over there, the revolutionaries who do exist and who are trying to undermine a number of governments in Africa, in addition to South Africa, are going to have their way with a lot of them. And those people are going to be very active in trying to change the governmental structure over there from what it is to a Marxist form of government.

What if that happens? If that happens, Mr. Speaker, in my view you would have, in just a matter of days or weeks, Soviet ships in those ports. What does that mean? Forty percent of the free world oil supplies go around the Cape of Good Hope, the southern tip of Africa. And if the Soviets controlled the southern tip of Africa in a time of crisis, they could hamstring the free world as far as energy is concerned. Our NATO allies, Britain, France, all of the NATO allies, would be in jeopardy, as well as the United States of America, because many of our oil supplies come around the Cape of Good Hope as well.

In addition to that, you will see up here a number of charts that I have brought out for argument. I would like to explain what they mean. Many of the minerals that are depicted on these charts are vital to the survival of the United States of America. Platinum is one. We get 49 percent of our platinum from South Africa. Chromium, we get 55 percent of our chromium from South Africa. Manganese, we get 39 percent of our manganese from South Africa. Cobalt, 61 percent of our cobalt comes from Zimbabwe and Zaire to the United States of America, but it comes through South Africa. And 44 percent of vanadium comes through South Africa.

These minerals are vital to the military security and economic health of this country. Now, if the Soviet Union gets control of South Africa, it is going to hurt, or if one of the U.S.S.R. surrogates gets control, it is going to hurt severely the United States of America and may threaten the very existence of the free world.

You may say, "Well, what about the Soviet Union, are they dependent upon South Africa or the African Continent for their existence?"

If you look at this chart here, the second chart, it shows that the U.S.S.R. is almost independent as far as their needs are concerned. They have these minerals within the confines of the U.S.S.R. The only exception that they really have to worry about is cobalt, and they get the majority of their supply of cobalt from Cuba, one of their satellite countries.

Mr. Speaker, I think there are a lot of problems with this legislation. One of the problems, as I stated before, is the impact on the people we want to help, the blacks. But in addition to that, Mr. Speaker, I think there is a real risk, a real long-term risk to the free world.

Many of my colleagues have stood up here and they have said, "Well, we have to show moral leadership, the free world has to get involved, and we have to do something about it."

I agree with that. But how far do we go? We went pretty far in a country called Rhodesia. We stopped buying chromium from Rhodesia. The Soviet Union became the only market we had, and we were buying chromium produced in Rhodesia from the Soviet Union after it became Zimbabwe, and we were paying three times the price. Imagine what it would do to us if we had to deal with them on the same basis with these other vital minerals. And, of course, you have seen what happened to Zimbabwe since they have gone Communist. The Government is headed back toward the dark ages and not into the future like it had been previously. They have a very repressive Government. Blacks are preying upon blacks. There is blood running in the streets. Now they have a one-party totalitarian Communist government. I submit to you if we follow the same train of thought that we followed in Zimbabwe, we are going to have the same thing in South Africa.

We stuck our nose into Iran, as did many other free world countries, talking about the repression over there. We got rid of the Shah all right, but look what we got in his place. The Ayotollah Khomeini.

We need to do something about the apartheid policies of South Africa; we need to put presssure upon this Government. But not the way we are talking about it in this piece of legislation. If we do it, I think we are sowing the seeds of massive revolution in that country. There will be no constructive change in the Government. We run the risk of a Marxist takeover, and it is going to bode very ill, in my opinion, for the entire free world.

Mr. FASCELL. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Illinois [Mrs. Collins].

Mrs. COLLINS. I thank the chairman.

Mr. Chairman, I, too, want to command the conferees for reporting out this piece of legislation, and I am glad the Congress has agreed to a package of economic sanctions against the apartheid regime in South Africa. Among the sanctions, as already has been said, is a ban on the Krugerrands, which I think is very, very important, because I do not want to see citizens of the United States of America continue to buy these gold coins that are created by near-slave labor and human suffering. But even as I applaud the actions of the Congress I cannot help but feel that more should be done to protect against the crimes in South Africa. Since the imposition of the state of emergency just 11 days ago, over 25 people have been killed and over 1,200 arrested by the South African police.

Now, to add further insult to injury, the South African Government has also today, or recently, announced that they were going to prohibit outdoor funeral services for those who happened to die of unnatural causes. This law is testimony, I believe, to the brutal policies of the South African police. If Pretoria truly wishes to defuse the tensions that often accompany such funerals, they should stop supplying the corpses for the funerals.

In light of these terrible crimes, as I said before, we need to do a great deal more. I believe that one of the things we need to do is to call for disinvestment in South Africa. Total United States disinvestment in South Africa would provide the slap in the face that I believe South Africa needs, and I certainly would urge all of us to consider that in the very near future.

But before we reach for our calculators to come up with figures and graphs such as we have just seen on the board over there on the other side of the well, we need to examine the value of a human life; one live in dignity, in freedom, and in self rule. It is my belief that the value of a human life lived in dignity, lived in freedom, lived in self rule is far more important than the possibility of lost dollars from the sale of Krugerrands or from disinvestment. I think what we ought to join France's example of imposing strong sanctions and taking a hard line against the system of apartheid; and I strongly urge the passage of this conference report and its speedy signing by the President.

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. Leach], a member of the Committee on Foreign Affairs.

Mr. LEACH of Iowa. Mr. Speaker, I would like to make three brief points: The first relates to strategic issues, the second to coinage, and the third to moral. Strategically, some argue that our Government shouldn't stand up for abstract moral points because moral posturing tends too frequently to undercut our strategic position. Actually, the problem in South Africa is the obverse. Failure to stand up for moral principles jeopardizes U.S. national security. After all, ending apartheid is the most important foreign policy issue to the rest of sub-Saharan Africa, and these countries are in total more important than South Africa.

In addition, can there be any doubt that sometime in the not-too-distant future there will be majority rule in South Africa? Do we want to go down as the one country in the free world which, while paying lipservice to anti-apartheid sentiments, is viewed in the region and in South Africa as conducting a policy legitimatizing the very government which established and maintained apartheid? If such a perception remains the case, can we be expected to count on maintaining access to all the strategic minerals the gentleman from Indiana [Mr. Burton] identified?

Regarding coinage, it must be stressed that banning the importation of Krugerrands and offering an American gold coin alternative is both a deficit reduction measure and good for our balance of payments. The gentleman from Illinois [Mr. Annunzio] and the gentleman from California [Mr. Lewis] should be commended for their efforts to craft a new gold policy that does not imply return to the gold standard but allows the average American citizen, at his or her option, to purchase and save American gold with confidence.

Finally, and most importantly, with regard to the moral issues at stake in this bill, we should all understand that ending apartheid in this century is as great a social imperative as ending slavery in the last.

The Republican Party was born a little more than a century ago in the smoldering cradle of apartheid-like conditions. All we ask of this Republican President is that he advance a foreign policy consistent with the views of the first Republican President, Abraham Lincoln.

Apartheid is an issue that can't be ignored. Its meaning is too great; its results too important.

Mr. FASCELL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Maryland [Mr. Mitchell], without whose efforts the conference would not have been successful.

Mr. MITCHELL. Mr. Speaker, first of all I want to go on record as saying that in many years of service in this House, I will remember that conference committee as one of the finest opportunities and experiences that I have had as a member of the this legislative body.

I am not going to call the names. You know what you did. You rose to the occasion, and you did so magnificently. I am just profoundly grateful that I could be a part of that.

□ 1420

In every society, we have certain rules that operate. They can be called mores, folkways, laws, and customs. But in our society and in other societies, there is something that transcends all of those things. That is called a moral imperative. That is what this legislation is, it is a moral imperative.

Those who would argue about possible political consequences down the line; those who would argue against the legislation in terms of the economic factor, forget, but were reminded by my colleague, that America took the high moral imperative when it took a position against slavery despite all those who counseled against taking that position.

They forget that time and time again we have taken a high moral position even though it might have had adverse political and economic circumstances, and that is what we have got. In this legislation we have got a moral imperative and this House must rise to the occasion and support.

There will always be those who will say the legislation is too weak or the legislation is too strong. I do not care about that. I know what I care about; I care about the courage of the conferees and the courage of this House in saying this is a moral imperative from which we will not back off; this is right for this Nation and its conscience.

Let me just say we have very few issues that we deal with in this House that transcend political partisanship. This is the one. This is the one real encounter this year, and I urge your total, total support for it.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. Bereuter].

Mr. PURSELL. Mr. Speaker, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Michigan.

Mr. PURSELL. I thank the gentleman for yielding to me.

Mr. Speaker, I want to say that I am very proud to be in the House today. This is one of our finest hours. In the spirit of Lincoln, Bill Broomfield, Dante Fascell, I think this is a great opportunity, and I hope and dear pray that the President of the United States signs this conference report.

Mr. BEREUTER. I thank the gentleman for his comments.

Mr. Speaker, this Member was disappointed not to be able to vote for the bill to impose new sanctions against South Africa that was passed by the House of Representatives a few weeks ago. I simply felt it was not responsible to support one specific element of that bill.

Indeed, the only provision that I could not support and that compelled me to vote against the bill prohibits all investment, direct or indirect, in new or existing business enterprises in South Africa. While the case for these sanctions is persuasive to some, a compelling case can also be made against such sanctions. As the Washington

Post editorial said, "There is a serious, respectable, nonracist case against (this) sanction."

Last night, the conference committee resolved the differences between the two bills. The Houses agreed to impose a ban on the sale of Krugerrands in this country. The measure would also ban the sale of goods used in nuclear production and computers and bank loans to the South African Government. Dropped from the agreement was the House provision banning new investments in South Africa. Certainly I support the ban on the sale of Krugerrands because I believe prohibiting the sale of Krugerrands to be step of great symbolic and economic significance.

This will be one of this year's most important policy declarations by the United States of America. I urge the President to sign this legislation.

International pressure is rising against South Africa. France recently banned further investments in the country. The United Nations Security Council denounced the "barbarism" of apartheid, even though sanctions were vetoed. When White House Press Liaison Larry Speakes talked about American "repugnance," he reflected a general feeling in this country. With this resolution, the voice of the United States will be clearly heard in South Africa and in the world community. I urge my colleagues to support this legislation.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. Owens].

Mr. OWENS. I thank the gentleman for yielding to me.

Mr. Speaker, I rise in support of the conference report. With the imposition of the state of emergency, the South African Government has escalated the barbarity of their oppression of the black majority of the country. Urgent and meaningful action is needed from all of the nations of the civilized world. The sanctions included in this conference report are far too weak, nevertheless, we welcome this report as an important first step which will send a timely message to the Government of South Africa. We hope the President will hasten to sign this measure into law.

It is still important to note, Mr. Speaker, that events in South Africa are escalating daily. More and more deaths are occurring and more and more arrests are being made. There is no reason to believe the figures being released by the South African Government. The number of deaths each day are far greater than the body count that is being officially listed. The number of arrests is also far greater. The occupation of the black townships by storm troopers is the first step toward the conversion of these isolated townships into deadly concentration camps. There is every reason to believe that millions will be slaughtered by the racist inhuman Government of South Africa unless there is more forceful action by the civilized world under the leadership of the United States.

For the second time in one century we do not want to witness the slaughter of millions of innocent human beings. Beyond the sanctions included in this report there must be more stringent sanctions including the prohibition of all new investment in South Africa. As a matter of U.S. policy our Government should also demand that South Africa immediately release Nelson Mandela and begin negotiation with Mandela who is the only recognized leader among all segments of the South African black population. The United States must also demand that South Africa immediately establish a timetable for the granting of full political rights to all South African blacks. The time for action is now. When Hitler was committing massive atrocities against the Jews most of the world pretended they didn't know it was happening. This time no nation can use that excuse. This time we know that new death camps are being prepared. This time we must all act before it is too late.

Mr. FASCELL. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. Hayes].

Mr. HAYES. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the conference report. Dishonesty and hypocrisy has reached a level unparalleled in the history of mankind in South Africa through the Botha regime's efforts to justify accelerated atrocities against the black majority in that rich country.

For those supporters of a policy of constructive engagement and opposing economic sanctions to have the audacity to say "it's out of our concern for the economic well being of blacks in South Africa" as a reason to oppose sanctions against the apartheid government by this great citadel of democracy is ludicrous, hypocritical, and dishonest.

A position in this respect bolsters the threats by the Botha government to fire people who join and support the fight for freedom, both economic and political. Anyone who has any knowledge of the history and growth of South Africa's apartheid regime must know and acknowledge the fact that current South African economic growth did not result from concern for the well being of the black majority, most of whom had jobs that the whites would not perform because of their laborious nature and low pay. Furthermore, the jobs were too few in number.

Who's kidding who? Release those social, political, and economic hostages who outnumber their legalized captors better than 4 to 1.

With respect to support for sanctions, we can reemploy some of our laid-off workers in the automobile, steel, and coal industries who have lost their jobs as a result of plant closedowns and United States investments in South Africa.

We can not longer continue down the failed path of President Reagan's constructive engagement. I urge my colleagues to vote for the conference report on H.R. 1460 as a step toward the end of world recognized injustice in South Africa.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. Edwards].

Mr. EDWARDS of Oklahoma. I thank the gentleman for yielding me this time.

Mr. Speaker, in 1978, I think it was October 1978, I rose on this floor to speak in favor of censuring the Government of South Africa, and I voted to censure South Africa at that time.

Now, we are told that since that time there has been progress in that country. I will not deny there has been some progress, but that progress has been minimal, and that progress has been largely cosmetic.

Some of my friends seem to have a strange attachment to South Africa. South Africa for some reason in their minds rises to the status of special friend. Mr. Speaker, no nation which represses its citizens and denies basic human freedoms is a friend of mine or of the principles on which this country was founded. There must be no more rationalizations. If what is happening in South Africa does not stir moral outrage, what will?

This is not an economic issue. Communist revolutions do not come from the granting of basic human freedoms. No Member of this House should vote against this resolution.

Mr. FASCELL. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio [Ms. Oakar].

Ms. OAKAR. I thank the gentleman for yielding to me. I rise in support of H.R. 1460, the Anti-Apartheid Act, and H.R. 2068.

Under the system of apartheid millions of South Africans have been forceably removed from their homes and families to areas called homelands. Blacks earning only a fraction of what whites earn in the workplace—attempts to unionize being met with imprisonment—these are only a few examples of the uncivilized ways in which the South African Government treats the majority of its population who are blacks.

In the past several weeks the protests of blacks have been met with violence on the part of the South African Government. Thousands of blacks have been arrested including children as young as 8 years of age.

The bloodshed must stop. The South African Government is unwilling to meet with black civil rights leaders. Constructive engagement has not worked as a means of dealing with the South African Government. Institutionalized racism still exists and less than half of the U.S. corporations doing business in South Africa have voluntarily signed the Sullivan principles.

H.R. 2068 and H.R. 1460 will send a clear message to the Government of South Africa, and to the rest of the world, that the United States clearly will not tolerate their antihumanistic, racist, apartheid policies.

Mr. FASCELL. Mr. Speaker, I yield 2 minutes to the gentleman from the District of Columbia [Mr. Fauntroy].

Mr. FAUNTROY. I thank the gentleman for yielding to me.

Mr. Speaker, I rise, first of all, to commend members of the conference on both sides of the aisle for having quizzed themselves so well, valiantly contending for the stronger measure passed by the House.

At this point, I am already looking beyond 1460, because I am confident that the Members of this House who voted for that stronger measure are going to support this as a means of sending a message to South Africa.

I am looking beyond it because when we voted on this measure back in June, no state of emergency had been established in South Africa, and 1,300 people to date have not been arrested without charge and without recourse; 25 people have not been killed as a result of that emergency.

☐ 1430

Those who had been accustomed to at least providing those victims of racist, Nazi, Fascist oppression had not been denied the right to bury them in public funerals, nor had we the moral leadership which we sought to exert seized by France, and saying that we would do what the House proposes to do without delay.

So I am hopeful that as we pass this measure that we look to stronger indications to the South African Government that we will no longer cooperate with their blind march toward racism, violence, bloodshed, and ultimately destruction, but will reward them when they turn up the road toward true democracy, toward dialog, and toward full self-determination.

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. Siljander], the ranking member on the Subcommittee on Africa.

Mr. SILJANDER. I thank the gentleman for yielding this time to me.

Mr. Speaker, the violence in South Africa must stop. The bloodshed of innocent people, blacks against blacks, whites against blacks, it must stop. I, as one Member, feel that we, as the greatest Nation on the Earth, a great and free democracy that holds up high the symbols of truth and fairness and liberty and justice, that we should do all we can do, and we have a responsibility to do all we can do to encourage those who are under oppression in other countries to be released.

We call on the Government of South Africa to release the majority to become part of the political and economic and social system fully in that country. We call upon the apartheid racist regime to cease and desist in their pass laws, detention laws, and all the other apartheid laws that made that country an abomination of human rights and freedom.

All of the messages in Congress, be it the House bill, the Senate version, the conference committee report, several substitutes offered by the gentleman from California [Mr. Zschau], myself and others, we have all called for the dismantlement of apartheid. That concept is elementary.

I hope the Government of South Africa hears this message loudly and very, very clearly: That there is not one Member, white or black, young or old, who could possibly, by any remote stretch of the imagination, support a system that stabilizes the apartheid system in that country.

I have made the arguments against sanctions on the floor, in the subcommittee, in the full committee, and last night and through the day in conference, so I will not go through those same arguments again. I believe philosophically that sanctions are the wrong approach to prompt change in that nation. The grain embargo failed against the Soviets. Sanctions against Cuba failed, and indeed, I think the sanctions against Nicaragua will also fail. I believe that banning Krugerrands is merely symbolic, a symbolic gesture that they claim is against the Government, but truly it is against the people.

But I must say there are some good things about H.R. 1460, although I intend to vote against the bill. I offered mandatory Sullivan principles as an option to sanctions. On the floor it has lost, but now, with enthusiasm, both the House and the Senate are adopting the same idea. I also proposed on the floor an amendment to make the U.S. Embassy in South Africa conform to the Sullivan principles. It passed this House.

The SPEAKER pro tempore. The time of the gentleman from Michigan [Mr. Siljander] has expired.

Mr. ZSCHAU. Mr. Speaker, I yield an additional 1½ minutes to the gentleman from Michigan.

Mr. SILJANDER. So that amendment is also included in this conference report.

Scholarships for black South Africans, assistance to black businesses, are also part of the Siljander substitute, which are also part of this conference report.

I think the major issue that I have found extremely offensive in the House version that passed this body was the fact that we banned all new business to South Africa. I did not believe that that would have been an effective deterrent ot the apartheid system. That is the mainstay, the cornerstone, from my point of view, of the House bill. That was also taken out and not accepted in the conference report.

Democracy, I hope, will be the option, as we are hoping it will be in Angola with the successful repeal of the Clark amendment, and a repeal of military aid to Mozambique.

So the Africa policy in the last 6 to 8 months, from this gentleman's point of view, has been quite successful. I hope South Africa will change and will change very, very soon. This provision, in my opinion, will not fully engage change as necessary, so I intend to vote against the provision, but regardless of what happens in this House and in the Senate, and what the President finally decides ultimately to do, I hope and pray that apartheid will change and that people will be free. Let us hope and pray.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. Dymally].

Mr. DYMALLY. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of the Anti-Apartheid Act.

Mr. Speaker, symbolizing justice and humanity to much of the world, America must act, and do it quickly, to bring comfort and support to South Africa's antiapartheid movement. This Government's continuing debate over the proper course of action has only encouraged the current regime in South Africa. Indeed, our collaboration is clear. President Botha's recent declaration of the state of emergency constitutes a deliberate plan to decapitate the antiapartheid movement. While the Johannsburg police detained 1,000 blacks, the Reagan administration announced that this action fails to warrant a shift in constructive engagement with the Botha government. Carel Boshoff, the chairman of the rightwing Afrikaner secret society, Broederbond, even praised the Reagan administration last week for not interferring in South African affairs. This is the same man who has claimed that only white salvation will bring peace to South Africa. The same man who predicts that in a race war, South Africa's blacks will be no match against the minority white society. The same man who claims that the black threat

to South Africa reminds him of the Jewish threat to Germany.

Mr. Speaker, our association with South Africa is against our best interests. Let us welcome a new, just approach, embrace the antiapartheid movement, and support the Anti-Apartheid Act.

Mr. FASCELL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. Crockett].

Mr. CROCKETT. I thank the gentleman for yielding this time to me.

Mr. Speaker, I have a great sense of pride on this occasion. The chairman of my committee, the Committee on Foreign Affairs, is from my native State of Florida, and he has expressed what I believe is the majority sentiment of this country with respect to what is happening in South Africa.

Both the ranking minority member on the Committee on Foreign Affairs, my colleague, the gentleman from Michigan [Mr. Broomfield], and the chairman of our Subcommittee on Africa, the gentleman from Michigan [Mr. Wolpe], are colleagues of mine from the State of Michigan, so the State of Michigan itself is proud of the bipartisan contribution these two sons of Michigan have made.

I have no illusions, Mr. Speaker, that the passage of this conference report is going to immediately bring about changes in South Africa. I think by and large the conference report, on which I had the honor to serve as a conferee, is essentially symbolic, but I expect it to do two things:

First, to convince all doubters that the majority of the American people believe that the administration's policy of constructive engagement has been a dismal failure.

Second, to carry home to the new rulers of South Africa, to the Bishop Tutu's, to the Nelson Mandela's, and to the others who represent the future rulers of that great country, the clear message that the people of the United Stats are behind them in their fight for liberation.

I commend the conference report to my colleagues.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from California, Mr. Jerry Lewis.

Mr. LEWIS of California. I thank the gentleman for yielding this time to me.

Mr. Speaker, I would really like, in my short time, to attempt to make a couple of points.

The first relates to the general issue itself, the conference report that is before us. Frankly, as I sat and listened earlier to my colleague, the gentleman from Indiana [Mr. Burton], express his concerns, I could not help but want to recognize that, indeed, in this very delicate circumstance I can understand why a public policy maker would have concerns of that kind.

Having said that, it is my view that the House owes a deep debt of gratitude to Chairman Dante Fascell, and to my ranking member, the gentleman from Michigan [Mr. Broomfield], for dealing with this very, very difficult circumstance. It has got to be clear to anybody who will but take a look that the difficulties in South Africa are difficulties that we cannot ignore.

☐ 1440

When we have a circumstance in which at least two-thirds of the people of a country are not given even the basic vestige of what we know as civil rights in this country, indeed we know that circumstance is going to change. For once, as America attempts to take the side of that which is morally correct, let us hope our policy allows us, as that change takes place, to land on the right side of the curve, because we have a fundamental and critical interest in South Africa.

Having said that, let me say that I attended the conference for another purpose, not as a member of the conference but, rather, to deal with the issue of whether America should participate in this process by way of issuing American gold coins. I want to express my deep appreciation to my colleague, the gentleman from Illinois [Mr. Annunzio], for his great cooperation and making possible the progress we have made in connnection with that work.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. Lewis] has expired.

Mr. BROOMFIELD. Mr. Speaker, I yield an additional one-half minute to my colleague, the gentleman from California [Mr. Lewis].

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, I thank the gentleman for yielding. I want every Member of this House to know the important role that the gentleman from California has played in the gold coin portion of this legislation.

Much of the gold coin provision which we are voting on today was taken from H.R. 1123, introduced on February 19 by Mr. Lewis, along with the gentleman from California [Mr. Dixon], and 237 other Members of the House.

It was the hard work and tireless efforts of the gentleman from California [Mr. Lewis] that provided the push for the Gold Coin Program. And while I had differences in the technical aspects of the legislation, I never for 1 minute had a difference with the gentleman from California for the laudable purposes of the legislation.

Had the conference not addressed the gold coin issue at this time, the Consumer Affairs and Coinage Subcommittee, which I chair, was scheduled to hold hearings on the gentleman's legislation in September. And I am certain that the committee would have reported the legislation and it would have passed the House floor.

So while the conference did not directly pass the Lewis bill, it did pass the Lewis principle. The gentleman from California deserves the plaudits of every Member of the House as well as everyone in this country who was interested in a Gold Coin Program.

Mr. LEWIS of California. Mr. Speaker, I thank my colleague, the gentleman from Illinois [Mr. Annunzio], for his comments.

Mr. Speaker, I want to make a few remarks here just before final adoption by the House of Representatives of the conference report on H.R. 1640 in regard to the coins authorized in that legislation. As the distinguished chairman of the Banking Subcommittee on Consumer Affairs and Coinage has acknowledged, the substance of the Senate amendment that was accepted by the conferees to this legislation is the same as H.R. 1123, which I introduced on February 19, so I think it is useful to explain for the Record what we are doing here by agreeing to the Senate amendment.

The chairman has suggested that the gold bullion coins will not become a circulating medium of exchange. In this detail, I believe history will prove him wrong. The fictional dollar values assigned in the conference will not cause the gold coins never to circulate. As the distinguished ranking member of the Banking Committee, Mr. Wylie, a member of the conference committee, stated in his remarks a few minutes ago, the coins will circulate at their market value.

The fictional face value on the gold coins was necessary to assure the legal tender status of the gold coinage in international trade, and to assure that foreign nations will be required under the General Agreement on Tarriffs and Trade to permit the duty-free import of U.S. coins.

Nevertheless, I am proud that the conferees have accepted the Senate amendment—the U.S. gold bullion coins that we initiated here by introducing H.R. 1123. I want to congratulate my colleague from California, Mr. Dixon, for the help he has given us in bringing this legislation forward. We are proud that the bullion coin legislation has been cosponsored by every member of the Black Caucus as well as the entire Republican leadership. Without his very early support and endorsement of this positive solution to the problem of the Krugerrand, it would never have been possible to achieve this degree of success.

The idea of a U.S. bullion coin, which is before us today as the Senate amendment to H.R. 1460, has received the endorsement and cosponsorhip of over 238 of our colleagues. This overwhelming show of support for the idea of a U.S. gold coinage is a tribute to the bipartisan spirit in the Congress when the time for a new idea has truly come.

The idea for this gold coinage was first presented to Congress by the report of the Gold Commission in 1982. The Gold Commission was a special, joint commission with representatives from the Federal Reserve, the Council of Economic Advisors, the Joint Economic Committee, the Senate and House Banking Committees, and the public. The 17-member Commission was chaired by the Secretary of Treasury, who is presently the Chief of Staff at the White House. One of the Gold Commission's most active members was our former colleague, Ron Paul of Texas, who had made the reestablishment of a U.S. gold coinage his primary mission in his four terms in Congress.

The Gold Commission's duty was to sit in judgment on the controversy surrounding the role of gold. There were voices demanding a "return to the gold standard" and a mixture of opinions regarding the role of monetary policy and alternative regimes the United States might adopt to stabilize our system. The Gold Commission was mandated to study and recommend a policy to the Congress that would set the role of gold in our monetary system, with as little regard for politics or prejudice as might be possible. Its report to the Congress was transmitted on March 31, 1982.

The sole recommendation of the Gold Commission was Ron Paul's proposal for a U.S. gold coinage. That is the substance of the Senate amendment to H.R. 1460 before the House today. The Gold Commission, like the Congress today, supported the concept of a gold coinage with a common consensus that such a coinage will be an overall benefit to our monetary system.

To quote the report of the Gold Commission:

> Among those who support the proposal, two conceptions of the character of the demand for such coins are evident. Some of us expect the demand for such coins to be an investment demand, similar to the demand for Krugerrands, Maple Leafs, Mexican pesos, and other foreign coins that have found a market in this country. Others expect the demand for such coins to be (or have the potential to be) a demand for their use as money. Their value would change from day to day as the value of the gold content of the coin fluctuated in the free gold market.
>
> Some advocates of this proposal see such coins as facilitating development of a dual monetary system, which would impose an additional degree of discipline on discretionary operation of monetary policy.

This was the case that Congressman Paul put before the Gold Commission, and he carried the Secretary of the Treasury and the overwhelming majority of the Gold Commission with him.

The clear intent of the Commission in its recommendation to the Congress was to create competition in these two aspects of the monetary system: First, between gold coins from different issuers, to let the American public have the opportunity to satisfy a strongly revealed demand for such coins in a way that would not require them to extend a hand to a symbol of apartheid or to a foreign sovereign; and second, between forms of money, as in a dual monetary system with the parallel, concurrent circulation of gold ounces and paper dollars—with the clear implication that without an exclusive circulation for the one form or the other, there could evolve some greater implicit discipline on the monetary authorities.

In the 99th Congress, my colleague, Mr. Dixon, and I have worked to bring the Gold Commission's recommendation to this final stage. On February 19 of this year, we introduced H.R. 1123 to create a coin similar to the Gold Commission's recommendation and be positioned in the world coin market so as to reduce substantially, if not eliminate, the circulation of foreign gold coins in this country, particularly the Krugerrand from South Africa.

On March 7, the majority leader, Mr. Dole, and Senator Cranston, the minority whip in the Senate and a member of both the Senate Foreign Relations Committee and Senate Banking Committee, introduced an identical bill, and that measure is before this House today as the Senate coinage amendment to H.R. 1460.

Although there have been no committee hearings and no reports in this Congress on the gold coinage, the Banking Committees of the House and Senate have thoroughly examined the merits of the proposal in the previous Congresses, and of course we have the report of the Gold Commission as part of the legislative history of this monetary reform.

I believe that history will unfold an evolution in the role of these new U.S. gold coins. From a small but auspicious beginning, millions of American will become owners of gold bullion coins. When the day comes—and it will—when the paper dollar once agains depreciates rapidly due to an irresponsible and inflationary monetary policy, our people will turn to their bullion coins and find in our action today the foundation for monetary stability.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. Addabbo].

Mr. ADDABBO. Mr. Speaker, I thank the gentleman from Florida, and I rise in strong support of this conference report.

Mr. Speaker, the events of the past several weeks have awakened us to the fact that the situation in South Africa can no longer be ignored and can no longer be swept under the rug through a policy of constructive engagement.

For years the administration has been promising us that if we just went along with a policy of friendly persuasion, things would begin to improve. We have continued to receive assurances from the White House that things were improving. The events of recent weeks have shown that this is simply not the case.

The state of emergency imposed by the government in Pretoria is vivid evidence that that the situation is not only not getting better but is in fact getting worse. Whatever few human rights the black population of South Africa had have been brutally revoked by this desperate move.

As the leader of the free world, this Nation can no longer sit quietly by and while a government that has enjoyed our support becomes increasingly oppressive. The time has come to remove our heads from the sand and recognize that our policy of constructive engagement has been a failure. The time has come to impose severe and meaningful sanctions against South Africa, ones that will forcefully demonstrate our disdain for their blatant violation of human rights.

I stand today in support of the measures this Congress is considering against South Africa. How many times can we afford to stand by and allow the Communists to exploit an intolerable situation to their own advantage while we do nothing? Haven't we learned from bitter experience what can result when people of good will and fine intentions close their eyes to brutality?

There is still time for us to act. The blood of innocent people has already begun to flow in South Africa, and unless the civilized world is prepared to stand up and demand that it be stopped, I am afraid that the results will be tragic.

I strongly urge my colleagues to take action now. Perhaps if the government in Pretoria is finally convinced that we are serious about our opposition to their actions they will begin to take respect for human rights seriously. As we voted for the original legislation, we must now support this conference report.

Mr. FASCELL. Mr. Speaker, I yield 30 seconds to the gentleman from Maryland [Mr. Hoyer].

Mr. HOYER. Mr. Speaker, I speak with honor and pride today that I am a Member of this House which is considering the conference report on H.R. 1460, the Anti-Apartheid Act, which I have cosponsored.

My regret is that the Congress did not adopt this legislation last year. Although the House adopted a similar bill, the Senate did not do so. If the Congress had taken a stand, perhaps lives in South Africa would have been saved. Perhaps we would not be witnessing the dire situation which exists in South Africa today.

In speaking in favor of the legislation when the House debated it in June, I said that we must realize the long-term implications of our present relationship with South Africa. I said that most people agree that the walls of apartheid will be torn down, and that most people agree that the longer the walls remain standing, the more violent will be the means to bring them down. We are now witnessing that violence. We must not delay another day in taking a stand for our Government against the evil of apartheid.

The legislation which we have before us today clearly demonstrates our distaste for apartheid. It takes important steps to end our country's financial support for the South African system. In the legislation: We end bank loans to South Africa, we prohibit the importation of South African gold coins, we prohibit the sale of computer equipment to South Africa and we seek to end new investment by American companies in South Africa unless there is significant change in the apartheid system.

Some say that this legislation is not enough. That we must end all American investment in South Africa. That is true. We can continue to work toward that goal, and if no progress occurs implement such a policy. But the legislation which we have before us today is an excellent start. It ends our country's misguided policy of "constructive engagement" and in its place makes clear that we have no tolerance for the immoral system of apartheid.

I urge my colleagues to adopt this legislation. I am honored to vote to bring freedom and justice to all of the people of South Africa.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. DeWine], who signed the conference report.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. DeWINE. I yield to my friend, the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding, and I rise in very strong support of this measure, which is long overdue, to bring justice and equal opportunity to South Africa. I commend the leadership of our Committee on Foreign Affairs and of the Subcommittee on Africa for bringing this measure to the floor before we recess and, hopefully, in time to save additional lives.

Mr. Speaker, I hope that all of my colleagues will be able to support this legislation, an important step in the increased American pressure that should be brought against the South African Government in an effort to persuade it to end its current harsh, discriminatory policies.

The recent events in South Africa emphasize the need for this legislation. Some forces in South Africa will use the present unrest as an excuse to press for the repeal of the modest reforms that have been made up to this date. We must speak to those forces, and let them know that we expect progress, not reaction, in the face of current tensions. Obviously, the system in South Africa cannot be changed overnight. But we expect measured, real change to come about.

This bill provides immediate sanctions in the form of a cutoff of loans to the South African Government, a banning of the importation of Krugerrands, and a halt to shipments of computers to that country. The bill calls for increasing sanctions in the months and years ahead if South Africa fails to heed the call of the international community and the great majority of its own people and if it fails to undertake serious reforms.

I was pleased to support the original bill when it came to the House floor, and I am happy to support this compromise version of the legislation.

Mr. DeWINE. Mr. Speaker, I voted against this bill when it came on the House floor. I voted against it in committee and subcommittee. But last night I signed the conference committee report.

Make no mistake about it, this is a much superior bill than the one we sent out of this House, and it is superior for several reasons. First of all, it does have mandatory Sullivan principles in it. It allows the United States to continue and to expand its constructive role in South Africa. It has mandatory Sullivan principles for all U.S. companies doing business in South Africa.

The second main reason that I am supporting this bill is because the House bill was all front loaded. It did everything right away. This bill is a much more reasoned, logical approach. It does a few things at first, and then it tells the Government of South Africa, "This is what we are going to do, and this is how you can avoid it if you will grant some very basic, elementary human rights."

Mr. Speaker, I urge my colleagues to support this conference report. I urge my President to sign the bill. It is a good bill, it is a constructive bill. No one on either side of the aisle knows, frankly, what good this bill will do. We do not honestly know. Sometimes I think both sides overestimate our ability to control events in South Africa, but it is right that we try, and this is the right bill to do it with.

Mr. FASCELL. Mr. Speaker, I yield 30 seconds to the gentleman from New York [Mr. Garcia].

Mr. GARCIA. Mr. Speaker, very quickly, I would like to say that from the magic moments when Randall Robinson and our colleague, the gentleman from the District of Columbia, Mr. Walter Fauntroy, started the demonstrations in front of the South African Embassy, to the point where so many of us demonstrated in front of that embassy, to the magic moment yesterday when in fact I was honored to be one of the conferees to sign that conference report, I have believed that peaceful and constructive and meaningful demonstrations can bring about change, and I think that was the product of yesterday's debate.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. Gunderson].

Mr. GUNDERSON. Mr. Speaker, I was a Member who offered one of the two substitutes considered by this Congress when this issue was before us at an earlier point in time, and I, too, am happy today to stand and urge my colleagues to support the conference report.

Let me point out what we have included in this particular package. I want to commend those Members on both sides of the aisle of the Foreign Affairs Committee and the Banking Committee for an outstanding job of bringing about a bipartisan program for justice in South Africa. That is what this is. It is the positive action that we talked about, with Sullivan proposals, the scholarships for the blacks, and the conditional investment as well.

I consider that positive because it says there are certain things we are going to do today. We are going to tell the Government of South Africa, "Clean up your act. Bring justice to all your people or a year from now we are going to take tougher actions. But you be the judge."

What we are really doing today, then, is we are going beyond the positive actions of conditional investment and the positive actions I have mentioned to include some sanctions, something many of us on our side of the aisle opposed earlier. Why should we do that today? I believe that the sanctions included in this bill are a legitimate response to the state of emergency and the actions that are occurring by the South African Government today, and I say that it would be wrong for the greatest free republic in the world to not have some kind of response for the rest of the world to know that we still are the bastion of freedom and we want to send that signal to the world, that bipartisan plan for justice.

Mr. Speaker, that is what we are doing today. I commend my colleagues for this action, and I join with them in their very positive action on this particular proposal.

Mr. **FASCELL**. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. Berman].

Mr. **BERMAN**. Mr. Speaker, I would like to commend the principal sponsors of this bill, the gentleman from Michigan, the gentleman from Pennsylvania and the gentleman from New York. Throughout their long and distinguished careers in this body, they have worked tireless for a just and humane policy toward South Africa. We are deeply indebted to them for dedicating so much of their enormous talent, their unbounded energy and their great wisdom to this cause.

The sanctions in this bill will not force the South African Government to immediately grant equal rights to blacks.

But those who rule in South Africa should understand the bill's full meaning.

It means that the United States has joined the peaceful protest against apartheid—we will use nonviolent pressure to hasten the end of racial domination.

And this bill means that we do not regard the oppressors in South Africa as allies. Their rigid adherence to apartheid is the best friend the Soviet Union has in Africa.

One of the bill's sanctions—the restriction on computer sales to the South African Government—directly affects the enforcement of apartheid.

As the originator of the ban on computer sales to the South African Government which the House passed in the Anti-Apartheid Act, and as the conferee who negotiated the compromise which appears in this bill, I would like to comment on the computer sanctions.

These are significant new restrictions on computer sales to the South African Government. They close huge loopholes in current regulations.

It is important to note that the sanctions apply to all future sales of computers, software or goods or technology intended to service computers—whether or not such sales may be subject to long-term contracts or leasing arrangements. Explicit language in the House bill applied the sanctions to exisiting contracts. This was dropped in conference only because it was no longer necessary. The House bill amended the Export Administration Act, which contains a contract sanctity provision exempting contracted exports from foreign policy controls. The computer sanctions in this bill are free standing. They do not fall under the Export Administration Act, and therefore need no special provision to assure that they apply to all exports, whether subject to a contract or not.

The bill imposes a total ban on computer sales to South Africa's military, police and apartheid-enforcing agencies.

The ban applies to sales of all computers of any size. Current regulations, by contrast, impose no controls on personal computer sales to South Africa's police or apartheid-enforcing agencies. Exceptions for personal computers are inappropriate in the South African context. Any personal computer can be outfitted with a hard disk with a memory of 2,000 pages, or, using a modem, can become a terminal for a mainframe and have access to its memory bank. The South African Government can use personal computers in local and regional offices, as well as central government mainframe computers, to enforce controls on blacks.

The sanctions explicitly cover software and servicing for American computers already owned by the South African Government. Current regulations exempt from controls software and servicing for goods previously licensed.

The ban on sales to the military, police and apartheid-enforcing agencies covers all computer sales for any purpose. Current regulations allow computer sales to these entities if it is somehow determined that the computer will not contribute significantly to security or apartheid functions.

Finally, all computers sold to any entity of the South African Government are subject to the end use verification requirement. The verification procedures must be adequate to assure the computers are not used for police, military or apartheid-enforcing purposes. Currently, there are no such controls over computers sold to most agencies of the South African Government.

Mr. Speaker, I was disturbed by the active lobbying which some computer companies did to minimize restrictions on computer sales to the South African Government—particularly Control Data, IBM, and Hewlett-Packard.

To be fair, these companies argued from the beginning that they did not wish to sell new computers to South Africa's military, police, or apartheid-enforcing agencies. But they did want to continue to serve and provide software for computers previously sold or leased to these agencies. They insisted on continuing to sell to other agencies of the South African Government—even those which do not in any way benefit blacks.

As far as I know, computer industry spokesmen were the only business representatives who mounted an active campaign against sanctions in this bill. Their actions are surprising, given that their product contributes so directly to apartheid, and sales to the South African Government represent such a tiny fraction of their worldwide profit.

Recall that when some American companies unknowingly contracted to sell nerve gas chemicals to Iraq, those companies appealed to the Government for sanctions to relieve them from any obligation to fulfill the nerve gas contracts. I would have thought that American computer companies would take a similar view of their business with the South African Government. A total ban on computer sales to the Government would relieve them of any obligation to sell a computer that might be used to oppress blacks.

Were it not for computer company lobbying, this bill might have contained the original House ban on all computer sales to the South African Government. It would have been much stronger. Even though this bill requires verification procedures, it is going to be very difficult to prevent the South African Government from using any computer at its disposal to maintain controls over the daily lives of blacks.

I would urge the computer companies voluntarily to halt all sales to the South African Government, following the example of American banks. Some things are more important than profits.

If the computer companies are determined to sell the South African Government, I would note that much of the burden for end use verification will fall on their shoulders. I would urge them to be thorough and conscientious to assure there is no diversion of their computers to use in enforcing apartheid.

Finally, I would note that the Statement of Managers urges computer companies not to sell computers of any size to South African Government agencies which provide no services to nonwhites. Although the law prohibits only sales above $100,000 to such agencies, I would urge the companies to sell computers only to government entities which provide valuable services to blacks in South Africa.

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Mr. **BROOMFIELD**. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. Zschau], a member of the Foreign Affairs Committee.

Mr. **ZSCHAU**. Mr. Speaker, I rise in strong support of the conference report. I want to commend the conferees and the authors of this legislation for their leadership.

When H.R. 1460 was before the House earlier this year, I voted against it. Although I supported its objective of helping to bring an end to apartheid, I felt that it contained provisions that would be counterproductive to that objective. In particular, I opposed the ban on new investment. Many U.S. companies are playing a constructive role in bringing about fair employment practices and a better life to black South Africans. These companies, which subscribe to the Sullivan principles, should be encouraged to expand and help bring about change rather than being stifled.

I offered an amendment to the House bill that would have restricted the ban on new investment to only those companies that did not abide by the Sullivan code. My amendment was defeated. However, I'm pleased that the concept of my amendment is in this conference report. The Sullivan code is made mandatory, and there is no ban on new investment by U.S. companies.

I was also concerned about the blanket ban on computer sales to the Government of South Africa contained in the House bill. We should not be selling computers for use by the South African Government in administering apartheid. In fact, current export regulations restrict that. However, I feel that U.S. companies should be able to compete for the business of South African Government agencies that have nothing to do with the enforcement of apartheid and which provide valuable services to nonwhites as well as whites. In this conference report, the computer ban is targeted to restrict computer sales only to those agencies that enforce apartheid. That is as it should be.

This conference report, in my opinion, is a balanced and responsible action. It is important that it is balanced and responsible. However, it is essential that it is an action. The time for talk is past. The time for action is now.

Mr. Speaker, I urge my colleagues to support this conference report, and I urge the President to sign this legislation into law.

Mr. **BROOMFIELD**. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. Lagomarsino], a member of the Foreign Affairs Committee.

Mr. **LAGOMARSINO**. Mr. Speaker, I am one of those who voted against the bill when it passed the House, but I must point out to my colleagues that this is not the same bill. In my opinion, the House-passed bill would have been counterproductive, would have done more damage than good. I think the bill as drafted by the conference committee is appropriate. It makes a statement that we should all make and I think it may well help the situation in South Africa.

Mr. Speaker, I ask my colleagues to vote for the bill.

Mr. **BROOMFIELD**. Mr. Speaker, to conclude the debate now on our side, I yield the remaining time to the gentleman from Pennsylvania [Mr. Walker].

Mr. **WALKER**. Mr. Speaker, I thank the gentleman for yielding.

I rise in support of this conference report. Over the last 2 hours, I have been circulating on the floor among Republican Members who voted against this bill when it left the House. A letter to the President, which I intend to read at this point, along with the signatures of the Members who have signed the letter, is as follows:

House of Representatives,
Washington, DC, August 1, 1985.

The President,
The White House, Washington, DC.

Dear Mr. President: On June 5, 1985, the House of Representatives voted by an overwhelming margin to immediately impose economic sanctions on South Africa. Subsequently, the Senate on July 11 passed its version of sanctions against the South African government by an even larger margin. We opposed the House bill believing many of its provisions to be ineffective and counterproductive.

However, we are now prepared to support the agreement reached last night by House and Senate conferees. We believe the Conference Report to be a fair and reasonable compromise between the House and Senate positions. Furthermore, the persistent and escalating violence in South Africa requires our country to respond immediately to this crisis.

We respectfully urge you not to veto this measure because it is an important statement of U.S. policy for the future. It has bipartisan support in both Houses which is almost certainly substantial enough to override a veto. Given our strong support for this measure, we would be compelled to actively work for such an override, should it become necessary. We urge you to accept the Conference Report on H.R. 1460.

Mr. Speaker, that letter is signed by myself, Messrs. Broomfield, Gingrich, Henry, Gunderson, Craig, Hillis, Mrs. Vucanovich, Messrs. Strang, Bereuter, Dreier, Zschau, Lagomarsino, Whittaker, DeWine, and Cobey.

We will have other signatures before this day is over. I expect to nearly double that number.

I think it is a signal to the President that those 127 people who voted against this bill when it left the House is not a base upon which to build a veto. In fact, that base is deteriorating.

The President ought to sign this bill. It is a good bill at a good time.

Mr. Speaker, I thank the gentleman again for yielding.

Mr. **WOLPE**. Mr. Speaker, I yield 4 minutes for purposes of closing the debate to the gentleman from New York [Mr. Solarz].

Mr. **FORD** of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. **SOLARZ**. I yield to the gentleman from Tennessee.

Mr. **FORD** of Tennessee. Mr. Speaker, today marks an historic beginning for the U.S. Congress. While we have always been able to battle the disgusting practice of apartheid with rhetoric, we have the opportunity today to put the U.S. Congress on record against the policies of the South African Government. I want to ask our colleagues in the other body at this time to approve the conference report to H.R. 1460. Let America again be looked upon as the primary defender of world rights and liberties.

Obviously, the legislation is a first, albeit important, step in the fight against apartheid. No one in the Congress should overlook the significance of today's legislation. Unless the South African Government changes its ways, more needs to be done in the future. However, I am concerned that while the measure we have before us today may soon become law, it still might lack the full support of the administration.

Mr. Speaker, we are not the only nation with an interest in this matter. The case for bringing economic sanctions against South Africa by the international community at the United Nations is a continuing one. The world body needs the backing of the United States to pass meaningful sanctions against the South Africans. I am very concerned that the administration might not support the limited sanctions we are considering today. Such a lack of support would break the back of those advocating an end to the apartheid system. Thus, I will be introducing legislation in September which would express the sense of the Congress that this institution expects the administration to uphold these sanctions should they become law. In such a highly visible world forum as the United Nations, the potential damage that might result to the anti-apartheid movement from administration inaction is enormous.

Mr. Speaker, should H.R 1460 become law, it must mark the end of the policy of constructive engagement. Let us not be the one nation standing in the way of social reform in South Africa. In the face of new regulations banning even outdoor funerals, I call upon the President to support this legislation, and to meet with members of the Congressional Black Caucus to hear our concerns on this matter.

Mr. **SOLARZ**. Mr. Speaker, this is an extraordinarily significant achievement. For the first time since the establishment of apartheid in 1948, 37 years ago, the United States will be going on record as making clear our opposition to apartheid by deed, as well as by word.

The adoption of this conference report will send a message to the minority regime in South Africa that the United States will not continue to conduct business as usual with them in the absence of any meaningful progress for the elimination of apartheid.

It will send a message to the indigenous majority within South Africa that the United States is on the side of

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change, rather than on the side of the status quo in that country.

A little bit earlier, the gentleman from Indiana [Mr. Burton] said that he was fearful of the consequences for the West if an unfriendly government should one day come to power in South Africa. Well, let me tell my friend, the gentleman from Indiana, and the other Members of this House, that sooner or later, the black majority in South Africa will inevitably be in a position to determine their own destiny and when that day comes, the United States will be in a much better position to have a truly constructive relationship with South Africa if, in the interim, we have made it clear that we are on the side of change, rather than on the side of the status quo.

Mr. Speaker, I want to use this opportunity to close the debate to make a plea to the President of the United States, who has here an opportunity to create a genuine bipartisan consensus with respect to our foreign policy toward South Africa, not only a consensus among Democrats and Republicans in the Congress, but a consensus between the Congress and the executive branch itself.

We are much more effective abroad when we are united at home. How wonderful it would be if we could all stand up in the Rose Garden of the White House, Republicans and Democrats alike, together with the President of the United States, and say to South Africa and the rest of the world that the United States, at long last, is prepared to use its influence, its resources, to help bring about the elimination of apartheid in South Africa.

I would say to the President of the United States, "Mr. President, after the murder of 500 blacks in South Africa in the last year alone, most of them by the security forces of that country, after the establishment of the state of seige, after the withdrawal of the U.S. Ambassador to South Africa from Pretoria and the withdrawal of the South African Ambassador to the United States from Washington, after the establishment of sanctions against South Africa by Canada and France and the call for sanctions against South Africa unanimously by the Security Council of the United Nations, the time has come for us to finally write the obituary for the policy of constructive engagement.

"It was tried, but it did not work, and it created the impression that the United States was somehow in sympathy with the Government of South Africa without producing any meaningful progress toward the elimination of apartheid."

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We need a new policy, the policy embodied in this conference report which calls for the elimination forthwith of apartheid in South Africa.

● Mrs. KENNELLY. Mr. Speaker, we are dealing with many issues today, but few are more important or timely than the adoption of this conference report. The events of the last few weeks have proven—if further proof were needed—that the Government of South Africa ruthlessly represses its black citizens. Just yesterday, new restrictions were imposed on funerals, which are the only form of political expression left to South African blacks.

Many Americans have watched in horror and frustration the deteriorating situation in South Africa. And they have asked a single question: What is our Government, one that is founded on respect for human rights and human freedom, what is our Government doing to end this tragedy? The answer to that question is in this legislation. The measures it proposes are quite simply the least we can do.

There have been many speeches made about the situation in South Africa. But this bill speaks more loudly and more effectively than even the most eloquent words. It is our opportunity to demonstrate our commitment to racial justice and political liberties, not just at home but abroad.

Mr. Speaker, there should be no controversy about this conference report. The House has agreed to these provisions. The Senate has agreed. I hope the White House will come to agree as well. But now it is time for us to act. I urge my colleagues to adopt this conference report.●

● Mr. de LUGO. Mr. Speaker, I rise in support of H.R. 1460, the Anti-Apartheid Act, as reported by the conference committee. While this Member would have preferred to see the Congress pass the measure previously approved by the House, the compromise represented by the conference report imposes economic sanctions on South Africa and indicates the steps we are willing to take if conditions in that country do not improve.

At present, the situation in South Africa is deteriorating. The 500 dead and over 1,200 arrests in the past year, and the current state of emergency that accelerated these statistics, speak of a situation which the United States must not continue to ignore. Our current policy of constructive engagement is an embarrassment. The South African Government has graphically illustrated the fact that it is unimpressed by this country's quiet, and unenthusiastic, disapproval of apartheid. Our credibility as a nation concerned with civil rights and willing, as we have done most recently in the case of Nicaragua, to express this conviction in concrete terms is on the line here. We must, at a minimum, vote in favor of the Anti-Apartheid Act.●

● Mr. LEVINE of California. Mr. Speaker, we have before us the conference report on H.R. 1460, the Anti-Apartheid Act. It is a good bill, and I urge my colleagues to support it.

This bill imposes an immediate ban on the importation of Krugerrands, prohibits loans to the South African Government, puts limitations on exports of computers to the South African Government, and imposes limitations on the export of nuclear goods and technology.

Additional sanctions are to be imposed if, after a 12-month period, the South African Government makes no progress toward ending apartheid. The sanctions can be eased if the Government makes progress. These additional sanctions include a ban on new U.S. investment in South Africa, prohibition of the imports into the United States of coal or uranium from South Africa, and the revocation of the most-favored-nation tariff status South Africa now enjoys with the United States.

Mr. Speaker, South Africa's practice of apartheid—institutional racism—is brutal and utterly inhumane. It is contrary to any standard of civilized society, and it must be stopped.

The Reagan administration's policy of constructive engagement is a failure. It has done nothing to ease the plight of South Africa's 22 million blacks. Rather, internal repression has escalated dramatically over the last 4 years. Black South Africans cannot vote or run for public office or have a voice in their own destiny. The South African Government's homelands policy has resulted in over 9 million black South Africans being stripped of their citizenship in the land of their own birth. The South Africa Government has increased its oppression of trade unions. Its policies have resulted in the deaths of blacks fighting for their rights and freedom. Constructive engagement has aligned the United States—our country—with the repression of white rule in the eyes of South Africa's black majority. America should stand for justice in South Africa. It is right and it will best serve our national interest.

Now South African President Botha has declared a state of emergency in that country. Repeatedly we see footage of black South Africans demonstrating for their rights and freedoms. Repeatedly we hear stories of more deaths of black South Africans, killed in the pursuit of these goals.

Mr. Speaker, as citizens of the United States, where freedom and equality are held precious and inviolable, we must support these overriding principles on behalf of an oppressed people. Black South Africans have made it clear that even if sanctions create hardships for them in the short run, they are willing to bear the burden to achieve political and economic freedom in the long run. The struggle in South Africa is not about jobs or investments. it's about justice and dignity and political freedom.

South African Bishop Desmond Tutu, recipient of the 1984 Nobel Prize for Peace, has said that no amount of repression can contain the millions of black South Africans who are determined to be free. Let us join with them and help them achieve their aspirations. Support this bill.

Thank you.●

● Mr. HAWKINS. Mr. Speaker, it is now quite evident that in the past few weeks the policy of constructive engagement with South Africa has had very negative consequences. Coupled with the recent crackdown by South African authorities and the resulting deaths and arrests of South African blacks, President Reagan appears to have no choice now but to sign this historic legislation.

In conference, members of the President's own party have clearly repudiated the Reagan administration's policy of constructive engagement by agreeing to the conference report on the Anti-Apartheid Act of 1985. It is now up to the whole Senate to follow the leadership of Senator Lugar, chairman of the Senate Foreign Relations Committee, and put the entire Senate on record in opposition to the apartheid system.

The Senate and ultimately the President, by agreeing to and signing the bill, will usher in a new era in U.S. foreign policy. We will serve notice to the world that the United States will be willing to use economic sanctions to protect the human rights of people across the world. Clearly, the American people are making the struggle for human dignity their own struggle. Surely the President and Senate cannot ignore now the will of the American people manifesting itself in an overwhelming 380-48 repudiation of constructive engagement.

If our great Nation is committed to equality and justice, then we must honor our own standards here and abroad and immediately disassociate ourselves from the appalling system of apartheid. As Bishop Desmond Tutu, Nobel Peace Prize winner, remarked, "Economic restrictions are black South Africa's only chance. The argument that blacks would suffer most from greater economic pressure is moral humbug." Today, my collegues, we can set into motion a forceful and realistic attack on South African apartheid. A policy that will enfranchise black South Africans with dignity and respect, and the political privileges that citizens all over the free world too often take for granted.●

● Mr. MATSUI. Mr. Speaker, South Africa's policy of apartheid represents vicious, institutionalized racism. It is a practice that has not ended with the administration's policy of constructive engagement. The fact is constructive engagement is a failed policy, and the time has come to stop providing support to a nation whose practices so completely belie our own democratic traditions of fairness and equality under the law. It is time to repudiate the policy of constructive engagement.

The failure of constructive engagement is evidenced by this mornings headlines. In response to increasingly vocal opposition to apartheid the white minority government of South Africa has banned outdoor funerals with any political content. Rather than working with black leaders to ease tensions, the Government has removed the only manner in which blacks were able to demonstrate their opposition to the Government.

Mr. Speaker, I support this legislation which will impose economic sanctions against South Africa. Economic sanctions can be a legitimate tool of foreign policy, and I am convinced that this would be an appropriate and effective means to bring about change in South Africa. It would, in any case, leave no question where the United States stands on the abhorrent policy of apartheid.

The economic sanctions in the Anti-Apartheid Act of 1985 are just and represent a critical first step in disassociating the United States from the cruel and racist policies of South Africa. I urge adoption of this legislation.●

● Mr. GRAY of Pennsylvania. Mr. Speaker, I rise to once again express my deep concern that our Government recognize the brutality endemic to the apartheid regime in South Africa, and that we as a nation abandon, without further delay, our policy of constructive engagement.

Mr. Speaker, France, Canada, and other members of the world community of nations are taking firm and unequivocal stands in response to Pretoria's unprecedented crackdown against the black people of South Africa. We can no longer continue to cling to a policy which has failed so completely and so tragically. South Africa must be made to understand that if it does wish to be considered a member of the western community of nations, there are certain standards which must be met. Simply claiming to be anti-Communist is not enough. If South Africa insists on its right to reject and defy all tenents of social and political justice and decency, we must insist upon our right to disassociate completely from that tyranny.

The international community is already doing precisely what I am advocating here tody. France, Sweden, Canada have all taken a stand. European parliamentarians are protesting en masse.

My concern, Mr. Speaker, is that the United States of America not be the one country clinging tenaciously to the apartheid regime while all other nations, great and small, do their parts to hasten the dismantlement of the repulsive system.

On March 7, 1985, I introduced the Anti-Apartheid Act of 1985. On July 31, House and Senate conferees agreed to ban bank loans to the South African public sector, ban nuclear trade with South Africa, ban computer exports to the Government of South Africa, and end the importation of South African Krugerrands into this country.

Constructive engagement clearly reflects neither the will of the American people nor the rising international tide in opposition to apartheid. I commend House and Senate conferees on the leadership they have shown. I trust that this bipartisan, bicameral position makes clear the urgency of implementing a new and enlightened South African policy.●

● Mr. BROOKS. Mr. Speaker, I want to take this opportunity to commend the distinguished chairman of the Foreign Affairs Committee, the gentleman from Florida, for his outstanding and effective effort in bringing legislation important to the national interest to the floor in a timely manner. It is my understanding that over the past 2 weeks, the foreign Affairs Committee had three bills in conference simultaneously. To complicate the situation even further, it was necessary to interrupt the foreign aid conference, to take up and pass the Micronesian compact legislation. This was all accomplished smoothly.

We all owe our thanks to Mr. Fascell, his committee, especially the ranking minority member, the gentleman from Michigan [Mr. Broomfield] for demonstrating a true spirit of constructive bipartisanship.●

● Mr. FRENZEL. Mr. Speaker, when the South African sanctions passed the House I voted "no." In general, I thought the motivation good, the moral statement even better, but that the results would be harmful to all parties involved, particularly the black people of South Africa.

In general, I don't like sanctions. On the record, they have not been successful. I don't like sending messages by shooting ourselves or other relatively innocent bystanders in the foot.

In general, I like the policy of constructive engagement. I believe we are more effective working with foreign governments than we are when we threaten them. I like having U.S. firms, using Sullivan principles, standing as an example and a symbol in South Africa.

But, conditions have taken us past the in general stage and the personal preference state. The situation in South Africa has worsened, and continues to do so.

The conference report has taken us past the send-a-message stage. It is a vast improvement over the previously passed House bill. Both the carrots and the 1-year stick are helpful

It is now time for the Congress to act.

For those of us who don't like sanctions, who want to keep the U.S. presence as a symbol in South Africa, it is time to acknowledge the need for action.

There is a cost to us, and to the people, black and white, of South Africa. There are times when people of good will must accept some costs in the name of principle. One speaker today said that moral question had become predominant.

I am forced to conclude he is right. I must vote for this bill.●

● Mr. MORRISON of Connecticut. Mr. Speaker, I was honored to participate in the conference on the Anti-Apartheid Act of 1985. I urge support of this most essential piece of legislation.

The sanctions that conferees agreed on against South Africa include banning the importation of Krugerrands, halting new U.S. bank loans, banning the sale of nuclear technology, applying the Sullivan principles to U.S. firms with more than 25 employees, minting new U.S. gold coins to compete with the Krugerrand, and providing $34 million of AID funds for scholarships for black South Africans. I believe that these sanctions send a message to the South African Government that apartheid must end, that they cannot continue to oppress 23 million of its citizens. The sanctions also send a message to our Government that we don't want to be constructively engaged with a government that practices legally mandated racism.

The situation in South Africa has deteriorated drastically in the past week. Since the Government established a state of emergency 11 days ago, 25 persons have been killed and 1,259 have been arrested. In addition, a ban on outside funerals for anyone who has died of unnatural causes in any of the black townships was established today. The state of emergency grants broad powers to the South African defense force and to the South African police (including the railways police and the prisons service). Those forces are authorized to "apply * * * such force as he under the circumstances may deem necessary * * *" to prevent even a suspected danger to public order. They are authorized to arrest and detain without a warrant or charge for up to 14 days. However, that 14-day period can be extended for an indefinite period pursuant to a written notice issued by the Minister of Law and Order. Detentions under the state of emergency do not have to allow access to legal counsel or family. The names of those detained may be withheld and any unauthorized distribution of the names is punishable by up to 10 years imprisonment or a substantial fine. It is important to note that new powers are an extension of far-reaching powers authorized under preexisting statutory law. The Internal Security Act of 1982 had already given the police broad powers to curtail the civil liberties of South Africa's black citizens. The 1982 act gives a police officer of the rank of lieutenant colonel or higher the power to detain a person incommunicado for the purposes of interrogation.

The conferees agreed that President Reagan must recommend stiffer sanctions for congressional approval, if the South African Government does not take one of several steps to end its oppressive and racist system of apartheid. These sanctions include a ban on new private U.S. investment in South Africa, a denial of most-favored-nation tariff status, and a prohibition on coal, uranium, or both. The steps that would be considered progress under the conference include an end to forced relocations, negotiations for a new political system with full rights for nonwhites, a settlement of the status of South African-controlled Namibia, freedom for all political prisoners, access to jobs and joint family housing for nonwhites, and an end to denationalization practices of segregation.

I urge support for the Anti-Apartheid Act of 1985. The United States must take a stand against apartheid.●

● Mr. MINETA. Mr. Speaker, I rise to offer my support to the conference report on H.R. 1460, the Anti-Apartheid Act of 1985. While I would wish for stronger measures, such as the imposition of an immediate ban on new investments in South Africa, I can support this bill because it is the first definitive action that this Congress has taken to express its abhorrence of apartheid.

Congress hereby states that the past pressures on the South African minority rule government have failed to effect substantive changes in that country's racist policies. In fact, many in this country and in this Congress believe that the administration's policy of "constructive engagement" has been equivalent to tacit approval of apartheid and to support for Mr. Botha's white-supremacist rule.

The increasing violence and unmitigated police brutality in South Africa show us that the situation is becoming worse. The state of emergency imposed by Pretoria demonstrates that the government plans to deal with the rising level of anger in the black community by implementing more repressive policies and by arresting opposition figures. Yesterday's new ban on mass outdoor funerals, the only means for blacks in South Africa to express dissent, makes this legislation most timely.

Mr. Speaker, this bill deserves our strong support. It is a long overdue change in our policy toward South Africa. The Anti-Apartheid Act of 1985 signifies unequivocally the beginning of the end of the fruitless policy of "constructive engagement."●

● Mr. MOODY. Mr. Speaker, over the past few months we have seen America's attention focused on two crises in Africa. In sub-Sahara Africa we have witnessed the starvation of hundreds of thousands of people who have had their lives devastated by the worst that nature has to offer; and America has responded.

Even as we are helping to feed starving people in Africa we have been witnessing another disaster. This disaster represents the worst that man has to offer. The present Government of South Africa survives on the basis of a repugnant system of racial servitude. Again America is responding. The frustration and anger of the American people is represented in this legislation. These economic sanctions passed by the House and Senate are the first step in using America's influence to end the system of apartheid. We realize that total change will not occur overnight. But this measure will send a clear message to South Africa and also put them on notice that the United States intends to exert whatever pressure it is capable of.

This antiapartheid legislation is a first step; it is by no means the final action. No matter what it takes—complete economic isolation, severance of diplomatic relations, and the cessation of all political contacts between our country and South Africa—apartheid must end.

This legislation is also warning to the Reagan administration. While black South Africans are being murdered and imprisoned on a daily basis, President Reagan continues to stand by his bankrupt policy of constructive engagement. The Reagan administration knows that it cannot maintain this policy.

Mr. Speaker, let there be no mistake about what we are doing here today. We are taking a largely symbolic but important action step. But this is not the end of our pressures against the racist apartheid regime in South Africa; this is the beginning of the end of apartheid.●

● Mr. CONYERS. Mr. Speaker, earlier today, the House overwhelming approved the conference report on the Anti-Apartheid Act. It eventually will be approved by the Senate as well. While the act, as agreed to by the House and Senate conferees, is not as strong as some of us would have liked, it represents the best legislative proposal that could be obtained at this time.

Economic sanctions, at times, are more symbolic than effective. The Anti-Apartheid Act, a highly bipartisan measure, is important in that it signals to the world community and Pretoria that the Congress and the American people are committed to severing its relationship with, and support of, the most racist government on the planet. We want South Africa to open its doors of freedom to all of its citizens.

More importantly, the overwhelming support for the Anti-Apartheid Act signals to the Reagan administration that the constructive engagement policy has not only been a failure, but it has resulted in South Africa believing that the United States, while giving lipservice to apartheid, encourages for South Africa to conduct business as usual. Why should South Africa change its racist policies when it feels it has the backing of the most powerful government in the world?

Constructive engagement has permitted the United States to become the largest trading partner and second-largest foreign investor in South Africa. It also has become a toothless euphemism disguising military, economic, and diplomatic support to Pretoria which, until recently, has gone almost totally unnoticed.

Late last year, the Free South Africa Movement began; members of the Congressional Black Caucus and other Members of Congress were arrested almost daily at the South Africa Embassy. These arrests were instrumental in bringing the apartheid issue, which has existed for well over a century, to the front burner. Since that time, hundreds of thousands of Americans have, in a variety of ways, joined in showing their disapproval of South Africa's policies, and the administration's policy of passivity.

In fact, at this very moment, a large protest march is occurring in Detroit in which its citizens, as they have in the past, are again demanding an end to the terror in South Africa and responsible action from our Government in Washington.

Constructive engagement has resulted in the loss of over 500 lives in South Africa during the past year; additionally, thousands of innocent people being arrested. It has provided the minority government in South Africa with the boldness to thumb its nose at the world community, and impose incredible restrictions on 24 million individuals because they happen to be black.

Considering the events of the past several months in South Africa, where blacks have been brutally murdered by the South African police while attending funerals of others who also have been killed by the police, the administration should have taken the initiative to declare its constructive engagement policy toward South Africa ineffective and inefficient, and a total failure. Perhaps the actions that the Congress has taken today will cause the administration to reexamine its attitude to South Africa.

This is the same administration which so eagerly provided military and CIA support to rebels committed to destroying the current government which came to power as the result of overthrowing the infamous Somoza dictatorship. In fact, many of the rebels are former members of the Somoza regime. Recently, the administration has declared the Nicaraguan government a threat to our national security, and had no problems imposing economic sanctions.

Mr. Speaker, freedom is a very precious thing, and people will do anything to get it. Time is growing short for South Africa to peacefully end its apartheid system. In fact, one might say the revolution has already begun. Our American Revolution was started over the issue of freedom, and once it started there was no way of stopping it.

The burning desire for freedom stops for no one. Nor can it be stopped. Black South Africans will be free one day; it's just a matter of time. As Bishop Desmond Tutu, South Africa's 1984 Nobel Peace Prize winner, has reminded us, no amount of repression can contain 24 million people determined to be free.

There are some who say that economic sanctions will hurt South African blacks more than it will the white minority. Yet, American firms employ less than 1 percent—66,000—of South Africa's black population. Yet, American corporations control 70 percent of the computer market, 45 percent of the oil market, and 33 percent of the automotive market. These businesses are the jugular vein of the highly sophisticated South African police state, without which Pretoria could not maintain its political and economic structure.

The House, by overwhelmingly approving the Anti-Apartheid conference report, has taken the position that it will stand on the side of freedom. I urge President Reagan to not only sign this important legislation when it reaches his desk, but to also actively support it as well, and ensure that this legislation will be enforced to the fullest extent. This is an issue which the administration can ill afford to be out of synch with the wishes of the Congress and the majority of the American people.●

● Mr. WEISS. Mr. Speaker, the conference report before us today, which imposes sanctions against the apartheid Government of South Africa, embodies a moderate compromise forged from this bill from the House and Senate. Neither the Senate nor the House version, by itself, would have accomplished all that I would like to see done regarding South Africa. Neither bill would have forced the South African Government to abandoned its racist policies and grant economic and political rights to the nonwhite majority in that country.—nor does this conference report.

The report nevertheless accomplishes something very important. It backs with action the emerging consensus that we should not contribute economically or politically, to the preservation of the abhorrent apartheid system. It demonstrates the commitment of the American people to serious reform in South Africa, and it does so without equivocation. It thereby enables us to join nations around the world that have taken concrete steps in support of the oppressed majority in that troubled country. France, Sweden, Norway, Denmark, Australia, and others have adopted laws or taken other actions specifically directed against apartheid. In great Britain, for example, more than 120 local authorities, in cities and towns which include over two-thirds of the country's population, have joined a nationwide campaign of disinvestment.

There can be no doubt that actions of this kind have a strong impact in South Africa. The Pretoria government hears the voices from around the globe that indicate a growing isolation of their country. Black people in South Africa hear also, and are strengthened to press on with their struggle for political equality.

The South African Government has displayed a defiant mood in recent weeks. Outbreaks of political unrest and renewed resistance to white rule in black communities were met with the imposition of a "state of emergency" for the first time in 25 years. Under the emergency, the authorities' far-reading power to detain people without charge, to carry out searches and seizures, and to control the press were expanded still further. President Botha's response to the resulting international outcry was to declare, "No self-respecting country can allow any other country, large or small, to dictate to it how it should be governed."

In spite of its tough words, Pretoria has good reason to be alarmed. This bill imposes economic sanctions for the first time in the history of United States-South African relations, to be followed by tougher U.S. sanctions a year from now if conditions do not improve. By themselves, the exact a tangible cost to the South African economy. Perhaps more important they are the beginning of a process that could lead to comprehensive multilateral sanctions and the economic and political isolation of South Africa's white supremacist government from the rest of the world.

Its defiant rhetoric to the contrary, the South African Government has always demonstrated a craving for acceptance by the other nations of the world. It has invested in public relations campaigns for foreign consumption; it has sought to capitalize on signs that the United States, or other countries, may be ready to acquiesce in the survival of institutionalized white supremacy in south Africa.

In the context, the Reagan administration's refusal to consider a change in policy toward South Africa is a moral outrage and an embarrassment to the Congress and to the American people. Its reluctance even to criticize the violent actions of the South African Government serves only to support apartheid and to encourage Pretoria in its repressive and brutal policies.

We in the House today will demonstrate our disgust both for apartheid and for "constructive engagement" by voting overwhelmingly to adopt this conference report.●

The **SPEAKER** pro tempore. All time of the gentleman from Florida [Mr. Fascell] has expired.

The gentleman from Michigan [Mr. Broomfield] has 1 minute remaining.

Mr. **BROOMFIELD**. Mr. Speaker, I yield back the balance of my time.

Mr. **FASCELL**. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The **SPEAKER** pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. **BROOMFIELD**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device and there were—yeas 380, nays 48, not voting 5, as follows:

[Roll No. 288]

YEAS—380

Ackerman
Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bartlett
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Campbell
Carney
Carper
Chandler
Chappell
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Daniel
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Edwards (OK)
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
MacKay
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Pursell
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Sikorski
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Strang
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

NAYS—48

Archer
Armey
Badham
Barton
Boulter
Burton (IN)
Callahan
Chappie
Cheney
Combest
Dannemeyer
DeLay
Dornan (CA)
Eckert (NY)
Emerson
Fields
Hall, Ralph
Hansen
Hartnett
Hyde
Kindness
Leath (TX)
Mack
Marlenee
McCandless
McCollum
Miller (OH)
Monson
Moorhead
Myers
Nielson
Packard
Quillen
Ritter
Roth
Rudd
Schaefer
Schuette
Shumway
Shuster
Siljander
Slaughter
Smith (NH)
Smith, Denny
Snyder
Stenholm
Stump
Taylor

NOT VOTING—5

Carr
Crane
Hefner
Loeffler
Solomon

□ 1520

Mr. McCANDLESS changed his vote from "yea" to "nay."

Mr. SWINDALL and Mr. LUGAN changed their votes from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. **GEJDENSON**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

GENERAL LEAVE

Mr. **de la GARZA**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 144, adopted earlier today.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following date the President approved and signed a joint resolution of the House of the following title:

On July 31, 1985:

H.J. Res. 106. Joint resolution designating August 1985 as "Polish American Heritage Month."

SUPPLEMENTAL APPROPRIATIONS ACT, 1985

Mr. **WHITTEN**. Mr. Speaker, I move to take from the Speaker's table the bill (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes; with a Senate amendment to the House amendment to Senate amendment No. 112 thereto, and concur in the Senate amendment to the House amendment to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment to Senate amendment No. 112, as follows:

Resolved, That the Senate agree to the amendment of the House of Representatives to the amendment of the Senate numbered 112 with an amendment as follows: After "legislation" at the end of the last sentence, insert; "except that this sentence shall not apply after May 15, 1986".

GENERAL LEAVE

Mr. **WHITTEN**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the further amendment of the Senate to the Senate amendment No. 112 to H.R. 2477.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Mississippi [Mr. Whitten] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. Conte] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. Whitten].

Mr. **WHITTEN**. Mr. Speaker, I yield myself such time as I may require.

May I say to my colleagues that the amendment adopted yesterday, after further study, appears to create more problems than it solved. We all agree we would prefer to have legislation authorizing projects; we all recognize that we would like to have our legislative committees doing authorizations.

May I say that we agree it would be much better if we could have authorizations and not have to proceed as we did. We are in accord with the feelings of the leadership of the legislative Committee on Public Works. As I said, the amendment adopted yesterday, upon further study, creates more problems than it solves.

The Senate, in looking it over, decided to give time for authorizations until May 15, 1986.

So what they have done is amend the provision that passed the House by adding the following words: "except that this sentence shall not apply after May 15, 1986."

So on yesterday we had a prohibition against initiating public works projects that were listed in that bill until we had legislative authorizations. May I repeat that the amendment of yesterday prohibited the initiation of construction of the projects that were listed in the bill until authorized by legislation.

It also prohibited the initiation of construction of those that had already been authorized.

In order to straighten the matter out, to give the legislative committee ample time in which to pass legislation which I hope they can do, the Senate added the following words: "except that this sentence shall not apply after May 15, 1986."

We discussed this with the leadership of the legislative committee; we are in accord; and this will give ample time, hopefully, for the Congress to pass legislation.

Again, the Senate amendment will release funds for those projects that are already authorized along with those that have not been, those that have been pending for a long time upon enactment of authorizing legislation on May 15, 1986.

Mr. Speaker, at this time I yield to the gentleman from New Jersey [Mr. Howard], the chairman of the committee of legislative authorization.

Mr. **HOWARD**. Mr. Speaker, I thank the gentleman for yielding me some time.

Mr. Chairman, as I understand this as it came back from the other body, it states that the action that was taken by the House on yesterday will be in effect until May 15, 1986, unless the Congress passes other water resource legislation before that time.

Mr. **WHITTEN**. That is correct.

Mr. **HOWARD**. I thank the gentleman. I would just like the Members to know that this does seem in one way like a reasonable situation. It is saying, we are going to give you close to a year to get your act together to be able to pass water resource legislation; go to conference with the other body; and have it signed into law.

However, on the other hand, it could also be a signal to the Members of the other body to say, "If you can just hang in there, and do not cooperate, and do not work, and see that no legislation is passed by May 15, then we will have our power grab back again, and that will be the law."

I would like to state for the information of the Members of the House that I have spoken with the chairman of the Committee on Environment and Public Works in the other body; we do know that their water resource bill is out of their committee and is now pending, sequentially, before the Finance Committee in the other body, and the Senator from Vermont, chairman of that committee, has just recently assured me that he will make every effort to see to it that they have their bill out and we can go to conference and have a law, not by May 15, but by the end of this year.

□ 1530

We certainly will have our bill on the floor here by early October. So if we can get that promised cooperation from the other body, then I believe that all of our work would have been for a good purpose and we would have straightened out this whole matter.

I wish to thank the gentleman from Mississippi for yielding me the time to make this statement.

Mr. **WHITTEN**. Mr. Speaker, may I say that we appreciate the fine work the gentleman does, and we join with him in hoping that we can get cooperation on the other side of the Capitol to follow the authorization process. We will be cooperative in every way that we can.

Mr. **HOWARD**. I thank the gentleman. We will keep our eye on them.

Mr. **WHITTEN**. Mr. Speaker, I yield such time as he may require to the gentleman from New Jersey [Mr. Roe].

Mr. **ROE**. I want to thank the chairman of the Appropriations Committee for yielding to me.

Let me suggest in following up Chairman Howard's discussion that we have been working assiduously with Chairman Whitten, and Chairman Howard, and others, and Members of the other body, to get this matter resolved.

I think it is important for the Members to understand where this is going because you will all have a stake in this decision that is being made.

Let me suggest a couple points. One, yesterday there was an issue that had arisen with a number of the Members that had to do with authorized projects. I think that matter has to be clarified.

In the amendment that we offered and was adopted yesterday, it did put an umbrella over those 21 authorized projects.

Now, I have had a discussion with Chairman Bevill and Chairman Whitten, and it was not the intent of the Public Works Committee to hold back authorized projects. Now what we are planning on doing—and I would recommend to our Appropriations Committee—is in other vehicles that are coming along, to remove that particular situation that has created a slight impediment on those projects that have already been authorized.

I would appreciate a colloquy with the gentleman from Alabama so that we are in concurrence with that understanding.

Mr. **BEVILL**. If the gentleman will yield, the gentleman is absolutely correct. This was obviously his intention, but this does clear this up. If I may, at this point, I would like to thank the gentleman for his cooperation and effort on this, because we have all spent a lot of time on this, Chairman Howard, and Mr. Edgar, and many

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others who have participated in it. So if I may at this point, I would like to make this point here also that the gentleman is interested in about the preliminary work. And here is a statement that will cover that:

Initiation of construction as proposed in amendment 112, which is all of the Corps of Engineers projects in this supplemental, is not intended to preclude work or actions essential to construction. It is fully intended that all the planning, design engineering, land acquisition, and bridge relocations necessary to prepare for construction of any project should proceed to the point where actual project construction may proceed when authorized and funding is available.

So I just wanted to clear that up. The gentleman is interested in that also.

Mr. ROE. That is our understanding of what the legislation will do.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. I am sorry, I was distracted when you explained your proposal. Where is that language going to be placed?

Mr. BEVILL. This is going to be placed in the supplemental at the appropriate point, simply to clear that up——

Mr. MYERS of Indiana. In the bill?

Mr. BEVILL. In the supplemental, so that they can go right on with the preliminary work as intended when our bill left our committee, because they did not intend to restrict that part. But no construction. But preliminary work, studies, and that sort of thing.

Mr. MYERS of Indiana. If the gentleman will continue to yield, this will have to go back to the other body then, because they have not cleared this.

Mr. ROE. No.

Mr. BEVILL. No; I see what your question is. It is in the report.

Mr. MYERS of Indiana. Oh, in the report?

Mr. BEVILL. Yes.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. ROE. I yield to the gentleman from New York.

Mr. KEMP. I appreciate the gentleman yielding. He has been very gracious in explaining the situation to several of us who have authorized projects in the conference agreement. For those projects which have done the preliminary work and are ready for construction in 1986, could the gentleman give me some assurance that those projects are going to be left on track as this legislation moves forward?

Mr. ROE. I would like to respond to the gentleman. The answer is yes on that. This morning we reviewed every one of the 21 authorized projects that are in this bill with the Corps of Engineers.

Mr. KEMP. Including Ellicott Creek?

Mr. ROE. Yes, including Ellicott Creek and including every one that everyone called to our attention. The report we have in writing back from the corps is that it will not have an effect because all of those projects will be scheduled for consideration and construction in 1986.

Mr. KEMP. That is correct.

Mr. ROE. So therefore, as far as we are concerned, we do not see where you will have a problem with those issues, provided one of 2 things: the timeframe that is covering over in the Senate languages goes to May of next year, early May 1986, some action has to take place on the authorizing legislation between both bodies. That is one controlling date.

Mr. KEMP. Will the gentleman yield on that?

Mr. ROE. I yield to the gentleman.

Mr. KEMP. What about those projects that are authorized?

Mr. ROE. I am talking about authorized projects. And I would recommend, I say to the gentleman from New York, those projects that are authorized, if we can get additional language in another piece of legislation, such as, for example, the 1986 appropriations bill, that could help move it faster. But we see no impediment to what you are trying to achieve.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield for a clarification?

Mr. ROE. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. I do not think we should mislead the gentleman. I know the gentleman does not intend to.

Mr. ROE. I do not think I mislead him.

Mr. MYERS of Indiana. His project that he is vitally concerned about, Ellicott Creek in New York, cannot start with construction—they can do anything, which has mostly already been done there—construction may not start until May 15, 1986, or until subsequent legislation is passed, such as H.R. 6, providing for cost sharing. One of the things would have to be done before construction could start.

Mr. ROE. I do not want to complicate it. I have checked out in depth with the Corps of Engineers on all 21 of those projects. If the Appropriations Committee were to deprive all the money in the world to finish it, it would not make any difference because the plans and specifications will not be ready to go to bid until early 1986.

What the gentleman is saying, and correctly so, the controlling date under the Senate language is May 1986, so it is not going to impede any of the timeframe on the Ellicott Creek project.

Mr. KEMP. I thank the gentleman.

Mr. Speaker, I rise in strong support of the motion to recede and concur in the Senate amendment.

While I would have preferred the immediate availability of construction funds for those projects such as the Ellicott Creek flood control project which are authorized and which have cost-sharing agreement, my ultimate objective is to obtain the funding and complete the project as quickly as possible.

The Ellicott Creek project was originally authorized in 1970, was reauthorized in 1981, and has been covered by a cost-sharing agreement since 1982. The only obstacle preventing completion of the project has been the inability of Congress to reach a concensus on water policy so that new start construction can be funded.

My constituents already have waited too long to see this project built. This past winter, Ellicott Creek flooded, devastating the area. The most frustrating aspect is that if the flood control project had been in place, the creek would have been contained.

My colleagues from western New York and I have worked tirelessly to obtain this construction funding. I am extremely pleased that with passage of this legislation our efforts finally will be rewarded. The real beneficiaries of our action will be the residents living near the creek who no longer will need to worry about the devastation and pain that previous flooding has caused. With completion of this project, that kind of flooding will be a thing of the past.

Mr. ROE. Let me conclude on this. I usually have a tendency to be very loquacious and I have a tendency to be very fierce in my approach. I am a lot calmer today. I find it more difficult to speak when I am calmer. I think that we are making great progress. But let me say to the other Members here, those who are not directly involved at the moment, as the situation unfolds, we have a job to do. As Chairman Howard pointed out, by the end of September or early October we will be in a position of coming back to the House, after going to the Rules Committee, of course, coming back to the House with H.R. 6. We would hope in H.R. 6 that we will receive the strong support from the Appropriations Committee and all the Members of the House. So we are on schedule, as rapidly as possible, in our authorizing legislation.

I talked to Senator Hatfield, the chairman of the Appropriations Committee in the Senate, and he has assured me that he will extend all of his effort and help on the Senate side, as Chairman Howard has talked to other Members, to get the program going so we can get an authorizing piece of legislation through.

So it is going to behoove us, if I may, before I give up the rest of my time, it is going to behoove us, once we move after today, once we get that bill onto this floor, to put all of our efforts in with the Senate, to ask and implore of the Senate to move as rapidly as possible on an authorizing bill so that we can go ahead and get these matters straightened out.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from Louisiana.

Mr. ROEMER. Is it your belief that the May 15 date will in fact help you pressure the process to completion of H.R. 6? Is that your position?

Mr. ROE. Well, I think that the May 15 date is reasonable. In candor, somebody said to me, before we got to this agreement, what do you think the Senate will do? And I said, "If I knew that, I would be king."

So I have no idea. I think what happens with Members of the House, and, if I may say, next year we will all be seeking the suport of our constituencies, it would behoove the Members of the House who are affected to ask their fellow Senators to be cooperative in the efforts we are trying to put forth.

Mr. ROEMER. I thank my colleague.

□ 1540

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this conference agreement, as further amended by the other body.

The Senate addition would provide that the so-called escrow language, which made the initiation of construction of new starts contingent upon the enactment of cost sharing legislation, shall not apply after May 15, 1986. This provides a 9-month period in which to enact such legislation—in my view, clearly an adequate time. I believe that as amended by the Senate, this language is consistent with the House position adopted on the floor last evening, and is worthy of all of my colleagues' support.

Mr. Speaker, there was a great deal of uncertainty on the floor last evening with regard to the operative effect of the language under consideration regarding the water projects. Because of that, I think it is important to clarify for the sake of the legislative record exactly what we have done, and propose to do, it this conference agreement is adopted. In order to do that, I would appreciate the attention of the gentleman from Mississippi, the chairman of the committee, and the gentleman from Alabama, the chairman of the Energy and Water Development Subcommittee, as well as the gentleman from Indiana, the ranking minority member of the Energy and Water Development Subcommittee.

As I understand it, upon the enactment of this supplemental, the initiation of construction of all of the 41 projects listed in amendment No. 112, whether currently authorized or not, would be suspended until after May 15, 1986, unless cost sharing legislation is enacted before that time.

If cost sharing legislation is enacted before May 15, 1986, construction on authorized projects could move forward in accordance with the conditions contained in such legislation.

In other words, if cost sharing legislation is enacted by May 15, 1986, any of these projects that are authorized, or that subsequently become authorized, can proceed upon enactment of the cost sharing legislation.

If cost sharing legislation is not enacted by May 15, the language originally contained in the conference agreement becomes operative. In other words, projects for which cost sharing agreements have been entered into with the Corps of Engineers can proceed, provided that such agreements have been entered into by June 30, 1986. That includes projects that are authorized, as well as projects in this bill that are currently unauthorized. Construction on those projects can be initiated after May 15, 1986, provided that a cost sharing agreement is signed by June 30.

Is that the understanding of my colleagues on the committee?

I yield to the gentleman from Mississippi [Mr. Whitten] for his response.

Mr. WHITTEN. May I say that the language in the Howard amendment controls. The gentleman's interpretation seems to be OK.

May I repeat again that all of the projects listed there are under this same restriction, but when the restriction should die after May 15, 1986, or when the Congress passes an authorization, either one would change it. Otherwise, after May 15, they proceed.

I would like to call attention to the fact that the amendment of the House adopted yesterday says that the "initiation of construction" shall be subject to enactment of legislation. So in the meantime, they must proceed with all of the preliminary work including plannning, design, engineering, land acquisition, bridge relocation the removal of obstructions, and other things that might be necessary to expedite or carry out the project properly.

Mr. CONTE. I thank the chairman and I yield to the gentleman from Alabama [Mr. Bevill].

Mr. BEVILL. I thank the gentleman for yielding to me.

Mr. Speaker, the gentleman is correct right down the line, and after May 15, 1986, if no further action is taken and no authorization bill is put through under the Howard-Roe Amendment, as agreed, these projects, all 41, are authorized and may proceed to construction.

Mr. CONTE. I thank the gentleman and I yield to the ranking minority Member of the Public Works Committee, Mr. Myers of Indiana.

Mr. MYERS of Indiana. I thank the gentleman for yielding.

Mr. Speaker, the gentleman from Massachusetts has very accurately portrayed and described the exact conditions for these 41 projects which was completely, completely confused yesterday. I thank the gentleman.

One thing, I think though, that we ought to add here. As a practical matter, it seems to me that there are some projects, a number of them in the country where we have been advised by the Army Corps of Engineers that they were negotiating for local involvement. They might hold up on those negotiations until after May 15. So you have only a very narrow window from May 15 to June 30, which might reduce the number that might be able to be negotiated.

I doubt if those are going to be very seriously negotiated because they do not know what will be in H.R. 6 for sure until it becomes law. Hopefully, we can get H.R. 6 passed sooner than that so we will close that window and they can start negotiating seriously. But I do think we ought to be aware of that.

Mr. CONTE. All the more reason why they should be moving on a fast track.

Mr. MYERS of Indiana. If the gentleman will yield, that is right. Yesterday, with what we put in the amendment, it put the emphasis and importance and the necessity upon this body to pass H.R. 6 or something similar because none of them were really going to move until we had something of substance. So this puts it really back and narrows down the time.

Mr. CONTE. I thank the gentleman from Indiana.

Mr. CARNEY. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. CARNEY. I thank the gentleman.

Mr. Speaker, I was over at my office watching the colloquy and I have a unique situation of having a project where all the engineering, all the environmental impact statements, everything is completed. It is an authorized project; it was appropriated in the supplemental. The problem that I face is that the EIS requires the project be dredged at a certain time so as not to spoil the breeding time of fin fish and shellfish and that time is April.

Do I understand that I still am subjected to that May 15th date?

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. MYERS of Indiana. Two things I would say to the gentleman. I am not sure the EIS can be amended. I doubt if it can. That is out of the control of the Congress to do anything about that.

What we could do, in the regular 1986 bill, which is in the process already passed here, in the other body, I think that is one of the remedies that we can make in the 1986 bill which is in the legislation now. I believe we can correct that in the 1986 bill. Hopefully, the EIS could be amended, but that is not in our power to do that.

But we can, Congress does have the authority to change yours in the 1986 bill.

Mr. CONTE. Or quickly pass H.R. 6.

Mr. MYERS of Indiana. H.R. 6, sure. But he might not be able to wait until whenever that might happen.

Mr. CARNEY. If the gentleman would yield further, at any rate, the project would still be alive through passing H.R. 6, then that May 15 date no longer is in effect?

Mr. CONTE. No.

Mr. MYERS of Indiana. If the gentleman would yield further, I cannot speak for the committee or the other body, but the chairman, I am sure, is here, and he will say that we will do the best we can to get it through the bill. That is the best we can do. We will take care of the gentleman; he has been very much interested in this project, and has been a supporter of the committee. We will do everything we can to help you.

Mr. CARNEY. Thank you very much.

Mr. BEVILL. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. BEVILL. I would say to the gentleman that whatever your problem is, we will solve it.

Mr. CARNEY. Thank you, Mr. Chairman.

Mr. CONTE. Mr. Speaker, this agreement is acceptable to the administration, and provides our best opportunity in years to proceed with much needed water projects, while also effecting important cost-sharing reforms.

I urge the adoption of this amendment and this conference report.

Let me also pay special tribute to our chairman, the gentleman from Mississippi. He has worked tirelessly on this effort, and deserves all of our thanks for a job well done.

Mr. WHITTEN. I thank the gentleman; I appreciate that.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. LaFalce].

Mr. LaFALCE. I thank the gentleman for yielding to me.

Mr. Speaker, I would like to give special praise to the distinguished chairman, Jamie Whitten, and ranking minority member of the Appropriations Committee Silvio Conte, and the Appropriation Subcommittee on Energy and Water Development, Tom Bevill and its ranking minority member John Myers, but also special praise to the chairman of the Public Works Committee Jim Howard, and the ranking minority member, Gene Snyder, and the chairman of the Water Resources Subcommittee of Public Works, Bob Roe, and its ranking minority member Arlan Stangeland, for being so amenable to the concept of compromise in order to get projects that have been authorized for as long as 15 years, such as the Ellicot Creek project in my congressional district and Congressman Jack Kemp's congressional district.

Sometimes we thought that the circumstances were going to make this a permanent inevitability, but today's legislation is going to mean it is definitely a "go" project. That all work other than construction can take place between now and May 15, and that on May 15, construction begins. Thank you very much.

□ 1550

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. Snyder].

Mr. SNYDER. I thank the gentleman for yielding this time to me.

Mr. Speaker, I want to concur in what generally has been said here in regard to the acceptance of the additional language that has been added by the other body.

We all recognize the fact, of course, that if in fact they were not sincere that they could stonewall our legislative committee past that date and get the original language, but as has been well laid out here today, at my request the chairman of our full committee has talked to the chairman of the corresponding committee in the other body and has a commitment. The chairman of our subcommittee has talked to the gentleman on Appropriations over there who has had considerable concern about his project.

They have given their word that they intend to move and enact legislation yet this year, even before the May 15 deadline. Their bill has been reported out of the legislative committee, the Committee on the Environment and Public Works, and is now over in the Finance Committee.

Our bill has been reported out of the Committee on Public Works and we are working with the other committees to which we have sequential referrals.

There is no reason at all why, with the assurances of the gentlemen in the other body that they do intend to proceed, that their motives are not such as could be, that we should not be able to have this legislation enacted into law even by the end of this calendar year.

So with those assurances, I want to say I appreciate so very much the tolerance of the gentlemen who have handled this bill in the Committee on Appropriations with our efforts yesterday, and appreciate the efforts and support of the House in adopting the language that was put forward by the Committee on Public Works yesterday.

I think we have a reasonable solution here, and I support it.

Mr. CONTE. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. Stangeland].

Mr. STANGELAND. I thank the gentleman for yielding this time to me.

Mr. Speaker, I would like to associate myself with the remarks of the distinguished chairman and ranking republican of the Committee on Public Works and Transportation, as well as my good friend and colleague, the chairman of the Subcommittee on Water Resources.

I, too, would like to commend the chairman of the full Committee on Appropriations, the gentleman from Mississippi [Mr. Whitten], and the chairman of the subcommittee, the gentleman from Alabama [Mr. Bevill], as well as the gentleman from Massachusetts [Mr. Conte], and the gentleman from Indiana [Mr. Myers].

Mr. Speaker, I, too, welcome the commitment that we are making today to enactment of a comprehensive water project authorization bill. I firmly believe that we can meet the 9-month deadline called for by the Senate amendment. What we have lacked in the past is the commitment by the Senate leadership to moving an authorization bill. In their action today, I believe that the Senate has given us that commitment and I look forward to working with them to achieve passage of the first major authorization bill in this area since 1970.

Mr. WHITTEN. Mr. Speaker, I yield myself 2 minutes.

I do this to thank my colleague, the gentleman from Massachusetts [Mr. Conte], and all the members of the conference: Mr. Boland, Mr. Natcher, Mr. Smith of Iowa, Mr. Addabbo, Mr. Yates, Mr. Obey, Mr. Roybal, Mr. Bevill, Mr. Lehman, Mr. Dixon, Mr. Fazio, Mr. McDade, Mr. Myers, Mr. Coughlin, Mr. Kemp, Mr. Regula, and Mr. O'Brien as managers on the part of the House and Mr. Hatfield, Mr. Stevens, Mr. Weicker, Mr. McClure, Mr. Laxalt, Mr. Garn, Mr. Cochran, Mr. Andrews, Mr. Abdnor, Mr. Kasten, Mr. D'Amato, Mr. Mattingly, Mr. Rudman, Mr. Specter, Mr. Stennis, Mr. Byrd, Mr. Proxmire, Mr. Inouye, Mr. Hollings, Mr. Chiles, Mr.

Johnston, Mr. Burdick, Mr. Leahy, Mr. Sasser, Mr. DeConcini, Mr. Bumpers, and Mr. Lautenberg as managers on the part of the Senate.

I said earlier that I did not know of any time we have faced a tougher problem than to go into a conference with 27 Senate conferees and with 341 Senate amendments. Notwithstanding that, in three separate meetings over a period of 5 days, we got together and without exception agreement was reached by the conferees on every issue.

Not only do I wish to thank them for it, but I also wish to thank the leaders on the authorizing committee, the House Committee on Public Works and Transportation. It is time we pull together for the good of the country, and they can count on us being on their side.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Edgar].

Mr. EDGAR. I thank the gentleman for yielding this time to me.

Mr. Speaker, I want to say to my colleagues in the House that I support the action of the Senate, and I would urge passage of the conference report and passage of this particular issue.

Yesterday I stood on the floor and argued against the Whitten amendment and said that the procedure was unfair and the substance was unfair.

Today I take the well of the House and say that the procedure is fairer and the substance is fairer, and I think that we can live within the 9-month pressure to get out a substantive policy bill from the authorization committee.

I want to commend my colleagues on the Committee on Appropriations, both majority and minority, and I want to commend my colleagues on the House Committee on Public Works authorizing committee.

I think we have increased, in the last 24 hours, the pressure in both bodies to come out with substantive reform in the area of water policy. I commend everyone for their action. I think everybody is a winner. Let us all declare victory and go home.

Mr. CONTE. Mr. Speaker, I have no further requests for time.

Mr. WHITTEN. Mr. Speaker, I yield myself 1 minute only to say that this is a vital, far-reaching supplemental that covers the entire Government. I give just one instance of the importance of this supplemental. But to emphasize what this covers, let me say that it provides needed funds for important programs within the jurisdiction of all 13 appropriation subcommittees, 13 Cabinet-level agencies, the legislative branch, the Judiciary, the Postal Service, the District of Columbia, 10 major independent agencies such as the Veterans' Administration, and scores of other independent agencies. There is a real need to act rapidly. I have here a letter from the Acting Budget Director calling attention to the fact that the Commodity Credit Corporation will be out of money by August 5, which reads as follows:

> Dear Mr. Chairman: As Congress prepares to adjourn for the August District Work Period, I wish to inform you that funding to support the Department of Agriculture's Commodity Credit Corporation activities will be exhausted by August 5 unless Supplemental Appropriations are approved prior to the Congressional adjournment. In addition, the Federal Crop Insurance Program will cease operations the month of August if additional funds are not made available.
>
> If funding for these programs expires, promises that have been made by the Federal government to our farmers will have been broken and hundreds of millions of dollars in assistance will be unavailable to farm families.
>
> Accordingly, we strongly urge the Congress to act on the 1985 Supplemental Appropriations Bill prior to adjournment.
>
> Sincerely,
>
> Joseph R. Wright, Jr.,
> *Acting Director.*

We need to move ahead. I urge all my colleagues to support this measure.

Mr. WHITTEN. Mr. Speaker, under leave to revise and extend, I am inserting a table in the Record at this point which compares the final conference agreement with the budget request, the House action, and the Senate action, on H.R. 2577, a bill making supplemental appropriations for the fiscal year ending September 30, 1985:

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
TITLE I						
CHAPTER I						
DEPARTMENT OF AGRICULTURE						
Office of the Secretary (rescission)	---	---	-69,000	---	---	+69,000
Departmental administration (rescission)	---	---	-149,000	-49,000	-49,000	+100,000
Agricultural Research Service (rescission)	---	---	-1,000,000	-1,000,000	-1,000,000	---
Cooperative State Research Service	---	1,500,000	7,200,000	6,500,000	+5,000,000	-700,000
Funds made available by P.L. 98-473	---	---	---	(700,000)	(+700,000)	(+700,000)
Total, Cooperative State Research Service	---	(1,500,000)	(7,200,000)	(7,200,000)	(+5,700,000)	---
Animal and Plant Health Inspection Service	---	10,650,000	19,650,000	19,650,000	+9,000,000	---
Rescission	---	---	-400,000	-400,000	-400,000	---
Economic Research Service	---	500,000	---	500,000	---	+500,000
Rescission	---	---	-50,000	-50,000	-50,000	---
Statistical Reporting Service	1,560,000	1,560,000	1,560,000	1,560,000	---	---
Rescission	---	---	-100,000	-100,000	-100,000	---
Agricultural Marketing Service	---	---	850,000	700,000	+700,000	-150,000
Rescission	---	---	-150,000	---	---	+150,000
Packers and Stockyards Administration (rescission)	---	---	-85,000	-85,000	-85,000	---
Federal Crop Insurance Corporation:						
Subscription to capital stock	50,000,000	50,000,000	50,000,000	50,000,000	---	---
Federal crop insurance corporation fund (authority to borrow)	113,000,000	113,000,000	113,000,000	113,000,000	---	---
Commodity Credit Corporation:						
Reimbursement for net realized losses 1/	2,935,790,000	3,935,790,000	3,935,790,000	2,935,790,000	-1,000,000,000	-1,000,000,000
Farmers Home Administration:						
Salaries and expenses	16,866,000	17,000,000	16,866,000	17,000,000	---	+134,000
Rural Electrification Administration (rescission)	---	---	-100,000	---	---	+100,000
Soil Conservation Service (rescission)	---	---	-2,000,000	---	---	+2,000,000
Food and Nutrition Service:						
Food stamp program	318,856,000	318,856,000	318,856,000	318,856,000	---	---
Rescission	---	---	-5,000,000	---	---	+5,000,000
Temporary emergency food assistance program	---	4,270,000	10,000,000	7,000,000	+2,730,000	-3,000,000
Foreign Agricultural Service (rescission)	---	---	-100,000	-100,000	-100,000	---
Total, Chapter I:						
New budget (obligational) authority	3,436,072,000	4,453,126,000	4,464,569,000	3,448,772,000	-984,354,000	-995,797,000
Appropriations	(3,323,072,000)	(4,340,126,000)	(4,360,772,000)	(3,357,556,000)	(-982,570,000)	(-1,003,216,000)
Authority to borrow	(113,000,000)	(113,000,000)	(113,000,000)	(113,000,000)	---	---
Rescissions	---	---	-9,203,000	-1,784,000	-1,784,000	+7,419,000
CHAPTER II						
DEPARTMENT OF COMMERCE						
General Administration						
Salaries and expenses	992,000	992,000	369,000	992,000	---	+623,000
Rescission	---	-499,000	-499,000	-499,000	---	---
Bureau of The Census						
Salaries and expenses (rescission)	---	-241,000	-241,000	-241,000	---	---
Periodic censuses and programs (rescission)	---	---	-791,000	---	---	+791,000
Economic and Statistical Analysis						
Salaries and expenses (rescission)	---	-433,000	-433,000	-433,000	---	---
Economic Development Administration						
Economic development assistance programs	---	---	30,730,000	30,730,000	+30,730,000	---
(Limitation on guaranteed loans)	(-167,000,000)	---	---	---	---	---
Salaries and expenses (rescission)	---	-120,000	-120,000	-120,000	---	---
International Trade Administration						
Operations and administration:						
(Limitation on direct loans)	(-6,000,000)	---	---	---	---	---
(Limitation on guaranteed loans)	(-8,333,000)	---	---	---	---	---
Participation in United States expositions (rescission)	---	-6,000	-6,000	-6,000	---	---
Minority Business Development Agency						
Minority business development (rescission)	---	-305,000	-305,000	-305,000	---	---
United States Travel and Tourism Administration						
Salaries and expenses (rescission)	---	-468,000	-468,000	-468,000	---	---

1/ Requested in the FY 1986 budget document as a permanent indefinite appropriation.

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
National Oceanic and Atmospheric Administration						
Operations, Research and Facilities	75,000,000	---	126,600,000	126,100,000	+126,100,000	-500,000
Fishermen's contingency fund	500,000	500,000	500,000	500,000	---	---
Fishermen's guaranty fund	2,500,000	---	2,500,000	2,500,000	+2,500,000	---
Fisheries loan fund (rescission)	---	-1,550,000	---	---	+1,550,000	---
Federal ship financing fund, fishing vessels	25,104,000	25,104,000	25,104,000	25,104,000	---	---
Portion applied to debt reduction	-20,700,000	-20,700,000	-20,700,000	-20,700,000	---	---
Total, Federal ship financing fund	4,404,000	4,404,000	4,404,000	4,404,000	---	---
Patent and Trademark Office						
Salaries and expenses (rescission)	---	-1,472,000	-1,472,000	-1,472,000	---	---
National Bureau of Standards						
Scientific and technical research and services (rescission)	---	---	-1,019,000	-500,000	-500,000	+519,000
National Telecommunications and Information Administration						
Salaries and expenses (rescission)	---	-183,000	-183,000	-183,000	---	---
Public telecommunications facilities, planning and construction (rescission)	---	-32,000	-32,000	-32,000	---	---
Total, Department of Commerce	83,396,000	587,000	159,534,000	160,967,000	+160,380,000	+1,433,000
RELATED AGENCIES						
DEPARTMENT OF TRANSPORTATION						
Maritime Administration						
Operations and Training (deferral disapproval)	---	(8,500,000)	(8,500,000)	(8,500,000)	---	---
Rescission	---	---	-800,000	---	---	+800,000
Federal Trade Commission						
Salaries and expenses	3,811,000	3,811,000	3,811,000	3,811,000	---	---
Small Business Administration						
Salaries and expenses (rescission)	---	-27,601,000	-27,601,000	-27,601,000	---	---
(By transfer)	(2,400,000)	---	---	(2,400,000)	(+2,400,000)	(+2,400,000)
Business loan and investment fund	---	27,601,000	---	27,601,000	---	+27,601,000
DEPARTMENT OF JUSTICE						
General Administration						
Salaries and expenses (rescission)	---	-166,000	-166,000	-166,000	---	---
Working capital fund (rescission)	---	-3,000,000	---	---	+3,000,000	---
United States Parole Commission						
Salaries and expenses	---	100,000	---	100,000	---	+100,000
Legal Activities						
Salaries and expenses, general legal activities	1,348,000	874,000	574,000	574,000	-300,000	---
Rescission	---	-470,000	-470,000	-470,000	---	---
Salaries and expenses, Antitrust Division (rescission)	---	-65,000	-65,000	-65,000	---	---
Salaries and expenses, United States attorneys and marshals	9,832,000	---	12,103,000	12,103,000	+12,103,000	---
Rescission	---	-889,000	-889,000	-889,000	---	---
(By transfer)	(16,116,000)	---	(3,000,000)	(3,000,000)	(+3,000,000)	---
Fees and expenses of witnesses	1,300,000	1,300,000	800,000	800,000	-500,000	---
Rescission	---	---	-309,000	-309,000	-309,000	---
(By transfer)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	---	---
Assets forfeiture fund	5,000,000	5,000,000	5,000,000	5,000,000	---	---
Salaries and expenses, Community Relations Service (rescission)	---	-43,000	-43,000	-43,000	---	---
Interagency Law Enforcement						
Organized crime drug enforcement	635,000	635,000	635,000	635,000	---	---
Federal Bureau of Investigation						
Salaries and expenses	1,500,000	---	1,500,000	1,500,000	+1,500,000	---
Rescission	---	3,505,000	-3,505,000	-3,505,000	---	---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Drug Enforcement Administration						
Salaries and expenses	2,700,000	3,300,000	20,000,000	20,000,000	+16,700,000	---
Rescission	--	-876,000	-876,000	-876,000	---	---
Immigration and Naturalization Service						
Salaries and expenses (rescission)	---	-947,000	-947,000	-947,000	---	---
Federal Prison System						
Salaries and expenses	900,000	900,000	900,000	900,000	---	---
(By transfer)	(2,183,000)	(2,183,000)	(2,183,000)	(2,183,000)	---	---
Rescission	---	-451,000	-451,000	-451,000	---	---
National Institute of Corrections (rescission)	---	---	-894,000	---	---	+894,000
Buildings and facilities (rescission)	---	-13,000	-13,000	-13,000	---	---
Office of Justice Programs						
Justice Assistance (rescission)	---	---	-2,031,000	---	---	+2,031,000
Total, Department of Justice	23,215,000	1,684,000	30,853,000	33,878,000	+32,194,000	+3,025,000
RELATED AGENCIES						
Legal Services Corporation						
Payment to the Legal Services Corporation	---	4,000,000	8,000,000	8,000,000	+4,000,000	---
Commission on the Bicentennial of the United States Constitution						
Salaries and expenses	331,000	331,000	331,000	331,000	---	---
DEPARTMENT OF STATE						
Administration of Foreign Affairs						
Salaries and expenses	73,342,000	73,342,000	73,342,000	73,342,000	---	---
(By transfer)	(13,779,000)	(13,779,000)	(11,781,000)	(12,781,000)	(-998,000)	(+1,000,000)
Rescission	---	-2,432,000	-2,432,000	-2,432,000	---	---
Acquisition, operation, and maintenance of buildings abroad	167,579,000	167,579,000	170,579,000	167,579,000	---	-3,000,000
Acquisition, operation, and maintenance of buildings abroad (special foreign currency program)	2,000,000	2,000,000	2,000,000	2,000,000	---	---
Emergencies in the diplomatic and consular service	4,000,000	2,000,000	---	1,000,000	-1,000,000	+1,000,000
Payment to the Foreign Service Retirement and Disability Fund	5,399,000	5,399,000	5,399,000	5,399,000	---	---
Total, Department of State	252,320,000	247,888,000	248,888,000	246,888,000	-1,000,000	-2,000,000
International Commissions						
International Fisheries Commission	2,000,000	---	---	---	---	---
(By transfer)	---	---	(2,000,000)	(1,200,000)	(+1,200,000)	(-800,000)
Other						
Fishermen's Protective Fund	1,000,000	---	1,000,000	1,000,000	+1,000,000	---
RELATED AGENCIES						
Arms Control and Disarmament Agency						
Arms control and disarmament activities	4,321,000	3,946,000	4,321,000	4,134,000	+188,000	-187,000
Board for International Broadcasting						
Grants and expenses	---	13,753,000	---	13,753,000	---	+13,753,000
Commission on Security and Cooperation in Europe						
Salaries and expenses	---	---	150,000	75,000	+75,000	-75,000
United States Information Agency						
Salaries and expenses (rescission)	---	-3,879,000	-433,000	-2,879,000	+1,000,000	-2,446,000
Educational and Cultural Exchanges	---	---	10,000,000	10,000,000	+10,000,000	---
Acquisition and construction of radio facilities	---	6,648,000	---	6,648,000	---	+6,648,000
Total, United States Information Agency (net)	---	2,769,000	9,567,000	13,769,000	+11,000,000	+4,202,000

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Co	with --- Senate
THE JUDICIARY						
Supreme Court of the United States						
Construction	5,500,000	---	---	---	---	---
Courts of Appeals, District Courts, and Other Judicial Services						
Salaries of judges	3,098,000	3,098,000	3,098,000	3,098,000	---	---
Salaries of supporting personnel	5,548,000	5,548,000	5,548,000	5,548,000	---	---
Defender services	17,575,000	21,992,000	17,575,000	21,992,000	---	+4,417,000
Fees of jurors and commissioners	1,700,000	1,700,000	1,700,000	1,700,000	---	---
Expenses of operation and maintenance of the courts	13,526,000	13,526,000	13,526,000	13,526,000	---	---
Rescission	---	-4,417,000	-4,417,000	-4,417,000	---	---
Space and facilities	2,384,000	2,384,000	2,384,000	2,384,000	---	---
Court security	1,492,000	1,492,000	1,492,000	1,492,000	---	---
Total, courts of appeals, district courts, and other judicial services (net)	45,323,000	45,323,000	40,906,000	45,323,000	---	+4,417,000
Administrative Office of the United States Courts						
Salaries and expenses	86,000	86,000	86,000	86,000	---	---
Federal Judicial Center						
Salaries and expenses	51,000	51,000	51,000	51,000	---	---
United States Sentencing Commission						
Salaries and expenses	2,350,000	2,350,000	2,350,000	2,350,000	---	---
Total, The Judiciary (net)	53,310,000	47,810,000	43,393,000	47,810,000	---	+4,417,000
Total, Chapter II:						
New budget (obligational) authority (net)	423,704,000	326,579,000	481,359,000	534,416,000	+207,837,000	+53,057,000
Appropriations	(444,404,000)	(401,342,000)	(554,058,000)	(604,438,000)	(+203,096,000)	(+50,380,000)
Rescissions	---	(-54,063,000)	(-51,999,000)	(-49,322,000)	(+4,741,000)	(+2,677,000)
Appropriation for debt reduction	(-20,700,000)	(-20,700,000)	(-20,700,000)	(-20,700,000)	---	---
(By transfer)	(35,978,000)	(17,462,000)	(20,464,000)	(23,064,000)	(+5,602,000)	(+2,600,000)
(Limitation on direct loans)	(-6,000,000)	---	---	---	---	---
(Limitation on loan guarantees)	(-175,333,000)	---	---	---	---	---
(Deferral disapproval)	---	(8,500,000)	(8,500,000)	(8,500,000)	---	---
CHAPTER III						
DEPARTMENT OF DEFENSE--MILITARY						
PROCUREMENT						
Aircraft Procurement, Navy (by transfer)	---	(240,000,000)	---	---	(-240,000,000)	---
Shipbuilding and Conversion, Navy 1981/1985 (by transfer to United States Coast Guard, Acquisition, construction, and improvements) 1/	---	---	(6,240,000)	(6,240,000)	(+6,240,000)	---
RELATED AGENCIES						
Humanitarian Assistance for Nicaraguan Democratic Resistance	---	---	24,000,000	---	---	-24,000,000
(By transfer)	---	---	(14,000,000)	---	---	(-14,000,000)
Enhanced security countermeasures capabilities	---	---	50,000,000	35,000,000	+35,000,000	-15,000,000
Total, Chapter III:						
New budget (obligational) authority	- -	---	74,000,000	35,000,000	+35,000,000	-39,000,000
(By transfer)	---	(240,000,000)	(14,000,000)	---	(-240,000,000)	(-14,000,000)
CHAPTER IV						
DEPARTMENT OF DEFENSE - CIVIL						
Department of the Army						
Corps of Engineers - Civil						
Construction, general (new starts)	---	50,000,000	48,000,000	48,000,000	-2,000,000	---
Flood control, Mississippi River and tributaries Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee (new starts)	---	1,000,000	800,000	800,000	-200,000	---
Rescission	---	---	-1,000,000	---	---	+1,000,000
General investigations	---	1,200,000	1,200,000	1,200,000	---	---
Rescission	---	---	-2,000,000	---	---	+2,000,000

1/ Transfer out not counted in Chapter III, but is counted in Chapter X (Dept. of Transportation).

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Construction, general	---	7,500,000	22,500,000	22,500,000	+15,000,000	---
Rescission	---	---	-4,000,000	---	---	+4,000,000
Flood Control and Coastal Emergencies		25,000,000	10,000,000	25,000,000	---	+15,000,000
Operation and maintenance, general		2,600,000	---	2,600,000	---	+2,600,000
Rescission		---	-8,000,000	---	---	+8,000,000
Total, Department of Defense - Civil	---	87,300,000	67,500,000	100,100,000	+12,800,000	+32,600,000
DEPARTMENT OF THE INTERIOR						
Bureau of Reclamation						
Construction program (new starts)	---	20,850,000	14,300,000	14,300,000	-6,550,000	---
Rescission	---	---	-2,571,000	---	---	+2,571,000
Operation and maintenance (rescission)	---	---	-1,540,000	---	---	+1,540,000
INDEPENDENT AGENCY						
Tennessee Valley Authority						
Tennessee Valley Authority Fund	---	5,000,000	---	5,000,000	---	+5,000,000
Rescission	---	---	-1,538,000	---	---	+1,538,000
DEPARTMENT OF ENERGY						
Energy supply, R&D activities (rescission)	---	---	-2,676,000	---	---	+2,676,000
Atomic energy defense activities (rescission)	---	---	-8,280,000	-8,280,000	-8,280,000	---
Departmental administration (rescission)	---	---	-2,786,000	---	---	+2,786,000
Total, Department of Energy	---	---	-13,742,000	-8,280,000	-8,280,000	+5,462,000
Total, Chapter IV:						
New budget (obligational) authority	---	113,150,000	62,409,000	111,120,000	-2,030,000	+48,711,000
Appropriations	---	(113,150,000)	(96,800,000)	(119,400,000)	(+6,250,000)	(+22,600,000)
Rescissions	---	---	(-34,391,000)	(-8,280,000)	(-8,280,000)	(+26,111,000)
CHAPTER V						
FOREIGN ASSISTANCE						
FUNDS APPROPRIATED TO THE PRESIDENT						
Multilateral Economic Assistance						
International Financial Institutions						
World Bank Group						
Contribution to the International Bank for Reconstruction and Development:						
Paid-in capital	30,000,925	30,000,925	30,000,925	30,000,925	---	---
Limitation on callable capital subscriptions	(370,023,735)	(370,023,735)	(370,023,735)	(370,023,735)	---	---
Contribution to the Inter-American Development Bank:						
Fund for special operations	72,500,000	72,500,000	72,500,000	72,500,000	---	---
Inter-American Investment Corporation	3,000,000	3,000,000	3,000,000	3,000,000	---	---
Inter-regional paid-in capital	40,001,171	40,001,171	40,001,171	40,001,171	---	---
Limitation on callable capital subscriptions	(849,000,244)	(849,000,244)	(849,000,244)	(849,000,244)	---	---
Contribution to the Asian Development Bank: Development fund	91,232,340	91,232,340	91,232,340	91,232,340	---	---
Total, International Financial Institutions	236,734,436	236,734,436	236,734,436	236,734,436	---	---
Department of State						
International organizations and programs:						
(By transfer)	(5,686,000)	---	---	---	---	---
(By transfer, unobligated balances)	---	(5,686,000)	(2,843,000)	(3,600,000)	(-2,086,000)	(+757,000)
Bilateral Economic Assistance						
Agency for International Development						
Payment to the Foreign Service Retirement and Disability Fund	1,302,000	1,302,000	1,302,000	1,302,000	---	---
Economic support fund	2,258,000,000	2,008,000,000	2,258,000,000	2,258,000,000	+250,000,000	---
African Development Foundation						
Appropriations (deferral disapproval)	---	(2,287,000)	(2,287,000)	(2,287,000)	---	---
Funds Appropriated to the President						
Nicaragua						
Nicaraguan humanitarian assistance	---	27,000,000	---	27,000,000	---	+27,000,000
Assistance for implementation of a Contadora agreement	---	2,000,000	---	2,000,000	---	+2,000,000

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Department of State						
Migration and Refugee Assistance (by transfer)	---	---	(12,500,000)	(12,500,000)	(+12,500,000)	---
Total, Chapter V:						
New budget (obligational) authority	2,496,036,436	2,275,036,436	2,496,036,436	2,525,036,436	+250,000,000	+29,000,000
(By transfer)	(5,686,000)	(5,686,000)	(15,343,000)	(16,100,000)	(+10,414,000)	(+757,000)
(Limitation on callable capital subscriptions)	(1,219,023,979)	(1,219,023,979)	(1,219,023,979)	(1,219,023,979)	---	---
CHAPTER VI						
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Housing Programs						
Rental housing assistance (rescission of contract authority, indefinite)	-528,940,000	-528,940,000	-528,940,000	-528,940,000	---	---
(Limitation on annual contract authority, indefinite)	(-23,367,000)	(-23,367,000)	(-23,367,000)	(-23,367,000)	---	---
Payments for operation of low-income housing projects (rescission)	---	-75,000,000	---	---	+75,000,000	---
Management and Administration						
Salaries and expenses (rescission)	---	-6,919,000	-6,919,000	-6,919,000	---	---
Salaries and expenses (by transfer)	(2,671,000)	---	(4,000,000)	(4,000,000)	(+4,000,000)	---
CONSUMER PRODUCT SAFETY COMMISSION						
Salaries and expenses	---	500,000	500,000	500,000	---	---
ENVIRONMENTAL PROTECTION AGENCY						
Salaries and expenses	---	5,000,000	---	4,000,000	-1,000,000	+4,000,000
Research and development (rescission)	---	-4,125,000	---	-4,125,000	---	-4,125,000
Abatement, control and compliance	---	15,000,000	25,000,000	20,000,000	+5,000,000	-5,000,000
Buildings and facilities	---	---	500,000	500,000	+500,000	---
EXECUTIVE OFFICE OF THE PRESIDENT						
Office of Science and Technology Policy	---	---	120,000	120,000	+120,000	---
FEDERAL EMERGENCY MANAGEMENT AGENCY						
Salaries and expenses (rescission)	---	-786,000	-786,000	-786,000	---	---
Salaries and expenses (by transfer)	(3,100,000)	---	(3,100,000)	(1,105,000)	(+1,105,000)	(-1,995,000)
Emergency management planning and assistance (rescission)	---	-1,287,000	-1,287,000	-1,287,000	---	---
Emergency food and shelter program	---	---	110,000,000	20,000,000	+20,000,000	-90,000,000
GENERAL SERVICES ADMINISTRATION						
Consumer Information Center (rescission)	---	-63,000	-63,000	-63,000	---	---
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION						
Research and development	---	---	40,000,000	40,000,000	+40,000,000	---
Research and program management (rescission)	---	-6,000,000	-6,000,000	-6,000,000	---	---
NATIONAL SCIENCE FOUNDATION						
Research and related activities	---	---	100,000	100,000	+100,000	
Rescission	---	-1,000,000	-1,000,000	-1,000,000	---	
DEPARTMENT OF THE TREASURY						
Office of Revenue Sharing, salaries and expenses (rescission)	---	-90,000	-100,000	-100,000	-10,000	---
VETERANS ADMINISTRATION						
Compensation and pensions	175,000,000	175,000,000	175,000,000	175,000,000	---	---
Readjustment benefits	---	44,200,000	---	---	-44,200,000	---
Medical Care (rescission)	---	---	-3,520,000	-3,520,000	-3,520,000	---
Medical and prosthetic research (rescission)	---	-150,000	---	---	+150,000	---
Medical administration and miscellaneous operating expenses (rescission)	---	-2,109,000	-1,322,000	-2,109,000	---	-787,000
General operating expenses (rescission)	---	-2,000,000	---	---	+2,000,000	---
Construction, minor projects (rescission)	---	-377,000	---	-377,000	---	-377,000

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Total, Chapter VI:						
New budget (obligational) authority	-353,940,000	-389,146,000	-198,717,000	-295,006,000	+94,140,000	-96,289,000
Appropriations	(175,000,000)	(239,700,000)	(351,220,000)	(260,220,000)	(+20,520,000)	(-91,000,000)
Rescissions	---	(-99,906,000)	(-20,997,000)	(-26,286,000)	(+73,620,000)	(-5,289,000)
Rescission of contract authority	(-528,940,000)	(-528,940,000)	(-528,940,000)	(-528,940,000)	---	---
(By transfer)	(5,771,000)	---	(7,100,000)	(5,105,000)	(+5,105,000)	(-1,995,000)
(Limitation on annual contract authority, indefinite)	(-23,367,000)	(-23,367,000)	(-23,367,000)	(-23,367,000)	---	- -
CHAPTER VII						
DEPARTMENT OF THE INTERIOR						
Bureau of Land Management						
Management of lands and resources	---	45,000,000	45,500,000	115,500,000	+70,500,000	+70,000,000
Rescission	---	-2,900,000	-2,900,000	-2,900,000	---	---
Land acquisition (by transfer)	(2,000,000)	---	---	---	- -	---
Construction and access	---	---	825,000	825,000	+825,000	---
Oregon and California grant lands (By transfer)	(3,000,000)	---	---	---	---	---
Rescission	---	-350,000	-350,000	-350,000	---	---
Working capital fund (rescission)	---	-2,951,000	-2,951,000	-2,951,000	---	--
Total, Bureau of Land Management (net)	---	38,799,000	40,124,000	110,124,000	+71,325,000	+70,000,000
United States Fish and Wildlife Service						
Resource management	--	1,200,000	1,200,000	1,200,000	-	---
Rescission	---	-1,900,000	-1,900,000	-1,900,000	---	--
Construction and anadromous fish (By transfer)	(4,000,000)	---	---	---	---	--
Rescission	---	-40,000	-40,000	-40,000	---	
Land acquisition	---	---	1,000,000	1,000,000	+1,000,000	--
Total, United States Fish and Wildlife Service (net)	---	740,000	260,000	260,000	+1,000,000	
National Park Service						
Operation of the national park system	---	9,560,000	9,560,000	9,560,000	--	
Rescission	- -	-4,300,000	4,300,000	-4,300,000	--	---
National Recreation and Preservation (rescission)	---	---	-94,000	---	---	+94,000
Construction (rescission)	---	-397,000	-397,000	-397,000	---	---
Land and water conservation fund (rescission of contract authority)	---	-30,000,000	-30,000,000	-30,000,000	---	
Construction (trust fund) (deferral disapproval)	--	(34,672,000)	(34,672,000)	(34,672,000)	---	
Land acquisition and state assistance	---	---	22,000,000	22,000,000	+22,000,000	
(By transfer)	(3,216,000)	---	---	--	---	
Rescission	---	---	-52,000	-52,000	-52,000	---
Total, National Park Service (net)	---	-25,137,000	3,283,000	3,189,000	+21,948,000	+94,000
Geological Survey						
Surveys, investigations, and research (rescission)	---	-1,269,000	-1,269,000	-1,269,000	---	-
Minerals Management Service						
Leasing and royalty management (rescission)	-	-1,764,000	1,764,000	-1,764,000	---	
Payments to States from receipts under Mineral Leasing	800,000	800,000	800,000	800,000	---	
Total, Minerals Management Service (net)	800,000	-964,000	-964,000	-964,000	---	---
Bureau of Mines						
Mines and minerals (effect of new deferral)	-	(-1,355,000)	(-1,355,000)	(-1,355,000)	---	---
Office of Surface Mining Reclamation and Enforcement						
Regulation and technology	4,800,000	4,800,000	4,800,000	4,800,000	---	---
Rescission	---	---	-546,000	---	---	+546,000
Abandoned mine reclamation fund (effect of new deferral)	---	(-3,233,000)	(-3,233,000)	(-3,233,000)	---	---

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SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Bureau of Indian Affairs						
Operation of Indian Programs	---	19,818,000	23,423,000	23,423,000	+3,605,000	---
Proposed transfer 1/	(4,900,000)	(4,900,000)	---	(4,900,000)	---	(+4,900,000)
Proposed transfer 2/	---	---	(4,900,000)	---	---	(-4,900,000)
Rescission	---	-2,800,000	-2,800,000	-2,800,000	---	---
Construction (by transfer)	(12,850,000)	---	---	---	---	---
(Deferral disapproval)	---	(8,025,000)	(8,025,000)	(8,025,000)	---	---
(Effect of new deferral)	---	(-3,000,000)	---	(-3,000,000)	---	(-3,000,000)
Utah Paiute Trust Fund	---	50,000	50,000	50,000	--	---
Total, Bureau of Indian Affairs (net)	---	17,068,000	20,673,000	20,673,000	+3,605,000	---
Territorial and International Affairs						
Administration of territories	1,994,000	1,994,000	1,994,000	1,994,000	---	---
Rescission	---	-107,000	-107,000	-107,000	---	---
Total, Territorial and International Affairs (net)	1,994,000	1,887,000	1,887,000	1,887,000	---	---
Total, Department of the Interior (net)	7,594,000	34,444,000	61,682,000	132,322,000	+97,878,000	+70,640,000
RELATED AGENCIES						
DEPARTMENT OF AGRICULTURE						
Forest Service						
Forest research (rescission)	---	-462,000	-462,000	-462,000	---	---
State and private forestry (rescission)	---	-232,000	-232,000	-232,000	---	---
National forest system	61,247,000	61,247,000	62,140,000	61,247,000	---	-893,000
Rescission	---	-6,067,000	-6,067,000	-6,067,000	---	---
Construction	---	1,568,000	675,000	1,568,000	---	+893,000
Rescission	---	-961,000	-961,000	-961,000	---	---
Land acquisition	---	---	7,000,000	7,000,000	+7,000,000	---
Rescission	---	-68,000	-68,000	-68,000	---	---
Total, Forest Service (net)	61,247,000	55,025,000	62,025,000	62,025,000	+7,000,000	---
DEPARTMENT OF ENERGY						
Fossil energy research and development (deferral disapproval)	---	(38,925,000)	(8,350,000)	(39,154,000)	(+229,000)	(+30,804,000
Rescission	---	---	-1,600,000	---	---	+1,600,000
(Effect of new deferral)	---	---	---	(-1,600,000)	(-1,600,000)	(-1,600,000
Fossil energy construction (effect of new deferral)	---	(-860,000)	(-860,000)	(-860,000)	---	---
Naval petroleum and oil shale reserves (effect of new deferral)	---	(-181,000)	(-181,000)	(-181,000)	---	---
Economic regulation (rescission)	---	-102,000	-102,000	-102,000	---	---
Emergency preparedness (rescission)	---	-51,000	-51,000	-51,000	---	---
Strategic petroleum reserve (deferral disapproval)	---	(270,738,000)	(270,738,000)	(270,738,000)	---	---
Strategic petroleum reserve (effect of new deferral)	---	(-156,000)	(-156,000)	(-156,000)	---	---
SPR petroleum account (deferral disapproval)	---	(827,028,316)	---	(290,070,000)	(-536,958,316)	(+290,070,000
Alternative fuels production (effect of new deferral)	---	(-23,000)	(-23,000)	(-23,000)	---	---
Total, Department of Energy (net)	---	-153,000	-1,753,000	-153,000	---	+1,600,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Health Services Administration						
Indian health services (rescission)	---	-161,000	-161,000	-161,000	---	---
SMITHSONIAN INSTITUTION						
Salaries and expenses	---	---	300,000	---	---	-300,000
National Gallery of Art						
Salaries and expenses	---	---	400,000	400,000	+400,000	---
Total, Chapter VII:						
New budget (obligational) authority (net)	68,841,000	89,155,000	122,493,000	194,433,000	+105,278,000	+71,940,000
Appropriations	(68,841,000)	(146,037,000)	(181,667,000)	(251,367,000)	(+105,330,000)	(+69,700,000
Rescissions	---	(-56,882,000)	(-59,174,000)	(-56,934,000)	(-52,000)	(+2,240,000
(By transfer)	(29,966,000)	(4,900,000)	(4,900,000)	(4,900,000)	---	---
(Deferral disapproval)	---	(1,179,388,316)	(321,785,000)	(642,659,000)	(-536,729,316)	(+320,874,000
(Effect of new deferral)	---	(-8,808,000)	(-5,808,000)	(-10,408,000)	(-1,600,000)	(-4,600,000

1/ Proposed transfer from National Capital Region Arts and Cultural Affairs program.

2/ Proposed transfer from Road Construction.

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
CHAPTER VIII						
DEPARTMENT OF LABOR						
Employment and Training Administration						
Program administration (limitation on trust fund transfer)	(-162,000)	---	---	---	---	---
Training and Employment Services	---	---	5,117,000	5,117,000	+5,117,000	---
State unemployment insurance and employment service operations:						
(Limitation on trust fund transfer)	(-40,767,000)	---	---	---	---	---
(Limitation on trust fund transfer)	---	(30,000,000)	---	(20,000,000)	(-10,000,000)	(+20,000,000)
Departmental Management						
Assistant Secretary for Veterans Employment and Training (limitation on trust fund transfer)	(-119,000)	---	---	---	---	---
Total, Department of Labor:						
Federal funds	---	---	5,117,000	5,117,000	+5,117,000	---
Trust funds	(-41,048,000)	(30,000,000)	---	(20,000,000)	(-10,000,000)	(+20,000,000)
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Health Resources and Services Administration						
Health resources and services	---	---	3,200,000	2,000,000	+2,000,000	-1,200,000
HMO Loan & Loan Guaranty Fund	---	---	1,720,000	1,720,000	+1,720,000	---
Centers for Disease Control						
Disease control	---	---	5,000,000	---	---	-5,000,000
National Institutes of Health						
National Cancer Institute	---	---	3,000,000	3,000,000	+3,000,000	---
Alcohol, Drug Abuse and Mental Health Administration						
Alcohol, drug abuse, and mental health	---	---	1,000,000	- -	---	-1,000,000
Social Security Administration						
Payments to social security trust funds	3,500,000,000	3,500,000,000	3,500,000,000	3,500,000,000	---	---
Limitation on administrative expenses (trust funds)	(-9,176,000)	---	---	---	---	---
Office of Human Development Services						
Family Social Services:						
Entitlement activities	43,904,000	79,495,000	79,495,000	79,495,000	---	---
(By transfer)	(2,500,000)	---	---	---	---	---
(By transfer, unobligated balances)	(33,091,000)	---	---	---	---	---
Human Development Services	---	6,000,000	16,000,000	11,000,000	+5,000,000	-5,000,000
Total, Department of Health and Human Services	3,543,904,000	3,585,495,000	3,609,415,000	3,597,215,000	+11,720,000	-12,200,000
DEPARTMENT OF EDUCATION						
Rehabilitation Services and Handicapped Research	---	---	715,000	715,000	+715,000	---
Vocational & Adult Education	---	---	148,220,000	101,963,000	+101,963,000	-46,257,000
Libraries	---	---	5,000,000	---	---	-5,000,000
Office of Postsecondary Education						
Student financial assistance	---	287,000,000	289,482,000	289,482,000	+2,482,000	---
Guaranteed student loans	664,846,000	720,346,000	720,346,000	720,346,000	---	---
RELATED AGENCIES						
Railroad Retirement Board: (Limitation on administration)	(3,098,000)	---	---	---	---	---
United States Institute of Peace (deferral disapproval)	---	---	(4,000,000)	(4,000,000)	(+4,000,000)	---
Total, Chapter VIII:						
New budget (obligational) authority	4,208,750,000	4,592,841,000	4,778,295,000	4,714,838,000	+121,997,000	-63,457,000
(By transfer)	(35,591,000)	---	---	---	---	---
(Limitation on administration)	(-12,274,000)	---	---	---	---	---
(Limitation on trust fund transfer)	(-41,048,000)	(30,000,000)	---	(20,000,000)	(-10,000,000)	(+20,000,000)
(Deferral disapproval)	---	---	(4,000,000)	(4,000,000)	(+4,000,000)	---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
CHAPTER IX						
LEGISLATIVE BRANCH						
SENATE						
Expense Allowances for the Vice President Pro Tempore, Majority and Minority leaders, Majority and Minority Whips, and the Chairmen of the Majority and Minority Conference Committees Chairman of the conference of the majority, Chairmen of the conference of the minority	6,000	---	6,000	6,000	+6,000	---
Salaries, Officers and Employees						
Administrative, clerical, and legislative assistance to Senators	1,136,000	---	1,136,000	1,136,000	+1,136,000	---
Representation allowances for the Majority and Minority Leaders	---	---	20,000	20,000	+20,000	---
Contingent Expenses of the Senate						
Inquiries and investigations	3,440,000	---	---	3,000,000	+3,000,000	+3,000,000
Sergeant at Arms and Doorkeeper of the Senate	4,708,000	---	7,250,000	7,250,000	+7,250,000	---
Total, Senate	9,290,000	---	8,420,000	11,420,000	+11,420,000	+3,000,000
HOUSE OF REPRESENTATIVES						
Payments to Widows and Heirs of Deceased Members of Congress						
Gratuities, deceased Members	---	75,100	75,100	75,100	---	---
Salaries, Officers and Employees						
Office of the Postmaster	130,000	130,000	130,000	130,000	---	---
Committee Employees						
Professional and clerical employees (standing committees)	2,799,000	2,799,000	2,799,000	2,799,000	---	---
Allowances and Expenses						
Official Expenses of Members	5,603,000	5,603,000	5,603,000	5,603,000	---	---
Supplies, materials, administrative costs and Federal tort claims	250,000	---	---	---	---	---
Stenographic reporting of committee hearings	100,000	---	---	---	---	---
Miscellaneous items	122,000	---	---	---	---	---
Total, House of Representatives	9,004,000	8,607,100	8,607,100	8,607,100	---	---
JOINT ITEMS						
Official Mail Costs						
Expenses	11,853,000	11,853,000	11,853,000	11,853,000	---	---
GENERAL ACCOUNTING OFFICE						
Salaries and expenses	6,121,000	---	5,000,000	5,000,000	+5,000,000	---
Total, Chapter IX: New budget (obligational) authority	36,276,000	20,460,100	33,880,100	36,880,100	+16,420,000	+3,000,00
CHAPTER X						
DEPARTMENT OF TRANSPORTATION						
Office of the Secretary						
Working capital fund (decrease in limitation on working capital fund)	--	(-30,000)	(-1,000,000)	(-1,000,000)	(-970,000)	---
Coast Guard						
Operating expenses	---	---	1,500,000	---	---	-1,500,00
Acquisition, construction, and improvements	---	---	27,700,000	27,700,000	+27,700,000	---
(By transfer from Shipbuilding, Navy)	---	---	(6,240,000)	(6,240,000)	(+6,240,000)	---
Alteration of bridges	8,400,000	8,400,000	8,400,000	8,400,000		---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Federal Aviation Administration						
Operations	---	---	2,000,000	2,000,000	+2,000,000	---
(By transfer)	(15,000,000)	---	(15,000,000)	(15,000,000)	(+15,000,000)	---
Facilities and equipment (Airport and airway trust fund) (rescission)	---	-10,000,000	-12,000,000	-12,000,000	-2,000,000	---
Federal Highway Administration						
(Decrease in limitation on general operating expenses)	---	(-439,000)	(-439,000)	(-439,000)	---	---
Railroad-highway crossings demonstration projects	---	5,300,000	9,340,000	14,640,000	+9,340,000	+5,300,000
Motor carrier safety (rescission)	---	-164,000	-164,000	-164,000	---	---
National Highway Traffic Safety Administration						
Operations and research:						
(By transfer)	(7,200,000)	---	---	---	---	---
Rescission	---	-800,000	-800,000	-800,000	---	---
Seat belt and passive restraint program (rescission)	---	-7,500,000	-2,000,000	-7,500,000	---	-5,500,000
Highway traffic safety grants (rescission)	---	-250,000	-250,000	-250,000	---	---
Federal Railroad Administration						
Railroad research and development (rescission)	---	-170,000	-170,000	-170,000	---	---
Rail service assistance	60,732,000	60,732,000	60,732,000	60,732,000	---	---
Appropriation for debt reduction	-60,281,000	-60,281,000	-60,281,000	-60,281,000	---	---
Rescission	---	-90,000	-90,000	-90,000	---	---
Settlements of railroad litigation	4,328,000	4,328,000	4,328,000	4,328,000	---	---
Appropriation for debt reduction	-4,223,000	-4,223,000	-4,223,000	-4,223,000	---	---
Northeast corridor improvement program (rescission)	---	-200,000	-200,000	-200,000	---	---
(Deferral disapproval)	---	---	(30,000,000)	(30,000,000)	(+30,000,000)	---
Railroad Rehabilitation and Improvement Financing Funds (limitation on new loan guarantees)	---	(6,500,000)	---	(6,500,000)	---	(+6,500,000)
Total, Federal Railroad Administration (net)	8,754,000	8,296,000	8,296,000	8,296,000	---	---
Saint Lawrence Seaway Development Corporation						
(Decrease in limitation on administrative expenses)	---	(-30,000)	(-30,000)	(-30,000)	---	---
Research and Special Programs Administration						
Research and special programs (by transfer)	(850,000)	(425,000)	(700,000)	(650,000)	(+225,000)	(-50,000)
Total, Department of Transportation (net)	17,154,000	3,274,000	42,014,000	40,314,000	+37,040,000	-1,700,000
RELATED AGENCIES						
Interstate Commerce Commission						
Salaries and expenses	4,463,000	3,150,000	2,000,000	2,100,000	-1,050,000	+100,000
Panama Canal Commission						
Capital outlay (by transfer)	(3,900,000)	(2,220,000)	(1,700,000)	(1,700,000)	(-520,000)	---
Payments to the Republic of Panama (by transfer) 1/	(2,186,000)	(2,186,000)	(2,705,000)	(2,705,000)	(+519,000)	---
Total, Chapter XI						
New budget (obligational) authority	21,619,000	6,424,000	44,014,000	42,414,000	+35,990,000	-1,600,000
Appropriations	(86,123,000)	(90,110,000)	(124,200,000)	(128,100,000)	(+37,990,000)	(+3,900,000)
Rescissions	---	(-19,182,000)	(-15,682,000)	(-21,182,000)	(-2,000,000)	(-5,500,000)
Appropriations for debt reduction	(-64,504,000)	(-64,504,000)	(-64,504,000)	(-64,504,000)	---	---
(By transfer)	(29,136,000)	(4,831,000)	(26,345,000)	(26,295,000)	(+21,464,000)	(-50,000)
(Change in limitation on administrative expenses)	---	(-469,000)	(-469,000)	(-469,000)	---	---
(Limitation on working capital fund)	---	(-30,000)	(-1,000,000)	(-1,000,000)	(-970,000)	---
(Deferral disapproval)	---	---	(30,000,000)	(30,000,000)	(+30,000,000)	---
CHAPTER XI						
DEPARTMENT OF THE TREASURY						
Office of the Secretary (rescission)	---	-969,000	-969,000	-969,000	---	---
Federal Law Enforcement Training Center (rescission)	---	-75,000	-75,000	-75,000	---	---
Financial Management Services:						
Salaries and expenses	10,040,000	10,000,000	10,000,000	10,000,000	---	---
Rescission	---	-972,000	-972,000	-972,000	---	---
Total, Financial Management Service (net)	10,040,000	9,028,000	9,028,000	9,028,000	---	---

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1/ Senate considered request of 2,705,000 based on informal amended request (May 9).

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Bureau of Alcohol, Tobacco, and Firearms	1,900,000	1,900,000	1,900,000	1,900,000	---	---
Rescission	---	-397,000	-397,000	-397,000	---	---
Total, Bureau of Alcohol, Tobacco, and Firearms (net)	1,900,000	1,503,000	1,503,000	1,503,000	---	---
United States Customs Service:						
Salaries and expenses	2,200,000	2,800,000	14,400,000	15,000,000	+12,200,000	+600,000
Rescission	---	-1,223,000	-1,223,000	-1,223,000	---	---
Subtotal, Customs operating accounts (net)	2,200,000	1,577,000	13,177,000	13,777,000	+12,200,000	+600,000
Operations and maintenance, air interdiction program	---	---	11,000,000	11,000,000	+11,000,000	---
Customs forfeiture fund	6,000,000	6,000,000	6,000,000	6,000,000	---	---
Customs services at small airports	42,000	42,000	42,000	42,000	---	---
Total, United States Customs Service (net)	8,242,000	7,619,000	30,219,000	30,819,000	+23,200,000	+600,000
Bureau of the Mint (rescission)	---	-87,000	-87,000	-87,000	---	---
Bureau of the Public Debt (rescission)	---	-52,000	-52,000	-52,000	---	---
Internal Revenue Service:						
Salaries and expenses (rescission)	---	-190,000	-190,000	-190,000	---	---
Processing tax returns (rescission)	---	-781,000	-781,000	-781,000	---	---
Examinations and appeals (rescission)	---	-1,500,000	-1,500,000	-1,500,000	---	---
Investigations, collections and taxpayer service	2,400,000	2,400,000	2,400,000	2,400,000	---	---
Rescission	---	-1,633,000	-1,633,000	-1,633,000	---	---
Subtotal, IRS operating accounts (net)	2,400,000	-1,800,000	-1,800,000	-1,800,000	---	---
Federal tax lien revolving fund	9,000,000	9,000,000	9,000,000	9,000,000	---	---
Total, Internal Revenue Service (net)	11,400,000	7,200,000	7,200,000	7,200,000	---	---
United States Secret Service	4,100,000	4,400,000	5,400,000	5,400,000	+1,000,000	---
Rescission	---	-1,465,000	-1,465,000	-1,465,000	---	---
Total, United States Secret Service (net)	4,100,000	2,935,000	3,935,000	3,935,000	+1,000,000	---
Total, Department of the Treasury (net)	35,682,000	27,102,000	50,702,000	51,302,000	+24,200,000	+600,000
UNITED STATES POSTAL SERVICE						
Payment to the Postal Service Fund	---	168,620,000	168,620,000	168,620,000	---	---
EXECUTIVE OFFICE OF THE PRESIDENT						
National Critical Materials Council	---	200,000	---	200,000	---	+200,000
INDEPENDENT AGENCIES						
General Services Administration						
Federal Building Fund:						
Limitation on availability of revenue:						
New construction	---	(22,617,000)	---	(22,617,000)	---	(+22,617,000)
Construction and acquisition of facilities	(4,225,000)	(7,225,000)	(4,225,000)	(7,225,000)	---	(+3,000,000)
Alterations and major repairs	---	(1,100,000)	---	(1,100,000)	---	(+1,100,000)
Real property operations (transfer to construction and acquisition of facilities)	---	(-3,000,000)	---	(-3,000,000)	---	(-3,000,000)
Design and construction services	---	(83,000)	---	(83,000)	---	(+83,000)
Subtotal, Federal Buildings Fund	(4,225,000)	(28,033,000)	(4,225,000)	(28,033,000)	---	(+23,800,000)
Real property activities (rescission)	---	-2,000,000	-2,000,000	-2,000,000	---	---
Program direction (rescission)	---	-1,204,000	-1,204,000	-1,204,000	---	---
Subtotal, Federal Buildings Fund (net)	---	-3,204,000	-3,204,000	-3,204,000	---	---
Personal Property Activities:						
Personal property operating expenses (rescission)	---	-300,000	-300,000	-300,000	---	---
General supply fund (rescission)	---	-30,848,000	-30,848,000	-30,848,000	---	---
Subtotal, Personal Property Activities (net)	---	-31,148,000	-31,148,000	-31,148,000	---	---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Federal Property Resources Activities:						
Operating expenses (rescission)	---	-207,000	-207,000	-207,000	---	---
Expenses, disposal of surplus real and related property (rescission)	---	-1,832,000	-1,832,000	-1,832,000	---	---
Subtotal, Federal Property Resources Activities (net)	---	-2,039,000	-2,039,000	-2,039,000	---	---
General Activities:						
General Management and Administration Salaries and Expenses (rescission)	---	-403,000	-403,000	-403,000	---	---
Office of Information Resources Management:						
Operating Expenses (rescission)	---	-45,000	-45,000	-45,000	---	---
Federal telecommunications fund (rescission)	---	-415,000	-415,000	-415,000	---	---
Automatic data processing fund (rescission)	---	-145,000	-145,000	-145,000	---	---
Office of the Inspector General (rescission)	--	-35,000	-35,000	-35,000	---	---
Allowances and Office Staff for Former Presidents (rescission)	---	-19,000	-19,000	-19,000	---	---
Working capital fund (rescission)	---	-8,000	-8,000	-8,000	---	---
Subtotal, General Activities (net)	---	-1,070,000	-1,070,000	-1,070,000	---	---
Total, General Services Administration (net)	---	-37,461,000	-37,461,000	-37,461,000	---	---
National Archives and Records Administration						
Operating Expenses (rescission)	---	-166,000	-166,000	-166,000	---	---
Office of Personnel Management						
Salaries and expenses (rescission)	---	-1,161,000	-1,161,000	-1,161,000	---	---
Payment to civil service retirement and disability fund	40,965,000	40,965,000	40,965,000	40,965,000	---	---
Total, Office of Personnel Management (net)	40,965,000	39,804,000	39,804,000	39,804,000	---	---
Total, Chapter XI:						
New budget (obligational) authority (net)	76,647,000	198,099,000	221,499,000	222,299,000	+24,200,000	+800,000
Appropriations	(76,647,000)	(246,327,000)	(269,727,000)	(270,327,000)	(+24,200,000)	(+800,000)
Rescissions	---	(-48,228,000)	(-48,228,000)	(-48,228,000)	---	---
(Limitation on availability of revenue)	(4,225,000)	(28,033,000)	(4,225,000)	(28,033,000)	---	(+23,808,000)
CHAPTER XII						
FEDERAL FUNDS 1/						
Criminal Justice Initiative	14,180,000	---	14,180,000	14,180,000	+14,180,000	---
Total, Federal Funds	14,180,000	---	14,180,000	14,180,000	+14,180,000	---
DISTRICT OF COLUMBIA FUNDS 2/						
Operating Expenses						
Governmental direction and support	(4,353,000)	---	(4,295,000)	(4,353,000)	(+4,353,000)	(+258,000)
Economic development and regulation	(9,873,000)	---	(9,849,000)	(9,873,000)	(+9,873,000)	(+24,000)
Public safety and justice	(26,680,000)	---	(21,681,000)	(26,680,000)	(+26,680,000)	(+4,999,000)
(Rescission)	(-300,000)	---	---	(-300,000)	(-300,000)	(-300,000)
Public education system	(6,835,000)	---	(5,251,000)	(6,835,000)	(+6,835,000)	(+1,584,000)
(Rescission)	(-11,794,000)	---	(-8,500,000)	(-11,794,000)	(-11,794,000)	(-3,294,000)
Human support services	(9,598,000)	---	(7,866,000)	(9,598,000)	(+9,598,000)	(+1,732,000)
Public works (rescission)	(-875,000)	---	(-875,000)	(-875,000)	(-875,000)	---
Washington Convention Center Fund	(324,000)	---	(500,000)	(324,000)	(+324,000)	(-176,000)
Repayment of loans and interest (rescission)	(-1,473,000)	---	(-1,473,000)	(-1,473,000)	(-1,473,000)	---
Repayment of general fund deficit	(3,500,000)	---	---	(3,500,000)	(+3,500,000)	(+3,500,000)
Short-term borrowings (rescission)	(-1,250,000)	---	(-1,250,000)	(-1,250,000)	(-1,250,000)	---
Adjustments	(3,576,000)	---	(3,576,000)	---	---	(-3,576,000)
Personal Services	---	---	(8,327,000)	---	---	(-8,327,000)
Total, Operating Expenses	(49,247,000)	---	(49,247,000)	(45,671,000)	(+45,671,000)	(-3,576,000)
Capital Outlay	(23,400,000)	---	(5,750,000)	(23,400,000)	(+23,400,000)	(+17,650,000)

1/ The District communicated this request to the Committee May 28, 1985.

2/ These estimates are contained in the Mayor's May 6, 1985 request to the Council and the May 28, 1985 Communication on Federal Funds.

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Enterprise Funds						
Water and Sewer Enterprise Fund	(10,801,000)	---	(10,801,000)	(10,801,000)	(+10,801,000)	---
Total, enterprise funds	(10,801,000)	- -	(10,801,000)	(10,801,000)	(+10,801,000)	---
Total, District of Columbia funds	(83,448,000)	---	(65,798,000)	(79,872,000)	(+79,872,000)	(+14,074,000)
Total, Chapter XII:						
New budget (obligational) authority (net)	14,180,000	---	14,180,000	14,180,000	+14,180,000	---
District of Columbia Funds	(83,448,000)	---	(65,798,000)	(79,872,000)	(+79,872,000)	(+14,074,000)
Operating Expenses	(99,140,000)	---	(77,896,000)	(95,564,000)	(+95,564,000)	(+17,668,000)
Rescissions	(-15,692,000)	---	(-12,098,000)	(-15,692,000)	(-15,692,000)	(-3,594,000)
TITLE I - GENERAL SUPPLEMENTALS						
TOTAL - New budget (obligational) authority (net)	10,428,185,436	11,685,724,536	12,594,017,536	11,604,382,536	-81,342,000	-989,635,000
Appropriations	(10,929,329,436)	(12,465,129,536)	(13,334,835,536)	(12,317,542,536)	(-147,587,000)	(-1,017,293,000)
Appropriations for debt reduction	(-85,204,000)	(-85,204,000)	(-85,204,000)	(-85,204,000)	---	---
Authority to borrow	(113,000,000)	(113,000,000)	(113,000,000)	(113,000,000)	---	---
Rescissions	---	(-278,261,000)	(-239,674,000)	(-212,016,000)	(+66,245,000)	(+27,658,000)
Rescission of contract authority	(-528,940,000)	(-528,940,000)	(-528,940,000)	(-528,940,000)	---	---
(Deferral disapproval)	---	(1,190,175,316)	(366,572,000)	(687,446,000)	(-502,729,316)	(+320,874,000)
(Effect of new deferral)	---	(-8,800,000)	(-5,800,000)	(-10,400,000)	(-1,600,000)	(-4,600,000)
(Limitation of trust fund transfer)	(-41,040,000)	(30,000,000)	---	(20,000,000)	(-10,000,000)	(+20,000,000)
(By transfer)	(142,120,000)	(272,879,000)	(88,152,000)	(75,464,000)	(-197,415,000)	(-12,688,000)
(Limitation on callable capital subscriptions)	(1,219,023,979)	(1,219,023,979)	(1,219,023,979)	(1,219,023,979)	---	---
(Limitation on availability of revenue)	(4,225,000)	(28,033,000)	(4,225,000)	(28,033,000)	---	(+23,808,000)
(Change in limitation on administrative expenses)	(-12,274,000)	(-469,000)	(-469,000)	(-469,000)	---	---
(Limitation on indefinite contract authority)	(-23,367,000)	(-23,367,000)	(-23,367,000)	(-23,367,000)	---	---
(Change in limitation on direct loans)	(-6,000,000)	---	---	---	---	---
(Change in limitation on guaranteed loans)	(-175,333,000)	---	---	---	---	---
(Limitation on Working capital fund)	---	(-30,000)	(-1,000,000)	(-1,000,000)	(-970,000)	---
(District of Columbia funds net)	(83,448,000)	---	(65,798,000)	(79,872,000)	(+79,872,000)	(+14,074,000)
TITLE II - INCREASED PAY COSTS						
LEGISLATIVE BRANCH						
Senate						
Salaries, officers and employees	4,468,000	---	4,468,000	4,468,000	+4,468,000	---
Office of the Legislative Counsel of the Senate	37,000	---	37,000	37,000	+37,000	---
Senate policy committees	50,000	---	50,000	50,000	+50,000	---
Total, Senate	4,555,000	---	4,555,000	4,555,000	+4,555,000	---
House of Representatives						
House leadership offices	91,000	91,000	91,000	91,000	---	---
Salaries, officers and employees	1,176,000	1,176,000	1,176,000	1,176,000	---	---
Committee employees	1,012,000	1,012,000	1,012,000	1,012,000	---	---
Committee on Appropriations (Studies and Investigations)	14,000	---	---	---	---	---
Members' clerk hire	4,136,000	2,636,000	2,636,000	2,636,000	---	---
Standing committees, special and select	976,000	---	---	---	---	---
Allowances and expenses	844,000	669,000	669,000	669,000	---	---
Total, House of Representatives	8,245,000	5,584,000	5,584,000	5,584,000	---	---
Joint Items						
Joint Economic Committee	75,000	75,000	75,000	75,000	---	---
Joint Committee on Printing	15,000	8,000	8,000	8,000	---	---
Capitol Guide Service	20,000	10,000	10,000	10,000	---	---
Total, Joint Items	110,000	93,000	93,000	93,000	---	---
Congressional Budget Office						
Salaries and expenses	245,000	123,000	123,000	123,000	---	---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Architect of the Capitol						
Office of the Architect of the Capitol: Salaries	119,000	75,000	75,000	75,000	---	
Capitol buildings	154,000	100,000	100,000	100,000	---	
Capitol grounds	53,000	100,000	100,000	100,000	---	
Senate office buildings	260,000	---	---	---	---	
House office buildings	140,000	123,000	123,000	123,000	---	
Capitol power plant	70,000	70,000	70,000	70,000	---	
Library buildings and grounds: Structural and mechanical care	90,000	90,000	90,000	90,000	---	
Total, Architect of the Capitol	1,084,000	558,000	558,000	558,000	---	
Library of Congress						
Salaries and expenses	2,610,000	1,833,000	1,833,000	1,833,000	---	---
Copyright Office: Salaries and expenses	399,000	199,000	199,000	199,000	---	---
Congressional Research Service: Salaries and expenses	917,000	500,000	500,000	500,000	---	---
Books for the blind and physically handicapped: Salaries and expenses	106,000	---	---	---	---	---
Collection and distribution of library materials (special foreign currency program)	11,000	---	---	---	---	---
Total, Library of Congress	4,043,000	2,532,000	2,532,000	2,532,000	---	---
Government Printing Office						
Office of Superintendent of Documents: Salaries and expenses	197,000	---	---	---	---	---
General Accounting Office						
Salaries and expenses	5,674,000	---	---	---	---	---
Botanic Garden						
Salaries and expenses	36,000	36,000	36,000	36,000	---	---
Office of Technology Assessment						
Salaries and expenses	306,000	143,000	143,000	143,000	---	---
Total, Legislative Branch	24,417,000	9,069,000	13,624,000	13,624,000	+4,555,000	---
THE JUDICIARY						
Supreme Court of the United States						
Salaries and expenses	281,000	---	---	---	---	---
Care of the building and grounds	20,000	---	---	---	---	---
Total, Supreme Court of the United States	301,000	---	---	---	---	---
United States Court of Appeals for the Federal Circuit						
Salaries and expenses	87,000	87,000	87,000	87,000	---	---
United States Court of International Trade						
Salaries and expenses	98,000	98,000	98,000	98,000	---	---
Courts of Appeals, District Courts, and other Judicial Services						
Salaries of judges	1,910,000	1,910,000	1,700,000	1,910,000	---	+210,000
Salaries of supporting personnel	9,150,000	9,150,000	9,150,000	9,150,000	---	---
Defender services	375,000	375,000	375,000	375,000	---	---
Bankruptcy Courts: Salaries and expenses	2,540,000	2,540,000	2,540,000	2,540,000	---	---
Total, Courts of Appeals, District Courts, and other Judicial Services	13,975,000	13,975,000	13,765,000	13,975,000	---	+210,000
Administrative Office of the United States Courts						
Salaries and expenses	452,000	452,000	452,000	452,000	---	---
Federal Judicial Center						
Salaries and expenses	90,000	90,000	90,000	90,000	---	---
Total, The Judiciary	15,083,000	14,702,000	14,492,000	14,702,000	---	+210,000

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
EXECUTIVE OFFICE OF THE PRESIDENT						
The White House Office						
Salaries and expenses	204,000	204,000	204,000	204,000	---	---
Executive Residence at the White House						
Operating expenses	57,000	57,000	57,000	57,000	---	---
Special Assistance to the President						
Salaries and expenses	13,000	13,000	13,000	13,000	---	---
Council on Environmental Quality and Office of Environmental Quality						
Council on Environmental Quality and Office of Environmental Quality	5,000	---	---	---	---	---
Office of Administration						
Salaries and expenses	68,000	68,000	68,000	68,000	---	---
Office of Management and Budget						
Salaries and expenses	352,000	352,000	352,000	352,000	---	---
Office of Federal Procurement Policy: Salaries and expenses	15,000	15,000	15,000	15,000	---	---
Total, Office of Management and Budget	367,000	367,000	367,000	367,000	---	---
Office of Science and Technology Policy						
Office of Science and Technology Policy	20,000	---	20,000	20,000	+20,000	---
Total, Executive Office of the President	734,000	709,000	729,000	729,000	+20,000	---
DEPARTMENT OF AGRICULTURE						
Office of the Secretary	129,000	65,000	129,000	65,000	---	-64,000
Departmental Administration	300,000	220,000	300,000	220,000	---	-80,000
Office of Governmental and Public Affairs	62,000	42,000	42,000	42,000	---	---
Office of the Inspector General (by transfer)	(431,000)	(431,000)	(431,000)	(431,000)	---	---
Office of the General Counsel	206,000	---	---	---	---	---
(By transfer)	---	(188,000)	(188,000)	(188,000)	---	---
Agricultural Research Service	---	4,084,000	4,084,000	4,084,000	---	---
National Agricultural Library	64,000	64,000	64,000	64,000	---	---
Statistical Reporting Service: Salaries and expenses	538,000	538,000	538,000	538,000	---	---
Economic Research Service: Salaries and expenses	489,000	489,000	489,000	489,000	---	---
Agricultural Cooperative Service	---	36,000	36,000	36,000	---	---
World Agricultural Outlook Board	34,000	34,000	34,000	34,000	---	---
Foreign Agricultural Service	274,000	274,000	274,000	274,000	---	---
General Sales Manager (transfer from Commodity Credit Corporation)	(54,000)	(54,000)	(54,000)	(54,000)	---	---
Federal Crop Insurance Corporation						
Administrative and operating expenses	502,000	502,000	502,000	502,000	---	---
Office of Rural Development Policy						
Salaries and expenses	10,000	---	---	---	---	---
Rural Electrification Administration						
Salaries and expenses	324,000	324,000	324,000	324,000	---	---
Farmers Home Administration						
Salaries and expenses	8,046,000	8,046,000	8,046,000	8,046,000	---	---
Soil Conservation Service						
Conservation operations	---	8,196,000	8,196,000	8,196,000	---	---
(By transfer)	(8,365,000)	---	---	---	---	---
River basin surveys and investigations	---	252,000	252,000	252,000	---	---
Watershed planning	---	172,000	172,000	172,000	---	---
Watershed and flood prevention operations	---	1,543,000	1,543,000	1,543,000	---	---
Resource conservation and development	---	320,000	320,000	320,000	---	---
Great Plains conservation program	---	216,000	216,000	216,000	---	---
Animal and Plant Health Inspection Service						
Salaries and expenses	---	2,266,000	2,266,000	2,266,000	---	---

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SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Federal Grain Inspection Service						
Salaries and expenses	58,000	58,000	58,000	58,000	---	---
Agricultural Marketing Service						
Marketing services	841,000	841,000	841,000	841,000	---	---
(Increase in limitation on administrative expenses)	(753,000)	(753,000)	(753,000)	(753,000)	---	---
Funds for strengthening markets, income, and supply (section 32) (increase in limitation)	(150,000)	(150,000)	(150,000)	(150,000)	---	---
Office of Transportation	27,000	27,000	27,000	27,000	---	---
Food Safety and Inspection Service						
Salaries and expenses	11,396,000	11,396,000	11,396,000	11,396,000	---	---
Food and Nutrition Service						
Food program administration	1,000,000	1,000,000	1,000,000	1,000,000	---	---
Human Nutrition Information Service	37,000	37,000	37,000	37,000	---	---
Packers and Stockyards Administration	85,000	85,000	85,000	85,000	---	---
Forest Service						
Forest research	---	964,000	1,164,000	1,164,000	+200,000	---
State and private forestry	---	209,000	209,000	209,000	---	---
National forest system	---	10,688,000	10,688,000	10,688,000	---	---
Construction	---	1,777,000	---	---	-1,777,000	---
Land acquisition	---	30,000	---	---	-30,000	---
Total, Department of Agriculture	24,430,000	54,795,000	53,332,000	53,188,000	-1,607,000	-144,000
DEPARTMENT OF COMMERCE						
National Oceanic and Atmospheric Administration						
Operations, research, and facilities (by transfer)	---	(2,783,000)	(5,860,000)	(4,860,000)	(+2,077,000)	(-1,000,000)
DEPARTMENT OF DEFENSE--MILITARY						
Military Personnel						
Military personnel, Army	483,249,000	442,249,000	417,249,000	417,249,000	-25,000,000	---
(By transfer)	---	---	(25,000,000)	(25,000,000)	(+25,000,000)	---
Military personnel, Navy	359,633,000	224,819,000	---	---	-224,819,000	---
(By transfer)	---	(114,814,000)	(339,633,000)	(339,633,000)	(+224,819,000)	---
Military personnel, Marine Corps	116,840,000	116,840,000	106,840,000	106,840,000	-10,000,000	---
(By transfer)	---	---	(10,000,000)	(10,000,000)	(+10,000,000)	---
Military personnel, Air Force	417,679,000	275,312,000	224,825,000	254,825,000	-20,487,000	+30,000,000
(By transfer)	---	(112,367,000)	(142,854,000)	(112,854,000)	(+487,000)	(-30,000,000)
Reserve personnel, Navy	26,619,000	26,619,000	4,619,000	4,619,000	-22,000,000	---
(By transfer)	---	---	(22,000,000)	(22,000,000)	(+22,000,000)	---
Reserve personnel, Marine Corps	3,078,000	3,078,000	3,078,000	3,078,000	---	---
Reserve personnel, Air Force	12,776,000	2,976,000	2,976,000	2,976,000	---	---
National Guard personnel, Air Force	17,532,000	17,532,000	17,532,000	17,532,000	---	---
Total, Military Personnel	1,437,406,000	1,109,425,000	777,119,000	807,119,000	-302,306,000	+30,000,000
(By transfer)	---	(227,181,000)	(539,487,000)	(509,487,000)	(+282,306,000)	(-30,000,000)
Operation and Maintenance						
Operation and maintenance, Army	200,400,000	14,470,000	10,466,000	10,466,000	-4,004,000	---
(By transfer)	---	(147,000,000)	(119,300,000)	(119,300,000)	(-27,700,000)	---
Operation and maintenance, Navy	230,800,000	72,952,000	7,119,000	7,119,000	-65,833,000	---
(By transfer)	---	(135,148,000)	(180,829,000)	(180,829,000)	(+45,681,000)	---
Operation and maintenance, Marine Corps	10,600,000	---	---	---	---	---
(By transfer)	---	(8,488,000)	(8,488,000)	(8,488,000)	---	---
Operation and maintenance, Air Force	120,300,000	---	---	---	---	---
(By transfer)	---	(75,133,000)	(90,346,000)	(90,346,000)	(+15,213,000)	---
Operation and maintenance, Defense Agencies	106,530,000	39,230,000	81,230,000	81,230,000	+42,000,000	---
(By transfer)	---	---	(8,000,000)	(8,000,000)	(+8,000,000)	---
Operation and maintenance, Army Reserve	8,100,000	7,336,000	7,336,000	7,336,000	---	---
Operation and maintenance, Navy Reserve	1,600,000	600,000	1,400,000	1,400,000	+800,000	---
Operation and maintenance, Marine Corps Reserve	200,000	150,000	150,000	150,000	---	---
Operation and maintenance, Air Force Reserve	8,000,000	7,300,000	7,300,000	7,300,000	---	---
Operation and maintenance, Army National Guard	15,000,000	13,194,000	13,194,000	13,194,000	---	---
Operation and maintenance, Air National Guard	18,500,000	15,091,000	15,091,000	15,091,000	---	---
National Board for the Promotion of Rifle Practice, Army	14,000	12,000	12,000	12,000	---	---
Total, Operation and Maintenance	721,044,000	170,335,000	143,298,000	143,298,000	-27,037,000	---
(By transfer)	---	(365,769,000)	(406,963,000)	(406,963,000)	(+41,194,000)	---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Family Housing						
Family housing, Army	3,439,000	---	1,700,000	---	---	-1,700,000
Family housing, Navy and Marine Corps	1,493,000	---	---	---	---	---
Family housing, Air Force	1,454,000	---	---	---	---	---
Total, Family Housing	6,386,000	---	1,700,000	---	---	-1,700,000
Total, Department of Defense--Military	2,164,836,000	1,279,760,000	922,117,000	950,417,000	-329,343,000	+28,300,000
(By transfer)	---	(592,950,000)	(946,450,000)	(916,450,000)	(+323,500,000)	(-30,000,000)
DEPARTMENT OF DEFENSE--CIVIL						
Cemeterial Expenses, Army						
Salaries and expenses	53,000	53,000	53,000	53,000	---	---
Corps of Engineers - Civil						
General investigations (by transfer)	(2,200,000)	(2,200,000)	(2,200,000)	(2,200,000)	---	---
General expenses (by transfer)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	---	---
Soldiers' and Airmen's Home						
Operation and maintenance	324,000	324,000	324,000	324,000	---	---
Total, Department of Defense--Civil	377,000	377,000	377,000	377,000	---	---
(By transfer)	(5,200,000)	(5,200,000)	(5,200,000)	(5,200,000)	---	---
DEPARTMENT OF ENERGY						
Energy Programs						
Energy Information Administration	495,000	495,000	495,000	495,000	---	---
Federal Energy Regulatory Commission	1,627,000	1,627,000	1,627,000	1,627,000	---	---
Total, Department of Energy	2,122,000	2,122,000	2,122,000	2,122,000	---	---
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Food and Drug Administration						
Salaries and expenses	---	3,535,000	3,535,000	3,535,000	---	---
Health Services Administration						
Indian health services	---	9,297,000	4,650,000	7,000,000	-2,297,000	+2,350,000
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Management and Administration						
Salaries and expenses (by transfer)	(2,712,000)	(2,712,000)	(2,712,000)	(2,712,000)	---	---
DEPARTMENT OF THE INTERIOR						
Bureau of Land Management						
Management of lands and resources	---	2,000,000	3,000,000	2,000,000	---	-1,000,000
(By transfer)	(2,000,000)	---	---	---	---	---
United States Fish and Wildlife Service						
Resource management	---	2,000,000	4,000,000	4,000,000	+2,000,000	---
National Park Service						
Operation of the national park system	---	8,700,000	8,700,000	8,700,000	---	---
(By transfer)	(10,700,000)	---	---	---	---	---
Office of Surface Mining Reclamation and Enforcement						
Regulation and technology	---	455,000	455,000	455,000	---	---
(By transfer)	(455,000)	---	---	---	---	---
Geological Survey						
Surveys, investigations, and research	---	4,464,000	4,464,000	4,464,000	---	---
Bureau of Indian Affairs						
Operation of Indian programs	---	5,000,000	---	5,000,000	---	+5,000,000
(By transfer)	(5,000,000)	---	(5,000,000)	---	---	(-5,000,000)

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Departmental Offices						
Office of the Solicitor	---	306,000	306,000	306,000	---	---
(By transfer)	(406,000)	---	---	---	---	---
Total, Department of the Interior	---	22,925,000	20,925,000	24,925,000	+2,000,000	+4,000,000
(By transfer)	(18,561,000)	---	(5,000,000)	---	---	(-5,000,000)
DEPARTMENT OF JUSTICE						
General Administration						
Salaries and expenses	1,068,000	1,068,000	1,068,000	1,068,000	---	---
United States Parole Commission						
Salaries and expenses	160,000	160,000	160,000	160,000	---	---
Legal Activities						
Salaries and expenses, General Legal Activities	3,308,000	3,308,000	3,308,000	3,308,000	---	---
Salaries and expenses, Antitrust Division	665,000	665,000	665,000	665,000	---	---
Salaries and expenses, United States Attorneys and Marshals	6,151,000	6,175,000	6,151,000	6,175,000	---	+24,000
(By transfer)	(1,636,000)	(1,636,000)	(1,636,000)	(1,636,000)	---	---
Salaries and expenses, Community Relations Service	135,000	135,000	135,000	135,000	---	---
Total, Legal Activities	10,259,000	10,283,000	10,259,000	10,283,000	---	+24,000
Interagency Law Enforcement						
Organized crime drug enforcement	43,000	43,000	43,000	43,000	---	---
Federal Bureau of Investigation						
Salaries and expenses	15,270,000	15,270,000	15,270,000	15,270,000	---	---
Drug Enforcement Administration						
Salaries and expenses	4,682,000	4,682,000	4,682,000	4,682,000	---	---
Immigration and Naturalization Service						
Salaries and expenses	9,561,000	9,561,000	9,561,000	9,561,000	---	---
Federal Prison System						
Salaries and expenses	7,345,000	7,345,000	7,345,000	7,345,000	---	---
Federal Prison Industries, Incorporated: (Limitation on administrative and vocational training expenses)	(104,000)	(104,000)	(104,000)	(104,000)	---	---
Total, Department of Justice	48,388,000	48,412,000	48,388,000	48,412,000	---	+24,000
DEPARTMENT OF LABOR						
Labor-Management Services						
Salaries and expenses	526,000	---	---	---	---	---
Pension Benefit Guaranty Corporation						
Pension Benefit Guaranty Corporation fund (increase in limitation)	(244,000)	---	---	---	---	---
Employment Standards Administration						
Salaries and expenses	1,819,000	---	---	---	---	---
(Limitation on trust fund transfer)	(5,000)	---	---	---	---	---
Black lung disability trust fund	176,000	176,000	176,000	176,000	---	---
Total, Employment Standards Administration	1,995,000	176,000	176,000	176,000	---	---
Occupational Safety and Health Administration						
Salaries and expenses	1,176,000	---	---	---	---	---
Mine Safety and Health Administration						
Salaries and expenses	1,435,000	---	---	---	---	---
Bureau of Labor Statistics						
Salaries and expenses	932,000	---	---	---	---	---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Departmental Management						
Salaries and expenses	1,070,000	---	---	---	---	---
Office of the Inspector General	288,000	---	---		---	---
Assistant Secretary for Veterans Employment and Training (limitation on trust fund transfer)	(143,000)	---	---	---	---	---
Total, Departmental Management	1,358,000	---	---	---	---	---
Total, Department of Labor	7,422,000	176,000	176,000	176,000	---	---
DEPARTMENT OF TRANSPORTATION						
Federal Highway Administration						
(Limitation on general operating expenses)	(1,716,000)	---	---	---	---	---
National Highway Traffic Safety Administration						
Operations and research (by transfer)	(367,000)	---	---	---	---	---
Federal Railroad Administration						
Office of the Administrator (by transfer)	(212,000)	---	---	---	---	---
Railroad safety (by transfer)	(201,000)	---	---	---	---	---
Urban Mass Transportation Administration						
Administrative expenses (by transfer)	(609,000)	---	---	---	---	---
Federal Aviation Administration						
Operations (by transfer)	(22,000,000)	(3,112,000)	(3,112,000)	(3,112,000)	---	---
Headquarters administration (by transfer)	(386,000)	---	---	---	---	---
Operation and maintenance, Metropolitan Washington Airports (by transfer)	(524,000)	(505,000)	(505,000)	(505,000)	---	---
Coast Guard						
Operating expenses	---	15,000,000	---	15,000,000	---	+15,000,000
(By transfer)	(18,000,000)	(3,275,000)	(18,275,000)	(3,275,000)	---	(-15,000,000)
Reserve training (by transfer)	(1,468,000)	(1,025,000)	(1,025,000)	(1,025,000)	---	---
Maritime Administration						
Operations and training (by transfer)	(552,000)	(552,000)	(552,000)	(552,000)	---	---
Saint Lawrence Seaway Development Corporation						
(Limitation on administrative expenses) (increase in limitation)	(20,000)	---	---	---	---	---
Office of the Inspector General						
Salaries and expenses (by transfer)	(323,000)	---	---	---	---	---
Research and Special Programs Administration						
Research and special programs (by transfer)	(306,000)	(300,000)	(300,000)	(300,000)	---	---
Office of the Secretary						
Salaries and expenses (by transfer)	(875,000)	(65,000)	(65,000)	(65,000)	---	---
Total, Department of Transportation	---	15,000,000	---	15,000,000	---	+15,000,000
(By transfer)	(45,823,000)	(8,834,000)	(23,834,000)	(8,834,000)	---	(-15,000,000)
(Increase in limitation)	(20,000)	---	---	---	---	---
DEPARTMENT OF THE TREASURY						
Office of the Secretary						
Salaries and expenses	657,000	657,000	657,000	657,000	---	---
Office of Revenue Sharing						
Salaries and expenses	72,000	---	---	---	---	---
Federal Law Enforcement Training Center						
Salaries and expenses	102,000	102,000	102,000	102,000	---	---
Financial Management Service						
Salaries and expenses	1,229,000	1,229,000	1,229,000	1,229,000	---	---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Bureau of Alcohol, Tobacco and Firearms						
Salaries and expenses	1,339,000	1,339,000	1,339,000	1,339,000	---	---
United States Customs Service						
Salaries and expenses	6,246,000	12,492,000	12,492,000	12,492,000	---	---
Bureau of the Public Debt						
Administering the public debt	849,000	849,000	849,000	849,000	---	---
Internal Revenue Service						
Salaries and expenses	1,500,000	1,821,000	1,821,000	1,821,000	---	---
Processing tax returns	4,704,000	14,384,000	14,384,000	14,384,000	---	---
Examinations and appeals	21,193,000	28,539,000	28,539,000	28,539,000	---	---
Investigation, collection and taxpayer service	4,800,000	20,453,000	20,453,000	20,453,000	---	---
Total, Internal Revenue Service	32,197,000	65,197,000	65,197,000	65,197,000	---	---
United States Secret Service						
Salaries and expenses	2,214,000	2,214,000	2,214,000	2,214,000	---	---
Total, Department of the Treasury	44,965,000	84,079,000	84,079,000	84,079,000	---	---
ENVIRONMENTAL PROTECTION AGENCY						
Salaries and expenses	5,423,000	5,423,000	5,423,000	5,423,000	---	---
GENERAL SERVICES ADMINISTRATION						
Federal Buildings Fund:						
Limitation on availability of revenue:						
Construction and acquisition of facilities	(-7,781,000)	---	(-7,781,000)	---	---	(+7,781,000)
Real property operations	(5,682,000)	(-2,099,000)	(5,682,000)	(-2,099,000)	---	(-7,781,000)
Program direction	(1,469,000)	(1,469,000)	(1,469,000)	(1,469,000)	---	---
Design and construction services	(630,000)	(630,000)	(630,000)	(630,000)	---	---
Total, Federal Buildings Fund	---	---	---	---	---	---
Operating expenses, personal property (by transfer)	(2,200,000)	(2,200,000)	(2,200,000)	(2,200,000)	---	---
General management and administration: Salaries and expenses (by transfer)	(2,200,000)	(2,200,000)	(2,200,000)	(2,200,000)	---	---
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION						
Research and program management	23,300,000	21,300,000	21,300,000	21,300,000	---	---
OFFICE OF PERSONNEL MANAGEMENT						
Salaries and expenses	917,000	917,000	917,000	917,000	---	---
Salaries and expenses (increase in limitation)	(448,000)	(448,000)	(448,000)	(448,000)	---	---
VETERANS ADMINISTRATION						
Medical care	72,524,000	152,524,000	122,524,000	152,524,000	---	+30,000,000
General operating expenses	7,932,000	6,000,000	3,500,000	3,500,000	-2,500,000	---
Construction, minor projects (limitation on administrative expenses)	(371,000)	---	(371,000)	(371,000)	(+371,000)	---
Total, Veterans Administration	80,456,000	158,524,000	126,024,000	156,024,000	-2,500,000	+30,000,000
OTHER INDEPENDENT AGENCIES						
ACTION						
Operating expenses	233,000	---	---	---	---	---
Administrative Conference of the United States						
Salaries and expenses	12,000	12,000	12,000	12,000	---	---
Commission of Fine Arts						
Salaries and expenses	2,000	2,000	2,000	2,000	---	---
Commission on Civil Rights						
Salaries and expenses	122,000	122,000	122,000	122,000	---	---
Commodity Futures Trading Commission						
Commodity Futures Trading Commission	272,000	272,000	272,000	272,000	---	---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Equal Employment Opportunity Commission						
Salaries and expenses	2,900,000	2,900,000	2,900,000	2,900,000	---	---
Federal Communications Commission						
Salaries and expenses	1,830,000	1,830,000	1,830,000	1,830,000	---	---
Federal Election Commission						
Salaries and expenses	116,000	116,000	116,000	116,000	---	---
Federal Emergency Management Agency						
Salaries and expenses (by transfer)	(2,472,000)	---	(2,472,000)	---	---	(-2,472,000)
Federal Home Loan Bank Board						
(Limitation on non-administrative expenses, corporate funds)	(720,000)	---	---	---	---	---
(Limitation on administrative expenses, corporate funds)	(1,110,000)	(1,110,000)	(1,110,000)	(1,110,000)	---	---
Federal Labor Relations Authority						
Salaries and expenses	167,000	167,000	167,000	167,000	---	---
Federal Mediation and Conciliation Service						
Salaries and expenses	234,000	234,000	234,000	234,000	---	---
Federal Mine Safety and Health Review Commission						
Salaries and expenses	36,000	---	---	---	---	---
Federal Trade Commission						
Salaries and expenses	1,450,000	1,450,000	1,450,000	1,450,000	---	---
Intelligence Community Staff						
Intelligence community staff	174,000	174,000	174,000	174,000	---	---
Intergovernmental Agencies						
Advisory Commission on Intergovernmental Relations						
Salaries and expenses	17,000	17,000	17,000	17,000	---	---
Delaware River Basin Commission						
Salaries and expenses	2,000	2,000	2,000	2,000	---	---
Susquehanna River Basin Commission						
Salaries and expenses	2,000	2,000	2,000	2,000	---	---
International Trade Commission						
Salaries and expenses	547,000	300,000	300,000	300,000	---	---
Interstate Commerce Commission						
Salaries and expenses	1,000,000	500,000	1,000,000	1,000,000	+500,000	---
Merit Systems Protection Board						
Salaries and expenses	194,000	194,000	194,000	194,000	---	---
Office of the Special Counsel	44,000	44,000	44,000	44,000	---	---
Total, Merit Systems Protection Board	238,000	238,000	238,000	238,000	---	---
National Capital Planning Commission						
Salaries and expenses	22,000	22,000	22,000	22,000	---	---
National Science Foundation						
Program development and management (limitation on administrative expenses)	(1,670,000)	(1,670,000)	(1,670,000)	(1,670,000)	---	---
United States Antarctic program activities	750,000	750,000	750,000	750,000	---	---
National Transportation Safety Board						
Salaries and expenses	199,000	199,000	199,000	199,000	---	---
Pennsylvania Avenue Development Corporation						
Salaries and expenses	18,000	18,000	18,000	18,000	---	---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
Securities and Exchange Commission						
Salaries and expenses	1,045,000	1,294,000	1,045,000	1,045,000	-249,000	---
Smithsonian Institution						
Salaries and expenses	1,906,000	1,906,000	1,906,000	1,906,000	---	---
Salaries and expenses, National Gallery of Art	363,000	363,000	363,000	363,000	---	---
Salaries and expenses, Woodrow Wilson International Center for Scholars	16,000	16,000	16,000	16,000	---	---
Total, Smithsonian Institution	2,285,000	2,285,000	2,285,000	2,285,000	---	---
Total, Other Independent Agencies	13,675,000	12,906,000	13,157,000	13,157,000	+251,000	---
United States Holocaust Memorial Council						
Holocaust Memorial Council	13,000	13,000	13,000	13,000	---	---
United States Tax Court						
Salaries and expenses	350,000	350,000	350,000	350,000	---	---
TITLE II - INCREASED PAY COSTS						
TOTAL - New budget (obligational) authority	2,456,768,000	1,744,391,000	1,335,730,000	1,415,470,000	-328,921,000	+79,740,000
(Increase in limitations)	(862,000)	(598,000)	(598,000)	(598,000)	---	---
(Limitation on administrative expenses)	(3,861,000)	(1,774,000)	(2,145,000)	(2,145,000)	(+371,000)	---
(Trust fund transfer)	(148,000)	---	---	---	---	---
(By transfer)	(89,654,000)	(619,188,000)	(998,237,000)	(944,765,000)	(+325,577,000)	(-53,472,000)
TITLE I - GENERAL SUPPLEMENTALS						
Chapter I:						
Agriculture:						
New budget (obligational) authority	3,436,072,000	4,453,126,000	4,464,567,000	3,468,772,000	-984,354,000	-995,797,000
Appropriations	(3,323,072,000)	(4,340,126,000)	(4,360,772,000)	(3,357,556,000)	(-982,570,000)	(-1,003,216,000)
Rescissions	---	---	(-9,203,000)	(-1,784,000)	(-1,784,000)	(+7,419,000)
Authority to borrow	(113,000,000)	(113,000,000)	(113,000,000)	(113,000,000)	---	---
Chapter II:						
Commerce, Justice, State and the Judiciary:						
New budget (obligational) authority	423,704,000	326,579,000	481,359,000	534,416,000	+207,837,000	+53,057,000
Appropriations	(444,404,000)	(401,342,000)	(554,058,000)	(604,438,000)	(+203,096,000)	(+50,380,000)
Rescissions	---	(-54,063,000)	(-51,999,000)	(-49,322,000)	(+4,741,000)	(+2,677,000)
Appropriation for debt reduction	(-20,700,000)	(-20,700,000)	(-20,700,000)	(-20,700,000)	---	---
(By transfer)	(35,978,000)	(17,442,000)	(20,464,000)	(23,064,000)	(+5,602,000)	(+2,600,000)
(Limitation on direct loans)	(-6,000,000)	---	---	---	---	---
(Limitation on guaranteed loans)	(-175,333,000)	---	---	---	---	---
(Deferral actions - net)	---	(8,500,000)	(8,500,000)	(8,500,000)	---	---
Chapter III:						
Defense:						
New budget (obligational) authority	---	---	74,000,000	35,000,000	+35,000,000	-39,000,000
(By transfer)	---	(240,000,000)	(14,000,000)	---	(-240,000,000)	(-14,000,000)
Chapter IV:						
Energy and Water Development:						
New budget (obligational) authority	---	113,150,000	62,409,000	111,120,000	-2,030,000	+48,711,000
Appropriations	---	(113,150,000)	(96,800,000)	(119,400,000)	(+6,250,000)	(+22,600,000)
Rescissions	---	---	(-34,391,000)	(-8,280,000)	(-8,280,000)	(+26,111,000)
Chapter V:						
Foreign Operations:						
New budget (obligational) authority	2,496,036,436	2,275,036,436	2,496,036,436	2,525,036,436	+250,000,000	+29,000,000
(By transfer)	(5,686,000)	(5,686,000)	(15,343,000)	(16,100,000)	(+10,414,000)	(+757,000)
(Limitation on callable capital subscriptions)	(1,219,023,979)	(1,219,023,979)	(1,219,023,979)	(1,219,023,979)	---	---
Chapter VI:						
Housing & Urban Development-Independent Agencies:						
New budget (obligational) authority (net)	-353,940,000	-389,146,000	-198,717,000	-295,006,000	+94,140,000	-96,289,000
Appropriations	(175,000,000)	(239,700,000)	(351,220,000)	(260,220,000)	(+20,520,000)	(-91,000,000)
Rescissions	---	(-99,906,000)	(-20,997,000)	(-26,286,000)	(+73,620,000)	(-5,289,000)
Rescission of contract authority	(-528,940,000)	(-528,940,000)	(-528,940,000)	(-528,940,000)	---	---
(By transfer)	(5,771,000)	---	(7,100,000)	(5,105,000)	(+5,105,000)	(-1,995,000)
(Limitation on indefinite contract authority)	(-23,367,000)	(-23,367,000)	(-23,367,000)	(-23,367,000)	---	---
Chapter VII:						
Interior and Related Agencies:						
New budget (obligational) authority (net)	60,041,000	89,155,000	122,493,000	194,433,000	+105,278,000	+71,940,000
Appropriations	(60,041,000)	(146,037,000)	(181,667,000)	(251,367,000)	(+105,330,000)	(+69,700,000)
Rescissions	---	(-56,882,000)	(-59,174,000)	(-56,934,000)	(-52,000)	(+2,240,000)
(By transfer)	(29,966,000)	(4,900,000)	(4,900,000)	(4,900,000)	---	---
(Deferral disapproval)	---	(1,179,388,316)	(321,785,000)	(642,659,000)	(-536,729,316)	(+320,874,000)
(Effect of new deferral)	---	(-8,800,000)	(-5,800,000)	(-10,400,000)	(-1,600,000)	(-4,600,000)
Chapter VIII:						
Labor, Health and Human Services, and Education:						
New budget (obligational) authority	4,298,750,000	4,592,841,000	4,778,295,000	4,714,838,000	+121,997,000	-63,457,000
(By transfer)	(35,991,000)	---	---	---	---	---

SUPPLEMENTAL APPROPRIATIONS, FY 1985 (HR 2577)

	Supplemental Request	House	Senate	Conference	--- Conference compared with --- House	Senate
(Limitation on administration)	(-12,274,000)	---	---	---	---	---
(Limitation of trust fund transfer)	(-41,048,000)	(30,000,000)	---	(20,000,000)	(-10,000,000)	(+20,000,000)
(Deferral actions - net)	---	---	(4,000,000)	(4,000,000)	(+4,000,000)	---
Chapter IX:						
Legislative Branch:						
New budget (obligational) authority	36,276,600	20,460,100	33,880,100	36,880,100	+16,420,000	+3,000,000
Chapter X:						
Transportation:						
New budget (obligational) authority	21,619,000	6,424,000	44,014,000	42,414,000	+35,990,000	-1,600,000
Appropriations	(86,123,000)	(90,110,000)	(124,200,000)	(128,100,000)	(+37,990,000)	(+3,900,000)
Rescissions	---	(-19,182,000)	(-15,682,000)	(-21,182,000)	(-2,000,000)	(-5,500,000)
Appropriation for debt reduction	(-64,504,000)	(-64,504,000)	(-64,504,000)	(-64,504,000)	---	---
(By transfer)	(29,136,000)	(4,831,000)	(26,345,000)	(26,295,000)	(+21,464,000)	(-50,000)
(Change in limitation on administrative expenses)	---	(-469,000)	(-469,000)	(-469,000)	---	---
(Limitation on working capital fund)	---	(-30,000)	(-1,000,000)	(-1,000,000)	(-970,000)	---
(Deferral actions - net)	---	---	(30,000,000)	(30,000,000)	(+30,000,000)	---
Chapter XI:						
Treasury, Postal Service & General Government:						
New budget (obligational) authority	76,647,000	198,099,000	221,499,000	222,299,000	+24,200,000	+800,000
Appropriations	(76,647,000)	(246,327,000)	(269,727,000)	(270,527,000)	(+24,200,000)	(+800,000)
Rescissions	---	(-48,228,000)	(-48,228,000)	(-48,228,000)	---	---
(Limitation on availability of revenue)	(4,225,000)	(28,033,000)	(4,225,000)	(28,033,000)	---	(+23,808,000)
Chapter XII:						
District of Columbia:						
New budget (obligational) authority	14,180,000	---	14,180,000	14,180,000	+14,180,000	---
District of Columbia funds (net)	(83,448,000)	---	(65,798,000)	(79,872,000)	(+79,872,000)	(+14,074,000)
Operating Expenses	(99,140,000)	---	(77,896,000)	(95,564,000)	(+95,564,000)	(+17,668,000)
Rescissions	(-15,692,000)	---	(-12,098,000)	(-15,692,000)	(-15,692,000)	(-3,594,000)
TITLE I - GENERAL SUPPLEMENTALS						
TOTAL - New budget (obligational) authority (net)	10,420,185,436	11,685,724,536	12,594,017,536	11,604,382,536	-81,342,000	-989,635,000
Appropriations	(10,929,329,436)	(12,465,129,536)	(13,334,835,536)	(12,317,542,536)	(-147,587,000)	(-1,017,293,000)
Appropriations for debt reduction	(-85,204,000)	(-85,204,000)	(-85,204,000)	(-85,204,000)	---	---
Authority to borrow	(113,000,000)	(113,000,000)	(113,000,000)	(113,000,000)	---	---
Rescissions	---	(-278,261,000)	(-239,674,000)	(-212,016,000)	(+66,245,000)	(+27,658,000)
Rescission of contract authority	(-528,940,000)	(-528,940,000)	(-528,940,000)	(-528,940,000)	---	---
(Deferral disapproval)	---	(1,190,175,316)	(366,572,000)	(687,446,000)	(-502,729,316)	(+320,874,000)
(Effect of new deferral)	---	(-8,808,000)	(-5,808,000)	(-10,408,000)	(-1,600,000)	(-4,600,000)
(Limitation of trust fund transfer)	(-41,048,000)	(30,000,000)	---	(20,000,000)	(-10,000,000)	(+20,000,000)
(By transfer)	(142,128,000)	(272,879,000)	(88,152,000)	(75,464,000)	(-197,415,000)	(-12,688,000)
(Limitation on callable capital subscriptions)	(1,219,023,979)	(1,219,023,979)	(1,219,023,979)	(1,219,023,979)	---	---
(Limitation on availability of revenue)	(4,225,000)	(28,033,000)	(4,225,000)	(28,033,000)	---	(+23,808,000)
(Increase in limitation on administrative expenses)	(-12,274,000)	(-469,000)	(-469,000)	(-469,000)	---	---
(Limitation on indefinite contract authority)	(-23,367,000)	(-23,367,000)	(-23,367,000)	(-23,367,000)	---	---
(Change in limitation on direct loans)	(-6,000,000)	---	---	---	---	---
(Change in limitation on guaranteed loans)	(-175,333,000)	---	---	---	---	---
(Limitation on Working capital fund)	---	(-30,000)	(-1,000,000)	(-1,000,000)	(-970,000)	---
(District of Columbia funds net)	(83,448,000)	---	(65,798,000)	(79,872,000)	(+79,872,000)	(+14,074,000)
TITLE II - INCREASED PAY COSTS						
TOTAL - New budget (obligational) authority	2,456,768,000	1,744,391,000	1,335,730,000	1,415,470,000	-328,921,000	+79,740,000
(Increase in limitations)	(862,000)	(598,000)	(598,000)	(598,000)	---	---
(Increase in limitation on administrative expenses)	(3,861,000)	(1,774,000)	(2,145,000)	(2,145,000)	(+371,000)	---
(Trust fund transfer)	(148,000)	---	---	---	---	---
(By transfer)	(89,654,000)	(619,188,000)	(998,237,000)	(944,765,000)	(+325,577,000)	(-53,472,000)
GRAND TOTAL						
TOTAL - New budget (obligational) authority (net)	12,876,953,436	13,430,115,536	13,929,747,536	13,019,852,536	-410,263,000	-909,895,000
Appropriations	(13,386,097,436)	(14,209,520,536)	(14,670,565,536)	(13,733,012,536)	(-476,508,000)	(-937,553,000)
Appropriations for debt reduction	(-85,204,000)	(-85,204,000)	(-85,204,000)	(-85,204,000)	---	---
Authority to borrow	(113,000,000)	(113,000,000)	(113,000,000)	(113,000,000)	---	---
Rescissions	---	(-278,261,000)	(-239,674,000)	(-212,016,000)	(+66,245,000)	(+27,658,000)
Rescission of contract authority	(-528,940,000)	(-528,940,000)	(-528,940,000)	(-528,940,000)	---	---
(Deferral disapproval)	---	(1,190,175,316)	(366,572,000)	(687,446,000)	(-502,729,316)	(+320,874,000)
(Effect of new deferral)	---	(-8,808,000)	(-5,808,000)	(-10,408,000)	(-1,600,000)	(-4,600,000)
(By transfer)	(231,782,000)	(892,067,000)	(1,086,389,000)	(1,020,229,000)	(+128,162,000)	(-66,160,000)
(Increase in limitations)	(862,000)	(598,000)	(598,000)	(598,000)	---	---
(Limitation on callable capital subscriptions)	(1,219,023,979)	(1,219,023,979)	(1,219,023,979)	(1,219,023,979)	---	---
(Limitation on availability of revenue)	(4,225,000)	(28,033,000)	(4,225,000)	(28,033,000)	---	(+23,808,000)
(Change in limitation on administrative expenses)	(-8,413,000)	(1,305,000)	(1,676,000)	(1,676,000)	(+371,000)	---
(Limitation on indefinite contract authority)	(-23,367,000)	(-23,367,000)	(-23,367,000)	(-23,367,000)	---	---
(Limitation of trust fund transfer)	(-40,900,000)	(30,000,000)	---	(20,000,000)	(-10,000,000)	(+20,000,000)
(Change in limitation on direct loans)	(-6,000,000)	---	---	---	---	---
(Change in limitation on guaranteed loans)	(-175,333,000)	---	---	---	---	---
(Limitation on Working capital fund)	---	(-30,000)	(-1,000,000)	(-1,000,000)	(-970,000)	---
(District of Columbia funds net)	(83,448,000)	---	(65,798,000)	(79,872,000)	(+79,872,000)	(+14,074,000)

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Mrs. BENTLEY. Mr. Speaker, one of the 20 authorized projects included in the water resources supplemental appropriations bill is near and dear to my heart—namely that of deepening the main ship channel leading into the Port of Baltimore which project was authorized 15 years ago in 1970.

I wish to take this time to commend the work of Chairman Whitten and Mr. Bevill of the Appropriations Committee, Chairman Howard of the Committee on Public Works and Transportation, Chairman Roe and Mr. Stangeland of the Subcommittee on Water Resources in their contribution to the passage of the water resources supplemental appropriations bill. Their efforts are most appreciated in resolving the difficult problem of funding both authorized and unauthorized water projects.

In my home State of Maryland, the Port of Baltimore which is an authorized water project is close to having all the preliminary work necessary completed before actual port development begins. The State of Maryland is prepared to meet the Federal Government's cost-sharing formula and proceed with dredging in the Chesapeake Bay. The State has conducted a study of its own in order to reduce the overall cost of the project by more than $110 million by narrowing the width of the 50-foot channel. Maryland has indicated it will sell its World Trade Building and issue bonds to provide the funds for its share of the costs prior to the 50-foot channel. The sum of $53 million already has been invested by Maryland to build up Hart Miller Island as a disposal site for anticipated dredging sludge.

The entire Maryland delegation has been working to bring this about and is behind it all the way. After the dredging, larger ships will be free to enter the Baltimore Port. Greater means for trade will create more jobs and a stronger economy with the importation and exportation of goods. The steel industry will greatly benefit from an increase of maritime trade.

The Baltimore ship channel is also vital to providing the measure for the United States to improve its exports—of coal and grain—and thus keep our balance of trade. It is a project also equally important to keeping a steel mill alive—by allowing deeper draft ships—more heavily laden with iron ore to call on our steel mill—and therefore providing cheaper steel.

In conclusion, Mr. Speaker, I wish to express my praise in the action by this Congress in working to bring about new water construction projects that have been in the waiting for over a decade. Our water resource infrastructure needs such as inland waterways and port development have managed to continue to contribute to this Nation's economic development over this past 10 years without necessary funding. However, today with the decision of both the House and Senate to reach an agreement on the House/Senate conference report of the supplemental appropriations bill for fiscal year 1985 on the funding of water construction projects, we can rest assured that necessary investments will be provided to our Nation's water projects. We can expect greater economic growth resulting from today's action by this Congress.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

A motion to reconsider was laid on the table.

SENSE-OF-CONGRESS RESOLUTION ON SETTLEMENT OF SCHEDULED BASEBALL STRIKE

Mr. CHAPPELL. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor be discharged from further consideration of the resolution (H. Res. 252) to urge negotiators for major league baseball owners and players to quickly settle their differences and avoid a scheduled players' strike, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the resolution, as follows:

H. Res. 252

Whereas baseball is America's national pastime;

Whereas major league baseball is an important source of family-oriented entertainment for millions of Americans;

Whereas major league baseball teams are a source of local pride for fans in communities across the Nation, as well as providers of substantial revenues and employment opportunities in related businesses.

Whereas the Major League Baseball Players Association has voted to strike on Tuesday, August 6, 1985, unless they have reached a new collective-bargaining agreement with team owners by then;

Whereas a prolonged players' strike would result in the cancellation of hundreds of baseball games, the loss of millions of dollars to related businesses, and endanger the long-term interests of the sport; and

Whereas those who would suffer greatest during a baseball players' strike would be the fans: Now, therefore, be it

Resolved, That it is the sense of the House that the Major League Baseball Players Association and team owners have a responsibility to the baseball fans of America to ensure that the current season is not interrupted, and that the parties and the Commissioner of Baseball should do everything in their power to avoid a strike by players.

Mr. CHAPPELL (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CHAPPELL. Mr. Speaker, this is a resolution introduced by the gentleman from Massachusetts [Mr. Conte] and myself which touches the question of the proposed strike or planned strike of August 6, 1985, by the Major League Baseball Players' Association if they have not by that time reached a collective-bargaining agreement with the team owners.

It simply provides that it is the sense of the House that the Major League Baseball Players' Association and team owners have a responsibility to the baseball fans of America to ensure that the current season is not interrupted and that all the parties, including the Commissioner of Baseball, should do everything in their power to avoid a strike by players.

Mr. Speaker, I urge its passage.

Mr. CONTE. Mr. Speaker, I rise in strong support of this resolution introduced by my good friend Bill Chappell, the Democratic baseball coach, and myself.

Mr. Speaker, this resolution urges those individuals negotiating a contract for major league baseball players and league owners to come to a speedy settlement on the differences facing them. A prompt resolution of the problems will avoid a baseball strike—which no one, I think, wants to see.

Baseball is America's pasttime. It is America's sport. The fans in this country have great pride in their State's or community's baseball teams, and they do not want to see a strike. A baseball team produces millions of dollars in revenue to local communities. They provide jobs to small businesses and, as I said, are a great source of pride to their host cities.

The Major League Baseball Players' Association has voted to strike on August 6—less than 1 week from now—unless they reach a new collective-bargaining agreement with team owners. We do not want to see this happen. It would result in the cancellation of games; a prolonged strike could postpone the World Series—and since at least some of those seven games will hopefully be played in Boston this year, where it can snow very early, I certainly don't want to see a World Series being played on Thanksgiving.

Thus, I would urge my colleagues to support this resolution, and send a message to the baseball players, management, and league owners that the Congress urges a speedy settlement to the differences separating them. The resolution doesn't take sides; it merely urges everyone involved to recognize their responsibility to the baseball fans of America and the host cities of America's major league baseball teams. We don't want a strike. We want the problems resolved as soon as possible, fairly, for all sides.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO FILE SUPPLEMENTAL REPORT TO ACCOMPANY HOUSE REPORT 99-230 ACCOMPANYING H.R. 1, HOUSING ACT OF 1985

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs may be permitted to file a supplemental report to accompany House Report 99-230, the report to accompany H.R. 1, the Housing Act of 1985.

The committee inadvertently excluded the explanation of title V of H.R. 1 from the committee report that was filed on July 26, 1985. This supplemental report would represent the committee's explanation of title V of the committee reported bill, H.R. 1.

Mr. Speaker, I have checked with the minority, and they are in agreement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1600

MAKING IN ORDER ON THIS LEGISLATIVE DAY CONSIDERATION OF SENATE CONCURRENT RESOLUTION 32, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that if the Committee on Rules reports a special order providing for the consideration of the conference report and any amendment in disagreement on Senate Concurrent Resolution 32, it shall be in order to consider the same on this legislative day notwithstanding the provisions of clause 4(b) of rule XI.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 3008, FEDERAL EQUITABLE PAY PRACTICES ACT OF 1985

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 241 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 241

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3008) to promote equitable pay practices and to eliminate discrimination within the Federal civil service, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of clause 2(l)(6) of rule XI and section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived, and all points of order against the bill for failure to comply with the provisions of clause 5(a) of rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. Wheat] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for the purposes of debate only, I yield 30 minutes to the gentleman from Mississippi [Mr. Lott], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 241 is an open rule providing for consideraton of H.R. 3008, the Federal Equitable Pay Practices Act of 1985. The rule provides for 1 hour of general debate to be divided equally between the chairman and ranking minority member of the Committee on Post Office and Civil Service. The rule further provides that the bill shall be considered for amendment under the 5-minute rule and that each section of the legislation shall be considered as having been read.

All points of order against consideration of the legislation for failure to comply with clause 2(1)(6) of rule XI, that is the 3-day layover rule for committee reports, are waived. Although the Post Office and Civil Service Committee ordered the bill reported on July 24, 1985, the report was not actually filed until July 29th. Since the printed copy of the report has not been available to Members for the required 3 days, a waiver of clause 2(1)(6) of rule XI is necessary.

All points of order against consideration of the bill for failing to comply with secton 402(a) of the Congressional Budget Act are also waived. Section 402(a) provides that it shall not be in order to consider any bill which authorizes the enactment of new budget authority for a fiscal year unless that bill has been reported on or before May 15 preceding the beginning of such fiscal year.

H.R. 3008 indirectly authorizes the enactment of new budget authority. Since the bill will become effective upon enactment, that is in fiscal year 1985, and since it was not reported on or before May 15, 1984, a waiver of section 402(a) of the Congressional Budget Act is needed.

Mr. Speaker, the rule also waives clause 5(a) of rule XXI against consideration of the bill. Clause 5(a) of rule XXI prohibits appropriations in a legislative bill.

Section 9 of H.R. 3008 provides that funds appropriated to the Office of Personnel Management for general operating expenses be made available to carry out this act. This provision allows previously appropriated funds to be used for new activities and thus, constitutes an appropriation. Since H.R. 3008 is not an appropriations measure, a waiver of clause 5(a) of rule XXI is needed.

Finally, the rule provides for one motion to recommit.

Mr. Speaker, H.R. 3008 established an 11 member "Commission on Equitable Pay Practices". The commission will be responsible for hiring a consultant and overseeing its study of the Federal pay and classification systems. The study, which will last no longer than 18 months, will determine if and to what extent, a Federal employee's classification and wages are affected by sex, race and ethnicity. After the study is completed, the commission will present its findings, conclusions and recommendations regarding administrative and legislative remedies to the President and Congress.

Mr. Speaker, over the past 20 years, Congress has taken great strides to ensure that all of our citizens have equal rights under the law. The Education Amendments of 1972; the Rehabilitation Act of 1973; the Age Discrimination Act of 1975 and the Civil Rights Act of 1964 are all measures which Congress enacted to ensure that no citizen be denied rights because of race, ethnicity or sex.

We have accomplished a great deal in this body and the other body but when a women earns 62.8 cents for every dollar that a man earns, it is clear that inequality still exists. Mr. Speaker, this injustice must be eradicated in order that this country realize equality. H.R. 3008 will bring us one step closer to our realization.

I urge that we adopt the rule so that the House can proceed to consideration of this important measure.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, why would anyone want to oppose a simple little 1-hour, open rule providing for the consideration of an innocuous sounding bill called the Federal Equitable Pay Practices Act? Surely we are all for open rules and equitable pay practices.

But in this case there's more involved than meets the eye. If there weren't, the proponents of this legislation wouldn't mind if the House followed its normal rules and took the time to at least read the report on this bill. But no, this rule waives the 3-day report availability requirement meaning that many Members will have no idea what's in the bill or what they are voting on. Ignorance may be bliss for some, but when it comes to legislative, it's inexcusable.

Why then is there such a big rush to pass this bill prior to the August recess? Is this a necessary authorization that must be enacted before the new fiscal year? No. And yet, many other must authorization bills continue to languish in our Rules Committee while we merrily put the appropriations cart before the authorization horse. And now, to add insult to injury, we inject a $2 million study commission bill.

Is this a special emergency situation that cries out for an immediate Federal response? No. This isn't a disaster relief bill. It's a big buck consultant relief bill that will take anywhere from 18 months to 2 years to complete. There's no rush to start this compared to our more urgent budgetary situation and our must authorization bills. The fact is, I heard nothing during our Rules Committee hearing on this to even hint that this involved an emergency situation that might justify waiving our 3-day rule. This is not something we should do lightly if we value our brains.

So what's the rush? One witness, the gentleman from Indiana [Mr. Burton], pointed out that there is a court decision expected in August in the Ninth Circuit Court of Appeals that will have an important bearing on this issue. Could it be that the proponents fear that decision could undermine this legislation? At the very least, couldn't our action on this wait until September when we can make a more informed judgment on the basis of that decision? What's the rush?

But then I began to take a closer look at this fine-sounding bill, and it slowly dawned on me why someone would want to rush this through. On the one hand we are told this is going to be a bipartisan, balanced, and objective Commission. But, when you look at this bill you find the deck is stacked: 4 employee organization representatives of labor, women, and minorities, plus 2 democratic appointees; that's 6 of the 11 members, a clear quorum and voting majority.

We are told that it is important that no member appointed to the Commission is currently employed by the Government either as a careerist or political appointee, "in order to promote objectivity and to allow the Commission to function independently of any policy or program of any administration." And yet the bill turns around and places on the Commission the "highest elected officials of the two largest Federal employee unions," and one representative each from Federal women's and minority employee organizations. Is it expected that these Commissioners will promote objectivity or will not promote the policies and programs of the organizations they represent and are paid by?

We are told that this bill only authorizes a little study by a consultant to be hired by the Commission. And yet the bill turns around and gives the Commission authority to determine which differentials in the study are discriminatory and to recommend any administrative as well as legislative actions. We are giving the Commission quasi-judicial authority to both determine which differentials are discriminatory and how they may be remedied by administrative action. This comes close to the kind of authority which currently resides in the EEOC and Civil Rights Commission. So it's more than just a little study.

We were told, however, by the chief sponsor of this bill in her testimony before the Rules Committee, that this neither establishes a national pay policy, nor prescribes any specific remedies; it only "reaffirms the principles outlined in our civil rights laws which prohibit discrimination" in setting pay for Federal workers. And yet, the bill in section 6 only says that it "shall not be construed to limit any of the rights or remedies" provided under the Civil Rights Act and other antidiscrimination laws. It says nothing about not expanding those rights and remedies. And that's because this new theory of comparable worth would do just that—establish new rights and remedies.

I would think we would give serious and second thoughts to a study which could be used in a court of law to prove that a certain pay system or job classification system is inherently discriminatory because a certain sex, ethnic group, or minority group is disproportionately represented. And yet that prospect is not farfetched. That's what the Washington case was about as I understand it.

Mr. Speaker, we made a simple little attempt in the Rules Committee to bring Congress and the judicial branch under existing law—title VII of the Civil Rights Act which prohibits everyone else from discriminating. The amendment was proposed by the gentlelady from Illinois [Mrs. Martin]. And yet it was turned back on a party-line vote. How is it that we are so ready to tell the rest of government that it might have discriminatory job or pay systems under a new comparable worth theory, when we aren't yet willing to bring ourselves under existing civil rights laws? When you can justify that one for me I'll vote for this rule. In the meantime, I won't.

□ 1610

Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. Taylor], a member of the Post Office and Civil Service Committee.

Mr. TAYLOR. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, House Resolution 241 is the rule under which the House is being asked to consider one of the most controversial issues I have seen in my 13 years of membership here in this body, whether we will have a comparable worth study of Federal civil service jobs.

I join my colleague, the gentleman from Mississippi [Mr. Lott], in urging the defeat of this rule.

Mr. Speaker, this rule waives one of the primary rules of the House, the rule requiring reported bills and committee reports to be available for 3 days before the bill can be called to the floor for consideration.

This rule should be rejected because it is unfair to the Members of this House. This rule attempts to short circuit the legislative process. This rule tosses aside the rules of the House, in order to make it possible to ramrod the bill through the House as quickly as possible, without adequate time to fully explore and resolve the issues presented in this legislation.

This rule asks the House to rush to judgment, 1 day before we are scheduled to adjourn for our district work period, on a very controversial and a very complex bill, the so-called Federal equitable pay practices legislation.

Mr. Speaker, the committee report has not been available for the required 3 days. It has only been available since about 1 p.m. today. That is simply not enough time. It is simply not fair to the Members of the House to force hasty consideration on this bill.

The Members of the House deserve an opportunity to examine the legislation, to read the committee report, to prepare questions for debate and to prepare amendments.

This rule does not give them enough time to do that, so from that standpoint it is procedurally unfair.

Mr. Speaker, if the Members are upset because the Rules Committee granted this waiver, they should also be concerned about the speed with which this legislation was handled in the Committee on Post Office and Civil Service. It may not be a new legislative record, but it sure was quick.

The bill was introduced on July 16, and here we are today on the floor of the House 2 weeks later. During the time I have been privileged to serve as the ranking minority member of the Committee on Post Office and Civil Service, I cannot recall our acting that fast on any other piece of legislation.

Mr. Speaker, the issues involved in this legislation are highly controversial, and because we are on the verge of taking them up with such haste, there is a genuine concern that the House will be acting in a rash or careless manner.

My good friend and colleague, the gentlewoman from Ohio [Ms. Oakar], is quite sincere in her belief that this study of pay differentials called for in the bill is merely an effort to determine whether we have discrimination based upon sex or upon race or in regard to the setting of pay rates.

Mr. Speaker, I applaud the gentlewoman from Ohio for her determination and I have no reservations about her intentions. When one looks at the criteria contained in the bill, however, one sees that it is based on the notion that Federal civil service jobs have a measurable, economic worth which can be determined logically and compared objectively to other and different jobs.

This is an ill-conceived notion, because Federal civil service jobs do not have a measurable, economic worth, and they cannot be compared objectively to each other. The study is, therefore, dedicated to doing something which in my judgment, is impossible.

Mr. Speaker, the theory that underlies this bill is often referred to as the comparable worth theory, which holds that jobs have intrinsic, measurable values, and dictates that salaries be based on those determined values.

□ 1620

One of the most controversial aspects of the bill is that it embraces the proposition that differences in income between men and women and the concentration of women in certain occupations are proof of discrimination.

Mr. Speaker, equal opportunity is the law of this land, and one that we all embrace. Equal pay for equal work is the law. But comparable worth is not the law, at least not yet.

Mr. Speaker, I might add that every agency of the Federal Government has an equal opportunity division within it to see to it that the laws of our land are obeyed, to see to it that we do not have discrimination in pay rates based upon sex or race. I think it works quite well. The avenues for redress of grievances are open to all Federal employees and welcome and should be.

But this bill does not address those issues of equal opportunity.

Since the bill appears to define discrimination on the basis of the comparative value of different jobs, it does present a significant departure from the clear standard of the Equal Pay Act. I do not see how we can have equal pay for equal work, which is the law, and also have equal pay for unequal work.

Because the bill calls for a commission to determine the existence of discrimination on the basis of the comparative value of different jobs, the bill gives rise to substantial concern, not only in the civil service, but also in the private sector.

Mr. Speaker, these are unchartered waters. This is a whole new area. The whole area is a prescription for confusion, confrontation, dissension, and litigation, and probably a great deal of indigestion. Since there are a great number of amendments that have already been placed in the Record, I do not think it is time at this late hour, as we prepare to adjourn, to consider this controversial piece of legislation, and I would urge the defeat of this rule and yield back the balance of my time.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. Sensenbrenner].

Mr. SENSENBRENNER. Mr. Speaker, I rise in opposition to the rule and to H.R. 3008 as reported by the House Committee on Post Office and Civil Service.

H.R. 3008 has been cloaked as a mere study. However, as drafted, H.R. 3008 would radically change existing antidiscrimination laws by sanctioning a commission to conduct a study which recognizes a presumption of discrimination when job evaluations cannot explain every detail in the wage gap.

As reported, H.R. 3008 would:

First, trigger expensive litigation if wage adjustments were not made pursuant to this study. The State of Washington, for instance, may be liable for hundreds of millions of dollars as a result of its comparable worth study;

Second, set a dangerous precedent for private sector employers; and

Third, provide a congressional endorsement of the fundamentally flawed concept of comparable worth.

Although H.R. 3008 defines job evaluation techniques as objective, job evaluations are inherently subjective. For example, comparable worth job evaluators rated a nurse to be worth 150 points in Wisconsin; 124 points in Iowa; 79 points in Minnesota and 108 points in Washington.

It's interesting to note that unions are some of the strongest supporters of comparable worth to end the wage gap. These unions are the same entities who negotiated the current contracts which they now claim are low. These are the same unions that negotiated the various contracts in industries dominated by male workers that have high wages. These are the same unions that have kept and still keep women from apprenticeship in various trades and industries. They come to this issue with unclean hands.

Apart from the economic issues, the legal precedent H.R. 3008 would establish is far-reaching. With the exception of AFSCME versus State of Washington which is on appeal, the courts have unanimously refused to accept job evaluation studies. In *American Nurses Association* v. *Illinois*, 606 F. Supp. 1313 Judge Kocoras stated "because jobs do not have an intrinsic value that can be scientifically measured, the limitations inherent in job evaluation techniques prohibit the proposed extension of title VII. This conclusion would be significantly weakened.

I urge my colleagues to vote "no" on H.R. 3008 and I insert in the Record a document entitled "a legal analysis of H.R. 3008" and a letter to the editor.

A Legal Analysis of H.R. 3008 as Reported

On July 24, H.R. 3008 was reported out of the House Post Office and Civil Service Committee with a committee amendment.

The amendment changes language in the bill regarding a presumption that discrimination is the cause of otherwise unexplained wage differentials in the Federal workforce between predominantly men's and women's jobs or jobs disproportionately represented in terms of race or ethnicity (defined as being of Hispanic origin). Instead of asserting that discrimination is the cause of the wage differentials left unexplained by job-content economic analyses, the amendment states that discrimination may be the cause, and assigns this determination of casualty to a commission that H.R. 3008 would establish.

The claim is made that the committee amendment renders an exceedingly bad bill relatively innocuous and, therefore, supportable by opponents of comparable worth. The argument behind this claim is that the amendment removes from the bill the conclusion that, as a matter of law, any unexplained wage differentials arrived at by the studies mandated by the bill are the result of discrimination. The Myers amendment, the argument goes, at least raises the possibility that the commission may decide that discrimination does not account for these unexplained wage differentials or that it only explains a portion of them.

The amendment does not ameliorate any of the problems that we previously objected to in this bill, however. To begin with, it makes no sense to delegate to a politicized commission the responsibility to determine what, if any, portion of the unexplained wage differentials is attributable to discrimination, particularly in view of the composition of the commission as structured under H.R. 3008, which favors proponents of comparable worth.

Second, the amendment preserves the earlier expectation that the methods the bill specifies for identifying discrimination, job-content and economic analyses, can in fact do so with any precision. It would be a complete misuse of these methods to identify discrimination with the wage differentials, or any part of them, which these methods leave unexplained. Job evaluation is inherently subjective. The results of this analysis will not be bias free, but will instead reflect the opinions of the commission and the consultants chosen to execute the study.

Moreover, economic analysis is not a precise science. It can arrive at varied results through different methodologies, the choice of different variables, or the omission of other variables, some of which are simply not measurable. If variables are chosen for study that do not explain pay differentials as fully as variables that were not used, then the unexplained differential—a differential likely to be labelled a result of discrimination—will be greater. There are legitimate differences of opinion among researchers regarding the importance of different variables, and analysts arrive at extremely different conclusions with respect to the portion of wage differentials which cannot be explained.

Finally, it must be pointed out that the Committee amendment does not change the irrebuttable presumption of discrimination under H.R. 3008. Once the commission has concluded that differentials are the result of discrimination, its determination must be accepted as final, and the government would be unable thereafter to rebut charges of discrimination by plaintiffs seeking implementation of the comparable worth study results. Such a presumption well may be extended to private employers that are contractors for the government through the auspices of the Office of Federal Contract Compliance.

The more far-reaching effect of H.R. 3008 on private sector cases is not addressed by the committee amendment. With the exception of the district court judge in *AFSCME* v. *State of Washington*, 578 F. Supp. 846 (D Wash. 1983), currently on appeal, courts have refused unanimously to accept job evaluation studies as evidence of discrimination in Title VII cases. With the passage of H.R. 3008, a bill that explicitly claims to carry out the intent of Title VII, it will be difficult for defendants in Title VII cases to rebut charges of discrimination based on job evaluation studies. The conclusion of Judge Kocoras in *American Nurses' Association* v. *State of Illinois*, 606 F. Supp. 1313 (N.D. Ill. 1985), that "[b]ecause jobs do not have an intrinsic value that can be scientifically measured, the limitations inherent in job evaluation techniques prohibit the proposed extension of Title VII" would be weakened significantly. Future plaintiffs filing Title VII suits against private employers would be able to make a strong argument that the results of job evaluation studies can suffice to prove discrimination on the basis of race, sex or ethnicity.

[From The Sounder, July 25, 1985]

COMPARABLE WORTH RAPPED

To THE SOUNDER: The July 18th issue of The Sounder had a letter from a Madison special interest group praising the legislature and Gov. Earl for the budget passed and comparable worth.

Praise should go to those legislators that represent this area that voted no on the budget which included comparable worth.

An 18 per cent increase is a slap in the face to the residents of this state. The big spenders should be told where the door is.

Comparable worth is the most ridiculous idea to be jammed down our throats since raising the sales tax 1 per cent to relieve property taxes and then not applying it to property tax relief.

Comparable worth should not be called pay equity, but what it really is: equal pay for unequal work. This is an experiment that Wisconsin taxpayers are going to pay a lot of money for. The money will be mostly spent administering a program that directly conflicts with free enterprise and the law of supply and demand. Actually, it is perfect for creating a larger governmental bureaucracy.

The letter in The Sounder referred to business supporting pay equity. Sure business supports pay equity under a different definition. I would interpret and I'm sure the survey respondents did also assume pay based on equal would mean pay based on equal pay for equal work. Comparable worth tries to compare on a subjective basis one job with another job—and has little or no business support anywhere in the free world.

When are the people of the State of Wisconsin going to wake up and get rid of the element here that comes up with experiments like comparable worth? Are we that financially sound in this state to undertake such a project? I hardly think so and our governor should know that too!

Sincerely,

JAMES H. HEINZELMAN,
3526 W. Fredonia-Kohler Rd.,
Fredonia, WI 53021.

Mr. LOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Speaker, I thank my friend from Mississippi for yielding this 5 minutes. I take this time in the rule to speak for the rule and for the bill because I have been told that even though I am the ranking Republican member of the subcommittee that reported this bill that I shall not control the time today. So I take this time today on this rule to say I support the rule and I support the bill.

For my support I have received some criticism from some in this body and from some throughout the country because I am a conservative. I am not supposed to be for new ideas, I guess, or fairness. And I am sorry about some of the statements that have been made and will be made, and probably some of the distortions that may be made about what is in this bill.

I commend our chairman, the gentlewoman from Ohio [Ms. OAKAR]. I have found her to be most cooperative on some of the differences we have had on my side, the Republican side, where there were many serious disagreements. I had some disagreements with H.R. 27, but our chair was most cooperative. Not completely, this is not exactly the bill that I would like to see. There are still some questions about this bill, and there may be some amendments that I may support that come along. But in the whole, in the main, I do support the thrust of this bill.

I thank our chair for being cooperative to even changing the bill number by reintroducing the bill to satisfy the wishes and the questions that the minority raised, the Republicans on the committee. She changed the composition of the committee to make it more bipartisan, more equitable in the commission because there were serious questions, rightfully so, about the composition, being slanted. It may be slanted one way or the other right now. But at least it is much more fair than it was originally.

The authority in section 7 is where I had the most disagreement which does spell out the job to be done by the commission, and by the consultant that will be hired by the commission. There was a presumption of guilt that was written into H.R. 27, and originally into H.R. 3008, the bill we have here. But the chair and the majority, even though they had the votes to push their bill if they wanted to, they did cooperate in softening the language. This is language that was changed in the full committee. It is on page 12 of the bill and it is lined out. It says:

> Any portion of a differential identified under paragraph (1) which cannot be accounted for by the application of job content and economic analysis is inconsistent with the general policy expressed in section 2(a) that sex, race, and ethnicity should not be among the factors considered in determining any rate of pay.

This, in the judgment of some of us, would trigger and would cause reason for some unnecessary lawsuits. That was changed and that language was struck and a softer approach was taken, through the insistence of some of us in the minority. It is not completely satisfactory in the entire section, and there are some questions in my mind. But some of these things will come up on debate, I am sure, and we will clarify what the intent is here.

But no one can disagree that we have not already, through our hearings and through the mail we have received, we know that there are reported some irregularities, some statistical differences in pay between men and women employed by the Federal Government. We do not know why this is so, and that is the purpose of this study.

□ 1630

But those who say we give extra judicial authority to the commission or the consultant, that is not in today's bill. I do not think they have read the bill we have today. There is a pay gap, we all recognize this.

As a parent of two children who happen to have been born female, through no fault of theirs or mine, I guess, that I know about, I think they should be paid just as much for the same work as if they had been born male. Now I cannot say that my children or yours or you wife or your sister or your aunt, mother, grandmother should be paid less because they were born female and are willing to work for less. This is a study to see if that really occurs in the Federal Government. It does not touch anybody outside the Federal Government. I do not understand the fear that some people have.

But nevertheless, this is just a study.

The cost, some will object to, there is going to be no cost to the Federal Government as far as forcing a pay increase that we know of unless they are already paying Federal employees who happen to be females less.

It is going to cost something for the study, but I think it is a fair one and I support it.

Mr. WHEAT. Mr. Speaker, I yield 7 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I simply want to support the rule but I especially want to thank the ranking minority member of the subcommittee, Mr. MYERS of Indiana, for the magnificent cooperation he has given me. I want to say that we have had hearings for 4 years on the spirit of the bill, which was begun by Congresswomen SCHROEDER, Ms. Ferraro, and myself as three subcommittee chairs. In this year alone we had more than 55 witnesses, both pro and con. We were very happy to accommodate the minority in letting the individuals they wished to testify.

It has been an absolute pleasure to work with the ranking minority member of the subcommittee. It is true that one of the reasons I reintroduced the bill with 102 cosponsors on both sides of the aisle is because I wanted to show that the issues that some of the witnesses brought up were considered. We could accommodate those things. Last year our bill which passed the House approved 413 to 6 in the last session, we had the study based on job content alone. This is the type of study that is being used all over the country—and there are some 45 of them.

They only require really job content. GAO and the gentleman from Indiana and a number of individuals who testified said: "Well, what about the marketplace?" In evaluating, we felt that that was fair. We do not say in any way, shape or form that this disparity between a man's wage and a woman's wage is necessarily discrimination.

What we are saying is, do a study and evaluate the job content and look at the market factors. We added the market factor issue in, in the spirit of cooperation with the gentleman from Indiana and some of his witnesses because we were attempting to be totally objective about this.

The gentleman from Indiana pointed out that he thought the composition of the commission ought to be more bipartisan. We did add that. In all honesty, I have questions about who the President might appoint or who OPM might appoint. But we added that section and it is much more in line with what the Senate is doing. What Senator EVANS, a very fine Republican, and Senator CRANSTON introduced—a similar bill.

The other question that came up time and time again was the question of race, minorities and Hispanics? It seemed as if the classification system did in fact have minorities, as well as women, at the bottom of the barrel. We added race and ethnicity to take care of them.

But the gentleman is absolutely correct when he says that we have really tried to accommodate the spirit of a bipartisan bill. I for one want to applaud the gentleman from Indiana for all of his work. He was at every single hearing. He was the first minority member I have seen while I have chaired a committee who has always been at every meeting. He is also on a very important committee, the Committee on Appropriations. Yet he always took the time to be there to hear all of the witnesses, pro and con.

So I simply want to say that I know how difficult it is when you are in a situation where many people, who are often supporters of yours, are really trying to get you to be motivated to change your mind. We all undergo those pressures. That is nothing new, that is part of the American way. I know the gentleman from Indiana has really gotten it from all sides. I appreciate that. I want him to know publicly how deeply moved I am by the fact that he would take the floor during the rule, since he apparently cannot get time as the ranking minority member of the subcommittee, in the general debate which is somewhat unusual. I would be delighted to give the gentleman time from my side if he wants it. I want to thank him for all his work irrespective of how he votes. He has been a gentleman, he has been an absolute man in terms of being the ranking member of that committee and I look forward to working with him closely in the future. I want to thank the gentleman very much.

Mr. MYERS of Indiana. For a response, would the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. We have certain buzz words that have been used frequently on this bill. "Comparable worth" has been used to describe this bill. Again because some of us objected to the way comparable worth, how do you relate one job to another and say they are comparable when they are entirely different? But the chair took that out and we thank you for it.

Ms. OAKAR. As the gentleman knows, that is one of the problems with the Civil Rights Commission's definition. The Commission claimed comparable worth was the disparity between the man's wage and the woman's wage. Nobody is, not even the most ardent advocate of pay equity, agrees with that definition. We do not agree with that definition. So what we do is we take all of the language related to comparable worth because we have not examined the classification system of Federal employees, that is the GS-1 through GS-18 system, since 1923. What we are asking for is a study on how we classify our Federal employees, no more, no less. Comparable worth, that language is not in the bill.

I appreciate the gentleman's raising that because people want to use that code word and I frankly reject the definition of the Civil Rights Commission myself. So I thank the gentleman.

□ 1640

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentlewoman from Illinois [Mrs. MARTIN].

Mrs. MARTIN of Illinois. Mr. Speaker, first of all, my thanks to the gentleman from Louisiana for his kind words in his speech. I come here in a rather odd situation; I do not oppose the concept or idea of reexamining a system, because for many reasons the Congress to some degree is in a management position and can dictate and direct and should direct looking at how people, regardless of color or sex or age are paid; Congress must make sure that those classifications reflect not only a market, but reflect the spirit of fairness and equity that Congress should want as an example to the people.

There have been a few mistakes made in speeches when we suggest that the Congress, who has passed other laws that now wishes to take this additional step is somehow incredibly virtuous for doing so.

The reason that Congress cannot claim unsullied purity is because the Congress had not got itself under the same scrutiny that it has imposed on others.

I am here because I find it offensive to not be able to amend this bill so that the Congress of the United States would not have to be examined; would have to agree to civil rights for its employees.

This afternoon, many of us voted in favor of a stance speaking about 16 million people in South Africa who are held under a dreadful system called apartheid.

Many of us now are going to support examining the Federal pay system on the Executive level. But when it comes time to look at ourselves, it is amazing how quickly we run away.

The gentleman from Louisiana mentioned; I was there last year, and the year before. We are all, when we look at any bill, looking at a kind of Rorschach test, and we bring to it our own experience.

One of the reasons to have a broad representation in the Congress of the United States is to get that broad range of experience. Just as no white Member can become black, just as no Anglo Member can say they understand totally the Hispanic, can any of the gentlemen here understand what it is like to hear again and again that there is no discrimination against women in the overwhelmingly male Congress of the United States. Then because men say there is none, the Congress can avoid the law of the land.

I say to the gentleman Members of this Congress on both sides of the aisle, it is wrong to impose on others rules that one does not first impose on oneself, and to deny civil rights and to deny our own employees what other employees in business, State, local, every other governmental unit have, is wrong.

Therefore I oppose this rule. Not because the bill is a bad bill; not because we should not look at the Executive government; but because it is time to first look at ourselves, and it is time, indeed, for Congress to decide that it, too, should obey the law of the land.

Mr. WHEAT. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. Robinson].

Mr. ROBINSON. Mr. Speaker, I, too, find myself in a very unusual situation coming to the floor today, speaking in favor of this rule, because I am normally one on my side that joins forces with my good friend from Mississippi and the gentlewoman from Illinois and certainly my good friend from Missouri.

I want the membership to know that I have another side to my personality. I am a Democrat that believes in fairness, one that believes in equity, and one that believes in justice; and that is what we are talking about today; we are talking about justice.

I would like to address briefly a couple of points that have been made. One of the speakers said, "What's the hurry? Why should we get in a hurry to study inequities in our pay practices on the Federal level?"

Well, there is a reason why we should get in a hurry: The last time we looked at this was 1923. I think 62 years is long enough without evaluating our pay and classification system; 62 years, and we have not examined how we treat our employees on the Federal level.

Also, it was mentioned that this was going to cost too much. Well, let me share with you what the real costs are today; the real costs are the numerous lawsuits that we are settling or losing in our Federal courts because we have not implemented a fair pay system.

Also, it has been said that if we have a study something bad is going to happen. I do not think anything bad is going to happen. I have heard some of my colleagues on the floor during special orders talking about all the economic theories and all of that, and I listened to all of it, but my basic problem is one from conviction and one from conscience: How can I go home and look at my three daughters—I have three daughters and three sons. I know not only in my mind, I know in my heart if they go to work for the Federal Government; the one government that is supposed to be setting the example, that my three sons will have an advantage over my three daughters, and that is not right.

I also would be remiss if I did not stand and speak out for the many constituents that I have in my district in Arkansas that are not being treated fairly.

In closing, I would just like to say this: This is not a conservative issue; this is not a liberal issue; this is a fairness issue, and I urge my colleagues, please vote for the rule.

Mr. WHEAT. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. Oakar].

Ms. OAKAR. I think the American women and minorities would like to know the names, specifically, of the businesses that endorse what the chamber is doing. Can you do that?

Mr. BURTON of Indiana. Well, I assume that is an implied threat, but we will not worry about that.

Ms. OAKAR. No, it is not an implied threat. Why don't you name the names?

Mr. BURTON of Indiana. Well, sure, I would be happy to. But I do not know if you want me to go through this whole litany, and I sure can't do it in 1 minute.

Ms. OAKAR. I think you should.

Mr. BURTON of Indiana. OK. The Amercian Hotel & Motel Association; the American Iron & Steel Institute; the American Legislative Exchange Council; the American Paper Institute; the American Retail Federation; the American Society for Personnel Administration.

Ms. OAKAR. No. I mean specific businesses. Anybody can name corporate institutions.

Mr. BURTON of Indiana. Lennox Industries; Caterpillar Tractor; Citizens for America; Master Printers of America.

Ms. OAKAR. No, that is not what I am talking about. Can you name a specific business, corporation——

Mr. BURTON of Indiana. Did I not just mention one? Are your listening? I said Caterpillar Tractor. Did you not hear me?

Ms. OAKAR. Oh, Caterpillar Tractor. OK. You named one.

Mr. BURTON of Indiana. Well, I could name you a litany of them, but I cannot do it in the time allotted to me.

Ms. OAKAR. I suggest you put that in the Record, because my businesses are telling me they did not take a stand on this issue, and some are for it. And they belong to the local chamber. They are thinking about the national.

The SPEAKER pro tempore. The time of the gentlewoman from Ohio [Ms. Oakar] has expired.

Mr. WHEAT. Mr. Speaker, I yield 6 minutes to the gentlewoman from Colorado [Mrs. Schroeder].

Mrs. SCHROEDER. Mr. Speaker, I rise in strong support of H.R. 3008, the Federal Equitable Pay Practices Act of 1985. Let me say two things which, at first blush, sound contradictory. First, H.R. 3008 is the most important civil rights legislation to come to the House floor this session. Second, H.R. 3008 is a rather modest bill, in that it merely requires an independent study of whether the pay gap between men and women in the Federal Government is due to discrimination.

These two statements are really not a contradiction. There is undoubtedly a large wage gap between men and women in the Federal Government. Some of this gap is surely due to entirely reasonable factors, such as hours of work, seniority, educational level, and the like. But some of this gap cannot be explained by these factors. The study will determine if, where, and how severe women's wages are held down by illegal discrimination. Once we know the location and extent of the disease, we can act deliberately to remove it.

H.R. 3008 deals with discrimination against minorities, as well as discrimination against women. This is an important addition. It will help us locate instances where wages of an occupation are held low because most of the occupants are black or Hispanic.

For the second year in a row, Members have the opportunity to cast their votes for or against economic fairness for women employed by the Federal Government. Last year, 413 of us voted to take the first step toward eliminating discrimination. Unfortunately, the other body balked. They agreed, however, to have the General Accounting Office develop the framework for a pay equity study. On March 1, 1985, GAO released its findings. H.R. 3008 is directly based on that GAO report. H.R. 3008 is, therefore, even sounder and more carefully developed than the legislation we passed last year. Indeed, the American delegation to the U.N. Conference on Women came back with a resolution supporting pay equity. The President's own daughter led that delegation. Who are we to say no to Maureen Reagan?

H.R. 3008 says that the Federal Government will not tolerate discrimination in any form. It does not change the basic law on discrimination; it merely finds out whether that law is being violated. H.R. 3008 is a natural successor to the Equal Pay Act of 1963 and the Civil Rights Act of 1964—and essential to tackle the subtle forms of discrimination that have succeeded the blatant discrimination of 20 years ago.

The Federal Government is the largest single employer in the Nation. As such, it should set an example for the private sector. Yet, in attacking pervasive, subtle forms of discrimination, the Federal Government is lagging far behind the 35 States and numerous towns and cities that have already begun studies of their wage-setting practices.

Yesterday, I received a new GAO report entitled "Description of Selected Nonfederal Job Evaluation Systems," which described how States and private companies have dealt with the issue of discrimination against women. It shows how careful implementation

of corrective action can cure the problem without causing economic damage to the employer. The evidence should lay to rest concerns of some that correcting pay discrimination against women will bankrupt the Government. States such as Minnesota, and towns like Colorado Springs, CO, have identified steps to correct discriminatory pay practices without busting the budget.

H.R. 3008 requires a study of Federal classification and pay practices to determine if any elements discriminate on the basis of sex, race, or ethnicity. It acknowledges that women and minorities are clustered in the lowest grades in the Federal Government and asks why.

We took a first look at the wage gap in our 1982 hearings on pay equity. In joint hearings that Gerry Ferraro, Mary Rose Oakar and I held, we found that women are concentrated in a few, low-paying occupational categories. The largest occupational category in the Federal Government is secretary; 99 percent of secretaries are women and the average pay is $15,800. The second largest is clerk-typist. It is 96 percent women and the average pay is $11,600.

The General Accounting Office [GAO] released a study on November 27, 1984, of occupational segregation in the Federal Government and found that women are concentrated in grades 7 and below, while men are concentrated in grades 10 and above. GAO reported that at grade GS–6, women hold 75 percent of the jobs, while men hold 25 percent. Employees at grade 6 earn between $16,000 and $20,000. At grade GS–13, women hold only 12.4 percent of the jobs, while men fill 87.6 percent of the positions. Employees in grade 13 earn between $36,000 and $47,000.

Is this because the Federal Government intentionally discriminates against women? No. Rather, it's because the Federal Government sets its wages based on what the private sector does. Private sector wages show the effects of years of sex based discrimination. Remember, 25 years ago it was perfectly legal to advertise for male-only or female-only, or white-only jobs, and to pay the female-only and black-only jobs considerable less than would be paid to the white-male jobs. The civil rights legislation of the early 1960's made that type of discrimination illegal, but the pay systems in place now carry the baggage of those earlier years.

Is the market going to take care of this? It hasn't so far. In fact, the pay gap between men and women has increased in the past 20 years. This is because the number of women entering the labor force has burgeoned during this period.

Should the Office of Personnel Management do this study? OPM did what it claimed was a pay equity study. In a letter to me yesterday, however, the GAO said, "in our opinion, the OPM draft report does not achieve the objectives of a pay equity study." We need an outside study, free of partisan politics. We need a study beyond reproach, done by an independent consultant under the guidance of a blue ribbon panel. And, that is what H.R. 3008 contains.

Is the pay gap between men and women due to different levels of experience, education, and hours of work? Some, but not all. The National Academy of Sciences concluded that these factors explained only a part of the pay differential. No study has shown that these factors explain more than half the wage differential. Does discrimination explain the other half? We don't know. That's why we need H.R. 3008.

The bill does not prejudge the question of how much of the existing wage gap is due to discrimination. A study may determine that much of the gap is caused by other factors. But it's a little like having chest pains. You should find out if it's indigestion or a heart attack.

Some of our colleagues have become pamphleteers against this legislation. One missive states "comparable worth, in the short run, would bring about a decline in productivity * * * in the long run, * * * certain economic stagnation." Certainly, Robert Isaacs, the mayor of Colorado Springs, CO, doesn't buy this. Over the past 5 years, Colorado Springs has implemented a plan to eliminate sex-based wage discrimination for its city employees. As Mayor Isaacs put it:

> We did something fair and just, and in return we got ourselves great employee morale, lower turnover, and higher productivity. Isn't that what the private sector's always looking for?

The pamphleteers say that under comparable worth "pay scales would be subject to the whims of wage boards, instructed to ignore market factors * * *." This statement betrays ignorance of the Federal pay system. Federal employees wages are already set administratively. Right now, today, an administrative wage board, known as OPM, compares the worth of electricians and nurses, plumbers, and teachers. H.R. 3008 aims at finding out whether illegal discrimination enters into these wage determinations. Moreover, Federal wages are capped by legislation—many Federal employees think wages now are set or frozen at whim. Federal employees, especially senior managers and engineers are now paid under a wage system that ignores market factors, since the Government simply can't compete with IBM. It's been reported that back in 1964, Robert McNamara took a pay cut of $575,000 to come to work for the Federal Government. His wage, and those of his successors, have been set in ignorance of market factors.

Another pamphlet says "A comparable worth study * * * could * * * [lead to] implementing this disastrous system of wage setting within the Federal Government, and eventually extending this practice to private businesses. This is exactly what has happened in Washington State * * *." My, my. I did not know that Washington State private firms had their wages set by the State government. I sit on the Armed Services Committee and I haven't heard any complaints from Boeing about Washington State trying to adjust Boeing's pay scales.

The facts are that H.R. 3008 is only a study of the Federal Government and its employees. The bill does not make a pay policy for the Federal Government. It does not automatically increase anyone's wages. It does not give Congress, or anyone else, the power to set wages for private sector employees. Yet, by identifying wage discrimination, it serves as the most important civil rights legislation to come before this House. I urge my colleagues to support this legislation.

Mr. BURTON of Indiana. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. As I understand it, the gentlewoman indicated there has not been a study on this issue in the past.

Mrs. SCHROEDER. There has not been a study on the Federal classification system since 1923.

Mr. BURTON of Indiana. Well, I have before me a list of studies, 22 studies of Federal pay and classification, since 1949. Twenty-two.

Mrs. SCHROEDER. We are talking about looking for discrimination. The issue is, as you understand, the bill that took discrimination out was in 1964, which was clearly after 1923. Pre-1964 you could advertise jobs as women's jobs, as black jobs, and you could not afterward.

But I think what we want to make perfectly clear is, yes, indeed, there have been those kinds of studies. But the law changed drastically in 1964.

What the Washington case and what other cases have been about is going back to look at the classification system to find if the pre-1964 jobs that were advertised as black or Hispanic or white or women have got discrimination cranked into the classification system along with the other things. That is all the study is looking at. That is what is going on in cities, that is what is going on in States, that is what we would like to see go on in the Federal Government, because we are now 22 years behind complying with the 1964 law.

Mr. BURTON of Indiana. Will the gentlewoman yield?

Mrs. SCHROEDER. Well, I yielded to the gentleman, and you cannot tell me of a Federal study to come forward to show that we are complying with the 1964 law.

Mr. BURTON of Indiana. Well, I have one right here that was done in 1984, "Equal Worth, Comparable Worth and Market Worth, a Federal Job Study of the Federal Government's Pay Classification and Qualification System for Employment" by the U.S. Office of Personnel Management. It is right here. Would you like to see a copy of it?

Mrs. SCHROEDER. Yes, but in our opinion, that OPM draft did not achieve those objectives.

Mr. BURTON of Indiana. Oh, in your opinion.

Mrs. SCHROEDER. If I can yield to the chairwoman, we know exactly about that study, and she has been an expert on this. Let me yield to the chairwoman, and tell him about that study.

Ms. OAKAR. If I could just quote from the letter from GAO, whose appointed Director is appointed by the President, he says: "In our opinion, the OPM draft report does not achieve the objectives of pay equity study as you have defined them."

We also have another letter from Mrs. Cornelius, who is the Acting Director of OPM right now, in which she implies that they are going to discard that study. As you know, that was held by——

The SPEAKER pro tempore. The time of the gentlewoman from Colorado [Mrs. Schroeder] has expired.

Mr. WHEAT. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. Oakar].

Ms. OAKAR. I was just going to say that I think the study, if they want to bring it up during the course of debate, I would love to bring up that study. And Dr. Devine, who is no longer with us, thanks to the Republican controlled Senate, has confirmed it.

Mrs. SCHROEDER. We would be very happy to discuss that study, which was not a study at all, according to objective agencies and people of both parties. But we are right back to where we were. I think this is a very simple request. It is long overdue. It is just, it is fair. And all of the other things that are being thrown up I honestly think are smokescreens. So let us proceed and let us get on with it. Really, I do think over 200 years is long enough.

☐ 1700

Mr. WHEAT. Mr. Speaker, I yield 1 minute to the gentleman from Arizona [Mr. Rudd].

Mr. RUDD. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to H.R. 3008, the so-called Federal Equitable Pay Practices Act. This legislation is not about equal pay for equal work. That policy has already been the law of the land for more than 20 years. This legislation proposes to implement the concept of equal pay for unequal work through the subjective setting of wages by some Government-appointed board of "experts" without regard to market factors. It is one step closer to a government-controlled and planned economy.

Just last week, a letter was hand-delivered to my office by the Concerned Women for America [CWA], the largest women's organization in the country with over 500,000 members, in strong opposition to this legislation.

CWA's president, Beverly Lahaye, accurately pointed out that this legislation "paves the way for transforming our society from a free enterprise system, in which the marketplace and the laws of supply and demand operate to set wages, to a socialistic or planned economy in which Government officials, judges or consultants determine wages according to an arbitrary and subjective point system * * * a study opens the door for court-ordered imposition of pay equity or comparable worth as occurred in a case involving the State of Washington * * * pay equity may cost the Federal Government over $6 billion."

If put into place nationwide for all employment, the cost could skyrocket to as much as $320 billion.

Let's be clear what we're voting on in this legislation. It is not simply a study of Federal pay practices. If a study is conducted and inequities are discovered—a near certainty given the biased makeup of the proposed board—the Government would be required to implement the recommendations or stand a good chance of a lawsuit as happened in Washington State in the case of American Federation of State, County and Municipal Employees [AFSCME] Versus the State of Washington. In that case, the court ordered the State to immediately raise the wages of 15,500 State employees in predominantly female job classifications, and awarded back pay to the employees retroactive to September 1979.

Pay equity, or comparable worth, completely redefines discrimination. It is based on the erroneous assumption that every job has a measureable economic worth that can be judged free of bias and that dissimilar jobs can be objectively compared. It would prohibit an evaluation of other vital wage determinants such as the marketplace, unions, benefit packages, seniority and individual merit. It ignores the economic forces of supply and demand in the labor market.

To demonstrate the folly of this concept, in the Washington case, a clerical supervisor got higher ratings than a chemist; an electrician was given the same number of points for knowledge, skill and mental demands as a beginning secretary; and truck drivers ranked at the bottom, below telephone operators or retail clerks. Comparing dissimilar jobs, compensating for different working conditions, motivations, merit and changing demands of the marketplace cannot be done objectively or accurately by any Government entity. Only the dynamics of the marketplace can fairly and accurately determine their value.

This legislation is not concerned with equity. It is a clear and dangerous step toward Government control of our economy, and I urge its defeat.

Mr. LOTT. Mr. Speaker, I yield the balance of my time to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Speaker, I have listened to the debate on the rule and I have heard a debate on the bill, and I think therein is my basis for objecting to this rule at this time. If nothing else, we have seen in this last 45 or 50 minutes what a tremendously important, complex, and complicated issue we are dealing with here. One that has not only fascinating and complex substantive dimensions to it, but also methodological dimensions to it that are just incredibly fascinating.

The idea that a regression model with 27 variables may have been considered an inadequate study fascinates me when one with 4 variables was considered quite adequate and acceptable.

So we have here then a rule that says let us talk about all of these very intriguing, complicated, difficult issues on a subject that everybody must concede is critically important in 1 hour. I object to the rule.

Mr. WHEAT. Mr. Speaker, I yield 2 minutes to the distinguished chairman of the Post Office and Civil Service Committee, the gentleman from Michigan [Mr. Ford].

Mr. FORD of Michigan. Mr. Speaker, I have been watching with some puzzlement some of this debate here. First of all, how anybody could suggest with a straight face that this is anything more than a study in its present form is amazing to me because I think that there ought to be a requirement for better reading comprehension skills as a condition precedent to sitting in this body.

Second, for those of you who are concerned that this commission is likely to do anything, the only thing they can do is write a report which they will send to the President of the United States. And if the President acts crazy and radical, he will send us outrageously expensive legislation which Gene Taylor and I will promptly begin studying for the next 10 years.

You do not have to worry about the process suddenly being substituted. There is nobody who is going to get a bill out of our committee that is going to put us out of the business of being the committee that will ultimately decide what pay is.

What is the alternative to this study? The alternative is the legislation already pending in this Congress that would, without a study, impose some form of comparable worth measure in our Federal payroll system, and I am unwilling at this point to move with a bill like that because I do not know what the consequences of that would be. I really do not know whether we know enough about it to know how to apply it. I think that this is a responsible way to go about getting to the nub of the whole problem that is raised by people who accurately give us on the committee examples of whole areas of the Government where, because of the nature of the people who populate the jobs, they seem to get left out when adjustments are made.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman.

The SPEAKER pro tempore. The time of the gentleman from Michigan [Mr. Ford] has expired.

Mr. WHEAT. Mr. Speaker, I yield 2 additional minutes to the gentleman from Michigan [Mr. Ford].

Mr. FORD of Michigan. I continue to yield to the gentleman.

Mr. BURTON of Indiana. I share your concern about this, that is why I have a substitute, which I will propose later, because I think it should be looked into.

One of the questions I have——

Mr. FORD of Michigan. If the gentleman will let me reclaim part of my time. If the gentleman had a serious substitute, I would be willing to sit down and talk to him about it. But when I see him notify us that he is going to offer 80-some amendments to this bill, ranging in everything from the kitchen sink to the back door, I do not think that the gentleman is demonstrating the kind of sincerity about wanting to improve this bill or improve the study that would warrant serious consideration of his substitute. So I probably will have to oppose that along with the other 80 amendments that you have.

Mr. BURTON of Indiana. If the gentleman will yield, I understand. Let me just ask if it is a big concern as it appears to be to all the people in the Chamber today, why is it that we get a committee report at 1 o'clock today and we are asked to move this thing forward immediately? Why not give the Members of this body a little time to study that report so they can be conversant with the subject matter?

Mr. FORD of Michigan. I certainly do not want to offend the gentleman or anyone else. He was the one who insisted that Gene Taylor insist on the full period of time for the minority members of the committee to write a minority report on the bill, and to accommodate that, we ran up against this adjournment date. That is not a problem we thought was going to happen.

We did not anticipate the gentleman's, at least I did not, enthusiastic opposition to the bill which materialized to my knowledge rather late. When I saw the ranking minority member on the committee changing the bill in a form that made it acceptable to him, I said, "My God, if you can satisfy John Myers, certainly nobody is going to complain." I was shocked to find that the other gentleman from Indiana does not quite agree with John Myers.

Mr. WHEAT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have used almost all the allotted time for this debate. Not only of the rule, but it appears, of the bill. There seem to be two major objections as to why this rule should not pass today.

One of those being that the rule is not completely open and specifically in regard to allowing the amendment of the gentlewoman from Illinois to be included. There are those of us who indicated in the Rules Committee that we were empathetic to the kinds of concerns that the gentlewoman was raising.

But specifically in regard to the question of why her particular amendment should be put on this bill, she replied that she would be willing to try anything. Mr. Speaker, it is not necessarily appropriate that that particular amendment be put on this rule and in fact, since that was a change, call it a change in the Civil Rights Law of 1964, and this bill is merely calling for a study, the Rules Committee quite rightfully did not allow a waiver of germaneness to allow that particular amendment to be discussed.

In light of the fact that it is very clear that the provisions of this piece of legislation are well known to both sides of the aisle, that it has been through 4 years of testimony in the House of Representatives; that some 80 to 100 amendments are now waiting on the floor for consideration of this particular rule, there does not appear to be any question but that we are not proceeding in undue haste. In fact, the question would better be put, is there any reason to delay? Since there is no obvious reason to delay, I would move the previous question and urge that the resolution be adopted.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the resolution.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 292, nays 133, not voting 8, as follows:

[Roll No. 289]

YEAS—292

Ackerman
Addabbo
Akaka
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Brown (CO)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Chandler
Chappell
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Daniel
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dicks
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes
Heftel
Henry
Hertel
Hutto
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kindness
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
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Levin (MI)
Levine (CA)
Lewis (FL)
Lipinski
Lloyd
Long
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McKernan
McKinney
Meyers
Mica
Mikulski
Miller (OH)
Mineta
Mitchell
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
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Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Ortiz
Owens
Panetta
Pease
Penny
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Petri
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Price
Pursell
Rahall
Rangel
Ray
Regula
Reid
Richardson
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Rinaldo
Robinson
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Roemer
Rose
Rostenkowski
Roukema
Rowland (GA)
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Shelby
Sikorski
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
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St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NAYS—133

Archer
Armey
Badham
Bartlett
Barton
Bilirakis
Bliley
Boulter
Broomfield
Broyhill
Burton (IN)
Callahan
Campbell
Carney
Chappie
Cheney
Coats
Cobey
Coble
Combest
Coughlin
Courter
Craig
Dannemeyer
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Eckert (NY)
Edwards (OK)
Emerson
Fawell
Fiedler
Fields
Franklin
Gallo
Gekas
Gingrich
Gradison
Gregg
Grotberg
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hendon
Hiler
Hillis
Hunter
Hutto
Hyde
Ireland
Kasich
Kemp
Kolbe
Kramer
Lagomarsino
Latta
Leath (TX)
Lewis (CA)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
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Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCain
McCandless
McCollum
McEwen
McGrath
McMillan
Michel
Miller (WA)
Molinari
Monson
Moore
Moorhead
Nielson
Olin
Oxley
Packard
Parris
Pashayan
Porter
Quillen
Ritter
Roberts
Rogers
Roth
Rowland (CT)
Rudd
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NH)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Spratt
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Taylor
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wortley
Zschau

NOT VOTING—8

Alexander
Crane
Dingell
Hefner
Loeffler
Mavroules
Miller (CA)
Roybal

□ 1720

Mr. OLIN changed his voice vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONDEMNING PASSAGE OF RESOLUTION 3379 IN THE U.N. GENERAL ASSEMBLY

Mr. YATRON. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the Senate joint resolution (S.J. Res. 98) condemning the passage of Resolution 3379, in the U.N. General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 98

Whereas, on November 10, 1975, the thirtieth session of the United Nations General Assembly adopted Resolution 3379 which sought to legitimize the lie, first perpetrated at the United Nations General Assembly by representatives of the Union of Socialist Soviet Republics in 1963, that Zionism is a form of racism; and

Whereas Resolution 3379 of the thirtieth United Nations General Assembly directly contravenes the most basic principles and purposes of the United Nations Charter and undermines universal human rights values and principles; and

Whereas that infamous resolution threatens directly the integrity and legitimacy of a member state by singling out for slanderous attack the national movement which gave birth to the State of Israel; and

Whereas the adoption of Resolution 3379 by the thirtieth United Nations General Assembly constituted one of that organization's darkest moments and may fuel the flames of antisemitism and anti-Zionism; and

Whereas the United States Congress sharply condemned the passage of Resolution 3379 ten years ago "in that said resolution encourages antisemitism by wrongly associating and equating Zionism with racism": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress—

(1) soundly denounces and condemns any linkage between Zionism and racism;

(2) considers UNGA Resolution 3379 to be a permanent smear upon the reputation of the United Nations and to be totally inconsistent with that organization's declared purposes and principles;

(3) unequivocally states that the premise of UNGA Resolution 3379 which equates Zionism with racism is itself clearly a form of bigotry; and

(4) formally repudiates UNGA Resolution 3379, and calls upon the Parliaments of all countries which value freedom and democracy to do the same.

● Mr. YATRON. Mr. Speaker, I rise in strong support of Senate Joint Resolution 98. This resolution condemns the passage of U.N. Resolution 3379, which was adopted by the General Assembly in November of 1975 and calls on the U.S. Ambassador to the United Nations to erase this shameful resolution from the record of the United Nations.

Mr. Speaker, U.N. Resolution 3379 seeks to legitimize the vicious lie that Zionism is a form of racism. Originally sponsored by the Soviet Union, this initiative is an insult to the American people and reflects poorly on the nations which voted for it. The adoption of this resolution represents the nadir of the United Nations. It is an affront to the American people and is an outright form of bigotry.

Mr. Speaker, it is not suprising that this U.N. initiative was first put forth by the Soviet Union. After all, the Soviet Union symbolizes anti-Semitism in its lowest form. U.N. resolution 3379 is a blatant lie and an exercise in double speak. It is an attack on a democratic nation which respects human rights, Israel.

Mr. Speaker, U.N. Resolution 3379 makes a mockery of the United Nations. To make matters worse, similar resolutions are regularly sponsored in various U.N. agencies and conferences, and the United States must do all it can, power to prevent their adoption. As a supporter of the United Nations, it seems to me that if we must continue to expend our resources to defeat initiatives designed to attack the Jewish people and Israel, the United States should reconsider its policy toward the entire U.N. system.

In conclusion, Mr. Speaker, by calling on the parliaments of all countries to repudiate U.N. Resolution 3379, Senate Joint Resolution 98 sends a clear signal to our friends in the international community that resolutions attacking Zionism and Israel will be viewed as an attack on the United States and will not be tolerated. I urge my colleagues to adopt this resolution.●

● Mr. FASCELL. Mr. Speaker, I rise in support of Senate Joint Resolution 98, condemning the passage of Resolution 3379, in the U.N. General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase the resolution from the record of the United Nations.

Senate Joint Resolution 98 was passed by the Senate on July 9. A companion measure, House Joint Resolution 3379, was introduced in the House by the Honorable Joseph J. DioGuardi. At the outset, I would like to take this opportunity to commend the chairman of the Subcommittee on Human Rights and International Organizations, the Honorable Gus Yatron, as well as my other colleagues on the committee, in particular the ranking minority member, the Honorable William S. Broomfield, and the

Honorable Benjamin A. Gilman for their continuing interest and efforts on behalf of this and related issues.

Passage of U.N. Resolution 3379, a decade ago, served no useful function then, nor does it now. It should be repudiated. It made an inaccurate and unfair linkage equating Zionism with racism. That resolution not only had no beneficial results, but instead has proved detrimental by provoking feelings of anti-Semitism, and attacks on the State of Israel and its people. As the Helsinki accords, with precepts embracing universal human rights principles, now celebrate their 10-year anniversary, it is timely to underscore those principles here.

Over the years, there have been resolutions and actions in the United Nations too numerous to cite here which have repeatedly singled out and targeted Israel for abuse and/or exclusion from various U.N. bodies or conferences. Such activities, which tend to politicize the organization and divert attention away from the true purposes and goals of the United Nations, are not in the best interests of the United Nations or the world community.

The resolution now before us denounces UNGA Resolution 3379, and urges other freedom-loving nations to also repudiate that resolution. Mr. Speaker, I urge the adoption of Senate Joint Resolution 98.●

● Mr. BROOMFIELD. Mr. Speaker, I offer my support of the resolution before us.

As my colleagues well remember, the United Nations passed Resolution 3379 in 1975. That resolution claimed that Zionism was a form of racism. It is interesting to note that it was the Soviet Union that first presented that lie at the United Nations in 1963. Given the human rights record of that police state, their criticism is somewhat like the pot calling the kettle black.

That unfortunate resolution contravenes the basic principles of the U.N. Charter. It undermines human rights values and principles. It already threatens the legitimacy of a member state by slandering it with untruths.

Over the years, much criticism has been directed at the United Nations. Many Members of this body have defended that organization. A resolution of this nature, however, only fuels the fires of anti-United Nations sentiments in the Congress and in America. That resolution undermines the credibility, the balance, and the integrity of the United Nations. It makes Israel appear to be a whipping boy for the many bigoted countries around the world which oppose the existence of that country.

It is incumbent upon all of us here today to make a statement about this injustice. The passage of that unfortunate resolution has stained the good reputation which the United Nations deserves. I call upon my colleagues to join me in condemning any linkage between Zionism and racism.●

● Mr. GILMAN. Mr. Speaker, I rise in strong support of the resolution (S.J. Res. 98) condemning the passage of Resolution 3329, in the General Assemby on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all necessary actions to expunge the resolution from the record.

Mr. Speaker, the equation of Zionism with racism is one of the worst libels ever to be spoken; it is the most odious statement ever made by the General Assembly of the United Nations.

Mr. Speaker, the General Assembly resolution of which we speak today has come to have a life of its own. It was bad enough that the General Assembly passed it. But the slander it contains has been repeated and debated time and time again in forums associated with the United Nations, injecting unwanted division and tensions into what should be useful and productive meetings on international affairs.

As a former member of the U.S. delegation to the United Nations General Assembly, I know that the statements of that body can and often do result in much good; but the character of the United Nations itself has been degraded by this racism resolution, casting doubt on all the good work that is done there. This I regret very much.

I would like to thank the gentleman from Pennsylvania [Mr. Yatron] and the gentleman from New York [Mr. Solomon], the distinguished chairman and ranking member of the Subcommittee on Human Rights and International Organizations, and the leadership of the Committee on Foreign Affairs, for bringing this matter to the House floor for our consideration today. I would like to thank all those who have worked on this issue, in the other body and in the general public, for keeping this issue before us. The Equation of Zionism with racism is slander which we can and must erase from the records of the international community.●

● Mr. SOLOMON. Mr. Speaker, I strongly support this resolution. Ten years ago this autumn, the United Nations adopted a resolution that condemned Zionism as a "form of racism," a "racialist and imperialist ideology," and a "threat to world peace." On the 10th anniversary of the adoption of that resolution by the United Nations, it is important for our country to again go on record in opposition to it.

When the U.N. Social, Humanitarian, and Cultural Committee first considered the anti-Zionism resolution, our representative, Leonard Garment, called the resolution "a supreme act of deceit * * * and a massive attack on the moral realities of the world." He went on to describe the resolution as an official U.N. endorsement of anti-Semitism. And concerning passage of the resolution, he said, "I choose my words carefully when I say that this is an obscene act."

Later on, in the General Assembly, our Ambassador, Daniel Patrick Moynihan, who now serves as senior Senator from my home State of New York, made many of the same points Mr. Garment expressed in committee and went on to discuss the serious repercussions the anti-Zionism resolution was likely to have throughout the world. Despite the fact that we were defeated, our men at the United Nations, Leonard Garment and Pat Moynihan, put forth a sterling effort and made our country's revulsion at this resolution crystal clear to every delegate from every country at the United Nations.

Without taking much more of the committee's time, Mr. Chairman, let me just conclude with two observations based on what Leonard Garment and Pat Moynihan told the United Nations a decade ago.

First, they made very clear that the passage of a resolution intended to discredit the State of Israel would have the ironic effect of discrediting the United Nations itself. And that has certainly proven to be true. I can think of no better example than the anti-Zionism resolution to illustrate the radical departure of the United Nations from the ideals and principles that led to its own founding back in 1945.

Perhaps no single event in the U.N.'s entire history has held up the United Nations to more disrepute than the passage of the anti-Zionism, anti-Israel resolution in 1975.

Secondly, our Ambassador and his associates emphasized that the American people would never forget the anti-Zionism resolution. Indeed, Pat Moynihan rose in the General Assembly to declare a day of infamy when the resolution passed. He recognized then, as all of us have, that the anti-Zionism resolution was a frontal assault on the legitimacy of the State of Israel, as well as an attack on Jewish people in the United States.

And so, it is very important that we, as representatives of the American people, pass a resolution once again calling public attention to the monstrous lies that were propagated by the U.N. General Assembly. I hope that passage of the resolution before us can contribute to a more constructive atmosphere at the United Nations itself by making clear that all people of all countries who value freedom and democracy reject the blatant anti-Semitism and the perverted sociology that led to U.N. Resolution 3379.●

BEST COPY AVAILABLE

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

☐ 1730

GENERAL LEAVE

Mr. YATRON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 98, just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TEXT OF AMENDMENT MODIFYING 1961 DEFENSE NUCLEAR COOPERATION AGREEMENT BETWEEN THE UNITED STATES AND FRANCE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-92)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

(For message, see proceedings of the Senate of today, Thursday, August 1, 1985.)

FEDERAL EQUITABLE PAY PRACTICES ACT OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 241 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3008.

☐ 1732

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3008) to promote equitable pay practices and to eliminate discrimination within the Federal civil service, with Mr. Kildee in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentlewoman from Ohio [Ms. Oakar] will be recognized for 30 minutes and the gentleman from Indiana [Mr. Burton] will be recognized for 30 minutes.

The Chair recognizes the gentlewoman from Ohio [Ms. Oakar].

Ms. OAKAR. Mr. Chairman, today the House is considering a bill, H.R. 3008, the Federal Equitable Pay Practices Act of 1985. H.R. 3008 is quite direct and quite straightforward.

As many of you know, I chair a subcommittee related to how we pay and what benefits classified Federal employees receive.

H.R. 3008 is quite direct and forthright. The bill simply requires a study to determine whether the Federal pay and classification systems are effective in terms of gender, race, and Hispanic origin. It establishes an 11-member bipartisan commission to select and oversee an independent consultant who performs the study. The commission reviews the consultant's findings, issues a report with its views and recommendations to the President and to the Congress.

The commission then disbands within 90 days after the reports are submitted.

We have not studied this type of information since 1923 when the classification system for Federal employees existed.

My bill passed the House, which was slightly different, but the same thrust of the bill passed the House last year 413 to 6. There were no Democrats who voted against it and very few Republicans who did not support the bill.

I know that apparently this year there has been some kind of misrepresentation of the bill. That is why I would like to clarify what the bill does.

The Senate has introduced a bill that is very, very similar. It is a bipartisan bill, introduced by Senator Evans of the State of Washington, along with the distinguished Senator from California, Senator Cranston. They have had extensive hearings, just as we have, from people who agreed with the substance of the bill and people who disagreed and wanted to make recommendations. That is why when I reintroduced the bill with 102 cosponsors on the first day of introduction in a bipartisan fashion, we added the qualification related to the study of an economic analysis. That was the recommendation of the minority. We added that.

The other thing we added was a different makeup of the Commission at the recommendation of the minority, a bipartisan commission to select members of it.

The other thing we added after we had countless hearings and after we saw what indeed a number of States and local governments are doing, we added that we felt not only women should be looked at in terms of the perspective of the classification system, we felt minorities—and I want to emphasize this to my colleagues because this is not only a women's issue, it is a family issue and it is an issue that relates to minorities as well—we added minorities and we added Hispanics, because in various studies that have been done in the classification system, we know that Hispanics, blacks, and women are clustered on the bottom rungs of the classification system, so we added those.

It is interesting to me that we have such a cross-section of individuals who support the bill. There is the Congressional Black Caucus, the Congressional Women's Issue Caucus, our Hispanic Caucus, the Federation of Business and Professional Women, nurses, teachers, Latin American citizens, their league, the National Political Congress of Black Women, the League of Women Voters, hardly a radical group, and various industrial unions, unions whether they are blue-collar representatives or white-collar representatives, all the AFL-CIO representatives, and we could go on and on about who really is for the bill.

What we are talking about basically is the fact that the Federal Government really should take a look at how it treats its classified employees, something that I have, as the Chair of the subcommittee, jurisdiction over.

When GAO, at the request of people like Senator Stevens and others, and myself, did a preliminary study in terms of the Federal work force, for example, they found that the disparity between white-collar workers who were male and female was $11,000 annually.

Now, we are not saying necessarily that the disparity is due solely to discrimination, but we are saying that it is interesting that we have not taken a look at that system and what contributes to that disparity.

We also know that this is a national phenomenon. I want to make this very, very clear. Every study should be made internally and on an individual entity. One study for one State does not relate to a study that another State does.

☐ 1740

We believe very strongly that our study only applies to federally classified employees. It does not apply to any corporations, although a number of very fine corporations, like AT&T, United States Steel, J. Byron and Sons department store chain in the South, have done their own internal studies, made recommendations, and ultimately it is my understanding, made changes. But we do not believe that this study should apply to any other group, only classified Federal employees.

So all of the fear tactics that relate to this issue are for naught. We know that 45 States, 45 States have either completed their study or are in the process of completing a study. My own State of Ohio, I am proud to say, is about to complete its study on how it treats its own employees, its own State employees.

It is interesting that many States have implemented their studies and they have found that, in fact, that it did not bankroll their payroll. As a matter of fact, what happened was that they increased their productivity and the morale of their workers. They also in some cases, they testified, increased the economy of their State when they made the necessary changes, and I know we have very fine authorities who can speak to that.

Mr. Chairman, I simply want to take these few minutes to say that I for one, think, and this is very important to me, that I am privileged to be a Member of this body. This is the same body that passed the Civil Rights Act in the 1960's. This is the same body that passed the Equal Pay Act in the 1960's. This is the same body that passed the Fair Credit Act in the 1970's that gave women an opportunity for access to fairness issues in terms of credit. This is the same body that introduced the 19th amendment that gave women the right to vote, which they ultimately received in 1920.

Mr. Chairman, I have been somewhat dismayed by the tone of the rhetoric used with repect to this issue. I consider myself a red-blooded American woman, proud of her roots as an American, proud of the contributions of her parents, and brothers, and sisters. I really must say I have been somewhat dismayed by the rhetoric in various speeches, when most of us are not here.

But nonetheless, let us today, at long last, lift this Chamber to the loftiness that it can have in terms of dialog. We are the Chamber that passed the Civil Rights Act. I think it is about time we deal not with personalities, and not in issues that will somehow alienate people. I think it is about time we deal with issues that relate to fairness.

We can do it. We have done it before and shown that the Congress can show off its best qualities. Let us do it today. It is about time. And it is about time we treated our minorities, and women who have served the Federal Government for many years with justice.

Mr. Chairman, I reserve the balance of my time.

Mr. BURTON of Indiana. Mr. Chairman, I yield 4 minutes to the gentlewoman from Maine [Ms. Snowe].

Ms. SNOWE. Mr. Chairman, I rise in support of H.R. 3008, the Equitable Pay Practices Act of 1985. This legislation calls for a study of the Federal wage and classification systems to make sure that we are paying fairly the men and women who work for the Federal Government. And I would like at the outset to remind my colleagues that essentially the same legislation passed this body last year by a vote of 413 to 6.

I want, however, to express my disappointment that the legislation we are considering today only addresses the problem of wage discrimination in the executive branch. This problem is not confined to those in the executive branch, and a number of us have worked for some time to address the problem of employment discrimination among our own employees: The men and women who work for the Congress.

In fact, this issue was raised on June 22 last year during debate on the rule for the legislation of the gentlewoman from Ohio. At that time, the Rules Committee had refused to waive the germaneness requirement against an amendment to incorporate the legislative branch into the study. During debate on the rule, a commitment was made to bring my legislation to the floor before the end of the session.

Well, another year has passed. Today we are considering legislation for a study of the executive branch for the second time, and I regret to say that neither my legislation nor other legislation to address the problem of employment discrimination in the legislative branch has been considered by the House.

I would like to acknowledge the concerted efforts of those who have worked hard to see that our commitment to fair employment practices and compensation extends to the legislative branch as well. The gentleman from California, Mr. Hawkins, the former chairman of the House Administration Committee, held hearings on my legislation last year, and was as sincere in his effort to eliminate discrimination in the legislative branch as he is in his commitment to eliminate discrimination against all workers. I am also pleased that the gentleman from California, Mr. Panetta, held hearings just last week on my legislation, as well as several other proposals before his subcommittee.

Hearings on this problem, however, are not sufficient. As we move to consider this bill today I only wish we could coordinate our efforts on this issue so that Federal employees in both the executive and legislative branches would receive the protections due them.

These concerns aside, Mr. Chairman, I rise in support of H.R. 3008 because it is a fair and straightforward approach to addressing an important problem. The Federal wage system established in 1923 has never been reviewed in its entire 62 year history. I don't think there is anything left we haven't studied, let alone ignored, for 62 years.

H.R. 3008 would simply provide for this long overdue study of compensation in those occupations which are held predominantly by one sex, or by one racial or ethnic group. The purpose of this study is to ensure that the Federal Government—the Nation's largest employer—is complying with the laws which prohibit employment discrimination.

Let me reassure my colleagues on a couple of counts, since you have been subjected to an onslaught of misdirection and disinformation in recent days. This bill calls for a study, and only a study.

It applies to the Federal Government's civil service.

It does not affect State and local Government nor does it affect the private sector.

It will not create any sort of national wage scale or pay policy. Following completion of the study, a bipartisan commission will recommend remedies in the event that discriminatory practices are found. Implementation of the many possible remedies will require adoption of legislation by the Congress. In short, this is a very deliberate process being proposed here, not a headlong rush into uncharted territory.

Why then, Mr. Chairman, is the House nervous about acting? Why is there trepidation and concern about taking a step already taken by 22 different States? Twenty-two States, Mr. Chairman, have already completed or are in the process of completing similar studies. Six States have actually moved ahead to implement their findings. Only 5 States in the Nation have not examined the issue of sex-based wage discrimination through pay equity studies, legislation or collective bargaining.

Five States, Mr. Chairman, and the Congress of the United States. Not only have most of the States proceeded apace, but local governments, city governments have acted where the Congress has faltered.

Colorado Springs, CO hasn't been afraid to act.

Virginia Beach, VA hasn't been afraid to act.

Bellevue, WA hasn't been afraid to act.

Los Angeles and Long Beach CA haven't been afraid to act.

Each of these cities, and others, have moved ahead to study and to take action to eliminate discrimination while the Congress argues about reviewing the Federal Government's own wage system for the first time in 62 years.

We have the ability to perform this review. Job evaluations, rather than being purely subjective, have been used in this country for over 50 years. Two-thirds of all employees in the U.S. companies that use some form of job evaluation to compare dissimilar jobs. I find it most ironic that the only time job evaluation techniques are called into question is when they are used to identify illegal wage discrimination. Since we are able to identify wage discrimination, we have a responsibility to use that ability.

A pay equity study of the Federal Government will do us no harm, Mr. Chairman. Those who point to the lawsuit in Washington State do so with fine intentions but with muddled facts. Washington State was sued not because its wage-setting practices were inequitable, but because the State continued the discriminatory practices for 10 years after they were identified. I, for one, have enough faith in my colleagues to know that if any discriminatory practices were exposed, that they would not hesitate nor delay to act to rectify them promptly.

Mr. Chairman, we have before us today a simple question of fairness under the law of the land.

We are talking about the fact that 80 percent of the women working for the Federal Government are concentrated in grades 1 through 7, while 85 percent of the men can be found in grades 10 through 15.

We are talking about the $9,000 earnings gap between what the Government pays women and what it pays men.

We are saying today that the Congress has a responsibility to find out why these women are concentrated in lower grades, and why they earn substantially less than men.

We are saying that the Congress passed this legislation by a vote of 413 to 6 last year, and that the situation demands just as strong a vote again this year.

Ms. OAKAR. Mr. Chairman, I would ask how much time has been consumed.

The CHAIRMAN. The gentlewoman from Ohio [Ms. OAKAR] has consumed 9 minutes and the gentleman from Indiana [Mr. BURTON] has consumed 4 minutes.

Mr. BURTON of Indiana. Mr. Chairman, I yield 3 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON. Mr. Chairman, I thank the gentleman from Indiana for yielding to me and I rise in support, strong support of the bill.

I want to address the reality of Connecticut's experience in this regard, because I think it is important for the Members to try to get a grasp of what this study means to people in their lives and to our society.

Connecticut passed exactly this kind of legislation. We did this study. Let us look at the result.

First of all, it did not create economic crisis nor class war. What did happen is that the hand of underpaid employees was strengthened at the bargaining table. Data led, research led to information, information led to the power to redress historic inequities. So instead of a 5-percent wage increase being adopted for everyone, a 2-percent wage increase was adopted for everyone, and the rest of the money was set aside in an equity fund.

□ 1810

What was done with the equity fund? It was used to increase the salaries of those that the study had shown were relatively underpaid, considering their responsibilities and the qualifications that they had for the job.

What we are doing here is to adopt a bill that will do the study to provide information, then the next step as to what we shall do, as a consequence of that information, how we shall act, how we shall implement its findings, is indeed up to us and nothing will happen automatically, nothing will happen without our support.

But we will have the data through which we can understand and address inequities that are not malicious. They are not there because someone does not care about women, they are there because there historic presumptions many decades ago when those salaries were set.

I call your attention to the fact that clerical jobs right now in which woman dominate have salaries ranging from $238 down $146. Similar jobs, clerical jobs in which men dominate, have salaries that start at $288; and remember the top of the other category was $238—and if I have more time later one I will tell you the other categories in detail—but these go all the way up to $441.

Now that is not because anyone wanted to disadvantage women, but because many, many years ago when there were very few opportunities for women in the work force, obviously supply was great and demand was small, and supply and demand did establish a low wage base. From that base we have been providing the same increments to women that we have provided to men from a higher wage base.

So, Mr. Chairman, I look forward to the debate that follows and urge my colleagues in supporting what is a good and sound piece of legislation.

Ms. OAKAR. Mr. Chairman, I yield 1½ minutes to the gentleman from Maryland [Mr. BARNES].

Mr. BARNES. Mr. Chairman, there has been a great deal of criticism of this bill. Those who misunderstand this legislation most have charged that it will cause every kind of mischief except clog kitchen sinks. I'd like to quote a warning from another member, a criticism that my colleagues by now will find familiar:

> Although this bill may have motives in the finest tradition of gallantry, it actually is about as ungallant as a kick in the shins.
>
> Testimony before the subcommittee suggests that its enactment would worsen rather than improve job opportunities for women . . . under compulsion of this bill, employers who contend that the employment costs for women are higher than for men will tend to cut back on female employment . . . this legislation has the laudible objective of equal pay for women. If, in practice, it leads to fewer jobs for women, the victory will be Pyrrhic.

The Member of this body responsible for that dire prediction was Representative Paul Findley of Illinois, a member of the House Education and Labor Committee in 1963. He was addressing the House on H.R. 6060, which we know today as the Equal Pay Act of 1963.

Twenty-two years later, we are here again, rebutting the same arguments applied to H.R. 3008, the Federal Equitable Pay Practices Act. Democrats and Republicans recognized the demagoguery in the Findlay argument, and rejected it overwhelmingly—just as today, we are not going to be deterred by similar rhetoric.

H.R. 3008 does not expand the law, it does not threaten the private market place or labor markets with Government intervention, it will not lower anyone's pay, and it will not bust the budget.

If you believe these claims you have not studied H.R. 3008. You have not reviewed the General Accounting Office report upon which this bill is based, and you have not reviewed the legislative history that underlies Federal nondiscriminatory pay setting practices.

This legislation follows existing law: The Equal Pay Act of 1963 was developed by the Department of Labor by then Secretary Willard Wirtz. In Secretary Wirtz's letter to the President of the Senate, Lyndon Johnson, he explained that the legislation:

> . . . has as its purpose the elimination of discrimination in wage rates based on sex where men and women performing comparable work for the same employer . . . those employers would be prohibited from paying a lower wage to one employee than they pay to an employee of the opposite sex in the same place of work for work of equal character requiring equal skill.

The debate today over the use of the concept of comparability closely parallels the debate of over 20 years ago. In the House, the language "equal work" was substituted for "comparable work" in an early version of the equal pay bill that the House and Senate considered but did not enact. In 1963, both the House and Senate made it clear that the legislation's use of equal pay for equal work would not be limited. The Senate openly struggled with the application of comparable worth:

> With reference to the application of the equal pay concept, it was made plain in our hearings that for a number of years knowledge has been accumulating on means to test the relationship between jobs. Knowledge of this kind will be useful in determining "equal work" and "equal skills" for the purpose of administering S. 1409.
>
> The National War Labor Board during World War II and the Wage Stabilization Board during the Korean war were required to make comparisons of jobs for "equal pay" purposes. Their experience as well as the experience of arbitrators under contract provisions for equal pay, proves comparisons can be made successfully and put to the practical end of administering a Federal equal pay policy as contained in S. 1409.

H.R. 3008 does not subscribe to any "comparable worth" theory: critics charge that H.R. 3008 would lock the Government into a particular theory of comparable worth. Nothing in this legislation endorses such a theory. What we want to do is conduct a study along the lines the Senate charged us to follow 22 years ago.

We want to "use the experience we have in making pay comparisons," which goes back to World War II, to determine whether the Federal Government is following the Equal Pay Act of 1963, and section 2000e of the Civil Rights Act of 1964.

As the distinguished chairwomen of the Compensation and Benefits Subcommittee, my good friend, Ms. OAKAR has stated, the Federal Government has never run such a check on itself, and it's high time.

We are not, as has been charged, prejudging the results, stacking the Commission, or trying to fabricate a basis for changing Federal pay. What we want to know is: (a) what factors that make up Federal jobs appear to be gender related, and (b) what other economic and nondiscriminatory factors contribute to the yawning gap in the wages paid to men and women who work for the Federal Government.

I, personally will not rest until I know why women on average in Federal service make $12,000 a year less than men; and why most women are clustered at the very low end of the Federal pay scale and men dominate the highest paying jobs. If there is discrimination in the Federal pay system, there should not be a Member in this body who shrinks from having the facts laid out before us.

Our Federal Government Service Task Force ran a study on the consequences of low-paying Federal jobs on single women. We found that in Montgomery County, MD, my district, a single mother earns less than she needs to provide basic necessities to her family if she's a GS–7 secretary. Yet GS–level 7 and below are where women in Government are clustered. So this study goes beyond the equities, because we are talking about both fairness and need.

We do have the tools to do the study: Some Members still insist that after 22 years we still do not have the tools to complete the study H.R. 3008 proposes. The National Academy of Sciences disagrees, and reports that "job evaluations do provide a systematic method of comparing jobs to determine whether they are fairly compensated." The Academy also confirms that pay studies have served to reduce discriminatory differences in pay. Well, it's no surprise, we had the tools in World War II, and we have them now.

A number of my colleagues have already addressed the question of the cost of a pay equity study to Government. I agree with the gentlelady from Ohio, if we do this right, it's going to save the Government money. It's going to be a boom for Federal workers and for the taxpayer. I'm convinced of that because we have always strengthened ourselves when we have gone after the facts about discrimination and laid them open to the publics conscience.

I am sure my colleagues will agree that after 22 years, the time has come for the Federal Government, as an employer, to accept its responsibility to study this important problem.

Mr. BURTON of Indiana. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Chairman, I suppose it might be observed that I have been as visible with respect to this bill as any Member of the House, and I have even heard it said that I have been very tough on the bill. I suppose that is true, but if I am tough there is another side of my character as well. I am a Republican who believes in fairness, in equity, in equal rights and the Government's responsibility to guarantee and protect rights. I am also a father of a daughter for whom I want the very best and the husband of a very intelligent and bright professional woman emerging in her profession, and I am very concerned about all of these issues.

Mr. Chairman, I have a commitment that is deep and abiding to equal pay for equal work. But I also have several problems with this bill.

It is said that it is only a study. Now one of the things that distinguishes us as intelligent beings is that not only do we study but we study our studying. I have tried to do that in this case.

I found that the procedures and personnel by which we would establish this study lead me to grave concern. The study that is going to be productive must be objective. I have a concern about the commission and its composition.

Can it be objective when it is comprised of a balance of members who have already been on record as endorsing comparable worth? Will it lead to foregone conclusions regarding comparable worth? Would it set the stage for judicial implementation without congressional approval, as has been the unfortunate experience in other cases when only a study was authorized?

It is also argued that there has not been a study. I would suggest there have been studies that have been ignored.

The Office of Personnel Management has recently completed a study with a very good model. Multiple regression models are very fascinating instruments and one with 27 variables is a very good model, especially when others that have been cited have as little as four variables.

The OPM study was professional and a well done job.

Mr. Chairman, that study concluded:

> The effects of a society-wide imposition of such a scheme by the government are not difficult to predict. There would be class war. Contrary to comparable worth assumptions, it would not even be a sex based conflict. Rather, it would set blue collar men and women against white collar men and women.

That would be indeed unfortunate and quite likely an unfair outcome.

The U.S. Commission on Civil Rights did a study. They came to a similar conclusion.

These studies have been discounted, if not ignored. Is it possible that the sponsors of this bill want a study that can trump those studies?

I know what it is like to want things. I know how sincere the Members who support this bill are in what they want. But it is also absolutely imperative that, if you are going to study, you remain objective and scientific.

Comparable worth would be, in my estimation—and I have studied this several years—discriminatory. It would penalize blue-collar men and blue-collar women. It would penalize union jobs. It would penalize, and this I think is one of the most tragic things of all, women who have already made that step to nontraditional occupations. These are fears that I have.

Women in America do not even want comparable worth. Recent polls show that 80 percent of the women want to use enforcement of existing laws to end discrimination rather than passing new laws.

This is extremely important.

I am gravely concerned with the failure of U.S. Government agencies to enforce civil rights and equal rights legislation. I would be the first to be in the forefront to compel the enforcement of these laws.

Mr. Chairman, I have seen things such as sexual harassment go unpunished in universities, and I have seen Government agents for this Government encourage young women to let the case drop rather than to take up their case for them.

I would like to see this body consider the need and the alternative productiveness of taking those existing laws and those existing agencies, putting their feet in the fire and bringing justice to American men and women through the implementation and enforcement of those laws.

□ 1800

Ms. OAKAR. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. Mr. Speaker, of course I am in strong support of this legislation. We have been reading recently about the mounting hysteria and fear concerning the disease AIDS, and I do not think there is a single Member of this House that would not be on record saying we have got to take exhaustive studies to look at what is causing this disease.

I respectfully suggest to you that discrimination based on race or on sex, on ethnic origin is a disease, and for the life of me I cannot understand why there is this godawful fear about a study.

Maybe I do think I can understand it. I think there are some who are afraid of what we might find out; some who have deluded themselves into thinking that there is no longer a problem in terms of sex discrimination; well, that is not the way to operate. Let us find out what the problem is and do something about it.

Ladies and gentlemen of this House, the Social Security Administration employs more than 80,000 people across the country. Of that 80,000, 3 percent are black males. That is all.

Walk into any agency, and as you move up toward the higher floors of the agency, it gets whiter and whiter and maler and maler. That is because the lower level jobs are consigned to those of us who are minority and those who are women.

You know, you almost got an opportunity to avoid me in this House. I worked as a clerk for the Social Security Administration at night, and I was a file clerk; I worked from 4 to 12, and I could see myself working my way up the ladder; one day becoming the Administrator for Social Security; and it dawned on me that that would never happen.

It would never happen. And so, when I realized the fruitlessness of that pursuit because I was black and male, I decided to join the Membership, and I know all are delighted that I made that decision.

Mr. BURTON of Indiana. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, I rise in strong opposition to H.R. 3008, the Federal Equitable Pay Practices Act of 1985, and I do so for three reasons.

First of all, the bill is a bad management bill. Second, it is very costly, and its effect on the budget is something that we cannot afford today; and third, I strongly believe that we have current laws to prevent any inequities that are in our pay practices.

Let us talk about the bad management aspects of this bill. First of all, it is supposed to determine pay equity, and if one is going to determine pay equity in the U.S. economy, one is going to have to consider market forces. Nowhere in this bill are market forces mentioned one time. The closest we get is a mention of "other forces" in one of the subparagraphs.

If there is only one person in this country, whether he be male, female, white, black, whatever; who has a skill that is in great demand, we are going to pay that individual more than if there are 10,000 people.

So I think that this bill is not being honest when it talks about pay equity, without mentioning market forces.

Second, I would like to point out is that the study has no flexibility at all. In fact, the study is precluded from coming up—the Commission is precluded from coming up with any recommendation that prevents a lowering of a grade or the lowering of a rate of pay.

Now, I do not believe that there is not one pay grade, one grade in the Federal system that is not rated too highly, and I do not believe that there is not one Federal worker somewhere in this country that is not being paid too much money.

So we have got a commission that, the only thing they can do is recommend that everybody's pay be raised, or everybody's grade be raised. That is like an automobile mechanic, if you took your car in and he says there is something wrong—he says, well the only thing to do is buy you a new car; let us go out and buy you a Cadillac. I do not think that is right.

Lastly, in order to enforce this study's commission, we would have to set up, in my opinion, a vast Federal bureaucracy to go in and look at all the multiple pay rates and pay grades and make sure that they are exactly as they should be.

As a second item, I would like to point out that the cost in the budget immediately is estimated to be anywhere from $5 billion to $8 billion. Now, those are conservative estimates.

If we get into the entire economy and not just in the Federal part of the pay system, it is estimated that it could cost as much as $320 billion. Now in these times of budget restraints, I think we need to be concerned about that.

The last point is that we have an existing Equal Pay Act that has been in existence I believe since 1963, and so I really do not feel that we need to be even considering the study at this point in time.

So for those reasons; I think it is bad management; I think the effect on the budget is too costly; and I think we have current law today that will solve the problem.

I do not feel that we need to enact this legislation at this time.

Ms. OAKAR. Mr. Chairman, I would like to inquire of the Chair the time I have used and the time the minority has used.

The SPEAKER pro tempore. The gentlewoman from Ohio [Ms. OAKAR] has 17½ minutes remaining, and the gentleman from Indiana [Mr. BURTON] has 14 minutes remaining.

Ms. OAKAR. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. SIKORSKI], a distinguished member of the committee who, by the way, introduced the study in Minnesota.

Mr. SIKORSKI. Mr. Speaker, while the way of life that flourished at Tara has gone with the wind, the plantation mentality of inequality still lingers in 1985. Some private sector organizations with a stake in this discrimination oppose a study of discrimination against women in the public sector.

Look at the fact. While women comprise 46 percent of the Federal work force, about half; 85.5 percent of them are concentrated in just the lower 8 of all civil service job classes, and make 63 percent of what their male counterparts earn. Some in this body would have us believe that this occurs because, and I quote: "Women have different motivational needs than men" And I quote: "Men work longer hours than women."

Well, Senator Fulbright once said, "We are handicapped by policies based on old myths rather than current realities." Let us look at the myths and the realities.

Myth 1: Implementing Federal pay equity will bankrupt the Government.

Fact: In Minnesota, we successfully implemented full pay equity for State employees at a cost equivalent to just 1 percent of the State's annual payroll over 4 years. Others have done it for less.

Myth 2: Pay equity discriminates against men.

Fact: Minnesota implemented pay equity with no reductions, no freezes in salaries for male-dominated jobs, and so have others.

Myth 3: Pay equity undermines collective bargaining in seniority.

Fact: Minnesota made all of the salary adjustments within the framework of collective bargaining, and so have others.

I was one of the chief authors of the landmark law in Minnesota, and I assure you that the myths swirling around like gooey slop are wholly refuted by the real life experience in Minnesota.

In fact, the pay equity system was so successful for the State work force that the Minnesota Legislature, in 1984, extended pay equity to local governments as well.

The Minnesota Commissioner of Employee Relations testified before the subcommittee:

> Our experience demonstrates that all the terrible things that might happen do not happen when, in fact, you institute a pay equity program.

And we are just talking about a study.

□ 1810

If you want the truth about pay equity, look to Minnesota and over 100 other governments around America where the system is working. Don't be deceived by fabricated, biased rhetoric from those who pay lip service to equality, those who say, "I'm for equal pay for equal work, but * * *." They simply want to preserve the economic stake in the current system of discrimination.

Mr. BURTON of Indiana. Mr. Chairman, I yield 4 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. I would like to thank the gentleman from Indiana for yielding this time, and I rise in opposition to this bill.

I would like to talk about what comparable worth means and does not mean. Comparable worth means paying women and men the same, even though they are doing different work. It does not mean paying women and men the same for doing the same or substantially the same work or work of equal effort, skill and responsibility, because that is already required by the Federal law, the Equal Pay Act of 1973, which covers all employment.

It does not mean paying women and men the same for doing different work if women are denied employment in better paying jobs, because title VII of the Civil Rights Act of 1964 prohibits any discrimination in employment because of sex.

There are no women's jobs or men's jobs.

It does mean paying women more than they now earn in certain jobs which comparable worth advocates claim are not paid as much as employers should pay because they are jobs done mostly by women.

It does mean that women who work should earn more, because it is not fair that, on average, women who work are paid less than men who work. How much less depends upon who is talking. The League of Women Voters, in a recent bulletin, said women are paid only 63 cents for every dollar earned by men. It also reports that black women are paid even less, 58 cents, and Hispanic women less again, 53 cents for every dollar paid to men.

I draw the conclusion from that study that means black and Hispanic women earn less than white women.

Perhaps the best way for each of us to evaluate comparable worth is to look at the work force with which we are now most familiar and see how we think it would work. If you are an employer, including Members of Congress, with a staff and committee responsibilities, how do you think the average earnings of all women and men employees compare? If they are not about equal, would that mean sex discrimination? What jobs would you compare with what? What intrinsic value would you assign the individual jobs or classes of jobs, and how would you translate that intrinsic value into money? What would be fair?

I urge a vote against any comparable worth or pay equity legislation proposed in the name of protecting women against sex discrimination in Federal employment. Unless you plan or intend to pass a law requiring that half of all Federal employees in all grades be women, there is nothing more to legislate about.

Ms. OAKAR. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS. Mr. Chairman, I rise in very strong support of this legislation.

A few minutes ago, someone made mention of it as H.R. 3008, and we could not help but smile at that when we were sitting on the other side of the smile, saying that it sounded almost like some kind of a spy number. Actually, there is no spying going on here. All we are talking about is a study. Everybody knows what we mean by a study. A study is something that we are going to look into a matter to see what actually does exist. That is something that I think is very much needed. There is no question in my mind, for example, that there are some very definite pay inequities within the Federal Government system, its overall system.

For example, I have never worked for the Federal Government but I have worked for governments in my life, except for working for the Federal Government now, and even at that time I found that very often people who are doing the same identical jobs, let alone those that are very comparable, but the same identical jobs, were being paid all kinds of different salaries. One person might be a GS-5, who had the same amount of longevity on the job, who was in an identical position, but because that person was black or because that person was a woman, another person would be paid only as a GS-4. Promotions are not given on an equal and same sound basis. So there is no question about there being inequities.

It seems to me that this Government, which is in fact a most democratic system of government in the world, ought to be applauding legislation such as this. We should not just now, as a matter of fact, in 1985, be talking about this legislation. We should have done it a long time ago. We should have had a study and this Government should be operating on a very fair, equitable basis for all of its employees.

It is my belief that a government such as ours owes it to itself, owes it to the citizens of this country to feel proud of itself, to say that yes, indeed, we are equitable in our pay system for our entire Government and all the jobs that we have to do.

A final point: I was very happy that a Member on the other side of the aisle mentioned about black women getting less money than perhaps some of the men. Now, black people period get less pay when it comes down to equity in Federal Government than all the rest of those employees who happen to be working for our Government.

Mr. BURTON of Indiana. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from North Carolina [Mr. COBEY].

Mr. COBEY. Mr. Chairman, I rise to relate a North Carolina experience. Recently our distinguished Governor, Jim Martin, and a former very respected Member of this body, testified before the Civil Service Subcommittee and shared what happened in North Carolina. In North Carolina, in 1984, the general assembly passed legislation directing a pay equity study be conducted and authorized $650,000 for the effort. Once they realized the broad implications of the comparable worth doctrine, they came back this year and, after careful deliberation, in April, our Legislature overwhelmingly, with a bipartisan vote, terminated this comparative worth study. I think this body should know that.

I include this letter in the RECORD at this point:

> STATE OF NORTH CAROLINA,
> OFFICE OF THE GOVERNOR,
> *Raleigh, NC, July 25, 1985.*
>
> Hon. WILLIAM COBEY,
> *House of Representatives,*
> *Washington, DC.*
>
> DEAR BILL: As you know, I recently had the opportunity to testify before the Civil Service Subcommittee of the United States Senate on North Carolina's experience with respect to the controversial subject of comparable worth, or pay equity as proponents call it. Since the House of Representatives may soon consider a comparable worth bill on the floor, I thought it might be worthwhile for me to share with you the reasons why North Carolina rejected a similar type of pay equity "study" of its own State employees.
>
> In June 1984, the North Carolina General Assembly passed legislation directing that a pay equity study be conducted, and authorizing $650,000 for this effort. Although named a "pay equity" study, the impetus for ratifying this provision came from a Report by a State Task Force on Comparable Worth. This report recommended the development of an equitable job evaluation and pay system that would establish the comparable worth of State jobs on the basis of a point factor system.
>
> Similar to the pending House bill pertaining to the federal workforce, our legislation directed, among other things, the creation of a "Pay Equity Advisory Committee"; that the Study encompass all of the State's clas-

sified employees' that a consultant be hired to conduct the Study; and that the consultant examine certain dissimilar State jobs based on a point factor comparison. In December 1984 the State hired a consultant to conduct the Study.

From the beginning, it was apparent that it would be difficult to successfully complete the Study. Problems evolved into two categories: problems with the logistics of Study itself, and more importantly, problems and concerns from a broad range of citizens on the basic comparable worth doctrine.

It was these broader concerns on the comparable worth doctrine and its implications that ultimately proved the most convincing. Foremost was the concern that there was no way of accurately estimating what the cost of salary adjustments, if any, might be. And, if the completed study recommended adjustments beyond the ability of the State to pay, then we might have directed ourselves into a situation similar to the State of Washington, where a study was commissioned, but the results not acted upon, after which a federal court somehow concluded that the study itself was invested with the power to compel its advice to be implemented. Second was the concern that comparable worth introduces an artificiality into wages and salaries, at odds with market rates. Finally, there was significant concern expressed that the move by the State toward comparable worth signalled an eventual requirement that the doctrine be forced upon private enterprise, in lieu of our traditional supply and demand approach to setting wages.

When the State legislature reconvened in February of this year, it began a careful reevaluation of the Study requirement. After careful deliberation, in April the legislature, by an overwhelming bipartisan vote, terminated the comparable worth Study.

We are now making what we believe to be better efforts to pay our employees fairly and equitably to trying to improve our existing classification system, and developing an improved way of providing pay incentives to those employees who are better performers. We believe this is the way to provide the opportunities our employees are looking for.

Best personal wishes.

Sincerely,

James G. Martin.

Mr. COBEY. Mr. Chairman, in closing, I want to say that I am for fairness, I am for strongly enforcing existing laws. When I was the athletic director at the University of North Carolina, before I left the job I made sure that there were 13 women's sports and 13 men's sports.

Ms. OAKAR. Mr. Chairman, I yield 2 minutes and 20 seconds to the gentlewoman from Tennessee [Mrs. Lloyd].

Mrs. LLOYD. Mr. Chairman, I rise in support of H.R. 3008, and I urge my colleagues to also support this bill. Perhaps, Mr. Chairman, I come from an entirely different perspective.

On November 15, 1984, I was one of only 2 women Members who spoke and voted against the equal rights amendment. It wasn't easy—it was one of the most difficult positions I've had to take as a Member of this body. But it was my stong conviction then, and it is now, that an equal rights amendment should be abortion neutral as well as neutral on other vital social values. I feel that I represent the overall sentiment of my district and the majority of women in this country who want equal rights legislation that corrects discrimination but does not destroy the protections which this Nation has developed to preserve the institution of the family.

Now, by and large, most people who oppose the equal rights amendment express the classic view—"I want women to have equal pay for equal work. I want women to have equal advantages. I just don't want this ERA."

This philosophy is real, alive, justified and thriving. Nevertheless, discrimination against women in the workplace does exist. It is often overlooked and as yet unaddressed.

To underline this, I'd like to read a portion of a letter I recently received from one of my constituents who typifies so many women in our society. "I am an educated, professional employment counselor with 20 years experience in the work force. I am presently managing a temporary employment agency. I have full responsibility for marketing, interviewing, job placements, plus general office duties such as typing, filing, telephone, payroll, billing and computer operations. My salary is the same amount that my 19-year-old son earns as a gas station attendant.

So it seems very strange indeed to me that no Member of this body would advocate unequal pay for equal work, yet would oppose this legislation. This bill authorizes a study of Federal (not private or public sector) but a Federal study of pay equity that includes all compensation including job content and market factors to determine if Federal pay practices are fair and commensurate.

This study is long overdue. The standards used for the present Federal classification—were developed 62 years ago and have never since been reviewed for discrimination.

I applaud the dedicated women who choose to stay at home and do without money for the extras we now deem essentials, a new color TV, a VCR or an extra vacation. The sacrifices of these homemakers is rewarded in nonmonetary ways. But the cold grim fact is that more and more women must work for their families to survive. Statistics show that over 50 percent of all women work outside the home—not just for the pleasure of it. Many women work to provide shoes for their children's feet, to pay for ever rising house and energy payments, medical bills and feed their families.

On behalf of these women, I urge my colleagues to think with their heart as well as their intellect and support this legislation that merely calls for a study of the equity of Federal pay practices. For just a second, put yourself in the place of the millions of women who are the breadwinners for their families—and are coming home with half a loaf.

If you said you don't support ERA—but you support equal opportunity for women, this is an opportunity to prove it.

□ 1820

Mr. BURTON of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Shumway].

Mr. SHUMWAY. I thank the gentleman for yielding me this time.

Mr. Chairman, during the years that it has been my privilege to serve in this body, I have seen us time and again take an idea that may be unpopular, may be unable to stand on its own merits, and package that idea in a very attractive setting, give it a very appealing title, and bring it to this floor and run it through this legislative process, and I think we are doing just that here today.

We have a bill that has some very insidious aspects to it. It has been put in a very attractive package. We have been told that it is only a study; that it only applies to Federal employees; that it is not comparable worth, that it is something more nicely called "Pay Equity." Something which has been given a very high-sounding title, "The Federal Equitable Pay Practices Act of 1985."

No doubt there will be many Members in this Chamber who will come in and vote for this bill because it sounds good, it looks good. But if it were more appropriately packaged and titled, perhaps the title being something like "The Anti-Free Enterprise Act of 1985," I wonder how many Members would be inclined to vote for it, and I wonder how many Members would feel like they had done their duty to their country when they go home tonight after a long day.

Mr. Chairman, this bill represents bad policy for America; it represents bad law if it is enacted. It represents a step backward for the women of this country. Frankly, I resent those inferences that have been made by prior speakers that those of us who very much believe and sincerely want to see equality for men and women in this country, somehow are not telling the truth when we say we oppose this bill because we do not see this as the means for bringing about that kind of equality.

Mr. Chairman, we have laws on the books that are designed to get at the very discrimination that so many speakers have spoken about this afternoon, and certainly those laws need to be enforced. They need to be applied. I, as one Member of this body, would very much support that kind of application. There is nothing wrong with the Equal Pay Act of 1963 as a vehicle for reaching this kind of discrimination. There is nothing wrong with title VII of the Civil Rights Act of 1964 as a vehicle for addressing discrimination, and certainly we need to enforce those laws.

For us to adopt this bill today, we are going to make a gross departure from the free enterprise system which has always been the hallmark of the economy of this great country, a radical intrusion on that system, and one which I think is going to penalize those women of this country who have worked so hard within their job setting and now have made it as corporate officers, as responsible job holders throughout the marketplace.

We are also going to give a slap in the face to the thousands of women who are working hard to achieve equality of opportunity in that marketplace and in the job sector.

Mr. Chairman, I suggest that this bill does not represent free enterprise, and it does not represent the American way. I hope it is defeated.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. Garcia].

Mr. GARCIA. I thank the gentlewoman for yielding.

Mr. Chairman, first, I would like to congratulate my colleague from the State of Ohio who has chaired this through committee and to the floor. I would just like to say to my colleagues who are here, and I listened to the debate very carefully, and in the 45 seconds that I have left, this is 1985. It is not 1930 or 1940; it is 1985. Some of you may sit back and say, "You remember the good old days when it was just the one breadwinner who used to bring the bacon home and deliver the food for the house and pay the rent?"

In 1985 we are living in such a society where in most cases you have two breadwinners. Where you need that extra paycheck, and all my colleague from Ohio is asking for is a study. I cannot understand why this matter is so complex. Let us do it; let us study, and then let us come back. But remember: This is 1985.

Mr. BURTON of Indiana. Mr. Chairman, I yield 1 minute to the gentleman from Utah [Mr. Monson].

Mr. MONSON. I thank the gentleman for yielding time to me.

Mr. Chairman, it is unfortunate that we try and paint people into corners and make them appear less than what they really are.

If we are only talking about equal pay or pay equity we don't need a study. It doesn't take a study to determine if someone is being paid less than someone else for doing the same work. You just have to look at the numbers. A wage gap does not mean that women or minorities receive less for doing the same job. In fact, existing law already prohibits employers from doing that. It also ignores seniority, merit, or other legitimate factors that may contribute to a gap. Besides the Bureau of Labor Statistics already show wage gaps are narrowing.

Jobs do not have an intrinsic or absolute value. Therefore you cannot assign a measurable economic worth on a scientific and pragmatically determined basis between different jobs. Market value principles is the only valid means of making these judgments.

The alternatives are to ensure that women and minorities have equal access to all jobs. This also must include equal access to education, training programs, and other elements that lead to higher paying jobs. This access is already assured by existing laws.

Let's not start trying to apply unjustifiable methods of comparing different jobs in the name of protecting rights. The costs are too high, the results only divisive. If someone is not being paid equally to another there are simple administrative solutions. A new study will not improve on that at all. Let's defeat H.R. 3008.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentlewoman from Louisiana [Mrs. Boggs].

Mrs. BOGGS. I thank the gentlewoman for yielding me this time.

Mr. Chairman, I rise in support of H.R. 3008, and I am in such good company when I do so. This bill passed out of committee 18 to 4. A similar bill passed this House last year, with only six nay votes against it. Forty-five States, including my own of Louisiana, have undertaken similar studies. Those who should know the most intimately about the need for its passage, the federally employed women, and international, bipartisan membership organization that represents the concerns of over 800,000 women employed by the Federal Government have this to say about urging its passage:

"A wage differential between male and female workers exists in the Federal work force." Federally employed women can expect to earn 63 percent of wages of all men. A large portion of this wage gap can be directly attributed to the occupational segregation within the Federal workplace.

Although women comprise nearly half of the workers of the general schedule classification system, 73 percent of all women are in GS grades 1 through 8. This occupational segregation directly results in lower wages for women. The average salary for Federal women workers in the GS system is $18,864 per year as compared to $30,229 per year for men.

The General Accounting Office [GAO] recently released a report entitled, "Options for Conducting a Pay Equity Study by the Federal Pay and Classification System." This report illustrates how the Federal classification system can be studied for sex-biased wage discrimination. The Federal Equitable Pay Practices Act of 1985, H.R. 3008, would utilize the suggestions contained in the GAO study by providing for a study of the Federal wage and classification systems to determine if they are affected by discrimination based on sex, race, and hispanic origin. "The study would evaluate civil service jobs using both job content and economic analyses and would be conducted by a private consultant hired by a bipartisan commission.

This simple, straightforward—and just—legislation aims to accomplish a study to ensure that our civil service wage and classification systems are free of bias.

Mr. BURTON of Indiana. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. Bentley].

Mrs. BENTLEY. I thank the gentleman for yielding me this time.

Mr. Chairman, I am very concerned about the cost of government, and I find this bill singularly silent on the potential cost of implementing the so-called study required in the bill. I am sure that this study is not undertaken with any expectation other than that it will justify a massive increase in the payroll cost in these classified positions.

Why then is there nothing about these potential costs in the bill? There is a great deal of rhetoric about protecting civil rights and precluding discrimination. There seems to be no consideration of the civil rights of the class which never gets a break. Who sees to the civil rights of the taxpaying citizen? Who protects the woman who must pay for social experiments in wage and price controls with taxes which could better be used to take care of her needs and those of her family?

Just this week two Members of this body sent out a letter on this bill and the experience in their home State of Washington with this suit resulting from a study mandated by their legislature. One of them says that the cost of conforming to that decision would be only a few million. The other claimed the cost as more than a half billion dollars. That allegation included some chilling numbers. The cost was estimated as one-eighth of the State's annual general fund budget. The effect would be that, in order to pay for that one judgment, every tax in the State's arsenal would have to be raised 12.5 percent a year. We simply cannot be so indifferent to the damage we do to the taxpayers as to ignore such a massive potential cost to them. If the State of Washington is in jeopardy for a half billion dollars, what might the Federal cost add up to.

I urge you to strip the mask of secrecy from this move to change our economic system and at least find out the immediate dollar cost.

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Ms. OAKAR. Mr. Chairman, I yield 1 minute to the chairman of the Congressional Black Caucus, the gentleman from Texas [Mr. Leland].

Mr. LELAND. I thank the gentlewoman for yielding this time to me.

Mr. Chairman, I am here on behalf of myself and the members of the Congressional Black Caucus, in support of H.R. 3008, the Federal Equitable Pay Practices Act. Our colleague, the gentlewoman from Ohio, is to be commended for once again coming forward with legislation to examine wage discrimination against women in the Federal sector. With H.R. 3008, she has gone a bold step further, showing the foresight and intestinal fortitude—to also include a study of wage discrimination based on race. This is a valiant step and certainly one that needs to be taken.

Contrary to what some of our colleagues and others are saying about this legislation, it would provide for a study to determine if, and to what extent, job classification and wages are affected by sex, race, or ethnicity. It is curious to me that so many people are concerned about the future threat of lawsuits that might result if racial or sexual discrimination is found. It seems to me that they fear the study will find such discrimination, and they just don't want their fears confirmed in black and white. You see, they're aware of the statistics: While accounting for nearly 50 percent of the Federal work force, approximately 78 percent of female employees are in grades 1-6, while 85 percent of men are in grades 10–15. Likewise, they are aware of the results of these statistics: Black and white women in the Federal work force earn only 62 cents and 63 cents, respectively, for every dollar earned by their white, male counterparts. It is clear from this that at the very least, the Federal Government is not the role model it should be. I want to know if this disparity is based on race or sex. If it is, not only is it morally wrong, but it is illegal and must be changed.

It is sad that 20 years after passage of the Civil Rights Act, which mandated equality for all Americans regardless of race or sex, we are still concerned with economic racism and bigotry that continue to keep women and racial minorities at the bottom of the socio-economic ladder. However, with H.R. 3008, this body has a chance to take a giant step in furtherance of the ideal of equality for all Americans, regardless of race or sex. Earlier today, this body showed compassion, intelligence and a firm belief in the principles upon which this Nation was founded and voted favorably on anti-apartheid legislation. I am asking my colleagues, on both sides of the aisle, to call upon those same qualities once more today and support H.R. 3008.

Mr. BURTON of Indiana. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from North Carolina [Mr. Coble].

Mr. COBLE. I thank the gentleman for yielding this time to me.

Mr. Chairman, my colleague from North Carolina previously reviewed with Members what occurred in the North Carolina Legislature in 1983. I was a member of that body. I voted against the appropriation of $650,000 to conduct a study on this very issue.

Something did not ring true, it seemed to me, at that time that that was the proper vehicle. As my colleague told members, this past session of our legislature repealed that appropriation because they concluded, as well, that it was not the proper vehicle.

It is my belief, Mr. Chairman, that this is the inappropriate forum to address this problem. It needs to be addressed, but it needs to be addressed and resolved in the marketplace.

I urge my colleagues to vote accordingly when it comes time.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. Weiss].

Mr. WEISS. I thank the gentlewoman for yielding this time to me.

Mr. Chairman. I rise in strong support of the Federal Equitable Pay Practices Act of 1985. The Federal Compensation System, which sets the wages for the largest employer in the country, was established in 1923. Since 1923, employment patterns and family structures in this country have changed dramatically. The Federal Compensation System has not. As a matter of fact, there has never been a thorough study of the Federal civil service to determine if the changes in employment have been reflected in the Federal Compensation System. A comprehensive wage study is long overdue.

I want to commend the gentlewoman from Ohio [Ms. Oakar] for her extensive examination of our Nation's pay system conducted as Chair of the Subcommittee on Compensation and Employee Benefits. It is through her diligence and persistence that we are able to consider this good, sound piece of legislation today. This initiative, The Federal Equitable Pay Practices Act of 1985, which would establish a temporary study commission, has over 100 cosponsors from both sides of the aisle, and has been endorsed by numerous labor unions and organizations representing millions of this country's working population.

Pay equity is not a new concept. On the contrary, all but five States have initiated activity to study their pay systems. Sixteen States are conducting or have completed pay equity studies. And in some instances on both the State and local levels, employee contracts have been renegotiated with an eye toward eliminating discriminatory factors.

In my home State of New York, an extensive study negotiated by the Civil Service Employees Association, AFSCME, and the State's Office of Employee Relations, is near completion. This 2 year project has focused on the practices of three bargaining units covering approximately 100,000 State employees.

There are a number of reasons why a valid comparision is possible between New York's initiative and the one we are considering today. New York State, as the third largest public employer in the country, is the largest jurisdiction to conduct such a job evaluation. The New York study, like the Federal proposal, has not focused strictly on instances of sex discrimination, but racial discrimination as well. Additionally, New York State hiring practices had also never been assessed to determine whether assumptions about jobs and the assignment of job titles to salary grade had been distorted by the sex or race of the typical job incumbent.

It is clear from the preliminary results of New York's job content survey that a pay equity study can be successfully carried out in a large public jurisdiction with a diverse work force. And, it is worth noting that many of the recommendations offered by those conducting the New York State study have been included in this bill.

From the amount of serious debate and activity pay equity has received in recent years, it is evident that discrimination has managed to creep into numerous pay systems. A recent General Accounting Office study reported that women, while comprising nearly half of the Federal work force, are clustered at the lower end of the pay scale. Approximately 78 percent of women are clustered in grades 1 to 6, earning an average of $9,000 a year less than their male counterparts. Conversely, 85 percent of the male employees in the Federal Government occupy jobs in grades 10 to 15. According to Census Bureau data, women employed by the Federal Government earn an average of 62.8 percent of the wages of their male counterparts.

Many argue that the setting of wages can only be fairly determined in the marketplace. While wage setting cannot be divorced from the forces of supply and demand. It is also true that patterns exist in which certain jobs have historically been closed or open to particular persons on the basis of race and sex. The National Academy of Sciences estimates that at least 50 percent of wage discrepancy is due to discrimination. Job discrimination is a historic reality.

Opponents of pay equity also argue that the pay gap will close with the entrance of more women into less traditional, higher paying jobs. It is estimated, however, that this will not happen before the end of this century. Obviously this does not provide a solution for those who are in the workforce today.

Women have taken jobs that were available to them, but did not choose to earn lower pay. There is no justification to continue to pay women less for the work that they do or to expect them to change careers. More importantly, society cannot afford to sacrifice the work that women are now doing.

Changes in the structure of the American family have greatly altered the roles that women play in our society. The number of female-headed families grew by 1 million between 1979 and 1983. It is expected that by 1990 one child in four will live in a single parent household.

Hearings held recently by the Subcommittee on International Relations and Human Resources, which I chair, detailed the dramatic rise in the numbers of women and children in poverty. Today about half of female-headed families live below the federally determined poverty level.

In light of the startling and increasing rate of poverty among single parent families, nonenforcement of existing sex discrimination laws by the Federal Government is inexcusable. And it is truly distressing for the chairman of the U.S. Civil Rights Commission to pronounce that married male breadwinners are entitled to higher wages on the ground that "you have to give some kind of respect to traditional family values."

It is the job of the Federal Government to set an example for the country by properly following and enforcing existing labor laws. Today's bill will not change the existing laws or add new ones. Rather, the Commission will study Federal pay and classification systems with regard to title VII of the Civil Rights Act of 1964 and the Fair Labor Standards Act of 1938.

As the laws have already been determined, voluntary study and compliance at the Federal level will save the Government costly and time consuming law suits. Instead of ignoring or restructuring the procedure for handling the tremendous backlog of law suits which have already been filed, the Government will have the opportunity to operate as a fair and unbiased employer. The only affect this study hopes to have on State and local entities and the private sector will be to show that the Federal Government, too, is concerned with discrepancies in the existing wage system and is willing to make necessary corrections.

Last year, this body voted overwhelmingly in favor of pay equity legislation. That proposal, which was in fact stronger than the one we are considering today, passed by a vote of 413 to 6. It is my hope that, with the swift passage of H.R. 3008, we can get on with the effort to secure equality in the workplace.

A thorough examination of the Federal pay and classification system is long overdue. I believe that the legislation we are considering today outlines an objective and reasonable approach for reviewing this system, and for making recommendations where necessary. I urge that the House approve H.R. 3008 without substantive and weakening amendment.

Mr. BURTON of Indiana. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The Chair will advise the gentleman from Indiana [Mr. Burton] that he has 3 minutes remaining.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, my colleagues have time and again said, "Why do you object to a study?" We certainly do not object to a study. There have been 22 studies of Federal pay and classifications since 1949.

There was a study completed just this last year, the equal worth, comparable work and market worth of Federal jobs, a study of the Federal Government's pay classification and qualification systems for employment, by the United States Office of Personnel Management.

It depends on whether or not one likes the study. The gentlewoman from Ohio, as I understand it, asked the GAO to make a comparison of this with what it was intended to do, to find out if it was a competent study, and based upon the guidelines, as I understand it, of her request, they said it did not qualify as a competent study.

It depends on one's point of view. I think it is a good study. It is a very comprehensive study. But let us look at the reasons why we are concerned about the study that the gentlewoman is talking about in this piece of legislation.

A similar study was taken in the State of Washington which resulted in a $1.1-billion judgment. We have 30 times as many employees as the State of Washington. If we have a judgment rendered of the magnitude that was rendered in the State of Washington, we are going to be looking at a $30-billion judgment, $30 billion.

There have been a number of States that have had studies of this type that have pending litigation—the State of Alaska, the State of California, the State of Connecticut, the State of Hawaii, the State of Illinois, the State of Michigan, the States of Missouri, New York, Oregon, Rhode Island, and Washington. I want to tell my colleagues that according to the Justice Department, if this legislation is passed, they are absolutely certain that there will be a similar suit filed against the Federal Government which could amount to as much as $30 billion or more.

My colleague, the gentleman from Minnesota, a few moments ago, indicated that in his State it only cost them 4 percent of the State budget in order to come up with a pay equity agreement. Four percent of the Federal payroll——

Mr. SIKORSKI. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I do not have time. I am very sorry.

Mr. SIKORSKI. I did not say 4 percent of the State budget, and I resent the gentleman saying that.

Mr. BURTON of Indiana. Four percent of the State payroll.

Mr. SIKORSKI. Will the gentleman yield so I can set the record straight?

Mr. BURTON of Indiana. It was 4 percent of the State payroll. But 4 percent of the Federal payroll, if we use that percentage, is $2.4 billion. We are in a budget crunch right now. We have been arguing for the past few days over whether or not we are going to get a budget.

If we follow his train of thought and we come up with a 4-percent solution, we are looking at at least $2.4 billion added to the Federal deficit, which is something I do not think we can tolerate right now.

Mr. Chairman, I think that this legislation is misguided and I am very hopeful that I am able to convince my colleagues on the other side of the aisle to consider the substitute which I will offer later in the debate on this legislation, which will really study this issue in depth, and if they want another study, I think this study will accomplish the goals that they are seeking.

Mr. Chairman, I yield back the balance of my time.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. Hoyer].

Mr. HOYER. I thank the gentlewoman from Ohio, the chair of the committee, for yielding this time to me.

Mr. Chairman, I rise in very strong support of this legislation. I am interested to hear that this legislation may undermine the economic system of our Nation, may undermine the free enterprise system of our Nation, and may subject us to litigation.

First of all, if it does that, it seems to imply that there is something very much amiss, and the arguments that were used were clearly arguments used in almost every instance where progress was made in fairness to employees. Whether it was labor legislation, equal opportunity legislation, whatever it was, the arguments that we hear on this floor today have historically been used to keep people in their place. In this case, it is women to be kept in their place.

If we are not doing anything wrong in Federal personnel policy, we have nothing to fear from a study which will give us the facts.

So I urge my colleagues to strongly support this legislation when it comes to a vote.

Currently, 47 million women are employed in the United States. Of these, a record 19.5 million are working mothers. That translates into 6 out of 10 women with children under 18 years old that are working. Fourteen years ago, 6 out of 10 stayed home. These working mothers are not part-time workers—a full 71 percent work full time.

Yet the Bureau of Labor Statistics reported in May that the median weekly earnings of women were 66 percent those of men. Women earned $268 at the median while men earned $404.

More importantly—among major occupational groups, women are separated from men by an unexplainable chasm in earned wages.

Men employed in executive, administrative, and managerial occupations had median earnings at $601 compared with $363 for women. Among professional specialty workers, men earned $554 while women earned $400.

These statistics go on and on. They reflect a strong likelihood of a structural inequity in our Nation's wage system. Unfortunately, our Federal wage system is not immune from this potentiality. Similar gaps in wages exist for Federal workers. Average male salary—$30,229; average salary for women was $18,864 in October 1983.

We cannot merely assume away the possibility that such wage gaps are the result of discrimination in violation of the Civil Rights Act. We owe it to ourselves and our employees to be certain of the reasons for such wage differentials. There has never been a full and complete study of the Federal Pay and Classification Systems since its inception in 1983.

It is time we had one. H.R. 3008 meets this need by mandating a study of the Federal Pay and Classification Systems to determine whether they are affected by discrimination based on sex, race, or Hispanic origin.

Only Federal jobs will be studied and recommendations are limited solely to Federal Civil Service. This bill does not put into place a national employment-pay equity policy for the country or even the Federal Government. Nor, does this bill presume that any existing wage gap is due to discriminatory practices. It only requires a complete study of our pay and classification system.

Congresswoman OAKAR deserves to be commended for her efforts to secure a fair and reasoned approach to this study. Her bill establishes an 11 member bipartisan commission to oversee this study which will guarantee representation by both Houses of Congress, the President and the Office of Personnel Management. This commission will hire a consultant to perform an 18-month study, comment on the study and disband.

In this way, we will be provided with a complete and accurate review of the wage gap which exists between sexes in Federal employment and whether that gap is attributable to such factors as responsibility, effort, qualifications, seniority, education or other factors exclusive of sex, race, and ethnicity. We can then move forward based on data and not heresay.

Mr. Speaker, I congratulate Congresswoman OAKAR for her continued leadership in this field of pay equity. We should know if our Federal Civil Service is stained with discrimination and should quickly move to be certain that we are in full compliance with our civil rights laws. Equality and fair treatment must continue to be our goals to ensure a fair employment system supported by the high morale and productivity of all employees.

I urge all Members to support H.R. 3008.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to a very distinguished Member of Congress, the gentlewoman from Connecticut [Mrs. KENNELLY] who has been supportive of this legislation in every instance.

Mrs. KENNELLY. I thank the gentlewoman for yielding this time to me.

Mr. Chairman, it has been said that a little knowledge is a dangerous thing—and certainly that would be one's impression listening to the opponents of the Federal Equitable Pay Practice Act.

To hear them talk, you would think that a little knowledge about Federal wage differentials and pay practices would whip up the winds of universal economic disaster, if not cause the immediate collapse of Western civilization. It just isn't so.

Rarely have we seen so much exaggeration and misinformation generated about one piece of legislation particularly one that was adopted in committee by a lopsided vote of 18 to 4, and which passed the House in a somewhat different form only a year ago with just six votes in opposition.

We don't often have to spend so much time saying what a bill does not do, but let me reiterate just two of the things this one does not do.

First, it does not send out an army of Federal bureaucrats to impose a standardized wage scale or mandatory pay increases on private American businesses. In fact, the bill applies only to the Federal work force, and it does not even impose any sort of pay system on them.

The bill provides for a study, a simple study, which would investigate whether sex, race, or Hispanic origin are factors used in setting pay. H.R. 3008 specifically requires that the study not assume that discrimination exists on those grounds. It requires that there be an investigation of all the ingredients which are used in setting pay, including seniority, merit, job content, and market forces.

Second, the Federal Equitable Pay Practices Act does not set up an irresponsible or biased Commission to oversee this study. If the Commission is stacked, it is in favor of the Office of Personnel Management: 5 of the 11 members on the Commission are either the Director of OPM or OPM appointees. The other six members are the Comptroller General of the United States and individuals appointed by the President and the majority and minority leaders of the House and Senate.

The Federal pay and employment classification system now in place has not been reviewed in a comprehensive manner since it was first established over 60 years ago. Yet preliminary information indicates that the average earnings gap between men and women working in the Federal Government is $9,000 a year. Eighty percent of the women are concentrated in grade 7 and below, while 85 percent of the men in the Federal work force are concentrated in grades 10 through 15. Maybe sex discrimination plays absolutely no part in these enormous discrepancies, but it is high time we found out what does play a role.

It has been said that what you don't know won't hurt you. Perhaps Members of Congress won't be hurt by self-imposed ignorance on the subject of equitable pay practices. But the women and minorities and people of Hispanic origin who work for the Federal Government might be hurt with every paycheck if we refuse to accept our responsibility to know why inequities exist in Federal pay practices. I urge my colleagues to vote in favor of the Federal Equitable Pay Practices Act rule.

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Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES. Mr. Chairman, I thank the gentlewoman from Ohio.

Mr. Chairman, I rise in strong support of H.R. 3008. As a former trade unionist, in that capacity before being elected to this great body, I negotiated and fought and picketed for pay equity in the private sector of our society. I can do no less as a Member of this Congress as a matter of conviction and commitment.

Usually it is a situation where people readily accept the appointment of

commissions and designations of studies for these kinds of issues as a method of depth for this kind of action which is being requested. This is a mild resolution, a mild bill, and certainly I believe this bill, H.R. 3008, outlines a thoroughly objective and reasonable approach to review our pay classifications for our employees.

Mr. Chairman, as Members of Congress we have an obligation to fight discrimination wherever it may exist. We need not fear or should not fear a study of the Federal Government pay and classification system. I certainly support this bill.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, I rise to speak in support of H.R. 3008, the Federal Equitable Pay Practices Act of 1985. I commend my distinguished colleague, MARY ROSE OAKAR, Secretary of the House Democratic Caucus, for presevering on this issue and reintroducing this excellent bill. There has been a lot of discussion of this measure, and a lot of claims concerning its intent and consequences. Let's understand what this bill does and does not do.

First, let's look at what it does not do.

This bill does not propose any new law whatever, or any new standards for equitable pay. It simply proposes a study to determine whether the Federal pay and classification systems are consistent with current law—with title VII of the Civil Rights Act of 1964 and section 6(d) of the Fair Labor Standards Act of 1938.

It does not affect State or local government or private employers in any way. The bill proposes a study of the Federal Government only. It seeks to ensure that the Federal Government's own house is in order, that its own pay and classification systems are designed and enforced in accordance with current law and are not discriminatory.

The bill does not impose, directly or indirectly, any new Federal regulations on the private sector. Yet even job evaluations in the private sector do not require or lead to regulation of the market. Pay scales can reflect the market and be nondiscriminatory. Many large companies already have job evaluation systems to ensure that their job and wage systems do not violate Federal antidiscrimination laws. They obviously don't consider themselves to be tampering with the market.

Even though perfect objectivity obviously is impossible, the study proposed by the bill is not impossible to achieve. it is possible to identify and correct discriminatory pay practices. Forty-five States have already examined the issue, through studies, legislation, or collective bargaining. The GAO has conducted a study of the methodologies the proposed Commission would use, and concluded that such a study is indeed feasible and that the study "would provide Congress with a comprehensive analysis of the pay equity issue."

The bill does not presume, nor will the Commission presume, that wage differentials are discriminatory. After the study, wage differentials unexplained by economic and job content analysis may be deemed discriminatory. This would be left to the judgment of the bipartisan, representative commission.

The bill does not provide for or mandate implementation of the Commission's recommendations, although I would hope that, if wage discrimination in the Federal Government were found, it would be eliminated.

The bill does not open the way for extensive, costly litigation. Should discriminatory practices exist in the Federal pay or classification systems, this study would enable the Government to take steps to end them promptly, thus avoiding possible litigation.

Finally, this bill does not threaten our way of life with extinction. Opponents of the bill predict that it will cause the "destruction of our economic strength," the "death of our free enterprise system," "loss of individual liberty," and "social chaos." Similar dire predictions were made when the Equal Pay Act, the minimum wage, and the child labor laws were enacted. Our free market system is strong and is only strengthened by laws embodying the American ideal of equality, such as H.R. 3008.

Now, let's take a look at what this bill does.

H.R. 3008 does demonstrate the Federal Government's commitment to our civil rights laws and to the elimination of wage discrimination.

It is crucial that American women and minorities have economic equity and an equal chance for economic self-sufficiency. Greater economic opportunity for all means greater long-term economic growth. From the standpoints of both productivity and simple justice, women and minorities must not be second class economic citizens. Our economy and our integrity cannot afford it.

The Federal Government is the Nation's largest employer, and probably its most visible employer. It also represents the beliefs and values of the American people. Surely it is encumbent upon us to see that our employment practices are scrupulously legal, and nondiscriminatory.

The bill does represent a broad, nonpartisan consensus that the time has come to look at the employment practices of the Federal Government. Last Congress, a similar bill passed the House with 413 votes. This year's bill has broad, bipartisan cosponsorship.

Opponents of this bill say that the rectification of discriminatory job and wage practices will be too expensive. Mr. Speaker, discrimination isn't a cost to be factored into a cost-benefit analysis, nor is its eradication. Discrimination is a moral outrage and a violation of the law, and its eradication is a moral obligation and a legal necessity.

I really believe that we all agree, proponents and opponents of the bill alike, that our goal in this area is a "gender-blind," "race-blind" society in which all individuals have equal opportunity to compete in our economic system. And I think we all agree that we have made a great deal of progress in eliminating barriers to equal economic opportunity. But we have not reached our goal yet, and we disagree on how to reach it. Opponents of the bill tell us that if we resolve to stop discriminating in the future, the market will take care of inequities. I agree with my friend Congresswoman OAKAR, and my colleagues who joined me in cosponsoring H.R. 3008, that this is not enough. Yes, we must look to the future, but we cannot ignore the past. While this bill only calls for a study, we cannot just ignore remaining, present discrimination created by past economic, social, and legal conditions and hope that it will go away. If people have been wrongfully placed at a disadvantage in our competitive economic system, we must seek out these inequities and remedy them. Only then will we have an economic system we can be proud of as Americans. H.R. 3008 recognizes our obligation, as Federal legislators, to look to our Federal wage and classification systems, to ensure that no Federal employee is at a wrongful economic disadvantage.

Ms. OAKAR. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, I have heard much misinformation on the floor today by those who oppose the bill. They would have us believe that there are going to be all kinds of lawsuits because of this study on how we treat our classified Federal employees.

They mentioned the State of Washington. The reason the people succeeded in that case was because the Federal judge ruled they were discriminated against under the Civil Rights Act, title 7. It was not because of a study that that was done.

Forty-five States have either implemented a study or are in the process of implementing a study, and somehow the Sun is still shining and the rivers in this country are still flowing. That kind of fear tactic should not dissuade the Members.

This is a simple study. We have not done one since 1923. No one is trying to set up a national pay scale. I would be opposed to that. I believe very strongly in the free enterprise system.

But we do have jurisdiction over how we treat classified Federal employees, and we know we have not looked at how we classify them in a fair manner and an equitable manner since 1923. We also know we have not looked at how we classify not only women but minorities, and this is why we added minorities to this study.

Mr. Chairman, anyone who really believes that more than half of the population ought to be treated fairly in this country will support this legislation. Anyone who believes that Hispanic men and black men ought to be treated fairly will support this legislation. I ask my colleagues not to be swayed by the fears that people will give them. It is very interesting to me that those fears exist and have existed when we have addressed practically every piece of civil rights legislation.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. Oakar] has expired.

Mr. NIELSON of Utah. Mr. Chairman, I do not rise today in opposition to equal pay for equal work, and I do not rise in opposition to efforts to eliminate sex-based wage discrimination, wherever it may exist; I do rise in strong opposition to H.R. 3008, a bill proponents suggest will merely require a study of Federal employment practices, and particularly to the hasty manner in which it has been—is being—rushed to the floor for consideration by the full House.

Now much has been said about this bill and the confusing and controversial theory of comparable worth it pretends not to advocate. At the risk of repeating some of the valid concerns that have already been raised by many of my distinguished colleagues, I would like to share one of my own.

H.R. 3008 represents an "end run" effort by its proponents to pass legislation that would set the stage for converting the theory of comparable worth into public policy. Now they aren't exactly calling it comparable worth. They realize that there is some resistance in Congress to what at present is nothing more than a theory that has no agreed upon meaning or definition. Instead, they call it pay equity, and who could be against equal pay for equal work? After all, isn't that the law? Isn't that what pay equity means? Well, at one time it did, but apparently not any more. Now we hear it defined as "equal pay for work of equal value"—or in other words, comparable worth. Sound confusing? It sure does.

Proponents will argue: Now wait a minute. H.R. 3008 only calls for a study. We're only suggesting that someone should take a look at the Federal pay and classification system, to see if any sex-based wage discrimination is taking place. That's all.

Again, it sounds innocent enough: just a study. In reality, the advocates of comparable worth are trying to accomplish through the courts what they have not been able to accomplish through the legislative process: the implementation of comparable worth as public policy. They are fully aware of the recent experience of the State of Washington. It, too, commissioned "only a study," but what it got was a court decision sustaining a lawsuit which accused the State of practicing sex-based wage discrimination, based on the comparable worth theory. Proponents know full well that if the so-called pay equity study mandated by H.R. 3008 finds any discrepancies in wage compensation between male and female Government employees working at similar jobs—which would be, according to this bill, evidence of discrimination—it would lay the legal groundwork for filing the same type of lawsuits against the Federal Government.

Mr. Chairman, let's be up front about it. H.R. 3008 is a comparable worth bill. It is based on the comparable worth theory. Therefore, passage of H.R. 3008 would be interpreted as a congressional endorsement of comparable worth. I urge my colleagues to reject comparable worth. Vote "no" on H.R. 3008.

● Mr. MOODY. Mr. Chairman, I rise in stong support of H.R. 3008, the pay equity bill introduced by my colleague, Congresswoman Mary Rose Oakar.

There is no denying that this has become a controversial issue—even more surprising because of last year's support for a similar measure in this House. Can it be that we have turned our backs on wage discrimination and equality for woman and men?

Those of you who say no, and yet do not plan to vote for H.R. 3008, how can you deny a Federal study to resolve the most pressing questions about this issue?

Despite all the controversy, over 100 States and cities have undertaken studies of their wage scales, and in some cases have made changes in response to the discovered imbalance in pay. Nor has this been limited to the public sector. In 1984, the Rand Corp. found that, on average, women in the national work force are paid 64 cents for every $1 paid to men—an appalling discrepancy. In my own State of Wisconsin, we have conducted a study of the salary structure of State employee to determine whether wage inequities exist between comparable jobs, and our neighboring State of Minnesota is successfully implementing a pay equity plan approved for the State in 1982.

As representatives to our Federal Government, we should be leading the way on this issue. The controversy surrounding it affects all of us as workers as employers who must deal with wage structures and job evaluation, and as taxpayers and consumers who must feed our families.

I urge your support for this important study—we have nothing to fear from the facts if our intentions are workable.●

● Mr. LIVINGSTON. Mr. Chairman, equal pay for equal work. No one can argue with that concept, and in fact, it has been the law of the land in America for many years.

We Americans are firmly on record as being against discrimination of all kinds. We have passed laws, and our courts have ruled on numerous occasions that discrimination of any kind will not be tolerated.

Now, many of you may have heard of comparable worth, a theory of job evaluation being touted in Congress as a cure-all for sex-based wage discrimination. It sounds good, but it could very well cause far more problems that it seeks to resolve.

Comparable worth would allow the Government, the courts, and boards of "experts" to mandate wage adjustments to equalize the pay of men and women in different occupations that are judged to be comparable in skill and responsibility.

If you're wondering how the Government—or anybody else—can determine the worth of a job better than the free marketplace, the answer is it can't. Comparable worth prevents economic freedom; it flies in the face of the laws of supply and demand. In sum, comparable worth ignores the role of competition, individual experience, and merit when determining the "worth" of a job.

Most comparable worth advocates prefer a white-collar evaluation system like the Factor Evaluation System, which the Federal Government used in a recent comparable worth study of Federal employees. In short, the study completely refutes the validity of using comparable worth theories for eliminating discrimination.

Indeed, the study showed that imposing such a pay system could cause a class war. It could set blue collar people against white collar people, rich against poor, employees against employers, men against women.

Consider these conclusions of the Government's study:

Custodial worker men and laundry worker women would be cut from $16,000 to about a $10,000 clerical worth.

Food service worker women and laborer men would get a $5,000 pay cut relative to clerk-typist women.

Storeworker women and forklift operator men would received at least $4,000 less relative to nursing assistant women.

Sewing machine operator women and warehouse worker men would receive about $3,000 less compared to women secretaries.

Comparable worth would not only fail to eliminate sex-based wage discrimination, but it would probably worsen the problem. By offering higher wages for what feminists call dead end jobs, comparable worth would diminish the incentive for a worker in a female-dominated occupation to vault the barriers into a previously male-dominated job. After all, why push to be a chemist when you can remain a clerical supervisor and make just as much or more money?

As a result, our society would be riddled with more sex-segregated jobs than ever before—and the bureaucracy necessary to cope with this maze of regulation would become incredibly huge.

Women, the very people that comparable worth advocates purport to help, seem to recognize the folly of this job evaluation method. In a nationwide survey of 2,704 adult Americans conducted late last year, only 18 percent of all female respondents favored the passage of new laws as a means of combatting sex-based wage discrimination.

Certainly we should continue to work to eliminate discrimination of all kinds, and particularly wage discrimination against women.

What women truly want, and what they should rightfully receive, is better enforcement of the two equal pay laws that are already on the books. Proper enforcement of two statutes—the Equal Pay Act and title VII—guarantees equal pay for equal work to all workers, and that's as it should be.

Equal pay for equal work is the American way. But a federally arbitrated comparable worth board is not the way to go.●

● Mr. FAUNTROY. Mr. Chairman, I rise in support of H.R. 3008, the Federal Equitable Pay Practices Act of 1985, sponsored by my distinguished colleague from Ohio, Congresswoman Mary Rose Oakar, chair of the Subcommittee on Compensation and Employee Benefits.

I am proud to be an original cosponsor of this important, fair, and long overdue legislation which authorizes an 18-month study of the Federal pay and job classification systems to determine whether they are administered and operated in a manner consistent with current law, which prohibits discrimination on the basis of sex, race, and ethnicity.

The Federal Government, the Nation's largest employer, lags far behind the rest of the country in addressing the issue of pay equity. While the majority of States have already begun to examine their own pay systems and many are implementing corrective changes, it is incumbent upon us in the Congress to enact legislation that will examine the relationship between antidiscrimination laws and Government pay practices.

It is past time for the Federal Government to begin to address the issue of pay equity. To those who argue that we will be endorsing comparable worth, I say you are wrong. Mandating this study will not be an endorsement of any policy other than fair pay practices in the Federal Government, a goal upon which we already agree. In passing H.R. 3008, the Congress would be upholding its responsibility to exercise public policy oversight.

H.R. 3008 is a well-crafted bill, seeking simply to provide us with an evaluation of our Federal pay practices. Therefore, I urge my colleagues to support the Federal Equitable Pay Practices Act of 1985.●

● Mr. GUNDERSON. Mr. Chairman, today, the House of Representatives will take up H.R. 3008, the Federal Equitable Pay Practices Act of 1985, and I am in wholehearted support of this measure to study the Federal Government's job classification and pay systems.

H.R. 3008 was reported out of the House Post Office and Civil Service Committee, with bipartisan support, on July 24, and since that time a barrage of information has flooded our offices opposing the intent of this legislation and the stüdy. These red flags of caution and warning I contend are unwarranted. Are those in opposition to a study of the Federal work force afraid of what may be discovered?

Pay equity concept is evolving into an important issue of the 1980's. As an issue of this decade, pay equity is not a new or innovative idea of our times. At an International Labor Organization Conference held in Rome in 1951, 80 nations passed a resolution supporting comparable worth. Additionally, more than 100 comparable worth/pay equity initiatives now exist at various governmental levels around the country. Six States have implemented comparable worth/pay equity policies, and other States are in the process of studying their State's pay classification and compensation systems. I contend now is the appropriate time for the Federal Government to review its classification and wage systems to determine if ethnic origin, gender, or race are elements used in setting pay scales in the Federal work force.

H.R. 3008 establishes a bipartisan Commission on Equitable Pay Practices to oversee a study conducted by an independent, private consultant on the Federal classification and wages. The study will take into consideration positions of classified employees of the Federal Government, it will not affect local or State public sector employees or the private sector work force.

H.R. 3008 offers important technical revisions that were not included in H.R. 5680, which was passed by the House last year. The revisions include a March 1985 GAO recommendation on how to conduct a pay equity study by expanding the study to determine if economic variables such as education, locality, merit, productivity, seniority, veterans status, and work experience are associated with occupational pay differentials. Economic analysis joined with job content analysis will provide for a well-rounded approach to the study.

The questions asked by this legislation, and determined by a careful study are legitimate. An undertaking of this nature will essentially provide the administration and Congress with information and recommendations to determine if Federal pay practices are consistent with section 6(d) of the Fair Labor Standards Act of 1938 and title VII of the Civil Rights Act of 1964.

The Federal classification and pay systems were established by the Classification Act of 1923, and since that time there has not been a general review of the system. I believe now is an appropriate time to address this matter. It would be rather naive to think that some Federal positions have not become institutionalized, over the years, by a particular gender or race. Let's not push aside a factfinding study of the classification and wage systems and an opportunity to improve the Federal Government as a responsible and fair employer.

The Federal Equitable Pay Practices Act of 1985 is a laudable piece of legislation to assist the administration and Congress in identifying, and if need be address, any forms of discrimination that may exist within the Federal pay system. I strongly urge my colleagues to seriously consider favorably H.R. 3008.●

● Mr. FRENZEL. Mr. Chairman, I was a cosponsor of the predecessor bill to H.R. 3008, H.R. 27. I signed on to that early bill not as an ardant supporter of the concept of comparable worth, but as one who is concerned about some of the allegations of inequities in our Federal pay scales. I felt that the sponsor's suggestion that a study be made of the Federal pay and classification system to determine whether there are inequities was a good idea.

Unfortunately, opponents of the comparable worth idea have unfairly represented this bill as something far more extensive than it is. The study will examine the Federal Government only—it will not translate to the private sector in any way. The bill does not implement the findings of the study.

There have been many comments by some of our colleagues in the past few weeks which have attempted to explain why there may be disparities that are perfectly normal which account for the fact that 78 percent of federally employed women are concentrated in the low end of the pay scale. They raise some good points, but, if true, I believe the points will be confirmed in the study as well.

Other opposition to the bill centers around the fact that a costly court case could arise from any failure of the Federal Government to implement recommendations included in the pay study. Or that the court would determine that the study's recommendations must be implemented by the Federal Government. The bill, H.R. 3008, does say that. I guess I have more faith in the courts than that.

I have many questions about the feasibility of developing a rating system or another method to determine a fair system of comparable worth. In general, I want most decision to be made in the market place. However, I do not have any objection to a bill which appears only to study the Federal pay system for possible inequities. In my opinion, the issue has been blown way out of proportion.●

● Mr. MATSUI. Mr. Chairman, I rise today to speak in favor in H.R. 3008, the Federal Equitable Pay Practices Act of 1985, which calls for a study of the Federal pay and classification systems to determine whether they are marred by sex-based wage discrimination.

As the largest single employer in the nation the Federal Government should be a model of legal compliance for all. But we are behind in this area. To date all but five States have examined the issue of sex-based wage discrimination.

We can not ignore the evidence that the Federal pay and classification systems may be biased. A GAO report showed a pay differential of almost $12,000 between male and female Federal Government employees. The study pointed out that women are clustered into relatively few occupations near the lower end of the pay scale while men are predominantly found in jobs with higher grades.

This legislation before us today is not revolutionary. It is not a nationwide comparable worth program. This bill was reported out of the Post Office and Civil Service Committee by a vote of 18–4. A similar bill passed the House of Representatives last year by a vote of 413–6. This legislation merely reaffirms the law of the land, which states that sex, race and ethnicity are not factors that may be used to determine the rate of pay for any person or any position.

We can eliminate discrimination in our time, but we can not do so if we deny that it exists or if we refuse to join in the effort to determine the extent of the problem.

Support of H.R. 3008 is support for a fair, objective study of discrimination in the pay practices of the Federal civil service. The public has a right to know if the wage practices of its Government are within the law.●

● Mr. GREEN. Mr. Chairman, I should like to commend my colleague from Ohio, chair of the Subcommittee on Compensation and Employee Benefits, and a fellow member of the Congressional Caucus for Women's Issues, for her work on the issue of pay equity.

The legislation before us today, the Federal Equitable Pay Practices Act of 1985, mandates a study on the Federal pay and classification systems to determine whether they are affected by discrimination based on sex, race or ethnicity. The current system for so-called white collar workers, the General Schedule, appears to evaluate positions in a fashion that comports with the principles of gender equity and pay equivalance. Variations in pay and class/grade determination are based on differences in the difficulty, responsibility and qualification requirements for the work performed. In addition, determining factors include the amount of supervision required and the amount of independent judgment which is necessary. These criteria would appear to discount discriminatory factors. However, I believe it is important to look at the system to ensure that, in fact, they do.

The prevailing rate system, which covers what are traditionally referred to as "blue collar" positions, applies to those in trades or crafts, or in skilled, semiskilled, or skilled manual labor occupations. Clearly, these are fields where there traditionally has been little female participation. In addition, the prevailing rate system provides that wages must be maintained in line with prevailing wages for comparable work in the private sector within a local wage area. The question will be how to deal with disparities in the two systems while accounting for factors unique to each.

The issue of pay equity, or "comparable worth," is complex. Women's roles in society have changed dramatically, particularly in the last two decades. I think it is important to note that achieving full equality for women is a multi-faceted process. Those of us who have taken a lead in this effort are attempting to address all aspects of the issue through studies and proposed reforms in pension and tax laws, education, child care and civil rights. All of these subjects contribute to the complexity of the pay equity issue, and how they are dealt with at present and in the coming years will have a lot to do with progress toward per equity.

This legislation takes an appropriate first step in addressing comparable worth questions. It is only a study, which will allow us to determine from its results what our next step should be. It takes into account the recommendations of the General Accounting Office [GAO] for conducting such a study. It will include job content analysis, based on factors such as skill, effort, responsibility and qualifications. Further, it will also contain an economic analysis, to show the extent to which differences in pay may be attributed to factors such as merit, seniority, work experience and locality.

Eliminating discrimination is a complex and difficult task. It is slow and tedious. It required acceptance of the fact that most problems in society are not the subject of a simple cause and effect relationship. But it must continue to remain high on our agenda. Indeed, "comparable worth" is an issue worth looking at.●

● Mr. GEPHARDT. Mr. Chairman, I rise to speak in support of H.R. 3008, the Federal Equitable Pay Practices Act of 1985. I commend my distinguished colleague, MARY ROSE OAKAR, Secretary of the House Democratic caucus, for persevering on this issue and reintroducing this excellent bill. There has been a lot of discussion of this measure, and a lot of claims concerning its intent and consequences. Let's understand what this bill does and does not do.

First, let's look at what it does.

H.R. 3008 does demonstrate the Federal Government's commitment to our civil rights laws and to the elimination of wage discrimination.

It is crucial that American women and minorities have economic equity and an equal chance for economic self-sufficiency. From the standpoints of both productivity and simple justice, women and minorities must not be second-class economic citizens.

Greater economic opportunity for all means greater long-term economic growth. As an economy, as a society, we cannot afford the tragic waste of human potential, human skill and knowledge, that occurs when we deprive women and minorities parity in the work force.

But just as important, as a nation great in both economic and moral strength, we cannot afford to deprive American citizens of an equal opportunity to develop their potential and contribute to their society to the full extent of their ability, without artificial and discriminatory economic disadvantages.

Mr. Chairman, I have two young daughters—two energetic and talented daughters. I am concerned for their future, as any father would be. I want my daughters to be able to go where their talents and their determination lead them. As a father proud of his daughters, as an American proud of his country, I do not want my daughters to have to struggle against discrimination. I want no woman, no member of a minority group, no American citizen, to have to struggle against discrimination.

We must not place women or minorities at an unfair and illegal economic disadvantage. Our economy and our integrity cannot afford it.

The Federal Government is the Nation's largest employer, and probably its most visible employer. It also represents the beliefs and values of the American people. Surely it is encumbent upon us to see that our employment practices are scrupulously legal, and nondiscriminatory.

The bill does represent a broad, nonpartisan consensus that the time has come to look at the employment practices of the Federal Government. Last Congress, a similar bill passed the House with 413 votes. This year's bill has broad, bipartisan cosponsorship.

Opponents of this bill say that the rectification of discriminatory job and wage practices will be too expensive. Mr. Chairman, discrimination isn't a cost to be factored into a cost-benefit analysis, nor is its eradication. Discrimination is a moral outrage and a violation of the law, and its eradication is a moral obligation and a legal necessity.

I really believe that we all agree, proponents and opponents of the bill alike, that our goal in this area is a "gender-blind," "race-blind" society in which all individuals have equal opportunity to compete in our economic system. And I think we all agree that we have made a great deal of progress in eliminating barriers to equal economic opportunity. But we have not reached our goal yet, and we disagree on how to reach it. Opponents of the bill tell us that if we resolve to stop discriminating in the future, the market will take care of inequities. I agree with my friend Congresswoman OAKAR, and my colleagues who joined me in cosponsoring H.R. 3008, that this is not enough. Yes, we must look to the future, but we cannot ignore the past. We cannot just ignore remaining, present discrimination created by past economic, social, and legal conditions and hope that it will go away. If people have been wrongfully placed at a disadvantage in our competitive economic system, we must seek out these inequities and remedy them. Only then will we have an economic system we can be proud of as Americans.

H.R. 3008 recognizes our obligation, as Federal legislators, to look to our federal wage and classification systems, to ensure that no Federal employee is at a wrongful economic disadvantage.

Now, let's look at what this bill does not do.

This bill does not propose any new law whatever, or any new standards for equitable pay. It simply proposes a study to determine whether the Federal pay and classification systems are consistent with current law—with title VII of the Civil Rights Act of 1964 and section 6(d) of the Fair Labor Standards Act of 1938.

It does not affect State or local government or private employers in any way. The bill proposes a study of the Federal Government only. It seeks to ensure that the Federal Government's own house is in order, that its own pay and classification systems are designed and enforced in accordance with current law and are not discriminatory.

The bill does not impose, directly or indirectly, any new Federal regulations on the private sector. Yet even job evaluations in the private sector do not require or lead to regulation of the market. Pay scales can reflect the market and be non-discriminatory. Many large companies already have job evaluation systems to ensure that their job and wage systems do not violate Federal antidiscrimination laws. They obviously don't consider themselves to be tampering with the market.

Even though perfect objectivity obviously is impossible, the study proposed by the bill is not impossible to achieve. It is possible to identify and correct discriminatory pay practices. Forty-five States have already examined the issue, through studies, legislation, or collective bargaining. The GAO has conducted a study of the methodologies the proposed Commission would use, and concluded that such a study is indeed feasible and that the study "would provide Congress with a comprehensive analysis of the pay equity issue."

The bill does not presume, nor will the Commission presume, that wage differentials are discriminatory. After the study, wage differentials unexplained by economic and job content analysis may be deemed discriminatory. This would be left to the judgment of the bipartisan, representative Commission.

The bill does not provide for or mandate implementation of the Commission's recommendations, although I would hope that, if wage discrimination in the Federal Government were found, it would be eliminated.

The bill does not open the way for extensive, costly litigation. Should discriminatory practices exist in the Federal pay or classification systems, this study would enable the Government to take steps to end them promptly, thus avoiding possible litigation.

Finally, contrary to some claims, this bill does not threaten our way of life with extinction. Opponents of the bill predict that it will cause the "destruction of our economic strength," the "death of our free enterprise system," "loss of individual liberty," and "social chaos." Similar dire predictions were made when the Equal Pay Act, the minimum wage, and the child labor laws were enacted.

Our free market system is strong and is only strengthened by measures embodying the American ideal of equality, such as H.R. 3008.●

● Mr. BEDELL. Mr. Chairman, I rise today in support of H.R. 3008, the Federal Equitable Pay Practices Act of 1985.

H.R. 3008 mandates a study of the Federal pay and classifications systems for discrimination based on sex, race, and ethnicity.

As the Federal wage and classifications system has never been studied for evidence of discrimination, I believe that the study mandated by H.R. 3008 is clearly warranted. Indeed, as our labor market has certainly changed dramatically over the past several generations, it is important to clarify whether or not this vital system is organized in the most equitable and fair manner possible.

Pay equity simply means that wages and classifications are based on skill, effort, responsibility, and the working conditions of an occupation. It requires that jobs not be evaluated on the basis of sex or race.

The Government Accounting Office has issued a report that makes recommendations as to how a pay equity study might best be conducted. H.R. 3008 will take these into consideration in providing Congress with a comprehensive analysis of the situation.

This is an important study, indeed, an important step toward a better understanding of where discrimination might exist in our Federal wage and classification system, and what we might do to correct it.●

● Mr. CONYERS. Mr. Chairman, I rise to support H.R. 3008, the Federal Equitable Pay Practices Act of 1985, a proposed 18-month study to determine whether our Federal pay and classification systems are affected by discrimination based upon sex, race or ethnicity.

As a government, we pride ourselves on being part of a nation which places great importance on fairness and equity. As a nation we have come a long way to correct unfairness in our society, however, we still have a long way to go.

I want to commend our colleague, the gentlewoman from Ohio, Representative MARY OAKAR, who has championed this bill which seeks to identify the problems of chronic pay inequities in the Federal Government, the Nation's largest employer, and thereby, move us closer to our goals of social and economic justice for all our citizens. It is my pleasure to be a cosponsor of this important legislation.

According to studies by the U.S. Census Bureau, and the General Accounting Office [GAO], the disparity between income of Federal employees who are male and female is an average of $9,000.

A study prepared by the GAO revealed that federally employed women earn an average of 62.8 cents for every dollar earned by males employed by the Federal Government. That data also demonstrated that black women working for the Federal Government earn an average of 62.2 cents for every dollar earned by a male. When we compare all sectors—Federal, State and local government, and private—white females earn 59.2 cents for every dollar paid to a male, black women earn 54.7, and Hispanic women earn 51.2 cents.

The GAO also examined the extent to which federally employed women are clustered into relatively few occupations at the lower end of the pay scale. They found that even though women comprise 44 percent of the Federal work force, approximately 78 percent of the female employees were clustered in grades 1 to 6. On the other hand, 85 percent of the male employees occupied jobs in grades 10 to 15.

The wage gap is a persistent problem, one which has remained fairly static since the mid-1950's, and will remain so unless corrections are made. Neither the free market nor antidiscrimination laws—as currently enforced—have made a dent in the gap. This situation has persisted in spite of the Civil Rights Act of 1964 and the Equal Pay Act of 1963.

Mr. Chairman, there are some who ask: Why do we need such a study in 1985? The reason is clear: no study has ever examined this Federal concern since 1923 when the wage plan for paying the Nation's Federal civil servants was implemented. H.R. 3008 merely seeks to identify the cause of the problem. There are others who have expressed skeptism, arguing that the study is politically motivated. However, there is no need to fear the study because it is a bipartisan effort which had passed the House last year by a vote of 413 to 6.

This study focuses exclusively on the Federal Government. In addition, the 11-member bipartisan Commission which will oversee the study has only 18 months to make its final report, and 90 days after fulfilling its responsibilities, the Commission's authority will end.

All but five States have already addressed this issue. Some 39 have done research, while 22 are currently conducting evaluations of the pay classifications of State employees. In addition, seven States are implementing pay equity adjustments as a result of such studies. Many of these States, as well as some cities, have taken the lead in implementing pay equity policies to eliminate wage discrimination in their governments. Should not the Federal Government examine its own wage system, and follow the example being set by such States?

The mechanics of this legislation reflect national concern through a bipartisan team which will oversee the use of two types of research methods to be applied in this study as recommended by the GAO in its March 1984 study. One research method to be used, job content analysis, rates entry-level positions so that jobs are value based on factors such as skill, effort, responsibility, qualifications, and working conditions. To complement that technique, another method, economic analysis, will measure the extent to which pay differentials can be attributed to factors such as seniority, merit, productivity, education, work experience, veterans' status, locality, or other factors exclusive of sex, race, or ethnic origin.

The Congressional Budget Office [CBO] estimates that H.R. 3008, if enacted by September 1986, will cost between $1.5 and $2 million over the fiscal years 1986 and 1987. This bill specifies that the study is to be paid for with the regularly appropriated funds of the Office of Personnel Management. The GAO concluded that a pay equity study is feasible, and a study using both economic and job-content analyses would provide Congress with a comprehensive analysis of the pay equity issue.

This bill is not a back-door attempt to override market forces in determining wages for women and minorities. Rather, it is merely a means to determine if the Federal Government is adhering to existing antidiscrimination laws. Criticisms that this bill will severely disrupt the economy are only a repeat of false alarms sounded by those who announced a similar fate if the Equal Pay Act, minimum wage, and child labor laws were enacted.

In all those cases, the predicted economic chaos never came to pass. I believe that adoption of this legislation will be another important step in continuing the longstanding, bipartisan opposition to discrimination in this country.

After 60 years of experience with the Federal wage structure it is time for a comprehensive study which will give us the clarity to move the Nation forward. The Federal Government has the responsibility of developing, implementing, and enforcing legislation that will eliminate pay inequities based on race, sex, or ethnicity. Certainly it has a responsibility to make sure it is not discriminating as well. We can only bring honor to ourselves and the Nation by passing H.R. 3008 without further reservation, and I encourage my colleagues to support this important legislation.●

The CHAIRMAN. All time has expired.

Pursuant to the rule, the bill will be considerd by sections, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 of the bill is as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Equitable Pay Practices Act of 1985".

Ms. OAKAR. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Kildee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3008) to promote equitable pay practices and to eliminate discrimination within the Federal civil service, had come to no resolution thereon.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST AND PROVIDING PROCEDURES FOR CONSIDERATION OF CONFERENCE REPORT ON SENATE CONCURRENT RESOLUTION 32, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1986

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 99-248) on the resolution (H. Res. 253) waiving points of order against and providing procedures for the consideration of the conference report (S. Con. Res. 32) setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988 and revising the congressional budget for the U.S. Government for the fiscal year 1985, or any amendment in disagreement thereto, which was referred to the House Calendar and ordered to be printed.

CONFERENCE REPORT ON SENATE CONCURRENT RESOLUTION 32, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1986

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 253 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 253

Resolved, That all points of order against the conference report on the concurrent resolution (S. Con. Res. 32) setting forth the congressional budget for the United States Government for the fiscal years 1986, 1987, and 1988 and revising the congressional budget for the United States Government for the fiscal year 1985, or against the consideration of the conference report or of any amendment reported from conference in disagreement, are hereby waived. The

conference report or any amendment reported from conference in disagreement shall be considered as having been read when called up for consideration. If the conferees report in disagreement and the House acts first, it shall be in order to consider, without intervening motion, a motion, if offered by the chairman of the Committee on the Budget, that the House recede from its amendment and concur with an amendment or amendments, such motion shall not be subject to a demand for a division of the question, such motion shall be debatable for not to exceed one hour, to be equally divided and controlled as provided by clause 2(b) of rule XXVIII, and the previous question shall be considered as ordered on such motion. If the Senate acts first and further amends the House amendment, it shall be in order in the House to consider, without intervening motion, a motion, if offered by the chairman of the Committee on the Budget, that the House either concur in or disagree to the Senate amendment, such motion shall be debatable for not to exceed one hour, to be equally divided and controlled as provided by clause 2(b) of rule XXVIII, and the previous question shall be considered as ordered on such motion.

Sec. 2. The Chairman of the Committee on the Budget shall have unitl September 6, 1985 to print in the Congressional Record allocations of budget outlays, new budget authority, and new entitlement authority to committees, and said allocations shall be considered to be the allocations required to be printed in the joint statement of managers on Senate Concurrent Resolution 32 pursuant to section 302(a) of the Congressional Budget Act of 1974 (Public Law 93-344).

☐ 1850

The SPEAKER. The gentleman from South Carolina [Mr. Derrick] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes for purposes of debate only to the gentleman from Ohio [Mr. Latta]. Pending that, I yield myself such time as I may consume.

Mr. Speaker, this rule waives points of order against and provides procedures for the consideration of the conference report to accompany Senate Concurrent Resolution 32, the first concurrent resolution on the budget for fiscal year 1986, or any amendments reported in disagreement thereto. Before I discuss the provisions of this rule, Mr. Speaker, I would like to note that this rule was drafted in order to provide the House with a number of options, or contingencies, so that the Members of the House would be able to respond to action on this legislation in the other body.

As our colleagues may be aware, the conference committee on the concurrent resolution on the budget for fiscal year 1986 agreed to a budget resolution several hours ago. Upon conclusion of the conference, however, there remained some question as to the order and the form in which this agreement would be considered in each Chamber of Congress.

The Committee on Rules, therefore, was faced with the question of how best to ensure timely consideration of the agreement while not knowing at the time we were meeting precisely in what form the budget resolution would be considered. This rule, therefore, covers all potential contingencies as to which Chamber would consider the matter first, as well as the form in which the agreement might be considered in the House.

Subsequent to this rule being ordered reported, we have been advised that the House will consider this budget agreement before it is taken up in the other body, and that we will act amendments in disagreement rather than on a conference report. Therefore, I will discuss only those provisions of this rule which are applicable to our current situation.

Quite simply, this rule waives all points of order against the conference report and against consideration of the conference report, and the amendment in disagreement will be considered as having been read.

This rule also makes in order a motion, without intervening motion, that the House recede and concur with an amendment or amendments. The motion would not be subject to a demand for a division of the question and would be debatable for 1 hour to be equally divided and controlled by majority party and minority party as provided by clause 2(b) of rule XXVIII. The previous question on the motion would be considered as ordered.

Section 2 of this rule provides that the Chairman of the Budget Committee, Mr. Gray, has until September 6, 1985 to print in the Congressional Record spending allocations which are deemed to be allocations required by section 302(a) of the Budget Act. This section of the Budget Act requires that committee spending allocations be included in the joint statement accompanying a conference report on any budget resolution. Because the budget agreement was reached only hours ago, the Budget Committee will need some time to provide accurate allocations. By providing that these allocations be printed in the Congressional Record when we return in September, this provision will allow the Budget Committee sufficient time to accurately allocate the spending totals among the House committees.

Mr. Speaker, it is necessary for the House to waive points of order against this conference report if we are to have an opportunity to complete action on the first budget resolution prior to the start of the August district work period. As is often the case, conference committees have concluded action on very important legislature of pressing national interest within hours of a scheduled adjournment. The rule before the House at present is necessary to facilitate the consideration of the budget resolution before adjournment. Moreover, this rule is similar to the rule adopted by the House earlier today, by voice vote, to provide for consideration of the conference report to accompany H.R. 1460, the Anti-Apartheid Act.

As our colleagues will recall, the House passed House Concurrent Resolution 152, the first concurrent resolution on the budget for fiscal year 1986, on May 23. Diligent efforts have been underway since that time to produce a conference agreement on the first budget resolution. The House conferees on the first budget resolution, led by the gentleman from Pennsylvania and chairman of the House Budget Committee, Mr. Gray, have worked tirelessly over the last several weeks to produce a conference agreement.

While we have worked consistently toward a conference agreement on the first budget resolution, Mr. Speaker, I believe the Members of the House have also made some very pragmatic and appropriate decisions about imposing the discipline of the Budget Act on this Chamber even without final adoption of a budget resolution, as well as providing for the orderly handling of the appropriations measures for the coming fiscal year.

With the start of this recess, Mr. Speaker, the House will have concluded action and adopted 8 of 13 general appropriation bills for fiscal year 1986. The consideration of these appropriation measures was greatly facilitated by House adoption of a measure reported from the Committee on Rules, House Resolution 231, a resolution providing special budget procedures for the fiscal year 1986 budget process.

House Resolution 231, which the House adopted on July 24th, had the very important effect of providing that the House-passed budget resolution would be considered final adoption of a budget resolution for fiscal year 1986, for purposes of the Budget Act provisions triggered by such action, until final adoption by the House and the Senate of a concurrent resolution on the budget for fiscal year 1986. Not only did this action facilitate the business of providing funds for the Government, but it also activated the provisions of the Budget Act which served to keep the spending provided in these appropriation measures within the limits that the House agreed to in its budget resolution.

Under the provisions of House Resolution 231, Mr. Speaker, upon adoption of the conference report to accompany Senate Concurrent Resolution 32 by the House and the Senate, the provisions of House Resolution 231 will cease to apply. Specifically, the House-passed budget will be replaced by the provisions of the conference report, once it is adopted in both

Chambers, as final adoption of the budget resolution for fiscal year 1986.

Mr. Speaker, I realize that some of our colleagues may be hesitant about supporting a rule that expedites consideration of this conference report. I would respond, however, that if this rule is not adopted, we will not have an opportunity to finalize the budget for fiscal year 1986 before adjournment. With the start of fiscal year 1986 on October 1, 1985, this is simply not a measure which we can delay.

As a member of both the Committee on Rules and the Budget Committee, as well as serving as a conferee on the budget resolution, I am acutely aware of the concerns of Members on both sides of the aisle that the Congress cannot continue to work on budgetary legislation for the next fiscal year without a budget resolution in place. I have shared these concerns. I believe we have reached a satisfactory conference agreement, and we must put it in force.

Mr. Speaker, I urge adoption of the rule, and subsequently, the conference report to accompany Senate Concurrent Resolution 32, the first concurrent resolution on the budget for fiscal year 1986.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from South Carolina, in my opinion, has more than adequately described this rule. I agree with his description.

Mr. Speaker, I have no requests for time and reserve the balance of my time.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Speaker, I want to say that I am very disappointed that a separate vote was not allowed on function 050. It denies the House an opportunity which it has not had this year to determine whether or not they want a freeze in the budget. If this resolution replaces the House resolution that we adopted 2 weeks ago, it says we do not want to freeze the budget. It is disappointing to me that we were not given an opportunity for a separate vote, but I will make my arguments on the bill.

I just think it is a tragedy when this House is not having an opportunity to voice its will on function 050 when that is the only function that is going to be exceeded with regard to the freeze.

Mr. DERRICK. Mr. Speaker, I thank the gentleman.

I would respond to the gentleman that the Speaker of the House this morning has stated that he will request of the Rules Committee a rule on the authorization bill that will allow the House to exercise its will on that particular matter.

□ 1900

Mr. DERRICK. Mr. Speaker, having said that, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. GRAY of Pennsylvania submitted the followed conference report and statement on the Senate concurrent resolution (S. Con. Res. 32), setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988, and revising the congressional budget for the U.S. Government for fiscal year 1985:

CONFERENCE REPORT (H. REPT. No. 249)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 32), setting forth the congressional budget for the United States Government for the fiscal years 1986, 1987, and 1988 and revising the congressional budget for the United States Government for the fiscal year 1985, having met, after full and free conference, been unable to agree on a conference report because the conference decisions have changed certain budget figures outside the scope of the conference. As set forth in the accompanying Joint Explanatory Statement, the conferees do propose a congressional budget incorporated in a further amendment for the consideration of the two Houses.

WILLIAM H. GRAY III,
JIM WRIGHT,
THOMAS J. DOWNEY,
MIKE LOWRY,
BUTLER DERRICK,
VIC FAZIO,
GEO. MILLER,
MARTIN FROST,
DELBERT LATTA,
JACK KEMPS,
LYNN MARTIN,
BOBBI FIEDLER,
BEAU BOULTER,
Managers on the Part of the House.

PETE V. DOMENICI,
WILLIAM L. ARMSTRONG,
NANCY LANDON KASSEBAUM,
RUDY BOSCHWITZ,
SLADE GORTON,
LAWTON CHILES,
J. BENNETT JOHNSTON,
JIM SASSER,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 32), setting forth the congressional budget for the United States Government for the fiscal years 1986, 1987, and 1988 and revising the congressional budget for the United States Government for the fiscal year 1985, report that the conferees have been unable to agree. This is a technical disagreement, necessitated by the fact that in some instances the conference decisions include figures which (for purely technical reasons) would fall outside the range between the corresponding House and Senate provisions.

It is the intention of the conferees that the following amendment will be considered in the House and in the Senate.

The managers on the part of the House and the Senate submit the following joint statement in explanation of the action agreed upon by the managers:

The substitute language which is to be offered (and which should be considered the language of the concurrent resolution as recommended in the conference report for purposes of section 302(a) of the Congressional Budget Act of 1974)—hereinafter in this statement referred to as the "conference substitute"—is as follows:

That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1985 is hereby revised and replaced, the first concurrent resolution on the budget for fiscal year 1986 is hereby established, and the appropriate budgetary levels for fiscal years 1987 and 1988 are hereby set forth.

(a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1985: $736,500,000,000.
Fiscal year 1986: $795,700,000,000.
Fiscal year 1987: $869,400,000,000.
Fiscal year 1988: $960,100,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1985: $0.
Fiscal year 1986: $3,000,000,000.
Fiscal year 1987: $5,100,000,000.
Fiscal year 1988: $7,600,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $44,800,000,000.
Fiscal year 1986: $50,900,000,000.
Fiscal year 1987: $56,100,000,000.
Fiscal year 1988: $61,200,000,000.

and the amounts for Federal Insurance Contributions Act revenues for old-age, survivors, and disability insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $186,200,000,000.
Fiscal year 1986: $200,400,000,000.
Fiscal year 1987: $216,800,000,000.
Fiscal year 1988: $248,000,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1985: $1,062,100,000,000.
Fiscal year 1986: $1,069,700,000,000.
Fiscal year 1987: $1,137,950,000,000.
Fiscal year 1988: $1,216,450,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1985: $946,300,000,000.
Fiscal year 1986: $967,600,000,000.
Fiscal year 1987: $1,024,100,000,000.
Fiscal year 1988: $1,073,000,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1985: $209,800,000,000
Fiscal year 1986: $171,900,000,000.
Fiscal year 1987: $154,700,000,000.
Fiscal year 1988: $112,900,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1985: $1,847,800,000,000.
Fiscal year 1986: $2,078,700,000,000.
Fiscal year 1987: $2,301,900,000,000.
Fiscal year 1988: $2,507,000,000,000.

and the amounts by which the statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1985: $24,000,000,000.
Fiscal year 1986: $230,900,000,000.
Fiscal year 1987: $223,200,000,000.
Fiscal year 1988: $205,100,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987, are as follows:

Fiscal year 1985:
(A) New direct loan obligations, $52,850,000
(B) New primary loan guarantee commitments, $69,350,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1986:
(A) New direct loan obligations, $34,400,000,000.
(B) New primary loan guarantee commitments, $80,150,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1987:
(A) New direct loan obligations, $32,150,000,000.
(B) New primary loan guarantee commitments, $79,050,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1988:
(A) New direct loan obligations, $31,400,000,000.
(B) New primary loan guarantee commitments, $84,000,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments, for fiscal years 1985 through 1988 for each major functional category are:

(1) National Defense (050):

Fiscal year 1985:
(A) New budget authority, $292,600,000,000.
(B) Outlays, $249,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $302,500,000,000.
(B) Outlays, $267,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $323,400,000,000.
(B) Outlays, $285,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $346,800,000,000.
(B) Outlays, $303,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1985:
(A) New budget authority, $24,700,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $10,300,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $21,300,000,000.
(B) Outlays, $18,850,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $20,100,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $9,600,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $16,450,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

Fiscal year 1985:
(A) New budget authority, $9,100,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $9,100,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $9,050,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $9,300,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1985:
(A) New budget authority, $900,000,000.
(B) Outlays, $5,500,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,550,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $4,100,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $5,850,000,000.
(B) Outlays, $5,150,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $4,950,000,000.
(B) Outlays, $4,450,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

Fiscal year 1985:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,000,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,000,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,750,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $13,150,000,000.
(B) Outlays, $12,950,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1985:
(A) New budget authority, $27,000,000,000.
(B) Outlays, $23,300,000,000.
(C) New direct loan obligations, $13,800,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $15,550,000,000.
(C) New direct loan obligations, $13,600,000,000.
(D) New primary loan guarantee commitments, $6,400,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $17,700,000,000.
(B) Outlays, $16,250,000,000.

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(C) New direct loan obligations, $11,400,000,000.

(D) New primary loan guarantee commitments, $5,600,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $16,200,000,000.

(B) Outlays, $13,750,000,000.

(C) New direct loan obligations, $10,500,000,000.

(D) New primary loan guarantee commitments, $6,900,000,000.

(E) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

Fiscal year 1985:

(A) New budget authority, $12,600,000,000.

(B) Outlays, $5,500,000,000.

(C) New direct loan obligations, $6,500,000,000.

(D) New primary loan guarantee commitments, $26,900,000,000.

(E) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1986:

(A) New budget authority, $7,700,000,000.

(B) Outlays, $3,700,000,000.

(C) New direct loan obligations, $5,000,000,000.

(D) New primary loan guarantee commitments, $28,200,000,000.

(E) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1987:

(A) New budget authority, $7,700,000,000.

(B) Outlays, $3,450,000,000.

(C) New direct loan obligations, $5,300,000,000.

(D) New primary loan guarantee commitments, $29,900,000,000.

(E) New secondary loan guarantee commitments, $68,200,000,000.

Fiscal year 1988:

(A) New budget authority, $7,850,000,000.

(B) Outlays, $5,200,000,000.

(C) New direct loan obligations, $5,400,000,000.

(D) New primary loan guarantee commitments, $31,700,000,000.

(E) New secondary loan guarantee commitments, $68,200,000,000.

(8) Transportation (400):

Fiscal year 1985:

(A) New budget authority, $29,400,000,000.

(B) Outlays, $26,000,000,000.

(C) New direct loan obligations, $300,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $26,850,000,000.

(B) Outlays, $25,800,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $28,900,000,000.

(B) Outlays, $27,700,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $29,750,000,000.

(B) Outlays, $28,100,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1985:

(A) New budget authority, $8,300,000,000.

(B) Outlays, $8,400,000,000.

(C) New direct loan obligations, $1,700,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $6,950,000,000.

(B) Outlays, $8,050,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $6,900,000,000.

(B) Outlays, $7,300,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $7,200,000,000.

(B) Outlays, $6,850,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1985:

(A) New budget authority, $32,100,000,000.

(B) Outlays, $30,400,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $8,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $31,550,000,000.

(B) Outlays, $30,850,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $9,000,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $32,350,000,000.

(B) Outlays, $31,350,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $9,400,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $32,950,000,000.

(B) Outlays, $32,100,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $9,600,000,000.

(E) New secondary loan guarantee commitments, $0.

(11) Health (550):

Fiscal year 1985:

(A) New budget authority, $33,600,000,000.

(B) Outlays, $33,500,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $250,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $36,000,000,000.

(B) Outlays, $34,900,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $250,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $38,400,000,000.

(B) Outlays, $37,800,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $250,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $41,100,000,000.

(B) Outlays, $40,700,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

(12) Medical Insurance (570):

Fiscal year 1985:

(A) New budget authority, $72,000,000,000.

(B) Outlays, $65,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $81,500,000,000.

(B) Outlays, $69,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments. $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $90,600,000,000.

(B) Outlays, $76,400,000,000.

(C) New direct loan obligations, $0.

(D) New secondary loan guarantee commitments. $0.

Fiscal year 1988:

(A) New budget authority, $94,200,000,000.

(B) Outlays, $84,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(13) Income Security (600):

Fiscal year 1985:

(A) New budget authority, $164,500,000,000.

(B) Outlays, $128,900,000,000.

(C) New Direct loan obligation, $14,300,000,000.

(D) New primary loan guarantee $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $155,100,000,000.

(B) Outlays, $119,050,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $163,750,000,000.

(B) Outlays, $124,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $2,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $172,400,000,000.

(B) Outlays, $130,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments $1,800,000,000.

(E) New secondary loan guarantee commitments, $0.

(14) Social Security (650):

Fiscal year 1985:

(A) New budget authority, $198,700,000,000.

(B) Outlays, $189,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $207,200,000,000.

(B) Outlays, $200,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0,

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $224,750,000,000.

(B) Outlays, $214,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $264,600,000,000.

(B) Outlays, $228,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1985:

(A) New budget authority, $27,400,000,000.

(B) Outlays, $26,400,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $16,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $27,450,000,000.

(B) Outlays, $26,800,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $17,600,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $27,550,000,000.

(B) Outlays, $27,250,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $18,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $27,900,000,000.

(B) Outlays, $27,650,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $20,900,000,000.

(E) New secondary loan guarantee commitments, $0.

(16) Administration of Justice (750):

Fiscal year 1985:

(A) New budget authority, $6,700,000,000.

(B) Outlays, $6,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $6,900,000,000.

(B) Outlays, $6,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $7,050,000,000.

(B) Outlays, $7,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $7,200,000,000.

(B) Outlays, $7,150,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(17) General Government (800):

Fiscal year 1985:

(A) New budget authority, $5,700,000,000.

(B) Outlays, $5,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $5,500,000,000.

(B) Outlays, $5,450,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $5,300,000,000.

(B) Outlays, $5,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $5,500,000,000.

(B) Outlays, $5,450,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(18) General Purpose Fiscal Assistance (850):

Fiscal year 1985:

(A) New budget authority, $6,400,000,000.

(B) Outlays, $6,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $6,500,000,000.

(B) Outlays, $6,500,000,000.

(C) New direct loan obligations, $0

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $2,000,000,000.

(B) Outlays, $3,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $2,100,000,000.

(B) Outlays, $2,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(19) Net Interest (900):

Fiscal year 1985:

(A) New budget authority, $129,200,000,000.

(B) Outlays, $129,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $142,300,000,000.

(B) Outlays, $142,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan commitments, $0.

Fiscal year 1987:

(A) New budget authority, $152,500,000,000.

(B) Outlays, $152,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $155,000,000,000.

(B) Outlays, $155,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Allowances (920):

Fiscal year 1985:

(A) New budget authority, $500,000,000.

(B) Outlays, $0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, −$2,100,000,000.

(B) Outlays, −$1,650,000,000.

(C) New direct loan obligations, $0

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, −$2,000,000,000.

(B) Outlays, −$1,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, −$700,000,000.

(B) Outlays, −$500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(21) Undistributed Offsetting Receipts (950):

Fiscal year 1985:

(A) New budget authority, −$32,400,000,000.

(B) Outlays, −$32,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, −$39,900,000,000.

(B) Outlays, −$39,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitment, $0.

(E) New Secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, −$37,100,100,000.

(B) Outlays, −$37,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, −$40,900,000,000.

(B) Outlays, −$40,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

RECONCILIATION.

SEC. 2. (a) Not later than September 27, 1985, the committees named in subsections (b) through (z) of this section shall submit their recommendations to the Committees on the Budget of their respective Houses. After receiving those recommendations, the Committees on the budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

SENATE COMMITTEES

(b) The Senate Committee on Agriculture, Nutrition, and Forestry shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $1,250,000,000 in outlays in fiscal year 1986, $0 in budget authority and $2,050,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $4,600,000,000 in outlays in fiscal year 1988.

(c) The Senate Committee on Armed Services shall report changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to achieve savings of $0 in budget authority and $100,000,000 in outlays in fiscal year 1986, $0 in budget authority and $200,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $300,000,000 in outlays in fiscal year 1988.

(d) The Senate Committee on Banking, Housing, and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $2,374,000,000 in budget authority and $2,814,000,000 in outlays in fiscal year 1986, $2,828,000,000 in budget authority and $3,685,000,000 in outlays in fiscal year 1987, and $2,998,000,000 in budget authority and $3,821,000,000 in outlays in fiscal year 1988.

(e) The Senate Committee on Commerce, Science, and Transportation shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follow: $328,000,000 in budget authority and $310,000,000 in outlays in fiscal year 1986, $133,000,000 in budget authority and $119,000,000 in outlays in fiscal year 1987, and $135,000,000 in budget authority and $130,000,000 in outlays in fiscal year 1988.

(f) The Senate Committee on Energy and Natural Resources shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, or (3) any combination thereof, sufficient to achieve the following: savings of $5,485,000,000 in budget authority and $5,403,000,000 in outlays in fiscal year 1986, increases of $291,000,000 in budget authority and $147,000,000 in outlays in fiscal year 1987, and savings of $337,000,000 in budget authority and $314,000,000 in outlays in fiscal year 1988.

(g) The Senate Committee on Environment and Public Works shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) by combination thereof, as follows: $0 in budget authority and $200,000,000 in outlays in fiscal year 1986, $0 in budget authority and $850,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $1,050,000,000 in outlays in fiscal year 1988.

(h)(1) The Senate Committee on Finance shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiciton other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, (C) any combination thereof, as follows: $0 in budget authority and $3,307,000,000 in outlays in fiscal year 1986, $0 in budget authority and $7,951,000,00 in outlays in fiscal year 1987, and $0 in budget authority and $10,908,000,000 in outlays in fiscal year 1988.

(2) The Senate Committee on Finance shall report changes in laws within the jurisdiction of the committee sufficient to increase revenues as follows: $1,800,000,000 in fiscal year 1986; $3,000,000,000, in fiscal year 1987; and $3,600,000,00 in fiscal year 1988.

(i) The Senate Committee on Governmental Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $3,219,000,000 in outlays in fiscal year 1986, $0 in budget authority and $4,421,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $4,986,000,000 in outlays in fiscal year 1988.

(j) The Senate Committee on Labor and Human Resources shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $670,000,000 in budget authority and $170,000,000 in outlays in fiscal year 1986, $860,000,000 in budget authority and $535,000,000 in outlays in fiscal year 1987, and $1,085,000,000 in budget authority and $960,000,000 in outlays in fiscal year 1988.

(k) The Senate Committee on Small Business shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $448,000,000 in budget authority and $509,000,000 in outlays in fiscal year 1986, $564,000,000 in budget authority and $972,000,000 in outlays in fiscal year 1987, and $1,060,000,000 in budget authority and $998,000,000 in outlays in fiscal year 1988.

(l) The Senate Committee on Veterans' Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and

outlays, or (3) any combination thereof, as follows: $300,000,000 in budget authority and $300,000,000 in outlays in fiscal year 1986, $400,000,000 in budget authority and $400,000,000 in outlays in fiscal year 1987, and $450,000,000 in budget authority and $450,000,000 in outlays in fiscal year 1988.

(m) The House Committee on Agriculture shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $1,250,000,000 in fiscal year 1986; to reduce outlays by $2,050,000,000 in fiscal year 1987; and to reduce outlays by $4,600,000,000 in fiscal year 1988.

(n) The House Committee on Armed Services shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays by $100,000,000 in fiscal year 1986; to reduce outlays by $200,000,000 in fiscal year 1987; and to reduce outlays by $300,000,000 in fiscal year 1988.

(o) The House Committee on Banking, Finance and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $2,374,000,000 in budget authority and $2,814,000,000 in outlays in fiscal year 1986; $2,828,000,000 in budget authority and $3,685,000,000 in outlays in fiscal year 1987, and $2,998,000,000 in budget authority and $3,821,000,000 in outlays in fiscal year 1988.

(p) The House Committee on Education and Labor shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $670,000,000 and outlays by $470,000,000 in fiscal year 1986; to reduce budget authority by $860,000,000 and outlays by $835,000,000 in fiscal year 1987; and to reduce budget authority by $1,085,000,000 and outlays by $1,260,000,000 in fiscal year 1988.

(q) The House Committee on Energy and Commerce shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $1,513,000,000 in budget authority and $3,947,000,000 in outlays in fiscal year 1986, $1,246,000,000 in budget authority and $5,008,000,000 in outlays in fiscal year 1987, and $1,401,000,000 in budget authority and $6,512,000,000 in outlays in fiscal year 1988.

(r) The House Committee on Government Operations shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays by $0 in fiscal year 1986; to reduce outlays by $3,526,000,000 in fiscal year 1987; and to reduce outlays by $4,956,000,000 in fiscal year 1988.

(s) The House Committee on Interior and Insular Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $4,000,000,000 and outlays by $4,000,000,000 in fiscal year 1986; to increase budget authority by $1,504,000,000 and outlays by $1,504,000,000 in fiscal year 1987; and to increase budget authority by $1,029,000,000 and outlays by $1,029,000,000 in fiscal year 1988.

(t) The House Committee on Judiciary shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $570,000,000 and outlays by $70,000,000 in fiscal year 1986; to reduce budget authority by $610,000,000 and outlays by $285,000,000 in fiscal year 1987; and to reduce budget authorty by $635,000,000 and outlays by $510,000,000 in fiscal year 1988.

(u) The House Committee on Merchant Marine and Fisheries shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $300,000,000 and outlays by $300,000,000 in fiscal year 1986; to reduce budget authority by $100,000,000 and outlays by $100,000,000 in fiscal year 1987; and to reduce budget authority by $100,000,000 and outlays by $100,000,000 in fiscal year 1988.

(v) The House Committee on Post Office and Civil Service shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $3,219,000,000 in outlays in fiscal year 1986, $4,421,000,000 in outlays in fiscal year 1987, and $4,986,000,000 in outlays in fiscal year 1988.

(w) The House Committee on Public Works and Transportation shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $200,000,000 in fiscal year 1986, to reduce outlays by $850,000,000 in fiscal year 1987, and to reduce outlays by $1,050,000,000 in fiscal year 1988.

(x) The House Committee on Small Business shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $448,000,000 in budget authority and $509,000,000 in outlays in fiscal year 1986, $564,000,000 in budget authority and $972,000,000 in outlays in fiscal year 1987, and $1,060,000,000 in budget authority and $998,000,000 in outlays in fiscal year 1988.

(y) The House Committee on Veterans' Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $300,000,000 and outlays by $300,000,000 in fiscal year 1986; to reduce budget authority $400,000,000 and outlays by $400,000,000 in fiscal year 1987; and to reduce budget authority by $450,000,000 and outlays by $450,000,000 in fiscal year 1988.

(z) The House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee sufficient to reduce the budget deficit by $5,027,000,000 in fiscal year 1986; to reduce the budget deficit by $7,245,000,000 in fiscal year 1987; and to reduce the budget deficit by $9,362,000,000 in fiscal year 1988.

MISCELLANEOUS PROVISIONS

AUTOMATIC SECOND BUDGET RESOLUTION

SEC. 3. (a) If the Congress has not completed action by October 1, 1985, on the concurrent resolution on the budget required to be reported under section 310(a) of the Congressional Budget Act of 1974 for fiscal year 1986, then, for purposes of section 311 of such Act, this concurrent resolution shall be deemed to be the concurrent resolution required to be reported under section 310 of such Act.

(b) In the House of Representatives, section 311(a) of the Congressional Budget Act of 1974, as made applicable by subsection (a) of this section, shall not apply to bills, resolutions, or amendments within the jurisdiction of a committee, or any conference report on any such bill or resolution, if—

(1) the enactment of such bill or resolution as reported;

(2) the adoption and enactment of such amendment; or

(3) the enactment of such bill or resolution in the form recommended in such conference report;

would not cause the appropriate allocation for such committee of new discretionary budget authority or new spending authority as described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 made pursuant to section 302(a) of such Act for fiscal year 1986 to be exceeded.

TAX REFORM

SEC. 4. (a) The Congress finds that—

(1) the existing tax structure of the United States distorts economic activity, leading to an inefficient use of national resources and a weakening of our domestic economic vitality and competitive posture in international markets;

(2) the relating tax burdens among various taxpayer categories are manifestly unfair insofar as they arise from differences in the capabilities of taxpayers to take advantage of complicated tax laws;

(3) the ability of the Federal Government to plan and conduct rational fiscal policy is frustrated by elaborate schemes to avoid taxation and the unintended effects of tax incentives and penalties;

(4) progressive erosion of voluntary compliance threatens the fiscal integrity of our public finances and the confidence of our citizens in the Federal Government's capacity to govern; and

(5) a number of plans, each designed to simplify and reform the Tax Code, have been before the Congress for a time sufficient to allow for extensive analysis and evaluation.

(b) It is therefore the sense of the Congress that tax reform should be adopted as soon as possible, and that it should incorporate the following principles and objectives:

(1) efficiency and responsiveness to market conditions in the economic activities of American businesses and consumers;

(2) simplicity of structure and lower marginal tax rates;

(3) a fair and equitable distribution of the tax burden among all taxpayers, with relief for those below the poverty level, and incentives to bring them into the work force;

(4) a broader tax base, with deductions essential to avoid genuine hardship or to protect the economic security of the American people; and

(5) increased incentives for work, saving, and investment.

CBO SCOREKEEPING REQUIREMENTS

SEC. 5. It is the sense of the Senate that because the Senate requires timely reporting of legislative action on spending bills, and because the Senate requires continual control over the budget, the Director of the Congressional Budget Office shall issue a weekly report during periods when the Senate is in session detailing and tabulating the progress of congressional action on bills and resolutions providing new budget authority and changing revenues and the public debt for a fiscal year, including, but not limited to the requirements set forth in Public Law 93-344, section 308(b).

FARM LOSS DEDUCTION

SEC. 6. It is the sense of the Senate that revenues should be increased and it is assumed that tax legislation will be enacted to limit to the national median family income the amount of farm loss which may be deducted against nonfarm income, and it is further assumed that revenues derived from enactment of such legislation be used to reduce individual income tax rates and to assure that full-time, family-size farm operators will not be disadvantaged by unfair competition from high-income taxpayers with substantial nonform income.

ENHANCED TAX LAW ENFORCEMENT

SEC. 7. It is the sense of the Congress that revenues should be increased and it is assumed that the Committees on Finance and Ways and Means will develop legislation to reduce the tax enforcement gap, estimated by the Internal Revenue Service at $92,000,000,000 in fiscal year 1986. It is further assumed that such legislation should provide for increased and improved enforcement and collection, through audits, examinations, and other steps designed to identify and eliminate tax cheating and increase revenue collections from individuals and corporations currently evading Federal taxes, and that the legislation should include steps designed to increase voluntary compliance with tax laws and that such steps may include increased staff for taxpayer assistance, speedier processing of returns and provision of public information designed to build public trust and understanding of Internal Revenue Service enforcement efforts and that such legislation should also provide that the resources of the Internal Revenue Service shall be increased to accomplish full enforcement of United States tax laws, increasing voluntary compliance.

INTERNATIONAL MONETARY CONFERENCE

SEC. 8. It is the sense of the Congress that the Administration should consider convening a high level meeting of the major industrial countries for the express purpose of exploring options to improve the functioning of the international monetary system, including measures to stabilize currency exchange rates, reduce interest rates, promote maximum domestic and world economic growth, and help assure domestic price stability.

COMMITTEE REVIEW OF THE PRESIDENT'S PRIVATE SECTOR SURVEY ON COST CONTROL

SEC. 9. It is the sense of the House of Representatives that—

(1) each of its standing committees should review and study, on a continuing basis, those portions of the President's Private Sector Survey on Cost Control affecting subjects within its jurisdiction;

(2) each of its standing committees should, in its consideration of any bill or joint resolution of a public character within its jurisdiction, review those portions of the President's Private Sector Survey on Cost Control pertaining to such bill or resolution; and

(3) each report of any such committee on a bill or joint resolution of a public character should contain—

(A) an identification of each recommendation of the President's Private Sector Survey on Cost Control implemented in such bill or resolution and the estimated dollar amount of program cost savings or revenue enhancement as a result of the implementation of each such recommendation; and

(B) a statement setting forth each recommendation of the President's Private Sector Survey on Cost Control pertaining to such bill or resolution, the disposition of each such recommendation, and the reasons for such disposition.

LIMITATION ON BENEFITS TO ALIENS

SEC. 10. It is the sense of the Congress that functional totals should be reduced to reflect a limitation on the amount of social security benefits paid to illegal and nonresident aliens. It is assumed that the Finance Committee and the Ways and Means Committee will report legislation to accomplish the required changes in law. Such legislation may limit benefits to the amount of wage-earner's contribution plus interest, unless the wage-earner is a citizen of a country with which the United States has a treaty or totalization ageement and that this provision would apply to individuals becoming eligible on or after January 1, 1986.

EXPLANATION OF CONFERENCE SUBSTITUTE

The following tables show the functional allocations and budget aggregates included in the conference substitute. The numbers in the fiscal year 1985 columns reflect revisions of the second budget resolution for fiscal year 1985. The fiscal year 1986 columns show the budget aggregates and functional allocations for the first budget resolution for fiscal year 1986. The columns for fiscal year 1987 and fiscal year 1988 show budget aggregates and functional allocations which the conferees consider appropriate for those years.

CONFERENCE SUBSTITUTE, FIRST BUDGET RESOLUTION, FISCAL YEAR 1986

[In billions of dollars]

Function	Fiscal year 1985		Fiscal year 1986		Fiscal year 1987		Fiscal year 1988	
	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay
050 National defense	292.60	249.40	302.50	267.10	323.40	285.20	346.80	303.90
150 International Affairs	24.70	17.20	21.30	18.85	20.10	17.30	19.90	16.45
250 General science and space	9.10	8.70	9.10	8.90	9.05	8.90	9.30	9.00
270 Energy	0.90	5.50	5.90	5.55	5.85	5.15	4.95	4.45
300 Natural resources	13.10	13.00	13.10	13.00	13.20	12.75	13.15	12.95
350 Agriculture	27.00	23.30	18.30	15.55	17.70	16.25	16.20	13.75
370 Commerce and housing credit	12.60	5.50	7.70	3.70	7.70	3.45	7.85	5.20
400 Transportation	29.40	26.00	26.85	25.80	28.90	27.70	29.75	28.10
450 Community and regional development	8.30	8.40	6.95	8.05	6.90	7.30	7.20	6.85
500 Education, training, employment and social services	32.10	30.40	31.55	30.85	32.35	31.35	32.95	32.10
550 Health	33.60	33.50	36.00	34.90	38.40	37.80	41.10	40.70
570 Medical insurance	72.00	65.90	81.50	69.20	90.60	76.40	94.20	84.90
600 Income security	164.50	128.90	155.10	119.05	163.75	124.20	172.40	130.60
650 Social security	198.70	189.00	207.20	200.80	224.75	214.00	264.60	228.10
700 Veterans benefits	27.40	26.40	27.45	26.80	27.55	27.25	27.90	27.65
750 Administration of justice	6.70	6.30	6.90	6.80	7.05	7.00	7.20	7.15
800 General government	5.70	5.70	5.50	5.45	5.30	5.20	5.50	5.45
850 General purpose fiscal assistance	6.40	6.40	6.50	6.50	2.00	3.20	2.10	2.10
900 Net interest	129.20	129.20	142.30	142.30	152.50	152.50	155.00	155.00
920 Allowances	0.50		−2.10	−1.65	−2.00	−1.70	−0.70	−0.50
950 Undistributed offsetting receipts	−32.40	−32.40	−39.90	−39.90	−37.10	−37.10	−40.90	−40.90
Total spending	1.062.10	946.30	1,069.70	967.60	1,137.95	1,024.10	1,216.45	1,073.00
Revenues		736.50		795.70		869.40		960.10
Deficit		736.80		−171.90		−154.70		−112.90
Debt subject to limit		1,847.80		2,078.70		2,301.90		2,507.00
Change in revenues				3.00		5.10		7.60
Change in public debt limit		24.00		230.90		223.20		205.10

FISCAL YEAR 1985 BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Budget authority	1,039.10	1,055.60	1,062.10
Outlays	941.65	949.10	946.30
Revenues	736.05	736.20	736.50
Deficit	205.60	212.90	209.80
Debt subject to limit	1,857.40	1,849.30	1,847.80
Change in revenues			
Change in public debt limit	33.60	25.50	24.00
FUNCTION			
050 National defense:			
Budget authority	291.55	292.60	292.60
Outlays	252.00	252.00	249.40
150 International affairs:			
Budget authority	24.95	25.30	24.70
Outlays	17.50	18.00	17.20
250 General science, space and technology:			
Budget authority	9.10	9.10	9.10
Outlays	8.80	8.70	8.70
270 Energy			
Budget authority	−2.90	1.60	0.90
Outlays	2.85	6.50	5.50
300 Natural resources and environment:			
Budget authority	13.00	12.70	13.10
Outlays	13.10	13.10	13.00
350 Agriculture:			
Budget authority	22.55	24.80	27.00
Outlays	18.95	21.00	23.30
370 Commerce and housing credit:			
Budget authority	8.60	12.60	12.60
Outlays	2.95	5.60	5.50
400 Transportation:			
Budget authority	29.35	29.60	29.40
Outlays	26.20	26.10	26.00
450 Community and regional development:			
Budget authority	8.80	8.40	8.30
Outlays	7.85	8.70	8.40
500 Education, training, employment and social services:			
Budget authority	32.65	31.60	32.10
Outlays	31.10	30.30	30.40
550 Health:			
Budget authority	33.55	33.60	33.60
Outlays	33.50	33.50	33.50
570 Medical insurance:			
Budget authority	71.75	71.80	72.00
Outlays	65.20	65.20	65.90
600 Income security:			
Budget authority	100.50	162.80	164.50
Outlays	129.25	128.60	128.90
650 Social security:			
Budget authority	195.50	195.50	198.70
Outlays	189.30	189.30	189.00
700 Veterans benefits and services:			
Budget authority	27.40	27.20	27.40
Outlays	26.50	26.30	26.40
750 Administration of justice:			
Budget authority	6.85	6.90	6.70
Outlays	6.45	6.40	6.30
800 General government:			
Budget authority	5.80	5.80	5.70
Outlays	5.65	5.60	5.70
850 General purpose fiscal assistance:			
Budget authority	6.40	6.40	6.40
Outlays	6.40	6.40	6.40
900 Net interest:			
Budget authority	129.95	129.70	129.20
Outlays	129.95	129.70	129.20
920 Allowances:			
Budget authority	0.30	0.30	0.50
Outlays	0.30	0.30	
950 Undistributed offsetting receipts:			
Budget authority	−32.35	−32.40	−32.40
Outlays	−32.35	−32.40	−32.40

FISCAL YEAR 1986 BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Budget authority	1,062.90	1,069.50	1,069.70
Outlays	967.25	965.00	967.60
Revenues	794.10	793.60	795.70
Deficit	173.15	171.40	171.90
Debt subject to limit	2,089.70	2,086.50	2,078.70
Change in revenues	1.45	0.90	3.00
Change in public debt limit	232.30	237.20	231.00

FISCAL YEAR 1986 BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES—Continued

[In billions of dollars]

	House passed	Senate passed	Conference agreement
FUNCTION			
050 National defense:			
Budget authority	292.60	302.50	302.50
Outlays	267.10	273.10	267.10
150 International affairs:			
Budget authority	21.75	21.20	21.30
Outlays	18.60	17.80	18.85
250 General science, space and technology:			
Budget authority	9.10	9.10	9.10
Outlays	8.90	8.90	8.90
279 Energy:			
Budget authority	6.10	5.20	5.90
Outlays	5.75	5.10	5.55
300 Natural resources and environment:			
Budget authority	13.10	12.20	13.10
Outlays	13.00	12.50	13.00
350 Agriculture:			
Budget authority	18.55	17.20	18.30
Outlays	15.80	14.50	15.55
370 Commerce and housing credit:			
Budget authority	8.85	6.80	7.70
Outlays	4.60	3.40	3.70
400 Transportation;			
Budget authority	28.40	27.20	26.85
Outlays	26.45	26.10	25.80
450 Community and regional development:			
Budget authority	7.55	6.60	6.95
Outlays	8.15	7.90	8.05
500 Education, training, employment and social services:			
Budget authority	32.05	30.10	31.55
Outlays	31.15	30.30	30.85
550 Health:			
Budget authority	36.10	35.70	36.00
Outlays	35.60	35.30	34.90
570 Medical insurance:			
Budget authority	81.95	81.90	81.50
Outlays	68.25	68.30	69.20
600 Income security:			
Budget authority	158.25	155.40	155.10
Outlays	121.75	116.50	119.05
650 Social security;			
Budget authority	207.20	207.40	207.20
Outlays	100.80	194.90	200.80
700 Veterans benefits and services:			
Budget authority	27.45	26.70	27.45
Outlays	26.80	26.10	26.80
750 Administration of justice;			
Budget authority	6.90	6.80	6.90
Outlays	6.80	6.70	6.80
800 General government;			
Budget authority	5.35	5.30	5.50
Outlays	5.30	5.20	5.45
850 General purpose fiscal assistance:			
Budget authority	5.35	6.50	6.50
Outlays	5.65	6.50	6.50
900 Net interest:			
Budget authority	140.95	142.30	142.30
Outlays	140.95	142.30	142.30
920 Allowances:			
Budget authority	−4.90	−1.60	−2.10
Outlays	−4.40	−1.60	−1.65
950 Undistributed offsetting receipts:			
Budget authority	−39.75	−35.00	−39.90
Outlays	−39.75	−35.00	−39.90

FISCAL YEAR 1987 BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Budget authority	1,134.30	1,132.80	1,137.95
Outlays	1,028.50	1,011.10	1,024.10
Revenues	866.00	866.30	869.40
Deficit	162.50	144.80	154.70
Debt subject to limit	2,320.70	2,312.70	2,301.90
Change in revenues	1.70	2.00	5.10
Change in public debt limit	231.00	226.20	223.20
FUNCTION			
050 National defense:			
Budget authority	312.70	323.40	323.40
Outlays	285.20	292.10	285.20

FISCAL YEAR 1987 BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES—Continued

[In billions of dollars]

	House passed	Senate passed	Conference agreement
150 International affairs:			
Budget authority	20.55	20.40	20.10
Outlays	16.90	17.10	17.30
250 General science, space and technology:			
Budget authority	9.05	9.00	9.05
Outlays	8.90	8.80	8.90
270 Energy:			
Budget authority	6.05	5.20	5.85
Outlays	5.35	4.60	5.15
300 Natural resources and environment:			
Budget authority	13.40	12.60	13.20
Outlays	12.90	12.40	12.75
350 Agriculture:			
Budget authority	17.95	17.70	17.70
Outlays	16.95	15.80	16.25
370 Commerce and housing credit:			
Budget authority	9.30	5.40	7.70
Outlays	5.00	2.30	3.45
400 Transportation:			
Budget authority	30.45	27.80	28.90
Outlays	28.95	27.70	27.70
450 Community and regional development:			
Budget authority	7.80	8.70	6.90
Outlays	8.05	7.10	7.30
500 Education, training, employment and social services:			
Budget authority	33.00	30.70	32.35
Outlays	32.10	29.90	31.35
550 Health:			
Budget authority	38.60	38.20	38.40
Outlays	38.30	37.65	37.80
570 Medical insurance:			
Budget authority	91.55	91.20	90.60
Outlays	75.55	74.65	76.40
600 Income security:			
Budget authority	167.40	164.90	163.75
Outlays	127.80	120.60	124.20
650 Social security:			
Budget authority	224.75	225.50	224.75
Outlays	214.05	205.90	214.00
700 Veterans benefits and services:			
Budget authority	27.65	26.80	27.55
Outlays	27.35	26.20	27.25
750 Administration of justice:			
Budget authority	7.05	6.90	7.05
Outlays	7.00	6.90	7.00
800 General government:			
Budget authority	5.30	5.40	5.30
Outlays	5.70	5.20	5.20
850 General purpose fiscal assistance:			
Budget authority	1.95	2.00	2.00
Outlays	2.90	3.00	3.20
900 Net interest:			
Budget authority	150.95	152.10	152.50
Outlays	150.95	152.10	152.50
920 Allowances:			
Budget authority	−4.60	−1.60	−2.00
Outlays	−4.25	−1.60	−1.70
950 Undistributed offsetting receipts:			
Budget authority	−36.55	−37.80	−37.10
Outlays	−36.55	−37.80	−37.10

FISCAL YEAR 1988 BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Budget authority	1,212.80	1,212.90	1,216.45
Outlays	1,080.00	1,060.20	1,073.00
Revenues	955.60	955.90	960.10
Deficit	124.40	104.30	112.90
Debt subject to limit	2,536.50	2,525.50	2,507.00
Change in revenues	3.10	3.40	7.60
Change in public debt limit	215.80	212.60	205.10
FUNCTION			
050 National defense:			
Budget authority	333.40	346.80	346.80
Outlays	301.80	313.00	303.90
150 International affairs:			
Budget authority	20.60	20.70	19.90
Outlays	16.20	16.70	16.45
250 General science, space and technology:			
Budget authority	9.10	9.30	9.30
Outlays	8.95	9.00	9.00

FISCAL YEAR 1988 BUDGET AGGREGATES AND FUNCTIONAL CATEGORIES—Continued

[In billions of dollars]

	House passed	Senate passed	Conference agreement
270 Energy:			
Budget authority	5.15	4.90	4.95
Outlays	4.65	4.20	4.45
300 Natural resources and environment:			
Budget authority	13.65	[illegible]	13.15
Outlays	13.20	[illegible]	12.95
350 Agriculture:			
Budget authority	15.0	[illegible]	16.20
Outlays	[illegible]	[illegible]	13.75
370 Commerce and housing credit:			
Budget authority	[illegible]	[illegible]	7.85
Outlays	[illegible]	5.10	5.20
400 Transportation:			
Budget authority	31.30	[illegible]	29.75
Outlays	29.50	27.40	[illegible]
450 Community and regional development:			
Budget authority	8.10	7.10	[illegible]
Outlays	7.95	6.70	[illegible]
500 Education, training, employment and social services:			
Budget authority	33.70	31.30	32.95
Outlays	32.95	[illegible]	32.10
550 Health:			
Budget authority	41.15	[illegible]	41.10
Outlays	40.80	[illegible]	40.70
570 Medical insurance:			
Budget authority	95.55	[illegible]	94.20
Outlays	84.60	82.70	[illegible]
600 Income security:			
Budget authority	175.80	173.90	172.40
Outlays	133.85	125.70	[illegible]
650 Social security:			
Budget authority	264.65	[illegible]	264.60
Outlays	228.30	[illegible]	[illegible]
700 Veterans benefits and services:			
Budget authority	28.05	27.20	[illegible]
Outlays	27.80	[illegible]	27.65
750 Administration of justice:			
Budget authority	7.20	[illegible]	7.20
Outlays	7.15	[illegible]	7.15
800 General government:			
Budget authority	5.45	5.50	[illegible]
Outlays	5.45	5.50	5.45
850 General purpose fiscal assistance:			
Budget authority	2.10	2.10	2.10
Outlays	2.10	2.10	2.10
900 Net interest:			
Budget authority	153.85	[illegible]	155.00
Outlays	153.85	[illegible]	[illegible]
920 Allowances:			
Budget authority	−3.45	−0.60	−0.70
Outlays	−3.15	−0.50	−0.50
950 Undistributed offsetting receipts:			
Budget authority	−39.75	−41.10	−40.90
Outlays	−39.75	−41.10	−40.90

ECONOMIC ASSUMPTIONS

The conferees accepted the economic assumptions shown in the table below as the basis for the revenue, spending did credit estimates in the conference substitute. These economic assumptions are the same as those used by the President in his FY 1986 budget submission in February. Both the House- and Senate-passed budget resolutions were based on these economic assumptions.

[In billions of dollars]

	Calendar years			
	[illegible]	1986	1987	[illegible]
Gross national product:				
Current dollars	$3,948.2	$4,284.8	$4,642.8	$5,016.8
Percent change	7.8	8.5	8.3	8.1
Constant (1972) dollars	$1,702.5	$1,770.6	$1,841.4	$1,915.1
Percent change	3.9	4.0	4.0	4.0
GNP deflator (percent change, year over year)	3.8	4.4	4.2	3.9
CPI–W (percent change, year over year)	4.1	4.3	4.2	3.9
Unemployment rate—Civilian (percent)	7.1	7.0	6.7	6.4
3-month Treasury bill rate (percent)	8.1	7.9	7.2	5.9
Memo: GNP, current dollars, fiscal year	$3,868.5	$4,198.5	$4,558.9	$4,921.7

REVENUES

The House resolution provided a revenue floor of $736.05 billion in FY 1985, $794.10 billion in FY 1986, $866.00 billion in FY 1987, and $955.60 billion in FY 1988. It provided that revenues be decreased by $0.15 billion in FY 1985, and increased by $1.45 billion in FY 1986, $1.70 billion in FY 1987, and $3.10 billion in FY 1988.

The Senate resolution set a revenue floor of $736.20 billion in FY 1985, $793.6 billion in FY 1986, $866.30 billion in FY 1987, and $955.90 billion in FY 1988. It provided that revenues be increased by $0.9 billion in FY 1986, $2.0 billion in FY 1987, and $3.4 billion in FY 1988.

The conference substitute sets a revenue floor of $736.5 billion in FY 1985, $795.7 billion in FY 1986, $869.4 billion in FY 1987, and $960.1 billion in FY 1988. It provides that revenues should be increased by $3.0 billion in FY 1986, $5.1 billion in FY 1987, and $7.6 billion in FY 1988.

FUNCTION 150: EXPORT-IMPORT BANK

It is the intention of the conferees that up to $1.8 billion may be made available for the Export-Import Bank loan programs. The allocation made pursuant to section 302 of the Congressional Budget Act to the Senate Committee on Appropriations contained in this Statement of the Managers assumes a funding level of $1.2 billion for this program. In the event that the relevant appropriations measure provides a higher level of funding, an additional allocation equal to the amount in the measure, but in any event no higher than $600 million in budget authority and $50 million in outlays for fiscal year 1986 will be made to the Senate Committee on Appropriations at the time such measure is reported.

When an allocation is made to the House Committee on Appropriations pursuant to section 302, such allocation will be accorded identical treatment.

FUNCTION 300: SUPERFUND

The conference agreement assumes that the revenues associated with the reauthorization of the Superfund program will be sufficient to cover Superfund outlays. In developing the funding levels assumed for the Superfund program, the conferees do not intend to prejudice the final outcome of reauthorization legislation.

FUNCTION 400: TRANSPORTATION TRUST FUNDS

As in the past, the conferees have followed the general policy of assigning reconciliation instructions to authorizing committees of jurisdiction. No instructions have been given to the Appropriations Committees. However, the conferees recognize that in the instances of certain transportation trust funds, jurisdiction over spending decisions has historically been shared, and the imposition of obligation limitations has been a desirable budget control device, permitting all accounts to be considered in setting spending priorities within certain budget functions. In making reconciliation instructions, therefore, the conferees do not intend to alter existing jurisdictional relationships, and expect that such relationships will continue as in the past.

FUNCTION 400: PANAMA CANAL COMMISSION

The Conferees assume that any undistributed discretionary program reductions in Function 400: Transportation will not affect any treaty requirements related to the Panama Canal Commission.

FUNCTION 450: HOUSING DEVELOPMENT ACTION GRANTS

The conference agreement assumes continued funding for the Housing Development Actions Grants (HoDAG) program from funds allocated to the assisted hosing program.

FUNCTION 550: HEALTH

MEDICAID REPORT LANGUAGE

The Conference agreement assumes $450 million in medicaid savings over three years from enhanced State efforts to collect payments from third party insurers. It is the intention of the conferees that collection efforts not adversely affect beneficiaries or States which make a reasonable effort to obtain payments. The conferees believe that there are cost effective techniques available to States to meet this goal without resulting in a loss of Federal funding or disruption of the medicaid program. Furthermore, the conferees intend that there will be no loss to States of Federal medicaid funds if collection efforts do not result in initially projected savings.

It is also the intent of the conferees that legislation which requires States to collect payments would be sufficient to meet the reconciliation assumptions.

FUNCTION 600: SCORING OF DEBT FORGIVENESS FOR PUBLIC HOUSING

The Managers agree that scorekeeping for reconciliation savings from assumed debt forgiveness for public housing notes should not be done in such a way as to require program reductions in place of the intended financing changes.

FUNCTION 650: SOCIAL SECURITY

The conferees have assumed some savings for administrative support in the Social Security Administration. It is not intended that these savings should result in staff reductions, office closings or otherwise have an adverse impact upon services to social security beneficiaries.

RECONCILIATION INSTRUCTIONS

The Senate resolution contained instructions regarding increased spending directed to 13 Senate committees and 14 House committees. The House amendment contained instructions of this nature directed to 10 House committees. The conference substitute contains instructions directed to 11 Senate committees and 14 House committees.

The Senate resolution provided that instructed committees would respond by June 30, 1985. The House amendment provided that instructed committees would respond within 30 calendar days of final action on this budget resolution. The conference substitute provides that committees must respond by September 27, 1985.

Neither the Senate resolution nor the House amendment contained instructions to change revenues. The conference substitute contains instructions to the Senate Finance Committee and the House Ways and Means Committee to increase revenues.

SUMMARY OF RECONCILIATION SAVINGS BY SENATE COMMITTEE

[In millions of dollars]

Senate committee	Fiscal year 1986		Fiscal year 1987		Fiscal year 1988		Total fiscal years 1986–88	
	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay
Agriculture, Nutrition, and Forestry		−1,250		−2,050		−4,600		−7,900
Armed Services		−100		−200		−300		−600
Banking, Housing, and Urban Affairs	−2,374	−2,814	−2,828	−3,685	−2,998	−3,821	−8,200	−10,320
Commerce, Science, and Transportation	−328	−310	−133	−119	−135	−130	−596	−559
Energy and Natural Resources	−5,485	−5,403	291	147	−337	−314	−5,531	−5,570
Environment and Public Works		−200		−850		−1,050		−2,100
Finance		−3,307		−7,951		−10,908		−22,166
Governmental Affairs		−3,219		−4,421		−4,986		−12,626
Labor and Human Resources	−670	−170	−860	−525	−1,085	−960	−2,615	−1,665
Small Business	−448	−509	−564	−972	−1,060	−998	−2,072	−2,479
Veterans' Affairs	−300	−300	−400	−400	−450	−450	−1,150	−1,150
Total reconciliation (spending)	−9,605	−17,582	−4,494	−21,036	−6,065	−28,517	−20,164	−67,135
Total reconciliation (revenues)		+1,800		+3,000		+3,600		+8,400

SUMMARY OF RECONCILIATION SAVINGS BY HOUSE COMMITTEE

[In millions of dollars]

House committee	1986		1987		1988	
	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay
Agriculture Committee		−1,250		−2,050		−4,600
Armed Services Committee		−100		−200		−300
Banking, Finance and Urban Affairs Committee	−2,374	−2,814	−2,828	−3,685	−2,998	−3,821
Energy and Commerce Committee	−1,513	−3,947	−1,246	−5,008	−1,401	−6,512
Education and Labor Committee	−670	−470	−860	−835	−1,085	−1,260
Government Operations Committee				−3,526		−4,956
Interior and Insular Affairs Committee	−4,000	−4,000	1,504	1,504	1,029	1,029
Judiciary Committee	−570	−70	−610	−285	−635	−510
Merchant Marine and Fisheries Committee	−300	−300	−100	−100	−100	−100
Post Office and Civil Service Committee		−3,219		−4,421		−4,986
Public Works and Transportation Committee		−200		−850		−1,050
Small Business Committee	−448	−509	−564	−972	−1,060	−998
Veterans' Affairs Committee	−300	−300	−400	−400	−450	−450
Ways and Means Committee: deficit reduction		−5,027		−7,245		−9,362

FISCAL YEAR 1985—CREDIT BUDGET TARGETS

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Total new direct loan obligations	51.95	52.80	52.85
Total new primary loan guarantee commitments	68.80	69.40	69.35
Total new secondary loan guarantee commitments	68.25	68.20	68.20
FUNCTION			
150 International affairs:			
New direct loan obligations	10.05	11.50	11.50
New primary loan guarantee commitments	[illegible]	[illegible]	10.30
270 Energy			
New direct loan obligations	2.65	2.10	2.10
New primary loan guarantee commitments	[illegible]	[illegible]	0.10
300 Natural resources and environment:			
New direct loan obligations	.05	.10	0.10
New primary loan guarantee commitments			
350 Agriculture:			
New direct loan obligations	[illegible]	[illegible]	[illegible]
New primary loan guarantee commitments	5.70	5.70	5.70
370 Commerce and housing credit:			
New direct loan obligations	6.55	[illegible]	6.50
New primary loan guarantee commitments	26.45	[illegible]	[illegible]
New secondary loan guarantee commitments	[illegible]	[illegible]	[illegible]
400 Transportation:			
New direct loan obligations	[illegible]	.30	[illegible]
New primary loan guarantee commitments	[illegible]	[illegible]	.30
450 Community and regional development:			
New direct loan obligations	1.75	[illegible]	1.70
New primary loan guarantee commitments	.15	.20	.20
500 Education, training, employment and social services:			
New direct loan obligations	1.15	1.10	1.20
New primary loan guarantee commitments	8.75	[illegible]	[illegible]
550 Health:			
New direct loan obligations	.05		.05
New primary loan guarantee commitments	.25	.20	.25

FISCAL YEAR 1985—CREDIT BUDGET TARGETS—Continued

[In billions of dollars]

	House passed	Senate passed	Conference agreement
600 Income security:			
New direct loan obligations	14.30	14.30	14.30
New primary loan guarantee commitments			
700 Veterans benefits and services:			
New direct loan obligations	1.30	1.30	1.30
New primary loan guarantee commitments	16.80	16.80	16.80
920 Allowances:			
New direct loan obligations			
New primary loan guarantee commitments			

FISCAL YEAR 1986—CREDIT BUDGET TARGETS

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Total new direct loan obligations	38.05	30.10	34.40
Total new primary loan guarantee commitments	74.60	80.60	80.15
Total new secondary loan guarantee commitments	[illegible]	[illegible]	[illegible]
FUNCTION			
150 International affairs:			
New direct loan obligations	10.35	8.20	[illegible]
New primary loan guarantee commitments	10.30	12.30	12.30
270 Energy			
New direct loan obligations	2.10	2.10	2.10
New primary loan guarantee commitments	4.10	4.10	4.10

FISCAL YEAR 1986—CREDIT BUDGET TARGETS—Continued

[In billions of dollars]

	House passed	Senate passed	Conference agreement
300 Natural resources and environment:			
New direct loan obligations	.05	.10	.05
New primary loan guarantee commitments			
350 Agriculture:			
New direct loan obligations	13.90	11.70	13.60
New primary loan guarantee commitments	5.70	9.00	6.40
370 Commerce and housing credit:			
New direct loan obligations	5.90	4.20	5.00
New primary loan guarantee commitments	27.10	28.40	28.20
New secondary loan guarantee commitments	68.25	68.20	68.20
400 Transportation:			
New direct loan obligations	.15	.20	.20
New primary loan guarantee commitments	.30	.30	.30
450 Community and regional development:			
New direct loan obligations	1.30	1.20	1.10
New primary loan guarantee commitments	.15	.20	.20
500 Education, training, employment and social services:			
New direct loan obligations	1.10	1.10	1.10
New primary loan guarantee commitments	9.05	9.00	9.00
550 Health:			
New direct loan obligations	.05		.05
New primary loan guarantee commitments	.25	.20	.25
600 Income security:			
New direct loan obligations	1.85		
New primary loan guarantee commitments		1.80	1.80
700 veterans benefits and services:			
New direct loan obligations	1.30	1.30	1.30
New primary loan guarantee commitments	17.65	15.30	17.60
920 Allowances:			
New direct loan obligations			
New primary loan guarantee commitments			

FISCAL YEAR 1987—CREDIT BUDGET TARGETS

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Total new direct loan obligations	37.00	27.90	32.15
Total new primary loan guarantee commitments	73.00	81.30	79.05
Total new secondary loan guarantee commitments	68.25	68.20	68.20
FUNCTION			
150 International affairs:			
New direct loan obligations	10.75	7.00	[illegible]
New primary loan guarantee commitments	10.75	12.30	[illegible]
270 Energy:			
New direct loan obligations	2.10	2.10	2.10
New primary loan guarantee commitments			
300 Natural resources and environment:			
New direct loan obligations	.05	.10	.10
New primary loan guarantee commitments			
350 Agriculture:			
New direct loan obligations	12.15	10.20	11.40
New primary loan guarantee commitments	5.75	9.00	[illegible]
370 Commerce and housing credit:			
New direct loan obligations	6.15	4.20	[illegible]
New primary loan guarantee commitments	28.65	30.10	[illegible]
New secondary loan guarantee commitments	68.25	68.20	68.20
400 Transportation:			
New direct loan obligations	.15	.10	[illegible]
New primary loan guarantee commitments	.30	.30	.30
450 Community and regional development:			
New direct loan obligations	1.70	1.10	1.20
New primary loan guarantee commitments	.20	.20	[illegible]
500 Education, training, employment and social services:			
New direct loan obligations	1.10	1.10	1.10
New primary loan guarantee commitments	9.35	9.40	[illegible]
550 Health:			
New direct loan obligations	.05		.05
New primary loan guarantee commitments	.25	.30	.25
600 Income security:			
New direct loan obligations	2.30		
New primary loan guarantee commitments		2.30	[illegible]
700 Veterans benefits and services:			
New direct loan obligations	1.20	1.20	[illegible]
New primary loan guarantee commitments	18.75	17.40	[illegible]
920 Allowances:			
New direct loan obligations	−.70		
New primary loan guarantee commitments	−1.0		

FISCAL YEAR 1988—CREDIT BUDGET TARGETS

[In billions of dollars]

	House passed	Senate passed	Conference agreement
Total new direct loan obligations	[illegible]	27.30	31.40
Total new primary loan guarantee commitments	[illegible]	[illegible]	[illegible]
Total new secondary loan guarantee commitments	[illegible]	68.20	[illegible]
FUNCTION			
150 International affairs:			
New direct loan obligations	[illegible]	[illegible]	[illegible]
New primary loan guarantee commitments	11.20	[illegible]	[illegible]
270 Energy:			
New direct loan obligations	2.15	2.10	2.10
New primary loan guarantee commitments			
300 Natural resources and environment:			
New direct loan obligations	.05		.05
New primary loan guarantee commitments			
350 Agriculture:			
New direct loan obligations	11.80	9.10	10.50
New primary loan guarantee commitments	5.75	9.00	6.90
370 Commerce and housing credit:			
New direct loan obligations	6.65	4.50	5.40
New primary loan guarantee commitments	30.45	31.90	31.70
New secondary loan guarantee commitments	68.25	68.20	68.20
400 Transportation:			
New direct loan obligations	.10	.10	.10
New primary loan guarantee commitments	.30	[illegible]	.30
450 Community and regional development:			
New direct loan obligations	1.95	[illegible]	1.30
New primary loan guarantee commitments	.20	[illegible]	.20
500 Education, training, employment and social services:			
New direct loan obligations	1.15	1.10	1.10
New primary loan guarantee commitments	9.60	[illegible]	[illegible]
550 Health:			
New direct loan obligations	.05		.05
New primary loan guarantee commitments	.30	.30	.30
600 Income security:			
New direct loan obligations	1.75		
New primary loan guarantee commitments		[illegible]	[illegible]
700 Veterans benefits and services:			
New direct loan obligations	1.10	1.20	1.10
New primary loan guarantee commitments	20.90	20.10	[illegible]
920 Allowances:			
New direct loan obligations	−1.30		
New primary loan guarantee commitments	−1.80		

MISCELLANEOUS PROVISIONS

APPROPRIATIONS CAPS

The Senate resolution provided a point of order against the consideration of an appropriations bill in the House or Senate if the enactment of that bill would cause total aggregate budget authority to exceed the amounts stated for function 050, National Defense, or the amounts stated for nondefense discretionary activities.

The House amendment contained no such provision.

The Senate receded to the House.

AUTOMATIC SECOND BUDGET RESOLUTION

The Senate resolution provide that this resolution shall be deemed to be the second concurrent resolution on the budget for FY 1986 for the purposes of section 311 of the Budget Act if Congress has not completed action on a second resolution by October 1, 1985.

The House amendment provided language virtually identical to that of the Senate resolution which achieved the same result. The House amendment further provided that committees would be held harmless against a point of order under section 311 of the Budget Act for violation of spending ceilings if those committees remain within their section 302(a) allocation for FY 1986. In addition, the House amendment provided that if any off-budget programs contained in a list in the House report are brought into the unified budget, the budget authority and outlays for those programs shall not be included in determining violations of section 311 of the Budget Act. The House amendment also provided that if Congress subsequently adopts a second budget resolution for FY 1986, all of the provisions of this section will cease to apply.

The House conferees receded to the Senate with an amendment making the provision holding committees harmless applicable only to the House.

TAX REFORM

The Senate resolution contained language regarding the need for tax reform. The provision presented certain findings of the Senate regarding the inequities and disadvantages of the current tax structure. It also expressed the sense of the Senate that tax reform legislation should be adopted as soon as possible, incorporating specified objectives and principals.

The House amendment contained language identical to the Senate provision, except that it expressed the findings and sense of the House.

The Senate conferees receded to the House with an amendment to express the sense of the Congress.

CBO SCOREKEEPING REQUIREMENTS

The Senate resolution contained a provision expressing the sense of the Senate that CBO should make weekly reports when the Senate is in session regarding the current status of congressional action with respect to the limitations on spending, revenues and the public debt established by the most recent budget resolution.

The House amendment contained no such provision.

The House conferees receded to the Senate.

FARM LOSS DEDUCTIONS

The Senate resolution contained a provision expressing the sense of the Senate that legislation should be enacted to limit to the national median family income the amount of farm-related losses which can be deducted against nonfarm income, and that the resulting additional revenues should be used to reduce individual income tax rates, and to assure that family-operated farms do not suffer a disadvantaged as against farm operations with substantial nonfarm income.

The House amendment contained no such provision.

The House conferees receded to the Senate.

ENHANCED TAX LAW ENFORCEMENT

The Senate resolution contained a provision expressing the sense of the Congress that legislation should be reported by the Senate Finance Committee and enacted to increase compliance with the tax code. Such legislation should concern improved enforcement and collection, increased staff, and efforts to improve taxpayer assistance. The resulting increased revenue could be used to reduce income tax rates, reduce the deficit, or other unspecified purposes.

The House amendment contained no such provision.

The House conferees receded to the Senate with an amendment referencing the House Ways and Means Committee and deleting the language regarding use of the increased revenue.

INTERNATIONAL MONETARY CONFERENCE

The House amendment contained a provision expressing the sense of the Congress that the Administration should call for the convening of an international conference to discuss the stabilization of currency exchange rates, the reduction of interest rates, the promotion of maximum economic growth, and the assurance of domestic stability.

The Senate resolution contained no such provision.

The Senate receded to the House with an amendment.

GRACE COMMISSION REVIEW

The House amendment contained a provision expressing the sense of the House that all House committees should review the findings of the President's Private Sector Survey on Cost Control relating to programs within their jurisdiction and consider those findings during their review of legislation. Each report accompanying legislation should identify those recommendations implemented in that legislation, their budgetary impact, and an explanation of every recommendation which relates to the legislation and a discussion of its disposition.

The Senate resolution contained no such provision.

The Senate conferees receded to the House.

LIMITATION ON BENEFITS TO ALIENS

The Senate resolution contained a provision expressing the sense of the Congress that social security benefits paid to illegal and nonresident aliens should be limited to the amount of the wage-earner's contribution plus interest and states the assumption that the Senate Finance Committee will report legislation to accomplish this. This limitation would apply to individuals becoming eligible after January 1, 1986.

The House amendment contained a provision identical to the Senate provision except that it referenced the House Ways and Means Committee instead of the Senate Finance Committee.

The House conferees receded to the Senate with an amendment referencing the House Committee on Ways and Means.

ANNUAL DETERMINATION OF CREDIT ACTIVITY THROUGH THE APPROPRIATIONS PROCESS

The Senate resolution provided that it shall not be in order to consider legislation authorizing new direct loan obligations of loan guarantee commitments which does not limit such activity to amounts appropriated in advance. Legislation reported in response to the reconciliation instructions contained in this resolution is exempted. Legislation regarding Commodity Credit Corporation price support and related programs in operation on January 1, 1985 is also exempted.

The House amendment contained no such provision.

The Senate conferees receded to the House.

ELIMINATION OF DISTINCTION BETWEEN "UNIFIED BUDGET" AND "OFF-BUDGET" SPENDING

The Senate resolution contained a provision expressing the sense of Congress that the distinction between "unified budget" and "off-budget" spending should be terminated, and that the budget authority and outlays for so-called "off-budget" agencies should be included in the budget totals.

The House amendment contained no such provision.

The Senate conferees receded to the House.

The conferees intend that the functional and aggregate totals included in this resolution, reflecting both "on-budget" and "off-budget" spending, will govern for the purposes of the congressional budget process, scorekeeping, and enforcement. It is not the intent of the conferees to prejudice the action of committees of jurisdiction in their legislative oversight of program not presently included in the unified budget of the federal government.

WIC FUNDING

The Senate resolution contained language expressing the sense of the Senate that the full amount of appropriations for FY 1985, currently being withheld from obligations by OMB, should be apportioned among the states, pursuant to public law.

The House amendment contained language indentical to the Senate provision, except that it expresses the sense of the Congress.

The conference substitute does not contain this language.

CONFORMING OVERTIME REQUIREMENTS

The Senate resolution contained language expressing the sense of the Congress that the overtime requirements contained in the Walsh-Healey Act and the Contract Work Hours and Safety Standards Act should be conformed to the Fair Labor Standards Act.

The House amendment contained no such provision.

The Senate conferees receded to the House.

MINIMUM TAX

The Senate resolution contained a provision expressing the sense of Congress that a minimum tax should be enacted so that all corporations and individuals with economic income will pay tax, and that the resulting revenue should be used to reduce individual income tax rates and to increase threshold amounts for tax payments by individuals when tax reform legislation is considered.

The House amendment contained no such provision.

The Senate conferees receded to the House.

ALLOCATION OF BUDGET AUTHORITY AND OUTLAYS TO SENATE COMMITTEES

Pursuant to section 302 of the Congressional Budget Act, the conference substitute makes the following allocation of budget authority and outlays among the committees of the Senate.

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1985

[In millions of dollars]

Committees	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Outlay	Budget authority	Outlay
Appropriations	576,084	531,709		
Agriculture, Nutrition, and Forestry	15,528	[illegible]	12,420	132
Armed Services	[illegible]	26,620	147	208
Banking, Housing, and Urban Affairs	[illegible]	14,960		
Commerce, Science, and Transportation	1,719	257	346	356
Energy and Natural Resources	1,024	373	54	56
Environment and Public Works	15,571	[illegible]	6	6
Finance	[illegible]	477,641	43,639	46,229
Foreign Relations	15,466	13,375		
Governmental Affairs	[illegible]	33,345	(1)	(1)
Judiciary	570	477	78	76
Labor and Human Resources	4,071	2,657	6,083	5,952
Rules and Administration	45	9		
Small Business	[illegible]	378		
Veterans' Affairs	1,502	1,141	15,317	15,416
Select Indian Affairs	445	443		
Not allocated to committees	−[illegible]	−183,113		
Total, budget	1,062,100	946,300	78,088	68,432

[1] Less than $500,000.

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1986

[In millions of dollars]

Committees	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Outlay	Budget authority	Outlay
Appropriations	565,410	[illegible]		
Agriculture, Nutrition, and Forestry	18,198	17,275	213	[illegible]
Armed Services	40,622	[illegible]	165	165
Banking, Housing, and Urban Affairs	6,710	3,215		
Commerce, Science, and Transportation	1,651	−151	352	[illegible]
Energy and Natural Resources	−[illegible]	−2,839		
Environment and Public Works	[illegible]	573	[illegible]	6
Finance	[illegible]	510,642	46,622	46,723
Foreign Relations	[illegible]	[illegible]		
Governmental Affairs	54,043	34,687	1	1
Judiciary	512	439	[illegible]	82
Labor and Human Resources	4,273	[illegible]	[illegible]	5,572

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SEC. 302 OF THE CONGRESSIONAL BUDGET ACT, FISCAL YEAR 1986—Continued

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriation acts	
	Budget authority	Outlay	Budget authority	Outlay
Rules and Administration	45	[illegible]		
Small Business	[illegible]	153		
Veterans' Affairs	1,502	1,316	15,557	14,525
Select Indian Affairs	[illegible]	457		
Not allocated to committees	−193,756	−193,935		
Total, budget	1,069,700	967,600	[illegible]	68,647

[1] Less than $500,000.

WILLIAM H. GRAY III,
JIM WRIGHT,
THOMAS J. DOWNEY,
MIKE LOWRY,
BUTLER DERRICK,
VIC FAZIO,
GEO. MILLER,
MARTIN FROST,
DELBERT LATTA,
JACK KEMP,
LYNN MARTIN,
BOBBI FIEDLER,
BEAU BOULTER,
Managers on the Part of the House.
PETE V. DOMENICI,
WILLIAM L. ARMSTRONG,
NANCY LANDON
KASSEBAUM,
RUDY BOSCHWITZ,
SLADE GORTON,
LAWTON CHILES,
J. BENNETT JOHNSTON,
JIM SASSER,
Managers on the Part of the Senate.

Mr. GRAY of Pennsylvania. Mr. Speaker, I call up the conference report on the Senate concurrent resolution (S. Con. Res. 32), setting forth the congressional budget for the U.S. Government for fiscal years 1986, 1987, and 1988, and revising the congressional budget for the U.S. Government for the fiscal year 1985.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. The Clerk will read the report.

The Clerk read the report.

Mr. GRAY of Pennsylvania (during the reading). Mr. Speaker, I ask unanimous consent that the conference report be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MOTION OFFERED BY MR. GRAY OF PENNSYLVANIA

Mr. GRAY of Pennsylvania. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GRAY of Pennsylvania moves, pursuant to House Resolution 253, that the House recede from its amendment to Senate Concurrent Resolution 32 and concur with an amendment as follows:

Strike out all after the resolving clause of S. Con. Res. 32 and insert in lieu thereof the following:

That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1985 is hereby revised and replaced, the first concurrent resolution on the budget for fiscal year 1986 is hereby established, and the appropriate budgetary levels for fiscal years 1987 and 1988 are hereby set forth.

(a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1985: $736,500,000,000.
Fiscal year 1986: $795,700,000,000.
Fiscal year 1987: $869,400,000,000.
Fiscal year 1988: $960,100,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1985: $0.
Fiscal year 1986: $3,000,000,000.
Fiscal year 1987: $5,100,000,000.
Fiscal year 1988: $7,600,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $44,800,000,000.
Fiscal year 1986: $50,900,000,000.
Fiscal year 1987: $56,100,000,000.
Fiscal year 1988: $61,200,000,000.

and the amounts for Federal Insurance Contributions Act revenues for old-age, survivors, and disability insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $186,200,000,000.
Fiscal year 1986: $200,400,000,000.
Fiscal year 1987: $216,800,000,000.
Fiscal year 1988: $248,000,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1985: $1,062,100,000,000.
Fiscal year 1986: $1,069,700,000,000.
Fiscal year 1987: $1,137,950,000,000.
Fiscal year 1988: $1,216,450,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1985: $946,300,000,000.
Fiscal year 1986: $967,600,000,000.
Fiscal year 1987: $1,024,100,000,000.
Fiscal year 1988: $1,073,000,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1985: $209,800,000,000
Fiscal year 1986: $171,900,000,000.
Fiscal year 1987: $154,700,000,000.
Fiscal year 1988: $112,900,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1985: $1,847,800,000,000.
Fiscal year 1986: $2,078,700,000,000.
Fiscal year 1987: $2,301,900,000,000.
Fiscal year 1988: $2,507,000,000,000.

and the amounts by which the statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1985: $24,000,000,000.
Fiscal year 1986: $230,900,000,000.
Fiscal year 1987: $223,200,000,000.
Fiscal year 1988: $205,100,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987, are as follows:

Fiscal year 1985:
(A) New direct loan obligations, $52,850,000
(B) New primary loan guarantee commitments, $69,350,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1986:
(A) New direct loan obligations, $34,400,000,000.
(B) New primary loan guarantee commitments, $80,150,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1987:
(A) New direct loan obligations, $32,150,000,000.
(B) New primary loan guarantee commitments, $79,050,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1988:
(A) New direct loan obligations, $31,400,000,000.
(B) New primary loan guarantee commitments, $84,000,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations, new primay loan guarantee commitments, and new secondary loan guarantee commitments, for fiscal years 1985 through 1988 for each major functional category are:

(1) National Defense (050):
Fiscal year 1985:
(A) New budget authority, $292,600,000,000.
(B) Outlays, $249,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $302,500,000,000.
(B) Outlays, $267,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $323,400,000,000.
(B) Outlays, $85,200,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $346,800,000,000.
(B) Outlays, $303,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):
Fiscal year 1985:
(A) New budget authority, $24,700,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $10,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $21,300,000,000.
(B) Outlays, $18,850,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $20,100,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $9,600,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $16,450,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):
Fiscal year 1985:
(A) New budget authority, $9,100,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $9,100,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $9,050,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $9,300,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):
Fiscal year 1985:
(A) New budget authority, $900,000,000.
(B) Outlays, $5,500,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,550,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $4,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $5,850,000,000.
(B) Outlays, $5,150,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $4,950,000,000.
(B) Outlays, $4,450,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):
Fiscal year 1985:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,000,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,000,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,750,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $13,150,000,000.
(B) Outlays, $12,950,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):
Fiscal year 1985:
(A) New budget authority, $27,000,000,000.
(B) Outlays, $23,300,000,000.
(C) New direct loan obligations, $13,800,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $15,550,000,000.
(C) New direct loan obligations, $13,600,000,000.
(D) New primary loan guarantee commitments, $6,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $17,700,000,000.
(B) Outlays, $16,250,000,000.
(C) New direct loan obligations, $11,400,000,000.
(D) New primary loan guarantee commitments, $5,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $16,200,000,000.
(B) Outlays, $13,750,000,000.
(C) New direct loan obligations, $10,500,000,000.
(D) New primary loan guarantee commitments, $6,900,000,000.
(E) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):
Fiscal year 1985:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $5,500,000,000.
(C) New direct loan obligations, $6,500,000,000.
(D) New primary loan guarantee commitments, $26,900,000,000.
(E) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1986:
(A) New budget authority, $7,700,000,000.
(B) Outlays, $3,700,000,000.
(C) New direct loan obligations, $5,000,000,000.
(D) New primary loan guarantee commitments, $28,200,000,000.
(E) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1987:
(A) New budget authority, $7,700,000,000.
(B) Outlays, $3,450,000,000.
(C) New direct loan obligations, $5,300,000,000.
(D) New primary loan guarantee commitments, $29,900,000,000.
(E) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1988:
(A) New budget authority, $7,850,000,000.
(B) Outlays, $5,200,000,000.
(C) New direct loan obligations, $5,400,000,000.
(D) New primary loan guarantee commitments, $31,700,000,000.
(E) New secondary loan guarantee commitments, $68,200,000,000.

(8) Transportation (400):
Fiscal year 1985:
(A) New budget authority, $29,400,000,000.
(B) Outlays, $26,000,000,000.
(C) New direct loan obligations, $300,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $26,850,000,000.
(B) Outlays, $25,800,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $28,900,000,000.

(B) Outlays, $27,700,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $29,750,000,000.

(B) Outlays, $28,100,000,000.

(C) New direct loan obligations, $100,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1985:

(A) New budget authority, $8,300,000,000.

(B) Outlays, $8,400,000,000.

(C) New direct loan obligations, $1,700,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $6,950,000,000.

(B) Outlays, $8,050,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $6,900,000,000.

(B) Outlays, $7,300,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $7,200,000,000.

(B) Outlays, $6,850,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1985:

(A) New budget authority, $32,100,000,000.

(B) Outlays, $30,400,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $8,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $31,550,000,000.

(B) Outlays, $30,850,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $9,000,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $32,350,000,000.

(B) Outlays, $31,350,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $9,400,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $32,950,000,000.

(B) Outlays, $32,100,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $9,600,000,000.

(E) New secondary loan guarantee commitments, $0.

(11) Health (550):

Fiscal year 1985:

(A) New budget authority, $33,600,000,000.

(B) Outlays, $33,500,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $250,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $36,000,000,000.

(B) Outlays, $34,900,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $250,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $38,400,000,000.

(B) Outlays, $37,800,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $250,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $41,100,000,000.

(B) Outlays, $40,700,000,000.

(C) New direct loan obligations, $50,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(E) New secondary loan guarantee commitments, $0.

(12) Medical Insurance (570):

Fiscal year 1985:

(A) New budget authority, $72,000,000,000.

(B) Outlays, $65,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $81,500,000,000.

(B) Outlays, $69,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $90,600,000,000.

(B) Outlays, $76,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $94,200,000,000.

(B) Outlays, $84,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(13) Income Security (600):

Fiscal year 1985:

(A) New budget authority, $164,500,000,000.

(B) Outlays, $128,900,000,000.

(C) New direct loan obligations, $14,300,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $155,100,000,000.

(B) Outlays, $119,050,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $163,750,000,000.

(B) Outlays, $124,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $2,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $172,400,000,000.

(B) Outlays, $130,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,800,000,000.

(E) New secondary loan guarantee commitments, $0.

(14) Social Security (650):

Fiscal year 1985:

(A) New budget authority, $198,700,000,000.

(B) Outlays, $189,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $207,200,000,000.

(B) Outlays, $200,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $224,750,000,000.

(B) Outlays, $214,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $264,600,000,000.

(B) Outlays, $228,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1985:

(A) New budget authority, $27,400,000,000.

(B) Outlays, $26,400,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $16,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $27,450,000,000.

(B) Outlays, $26,800,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $17,600,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $27,550,000,000.

(B) Outlays, $27,250,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $18,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $27,900,000,000.

(B) Outlays, $27,650,000,000.

(C) New direct loan obligations, $1,100,000,000.

(D) New primary loan guarantee commitments, $20,900,000,000.

(E) New secondary loan guarantee commitments, $0.

(16) Administration of Justice (750):

Fiscal year 1985:

(A) New budget authority, $6,700,000,000.

(B) Outlays, $6,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $6,900,000,000.

(B) Outlays, $6,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $7,050,000,000.

(B) Outlays, $7,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $7,200,000,000.

(B) Outlays, $7,150,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(17) General Government (800):

Fiscal year 1985:

(A) New budget authority, $5,700,000,000.

(B) Outlays, $5,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $5,500,000,000.

(B) Outlays, $5,450,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $5,300,000,000.

(B) Outlays, $5,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $5,500,000,000.

(B) Outlays, $5,450,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(18) General Purpose Fiscal Assistance (850):

Fiscal year 1985:

(A) New budget authority, $6,400,000,000.

(B) Outlays, $6,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $6,500,000,000.

(B) Outlays, $6,500,000,000.

(C) New direct loan obligations, $0

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, $2,000,000,000.

(B) Outlays, $3,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $2,100,000,000.

(B) Outlays, $2,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(19) Net Interest (900):

Fiscal year 1985:

(A) New budget authority, $129,200,000,000.

(B) Outlays, $129,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, $142,300,000,000

(B) Outlays, $142,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan commitments, $0.

Fiscal year 1987:

(A) New budget authority, $152,500,000,000.

(B) Outlays, $152,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, $155,000,000,000.

(B) Outlays, $155,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Allowances (920):

Fiscal year 1985:

(A) New budget authority, $500,000,000.

(B) Outlays, $0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, −$2,100,000,000.

(B) Outlays, −$1,650,000,000.

(C) New direct loan obligations, $0

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, −$2,000,000,000.

(B) Outlays, −$1,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, −$700,000,000.

(B) Outlays, −$500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(21) Undistributed Offsetting Receipts (950):

Fiscal year 1985:

(A) New budget authority, −$32,400,000,000.

(B) Outlays, −$32,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:

(A) New budget authority, −$39,900,000,000.

(B) Outlays, −$39,900,000,000.

(C) New direct loan obligations, $0.

(D) New direct loan obligations, $0.

(E) New Secondary loan guarantee commitments, $0.

Fiscal year 1987:

(A) New budget authority, −$37,100,100,100.

(B) Outlays, −$37,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:

(A) New budget authority, −$40,900,000,000.

(B) Outlays, −$40,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guaranteed commitments, $0.

(E) New secondary loan guarantee commitments, $0.

RECONCILIATION.

SEC. 2. (a) Not later than September 27, 1985, the committees named in subsections (b) through (z) of this section shall submit their recommendations to the Committees on the Budget of their respective Houses. After receiving those recommendations, the Committees on hte budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

SENATE COMMITTEES

(b) The Senate Committee on Agriculture, Nutrition, and Forestry shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $1,250,000,000 in outlays in fiscal year 1986, $0 in budget authority and $2,050,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $4,600,000,000 in outlays in fiscal year 1988.

(c) The Senate Committee on Armed Services shall report changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to achieve savings of $0 in budget authority and $100,000,000 in outlays in fiscal year 1986, $0 in budget authority and $200,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $300,000,000 in outlays in fiscal year 1988.

(d) The Senate Committee on Banking, Housing, and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) change in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $2,374,000,000 in budget authority and $2,814,000,000 in outlays in fiscal year 1986, $2,828,000,000 in budget authority and $3,685,000,000 in outlays in fiscal year 1987, and $2,998,000,000 in budget authority and $3,821,000,000 in outlays in fiscal year 1988.

(e) The Senate Committee on Commerce, Science, and Transporation shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $328,000,000 in budget authority and $310,000,000 in outlays in fiscal year 1986, $133,000,000 in budget authority and $119,000,000 in outlays in fiscal year 1987, and $135,000,000 in budget authority and $130,000,000 in outlays in fiscal year 1988.

(f) The Senate Committee on Energy and Natural Resources shall report (1) changes in laws within its jursidiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, or (3) any combination thereof, sufficient to achieve the following: savings of $5,485,000,000 in budget authority and $5,403,000,000 in outlays in fiscal year 1986, increases of $291,000,000 in budget authority and $147,000,000 in outlays in fiscal year 1987, and savings of $337,000,000 in budget authority and $314,000,000 in outlays in fiscal year 1988.

(g) The Senate Committee on Environment and Public Works shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) by combination thereof, as follows: $0 in budget authority and $200,000,000 in outlays in fiscal year 1986, $0 in budget authority and $850,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $1,050,000,000 in outlays in fiscal year 1988.

(h)(1) The Senate Committee on Finance shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiciton other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, (C) any combination thereof, as follows: $0 in budget authority and $3,307,000,000 in outlays in fisal year 1986. $0 in budget authority and $7,951,000,00 in outlays in fiscal year 1987, and $0 in budget authority and $10,908,000,000 in outlays in fiscal year 1988.

(2) The Senate Committee on Finance shall report changes in laws within the jurisdiction of the committee sufficient to increase revenues as follows: $1,800,000,000 in fiscal year 1986; $3,000,000,000, in fiscal year 1987; and $3,600,000,00 in fiscal year 1988.

(i) The Senate Committee on Governmental Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $3,219,000,000 in outlays in fiscal year 1986, $0 in budget authority and $4,421,000,000 in outlays in fiscal year 1987, and $0 in budget authority and $4,986,000,000 in outlays in fiscal year 1988.

(j) The Senate Committee on Labor and Human Resources shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $670,000,000 in budget authority and $170,000,000 in outlays in fiscal year 1986, $860,000,000 in budget authority and $535,000,000 in outlays in fiscal year 1987, and $1,085,000,000 in budget authority and $960,000,000 in outlays in fiscal year 1988.

(k) The Senate Committee on Small Business shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $448,000,000 in budget authority and $509,000,000 in outlays in fiscal year 1986, $564,000,000 in budget authority and $972,000,000 in outlays in fiscal year 1987, and $1,060,000,000 in budget authority and $998,000,000 in outlays in fiscal year 1988.

(l) The Senate Committee on Veterans' Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $300,000,000 in budget authority and $300,000,000 in outlays in fiscal year 1986, $400,000,000 in budget authority and $400,000,000 in outlays in fiscal year 1987, and $450,000,000 in budget authority and $450,000,000 in outlays in fiscal year 1988.

(m) The House Committee on Agriculture shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $1,250,000,000 in fiscal year 1986; to reduce outlays by $2,050,000,000 in fiscal year 1987; and to reduce outlays by $4,600,000,000 in fiscal year 1988.

(n) The House Committee on Armed Services shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays by $100,000,000 in fiscal year 1986; to reduce outlays by $200,000,000 in fiscal year 1987; and to reduce outlays by $300,000,000 in fiscal year 1988.

(o) The House Committee on Banking, Finance and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $2,374,000,000 in budget authority and $2,814,000,000 in outlays in fiscal year 1986; $2,828,000,000 in budget authority and $3,685,000,000 in outlays in fiscal year 1987, and $2,998,000,000 in budget authority and $3,821,000,000 in outlays in fiscal year 1988.

(p) The House Committee on Education and Labor shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $670,000,000 and outlays by $470,000,000 in fiscal year 1986; to reduce budget authority by $860,000,000 and outlays by $835,000,000 in fiscal year 1987 ;and to reduce budget authority by $1,085,000,000 and outlays by $1,260,000,000 in fiscal year 1988.

(q) The House Committee on Energy and Commerce shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $1,513,000,000 in budget authority and $3,947,000,000 in outlays in fiscal year 1986, $1,246,000,000 in budget authority and $5,008,000,000 in outlays in fiscal year 1987,

and $1,401,000,000 in budget authority and $6,512,000,000 in outlays in fiscal year 1988.

(r) The House Committee on Government Operations shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays by $0 in fiscal year 1986; to reduce outlays by $3,526,000,000 in fiscal year 1987; and to reduce outlays by $4,956,000,000 in fiscal year 1988.

(s) The House Committee on Interior and Insular Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $4,000,000,000 and outlays by $4,000,000,000 in fiscal year 1986; to increase budget authority by $1,504,000,000 and outlays by $1,504,000,000 in fiscal year 1987; and to increase budget authority by $1,029,000,000 and outlays by $1,029,000,000 in fiscal year 1988.

(t) The House Committee on Judiciary shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $570,000,000 and outlays by $70,000,000 in fiscal year 1986; to reduce budget authority by $610,000,000 and outlays by $285,000,000 in fiscal year 1987; and to reduce budget authorty by $635,000,000 and outlays by $510,000,000 in fiscal year 1988.

(u) The House Committee on Merchant Marine and Fisheries shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $300,000,000 and outlays by $300,000,000 in fiscal year 1986; to reduce budget authority by $100,000,000 and outlays by $100,000,000 in fiscal year 1987; and to reduce budget authority by $100,000,000 and outlays by $100,000,000 in fiscal year 1988.

(v) The House Committee on Post Office and Civil Service shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $3,219,000,000 in outlays in fiscal year 1986, $4,421,000,000 in outlays in fiscal year 1987, and $4,986,000,000 in outlays in fiscal year 1988.

(w) The House Committee on Public Works and Transportation shall report changes in laws within the jurisdiction of that committee sufficient to reduce outlays by $200,000,000 in fiscal year 1986, to reduce outlays by $850,000,000 in fiscal year 1987, and to reduce outlays by $1,050,000,000 in fiscal year 1988.

(x) The House Committee on Small Business shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in Section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction other than those which provide spending authority as defined in section 401(c)(2)(C) of the Act, sufficient to achieve savings in budget authority and outlays, or (3) any combination thereof, as follows: $448,000,000 in budget authority and $509,000,000 in outlays in fiscal year 1986, $564,000,000 in budget authority and $972,000,000 in outlays in fiscal year 1987, and $1,060,000,000 in budget authority and $998,000,000 in outlays in fiscal year 1988.

(y) The House Committee on Veterans' Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $300,000,000 and outlays by $300,000,000 in fiscal year 1986; to reduce budget authority by $400,000,000 and outlays by $400,000,000 in fiscal year 1987; and to reduce budget authority by $450,000,000 and outlays by $450,000,000 in fiscal year 1988.

(z) The House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee sufficient to reduce the budget deficit by $5,027,000,000 in fiscal year 1986; to reduce the budget deficit by $7,245,000,000 in fiscal year 1987; and to reduce the budget deficit by $9,362,000,000 in fiscal year 1988.

MISCELLANEOUS PROVISIONS AUTOMATIC SECOND BUDGET RESOLUTION

SEC. 3. (a) If the Congress has not completed action by October 1, 1985, on the concurrent resolution on the budget required to be reported under section 310(a) of the Congressional Budget Act of 1974 for fiscal year 1986, then, for purposes of section 311 of such Act, this concurrent resolution shall be deemed to be the concurrent resolution required to be reported under section 310 of such Act.

(b) In the House of Representatives, section 311(a) of the Congressional Budget Act of 1974, as made applicable by subsection (a) of this section, shall not apply to bills, resolutions, or amendments within the jurisdiction of a committee, or any conference report on any such bill or resolution, if—

(1) the enactment of such bill or resolution as reported

(2) the adoption and enactment of such amendment; of

(3) the enactment of such bill or resolution in the form recommended in such conference report;

would not cause the appropriate allocation for such committee of new discretionary budget authority or new spending authority as described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 made pursuant to section 302(a) of such Act for fiscal year 1986 to be exceeded.

TAX REFORM

SEC. 4. (a) The Congress finds that—

(1) the existing tax structure of the United States distorts economic activity, leading to an inefficient use of national resources and a weakening of our domestic economic vitality and competitive posture in international markets.

(2) the relating tax burdens among various taxpayer categories are manifestly unfair insofar as they arise from differences in the capabilities of taxpayers to take advantage of complicated tax laws.

(3) the ability of the Federal Government to plan and conduct rational fiscal policy is frustrated by elaborate schemes to avoid taxation and the unintended effects of tax incentives and penalties;

(4) progressive erosion of voluntary compliance threatens the fiscal integrity of our public finances and the confidence of our citizens in the Federal Government's capacity to govern; and

(5) a number of plans, each designed to simplify and reform the Tax Code, have been before the Congress for a time sufficient to allow for extensive analysis and evaluation.

(b) It is therefore the sense of the Congress that tax reform should be adopted as soon as possible, and that it should incorporate the following principles and objectives:

(1) efficiency and responsiveness to market conditions in the economic activities of American businesses and consumers;

(2) simplicity of structure and lower marginal tax rates;

(3) a fair and equitable distribution of the tax burden among all taxpayers, with relief for those below the poverty level, and incentives to bring them into the work force;

(4) a broader tax base, with deductions essential to avoid genuine hardship or to protect the economic security of the American people; and

(5) increased incentives for work, saving, and investment.

CBO SCOREKEEPING REQUIREMENTS

SEC. 5. It is the sense of the Senate that because the Senate requires timely reporting of legislative action on spending bills, and because the Senate requires continual control over the budget, the Director of the Congressional Budget Office shall issue a weekly report during periods when the Senate is in session detailing and tabulating the progress of congressional action on bills and resolutions providing new budget authority and changing revenues and the public debt for a fiscal year, including, but not limited to the requirements set forth in Public Law 93-344, section 308(b).

FARM LOSS DEDUCTION

SEC. 6. It is the sense of the Senate that revenues should be increased and it is assumed that tax legislation will be enacted to limit to the national median family income the amount of farm loss which may be deducted against nonfarm income, and it is further assumed that revenues derived from enactment of such legislation be used to reduce individual income tax rates and to assure that full-time, family-size farm operators will not be disadvantaged by unfair competition from high-income taxpayers with substantial nonform income.

ENHANCED TAX LAW ENFORCEMENT

SEC. 7. It is the sense of the Congress that revenues should be increased and it is assumed that the Committees on Finance and Ways and Means will develop legislation to reduce the tax enforcement gap, estimated by the Internal Revenue Service at $92,000,000,000 in fiscal year 1986. It is further assumed that such legislation should provide for increased and improved enforcement and collection, through audits, examinations, and other steps designed to identify and eliminate tax cheating and increase revenue collections from individuals and corporations currently evading Federal taxes, and that the legislation should include steps designed to increase voluntary compliance with tax laws and that such steps may include increased staff for taxpayer assistance, speedier processing of returns and provision of public information designed to build public trust and understanding of Internal Revenue Service enforcement efforts and that such legislation should also provide that the resources of the Internal Revenue Service shall be increased to accomplish full enforcement of United States tax laws, increasing voluntary compliance.

INTERNATIONAL MONETARY CONFERENCE

SEC. 8. It is the sense of the Congress that the Administration should consider convening a high level meeting of the major industrial countries for the express purpose of exploring options to improve the functioning of the international monetary system, including measures to stabilize currency exchange rates, reduce interest rates, promote maximum domestic and world economic growth, and help assure domestic price stability.

COMMITTEE REVIEW OF THE PRESIDENT'S PRIVATE SECTOR SURVEY ON COST CONTROL

SEC. 9. It is the sense of the House of Representatives that—

(1) each of its standing committees should review and study, on a continuing basis, those portions of the President's Private Sector Survey on Cost Control affecting subjects within its jurisdiction;

(2) each of its standing committees should, in its consideration of any bill or joint resolution of a public character within its jurisdiction, review those portions of the President's Private Sector Survey on Cost Control pertaining to such bill or resolution; and

(3) each report of any such committee on a bill or joint resolution of a public character should contain—

(A) an identification of each recommendation of the President's Private Sector Survey on Cost Control implemented in such bill or resolution and the estimated dollar amount of program cost savings or revenue enhancement as a result of the implementation of each such recommendation; and

(B) a statement setting forth each recommendation of the President's Private Sector Survey on Cost Control pertaining to such bill or resolution, the disposition of each such recommendation, and the reasons for such disposition.

LIMITATION ON BENEFITS TO ALIENS

SEC. 10. It is the sense of the Congress that functional totals should be reduced to reflect a limitation on the amount of social security benefits paid to illegal and nonresident aliens. It is assumed that the Finance Committee and the Ways and Means Committee will report legislation to accomplish the required changes in law. Such legislation may limit benefits to the amount of wage-earner's contribution plus interest, unless the wage-earner is a citizen of a country with which the United States has a treaty or totalization agement and that this provision would apply to individuals becoming eligible on or after January 1, 1986.

Mr. GRAY of Pennsylvania (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. Under the rules, the gentleman from Pennsylvania [Mr. GRAY] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. LATTA] will be recognized for 30 minutes.

PARLIAMENTARY INQUIRY

Mr. FRANK. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. FRANK. Mr. Speaker, is the gentleman from Ohio [Mr. LATTA] opposed to the bill?

Mr. LATTA. Mr. Speaker, I am not opposed to the bill.

Mr. FRANK. Mr. Speaker, I believe then that under rule XXVIII, a Member in opposition to the bill is entitled to 20 minutes.

The SPEAKER. The gentleman is correct. Under the rule, the gentleman is entitled to one-third of the time.

The gentleman from Pennsylvania [Mr. GRAY] will be recognized for 20 minutes, the gentleman from Ohio [Mr. LATTA] will be recognized for 20 minutes, and the gentleman from Massachusetts [Mr. FRANK] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have before us the budget for 1986. What you will find, if you look at this document, is that we left the House with a budget resolution that reduced spending by $56.2 billion in 1986, and a total deficit reduction in fiscal years 1986 to 1988 of $259.1 billion.

Mr. Speaker, I am pleased to inform my colleagues that after a very lengthy and a very long conference, we have come forward with a conference agreement that has a deficit reduction in fiscal year 1986 of $57.45 billion, a total reduction of the deficit in fiscal years 1986 to 1988 of $279.56 billion, and a remaining deficit in fiscal year 1988 of $112.9 billion.

Let me stress to the Members of this body the components of the conference agreement.

First of all, I would like to point out that this conference agreement maintains the bipartisan approach of the House on the COLA units. Social Security and other retirement programs have been fully funded, as was the case in most of the major proposals before the House.

Second, I would also point out to my colleagues that the low-income and high-priority programs that we had in the House-passed budget resolution were maintained. This includes full inflation adjustments for these low-income programs, and increases above inflation for selected health programs, accommodating House committee action on nutrition programs.

With regard to reductions in the domestic section, the conference agreement includes $22 billion in domestic program reduction beyond those assumed in the House-passed resolution. However, the House was able to resist efforts by the other body to terminate many programs, including UDAG, CDBG, EDA, Tennessee Valley Authority, and Appalachian Regional Commission. Important programs such as assisted housing, rural housing, and Superfund are funded near levels assumed in the House resolution or House appropriation bills.

All veteran programs are funded at the House-passed levels in 1986.

In the area of Medicare and Medicaid, the savings of $11 billion in Medicare and $450 million in Medicaid are assumed over 3 years. This represents a slight increase above the House position. In Medicare, it represents an increase of about $1.2 billion, and in Medicaid, it assumes a reduction of $450 million with regard to the third-party reimbursements, which will not be scored against Federal contribution to States or to the States themselves, thus preserving the intention of the House to provide full inflation for this low-income health program.

The conference agreement includes language stating that it is the intention of the conference that the collection efforts not adversely affect any of the beneficiaries or States which make a reasonable effort to make reductions.

Let me also add that the distinguished Ways and Means Committee chairman and his members have been given responsibilities which they have historically met with regard to revenues, and there is not in this budget a proposal with regard to inclusion of State employees.

Let me conclude, Mr. Speaker, by pointing out that we had a long and difficult conference. However, given the political reality with regard to the administration's position on revenues, given the reality of the House's bipartisan position with regard to the COLA unit, I believe, Mr. Speaker, when we look at this reality, that we have come forth with a deficit reduction package, and a budget that moves us in the right direction with strong deficit reduction over 3 years of $279.65 billion, and at the same time we have returned with a greater deficit reduction in fiscal year 1986 than when we left the House.

Let me also point out in the area of function 050, military spending, what we have done is in that area we have adopted the same position of the House/Senate conferees of $302 billion in budget authority, and the outlays for 1986 as well as any outyears, or the outlay interpretations of the House of Representatives.

Let me just say in conclusion, Mr. Speaker, this document, like all budget documents that reflect a process is not a perfect one. I am sure that Members will find fault with one area or another, things that they would have liked to have seen done differently.

However, I believe when we look at the whole, when we look at the entire document and understand that it represents ceilings, it represents ceilings which allow our appropriations and authorizations committees to work under, I believe that this body will agree with this chairman and the House conferees that this is a good budget, considering those realities.

I would urge my colleagues to adopt it with an "aye" vote.

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Mr. FRANK. Mr. Speaker, I yield 4 minutes to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Speaker, I thank the gentleman for yielding.

First, Mr. Speaker, I want to point out that as has been indicated here before, when you vote "yes" on this resolution, you are voting that you prefer this resolution to the one the House overwhelmingly adopted 2 weeks ago.

This resolution becomes a substitute for the budget resolution we passed just 2 weeks ago, which confirmed that we would use the House budget resolution passed earlier in the year.

Now what does adopting a new resolution mean? It means that we are already, after 2 weeks, abandoning the principle of freeze. The Committee on Appropriations was told to proceed with the idea that we are going to freeze all these budgets this year, and to adopt budgets that, under these various functions, would be at freeze level or below.

Eight appropriations bills have been acted upon in the House so far. They are a total of $8 billion below the 1985 appropriations level.

This resolution in one fell swoop adds $10 billion, that is $10,000 million to function 050, more than the amount that has been cut out in these eight appropriation bills and it reverses the instructions we were given 2 weeks ago.

Now how can you expect the Appropriations Committee in these bills to stand by the idea of the freeze if the House now abandons the freeze in this bill? That would give us new instructions. "Forget about the freeze." That is the way it will be interpreted.

Now, do not kid yourselves, we are going to have a continuing resolution. There are only about 20 days left in this Congress before the new fiscal year. We are going to be over there October 1st working on a continuing resolution and at that time, you will have a limit on the amount of budget authority within which to work. An additional $10 billion will have been absorbed in this resolution; it instructs us that $302 billion is the goal instead of the $292 billion for function 050, the military. That means that there will be a bigger squeeze than ever on other functions.

How are they going to make that up? Look at what you are voting for here if you vote "yes."

One way they do in this resolution is to reconcile part of that by taking $2.454 billion out of Medicare. That is this year. Next year $3.452 billion and the year after that $4.949 billion.

On the other hand, defense will go from $292 billion in 1985 to $302 billion in 1986 to $323 billion in 1987 to $346 billion in 1988.

That is $54 billion by 1988. That is the goal that you are setting when you say "yes" to this resolution. On the other hand the agriculture function is cut 40 percent in that period.

Each Member has a right to believe that that is the way we ought to proceed with this budget, but anyone who is serious about cutting budgets, should know there is no way that you can vote "yes" for this as a preference over the budget we adopted 2 weeks ago and say that you are voting for freezes across the board in this fiscal year.

The past 3 weeks, we have had about 25 votes on the floor to cut a few thousand dollars out of a number of programs. Some Members who voted for all of those will now vote for this resolution and they will say then "I voted 25 times to cut the budget," but this one time will more than offset all that they did if they voted for all of those cuts.

We are just putting a squeeze on the wrong people, it is the wrong message to send; an "aye" vote for this resolution tonight is a vote to abandon the freeze, the freeze principle that we have had so far this Congress. It is a vote for reconciliation to take more out of Medicare, to take more out of SBA, take more out of programs that the President wanted to cut far below freeze level.

I urge you to vote "no" on the resolution.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say to my good friend from Iowa who was just in the well that he has been in a lot of conferences and in every conference there is give and take. No one, no one ever expects to come back from conference, certainly on a bill of this magnitude, with the same exact bill that went over there. There is another body that we have to be concerned with. If the gentleman had sat in on some of the conferences that we had and had seen the difficult time that we had getting the figures that he wanted, and we know that he is interested in more than just one function of this budget, I do not think he would be down there protesting quite as loudly as he is now.

Also let me point out that we came to the outlay figure, that low outlay figure on 050 that was passed by the House. Do not overlook that fact.

Let me say when we came down to that figure, we gave a lot. We also have to think about the appropriations process.

You know, the gentleman serves on the Committee on Appropriations. We merely set the parameters. The Committee on Appropriations is going to say how much money we are going to vote for 050 or any other function. So let us not make a mountain out of a molehill.

I think this conference committee under the able leadership of the gentleman from Pennsylvania [Mr. GRAY] has done an admirable job, an admirable job. Let us not tear him and his work down.

I said early on I am going to support this because we got $55 billion in savings. We have taken out that contracting in or contracting out, whatever you want to call it. We have come up with some savings to reduce the debt.

You can vote against those savings if you like and go home and try to answer to the people that you represent, who have been clamoring for lower interest rates in this country. Listening to Mr. Volcker, he says "Give me $50 billion in reductions and it will bring interest rates down."

The gentleman from Iowa [Mr. SMITH] represents a very good agricultural area. Who is hurting from high interest rates any more than the farmer? He can answer that. We want to bring those interest rates down so we are going to put the ball in Mr. Volcker's court when we pass this piece of legislation and say "Bring the interest rates down."

For those people who are interested in bringing the interest rates down, to vote and go back home and say "I voted to bring interest rates down by voting a $55 billion savings in expenditures," I do not know whether you could put that line across. They will not follow that in Ohio. They might follow it in Iowa, but not in Ohio.

Let me say further that we have done something in this budget that is extremely important, especially to the Members on our side. One of the reasons I am supporting this conference report is that we put teeth, teeth into this conference report. We have increased those reconciliation numbers to $68 billion. We have come up from 37, as this resolution passed the House. We are doing something about reducing expenditures.

Let me say further that everybody watches what the National Federation of Independent Businesses think about legislation, as to how it affects their businesses across this country.

I have in my hand a letter dated today from that association, commending the conference committee report on its piece of work and saying "Once again, FIB commends you for your reference and are pleased to support the conference report as a key small business vote."

That is dated today, August 1, 1985.

The business people of this Nation know what they want and they know that tonight they want an affirmative vote from this House in support of this conference report.

Oh, I could get up here and start to pick it apart. I could get up here and go down the line on those things that happened in the conference committee that I did not support. I could have said to Bill Gray, "I am not going to support the conference report if you don't give me this, that, or the other thing."

I realize that we have a conference report, over $900 billion. To pick it apart by some little function, even though we are talking about $10 billion out of almost a $1 trillion budget, we have got to consider the ramifications of what you are attempting to do.

So let us not torpedo a $55 billion savings in 1 year, $277 billion in savings over 3 years to bring that whopping deficit down by saying "I did not get exactly as I wanted. So I am going to vote against it."

That will not sell in Ohio, I do not think it will sell in America.

□ 1920

We ought to support this conference report, and the work of Bill Gray and his committee.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina [Mr. Derrick].

Mr. DERRICK. Mr. Speaker, we have a budget resolution before us tonight, a resolution that many of us thought would not be here just 3 or 4 days ago, a resolution that the American people want, need, and deserve.

It is like everything else that happens in this House, in this town. It is not an absolute; it is a compromise. There is a lot in there I do not like, and I am sure that applies to everyone here.

The fact of the matter is, it gives some order to our fiscal spending, and we should pass it tonight. Now, there are those who suggest that because we have the $302 billion Pentagon budget authority that they are not going to support it.

Well, our Speaker told us this morning that he was going to request of the Rules Committee that the Rules Committee give a rule on the DOD authorization bill, that would allow the House to exercise its will; 302 versus 292.

I am going to vote for the 292, then, but I am going to also vote for this budget resolution because the country needs it, and do not forget, we need it for our credibility when we go back home.

Mr. FRANK. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the Appropriations Committee, the gentleman from Mississippi [Mr. Whitten].

Mr. WHITTEN. Mr. Speaker, I am going to vote for this resolution but it is important to understand that this resolution increases military carryover $10 billion more than we agreed to a few weeks ago.

I said earlier that I was chairman of the committee that set up and promoted the Budget Committee. I served on it the first time. Why? 42 percent of our spending was avoiding annual review through our committee.

We agreed to the House passed budget resolution, we do not need the Senate to agree. We just need to make them follow our budget, which we passed a few weeks ago.

Our committee has reduced spending in appropriation bills about $9 billion.

So I just want to say I am going to vote for this resolution. So I am going to vote for it, but I hope you will help me hold the House budget.

I hope our Appropriations Committee can hold the line as we are doing, and I hope we have the help of our friends on the Budget Committee.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentlewoman from California [Ms. Fiedler].

Ms. FIEDLER. Mr. Speaker, first of all I would like to simply make a couple of comments about the process that it took to bring us to this point, and I would like to offer my personal commendations to the chairman, Chairman Gray, and to our ranking member, Del Latta, and to Pete Domenici, who did such an outstanding job of sticking with it.

I have served on conference committees ever since I came to the conference, I have never been involved in a more difficult conference. There were tremendous political issues which had to be resolved on both sides; both the House and the Senate as well as on both sides of the aisle in each respective body, and the stick-to-itiveness that was shown on the part of our leadership is something that each and every Member of this House ought to applaud.

Because very frankly, had they not stuck to their effort, we would not have a budget before us today, and it did take a good deal of compromise and conciliation on everyone's part.

I do not think that there is a Member on the floor that believes that this is the best of all possible worlds when it comes to a budget. But it was the budget that we were able to negotiate, doing the very best job that we could, to take into consideration the variety of competing interests, and frankly we sweated blood over many of those competing interests, all of which will be reflected in the debate this afternoon, and that will be felt here on the floor.

So I just simply want to offer my strongest commendations to our leadership, to those who served on the committee, and to ask the strong support of the Members who will vote today, for one basic reason; and that is, that when you take a look at what the alternative is to voting for this budget resolution, higher and higher Federal spending: On the House version alone we will spend $20 billion less in the next 3 years if this budget resolution is passed.

That in itself is significant reason for us to vote aye when the time comes on this budget, because the alternative is putting us deeper and deeper into debt; something that I do not think there is anyone on this floor wants to see take place.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield to the gentleman from Illinois [Mr. Rostenkowski].

APPOINTMENT OF CONFEREES ON H.R. 2475, SIMPLIFICATION OF IMPUTED INTEREST RULES

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate.

The SPEAKER pro tempore (Mr. Howard). Is there objection to the request of the gentleman from Illinois?

Mr. FRENZEL. Mr. Speaker, I reserve the right to object, this is the report on imputed interest, which all the Members of the House——

The SPEAKER pro tempore. Will the gentleman withhold? This is the appointment of conferees, the Chair would state to the gentleman.

Mr. FRENZEL. Mr. Speaker, I reserve the right to object.

Mr. Speaker, this issue deals with imputed interest, which all the Members of the House are anxious to dispatch.

I had very strong objections to the procedures. The distinguished chairman has persuaded me that the way in which he is handling it is the most expeditious way to satisfy all of the Members of the body.

Mr. Speaker, I therefore withdraw my reservation of objection.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois? The Chair hears none, and without objection, appoints the following conferees: Messrs. Rostenkowski, Gibbons, Pickle, Rangel, Stark, Duncan, Archer, and Vander Jagt.

There was no objection.

MAKING IN ORDER ON TODAY OR ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT ON H.R. 2475, SIMPLIFICATION OF IMPUTED INTEREST RULES

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that it be in order at any time today or any day thereafter to consider the conference report on the bill, H.R. 2475, that all points of order against the conference report be waived, and that the conference report be considered as read when called up for consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 30 seconds to the gentlewoman from California [Mrs. Boxer].

Mr. FRANK. Mr. Speaker, if it is in order, I would yield my friend an additional 30 seconds.

The SPEAKER pro tempore. The gentlewoman from California is recognized for 1 minute.

Mrs. BOXER. I thank the gentlemen for yielding.

My colleagues, I think that our country is waiting for us to act on this deficit, and thanks to the persistence and the patience of our chairman, Bill Gray, we have a budget, and it was not easy.

Many options were taken off the table right at the start; but we have a budget and we have a deficit reduction of $56 billion.

Do I think the defense number is too high; I say to my friend from Massachusetts? Yes, I do.

□ 1930

But this House will have the opportunity to work its will on that number when we come back from recess and vote on the defense authorization conference. In this budget I think it is important for my colleagues to understand that we save programs for the very poor, we save transit, we save nutrition, we save Superfund, and we got a big deficit reduction. I urge support.

Mr. FRANK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am appreciative genuinely of the very good work done by the gentleman from Pennsylvania, who chairs the Budget Committee. I am delighted I voted for him. He was presented with a very difficult situation, given the extremism that existed at the White House, given the rigidity that existed elsewhere, in places the rules prohibit me from mentioning. I think the gentleman from Pennsylvania did an excellent job, and I have no criticism to make of that. But I cannot vote for a final product which substantially increases not just this year but in the year after and the year after that, what we call the out years, but which normal people call next year and the year after, provides for a 3-percent increase in the military over and above inflation.

The people who have insisted on this, the President and a group to whom I cannot refer still have not gotten the message that we do not want to go along with increase after increase after increase in the military while the poorest of the poor are imposed upon.

This House turned down last week any significant vote of funds to house people who were desperately poor. We have a homelessness crisis, and we lament that homelessness crisis, and then we vote to cut funds for the desperately poor in public housing. Do Members think that the poor come periodically from Mars? Do they not understand where the poor come from? They come from people who do not have enough places to live. And we are denying them places to live because we have got a fund in next year and the year after, real growth in the tens of billions of dollars over and above what the Pentagon now has.

I want to make one little aside and allude to an earlier debate, because sometimes Members are sincere, but not always. We heard a great deal of lamentation and weeping before, over a bill that deals with potential sex discrimination in pay because the report was not ready in time. And Members on the other side were distraught that the report had only come out at 1 o'clock and here we are voting. We just had an explanation that the report on this bill will be ready in September. And the extent to which that has disarranged my friends on the other side is not visible to the naked eye or even to long-term software contact lenses. In other words, people who are prepared to vote for this wham-bam and thank you, under these circumstances, people who are prepared to vote without a report in this quickest of the quick, who then will allude again to the terrible problem about how rushed they are in pay equity, will have to search long and far before they will find anyone who will believe them.

So, please, spare us, having greased the skids, any lamentation about the lack of time on pay equity. You cannot vote after hours of debate, we are going to be told, on a commission to study the subject of sex discrimination, but you can pass a resolution covering the entire budget for the entire United States of America for 2 years to come, with a report that will be published in September, in about an hour and a half. So let us keep clear who is talking about what.

Now, let us go back to this budget question. The question is, as the gentleman from Ohio said to my friend from Iowa, don't you want to reduce the deficit? We do. If the only change—I would like an awful lot of changes, I say to my friends here—but if the only change were to be to cut that military number I would enthusiastically support this budget, as much as I dislike it. But in its current form, you are asking us to give an increase to the military so we can cut community development block grants and take a little bit more out of Medicare. And I understand that it was a sense of responsibility on the part of my friends on the Budget Committee who said, "Well, we cannot allow there to be no budget at all." I would not want there to be no budget at all. But continuing to feed the notion at the Pentagon that they can spend without regard for the drain they levy on our resources is a mistake. And that is what this budget does.

So I would hope that we would reject this and ask that a conference reconvene and simply come back with a smaller military number. I would be satisfied with that. So let us isolate the question to the continued increase. We are told, "Well, wait a minute, this is just the authorization. The appropriation will be coming. The House will later work its will." Well, when the authorization came out on the military, the military authorization, people said, "Well, it is the budget that will control it." The budget people said, "It is the military authorization." And now they both say it is the appropriation. We are going from Winken to Blinken to Nod here, and I am afraid that there is not anywhere that we ever catch up with it. Each one is pointing to the other, and by the time we are through we are going to have $300 billion voted for defense unnecessarily, and it is not going to be anybody's fault, it is going to be 6 other committees. By the time we are through, the Committee on Merchant Marine and Fisheries is going to be blamed for continuing to bust the budget for the Pentagon.

Maybe we will get some clarification from people. I was glad to hear the chairman of the Appropriations Committee say he does not intend to be bulldogged on this. But we have a budget, with the best efforts of our negotiators, because of the people with whom they had to negotiate, because they apparently said, "If you do not continue to fuel the Pentagon," and we got this from the President and we got it from his colleagues elsewhere, and we are told, apparently, by others, "If you do not continue to feed the Pentagon and give them far more than anybody else in percentage terms, in real terms, in the out years, in the in years, everywhere you can, then there will be no budget."

I do not think we should give in to that kind of extortion by the Pentagon.

Mr. Speaker, I reserve the balance of my time.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2½ minutes to the gentleman from New York [Mr. Schumer].

Mr. SCHUMER. Mr. Speaker, I have heard the remarks of my friend and colleague, a gentleman greatly respected in this House, the gentleman from Massachusetts. And I would say to him and to my colleagues who have been with me on so many battles in the past that if someone had come to you in January and said to you that we will have a budget that does not touch entitlements, that actually raises every poor person's program by inflation, that does not touch Social

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Security, that does cut some domestic programs but in a way that all of our constituencies out there have said they can live with, because they have to bear some of the pain, and that came much closer to a freeze on defense—and I would remind the gentleman from Massachusetts that even the House-passed resolution was not to freeze, but much closer to a freeze than to the President's proposal—could we of this persuasion get that kind of budget? You would have said to me, "You're crazy. Take it if you can get it."

Well, the chairman of this committee, the gentleman from Pennsylvania, has endeavored and labored and worked hard, and he has gotten there. I say to my friend from Massachusetts he ordered his hamburger medium rare. The hamburger came back medium. And instead of eating the hamburger, he sent it back to the kitchen. And that is going to leave a lot of people hungry, because the next hamburger is going to be well done.

The fact of the matter is, as all of us know, we do not have a majority in the Senate that are of our political thinking; we do not have a person in the White House who is of our thinking; we do not even have a majority in this House that is of our thinking. And given all of that, we have done very, very well.

It is easy to vote "no" and walk away. But I can assure my colleagues, particularly my colleagues who believe in the programs that I believe in, that this is the best we can do with having a budget. And if we do not have a budget, we will do considerably worse for the things we believe in.

I wish to engage in a brief colloquy with the chairman.

Mr. Chairman, is it true that reconciliation savings from public housing will cover financing only for those units which are currently in the pipeline?

Mr. GRAY of Pennsylvania. That is correct.

Mr. SCHUMER. And as I understand it, this change in financing was insisted upon by the Senate conferees and that the conferees agreed that if the contemplated savings are not achieved by this change, the Banking Committee will not be forced to make reductions in other programs.

Mr. GRAY of Pennsylvania. That is also correct.

Mr. SCHUMER. In other words, the reconciliation procedures will not under any circumstances require further reductions to be made in housing programs by the House Banking Committee.

Mr. GRAY of Pennsylvania. The gentleman is correct.

Mr. SCHUMER. I thank the chairman.

□ 1940

Mr. LATTA. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. Boulter].

Mr. BOULTER. I thank the gentleman for yielding.

Mr. Speaker, as a conferee, I just want to thank my chairman and my ranking minority member for not giving up. I strongly support this budget resolution.

Mr. LATTA. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. Frenzel].

Mr. FRENZEL. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of the heroic efforts of the gentleman from Massachusetts in opposition to the conference report.

Mr. Speaker, here we are again. The House is considering a budget resolution after it has passed most of its appropriations bills. It is, regrettably, our custom to vote heroically for a budget resolution after we have spent most of the money.

The resolution does no bad. Neither did any of its predecessors. It is supposed to make great savings from the deficit baseline. So did its predecessors.

The resolution calls for a deficit reduction of $55 billion. That's a bigger claim for savings than some previous budgets, but the Republic's path to outrageous deficits and debt has been paved with the same kinds of claims.

The resolution still contains unreal revenues. Not only is the growth assumption egregiously overstated at 4 percent, but the multibillion-dollar offshore oil revenue which everyone agrees cannot be achieved is still included. The administration has revalued its growth prediction to 3 percent, and the consensus of leading economist is even lower. I can't tell how much the revenue is inflated but surely the figure exceeds $10 billion.

Expenses on the other hand are understated, often just as egregiously as revenues are overstated. Interest assumptions are even harder to pin down than growth rates. My judgment tells me our scenario is unreasonably optimistic.

Only once in the history has the Budget Act actually worked. The year was 1981. The fiscal year was 1982. The secret was reconciliation. One of the allegedly strong points of this resolution is that it has more reconciled savings than our original bill. But, only $18 billion of the claimed spending reductions of over $50 billion are reconciled.

But, worse than the small amount of reconciliation, I fear that committees of jurisdictions will not carry out their reconciliation instructions. The House has no way to enforce reconciliation, and the precedent is that it has tolerated, or even encouraged, noncompliance. My own committee has plenty of room to maneuver without expense reductions, and is unlikely to reduce one dime of the costs within its jurisdiction. Other committees may be worse. They usually are.

And let us consider the defense function. Our brave managers have raised the House's budget authority by a mere $10 billion. They have cleverly kept the outlay figure down, but that is pure illusion. Once budget authority is appropriated, it is always spent, and usually sooner than later.

I believe the defense figure is too high to encourage sound management. The public's lack of confidence in the Department of Defense did not occur out of thin air. Another increase this year will simply be a disincentive for the Pentagon to improve its procedures. The defense number is simply too high. It, like all the spending, is simply too much.

The dead giveaway that there is no intention to realize any actual saving is that committee allocations will not even be published until late in September. By then the House will have passed the rest of its appropriations bills. It is no act of rashness to predict another $220 billion deficit for fiscal year 1986.

The other dead giveaway is the fact that the House has already appropriated $19 billion more than its 1985 budget called for. History verifies the House's fiscal inclination. History also verifies the House's attempt to cover up its profligacy with unreal budgets.

I acknowledge the hard work of our managers. I admit the resolution is better than the House's first resolution. But I charge that it is inadequate, that it is a continuation of the old shell game. I wish I could take it seriously, but I cannot.

Mr. LATTA. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. Brown].

Mr. BROWN of Colorado. I thank the gentleman for yielding me this time.

Mr. Speaker, this budget calls for higher spending, not lower spending. It proposes a $21.3 billion increase in fiscal year 1986. Adjusting for inaccurate assumptions, the measure will result in a $40 to $50 billion increase. Tax revenues in the resolution are overestimated by $10 to $30 billion. In reality this budget resolution does not make significant reductions in our deficit. It ignores the problems rather than solving them.

Some have said that it is all we can pass. I don't accept that. Our Nation and our freedoms are too important to be allowed to be drowned in a sea of red ink.

Who here can honestly say that we cannot go 1 year without increasing spending? We can and we must do better than condemn our country and our people to economic stagnation brought on by ever-rising Federal deficits.

The bottom line is that Congress needs to reduce the deficit. This budget plan assumes savings that are not there, revenue that will not materialize and deficit reduction that is imaginary.

Mr. FRANK. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire [Mr. Gregg].

Mr. GREGG. I thank the gentleman for yielding me this time.

Mr. Speaker, I do want to rise with others and congratulate the Budget Committee on their hard work. But I must take some exception to the final product. Although we have not had a great deal of time to study this issue, it does seem to me that the only substantive and hard cut in this budget, not the only one, but one of the few, is defense.

In fact, if you look at the economic assumptions, it looks like, as the gentleman from Colorado just mentioned, that there is at least a $20 billion overestimate in taxes. There is about an $8 billion estimate of savings and income security, and one has to wonder how that can occur when you are already adding within the categories of income security $400 million for the nutrition program, and there are no other cuts in the income security area.

There is also an assumption that agriculture will be reduced by approximately $8 billion. Now, I think that anybody who has been on this floor over the last few months and watched what has happened when agricultural bills have come to this floor has to conclude that that assumption is hopeful at best.

It appears to me that as I look at this, that what this budget does is basically maintain the deficit at $200 or $200-plus billion. It is, unfortunately, illusory. At best it is a Band-Aid over an open wound in an artery, and we need a tourniquet on that artery.

We simply cannot afford to put off and thus amplify what will definitely be a day of reckoning if we do not act affirmatively on the budget at this time, and make some substantial cuts, not only in the defense area, but also in the social spending areas.

The SPEAKER pro tempore. The Chair will inform the Members that the gentleman from Pennsylvania [Mr. Gray] has 9 minutes remaining; the gentleman from Ohio [Mr. Latta] has 10 minutes remaining; and the gentleman from Massachusetts [Mr. Frank] has 5½ minutes remaining.

Mr. GRAY. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from Florida [Mr. MacKay].

Mr. MacKAY. I thank the gentleman for yielding me this time.

Mr. Speaker, I speak for a group and I speak to a group who supported the Leath amendment, who may themselves think that this has not gone far enough. Certainly, that has been expressed by Mr. Brown and Mr. Gregg.

I would say to them only this: That this issue is moving very rapidly. The issue we have to face tonight is whether our conferees got all that we could get this time. I believe that we are not at the end; we are at the beginning of this issue. I believe we will be back and I urge an affirmative vote on this. Our choice is this or nothing. I think nothing is not acceptable.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentlewoman from Illinois [Mrs. Martin].

Mrs. MARTIN of Illinois. I thank the gentleman for yielding me this time.

Mr. Speaker, the conference is finally over. Most of us were under 25 years old when it started, and we are quite grateful to be here tonight. The leadership in this conference deserve the credit they are getting.

May I point how varied the conferees were. There are the redneck radicals from the right, such as myself. Liberals. The other body, for whom it was often distasteful to sit with any of us, I suspect. People with strong ties to unions; people who believe that America should be run like a business, and yet somehow a majority of these people unwillingly have come together to say we believe you should vote for this conference.

Parents always love their children; it is one of the great miracles, because sometimes a person's babies are not terribly attractive. As a politician, you cannot tell a parent, "Good grief, that kid has got your uncle's nose and it looks dreadful." Or, "For heaven's sake, the child looks as if it is already 80 years old; send it back." In fact, one learns to look at this child that the parents adore and say, "My, what an interesting-looking baby."

I would suggest to you that this is a very interesting-looking budget. That it is not beautiful, that it is not one that through the years will be held up as an ideal, but it is still produced, a baby, that should have its life, and should be supported.

It does not have what I want in it. It does not have nearly enough. Its parameters were too narrow. The egos were often too great, and it is still the best we could do and, frankly, better than I thought we would ever get 4 months ago.

It is not a great "yes" vote, but a "no" vote is totally irresponsible for the future.

Mr. GRAY. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. Fazio].

Mr. FAZIO. Mr. Speaker, would the gentleman from Massachusetts yield me an additional minute?

Mr. FRANK. Mr. Speaker, I yield 30 seconds to the gentleman from California.

Mr. FAZIO. I thank both gentlemen for yielding me this time.

Mr. Speaker, I would like to lend my voice to those who were saying that the responsible vote is an "aye" vote for this budget conference report. I would like to direct my colleagues who have some doubt, some question about whether or not we have stood behind the domestic spending programs that I know are so essential to the economic recovery and the personal health and safety of so many areas and individuals.

There is no question that when this budget was introduced this year, it was a blueprint for the demolition of the domestic state of this country. We have not gone along with that blueprint. There were 22 programs proposed for elimination; we have only eliminated 6. UDAG grants, Community Development Block Grants, EDA. Tennessee Valley, Appalachian Regional Commission still exist, agreed, at lower levels, to help the people of those areas who need it desperately.

Veterans programs have been maintained. Mr. Ford would indicate his support for this bill because we have not interfered with his committee's oversight responsibilities in Federal retirement. We have, I think, acted responsibly in the context of continuing, I am afraid, the process of dismantling domestic programs. We had cut some $176 billion prior to this year under the Reagan administration in domestic programs; we continue that.

We had added $112 billion in defense, and I am afraid we continue that, but we do it in the most modest way. In addition, we have kept the Appropriations Committee's ability to make the changes that it understands to be basic and fundamental.

I ask with all that in consideration for an "aye" vote.

Mr. FRANK. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. Oberstar].

□ 1950

Mr. OBERSTAR. I thank the gentleman for yielding this time to me.

Mr. Speaker, I want to join in the litany of praise for Chairman Gray and the work that he has done in bringing this budget through the maze that it has followed over many months and for preserving a number of programs that are important to the fabric of our society and to the structure of our economy.

The issue is not whether Bill Gray has done a good job or not. The basic issue is whether or not this House should agree to a budget resolution that treats defense spending far more favorably than nondefense spending.

The conference agreement makes no cuts whatsoever in defense spending when we measure that item on the same scale as cuts in nondefense spending. All of the deficit reduction contained in the conference agreement comes from making further cuts in domestic programs, $10 billion more in defense, and nothing in this budget resolution says where we are going to pay for it. How are we going to cover that?

Instead, we are told that this issue will be put off when we consider the conference agreement on the military budget or when we take up the appropriation bill on military spending. That is the wrong forum in which to make this decision. That issue should be decided here in the context of this conference report on this budget where that issue ought to be debated.

The purpose of a budget is to resolve the matter of priorities, of national priorities that we want for this country. The House should not capitulate now on the theory that we can fight this issue out later in the appropriations process. That pushes it off to the wrong forum at the wrong time in the wrong decisionmaking process. Now is the time to say "no" to the largest increase in military spending we have had in the history of this country. This is the wrong budget at the wrong time.

Mr. LATTA. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. Porter].

Mr. PORTER. I thank the gentleman for yielding time to me.

Mr Speaker, tonight, having lost the war, we are declaring victory and going home.

The conference report presented is too little and far too late. The budget agreement that has emerged from the conference is 2½ months after deadline. And it claims to include savings which are hollow, meaningless, and not backed by binding reconciliation.

About 2 weeks ago, Mr. Speaker, eyeball to eyeball, both sides of the conference committee blinked and approved spending increases for both defense and Social Security. This tentative agreement, confirmed tonight, tightens and screws on our children who will have to pay these further deficits this Congress is about to pile on them.

In January of this year, as part of a comprehensive plan to drastically reduce the Federal deficit, I called for an across-the-board budget freeze as a first step. The reponse from my constituents was overwhelmingly favorable. Many Social Security recipients wrote me saying that they would willingly accept a COLA freeze if Congress also froze defense spending and all other Federal functions.

Unfortunately, the conference did not have the guts to truly tackle the monster on runaway Federal spending. Instead, what they have placed before the House is only a few bricks in the rubble of the budget process. That process has actually worked only once since it was established 11 years ago; 1981 was the only year this body had the courage to adopt full binding reconciliation. Unfortunately, this budget, like almost all the others, fails to include significant binding reconciliation, and the savings shown will evaporate as they have so often before.

Furthermore, the lateness of this budget make it largely irrelevant. Waiting and waiting for budget courage, the Appropriations Committee finally went ahead with the appropriations process without a budget and has already completed action on the majority of its bills. What are we supposed to do, go back and rewrite them with only 20 working days before the end of the fiscal year? The only purpose a vote in favor of this resolution will serve is to falsely justify the last 6 months of wasted time spent on a measure rammed through the House at the last possible moment after all the signficant cuts had been compromised and stripped away.

Mr. Speaker, many, however, have worked hard on the package and do deserve praise and I commend the House Republicans, particularly, the gentleman from Ohio [Mr. Latta] for their hard work. My greatest praise, however, I must reserve for my Republican colleagues in the other body and especially its exemplary majority leader, for their truly courageous efforts to solve America's deficit crisis. If we are ever to save our children's economic future, we will need to make the kind of hard choices they were willing to make.

The bottom line, Mr. Speaker, is this: The "compromise" agreed to in this resolution was "I get mine and you get yours" and the kids get the bill.

The two largest items, defense and Social Security, each get substantial increases over the 3-year period and the remaining functions supposedly will carry the burden of the deficit reduction claimed, but there is little reconciliation to force them to do so.

When the appropriation process finally ends, little actual savings will have been achieved and huge deficits will remain which will be passed on to our children to bear, their legacy from a Congress, like so many others which preceded it, unable to show the courage, unwilling to make the hard choices needed to protect them.

Mr. LATTA. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, just to keep the record straight, let us not confuse the figures. Defense is taking more out of these cuts in this proposal than any other function. It represents one-third of the budget, taking half of the cuts.

Actually, there is $27.5 billion being taken out of 050. Did the gentleman understand that—$27.5 billion? How much is coming out of nondefense, discretionaries? The figure happens to be $22.3 billion.

So let us not confuse the figures. Let us have them straight.

Mr. FRANK. Mr. Speaker, I yield myself 20 seconds.

Mr. Speaker, I just want to respond to the gentleman from Ohio that $27 billion is not coming out of anything except Caspar Weinberger's fantasy. The reason they can talk about how much they are reducing it is that they pumped it up so incredibly that it looks like six incredible hulks.

If you measure it in a rational way from what has been spent, in fact it is going to get great increases and great increases and great increases.

Mr. GRAY of Pennsylvania. Mr. Speaker, the gentleman from Pennsylvania yields 30 seconds to the gentleman from California [Mr. Miller], a member of the committee.

Mr. MILLER of California. I thank the gentleman for yielding this time to me.

Mr. Speaker, and Members, first of all I, too, would like to commend the chairman of this committee because it is very clear under the circumstances in which we had to operate, with the intervention of the White House, the missteps in the Senate, I do not believe there is another chairman in this House who could have pulled this budget together in the fair and equitable fashion that Chairman Gray did. I think we all owe him a great deal of indebtedness, whether or not we are going to vote for this budget. I think he has made the House proud and I think he has provided the kind of leadership that has allowed the gentleman from Ohio [Mr. Latta] and others to work with this in a fashion that we have never seen before.

Mr. Speaker, I would hope my colleagues would vote for this budget. It provides for protection and for increases for poor people's programs. If you do not like the defense figure, the first week in September you will get to come back and vote on the authorization bill and the amendment to cut it.

The SPEAKER pro tempore. The Chair will state that the gentleman from Pennsylvania [Mr. Gray] has 7 minutes remaining, the gentleman from Ohio [Mr. Latta] has 7½ minutes remaining, and the gentleman from Massachusetts [Mr. Frank] has 2 minutes and 40 seconds remaining.

Mr. LATTA. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Kemp].

Mr. KEMP. I thank the gentleman for yielding this time to me.

Mr. Speaker, it has been said before but it needs to be said again that there is no more controversial, no more comprehensive economic statement that we are going to make in this body than that which we make tonight.

It is impossible to get a compromise in which we can have people on both sides of the aisle and both sides of Capitol Hill all agreeing on everything. I want to say, as the previous speaker, a partisan Democrat, said in paying tribute to Chairman Gray, let me say to my colleagues on the conservative side of the aisle that it would have been absolutely impossible to reach a compromise, to reach a budget that can bring down the deficit to 2½ percent of GNP by 1988, to bring down the deficit by $57.5 billion in 1986, or almost $280 billion over 3 years had it not been for the efforts of the gentleman from Ohio [Mr. Latta] and the efforts of the gentleman from New Mexico, the chairman Pete Domenici.

But the Congress is not run by Del Latta or Pete Domenici; it is run by those of us on both sides of the aisle who have very strong feelings about defense, as this Member does, as does Mr. Latta and the members of our committee.

The gentleman from Pennsylvania deserves credit and I want to stand up here publicly and tell my colleagues, as one who has been working with him over a number of weeks and months, he has kept his word, he has worked hard, he has been fair, he has been straight, he has protecterd programs that were important to the poor, to the handicapped, to the indigent, to the cities, while at the same time recognizing that there were things on our side of the aisle that were incredibly important not just to the Republicans but to the White House.

This has been an incredible experience. This is the first budget where I have stood up in the well of the House and felt emotionally or subjectively that I wanted to support it, and I want to say to my colleagues, if you are not for raising taxes or cutting Social Security, you have no reason to oppose this compromise. If you want to cut Social Security, if you want to cut the COLA's, if you want to raise taxes, if you want to balance the budget off the backs of the working men and women of America or the poor, then vote against it.

But if you believe responsibly in bringing about a budget compromise that unites the center right and the center left of the political spectrum, then it seems to me you owe it to yourself and your community and your country and the economy, the people you represent, to join those of us on both sides of the aisle from different political parties, at different ends of the Capitol, to support it.

□ 2000

I want to emphasize one thing once again. There is $57 billion of deficit savings, with strong efforts made by the gentleman from Pennsylvania and other leaders of the Democratic Party to give us on the Republican side what we think is important, enforcement procedures and reconciliation—not everything that we wanted, nor did we give everything that they wanted to the other side.

This is a very important statement to the financial markets that we are serious about bringing down the deficit, which is about 4½ to 5 percent of GNP today, down to about 2½ percent of GNP over the next 3 years, with any luck at all from the Central Bank of the United States which could be and should be lowering its interest rates in the short term and midrange right now.

Mr. PURSELL. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I would be glad to yield to my friend from Michigan, who has had such an important contribution to make by being one of the leaders of the 92 Group.

Mr. PURSELL. Mr. Speaker, I want to congratulate the gentleman from New York [Mr. Kemp] for his statement tonight. No budget could be a disaster tonight. We need this budget. I do not think there are $55 billion of real savings here; I think it is more like 38 or 39, but that is a step in the right direction. I want to credit the Group 92 for putting a budget here with hard numbers approved by CBO, delivered and introduced on time. And to my task force, I want to congratulate them for being constructive and trying to build that coalition to achieve our national goals, addressing the deficit.

Mr. KEMP. I want to say to my friend from Michigan that I totally agree with his statement about the responsibility of the 92 Group for helping fashion the final product, but I want to assure him, from this gentleman's standpoint and that of other Members of the Republican Party who served with him on his budget, all of us are convinced there is a lot more than $38 billion here, and with any luck at all, with a little more growth and lower interest rates, we are going to have a much better budget picture in 1986, much better than has been predicted by those who say the sky is falling and we are going to hell in a handbasket. We are not unless we let it happen, and what Chairman Gray and the gentleman from Ohio, Mr. Del Latta, have helped us to do is to make sure that we pass a policy choice here tonight that can help us move in the right direction.

Mr. PURSELL. Mr. Speaker, it is evident that much agonizing and many hours of work have gone into the budget conference report. I would like to commend the conferees for their effort and the production of a conference report prior to the recess.

In closely following the budget process this year as chairman of the 92 Group's Task Force on the Budget, in which we developed a budget of our own, it also is evident that in the House-passed budget resolution and in this conference report there are contained many of the proposals that the 92 Group Budget Task Force worked out over 4 months of lengthy deliberations and that were contained in the 92 Group's budget plan, "A Blueprint for Balance." That plan, an early historic document in that it was the only budget, I might add, that was introduced into the House in compliance with the time parameters of the Budget Act, was—in the opinion of the 92 Group—the most fair and equitable way to accomplish what should be our No. 1 priority, reducing the Federal deficit. I would like to commend the 92 Group Budget Task Force for its tireless work and the hard political decisions its members made in adopting the document, a document which represents a spirit of open-mindedness and constructive compromise.

I would also like to commend the House Budget Committee and the budget conferees for recognizing the value of and real and attainable savings contained in the 92 Group budget resolution and for incorporating its proposals into their documents.

Personally, and somewhat reluctantly, I rise in support of the budget conference report. My reluctance stems from reservations which the 92 Group of House Republicans and which I have concerning the report: First, its high defense budget authority figure and the lack of linkage between defense budget authority and outlay numbers. The conference report takes the other body's budget authority figure of $302.5 billion and the House outlay figure of $293.5 billion. Even if you take into account an apparent slowing in spend-out rates at the Pentagon, outlays still are a function of not only past years' budget authority figures but current year's as well. I'm not sure that the relationship contained in the conference report is valid. As for the higher defense budget authority number—some $10 billion higher than what this body approved in the House-passed defense authorization—we plan to fight that out on the floor when the defense authorization conference report and defense appropriations bills are considered, to try to keep defense spending at, or as close as possible to a freeze level; second, we are concerned about the lack of specifics Members have in their hands in terms of the policy guidelines that achieve the projected outlay savings contained in the conference report. It is unfortunate that this is the case. Because of that, we are considering a budget for its own sake. But, certainly, it does contain some savings. It does contain some guidelines. But how real those savings are, at this point, we don't know. That is unfortunate.

We in the 92 Group were conscientious about having the Congressional Budget Office analyze all our outlay savings proposals. We have real, attainable, and credible savings in the 92 Group budget proposal. For credibility is of the utmost importance if guidelines are to be followed. But, in the interest of providing at least some guidelines and of showing the American people we are concerned about deficit reduction, at this late hour, and despite the reservations I've expressed, I ask the support of the Members of this House for the budget conference report and urge its approval.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I am glad to yield to my friend, the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I want to thank the gentleman for yielding, and I want to join him in his commendations of Chairman Gray and Del Latta and also Senator Domenici on the the other side. But I also want to say to colleagues that the gentleman in the well deserves a great deal of credit for what is happening right now.

Mr. KEMP. I do not want to lose any votes on the left side of the aisle.

Mr. LAGOMARSINO. I think without the work of the gentleman, we might not have been here tonight.

Mr. KEMP. I appreciate the words of my friend, the gentleman from California.

Let me just conclude, Mr. Speaker, by saying that Bill Gray deserves not only the thanks but the admiration of every Member on both sides of the aisle, as does Del Latta, and I thank them both for the pleasure of working with them.

The SPEAKER. The gentleman from Massachusetts [Mr. Frank] has 2 minutes and 40 seconds remaining.

Mr. FRANK. Mr. Speaker, I yield myself just 10 seconds to say that I now understand what the word, "reconciliation" means in the budget process, because we have just seen the reconciliation of the gentleman from New York and the senior Senator from Kansas.

Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. Morrison].

Mr. MORRISON of Connecticut. Mr. Speaker, I thank the gentleman for yielding time to me.

Before saying anything further, I would like to join my colleagues in commending Chairman Gray for a good job and a hard job. But I regretfully rise in opposition to this budget.

If there is going to be $57 billion in savings in outlays, they are only going to be achieved with a lower budget authority figure in defense. Otherwise the figure that is being used is a promise that cannot be kept.

A yes vote tonight, while it may seem responsible, will open the door for losing this opportunity for saving the money we have to save this year and in the years to come. The plain fact is that this budget resolution, by giving in completely to the Senate on budget authority, makes the only real decision with respect to the defense spending. It is a decision that we are going to regret in the future if we do not make a strong statement against it tonight.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 30 seconds to the gentleman from Texas [Mr. Frost], a member of the committee.

Mr. FROST. Mr. Speaker, I rise in support of the budget, a product that I believe this House can be proud of. It gives us the opportunity to demonstrate tonight that this House can govern, that it can pass a budget, and that it can answer the pleas of the country that we get on with the country's business.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 30 seconds to the gentleman from Kansas [Mr. Slattery].

Mr. SLATTERY. Mr. Speaker, I rise not only to pay tribute to the chairman of my Budget Committee, but also to indicate my desire to vote with him.

I do so for three principal reasons, and I think this is one point that has not been made this evening. That is that the conference committee report recommends a spending level for next year of $6 billion less than what the President asked the Congress to spend. Not only that, there is about $30 billion less than what the President requested over the next 3 years.

The next point that I think has not been emphasized is the fact that this conference committee report recommends a deficit of $50 billion less than what the President wanted when he offered his budget to the Congress.

Those points need to be made and made clear to the American public because the Congress is making an effort to get spending under control, and I believe this conference committee report is a great step in the right direction.

The SPEAKER. The time of the gentleman from Kansas [Mr. Slattery] has expired.

Mr. SLATTERY. Mr. Speaker, I ask the gentleman for 30 additional seconds.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield an additional 15 seconds to the gentleman from Kansas [Mr. Slattery].

Mr. SLATTERY. Mr. Speaker, the last point I would like to make to my colleagues on the left who are concerned about the level of defense spending is this: let me just remind them that we are talking about spending ceilings, not spending floors. We will have an opportunity to come back here and vote on that defense level and determine whether we are going to spend $292.5 billion or whether we are going to spend $303 billion. Let us keep that in mind. We are talking about spending ceilings, not spending floors.

The SPEAKER. The gentleman from Massachusetts [Mr. Frank] has a minute and a half remaining.

Mr. FRANK. Mr. Speaker, I yield 45 seconds to the gentleman from New York [Mr. Weiss].

Mr. WEISS. Mr. Speaker, if the question here were on the capacity and integrity of the gentleman from Pennsylvania, Mr. Bill Gray, whom we all respect and admire, this budget would pass unanimously; but it is not on him that we will be voting. It is on the issue itself. It is on the budget.

I voted for the budget the first time around. But as it has re-emerged from conference budget it is really a betrayal of everything we have been talking about. We are talking about a budget which, because of the $10 billion defense increase, is going to be driving the domestic programs for the poor and for the middle class to be cut this year and next year and the year after. Before long, we will be asked to take that $10 billion out of the hides of the American people.

We do not have to play Ronald Reagan's game of destroying essential programs enacted for the benefit of the people of this country. We should not be doing it. We ought to vote no on this budget. Let's defeat it. Then let the Budget Committee come back with one that does service to the American people. In that way we will be doing our job properly.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. Montgomery].

Mr. MONTGOMERY. Mr. Speaker, I rise in support of this conference report, and I would like also to compliment the very able chairman of the Budget Committee, the gentleman from Pennsylvania [Mr. Gray], and the gentleman from Ohio [Mr. Latta], the ranking minority member, and especially the gentleman from Texas, Mr. Marvin Leath, who is a former member of the Committee on Veterans' Affairs for his work. I commend the other members of the conference committee as well.

The Nation's veterans have been treated fairly, in my opinion, in this budget report. Let me say as chairman of the Committee on Veterans' Affairs that we will have to find $1.1 billion in savings over 3 years, and this is not smoke and mirrors. But I think we can find these savings without really hurting the basic benefits for veterans and their dependents.

The numbers that have come back in function 700 for veterans are close to the numbers that passed in the House, and I again want to commend

the conferees for that. The veterans have been protected in this conference report, and I stand here fully in support of this report.

Mr. FRANK. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon [Mr. Weaver].

Mr. WEAVER. Mr. Speaker, I rise in strong opposition to the budget resolution.

Mr. Speaker, the budget resolution before the House is a charade, a farce; it would be comic if it were not tragic. I do not blame the House Budget Committee and its chairman. Only three areas exist in which the staggering, gruesome, obscene deficits can be dealt with. They are the military, Social Security, and taxes. The House has refused to touch Social Security, the other body and the President refused to deal with the military, and the President refuses to deal with taxes. So the Budget Committee never had a chance.

We are heading for disaster, for a collapse in our economy, a depression that will make the 1930's look like a garage sale. Our pathetic attempts to deal with the gross idiocy of the deficits only illuminate the tragic scene about to occur in our great Nation.

The real culprit in the budget debacle is the President. He refuses to deal with reality and is living in economic fantasy. His refusal to pay for the military spending he has exploded into the atmosphere of this country is the single most devastating policy to come from the White House in our era.

When the Republican leadership of the other body brought forth an oil import fee and other aspects which in their small way attempted to deal with reality, the President torpedoed those leaders of his own party.

I vote against this budget resolution because I refuse to endorse the charade, the falseness, the unreality inside it, wrapped in a ribbon of rhetoric though it be.

□ 2010

Mr. FRANK. Mr. Speaker, I yield my remaining 30 seconds to the gentleman from Iowa [Mr. Smith].

Mr. SMITH of Iowa. Mr. Speaker, we are operating under a budget now, we adopted it 2 weeks ago. The question tonight is, Should we substitute the budget before you for the budget we are now operating under? Both budget resolutions call for practically the same amount of cuts, $56 billion or $57 billion in 1986.

The question is, Which one do you prefer? This one increases the military function $10 billion, takes it out of other programs, including Medicare, agriculture, small business, and several other programs. It also means abandoning the concept of a freeze at no more than the 1985 level.

I say that we would be better off under the resolution we are now operating under. The Appropriations Committee has been operating under it now for 3 weeks. We have done a pretty good job and let us not change in the middle of the stream here and go to a budget resolution that I think is inferior to what we now have.

Mr. LATTA. Mr. Speaker, I yield the balance of my time to the gentleman from Mississippi [Mr. Lott].

Mr. LOTT. Mr. Speaker, I would like to start off by commending the distinguished chairman of the Budget Committee. The fact of the matter is whether you agree with what he has done in this product here tonight, he has handled this whole process masterfully and I admire the work he had done.

I also want to commend our ranking member, the gentleman from Ohio [Mr. Latta], for the work he has done and the conferees for the work they have done in the last 3 days.

The truth of the matter is the conference on this budget resolution did not even begin until 3 days ago. If our friends in the other body had gotten down to serious negotiations in the trenches, where they should have been, giving and taking a little bit a month ago, we could have done this before now and we might have gotten a much better budget resolution; but in spite of that, I think a good job has been done. Oh, it is not everything I would like to have. From my viewpoint, I think it cuts too much out of defense and it does not cut enough out of domestic spending programs, but we have got a pretty good budget here tonight and I urge my colleagues on this side of the aisle, on both sides of the aisle, to vote for it.

Have you noticed tonight across the aisle on both sides we have people that agree and disagree, Republicans and Democrats. Do you know what that indicates to me? It is probably a pretty good budget. We have a got a chance here for the first time in a long time, maybe the first time, to have a genuinely bipartisan budget resolution. Let us not miss that opportunity.

Now, what are the options? What if we defeat this here tonight? How silly are we going to seem if we walk away from this, throw our hands up in the air and go home and say, "Well, what the heck, it wasn't all I wanted, so I said, no, thanks."

I will tell you what some of the options are—no budget resolution, the collapse of the budget process and when we come back some of you that think that it does not cut enough out of defense, well, it may go the other way from what you think.

One of the options will be that some of our friends around the city might say, "Well, wait a minute. Maybe we ought to do something with Social Security."

Again, how many times are we going to hear that? How many times is that going to be back on the table?

So to my friends on this side of the aisle, you think tax increases are gone for the rest of the year or forever? Forget it. If we do not pass the budget resolution here tonight, let me tell you, tax increases are going to be back on the table.

It is time to get serious about this. It does do some good things. There are $68 billion in reconciliation here. That is more than we had in the House resolution when it originally passed. It only had $37 billion. That is more than the gentleman from Ohio had in his original bill; so there are real reconciliation savings here.

There are other features that are good. It terminates four programs. It ought to terminate a lot more, but it terminates four. It reduces outlays for Medicare. It eliminates some of the phony savings; so there are real important things here, but the important thing, in my opinion, is if we walk away from this, what is the perception? The perception will be very negative, that we could not do it.

Some people say, well, it is not $55 billion or $56 billion in savings, it is only $39 billion. The last time I checked buckets on the Mississippi, $39 billion was not chicken feed. I would rather have $39 billion in savings than no savings; so think about the perception, what it does to the financial markets.

Also, most importantly, think about the economy and if you are thinking about the economy, adopt this budget resolution.

Mr. Speaker, I commend the people that have worked to get us this far tonight.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Missouri [Mr. Gephardt].

Mr. GEPHARDT. Mr. Speaker, let me add my voice to those who have praised the gentleman from Pennsylvania, Bill Gray, for a job well done. He has done this job as well as it can be done.

Mr. Speaker, if you are thinking of voting against this budget, just think of two things that this vote means. First, if you vote against the conference report, you are saying that you are in favor of a deficit for 1986 of $229 billion, rather than one of $171 billion; and by 1988 you are willing to have a deficit of $244 billion, instead of a deficit of $112 billion. That is what the vote is about.

Second, it is about faith. If we do not pass this budget tonight, people all over the world and all over this country are going to lose faith in where our economy is going. We have a $150 billion trade deficit. The Third World countries that are in debt to the

United States hang in the balance on whether or not we pass this budget. The American people and others are lending their support to this.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. Panetta], a former member of the Budget Committee.

Mr. PANETTA. Mr. Speaker, I rise in support of the budget resolution and obviously join in commending both sides for the work that was done here, particularly Chairman Gray for the work that he did.

No one questions that we face a major crisis in the deficit. We are bleeding. It is a cancer that is bleeding and bleeding badly and if it is allowed to continue, frankly, it is going to destroy all our priorities.

This resolution is not a cure for that cancer, no one is saying that it is; but when you are bleeding badly, you need first aid. You need a tourniquet and this resolution is a step in that direction to try to protect some of the priorities we care about and to try to achieve some of the savings.

I wish the White House had joined with the Congress in developing a common package to deal with this problem that faces taxes, faces entitlements, and faces defense. That did not happen; so we tried to work with the resolution that the leadership in the Congress was able to put together.

It is precisely because this is a crisis that we cannot afford to walk away from this resolution, because if we walk away from this resolution, we walk away from that crisis.

Support the budget resolution.

Mr. GRAY of Pennsylvania. Mr. Speaker, to close out the debate on this issue, I yield the balance of the time to the distinguished gentleman from Texas [Mr. Wright], the majority leader, the ranking member of the Budget Committee.

Mr. HORTON. Mr. Speaker, will the gentleman yield for one point?

Mr. WRIGHT. I yield to the gentleman from New York.

Mr. HORTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to point out that this budget resolution does include full funding for 1986 for revenue sharing. I want to commend the gentleman from Pennsylvania and the other members of the committee for arranging that. That is very important.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman from New York.

This is not a perfect resolution, Mr. Speaker. In an imperfect world, by imperfect creatures, we deal with imperfect works. Just so, we have an imperfect resolution in the sense that it does not satisfy anyone completely, and yet it happens to be the very best that we could achieve under the circumstances.

Let us just ask ourselves if it is not a lot better than inaction. This budget resolution, achieved through the bipartisan cooperation to a degree that I have never seen before on a budget resolution in the entire history of this process, reduces the deficit projected by President Reagan by $57 billion for the coming fiscal year and by some $279 billion in the next 3 fiscal years.

Now, those reductions in deficits are worth securing, if you believe as I believe that it is just fundamentally dishonest and wrong to continue to live on a credit card economy, piling upon the backs of our children and grandchildren the responsibility of paying for things that we will have used up and worn out before they came of age.

□ 2020

Yes, it would have been nice, highly desirable, if we had been able to achieve greater deficit reductions. Bear in mind, however, that we have achieved these by the historic process of consensus. We have achieved them without breaking our promise to the Social Security recipients or any of the other retirees of this country.

We have achieved them without increasing taxes or adding any new taxes.

We have done so without yielding to some of the demands on the part of the other body that we should impose such things as user fees upon first-term purchasers of homes, or that we would make it more difficult for young Americans of modest economic circumstances to get a college education.

We have done it by freezing domestic spending, by very nearly freezing military spending, allowing a modest $15 billion increase next year over this year's expenditure level.

I know there are some who feel that $302 billion is too much. But let me suggest this: These figures are ceilings. There is no requirement that the ceilings be reached. The requirement simply is that they may not be breached, and it is altogether possible that in that level of spending, and in other levels of spending we may be able to achieve still greater reductions.

If we do so while still maintaining our compassion and our responsibility to those less fortunate in our society, as the chairman and the ranking minority member and the members of our committee have insisted they do, then we will have performed a service worthy to be remembered. And we will have performed a service to our particular time and our particular moment of history.

For those reasons I urge that we vote resoundingly for this resolution.

● Mr. BEDELL. Mr. Speaker, I rise in reluctant opposition to this conference report on the budget resolution for fiscal 1986. I realize the heroic efforts made by the conferees, and I commend Chairman Gray for his attempts to achieve a budget that slows the growth of our budget deficits without hurting many vitally important programs.

We all know what the problem is—the deficit. We all know there are no easy answers and no perfect answers. I believe the issue that we must vote on today is whether this conference report is an acceptable answer to our budget problems. Many Members have said that, although this budget is not perfect, the responsible thing to do is to vote for the budget that the conference has reported. On the contrary, I believe that the responsible vote is to reject this conference report and its $10 billion increase for defense.

Since the beginning of this year, a bipartisan group of Members concerned about the deficit has advocated an across-the-board freeze as the first step toward dealing with the deficit problem. A freeze would only slow the growth of the deficit, but it seems the only practical answer to our problems. I have voted on more than dozen occasions this year to freeze budget authority and appropriations in fiscal 1986 at the 1985 level. These have been hard choices, votes cast against programs I believe in.

The House has also voted on numerous occasions to freeze spending at this year's level. On May 23, 1985, I joined the majority of my colleagues in supporting the first budget resolution, House Concurrent Resolution 152. This House budget resolution would freeze fiscal 1986 defense spending at the fiscal 1985 level of $292.6 billion. The House upheld this position when it voted 301 to 115 to reduce the defense authorization bill by $10 billion in order to bring it into line with the House budget resolution.

Recently, when it seemed that conflicts between the Senate and the President might prevent passage of a legally binding budget, we in the House took the extraordinary step of voting to make the budget resolution we passed in May binding upon all of our appropriations bills. This vote reaffirmed yet again our commitment to freezing spending.

Despite these demonstrations of House intent, this budget conference report permits budget authority for defense spending to increase to $302 billion in fiscal 1986. There is no way of getting around the fact that this money will eventually be spent, and that the defense budget will continue to increase faster than inflation in the outyears.

This increase in defense spending runs counter to several House-passed amendments in the defense authorization bill including: funding cuts of $3.2 billion for 22 weapons systems, an additional $1.2 billion in funding cuts for 12 MX missiles that the House decided were not needed to keep our country

secure, and restrictions on funding for R&D activities relating to the strategic defense initiative.

Iowans of all political beliefs have told me that they support an across-the-board budget freeze which includes the military. I therefore reluctantly oppose this budget.●

● Mr. DioGUARDI. Mr. Speaker, I rise today reluctantly, to vote for passage of the budget resolution. I voted against every other budget package brought before the House because some of those budgets contained inflated savings. As a certified public accountant, I did not feel that I could support such budgets. Today's budget contains similarily inflated savings. However, as an American, I could not return to my constituents and tell them that we in Congress had failed in our primary duty.

This budget contains no cuts in the Social Security Program, other retirement programs, or tax increases. If it did, I would vote against it.

This is the first step on a long road toward fiscal sanity. It is a hesitant step but one that must be taken. I do not support the cuts in mass transit embodied in this budget and the cuts in many programs vital to the people of my district, such as community development block grants. I am sure, however, that many other Congressmen will vote for this package in spite of the cuts that it contains which injure their constituents. This is not the best program, but it is much better than no program at all. The Nation stands at a precipice and must take a step back. I commend my colleagues on both sides of the aisle for the long hours they put in to produce this document. Thank you Mr. Speaker.●

● Mr. GROTBERG. Mr. Speaker, I rise in support of Senate Concurrent Resolution 32, the conference report on the first concurrent budget resolution for fiscal year 1986. A dark cloud that has been hanging over the Capitol for the last few months is lifting now, as we pass this budget resolution. This is certainly probably the toughest budget compromise any Congress has ever had to hammer out since the inception of the Budget Act more than a decade ago. I congratulate the conferees, all of them, from both sides of the aisle and both Chambers in the Congress for their hard work and perseverence. The conference agreement is a fair one—no one is too unfairly gouged.

Specifically, I am pleased that $55 billion in hard budget cuts for fiscal year 1986 is achieved in this agreement. Second, the conferees have agreed to the Senate numbers for the defense function, allowing for 0-3-3 percent real growth during fiscal years 1986-87-88. Third, no changes have been made in the conference report dealing with cost-of-living adjustments for retirement programs. Fourth, as far as domestic cuts are concerned, I am pleased that the following has been accomplished by the conferees: Small Business Administration: $2.5 billion in savings—similar to the savings contained in the House Small Business Committee's reauthorization of the Small Business Administration; Amtrak: 15 percent cut in fiscal year 1986 as opposed to a 40-percent cut in the Senate-passed resolution achieved by fiscal year 1988; civilian pay: a 1-year pay freeze for Federal employees, saving $5 billion in fiscal year 1986; general revenue sharing: full funding for fiscal year 1986; termination of the program in fiscal year 1987; postal subsidies: 14 percent cut, instead of elimination as contained in the original Senate-passed version; and farm programs: $7.9 billion in cuts, versus $14.5 billion in Senate resolution.

Finally, Mr. Speaker, I am glad that the conferees have not approved any further taxes. We are not at the "last resort" yet, more spending cuts are needed. The conference report has teeth in it—the reconciliation process is alive and strong. I urge my colleagues to vote with me in support of this concurrent resolution. The voters in my district did not send me to Congress to do anything but reduce the $200 billion Federal budget deficits. This is a good start.●

● Mr. EDGAR. Mr. Speaker, as chairman of the Subcommittee on Hospitals and Health Care of the Committee on Veterans' Affairs, I would like to commend the conferees on their successful completion of the conference on the first concurrent budget resolution. We all know the hard work and difficult choices involved in that endeavor. I am particularly pleased that the conferees have achieved for our Nation's veterans a budget that is very close to that passed by the House of Representatives. This restatement of our commitment to these brave men and women will be appreciated throughout our country.●

The SPEAKER. All time has expired.

Under the rule, the previous question is ordered.

The question is on the motion offered by the gentleman from Pennsylvania [Mr. Gray] that the House recede from its amendment to Senate Concurrent Resolution 32 and concur with an amendment.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Speaker, I have a parliamentary inquiry. Is this the motion to recommit?

The SPEAKER. This is on the adoption of the motion to recede and concur.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 309, nays 119, not voting 5, as follows:

[Roll No. 290]

YEAS—309

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Aspin
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Bateman
Beilenson
Bennett
Bentley
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boulter
Boxer
Breaux
Brooks
Broomfield
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Chandler
Chappell
Cheney
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Daniel
Darden
Daschle
Daub
Davis
de la Garza
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Eckart (OH)
Eckert (NY)
Edgar
Edwards (OK)
Emerson
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Fiedler
Fish
Flippo
Foley
Ford (MI)
Ford (TN)
Fowler
Franklin
Frost
Fuqua
Gallo
Gejdenson
Gekas
Gephardt
Gibbons
Gingrich
Glickman
Goodling
Gordon
Gray (PA)
Grotberg
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hatcher
Hawkins
Heftel
Hendon
Henry
Hiler
Hillis
Holt
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kemp
Kennelly
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Lagomarsino
Lantos
Latta
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Livingston
Lloyd
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
MacKay
Manton
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McCurdy
McDade
McEwen
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Mineta
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (WA)
Murtha
Natcher
Neal
Nichols
Nielson
Nowak
O'Brien
Oakar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Pepper
Pickle
Price
Pursell
Quillen
Rahall
Rangel
Ray
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Roe
Roemer
Rogers
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Russo
Sabo
Saxton
Schaefer
Scheuer
Schneider
Schulze
Schumer
Sharp
Shaw
Shelby
Shuster
Siljander
Sisisky
Skeen

Skelton
Slattery
Slaughter
Smith (FL)
Smith (NH)
Smith (NJ)
Smith, Robert
Snowe
Snyder
Solarz
Spence
Spratt
St Germain
Stallings
Stokes
Strang
Stratton
Sundquist
Sweeney
Swift
Swindall
Tallon
Tauzin
Taylor
Thomas (GA)
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Waxman
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Young (MO)

NAYS—110

Addabbo
Anderson
Applegate
Archer
Armey
Barton
Bates
Bedell
Bereuter
Bosco
Brown (CA)
Brown (CO)
Carper
Carr
Chappie
Clay
Collins
Conyers
Craig
Crockett
Dannemeyer
DeLay
Dellums
Dickinson
Dorgan (ND)
Dornan (CA)
Dreier
Dymally
Early
Edwards (CA)
English
Evans (IA)
Fawell
Fields
Florio
Foglietta
Frank
Frenzel
Garcia
Gaydos
Gilman
Gonzalez
Green
Gregg
Gunderson
Hartnett
Hayes
Hertel
Hopkins
Jacobs
Kanjorski
Kastenmeier
Kildee
Kramer
LaFalce
Leach (IA)
Leath (TX)
Leland
Lightfoot
Lipinski
Mack
Madigan
Markey
Martinez
McCandless
McGrath
Miller (OH)
Miller (WA)
Mitchell
Morrison (CT)
Mrazek
Murphy
Myers
Nelson
Oberstar
Owens
Pease
Penny
Perkins
Petri
Porter
Regula
Roberts
Rodino
Roth
Roukema
Roybal
Rudd
Savage
Schroeder
Schuette
Seiberling
Sensenbrenner
Shumway
Sikorski
Smith (IA)
Smith (NE)
Smith, Denny
Solomon
Staggers
Stangeland
Stark
Stenholm
Studds
Stump
Synar
Tauke
Thomas (CA)
Torres
Torricelli
Towns
Traficant
Watkins
Weaver
Weber
Weiss
Wise
Yates
Zschau

NOT VOTING—5

Crane
Gradison
Gray (IL)
Hefner
Loeffler

☐ 2030

The Clerk announced the following pair:

On this vote:

Mr. Gray of Illinois for, with Mr. Crane against.

Messrs. LEACH of Iowa, REGULA, and WEBER changed their votes from "yea" to "nay."

Mr. VOLKMER changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A moton to reconsider was laid on the table.

☐ 2040

Mr. GRAY of Pennsylvania. Mr. Speaker, I move that the House recede from its amendment to the title of Senate Concurrent Resolution 32.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GRAY].

The motion was agreed to.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF HOUSE AMENDMENT TO SENATE CONCURRENT RESOLUTION 32, FIRST CONCURRENT BUDGET RESOLUTION—FISCAL YEAR 1986

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent that in the engrossment of the House amendment to Senate Concurrent Resolution 32, the Clerk be authorized to correct section numbers, punctuation marks, and cross-references.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

GENERAL LEAVE

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the measure just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CONFERENCE REPORT ON H.R. 2475, SIMPLIFICATION OF IMPUTED INTEREST RULES

Mr. ROSTENKOWSKI submitted the following conference report and statement on the bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 99-250)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—AMENDMENTS TO IMPUTED INTEREST RULES

SECTION 101. SIMPLIFICATION OF GENERAL IMPUTED INTEREST RULES.

(a) Reduction of Imputation Rate From 120 to 100 Percent; Elimination of Separate Testing Rate.—

(1) AMENDMENTS OF SECTION 1274.—

(A) Subparagraph (B) of section 1274(b)(2) of the Internal Revenue Code of 1954 (defining imputed principal amount) is amended by striking out "120 percent of".

(B) Clause (ii) of section 1274(c)(1)(A) of such Code is amended to read as follows:

"(ii) in any other case, the imputed principal amount of such debt instrument determined under subsection (b), and ".

(C) Paragraph (2) of section 1274(c) of such Code is amended by striking out "the testing amount" and inserting in lieu thereof "the imputed principal amount of such debt instrument determined under subsection (b)".

(D) Subsection (c) of section 1274 of such Code is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(2) AMENDMENTS OF SECTION 483.—

(A) The last sentence of section 483(b) of such Code (defining total unstated interest) is amended by striking out "120 percent of".

(B) Subparagraph (B) of section 483(c)(1) of such Code is amended to read as follows:

(B) under which there is total unstated interest."

(b) INTEREST RATES REDETERMINED EACH MONTH.—

(1) IN GENERAL.—Paragraph (1) of section 1274(d) of such Code (defining applicable Federal rate) is amended by striking out subparagraphs (B), (C), and (D) and inserting in lieu thereof the following:

"(B) DETERMINATION OF RATES.—During each calendar month, the Secretary shall determine the Federal short-term rate, mid-term rate, and long-term rate which shall apply during the following calendar month.

(C) FEDERAL RATE FOR ANY CALENDAR MONTH.—For purposes of this paragraph—

"(i) FEDERAL SHORT-TERM RATE.—The Federal short-term rate shall be the rate determined by the Secretary based on the average market yield (during any 1-month period selected by the Secretary and ending in calendar month in which the determination is made) on outstanding marketable obligations of the United States with remaining periods to maturity of 3 years or less.

"(ii) FEDERAL MID-TERM AND LONG-TERM RATES.—The Federal mid-term and long-term rate shall be determined in accordance with the principles of clause (i).

"(D) LOWER RATE PERMITTED IN CERTAIN CASES.—The Secretary may by regulations permit a rate to be used with respect to any debt instrument which is lower than the applicable Federal rate if the taxpayer establishes to the satisfaction of the Secretary that such lower rate is based on the same principles as the applicable Federal rate and is appropriate for the term of such instrument."

(2) RATE APPICABLE TO ANY SALE OR EXCHANGE.—Paragraph (2) of section 1274(d) of such Code (relating to rate applicable to any sale or exchange) is amended to read as follows:

"(2) LOWEST 3-MONTH RATE APPLICABLE TO ANY SALE OR EXCHANGE.—

"(A) IN GENERAL.—In the case of any sale or exchange, the applicable Federal rate shall be the lowest 3-month rate.

"(B) LOWEST 3-MONTH RATE.—For purposes of subparagraph (A), the term 'lowest 3-month rate' means the lowest of the applicable Federal rates in effect of any month in the 3-calendar-month period ending with the 1st calendar month in which there is a binding contract in writing for such sale or exchange."

(c) Rate Increased to 110 Percent in Case of Sale-Leaseback.—Section 1274 of such Code (relating to determination of issue price in the case of certain debt instruments issued for property) is amended by adding at the end thereof the following new subsection:

"(e) 110 PERCENT RATE WHERE SALE-LEASEBACK INVOLVED.—

"(1) IN GENERAL.—In the case of any debt instrument to which this subsection applies, the discount rate used under subsection (b)(2)(B) or section 483(b) shall be 110 percent of the applicable Federal rate, compounded semiannually.

"(2) LOWER DISCOUNT RATES SHALL NOT APPLY.—Section 1274A shall not apply to any debt instrument to which this subsection applies.

"(3) DEBT INSTRUMENTS TO WHICH THIS SUBSECTION APPLIES.—This subsection shall apply to any debt instrument given in consideration for the sale or exchange of any property if, pursuant to a plan, the transferor or any related person leases a portion of such property after such sale or exchange."

SEC. 102. LOWER DISCOUNT RATE IN CASE OF CERTAIN SALES WHERE STATED PRINCIPAL AMOUNT DOES NOT EXCEED $2,800,000.

(a) General rule.—Subpart A of part V of subchapter P of chapter 1 of the Internal Revenue Code of 1954 (relating to original issue discount) is amended by inserting after section 1274 the following new section:

"SEC. 1274A. SPECIAL RULES FOR CERTAIN TRANSACTIONS WHERE STATED PRINCIPAL AMOUNT DOES NOT EXCEED $2,800,000.

"(a) LOWER DISCOUNT RATE.— In the case of any qualified debt instrument, the discount rate used for purposes of sections 483 and 1274 shall not exceed 9 percent, compounded semiannually.

"(b) QUALIFIED DEBT INSTRUMENT DEFINED.—For purposes of this section, the term 'qualified debt instrument' means any debt instrument given in consideration for the sale or exchange of property (other than new section 38 property within the meaning of section 48(b)) if the stated principal amount of such instrument does not exceed $2,800,000.

"(c) ELECTION TO USE CASH METHOD WHERE STATED PRINCIPAL AMOUNT DOES NOT EXCEED $2,000,000.—

"(1) IN GENERAL.—In the case of any cash method debt instrument—

"(a) section 1274 shall not apply, and

"(B) interest on such debt instrument shall be taken into account by both the borrower and the lender under the cash receipts and disbursements method of accounting.

"(2) CASH METHOD DEBT INSTRUMENT.—For purposes of paragraph (1), the term 'cash method debt instrument' means any qualified debt instrument if—

"(A) the stated principal amount does not exceed $2,000,000,

"(B) the lender does not use an accrual method of accounting and is not a dealer with respect to the property sold or exchanged,

"(C) section 1274 would have applied to such instrument but for an election under this subsection, and

"(D) an election under this subsection is jointly made with respect to such debt instrument by the borrower and lender.

"(3) SUCCESSORS BOUND BY ELECTION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), paragraph (1) shall apply to any successor to the borrower or lender with respect to a cash method debt instrument.

"(B) EXCEPTION WHERE LENDER TRANSFERS DEBT INSTRUMENT TO ACCRUAL METHOD TAXPAYER.—If the lender (or any successor) transfers any cash method debt instrument to a taxpayer who uses an accrual method of accounting, this paragraph shall not apply with respect to such instrument for periods after such transfer.

"(4) FAIR MARKET VALUE RULE IN POTENTIALLY ABUSIVE SITUATIONS.—In the case of any cash method debt instrument, section 483 shall be applied as if it included provisions similar to the provisions of section 1274(b)(3).

"(d) OTHER SPECIAL RULES.—

"(1) AGGREGATION RULES.—For purposes of this section—

"(A) all sales or exchanges which are part of the same transaction (or a series of related transactions) shall be treated as 1 sale or exchange, and

"(B) all debt instruments arising from the same transaction (or a series of related transactions) shall be treated as 1 debt instrument.

"(2) INFLATION ADJUSTMENTS.—

"(A) IN GENERAL.—In the case of any debt instrument arising out of a sale or exchange during any calendar year after 1989, each dollar amount contained in the preceding provisions of this section shall be increased by the inflation adjustment for such calendar year. Any increase under the preceding sentence shall be rounded to the nearest multiple of $100 (or, if such increase is a multiple of $50, such increase shall be increased to the nearest multiple of $100).

"(B) INFLATION ADJUSTMENT.—For purposes of subparagraph (A), the inflation adjustment for any calendar year is the percentage (if any) by which—

"(i) the CPI for the preceding calendar year exceeds

"(ii) the CPI for calendar year 1988.

For purposes of the preceding sentence, the CPI for any calendar year is the average of the Consumer Price Index as of the close of the 12-month period ending on September 30 of such calendar year.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including—

"(1) regulations coordinating the provisions of this section with other provisions of this title,

"(2) regulations necessary to prevent the avoidance of tax through the abuse of the provisions of subsection (c), and

"(3) regulations relating to the treatment of transfers of cash method debt instruments."

(b) EXCEPTION FOR ASSUMPTIONS.—Subsection (c) of section 1274 of such Code is amended by adding at the end thereof the following new paragraph:

"(4) EXCEPTION FOR ASSUMPTIONS.—If any person—

"(A) in connection with the sale or exchange of property, assumes any debt instrument, or

"(B) acquires any property subject to any debt instrument,

in determining whether this section or section 483 applies to such debt instrument, such assumption (or such acquisition) shall not be taken into account unless the terms and conditions of such debt instrument are modified (or the nature of the transaction is changed) in connection with the assumption (or acquisition)."

(c) TECHNICAL AMENDMENTS.—

(1) Section 483 of such Code is amended by striking out subsection (e) and by redesignating subsections (f), (g), and (h) as subsections (e), (f), and (g), respectively.

(2) Paragraph (1) of section 483(e) of such Code (as redesignated by paragraph (1)) is amended by striking out "7 percent" and inserting in lieu thereof "6 percent".

(3) Subsection (g) of section 483 of such Code (as redesignated by paragraph (1)) is amended to read as follows:

"(g) CROSS REFERENCES.—

"(1) For treatment of assumptions, see section 1274(c)(4).

"(2) For special rules for certain transactions where stated principal amount does not exceed $2,800,000, see section 1274A.

"(3) For special rules in case of the borrower under certain loans for personal use, see section 1275(b)."

(4) Paragraph (4) of section 280G(d) of such Code is amended by striking out "in accordance with section 1274(b)(2)" and inserting in lieu thereof "by using a discount rate equal to 120 percent of the applicable Federal rate (determined under section 1274(d)), compounded semiannually".

(d) CLERICAL AMENDMENT.—The table of sections for subpart A of part V of subchapter P of chapter 1 of such Code is amended by inserting after the item relating to section 1274 the following new item:

"Sec. 1274A. Special rules for certain transactions where stated principal amount does not exceed $2,800,000."

SEC. 103. RECOVERY PERIOD FOR 18-YEAR REAL PROPERTY EXTENDED TO 19 YEARS.

(a) In General.—Clause (i) of section 168(b)(2)(A) of the Internal Revenue Code of 1954 (relating to amount of deduction for 18-year real property) is amended by striking out "18-year recovery period" and inserting in lieu thereof "19-year recovery period".

(b) TECHNICAL AMENDMENTS.—

(1) The following provisions of the Internal Revenue Code of 1954 are amended by striking out "18-year real property" each place it appears in the text and headings thereof and inserting in lieu thereof "19-year real property":

(A) Section 168 (relating to accelerated cost recovery system).

(B) Section 57(a)(12) (relating to preference for accelerated cost recovery deduction).

(C) Section 312(k)(3)(A) (relating to earnings and profits).

(D) Subparagraphs (A), (B), and (C) of section 1245(a)(5) (relating to gain from dispositions of certain depreciable property).

(2) The table contained in subparagraph (A) of section 168(b)(3) of such Code (relating to election of different recovery percentage) is amended by striking out "18, 35, or 45" and inserting in lieu thereof "19, 35, or 45 years".

(3)(A) Subparagraph (B) of section 168(f)(1) of such Code (relating to components of section 1250 class property) is amended by redesignating clause (iii) as clause (iv) and by inserting after clause (ii) the following new clause:

"(iii) BUILDINGS PLACED IN SERVICE BEFORE MAY 9, 1985.—In the case of any building placed in service by the taxpayer before May 9, 1985, for purposes of applying subparagraph (A) to components of such buildings placed in service after May 8, 1985, the deduction allowable under subsection (a) with respect to such components shall be computed in the same manner as the deduction allowable with respect to the first component placed in service after May 8, 1985."

(B) Clause (ii) of section 168(f)(1)(B) of such Code is amended by striking out "March 15, 1984, the" and inserting in lieu thereof "March 15, 1984, and before May 9, 1985, the".

(C) Clause (iv) of section 168(f)(1)(B) of such Code, as redesignated by subparagraph (A), is amended by striking out "or (ii)" and inserting in lieu thereof ", (ii), or (iii)".

(4) Clause (ii) of section 168(f)(12)(B) of such Code (relating to limitations for property financed with tax-exempt bonds) is amended—

(A) by striking out "15-year real property" each place is appears in the heading and the text and inserting in lieu thereof "19-year real property", and

(B) by striking out "15 years" and inserting in lieu thereof "19 years".

(5) Paragraph (2) of section 48(g) of such Code (relating to special rules for qualified rehabilitated buildings) is amended by striking out "18" in subparagraphs (A)(i) and (B)(v) thereof and inserting in lieu thereof "19".

(6) The table contained in subparagraph (B) of section 47(a)(5) of such Code (relating to special rules for recovery property) is amended by stiking out "For 15-year, 10-year, and 5-year property" and inserting in lieu thereof "For property other than 3-year property".

(7) Clause (i) of section 57(a)(12)(B) of such Code (relating to real property and low-income housing) is amended by striking out "18 years" and inserting in lieu thereof "19 years".

SEC. 104. SPECIAL RULE FOR CERTAIN WORKOUTS.

(a) GENERAL RULE.—Sections 483 and 1274 of the Internal Revenue Code of 1954 shall not apply to the issuance or modification of any written indebtedness if—

(1) such issuance or modification is in connection with a workout of a specified MLC loan which (as of May 31, 1985) was substantially in arrears, and

(2) the aggregate principal amount of indebtedness resulting from such workout does not exceed the sum (as of the time of the workout) of the outstanding principal amount of the specified MLC loan and any arrearages on such loan.

(b) SPECIFIED MLC LOAN.—For purposes of subsection (a), the term "specified MLC loan" means any loan which, in a submissoin dated Jun 17, 1985, on behalf of the New York State Mortgage Loan Enforcement and Administration Corporation had one of the following loan numbers: 001, 005, 007, 012, 025, 038, 041, 042, 043, 049, 053, 064, 068, 090, 141, 180, or 188.

SEC. 105. EFFECTIVE DATES.

(a) SECTIONS 101 AND 102.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by sections 101 and 102 shall apply to sales and exchanges after June 30, 1985, in taxable years ending after such date. The amendment made by section 2 of Public Law 98-612 shall not apply to sales and exchanges after June 30, 1985, in taxable years ending after such date.

(2) Regulatory authority to establish lower rate.—Section 1274(d)(1)(D) of the Internal Revenue Code of 1954, as added by section 101(b), shall apply as if included in the amendments made by section 41 of the Tax Reform Act of 1984.

(b) SECTION 103.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by section 103 shall apply with respect to property placed in service by the taxpayer after May 8, 1985.

(2) EXCEPTION.—The amendments made by section 103 shall not apply to property placed in service by the taxpayer before January 1, 987, if—

(A) the taxpayer or a qualified person entered into a binding contract to purchase or construct such property before May 9, 1985, or

(B) construction of such property was commenced by or for the taxpayer or a qualified person before May 9, 1985.

For purposes of this paragraph, the term "qualified person" means any person whose rights in such a contract or such property are transferred to the taxpayer, but only if such property is not placed in service before such rights are transferred to the taxpayer.

(3) SPECIAL RULE FOR COMPONENTS.—For purposes of applying section 168(f)(1)(B) of the Internal Revenue Code of 1954 (as amended by section 103) to components placed in service after December 31, 1986, property to which paragraph (2) of this subsection applies shall be treated as placed in service by the taxpayer before May 9, 1985.

(4) TECHNICAL CORRECTION.—The amendment made by paragraph (6) of section 103(b) shall apply as if included in the amendments made by section 111 of the Tax Reform Act of 1984.

(5) SPECIAL RULE FOR LEASING OF QUALIFIED REHABILITATED BUILDINGS.—The amendment made by paragraph (5) of section 103(b) to section 48(g)(2)(B)(v) of the Internal Revenue Code of 1954 shall not apply to leases entered into before May 22, 1985, but only if the lessee signed the lease before May 17, 1985.

TITLE II—AMENDMENTS TO BELOW-MARKET INTEREST RULES

SEC. 201. CERTAIN LOANS TO QUALIFIED CONTINUING CARE FACILITIES EXEMPT FROM BELOW-MARKET INTEREST RATE RULES.

(a) IN GENERAL.—Section 7872 of the Internal Revenue Code of 1954 (relating to treatment of loans with below-market interest rates) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) EXCEPTION FOR CERTAIN LOANS TO QUALIFIED CONTINUING CARE FACILITIES.—

"(1) IN GENERAL.—This section shall not apply for any calendar year to any below-market loan made by a lender to a qualified continuing care facility pursuant to a continuing care contract if the lender (or the lender's spouse) attains age 65 before the close of such year.

"(2) $90,000 LIMIT.—Paragraph (1) shall apply only to the extent that the aggregate outstanding amount of any loan to which such paragraph applies (determined without regard to this paragraph), when added to the aggregate outstanding amount of all other previous loans between the lender (or the lender's spouse) and any qualified continuing care facility to which paragraph (1) applies, does not exceed $90,000.

"(3) CONTINUING CARE CONTRACT.—For purposes of this section, the term 'continuing care contract' means a written contract between an individual and a qualified continuing care facility under which—

"(A) the individual or individual's spouse may use a qualified continuing care facility for their life or lives,

"(B) the individual or individual's spouse—

"(i) will first—

"(I) reside in a separate, independent living unit with additional facilities outside such unit for the providing of meals and other personal care, and

"(II) not require long-term nursing care, and

"(ii) then will be provided long-term and skilled nursing care as the health of such individual or individual's spouse requires, and

"(C) no additional substantial payment is required if such individual or individual's spouse requires increased personal care services or long-term and skilled nursing care.

"(4) QUALIFIED CONTINUING CARE FACILITY.—

"(A) IN GENERAL.—For purposes of this section, the term 'qualified continuing care facility' means 1 or more facilities—

"(i) which are designed to provide services under continuing care contracts, and

"(ii) substantially all of the residents of which are covered by continuing care contracts.

"(B) SUBSTANTIALLY ALL FACILITIES MUST BE OWNED OR OPERATED BY BORROWER.—A facility shall not be treated as a qualified continuing care facility unless substantially all facilities which are used to provide services which are required to be provided under a continuing care contract are owned or operated by the borrower.

"(C) NURSING HOMES EXCLUDED.—The term 'qualified continuing care facility' shall not include any facility which is of a type which is traditionally considered a nursing home.

"(5) ADJUSTMENT OF LIMIT FOR INFLATION.—

"(A) IN GENERAL.—In the case of any loan made during any calendar year after 1986 to which paragraph (1) applies, the dollar amount in paragraph (2) shall be increased by the inflation adjustment for such calendar year. Any increase under the preceding sentence shall be rounded to the nearest multiple of $100 (or, if such increase is a multiple of $50, such increase shall be increased to the nearest multiple of $100).

"(B) INFLATION ADJUSTMENT.—For purposes of subparagraph (A), the inflation adjustment for any calendar year is the percentage (if any) by which—

"(i) the CPI for the preceding calendar year exceeds

"(ii) the CPI for calendar year 1985.

For purposes of the preceding sentence, the CPI for any calendar year is the average of the Consumer Price Index as of the close of the 12-month period ending on September 30 of such calendar year."

(b) CLARIFICATION OF APPLICATION OF BELOW-MARKET INTEREST RATE RULES TO LOANS TO QUALIFIED CONTINUING CARE FACILITIES.—Paragraph (1) of section 7872(c) of such Code (relating to below-market loans to which section applies) is amended by adding at the end thereof the following new subparagraph:

"(F) LOANS TO QUALIFIED CONTINUING CARE FACILITIES.—Any loan to any qualified continuing care facility pursuant to a continuing care contract."

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 7872(c) of such Code is amended by inserting "and subsection (g)" after "subsection".

(2) Subparagraph (E) of section 7872(c)(1) of such Code is amended by striking out "or (C)" and inserting in lieu thereof "(C), or (F)".

SEC. 202. TIME FOR DETERMINING RATE APPLICABLE TO EMPLOYEE RELOCATION LOANS.

Subsection (f) of section 7872 of the Internal Revenue Code of 1954 (relating to treatment of loans with below-market interest rates) is amended by adding at the end thereof the following new paragraph:

"(11) TIME FOR DETERMINING RATE APPLICABLE TO EMPLOYEE RELOCATION LOANS.—

"(A) IN GENERAL.—In the case of any term loan made by an employer to an employee the proceeds of which are used by the employee to purchase a principal residence (within the meaning of section 1034), the determination of the applicable Federal rate shall be made as of the date the written contract to purchase such residence was entered into.

"(B) PARAGRAPH ONLY TO APPLY TO CASES TO WHICH SECTION 217 APPLIES.—Subparagraph (A) shall only apply to the purchase of a principal residence in connection with the commencement of work by an employee or a change in the principal place of work of an employee to which section 217 applies."

SEC. 203. SECTION 7872 OF THE INTERNAL REVENUE CODE SHALL NOT APPLY TO NON-LOAN PAYMENTS TO CERTAIN RESIDENTIAL HOUSING FACILITIES FOR THE ELDERLY.

(a) GENERAL RULE.—For purposes of section 7872 of the Internal Revenue Code of 1954, payments made to a specified independent living facility for the elderly by a payor who is an individual at least 65 years old shall not be treated as loans provided—

(1) the independent living facility is designed and operated to meet some substantial combination of the health, physical, emotional, recreational, social, religious and similar needs of persons over the age of 65;

(2) in exchange for the payment, the payor obtains the right to occupy (or equivalent contractual right) independent living quarters located in the independent living facility;

(3) the amount of the payment is equal to the fair market value of the right to occupy the independent living quarters;

(4) upon leaving the independent living facility, the payor is entitled to receive a payment equal to at least 50 percent of the fair market value at that time of the right to occupy the independent living quarters, the timing of which payment may be contingent on the time when the independent living facility is able to locate a new occupant for such quarters; and

(5) the excess, if any, of the fair market value of the independent living quarters at the time the payor leaves such quarters (less a reasonable amount to cover costs) over the amount paid to the payor is used by an organization described in section 501(c)(3) of such Code to provide housing and related services for needy elderly persons.

(b) SPECIFIED INDEPENDENT LIVING FACILITY FOR THE ELDERLY.—For purposes of this section—

(1) IN GENERAL.—The term "specified independent living facility for the elderly" means—

(A) the Our Lady of Life Apartments owned by a Missouri not-for-profit corporation with the same name,

(B) the Laclede Oaks Manor owned by the Lutheran Health Care Association of St. Louis, Missouri, and

(C) the Luther Center Northeast owned by the Lutheran Altenheim Society of Missouri.

(2) REQUIREMENTS.—A facility shall not be considered to be a specified independent living facility for the elderly—

(A) if it is located at any site other than the site which it occupied (or was in the process of occupying through construction) on the date of the enactment of this Act, or

(B) if its ownership is transferred after such date of enactment to a person other than an organization described in section 501(c)(3) of the Internal Revenue Code of 1954.

SEC. 204. EFFECTIVE DATES.

(a) SECTION 201.—

(1) IN GENERAL.—The amendments made by section 201 shall apply with respect to loans made after the date of enactment of this Act.

(2) SECTION 7872 NOT TO APPLY TO CERTAIN LOANS.—Section 7872 of the Internal Revenue Code of 1954 shall not apply to loans made on or before the date of the enactment of this Act to any qualified continuing care facility pursuant to a continuing care contract. For purposes of this paragraph, the terms "qualified continuing care facility" and "continuing care contract" have the meanings given such terms by section 7872(g) of such Code (as added by section 201).

(b) SECTION 202.—The amendment made by section 202 shall apply to contracts entered into after June 30, 1985, in taxable years ending after such date.

(c) SECTION 203.—The provisions of section 203 shall apply as if included in section 172(a) of the Tax Reform Act of 1984.

And the Senate agree to the same.

DAN ROSTENKOWSKI,
SAM M. GIBBONS,
J.J. PICKLE,
CHARLES B. RANGEL,
PETE STARK,
JOHN J. DUNCAN,
BILL ARCHER,
GUY VANDER JAGT,
Managers on the Part of the House.

BOB PACKWOOD,
W.V. ROTH,
JOHN HEINZ,
DAVID DURENBERGER,
RUSSELL B. LONG,
LLOYD BENTSEN,
SPARK M. MATSUNAGA,
DANIEL PATRICK MOYNIHAN,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

I. SIMPLIFICATION OF GENERAL IMPUTED INTEREST RULES

A. THE IMPUTED INTEREST RULES

Present laws

The imputed interest rate

Overview

Under the imputed interest rules, whether there is adequate stated interest in a debt instrument issued for nonpublicly-traded property is determined by reference to an appropriate "test rate." Where adequate interest is not stated, the imputed interest rules recharacterize a portion of the principal amount of the debt instrument for income tax purposes using a somewhat higher "imputation rate." The amounts of principal and interest as recharacterized will generally determine the seller's "amount realized" the buyer's basis in the property, and the amount of interest deductions and interest income for the buyer and the seller, respectively. The test rate for a debt instrument subject to the imputed interest rules is the rate in effect on the first day there is a binding contract for the sale or exchange of the property. All test and imputation rates are applied using semiannual compounding.

"Test rates" and "imputation rates"

General rule.—For sales or exchanges after December 31, 1984, of new property eligible for the investment credit, and for all sales or exchanges after June 30, 1985, the test rate is 110 percent of the "applicable Federal rate," and the imputation rate is 120 percent of the "applicable Federal rate."

Special rule for certain transactions before July 1, 1985.—For sales or exchanges after December 31, 1984, and before July 1, 1985, of property other than new property eligible for the investment credit, the test rate for "borrowed amounts" not exceeding $2 million is 9 percent. The test rate for borrowed amounts exceeding $2 million is a "blend" of 9 percent on the first $2 million and 110 percent of the applicable Federal rate (the "AFR") on the excess. In applying the $2 million limitation, all sales or exchanges that are part of the same transaction (or a series of related transactions) are treated as one transaction, and all debt instruments arising from the same transaction (or a series of related transactions) are treated as one debt instrument. The imputation rate for transactions during this same period is 10 percent for borrowed amounts up to $2 million and a blend of 10 percent and 120 percent of the AFR for borrowed amounts exceeding $2 million.

Other lower test and imputation rates.—The test rate for certain sales of homes and farm property after June 30, 1985, may not exceed 9 percent. This exception generally is limited to $250,000 for sales of homes and $1 million for sales of farms.

Applicable Federal rate.—The applicable Federal rate ("AFR") for a debt instrument is the lower of two published rates, one specified by the Tax Reform Act of 1984 (the "1984 Act") and one specified in temporary Treasury regulations. The statutory rate is based on the weighted average of yields over a period of six months for marketable obligations of the United States Government with a comparable maturity. Such rates are redetermined at six-month intervals for three categories of debt instruments: short-term maturity (three years or less), mid-term maturity (more that three years but not in excess of nine years), and long-term maturity (more than nine years).[1]

The rates determined under the temporary Treasury regulations are intended to reflect more accurately the current marketplace.[2] These rates are computed monthly using the same methodology described above, except that the rates reflect the average yields for one-month periods. In any month, the lower of the six-month rate or the monthly rate is the AFR. However, in cases where the monthly rate for either of the two preceding months is lower than the AFR for a particular month, the test rate for that month is the lower of the two such rates.

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[1] Appropriate adjustments to the rates are to be made for application to debt instruments, the interest on which is wholly or partly exempt from tax (sec. 1288).

[2] The mechanism provided by the temporary regulations is intended to respond to a problem that may exist where interest rates decline after the period in which the Federal rates were determined.

Exceptions.—The imputed interest rules do not apply to the obligor on a debt instrument incurred in the acquisition of personal use property, to the sale of certain patents, to certain annuities, and to transactions involving a sale of property with a sales price of not more than $3,000.

Method of accounting

Interest income and expense on debt instruments that are issued for property and that do not require the current payment of interest generally must be accounted for on the accrual method of accounting unless one of the following exceptions apply.

The accrual accounting requirement does not apply to (1) debt instruments issued for nonpublicly-traded property in transactions that are excepted from the imputed interest rules, (2) debt created in the sale of certain small businesses and farms, (3) debt created in the sale of a principal residence, and (4) debt created where the total payments are less than $250,000.

Assumptions

The assumption of the following debt obligations in connection with the sale or exchange of property, or the taking of property subject to such debt obligations, does not result in the application of the imputed interest rules, provided that the terms and conditions of the obligation are not modified in connection with the sale: (1) loans that were made before October 16, 1984, and assumed after December 31, 1984, in connection with the sale of property the purchase price of which does not exceed $100 million and (2) all loans assumed in connection with the sale of a residence, certain farms, and certain trades or businesses.

House Bill

The imputed interest rules

Overview

The House bill makes four basic changes to the imputed interest rates. First, the House bill generally reduces the test rate from 110 percent of the AFR to 100 percent of the AFR. Second, the House bill provides for lower imputed interest rates for certain smaller transactions. Third, the House bill provides that the imputation rate would be the same as the test rate (i.e., there would be no higher "penalty rate" where inadequate interest is stated). Finally, the House bill revises the computation of the AFR from a semiannual rate to a monthly rate.

Lower overall imputed interest rate

Under the House bill, the imputed interest rate (i.e., the test rate and the imputation rate) is reduced to 100 percent of the AFR.

Lower imputed interest rates for certain smaller transactions

The House bill places a limit on the imputed interest rates in smaller transactions that do not involve new property eligible for the investment tax credit. Under these rules, where the amount of seller financing[3] does not exceed $2 million, the House bill provides that the imputed interest rate cannot exceed 9 percent.[4] Where the amount of seller financing exceeds $2 million but is less than $4 million, the imputed interest rate cannot exceed a "blend" of 9 percent on a specified portion of the seller financing and the 100 percent of the AFR on the remainder. The portion of the seller-financing eligible for the 9 percent rate is equal to $2 million reduced dollar-for-dollar by the amount of seller financng over $2 million. Where the amount of seller financing is $4 million or more, the imputed interest rate is equal to 100 percent of the AFR. The $2 million and $4 million thresholds amounts will be indexed for inflation beginning after 1988.

For sales of new property eligible for the investment credit, the imputed interest rate for a seller-financed debt instrument is equal to 100 percent of the AFR regardless of the amount of seller financing.

Elimination of the penalty rate

Under the House bill, the imputation rate for a debt instrument that fails to state adequate interest will be the same as the test rate for that instrument. Accordingly, there is only one "imputed interest rate" for a transaction and there is no separate "penalty rate" where a debt instrument does not state adequate interest for any reason.

Determination of the applicable Federal rate

Under the House bill, the sole mechanism for determining the AFR will be the one currently prescribed by the temporary Treasury regulations. The alternative mechanism under present law for determining the six-month rate prescribed by the 1984 Act will be eliminated.

Under these revised rules, the AFR will be computed using the same methodology as under present law, except that the rates will be determined on a monthly basis and the rate will reflect the average yields for one-month periods. In addition, the AFR for a particular month may be used as the imputed interest rate for contracts for sales or exchanges entered into in that month and the next two succeeding months.

Regulatory authority

The House bill authorizes the Treasury Department to issue regulations specifying the circumstances in which transactions will be treated as "part of the same transaction or related transactions" for the purpose of applying the $2 million and $4 million limitations. The House bill also provides that the Treasury Department is authorized to issue regulations under which taxpayers would be permitted to demonstrate that, in appropriate circumstances, a rate lower than AFR provided by the statute, but calculated according to the same principles as the AFR,[5] is a more appropriate imputed interest rate for a particular debt instrument. Finally, the House bill authorizes the Treasury Department to issue regulations regarding the relationship of the imputed interest provisions to other Code provisions.

Method of accounting

The House bill provides that, in the case of certain debt instruments that otherwise would be subject to the accrual accounting requirement, interest income and expense arising from such debt instruments may be accounted for on the cash receipts and disbursements method of accounting. To be eligible for such treatment, (1) the stated principal amount of the debt instrument cannot exceed $2 million, (2) the debt instrument must arise from the sale of property by a cash-basis taxpayer who is not a dealer in the type of property sold, and (3) the lender and the borrower must jointly elect such treatment. A debt instrument meeting these requirements is to be known as a "cash-method debt instrument."

Special rules are provided relating to the treatment of taxpayers who are the successors to either the issuer or holder of a cash-method debt instrument. The Treasury Department is authorized to issue regulations prescribing rules to prevent abuses of the special treatment afforded to cash-method debt instruments.

Assumptions

Under the House bill, if an existing debt instrument is assumed in connection with the sale or exchange of property (or if the property in acquired subject to an existing debt instrument), the imputed interest rules will not apply to such existing debt instrument by reason of such assumption (or aquisition) unless either the terms of the existing debt instrument are modified in connection with the transaction or the nature of the transaction is changed.

Effective date

The provisions of the House bill relating to the amendment of the imputed interest rules are effective for sales or exchanges occurring after June 30, 1985.

Senate amendment

The imputed interest rules

The Senate amendment generally follows the House bill with certain modifications. Under the Senate amendment, in general, the amount of seller financing that would be eligible for the 9 percent rate is $2 million for all transactions where the amount of seller financing does not exceed $4 million. In transactions involving the sale of farm property or real property used in certain closely held trades or businesses, $2 million of seller financing would be eligible for the 9 percent rate, provided the total amount of seller financing did not exceed $9 million. Also under the Senate amendment, an imputed interest rate of 110 percent of the AFR would apply to any sale-leaseback transaction or any transaction involving a sales price in excess of $25 million. In addition, where the AFR exceeded 12 percent, the imputed interest rate for certain transactions would be limited to the sum of 12 percent and one-third of the excess of the AFR over 12 percent.

The authority granted to the Treasury Department to provide regulations that would permit taxpayers to prove that a lower imputed interest rate is appropriate would be effective as if it were contained in the 1984 Act.

Method of accounting

The Senate amendment is the same as the House bill.

Assumptions

The Senate amendment is the same as the House bill.

Conference agreement

The imputed interest rules

The conference agreement generally follows the House bill with the following modifications. Under the conference agreement, where the amount of seller financing does not exceed $2,800,000, the imputed interest rate generally may not exceed 9 percent. Where the amount of seller financing is greater than $2,800,000, the imputed interest rate is generally 100 percent of the AFR. An imputed interest rate of 110 percent of the AFR, however, applies to sale-leaseback transactions. Indexing of the $2,800,000 threshold for the 9 percent rate (and the $2 million threshold for cash-method debt instruments) begins after 1989.

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[3] The amount of seller financing is measured by the stated principal amount of the seller-financed debt instrument.

[4] As under present law, all rates will be compounded semiannually.

[5] That is, rate that is calculated by reference to Treasury obligations with similar maturity.

The effective date of the regulatory authority relating to the use of a lower imputed interest rate is the same as in the Senate amendment. In this regard, the conferees intend that the regulatory authority be exercised in a manner so that the lower rate would be permitted only in circumstances where it can be demonstrated that both the rate recalculated based on the same principles as the AFR and the rate at which the borrower can borrow funds on an arm's length basis is lower than the AFR that otherwise would be applicable to the borrower's debt instrument. Further, it is intended that the rate permitted under the regulations would be not less than the borrower's arm's length borrowing rate.

The conferees understand that where a sale or exchange takes place after June 30, 1985, pursuant to a binding contract entered into on or before that date, the imputed interest rates for such a transaction are to be determined pursuant to the provisions of the conference agreement using the applicable Federal rates in effect on the date the binding contract was entered into. For example, if a seller executes a binding contract on March 15, 1985, with a buyer to purchase nonpublicly-traded property with seller financing of $3 million and the transaction is closed on July 15, 1985, the test rate is 100 percent of the AFR for March 15, 1985.

Under the conference agreement, the imputed interest rules will not be applied to the issuance or modification of certain specified debt instruments held by the New York State Mortgage Loan Enforcement and Administration Corporation provided such issuance or modification is in connection with the workout of such debt instruments and the principal amount of indebtedness resulting from such workout does not exceed the sum (as of the time of the workout) of the outstanding principal amount of the specified debt instrument and any arrearages thereon. The conferees understand that the rate of interest charged with respect to the arrearages shall be not less than the rate on the related loan. The conferees intend no inference in adopting this provision regarding the appropriate income tax treatment of such debt instruments or of other debt instruments in similar circumstances. Specifically, the conferees intend that no inferences be taken from the adoption of this provision that any arrangements existing prior to or resulting from these workout agreements is properly considered as debt for tax purposes.

Method of accounting

The conference agreement is the same as the House bill and the Senate amendment.

Assumptions

The conference agreement is the same as the House bill and the Senate amendment. The conferees are concerned about the extent to which the assumption rules apply when the terms of the debt are modified. The conferees expect that the Treasury Department will issue regulations, consistent with the purposes of these provisions, regarding the proper tax treatment of all parties in transactions where the terms and conditions of the obligation are modified or changed in connection with the transfer of property.

B. ACCELERATED COST RECOVERY SYSTEM

Present law

In general, domestic real property placed in service after March 15, 1984, and qualifying as recovery property, may be depreciated on an accelerated basis under ACRS over an 18-year period, under tables of recovery percentages prescribed by the Treasury Department. These tables reflect a "mid-month" convention for property placed in service after June 22, 1984. Taxpayers may also elect to depreciate such property on a straight-line basis over 18, 35, or 45 years. The recovery period under ACRS for low-income housing described in sections 1250(a)(1)(B) (i), (ii), (iii) or (iv) is 15 years and no mid-month convention is used.

Under transitional rules provided by the 1984 Act, property placed in service after March 15, 1984, pursuant to binding contracts entered into, or where construction was commenced by or for the taxpayer, prior to March 16, 1984, may be eligible for a 15-year recovery period. Special rules under the 1984 Act are also provided relating to components of real property placed in service prior to March 16, 1984, that are placed in service on or after that date.[6]

House bill

Under the House bill, the minimum recovery period for domestic real property qualifying as recovery property generally is increased from 18 years to 19 years. However, this change in the recovery period does not affect the ACRS provisions relating to low-income housing (the recovery period of which remains at 15 years).

The provision of the House bill relating to the ACRS recovery period for real property is generally effective for property placed in service after May 8, 1985. Transitional rules similar to those under the 1984 Act are provided for property that is placed in service after May 8, 1985, and before January 1, 1987, where there was a binding contract to construct or acquire the property, or where construction was begun by or for the taxpayer before May 9, 1985. Special rules apply to components placed in service after May 8, 1985.[7]

Senate amendment

The Senate amendment is the same as the House bill with the exception that a conforming amendment relating to the eligibility of lessee-incurred costs for the rehabilitation tax credit (secs. 46 and 48(g)) is not effective for leases executed prior to May 22, 1985, if the lessee signed the lease before May 17, 1985.

Conference agreement

The conference agreement is the same as the Senate amendment. The conferees intent that the recovery percentages to be computed by the Treasury Department be done on a more exact basis than is current practice. Specifically, if the Treasury Department provides that depreciation may be calculated by applying specified percentages to the basis of the property, the conferees intend that the percentage be expressed to at least the nearest tenth of a pecentage point. Similarly, separate percentage rates should be provided for each month during a taxable year during which the property may be placed in service.

II. BELOW-MARKET LOAN PROVISIONS

Persent law

Section 7872 of the Code, added by the 1984 Act, generally provides that certain loans that bear interest at a below-market rate, are to be treated as loans bearing interest at the market rate accompanied by a payment or payments from the lender to the borrower which are characterized in accordance with the substance of the particular transaction (e.g., gift, compensation, dividend, etc.). The market rate of interest for purposes of section 7872 is assumed to be 100 percent of the AFR at the time the loan is made in the case of a term loan or, in the case of a demand loan, 100 percent of the AFR in effect over the time that the loan is outstanding. The monthly rate provided by the temporary Treasury regulations under the imputed interest rules does not apply for this purpose.

Section 7872 applies to (1) loans where the foregone (i.e., below-market) interest is in the nature of a gift, (2) loans to an employee from an employer or to an independent contractor from one for whom the independent contractor provides services, (3) loans between a corporation and a shareholder of the corporation, (4) loans of which one of the principal purposes of the interest arrangement is the avoidance of any Federal tax, and (5) to the extent provided in Treasury regulations, any below-market loan if the interest arrangement of such loan has a significant effect on any Federal tax liability of either the lender or borrower. The provisions of section 7872 generally apply to term loans made after June 6, 1984, and to demand loans made after that date (or demand loans outstanding after June 6, 1984, which are not repaid before September 17, 1984). However, the below-market loan rules do not apply to loans made to elderly care facilities before June 6, 1984, that are contingent on the continued residence of the lender at the facility. The application of section 7872 is limited by certain *de minimis* exceptions and, for certain gift loans, by the net investment income of the borrower. In addition, transactions covered by the last category above (i.e., number 5) would not be effective prior to the issuance of such Treasury regulations.

Below-market loans made by individuals pursuant to arrangements providing for the satisfaction of personal needs in retirement may be considered to come within either of the last two categories.

House bill

No provision.

Senate amendment

Loans to continuing care facilities

Overview

Under the Senate amendment, certain below-market loans to a "continuing care facility," made pursuant to a "continuing care contract" are excepted from the below-market loan provisions of the Code. Thus, under the Senate amendment, such loans will not be treated as bearing an interest rate equal to the applicable Federal rate and no additional payments will be treated as made from the lender to the borrower. Loans to continuing care facilities pursuant to continuing care contracts would be subject to the below-market loan provisions to the extent that the criteria for the exception are not met.

Continuing care contract

A continuing care contract is an arrangement between an individual or a married couple and a continuing care facility that meets five requirements. Under the first requirement, a retired individual or couple must be entitled to the use of the continuing care facility for the remainder of the individual's life or both married spouses' lives. Under the second requirement, such use must commence with residence in a separate, independent living unit provided by the continuing care facility.

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[6] Sec. 168(f)(1).

[7] Sec. 168(f)(1).

Under the third requirement, during the period in which the individuals reside in the independent living units, the continuing care facility must be obliged to provide such individuals with various "personal care" services. Under the fourth requirement, the continuing care facility must also undertake to provide long-term nursing care for those individuals who are no longer capable of living independently, even with the aid of personal care services. Under the fifth requirement, the continuing care contract must require the continuing care facility to provide the personal care and long-term nursing services without substantial additional cost to the individual (i.e., there must be a significant insurance-like element for the individual).

Continuing care facility

A continuing care facility is one or more facilities that are designed to provide services under continuing care contracts and substantially all of the residents of which have entered into continuing care contracts.

Limitations

The exception is available for a loan only as of the calendar year in which the lender has attained age 65. A loan from either or both members of a married couple where only one spouse has attained age 65 will be treated as qualifying for the exception if both of the spouses are to reside in the continuing care facility. The exception applies only to the extent that the principal amount of a loan, when added to the aggregate outstanding amount of all other previous loans between the lender (or if the lender is married, the lender and the lender's spouse) to any continuing care facility, does not exceed $90,000. This amount is indexed for inflation.

Special rule for certain payments

Payment arrangements meeting specified requirements, between an individual and an elderly care facility meeting specified requirements are not treated as loans for purposes of the below-market loan rules. In general, the payment arrangement is one where an initial payment and a portion thereof that is refundable is based on the fair market value of residential accommodations supplied to the individual by the elderly care facility.

Effective date

The provisions of the Senate amendment relating to below-market loans to continuing care facilities pursuant to continuing care contracts are generally effective with respect to such loans that are made after the date of enactment. All such loans made on or before the date of enactment are expected from the below-market loan rules. In addition, any Treasury regulations relating to the application of the below-market loan rules to loans made to any elderly care facilities are prohibited from taking effect prior to January 1, 1986.

Employee relocation loans

The Senate amendment modifies the below-market loan rules with respect to so-called "employee relocation loans." An employee relocation loan is a loan from an employer to an employee, the proceeds of which are used by the employee toward the purchase of a principal residence in connection with commencement of work by the employee at a new principal place of work. The purchase of the principal residence must occur in a situation where any moving expenses incurred by the employee would be deductible under section 217 of the Code.

In the case of such employee relocation loans, the rate used for determining whether the loan is a below-market loan to which additional interest will be imputed, in the AFR for the month in which the employee enters into a written contract for the purchase of the principal residence, rather than the month in which the loan is made.

The provisions of the Senate amendment relating to employee relocation loans are effective for loans made pursuant to purchase contracts entered into after June 30, 1985.

Conference agreement

Loans to continuing care facilities

The conference agreement generally follows the Senate amendment with certain modifications. First, the requirement that the continuing care facility own or operate substantially all the facilities used to provide services under a continuing care contract is effective without regard to when a facility began operating (or a contract for the construction of the facility was entered into). Second, no restrictions are placed on the effective date of any Treasury regulations relating to the application of the below-market loan rules to loans made to elderly care facilities.

The provision in the Senate amendment relating to whether specified payment arrangements are to be treated as loans for purposes of the below-market loan rules is limited to three specified elderly care facilities that would not qualify as continuing care facilities under the Senate amendment. In this regard, the conferees confirm that the below-market loan rules of the 1984 Act and the changes made to those rules by this bill only apply to transactions that are loans for Federal income tax purposes. The conferees specifically intend that the provisions of the bill do not define, and do not alter, the prior law rules relating to what transactions are, or are not, to be treated as loans. In addition, the conferees understand that a payment to a continuing care facility pursuant to a continuing care contract frequently is wholly or partially refundable for a relatively brief period (e.g., six months) essentially for consumer protection purposes pursuant to State law or regulations. The conferees also understand that payments to a continuing care facility are often refundable on a declining pro rata basis over a somewhat longer period (often up to eight years). The conferees understand that such payments ordinarily would be treated as the advance payment of fees and not as loans under present law.

In addition, certain technical modifications have been made to the language contained in the Senate amendment.

Employee relocation loans

The conference agreement follows the Senate amendment.

Dan Rostenkowski,
Sam M. Gibbons,
J.J. Pickle,
Charles B. Rangel,
Pete Stark,
John J. Duncan,
Bill Archer,
Guy Vander Jagt,
Managers on the Part of the House.

Bob Packwood,
W.V. Roth,
John Heinz,
David Durenberger,
Russell B. Long,
Lloyd Bentsen,
Spark M. Matsunaga,
Daniel Patrick Moynihan,
Managers on the Part of the Senate.

Mr. ROSTENKOWSKI. Mr. Speaker, I call up the conference report on the bill (H.R. 2475), to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes, and I ask unanimous consent for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois.

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that the statement of managers be read in lieu of the report.

Mr. DUNCAN. Mr. Speaker, I reserve the right to object.

The SPEAKER pro tempore. The Chair will state that the gentleman from Illinois [Mr. Rostenkowski] has called up the conference report, and pursuant to the order of the House of today, the conference report is considered as having been read.

The gentleman from Illinois [Mr. Rostenkowski] will be recognized for 30 minutes and the gentleman from Tennessee [Mr. Duncan] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. Rostenkowski].

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, H.R. 2475 provides a permanent solution to the controversy surrounding the imputed interest rules enacted in the Deficit Reduction Act of 1984. Last fall, Congress passed temporary legislation modifying the original imputed interest rules. This stopgap legislation expired on July 1, 1985. On May 21, 1985, the House of Representatives passed H.R. 2475 by a unanimous vote of 425 to 0. The bill was passed by the Senate with amendments on June 26, 1985. Under my unanimous-consent request, the differences between the two bills would be reconciled, and the imputed interest problem will be resolved at long last.

Under the compromise, transactions with seller financing of $2.8 million or less would require an imputed interest rate of the lesser of 9 percent, or 100 percent of the Federal rate. The 9 percent rate is not available for new property eligible for the investment tax credit. For seller financing in excess of $2.8 million, the imputed interest rate is 100 percent of the Federal rate. Both parties in transactions under $2 million may elect to use the cash method of accounting. The $2 million and $2.8 million thresholds will be indexed for inflation beginning after 1989. This structure closely resembles the structure passed by the House. A Senate amendment is included to provide that seller financing for sale-leaseback transactions must use an imputed interest rate equal to 110 percent of the Federal rate.

My unanimous-consent request provides that certain "workout agreements" of "specified MLC loans" will be exempted from the imputed interest rules. However, the bill does not contain any inference regarding whether any indebtedness existing prior to or resulting from these workout agreements are properly considered debt for tax purposes. My request also includes a technical Senate amendment relating to the treatment of employee relocation loans for the purchase of a principal residence in connection with a job-related move. In the case of such a loan, the rate in effect on the date that the purchase contract becomes binding.

Finally, my request includes a Senate amendment dealing with life care facilities. Specifically, loans of $90,000 or less made by a taxpayer age 65 or older to a "continuing care facility" pursuant to a "continuing care contract" would be exempt from the below-market loan rules enacted in the 1984 act. A continuing care facility is one which is owned or operated by one entity providing services under a continuing care contract where substantially all of the residents entered the facility pursuant to a continuing care contract. Furthermore, as stated in the Senate Finance Committee report, payments to a continuing care facility are often refundable for a relatively brief period—that is, 6 months)—or on a declining, pro rata basis over a somewhat longer period, often up to 8 years. It is intended that these payments will be treated as advance payments of fees, and not as loans. This provision would also exempt certain elderly care centers run by certain charitable and religious organizations in the St. Louis, MO, area.

Consistent with both the House and Senate bill, my request includes a 1-year increase from 18 to 19 years, in the depreciation recovery period for real estate—other than low-income housing—in order to ensure that the bill is revenue neutral. My request includes a minor change in the effective date of this provision to accommodate certain leasing transactions caught in the pipeline by the effective date in the original House bill. To avoid any unintended revenue loss, the Treasury Department is directed to precisely determine the new depreciation rates.

Except for the provisions lengthening the depreciation period for real property, the bill will apply to sales or exchanges after June 30, 1985. However, the Treasury regulatory authority to establish lower rates in certain circumstances will apply as if included in the Deficit Reduction Act of 1984.

Mr. Speaker, we are presenting to the House a bipartisan compromise that addresses legitimate concerns raised by last year's imputed interest rules. I urge the House to again give unanimous approval to H.R. 2475 as it did last May.

□ 2050

I reserve the balance of my time.

Mr. DUNCAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support the gentleman from Illinois, the distinguished chairman of the Ways and Means Committee, in requesting the House to approve the conference report on H.R. 2475.

The issues raised by H.R. 2475 are not new to this body. The original House version of the bill represented an excellent compromise of the various concerns affecting seller financing transactions. The other body made only minor amendments to the substantive thrust of the original House bill but did add certain unrelated amendments. The conference report accepts some of those amendments while rejecting others. On balance, in view of the importance of achieving enactment of permanent seller financing rules, I urge the House to expeditiously approve this agreement.

Some urgency is appropriate because the stop-gap provisions enacted last fall expired on June 30, 1985. Were it not for this deadline, I might prefer to spend more time examining some of the other body's amendments to determine whether further modification of them would be helpful. We can, of course, do this through an oversight process in the future. In any event, I think it is important that we resolve this matter as expeditiously as possible, because many taxpayers are potentially affected adversely by the expiration of the stop-gap rules. Further delay in resolving this matter will only serve to create uncertainty which is both disruptive and unfair to taxpayers. I urge the House to approve the conference report.

Mr. DAUB. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN. I yield to the gentleman from Nebraska.

Mr. DAUB. Mr. Speaker, I rise in support of the work of the conferees, particularly, and point out to my colleagues that this is going to be not only helpful to the realty industry, which has had some degree of uncertainty, but to the farm agricultural sales, which have had a real tough time deciding what the rules are going to be, and it is going to be very helpful to us in agriculture. I want to thank the committee.

Mr. ROSTENKOWSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DUNCAN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. Archer], a member of the Committee on Ways and Means.

Mr. ARCHER. I thank the gentleman for yielding.

Mr. Speaker, I took a very, very strong role in opposing the imputed interest rules from its inception in the conference committee when it was adopted. I have played, hopefully, an active role in designing this effort to lift the onerous restrictions place by those imputed interest rules.

I have signed this conference report. It is not everything that I would have liked. But it certainly does go a long, long way in eliminating the very, very dire consequences of the imputed interest rules on most transactions. I am not satisfied with the life care provisions that the Senate put in, but that was a quid pro quo to get this conference report passed and to lift the restrictions that would otherwise apply.

So I urge adoption of the conference report.

Mr. DUNCAN. Mr. Speaker, I yield 1 minute to the gentleman from Minnesotta [Mr. Frenzel], a member of the committee.

Mr. FRENZEL. Mr. Speaker, this conference report should be adopted. I have serious objections to two extraneous amendments, both of which were described by the chairman. I have reservations about the procedures. However, the need to restore certainty in the marketplace exceeds the reservations which I have.

Also, our need to get out of here is important, as well. We have all been recorded on this matter before. I think it is unnecessary to have another recorded vote. I hope the bill will be promptly adopted.

Mr. DUNCAN. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. McGrath], a member of the committee.

Mr. McGRATH. I thank the ranking minority member for yielding time to me.

Mr. Speaker, I rise in support of the conference report. I congratulate the chairman and the ranking minority member for their efforts during this conference.

Mr. DUNCAN. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. Oakar].

Ms. OAKAR. Mr. Speaker, I want to thank the gentleman for yielding, and I support what he is trying to do.

Mr. Speaker, a number of Members have asked if we are going to bring up H.R. 3008. The minority leader of the subcommittee and I, out of deference and respect to the Members, have decided to win the bill in September.

Mr. LOWERY of California. Mr. Speaker, the Federal debt, now more than $1.3 trillion, has quadrupled during the past 8 years. In the past 22 years, while our population has grown 27.5 percent, prices have grown 246 percent, and the Federal budget has grown 1,000 percent. While I will support this budget resolution it is unfortunately nothing more than a heavy fog in the face of a budgetary forest fire. Year in and year out, we have spent more than we have taken in, creating a series of increasing deficits which have placed this nation in economic danger. There is no place left to hide, no one left to whom we can pass the buck. Congress must now face some tough decisions.

Not only do deficits indicate improper management of our Federal funds, but they also create serious difficulties for our economy. High interest rates and low economic growth interact to create an uneven field upon which our industry and workers must play. In this vicious cycle, the more the Federal Government spends, which many Democrats would have us believe to be beneficial, the less money there is for our economy. In short, there is no way to have full employment and balanced growth in our present budget environment.

Earlier today, the budget conferees approved a resolution that will, according to the Congressional Budget Office, cut some $39 billion from Federal deficit in fiscal year 1986—some $17 billion less than the $56 plus billion originally discussed. While I will support final passage of this measure, I have some serious reservations concerning its long-term effectiveness in reducing the chronic Federal deficit. Gentlemen, this measure is simply milk toast. Bargaining has given the House its COLA money and the Senate its defense money. This resolution is nothing more than another in a series of big-spender you-get-yours-and-I'll-get-mine deals that have driven our Federal deficit up to the $200 billion level.

Mr. Speaker, in my estimation, this resolution amounts to a surrender of our budget process to the deficit and partisan posturing. There is no way we can reduce our deficit below $100 billion by 1988 without making some of the tough decisions facing Congress, such as the cost of across-the-board COLA's and runaway domestic spending and getting cost-effective defense spending. Although, Senate Concurrent Resolution 32 is our last chance before recess to make a dent in our deficit, I want to remind my colleagues that this legislation is only a beginning. We must acquire the intestinal fortitude to make the tough decisions facing our children's and their children's future.

I want to conclude, Mr. Speaker, by urging all my colleagues not to let this chance for some deficit progress slip away and support Senate Concurrent Resolution 32. Let us not settle for another budgetless year.

● Mr. ROTH. Mr. Speaker, I rise in support of this legislation. Final enactment of this bill will eliminate a great deal of confusion and uncertainty as to the future of seller-financing of real estate.

With this bill common sense will prevail as public policy. The imputed interest rules we approved last year as part of the Tax Reform Act were properly motivated toward eliminating abuses in seller-financed real estate transactions. But, properly motivated or not, they were unfair and caused havoc in the real estate industry.

In closing a tax loophole we tightened a noose around the necks of honest homeowners, farmers, and small businesspeople who wished to engage in routine real estate transactions.

For a number of months, many people have been uncertain as to whether Congress would finally act to rectify last year's injustice. Many people have been hesitant to negotiate the sale of their homes, farms, and businesses, and I am certain our economy has suffered as a result. But today we were restoring some uniformity and certainty to the marketplace.

This compromise represents a good faith effort to restore some sense and sensibility to the Tax Code. Our colleague, the chairman of the Ways and Means Committee, and others who have worked so hard on this legislation deserve credit for responding to the concerns of the Congress and the American people. As a realtor I know the impact of seller financing issue on real estate transactions. The House action is the appropriate action.●

Mr. DUNCAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WEISS. Mr. Speaker, I ask unanimous consent to make a personal explanation on certain missed votes and to have the statement appear in the appropriate place in the permanent Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WEISS. Mr. Speaker, because of obligations in my congressional district, I was not present for part of the session on July 16, 1985, and I consequently missed three rollcall votes, those numbered 226, 227, and 228. Had I been present, I would have voted "yes" on all three of those votes.

AUTHORIZING SPEAKER TO DECLARE RECESSES TODAY

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare recesses at any time today, subject to the call of the Chair.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. STRANG. Mr. Speaker, reserving the right to object, may I ask the gentleman why?

Mr. FOLEY. If the gentleman will yield, it is anticipated, Mr. Speaker, that following the action of the House in adopting the conference report on the budget that the House would be awaiting Senate action on the budget and the adoption of the adjournment resolution by the other body. Since we have not programmed legislation during this late part of the evening, pending the action of the Senate, it was the intention to declare a recess until the Senate reports its action to the House.

Mr. STRANG. I thank the gentleman for his explanation, and I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS, AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES, NOTWITHSTANDING ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, September 4, 1985, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 4, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday, September 4, 1985, may be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

APPOINTMENT AS CHAIRMAN OF COMMISSION ON U.S. HOUSE OF REPRESENTATIVES BICENTENARY

The SPEAKER pro tempore. Pursuant to the provisions of section 3 of House Resolution 249, 99th Congress, the Chair, without objection, appoints the gentlewoman from Louisiana [Mrs. Boggs], as Chairman of the Commission on the U.S. House of Representatives Bicentenary.

There was no objection.

DESIGNATION OF THE HONORABLE JIM WRIGHT TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL SEPTEMBER 4, 1985

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

Washington, DC, *August 1, 1985.*

I hereby designate the Honorable Jim Wright to act as Speaker pro tempore to sign enrolled bills and joint resolutions until September 4, 1985.

Thomas P. O'Neill, Jr.,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is agreed to.

There was no objection.

□ 2100

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks and to include therein extraneous material on the subject of the special order speech today by the gentleman from Massachusetts [Mr. Mavroules].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

POSTAL SERVICE HARDSHIP DELIVERY POLICY

(Mr. ROWLAND of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROWLAND of Georgia. Mr. Speaker, on behalf of myself and the distinguished gentleman from California, the Honorable Edward R. Roybal, chairman of the House Subcommittee on Treasury and Postal Service Appropriations and the Select Committee on Aging, I introduced yesterday legislation that will require the U.S. Postal Service to prescribe regulations relating to the delivery of mail to physically handicapped individuals.

On December 20, 1984, Mrs. Lois Martin, an elderly resident of Baxley, GA was fatally struck by a passing motorist as she attempted to cross a frequently traveled highway to retrieve her mail. Mrs. Martin was 79 years of age, wore hearing aids in both ears and had impaired vision. It is quite possible, had an alternative method of mail delivery been available to Mrs. Martin, this tragic situation could have been avoided.

Although the Postal Service has a policy that provided door delivery for individual customers for whom regular delivery would place an extreme hardship, it is ambiguous at best, and provides no written criteria for determining eligibility. The current hardship delivery policy consists of a one-sentence paragraph in the Postal Operations Manual and the Domestic Mail Manual. I find it disturbing that written guidelines exist nowhere within the Postal Service to provide guidance for postal officials who are charged with making a decision on who qualifies.

Thus, this legislation will require the Postal Service to develop written criteria and guidelines for the granting of a hardship delivery exception to the regular mail delivery and publish such information in the Federal Register for public comment. The bill is designed to codify the current Postal Service policy and directs them to identify to the best of their ability those individuals for whom the policy was originally designed.

It is extremely unfortunate that such a tragic situation had to occur prior to this matter receiving some attention. However, the offering of this bill today may very well prevent such a situation from reoccurring in my district or some other congressional district with similar circumstances. While the measure does not mandate any particular individual as being eligible for an alternative method of mail delivery, it provides the mechanism for making a determination.

[From the Baxley News-Banner, Jan. 10, 1985]

Christmas Tragedy Remembered

Dear Mr. Gardner, Christmas has just passed, but our families' was not a Christmas to remember. We lost our grandmother Christmas day in a tragedy that was unnecessary and one that, we feel, could have been prevented.

On Dec. 20 I left work and drove the eight miles home to find my husband's grandmother, Lois Martin, lying on the highway. She was struck by a car as she was coming back from her mailbox, which is across the highway from her house. I won't go into the gory details of what I saw as she lay unconscious on Highway 15 S. She was rushed to Appling General Hospital and then transferred to Ware Memorial Hospital in Waycross, where she lay semiconscious for five days. She died on Christmas Day.

As my husband, Keith, and I sat in the hospital watching and waiting to see what would happen, we wondered what could be done to prevent a tragedy like this from happening again.

Grannie Martin's mailbox has been on her side of the highway for at least 30 years, that we know of. Two years ago she was told, as we were, that our mailboxes would have to be put across the highway. Keith's family contacted the post office to see what could be done to get Grannie's mailbox moved back to her side of the highway. They were told that the mailbox could not be moved and that if it was moved, she would no longer be served.

Please keep in mind that we are talking about a 79 year old woman who had had cataract surgery on both eyes, and hearing aides in both ears. The post office is asking her to cross a busy highway to get her mail.

On Dec. 27, the day of the funeral, someone asked Mrs. Dyal (Keith's mother) if the post office had informed us of a "hardship case delivery". We had not been told anything about this. We have since found out more about it. A simple letter from her doctor would have taken care of the matter IF we had known about it. The post office had told us nothing could be done, and we took them at their word.

Two days before Mother's Day in 1984 Grannie was almost hit by a car. The car went in the ditch to avoid running into her. Again the post office was contacted to see if we could move the mailbox. We received the same reply . . . no.

We found out since this accident that Grannie, herself went to the post office in December to ask again about getting the mailbox moved from across the highway and again the same reply . . . no.

I realize that there are laws and regulations that have to be observed by the postal service, but NO ONE, especially not a 79 year old lady should have to cross a busy highway to get their mail! What happened to helping senior citizens or just plain old common courtesy?

Since Grannie's death we have found out about many people that have to walk across a highway to get their mail and of the many "close calls" they have had.

Mr. Gardner, there are many people throughout the area where we live that have small children, including myself, and many elderly people that have to walk across the highway to get their mail. We as a family and we the community out on Hwy. 15 S. want to see that something is done to prevent a tragedy like this from happening again. We realize that it is too late to save Lois Martin's life but through our effort and yours we would like to see that something is done about getting the citizens' mailboxes moved to their own side of the highway.

The day after the accident someone moved our mailbox, Grannie Martin's mailbox, and the mailbox of another elderly couple down the road from us back to our side of the highway in an effort to help save us from the tragedy that Grannie suffered. We have yet to receive any mail in our box, Grannies' box, or the couple down the road's box.

I am issuing a plea to the people of Appling County that are interested in avoiding further tragedies. Please join us in our effort to get mailboxes moxed from across highways all over the county. If you will help, please feel free to contact us at any time.

Thank you,

KEITH AND JOAN DYAL.

BAXLEY, GA.

DIALOG ON NICARAGUA

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. ALEXANDER. Mr. Speaker, many of our Members have addressed the subject of violence this morning in South Africa, Afghanistan, and the Soviet Union, and I would like to talk about violence in Central America.

I have here a summary of a recent dialog between Dr. Wayne Smith, former head of the U.S. interest section in Cuba and Sandinista officials, reporting on the fact that Nicaraguans remain ready to negotiate political concerns of Americans in Central America, which include prohibition of foreign bases, the withdrawal of foreign military personnel, the halting of military buildup, and the halting of cross-border support for guerrillas.

What remains, Mr. Speaker, is a U.S. policy that seeks a political rather than a military solution. Knowing of Members' interest in the recent developments in Central America, I am including a copy of this summary in the RECORD and forwarding the same to Members of Congress so that they will have this report available during the recess.

JULY 30, 1985.

Hon. BILL ALEXANDER,
Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN ALEXANDER: I returned last week from a trip to Managua during which I had the opportunity to talk with President Daniel Ortega, to Acting Foreign Minister Tinoco, and to various other Nicaraguan leaders. On the basis of these conversations, I would say it is quite clear that the Nicaraguans remain ready to address our security concerns in the area. As part of a regional settlement, they would be prepared to do the following.

To prohibit foreign bases. The Nicaraguans would agree not to permit any Soviet or Cuban bases on their territory. This would of course be subject to on-site verification. In return, they would expect the other Central American countries also to prohibit foreign bases. This would mean that U.S. advance bases in Honduras would have to be dismantled.

To withdraw foreign military personnel. The Nicaraguans are also prepared to negotiate a formula for the drastic reduction of foreign military personnel in the area. Since the formula presented to the draft Contadora treaties was unacceptable to El Salvador and Honduras, it would probably be better to concentrate on a numerical limitation. That is perfectly acceptable to the Nicaraguans, provided the limit is balanced and reciprocal.

To halt any military buildup. The Nicaraguans are prepared to sit down with their neighbors at any time to work out a formula for the imposition of ceilings on the size of armies and restrictions on the number and nature of their armaments.

To halt cross-border support for guerrillas. The Sandinistas are prepared to commit themselves not to engage in the provision of material support to the guerrillas in El Salvador or to any other groups in Central America. They would submit to on-site verification procedures. The other side of the coin would be that the United States, Honduras, and Costa Rica would have to halt their support for the contras.

The Sandinistas are prepared to negotiate not only these security-related issues but also a series of commitments related to human rights, political pluralism, and national reconciliation. They are not going to accept the conditions for an internal dialogue put forward by the so-called Declaration of San Jose, but they do not reject a dialogue with some elements of the opposition. Certainly we are likely to encourage more progress in these internal matters through diplomacy than through military action.

It seems quite clear to me that we could achieve most of our objectives, especially those which are security-related (and they are the most important ones to us) through negotiations leading to verifiable international agreements. It is equally clear, however that the Administration has no real interest in the negotiating option. This was illustrated anew a few days ago. On July 22 the foreign ministers of the Contadora countries called on the United States and Nicaragua to resume their bilateral talks. Nicaragua almost immediately reiterated its willingness to do so. As you know, however, the United States has refused the Contadora request. Given that the Nicaraguans are prepared to negotiate and to co-operate with the Contadora process, while we refuse, it is difficult to understand how the Administration can seriously argue that we must continue funding the Contras so as to pressure the Sandinistas to negotiate. If we wanted to negotiate, the Sandinistas would be ready to sit down with us right now. Further, we cannot say we are cooperating with the Contadora process and at the same time press ahead with our so-called "secret" war against Nicaragua. The two things are mutually exclusive.

Having studied our present policy toward Nicaragua in some detail, I have concluded that it is essentially counter-productive; certainly it does not achieve our objectives. I am further persuaded that the Contadora process cannot succeed under present conditions. If it is to work, the United States itself must become directly involved. I have prepared a paper which outlines these conclusions in greater detail. For your convenience, the summary of that paper is reproduced below. I hope you find it useful:

AN ALTERNATIVE POLICY FOR NICARAGUA

I. Summary

The Reagan administration's policy toward Nicaragua is one of weakness and ineffective bluster. Rather than preventing a second Cuba, it leads inexorably toward one. Rather than making the use of American troops unnecessary, it will, if followed to its logical conclusion, almost certainly culminate with U.S. military involvement. Rather than "containing" a Marxist regime, the Reagan policy leaves it unfettered and enhances its international standing. Far from being the tough, resolute approach portrayed by the President, present policy is one of confusion and ineffective measures which detract from, rather than enhance, our image as a great, self-confident power that knows how to protect its interests with a minimum of force.

The United States has legitimate concerns in Nicaragua and is right to be suspicious of Sandinista intentions. Present policy, however, does not effectively address those concerns or advance sensible U.S. objectives. The most urgent U.S. aims should be: 1) to prohibit the establishment of any Soviet or Cuban bases; 2) to bring about the withdrawal of foreign military personnel; 3) to halt all cross-border support for guerrillas and other subversive groups; and 4) to place a ceiling on military establishments so that no one country, Nicaragua or any other, be in a position to threaten its neighbors. Beyond these security-related objectives, the United States should also want to promote pluralism, human rights and economic well-being in the area.

None of the objectives outlined above is served by present policy. The Administration speaks in cliches of "supporting democracy" and "stopping communism", but it has not been able to explain in over three years time how funding the contras accomplishes those purposes. In fact, of course, it does not. Funding the contras is more a public relations gimmick than a policy. The contras do not have the capability to overthrow the Sandinistas, nor has their war against the latter advanced any of the U.S. objectives outlined above. Quite the contrary, thanks to present U.S. policy and the activities of the contras, there are more Cuban advisers in Nicaragua now than four years ago, a closer military relationship between Managua, Havana and Moscow, and greater tensions.

In addition to being ineffective, moreover, present U.S. policy toward Nicaragua violates international norms, is inconsistent with our traditional values, divides rather than unites the U.S. body politic and is not supported by our allies. No major government in the world supports our clandestine war against the Sandinistas. No government outside Central America supports our economic embargo against Nicaragua. Rather than upholding rule of law, present policy undermines it.

What the U.S. should be doing is to so bind and restrain the Sandinistas through verifiable, international agreements as to achieve all our security-related objectives and most of the others as well. This could be done. The Sandinistas have recently reiterated that as part of a regional accommodation inspired by the Contadora process, they would commit themselves not to permit any foreign bases on their soil, to send home Soviet and Cuban military personnel, to halt any support for guerrillas operating in other countries and to place restrictions on the force levels and weapons of their armed forces. The United States would not simply trust the Sandinistas to abide by these agreements. Of course not; rather, there would be means of verification and if the Sandinistas violated the agreements, the United States and other OAS countries would be in a position to take measures against Nicaragua under the provisions of

multilateral agreement and in full accordance with international law. By working through international conventions, the United States would be upholding international law and at the same time achieving our objectives in the area. That would be a tremendous improvement over present policy which neither upholds rule of law nor achieves U.S. objectives.

A change of policy is urgently needed. However it has from time to time attempted to disguise it, the Administration's present approach is one of trying to bring about the ouster or capitulation of the Sandinistas by force. This will not succeed unless the United States uses its own armed forces, with all the risks and consequences that implies. Yet, we do *not* have to oust the Sandinistas to secure our objectives; they can be achieved through multilateral diplomacy resulting in the sort of verifiable agreements outlined above. So far, however, while rhetorically supporting the Contadora process and other diplomatic openings, the Administration has in fact done everything it could to undermine them. As its objective has been to get rid of the Sandinistas, it has had no interest in any regional settlement which would have left them in power. Quite the contrary, it has sought to prevent any such accommodation. If the Administration holds to its present positions, the Contadora process cannot succeed—which is just what the Administration wants. It would thus be free to pursue its confrontational policies unencumbered by the compromises implied by negotiations, and since it is not a direct party to the Contadora process, it would avoid responsibility for the failure of that process.

The key to reversing that equation and opening the way to effective diplomacy, and the point on which opponents of the present policy could usefully concentrate their efforts, is to bring about the direct engagement of the United States in the process of multilateral negotiations. The logic of this is unassailable. If the United States feels such a strong responsibility for the outcome of the situation in Central America that it is willing to use force, then it stands to reason that it should also feel, and take, some responsibility for the outcome of the negotiating process. It makes no sense at all for the Administration constantly to emphasize how deeply interested we are in Central America, and how important are our security interests there, but at the same time to stand aside from diplomatic efforts to produce a peaceful solution. The United States should actively join the Contadora nations, the Central American states, and other interested parties, in a concerted effort to produce a regional accommodation satisfactory to all. If it does not, U.S. policy in Nicaragua will either fail or will lead to full-scale U.S. military involvement.

Sincerely,

WAYNE S. SMITH,
Scholar in Residence.

A VETO-PROOF PRESIDENT

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DORNAN of California. Mr. Speaker, today is day 503 in terrorist captivity for William Buckley, our Lebanon American Embassy political officer. It is day 450 in terrorist captivity for Rev. Benjamin Weir, who has now been held 6 days longer than the longest held of the 52 U.S. Embassy hostages in Tehran during the Presidency of Jimmy Carter. President Ronald Reagan does indeed have another serious hostage crisis on his hands. Instead of 52 Americans there are 7, equally as important to all of us, equally as precious to their families. We will not forsake then.

Mr. Speaker, the other reason I have asked to address my colleagues today is that I have in my hand a historical letter that makes the 40th President of our United States, Ronald Reagan, veto-proof in this House of Representatives, therefore veto-proof in this 99th Congress. A letter similar to this is being circulated on the Senate side to reinforce the statement to the liberal big spenders in this Congress that the President can and should veto any spending bill he chooses with no fear of override. Here are the signatures of 145 Members, plus 2.

They promise with their signature that they will sustain the veto of our President on any spending bill in this Congress that is a budget-buster.

I will read two paragraphs from the letter, and then insert the letter in the RECORD. The White House has asked me to hold this letter until the Congress comes back from the August district work period. This is an insurance policy under the President's pillow that this Congress will now have to be serious about spending cuts.

The letter starts "Mr. President, the overwhelming majority of the American people spoke loud and clear last November," 49 States' worth of overwhelming votes. "They want the deficit reduced through spending reductions, not tax increases. That is our goal, and we believe, as you do, that such an approach is necessary to achieve sustained economic prosperity.

The concluding paragraph, "Therefore, Mr. President, we, the undersigned Members of Congress will support your veto of any spending bill that fails to achieve serious deficit reduction * * *" The dynamics of power have changed. The President's veto mechanism is now fail safe.

Ronald Reagan is now a veto-proof President for the rest of this 99th Congress.

Mr. Speaker, the full body of my letter follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 24, 1985.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: The American people spoke loud and clear last November. They want the deficit reduced through spending reductions, not tax increases. That is our goal, and we believe, as you do, that such an approach is necessary to achieve sustained economic prosperity.

As Members of Congress who believe that serious efforts are needed to bring spending under control, we are concerned about, indeed downright frustrated by, the intransigence of some Members to permit real spending reductions to be achieved.

The deadlocked House-Senate negotiations and the tendency of Congress to submit to special interest pressure have many of us questioning whether we will have a budget at all this year. In the event that the current deficit reduction effort fails, we believe it is important that you have a "failsafe" mechanism available so that progress on the deficit can still be made.

The more the budget negotiations drag on, the more apparent it becomes that a veto strategy may be the only way to get spending under control.

Therefore, Mr. President, we, the undersigned Members of Congress, will support your veto of any spending bill that fails to achieve serious deficit reductions, consistent with FY 1986 savings of some $56 billion.

Again, Mr. President, we stand with you all the way.

Best regards,

ROBERT K. DORNAN.
DELBERT L. LATTA.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Before declaring a recess the Chair will entertain special orders.

CATARACT SURGERY FRAUD, WASTE AND ABUSE: A LEGISLATIVE RESPONSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 5 minutes.

● Mr. PEPPER. Mr. Speaker, I have introduced a package of reform legislation which I believe will correct a number of very serious problems brought to light by a recent investigation of the Subcommittee on Health and Long-Term Care of the House Select Committee on Aging and result in a savings to the Medicare Program of over $4 billion during the next 3 years.

Results of the subcommittee's 2 year investigation, released at a hearing July 19, 1985, revealed massive amounts of fraud, waste, and abuse surrounding cataract surgery, the most common major surgical procedure paid for by the Medicare Program. We found that roughly half of the Nation's $3.5 billion annual bill for cataract surgery is lost to fraud, waste, and abuse. Losses to the Medicare Program alone will total over $1.5 billion this year.

Cataract surgery, which in 1981 required a 3-day stay in a hospital, now requires a 3-hour visit to a hospital on an outpatient basis. Improved surgical techniques and hospital cost containment have contributed largely to a shift from the hospital to an outpatient setting (either in the hospital or a free standing surgical clinic). Today 8 of 10 cataract operations are per-

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formed on an outpatient basis. Intuitively, one would think that savings would accrue to the Medicare Program by eliminating hospital stays and the attendant services which accompany the stay. This has not been the case.

Medicare pays no less than $2,400 for cataract surgery performed on an inpatient in the hospital basis where costs are controlled by the new prospective payment system [PPS]. When the same surgery is performed in the same hospital, even by the same doctor, but on an outpatient basis, Medicare is paying up to several times this amount—as much as $5,700—for using only 3 hours of hospital resources. While PPS was intended to reduce Medicare costs by putting a limit on the amount paid for services provided in a hospital, the same rules don't apply to outpatient services. Medicare seems to be giving providers a "carte blanche" for what should be less expensive services.

Another factor fueling fraud, waste and abuse in cataract surgery relates directly to the price of the artificial lense or [IOL] implanted in the eye during the procedure and Medicare reimbursement practices associated with the IOL. In 1984, Medicare paid from $300 to $750 apiece for these lenses. The manufacturing cost for an average quality IOL is from $35 to $50. Under PPS, many hospitals have gone to competitive bidding for their IOL's and have reduced costs by over 50 percent to under $100 per lense.

The first bill of my reform package, H.R. 3061, will end Medicare's senseless overpayment for cataract surgery performed on an outpatient basis by capping what it will pay for this surgery (including the cost of the IOL implanted) to some percentage less than the rate established under PPS for inpatient cataract surgery. This bill would save the Medicare Program over $1 billion this year and at least $4 billion over the next 3 years.

The second bill of the package calls for an annual review to be performed by the Congressional Office of Technology Assessment of changes in technology and skill associated with artificial devices and organs and their implantation. The bill requires OTA to report to Congress how Medicare payments should be altered to reflect these changes. This would keep Medicare payments in line with rapidly changing technology and skills. Having no formal mechanism to do this has resulted in unreasonable and wasteful reimbursement. For example, the fee paid to physicians for cataract surgery is now around $1,200. This rate was established prior to 1981 when the procedure took 3 hours. Now a surgeon can perform the same surgery in 20 to 30 minutes, but Medicare has not altered its payments.

It is obvious that with vast differences between the manufacturing cost and the final price Medicare pays for these IOL's—as much as $715—profit margins are high. We found that some manufacturers of these lenses are trying to stave off true competitive bidding by taking $50 to $150 out of their profits to buy off some physicians and gain a competitive edge. The subcommittee uncovered evidence of improper inducements, kickbacks, bribes, and other illegal marketing practices throughout the IOL industry. Inducements ranged from outright payments of cash to physicians, in the form of $50 to $100 deposits in foreign bank accounts, for each lense purchased, to free stock in the manufacturer, free lasers and other cataract surgery equipment, keys to resort condominiums, second homes, and medical skiing seminars.

Over 1 million IOL's will be implanted in the eyes of Americans in 1985, costing on the average of almost $400 apiece. Medicare will pay for approximately 816,000 of these lenses at a cost of about $325 million. Evidence gathered by the subcommittee suggests that half the price of each lense is lost to fraud and improper inducements resulting in a loss to the Medicare Program of about $160 million this year. I believe that by including the IOL in a capped payment for outpatient surgery, as H.R. 3061 would do, much of this fraud will be eliminated.

We were distressed to learn that another type of improper inducement offered by IOL manufacturers to doctors performing cataract surgery, payments per lense for "phony" consultant work, has de facto approval from the Federal Government. The Food and Drug Administration [FDA] oversees the approval process for new IOL's. Manufacturers can pay doctors to serve as "investigators" implanting their as yet unapproved lenses and reporting any adverse consequences. The FDA has no controls over what is being paid to doctors and admits that they do not use the data provided by these "investigators." The subcommittee found that this has led to widespread use of "legalized kickbacks" to doctors simply for using a certain manufacturer's IOL.

The third and final bill of my reform package would limit what manufacturers could reimburse physician "investigators" to no more than what it reasonably costs the doctors in time over that required for normal patient care to serve as investigators (such as the filling out of forms or reporting of adverse consequences.) This will establish Government oversight which should effectively squeeze out what are now "legalized kickbacks" in the investigation of nonapproved medical devices.

At a moment in time when the Congress is struggling to find ways to reduce the soaring Federal deficit, often by making difficult and painful program reductions, I cannot in good conscience ignore this grand scale squandering surrounding cataract surgery. I believe that with the changes called for in my package of legislation, we could continue to provide necessary and effective cataract surgery, enjoy its rich benefits, while saving the American taxpayer and the Medicare program over $4 billion over the next 3 years.

I strongly urge my colleagues to join me in supporting this timely and important reform legislation.●

RACKETEER WEAPONS AND VIOLENT CRIME CONTROL ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. Rodino] is recognized for 5 minutes.

● Mr. RODINO. Mr. Speaker, I am today introducing the Racketeer Weapons and Violent Crime Control Act of 1985, a crime fighting bill that will significantly strengthen our Nation's gun laws. Joining me in sponsoring this bill are Representatives William Hughes, Bill Green, and G. William Whitehurst.

This legislation will close a major loophole in the Gun Control Act of 1968 by providing a reasonable waiting period before a handgun can be purchased to ensure that criminals, drug addicts, mental incompetents, and other undesirables cannot get their hands on a gun. This is a critical crime control provision. It allows law enforcement agencies 15 days to check the records of a prospective purchaser of a handgun, and it provides time for an impassioned potential killer to "cool off."

This bill also bans the transfer and possession of machine guns and silencers, which are weapons of assassins and terrorists and have no sporting use at all. At the same time, it attempts to meet some of the concerns of sportsmen and gun dealers by lessening penalties for technical violations of gun regulations and eliminating paperwork that has no law-enforcement purpose.

As such, this is a balanced measure. It strengthens the gun laws with the goal of reducing crime, and it provides sportsmen and gun dealers relief from regulations not needed for crime control.

There is good reason why a waiting period is not only desirable but essential. The Gun Control Act of 1968 lists various classes of individuals that are not eligible to buy firearms. But Federal law currently offers no way to enforce this provision, except for an honor system in which the purchaser assures the gun dealer that he is not a drug addict or a felon. This enforcement loophole is best dramatized by the history of the handgun used in the attempt to kill President Reagan. As the 1981 Attorney General's Task Force on Violent Crime states:

> Since drug addicts, felons, mental defectives, and the like are not the best risk for the "honor system", a waiting period * * * is sensible and necessary to effect the purposes of the Act.

In other words, handguns must be kept out of the hands of the wrong people. This is a view strongly held by major law enforcement organizations, who have urged me to submit waiting period legislation and hold hearings on it. In letters to Members of Congress, these organizations—which include the Fraternal Order of the Police, the International Association of Chiefs of Police, the National Troopers Coalition, the Police Foundation, the National Organization of Black Law Enforcement Executives, and the Police Executive Research Forum—state that "there is an urgent need for stronger, not weaker, Federal handgun laws," and call for the adoption of a national waiting period.

They have good reason for their position: Two-thirds of all police who died in the line of duty last year were killed by handguns.

The waiting period is also popular with the American people. A 1981 Gallup Poll showed that 91 percent of Americans favor it. Newspapers around the country have endorsed it. And many sportsmen—tired of seeing reasonable law enforcement measures destroyed in their name—think it is a good idea.

Recent research bears out the need for a waiting period. Studies by the Rand Corp., indicate that a small number of repeat offenders commit a high proportion of the violent crimes—it is estimated that 6 percent of the offenders are responsible for 50 to 70 percent of the violent crimes. A reasonable waiting period, therefore, will enable the FBI and the local police to screen out these repeat offenders when they come to buy a handgun. The result can only be fewer crimes and better public safety.

Indeed, where waiting periods have been in effect, they have been highly effective. In the first 6 months the law was on the books in Broward County, FL, 37 prospective purchasers were prevented from buying a handgun. California's attorney general said that 1,200 felons were rejected in 1981.

Even the National Rifle Association has acknowledged the utility of a waiting period. In a pamphlet, "On Firearms Control," the NRA stated that "a waiting period could help in reducing crimes of passion and in preventing people with criminal records or dangerous mental illness from acquiring guns." The NRA notes that "a waiting period should be clearly specified, fixed, and reasonable in time, after which the firearm should be delivered unless the purchaser is disqualified by the police." This is exactly the intent of my bill.

The handgun murder rate in America is 100 times greater than England's and 200 times greater than Japan's. Twenty-thousand Americans die from handguns each year, an average of over 50 handgun deaths per day. There are now over 60 million handguns in this country. One is sold every 12 seconds. America is being armed with handguns at an alarming rate. Handgun death has become a ghastly, depersonalized statistic. How many more violent crimes and deaths are necessary before we begin to put the brakes on this national tragedy? The waiting period is an idea whose time has come.

I do not claim this legislation will stop crime. But it could help curb the criminal violence that takes innocent lives and causes frightened citizens to arm themselves in a spiraling search for a balance of force against terror.

As a nation, we must do something about the fact that our staggering rate of handgun crime and death is a direct result of the ease with which any criminal can obtain a handgun. At stake, in the end, is the confidence of the people in the Government's ability to maintain the safety of its citizens. This bill will aid hunters and sportsmen and at the same time keep handguns—and machine guns—away from dangerous individuals. This is an approach that makes sense.

The Judiciary Committee will be holding hearings this fall on this bill and other legislation to amend the Gun Control Act of 1968.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. Mazzoli] is recognized for 5 minutes.

● Mr. MAZZOLI. Mr. Speaker, I was unavoidably absent on Friday, July 26, 1985. Had I been present, I would have voted:

"Yea" on roll No. 262, approval of the Journal for Thursday, July 25, 1985;

"Nay" on roll No. 263, House Joint Resolution 236, waiving certain points of order against the consideration of H.R. 3036, Treasury-Postal Services appropriations for fiscal year 1986;

"Yea" on roll No. 264, the Nelson Substitute to the Jacobs Amendment to Treasury-Postal Services appropriations for fiscal year 1986; and

"Yea" on roll No. 265, the Jacobs amendment as amended by the Nelson substitute to reduce the appropriation for allowances and office staff for former Presidents by $219,400.●

HOUSE CREDIT UNION—A LEADER IN CUTTING CONSUMER LOAN COSTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, many Members of this body have complained that at a time when interest rates are falling rapidly in the business sector, there is no corresponding decrease in rates charged on consumer loans.

While the rates charged to consumers on loans have not decreased, there has been a severe decrease in the amount of interest paid to consumers on their savings accounts. Thus, consumers are facing a double load—lower rates on their savings and higher rates on their loans.

This trend has occurred throughout the country, but I am happy to report to the Members of this body that the Wright Patman Congressional Federal Credit Union, which serves the House of Representatives, is taking every opportunity to cut rates charged on consumer loans.

This year alone, the credit union has made across-the-board cuts in its consumer loan fees. And this week, the credit union took another bold step to cut loan costs. The credit union charges 18 percent a year on its outstanding loan balances for credit card accounts, a figure which already is among the lowest in the country; particularly when you consider that the credit union does not charge an annual fee for its card. On Tuesday, the credit union cut the credit card rate from 18 to 16.8 percent, and made the new rate available not just to new purchases, but on all existing credit card balances. This is an extra break for members who have outstanding balances. And, it is one of the first times that I have heard of a financial institution making a credit card reduction retroactive.

Mr. Speaker, at a time when financial institutions are being criticized by not cutting consumer loan rates, it is good to know that the House's very own financial institution is a leader in cutting consumer costs.●

PIVOTAL DAYS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MacKay] is recognized for 5 minutes.

● Mr. MacKAY. Mr. Speaker, each year, after the session has concluded, and the dust has cleared, it becomes obvious that 1—or maybe 2 days were pivotal for the course of the entire year. Tuesday was such a day, and it would be wrong to continue business as usual, without at least a token recognition of the importance of Tuesday's events.

Tuesday, the leadership of both Houses of Congress formally gave up on the effort to deal significantly with our country's staggering budget deficits. They had been moving toward an across-the-board spending freeze, including defense and entitlements. Coupled with a modest tax on imported oil, this would have balanced the Federal budget in 3½ years.

That leaves our budget conferees trying to appear serious about deficit reduction, with defense, entitlements, and revenues off the table. The result will be marginal at best. In fact, the odds are that by next January this year's so-called $50 billion deficit reduction package will be totally irrelevant. By that time, it will be clear that next year's budget deficit will still be $200 billion, and that within a year, the international trade deficit, which is a direct result of our reckless fiscal policy, will make America the biggest debtor nation in the history of the world.

For those who think the trade deficit is a kind of esoteric economic term, I invite you to look closely at the agonizing decisions now facing the Governments of Mexico and Brazil, our fellow debtors. Those governments are being required to restrict imports and maximize exports in order to pay their debts.

Clearly, the people of Mexico and Brazil are having to reduce their living standards in 1985, to pay the bills run up by the reckless spending of their governments in the seventies.

Just as clearly, the time is short until America's citizens are going to have to reduce their living standards to pay the bills for this government's reckless spending.

Already the political columnists are analyzing last Tuesday decision, to see which party won, and which lost. When the full impact of America's new status as the world's leading debtor is felt, the answer will be clear: Nobody won last Tuesday. All of us lost, and particularly our young people whose living standards will have to be reduced, to pay the bills for our reckless spending.●

TRIBUTE TO HERBERT SCOVILLE, JR.

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. Mavroules] is recognized for 5 minutes.

● Mr. **MAVROULES**. Mr. Speaker, a brilliant and caring man passed away earlier this week. Herbert Scoville, Jr.—known to most everyone as "Pete"—died on Tuesday, July 30, at the age of 70. Those of us who had the privilege to know Pete will never forget his uniquely compassionate and inspiring manner. Above all, though, I am certain the world will remember him as a man with a rare sense of social responsibility and a restless mind ever searching for better ways to lessen global tensions and conflict—a true champion of peace.

Among the many well-deserved tributes that may be paid to Pete Scoville, I should like to say that he especially deserves recognition for his valuable contributions to the cause of nuclear arms control. Throughout his professional life, Pete maintained a tremendous vision and hope for a world free from the specter of nuclear war. He very ably combined and applied his unusual talent, drive, scientific expertise and government experience to this pursuit.

Regretfully, I cannot possibly do justice to the full breadth and depth of his professional life, but I will take the time to point out some of the highlights of Pete's outstanding record of service to this country within the Federal Government, a prominent phase within a long and illustrious career of public service. To name a few of the many positions he held from the mid-1940's through the 1960's, he served as: Director for Science and Technology in the U.S. Arms Control and Disarmament Agency; Assistant Director for Scientific Intelligence and Deputy Director for Research in the Central Intelligence Agency; technical director of the Armed Forces special weapons project in the Department of Defense; senior scientist on the Los Alamos contract in the Atomic Energy Commission; a member of the National Defense Research Committee; and a consultant to the President's Science Advisory Committee.

I should like to focus on a particular aspect of Pete Scoville's role in the field of nuclear arms control during his time in the Government—his critical and lasting contributions to both the concept and the design of independent treaty verification procedures. Pete Scoville earned his Ph.D. in physical chemistry during World War II—as the first nuclear weapons made their terrifying debut before the world. Shortly thereafter, he joined an effort shared by American scientists and policymakers searching to find the safest ways to deal with birth of these weapons into a world rife with conflict. Through these early experiences, Pete Scoville became a strong believer and a committed exponent of the need for bilateral arms control agreements. From the start, it was clear to arms control advocates that perhaps the greatest difficulty that would obstruct successful negotiations was the lack of independent means of verifying agreements. Under the direction of Pete Scoville, U.S. intelligence programs successfully produced crucial independent technical means of treaty verification, which significantly lessened the need to rely on onsite inspection. The existence of countless arms control agreements in force today—the Hotline agreement, Limited Test Ban Treaty, Outer Space Treaty, Nonproliferation Treaty, ABM Treaty—to name a few—all depend in large measure on this crucial verification technology. Putting this in perspective, we begin to appreciate the tremendous contributions made by scientific experts who are genuinely and innovatively committed to arms control, as Pete Scoville was.

In closing I would like to call upon my colleagues today to join me in remembering and honoring Pete Scoville, with great respect and gratitude, for his outstanding service to his country, his ideals and the pursuit of peace.●

● Mr. AuCOIN. Mr. Speaker, it is with great sorrow that I rise today in commemoration of the beloved Herbert Scoville, Jr., whom many of us had the privilege to work with in his untiring efforts to promote international cooperation and world peace. Specifically, I would like to highlight the later years of Pete's life—to recognize the immeasurable contribution he made to the public movement to bring the arms race under control.

Following an outstanding scientific career in the U.S. Government, Pete Scoville devoted the last 15 years of his life working with numerous public interest organizations and campaigns committed to arms control and the prevention of nuclear war. For example, Pete Scoville was one of the principal founders and served as president of the Arms Control Association, a wing of the Carnegie Endowment for International Peace; he was an active board member of the Center for Defense Information, the Council for a Livable World and the Union of Concerned Scientists among others; and he was a key initiator of many important public campaigns such as the National Campaign to Stop the MX and the National Campaign to Save the ABM Treaty.

Through all these ties, Pete devoted much of his time and energy to educating the public on the nuclear threat and on ways that citizens can work together to reduce it. Pete was able to teach us to treat this most profound issue seriously, but not to despair. He inspired people to join him in a struggle for change.

"Patience," "clarity," "dedication," and "strength" are just some of the words that come to mind when we think of how Pete Scoville presented his message to the American public. In spite of his two illnesses, arthritis and cancer, he never stopped encouraging and teaching others to use their minds and their political powers effectively. Health permitting—he maintained a busy schedule of speaking tours across the country. Without question, Pete was a "mover" in the arms control community at large.

Pete Scoville made us understand that global peace—or rather the constant and growing struggle to achieve global peace—is inescapably linked with the most important and fundamental institutions of humanity. To explain his deep and driving personal commitment to this struggle, let me repeat some words of his own on the subject. The following is a brief statement he made in 1981 when accepting the prestigious Rockefeller Public Service Award. On that occasion, he said:

> Without peace we will never achieve the goals that my fellow award recipients have worked so effectively for—goals of a better life for the children of this world, more satisfying family relationships, more stimulating and more secure employment opportunities, and for improved health for all. Yet this simple truism is largely ignored as the world concentrates its energies, its resources, its manpower and its wealth on more devastating ways to wage war, on more efficient means of causing death. Just to show that I can be optimistic, there really is a strong, public ferment against this nuclear madness at last brewing across the country and across the world. It must be nurtured, it must be fertilized, and propagated across the lands. This award, in my view, is a recognition of its vital importance. Let us fervently hope that the public outcry will be in time.

Pete Scoville was indeed a man of great humility, wisdom and foresight. We will miss him very dearly. Mr. Speaker, I hope we shall do justice to the legacy of this very special man by remembering him and his message of peace—and most importantly, by heeding his message through our actions.

At this point I would also like to submit for the Record the following statement presented on Herbert Scoville's behalf, for his nomination as the recipient of the 1981 Rockefeller Public Service Award.

Nomination of Herbert Scoville, Jr.

Dr. Herbert Scoville, Jr., is especially deserving of the 1981 Rockefeller Public Service Award, not only because he embodies in full measure the "courage, sensitivity, and vision" which John D. Rockefeller sought to find and promote in establishing the awards, but also because he has contributed significantly to the international search for cooperation and peace through distinguished careers in both public and private service.

Earning his doctorate in physical chemistry during World War II, Dr. Scoville was one of many scientists who helped earn that conflict the appellation of "Wizard War"—a label that might as well be applied, with less approving connotations, to the potential nuclear conflict that has hung like a dark cloud over mankind ever since 1945. In the middle 1950s—when the advent of thermonuclear weapons and intercontinental missiles made it clear beyond doubt that warfare had entered a decisively new era of sudden destructiveness—Herbert Scoville turned his considerable scientific ability and talent for persuasion to the task of achieving controls over and reductions in these new weapons of mass destruction. Up to that time, the United States, the Soviet Union and other states had sought through disarmament talks in the United Nations to put back in the bottle the awful genie released by nuclear fission and fusion. Part sincere, part rhetorical, and always conducted in a corrosive atmosphere of fear, these talks had proved increasingly fruitless. The marriage of hydrogen weapons to long-range missiles started a new tremor of concern, of fear that the weapons could end civilization as we have known it and that man could find no means to avoid such a fate.

Dr. Scoville, or Pete, as he is known to thousands who have heard and been touched by him, attended the East-West Surprise Attack Conference of 1958 and has spoken of the oppressive weight felt by many of the participants as they realized fully the difficult but unavoidable responsibility they shared for finding a means of resolving the existential dilemma of nuclear weapons in a world of acute hostility and tension. Out of such experiences was born the concept of arms control and Pete Scoville was one of its midwives. His contribution was of two kinds. He was a persistent advocate of arms control within the government. Moreover, and at least equally important, he was a director of and major contributor to efforts to find ways of independently verifying arms control agreements, that is, without the necessity of onsite inspection which had proved one of the most impenetrable obstacles to agreements to limit or reduce nuclear and thermonuclear weapons.

It is not often appreciated, even today, that the advances arms limitation was able to achieve in the 1960s and 1970s—the Hot-Line Agreement, the Limited Test Ban Treaty, the Outer Space Treaty, the Non-Proliferation Treaty, the Seabed Treaty, the Interim Offensive Weapons Agreement, the ABM Treaty, the Biological Weapons Convention, the Threshold Test Ban. the Peaceful Nuclear Explosions Treaty, the Environmental Modification Convention, and SALT II—depend in some measure on independent means of verification, for which the technology was larely pioneered by the United States. The development of this technology was not an accident and was in large measure in the hands of Dr. Scoville. He worked on this problem for eight years as Director of Research and Assistant Director for Scientific Intelligence at the Central Intelligence Agency (1955-1963). Not longer after the Arms Control and Disarmament Agency was established late in 1961, he was appointed Assistant Director for Science and Technology and continued to build the all-important technical base on which all successful arms limitation to date has rested. While others, especially those outside of government disputed the merits of arms reduction and limitation, Dr. Scoville was an increasingly important figure among that small band of men and women who were doing something positive to achieve it in a quite but practical way. His work earned him no accolades, or recognition as statesman or peacemaker; outside of the small group seriously persuing arms control his name was scarcely known. Yet his scientific acumen and judgment and his perseverance made it possible for others to gain public applause as the promoters of arms limitation, especially nuclear arms limitation. These are the hallmarks of courage, vision, and sensitivity in confronting possibly the most dire collective threat that mankind has ever faced.

Though it is difficult to judge such different things, perhaps the more courageous part of Pete Scoville's lifelong career of science in the public service began when he left ACDA in 1969. Since that time, he has been a tireless and articulate advocate of arms control, a knowledgeable originator of arms limitation concepts and proposals, and an inestimable source of inspiration and support to all others who see the essential rationality of negotiated security. He has put all this scientific knowledge and political wisdom in the service of arms control and reduction. Withal, he has been during this time crippled by arthritis and must walk with two canes. Refusing any special treatment, Pete Scoville has made of his canes symbols of courageous pursuit of a vision of a more cooperative and less fearful world.

His reputation is both national and international. He has served on numerous official arms control delegations and advisory panels. He has conducted many private conferences on the entire range of arms limitation issues. He has actively participated in nearly all Washington-based organizations seeking to create public awareness of the contribution of arms control to American and international security; he has advised countless other organizations, universities, and research institutes in this country and abroad. He originated the Arms Control Program of the Carnegie Endowment for International Peace and was a founder of the Arms Control Association, of which he is now President.

In addition to his work with private and official organizations, Dr. Scoville has been a tireless writer on arms limitation. His articles appear not only in specialized journals but also, and more frequently, in newspapers and periodicals where they are available to the broader public. He has written two books—one an explanation of strategic weapons and the other on the MX missile system—and has contributed to several others. Dr. Scoville's public speaking schedule has been at least as full as his writing program; he has addressed audiences throughout the United States, as well as in Europe and Asia, again making no distinction between attentive and mass audiences. At the same time, he has also remained available to discuss the issues of arms control at length with the press or with students and other researchers. Each year he is called upon to testify before Congress on some aspect of arms limitation, usually not once but several times.

It would be difficult indeed to find an exponent of the limitation of weapons of mass destruction who has been more prolific and persevering than Pete Scoville or who has been at such pains to explain this seemingly complex subject to the layman. He has dedicated his experience, his scientific insight, and his considerable energy not just to a safer and more cooperative world but to explaining to people in comprehensible terms how such a world can be achieved. He has given hope and inspiration to the many who labor under the fear of wholesale destruction or the end of the kind of society and values that man has sought with such constant difficulty.

In all this, Pete Scoville has retained two essential characteristics: his humanity and his scientific standards. He remains a warm, humorous, and congenial individual equally at ease in any situation and equally respected by advocates and skeptics of arms control. Pete has also been at considerable pains to ensure that, in his writing and speaking, his discussion of technical matters is scientifically correct; he will not compromise his scientific training and standards to facilitate his arguments, which continue to be based on a deep and certain knowledge of the science and technology that are involved.

He continues to read deeply and widely in the field and increases his own knowledge as he increases that of others. Pete does not merely clamor for an end to the burden of the secret of nuclear weapons, he provides practical answers to this problem that are consistent with both technology and politics. He was, for example, the most persistent advocate in the late 1960s and early 1970s for flight test and deployment limitations on the multiple, independently targetable re-entry vehicle, an innovation which nearly all now concede has severely prejudiced U.S. and international security and fueled the qualitative strategic competition.

The progress that has been achieved to date in arms limitation and that must be achieved in the future if man is to avoid the destruction of modern society owe a large debt to the efforts of this one man. While others have contributed as specialists to this achievement, Pete Scoville has contributed as both specialist and explicator. It can be said with considerable confidence that no American has done more to carry the message of arms limitation to the broadest possible audience; in a democracy, this is essential.

Alfred North Whitehead wrote that "Duty arises out of our potential control over events." Perhaps no duty today is more significant than our potential control over the events we call collectively the arms race. Without effective effort in this area, other human activity to improve our condition would become largely irrelevant. Few indeed have seen this duty more clearly, pursued it more vigorously or with more vision, or shown more humility and humanity in their dedication to a peaceful world free of the threat of nuclear destruction than Herbert Scoville, Jr.●

PEANUT PRICE SUPPORT AMENDMENTS OF 1985

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LUNDINE] is recognized for 5 minutes.

● Mr. LUNDINE. Mr. Speaker, today, I am introducing the Peanut Price Support Amendments of 1985. This bill will eliminate the current system of poundage quotas for peanuts and substitute a straightforward loan support program parallel to those for corn, wheat, soybeans, rice, and other crops.

The Lundine amendment to the Food and Agriculture Act of 1981 passed the House by a 91-vote margin, essentially with similar provisions to those proposed this year. Unfortunately, a similar amendment offered in the Senate by Senator LUGAR failed by four votes. Since the problems with the peanut program which existed in 1981 continue to exist today, I hope my colleagues will reaffirm their support of these reforms again this year.

The current program of Government controls for peanuts designates two classes of peanuts—quota peanuts for domestic use and additionals for export. This complicated program results in artificially high peanut product prices for U.S. consumers and an injustice to thousands of farmers denied the right to grow peanuts for the U.S. edible market.

The Government's two-tier price system establishes a higher support price—$550 a ton—for domestic edible peanuts—quota peanuts—and a lower support price ($185 per ton) for export, feed, meal, and oil peanuts—additionals.

This program allows only those farmers who hold poundage quotas the legal right to grow edible peanuts for U.S. consumption. Since these poundage quotas are set by the Federal Government well below U.S. demand for edible peanuts, the price paid for raw peanuts in this country is about two times greater than the price paid for U.S. peanuts exported to other countries.

American farmers are prohibited from growing peanuts for the domestic edible market unless they were enfranchised with that right when the peanut program began in the 1930's, or have purchased the right from the original quota holder at significant cost.

This bill will eliminate the artificial distinction between quota and additional peanuts. The Secretary of Agriculture would be required to establish one level price support that would apply to all peanuts. In establishing this level, the Secretary would be required to take into consideration such factors as the cost of production and world market prices, as well as supply and demand for peanuts.

Current law gives peanut growers who hold poundage quotas a far better deal than other farmers receive. An American Peanut Product Manufacturers Institute study estimated that peanut price supports "have been set 80 percent above USDA defined production costs * * * when land costs are excluded, and 60 percent above when the inflated costs of land are included."

It is the American consumer who must bear the cost of this feudal program. Agricultural economist Merrill J. Bateman, Ph.D., testifed earlier this year before the House Agriculture Committee's Subcommittee on Tobacco and Peanuts, on the adverse effect of the peanut program on the U.S. consumer. Bateman said:

> The constricted supply of raw peanuts, coupled with a high price-support level, has ensured that the American consumer is paying more than necessary for peanut products. While the current program is not a substantial drain on the Treasury, it does add some $250 million each year to the nation's food bill through a consumer subsidy or "hidden tax" on peanut products.

We now have further evidence that because the 1985 crop of peanuts is larger than usual, due to good growing conditions, the cost to the Treasury will be significantly higher this year.

The price for peanut butter, which is an important source of protein and a dietary staple for many low-income families, is inflated because of the current program. USDA data indicates that 12 peanut quota holders earn an additional $250,000 each year as a result of the consumer subsidy on peanut products, which adds 13.5 percent to the cost of every jar of peanut butter sold in America. In fact, American consumers would save between $250 to $300 million annually if the current peanut price support program were eliminated. Clearly, American consumers are underwriting the low cost of peanuts enjoyed by foreign consumers by paying higher domestic prices for the same quality U.S. product.

While supporters of peanut subsidies may argue that the cost of peanut products is more significantly influenced by the cost of ingredients other than peanuts, prices of finished peanut products have closely reflected raw peanut prices, both up and down. For example, as a result of the 1980 drought, raw peanut prices increased due to reduced supply and the price of peanut products at the consumer level increased accordingly. Conversely, when the weather improved in 1981, supplies increased and consumer product prices declined.

If the present system of Government controls is eliminated in favor of the plan I have proposed, domestic consumption of peanuts could increase by about 200 million pounds annually. This translates into nearly 1 pound of additional roasted or salted peanuts, peanut butter, and other highly nutritious peanut products per U.S. consumer.

It is no wonder that peanut growers who can produce peanuts for 15 cents per pound and are guaranteed more than 28 cents per pound by the Government would work to keep the current program. However, Government interference in peanut production is not in the best interest of consumers, nor those farmers who wish to grow peanuts for the domestic market and who are currently prohibited from doing so. The abolition of Government controls on the supply and marketing of peanuts would ensure consumers of an adequate supply at reasonable prices, increase efficiency within the peanut industry and keep U.S. peanut producers competitive with foreign growers.

I believe that this bill offers a fair and equitable arrangement for both peanut producers and consumers and I urge my colleagues to support it.●

THE NATIONAL PLANNING FOR PEACE COMMISSION ACT OF 1985

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. SEIBERLING] is recognized for 30 minutes.

Mr. SEIBERLING. Mr. Speaker, after the travail we have just gone through over the budget resolution, I hardly need to belabor the point when I say that the Congress is today faced with extraordinarily difficult choices about how to reduce the huge Federal deficits which we have run up over the past few years. The magnitude of the problem is so great that we often lose track of the impact of spending cutbacks on the American public. This is the case not just with reductions in various human services programs, but with the impact of cutbacks for Government procurement on Americans whose jobs are intertwined with Federal spending.

Defense spending is clearly out of control, with a self-generating momentum that defies efforts to make significant reductions. One reason making cuts in defense is so difficult is that, whether we like to acknowledge it or not, the defense budget is the largest public works program the Nation has ever known. Every Federal contract for weapons procurement provides jobs for Americans. And every time we try to eliminate overpriced, outmoded, or inefficient weapons systems, Members of Congress are faced with the possibility of job losses in their congressional districts.

If we were to set up a national program which provided Federal assistance and expertise to communities facing dislocations because of shifts in Federal spending, we could minimize the disruptions which such shifts may cause. Such a program would in turn make it easier for the Congress to assess defense programs strictly on their merits.

We already have a name for such a program: "economic conversion." Indeed, economic conversion has been the subject of a great deal of discussion in recent years, but not much action. Thus far, almost nothing has been done in a practical way at the Federal level to facilitate the development of a rational economic conversion plan. Our colleagues TED WEISS and NICHOLAS MAVROULES have both introduced economic conversion legislation in the 99th Congress, as they have in previous years. I am a cosponsor of both bills. Their legislation deserves our consideration and support. It is needed to deal with the very real problems faced by communities, defense industries, and their workers, when cutbacks or changes in military plans shut down bases or military procurement programs. But economic conversion should be seen as more than simply damage limitation. It is also a great opportunity.

Why, in the face of all the evidence that absolute military superiority is unachievable, do we and the Soviets continue to spend ever larger amounts of money on ever more exotic weapons? Why, on the 40th anniversary of the bombing of Hiroshima, is it seemingly impossible for us to agree on sensible cuts in nuclear weapons? In a brilliant article in the September, 1983 edition of Harvard magazine, the distinguished author, Francois Leydet, suggests that the answer is simply because neither the leaders of the United States nor the Soviet Union have the wisdom or courage to believe that such cuts are really possible.

As Leydet notes, we and the Soviets have become "nukeaholics," addicted to the arms race and unable to believe that it can be stopped, just as hopeless alcoholics are unable to believe they can stop drinking. Says Leydet:

> Before the alcoholic can stop drinking, he must believe it can be done, and he must believe that life without alcohol will be better than life with it. There must, in other words, be a shift of perception, a change in his subjective reality. The same applies to the nukeaholic.

What will it take to bring about that shift of perception that will enable the nukeaholics to get off their arms race binge? An impartial observer from another planet might expect that the very real danger of mutual suicide in a nuclear holocaust would be enough. Today, 40 years after Hiroshima, the threat has reached mind-boggling proportions. Yet the superpowers seem as far as ever from kicking their nuclear habit. Perhaps because the threat has never materialized—except for the people of Hiroshima and Nagasaki—it does not yet produce the kind of utter desperation that brings an alcoholic to the outlook that makes his recovery possible.

The cost of the arms race does, of course, affect most of us in a very immediate way, through higher taxes, inflation, enormous deficits, cutbacks in human services, and the loss of business and jobs to countries, like Japan, that are not pouring their human and material resources down the military drain. The doubling of our national debt to $2 trillion in only 5 years is but one measure of the enormous cost of the arms race to the people of the United States. And, as we in Congress know only too well, that cost continues to mount at an ever-increasing rate, despite all efforts to get it under control.

A few days ago, I inserted into the RECORD a speech by the president of Time Inc., in which he pointed out the connection between the arms race and the loss of American business to foreign competitors. The people of the Soviet Union are paying an equally heavy price for the continued diversion of a huge portion of their smaller national economic resources to the maintenance of their war machine.

Unfortunately, because of the complexity of national and international economic relationships, it is difficult for people, even in the United States, to get a very clear picture of the cost each nation is paying for our collective failure to bring an end to the arms race. Yet, if we are to achieve the psychological shift needed to extricate ourselves from this predicament, we are going to need a detailed, coherent plan showing what could be done with the resources that could be reallocated as a result of genuine disarmament.

Mr. Leydet, in his article, states that it is time we developed such a plan and challenged the Soviets to make similar plans of their own. He puts it this way:

> Once both of us, Americans and Russians, have developed a clear, coherent picture of what we would like to do with the vast natural, financial, and human resources we are now squandering on the arms race, it will be time to sit down together and compare notes. That's the conference that might really lead to disarmament.
>
> The task of envisioning a future and of making concrete plans for it, in which our respective resources are allocated to peaceful rather than warlike purposes, must start now, long before anything tangible comes out of the Geneva talks. Mind you, the two processes are in no way incompatible: rather, they need to be simultaneous and synergic.
>
> As things stand today, the most telling sign that the present regimes in Washington and Moscow have no faith in, or commitment to, a serious disarmament strategy is the total absence of any planning for peace.
>
> The clearest signal we could give the Soviets (and they to us) that we are serious about peace would be to come up with a well-though-out plan for the reallocation of resources once we have agreed to a freeze, followed by a gradual, annually increasing cutback in military spending.

At present, we have no clear idea how we would reallocate Federal resources currently slated for defense if we and the Soviets reached agreement on substantial arms reductions. Would we cut taxes? Increase funding for job training? Improve our health care system? Upgrade our schools? The possibilities are limited only by our imagination. Once we develop a clear idea how we might best reallocate resources at the Federal level, we can work out a comprehensive national plan for helping communities, defense industries, and the Nation to make an easy transition from our long binge of military spending.

With these thoughts in mind, I am today introducing the National Planning for Peace Commission Act of 1985. The Commission, comprised of 20 leading experts on the economy and economic conversion. from Government, business, labor, and the academic communities, would be charged with assessing the pressing national needs that we are not currently able to meet because of defense spending, with evaluating changes in Federal tax and other policies that would facilitate a shift from defense spending to meeting such needs, and with helping communities and businesses adjust to an economy not dominated by the arms race.

Other than the Secretaries of Defense, Labor, Commerce, and Health and Human Services, all members of the Commission would be appointed by the Speaker of the House and the President pro tempore of the Senate. The Commission would be empowered to hold hearings and meetings around the country, if necessary. Its ultimate goal would be the development of an economic conversion blueprint for congressional consideration. This plan would be due in 2 years. Although the Commission would go out of existence after 2 years, my bill would require regular updates of the economic conversion master plan by a working group comprised of representatives of the Departments of Energy, Defense, Interior, Agriculture, Education, Labor, Commerce, and Health and Human Services, as well as the Office of Management and Budget, the Council of Economic Advisers, the Environmental Protection Agency, and the Council on Environmental Quality.

The National Planning for Peace Commission Act of 1985 is not an alternative to the Weiss or Mavroules bills. It is, however, a companion piece. Its enactment would draw national attention to the need for better adjustment planning for communities, bring about a plan for the reallocation of Federal resources and economic adjustment, and build a national consensus in favor of such a plan. This is not simply a bill to appeal to liberal "peace activists." Changes in defense spending strike me as inevitable, and enactment of my bill could provide the Congress with the best information and the best possible recommendations of how to curtail or redirect Federal spending to maximize its productive use, how to assist constituents to deal with the adjustments of a real disarmament program, and, most important, how the enormous resources released from the arms race could produce higher living standards and a more stable, prosperous nation.

Of course, conversion need not be limited to military-related factories. For example, the U.S. Department of Energy recently decided to abandon the gaseous centrifuge enrichment plant [GCEP] in Portsmouth, OH, and to walk away from a $3 billion investment in the centrifuge technology. This decision adversely affects between 600 to 1,200 workers in Portsmouth, OH, as well as over 700 jobs elsewhere in the State, and leaves idle and unused a Federal facility which has been under construction for the last 10 years. With a comprehensive conversion plan in place, the Federal Government would be better set for quick action to minimize the kind of disruption the GCEP decision will inevitably cause in the lives of the workers, their families, and the communities in which they live. And an existing Federal economic conversion plan could help ensure that the taxpayers' GCEP plant would be quickly put to productive use instead of sitting idle and wasted.

It is high time that we acknowledged the need for a national economic conversion plan, and moved ahead to develop one.

The full text of the Leydet article follows:

Planning for Peace

(By Francois G. Laydet)

The French have a facetious saying: "L'alcool tue lentement. Nous, on s' enfout, on n'est pas pressed" ("Alcohol kills slowly. We don't give a damn, we're in no hurry"). When I contemplate the real costs of the arms race to us, to our Soviet adversaries, and to the rest of the world, that French phrase keep haunting me.

There is a "rest of the world," you know. Nearly 90 percent of humanity is neither American nor Russian, yet its future is held hostage in the confrontation of the superpowers. It is a world of immense beauty, immense variety, immense potential—and immense problems. It is a world ravaged by cancers of hunger, disease, runaway population growth, and environmental decay.

While we and our Soviet partners, interlocked in our danse macabre, with eyes only for one another, with ears only for the strains of the security-through-strength martial bands, whirl ever closer to the final abyss, all these processes of planetary degradation go unattended for lack of concern, lack of commitment, and lack of funds. Prisoners of our ideologies, obsessed with a thirst for unachievable military security, which we indulge at the expense of social and life-support systems that are every bit as vital to long-term security, we and the Russians remain unable or unwilling to face the fact that these global trends, if not reversed, will do us in just as surely as a nuclear holocaust will. We just shrug: *"Nous, on s'en fout, on n'est pas pressé."*

Most experts on the disease of alcoholism agree that if an alcoholic wants to turn his life around, the first thing he has to do is to stop drinking. Only then can he begin to deal with all the other problems his drinking has caused or enabled him to ignore. You can say the same thing about what I've come to call *nuke-aholism*. We have got to stop nuclear arms race before we can begin to address effectively the ills that beset our society, Soviet society, and the society of mankind in general.

But before the alcoholic can stop drinking, he must believe it can be done, and he must believe that life without alcohol will be better than life with it. There must, in other words, be a shift of perception, a change in his subjective reality. The same applies to the nukeaholic.

Do you feel, as I do, that it is time we sobered up? That we need to get off this catastrophic arms race binge? If so, you will perhaps agree we might try to view the U.S.-Soviet stand-off from a different angle.

In the final chapter, "Coming up for Air," of a Union of Concerned Scientists book titled *Beyond the Freeze: The Road to Nuclear Sanity*, there is a paragraph that states:

"The threat of nuclear holocaust has been a fact of life for so long that it seems naïve to contemplate plans the United States and U.S.S.R. can make once that danger recedes. *Yet it may be the attractiveness of those plans that convinces the two superpowers of the need to abandon the costly arms race* [emphasis added], for both the dream of affluence in the capitalist United States and the promise of a socialist utopia in the U.S.S.R. are in great jeopardy. Both countries are beset by grave domestic problems that are growing all the worse because of the massive drain on their resources for military purposes."

I italicize one sentence in that paragraph because it seems to suggest the very mind shift that is essential if we and our Soviet rivals are to extricate ourselves from the arms race. I submit that it is time right now for us to start making plans—real, detailed, coherent plans—for the eventual reallocation of our resources.

It is time right now for us to challenge the Soviets to make similar plans of their own.

Once both of us, Americans and Russians, have developed a clear, coherent picture of what we would like to do with the vast natural, finanical, and human resources we now are squandering on the arms race, it will be time to sit down together and compare notes. That's the conference that might really lead to disarmament.

Both we and the Russians would need to approach this conference table sans truculence, sans braggadocio, sans recriminations and accusations about who was to blame for launching and perpetrating and escalating the Cold War. We both would need to enter these discussions with a spirit of humility, a recognition of being in a common mess, a sincere desire to help one another out of our predicament and to invest a part of our released resources, human and material, in what David Brower, archdruid of the environmental movement, has called a Marshall Plan for the Planet.

"Look," we'd say to the Russians, "our whole infrastructure—the vast, vital network of roads, bridges, sewers, rails, and mass-transit systems—is heading towards collapse. The cost of needed repairs around the country could run to $3 trillion. Where will we find that kind of money?"

"You think you've got it tough," the Russians might answer us. "We don't even have the network we need of roads and bridges and sewers and rails. It's so bad that much of our agricultural product is lost because we can't get it to market. We need 3 trillion rubles. Where will we find that?"

"We've got a big problem on our southern border," we'd throw in. "The only way to stop the horde of illegal immigrants, short of stationing a million-man army on the Mexican border, would be to help Mexico straighten out its economy so its people could find jobs at home and wouldn't need to come north. But that means foreign aid on a major scale. Where's that money to come from?"

"We're so strapped we can't even consider foreign aid on any significant scale," the Russians would reply. "And yet we're well aware of the needs of the Third World. But what can we do?"

"Do you suppose the arms control boys in Geneva could help us out?" we might ask.

"They will—if we both lean on them good and hard," the Russians might answer.

A naive fantasy? Perhaps not.

What I am suggesting is that there is a lot of work to be done, on our side and on the Soviet side, to prepare for peace. This work needs to be just as hard-headed and just as detailed as the preparations being made by our respective military establishments for a possible war. And it goes far beyond the goal of the Geneva arms control talks, which is to avert nuclear war. Indispensable as that goal is, both we and the Russians need to remind ourselves that there is much more to real peace than the mere absence of war. The task of envisioning a future, and of making concrete plans for it, in which our respective resources are allocated to peaceful rather than war-like purposes, must start now, long before anything tangible comes out of the Geneva talks. Mind you, the two processes are in no way incompatible: rather, they need to be simultaneous and synergic.

As things stand today, the most telling sign that the present regimes in Washington and Moscow have no faith in, or commitment to, a serious disarmament strategy is the total absence of any planning for peace.

The clearest signal we could give the Soviets (and they to us) that we are serious about peace would be to come up with a well-thought-out plan for the reallocation of resources once we have agreed to a freeze, followed by a gradual, annually increasing cutback in military spending.

The most persuasive evidence Congress could give that it considers real peace to be at least a possibility would be passage of a bill such as H.R. 229, the Defense Economic Adjustment Act. The purpose of this bill is to help prepare communities, industries, and workers for a transition to civilian production should the day come when, as a result of international arms control agreements, there would be substantial reductions in defense contracts.

But we'll never do any of this unless we break out of our hypnotic trance. Just over two centuries have passed since we declared our independence from Great Britain. I think the time now has come to declare our independence from the Soviet Union (and vice versa). In a sense, much of our policy is made not in Washington but in Moscow. Obsessed by what we observe Russia to be doing, by what we think she may be doing, by what we think she may be thinking of doing, we have lost our independence of action. We cultivate dubious friendships abroad; we squander our resources at home on military hardware; we neglect the most fundamental material, social, and spiritual underpinnings of our society—not because we prefer to do so but because we have convinced ourselves that the Kremlin allows us no other options. We've let expediency subvert our ideals, fear cloud our vision, reflexes abort reflection, frantic scrambles to cope with the crisis of the month divert us from creative, imaginative planning for the kind of future we choose.

It is high time, I submit, that we stop blaming the Russians for all of our and the world's ills, that we get our eyes off them for a while, that we make a priority of putting our own house in order, that we take a good hard look at our own deficiencies, that we develop a vision of what a peaceful America—and eventually a peaceful world—would mean in specific terms, not just as a romantic ideal.

Besides continuing to press for a nuclear weapons freeze, there is nothing of greater moment that the "peace movement" in this country could do in the immediate future than to draw up a preliminary blueprint for a conversion to a peace economy.

To help us in the task we will need to enlist the help of like-minded experts in the business, labor, academic, environmental, educational, and political communities.

Assume, we would tell them, that an agreement could be negotiated with the Soviets that would bind each side to reduce its defense expenditures over a ten-year period from the present annual level of $200 billion plus to perhaps $20 billion. Assume that each side would agree to invest the money thus saved in economically productive, socially useful, environment-enhancing programs, including greatly stepped-up aid to "have-not" countries for ecologically sound development. These programs would be mutually verifiable, and would provide hard evidence of the cutback in military spending since such a cutback would be the only possible source for the funding.

Assume all this to be true, we would tell our experts. You have hundreds of billions—eventually trillions—of dollars to play with. How can they do most good? How can they be invested to rehabilitate our decrepit infrastructure, to rejuvenate our industrial plants, to speed the transition to a renewable energy base, to halt the erosion of our topsoils, to preserve our natural and scenic resources, to salvage our decaying cities, to extend medical care to all, to upgrade our standards of education, to put our unemployed—including our hard-core unemployed—to work, to give to all our people a new hope, a new interest in the future, a sense that they are needed, a sense that there is work, important work, for them to do—work that would, incidentally, offer ample profits to interested private enterprise?

How much, we would ask the experts, of the money saved from defense could we afford to invest in helping to assure that peoples throughout the world have at least the minimum requirements for a fully human existence? How much could we allocate to the protection and repair of the essential natural life-support systems of the planet? How could we extend massive foreign aid to developing nations, regardless of the ideologies of their governments, but with sufficient controls to ensure that the aid gets to the people we mean to help and does not merely serve to prop up this or that repressive regime of whatever ideological coloring? Could we make such aid contingent on an equal reduction in the recipient country's production and importation of arms?

That, I submit, is the homework we in the peace movement need to do if we want to be taken seriously and to have a real impact on policy.

Yes, I am advocating that we think and plan "as if." As if the Cold War were over. As if we had more pressing concerns than the relative number and throw-weight of our and the Russians' ICBMs. As if the human race had more important decisions to make than whether to commit itself to the free-enterprise or centrally planned organization of production. As if we wanted our beautiful planet to survive.

I advocate it because, like the authors of *Beyond the Freeze*, I believe that it is the attractiveness of just such a plan that will convince both us and the Soviets of the need to halt the arms race. Imagine our next president going to his Soviet vis-à-vis and saying to him, "Look, here is our blueprint for peace. Here is how we want to spend our resources. There is no threat in this to you. How can you help us? How can we help you? How can we both help humankind?"

Perhaps I am a dreamer, but I suspect the response might surprise Mr. Reagan!

□ 2120

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. SEIBERLING. I am happy to yield to my colleague, the gentleman from New York [Mr. Weiss], who has taken the lead in this kind of project, and I am happy to be a cosponsor of his bill.

Mr. WEISS. Mr. Speaker, I thank the gentleman for yielding.

I simply want to compliment him on a very important statement and a very important introduction of his legislation. As the gentleman knows, we witness in this chamber year in and year out the arms race and the defense budget sort of driving everything that goes on in the Congress and in the country. We witness time after time Members being persuaded to vote for legislation which they may not have voted for because they suspected they were not doing the best thing for the country, but they were sort of jobnailed into voting for it because the alternative was to suffer job loss in their districts.

So I think the gentleman's proposal and the gentleman's commitment over the years is extremely important. What is significant also is that this is not a first-time entry by the gentleman. He not only talks about vision for the future, he votes day in and day out to help us come closer to achieving that vision. I want to compliment the gentleman from Ohio [Mr. Seiberling].

Mr. SEIBERLING. Mr. Speaker, I thank the gentleman, and I appreciate the work he has done in this field, which has been monumental indeed.

Mr. Speaker, I yield back the balance of my time.

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. Lungren] is recognized for 60 minutes.

[Mr. LUNGREN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 179. Concurrent resolution providing for a conditional adjournment of the House from August 1 or 2 to September 4, 1985, and a conditional adjournment of the Senate from August 1 or 2 to September 4 or 9, 1985; and

H. Con. Res. 181. Concurrent resolution to correct the enrollment of the bill H.R. 2068.

The message also announced that pursuant to the provisions of section 276 of title 22 of the United States Code, as amended, the Vice President appoints Mr. Simpson and Mr. Zorinsky as members of the Senate delegation to the Interparliamentary Union Conference to be held in Ottawa, Canada, on September 2–7, 1985.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Gonzalez] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, at this hour and after having approved the resolution that will bring us into recess until the days immediately following Labor Day, it is well to ponder on just where we are out in the real world. We just voted—that is, the majority voted—for the approval of a budget resolution that from the very beginning, as well as the President's budget proposal, as well as the Senate majority budget proposal, from the very outset are predicated on a fundamental misperception and erroneous predicate.

I pointed this out during the time that we had the first debates on the budget resolution for this year. It is well to point out that for 3 years we have not had a budget resolution in compliance with the 1974 Budget Reform Act, I was 1 of 10 that did not vote for it.

Now, my advice on this evening for the privileged orders as I have been since almost the outset of this Congress, this first session of the Congress—because I think we are living in similar times in which perforce we must face the fundamental basic issues that all through our history from the very inception of our nationhood we had to face: the basic question of whether the people or a privileged elite would be making the key decisions that would determine the economic, the fiscal, the monetary well-being of that particular people.

This was the issue that confronted our country when it was just beginning to shape itself into nationhood, when you had an amorphous, a rather not quite yet shaped union, and in that beginning struggle these great leaders and this great people were confronted with these basic issues, but they had to make decisions in the context of a population—in the 13 Colonies anyway—of just barely some 3 million in a very definitely agricultural type of society. But the issues have been the same all through mankind's history and societal experience when it comes to the basic forces at work within a beginning structured community.

In our case the first issue arose when the Continental Congresses were first organized in order to try to seek some consolidation of position, of outlook, that would unite them as a common thread in this very beginning of the 13 Colonies as a Nation. That issue was, as it has been all along: what would be the banker, the financial agency, for this group or, at that beginning period, aggregation? In the Congresses charters were issued to private individuals to form the Bank of North America, at that time in Philadelphia. Afterwards and during the Confederacy, that is, during the period of the Articles of Confederation, which soon dissolved, and with the calling of the Constitutional Convention, a firm resolve was made by those leaders, enlightened, cultured, and very conscious of the fact that they were fighting for freedom in its very rawest definition—freedom from what has been called by the historians a mercantile system.

We have got to think in terms of trying to consider what we have done today. We are a great multiple Nation, a pluralistic country, a vast country of 230-some million inhabitants, with first place power now in the world's structure, but under attack as to its ability to uphold what the political scientists call its hegemony, its power, its influence, over those areas throughout the globe that, as a result of two great convulsions known as World War I and World War II, have resulted in the United States inescapably having to confront destiny.

But we have heard the debates, like the discussion we had this evening with respect to this last-minute reconciliation between the Senate and the House and apparently with some kind of understanding from the President on what would be and what would not be acceptable as a net budgetary target or figure. But, as I say, when the captain and the kings have departed for the August recess, the fact of the matter is that they have departed into a future that is illusory, and the vary basis upon which we agreed on a so-called budget resolution is at best tenuous and in reality unsupportable, the reason being the reality of the existence of the problems confronting us, every one of which has not been confronted basically, beginning with the overall perception of the world as it is today in the 1980's, not as we would have it be, not with the mindset of our President and, I presume, the majority in this House after hearing these debates, a Europe, a 1947 Europe.

I believe that one of the basic premises that we must consider is that, unlike World War I, World War II has not terminated. Just recently we have had some newspaper discussion about something called the Helsinki agreements of about 10 years ago. That was the first effort made in the so-called postwar period to try to reach some kind of a basis upon which could be projected an eventual peace treaty. But the basic issue, the issue at the heart of the matter, as much as it was after World War I, is still with us after World War II, or during this sequella period after what most people consider to be World War II.

□ 2130

We have failed to differentiate between the hot shooting phase of a war and the relative inert period, but which still is in an environment of battle, of warfare, of conflict, of friction. Our economy reflects it. We are now an economy that is completely taken over on the basis of a garrison state, of a military type of endeavor and framework of reference.

Now, the steps by which this point has been reached have been gradual. As we look back in retrospect, we can see that it has been cumulative, but that was not the world and it was not the mind set of the leaders in and out of the United States in the 1940's, after 1945, in the 1950's with the beginning of the setting and the jelling of the so-called cold war.

Well, cold war was one way of expressing the fact that the hot shooting phase of the conflict had ended, but there was still some kind of conflict ongoing. In between, we had been involved in war and we have been challenged to confront the basic issue, which is a prime constitutional issue, one that brings forth in history the fact that it was an issue most bitterly debated, most hotly talked about and contested during the deliberations of the Constitutional Convention in Philadelphia, and that was where the exclusive power to declare war was deposited.

There was no question about it, when we see in article I and right before section 8 in clause 7, the fact that that power to declare was is exclusively mandated to the Congress. There are no ifs, ands and buts. In fact, it is just a simple terse statement of fact in the enumerated, the panoply of enumeration of powers granted by the Constitution to the Congress in article I. For good reason article I is the article that has to do with the Congress or the representative branch or the policymaking body of the Nation.

In article II, the executive branch, where for the first time such an office as we call the Presidency was considered, and that also took great debate. In the first 10 years of our national

existence, in the Continental Congresses, in the Articles of Confederation, they could not even think they wanted anything like the Presidency. There was no such comparable office. They feared it. They distrusted it. These were iminent minds. These were minds that knew at long last mankind in a new world would envision a new order, a new order of liberty, a new order in which God-given endowments and talents to the individual and his personality could flower to the fullest under an environment of total freedom, unrestrained by kings governing in the name of devine power.

So in the first sentence of the preface of the Constitution, right in the preamble, the whole thing is encompassed in those seven words, "We, the people of the United States, in order to form a more perfect union"—and so on. It did not say, "We, the Congress," or "I, the President." It said, "We, the people."

The people are the sovereign power. All power emanates from them, but you would not think so nowadays. Whenever we start talking about that, let us really remember that. Let us really remember every day, every minute, every hour, that we are merely agents of the people, that we have a grant of a trust only. We are not masters and we should not even try to think that way. It is the only place in the world where that basic concept is actually not only preached, but governs a nation.

We are confronted before the 200th anniversary of that Constitution, that is, of the real birth of our form of government, with the issue of whether or not we in our time redeem ourselves and reaffirm or whether or not we continue to succumb to this loss of faith, where we have entered into a period of twilight wars, Presidential wars, if you please, where Presidents whether they have or have not been directly or indirectly, through a delegation of constitutional power from the Congress or not, engaging the country in wars.

This President has done so. In the course of doing so, he has violated solemn treaties that at least for the foreseeable future have jeopardized our ability to lead morally and collectively those nations with whom we must share the future.

Destiny has said these are the nations of the new world. Not one in the Western Hemisphere shares our policies with respect to what this administration has done and continues to do; yet we budget and we appropriate and we hear great talk about how we are going to reduce the deficit, but the President himself even in sending over his version of the budget said quite candidly that it would not result in anything but for the next 3 fiscal years a built-in deficit of not less than $200 billion.

But why, why should that be? Then why tell the American people that we must have a constitutional amendment to balance the budget?

Just what point have we reached in our national destiny where we can with great glee conclude a session on the eve of momentous occurrences? Have we forgotten that just less than a month ago our Nation was in the throes of an agonizing dilemma, an ordeal with the hijacking of the airplane with those Americans? Have we forgotten as we trot off and enjoy some kind of rest perhaps for the majority or some trips throughout the world or just simply go back to our districts to have a chance to forget about this for a while, that there are seven Americans held captive in Lebanon alone? Was there no thought given to that as we depart?

Should we not be knowing for sure that while we are away lulled in a recess, there will be decisions that continue to be taken as a result of action or nonaction, budgetarily or appropriation-wise, in Central America?

What will be our reaction while we are gone—and I pray to the Lord that I am dead wrong—if we have a disastrous occurrence in which some of our servicemen are killed in Central America? What will be the reaction? What will be the request of the President? This has been overlooked. The Congress has refused to consider these facts.

Mr. DORNAN of California. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. Yes, I am glad to yield.

Mr. DORNAN of California. Mr. Speaker, I deeply appreciate the gentleman mentioning those seven hostages in Lebanon. I know they are always on his mind, as they are on mine.

Has the gentleman been able to come up with a concrete proposal to the President—I have really not—on what he could do to put maximum pressure upon the State of Lebanon, which really is in chaos and has no specific government, or the State of Syria, which has a very specific government under the leadership of President Assad; what does the gentleman think we could do to bring pressure during this break while we are enjoying the wonderful educational process of travel or enjoying our beautiful 435 districts in this country, in Hawaii and Alaska and all the other legislative designated areas, the Virgin Islands, Guam, and so forth, Puerto Rico, beautiful vacation lands?

Mr. GONZALEZ. And San Antonio, TX.

Mr. DORNAN of California. San Antonio, a beautiful district where I went through preflight training and did more pushups than I have ever done in my life or since in only a 3-month period—what are we going to do? What does the gentleman think the President can do to keep the world aware of these seven fine Americans that are in terrorist captivity?

□ 2140

Mr. GONZALEZ. If the gentleman will allow me, I have pondered that. I did when the President was Jimmy Carter and we had the Iranian captivity. And I pondered a long time.

As a great admirer and worshipper of the Constitution that governs us, I saw in that article I, section 8, clause 10, the anticipation on the part of those who voted that such things would continue to happen as had happened on the high seas, piracy, and a specific phrase that is in the Constitution in clause 10 about punishing, defining, and punishing the violations of the laws of nations, which I felt was a terrible, gross violation in the case of the Iranian capture of our Embassy officials and employees because that captivity, that type of hostage-taking had not occurred since the Crusades. It just had not happened.

You know, when our wars have broken out, like the first war, and then with Hitler, our Ambassadors in Berlin were taken in and placed in a hotel. We took theirs and put them in a hotel.

Mr. DORNAN of California. We sent them up to the Greenbrier in West Virginia. We had a nice soft, diplomatic word "interred."

Mr. GONZALEZ. That is right. But as soon as possible, they were allowed to go back to their land, and ours were allowed to come back.

Mr. DORNAN of California. Even under Adolf Hitler and the Tojo war lords,

Mr. GONZALEZ. That is right. That is right.

But in the case of Iran, this was absolutely something new, both internally and domestically where you have a theological, you have a religious government. It was a throwback in a way to the 11th century. And you had a hard thing to deal with.

I felt that the Constitution was telling us, hey, Congress, you have this power to define the offense, and punish for it, because right following that it says you will be and are hereby granted the power to give and issue letters of marque and reprisal.

So I wrote President Carter and I suggested two things, or three things really. One, that we should proceed through what we had then constituted, as we now have it, the United Nations. And sure enough, the United Nations, even Russia joined in condemning the Iranian action. But there is no power to enforce.

I suggested the second thing, and that was that more immediately would be to impound the assets within our reach, which were considerable. I used to be chairman of the Subcommittee on International Finance, and I estimated that that amounted to about $11 billion. And if the banker in Iran hollered, as the President says, uncle, they would release those hostages or they would find some accommodation.

Well, that was not done. I had no immediate reaction to my letter. I had a short sort of an indirect response.

But then I alluded to the fact that the Congress had a responsibility under that article I, section 8, clause 10, and I introduced a resolution in which I said it is the sense of the Congress that under this section we shall, and perhaps through the executive branch, if necessary, issue letters of marque and reprisal.

Now in this case, I think that is really far more appropriate than the other two. As you say, this is no well-defined political entity of a State. You have a diffused, as you have had for years, hundreds of years, in what we call Lebanon now, so you do have that, you have that impossibility of affixing responsibility to any given scheme of government. But you do have little fiefdoms and little groups and apparently some of these are more or less, properly or improperly, attributed to the responsibility of having taken and still holding the seven American hostages.

Mr. DORNAN of California. There was a story in the Washington Post, if I may interrupt the gentleman, that it may be even one family, a large extended family, the Masawu family.

Mr. GONZALEZ. I saw that. I believe that it is very possible. I think it is very feasible.

I do not think we ought to throw the whole weight of the responsibility on the President. I believe we do have a responsibility that we can discharge.

So I have introduced, I formulated and introduced a resolution to that respect invoking in the name of the Congress article I, section 1, clause 10.

Mr. DORNAN of California. I think that is an excellent suggestion.

May I submit for you to ponder, and then I will let you get back to your excellent special order, and for the American citizens who may be with us still in the gallery, or what I call our extended gallery throughout the country; that is, thanks to the magic of cable television, to ponder if the direct action that Teddy Roosevelt recommended in 1904 when a Moroccan, although it was not the nation of Morocco then, a man by the name of Rosolo took an American, Petrocari, prisoner, and Roosevelt recommended in one simple sentence "Petrocari alive or Rosolo dead."

If the American Sixth Fleet was to pull up along the coast of Levant, the eastern Mediterranean, and seal off all access to the sea for both Syria and Lebanon and announce to the world that we thought we had the legal backing to sit there until either government, the confused situation in Lebanon or the government in Syria, either government leaned on this Masawu family to turn over our innocent Americans, including two religious people, and that at least would be direct action. I happen to be of the opinion that it would probably work, and I just submit that to the gentleman for his analysis.

Mr. GONZALEZ. I appreciate that.

Mr. Speaker, I just wanted to express my appreciation to the gentleman from California. I think that he and I are basically in agreement that this is an issue that we cannot quite overlook. We should not forget, certainly, and sometimes I believe timing, and in this case, of course, the judgment of the Commander in Chief and the President would be something that I guess we would have to defer to. In my humble opinion, at this point I think that with the diffusion of these centers of local power that perhaps a massive assault, or even a massive blockage would result only in the overuse, it may be an overstrained or an overcharged type of attack.

I would prefer an up-to-date, 20th-century version of a letters of marque and reprisal in which we could find ways and means to accomplish the same purpose. But instead of a sort of a shotgun approach, we use a 30-30 approach and single out and punish the culprits.

Obviously, whatever form or vestige of organized government exists has not had the power to control the deprivations, the piracies that have occurred, but even that is just a symptom of what I think the more fundamental issue is that we must resolve, both domestically as well as in confronting these powerful international forces now that impinge upon us domestically.

For example, Lebanon, we must never forget our policy or lack of policy in Lebanon has been very ill-defined since 1970 when the British pulled out after they and the Russians had installed the Shah of Iran. In 1970, and I made allusion to this last week, the so-called Nixon doctrine was that we would rely on client states, the Saudis, and the Iranians, to look after our interests in the gulf there.

□ 2150

I have always believed that if you have a business, any businessman will tell you you cannot delegate it. You have got to tend to your business. You keep your business, you keep it up, and it will keep you.

When we start getting client states, we become sort of the puppets and creatures and victims of those very client states that we think in our hubris, in are arrogance, that we actually are controlling. I think that also we have to have a review, a review of just what the facts are. The budget which was debated and the great opposition that I heard here this evening was to the point that it had an inordinate share of for defense or military or whatever you want to call it. I find that my quarrel with it is not so much the allocation of the funds but as to the overall emphasis on a proper and certainly invulnerable system of defense. But if we are going to think in terms of defense it is one thing. If we are going to think in terms of aggression, war, then we have to call the budget a war budget.

That is what I called it when the President, in an incremental, almost an exponential manner in the last 4 years has asked for that. But I quarreled with the allocation and the apportionment and the perversity of the priorities. The reason I quarrel is, as I have brought out here, when the President is saying that he has to get $20 billion for something that may never be developed, it may never be deployed, and I am not even speaking about star wars, and I am going back not to this President but to one of his predecessors, to his predecessor President Carter and the case of the MX where the military themselves have been in great conflict of opinion and where the very debates I have listened to here in a passionate way have shifted around so much that they have ended up in the very situation that was being contradicted to begin with.

Now when we say that we are going to demand an allocation of $20 billion, but the Secretary of Defense tells me, like he did last year and the year before, that is the Secretary of the Air Force, that the Air Force did not have and does not have the sufficient budget to give air pilot training time to our Air Force pilots, certainly there is something wrong with that priority because we may never deploy, we may never even construct a system of the MX. We may never even reach the stage where we can place into reality even a sort of prototype system of what has been known as the star wars, as it is popularly known. But we do know that we have men and women whose morale must be there, we must have a country that is worth defending. If in the meanwhile our infrastructure, which is a fancy word given by professors to the vitals of a community, its road system, bridges, sewage system without which you have no modern community, all of those are crumbling down around our ears throughout the country. The same President that is asking me, and I am certainly defense oriented, in fact I was attacked for being too defense oriented. I have been attacked always. I have been attacked as a hawk, I have been attacked as a dove. Yet I look at the source of the attack and realize

that it is predicated on an ignorance of the total role.

My utterances are all in the record. It is nothing that I have said now as compared to what I said 15 years ago. I am saying essentially the same thing.

What I am saying is that with the perversity in the priorities, with the abdication of our basic responsibility to go to the bottom of things whether it is our domestic needs, community development needs or our rural needs, and when the President comes to me and he says "80 percent of the thrust of the programs that I'm going to cut are going to be in the area which your subcommittee has jurisdiction over," that bothers me. What is that? Housing, both community development, rural as well as urban. Now as chairman of that subcommittee, and that is the largest subcommittee in the whole Congress; I have been privileged in the last 4 years to go into over 30 States as chairman.

I have been into every single agriculture-producing area of this country, whether the Eastern Shore which is just 1 hour and 15 minutes from here or elsewhere. I can take you to a situation where I saw labor camp situations that are atrocious. We just cannot reconcile them with America. They are just as bad, if not worse than some of the situations in the undeveloped Third World countries, so called.

Now that is just 1 hour and 15 minutes from the Nation's Capital. These are invisible people. It is the same thing elsewhere; I have been to southeast Bronx, I have been to east Brooklyn, I have been to Philadelphia. In fact, I was scheduled to take the subcommittee to the very area where the police in Philadelphia bombed and burned up entire neighborhoods, killing children, women, men. Now this is in America, in the United States, while we spend elsewhere.

He says we have to cut all of the housing programs; this is the President's recommendation.

In this budget which I cannot support—I cannot support what the so-called glorious compromise was: Look, we are not going to kill the programs, we are just going to compromise with the Senate and just barely, maybe, keep them a little bit alive.

But the country is not a stagnated country. Our country is a dynamic country, a growing country. That is why they started all this jazz about freeze. I said, "You don't freeze living material, you don't freeze living matter. The only thing you freeze is inert matter." Our country is bursting, it is dynamic, it wants outlets for growth and production. It does not want to see the fruits of its labor and its produce stolen through a system of international currency that is going to eventually relegate our workers to peonage. They have placed in competition with every peon and coolie of the world because they have been sold out, as I have been saying for 15 years, on and off of this floor.

These are the issues that we ought to be confronting so that we can face the Communists somewhere and say, "Sure, we are against communism, but who dares take on the Chairman of the Federal Reserve Board?" Who in the meanwhile, leading this army of voracious, voracious elements, the ones that Jefferson reviled against and also Andrew Jackson. Why did he kill the chartering of national banks in 1837, the Second U.S. Bank? Why did Lincoln the day he was killed and the week he was killed have uppermost in his mind what was happening in that area? Well, that was the year they passed the 1864 Currency Act, the 1865 National Bank Act and he foresaw and he said and he worried about it and he spoke about it.

□ 2200

Then you had the recurring panics and depressions of 1892 and 1893; 1908. That gave rise to the Congress, after a lot of hearings and the Peugot committee in the House of Representatives, they finally struck off the Federal Reserve Board system.

Today, I am absolutely depressed when my fellow Congressmen say, well, you do not want to interfere with the freedom and the independence of the Federal Reserve Board. You mean we are going to let this groups of unaccountable panjandrums, who are the hirelings of the dollar barons in our country? Who have sold us out?

Why, these same banks have speculated against the American dollar every day they could for the last 10, 12 years, since Richard Nixon took us off of the so-called gold exchange and devalued the dollar; went into the so-called floating rate of exchange, which meant that the American businessman—today, anybody trying to get what they call a consumer loan from a bank will not pay less than 17 percent interest. This is what is killing us. This is what is doing us in.

The budget we passed today, that is a bubble, just a bubble. We floated it up; it is going to burst just like the others, because they are predicated on the wrong and erroneous quality.

The other thing is, the President, for whatever reason has embarked on stimulating, fostering a spirit—in fact, I call it a psychosis of war toward Russia.

Well, George Washington warned us—he said, and I am going to quote exactly:

> The nation which indulges towards another an habitual hatred or an habitual fondness is in some degree a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its beauty and its interest.

Pick up the paper of last week, and you will see that the President entered into some kind of a treaty with the Chinese Communist regime, if you please. They are bold about it; make no bones. We do not know the details of that; nobody has bothered, in the Congress, to try to find out.

He entered into a secret deal. Part of it was that the Chinese Communists were supposed to buy 6 million metric tons of our wheat and grain. They reneged on that deal last year; that is why we had the farm crisis we were all reading about late last year.

But the reason was the Communist Chinese reneged on the deal. Yet, with great pomp and ceremony just last week, he had the Chinese President in the deal, the ramifications of which I do not know and I do not know of anybody else in the Congress that does.

I believe that these are the things that are making a joke of our actions and our activities and our debates and our talk.

The other notice last week was that the State of Israel was—the Ambassadors of Israel and Russia were meeting in Paris; and they were talking about some kind of a reconciliation.

Russia broke off diplomatic relations with Israel during the 1973—I believe that was the Yom Kippur war.

Now, one good thing is that if there is some reconciliation there, the United Sates undoubtedly will benefit by some kind a conciliatory move toward Russia.

Now, if we insist, however, as the President has continued to, in making the smallest country in the Western Hemisphere the scene of an East-West confrontation, making us the laughing stock of the world, any knowledgeable citizen throughout the world just laughs when General Haig says: "We are drawing the line in El Salvador, right here."

Four years later, and after $4 billion, we are nowhere near. Why? Because it is predicated on a misperception. There is no such thing as an East-West confrontation in these impoverished nations.

What is happening? It is very simple to see. It does not take an expert. You have these masses, well, now they exceed us in population by some 80 to 90 million, for the first time I guess about 15 to 20 years ago they exceeded our total population. It is another world there. They have taken oppression; their own oppressive, tyrannical master rulers have looked down upon them, treated them like dogs, killed them off like they did in El Salvador in the 1932 uprising—that was taken care of then.

Our interests; we are identified—you go to those countries and you will realize what a tremendous awe and power there is in Los Estados Unidos el Norte; the United States of the North, because the United States of the North, for instance, in Honduras, is

United Fruit. In Chile, Anaconda Copper, and the like.

So they are indistinguishable; our Government and those entities.

I think the time has come when we have got to read a little bit of that history. We have got to take time out for the sake of our children, grandchildren, and great-grandchildren; because the way we are going, we are growing no wiser, no better, no more civilized than the misdirected nations in Europe where you have these ancient rivalries and hatreds still boiling over, even after the war.

As a matter of fact, the great passion in some of the West German provinces or states is the Silesian refugee saying, "We've got to get Silesia back from Poland." And what is Minister Cole telling them? He is saying, well, now, wait a while, do not overcharge here; wait until we have a peace treaty.

Well, who here in this Congress has even conceived of the fact that anybody in Europe is talking about a peace treaty and defining those issues that even though they look as if they are buried, are percolating and churning and boiling underneath the surface?

That is what the President found out when he tried to get a joinder of West Europe, in trying to embargo the construction of the gas pipeline from Siberia into Western Europe. He soon found out that that pipeline, its management headquarters was over in the Ruhr; they call it Ruhr Gas. And the principal stockholders are Exxon and Mobil and the British Oil, and behind those entities are the Chase Manhattan Bank, the First City National—these are now tremendous multi-transnational entities. They can thumb their nose at any sovereign government.

In our case, we have been victimized, because once we have gone into this unsettled business of these vast exchanges, what they call the international currency exchange, which is now what? It is a speculative market. You have speculators speculating there like you do in the commodity exchanges in Chicago, and you have these very same banks, some of them trying to dodge taxes in Europe—and certainly taxes in the United States—so who talks about what I call the Latin dollar market, where not only in the Bahamas but in Panama we have this escaped capital now up in the hundred billion dollar range.

Well, every day—there is no such things as offices for this international market; you have these agents or hired hands of the banks at their computer 24 hours a day. Every day you have mass movements of over $75, $80 billion of this, and every one of that has an implication for our banking system, domestic banking system in the United States.

We are beginning, and we should have known, that if we had certain factors that were well-established since 20 years ago, 1965, some of us spoke out then, that we would have to anticipate, that we would have to try to do something.

I have not gotten up on this House floor to criticize or point my finger without having a corresponding suggestion, and I am delighted the gentleman from California [Mr. DORNAN] rose a while ago, because it gave me a chance to report on what, humbly, but very solitarily I have been trying to offer as thoughts, as resources.

Obviously, in reading the history and the contents of the Constitution, were in anticipation of such things as these.

□ 2210

We cannot afford that. No nation can. And how best to prepare I think is to soberly sit down and think, not to react out of emotion. Whether it is humility or humiliation, I believe our nation in its greatness can confront. What I am saying is that those of us serving in this great, vast body, are privileged class, and I am offering my advice to the privileged classes of America. As I said, my hero and the fellow I followed in this example was the famous Joel Barlow, the revolutionary poet. He was one of the ministers who served Washington's Revolutionary Army. But he was also a revolutionist and a great pamphleteer. He was a great friend of Tom Paine. He addressed such a message to the privileged orders of Europe. In my case, I am offering my messages with specific suggestions. All I have ever asked, as I have presented resolutions, is that they be duly considered by the committees that are set up for the purpose. I never have done anything frivolous. I think too much of this body and I have too much self respect in my membership of this body and how privileged a position it is to ever in frivolity offer anything. I do believe, though, most sincerely, like Shakespeare said, when we become arrogant, complacent, "but when we in our viciousness grow hard, Oh, misery on't! The wise gods seal our eyes. In our own filth drops our clear judgments. Make us adore our errors. Laugh at us while we strut to our confusion."

I appeal to my colleagues when we reunify, God willing, September 4, we pick up where we left off, realize that the real chore, no matter how politically feasible it is to explain and say we did something about the deficit, something about the budget, we have got to face the reality, for only we will be strutting to our own confusion if we do not.

PROPOSED PRISON CONSTRUCTION IN URBAN AREAS

(Mr. STOKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STOKES. Mr. Speaker, recently, it has come to my attention that the mayor of Milwaukee, WI, and the Governor of the State have been embroiled in a 3-year dispute about a proposed $50.5 million prison in downtown Milwaukee.

Questions concerning the desirability and feasibility of building a prison in urban and residential areas are at the center of this particular controversy. This issue is not only controversial in Milwaukee but also in other areas around the Nation including my congressional district in Cleveland where State officials are planning to build a 500-bed medium security facility in a residential neighborhood.

Mr. Speaker, as State prison officials attempt to alleviate overcrowding in prison facilities by building new ones, more cities will be confronted with the tough prospect of having prisons built well inside city limits and possibly in residential areas.

While some prison reformers suggest that such a movement might increase the accessibility of family members to inmates, there has not been very much recent research on the overall impact of this proposal.

Specifically, there are few up-to-date studies which examine the impact of prisons in cities and residential areas on property value and security. Furthermore, to my knowledge, there also has been no substantial research exploring the balance between the number of new job opportunities which a prison facility brings with the decline in property values and opportunity for new residential development and construction.

In the Collinwood section of Cleveland, the State of Ohio plans to build a prison in the heart of a residential area. Within a 3-block radius of the proposed site on Coit Road, there are 626 housing units with 1,750 residents.

For the last several months, the proposed prison has been the source of great public debate in the Cleveland area with many area residents strongly opposing the construction of the prison.

Mr. Speaker, the debates in Milwaukee and Cleveland are indicative of the situation many urban centers may be faced with in the future. As a means of beginning the discussion in the Congress about this issue, I would like to insert in the RECORD newspaper articles on the proposed prison facility on Coit Road in Cleveland.

RESIDENTS WANT PRISON ELSEWHERE

(By Dave Rowe)

Put that thing someplace else.

That was the unmistakable theme as nearly 150 residents of the E. 140th Street and Coit Road neighborhood loudly applauded council's passage of a resolution opposing the state's plan to build a prison on the site of the old Fisher Body-Coit Road plant.

The resolution, passed unanimously, declares council's official objection to converting the old plant into a 500-bed medium security prison, largely due to "widespread community opposition."

Ward 10 Councilman Larry Jones, sponsor of the legislation, told council prior to the vote that in addition to worries about safety and housing values, his constituents also were concerned about being deprived of some of their constitutional rights.

"These are the people that pay the taxes, and pay the bills," he said, referring to the crowd in council chambers and an anti-prison crowd of more than 500 which attended a February hearing in Ward 10 conducted by the Ohio Department of Corrections. "It is unfair to impose a prison on my constituents against their wills."

Past potential sites for a "Northeast Ohio Reformatory"—originally intended to be a 1,250-bed facility located somewhere within Cuyahoga County—included Valley View and the E. 55th-Broadway area, causing Jones to say, "There, the communities got together and said, 'No.' We're basically saying the same thing."

The Coit Road area residents, many of whom stood outside with picket signs prior to the meeting, cheered loudest when Jones directly addressed Mayor George Voinovich.

"Mayor, it is unfair of you to support the prison against the will of the people," Jones said. "We're prepared to fight this issue all the way, but if the prison is built, we would not forget those individuals who allowed this to happen."

Voinovich, who along with Council President George Forbes, Gov. Richard Celeste, State Sen. Mike White (D-21) and State Rep. Ike Thompson (D-14) supports the concept of a Coit Road prison, gave no immediate response. After the meeting, he told reporters, "In the long run, I think a prison would improve the area—frankly, the safety of that area would be improved."

White, not present at the meeting but perhaps the loudest proponent of the Coit Road plan, has argued that demolition of the old auto plant and construction of the facility for mostly young, first-time offenders would mean an immediate $30 million in construction salaries, as well as more than 200 permanent jobs. He also has argued that the 49-acre Coit Road site is not suitable for any other type of development, saying, "I wish I had a Saturn plant to put in there, but I don't"

Jones, whose position is supported by Cong. Louis Stokes (D-21), argued Monday night that the site could be developed by private industry. "Instead of 200 jobs, we could be talking about 2,000 jobs," Jones said.

The decision, to come after a 13-member task force presently studying the issue delivers its recommendation, will be made by the department of corrections in conjunction with the area's elected representatives. The task force, composed of individuals selected by the elected officials and including planning director Hunter Morrison and director of economic development Gary Conley, has been told to deliver its report by May 10.

"We will not abide by their (the task force's) recommendation," Jones said Monday night. "This is a task force we have here tonight."

Besides a "task force" of angry residents, Jones also has been promised further support from some of his council colleagues.

"Instead of catching criminals, the state wants to put them into our neighborhoods as permanent resident," Ward 12 Councilman Dennis Kucinich said in vowing to work against the state's plan. "This involves the principle of local control—the right of the people to determine the future of their neighborhood."

Along similar lines, Ward 11 Councilman Michael Polensek said, "If we go and disregard their (residents') will, then we do not have a democratic body or a democratic system."

Jones, whose resolution passed through council's committee system intact and virtually unopposed, said it should have some impact on what finally happens.

"The whole city council is sending a message to the governor and the other officials telling them to choose another location," he said. "At least, I'm hoping it will have some effect on some of the advisory committee members."

Polensek, though, said it still is possible that the state will proceed with the projects in spite of the resolution. "If the state decides to go ahead and ram this down people's throats, it's be an uphill battle," he said.

[From the Plain Dealer, May 19, 1985]

PANEL PICKS COIT ROAD FOR PRISON—CLOSE VOTE, MINORITY REPORT KEEP DISSENSION ON SITE ALIVE

(By Harry Stainer)

A citizens advisory council recommended by a 5-4 vote yesterday that the state build a 500-bed reformatory on the site of the old Fisher Body plant at Coit Rd. and E. 140th St.

The proposal to build a state prison in Cleveland has been turned down at several other sites in the city since 1982. The delay in building it resulted in the size being reduced from the original $76 million and 1,250 beds to $35 million and 500 beds.

The chairman of the advisory council, the Rev. James G. Hannah, pastor of Central Christian Church, 697 E. 105th St., released copies of the majority report at a news conference at his church. Among those attending was State Sen. Michael White, D-21, of Cleveland, who has supported construction of a prison here.

A few hours later at a conference in the Bar Stop Co., a small business in the plant at 13227 Coit, the four members in the minority released their report opposing construction. Among those present were Councilman Larry A. Jones, D-10, and a representative of Rep. Louis Stokes, D-21, of Warrensville Heights, both of whom oppose the proposed site.

White said the group had agreed to abide by the majority decision and it was disquieting that the minority was holding a news conference.

Jones said that the agreement was to participate in the group and that he was speaking for the people in his ward who overwhelmingly opposed the Coit site.

Hannah, who as chairman did not vote on the issue, said that if there had been a tie, he would have voted to build the prison on Coit Rd. He was appointed to the group by the state.

Two members of the 13-member advisory council represented Mayor George V. Voinovich (a supporter of the site), but were not allowed to vote. The reason, Hannah said, was that the mayor's delegates did not attend the meetings or go on field trips. The group adopted a rule that the right to decide the issue should be given to those who attended at least three meetings, Hannah added.

The advisory council was to be the answer to delays on a decision to build a medium-security prison in Cleveland. Richard P. Seiter, director of the state Department of Rehabilitation and Correction, officially appointed the members, but elected officials submitted two names each for appointment.

Split votes appeared to indicate how difficult the decision was White, who favors the construction, saw his two voices on the council split, one for and one against. Stokes, who is against construction, saw his nominees split, one against and one abstaining.

Council President George L. Forbes' representatives both voted for construction. (City Council passed a resolution against the project, but Forbes, D-9, is a supporter.) Jones' people both voted against the project. And those named by State Rep. Ike Thompson, D-14, of Cleveland, voted for the project.

The majority voted for the prison, Hannah said, because construction would mean jobs, encourage economic development and clean up a neighborhood eyesore. Others pointed out that a local state prison would make visits easier.

The report recommended that 60% of the 215 people expected to be employed by the reformatory should be residents of Glenville-Collinwood, and that the state buy the 15 homes with backyards facing the site and use as many minority contractors as possible.

The report called for a permanent advisory committee that would be notified if more than 500 inmates were housed.

The minority report, said member Anthony Ray, concluded that despite discussion and trips to Grafton and Dayton, no evidence was submitted to support the theory that a prison could be put in a densely populated urban neighborhood.

The minority report said the 50-acre site was not large enough for a 500-bed prison, that it would create fear in the neighborhood and that the prison cells were designed for two beds, which indicates a future prison size of 1,000 beds.

Grafton, in Lorain County, would be a better choice, said the minority report, because of its space, and would be close to Cleveland for visitors.

The minority report said the wishes of only the people of Ward 10 were being ignored. Earlier proposals to build the prison in the Broadway and Valley View communities were dropped when residents protested.

The abstention came from Carl Anderson, who said he did not like the way Hannah directed the council activities.

[From the Plain Dealer, May 31, 1985]

COIT ROAD CHOSEN AS PRISON SITE

(By Joseph D. Rice)

COLUMBUS.—A 31-month search for a site for a medium-security prison in Cuyahoga County ended yesterday.

The 500-bed reformatory will be built on the site of the old General Motors Corp. Fisher Body plant at E. 140th St., and Coit Rd. in Collinwood, Richard P. Seiter, director of the state Department of Rehabilitation and Corrections, announced.

The facility will take a year to design and two more to build, said department spokesman Robert Prosser. It will house men under age 30 who are in prison for the first time, Prosser said.

Cleveland architects Richard L. Bowen and Thomas Zung will design the reformatory, which probably will have four to eight buildings, Prosser said.

Prosser said Seiter assured the Rev. James Hannah, chairman of a citizens advisory committee that recommended the site, that the state would take "deliberate efforts" to involve minority contractors in the construction.

The facility will cost an estimated $39 million.

State Sen. Michael R. White, D-21, of Cleveland, said a permanent citizens committee would be formed soon to work with state officials on the prison.

"It will be involved in everything from the landscaping and the construction to any problems that may arise from integrating the facility into the community," White said.

White said the state agreed to give preference to area residents in hiring the 215 guards, clerks, teachers, social workers and others who will work at the reformatory. The annual payroll is estimated at $3.0 million.

Rep. Louis Stokes, D-21, of Warrensville Heights, who led the fight against the Colt Rd. proposal, said yesterday he would "continue to oppose this demeaning act by the governor. . . ." He and Councilman Larry A. Jones, D-10, planned a rally against the plan at 7:30 p.m. Thursday in New Calvary Baptist Church, 722 E. 150th St.

"In his decision to place a prison in the 21st District . . . against the wishes of the residents and property owners of the Colt Rd. area, Gov. (Richard F.) Celeste has once again displayed his disrespect and distain for the people in the 21st District," Stokes said.

"I have not given up the idea that there will not be a prison," said Jones, whose ward includes the site.

Mayor George V. Voinovich, in Washington yesterday to be briefed on President Reagan's tax proposal, said he had not been opposed to the Colt Rd. site.

"In the long run, it will provide jobs and . . . ultimately an improvement in the area," he said.

"I sympathize with the people who live in the area. As the mayor, I've got to look at the big picture. I can understand their opposition, but in the long run things often work out correctly.

Voinovich and other city officials had been lobbying to have the facility in Cleveland since the correction department announced in November 1982 that it had scarpped the site of the old Standard Oil Co. (Ohio) refinery in the Flats because of chemical contamination.

Considered in the ensuing search were an adjacent site at 2929 Broadway and sites at E. 40th St. and Woodland Ave.; W. 130th St. and Bellaire Rd.; Canal and Rockside roads in Valley View; and city-owned land in Warrensville Township.

In each case, the state met community opposition or found the site was too small, its terrain unsuitable or other problems.

A minimum of 50 acres was needed. The Coit Rd. site is about 50 acres.

"This (Coit Rd.) was the only available site in Cuyahoga County that could meet the design critiera," Prosser said.

The state had originally planned to build a 1,250-bed reformatory in Cleveland. Officials decided to put 750 of the beds in Grafton in Lorain County, where a 500-bed reformatory had been planned, when it could not find a suitable site here. Graton already has an honor farm.

Stokes and some residents of the Coit Rd. area had said the prison would lower property values and pose a security problem for residents. White said studies showed there was no basis for such fears and that the area would become safer and property values would increase.

Prosser said Seiter based his decision on the majority report of the advisory committee that studied the Coit Rd. site. The committee approved it by a 5-4 vote.

"This has not been an easy public decision to make but I sincerely believe the long-term results will prove it to be the correct one," Seiter wrote Hannah.

"Housing prices will automatically go down. Would you buy a house next to a prison?" Pearson asked.

"Now maybe everybody in the area will have to buy a gun. This is wrong, entirely wrong. I feel like the black politicians sold us out. I'm, going to wait and face them on election day."

But Sebe Young, an advisory council member who supported the site, said he believe the reformatory would bring jobs and attract service industries.

"I'm 65 years old. I saw this community deteriorate. I saw the exodus to the suburbs. People, grocery stores, everything," Young said.

Asked about people who oppose the prison because they fear for their safety, Young said, "That's kind of ludicrous. It's not a prison who's going to rape your daughter. It's the man who hasn't been sent to prison."

Prosser said the reformatory would be screened from nearby homes by landscaping and that two electrified fences would surround it.

The reformatory will be the area's first. It is one of 12 new facilities planned to meet the growing prison population, now totaling 19,500 in 12 institutions.

Neighborhood Is Hot About State Corrections Decision

(By Dave Rowe)

The state and its prison apparently are going to move in and already, residents of the Coit Road area are thinking seriously of moving out.

"I'm going to consider it, and so are a lot of my neighbors," said longtime Coit Road homeowner John Baker upon learning that the state now definitely plans to build a 500-bed, medium security reformatory on the site of the old Fisher Body plant. "The property values are going to go down, and who is going to want to live in a prison camp?"

"Why put this in a residential area? They could put it out in the country somewhere," Baker said. "We've got kids here; they can't go out and play next to a prison."

"I'm bitterly against the prison, and against what it represents," said Earl Ellis, Baker's neighbor. "We protested against this think and it didn't do a darn bit of good. We even had rich people from Bratenahl protesting and it didn't do any good.

"The state doesn't give a darn about anyone's property but its own."

During the debate preceeding last week's decision, corrections department officials and State Sen. Michael White (D-21) had maintained that a prison would pose no safety threat to the neighborhood and that property values would actually increase, due to housing needs of prison employes.

"That's not what's going to happen," argued Michael Moore, another Coit Road resident. Moore, who bought his home there 12 years ago, now is taking steps to sell it. "This neighborhood is going to become totally a rental area, which means it's going to go down. Right now, most people are homeowners, but a lot of them are saying they aren't going to stay."

Moore believes efforts of Ward 10 Councilman Larry Jones and Cong. Louis Stokes (D-21) have fallen short of convincing the state to build elsewhere largely due to the lack of accountability of other elected officials.

"I think the neighborhood has been totally sold out," Moore said. "It's been sold out by Mike White, (State Rep.) Ike Thompson and by Gov. (Richard) Celeste. It's been clear from the start that the majority of people are totally against it. I think that, if they gave it a little time, the Fisher Body plant could be developed."

Dave Champion, the Park Corp.'s first and still only tenant in the huge old plant, also is unhappy with the state's decision. "With all the problems of a start-up, I certainly didn't need this," said Champion, who leased space before the state's interest in the site became public knowledge.

Bar Stop Inc., Champion's business, began customizing steel coils there last month, but Champion now is looking into potential relocation sites. "I'm going to look at a site on E. 55th Street. I'd like to stay in this area."

In the minority of area residents pleased with the news was Vernon Hollins of Coit Road. "It's excellent—it means more jobs and what this neighborhood needs is more jobs," Hollins said. "A lot of people around here don't have cars. As long as they hire people from around here, it'll be all right."

Representative Stokes Adds Voice To Fight Against Prison

(By Jim Parker)

Some 300 residents of Wards 10 and 11 cheered, applauded and amened last night while their leaders, from Congress to City Council, told them why there should be no prison in the aging, changed Collinwood community.

Leading the ticket and telling his enthusiastic audience what it wanted to hear was Rep. Louis Stokes, D-21, of Warrensville Heights.

"It is rare that I find myself in the district on a Thursday night," the nine-term congressman said, "but there is a crisis situation confronting the community tonight, and we," he said gesturing around him at the gathered political and community leaders behind the pulpit, "are here to tell you the facts."

The facts, Stokes said, are that the first proposed chairman of the citizens advisory committee on the $39-million, 500-bed medium security prison was Walter A. Burks, president of Burks Development Co., employer of State Sen. Michael R. White, D-21, and a potential contractor on the job.

White is a chief sponsor of the proposal to put the prison in the abandoned General Motors site on Coit Rd. near E. 140th St.

Stokes acknowledged that modern penal thought advocates putting prisons nearer urban areas, but "it is unknown anywhere to build one in the inner city," he said.

"If the people in that area don't want a prison, then that is my position. I don't want a prison in that part of my congressional district," Stokes said.

Later, Stokes introduced his two appointments to the advisory committee, neither of whom, perhaps strangely, live in the area.

Martha Smith, introduced by Stokes as a prolific writer and a member of The Plain Dealer's Editorial Board of Contributors, said she was initially denied her vote when she explained she could not make a particular meeting and was told the vote would not be until the next day.

She said she was allowed to vote the next day by phone.

Carl Anderson, introduced by Stokes as a Boston College graduate and a trial attorney, said he was present at the meeting where the vote was taken, but left early to study some reports.

Anderson said he was called the next day and told a vote had been taken. He asked what it was and said he was told that if he voted the way they expected it would be 5-5.

"I felt I must abstain and must make public that the process is tainted," Anderson said he told the Rev. James Hannah, committee chairman.

The committee approved the hotly contested proposal 5-4. Anderson's no vote would have resulted in a tie that would have been broken by the chairman's vote.

Hannah said later the motion to vote was made by one of the minority voters, and said there was no ramrod. Hannah said he would have cast a yes vote if needed.

Councilman Larry Jones, D-10, was joined by Councilman Michael D. Polensek, D-11, in telling the mixed, but mostly black audience that it was not too late to fight and pointed to a unanimous resolution from council opposing the prison.

Also present and acknowledged by Stokes was David Kramer, 30, a Democratic candidate for mayor.

Some Thoughts on the Use and Misuse of Power

(By Martha L. Smith)

I am a member of the committee which met to decide the suitability of the old Fisher Body auto plant as a site for a 500-1,000 bed prison. Even though I was part of the minority who felt a prison should not be built at that location, these thoughts are not primarily about the merits of either position. It is a look at the use and misuse of power.

I do not live in Collinwood and therefore am not directly affected by the final choice. What offends me as a black and as an American is the cavalier and insulting decision to build the prison despite the overwhelmng resistance of the community.

I joined the committee willing to consider the kind of sound evidence that might outweigh my basic conviction that it is rankest paternalism to presume to know what is best for another adult.

Certain local and state politicians, the Cleveland media and those who have the audacity to prescribe for others the medicine they would not take for themselves are afflicted with a malady suffered by many of our predecessors—the Tory who did not share the Minuteman's thirst for freedom, Dred Scott's master who was chagrined that this famous slave craved liberty. At the core, it is a lack of respect for people and a failure to understand that the end does not justify the means.

The ugly ghost of racial discrimination, still defying all attempts to lay it to rest, is a strong factor here. Two Greater Cleveland neighborhoods (both white) considered as possible sites for an urban prison declined that honor. They were respected. A black community which similarly declined was not.

A Plain Dealer editorial on the topic purposely confuses the bone of contention. "But several industries are near the site—which was a Fisher Body auto plant for decades—long before most of the current neighbors lived nearby. They knew that area before they moved in."

An industry and a prison are hardly synonymous. It adds insult to injury to suggest that this is so. Such a lame defense implies a lack of strong and convincing argument.

As a black American and a realist, I am quite aware of the need for prison reform. I subscribe fully to the idea that prisons should be accessible to visiting family and friends. I know that blacks are more likely than whites to be incarcerated for minor offenses, more likely to receive capital punishment. I know all the social and spiritual ills that feed the criminal justice system. I also know that it is highly lucrative, and reform is not the goal of many of those who profit from its present form.

What I fail to understand is how building a soon-to-be overcrowded prison on Coit Rd. will address prison reform issues. What I don't know is why white protests were honored and black protests were dismissed as the ignorant whining of persons who haven't enough sense to know what is good for them.

Another point must be made: It seems that the white politicians who represented the neighborhoods which turned down the golden opportunity to improve their communities with a prison listened to their constituents. They told prison director Richard Seiter thanks but no thanks. Some black politicial representatives apparently chose to do otherwise. They ignored their constituents. The oppressed turning oppressor is a sad and fascinating phenomenon.

If the prison is build on Coit Rd., in the face of overwhelming community opposition and insufficient space to humanely house 500 prisoners, it will be another chapter in the countless volumes on the misuse of power.

Force feeding, even for high and noble aims, is never the better way. When it is used to reach goals which, when shorn of rhetoric have little merit; it is not only dehumanizing but ultimately counterproductive.

It Seems Cheaper To Build Prisons

(By Richard M. Peery)

A couple of seemingly unrelated decisions in the past few weeks may tell more about the future of this community than all of the ballyhooed study plans that periodically paper the city. Cleveland is not known for civic cooperation, but seldom have a pair of actions from separate governmental agencies matched so well.

Among the cutbacks the Cleveland Board of Education is making to cope with a budget crunch is closing the Woodland Job Center, a unique training institution that gives another chance to school dropouts and pupils who require special counseling and remedial training to make it into the workaday world.

At the same time, Gov. Richard F. Celeste, Mayor George V. Voinovich and other leading local politicians have put their stamp of approval on a proposal to build a prison on the site of the former General Motors Coit Rd. factory where thousands used to work.

The job center's average enrollment has been about 500 students a quarter. The $38 million medium security reformatory is to have room for 500 inmates.

Only an uninformed cynic would suggest a deliberate connection. The decision makers in the school system certainly did not base the job center closing on communication with the prison builders. It's just that the facts dovetail so well.

But any similarity ends when it comes to the way community leaders have reacted to the two proposals. There was no response from local officeholders when the school board members said they were closing the job center reluctantly as a money saving move. On the other hand, a lot of elected officials have turned the prison's construction into a crusade.

These are politicans who remained absolutely silent as the school board laid off teachers' aides, reduced the staffs at magnet schools and got entirely out of the business of training adults in apprenticeship programs.

Yet, many of the politicians have shown the greatest compassion for the plight of prisoners in overcrowded jails. Their sympathy is certainly justified. Ohio's prisons are mass atrocities. State Sen. Michael White, D-21, is absolutely right when he says prisons should be built where family members and social service professionals have easy access to aid in rehabilitation.

But maybe just building more cells is an exercise in simplistic straw grasping rather than a serious way to meet the problems of overcrowded prisons and the fear of crime.

New prisons that are supposed to relieve overcrowding often have a way of becoming jammed beyond capacity themselves. There are more people behind bars now than ever before in history and they are serving longer sentences. Yet, the fear of crime does not seem to abate. Maybe we should be trying some other things with the money.

One of them could be keeping places like the Woodland Job Center open. Such schools might accurately be called prison-preventers because they train people to earn their own way. Poverty does not force anyone into a life of crime, but the best evidence is that it makes an illegal career harder to avoid. It's easier to be law-abiding when you have money in your pocket.

Records show that more than half of the job center's graduates have gone on to become wage earners. That's a lot when you consider the chances of the unskilled before they came to the school.

Of course, schools are less spectacular than prison projects. And those politicians whose mouths water when they smell construction contracts may not see the value of building people instead of buildings.

But wouldn't it be nice if they put as much energy into giving people a chance to keep out of jail as they do in fighting for new places to put them?

Lining Up at the Trough

A good case for building a prison in Collinwood is being undermined by the propensity of certain politicians to indulge in cronyism, conflicts of interests and political feuds.

The Coit Rd. decision was no sooner announced when it was learned that the property owner, Park Corp., is represented by Council President George L. Forbes' law firm. Park had had a hard time unloading the former Fisher Body plant. With the state coming to the rescue, it remains to be seen whether the state will buy it for the $300,000 that Park has said the property is worth.

In recent days, Rep. Louis Stokes has been blasting a potential challenger for his job—state Sen. Michael White—for promoting a prison in Cleveland to benefit White's private-sector boss, Walter Burks. White no longer works for the Burks Development Co., which was to oversee the prison construction. But having a different title in Burks' empire does not change the aroma of a conflict.

Nor is the air made any cleaner by the reported switch of Burks' contract from Coit Rd. to another prison project in Grafton. William Sykes, the state bureaucrat in charge of making crony decisions look rational, says no decision has been made on construction managers. Nonetheless, the word clearly is out in government and industry circles.

Burks also is co-manager of the W.O. Walker worker rehabilitation center being built, at long last, at Euclid Ave. and E. 105th St. The other manager is Snavely Construction Co., whose owner, Thomas Snavely, is a former business associate of Gov. Celeste's father, Frank.

Both Burks and Snavely are experienced construction people. For a contractor to have political ties is not unusual, especially to get government contracts. Since Burks is a longtime friend and supporter of the governor, he did not need White to put in a word with Celeste. But White did help rally public support for the Coit site. Otherwise, Cleveland would have lost the prison to Grafton, and with it a separate construction contract.

White stuck his neck out politically in behalf of the governor and the reform-minded concept of an urban location for a prison. He is savvy enough to have sought legal rulings on his ties to Burks. They may hold up technically, but they don't wash publicly. He and his wife both work for an employer getting a contract on a project White promoted.

The administration is right in seeking qualified minority contractors. And its deals with political chums may be no more rampant than in regimes that were more discrete. But the prison has dumped the governor into another quagmire. When Celeste promised an end to business as usual, nobody thought he meant doing business ineptly.

Coit Contractors Got Word Early

(By John S. Long)

The state officially announced the construction managers for the Coit Rd. and Grafton prisons yesterday, nearly three weeks after it quietly selected and informed the companies they would be getting the work.

Gilbane Construction Co. will operate in a combined venture with Burks Development Co. and Polytech Inc. as construction manager at the Coit Rd. site, although the state has yet to purchase the location from the Park Corp.

Construction managers at the Grafton prison will include Turner Construction Co. along with Ozanne Construction, Los Primos Inc. and Mary Zunt Associates.

Construction managers oversee building projects and generally are paid 5% of the total contract price. It is estimated each prison will cost $40 million, so construction managers on each project would divide $2 million.

The Plain Dealer reported last week the state had chosen Gilbane-Burks for Coit Rd. and Turner-Ozanne for Grafton before it had announced that Coit Rd. would be the location for the Cleveland area prison.

But the state considered switching the contracts because the administration of Gov. Richard F. Celeste feared conflict of interest charges since State Sen. Michael R. White, D-21, of Cleveland, a main force supporting the selection of the Coit Rd. site, is a business partner of Walter Burks, president of Burks Development Co.

White said last week he disagreed with the idea of switching the contractors because it added to the appearance of a conflict.

Yesterday he said Gilbane-Burks competed and won and should not be penalized because of its associates or because of unfounded innuendo. "They won without involvement from me or the governor's office," White said.

Burks was not the only politically connected firm to be awarded a construction-management contract yesterday.

Los Primos, a Canton-based minority firm, is owned by Roy Gutierrez, a Canton lawyer who is also chairman of the Stark County Democratic Party. Mary Zunt is a former Cleveland city councilwoman.

Los Primos and Mary Zunt do not have the construction management background the other firms have and will provide "less technical and more supportive services to the management team," said Gretchen Hall, state Department of Administrative Services spokeswoman. Hall said she did not know what those services entailed.

The Coit Rd. prison site has been a center of controversy among some area residents who said the prison would lower property values and be a security problem. This contingent has been led by Rep. Louis Stokes, D-21, of Warrensville Heights.

White has led those supporting the site. He has said studies show there was no basis for the fears. He predicted the area would become safer and property values would increase after the 500-bed prison was built.

The property had been a General Motors Corp. Fisher Body plant until the automaker halted production in August 1983. It was sold the next April.

[From the Akron Beacon Journal, June 19, 1985]

Conflict Denied, Cleveland Jail Pact Awarded

(By John Funk)

Despite questions about conflict of interest, the Ohio Department of Administrative Services has awarded a Cleveland prison construction contract to a former employer of state Sen. Mike White, D-Cleveland, a chief proponent of the prison.

The department, a division of Gov. Richard F. Celeste's administration that awards contracts and makes purchases, awarded on Tuesday the construction of the Coit Road prison to a consortium of three companies, including the Burks Development Co.

Until June 1, Burks employed Sen. White as a sales representative. He also did administrative work for the company. Additionally, company president Walter Burks and White have been business partners in the recent past.

When it became clear that Burks was a contender for the $30 million Coit Road prison project, U.S. Rep. Louis Stokes, D-Warrensville Heights, and others raised questions about a possible conflict of interest. White acknowledged the appearance of a conflict but denied any and said he had kept state officials, including the attorney general, apprised on his situation.

White said last week that he had been cleared of any potential conflict of interest. He said his decision to quit Burks was unrelated.

Gretchen Hull, a spokesperson for Administrative Services, had no comment Tuesday on the question of conflict of interest.

Burks, a minority-headed company, will be paired with Polytech, another minority-headed company, and the Gilbane Building Co., a major contractor, Ms. Hull said.

Gilbane-Polytech is the joint venture contractor for the Sohio Building in downtown Cleveland.

"Obviously, the administration is anxious to aid and develop small, minority firms. And the best way is to link them with large companies like this," Ms. Hull said. Stokes could not be reached for comment Tuesday.

Administrative Services also awarded a second prison construction contract for $36 million in Grafton to a similar joint venture of minority-headed firms tied to a major contractor. That joint venture will involve the Turner Construction Co. and minority firms of Ozanne Construction, Los Primos and Mary Zunt Associates.

Ms. Zunt is a former Cleveland council member.

Ms. Hull said she could not comment on reports from sources close to the prison projects that the state had planned to switch the two projects to avoid the appearance of a conflict.

The state is negotiating to buy a 46-acre parcel at Coit Road and East 140th Street in Cleveland for the new 500-bed medium security prison, Ms. Hull said.

In addition to Stokes, Cleveland City Council is opposed to a prison at that location because it is a residential area.

[From the Plain Dealer, July 1, 1985]

State Ready To Pay 16 Times Last Price of Prison Site Land

(By Joseph D. Rice and John Long)

Ohio has budgeted $3 million to $5 million to buy land for a prison site in Cleveland. The owner of the land paid $300,000 for it about a year ago. The state could have bought the land for $1.8 million about 18 months ago.

Daniel Shields, state public works director, said a new appraisal of the property, the former General Motors Corp.'s Fisher Body plant on Coit Rd. near E. 140th St., should be done by August.

State Corrections Director Richard P. Seiter said he expected to pay less than $3 million to $5 million for the land, but declined to discuss the amount he had in mind.

"But everybody that's dealt with me thinks I'm pretty cheap, from the corporations to the contract managers," said Seiter.

The state refused to pay $1.8 million for the land nearly 18 months ago. About three months later, GM sold the property to a non-profit group that resold it the same day to Park Corp., the present owner.

Park Corp. stands to reap millions in profit—as much as $8.5 million by one estimate—from sale of the land and auctioning equipment bought separately.

County Auditor J. Timothy McCormack assessed the property at $8.2 million in 1983 when GM said it was worth $4.8 million. Park Corp. has asked the county board of revision, which decides appeals on tax appraisals, to cut the value to $300,000.

Park bought it for $300,000 in April 1984 from the National Council for Community Development Inc. Park Corp. paid $200,000 for equipment GM left. The equipment was

assessed by the county at $3.9 million in 1984.

Earlier this month, Park auctioned off much of the equipment. Park officials did not return numerous calls from The Plain Dealer seeking to find out how much the equipment sold for. If the auction brought the full assessed value and the state paid $5 million, Park could realize a profit of $8.5 million.

GM closed the 65-year-old Coit Rd. plant in September 1983 and tried to sell the 1.6 million-square-foot building and its 46 acres or donate them to charity and take a tax deduction.

In late 1983, Ostendorf-Morris Co., a Cleveland company specializing in selling commercial property, approached the Ohio Department of Rehabilitation and Correction about buying the plant as a penitentiary site. Joseph Ditchman, Ostendorf-Morris vice president, said GM wanted $1.8 million but was open to offers.

Seiter said he rejected the offer because the state was looking then for at least 70 acres for a 1,250-bed medium-security prison. Earlier this year, Seiter changed plans and decided to move 750 of the proposed beds to the Grafton prison, in Lorain County, and build a 500-bed prison on the smaller Coit Rd. site.

In early 1984, GM offered the property to the National Council, a nonprofit New York corporation that tries to create jobs and build tax bases in cities. National Council initially rejected the idea.

"GM came to us and said they wanted to donate the property to us," said National Council Executive Director Robert W. Davenport. "We said, "That's very kind, but we have no way of taking care of it and won't accept it until we have a buyer for it."

Canter said under federal tax law, GM could not restrict future use of the property if the corporation wanted a tax deduction.

Davenport said the council did not restrict future use when it sold the plant to Park. "It was our understanding and Park's intention to subdivide it and turn it into smaller units, "Davenport said. "I have no reason to believe they (Park) weren't totally sincere when they took the property from us.

"Our whole public purpose is to create jobs for the community. We never would have stood still for the type of transaction (for a prison) that it is now likely to be.

"When I found out that was going to be turned into a prison, I was in a state of shock. That's not what we intended it to be," Davenport said.

Davenport said nothing can be done because Park owns the property. In future sales, he said, he will try to write in guarantees so the land will be used only to create jobs.

Davenport said he did not know how the sale price to Park was agreed on, and speculated it might have been the only offer the council received. But a realtor involved in the sale, who asked not to be identified, said many people had been interested in the property.

The PD, without mentioning names, described the deal to IRS spokesman Steve Pyrek in Washington and asked if the sale for below market value violated any laws.

Pyrek said of the transactions, "It doesn't sound to me as if it should be . . . but I'm no expert. It sounds real shady, but I don't know specifically if it is."

Pyrek said there was nothing wrong with a non-profit organization's obtaining property and selling it the same day, as long as "the charity sells the land for fair market value."

When asked whether the IRS considered a $300,000 price tag for land valued between $5 million and $8 million as fair market value, Pyrek said it depended on the specific circumstances of the sale.

"That brings up all sorts of questions," said Pyrek. "It could be a problem, it is quite possible that is a problem, but it is tough to generalize in cases like these."

"There is no obligation to sell at fair market value," Canter said. "The market value assumes you had a rational profit maximizer, with wherewithal to maximize potential Charities don't.

"If you are a charity and you receive a property, what are you going do do with it? You liquidate it. Any charity will liquidate as soon as possible," Canter said.

National Council found a buyer—Park Corp.—through Ostendorf-Morris.

The sale to the council and then to Park occurred about the month after Park officials learned the land had been discussed as a potential site for a prison, sources told The Plain Dealer. Soon after it purchased the Coit Rd. land, Park resumed sale talks with state corrections officials.

Davenport said the council got the GM plant in a "bargain sale. A bargain sale is the technical name for a donation which is (part) donation and part sale," explained Davenport in a letter to Rep. Louis Stokes' office.

Davenport told Stokes, D-21, of Warrensville Heights, an opponent of building a prison on Coit Rd., the council did not know Park Corp. would try to sell the land to the state for a prison.

"A prison does not meet the economic development objectives the council pursues," Davenport's letter said. "Had we any idea that the property would be so utilized, we would not have participated in the transaction."

The council also does not become involved in a piece of property with "a negative social, or economic nature," he wrote.

[From the Plain Dealer, July 7, 1985]

Playing "The Price Is Right"

In a deal with a repugnant odor, Ohio may spend two or three times as much as it could have spent 18 months ago for the Coit Rd. prison site.

Not that anything has been proven illegal, mind you, but something is seriously wrong when $3 million to $5 million is set aside for property that was offered for $1.8 million in late 1983.

Something is seriously wrong when estimated values and actual sales vary widely. The county auditor assessed the former auto plant at $8.2 million in 1983, but General Motors claimed it to be worth $4.8 million. In a tax writeoff, GM unloaded it for $300,000 to a charity, which instantly resold land and buildings for that amount, but profited by peddling $3.9 million in equipment for $200,000.

Something is seriously wrong when the state could wind up paying a whopping 10 to 16 times more than the Park Corp. paid for the same property in April 1984.

Perhaps the politically connected Park Corp. simply was practicing basic free enterprise by shrewd deals. If property and equipment resales bring top dollar, Park could realize more than $8 million on a $500,000 investment—made only after Park learned the state was interested in the site.

Perhaps something more is involved in this tidy arrangement that would involve millions of tax dollars. How can there be such wild swings in the value of a piece of property—from $8.2 million down to $300,000 them up to as much as $5 million—all in just two years?

The Celeste administration does not have to pay as much as is provided in the new state budget. The $5 million is maximum. Nor does Park, which must continue to do business in this city and state, need to ask an exhorbitant price

There are sound reasons that favor building a prison in Cleveland and using the Coit Rd. property. But so far the project has reinforced the state's experience that it is nearly impossible to do anything constructive in Cleveland because of chronic political infighting and money shenanigans. The price ploy as the kind of issue that twitches the nostrils of IRS sleuths, enrages the taxpaying public and enlivens a gubernatorial campaign.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Strang) to revise and extend their remarks and include extraneous material:)

Mr. Porter, for 15 minutes, today.

(The following Members (at the request of Mr. Gonzalez) to revise and extend their remarks and include extraneous material:)

Mr. Pepper, for 5 minutes, today.

Mr. Rodino, for 5 minutes, today.

Mr. Mazzoli, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. MacKay, for 5 minutes, today.

Mr. Mavroules, for 5 minutes, today.

Mr. Lundine, for 5 minutes, today.

Mr. Seiberling, for 30 minutes, today.

Mr. Gonzalez, for 60 minutes, today.

Mr. Conyers, for 5 minutes, September 4.

Mr. Conyers, for 5 minutes, September 5.

Mr. Conyers, for 5 minutes, September 6.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Sensenbrenner, during debate on H.R. 3008, in the Committee of the Whole, today.

Mr. Coughlin, during consideration of Senate Joint Resolution 168, today.

Mrs. Bentley, prior to the vote on the amendment in disagreement on the supplemental appropriations on water resources in the Committee of the Whole, today.

Mr. Brooks, prior to passage of H.R. 1460, in the Committee of the Whole, today.

Mr. Nielson of Utah, prior to the vote on House Resolution 241, today.

Mr. Lowery of California, in support of the conference report on Senate

Concurrent Resolution 32, first concurrent resolution on the budget, fiscal year 1986, prior to the vote thereon.

Mr. Stokes, and to include extraneous matter, notwithstanding the fact that it exceeds 2 pages of the Record and is estimated by the Public Printer to cost $1,932.

(The following Members (at the request of Mr. Strang) and to include extraneous matter:)

Mr. Cheney in two instances.
Mr. Ritter.
Mr. Sensenbrenner in two instances.
Mr. Wolf.
Mr. Wortley in two instances.
Mr. Moorhead.
Mr. Lagomarsino in two instances.
Mr. Goodling in two instances.
Mr. Gilman in three instances.
Mr. Kindness.
Mr. Saxton.
Mr. Fawell.
Mr. Green.
Mr. Coble in two instances.
Mr. McDade in two instances.
Mr. Campbell.
Mr. Thomas of California.
Mr. Gunderson.
Mr. Rinaldo.
Mrs. Roukema in two instances.
Mr. Lott in two instances.
Mrs. Bentley in two instances.
Mr. Pursell.
Mr. Duncan.
Mr. Miller of Washington.
Ms. Fiedler.
Mrs. Martin of Illinois.
Mr. Lent.
Mrs. Johnson.
Mrs. Vucanovich.
Mr. Denny Smith.
Mr. Gallo.
Mr. Porter in three instances.
Mr. Courter.
Mr. Livingston.
Mr. Jeffords in two instances.
Mr. Sweeney.
Mr. Kemp.
Mr. Dornan of California in three instances.

(The following Members (at the request of Mr. Gonzalez) and to include extraneous matter:)

Mr. Jacobs in two instances.
Mr. Traficant.
Mr. Coelho.
Mr. Tallon.
Mr. Beilenson.
Mr. Rangel in two instances.
Mr. Pease.
Mr. Mazzoli.
Mr. Mineta in two instances.
Mr. Kanjorski.
Mr. Dymally.
Mr. Scheuer.
Mr. Hertel of Michigan.
Mr. DeLugo.
Mr. Gordon.
Mr. Ackerman.
Mr. Mavroules.
Mr. Garcia in three instances.
Mr. Andrews.
Mr. Lantos in four instances.
Mr. Lipinski in three instances.
Mr. Barnes.
Mr. Hayes.
Mr. Fascell in three instances.
Mr. Morrison of Connecticut in three instances.
Mr. Tallon.
Mr. Roybal in two instances.
Mr. Schumer.
Mr. Applegate in two instances.
Mr. Savage.
Mr. Yatron.
Mr. Markey in three instances.
Mr. Richardson.
Mr. Smith of Florida.
Mrs. Kennelly in two instances.
Mr. Solarz.
Mr. Waxman.
Ms. Mikulski in three instances.
Mr. Stark in three instances.
Mr. AuCoin in three instances.
Mr. Torres in two instances.
Mr. Wirth in three instances.
Mr. Clay in two instances.
Mr. Anthony in two instances.
Mr. Stallings.
Mr. Edgar.
Mr. Miller of California.
Mr. Lundine.
Mr. Ralph M. Hall.
Mr. Hoyer in two instances.
Mr. Florio.
Mr. Lipinski in three instances.
Mr. Matsui in two instances.
Mr. Gray of Pennsylvania.
Mr. Bedell.
Mr. Hawkins in two instances.
Mr. Stokes in three instances.
Mr. Kostmayer in three instances.
Mr. Brooks.
Mr. Oberstar.
Mr. Waxman.
Mr. Fauntroy.
Mr. Rahall in two instances.
Mr. Leland.
Mrs. Boggs.
Mr. Biaggi.
Mr. Hubbard in two instances.
Ms. Oakar.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 63. An act to encourage the rendering of in-flight emergency care aboard aircraft by requiring the placement of emergency first aid medical supplies and equipment aboard aircraft and by relieving appropriate persons of liability for the provision and use of such equipment and supplies; to the Committee on Public Works and Transportation.

S. 974. An act to provide for protection and advocacy for mentally ill persons; to the Committee on Energy and Commerce.

S. 1106. An act to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in dockets numbered 57, 59, and 13E of the Indian Claims Commission and docket numbered 13F of the United States Claims Court, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1349. An act to provide for the use and distribution of funds awarded in docket 363 to the Mdewakanton and Wahpekute Eastern or Mississippi Sioux before the United States Court of Claims and Claims Court; to the Committee on Interior and Insular Affairs.

S. 1515. An act to authorize a partial transfer of the authority of the Maine-New Hampshire Interstate Bridge Authority to the States of Maine and New Hampshire; to the Committee on Public Works and Transportation.

S. 1529. An act to authorize appropriations for State and community highway safety grants, and for other purposes; to the Committee on Public Works and Transportation.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolution of the Senate of the following titles:

S. 1195. An act to amend title 3, United States Code, to authorize the use of penalty and franked mail efforts relating to the location and recovery of missing children, and

S.J. Res. 180. Joint resolution commemorating the tenth anniversary of the signing of the Helsinki Final Act.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, pursuant to House Concurrent Resolution 179, I move that the House do now adjourn to meet at noon on Wednesday, September 4, 1985.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. Gonzalez].

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of House Concurrent Resolution 179, 99th Congress, the House stands adjourned until 12 o'clock noon, Wednesday, September 4, 1985.

Thereupon (at 10 o'clock and 14 minutes p.m.), pursuant to House Concurrent Resolution 179, the House adjourned until Wednesday, September 4, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1804. A letter from the Comptroller General of the United States, transmitting a review of the President's ninth special message dated May 16, 1985, proposing two rescissions of budget authority, pursuant to 2 U.S.C. 685 (H. Doc. No. 99-93); to the Committee on Appropriations and ordered to be printed.

1805. A letter from the Director, Defense Security Assistance Agency, transmitting notice of proposed sale of defense articles in excess of $50,000,000 from inventories of regular components of the Armed Forces or

current production, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1806. A letter from the Director, Defense Security Assistance Agency, transmitting notice of proposed sale or transfer of defense articles to Norway in excess of $50,000,000 from inventories of regular components of the Armed Forces or current production, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1807. A letter from the Secretary of Education, transmitting a copy of final regulations regarding the final list of critical languages under title II of the Education for Economic Security Act, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1808. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of the President's determination that it is important to U.S security interests to provide FAA funds to Jamaica under the special authority of section 614 of the act, pursuant to 22 U.S.C. 2364(a)(1); to the Committee on Foreign Affairs.

1809. A letter from the Director, Defense Security Assistance Agency, transmitting a notice of intent of offer to sell certain defense articles or services to Norway (Transmittal No. 85-47), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1810. A letter from the Director, Defense Security Assistance Agency, transmitting a notice of intent of offer to sell certain defense articles or services to Japan (Transmittal No. 85-48), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1811. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting a report on the suspension of deportation of certain aliens of good character and with required residency when deportation causes hardship under section 244(a), Immigration and Nationality Act, pursuant to INA, section 244(c) (66 Stat. 214, 76 Stat. 1247); to the Committee on the Judiciary.

1812. A letter from the Acting Assistant Attorney General, Office of Legislative and Intergovernmental Affairs, transmitting a draft of proposed legislation to provide for comprehensive reforms and to achieve greater equity in the compensation of attorneys pursuant to Federal statute in civil and administrative proceedings in which the United States, or a State or local government, is a party; to the Committee on the Judiciary.

1813. A letter from the Secretary of State, transmitting a report on the origin, contents, destination and disposition of all humanitarian goods and supplies to countries in Central America, pursuant to Public Law 98-525, section 1540(e) (98 Stat. 2538); jointly, to the Committees on Armed Services and Foreign Affairs.

1814. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to reduce costs in the Medicare and Medicaid programs, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

1815. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend Indian health authorities, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, Energy and Commerce, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FASCELL: Committee of conference. Conference report on H.R. 1460 (Rept. No. 99-242). Ordered to be printed.

Mr. MOAKLEY: Committee on Rules. House Resolution 250. Resolution providing for the consideration of H.R. 2372, a bill authorizing appropriations for carrying out the Federal Railroad Safety Act of 1970, and for other purposes. (Rept. 99-243). Referred to the House Calendar.

Mr. WHEAT: Committee on Rules. House Resolution 251. Resolution warning certain points of order against the conference report on H.R. 1460, a bill to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes (Rept. 99-244). Referred to the House Calendar.

Mr. WHITTEN: Committee on Appropriations. Tentative report on subdivision of budget totals for fiscal year 1986 (Rept. 99-245). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1520. A bill to promote and expand the vitality of the United States copper industry; with amendments (Rept. 99-246, Pt. I). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 1232. A bill to provide a comprehensive system of liability and compensation for oil-spill damage and removal costs, and for other purposes; with amendments (Rept. 99-247 Pt. I). Ordered to be printed.

Mr. DERRICK: Committee on Rules. House Resolution 253. A Resolution waving points of order on rules against and providing procedures for consideration of the conference report on Senate Concurrent Resolution 32, setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988 and revising the congressional budget for the U.S. Government for the fiscal year 1985, or any amendment in disagreement thereto. (Rept. 99-248). Referred to the House Calendar.

Mr. GRAY of Pennsylvania: Committee of Conference. Conference report on Senate Concurrent Resolution 32 (filed in disagreement). (Rept. 99-249). Ordered to be printed.

Mr. ROSTENKOWSKI: Committee of conference. Conference report on H.R. 2475 (Rept. 99-250). Ordered to be printed.

Mr. OBEY: Committee on Appropriations. H.R. 3228. A bill making appropriations for foreign assistance and related programs for the fiscal year ending September 30, 1986, and for other purposes (Rept. 99-252). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 6. A bill to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure; with an amendment; referred to the Committee on Interior and Insular Affairs for a period ending not later than September 5, 1985, to the Committee on Merchant Marine and Fisheries for a period ending not later than September 15, 1985, and to the Committee on Ways and Means for a period ending not later than September 23, 1985, for consideration of such portions of the amendment as fall within the jurisdiction of those committees pursuant to clauses 1 (l), (n) and (v), rule X, respectively (Rept. 99-251, Pt. 1). Ordered to be printed.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2817. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; with an amendment; referred, for a period ending not later than 10 calendar days after either the Committee on Public Works and Transportation or the Committee on Ways and Means reports the bill, whichever occurs first, to the Committee on the Judiciary for consideration of such portions of Titles I through III of the bill and amendment as fall within its jurisdiction pursuant to clause 1(m) of rule X, and to the Committee on Merchant Marine and Fisheries for consideration of such portions of titles I and II, except for section 206, of the bill and amendment as fell within its jurisdiction pursuant to clause 1(n) of rule X (Rept. 99-253, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RODINO (for himself, Mr. Hughes, Mr. Whitehurst, Mr. Green, and Mr. Torricelli):

H.R. 3155. A bill to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. JONES of North Carolina (for himself, Mr. Biaggi, and Mr. Lent):

H.R. 3156. A bill to revise, consolidate, and enact certain laws related to admiralty and maritime liability as subtitles I and III of title 46, United States Code, "Shipping"; to the Committee on Merchant Marine and Fisheries.

H.R. 3157. A bill to revise, consolidate, and enact certain laws related to maritime liability for personal property and goods as chapters 307 and 309 of title 46, United States Code, "Shipping"; to the Committee on Merchant Marine and Fisheries.

H.R. 3158. A bill to revise, consolidate, and enact certain laws related to maritime commercial instruments and liens and public vessels and goods as chapters 313 and 315 of title 46, United States Code, "Shipping"; to the Committee on Merchant Marine and Fisheries.

By Mr. BENNETT:

H.R. 3159. A bill to establish the Crisis Management Council for the purpose of studying international political, economic, and military happenings, and for other purposes; to the Committee on Foreign Affairs.

By Mr. JEFFORDS:

H.R. 3160. A bill to amend the Agricultural Act of 1949 to establish a permanent program to support the price of milk, to amend the Dairy Production Stabilization Act of 1983 to establish the National Dairy Re-

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search Endowment Institute, and for other purposes; jointly, to the Committees on Agriculture and Ways and Means.

By Mrs. BENTLEY:

H.R. 3161. A bill to restrict payments to alien recipients of Social Security benefits and for other purposes; to the Committee on Ways and Means.

By Mr. BEREUTER:

H.R. 3162. A bill to require the President to take certain actions to obtain relief from nontariff trade barriers imposed by foreign countries against agricultural goods produced in the United States; to the Committee on Ways and Means.

By Mr. BERMAN:

H.R. 3163. A bill to amend title 17, United States Code, to clarify the derivative works exception to the termination of a copyright grant; to the Committee on the Judiciary.

By Mr. BIAGGI (for himself, Mr. Jones of North Carolina, and Mr. Lent):

H.R. 3164. A bill to amend section 607 of the Merchant Marine Act, 1936, to ensure consistent use of funds made available for capital construction of vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BONKER:

H.R. 3165. a bill to authorize additional appropriations for the Department of State for the fiscal year 1986 for the purpose of expanding and modernizing the facilities of the Coordinating Committee on Export Controls and to provide for appointment by the Secretary of State of the members of the U.S. Permanent Delegation to the Coordinating Committee; to the Committee on Foreign Affairs.

By Mr. BONKER (for himself, Mr. Mica, Mr. Berman, Mr. MacKay, Mr. Levine of California, Mr. Roth, Mr. Bereuter, and Mr. Zschau):

H.R. 3166. A bill to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation; to the Committee on Foreign Affairs.

By Mr. BREAUX (for himself and Mr. Young of Alaska):

H.R. 3167. A bill to establish a National Fish Hatchery System within the Fish and Wildlife Service, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BROOKS:

H.R. 3168. A bill to require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of Federal funds, and for other purposes; to the Committee on Government Operations.

By Mr. DeLAY:

H.R. 3169. A bill to amend the Federal Water Pollution Control Act to authorize the Secretary of the Army to issue, on a nationwide basis, a general permit for the discharge of dredged and fill material into certain navigable waters; to the Committee on Public Works and Transportation.

By Mr. DELLUMS:

H.R. 3170. A bill to increase the rate of compensation of citizen members of the National Capital Planning Commission from $100 per day to the daily equivalent of the rate established for positions at level IV of the Executive Schedule, and to establish the responsibilities of such Commission relating to demolitions; to the Committee on District of Columbia.

By Mr. DYMALLY:

H.R. 3171. A bill to require persons who obtain or renew oil or gas leases with the United States to have a plan for contracting with minority firms for activities undertaken under the leases; to the Committee on Interior and Insular Affairs.

By Mr. EDGAR (for himself and Mr. Yatron):

H.R. 3172. A bill to direct the Administrator of the Environmental Protection Agency to conduct a national assessment of the extent to which radon gas formed from naturally occurring deposits of uranium is a threat to public health, to authorize a demonstration program to test methods of eliminating the threat to public health from radon gas, and to authorize disaster relief assistance for releases of radon gas; jointly, to the Committees on Energy and Commerce, and Public Works and Transportation.

By Mr. FAWELL (for himself, Mr. Porter, Mr. Hyde, Mr. Lightfoot, and Mr. Grotberg):

H.R. 3173. A bill to amend the Fair Labor Standards Act of 1938 to provide as exemption from the minimum wage and overtime requirements of that act for employees of State and local public agencies, and for other purposes; to the Committee on Education and Labor.

By Mr. FRANK (for himself, Mr. Glickman, Mr. Staggers, Mr. Kindness, Mr. Crockett, Mr. Berman, Mr. Boucher, Mr. Swindall, Mr. Ackerman, Mr. Andrews, Mr. Barnard, Mr. Bates, Mrs. Boxer, Mr. Bustamante, Mr. Coelho, Mr. Conte, Mr. Conyers, Mr. Coyne, Mr. Dellums, Mr. Dicks, Mr. Donnelly, Mr. Dorgan of North Dakota, Mr. Eckart of Ohio, Mr. Edgar, Mr. Edwards of California, Mr. Evans of Illinois, Mr. Fauntroy, Mr. Fazio, Mr. Ford of Tennessee, Mr. Fuster, Mr. Garcia, Mr. Gejdenson, Mr. Hall of Ohio, Mr. Hoyer, Mr. Hawkins, Mr. Hughes, Mr. Hyde, Mr. Jacobs, Mr. Kildee, Mr. Kolbe, Mr. Kolter, Mr. Leland, Mr. Levin of Michigan, Mrs. Lloyd, Mr. Lundine, Mr. MacKay, Mr. Markey, Mr. Martinez, Mr. Matsui, Mr. Mineta, Mr. Mitchell, Mr. Moakley, Mr. Mrazek, Mr. O'Brien, Mr. Owens, Mr. Rahall, Mr. Rangel, Mr. Ridge, Mr. Roe, Mr. Rose, Mr. Russo, Mrs. Schneider, Mrs. Schroeder, Mr. Slattery, Mr. Smith of Florida, Mr. Solarz, Mr. Stark, Mr. Stokes, Mr. Studds, Mr. Udall, Mr. Vento, Mr. Whitehurst, Mr. Williams, Mr. Wirth, and Mr. Wise):

H.R. 3174. A bill to amend chapter 171 of title 28, United States Code, to allow members of the Armed Forces to sue the United States for damages for certain injuries caused by improper medical care; to the Committee on the Judiciary.

By Mr. GREEN:

H.R. 3175. A bill to require Romania to comply with the Consular Convention and Protocol of July 5, 1972, as a condition of continued preferential trade treatment; to the Committee on Ways and Means.

By Mr. HUNTER:

H.R. 3176. A bill to amend the Arms Export Control Act to increase the penalties for certain violations under that act; jointly, to the Committees on Foreign Affairs and the Judiciary.

By Mr. JEFFORDS:

H.R. 3177. A bill to amend the Older Americans Act of 1965 to require that all the members of the Federal Council on the Aging be appointed by the President, by and with the advice and consent of the Senate; to the Committee on Education and Labor.

By Mr. Jenkins (for himself, Mr. Anthony, Mr. Flippo, Mr. Darden, Mr. de la Garza, Mr. Foley, Mr. Madigan, Mr. Coelho, Mr. Thomas of Georgia, and Mr. Thomas of California):

H.R. 3178. A bill to amend the Internal Revenue Code in order to clarify the right of cooperatives to net earnings and losses among patronage allocation units, and for other purposes; to the Committee on Ways and Means.

By Mrs. KENNELLY (for herself, Mr. Pickle, and Mr. Archer):

H.R. 3179. A bill to amend the Internal Revenue Code of 1954 to provide that employees may make certain contributions to provide for cost-of-living protection under a defined benefit plan, and for other purposes; to the Committee on Ways and Means.

By Mrs. KENNELLY (for herself, Mr. Russo, Mr. Anthony, Mr. Archer, Mr. Campbell, Mr. Cooper, Mr. Daub, Mr. Downey of New York, Mr. Duncan, Mr. Gregg, Mr. Heftel of Hawaii, Mr. Jenkins, Mr. Smith of New Hampshire, Ms. Snowe, and Mr. Vander Jagt):

H.R. 3180. A bill to permanently exempt from the Federal unemployment tax wages paid to full-time students employed by summer camps; to the Committee on Ways and Means.

By Mr. KINDNESS:

H.R. 3181. A bill to provide for comprehensive reforms and to achieve greater equity in the compensation of attorneys pursuant to Federal statute in civil and administrative proceedings in which the United States, or a State or local government, is a party; to the Committee on the Judiciary.

By Mr. LEHMAN of California (for himself, Mr. Pashayan, Mr. Coelho, and Mr. Thomas of California):

H.R. 3182. A bill to authorize the construction of the Mid-Valley Unit of the Central Valley Project; to the Committee on Interior and Insular Affairs.

By Mrs. LLOYD:

H.R. 3183. A bill to prohibit permanently the issuance of regulations on the taxation of fringe benefits; to the Committee on Ways and Means.

H.R. 3184. A bill to amend the Internal Revenue Code of 1954 to allow employers a tax credit for hiring displaced homemakers; to the Committee on Ways and Means.

By Mr. LUKEN:

H.R. 3185. A bill to amend the Clean Air Act to require the Administrator of the Environmental Protection Agency to determine the effectiveness of State vehicle emission control inspection and maintenance programs before implementing the additional State plan requirements under the Clean Air Act applicable to such programs; to the Committee on Energy and Commerce.

By Mr. LUNDINE (for himself, Mrs. Roukema, Mr. Frank, Mr. Gradison, Mr. Lewis of California, Mr. Moody, Mrs. Schneider, Mrs. Schroeder, and Mr. Stark):

H.R. 3186. A bill to authorize a price support program for the 1986 and succeeding crops of peanuts; to the Committee on Agriculture.

By Mr. McCOLLUM (for himself and Mr. Robert F. Smith):

H.R. 3187. A bill to amend the Immigration and Nationality Act to provide for a

United States Immigration Court, to reform adjudication procedures and asylum, and for other purposes; to the Committee on the Judiciary.

By Mr. McDADE:

H.R. 3188. A bill to strengthen the counterintelligence capabilities of the Department of Defense, to amend the Uniform Code of Military Justice to establish penalties for espionage in peacetime, to create a Presidential Commission to study the effectiveness of the changes made in this legislation, to provide increased penalties for espionage, and for other purposes; jointly, to the Committees on Armed Services, the Judiciary, Government Operations, and Foreign Affairs.

By Mr. MARKEY (for himself and Mr. Sikorski):

H.R. 3189. A bill to reform the Residential Conservation Service and the Commercial and Apartment Conservation Service; to the Committee on Energy and Commerce.

By Mr. MATSUI:

H.R. 3190. A bill entitled: "The Higher Education Disclosure Act"; to the Committee on Education and Labor.

By Mr. MONTGOMERY (by request):

H.R. 3191. A bill to amend title 38, United States Code, to require that non-Federal providers of hospital care and services receiving direct payment of Medicare funds for services to Medicare beneficiaries provide similar services to VA beneficiaries under similar VA payment policies; to the Committee on Veterans' Affairs.

H.R. 3192. A bill to amend title 38, United States Code, to clarify the authority of the Chief Medical Director or designee regarding disciplinary actions on certain probationary title 38 health care employees; to the Committee on Veterans' Affairs.

H.R. 3193. A bill to amend title 38, United States Code, to remove the requirement that the Administrator administer garage and parking appropriations and fees as a revolving fund; to the Committee on Veterans' Affairs.

By Mr. MURPHY:

H.R. 3194. A bill to expedite the hearing of claims under the Black Lung Benefits Act; to the Committee on Education and Labor.

By Mr. NEAL:

H.R. 3195. A bill to amend the Internal Revenue Code of 1954 to provide for floating social security tax rates for old-age, survivors, and disability insurance, to amend title II of the Social Security Act to eliminate the 3-percent trigger for cost-of-living adjustments, and to amend the Social Security Amendments of 1983 to provide that off-budget treatment for the OASDI trust funds and the hospital insurance trust fund take effect for fiscal year 1987 in lieu of fiscal year 1993; to the Committee on Ways and Means.

By Mr. OBERSTAR:

H.R. 3196. A bill to amend title 46, United States Code, to limit the liability for negligence of U.S. registered pilots navigating vessels on the Great Lakes so as to provide for reciprocal and equitable participation by United States and Canadian citizens in the pilotage of vessels on the Great Lakes; to the Committee on Merchant Marine and Fisheries.

By Mr. PACKARD (for himself, Mr. Kindness, Mr. DeLay, and Mr. Siljander):

H.R. 3197. A bill to amend title 5, United States Code, to provide that days of unused sick leave may not be taken into account for purposes of computing any annuity under the civil service retirement system; to the Committee on Post Office and Civil Service.

By Mr. PACKARD (for himself, Mr. DeLay, Mr. Nielson of Utah, Mr. Siljander, and Mr. Kindness):

H.R. 3198. A bill to amend title 5, United States Code, to provide that not more than 50 days of unused sick leave may be taken into account in computing an annuity under the civil service retirement system; to the Committee on Post Office and Civil Service.

By Mr. RICHARDSON (for himself, Mr. Ortiz, Mr. Bustamante, Mr. Garcia, and Mr. Gonzalez):

H.R. 3199. A bill to provide for the establishment of a United States-Mexico Free Trade and Co-production Zone, a United States-Mexico Bilateral Commission, a Multilateral Commission on Immigration, and United States-Mexico Joint Development Bank, and for other purposes; jointly, to the Committees on Foreign Affairs; Banking, Finance and Urban Affairs; and Ways and Means.

By Mr. ROTH (by request):

H.R. 3200. A bill to amend the Trading with the Enemy Act in order to terminate the Office of Alien Property, and for other purposes; to the Committee on Foreign Affairs.

By Mrs. ROUKEMA (for herself, Mr. Roberts, Ms. Kaptur, Mr. Wortley, Mr. Lagomarsino, Mr. Daub, Mr. Dornan of California, Mr. Leach of Iowa, Mr. Olin, Mr. McKernan, Mr. Schaefer, and Mr. Cobey):

H.R. 3201. A bill to provide that rates of pay for Members of Congress shall not be subject to adjustment under the Federal Salary Act of 1967 or subject to any automatic adjustment, to provide that any bill or resolution which would increase Members' pay or confer any tax benefit with respect to Members as a separate and distinct class may be passed or adopted (as the case may be) only by a recorded vote, and for other purposes; jointly, to the Committees on Post Office and Civil Service and Rules.

By Mrs. ROUKEMA (for herself, Mr. Matsui, Mr. Roybal, Mr. Rinaldo, Mr. Pepper, Mr. Smith of Florida, Mr. Bustamante, Mr. Sunia, Mrs. Schneider, Mr. Wortley, Mr. Hughes, Mr. Boehlert, Mr. Bonker, Mrs. Kennelly, Mr. Florio, Mr. Glickman, Mr. Shaw, Mr. Roberts, Mr. Smith of New Jersey, Mr. Lightfoot, Mr. Crockett, Mr. Dicks, Mr. McKinney, Mr. Edgar, Mr. McKernan, Ms. Oakar, and Mr. Jeffords).

H.R. 3202. A bill to prohibit the Secretary of Health and Human Services from changing reimbursement levels or methodologies for home health services under the Medicare program prior to October 1, 1986, or during a freeze period; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. ROYBAL:

H.R. 3203. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to provide for the establishment of employee stock ownership plans in a manner that will ensure that such plans are established by employers as permanent plans for the exclusive benefit of their employees; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. SMITH of Florida (for himself, Mr. Lehman of Florida, Mr. Hughes, Mr. Roe, Mr. Studds, and Mr. Hawkins):

H.R. 3204. A bill to amend the Internal Revenue Code of 1954 to facilitate home equity conversions through sale-leaseback transactions; to the Committee on Ways and Means.

By Ms. SNOWE (for herself and Mr. McKernan):

H.R. 3205. A bill to amend chapter 30 of title 38, United States Code, to provide for education assistance for apprenticeship or other on job training under the new GI bill educational assistance program; to the Committee on Veterans' Affairs.

By Mr. STALLINGS (for himself, Mr. Gray of Illinois, Mr. Fazio, Mr. Martinez, Mr. Levin of Michigan, and Mr. Frost):

H.R. 3206. A bill to provide for the minting and issuance of commemorative coins in recognition of great American scientists and their accomplishments; to the Committee on Banking, Finance and Urban Affairs.

By Mr. STALLINGS (for himself, Mr. Martinez, Mr. Mrazek, and Mr. Levin of Michigan):

H.R. 3207. A bill to provide for the minting of gold and silver bullion coins; to the Committee on Banking, Finance and Urban Affairs.

By Mr. STARK:

H.R. 3208. A bill to amend the Internal Revenue Code of 1954 to increase the dollar limit on the amount of compensation which may be deferred under State and local government deferred compensation plans and to provide that amounts deferred under such plans shall be included in income only when paid; to the Committee on Ways and Means.

H.R. 3209. A bill to require the Secretary of the Treasury to exhaust administrative procedure established within the Internal Revenue Service for resolving dispute with a taxpayer before sending such taxpayer a notice of deficiency; to the Committee on Ways and Means.

H.R. 3210. A bill to amend title XVIII of the Social Security Act with respect to payment reform under part A of that title, to amend the Internal Revenue Code of 1954 to permit continuation of health benefits coverage for certain uninsured individuals, and for other purposes; jointly, to the Committee on Ways and Means and Energy and Commerce.

By Mr. STENHOLM:

H.R. 3211. A bill to amend the Comprehensive Environmental Response, Compensation and Liability Act of 1980 to encourage the use of innovative technologies, including technologies used by small businesses, for the cleanup of hazardous substances; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Science and Technology.

By Mrs. VUCANOVICH:

H.R. 3212. A bill to declare that the United States holds certain lands in trust of the Reno Sparks Indian Colony; to the Committee on Interior and Insular Affairs.

By Mrs. VUCANOVICH (for herself and Mr. Reid):

H.R. 3213. A bill to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WEAVER:

H.R. 3214. A bill to provide for the use and distribution of funds awarded to the Cow Creek Band of Umpqua Indians in United States Claims Court docket numbered 53-81L, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WEAVER (for himself and Mr. Lowry of Washington):

H.R. 3215. A bill entitled: The Pacific Northwest Power Authority Act of 1985; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

By Mr. WIRTH (for himself, Mr. Bryant, Mr. Leland, Mr. Markey, Mr. Bates, Mr. Scheuer, Mrs. Collins, and Mr. Waxman):

H.R. 3216. A bill to amend the Communications Act of 1934 to increase the availability of educational and informational television programs for children; to the Committee on Energy and Commerce.

By Mr. WIRTH (for himself, Mr. Swift, Mr. Leland, Mr. Bryant, and Mr. Waxman):

H.R. 3217. A bill to amend the Communications Act of 1934 to authorize appropriations for public broadcasting; to the Committee on Energy and Commerce.

By Mr. DONNELLY:

H.R. 3218. A bill to amend the Internal Revenue Code of 1954 to reauthorize and expand the revenue sources for the Superfund program; jointly, to the Committees on Ways and Means, Energy and Commerce, and Public Works and Transportation.

By Mr. DORNAN of California:

H.R. 3219. A bill to provide a one-time amnesty from criminal and civil tax penalties for taxpayers who notify the Internal Revenue Service of previous underpayments of Federal tax and pay such underpayments in full with interest, and to provide that the revenues from such payments shall be used to reduce the Federal deficit; to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 3220. A bill to establish a commission to develop and submit to the Congress a comprehensive legislative plan for a conversion of defense-related industries and human resources of the United States to meet nonmilitary needs in the event of major international arms reductions; jointly, to the Committees on Armed Services and Government Operations.

By Mr. MOODY (for himself, Mr. MacKay, Mr. DeLay, Mr. Frank, Mr. Dreier of California, Mr. McCain, and Mr. Lewis of California):

H.R. 3222. A bill entitled: The National Motor Carrier Productivity and Safety Improvement Act; to the Committee on Public Works and Transportation.

By Mr. CRANE:

H.J. Res. 367. Joint resolution proposing an amendment to the Constitution of the United States providing that no person may be elected to the House of Representatives more than three times, and providing that no person may be elected to the Senate more than once; to the Committee on the Judiciary.

By Mr. MARTINEZ:

H.J. Res. 368. Joint resolution to designate the week of March 2, 1986, through March 8, 1986, as "National Young Writers' Week"; to the Committee on Post Office and Civil Service.

By Mr. MICA:

H.J. Res. 369. Joint resolution to proclaim October 23, 1985, as "A Time of Remembrance" for all victims of terrorism throughout the world; to the Committee on Post Office and Civil Service.

By Mrs. ROUKEMA:

H.J. Res. 370. Joint resolution conferring United States citizenship posthumously on Mrs. Mary Josephine Kasskiewicz; to the Committee on the Judiciary.

By Mr. WIRTH (for himself, Mr. Addabbo, Mr. Akaka, Mr. Anderson, Mr. Andrews, Mr. Bedell, Mr. Beilenson, Mr. Berman, Mr. Bevill, Mr. Biaggi, Mr. Bliley, Mr. Boner of Tennessee, Mr. Bonior of Michigan, Mr. Bonker, Mr. Bosco, Mr. Boucher, Mrs. Boxer, Mr. Brooks, Mr. Brown of Colorado, Mr. Bryant, Mrs. Burton of California, Mr. Campbell, Mr. Carper, Mr. Coats, Mr. Coelho, Mr. Coleman of Missouri, Mrs. Collins, Mr. Conte, Mr. Conyers, Mr. Cooper, Mr. Coyne, Mr. Daniel, Mr. Darden, Mr. Dellums, Mr. Dingell, Mr. Dixon, Mr. Donnelly, Mr. Dorgan of North Dakota, Mr. Dowdy of Mississippi, Mr. Durbin, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Edgar, Mr. Edwards of California, Mr. English, Mr. Erdreich, Mr. Fascell, Mr. Fauntroy, Mr. Fazio, Mr. Fish, Mr. Flippo, Mr. Foley, Mr. Frank, Mr. Frost, Mr. Hall of Ohio, Mr. Hartnett, Mr. Hayes, Mr. Hefner, Mr. Heftel of Hawaii, Mr. Horton, Mr. Hoyer, Mr. Huckaby, Mr. Hughes, Mr. Hyde, Mr. Jacobs, Mr. Jenkins, Ms. Kaptur, Mr. Kastenmeier, Mr. Kemp, Mr. Kleczka, Mr. Kolter, Mr. LaFalce, Mr. Lagomarsino, Mr. Lantos, Mr. Lehman of Florida, Mr. Leland, Mr. Levine of California, Mr. McGrath, Mr. McHugh, Mr. Mack, Mr. Manton, Mr. Markey, Mr. Martinez, Mr. Matsui, Ms. Mikulski, Mr. Miller of Washington, Mr. Moakley, Mr. Moody, Mr. Morrison of Connecticut, Mr. Morrison of Washington, Mr. Murphy, Mr. Murtha, Mr. Natcher, Mr. Neal, Mr. Nichols, Mr. Oberstar, Mr. Owens, Mr. Panetta, Mr. Rangel, Mr. Richardson, Mr. Rodino, Mr. Roe, Mr. Russo, Mr. Sabo, Mr. Savage, Mr. Schaefer, Mr. Scheuer, Mr. Solarz, Mr. Stangeland, Mr. Strang, Mr. Studds, Mr. Synar, Mr. Tauzin, Mr. Torricelli, Mr. Towns, Mr. Traficant, Mr. Vento, Mr. Volkmer, Mr. Waxman, Mr. Weiss, Mr. Wolpe, Mr. Wortley, Mr. Wright, Mr. Wyden, Mr. Carr, Mr. Hall of Texas, Mr. Annunzio, Mr. Dickinson, Mr. Alexander, Mr. Bennett, Mrs. Boggs, Mr. Brown of California, Mr. Bruce, Mr. Clay, Mr. Coleman of Texas, Mr. Dicks, Mr. Downey of New York, Mr. Feighan, Mr. Fowler, Mr. Garcia, Mr. Gejdenson, Mr. Gephardt, Mr. Glickman, Mr. Gray of Pennsylvania, Mr. Hamilton, Mr. Hawkins, Mr. Howard, Mr. Jones of North Carolina, Mr. Kostmayer, Mr. Luken, Mr. MacKay, Mr. Mavroules, Mr. Mica, Mr. Miller of California, Mr. Mineta, Mr. Mollohan, Mr. Nelson of Florida, Ms. Oakar, Mr. Rose, Mr. Rowland of Georgia, Mrs. Schroeder, Mr. Schumer, Mr. Seiberling, Mr. Sharp, Mr. Sikorski, Mr. Sisisky, Mr. Slattery, Mr. Smith of Florida, Mr. Spratt, Mr. Stallings, Mr. Swift, Mr. Thomas of Georgia, Mr. Traxler, Mr. Valentine, Mr. Walgren, Mr. Walker, Mr. Watkins, Mr. Whitley, Mr. Young of Missouri, Mr. Shelby, Mr. Udall, Mr. Lehman of California, Mr. Torres, Mr. Fuqua, Mr. Hutto, Mr. Barnard, Mr. Hatcher, Mr. Gray of Illinois, Mr. Price, Mr. McCloskey, Mr. Visclosky, Mr. Smith of Iowa, Mr. Hubbard, Mr. Perkins, Mr. Breaux, Mr. Roemer, Mrs. Long, Mr. Barnes, Mr. Dyson, Mr. Atkins, Mr. Boland, Mr. Hertel of Michigan, Mr. Kildee, Mr. Levin of Michigan, Mr. Montgomery, Mr. Reid, Mr. Florio, Mr. Guarini, Mr. Ackerman, Mr. Mrazek, Mr. Aspin, Mr. Eckart of Ohio, Mr. AuCoin, Mr. Derrick, Mr. Daschle, Mr. Ford of Tennessee, Mr. Gordon, Mrs. Lloyd, Mr. Bustamante, Mr. Leath of Texas, Mr. Ortiz, Mr. Stenholm, Mr. Wilson, Mr. Olin, Mr. Lowry of Washington, Mr. Rahall, and Mr. Wise):

H.J. Res. 371. Joint resolution to designate March 16, 1986, as "Freedom of Information Day"; to the Committee on Post Office and Civil Service.

By Mr. GROTBERG (for himself, Mr. Gordon, Mr. Blaz, Mr. de la Garza, Mr. Lagomarsino, Mr. Levin of Michigan, Mr. Frost, Ms. Kaptur, Mr. Gallo, Mr. Saxton, Mr. Bustamante, Mr. Cobey, Mr. DioGuardi, Mr. Stangeland, Mr. Dwyer of New Jersey, and Mr. Daub):

H. Con. Res. 182. Concurrent resolution calling upon the Members of the Congress to actively support the United States Savings Bonds Program; to the Committee on Ways and Means.

By Mr. ALEXANDER:

H. Res. 249. Resolution establishing the Commission on the U.S. House of Representatives Bicentenary; considered and agreed to.

By Mr. CHAPPELL (for himself, and Mr. Conte):

H. Res. 252. Resolution to urge negotiators for major league baseball owners and players to quickly settle their differences and avoid a scheduled players' strike; considered and agreed to.

By Mr. DYMALLY:

H. Res. 254. Resolution expressing the sense of the House of Representatives that the President should heed the proposals offered by families of the seven Americans still held hostage and initiate diplomatic measures based on such proposals; to the Committee on Foreign Affairs.

By Mr. FORD of Tennessee:

H. Res. 255. Resolution expressing the sense of the House of Representatives that the President should support any resolution of the United Nations recommending the imposition of certain economic sanctions against South Africa; to the Committee on Foreign Affairs.

By Mr. GONZALEZ (for himself, Mr. Coelho, Mr. de Lugo, Mr. Garcia, Mr. Ortiz, Mr. Martinez, Mr. Richardson, Mr. Roybal, Mr. Torres, and Mr. Fuster):

H. Res. 256. Resolution expressing the sense of the House of Representatives with regard to recent appointments to the National Advisory and Coordinating Council on Bilingual Education; to the Committee on Education and Labor.

By Mr. SAVAGE (for himself, Mrs. Collins, and Mr. Hayes):

H. Res. 257. Resolution expressing the sense of the House of Representatives that a South Chicago Community Hospital Kidney Transplant Center should be approved by the Illinois Health Facilities Health Planning Board; to the Committee on Energy and Commerce.

By Mr. JEFFORDS (for himself, and Mr. Hawkins):

H. Res. 258. Resolution to express the sense of the House of Representatives with respect to educational considerations that should be reflected in any reform of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DORNAN of California:

H.R. 3221. A bill to waive the time limitations relating to the award of the Congressional Medal of Honor to Tibor Rubin for distinguishing himself by acts of valor during the Korean war; to the Committee on Armed Services.

By Mr. DORNAN of California:

H.R. 3223. A bill to permit Willie D. Harris to present a claim against the United States in the manner provided for in chapter 171 of title 28, United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. HUNTER:

H.R. 3224. A bill deeming a sailing vessel owned by the San Diego Council of the Boy Scouts of America to have been built in the United States for purposes of qualification for the coastwise trade; to the Committee on Merchant Marine and Fisheries.

By Mr. LOWRY of Washington:

H.R. 3225. A bill for the relief of Salaheddine Assaad Chatila, Ghamra Chatila-Homsi, and Zouhair S. Chatila; to the Committee on the Judiciary.

By Mr. McKERNAN:

H.R. 3226. A bill for the relief of Guy R. Allen; to the Committee on the Judiciary.

By Mr. WILSON:

H.R. 3227. A bill for the relief of Major Travis E. Kitchens, U.S. Air Force, Retired; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 13: Mr. Moore.

H.R. 38: Mr. Cobey, Mr. DeLay, Mr. Saxton, Mr. Hiler, Mr. Combest, Mr. Rinaldo, and Mr. Stangeland.

H.R. 43: Mr. McKinney, Mr. Lehman of Florida, Mr. Kostmayer, and Mr. Dwyer of New Jersey.

H.R. 66: Mr. Lipinski, Mr. Rahall, Mr. Wortley, Mrs. Vucanovich, Mr. Shaw, and Mr. Mack.

H.R. 67: Mr. Lipinski, Mr. Rahall, Mr. Wortley, Mrs. Vucanovich, Mr. Shaw, Mr. Dyson, and Mr. Mack.

H.R. 77: Mr. Hoyer, Mr. Scheuer, and Mr. Molinari.

H.R. 106: Mr. Crane.

H.R. 126: Mr. Mrazek and Mr. Crockett.

H.R. 156: Mr. McEwen.

H.R. 203: Mr. Bartlett.

H.R. 235: Mr. Rose, Mr. Smith of Florida, Mr. Gonzalez, Mr. Towns, Mr. Sunia, Mr. Mitchell, Mr. Owens, Mr. Coelho, Mr. Wilson, and Mr. Sabo.

H.R. 237: Mr. Bustamante, Mr. Horton, Mr. Howard, Mr. Jones of Tennessee, and Mr. Lott.

H.R. 281: Mr. Gilman.

H.R. 417: Mr. Schaefer.

H.R. 472: Mr. Dornan of California, Mr. Latta, Mr. Rogers, and Mr. Blaz.

H.R. 508: Mr. Lehman of Florida, Mr. Frank, and Mr. Bonior of Michigan.

H.R. 528: Mr. Gallo.

H.R. 585: Ms. Snowe and Mr. McKernan.

H.R. 615: Mr. Crockett, Mr. Hutto, and Mr. Traxler.

H.R. 616: Mr. Beilenson.

H.R. 734: Mr. Akaka, Mr. Roe, Mr. Heftel of Hawaii, Ms. Kaptur, Mr. Wortley, Mr. Kindness, Mr. Barton of Texas, and Mr. Schulze.

H.R. 793: Mr. Bosco.

H.R. 864: Mr. Parris.

H.R. 945: Mr. Cobey and Mr. Leath of Texas.

H.R. 970: Mr. Bereuter.

H.R. 979: Mr. Whitley, Mr. Martinez, Mr. Whitehurst, and Mr. Chandler.

H.R. 983: Mr. de Lugo, Mr. Wolpe, Mr. Edwards of California, Mr. Dellums, Mr. Addabbo, Mr. Torricelli, Mr. Hall of Ohio, Mr. Spence, Mr. Fish, Mr. Nowak, Mr. Hamilton, Mr. Gordon, Mr. Anderson, Mrs. Long, Mr. Fuqua, Mr. Evans of Illinois, Mr. Hillis, Mr. Bustamante, Mr. Beilenson, Mr. Edgar, Mr. Perkins, Mr. Fawell, Mr. Brown of California, Mr. Conte, Mr. Stenholm, Mr. Leland, Mr. Seiberling, Mr. Olin, Mr. Owens, Mr. Spratt, Mr. Durbin, Mr. Coughlin, Mr. Lent, Mr. Mollohan, Mr. Florio, Mr. Luken, Mr. Matsui, Mr. Gray of Illinois, Mr. Horton, and Mr. Mitchell.

H.R. 1021: Mr. Pickle.

H.R. 1029: Mr. Campbell.

H.R. 1059: Ms. Mikulski, Mr. Hayes, and Mr. McCain.

H.R. 1068: Mr. Mineta, Mr. Studds, and Mr. Moakley.

H.R. 1219: Mr. Zschau, Mr. Biaggi, Mr. Ritter, and Mr. Kolter.

H.R. 1247: Mr. DeLay, Mr. Callahan, Mr. Whittaker, and Mr. Ireland.

H.R. 1294: Mr. Smith of Florida.

H.R. 1355: Mr. Biaggi.

H.R. 1572: Mr. Stallings.

H.R. 1613: Mr. Feighan.

H.R. 1622: Mr. Conyers.

H.R. 1648: Mr. Jones of North Carolina, Mr. Smith of New Hampshire, and Mr. Thomas of Georgia.

H.R. 1673: Mr. Feighan.

H.R. 1765: Mr. Ford of Tennessee.

H.R. 1770: Mr. Sabo.

H.R. 1853: Mr. Barnes and Mr. Kildee.

H.R. 1875: Ms. Mikulski, Mr. Boehlert, Mr. Panetta, Mr. Dwyer of New Jersey, Mr. Guarini, Mr. Donnelly, Mr. Ritter, Mr. Bonior of Michigan, and Mr. Feighan.

H.R. 1918: Mr. Moorhead.

H.R. 2001: Ms. Mikulski.

H.R. 2020: Mr. Fuster and Mr. Wolpe.

H.R. 2058: Mr. Owens, Mr. Matsui, Mr. Moakley, Mr. Conyers, Mr. Donnelly, and Mr. Mitchell.

H.R. 2134: Mr. Bruce and Mr. Mineta.

H.R. 2164: Mr. Roybal, Mr. Annunzio, Mr. Borski, Mr. Nelson of Florida, Mr. Stallings, and Mr. Traficant.

H.R. 2235: Mr. Wolpe and Mr. Lehman of Florida.

H.R. 2255: Mr. Ford of Tennessee.

H.R. 2263: Mr. Bateman and Mr. Siljander.

H.R. 2280: Mr. Lowry of Washington, Mr. Owens, Mr. Clinger, Mr. Coelho, Ms. Oakar, Mr. Weaver, Mr. Callahan, Mr. Torres, Mr. Howard, Mr. Foglietta, Mr. Smith of Florida, Mr. Stallings, Mr. Mack, Mr. Rinaldo, and Mr. Coleman of Texas.

H.R. 2353: Mr. Traficant.

H.R. 2383: Mr. Cooper.

H.R. 2440: Mr. O'Brien and Mr. Stenholm.

H.R. 2472: Mr. Wortley.

H.R. 2523: Mr. Daschle.

H.R. 2530: Mr. Eckart of Ohio, Mr. Chandler, Mr. Bates, Mr. Rinaldo, and Mr. Mavroules.

H.R. 2578: Mr. Addabbo, Mr. Akaka, Mr. Brown of California, Mr. Carney, Mr. Downey of New York, Mr. Fuqua, Mr. Hughes, Mr. LaFalce, and Mr. Murphy.

H.R. 2591: Mr. Weber, Mr. Gingrich, Mr. Walker, Mr. Roth, Mr. Cobey, Mr. Mack, Mrs. Kennelly, Mr. Williams, and Mr. Kostmayer.

H.R. 2594: Mr. Lewis of California.

H.R. 2596: Mr. Weber, Mr. Denny Smith, Mrs. Collins, Mr. Grotberg, Mr. Wortley, Mr. Lagomarsino, Mr. Rinaldo, Mr. Bliley, Mr. Dwyer of New Jersey, Mr. Fish, Mr. Burton of Indiana, Mr. Smith of New Jersey, Mr. Dornan of California, Mr. Swindall, Mr. Volkmer, Mr. DioGuardi, Mr. Livingston, Mr. Monson, and Mr. Cobey.

H.R. 2607: Mr. Bedell, Mr. Rose, and Mr. McKernan.

H.R. 2621: Mr. Gejdenson, Mr. Oberstar, and Mr. Scheuer.

H.R. 2622: Mr. Clay and Mr. Matsui.

H.R. 2663: Mr. Leath of Texas and Mr. Hall of Ohio.

H.R. 2685: Ms. Mikulski.

H.R. 2687: Mr. Oberstar, Mr. Nielson of Utah, Mr. LaFalce, Ms. Mikulski, and Mr. Barnard.

H.R. 2709: Mr. Skelton.

H.R. 2752: Mr. Sensenbrenner, Mr. Conyers, Mr. Wolpe, Mr. Volkmer, Mrs. Bentley, Mr. Kleczka, and Mr. Williams.

H.R. 2768: Mr. Rangel and Mr. Badham.

H.R. 2773: Mr. Williams and Mr. Reid.

H.R. 2782: Mr. Barnes, Mr. Chandler, Mr. Hayes, Mr. Kastenmeier, Mr. Mineta, Mr. Neal, Mr. Rodino, Mr. Scheuer, Mrs. Schneider, Mr. Siljander, and Mr. Solarz.

H.R. 2785: Mr. Bereuter.

H.R. 2786: Mr. Bereuter.

H.R. 2793: Mr. Siljander.

H.R. 2803: Mr. Skelton, Mr. Fazio, and Mr. Bevill.

H.R. 2827: Mr. Gallo.

H.R. 2839: Mr. Morrison of Washington.

H.R. 2840: Mr. Ford of Michigan Mr. Kolter, Mr. Kildee, Mr. Rose, Mr. Murphy, Mrs. Collins, and Mr. Sunia.

H.R. 2851: Mr. Feighan.

H.R. 2854: Mr. Martinez, Mr. Rangel, Mr. Hawkins, Mr. Conyers, Mr. Mitchell, and Mr. Bedell.

H.R. 2870: Mr. Kolter, Mr. Applegate, Mr. Edgar, Mr. Towns, Mr. Mrazek, Mr. Hoyer, Mr. Rahall, Mr. Clay, Mr. Sikorski, Mr. Traficant, Mr. Dwyer of New Jersey, Mr. Nowak, Mrs. Collins, Mr. Borski, Mr. Perkins, Mr. Owens, Mr. Coleman of Texas, Mr. Roe, Mr. Berman, Mr. Carr, Mr. Kanjorski, Mr. Wise, Mr. Vento, Mrs. Schroeder, Mr. Savage, Mr. Gray of Illinois, Mr. Sabo, Mr. Lowry of Washington, Mr. Hayes, Mr. Manton, Mrs. Boxer, Mr. Martinez, Mr. Durbin, Mr. Moody, Mr. Molinari, Mr. Boehlert, Mr. de Lugo, Mr. Pursell, Mrs. Bentley, Mr. McGrath, Mr. Lantos, Mr. Valentine, Mr. Wheat, Mr. Gingrich, Mr. Lipinski, Mr. Bryant, Mr. McEwen, Ms. Mikulski, Mr. Reid, Mr. Clinger, Mr. Gejdenson, Mr. Lehman of California, Mr. Florio, Mr. Boner of Tennessee, Mr. Darden, Mr. Young of Missouri, Mr. Richardson, Mr. Gallo, Mr. Bruce, Mrs. Schneider, Mr. Evans of Illinois, Mr. Lundine, Mr. McCloskey, Mr. Atkins, Mr. Torricelli, Mrs. Long, Mr. McCain, Mr. Dyson, Mr. Dymally, Mr. Bonior of Michigan, Mrs. Vucanovich, Mr. Murphy, Mr. Carney, and Mr. Daschle.

H.R. 2873: Mr. Durbin, Mr. Foglietta, Mr. Bennett, Mr. Kostmayer, Mr. Kolter, and Mr. Bruce.

H.R. 2876: Mr. Fascell, Mr. Towns, Mr. Weaver, Mrs. Boxer, Mr. Jeffords, Mr.

Wheat, Mr. Bonior of Michigan, Mr. Morrison of Connecticut, Mrs. Kennelly, Mr. McKinney, Mrs. Schneider, Mr. Stark, Mr. Mitchell, Mr. Neal, Mr. Bedell, Mr. Yates, Mr. Edwards of California, Mr. Fazio, Mr. Berman, Mr. Vento, Mr. LaFalce, Mr. Martinez, Mr. Frank, Mr. Carper, Mr. Fauntroy, Mr. Evans of Illinois, Mr. Dellums, Mr. Ackerman, Mr. Conyers, Mr. Durbin, Mr. Swift, Mr. Wolpe, Mr. Mineta, Mr. Levine of California, and Mr. Anderson.

H.R. 2879: Mr. Coelho.

H.R. 2904: Mr. Derrick, Mr. Dorgan of North Dakota, Mr. Levine of California, Mr. Oberstar, and Mr. Roe.

H.R. 2936: Mr. Sweeney and Mr. Gingrich.

H.R. 2954: Mrs. Lloyd, Mr. Martinez, Mr. Fazio, Mr. DioGuardi, Mr. Stokes, and Mr. Durbin.

H.R. 2955: Mr. Fish.

H.R. 2957: Mr. Weaver, Mr. Seiberling, Mr. Levine of California, Mr. Stark, Mr. Kastenmeier, Mr. Fazio, and Mr. Sunia.

H.R. 2958: Mr. Weaver, Mr. Seiberling, Mr. Levine of California, Mr. Stark, Mr. Kastenmeier, Mr. Fazio, and Mr. Sunia.

H.R. 3035: Mr. Crockett and Mr. Brooks.

H.R. 3041: Mr. Hoyer, Mr. Smith of Florida, Mr. Horton, Mr. Thomas of Georgia, Mr. Volkmer, Mr. Livingston, Mr. Bonior of Michigan, Mr. Weiss, Mr. Wolpe, and Mr. Lehman of Florida.

H.R. 3043: Mr. Stump, Mr. Smith of Florida, Mr. Monson, Mr. Daub, Mr. Lipinski, Mr. Hammerschmidt, Mr. Tauke, Mr. Bilirakis, Mr. Wilson, Mr. Lewis of Florida, Mr. Ridge, Mr. Bereuter, Mr. Wortley, Mr. Eckert of New York, Mr. Skeen, Mr. Dannemeyer, Mr. Porter, Mr. Roth, Mr. Moorhead, Mr. Whitehurst, Mr. Saxton, Mr. Lungren, Mr. Sweeney, Mr. Cobey, Mr. Shumway, and Mr. Young of Florida.

H.R. 3057: Mr. Miller of Washington, Mr. Kindness, Mr. Cobey, and Mr. Denny Smith.

H.R. 3064: Mr. Hughes, Mr. Seiberling, Mr. Badham, Mr. Jacobs, and Mr. Mrazek.

H.R. 3069: Mr. Conyers.

H.R. 3075: Mr. Conyers and Mr. Wilson.

H.R. 3082: Mr. Brown of California and Mr. Gejdenson.

H.R. 3083: Mr. Brown of California.

H.R. 3084: Mr. Crockett.

H.R. 3100: Mr. Jeffords.

H.R. 3109: Mr. Lagomarsino, Mr. Wortley, Ms. Mikulski, Mr. Burton of Indiana, Mr. Combest, and Mr. Siljander.

H.R. 3115: Mr. Daschle.

H.R. 3139: Mr. Kanjorski.

H.J. Res. 1: Mr. Rogers, Mr. Wirth, Mr. Sabo, Mr. Smith of Florida, Ms. Mikulski, Mr. Hoyer, Mr. Martin of New York, Mr. Boucher, Mr. Reid, Mr. Sisisky, and Mr. Kennelly.

H.J. Res. 27: Mr. Grotberg and Mr. Daschle.

H.J. Res. 94: Mr. Lightfoot and Mr. Saxton.

H.J. Res. 142: Mr. Boner of Tennessee, Mrs. Holt, Mr. Applegate, Mr. Jacobs, and Mr. Valentine.

H.J. Res. 151: Mr. Lightfoot, Mr. Boland, and Mr. Porter.

H.J. Res. 171: Mr. Wortley, Mr. Atkins, Mr. Burton of Indiana, Mr. Chappell, Mr. Coats, Mr. Coleman of Texas, Mr. Dicks, Mr. Durbin, Mr. Edwards of Oklahoma, Mr. Fascell, Mr. Fazio, Mr. Traficant, Mr. Wilson, Mr. Howard, Mr. Kanjorski, Mr. Kildee, Ms. Oakar, Mr. Oxley, Mr. Packard, Mr. Quillen, Mr. Ritter, Mr. Russo, Mr. Spence, Mr. Solomon, Mr. Gejdenson, Mr. Morrison of Connecticut, Mr. Wortley, Mr. Broomfield, Mr. Dornan of California, Mr. Davis, Mr. Conyers, Mr. Hillis, Mr. Strang, and Mr. Whittaker.

H.J. Res. 207: Mr. Dwyer of New Jersey, Mr. Sunia, Mr. Dornan of California, Mr. Hayes, Mr. Addabbo, Mrs. Boxer, Mr. Leland, Mr. de la Garza, Mr. Young of Missouri, Mr. Scheuer, Mr. Bryant, Mr. Rangel, Mr. Mitchell, Mr. Hatcher, Mr. Conyers, Mr. Badham, Mr. Thomas of Georgia, and Mr. Borski.

H.J. Res. 218: Mr. Owens, Mr. Stokes, Mr. Kolter, Mr. Smith of Florida, Mr. Shumway, Mrs. Boxer, Mr. Waxman, Mr. Martinez, Mr. Rahall, Mr. Vento, Mr. Sabo, Mr. Mineta, Ms. Kaptur, Mr. Levine of California, Ms. Oakar, Mr. Udall, Mr. Mazzoli, Mr. Young of Missouri, Mr. Hall of Texas, Mr. Dymally, Mr. Yatron, Mr. Chappie, Mr. Hall of Ohio, Mr. Daschle, Mr. Conyers, Mr. Bryant, Mr. Roe, Mr. Hoyer, Mr. Torricelli, Mr. Weaver, Mr. Leland, Mr. Daub, Mr. Kleczka, Mr. Wilson, Mr. Moody, Mr. Young of Florida, Mr. St Germain, Mrs. Martin of Illinois, Mr. Badham, Mr. Lewis of Florida, and Mr. Smith of Iowa.

H.J. Res. 221: Mr. Porter, Mr. Grotberg, Mr. Fauntroy, Mr. Dyson, Mr. Denny Smith, Ms. Kaptur, Mr. Martin of New York, Mr. Montgomery, Mr. Roberts, Mr. Coyne, Mr. Wortley, Mr. Archer, Mr. Roe, and Mr. Siljander.

H.J. Res. 223: Mr. Lantos, Mr. Stark, Mr. Anthony, Mr. Borski, Mr. Ortiz, and Ms. Kaptur.

H.J. Res. 262: Mr. Dannemeyer.

H.J. Res. 266: Mr. Volkmer and Mr. Hubbard.

H.J. Res. 277: Mr. Sunia.

H.J. Res. 289: Mrs. Bentley, Mrs. Byron, Mr. Chappie, Mr. Conyers, Mr. Coleman of Texas, Mr. Hoyer, Mr. Lundine, Ms. Oakar, and Mr. Pepper.

H.J. Res. 296: Mr. Kildee, Mr. Murtha, Mr. Schuette, and Mr. Guarini.

H.J. Res. 300: Mr. Coelho, Mr. Florio, Mr. Waxman, Mr. Stenholm, Mr. Borski, Mr. Fuster, Mr. Lantos, Mr. Hall of Texas, Mr. Gallo, Mr. Dwyer of New Jersey, Mr. Cheney, Mrs. Bentley, Mr. Dymally, Mr. Wortley, Mr. Skelton, Mrs. Byron, Mr. Yatron, Mr. Kindness, Mr. Volkmer, Mr. Matsui, Mr. Dellums, Mr. Lagomarsino, Mr. Lundine, Ms. Kaptur, Mr. Jones of North Carolina, Mr. Slattery, Mr. McEwen, Mr. Bonior of Michigan, Mr. Manton, Mr. MacKay, Mr. Rinaldo, Mr. Rahall, Mr. Feighan, Mr. Moakley, Mr. Ackerman, Mr. McCloskey, Mr. Hansen, Mr. Green, Mr. Bilirakis, Mr. Gejdenson, Mr. Garcia, Mrs. Burton of California, Mr. Andrews, Mr. Torricelli, Mr. Molinari, Mr. Loeffler, Mr. Price, Mr. Parris, Mr. Stark, Mr. O'Brien, Mr. Daschle, Mr. Gephardt, Mr. Early, Mr. Stallings, Mr. Annunzio, Mr. Lipinski, Mr. Hertel of Michigan, Mr. Robinson, Mr. Anthony, Mr. McDade, Mr. Alexander, Mr. Bruce, Mr. Gordon, Mr. Torres, Mr. Durbin, Mr. Synar, Mr. Gray of Illinois, Mr. Spratt, Mr. Biaggi, Mr. Weaver, Mr. Olin, Mr. Wise, Mr. Boucher, Mr. Hayes, Mrs. Long, Mr. Brown of California, Mr. Wirth, Mr. Rangel, Mr. Sweeney, Mr. Panetta, Mr. Watkins, Mr. Nelson of Florida, Mr. Sikorski, Mr. Lujan, Mr. Skeen, Mr. Wolf, Ms. Fiedler, Mr. Frenzel, Mr. McHugh, Mr. Obey, Mr. AuCoin, Mr. Leath of Texas, Mr. Montgomery, Mr. Daniel, Mr. Bartlett, Mr. Valentine, Mr. Hoyer, Mr. Reid, Mr. Fuqua, Mr. Morrison of Connecticut, Mr. Ireland, Mr. Hefner, Mr. Frank, Mr. Ford of Tennessee, Mr. Heftel of Hawaii, Mr. Mineta, Mr. Erdreich, Mr. Fields, Mr. Roth, Mr. Gray of Pennsylvania, Mr. Fauntroy, Mr. Dyson, Mr. Rodino, Mr. Franklin, Mr. Bennett, Mr. Guarini, Mr. Savage, Mr. Pickle, Mr. Levine of California, Mr. Dicks, Mrs. Kennelly, Mr. Atkins, Mr. Foglietta, Mr. Wolpe, Mr. Miller of California, Mr. Vento, Mr. Mazzoli, Mr. Russo, Mr. Hubbard, Mr. Roybal, Mr. Kleczka, Mr. Darden, Mr. Davis, Mr. Rowland of Connecticut, Mr. Schuette, Mr. Cobey, Mr. Downey of New York, Mr. Roemer, Mrs. Lloyd, Mr. Monson, Mr. Carper, Mr. Miller of Washington, Mr. Grotberg, Mrs. Martin of Illinois, Mr. Udall, Mr. Anderson, Mr. Emerson, Mr. Fowler, Mrs. Johnson, Mr. Mollohan, Mr. Hutto, Mr. Murphy, and Mr. McGrath.

H.J. Res. 308: Mr. Bennett, Mrs. Boxer, Mr. Broyhill, Mr. Carney, Mr. Courter, Mr. Darden, Mr. Dyson, Mr. Frank, Mr. Guarini, Mr. Ralph M. Hall, Mr. Hatcher, Mr. Jones of North Carolina, Mrs. Kennelly, Mr. Martinez, Mr. Reid, Mr. Rose, Mr. Schuette, Mr. Smith of New Jersey, Mr. Denny Smith, Mr. Stump, and Mr. Thomas of Georgia.

H.J. Res. 314: Mr. Wilson, Mr. Moody, Mr. Natcher, Mr. Bateman, Mr. Bryant, Mr. Vander Jagt, Mr. Annunzio, Mr. Addabbo, Mr. Daub, Mr. Leland, Mr. Dixon, Mr. Martinez, Mr. Dymally, Mr. Shumway, Mr. Roe, Mr. Moakley, Mr. Stokes, Mr. Hammerschmidt, Ms. Kaptur, Mr. DeWine, Mr. Feighan, Mr. Towns, Mr. Lightfoot, Mr. Early, Mr. Young of Florida, Mr. de Lugo, Mr. Hyde, Mr. Valentine, Ms. Oakar, Mr. Wortley, Mr. Badham, Mr. Ackerman, Mr. Daniel, Mr. Dyson, Mr. Hansen, Mr. Lantos, Mr. Hopkins, Mr. Dwyer of New Jersey, Mr. Bevill, Mr. Quillen, Mr. Bereuter, Mr. Kasich, Mr. Morrison of Connecticut, Mr. Weiss, Mr. Rose, Mr. McGrath, Mr. LaFalce, Mr. Volkmer, Mr. Derrick, Mr. Coats, Mr. Chappie, Mr. Crockett, Mr. de la Garza, Mr. Luken, Mr. Berman, Mr. Stallings, Mr. Ireland, Mr. Tauke, Mr. Reid, Mr. Andrews, Mr. Owens, Mr. Darden, Mr. Bonior of Michigan, Mr. Richardson, Mr. Florio, Mr. Coughlin, Mr. Clinger, Mr. Akaka, Mr. Daschle, Mr. Emerson, Mr. Horton, Mr. Kindness, Mr. Montgomery, Mrs. Holt, Mr. Burton of Indiana, Mr. Heftel of Hawaii, Mr. Kemp, Mr. Frost, Mr. Mollohan, Mr. Murphy, Mr. Dorgan of North Dakota, Mr. Clay, Mr. Livingston, Mr. Sabo, Mr. Kostmayer, Mrs. Boxer, Mr. Yatron, Mr. Lagomarsino, Mr. Rahall, Mr. Gunderson, Mr. Bates, Mr. Parris, Mr. Fazio, Mrs. Roukema, Mr. Bilirakis, Mr. Sunia, Mr. Hertel of Michigan, Mr. Lujan, Mr. English, Mr. Fish, Mr. Smith of Florida, Mr. O'Brien, Mr. Jones of Tennessee, Mr. Anthony, Mr. Dellums, Mr. Flippo, Mr. Hutto, Mr. Porter, Mr. Hughes, Mr. Hartnett, Mr. Mazzoli, Mr. Barnes, Mr. Fauntroy, Mr. Dowdy of Mississippi, Mr. Smith of New Jersey, Mr. Wirth, Mr. Vento, Mr. Wyden, Mr. Carr, Mr. Hatcher, Mrs. Collins, Mr. Solomon, Mr. Mrazek, Mr. Levine of California, Mr. Sisisky, Mr. Jeffords, Mr. Kolter, Mr. Roemer, Mrs. Burton of California, Mr. McKernan, Mr. Conte, Mr. Moore, Mr. Gordon, Mr. Fuqua, Mr. McCollum, Mr. Fascell, Mr. Guarini, Mr. Kildee, Mrs. Byron, Mr. Donnelly, Mr. Franklin, and Mr. Jacobs.

H.J. Res. 320: Mrs. Bentley, Mr. Boner of Tennessee, Mr. Torricelli, Mr. Gray of Illinois, Mr. Vander Jagt, Mr. Kolter, Mr. Bilirakis, Mr. Feighan, Mr. Bustamante, Mr. Rangel, Mr. Coelho, Mr. DeWine, Mr. Reid, Mr. Dyson, Mr. Anthony, and Mr. Courter.

H.J. Res. 327: Mr. Boehlert, Mrs. Johnson, Mr. Weber, and Mr. Bereuter.

H.J. Res 351: Mr. Stangeland, Mr. Lagomarsino, and Mr. Weber.

H.J. Res. 356: Mr. Berman, Mr. Sabo, Mr. Weiss, Mr. Dixon, Mr. Wortley, Mr. Roe, Mr. Martinez, Mr. Bryant, and Mr. McGrath.

H.J. Res. 357: Mr. Berman, Mr. Gallo, Mr. Dwyer of New Jersey, Mr. Weaver, Ms. Kaptur, Mr. Weber, Mr. Kramer, Mr. Martinez, Mr. Ackerman, Mr. Morrison of Connecticut, Mr. Hughes, Mr. Edwards of California, Mr. Wortley, Mr. Atkins, Mr. Young of Missouri, Mr. Matsui, Mr. AuCoin, Mr. Siljander, Ms. Mikulski, Mr. Porter, Mr. Bustamante, Mr. Archer, Mr. Mrazek, Mr. Frenzel, Mr. Beilenson, and Mr. Smith of Florida.

H.J. Res. 363: Mr. Morrison of Connecticut, Mr. Bliley, Mr. Lagomarsino, Mr. Annunzio, Mr. Gallo, Mr. DioGuardi, Mrs. Lloyd, Mr. Ritter, Mr. Burton of Indiana, Mr. Horton, Mr. Hall of Ohio, Mrs. Schroeder, Mr. Frank, Mr. Rahall, Mr. Dellums, and Mr. Bustamante.

H. Con. Res. 26: Mr. Porter.

H. Con. Res. 36: Mr. Martinez and Mr. Roybal.

H. Con. Res. 57: Mr. Ritter and Mr. Torricelli.

H. Con. Res. 102: Mr. Coats, Mr. Nielson of Utah, Mr. Petri, Mr. Mrazek, and Mr. Lungren.

H. Con. Res. 129: Mr. Loeffler, Mr. Watkins, Mr. Oberstar, and Mr. Whitehurst.

H. Con. Res. 136: Mr. Martinez, Mr. Mrazek, Mr. Henry, Mr. Fish, and Mr. Badham.

H. Con. Res. 141: Mr. Morrison of Connecticut.

H. Con. Res. 169: Mr. Edgar, Mr. Jeffords, Mr. AuCoin, and Mrs. Kennelly.

H. Con. Res. 175: Mr. Towns.

H. Res. 21: Mr. Tauke, Mr. Miller of California, and Mr. McKernan.

H. Res. 76: Mr. Gilman, Mr. Downey of New York, Mr. Weiss, Mr. Fish, Mrs. Burton of California, and Mr. Moakley.

H. Res. 167: Mr. Valentine and Mr. Brown of Colorado.

H. Res. 188: Mr. Moody and Mr. LaFalce.

H. Res. 219: Mr. Scheuer, Mr. Traficant, Mr. Ford of Tennessee, Mr. Stark, Mr. Eckart of Ohio, Mr. Hefner, Mr. Bustamante, Mr. Conyers, Mr. Carr, Ms. Mikulski, Mr. Fish, Mr. Bruce, Mr. Boucher, Mr. Owens, Mr. Sisisky, Mr. Kildee, Mr. Stallings, and Mr. McGrath.

H. Res. 234: Mr. Kindness, Mr. Stangeland, Mr. Cobey, Mr. Shumway, Mr. Denny Smith, Mr. Badham, Mr. Sweeney and Mr. McGrath.

H. Res. 247: Mr. Conte, Mr. Fauntroy, Mr. Gilman, Mr. Levine of California, and Mr. McGrath.

EXTENSIONS OF REMARKS

TELECOMMUNICATIONS TRADE ACT OF 1985

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. FLORIO. Mr. Speaker, the Telecommunications Trade Act of 1985, H.R. 3131, which we are introducing today is not intended to send our foreign competitors a "signal"; it is instead intended to convey a promise. The promise is that unless foreign markets are opened to competitive U.S. telecommunications equipment and services in the immediate future, the United States take unilateral action to restrict the access of foreign telecommunications firms to our own domestic market.

We do not make this promise in a vain effort to protect a noncompetitive industry. In almost every respect—quality, technological innovation—the U.S. telecommunications industry is comparable or superior to its foreign competition.

Instead, we make this promise in recognition that even America's most competitive industry cannot penetrate the formal and informal barriers that have kept most major foreign telecommunications markets closed to U.S. equipment and services.

The breakup of the AT&T system was the most recent of a series of regulatory and judicial actions which have had the effect of opening, on a nonreciprocal basis, the U.S. market to imports of telecommunications equipment. As a result, imports of telecommunications equipment into the United States have risen sharply.

The increasing access which foreign producers have gained to our domestic telecommunications equipment market has not been matched by equivalent market opportunity for U.S. equipment producers abroad. Foreign markets in the industrialized nations remain largely closed to U.S. telecommunications products, reflecting factors such as the strong preference of domestic post and telecommunications authorities for domestic suppliers, "buy national" industrial policies, and a variety of tariff and nontariff barriers. As as result of this lack of balance in market opportunities, the U.S. balance of trade in telecommunications equipment is deteriorating dramatically.

Last year alone, foreign telecommunications equipment coming into the U.S. jumped more than 25 percent over the year before. During the same time, U.S. telecommunications equipment exports remained almost constant. As a result, the U.S. telecommunications balance of trade has gone from a surplus of almost $1 billion in 1980 to a deficit of over $600 million in 1984.

Left untended, the situation promises to grow far worse this year. The Regional Bell Operating Cos. are planning major purchases of sophisticated equipment to maintain and update our Nation's huge telecommunications network. It now appears likely that a large share of these purchases may go to foreign suppliers most of whom, unlike American producers, are protected against foreign competition in their home markets. Unable to compete in foreign markets, American producers of telecommunications equipment may also soon be unable to compete in our own domestic market unless remedies are imposed.

We believe it is important for our trading partners to understand very clearly that we cannot, and we will not, stand idly by while one of our premier industries is destroyed due to unfair trade relations. Either the opportunity to compete in the international telecommunications market must be greatly increased, or new conditions governing foreign access and participation in our own domestic market must be implemented. The administration has expressed its concern over the imbalance in market opportunities in telecommunications equipment trade and is currently seeking to negotiate greater market access for U.S. companies abroad.

We are all hopeful that negotiations will produce the changes in policy that will allow U.S. firms to compete for their rightful share of foreign markets. This bill would provide ample time for negotiations to be held, their results implemented and their effects to be demonstrated before sanctions could be imposed in the U.S. market.

In the event these efforts do not yield immediate and significant benefits for American firms seeking access to foreign markets, we feel it is only fair that our trading partners know there is a strong and growing commitment in the Congress to impose sanctions on foreign access to the U.S. market.

This is a matter of the utmost importance to our Nation. We feel the bill we are introducing today provides a workable mechanism for achieving the goal of access to foreign markets that we all seek. The bill sets forth the following procedures for identifying foreign telecommunications markets that may be restricting participation for U.S. suppliers and the steps to be taken in order to open up those markets.

After contemplated negotiations occur—the bill does not take effect until July, 1986 to permit negotiations and their results to be felt—the Secretary of Commerce is required to determine whether any foreign country which might provide a substantial market for U.S. telecommunications suppliers is denying equivalent market access to U.S. producers of telecommunications equipment and services.

In addition to the Secretary's initial investigation, any interested person can petition the Secretary to find that a foreign market is denying equivalent access to U.S. suppliers.

If the Secretary finds that a foreign country is denying access, the President would be required to take enforcement action by directing the FCC to restrict access to the U.S. telecommunications market—the earliest time that a Presidential sanction could be imposed would be January or February of 1987. Such enforcement action would be directed at producers of foreign telecommunications equipment only.

If the President takes action under section 301 of the Trade Act of 1974, however, he would not be required to implement restrictions through the FCC.

The Secretary must conduct an annual review to determine whether the purposes of the act are being fulfilled.

The bill is sponsored by 26 Members, including 22 members of the Committee on Energy and Commerce. It should also be noted that the bill has strong support from our Republican colleagues, including Mr. Lent, the ranking minority member of the Subcommittee on Commerce, Transportation and Tourism which I chair, and Mr. Rinaldo, the ranking minority member of the Subcommittee on Telecommunications, Consumer Protection and Finance.

The bill has also received strong industry backing. At this time, Mr. Speaker, I request permission to insert in the Record statements of support from the Electronic Industries Association, AT&T, and the U.S. Chamber of Commerce.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Electronic Industries Association,
July 26, 1985.

Hon. James J. Florio,
Chairman, Commerce, Transportation, and Tourism Subcommittee, Energy and Commerce Committee, House of Representatives, Washington, DC.

Dear Mr. Florio: The Information and Telecommunications Technologies Group of Electronic Industries Association (EIA/ITG) has been provided with a draft copy of a bill which we understand will be introduced by yourself and Congressman Wirth. We have circulated the bill to our members, and they have overwhelmingly endorsed the approach you are taking to address our critical trade problem. They have also indicated that they want EIA/ITG to work on their behalf for passage of the bill and that they will also be working to line up co-sponsors.

Our members represent over 90% of the telecommunications equipment manufactured in the United States. On their behalf, I would like to thank you for your interest and support in helping us open up foreign markets to competitive US products.

Sincerely,

John J. McDonnell, Jr.,
Group Vice President, Information and Telecommunications Technologies Group.

Group list:

ADC Fiber Optics Corp.;
Allied Amphenol Products;
AMP Incorporated;
AMTEL Communications, Inc.;
The Antenna Specialists Company;
Artel Communications Corp;
AT&T Information Systems, Inc.;
AT&T Technologies, Inc.;
Augat Fiberoptics;
Bausch & Lomb;
Buehler LTD;
Bundy Corp;
Cablewave Systems, Inc.;
California Microwave, Inc.;
Codenoll Technology Corporation;
Comdial Corporation;
Computer Cable & Products, Inc.;
Contel Page Inc.;
Continental Telecom Inc.;
Control Data Corporation;
Controlonics Corporation;
Cooper Industries—Belden Electronic Wire & Cable;
Corning Glass Works;
Dynascan Corporation;
EG&G Princeton Applied Research;
Ensign-Bickford Industries;
Ericsson Communications;
Ericsson, Inc. Wire & Cable Operations;
Ferranti Electric Inc.;
Flight Connector Corp;
Fotec, Inc.;
Foxboro Company;
Fujitsu Business Comms of America;
G & H Technology Inc.;
General Cable Co.;
General Electric Company;
GTE Corporation;
Harris Corporation;
Hughes Aircraft Company;
Hustler Incorporated;
International Business Machines Corporation (IBM);
International Telephone & Telegraph Corporation (ITT);
Interoptics;
Jetronic Industries, Inc.;
E. F. Johnson Company;
Kaptron Inc.;
King Radio Corporation;
Ledex Inc.;
Arthur D. Little, Inc.;
M/A-COM, Inc.;
Madison Wire & Cable Corp.;
Magnavox Government & Industrial Electronics;
Methode Electronics Inc.;
Mitel Corporation;
The Mitre Corporation;
Motorola, Inc.;
NEC America, Inc.;
Nokia/Kinex Corporation;
Northern Telecom Inc.;
NovAtel Communications, Inc.;
Optelecom Inc.;
Panasonic Company;
Path Products Inc.;
Phone-Mate, Inc.;
Photon Kinetics Inc.;
PlessCor Optronics, Inc.;
Positronic Industries Inc.;
Quartz Products Corporation;
Racon Inc.;
Radio Shack;
Radio/Switch, Inc.;
REDCOM Laboratories, Inc.;
Reliance Comm/Tec.;
Repco Incorporated;
Roanwell Corporation;
The Rochester Corporation;
Rockwell International Corporation;
ROLM Corporation;
Scientific-Atlanta, Inc.;
Siecor Corporation;
Space Communications Company;
Specialized Systems, Inc.;
SpecTran Corp.;
Spectrum Planning, Inc.;
SRI International;
The Stackpole Corporation;
Stromberg-Carlson Corporation;
Sumitomo Electric Research Triangle, Inc.;
Technidyne Corporation;
Telautograph Corporation;
Telco Systems, Inc.;
Telemobile Incorporated;
Thomas & Betts Corporation;
Times Fiber Communications, Inc.;
TRW, Inc.;
Uniden Corporation of America;
United Telecommunications, Inc.;
Walker Equipment Corporation;
Wavetek Indiana Inc.

U.S. Chamber Praises Efforts To Open Telecommunications Markets

Washington, July 31.—The U.S. Chamber of Commerce today praised Reps. Timothy Wirth, D-Colo., and James Florio, D-N.J., for their leadership in introducing legislation seeking broader access for American exports to foreign telecommunications markets.

"American industry seeks truly free and open trade in telecommunications products and services," said Wolf Brueckmann, director of international investment policy for the Chamber. "We applaud the efforts of Wirth and Florio to address specific barriers to these products and services. We are encouraged by their continued willingness to work closely with the business community to develop credible negotiating leverage for our government to open telecommunications markets worldwide."

Brueckmann has been coordinating a working group of business associations and companies which has been active since last year with Senate and House committees working on telecommunications legislation. In further comments, the Chamber official emphasized that the following principles should be incorporated into any telecommunications legislation:

The air of U.S.-initiated negotiations should be to achieve open trade in telecommunications products and services.

Legislation should provide a mandate to the administration to negotiate the reduction or elimination of barriers to telecommunications trade and should include the authority to negotiate the elimination of any remaining U.S. barriers.

Progress toward greater access should be determined by monitoring the results of existing and future trade agreements to assure that all barriers are removed.

The U.S. Government should take flexible and credible action to enforce existing agreements and to restore competitive opportunities if negotiations fail to produce significant progress toward a more open market.

Any bilateral agreements entered into by the U.S. government should be supportive of future multilateral negotiations and the international trade and investment system.

To the extent possible, legislation should encourage the use of existing U.S. government trade authority.

The following statement was issued today by Gerald M. Lowrie, AT&T senior vice president for public affairs, regarding legislation introduced by members of the House Energy and Commerce Committee:

AT&T is encouraged that key members of the House Energy and Commerce Committee have focused attention in a bipartisan manner on the critical problems that American companies face in selling telecommunications equipment abroad.

As in the Senate, this is most encouraging because this matter goes beyond party and politics. It affects the creation of new jobs at home and the strengthening of America's competitive position abroad.

But beyond these major considerations is another. It is sometimes overlooked but it transcends international borders and trade barriers. For the fact is that, in the rapidly evolving Information Age, nations and their people everywhere stand to gain by having access to the most modern telecommunications technology and services. In a spirit of mutual accommodation, the United States is in a unique position to make a significant contribution in this effort providing it is allowed to do so.

So we welcome the House initiative along with previous legislation proposed in the Senate by Senator Danforth. AT&T will continue to speak out on this issue and will watch closely the efforts by the Administration and the Congress to forge effective new public policy in this key area.

Mr. Wirth's subcommittee and the subcommittee I chair will hold joint hearings on this legislation on Wednesday, September 18, 1985. I urge my colleagues to give this initiative their strong support.

Thank you.●

HIGH TECHNOLOGY ACTIVE BUSINESS ACT OF 1985

HON. JUDD GREGG

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. GREGG. Mr. Speaker, I am pleased to join today with Mr. Stark in introducing the High Technology Active Business Act of 1985, a bill that addresses the problem of the application of the personal holding company penalty tax upon small software companies.

The personal holding company penalty tax provisions were adopted decades ago, at a time when corporate tax rates were significantly lower than the top individual rates, to prevent the incorporation of passive investment activities in a closely held company. By contrast to this passive investment repository and "one-man corporation" case which Congress intended to address in adopting the personal holding company provisions, software companies clearly are engaged in substantial active business activities on an ongoing basis, including the continuous development of new software products and improvements, maintenance, and updates with respect to existing software products.

The personal holding company provisions are triggered in the case of small software companies because these companies, by reason of their size, are closely held and because the software industry sells its products by way of licenses to the general public—the so-called "box-top" license, computer manufacturers, and other customers. The software products are transferred via license for the fundamentally important business purpose of protecting the software company's proprietary rights in the software. However, the Internal Revenue Service has taken the position—which I believe to be an incorect interpretation of present law—that the income resulting from these transfers of software products, characterized as royalties, constitutes personal holding company income. As the result, the software company becomes subject to the 50 percent personal holding company penalty tax that is imposed on top of the regular corporate income tax already paid by the software company.

Since the personal holding company provisions were enacted to discourage the incorporation of passive investment activities, the imposition of this penalty tax on software companies conducting extensive active business operations on an ongoing basis produces unintended and extremely harsh results. This severe problem affects small software companies throughout the country. The imposition of this penalty tax—or the alternative, a dividend distribution of essentially all of the corporation's income—could well force many small software companies, which presently plow the bulk of their after-tax income back into the development of new software products, out of business by depriving these companies of the funds necessary to conduct current production activities as well as to undertake the R&D necessary to maintain their competitive edge.

I believe that the proposed legislation addresses this software personal holding company problem in a fair and carefully circumscribed manner by adopting a new exclusion from personal holding company income for computer software royalties that are earned by a company in the active conduct of a trade or business. Consistent with the "mechanical" nature of the personal holding company provisions, the legislation adopts a series of objective, numerical tests for determining whether the software royalties were derived from an active business. The structure and approach of this new exclusion are quite similar to the nearly one dozen other "carve-outs" from the personal holding company provisions that have been adopted by Congress over the years as various other types of active businesses have become entangled in the personal holding company provisions because these mechanical provisions have failed to keep pace with the changing way in which such companies do business. The proposed exclusion has been carefully crafted with various protections to ensure that it applies only to truly active business activities.

While the new exclusion for software royalties that are derived in the active conduct of a trade or business would be effective with respect to taxable years ending after date of enactment, the legislation also is intended to clarify the proper treatment of computer software royalties under present law for personal holding company purposes.

The legislation also includes a technical correction of an unintended problem that arises under changes to the minimum tax made by the 1982 Tax Act. Under the 1982 act, code section 174, R&D expenses are treated as a minimum tax preference item for personal holding companies—but not for corporations generally. As the result, startup high technology companies that are treated as personal holding companies because their only income during the startup phase is the interest derived from their balances of working capital have their loss carryforwards "tainted" such that, in future years when the loss carryforwards are offset against operating profits, the companies will be subject to minimum tax liability on 90 percent of the R&D that had been expended in the startup taxable years in which the loss carryforwards were generated. To address this problem, the legislation removes R&D expenses as a minimum tax preference item for personal holding companies.

I would expect this legislation to be noncontroversial and would hope that it can be promptly considered and enacted by Congress.●

STRESSING THE NEED FOR POSITIVE REFORMS WITHIN THE MULTILATERAL DEVELOPMENT BANKS

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. YOUNG of Florida. Mr. Speaker, the Reagan administration is in the midst of a major effort to reform the lending policies of the multilateral development banks to which we annually contribute millions of dollars from our foreign aid programs. Many of the reforms stressed by the administration are based upon those I suggested during my years of work overseeing funding for these programs.

It is no coincidence that at the forefront of the administration's effort to reform the policies of these multilateral banks is Deputy Assistant Secretary of the Treasury James W. Conrow, who formerly was my associate staff member responsible for foreign aid appropriations. Together, Jim and I called attention to many of the excesses and poor policies at these banks and developed sound alternatives to improve their lending policies. Among the recommendations we repeatedly made over the years was the importance of changing multilateral bank policies so that they promote economic growth through investments in private companies and organizations rather than continuing to loan money to Government agencies to create Government supported that stymie economic growth and development.

Jim Conrow delivered this message in May to the annual meeting of the Asian Development Bank. He said the United States will determine future levels of support for the banks based on our assessment of the effectiveness of the banks and the extent to which they develop significant policy reforms to encourage economic growth through the private sector.

The Wall Street Journal published on July 25 excerpts from Jim's speech and commented in an editorial that his "ideas are forming the basis of a new development consensus." Following my remarks I would like to include his remarks and the editorial because they are indicative of the important steps the Reagan administration is taking to reform the policies of the multilateral banks—reforms I have advocated for many years.

The articles follow:

[From the Wall Street Journal, July 25, 1985]

U.S. AGENDA FOR REFORMING ASIAN LENDING

At the annual meeting of the Manila-based Asian Development Bank in May, the U.S., the ADB's second-largest donor (after Japan), urged lending policies that help private businesses, not governments. That

stance was reiterated at a June 17 meeting of donor nations to the ADB's "soft-loan" window, the Asian Development Fund. The U.S., in a speech by James W. Conrow, a deputy assistant secretary of the Treasury, said it won't continue contributing unless the fund makes major policy changes. Though the meeting was confidential, we've obtained a copy of Mr. Conrow's talk and reprint portions of it below. (See related editorial nearby.)

While most of the world's great economic success stories of the past 30 years are located in the [Asia-Pacific] region, there is also a group of countries that for one reason or another continue to have serious economic problems. The Asian Development Fund . . . serves these countries. The ADF can potentially serve an invaluable function, if it can assist in transforming the problem cases into success stories—by acting as a catalyst for policy changes. . . .

We have been a supporter of the fund since it was created and fully intend to participate in the upcoming negotiations for the fourth replenishment. However . . . we have taken absolutely no decisions on the level of our participation. That will be partially dependent on the results of a review we have under way on the effectiveness of the various MDBs [multilateral development banks]. . . .

I can say that our participation will be critically dependent on the extent to which we are satisfied that the fund is prepared to adopt policy reforms that will enable it to assist in transforming the economies of its recipients more in line with those of the region's success stories.

The United States regards the present paper [prepared by the ADB] as a disappointing extrapolation of past replenishment exercises with little original thinking to meet present-day realities. . . . Let me now list some of our policy concerns and say why I think they are important.

Hardening of terms: The U.S. wants a comprehensive review of ADF terms and conditions, the first since the creation of the ADF.

The degree of the concessionality in ADF financing has increased sharply since 1961. . . . The present terms no longer reflect the high cost imposed on donors under intense budgetary constraints.

A comparatively modest hardening of terms would . . . significantly increase the number of development projects funded over time. . . . ADF must make this effort to become more self-financing. The Bank self-finances more than 30% of its lending, compared with less than 8% in ADF.

We would like to see . . . hardening the terms to, say, 3%-4% interest [from 1%] during the grace period and 5%-7% thereafter as well as a shortening of the grace period to seven years [from 10] and the repayment period reduced to 25 years [from 40]. . . .

Improved policies to help the private sector: [Management must] extend the benefits of equity lending to the private sector without a government guarantee to ADF countries. . . .

A further important element of this approach is to establish firm guidelines for the funding of para-statal organizations [state-owned or state-run companies]. The U.S. has an internal review of MDB assistance in privatization and assistance to para-statals under way. . . . We believe that assistance to para-statals . . . should be reduced sharply or eliminated in those instances where a viable private-sector alternative exists.

The ADF as a financial catalyst: [T]he ADF should maximize its development impact by funding more projects while taking a smaller share of each one by mobilizing other sources of funding.

Regularization of funding for [technical assistance]: We would like to see an enhanced role for technical assistance in the Bank's operations . . . to effect market-oriented growth policies.

The United States proposes that a small portion (1% to 2%) of ADF funds be earmarked for technical assistance in the ADF-eligible countries. . . .

Management of the ADB: The increased assistance to the private sector and an enhanced policy role for technical assistance will require strengthened personnel policies and, in many cases, personnel with different skills than those currently on board. . . . This will require effective evaluation and termination policies for those whose skills no longer match the Bank's needs.

[From the Wall Street Journal, July 25, 1985]

NO MORE EASY MONEY

Imagine that you're a bureaucrat in a poor country with little government revenue. You have a lonely job. Then one day along comes a well-dressed foreigner offering millions of dollars if only you'll write a proposal to build a dam, or an irrigation ditch or something. Do you say, no thanks, the private sector can do it better? Or do you take the money and run?

You take the money, or course. And that's more or less what has happened for 40 years as the world's big development banks have passed around easy money to the very poorest countries through their "soft-loan" windows.

These glory days are just about over, however. As part of its campaign to make the Asian Development Bank do more for real development, the Reagan administration is paying special attention to the bank's soft-loan window, the Asian Development Fund. Elsewhere on this page, we print excerpts from a confidential speech given last month by James W. Conrow of the U.S. Treasury to an ADF donors' meeting in Rome.

Mr. Conrow pulls few punches, saying that the U.S. won't contribute unless the ADF's policies change to promote growth. More than anything else, this means relying far less on governments and more on the private companies and individuals who are the real wellsprings of growth. In particular, the U.S. wants the ADF to stop creating government companies. But it also wants the ADF to set stiffer terms for borrowers, thus applying market discipline to development projects.

Some will try to portray all this as American stinginess, especially because ADF money goes to only the poorest Asian countries such as Bangladesh, Sri Lanka and Pakistan. But it is no accident that these South Asian countries, with large public sectors inherited in part from the British, have remained the poorest in Asia. The East and Southeast Asian countries that have relied more on the private sector have grown much faster.

Ideology hasn't much to do with the U.S. position. The issue is what works. In the past, ADF money has created government monopolies, thus foreclosing all possibilities for greater efficiency through competition among profit-minded private concerns.

What's going on here involves much more than just the Asian Development Bank. The ADF debate is really part of a sea change taking place in the philosophy of economic development. The Robert McNamara-World Bank orthodoxy of lending to governments is giving way to the East Asian example of incentive-led private growth. The tired dialogue of the rich North "aiding" the poor South is giving way to ideas about how the South can make itself rich.

In the case of the ADF, the U.S. is taking the visible lead. But ADB sources tell us that June's donors' meeting was actually one of the least contentious in years. Mr. Conrow's ideas are forming the basis of a new development consensus—one much more likely to really help the poor.●

STEEL RESEARCH INITIATIVE

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. WALGREN. Mr. Speaker, the Interior appropriations bill before the House today, H.R. 3011, includes $10 million for a cost-shared steel technology research and development initiative. This will provide funding for an initiative which the Science and Technology Committee accepted at my suggestion in the Department of Energy research and development bill, H.R. 1799.

The industry has been caught in a vicious cycle of weak demand, poor profitability, lagging investment, high costs, and technological advancement abroad. In the 1980's, the industry was hit with the "double whammy" of recession and subsidized imports flowing into our ports at levels as high as 33 percent. Steel jobs have been cut in half.

We have to be honest with ourselves and recognize that our steel industry has lost its technological advantage, a foundation which was key to steel employment in the two decades following World War II.

Study after study has emphasized the need for the industry to modernize. In the words of the Office of Technology Assessment, "The trend of improving and changing technology is necessary to maintain competitiveness, improve profitability, and improve product quality and innovations." Commendably, the steel industry, despite its adversities, has put over $10 billion into capital expenditures since 1980, much of this into modernization. Labor too has granted major concessions.

Despite these efforts, the industry is not strong enough to both meet the difficulties of the present market and to do basic research required for long-term competitiveness at the same time.

There really has been no comprehensive, long-range Federal strategy to address the underlying problems of the steel industry, unless it is the silent strategy of neglect. In my view, the longer we avoid developing such a strategy, the more it is delayed, the more we lose. The longer we neglect the problem, the more intense Government involvement will be. By virtually allowing the demise of steel research and development over the past two decades, we have forfeited much of our industry.

AN R&D ROLE FOR GOVERNMENT

Government support for R&D is appropriate and not without precedent. The Federal Government subsidizes defense industries substantially through a guaranteed return on investments, promotion of export sales, and direct subsidy for research. In aerospace, 72 percent of total research and development expenditures come from the Federal Government. But less than 2 percent of steel R&D expenditures are supported by the Federal Government.

There is a role for Government. The President has certainly hinted at it. On August 30, 1984, he said, "We must maintain and increase our older industries ability to compete in the world." On October 13, 1984, he stated, "But we can't and won't be satisfied * * * until we modernize and make our older industries more competitive with new technologies."

STEEL TECHNOLOGY RESEARCH INITIATIVE

The steel technology initiative is a program to begin long-term, high payoff steel manufacturing research in DOE's national laboratories. It would involve scientists from Government, industry, and the Nation's universities in developing new "leapfrog technologies," that literally by-pass present modern steel making capacity.

The provisions in the DOE bill follow through on an initiative begun within the administration by the President's Science Advisor, Dr. G.A. Keyworth. In Dr. Keyworth's words, "We have done a poor job of harnessing our strength. We have to work together toward a common purpose, that of improving our industrial competitiveness abroad. We need a strong, new partnership among Government, universities and industry."

According to the Department of Energy, "The proposed Steel Industry/Federal Laboratory Initiative had the potential for a reduction by one-third of the expensive input required by today's technologies and a corresponding reduction in capital and operating costs targeted at 30 percent and 50 percent respectively, reflecting the flexibility, product control and energy savings associated with the exploratory technologies.

Steel industry scientists and engineers and their counterparts in the national labs have identified four areas of possible work: reduction of domestic raw material, including scrap, to liquid steel; production of near-net shape solids from liquid steel; development of universal grades of steel; and application of automatic processing technology.

The steel industry has agreed to commit $2.8 million in labor and services to this effort, and another $2.5 million authorization is included in H.R 1617, the National Bureau of Standards Authorization Act of 1985, now on its way to the President.

This Nation has the scientific minds and the technological know-how to bring this industry back. The industry and it workers are willing to share in the task. It only takes a commitment to do so. I hope we can provide the administration and the congressional commitment necessary to mate our technological genius with the needs of this crucial, renewable industry. It can be one step toward revival of one of our most basic industries and one step toward regaining our international competitiveness.

I am very grateful to the Appropriations Committee and my colleagues for their help and support on the steel technology R&D initiative.●

PETER C. GOLDMARK, JR.: AN OUTSTANDING PUBLIC SERVANT

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. SOLARZ. Mr. Speaker, I would like to pay tribute today to a good friend, a fellow Brooklynite, and one of America's outstanding public servants, Peter C. Goldmark, Jr. In a few weeks, Peter will step down from his position as executive director of the Port Authority of New York and New Jersey, a job he has held with great distinction for the last 8 years.

When he leaves the Port Authority, Peter will have completed 20 years of superb service in the public sector. Peter has worked for the office of economic opportunity, as a top aide to Major John Lindsay, as the human services secretary for Massachusetts, as the budget director for the State of New York, and as the executive director of the Port Authority.

In each of these positions, Peter has performed as a dedicated and imaginative public servant. His work and his philosophy of government call to mind Jacqueline Kennedy's description of her husband as "an idealist without illusions." He combines a singular capacity for generating new ideas with a sensible understanding of what is politically possible.

As budget director for Gov. Hugh Carey, Peter Goldmark was an unsung hero in resolving the fiscal crisis in the city of New York. As executive director of the Port Authority, he has made an extraordinary contribution to the economic resurgence of our region.

In years to come, we will reap the benefits of Peter's good works, from the Fishport that will bring jobs to south Brooklyn, to the Bathgate Industrial Park, which is already bringing jobs to the south Bronx. We will benefit as well from the leadership Peter has shown on the infrastructure issue. Peter has emerged as a national spokesman for rebuilding what he aptly calls our life-support systems and he has exerted a very positive influence on the Congress on this important question.

Peter's achievements are indisputably impressive, but what I find equally appealing is his avoidance of the inflated sense of self-importance that can be an occupational hazard of positions of power. Peter is not only a gifted man, but a gracious and generous one as well. He has a delightful sense of humor and an infinite capacity for puncturing pomposity. The respect he has gained over 20 years in public service is in no small measure due to the respect with which he has treated others.

The special qualities that have endeared Peter to his friends and given him a special standing in the public sector should make him eminently successful in his new position as a vice president of the Times Mirror Co. I know my colleagues in the New York and New Jersey delegations join me in wishing Peter well as he begins a new career. I trust that while Peter is leaving government, he is not abandoning the public arena, and that we can continue to call on him for guidance and good ideas in the years ahead.●

A TRIBUTE TO DR. HERBERT SCOVILLE, JR.

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. MARKEY. Mr. Speaker, I rise today in memory of a man whose passing will be sorely felt by many of my colleagues.

As you know, yesterday the arms control community lost one of its leading figures, with the death of Dr. Herbert Scoville, Jr.

In his many years of Government service—first as Deputy Director for Science and Technology for CIA and then as Assistant Director for Science and Technology at the Arms Control and Disarmament Agency, Pete Scoville worked tirelessly to advance the cause of arms control. He carried this commitment into private life, when he became president of the distinguished Arms Control Association.

In his many speeches and writings, Pete Scoville combined a deep commitment to the cause of nuclear disarmament with an impressive mastery of

the details of this complex and sometimes arcane subject. As anyone who has ever watched him debate can attest, he was invariably successful in presenting his case.

Pete Scoville's always incisive analyses of the crucial national security issues of the day have always been followed closely by those of us in Congress who have taken on the difficult task of fighting destabilizing weapons systems or promoting serious arms negotiations.

Those of us who have so often relied upon his wisdom and expertise in our deliberations on defense and arms control issues will miss him. We will miss his good advice, his gentle humor, and his dedication to controlling the nuclear arms race.

At this point I would like to insert into the RECORD a Washington Post article on Pete Scoville.

DR. HERBERT SCOVILE JR., EX-CIA OFFICIAL, DIES AT 70

(By Joseph D. Whitaker)

Dr. Herbert Scoville Jr., 70, a former deputy director of the CIA and assistant director of the U.S. Arms Control and Disarmament Agency who had written extensively on issues relating to arms control, died of cancer July 30 at Georgetown University Hospital. He maintained homes in McLean and Taconic, Conn.

Dr. Scoville began his campaign for nuclear arms control in the 1950s following the famed nuclear tests at Bikini Atoll. He argued at the Pentagon in 1954 for a test ban treaty and over the next three decades was a consistent opponent of a nuclear arms buildup.

Through his books, "Missile Madness" and "MX: Prescription for Disaster," and in speaking engagements in this coutnry and abroad, Dr. Scoville sought to lay the issues of arms control before the public.

Dr. Scoville said in a 1983 article in The Washington Post that he believed the U.S. was "drifting toward annihilation." "Somehow the public doesn't seem to be able to grasp the significance of the issue," he said. "They read these numbers—50 million will be killed in an atomic attack, whole cities wiped out. It's nothing they can conceive of. It has no meaning in their day-to-day lives.

"If an airplane crashes and 75 people are burned up, that's a disaster everyone can visualize," Dr. Scoville continued. "They can picture themselves in the airplane. But a nuclear war that destroys our society—that tends to be just numbers. It's too depressing and they don't see what they can do about it anyway."

From 1955 to 1963, Dr. Scoville worked for the Central Intelligence Agency, where he became the deputy director. For the next six years, he was the assistant director of the Arms Control and Disarmament Agency. He resigned from the federal service in 1969. Between 1958 and 1966, he also was a member of U.S. delegations to three disarmament conferences in Geneva.

Dr. Scoville was born in New York. He graduated from Yale University and earned his doctorate in physical chemistry at the University of Rochester. He moved to Washington in the early 1940s and went to work for the National Research Defense Committee.

He was president of the Arms Control Association and had served on the boards of the Union of Concerned Scientists and the Center for Defense Information. He also had served on the council of the American Association for the Advancement of Science.

In 1981, he received the Rockefeller Public Service Award from Princeton University. He also recevied the Hutchinson Medal from the University of Rochester.

Survivors include his wife, Ann Curtiss Scoville of McLean and Taconic; three sons, Anthony and Thomas, both of Washington, and Nicholas, of Los Angeles; a daughter, Molly Fitzmaurice of Washington, and six grandchildren.●

SEVEN STILL NOT HOME

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. KOLBE. Mr. Speaker, yesterday we had the opportunity to meet with seven American families. Though each was from a different part of the country, they shared a common bond that brought them together. Each family was missing one member, whether a father, a brother, or a husband. The missing family member is a hostage in Lebanon.

It is all too easy, now that 39 Americans have returned safely from their ordeal aboard TWA flight 847, to forget that seven Americans are still held by terrorists in Lebanon. It is too easy to allow the pain of the families we met yesterday to go unshared and too easy for the cries for release of their loved ones to go unheard. But we cannot allow these men to remain entombed in the dark cellars of Beruit. We cannot conduct business as usual in Lebanon or in the Middle East as a whole until these men are released.

On July 9, the House agreed to an amendment which I offered to prohibit aid to Lebanon until all Americans taken hostage in that country have been released. I am pleased that the conference committee agreed that the release of these men must be our first priority in Lebanon. All aid for Lebanon has been removed from the Foreign Assistance Act and specific language has been included in the conference report. To quote from that report:

> The conferees supported general U.S. policy in Lebanon * * * (but) believe that at this time higher priority must be given to obtaining the immediate release of the remaining American hostages in that country.

The time has come for terrorism to be destroyed before it can destroy us. By eliminating aid for Lebanon we have sent a clear signal to the Middle East that American cooperation in efforts for peace will depend on their respect for the sanctity of human life. We can and we will end the reign of terror which has claimed the lives of 269 American servicemen in the past two years and we will bring peace to a region which has been engulfed in anarchy and fratricide for decades.●

UPON INTRODUCTION OF LEGISLATION ON UNITED STATES-JAPANESE TRADE

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. JEFFORDS. Mr. Speaker, today I am joining with seven of my colleagues, Representatives CLINGER, FISH, GREEN, PURSELL, MCKINNEY, NIELSON, and SNOWE, in introducing legislation to address the current deplorable state of our trade deficit, particularly our staggering trade deficit with Japan. In addition, this legislation addresses the high cost of providing for our defense as well as that of our allies.

Our economy is being seriously impacted by the size and intractability of our trade deficit with Japan. Calls for increased quotas and tariff barriers are met with equally strong cries of distress from industries that are subject to retaliation and from the agriculture community, which is heavily dependent upon export sales. In addition, such solutions to the balance of payments problems would be greeted by a chorus of rejections by many of our trading partners, charging that such actions would violate our complex web of international trade agreements. This legislation avoids these pitfalls while making substantial progress toward alleviation of the trade deficit.

The rapid increases in defense spending over the past 4 years have come at a certain cost to our economic health. While we can rationalize these expenditures on behalf of our own defense, it becomes increasingly difficult to justify spending such large sums on the defense of Japan, particularly when we are being forced to cut back drastically on domestic spending. However, constitutional and political restrictions prevent Japan from contributing directly to its own defense. This legislation would allow Japan to relieve the United States of some of this burden without violating its own laws.

This legislation calls upon the President to inform Japan that in order to gain access to our markets, it must assume a fair share of its defense costs by manufacturing or constructing U.S. defense goods from our materials. The purchase of these materials would help redress our trade imbalance while the return of the finished goods to the United States would aid in reducing our defense expenditures. The Government of Japan would also be required to allow American products free and fair access to its domestic markets.

I hope that others of my colleagues will join me in this initiative to reduce our stifling trade deficit while granting us some relief from the burden of providing for Japan's defense.●

CHARLES KIRKWOOD: AMBITION AND ACHIEVEMENT

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. RITTER. Mr. Speaker, during his boyhood in Bethlehem, PA, leisure was more than a luxury for Charles Kirkwood. It was an impossibility. His father scraped by, intermittently working as a steelworker and tending bar.

Some boys might only have dreamed of a different future life. But Charles Kirkwood did more. He worked hard enough that today he has achieved success beyond even the wildest imaginings of childhood.

First, there was acceptance as a scholarshop student at prestigious Williams College in Massachusetts. Then there was the law degree, with election to Phi Beta Kappa, from Harvard Law School.

Today, at age 50, Charles Kirkwood is far more than an international lawyer—founding partner of Caplan, Kirkwood, Russin & Becchi, with headquarters in Thailand and 24 offices around the world. He also is the benevolent patron of Shawnee Village, his private vacation community with 1,100 employees, and the largest employer in Monroe County of Pennsylvania.

This volunteer fireman—not chief—with the Shawnee Volunteer Fire Company each winter offers free season ski passes to dozens of Shawnee resident under age 18 and summer or part-time jobs to any youth willing to work hard. Town residents, and any employee, can receive free tickets to theatrical productions at the Shawnee Playhouse.

This weekend more than 300 persons are arriving at Shawnee, flying to the Poconos from throughout the free world, for a 3-day extravaganza to mark their friend's 50th birthday. But they should be celebrating something just as special: The unique opportunity in this Nation for boys and girls of aptitude and ambition to exceed even the fondest parent's wildest dream.●

STUDY PUBLISHED ON THE PROPOSED SALE OF CONRAIL

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. ECKART of Ohio. Mr. Speaker, today the United States Railway Association published its long awaited study on the proposed sale of Conrail. In this study, the USRA examined the feasibility and viability of Conrail now and in the future and the impact of a Conrail-Norfolk Southern merger on other railroads and rail employment.

This independent analysis of this important issue shows that Conrail does have the ability to stand on its own financial feet and that it can continue to offer vigorous competition to the benefit of rail shippers across our Nation.

I would like to insert into the RECORD the summary of this report for my colleagues to share:

SUMMARY OF FINDINGS

CHAPTER 2. FINANCIAL OUTLOOK FOR AN INDEPENDENT CONRAIL

Compared to Conrail's May 1984 outlook, which was the basis of USRA's April 1, 1985 report, the revised Conrail traffic outlook is stronger as a result of more current estimates of the macroeconomic environment—specifically, reduced inflation rates and elimination of a recessionary cycle during the forecast period. While a nonrecessionary period of such duration could be regarded as unusual, it is typical of other current macroeconomic forecasts. Moreover, Conrail has been conservative in the industrial production index growth assumed during the forecast period. Conrail reasonably estimated traffic flows within the assumed economic environment.

Conrail's operating income was reasonably forecasted for the assumed traffic levels, and was based on rates of productivity improvement below historical accomplishments.

Conrail's maintenance and capital program estimates are appropriate to the current condition of the plant and the wear on plant implicit in projected traffic levels.

Morgan Stanley adopted the outlook prepared by Conrail for traffic, operating income, and capital spending needs.

Morgan Stanley's nonoperating income and financing assumptions during the outlook period differed from those used by Conrail, reflecting the assumption that the Morgan Stanley purchase proposal was implemented. Equipment purchases were assumed to be lease-financed, which USRA agrees is reasonable. This aspect of the projections was contained in a July 22, 1985 revision of Morgan Stanley's previous outlook and had the effect of improving net cash flow, after capital spending, to the point where projected dividend payments did not reduce cash balances below $500 million at any point during the outlook period.

Norfolk Southern's five-year outlook for Conrail employed macroeconomic and traffic assumptions substantially similar to Conrail's own forecast. Norfolk Southern's ten-year outlook for Conrail—that negative cash flows would occur in serious magnitudes in the 1990's, culminating in the need for renewed ,federal aid—was determined by USRA to be rebuttable. No one can say that the Norfolk Southern predictions will not possibly come true, but the specific reasons advanced for them can be refuted.

USRA found no reason to alter the Conrail viability conclusion reported in April. No one can guarantee the events of tomorrow, but all available evidence supports a finding that Conrail can generate positive cash flow for the foreseeable future. Traffic shortfalls compare to the forecast should not threaten Conrail's survival as long as the rail regulatory framework allows service to be shaped to meet the demands of the marketplace.

CHAPTER 3. TRAFFIC DIVERSION POTENTIAL OF AN NS/CR CONSOLIDATION

An NS/CR consolidation would divert traffic to its lines. At issue is only the degree to which such diversions would impact other carriers.

Estimates of traffic diversion prepared by the Norfolk Southern and the impacted carriers used reasonable procedures, well-developed and widely used in the rail industry. Differences in diversion estimates reflect subjective judgments about the divertability of specific traffic movements and differences in traffic samples rather than any methodological differences.

Traffic shifts are caused by both "simple diversion" and "source competition." Norfolk Southern and most other carriers only endeavored to forecast simple diversion. Others, notably CSX, estimated losses from source competition. USRA agrees that source competition is a real and potentially significant consequence of the NS/CR merger, but the volumes affected are likely to be significantly lower, at least in the near term, than CSX estimates.

For "simple diversion"—the shifting of current traffic from one railroad to another without a change in origin or destination—Norfolk Southern and many other carriers estimated impact. Part of the difference in estimated volumes diverted can be explained by Norfolk Southern's use of a base period in which traffic is low relative to later years (and today) and its inability to quantify the TOFC traffic moving through the Chicago and St. Louis gateways. There remain, however, other variances which only can be explained as differences in judgment as to the divertability of certain flows.

Norfolk Southern calculations of traffic diverted probably fall in the lower end of the likely range, while the impacted carriers' estimates represent the upper limits of likely effects.

USRA concluded that the most likely simple diversions generally would fall between estimates by Norfolk Southern and those of the other carriers except in the case of estimates made for GTW, Soo/Milw, ICG, and CNW, whose calculations are closer to the likely level of diversion than the estimates made by Norfolk Southern.

Carriers both large and small will be affected by diversion. CSX, with its major overlap of network with NS/CR, will suffer significant loss in absolute dollars. Smaller carriers, such as Grand Trunk Western, Illinois Central Gulf, Chicago and North Western, and Soo/Milwaukee, will lose substantial volumes of traffic in relation to their traffic bases. Larger carriers in the west will not escape the effects of diversions either, particularly those caused by the redirection of some of Conrail's current traffic over the Norfolk Southern line to Kansas City.

While generally the consolidation causes Norfolk Southern to gain traffic at the expense of other carriers, it is possible that modest traffic increases would be experienced by some of the railroads connecting with Norfolk Southern at Kansas City.

CHAPTER 4. COST SAVINGS RESULTING FROM AN NS/CR CONSOLIDATION

Within the scope of circumstances considered by Norfolk Southern, its assumptions and methodologies appear reasonable. USRA takes no exception to the Norfolk Southern estimates, considering the assumptions and level of detail of its planning.

Norfolk Southern staff characterized their estimates as "conservative." The estimates were made for internal Norfolk Southern decision-making purposes (whether to make a purchase offer for Conrail) and as such were judged by USRA to be much closer to "minimum, virtually certain" types of estimates that "potential maximum." Norfolk Southern acknowledged that lack of either access to confidential Conrail data or collaboration with Conrail staff precluded it from estimating all potential merger savings. USRA concluded for the above reasons that actual merger savings were likely to exceed the Norfolk Southern estimate.

The Norfolk Southern estimate of labor protection liabilities associated with estimated merger savings appears to be based on reasonable assumptions.

CHAPTER 5. EMPLOYMENT IMPACT OF AN NS/CR CONSOLIDATION

Norfolk Southern's estimates of NS/CR positions eliminated were derived directly from its merger savings analysis and, as such, are subject to the same conclusion: they represent credible estimates of the minimum likely impact; potential maximum impact is higher, but not precisely measurable.

CSX's estimates of its own job losses from an NS/CR consolidation were development from its traffic diversion estimates. USRA's conclusions concerning those underlying factors, reported in Chapter 3, thus apply to employment impact figures: the CSX estimates of diversion-related job loss are too high at least as "immediate" impact and probably even over two-three years after an NS/CR merger.

Morgan Stanley purported to estimate total rail industry job loss resulting from an NS/CR consolidation. Their approach was to accept and total the job losses where already calculated by individual carriers, then add carriers for which Morgan Stanley alone made the estimates. These aggregate carrier loss figures are probably higher than even the maximum likely impact, especially insofar as the CSX component of the total is concerned. Moreover, aggregation of such figures does not represent net rail industry impact, because diversion-related job loss at one carrier would be offset to some extent by employment gains at the carrier (NS/CR) benefiting from the diversions.●

SHOE RESTRICTIONS WARNING BY U.S. RETAILER

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. FRENZEL. Mr. Speaker, below is a letter to the President from a shoe retailer in my State who reminds us of dangers of establishing an import quota on footwear. I would recommend his advice to my colleagues.

TRADEHOME SHOE STORES, INC.,
St. Paul, MN, June 14, 1985.

HON. RONALD REAGAN,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT: Shortly you will be asked to act on the International Trade Commission's order to provide relief for the United States shoemaking industry.

As a small retailer in the upper midwest, I would urge you to go back to the original decision of a year ago, in which the International Trade Commission voted that the U.S. shoemaking industry did not need any special relief.

Implementation of import quotas will do nothing but delay the necessity of the U.S. industry to become more competitive. The answer to the dilemma is not a period of protectivism, but a sincere effort to install the latest state-of-the-art equipment and a change of their attitude as managers. It would appear to me that they have never heard of Tom Peters, or if they have, they do not understand what he is saying. Imposition of quotas would only make it more difficult for us to operate, as well as increase the retail prices of our shoes to a clientele which is already suffering from the conditions in the farm belt.

I understand the political implications and the efforts of the Congressmen from a few states like Massachusetts, Missouri and Tennessee. However, if we as a nation are going to regain our supremacy in world markets, we must be competitive in the world market in which we operate, and the shortsighted policy of the latest International Trade Commission vote will only delay the required efforts.

As a world power, we must look at the long-range necessities and I would urge you very strongly to reject this recommendation of the International Trade Commission.

Looking forward to hearing from you with reference to your views,

Sincerely yours,

HAROLD J. SMITH.●

FUNDING FOR THE STRATEGIC DEFENSE INITIATIVE

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. SHUMWAY. Mr. Speaker, the conference committee on the Defense Authorizations for fiscal year 1986 reported out its compromise bill this week, reminding us of our vital responsibility to provide for the national defense. We have, however, betrayed that responsibility in a critical area: funding for the strategic defense initiative. Although the conferees agreed to provide $2.7 billion for SDI next year, $200 million more than the House was willing to authorize, this level of funding remains $1 billion below what the administration requested for defense technologies research. By slashing the funds for SDI research, we relinquish both the opportunity for rapidly developing a nonnuclear defensive shield for our Nation and the prospects for achieving a significant and far-reaching arms accord with the Soviet Union.

The Soviet Union has been looking for just such a unilateral retreat from our commitment to strategic defense to confirm its own ascendancy in the development of several critical technologies. Without a single concession in Geneva, the Soviets could achieve their objective of restraining U.S. progress toward a defensive strategy while retaining their own virtual monopoly over advanced defensive technologies research. Soviet spokesmen have loudly criticized the SDI as a new, threatening element in the competition between the superpowers despite the fact that the U.S.S.R. has been pursuing the very same type of technologies for two decades. To use a favorite term of SDI critics, the "destabilizing" impact of strategic defense has been operating now for 20 years without an effective American response. Rather than bow to Soviet propaganda pressure and unilaterally reduce our commitment to researching defensive technologies, we must utilize our tremendous scientific capabilities to explore fully the potential for a world free from the theat of "mutually assured destruction." By clearly demonstrating an unwavering American commitment to research at a level consistent with the President's program goals, the United States would place pressure on the Soviets to move beyond its self-imposed arms control deadlock. The superpowers could then, as the veteran arms control negotiator, Paul Nitze, recently observed, proceed to "a serious discussion of how—should new defensive technologies prove feasible—our two sides could move jointly to a more stable strategic relationship, building upon the research efforts of both."

Before this important goal can be achieved, however, we must recognize and dismiss the deceptive criticism of the SDI promulgated by the Soviet Union, criticism that neglects to acknowledge the massive investment the U.S.S.R. has itself made, and continues to make, to create a shield of strategic defense. Alun Chalfont, chairman of the all-party defense committee in Great Britain's House of Lords, recently published an excellent commentary on this subject of Soviet defense research which I submit here and urge my colleagues to read. Given the prospect of an increasing Soviet strategic defense capability that would render useless our Nation's current deterrent forces and would be unmatched by any comparable U.S. defensive system, I believe we must provide full funding for our own research into promising defensive technologies.

Moscow's Star Wars Plan: Keeping Facts Under Wraps

(By Alun Chalfont)

The Soviet Union, unlike the United States, does not advertise its Star Wars research. Indeed, if it were to do so it would be difficult at the same time to characterize the U.S. program as "dangerous, destabilizing and provocative."

In 1984, a working group of the Committee of Soviet Scientists for Peace Against the Nuclear Threat published a report which concluded that space-based systems are too expensive, technically unattainable and easily neutralized by countermeasures—arguments now at the heart of the campaign in the West against the Strategic Defense Initiative (SDI). Yet in January this year, Nikolai Basov of the Soviet Academy of Sciences announced in Moscow that the Soviet Union would have no technological difficulty in matching the American SDI program.

It may be argued that the Soviet Union cannot really have it both ways. Either the SDI is dangerous, provocative and destablizing, or it is useless, expensive and easily neutralized; either it is technologically infeasible or it is well within the reach of Soviet military scientists.

On this last point the evidence of Mr. Basov must be thought to carry some weight. Since he won the Nobel Prize in 1964 for his work in quantum electronics, he has been one of the driving forces behind the Soviet strategic defense program.

Indeed, what appears to be a baffling contradiction in Soviet attitudes to strategic defense is easily explained if one simple proposition is accepted—namely that the Soviet Union has been engaged for many years on a secret program of research into space-based defense, and that it now fears it may be overtaken by a similar program that has all the weight of Western technology, industrial infrastructure and economic resources behind it.

The principal area of technology on which much strategic defence research is concentrated is that known as "directed energy." This includes (a) the laser, an intense beam of electromagnetic radiation aimed at a missile to penetrate its surface and damage its guidance system and warheads, (b) the radio-frequency weapon, involving electromagnetic radiation at wavelengths similar to those of radar, designed to damage the electronic components and circuits of a missile, and (c) particle beams, produced by a high-energy accelerator, which can cause not only thermal or mechanical damage but also secondary nuclear or X-ray effects deep inside the target missile.

Soviet research into laser weapons began as early as the 1960s. It is conducted by some of the best scientists and engineers in the Soviet Union, including Mr. Basov and the the man who shared the Nobel Prize with him in 1964, Alexander Prokhorov.

For many years, Western intelligence reports have suggested that the Soviet Union is at least as well advanced as the United States, and in some areas well ahead of it, in laser technologies for military application. It already has a ground-tested anti-satellite system (the only one in existence) and, according to some intelligence assessments, could have operational space-based systems before the end of the century.

Although Soviet research and development have tended to concentrate on laser technologies, impressive progress has also been made with particle beams. Research into nuclear accelerators has obvious applications in normal high-energy physics for peaceful purposes, but equally it has obvious military potential. Similarly, Soviet expertise in microwave weapon technology is at least as great as that of the United States.

None of this will come as a surprise to any serious student of Soviet strategy. The Soviet Union has never subscribed to the concept of Mutual Assured Destruction (MAD). Soviet strategists have consistently emphasized that their planning is based on the calculation that any war between the North Atlantic Treaty Organization and the Warsaw Pact will inevitably escalate into a nuclear war, which it is their purpose to win. In any case, they know that effective defence is an essential ingredient of a credible deterrent.

For these reasons the Soviets have placed far more emphasis than any NATO government on civil defence. They have protected Moscow with the only existing operational ballistic missile defence system and recently upgraded it. They have developed an orbital as well as a ground-based anti-satellite system.

Furthermore, they have built large phased-array radar systems, which some Western authorities believe to be in contravention of the Anti-Ballistic Missile Treaty, and they have begun to deploy a surface-to-air missile system (the SA X 12) which is capable of intercepting some types of Western ballistic missiles. It would be surprising, therefore, if Soviet scientists and military planners had not carried out serious research into space-based strategic defence systems. They do not, of course, have the kind of political system in which this has to be the subject of a presidential announcement; nor, if it had been announced, do they have the kind of press which would have been ready to produce Star Wars headlines and columns of hostile and derisive comment.

Those who suggest that the United States should abandon its strategic defence research program in the interests of successful arms-control negotiations might do well to ponder one significant aspect of the public debate. Within a month of President Ronald Reagan's SDI speech on March 23, 1983, a letter appeared in The New York Times attacking the initiative. It was signed by more than 200 Soviet scientists—a powerful blast, one might have thought, against the whole idea of strategic defence.

What might have escaped general notice at the time was that many of the signatories, including Mr. Basov and Mr. Prokhorov, have spent their professional lives designing Soviet strategic missile systems, military aircraft and nuclear submarines. The most interesting signature was that of Evgeny Velikhov, vice-president of the Soviet Academy of Sciences and the leading figure in Star Wars research in the Soviet Union. Perhaps he should have declared an interest.●

OUTSTANDING SENIOR CITIZENS

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. McEWEN. Mr. Speaker, I would like to take a moment to congratulate some of southern Ohio's most prominent citizens. These 11 Ohioans have earned the respect and admiration of their fellow citizens who nominated them to receive special awards from their home counties which honor the time and dedication they put into their own lives and the betterment of the lives around them.

As recipients of Ohio's 1985 Outstanding Senior Citizen Award, these 11 men and women exemplify the kind of caring and effort that Ohioans and Americans of all ages would do well to follow. For their individual service to their communities, I am proud to honor them. Chosen from other well-qualified applications it was only in this group of names that the spark was found deserving the title of "Outstanding Senior Citizen" to each of these 11 people.

MRS. ESTHER GREENE, ADAMS COUNTY

Adams County has chosen, from all the many senior citizens who donate time and effort to others, Mrs. Esther Greene as its "Outstanding Senior Citizen of the Year." As a resident of Adams County, Esther has dedicated the greater portion of her life to the future of Adams County. Her activities in such varied areas as the Valley View Shopping Center, the Business and Professional Womans Club and the Adams County Historical Society, to name a few, have been invaluable to the continued growth of the area. For her efforts, she is truly deserving of the title "outstanding citizen."

MRS. FLORA WUCHER, BROWN COUNTY

In Brown County, Mrs. Flora Wucher was chosen by the Brown Senior Citizens Council as the Outstanding Senior Citizen of 1985. Flora is truly an example to others of how to combine business and community affairs for the betterment of everyone. Her contributions to the businesses of Brown County as well as her involvement in such community activities as the Senior Nutrition Council are only a few examples of the time and effort she puts into making Brown County a better place for all those who reside there. She is truly the kind of person who is acclaimed by one and all as the proper recipient of this honor.

MR. VALSENT (BILL) KREBS, HIGHLAND COUNTY

The Highland County Senior Citizens Center nominated its own Bill Krebs for this award, and their pride has been rewarded. As 1985's Outstanding Senior Citizen in Highland County, Bill exemplifies the resource and talent that earns him this vote of thanks from the center, and all citizens in Highland County. An electronic engineer retired from Wright Patterson Air Force Base, Bill uses his experience to design and build such comforts and necessities in the center as cabinets, chairs, and special setups for different activities. He is a poet, too, and for his diverse and many talents the people of the center and Highland County are justifiably proud of him.

MS. MAE LAWRENCE, GALLIA COUNTY

Mae Lawrence brings to mind, for Gallia County, the ideal of the Outstanding Senior Citizen. As a dependable volunteer in the Senior Citizens Program, much of her time has been devoted to money raising projects and creative activities. To her coworkers and all who come into contact with her, she is an inspiration. Gallia County has chosen her for this award as just one small way to repay her for the many hours of selfless devotion she has given to the citizens who call Gallia County their home.

MRS. CECILE MC GINNIS, JACKSON COUNTRY

Cecile McGinnis, the mother of two daughters and wife of a minister, has made a tremendous impact on the lives of children and young people throughout Jackson County. Her contributions to the senior citizen organization for 11 years as well as the Jackson County Board on Aging are just a few of her many accomplishments. Her talents also extend to the spiritual side of Jackson County life. Often her duties would extend to Sunday school teaching, choir directing, and piano playing. In Jackson County, there is no person more worthy of this estimable honor of Outstanding Senior Citizen than Mrs. Cecile McGinnis.

MRS. SYLVESTA HOLLBACK, LAWRENCE COUNTY

Volunteering at Lawrence County General Hospital and the Senior Citizens Center in Sybene, OH, is just one of the many ways in which Sylvesta Hollback helps create a special place for others in Lawrence County. A willing worker, Sylvesta is also an active church and neighborhood worker. Her courage, too, is to be commended. She saved the life of a neighbor by bringing her mother to care for the children while she took the neighbor to the hospital for life-saving treatment. Lawrence County is proud to have her as a resident there, and so honors her with this award.

MR. EDGAR LEWIS, PIKE COUNTY

Pike County wishes to honor, for the Outstanding Senior Citizen of 1985 a person who is the epitome of reliability. Mr. Edgar Lewis is an active member of the Pike County Senior Citizens Center. His touch is felt throughout the center, whether in the work he performs in the volunteer programs or in the creative activities. He is also a major participant in the Outreach Program for other senior citizens. It is his spirit and nature that made one of his nominators describe him as a "free-hearted and jolly person that keeps everyone else smiling." For these contributions, Pike County takes pride in awarding him this title.

MR. AND MRS. JOHN HAMMON, ROSS COUNTY

In a departure from tradition, John and Ruth Hammond have been selected a double recipients of the Ross County Outstanding Senior Citizen Award for 1985. They are both retired from their jobs with the Mead Corp. and have belonged to the Senior Citizen Center for 6 years. Married for 55 years, they donate $1 for every year of marriage to the center on their wedding anniversary. Their donations do not stop there, through, for they do the same on their birthdays, and John donates paper for the monthly newsletter, totaling over 1,000 reams of paper through the years. Whether it be time or financial assistance, John and Ruth are always willing contributors to the Senior Citizens Center. They also serve on the Ross Co.'s, Committee for Elderly, Inc., board of directors at the monthly business meeting. Together they form a team that Ross County awards with the honor.

MRS. ELIZABETH FROWINE, SCIOTO COUNTY

Elizabeth Frowine is Scioto County's choice as this year's recipient of this honor. A long time worker with senior citizens, Elizabeth began her work in New Boston in 1967 and is presently a charter member of the New Boston Senior Center, holding such positions of trust as president and treasurer. Her ability also extends to the district presidency of the Ladies Auxiliary of Veterans of Foreign Wars, as well as chairman for Senior Citizen's Day for the past 2 years. I am sure her son, granddaughters, and great grandson join the other citizens of Scioto County in lauding this talented women upon her nomination as "Senior Citizen of 1985."

MRS. RUTH ONEY, VINTON COUNTY

Vinton County is proud to nominate a woman of diverse abilities, Mrs. Ruth Oney, as the winner of the 1985 Senior Citizens Award for Vinton County. Ruth has been treasurer of the Ray Senior Citizens Council for several years. She is also a member of the Vinton County Council on Aging and has served that organization as president. Presently she is serving the council as an at-large member of the executive committee. Her influence also extends into the many activities of the Corinth Church in Ray, where she is superintendent of the Sunday School classes and a participant in the bible school program. A 4-H leader and member of the Leo Grange, Ruth is also a devoted mother and grandmother. This award is one way Vinton County expresses its thanks to a woman who has devoted so much of her time and life to the works and people of the county.

All of these people, whatever their day to day occupations, have earned a place in the hearts and minds of the citizens of their counties. I am sure that my colleagues join me and all of southern Ohio in praise of these people who have contributed so much for the betterment of the lives of so many. They have given their time, spirit, and energy to their communities and counties, thus earning them the title, for each of their home counties, "Outstanding Senior Citizen of the Year 1985."●

HONEYWELL CHAIRMAN ADDRESSES TRADE RELATIONS WITH JAPAN

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. FRENZEL. Mr. Speaker, last week, Congressman DICK SCHULZE and I had the opportunity of participating in the 22d Annual Japan-United States Business Conference in Minneapolis sponsored by the Advisors Council on Japan-United States Economic Relations. This is the highest level business group consisting of company CEO's both from Japan and the United States who meet annually to discuss bilateral trade issues. They have been particularly involved during the last few years as our bilateral trade problems continue to mount.

The outgoing chairman of the group, Edson W. Spencer, presented the U.S. view of the status of bilateral relations between the United States and Japan. I thought Mr. Spencer did a great job communicating the responsibilities of both sides toward lowering the massive trade deficit we have with Japan.

His statement is printed below. I would recommend its content to my colleagues.

Bilateral Relations—the U.S. View

My task today is to give the conference an American view of the status of bilateral relations between the United States and Japan. Needless to say, the subject immediately turns to trade.

There is increasing agreement between our two countries on diplomatic initiatives. A common understanding is clear between our two countries on defense matters and the Soviet threat—and in that regard Japan is steadily increasing her commitment to increased spending in the interest of her own self-defense. There is an increasing willingness of our two nations to work together to fund emergency food and other aid programs in the less developed countries. Our President and Japan's Prime Minister have developed a close and trusting personal relationship. Nevertheless, tensions with Japan are running high on this side of the Pacific, thanks to the overwhelming burden the United States bears due to its massive trade deficit.

I want to quantify the problem with a series of charts (not included). Then I will make some suggestions for solutions.

There are four major resaons for the deterioration of the international payments position of the United States in the last five years.

First, in the 1970s the competitive position of American industry weakened. One reason of course was the new captal investments and rising technology levels of our foreign competitors. We let productivity slip. We failed to keep up with plant modernization. We made non-competitive labor settlements in the U.S. that were even more non-competitive in the international marketplace.

Many of these factors have been corrected. Our older industries, in most cases, have modernized and production per man hour is internationally competitive. Our new industries in high-technology fields are state-of-the-art. Corrective action in rebalancing labor contracts is underway.

However, it should be noted that, partly because of the high standards of living in the U.S. but largely because of the strength of the dollar, our labor rates continue to be internationally non-competitive.

In addition, American business executives live with conditions that favor Japan and other international competition. We have a higher cost of capital due to tighter debt/equity standards set by our financial comminity. We are under entirely too much short-term pressure for earnings performance. I don't see meaningful change in either of these factors in the near term.

Second, real interest rates have been higher in the U.S. in the 1980s than in many other industrial countries. This is the result of a restrictive monetary policy to drive down inflation—very successfully, I might add—and is the result of our massive federal budget deficit. In addition, our country has been a safe political haven for the world's surplus cash, which has flowed into our country in massive amounts due to solid economic growth and a rising stock market. A non-competitive exchange rate is the result.

Third, we have the world's largest market, particularly for industrial products. Growth of market share in the U.S., even at the expense of profits, is an obvious target for our industrial competition in Japan, Asia, Europe and Latin America. This problem is particularly critcal when those competitors can sell at lower profit margins than are acceptable under American standards of financial measurement.

Fourth, our trading partners have not always given us the access to their markets that they enjoy in selling in our country. The European Common Market has high tariffs and a heavily subsidized agriculture. Many of the newly industrialized countries—Korea, Taiwan, India, Mexico, Brazil, and others—have high tariffs, import quotas and licenses, and restrictions on incoming investment. This created problems for our country, and Japan as well, as our two nations find export sales to the NICs restricted, at the same time as the very low labor costs of those countries enable them to invade the U.S. and Japan with low-cost imports.

Japan deserves credit and appreciation for having gone a long way to lower trade barriers in recent years. For most products, Japan today is an open market in a legal sense, although traditional buying habits, industry-government relations and distribution systems make Japan a tough market to penetrate. However, the Japanese market remained closed far, far too long, preventing American exporters from building up market position when they did enjoy a competitive advantage, even in some cases into the 1980s.

The results of the deterioration in our international trade and investment balances have created a political crisis in Congress that threatens our good political relations with Japan. This crisis is clearly growing as evidenced by the introduction last week of an import surcharge bill by the chairman of the House Ways and Means Committee. The Senate Finance Committee has sent to the Senate for action a bill that calls for retaliation against Japan.

What the charts don't say is that our trade deficit is estimated by the Federal Reserve to have cost some two million jobs and 2-3 percent lost growth in gross national product. These factors hit at the industrial heart of America, and at the voters who send their Senators and Representatives to Washington from our major industrial population centers. "De-industrialization of America" is a popular phrase, regularly linked to discussion of our trade deficit. And let me remind our Japanese friends that no American politician can stand idly by and watch our industrial base deteriorate.

Japan today bears the brunt of American criticism for this loss in jobs and gross national product. In the 1960s, it was Japanese textile imports that forced a reduction in our textile industry employment—a market that Japan subsequently lost as well. Then it was television sets. Then steel. Then autos. And now we see our semiconductor, computer and communication markets threated with Japanese imports.

In the cases where Japanese imports have forced a realignment of American manufacturers, Japanese exporters have provided high-quality, well-styled, favorably-priced products that have created a market of well-satisfied American customers. Unfortunately, these strong Japanese export industries grew up in a domestic market that was protected from American competition until well past the time when our industry enjoyed a competitive advantage and could build a market in Japan. To be fair, I should point out that Japan will find much the same problem arising as exporters in Korea, Taiwan, Hong Kong, Malaysia, India, Brazil, Mexico, and the PRC produce more competitive products with low labor costs, behind high protective walls. There are the reasons, then, that our trade balance has deteriorated.

The question is, what can be done to prevent friction caused by Japan's large and rising trade surplus with the U.S. from threatening all the positive progress between us in other economic, in political and in strategic matters?

To the U.S. government, I would say the following:

1. Make trade policy a high priority along with and as an equal part of budget and fiscal policy. The three are intimately entwined.

2. Get your own economic house in order. Further cut the budget for discretionary programs. Insist on a more effective and lower cost defense program. Cut out cost of living escalation in entitlements. Get the deficit down. As a result, help get the dollar down.

(As an aside, it is quite an anomaly for a conservative republican president to have presided over a classic keynesian economic recovery. Unfortunately, the long-term risks of continued deficits, negative trade balances, and a non-competitive rate of exchange have been ignored for too long.)

It is worth repeating, however, that even though our own economic house is not in order, Congress in its frustration is turning to protectionism, rather than standing by and doing nothing while the nation's industrial base declines.

3. When all other measures to cut budgets have been exhausted—then, and only then—increase taxes. We cannot make substantial cuts in the deficit without a tax increase—perhaps a specific tax to be spent only on deficit reduction. The alternative is further deep cuts in discretionary programs, which at some point will become politically unpalatable. Or a major cut in defense expenditures, which can only follow a major breakthrough in arms reduction negotiations. The tax increase, if enacted, should be some type of transaction tax that penalizes consumption, not investment. Incidentally, such a tax would put our tax system more in line with Europe and Japan, with some benefits to our export-import trade balance.

4. Use Section 301 of the Trade Remedies Bill of 1974, and use it aggressively. This is a powerful weapon in the hands of the President—not to restrict imports—but to penalize our trading partners for what we see as unfair trade practices that restrict our ability to sell in their markets. Unfortunately, our government has been far too benign in its use of actions Congress provided to negotiate for fair and equal trade practices. Laws already provide for adequate remedies. Mandatory retaliation in new protectionist laws is the wrong cure.

5. Continue to negotiate vigorously on all fronts to reduce international barriers to trade and investment flows. In this, we have a common interest with Japan.

To American businessmen, I would say:

1. Go after the Japanese market—the second largest in the world. Go after it with patience, persistence, understanding, and a willingness to invest for the long term. Also, recognize that Japan is a different market, and has to be approached very differently than California or Minnesota.

2. When you feel you are unfairly the victim of discrimination, move quickly and publicly to get the support of the U.S. Trade Representative's office and the President to initiate a 301 action.

Japan has its share of responsibility as well to help reduce trade friction between our two countries. Japanese businessmen in particular have a great interest in seeing that protectionist forces in the U.S. do not become so strong as to set in motion a series of steps that would reduce world trading opportunities. To our Japanese political and business friends, I would make the following suggestions:

1. Do something visible and immediate about increasing your imports—anu from the undeveloped countries as well as from those trading partners with whom you enjoy large surpluses. There are many specific actions that can be taken, some of which have been suggested and are underway, others of which need immediate implementation.

2. Be sure that your U.S. trading partners have the same freedom of access to the Japanese market that your exporters and investors enjoy in the United States. You as businessmen are in a posiiton to do something about this.

3. Continue to expand productive investments in the U.S., so as to provide jobs and meet American demand for your products from American sources. This is how you will preserve your market share while contributing to our job market.

4. Expand your domestic economy. Draw more manufactured imports. Japan has not done its share of importing manufactured products from less developed countries, a well as from more advanced industrial countries.

5. Be sure your market is truly open to imports and investment and capital flows—not just on paper, but in attitudes. Japan will

eventually become as open a market for international consumer tastes as the U.S. and Europe. Because of Japan's massive trade surplus, it is important that that trend be accelerated.

Finally, let me say I am an optimist about our ability to solve the trade problem that is causing so much difficulty for both countries. Everyone attending this conference, from both sides of the Pacific, has a common interest in free trade, in fair trade, in limiting protectionism, in reduced barriers to investment flows, and in a stable world economic scene.

Some of the solution lies in our hands as businessmen interested in our own companies' futures. Much of it lies with our respective governments. There, too, we businessmen can be a powerful force for influencing the course of events. To the extent we are successful in influencing those political events, we can play a valuable part in preserving an open and properous trading world.●

KOREAN SECURITY AND THE UNITED STATES

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. McEWEN. Mr. Speaker, recently the gentleman from New Jersey addressed the second C.S.I.S. Council for Northeast Asia Forum in Seoul, Korea. His scholarly work regarding the mutual needs and interests of Korean security and the United States was one of the outstanding presentations of this conference.

Mr. Speaker, it is important to note that the leadership throughout the Pacific Basin attended this conference which studied the various crises that free nations face. Mr. COURTER's relentless work on this issue has earned the respect and admiration of his colleagues. I commend the gentleman from New Jersey for his effort and insert his comments for the consideration of the Members of the House in the RECORD:

KOREAN SECURITY AND THE UNITED STATES: MUTUAL NEEDS AND INTERESTS AN AMERICAN PERSPECTIVE

(Comments of Congressman Jim Courter)

Chairman Brzezinski, Dr. Kim, distinguished representatives of the Republic of Korea, Ambassador Sherman, congressional colleagues Badham and Blaz, ladies and gentlemen: Thank you for the opportunity to speak before you today, and for the opportunity to take part in what have been very valuable discussions.

In a book titled The Problem of Asia, published in 1900, a United States Navy Captain named Alfred Thayer Mahan described his countrymen as "distinctly averse to studying political problems (until they were) pressed home upon our consciousness by an immediate emergency." War with Spain, which pulled the U.S. into involvement in the Philippines, provided just such an exigency. At last, Mahan said, America was taking "a longer view." America's vision rose "gradually above the Antilles and the Isthmus, (and) saw beyond them the Pacific, Hawaii, and the beginning of momentous issues in China and Japan."

Eight decades later, in 1982, United States trade with Asia surpassed in volume our trade with Europe. This is but a small, silent statistic in technical books, but it is the key to a geopolitical change of immense importance. American ties to Europe have always been the strongest, by reasons of patrimony, sentiment, commerce, and alliance in war. While this instinctive American allegiance will endure, it seems certain that our ties to Asia will be strengthened in the next decades by immigration, trade, and political and cultural contacts, as well as by the harsh necessity of increasing danger in the Pacific. In Mahan's day, men talked of a dream—a great canal through the Isthmus to open the Pacific. Today men talk of another, parallel canal.

In certain respects, the Asian rim and the long Pacific basin have become the hope of developing nations the world over. Nowhere in the last decade has the predominance of capitalism become more dramatic. Following in Japan's wake, South Korea, Singapore, Hong Kong, Taiwan, and other small island and Isthmus countries are enjoying prosperity and economic growth rates which could never be matched by socialist and state managed economies. On the Asian subcontinent, giant and democratic India is moving toward a freer market model after years of quasi-socialism, with economic deregulation and dramatic tax rate reductions. Far to the South, New Zealand and Australia are striding toward robust economic expansion via increased competition and the incentives of tax cuts. A strong rate of economic growth is the only way to fund the great cost of defense which is made necessary by the threat from the Communist oligarchs. But no matter how high economic growth rates rise in the future, we realize the R.O.K. and the rest of the free nations of Asia cannot go it alone against the Soviet empire.

UNITED STATES SECURITY AND THE PACIFIC

The gifted French observer of American democracy, Alexis de Tocqueville, observed as early as the 1840's that America and Russia were two powers moving rapidly toward mutual domination of the world stage. He wrote that each would become so large that only the other would be a rival. Perhaps no more than a few Americans took note of that fascinating prediction. But in 1904 the American historian Albert Beveridge published The Russian Advance, and it's first sentence reflected a geopolitical movement begun by Peter the Great and fully achieved at last: "The Russian has arrived on the Pacific." The apparition of that "gray-clad militant figure standing on the frozen shores," Beveridge continued, has claimed "the acute attentions of every cabinet in Europe and of every thoughtful American citizen."

As World War Two ended, the U.S.S.R.'s armies advance into the rimlands of Eastern Asia, and reached far enough into Europe to occupy half its heartland. They were never to retire. Thus the Soviet Union became, and so it remains, the central security concern of the American people, and is such on both American shores.

Soviet power and Soviet designs will remain the chief American defense concern over the next decades. This is an undeniable fact of geopolitics. One could say that today America faces Russia as Britain did in the nineteenth century: as an "island" power which faces a much larger land power. Certainly America is a much larger island than Britain. But then, Russia has grown enormously as a land power; it now extends across twelve time zones from the Sea of Japan to the Elbe River. And the invasion of Afghanistan carried Soviet armies to within 300 miles of the Persian Gulf, threatening to split the continent in half. If now the Soviets destabilize or neutralize Pakistan, the Detroit News observes, "they will be able to use their Yemeni and Ethiopian bases on the east coast of Africa to surround the Persian Gulf effectively. They will have finally won the Great Game that pitted them against Britain a century ago. And if the same happens to Thailand, the gigantic pincer movement last attempted by the Berlin-Tokyo Axis 45 years ago will be achieved by the U.S.S.R."

Just as British security in the nineteenth century required that no continental European power come to dominate, and have the power to close, the European coastline and its centers of maritime trade, America would find it impossible to survive in the Pacific should all of Eurasia fall under the domination of a single government. Yet what has happened of late? The loss of the Vietnam war has left the Soviet Union with numerous ports and airfields in Indochina, particularly Cam Ranh Bay which controls the strategic juncture between Northeast and Southeast Asia. America closed some bases in the Philippines, and gave up sovereign authority over certain other basing areas. We surrendered formal control of the Panama Canal. We have pledged ourselves not to increase aid to Taiwan, and even discussed a gradual decrease of arms sales.

There have been reasons for some of these actions. But it is certain that most represent strategic losses which must be offset. Since the United States can do very little about the mass of Soviet power within Asia, it can and must do more to guarantee the freedom and strength of those countries on the Asian rim.

IMPORTANCE OF KOREA TO U.S. SECURITY

Our Mutual Defense Treaty, which officials of the Republic of Korea and the United States signed in 1953, affirms our mutual desire to strengthen peace, in the Pacific region. The signatories desired—and here let me quote exactly—"to declare publicly and formally their common determination to defend themselves against external armed attack so that no potential aggressor could be under the illusion that either of them stands alone."

These were fine words. But they were not only words. They expressed a brotherhood born in terrible battles a very few months before. Koreans were to fight alongside Americans again in Vietnam. Our military relations have continued to develop: The R.O.K. and the U.S. have established a joint military command for better coordination in Korea, and our annual "Team Spirit" exercises are the largest the Americans carry out anywhere in the world. 40,000 U.S. troops remain on the ground in Korea. Some Americans say that is too many; some say it is too few. The point is that they remain, as they have for three decades. The Department of Defense has regularly declared that "American forces will remain on the peninsula as long as the Korean people want them there."

Defense Secretary Weinberger has stated that "the defense efforts of Japan, China and Korea have the potential to affect the global balance of power more profoundly perhaps than those of any other countries in the world, outside the U.S. and the Soviet Union." Let us look for a moment at Japan and China. Each has immense potential to help in protecting the Pacific countries. But each has its limitations. Japan's defense budget has increased by 7 percent each year for the last decade and a half, but it multiplies from a very small base. Japan's self defense is still unassured. The November 1976 Cabinet reaffirmation of the policy of holding military spending to one percent of the GNP paid dignified respects to the constitution Americans helped design so many years ago, but it is a policy which the Japanese must and are now considering amending. Ours is a world in which the Soviet Union routinely spends 14 percent of its enormous GNP on armed forces. North Korea spends 24 percent.

China fascinates Americans, who have a traditional habit of overestimating the part China plays, or will play, on the world stage. Its defenses are many men deep, but it still lacks the power to project force. China was in no position to interdict the Soviet-backed conquest of Indochina, or Soviet annexation of Afghanistan, even though Laos and Afghanistan's Wakhan Corridor both border on China. The celebrated border war with Vietnam was indecisive. It was most noteworthy, in fact, that Vietnam never felt compelled to withdraw its troops from Laos and Cambodia and redeploy them northward against China. That indicated much about Hanoi's expectations about the extent of the Chinese designs. There is something else which many Americans have overlooked: There are signs, especially since about 1981, that China's political and economic relations with the Soviet Union are much improved. Chinese contacts and exchanges with the Eastern European satellites are now commonplace. Peking has just announced that trade with the U.S.S.R. is to quadruple by 1990.

SOVIET POWER, SOVIET PLANS

The alliance of states opposed to further Soviet geopolitical gains in Asia is thus a very loose one, and includes an uncertain member. We can hardly avoid pondering this, since Soviet ground forces in eastern Asia have tripled in size since the mid-1960's. Tactical air forces have been doubled since 1970, and systematically modernized. Backfire bombers by the dozen have been deployed. SS 20 deployments cast an ominous shadow over Korea, China, Japan, portions of Alaska, the Philippines, and southern Asia. The Soviet Pacific fleet is the largest of their four Navies. The Merchant Marine, the incomparable ally of a navy in war or peace, surpassed in size that of the U.S. many years ago, and is easily the world's largest. And 13,000 men, 260 tanks, and 300 armored personnel carriers have been deployed on the southern Kurile Islands just north of Japan.

What are these new forces for? First, they can dominate the sea lanes of the Asian Pacific, and exclude other interested countries' ships. Second, Soviet power has been brought to bear to consolidate the newly-created Indochinese federation of Laos, Cambodia, and Vietnam. Vietnam is already a full member of the communist economic bloc. The same future awaits the two other countries. Soviet plans, Soviet money, and Soviet military advisors are behind this integration. Third, augmented Soviet power is intended to neutralize Korea and Japan, the economic giants to whom freedom of the seas is everything. Militarization of the Kuriles, repeated violations of Japanese air-space by fighters and bombers, frequent usage of the Japanese and Korean straits, and harassment of fishermen off Hokaido are all linked to this design. Fourth, the U.S.S.R. is serving notice to China that it is in no position to oppose Soviet grand strategy during peacetime or war.

A fifth Soviet foreign policy goal in Asia, of course, is support of the government of North Korea. The two countries signed a defense accord in May of last year. The celebrations during this past month of the first anniversary of Kim Il-Sung's 50-day tour of the Soviet and Eastern European bloc were enthusiastic, marked by militant rhetoric, and full of promises of further integration and further enterprises for "the international communist movement." So were press releases accompanying recent state visits to Pyongyang of a Czech Vice Premier and the Bulgarian dictator Todor Zhivkov. Regular North Korean involvement with Soviet allies from Syria and the P.L.O. to Cuba, Nicaragua and the last government of Grenada have served notice to Americans that North Korea is a global problem, not just a South Korean problem. Americans also tended to see the attack on the President and Cabinet in Rangoon in 1983 as indicative of the character of the North Korean regime, rather than as an excess of particular elements within its Army.

THE NORTH KOREAN THREAT TO THE SOUTHERN REPUBLIC

When Ambassador Sherman spoke on Korea to a distinguished audience at the Hoover Institution at Stanford University last year, he made the point that on a 120 mile front, North Korea possesses three-quarters as many artillery pieces as the U.S. Army has world-wide. North Korea has a 2 to 1 advantage in offensive weapons generally. Practically every able-bodied male is enrolled in the army, or its reserves, or some kind of militia. The country has less than half of the South's population, but maintains 150,000 more men standing to arms.

What are these capabilities for? Defense? Perhaps. But a state-sponsored act of mass assassination—and that was what the Rangoon bombing was—should tell us something of the North's intentions. So too should the simple fact that military analysts recognize North Korea's force configurations as offensive in character. The army is increasingly deployed forward along the demilitarized zone, and American officials believe there are some 10 new forward basing areas. Forward redeployment of what had been rear echelon forces continued even during delivery of the celebrated flood relief assistance of last autumn. One must consider too the tripling of the North's amphibious landing capabilities since 1971, and the tunnels, shocking in their size and potential efficiency as means of troop transport. These are not defensive assets.

PROJECTIONS FOR THE IMMEDIATE FUTURE

It seems likely that the dangers will remain on the Korean peninsula, and that the Republic of Korea, due to no fault of its own, will find it necessary to continue speaking of managing tensions rather than of ending them. First, there is no indication that Soviet military growth will abate. Second, there is every reason to believe that the economic gap between the two countries' economies will widen, and remain a continuing reproof to Northern pretensions about the superiority of communism. South Korean prestige will also be enhanced by the international economic talks scheduled for this autumn, the Asian Games slated for Seoul in 1986, and of course the Olympics in 1988. Third, if President Chun does step down from office when his term ends in 1988, he will have crowned a good period in the Republic's history with the nation's first peaceable transfer of power since the war. This will even further enhance the country's sense of well-being and its position in international forums as an exponent of democracy, and what is an advantage to the South will prove an irritant to the North. Lastly, if the Sino-Soviet rapprochement continues, the reservations both those powers now seem to hold about any conflict on the Korean peninsula could diminish.

It appears that there is little likelihood of Korean reunification in the near future. Certainly the Koreans want it. Most of the world wants it. But the operative question is and will remain: "Reunification on whose terms?" We see the same dilemna in Germany. The experience of South Vietnam should be sufficient to suggest that reunification on any terms can be a bad proposition.

North Korean politics are not expected to change. It seems unlikely that anything will break the present slow passage of power from Kim to his son. The latter already appears to be in charge of many day-to-day activities, and the extent of his father's enormous personality cult will protect him against many likely enemies. If these is a succesion struggle, it is not easy to project what effect it will have on the R.O.K.'s security. Most nations turn in upon themselves in times of internal crisis, but others hurl themselves outward as an alternative to, or as a means of dealing with, insoluable internal difficulties.

Were I to name, in one word or a few, those things which would benefit us most during these next years, they would be: Regional Cooperation, especially between Korea and Japan and China. Vigilance. Democratization. Americans look for continued movement in the R.O.K. towards greater self-government as a complement to its dynamic market economy. More freedom of elections, trade unions, and the press would strengthen Korea, not weaken it. I know that your democracy is young. But I believe Koreans recognize that Americans, wherever they are on the political spectrum, find it difficult—and, in the long run, impossible—to support governments which deny human and political rights. Democracy requires full freedom of vocal dissent from current policy, so long as that dissent is expressed peacefully. Granting fuller political rights to opponents would end Americans' uneasiness about the R.O.K., just as several sets of elections in El Salvador have silenced those who wished to end American economic and military aid to that once troubled and now startlingly successful country.

CONCLUSION

I noted de Tocqueville's prediction that, one day, the U.S. and Russia would each "hold in its hands the destinies of half the world." But his characterization of how each would hold its half is of equal interest. The American "combats the wilderness and barbarism," said this Frenchman, while Russia "combats civilization itself." "America's conquests are made with the plowshare, Russia's with the sword. To attain their aims, the former releases personal interest and gives free scope to the unguided strength of common sense of individuals. The latter in a sense concentrates the whole power of society in one man. One has freedom as the principle means of action; the other has servitude."

This distinction, made more than a century ago, recalls that between Athens and Sparta. It comes to mind in respect to the South and the North in Korea, too, and not only because of the upcoming Olympic Games. The power of the South, the national excellence of the South, is commercial. The R.O.K., like Athens, is outward-looking, maritime, ever bent on redoubling its contacts and its commerce abroad, and open and adaptive of the differing ways of the world. The power of the North is military, and its national character is marked by the militarization of the society, the pervasiveness of political organization and the refusal to permit anything to remain in the private realm, and suggestions of national xenophobia.

North Korea therefore suits the Soviet Union and its patterns of alliances, in which the tendency is always towards central control and discipline. And the South's independence suits as well the American pattern, best represented by NATO, whose divergences and disagreements are freely voiced and bare to the world. America believes that Korean self-interest will maintain and strengthen the present alliance with the U.S. without undue pressure from either party. Each comes freely to the agreement, which can be terminated by either at its pleasure, but which instead grows stronger year by year.

Soviet power can and must be confronted in Asia as surely as on the European continent. The R.O.K.-U.S. alliance will be an increasingly important dimension of this containment. America can no more afford to see Europe kept free while Korea and Japan are lost than it can hope to survive by fighting for Korea and Japan while Europe is overrun.

Let such necessities for mutual security be a sound foundation for all the other advantages of Korean-American friendship, trade, and cultural exchange. And let this alliance be an example, before the eyes of the world, of the best that can be struck by free men acting through the agencies of free government.●

LANGUAGE MINORITY STUDENTS DESERVE FEDERAL HELP

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. RICHARDSON. Mr. Speaker, recent articles in Time magazine and the Washington Post have focused on bilingual education and the instruction of American students whose native language is other than English. While the factual information contained in these articles is limited, they have drawn attention to a critical national problem—the continuing educational neglect of students who are limited in their English language proficiency [LEP].

As Congress develops the fiscal year 1986 Federal budget and appropriations bills, I hope that my colleagues will consider the educational plight of LEP students and their families. I also hope that my colleagues will reflect upon the Federal Government's profound responsibility to ensure that these children learn English and all the subject-matter skills taught in our schools.

Earlier this year, Dr. Sarah E. Melendez, president of the National Association for Bilingual Education testified before the House Appropriations Subcommittee on Labor, Health and Human Services, and Education on the need for increased Federal education aid for LEP students. Dr. Melendez' statement provides a cogent, comprehensive, and compelling analysis of the needs of LEP students and the Federal Government's responsibility for these students. Accordingly, I submit relevant portions of her statement for inclusion in the CONGRESSIONAL RECORD.

STATEMENT OF DR. SARAH E. MELÉNDEZ

Mr. Chairman, my name is Sarah E. Meléndez; I am the current president of the National Association for Bilingual Education (NABE). NABE is committed to helping all language-minority students learn English and succeed in school. NABE members—parents, teachers, administrators, and researchers—have found that soundly-implemented bilinegual education programs help children learn English, progress in subject matter areas, and remain in school through graduation.

We appreciate the opportunity to testify on funding for the bilingual education programs authorized under ESEA Title VII and the Vocational Education Act. These are the only Federal programs specifically designed to meet the special educational needs of language-minority Americans who are limited in their English language proficiency (LEP).

In requesting additional funding, I am cognizant of the compelling need to reduce Federal outlays. Voters want the Federal deficit reduced, and they expect their Representatives to exercise fiscal prudence.

I question, however, whether continued underfunding of bilingual education is a fiscally prudent course. The infinitesimal budget savings which accrue from the Administration's proposal to freeze Title VII funding will be more than offset in the out-years by expenditures to cope with and care for people who were denied the opportunity to succeed in school.

And so, I ask you to consider the following facts about these programs and the people they serve.

Funding for bilingual education programs has, in recent years, been cut to unacceptable levels.

The population of language-minority children who are limited in their English language proficiency (LEP) is one of the fastest growing student populations in America.

LEP children are the most educationally-needy in the United States.

LEP children are the most educationally-neglected students in our schools.

The Nation cannot afford the economic and social cost of continued educational neglect of LEP students.

The new Bilingual Education Act is worthy of increased financial support.

BILINGUAL EDUCATION FUNDING CUTS

Since FY 1980, funding for the bilingual education programs authorized under Title VII and the Vocational Education Act has been slashed by almost one-third. Indeed, last year's appropriation was almost $29 million less than that approved by Congress in FY 1980, and nearly $37 million less than the House mark in FY 1981. The impact of these drastic budget cuts has been amplified by continuing inflation.

GROWTH OF THE LEP STUDENT POPULATION

In 1978, the Federal government estimated that there were 3.6 million children, aged 4 to 18, whose home language backgrounds were other than English and who were limited in the speaking, understanding, reading and writing skills in English needed to succeed in the English-medium school.[1]

In 1978, three-quarters of all LEP students were born in the United States or in one of its outlying areas.[2] More than half of all LEP students had Spanish as their native language.[3] While there are no precise estimates of the number of American Indian LEP students, a 1978 ED study found that there were more than 24,000 LEP Navaho children of elementary school age.[4]

According to a Department of Education report issued last year, the number of LEP children of school age increased by 20 percent between 1978 and 1982—a growth rate two-and-one-half times that of the general school-aged population.[5] While the growth of the LEP student population poses a challenge to schools in all parts of the Nation, schools in some states are particularly hard-pressed to meet this challenge. Consider California where:

In the Spring of 1984, almost one-half million students were classified as limited-English-proficient by the California State Department of Education.

Approximately three-quarters of these LEP students had Spanish as their native language, more than 29,000 students spoke Vietnamese, another 18,000 spoke Cantonese, another 10,000 spoke Philipino/Tagalog, and so on.

Los Angeles County schools enrolled more than a quarter-million LEP students in the Spring of 1984.

More than 18,000 of the students attending the San Francisco Unified School District were classified as non- or limited-English proficient in 1984. Six years ago, fewer than 8,000 LEP students attended San Francisco schools.[6]

In the years ahead, more and more schools across the nation will confront the challenge now facing schools in California, Florida, Illinois, New York, Texas, and in our border states. Indeed, disproportionate growth in the LEP student population is expected to continue and accelerate through the end of the Century.

EDUCATIONAL NEEDS OF LEP STUDENTS

Mr. Chairman, there is in American today, no group of children who are more educationally needy than language-minority children who are limited in their English language proficiency (LEP).

LEP children have the educational needs of all other children. Some LEP children are gifted and talented, others have physical handicaps and learning disabilities. A dis-

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[1] "The Condition of Bilingual Education in the Nation, 1982", A Report from the Secretary of Education to the President and the Congress, U.S. Department of Education, Page 2.

[2] *Ibid.*, Page 8.

[3] *Ibid.*

[4] *Ibid.*, Page 16.

[5] "The Condition of Bilingual Education in the Nation, 1984", A Report from the Secretary of Education to the President and the Congress, U.S. Department of Education, Page 13.

[6] Unpublished report, California State Department of Education, Bilingual Education Office.

BEST COPY AVAILABLE

proportionate number of LEP children are poor [7] and suffer the debilitating physical, emotional, and social consequences of poverty—poverty amidst affluence. And LEP children, like all American children, continue to be harmed by deeply-engrained gender-based stereotypes which persist in our schools and in our society.

Many LEP children and even more of their parents have suffered discrimination at the hands of private parties and the State. And while we have moved closer to the goal of a color-blind society, we cannot ignore the fact that our schools have been, and in some areas continue to be, a powerful engine of discrimination. The educational opportunities available to Indian, Hispanic, Asian, and other non-white children remain inferior to those generally available to majority students.

In addition to these barriers to educational success—barriers addressed through numerous Federal statutes and programs—LEP students face other barriers.

LEP students must learn English—a language other than their mother tongue—if they are to progress academically. And while teaching English to a LEP child is neither simple, nor quick, nor easy, it is a task that can and must be accomplished by our schools.

At the same time, LEP students must advance in their development of basic academic skills, and in their understanding of our world and our society. Mastery of English is an essential measure, but it is not the exclusive measure, of effective instruction for LEP students.

And finally, many LEP students must learn to appreciate and accommodate a culture different from their own. For those LEP students who are newcomers to this society, "culture-shock" is often compounded by the traumas of war, famine, and disaster—the forces that drive many families to our land.

EDUCATIONAL NEGLECT OF LEP STUDENTS

LEP students are not only the most educationally-needy children in our society, they are also the most educationally neglected.

In 1982, Education Secretary Terrel Bell reported:

"Although local school districts and States are making an effort, schools in general are not meeting the needs of LEP students. Only about a third of the [LEP students identified in a 1978 ED study] received either bilingual instruction—or instruction in English as a second language without the use of their home languages.

"Many schools are not assessing the special needs of language minority children. They are not assessing the English language proficiency of these children, much less the home language proficiency, as a basis for planning programs and providing services." [8]

And while the presence of most LEP students in a school district is the result of Federal actions (e.g., territorial annexation, diplomatic policies, and foreign military actions), the Federal government provides Title VII programs for only one of every 20 LEP students.

Last year's ED report on the "The Condition of Bilingual Education in the Nation" provided fruther evidence of the ongoing neglect of LEP students. "[In 1980-81], approximatly 500,000 teachers, or nearly one-quarter of the 2.3 million public school teachers in the United States, had limited English proficient students in their classes. Approximately 56,000 of these teachers were using a non-English language (NEL), with or without ESL, in the classroom. Almost twice as many or approximately 103,000 other teachers were using ESL only." [9]

Put another way, a majority of all teachers with LEP students in their classes were not providing bilingual instruction and they were not providing ESL instruction; they were not providing any special program of instruction for their LEP students. But what about the minority of LEP students who are receiving bilingual and/or ESL special instructional services? Once again, according to the ED report, the picture is dismal. Of the 56,000 teachers providing bilingual instruction, only 21,000 or 40 percent had full academic preparation. The lack of academic preparation was even more severe among teachers using an ESL-only instructional approach. Of the 103,000 teachers providing ESL-only instruction to their LEP pupils, only 11,000 had full academic preparation to do so. [10]

Make no mistake about it, the situation would be far worse were it not for the Bilingual Education Act. According to ED, teachers whose training was supported by Title VII were four times more likely to be academically prepared to instruct LEP students than teachers who did not receive Title VII supported training. [11]

NATIONAL COST OF EDUCATIONAL NEGLECT OF LEP STUDENTS

Earlier this year, the President's Commission on Industrial Competitiveness released its report on "Global Competition: The New Reality." This report, prepared by a panel of experts on industrial policy and world competition, highlighted the most flagrant manifestation of educational neglect—student dropouts. The report said:

"The high dropout rate in our secondary schools is contributing to the development of a growing, permanent underclass in our society. Twenty-six percent of students enrolled in school drop out. At this rate, our Nation is producing in excess of 1 million dropouts annually. The dropout rate among minorities is substantially higher—estimated by the Census Bureau in 1981 to be as high as 40 percent among blacks and 43 percent among Hispanics." [12]

The report noted that because of the demographic structure of our society, minority youth constitute the fastest growing segment of the young worker population and continued . . . "It is this fastest growing segment of the young worker population that is most likely to drop out of school and enter the work force without critical basic skills."

New approaches are required to address the problem of school dropouts and stem this loss of human resources. National attention must be focused on the severity of the problem, its causes, and its consequences. The Nation must act decisively to reduce the dropout rate dramatically or it will suffer more than a decline in competitive ability. If the dropout rate continues to accelerate, part of an entire generation could be lost to the productive process and to society. The quality of life for the Nation as a whole is at risk when large numbers of our youth fall by the wayside. [13]

This dire assessment by a Presidential Commission—a Commission made up of captains of industry and commerce—understates what we—the parents and educators of language-minority children—know all too well from first-hand experience.

We know that children who come to school with non-English language skills are not being taught English effectively. We know that LEP children are not being taught the other subjects and skills deemed essential in our society. We know that the academic gap between language-minority and English-language-background children generally grows throughout their tenure in our public schools. And we know that the frustration of school-induced academic failure causes nearly half our youth to drop out of school. We also know that many of our children resort to drugs, and some even to suicide, in a futile attempt to flee frustration and failure.

THE NEW BILINGUAL EDUCATION ACT: WORTHY OF INCREASED SUPPORT

Mr. Chairman, let me be clear. Title VII, regardless of funding level, cannot eliminate all the barriers which inhibit the academic progress of LEP students in our schools. It can, however, help schools bridge the barriers of language and culture which imprison so many of our youth.

This was the conclusion of Congress last fall when it reauthorized Title VII by enacting Public Law 98-511. Of all the education programs reauthorized by this act, the greatest amount of attention and energy was devoted to Title VII.

The "Academic Equity and Excellence Through Bilingual Education Act", which began as a comprehensive revision of Title VII cosponsored by more than 50 Representatives, was further expanded and refined in Committee by a bi-partisan group of Members. The product of this effort is a law, which in the words of Committee Chairman Hawkins, "takes into account, as never before, the needs of students, the aspirations of parents, the expectations of taxpayers, and the experience of educators."

The improvements to Title VII set out in the new legislation are too numerous to detail here. Nevertheless, certain new features of the revised Bilingual Education Act should be noted.

First, the new law requires reporting of basic educational data concerning the LEP population, their educational needs, and how those needs are being met through Federal, State, and local programs. The data reporting requirements of the new Bilingual Education Act focus on obvious measures of academic need and progress, and are designed to provide parents, educators, policymakers, and taxpayers with accurate information about this high-risk student population.

Second, Public Law 98-511 guarantees that parents will receive information about the placement and progress of students in Title VII programs, and gives parents the right to decline placement of their children in Title VII programs.

Third, the new law further strengthens Title VII by requiring that all classroom programs "provide structured English language instruction" (such as ESL) and "allow a child to meet grade-promotion and graduation standards."

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[7] "The Condition of Bilingual Education in the Nation, 1982", page 13.

[8] *Ibid., Page 3.*

[9] "The Condition of Bilingual Education in the Nation, 1984", Page 18.

[10] *Ibid.*, Page 13.

[11] *Ibid.*, Page 24.

[12] "Global Competition: The New Reality", The Report of the President's Commission on Industrial Competitiveness, 1985, Vol. II, Page 143.

[13] *Ibid.*

Fourth, Public Law 98-511 expanded Title VII's flexibility by authorizing two new programs: Special Alternative Instruction Programs which need not use a child's native language, and Developmental Bilingual Education Programs which bring LEP and English-proficient students together to learn English and second language.

Fifth, the revised Bilingual Education Act addresses the intergenerational problem of English illiteracy by creating a new Title VII grant for Family English Literacy Programs. These programs, which can be administered by non-profit community organizations as well as educational institutions, are exclusively focused on helping the parents of LEP students learn English so that they can be active and effective partners in the education of their children.

Sixth, Public Law 98-511 Addresses the national shortage of qualified teachers for LEP students by increasing the proportion of funds reserved for training and retraining, by strengthing standards for teacher pre-service and in-service training, and by focusing graduate-level training on neglected specialities such as special education for LEP students.

Because of these features and numerous other improvements, the revised Bilingual Education Act is a program which deserves expanded Federal support.●

DR. DAVID STEINBERG: ACHIEVING ACADEMIC EXCELLENCE

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. SOLARZ. Mr. Speaker, today I would like to pay tribute to an old friend, staunch supporter, and outstanding academician. Dr. David Steinberg recently assumed the presidency of Long Island University, which I am proud to say is in my district in Brooklyn. A native New Yorker, Dr. Steinberg understands the complexities of city life, and he brings to LIU some specific recommendations for upgrading the university.

LIU, with an enrollment of approximately 20,000 students, is the ninth largest independent university in the Nation. There is a campus in downtown Brooklyn, which is generally referred to as LIU; there is C. W. Post College campus on the luxurious former Post estate in Old Brookville; the Southampton College campus on eastern Long Island, and rented facilities on the grounds of the Sisters of St. Joseph in Brentwood.

Dr. Steinberg's philosophy that "a university is a service organization to the community it surrounds" is exactly the kind of clear thinking that is needed in today's world. Making educational resources available to the entire community of 6.7 million people is a huge undertaking. This will include integrating the four colleges' libraries on to one computer for easy access, and bringing nationally known professors to teach and lecture at the university. If anyone can do it, Dr. Steinberg can.

Dr. Steinberg's qualifications for this position are without a doubt an example of how he will be able to effectively reach out to the community and integrate the four campuses. Educated at Harvard, Dr. Steinberg comes to LIU after serving as secretary, vice president, and executive assistant to the president of Brandeis University in Cambridge, MA. He has also served as a full professor at the University of Michigan for 10 years, and is one of the country's leading authorities on the Philippines.

I am confident that Dr. Steinberg will continue to make significant contributions to academia in his new role as president of Long Island University. On behalf of all Brooklynites, I welcome Dr. Steinberg to our town.●

BIAGGI LETTER SEEKS FULL SENATE HEARINGS ON UNITED STATES, UNITED KINGDOM SUPPLEMENTARY EXTRADITION TREATY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BIAGGI. Mr. Speaker, today I wish to place into the RECORD a copy of a letter I have sent to Chairman RICHARD LUGAR of the Senate Foreign Relations Committee relative to a new Supplementary Extradition Treaty between the United States and the United Kingdom.

I am pleased to note that I was joined on this letter by 55 of my House colleagues and Senator PAUL SIMON. It calls upon the Senate committee to conduct full hearings on the Supplementary Treaty which was signed by the two governments on June 25 and forwarded by the President on July 17.

The concern that we have relates to the virtual elimination of the "political exception" category as well as the retroactive nature of the treaty.

Today the Senate Foreign Relations Committee conducted their first hearing on the treaty which they must report to the full Senate which must ratify it before it can be ratified. It was obvious from some of the observations and comments made during today's hearing that there will be careful and full consideration of the treaty by the committee.

At this point in the RECORD I would first like to insert the text of the Supplementary Extradition Treaty followed by a copy of the letter and the names of those who signed it.

LETTER OF TRANSMITTAL

THE WHITE HOUSE, *July 17, 1985.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Supplementary Extradition Treaty between the United States of America and the United Kingdom, with annex, signed at Washington on June 25, 1985.

I transmit also, for the information of the Senate, the report of the Department of State with respect to the Supplementary Treaty.

The Supplementary Treaty adds to and amends the Extradition Treaty between the United States and the United Kingdom, signed at London on June 8, 1972.

It represents a significant step in improving law enforcement cooperation and combatting terrorism, by excluding from the scope of the political offense exception serious offenses typically committed by terrorists, e.g., aircraft hijacking and sabotage, crime against diplomats, hostage taking, and other heinous acts such as murder, manslaughter, malicious assault, and certain serious offenses involving firearms, explosives, and damage to property.

The Supplementary Treaty, in addition to narrowing the application of the political offense exception to extradition, will also help improve implementation of the current Extradition Treaty in several other respects. I recommend that the Senate give early and favorable consideration to the Supplementary Treaty and give its advice and consent to ratification.

RONALD REAGAN.

LETTER OF SUBMITTAL

DEPARTMENT OF STATE,
Washington, July 3, 1985.

The PRESIDENT,
The White House.

MR. PRESIDENT: I have the honor to submit to you the Supplementary Extradition Treaty between the United States of America and the United Kingdom of Great Britain and Northern Ireland, with annex, signed at Washington on June 25, 1985. I recommend that the Supplementary Treaty be transmitted to the Senate for advice and consent to ratification.

The Supplementary Treaty supplements and amends the Extradition Treaty between the United States and the United Kingdom, signed at London on June 8, 1972 (28 U.S.T. 227; TIAS 8468). The Supplementary Extradition Treaty would exclude specific crimes of violence, typically committed by terrorists, from the scope of the political offense exception to extradition. It therefore represents a significant step to improve law enforcement cooperation and counter the threat of international terrorism and other crimes of violence.

Article 1 of the Supplementary Treaty effectively limits the scope of Article V, paragraph (1)(c)(i) of the current Extradition Treaty—the political offense exception—by listing the crimes which shall not be regarded as offenses of a political character, namely: aircraft hijacking; aircraft sabotage; crimes against internationally protected persons, including diplomats; hostage taking; as well as murder; manslaughter; malicious assault; kidnapping; and specified firearms, explosives, and serious property damage offenses.

Article 2 of the Supplementary Treaty amends Article V, paragraph (1)(b) of the current Extradition Treaty by providing that extradition shall be denied if prosecution would be barred by the statute of limitations of the requesting State. The current treaty provision permits the statute of limitations of either the requesting or requested State to apply.

Article 3 of the Supplementary Treaty amends Article VIII, paragraph (2) of the current Extradition Treaty by providing that the requesting State shall have as much as 60 days following provisional arrest to submit evidence in support of an extradition request, and that if by that time such evidence has not been submitted the person arrested shall be set at liberty. The current treaty allows only 45 days.

Article 4 of the Supplementary Treaty provides that its provisions shall apply to any offense committed before or after the entry into force of the Supplementary Treaty, but shall not apply to an offense committed before the Supplementary Treaty enters into force if the offense in question was not an offense under the laws of both Contracting Parties at the time of its commission.

Article 5 of the Supplementary Treaty provides that it shall form an integral part of the current Extradition Treaty and sets forth its territorial application for the United States and the United Kingdom, respectively.

Article 6 of the Supplementary Treaty provides that it shall enter into force upon the exchange of instruments of ratification and shall be subject to termination in the same manner as the current Extradition Treaty.

The Department of Justice joins the Department of State in favoring transmission of this Supplementary Treaty to the Senate at the earliest possible date.

Respectfully submitted,

GEORGE P. SHULTZ.

SUPPLEMENTARY TREATY CONCERNING THE EXTRADITION TREATY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, SIGNED AT LONDON ON 8 JUNE 1972

The Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland;

Desiring to make more effective the Extradition Treaty between the Contracting Parties, signed at London on 8 June 1972 (hereinafter referred to as "the Extradition Treaty");

Have resolved to conclude a Supplementary Treaty and have agreed as follows:

ARTICLE 1

For the purposes of the Extradition Treaty, none of the following offenses shall be regarded as an offense of a political character:

(a) an offense within the scope of the Convention for the Suppression of Unlawful Seizure of Aircraft, opened for signature at The Hague on 16 December 1970;

(b) an offense within the scope of the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, opened for signature at Montreal on 23 September 1971;

(c) an offense within the scope of the Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, opened for signature at New York on 14 December 1973;

(d) an offense within the scope of the International Convention against the Taking of Hostages, opened for signature at New York on 18 December 1979;

(e) murder;

(f) manslaughter;

(g) maliciously wounding or inflicting grievous bodily harm;

(h) kidnapping, abduction, false imprisonment or unlawful detention, including the taking of a hostage;

(i) the following offenses relating to explosives:

(1) the causing of an explosion likely to endanger life or cause serious damage to property; or

(2) conspiracy to cause such an explosion; or

(3) the making of possession of an explosive substance by a person who intends either himself or through another person to endanger life or cause serious damage to property;

(j) the following offenses relating to firearms or ammunition:

(1) the possession of a firearm or ammunition by a person who intends either himself or through another person to endanger life; or

(2) the use of a firearm by a person with intent to resist or prevent the arrest or detention of himself or another person;

(k) damaging property with intent to endanger life or with reckless disregard as to whether the life of another would thereby be endangered;

(l) an attempt to commit any of the foregoing offenses.

ARTICLE 2

Article V, paragraph (1)(b) of the Extradition Treaty is amended to read as follows:

"(b) the prosecution for the offense for which extradition is requested has become barred by lapse of time according to the law of the requesting Party; or"

ARTICLE 3

Article VIII, paragraph (2) of the Extradition Treaty is amended to read as follows:

"(2) A person arrested upon such an application shall be set at liberty upon the expiration of sixty days from the date of his arrest if a request for his extradition shall not have been received. This provision shall not prevent the institution of further proceedings for the extradition of the person sought if a request for extradition is subsequently received."

ARTICLE 4

This Supplementary Treaty shall apply to any offense committed before or after this Supplementary Treaty enters into force, provided that this Supplementary Treaty shall not apply to an offense committed before this Supplementary Treaty enters into force which was not an offense under the laws of both Contracting Parties at the time of its commission.

ARTICLE 5

This Supplementary Treaty shall form an integral part of the Extradition Treaty and shall apply:

(a) in relation to the United Kingdom: to Great Britain and Northern Ireland, the Channel Islands, the Isle of Man and the territories for whose international relations the United Kingdom is responsible which are listed in the Annex to this Supplementary Treaty;

(b) to the United States of America;

and references to the territory of a Contracting Party shall be construed accordingly.

ARTICLE 6

This Supplementary Treaty shall be subject to ratification and the instruments of ratification shall be exchanged at London as soon as possible. It shall enter into force upon the exchange of instruments of ratification. It shall be subject to termination in the same manner as the Extradition Treaty.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed this Supplementary Treaty.

DONE in duplicate at Washington this twenty-fifth day of June, 1985.

For the Government of the United States of America:

—— ——.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

—— ——.

ANNEX

Anguilla
Bermuda
British Indian Ocean Territory
British Virgin Islands
Cayman Islands
Falkland Islands
Falkland Islands Dependencies
Gibraltar
Hong Kong
Montserrat
Pitcairn, Henderson, Ducie and Oeno Islands
St. Helena
St. Helena Dependencies
The Sovereign Base Areas of Akrotiri and Dhekelia in the Island of Cyprus
Turks and Caicos Islands

HOUSE OF REPRESENTATIVES,
Washington, DC, July 31, 1985.

Hon. RICHARD LUGAR,
Chairman, Senate Foreign Relations Committee, Washington, DC.

DEAR MR. CHAIRMAN: We, the undersigned, are writing to respectfully request that full hearings be conducted on the proposed Supplementary Extradition Treaty signed by the United States and the United Kingdom on June 25, and forwarded to the Senate by President Reagan on July 17.

We are aware that a hearing has been scheduled for August 1. A number of concerns have been raised about this treaty, concerns we share. In that regard, we believe that a full set of hearings are necessary to ensure that these concerns are registered and addressed.

This document is both extraordinary and significant in effect. Its ratification will result in the virtual destruction of the "political offense" exemption that since the 1870's has been a cornerstone of extradition law and treaty in both the United States and the United Kingdom. This treaty is unprecedented in many regards, not the least of which is the fact that it is retroactive upon ratification. The fact that the treaty establishes so many new precedents warrants that it be given full and careful consideration. It is interesting to note that this Supplementary Treaty is being considered within a time period of just over one month. The original Extradition Treaty, signed in London on June 8, 1972, required 4 years to negotiate.

We hope you will give consideration to our views. The need for expanded hearing beyond August 1 becomes evident as more examination of the treaty is undertaken. There are serious legal and political issues associated with this Supplementary Treaty, and we are hopeful they can receive full attention before your distinguished Committee.

Sincerely,

MARIO BIAGGI,
Member of Congress.

Additional signers:

Senator Paul Simon, Reps. Marty Russo, Tom Downey, Norman D. Dicks, Joseph P. Addabbo, Thomas Foglietta, Paul Kanjorski, Joseph M. Gaydos, Bernard Dwyer, Joe Kolter, Hamilton Fish, Peter Rodino, Bill Richardson, Ron de Lugo, Lawrence J. Smith, Howard Wolpe, Anthony Beilenson, Mary Rose Oakar, Tom Ridge, Martin Olav Sabo, Mel Levine, Joseph Moakley, Silvio Conte, Barbara Mikulski, Joseph DioGuardi, Norman Lent, Robert Borski, Dean Gallo, Robert Roe, Nicholas Mavroules, Doug Walgren, Thomas Manton, James Traficant, Bob Edgar, Major Owens, Mike Lowry, Walter Fauntroy, Robert Mrazek, James J. Howard, Ronald Dellums, William Carney, Benjamin Gilman, Tom Lantos, Robert Garcia, Edolphus Towns, Albert Bustamante, Patricia Schroeder, Parren Mitchell, Jim Scheuer, Roy Dyson, Matthew Rinaldo, Lane Evans, William O. Lipinski, Frank Annunzio, John Conyers, Jr., and James Florio. ●

SURVEY RESULTS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. YATRON. Mr. Speaker, I would like to take this opportunity to apprise my colleagues of the results of a survey I recently conducted among the voters of Pennsylvania's Sixth Congressional District. We received a huge number of responses and the survey was a great success. The voters of the Sixth Congressional District have spoken out and expressed their opinions on a variety of current issues. I believe that the results are both interesting and informative. The results are as follows:

	Percent
(1) How would you like to see the budget deficit reduced?	
(a) Freeze all federal spending with no increases for inflation	13
(b) Allow increases in spending, but only at the inflation rate	21
(c) Cut domestic spending only	7
(d) Cut defense spending only	15
(e) Freeze all spending and achieve further spending reductions where possible	44
(2) Do you support a tax increase to reduce the deficit?	
(a) Yes	22
(b) No	68
(c) Undecided	10
(3) Do you believe the Superfund law should be strengthened to enable more waste sites to be cleaned?	
(a) Yes	69
(b) No	17
(c) Undecided	14
In considering tax reform, what should be done with the following current allowable personal tax benefits?	
(4) Deduction for home mortgage interest:	
(a) Retain	62
(b) Repeal	19
(c) Modify	19
(5) Deduction for general loan or credit interest:	
(a) Retain	49
(b) Repeal	26
(c) Modify	25
(6) Deduction for charitable contributions:	
(a) Retain	60
(b) Repeal	26
(c) Modify	23
(7) Deduction for state and local taxes:	
(a) Retain	69
(b) Repeal	15
(c) Modify	16
(8) Exclusions for employer-provided benefits like health and life insurance:	
(a) Retain	57
(b) Repeal	18
(c) Modify	25
(9) What is your opinion of a minimum tax on corporations?	
(a) Favor	81
(b) Oppose	11
(c) Undecided	8
(10) What is your opinion on the development of an anti-missile defense system?	
(a) Favor	57
(b) Oppose	26
(c) Undecided	17
(11) What is your recommendation on Conrail?	
(a) Sell to Norfolk Southern	17
(b) Maintain federal ownership	12
(c) Allow other companies to buy	27
(d) Offer shares of stock to the public	28
(e) Undecided	16

●

HOW TO STOP THE TIDE OF INFANT MORTALITY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. RANGEL. Mr. Speaker, I rise to bring the attention of my colleagues to an article in the July 23, issue of the Wall Street Journal. The article concerns the disturbing problem of infant death. While infant mortality is still decreasing, the rate of decrease is becoming slower and slower each year. In addition, the infant mortality rate continues to be twice as high for black babies as for white babies.

Mr. Speaker, the article suggests that part of the cause for this trend toward leveling off is the tremendous decrease in Federal funding for prenatal and immediate postnatal care. If we are to continue to control the tragedy of infant mortality, we must ensure that programs for young children and pregnant mothers receive the funding that they desperately need.

The text of the article follows:

HOW TO STOP THE TIDE OF INFANT MORTALITY

(By Alan L. Otten)

WASHINGTON.—We're in the middle of a bad trend," says Sara Rosenbaum of the Children's Defense Fund, "and for the administration still to come forward and cut prorams of proven effectiveness is unforgivable."

Replies Dr. James O. Mason, the ranking health official at the Department of Health and Human Services: "Until we know a lot more about why it's happening, simply throwing federal dollars at it won't work. Particularly if it's not met by increased concern at the community level and many other changes."

Ms. Rosenbaum and Dr. Mason represent the two sides in an escalating argument over what to do about a slower-than-expected drop in infant mortality rates—long regarded as a bellwether social indicator. As is so frequently the case in Washington, both sides are probably at least partly right.

SOME GOOD NEWS

There's some good news, to be sure. Infant mortality—deaths during the first year of life—continues to fall, for blacks as well as whites. The preliminary overall rate for 1984 was 10.6 deaths per 1,000 live births, a 57 percent drop since 1965.

But there's lots of bad news, too. Preliminary data show the rate of decline slowing over the past two years. Each year, 40,000 infants still die. The black infant mortality rate still is double the white rate. The incidence of low-birth-weight babies—5.5 pounds or less are 40 times likelier to die in the first month than are normal-weight babies—remains distressingly high, particularly among blacks. The proportion of pregnant women receiving prenatal care during the first trimester actually has been declining.

All this adds up to a situation the administration concedes is "disquieting" and "cause for concern," but which liberal groups insist is far more serious than that.

They want higher spending on a broad range of child and maternal health programs that the Reagan administration has cut back, frozen or allowed only minimal increases. The administration says it's spending more than its critics contend. Exact figures are hard to separate from broader health categories. But, for example, in one program, supplemental nutrition for infants and pregnant women, the administration is projecting a 2 percent increase in the current fiscal year, to $1.44 billion, a sum that liberals note will cover only the same number of individuals.

The Department of Health and Human Services predicts the nation still will meet one key goal set by the Public Health Service in 1979: to cut the overall infant mortality rate to 9.0 deaths per 1000 live births by 1990. However, it admits that other major infant and material health goals set for 1990 will be missed, some by wide margins, and, in particular, goals that affect blacks. Health and Human Services Secretary Margaret Heckler will try to shed more light on the administration's attitude in a speech to the National Urban League here today.

At some point, of course, infant mortality rates will reach an irreducible minimum, but most experts say the U.S. is nowhere near there yet. Largely because of its high proportion of low-birth-weight babies, the U.S. has been falling further behind other industrialized nations, in 1980 ranking behind 15 others, and their infant mortality rates continue to drop. The rate for U.S. whites alone still puts this nation only in 12th place.

TECHNOLOGY HELPED REDUCE RATE

Much of the U.S. decline in infant mortality over the past two decades has resulted from technological advances in the care of low-birth-weight and other problem births and to the steady spread of intensive-care units for the newborn. Now, says Dr. Vince L. Hutchins, head of maternal and child health programs at Health and Human Services, "we may be near the maximum" of what technology can do in this area.

Other factors also are making it hard to bring down infant mortality now, administration officials say: the large numbers of pregnant teen-agers, especially poor young women at high risk for problem births; smoking, drinking and drug abuse during pregnancy; and the reluctance of many poor women to seek early prenatal care, even when it's available.

"And why is it always federal money" that must solve these problems? Dr. Mason demands. "Primary responsibility for the achievement of the 1990 goals," he argues, rests with state and local health agencies and the pregnant women themselves.

The major federal responsibility right how, he says, is research to find out what's happening and why, "and that we take very seriously," with more than a dozen task forces at work.

Naturally, all this doesn't impress the critics. Sure, they say, it would be nice to reduce teen-age pregnancy, get pregnant women to stop smoking, and have state and local governments do more. But the federal government also must spend more, on everything from family planning and prenatal services to Medicaid and food programs for low-income people.

Administration cutbacks in prenatal and infant programs "have contributed significantly to the change of trend in the infant mortality rate," Dr. C. Arden Miller, a public health specialist at the University of North Carolina, writes in the July Scientific American. He accuses the Reaganites of "slavishly trying to implement an ideology, when the better course might be to allow some exceptions, especially cost-effective exceptions."

For example, a prestigious committee of the National Academy of Sciences' Institute of Medicine recently reported "overwhelming evidence" that early prenatal care makes for higher birth weights, and that every $1 spent on such care for low-income women would save more than $3 in care of low-weight babies after birth. Yet in 1982, slightly over one-fifth of all pregnant white women and well over one-third of pregnant black women didn't get first-trimester care.

Moreover, administration critics note, many areas of longtime unemployment and high poverty currently are experiencing level or even rising infant mortality rates, especially for older infants. "You are talking about a Third World phenomenon here in the U.S.," charges Ms. Rosenbaum. "Babies dying because of infectious diseases, poor nutrition, lack of access to basic medical care."

Paradoxically, White House support of right-to-life efforts to curb abortion could swell infant mortality figures. Unintended or unwanted pregnancies often produce high-risk babies, but since the Supreme Court's abortion decision, more women have chosen to abort unwanted pregnancies.

Studies by Michael Grossman and colleagues at the National Bureau of Economic Research conclude that the wider availability of abortion has been "the single most important factor in reducing the neonatal mortality rate" among blacks over the past two decades, and also helped cut the white rate. "If abortion were illegal," Mr. Grossman writes, "neonatal mortality, especially among blacks, would fall more slowly than otherwise, and might even rise."●

STAR WARS—A WASTE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. **MARKEY**. Mr. Speaker, as we gather increasing evidence on the Defense Department's strategic defense initiative, one thing has become clear: It simply will not work. Here we are haggling over various ways to trim the country's budget, to tighten the belts of the needy and truly deserving. Meanwhile, we grant enormous increases in funding to a program that is technically impossible and strategically destabilizing.

It is easy to understand why universities would be anxious to receive star wars research funding. In today's market of rising costs of education, their mouths must surely water at the prospect of lapping up their share of the delectable star wars pie. Yet a few concerned scientists and universities have had the courage to speak out. Now we are beginning to see the snowballing effects of their movement to garner opposition to the program. Letters and petitions have been circulating nationwide among those scientists who recognize the star wars program for the boondoggle that it is. While the movement is substantial now, I would like to warn my colleagues who approved star wars funding to look for a massive wave of opposition from the scientific community in the fall.

Mr. Speaker, let us in Congress stop fooling ourselves. Star wars is going to be the biggest incident of defense waste and fraud ever—to the tune of almost $3 billion this year alone. Only this time, we aren't just throwing away our taxpayers' dollars. We are throwing away our national security.

At this point, I would like to call to the attention of my colleagues to a recent editorial from the Boston Globe. The text of the article follows:

PORK BARRELS IN THE SKY

Most scientsts who have studied it regard the Star Wars premise of a technical defense against nuclear attack as a fraud. No technology imagined, let alone developed, holds a faint hope of providing safety to populations. The radical escalation in Star Wars research sought by President Reagan and rubberstamped by Congress is a scam.

Technical innovation has been crucial to the U.S. economy. Scientists who are bribed into devoting their lives to "interesting" military problems, such as hardening computers to withstand the electromagnetic pulses in nuclear blasts, are not available to pioneer manufacturing techniques or robotics or biogenetics.

This "brain drain" affects the U.S. position in the world economy, just as the Apollo program, which drew European scientists in the 1960s, damaged the European economy.

For scientists, the moral issue in Star Wars centers on the acceptance of a bribe to do work that there is reason to believe will be, at best, wasteful and, at worst, corrosive to the peace. Scientists know they are being used by the government to manipulate Congress and public opinion.

Congress agreed with Reagan's first Star Wars funding requests in 1983, but the plan met with overwhelming criticism from the best-informed scientists and defense specialists.

As that criticism began to take its toll, co-opting scientists became important to continued congressional support. James Ionsen, who hands out federal Star Wars grants, said in a recent interview in Science. "This office is trying to sell something to Congress. If we can say that this fellow at MIT will get money to do such and such research, it's something real to sell."

Some see this largesse as the malice of a cynical administration, bamboozling the public to keep the arms race prominent and profitable. or, as MIT physicist Philip Morrison puts it, "to inoculate us against the possibility that peace will break out."

Even if there is no malice, the result is alarming. Kosta Tsipis, an MIT physicist specializing in defense issues, opposes random increases in funding for Star Wars. He is confident that the space-defense program will eventually collapse of its own weight. The issue that alarms him is the misallocation of scientific talent into areas of research that are virtually useless.

Whether malice or folly, Star Wars represents prodigious waste. Never before has so much money been thrown into military spending projects of such dubious strategic merit. Many of these barrels of intellectual pork have not been defined on anything but the back of an envelope. Serious scientists have a responsibility to blow the whistle until Congress listens.●

SAFE RIDE PROGRAM

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. **KENNELLY**. Mr. Speaker, I was recently visited by three students from East Hartford, CT, Dennis McCabe, Brian Marcus, and Edward Fenton. They came to urge my endorsement for Safe Ride, a program to combat drunk driving. The Safe Ride Program plays an important role in preventing drunk driving among our teenagers, and provides our youths with a genuine awareness of the problems associated with drinking and driving. I believe their volunteer actions in the Safe Ride Program and the program itself are worthy of my colleagues attention.

Let me briefly describe the Safe Ride Program. It is run and financed by students to provide other students who might have been drinking on the weekend a safe ride home. Generally three volunteers are on duty every Friday and Saturday night from 9:30 p.m. to 1:30 a.m. One student acts as a dispatcher and receives incoming calls from teenagers who need a ride home. The other two volunteers are responsible for picking up the teenagers and driving them home safely. All volunteers in the Safe Ride Program are insured by the Boy Scouts of America.

The town of East Hartford, where Dennis McCabe, Brian Marcus, and Edward Fenton live, is one of many towns in Connecticut that has a Safe Ride Program. I would like to extend my sincere support and congratulations to the Safe Ride volunteers throughout the State. This includes my son, John Kennelly, who is a volunteer. While Safe Ride is a simple concept, it is nonetheless effective, and I hope its fine example will encourage other communities both in Connecticut and across the country to start similar programs.

Again, I commend the fine work done by the students who are serving as Safe Ride volunteers and pledge my continued support to the values and awareness this program has generated.●

TESTIMONY OF JAMES W. COMPTON, PRESIDENT OF THE CHICAGO URBAN LEAGUE

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. **HAYES**. Mr. Speaker, I want to draw the attention of my colleagues to testimony of Mr. James W. Compton, president and chief executive officer of the Chicago Urban League, presented before a special session of the House Education and Labor Committee in conjunction with the National Urban League's annual convention which was held here in Washington during the month of July. The hearing, which I chaired in part, was on the subject of full employment. Mr. Compton's statement eloquently expresses the plight of the unemployed and the human costs of joblessness.

Mr. Speaker, because Mr. Compton's statement also makes a strong argument for the concept that every able-bodied American should have the right to productive and fulfilling paid employment as embodied in my bill, H.R. 1398, the Income and Jobs Action Act of 1985, I believe you and the rest of my colleagues will find it very interesting.

Mr. Compton's statement follows:

TESTIMONY OF JAMES W. COMPTON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, CHICAGO URBAN LEAGUE, JULY, 24, 1985

Chairman Augustus Hawkins, distinguished members of the House Committee on Labor and Education, I am James W. Compton, president and chief executive officer of the Chicago Urban League. I thank you once again for providing me with this second opportunity and privilege of coming before the committee to address a full employment agenda for our Nation.

The Chicago urgan league, the oldest and largest race relations organization in Illinois, has been working for over 68 years to ensure equal access and opportunities in housing, education, employment, and economic development. The league's strategies toward this end include research, advocacy and direct services.

Coming from a city with 1.3 million blacks and over one-half million Hispanics and other minorities, I am here to express our concern about the pervasive and persistent unemployment which has idled too many of our people and too much of our Nation's productive potential. We are alarmed that disproportionate numbers of those sidelined by joblessness are minorities concentrated in the inner cities of urban areas such as Chicago. Especially affected are blacks, youths, and single-parent, largely female, heads of household.

Chicago, like most of our Nation's large urban center, was particularly hard-hit by the recession. Between 1979 and 1982, according to official reports, Chicago's unemployment rate skyrocketed from 7% to over 17% non-white workers were the main victims, as non-white unemployment rates soared from 11% in 1979 to 26% in 1983, the purported year of "recovery", declining only to 21% in 1984.

The situation is particularly critical for non-white youth. While white teenage unemployment fluctuated between 20% and 30% during the last six years, non-white teenage unemployment in the best of years was 40%, and in the worst of years, 66%. Against these odds, it is small wonder that staggering proportions of our young people are being forced to conclude that they have no chance to obtain and hold a decent job or to be self-sufficient. In 1984 only 16% of non-white teens in Chicago had jobs, and only three in ten were still active participants in the labor market.

We know that in Chicago our official statistics say:

Nonwhite workers are over twice as likely as white workers to be unemployed;

Center city workers are 1½ times more likely than suburban workers to be unemployed;

Teenagers are 2½ times more likely than adults to be unemployed.

But we also know that these unhappy official statistics, like current national policy, seriously downplay the scope of the problem. You are already familiar with most of the dimensions of this camouflage, so I will only mention them without comment:

The census undercount, particularly of young minority men;

The "hidden" unemployed, those not factored into official data because they have abandoned the futile search for employment;

And the underemployed, or those who work part-time but are in reality seeking full-time employment.

But a newer element in the underestimation of unemployment is only now emerging into full view. This newer problem is that the complex formula used for generating official estimates of employment and unemployment for local areas— the formula which was revised just before the recent recession—clearly seems to produce lower unemployment figures than the more straightforward sample survey data gathered by the U.S. Bureau of Labor Statistics.

These data were available for comparision with official statistics for only eight central cities in 1983. For six of the eight cities, including Chicago, the official unemployment statistics reported significantly lower unemployment rates—that is, two to five percentage points lower—than the more reliable survey data. We also know that for every year, beginning with 1980, there were substantial discrepancies between the two data sources in reporting the level of unemployment in Chicago. The gap was widest during the depts of recession.

Since the official statistics become the raw data for fueling public discussion, informing public policies, and allocating public funding, we would hope that this committee would investigate more throughly what appears to us to be a serious, consistent underestimation of actual unemployment in major cities like Chicago and possibly elswhere.

In spite of these deficiencies, there is every indication that the Federal Government intends to continue its current movement toward providing less rather than more reliable data. We are increasingly concerned with reports of significant cutbacks in staff, data collection and analysis, and slowed publication schedules at both the U.S. Census Bureau and the U.S. Bureau of Labor Statistics, but contrary to what President Reagan and some members of his administration may believe, supression and downplaying of the "bad news" of unemployment cannot hide the simple, glaring reality which confronts our Nation's economy.

The administration's strategy of blind trust in "market forces" and in "trickle-down" benefits from a general economic "recovery" has not and cannot appreciably diminish the severe structural problems that block economic opportunities for blacks, other minorities and the poor.

Speaking from our own experience, after two years of purported "recovery", nearly 200,000 Chicago workers are still unemployed. This represents twice the number unemployed in the pre-recession year of 1979. Total employment in Chicago has dropped 2% since 1979, while the working age population has grown by 9%. Virtually all of the additional workers, I hasten to add, are non-white. In 1984, barely half the working age population in Chicago was at work, and less than half (46%) of the non-white population had jobs. Such trends auger that the situation, if left alone, will only worsen.

There are two major components to this crisis in employment in our cities. First, very simply, there are not enough jobs to employ everyone who would like to work in Chicago. We know that the structure of work is undergoing dramatic changes, jobs are shifting from cities to suburbs, from "rustbelt" to "sunbelt" or out of the country altogether. Manufacturing is declining, service industries are growing. And minorities in inner city areas such as Chicago are the heaviest losers. Not only are they suffering from local, regional, and national trends in the flight of jobs, but the data clearly show that within the central city itself minority communities, not the white communities, are continuing to experience the brunt of the job exodus. This is occurring because of declining employment opportunities in manufacturing and in the public sector in which minorities have become particularly heavily concentrated.

Optimists point to the growth in service industries as replacements for jobs lost elsewhere. We are skeptical of suggestions that the growth industries will provide enough jobs to employ all the workers dislocated by these shifts as well as the young workers entering the labor market. Without even looking at inner city and metropolitan employment patterns, we found that State figures suggest a potential shortfall of 500,000 jobs in Illinois by 1990. Moreover, the new jobs being created provide considerably less in the way of wages, benefits, security, and opportunities for advancement. For example, half the workers employed in eating and drinking establishments, a growth industry in Illinois, earned less than poverty level wages.

The second component of the employment crisis is that the "good" jobs of the future require advance skills and training which our current workforce lacks and which our inner city public schools are not providing to our children. In 1984, the high school graduation rate in the Chicago Public Schools was less than 50%. Those who graduated from Chicago's Public Schools were far too often unable to read, write, or compute well enough to compete for college places or for decent jobs.

Far too often we continue to abandon our young people to the prisons of functional illiteracy, dead end jobs, and deteriorating communities from which there is no escape. The facts are too well documented for us to feign surprise or moral indignation when they turn to drugs, youth gangs, other forms of crime, or to public aid as their only means of survival.

The first step in addressing these problems, and one we have not yet taken as a nation, is to concede the fact that there are no cheap, quick, or easy solutions.

We must agree that eliminating or distorting statistics won't stop the rising tide of unemployment in Chicago or elsewhere. We must be realistic in recognizing that the elimination of programs that provide public service employment hinders the creation of extra jobs which are needed but are not coming to Illinois and Chicago.

Abandoning job training programs won't prepare our youth for meeting the future and becoming productive members of our society.

Ignoring the gross inadequacies in public education will compound and exacerbate our Nation's economic and social problems.

Proposing "solutions" such as the subminimum wage adds further insult to the indignity of joblessness and underemployment. One study conducted in Dayton, Ohio tends to suggest that providing an employer-incentive for hiring certain groups of people may stigmatize those groups and hamper rather than aid their hire by private sector employers.

Engaging in all out war on affirmative action is wrong when we know that blacks continue to be the chief victims of unemployment and underemployment and that well-designed affirmative action programs do work.

Highly competent empirical research has already been done on the benefits of early childhood education, the Job Corps Program, affirmative action, and various job training programs. Research has also shown the failure of programs based on a dual track system of education, employment and wages for prospective workers.

The Department of Labor has on file 16 years of reports by the Chicago Urban League. These records show between 500 and 700 or more minorities and women being placed annually in construction industry apprenticeship programs and in non-traditional jobs through our labor education advancement program [LEAP]. You have 8 years of reports on our computer training center which trains computer programmers and word processors and has an overall 85% job placement rate. In each of the last few years we have helped minority-owned businesses secure between $10-15 million in contracts as part of our affirmative action/minority business enterprise program. We work in 22 inner-city high schools to help students with an interest in math to improve their skills. We work with hundreds of teenage mothers, moving them toward economic independence, helping them to become better parents while coping with their own adolescence and—as demonstrated through several years of documented research—reducing significantly the birth rates among these mothers during the remainder of their teenage years.

There is no lack of good ideas and programs for addressing our current crises in employment. We simply have to exercise the national will to rescue our greatest source of wealth—our "human capital."

The failure of the past was not that too much was done for minorities and the poor. The failure of the "great society" was caused by a wavering of commitment, abandonment of compassion, and a national paralysis that impeded futuristic and realistic planning for securing America's economic vitality.

We must recognize that our Nation's unprecedented military buildup continues to be the main engine that powers and perpetuates the deepening crises. It has led to the most severe recession in 50 years and the biggest deficit in our Nation's 200 years of existence.

A moral commitment to peace and an end to the insane arms race—one which the human race cannot win—will provide the fundamental basis for converting our Nation's energies and ingenuity to the imperative of stimulating an economic rebirth.

Mr. Chairman, your efforts and those of your fellow committee members, offer us renewed hope.

Last year, as I stated in my introductory comments, we were privileged to speak in favor of two bills presented by members of this committee. Congressman Hayes' "Income and Jobs Action Act of 1985" still provides a cogent statement of a public policy that clearly and accurately addresses the problems of unemployment and income facing those in the basement of the American economy. It articulates goals and offers a framework to achieve them. It dispells that self-serving notion that human development may be left to the vicissitudes of an imperfect market system. It challenges the myth that a hands-off posture by government in the economic sphere will lead to greater profits, which, in turn, will solve our most pressing crises.

Congressman Hawkins' "Youth Incentive Employment Act" provides a specific blueprint for action to address the barriers confronting youth who are our most valuable and vulnerable asset. It draws upon a sound and tested program that for several years successfully provided low-income youth with wages, part-time jobs during the school year, and full-time employment during the summer. A basic requirement was that these youth had to be enrolled in school and making satisfactory academic progress. Several evaluation studies have confirmed the positive results of such programs. Participants were found to remain in employment longer, and were earning more than nonparticipants one year after completion of the program.

Despite the wisdom and practicality of these bills, and the pressing need for such initiatives, Congress has not mustered the will to act on this legislation. Obviously, it will require more than just a few voices in the wilderness to persuade our Nation that we must act—now.

As you return to Congress with our words on the record of concern, be assured of our solidarity and our resolve to add our voices to yours as you urge compassion and demand jobs and job training for every able-bodied American citizen who needs work and the opportunity to pursue happiness.

Thank you.●

OVEREATERS ANONYMOUS CELEBRATES 25TH ANNIVERSARY

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● **Mr. WAXMAN.** Mr. Speaker, I would like to make my colleagues aware that from September 27-29, Overeaters Anonymous will be celebrating its 25th anniversary at its convention in Anaheim, CA. This organization has been enormously helpful in providing a program of recovery from compulsive overeating and the many life-threatening illnesses associated with obesity and related disorders.

Patterned after Alcoholics Anonymous, the OA fellowship has helped to restore thousands to normal weight and healthy, productive lives. Like AA, Overeaters Anonymous does not specialize in professional counseling. Instead, its members extend to fellow compulsive overeaters only the shared experience and support that helped them recover.

Obesity and eating disorders are serious problems for millions of Americans—OA can and does help these people. We should all applaud the dedicated people of OA who attend to the well-being of their fellow citizens. Overeaters Anonymous, continued success means that many more people will successfully control their eating habits.●

THE CONSERVATION SERVICE REFORM ACT OF 1985

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● **Mr. MARKEY.** Mr. Speaker, today I and Congressman SIKORSKI are introducing legislation to preserve and improve two important Federal programs for energy conservation: The Residential Conservation Service [RCS] and the Commercial and Apartment Conservation Service [CACS].

The RCS Program, enacted originally as part of the 1978 National Energy Policy Act [NECPA], requires large electric and natural gas utilities to provide onsite "energy audits" to residents of buildings with four dwelling units or less. The CACS Program, enacted in 1980 in the Energy Security Act, establishes a similar service for certain commercial buildings and for residential buildings with five or more units. Both programs seek to provide reliable conservation information to energy consumers in order to encourage the implementation of conservation measures which will reduce

energy demand. The conceptual framework of the RCS and CACS programs is a simple one: To provide cheap conservation information to energy consumers in order to spur investment in conservation measures. The result is lower energy costs to the consumer, and a reduction in net energy demand for the Nation.

Both RCS and CACS are fledging programs. On the RCS side, those States which have taken an active approach to residential conservation have shown marked energy savings from the program. For instance, a January 1985 study by the Oak Ridge National Laboratory [ORNL] of the first 2 years of the Minnesota home energy audit and retrofit loan programs finds a statistically significant net energy saving of 2 to 3 percent. Similarly, an ORNL study of Connecticut's Conn Save Program concludes that it:

> Stimulates installation of additional conservation measures, it probably reduces household energy consumption, and it is likely to be cost-effective for both participants and the State as a whole.

As for CACS, the Department of Energy has now approved a total of 25 State plans. To date, however, only one State, Michigan, has its CACS Program actually in place. Early reactions from the State of Michigan indicate the potential for substantial energy savings through this program.

The legislation we introduce today addresses two frequent criticisms leveled at the RCS and CACS programs: First, that individual States should be allowed to "opt out" of the Federal RCS and CACS Programs in favor of State initiatives which might accomplish conservation by alternative means; and second, that the programs fail to link the information generated by the energy audits to the implementation of actual conservation measures. As to the first critique, the Conservation Service Reform Act of 1985 would allow the Governor of a State or the appropriate State agency to implement an alternative State plan to effectuate the conservation objectives of the RCS and CACS legislation. As to the second critique, our bill provides that the alternative State plans must include performance standards designed both to result in 5 percent annual participation in the program by eligible customers, and to achieve energy savings or reduction in peak electricity use of 10 percent annually for each customer participating in the program. This modest performance target, which would amount to a net annual decrease of 0.5 percent in energy use, could be met by the alternative State plan in a variety of ways.

We are passing through an era of false calm spawned by the temporary respite of falling energy prices. The temptation is to return to the pre-1970's mindset of central plant construction and lax conservation which preceded the passage of the RCS and CACS legislation of 1978 and 1980. We must resist the temptation. Conservation continues to be a vast and largely untapped energy resource which inures to the benefit of consumers, utilities, and the national security. I urge my colleagues to cosponsor this bill.

SECTION-BY-SECTION ANALYSIS

Section 1.—Short Title: The Conservation Service Reform Act of 1985.

TITLE I—RESIDENTIAL CONSERVATION SERVICE

Section 101.—Changes in certain plan requirements.

This section makes changes in certain plan requirements under the existing RCS program.

Extension of announcement date.—The bill would extend from January 1, 1985, to January 1, 1991, the last date on which utilities and participating home heating suppliers are required to issue announcements of the RCS program to their customers.

Elimination of arranging and listing requirements.—The bill would eliminate the requirements that covered utilities and home heating suppliers arrange for the installation and financing of conservation measures and provide a list of suppliers, contractors and financial institutions to residential customers. (However, the bill would not prohibit such activities by a utility.)

If a Governor or public utility wishes to revise a previously approved residential energy conservation plan to reflect this legislation's elimination of requirements relating to arranging and listing, this section explicitly permits such a change without requiring that a plan amendment be submitted to the Secretary of Energy.

In the case of states or public utilities that elect to continue a residential energy conservation plan approved by DOE prior to enactment of this legislation, the appropriate official in charge of such plan must notify the Secretary in writing that the announcement date requirement shall be extended to January 1, 1991, as required by this section.

Section 102.—Temporary programs.

The Secretary of Energy must approve or disapprove any pending applications for temporary programs under section 218(a) of the National Energy Conservation Policy Act (NEPCA) no later than 30 days after enactment. If the Secretary takes no action within 30 days, the temporary Program shall be deemed approved.

Section 103.—Alternative plans for residential buildings.

The bill allows an exemption from the requirements of the RCS program for states adopting an "alternative plan." This section would add new sections 226 and 227 to NECPA. Section 226 allows states to adopt an alternative plan, while section 227 allows utilities to develop alternative plans in states that choose to continue their existing RCS programs.

Alternative State plans (new section 226).—A Governor of any state or state agency authorized under state law may certify to the Department of Energy that the state will carry out an alternative plan. Any state which certifies an alternative plan shall continue to have such plan in effect for the five-year period after certification or until January 1, 1991, whichever occurs first.

Formulation of the plan.—In formulating an alternative plan, the Governor must hold a public hearing with opportunity for oral and written comments prior to certification.

Content of the plan.—In formulating an alternative plan, the Governor should be guided by the items set out under "Content of Plan," in section 226(d). The content of the plan is described below.

(1) The plan shall be designed to result in the dissemination of general energy conservation suggestions to all residential customers of utilities in the state. This is a minimal requirement of the plan to insure that general conservation information is available to all residential utility customers.

(2) In addition, the plan shall be designed to include result-oriented energy conservation programs. The state would have maximum flexibility in designing this class of program, keeping in mind that it should be designed to reach the targets set out in section 226(d)(2). Three broad types of approaches are named under this class of program. An alternative plan may include items from any of the three categories or a combination of these categories. The categories follow:

(a) Specific energy conservation suggestions regarding a customer's residential building;

(b) Programs designed to result in energy conservation improvements to the customer's residence; and

(c) Programs designed to result in load management improvements in the customer's residential building.

(3) The plan shall be designed to result in annual participation in the alternative program by at least 5 percent of the residential buildings served by natural gas or electric utilities included in the state plan. In the case of an alternative plan carried out by the state only, without utility involvement, the plan should be designed to reach at least 5 percent of the residential customers served by utilities covered under NECPA.

Section 226 also requires that the plan be designed to result in annual energy consumption reductions of at least 10 percent per household for buildings that participate in the energy conservation programs designed under section 226(d)(2). The Governor of the state shall define by rule the term "energy consumption reductions."

In the case of load management improvements included in the alternative program, the plan shall be designed to result in annual peak electricity demand reductions of an average of at least 10 percent in residential buildings served by such programs.

(4) The alternative plan shall be designed to benefit individuals with low or moderate incomes, as well as other individuals.

(5) The plan shall contain adequate procedures to assure that, if a public utility supplies or installs residential energy conservation measures, such actions shall be carried out in accordance with Section 216 of NECPA and at fair and reasonable prices and rates of interest.

(6) The plan shall contain adequate procedures for preventing unfair, deceptive or anticompetitive acts or practices.

(7) The plan shall be carried out by the states, by utilities within the state or a combination of both.

(8) The plan shall be consistent with DOE rules developed under NECPA in consultation with the Federal Trade Commission concerning unfair, deceptive or anticompetitive practices.

(9) The plan shall contain rules consistent with the rules under section 215(c) of NECPA concerning the accounting and payment of costs for the program.

(10) The plan shall contain provisions to assure that any person who alleges injury resulting from inadequate implementation shall be entitled to redress under state law or procedures established by the Governor, or the appropriate state agency. This provision is consistent with existing law governing the RCS program.

(11) The plan shall contain provisions described in section 213(b)(2)(B) of NECPA to insure that a utility will not inspect a furnace which uses a source of energy other than that provided by the utility unless the residential customer requests such inspection in writing. This provision is consistent with existing law governing the RCS program.

(12) The plan shall contain an analysis of the data and rationale used by the Governor or State agency to determine that the plan is likely to achieve the results described in paragraphs (1) through (4).

Certification.—The Governor or State agency which elects to certify an alternative State plan shall, in addition, certify that that plan meets the precedural and substantive requirements of the bill, that the plan is likely to achieve its objectives, and that the plan will be adequately implemented.

Annual report.—The state shall submit an annual report to DOE describing implementation of its alternative plan and reporting on the number of buildings reached and energy savings achieved within 60 days after the end of the one-year period to which the report applies. The report shall include an estimate of the actual energy savings resulting from the plan.

Administrative and judicial enforcement proceedings.—A resident of any state in which an alternative plan has been certified may, no sooner than one year after the program's certification, petition DOE to conduct a public hearing to determine if the alternative state plan has been adequately implemented. At the time that such a petition is filed, the state may opt to implement its previously approved RCS plan and thus halt the DOE hearing process.

If the Secretary finds the program has not been adequately implemented, he shall initiate Federal standby authority (implementing the regular RCS program) within 90 days after the petition is filed.

If the Secretary does not initiate Federal standby authority within 90 days, the petitioner may bring an action in U.S. District Court to require the Secretary to implement the alternative state plan. An individual who prevails in court in an action against the Secretary shall be awarded reasonable attorneys' fees and costs.

Alternative standards.—Under this provision, the Governor or appropriate state agency may establish an alternative standard to the annual participation rate of 5 percent under the alternative plan. Following a public hearing, the target may be reduced to no lower than 3 percent, if the state finds that any of three conditions exist: (1) customers will not be adequately informed of the program in the first year, (2) such a large number of eligible buildings is already equipped with conservation or load management improvements as to make it unlikely that the alternative program could achieve the bill's targets of 5 percent annual participation and 10 percent average annual energy savings, or (3) if the alternative program will primarily benefit low- or moderate-income individuals.

The first finding may be made only with respect to the first year of the alternative plan, if the Governor finds that the programs under the alternative plan are sufficiently new and unfamiliar as to require extra efforts at making their availability known to customers in their start-up phase.

Alternative utility plans: regulated utilities (new section 227).—In a state which does not have an alternative plan, an individual regulated utility may certify that it will carry out an alternative program if supported by the Governor.

The provisions applying to an alternative utility plan are similar to those governing an alternative state plan in formulation of the plan, content of the plan, annual report, and administrative and judicial enforcement proceedings.

Nonregulated utilities.—A non-regulated utility may be included in a state alternative plan only if the Governor has legal authority to include it or the non-regulated utility elects to be included in the state plan. A non-regulated utility may certify to DOE that it will carry out an alternative plan if the Governor does not include the utility in the state plan.

Section 104.—Reports and dissemination of information.

No later than January 1, 1987, and every two years thereafter, DOE shall submit a report to the House Committee on Energy and Commerce and the Senate Committee on Energy and Natural Resources, comparing predicted energy savings with actual savings achieved under both the RCS and alternative plans and identifying the most successful programs. DOE shall compile a summary of annual reports on alternative plans to be delivered annually to Congress.

Dissemination of information by DOE.—At least annually, the Secretary shall provide information to states and utilities, including technical assistance for calculating energy consumption reductions and information about the most effective programs.

Section 105.—Load management improvement defined.

Load management improvements are defined as those load management techniques included under the existing RCS program, plus the installation of any devices which reduce electricity demand during peak periods. The Governor of a state may add load management devices to those approved by DOE.

Section 106.—Limitation on supply and installation by public utilities.

NECPA prohibits utilities from directly installing or supplying conservation measures, as defined by NECPA for purposes of the RCS program. The existing law provides three types of exemptions from these prohibitions.

(1) A utility may, with the support of the Governor, petition DOE for a waiver from the prohibition. DOE may grant the waiver after making certain findings aimed at preventing anti-competitive activity.

(2) A utility may contract with an independent contractor to supply or install conservation measures. Under current law, no waiver is required for this exemption.

(3) A utility that supplied or installed conservation measures, or made substantial preparations to do so, may receive a "grandfather exemption" from DOE to continue such activity.

This section would amend existing law to provide an opportunity for a public review of potential competitive abuses in each of the three types of exemptions named above.

Additional requirements for waiver.—In granting a waiver to a utility from the prohibiton on supply and installation of energy conservation measures, the Secretary of Energy must make an additional finding that there will be no unfair competitive advantages to the utility in carrying out such activities.

The Governor may not support the petition of a regulated utility for a waiver to DOE unless the Governor provides advance notice of the waiver petition and opportunity for a public hearing. In order to support the petition, the Governor must make the same findings required of the Secretary in granting the waiver petition. The utility must make available to the Governor all relevant documents and records requested by the Governor.

Contracting exemption.—Utilities which installed, supplied or advertised residential conservation measures through contractors on the date of enactment of this Act may continue to supply and install those same measures without applying for a waiver.

New utility contracting programs, starting with the date of enactment of this legislation, are subject to the amended waiver process.

General exemption (grandfather provision).—No change is made in the grandfather provision under Subsection d(3) of Section 216 of NECPA, which exempts utilities from installation and supply prohibitions in states where a state law or regulation requires or permits such supply or installation.

However, the grandfather provision is narrowed for those utilities that received a grandfather exemption pursuant to subsection d(1) or d(2) of section 216. These provisions provide a grandfather exemption to utilities that supplied, installed, advertised, or prepared for such programs prior to the enactment of the 1978 National Energy Conservation Policy Act. Starting July 1, 1987, the grandfather exemption would remain in effect only for those utilities which, during the 12-month period prior to June 1, 1985, were installing and supplying those specific measures for which they had received the grandfather exemption.

State hearing for grandfathered utility.—If any person requests review of a grandfathered utility and includes adequate documentation of anti-competitive activity by the utility, the Governor shall review the grandfather exemption in a public hearing.

The exemption shall continue for a grandfathered utility if the Governor, following a public hearing, makes any of the following findings:

(1) The utility is not charging fair and reasonable prices and rates of interest.

(2) There are unfair competitive advantages to the utility.

(3) Such activity is inconsistent with the prevention of unfair methods of competitive or the prevention of unfair or deceptive acts or practices.

(4) The utility has not provided the Governor with all the documents he determines necessary to make the above findings.

Regardless of whether the Governor makes any of the above findings, the Governor may condition the continuation of the grandfathered activity on the provision of appropriate competitive safeguards by the utility in carrying out the activity.

TITLE II—COMMERCIAL AND APARTMENT CONSERVATION SERVICE

Section 201.—Alternative plans for commercial buildings and multifamily dwellings.

This section allows an exemption from the requirements of the CACS program for states adopting an "alternative plan." The section would add new sections 750 and 751

to NECPA. Section 750 allows states to adopt an alternative plan, while section 751 allows utilities to develop alternative plans in states that choose to continue their existing CACS programs.

Alternative State plans (new section 750).—A Governor of any state or state agency authorized under state law may certify to the Department of Energy that the state will carry out an alternative plan. Any state which certifies an alternative plan shall continue to have such plan in effect for the five-year period after certification or until January 1, 1991, whichever occurs first.

Formulation of the plan.—In formulating an alternative plan, the Governor must hold a public hearing with opportunity for oral and written comments prior to certification.

Content of the plan.—In formulating an alternative plan, the Governor should be guided by the items set out under "Content of Plan," in section 750(d). The content of the plan is described below.

(1) The plan shall be designed to result in the dissemination of general energy conservation suggestions to all residential customers of utilities in the state. This is a minimal requirement of the plan to insure that general conservation information is available to all residential utility customers.

(2) In addition, the plan shall be designed to include result-oriented energy conservation programs. The state would have maximum flexibility in designing this class of program, keeping in mind that it should be designed to reach the targets set out in section 750(d)(2). Three broad types of approaches are named under this class of program. An alternative plan may include items from any of the three categories or a combination of these categories. The categories follow:

(a) Specific energy conservation suggestions regarding the eligible customer's building;

(b) Programs designed to result in energy conservation improvements to the customer's building; and

(c) Programs designed to result in load management improvements in the customer's building.

(3) The plan shall be designed to result in annual participation in the alternative program by at least 5 percent of the eligible buildings served by natural gas or electric utilities included in the state plan. In the case of an alternative plan carried out by the state only, without utility involvement, the plan should be designed to reach at least 5 percent of the eligible customers served by utilities covered under NECPA.

Section 750 also requires that the plan be designed to result in annual energy consumption reductions of at least 10 percent per household for buildings that participate in the energy conservation programs designed under section 750(d)(2). The Governor of the state shall define by rule the term "energy consumption reductions."

In the case of load management improvements included in the alternative program, the plan shall be designed to result in annual peak electricity demand reductions of an average of at least 10 percent in buildings served by such programs.

(4) In the case of multifamily dwellings, the alternative plan shall be designed to benefit individuals with low or moderate incomes, as well as other individuals.

(5) The plan shall contain adequate procedures to assure that, if a public utility supplies or installs energy conservation measures, such actions shall be carried out in accordance with Section 713 of NECPA and at fair and reasonable prices and rates of interest.

(6) The plan shall contain adequate procedures for preventing unfair, deceptive or anticompetitive acts or practices.

(7) The plan shall be carried out by the states, by utilities within the state or a combination of both.

(8) The plan shall be consistent with DOE rules developed under NECPA in consultation with the Federal Trade Commission concerning unfair, deceptive or anticompetitive practices.

(9) The plan shall contain rules consistent with the rules under section 731(b) of NECPA concerning the accounting and payment of costs for the program.

(10) The plan shall contain provisions to assure that any person who alleges injury resulting from inadequate implementation shall be entitled to redress under state law or procedures established by the Governor, or the appropriate state agency. This provision is consistent with existing law governing the CACS program.

(11) The plan shall contain provisions described in section 710(b)(5)(F) of NECPA to insure that a utility will not inspect a furnace which uses a source of energy other than that provided by the utility unless the residential customer requests such inspection in writing. This provision is consistent with existing law governing the CACS program.

(12) The plan shall contain an analysis of the data and rationale used by the Governor or State agency to determine that the plan is likely to achieve the results described in paragraphs (1) through (4).

Certification.—The Governor or State agency which elects to certify an alternative State plan shall in addition certify that that plan meets the procedural and substantive requirements of the bill, that the plan is likely to achieve its objectives; and that the plan will be adequately implemented.

Annual report.—The state shall submit an annual report to DOE describing implementation of its alternative plan and reporting on the number of buildings reached and energy savings achieved within 60 days after the end of the one-year period to which the report applies. The report shall include an estimate of the actual energy savings resulting from the plan.

Administrative and judicial enforcement proceedings.—A resident of any state in which an alternative plan has been certified may, no sooner than one year after the program's certification, petition DOE to conduct a public hearing to determine if the alternative state plan has been adequately implemented. At the time that such a petition is filed, the state may opt to implement its previously approved CACS plan and thus halt the DOE hearing process.

If the Secretary finds the program has not been adequately implemented, he shall initiate Federal standby authority (implementing the regular CACS program) within 90 days after the petition is filed.

If the Secretary does not initiate Federal standby authority within 90 days, the petitioner may bring an action in U.S. District Court to require the Secretary to implement the alternative state plan. An individual who prevails in court in an action against the Secretary shall be awarded reasonable attorneys' fees and costs.

Alternative standards.—Under this provision, the Governor or appropriate state agency may establish an alternative standard to the annual participation rate of 5 percent under the alternative plan. Following a public hearing, the target may be reduced to no lower than 3 percent, if the state finds that any of three conditions exist: (1) customers will not be adequately informed of the program in the first year, (2) such a large number of eligible buildings is already equipped with conservation or load management improvements as to make it unlikely that the alternative program could achieve the bill's targets of 5 percent annual participation and 10 percent average annual energy savings, or (3) if the alternative program will primarily benefit low-or moderate-income individuals in multifamily dwellings.

The first finding may be made only with respect to the first year of the alternative plan, if the Governor finds that the programs under the alternative plan are sufficiently new and unfamiliar as to require extra efforts at making their availability known to customers in their start-up phase.

Alternative utility plans: regulated utilities (new section 751).—In a state which does not have an alternative plan, an individual regulated utility may certify that it will carry out an alternative program if supported by the Governor.

The provisions applying to an alternative utility plan are similar to those governing an alternative state plan in formulation of the plan, content of the plan, annual report, and administrative and judicial enforcement proceedings.

Nonregulated utilities.—A non-regulated utility may be included in a state alternative plan only if the Governor has legal authority to include it or the non-regulated utility elects to be included in the state plan. A non-regulated utility may certify to DOE that it will carry out an alternative plan if the Governor does not iclude the utility in the state plan.

Section 202(c)—Limitation on supply and installation by public utilities.

NECPA prohibits utilities from directly installing or supplying conservation measures, as defined by NECPA for purposes of the RCS program. The existing law provides three types of exemptions from these prohibitions.

(1) A utility may, with the support of the Governor, petition DOE for a waiver from the prohibition. DOE may grant the waiver after making certain findings aimed at preventing anti-competitive activity.

(2) A utility may contract with an independent contractor to supply or install conservation measures. Under current law, no waiver is required for this exemption.

(3) A utility that supplied or installed conservation measures, or made substantial preparations to do so, may receive a "grandfather exemption" from DOE to continue such activity.

This section would amend existing law to provide an opportunity for a public review of potential competitive abuses in each of the three types of exemptions named above.

Additional requirements for waiver.—In granting a waiver to a utility from the prohibition on supply and installation of energy conservation measures, the Secretary of Energy must make an additional finding that there will be no unfair competitive advantages to the utility in carrying out such activities.

The Governor may not support the petition of a regulated utility for a waiver to DOE unless the Governor provides advance notice of the waiver petition and opportunity for a public hearing. In order to support the petition, the Governor must make the same findings required of the Secretary in granting the waiver petition. The utility must make available to the Governor all relevant documents and records requested by the Governor.

Contracting exemption.—Utilities which installed, supplied or advertised residential conservation measures through contractors on the date of enactment of this Act may continue to supply and install those same measures without applying for a waiver.

New utility contracting programs, starting with the date of enactment of this legislation, are subject to the amended waiver process.

General exemption (grandfather provision).—These provisions provide a grandfather exemption to utilities that supplied, installed, advertised, or prepared for such programs prior to the enactment of the 1978 National Energy Conservation Policy Act. Starting July 1, 1987, the grandfather exemption would remain in effect only for those utilities which, during the 12-month period prior to June 1, 1985, were installing and supplying those specific measures for which they had received the grandfather exemption.

State hearing for grandfathered utility.—If any person requests review of a grandfathered utility and includes adequate documentation of anti-competitive activity by the utility, the Governor shall review the grandfather exemption in a public hearing.

The exemption shall continue for a grandfathered utility if the Governor, following a public hearing, makes any of the following findings:

(1) The utility is not charging fair and reasonable prices and rates of interest.

(2) There are unfair competitive advantages to the utility.

(3) Such activity is inconsistent with the prevention of unfair methods of competitive or the prevention of unfair or deceptive acts or practices.

(4) The utility has not provided the Governor with all the documents he determines necessary to make the above findings.

Regardless of whether the Governor makes any of the above findings, the Governor may condition the continuation of the grandfathered activity on the provision of appropriate competitive safeguards by the utility in carrying out the activity.

Section 203.—Reports and dissemination of information.

No later than January 1, 1987, and every two years thereafter, DOE shall submit a report to the House Committee on Energy and Commerce and the Senate Committee on Energy and Natural Resources, comparing predicted energy savings with actual savings achieved under both the CACS and alternative plans and identifying the most successful programs. DOE shall compile a summary of annual reports on alternative plans to be delivered annually to Congress.

Dissemination of information by DOE.—At least annually, the Secretary shall provide information to states and utilities, including technical assistance for calculating energy consumption reductions and information about the most effective programs.

Section 204.—Load management improvement defined.

Load management improvements are defined as those load management techniques included under the existing CACS program, plus the installation of any devices which reduce electricity demand during peak periods. The Governor of a state may add load management devices to those approved by DOE.●

SUPPORT ELDERLY CRIME PREVENTION AND VICTIM ASSISTANCE ACT OF 1985

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. RINALDO. Mr. Speaker, as ranking minority member of the Select Committee on Aging, I am increasingly concerned about the rising tide of violent crime aimed at our Nation's elderly. I will cite just a few graphic examples:

A 69-year-old New Jersey woman was mugged on the steps of her home as she returned from a baby-sitting job. As a result of injuries sustained in the encounter, she is no longer able to drive, and faces physical therapy bills of $45 per hour. Although she was able to give police a detailed description of her attacker, he remains at-large.

An 89-year-old Illinois man was robbed in the elevator of a public housing project. The take: $4.90 and his wedding ring.

The home of an 83-year-old California man has been invaded six times in 2 years.

A New York woman of 72 was robbed of her purse and sexually assaulted at knifepoint on the street. She dropped dead of a heart attack 4 hours later.

Serious crime—murder, rape, arson, assault, robbery and burglary—affects 1 out of 10 households in this country each year. The rate of serious crime has jumped over 20 percent in the past two decades to the point where nearly 37 million Americans were victims of crime in 1983. Older individuals have an even more difficult time recovering from a criminal incident physically, economically, and psychologically than do younger victims.

The truth is that all senior citizens are victims of crime—not just those who have been robbed, or assaulted on the streets, or who have had their homes burglarized. Many older Americans, afraid to venture outside even during daylight, are virtual prisoners in their own homes.

I believe Congress can do more to help senior citizens. Federal anticrime activities affecting the elderly are now scattered through at least eight offices in three separate Cabinet departments, making it difficult for other Federal agencies, State and local governments, the law enforcement community and private citizens to learn exactly what is being done and what resources are available to help combat crime. Currently, five distinct offices in the Justice Department have rsponsibility for some aspect of the elderly crime problem. The Department of Housing and Urban Development shares responsibility for crime prevention in federally subsidized housing projects, and the Department of Health and Human Services' Administration on Aging is authorized to undertake a variety of anticrime initiatives on behalf of older Americans.

On July 30, Mr. Speaker, I introduced the Elderly Crime Prevention and Victim Assistance Act of 1985 to help remedy this current Federal hodge-podge and establish one central office to coordinate Federal crime prevention and assistance programs for the elderly and provide centralized information and technical aid on: Elderly crime statistics; training of judicial and law enforcement officers to address the needs of older individuals who are victims of crime; financial assistance available to carry out State and local programs which assist older victims; and research on, or assistance for, the reduction and prevention of crimes committed against older individuals.

My bill also requires this office to serve as a liaison with all Federal departments and agencies having aging programs, in order to enhance communication and ensure that opportunities for coordinated anticrime and victim assistance activities are maximized. It does not call for the establishment of a costly new bureaucratic layer of administration.

I am particularly pleased to note that joining me as original cosponsors of this legislation are Mr. Roybal, the chairman of the Select Committee on Aging, Mr. Biaggi, the chairman of the Aging Committee's Subcommittee on Human Services who, as a former police officer, has an especially strong interest in fighting crime against the elderly, Ms. Snowe, the ranking minority member of the Human Services Subcommittee, and Aging Committee colleagues, Mr. McCain, Mr. Vento, Mr. Manton, and Mr. Saxton.

I encourage all of my colleagues in the House to cosponsor H.R. 3120 and urge that the House Judiciary Committee hold hearings as soon as possible.

The text of the bill follows:

H.R. 3120

A bill to establish in the Department of Justice the National Resource Office Relating to Crimes Against Older Individuals

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Elderly Crime Prevention and Victim Assistance Act of 1985".

SEC. 2. NATIONAL RESOURCE OFFICE RELATING TO CRIMES AGAINST OLDER INDIVIDUALS.

(a) Establishment of Office.—There is hereby established in the Office of Justice Programs of the Department of Justice the National Resource Office Relating to Crimes Against Older Individuals.

(b) Head of Office.—The Office shall be headed by an Administrator who shall be

appointed by the Attorney General from among employees of the Department of Justice.

(c) Duties of Administrator.—The duties of the Administrator are—

(1) to coordinate the activities of the Department of Justice which relate to—

(A) training of judicial and law enforcement officers to address the needs of older individuals who are victims of crime,

(B) providing financial assistance to carry out State and local programs which assist older individuals who are victims of crime,

(C) compiling and disseminating statistical information on crimes committed against older individuals, and

(D) research on, or assistance for, the reduction and prevention of crimes committed against older individuals,

(2) to establish a liaison with all Federal departments and agencies which carry out programs involving older individuals who are or may be victims of crime and to collect from such departments and agencies information regarding the operation of such programs,

(3) to disseminate to older individuals, organizations representing older individuals, law enforcement organizations, and State and local agencies information regarding the activities coordinated under paragraph (1) and information collected under paragraph (2), and

(4) to provide to such individuals, organizations, and agencies technical assistance to reduce or prevent the committing of crimes against older individuals.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term "Office" means the National Resource Office Relating to Crimes Against Older Individuals, and

(2) the term "older individual" means an individual who is 60 years of age or older.

SEC. 4. EFFECTIVE DATE.

This Act shall take effect on October 1, 1985.●

U.S. CHURCH ACTIVISM STOKED BY APARTHEID, ISSUES DIVERSIFY

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. JACOBS. Mr. Speaker, the July issue of the International Barometer includes two stories of faith and conscience which deserve the attention of all Members of Congress.

Please read on:

[From the International Barometer, July 1985]

U.S. Church Activism Stoked by Apartheid, Issues Diversify

What social and geopolitical issues that influence business are the United States-based churches addressing most vigorously?

Most churches identify with the two recent pastoral letters authored by the U.S. Conference of Catholic Bishops, titled "The Challenge of Peace: God's Promise and our Response" and "Catholic Social Teaching and the U.S. Economy." A number of specific issues of immediate consequence are being addressed by U.S. churches under the broad rubric of "peace and justice."

SURVEY

Earlier this year Dr. James Armstrong, former president of the National Council of Churches of Christ, wrote the heads of Protestant and Orthodox religious communities in the United States asking for information on issues being addressed, their priorities and potential courses of action.

Every major denomination responded, with the exception of the Southern Baptist Church.

Significantly, most responses came from internal church documents and communications with constituents.

The wide variety of resolutions, position papers and study documents have a direct bearing on American business. Expressing a collective conscience, they speak to millions of church members, and provide business an "early warning" of projected emphases and activities.

PRIORITIES

Atop nearly every list was apartheid in the Republic of South Africa, which appears to be a consensus issue akin to the civil rights and peace movements of the 1960s.

While apartheid is getting the most press, a number of domestic issues are pushing to the forefront as well: militarization and its effect on the economy, the farm crisis, agribusiness, environmental toxins, Third World marketing practices and the New International Economic Order.

Other, more traditional, priorities include family life, public education, racial justice, women's rights, abortion, euthanasia, capital punishment and pornography.

CONCERNS FOR APARTHEID EXPLODING

The focus on apartheid contrasts widely with the results of a 1984 attempt to assess issue priorities by the National Council of Churches of Christ.

A five-page report circulated last November by the NCCC failed to mention South Africa. It made reference to generalized peace and justice themes, but stressed "religious" issues, such as evangelism, spiritual renewal and congregational .

Responses to Dr. Armstrong's survey reveal a wide range of church concerns with subtle, but important differences.

The stress on apartheid requires our initial attention. Following, we will take an issue-by-issue look at trends in church activism.

THEOLOGICAL OPPOSITION TO APARTHEID

Many business-related concerns of the church are rooted in theological concerns.

Particularly instructive in this regard is the position of apartheid of the Reformed Church of America.

The Dutch Reformed Church of South Africa has provided the theological "justification" the Pretoria government uses to support apartheid. [Other churches in South Africa sharply disagree with it.]

The Reformed Church of America, though sharing the reformed tradition, has participated in anti-apartheid protests at various South African consulates.

An RCA press release explains that it joined forces with the "Free Africa Movement' specifically because it "firmly rejects" the DRC's "peculiar interpretation of the Christian faith."

Former Secretary General of the RCA, Dr. Arie Brouwer is now chief executive of the NCCC. This provides a broader base on which to showcase his concerns about South Africa.

BENCHMARK SULLIVAN PRINCIPLES

The American Baptist Church bases its South Africa stand on the Sullivan Principles, a series of requirements companies are asked to agree to that call for improved living and working conditions for black employees.

The ABC calls for divestment in those companies that have refused to sign the Sullivan Principles, or are not acting in accordance with signed pledges.

It also urges companies not to expand operations in the country until apartheid ends, and asks for withdrawal of funds from banks that have not agreed to stop making loans to South Africa.

MORE AGGRESSIVE APPEALS

The United Church of Christ was considering a more aggressive policy at its Fifteenth General Synod Meeting as Barometer went to press.

The proposal calls upon the United Church of Christ to "divest all financial resources from all companies doing business with South Africa . . ." and demands the United States halt "all U.S. government, scientific and military support" of Pretoria.

The American Lutheran Church urges the U.S. government to prohibit:

Any new investment not required to maintain market share;

Operations in Namibia, until it gains independence;

Loans from U.S. banks or any multilateral lending institutions in which the U.S. participates; and

Sale of Krugerrand gold coins in this country.

It also advocates support of economic sanctions against South Africa through the United Nations.

WORLD PEACE

A number of churches make world peace through disarmament a top priority.

The Church of the Brethren, historically a "peace church," is focusing its efforts against high-tech weaponry such as the MX missile and Star Wars, and joining many other religious bodies in calling for a nuclear freeze.

The Greek Orthodox Church calls for "the complete prohibition and thorough destruction of nuclear weapons."

MILITARIZATION AND THE MARKETPLACE

The Christian Church (Disciples of Christ)'s influential study "Seeking God's Peace in a Nuclear Age" explores the links between militarization and the marketplace:

"The long and successful partnership of the magistrates of the military and the marketplace continues to produce highly sophisticated armaments for the defense of their own personal interests . . ."

A report of the Joint Commission on Peace of the Episcopal Church discusses the affect of an increased military economy on those resources that serve basic human needs:

"Missiles, planes, munitions and tanks put money into the economy in the form of wages, but provide no products to absorb that money. . . . They do not become part of the production and consumption process, but rather, have a separate economic existence and are eventually discarded or destroyed in war. . . .

"Massive military expenditures divert from the national economy many of the irreplaceable and limited resources needed to provide for other basic human needs. . . .

"[These priorities have] denied the use of those human skills used in such endeavors

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to industrial and commercial research efforts, which could increase productivity, develop new products, improve the quality of goods, provide items needed throughout the world, and strengthen the nation's ability to compete in world markets."

The American Baptist Church, the United Church of Christ and other sects voice similar concerns.

NEW ECONOMIC ORDER

Most church social action units see peace and economic justice as interrelated, but the focus seems to be shifting to economic justice.

A proposal to make the UCC a "Just Peace Church," offered at the recent General Synod, focuses on economic redistribution:

"[T]rade barriers, tariffs and debt burdens [must] not work against the poor and developing nations . . . poor nations must have a greater share in the policies and management of global economic institutions."

Specific recommendations call for:

Promoting popular participation in public policy;

Empowering the poor to make effective demands on social systems;

Encouraging decentralization and greater community control;

Redistributing existing and future assets, including land; and

Providing for self-reliant development, particularly in the area of food production.

A senior staff member of the Lutheran Church in America writes:

". . . [P]apers on issues such as plant closings, comparable worth, international debt crisis and unemployment are being prepared" that are consistent with the U.S. Catholic bishops' pastoral on the economy.

The "plant closing" paper advocates legislation for socially responsible decisions regarding plant closings, including "opportunities for cluster meetings where unemployed persons can develop networks that enable peer employment counseling, job referrals, talent banks and job retraining."

A 20-year-old paper on "poverty" still being circulated by the LCA also stresses a responsibility to "assure income adequate to secure the minimal standard of living," where a full employment economy is not possible.

UP ON THE FARM

Churches increasingly view the family farmer as suffering at the hands of agribusiness.

The Lutheran Church of America says:

"We are concerned with . . . where power flows from the hands of farmers and consumers to those institutions and corporations that have as their exclusive goal economic control, power and domination. . . .

"We recognize that market power passes from farmers and processors to retail chains, reducing competition in the marketplace. We should, therefore, be vigilant and resist any attempt to reduce such competition.

"We recognize that land once tilled by hundreds of thousands of farmers is passing into control of fewer and fewer people and we are anxious to preserve control in the hands of the family farmers."

The LCA acknowledges the need for large capital investment supporting farming, and the trends of increasing foreign investment and control of American agri-business.

But, it is critical of "cheap food policies, which artifically restrict food prices below the cost of production," the weakening market position of family farmers, and tax policies that attract non-farm investors.

The United Church of Christ is considering a pronouncement that says:

"Farming should provide a meaningful opportunity to earn a decent living, and owning farmland for speculative purposes should be prohibited.

"Ownership of agricultural land should be widespread in order to assure a democratic character to rural communities, as well as vigorous use of agricultural resources."

Two Strategies Seek Corporate Pressure To Help End Apartheid: Sit and Talk or Stand and Fight

While corporate influence on South African apartheid is a consensus issue among leading church groups, a range of tactics is being used to prompt action.

The World Council of Churches (WCC) and the Interfaith Center on Corporate Responsibility (ICCR) of the National Council of Churches of Christ (NCCC) are each committed to what they describe as a "just, participatory and sustainable society." But these two influentrial ecumenical organizations appear to be employing quite different, although not mutually exclusive, tactics.

CONFRONTATION AND DEMANDS

ICCR's mainstay is "loyal opposition," according to executive director Tim Smith. This semi-confrontational mode is seen in the recent demands issued to 12 major U.S. corporations with operations in South Africa.

The companies—Burroughs, Chevron, Citicorp, Control Data, Fluor, Ford, General Electric, General Motors, International Business Machines, Mobil, Newmont Mining and Texaco—were called upon to "cease immediately all sales and service relationships with the South African government and government-owned corporations."

ICCR also demanded that, as a precondition to staying South Africa, the companies must require significant changes in the Pretoria government's polices, including:

Abandon the "homelands" policy;

End apartheid laws, such as flux control and the Group Areas Act;

Restore full political rights to all peoples, including freedom of speech, freedom of assembly and the right to vote;

Cease forced removals and population relocations;

Guarantee to all the right to own land;

Release unconditionally all polical prisoners, detainees and those charged with treason;

End the banning of organizations and individuals; and

Increase the public funding for black community education, health care, social and other services.

"Our patience has worn thin," with these companies, Smith said. Some of the targeted companies, such as Newmont and Fluor, "showed gross insensitivity to the situation," he said, while others are continuing 'business as usual' despite being very aware of what is happening in South Africa.

FOLLOW-UP THREATS

If the government has not made "significant progress" toward these goals, and if the companies fail to respond by the end of 1986, ICCR will intensify its campaign against the corporations.

Directed at the companies will be shareholder resolutions, divestments by ICCR-affiliated members of the NCCC [which have a combined portfolio of about $10 billion], "public witness" demonstrations, and "selective buying" campaigns.

Through the ICCR, church groups submitted 74 shareholder resolutions to 67 companies in 1985. South Africa-related measures comprise the largest groups of these, totalling 16.

[Significant numbers also deal with the issues of nuclear power, military contracts and the world debt crisis.]

WCC CONCILIATION

While ICCR has been extremely effective in its approach to the South African issue, the World Council of Churches, relying on the personal diplomacy of recently elected General Secretary, Dr. Emilio Castro, is moving toward a more conciliatory approach.

Castro is developing a consensus-seeking dialogue with business on apartheid and other subjects.

He recently embarked on a series of meetings with corporate executives in order to set the stage for cooperative efforts.

In April, Castro met with Helmut Maucher and Dr. Carl Angst, chief executive officers of Nestle, S.A., to discuss Nestle's marketing practices in the Third World and its corporate policies in the Republic of South Africa.

On June 11, Castro held separate meetings with senior executives of Ford Motor Company and General Motors Corp., including Ford's Chairman of the Board, Donald Peterson, and Louis Wilking, managing director of GMC-South Africa.

Castro voiced a deep concern over the international debt crisis and its impact on economic and human development in the Third World.

He asked that multinational corporate influence be applied to governments and international monetary agencies to ease the hardships imposed on the poor because of the "austerity programs" being enforced in conjunction with international aid.

SEEKS MEETING BETWEEN MNC EXECS AND SOUTH AFRICA'S BLACK LEADERS

Castro's most urgent pleas involved South Africa. He asked the companies to participate in a meeting of corporate executives with Nobel peace laureate Bishop Desmond Tutu and other black leaders.

Castro has a passion for justice in South Africa that appears to more than match that of those who would employ more direct methods. He sees the proposed meeting as a valuable information exchange and a powerful symbol to the South African government of the companies' willingness to include black leadership in discussions on corporate policies and apartheid.

One side effect, which is equally important: Castro's meetings seemed to be humanizing two sides that have long been both suspicious and antagonistic.●

STATE AND LOCAL GOVERNMENT EMPLOYEES SHOULD BE EXEMPT FROM THE FAIR LABOR STANDARDS ACT

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. FAWELL. Mr. Speaker, today I am introducing legislation with my distinguished colleagues from Illinois,

Mr. PORTER, Mr. GROTBERG, and Mr. HYDE, and from Iowa, Mr. LIGHTFOOT, which would relieve State and local governments of the burdensome overtime and minimum wage requirements of the Fair Labor Standards Act [FLSA].

In 1974, Congress passed Public Law 93-259, which extended FLSA coverage to most public employees. In 1976, the Supreme Court ruled in the National League of Cities versus Usery that Congress did not have the power to enforce the overtime and minimum wage requirements of the FLSA against States "in areas of traditional governmental functions." Thus, the National League of Cities decision made clear that municipalities, public schools, public hospitals, fire prevention, law enforcement, sanitation, public health, public parks and recreation, and traditional functions of State and local governments were exempt from FLSA coverage. This all changed with the Supreme Court's February 1985 ruling in Garcia versus San Antonio Metropolitan Transit Authority.

The Garcia case began in 1979 when the Department of Labor advised the Amalgamated Transit Union that publicly-operated local mass transit systems, such as the San Antonio Transit System, were not immune from FLSA coverage. In November 1981, the district court judge ruled in favor of the city of San Antonio and held that the Department of Labor could not constitutionally enforce the FLSA provisions against the San Antonio Metropolitan Transit Authority. In February 1982, after an appeal, the district court judge reaffirmed the earlier decision. The decision was appealed to the Supreme Court where it ruled the traditional/nontraditional doctrine established under the National League of Cities decision no longer applicable. The Court thus held that Congress does have the authority to apply the minimum wage and overtime requirements of the FLSA to the employees of State and local governments. In light of the fact that at the time of the Garcia decision, a majority of State and local employees were already exempt from the overtime and minimum wage requirements of the FLSA, the Supreme Court decided to bring a larger number of these employees under FLSA coverage, rather than exempt a small number of those public employees who were already covered by the act.

My bill would reverse the Garcia decision, and, basically, restore the conclusion reached by the Court in National League of Cities that occupations intrinsic to the operations of State and local governments would be exempt from the FLSA. Because the Court believes the traditional/nontraditional mechanism established under the 1976 decision is not workable, it appears to me that the most logical solution is not to bring all State and local employees under the FLSA, but to exempt the small number of those who had previously been covered. In essence, this bill returns us to the situation which existed prior to Garcia.

Until the Garcia decision was handed down, those traditional State and local employees not covered by the minimum wage and overtime provisions of the FLSA were protected under State laws and the collective bargaining agreements carefully worked out between employers and employees. Many of these agreements allow for compensatory time off in lieu of overtime payments because municipalities cannot afford to pay overtime at time and one-half, and because many employees prefer compensatory time instead of overtime pay. The FLSA prohibits State and local government from offering compensatory time in lieu of overtime. I have been given no reason to believe that the arrangements which have existed between State and local employers and employees for the last 8 years since the National League of Cities decision are not working. For this reason, the Federal Government should not interfere with a process that has proven workable.

The financial impact of Garcia on State and local governments is also onerous. At a Senate Labor and Human Resources Committee hearing last week, several mayors and Governors testified that cities and States would be hard pressed to maintain their current level of services if they had to pay the overtime required under the FLSA in lieu of compensatory time. In fact, it appears that most cities and states would be required either to reduce services for the same amount of tax dollars, or to raise taxes. If State and local governments choose to maintain current services, the cost to do so is estimated somewhere between $2 and $4 billion.

It is all too clear to me that the implementation of the Garcia decision would impose a severe financial strain on the budgets of State and local governments, and would take away State and local control over operations mandated to these governments under the 10th amendment. If the basic principles of the National League of Cities decision are not restored, I fear that the Federal Government will have transgressed the bounds of authority granted under the 10th amendment.

Mr. Speaker, the bill as introduced states:

H.R. 3173

A bill to amend the Fair Labor Standards Act of 1938 to provide an exemption from the minimum wage and overtime requirements of that Act for employees of State and local public agencies, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OVERTIME REQUIREMENTS.

Section 13(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(a)) is amended by striking out the period at the end of paragraph (15) and inserting in lieu thereof "; or" and by adding after that paragraph the following:

"(16) any employee of a public agency which is a State, political subdivision of a State, or an interstate governmental agency.".

SEC. 2. CONFORMING AMENDMENTS.

(a) SECTION 7.—Subsection (k) of section 7 of such Act (29 U.S.C. 207(k)) is repealed.

(b) SECTION 13.—Paragraph (20) of section 13(b) of such Act (29 U.S.C. 213(b)(20)) is repealed.

SEC. 3. EFFECTIVE DATE.

No public agency which is a State, political subdivision of a State, or an interstate governmental agency shall be liable under section 16 of the Fair Labor Standards Act of 1938 for a violation of section 6 or 7 of such Act occurring before the date of the enactment of this Act with respect to any employee of the public agency.●

UDALL-CHENEY ACID RAIN BILL: THE VIEW OF THE NATIONAL GOVERNORS' ASSOCIATION

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. CHENEY. Mr. Speaker, my colleague Mr. UDALL and I have introduced H.R. 2679, legislation to control acid rain. Some time ago, we wrote and requested the views of the chairman and vice chairman of the National Governors' Association Committee on Energy and Environment as to the extent to which our bill is consistent with the National Governors' Association policy on acid rain. I believe our colleagues will be interested in the response we recently received from Governors Earl and Sununu on this question, which is reprinted in full below. Of particular note is that the Governors' Association Committee leaders emphasize that the control strategy proposed in the Udall-Cheney bill is "very consistent" with the National Governors' Association policy. They note that there is disagreement within the NGA concerning the funding of acid rain controls, with some Governors, "particularly those from the Midwestern coal States," interpreting NGA policy to mean a "national contribution," while others support the "polluter pays" approach. I believe the NGA letter makes clear that there is strong support within the NGA for the control strategy in our bill. I infer as well that it is quite likely that there is very substantial support among the Governors for the "polluter pays" approach to dealing with this problem. For these reasons, I believe my colleagues in the House can reasonably expect support from many Governors for the approach taken in the Udall-Cheney acid rain bill. The letter follows:

NATIONAL GOVERNORS' ASSOCIATION,
Washington, DC, July 23, 1985.

Hon. DICK CHENEY,
U.S. House of Representatives, Longworth House Office Building, Washington, DC.

DEAR REPRESENTATIVE CHENEY: Thank you for your letter regarding H.R. 2679, the acid rain control legislation you recently introduced with Representative Udall. We very much appreciate the effort you have made to tailor your bill to reflect many of the recommendations of the National Governors' Association. We are happy to provide you with an assessment of the extent to which H.R. 2679 is consistent with the NGA policy.

As regards the control strategy for reducing sulfur dioxide emissions, we find your bill to be very consistent with the NGA policy. Specifically, the legislation mirrors the NGA policy in that it:

Incorporates the centerpiece of the NGA policy, the two phased, ten million ton reduction in sulfur dioxide emissions in the 31 states bordering or east of the Mississippi River. The phasing is designed to encourage the development of emerging, less costly control technologies during the second phase.

Provides a full opportunity for the EPA Administrator to make mid-course corrections in the second phase of emission reductions to reflect new research findings.

Preserves the flexibility for states and emitting facilities to develop their own approaches to reducing pollution rather than mandating the use of scrubbers on specific plants.

Allows emissions trading between states and substitution of nitrogen oxides reductions for sulfur dioxide reduction requirements on a two pounds (NO_x for one pound (SO_2) basis.

Does not limit growth from new sources so long as they meet the new source performance standards. It does require any plants which convert to coal in the future to meet a 1.2 pounds SO2 per million BTUs standard.

Requires Canada to achieve equivalent percentage reductions in emissions.

H.R. 2679 does contain a slightly tighter schedule for completion of second phase reduction requirements than recommended in the NGA policy. However, this difference is relatively minor when compared to the many provisions in the control strategy which are identical to NGA policy.

As we indicated in our discussion with you and Rep. Udall, the Governors remain divided over the question of what kind of funding approach should be taken in an acid rain control bill. The program funding section of the policy states: "The Governors believe that the acid rain control program requires the development of an equitable plan for financing emission reduction strategies and mitigating economic disruptions and job losses in affected states." The preamble states: "The Governors believe that acid rain is a national problem and that the significant cost of reducing acid rain should be shared by the states in a fair and equitable manner." This element of the policy has two general interpretations: Some Governors, particularly those from the midwestern coal states, interpret "shared by the states in a fair and equitable manner" to mean a national contribution for this national problem. Other Governors interpret this clause to mean that the polluter pays. As a result, we cannot evaluate definitively whether or not the emitter pays approach found in H.R. 2679 is consistent with NGA policy.

In closing we thank you for providing us the opportunity to comment on this legislation.

Sincerely,

ANTHONY S. EARL,
Chairman.
JOHN H. SUNUNU,
Vice Chairman.●

THE UNITED STATES-MEXICO BORDER REVITALIZATION ACT OF 1985

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. RICHARDSON. Mr. Speaker, today I am introducing a new positive approach to immigration, one that combines economic opportunity and jobs.

The issue of immigration has been considered as a domestic matter for too long. Last year's debate over the Simpson-Mazzoli immigration bill focused on the need for the United States to regain control of its borders by instituting employer sanctions or by increasing border enforcement.

What is evident to me is that immigration is a multilateral issue between the United States and other recipient nations and all nations whose lesser developed economies and/or internal political turmoil contribute to the flow of emigrants.

This view was confirmed by what members of the congressional Hispanic caucus saw and heard on their trip to Latin America last December. During our stop in Mexico, we found a willingness among Mexican officials to discuss important bilateral issues—including the problem of undocumented migration. The bill I am introducing today is in part a response to those talks.

The United States-Mexico Border Revitalization Act of 1985 would create a free trade land coproduction zone along the United States-Mexican border; establish a United States-Mexican Bilateral Commission; initiate a joint United States-Mexico Development Bank; and develop a Multilateral Commission on Immigration.

I am pleased to announce that as of today four members of the congressional Hispanic caucus are original cosponsors of the bill. Congressman HENRY B. GONZALEZ of Texas, Congressman ROBERT GARCIA of New York, Congressman ALBERT BUSTAMANTE, and Congressman SOLOMON ORTIZ of Texas.

I want to take this opportunity to outline the four major initiatives in the bill:

FREE TRADE ZONE

The recent peso devaluation in Mexico has created an economic crisis in the border region between our two countries. Most of the border region is economically depressed—it has one of the highest rates of unemployment; the lowest levels of income; health care services; educational attainment; and industrial development in the United States. Under my bill, the President is directed to enter into negotiations of the Government of Mexico for the purposes of establishing a United States-Mexican free trade and coproduction zone within approximately 200 miles of each border.

The zone would provide for the duty-free treatment of products grown, produced or manufactured within the zone. United States and Mexican businesses located in the zone would be eligible to tax incentives, similar to those offered in enterprise zone legislation now pending before the Congress. Businesses that are at least 35 percent Mexican-owned or 35 percent United States-owned will be considered eligible ventures under this act.

UNITED STATES-MEXICAN BILATERAL COMMISSION

Under the act, the President would be directed to appoint a bilateral commission, composed of 15 members of the public and private sectors in the United States and an equal number of representatives from Mexico. It will meet quarterly with the goal of strengthening the political and economic ties between our two countries. Areas of discussion are, but not limited to: Immigration; the free trade and coproduction zone; tariff and trade issues; transportation; energy and pollution.

UNITED STATES-MEXICO JOINT DEVELOPMENT BANK

My bill will provide for the establishment of a United States-Mexico Joint Development Bank with the authority to make economic development loans in Mexico and in the border regions of the United States. Assistance provided by the bank would be directed at improving employment opportunities. The Government of the United States and Mexico would contribute equally to the capital of the bank, with provisions for an initial U.S. contribution of $4 billion.

MULTILATERAL COMMISSION ON IMMIGRATION

Immigration is a multilateral issue. My bill recognizes that fact and creates a forum in the establishment of a commission where the United States and prime sending countries can discuss such immigration issues as: The economic, political, and social factors that encourage legal and illegal immigration, the problem of border enforcement; the protection of rights of legal immigrants; and refugee relocation and refugee rights. The purpose of the commission will be to work out international agreements on immigration issues.

CONCLUSION

All of the problems of illegal immigration will not be solved with the initiatives proposed in my bill. But, it is time we in the Congress recognize that economic strife, the opportunity for a better life and freedom from religious or political persecution are the underlying reasons for the flow of illegal immigrants into the United States. My bill sets forth some new ideas for discussion in the immigration debate.

SUMMARY OF U.S.-MEXICO BORDER REVITALIZATION ACT

Title I—United States-Mexico Free Trade and Co-Production Zone:

Directs the President to enter into negotiations with the Government of Mexico for the purposes of developing and entering into a U.S.-Mexico Free Trade and Co-Production Zone Sector within 200 miles of each border;

Provides for duty-free treatment of products grown, produced or manufactured within a Zone Sector by a U.S.-Mexican business located in that Zone Sector and exported to a foreign country or introduced into the domestic commerce of the country in which the production or manufacture occurs;

Provides U.S. tax incentives to U.S. companies including: elimination of capital gains taxes on investment within the sector; an increase in investment tax credit for both personal and real property used in operation of eligible venture; income tax credits for employees; and continued availability of tax-exempt bond financing within the Sector beyond 1986 sunset;

Directs the President to submit the agreement to Congress and a bill implementing said agreement;

Directs the President to submit an annual report to Congress detailing the progress made during each period covered by the report in carrying out negotiations. If a bill implementing the Zone is enacted into law, directs the President to submit an annual report to the Congress detailing the operation and effect of the Zone during the period covered by the report;

Directs the President to evaluate the feasibility of establishing duty-free trade between the U.S. and Mexico on a national basis and shall submit to Congress a report and legislative recommendations on that evaluation.

Title II—United States Mexico Bilateral Commission:

Establishes a fifteen-member commission (there representatives each from the Senate, House and Executive Branch, academia and the private sector) that will meet quarterly with the goal of strengthening the political and economic ties between the U.S. and Mexico;

Areas of discussion include, but not limited to, immigration; Free Trade Zone; border region; tariff and trade; fishing rights; transportation; energy and pollution;

Directs the commission to submit an annual report to Congress.

Title III—United States-Mexico Joint Development Bank Act

Authorizes the President to enter into an agreement with Mexico to establish a United States-Mexico Joint Development Bank to make economic development loans in Mexico and in the border region of the United States;

Requires that assistance provided by the bank shall be directed at improving employment opportunities and enhancing the economic development of the geographic and economic sectors of Mexico which are the major sources of undocumented Mexican nationals who enter the United States and the U.S. and Mexico contribute equally to the Bank;

Directs the President to appoint the U.S. Directors of the bank. Authorizes the Secretary of the Treasury to subscribe to the capital stock of the bank. Authorizes appropriations to pay for such subscription.

Title IV—Multilateral Commission on Immigration:

Establishes a commission (U.S. representatives appointed by the President) that will have equal representation from the U.S. and the prime sending nations. The Commission shall work toward international agreements addressing immigration issues;

Areas of discussion will include, but are not limited to; economic, political and social factors that encourage illegal immigration; border enforcement; protection of the rights of legal immigrants; refugee relocation; and refugee rights;

Directs the Commission to submit an annual progress report to Congress.●

ISRAEL TURNS TO HIGH TECHNOLOGY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. SCHUMER. Mr. Speaker, Hendrick Herzberg, a fellow of the Institute of Politics at Harvard University, and Christopher J. Matthews, administrative assistant in the office of the Speaker of the House, recently traveled to Israel as part of a program sponsored by the Jewish Community Relations Council of New York. During this tour, Mr. Herzberg and Mr. Matthews had a unique opportunity to observe an encouraging economic revolution in Israel—the development of a vibrant high technology industry.

An article describing their trip and observations was recently printed in the Baltimore Sun and I am reprinting it here in the hopes that my colleagues will take the time to read about this important development in the economy of one of America's closest allies.

[From the Baltimore Sun, July 21, 1985]

ISRAEL TURNS TO HIGH TECH

(By Hendrik Hertzberg and Christopher J. Matthews)

JERUSALEM.—Israel is in trouble—big trouble—and the Israelis are looking to high technology to save the day.

This time the terrain is economic, not military. Yet in many ways the challenge is as great as in any of Israel's wars. This month, the government took drastic measures to stave off disaster. Bypassing the Knesset, Israel's parliament, for the first time in the 37-year history of the modern Jewish state, the cabinet decreed emergency measures that could mean a cut of one-third in family income.

The economic battle has begun. But the new short-term austerity measures are not the whole story. For the long haul, Israel seeks to build a modern technological economy, the economic equivalent of its famed citizen army. To that end—and with the same dash and drive many of them showed as soldiers—the country's entrepreneurs, scientists and engineers are charging into the future.

They have the support of leaders in government, business and academia, who have pinned big hopes on state-of-the-art export industries. Increased exports are an answer—if only a partial answer—to the economic crisis.

The result is an all-out push in fields such as agro-technology, communications and, most important, health-care technology.

Some examples:

In an industrial park near the Weizmann Institute outside Rehovot, scientists from a company called Omikron have developed an artificial skin—a transparent, flexible film that can be used as a bandage. Placed over a wound or burn, it can be left on until the patient heals, when it sloughs off easily.

At the Afek kibbutz near Haifa, collective farmers turned medical technologists manufacture the Lympha Press, a sophisticated pneumatic "sleeve" that can be used to treat swollen legs.

In agricultural laboratories in Galilee, geneticists who developed the dwarf gladiola are about to come up with a four-pit watermelon that's orange instead of red. They hope its novelty value will turn it into a fad—the next kiwi.

At Laser industries in Tel Aviv, engineers supervise the manufacture of a compact, second-generation laser unit that enables eye doctors to perform follow-up surgery right in their offices, without anesthetics.

The stakes in these technological gambles are high—because Isreal's economic position is so precarious.

Israel suffered from inflation of 31 percent a month in 1984—an annual rate of 374 percent, the highest in the world except for Bolivia and Argentina.

It's been no better so far in 1985. In April, in fact, the annual inflation rate went above 700 percent.

In terms of daily life, the inflation has not been as bad as the figures make it sound, because all Israeli salaries have been indexed and most bank accounts "linked" to the dollar.

"The problem is, you have to spend a lot of time managing your daily position," said Israel Makov, president of InterPharm Laboratories, a six-year-old biotech firm. "You get your salary at the beginning of the month, and then you try to keep it from losing its value by the time you spend it. Do you put it in a two-day account? A one-week account? A two-week account? The less liquid you are, the more linked. In this country, everybody's a financier."

For individuals and for export businesses, which do most of the accounting in dollars anyhow, inflation has been merely a nuisance. But for the country at large, it is a symptom of deep economic distress.

Israelis often use proportional statistics to make their experiences more understandable to Americans. Thus, Israelis point out that the 600 men they lost in the Lebanon invasion and occupation would be the equivalent in American terms of 36,000 fatalities.

By the same token, America's budget deficit, which this year is "only" $215 billion, would have to reach a staggering $650 billion before it would match Israel's as a percentage of gross national product.

Ditto for the trade deficit. At $5 billion, it's the equivalent in American terms of $812 billion. The actual U.S. figure, considered alarmingly high, is $113 billion.

Israel's main reason for moving into high-tech exports is to try to help solve its balance-of-payments problem, which is at the root of the rest of its economic difficulties. But there are also other reasons for the emphasis on high tech.

First, Israeli industries are denied access to many less-sophisticated markets. Israel cannot look to its neighbors as markets for basic industrial goods. Jordan and Saudi Arabia—let alone Syria, Libya and Iraq—can hardly be counted as potential Israeli export markets. Even Egypt has proved to be disappointing in this regard.

Nor does Israel see much possibility for sales in the rest of the Third World region that surrounds it. There are scant prospects for Israeli exports in the arc of Islamic countries from Pakistan to Morocco. And only a few other Third World countries are willing to risk the ire of Arab oil suppliers by trading with Israel.

That leaves Israel only one option: to make the kind of sophisticated products that can compete in European and American markets. In other words, it needs to leapfrog the lower-technology industries, whose markets have been slammed shut in its face, and challenge the more-advanced "First World" producers: the United States, Western Europe and Japan.

Second, Israel is forced to get along without the assistance of many of the big multinational corporations, because of Arab pressure. A visitor quickly notices the absence of many familiar brand logos. This is a country without Shell stations or Toyotas. (Subarus, however, are all over the place. They're the only Japanese car sold here.)

The boycott means Israel is shut off from many sources of investment and experience. But there is a positive side as well: As an economic island, Israel is obliged to be innovative and daring.

Third, high tech is a natural for Israel because of its highly trained work force and its superb educational system. The country's two great scientific universities, the public Weizmann Institute and the private Technion, are among the best in the world.

"It's all electronics now."

Ezer Weizmann, the man talking, helped create the modern Israeli air force. Pointing to an old photo on his office wall of himself in the open cockpit of a World War II vintage plane, he adds in clipped British tones: In my time, it was just me in my Spitfire with God as my copilot. Today it's all laser beams—and not just in warfare. In the economy, too."

"We've got to do what you're doing in the states," said Mr. Weizmann, who was minister of defense during the Camp David talks and now serves as a special adviser to Prime Minister Shimon Peres. "We need to build Silicon Valleys of our own."

Other Israeli officials strike similar themes.

Mordechai Gur, who later rose to become Israel's military chief of staff, was the Israeli ground commander who led the successful assault against Jordanian forces in the Six-Day War. It was he who captured the greatest prize of that war, the Old City of Jerusalem.

Today, Mr. Gur is helping to apply to the field of medical care the technological prowess the Jewish state displayed in battle. As minister of health, he holds the key government portfolio in the high-tech field. Israel, a country with one doctor for every 400 citizens (almost three times the proportion in neighboring Egypt), is counting heavily on its ability to exploit its high standard of medical care into a major export sector.

"We're working on a plan for what we call 'medical tourism,'" Mr. Gur recently told a group of U.S. visitors. "The idea is, if you need some elective surgery, you have it done over here—and while you're at it, you see a bit of Israel. You come over for medical treatment, and even with the trip and the tourism it's still cheaper than just the treatment at home."

But no matter how ingenious their marketing techniques, the Israelis cannot rely on increased exports to be the whole solution for Israel's economic woes.

To balance its economic order, the Jewish states also must cut its reliance on goods and services from abroad.

The steps announced this month—including a $750 million budget cut, layoffs of 9,000 government workers, and a stiff currency devaluation—will be acutely painful. They have evoked widespread protest because they will almost certainly mean sharply lower living standards and sharply higher unemployment.

For Israelis, high unemployment is especially painful because of Zionism's almost mystical view of the dignity of work. Also, authorities fear, many Israelis may simply pull up stakes and move to Denmark, Britain or, most often, the United States. There is nothing hypothetical about this danger. Already, 250,000 Israelis live and work in the United States—10 percent of Israel's entire population.

Even so, failure to deal with the underlying problems would threaten Israel's economic sovereignty. Israelis differ among themselves about almost everything, including economic policy, but one thing they all agree on is that more investment from, and trade with, the United States, especially in the crucial high-tech area, can only be all to the good.●

ANTIGUA

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MICA. Mr. Speaker, I would like to direct my colleagues' attention to the economic development needs of the people and Government of Antigua.

Antigua and its sister island of Barbuda (Antigua) are located in the Leeward Islands of the Caribbean, nearly 250 miles southeast of Puerto Rico. Since obtaining its independence from Great Britain in 1982, Antigua has had a moderate democratic government. Relations between the United States and Antigua traditionally have been very warm, reflecting a long-standing friendship based on common goals for the Caribbean Basin. Antigua has repeatedly cooperated with the United States in every circumstance. Since 1941, the United States has maintained two military facilities on Antigua pursuant to military base agreements, under which for many years Antigua received no compensation. Antigua has also permitted the United States to establish and maintain a Voice of America station for purposes of broadcasting its messages throughout the Caribbean.

Antigua traditionally has supported U.S. interests in the eastern Caribbean; it has provided valuable assistance and cooperation with U.S. efforts to combat the growth of illegal drug trade in the region, and is an active member in the Regional Security System.

Antigua is a developing country which has made substantial efforts to overcome obstacles common to all developing countries and to become economically self-reliant. It has enthusiastically endorsed the Caribbean Basin Initiative [CBI] and has initiated negotiations with the United States on a bilateral investment treaty.

Recognizing the inherent risks involved in concentrating its development exclusively in the tourist industry, the Antiguan Government has made substantial efforts to diversify its industrial and commercial activities. It is actively encouraging investments in the production of livestock, export-oriented food crops, and light-manufacturing industries. The involvement of foreign investors and increased United States-Antigua trade is an integral component of achieving these objectives.

These efforts to attract foreign investment, however, are impeded by an infrastructure that is in critical need of rehabilitation and further development. For example, the recent growth in the Island's population and an increased influx of tourists have imposed strains on existing housing, communication, transportation, and utility facilities. In addition, the prolonged drought in 1984 severely strained the water supply system. These infrastructure requirements demand immediate attention. ESF assistance would go a long way in providing the means by which the Government could resolve these basic developmental requirements. Last year, Antigua received no ESF assistance, and other forms of U.S. economic assistance have not been distributed to Antigua quickly enough to satisfy many of its pressing financial requirements. I believe that ESF assistance would enable Antigua to work with the United States to strengthen an already healthy relationship and build a basis for a more productive and functional economy.●

UNEQUIVOCALLY AMERICAN

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. COELHO. Mr. Speaker, a more personal side of our colleague KIKA DE LA GARZA was featured in a recent article in the Washington Post.

As Michael Barone wrote, KIKA's story is "unequivocally American." A strong sense of family and ethnic identity have fostered his successes as a Texas attorney and 20-year veteran of the House. As chairman of the Agriculture Committee, KIKA has offered strong leadership and has certainly become one of the most important powers in Government.

I would urge all Members to read the article.

"UNEQUIVOCALLY AMERICAN"—THE POLITICS OF TWO POWERFUL HISPANICS

The two most powerful Hispanics in American government today are Kika de la Garza, chairman of the House Agriculture Committee in the year a new farm bill must be passed, and Henry Cisneros, mayor of San Antonio, our 10th largest city, and a member of the Kissinger commission on Central America.

Kika de la Garza's family has lived in the lower Rio Grade valley since the 1700s, long before it was the border. For years it was mostly scrub and desert, and even when he was growing up in the town of Mission in the 1930s, "we were three blocks away from the woods." His father worked for Hidalgo County and then for the U.S. Department of Agriculture; his father and uncle were active in local politics. They weren't a rich family, and as a kid de la Garza shined shoes on Main Street in McAllen; but it was accepted that "you were going to go to college—period."

Kika grew up speaking both English and Spanish. In grade school the Irish nuns spoke English but didn't ban Spanish; at the dinner table the language "depended on the conversation." In 1945, when he was 17, de la Garza left high school for the Navy to serve, unexpectedly, in peacetime. He returned home and attended Edinburg Junior College in the valley, and saved his GI Bill benefits for law school at St. Mary's in San Antonio, where most of the students were Hispanic. The dean was "a tough cookie," and he says, "99.9 percent passed the bar." At St. Mary's he was in ROTC and served in the Army artillery. He wasn't in Korea but was a general's aide.

On leave in 1952 de la Garza ran for the legislature and beat the rough-hewn local "machine." Any discrimination in the valley, school, the service, the legislature? "I never had a problem." He is an amiable man who has learned eight languages because "people appreciate hearing their own language." In 1964 Rep. Joe Kilgore retired. Lloyd Bentsen Sr., father of the senator and one of the valley's biggest landowners, "read me my responsibilities: my family, my people, my country." (Bentsen, now 92, says he has known de la Garza "since he could walk. He was always a real worker, ambitious.")

So the young man who had become one of the first Hispanic partners in a big McAllen law firm became, at major financial loss, the first Hispanic congressman from the valley—moderate to conservative, loyal to party, hard-working on district matters. He can hold the seat, if he wants, for life.

Heny Cisneros' father also worked for the government, as a civilian at San Antonio's Fort Sam Houston, and he rose to colonel in the Army Reserve. "For him, if a world was structured by grade," Cisneros says, "that was a fair world."

But his family was also in politics: his grandfather, Romulo Munguia, in the turbulent years following the 1910 revolution in Mexico, was a follower of Francisco Madero. Mexican revolutionary politics was a lethal business (for Madero and others), and Munguia moved to San Antonio, part of an exile community of political intellectuals in the first big city north of the border.

On the open, treeless lands of south Texas, San Antonio had even then just enough skyscrapers to look urban, though its economy depended on the military. Its population was about one-third Hispanic. Romulo Munguia and his son ran a print shop, which did a lot of political work.

Munguia was an anticlerical, but the church ran the only good schools, and Henry Cisneros attended Catholic High School for Boys, run by the Marianist Brothers. "I don't know if they intended it or not," he says, "but they created a Hispanic management group": 20 boys from the classes of 1960 to 1968 now hold high positions. Cisneros went from there to Texas A&M and was part of the military corps; he was contemplating a military career at a time when other national Democrats his age were protesting the Vietnam war. He's proud to be an Aggie, and proud that the governor appointed him to the A&M Board of Regents.

Cisneros' military career was cut short as the war wound down; he went to graduate school and got a PhD in urban studies; as a White House fellow he worked for Elliot Richardson. After Cambridge and Washington, he was offered a position teaching in San Antonio, and he and his wife returned there in 1974. He lives on the Hispanic West Side, near the small yellow bungalow where his parents still live. His uncle talked him into running for the council in a west side district in 1975; he ran for mayor in 1981 and beat an Anglo slow-growth advocate.

Cisneros revels now in planning for San Antonio's future, helping to build in a low-wage, public-sector city a strong high-tech private sector. He's proud of writing important papers—"Target '90," the city blueprint—himself, and proud that in a city once bitterly divided between Hispanics and Anglos, he's established a consensus politics on issues of his own choosing.

Talented political families, tough Marianist schools, military service, total fluency in English and Spanish and ease among Anglos and Hispanic the short relaxed 57-years old de la Garza and the ramrod-thin 38-years-old Cisneros have much in common. From their unusual corner of the United States, they stay in touch with Mexico, but their politics like their lives are unequivocally American.●

REUNIFICATION OF SIBLINGS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GILMAN. Mr. Speaker, we have all heard reports of brothers and/or sisters who have been separated at birth or in early youth and have been joyously reunited after many years of searching. These happily ever after stories, while touching and happy, represent only a small fraction of the separated siblings. Unfortunately, many brothers and sisters are still searching for their siblings and indeed never reach the happy ending of being reunited.

A constituent of mine, Edward Branca, of Nanuet, NY, was moved by the story of a reunion of three triplets in New York in 1980. Since then, he has been deeply involved in trying to help separated siblings who are searching for each other. Mr. Branca has on numerous occasions provided various committees here on Capitol Hill with written testimony on the need for a plan of "siblings' rights." According to Mr. Branca, such a plan is necessary to ensure that no further siblings will be separated and denied the right to ever see each other again.

Recently, Mr. Branca submitted written testimony to the Senate Finance Subcommittee on Social Security and Income Maintenance Programs, which conducted a June 24 hearing on the Reauthorization of the Adoption Assistance and Child Welfare Act of 1980. He provided the subcommittee with incisive comments about separated siblings and outlined a proposed plan for "siblings' rights" which I would like to share with my colleagues. Accordingly, I request that his testimony be inserted at this point in the RECORD:

STATEMENT OF EDWARD BRANCA, JR.

I respectfully request Congress to consider enacting legislation, possibly as an amendment to the reauthorization of P.L. 96-272, to reunite brothers and sisters who are separated by adoption or foster care, and to prevent brothers and sisters from being unnecessarily separated in future adoptions and foster care placements. More often than we would like to think, brothers and sisters have been separated, often unnecessarily, and then denied the right to ever see each other again.

While I am not an expert on social service law, I believe few states have laws on their books to grant adoptees a right of reunion with brothers and sisters they have been separated from, even in cases where siblings were adopted by different families. While I have not done any research, I would guess that few states have laws on their books to require that, whenever possible, brothers and sisters who are available for adoption, be adopted by the same family. I was told by a person who lives in Maine, that Maine only stopped separating brothers and sisters a few years ago. I regret to say that my own state of New York has not enacted a law to reunite separated siblings, even in cases where siblings who were separated as children have reached adulthood, and had been adopted by different families. A New York state bill, S4937-A/A5042-A, to require that whenever possible, brothers and sisters be adopted by the same family, has passed the state Assembly, though as of June 18th, it has not passed the state Senate. The following are some of the tragedies which have occurred when brothers and sisters were separated.

During the Great Depression, a group of siblings were placed in foster homes in western New York state. One of the children, Janet, returned one day from school, to be told by an older sister, that "Baby Lillian," their sister, had been taken away by the adoption authorities. Janet Gervaise has not seen her little sister for over fifty years.

Donald Booth, whom the 1981 ABC-TV. movie, "A Long Way Home" was based, was adopted by one family; his younger brother and sister were adopted by another. Don, who, according to the movie, greatly missed his siblings, did not see them again until all were adults.

Lorrine Brewer, who grew up in North Carolina foster care, has been unable to locate or obtain identifying information on her brother and sister who were adopted. It is a misdemeanor, under North Carolina law, to disclose information contained in adoption files.

Last year, after seeing a news report on the reunion of two brothers who had been separately adopted and denied contact with each other, I called the adoptive parent of one. When I asked her why the adoption agency didn't provide the childrens' adoptive parents with each others names and addresses, so that the children could keep in contact, she told me "they don't tell you that."

In 1983, a set of separately adopted identical triplets were reunited, at the age of fifty-seven.

The list of these tragedies could go on and on.

The International Soundex Reunion Registry, (ISRR), attempts to reunite adoption separated families by matching dates and places of birth. Emma May Vilardi, who Chairs the ISRR., states that, "Families of six to twelve children, all full siblings, were separated by adoption and foster care. War, depressions and the death of parent(s) are common denominators in the separation of large families." According to the ISRR's. 1984 annual report, 106 people, who know they have a twin they were separated from, are registered with the ISRR., in hopes their twin will also register.

I wish to point out how information given to adoptive families by adoption agencies can be false.

The February, 1981 issue of Good Housekeeping ran an article, "The Triplets Who Found Each Other," which is the true story of the accidental reunion in September, 1980, of a set of identical triplets who had been separately adopted shortly after their birth on July 12, 1961. The article stated that, after the triplets reunion, the adoption agency they were placed by, Louise Wise Services, told the triplet's adoptive parents that they were the last multiple birth babies who were separated. None of the triplet's adoptive parents had been told the children were multiple birth babies.

In May, 1985, I received a phone call from a woman who gave birth to brother-sister twins on June 23, 1969, eight years after the triplets were born. The "birthmother" surrendered the twins to Louise Wise Services. She told me that, shortly after the twins were born, she returned to Louise Wise Services, to see if the twins were being placed with the same family. Louise Wise told her that they would not attempt to place the twins together, unless prospective adoptive parents came to them requesting to adopt a set of twins. They would not ask prospective adoptive parents if they were willing to adopt a set of twins. So the twins were separated. When an adoption agency separately adopts siblings, it receives a fee from each set of adoptive parents, instead of receiving only one fee if the children are adopted by the same family. Louise Wise Services also conducted research on the effects of heredity by studying the multiple birth children it separated.

I have been told that Louise Wise Services separated many multiple birth babies, and has given false information to adoptees and adoptive parents.

PLAN FOR ENACTMENT OF "SIBLINGS' RIGHTS"

I have developed a plan to keep brothers and sisters together, in foster care and in adoption, and to reunite separated siblings. When I use the words "brothers," "sisters" and "siblings," I am, of course, referring to half-siblings as well as to full-siblings. I urge this plan be mandatory on states which receive federal aid for their foster care or adoption programs.

Siblings not be separated, in foster care or in adoption, unless absolutely necessary i.e. when no family is willing or able to take all the children in a sibling group.

II. That separated siblings, or, if they are minors, their legal parents, be allowed to obtain identifying information.

When siblings are minors, one (set of) parents should have a legal right to request a third party, perhaps the court, adoption agency or private organization, to contact the other (set of) parents to ask if they wish a reunion. If they agree, identifying information would be provided. If they decline, identifying information would not be provided, and the parent(s) notified of the turn down.

Adults should be allowed access to identifying information on their adult siblings without anyone's consent. (In many cases where siblings have been separated many years, the sibling won't be able to be located by the third party. Providing identifying information will help people in tracing their siblings.)

I do, though, believe it might be advisable if courts were allowed to withhold identifying information in cases where a sibling is developmentally disabled or suffering from serious mental illness. I do not believe that reunion should be denied in all such cases, as, in many such cases, brothers and sisters are the only family the person has left.

I urge that the right to obtain identifying information on siblings be allowed even in cases where a sibling(s) remain(ed) with the birthparent(s).

While I know revealing birthparents identity, even indirectly, is controversial, I urge that non-adopted, but separated, siblings be allowed reunion.

The Washington [state] Adoptee's Rights Movement, (WARM.), has been authorized in many of Washington's counties to act as "confidentual intermediary," to contact separated by adoption family members to ask if they wish a reunion. WARM. finds that ninety percent of the family members it contacts agree to a reunion. While I have no statistics on this, I assume that the vast majority of WARM's. intermediary contacts are on behalf of adoptees who wish to be reunited with their birthparents and vice versa. This, plus my own reading of adoption literature, as well as my own contacts with birthparents and other adoption separated and reunited people, has totally convinced me that the vast majority of birthparents wish to be reunited with surrendered children. I can only assume that, when the surrendered child has a brother or sister, the desire for a reunion is even greater.

I urge that the right to obtain identifying information apply to past adoptions and foster care placements, as well as to future cases. While I know Congress does not like to make regulations retroactive, I urge an exception be made to allow separated in the past brothers and sisters to be reunited. After all, these are cases where brothers and sisters who had nothing but each other left, were denied even each other. The information needed to reunite these siblings is locked away in a court or agency file, and denied to those, like Ms. Brewer, who need it most.

I suggest that Congress consider making the right to obtain identifying information enforceable by federal courts. Congress might wish to declare that the Constitutional protection of family relationships gives Congress the power to enact siblings' rights legislation.

III. That prospective adoptive and foster parents be informed if the child they plan to adopt, or take in as a foster child, has sibling(s), and, if so, if they are: (a) not surrendered, (b) available for adoption or foster care, and (c) have been adopted.

The fact that Louise Wise Services, and other adoption agencies, separated multiple birth babies, without telling the children's adoptive parents, explains why this regulation is necessary.

WHY STATE ADOPTION REGISTRIES ARE NOT THE SOLUTION

I believe that state adoption registries, which are being created by state legislatures in a number of states, including New York, are not the answer to the question of how to reunite separated siblings. I believe this for the following reasons.

Brothers and sisters who are separated had no say in the decisions which separated them from one another. Therefore, the law should make it as easy as possible for siblings, particularly adult siblings, to be reunited.

Professor Thomas Bouchard, of the University of Minnesota's Psychology Department, has studied about sixty-five sets of twins and triplets who were separated early in life, and reunited as adults. Professor Bouchard has told me that, while all his subjects have not had perfect reunions, none wishes the reunion had not happened. Professor Bouchard was not involved in separating siblings. He supports reuniting families who are separated.

A person who is active in helping adoptees search for birthfamily members, has told me that she knows of only a few reunions between separated siblings which were not successful. I thus believe that the vast majority of separated brothers and sisters wish a reunion.

State laws which govern adoption registries require that adoptees be adults before they may register. Most, if not all, state registries do not allow adoptive parents to register their minor children. To force parents to say to their child, that he may see his

brother or sister again when he is an adult, is nothing more than government mandated child cruelty.

In order to register with the New York state adoption registry, adoptees must be over the age of 21, been born and adopted in New York state, and pay a fee of at least $45,00. (No small amount to many adoptees.) For this fee, adoptees receive certain non-identifying information on their birthparents. For a "match" (reunion) to take place, one or both birthparents, as well as the adoptive parents (if living) must register. Also, more fees must be paid. The registry, by the way, is prohibited from soliciting a registration from anyone, or accepting registrations from separated siblings.

I would like to point out, that several states require or allow that amended birth certificates, which are issued to adoptees and adoptive parents (In most states, originial ones are sealed), change not only the names of the adoptees parents, but the place of the adoptee's birth. A person adopted in any of these states, might not know where he was born, and thus not know which state registry, if any, he can register with. There are also siblings who were adopted by families in different states. Not to mention sibling are separated by foster care.

The following are some of the laws Congress has, in recent years, passed, which preempt state authority.

The Family Educational And Privacy Act of 1974 (Buckley Amendment), which requires school districts to grant access to student's school records to parents, and to persons over the age of 18 who have left school.

The equal access provisions of the math and science education law, which require school districts to allow students to conduct religious worship in school buildings, during non-school hours.

The law which requires states to enact a minimum drinking age of 21, in order to receive their full allotment of federal highway aid.

The following states change adoptees place of birth on amended birth certificates. (Information may not be up to date.)

States where place of birth must be changed: Kentucky, Mississippi, and North Carolina.

States where place of birth may be changed: California, Georgia, Illinois, New Jersey, and Wisconsin.

The following are addresses and telephone numbers of organizations mentioned in testimony.

International Soundex Reunion Registry, Emma May Vilardi, Box 2312, Carson City, Nev. 89702, Tel. 702 882-6270.

Good Housekeeping (commercial magazine), 959 8th Avenue, New York, NY 10019, Tel. 212 262-5700.

Louise Wise Services, 12 East 94th Street, New York, NY, Tel. 212 876-3050.

Washington Adoptee's Rights Movement, 220 Kirkland Avenue, Kirkland, Wash. 98033, Tel. 206 827-6680.

Professor Thomas Bouchard, Minnesota Center For Twin And Adoption Research, Psychology Department, Elliott Hall, 75 East River Road, University of Minnesota, Minneapolis, Minn. 55455, Tel. 612 373-0161.●

DR. WALTER SMITH IS NAMED FULBRIGHT SCHOLAR

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. FUQUA. Mr. Speaker, one of my warm personal friends and one of the Nation's outstanding leaders in the field of education has been named the recipient of a Fulbright Scholarship. Dr. Walter L. Smith, the immediate past president of the prestigious Florida A&M University in Tallahassee, FL, has received another honor in a long string of academic and professional accomplishments.

We are all aware of the prestige and significance of Fulbright Scholarships. This one is significant because Dr. Smith will carry his academic and administrative expertise to Malawi in south central Africa.

Dr. Smith is uniquely qualified for his opportunity and challenge. Not only will he leave a significant mark on education in that nation, he will be a worthy ambassador of good will for this Nation in that part of the world.

The Capital Outlook of Tallahassee printed an article announcing Dr. Smith's selection. It is with genuine personal pleasure that I ask its inclusion in the CONGRESSIONAL RECORD.

The article follows:

FORMER FAMU PRESIDENT SMITH TO LECTURE AS FULBRIGHT SCHOLAR

(By Jere Smith)

Dr. Walter L. Smith, immediate past president of Florida A&M University, has been selected as a senior Fulbright Scholar for the country of Malawi in south-central Africa.

The year-long lecture-research appointment will begin this fall during Smith's sabbatical leave from the State University System after an eight-year tenure as president at Florida's only historically black university. The Fulbright Grant provides subsidies for Smith to travel, lecture, carry out specified research projects and will support his dependent's education cost during the one-year period.

Smith's son, Walter II, 12, a prospective seventh grade student at Florida A&M University High School, will travel with his father to Africa this fall.

Smith, 50, was notified of his appointment last Thursday by Ronald Trowbridge of the Board of Foreign Scholarships on behalf of the United States Information Agency. In his letter to Smith, Trowbridge cited Smith's academic and professional achievements as the basis for his selection.

Part of Smith's application reflected his personal leadership and involvement in the education of blacks throughout the United States in general and in Florida specifically.

He was the chief architect of the state's first Conference on the Education of Blacks in Florida and later was appointed by the State Board of Education to chair a committee which grew out of that conference and which advises the Board on the education of blacks.

Congressman Don Fuqua, who recommended Smith's candidacy, indicated that he's "delighted that one of my constitutents was chosen for this high honor. This experience should be mutually beneficial to the parties; Malawi will have the resources of a prestigeous and experienced educator, while former FAMU President Smith will have an opportunity to expand his international professional exposure."

In 1971, as an African-American Institute Scholar, Smith studied in the countries of Ghana, Togo, Dahomey (Benin), and Nigeria. Since that experience, he has traveled to England, France, Germany, Kenya, Greece, the People's Republic of China and throughout the Caribbean.

In 1979, Smith was a United States Non-government Organization delegate to the International Conference on Science and Technology for Development in Vienna, Austria. It was during this conference that Smith participated in many debates on harnessing international resources to enhance the quality of life in Third World Countries. Congressman Fuqua, who chairs the U.S. House of Representatives Committee on Science and Technology, was a major spokesman at that conference in Austria.

More recently, Smith traveled with Gov. Bob Graham to Israel to enhance economic and education relations between that country and the State of Florida.

Dr. Frederick S. Humphries, president of Florida A&M University, sent a message of congratulations to Smith for having received the prestigious honor. He said that his predecessor's experiences in the international arena, his desire to raise the standards of academic excellence among black people everywhere, and his proven record of accomplishments will "certainly impact the nation's effort bring about world peace through understanding and education."

Nominations for Fulbright Scholarships are made by the Council for International Exchange of Scholars advisory committees and forwarded to the Board of Foreign Scholarships.

During his 12-month stint, Smith will help the University of Malawi develop its graduate programs at Chancellor's College and at other colleges in that country. He will also research problems related to access and articulation between that country's secondary schools and the University System.

Smith, who resigned July, 1984, is one of three senior administrators within the State University System to receive sabbatical leave within the past 12 months. Dr. Robert Marston, immediate-past president of The University of Florida, will return as a professor in the School of Medicine at Gainesville for the 1985-86 academic year. Dr. Barbara Newell, immediate-past chancellor of the State University System, will also begin her sabbatical leave this fall.●

HIROSHIMA '85

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MARKEY. Mr. Speaker, the United Nations has proclaimed 1985 the "International Year of Animation," and to help commemorate this event, I would like to call the attention of my colleagues to a remarkable film festival which will take place from August 18 through August 23, in

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Hiroshima, Japan. The theme of this animated film festival is "Love and Peace," and its purpose is to promote friendship and understanding among all the world's peoples and cultures.

The festival will take place in an auditorium in the Peace Park, and like the park itself, it is a reminder of the anniversary of the first atomic bomb dropped on Hiroshima 40 years ago this summer. But this festival is not a grim reminder of the past, rather it is a celebration of peace and progress to, in the words of its organizers, "spread the heartfelt message of Hiroshima in hopes of an everlasting peace for the world."

"Hiroshima '85," the first officially sponsored film festival in Asia, will present a wide range of animated films to an international audience of educators, artists, film makers, critics, producers, and journalists. I am pleased to report the work of U.S. animators will figure prominently at the festival. In addition to an entire program dedicated to the work of several other American film makers, there will be a special tribute to Chuck Jones, perhaps the most internationally honored animated film maker in the world today.

Mr. Speaker, I salute the work of the artists and organizers behind "Hiroshima '85," and wish them well in their efforts to promote peace throughout the world.●

MID-VALLEY UNIT ACT OF 1985

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LEHMAN of California. Mr. Speaker, today I am introducing legislation which would authorize the construction of the mid-valley unit of the Central Valley project [CVP], located in California.

This legislation would authorize the delivery of supplemental surface water to approximately 4 million acres of intensively irrigated agricultural lands on the east side of California's Central San Joaquin Valley. This rich farmland faces a serious ground water overdraft problem which, if not resolved, would result in the loss of thousands of acres of productive land.

The legislation would implement a plan which would help preserve a portion of the economic and cultural development that already exists in the San Joaquin Valley of California, the Nation's most productive agricultural region. Supplemental surface water deliveries would help alleviate the heavy reliance upon ground water pumping and the negative impact on that limited natural resource which has resulted. Diversified family farming is the backbone of the agricultural economy of the region and water is the very essence which nourishes this thriving economy.

The concept of a mid-valley canal to provide additional water to the area has long had the support of water users, including local governments, the farm community, businessmen, and others who are concerned with the San Joaquin Valley ecosystem and the economic well-being of the region.

Various studies on the construction of a major conveyance facility to serve the eastern portion of the San Joaquin Valley were conducted in the 1950's and 1960's as part of the Central Valley project authorization and a proposed feasibility report on the east side division of the CVP was sent to the Secretary of the Interior in 1968. These initial studies made it apparent that a wide discrepancy existed between the existing supply of water and the consumptive demands of the entire region.

The need for this supplemental surface water was demonstrated in a joint study by the California Department of Water Resources and U.S. Bureau of Reclamation entitled, "Mid-Valley Canal, East Side Division, Central Valley Project, California, a Report on the Mid-Valley Canal Feasibility Investigation, U.S. Department of the Interior"—January 1981. The report conducted an extensive survey of the needs within the service area and the hydrologic, economic, and environmental considerations of constructing such a facility. The canal, as envisioned in this 1981 study, was a major conveyance facility to be constructed on the east side of the valley.

The study indicated that the service area faces an annual ground water overdraft of an estimated 1.5 million acre-feet. The Bureau of Reclamation indicated that local surface water supplies have been almost completely utilized and cannot realistically meet the long-term demands of the area. In addition, the report points out that overall basin irrigation efficiency is very high and additional conservation technologies would yield no appreciable irrigation supplies. The feasibility report concludes in part that over 440,000 acres of highly productive irrigated agricultural lands would have to be abandoned "within the foreseeable future unless a replacement supply can be imported."

Subsequently, the Bureau of Reclamation has included within its annual budgets for fiscal years 1985 and 1986, funds to conduct the "San Joaquin Valley Conveyance Investigation" to conduct updated studies. This investigation will evaluate the economic feasibility of various alternatives regarding the delivery, storage, and environmental impacts of implementing the concept of the mid-valley unit. The investigation will study the utilization of existing facilities as a means of producing a more cost-effective project. Complete consideration will have been given to resolving the present and anticipated ground water overdraft problem and meeting the water supply needs in the area, including water delivery systems, drainage, erosion, flooding, and fish and wildlife impacts. The Mid-Valley Water Authority is sharing in this cooperative investigation to be completed in 1986.

In addition, the legislation provides provisions to take into account the protection and enhancement of fisheries, wildlife, and recreation opportunties associated with the construction and operation of the project.

The mid-valley service area is comprised of irrigated agricultural lands in Merced, Madera, Fresno, Tulare, Kings, and Kern Counties. The area is represented by the Mid-Valley Water Authority, a joint powers authority formed in 1982 and comprised of 29 public agencies which serve the agricultural, municipal, and industrial water needs of the service area.

The authority represents a broad consensus of support for the project and as studies have already indicated there exists a dramatic need for the construction and operation of such a facility.

For the benefit of my colleagues, I have included a copy of the legislation.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mid-Valley Unit Act of 1985".

SEC. 2. FINDINGS.

The Congress finds that—

(1) there is need for a federally constructed project to serve approximately 4 million acres of irrigated agricultural lands located in Merced, Madera, Fresno, Tulare, Kings, and Kern Counties, California;

(2) there is presently an overdraft of groundwater in these counties that would be alleviated by providing irrigation, municipal, and industrial water supplies;

(3) a federally constructed project would facilitate optimum conjunctive use and reuse of surface and underground water supplies enhancing the agricultural stability of the San Joaquin Valley; and

(4) fish and wildlife resources and outdoor recreation opportunities would be enhanced by construction of a project.

SEC. 3. AUTHORIZATION.

(a) AUTHORIZATION.—The Secretary of the Interior (hereinafter in this act referred to as the "Secretary"), acting pursuant to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), is authorized to contruct, operate, and maintain, the Mid-Valley Unit, as an addition to and an integral part of, the Central Valley Project, California, upon completion of a favorable Planning Report/EIS on the San Joaquin Valley Conveyance Investigation.

(b) PRINCIPAL WORKS.—The principal works of the Mid-Valley Unit shall consist of pumping plants, pumping generator plants, power plants, power transmission facilities, canals, channels, levees, drains, flood control works, pipelines, regulating reservoirs, off-stream and on-stream storage reservoirs, deep wells and pumps, and distribu-

tion systems and facilities consistent with the recommendations of relevant planning documents. The Secretary is authorized and directed to utilize, whenever feasible, existing water supplies, conveyance and storage facilities.

(c) PROVISION OF WATER.—The Secretary is authorized to provide water supplies for the irrigation of approximately 4 million acres of land in Merced, Madera, Fresno, Tulare, Kings, and Kern Counties, as identified in the Planning Report/EIS on the San Joaquin Valley Conveyance Investigation.

SEC. 4. FISH AND WILDLIFE ENHANCEMENT AND RECREATION.

The conservation and development of the fish and wildlife resources and the enhancement of recreation opportunities in connection with the Mid-Valley Unit shall be in accordance with the provisions of the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.) and the Federal Water Project Recreation Act (79 Stat. 213).

SEC. 5. WATER DELIVERY AND STORAGE AGREEMENTS.

The Secretary is authorized and directed to—

(1) execute a contract with the State of California for the wheeling, delivery, exchange, and storage of water through the facilities of the State Water Project of California for use in the Mid-Valley Unit; and

(2) execute contracts with the State of California for the construction or enlargement of conveyance and storage facilities for joint use.

SEC. 6. LOCAL COST-SHARING AGREEMENTS.

The Secretary may enter into agreements with the Mid-Valley Water Authority, a California Joint Powers Authority, for the provision of all or any portion of the authorized distribution facilities as the local contribution to the cost of the project.

SEC. 7. STATE AND LOCAL PUBLIC INTEREST.

In locating and designing the works and facilities authorized for construction by this Act, and in acquiring or withdrawing any lands as authorized by this Act, the Secretary shall give due consideration to relevant reports by the State of California, and shall consult with local interests who may be affected by the construction and operation of the works and facilities or by the acquisition or withdrawal of lands, through public hearings or in such manner as in his discretion may be found best suited to a maximum expression of the views of such local interests.

SEC. 8. AUTHORIZATION OF FUNDS.

There is authorized to be appropriated for construction of the Mid-Valley Unit as authorized in this Act, the sum of $——, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indices applicable to the types of construction involved herein.●

HANS HACKER: EAST LIVERPOOL'S YOUNG ARTIST

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. APPLEGATE. Mr. Speaker, many millions of people have come to America over the course of our history and the talents and skills that they have brought to our shores have contributed immensely to the arts and humanities of our Nation. Out of the many thousands of artists and painters who have come from foreign countries is one man who has brought joy and pleasure to the canvas: Hans Hacker, the youthful artist of East Liverpool, OH.

Hans Hacker developed his artistic skill in his native Germany where, by the age of 11 , he was well on the way to painting and selling his works of art. Coming from a family that was artistic to begin with—his father a commercial artist at a pottery and his mother an art teacher—Hans was well prepared to nurture the talents that he has expressed through his paintbrushes for well over half a century. Hans first embarked for America in 1932, joined by his wife but without their infant son who remained in Germany with Hans' parents. Coming to the town of East Liverpool, Hans worked for the Commercial Decal Co. while continuing to make frequent trips to Germany until 1939, when the spectre of war loomed ever larger in Europe.

Leaving the hills of Germany for the hills along the Ohio River was no major disruption for Hans and his wife, Johanna. Since coming to America, Hans has continued to create art from his surrounding environment—from the old buildings along Second Street in East Liverpool to the countryside of Columbiana County. There is nothing that Hans can't apply to canvas and the world around him is just waiting to fall under the stroke of his brush. As Hans would say, "I see beauty in practically everything." Hans served as the art and technical director at Commercial Decal's specialty division until his retirement in 1977, after his service of 45 years. But Hans has not retired from painting as he continues to create oil and watercolor paintings and is a frequent winner of awards at the many local art shows. Many of his works are given as gifts to the local community and raffled to raise funds for charitable organizations.

Mr. Speaker, Hans Hacker will be honored this month with an exhibition of his art sponsored by the East Liverpool Historical Society. I would like to extend my utmost recognition and that of the House of Representatives in saluting this talented artist. Most of all, the Philosophy of painting that Hans applies to his art are words that we should all remember:

> You have to have the talent to begin with. It also depends on the environment you grow up in. You have to do it from when you were a youngster. Whatever you like, you put your heart and soul into it—it's what keeps me young.●

DAN RATHER ON INFLATION

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MAVROULES. Mr. Speaker, for several months, it has been apparent that the economic recovery, which we hear so much about, is an uneven one, which has left behind several segments of our economic base—areas vital to our Nation's economic prosperity. Perhaps nowhere is this more evident than among our Nation's small manufacturers.

Last week, a report on the "CBS Evening News" highlighted this problem. In this report, which is reprinted below, Mr. Robert Lee, president of Hotwatt, Inc., of Danvers, MA, describes the difficult economic conditions which he and other small manufacturers are facing.

Mr. Speaker, my small business Subcommittee on Oversight and the Economy recently conducted a hearing on economic issues affecting small business. At this hearing, we learned that small business failures reached an all-time high in the first 4 months of this year, and that several sectors of the economy, particularly farmers and those involved in the domestic footwear industry, are in the midst of a very severe recession.

Don't get me wrong, there are segments of the population who are enjoying economic prosperity. Yet, for a large number of individuals, the words "economic recovery" have no meaning. Over the coming months, my subcommittee will continue to examine the economic health of our small manufacturers and other small businesses in an effort to ensure that our economic policies are designed to benefit all segments of the population.

CBS EVENING NEWS WITH DAN RATHER AS BROADCAST OVER THE CBS TELEVISION NETWORK

RATHER. The latest government report shows that June was another month of low inflation, with consumer prices up just two-tenths of a percent. So far this year, inflation is running at an annual rate of 3.7%. Low inflation is the kind of news consumers like to hear, but not all is well. As Jane Bryant Quinn reports, other economic road signs indicate slow going.

JANE BRYANT QUINN. Last May, President Reagan told businessmen that America was on a roll.

PRESIDENT RONALD REAGAN. (May 24). The economy has shown solid growth for the last nine quarters.

QUINN. But today, worried manufacturers want to know what the government has done for them lately.

BOB LEE. Some time, the customers whom we serve tell us that there's no business.

QUINN. In Bob Lee's small manufacturing plant in Danvers, Massachusetts, business started to fall apart in January. He has cut his workforce by more than 10%.

Lee. Profits have been squeezed down quite a bit. We've only really had one profitable month in the last six.

Quinn. The empty chairs and missing jobs in hundreds of factories like Bob Lee's are telling the politicians that something is very wrong. In the first six months of this year alone, America lost 221,000 jobs in manufacturing and it's getting worse.

Irwin Kellner (economist). It's kind of an economic malaise, if you would. We're really in a recession, but, somehow or other, it just doesn't feel like an economic boom.

Quinn. And with reason. Ever since January, economic growth has been on the skids. Housing starts have been down this year. Business profits are hurting. Unemployment has gotten a little worse. The Administration hopes that the slowdown is over. Today, it reported a healthy 1.8% rise in new orders for consumer appliances and other durable goods. But despite this good news, many economists believe that the pace of business will remain slow.

Kellner. We've had our economic recovery in '83 and in '84, and now from here on out we're just going to zig and zag up and down.

Quinn. Federal budget deficits have been catching part of the blame for the slow zig-zag economy, because government borrowing pushed interest rates too high. But ironically, in a weak economy, government spending helps keep business going.

David Levy (economist). If we were to reduce the—the deficit, it will have exactly the opposite effect desired. It will hurt the economy severely.

Quinn. Hundreds of small manufacturers are crossing their fingers that they will not be hurt any more than they have already. Although, in shops like these a business upturn is not yet in sight.

Jane Bryant Quinn, CBS News, Danvers, Massachusetts.●

OPIC: ROOM FOR IMPROVEMENT

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. PEASE. Mr. Speaker, On September 30, 1985, the Overseas Private Investment Corporation's authorization is due to expire. Reauthorization bills are now proceeding through this Chamber and through the Senate.

OPIC's primary mission is to promote the economic and social development of lesser developed friendly nations by assisting U.S. private investments. The financial record of OPIC has been impressive in recent years. In 1984, its net income was $97 million, of which $74 million was interest earned on its holdings in U.S. Government securities. However, many of OPIC's projects have not been ones which most effectively promote development. Many projects have even been located in wealthier countries such as Saudi Arabia and Oman. Clearer statutory standards are now needed to assure that OPIC adheres to its developmental goals.

An article that will appear in the Council of Hemispheric Affairs' bi-weekly "Washington Report on the Hemisphere" by COHA Senior Research Fellow Frank Howard explores the performance of OPIC in light of its development goals and the current reauthorization proposals. For this reason, I encourage all of my colleagues to read the Howard article.

Questions About OPIC

(By Frank Howard)

In a year of struggles with the federal deficit, could anyone argue with a federal agency which showed an actual profit in 1984 of $97 million? Especially an agency dedicated to such objectives as the economic and social development of poorer countries, human rights, improving this country's balance of trade, and supporting U.S. small business? If the current Congressional reauthorization proceedings for the Overseas Private Investment Corporation (OPIC) are typical, few have any quarrels with this small but important federal agency. Nonetheless, although OPIC is all but unknown to the vast majority of Americans, the agency merits scrutiny, and measures should be taken to ensure that it more actively pursues its developmental goals—one of the original justifications for its existence.

OPIC insures billions of dollars of U.S. private investments overseas against political risks such as expropriation. Its insurance programs are especially attractive because it offers 20-year policy terms; private political risk insurers usually offer only 3-year periods of coverage. OPIC also provides direct loans and information services to U.S. investors as well as guaranteeing loans made by U.S. banks to them. All of its commitments are backed by the full faith and credit of the government.

The current four-year statutory authority for OPIC is due to expire September 30, 1985. As a self-sustaining agency, OPIC is largely exempt from the annual review to which other federal agencies are routinely subjected at appropriations time. Therefore the present reauthorization proceedings provide a rare opportunity for Congress to revisit the agency and determine that it is doing the job that in part earned it the right to exist.

The enacting legislation gave OPIC various, and possibly conflicting, statutory objectives. On one hand, OPIC is required to promote "the economic and social development of less developed friendly countries and areas," to give a preference to poorer countries, and to consider the effect of its programs on the "respect for human rights and fundamental freedoms."

On the other hand, OPIC is also required to prefer projects which further the "balance of payments and employment objectives of the United States," which "involve United States small business," and which are in countries that "are receptive to private enterprise."

OPIC has nearly total discretion in balancing these objectives. In recent years, the agency's emphasis has been on large projects and financial stability, at the expense of development.

OPIC's official reports play down its larger undertakings, advertising the small scale projects it has assisted through direct loan programs. A 1982 OPIC development report suggested that small business activities were a more cost-effective way to produce employment in the developing countries than large projects. In 1984, OPIC's small direct loan programs typically included $240,000 for a St. Kitts commercial fishing operation and $400,000 to a Grenadan nutmeg packaging plant.

For insurance undertakings, OPIC's graph summary in its 1984 report showed that of 124 newly undertaken activities in 1984, 13 were for over $10 million per client, which appears to be a modest portion. However, examining the actual dollar amounts and calculating their percentage reveals that the projects in excess of $10 million accounted for $942 million, or 83.7 percent of the total dollar amount of OPIC's 41.13 billion-worth of newly insured commitments.

Heading the list of countries receiving OPIC-insured U.S. investments in 1984 were the People's Republic of China and Chile. China had two projects totalling $278 million for oil exploration by Pennzoil Company and by Texaco, Inc. Chile had five backings totalling $242 million, including a $220 million gold and silver exploration effort by the St. Joe International Corporation. The projects in China and Chile alone accounted for 46.2 percent of OPIC's portfolio of new insurance in 1984.

Most of OPIC's loan activities in 1984 were not small direct allocations, but large guaranty undertakings. These were led by guarantees for loans of $40 million for an export fertilizer plant in Tanzania, $20 million for construction of a Hyatt International hotel in Egypt, and $20 million for a Brazilian fertilizer plant.

Statutory limitations now prevent OPIC from guaranteeing more than 10 percent of its total loan guaranty authority to any one bank's insured lending, and effecitve limit of $75 million per institution. OPIC wants the limit raised to 25 percent, arguing that many private U.S. financial institutions are now unwilling to lend to developing countries because of the current debt crisis afflicting the third world. However, the 10 percent limitation can be defended as honoring the reason why it was created: preventing OPIC from concentrating its loan guaranties among a narrow circle of lending institution. Raising the limit to $188 million per U.S. bank would only pave the way for further large-scale loan guaranty projects.

Another issue meriting attention is the development impact permitted by OPIC projects within the host countries. For example, the agency is assisting the construction of a $40 million fertilizer in Tanzania, a very poor country which surely needs outside investment. But in order to shelter it from local uncertainties, the project uses a so-called "island concept" which includes offshore bank accounts for revenues generated. Many of the multiplier benefits of this project for the rest of the Tanzania economy are thus lost.

Aside from the size of the efforts assisted by OPIC and their effects within the host countries, another important measure of the developmental impact of OPIC's projects is the extent to which they are located in the poorest of the lesser developed countries. OPIC is required to give "preferential consideration" to the least developed counties, with $680 or less in per capita income in 1979 dollars. The agency is also required to "restrict" its activities in countries with $2950 or more in per capita income in 1979 dollars. OPIC's own analysis provided by its 1984 audit statement shows 59 such projects in the poorest countries category, which was 42.1 percent of the total number of OPIC assisted projects in 1984. In dollar amounts, 44.6 percent of OPIC assistance was in these least developed countries. A statutory requirement

that at least 60 percent of the dollar value of OPIC projects be located in the least developed countries would provide a clear standard for such "preferential consideration."

In recent years the OPIC board has granted numerous exceptions to the $2950 guideline to authorize projects in countries such as Saudi Arabia, Oman and Israel. The justification for projects in wealthy, or better off and stable, countries is that they serve one or more specific U.S. interests, such as promoting small business. An outright prohibition on lending in wealthier countries would mandate that the agency concentrate its resources exclusively in countries in dire need of economic development. Such a prohibition would also benefit the private political risk insurance industry, which usually can compete with OPIC only in the wealthier countries.

A proposal has been made by Congressmen Don J. Pease (D-Ohio), Howard Berman (D-Calif.), and Don Bonker (D-Wash.), to prohibit OPIC from assisting projects in nations which fail to observe internationally recognized labor standards, such as freedom of association. It is thought that where workers are free to exercise labor rights, the economic benefits of U.S. investments will flow more fairly to the general population. Countries desiring U.S. investment would have an economic incentive to reform their often restrictive practices.

OPIC strongly opposes any moves to curtail its discretion based on the quality of labor practices of host countries. But Congress has already adopted a similar certification process in regard to countries eligible for the Generalized System of Preferences (GSP) in the trade area; applying those same standards to OPIC projects would make for consistency.

OPIC's approval of $242 million in projects in Chile is especially interesting both because that country has a notoriously poor record of recognizing labor and other human rights, and the action may signal a favorable nod by the United States toward the Santiago military regime at the very time that Congress has taken actions on human rights grounds against South Africa. The Administration also recently voted at the World Bank to allow a $55 million development loan to Chile, after abstaining from two similar such votes earlier in the year as a sign of displeasure with a state of siege imposed by the Pinochet dictatorship. While the state of siege was formally lifted on June 17, 1985, the day before the favorable U.S. vote at the World Bank, the Chilean government remains as dictatorial as ever.

Under the leadership of president Craig Nalen, OPIC has grown quickly, as its total assets rose to $907 million by the end of fiscal year 1984. Net income in 1984 was $97 million, although $74 million of that amount was interest derived from its holdings in U.S. securities. But this impressive record cannot be taken as the last word by Congress in evaluating OPIC's reauthorization legislation. The original development objectives of OPIC merit increased emphasis and statutory clarity.●

SOVIET PERSECUTION OF VLADIMIR AND CARMELLA RAIZ

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. ANDREWS. Mr. Speaker, this week, Secretary of State George Schultz is in Helsinki for ceremonies commemorating the 10th anniversary of the signing of the Helsinki Final Act, which among other things was designed to reduce restrictions on human rights and enhance immigration from the Soviet Union and its allies. Yet 10 years after the signing of the accords, the human rights and emigration situation in the Soviet Union is at its lowest point since World War II. This is especially true of the plight of the Soviet Jews.

One of the most dramatic examples of the situation faced by Soviet Jews is the case of Vladimir and Carmella Raiz, a Jewish family that lives in Vilnius, Lithuania. The Raiz first applied to emigrate to Israel in 1972. The reason cited was family reunification and repatriation to the Jewish national homeland, both legal and valid reasons for emigration under Soviet and international law.

As a result of their application, Vladimir was forced to resign his job in 1974. By profession, he is a molecular biologist. Since then all attempts by Vladimir to gain employment in the scientific field have been turned down by Soviet authorities. He currently works as a letter carrier.

Carmella, his wife, is a violinist with the Vilnius Symphony Orchestra. Although she has been able to keep her job on a part-time basis, she is not allowed to travel with the orchestra, has been demoted, and has been denied pay raises granted to the other members of the orchestra.

Vladimir and Carmella were first refused the right to emigrate in 1973. At that time, the Soviets stated that Vladimir could not be allowed to leave because he had access to state secrets. Yet it was widely known that he was working on a project that was part of an international study of pepsin, and that the lab was receiving assistance from the West. Despite the fact that there were thus no compelling reasons to refuse his family's application, the Soviet again rejected the Raiz request in 1977.

During the pendency of the Raiz application to emigrate, has the Soviet Government permitted Vladimir and Carmella Raiz and their children, Moshe and Shaul, to lead a normal life? Tragically, the answer is "No." In addition to their employment troubles, the Raiz family is also denied the right to practice their Jewish faith without harassment.

A recent American visitor to the Raiz, the first person from the West to make contact with them in 2½ years, stated in an affidavit:

> The most serious problem facing Dr. Raiz and his family is the difficulty they have in practicing their Judism. In the past two years, Dr. Raiz and his wife have become devoutly religious Jews. They, and the rest of the Jewish community are allowed to use the synagogue in the city only twice a year. They are not allowed to use the synagogue for daily, sabbath, and holiday services or any other function.

The testimony goes on to state the Raiz are forbidden to obtain Jewish books or articles. They cannot purchase kosher food. In 1984, Carmella was questioned by the KGB for holding a passover Sedar ceremony in their home.

Contact with the West, with the exception of their sister in Israel, is almost nonexistent. Western visitors to Vilnius are chased away by the KGB. Telephone calls are disrupted. Mail from the West is not delivered. I have personally written the Raiz on three separate occasions by registered mail. All of these letters have been returned to me undelivered. Last March, my staff sent a birthday card to Shaul Raiz, who turned 3 this year. Even this was not delivered. In short, all attempts by my office to make contact with Raiz have been stopped by the Soviet authorities.

This year, I learned that Vladimir was being threatened by the Soviets with conscription into the Red Army. Also, there have been reports that he has been assaulted by local authorities on the streets. Most disturbing of all, Vladimir has been diagnosed with diabetes, and has sometimes slipped into a comatose state. We are not sure that he is receiving adequate treatment.

In recognition of the increasingly desperate situation faced by the Raiz I took the unusual step of making a personal appeal for help to visiting Politburo member Vladimir Scherbitsky, when I traveled with him to Austin on his visit to the United States last spring. At that time, I asked Mr. Scherbitsky and Ambassador Dobrynin to secure a visa for Vladimir and his family to travel to Houston so that he could receive treatment at the Texas Medical Center for his illness.

Mr. Scherbitsky accepted my request, and assured me that the appropriate local authorities would be asked to review the case, and that I would be kept informed of any developments by the Soviet Embassy. It has been 5 months since this promise was made, and I have received no information from the Soviets, in spite of the promise and a followup letter I sent to Ambassador Dobrynin in May.

Mr. Speaker, the tragic situation faced by the Raiz family, refusal of the right to emigrate, denial of the right to work in their profession,

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denial of the right to practice their Judaism, harassment, and isolation from their friends and supporters in the West, represents the lack of human rights and religious freedom in the Soviet Union today 10 years after the Soviets signed the Helsinki agreement. The stark reality of the current level of oppression demands from us continued vigilance and effort, until such time as those who want to emigrate are permitted to leave, and those who want to stay are assured of the protection of their human rights under the provisions of the Helsinki agreement.●

PROBLEMS IN SURINAME

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GARCIA. Mr. Speaker, I am submitting for the RECORD an article by Rick Groeden of the Council on Hemispheric Affairs on the current situation in Suriname. I hope my colleagues find it interesting.

PRAGMATISM IN PARAMARIBO

(By Rick Groeden)

Plagued by falling commodity prices, near 30 percent unemployment, and subsistence living standards for half the population, Surinamese ruler Lt. Col. Desire Bouterse is renewing efforts to win United States and Dutch economic assistance. The two countries cancelled aid packages of $1.5 million and $1.5 billion, respectively following the December 1982 torture and killings of 15 opposition figures by followers of the Surinamese strongman. The colonel, however, has made recent gestures to moderate his authoritarian rule.

His reasoning stems from the realization that renewed economic growth hinges on desperately-needed infusions of foreign aid, not only from the U.S. and The Netherlands, but from international lending institutions as well. Following the lead of these two countries, these sources also have been less than cooperative, and a prospective $100 million International Monetary Fund loan is contingent upon a 10 percent reduction in state expenditures and a 30 percent devaluation of the guilder. Trying to meet U.S. and Dutch demands for political liberalization, Bouterse in January appointed 12 representatives of the military, labor and business to a cabinet under civilian Prime Minister Wim Udenhout, and created a National Assembly to draft a new constitution within two years.

But Bouterse indisputably has a tight grip on the assembly, since 14 of its 31 seats are occupied by military officials, with labor holding 11 and industrial associations, six. Moreover, the regime's fractious relations with labor—testy since a series of strikes over excessive taxes in February 1984 threatened to bring Bouterse's downfall—have thwarted substantive legislative activity within the government. On April 4, three ministers representing labor's Moederbond, the C-47 and Public Servants Organization Central Council (CLO) withdrew from the cabinet and demanded that Labor Minister Edmund Dankerlin resign. The three charged that Dankerlin, of the tiny, military-backed Progressive Workers Organization (PWO), had instituted personnel changes within the Ministry in an attempt to coopt legitimate labor interests. Although Bouterse withdrew official recognition of the boycotting trade unions the next day, a series of negotiations throughout the month eventually brought all but the C-47 back into government, the latter being replaced by the Federation of Surinamese Industry and Commerce (VSB).

U.S. officials view the promised constitutional transition to civilian rule warily. Although a State Department official affirmed that relations have improved between the two countries, he is "skeptical of a resumption" of the U.S. $1.5 million aid package in the foreseeable future. While Congress did authorize last month $50,000 in FY 86 International Military Education and Training (IMET) funds for the Bouterse regime—not subject to the rights restrictions affecting the economic aid—an administration spokesman noted that similar IMET sums for Suriname in previous years had been authorized, but not disbursed, by Washington.

The Netherlands has shown little inclination to rescind its embargo of its errant former colony. But a March 15 meeting in Brasilia between Bouterse and Dutch Foreign Minister Van den Brock—the first high-level talks between the countries since the December 1982 massacre—did produce agreement to pursue additional exchanges at the embassy level. A spokesman at the Netherlands chancery in Washington stated that the Dutch government wants "a way out of the present situation without losing face," and that minimal assistance might be reinstated "within a year." A Surinamese diplomat, while conceding that "Dutch assistance would be nice," noted that his country is seeking closer ties with other nations since Paramaribo is "hesitant to become dependent once again on Dutch development assistance."

Accordingly, Suriname's high-priority efforts to diversify its economic relations have borne some fruit. The European Development Fund, for one, has pledged $3.4 million for various economic projects in the country. In early March, Bouterse went to Libya to sound out prospects of securing a $100 million loan and Tripoli's cooperation in a possible joint oil exploration venture. But Brazil is rapidly emerging as Suriname's closest and largest benefactor, a pattern established shortly after the U.S. action in Grenada. As the Surinamese official put it, "there's an old Dutch saying: it's better to have a good neighbor than a far friend."

In 1983, the Reagan administration reportedly urged the then-ruling Brazilian military regime to pressure Suriname to cool its relationship with Cuba, and the Brazilians made it known they would not stand for a Marxist state on their own border. Since then, however, Brazil has supplied vital foodstuffs and other basic staples during the virtual Western financial boycott of Suriname. In addition, Brasilia has taken in an increased share of Suriname's bauxite exports, development and commercial agreements are in the works, and Brazilian firms are helping to modernize the country's telephone network. A military relationship may also have been established: last October, Brazil reportedly supplied Bouterse's armed forces with at least 16 small tanks and other military transport vehicles.●

FARRAKHAN REMARKS DESERVE OUTRAGE

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BARNES. Mr. Speaker, at an event publicized mainly through word-of-mouth, the Reverend Louis Farrakhan, head of the Nation of Islam, recently addressed over 10,000 persons at the Washington, DC, Convention Center. In his remarks, Reverend Farrakhan continued his anti-Semitic attacks and other messages of bigotry and hatred. Perhaps just as dangerous as Farrakhan's outrageous remarks is the relative silence that has followed his visit. Aside from the following Washington Post editorial and Richard Cohen column, his words have gone essentially unchallenged by public officials and others in the Nation's Capital in what amounts to a collective disregard of his presence.

The question of economic equity among all races in our country will only be resolved through genuine, positive leadership which seeks to improve the quality of life for all people. I submit for the attention of my colleagues the Post editorial and column, which raise the same concerns.

[From the Washington Post, July 26, 1985]

FARRAKHAN BIGOTRY UNCHALLENGED

Call it religious freedom, but Louis Farrakhan is into bigtime bigotry for the masses—and too many people who know better are looking the other way. His garbage is drawing crowds too: some 10,000 people jammed into Washington Convention Center on Monday night to hear—and cheer—his stream of vicious anti-Semitic comments and his attacks against any and all leaders of blacks who might challenge his disgusting sermons. And judging from the sounds of silence in too many corners, Minister Farrakhan's preachings of hatred are effective. Where are the responsible and respected leaders who can recognize a Hitler in any color, who can be most effective in calling bigotry when they hear it?

Much of what Mr. Farrakhan spews could be coming from under a pointed hood of white linen: "Jews know their wickedness. . . . Whenever you put a black man in office and he betrays the best interest of the people who put him there, take him out, and if he does not repent . . . we will tar and feather them, hang them by a limb, chop off their heads." According to columnist Courtland Milloy, "he even makes the audience laugh when he mocks the Holocaust."

There are people of good will who suggest that if the press just ignores this man and his messages, he will disappear. Yet without a single well-publicized advance word of Mr. Farrakhan's latest visit—just posters and the spoken word along the streets—10,000 people show up to hear and cheer. He is news. He also is free to say what he wants just as others are free to listen if they choose. But where are those who are free to refute hatred? What happens to a society that blesses bigotry with official silence?

[From the Washington Post, July 26, 1985]

WHY THE SILENCE ON FARRAKHAN?

(By Richard Cohen)

The other night, the Rev. Louis Farrakhan, head of the Nation of Islam and once a ubiquitous presence at Jesse Jackson campaign rallies, came to town. With little advance publicity, he was able to draw anywhere from 10,000 to 15,000 persons to the Washington Convention Center to say, in the manner of the late Mr. Hitler, that "Jews know their wickedness."

Farrakhan had other things to say. We are told he mocked the Holocaust. We are told that he said, "Blacks will not be controlled by Jews" and that he declared blacks the chosen people—"the people of God." We are told these things in a newspaper column by Courtland Milloy in The District Weekly—not in The Washington Post's news account of the same event. That story did not mention Farrakhan's anti-Semitic remarks at all.

A troubling thing has happened with Farrakhan. The man is no longer controversial, and what he says is no longer considered news. Where once he was dogged by reporters asking him to justify himself, now he can fill a hall in the nation's capital, rant racism and not even have it mentioned in news accounts of the speech. Farrakhan's anti-Semitism has become something like his bow tie—just another personal and maybe quirky characteristic.

It goes without saying that someone named Cohen is not going to change any minds about Farrakhan. But that hardly means that others are not welcome to try. I refer, in fact, to those black leaders and journalists who have, in their discomfort, ignored what Farrakhan preaches, preferring not to deal with either him or his message, reserving their moral outrage instead for Ronald Reagan and his appointees to the Justice Department. Presumably they think Farrakhan will, like demagogues before him, simply go away. So far, though, he has not. And so far the relative silence of the black leadership (some had condemned him) has neither dampened Farrakhan's popularity nor muted his message.

When it comes to Farrakhan, we are told that we ought to ignore the man and concentrate instead on his audience. They are the poor, the downtrodden, the alienated. True. But demagogues always preach to these people. The Klan is not composed of orthodontists, the lynch mob of the Old South was not usually composed of the town elite and the Germans Hitler preached to were not without their grievances. But when violence is finally committed by people full of hate, it hardly matters that they have other, genuine grievances. What matters is that the innocent get hurt for no good reason.

The true tragedy of Farrakhan is that he is a digression. He has no program to make life better for ghetto dwellers. They are hardly poor because of something Jews have done, and the crisis in the Middle East has nothing to do with the job situation in the United States. Zionism is hardly "an outgrowth of Jewish transgression," as Farrakhan says, but even if Israel were to disappear tomorrow, Harlem would still be a slum and poor black teen-age girls would still be having babies. The sacrifice of the scapegoat solves nothing.

Anyone who can pull an audience of 10,000 without the benefit of an electric guitar is worthy of some attention. Anyone who preaches hate to that many people ought to be answered. This is particularly the case with Farrakhan because he comes credentialed by his erstwhile affiliation with Jackson. Like a combination Ed McMahon and Al Capone, he both warmed up the audience and supplied the bouncers. For that reason and because of his formidable personality and charisma, the man should not be ignored. That would smack of acquiescence, agreement—the notion that tolerance and justice are a luxury that's too rich for poor people, especially poor black people. History teaches, though, that it's not wise to patronize a hater.

The new media and the individuals they cover become infatuated with their own sense of importance. They all tend to think that reality exists only on television or the newspapers—that trees that fall unrecorded by video tape make no noise. But Farrakhan makes plenty of noise. His voice is still heard. Unfortunately, sometimes it's the only voice heard.●

INSURANCE RESERVES

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. CAMPBELL. Mr. Speaker, I would like to call to the attention of my colleagues the following New York Times article entitled, "Another Challenge to Insurers: Predicting Loss Payouts."

As stated in the article, the property and casualty industry as a whole is underreserved.

Analysts * * * have said that of the nation's 110 largest casualty insurers 50 had reserves as much as 10 percent below what researchers considered adequate, while 36 were deemed to be in even worse shape.

I, along with some of my colleagues, are concerned about the adequacy of reserves, and the underlying causes of underreserving. Mr. Speaker, I hope the Members of this body will carefully consider the points raised in this article, along with the added complications of the burdensome qualified reserve account [QRA] provision contained in the President's tax reform proposal.

The article follows:

ANOTHER CHALLENGE TO INSURERS—PREDICTING LOSS PAYOUTS

(By Eric N. Berg)

Insurance companies that provide general liability coverage for business are just now recovering from debilitating price wars and a drop in investment income. But they cannot seem to shake another threat to their well-being: an inability to come even close to predicting payouts on policy claims.

Fireman's Fund, the insurance subsidiary of the American Express Company, for instance, said last week that it had beefed up its loss reserves by $187 million to pay unexpectedly large claims already made and anticipated. Fireman's Fund was but the latest insurer to bolster its reserves, which reduces profits.

However, rather than having the bad news out of the way, analysts say, most insurance companies still have too little in reserves and will have to make up the difference soon. They expect the property and casualty industry, whose 1,300 companies in aggregate lost $2.9 billion last year, according to the Insurance Services Office, to turn in another poor earnings year in 1985, as a result.

"Just about every big insurer has reserve strengthening to do," said Charles L. Rouff, senior vice president for property and casualty insurance at Fred S. James, a big insurance broker. That means new charges against earnings, he said.

"Much of the losses reported in the industry this year have been from reserve strengthening, and there will be a lot more of that," said David J. O'Leary, director of research at Fox-Pitt, Kelton Inc., a Hartford securities firm specializing in the insurance industry. "For some insurers, this will involve a manageable amount of money; for others it will be substantial."

Analysts at his firm have said that of the nation's 110 largest casualty insurers 50 had reserves as much as 10 percent below what researchers considered adequate, while 36 were deemed to be in even worse shape.

Success in the insurance field has always depended on accurately predicting risk. An insurer would price policies based on the historicaly determined likelihood of loss. And, at least in the case of coverage for individuals, insurers were quite good at forecasting payouts since most casualties, such as car accidents and fires in the home, occurred with measurable frequency.

But for business insurance—particularly general liability insurance, such as product and construction liability, directors' insurance, and malpractice for doctors and accountants—predicting losses has proved to be much more elusive. Not only are juries granting plaintiffs huge sums in liability cases far above what was envisioned when the policy was written, industry experts say, but also, in many cases, courts are creating new types of liability.

The most prominent examples involve asbestos, the Dalkon birth-control device, the chemical Agent Orange and the recent court decision in New Jersey that a host, such as a tavern owner, could be held liable for the negligence of a guest who was served too much liquor.

In another case, the United States Fidelity and Guaranty Company, a Baltimore insurer, was ordered to pay the bulk of a $17.6 million award in a Jackson Township, N.J., pollution case. Although the amount has since been reduced, the figure is still well above what U.S. Fidelity had anticipated. To say the least, court interpretations such as these have made estimating future losses that much more challenging.

"It is clearly becoming more and more difficult to price these sorts of risks," said Kalman J. Ketzlach, controller of the Prudential Property and Casualty Insurance Company. "The past was more stable than the present and certainly more stable than the future will likely be."

"Liability," added Charles T. Bell, the director of investor relations at the Aetna Life and Casualty Company, "has a constantly changing definition. That has made it very hard to keep up."

In fact, many of the nation's property and casualty insurers have not kept up—not, at least, if they are being graded by the adequacy of their reserves.

Aetna, for example, recently told Wall Street analysts that the property and casualty insurance business as a whole is 8 percent to 10 percent underreserved. What that means is that reserves would not be sufficient to meet a huge increase in claims. Insurers would then have a choice: replenish reserves, thus reducing profitability, or reduce net worth.

Indeed, some big insurers have already moved to bolster their reserve position by dipping into their net worth, or stockholders' equity. According to insurance experts, a number of companies have been quietly transferring money from their net worth accounts to their reserves, then replacing the transferred funds by tapping the capital markets.

LONG-LASTING CASES

Another of the difficulties in predicting future payouts on claims is that many cases drag on. Among the most commonly cited examples are those concerning Hurricane Alicia and a freeze that caused widespread property damage, not only to homes but to businesses, in the South.

Although the storm and the freeze both occurred in 1983, insurers say that damage claims are still coming in. "Sometimes you don't know for many years how much your true costs will be," said Mr. Bell of Aetna.

And some insurers say their biggest problem is not slim reserves but premuim rates that remain dangerously low.

Industry members are still recovering from a series of rate cuts between 1979 and 1984. Rates, in fact, have climbed sharply since the middle of last year. According to the Insurance Services Office, a trade group, property and casualty premiums rose 15 percent in the first quarter from the 1984 period.

But insurance analysts say that many companies continue to suffer losses in the underwriting side of their business. Few are willing to guess when the property and casualty industry as a whole might return to profitability.

"We will have to see another round of price increases before I can say the industry is at reasonable price levels," said David E. Ostwald, a spokesman for the group.

An expected boost in general liability reserves—

MAJOR BUSINESS INSURANCE COMPANIES AND THEIR RANKING BY WRITING OF GENERAL LIABILITY INSURANCE AND THEIR ANNUAL RESERVE LEVELS WITH 1985 ESTIMATE

[In millions of dollars]

	1983 reserve	1984 reserve	1985[1] reserve estimate
AIG	[illegible]	1,112	1,325
Travelers	1,075	1,270	1,525
AETNA	1,168	1,216	[illegible]
Crum and Forster (Xerox)	717	877	[illegible]
C.N.A.	[illegible]	991	[illegible]
St. Paul	[illegible]	879	[illegible]
Hartford Fire (ITT)	[illegible]	1,037	[illegible]
CIGNA	555	[illegible]	950
Liberty Mutual	[illegible]	1,239	1,425
Fireman's Fund (American Express)	554	623	725
U.S.F. & G.	[illegible]	557	675
Total	9,016	10,559	12,565

[1] Source and estimate: Fox-Pitt, Kelton, Inc. ●

RIDING OUT THE STORM

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. HERTEL of Michigan. Mr. Speaker, I would like to submit for the record an article on the incredible success of a Michigan credit union, during the period of the Chrysler Corp. layoffs several years ago when that corporation was fighting for its very existence. The innovative thinking and personal sacrifice of a group of people, already faced with the tragedy of job loss and payless weeks, saved their credit union and allayed the fears of their constituents concerned about possible loss of their savings. It is a story, in my judgment, worthy of calling to the attention of my colleagues.

[From the Michigan League Contact Magazine, May/June 1985]

RIDING OUT THE STORM

(By NCUA Board and Don Johnson)

The early eighties rained a host of problems on ABD Federal Credit Union. But, like its members' embattled sponsor, it persevered to make an amazing comeback.

At the end of 1979, ABD Federal Credit Union of Warren had assets of nearly $14 million, a membership base of 16,500 people and loans outstanding of $12.7 million. To all appearances it was as solid a credit union as anyone could find, one of the largest in the Northeast Chapter—and the largest of the seven Detroit-area credit unions serving Chrysler employees.

Therein, however, lay the rub. Chrysler Corporation was in a crisis situation, confronting a staggering set of problems, losing sales and running up monumental losses. In the end only a special arrangement with the U.S. Government and drastic action by management and employees pulled Chrysler out of its crisis—and while it lasted, the credit unions serving Chrysler employees were caught up in the situation as much as the company was.

The comeback of Chrysler is one of the most publicized stories in American industrial history. Largely unpublicized, but no less remarkable is the tale of how Chrysler credit unions hung on and managed to preserve themselves for their members' benefit. ABD FCU is a case in point.

The statistics tell part of the story. Within two years, by the end of 1981, the credit union's assets had plummeted to $7.8 million, a loss of more than 40 percent. There were 5,000 fewer members, and they held $6.4 million in loans—25 percent of which were in one stage of delinquency or another.

Statistics tell part of the story—but not all. They explain the depth of the crisis ABD FCU faced, but they do not explain its recovery. On the face of it, there was a hopeless situation in the making; no credit union could be expected to sustain itself under such circumstances. The condition of ABD FCU was, as National Credit Union Administration Supervisory Examiner Jack Parker bluntly put it, "desperate."

But the situation, as it turned out, was not a hopeless one. Plain hard work by board and staff, a willingness to confront upleasant realities and an equal willingness to struggle on all fronts contributed to the recovery, and so did he assistance of the League and NCUA.

Anticipation of events was a major factor. Even in 1979 it was obvious to credit union officials that hard times were in the offing. Three-year projections had been developed, indicating that even in the worst-case situation (massive layoffs, delinquency, shrinkage, etc.) the credit union could survive.

"Title II of the Federal Credit Union Act," explains Parker, "allows NCUA to provide assistance to credit unions, but it must be given judiciously. A prerequisite is a realistic and workable recovery plan. ABD FCU had developed one by the time the crisis came upon it."

The plan was comprehensive. It called for staff reductions, a cutback in employee benefits, the closing of branch offices, streamlining of operations, elimination of official travel expenses and the institution of service charges.

"We didn't exactly start counting paper clips," recalls one ABD FCU official, "but if we had been convinced it would have helped, we would have done that, too."

Nothing in the plan, however, could deal with one aspect of the situation: The abnormal volume of loan losses, combined with a shrinkage in earnings that precluded dividends. But, in the conviction that the credit union could eventually put itself back on an even financial keel, the NCUA allowed ABD FCU to defer losses during 1980 and 1981—losses totaling $918,000.

It also approved the mergers of two other financially troubled credit unions into ABD FCU. It might appear to be a strange approach on the surface, a compounding of the problem—but it wasn't. The National Credit Union Share Insurance Fund guaranteed the assets of the merged credit unions, avoiding a further drain on ABD FCU's reserves. The additional members only served to broaden and solidify the credit union's base, rather than shake it.

"These actions were key to our survival," says ABD FCU General Manager James Carson. "They gave us time, which we would not have had without such moves. We had to revise our operations, implement a realistic collections program, develop responses to various possible conditions. We couldn't consider ourselves out of the woods until a significant proportion of our unemployed members were back at work—or had found other jobs."

In the end, of course, Chrysler did make a comeback, and many were recalled to work. Other members found new jobs. The credit union passed the crisis point. An indication of the speed and substances of the recovery emerges from a glance at the statistics on ABD FCU's amortization of its 1980 and 1981 deferred losses. The credit union took care of $24,000 of the total $918,000 during 1982; $420,000 during 1983; and finally, $474,000 in 1984.

By October of last year, ABD FCU was clear of those deferred losses, and the NCUA assigned it the EWS code "2"—a significant change from its previous status.

It was a smaller credit union than in 1979; 12,000 members held slightly in excess of $11 million in assets. But it had beat the odds and survived. The sacrifices and the risks had paid off. There were still problems, of course, and the effects of the crisis will be long in disappearing—but the lessons will linger too.

"Everyone at ABD FCU," says Treasurer Livio Ottino, "can be proud of the results we achieved, volunteers and professionals alike. But it's important to remember that we didn't do it alone. We had the understanding, the cooperation and the assistance of NCUA. We were particularly fortunate in having an exceptionally competent and experienced field staff in our NCUA region, and in the Detroit area. We had the advice of our League and we had the backing of our colleagues in other credit unions in the area.

"Cooperation can prevail over long odds. That's certainly the main lesson we've all learned or confirmed during this trying period. Our task now is to apply that lesson in the days ahead."●

THE MYTHS OF GUN CONTROL

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MOLLOHAN. Mr. Speaker, I would like to take this opportunity to insert in the CONGRESSIONAL RECORD an article which appeared in the July 15 issue of the NRA-ILA's Monitor.

This interview with Prof. James Wright, director of the University of Massachusetts' Social and Demographic Research Institute, is especially revealing in light of the recently passed bill in the Senate, S. 49, the Firearms Owner's Protection Act. Professor Wright, who has been studying the gun control question to the exclusion of everything else for the past 7 years, began his research holding views on this issue similar to those expoused by members of the antigun lobby. However, after exhaustive research covering every facet of this controversial problem, Professor Wright has found simply no basis for many of the outdated contentions of the antigun forces.

Mr. Speaker, it is especially interesting to note that Professor Wright believes that the most harmful type of gun law would be that directed at banning or restricting the so-called Saturday night special—those handguns variously defined as cheap, short-barrelled, or snubbies. Professor Wright has found that any ban on those types of firearm could only cause criminals to substitute better, more lethal weapons in their place. Additionally, Professor Wright points out that the most significant finding of his research was how little a role the over-the-counter gun transaction plays in the illegitimate gun market.

And finally, Mr. Speaker, Professor Wright has found that State laws have absolutely no effect on criminal carrying patterns, that is, most gun control laws can only serve to restrict the law abiding in their effort to protect their homes and their families. As Professor Wright points out, Why would they—criminals—be sensitive to gun laws when they aren't sensitive to laws against homocide or robbery?

Mr. Speaker, I encourage my colleagues to take a minute and read the following article. I believe the article sheds an important light on this very controversial issue.

JAMES WRIGHT: 7 YEARS' RESEARCH BRINGS NEW VIEW OF GUN CONTROL

(By Denise Tray Rosson)

MONITOR. What prompted you to do this study?

WRIGHT. We had a previous project with the National Institute of Justice in which we undertook a comprehensive review of all of the relevant gun-related literature in the U.S. That literature review subsequently appeared in book form as Under the Gun. The principal point of doing that review was to give the NIJ some advice and ideas on a research project that could close some of the gaps in this area of knowledge. A large-scale detailed survey of the "bad guys" themselves, and the where, how and why they carry firearms was a study that, in our judgement, really needed to be done.

MONITOR. Is this the first study of its kind?

WRIGHT. Well there have been other large-scale studies of prisoners, but none has focused specifically on guns and other weapons and prisoners.

MONITOR. Are the felons you interviewed basically representative of America's criminal population?

WRIGHT. I hope that they are. I believe in my heart of hearts that these results tell us something very important about the hard-core predatory portion of the criminal population. We have no juveniles in this sample and the first-time offenders are underestimated. But I can say generally that these are the general types of guys who end up doing time in state prisons.

MONITOR. What were some of the most surprising things you learned from your survey?

WRIGHT. First and foremost, I was surprised by how little a role the over-the-counter gun transaction plays in the illegitimate gun market. Overwhelmingly, the criminal gun market is an information market involving swaps, and trades between associates, private parties, drug dealers and so on. I guess that really isn't that surprising in some respects, but at least it surprised me.

I was also surprised, given the research others have done, at the role stolen firearms appear to play in servicing the criminal handgun demand. The men in my sample, who had stolen guns, reported stealing them from private residences but also reported stealing them quite regularly from high-volume sources including manufacturers, gun shows, shippers and even the military.

I was also quite surprised in how little interest the sample showed in the junk handguns or so-called "Saturday Night Specials." By and large, the men in my sample—particularly the more hard-core predatory types—preferred to carry, and actually carried much better handgun equipment than I had been led to believe, based on other handgun studies. My guess is that approximately one in six of the most recent handguns owned by these men would qualify as a "Saturday Night Special." The remaining five out of six are much better quality equipment.

MONITOR. Different states have different gun laws. For example, the gun laws are much more strict in New York and Massachusetts as opposed to Arizona and Texas. Did you find any differences in criminal carrying patterns and attitudes according to the states in which they lived?

WRIGHT. Truthfully, our data are not adequate to answer that. But any suspicion is that state laws have absolutely no effect on criminal carrying patterns. We asked the felons questions like, 'Have you ever registered your gun or applied for a permit?' and the portion that said 'No.' was essentially the same in every state regardless of whether the state had laws requiring permits or registration. My educated guess is that state laws or differences in state laws probably have very little effect on the firearm behavior of these types of people. In all honesty, they are rather indifferent to law as a matter of course. So why would they be sensitive to gun laws when they aren't sensitive to laws against homicide or robbery?

MONITOR. What about the retail laws that legitimate gun dealers comply with—do these laws affect the small, informal criminal market you mentioned earlier?

WRIGHT. Who can say for sure? Looking at the things these men told me, it is certainly possible that the principal consequence of the Gun Control Act of 1968 was to drive these (criminals) out of the over-the-counter market and into an informal market.

MONITOR. Your data indicate that the fear of encountering armed citizens and the threat of harsher penalties for the criminal misuse of handguns are effective crime deterrents. What did your sample say on these topics?

WRIGHT. The vast majority of my sample told me very clearly that the prospect of running into an armed victim makes criminals very nervous. Some 75 percent of the sample agreed that one reason burglars avoid occupied residences is that they fear being shot in the process. I also get very strong majority agreement that the smart criminal always tries to find out if his victim is armed. Whether it deters them from committing crimes is obviously a much more complicated question, but it certainly makes them nervous as they go about their business.

Additionally, about another 40 percent of the sample said they had been shot at, driven off, wounded or captured at some point during their career by an armed victim. Another 40 percent confessed that there had been at least one point in their carrer when they had chosen not to commit a crime because they had reason to believe their intended victim was armed. So I think the general run of results suggests, yes, armed victims do prevent some crimes. Unfortunately, we don't have a lot of information on who these victims are.

MONITOR. What about mandatory penalties for criminal misuse of a firearm?

WRIGHT. We asked the men in our sample, who had never committed any firearm related crimes, "Why not?' The possibility of getting a stiffer sentence for using a firearm in crime figured very high in their reasoning. So from that, one could infer that, for at least some segment of the criminal population, the prospect of a stiffer sentence, be it mandatory or conventional judicial practice, was listed as an important reason. Obviously the hard-core criminals aren't affected. But the guys who aren't quite as hard-core, not quite so predatory, do seem to consider stiffer sentencing and report it as one very good reason not to carry.

MONITOR. What is your opinion of the argument on behalf of banning handguns from the private citizenry in order to reduce the number of guns and therefore crime?

WRIGHT. Well, we asked (the felons) to imagine a world where there were no handguns. Essentially three-fourths of the hard-core predators said that they would carry sawed-off shotguns and rifles. Now would they? Who knows? My sense is that the possibility is sufficiently real that I don't want to test it, because of the drastically increased lethality of sawed-off long guns.

In the limiting condition, the argument is well made. If there were absolutely no guns then there would be no guns to steal and none to use in crime. But we are not at that point in American history. There are 60 million handguns out there. Anything short of a house-to-house dragnet is not going to confiscate but a tiny fraction of them. And I would rather suspect our experience in attempting to ban handguns would be a repeat in our efforts during Prohibition. A complete ban on the legitimate manufacture, sale and possession would open up an enormously large and profitable market for organized crime. They showed us 50 years ago they could get into the booze business very quickly and make a hell of a lot of money on it. It is not that much more difficult to manufacture a serviceable handgun than to brew up a batch of gin. In the process, we would turn a lot of law-abiding citizens into criminals dealing in the black market.

Perhaps a national ban on handguns would reduce the handgun stock by some amount. But the people who would step forward and turn over their guns are the people we are not the least bit worried about. And, of course, the people that would be the last to come forward would be the people that we would like to disarm the most.

Even under the best of circumstances, we can only ban the manufacture and sale of handguns within the boundaries of the U.S. Other countries like Israel, Argentina, Brazil and Czechoslovakia would still make them, which means they could easily be smuggled in. So it is obvious there are severe limits on what we can do.

Monitor. Based on your understanding of the criminal element, in general, what type of gun laws do you think would be most harmful/beneficial to society?

Wright. As far as harmful, I think a ban on "Saturday Night Specials" would be very bad. Based on what these men have told me, I believe that if they were unable to get the small, cheap, junk handguns they would carry big, expensive handguns instead. And I am convinced, the bigger the gun the more powerful it is and the higher the death rate will be. I would hate to see us enact a piece of legislation that effectively required criminals to carry better, rather than worse, equipment.

For a variety of reasons I believe the mandatory sentences for the felonious use of firearms is probably advisable. I doubt if mandatory sentences have much effect on the hard-core predators, but they do serve to keep them off of the street for longer periods of time after they are caught. As far as criminals who don't use guns in crime, the mandatory penalties serve as incentives for keeping it that way, according to the survey.

I would also support legislation that would make it a felony offense to steal a firearm from a private residence, a gun dealer or wherever. Right now the theft of a gun is treated no more seriously than the theft of any other object of equivalent value.

I also would like to see firearm manufacturers, the NRA, and local police officers offer more education courses on the problem of firearm theft and bring to light some ways to prevent or at least make it more difficult to steal them by various storing methods.

Monitor. You have been studying this problem for a long time. Have your feelings on the issue changed and do you see a viable resolution to the gun control controversy?

Wright. I have been studying this issue, to the exclusion of everything else, for seven years. When I started I was of the standard opinion that if we had fewer guns we would have a better society. And I must say today that I am not at all sure that is the case. My own personal feelings about the gun control issue at this point in my life are filled with ambiguity. On one hand, I would like to see less crime and violence, and on the other hand I am not sure that the way to go about that is through the gun side of the issue. I am filled with deep ambiguity about the direction American policy should take towards firearms.

I do know there are literally tens of millions of households out there that own guns for perfectly legitimate reasons. These people constitute absolutely no threat to the social fabric of this country. I think they resent, rightfully, being implicated in the modern day crime problem. And whatever we do, we ought to guarantee people of this sort the right to own and keep firearms as they wish.●

TRIBUTE TO BERNARD D. GOLDSTEIN, M.D.

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. SCHEUER. Mr. Speaker, as Bernard Goldstein is about to leave EPA after 2 years of dedicated public service as Assistant Administrator for Research and Development, I would like to take a moment and pay tribute to Dr. Goldstein and some of his many accomplishments.

When Dr. Goldstein arrived at EPA the agency was reeling from a series of scandals that cast serious doubts as to the quality of the science it produced and left the morale of its employees in tatters.

The Office of Research and Development was quite literally decimated by massive budget cuts, departures of many of its most talented scientists and an atmosphere of fear and repression.

To address these problems and restore credibility to the EPA R&D Program, Bill Ruckelhaus lured Bernard Goldstein out of a prestigious academic position at Rutgers University.

As events demonstrated, Mr. Ruckelhaus made the right choice.

Since Dr. Goldstein became Assistant Administrator 2 years ago, the quality and timeliness of data used as the basis for EPA regulations have dramatically increased.

More importantly, the American people now have a renewed faith that EPA's research program is being conducted in the public interest, not in the interest of polluters.

Through his personal efforts in the scientific community, Dr. Goldstein has been able to stem the departures of skilled personnel, recruit outstanding scientists, and restore much needed morale to the Office of Research and Development.

Dr. Goldstein contributed significantly to the increased acceptability of risk assessment as a valuable decision-making tool.

He promoted an agencywide approach that differentiated risk assessment from risk management.

He also strengthened the consistency of the risk assessment process across EPA's regulatory offices by promulgating a series of guidelines which provides a clear and concise process for determining the risk from exposure to environmental pollutants.

Dr. Goldstein also labored long and well to fashion a personnel structure that promotes quality science.

In addition to attracting highly respected scientists to EPA's research program, he afforded greater recognition to meritorious laboratory and headquarters staff.

He also strengthened the career ladder concept which permits scientists to be promoted on the basis of superior research performance rather than on the assumption of supervisory responsibilities.

Dr. Goldstein initiated a Distinguished Visiting Scientist Program which bring academic scientists of national reputation to EPA's research laboratories.

Dr. Goldstein has achieved all of these things with a style, wit, and unpretentious manner that are as refreshing among high officials as they are uncommon.

His frankness and willingness to address controversial issues have earned him respect and admiration.

Dr. Goldstein's energy, enthusiasm, and commitment to the public interest evoke an image of a model public servant which has sadly all but disappeared from Government in the last several years.

We will miss Bernard Goldstein in public service, but look forward to his many years of continuing service as a strong voice for quality environmental research.●

DR. HENRY KISSINGER'S PERSPECTIVE ANALYSIS OF THE ADMINISTRATION'S CURRENT MIDDLE EAST POLICY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LANTOS. Mr. Speaker, for some time both in public hearings of the Subcommittee on Europe and the Middle East and in private conversations, I have maintained that the so-called peace process in the Middle East is ill-timed. I was delighted to find that our former Secretary of State, Dr. Henry Kissinger, takes the same view.

I would like to share with my colleagues his extraordinarily thoughtful and perspective analysis of the administration's current Middle East policy.

The article follows:

Leaping (So Soon) Into the Middle East

(By Henry A. Kissinger)

The Reagan administration seems bent on launching itself once again into the so-called Middle East "peace process" less than two years after the collapse of its previous effort and only a few weeks after the hostage crisis in Beirut. Those events should supply a warning to look—and think—before taking the leap.

The premises of the imminent peace offensive appear to be as follows: The main obstacle to peace in the Middle East has been the inability to engage the Palestinians as represented by the Palestine Liberation Organization—the PLO—in the peace process, due to the refusal of the PLO and Israel to deal with each other. Hence the search for some formula that will lure the PLO into recognizing Israel by the prospect of talks with the United States, while easing Israel's fear of an imposed peace by the prospect of direct negotiations between Israel and the Arabs.

In the most recent expression of this theroy King Hussein of Jordan has asserted, without contradiction from the PLO, that Yasser Arafat, its leader, is prepared to accept the relevant U.N. resolutions, especially Security Council resolutions 242 and 338. Since these resolutions presume the legitimacy of the state of Israel, Arafat is thus alleged to have met the preconditions of the 1975 U.S. understanding with Israel not to negotiate with the PLO until it recognized Israel. As another means to get around Israel's refusal to deal with the PLO, the king has proposed—and Israel and the United States seem to have accepted—the creation of a joint Jordanian-Palestinian delegation whose Palestinian component would be composed of individuals not technically members of the PLO but necessarily acceptable to it. This delegation would have at least one preliminary meeting with high U.S. officials, in all likelihood with Assistant Secretary of State Richard W. Murphy. All this is supposed to culminate in direct talks between the Jordanian-Palestinian delegation and Israel on the future of the West Bank. The end of the process foresees a Palestinian political unit on the West Bank loosely confederated with Jordan.

However, the key test of this minuet is not so much how to start negotiations as to define their objective. So far the chief actors have obscured their conflicting purposes by a fog of imprecisions. King Hussein, the most clearsighted of the principals, rightly perceives that he needs Palestinian support for the concessions without which Israel will not give up even part of the West Bank. But, as the target of several assassination attempts by the PLO, he knows that beyond the issue of the role of the PLO in negotiations looms the issue of the role of the PLO on the West Bank. He must aim for effective control of those portions of the West Bank he recovers; in other words, he must at some point seek to subdue the PLO.

As for the PLO, its objective is exactly the opposite. Once it is introduced into the negotiations, however convoluted the procedure, its goal must be ultimate sovereignty over at least the West Bank. Until now, the PLO has been reluctant to accept even this limited objective, because in its view the state of Israel, whatever its eastern borders, is located on the territory that at one time was home for most of the PLO's members or at least of their ancestors.

PLO leaders may be willing to muffle their ultimate objective of full sovereignty until the goal of American recognition has been harvested. But if they seriously pursue reconciliation with Israel, and a secondary role within Jordan, they may find themselves without followers.

The divided Israeli government, obsessed with politics, beset with domestic unrest and an unprecedented economic mess, would like the issue of negotiations to go away. Since that will not happen, it hides behind procedure so as to defer substance until after a new election or a change of government.

The American administration is divided between a top leadership eager to limit America's role to the promotion of direct negotiations and a bureaucracy determined to nudge these negotiations in the direction of its standard solution: the 1967 borders with minor modifications; a Palestinian entity that, however it starts, must wind up with sovereign attributes for the PLO; and some sort of neutral status for the old city of Jerusalem.

Given this plethora of views, deadlock is virtually guaranteed by the very expedient that is supposed to unlock the peace process: the Jordanian-Palestinian delegation composed of Palestinians acceptable to the PLO but not members of it. Whom and what precisely would such a group represent? why should it meet first and separately with a senior American official? How could its members be acceptable to both Israel and the PLO? The projected peace process in fact bids fair to produce a threefold split among the Palestinians: those who take their lead from Syria and refuse to recognize Israel; those who recognize Israel primarily to be accepted by the United States but who will resume the struggle at the earliest opportunity, and a minority sincerely interested in accommodation—whatever sincerity means on the shifting sands of Middle East allegiances.

Direct negotiations between the parties cannot possibly reconcile these differences, for the known positions are at bottom irreconcilable. Jordan requires the 1967 frontiers with "minor" modifications and a sovereign position in Jerusalem. I know of no Israeli government that would consider such terms or PLO rule over whatever is to be given up on the West Bank even—perhaps especially—after an election.

If there are to be significant changes in these positions, they must be extracted by a major engagement—and, let us be frank, pressure—by the United States on one or probably both sides. It has ever been thus—even in the negotiations between Egypt and Israel. And Egypt, as the largest and geographically most remote Arab country dealing with a territory to which Israel had little historical and emotional attachment, was in a much stronger position to be flexible than is little Jordan adjoining better armed and hostile neighbors and contesting a land to which Israelis attach Biblical significance.

The absolute maximum attainable—even with all-out U.S. engagement—would be akin to the plan put forward by the late Israeli foreign minister, Yigal Allon. It would retain key strategic West Bank areas for Israel, return populated areas to Arab control and perhaps create a kind of Vatican status for some Arab and Christian holy places in an undivided Jerusalem. (The last point was not part of the Allon plan.)

The projected peace process can succeed only if the United States is prepared to use all its influence to press both sides. If the United States is not fully committed to such a role, the negotiations will fail; Hussein, like Lebanese President Amin Gemayel, may be undermined by the peace process; American influence in the Middle East will be further weakened, and the whole area will have been thrown into turmoil. Those in the U.S. government—and it is my impression that they are the top officials—who seek to limit its role to merely bringing the parties together should ask themselves whether starting an uncertain and difficult "process" is worth such risks.

Negotiations, moreover, never occur in a political vacuum, especially in the Middle East. Historically, progress in Middle East negotiations has emerged from three factors; an Israel powerful enough to stand against any combination of Arab states; some evidence that radical Arab rhetoric and Soviet support are impotent; and a purposeful American policy that enables moderate Arab states to justify cooperation with America as indispensable to achieving at least some Arab objectives.

None of these conditions exists today. Israel is more divided than at any period in its history. Its unilateral withdrawal from Lebanon, its release of 1,000 convicted terrorists in exchange for only three prisoners of war, and its panicky ambivalence during the Beirut hostage crisis must have strengthened the hand of those radical Arabs who argue that in the end Israel will yield to pain if persistently administered.

As for America, one need only compare the original Reagan plan of 1982 with the final results in Lebanon and the West Bank to see the decline of its influence. Throughout 1983 the United States strove to expel Syria from Lebanon and to unify that country under Christian dominance. Less than two years later the United States required the assistance of Syria to extract 40 hijacked American hostages held by one of the many Moslem factions in a known location in Beirut. The decision-makers in the area judge America by its actions, not its assertions; they note the failure to retaliate for the murder of 240 Marines and the hijacking of 40 innocent hostages. It would be self-delusion to deny the growing perception that America may lack the means or the will to achieve its designs.

The confluence of these factors has defined Syria's growing role in the Mideast. The United States should have learned that excluding the tough, ruthless Syrians guarantees a major confrontation, which will be conducted by Damascus with characteristic guile and persistence. Before launching a new set of negotiations, an exploration of Syrian views would seem essential. And, if these views are rejected, the United States must be willing to devote the energy and resources to prevail in the resulting showdown. If the United States is not to demoralize its allies and undermine irretrievably the position of its Arab friends, it must clearly define its objectives before it commits itself.

Even then, the price of success will be tension with Israel, confrontation with Syria and constant uneasiness in Jordan. If the United States is not willing to pay that price, it would be reckless to launch a process on the basis of platitudes about "creating momentum" and "beginning exploration" put forward by a bureaucracy ingenious in devising formulas but rarely willing to face their consequences.●

NATIONAL TAX STUDY BRINGS DARK NEWS FOR WISCONSIN TAXPAYERS

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. SENSENBRENNER. Mr. Speaker, a recently released study by the Advisory Commission on Intergovernmental Relations [ACIR] holds some disturbing data on the economy of a number of States, including my State of Wisconsin. The study, entitled "Tax Capacity of the Fifty States," is a yardstick for measuring the tax capacity of each of the 50 State-local fiscal systems. The study provides a measure of the abilities of the States to raise tax revenues. It also measures tax effort on actual tax productivity in relation to a State's tax capacity.

The tax capacity measure pertains only to the level of economic resources in my State, resources that by common practice may be said to be potentially taxable. This method provides a sophisticated, yet understandable approach to measuring State and local fiscal capacity.

Therefore, Mr. Speaker, the results of this study provides a detailed nonbiased evaluation of where Wisconsin stands in relation to the Nation in its ability to tax and be taxed. The study found that the Great Lakes States are a region in severe fiscal decline. Since 1979, Wisconsin has marked a deep decline in its tax capacity or ability to pay. If, Mr. Speaker, Wisconsin's ability to be taxed was declining at the same rate taxes were on the decline, I would not have found the results so devastating. But this has not been the case.

The tax effort index was constructed to determine the amount of tax each State actually collects. The tax effort index is constructed first by dividing actual revenues by the tax capacity of each State, and then multiplying by 100. This formula will show that the State of Wisconsin, compared to all others, is above average in the extent to which it exploits its particular tax base. The study determined that Wisconsin ranked 5th in tax effort per capita, whereas it only ranks 38th in tax capacity or ability to pay.

Under the study, a general taxpayer in Wisconsin is taxed $1,230 per capita, as opposed to the general taxpayer's true ability to pay, which is only $964.30. Some specific example in the area of Wisconsin personal income taxes show per capita taxes are $354.14, while the true ability to pay is only $192.66. Property taxes is another concern where the yearly taxes per capita are $435.80, whereas property taxpayers ability to pay is only $318.92.

The results are of serious concern to me. At a time when Wisconsin is attempting to increase it's economic base, it clearly shows that overtaxation is disturbing the economic ebb and flow of the State to the point where there is an economic flow in only one direction: out of the State.

I contacted the ACIR to secure updated 1983 tax figures, and, Mr. Speaker, these numbers only underscore this dangerous trend. The 1983 preliminary data shows the per capita capacity for personal income taxes is $195.76, as opposed to $364.99 in revenue effort. Total property taxes show capacity at $359.04, as opposed to revenue per capita of $536.36. General sales taxes in Wisconsin have a tax capacity of $237.49 versus $254.57 in tax revenue.

At a time in our country's history when the Federal Government and almost all State and local governments are reviewing their tax structures with hopes of reducing the tax burdens of their citizens, I find these numbers not only disturbing but frankly inexcusable.

Mr. Speaker, I have supplied two tables which express my concern for our State's future. Table I indicates total taxes and tax capacities for all States in 1982 to serve as a yardstick as to where Wisconsin stands. Table II lists by tax Wisconsin's ability to pay versus actual taxes levied.

TABLE I.—TOTAL TAXES

State	Tax base¹	Capacity per capita	Tax			Revenue per capita	Tax effort index
			Capacity index	Capacity	Revenue		
Alabama		$819.38	73.8	$3,229,191	$2,812,678	$713.70	87.1
Alaska		3,471.05	312.4	1,541,145	2,768,954	6,236.38	179.7
Arizona		1,062.80	95.7	3,073,607	2,821,799	975.73	91.8
Arkansas		871.79	78.5	2,011,224	1,633,901	708.24	81.2
California		1,287.97	115.9	[illegible]	31,422,611	1,272.33	98.8
Colorado		1,347.38	121.3	4,137,816	[illegible]	1,088.78	80.8
Connecticut		1,303.52	117.3	4,074,790	[illegible]	1,290.79	99.0
Delaware		1,276.96	114.9	[illegible]	643,354	1,072.26	84.0
Washington, DC		1,273.57	114.6	797,256	1,155,296	1,845.52	144.9
Florida		1,152.80	103.8	12,064,076	[illegible]	830.93	72.1
Georgia		929.71	83.7	5,251,011	[illegible]	[illegible]	95.4
Hawaii		1,301.73	117.2	1,297,825	1,366,673	1,370.79	105.3
Idaho		955.85	86.0	[illegible]	789,307	807.80	84.5
Illinois		1,094.41	98.5	12,548,523	[illegible]	1,171.53	107.0
Indiana		987.14	88.9	5,411,526	4,775,085	871.05	88.2
Iowa		1,065.98	96.0	3,097,751	3,264,237	1,123.27	105.4
Kansas		1,180.98	106.3	[illegible]	[illegible]	1,033.91	87.5
Kentucky		908.00	81.8	[illegible]	2,969,282	804.25	88.5
Louisiana		1,256.94	113.1	[illegible]	[illegible]	1,027.45	81.8
Maine		935.14	84.2	1,062,317	1,134,415	[illegible]	[illegible]
Maryland		1,106.11	99.6	4,723,100	[illegible]	1,174.96	106.2
Massachusetts		1,116.52	100.5	[illegible]	[illegible]	1,332.60	119.4
Michigan		1,031.25	92.8	[illegible]	11,313,150	1,241.02	120.3
Minnesota		1,100.08	99.0	4,546,619	[illegible]	1,224.25	111.3
Mississippi		785.53	70.7	2,018,030	1,864,137	725.63	92.4
Missouri		1,004.92	90.5	[illegible]	4,051,447	819.80	81.6
Montana		1,219.27	109.8	[illegible]	953,677	1,184.00	97.2
Nebraska		1,078.94	97.1	1,714,431	[illegible]	1,008.60	93.5
Nevada		1,674.31	150.7	1,466,601	[illegible]	1,051.14	62.8
New Hampshire		1,110.00	99.9	1,052,285	788,250	831.49	74.9
New Jersey		1,171.82	105.5	[illegible]	[illegible]	1,321.92	112.8
New Mexico		1,272.98	114.6	1,740,172	1,435,035	1,049.77	82.5
New York		1,019.29	91.8	17,905,923	30,421,002	1,731.71	169.9
North Carolina		905.50	81.5	[illegible]	[illegible]	[illegible]	[illegible]
North Dakota		1,270.22	115.1	[illegible]	709,800	1,056.25	82.6
Ohio		1,016.93	91.5	10,954,378	10,338,998	959.80	94.4
Oklahoma		1,399.38	126.0	4,514,415	3,534,924	1,095.76	78.3
Oregon		1,093.78	98.5	2,918,196	2,776,277	1,040.58	95.1
Pennsylvania		986.34	88.8	11,716,605	12,418,822	1,045.44	106.0
Rhode Island		903.65	81.3	[illegible]	1,143,165	1,199.54	132.7
South Carolina		822.05	74.0	2,652,751	[illegible]	787.55	95.8
South Dakota		970.50	87.4	[illegible]	611,371	[illegible]	[illegible]
Tennessee		850.31	77.4	[illegible]	3,421,304	734.82	85.5
Texas		1,447.54	130.3	[illegible]	14,560,652	[illegible]	[illegible]
Utah		957.14	86.2	1,503,675	1,456,748	927.27	96.9
Vermont		982.06	88.5	[illegible]	[illegible]	1,007.30	102.5
Virginia		1,030.23	93.5	[illegible]	[illegible]	[illegible]	[illegible]
Washington		1,128.04	101.5	[illegible]	4,475,083	1,046.56	92.8
West Virginia		[illegible]	[illegible]	2,001,772	1,720,750	[illegible]	[illegible]
Wisconsin		964.30	[illegible]	4,575,504	5,850,842	1,283.05	127.9
Wyoming		2,234.37	[illegible]	1,137,295	1,190,912	2,339.71	104.7
U.S. total		1,110.91	[illegible]	257,494,256	257,494,256	1,110.91	[illegible]

[1] No combined tax base can be reported.

Note.—All per capita amounts are in dollars, total amounts are in thousands of dollars.

TABLE II.—WISCONSIN'S ABILITY TO PAY VERSUS ACTUAL TAXES LEVIED

	Capacity per capita	Tax capacity index	Revenue per capita	Tax effort index
1979:				
General sales	$205.03	97.2	$173.67	84.7
Personal income	148.02	89.8	291.39	196.9
Total property	294.51	106.4	344.37	116.9
1981:				
General sales	220.58	91.2	190.11	86.2
Personal income	173.58	87.9	348.98	200.7
Total property	323.39	99.1	387.03	119.7
1982:				
General sales	229.26	88.0	202.54	88.3
Personal income	192.66	88.1	354.14	183.8
Total property	318.92	90.4	453.80	136.6
1983:				
General sales	237.49	85.8	254.57	107.2
Personal income	195.76	83.1	364.99	186.4
Total property	359.04	94.3	536.36	149.4●

THE 10TH ANNIVERSARY OF HELSINKI ACCORDS

SPEECH OF

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. BLILEY. Mr. Speaker, it is with a strong feeling of disappointment that I rise to take part in this commemoration of the 10th anniversary of the signing of the Helsinki Final Act.

This document was negotiated in good faith by the United States and the democratic nations of Europe with the expectation that the totalitarian regimes that dominate so much of Europe would also negotiate in good faith. Sadly, this has proven to be an erroneous assumption.

The West recognized that the concessions it was making on international borders would be used by the Soviet Union to legitimize and solidify its claim to a sphere of influence that would be sacrosanct and that would be tantamount to recognition of Soviet domination of the people and the nations of Eastern Europe. We recognized this fact and yet we proceeded because many people felt that the human rights language calling for free emigration, open borders, freedom of religion, and freedom of information flow were even more important than a tacit endorsement of the current political situation in Eastern Europe.

Now, 10 years later, it is perfectly clear to even the most ardent advocate of détente that the Soviet Union and its puppets in Poland, East Germany, Czechoslovakia, Hungary, Bulgaria, and Rumania did not negotiate in truth or in good faith. This is evident because the Soviet Union and its subordinate states do not observe the human rights provisions of the Helsinki Final Act.

The Soviet Union flaunts its deception as it denies that Helsinki even had anything to do with human rights. As such, everyday that goes by is a black day for the prospects of peace and freedom. This is because everyday that goes by means one more day in prison, in the gulag, or in a mental hospital for the people inside the Soviet Empire who dared to believe their Soviet rulers and set up Helsinki Watch Committees. We do not hear from these people anymore. This is not only complete confirmation of Soviet violations of freedom of movement and information; it is also complete confirmation that the Soviet Union has not changed its policies since Stalin, that dissent will not be tolerated and that any questioning of the government will be treated as a crime against the state.

We have a most instructive lesson in how the Soviet Union negotiates and uses the good will and faith of the West against us. What stronger lesson could we ever be taught about how the Soviet Union honors its pledges than the Helsinki Final Act? How can we possibly continue to deceive ourselves on the good faith of the Soviet Union in arms control negotiations when that government defies peace each day with its refusal to honor its word at Helsinki?

A short list of Soviet compliance measures may prove instructive to anyone who still is in doubt?

First: Freedom of religion is guaranteed by Helsinki. Ever since 1980, the Soviet Union has conducted what has been called the "Brezhnev Pogrom" against Jews. By 1984, this resulted in the banning of the teaching of Hebrew. That doesn't sound like freedom of religion to me.

Second: Freedom of emigration is guaranteed by Helsinki. In 1979, more than 50,000 Jews were allowed to emigrate from the Soviet Union. In 1984, the total number was less than 1,000. With a list of visa applications that exceeds 200,000, that doesn't look like freedom of emigration to me.

Third: Freedom of communication is guaranteed by Helsinki. I have adopted a refusenik family in Moscow and I have written to them with no response. I cannot even find out whether they received my correspondence. This doesn't sound like freedom of communication to me.

So here we are, 10 years later, on the floor of the House of Representatives, reporting the sad and depressing lack of honor in the Soviet Government. Mr. Speaker, I have no soothing words to say to the prisoners of the Soviet Union and their family members in the West about how negotiations with the Soviets will guarantee their liberty. We have been led down that road too many times and too many miles to be fooled any longer. It is time for the Soviet Union to prove its respect for humanity to the rest of the world. They have been given this opportunity before and have been found wanting. It is now up to them; not to us. This Nation should not deal with the Soviet Union until clear and concrete improvements are made in the attitudes and actions of the Soviet Union toward the Helsinki Final Act which they negotiated, signed and pledged to abide by 10 long years ago.●

THE HELSINKI FINAL ACT

SPEECH OF

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. CONTE. Mr. Speaker, in just 2 days, on August 1, the world will observe an important anniversary. That date will mark the 10th anniversary of the signing of the Helsinki Final Act, an accord which calls for universal adherence to a widely accepted code of fundamental human rights.

As we approach this anniversary, it is a tragedy that despite the noble aims embodied in the Final Act's solemn pledges, the global assault on human rights continues. Sad evidence of this assault abounds: The harsh repression of dissidents and refuseniks in the Soviet Union; the savage indiscrimination between combatants and noncombatants in the Iran-Iraq war; the inability of workers to organize and freely express their views in Poland; the use of violence and terror to prop up a racist regime in South Africa; the practice of torture in nearly 100 countries. This list goes on and reminds us of our ever-pressing responsibility to promote global respect for human rights.

It is especially disturbing that on the 10th anniversary of the Final Act's ratification, the Soviet Union, one of its major signatories, continues to violate some of the accord's most fundamental terms. In compiling its dismal record on human rights, the Soviet Union has committed a long list of deplorable offenses; but its shameful mistreatment of Soviet Jews and the plight of Nobel laureate Andrei Sakharov immediately come to mind. During the past 5 years, the number of exit visas granted Soviet Jews has plummeted, while arrests and trials of Jewish activists and refuseniks has increased markedly. And over the same period, the fate of Sakharov has rested under constant question, as he and Yelena Bonner remain confined to internal exile in the city of Gorky.

The need for such abuses to come to an end should not be underestimated. In this age of superpower rivalry, when the world is haunted by the nuclear menace, any impediment to increased mutual understanding must be eliminated. The Soviet Union must cease its incessant trampling of human rights if a more stable peace, which is in the interest of us all, is to be established.

So Mr. Speaker, August 1 should stand not so much as a date of celebration, but as a date on which we must reaffirm our commitment to the promotion of human rights. The world is a better place for the signing of the Helsinki Final Act, but that event underscores the great weight of our responsibilities and the huge magnitude of the task which lies ahead.●

COMPARATIVE TRENDS IN WORLD WHEAT PRICES

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GOODLING. Mr. Speaker, recently I had the opportunity to review an article entitled "Comparative Trends in World Wheat Prices—1980 to 1984," written by Todd Darr, one of my constituents.

This article, which will appear in a fall issue of the Monthly Labor Review, examines the United States and some of its major competitors for the world wheat market and discusses wheat prices, grading systems, et cetera, and their impact on the United States' standing in the international market for wheat.

Although I have shared a copy of this study with the chairman and ranking minority member of the House Agriculture Committee, I feel it is worthwhile reading for all Members of the House of Representatives in preparation for consideration of the 1985 farm bill. If you would like to review a copy of this report, please contact my office. The basic findings of the study are noted in the abstract reprinted below.

COMPARATIVE TRENDS IN WORLD WHEAT PRICES—1980 TO 1984

(By Todd Darr and Gerry Gribbons)

ABSTRACT

Argentinian prices for its exports of hard winter wheat have declined at a rate of 4.3 percent relative to U.S. prices over the five year period, 1980 to 1984. Likewise, Canadian prices for hard spring wheat exports from the port of Thunder Bay showed a rate of decline of 2.0 percent relative to U.S. hard spring prices. Prices for Australian white wheat trend well above U.S. prices for U.S. white wheat. An analysis of the other major U.S. competitor in the world wheat market, the European Community, could not be carried out because of the lack of an appropriate price series, but available information suggests that the policy of export subsidization has allowed the Community to lower prices to or below U.S. levels.

The decline in prices relative to the United States corresponds with substantial gains in the market shares of Argentina, Canada, and the European Community in the 1980 to 1984 period. The U.S. share of world trade in wheat has declined by 5.6 percent in that period. Major markets in which the U.S. has lost shares or gained very little in the last five years include the Soviet Union, South America, Europe, and the Middle East. Price is only one variable affecting this change in market shares. U.S. policy and aggressive marketing strategies followed by the major wheat exporters which include promotional efforts through grading systems, special credit arrangements, and trade agreements were not analyzed empirically but also have worked in concert with price to determine the standing of the U.S. in the international market for wheat. ●

A TRIBUTE TO DREW KARPINSKI

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GALLO. Mr. Speaker, today I rise to acknowledge professionalism of the highest degree. I rise to bring to the attention of all of my fellow Members of Congress the accomplishments of a constituent of mine, Mr. Drew Karpinski, of Mendham, NJ.

Earlier this month, Mr. Karpinski completed his term as president of the Professional Insurance Agents of New Jersey, and he finished with such a long list of accomplishments that his peers named him the "Agent of the Year." This is only the third time in the history of the organization that this award has been bestowed upon a president leaving office.

Recognition by one's peers is the highest mark of accomplishment. It is recognition by professionals who know the meaning of excellence. It is recognition by those individuals who know, from their own personal experience, just what it takes to get a job done, and, more importantly, what it takes to reach the top.

Drew Karpinski is deserving of this recognition. Because of his efforts, the Professional Insurance Agents of New Jersey have risen to new heights within their industry. Because of Drew Karpinski's vision and understanding of the changing environment within his industry, the educational programs, the membership programs, and the legislative action program of the association are now second to none.

Under Drew's leadership, the association looked not only to help itself and its own members, it also looked upon the quality of life around the association and ventured to improve that quality. The Professional Insurance Agent's involvement in the Special Olympics Program is worthy of the applause of each and every Member of Congress.

I am lucky to have a constituent like Drew Karpinski. Having people in one's district like Drew helps to improve the district. Their enthusiasm, their pride and their abilities are contagious. Those qualities spread, and make the district a better place in which to live.

Mr. Speaker, I thank you for the time to acknowledge Drew Karpinski's accomplishments.●

HELSINKI: TEN YEARS AFTER

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GARCIA. Mr. Speaker, today marks the 10th anniversary of the signing of the Final Act of the Conference on Security and Cooperation and Europe. There are a number of pros and cons regarding the Helsinki accords, but I believe that on balance, they have proven to be useful in making the world more aware of the human rights abuses suffered by so many individuals in Eastern Europe and the Soviet Union.

I have been fortunate enough to be a member of the House delegation to the North Atlantic Assembly, and more recently was afforded the honor of becoming the chairman of that body's civilian affairs committee. My work as a member of the civilian affairs committee has given me a great deal of exposure to the problems of East-West relations, particularly regarding human rights. If the Helsinki accords have done nothing else, they have at least served to further unify Atlantic Alliance nations in their fight against these abuses.

I am submitting for my colleagues perusal two articles from today's New York Times on the Helsinki accords by Stephen Larrabee, a former member of the National Security Council and by Jeri Laber, the executive director of Helsinki Watch.

To Many, Helsinki Means Hope

(By Jeri Laber)

Critics of the Helsinki process, who see it as a cynical charade enacted at the expense of human rights in the Eastern bloc, would like to see the United States nullify the accords. This would be a grave mistake.

It is true that the accords have been violated, almost from the moment they were signed. It is also true that the human rights situation in several Warsaw Pact countries is much worse today than it was 10 years ago. Repression has been brutal, blatant and often in arrogant defiance of Helsinki meetings in progress at the time. But these abuses, distressing as they are, make it all the more imperative that the Helsinki process continue. It is, after all, the only official East-West forum at which human rights violations are discussed.

Beyond this, and still more significant, the accords have provided a rallying point for people struggling for freedom and peace in the signatory countries. They have done so by encouraging private citizens in all European countries to "know and act upon their rights" by monitoring their own governments' behavior.

True, many of the citizens who took up this challenge soon became victims themselves. More than 50 Helsinki monitors in the Soviet Union are in prison or internal exile; others have been intimidated into silence or forced to emigrate. In Czechoslovakia, the authorities continue to persecute the more than 1,000 people who signed Charter 77 upholding Helsinki principles. The Polish Helsinki Committee, which operated openly during the Solidarity period, has been forced underground. A group that attempted to form in Rumania was snuffed out before it even began.

Nor is repression confined to the Warsaw Pact countries. In Turkey, 23 members of the executive committee of the Turkish Peace Association have been sentenced to eight years in prison.

Nevertheless, despite all this, courageous individuals continue to speak out, keeping the record and bearing witness to the sufferings of others. As recently as March, a group of Charter 77 signatories issued an appeal citing the Helsinki standards. Meanwhile, they and other human rights activists throughout the repressive countries of Europe continue to address their reports and appeals to the Helsinki forum. I have seen the Helsinki spirit at work in meetings with activists in Moscow, Prague, Warsaw, Budapest, Bucharest, Belgrade and Istanbul. Voices may lower but eyes light up when the word "Helsinki" is mentioned. To these people, "Helsinki" means hope.

If the United States were to pull out of the Helsinki process, this country would be abandoning these people and others like them who put their faith in the accords, sacrificing their freedom and sometimes their lives. We would also be squandering the moral force that the Helsinki accords have acquired as a result of those sacrifices. For the Russians, our withdrawal would be an ideological victory—a victory they in no way deserve.

Some Gains for the West

(By F. Stephen Larrabee)

When the Helsinki Final Act was signed 10 years ago today, it was heavily criticized in some circles in the West as a sellout and a Soviet victory. Such charges are as groundless today as they were then. Indeed, a decade later, many Soviet officials undoubtedly regret that Moscow ever signed the agreement.

The Russians' main gain—the one most vociferously denounced by Western critics—was the formal ratification of the postwar status quo in Europe. In fact, however, the postwar borders had been observed and implicitly accepted by the West for nearly two decades. They had also been explicitly acknowledged in the eastern treaties signed by West Germany and its eastern neighbors in the early 1970's. Thus, the West "gave away" nothing at Helsinki that had not already been agreed to and accepted. Moreover, in calling the frontiers 'inviolable" instead of "unchangeable," as the Soviet Union originally wanted, the Final Act preserved the possibility of a peaceful change

of the borders at a later date—and thus kept open the theoretical possibility of German reunification.

In return, the West got the Soviet Union to agree that human rights and other humanitarian concerns were an important component of East-West security. To be sure, the Soviet record of compliance on humanitarian issues has left much to be desired. But the very fact that Moscow signed the agreement has given the West an important diplomatic means by which to hold Moscow accountable for its actions. It provided a mutually agreed upon yardstick for measuring compliance and put Moscow on the defensive diplomatically.

Even on human rights, however, the record has not been entirely negative. On some issues, such as reunification of families and working conditions for journalists, there has been important progress. Moreover, in contrast to the Soviet Union, the compliance record in some East European countries, such has Hungary, has been quite good. In short, the Iron Curtain has not come down, but it has become more porous.

There have also been modest improvements on military matters. The Final Act contained provisions for a number of voluntary confidence-building measures—such as prior notification of troop movements and the sending of observers to maneuvers—designed to reduce the danger of surprise attack and diminish the prospects that a conflict would arise out of accident or miscalculation. Compliance by the Soviet Union and its allies has been less than perfect, but on the whole the act has led to more openness and predictability in military activities—two of its primary goals. Moreover, the agreement prepared the way for a set of more stringent and politically binding measures, now being negotiated in Stockholm.

On the economic level, a visible increase in East-West trade and investment has contributed in small but important ways to opening up the countries of the Eastern bloc. This interaction has not, however, proved to be the economic bonanza that Moscow anticipated. On the contrary, East-West trade has actually declined since 1980 as a result of the debt problems in Eastern Europe and the recession in the West.

Finally, the Helsinki experience has had a unifying effect within the Western alliance, leading to improved policy coordination and a greater say for the Western Europeans in allied consultative bodies. It has forged a new sense of cohesion and unity among the smaller, neutral countries of Europe and given them a forum for articulating their security concerns. It has meant new room to maneuver for the more independent Warsaw Pact countries like Rumania and strengthened the constraints against intervention by other pact members.

In short, the balance is far from negative. Rather than renouncing the agreement, as some critics demand, the United States should build on what has already been achieved and continue to press for improvements in those areas where compliance has been faulty.●

THE LESSONS OF HELSINKI

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GUNDERSON. Mr. Speaker, a pall hangs over the gathering that is now taking place in Helsinki marking the 10th anniversary of the signing of the Helsinki accords. Contributing to that pall is the experience of 51 members of the Moscow Helsinki group or its affiliates who have been incarcerated in prisons, labor camps, psychiatric hospitals, or who are serving terms of exile. The hope and promise resulting from the signing of the accords on August 1, 1975, have been nearly dashed as the number of Soviet Jews allowed to emigrate has dropped from 51,000 in 1979 to 896 in 1984. As Andrei Sakharov approaches his 50 year of internal exile in Gorky, without trial or sentence, it is certainly difficult to muster much of a cheer for the anniversary of the accords.

But I contend that the lesson of Helsinki is not that the United States should forsake future negotiations and agreements with the Soviets and other Eastern bloc nations. The dismal record of Helsinki is not reason for us to throw up our arms and surrender to the temptation to never again risk signing an agreement that may not be honored by our adversaries.

The continued threats to human rights and dignity, as well as the potential for worldwide nuclear anihilation demands that we continue to strive toward improved levels of international understanding and cooperation. The untiring energy of individuals like Avital Shcharansky who refuses to halt her efforts to free her husband, Anatoly, from the Gulag to which Soviet authorities consigned him 7 years ago, demands that we work even harder to find a way to bring and end to the conflict and human suffering that plagues our world. The hopes and dreams of our children and our grandchildren demand that we learn from our mistakes and the mistakes of our adversaries, and continue the difficult march toward agreement and cooperation.

The Helsinki accords may have proved a disappointment, but they cannot be considered a failure. As long as we take the lessons of Helsinki with us the next time we pull our chairs up to the negotiating table, we will be one step closer to the realization of positive and meaningful agreements.

What are some of the specific lessons to be gleaned from the Helsinki experience, as well as from our experience with other agreements with the Soviets?

First, above all else, the Helsinki accords made the Soviet bloc's commitment to human rights, previously regarded by bloc countries strictly as their internal affair, open to international review and comment. It would have been preferable if the Soviet bloc adhered to both the spirit and letter of the accord, provisions, but the importance and value of publicizing violations should not be underestimated. By focusing attention on violations, we can ensure that important issues such as fundamental freedoms and human rights are never removed from the international agenda.

Second, while the United States should continue to strive to reach improved levels of understanding with the Soviets, violations of past accords drive home the fact that when negotiating and signing future agreements we must never allow our security or well-being to be dependent upon the supposed good will or trust of the Soviets. Agreements must be either verifiable, or of a nature such that violations would not threaten American security or safety. Soviet willingness to violate agreements must not preclude our willingness to undertake negotiations—it does however, demand our recognition of this reality.

Third, America must never view any agreement, treaty, or accord as a final solution to the problems confronting the world, but as valuable tools for the focusing of attention on critical issues and for helping nations move further away from potential conflict and war. Agreements are part of a process; they are rarely a final solution. To view them as a solution only opens the door to disillusionment and disappointment.

There are obviously other lessons that could be learned from Helsinki. But let us recognize, not dwell upon, the disappointments of the past 10 years. Let us learn from Helsinki, reaffirm our dedication to peace, and resolve to continue working toward international understanding, cooperation and human rights.●

HISTORY OF U.S. VIRGIN ISLANDS

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DE LUGO. Mr. Speaker, today marks the 35th anniversary of the opening of the first radio station in the U.S. Virgin Islands and how this event is being celebrated gives me an opportunity to share with my colleagues in the House some of the fascinating history of the U.S. Virgin Islands.

The history of our special relationship with the United States began on March 31, 1917. At 3 in the afternoon on that date, official representatives of President Woodrow Wilson and King Christian X of Denmark met in St. Thomas to formalize the transfer of the Virgin Islands from Denmark to the United States.

The year 1917 was a transition year, not only for the U.S. Virgin Islands, but for the world as well. It marked the end of what in retrospect is seen as the age of victorian genteel innocence, and the beginning of the 20th century, the age of technology, rapid social change, incredible scientific advances, and sadly, wars more massive than the world had ever seen before * * * the Yin and Yan of the modern age.

The next important event in this particular chain was March 13, 1926, the birth of Terence A. Todman, on St. Thomas. One of the Virgin Islands' most outstanding native sons, he is today the U.S. Ambassador to Denmark. He is a career diplomat in the finest sense of the phrase, and he has brought to his duties a sensitivity and a wealth of knowledge, understanding, and respect for the varied cultures of the world that has stood our Nation well. The appointment of Ambassador Todman to his current post in Denmark was a symbolic full circle that underscores the unique relationship between the United States, Denmark, and the U.S. Virgin Islands.

On August 1, 1950, radio station WSTA, the first radio station in the Virgin Islands, went on the air, 1950 was another significant year. The Korean conflict was just heating up, and the world was becoming embroiled in what would be known as the cold war, a contradiction in terms that belied the heat of the conflicts that ensued. In the Virgin Islands, our first native Governor, Morris de Castro, was inaugurated, another step forward for the U.S. Virgin Islands. WSTA became an instant hit, a true community station. As a young man fresh out of the service, I was fortunate to have been a part of the original staff of this pioneer station.

Continuing in that community spirit, the principals and staff of WSTA chose to celebrate its 35th anniversary and its commitment as a chronicler of all the bits and pieces of everyday community life that make a community and its culture unique. To celebrate this occasion, Addie Ottley has taken his popular "Morning Show" to Copenhagen, Denmark to broadcast his program live from Denmark to the Virgin Islands, using modern technology that was merely a dream when the Virgin Islands changed hands nearly 70 years ago. In this special broadcast this morning, WSTA paid tribute to Ambassador Todman, and in so doing, saluted the United States, Denmark, and the U.S. Virgin Islands.

The staff of WSTA and all the people of the U.S. Virgin Islands were honored to have received a message from the President of the United States for its historic broadcast this morning. President Reagan sent the following message which was read over the air this morning:

> I am delighted to join the staff and listeners of Radio Station WSTA in St. Thomas and all the citizens of the Virgin Islands in paying special tribute to Ambassador Terence A. Todman. Let me also offer my warm congratulations on this 35th anniversary for the station.
>
> Ambassador Todman has rendered great service to the Nation and to the people of the Virgin Islands in a variety of distinguished positions. In each of those posts he has been renowned for his skill, versatility, and his profound understanding of people of many different backgrounds. This understanding has been particularly noted in his current role as our Ambassador to Denmark, the country from which the United States purchased your beautiful islands. As a native of the Virgin Islands, he has demonstrated a unique appreciation for the special relationship between the Danish people and Americans, and has helped to make that great friendship even stronger. I know how proud his fellow islanders are of him and his efforts, and I join them in saluting his fine record of accomplishment in serving America and the Danish-American heritage of the Virgin Islands.

On behalf of WSTA and the people of the United States, I thank the President for this beautiful message. We are grateful for this special interest in the U.S. Virgin Islands and we all send him best wishes for his continued speedy and complete recovery.

Yes; the world has changed drastically since 1917 when the Virgin Islands changed hands. One reassuring constant that the people of the Virgin Islands know they can count on is the untiring effort of WSTA to bring meaningful cultural exchange programming for the benefit of all the people from all over the world who pass through the portals of the beautiful, peaceful, and free U.S. Virgin Islands.●

NUCLEAR WASTE SHIPMENTS THROUGH NEW YORK

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. ACKERMAN. Mr. Speaker, I insert my testimony of August 1, 1985, at the hearing held by the Energy and Commerce Committee's Subcommittee on Commerce, Transportation and Tourism.

TESTIMONY OF CONGRESSMAN GARY ACKERMAN ON NUCLEAR WASTE SHIPMENTS THROUGH NEW YORK

In "Animal Farm" George Orwell describes the corruption and decay of a society's ideals that strip individuals of their personal freedoms and rob them of their well-being. In a Democracy, public policy is supposed to be shaped by the people themselves, based on what will provide the greatest good for the greatest number. The Department of Energy/Department of Transportation proposal for their nuclear-waste route is a perfect example of this principle—in reverse. In this case, the greatest possible number of people would be put at the greatest possible risk.

The technology of the nuclear industry has raced ahead of our ability to keep up with the safety problems it leaves in its wake. We have scarcely mastered the difficulties of disposing of these highly radioactive wastes; we have done almost nothing to ensure their safe transport.

Is there even one person in this country who has never witnessed an accident on the freeway, never read about an overturned truck spilling its cargo? I would think not. But apparently, Department of Transportation officials don't drive and don't read newspapers. They insist that trucks carrying nuclear waste "cannot overturn," and that the containers "cannot leak"—much like the argument of a shipbuilder who claimed the *Titanic* could not sink.

Mr. Chairman and distinguished colleagues, the DOE's claim that the risk of incident is "infinitesimal" is absurd. It admits the possibility of a risk, however slight. It admits that as trucks roll through some of the most densely populated areas in the country—the City of New York and the Counties of Queens, Nassau, Westchester, and the Bronx—a disaster of catastrophic proportions could occur that would threaten the lives of millions of Americans. It admits all of this, but refuses to prevent it.

Even if one were to presume that the containers are leak-proof, one cannot presume that tractor-trailer trucks do not overturn.

The Department of Transportation has constructed its entire premise on a fantasy that ignores a key element: the New York City driver. It also pays little heed to driving conditions in New York City, and ignores national highway statistics. And under real highway conditions, this fantasy could quickly become a nightmare.

Everyone within the Metropolitan New York Area with a radio on in the morning hears almost daily of an overturned truck on the Long Island Expressway (L.I.E.), tying up major arteries all over the New York City region, and delaying hundreds of thousands of people. Can you imagine the panic and delay if it were a truck with nuclear waste, even if it were safe? Can you imagine the goings-on while waiting for experts to be flown in by helicopter to verify no leakage? DOE doesn't know for sure that its containers don't leak. DOT does know for sure that trucks overturn on the L.I.E. every day of the week.

We hear of overturned trucks on the L.I.E. hundreds of times during the year. We never hear of an overturned barge.

The question of where to route nuclear waste has no attractive answers. Every option is flawed to some degree. But to choose a route that endangers the safety of the greatest possible number of citizens is senseless. It flies in the face of reason. The report prepared for the City of New York verifies what common sense dictates: that there would be less danger to even fewer people if the waste were ferried across the Long Island Sound to our interstate road network for its trip West.

Let's put an end to this Orwellian "doublespeak," and do what is safest, and therefore best, for the largest number of people. Let us act responsibly and transport future shipments of dangerous, radioactive material by barge. And let us eliminate the "infinitesimal" risk that, in the City of New York, could become a full-fledged tragedy.●

I'M OK. YOU'RE OK.

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. JACOBS. Mr. Speaker, it seems to me that, often in the political arena, to ascribe blame is to excuse hate.

The following letter written by Dr. James Armstrong, vice president of the Committee on Dialog and Development, constitutes a departure from the deadly game of "good guys and bad guys" and ushers in the concept of "I'm OK. You're OK" for international and especially inter first, second, and third world relations.

It is the stuff of Ghandi and King and worth congressional attention:

COMMITTEE ON DIALOGUE AND DEVELOPMENT,
WASHINGTON, DC, MARCH 12, 1985.

The Rev. JAMES G. CALLAWAY, Jr.,
Executive Assistant to the Rector, Trinity Grants Program, New York, NY.

DEAR FATHER CALLAWAY: I wish to submit this request for the Trinity Grants Program to become an "early on" partner in the formation of the Committee on Dialogue and Development. The Committee (henceforth referred to as the CDD) has been incorporated to reduce the schism that currently exists between business leaders in the industrialized west and liberation theologians, Christian activists, and public leaders in the Third World.

The schism is reflected by the angry dismay many executives of transnational corporations feel when confronted by inaccurate and uninformed attacks on the free enterprise system originating in the Third World. They are mindful of the overt hostility directed against multinationals by an assortment of ecumenical pronouncements (see "Churches and the Transnational Corporations: An Ecumenical Program, "published by the World Council of Churches in 1983). At a meeting of CDD leaders with the staff of the International Division of the U.S. Chamber of Commerce, one of the Chamber staff members said, "Many Latin American businessmen feel the church is their most hostile critic."

On the other hand, Christian leaders in the Third World feel they have been mistakenly labeled Marxists for identifying with the poor on the basis of their biblical and theological perspectives. Their dismay and despair are registered when an affluent First World appears to turn a deaf ear to the world's hungry and oppressed. Both groups have "tuned each other out." They tend to listen to their own voices while discrediting their "enemies." The manifestation of this disharmony in the organized church is most discouraging when one realizes that the majority of corporate leaders are active church members who want to feel a sense of Christian mission in their vocation.

Although its self-image is "religious and ethical" the CDD will operate outside organized structures of the church. It will utilize contacts with the business community, academe, the public sector and church hierarchies and agencies to bring about dialogue between the two parties.

This broader dialogue will have three programatic methods to bring about harmony and forward movement in commonly held social goals.

(1) Conflict Prevention.—The CDD will seek to identify emerging issues pertaining to corporate activities and Third World reality with a potential for adverse impact—economic, social and cultural—on affected groups and societies. It will try to position itself in a way that will prevent an emerging issue from becoming a negative, societal problem. It will initiate special studies and research programs that will help corporate leaders and Third World activists identify emerging issues, delineate their magnitude and scale, and suggest directions and strategies for future action.

(2) Conflict Containment.—The CDD will work vigorously to encourage constructive dialogue and maintain open avenues of communication among the affected groups where public policy matters impact transnational corporations, local business communities and the living and working conditions of the people immediately involved. It will seek to bring about a constructive reapproachment between conflicting parties keeping in mind both the positive impact of corporate investments and activities and the need for balancing the interests of the various parties. Above all, it will try to involve the most significant groups with a stake in the issues, facilitating communications among them.

(3) Conflict Resolution.—The CDD will act in the role of an honest broker and a voice of reason, justice and compassion in social conflicts where positions have hardened and mutual distrust prevent serious discussions and/or negotiations between affected parties. It will explore and cultivate the common ground that will facilitate new levels of trust and develop bases for mutual understanding and cooperation.

Among others, the CDD has met with representatives of the following organizations that have engaged in significant business/church dialogue and interaction:

(a) Berkeley Center for Ethics and Social Policy;

(b) Trinity Center for Ethics and Corporate Policy;

(c) Center for Ethics and Religious Values at the University of Notre Dame;

(d) U.S. Council on International Business (re: its dialogue with the American Lutheran Church);

(e) Center of Concern (re: its educational program on the U.S. Catholic bishops' pastoral letter on "Catholic Social Teachings and the U.S. Economy");

(f) YMCA's Center for International Management Studies (re: the Dakar consultation on "Development and Multinational Enterprises");

(g) Interfaith Center on Corporate Responsibility;

(h) Interfaith Committee on Economic Justice (re: the Overseas Development Council's experience with "business briefings"); and

(i) Council of the Americas (re: Board Room dialogues for corporate executives).

The CDD expects to network and cooperate with these programs and to help facilitate their important learnings into the Third World arena.

There have also been conversations with Christian leaders from around the world. Their supportive guidance has proven invaluable. Some of the leaders consulted have been:

(a) Emilio Castro, general secretary of the World Council of Churches;

(b) Ernesto Cardinal Arns of Sao Paulo, Brazil;

(c) Julio de Santa Ana, former director of the WCC's Commission on the Churches' Participation in Development;

(d) Dr. Jose Miquez-Bonino, liberation theologian, academician and former president of the WCC (1975–1983);

(e) Dr. Kim Choon Young, Korean Council of Churches;

(f) Bishop Federico Pegura, president, Latin American Evangelical Council of Churches; and

(g) Dr. Rubem Alves, liberation theologian, academician, author and poet.

These religious leaders noted their concern for the financial instability of their countries because of the international debt crises, for widespread unemployment—especially among the young—and for the disastrous impact of poverty and hunger on the women and children of the Third World. They feel that their church's faithfulness will be measured by it's advocacy of the rights and needs of the poor.

The CDD is now in the process of testing the interest of financial leaders in United States and transnational companies. One executive at Morgan Guaranty Trust said it could be "an important program if you can find meaningful ways to implement it." A meeting with seven staff members, including the director of the International Division of the U.S. Chamber of Commerce, indicated their keen interest. They feel business in the developed world would be benefited by the CDD program. One staffer said, "If the right climate is created—then education can take place."

To implement the CDD program a "startup fund" of $77,940 is needed for the first year's core budget. (It should be noted that it is possible to get underway with this small amount because of the volunteer commitment of board members, the utilization of consultants and the sharing of office space and secretarial resources.) Attached is a budget and statement of expenses and income to date. The budget is developmental and as CCD becomes more functional there will be a need for permanent staff members. A 20-percent reserve for operating contingencies has been added because of the unpredictability of initial costs without the benefit of prior experience.

The budget provides a modest sum to employ a part time executive director to coordinate present activities, service the board's governance and handle legal matters.

A similar sum is proposed for an organizational development consultant to guide the planning process for the new organization. This would enable a feasability study on CDD's potential to perform a unique, unduplicated service that would attract future funding and generate self-earned income through conference and seminar participation and publications. This person in cooperation with others will assume primary responsibility for developing lists of potential funders, resource persons, board members and future staff. He/she will also write grant proposals.

While CDD's mission will be global, there are dominant hemispheric considerations. A south Florida connection, linked with a university, seems highly desirable. A consultant has been identified who for a small stipend and expense reimbursement will establish local business, media, educational and institutional support to augment initial programs.

Consultation with members of the Council of Foundation's Committee on International Grant Making, and the Council of Americas, indicate their feeling that the CDD will offer a unique program. Most see a combination of church and corporate grants to provide necessary start-up funds.

Because of Trinity's historic relationship with the business community and its innovative grants program with a Third World priority, CDD would hope that Trinity would become an early partner with a $35,000 grant toward the first year start-up budget.

Thank you for encouraging this submission. I am deeply grateful to Dr. Parks, Dr. McCoy and Charles Schmidt for making yourselves available to our consultant Frank Kiehne and myself as we have explained our reason for being and have sought your guidance in this grant process.

Sincerely,

James Armstrong.●

GROWING POLARIZATION IN SOUTH AFRICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. RANGEL. Mr. Speaker, observers can only marvel at Pretoria's continuing inability to come to grips with what is happening among black South Africans. The white populace seems to have an uncanny habit of misperceiving and misinterpreting black grievances and black leaders. This became painfully obvious when President P. W. Botha summarily rebuffed Bishop Desmond Tutu's requests for a meeting.

It seems to me that Botha could decisively avert a bloodbath by opening a dialog with Bishop Tutu and ANC leader Nelson Mandela. These leaders are respected by all blacks, and would be able to allay the rage which has claimed hundreds of lives. Unfortunately, Botha has been obstinate in his refusal to strike a deal with them.

The fuse of revolution has been lit. If Pretoria does not relent, all of South Africa will be ravaged by rebellion and racial confrontation. I insert the following article in the hope that this trend does not continue.

The article from the Washington Post, July 31, 1985, follows:

South Africa: Setup for a Shoot-Out?

(By William Raspberry)

Last week, Bishop Desmond Tutu was warning angry blacks that he would leave the country and perhaps even abandon the liberation struggle if there were any more lynch-mob attacks on suspected police informers.

This week, South African President P. W. Botha was refusing the Nobel Peace Prize winner's request for a meeting to find a way to end the violence.

The two events say a good deal about the moral and physical courage of the Anglican bishop and perhaps more about the dismal prospects for peace in that racial time bomb of a country called South Africa.

Tutu is respected around the world as a man of peace and yet held in high regard by South Africa's black militants. That combination of attributes made it possible for him to elbow his way through an enraged crowd three weeks ago to rescue a man suspected of being a police informer and, last week, to threaten to quit the liberation struggle if lynchings continued.

That same integrity would have made him almost uniquely able to lead the near-revolutionary black population and the white government away from the brink of chaos. He was willing, even eager, to try.

"I have tried; I have failed," he said the other day after Botha decided against meeting with him. Tutu first broached his interest in such a meeting during two broadcast interviews. Botha, perhaps looking to his right flank, said he could not respond to offers made through the media but was prepared to talk to Tutu or anyone else "provided a proper appointment is made."

Tutu, who might have bristled at the rebuff and turned away, instead sent Botha a formal request for a meeting. Botha's office at first announced his willingness to talk with Tutu but later rejected the bishop's request, adding—incredibly—that he would talk only with people who had denounced both violence and civil disobedience.

That new condition eliminated Tutu, who refuses—disobediently—to carry the "pass" that South African law requires all blacks to keep with them. The bishop, who already had risked his credibility among blacks by seeking the meeting with Botha, could hardly afford to be seen as begging for an audience. So that, presumably, is that.

But important questions remain. For instance, what does the Botha government have in mind? Surely its refusal to talk to Tutu is a calculated move implying that it sees no point in enhancing the credibility of black moderates. The result can only be to render the moderates irrelevant or, more likely, to radicalize them.

Tutu, and men like him, could have been bridges, making it at least theoretically possible for the two sides to come together. Does the bridge-blasting, implicit in Botha's rebuff of Tutu, mean that the government has given up on a peaceful resolution of the current crisis? Is the scene being set for a full-fledged shoot-out?

And what, if that happens, will be the position of the Reagan administration? The White House, while continuing to assert its opposition to economic sanctions, is at least more vocal in its apparent consternation with Botha's obstinance, particularly with his refusal to meet with Tutu. Will Botha's continued obstinance transform that consternation into active impatience?

What will be Ronald Reagan's reaction if Tutu and other moderates are jailed? Where will America be if the crisis escalates, whether into revolution or all-out repression? When, in short, will this country gather up the political and moral courage to declare just which side it is on?●

REMEMBER OUR HEROES

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DYMALLY. Mr. Speaker, I wish to bring to your attention as well as that of my colleagues an important tribute paid by the city of Hawthorne, CA, and the Hawthorne Veterans Council to the war heroes of our country who gave their lives in defense of democracy around the world.

It is with great pleasure that I submit to the Members of this body the text of a letter I received informing me of this community service, and inviting my participation in the activities. Perhaps my colleagues may find the initiative taken by my constituents worth staging in their congressional districts. The message is quite clear: We as a Nation should always remember the honorable heroic sacrifices of our fellow men and women that made possible the liberty and freedom we now enjoy.

The following is the body of the letter. I urge you Mr. Speaker and Members of the House to respond.

June 24, 1985.

Dear Elected Official: On behalf of the Hawthorne Veterans Council and the City of Hawthorne we wish to invite you to attend the opening ceremonies for the showing of the Vietnam Veterans Memorial replica, on Sunday, August 11, 1985, beginning at 1:00 p.m. The ceremony will be conducted in the park at the Hawthorne Memorial Center, 3001 West El Segundo Boulevard.

This showing of the Vietnam Veteran Memorial replica is being conducted as part of our "Remember Our Heroes" tribute that will be held in Hawthorne, August 11-18, 1985.

During this time the Hawthorne Veterans Council will honor America's heroic men and women who have fallen while serving their country in the defense of freedom in the Spanish-American, WWI, WWII, Korean and Vietnam Wars, as well as other conflicts around the world.

The memorial replica is a half-scale, 250-ft long model of the Vietnam Veterans Memorial in Washington, D.C. It is a solemn and fitting tribute to the 58,022 American heroes who answered their country's call and served, and died in Vietnam. The exhibit will be lighted and open 24 hours a day.

Organizations and individuals may participate in this meaningful tribute by arranging for, and placing floral arrangements either on the day the exhibit opens or sometime during the week. It would be appropriate to have your organization's name included in the arrangement.

We would welcome written greetings you may wish to send, should you be unable to attend the opening ceremony, and will display it along with proclamations and resolutions from the cities of Los Angeles County in a special area adjacent to the memorial.

In order that we may properly recognize your involvement at the ceremony, please respond by August 1st.

We sincerely hope that you can participate in this tribute as we honor our American heroes and re-kindle the spark of pride and freedom for which they have paid the ultimate price to preserve.

Sincerely,

Olin Lambert,
Commander, Hawthorne Post 2075, Veterans of Foreign Wars.

Danny Belfontaine,
Commander, Hawthorne American Legion Post 314.

Guy J. Hocker, Jr.,
Mayor of Hawthorne.●

THE ADMIRALTY MAZE

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. JONES of North Carolina. Mr. Speaker, the maritime cargo and personal injury liability laws of the United States have evolved over the past 200 years through both statutory and case law. During all of this time the Congress has never done a thorough examination of this complex issue, with an eye toward rationalizing or making some type of logical sense out of these laws.

As a result, individuals who are injured have different remedies depending upon whether they are a seaman or a nonseaman, injured inside or outside of 3 miles of the coastline, and various other distinctions. The types of damages allowed varies, as well as the types of individuals allowed to sue in a wrongful death action. Cargo owners have different basis to recover for damaged goods depending upon whether the goods are being shipped to another point in the United States or to a foreign country.

You have to be an admiralty specialist in order to get through this maze. Over the years the Supreme Court has attempted to rationalize this system as best it could within the constraints of the statutes. However, even this has not removed many anomalies from the system.

In 1946 the Congress mandated that the 50 titles of the United States Code should be revised, consolidated, and enacted into positive law. To date, 21 titles have been codified. In 1983 those portions of title 46 related to vessel inspection and seamen were codified.

Subsequently, the committee staff began drafting a recodification of the maritime liability laws—including the Death on the High Seas Act, Jones Act—as it applies to personal injury cases—General Maritime Law, Carriage of Goods at Sea Act, Limitation of Liability Act, Public Vessel Act, and the Suits in Admiralty Act. In March of 1984, the first draft was circulated to interested parties; comments were received and analyzed and then included in draft 2, which was distributed in July. Again, comments were received and analyzed and changes based on these recommendations were included in a committee print circulated nationwide in January 1985.

The bills are the result of many hours of careful analysis by the committee staff on the comments we received on the committee print. These bills are the first attempt by the Congress to rationalize this system by standardizing these rights, remedies, and responsibilities. We have attempted to take the existing statutes, combine them with the case law, and develop a logical personal injury and death remedy system built on the current practice.

In dealing with cargo liability, we have repealed the old domestic system and made the current international system, which we have followed for nearly 50 years, apply to domestic shipments. We have also proposed to solve the "package" definition problem in the existing law by implementing the internationally recommended Visby amendments to the Hague Convention. However, we understand that some individuals in the administration and elsewhere favor the Hamburg Rules, which would totally replace COGSA. They feel that if we simply implement the Visby II amendments, the Hamburg Rules will not stand a chance of ever being implemented by the United States. Therefore, in order to be fair to all parties we have decided to put the Hamburg Rules on the table in this legislation for discussion. I, personally, have not taken a position on this Convention and plan on waiting until after the public hearing process is completed before I do so.

Most of the provisions these bills make no substantive change to law. When there are substantive changes, those can be broken down into two categories: First, totally new provisions to law, such as most of chapter 303 and section 30511; and second, when two provisions in the existing law are in conflict, a choice is made retaining one, as in differences in existing wrongful death provisions now contained in section 30505 and present types of damages allowed now contained in section 30507. The provision in the bill is in the current law but may not be applicable in all current cases.

These bills incorporate a number of provisions that the committee has adopted in the context of other legislation, such as requiring evidence of financial responsibility to protect against a corporation owning a single vessel getting out of paying claims in a disaster by not buying insurance.

By sticking as closely as possible to the existing system we hope not to create years of new litigation concerning the existing law. It is our desire to implement a system that will clearly define a person's liability and to put a reasonable limit on that liability and at the same time implement an easily understood system for fairly compensating individuals who are injured or killed on board vessels.

Since this is the first time this approach has ever been attempted, we recognize there may be some rough edges with this bill. We plan on being very open and flexible with this legislation as we have been during its drafting process. With the help of the administration and the various components of the maritime industry the goal of clarifying and codifying these laws can be achieved for the first time in 200 years. We look forward to receiving their input and working with them on this landmark legislation.●

THE 25TH ANNIVERSARY OF THE MARSHALL SPACE FLIGHT CENTER

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. FLIPPO. Mr. Speaker, this year marks the 25th anniversary of NASA's Marshall Space Flight Center in Huntsville, AL. The Marshall Center's contribution to our Nation's efforts in space exploration began shortly after our decision as a nation to meet the challenge presented by the Soviets' successful launching of the sputnik satellite and subsequent manned flights.

Propelled by the Von Braun team, who were then part of the Army Ballistic Missile Agency at Redstone Arsenal, the Marshall Center was responsible for the early pioneering efforts to meet the technical challenges presented by placing a man in space. Through these efforts, America quickly caught up with and surpassed the Soviets in what came to be known as "The Race for Space."

This period of time was also the beginning of America's fascination with space and space flight. What had once been the subject of writers' dreams was now happening before our eyes. Television brought us live coverage of the launches and splash downs of the Mercury and Gemini Programs and at once became the medium through which all people could share in the reality of space exploration.

In 1961, America inaugurated the youngest President ever elected, John F. Kennedy. President Kennedy shared the dream of space exploration and during his short time in office, made a commitment which was to dominate the world's attention for many years; to place a man on the Moon.

Manned flight to the Moon presented technical problems of a magnitude which had never been thought of before much less addressed. The solution developed by Marshall was the Saturn V booster, the most powerful rocket ever built. Marshall also had a hand in the development of additional hardware necessary for the Apollo Moon landing; the lunar rover bore the signatures of Marshall technicians and scientists. All of America watched as Neil Armstrong's hands released the ladder of the lunar lander and effortlessly floated to the surface of the Moon, his feet leaving man's historic footprints deep in the Moon's dust. His voice beamed 238,000 miles back to Earth, "This is one small step for man, one giant leap for mankind." And what a leap it was. A leap made possible by the ingenuity and dedication of the men and women of the Marshall Space Flight Center.

Although all of these efforts and tremendous accomplishments contributed greatly to our understanding of space and our solar system, NASA scientists envisioned a space transportation system that would allow us to truly utilize space on a long-term basis for the betterment of mankind. A continuous presence in space would also necessitate a system that would be less costly than earlier programs.

In 1981 America launched the first reusable space system, appropriately called the space shuttle. America and the world watched in awe as a rather ungainly looking combination of shuttle, external fuel tank, and solid rocket boosters lifted from the launch pad at Cape Kennedy, and slowly rolled 180° placing the shuttle upside down as it moved down range. Several days later, the shuttle came back to Earth as no other spacecraft had returned before, landing on an airstrip like a modern jetliner.

The Marshall Center's Shuttle Program responsibilities include the development of the shuttle's main engines, the external tank containing the enormous amount of liquid hydrogen fuel needed for launch, and the solid rocket boosters used for liftoff. The accomplishment of the successful Shuttle Program rivals that of the Apollo Program. For the first time, man has a sustained access to space which has opened new doors in man's ability to utilize space on a continuous basis.

The Shuttle Program has also provided an opportunity for other major efforts in space which will be managed at Marshall. The various spacelab missions have provided scientists throughout the world with experimental data never before possible to obtain. Marshall will also have a major roll in the development and management of America's first permanent manned orbiting laboratory, the space station, scheduled to be in place within the decade.

Twenty-five years ago, it would have been hard to imagine the accomplishments we have made in space since that time. It would also be hard to imagine where we would be as a nation today, were it not for the contribution our space efforts have made in other fields. The development and maturation of technologies in the area of computer science, medicine, communications, new space-age materials, the list goes on and on. In the technology-driven world we live in today, it is comforting to know that we have at the Marshall Center, individuals with the know-how, the "right stuff," to meet the technological challenges we face in the future.●

A SALUTE TO JOHN M. TOUPS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WOLF. Mr. Speaker, Congressman STAN PARRIS and I are privileged today to bring to the attention of our colleagues in the Congress an unusual individual who has been selected for a special honor by his fellow citizens of northern Virginia. On September 7, 1985, the Virginia Community Foundation's Founders Award will be presented to John M. Toups, businessman and resident of McLean, VA, at a dinner at the Hyatt Regency Hotel in Crystal City, VA.

The Northern Virginia Community Foundation was formed in 1978 by a group of northern Virginia residents who wanted to return to the community some of the riches that they had received from it. Five areas of concern benefit from the foundation's endowment funds: The arts, education, health, youth and civic improvement.

The foundation receives charitable gifts from people from all walks of life with all levels of income—families, businesses, national corporations and foundations. Donations are used exclusively to benefit northern Virginia.

Each year, the foundation honors a citizen of northern Virginia who has made an unusual contribution to the life and prosperity of the community. The award is made to recognize the unselfish efforts of that individual and to promote awareness of the significance of individual's action in improving the quality of life for all members of the community.

This year, John M. Toups, chairman, president, and chief executive officer of Planning Research Corp., has been chosen to receive the 1985 Founders Award. In a few short years in northern Virginia, John Toups has made his leadership and influence felt in supporting the business community, in improving technical higher education, in supporting locally developed cultural activities, and in helping to solve the area's transportation problems.

John Toups is a member of the board of directors of the Fairfax County Chamber of Commerce, the Fairfax Symphony, the George Mason Institute Industrial Policy Board, the Tysons Transportation Association, the Washington Dulles Task Force and Fairfax County Neighborhood Watch/Crime Prevention Education, Inc. He has chaired and served on numerous committees and programs in Northern Virginia and in the Greater Washington area. He is president of the Professional Services Council, vice president of the National Security Industrial Association, and a director of the National Committee for Employer Support of Veterans Employment and of the Greater Washington Board of Trade.

He has helped his company become a significant factor for development and social commitment in the northern Virginia community. PRC officers and employees work on business, health, youth, educational, and cultural programs throughout the area, and the PRC building is opened to numerous community activities.

John Toups combines professional skills as a registered engineer with entrepreneurial skills as a businessman. When Toups Corp., a hydrology and land development engineering firm of which he was founder and president, was acquired by Planning Research Corp. in 1970, he became a PRC vice president. The company quickly recognized his abilities, and he became a PRC director in 1973, president in 1978, and chairman in 1982. Under John Toups' leadership, the international professional services company has grown from $280 million in revenue in 1980 to $375 million in 1985.

While its headquarters were still in Los Angeles, CA, PRC opened its first offices in McLean, VA, in 1970, John Toups moved the corporate headquarters from Washington, DC, to PRC's showcase building in the new Tysons/McLean development in 1981. PRC is now the third largest employer in northern Virginia, with more than 1,400 employees in McLean and Dulles, VA, and 7,500 employees worldwide.

Community leaders in northern Virginia also have quickly recognized not only John Toups' ability, but also his dedication to the well-being of his neighbors and his community. His friends, colleagues, and associates are inspired by his intelligence, integrity, and leadership in working to solve the community's problems and to enrich the lives of its citizens.

John M. Toups is a uniquely deserving recipient of the Northern Virginia Foundation's Founders Award.●

DR. DAVID BRUNELL, ARTISTIC AMBASSADOR

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. HAMILTON. Mr. Speaker, I rise today to recognize the outstanding

achievement of pianist and teacher Dr. David Brunell of Bloomington, IN. In 1985, Dr. Brunell represented the U.S. Government abroad as an Artistic Ambassador, sponsored by the U.S. Information Agency.

The Artistic Ambassador Program is a recent initiative of Charles Z. Wick, the Director of the U.S. Information Agency. Its purpose is to use the wealth of often undiscovered musical talent in the United States to enhance USIA's mission of cultural understanding. Under its program director, John Robilette, the Artistic Ambassador Program has sent 11 pianists to 33 countries where they have given public concerts, worked with students and faculties of conservatories, and occasionally lived with host families.

Dr. Brunell was a superb choice for the Artistic Ambassador Program, and has made many friends for America in six different countries. Through his personal example and his pianistic talent, Brunell, allowed people throughout the world to see what he is about as an American and as a musician. They liked what they saw. His impact and other Artistic Ambassadors like him can never be quantified or put into any statistical report, yet it may extend for generations.

David Brunell spent 5 weeks abroad, traveling to cities in Trinidad, Jamaica, Dominican Republic, Haiti, Costa Rica, and Mexico. His warm reception in each country shows that the splendor of music overcomes political differences. Often traveling into the provinces of these countries as a musical Ambassador for the United States, Brunell gave many people who have never seen this country perhaps the most vivid impression they will ever have of the United States.

Evaluations from our Embassies overseas have indicated a tremendous ground swell of affection and interest for those things American, particulary when we as a nation are represented through the innocence of music and cultural exchange. David Brunell illicited no less than 31 press articles and captioned photographs in Dominican newspapers alone during his brief stay on the island of the Dominican Republic. Even the most leftist and anti-American newspaper in Santo Domingo praised the Artistic Ambassador Program and David Brunell's anticipated visit in an editorial which said, this is a "gift given in the spirit of 'good neighborliness' by the Government of the United States of America."

The American Embassy in Trinidad reported that:

> Several people approached the piano following the recital and said they hadn't heard such a talent in years. Perhaps not since Claudio Arrau visited Trinidad in the sixties. Many wanted to know how soon we could get him back here or why can't you get more performers with that kind of talent to appear here * * *.

The American Embassy in Jamaica rates Brunell's visit as:

> An unqualified success. A very accomplished pianist who captures his audience from the first note, Brunell had his audiences spellbound. He was an excellent Artistic Ambassador.

In the Dominican Republic, a major music critic and Juilliard graduate wrote of Artistic Ambassador David Brunell:

> it was not enough to call Brunell the Artistic Ambassador of the United States. After hearing his concert she felt "that his message of art and friendship would remain in the memory of the Dominican people for all times as that of an Ambassador-at-Large."

The American Embassy in Haiti proclaimed:

> Brunell is the most outstanding cultural program this post has seen in many years and, as one local journalist put it, "he has left an indelible mark on Haiti's musical annals." Brunell's talent, generosity of spirit and personality make him an ideal Artistic Ambassador.

Mexico reported that,

> David Brunell * * * established a standard of excellence * * * that will be extremely difficult to equal. The advance publicity for the Artistic Ambassador Program prompted the post to have great expectations of our first performing Artistic Ambassador. Brunell not only fully justified his advance notices, but his performances exceeded expectations * * *. David Brunell was a perfect choice to introduce the Artistic Ambassador Program and we hope to have more like him.

I want to emphasize that David Brunell is an outstanding citizen of Bloomington as well as the United States. His willingness to serve his country as an Artistic Ambassador makes me proud. I would like to express my gratitude to Dr. David Brunell for personally bringing the people of the world closer together through the magic of music, and my thanks also go to Charles Z. Wick at the U.S. Information Agency for initiating this unique and rewarding program.●

HALLEY'S COMET TIME CAPSULE

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. SAXTON. Mr. Speaker, today I rise to offer every youngster in the country the opportunity to contribute to a most unique project which is rapidly gaining national interest and popularity.

This project, which has taken root in Vincentown, NJ, in the heart of my 13th District, centers on the burial of a time capsule to mark the arrival of Halley's Comet early next year.

For some time now, school students throughout the country have been contributing poems, essays, and other original art to the capsule, which will be sunk in the ground on April 11, 1986, the same day that the comet will be closest to the Earth.

The capsule will be buried on the grounds of a historical one-room schoolhouse in the small, proud community of Vincentown, and marked by a plaque to assures its recovery 76 years from now, in the year 2061, when Halley's Comet reappears.

The Halley's Comet Time Capsule is an idea which originated with Mr. Joseph Laufer, associate dean of Community Services at Burlington County College, Pemberton, NJ.

Mr. Laufer states that "the return of Halley's Comet after 76 years provides a unique opportunity for youngsters to become aware of their responsibilities toward the people who will welcome Halley's Comet again in 2061.

Students who contribute to the capsule have a chance to share with future generations not just their creativity, but their concerns for the issues which faced us in the 1980's.

In reviewing the time capsule contributions thus far, Mr. Laufer has seen some interesting themes developing. Students have shown a keen concern for world peace and harmony, disarmament, social justice, and ecological matters.

Mr. Laufer says: "As an educator, I see the return of Halley's Comet as an invaluable pedagogical tool. In addition to being an opportunity to awaken an interest in astronomy, it has the much broader value of heightening intergenerational awareness and global unity."

I should also note Southampton Historical Society has been supportive of the time capsule. The historical society recently restored a one-room schoolhouse which was in use from 1860 to 1930, and it is the schoolhouse grounds which will hold the capsule.

Students, teachers, and others who are interested in participating in the 1986 Halley's Time Capsule project should write: Halley's Comet Time Capsule, Halley's Comet Society—USA, Box 2188, Vincentown, NJ 08088.●

TEXTILE AND APPAREL ACT

HON. WILLIAM W. COBEY, JR.

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. COBEY. Mr. Speaker, I urge my colleagues to support H.R. 1562, the Textile and Apparel Act of 1985, which, if enacted, would prevent the loss of 240,000 textile jobs in the United States this year alone.

The American fiber, textile, and apparel industry is our largest manufacturing industry. It is also the world's most modern and productive industry. However, we are presently facing

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unfair competition from countries who subsidize their textile industries.

In 1974, the Multi-Fiber Arrangement [MFA] was organized as an international instrument of the General Agreement on Trade and Tariff. This was done to insure the orderly growth of world textile and apparel trade while avoiding the disruptive affects of that trade on individual markets. This trade agreement, signed by 43 countries, called for a 6-percent annual rate of growth for textile imports for most countries and a lower growth for major textile exporting countries. However, since 1980, textile products coming into the United States have grown at an average annual rate of 19 percent. Because of this, foreign imports now control over 50 percent of the U.S. clothing market, and this is only the beginning.

As I have stated, the U.S. textile industry has yielded one of the most productive work forces in the world. American textile and apparel firms are the largest manufacturing employers of women and minorities, and these companies are cost efficient.

Americans are strong supporters of fair play and open competition; but this sort of competition and fairness is not characteristic of the international textile market. Certain countries, such as, Taiwan, China, and Hong Kong, are subsidizing their textile prices to the detriment of American manufacturers. The final sale price of most textile imports does not represent the true or accurate product production costs. The prices of foreign goods are artificially reduced or subsidized. Without government subsidies, many foreign firms could not offer their goods in the American market at current prices.

It is unfair to expect our American textile firms to compete in this current situation. The continued flood of textile and apparel imports is drowning many of our communities, such as Wake, Franklin, Chatham, Orange, and Randolph counties in North Carolina. In the past 2 years alone, two textile plants in my district have closed. A recent study reported that textile employment in North Carolina has dropped to its lowest level in 35 years.

The administration argues that H.R. 1562 would lead to higher prices for American consumers because of decreased competition. The truth is that foreign imports are eliminating domestic production of many goods. After these goods are no longer produced in the United States, foreign producers would be free to set prices as high as they like. In economics, this type of action is known as predatory pricing, and we should not allow this to happen.

When President Reagan agreed to the 1981 MFA renewal agreement, he did so in good faith. Since that time, however, countries that signed the agreement have breached the contract. As a result, there has been a loss of over 500,000 jobs when dozens of textile and apparel plants in the United States have closed down.

The answer to the problem is for Congress to adopt H.R. 1562, the Textile and Apparel Act of 1985. This legislation would not violate any international agreement, but will fix 1985 import levels where they would have been if the multi-fiber arrangement had been propertly enforced since 1981.

Prospects are looking very favorable for ultimate passage of H.R. 1562. We currently have 287 cosponsors in the House and 53 cosponsors in the Senate. Passage of H.R. 1562 would encourage economic recovery in our textile industry and would create jobs for American workers, including many workers in my area of North Carolina.●

MADE IN SPACE SALE

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. RITTER. Mr. Speaker, from the beginning of the Space Program, NASA has had a special interest in the effects of weightlessness. Some of NASA's earliest studies were directed at propellant systems for rockets and structural welding in space. By the mid-1960's, however, the brief periods of weightlessness available in drop towers or on aircraft flights gave way to the longer microgravity experiments of the Apollo Program. Microgravity experiments were also conducted on sky lab and the Apollo-Soyuz project, jointly operated by the United States and the U.S.S.R. Most recently, microgravity research has taken place on the space shuttle.

The space shuttle opened a new era in microgravity science and applications. While opportunities for reflight and recovery of test samples were available before the shuttle, the shuttle permitted larger and more complex experiments than ever before. This combination of heavier payloads and repeated missions allows NASA to expand scientific and commercial research in space. For the 1980's and beyond, space-based microgravity research, especially materials processing will be one of the centerpieces of the U.S. Space Program.

Materials processing is one of the central elements of NASA's Micrograviity Program, and is, in short, the science of processing ordinary and comparatively low-valued raw materials into crystals, chemicals, metals, ceramics, and countless other manufactured products.

Materials processing enables us to build modern computers to process information and communications systems to transmit it; enables us to build turbines for aircraft and electric power plants; makes possible revolutionary advances in the production of chemical and biological compounds, such as insulin; and, not surprisingly, by producing high-strength alloys and heat-resistent cermatic tiles, makes the Space Program possible.

Just as materials processing on Earth made the leap into space a reality, the Space Program today offers unique opportunities for materials processing. The most important benefit of processing in space is extended weightlessness. On Earth, gravity causes materials of different densities and temperatures to separate and materials to deform under their own weight. In the microgravity of an orbiting spacecraft, however, scientists can use unique materials processing techniques, techniques that are all but impossible on Earth. The results can lead to a material or a processing approach of scientific or commercial value.

On July 17, 1985, NASA announced the first sales of a product manufactured in space, plastic beads so small that 18,000 of them could fit on the head of a pin. The polystryene beads are 10 micrometers or about one 2,500th of an inch, in diameter; perfect spheres that small are virtually impossible to make on Earth because of the interference of gravity. The spheres were made by a chemical process developed by Dr. John Vanderhoff and associates in my congressional district at Lehigh University in Bethlehem, Pa.

The billions of spheres produced in the absence of gravity aboard several space shuttle flights are being purchased by producers of finely ground powder products such as paint pigments, inks, toners, chemicals, flour, and cosmetics as well as by technologists who monitor environmental particulate pollution from industrial and chemical plants.

The spheres also will be used by medical researchers who calibrate instruments to count blood cells and measure their shape and to perform a wide variety of diagnostic measurements. Moreover, the product is available to manufacturers as a reference in producing and distributing secondary measurement standards.

A vial containing about 30 million of the microbeads sells for $384; the proceeds will be split between NASA, which produced them, and the National Bureau of Standards, which measured and packaged them. There are 600 vials available for sale, of which a good number has already been sold.

The first fruits of materials processing in space have been realized; as microgravity research continues to develop, the benefits will become increasingly apparent on Earth. Like space, the opportunities offered by microgravity science and applications are vast and are only beginning to be explored.●

THE HOME HEALTH CARE PRESERVATION ACT OF 1985

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. ROUKEMA. Mr. Speaker, today I am introducing the Home Health Care Preservation Act. This legislation would prohibit the Secretary of Health and Human Services from implementing any changes in reimbursement levels for home health care.

I offer this measure in direct response to the recent publication of regulations—July 5, 1985, Federal Register—by the Health Care Financing Administration [HCFA]. These regulations not only change the manner in which reimbursements are calculated, but also the amount of the reimbursement. These new regulations will strike a financial blow to that segment of our population least capable of absorbing it, our elderly.

The imposition of these new reimbursement methods comes at a time when the elderly who rely on home health agencies for care can least afford it. It seems likely that there will be a budget freeze for most Government programs, in a much-needed, overall effort to reduce our Federal deficit. A freeze, coupled with the change in reimbursement rates, will increase the out-of-pocket costs for our sick elderly while also discouraging home health care, which is proven to be far more cost effective and humane than long-term hospital or nursing home care.

As the General Accounting Office [GAO] noted in a report issued earlier this year, the implementation of Diagnostic Related Groups [DRG's] for hospital stays has resulted in the releasing of patients in a shorter period of time, and in physical conditions which demand continuing out-of-hospital care. Patients in need of longer and more technologically advanced treatment are being released to home health agencies as a result of these shorter hospital stays. The consequence of the DRG system is increased demand on the home health care system, and therefore, higher costs to the patient.

HCFA's new regulations demand that health care agencies take on a greater number of ill people with increased medical needs, while receiving a severly reduced level of reimbursement. The effect is to ration health care and cause serious deterioration in the quality of that care.

If home health care services are reduced, the only alternative for our sick elderly will be nursing home care. This option is not always the most appropriate or desirable and certainly not the most cost-effective method of treatment.

The cost for nursing home care is borne alternatively by society or the families of the elderly involved. A survey conducted by the Harvard Medical School's Massachusetts Health Care Panel found about half of all single people, 75 years or older, face poverty after 13 weeks in a nursing home. Those results are striking and point to a time when health care will become available only to the rich. Clearly, we must create a public policy to ensure long-term care for all our elderly.

Just as clearly, it is imperative that we delay the implementation of these onerous regulations. During consideration of the Orphan Drug Act—Public Law 97-415—the Congress commissioned a report from Brandeis University concerning alternatives to reimbursements for home health care. To date, only a preliminary report has been forthcoming. It indicates that the increases in home care are due to normal market factors and not, as HCFA contends, to inefficiency or over utilization of the program.

In addition, HHS has awarded ABP Associates of Cambridge, MA. a 5-year grant to set up a demonstration program to investigate alternative reimbursement methodologies. The grant proposal was due to Congress on January 1, 1985, and was to start in May of this year. No further action on this project has been taken, as it is under review by the Office of Management and Budget.

I implore OMB to undertake this study. Congress needs the time to analyze the results of these studies. The Home Health Care preservation Act would give Congress that time, and the opportunity to develop a method of method of reimbursement which is cost effective, fosters adequate quality health care. and equally important, humane to our nation's elderly.●

APPLAUD THE PRESIDENT'S PROPOSAL

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LAGOMARSINO. Mr. Speaker, in the last 48 hours, the President has made a very significant and meaningful arms control proposal to the Soviet Union, which has thus far gone unanswered. Members of this body should applaud the President's proposal as well as his willingness to go the extra mile in offering his far-reaching and praiseworthy offer.

His proposal is in fact an offer to the Soviet Union to send a team of experts here to the United States to monitor a nuclear explosive test at our Nevada test site. The proposal is important for a number of reasons. As Members of this body know, some have called for the resumption of negotiations between the United States and the U.S.S.R. for the purpose of achieving a comprehensive nuclear explosive test ban. One of the key problems with a comprehensive nuclear test ban is that it is unverifiable, given present monitoring technologies and equipment. We are unable to monitor with sufficient accuracy the size of the Soviet nuclear tests, both to insure their compliance with existing arms control agreements and to prevent a Soviet technological breakthrough of one type or another. At low yields, it becomes virtually impossible for our external monitoring equipment to detect underground nuclear explosions, or pick them out from what might be slight tremors or earthquakes. And Members know that the Soviets have thus far refused to allow onsite inspection at their nuclear test facilities.

During House Foreign Affairs Committee hearings on legislation calling upon the President to immediately resume negotiations for the purpose of achieving a comprehensive test ban, we heard from Dr. Don Kerr, the director of Los Alamos National Laboratory, that in at least one instance we discovered a Soviet underground test through human intelligence only—that is, our state-of-the-art monitoring equipment failed to even pick up the signal of a test which had taken place. And, contrary to some claims, such low-level tests can be militarily significant and can impact upon the reliability and effectiveness of the nuclear stockpile.

It would be unwise for the United States, in our passion for arms control, to agree to a test ban if we cannot insure through verification that the other party is living up to the terms of the agreement. It is unfortunate but true that the Soviets have seen it in their interest to violate the terms of test ban treaties. Based upon a thorough evaluation of all available data, the U.S. Government has determined that the Soviet Union has repeatedly violated the Limited Test Ban Treaty and has likely violated the Threshold Test Ban Treaty. Such a poor track record of compliance should not be merely cast aside in an attempt to get arms control for arms control sake. The Soviets' noncompliant behavior must be taken into account prior to the resumption of negotiations.

Mr. Speaker, the President has made a serious offer to the Soviets. Some would perhaps even criticize him for asking for nothing in return—he did not ask that U.S. monitoring teams be allowed to travel to the Soviet test site to monitor Soviet nuclear explosive tests. But the fact is that this President has gone the extra mile in an effort to create a favorable climate for bilateral U.S.-U.S.S.R. arms control. We should applaud his courage and put the onus for fair, equitable, verifiable and mutual arms control where belongs: with the Soviet Union.●

H.J. RES. 106

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, I commend my colleague, Representative Robert A. Borski, for introducing House Joint Resolution 106, designating August 1985 as Polish-American Heritage Month, and I am pleased that this important legislation has since become law.

Since the earliest days of our country, Poles and Polish Americans have played an important part in forging our great Nation. Poles numbered among the first American settlers at Jamestown in 1608. Count Casimir Pulaski, Thaddeus Kosciuszko, and Hyman Soloman were leading figures in the Revolutionary War. Brig. General Col. Joseph Karg figured prominently among the 6,000 Poles who served during the Civil War on both sides.

Between 1870 and the close of World War II, 2.5 million Poles arrived in America. Most joined strong Polish-American communities in the Northeast and upper Midwest, keeping alive their vibrant cultural and religious traditions. Today the Polish-American community is over 8 million strong, and continues to make a very special contribution to our nation.

Tragically, the vitality and love of freedom that is so much a part of the Polish tradition remains unfulfilled in Poland, which continues to suffer under the totalitarian rule of the Soviet Union. Nevertheless, recent events there, particularly the widespread May Day demonstration against the military regime, are signs that the solidarity movement is still alive and well in the hearts and minds of the Polish people. The January 1985 conviction of four secret police agents for the ruthless murder of Father Jerzy Popieluszko was a positive sign to those who pray for the restoration of human rights, freedom, and true independence in Poland.

These glimmers of hope are a tribute to the indominable Polish spirit and to the hard work of the Polish-American community, which has led the international effort to support the Polish people in their struggle.

Mr. Speaker, in celebrating the Polish-American Heritage, we will celebrate the pursuit of freedom and human dignity throughout the world, and we honor the very special contribution that Polish Americans have made to our Nation.●

OLYMPICS OF THE MIND

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. APPLEGATE. Mr. Speaker, I would like to bring to the attention of my colleagues the recent achievements of several junior high and high school students from St. Clairsville, OH. The students competed in the Olympics of the Mind and received many honors.

Competition was held in three divisions—elementary, junior high, and senior high school. Through regional and State competitions, the starting 20,000 Olympics of the Mind teams were eliminated down to 486 teams. At the world competition, a top team was picked in each of 13 divisions. Three St. Clairsville teams were among the 13 winners from Ohio who went on to world competition. They were a junior high team called the Hi Tech Smarty Pants which took 13th place in division II, another junior high team called the Ecology Dozers which took 9th place in division II, and the senior high team called the High School High Tech Smarty Pants finished in first place in division III. Members of the first place, gold medalists included David Banfield, team captain, Matt Weaver, Jennifer Bayat, Shu Tung, Reza Sutandi, and Tom Wisvari. The coaches for the team were Marshall Piccin, Paul Wolodkin, Dennis Johnson, and Debbie and Glen Stemen.

Olympics of the Mind is a program which promotes creative problem solving by children from kindergarten through senior high school. Begun in 1978, Olympics of the Mind has grown rapidly from a local New Jersey event to one of international scope.

Teams consisted of seven members. There were five different problems in this year's world finals. The team members from St. Clairsville's high school chose to build the robot Smarty Pants project.

The students had to build Sam, the robot, themselves and they could spend no more than $75 for the construction. They had to include lights that worked, remote control movements of the body and arms, and a voice box. The rules also stated that no team member was to touch the robot during its performance.

This year's world finals was held on June 6, 1985, and was held at the University of Maryland. The competition required the students to design a 10 minute skit with the robot. The assignment called for Sam to take the place of an ill student at school for a day.

The students' world presentation was graded in three categories: the 10-minute presentation of Sam's skit, their style, and dress as a team, and a spontaneous question-and-answer period with the judges.

This year, more than 4,500 students competed at the world finals—representing 486 teams from 41 States and 2 Canadian Provinces.

Again, I am proud to inform you that 13 teams from Ohio qualified for the world championships, and one, in particular, from my district, brought home gold medals. These gifted students from St. Clairsville are truly remarkable. Their knowledge and skill will be seen in their future endeavors, which will most assuredly be successful.●

DIVEST FROM SOUTH AFRICA

HON. GUS SAVAGE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. SAVAGE. Mr. Speaker, I once again wish to use this forum to protest the brutality of the white minority in South Africa and the immoral support thereof by this country under the name of constructive engagement.

On June 5, 1985, I spoke out on this floor calling for total divestment from South Africa. I pointed out at that time, that the issue in South Africa is even more pernicious than racism. The issue is fascism with its most sophisticated capacity for barbaric oppression of a substantial part of its own population.

South Africa's barbarism has long been on display. Its intensification over the recent period has been so atrocious that the government has now banned outdoor funerals for those who die of unnatural deaths—or in other words, those murdered by the South African Fascists.

The question for us must be what can we do to stop this brutality, to fight this fascism. At a minimum, we must prohibit any and all U.S. dollars from supporting the South African economy, for any support of a Fascist economy strengthens that brutal regime.

Mr. Speaker, I support the sanctions the conference has agreed to place on the South African Government. They go further than this country has yet gone, though still, not far enough. I urge my colleagues on both sides of the aisle to pressure the administration to abandon constructive engagement and to join the international movement against fascism, oppression, violence, and degradation practiced by the South African Government. Yet, as my colleague from Maryland stated, leadership on this issue will not come from the Reagan administration, it is up to us in the Congress. Let us be sure that we do not compromise with fascism. Let us not defy the memory of those who died fighting fascism during World War II nor contribute to the murder of its modern-day victims.●

HERITAGE DAY

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GALLO. Mr. Speaker, the importance of tradition cannot be overstated. Annual events across the country, whether they be county fairs or musical gatherings, bring people together with a feeling of community pride.

Morris County, NJ, has been transformed during the past two decades from a grouping of rural communities to a growing suburban center of diversity and change.

The importance of events that bring people together in a spirit of community is even greater in areas which experience such levels of growth.

On September 7, Morris County Heritage Day will bring together the people of our area to celebrate our sense of community by emphasizing our diverse cultural heritages. By sharing our individual traditions, we can build a common tradition for the future.

Heritage Day began in 1977 as an annual celebration within the Morristown community. after several years of waining support, the event was reborn last year with a broader mission—to involve the county as a whole in the common sharing of individual cultural traditions.

We are a Nation of immigrants, who brought their unique traditions and cultural heritage with them to our shores. This process is ever continuing as people from all over the world choose to become Americans and raise their children in the American tradition.

An important part of that American tradition is the passing, from one generation to the next, of traditions brought to this county from the native lands of these new Americans.

Our traditional music, our tastes in food, our celebration of special holidays, and our appreciation of cultural diversity all stem from our own backgrounds as the descendants of immigrants who came before us to settle in America.

We are carrying on this tradition today through events such as Heritage Day, which bring together the people of Morris County to share our common heritage and to enrich that heritage by adding new traditions brought to us from other nations in the Americas, as well as from nations around the world.

This Heritage Day celebration deserves the support and active participation of all people in Morris County. By celebrating our uniqueness, we find our common heritage. ●

TRIBUTE TO JOE WROBLEWSKI

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. McDADE. Mr. Speaker, I would like to take this opportunity to honor a man from my district who has dedicated his life to serve his community and country.

Joe Wroblewski of Forty Fort, PA, has been elected as the president of Lions International. Joe will lead 1.5 million Lions in 159 countries and geographic areas. With Joe as their dedicated leader, the Lions will raise thousands of dollars to fund research for diabetes, eye and hearing disorders. They will educate the public on drug and alcohol awareness plus build parks, swimming pools and send kids to camp.

The community and humanitarian service that Lions provide to their home towns is embodied in Lion Joe.

For the past three decades Lion Joe has inspired the members of the Ashley Lions Club. He has been honored for his service by receiving nine President's Awards, an Extension Award, an Advancement Key Award and the highest honor that can be bestowed upon a Lion, the Ambassador of Goodwill Award.

While serving his community through the Lions, he was active in the Heart Association and the Catholic Youth Center. Lion Joe's list of achievements and activities could go on and on.

I am sure Joe would agree with me that his beautiful family is the foundation upon which he has built his life. His lively wife, Normajean, is his partner in life. His four children; Lisa, Joseph (Genevieve), Eric, and Marla (Bryan), and one granddaughter, Gennie are a source of constant pleasure to Joe and Normajean.

It is fitting that Joe has been selected as the Lions International President because he is a "king of the forest."●

THE HOME HEALTH CARE PRESERVATION ACT OF 1985

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. ROYBAL. Mr. Speaker, on July 9, 1985, just 4 days after the Department of Health and Human Services announced its new cost limits for home health care, the House Select Committee on Aging held a hearing on the impact of this and other cost containment measures on the elderly's access to long-term-care services. Through the testimony of witnesses and through two surveys conducted at my request for the hearing, we learned how recent regulations issued and proposed under Medicare and Medicaid are putting aged Americans in a tragic catch-22 situation.

On the one hand, the elderly are being discharged sooner and sicker from our hospitals due to pressures to limit length of stays under DRG's. Is the health care community being buttressed to absorb the greater need the elderly now have for inhome and nursing home care? No. Instead, what few public programs cover long-term care are being put to the cost containment test without adequate information on how beneficiaries will be affected.

The newly issued cost limits for home health care are a clear example of the priority this administration gives to savings—at any cost. In this instance, the cost is borne once again by the elderly who will find it harder and harder to get the home care they need and are fully entitled to.

I fully support measures that promote fiscal responsibility, but not when people are hurt. It is in this spirit that I endorse the Medicare Home Health Protection Act of 1985, introduced by Representative Roukema to prohibit the Secretary of Health and Human Services from changing reimbursement levels for methodologies for Medicare home health services. It was also in this spirit that I, together with Representative Rinaldo, and Senators Heinz and Glenn, took action to forestall the administration's efforts to revoke the waiver of liability for Medicare providers. And, it is in this spirit that I will continue a detailed study of several regulations and internal procedures being instituted by the administration that serve to limit the elderly's access to essential long-term care services.●

GILMAN URGES PASSAGE OF ENDANGERED SPECIES ACT AUTHORIZATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 1027, the Endangered Species Act authorization for fiscal years 1986, 1987, and 1988, which is designed to authorize programs that protect various plant and animal species from extinction. I commend the distinguished gentleman from Louisiana [Mr. Breaux] for introducing this important piece of legislation.

H.R. 1027 authorizes a total of $139.4 million over a 3-year period, which represents a freeze at fiscal year 1985 levels for fiscal year 1986, with increases for fiscal year 1987 and fiscal year 1988. The funding levels authorized will enable the U.S. Departments of Interior, Commerce, and Agriculture to carry out various preservation and protection activities. Interior is responsible for land species through its Fish and Wildlife Service, Commerce is responsible for marine species through its National Marine Fisheries Service, and Agriculture is responsible for plants.

The Endangered Species Act [ESA] of 1973 was enacted to establish a strategy for protecting endangered species of fish, wildlife, and plants. A central part of the protection strategy is the listing of endangered or threatened species and their designated habitats. A final decision on listing a certain species as endangered is based on the best scientific and commercial data available regarding the status of the species.

H.R. 1027 requires Interior to implement a system to effectively monitor the status of species that are candidates for listing and authorizes Interior to use existing emergency listing authority whenever necessary to prevent significant risk to the well-being of any such species.

In addition, the measure also authorizes an experimental relocation plan for California sea otters, a species which has been listed as threatened since 1977. H.R. 1027 directs Interior to develop a plan for relocation and management of an experimental population of California sea otters. The bill stipulates that the plan include the age, number, and sex of the sea otters proposed to be relocated, the proposed relocation site, and the manner in which the sea otters will be captured, relocated, released, monitored, and protected. Interior is authorizing this measure to use all feasible, nonlethal means to capture any sea otter that travels outside of its protected area.

The relocation plan specified in H.R. 1027 could prove to be extremely helpful in removing the sea otter from the list of threatened species. If this plan is successful, it might also be used as a model plan to restore other threatened species to a safer level.

The authorization levels specified for fiscal years 1986–88 will ensure that the Departments of Interior, Commerce, and Agriculture will be able to continue to administer the valuable preservation activities assigned them under the ESA, and thus will ensure the continued existence of many of our Nation's dwindling plant and animal species. Accordingly, I urge my colleagues to join me in passage of this important measure.●

THE 27TH AMENDMENT

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. STENHOLM. Mr. Speaker, I rise today in support of the balanced budget/tax limitation amendment and urge this House to take the lead in making House Joint Resolution 27 the 27th amendment to the Constitution.

I couldn't say that 6 years ago. When I first came to Congress, I did not support such an amendment. There was no substitute for political courage, I felt. The Founding Fathers, in their wisdom, had bequeathed to us a flexible, living Constitution, that we should not clutter up with specific economic theory. There were other ways, through the budget process and by statute, to reduce the deficit and balance the budget.

But Mr. Speaker, 6 years in this House and $1 trillion in new Federal debt have been a sobering experience. Statutory approaches don't work—we have not achieved the balanced budgets literally required under current statutes. Some of us have cast those unpopular budget-cutting votes and survived to tell about it but, the truth is, institutional pressures from within the Government and political pressures from without, to protect this group or save that program, continue to prove overwhelming.

The Founding Fathers never anticipated the kinds of deficits we are running today. If they had, a balanced budget amendment would have been in the Constitution 198 years ago. Thomas Jefferson wrote in his later years that if "it were possible to obtain a single amendment to our Constitution," he wanted "an additional article taking from the Federal Government the power of borrowing."

Finally, requiring a balanced budget is no more theoretical, and no more rigid, than many of the limitations on our Government already in the Constitution. But it is fast becoming central to the issue of the very survival of our national economy.●

ENVIRONMENTAL AND ENERGY STUDY CONFERENCE ANNOUNCES TASK FORCE ON TOXIC EMERGENCIES

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GREEN. Mr. Speaker, the number of incidents exposing our citizens and our environment to hazardous materials climbs every year. Because hazardous substances play a role in every part of our daily life—from the fuel that drives us to work, to the chemicals that produce synthetic fibers for our clothing, to the pesticides used in farming—we are surrounded by substances that, if accidentially released into our air or water, could wreak havoc as devastating as that at Bhopal, India, last December.

For this reason, the Environmental and Energy Study Conference is organizing a task force on toxic emergencies. As cochairman of the study conference, I am proud to announce this effort to work with local communities to assess their capabilities to deal with accidents involving potentially deadly materials.

The members of the task force on toxic emergencies will work with local officials and industry representatives to assess emergency response procedures. The task force will also examine the risks posed by local manufacturing and storage facilities and by the transport of hazardous materials. The study will also review, for the benefit of the local communities involved, Federal emergency assistance programs, State programs and regulations, and private industry efforts to promote planning and training.

Most accidents are dealt with by local firefighters and police. The decisions they make in the first few minutes can often make the difference between life and death, between a quickly contained incident and severe environmental contamination. These incidents can be as difficult to control as they are dangerous. For their own safety, and for the safety of the communities they protect, it is critical that "first responders" have the information, training, and equipment they need in those first few minutes.

We had a graphic example of the need for preparedness, planning, and training just this weekend in Washington, DC. Firefighters responding to an electrical blaze at the Washington Hilton Hotel waited 2 hours before entering the room and extinguishing the fire because of fears that the burning transformers contained highly toxic PCB's. As this incident shows, the time to assess the hazards around us

and train personnel in correct response procedures is before an accident occurs.

My cochairman, Senator Slade Gorton, and I have asked the study conference's co-vice-chairmen, Representative Bob Wise and Senator Albert Gore, Jr., to head the task force. Their experience both at home and in Washington with this issue makes them particularly well qualified to head this effort.

The task force itself is a bipartisan group representing every region of the country:

Congressman Thomas R. Carper (Democrat of Delaware).

Congressman Don Edwards (Democrat of California).

Congressman Dante B. Fascell (Democrat of Florida).

Senator Albert Gore, Jr. (Democrat of Tennessee).

Congressman John J. LaFalce (Democrat of New York).

Congressman Mel Levine (Democrat of California).

Congressman Bob Livingston (Republican of Louisiana).

Congressman Lynn Martin (Republican of Illinois).

Congressman George Miller (Democrat of California).

Congressman John R. Miller (Republican of Washington).

Congressman Bruce A. Morrison (Democrat of Connecticut).

Senator Claiborne Pell (Democrat of Rhode Island).

Congressman Don Ritter (Republican of Pennsylvania).

Congressman Jim Saxton (Republican of New Jersey).

Congressman Peter J. Visclosky (Democrat of Indiana).

Congressman Barbara F. Vucanovich (Republican of Nevada).

Congressman Bob Wise (Democrat of West Virginia).

I am proud that the study conference has initiated this effort and I look forward to sharing our findings with our colleagues.●

PUBLIC SERVANT RETIRES

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MOORHEAD. Mr. Speaker, I would like to take this opportunity to call to the attention of my colleagues in the House of Representatives the retirement of a dedicated and effective public servant, Chief Charles David Mitchell of the City of Arcadia Police Department.

Chief Mitchell was born in Cambridge, OH and served in the U.S. Marine Corps as an assault section leader in the Korean conflict and later as a member of the Cambridge Police Department and the Ohio State Police before joining the Arcadia Police Department in September 1964 as a patrol officer. He later served as a motorcycle officer and within a few short years was promoted to police sergeant. He moved on to serve his community as a crime prevention officer working out of the police chief's office. In that position, he made his presence felt immediately through his involvement in programs such as community relations, policemen on campus and crime prevention activities and training.

Within a few years he was appointed top law enforcement officer in the City of Arcadia. During his 21 years with the Arcadia Police Force, Chief Mitchell helped mold a police department that is a source of pride to the community and the people who serve in his department. He utilized police patrol wagons to transport prisoners and his undercover narcotics operations. Also among his innovations was the establishment of the canine program which was the first of its type to utilize multiple handlers for the police dogs.

The residents of Arcadia and the wider community will miss Charles Mitchell's leadership in the maintaining of safety and welfare for themselves and their families. His concern for the community is further evidenced by his desire to continue to provide services to the city on a consultant basis after his retirement. His many innovations and accomplishments will benefit the residents of Arcadia for years to come.

Mr. Speaker, on behalf of myself and the residents of the 22nd Congressional District, I would like to express deep appreciation for the fine service Charles Mitchell has given to the community and our very best wishes on his retirement.●

FARMER OF THE YEAR IN TENNESSEE

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GORDON. Mr. Speaker, it is my pleasure to take this opportunity to honor Mr. Edward Harlan, 29, who was recently named "Farmer of the Year in Tennessee." His life is testimony to the fact that he is not only a credit to his family, but to the Nation as well. His life story embodies that of a true American success story.

At age 19, Edward Harlan's father died of cancer leaving him the family farm near Columbia, TN. The farm stretched for more than 700 acres and had a debt mounting to thousands of dollars. Through persistence and hard work, Ed kept the family of four children together, and turned the family farm into a business success. When Ed took over the farm, it was burdened with inheritance fees and mortgage payments. During the 1970's he was able to work off the debts by increasing soybean, dairy, and grain operations and eliminating less profitable products such as sheep, swine, and horses. While working long days that often lasted hours after dusk, Ed produced 30,000 pounds of tobacco, milked 80 cows daily, and at the same time, earned a science degree from Columbia State Community College. During this time he also had to adjust quickly to new methods of farming technology—the use of computers, new feeding techniques, double-cropping, aerial herbicide, seed application, telemarketing, embryo transfer, and other new discoveries concerning genetics. Ed's continued positive outlook, his respect for tradition, and his stubbornness in knowing that he would make a success of the farm regardless of what trials befell, were factors that have determined his success.

It is through people such as Edward Harlan that we find the American spirit still alive, and it is through people such as him, that we find the qualities of the ideal American farmer.●

CONGRESSIONAL CALL TO CONSCIENCE FOR SOVIET JEWS

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BEILENSON. Mr. Speaker, I would like to thank my colleagues who have organized the 1985 Congressional Call to Conscience for Soviet Jews, and to take a few moments to draw your attention to the plight of Boris and Elena Klotz and their two children.

Boris graduated from Moscow State University and works as a mathematician. Elena graduated from the Moscow Pedagogical Institute where she studied French and German; she is currently working at the Jewish kindergarten which her son, Mathew, attends. In December 1980, the Klotzes' were first refused visas on the grounds of the alleged secrecy of Elena's job, and since that time Boris has been demoted to a lesser job.

By granting the Klotz family permission to emigrate, the Soviet Union not only would indicate to the world its respect for the principles outlined in the Helsinki accords, but also would affirm its desire to improve the strained relations between the United States and the U.S.S.R. Such action would be particularly significant coming at this time as we mark the 10th anniversary of the Helsinki Final Act.

I fervently hope that Secretary Gorbachev will seek to reverse the continuing decline in Soviet Jewish emigration over the past several years, and that the Klotzes will be among those who are finally allowed to join their families in Israel.●

CONGRESSMAN WILLIAM M. THOMAS SALUTES THE ANTELOPE VALLEY DOMESTIC VIOLENCE COUNCIL AND THE VALLEY OASIS SHELTER

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. THOMAS of California. Mr. Speaker, it is my privilege to call the attention of my colleagues to the Antelope Valley Domestic Violence Council; the Valley Oasis Shelter and its director, Jan Rochelle; and the citizens of Antelope Valley.

In 1980, the citizens of Antelope Valley saw a need in Antelope Valley to combat the high incidence of domestic violence that was found to occur in the area and formed the Antelope Valley Domestic Violence Council. Soon afterward, this council opened the Valley Oasis Shelter which, in 1985, will provide care, shelter, and counseling to over 400 women and their children.

This shelter is equipped with facilities to handle over 30 women and their children at one time. It provides food, clothing, housing, job training, and most importantly, counseling for the victim, the abuser, and their children. The Valley Oasis Shelter is working not only to rescue the victim from her environment, but to halt the cycle of abuse that may affect any children of the marriage.

The Antelope Valley Domestic Violence Council was begun by dedicated Antelope Valley citizens. Churches, businesses, schools, and service clubs joined together in a unique effort to provide this invaluable community service. This volunteer effort has continued since its inception, with over 50 community volunteers assisting the 6 regular staff members in running the shelter. In addition, the shelter receives over 80 percent of their funds from the Antelope Valley community.

The Antelope Valley Domestic Violence Council and the Valley Oasis Shelter are an excellent example of community resources joining together to solve a community problem. Rather than rely on the Federal Government to confront this social issue, Antelope Valley citizens have organized to produce this self-sustaining, effective answer to domestic violence. As Jan Rochelle, director of the Valley Oasis Shelter has said, "We are seeing positive change, and we're doing it with the help of every member of this community."

For its continuing efforts to reach victims of domestic violence and its inspiring community support, I believe the Antelope Valley Domestic Violence Council, the Valley Oasis Shelter and Director Jan Rochelle deserve the highest praise from this body.●

TRIBUTE TO LOUIE AND HILDA MARTIN

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. COELHO. Mr. Speaker, earlier this year, Mrs. Hilda Martin was named one of the Citizens of the Year by the Laton Chamber of Commerce in California.

Louie and Hilda Martin have lived in Laton for the past 40 years. During this time, Mrs. Martin has been very active in a wide variety of civic and community service organizations. She is a past president of the Laguna Mother's Club, the Laton High Home and School Club, the Laton Mother's Club, the U.P.P.E.C. Lodge in Riverdale and the I.D.E.S. Lodge in Hardwick. She was secretary of the fire commissioners for 10 years, and a C.D.C. instructor for 20 years. Mrs. Martin has been a member of the Kings County Dairywomen, the California Native Daughters of the Golden West, the Hanford Sacred Heart Auxiliary, the Fresno Cabrillo Club, and the Holy Family Guild. She is presently active in the Our Lady of Fatima Altar Society, the Our Lady of Fatima Choir, the Laton Lionesses, and the Laton Chamber of Commerce.

Civic involvement and community service is a tradition in the Martin household—Louie Martin was named Laton's Citizen of the Year in 1975 in recognition of his similar commitment to the community. On behalf of the people of Laton, I would like to thank both Louie and Hilda Martin for their long record of service and dedication to the Laton community, and I congratulate Mrs. Martin upon being named the city's Citizen of the Year.●

GOOD SAMARITANS MARVIN VERSCHURE AND BENJAMIN PAONI CITED FOR THEIR HEROISM

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WORTLEY. Mr. Speaker, each new day brings something new, frequently the unexpected, sometimes opportunities to help another human being.

Last month, Monday, July 15, was a day three of my constituents will long remember.

In morning traffic, William Schultz of Lysander, NY, his seat belt fastened, was driving east on U.S. Route 690 in his sturdy 1974 Volvo near the Jones Road exit when he braked to a stop in a construction area. Driving a large Buick behind Schultz was Marvin VerSchure of Baldwinsville, NY. As VerSchure approached a rise in the highway, he was unable to see the halted line of cars ahead. He slammed into the rear end of Schultz's Volvo, causing the Volvo to collide with the car in front of it.

Schultz's car burst into flames. Fire spread to VerSchure's car but he was able to escape and go to the aid of Schultz whose shirt and beard were afire.

A worker on the construction site, Benjamin Paoni of Canastota, NY, and VerSchure pulled Schultz, a big man who is six feet four and weighs 250 pounds and then in shock, from his burning car. The rescuers dragged Schultz away to safety from the burning wrecks, smothered the flames burning his clothing and beard and placed him on an embankment to await the arrival of medics.

Schultz sustained burns and a whiplash. The seatbelt probably saved him from suffering more serious injuries. He was treated in a hospital emergency room and released, and is recovering from his injuries.

He has no memory of his rescue and events immediately following his accident. But he will always remember the good samaritans who saved his life.

Mr. Speaker, on Saturday, August 17, during the forthcoming recess, I will have the privilege of participating in a ceremony to honor the two heroes, Marvin VerSchure and Benjamin Paoni. The ceremony is being sponsored by the Vietnam Veterans of America, Central New York Chapter 103, of which William Schultz is a member.

With pride, I commend the deeds of these brave constituents of mine to the attention of our colleagues in the Congress of the United States.●

CONFERENCE REQUESTED

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MOLLOHAN. Mr. Speaker, I don't believe we should be leaving this Chamber for the August break without resolving an important issue.

As you know, the House and Senate have passed legislation enabling homeowners and small businessmen to use seller financing in the sale of their property.

However, there has been no conference on this matter and therefore, as

of July 1, 1985, the IRS started licking their chops.

They see these transactions going on as we speak and without any law to protect the seller—the IRS may begin to penalize these sellers.

It is our job to provide certainty in the marketplace and nothing is happening.

The needs of our constitutents make it imperative that we move quickly to a conference so that we can go home and tell our constituents the IRS has been held at bay.●

THE LEGAL FEES EQUITY ACT

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. KINDNESS. Mr. Speaker, today I have introduced a bill, to be known as the Legal Fees Equity Act, which I believe will help to correct some of the inequities that have arisen in the attorney compensation schemes created by Congress in more than 100 Federal statutes.

Although the bill as it is presently written may not be perfect and will most certainly be revised in some degree, it is a solid starting point that will provide Members with a vehicle with which to address the changes that are needed.

I look forward to working closely with my colleagues from both sides of the aisle on the Committee on the Judiciary as we address this most necessary area of reform and invite cosponsorship by all of our colleagues who believe that the Congress must bring order out of chaos in the matter of "fee shifting" provisions in our laws.●

HOUSE JOINT RESOLUTION 3

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BEDELL. Mr. Speaker, on January 3, Jim Leach and I reintroduced House Joint Resolution 3, a measure to prevent nuclear explosive testing. Since that time, House Joint Resolution 3 has gained the solid, bipartisan support of 196 of our colleagues.

Extensive hearings have been held on the merits of our proposal and I am pleased that the House Foreign Affairs Committee has reported House Joint Resolution 3 unamended for further consideration by the House when we return from the August recess. The committee filed its report on this measure on July 24 (Rept. 99-221) and I commend it to my colleagues' attention.

Because House rules preclude the addition of cosponsors after a committee has filed a report on pending legislation, I am, today, extending my remarks to add the cosponsorship of two other Members of the House who would like to associate their names with House Joint Resolution 3 and urge its passage. They are the Honorable Silvio Conte of Massachusetts and the Honorable Don Fuqua of Florida. Their support in this effort is deeply appreciated and raises the total number of cosponsors of House Joint Resolution 3 to 200.

Clearly, in light of recent events between the superpowers with respect to the issue of nuclear testing and in light of the 40th anniversary of the atomic bombing of Hiroshima and Nagasaki, I can think of no better action the Congress could take toward enhancing the prospects of ending the nuclear arms race than passage of House Joint Resolution 3.●

SUPPORT THE ITC FOOTWEAR DECISION

HON. WILLIAM W. COBEY, JR.

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. COBEY. Mr. Speaker, I rise in the hope of persuading my colleagues to support the International Trade Commission's recommendations on manufactured footwear goods. We must ensure that our domestic footwear industry is protected from further damage.

Our footwear industry has been devastated by the influx of imports: 105 factories closed in 1984; 13,300 jobs were lost; and 1984 production dropped 13.3 percent. In June, 77.7 million pairs of shoes entered the United States, compared to 57.8 million pairs in June 1984. Footwear imports now control over 75 percent of our domestic footwear market.

If the President upholds the ITC recommendations, our domestic footwear industry plans to embark on a massive 5-year modernization effort to become more competitive and productive. During the 5-year period, the U.S. footwear industry will adopt the technology that will lower its costs. This will make U.S.-made shoes price competitive with imports, which now have a price advantage because of lower wages overseas.

If the President fails to act, the results could be disastrous. In my district there is a good chance that additional footwear jobs will be lost at the Walker Shoe Co.'s Asheboro, NC, plant. The same result could occur at other footwear plants around the country.

The ITC recommendations were forwarded to the President on July 1. By law the President has 60 days to accept, modify, or reject the recommendations.

I urge my colleagues to express their support for the ITC ruling by contacting President Reagan. We must ensure that the President is aware of our strong resolve to prevent further footwear plant closings and job losses.●

NEW LEGISLATION

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. VUCANOVICH. Mr. Speaker, today I am privileged to introduce legislation to withdraw some 1,900 acres of public land located in Hungry Valley, NV, for use by the Reno-Sparks Tribal Colony.

The Reno-Sparks Indian Colony was established in 1917 through the purchase of a 20-acre tract of land by the Federal Government, for the amount of $6,000. This purchase was a direct result of the abolishment of certain treaties by the Congress in 1871, and the subsequent need to address various nonreservation Indian groups who had not been accommodated by the treaty allotment system.

The Reno-Sparks Tribal Colony's population has grown by more than 400 percent since that time, and for the past 15 years the colony has been working diligently to expand its land base for housing and economic development. Today's legislation is a balanced and well-planned culmination of these efforts.

Despite some initial misunderstandings about the colony's development intentions, this proposed withdrawal now has virtually unanimous support at the local level. Most importantly, enactment of this bill will trigger a contractual agreement between the colony and Washoe County, dated June 26, 1984, which provides for transfer to the county of 160 acres of colony lands located in nearby Lemmon Valley.

Finally, this bill provides for the cancellation of grazing privileges on only the 640 acres which the colony intends to develop for housing. It is my intention to cause as little disturbance as possible to the present grazing activities in Hungry Valley. I believe that this bill's grazing provisions will accomplish that goal.

I look forward to working with my colleagues toward this bill's swift enactment, and I ask unanimous consent that a copy of the bill, together with this statement, appear in the Record at this point.●

FLORIO BILL WOULD HONOR KOREAN WAR VETERANS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Ms. MIKULSKI. Mr. Speaker, I would like to draw the attention of my colleagues to a recent news article which appeared in the Baltimore Sun newspaper. The article concerns a topic of great interest to the 1 million Americans who served in Korea during the Korean war.

My distinguished colleague from New Jersey, JIM FLORIO, is the principal sponsor of legislation which would establish a suitable memorial to the memory of those served in that brief yet brutal war. It is hard to believe that today, 35 years after the end of that war, there is no national memorial dedicated to those who fought and died in Korea.

Mr. Speaker, I am proud to be a cosponsor of H.R. 2205, the Korean War Memorial Act. I am glad to see the importance which my colleagues have attached this bill by guaranteeing its quick passage.

The article follows:

VETERANS SEEK MEMORIAL FOR KOREAN WAR COLLEAGUES

(By Ernest B. Furgurson)

WASHINGTON.—A House task force heard bipartisan, often emotional support yesterday for construction of a federally funded Korean Was memorial in the capital.

Senator John H. Glenn (D. Ohio), a Marine fighter pilot in World War II and Korea, was momentarily overcome and had to interrupt his testimony while telling of a friend who tried to carry on his combat job after being shot through the throat. He said, "We are not here to honor ourselves, but out of very profound respect for their sacrifices."

Witness after witness recalled yesterday that 54,000 Americans lost their lives in the Korean War, which began 35 years ago last month and ended 32 years ago this month. Yet it lasted less than a third as long as the Vietnam War.

Each witness also echoed one congressman's opinion that it was an "outrage" that the Korean conflict was the only American war not memorialized here.

Other legislators and representatives of veterans' organizations were unanimous in backing the proposal sponsored by Representatives James Florio (D. N.J.) and H. V. (Sonny) Montgomery (D. Miss.), chairman of the House Veterans Affairs Committee.

The sponsors accepted an amendment to make their measure match another, put in by Representative Stan Parris (R. Va.), and authorize the American Battle Monuments Commission to oversee design and construction of a memorial. About half the House already has signed on to co-sponsor one or the other of the bills.

The proposal would make available up to $5 million for a memorial. But the commission also can accept tax-deductible private, corporate or foundation contributions to offset the cost to taxpayers.

Representative Mary Rose Oakar (D. Ohio), chair of the task force on libraries and memorials, said she expected the measure to be cleared by the House Administration Committee by early August, and then to move quickly to passage. Comparable legislation has been introduced in the Senate.

Ms. Oakar emphasized that this legislation was "absolutely divorced" from a controversy that had arisen among private organizations who began commercial fundraising for such a memorial. Several previous bills that would have approved building a memorial here were sidetracked by that controversy.●

A BILL TO REAUTHORIZE AND EXPAND THE REVENUE SOURCES FOR THE SUPERFUND PROGRAM

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DONNELLY. Mr. Speaker, 2 months from today the 5-year Federal Superfund Program to cleanup hazardous waste sites will expire. There is broad, bipartisan consensus that Superfund must be reauthorized and strengthened. Abandoned toxic waste sites have been discovered in every region of our country. They pose a very real threat to the health of our citizens and to our environment. People in many communities across America are troubled that their drinking water supplies may have been, or are in danger of being, contaminated by mishandled hazardous substances. When Congress first enacted Superfund legislation in 1980 to respond to this environmental crisis, the enormous scope of the problem of abandoned toxic waste was unknown.

What has been learned over the last 5 years is that the problem is more widespread than was ever imagined. The Environmental Protection Agency [EPA] has listed 812 sites on the national priority list [NPL] because those sites pose the greatest degree of threat to human health and the environment. EPA has recently calculated that as many as 2,000 more sites could be added in the next few years to the national priority list. The General Accounting Office estimates that number could reach as high as 4,000. The Office of Technology Assessment suggests that as many as 10,000 additional sites around the country could qualify for national priority listing.

There is no disagreement that the present level of funding for Superfund is inadequate if we are to accomplish the intentions of the Superfund Program, and rid our environment of toxic waste. There are a number of proposals that have been discussed as mechanisms for insuring adequate resources for the successful implementation of the Superfund Program into the next decade.

The administration has proposed a bill that would provide $5.3 billion over the next 5 years. That plan would continue the existing system of taxing 42 chemical feedstocks and petroleum, and would implement a waste end tax.

Last year the House passed a bill, H.R. 5640, that significantly raised the feedstock taxes and expanded the list of taxable substances. The taxable chemicals are either themselves hazardous, or are the basic components of all other major inorganic and organic hazardous wastes and substances. The majority of toxic chemicals discovered at Superfund sites are on the feedstock list, or are derivatives of those chemical building blocks.

The waste end tax is an idea that makes sense. While it can provide a dependable, substantial revenue component for Superfund, it also serves the purpose of providing economic incentives for the most environmentally sound methods of disposing of hazardous wastes. A waste end tax is in harmony with the goal of allocating the cleanup costs for hazardous waste directly to those industries which use and produce those hazardous substances.

Proposals for implementation of another new revenue source, the so-called corporate broad-based or manufacturers excise tax, are less readily justifiable in terms of direct relation to the problem of improperly-managed hazardous waste.

The Superfund revenue bill I am introducing today calls for a 5-year $12.15 billion program. It would implement a waste-end tax on the disposal and storage of hazardous waste at RCRA-licensed facilities. Waste received at landfills, land treatment, waste piles, and disposal impoundments, would be taxed at $25 per wet-weight ton. Dilute waste received at injection wells would be taxed at $5 per wet-weight ton. Waste rendered nontoxic by treatment would not be taxed. Hopefully, this form of system will reward and encourage those users and generators of hazardous waste who conscientiously manage their waste.

The bill would expand the list of taxable feedstock chemicals to 56, and raise the rates in several stages. The tax on petroleum would be increased. General revenues of $250 million per year would be allocated to Superfund. The problem of abandoned hazardous waste is clearly a national concern. It demands a more extensive commitment of resources than currently provided. I look forward to working with my colleagues in the busy days ahead to enact a workable and responsive Superfund bill. We owe it to the people of our country.●

REPORT ON IMPUTED INTEREST NEEDED

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. TALLON. Mr. Speaker, I am greatly troubled that once again in the rush of this Congress to adjourn, we are leaving behind in Washington a legislative task which is within a heartbeat of being concluded in a bipartisan and satisfactory manner. I am speaking of the need for this body to approve a conference report on imputed interest.

It is my understanding that, because of a concerted effort on the part of many on both sides of the aisle, all of the major areas of disagreement between the House and Senate imputed interest bills have been resolved. Only minor roadblocks stand in the way of Congress beginning the August recess with a solution in hand.

Mr. Speaker, as my colleagues are aware, stopgap legislation passed to temporarily specify the tax treatment of seller-financing expired on June 30. As each day passes, there is growing uncertainty in the marketplace over how to structure important real estate transactions.

As a strong supporter of the efforts made by so many in this body to achieve a solution to this problem, I urge my colleagues on the Ways and Means Committee to name conferees, resolve the differences which remain, and provide the homebuyers and sellers, agricultural interests, and small businesses who make frequent use of seller-financing with the directive necessary to conduct transactions of real property.●

CONGRESS MUST ACT TO HELP IN THE FIGHT AGAINST DRUGS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. TRAFICANT. Mr. Speaker, I rise today to express my deep concern over the growing problem of drug abuse and the violence associated with international and domestic drug trafficking. The time has come for this Congress to take a firm stand to protect our youth from the devastating effects of drug abuse—and to protect our law enforcement officers in the field combating illicit drug trade.

I have introduced legislation, H.R. 2954, the Controlled Substances Penalties Act of 1985, that would address this problem head on. Most importantly, H.R. 2954 establishes a new, higher level of drug trafficking offenses. Stiffer penalties will be imposed in cases involving: 2 or more kilograms of cocaine; 1 kilogram or more of any other narcotic drug; 1 kilogram or more of PCP; and 25 grams or more of LSD. In all these cases, bond would automatically be denied—thus insuring that these offenders at least stand trial.

In these cases, first offenders would be subject to up to 30 years in prison and/or a maximum fine of $500,000. Second offenders would be subject to a maximum term of life imprisonment. In addition, those convicted would have to serve at least half of the imposed sentence before becoming eligible for parole.

When one examines the scope and nature of domestic and international drug trade, one will discover how large this problem has become. Drug abuse in this Nation continues to ravage our youth and drain our society. In addition to being a sheriff, I was also a drug counselor for 10 years. I have seen the tragic consequences of drug abuse. Those ultimately responsible for the poisoning of our youth and the ravaging of our way of life are the kingpin drug dealers who are responsible for the massive influx of narcotic drugs into this country.

In too many instances these drug kingpins—if apprehended—post bond, which is usually set quite high, and then flee the country. My bill would ensure that these drug kingpins stand trial and that, if convicted, they pay dearly for their crimes. Recent events have shown that these drug kingpins have openly declared war against our law enforcement officers in the field. We need to enact tougher laws to protect our law enforcement officers and to protect our society from poisonous drugs. We are in a war—whether we like it or not. It is a war we must win. Passage of H.R. 2954 would send a powerful message to the entire world that America has had enough and that we are serious about fighting drugs.

I urge all of my colleagues to take a good look at H.R. 2954 and lend it their full support.●

NASA'S NATIONAL SPACE TECHNOLOGY LABORATORIES IN THE BATTLE AGAINST WATER POLLUTION

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LOTT. Mr. Speaker, in view of the recent House passage of H.R. 8, to renew the Federal Water Pollution Control Act. I think it timely to advise this Chamber of research activities undertaken by the National Space Technology Laboratories [NSTL] to assist in this Nation's efforts to assure a clean water supply. NSTL, located in Bay St. Louis in my district, has employed an unusual tool in the water pollution battle—the water hyacinth, long regarded as a weed that clogged streams and lakes.

Because of their beautiful lavender flowers, the water hyacinth was brought to this country by Japanese exhibitors in 1884, as part of the New Orleans Cotton States Exposition. The plants were given away as souvenirs and when many were thrown away in drainage canals, streams and swamps, the trouble soon began. Due to the lack of insects which controlled the water hyacinth's growth in its native environment, the plant grew at an explosive rate.

NASA studies now show that the water hyacinth, when used under controlled conditions, is ideally suited for purifying domestic as well as certain industrial wastewaters. They can be harvested and ground into fertilizers, used to produce biogas and fiber, and can be harnessed to produce large quantities of freshwater.

NASA's research into the potential benefits of the water hyacinth has been led by Dr. Billy C. Wolverton, Ph.D., a senior research scientist, and Rebecca C. McDonald, a research chemist, at NASA's National Space Technology Laboratories. The water hyacinth also shows promise for partially supplying life sustaining functions for space travel, including oxygen, food, pure water, and waste treatment. These functions of the water hyacinth could be useful on the NASA space station.

For the past 11 years, the water hyacinth has been tested at NASA's NSTL as an inexpensive method of treating wastewater. The vascular aquatic plants used in the early studies were floating species. This research led to the installation of a simple and cost effective wastewater treatment system at NSTL and development communities in Florida, Texas, and California.

NASA recently developed an advanced hybrid natural wastewater process that combines anerobic microbial filter technology with the vascular plant wastewater treatment technology; although this system was developed for domestic sewage, it has shown a potential for chemical waste and drinking water treatment.

One of the most important chemicals in use today is phenol; it is used to manufacture phenolic resins, epoxy resins, herbicides and nylon. It is also an important industrial and pharmaceutical solvent. Recent concerns about the discharge of large quantities of the chemical into the Mississippi River north of New Orleans and subsequent contamination of the city's drinking water demonstrated the need for efficient, inexpensive means of removing phenol and other toxic chemicals from contaminated drinking water. NASA's advanced natural wastewater treatment process was tested successfully in meeting this challenge.

Thanks to NASA research, the dreaded water hyacinth is forming a new image. Instead of the uncontrollable aquatic monster it has been for a hundred years, it is now emerging as an ideal candidate for large scale nutrient removal and water purification systems. The water hyacinth promises to aid mankind in meeting its most basic problems of sustaining an acceptable quality of life here on Earth and also in the remoteness of space.●

A TRIBUTE TO MRS. J.C. MONCIER

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DUNCAN. Mr. Speaker, each year high school students in Knoxville sponsor a walkathon for the St. Jude's Children's Hospital. These students will also collect money for the local empty stocking fund on weekends in the fall, and hand out food baskets, and toys for the needy before Christmas. These students are members of Knoxville's Teen Board, an organization of students from high schools throughout the city.

The force behind the teen board, and its founder was Mrs. J.C. Moncier. She died earlier this year, but left behind a legacy of good will, and young men and women more aware of the world and its needs.

She was a native of Knoxville, and the daughter of Mr. and Mrs. Herbert C. Sanford. Throughout her life she was active in welfare, civic, and club work. She began working with children in the John Tarleton Home, and proceeded to involvement in the Boy and Girl Scouts, First Christian Church youth group, PTA, Daughters of the American Revolution, the Ossoli Circle, and the Knoxville Junior League, as well as many others.

Mrs. Moncier was honored for her work by the Sertoma Club and the Exchange Club. She was selected to receive the key to the city of Knoxville by four mayors.

Her lasting tribute to the city of Knoxville, however, will be the teen board, which she founded in 1960. The loss of her daughter, Marty, in a car accident led her to reach out to teenagers and bred a love which has endured for the past 25 years. She was affectionately known as "Mama Mon" to succeeding generations of teenage students. She would cajole, lecture, or enthuse her young followers with visions of their responsibilities to others.

The teen board attracted many of the more fortunate teenagers in the city. Mrs. Moncier always reminded the young people of their good fortune, and the need to share that good fortune with others. She made clear the responsibilities which lay ahead for the students, and used their enthusiasm and energy to help the poor and needy.

This month, as the teen board of Knoxville celebrates its 25th anniversary, a special ceremony will be held to dedicate the organization's facilities to "Mama Mon." Those youngsters she helped over the past 25 years have now attained positions of stature in the community, and throughout the country. They will return to the teen board house to remember the spirit and love of a very special friend.●

WOMEN WARRIORS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Ms. MIKULSKI. Mr. Speaker, I would like to take this opportunity to inform my colleagues of a film entitled "Women Warriors" which is being produced in my district. The film, produced by the Skill Development Institute in cooperation with the Maryland Nurses Association, Inc., is a 50-minute videotape about Army nurses who served in Vietnam.

This documentary will serve many purposes. First, it will provide the opportunity to portray women as decisive, independent leaders. Second, it will bring attention to the fact that women did, and continue to, serve this country in times of need. Third, it will show the vital contributions these brave women made under the demands of Vietnam. Finally, it will demonstrate the experiences of these nurses in Vietnam and how these experiences have affected their lives.

This program will enhance not only the image of the professional nurse but the image of women in general. For years, nurses have reacted negatively to their portrayals as dependent, nondecisive victims in movies and print media. This film will demonstrate the contribution these women have made thereby enlightening society to women's abilities, uniqueness, and professional commitment. This project provides an ideal medium for informing the public and other health care professionals of nurses' abilities to help create a more responsive health care system. Most of all, this production serves as valuable educational material to be included in teaching future nurses and health care professionals as well as Army, Navy, and Air Force trainees.

While infantry and other military personnel were fighting battles in Vietnam, the nurses were battling to save lives. These nurses were caregivers who received little caring. I am proud of these women and I am proud of the nurses in Maryland who are embarking on this project. I wish them great success and express my wholehearted support for this wonderful endeavor.●

SOUTH AFRICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. RANGEL. Mr. Speaker, I rise to ask President Reagan one simple question: Why, after so much bloodshed in South Africa, do you persistently defend massive American investment in that country?

There comes a time when a nation must take a principled stand for its own good. We are to closely allied to a nation which practices a racial hatred unprecedented since Nazi Germany. Our efforts under the doctrine of constructive engagement to bring about moderation in Pretoria have been futile. if anything, Pretoria has increased its repression of the black majority.

Our credibility is at stake. We can take no pride in how the Reagan administration has dealt with South Africa in the past. Nor can we take pride in how they have responded to the present crisis.

We are a nation founded upon the pillars of liberty, freedom, and equality. It is a shame, and downright hypocritical, for us to extend a helping hand to a regime based on intolerance, repression, and racial separation.

Mr. Speaker, how can we hope to win the hearts and minds of the poor in the Third World when we are supporting one of the worst regimes in history? If we are to defeat communism and dictatorship, we must present a higher moral alternative. The battle is not against some monolithic Marxist army, but against poverty and oppression in all guises and forms.

Now is the time, and South Africa is the place, to act. Let us more forward, before we lose yet another chance to prove that America is friend of those who cry out for freedom. Let us move forward, before extremists really do seize the opportunity to strike for their own narrow interests. We must do what is just.●

NEW LEGISLATION

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. VUCANOVICH. Mr. Speaker, today I am pleased to introduce legislation of prime importance to the State of Nevada.

For over 80 years, Indian water rights and related water resources issues along the Truckee and Carson River systems have been the focus of conflict in northern Nevada. There are some 15 separate lawsuits, many of them still pending, which have involved every major holder of water rights along these rivers. The result of this conflict has generated a variety of controversies within the State, and despite years of legal maneuvering, the problems remain. For example, the Indians' needs had not been met. The farmers have spent tens of thousands of dollars in legal fees to little or no avail. Finally, the growth of the Reno-Sparks area has been literally halted. Even when decisions were finally reached regarding one aspect of the rivers' operation or management, the outstanding problems, due to the complexity of issues and crosscutting litigation, prevented any real action.

Since 1981, the Reagan administration has encouraged the settlement of Indian water rights claims through negotiation rather than litigation. In the arid West, where competition for water is intense, litigated solutions to water problems generally result in nothing more than further litigation. Through negotiation we can bring the interested parties together and reach a solution that is acceptable to all of the parties involved. We have seen the effectiveness of such approaches as demonstrated by the Papago and Ak-Chin settlements which were enacted by the last Congress.

In negotiating the Pyramid Lake and Truckee River Settlement Act, which I am introducing today, I am happy to say that all of the parties involved in the settlement were active participants. These participants, which I commend, include: the Pyramid Lake Paiute Tribe, the Truckee-Carson Irrigation District, the Sierra Pacific Power Co., the Carson-Truckee Conservancy District, the cities of Reno and Sparks, the Washoe County Conservancy District, the States of Nevada and California and the Department of the Interior.

Key issues during the negotiations included the operation of Stampede Reservoir, which is part of the Washoe reclamation project in California; diversions from the Truckee River to the Newlands reclamation project, which is operated by the Truckee-Carson Irrigation District in conjunction with the operating criteria of the Secretary of the Interior; and the maintenance of the Pyramid Lake fisheries.

The eight major points of the proposed settlement to resolve these issues are:

First, the termination of litigation.

Second, the development of a fish propagation program funded by a settlement fund. The settlement fund will involve a one-time Federal appropriation of $21 million, and an $8 million contribution from the State of Nevada in the form of an interest-accruing trust fund account.

Third, the establishment of a minimum level for Pyramid Lake.

Fourth, the adoption of a "menu approach" for providing additional water flows into Pyramid Lake to meet the minimum level requirements. This "menu approach" includes a process for executing Stampede Reservoir operating agreement.

Fifth, the negotiation of Truckee River diversion criteria by the irrigation district and the Department of the Interior. This criteria must be agreed to by the State of Nevada and the Paiute Tribe.

Sixth, the creation of a $10 million tribal trust fund.

Seventh, the establishment of maximum damages payments of $7 million to the tribe by the Federal Government should the Pyramid Lake criteria not be met.

Finally, the ratification of the California-Nevada compact, which was approved by then-Governors Reagan and Laxalt in 1969.

It is critical that Congress understand that the operating criteria for Stampede Reservoir and the Truckee-Carson Irrigation District's diversions, both of which are contained in various sections of the proposed agreement, are subject to multilateral agreements. The settlement provides for a 12-month negotiating period with the potential for a 6-month extension. The entire settlement package is conditioned upon the successful resolution of these two issues.

Fortunately, the agreement itself does not require major construction or Federal financing. Direct Federal contributions would total $31 million for the settlement fund and the tribal trust fund. The Federal Government would also forgive a $1.5 million repayment contract with the Truckee-Carson Irrigation District and assume liability for Pyramid Lake level damages. The State of Nevada would provide $8 million for the settlement fund, roughly one-fourth of the total cost for implementing this agreement. This compares most favorably with the levels of Federal financing that were provided to earlier water rights settlements approved by this body.

This agreement represents a reasonable approach to solving the problems which have been generating controversy in Nevada for far too many years. It also represents a fiscally responsible approach to the problem. With that and the resolution of a long-standing problem concerning Nevada in mind, I would urge my colleagues in the House to expeditiously consider and approve this proposed settlement.●

SOCIAL SECURITY'S 50TH ANNIVERSARY

HON. FRED J. ECKERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. ECKERT of New York. Mr. Speaker, on August 14 we will mark the 50th anniversary of the most successful and valuable social program in our Nation's history, the Social Security Program, or as it is officially titled, the Old Age, Survivors and Disability Insurance Program [OASDI]. The Social Security Act was signed into law on August 14, 1935.

When Social Security began, as a reaction to the widespread economic insecurity of the Great Depression, a little more than 27 million workers were covered and taxes and benefits were modest. The size and scope of the program have been expanded in all ways since then, encompassing most employee groups, adding benefits for dependents, survivors and disabled, and covering a share of medical and hospital costs. Now 119 million workers and their employers contributed $186 billion in Social Security payroll taxes to the program last year and 36 million persons received $180 billion in benefits. The medicare programs involved more than $64 billion additionally in contributions and benefits.

The great majority of America's retired people now count on Social Security as the foundation for their retirement and it has vastly improved conditions of their retirement years. Millions of elderly Americans bank on the program for protection against loss of income, and for meeting potentially overwhelming medical expenses.

Though benefits were not paid for the first 5 years of the program, Social Security has today become a currently-financed program with workers and employers paying taxes to finance current benefits. While the first year's tax rate was 1 percent levied on $3,000 of income, today's program is financed by a combined tax rate of 14.1 percent shared by employees and employers on up to $39,600 of income. Where the first year's workers could have paid a maximum of $30 a year, today an employee may pay as much as $2,790 a year, and the amount is matched by the employer.

The Social Security Program has been troubled by financial difficulties in recent years as benefits paid have exceeded income. The current tax rates finally produced a fund surplus for Social Security last year after the fund had incurred a deficit in 9 of the past 10 years. Changes made by the Social Security Amendments of 1977 and 1983 have restored the financial viability of the program and enabled experts to assure us that the financial condition of the program will remain healthy well into the next century. Congress must make certain it remains that way.

Cost-of-living increases in benefits were first provided in 1972 as a substitute for haphazard adjustments in benefits made by Congress to keep retirees abreast of the continuing inflation. In recent years the so-called COLA has been in controversy as part of the careful search for economies in all Government spending. I favor retaining the COLA as it is for Social Security retirees; it is a provision which should be preserved. Too many people depend upon Social Security benefits for their basic retirement income to tamper with this provision. There are many other areas of Government spending which can more properly bear reductions to meet the demands of our present serious efforts to reduce the ominous budget deficit. Cutting the deficit would be the most effective means of restraining inflation and the cost of living.

Social Security, during its short history, has brought a fundamental change to the outlook on aging for American families. They can plan and prepare with much greater confidence and feeling of security than in the past. Social Security, at 50, is a living monument to the best in partnership between the generations of our citizens, between workers and employers, between the people and their Government. It is a program truly of the people, by the people, and for the people.●

MEDICARE PAYMENT REFORM AND HEALTH CARE IMPROVED ACCESS ACT OF 1985

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. STARK. Mr. Speaker, today I am pleased to introduce the Medicare Payment Reform and Health Care Improved Access Act of 1985. It is a series of initiatives Senator KENNEDY and I developed to ensure that adequate health care is made available to millions of Americans who are now denied it.

When Senator KENNEDY and I announced our plan earlier this year, I indicated that an attempt would be made to include some of the provisions in the Medicare budget legislation considered by the Ways and Means Committee. I am happy to report that several of these measures were endorsed by the Ways and Means Committee this week as part of H.R. 3128.

One of our goals is to make health insurance available to Americans who currently lack it. In that regard, we would allow laid off workers as well as widows and divorced spouses of workers to purchase insurance through the employer-sponsored plans they were once affiliated with. The employer would not have to, but could, make a contribution in such instances. We would also encourage States to create subsidized insurance pools, not unlike those that now exist for auto insurance, to make sure that coverage was available to all at a reasonable cost. These provisions alone could help nearly 10 million Americans.

We also ask the Department of Health and Human Services to conduct demonstrations on how small businesses could offer health insurance coverage more cheaply.

Our second goal is directed at guaranteeing that hospitals meet their obligations to those who are unable to pay. We require hospitals to treat emergency patients properly and prohibit transferring emergency patients who have not been stabilized or transferring them in a callous and inappropriate fashion. Hospitals who ignore this obligation can be barred from the Medicare Program. Physicians who act improperly may face jail terms.

We also want to provide a special Medicare payment to hospitals with an abnormally high percentage of patients who are poorer, and thus sicker, than average. This will help these hospitals that are assuming this special responsibility to stay afloat. Our legislation also requires the Department of Health and Human Services to collect data to insure that inner city hospitals are appropriately compensated for their high labor costs.

We recognize that older Americans are spending a growing portion of their budget on health care and want to do something to moderate this disturbing trend. To that end, we create some demonstration programs to determine whether Medicare should pay for preventive services. Such programs can save money and lives by dealing with problems before they become acute.

And we propose limiting the hospital and nursing home deductible payable by the patient by tying future increases to increases in the amount Medicare pays hospitals. That means when we act to hold the Government's costs down, we will also be protecting the patient in future budget debates.

Finally, we want to make the Medicare reimbursement system fairer. We would abolish special payments for return on equity that are now made to proprietary hospitals. These special payments have no place in a prospective payment system.

We recognize the need for a new way to pay physicians and create a new physician payment commission to examine the various alternatives and make a recommendation. This panel will specifically ask whether we should use a relative value scale or diagnostic related group system to pay our doctors.

About half of these provisions are also included in H.R. 3128, including the requirement that widows and divorced spouses be permitted to buy health insurance coverage offered by employers. Also included are the physician payment reform studies, the preventive services demonstrations and the special payments for hospitals with a disportionate share of poor patients. This bill also includes strong sanctions for hospitals that refuse emergency care to patients.

It may be overly optimistic to expect that the remainder of this bill will be enacted this year, but I hope we can move on it during this Congress. I believe it accurately outlines the additional changes needed in our system and provides a blueprint for needed reform. I solicit the support of my colleagues as I work to enact the Medicare Payment Reform and Health Care Improved Access Act of 1985.●

STALIN'S COMPAIGN TO ERADICATE JEWISH CULTURE

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. AuCOIN. Mr. Speaker, 33 years ago, on August 12, 1952, 24 leading Jewish writers, artists, and poets were executed by the Soviet Government. This was the ultimate horror in Stalin's campaign to eradicate Jewish culture and Jewish life in the Soviet Union. While we reflect upon the tragedy of the past, we must recognize its implications and impact on the lives of Jews today in the U.S.S.R.

The night of the murdered poets culminated months of torture and questioning during a secret trial in which the victims were charged with being rebels and agents of American imperialism who wanted to "establish their own bourgeois national Zionist republic." An estimated 400 intellectuals perished under Stalin's attempts to dismantle Jewish culture in Russia. In the years following the dictator's regime, the executions stopped, but the Stalinist elements of Jewish persecution and cultural oppression continue today in the Soviet Union.

The flow of Jewish emigration has come to a virtual standstill. Daily media attacks on Zionism and Israel create an atmosphere of tension and

fear among Jews throughout the U.S.S.R. Unlike other national minorities in Russia, the Jews have no schools for their children and are prohibited from teaching their national language, Hebrew. Without adequate means of education, generations of Soviet Jewish children have grown up ignorant of their Jewish and Hebrew heritage.

Despite these obstacles, an intense desire for learning about their Jewish culture and Hebrew language persists. As education quotas, employment discrimination, and antisemitism increase, moves toward self-education make enormous strides amongst young people who have come to the conclusion that their only future as Jews is to live in Israel. Great pride in Israel and the hope of eventual freedom sustain the dedication of the emigration activists, or refuseniks.

Over the 33-year span since the night of the murdered poets the effects of August 12, 1952, live on in Soviet policy. May this date and the memory of the slain poets, writers, and intellectuals give emphasis and meaning to our efforts to help Soviet Jews today. We must let our friends in the U.S.S.R. know that we will not stand idly by while they face such oppressive conditions. So, let us not succumb to frustration or discouragement but rather find greater incentive to push yet further in our struggle on behalf of Soviet Jews.●

FRAMEWORK FOR BUSINESS INNOVATION

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Ms. MIKULSKI. Mr. Speaker, as chairwoman of the Oceanography Subcommittee, I've had the opportunity recently, along with my colleagues on the subcommittee, to begin exploring some of the new marine biotechnology industries that are emerging around the country.

I am convinced that many of the new jobs of the future will come from the hundreds of small, energetic companies that are incorporated each year.

Further, I am convinced that we in Government must play an active role in fostering the development of these new, growing companies that will be taking us into the future.

In the past, what we've had from the Federal Government is big-buck funding, big regulation, and no clear direction. What we need now, is for Government to set clear-cut national goals and make strategic use of capital and human resources. We need a framework for innovation.

One of today's magazines which is helping to identify some of these new companies along with ways in which we might fashion a private sector/public sector framework for innovation, is Venture magazine.

Venture is a magazine which all of my colleagues should read just as we read Time and Business Week. It's publisher, Mr. Arthur Lipper III, offers a number of new, thought-provoking ideas that merit our close attention and exploration.

For my colleagues' review and consideration, I am pleased to submit a recent editorial written by Mr. Arthur Lipper III.

CHAIRMAN'S COMMENT

The unemployment conundrum: It is generally accepted that one of America's most pressing problems is that of under- and unemployment. The problem is particularly acute because it affects both youth and minorities. Unemployment is at its most socially disruptive when found in combination, when minority youth are unsuccessful in their search for meaningful employment.

It is also generally recognized that our country's largest companies' primary management objective is increased productivity, which is reflected as an ongoing attempt to reduce the number of employees per unit produced. Only the most optimistic of future-tellers would predict that, in aggregate, the larger U.S. companies will ever again create a single net new job. At best, only replacement jobs will be created and their numbers, in the case of many companies, will decrease as managers allow attrition to function as the most painless and politically acceptable means of accomplishing their objective.

It is a fact that, of the net new jobs created, more than 66% will be created by companies employing fewer than 20 people. And more than 75% of net new jobs are created by companies that have been in business for less than five years.

It is broadly believed that most new companies fail during their first five years to achieve the financial predictions and objectives of their founders and frequently, particularly in their first year, fail financially. Further, it is known that most small companies are only marginally profitable after compensating their owner-managers.

Therefore, it can be observed that one of our country's major socioeconomic problems is being addressed, albeit inadequately, by companies that themselves are financially frail. Obviously, this is a dilemma of national significance.

Two questions arise: Is there anything the federal government can do to help? Should government even try to help? I am of the view that the government must attempt to help young businesses. The future economic, and perhaps social, stability of this country rests not only with small businesses, but even more so with young businesses. These young businesses usually start small but frequently do not remain so. These soon-to-be-not-so-small businesses are of special interest to our readers.

The federal government can assist in at least three areas. The first is by legislating that, in the first five years of a company's existence, retained earnings be tax free. The second is that the government adopt Venture Magazine's policy of sponsoring "profit education" by encouraging teacher training in free enterprise economics. The broader the understanding of the principles of profit making, the more positive will become the popular attitudes regarding free enterprise. The third area of assistance is a recognition of the essential role performed by entrepreneurial investors. In accepting the risk of total financial loss, they provide the fuel to set the process in motion. Such positive recognition could take the form of deferring a capital gains tax for funds reinvested in other new businesses within a specified period. A similar capital gains tax deferral is already available to homeowners purchasing a new home with proceeds from the sale of their former home. Certainly company formation, which is reflected in job creation, is as worthy of tax relief as individual residential upgrading.

To further induce owner-managers of businesses not only to hire but also to educate youth, particularly those who may be socioeconomically disadvantaged, tax incentives could be offered to companies for employees who can demonstrate significant skill enhancements, to the point that they are worth more to their employers and to themselves. In other words, a tax credit for promoting new workers on the basis of demonstrated merit and contribution specifically over those with greater seniority. This would create a significantly increased competition by entry-level employees in terms of striving for excellence, which can only benefit the enterprise and establish a continuing positive attitude by rewarding extra effort. Managers should be assisted in their need to continually improve the quality of available human resources.

The importance of investors: Finally, as readers of my book, Venture's Guide to Investing in Private Companies, know, I believe that in certain cases investors should be rewarded for their risk assumption by sharing in an investee company's revenues (rather than, or in addition to, profits) by holding a Revenue Participation Certificate. The Treasury could propose such payments be classified as long-term capital gains rather than income and yet still be deductible to the company. In this way companies could negotiate a lesser percentage payment due to the more favorable tax effect for the recipient. In any case, Congress should legislate quickly (an oxymoron) Small Business Participating Debentures. These instruments could provide lenders with a fixed return, plus profit participation, and a long-term capital gains tax result, while allowing the companies to deduct the payments.

If you believe some of the above thoughts could be constructive if enacted and applied, send a photocopy of this page (permission granted) to your representatives in Washington. Incidentally, the best description of Washington I've heard is, "a city of 35 sq. mi. surrounded by reality" and I should know; in 1945 I served as a U.S. Senate page and had a wonderful opportunity to learn the workings of a democracy that was designed to be, and once was, a meritocracy.●

HOME EQUITY CONVERSION—AN ESSENTIAL LOW-COST TAX REFORM TO AID CASH-POOR/HOUSE-RICH ELDERLY

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. SMITH of Florida. Mr. Speaker, today I am introducing the Home

Equity Conversion Act of 1985 which would clear the way for thousands of older homeowners to safely and fairly tap the equity in their homes without moving or taking out a mortgage.

Much of our country's elderly population are "house-rich" and "cash-poor." It is estimated that more than 70 percent of older Americans own their own homes and nearly 84 percent of those homes are owned free and clear. At the same time, 50 percent of all persons 65 and older live in households with incomes of less than $1,180 per month. This bill would enable the elderly to safely draw upon their home equity without having to choose between a steady flow of income in their later years and their lifelong homes. This type of transaction could prove to be an important economic answer for large numbers of elderly homeowners in the coming decades. The proposal would remove the technical difficulties in the Internal Revenue Code that prevent widespread use of a technique called the residential sale-leaseback.

This concept allows the owner of a home to sell his or her property to a buyer who agrees to rent it back to the seller on reasonable terms for an extended period of time. Properly structured, the transaction would generate a steady cash flow to an elderly homeowner without forcing the homeowner to give up his or her home. The homeowner would pay the lease payments out of the proceeds of the sale which may be in the form of cash or a combination of other funding. In the event that one spouse dies, the surviving spouse would be able to continue to use the home under this arrangement.

The elderly homeowner in this transaction would still qualify for the one-time capital gains tax exemption that is available to homeowners over age 55, and the purchaser/lessor would take depreciation on the value of the property even though the sellers retain occupancy rights for their lifetime.

This proposal could and should be an important part of Congress' tax reform effort. This measure provides much-needed financial assistance to our elderly with only a small impact on revenue. The Home Equity Conversion Act is an innovative method of assisting low-income elderly retain financial independence and their homes.

H.R.—

A bill to amend the Internal Revenue Code of 1954 to facilitate home equity conversions through sale-leaseback transactions

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled

SECTION 1. SHORT TITLE.

That this Act may be cited as the "Home Equity Conversions Act of 1985".

SEC. 2. DEPRECIATION IN SALE-LEASEBACK TRANSACTIONS.

Section 167 of the Internal Revenue Code of 1954 (relating to depreciation) is amended by inserting after subsection (h) the following new subsection:

"(i) Sale-Leaseback Transactions.—

"(1) In general.—In the case of property involved in a sale-leaseback transaction, the purchaser-lessor shall be recognized as the absolute owner of the property, and the deduction shall be allowed to the purchaser-lessor.

"(2) Definitions.—For purposes of this subsection—

"(A) Sale-leaseback.—The term 'sale-leaseback' shall include a transaction in which—

"(i) the seller-lessee—

"(I) has attained the age of 55 before the date of transaction,

"(II) sells property which during the 5-year period ending on the date of the transaction has been owned and used as a principal residence by such seller-lessee for periods aggregating 3 years or more,

"(III) obtains occupancy rights in such property pursuant to a written lease requiring a fair rental, and

"(IV) receives no option to repurchase the property at a price less than the fair market price of the property unencumbered by any leaseback at the time such option is exercised, and

"(ii) the purchaser-lessor—

"(I) is a person,

"(II) is contractually responsible for the risks and burdens of ownership and receives the benefits of ownership (other than the seller-lessee's occupancy rights) after the date of such transaction, and

"(III) pays a purchase price for the property that is not less than the fair market price of such property encumbered by a leaseback, and taking into account the terms of the lease.

"(B) Occupancy rights.—The term 'occupancy rights' means the right to occupy the property for any period of time, including a period of time measured by the life of the seller-lessee on the date of the sale-leaseback transaction (or the life of the surviving seller-lessee, in the case of jointly held occupancy rights), or a periodic term subject to a continuing right of renewal by the seller-lessee (or by the surviving seller-lessee, in the case of jointly held occupancy rights).

"(C) Fair rental.—For purposes of subparagraph (A)(i)(III), the term 'fair rental' shall include a rental for any subsequent year which equals or exceeds the rental for the first year of a sale-leaseback transaction."

SEC. 3. CAPITAL GAINS EXCLUSION IN SALE-LEASEBACK TRANSACTIONS.

Subsection (d) of section 121 of the Internal Revenue Code of 1954 (relating to one-time exclusion of gain from sale of principal residence by individual who has attained age 55) is amended by adding at the end thereof the following new paragraph:

"(9) Sale or exchange defined.—For purposes of this section, the term 'sale or exchange' shall include a sale-leaseback transaction (as defined in section 167(i))."

SEC. 4. INCOME IN SALE-LEASEBACK TRANSACTION.

(a) Gross Income.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by inserting after section 121 the following new section:

"SEC. 121A. INCOME IN SALE-LEASEBACK TRANSACTIONS.

"Gross income to the seller-lessee or the purchaser-lessor in a sale-leaseback transaction (and defined in section 167(i)) does not include any value of occupancy rights or discount from the fair market price of the property unencumbered by any leaseback, which is attributable to any leaseback."

(b) Gain or Loss.—Subsection (b) of section 1001 of such Code is amended—

(1) by striking out "and" at the end of paragraph (1),

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof ", and", and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) in the case of a sale-leaseback transaction (as defined in section 167(i))—

"(A) there shall not be taken into account any value of occupancy rights or discount from the fair market price of the property unencumbered by any leaseback, which is attributable to any leaseback, and

"(B) there shall be taken into account the cost of any annuity purchased for a seller-lessee by a purchaser-lessor."

(c) Clerical Amendment.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 121 the following new item:

"Sec. 121A. Income in sale-leaseback transactions."

SEC. 5. INSTALLMENT SALES IN SALE-LEASEBACK TRANSACTIONS.

Section 453 of the Internal Revenue Code of 1954 (relating to installment method) is amended—

(1) by redesignating subsection (j) as subsection (k), and

(2) by inserting after subsection (i) the following new subsection:

"(j) Application With Section 167(i).—

"(1) In general.—In the case of an installment sale in a sale-leaseback transaction (as defined in section 167(i)), subsection (a) shall apply.

"(2) Special rule for annuities.—In the case of an annuity purchased for the seller-lessee by the purchaser-lessor in a sale-leaseback transaction, the purchase cost of such annuity shall constitute the amount of consideration received by such seller-lessee attributable to such annuity and shall be deemed received in the year of disposition."

SEC. 6. BASIS OF ANNUITY RECEIVED IN SALE-LEASEBACK TRANSACTION.

Subparagraph (A) of section 72(c)(1) of the Internal Revenue Code of 1954 (relating to annuities) is amended by inserting before the comma "(including such amount paid by a purchaser-lessor in a sale-leaseback transaction as defined in section 167(i))".

SEC. 7. SALE-LEASEBACK TRANSACTION ENGAGED IN FOR PROFIT.

(a) For Profit Presumption.—Section 183 of the Internal Revenue Code of 1954 (relating to activities not engaged in for profit) is amended—

(1) by striking out "If" in subsection (d) and inserting in lieu thereof "(1) In general.—If",

(2) by inserting after paragraph (1) of subsection (d) (as designated by paragraph (1)) the following new paragraph:

"(2) Sale-leaseback transaction.—Any sale-leaseback transaction (as defined in section 167(i)), unless the Secretary establishes to the contrary, shall be presumed for purposes of this chapter to be an activity engaged in for profit.", and

(3) by inserting "(1)" after "subsection (d)" each place it appears in subsection (e)."

(b) Use of Dwelling Unit.—Paragraph (3) of section 280A(d) of such Code (relating to disallowance of certain expenses in connection with business use of home, rental of vacation homes, etc.) is amended by adding at the end thereof the following new subparagraph:

"(E) Fair rental in a sale-leaseback transaction.—Any rental that constitutes a fair rental in a sale-leaseback transaction pursuant to section 167(i)(2)(C) shall be treated as a fair rental for purposes of subparagraph (A)."

SEC. 8. ACCELERATED COST RECOVERY SYSTEM IN SALE-LEASEBACK TRANSACTIONS.

Subparagraph (B) of section 168(e)(4) of the Internal Revenue Code of 1954 (relating to certain transactions in property placed in service before 1981) is amended by inserting "(except property acquired by the taxpayer in a sale-leaseback transaction as defined in section 167(i))" after "December 31, 1980".

SEC. 9. EFFECTIVE DATE.

The amendments made by this Act shall apply to sales after date of the enactment of this Act, in taxable years ending after such date.●

INTRODUCTION OF THE "BLACK LUNG BENEFITS AMENDMENTS ACT OF 1985"

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MURPHY. Mr. Speaker, I rise today to introduce legislation that will significantly contribute to the elimination of the massive backlog of black lung claims at the Department of Labor. Many of my colleagues and I have been deeply concerned with this mounting problem. Numerous letters have been written to the Department of Labor urging prompt and concerted action to restore due process and basic fairness to black lung claimants who have in many cases been forced to wait several years before the appeals on their claims may be heard.

The Labor Standards Subcommittee which I chair has already conducted several field hearings around the coal fields and subsequently heard testimony in Washington, DC, from Department of Labor officials. It is fairly obvious by now that despite considerable increases in productivity in recent years, the present budget and personnel practices in the Department's Office of Administrative Law Judges are inadequate to adjudicate the more than 21,000 cases backlogged at that office. In addition to the need for more administrative law judges and support staff, testimony has been received by the subcommittee indicating one of the primary obstacles to efficient use of the existing staff is the fact that black lung appeals have been unfairly classified as lower graded work. Consequently, the full compliment of ALJ's at the Department cannot devote the majority of their time to hearing black lung cases which make up the largest volume of cases awaiting a hearing on appeal.

The bill would simply correct an error in the original language of the act which stipulated that some, but not all, of the appeals from decisions under the act be heard by GS-16 judges. By eliminating the so called 15/16 split the OALJ will be better able to assign their existing judicial staff in the most efficient manner. It will also assist the OALJ in recruiting the most talented individuals to fill any existing vacancies or future openings.

I believe that the relegation of black lung claims to a lower status was never intended by the Congress. This bill makes congressional intent quite clear on this subject. Claims under all titles of the act would now be heard by higher graded judges. This will allow the OALJ to manage the overwhelming black lung case load in the most productive manner. Under this amendment the victims of black lung can expect to see their claims receiving the priority that they deserve. It will also hopefully insure that justice, previously delayed if not denied, will once again be restored to our afflicted miners.

I urge my colleagues to join me in support of this amendment, I plan to move this legislation quickly through the Labor Standards Subcommittee when the Congress returns in September and I am hopeful of early action by the House.●

TRIBUTE TO MARGO ALBERT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. TORRES. Mr. Speaker, this month a distinguished American woman died. Margo Albert, a dear friend of mine and a friend to countless people in artistic endeavors succumbed after an illness of several months. Her departure leaves each of us saddened, for her life enriched us so deeply in spirit. She taught us that we could be proud of our cultural roots as Hispanics in America.

Margo brought a special brand of vision, zeal, and social conscience to the arts and corporate boardrooms. She was able to transfer this commitment of conscience into a living and functional center: Plaza de la Raza.

There at Plaza, children and adults can develop the sounds of music, the methodology of the dance, the spin of the potter's wheel, the preservation of the visual and plastic arts, and the characterization of the dramas that she loved so much. She so inspired people to visit and appreciate this culture center that they, too, became addicted to its captivating aura.

Mr. Speaker, from the very beginning, when a fledging group of community activists approached a number of us at TELACU to save the old Lincoln Park boathouse from destruction, Plaza took form as an expression of cultural rennaissance in east Los Angeles.

The very same Carlos Garcia who is now Plaza's executive director was then a young lawyer who drew up the first articles of incorporation. The bearded Edward Bonilla served as Plaza's first president. Francis Crisostomo, Amelia Chamacho Libart, Nick Lucero, John Horan, and others volunteered their time as officers.

From the labor movement, an idealistic and progressive organizer, Frank Lopez, fashioned a program of captivating personalities of prominence to give Plaza an injection of cultural and capital stock. To open the eyes of the greater Los Angeles community, Frank Lopez secured the attention of Ruben Salazar, an Los Angeles Times journalist, who wrote extensively about the plight of the boathouse in Lincoln Park. Salazar was later martyred. Frank then introduced Plaza's board to a beautiful lady.

She was Marie Marguerita Guadalupe Teresa Estela Bolando Castilla y O'Donnell, better known by her professional name as Margo. She appeared before us and ushered in an era of development that eventually put Plaza de la Raza on the arts map. She was a resourceful woman of unlimited talents and energies. She had remarkable connections to the world of corporate America, the entertainment industry, and the political leaders of this Nation. She was the catalyst that brought diverse people together as participants, with the Hispanic community, in building the Plaza de la Raza as a lasting monument to the creativity of the peoples of Hispanic origin, something that she herself manifested.

Mr. Speaker, many of us in this Chamber want to join the voices of praise and adulation for a true patron of the arts. We join her surviving husband, Eddie Albert, her son, Edward, and her daughter, Maria Carmen, in mourning the loss of all of us of Margo.●

YOICHI OKAMOTO

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MINETA. Mr. Speaker, today I would like to ask my colleagues to join with me in honoring the late Yoichi Okamoto, who was the official photographer of President Lyndon B. Johnson, and who redefined the role of the Presidential photojournalist.

Mr. Okamoto was an individual who was committed to excellence in his work and the remembrance of his heritage. He maintained a high standard in his work and urged his colleagues to do the same.

In a fitting testament to his friend, Howard Chapnick in Popular Photography magazine wrote of Mr. Okamoto, "The good photographers, the great photographers, have no final sense of self-importance. None of us is the repository of all journalistic wisdom. There's always something to learn. And, even in a position of awesome power, Oke sought and absorbed the opinions of his colleagues."

Michael Evans, the former photographer for President Reagan included a picture of Mr. Okamoto in his recent book, "People and Power, Portraits, from the Federal Village," writing, "Because of Okamoto, I got started in the presidential photography business." That is the sort of testament that Mr. Okamoto would be most proud of.

Mr. Speaker, I ask that you and our colleagues in the House of Representatives join with me in honoring the late Yoichi Okamoto for his contributions to our Nation's history and its preservation. I ask that Mr. Chapnick's fitting and poignant testament to his friend and colleague be inserted in the RECORD, and follow my remarks.

Thank you very much.

YOICHI OKAMOTO'S CAREER DEFINED THE QUALITIES NEEDED FOR SUCCESS BOTH AS PHOTOGRAPHER AND HUMAN BEING

(By Howard Chapnik)

My friend Yoichi Okamoto is dead at 69. Oke or Okie, as he was called by almost everyone who knew him, was an important figure in the short history of photojournalism. Perhaps young photojournalists can glean certain lessons from some of the reminiscences I will share with you about this remarkable man.

Yoichi Okamoto was not a giant in photography in the same sense as Kertész, Weston, Adams, or Penn. In photographic history, however, he will be remembered as the photographer who revolutionized photographic coverage of the American presidency.

It was Oke who seized the moment, the opportunity, and their challenge of visually documenting and making human and believable the larger-than-life figure of President Lyndon B. Johnson. No photojournalist before or since Okamoto has been able to produce a more complete historical photographic record of a president or a presidency.

In retrospect, I have been trying to sum up those of Oke's qualities, both as a human being and as a photographer, that contributed to his success. For one thing, Oke was a Renaissance Man, with a consuming interest in the world that surrounded him. Insatiable curiousity about people and places were intrinsic parts of his intellectual baggage. Music, art, literature, politics, sports, science, philosophy, and technology were his playing fields.

Inquisitiveness is indispensable to the photojournalist. It sharpens insight, gives depth and meaning to the photograph, and establishes a human communication bridge with the subject. This characteristic was what made Okamoto equally at home with the Indian elephant driver who came to the U.S. as President Johnson's guest, and with prime ministers, kings, and the world's political greats. Okamoto was genuinely interested to learn who people really were and what they believed, rather than to accept the facade they presented to the world.

Oke was meticulous and orderly in mind, body, and dress. Despite being a Nisei (a Japanese-born as a native of another country) in a Caucasian society, he was resolved to be more American than Mayflower descendants. He seemed to want to blend into the environment, to eliminate the apparent differences resulting from his Japanese ancestry.

The interment of Japanese Americans during World War II was a psychological scar that constantly impelled him to greater effort, greater concentration, greater accomplishment.

Oke blended so well that he reveled in telling the story of the time the President had important guests at the White House. Johnson sent his press secretary, George Reedy, to summon Oke for a photo session. Attesting to Okamoto's unobtrusiveness was his response to Reedy's call. "I've already been there," he said. Okamoto had taken his pictures, but had been the proverbial fly on the wall of the Oval Office. Nobody had noticed.

The lesson is clear. To penetrate beyond superficial, external levels, to reveal the complex real persona, a photographer must overcome his subject's camera-consciousness and become an accepted part of the environment.

I will never forget the day Oke was fired by President Johnson. I was in Washington visiting the U.S. Information Agency, where Okamoto had worked prior to becoming the presidential photographer. When I got to the picture department, I was surprised to find Oke putting his things into one of the desks.

"I've just been fired!" he said. The firing had been precipitated by a *Newsweek* article. The magazine had reported on Okamoto as the President's personal photographer who had shot 19,000 negatives over three months.

In the midst of an economic-austerity drive, the appearance of waste, combined with Johnson's mistaken feeling that Oke had generated a self-serving article, stimulated the rift.

Shortly thereafter, a guilt-ridden President reconsidered. The 19,000 negatives translated to five rolls of 35-mm film shot per day—hardly overshooting by any photojournalistic standard.

Oke became the only White House staffer to be fired and later rehired, demonstrating that resiliency is another prerequisite for the photojournalist.

John Durniak, former Time picture editor and Look managing editor, was a long-time friend and professional associate of Okamoto's. In recalling Okamoto's photographs of the Burger Supreme Court for Smithsonian magazine, Durniak said, "I can't think of anyone else who could have gotten that kind of cooperation. Oke had class. When he talked to people, they felt they were in the hands of a responsible individual, somebody who would not take advantage of them.

"I think that was one of the things that appealed to President Johnson. Oke was a student of human behavior. He understood President Johnson's moods. He knew where he should shoot and when it would be intrusive. He also knew that if Johnson read him out, it might be for five minutes, or five days, or five weeks. But it wasn't forever. They had one hell of a relationship, the depth of which only Johnson and Oke knew.

Class, depth, integrity, insight, human understanding, and sensitivity. These qualities are not required for every photo-journalistic assignment. Many successful people get along without them. But it surely helps when you're photographing on the Washington scene where political paranoia prevails and the photojournalist wants to be privy to moments of political history.

Durniak also remembers that Okamoto was never satisfied with his work. He always wanted to improve on what he was doing. Durniak remembers that "every six weeks during his White House stint, Okamoto would get together 25, 50, or 100 prints. he would send them out to four or five people he respected and ask, 'How am I doing? What did I miss?' "

According to Durniak, one of the people to whom Okamoto sent those prints was John Morris, former picture editor at The New York Times and the Washington Post, and Magnum picture-agency chief for several years.

"Morris would faithfully sit down and raise hell with his pictures," says Durniak. "As a result, Oke would push himself harder. And, never satisfed, he'd go the extra mile to keep himself sharp and make the most of the opportunities available to him." Another Okamoto lesson for us all.

The good photographers, the great photographers, have no final sense of self-importance. None of us is the repository of all journalistic wisdom. There's always something to learn. And, even in a position of awesome power, Oke sought and absorbed the opinions of his colleagues.

Lynn Johnson is a Black Star staff photographer who once worked as an assistant to Okamoto. Oke had followed her career with great interest. In one of his letters to her, he recounts a story which reflects his personal restraint and respect for individual privacy as being transcendent over professional photographic concerns. Getting the picture is not everything.

When Hubert H. Humphrey, the grand old man of liberalism, was dying of cancer, Oke was asked by a national magazine to photograph Humphrey in his final days. "I turned it down," he wrote to Lynn, "although it may have produced a great picture that left his image more indelible in the public mind. But it meant my asking Muriel (Mrs. Humphrey). I loved them, and I know they liked me. But just because she might have said 'yes,' I had to turn the assignment down."

Another letter to Lynn Johnson is worth quoting. Okamoto on female photographers: "Just remember—stay yourself and don't get tough! It happens to female photographers without their becoming aware of it."

For all his successes, Okamoto had two dreams that were never fulfilled before his death. One was the publication of a book including his landmark photographic work on the Johnson presidency.

The other was his energetic association with a Washington group of elder photographic statesmen called the "f65" group. Members included Life alumnus Bill Sumits, National Geographic's director of photography Bob Gilka, former Geographic photographer Volkmar Wentzel, and Washington photographer Fred Maroon. They had come together in the belief that there was a need

for a Washington-based photographic museum. This would combine in one central repository the disparate and diffused collections of photographs now housed in diverse collections (i.e. the Smithsonian Institution, the Library of Congress, the National Archives, the U.S. Air Force, etc.).

Oke was a good friend, a patient golf partner, an inspiring companion, and an important photojournalist, Marty Forscher said to me, "I didn't think I could love anybody as much as I loved Oke." Many people share that emotion. We'll miss him.●

PRO-LIFE GUN CONTROL

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. CLAY. Mr. Speaker, gun control is one of the most agonizing issues facing our Nation today. In 1980, more than 40 times as many people were killed by handguns in the United States than in Japan, Great Britain, Switzerland, Canada, Israel, Sweden, and Australia combined.

Just recently, the Senate overwhelmingly passed legislation which would relax standards on owning and possessing guns and firearms. Now it is the House's turn to debate this same issue. Will we stand around and hand out guns to every maniac and killer on the streets to murder our children? Something must be done to combat this deadly arsenal. As we begin debate on this critical issue, I commend to my colleagues the following article which appeared in the St. Louis Review, July 26, 1985:

PRO-LIFE GUN CONTROL

"Guns don't kill people—people kill people." "Don't outlaw guns—outlaw criminals." This is just a portion of the bumper-sticker rhetoric that supports the "right" of citizens to own and bear firearms. Once again the dubious logic and half-truths contained in these slogans seem to lose whatever meaning they might have as St. Louisans witness the tragedy of three small children lying dead—victims of a .22 caliber rifle allegedly wielded by their own mother. This was not a gangland-style massacre or even homicide perpetrated by an outlaw. Would it have occurred had the gun not been so readily available? We will never know. But we could reasonably assume that it might not have happened had the weapon not been in the home.

The long and arduous effects of gun-control advocates in our country have been aimed at preventing, or at least lessening, the likelihood of this kind of tragedy. The United States Catholic Conference, the social action arm of the National Conference of Catholic Bishops, has long been supportive of gun-control legislation. But those efforts were forestalled—at least temporarily—when the U.S. Senate recently passed the Federal Firearm Owners' Protection Act by an overwhelming majority. Now the debate moves to the House of Representatives, where the proposed legislation is likely to find more opposition.

In our opinion the debate over gun control highlights the inconsistencies that still dominate the much larger pro-life issue. Gun control is advocated by those lawmakers termed "liberal." They are often the same ones who oppose restrictions on abortion. The opposite is the case among many who are called "conservative." Favoring greater restriction and elimination of abortion, they steadfastly oppose greater gun control. This opposition is founded, of course, on the questionable interpretation of the Second Amendment to the Constitution, which protects the right of a "well-regulated militia" to bear arms in order to insure the "security of a free state."

The Catholic bishops of the United States are to be applauded for their efforts toward unifying and making more consistent all life issues. Human life is a gift of God, and civilized society must protect the right to life whenever it is threatened, whether by abortion, euthanasia, war, or violence of any kind. In the face of what appears to be the inherent contradictions involved in so much of the debate of pro-life legislation, perhaps it is the Gospel which must be brought to bear on our thinking and actions to protect life.●

SPARE PARTS—AN OLD STORY

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BROOKS. Mr. Speaker, more than 2 years ago, the Committee on Government Operations first exposed the scandalous overpricing of military spare parts. Our investigation revealed that this situation was caused primarily by the lack of competition in the Defense Department's procurements. More often than not, the vendor with the best connections at the Pentagon received the awards rather than the ones with the best prices. The result is that unscrupulous contractors—aided and abetted by negligent, sometimes incompetent, procurement officials in the Department—gained windfall profits at the American taxpayer's expense.

Since our hearings on this issue, Congress has passed several important procurement reform measures, including the Competition in Contracting Act of 1984 (Public Law 98-369). We all sincerely hope that these efforts result in eliminating the waste, fraud and abuse that is plaguing DOD's procurement system. However, I want to caution my colleagues not to run home during the recess to tell their constituents that all of DOD's procurement problems have been solved. The Defense Department simply doesn't react quickly to procurement reform measures. Some say that DOD doesn't react at all.

Mr. Speaker, I want to take this opportunity to share with my colleagues a copy of an article sent to the committee by Mrs. Anna Hendrickson of Dyersburg, TN. The article was taken from the Commercial Appeal newspaper located in Memphis and was first printed on June 14, 1960, 25 years ago. Despite the date of the article, it could have been printed just this week because it is just as relevant now as then. The article follows:

25 YEARS AGO—JUNE 14, 1960

WASHINGTON.—The senator from Illinois, scholarly-looking Paul Douglas, held aloft a small lamp socket. He said it sold for 25 cents in retail stores but cost the Navy $21.10. There also was a set of wrenches. The Illinois Democrat told his colleagues the set cost the Army $29. Bought from a Washington tool company, he said, they cost $3.89. Douglas displayed eight small drill bushings which cost the Air Force $9.65 each. He said they were appraised for 25 to 50 cents. The items were among 10 which Douglas showed the Senate in attacking the military procurement system which he said sometimes pays six to 100 times the actual value of various equipment. He said he obtained the items in question from a state which received them as government surplus. He said they were accompanied by invoices showing their original purchase cost. He criticized the Defense Department for purchasing $19,700,000,000 or 86.4 percent, of its supplies last year by negotiated contracts instead of through competitive bids.

The above article refers to extensive hearings held by Senator Douglas on the spare parts procurement problems at DOD. Senator Douglas' Subcommittee on Defense Procurement of the Joint Economic Committee of Congress found that the lack of competition, poor procurement management, and a general disregard for the taxpayers money by DOD officials were the underlying causes of the problem. If that sounds a little familiar, it should. Twenty-five years later, the Congress has found that these same conditions still exist. All of us were horrified by the recent scandals of the $435 claw hammer. Can you imagine how much money has been wasted by DOD in those 25 years since Senator Douglas' hearings? Can you imagine how many defense contractors got fat and happy, with the help of their DOD friends, over that same period?

It should be clear that our recent efforts to reform DOD must only be considered a beginning. Keep in mind that for every reform measure we come up with, DOD will try to find at least two ways around it. As such, we must keep the pressure on the Department day-in and day-out with strong oversight, backed up by an effective authorization and appropriations process. In my view, if Congress is serious about reforming DOD procurement, it can forget about one more Presidential commission composed mainly of ex-DOD officials to study the problem. We already have an effective investigative function in the Government Operations Committee and the Authorization and Appropriations Committees. What we need is direct, forceful corrective action. Congress must force DOD to cancel costly and unjustified contracts, debar unethical contractors, and fire Government officials who allow waste, fraud, and abuse to flourish in the programs they are responsible for.

Surely, the American taxpayer is tired of the incessant talk of reform while continuing to read of new procurement scandals virtually every day. It is time for action, not dialog.●

IT'S TIME TO STOP FRAUDULENT TEXTILE IMPORTS

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LOTT. Mr. Speaker, in the last 5 years, 300,000 textile workers have lost their jobs because of imports that come to our shores virtually nonstop. And where there are laws and regulations intended to help manage imports, foreign producers ruthlessly ignore them.

I give you this example: On one day alone in May, the Customs Service seized more than $1 million in textile and apparel shipments that were believed to be fraudulent. Hong Kong, for example, shipped 439,000 dollars' worth of sweaters to New York but called them blouses. The surprises didn't stop there. Chinese ski pants were discovered in New Jersey, along with women's sweaters, girl's overalls, and even work gloves. the gloves were labeled "Made in Cyprus," but the Customs Service found that they were really made in Pakistan.

And these, Mr. Speaker, were only the illegally shipped imports that were discovered. One can only imagine how many fraudulent shipments find their way past inspectors and into stores.

Rigid enforcement of our trade rules is one of the objectives of the Textile and Apparel Trade Enforcement Act of 1985. We must ensure that foreign producers respect our laws as much as they cherish our market.●

RADON REDUCTION ACT OF 1985

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. EDGAR. Mr. Speaker, today I am introducing legislation with my Pennsylvania colleague Representative GUS YATRON to address the problem of radon contamination facing thousands of families living in a part of Pennsylvania and New Jersey known as the "Reading Prong."

Radon, a colorless, odorless, and tasteless gas that is produced by the decay of naturally occurring uranium deposits, has collected in several hundred homes built over the Prong, a seam of uranium several hundred miles long. When inhaled by the people living in these homes, radon is extremely hazardous, drastically increasing the residents' risk of lung cancer.

As of May 23, 1985, the Pennsylvania Department of Environmental Resources [DER] had tested 1,745 homes in the Pennsylvania part of the Reading Prong. Forty percent of these—698 homes—had radon present in quantities above the 0.02 working levels considered "acceptable." Approximately 20,000 additional homeowners in the Reading Prong area have asked to have their residences tested.

Once you find radon in your home, what can you do? There are few options now other than venting the radon through fans, open windows—in short, any method possible. And there is no guarantee, after you spend several hundred or several thousand dollars installing fans and venting equipment, that it will work. Sometimes it does, sometimes it doesn't.

Last month I had an opportunity to spend a morning with the people of Boyertown, PA, where the radon contamination problem is most serious. Not only do some residents of Boyertown have levels of radon in their homes which exceed the 0.02 WL deemed dangerous, they have levels as high as 13.6 WL! The radon contamination problem was discovered late last year when Stanley Watras, a construction engineer at the Limerick nuclear powerplant and a resident of Boyertown, realized that radon from his home was so high that his contaminated clothing was setting off alarms at work!

The people of Boyertown are rightly worried about the high cost of remedial action and the continuing danger of exposure while corrective measures are contemplated. The people of Boyertown are rightly terrified about the effect on their children. One couple has been told that the radon level in their home means that their children—aged 13, 11, and 8—are breathing the equivalent of the smoke from 21 packs of cigarettes every day and that their chances of developing lung cancer are one in eight.

The DER and the Federal EPA have cooperated in the testing program and have tried to be helpful. Yet Government agencies have pointed fingers and avoided action when asked the questions: Who will take responsibility for the health of the people of Boyertown? Who will decide if an emergency exists? What do we do when winter comes and we can no longer open our windows to help vent the radon?

Mr. Speaker, I don't know the answers to all of these questions, either. But I do think that we need to get the experts working on the answers now. Someone must take responsibility. That's why I am introducing this bill today with Congressman YATRON.

The Radon Reduction Act of 1985 takes three important steps: first, it calls on the Environmental Protection Agency to conduct a national assessment of the radon problem. I don't think that we can put together a comprehensive solution until we know the magnitude of the problem we are facing. My bill directs the EPA Administrator to identify what populated areas in our country might be likely to suffer from radon contamination, assess the level, if any, of radon contamination, and determine the level of radon which poses a threat to human health.

Next, the bill would have the EPA Administrator conduct a demonstration program to test methods of reducing or eliminating the threat to public health of radon. In order to bring some immediate relief to the residents of the Reading Prong, the legislation directs that the Prong be one site of the demonstration, and it authorizes $4 million to carry out the project.

Finally, it is clear that an emergency response may be needed. We can't ask people to stay in heavily contaminated homes this winter. We must give them some alternative. Therefore, my bill would amend the Disaster Relief Act to make a release of radon gas a disaster eligible for assistance from the Federal Emergency Management Agency [FEMA]. The bill would not supersede existing requirements for a State response prior to Federal involvement, but it would clarify the responsibility of the Federal Government should the Commonwealth of Pennsylvania decide to move in the crisis in the Reading Prong.

This situation will not go away if we ignore it, and we need to act with speed. I urge my colleagues to review and cosponsor this legislation, a balanced response to the radon crisis, so that we can move quickly to end this health threat to the people of the Reading Prong.●

NASA SPACE PROGRAM

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. ANTHONY. Mr. Speaker, the space program of NASA is a success story we have learned to accept as commonplace. The development of space exploration, space travel, and the militarization of space continue, but it does not make front-page news much anymore. Even a near failure of the space shuttle, such as recently occurred, only caused a brief blip in the news.

Despite the routine nature of today's space program, we should not lose sight of the fact that we are on the threshold of a major expansion of

space flight into the public domain. In the latest edition of Omni magazine, Adm. Alan B. Shepard, who traveled into space in the old Mercury program almost a quarter of a century ago, notes that we are very close to new tourist industry—space travel. I urge my colleagues who want to visualize these expanded frontiers to reflect on Admiral Shepard's article:

FIRST WORD

(By Alan B. Shepard, Jr.)

Is the space program losing the support of the American people? I doubt it, but as we near the twenty-fifth anniversary of America's first manned space mission, the Mercury III mission on which I flew, the question seems worth asking.

If you are like many Americans these days, you may have almost forgotten the space program. It has becomes easy to lose track of it, save for a few moments when the evening news reports that a shuttle has put another satellite into orbit and returned safely to Earth. Even die-hard space enthusiasts have had little to fuel their ardor. It is sad to watch NASA's shuttle schedule slip from a forecast of 50 flights this year to a reality of 17, disheartening to see Washington's small, efficient cadre of warriors against new technology already sniping at budget requests for a space station not yet begun.

All this is in sharp contrast with the glory days of space. Some 25 years ago, *Sputnik 1* caught the nation's attention as no technological event ever had. Suddenly, it seemed as if we were losing a race with the Soviet Union and would soon be dangerously far behind. Each manned Mercury flight brought hours of coverage on network television, followed closely by ticker-tape parades and endless interviews. The Gemini spacewalks continued the excitement. Then came the Apollo program, with its televised moonwalks—the ultimate in drama.

Then, suddenly, the fervor died. Perhaps in our eagerness to reach the moon we had forgotten that this was only part of a grander design. Perhaps it was just that Vietnam, oil shocks, and Mideast wars captured the attention of the nation at large. No matter. NASA's budget shrank, and following the end of the Apollo program, America's astronauts waited nearly six years for another flight.

Today it is easy to suspect that we have never fully recovered from the lean years of the early Seventies. The shuttle was at last finished, and it worked. In eight or nine years, the beginnings of our first permanent manned station will enter orbit, and the United States will finally have a base from which to work in space. Yet space seems to have taken on some of that characteristic dreariness that afflicts most government programs. Where is the old enthusiasm? Where are the banquets for shuttle crews returning from their journeys?

The answer is that they are in the romantic past—where they belong. Look at just one clue and it becomes easy to see the role of space in American society today. Many people deplore the idea of using space for military purposes. (Most seem to ignore the Soviet Union's primitive but functional space-based antisatellite system set up fully ten years ago.) Yet no one seems at all surprised that space should be seen as a battlefield. People easily accept this new technology as a logical source of weapons on which human survival could depend.

And that is the nature of space today. We have not lost interest in space, but it is no longer a crusade. It is a mature technology that earns its way by improving long-distance communications and weather reports. No one holds banquets for the phone company.

Several things convince me that this is not the whole story, however. Enthusiasm for space today is not lost or even obsolete; it merely awaits some new development, perhaps a major event, to focus on.

One bit of evidence is a movie. It seems these days that mass entertainment is dominated by the likes of Prince and Madonna, Hulk Hogan and Mr. T. Yet Hollywood's slick version of *The Right Stuff* managed to pack the movie houses for weeks. Clearly, the space program's early days remain good box-office material.

Another is SpaceWeek '85. In only six years, the national SpaceWeek activities have grown to include events in more than 100 cities. Between July 16 and July 24, each of these cities hosted lectures, parties, mall exhibits, science fairs—even an amateur rocket contest—all celebrating the wonder and value of manned spaceflight. More than a quarter million space enthusiasts were expected to attend.

Again, with encouragement from the White House, columnist Jack Anderson has established the Young Astronauts Council. Its goal: to recruit thousands of boys and girls between the ages of six and sixteen for future roles in space exploration. The program is sponsored by nearly a dozen major corporations.

Such programs are needed because it will be many years before another space spectacular galvanizes public awareness as Mercury, Gemini, and Apollo once did. But it will happen. In 15 or 20 years private enterprise will begin to carry private citizens into space, not to tinker with satellites but for vacations on the space station now being planned by NASA. Ten years or so later, we will finally send our first explorers toward Mars, on a mission as ground-breaking as the Apollo 11 flight was.

Enthusiasm will well up in us again. And this time it will not die out after a few short visits to the moon. Humanity is in space to stay. And once space travel becomes a common, if costly, form of tourism, everyone will know it.●

RIGHTS IN POLAND

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. JOHNSON. Mr. Speaker, I want to bring to the attention of the House the recent, blatant repression of basic rights taking place in Poland.

In June of this year, the Polish Government announced its intention to withdraw many of the academic freedoms it granted to its colleges and universities in 1982.

At that time, it gave students the right to choose from different philosophy courses rather than requiring them to study Marxist-Leninism; it allowed them a choice of economics courses rather than forcing them to study the Socialist economic structure, and it allowed for some semblance of university self-management.

Recent actions make clear, however, that the Polish Government cannot tolerate academic freedom, for announced "reforms" will reclaim much of the power it granted to Polish universities 3 years ago.

The Polish Government has defended this reactionary move as a necessary retreat forced by the antistate and antisocialist tendencies of some university circles.

If the minimal academic freedoms granted to Polish students for 3 years have bred antistate and antisocialist tendencies in Poland's educational community, then isn't this simply more proof that the Soviet-sponsored system of Communist repression is morally and intellectually wrong for the people of Poland?

So let us not be misled. The Polish Government has little or no intention of granting any substantial freedoms to its citizens. We cannot allow ourselves to be distracted from the reality of oppression in Soviet dominated nations like Poland.●

TASK FORCE ON PLANT CLOSINGS AND WORKER DISLOCATION

HON. LYNN MARTIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. MARTIN of Illinois. Mr. Speaker, plant closings create tremendous economic and personal disruptions within our communities. Unfortunately, northern Illinois knows only too well the effects of layoffs and plant closings. Specific industries, steel, machine tool, and autos to name a few, have been particularly hard hit. And just recently 360 employees were laid off in Oregon and Mount Carroll, IL. It is imperative that we give special attention to worker dislocation that occurs as a result of plant closings.

I am pleased that Secretary of Labor Bill Brock has created a Task Force on Plant Closings and Worker Dislocation. This task force will be assigned to examine the issue of plant closings, and to evaluate current programs and policies at the State, local, and Federal level. The task force will also assess all new proposals including both policy recommendations and Federal legislation. Some of the critical elements the task force will be examining are: advance notice of plant closings, joint labor-management outplacement, job search training, skill retraining, and extension of benefits.

The task force will be composed of three representatives from Labor, three representatives from business, three Members of Congress, three Senators, one representative from the

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National Governors' Association, one representative from the U.S. Conference of Mayors, and two representatives from universities or private study groups.

There is no question in my mind that American technology can and will provide new designs, new industries, and new jobs for our workers. Adjustments and readjustments in the economy will not take place, however, without some dislocation of skilled workers. This task force will attempt to provide solutions by bringing together all existing programs to produce a comprehensive plan. While some dislocated worker problems are reduced by existing programs such as unemployment insurance, the Job Training Partnership Act, employment services, and trade adjustment assistance, these programs often provide only transitional assistance. We must seek solutions to ensure continuous long-term employment.

I am hopeful this panel can produce a meaningful report which can be used as the foundation for an effective response to the problems of plant closings.●

EPA INACTION ON ACID RAIN

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. FLORIO. Mr. Speaker, a recent article in the New York Times reports on a court ruling that the Environmental Protection Agency [EPA] must immediately act to stop the pollution that causes acid rain. The article, which I commend to my colleagues' attention, explains that the Agency has thus far taken no effective action to curb the pollution that is resulting in severe acid rain problems, especially in Canada.

This court decision is but the latest in a series of rulings which are a direct result of EPA's failure to implement the Nation's major environmental laws. The Agency's failure to act forces resolution of this difficult and important public policy issues into the courts, where judges are compelled to resolve them.

The New York Times article follows:

EPA WEIGHING APPEAL OF RULING REQUIRING STEPS TO CURB ACID RAIN

(By Philip Shabecoff)

WASHINGTON.—The head of the Environmental Protection Agency today ordered his staff to study the implications of a Federal court ruling requiring the agency to order states to reduce pollution that causes acid rain.

Lee M. Thomas, the agency's administrator, asked his staff to look at all options, from complying with the court decision handed down Friday to appealing it to a higher court. Agency officials, who spoke on condition they not be identified, said they thought it most likely that the court ruling would be appealed.

The decision, by Federal District Judge Norma Holloway Johnson, ruled in favor of New York and several other states, which had sued to require the E.P.A. to act on pollution from seven Middle West and border states that is crossing state boundaries and into Canada as acidic rain, snow, fog or dust.

DECISION ON CANADA ONLY

Judge Johnson's decision dealt only with the request for action against pollution crossing into Canada. It said that the E.P.A. must identify states responsible for that pollution and then order them to curb any emissions that cause acid rain to fall in Canada. The issue of interstate pollution is now pending before the United States Court of Appeals for the District of Columbia.

In a formal statement, the agency said that the Reagan Administration "has publicly recognized that acid rain is a serious environmental problem in the United States and Canada." The Administration has contended that more needs to be learned about acid rain before an expensive program to combat it is undertaken.

The E.P.A. said today that the states affected by the ruling are Kentucky, Ohio, Indiana, Illinois, West Virginia, Michigan and Tennessee.

The chief source of acid precipitation is the emission of oxides of sulfur and nitrogen from the burning of fossil fuels. Much of this pollution originates from coal-burning power plants, many of which are concentrated in the Middle West. The pollution is carried East and North by prevailing winds and falls on the Northeast and Canada, destroying life in vulnerable bodies of fresh water, and, some researchers say, damaging forests, man-made structures and endangering human health.

New York's Attorney General, Robert Abrams, as well as environmental groups, hailed the decision as a major step toward forcing the Administration to take action to reduce the pollution that causes acid rain.

But Joseph Dowd, general counsel of the American Electric Power Company, which operates large coal-fired power plants in the Middle West and would be heavily affected by Judge Johnson's decision, called the ruling a "shocker" and "very disturbing."

Mr. Dowd said he expected the E.P.A. to appeal the decision and that in any case, the nearly 80 utility companies that are party to the suit would appeal.

Mr. Abrams said that Judge Johnson's decision was "the most significant ruling yet in a four-year struggle to compel the Reagan Administration to curb sulfur dioxide emissions by midwestern power plants."

Richard Ayres, a lawyer for the Natural Resources Defense Council and chairman of the National Clean Air Coalition, an alliance of environmental, consumer and public health organizations, said the decision was another "tightening of the vice" on the Environmental Protection Agency to force it to act on acid rain.

Mr. Ayres said environmentals still believe legislation by Congress is needed to develop an effective program to curb acid rain.

Dr. Michael Oppenheimer, an astrophysicist for the Environmental Defense Fund, said the court decision would put pressure on Congress to shape an acid rain policy.

Bruce Jutzi, counselor for the environment at the Canadian Embassy here said: "Our first reaction was one of pleasure of having the court recognize that transboundary pollution is a matter of serious concern that should be dealt. We have been pressing that point for some time. In terms of what it means beyond that, we will have to read the decision very carefully."●

WE SHELL OUT A PECK FOR THIS NUTTY PROGRAM

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LUNDINE. Mr. Speaker, I would like to submit for the consideration of the House an article by James Bovard that was printed in the Wall Street Journal, Monday, July 29. I feel that this article gives a clear and insightful account of an obsolete peanut program that warrants revision.

I am in strong agreement with Mr. Bovard's accurate description of the absurdity of the present two-tier price system for peanuts, which drives up the price and limits supply. After reading this article, I am sure that my colleagues will recognize that this feudal program is not only unnecessary, but also very costly to the American consumer.

WE SHELL OUT A PECK FOR THIS NUTTY PROGRAM

(By James Bovard)

Amazingly, consumers may soon get a break on the 1985 farm bill. When the Senate considers the agricultural bill this week, Sen. Richard Lugar (R. Ind.) intends to offer an amendment to terminate the current peanut program. If Sen. Lugar's amendment passes, the farm lobby's phalanx will be broken, and other farm programs might be defeated.

Sen. Lugar is targeting perhaps the most obnoxious farm program around. It slashes productivity, boosts costs, inflates prices, and sacrifices some farmers to other farmers. If consumers are ever to make a stand in the farm bill fight, the peanut program is a good place to begin.

Farmers cannot grow peanuts for their fellow citizens without a federal license. Thirty-six years ago, to reduce budget outlays under a generous price-support program. Congress closed off the peanut industry, distributing licenses to grow peanuts to existing farmers and prohibiting anyone else from entering the business. Feudalism still reigns, and the farmer who violates the peanut proscription is subject to heavy fines and ensnarement in the Agriculture Department bureaucracy.

The peanut program is particularly perverse because Congress has piled on one restriction after another over the years. In 1977, Congress, in an attempt to reduce budget outlays caused by peanut surpluses, began restricting the amount of peanuts to be sold in the U.S. The domestic peanut supply has been nearly halved since 1975. Thus has created an artificial shortage and shifted the cost of the peanut program from the government to consumers.

The peanut program is replete with the usual as policy flim-flams. By law, peanut support prices must be based on cost of production (COP). The Agriculture Department gets this "fair price" by averaging costs of the most productive and least competent farmers. The implicit premise is that

no matter how badly a farmer bungles his business, he is entitled to be reimbursed (in part) for his efforts.

In 1980, peanuts were hit by drought, which sharply reduced yields and thereby temporarily boosted per-pound production costs. Congress based its 1981 COP calculation on the 1980 drought year—which conveniently justified a 21% hike in price supports, from $440 to $555 a ton.

The COP figure is also a joke because the peanut program itself adds as much as 50% to a farmer's cost of production. Approximately half of all growers rent licenses to grow (called quota allotments) from outsiders, paying a tribute of up to $120 a ton for the right to grow goobers. The cost of renting allotments is added to the COP formula, which results in higher price supports, which drives up the rents for the privilege to grow peanuts, which results in higher COP . . . ad infinitum.

The quota system is also responsible for exhausting the soil and driving down peanut yields in many places. Quota allotments cannot be rented outside of the county they were originally allocated to in 1949. Peanut yields in parts of Texas have long been declining. While many acres with yields below 1,000 pounds have quotas, over a million acres with potential yields of 2,500 pounds or more are banned from producing for the domestic market.

The one good thing about the peanut program is also the element that proves that the whole shebang is unnecessary. As of 1981, any farmer could grow peanuts for export (called Additional Peanuts)—but with no real price guarantees from Uncle Sam. Peanut export sales are now far above mid-1970s levels. Georgia farmers are growing peanuts for export at $325 a ton—at the same time that Congress insists on paying farmers $555 a ton to produce for domestic consumption. Foreigners can buy U.S. peanuts much more cheaply than Americans can.

Though it is good that more farmers have finally been allowed to grow peanuts, the two-tier system sacrifices the newcomers to the old guard. By strictly limiting the domestic quota, the Agriculture Department reduces U.S. peanut consumption and thereby dumps a few hundred million tons of extra peanuts on the world market. This depresses prices received by American farmers growing peanuts for export.

The two-tier system is absurb. Peanut butter made from quota peanuts can be exported to Canada and Mexico, but peanut butter made from additional peanuts cannot. (The Agriculture Department fears the cheaper peanut butter made from additional peanuts could be reimported.) The additional peanuts themselves can be exported to Canada, and American peanut butter manufacturers are paranoid that canadian companies might be using cheap peanuts to make peanut butter and then sending it back across the border.

Congress gives peanut growers a far better deal than other farmers receive. An American Peanut Product Manufacturers Institute study estimated that peanut price supports "have been set 80 percent above USDA-defined production costs . . . when land costs are excluded, and 60 percent above when the inflated costs of land are included." The Institute differs with the Agriculture Department's method of calculating peanut production costs. APPMI estimates that net returns to peanut farmers are four to 10 times higher than returns from competing crops.

Consumers are, as usual, the victims of this farm program. The Agriculture Department estimates that the peanut program boosts peanut butter prices 13.5 percent. Public Voice for Food and Health Policy, a Washington consumer group, estimates that the peanut program mulcts consumers for $250 million to $300 million a year.

There is hope for reform. The peanut program was almost knocked off in 1981. That year, Rep. Stan Lundine (D., N.Y.) proposed terminating the program, and the House approved 250-159. Sen. Lugar proposed phasing it out, and the Senate initially approved, 56-42. (The Senate later reversed itself, 51-47, and Rep. Lundine's bill vanished in conference.) Now both Rep. Lundine and Sen. Lugar will try again. APPMI, other peanut-product manufacturers, and Public Voice are vigorously lobbying to persuade Congress to end the goober madness. The peanut program's opposition is stronger and better organized this year and appears to have a good chance of success. And if the peanut program can be knocked down, a domino effect could occur with the rapid demise of the honey, wool and sugar programs.

The peanut program artfully combines the worst traits of feudalism and central economic planning. Congress has a chance to end this program that makes a mockery of efficiency, fairness and property rights.

Mr. Bovard writes frequently on farm and other U.S. programs.●

ANNUAL QUESTIONNAIRE

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LENT. Mr. Speaker, in May I mailed my 15th annual questionnaire to my entire Fourth Congressional District in Nassau County, NY. The questionnaire has been a tradition thoughout my years in Congress, because I find it provides me with an accurate and invaluable gauge of my constitutents' positions on important national issues. Knowing their thoughts and opinions helps me do a better job representing them in Congress.

This year, two of the most important issues facing Congress are tax reform and reducing the budget deficit, issues which will directly affect Long Island working families. Acordingly, the 1985 questionnaire was designed in a way to help me obtain my constituents' opinions on these critical and timely matters.

As in past years, I was very pleased with the overwhelming response; over 10,000 people participated in this year's poll. I'd like to take this opportunity to thank all those people who took the time to fill out the questionnaire and to let me know what they think about the problems facing our Nation today.

The strong response reconfirms my conviction that the residents of the Fourth Congressional District are concerned citizens working for a more responsive, effective democratic government. Long Islanders are active on all levels of government and take a special interest in Federal matters. I'd like now to share these poll results with my distinguished colleagues.

The poll's first section dealt with the various proposals to reduce the Federal budget deficit. A large majority, over 76.5 percent, were opposed to a tax increase as part of a plan to reduce the deficit. A somewhat smaller majority—70 percent—said they favored an across-the-board budget freeze on all spending, both domestic and military, to reduce the Federal deficit. But well over two-thirds—69.4 percent—said "No" to a freeze on Social Security cost-of-living increases.

Respondents were more evenly split on the question of restricting federally guaranteed student loans to students from families with annual gross incomes of $32,500. Support for such an initiative was 53.7 percent, with 46.3 percent opposed.

An important issue for New York and Long Island is funding for mass transit operations. A total of 43.4 percent said they favored reductions with 56.6 percent against lower funding levels for mass transit.

The second half of the questionnaire focused on tax reform. Among respondents, there was a sharp division on the question of replacing the current 14-bracket graduated income tax system with a flat-rate tax plan which would eliminate most deductions and tax according to a single three bracket system with tax rates set a 15 percent, 25 percent and 35 percent of taxable income. Respondents favored the flat-rate tax concept by 53.7 percent, while 43.6 percent rejected the plan.

However, Fourth Congressional District residents overwhelmingly opposed the flat-rate tax reform plan if it eliminated the deduction for State income and sales taxes—82.2 percent—and the deduction for real property taxes—school and town—89.3 percent.

Somewhat smaller, though significant, majorities of constituents objected to the flat-rate tax reform plan if it taxed employee fringe benefits, such as health insurance coverage paid by employers—78 percent; build-up of values in life-insurance—78.5 percent; and capital gains—58.7 percent.

Congress is now deadlocked in negotiations on a budget reduction package. Tax reform is an equally complex issue, and there is certain to be heated debate in Congress over some of the more controversial provisions. I will fight to protect my Long Island constituents from unjust taxation, and I am gratified to have their support in the coming struggle. I hope that by sharing this information, my colleagues have gained a better understanding and appreciation for the views of my Long Island constituents on these critical national issues. ●

NAA REPORT ON THE HELSINKI ACCORDS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GARCIA. Mr. Speaker, I am submitting for my colleagues' perusal excerpts from a report published last November by the North Atlantic Assembly Committee on Civilian Affairs on the "Implementation of the Humanitarian Commitments Entered into at the CSCE." It was prepared by the Rapporteur of the Subcommittee on the Free Flow of Information and People, Mr. Frans Vangronsveld, a member of the Belgian Senate, and a good friend and colleague of mine at the Assembly.

Since this week marks the 10th anniversary of the signing of the Helsinki accords, I felt it appropriate to share this report from the Assembly. The Assembly also publishes, under the auspices of the Civilian Affairs Committee, a quarterly publication entitled the Bulletin, dealing the humanitarian provisions of the Helsinki accords.

I would like to add that I have been privileged to be a member of the House delegation to the Assembly since coming to Congress, and last November I was given the honor of being elected chairman of the Civilian Affairs Committee. The committee, and the entire Assembly, deals with a whole range of issues affecting the Atlantic Alliance. It is a first-class organization, and I am proud to be a part of it.

I can make available to my colleagues copies of the Bulletin and Mr. Vangronsveld's report.

SUMMARY

I. IMPLEMENTATION OF THE HUMAN RIGHTS COMMITMENTS ENTERED INTO AT THE CSCE

The Rapporteur sets out from the following observaion: the signatories of the Helsinki Final Act and its follow-up do not all show the same commitment to implementing their human rights undertakings. The so-called "socialist" countries are in many cases determined not to implement them. The draft report draws up a picture, for each type of undertaking, of the violations of the Final Act. It notes that the picture is varied. Certain countries, like Hungary, have progressed, while others decline to move forward at all. Some areas—like religious freedom—seem more susceptible to change, while in others—such as freedom of association—there seems to be little likelihood of the situation improving.

To induce the signatory states to keep their promises, the draft report proposes that Western diplomacy be "conditionalised", so as to avoid the drawbacks of "linkage". In order to do this, each of the Alliance countries should be encouraged to adopt a different approach, as the various Alliance countries maintain relations of differing degrees with each of the communist countries. Care should be taken to avoid these countries reacting as a bloc, and this calls for coordinated but diversified diplomacy.

Public means represent a vital supplement to diplomacy, especially in a field which affects relations between peoples. The draft report calls for a separation between such activity and the diplomatic approach, with states resorting to public means in the event of failure of diplomatic channels, and the rest being left to private initiative and international communication by means of orders and documents.

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I. IMPLEMENTATION OF THE HUMANITARIAN COMMITMENTS ENTERED INTO AT THE CSCE

1. By the time the Madrid Conference closed some progress had been made in the field of human rights, particularly in the areas of the press and trades union rights. Since the signing of the Helsinki Final Act, however, there have been constant violations of the human rights commitments contrived therein. One is entitled to wonder what point there is in progress on paper while the actual situation has not improved.

2. The CSCE process has reached a crucial juncture. If no real progress is made in the field of human rights, the forthcoming meetings of the Conference will lose all credibility, since the Western signatories will know in advance that the commitments given by the Eastern bloc will have no practical value. This would not only tend to make our diplomacy look ineffective, but would increase cynicism both on the part of the Eastern bloc countries and even more so on the part of public opinion in the West, for which the natural tendency would be to look on these developments as an abstract game of concern to governments for reasons that have very little to do with human solidarity. It is therefore our Sub-Committee's task to see what means would be likely to bring about fuller and more balanced application of the commitments entered into the course of the CSCE process. In order to do this, we must first take stock of the extent to which these commitments have been violated, then examine the paths, both public and diplomatic, which would make it possible to bring pressure to bear on the signatories who appear to attach scant importance to honouring their promises—or indeed appear to be determined not to honour them.

A. EXTENT OF THE VIOLATIONS OF THE HELSINKI COMMITMENTS

3. This is not the place to detail the multiple violations of the human rights provisions of the Helsinki Final Act (Principle VII and Basket III in particular). We must settle for a brief survey of recent developments, attempting to pick out the most significant features. The *Bulletin* published by the International Secretariat for our Sub-Committee constitutes a sad catalog of these multiple violations. Ninety to ninety-five per cent of them were perpetrated by governments of the Eastern bloc.

4. However if we look more closely at the events of recent years we can detect a real disparity first of all between the conditions prevailing in the various countries of the Eastern bloc, and secondly between each of these countries and the Soviet Union. These differences serve to define the subtly shaded framework within which our countries' policies should be shaped, if they are to be realistic and effective. Actual conditions and pressures differ noticeably from one country to another, resulting in some unevenness in the degree of application of the various types of Helsinki commitment.

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G. ENCOURAGE CHANGES

66. The Helsinki process, continued in Belgrade and later in Madrid, represented an attempt to "Europeanise" human rights questions, giving each of the signatories a right to voice their views on the matters mentioned in the Final Act, and its follow-up, even in connection with affairs internal to another state. In other words, the principle of non-interference is retained, but it cannot be invoked by a signatory to the Act to stop its partners intervening in connection with specific instances on questions dealt with in the Act. Thus there is no longer any principle of non-intervention in Europe (Albania excepted). This is why it is indispensable for the governments of the Alliance to seize every opportunity to show their concern over the violations of the human rights provisions of the Final Act. Depending on the case, this should be done discreetly, by diplomatic methods, or else publicly. But it should never be forgotten that this is the major achievement of the CSCE process.

67. This opportunity opened up by the Final Act and its follow-up is rendered even more effective by the fact that societies of the Eastern countries differ widely from one another. The survey given above shows that there are now large discrepancies in governmental behaviour between countries of the Warsaw Pact, and, even more importantly, between the societies living under the "communists" regime. This variety is even more striking if one considers not only the human rights aspects of the internal situation of these countries, but on a more global level the societies taken as a whole. Their economic systems, their types of political organization and the power of the Communist parties, for example, also vary substantially from one country to another.

68. The CSCE process cannot claim any responsibility for this diversity, but, if it is used consistently, it indubitably represents a factor making for fluidity in relations between European States. Anything that can help to transform the societies dominated by the Communist States by moving them towards greater diversity must help to make the "bloc" a less monolithic unit grouping and therefore less a bloc than an alliance. It is obviously up to the citizens of these countries themselves to consolidate these changes, but Western nations must not and cannot stand idly by. Any movement in this direction represents an advance for European peace.

69. More formal consideration should however be given to the means which might make it possible to force the signatories of the Act to register some progress towards honouring their commitments. In this respect, the first principle must be precision. The Soviets and their satellites always prefer vague and "universally" applicable formulas to precise and concrete commitments. There is nothing surprising in this. The totalitarian regimes' "Newspeak" let them interpret general principles their own way: notions which for us have a precise meaning are so distorted as to become completely malleable, serving to say anything one likes and its precise opposite. This is why the constitutions of the Communist

countries detail rights which are often non-existent in practice.

70. The prime objective for the free nations must therefore be to secure commitments from the leaders of the Eastern bloc countries and the USSR that are as precise and as verifiable as possible. The objective must be a situation in which compliance with the commitments can be monitored in a manner that leaves no room for doubt. In this respect, some progress was made in Madrid. The fact, for example, that replies to requests for visas for potential emigrants must now given within six months (and no longer "within a reasonable time") represents a veritable commitment. In the same way the provisions relating to press correspondents will make it possible to arrive at an incontrovertible verdict on the extent to which the Madrid provisions are being faithfully applied. This must be the path taken by the forthcoming follow-up conferences on human rights. It is quite obvious today that global promises have no practical value. However we should not delude ourselves: the further the countries of the Alliance proceed along this path, the more difficult it will be to reach agreements. The Soviets and their allies will take shelter behind a restrictive interpretation of the principle of non-interference, although they themselves completely ignore this principle in waging their constant ideological war against the West.

71. If paralysis is to be avoided, the approach to these negotiations must be one that avoids confrontation between our Alliance and the Eastern bloc. We should make due allowance for the fact that the influence which the Alliance and each one of the countries of the Alliance can exert on each of the countries of the bloc varies considerably. Our influence on Soviet society is minimal, but this is not the case for all the societies of the satellite countries, with which we have economic and human relations that offer us broader scope for action. On the other hand the nations of the Alliance have more or less developed relations with the East, and any human rights policy must take account of the partners' capacity for influence. Policies that are too universal can be dangerous inasmuch as they run the risk of strengthening the solidarity between the leaders of the "brother countries", whereas the aim should be to weaken this solidarity. To make progress along this path, your Rapporteur suggest consideration, in turn, of diplomatic methods and public means. * * * * * *

CONCLUSION

90. Your Rapporteur would like to add that in his opinion parliamentarians from the member countries of the Alliance should be involved in the negotiations for the follow-up to the Final Act, following the United States practice, in order to make the public more familiar with these matters, which concern not only the States, but the citizens too. National delegations to the forthcoming meetings should at the very least include parliamentary observers, or better still contain parliamentarians as members of the delegation. The North Atlantic Assembly should likewise be involved in the prior consultation procedures of the member countries of the Alliance. This would make for greater consistency in the stances adopted within each of our countries, and also between the countries themselves.

91. The purpose of this report is to think of ways of introducing human rights consideration into the framework of inter-state negotiations, in order to assure them of their rightful place. All too often, questions relating to the citizens themselves are looked on as external to the normal field of foreign policy: they are then used for informational purposes or even propaganda purposes, or else in illustration of political considerations.

92. It is your Rapporteur's view that morality must have an integral place in the international concerns of democratic states and societies. This is not a matter of lapsing into other worldliness, but of making our moral objectives an integral part of our diplomatic practice. Human rights are one of the objectives of the Atlantic Alliance's international action. To come close to this objective, our nations must shape their international policy within this framework. Moral pressure must be backed up by political pressure. This is the price of consistency between our countries' foreign policies and the principles they invoke.

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SERGEANT YORK GUN

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DENNY SMITH. Mr. Speaker, as some of my colleagues are aware, I have been a strong proponent since coming to Congress of the need for our Armed Services and the Office of the Secretary of Defense to place more emphasis on the importance of rigorous operational testing of our proposed weapons systems.

In my mind, this is an issue that is second to none when it comes to solving procurement problems at the Pentagon. It would be criminal to send our young fighting men weapons that are ineffective or that would fail on the battlefield because of a failure to conduct tough, combat-like tests on them beforehand.

A weapon system under heavy scrutiny by the Department of Defense, the Sergeant York Gun System, has recently been put through a series of trials and demonstrations conducted by the Army in order to measure the weapons capabilities.

While the test reports on this set of trials have yet to be completed, I thought my colleagues would be interested in reading the comments recently directed at me by Gen. James Maloney, our Army's commanding officer at Ft. Bliss, TX and the Army's chief proponent of the Sergeant York gun. The following is an article published by the Gannett News Service on August 1 containing General Maloney's statements:

SERGEANT YORK GUN

EL PASO, TEXAS.—Fort Bliss commanding officer Maj. James Maloney said Wednesday he was "infuriated" by a congressman's statements that Army tests on the controversial DIVAD anti-aircraft gun were skewed to give the illusion that the weapon performed better that it actually did.

And officers who participated in recent tests on the DIVAD, also known as the Sgt. York gun said it performed according to Army specifications.

Rep. Denny Smith, R-Ore., said videotapes of tests showed unmanned aircraft, called drones, still flying after Sgt. York rounds burst nearby.

Instead of waiting to see whether the aircraft would crash, Smith said, the Army used remote control detonation signals to destroy the drones in the air.

Maloney called a press conference to show El Paso media a videotape made during the four-day tests at White Sands Missile Range during June and to defend the weapon against the statements, which Smith made in a letter to Jack Krings, head of the Pentagon's operational test and evaluation agency.

"He is not doing this for the good of the nation," Maloney said of Smith's criticism. "He is ill-informed, he is misinformed, he is uninformed."

The DIVAD shells use proximity fuses and explode near their targets and shower the targets with tungsten pellets, Maloney said. During the tests, drones made 32 passes by two DIVAD guns. By the end of the live-fire tests, six of the seven aircraft had been destroyed. The tests involved both fixed-wing aircraft and helicopters.

Maloney said target destruction on the first pass was not a realistic expectation during the tests, which were limited by safety regulations.

He said the drones were outside the radius of the guns because when the shells "score a kill," the drone loses control and could crash into the guns, test instruments and spectators at the test site.

In tests, he said, "the probability of a kill would be a good deal lower than in an actual tactical situation."

And Maloney said Smith's charges that the Army's use of remote control detonation to destroy the aircraft to make tests appear more spectacular were absolutely false.

With the loss of control after a Sgt. York strike, Maloney said, there is no way to manipulate the aircrafts' crash position.

"I suggest you talk to the people who push the buttons to see why they do that," he said. "We did our absolute best to make these tests objective."

Maloney noted that Smith's criticism came just before Defense Secretary Caspar Weinberger makes a decision on whether to exercise an option to Order 117 additional Sgt. York units.

"He is in a position to do damage to the program," Maloney said, "because he has the immediate ear of the press."

But he said Smith had very little credibility in the Pentagon.

Maloney said the DIVAD system was not without its warts, but the problems were minor and could be corrected.

Lt. Joseph Pouliot, who was executive officer for the tests, and Lt Harry Pecotte, firing platoon leader, also defended the Sgt. York's effectiveness.

Pouliot said he was not a Sgt. York supporter before the tests, but now be considered it by far the best air-defense gun in the world.

Each Sgt. York unit, which consists of two 10mm guns mounted on a chassis, costs $3.5 million, Maloney said, and the entire system, which inlcudes 614 units, would amount to $4.2 billion.●

THE SECRET AGENDA OF SUPPLY SIDE ECONOMICS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MILLER of California. Mr. Speaker, 4 years ago, this country embarked on one of the greatest fiscal experiments in history. The cure for huge deficits was a magical elixir called supply side economics.

Disbelievers warned that gigantic tax cuts—the key ingredient of the supply siders' recipe—would multiply the deficit, then in the $50 to $70 billion range. Supply siders, like Arthur Laffer, responded with a drawing on a napkin which proved their unorthodox theory.

In 1981, Congress passed President Reagan's tax bill, reducing Federal revenues by $750 billion. Over the course of the next 4 years, deficits have steadily increased, from about $70 billion when Mr. Reagan took office to deficits of $200 billion a year "as far as the eye can see," according to David Stockman.

The President continues to excoriate Congress as big spenders. But the exact opposite is true. In fact, Congress has appropriated less than the President has requested in every year but one.

Between 1982 and 1985, Congress cut nondefense spending by $176 billion to further reduce the deficit. But during the same period, at the insistence of the President, we increased military spending by $112 billion. Today, the Pentagon spends our tax money at the fantastic rate of $800 million every day of the year.

If Congress is not to blame, what is?

According to several reviews, it is supply side which has failed, and failed badly. The tax cuts of 1981 have added $115 billion to the current deficit, according to a study by the Federal Reserve Board.

During the period 1982–84, when the benefits of the supply side magic were supposed to appear, several of the leading economic indicators actually dropped, including personal savings rates, total savings, and gross private investment as a share of GNP.

Real GNP grew at a slower rate during the heyday of supply side economics than during the Carter administration.

There was a tiny increase in the share of GNP used for fixed nonresidential investment, but the increase was less than in the immediate pre-Reagan years.

And unemployment now seems permanently locked above 7 percent—a level which Mr. Reagan and the supply siders decried in 1980.

On the basis of this evidence, it would seem logical to conclude that supply side economics have failed to achieve its goals. But that would be an inaccurate assumption. For while supply side economics may have failed in its public purpose—to balance the budget and stimulate the economy—it has wildly succeeded in its private goal.

That secret agenda was to deplete the Federal Treasury through unsound tax policies in order to establish the political rationale and public mandate for slashing Federal spending for virtually every domestic program. Gone from the budget debates, for the most part, are serious discussions of the necessity or workability of specific programs. The budget battle is now only a race between Democrats and Republicans, Congress and the White House, to see who can cut more, regardless of the consequences and long-term costs.

This year, the House of Representatives made a very serious effort to reduce the deficit. We cut spending by $56 billion for next year, about equally from defense and from domestic programs. No one was spared except those few programs which serve the very poorest and neediest of our citizens. The House preserved Social Security and retirement plans. We did not raise taxes. And the President rejected not only the House plan, but multiple Senate deficit cutting initiatives as well.

Predictably, the President is now going to blame the Congress for the deficits which will continue to grow in 1986. That may be good campaign rhetoric, but it is simply not accurate. Responsibility lies solidly with the President and his economic strategists who have repeatedly rejected good faith efforts to cut the deficit.

It is important to remember that the President has had five opportunities to match his rhetoric with performance by sending a balanced budget to the Congress. Instead, he has submitted budgets with dramatically higher deficits every year he has served in office.

Vice President Bush was right in 1980 when he ridiculed supply side theory as "voodoo economics." We should have listened to him then, before the deficit was tripled under the supply side game plan.

A thoughtful analysis of the failure of supply side economics was published recently in the Washington Post by Dr. Robert M. Dunn, Jr., professor of economics at George Washington University.

I commend Professor Dunn's article to my colleagues.

The article follows:

Bye-Bye, Supply Side—You Never Did Make Much Sense, But That Wasn't the Point

(By Robert M. Dunn, Jr.)

Almost four years ago the Kemp-Roth tax cut became law with brave promises from supply-side economists that wonderful things were going to happen to the U.S. economy.

According to Arthur Laffer, a massive reduction in personal income taxes would produce such strong incentives to work, save and invest that the economy would almost explode with growth. The rapid increase in output and incomes would generate such an increase in tax revenues that all the losses from lowered tax rates would be recovered. Perhaps the economy might grow so rapidly that tax receipts would actually increase.

Even among supply-siders who doubted that quite all of the revenue losses could be recovered, there were confident predictions of more savings, more investment, faster growth and generally good times. The economy's increased capacity to produce was also supposed to make it possible to eliminate inflation without a recession.

It was a lovely vision, and because almost four years have passed since the tax cut was passed, and the rate reductions have long since been fully phased in, it now becomes possible to ask whether the vision has been realized. The answer is that it has not been, and that the supply-side arguments for personal income tax look rather silly.

Federal budget deficits of almost $200 billion make it obvious that the revenue losses have not been recovered. A recent econometric study by Henry Wallich and Darrel Cohen at the Federal Reserve Board concludes that the tax cuts of 1981 have contributed $115 billion to the current federal deficit, even after allowing for the small tax increases of succeeding years. Prof. Laffer's predictions that revenues would be fully recovered through more rapid economic growth can now be forgotten.

Comparing the performance of the U.S. economy during the three years after the tax cut with its performance during the four years of Jimmy Carter's administration provides little comfort for supply-side economics.

Personal savings rates actually declined slightly (from 6 percent to 5.8 percent) in 1982–84. The total savings rate for the economy fell sharply (from 15.8 percent of gross national product to 13.8 percent) because of massive federal government "dis-saving" in the form of huge budget deficits. Lower tax rates did not produce more savings.

Gross private investment also declined as a share of GNP after the tax cut (from 16.9 percent to 15.1), which hardly suggests an acceleration of capacity growth. There was a tiny increase—from 11 to 11.2 percent—in the share of GNP used for fixed nonresidential investment, which is mainly plant and equipment, but even that figure was lower in 1984 than in 1979 or 1980.

There apparently has been an increase in investment in equipment as a share of GNP, but that was caused by the combination of an investment tax credit and Accelerated Cost Recovery rather than personal income-tax cuts. In addition almost all of that growth was in computers, a form of investment that now seems to be flattening out.

Since there was no increase in savings or total investment as a share of GNP, it is not surprising that there was no acceleration of economic growth. Real GNP grew less rapidly in 1982–84 (2.8 percent a year) than in 1977–80 (3.3 percent a year). Although growth during 1984 was impressive, it has recently slowed, and the economy is now expected to grow by only about 2 percent during 1985. Inflation was reduced dramatically, but at the cost of a deep recession in 1982.

The supply-side revolution has been a flop. Almost four years after the passage of a massive tax cut, there has been a decline, in the savings rate, private investment has not increased as a share of GNP, growth of the economy has not accelerated and federal deficits have exploded, largely because of lost tax revenues.

If the promises of supply-side economics have failed so badly, why has the Reagan administration's management of the economy been so popular, and why did President Reagan enjoy such a landslide victory last November? The answer is that the claims of supply-side economics were never central to Reaganomics, and that on the issues about which his supporters really cared, he delivered.

First, people wanted inflation stopped. Price increases of 13.3 percent in 1979 were frightening, and Reagan presided over a sharp deceleration of that inflation. The fact that this was largely the work of a Federal Reserve chairman who was inherited from the Carter years is irrelevant. Reagan was in office when inflation slowed greatly, and he gets the credit.

Second, a large number of Americans wanted their taxes cut, and they didn't care greatly about the quality of arguments used to justify such a cut. For those who viewed April 15 as an annual financial mugging, the operative motto was, "Any port in a storm," and even a silly argument for tax cuts was a good argument.

Finally, many conservatives viewed a tax cut as a way to reduce government revenues and thereby to force Congress to cut spending for a variety of domestic programs. They would have been appalled if Laffer had been correct and Congress had had plently of money to spend on programs they despised.

Reagan did produce a large tax cut. Many domestic social programs have been cut. And Congress is under constant pressure to eliminate others. With inflation at about 4 percent the real economic goals of the Reagan revolution have been largely realized. Supply-side economics was only a fig leaf designed to give a modest intellectual respectability to a quite different agenda. It can now be viewed as a sideshow on which the curtain can be brought down. Goodby, supply side.●

STREAMLINE EXPORT LICENSING

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. AUCOIN. Mr. Speaker, our present system of export licensing is undermining the ability of U.S. firms to sell their products overseas and win against foreign competitors. It's costing them customers and profits abroad, and it's costing us jobs and payrolls at home.

We have a responsibility to protect our Nation's security by preventing the flow of critical military technologies to the Soviet bloc. But we also have a responsibility to this country's businesses to streamline a lengthy and cumbersome system and set reasonable control standards.

I understand that Georgetown University's Center for Strategic and International Studies will soon publish a study which will reveal that our export control system is hurting U.S. exporters, adding to the trade deficit and hindering high-technology innovation.

I look forward to reviewing this study. With a $130 billion trade deficit that's growing by the day, we must take steps to improve our export control policy. The recent passage of the Export Administration Act will help. Consideration of further reforms will also help. If there is one consistent concern I hear expressed from high-technology companies in my district, it is that the licensing process, in many ways, is neither sensible nor predictable. How can we expect our exporters to get to first base, if they can't even get up to bat?

Mr. Speaker, I hope Congress and the administration will take a close look at the Georgetown center's study when it's released. An article from the Washington Post on this subject follows:

Study Raps Export Controls for Delays in U.S. Technology

(By Michale Schrage)

A prominent conservative think tank plans to publish a report next month criticizing U.S. export controls and putting most of the blame for the narrowing defense technology lead over the Soviet Union on lengthy Pentagon procurement policies.

Entitled "Securing Technological Advantage: Balancing Export Controls and Innovation," the paper from Georgetown University's Center for Strategic and International Studies argues that the current list of militarily sensitive technologies is too broad and that "the present control system is overreaching in scope, inconsistent in application and overreliant on unilateral restrictions."

Primarily assembled by a panel of leading high-technology executives, the report further maintains that export controls have hurt U.S. companies abroad, exacerbated the trade deficit and had a chilling effect on high-technology innovation.

Export controls have proven to be one of the thornier policy issues faced by the Reagan administration. Defense hardliners, led by Richard Perle, undersecretary of Defense for international security policy, have aggressively pushed for tough export rules to minimize the chance of strategically important high technology falling into Soviet hands.

Commerce Department officials and representatives of leading U.S. technology companies insist that much of the regulated technology has marginal military importance and that the restrictions hurt U.S. companies competing with Japanese and European companies.

The Georgetown center's study, which has been circulating in both trade and defense circles, has drawn criticism from the Pentagon and cautious approval from a top Commerce Department official.

"It's tough, but we think it's wrong," said Stephen Bryen, an assistant to Perle. "It was put together by businessmen, and we made it very clear that we thought it was unbalanced."

"It's provocative," said William Archey, the Commerce Department's acting assistant secretary for trade adminstration. "It stresses the larger issues and points out that the cost of the controls has got to be looked at."

A major thrust of the report is that the Commerce Department's Commodity Control List, which enumerates some 150 categories that require specific export approval, and the Pentagon's semiclassified Militarily Critical Technologies List are simply too large and complex to be effectively implemented.

"Those lists are so extensive that they are very unwiedly to use," said CSIS panel chairman David Shore, RCA's staff vice president for the Strategic Defense Initiative. "There ought to be some prioritization."

Indeed, the panel pointed out that the larger question isn't purely export control, but encompasses technological application in defense systems. The report will say that the U.S. moves proven technologies to the field too slowly because of Pentagon acquisition policies that have long lead times.

The panelists, many of whom are defense contractors, argued that the U.S. habit of coupling new technology applications to the protracted acquisition cycle for major weapons systems discourages modernization of previously deployed equipment and allows it to become obsolete by the time it is replaced. Much of the difficulty experienced in preserving the U.S. technological edge is therefore of its own making."

The report called for the creation of a blue-ribbon panel to devise a new measure for strategically sensitive products emphasizing "process technologies" that enable high-technology components to be built, rather than the technological end products themselves. This recommendation is reminiscent of the "Bucy Report" on export controls issued a decade ago. Bucy, a former Texas Instruments executive, served on the Georgetown panel.

The CSIS paper also asserted that, despite multilateral efforts to define strategic technologies, foreign availability of high technology often undercut U.S. efforts to block Soviet access, and that assertion of "extraterritoriality" provisions has proven counterproductive.

For U.S. trade with allies, the panel recommended elimination of export licenses in exchange for a system of self-policing in compliance with the new regulations.●

NEVADA WILDERNESS

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. VUCANOVICH. Mr. Speaker, I have listened to the comments of my colleague from Nevada regarding the myths and realities of wilderness provisions in Nevada. If I understand him correctly he is an advocate of ranching and mining interests who have existing operations, permits, or claims within designated wilderness areas and their continued road access, vehicle, and equipment use within these wilderness areas. I commend him on this point and I reaffirm my invitation to join the rest of Nevada's delegation in support of H.R. 1686 and S. 722.

These bills are the result of the Nevada peoples' call for a conservative wilderness bill. Already, at least half of Nevada's counties have adopted resolutions stating their opposition to wilderness within their jurisdictions. These are the people of Nevada voicing their desire for a designated wilderness that will not infringe upon the land they consider very special as is.

H.R. 1686 and S. 722 are reasonable proposals which seek to accommodate the interests of the people of our State. As their representatives in Congress we have an obligation and responsibility to listen to their message.●

INTRODUCTION OF LEGISLATION ON SECTION 457 PENSION PLANS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. STARK. Mr. Speaker, I am today reintroducing a bill to amend the IRC section 457 program which provides a deferred compensation pension option for State and local employees. This is a variation of a bill I introduced in the 98th Congress, H.R. 5178.

This year's bill would: First, raise the annual dollar limit on deferrals from $7,500 to $15,000; second, remove constructive receipt as an event causing an income inclusion for employees who have separated from service; and third, subject section 457 plans to the distribution rules generally applicable to qualified pension plans.

The section 457 program is not well known, but is described in the following material from the Library of Congress:

The ariticle follows:

Section 457 plans.—Section 457 of the Internal Revenue Code authorizes State governments (and their political subdivisions) to assist their employees in deferring compensation. Deferred compensation generally refers to wages earned in one period but not received until the worker has resigned, retired, or died. The wages that are deferred are not counted as taxable income until the employee received them (along with any accrued interest or earnings).

Section 457, created under the Revenue Act of 1978, was a response by the Congress to the IRS's intent to issue regulations that would have ended the favorable tax treatment of deferred compensation plans. Although deferred compensation plans have existed for at least 30 years, the first favorable ruling from the IRS did not come until 1960. The first favorable ruling on deferred compensation plans for public employees came in 1972. The IRS later determined that this ruling was incorrect. In January 1978, the IRS issued proposed regulations that would have ended the favorable tax treatment of deferred compensation plans—leading to the inclusion of Section 457 in the 1978 Revenue Act.

The following are the general requirements of Section 457 plans. Employees participate on a voluntary basis and up to 33⅓ percent of an employees "includible" income (up to $7,500) may be deferred. "Includible" income does not include amounts deferred under the plan (or other types of deferred compensation plans) or employer "pickup" plans. Thirty-three and one-third percent of "includible" income is equal to 25 percent of a nonparticipating employee's gross income. Employers may not make supplemental contributions to the plan. Distribution of the deferred compensation may only occur after separation from the employer or for unforeseeable emergencies. There is no penalty for distribution of funds before age 59½ (as is the case of IRAs). The full amount of the deferred compensation, including any earnings or property rights, must remain the property of the employer (State or local government) until distribution. The plan may provide employees with a range of investment options. Because of the property rights requirement necessary for favorable tax treatment, the plan may not be under obligation to transfer investments at an employee's request.

Several features of section 457 plans may make them less desirable to State employees than section 401(k) plans. Section 457 plans are less portable; they may only be rolled over into other section 457 plans within the same State. Section 401(k) plans may be rolled over into IRAs or other "qualified" plans. Because section 457 plans are not "qualified" plans they receive less favorable tax treatment at the time of distribution. Specifically, a lump sum distribution from a section 457 plan does not qualify for the special 10-year income averaging available to lump sum distribution from section 401(k) plans. Finally, the contribution limits for higher paid employees (generally those with gross income of over $30,000) are higher under section 401(k) plans.

Section 457 plans are, however, considered less difficult to administer. First, because they are not "qualified" plans, they do not have to conform to the rules governing such plans (such as the nondiscrimination provisions). Second, no employer matching is permitted under section 457 plans, while matching is permitted under section 401(k). Finally, the applicability (and, therefore, legality) of section 401(k) plans to State and local governments is more uncertain than 457 plans. Because 401(k) plans are essentially "profit sharing" plans, there is some question of their availability to the nonprofit public sector. A 1980 IRS General Counsel's memorandum does suggest, however, that tax exempt entities (including State and local governments) may be able to set up 401(k) plans.

The Council of State Governments report states that 30 of the 36 States which responded to their October, 1982 survey had set up deferred compensation plans for their employees. Three other States had passed enabling legislation but enrollment of employees had not begun at the time of the survey. The New York State study reports that about 80 percent of the States had implemented deferred compensation plans (the report was issued in November of 1983). The study also noted that, while comprehensive figures are not available on local governments, 700 counties have joined a deferred compensation plan offered by the National Association of Counties and the Conference of Mayors.

Data on participation in section 457 plans are limited. However, both of the studies reviewed for this discussion place participation at about 10 percent of eligible employees.

As the material indicates, the program has a number of shortcomings relative to other pension type plans. In particular, the $7,500 contribution level has become badly outdated since its 1978 enactment. The following comparisons, also from the Library, describe the contribution limits for various plans. Obviously, section 457 compares very poorly.

Plan type	Contribution limits
Qualified defined benefit plan.	Employer may fund a pension benefit of up to 100 percent of employee's average compensation in highest 3 years not to exceed $90,000
Qualified defined contribution plan.	Annual employer contribution, limited to lesser of 25 percent of employee's compensation or $30,000
Profit-sharing and stock bonus plans.	15 percent of compensation for all participants in plan
Section 401(k) salary reduction agreement.	Employee may elect to defer as much as 25 percent of pretax compensation up to $30,000 annually (Employer usually provides a partial matching contribution.)
Section 457 salary reduction plan.	Employees may elect to defer receipt of up to 33⅓ percent of "includible income" (up to $7,500)
Section 403(b) tax-sheltered annuities.	Basic limit the same as for qualified defined contribution plans (discussed above) until year of retirement when more generous "catch up" contribution rules apply.
Simplified employee pension (SEP) plan.	15 percent of compensation up to $30,000 annually

These shortcomings were brought to my attention by city officials in my congressional district. I hope that as the Congress rewrites the Internal Revenue Code of 1954, we will bring the State and local pension deferral program in line with other pension options.●

THE WORLD POLICE AND FIRE GAMES

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MINETA. Mr. Speaker, this weekend in San Jose, CA, over 6,000 police and firefighters from every State in the Union and over 23 other countries will compete in 44 sporting events at the First World Police and Fire Games.

These games will be an historic sporting event that will combine police officer and firefighter athletes from all over the world. They will promote and encourage physical training and fitness which will result in heightened physical preparedness, mental awareness, and professional service to the citizens they serve. This international event will also promote camaraderie among public safety personnel throughout the world through the fellowship of sporting competition.

Mr. Speaker, I am proud that the city of San Jose, and the personnel of the host organizations—the San Jose

Police Department, the Police Amateur Athletic Foundation, along with the support agencies; the San Jose Fire Department, the Santa Clara County Sheriff's Department, the Santa Clara Police Department, the Santa Clara County District Attorney's Office, the Capitola Police Department, the Milpitas Police Department, the Alameda County Sheriff's Department, and the San Mateo County Sheriff's Department—have been responsible for this world class sporting event.

Therefore, Mr. Speaker, I would like to ask you and the rest of our colleagues in the U.S. House of Representatives to support the international spirit of the World Police and Fire Games next week, and commend the city of San Jose, the San Jose Police Department and its staff and volunteers for hosting the first such sporting event for police and fire athletes. Let us wish all the athletes welcome and good luck.

Let the games begin.●

LEASING OF BATHHOUSES AT HOT SPRINGS NATIONAL PARK

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. ANTHONY. Mr. Speaker, I would like to announce that the National Park Service at Hot Springs National Park, AR, has developed an historic property leasing program to begin the leasing of five historic bathhouses there. The historical, architectural, and esthetic entrepreneurs of the Nation should avail themselves of this opportunity.

The historic property leasing program has been established as a means to protect cultural resources while keeping direct Government expenses within reasonable limits. The National Park Service leases historic properties to individuals, groups, or organizations who assume the responsibility for rehabilitating and maintaining the property at little or no cost to the Government. Leasing historic property not only protects and preserves the property but also enhances scenic qualities and cultural resources. In addition, any proceeds from these leases are used to maintain, repair, and preserve National Park Service historic properties and to defray the costs of administering the program.

Under the auspices of this program, the National Park Service invites proposals from organizations, associations, or individuals to lease five historic bathhouses in Hot Springs National Park. These buildings reflect the eclectic architectural interests of the early 20 century and recall a period when the availability of leisure time and an interest in the therapeutic benefit of spas made Hot Springs a resort of national reputation. The bathhouses available for lease are the Hale, the Maurice, the Ozark, the Quapaw, and the Superior. Each building was exquisitely designed in either the Spanish or classical revival style. Proposals may address one bathhouse, a combination of several bathhouses, or the entire complex of five bathhouses. Proposals may involve for-profit or not-for-profit undertakings. The National Park Service will consider proposals on the basis of their effect on the historic character of both the bathhouses and the landscape of Bathhouse Row Historic District. To ensure that the property's historic and architectural values are respected, the National Park Service and the Secretary of the Interior have developed standards that the lessee must follow in carrying out preservation treatment and have specific requirements for construction and maintenance work. In addition, all proposals must be compatible with the National Park Service's mission to preserve our heritage and will be subject to the Service's planning and operational guidelines. The National Park Service shall retain approval authority over the preservation and maintenance of the grounds. The preservation work will be carried out and funded entirely by the lessee.

Under the provisions of the Economic Recovery Tax Act, a lessee who rehabilitates a National Register property to use for income-producing purposes and who leases the building for a minimum of 18 years may qualify for a tax credit of 25 percent of funds expended for rehabilitation. Proposers are advised that the President's tax reform proposal, introduced May 28, 1985, proposes repeal of the investment tax credits for rehabilitating historic structures, effective January 1, 1986.

If a proposal is accepted, the National Park Service will enter into a lease with the party involved under the authority of section 111 of the National Historic Preservation Act of 1966, as amended, and in accordance with 36 CFR 18, the regulations governing the historic property leasing program.

The five bathhouses available for lease are located on Central Avenue in downtown Hot Springs, AR. The city of Hot Springs, with a population of nearly 36,000, is located approximately 60 miles southwest of Little Rock. Potential lessees, including their architects and contractors, are encouraged to make a complete inspection of the properties available for lease in conjunction with the preparation of their proposals. Proposals will be accepted through September 20, 1985, at the Office of the Superintendent, P.O. Box 1860, Hot Springs National Park, AR 71902.

This is a very special project in the hearts of all Arkansans. One cannot ignore the fascinating past that surrounds the old bathhouses—always inviting the romance and excitement to be awakened once more out of the fading grandeur of those buildings. I am determined that the dignity and beauty of these treasures be restored, and I invite each of you to share in our pride as the era of greatness is restored to Bathhouse Row. It is a perfect opportunity to explore the creative and entrepreneurial side within yourself. I invite you to come visit bathhouses—and let your imagination run wild.●

NICARAGUA

HON. JOHN MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MILLER of Washington. Mr. Speaker, I wish to commend to my colleagues the following remarks by Mr. Ruffin. Mr. Ruffin is the executive director of the World Without War Council of Greater Seattle, an organization which has sought over the years to advance the political development of the international community toward a world order in which conflicts may be resolved without resort to violence. Under Mr. Ruffins' direction, the council has provided a valuable service to the Seattle community by fostering open public debate on American policy in Central America.

Although the following remarks are not intended to represent the views of the council, I believe that they define a central framework on which many Members of Congress can agree, independently of their disagreements over the Contra aid controversy.

TWENTY-ONE POINTS ON NICARAGUA—WITH EMPHASIS ON FOURTEEN

(By Holt Ruffin[1])

THE PRIMARY FOCUS

1. The primary focus should be on what is causing the killing and violence in Nicaragua and what can be done to end it, consistent with the desire of all Nicaraguans to fashion their political future free from the intervention or domination of other nations.

ON UNITED STATES-NICARAGUAN RELATIONS

2. While the actions of the United States toward Nicaragua have often deserved (and often received) much criticism, our record does not deserve the characterization of "yanqui enemy of humanity," as the Sandinista national anthem has it. Whereas Americans were divided in assessing the implications of a Sandinista-dominated government after the revolution, they were virtually unanimous in acclaiming the fall of

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[1] The author is executive director of the World Without War Council of Greater Seattle. The views expressed here are his only and are not limited to represent the views of the organization, or any other people associated with it.

Somoza. The roughly $120 million in assistance we provided to the Sandinista government in its first two years in power was a significant expression of support and was more than we had given Nicaragua under Anastasio Somoza Jr. during his thirteen years in power.

3. The question is much less whether we should be involved than how. What kind of relationship would most benefit the people of Nicaragua, is desired by them, and would also be acceptable to the American people? The best analysis to date of Central American problems remains that of the National Bipartisan Commission on Central America (the Kissinger Commission Report). The President and Congress should move rapidly to implement—and be open to Nicaraguan participation in—the Report's imaginative and comprehensive proposals.

4. Excessive neglect, as much as excessive meddling, can be said to have been the major flaw in U.S. policy toward Central America. Narrow approaches of the realist school, as expressed for example in the excerpt below from a recent article in The New York Times, wisely emphasize the virtues of restraint but fundamentally miss the point.

What we need is a hardheaded America-first policy that focuses less on domestic (Central American) politics and more on keeping Soviet and Cuban bases out. What happens inside Central America is of little interest to us, and we should avoid trying to force either the right or the left to undertake political reform.2

The problem with such an approach is that it *has* in fact characterized United States policy toward Latin America and has contributed to the charge that we are prepared to countenance dictatorships, torture, violence, and political repression—so long as there was no communist threat on the horizon. When communist forces did threaten to take over a government, we began to speak of the need for political reform. Even then our attitudes toward fundamental human rights violations often seemed determined by, and subordinated to, the requirements of effectively meeting the communist threat. The moral shortfalls of this approach have also had practical drawbacks—among which are anti-American feelings in much of Latin America, fueled by a sense of fundamental disinterest and neglect on the part of the United States.

5. The Administration's statements on Nicaragua will be most persuasive if they avoid exaggeration or misrepresentation and present a balanced picture of the situation. The American people know that foreign policy issues are complex and are suspicious of simplifiers, be they Sandinista apologists or members of our government. It would be salutary if the President, while drawing attention to aspects of Sandinista behavior that should concern us, could acknowledge some of their beneficial aspects—e.g., their accomplishments in the field of public health. The American people want to know that our policy is based on a balanced view of the situation; to the degree the President can convince the public of this, support for his policies will strengthen, not weaken.

6. The Administration should consult as closely as possible with leaders of friendly Nicaraguan political forces and leaders of other nations in the region before adopting new policies or measures. The conomic sanctions (which have been opposed by many non-Sandinista Nicaraguans, as well as 23 heads of state in Latin America) are an example of an ill-considered action which might have been averted with more regional consultation. Multilateral diplomacy is slower, can be more difficult, and may sometimes be ineffecive—yet it is essential to resolving problems in Central America. For this reason, the Administration should make every effort to strengthen—and not ignore or oppose—the joint diplomacy of the nations of the region, and especially the Contadora group.

7. Any notions of using Nicaragua to square accounts with the Soviet Union and Cuba for Vietnam, Angola, Ethiopia, or Afghanistan—to prove that "communist revolutions are reversible"—should be resisted. There is an East-West dimension to the conflict in Nicaragua, but it would be unfair to the suffering people of that nation—to say the least—to let a desire to "teach a lesson" to the Soviet Union or Cuba undermine our efforts to accomplish the central task: strengthening peace and freedom in Nicaragua and other nations of the region.

ON THE CAUSES OF THE KILLING IN NICARAGUA AND HOW TO END IT

8. A genuine political conflict underlines the violence and killing in Nicaragua today. It is false to characterize those in the armed opposition as "mercenaries." The tragedy is that, six years after the civil war that toppled Somoza, Nicaraguans are still killing Nicaraguans for political reasons. The Sandinistas who fought against Somoza were Nicaraguans, willing to fight, kill and be killed for their political aims. They obtained substantial amounts of weapons, funds and assistance from other countries. They were not mercenaries. For the same reasons, it is wrong to call members of the NDF (Nicaraguan Democratic Force) mercenaries simply because they received substantial funds, weapons and technical assistance from the U.S. (and other sources). Outside support for one or both of the warring parties is a common feature of all civil wars.

9. It is inconsistent and hypocritical of the Sandinistas constantly to point out the number of ex-National Guardsmen (members of the army under Somoza) who are in the forces of the contras when it is the Sandinistas who have prevented the normal reintegration of ex-Guardsmen into Nicaraguan society. To give two thousand National Guardsmen who were captured or surrendered after the fall of Somoza harsh prison sentences (up to thirty years in jail), after denying them due judicial process, was not an act of national reconciliation. When members of the losing side in a civil war are stripped of their political and civil rights and imprisoned for long times—essentially for having been members of the losing side—it should not be surprising if some decide not to lay down their arms but to continue the struggle. They may see it as their only hope of reclaiming their national rights and freedom.

10. Wars can be ended—and avoided—in two ways: by the capitulation of one party to the conflict, or through a political process (negotiations leading to a treaty or agreement, or elections). In Nicaragua today, the government is asking the contras to capitulate; the contras are asking for a political process that will lead to internationally supervised, free and fair elections.

WHY A POLITICAL PROCESS DIRECTED TOWARD DEMOCRACY DESERVES SUPPORT

11. In the Orwellian world of the twentieth century, where the worst tyrannies routinely employ political doublespeak, it is easy to become confused about democracy's true meaning. What distinguishes democracy from "peoples' democratic republics" is the postulate that the dignity and freedom of the individual are fundamental. The state exists to serve the person, not vice-versa. From this simple, core idea flows everything else: the importance of people periodically being able to choose a government, the principles of majority rule but protection for minority rights, etc.

12. The Leninist idea of a "vanguard party," or "democratic centralism," clearly underlies Sandinista political philosophy. It is a far more sophisticated rationale for dictatorship than rule by an individual, but it is no less anti-democratic. Indeed, it can be more tyrannical. For individuals die and, with them, so often do their dictatorships. Spain's Franco and Portugal's Salazar are recent examples. But a party in control of the state apparatus need not die. If it combines its rule with extensive repression, censorship, and doctrinaire economic policies, it can make life miserable for generations of citizens. Herein lies the fear many Nicaraguans have for the future of their country. It does not augur well that the Sandinistas espouse Leninism and identify so closely with political regimes that have caused (and still cause) so much suffering and oppression.

13. Apart from making a simple but profound statement about the worth of the individual, democracy is mainly a process. It is a process through which political programs are fashioned, and not the political programs themselves. One democracy may agree on free health care for all its citizens; another may not. The differences in programs among democratic systems reflect the differences in value and traditions in the respective societies—differences which vary over time as well as across nations. Democracy is simply a mechanism through which members of a political community can participate in resolving the inevitable dilemmas posed by competing social objectives in a way that achieves the highest possible degree of agreement.[3] This enhances the legitimacy of government and reduces the likelihood of political violence and disorder. In this way democracy is the connection between peace and freedom: it provides the process of periodically renewing consent that confers legitimacy on a government and narrows, or eliminates, the moral basis for violent challenges to its authority.

14. Besides insuring participation, democracy also stresses the importance of limits to power. It is assumed that political leadership, no matter how "progressive," will abuse its power if not limited. Even "vanguard" parties can become retrograde dictatorships. Without limits on power, people cannot live in peace, free to pursue their interests, protected from unauthorized intrusions by political authority into their private lives. Democracy thus fulfills two needs: the need for participation, and the need for limits on state authority.

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[2] Alan Tonelson, "What Central American Democracy?", *The New York Times*, May 22, 1985. Tonelson is associate editor of *Foreign Policy*.

[3] An example of the dilemmas of government is the trade-off between liberty and equality. Adherence to egalitarian social principles requires those who have more than others to share their "surplus." If they balk at doing so (say, by under-reporting tax liabilities) sanctions must be used or threatened—which compromises principles of freedom and individual liberty. Other examples of conflicting yet simultaneously valued social objectives are: stimulating economic growth and controlling the environmental effects of industry; fighting crime effectively and protecting individual rights, such as the right to privacy or the right (as some see it) to own a handgun.

THE FUNDAMENTAL PROBLEM IN NICARAGUA

15. The fundamental problem in Nicaragua today is the absence of liberty and instead the creation of a de facto one-party state with few limits on its authority. In this sense, the Sandinistas have replaced a dictatorship of the right with a dictatorship of the left. They have ignored an important distinction: while Nicaraguans agreed overwhelmingly on the goal of overthrowing Somoza, there was no such broad agreement on what kind of government should replace him. That choice has indeed never been made by the Nicaraguan people. Precisely because Somoza denied democracy to the nation, Nicaraguans were willing to support the armed insurrection of the Sandinistas. But this did not give the nine leaders of the FSLN the right to install a "Sandinista democracy" which would deny the nation thereafter any effective political choice.

16. To call upon the Sandinistas to establish democratic government is only to hold them to pledges they themselves made—both to their own people and to the international community. The failure of the Sandinistas to fulfill expectations of freedom and democracy in Nicaragua is a major reason for the absence of peace in their country today. their betrayal of promises made before coming to power began almost immediately after taking power. As early as April 1980 Humberto Ortega, minister of defense and brother of President Daniel Ortega, stated that elections in Nicaragua would not be like elections in Costa Rica, Venezuela, the United States, or other "bourgeois countries." Sandinista-style elections would occur only "to select the best among the revolutionary vanguard . . . for power has been conquered for ever by the people and it shall never be gambled again." [4]

In an article in Le Monde (May 3, 1984), Tomas Borge, the sole surviving founder of the Sandinista Party and currently Minister of the Interior, stated: "Anyone who fails to understand that a revolutionary power is a single power understands nothing." Other Sandinista leaders are quoted as saying, "There's no question of our losing the elections. We came to power at the point of a gun. We're not going to lose it through an election."

There are also the telling statements of Bayardo Arce (see Appendix A), a member of the Sandinista Directorate, in a speech given in May 1984. According to Foreign Report (August 23, 1984), published by The Economist in London, Daniel Ortega confirmed the authenticity of the remarks, which were secretly taped and published by a Barcelona newspaper. Their significance is heightened by the fact that Arce is head of the FSLN's Political Committee and as such managed the 1984 elections.[5]

17. For those who support the aspirations for freedom of the Nicaraguan people and are opposed to violence and the use of armed force, the central challenge today is how to persuade leaders of the political movement that seized state power after the fall of Somoza to submit to a truly democratic process that would put at risk the paramountcy of their "revolutionary vanguard party." Acccomplishing this goal, short of reliance on military measures, clearly will require more imaginative and concerted approaches than those adopted to date.

THE ROLE OF AMERICAN CITIZENS

18. American citizens have an important role to play in shaping U.S. relations with Nicaragua. They should begin, however, by trying to understand better the situation in Nicaragua and the events that led up to it. This is not always easy. A great deal of misinformation is purveyed under the guise of "public education." Those who concern themselves with Central America issues at the community level often have strong emotional attachments to highly simplified, sometimes doctrinaire, views—usually covering a narrow range of the political spectrum. Programs they sponsor are often designed not to expose participants to the relevant range of facts and opinions, but instead to reinforce one particular interpretation of events and one particular, morally "correct" approach. Other concerned citizens, with a different point of view, stay away from such programs, knowing that their point of view will not be represented and that real debate will not be encouraged. As a result of these factors, citizen understanding of U.S. policy or of the situation in Nicaragua is rarely deepened or clarified by public debate and discussion—in contrast to the healthier pattern that prevails for domestic policy issues.

19. Although the American public generally appreciates the difference between open and closed societies, it is a curious paradox that many domestic critics of the "credibility gap" in our foreign policy often grant leaders of political systems that control their press, and make routine use of propaganda and repression, more credibility and respect than they do representatives of our own government. One explanation is that our press has a responsibility to expose the lies of the American government rather than those of police states abroad; and that it discharges this responsibility in ways that suggest to the unwitting that other governments, including police states, are no more deceitful than ours is. While there is something to this argument, it does not excuse (or fully explain) the inordinately uncritical attitude many domestic critics of U.S. policy applying to statements of the Sandinistas on the one hand, and the unshakeable cynicism they reserve, on the other hand, for statements from the Administration. The evidence simply does not exist to indicate that our government is less credible than any dictatorship, of the left or right, that controls the press, punishes dissent, and makes routine use of deception and "disinformation." It is a measure of the problem, however, that this argument even needs to be made.

20. Americans who believe in democratic values and basic human rights, yet dissent from Administration policy, should make special efforts to insure that the Sandinistas do not misinterpret opposition to our government's policy as support for Sandinista politics. They can do this by communicating to the government in Nicaragua their concern over the conditions of political prisoners and the lack of access by clergy and officials of human rights organizations to prisoners in all the jails; by declaring their support for a free press, an independent church, free trade unions, and the protection of national minorities; and by endorsing the appeal for peace through negotiations in Nicaragua.

21. Finally, Americans should learn more about the democratic political opposition to the Sandinistas. Instead of accepting the line that they are "mercenaries" and somocistas, they should verify for themselves the background and credentials of the Nicaraguan Democratic Resistance and become familiar with its program. (See Appendix B for the text of their "Call for National Dialogue" issued in Costa Rica in early March 1985.)●

THE HIGHER EDUCATION DISCLOSURE ACT

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MATSUI. Mr. Speaker, I am introducing legislation today, the Higher Education Disclosure Act, which will require the public disclosure of gifts from foreign sources to American colleges and universities in excess of $100,000 in any 12-month period. This bill is an important step toward increasing public awareness of any conditions, implicit or explicit, attached to major gifts from foreign governments and other foreign sources to our institutions of higher education.

The Higher Education Disclosure Act is intended to promote academic freedom and avoid distortion of the educational process by requiring certain disclosures concerning large gifts to colleges and universities from foreign sources and large contracts between foreign sources and universities. In no way are gifts prohibited; the Act would simply establish a disclosure requirement which would promote academic freedom and the public's right to know.

Academic freedom is a basic principle which furthers liberty and justice in this country. Academic freedom is a necessary prerequisite to education, which in turn is vital to the development of an informed citizenry and the functioning of our democratic institutions.

Recent years have seen academic freedom and freedom in the educational process threatened, however, by financial arrangements with foreign sources which restrict what can be taught, who can teach and impose other conditions which distort the operation of the free marketplace of ideas at our universities by funding programs conditioned on the presentation of certain views. I am deeply troubled by this trend.

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[4] Belli, Nicaragua: Christians Under Fire (Garden City, Michigan: The Puebla Institute, 1984), p. 24.

[5] The elections of November 1984 were seriously flawed, as evidenced by, among other things, the refusal of any Latin American head of state—except Fidel Castro—to attend Daniel Ortega's inauguration this past January.

This legislation would not preclude universities from entering into such arrangements—that, too, would be contrary to academic freedom and would unreasonably stifle foreign contributions to U.S. educational institutions. This bill would merely require that universities which receive Federal financial assistance to disclose such arrangements with foreign sources. The act would promote academic freedom by ensuring that university communities and the public have full knowledge of the sources of all foreign grants or contracts and any conditions or restrictions, as to personnel or students to be benefited or viewpoints to be furthered, attached to such grants or contracts.

I greatly appreciate the leadership of the American Jewish Congress in the development of similar legislation in Statehouses across the country. Higher education disclosure statutes have been enacted in New York, Illinois and Florida. The Pennsylvania, Ohio, and Texas Legislatures are currently considering similar legislation. This admirable activity around the country underscores the value of a uniform, national statute.

I invite my colleagues to join me in supporting this necessary and important legislation.

H.R. 3190

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Higher Education Disclosure Act".

SEC. 2. DEFINITIONS.

For purposes of this Act—

(1) the term "contract" means any agreement for the acquisition by purchase, lease, or barter of property or for the rendering of services for the direct benefit or use of either of the parties;

(2) the term "foreign source" means—

(A) a foreign government, including an agency or subdivision of a foreign government;

(B) a legal entity, governmental or otherwise, created under the laws of a foreign government;

(C) a corporation, foundation, or association whose principal place of business is not the United States;

(D) a nonresident alien; and

(E) any other person or organization to the extent acting as an agent on behalf of a foreign source;

(3) the term "grant" means any gift or donation of money or property or any combination of gifts or donations of money or property;

(4) the term "institution" means any institution, public or private, in any State which—

(A) is legally authorized within such State to provide a program of education beyond high school,

(B) provides a program for which it awards a bachelor's degree (or provides not less than a two-year program which is acceptable for full credit toward such a degree) and/or more advanced degrees, and

(C) is accredited by a nationally recognized accrediting agency or association and to which Federal financial assistance is extended (directly or indirectly through another entity or person), or which receives support from the extension of Federal financial assistance to any of its subunits; and

(5) the term "Secretary" means the Secretary of Education.

SEC. 3. REPORTING REQUIREMENTS.

(a) Grants and Contracts From Foreign Sources.—Whenever any institution receives a grant from, or enters into a contract with, a foreign source, and the value of the grant or contract is $100,000 or more when considered alone or in combination with all other grants from, or contracts with, that foreign source in the preceding twelve months, the institution shall, within 30 days of the receipt of such grant or the entrance into such contract, file a disclosure report with the Secretary as to such grant or contract and all other grants from and contracts with the foreign source in the preceding twelve month period.

(b) Contents of Reports.—Each report to the Secretary required by this Act shall disclose:

(1) the name and address of the foreign source;

(2) the amount and date of the grant or contract;

(3) the full details of any conditions, restrictions, requirements, matching provisions, or designations of the grant or contract including its purpose or purposes; and

(4) the name, address, title, and qualifications of any person whom the grant or contract is explicitly intended to benefit.

(c) Exception.—Notwithstanding the provisions of subsection (b) hereof, if the foreign source is a natural person and no grant or contract as to which a disclosure report is required by this Act contains any conditions, restrictions, requirements, matching provisions, or designations, other than that the grant or contract is given or entered into for the benefit of the institution as a whole, the disclosure report shall be required to disclose only the nationality and country of residence of the foreign source.

(d) Reports Accessible to Public.—All disclosure reports required by this Act shall be filed with the Secretary or the Secretary's designee and shall be public record, open to inspection and copying during business hours.

SEC. 4. ENFORCEMENT.

(a) Restraining Orders and Injunctions.—Whenever it appears that an institution has failed to comply with the requirements of this Act, including any rule, regulation, order, or instruction promulgated thereunder, a civil action may be brought in an appropriate district court of the United States, or the appropriate United States court of any territory or other place subject to the jurisdiction of the United States, to request such court to enter a restraining order or a permanent or temporary injunction commanding such person to comply with such requirements.

(b) Assessment of Costs.—For knowing or willful failure to comply with the requirements of this Act, including any rule, regulation, order, or instruction promulgated thereunder, an institution shall pay to the Treasury of the United States the full costs to the United States of obtaining compliance, including all associated costs of investigation and enforcement.

(c) Regulations.—The Secretary may promulgate regulations to carry out the ministerial duties imposed on the Secretary by this Act.●

BENIAMINO BUFANO COLLECTION OFFERED TO SAN MATEO COUNTY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LANTOS. Mr. Speaker, this month marks the 15th anniversary of the death of Beniamino Bufano, an immigrant sculptor, and artistic trailblazer who is surely one of the great artists of the twentieth century. It gives me great pleasure to announce to my colleagues that my district, on the beautiful peninsula of San Mateo County, CA, has been offered the family collection of Bufano sculpture, paintings, and drawings. We are now searching for an appropriate setting in which to place these pieces to be enjoyed by all our citizens—young and old.

Let me tell you a little about Benny Bufano who may be seen as a citizen of the world, but who called California his home. Benny, though small in stature, was great in heart and talent. He created giant sculptures of steel and stone that tower above all who stop to contemplate them. One of his best known works, a statue of St. Francis of Assisi entitled "Peace," stands at the entrance to the San Francisco Airport greeting all travelers who pass through.

This statue, one of more than 150 Bufano made of St. Francis, is appropriately placed near the city named for the saint. As the statue of Peace it is characteristic of the guiding principle in Benny Bufano's life. He believed passionately in peace. He once said, "Peace is not something you shout from the rooftops. It's not something you preach. It's something you live. Peace is a fighting word. You have to believe in it hard enough to give your life for it."

And he did. He lived his life with the theme of peace touching everything he created from the first small mouse he carved when he was ten years old living in a New York railroad apartment, to the 12-ton, 17-foot figure of St. Francis carved in black marble now standing at the International Longshoremen's Hall near Fisherman's Wharf in San Francisco. His love of animals and nature was also exemplified through the hundreds of animals, sculpted in marble with simple, dramatic lines, rounded curves, and smooth surfaces. Children and adults alike are drawn to these seals, bears, cats, and birds. In the Hillsdale Shopping Mall in my district in San Mateo, CA, children climb and slide on the animals and hug or stroke them lovingly, as Mr. Bufano would have wished.

Benny Bufano, born in Italy, came to the United States as a 2 year old child—one of 15 children born to his immigrant parents. At 17, he won an art competition for submitting his concept of "The Immigrant in America."

After early years of neglect, the world came to recognize his genius. The 11th Congressional District hopes to give a permanent home to the Bufano collection offered to us by Benny Bufano's son, Erskine. This generous offer was made at a recent Congressional Arts Conference I held in my district bringing together business, government, and the arts. The placement of the collection in a Bufano Sculpture Park is dependent upon developing a teaching facility with modern equipment for casting sculpture molds. The project is an ambitious one, requiring resources and resourcefulness; but I am pleased to acknowledge this special offer to the peninsula by the Bufanos. I am confident we can bring the project to fruition, and provide a unique place of inspiration for artists, students, and visitors to San Mateo County, CA.●

A SALUTE TO THE PATRIOT AND MINUTEMAN OF THE YEAR IN THE FIFTH CONGRESSIONAL DISTRICT

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LIPINSKI. Mr. Speaker, "Only in America"—an often used phrase, but one that has never been more appropriate than it is today.

Today we honor two Horatio Algers, two men that have lived the American dream. One came to this land of liberty as a 16-year-old, not being able to speak a word of English, with his only assets being a capacity for hard work and a love of freedom. The other was born in this republic, but to a poor family not long removed from the old country. But he too had a capacity for hard work and he too loved freedom, in fact, he loved it so much that he dedicated many years of his life to government and politics.

These two men achieved success in different professions but their qualities of character were the same: a blind faith in America, a dedication to the free enterprise system, an enormous ability for hard work, imagination, and initiative found only in the American culture, a belief in their own ideas and plans, a dedication to their community, city, State, and country that manifested countless humanitarian, civic, and charitable endeavors to help mankind and make their neighborhood and Nation a better place to live.

Yes, truly, these two men we honored on July 13, 1985, are Americans who have given as much to their country as their country has given to them.

Nick Perrino is a classic American success story who epitomizes what's right with America. Coming to the United States from Italy, Nick quickly made himself a part of America and proudly served in the Army during World War II, from 1941 to 1946. Nick was initially assigned to the food service section as cook. During his military stint, Nick quickly rose from the rank of private to messhall sergeant. In 1943, he was promoted to master sergeant and placed in charge of all messhalls on his post.

With the knowledge gained from his service experience, Nick founded his own business in 1947. This business, which has become a Chicago landmark, has continually expanded through the years. However, the Home Run Inn Pizza Restaurant is still located on the same site as it was in 1947. In addition to the restaurant trade, Nick has established a thriving frozen pizza business.

Over the years, Nick Perrino has not forgotten his past and has been an active participant in numerous charitable activities. He has been honored by the Chicago Boys Club of America as Man of the Year and actively helps other organizations in Chicago, such as United Cerebral Palsy, to raise funds for the needy.

A native Chicagoan, John Waner as a young man became involved in the construction field. This interest led him to years of participation within labor organizations. His eventual involvement in various trade organizations led him to serve on the Board of the United Auto Workers, the Joint Arbitration Board of Sheet Metal Workers, and the Joint Apprenticeship Board.

To show his devotion to education, Mr. Waner served as a trustee for Lewis University where he received an honorary doctorate of humanities degree. He proceeded to sponsor scholarships and youth activities and became an honorary student of Kennedy High School. He was awarded a bachelors of engineering degree for setting up the heating and air-conditioning course at Allied Institute of Mechanical Trades.

A successful entrepreneur, John Waner's skills in mortgage leanding, real estate appraisal, and the construction field promoted him to serve in an advisory capacity to four U.S. Presidents. Waner has directed such governmental agencies as the Federal Housing Administration and Department of Housing and Urban Development. During his 10 years with the Federal Government, he was recognized for pioneering efforts in neighborhood conservation and was saluted by his contemporaries and media for his outstanding performance.

Mr. Waner's community involvement is legend. To his credit in the realm of civic activities, he was the founder and first president of the Midway Kiwanis Club, one of the primary organizers of the Garfield Ridge Chamber of Commerce, chairman of the board of Garfield Ridge Bank & Trust, director of the Time Savings & Loan, and was appointed by the Cook County Assessor's Office to revamp real estate concepts. There is hardly an area of concern where John Waner's keen interest has not aided in the growth of the Southwest Side of Chicago. Mr. Waner for many years was the Republican ward comitteeman of the 23d ward, and had the great honor of running for mayor of Chicago against the legendary Richard J. Daley.

No recipients of the Patriot of the Year Award and Minuteman Award have been more deserving.●

OBSERVATIONS OF THE TEACHING PROFESSION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BROWN of California. Mr. Speaker, I would like to take this opportunity to discuss the current teacher crisis facing our Nation's schools. By 1990, an estimated 1 million new teachers will be needed in our elementary and secondary schools. However, at present, less than 5 percent of the Nation's college freshmen plan to enter the education field. Not only is the quantity of our teachers dwindling, but also the quality of our teaching force has declined. On such measures as the Scholastic Aptitude Test, students going into education rank last in performance in every ethnic group surveyed nationally. As stated in the national report on the state of schools, "A Nation At Risk," public education is a "rising tide of mediocrity."

Although some action has been taken, we must do more to improve the status of the teaching profession in order to attract high quality instructors. Public Law 98-377 is an example of legislation aimed at improving math and science education. This bill provides Congressional Merit Scholarships for those interested in a career in teaching, a program of grant to State and local educational agencies for improvement of precollege science and math education, and Presidential awards for excellence in education. This legislaiton is only a beginning, however. The teaching crisis will effect all courses of study, and similar programs should be developed for teachers in other disciplines.

According to national surveys, the most academically capable students tend to leave teaching within 5-7 years to enter the private business sector. This "brain drain," however, should not necessarily be considered a crisis. On the contrary, it can be used to the advantage of the teaching profession. If recent college graduates considered teaching a "stepping stone" toward a business career, we would have a continual supply of high quality, energetic teachers. These teachers would not make up the entire teaching force, but they could provide a strong supplemental supply.

When asked why they left the academic world and entered private business, respondents listed personal/professional growth and greater opportunity to use abilities as more important than increased wages. This information shows that the teaching profession may not be challenging enough for many of the highly qualified people we would like to see in our public schools. Classroom teaching is often a flat, undifferentiated career without the variation in duties, responsibilities and advancement found in other professions. Simply increasing teaching salaries, a commonly prescribed solution, may not be enough to keep these qualtiy people in education. A sequence of career steps should be made available to teachers to provide both challenge and opportunity.

At present, schools of education are completely dependent on public schools as the job market for their graduates. If the demand for teachers is up, education schools lower their standards to attract students. With a continually fluctuating teacher demand, the quality of teacher credential programs is unstable and constantly changing. A solution to this problem is to teach generic teaching skills that apply to all learning environments, in and out of the public school room.

The art of teaching is no longer required solely in our schools. In 1982, Training magazine estimated that U.S. corporations were spending roughly $3 billion on training programs and providing 790,000 jobs in this area. There is a need for teachers outside of the education field, but current education programs do not cater to them. By diversifying the education of teachers, the teaching profession would gain more prestige and attract high caliber people. Although all skills required by schoolteachers and corporate trainers do not overlap, there is a body of knowledge that the professions find mutually beneficial. Instructional processes, learning theories, the development of instructional material, and counseling skills are all examples of such information.

Mr. Speaker, above all the teaching profession needs to be regarded with the same respect granted other professions, such as medicine and law, in order to attract and keep good teachers. By providing incentives for effective teachers and by diversifying and improving teacher education, I feel this goal will be attained. Our education system in the United States lies at the base of our democracy. The young minds of today will be the leaders of tomorrow, and we must take action now to guarantee the best education possible for future generations to come.●

ESPIONAGE AGAINST OUR OWN UNITED STATES OF AMERICA

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. McDADE. Mr. Speaker, today I am introducing legislation that addresses what is perhaps the most abhorrent of all crimes—espionage against our own United States of America.

The crime of espionage touches the lives and the liberties of every man, woman, and child in this country. The act of betraying one's friends and neighbors is so grotesque it demands the most severe penalty a society can offer. As a country, we must take all reasonable and prudent actions to prevent and deter those few of our citizenry who participate in this ultimate of crimes.

The headlines in recent newspapers told of the treason of the Walker family; Chris Boyce is called to testify to Congress about his act of betrayal and Hollywood makes another movie. Now is the time for us to stop talking about crime and to take positive action.

The legislation I am introducing today strengthens our national security in four ways:

First, it creates a Presidential commission to examine the impact on national security of our programs and policies related to the dissemination of information especially the Freedom of Information Act. This commission, made up of a major cross-section of individuals in this country, should have representatives of Aviation Week and the Washington Post to discuss their reporting and editorial policies; it should have representatives of the defense industry and the Government to examine their internal security controls; it should include the scientific community to discuss technological transfers.

The commission's job is to make recommendations for changes that would ensure our domestic security while not infringing upon our citizens' right to know, and always, of course, respecting the tenets of the first amendment.

Second, the bill places a one-for-one limit on foreign diplomats and agents in this country vis-a-vis our representatives in their country. No more can the Soviet Union station 3,000 agents within our borders while we have only a handful within theirs. We cannot continue to allow the Eastern Bloc to station individuals within our borders whose sole purpose is to infiltrate our national security apparatus.

Third, to help deter and prevent future acts such as those committed by Chris Boyce and Robert Walker, my bill institutes random polygraph testing for individuals who have, and seek, access to highly classified material. This polygraph testing is specifically limited to the scope of security information—no lifestyle questioning would be allowed. The testimony before the Congress, Chris Boyce stated that polygraph testing would have prevented him from committing treason.

Fourth, to put teeth into our espionage laws, my bill would mandate a determinant sentence of life imprisonment or the death penalty be imposed for those individuals, both military and civilian, who are convicted of espionage for the Soviet Union, or other Communist countries as determined by the President. My bill would also include technology transfers to the list of treasonable offenses.

This legislation is needed as a quick response to the growing manace of espionage. I strongly urge passage of this legislation before additional aspects of our national security are compromised.

I include a brief seciton-by-section analysis of my bill in the CONGRESSIONAL RECORD following my remarks:

SECTION-BY-SECTION ANALYSIS

SEC. 1 Short Title

SEC. 2 Creation of a Presidential Commission

This section creates a commission made up of representatives of the communications, scientific, business, Government and the intelligence community to study the FOIA, how it impacts on the national security and to report to Congress within 90 days on what changes need to be made.

SEC. 3 Limitation on Foreign Diplomats and agents

This section limits the number of foreign diplomats and agents in the United States from any country to the same number of United States diplomats and agents within that particular foreign country.

SEC. 4 Polygraph Examinations

This section provides for random polygraph tests for individuals who seek access to classified information. Lifestyle questions are prohibited and $5,000,000 is authorized to DOD to upgrade its polygraph program.

SEC. 5, SEC. 6, SEC. 7. Legal Amendments

These three sections amend the UMCJ and the USC to provide mandatory life sentences, or the death sentence, for espionage with the Soviet Union or any other Communist country as declared by the President. Technology transfers are included as a new espionage offense.

SEC. 8. Effective Date

Upon enactment.●

CENSORSHIP—BRITISH STYLE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BIAGGI. Mr. Speaker, over the course of the past 2 days the British Government has again demonstrated to the world that when it comes to Northern Ireland—they are comfortable with a policy of selective morality and have no qualms about resorting to repressive measures unusual for a democracy.

The issue at this time involves an extraordinary intervention on the part of the British Government over a BBC documentary that was to be shown entitled "At the Edge of the Union." It was a program which among its content included an interview with one Martin McGuinness, an individual elected to the Northern Ireland Assembly in 1982 but who refused to take his seat. In addition the London Sunday Times had identified McGuinness as the chief of staff for the Provisional Irish Republican Army.

One of the purposes of the program was to compare the political philosophies of Sinn Fein and the Democratic Unionist Party, the political party associated with the militant Rev. Ian Paisy. On July 29, it was reported that the British Government had made a formal request of the BBC not to air the program on the grounds that it was against the national interest and worked to promote terrorism. The board of governors of the BBC elected to cancel a documentary on Northern Ireland. This decision overruled the position of BBC management which supported airing the program.

The British Home Secretary Leon Brittan was quick to say that he "does not wish to exercise powers of censorship" according to a Washington Post article of July 30 but "left open the possibility that he would use authority to do so granted to him in the license of the state-owned corporation.

As chairman of the bipartisan Ad Hoc Congressional Committee for Irish Affairs I am astounded by the British Government's action in this matter. Freedom of the press is considered a fundamental freedom in any democracy—yet we have a dramatic disregard for that freedom being practiced by a leading democratic nation.

There has been outrage registered in many quarters over the British Government's actions. According to an article in today's New York Times, the Association of British Editors called the BBC's action in canceling the program "a betrayal of its own best traditions." A spokesman for the Labor Party accused the BBC of acting as "Britian's thought police."

At this point in the RECORD I wish to insert four news articles, two from the Washington Post and two from the New York Times which chronicle the events just discussed.

Northern Ireland has suffered through a decade long state of emergency—civil liberties have been trampled on, human rights violated. We have political prisoners in Northern Ireland for as long as 15 years, and now we have censorship over programs that deal with the very basic political questions in Northern Ireland. Is there no limit to the evils of British direct rule over Northern Ireland?

[From the Washington Post, August 1985]

BBC CANCELS DOCUMENTARY—NETWORK BOWS TO GOVERNMENT IN UNPRECEDENTED ACTION

(By Karen DeYoung)

LONDON.—The board of governors of the British Broadcasting Corp. today canceled a documentary on Northern Ireland, scheduled to be aired next week, after the government asked for its withdrawal on grounds that it was "against the national interest."

The government-appointed board overrode approval of the program by the BBC management, saying it would be "unwise" for it to be "transmitted in its present form." The program, entitled "At the Edge of the Union," includes an interveiw with a man it says is believed to be chief of staff of the outlawed Irish Republican Army.

The board called for "further discussions" with the government, and Home Secretary Leon Brittan said he would be happy to meet on "the issue of terrorism and the way it is handled on television." Brittan has acknowledged that he has not seen the program, but was relying on "press reports" of its contents.

Both the government's public request and the board's acquiescence were unprecedented in the history of the corporation. Although state-owned, the BBC has prided itself on independence and has a reputation for objectivity. The government's power to stop a BBC broadcast has never been used.

Today's decision provoked an immediate outcry by opposition politicians as well as outside commentators, and expressions of shock from BBC staff members. They charged political interference and censorship, and journalists at the corporation met to consider union action.

Asked tonight if the government had influenced the board's decision, Chairman Stuart Young said, "Categorically no." The program "is not going to be transmitted," Young said in a televised BBC interview, "because the climate is not right . . . and that is vital, and that's what the decision was all about."

The incident marks the first government-media controversy here since Prime Minister Margaret Thatcher two weeks ago, in the wake of the TWA hijacking, called for voluntary media cooperation in limiting coverage of terrorist actions. She said the media encouraged terrorism by publicizing it.

In a previously scheduled live television interview tonight, Thatcher drew a direct parallel between those comments and the Northern Ireland documentary. "I do not believe that any great organization like the BBC should do anything which might be construed as furthering the objectives of the terrorists and I feel extremely strongly about it."

Recounting numerous IRA attacks, Thatcher acknowledged she had not seen the program, but said, "Anything which is shown which seems to help terrorists seems to me to be totally and utterly wrong."

"We don't censor," Thatcher said. "We never do. We request." But she said she was "very pleased" with the board's response to the government's request, "And I believe that most people will applaud it."

Critics of both the government and the board insisted today, however, that the canceled program was a questionable example of what Thatcher called "terrorist publicity."

Intending to highlight the seemingly irreconcilable differences in the British-ruled province, it features interviews with principals on the two sides of the controversy. One is a hard-line Loyalist, or Protestant supporter of British rule in the troubled province.

The other is Martin McGuiness, allegedly chief of staff of the IRA, the illegal armed wing of the Roman Catholic opposition, and an elected member of the province's assembly.

BRITAIN WANTS TV SHOW WITHHELD

LONDON.—The government has asked the British Broadcasting Corp. not to air a television program on Northern Ireland on grounds that it gives "succor to terrorist organizations" and is "against the national interest."

Home Secretary Leon Brittan said that he "does not wish to exercise powers to censorship" but left open the possibility that he would use authority to do so granted to him in the license of the state-owned corporation.

Two weeks ago, Prime Minister Margaret Thatcher called on the media to adopt a "voluntary code of conduct" to starve terrorists of the "oxygen of publicity," and government officials today made clear that they consider the BBC program, scheduled to air in 10 days, a test of media good will.

The program, entitled "At the Edge of the Union," contains a lengthy interview with Martin McGuiness, an elected member of the Northern Ireland Assembly who also is believed to be chief of staff of the Irish Republican Army.

The BBC governing board scheduled an emergency meeting Tuesday to discuss how to respond to the request. BBC managers defended the program as "responsible and balanced" and said it had gone through mandated screening procedures for documentaries dealing with the sensitive Northern Ireland issue.

A decision to withdraw the program would be likely to cause extreme protest from reporters and producers, many of whom feel they have fought a constant battle against various British governments, in particular Thatcher's, to present what they consider fair coverage of Northern Ireland.

Although none would speak for attribution, one called it a "litmus test" of the government-appointed board's independence. "It is a very, very important case," he said. "The issues are clear-cut, and there's no possibility of fudging on it."

The program counterpoints McGuinness with Gregory Campbell, described as a "hard-line Loyalist," a member of the largely Protestant majority in Northern Ireland that favors British rule.

Controversy over the BBC broadcast began indirectly, during a press conference Thatcher held in Washington Friday. A reporter for The Sunday Times of London asked her if she would disapprove of a supposedly hypothetical program in which such an interview were featured.

Thatcher said she would "utterly condemn" it.

Once Thatcher found out that the "hypothetical" program was in fact on the BBC schedule, she ordered Brittan to investigate.

In a statement issued by the Home Office in his name today, Brittan said he "fully recognizes the freedom of the BBC in this matter; the government does not wish to exercise powers of censorship."

However, Brittan said he had "conveyed to the BBC in the strongest terms that . . . the program appeared to be giving succor to terrorist organizations by the opportunity for public advocacy of terrorist methods by the prominent member of the IRA. . . . It is contrary to the national interest that a program of the kind apparently envisaged should be broadcast" and Brittan "asked the BBC not to do so."

A Home Office spokesman said that neither Thatcher nor Brittan had seen the documentary.

The BBC is funded by a licensing fee charged all television owners. Although the BBC is operated under Royal Charter and theoretically immune from direct government interference, the government sets the level of the fee, and licensing legislation allows the Home secretary to "require the corporation to refrain" from broadcasting anything deemed inappropriate. That power, however, never has been used.

[From the New York Times, August 1985]

BBC Decides Not To Show Program on Ulster

(By Jo Thomas)

London.—The British Broadcasting Corporation announced tonight that it had decided against showing "in its present form" a television program including an interview with a man said to be the chief of staff of the outlawed Irish Republican Army.

The decision was made by the BBC's board of governors, which viewed the program for the first time at a seven-hour meeting today, in response to a request from Leon Brittan, the Home Secretary. He asked the BBC on Monday to withdraw the program.

The interview is with Martin McGuinness, who was elected to the Northern Ireland Assembly in 1982 but refused to take his seat. The Sunday Times of London identified him this week as the I.R.A. chief of staff. Mr. McGuinness, 35 years old, has denied that he holds the post.

Although some viewed the BBC decision as yielding to Government pressure, Stuart Young, the BBC chairman, declared, "We have not yielded to pressure from any quarter whatsoever."

A political battle has been going on since it was announced that Mr. McGuinness was to be featured in a 45-minute documentary on the program "Real Lives" on Aug. 7. The debate has called into question the independence of the BBC, whose finances are under Government review, and the integrity of is coverage of Northern Ireland.

Will Wyatt, the BBC's head of documentary features, had defended the documentary as "careful, thoughtful and informative" and "not supportive of terrorists."

It compared Mr. McGuinness, a member of Sinn Fein, the political arm of the I.R.A. to Gregory Campbell, a leading member of the Democratic Unionist Party, led by the Rev. Ian Paisley.

Mr. Brittan, who as Home Secretary is responsible both for law and order and for broadcasting, said that he had not seen the program but that press reports indicated it lent "spurious legitimacy to the use of violence for political ends" and would be contrary to the national interest.

Prime Minister Margaret Thatcher, the target of an I.R.A. bombing in Brighton last year, said last week that she would "condemn them utterly" if BBC officials broadcast such a program. Earlier this month, the Prime Minister suggested that terrorists be starved "of the oxygen of publicity."

BBC Decision on Interview Stirs Protest

London.—A political storm erupted today over a decision by the BBC to cancel the scheduled broadcast of a television documentary featuring a purported Irish Republican Army guerrilla leader.

The cancellation, which had been had been formally requested by the Home Secretary, Leon Brittan, at the direction of Prime Minister Margaret Thatcher, sparked a staff rebellion at the British Broadcasting Corporation today and searching questions in Parliament and elsewhere about the BBC's independence from Government control.

The Prime Minister, who told The Sunday Times of London last week that she would "utterly condemn" the BBC for showing such a program, said she was "very pleased" by the BBC's decision, which was announced Tuesday night by the BBC board of governors.

"I do not believe that any great body like the BBC should do anything which might be construed as furthering the objectives of terrorists," she said. "I feel extremely strongly about it."

"NOT THAT KIND OF PARTY"

But she added, "I'm never going to put censorship on—we are not that kind of party."

The Association of British Editors called the BBC's action in canceling the program "a betrayal of its own best traditions," and said it had handed the Irish Republican Army "one more victory in the propaganda war."

A parliamentary spokesman for the Labor Party, Robin Corbett, accused the BBC's board of governors of "acting as Britain's thought police," adding: "The problems of Northern Ireland cannot be hidden from people behind a blank TV screen. This is a disservice to democracy."

James Hawthorne, the controller of programs in Northern Ireland, said today that he would reign unless he received assurances that the decision by the BBC board of governors would not lead to further Government interference. Late this afternoon, he said he had been assured that "nothing has fundamentally changed."

PROTEST STRIKE PLANNED

Meanwhile, the union representing 2,000 BBC television journalists voted unanimously to hold a 24-hour protest strike on Aug. 7.

The 45-minute program, "At The Edge of the Union," is a portrait of two men at the extremes of the political divide in Northern Ireland, Gregory Campbell, a Loyalist politician, and Martin McGuinness, an elected member of the Northern Ireland Assembly who belongs to Sinn Fein, the political arm of the I.R.A.

The uproar began after a BBC publication, Radio Times, ran a three-page article about the program, with pictures of both men, extensive quotes from the interviews, and a mention that Mr. McGuinness was widely thought to be the chief of staff of the I.R.A., an assertion that has been denied by Mr. McGuinness. The assertion was repeated in a front-page story in The Sunday Times of London.

Mr. Brittan, the Cabinet Minister, chiefly responsible for both law and order and broadcasting, said today that it would be "an absurd form of muzzling," if he alone could not exercise the right of any citizen to say what he thought was in the public interest.

"THAT AMOUNTS TO CENSORSHIP"

Stuart Young, chairman of the BBC and a Thatcher appointee, denied that the BBC had bowed to pressure. But in an interview late Tuesday night, he said, "When the Home Secretary says that any program that deals with terrorist organizations should not be permitted to be broadcast, that amounts to censorship.

"There are well-tried and well-tested procedures adopted by the BBC of how the very difficult subject of terrorists should be handled," he said.

It was the bypassing of such procedures that outraged the BBC staff.

A statement issued today by the National Union of Journalists, which represents the journalists at the BBC, said, "We deplore the decision to override—apparently for the first time—the accepted procedure of the corporation whereby the responsibility for editorial decisions lies in the hands of the Director General.

"It is particularly dangerous in that it was a decision made as a direct result of Government pressure," the statement said.

The procedures for handling programs about terrorism, it added, "are designed to protect the BBC's independence and integrity. They should not be overridden."

"The Prime Minister has claimed that publicity is like oxygen for terrorists," said Clive Soley, a Member of Parliament and Labor Party spokesman. "The Provisional I.R.A. and the Protestant paramilitaries have had a massive amount of publicity out of this episode."

Neither of the two people interviewed is wanted for any offense, he said, and "they are entitled to stand for election under British law and have done so. But they are not allowed to be interviewed by the BBC. That is a clear example of censorship.

"Mrs. Thatcher made her statement on terrorism after the hijack a few weeks ago and felt she had to slow some form of reaction," Mr. Soley said, referring to the hijacking of an American airliner to Beirut last month.

Clement Freud, the Liberal Party spokesman on broadcasting, said: "The Government has powers under the Broadcasting Act to order the corporation not to publish certain material, but it has not had the courage to use these legal powers. Instead, it has chosen to lean on the relative of a member of the Cabinet. This is quite monstrous."

Mr. Young, the BBC chairman, is the brother of Lord Young, Minister without Portfolio and one of Mrs. Thatcher's closest advisers.●

TRIBUTE TO REV. EDWARD J. MAXA

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LIPINSKI. Mr. Speaker, today I would like to take a moment to recognize and honor Rev. Edward J. Maxa, the recipient of the Ray McDonald Community Achievement Award for the month of July 1985.

Father Maxa, born in Oak Park Hospital, is a native of the Chicago area. He attended grammar school at Our Lady of the Mount School in Cicero and St. Odilo School in Berwyn. He began his preparation for the priesthood at Quigley Preparatory Seminary and was ordained at St. Mary of the Lake Seminary at Mudelein, IL, in 1959. Since then Father Maxa has served three parishes in the Lawndale and Little Village communities; Our Lady of Lourdes Church at 15th and Keeler, Epiphany Parish at 25th and Keeler, and Blessed Sacrament Parish at Cermak and Central Park Avenue. In 1969 Father Maxa became associate pastor at Blessed Sacrament Parish. When the Rev. Edmund Burke was transferred from the pastorate of blessed Sacrament to that of St. Francis Xavier Parish in Wilmette, Father Maxa was first made the acting pastor of Blessed Sacrament, and then in 1974 he was appointed pastor by Cardinal Cody.

During his years at Blessed Sacrament, Father Maxa worked to maintain and improve the program and buildings of the church and school. He taught religion and counseled the students as well as the adults of the parish. Father Maxa promoted the establishment of the Boy Scout and Cub Scout programs at the parish.

Learning that services in Spanish to Spanish-speaking members of the community were initiated in 1967 but terminated when the Spanish-speaking priest returned to Colombia, Father Maxa undertook the study of Spanish. Due to his tireless efforts, a weekly Spanish Mass and other Spanish services to the community began in January 1970.

During his service at the Epiphany Parish, Father Maxa was introduced to and became a member of the Kiwanis Club of Little Village. At various times he has served as club secretary, vice president, and twice as president. During these years Father Maxa was active in promoting the annual free community health fair, which the Little Village Kiwanis Club sponsored together with the Lawndale Clinic and the Chicago Board of Health. For the past several years, this health fair used the buildings and facilities of Blessed Sacrament Parish to provide examinations, tests, innoculations, and other health services to not only the students, but also to the adults and preschool youngsters of the parish.

Blessed Sacrament Parish is currently in a year-long celebration of the centennial of its beginning as a mission of St. Pius V Parish at Ashland Avenue and 19th Street. And with the assistance of Sister Suzanne Doolin, the School's new principal, a campaign to increase the community's awareness and use of the school is underway.

Mr. Speaker, I wish to thank Father Maxa for the unselfish dedication of his time and concern for the betterment of the southwest side community. He has truly earned the Ray McDonald Community Achievement Award for the month of July 1985.●

A TRIBUTE TO DR. CAROLYNE K. DAVIS

SPEECH OF

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1985

● Mr. PURSELL. Mr. Speaker, on August 9, Dr. Carolyne K. Davis will step down as Administrator of the Health Care Financing Administration. Dr. Davis has served in that post 4½ years, longer than any other Administrator. I would like to congratulate her on her tenure and highlight some of her major accomplishments.

There is no question that under Dr. Davis' administration Medicare and Medicaid have become more efficient and more solvent. In 1981, when Dr. Davis began her career at HCFA, everyone predicted Medicare would be bankrupt by 1986. Here we are, 1 year from that deadline and Medicare is strong and healthy—and expected to remain that way until the mid-1990's.

In 1982, Dr. Davis put into effect changes which revolutionized health care reimbursement charges for Medicare. Under her administration, HCFA launched the prospective payment system, which replaced the hospital cost reimbursement system with a system of flat payments called DRG's. Those reforms have been instrumental in bringing down national health care costs.

In spite of the fact Dr. Davis daily managed over 4,100 agency employees and last year implemented a budget of $99 billion, 10 percent of the total Federal budget, she still managed to maintain her ties to the medical community. During her tenure at HCFA, Dr. Davis published 37 articles, bringing her total career of publications to 51. Truly an impressive record.

In conclusion, I would like to say it has been my privilege to know and work with Dr. Davis. Prior to coming to HCFA, Dr. Davis served as an associate vice president for academic affairs at the University of Michigan. In addition, she was dean of the University's School of Nursing for 2 years. It was her outstanding work there not only in nursing but in the area of finance and budget reform that led to her appointment at HCFA. It is obvious today from her accomplishments at HCFA during the past 4½ years, that this Nation had benefited greatly from her background and leadership.

I wish her well in the future and hope that she will someday return to public service for this great Nation.●

"OUR LITTLE MISS"

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. HALL of Texas. Mr. Speaker, beauty and fine fiddle playing are two of the good things we brag about in the 4th Congressional District of Texas; and Jonna Fitzgerald handles them both with style. For this reason, Jonna has been added to our list of bragging rights as Miss Texas 1985.

Since she entered her first "Our Little Miss" Pageant as a 9-year-old, Jonna has dedicated herself to a pageant competition every year. After representing Mineola-Lake Country, Arlington, and Duncanville, the Tyler native was crowned Miss Greenville for her fourth year of competition in the Miss Texas pageant. The perseverance she claims as her best asset—and 12 years of experience—have brought Jonna to the realization of a dream.

An outstanding fiddle player, Jonna has selected her role models from the same field of music. Miss Texas 1973, Judy Mallett, inspired Jonna to begin playing the fiddle; another Tyler native, Texas fiddle player Johnny Gimble, is her hero.

Mr. Speaker, I am proud to have Jonna Fitzgerald as a representative of my district and the State of Texas. Her talents, beauty, and personal integrity exhibit the best our State has to offer. As she travels to the Miss America pageant in Atlantic City, NJ, this September, we Texans will be able to hold our heads high and brag on another native product of our great State—Miss Texas 1985, Jonna Fitzgerald.●

PUBLIC BROADCASTING AUTHORIZATION ACT

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WIRTH. Mr. Speaker, today I am introducing the Public Broadcasting Authorization Act of 1985 which will authorize appropriations for the Corporation for Public Broadcasting [CPB] for fiscal years 1988, 1989, and 1990, at $220 million, $246 million and $283 million respectively. This legislation also authorize funds for the Public Telecommunications Facilities Program [PTFP], administered by the Department of Commerce at $24 million for each of fiscal years 1986, 1987, and 1988.

As my colleagues recall, two public broadcasting authorization bills passed the House and the Senate during the last session of Congress. Both were vetoed by the President. Yet, despite these vetoes, the Corporation for Public Broadcasting was appropriated $200 million for fiscal year 1987, and the PTFP program was funded at $24 million for fiscal year 1985—nearly identical to funding as contained in the bill vetoed last October. Clearly, Congress has and will continue to support adequate funding for our excellent public broadcasting system.

In 1981, Congress cut funding for public broadcasting over 40 percent, and established a bipartisan commission to study alternative financing for public broadcasting. The Temporary Commission on Alternative Financing [TCAF] concluded its study in 1983 and reported to Congress that in the forseeable future, there exists no alternative to a strong base of Federal support of the public broadcasting system.

Federal support of public broadcasting comprise less than 20 percent of funds raised by the system. Other support comes from States and cities, foundations and corporations, and millions of satisfied listeners and viewers across the country. Yet, the Federal support provides a critical base from which other funds can be raised.

Public television and radio provide invaluable educational, cultural, and entertainment services not provided by commercial broadcasters. Public broadcasting, for example, is the only regular source of educational programming for our children. A generation of children have learned and excelled in school because Sesame Street, The Electric Company, and 3-2-1 Contact have given them the zest for learning. The Chemical People, The Brain, National Geographic, and NOVA series have allowed children and adults to explore critical issues in challenging new ways. Great Performances, Frontline, and Playhouse, have brought cultural enrichment to millions of Americans which they otherwise could not have afforded. Public broadcasting brings our Nation together by bridging cultural and economic gaps with diverse and excellent programming. Yet, many of these programs have been forced to cut planned productions and staff. The very existence of some is threatened.

We must put public broadcasting back on a sound financial footing; at the same time we must do all we can to reduce the massive Federal deficit. This legislation recognizes and incorporates both of these realities. The bill thus freezes the Facilities Program at the fiscal year 1985 level appropriated by Congress for the next 3 fiscal years. I know of no other Federal program that will be frozen for 4 years in a row. Incidentally, PTFP was authorized at this same level over a decade ago in 1974.

Moreover, as to CPB the legislation adopts the President's budget request of $246 million and $283 million for fiscal years 1989 and 1990 respectively. In order to make slightly more funds available to public broadcasting in the near future, the legislation adopts a funding level of $220 million for fiscal year 1988, only $6 million above the administration's request. This bill's fiscal year 1988 level is identical to that proposed by the gentleman from Ohio [Mr. OXLEY] who has not only strongly advocated the need for restraint in public broadcasting over the last few years, but who has also recognized the need to make some additional funding available for public broadcasting in the near term, above the administration's recommendation. While this additional $6 million is a minute amount in the context of the Federal budget, it is money that is critically necessary for the short term viability of the Nation's excellent public broadcasting system. It is worth noting that the $220 million proposed for fiscal year 1988 in this bill is the same level of funding that was authorized for CPB in fiscal year 1983.

This legislation meets our twin goals of providing realistic funding to preserve our public broadcasting system while being fiscally prudent. I urge my colleagues to join me in supporting this bill.●

TRIBUTE TO THE LATE HONORABLE CHARLES H. WEBER

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LIPINSKI. Mr. Speaker, August 16, 1985, marks the 25th anniversary of the death of the Honorable Charles H. Weber, a dedicated public servant from the northside of the city of Chicago.

Charles Weber was a distinguished public servant for over 40 years. He was a member of the Illinois State Legislature for 32 years, a member of the Chicago City Council for 12 years, a Cook County commissioner for 4 years, and for 40 years the Democratic ward committeeman of Chicago's old 45th ward. Charles Weber was also a successful businessman as a real estate broker, tavern owner, ice cream parlor owner, gas station operator, and insurance broker.

Charles Weber also initiated many worthwhile community activities. He sponsored the first community-wide cleanup campaign, and he was responsible for the first Kid's Day back-to-school parties at Riverview Park for as many as 100,000 children. The Charles H. Weber Memorial Commission, made up of many of Mr. Weber's friends and former colleagues, exists for the purpose of reviving many of the fine community programs that he established.

Mr. Speaker, the 25th anniversary of the death of this legendary public servant is truly deserving of public recognition. His distinguished career is one in which we should all take notice of.●

PORTER PROTESTS ARREST OF ROALD ZELICHONOK

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. PORTER. Mr. Speaker, on June 11, 1985, Roald Zelichonok of Leningrad was arrested and accused of preparing slanderous material.

I believe his arrest stems from his 7-year quest to emigrate from the Soviet Union, during which time he and his wife have suffered greatly. When they originally applied to emigrate in 1978, Alec's scientific work was greatly restricted. Optimistic that he might receive permission to live in Israel, he studied and taught Hebrew to others. This led to searches of his apartment and the confiscation of his teaching materials.

In May, my staff assistant, Nancy Kohn, had the opportunity to visit Leningrad and meet with Mr. Zelichonok. In August 1982, I also visited Leningrad and had the opportunity to meet Mr. Zelichonok. Both Nancy and I were very impressed by our meetings, and felt that Mr. Zelichonok was a dedicated and intelligent man who was obviously deepy committed to his goal of living in Israel. We were deeply sadded to learn of his arrest last June.

Earlier this year, the postal authorities had withheld five letters Mr. Zelichonok had written to friends living abroad. His arrest was based on information contained in these letters. In addition, two other Leningrad citizens, Semion Borovinsky and Vladimir Lifshitz, had their apartments searched on similar charges.

It appears that the Soviet authorities are attempting to curtail communication between the refusenik community and the free world. It is part of an overall strategy to destroy Jewish culture by inducing fear and discouraging their activities to practice their religion.

Over 100 Members of the House have joined my colleague TOM LANTOS and I in sending a letter to the Procurator General of Leningrad expressing our concerns over the treatment of Roald Zelichonok. I too thank my colleagues for joining me in expressing their concern over this situation. I would like to include for the RECORD a copy of this letter.

CONGRESS OF THE UNITED STATES,
Washington, DC, August 1, 1985.

PROKURORU PNOMARYOVU (the Leningrad City Procurator),
Gorodsykaya Prokuratura, ul. Belinskogo 13, g. Leningrad, U.S.S.R., RSFSR.

SIR: We deplore the arrest of Roald Zelichonok on June 11, 1985.

As you know, Mr. Zelichonok has been charged with preparing slanderous material (Article 190-1 of the Criminal Code of the RSFSR). We have been informed that Soviet authorities confiscated five letters Mr. Zelichonok wrote to friends abroad and that his personal correspondence is being used against him.

In 1978 Mr. Zelichonok and his wife, Galina, applied for permission to emigrate to Israel. Following their application, the Zelichonok's apartment was searched and many of their books were confiscated. Mr. Zelichonok's professional contacts were severely restricted and his salary was frozen.

It appears that the recent arrest of Mr. Zelichonok is part of a campaign to harrass and intimidate Soviet citizens who have expressed a desire to emigrate.

We are particularly concerned that by interfering with mail communication, the Soviet authorities are attempting to curtail contacts between Soviet citizens and the West.

We urge you to drop the charges against Mr. Zelichonok, and to recognize his right to emigrate. The right to free emigration is guaranteed under the Helsinki Accords, the Universal Declaration on Human Rights and other international agreements to which the U.S.S.R. is a signator.

Sincerely,

John Edward Porter, Tom Lantos, Ben Erdreich, Martin Sabo, Bill Richardson, John Grotberg, Charles Schumer, Lane Evans, Bob McEwen, Morris Udall, Lynn Martin, James Jeffords, Nancy Johnson, Robert Torricelli, Larry Smith, Connie Mack, Joe Kolter, Brian Donnelly, Sander Levin, Mike Barnes, Chris Smith, Alan Wheat, Silvio O. Conte, Thomas Luken, George Miller, William Gray, Robert Young, Don Ritter, Patricia Schroeder, Mike Synar, Mario Biaggi, Barbara Mikulski, Mike Lowry, Joseph Addabbo, Norm Mineta, Robert Lagomarsino, Louis Stokes, Jack Kemp, Ted Weiss, Dan Lungren, James Scheuer, Peter Rodino, Berkley Bedell, Lawrence Coughlin, Norm Lent, William Lehman, Bob Edgar, Don Edwards, Hamilton Fish, Sidney Yates.

Tim Wirth, Frank Horton, Walter Fauntroy, Harry Reid, Anthony Beilenson, Bill Frenzel, Steve Barlett, Gary Ackerman, Charles Hayes, Albert Bustamante, Dean Gallo, Thomas Carper, Tom Tauke, Les AuCoin, Ben Gilman, Ed Feighan, Barney Frank, Thomas Foglietta, Herb Batemen, Ron Wyden, Marcy Kaptur, Vic Fazio, Martin Frost, John McCain, Dennis Eckart, Jim Moody, Barbara Kennelly, Robert Mrazek, Bernard Dwyer, Bill Nelson, Nick Mavroules, George Wortley, Mickey Leland, Ray McGrath, John Bryant, Frederick Boucher, Chester Atkins, Howard Berman, Peter Kostmayer, Bruce Morrison, Robert Dornan, Joe Moakley, Major Owens, Barbara Boxer, Fred Eckert, Bob Borski, Gerry Sikorski, Dick Durbin, Mathew G. Martinez, Fortney H. (Pete) Stark, Thomas Manton, Frank Wolf.●

HONORING RABBI HENRY E. KRAUS, OF TEMPLE BETH AMI

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. TORRES. Mr. Speaker, I ask my colleagues join me in honoring my friend Rabbi Henry E. Kraus on the occasion of his becoming Rabbi Emeritus.

Since coming to Congress I have had the pleasure of knowing Rabbi Kraus of Temple Beth Ami, West Covina, CA. He is well respected and admired by the community and the people of Temple Beth Ami.

Rabbi Kraus was ordained at the Jewish Theological Seminary at Budapest, Hungary, and received his Ph.D. from the University of Budapest. During the Second World War, after the Germans occupied Hungary in March, 1944, he was deported with his congregation by the Nazis to Auschwitz and later, Buchenwald. Although he was exempt from the anti-Jewish laws because of his father's extensive military service, he chose to go and be with his congregants. He was liberated from the German concentration camp in 1945 by the American Third Army.

After the war, Rabbi Kraus became Chief Rabbi of Western Hungary. He was a member of the governing body of Hungarian Jews and also a member of the Board of Governors of the Jewish Theological Seminary of Budapest where he lectured on Practical Rabbinate. Prior to Communist control and the Hungarian revolution he also lectured at the University of Budapest on philosophy and ancient history as well as serving as Army chaplain.

Mr. Speaker, in January of 1957 he came to this country to escape the Hungarian revolution. Since that time Rabbi Kraus has served with distinction as a member of the Rabbinical Assembly and served the western region as a vice president. He also served as president of the Los Angeles Eastern Area Board of Rabbis.

In 1975, in honor of his 35th anniversary of his ordination, 30 year liberation from the Nazi death camps and 18 years following the escape from behind the Iron Curtain, Israel honored him with the Ben Gurion Award. He became the first recipient of this award in California and the U.S. Congress honored him with a congressional tribute.

In 1978, on the 34th anniversary of his deportation to Auschwitz, he was honored by opening the session of the House of Representatives with a prayer.

Following 16 years of service to Temple Beth Ami and 46 years on the pulpit on June 1, 1985, he became Rabbi Emeritus. He currently serves as chaplain to the City of Hope Medical Center and the Los Angeles County Sheriff's Department, San Dimas station.

Mr. Speaker, I rise today on the floor of the House to honor Rabbi Henry Kraus on his becoming rabbi emeritus.●

INTERNATIONAL FAMILY PLANNING FUNDS IN DANGER OF BEING CUT

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. KOSTMAYER. Mr. Speaker, the long and difficult process toward settling the role of the United States in international family planning is nearing completion for this year.

The House and Senate salvaged the authorization of funding for two of the most important international family planning organizations—the International Planned Parenthood Federation [IPPF] and the United Nations Fund for Population Activities [UNFPA]. On July 10, the House eliminated the 16-percent earmark of the U.S. international population account for UNFPA and the House-Senate conference on the foreign aid authorization last week stripped the Kassebaum amendment which would have reversed the administration's cutoff of all U.S. funding to the IPPF.

All of this has occurred despite the fact that for more than a decade, U.S. law has prohibited the expenditure of all U.S. foreign aid funds for abortions or abortion-related activities. But abortion isn't the issue now; U.S. support for family planning may now be on the verge of being effectively terminated.

On July 8, the Agency for International Development reversed long-standing policy by declaring that recipients of AID funds advocating "natural" family planning no longer need inform their clients of the full range of family planning methods available. In effect, the U.S. Government will now provide scarce family planning funds to groups that advise people of the developing world to simply abstain in order to prevent unplanned pregnancies. And as an editorial from the July Washington Post states:

> The most vocal groups advocating these restrictions make no bones about the fact that they oppose all "artificial" birth control.

The full Appropriations Committee recently made a 10-percent cut in the authorized total for the international population account—from $290 million—the fiscal year 1985 level—to $261 million. The committee also added language which says:

> None of the funds made available in this bill nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive or involuntary sterilization.

This measure is severe and restrictive, but it places the ultimate decision on who and how much to fund international family planning programs with the President. Any attempt by the Congress to push through an automatic termination of funding of the UNFPA and other family planning organizations would be irresponsible and potentially disastrous. Such a cutoff would severely cripple voluntary family planning in Mexico, Brazil, Ethiopia and 100 other countries and should be vigorously opposed.●

TRIBUTE TO CHARLES SUMNER HIGH SCHOOL

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. CLAY. Mr. Speaker, on August 16, 1985, hundreds of graduates of the Charles Sumner High School from the years 1946–51 will gather in St. Louis, MO, from across our great Nation and from around the world for their reunion and to celebrate the 110th anniversary of their alma mater.

To most of us, when city of St. Louis is mentioned, we immediately think of the arch, beer, the place where the first ice cream cone and the hot dog orginated or of the football and baseball Cardinals. But, to many of us, especially blacks in these United States, it is the city that is home to the Charles Sumner High School.

Sumner High School was established in 1875 as the first formal attempt at education on the secondary level for black children in this country and has for 110 years stood straight and strong in providing service to a proud community buoyed up by her unique and significant black heritage, encircled by parents and relatives who have demanded leadership, cultural enrichment, and academic excellence from the onset and who have fought for and supported the highest standards and aspirations for the student body at this school, and supported by a totally dedicated faculty that has always been sensitive to the needs of the youth in our central city.

Sumner High School continues to strive for academic excellence, community leadership, and to further her traditional commitment to cultural enrichment.

In behalf of the thousands of students whose lives have been enriched by the Sumner tradition, I would like to compliment and praise those past and present faculty members and administrators of the Charles Sumner High School for the outstanding service that they have given not only to the city of St. Louis but to the Nation in general. I would also like to thank and acknowledge those thousands of graduates who have contributed so much not only to the St. Louis community but to the Nation as a whole.

I am sure that all of my colleagues join me in conveying my best wishes to this pillar of the St. Louis community and pray for its continued success.●

CHILDREN'S TELEVISION EDUCATION ACT OF 1985

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WIRTH. Mr. Speaker, today I am introducing the "Children's Television Education Act of 1985," which is intended to advance the use of television as a positive educational investment for our future in our most precious national resource—our children. Senator LAUTENBERG today is introducing companion legislation in the Senate.

All television is educational—but the question is, what does it teach? For children, television is a powerful teacher of intellectual and cognitive skills as well as a teacher of social information. It is a young child's window on the world, providing a wealth of information about the world, its people, places, and events.

But television's primary role has evolved as one of entertainer, not educator. Despite television's tremendous educational potential, commercial concerns and appeals to mass audiences have become paramount. It is very important that each child have access to positive, age-appropriate educational programing over the public airwaves. The legislation which I am introducing today is one way to achieve this goal.

Recent reports, including that of the National Commission on Excellence in Education, have focused attention on some extremely troubling problems facing our educational institutions. These reports have called for a variety of solutions aimed at improving the quality of education, as well as the educational performance of our Nation's children. Certainly much can and should be done to improve education, but we have often overlooked the potential role of television as educator, both by itself and in coordination with our schools.

By the time an average child finishes formal education in this country, he or she has spent an astonishing 15,000 hours in front of the television set—significantly more time than is spent in the classroom. Television has become an integral part of everyday life for our younger generation—almost 4 hours of each waking day is spent learning from the television "curriculum."

Research demonstrates the power of television to teach. Programs such as Sesame Street have been instrumental in giving children greater reading and mathematical proficiency at an early age. 3-2-1 Contact has inspired a better understanding and appreciation of science and scientific concepts in young teenagers. Freestyle has taught children that their career choices need not be bounded by stereotypes based on gender. Programs such as Mister Rogers' Neighborhood and Fat Albert and the Cosby Kids have taught altruism, cooperation, and kindness toward others. CBS Storybreak and Reading Rainbow have revealed the wonders and treasures that books and the local public libraries hold for us all.

Research also shows that television can motivate children to learn about the world around them. At a very early age, a child's fascination with television can be effectively channeled into positive educational experiences. Yet for the most part, television's potential in this area is unrealized.

The Federal Communications Commission [FCC] has been involved in issues relating to children and television for over two decades, but has accomplished nothing. The FCC's failure to ensure that television broadcasters adequately meet the needs of the child audience is extremely disappointing to me and to all of those interested in the welfare of children.

In 1960, the Commission first determined that one way in which broadcast stations must meet their public interest obligation was to provide programming specifically designed for child audiences. Almost 15 years later, in its 1974 Children's Television Report and Policy Statement, the FCC reaffirmed its conclusion that broadcasters have a special obligation to serve children as a substantial and important community group. The FCC at that time issued a policy statement that instructed television stations to make a meaningful effort to increase the amount of programming for children, and to air informational programing for child audiences. However, the implementation of this policy was voluntary, and no specific requirements in terms of amount of programming necessary to achieve this goal were specified.

In 1978, after results of a survey indicated that the television broadcasters were not meeting the needs of children, the FCC initiated a rulemaking to address the dearth of programming for children. Despite the fact that the Commission's staff report on the matter clearly indicated that television broadcasters were not complying with the 1974 policy statement, the FCC continued to procrastinate without taking any action that would effectively address this problem. In December 1983, the rulemaking was finally concluded only because of a court ruling. Unfortunately, its conclusion was all too predictable—again, the FCC did nothing.

In abrogating its responsibility to protect the public and the public interest, the Commission stated that available alternative programming services in media markets may be taken into account when broadcasters are determining the programming needs of children. This means that broadcasters may further minimize their programming aimed at children by simply pointing to the availability of such programming over nonbroadcast services, such as cable, or even to what is available through video disks.

This shortsighted ruling ignores the fact that close to half of all American homes still lack access to cable. Some homes will probably never have access to cable television. And the cost involved with cable and other new communication technologies ensures that these sources of programming will be available only to those families who can afford them—not to those who are having difficulty simply putting food on the table each day. Many children—the poor and the culturally disadvantaged, the very population who have least access to alternative sources of information—will never experience the luxury of alternative programming provided by new video sources.

There may, of course, be other ways to solve this problem. To their credit, the National Association of Broadcasters and its president, Edward O. Fritts, have indicated a willingness to work with me in order to devise ways in which commercial broadcasters might foster the development of alternative programming, including programming designed to meet the educational needs of children. To the extent that the marketplace provides adequate educational programming for children, a legislative solution may not be necessary. However, until that day is reached, we must do all that we can to ensure that children are served by the licensees of the public airwaves.

The "Children's Television Education Act of 1985" sets forth a series of findings concerning the tremendous educational potential of television and requires that rules be developed to maximize the use of television in educating children, and to increase the amount of educational programming specifically designed for children. The bill requires that each broadcaster provide a substantial amount of educational programming for children, specifying that amount as a minimum of 7 hours per week, at least 5 of which must air Monday through Friday.

The legislation specifically identifies the petition to deny procedure as the appropriate process for ensuring broadcasters' compliance with provisions of the bill. It therefore provides a method for local community groups to ensure that their children are being served by their local broadcasters.

The bill also directs the FCC to conduct an inquiry into the implications of programs created to promote toys or other products popular with children—the so-called program-length commercials. In the past, it was not unusual for toys based on characters featured in children's programs to be developed after a program attained "hit" status. Recently, however, a new trend has evolved in which a television series is released at the same time as a line of toys associated with the program theme or characters. Although these programs are entertaining to children, the program content itself—not just the commercials—is specifically designed to promote products to children. This trend is growing so fast that, according to one estimate, as many as 20 Saturday morning programs this fall will feature this approach. Many believe this trend is the direct result of the FCC's 1984 television deregulation order which freed broadcasters from any limitation on the number of commercial minutes that could be run per hour.

There are several concerns raised by program-length commercials. The first is the effect on a child's ability to tell the difference between programs and commercial content. The FCC had for many years held that a clear separation must be maintained between programs and commercials so that children can more easily discriminate between them. In its 1974 policy statement on children's television, the FCC also prohibited broadcasters from engaging in host-selling, whereby popular characters featured in program content also engage in commercial pitches during program breaks. Both of these requirements are designed to help children recognize the distinction between programs and advertisements, an ability which helps child viewers defend against the persuasive appeals in commercials. yet many charge that this new type of commercialization of program content further confuses the distinction between programs and advertisements for young children. Only a full inquiry will clarify the extent of the confusion such programming creates in young children, but so far the FCC has refused to conduct such an inquiry.

A second issue raised in the manner in which this trend will affect the future of children's programming in general. When this type of programming is purchased by television stations, an arrangement is typically included which allows the broadcaster to share in the profits generated from the sales of toys and other related products. I am concerned, as are many others, that the financial incentives offered by such programs may override other factors that should be weighed in a broadcaster's decision regarding selection of children's program content. A broadcaster's primary responsibility under the provisions of the Communications Act is to serve the public interest. It is not clear to me how the public interest is served by having such financial incentives weigh so heavily.

The inquiry mandated by this bill will establish a record for assessing these questions and others related to the program-length commercial format.

The bill directs the FCC to promulgate all other necessary rules within 180 days of enactment of the legislation. I urge my colleagues to join me in cosponsoring this important piece of legislation.●

GOLD AND SILVER COINS

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. STALLINGS. Mr. Speaker, I have introduced today two bills, the first of which would provide for the minting of gold and silver bullion coins, and the second of which would provide for the minting of gold and silver coins commemorating outstanding American scientists.

Americans have never had the opportunity to buy gold and silver bullion coins produced by the U.S. mint. Instead, investors in precious metals purchase South African Krugerrands, Canadian Maple Leafs, and Mexican Libertads in great numbers. American purchases of these coins contribute to our staggering balance-of-trade deficit.

At the same time, we continue to discuss the imposition of trade sanctions against the government of South Africa because of its policy of apartheid. Producing American-made bullion coins would offer a product to the world that would compete directly and effectively with bullion coins of other countries. The world would be offered legal tender U.S. bullion coins.

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Because these coins would be legal tender currency of the United States, I expect that their sales would exceed the gold and silver bullion coin sales of all other producers combined.

The second bill I have introduced would provide for the issuance of gold and silver coins over the next 5 years which commemorate outstanding American scientists. These coins, unlike bullion coins, would appeal primarily to coin collectors instead of investors in precious metals. Only one other American coin has been produced in recognition of the accomplishments of an American scientist. That coin, a silver half dollar, was issued in 1952 in recognition of the noted agricultural chemist, George Washington Carver.

A series of commemorative coins honoring outstanding American scientists is long overdue, because their accomplishments have been so many and so great.

The wonderous feats being achieved in medicine, the marvels of outer space exploration, the power and speed of today's computers, and the wonders of the atom are but a few of the areas in which American scientists have played, and are continuing to play, such an important leadership role. I look back in history to the days when current day technologies were not even dreamed of, much less realized, and see how great an impact American scientists have made on the world. Scientists, and American scientists in particular, deserve some long overdue recognition for their astonishing accomplishments. The production of commemorative coins would be one means of recognizing their many fine accomplishments.

Enactment of these bills would carry a number of other advantages. First, it would provide some much needed relief to the American gold and silver mining industries, which are today facing serious problems, through no fault of their own. For example, silver mining interests in this country, including those in the State of Idaho, are threatened by the mere presence of the approximately 138 million ounces of surplus silver held by the U.S. Government in the National Defense Stockpile. Previous Government attempts to auction this surplus silver were unsuccessful and unduly disrupted the U.S. silver market. One significant advantage of using this silver in coins in that undue market disruptions are not created by use of the silver in this manner. Of course, the U.S. Government also owns large stocks of surplus gold which could likewise be put to advantage by its use to mint bullion and commemorative coins. Long term production and sales of silver and gold coins would add to the stability of market prices and would encourage more explorations and mining of American resources.

To the extent that surplus silver and gold is used in the production of these coins, the Treasury would realize a net income. In view of our current budgetary problems, the net income realized from the sale of precious metals in the form of coins would be indeed welcome. For example, based on discussions with Government officials and coin experts, I expect that sales of surplus silver from the National Defense Stockpile, even at today's depressed prices of about $6.25/troy ounce, would result in an income of some $862 million over a period of approximately 4 years. Over a comparable period of coin production—both bullion and commemorative—gold coin sales would result in income of about $8.6 billion to the Treasury.

In addition, American Scientists Commemorative Coins would have a surcharge of $7.00 for each silver coin sold, and a surcharge of $35 for each gold coin sold. Since about 4 million silver and 800,000 gold commemorative coins would be sold annually, a total of $56 million would be raised annually in surcharges, to be used for the sole purpose of retiring the national debt.

I urge my colleagues' consideration of these two measures.●

COMMEMORATING CHARTER DAY—THE 50TH ANNIVERSARY OF THE UAW

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. TORRES. Mr. Speaker, around the Nation and in many international circles workers will celebrate the 50th anniversary of the United Auto Workers of America. Historically the UAW has stood for those principles of social and economic justice that have made this country's labor movement a beacon of hope to those not fortunate enough to live under a banner of freedom and democracy.

The early ideals of the UAW's founders continue to transcend American political changes and the advent of a new technological-industrial revolution. The Reuther brothers, Walter, Roy, and Victor pioneered the many contractual provisions that give auto and aerospace workers a significant share in the economic gains of this country in return for their skills and work productivity. More than material gain, however, the UAW gives a worker something called dignity.

The succeeding battles by other UAW leaders like Leonard Woodcock, Doug Fraser and today's Owen Bieber continue to keep alive the hard-won gains made by UAW workers and their families.

Mr. Speaker, in region 6 those gains were won with the hard struggle and sacrifice of early UAW militants who stood up to the police clubs, death threats and jailings. Bill Goldman, John Allard, Noah Tanscher are among many I knew who paid that bitter price. They imbued into new young workers the fortitude of pride, hope and leadership that allowed them to carry the torch of solidarity into the ranks of men and women in the West.

Mr. Speaker, today this new breed of leaders continue to build on these traditions so typical of the UAW. Regional Director Bruce Lee epitomizes these very same values. I am proud to have been a colleague of his in our early organization career days. Further, I am honored that on this UAW Charter Day, region 6 will commemorate the 50th anniversary in my 34th Congressional District in the city of South El Monte.●

THE RIBBON—AN APPROPRIATE SYMBOL OF PEACE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LANTOS. Mr. Speaker, this Sunday August 4, thousands of Americans from all parts of our country will participate in a massive symbolic gesture of peace. On the 40th anniversary of the destruction of Hiroshima and Nagasaki by nuclear weapons, these Americans will tie a massive "ribbon" around the Pentagon.

This ribbon is actually thousands of 18-inch by 36-inch cloth panels with embroidery, applique, batik, quilting, knitting, silk screen, needlepoint, weaving, and many other mediums with a message based on the theme "What I cannot bear to think of as lost forever in a nuclear war." Some 17,000 panels—by individuals and groups throughout our country—will be tied together on Sunday as this symbol of peace—the ribbon—envelopes and surrounds a symbol of war—the Pentagon.

I am delighted that a number of groups and individuals from the peninsula are participating in this demonstration of the desire for peace. Four in particular have caught my attention.

The Morning Glory Montessori School of Burlingame has a wonderful panel with the handprints of 21 of the children at the school. The caption reads, "Today's Children—America's Future."

Another from Burlingame is by sister Mirian Moroney, S.M. Her beautiful applique of people with sun, trees, sky, and hills proclaims, "The Glory of God is a Human Being Fully Alive."

From Redwood City is a delightful colorful applique panel with the faces of six children and the names "Hanabal and Syracuse and Sarah and Mike." The title is simply, "People. . . ."

Laura M. Taylor, of San Carlos, has done an outstanding chain stich embroidery in red on white with the quotation of Edward Arlington Robinson:

> "No there is not a glimmer nor a call,
> For one that welcomes, welcomes when he fears,
> The black and awful chaos of the night;
> "But through it all beyond, above it all
> I know the far-sent message of the years.
> I feel the coming of the glory of the Light!"

Mr. Speaker, I commend the thousands of Americans—in my congressional district and throughout the Nation—who have taken the time to share their skills in giving us this message. This is a gentle reminder that peace must triumph over war, that the avoidance of nuclear holocaust must be our principal concern. When this message is emblazoned in the minds of all of us who share this planet—whatever our nationality—then we will indeed be able to "feel the coming of the glory of the Light."●

SALUTE TO PUBLISHERS PAPER

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. AuCOIN. Mr. Speaker, before we adjourn for the summer recess, I'm hopeful we will see a budget agreement between the House and the Senate that significantly reduces the deficit. I'd like to be able to bring the good news home to my constituents. Because they are deeply concerned by the state of our economy. They see, as I do, that failure to act now to control our budget, coupled with high deficits, and the serious competitive challenge we face in international trade, pose an extremely dangerous threat to the future growth of the U.S. economy.

In Oregon, we have to stabilize our base industries such as timber and agriculture while we at the same time move forward to encourage and develop new growth industries such as high technology. Private businesses, sometimes working alone, but often in a partnership with local, State, and Federal governments, have made and must continue to make investments in productivity, in competitiveness, in our resources, and ultimately in our most important asset—the well-being of our citizens.

I can think of many examples in my own district where these kinds of gains are being made. In new industries, and in old industries; our State depends on the health of its traditional timber and wood products industry. These areas have employed a huge portion of our population even when we were not in the best of economic times. And despite being old many of these industries have shown impressive competitiveness and innovative drive.

One of the best examples of a company that has changed and evolved and innovated is Publishers Paper in Newberg.

Publishers has 325 employees—a large number for a town the size of Newberg—with a payroll in 1984 of more than $23 million. These are high quality jobs that provide a good standard of living for those who hold them. The community of Newberg relies on this industry not only for jobs, but for the support of its infrastructure.

The mill runs 24 hours a day, 7 days a week and produces about 1,000 pounds of paper per day which is delivered to papers as far apart as the Oregonian, the Los Angeles Times and the Denver Post. It has become, with the hard work and dedication of its employees and management, one of the most efficient paper mills in the world.

It stands as an example of how capital investment in existing plants can make our traditional industry more competitive and efficient. In 1980 Publishers received the largest single manufacturing capital expansion in Oregon's history—$127 million was invested in new machinery that doubled the newsprint production.

Publishers has also focused significant attention on the area of recycling. Using 550 tons of recycled newspapers, a facility at the Newberg plant produces 475 tons of pulp per day making Publishers the largest user of recycled paper on the west coast. This has led to reduced costs and conservation of the resource—timber—that has made this industry such an important part of our State economy.

I salute the president of Publishers Paper, Mr. Web Ross, for his success in making this a model company for Oregon and for the country. And I salute all those who over the years have labored at the plant, who suffered through a rough recession, and who gave their all day in and day out—for without them, it could have been a much different situation than it is today.●

ELIMINATE QUOTA SYSTEM FOR PEANUTS

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. ROUKEMA. Mr. Speaker, I am pleased to join today with my colleague, Congressman STAN LUNDINE, in introducing legislation to eliminate the current system of poundage quotas for peanuts. The present Government peanut program is nothing less than a Government-mandated monopoly in peanuts, which rewards a privileged few while stifling productivity and inflating consumer prices. I believe it is past time for Congress to allow a freer, more competitive market in peanuts to develop without the constraints of poundage quotas. This can only lead to significantly reduced prices to the consumer.

Peanuts are today the only food crop which still depends on rigid production restrictions and marketing controls to support its prices. Under the current program, the U.S. Government determines where peanuts are produced, who can produce them, and what amount is to be produced and marketed. I can find no justification for continuing this restrictive system, which is so much more preferential than any other crop program. While such a program may have been justified 40 years ago, it is plainly unacceptable under present economic conditions.

I believe that today's bill is necessary both for consumers who purchase peanut products, and for those farmers who wish to grow peanuts but are prevented from doing so by the current quota system. The Department of Agriculture estimates that the current peanut program adds an additional 13 percent to the cost of every jar of peanut butter. Consumers should not have to pay this significant subsidy solely for the enrichment of current growers.

In addition, farmers who wish to grow peanuts but are now prevented from doing so by the quota system would no longer be barred from planting their crop. Those areas of the country which efficiently produced peanuts in the 1930's, when quotas were handed out, may be less competitive as peanut-growing areas today. because of the quota system, however, farmers in areas which could now effectively grow peanuts as a rotation crop are unable to do so because they have no quota allotment. Farmers should be permitted to grow any crop which they believe will be profitable, and not have their options limited by 50-year-old Government quotas.

The bill we are introducing today would eliminate the artificial distinction between peanuts for domestic consumption and those for export. It would replace the outdated quota support system with a straightforward loan support program like those in place for corn, wheat, soybeans, rice, and other crops. One level of price support would apply to all peanuts, and would be set by the Secretary of Agriculture after considering production costs, world market prices, and the supply and demand for peanuts.

Let me make clear that the price support program included in today's

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bill is designed to operate at no cost to the American taxpayer. Loan rates under this program are to be set at a rate below world market prices, so that they function only as a safety net to guard against unexpected market conditions. These price supports will not increase the Federal deficit in any way.

You will recall that Congressman LUNDINE offered an amendment to the Food and Agriculture Act of 1981 which essentially made the same changes we hope to make with today's bill. In 1981 this amendment passed the House by a 91-vote margin, only to fail by 4 votes in the other body. Now is the time to end this outdated and costly support program. I urge my colleagues to support this important legislation.●

ALEXANDER LYAKOV

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. PORTER. Mr. Speaker, I would like to call my colleagues attention to the plight of Lyudmila Nemseva and Dmitry Marchenko of Leningrad.

Their situation is one that is all too familiar to my colleagues, they have been denied permission to emigrate. In fact, on June 7, 1985, they were summoned to the Leningrad OVIR office and ordered to sign a paper stating that they would no longer be able to file applications to emigrate. They refused to sign the form, but an OVIR official signed the form for them. As a result, it appears that they will not be allowed to emigrate from the U.S.S.R. and join their family and friends living abroad.

Yesterday, I met with Alexander Lyakov who is currently on a hunger strike in solidarity with Lyudmila and Dmitry. All three of them have begun an open-ended hunger strike out of their frustration regarding the Soviet Government's policy to refuse them permission to emigrate. Although I do not support their plan to fast till death, I understand and sympathize with their serious situation.

The Soviet Government's callous attitude toward Lyudmila and Dmitry serves as a harsh reminder of their failure to respect basic human rights. This week marks the 10th anniversary of the signing of the Helsinki accords. These accords, which the Soviet Government voluntarily signed, commit that Government to allowing its citizens to emigrate. Thus it is particularly timely for the U.S. Congress to voice our concerns regarding the Soviet Government's failure to live up to the Helsinki accords, and to call upon them to stop their harrassment of citizens like Lyudmila and Dmitry.

I would like to submit for the RECORD a letter Alexander Lyakhov received from Lyudmila which reflects her feelings on her difficult situation.

LENINGRAD,
March 1984.

MY DEAR, ALEX: Hello! On March 20 I and Dima (the husband. A.L.) received another refusal in response to our application. (Application to leave the U.S.S.R. A.L.). There was no reason given—the same as the last time. Also they did not see the principle of family reunification in our case. (They only "see the principle" when the vyzov—invitation is from either children or parents. I assume this is the way it is put in the Declaration of Human Rights and The Helsinki Accord. I received my own vyzov from a cousin which did not stop me from leaving. But times change. And "Soviet Weekly" maintains that the procedures for those wishing to leave have been simplified! A.L.). And I am afraid it will be this way forever. 1978 will not come again. Then they obviously did not care about this "principle". Now the State decided to assume the role of our shepherd—of the ignorant children of it! The authorities have boldness to decide people's fates as they please even when the citizens have settled all their affairs as to property, money, etc. We are being treated like slaves, and indeed slaves we are! The Motherland becomes a jail, and the authorities—jailers. I curse my jailers. But unfortunately the curses are futile. This is like a prison wall and it is useless to throw oneself against it. Maybe it is possible to go around it? Or maybe there is a hole in it? I know that so many people have written to so many places, beginning with the OVIR (Department of Visas and Registrations. A.L.) and up to the United Nations, but never achieved anything. I understand that in a greater sense these letters are not at all without meaning since they open the world's eyes on truth as well as the lies and hypocricy. As for the authors of the letters they remain where they are with their rights existing on paper only. Slavery—this is the only definition for this State with its false liberties!

We will certainly fight for our right to live where we want to, will protest against lawlessness. I am not yet sure how, but we will. This uninvited guardian infuriates me. The Soviet Power tries to make us feel inferior, subnormal, or babies. Please give our gratitude to Mr. Porter for his support. (U.S. Congressman J. Porter, the Head of Congressional Human Rights Caucus. A.L.) On March 23 another family of 11 people was denied the same right. They are probably also "of great value" to the Soviet State although in their case the principle of family reunification can not be questioned even by those "standards". They would like their names to be known. Here they are: Kleiman Nina, her mother—Kleiman Lubov (65 years old), her mother-in-law Peisin Dveira (93 years old) (The authorities probably hope that while all this drags along the old gals may die out and leave them less insubordinate slaves to deal with! A.L.) Her husband—Peisin Daniil (65 years old), their daughter Novikova Elena (34 years old), the daughter's husband—Gorodnitsky Vladimir, their son—Peisin Boris (27 years old), the son's wife Bogolepova Irina, children Eugeny and Ilia 9 months old.

They have received refusals three times already: in 1981, 1982, and 1983. This is the fourth—1984. (Addresses follow).

These people are not under investigation, have no debts, and never had anything to do with anything secret—just as ourselves.

Myself and Dima (the husband. A.L.) are only interested in one and only thing, and the only thing we want is—to leave, just like all the refusniks. We do not want to get involved in politics, but it looks as if we were already involved in it. Our natural right to chose where we want to live has been made a political issue of here. The right to chose has been intirely usurped by the State. We are forced to struggle instead of living normal human lives.

Refusniks are people with no future in this country. We can only plan not farther than 6 month ahead in the hope that someone up there will have some mercy. Alex, it is so terrifying, I wonder if you can imagine!

Collecting numerous sparravkas (verifictions. The Number of those "has been cut down" if one is to believe "Soviet Weekly". A.L.) is a humiliating and exhaustive procedure. When I came to a Notary Public with my parents to verify their signatures on the paper stating that our mutual affairs were settled as to money and property (what property?!), the Notary Public began trying to convince my parents not to sign anything. Can you imagine such a "Notary Public" taking upon herself such a role?! My mother then became hysterical the way I had never seen before. She was told "she was destroying her daughter". I have already written to you about the scene at the Regional Komsomol Committee office. (She was summoned there to be told that she must be a fascist to want to go to a fascist country (the "fascist country" being Israel) and that she and her husband and future children would be first mercilessly exploited and then inevitably killed there. A.L.)

Absence of information turns people into walking mannequins. They will all sound the way they are being tuned. Propaganda is called here—anti-propaganda directed against some imperialist propaganda which does not exist for soviet people as it is jammed, confiscated, etc. We only know about psychological war of imperialism against us because of this counterwar conducted here—in the name of people. And this counterwar has increased extremely. Uncountable political briefings, books, newspaper and magazine articles, TV, and radio are telling us daily about ideological sabotage, psychological attacks, etc. conducted against us by some radiovoices that can not be heard (jammed. A.L.), books and papers that can not be seen (confiscated. A.L.). I am only surprised why people do not become eager to read, hear, and see all this they are daily told about so bountifully. Maybe it is because they also do not want to get mixed up in this dirty mess and hurry to get away from it by just doing exactly the way they are told to. All for the sake of undisturbed lives and being able to persue their own affairs. Trouble only comes when those personal affairs tend to disagree with what is called—State Interests. Many refusnics do not refile their applications to leave simply because they are afraid of losing their jobs. This is why the number of such applications has really decreased.

All this, naturally, is the way I see it and think about it. Foregive me for such a wild letter. I am exasperated really. My life is the same way it was. I work so far (Temporary job at a library. A.L.). My life is a shambles and it will be this way until I leave here. You know all the reasons.

Yours,

LOU.

(I have to explain here about the loss of jobs mentioned above. If people lose their jobs, it does not mean they are going to be unemployed. But having lost their jobs as doctors, lawers, teachers, etc. they would have to take jobs as unqualified help, low level and low income. Unemployment for any considerable period of time is in the USSR punishable by either exile with forced labour for up to 5 years, or imprisonment for up to 3 years). Footnote mine—A.L.●

HAPPY BIRTHDAY, EAST HAVEN

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, today I would like to pay tribute to the town of East Haven, CT, in my Third Congressional District, which is celebrating its 200th birthday this year.

I would also like to extend my congratulations to East Haven's distinguished Mayor, Anthony Proto Jr., and all the members of the East Haven Bicentennial Commission—Joan Lindsay, Marie Cavallaro, Tess Farat, Patrick O'Leary, Charles Schegel, Jr., Michael Lawlor, Norman DeMartino, and Chairman John Brereton—for their hard work in planning and preparing for a year of celebration of East Haven's history.

I also want to congratulate the Ball Committee—Tess Farat, Marge Mitchell, Lois Amatruda, and Bill Cummings, the Parade Committee—Lee Mattei, Joan Lindsay, Jack Leary, and Bill Zampa, and Miss Bicentennial, Deborah Lynn Bast.

Mr. Speaker, East Haven has a long and proud history. The first settlers in what is now East Haven County, led by the Reverend John Davenport and Theopolius Eaton, purchased a tract of land there from Chief Momauguin and his sister Shaumpishuh in 1638. In 1639, the settlers held a convention and signed the constitution of the colony of East Haven.

As the area grew, East Haveners sought to become independent from New Haven, and finally achieved this goal when East Haven became a town in 1785.

Since that time, East Haven has undergone many changes, but has kept its historic character—not only in historic places like the East Haven Green, where Lafayette camped on his way to join Washington, the Old Stone Church, and Fort Nathan Hale, but in its citizens' special sense of independence and individualism.

Today East Haven has grown into a prosperous town of over 25,000. A new industrial park has brought in more light industry. Redevelopment in the town's center has spurred new investment and brings in shoppers from all over the area. The town is planning new efforts to take advantage of its greatest asset, its beautiful shoreline. East Haven's citizens face the future with confidence that their town will remain a very special place to live.

Mr. Speaker, and distinguished colleagues, please join me in wishing for East Haven and its citizens continued prosperity and progress in the centuries ahead.●

PERSONAL EXPLANATION

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GOODLING. Mr. Speaker, I would like to take this opportunity to explain my vote against the Treasury, Postal Service and General Government Appropriation Act on July 30.

My position has been that, no matter how good certain provisions may be in authorization or appropriation legislation, I am committed to voting against any bills that provide amounts that are above a freeze at the 1985 level of funding, since all of these votes are taking place during a period when we don't have a budget finalized.

I support revenue foregone funding for the Postal Service and increased funding for the Customs Service, particularly for drug control. However, I have a difficult time believing that, after spending millions to modernize the IRS computer system, we need more employees. Unfortunately, some of them presently do not understand that they are, like I, public servants and have my staff spending hours helping people who should have been helped by employees of the IRS.

Although I supported the Frenzel amendment as amended by Congressman COLEMAN since it provided a reduction in funding, I could not support final passage of this bill as it still provided a total funding amount in excess of 1985 spending levels.●

GINETTA SAGAN—CHAMPION OF HUMAN RIGHTS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LANTOS. Mr. Speaker, today is the 10th anniversary of the signing of the Final Act of the Conference of Security and Cooperation in Europe—popularly known as "The Helsinki Final Act." It is a most appropriate time to recognize individuals who have been champions of human rights around the globe.

I wish to pay tribute to a friend of mine, who has suffered first-hand for her convictions, a woman whose commitment to human rights is an inspiration to all who have been touched by her. It is a personal pleasure for me, especially today as the world's attention is focused on the Helsinki Final Act and on the need for an active representation for human rights, to pay a special tribute to Ginetta Sagan.

Ginetta is among those who experienced unimaginable pain and suffering, both mentally and physically, in the Fascists' inferno during World War II. The Italian Fascists attempted to kill her soul and her body, but she survived, never to forget the ordeals she endured.

When the Fascist secret police caught her in February 1945, her parents were already long dead at the hands of the Mussolini regime. Day after day, she was subjected to electric shocks, near drownings, and burnings. Worst of all, they tried to destroy her spirit: "you are alone; you are dead for the world; nobody cares about you," her captors often told her.

After 45 days of torture, just before her scheduled execution, Ginetta was saved by a near-miracle. Two German officers arrived, informing the Italians that she was being taken for further questioning. But the officers proved to be anti-Nazi Germans, who drove her to safety with friends in the Italian resistance.

Following the war, Ginetta worked tirelessly in the defense of human rights—for those who have suffered torture in Iran; held without charge in Chile or Cuba or Ethiopia; worked slowly to death in a Soviet gulag. Ginetta has been one of the driving forces behind the phenomenal growth of Amnesty International, the London-based human rights group, in the United States.

One thing must be understood, Ginetta said recently, whether it's a rightwing government or a leftwing one—a concentration camp is a concentration camp, and torture is torture.

Most notably, she turned her attention to the victims of Communist Vietnam's concentration camps, where prisoners are shackled inside of shipping containers for days in their own waste, many dying as the Sun turned the boxes into ovens; others suspended and swung to and from, beaten by guards as they choked on their own vomit and blood.

To further investigate the excesses of the Vietnamese Government, Ginetta formed her own human rights organization, the Aurora Foundation. Using funds from her family and a few close friends, she has undertaken the immense task of detailing the full dimensions of the crimes of the Vietnamese Communists. The Aurora Foundation's investigative work indicates that more than half a million people have passed through the concentration camps; between 25,000 and 40,000 are still there today.

Ten years ago today, President Ford stated after signing the Helsinki Final Act for the United States: "History will judge this conference not by what we say here today, but by what we do tomorrow—not by the promises we make, but by the promises we keep."

In her work and personal commitment to human rights, Ginetta Sagan is a powerful advocate for nations to uphold the promises they have made. Her courageous efforts turn the light of international publicity on outlaw nations so that individuals are not persecuted in the dark. I hope that all Members will join me in saluting her today, for her courage, her perseverance, and most importantly, her compassion.●

THE 10TH ANNIVERSARY OF THE HELSINKI ACCORDS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. HOYER. Mr. Speaker, August 1, marks the 10th anniversary of the signing in Helsinki, Finland of the Final Act of the Conference on Security and Cooperation in Europe.

This week, Secretary of State Shultz led an American delegation to Helsinki to commemorate the signing of the Final Act 10 years ago.

Although the promise of the Helsinki accords has not been realized in the first decade of their existence, Secretary Shultz points out, "that the goals and principles that we set down here were worth striving for."

I would like to share Secretary Shultz' remarks on the Helsinki accords' 10th anniversary with my colleagues in the belief that we must use the principles set forth to continue to work to bring human rights, cooperation and freedom to all of the peoples and nations of Europe.

SECRETARY OF STATE GEORGE SHULTZ' CSCE 10TH ANNIVERSARY COMMEMORATION ADDRESS, HELSINKI, JULY 30, 1985

Europe, let us not forget, has been divided before, though never so starkly. Vastly different political systems have lived side by side on this continent for hundreds of years. Empires, constitutional monarchies, and dictatorships have stood beside republics and democracies. Religious wars over the centuries, have caused the deaths of countless innocents. And in this century alone, the people of Europe have endured two world wars that ravaged their continent. Only the heroic efforts of the Western democracies and the Soviet Union saved Europe from Hitler's tyranny. Yet Europe has outlived even these times of trouble.

And the modern idea of liberty, since the eighteenth century, has continued to grow and flourish. It has survived all the historic conflicts and divisions of Europe because, even in the dark moments, the aspiration of individuals to speak, think, and travel freely—throughout the continent—was never extinguished. Belief in the rights of man has deep roots in European philosophy and history.

For now, we all live uneasily with the brutal and artificial division of this continent, even as we search for ways to end it. But nothing in human history has proven irreversible.

Perhaps no one here of my generation can confidently expect that the walls and the barbed wire will magically disappear in our lifetime, but surely the division must be altered within the lifetimes of many who are alive today.

And yet there are some things for which we can hope, now: that the idea of liberty in Europe may continue to grow, even in those areas of darkness behind the walls, and that peace may reign over this continent, despite persistent confrontation between East and West. Today competing powers and political values are arrayed against each other in Europe. Their differences may be ultimately irreconcilable. We hope not. But tensions will exist so long as some persist in violating the most funadmental human rights. Yet can we not reduce the threat of armed conflict? Can we not achieve some greater measure of freedom for all Europeans, for all individuals? We, the inheritors of the European spirit, must keep it alive for future generations all across the continent.

These are the hopes that inspired the Helsinki Conference a decade ago. The statesmen at Helsinki understood that the twin goals of peace and greater freedom are intimately connected in Europe. They understood that we owed it to ourselves and to our children to keep the great European tradition alive, even in these difficult times.

Today we mark the tenth anniversary of the Helsinki Final Act. If any single lesson emerges from the history of the Final Act's first ten years, it is precisely that the interests of individual human beings are a fundamental part of security and stability in Europe. Greater security and a more stable peace among our nations depend on greater freedom for the people of Europe.

The Final Act was an expression of the humane European tradition. It affirmed the most basic human rights and fundamental freedoms. It called for a freer flow of information, ideas, and people. It offered the possibility for greater cooperation among states and peoples. It reaffirmed the basic principles of relations among states. And it recognized, it its structure and in its purpose, that security, economic ties, human rights, and contacts among people are all equally important—and related to each other. Peace encompasses the totality of our relations.

In signing the Final Act ten years ago, we recognized as governments that if we were to make progress toward greater security and more stable peace, we would have to go beyond the traditional agenda of govenments. We recognized that our security requirements must extend beyond walls and weapons, that they had to include finding ways to lessen suspicion, reduce obstacles, instill greater confidence, and increase contacts among the peoples of Europe.

And we recognized that these could only be achieved if commitments extended beyond our governments, to engage the hopes, good will, and efforts of our peoples, too.

And in fact, the Helsinki Final Act did engage the attention and enthusiasm of our peoples, because it appealed to all that has bound European civilization together over the centuries, and because it opened the door to a better future. The Final Act described ways to span the gulfs, to break down at least some of the walls that had been put in place since 1945. It offered a definition of our common security that was both comprehensive and precise. It gave the citizens of all participating states the hope that they could develop their full potential and contribute to a better, safer world. But above all it sought to preserve the rights of individuals.

The message of the Final Act was that we can reduce the divisions in Europe, that we can ease the sufferings they have caused, and that we can someday hope to see an undivided peaceful continent, if we are wise enough, practical enough, dedicated enough.

We all knew that it would not be easy to turn our hopes into reality. We knew that our expectations about what could be would have to be tempered by realism that progress might come slowly.

And we knew that, as President Ford said, "History will judge this Conference not by what we say here today, but by what we do tomorrow—not by the promises we make, but by the promises we keep." But we also knew that the goals and principles we set down here were worth striving for.

The genius of the Final Act was that it was not merely an expression of goals and principles; it was also a program of practical steps for turning our hopes into reality. It provided a standard toward which to strive and against which to measure our behavior. Perhaps we shall not soon see the day when all nations meet that standard, but the effort, in and of itself, could lead to a more secure peace, greater individual freedom, and thus a greater fulfillment of Europe's vast potential.

Can we look back over the past ten years and see some limited progress? I believe the answer is yes, though the reality of Europe's division remains. Let us review these past ten years, and, in keeping with the wisdom of the Final Act, let us judge the progress in the most practical, concrete terms. Pious declarations are cheap. Real progress can only be seen in its effect on human beings.

The Final Act has had some practical effect.

Today, journalists travel more easily between our countries. Large numbers of citizens in some East European countries have been reunited with their families in the West. By recalling what had been hoped for and what had seemed possible when the Final Act was signed, our review conferences at Belgrade and Madrid helped keep those hopes and possibilities alive. So, too, our recent meetings in Ottawa and our current negotiations in Stockholm keep our aspirations alive.

These achievements are not negligible. They have pointed the way we must take if we are to put our relations on a better and more stable basis in the future, and if we are to open up the possibility of freedom for all Europeans.

And yet, ten years after the signing of the Final Act, no one can deny the gap between hope and performance. Despite the real value of the Final Act as a standard of conduct, the most important promises of a decade ago have not been kept.

Let's look at the specifics.

In the Final Act, we all committed ourselves to treat in a positive and humanitarian way the applications of persons who wish to be reunited with members of their family. Yet, over the past five years, the number of Soviet citizens of Jewish nationality permitted to emigrate, mainly for family reunification, fell from over 51,000 to 896. The regrettable trend is the same for Soviet citizens of German and Armenian nationality.

There are over twenty cases of American/Soviet marriages in which the Soviet spouse has been denied exit permission two or more times, in spite of specific provisions of the Helsinki Final Act. Yury Balovlenkov, who married an American citizen in 1978, was on a hunger strike from March 25 to July 4 protesting six years of continued denial. He has seen only one of his two daughters and is in terribly weakened health.

The Final Act confirms the right of the individual to know and act upon the provisions of the agreement. Yet the citizens' group set up in Moscow to monitor implementation of the Final Act in the Soviet Union disbanded in September 1982 for fear of further persecution. Here is a group of enthusiastic Soviet citizens who were pleased and proud of the decision of their government to sign the Helsinki Final Act. Yet today, Yuriy Orlov, the group's founder, languishes in remote Siberian exile after seven years in a labor camp. Founding member Anatoly Shcharansky, imprisoned on a false charge in 1977, has completed his term in the notorious Chistopol prison and is now serving out the rest of his thirteen-year sentence in one of the most brutal of Soviet labor camps. Imprisoned group member Anatoly Marchenko, currently serving a twelve-year sentence, has been permitted no correspondence with his family for more than a year. Group member Ivan Kovalyov's health has reportedly deteriorated badly since his transfer to labor camp. His wife and fellow group member Tatyana Osipova recently had her own five-year labor camp sentence extended by two years.

The founder of a peace group in Moscow, Sergei Batovrin, was first harassed, then put in a psychiatric ward, and then, when he persisted in advocating peace the way so many thousands of young people do in other countries, he was thrown out of his native land altogether. Other peace activists have met similar fates, as have those struggling for womens' rights and free trade unions. The founders of a Social Democratic party in Moscow were jailed in January of this year.

On June 14, Bogdan Lis, Adam Michnik, and Wladyslaw Frasyniuk were sentenced in Gdansk to terms ranging from two-and-a-half to three-and-a-half years on charges having nothing ostensibly to do with their real "crime" of leading the fight for free trade unionism—a right recognized in the Concluding Document of the Madrid Review meeting. In the Soviet Union, Vladimir Klebanov's efforts to found a free trade union put him in a psychiatric hospital for four years.

Nor has abuse of psychiatric treatment been limited to trade unionists and peace activists. In the Ukraine, Vladimir Khailo, an Evangelical Baptist, has been interned in psychiatric hospitals since 1980 for his faith and his efforts to emigrate with his wife and fifteen children. He has refused an offer of freedom in exchange for renunciation of his faith.

All who would live an active religious life according to their faith, whether Christian, Jewish, or Muslim, risk harassment, imprisonment, or confinement in psychiatric institutions. Baptists, Ukrainian and Lithuanian Catholics, Russian Orthodox, Seventh Day Adventists, and Pentacostals have all been increasingly subject to repression. Dina Shvedsova, Vasyl Kobrin, Father Alfonsas Svarinskas, Father Gleb Yakunin, Pastor Nikolai Goretoi, and Pastor Viktor Valter are only a few of the Christians currently serving sentences of up to twelve years in prison or exile in the Soviet Union because of their faith. A small community of Pentacostals from the village of Chuguevka in the Soviet Far East has suffered grievously in the past several months. Ten community elders have been sentenced to up to five years in labor camp and the rest fired from their jobs. Six families have been threatened with losing custody of their children.

At least sixteen Jewish cultural activists, including nine teachers of the Hebrew language, have been arrested in the Soviet Union since last July, and many have been convicted on obviously trumped-up criminal charges to three to four years of imprisonment and labor camp. Iosif Berenshtein, currently serving a four-year term, was savagely beaten and stabbed while in prison, and lost most of his vision. Yuly Edelshtein, who is serving a three-year term, is reportedly undergoing repeated beatings in his labor camp in Siberia, as part of an effort "to exorcise his religious fanaticism," according to camp authorities.

Abuzakar Rahimov, a Muslim from Tashkent in Soviet Central Asia, was sentenced to seven years in a strict regime labor camp in 1982 for distributing material about the Islamic faith, including translations from the Koran.

Last year in Czechoslovakia, seven priests and nuns were arrested for "obstructing state supervision over churches and religious orders."

Finally, the man who more than any other represents the ideals enshrined in the Final Act—Andrei Sakharov—remains totally isolated from the outside world—in exile, probably still in Gorky. Even as I speak, he may be in a hospital following his most recent hunger strike on behalf of decent medical treatment for his beloved wife. We have reason to believe he was force-fed to break his hunger strike.

We cannot talk about the Helsinki process without talking about human beings, for they are supposed to be the true beneficiaries of the Helsinki Final Act. The fate of these individuals, moreover, affects the actions of thousands, maybe millions, by showing what happens to those who dare exercise their rights and freedoms.

My country and most other countries represented here remain committed to the goal of putting the program of the Final Act into practice in all of its provisions. We know that hard work and patience are needed. We believe that the truest tests of political intentions are actual steps to improve cooperation among states, to enhance contacts among people, and to strengthen respect for individual rights. The provisions of the Final Act are indivisible. We must see progress in all areas. At next year's Vienna Review conference, we will have a chance to measure that progress again.

We are convinced that the future need not be as bleak as the recent past. As we look ahead toward the next decade of the CSCE process, we should also look back to the kinds of beneficial practical actions we listed then, and measure ourselves against the standards we set.

We have an opportunity at the Stockholm Conference to find concrete ways to increase confidence and security in the military field. The package of specified measures proposed by the Western participants in Stockholm addresses some of the causes of war—miscalculation and misinterpretation. These measures can help ensure that existing forces are never used. They encourage greater openness about military forces and exchanges of information that would increase mutual understanding and reduce the risk of surprise attack. As President Reagan stated in Dublin over a year ago, and more recently in Strasbourg, we are prepared to discuss the principle of non-use of force, a principle to which the United States is committed, if this will bring the Soviet Union to negotiate agreements that give concrete meaning to that principle. A solution should be possible that adds to our security and contributes to peace in Europe, and thereby, ultimately, to a better life for our peoples. We are prepared to move ahead in all areas in Stockholm.

We can contribute to our common security, to a more stable peace, and to the future vitality of European civilization by steps directly affecting people's lives. The freedom of individuals to determine their own destinies is not only a good ultimate objective; it is also a good place to start. Sustained improvements are vital; but concrete steps—to improve emigration, to allow spouses and dual nationals to unite with loved ones, to release human rights activities and religious teachers—these concrete steps are also important.

Each of us has the obligation to press forward wherever we can. One particularly urgent task is to stop the spread of chemical weapons. Too many times in recent years, these weapons have been brutally employed, not only against military forces, but against innocent civilians. The proliferation and use of these weapons represent an ominous warning that long-accepted constraints are breaking down. We must all look to the steps we can take to halt the use of these weapons now, to prevent further proliferation, and to invigorate the effort in Geneva to move towards a verifiable treaty that would genuinely ban these weapons forever.

The United States and the Soviet Union have an opportunity to help build a more secure world in the arms control negotiations currently underway in Geneva.

And in November our leaders will meet to examine the whole spectrum of issues before us. We are ready and willing to seize the opportunity. Let our two countries begin the patient, serious work of resolving problems and reaching agreements of benefit to us both, and to other countries as well.

Steps to reduce weapons and enhance security, steps to enhance economic and other exchanges, and steps to relieve the suffering and enrich the lives of individuals—all these reinforce each other. They are part of the same broad program of security and cooperation enshrined in the Helsinki Final Act. Taken together, they could lead us toward a new era in relations in Europe—one that could bring alive once again the promise of Helsinki and the larger promise of European history.

They are not massive or difficult steps to take. But they are important; they have a larger meaning. They require only courage and political will on the part of all of us.

I have been informed that the House and the Senate of the United States today passed a joint resolution commemorating the tenth anniversary of the signing of the Helsinki Final Act. This resolution expressed the strong support of the Congress for the human rights principles and humanitarian provisions of the Helsinki Final Act, condemned East Bloc violations of the Final Act and other international instruments, and stressed the inherent link between respect for human rights and the achievement of lasting peace. Concern for human rights is a common value shared by all Americans. This concern reflects the basic principles upon which our nation was founded and by which we live on a daily basis.●

PODHORETZ ON SOVIET TRAFFICKING IN HUMAN BEINGS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. COURTER. Mr. Speaker, because Marxist-Leninist governments see themselves as the virtual owners of the human "resources" living within their national borders, they make no distinction between emigres and traitors. Both are in some way dissatisfied with the state, and both are therefore taken to be enemies of the state.

Communist bureaucracies deal with requests to emigrate in many different ways. One of the common ones is acceding to the request and charging a bounty in cash. Vietnam made several billion dollars, by some accounts, in the course of arranging the departure of nearly 1 million unwanted ethnic Chinese. East Germany has sold thousands of political prisoners to West German relief organizations. Before American pressures brought about change in 1974, the Soviet Government charged an "education tax" on emigres which was as high as $26,400 for someone holding a doctorate.

Avital Shcharansky, the wife of the imprisoned dissident, now believes that the U.S.S.R. may propose—quietly of course—what would amount to a trade: the 400,000 would-be Jewish emigres for most favored nation tariff privileges from the United States. An account of the interview she gave Norman Podhoretz, the distinguished editor of Commentary magazine, has appeared in the New York Post together with his own remarks, and I recommend the article to my colleagues.

The article follows:

[From the New York Post, July 30, 1985]

CYNICAL SOVIET TRADE IN JEWS

(By Norman Podhoretz)

The other day I received a visit from Avital Shcharansky, whose efforts to free her husband Anatoly from the Gulag to which the Soviet authorities consigned him seven years ago have given a new dimension to the word indefatigable.

This was not the first time Mrs. Shcharansky had come to see me, but this time there was a difference. In previous visits she mainly had appealed for help in getting her husband out of prison. On this occasion, however, her emphasis fell on getting the 400,000 Jews waiting for permission to emigrate out of that larger prison known as the Soviet Union.

Mrs. Shcharansky thinks that a special opportunity to press the issue of Jewish emigration is provided by the meeting this week in Helsinki to commemorate the 10th anniversary of the agreement that was signed there by the Soviet Union, the United States and 33 other nations on Aug. 1, 1975.

More generally, she believes that the Soviets are now in such desperate economic straits that they would be willing to trade 400,000 troublesome Jews for the most-favored-nation (MFN) status to which a liberalized emigration policy might technically qualify them under the Jackson-Vanik Amendment.

Is she right? Are the Soviets now prepared to bargain in the currency of what are for all practical purposes Jewish hostages?

Perhaps. In the reports that have circulated recently of Soviet moves toward the restoration of diplomatic relations with Israel, which were broken off during the Six-Day War of 1967, mention has been made of offers to pay for certain political concessions by Israel with an increase in the number of Jews who would be allowed to emigrate.

Some who follow these matters closely think that the Soviets are also trying to wring political concessions, and not just MFN status, out of the United States in exchange for allowing larger numbers of Jews to leave.

The Soviets have been playing a similar game with the West Germans for some years now, exacting both hard cash and political accommodation for permitting a negotiated quota of East Germans to emigrate to the Federal Republic. Why then should they not try to open up a trade in Jews as well? So many Jews for the return of the Golan Heights to Syria, so many for MFN, so many for the cancellation of Star Wars.

Yet even if the Soviets are now ready to deal in this repulsive fashion, the United States should refuse to go along.

In Helsinki 10 years ago, the Soviets promised, among other things, to allow much freer emigration in exchange for what amounted to recognition by the West of their hegemony over East Europe. In restricting Jewish emigration so harshly (from 51,000 in 1979 to about 900 in 1984), the Soviets are thus brazenly violating the Helsinki accords. Thus too, in offering to exchange a higher emigration quota for economic or political concessions, they are demanding yet another *quid* for a *quo* they have never paid and are at best still unwilling to pay in full.

It is because the Soviets have refused to keep their part of the Helsinki bargain in general that a large group of Soviet dissidents living in exile recently issued a statement calling for its nullification by the West.

Not only, say these exiled dissidents, has the accord failed in its "initial goal" of promoting human rights in the Soviet Union and its East European satellites. It has "failed even to protect the Helsinki monitors" in those countries who have been imprisoned precisely for calling on the Communist authorities to observe its provisions. Among these monitors is Anatoly Shcharansky.

In English prose that touchingly bears the traces of their native Russian, the exiled dissidents go on:

"We tried to persuade Western governments to make release of these people a necessary condition to continue Helsinki process. It was not done in time and the situation is irreversible now. Irreversible are the deaths of imprisoned Helsinki monitors Oleska Tikhy, Valery Marchenko and Yuri Letvin from the Ukraine and Eduard Arutyunyan from Armenia. Irreversible are the many years spent in prisons and labor camps by the founders of the Helsinki Movement Yuri Orlov, Anatoly Shcharansky and other prisoners of conscience."

But the fate of the 400,000 Soviet Jews who have applied for permission to emigrate may not be irreversible. Instead of offering the Soviet Union rewards for letting some of them go—rewards, in other words, for partially keeping commitments for which it has already been exorbitantly paid—the United States ought to be threatening a cancellation of the Helsinki agreement unless the Soviets immediately begin living up to its provisions.

That would mean, as the exiled dissidents say, the release of Shcharansky and the other prisoners of conscience; and, as Avital Shcharansky adds, it would also mean the simultaneous granting of exit visas to the 400,000 Jews wishing to emigrate.

Mrs. Shcharansky thinks that the Soviets would give in to pressure of this kind; the exiled dissidents seem to be more skeptical. But we are not about to find out this week which of them is right. For the brutal and heartbreaking truth is that the chances of an American threat to nullify the Helsinki accord are almost nil.

What is most heartbreaking, however, is that even if such a threat were made, it would be no more credible than the empty threats we have repeatedly made to nullify all the other agreements, from the ABM treaty to the treaty banning the use of chemical weapons, that the Soviets have violated just as brazenly as they have done with the accord whose 10th anniversary is so farcically being celebrated in Helsinki this week. ●

NATIONAL FISH HATCHERY SYSTEM ACT

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BREAUX. Mr. Speaker, today I am introducing a bill to establish a national fish hatchery system to be administered by the U.S. Fish and Wildlife Service within the Department of the Interior. Mr. YOUNG of Alaska has joined me as a cosponsor of this legislation.

Federal hatchery programs have been in a state of flux for the past several years. A number of facilities have been closed, and others have been proposed for closure by the administration. The type and level of production at many Federal hatcheries have been subject to change by the administration with little or no meaningful consultation with the States and other affected interests. The driving force for these closures and other changes has been the preception on the part of the administration that Federal fish hatchery programs have not necessarily been addressing priority Federal responsibilites. In some cases, I agree. However, I must take exception to the administration's approach to changing

these hatchery programs, an approach in which decisions have been made unilaterally by the Federal Government without a conscientious and open attempt to review alternatives or to involve the States, Indian tribes, environmental community, commercial and recreational fishery interests, or others in the process. Unfortunately, I think that the Congress must share the blame for this confused state of affairs since the Congress has made little effort to provide explicit policy directives for operation and management of federally funded fish hatchery facilities.

As the Members may be aware, the Fish and Wildlife Service currently operates 73 hatchery facilities. In addition, a variety of other agencies, including the Corps of Engineers, the National Marine Fisheries Service, and a number of State fish and wildlife departments either own or operate hatcheries to produce fish for the Federal Government. The legislation that I am introducing today attempts to provide clear congressional guidance for the operation of these many facilities. The bill outlines specific objectives for federally funded fish production activities, and provides a mechanism for the coordinated planning and implementation of these objectives with the active involvement of interested parties.

Mr. Speaker, the legislation I am introducing would identify hatchery responsibilities of the Federal Government in five primary areas: First, mitigation for impacts of Federal water projects; second, restoration of depeleted fish stocks of particular national significance; third, research and development related to fish culture; fourth, recovery of federally listed endangered or threatened species; and five, support for international and Indian treaty responsibilities. In addition, fish production for stocking waters on other Federal and Indian lands would be permitted if such production would not interfere with achievement of the above-mentioned primary responsibilities.

An important feature of the bill involves recovery of fish production costs associated with various objectives. Perhaps the most notable cost recovery aspect is the requirement in the bill that the beneficiaries of Federal projects which produce negative impacts on fishery resources be required to reimburse the costs of mitigating these fishery damages. This is a fiscally responsible approach which assures that those who benefit from Federal water projects have the opportunity to directly contribute to the mitigation of damages resulting from such Federal projects. I believe that this is in keeping with the user pay concept so commonly espoused by the administration.

Mr. Speaker, Mr. YOUNG and I introduced a similar bill in the 98th Congress for discussion purposes. The Subcommittee on Fisheries and Wildlife Conservation and the Environment, which I chair, held a hearing on that bill last fall, and the subcommittee benefited greatly from the many comments we received. Discussions on this legislation have been ongoing with the various agencies and interests since that time, and the bill I am introducing today reflects many long hours of work in revision of that initial legislation. I believe that today's bill includes substantial improvements in our approach to developing a comprehensive Federal fish hatchery policy. I am certain that this bill will generate further needed discussion of the Federal hatchery program, and I am anxious to continue our dialog with all of the various concerned parties as we move forward to provide long-term stability and guidance for Federal fish production activities.●

UNFINISHED BUSINESS

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GALLO. Mr. Speaker, we all share a sense of satisfaction and relief over the safe return of the remaining 39 passengers of TWA flight 847 after 17 agonizing days of imprisonment. Yet, as we watched our fellow Americans pass unharmed out of the volatile Middle East, we must not lose sight of the unfinished business left behind.

The brutal beating and murder of Navy diver Robert Dean Stethem is a tragic event which will not be forgotten. Over 40 individuals witnessed this savage crime. We must support every reasonable effort to bring the murderers to justice. Moreover, we do not forget that there are still seven Americans—Rev. Benjamin Weir, Rev. Lawrence Jenco, William Buckley, Thomas Sutherland, Peter Kilburn, Terry Anderson, and David Jacobsen held captive in Lebanon.

I support President Reagan's notion which the State Department continues to convey—that Syrian President Hafez Assad and Amal leader Nabih Berri should work as hard to secure the release of the remaining seven Americans as they did, with extensive media attention, to "negotiate," the freedom of the 39 TWA hostages.

Today marks the 32d day that has passed since the release of the TWA hostages. While we must not be deterred from strengthening our efforts to correct past injustices, we can take immediate action to diminish the possibility of future terrorist acts against innocent Americans.

I have cosponsored two pieces of legislation which I believe accomplish these goals. H.R. 2827, the Anti-Hijacking Act of 1985, which has been introduced by my distinguished colleague, Congressman HOWARD, chairman of the Public Works and Transportation Committee, would call for important measures to improve the safety and security of individuals using international aviation.

House Concurrent Resolution 170, which I am an a original cosponsor of, goes beyond the condemnation of the unlawful hijacking and the savage murder of Robert Stethem by confirming the President's policy of not capitulating to international terrorist demands. The resolution introduced by my distinguished colleague, Congressman SILJANDER, also expresses our hope for the safe return of all the American hostages in Lebanon and just compensation for their suffering. In conclusion, the legislation calls for the proper punishment and retribution for the crimes and atrocities committed by the terrorists.

President Reagan must be commended for his swift actions to strengthen security at U.S. airports and aboard American carriers. Among the steps taken by the President which I strongly support are enhancing the Federal Air Marshals Program and new baggage security rules for checked and carry-on items.

International cooperation in combating terrorism is the foundation of a successful preventive security program. A concerted effort must be made throughout the civilized world to send international terrorists and their sponsors a clear message that we will never accede to them.●

SOVIET TECHNOLOGY AND HUMAN RIGHTS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. PORTER. Mr. Speaker, as cochairman of the congressional human rights caucus, I would like to call my colleagues' attention to an article from the Wall Street Journal, titled "Russian Campaign: Moscow's Bid To Close Its Technology Gap Will Test Gorbachev."

In this article, the author, Fredrick Kempe, discusses Soviet difficulties in dealing with the burgeoning computer industry. An initial fear of losing control of information left them far behind. With the ascent of Mikhail Gorbachev, however, a desire to catch up with the West has arisen among the top leaders.

Buying Western technology figures prominently in their plans to modernize. But, as the author notes, the Soviets are concerned with the negative impact their failure to live up to the Helsinki accords has had on trade relations. And they ought to be concerned. Our message to the Soviets must state that unless they grant their citizens basic human rights—including the right to emigrate and practice their religious beliefs—we will be less likely to assist them in any area, including technological innovation and growth.

The Soviets have recently been suffering from a decline in technological development, and they will continue to look to the United States to help support their continued economic growth. But until the Soviets make progress on the issue of respect for human rights, there is little hope that the United States will ever consider sharing important technological advancements.

At this point, I would like to submit the article for inclusion in the RECORD:

[From the Wall Street Journal, June 6, 1985]

MOSCOW'S BID TO CLOSE ITS TECHNOLOGY GAP WILL TEST GORBACHEV

(By Frederick Kempe)

VIENNA, AUSTRIA.—The computer's birth was the answer to Communist dreams: at last, a giant machine at party headquarters that could refine and guide Soviet central planners' commands.

Then the nightmares began. Entrepreneurs with blood new ideas, a suspect breed in Moscow, became the indispensable fonts of future technologies. Desktop computers replaced mainframe machines, raising questions about how the Soviets could continue to control information with so many potential printing presses around. For a long time, Soviet leaders wondered what to do, and in their wondering fell further behind. The military superpower was becoming a technological also-ran, and that frightened both army and industrial generals.

Now, under their new leader, Mikhail Gorbachev, the Soviets have conceded their inferiority and are combining a novel Western buying strategy with a crash internal development and educational program to try to close the gap.

A TOUGH RACE

"They have awakened to the fact that they have a major challenge on their hands," says Loren Graham of the Massachusetts Institute of Technology. "It is the toughest race they have been in for a long time. The problem is that the terms of competition are against them. They want to have the economic efficiency of the computer without losing control of information."

* * * * *

CENTRAL COMMITTEE ADVICE

A trade group within the Communist Party's central committee recently advised Soviet trade organizations to reduce business with companies that too strictly abide by Western technology restrictions, says Paul Zieber of the Institute for Eastern Markets Research in Hamburg. He says that this isn't an edict and probably won't affect large companies but that it is a general suggestion to avoid such companies "where it is reasonable."

The Soviets are generally skeptical about relying on U.S. companies. Nevertheless, the U.S. and the Soviet Union recently agreed to make it easier to trade between the two countries, and the Politburo has called for a revival of detente. In addition, a U.S. Jewish leader says he was recently contacted by a Soviet diplomat for a meeting about "reducing tension." The Soviets believe Jewish-American unhappiness with greatly reduced Jewish emigration is a major impediment to better relations.

Another part of the Soviet technology campaign is ensuring that contracted Western deliveries won't be interrupted. The Soviets want to avoid another embargo like the one that followed their invasion of Afghanistan. Hence, they increasingly demand that contracts with Western companies include provisions for heavy fines for nonfulfullment of deliveries. During recent U.S.-Soviet trade talks, the Soviets expressly said they wanted guarantees that contracts signed by U.S. companies would be honored.

Moscow also appears to be offering the inducement of more turnkey projects. Such projects—in which the contractor assumes responsibility for all phases of the job—would be less likely to be cut off by Western companies, could provide the Soviets with their own manufacturing capability and would help Moscow overcome local inefficiency that has caused millions of dollars of Western equipment to be wasted.

ERODED CAPABILITY

The third focus of the Soviet campaign is promoting internal technology progress. Increasing numbers of Soviet experts are calling for fewer Western imports. They advocate better education and the establishment of more scientific centers at regional levels to more speedily implement Soviet research findings. According to Philip Hanson, a Soviet technology expert at England's Univeristy of Birmingham, many of these Russians believe that importing Western technology has led to a decline in domestic research and development capabilities.

Radio Moscow's North American service recently said that although 60% of world steel output is made by the continuous casting process, a method developed in the Soviet Union, the Soviets themselves haven't made full use of the technique because of the improper application of inventions.

Moscow also wants to channel more than one million personal computers into education and to retrain "the vast army of teachers and organizers," Pravda said recently. One of the Politburo's first acts under Mr. Gorbachev was to order high schools to start training students in the use of computers beginning next fall.

"We must build a program somewhat like the one we developed to eliminate illiteracy after the October Revolution," A.P. Alexandrov, the president of the Soviet Academy of Sciences, said recently. It is "a program that is probably no less important in today's world."

But the Soviets have much to undo. Statistics that indicate technological progress have declined in recent years, according to Ron Amann, the director of the Center for Russian and East European Studies at the University of Birmingham. The number of new patents registered has been falling, and a recent article in Pravda says that only a third of the new patents are ever used in the economy at all. Another important indicator, the number of prototypes of new machines being put into operation, has been declining for five years at an average annual rate of 1.5% to 2%.

The Soviets face practical barriers as well. The quality of their telephone lines is generally too poor for computer networking, and their centralized economy isn't organized to provide the spare parts or services that any new computer customer needs.

The country also lost 50,000 programmers and data processors between 1972 and 1982, a brain drain caused by emigration to the U.S. and Israel, according to Mr. Hanson, who talked to 20 Soviet programmers now living in the West.

Moreover, the information that can be fed into computers is substandard. Health planners don't have sufficient information about infant mortality. Social planners don't know enough about average life expectancy. And economists complain that even the country's grain output is a state secret.

At the core of the problem is the system itself. The Soviets have indicated they will stop short of selling computers to the public, the only way Western experts believe they can create the intellectual ferment that would prevent the technological gap from increasing. Official publications have said that the Soviets' personal computer, the Agat, is intended for rental instead of sale, a practice that would ensure strict control over who has the machines.

"Every single word processor is a potential printing press," says Mr. Graham of MIT. "The day they accept computers into society is the day they are going to give up censorship."

Soviet central authorities even debate the minutiae of the technological age, such as whether computer games have a role under communism. Academician A. Yershov warned in Pravda that the country must overcome "excessive fascination with games." But Valentin Mikhailovich Ponomaryov, the director of the Leningrad Computer Center, bubbled in a Soviet interview that "games are not the privilege of children alone" and that they "can take away the fatigue one gets from hard work."

SOVIET HOTEL ROOMS

Until the Soviets can sort out their approach at home, their priority is making purchases abroad. They have already made their buying intentions so clear that 26 Western computer and electronics firms have opened offices or are operating out of hotel rooms in the Soviet Union, and twice as many are believed to be waiting. They are partially responding to the easing of restrictions by Cocom, a 15-nation group, including Japan, that monitors members' exports to Communist countries. Since the change, members are allowed to sell the Communists smaller capacity personal computers.

One of the tantalizing carrots being dangled by Moscow is construction of an advanced microcomputer factory in the Soviet Union. During Mr. Gorbachev's visit to Britain in mid-December, Ivan Velikhov, the director of a Soviet electronics company, met with representatives of ICL and other British computer companies.

The U.S. Export Administration Act has prohibited the sale of computer factories to the Soviet Union since 1981, and Cocom regulations would prohibit the turnkey project without unanimous approval of all members. A West European diplomat believes the Soviets know this but approached several Western companies anyway, hoping to divide the West over controls if they couldn't get the plant.

During his visit to England, Mr. Gorbachev warned British businessmen that Washington is their common enemy. "The policy of embargoes and sanctions to which some people resort from time to time is, frankly, aimed not only against the socialist countries," he said. "It is also intended to weaken competitors, including some in Western Europe."

West European businessmen's complaints are increasing with each Soviet offer of contracts they can't fulfill. They say that they suffer in order to protect technologies that are available through non-Cocom countries, through unscrupulous companies or through countries that enforce the restrictions less strictly, such as Italy and Belgium.

"We are complying to an extent that really hurts," says Heinrich Vogel, the director of Cologne's Institute for Eastern and International Studies, which is sponsored by the West German government. "Many people are increasingly unhappy and fear that the U.S. is drifting into technology imperialism."

A West German executive says the Soviets took a new approach recently when he said he couldn't sell the high-tech energy-recovery gear Moscow wanted. "It is not interesting to me why you cannot sell. It is only of interest that you cannot sell," the businessman paraphrases a Soviet official as replying. The Soviet said he was confident he could find the equipment elsewhere, mentioned competing companies in Finland and Japan and suggested that the West German company's failure to deliver might cause it to lose less sensitive Soviet business.

WORRISOME STATISTICS

West Germans, the Soviets' largest Western trade partner, are particularly worried by statistics that show their exports to the Soviet Union fell by nearly 10% last year. At the same time, the Soviets increased trade with countries that don't have Cocom technology restraints. Austria's exports to the Soviet Union swelled by some 30%.

Concom technology-sale restrictions aren't the only factor in the trade decline, but West German officials fear the Soviets are increasingly picking the least risky supplier possible.

Mr. Vogel believes Soviet efforts to improve trade relations with Washington are aimed less at significantly increasing technology trade with the U.S. and more at removing U.S. barriers to the trade that Europe does with the Soviets.

"The lessons of the last 50 years," he says, "have led the Soviet Union to doubt how reliable a partner the U.S. will be even in the best political circumstances."●

THE EMPLOYEE STOCK OWNERSHIP PLAN IMPROVEMENTS ACT OF 1985

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. ROYBAL. Mr. Speaker, while much attention has been focused on hostile corporate takeover attempts in recent months, a particularly detrimental effect of this takeover mania has received little or no scrutiny by the Congress or the media. It involves the conversion of defined benefit pension plans into employee stock ownership plans [ESOP's] during or after hostile corporate takeover attempts.

This practice is part of a larger, accelerating trend among corporations terminating overfunded pension plans to recapture the excess assets remaining after a plan's liabilities have been satisfied. I introduced "The Plan Termination and Reversion Control Act of 1985"—H.R. 2701—on June 6 to protect employees and retirees from the adverse impact of these terminations. However, the particular dangers inherent in the conversion of pension plans into employee stock ownership plans in the context of hostile takeovers calls for additional legislation.

The problem in question has two principal forms. First, several employers have terminated their pension plans and used a replacement ESOP as a defensive tool to entrench management and fend off a hostile takeover attempt. Second, successful corporate takeovers have been followed by the termination of the target company's overfunded defined benefit pension plan and its replacement by an ESOP.

WHAT IS THE ROLE OF AN ESOP IN A HOSTILE TAKEOVER?

ESOP's have become tools in boardroom acquisition strategies. They can be used as a poison pill to discourage hostile takeovers. Typically the corporation solicits proxies from its shareholders seeking to terminate its defined benefit pension plan, recapture excess assets from the terminated plan, and use the reversion of excess assets to buy back company stock and defeat the takeover attempt.

Since the employer will accumulate a large block of its own stock and will no longer have a defined benefit pension plan in place, a successor ESOP is usually created to serve as a reservoir for the repurchases stock and the principal retirement vehicle for workers. A large—if not controlling—block of stock is thus taken off the market—where it could be acquired by parties hostile to current management—and is instead placed in friendly hands, to be voted by plan trustees who are frequently corporate officers as well.

ESOP's are also becoming popular devices for companies which successfully complete a hostile acquisition of a target corporation. Many such takeovers are financed by the assumption of debt obligations. When the target corporation is acquired, some of its assets—or subsidiaries—may be sold to help pay off the debt assumed in the leveraged buy-out. In several recent cases, the target company's overfunded pension plan was terminated, and the reversion used to pay down the acquiring company's debt service.

As before, the target company's workers will now be without a pension plan, so a successor ESOP is often put in its place. Stock purchased during the takeover may be contributed to the plan. In many cases the ESOP uses a bank loan to purchase employer stock and the employer promises to make annual contributions to the plan to the ESOP can pay off the loan. In effect, the employer uses the ESOP as collateral to raise cash, with plan participants bearing the financial burden of the leverage.

HOW ARE WORKERS HARMED?

In both these cases employees and retirees are forced to suffer a loss of retirement income security so that management can manipulate the form of the company's pension arrangements to management's own advantage. Stocks purchased by or for an ESOP during a hostile takeover attempt are typically bought at substantially inflated prices, which usually decline immediately after the completion or failure of the takeover attempt. The loss of benefits and detrimental impact on worker's retirement income security can be severe.

Although ESOP's are regulated under the Employee Retirement Income Security Act of 1974 [ERISA], they were originally intended to encourage stock ownership, corporate participation and capital accumulation by employees. They are generally ill-suited to serve as an employee's sole retirement plan. An ESOP does not guarantee employees a specific benefit at retirement, as does a defined benefit plan. Nor is an ESOP funded by a diversified investment portfolio. ESOP's invest almost entirely in a single stock—the employer's—making workers extremely vulnerable to fluctuations in the stock's market price.

WHY IS CURRENT LAW INSUFFICIENT TO PROTECT WORKER INTERESTS?

Although the purchase of employer stock by an ESOP during a takeover battle represents a clear conflict in interest for plan trustees who are also corporate officials, judicial rules governing such fiduciary decisions are not uniform. Whether the adequate consideration paid for shares purchased by an ESOP may include a control premium—for a controlling block of shares—above their ordinary market trading price is a subject of controversy. Further, current law does not require full voting rights to be passed through to ESOP participants. If plan trustees who are also management officials retain the right to vote ESOP shares, employees are denied the ownership interests ESOP's were meant to create, and the employer can again take advantage of a clear conflict in interest.

HOW DO THE PROVISIONS OF THE BILL ADDRESS THIS ISSUE?

The bill I have introduced today would place the following four limits on the use of ESOP's during hostile takeover attempts:

First, the adoption of an ESOP would be subject to the vote of an absolute majority of employees in addition to any vote of shareholders;

Second, all benefits accrued by workers under the ESOP would have to vest immediately;

Third, voting rights for stock held by the ESOP would have to be passed through to employees, and any unallocated shares would have to be voted by plan trustees in the same proportion as those actually voted by employees; and

Fourth, an ESOP could not be created within 1 year of the termination of a defined benefit pension plan whose participants were workers covered by the new ESOP.

IN CONCLUSION

I urge my colleagues to consider the merits of this legislation, whether or not they have examined the larger questions surrounding the epidemic of hostile takeover activity.

Defined benefit pension plans are being held hostage by corporations threatened with hostile takeovers. Afraid that corporate raiders will mount a successful takeover attempt and use a pension-to-ESOP conversion to help finance the acquisiton, many target companies are inflicting precisely the same harm on their workers by using a pension-to-ESOP conversion as an antitakeover tool.

The Congress must not allow pension plans to continue as pawns in corporate acquisition strategies, nor tolerate the misuse of ESOP's for management purposes. Absent congressional action we will witness the steady erosion of retirement income security for thousands of American workers, and forfeit the integrity of ESOP's as a means to encourage individual capital accumulation and employee ownership.●

GOVERNMENT'S STOCK IN CONRAIL

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. KOSTMAYER. Mr. Speaker, one of the issues that still must be resolved by the House and the Senate is the future of the Federal Government's 85 percent stock interest in Conrail.

A sale of Conrail would have massive implications for Pennsylvania's Eighth Congressional District, and for the entire Commonwealth.

While I respect Transportation Secretary Dole's recommendation on February 8, 1985, that Norfolk Southern Corp. be given the opportunity to purchase the Government's 85 percent share, I cannot support it. This week, I became a cosponsor of a bill introduced by my colleague, Mr. ECKART of Ohio, which would allow a group of investors organized by Morgan Stanley and Co. to purchase the Government's stock interest in Conrail and return it to the private sector as a viable, independent railroad through a series of public offerings.

Mr. Speaker, I believe the Morgan Stanley public ownership proposal offers a number of important advantages over Norfolk Southern's offer:

First, the Morgan Stanley proposal would provide a better financial return to taxpayers. This proposal exceeds the Norfolk Southern offer by approximately $600 million because of the elimination of the tax losses to the Government which would result from a sale to Norfolk Southern.

Second, the Morgan Stanley proposal will preserve rail competition. This is very important to the steel industry as evidenced by the endorsement of the proposal by the American Iron and Steel Institute. I am concerned that facilities such as United States Steel's Fairless Works in my district would be negatively affected by a sale of Conrail to Norfolk Southern because less competition among railroads results in higher shipping costs.

Last, but certainly not least, the Morgan Stanley public sale proposal will provide better treatment for Conrail employees. I believe this proposal more adequately recognizes the significant sacrifices made by Conrail employees in returning the railroad to profitability. As I have already written to Transportation Secretary Dole on January 30, 1985, the disposition of the railroad raises significant economic issues for the region I represent. Philadelphia is the corporate headquarters for Conrail and my district is the home of a key switching yard which handles significant amounts of intermodal traffic. Many of my constituents work at these sites and the futures of these Conrail employees are terribly important to me and to the economy of my district. These employees have overwhelmingly expressed to me their support of the public sale proposal. Last week, members of the Railway Labor Executives' Association representing members of 19 rail labor unions endorsed the Morgan Stanley public sale option.

Mr. Speaker, I do not believe that a public offering of Conrail stock will leave the railroad in a questionable financial posture or recreate the situation which resulted in the bankruptcy of the Penn Central system. I urge my colleagues to support H.R. 2873, the Conrail Public Sale Act of 1985, and return the Federal Government's 85 percent share of stock to the public.

Mr. Speaker, I would like at this time to share with my colleagues the following editorial which appeared in the Bucks County Courier Times on May 17, 1985 on the subject of the Conrail sale.

[From the Bucks County Courier Times (Levittown, PA), May 17, 1985]

CONRAIL DEAL OFF TRACK

If the government truly wants to get out of the railroad business, it ought to get the most for its money.

Transportation Secretary Elizabeth Dole, with the backing of the Reagan administration, wants to sell Conrail, the government-subsidized freight rail line, to the Norfolk Southern Corp., a competing railroad operating out of Norfolk, Va.

Norfolk Southern is offering the government $1.2 billion for Conrail. Critics suggest that's not a fair asking price, but the Reagan administration continues to defend Mrs. Dole's choice. Thus far, the administration has done a poor job of defending that position.

From the Pennsylvania perspective, the sale of Conrail to Norfolk Southern would result in the closing of Conrail's headquarters in Philadelphia, and in Blair County, the line's maintenance yard, triggering both a local loss of jobs and revenue. Furthermore, a Conrail-Norfolk Southern merger would virtually eliminate competition for freight rail business along the East Coast. That would drive smaller lines out of business and drive up freight rail rates.

Finally, the sale of Conrail to Norfolk Southern would result in substantial tax advantages for the combined rail business, which would cost the United States government—and all taxpayers—even more money.

There is an alternative. That's the public sale of Conrail stock by Morgan Stanley & Co., a New York investment group. According to Morgan Stanley and its backers in Congress—including Conrail Chairman L. Stanley Crane and Sen. H. John Heinz, R-Pa.—the proposal would bring in $600 million more in revenues than the Norfolk Southern offer.

Without going into specifics, Mrs. Dole pooh-poohed Morgan Stanley's proposal as "not fundamentally different from some we have reviewed in the past." She went on to say that she thought the Norfolk Southern offer was still the best, though she did not say why.

According to Conrail's Crane, the Morgan Stanley proposal would have several advantages, including a continuation of fair competition for rail freight business, the most jobs and the best profit for the government.

What do Heinz and Crane know that the transportation secretary does not? Perhaps the question is best phrased the other way around. Obviously, the administration is bent on selling Conrail at a bargain-basement price to a rail line that is bound to take advantage of tax breaks to deprive the government of even more money.

If the administration can come up with a reason why it makes better business sense to lose $600 million, jobs and local revenue, now is the time. As matters now stand, the proposed sale of Conrail to Norfolk Southern ought to be derailed.●

A TRIBUTE TO OSCAR DE LA RENTA

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GARCIA. Mr. Speaker, much is said today about the problems of successfully mainstreaming Hispanics into the American way of life. We spend a great deal of time worrying about the high dropout rate of Hispanic students, about quality of education our children receive, about the health and housing of Hispanics, about our immigration problems and about under-representation of Hispanics in government.

The positive influence of Hispanics is not often brought to the forefront, and I think the time has come to point with pride to the many contributions Hispanics are making to American culture and business. The distinguished gentleman I stand to recognize today, Oscar de la Renta, is one example of the singular success stories Hispanics are creating for themselves in America.

When Mr. de la Renta left his home in the Dominican Republic 36 years ago, he planned to become an abstract painter. Instead, he discovered his talent for fashion design, and from the moment of that discovery started to build his extraordinarily successful career. After working in some of the most famous fashion houses of Europe, he came to the United States in 1963. Since that time, he has carved a truly unique niche in the industry as a leader of American fashion design. And although he has risen to the height of his profession, he has not forgotten the role of charity in the quality of life: He is the major patron of an orphanage for 270 children in Santa Domingo, Dominican Republic, and has recently taken into his own home a child found abandoned in the streets of that city.

Studies indicate that one cause for the high rate of high school dropouts among Hispanics is the lack of positive role models. Mr. de la Renta is among those all Hispanics can look to with pride as one who has seen the American dream and made it his own.

This year, during National Hispanic Heritage Week, Mr. de la Renta will participate in the first annual Hispanic Designers Fashion Show and Benefit, an event developed to spotlight the enormous influence Hispanic designers have in shaping the trends of the fashion industry. During that event, he will receive an award, not only for his outstanding achievements as a fashion leader, but for his place as a role model for all Hispanics.

Mr. Speaker, I am proud to add my voice in thanking Mr. de la Renta for his great contributions to the modern American culture.●

GOOD SAMARITANS MARVIN VERSCHURE AND BENJAMIN PAONI CITED FOR THEIR HEROISM

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WORTLEY. Mr. Speaker, each new day brings something new, frequently the unexpected, sometimes opportunities to help another human being.

Last month, Monday, July 15, was a day three of my constituents will long remember.

In morning traffic, William Schultz of Lysander, NY, his seatbelt fastened, was driving east on U.S. Route 690 in his sturdy 1974 Volvo near the Jones Road exit when he braked to a stop in a construction area. Driving a large Buick behind Schultz was Marvin VerSchure of Baldwinsville, NY. As VerSchure approached a rise in the highway, he was unable to see the halted line of cars ahead. He slammed into the rear end of Schultz's Volvo, causing the Volvo to collide with the car in front of it.

Schultz's car burst into flames. Fire spread to VerSchure's car but he was able to escape and go to the aid of Schultz whose shirt and beard were afire.

A worker on the construction site, Benjamin Paoni of Canastota, NY, and VerSchure pulled Schultz, a big man who is six feet four and weighs 250 pounds and then in shock, from his burning car. The rescuers dragged Schultz away to safety from the burning wrecks, smothered the flames burning his clothing and beard and placed him on an embankment to await the arrival of medics.

Schultz sustained burns and a whiplash. The seatbelt probably saved him from suffering more serious injuries. He was treated in a hospital emergency room and released, and is recovering from his injuries.

He has no memory of his rescue and events immediately following his accident. But he will always remember the Good Samaritans who saved his life.

Mr. Speaker, on Saturday, August 17, during the forthcoming recess, I will have the privilege of participating in a ceremony to honor the two heroes, Marvin VerSchure and Benjamin Paoni. The ceremony is being sponsored by the Vietnam Veterans of America, Central New York Chapter 103, of which William Schultz is a member.

With pride, I commend the deeds of these brave constituents of mine to the attention of our colleagues in the Congress of the United States.●

WARREN BROOKES OUTLINES WHY INTEREST RATES ARE HIGHER THAN THEY NEED BE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. KEMP. Mr. Speaker, this article by Warren Brookes is one of the best and most persuasive arguments for a fresh look at monetary policy as a key to the interest rate dilemma.

It is must reading for Members who question how interest rates can be so high when inflation is so low.

Mr. Speaker, we owe Mr. Brookes, a debt of gratitude for his lucid style and remarkable insights into this complex issue.

WHAT'S KEEPING THOSE INTEREST RATES HIGH?

(By Warren Brookes)

With inflation rates now at mid-1960s levels of 1-3 percent, Americans are entitled to wonder why mortgages are still at 12 percent, and consumer loans at 18-21 percent.

Or why it is that when the interest rates banks pay for money (certificates of deposit—CDs) have fallen nearly 35 percent in the last eight months, the average loan rates banks are charging have fallen less than 15 percent?

The answers to these thorny questions are at the heart of the chasmic rupture that finally broke into the open June 20, between Federal Reserve Chairman Paul Volcker and Reagan-appointed Vice Chairman Preston Martin.

Superficially, the dispute was over Mr. Martin's curious decision to "go public" with his support for "a new look" at the way we are now handling the international debt crisis, and, by inference, his gentle knocking of the present "crisis management" approach of Mr. Volcker and the International Monetary Fund.

But the dispute is more fundamental: Mr. Martin (along with most classic free-market economists) believes the money and banking system exist to serve the economy—while Mr. Volcker and the Fed bureaucracy believe the economy must be manipulated to preserve the soundness of the money and banking system.

One sees money as merely a medium of exchange, a purely technical instrument to improve the efficiency of the real market for goods and services—the other sees it as the fundamental lever by which the economy is to be controlled—by banks.

Mr. Martin knows from firsthand experience that under Paul Volcker the U.S. economy has been made more fully hostage to the banking system than at any time in its history. Just read the minutes of the Fed's 1984 Open Market Committee (FOMC) meetings, when the board deliberately pushed the economy back toward the brink of recession.

For example, back on Aug. 21, 1984, with the recovery already showing signs of serious faltering because of the Fed's excessive tightening, "some members continue[d] to view the risks mainly in the direction of more rapid expansion . . .," and they voted to keep interest rates high deliberately to hold the recovery down.

On October 2, 1984, with the economy demonstrably falling flat on its face, the FOMC worried that "appreciably lesser restraint [of credit] might well induce a sharp decline in interest rates . . . and an unsustainably strong rebound in economic activity."

The net result of this kind of secret economic policy-making by unelected and unaccountable central bankers has been a combination of excessively high real interest rates and an excessively strong dollar, whose unprecedented 67 percent rise under Mr. Volcker was at least in part engineered to help debtor-nations compete more favorably against U.S. producers, and pay off their bad debts to the big banks at the expense of U.S. workers and farmers.

It is no coincidence that the moment Mr. Martin chose to speak out, Mr. Volcker was in Tokyo where, under his leadership, the Group of 10 nations gave their ringing continued endorsement to the present floating rate exchange system. This system has been in existence since 1971–72 when the Nixon administration abandoned the Bretton Woods Agreement which had kept the world's money and banking system on a loose tether to gold since 1945.

That decision wiped out money's final connection to real goods and services through gold, and made it necessary for the Fed to attempt to give paper money the value it doesn't intrinsically have, by periodic bouts of scarcity and tight money recessions.

The overall effects of the 1970's worldwide drift to fiat money controlled by central banks were both disastrously obvious (soaring inflation and interest rates) and institutionally dangerous, as the power and focus of the world economy shifted from goods producers to money manipulators, i.e. central bankers.

No wonder that even as industrial productivity and profitability began to sputter, the paper profitability of the nation's and the world's banking systems began to soar, even in the midst of more and more problems of credit-worthiness.

The primary focus of the Fed is not, after all, the economy's health, but banking profitability. And with its ascendancy over the last 15 years, not only have interest rates soared to unprecedented levels but the "spread" between the rate at which banks borrow money from us and the rate at which they lend it rose 300 percent, from 80 basis points (0.8 percentage points) in the mid-1960s to 340 basis points (3.4 percentage points) in the 1980s.

As a result, the financial industry's share of total profits in the U.S. economy has increased nearly 30 percent, while at the same time, through the so-called deregulation of 1980, the Federal Reserve banking system's share of financial profits has tripled.

Last month, Citicorp, Manufacturers Hanover, and Mellon Bank reported huge first-half profit increases of 23 to 51 percent, when most major industrial firms (like IBM) were reporting declines.

This is why the greatest impediment to monetary reform, (making money subordinate to economic policy, instead of its governing instrument), is the Fed, and its big-bank members.●

THE FEDERAL COUNCIL ON THE AGING

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. JEFFORDS. Mr. Speaker, today I am introducing legislation to amend the authority for the Federal Council on the Aging. This bill would restore prior law under which the entire membership of the Federal Council on the Aging was appointed by the President with the advice and consent of the Senate and, thereby, avoid a possible constitutional conflict over the appointment of the membership of this Council.

Since 1974, the Federal Council on the Aging has functioned as a 15-member body whose members serve staggered 3-year terms. The duties of the Council are to:

First, advise and assist the President on matters relating to the special needs of older Americans;

Second, review and evaluate, on a continuing basis, Federal policies regarding the aging and programs and other activities affecting the aging conducted or assisted by all Federal departments and agencies for the purpose of appraising their value and their impact on the lives of older Americans;

Third, serve as a spokesman on behalf of older Americans by making recommendations to the President, to the Secretary, the Commissioner, and to the Congress with respect to Federal policies regarding the aging and federally conducted or assisted programs and other activities relating to or affecting them;

Fourth, inform the public about the problems and needs of the aging by collecting and disseminating information, conducting or commissioning studies and publishing the results thereof, and by issuing publications and reports; and

Fifth, provide public forums for discussing and publicizing the problems and needs of the aging and obtaining information relating thereto by conducting public hearings, and by conducting or sponsoring conferences, workshops, and other such meetings.

The Council also submits reports to the President, who must transmit the reports to Congress with his comments and recommendations under section 204(f) of the Older Americans Act.

Section 204 of the Older Americans Act of 1984–(Public Law 98–459—however, changed the procedure for appointing members to the Council. The new procedure provides for the appointment of one-third of the Council membership by the President, one-third by the Speaker of the House of Representatives, and one-third by the President pro tempore of the Senate. In addition, Senate confirmation is no longer required. I believe this new procedure may raise some difficult constitutional issues.

Upon signing the Older Americans Act Amendments of 1984 into law, President Reagan stated:

> But in signing this important piece of legislation, I must note my strong constitutional reservations regarding the provisions that give the President pro tempore of the Senate and Speaker of the House the power to appoint two-thirds of the members of the Federal Council on the Aging. Under this legislation, the Council clearly remains within the executive branch. Under the Constitution, therefore, members of the Council should not be appointed by officers of the Congress. And, accordingly, I strongly urge the Congress to enact legislation to repeal these new appointment provisions before June 5, 1985.

Pursuant to the terms of the Older Americans Act, the Council assists, gives advice and reports to the President. Such activities have been held by the courts to be purely executive functions, and thus should not appropriately be performed by persons appointed by officers of Congress. The appointment of members of the Council by officers of the Congress, therefore, may conflict with the Appointments Clause of the Constitution—article II, section 2.

It should be noted that one individual has been appointed to Council membership under the congressional appointment authorities contained in the 1984 amendments to the Older Americans Act. While the bill that I am introducing today would nullify that individual's appointment, I have been assured by the White House Congressional Liaison Office that the Council member in question will be reappointed by the President.

I urge my colleagues to cosponsor this measure that is designed to restore prior law under which the Council successfully operated for 10 years, and eliminate any questions as to the constitutionality of the methods of appointment of members to serve on this important body.●

THE UPWARD BOUND PROGRAM AT CASE WESTERN RESERVE UNIVERSITY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. STOKES. Mr. Speaker, I would like to share with my colleagues some information on the Upward Bound Program at Case Western Reserve University in Cleveland, OH.

The program at Case Western Reserve University is part of the Federal program funded through the U.S. Department of Education. For 20 years, Upward Bound, through academic instruction and counseling, has provided incentive and assistance to disadvantaged students who are interested in attending college. Students in the program are from low-income families. In many of the families, neither parent attended college. Therefore, Mr. Speaker, the Upward Bound Program gives its students the motivation and support they might need to succeed. Without reservation, the Upward Bound Program has been successful.

Mr. Speaker, the program at Case Western Reserve University has been a model program. Since the program was initiated at Case Western Reserve University in 1966, the college placement rate of Upward Bound students has been 100 percent. The college graduation rate of its alumni is 98 percent.

I am pleased, today, to salute the Upward Bound Program and particularly to honor the staff and students associated in the Upward Bound Program at Case Western Reserve University. At this time, I would like to insert for the RECORD an article which appeared in the Cleveland Plain Dealer on the Upward Bound Program at Case Western Reserve University.

[From the Plain Dealer, July 19, 1985]

TEENS BOUND TO SUCCEED—PROGRAM GIVES EXTRA PUSH TOWARD COLLEGE ADMISSIONS

(By John Alden)

Steve Waite, a 1985 graduate of John F. Kennedy High School and president of the Upward Bound Program at Case Western Reserve University, spoke with pride about where he would be going to college next year.

"That's right," he said, "Oberlin College, the first school to admit women and blacks in the country."

This truth seemed important to him, seemed to give his goals an indentity, give all his work in the Cleveland schools and Upward Bound a touch of gilt trim. You could see a seriousness in his eyes, hear it in his voice, and tell it even from where he was sitting, on a couch in a dormitory at CWRU.

While other Cleveland 17-year-olds were out looking for fun or trouble, Steve was sitting in a stuffy dormitory room, talking about Upward Bound, a program that has him working eight hours a day, five days a week, on his future. He is attending college-level classes in physics, chemistry and natural sciences in preparation for a career in medicine.

The program's purpose is to give Steve and other Cleveland-area pupils an extra push, an extra bit of preparation, to help them get into the colleges they want. He said the program had extended his education beyond what he could have learned in public school. He is ready for college, he said.

"I have concepts in college physics," he said, "and it's like wracking my brain, so I know I'll be ready."

Upward Bound is a federal program funded by the U.S. Department of Education to enrich the education of students who show promise and desire to go to college. The program, more than 20 years old, mandates that two-thirds of its students must come from low-income families and families where neither parent went to college. The remaining third of the students must meet one of the other of the requirements, but not necessarily both.

The program is one of the few in the country to specialize in health sciences. Carrie Johnson is director of the program at CWRU. She said the 118 students from grades 9 throught 12 from Cleveland, Warrensville Heights, East Cleveland and Shaker Heights represented the most serious, goal-oriented students in the area. They have to be, she said, because the program demands a lot.

"It's not for everybody," Johnson said. "It's for someone who wants to learn, one who wants to go to college and get an education. That kind of kid will go far here." Last year, more than 400 applied for only 38 openings in the program. Students must have at least a C average even to be considered.

The program has two parts, the summer program on the CWRU campus and the school-year program at each student's high school. The summer program began June 23 and will last until Aug. 2. During this time, the pupils live in Tippit House at CWRU, except on weekends. In the mornings, they attend classes just like college students. In the afternoons, Johnson said, most students have paid internships at the Cleveland Clinic, Rainbow Babies' and Children's Hospital, the Cleveland Veterans Hospital or other medical institutions near University Circle.

The students are graded for their classwork, take mid-term and final examinations and must carry at least a C average to remain in the program.

During the school year, the students participate in after-school tutoring and counseling four days a week.

In addition, every Saturday morning they take three hours of extra schoolwork at their high schools. Throughout the process, counselors are always available to help with students' academic, social and personal problems. The students also go on field trips and cultural events such as plays and concerts.

Teachers for the summer program are provided from various sources, including Cleveland public schools, CWRU and the Ohio College of Podiatric Medicine. The teachers instruct pupils at the grade level they will be entering in the fall.

Selina Louie, a ninth-grader at the Cleveland School of Science said, "When I go to school again in September, I'll feel stronger, because I'll have an introduction to what I want to take."

And it's that feeling of control Johnson said, that makes the pupils try harder, try to get that edge, try to see what's ahead of them and not just the vagaries of being a teen-ager in Cleveland. It gives them a sense of pride, a taste of success, a willingness to accept challenges.

You cannot argue with success. Since the program was inaugurated in 1966, it has had a college placement rate of 100 percent. And once there, 98 pecent of the alumni have graduated in four years.

"I have them believing," Johnson said, "and I believe it, too. They're a special group of people.●

A CONGRESSIONAL TRIBUTE TO DOROTHY AND ALLAN JONAS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to two dear friends of mine, Dorothy and Allan Jonas, on the occasion of their 25th wedding anniversary. It is not ususual to celebrate a 25th anniversary, however, this anniversary is a celebration of true achievement.

Twenty-five years ago, these two people brought their families together, and united these two families have made a tremendous difference in the quality of the world in which we live. I must say that I am truly proud to know and be associated with these two giants for more than these 25 years.

Although no statement can adequately relate the remarkable achievements of these two people, I shall attempt to do just that. For purposes of clarity, I will describe their accomplishments separately. However, it must be understood that these two people have been equal partners and participants in each others activities.

A graduate of the Wharton School of Finance, and a torpedo officer in World War II, Allan Jonas moved to California in 1948. Allan has been a pioneer real estate developer, and he owns and operates his own company, Jonas & Associates, and is a general partner of Kibel, Jonas & Associates. He is a cofounder of the American Industrial Real Estate Association of Los Angeles, an organization designed to raise standards in that field. In addition to his tremendous achievements in business, Allan has taken the time to share his skills with young people. He created a course outline to assist young real estate specialists in the industrial area, which serves as the basis for a course at UCLA's Extension Program, for which he has served as both instructor and lecturer.

Although Allan's achievements in business are extremely impressive, his achievements in community and civic service have been extraordinary. For the past 30 years, Allan has devoted a great deal of time and expertise to civic and community entities. Allan's most devoted voluntary service has been with the American Cancer Society. He has served as the chairman of their national board of directors, as well as in a variety of other positions, traveling throughout the United States and the world working to seek a means to control cancer. In 1977, Allan toured the People's Republic of China at the request of its Government to exchange information with Chinese doctors and health officials on cancer research and tobacco abuse. Annually, the American Cancer Society presents the Allan K. Jonas Lifetime Achievement Award at its annual banquet to the civic leader who has demonstrated a commitment to the volunteer sector.

Allan's wife Dorothy has shared in all of their accomplishments. Through the years, in spite of her vast personal achievements, she has remained extremely humble. However, I should like to mention just a few of the activities in which her devoted work has enhanced the quality of many lives. Dorothy has worked with the League of Women Voters, and has served as chair of the California Commission on the Status of Women; president of the advisory board of the rape treatment center at Santa Monica Hospital; chair of the education fund of the Los Angeles NOW Chapter; and founder and coordinator of the Los Angeles Women's Leadership Network. This short list of activities is hardly sufficient to reflect the extraordinary achievements of this truly remarkable woman.

It is with great pride that my wife, Lee, joins me in this celebration and tribute to this unusual couple who have given so much to us all. Our wishes are that they will continue for many years to give each other the happiness and fulfillment that they have given tc so many. We also wish their family—Tony, Janet, Andy, Sheila, Bonnie, Doug, Larry, Sandra, Michelle, Amanda, Heather, Melinda and Scott—all the best in the years ahead.●

CURRENT ISSUE OF ARMED FORCES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LAGOMARSINO. Mr. Speaker, I wish to bring to the attention of my colleagues an article in the current issue of Armed Forces Journal which recounts the dramatic success of two former members of the Delta Force unit in helping to prevent the overthrow of President Suazo of Honduras. As you know, Delta Force is the Pentagon's elite counterterrorist unit. The two former Delta Force personnel played pivotal roles in uncovering the plot against President Suazo as well as uncovering the evidence on an international drug-trafficking ring operating to finance the overthrow plot. These two individuals, retired Army Col. Charles Beckwith and retired Army Maj. Charles D. Odorizzi deserve tremendous credit and praise for their courage and for the effectiveness of their operation:

[From Armed Forces Journal International/August 1985]

TWO DELTA FORCE VETERANS LED FBI BUST OF ASSASSINATION/DRUG RING

(By Benjamin F. Schemmer)

Two former members of "Delta Force," the Pentagon's elite counterterrorist unit, played pivotal roles in an FBI undercover operation that thwarted a massive, drug-financed plot to assassinate the President of Honduras last fall and overthrow his government.

The operation resulted in the seizure of 660 pounds of pure cocaine worth about $96 million on the street. The drugs were to help finance the coup d'état and pay off the "hit team," which one of the Delta Force veterans, retired Army Maj. Charles D. Odorizzi, was recruited to lead.

The operation yielded the most convincing "hard evidence" the United States has yet obtained directly linking international terrorism and large-scale drug trafficking. Heretofore, the US has not been able to publicly demonstrate that connection persuasively or show hard evidence of it to foreign governments whose help it needs to interdict the flow of narcotics.

The second Delta Force member involved was retired Army Col. Charles A. Beckwith, who created the unit and led it on the 1980 Iranian hostage rescue attempt. Odorizzi was in the unit during its formative years and retired in 1979. Heretofore, Odorizzi and Beckwith had been identified by the FBI only as "a private citizen," in Odorizzi's case, and "an informer" who told FBI agents in July of 1984 that he had just been asked to assassinate the President of Honduras. The two have been partners in a Texas-based security consulting firm, S.A.S. of Texas, Ltd.

Beckwith's and Odorizzi's identities had been carefully protected until the *Miami Herald* revealed their roles on January 10th, the day after a 33-count indictment against the 10 conspirators was entered in U.S. District Court in Miami, where the assassination and coup d'état were planned. Odorizzi was identified in the indictment only as "Jack," described as a "private citizen" who assisted an FBI undercover agent and the Bureau "during the course of the investigation." The 27-page indictment noted that Odorizzi met with the drug dealers behind the assassination plot at least 13 times between July 21st, 1984, and the time they were arrested last November 1st. One of the Assistant U.S. Attorneys prosecuting the case, Michael Runowicz, told *AFJ* that Odorizzi enticed the plotters to meet him in hotel rooms or on a yacht where their conversations could be recorded by the FBI. He said there are videotapes of several of the more "colorful" meetings in which Odorizzi was "persuaded" top handle the assassination.

Asked more about Odorizzi's role in the case, Runowicz told *AFJ*, "Chuck was magnificent; he assisted in the investigation of this operation at *tremendous* personal sacrifice." Runowicz said Odorizzi "volunteered. There was no arrangement [for him to work as a] paid informer—no payment."

Odorizzi has been reimbursed for his out-of-pocket expenses and, since the arrests, has earned the standard federal fee of $30 a day for the times he has testified before grand juries. Stanley Marcus, the U.S. Attorney for the Southern District of Florida, presented Odorizzi a U.S. Attorney's "Outstanding Law Enforcement Officer" award on July 18th, even though Odorizzi is not a law enforcement officer.

In addition to 300 kilos of cocaine, DEA, FBI, Customs, and Coast Guard personnel seized "in excess of 40,000 pounds of marijuana" during the operation, hundreds of thousands of dollars in cash, two aircraft and two ships used to smuggle other shipments or that were to be used during the assassination and coup d'état. The defendants had arranged to supply Odorizzi and an FBI undercover agent, "Carlos," with "submachine guns with silencers," "infrared aiming devices," "night vision goggles," "explosives," "aircraft," and "any other weapons and vehicles necessary to carry out the assassination of President Robert Suazo-Cordova," according to the indictment.

Elected in November of 1981, Suazo is the first democratically elected leader of Honduras in more than a decade. He became President in January of 1982 and is generally considered the "US' staunchest ally" in Central America. The US informed Suazo of the assassination plot soon after Beckwith and Odorizzi contacted federal authorities.

A key figure in the conspiracy was former Honduran Chief of Staff Maj. Gen. José Bueso-Rosa. He was ousted in March of 1984 in a shake-up of Honduras' military hierarchy and, while the assassination and coup were being plotted, was posted as Honduras' military attaché in Chile. The United States has requested his extradition. Newspaper reports say the request has been denied, but Runowicz told *AFJ* there "has been no official word of that." Bueso is charged with traveling to Miami several times to meet with Odorizzi to plot his government's overthrow.

The five-month-long FBI undercover operation tracked drug shipments involved in the plot into Florida, Tennessee, and Louisiana from at least six countries—Colombia, Panama, Belize, Haiti, Honduras, and Mexico. The indictment charges the defendants with racketeering, attempt to murder, conspiracy, and a host of drug-trafficking offenses; the first two go to trial August 26th.

The roles played by Odorizzi and Beckwith were so tightly held until the *Miami Herald* story broke that, *AFJ* has learned, not even the most senior Members of the Senate Intelligence Committee were told how the FBI broke the case. Because of its international and intelligence implications, the Committee's chairman and cochairman would normally be briefed on such an operation.

Until now, Odorizzi and Beckwith have declined comment on the case. Beckwith told *AFJ*, "Odorizzi did all the work. He's the one who deserves the thanks—him and the FBI. He can tell you, [the FBI] ran a textbook operation." Odorizzi told *AFJ* that he'd "just as soon not say anything until the trials are over."●

DAY OF COMMEMORATION FOR SENATOR JOHN C. STENNIS

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DOWDY of Mississippi. Mr. Speaker, I would like to bring to the attention of my colleagues a special day of commemoration for one of Mississippi's best known and most respected statesmen, Senator John C. Stennis. On Saturday, August 3, the people of Senator Stennis' hometown, DeKalb, MS, will host a day-long tribute to the Senator for his great service to Mississippi and to our Nation.

We in Mississippi have always been proud of Senator Stennis for his distinguished and consistent leadership, his tenacity in the face of adversity, and his statesmanship in the Halls of the U.S. Congress. I personally have great admiration and regard for Senator Stennis for his help and advice when I entered the public service. But we in Mississippi no longer have sole claim to the Senator. His long tenure and dedicated service to our country have made him equally special to citizens all across the Nation. He has been a trusted adviser to eight Presidents during his 38 years as a U.S. Senator. His work and outstanding career have gained him great respect and admiration from those who have served with him and those who have known him.

Yet, despite his many years in Washington, Senator Stennis has never neglected nor forgotten his old friends and neighbors. He has always relied on them for support and advice. That his hometown neighbors are sponsoring this special day is a tribute to that fact.

On Saturday I will be in DeKalb, along with many of his friends and colleagues from around the country, to honor Senator John C. Stennis. I know my colleagues here join me in extending best wishes to this man who has served our Nation so well.●

A TRIBUTE TO CALVIN W. ROLARK

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. FAUNTROY. Mr. Speaker, I rise today on behalf of Calvin W. Rolark, a constituent of the District of Columbia, who deserves to be recognized for his distinguished record of public service to our community.

Calvin W. Rolark is the founder and president of the United Black Fund [UBF], an organization that for 16 years has provided financial support to numerous educational, social, health, and community programs throughout the metropolitan area. Under his capable leadership, the UBF has met the needs of thousands of youth, senior citizens, disabled persons, and others with special needs.

Mr. Rolark is also the editor and publisher of the Washington Informer newspaper and hosts the radio talk show, "Sound-Off" on WYCB-AM. In addition, he serves on the Mayor's committee for the handicapped, the Anacostia Economic Development Corp., the Board of the District of Columbia Development Corp., and is cochairman of the police chief's advisory council.

On Saturday, August 10, 1985, at the Bible Way Church, the Shaw Community Center Food Committee will present Mr. Rolark with the "1985 Humanitarian of the Year" award at their annual prayer breakfast. It is an honor well deserved and one given to an individual who has dedicated his life to helping the poor and disadvantaged.

As a member of the Shaw Community Center Food Committee, I am pleased to salute Calvin W. Rolark for his many contributions to the Washington community.●

LEGISLATION TO AMEND SECTION 607 OF THE MERCHANT MARINE ACT OF 1936

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BIAGGI. Mr. Speaker, I am introducing legislation today to ensure that the Government's interest is protected when a change in control occurs in a U.S. corporation that has established a Capital Construction Fund [CCF] under the Merchant Marine Act of 1936. The chairman of the Merchant Marine and Fisheries Committee, Walter Jones, and the ranking member of the committee, Norman Lent, join me in introducing this legislation.

The Capital Construction Fund was established in 1970 to promote the replacement and acquisition of U.S.-built vessels for the U.S. Merchant Marine. A company that contracts with the Government to set up a CCF deposits earnings into a tax-deferred CCF account. The money accumulated in the account must then be used to purchase U.S.-built vessels that are registered under the laws of the United States.

The legislation introduced today protects the Government's interest in seeing that the purposes of the CCF Program are not undermined when a corporate takeover occurs. As a tax-deferral program, the Government has a strong interest in ensuring that a CCF is used for the promotional purpose of replacing U.S. vessels and is not used as a source of readily available cash for a new management group.

This legislation requires the Secretary of Transportation to hold a hearing if the Secretary believes that the change in control of a corporation owning a CCF is contrary to the public interest. If, as a result of the hearing, the Secretary determines that the change in control is contrary to the public interest and will be used to loot the CCF, the Secretary may terminate the agreement. Moreover, even if the Secretary does terminate the agreement, if a nonqualified withdrawal—a withdrawal for purposes other than those qualified for tax deferral—occurs within 3 years after the takeover, another hearing shall be held to determine if the withdrawal is contrary to the public interest. If so, the CCF agreement must be terminated. When a CCF agreement is terminated by the Secretary, a penalty is imposed on the corporation. The penalty is a maximum of 50 percent of the withdrawal, net of taxes and interest imposed by other provisions of the CCF program.

I believe this legislation is necessary to deter targeting a corporation because it owns a valuable CCF account. At the present time a takeover of one of the U.S. largest and most profitable shipping companies is in progress. There is reason to suspect that a significant factor in this takeover attempt is the target corporation's CCF. A Government-sponsored and regulated promotional program should not act as an incentive to raid a corporation in order to drain its CCF account. Under this legislation, a full and fair hearing is required to protect the Government's interest in ensuring that the CCF Program is used for the proper purposes.

I believe that timely action on this legislation is necessary, and I urge my colleagues to join me and the cosponsors in supporting this legislation.

The text of the bill follows:

That section 607(i) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1177(i)) is amended—

(1) by inserting "(1)" immediately before "Under";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end of the subsection the following:

"(2)(A) For purposes of this paragraph, the term 'control' means the power, directly or indirectly, to direct the management or policies of a corporation.

"(B) The existence of control of a corporation and of a change in control of a corporation that is contrary to the public interest is determined by the Secretary. The Secretary is not required to consider minimum stock ownership in making that determination. Any director of the corporation in office before a change in control may request that the Secretary implement the provisions of subparagraph (C) of this paragraph. The Secretary has sole discretion to implement subparagraph (C). Trusts or other similar arrangements established or used to circumvent the purposes of this section are part of a change in control that is contrary to the public interest.

"(C) Notwithstanding another law, if a change in control contrary to the public interest occurs after July 31, 1985 in a corporation that has entered into an agreement under this section, the Secretary shall hold a hearing on the record to determine if the change in control is consistent with the purposes of the agreement (as provided in subsection (a) of this section) or with the purposes of this Act. The provisions of title 5, United States Code apply to the hearing.

"(D) If the Secretary determines, as a result of the hearing, that the change in control is not consistent with the purpose of the agreement or with the purposes of this Act, the Secretary may terminate the agreement.

"(E) Notwithstanding the provisions of subparagraph (D) of this paragraph, if a nonqualified withdrawal under subsection (h) of this section is made or requested within three years after the date on which the change in control occurs, the Secretary shall hold a hearing under the provisions of subparagraph (C) of this paragraph.

"(F) If the Secretary determines, as a result of the hearing, that the nonqualified withdrawal is not consistent with the purpose of the agreement of with the purposes of this Act, the Secretary shall terminate the agreement.

"(G) If the Secretary terminates an agreement under subparagraphs (D) or (F) of this paragraph, a penalty of not more than 50 percent of the amount of the net nonqualified withdrawal after calculation of taxes and interest shall be imposed. This penalty is in addition to any taxes and interest that may otherwise be applicable under this section.".●

THE 20TH ANNIVERSARY OF VISTA

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. HAWKINS. Mr. Speaker, throughout the United States there are over 2,400 volunteers working full time to help the poor help themselves. They are working in inner city ghettos, in rural Appalachia, in decaying neighborhoods and in isolated underserved areas of the United States. Quietly and without fanfare, they are finding jobs for underemployed and unemployed teenagers and single heads of households; they are recruiting and training hundreds of neighborhood residents to tutor illiterate adults; they are developing shelters for the homeless; and they are forming food pantries for the hungry.

Today's VISTA volunteers are not all cut from one mold. They come in all sizes and ages. Their backgrounds are as diverse as the communities to which they are assigned. Today's VISTA volunteer may be a welfare mother active in her community and willing to commit a year of her time and energy to help her peers. He or she may be a retired teacher or carpenter, looking for a new challenge. Or, he may be an unemployed factory worker who needs to make a career change. Today's VISTA volunteers usually serve in their home communities, where their knowledge of local needs and problems makes them especially valuable.

So VISTA has evolved over the last two decades. The program continues to serve poor people, but it also attracts as volunteers many poor people. A year of VISTA service at a local nonprofit organization can provide much needed work experience and training for an underprivileged individual. Many volunteers go on to paid staff positions at the nonprofit agency where they worked. Others find related jobs at social service agencies, where they can use the skills and expertise acquired in VISTA.

However, I am disturbed that neither VISTA or its parent agency, ACTION, is conducting any recruitment or public awareness efforts to attract persons with the broadest range of skills and experience to serve in the program. The current administration has limited opportunities for VISTA service to the local communities in which the applicant resides. In my view, ACTION's current policy is penalizing the poorest and neediest populations and denying many citizens the opportunity to serve the poor of this nation as VISTA volunteers.

So often, the poorest communities such as those in my district in south central Los Angeles are the least able to find individuals within the community who are willing to serve as VISTA volunteers and have the skills and resources essential to helping in the fight against poverty. These communities would greatly benefit from VISTA volunteers coming into the community from outside and working with local residents to find solutions to problems such as decaying neighborhoods, homelessness, unemployment, crime, drugs, inadequate health facilities, gang violence, dropouts and illiteracy.

Despite this administration's efforts to dismantle VISTA, the program has survived and has been an invaluable resource to the poor and disadvantaged. I am particularly impressed by VISTA's work in the fight against illiteracy. Experts estimate there are some 40 million Americans who are functional illiterates. Completing a job application, obtaining a driver's license, signing a rental lease, and many other routine tasks that we take for granted, are fraught with problems for the illiterate adult.

This year there are some 500 VISTA volunteers working in the area of literacy in 100 communities around the country. Through cooperative efforts with two national literacy organizations—Laubach Literacy and Literacy Volunteers of America—VISTA has made combating literacy a priority. According to Peter Waite, director of Laubach Literacy, "VISTA has been the single greatest resource to literacy programs over the last 10 years." Waite himself is a former VISTA volunteer.

But we still have a long way to go if we are to significantly impact on the myriad of problems facing America's poor. VISTA is national program, but its budget has been emasculated in recent years, leaving only enough money for 2,400 volunteers currently, compared with 5,000 in 1980.

Throughout the State of California the number of VISTA projects and volunteers has been slashed. In 1979, there were 250 VISTA volunteers assigned to 40 different projects in California. Today, there are only 15 projects and fewer than 80 volunteers. For instance, in the many migrant workers camps in California and around the country, where VISTA workers are desperately needed, there are only a handful of volunteers. VISTA is an invaluable resource, but it cannot begin to address the pressing needs of the poor in America with only 2,400 volunteers nationwide.

When President Lyndon Johnson launched the VISTA Program 20 years ago, he told the first group of new volunteers: "No aspect of the war on poverty will be more important than the work you do." His words are just as true today. As we honor VISTA and the more than 80,000 former VISTA volunteers let us pledge our continued support for the program.

We need VISTA's to provide the legal services so desperately needed by our elderly and indigent Americans. We need VISTA volunteers to help the growing number of "new poor" to become self-sufficient again. We need VISTA's to combat the tragic problem of infant mortality among the poor. We need VISTA's to find jobs for the millions of unemployed Americans.

Now, more than ever, we need the VISTA Program and the dedicated services its full-time volunteers provide. It costs only $7,600 to support one VISTA volunteer for 1 year. Let us allow this program to remain viable and to expand to meet the growing needs of our Nation's less fortunate citizens. It is a cost we can surely afford. It is a resource we cannot afford to lose.●

FAIR BANKING LEGISLATION

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. HUBBARD. Mr. Speaker, I received a copy of a July 2, 1985, letter from Thomas C. Simons, CLU, chairman and chief executive officer of Capital Holding Corp. of Louisville, KY, which was sent to each member of the Kentucky delegation.

H.R. 20, the Financial Institutions Equity Act of 1985, is of great concern to Capital Holding Corp. Tom Simons contacted all of the U.S. Representatives from Kentucky, wanting to alert us to his concerns and opposition to the legislation.

I would like to share his July 2 letter to the Members of Congress from Kentucky. I urge my colleagues to consider his views. The letter follows:

CAPITAL HOLDING CORP.,
Louisville, KY, July 2, 1985.

Re: H.R. 20.

DEAR KENTUCKY DELEGATION: As Chairman of Capital Holding Corporation, I am writing to you to ask that you oppose H.R. 20, the recently reported "non-bank" bill, when this measure comes before the House.

As you know, Capital Holding is one of Kentucky's larger corporate citizens, employing about 2,800 people throughout this state. We seek to provide for the financial services needs of middle income America. In order to do so, we acquired a Savings and Loan and a Consumer Bank from Parker Pen Company in 1984. In our view, this bill could severely restrict our capacity to provide competitive financial services to our market, and I strongly urge you to oppose it when it comes up for a vote.

We oppose this bill for several reasons. First, because the public in general and the business community in particular were not given a fair opportunity to provide input to the legislative process. Second, the grandfather provision and the tandem operations (cross marketing) prohibitions can seriously limit our marketing operations which we believe will, in turn, be harmful to our consumers, our employees and our shareholders.

Basically, H.R. 20 tries to solve problems that do not exist and ignores the real and pressing problems facing the nation's financial institutions. I will not expand this letter to list all of our objections to H.R. 20. Rather, I am enclosing a brief analysis which highlights the bill's inherent faults.

It will take only five or six minutes to read our analysis to see why we are concerned. I ask that you do so, and then that you vote against H.R. 20. Your vote will not only help ensure Capital Holding's continued growth, but it will also be in the best interests of Kentucky's consumers.

If you have any questions or would like more information, please give me a call. With my very best wishes,

Sincerely,

THOMAS C. SIMONS, C.L.U.,
Chairman and Chief Executive Officer.●

ROOSEVELT WRITES ABOUT SOCIAL SECURITY

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. NEAL. Mr. Speaker, on August 14 the Nation will celebrate the 50th anniversary of its Social Security program. As we contemplate this forthcoming event, it is appropriate that we review the conditions which impelled its enactment, and examine both its present status and its future.

Few Americans are as competent to provide that information as is former Congressman James Roosevelt, who was secretary to his father, President Franklin D. Roosevelt, and closely associated with him at about the time Social Security came into being. Mr. Roosevelt has written an inspired essay, which is being widely distributed for publication during the anniversary period. I would like at this point to insert the article into the RECORD and commend it to the attention of my colleagues:

SOCIAL SECURITY BANISHES FEAR: THE GREAT LEGACY OF FDR

(By James Roosevelt)

On August 14th we Americans join in observing the golden anniversary of our nation's great Social Security program. I look forward to that day with a real swelling of pride in my heart. My father regarded Social Security as one of the most important and far-reaching achievements of his Presidency. Fifty years of Social Security and twenty years of Medicare have allowed our nation to make great strides in rolling back the frontier of insecurity experienced by many of our nation's elderly.

Our celebration of the 50th anniversary of Social Security is a fitting occasion both to remember our past, and to renew our commitment for the future. There are few among us who cannot remember, either from first-hand experience or the accounts of family members and friends, the dire circumstances facing all our nation's people when the Social Security program was first conceived in the mid-1930's.

I was a young man just under 30 at the time, when this great nation was engulfed in the worst economic depression it has ever known. Nearly a third of our workers were in very desperate financial straits. Across this nation, people were extremely worried about their day-to-day security, and they were particularly worried about what would be their lot in life when they became old.

This we should keep foremost in our memories on the golden anniversary of Social Security—that virtually in the midst of a grave national economic crisis, the Social Security program laid the "cornerstone" for a new era in which millions of Americans would be able to live more decently, securely and independently than ever before in our country.

Today over 35 million Americans, young and old, receive retirement, disability or survivors benefits from Social Security. Today's Seniors are no longer as dependent on their children for financial support as they were fifty years ago. The Social Security cost-of-living adjustment (COLA) is credited with substantially reducing poverty among the nations's elderly and other vulnerable groups in society.

Over 118 million American workers now contribute to the system. The promise of a Social Security benefit in the future serves as the foundation upon which individuals and families across the nation plan for their long-term income security needs for themselves and their children.

To my mind, one of Social Security's greatest achievements to be honored this month is that it has actually kept its promise, month after month over five decades, to pay its beneficiaries. It is an amazing accomplishment that in these few decades since the Great Depression—when absolutely nothing in life was certain—older people as well as widows, survivors and the disabled now feel that their Social Security program can be counted on to pay benefits as a matter of rights, based on their past earnings and contributions.

The golden anniversary of Social Security is also a time to renew our commitment for the future. Today, Americans can look forward to a healthier and more prosperous retirement than at any other time in history. But it is up to us to preserve Social Security and Medicare so that these benefits may be enjoyed by our children and our grandchildren.

To preserve Social Security and Medicare for future generations we must reject misguided attempts to balance the budget with Social Security and Medicare savings. Well-meaning proposals to protect only the poor from Social Security and Medicare cuts would destroy public trust that these programs are fair and equitable.

Millions of Americans have made contributions into the system during their entire working lives. They believe that one day they would receive benefits in return which would be fair and stable. We must adequately finance Social Security and Medicare in the future to avoid new opportunities for those who would cut benefits or fundamentally change Social Security and Medicare.

Social Security has already been cut three times in the last nine years and Medicare three times since 1981. These recent short sighted attacks on Social Security and Medicare sometimes discourage me. But when I think of the past sacrifices of millions of Americans who built today's Social Security program, I know that we have to continue to fight against Social Security and Medicare benefits cuts. Working together, we will turn back those who would destroy Social Security and Medicare.

So we have much to be grateful for on this golden anniversary, and much work to commit ourselves to in the days ahead. On the 100th anniversary of Social Security in the year 2035, our grandchildren will thank us for what we do today.●

POLITICAL AND RELIGIOUS FREEDOM IN HAITI

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BARNES. Mr. Speaker, I am deeply concerned about the human rights situation in Haiti. Haiti is not only the poorest country in the hemisphere, it is a country in which political freedom is severely limited. During the last several years, U.S. aid programs to Haiti have been increasing. At the same time, however, many Members of Congress have been concerned that progress toward political reforms in Haiti have been extremely limited. In an effort to make clear congressional concern over the human rights situation in Haiti, when the House passed the International Security and Development Cooperation Act of 1985 it made U.S. assistance to Haiti subject to an improvement on human and political rights. Yesterday, we sent that bill to the President and it makes U.S. aid dependent upon a determination by the President that the Government of Haiti is making progress toward improving the human rights situation in Haiti and progress toward implementing political reforms which are essential to the development of de-

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mocracy in Haiti, such as progress toward the establishment of political parties, free elections, free labor unions, and freedom of the press.

Mr. Speaker, it has come to my attention that the Government of Haiti has just recently taken an action which brings into question its commitment to improving human and political rights. I have just received a copy of a protest issued by the Haitian Catholic Church. All seven of the bishops of the Episcopal Conference of Haiti issued a rare protest over the expulsion of three missionaries. In their statement, the bishops voice the concern that the Government of Haiti may be embarking upon an effort to persecute the Catholic Church. If these fears are realized, it will be an ominous sign for the future of freedom in Haiti.

So that all of my colleagues will have the opportunity to read the statement of the bishops of Haiti, I am enclosing the complete text in the Congressional Record. The material follows:

Protest by the Haitian Bishops

The Episcopal Conference of Haiti raises the strongest protest against the expulsion of the three Belgian missionaries from the Missionhurst congregation: Fathers Hugo Triest, Director of Radio Soleil, Jan Hostens, the rector of Port-a-Racquettes (La Gonave) and Yvon Pollefeyt, the rector of Montrouis.

A communique dated July 24, 1985, released by the State Ministers of the Interior and National Defense, Justice, and the Minister of Cults, read over national television at 9:30 a.m., informed the public of the revocation of their residency permits. Father Hugo Triest had 24 hours to leave the national territory, and the others 48 hours.

The Episcopal Conference of Haiti affirms complete disaccord with the expedited procedure used and the total lack of dialogue with the people concerned: the religious superiors and bishops of Haiti.

On July 22, 1985, Father Hugo Triest was physically harassed by police on the street on the pretext that he had a car accident. Taken in a military manner to the Department of Traffic Control, he was humiliated and then released without having been informed of the reason for his arrest. The next day, ordered to the Department of the Interior, he excused himself for not being able to come because his superiors were not informed beforehand, according to the rules of canonical law.

Concerning Father Jan Hostens, accusations were brought against him in a letter of April 8, 1985, signed by the Minister of Cults. The local Ordinary met with Father Hostens twice: on April 30 and June 24, 1985. The priest had declared with proof that these accusations were pure inventions of the head of the local tax collection agency who is at the same time Chief of the Volunteers for National Security of Port-a-Racquettes. The local Ordinary gave the priest the usual recommendations for avoiding any conflict.

Father Yvon Pollefeyt was reproached for his homily of April 25, 1985 on the Feast of St. Marc. The local Ordinary, after having complaints formulated against him by the Minister of Cults, took the measures specified in the code of the canonical law. The Minister of Cults was informed; the case was considered closed.

A mixed commission, established between the Episcopal Conference of Haiti and the Haitian Chancellory—composed of 2 Bishops, the Minister of Cults, and another Minister appointed according to the subject in question—charged with overseeing the church-state relationship, was not called together to study the reasons for revoking the priests' residency permits and the accusations brought against them. All the inquiries of the Episcopal Conference of Haiti, and the interventions of the Holy See, were in vain.

We ask ourselves why these exceptional means were used? We ask ourselves, why the malicious editorials of Radio National and the noxious articles in the governmental daily paper against the Catholic Church, while the same media often expresses hope for good relations between the Church and the State.

Faced with this state of affairs, the Episcopal Conference of Haiti asks itself perplexedly if the Church of Haiti is not confronted with a situation of persecution. Faced with this, we invite the people of God to observe a day of fasting and prayer Friday, August 2, 1985, for the intentions of the Church of Haiti.

With the release of this note, the Episcopal Conference of Haiti has decided, in conformity with the spirit of liturgical renewal, that the rectors and parish administrators in all the dioceses of Haiti, will celebrate TE DEUM and thanksgiving mass and requiem only on such occasions: Independence Day, Agriculture and Labor Day, Flag and University Day, the anniversary of the death of Dessalines, the anniversary of the Battle of Vertieres, and the anniversary of the day of the President's inauguration.

Released at the headquarters of the Episcopal Conference of Haiti on the Feast of Saint Anne and Saint Joachim.

Signed: Monsignor Francois Gayot, Bishop of Cap-Haitien, President of the Episcopal Conference of Haiti; Monsignor Francois Wolf Ligonde, Archbishop of Port-au-Prince; Monsignor Claudius Angenor, Bishop of Les Cayes; Monsignor Frantz Colimon, Bishop of Port-de-Paix; Monsignor Emmanuel Constant, Bishop of Gonaives; Monsignor Willy Romelus, Bishop of Jeremie; and Monsignor Leonard Laroche, Bishop of Hinche.

N.B.—This note will be read in all the churches and chapels of Haiti on the Sunday following its reception. ●

SUMMER CAMP EMPLOYMENT

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. KENNELLY. Mr. Speaker, today, Mr. Russo, Mr. Anthony, Mr. Archer, Mr. Campbell, Mr. Cooper, Mr. Daub, Mr. Downey, Mr. Duncan, Mr. Gregg, Mr. Heftel, Mr. Jenkins, Mr. Matsui, Mr. McGrath, Mr. Pickle, Mr. Robert C. Smith (NH), Mrs. Snowe, Mr. Vander Jagt, and I are introducing a very simple measure to correct an inequity in the Federal Unemployment Compensation Tax Act [FUTA], while at the same time helping to reduce the high rate of youth unemployment throughout the Nation.

This bill would provide summer camps an exemption from paying the Federal unemployment compensation tax on the full-time students they employ—the majority of whom are camp counselors. Currently, tens of thousands of full-time students take temporary positions with camps during their summer vacations, and return to classes in the fall without qualifying for unemployment compensation benefits. Nonetheless, the camps which employ these young men and women are required to pay the full unemployment compensation tax for them.

With these considerations in mind, Congress in 1982 passed a temporary summer camp student employee FUTA exemption as part of the Tax Equity and Fiscal Responsibility Act [TEFRA]. The temporary exemption proved to be very successful. The American Camping Association, a national camping service and accreditation organization, last year completed a cost/benefit survey of the effect of the FUTA exemption during the 1983 summer season. This survey is of particular interest as it concluded that well over half of the estimated $1.7 million saved by the camps went right back into employing more summer youth counselors. The study also found that an additional $300,000 was used by camps to advance public service programs, such as providing scholarships to enable over 2,300 youngsters from low-income backgrounds to go to summer camp.

The bill we are introducing today provides for a permanent summer camp counselors exemption. A permanent exemption would bring the treatment of camps employing student counselors in line with the treatment under current law afforded other institutions similarly situated, such as schools employing full-time students, hospitals employing student nurses, and newspapers employing newspaper boys and girls.

Under current law, the existing exemptions involve full-time students, seasonal workers, educational activities, or some combination of these three. The exemption created by this bill meets all of these qualifications. By definition, the bill addresses only the employment of full-time students, on a temporary basis, by seasonal summer camps. Furthermore, almost all modern summer camps are in some respect educational as seen in programs such as Red Cross health and safety training, physical education, the arts, et cetera. In short, we feel that a particularly strong case can be made in support of the camp counselor exemption. This bill represents a modest yet positive improvement—in

terms of both equity and effect—in the administration of the Federal Unemployment Compensation Tax Act, and I urge the full support of our colleagues for its passage and implementation.●

REGARDING SELLER FINANCING

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MATSUI. Mr. Speaker, for the past year and a half, I have been actively trying to achieve a fair and reasonable solution to the imputed interest issue. I have done so because thousands of homebuyers and sellers need legislative relief from the unintended effects of certain provisions of the 1984 Tax Act. Those provisions were never intended to apply to buyers and sellers of small properties such as homes, farms, and small businesses.

An interim law expired on June 30. We are now under the onerous provisions of the 1984 Tax Act. Seller financing of homes, farms, and other small properties will become increasingly confused, difficult, and near impossible under current law.

Congress promised a permanent solution by June 30. The House and Senate have passed bills. As a member of the Ways and Means Committee, I have taken a special interest in this legislation and have endeavored to enact reasonable and responsible legislation. We are very near final agreement. While the hour is late I hope we can reach a solution today. Our constituents expect the help we promised over a year ago.●

BILL INTRODUCED TO AMEND COPYRIGHT ACT OF 1976

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BERMAN. Mr. Speaker, I am today introducing a bill to amend the Copyright Act of 1976 in order to clarify the intent of Congress when it adopted the "derivative works exception" to the termination provisions of sections 203 and 304 of the Copyright Act.

I approach this matter with great seriousness. When Congress legislates in the area of copyright, we are exercising a responsibility explicitly charged to us by the Founding Fathers. Equally important, I well understand the years of painstaking effort and compromise that produced the landmark Copyright Act of 1976.

But it is for those very reasons that I introduce this legislation and urge its speedy consideration and passage by this body. For in January of this year, the Supreme Court in a closely divided 5-4 decision misconstrued the intent of Congress with respect to a key provision of the act, and thereby deprived authors, songwriters, and other creators of important benefits Congress meant them to have.

In the Supreme Court decision to which I refer, Mills Music, Inc. against Snyder, the Court interpreted the "derivative works exception" to the "termination of transfer and licenses" provision in section 304(c). Section 304 extended the duration of subsisting copyrights from 56 to 75 years, but also gave authors or certain of their heirs the right to terminate any of the author's grants of rights and to reclaim full copyright ownership during the 19-year extension of the term. In so doing, Congress determined that authors who struck unremunerative bargains with publishers when their works were in their infancy should have the opportunity to renegotiate their old contracts.

However, Congress crafted the derivative works exception to carve out a right of continued utilization of derivative works, such as motion pictures and sound recordings. The derivative works exception was designed, it is commonly agreed, to protect the owners of such derivative works from having to renegotiate their rights, and thereby to protect the public which, after all, has an interest in the continued enjoyment of the derivative works.

When an author or his heirs exercise this termination right, the copyright reverts from the publisher to the persons filing the termination, but the privilege of utilizing derivative works is retained by the producer, manufacturer, or distributor—as the case may be—of the derivative work. The question addressed by the Court in *Mills Music* was to whom the owners of the derivative work must pay royalties. The amount of royalties is not in question; that amount is provided for in their licenses. Five members of the Supreme Court held that the publisher was still entitled to its share of the royalties; four members strenuously dissented that such a conclusion would render meaningless the termination right granted by the 1976 act, and that instead, all royalties should go to the author or his heirs.

Justice White's dissent bears quoting because of its clear explanation of the policy questions at stake:

> The derivative works clause reflects an accommodation between two competing concerns: that of providing compensation to authors, and that of promoting public access to derivative works. The majority apparently concludes that its interpretation of the Exception does justice to both of these concerns. But to promote public access to existing derivative works, it is necessary to go no further than to allow the owners of these works to continue to disseminate them. The rights of middlemen to receive royaltie under terminated grants do not enter into the balance; regardless of who receives the royalties, the owner of the derivative work may continue to pay the same rate, and public access to the work will be unimpeded.
>
> By going further than necessary to effect the goal of promoting access to the arts, the majority frustrates the congressional pur pose of compensating authors who, when their works were in their infancy, struck unremunerative bargains * * *

Shortly after the *Mills Music* decision, no less an authority than Barbara Ringer, Register of Copyrights at the time of the drafting and enactment of the Copyright Act of 1976, voiced her dismay at the *Mills Music* decision. In testimony delivered in April of this year before the Senate Subcommittee on Patents, Copyrights and Trademarks, Ms. Ringer stated that "The Mills case is not what Congress intended, and * * * it represents a windfall for publishers at the expense of authors and their families." Pointing out that she drafted the provision in question, she asserts that "The Supreme Court decision seriously undercuts what Congress intended and deprives authors of benefits that are rightfully theirs."

Ms. Ringer also notes that the 1976 act contains a second provision that parallels section 304, namely, section 203 establishing that authors and their heirs may terminate grants made after January 1, 1978, at the end of a prescribed period of years, but subject to the identical "derivative works exception" construed by the Court in the *Mills* decision. She points out that "Unless the Supreme Court's ruling is changed by Congress, its impact will continue into the indefinite future."

The bill I introduce today addresses both section 304 and section 203. It clarifies the intent of Congress when it enacted the Copyright Act of 1976, and properly restores to the creators who enrich our cultural life the benefits we meant for them to have.

H.R.—

A bill to amend title 17, United States Code, to clarify the derivative works exception to the termination of a copyright grant

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CLARIFICATION OF DERIVATIVE WORKS EXCEPTION TO TERMINATION OF COPYRIGHT GRANT

(a) Section 203 Grant Termination.—Section 203(b)(1) of title 17, United States Code (relating to effect of termination of transfers and licenses granted by author), is amended to read as follows:

"(1) A derivative work prepared under authority of the grant before its termination may, after the effective date of termination, continue to be utilized under the terms of the license or other contract which authorizes the use of such derivative work. After the effective date of termination, all rights to enforce the terms of any such license or other contract and to receive royalties or other monies from any such continued utilization shall become the property of, and

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such royalties or other monies shall be payable to, the person or persons in whom the reversion of rights are vested under this section. The privilege of continued utilization of a derivative work does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant.".

(b) Section 304 Grant Termination.—Section 304(c)(6)(A) of such title (relating to termination of transfers and licenses covering extended renewal term) is amended to read as follows:

"(A) A derivative work prepared under authority of the grant before its termination may, after the effective date of termination, continue to be utilized under the terms of license or other contract which authorizes the use of such derivative work. After the effective date of termination, all rights to enforce the terms of any such license or other contract and to receive royalties or other monies from any such continued utilization shall become the property of, and such royalties or other monies shall be payable to, the person or persons in whom the reversion of rights are vested under this subsection. The privilege of continued utilization of a derivative work does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant.".●

THE DISASTROUS BILINGUAL COUNCIL APPOINTEES

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GONZALEZ. Mr. Speaker, together with nine of my colleagues, I am introducing a resolution expressing Congress' disapproval of the Secretary of Education's recent appointments to the National Advisory and Coordinating Council on Bilingual Education.

Congress last year reauthorized and substantially revised the Bilingual Education Act of 1968 through enactment of Public Law 98-511. This law was developed on the basis of congressional hearings on the existing Bilingual Education Act and the educational needs of limited English proficient Americans.

Section 752 of Public Law 98-511 requires the Secretary of Education to appoint a 20-member National Advisory and Coordinating Council on Bilingual Education. The purpose of this Council is to advise the Secretary, the Congress, and the President with respect to the condition of bilingual education in the Nation. The Council also advises on the administration and the operation of programs assisted under the Bilingual Education Act as well as other Federal programs for persons of limited English proficiency.

Last week, the Secretary of Education formally announced the appointment of 19 members to the National Advisory and Coordinating Council.

At least three of the appointees including the Chairman are vocal critics of bilingual education and publicly oppose the very existence of the law under which they were appointed. The appointment of these three individuals, and quite possibly others, calls into question the Secretary's repeated denials of an intention to dismantle the Department of Education and programs to assist disadvantaged persons.

The individuals to which I refer are Dr. Anthony Torres, Howard Hurwitz, and Robert Rossier. Mr. Torres, who served as last year's Council Chairman, is the newly appointed Chair of this year's Council. During a recent presentation, Mr. Torres announced the direction of the Council: "Our thrust is to get the Federal Government out of education, I admit it. The Federal Government never should have been in education."

When an incredulous member of the audience asked Mr. Torres why he would accept appointment to the Council if he opposes Federal education programs, Mr. Torres responded: "I thought it was obvious; because I want to dismantle the program as it exists. My philosophy is, my belief system, is that the Federal Government should not be in the funding of education programs."

How can Mr. Torres provide objective advice to the Secretary of Education to President Reagan, or to us, the Congress, about bilingual education programs for limited English proficient Americans when he wants to abolish all Federal education programs?

Howard Hurwitz has also been named by the Secretary as a member of the new Advisory and Coordinating Council. As with Mr. Torres, Mr. Hurwitz served last year on the Advisory Council authorized under the prior law. In fact, Mr. Hurwitz is reputed to be the author of the Advisory Council's annual report to Congress and the President issued last March. This report inexplicably reached conclusions and recommendations contrary to the overwhelming weight of evidence gathered during the course of the Council's hearings and throughout years of experience in bilingual education programs.

For example, the report's authors ignored the copious evidence presented in testimony before the Council by recommending a reduction in funding for bilingual education programs notwithstanding that the testimony clearly revealed a significant growth in the population of students in need of bilingual education and the State directors of bilingual programs testified to the need for increased, not decreased, funding.

Oddly enough, Mr. Hurwitz recommends less Federal assistance for limited English proficient students, yet increased Federal per diem money for himself and his colleagues on the Advisory and Coordinating Council. Its second major recommendation was: "Increase funding for the National Advisory and Coordinating Council."

Mr. Hurwitz holds such extreme views that he even championed the retention of two recent Secretarial appointees whose ideas on educational opportunities for the handicapped were so radical that they were forced to resign following an unprecedented outcry of public and congressional concern.

Mr. Speaker, I refer to an article by Mr. Hurwitz published in the May 18, 1985, issue of Human Events. The article, "Critics of Aid to the Handicapped are Correct," admonishes the Secretary of Education for accepting the resignations of two newly appointed Education Department officials—Eileen Gardner and Lawrence Uzell—who embarrassed the Secretary by publicly expressing their hostility to helping handicapped students. Specifically, referring to Mr. Uzell, Mr. Hurwitz writes: "He opposes the fed program, along with about everything else that ED does because he believes along with me and the President (at least until 1985) that the Department of Education should be abolished. Bennett believed that, too; but it's hard to refuse so schmaltzy a job. Even I take a little per diem from ED, as an adviser on bilingual education. I advise that the program be abolished." It is hard to imagine a more synical comment.

Like Mr. Torres and Mr. Hurwitz, the third appointee, Robert Rossier, is an outspoken opponent of the entire concept of bilingual education.

In a June 14, 1985 Washington Times article, Mr. Rossier describes bilingual education as "the new Latin Hustle". Mr. Rossier states:

> The ethnic politician in many cases does not care whether bilingual instruction is a valid method of teaching English. In fact, it may be politically advantageous for him if immigrants continue to rely on their native language instead of perfecting their English; since dependence on the home language tends to isolate the group and make it more manipulable.

Quite clearly, Mr. Rossier brings insensitivity and disrespect to his position on the Council.

The appointment of Mr. Torres, Mr. Hurwitz, and Mr. Rossier to the National Advisory and Coordinating Council on Bilingual Education clearly reflect an indefensible politicization in the Department of Education. These individuals who hold such hostile and extreme views on bilingual education have absolutely no place on a counsel whose purpose is to provide reasoned and objective advice to the Secretary, the President, and to us, the Members of Congress.

Ultimately, these individuals victimize the nearly 4 million children whose home language background are other than English and who are limited in the speaking, understanding, and writing skills in English needed to succeed in the English-medium school.

Mr. Chairman, in realizing the inevitable consequences of these politically-motivated appointees, we might consider the thoughts of George Beredy on the relationship between education policy and the national interest:

> Education is a mirror held up against the fact of a people; nations may put on blustering shows of strength to conceal political weakness, erect grand facades to conceal shabby backyards and profess peace while secretly arming for conquest, but how they take care of their children tells unerringly who they are.

The recent appointments of Mr. Anthony Torres, Mr. Howard Hurwitz, and Mr. Robert Rossier demands our immediate attention and concern. They represent a destructive, cynical, and absurd political view. Worse, they seek more to disrupt and destroy education programs—precisely the opposite of congressional intent, and wholly contrary to the explicit purpose of the Council to which they have been named. The least Congress can do is express concern and disapproval, and on behalf of myself and my colleagues cosponsoring the resolution we are offering today, I urge the House to denounce these utterly indefensible appointments.●

TIBOR RUBIN NOMINATED FOR CONGRESSIONAL MEDAL OF HONOR

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DORNAN of California. Mr. Speaker, the Congressional Medal of Honor is the highest award of valor our great Nation can bestow. It is awarded for acts of courage above and beyond the call of duty. There are countless numbers of instances where American men have selfishly risked their lives and never received recognition for their heroism. But when such heroism is brought to our attention, we should not hestitate to honor it.

At the outbreak of the Korean Conflict, Tibor Rubin volunteered to serve his new found homeland. Rubin was born in Hungary and spent 14 months in a Nazi concentration camp during World War II. After the war he emigrated to the United States and began his studies to become a citizen.

During the Korean Conflict, Cpl. Tibor Rubin served his chosen country and his fellow soldiers well. In the field, Corporal Rubin distinguished himself with valor on more than one occasion. But it wasn't until he was wounded, and then captured by the North Korean forces, that his exemplary conduct earned him the undying respect of those who served with him. It was for his courage and his dedication to the United States and his fellow soldiers during his ordeal in a North Korean POW camp that I now nominate Tibor Rubin for the Congressional Medal of Honor.

Mr. Rubin spent 44 months as a prisoner of war in Korea. Though suffering innumerable indignities himself, Mr. Rubin assisted other prisoners—often risking his own life well beyond the normal call of duty. He attended wounded men by cleansing their wounds to keep infection down; he fed the men who were unable to feed themselves. Often Mr. Rubin has jeopardized his own life by stealing food from the North Koreans, not for himself, but for those who were too weak, too infirm, to care for themselves. Stealing food was a "capital crime" if caught. Upon his release from the prison camp he hid the names of the men who were not yet released in his leg cast. Had this list been discovered, his own release would have been forfeited and his life imperiled. Once back in the United States, at his own expense and initiative, he personally contacted the families of those on his list. In many instances he was giving many of them their first information of the whereabouts and condition of their loved ones.

His unselfish acts were witnessed by many and only recently have their eyewitness accounts come forward. Each man believed that Corporal Rubin had already been recognized by his country for his acts of courage. It wasn't until many years later, at a gathering of ex-POW's that Rubin's former comrades learned that his deeds had gone unnoticed by all but those fortunate enough to have served with him.

Tibor Rubin received his U.S. citizenship in 1953. He is proud to be an American, and proud that he could serve his country. Tibor Rubin, without a doubt, clearly distinguished himself with gallantry and uncommon valor, at the risk of his life well above and beyond the call of duty, not once but many times over. He never asked for anything in return; he never sought recognition.

For his selfless acts of valor and risking his life of his fellow man beyond the call of duty, I nominate Tibor Rubin for our highest award of valor—the Congressional Medal of Honor.●

SOCIAL SECURITY—PARTNERSHIP WITH TOMORROW

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DOWDY of Mississippi. Mr. Speaker, on August 14 we will commemorate the 50th anniversary of the signing of the Social Security Act. In signing that act, President Franklin Roosevelt made a commitment of economic support to America's workers and their families. It is a commitment that has been upheld over the years by successive Presidents and the U.S. Congress. It is a commitment that I am proud to be a part of.

The Social Security System has provided many men and women with needed economic protection that is now almost taken for granted. Today the program is strong and in good shape to continue its work into the future. It is fitting that the theme for the 50th anniversary is "Social Security—Partnership With Tomorrow."

There are also unsung heros of the Social Security System who should be recognized on this occasion. I am speaking of the many men and women who make sure that the system functions properly and effectively: The Social Security workers and administrators. Particularly, I would like to commend Mississippi's district manager, Marvin P. Tatum. Mr. Tatum has been an energetic and committed employee of the Social Security System. He has conducted himself in a manner that has won him praise and respect from those who have worked with him. In my own dealings with Mr. Tatum, I have admired the efficient and helpful way in which he has conducted the Social Security Program in Mississippi.

On this occasion of Social Security's 50th anniversary, I salute Mr. Tatum and the many men and women across this country who have served so well and have contributed so much to the Social Security System.●

SUPPLEMENTAL RETIREMENT BENEFITS

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. KENNELLY. Mr. Speaker, today I am pleased to introduce, along with Mr. Pickle and Mr. Archer, legislation which will strengthen the Nation's private pension system by making it easier for employers and employees to protect their pension benefits from being eroded by inflation. Our bill does this by permitting employers and employees to purchase, through their defined benefit plans, supplemental retirement benefits.

The problem our bill addresses is simple. Even a modest rate of inflation can have a serious impact on retirees whose pensions, although based on perhaps the final 3 years of pay, are normally fixed at a flat rate upon retirement. Having concluded that automatic inflation adjustments are too costly, many companies have attempted to address this erosion problem by

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granting periodic ad hoc pension benefit increases. However, such increases have been irregular, providing employees with little means of planning for their future economic security. Despite these problems, many companies and employees would like to see something done to protect the value of private pensions.

The legislation we are introducing today addresses this problem with a simple, voluntary solution. Basically, it permits employers and employees to jointly fund what we call supplemental retirement benefits through an employer's existing tax qualified pension plan or plans using employer contributions and employee accumulations in company savings-type programs (or defined contribution plans). More specifically, our bill allows:

Employer and employee cost sharing in providing supplemental retirement benefits;

An employer to condition its contribution for supplemental retirement benefits on the employee's agreement to share a portion of the cost;

Assurance that the employer's contribution to provide supplemental retirement benefits will not result in taxable income to the employee until benefits are received;

An employer to fund its contribution for supplemental retirement benefits over the employee's career through its established defined benefit pension plan; and,

Benefits to be subject to the joint and survivor protection of current law.

Virtually all of the recent tax reform proposals, including that of the Reagan administration, have recognized the need to encourage continuation of a sound private pension system. The supplemental retirement benefit proposal we are introducing does precisely that. It permits and encourages employers and employees to jointly look to the future and to devote company contributions and personal savings toward the purchase of inflation protection for their pensions.

Mr. Speaker, we believe this bill to be an important step in helping protect the real purchasing power of retirees living on private pensions, and hope it will be considered in this Congress.●

1985 CONGRESSIONAL CALL TO CONSCIENCE

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. OBERSTAR. Mr. Speaker, I rise today to express my indignation over the Soviet Union's systematic and blatant discrimination against and persecution of its Jewish citizens.

As a signatory of the Helsinki Accord's Final Act, signed 10 years ago this week, the Soviet Union has openly violated the spirit and intent of the accords time and time again. This disregard for human rights and fundamental freedoms has rightfully stirred outrage among this Congress and among all people who respect the theme of the Helsinki Final Act—to promote and protect a sense of dignity and equality among all citizens.

Mr. Speaker, I appreciate this opportunity to join the 1985 Congressional Call to Conscience and I call my colleagues' attention to the plight of Vladimir Livshitz.

Vladimir Livshitz is a hardworking, honest man who seeks nothing more than to provide for himself and his family that which we take for granted—freedom. Living in Leningrad with his wife and two children, Mr. Livshitz filed his family's first visa application for emigration to join family members in Israel in September 1981. The Soviet Government rejected that application in December 1981.

Since that time, the family has been refused permission to emigrate at least four times. Mr. Livshitz, a scientist of economics and applied mathematics, lost his job when he first applied for a visa in 1981 and has since been threatened with the charge of parasitism, which can carry a sentence of 1 year in prison. When Mr. Livshitz was sent by Soviet authorities to another plant, he was predictably told that "there was no work for him." On another occasion, Mr. Livshits was asked by the employer to "retract this request for a visa to emigrate"—obviously meant as a condition for employment.

In November 1983, deprived of the right to support his family and denied a visa to join them in Israel, he resorted to a 3-week hunger strike. This fast ended when Mr. Livshitz was given low-level menial employment.

Recent reports offer even more discouraging news of the Livshits' plight and the Soviet Government's shame. Three letters sent by Mr. Livshitz to friends in the United States, England, and Israel were stopped by the Leningrad City Post Office, sent to Soviet Customs, and held there because they "contained material harmful to the State." When Vladimir Livshitz complained of censorship and interference with individual liberty, he was informed by the procurator's office that this confiscation was in accordance with Soviet law and, therefore, he had no legal recourse.

As a result, Vladimir Livshitz, a refusnik for 4 years, sent the following telegram to Mr. Mikhail Gorbachev:

> Repressions, threats, acts of reprisal and a demonstrative censorship of my letters forced me to declare on April 22 a 20-day hunger strike as a sign of protest against censorship of private correspondence and against other forms of persecution directed against Jews wishing to repatriate to Israel.

Mr. Livshits' home was raided on June 11, at which time papers and letters were confiscated. After hours of questioning, Mr. Livshitz and several other Jewish detainees were released, but remain under KGB surveillance. His phone was then disconnected, clearly as a reprisal for his protest against the illegal confiscation of his mail by postal authorities.

Sadly, the tale of Soviet oppression goes on. As recently as July 9, Mr. Livshitz was taken to a police station at the main post office in Leningrad for questioning. He was told a telephone conversation with a friend in the West had been monitored and recorded. Again, books and docments in his possession were confiscated and forwarded to the Jewish Affairs Department of the KGB.

Mr. Speaker, I am outraged at the treatment Vladimir Livshitz has received. As representatives of the greatest democratic body in the world and as citizens of a free nation, we must continue to speak out against such heinous violations of human rights by the Soviet Union. We must impress upon the Soviet Government our commitment to basic human rights guaranteed in the Final Act of the Helsinki accords.

I am moved by the strength and conviction of the Vladimir Livshitz family and I am thankful for this opportunity to pay tribute to their struggle and the struggle of hundreds of thousands of other families in the U.S.S.R. suffering similar plights.●

PRODIGAL TAXPAYER ACT OF 1985

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DORNAN of California. Mr. Speaker, today I am introducing legislation that I believe will help eliminate tax evasion and reduce the budget deficit.

The Prodigal Taxpayer Act of 1985 provides for a 1-year, nationwide amnesty for taxpayers who have failed to file or report their income accurately for all tax years prior to 1985—except in certain cases. Under the provisions of the prodigal taxpayer bill, delinquent taxpayers would be granted immunity from civil/criminal penalties, provided they file a statement with the Treasury Department, agreeing to pay their back taxes plus any interest that has accrued.

Revenues generated from the amnesty would be earmarked for a special account that would be used exclusively to reduce the deficit—no money generated would be available for increased spending.

Tax amnesty programs have been tried in Massachusetts, Illinois, and my home State of California, with successful results. In California, for instance, $144 million was raised in a 3-month amnesty. I firmly believe that an amnesty at the Federal level would be a bonanza, and that there is no good reason not to try it, especially with $200 billion deficits.

It has been estimated that anywhere from $90 to $120 billion in revenue due the Government was not paid last year. If the reaction to the State amnesties is any guide, then a reasonable revenue figure for a 1-year Federal tax amnesty is in the neighborhood of $25 to $35 billion. Such a revenue windfall would undoubtedly go a long way toward making our job of reducing the deficit much easier. I urge my colleagues to support this bill.●

NATIONAL POW/MIA RECOGNITION DAY

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. LLOYD. Mr. Speaker, I recently attended a ceremony in Chattanooga, TN, commemorating July 19 as "National POW/MIA Recognition Day." This eloquent ceremony, not unlike those held in countless cities nationwide, was attended by veterans, their families, the families and friends of servicemen still unaccounted for, and many distinguished officials.

This resolution underscores our Nation's debt to all those men and women who have served to defend our freedom. It also recognizes the unique sacrifice of the families of unaccounted for Americans, and our Nation's debt to these brave men, women, and children. "National POW/MIA Recognition Day" serves to increase public awareness in the United States and throughout the world that there remain over 2,478 Americans still unaccounted for in Indochina.

I believe as long as there is the slightest chance that even one American may still be held captive, as long as there is even one American whose whereabouts is still unaccounted for, then the Congress must continue to press for a complete resolution of this issue. We must remain involved in POW/MIA accountability until every case is resolved and every family is relieved of the anguish and pain of uncertainty about the fate of their loved ones. As a nation, we must stand behind our fighting men and women. We must also keep faith with them and their families. I, personally, will continue my efforts to see that an accounting is made.●

THE RACKETEER WEAPONS AND VIOLENT CRIME CONTROL ACT OF 1985

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. HUGHES. Mr. Speaker, today I am pleased to join the very distinguished chairman of the Judiciary Committee, Mr. Rodino, and other distinguished Members of the House, in a major bipartisan initiative to strengthen our law enforcement respone to violent crime and racketeering.

The polls show us that the No. 1 domestic concern of the American people is the problem of violent crime and drug trafficking.

It is time to ban the sale of machine guns and silencers, the basic tools of racketeers, drug traffickers, and professional killers,

It is time to effectively prevent criminals from buying handguns, the No. 1 weapon of street criminals in America.

The bill we are introducing today is a reasonable, modest and balanced approach to the problem of violent crime and reform of our Federal firearms laws.

In recent years we have seen a dramatic increase in the use of machine guns by drug traffickers and terrorists. We have seen waves of gangland murders and assassinations by contract killers who use silencers.

Machine guns and silencers do not have a sporting purpose. The machine gun, fitted with a silencer, is the weapon of choice for the "narcoterrorists" on the American scene, the cocaine cowboys of south Florida. A silencer is an essential tool of professional killers.

Despite the spread of machine guns throughout the underworld, the abuse of handguns causes more deaths in America than any other weapon. Roughly 10,000 Americans are killed by handgun wielding criminals every year.

We need a better method to keep handguns out of the hands of criminals. It is time to require a short waiting period for the purchase of handguns to prevent criminals from buying a handgun without any check at all. It's my longstanding position that the burden of fighting firearm related crime must be placed on the criminals, not on law abiding citizens. Last fall, as we put together the Comprehensive Crime Control Act of 1984, we made sure that it included a 5-year mandatory prison sentence for criminals who carry firearms in the commission of a violent crime. Of course no law is a panacea, and some criminals will always be able to buy guns illegally. This bill, however, will be an important aid to law enforcement, and will help to prevent crime.

There is no doubt that a short waiting period to check the available records could help reduce crime and prevent people with criminal records or with a dangerous mental illness from acquiring handguns, without any impact on sportsmen. In fact, even the National Rifle Association took such a position a few years ago.

This bill differs significantly from other firearm reform legislation because it is designed both to strengthen law enforcement and to significantly reduce the regulatory burden on the Nation's sportsmen and firearms dealers. For too long the effort to fight violent crime has been polarized. It is time to cool down the rhetoric and move ahead in a practical, balanced and reasonable way to fight crime.

The sportsmen in my district support effective law enforcement. They resent the bum rap they are tarred with when extreme measures that would destroy effective law enforcement are advanced in their name. My constituents support a reasonable waiting period for handgun purchases. They know that machine guns and silencers are not used by sportsmen. They know that weapons must be kept out of the hands of the racketeers and professional killers.

Today, we are reaching out to the Nation's sportsmen to join us in modernizing our firearms laws to prevent crime and to advance equity for lawful firearms users.

We are going to work with the millions of gunowners and firearms dealers who share our concerns about crime, and who don't want unfair regulatory penalties or unnecessary record keeping.

For effective crime fighting measures like this to pass Congress we need the support of citizens everywhere. We need support from the city and from the country, from gunowners and sportsmen, from all Americans who are tired of violent crime, who want to be left alone, and who are tired of seeing the debate about firearms go nowhere.

Almost every law enforcement officer in America, and Americans from all walks of life, have been revulsed by the recent movement of legislation that would undermine effective firearms law enforcement. This action has brought the question of firearms back to the top of the congressional agenda. I am pleased to join Chairman Rodino and my colleagues today in this watershed initiative. I urge my colleagues to join us in cosponsoring this bill.

This is not the time for a retreat in the fight against crime. This is not the time to focus on what we can do to make America safe again.

As Chairman of the Subcommittee on Crime, I want to assure my colleagues and the American people that soon after Congress returns from the Labor Day recess, the subcommittee will hold hearings on firearms legislation—on this bill, and on other pending measures, including the McClure-Volkmer bills. With responsible leadership, we can forge consensus legislation that will make American streets safer for everyone.

Summary and Section by Section Analysis

Racketeer Weapons and Violent Crime Control Act of 1985

SUMMARY

This bill significantly strengthens the Gun Control Act in three major areas, makes a number of other modernizations in the act and provides regulatory relief to the firearms owners and dealers in a number of areas.

First, it requires a 15-day waiting period to provide a record check of prospective handgun purchasers to determine if there is a criminal conviction, adjudication of mental incompetence or other disqualifying circumstance.

Second, it prohibits the transfer and possession of machine guns used by racketeers and drug traffickers to intimidation, murder and protection of drugs and the proceeds of crime.

Third, it prohibits the transfer and possession of silencers used in assassinations and contract murders.

Fourth, the bill eliminates a loophole in the licensing of firearms dealers by allowing the Secretary to consider whether applicable State law would bar a prospective licensee from any conduct required to carry out the business of the Federal licensee.

Fifth, the bill closes a number of loopholes concerning possession of firearms by illegal users of drugs.

Sixth, the bill also provides a number of "regulatory reforms" that the NRA and the Nation's gun owners, sportsmen, and licensed firearms dealers have long desired which will not compromise BATF's law enforcement capabilities.

(a) The bill allows licensed dealers to sell firearms at gunshows.

(b) It eliminates record keeping requirements for the sale of ammunition, except for large quantities, and eliminates record keeping requirements for transfers of curios between licensed collectors.

(c) It provides the Secretary, in cases of violations of the regulations of the GCA an alternative penalty, license suspension, as alternative to the only penalty currently available, license revocation.

(d) The bill expands the class of persons eligible to obtain relief from the disabilities imposed under the Act who have been convicted of a crime or who having once been mentally incompetent, have subsequently been adjudicated as restored to mental competence.

The bill also raises the annual license fees of licensed dealers, pawnbrokers, manufacturers and importers from $10, $25, $50 and $50 per year, respectively, to $200 per year.

Section-by-Section Analysis

Section 1 is the short title.

CRIMINAL RECORDS CHECK

Section 2 creates a waiting period of up to 15 days for a record check before a handgun purchaser is able to obtain possession of the handgun.

The record check is based on a sworn statement made by the prospective handgun purchaser on a form at the initiation of the purchase.

The licensee is required to mail the form to the "chief law enforcement officer" of the place of residence of the purchaser notifying the chief of the transaction, requesting the chief to confirm the address of the transferee, and requesting the chief to examine State and local official records of criminal convictions and adjudications of mental incompetency, readily available to such officer, and to report to the licensee whether any such records show any conviction or adjudication for the transferee.

The licensee is also required to mail the form to the FBI which shall examine Federal official records which may reveal any circumstance making illegal the receipt or possession of the handgun by the transferee and report to the licensee whether such records show any such circumstance.

The licensee may transfer the handgun as soon as he receives replies from the police chief and the FBI that they have no record of circumstances which would disqualify the prospective purchaser. If 15 days elapse and reports have not been received, the licensee may transfer the handgun. However, if at any time before delivery the licensee has received the reports and received information from the police chief or the FBI that receipt or possession by the transferee would be in violation of the law, the licensee may not transfer possession of the handgun. If, after transferring the handgun, the licensee receives the reports and they contain information that would disqualify the purchaser from legally purchasing the firearm, the licensee is required to notify the police immediately.

MACHINE GUNS

Section 3 prohibits the transfer and possession of machine guns.

The bill allows possessers of lawfully registered machine guns to continue their legal possession.

The bill enables a person to dispose of an unwanted legally registered machine gun by permitting the Secretary to buy a machine gun from such person.

SILENCERS

Section 4 prohibits the transfer and possession of silencers in the same manner as machine guns.

PREMISES OF SALE

Section 5 amends the GCA provisions permitting the sale of a firearm to a person who does not appear in person at the licensee's business premises to permit sale in person at a gun show (the premises of an organized event, open to the public, the principal purpose of which is the display, sale or trade of firearms and related items) in the state in which the licensee's business premises are located.

LICENSEES

Section 6. Subsection (a) aids law enforcement by broadening the circumstances to be reviewed by the Secretary in approving applications for a license under the GCA. Currently applicants for a license cannot be prohibited from transporting, shipping, or receiving firearms or ammunition under Federal law. The bill adds a requirement that applicants not be "prohibited by applicable State law from engaging in conduct necessarily incident to business subject to license" under the GCA (such as receiving or possessing firearms).

Subsection (b) would benefit the GCA licensees. It gives the Secretary an alternative sanction for violations of the GCA by licensees. It would allow the Secretary to suspend a license as an alternative to the sole penalty now available of revocation of the license. Revocation would remain an available sanction where appropriate.

RECORDKEEPING

Section 7 benefits GCA licensees. It would eliminate record-keeping requirements by licensed collectors with respect to transfers of curios to other licensed collectors.

This section would also eliminate record keeping in the sale of ammunition in quantities of less than 1,000 rounds. This would eliminate an enormous quantity of record keeping now required of licensed dealers which serves no law enforcement purpose.

RELIEF FROM DISABILITIES

Section 8 contains further benefits for the gun using public.

Subsection (a) contains two important reforms in the provisions of the GCA providing relief from its legal disabilities.

First, while the current law provides persons who have been convicted of a felony with the opportunity to apply to the Secretary for relief from the disabilities imposed by Federal law with respect to acquisition, receipt, transfer, shipment, or possession of firearms, current law denies that opportunity to persons who violated the GCA or the National Firearms Act. Many of the offenses under those acts are of an administrative nature. This subsection eliminates that limitation.

Second, the subsection recognizes that in the evolution of State law there are often provisions expunging criminal convictions for conduct that is no longer deemed criminal or felonious. The subsection directs the Secretary to make an annual review of State laws regarding expungement, and the elimination of disabilities arising from such convictions. The Secretary is then empowered, if consistent with the purposes of the GCA, to declare that each person obtaining relief under such State law is relieved from disability under Federal law.

Subsection (b) provides an opportunity to lawfully receive and possess firearms for a person who, having been adjudicated as mentally incompetent, has been subsequently adjudicated as restored to mental competency, if the court specifically finds that the possession of a firearm by the individual would not pose a danger to the individual or to the safety of the community. Such persons shall be relieved from the disabilities of the GCA incurred because of the original adjudication of mental incompetence.

LICENSE FEES

Section 9 raises the annual license fee for licensed firearms dealers, pawnbrokers, importers and manufacturers from $10.00, $25.00, $50.00 and $50.00 respectively, per year to $200.00 per year.

Subsection (b) would create a fund from the license fees received under the GCA to be used for "grants . . . to State and local governmental agencies for the purposes of providing assistance in enforcing this chapter or the operation of firearm safety programs operated under State or local law."

RECEIPT OF FIREARMS BY DRUG ADDICTS

Section 10 replaces and modernizes the prohibition on receiving firearms or ammuniton by a person "who is an unlawful user of or addicted to marihuana or any depressant or stimulant drug (as defined in section 201(v) of the Federal Food, Drug, and Cosmetic Act) or narcotic drug (as defined in section 4731(a) of the Internal Revenue Code of 1954)" by substituting "who is

an unlawful user of or addicted to a controlled substance as defined in the Controlled Substances Act".

Current law does not include hallucinogenic drugs that were controlled by the Controlled Substances Act, PCP, various tranquilizers, designer drugs or other substances that are added to the schedules of controlled substances by administrative action.

Section 11 contains the effective dates for the various sections.●

AT LONG LAST, A BREAKTHROUGH ON WATER PROJECTS

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WYDEN. Mr. Speaker, I rise to congratulate and express my admiration and appreciation for the key members of the Public Works and Appropriations Committees who—literally overnight—were able to roll up their sleeves and hammer out an acceptable compromise on the funding of critically needed port and waterway development projects in the supplemental appropriations bill.

Congratulations are also clearly in order for Senator Hatfield, chairman of the Senate Appropriations Committee, who has worked tirelessly for months to devise a cost-sharing arrangement acceptable to the administration and Budget Director Stockman—and one that local sponsors and waterway users could live with. Senator Hatfield then spent many more hours convincing his colleagues in the Senate and colleagues on the supplemental appropriations conference committee to support the essence of this agreement.

Thanks to the tireless efforts of these distinguished Members of both bodies—and their willingness to compromise local and institutional concerns in the interest of economic development, jobs and new trade opportunities—we can finally start work on essential infrastructure development and modernization projects in many areas of this country. These include the Pacific Northwest, where—at long last—work can begin on a replacement of the antiquated lock at the Bonneville Dam on the Columbia River. Replacement and modernization of this lock is absolutely essential to our efforts in the Northwest to increase our stature as an international trade center and generate more economic growth. That's why I've introduced legislation in each of the last three Congresses to authorize a new lock—and that's why I'm so delighted that the logjam on this and other needed projects has finally been broken and construction can soon begin.

Finally, I want to reiterate my pledge to Chairman Roe—who, as usual, was a pleasure to work with—to do whatever I can to help him pass a comprehensive omnibus water resources bill this year. Today's developments are a critical step—but are far from being the final step—in our efforts in the Congress to ensure that the Federal Government plays a responsible role in contributing to this Nation's infrastructure development needs. We must continue the journey we started today.●

THE HISTORIC REHABILITATION TAX CREDIT ACT

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. KOSTMAYER. Mr. Speaker, the U.S. tax system has, by nearly unanimous agreement, accumulated many inefficient and unfair programs over the years. There is, however, one program which has enjoyed bipartisan support for its effectiveness. That program is the Historic Rehabilitation Tax Credit Act.

The Historic Rehabilitation Tax Credit Act provides for a 25-percent investment credit for the rehabilitation of a commercial or residential building listed in the National Register of Historic Places or located within a historic district. President Reagan, in his latest tax reform package, now proposes to eliminate the rehabilitation credits despite the unqualified success with which their application has been met.

As a measure of their effectiveness, consider the following:

Directly attributable to the incentive created by the rehabilitation credits in the 3 years following its enactment are the creation of 180,000 new jobs, a $4 billion increase in wages in local economies, and nearly $5½ billion in increased local retail sales and business activity.

Furthermore, the historic rehabilitation tax credit has contributed to the revitalization of countless communities which otherwise would have languished, unproductive and decaying.

According to the National Trust for Historic Preservation, 36,000 housing units have been rehabilitated since the tax credits were first enacted.

In my own district, in Bristol Borough, the waterfront area is the focus of a planned rehabilitation effort which promises to bring new life to an area which clearly has great potential but which needs a boost to successfully compete in today's real estate markets where profit maximizing investors are more inclined to finance the new and the modern.

The historic rehabilitation tax credit gives Bristol Borough just such a boost. Without it the waterfront would remain underutilized and underproductive.

And the the Bristol Borough waterfront is only one of thousands of similar sites around the Nation whose best, most realistic hope for recovery lies with the historic rehabilitation tax credits.

Among the proponents of the credits are the mayors of many of our Nation's largest cities. In June of this year the U.S. Conference of Mayors formally recommended to Congress that the rehabilitation tax credits be retained.

Ironically, just last fall, President Reagan himself hailed the rehabilitation credits for making the "preservation of our older buildings not only a matter of respect for beauty and history, but also of good economic sense."

Mr. Speaker, while I wholeheartedly believe that reform of our tax system is necessary and prudent, I believe that it is incumbent upon Congress to make sure that the reform itself is also prudent. The historic rehabilitation tax credits have proven their effectiveness and should be retained.●

S. 1147, THE ORPHAN DRUG AMENDMENTS OF 1985

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WAXMAN. Mr. Speaker, yesterday the House passed S. 1147, the Orphan Drug Amendments of 1985, and sent the bill to the President for his signature. During our consideration of the bill, I failed to explain the significance of one of the sections of the bill.

Section 3 of S. 1147 concerns orphan drugs that are antibiotics. The amendments made by the section are technical in nature and were included in both the House-passed bill, H.R. 2290, and the Senate bill. They clarify the authority of the Food and Drug Administration [FDA] under the Orphan Drug Act of designate antibiotics as orphan drugs and to offer to the manufacturers of those antibiotics all the benefits of the act.

The technical changes in section 3 are necessary because the original drafting of the Orphan Drug Act made specific references to biologics approved under section 351 of the Public Health Service Act and to drugs approved under section 505 of the Federal Food, Drug, and Cosmetic Act. Unfortunately, these references left some confusion about coverage of antibiotics. There is no doubt that Congress intended for the original Orphan Drug Act to cover all drugs for rare diseases and conditions, regardless of whether the drugs are biologics, antibiotics, or other drugs. The goal of the act is to make effective products for rare diseases and conditions available to the public.

Section 3 will clarify for the FDA that it has followed congressional intent by covering antibiotics in implementing the act.●

LOUIS O. (JEFF) GIUFFRIDA

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. BOGGS. Mr. Speaker, since 1981, Louis O. "Jeff" Giuffrida has served the Nation as the Director of the Federal Emergency Management Agency [FEMA]. His stewardship has been marked with several substantial improvements in the operations of this important agency. As of September 1, 1985, Jeff will leave FEMA and I think his decision to resign provides an opportunity to look at the positive results that have ensued from his work.

When Director Giuffrida came to FEMA, it was in its fledgling state. Its functions were scattered over many different sites. It had problems, as any new agency does and these were compounded by lack of coordination between many divergent views and different responsibilities and disciplines. During his tenure great progress has been made in several areas. The very first thing that Jeff set out to do was to have a baseline audit done by the GAO to provide guidance in addressing the challenges of understaffing and underfunding. He has put the FEMA house in order, has housed FEMA in one location and has led the Agency with very positive results in many areas.

Because the district I represent is often besieged by natural disasters, I have been especially interested in the emergency response to disasters. I have been extraordinarily pleased, not only with the kind of responses that have been put into effect, but also with the training capabilities that have been initiated. In short, through tireless service, Director Giuffrida has succeeded in making FEMA a viable and responsible member of the community of Federal agencies. I am most appreciative of his success and extend my personal thanks for his commitment, dedication, and hard work. Best wishes to him and his family in all their future endeavors.●

CSCE IN RETROSPECT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GARCIA. Mr. Speaker, today marks the 10th anniversary of the signing of the Final Act on the Conference on Security and Cooperation in Europe [CSCE], more commonly known as the Helsinki accords.

The success of the Final Act cannot be measured by traditional criteria. It is not a formal treaty; it is a statement of principles intended to facilitate East-West cooperation. It is also a byproduct of détente, but its purpose goes beyond that much maligned description of United States-Soviet relations in the seventies. The Helsinki accords have forced Soviet and Eastern European governments to recognize a Western interpretation of human rights. They have also offered hope to the people of those nations. Yet, even this glimmer of hope was not achieved without exacting a significant cost both from the West and from Eastern bloc dissidents.

One of the costs was Western acceptance of present Eastern European borders, as well as providing the Soviets with an arena in which to call for European disarmament and more open trade. Initially characterized by its critics as a "sellout" to the Soviets, the successes and failures of the Final Act have largely been a reflection of the fluctuations of East-West relations.

Prior to the Soviet invasion of Afghanistan in 1979, the accords could be viewed as playing a role in the liberalization of the Soviet Government's attitude toward dissent. Conditions became even worse after 1979 and the freezing of United States-Soviet relations. Nonetheless, a welcome side effect of the accords was the spawning of human rights organizations in Eastern Europe and the Soviet Union. Groups such as Charter 77 in Czechoslovakia and Solidarity in Poland look to the Final Act as a source of inspiration.

Unfortunately, many of the individuals who took up the banner of the Final Act in Eastern Europe and the Soviet Union have been made to suffer for their efforts. Still, the Helsinki accords have offered hope and international recognition of the plight of these individuals where there had previously been very little. It is important to remember that the increase in human rights abuses in the East is not a reflection of the failure of the Helsinki accords. It is a reflection of increased East-West tension. The fact that the Soviets continue to criticize the accords is a sign that they must be having some effect, if only to remind the Soviets that they can no longer treat human rights violations as domestic policy.

It is also important to remember that only basket III of the accords deals directly with human rights. The other two baskets deal with such issues as cooperation in economic, science, and the environment, and there has been some improvement in these areas. Of course, basket I does contain the reference to the acceptance of existing frontiers in Eastern Europe. Yet, even this provision is not simply an acquiescence to Soviet hegemony in Eastern Europe. The accords also state that borders can be changed—peacefully—by mutual consent.

Another measurable benefit of the Final Act has been the review process, including conferences in Belgrade and Madrid, and more recently the human rights conference in Ottawa. The accords have forced the Soviet Union and the United States to talk to each other at a time when there was very little contact between the two nations.

In addition, the accords have helped foster an enhanced sense of unity among NATO nations. The monitoring of the accords, indeed the unanimous concern of NATO allies over human rights abuses, has built bridges not only among alliance nations but between NATO and organizations whose function it is to monitor compliance with the accords. This, in turn, has facilitated contact with individuals and groups in the Soviet Union and Eastern Europe, letting them know that the people and governments of the West have not forgotten their struggle.

As Chairman of the North Atlantic Assembly [NAA] Committee on Civilian Affairs, I can personally attest to the work being done by that organization to carefully scrutinize the implementation of basket III of the Final Act. Both in report form and through a quarterly publication entitled "The Bulletin," the NAA has continued to monitor Soviet and East European adherence to the accords. In fact, when I first began attending NAA meetings as a member of the House delegation, I was somewhat skeptical of the usefulness for someone like me becoming involved with an organization that is philosophically tied to a defense-oriented organization. I have found out since then that the NAA is much more than a rubberstamp organization for NATO defense policy. It is also concerned with human rights and peaceful cooperation between East and West.

Finally, when considering the usefulness of the Helsinki accords, it is important to remember that they in themselves cannot change policy. They have been and can continue to be a useful tool for forcing the Soviets to acknowledge at least some of their human rights abuses and, at best, to offer hope and recognition to the struggling people of Eastern Europe.●

WE MUST NOT ALLOW INSTITUTIONS TO BECOME THE PERMANENT PRISONS OF OUR NATION'S SENIOR CITIZENS AND HANDICAPPED INDIVIDUALS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. RAHALL. Mr. Speaker, on Tuesday, July 23, 1985, I introduced legislation to amend title XIX of the Social Security Act to require States to provide for payment for reservation of nursing home beds under the Medicaid Program.

Current Federal regulations allow States to pay nursing homes for reserving a bed during a recipient's temporary absence from the facility if: one, the recipient's plan of care provides for absences other than for hospitalization; and two, the State's Medicaid plan provides for such payments and describes any limitations on the reserved bed policy. In other words, Federal regulation provides States discretion as to whether they wish to reserve nursing home beds for program beneficiaries and discretion as to the circumstances under which beds can be reserved.

Unfortunately, many States do not choose to provide the security that this option would provide. In many cases, a patient is forced to forgo the opportunity to participate in therapeutic recreation outside the home or even family visits because there is always the chance that the nursing home would have given someone their bed during their absence. At a time when we in Congress, and society as a whole, are advocating family and community participation in the care and welfare of our Nation's senior and handicapped citizens, this is a tragic occurrence. In my belief, it is also a contradiction to the original intent of Congress.

In an effort to correct this abhorrent situation, H.R. 3062 would make the reservation of nursing home beds for up to 15 days in any 12-month period a provision of the regulations—not an option to the States. Furthermore, a nursing home's ability to participate in the Medicaid Program would be contingent on its agreement to allow patients this 15-day period of flexibility.

Realizing the possible cost of this type of measure, I have included a provision which clearly states that the State plan under this title need not provide for payment to a skilled nursing or intermediate care facility for the reservation of a bed for any days on which the facility cannot demonstrate that there is an individual waiting for the use of that bed. This provision should prove to be quite a cost-saving measure and an improvement on the existing law.

H.R. 3062 is designed to reaffirm the commitment of Congress to the well-being and humanitarian treatment of our Nation's institutionalized citizens. I hope that my colleagues will realize the need for this legislation and join me in this effort; 15 days for every 12-month period is all this bill is asking; 15 days to visit one's family; to participate in therapeutic recreation; to have some sort of social interaction in other than a hospital setting. Can we justify denying senior citizens and handicapped individuals this small period of time outside an institution? In all good conscience, I cannot. I hope that my colleagues will feel as I do and lend their strong support to this legislation. ●

SECRETARY OF EDUCATION'S APPOINTMENT OF ROBERT ROSSIER

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LELAND. Mr. Speaker, the Reagan administration has again shown its insensitivity to the concerns of the minority communities of this country. From the beginning, this administration has consistently made appointments detrimental to the interests and needs of our minority communities.

Today I find myself, once again, having to vehmently speak out against another Reagan administration appointee. President Reagan's Secretary of Education, William Bennett, has chosen to reappoint, to the National Advisory and Coordinating Council on Bilingual Education [NACCBE], Robert Rossier. Mr. Rossier has, through an article published in the Washington Times on June 14, 1983, shown himself to be insensitive and callous to the concerns of the Hispanic community. The NACCBE, the central advisory panel on bilingual education, is charged with the momentous responsibility of guiding and directing the Department of Education's policy for the education of Hispanic children in this country. To allow Mr. Rossier, whose article was entitled, "Bilingual Education: The New Latin Hustle," the opportunity to play a significant role in policymaking, is an affront to all the people who have worked diligently and tirelessly in an effort to secure equal educational opportunity for all children. Mr. Rossier states, "the ethnic politician in many cases does not care whether bilingual instruction is a valid method of teaching English," and that this program was maintained only to help bureaucrats, administrators and "power-seeking politicians." It is unconscionable that someone who holds such an extreme opinion of the Hispanic community, and its leadership, would be allowed to participate on a council, charged with serving the interests of that very community. His participation on the Council will only serve as an opportunity to dispense inflamatory rhetoric when, what is most needed, is thoughtful and objective analysis of the most effective methods of educating these children. The education of these children is the central issue. Mr. Rossier's comments only serve to divert us from our main objective.

Though I am a strong advocate of bilingual education, and frankly, am concerned about the recent policy direction this adminstration has taken, my objection to the appointment of Mr. Rossier is based, not only on his position on bilingual education, but, more importantly, on has slanderous and degrading attacks on the leadership of the minority community. Suggesting that people who have dedicated their lives to developing and refining methods of educating Hispanic children, are doing so simply to achieve some measure of political power, is deplorable. It is appalling that this administration would even consider, for appointment, someone who so openly insults and debases the integrity of the Hispanic community and its leadership. Mr. Rossier's appointment underscores the lack of sensitivity this administration has toward the Hispanic population of this country.

When will this administration learn that they cannot continue to blantantly ignore the needs and concerns of the minorities of this country. Appointments, such as Mr. Rossier's, only reinforces the ever-growing impression that this administration has a callous disregard for the needs and interests of the minority communities in this country. I call upon the Secretary of Education, Mr. Bennett, to withdraw this disgraceful appointment.●

UNITED STATES-SOVIET ARMS REDUCTION TALKS

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. FORD of Tennessee. Mr. Speaker, earlier this week, the United States and the Soviet Union traded proposals which each felt would be a step toward reducing the threat of nuclear war. While the Soviets offered the administraton a 5-month moratorium on the testing of nuclear weapons, the United States invited the Soviets to monitor a nuclear test in Nevada.

Ordinarily, these proposals might be considered as a new beginning to arms reduction possibilities. In reality, it is unfortunate that neither side has begun to bargain seriously at this late date. These proposals have obviously been floated to try and win world opinion, and has failed at the very least to accomplish that. Let's at least give the American public and the international community credit for recognizing that.

It is time that both the United States and the Soviets get down to the hard decisions that need to be made. Our negotiators have been meeting with the Soviets for some time without results. Neither side has felt compelled to do anything about the current state of affairs. Although the time for game playing has ended, the two sides continue to go through the motions of arms reductions. If the current atmosphere surrounding United States-Soviet arms reduction talks continue, we can expect similar propaganda when Mr. Reagan faces off with Mr. Gorbachev in November. Unless the groundwork is laid now, the opportunities for a breakthrough in arms reduction will be lost for another 3 years.

Mr. Speaker, I call upon my colleagues at this time to once again consider the possibility of a mutual and verifiable freeze on, and reductions in, nuclear weapons. I do not accept the notion that such an agreement with the Soviets is impossible. Last week, I joined with many of my friends from both side of the aisle in cosponsoring the Comprehensive Nuclear Weapons Freeze and Reductions Act of 1985. Passage of this legislation would again express to the President how serious both the Congress and the American people feel about the arms race.

Mr. Speaker, I appeal to the President: Let's not let arms reduction slide for another 3 years. The freeze proposal is a serious alternative to what will otherwise be a never ending battle for nuclear stockpiles. ●

TREASURY-POSTAL APPROPRIATIONS BILL FOR 1986

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. AuCOIN. Mr. Speaker, I would like to commend the chairman of the subcommittee, Mr. ROYBAL and the ranking minority member, Mr. SKEEN, for their attention to the Customs issues in this bill.

Nothing could be more important as we battle a rising trade deficit of record magnitude. An effective and efficient Customs system is essential to exporters who are trying to move goods overseas in an increasingly competitive world marketplace.

The Columbia/Snake Customs District was just formed last year and its viability is critical to meet the current and future needs of a growing trade community. We, in Oregon, share the committee's support for adequate Customs staffing as a key element in maintaining critical services.

However, of paramount concern to me and the Columbia/Snake District is that the Customs Service not interpret the committee's action to provide additional personnel in certain areas of the country as justification to consolidate other districts, including the new Columbia/Snake District.

I appreciate the chairman's assurance that the additional personnel called for in this bill in no way signals support for district consolidations.

At a time when we should be doing all we can to expedite and promote trade, we cannot afford to be shortsighted in our approach to Customs Services and the important role they play in the international trade economy. ●

GRACE UNDER PRESSURE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DORNAN of California. Mr. Speaker, I believe that there is little doubt that the budget deficit is our No. 1 economic problem and must be dealt with swiftly and surely. In my view, the best way to deal with the deficit is to cut wasteful and extravagant Government spending—and there is a lot of it to cut.

One man who has taken the lead in bringing the deficit problem and solutions to it to the limelight has been J. Peter Grace, the 72-year-old chairman and chief executive officer of W.R. Grace & Co. His Commission's report on waste, fraud, and abuse in Government spending has rallied scores of Americans who are demanding that we, as representatives of the people, look into his Commission's findings and act on them. Mr. Grace has also inspired many of us here in Congress, resulting in the formation of the bipartisan Grace Commission caucus, on which I proudly serve.

To date, the overall response to the Grace Commission report by Congress has been woefully inadequate; indeed, it has been downright negligent. This is truly a shame because Mr. Grace and his colleagues have discovered countless legitimate initiatives to increase efficiency in Government. It is my contention that the Commission's recommendations are being overlooked either out of stupidity or liberal heavy handedness. In fact, precisely because the liberals have been such obstructionists in this matter, it has become necessary to introduce a resolution to force each committee to look into the Commission's findings and enact feasible recommendations, of which there are many.

Nobody likes to have an outsider tell them how to run their operation—least of all the liberal busybodies that control the House. However, when it comes to Government spending, it is obvious that we need some help. Therefore, Mr. Speaker, in support of the efforts of that fine gentleman, J. Peter Grace, I would like to submit for the historical record the following recent article on Mr. Grace and his Commission that appeared in the July edition of TWA Ambassador magazine:

[From TWA Ambassador, July 1985]

GRACE UNDER PRESSURE

(By D.J. Tice)

One day not long ago, J. Peter Grace was cooling his heels, waiting to appear on a radio talk show. An aide stepped into the room hoping to placate his impatient boss.

"You'll be on the air in five or ten minutes, Mr. Grace."

"Five or ten minutes!?" Grace snapped back. "That's a 100-percent variance!"

Peter Grace is a numbers man—a brilliant, single-minded, obsessive, or maniacal numbers man, depending on whom you talk to, but a numbers man in everyone's estimation, including Peter Grace's. "I just feel that numbers are the only game in town," says the 72-year-old chairman and chief executive officer of W.R. Grace & Company. "The numbers tell you exactly what the situation is. The only way you're going to find out about something is to look at the facts; and the facts are the numbers."

Like many things Peter Grace says, this is hard to disagree with and hard to believe all at once. "There's a lot more to running a business than numbers," insists Smith Barney analyst Jim Wilbur, one of Grace's numerous Wall Street critics. "If he's spending all that time with the numbers, maybe he's not spending the time he should with other aspects of the business."

The dean of America's corporate executives, who this September will celebrate his 40th anniversary at the helm of W.R. Grace (a tenure unmatched in the Fortune 500), is having none of it. He hasn't found any "aspects" of business that aren't questions of facts, and therefore best understood by the numbers. "In business, you have to understand what you're in, and what the categories are of the environment that you're in, and what the measuring yards are of what you're in, and then you can see whether within that environment you can meet certain goals. There are some people who are successful because they have great instincts, but it's all numbers, basically."

Managers at W.R. Grace, a $7-billion conglomerate spread-eagled across the economic landscape in a wondrous and bewildering tangle of businesses ("They're in tennis rackets, tacos, ammonia, and oil," snipes Wilbur) learn quickly to respect their chief's passion for the numbers. They learn, for example, to banish adjectives and adverbs from their reports and presentations, in accordance with an unwritten but entirely serious company rule. ("Mr. Grace says there's not an adjective or adverb in the world that can't be replaced by a number," said an aide. "He doesn't want to know that something's 'bad.' He wants you to define bad.") They learn that results that conform to projections are preferred to results that

exceed them. They learn that anything faintly resembling a major decision will require analysis on a "spreadsheet" of hundreds, sometimes thousands, of columns—spreadsheets that on occasion have stretched to 60 and 90 feet in length and have been tacked up on hotel-corridor walls so that Peter Grace could stroll along, contemplating every ratio and every trend line, like a salty old general inspecting his troops. And they learn to emulate their septugenarian boss's extraordinarily long workweeks at winter budget-review time, during which they are summoned, one by one, to a small oval meeting room on the Grace building's 48th floor, there to sit at a front table like a prisoner in the dock and endure Peter Grace's adversarial, excruciatingly detailed cross-examinations. Graphs, charts, and other illustrations are rarely welcomed. Grace takes his numbers straight.

"Overkill" concedes a close aide to Grace, "is a word you hear pretty often around here." It's also a word, or at least a sentiment, that's been heard pretty often of late in Washington, D.C., when the subject is Peter Grace. Grace was chairman of the President's Private Sector Survey on Cost Control, commonly known as the Grace Commission. During Ronald Reagan's first term, the Commission took a long, hard look at the federal government's numbers and last year produced a 21,000-page horror story, not counting 1.5 million pages of supporting documentation. In essence, the Grace Commission concluded that Washington's profligate spending habits are leading the nation down a short road to catastrophe. ("What does it mean? The end of freedom as we, our parents, and our grandparents have known it," writes Grace in his book about the Commission's findings, Burning Money.) Grace's most startling and galling contention is that the government's runaway deficits are entirely the result of waste, fraud, and Washington's utter disregard of elementary management principles. The Commission identified $424.4 billion that its says the federal government "burns" every three years—spending that could be cut, Grace argues, without sacrificing a single welfare program, a single weapons system, or anything else of importance, except to pork-barrel politicians.

"And we've just scratched the surface," Grace says. "We were only down there part-time. Put the same team down there full time and you'd increase that by 50 percent, easy."

Initial reaction to the Grace Commission report ranged from faint praise, accompanied by the conclusions that most of its 2,478 recommendations are politically impossible and that Grace himself is "one of the most radical fellows in or around government" (this from columnist George F. Will, not Jesse Jackson); to a detailed and impressive study of the study by the Congressional Budget Office and the General Accounting Office, which found Grace's numbers exaggerated (Grace in turn produced a study of the study of the study, which, not surprisingly, disagreed); to charges that Grace's report is "the most outrageous piece of statistical sleight of hand I have encountered" (from Democratic Congressman William Ford of Michigan), "on the verge of ridiculousness" (from former Democratic Congressman Richard Bolling), and "bordering on fraud" (from a spokesman for the Center for the Study of Responsive Law, a Ralph Nader offspring).

Peter Grace, who has launched an exhausting personal and corporate crusade to sell his view of Washington to the American people is, to put it mildly, unimpressed with his critics. To Representative Ford he responded, "When you stick a pig, it squeals." In *Burning Money* he writes: "When you speak of [cutting waste], you're threatening the mother lode of Congressional patronage, and all but the most rare and eccentric Congressmen will wail and fight against such a radical proposal like a cross, sleepy baby holding on to her Cabbage Patch doll."

This is not the sort of talk that gets one invited to a lot of Georgetown parties, but Grace doesn't seem to mind.

"I don't think anybody has any friends in Washington," he says.

Peter Grace carries a gun. That irresistibly curious fact has been reported so many times in business journals and elsewhere that Grace's .38 Cobra Special revolver must by now be the most conspicuous concealed weapon in New York City. Yet there may be more to Grace's pistol-packing than an elderly gentleman's eccentricity, more even than the official explanation of it—that Grace's name has appeared on several terrorist "hit lists." To study Peter Grace's past and to hear his thoughts on the present and the future is to detect a profound and consistent sense of vulnerability, of urgency. The world according to Grace—whether the business world or the political world—is a dangerous, unpredictable, even capricious place, where those who would endure had best be vigilant. Five years ago, in an interview with an internal company publication, Grace was served up the customary fat pitches. What did he consider his most important achievement in 35 years of leadership? "Surviving." What goal had motivated him to work so hard over the years? "Not to lose."

Such unduluted gravity would have been hard to predict from Joseph Peter Grace, who was born just prior to World War I into a life of fabulous wealth and unrelieved leisure. The Grace family's rise from poverty—closer to a Pershing II launch than a Horatio Alger tale—had been engineered by Peter's grandfather William Russell Grace. W.R. fled Ireland's 1846 potato famine as a teenager, established himself in Peru as a ship chandler, parlayed a small fertilizer business into a major international trading company, and became a tycoon and twice mayor of New York before his death in 1904.

W.R.'s son, Joseph Peter Grace, Sr., greatly expanded the company's textile and commodity operations in South America. He also founded the Grace Line steamship company, an airline, and a bank. By the time his son was born, J.P. had turned W.R. Grace & Company into a robust behemoth drawing some 92 percent of its earnings from Latin American operations. J.P., meantime, was drawing a salary equivalent to about $10 million a year in today's dollars.

"Nobody makes that kind of money anymore," says Peter Grace, who earned $868,000 last year.

At the tender age of eight, Grace got his first lesson in the vagaries of the marketplace and the indispensability of caution. In 1921, Warren Harding entered the White House promising a "return to normalcy," but "normalcy" proved not all that it was cracked up to be. The end of the war-inspired, worldwide economic boom sent commodity prices plummeting. W.R. Grace, then deeply invested in the commodities-trading business, was trapped, and gravely wounded. J.P.'s frenzy and anguish as he struggled to resuscitate his company made a lasting impression on his young son. A decade ago, Grace told *The Wall Street Journal*: "It's always been in the back of my mind that if my father, who was much more conservative than I am, almost went broke, then I have to be terribly careful."

Nevertheless, "playboy" is the word almost universally used to describe the young Peter Grace. It is, to be sure, a difficult image to reconcile with this balding, paunchy, slightly hard-of-hearing curmudgeon, known for his grueling, 80- to 100-hour workweeks (Grace reportedly shaves while using the toilet and has installed fluorescent reading lights in his limousines—all to make more time for work) and his just-the-facts-please sensibilities.

"Well," says Grace, "we had 60 servants on our place. I had 28 polo ponies, a yacht, and a place in Scotland where we went shooting every summer. So I guess you'd have to call that being a playboy. I played polo, I played hockey, I played golf. I didn't do any work. I just laid around. . . . I went through all the leading preparatory schools . . . the leading snot schools, and then I went to Yale."

A disdainful edge in Grace's voice tempts one to observe that such a youth couldn't have been all bad. "It was a disadvantage," he says, saving you the trouble. "The only thing that saved me was sports. When you live like that you don't learn how to live, how to sacrifice, how to suffer, determination. You don't learn any of those things in a life like that, but you do learn them in sports. Sudden-death overtime periods in hockey—you learn something about giving that extra amount."

Grace, married 44 years to his wife, Margaret, a former W.R. Grace secretary, has not seen fit to raise his own nine children in similarity lavish fashion. A devout Catholic who says without hesitation or embarrassment that his faith is the most important thing in his life, Grace sent his five sons, two of whom work at the company, and four daughters to parochial schools, and only to Catholic universities. "Most of the people who lived in my building at Yale were screwing girls three nights a week," he says. "I didn't think that was the best atmosphere to send my children to."

Grace himself escaped the disadvantages of privilege, somewhat reluctantly, upon his graduation from Yale in 1936, when his father ceremoniously put him to work as a lowly W.R. Grace mail clerk. To this day Grace recalls his feelings of frustration and loss at being forced to abandon his hockey, his polo, and his girlfriends (he had dated, among others, Kathleen Kennedy), and is still capable of expressing bitterness over the distasteful mixture of resentment and brown-nosing that greeted him in the mail room. In 1938, Grace's father dispatched his son to Peru, where W.R. Grace did nearly 70 percent of its business. There Grace was fully awakened to the enormity of his own naiveté and to the harsher realities of life by a cold shower of urine.

"I think it was the first night I was in South America. I was sent up to a 15,000-acre sugar estate, with 10,000 workers on one plantation and another 10,000 on another one, and as I walked down the street someone threw a pot of piss out the window and I got hit. They didn't even have sanitary facilities. Twenty-thousand people throwing their piss out the windows. So I wondered, 'How long are we gonna be able to sit in New York clipping coupons, taking dividends out of these properties, when the people working here are living like this?' It scared the hell out of me."

Not everyone shared Grace's trepidations. W.R. Grace was prosperous and growing in the late 1930s; its profits quadrupled between 1935 and 1945. But Grace, with the guidance of Chilean economist Raul Simón ("The smartest man I ever met," Grace says), looked out across the Latin American landscape, and saw change fast approaching—disastrous change for an American company "sitting in New York clipping coupons."

"In Peru," Grace says, "about a third of the people were living [in the mountains], just cutting cocoa leaves. They didn't even speak Spanish, and everybody was wondering how soon they'd be absorbed into the economy. And, of course, they weren't going to be absorbed. [Simón] predicted, 'You'll never be able to borrow anything. The economies are going to go to hell, and you won't be able to get working-capital loans because they'll cut you off and only give it to local, national businesses. And then the currencies will go to hell. And then they'll expropriate your assets.' Well, I became convinced that he was right, and he was."

Thus began one of the extraordinary corporate transformations, and one of the extraordinary management careers, in American business history. The W.R. Grace & Company for which Peter Grace was working that first soggy night in Peru has vanished. Not a single sugar refinery, not a single paper or textile mill, not a single shipping route, not a single banking or insurance operation remains. In their place, Grace has tried just about everything, buying some 130 businesses and selling off perhaps half that many in the last 40 years.

If all that restless, not to say frantic, searching for the right business recipe has left Wall Street confused, if it has produced erratic and by some measures mediocre profits, it has also produced remarkable overall growth, with total assets climbing 39-fold in Grace's four decades, and has earned Grace the businessman's supreme accolade: most observers agree that Peter Grace saved his company from certain oblivion.

He began the remaking of W.R. Grace in 1945, when he became president after his father suffered a stroke. It took him six years to chose among oil, electronics, and chemicals as the new major trust for W.R. Grace. He chose chemicals in the end largely because he thought the price of oil too low and the technological requirements of the fast-changing electronics industry too great. Grace's blitzlike entry into the chemicals field in the early Fifties was almost certainly the most brilliant move of his career, yet it very nearly cost him his job in a 1952 "vote of confidence" before the board of directors—a year before W.R. Grace went public. The board had cause enough for concern: in his first seven years at the helm, Peter Grace had managed to reduce the company's earnings by more than half.

Things got better in a hurry, despite a disastrous failure in plastics. By 1962, chemicals accounted for well over 50 percent of W.R. Grace's sales—sales that had nearly tripled since 1950. (Today, W.R. Grace is the nation's sixth-largest chemicals producer). But the company's metamorphosis had only begun. In the early 1960s, Grace became enamoured of the idea of establishing a "General Foods of Europe," and hungrily began buying up Dutch chocolate makers, Italian pasta manufacturers, French restaurant chains, and the like. Most of those acquisitions faltered, as did others in footwear, office supplies, auto parts, and a host of other consumer businesses. By the early Seventies, Grace had undeniably succeeded in diversifying his company and severing it from its old Latin American roots, but what he held in his had looked a little like weed. Tangled and overgrown, W.R. Grace's consumer operations earned barely one percent on $1.6 billion in sales in 1974—although the chemicals business was churning along, making the company's overall numbers far more palatable.

A major international reassessment over the past decade, leading to dozens of divestitures, has made a good deal more sense of W.R. Grace's consumer division, now concentrated in specialty retailing (Herman's Sporting Goods, home-improvement stores, and Berman's leather outlets, among others) and restaurants (including El Torito's, T. J. Applebee's, and Del Taco). Consumer operations accounted for 36 percent of the corporation's sales and 14 percent of its earnings in 1983.

So much for the ammonia, the tennis rackets, and the tacos. W.R. Grace is also in the oil (and coal and gas) business—an ingredient Peter Grace added to his business mix in 1973, at the height of the energy crisis. There can be no doubting the short-term wisdom of that move, as Grace's natural resource division enjoyed an exhilarating run from its founding through 1981, when it turned in a tidy $182-million profit. Since then, the division has looked, at least to outsiders, like another candidate for divestiture. Natural resource earnings plummeted to $23 million in 1983, and recovered somewhat, to $44 million, last year. For his part, Grace concedes that the recent drop in energy prices and demand has "knocked the hell out of our earnings" (1984 corporate earnings were barely more than half the 1981 figure), but he remains confident that the business will rebound, and that his natural resource venture was "a good decision."

To the tastes of many on Wall Street, Grace's business recipe has always contained too many unpleasant surprises, of which the oil downturn is merely the latest. Analyst Wilbur complains that despite his relentless rushing about, Grace is "overly cautious." Offering the theory that Grace has welcomed the heavy investments of Germany's Friedrich Flick group, W.R. Grace's largest single stockholder, as a hedge against takeover bids or internal revolts, Wilbur adds, "He's run that company like he's managing his own portfolio. Most investors like to do their own diversifying."

Grace is not disposed to deny the latter charge, nor to significantly differ with Wilbur's analysis of W.R. Grace's so-so reputation on Wall Street. But where analysts detect weakness, Grace sees virtue: "The disadvantage of [diversification]," he says, "is that you can't specialize in one thing. You're never as good at any one thing as you'd be if you did nothing else. The advantage is that no one thing lasts very long—and they last less and less long [nowadays]. When one business goes down, another goes up, and that gives you a stability. We feel that that has helped us greatly over the last fifteen years.

"Now, when you get more stability downside, you get more stability upside, . . . so you get less growth possibility. But today, in the 1980s, I think most businesses are trying to retain earning power rather than trying to explosively add to it. Do you know many companies that are growing at fifteen or twenty percent per year? No, I don't either. I think there are more that are declining at fifteen percent a year. . . .

"I don't know of one stockbroker who doesn't recommend a diversified portfolio to his investors. We feel that we have the same obligation to our stockholders. Now that there are more and more institutional investors, they control the [stock market], and they care less about that. They do it all on computers. We had a big mutual fund sell out on our stock. We asked them why, and they said, "The computers showed that you were slightly overvalued."

"So the more you have completely disloyal investors, . . . the less [stability] matters to them. But if you were appealing, as we were when we started, to family investors, and individual investors who wanted to put their money away in a safe place, the diversification that we had definitely suited their books."

Grace utters these words in the W.R. Grace board room, high above Times Square on 42nd Street, but he couldn't be further removed from the "pure play" mentality of Wall Street if he were still in Peru. In this stubborn, fiercely self-certain defense of the pursuit of stability lies the essential, defining paradox of Peter Grace. He is indeed, as George Will suggests, one of the most radical fellows around. But he is a radical proponent of security, willing to go to any length—to transform his company and keep it in a state of turmoil for four decades, to confidently challenge the awesome inertia and entrenched traditions of Washington—just to keep the important things the way they are.

James Watt and Raymond Donovan notwithstanding, even hardened critics of the Reagan Administration are apt to grant it a knack for politicaly savvy, and thereby effective, appointments—Lane Kirkland and Claude Pepper to the Social Security commission, for example, Henry Kissinger to chair the Central America commission, William Ruckelshaus to head the EPA after its reputation became hazardous to the administration's heath, and more recently, Bill Brock, a fierce but respected foe of the AFL-CIO, to replace Donovan at Labor. The choice of Peter Grace as point man in the assault on federal waste demonstrated the same sort of mastery, or mischief if you prefer, as Grace brought to his assignment the qualifications Reagan values most in a tight spot—unassailable credentials and the kind of personality that can divert attention and criticism from Ronald Reagan.

Literally no one in America can match Grace's experience in managing a large bureaucratic organization. His demonstrated passions for diversification and precision accounting also recommended him highly as an advisor to Washington, the world's most diverse and unwieldy spender. What probably clinched Grace's appointment were his long-time criticism of government mismanagement (as a lifelong Democrat, no less), his reputation for tireless, even obsessive commitment to the tasks he undertakes, and a special talent for rough and tumble debate.

Despite Grace's impressive credentials, and despite the dearness of the waste issue to the president's heart, few had high hopes for the privately financed task force of corporate executives that Peter Grace was named to lead early in 1982. Many remembered the futility of the Hoover Commission of the late Forties and early Fifties, which correctly identified billions in waste but eliminated very little, blocked at every turn by special-interest patronage. Many others pointed to the Reagan Administration's own energetic but largely ineffective assaults on waste in 1981 and 1982 and saw the Grace Commission as an attempt to cover a lack of fire with additional smoke. (No one, it appears, thought to turn one of the president's favorite anecdotes against him—the one about the politician who became so exasperated with government duplication that he appointed two task forces to study the problem.)

In any case, the Grace Commission report has proved a good deal more durable and influential than its supporters had expected and its critics had hoped. It's worth remembering that the Commission's intitial findings were made public not at the White House but, rather more inconspicuously, at the Commerce Department. Nonetheless, Reagan has, not for the first time, confounded Washington wisdom by doing exactly what he said he was going to do—deliver not just words but action on the Commission's report. Grace Commission recommendations worth $112 billion in three-year savings, by Grace's reckoning, were implemented in the 1985 budget or through direct administrative action. In his 1986 budget, Reagan has proposed somewhat more controversial Grace recommendations worth $128 billion in three-year savings—all of which require congressional approval. The administration is still studying Grace's remaining recommendations, worth a whopping $184 billion over three years. Although it is by no means clear that Congress will be receptive to Grace's notions of good government, the Commission has already accomplished more than most government-reform task forces, and has almost certainly set a record among endeavors of its kind for inspiring press attention, public outrage, and congressional protests.

And small wonder. The Grace Commission report is a government baiter's dream—literally thousands of pages of deliciously absurd examples of bureaucratic bungling and procedural paralysis. The national press had a jolly time in 1983 when the Commission leaked word of the $436 Pentagon hammer (see chart), yet the pricey hand tool is just one of hundreds of similar follies the Commission exposed. One Californian, reading of the Pentagon's hammer prices, mailed the IRS six hammers in lieu of the $2,400 he owed in back taxes. Grace swiftly advised him that he could have saved postage by mailing in 26 three-penny screws, for which Uncle Sam routinely pays $91 each. Other lowlights of the Grace report:

At the Department of Health and Human Services, a single letter requiring the Secretary's signature involves up to 60 people and takes, on average, 47 days to finish.

The Veterans Administration spends between $100 and $140 processing each medical claim. Private insurance companies average between $3 and $6 per claim.

In 1980, Congress appropriated $946 million in disaster-relief funds for victims of the Mount St. Helens eruption, and $386 million was spent on such relief. The remaining $560 million cannot be precisely traced.

In 1981, the average occupancy rate in military hospitals was 46 percent, compared with 80 percent in private hospitals. Meantime, the government paid private hospitals $550 million to care for military personnel.

On average, federal employees take 40 percent more vacation days and 60 percent more sick days than private workers. They retire earlier and draw penisons 200 to 500 percent larger than the best available in the private sector.

The federal government occupies four times all the office space in America's ten largest cities—approximately. In fact, the government doesn't know exactly how much office space it has, or where it is, or how much it is paying for it.

On average, it takes the government 366 days to negotiate an office-space-lease. The General Services Administration has announced the objective of reducing that to 238 days.

The Administrator of the Veterans Administration, the head of a $26-billion operation with 200,000 employees, must seek congressional approval and endure an eight-month wait for any reorganization he wants to implement—if it affects more than two employees.

On average, the federal government pays its bills 10.2 days before they are due, costing taxpayers, on average, $2.3 billion per year.

Here's a glimpse of how the government budgets: If a federal loan program lends $100 million this year, and collects, $50 million in repayments on previous years' loans, it will report just $50 million in outlays for this year. Don't try this at home.

The Department of Energy employs one supervisor for every three employees.

"It could not be more outrageous," says Grace of federal management. "Couldn't be more outrageous! . . . One of the first things the president asked me was to find out how many federal employees there are in California. [Reagan has long claimed that federal employees outnumber state employees in his home state, a claim critics have challenged.] I went to [Ed] Meese, who said he'd get [that information], but he's never gotten it. Noody can get it. Nobody has that kind of information. . . . There are no records! The OMB [Office of Management and Budget] didn't even know how many social programs there are. They told me there were 110 to 130. There are 963."

The federal government, as portrayed by Grace, is less a devouring beast than a dithering buffoon—utterly lacking in the most rudimentary information about its own operations (the army, Grace writes in Burning Money, "not only doesn't know how many computers it has, it doesn't know where they are, how much has been spent on them, and whether they should be maintained, upgraded, or replaced . . ."); utterly paralyzed by nonsensical rules and regulations that proliferate because federal managers, lacking information, have no other way to "control" their operations (for some bewildering reason, the military is prohibited from taking competitive bids when moving personnel to Alaska or Hawaii); and utterly stymied at every economizing turn by special-interest pressures (for six years, the National Weather Service has been trying to close 38 unneeded local weather stations—not one closing has been approved).

Such revelations, of course, are not exactly new. It was the enormity of Grace's numbers—far outstripping even Reagan's earlier estimates of government waste—that attracted attention. The most formidable challenge to those numbers, the CBO-GAO study, has pretty well withered away in the face of Grace's blistering, numerically daunting counterattack, which suggested that once all errors and artificial limitations in the CBO-GAO study are accounted for, it actually documents higher, not lower, savings from the Grace Commission's recommendations. In February of this year, CBO-GAO issued a second, and far friendlier, analysis of the Grace report.

Still, Grace's contention that fully sixteen percent of federal spending is waste (this would include the additional waste that he is sure would be uncovered if efforts like his are continued) barely begins to express the radicalism of his views, and the radical implications of the Grace Commission report. To begin with, Grace's prognosis for the future if nothing is done to control federal spending is, well, dire—a $2 trillion yearly deficit by the year 2000, a $13 trillion national debt ($169,000 per current taxpayer), and "the end of freedom as we know it." And even those disheartening numbers are understated, Grace insists, because they conform to the government's "bewildering" and "incomprehensible" accounting system. Unlike private businesses and smaller units of government, the federal government is not required to pay as it goes—to set aside funds this year for future obligations incurred this year. If we add in, as we must in reality, the obligations the government is incurring for future Social Security and federal pension payments, Grace's projected deficit for the year 2000 becomes $3.8 trillion. "Intergenerational rape," Grace calls it.

Grace, nevertheless, is by no means entirely gloomy about the future. He does not see the government's problems as insurmountable. Nothing to it, really—just rewrite the Constitution a bit. Although he never says as much, we can probably count on Grace's vote should the abolition of Congress ever come to a referendum. When he approaches the matter of congressional meddling in Burning Money, the normally blunt and earthy Grace betrays his earnestness by taking this side trip into abstract euphemism: "While the [Commission's] Survey certainly has no competence or desire to argue constitutional issues, still it appeared to us as professional executives and managers that there is a significant dollar cost to congressional encroachment in the management of federal agencies."

The federal government's essential problem, according to Grace, is that its day-to-day operations are "micromanaged" by 535 congressmen and senators who are vastly more concerned with the near-term good will of the folks back home than with the long-term welfare of the nation. The Commission's report cites scores of examples of Congress blocking perfectly sensible agency plans for streamlining. Of 4,000 Defense Department installations in the United States, for example, the Pentagon considers 312 important to the national defense. Why haven't the rest been shut down? Don't ask.

For the most part, Grace's congressional critics have responded to this kind of talk by charging that the Grace Commission exceeded its mandate to examine federal management practices and charged hell-bent into the realm of policy. Grace disagrees, while conceding that the line separating management and policy in Washington is too fine to walk. Grace, for example, argues that our welfare "policy" is that the income of all Americans should be raised above the official poverty line. He reasons that if that policy is to be effectively managed, it only makes sense to keep track of all the government aid—including "in-kind" aid such as rent subsidies, medical benefits, food stamps, and the like—that citizens receive, thus giving welfare agencies the information they need to ensure that additional help goes where it is most needed. To many in Congress, all questions about the definition of "need" are matters of "policy," as indeed, in a sense, they are. Grace counters that if keeping tabs on federal largesse runs counter to established policy, then that policy has been misrepresented to the American people. "The value of free school breakfasts and lunches is not taken into account in figuring out how many food stamps a family can get," he writes. "Is it heartless to suggest that the same child shouldn't be fed the same meal twice? Not at all. The object is to get the most benefits to the poorest people at the least cost to the taxpayers. It is not our objective to load up a lucky few with over-sized benefits while others go hungry and the taxpayers go broke.

In many other areas, the Grace Commission found federal programs that had a legitimate social purpose when they were first established, but which have long since been rendered obsolete by events. Far too many of these programs survive, Grace argues, because for every government program, needed or not, there is a constituency, and for every constituency, deserving or not, there is a vote-hungry congressman. Grace waxes sardonic on this phenomenon: "In 1825, when Army posts were isolated fortresses out on the wild frontiers of America, the government found it necessary to let the Army set up small grocery stores inside the posts. . . . Today, military commissaries number 358. . . . Such an isolated outpost as Washington, D.C., has six of them. Wild frontier towns like San Francisco and San Antonio have five. Remote San Diego and forlorn Norfolk, Virginia, have four."

Congress's tendency to preserve once-valid policies in perpetuity also helps explain the area of "waste" that seems to exasperate Grace most—the oversized pensions and fringe benefits of government workers. Those generous benefits, Grace explains, were initially instituted because government jobs were poorly paid compared with similar jobs in the private sector. That is no longer the case—except for management-level government workers—but federal fringe benefits continue to conform to the old realities.

Or, rather, to the ever-present reality of pressure-group politics. "If you're a congressman, you never hear from us, the ordinary working people," Grace says. "But these pressure groups organize the Congress so that the subcommittee on civil-service activities is composed largely of [representatives] from Virginia and Maryland and such—that's where [a lot of] these civil-service people live. If you're a congressman from those states, you don't vote against legislation that harms their interests, because if you don't vote their way, you're gonna lose [in the next election]."

Perhaps the one encouraging message that emerges from the Grace report is that there is a method to Washington's madness. We needn't be mystified, Grace says, by the irresponsibility of Congress once we understand the political forces at work on our representatives. Nor need we wonder long why federal management is inept once we grasp the degree to which government managers are handcuffed by congressional meddling and driven by powerful incentives to ineptitude. The federal manager, Grace says, will reap no reward for efficiency, for accomplishing more with less. Quite to the contrary, his power, prestige, and pay are determined by the number of employees he supervises and by the rank of those employees. Given those incentives, Grace says, we shouldn't be surprised that government managers scramble to involve as many highly paid people as possible in even the most elementary projects.

"The motivation of people in Washington is ridiculous," Grace says. "These people lead lives in fear of being exposed, completely defensive lives. Have you ever seen a hockey game? Then you've seen the team that's playing for a tie. They trail one wing, two defensemen never go down the rink, they never put less than four men on the opponent when he's trying to get into their goal. That's playing for a tie, and that's what these government people are doing. 'No trouble. I'll just stay 'till I'm 55, get my indexed pension, stay out of trouble, wait it out.' Tie ball game."

Doubtless the tie ball game syndrome is the affliction that debilitates most reform efforts in Washington. Even if all of Grace's recommendations were adopted—an exceedingly unlikely event—new inefficiencies and boondoggles would surely sprout like cherry blossoms along the Potomac so long as Congress, driven solely by parochial constituency interests, looms like a tyrannical board of directors over every federal agency and federal managers find rewards only in expanding their bureaucratic empires. Recognizing this, the Grace Commission recommended what amounts to a revision of the U.S. Constitution—a dramatic shift of power from the legislative to the executive branch—which is likely as appealing to congressmen as the prospect of being hanged.

Grace is, first, a mighty proponent of the "line-item veto," under which the president, like 43 governors, would be free to accept some portions of a bill and veto other portions, rather than being forced to accept or reject an entire legislative package as written. The line-item veto, Grace believes, would put an end to the "legislative riders" that sneak onto the most straightforward and essential appropriations bills like rats onto a ship, and through which Congress does most of its meddling in the government's day-to-day affairs. Some critics of the idea argue that the line-item veto would merely make Congress even more irresponsible, since the burden of weighing the merits of legislative riders would fall entirely on the president; others oppose it on constitutional grounds, insisting that the line-item veto would in effect permit the executive branch to write law—a power the founders invested solely in Congress.

But if constitutional purists are troubled by the line-item veto, they must be positively mortified by Grace's proposal for a new management office that would effectively prohibit Congress from interferring in the operational affairs of executive branch agencies. "We're going to operate the government like a company," Grace says. "We'll have a chief financial officer, a chief operations officer, and a computer czar. They'll report to high-level, tough business people who will tell them how to run their operations effectively. The top guy would report to the president, but he'd run the government, the operations. This would have nothing to do with policy. Once the policy is set, you'd turn the task over to him and he'd run it for you.

"We've got to get Congress to agree to this line-management structure, and then [Congress] wouldn't be running everything. Once they pass the legislation, the executive branch would say, 'Okay, we'll run it for you. Pass the bills and get out.' That's the way it ought to be. They'd pass, say, food stamps, and we'd figure out a way to stop fraud in food stamps. And there'd be no congressman to mess with it."

There is only one sure way to change things," says Peter Grace, "and that's to get everybody suffering so badly that they pay attention. It's like when New York City was going bankrupt. I was working on that [on the Citizens Budget Commission], and I was the one who had to go to the mayor and tell him that the banks weren't going to roll over the loans. We're watching money here like a hawk now because we went bankrupt. Maybe that's what will have to happen to the country. When people are going to sit up and take notice is when they're being screwed enough.

"That's the way it is with the world, because people don't think. Most people don't think. They don't know anything about the deficit. It's not hurting them right now, so why study it? People are naturally very selfish and ingrown. That's not everybody, but it's the majority."

At 72, Peter Grace has resolved the first great challenge of his life—to save his imperiled family business and build it into a secure corporate giant, largely invulnerable to the vagaries of any one marketplace. It is remarkable, though not at all surprising, that at this late date he has assumed so much personal responsibility for heading off yet another great, "unseen" peril—runaway spending—with such evident passion and, yes, pleasure. By his own reckoning, Grace is now working 60 hours a week on company affairs and 30 hours a week trying to persuade the American people that the economic house is built on sand, that Washington must be forced to enact sweeping reforms. Grace had committed millions of W.R. Grace dollars to a series of television and print advertisements that convey that message. He has helped form a speakers bureau that will, he hopes, bring the message to chambers of commerce, rotary clubs, and PTAs around the country. He has personally made hundreds of speeches and submitted to scores of interviews, and he means to keep at it.

And what if it can't be done? What if the tie ball game syndrome is incurable, and the federal government simply cannot be made efficient Should we then, as many conservative thinkers suggest, resign ourselves to the inefficiency of government and simply cut services to the level we can afford?

"I can't tell you, because I think it's so utterly ridiculous not to make it efficient before you start cutting services that I don't like to talk about it. What are you going to do if you can't eat tomorrow? Start stealing from grocery stores? I don't like that kind of question."

Later, though, he returns to it. "I think anything is possible. I really do. I think anything is possible. And even if it isn't possible . . . You know, Mother Theresa was on a street corner in Calcutta one day, and there were three bodies lying there, and she was working on one of them. And somebody asked her, 'Aren't you upset that you can't even get to all the bodies?' And she said, No. God created us not to be successful, but to be faithful.' So if you believe in something and you know it's right you have to be faithful to the cause, even if you're not going to be successful. That's life."●

FEDERAL COAL EXPORT COMMISSION TO BE ESTABLISHED

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. RAHALL. Mr. Speaker, this week the Congress passed S. 960, the International Security and Development Cooperation Act of 1985. Contained in this legislation as section 1304 is a provision which I authored that would establish a Federal Coal Export Commission. This provision is the product of a bill I introduced earlier this year, H.R. 1005, and which I offered as an amendment to the House version of the foreign assistance authorization bill, H.R. 1555.

It is important to note that for the first time, the Congress has passed legislation which has as a goal the expansion of the U.S. share of the international coal market. The legislation seeks to achieve this goal through the increased cooperation among all entities, both Federal Government and private sector, with an interest in the U.S. coal export trade.

The vehicle for this effort will be the Federal Coal Export Commission to be established under the auspices of the Secretary of Commerce. The Commission is to have 30 members with one-third representing Federal Government agencies and two-thirds representing the private sector.

The Federal seats are reserved for representatives of the International Trade Administration; the Energy, Transportation and State Departments; the Office of the U.S. Trade Representative; and the Export-Import Bank with consideration of the Agency for International Development.

The private sector seats are reserved for producers of export coal, coal labor, coal transporters, and financial institutions involved with coal exports.

Primary among the duties of the Commission will be to examine innovative methods of assisting U.S. coal exports through programs such as those of the Export-Import Bank and the Agency for International Development. It is no secret that the Export-Import Bank was essential to the development of the El Cerrejon coal mine in Colombia—a massive coal project which will not only displace U.S. coal exports in foreign markets, but which is today exporting Colombian coal to the United States. The Export-Import Bank has been relatively active in providing financial assistance to foreign coal projects. yet, when it comes to assisting the exportation of U.S. coal, I have found the Bank to have a dismal record. When such assistance is available, it is in the form of the bank's export credit insurance program; a program not highly responsive to the particular needs of U.S. coal exports.

As I stated on the House floor when I offered this provision as an amendment to the House foreign assistance bill on July 11, 1985, the Agency for International Development seems to try to be of some assistance to U.S. coal, but to date, has not been overly successful. The agency, at least, has stated that in no instance is it supporting the development of foreign coal which would compete with U.S. coal.

Both the Agency for International Development and the U.S. Export-Import Bank will, without a doubt, benefit through participation in the Federal Coal Export Commission. These Federal entities will learn, first-hand, from coal exporters and other Federal agencies with more expertise in coal matters just what type of financial assistance will be helpful to promote U.S. coal exports.

As the author of this legislation, I place great emphasis on the financial assistance element of the Federal Coal Export Commission's mandate, including efforts to expand the participation of coal producers in Export Trading Companies. However, the Commission is also to examine diplomatic channels to expanding the U.S. share of the international coal market and in this regard, the State Department has had a record of failure. It is my desire that through its participation in the Commission, the State Department will learn from the International Trade Administration and the private sector what types of concrete actions need to be taken with our trading partners, particularly the Japanese, with respect to increasing U.S. coal exports.

Another very important element of the Commission will be to examine domestic impediments to coal exports and I do not believe the Commission, in this regard, needs to waste its time and resources on any other issue but railroad rates on coal exports.

The Department of Transportation, as reflected by its blanket support for the decision on export coal rates made by the Interstate Commerce Commission, has virtually ignored the threat posed by unreasonable railroad rates to U.S. coal exporters. It is conceivable that if the Transportation Department and coal-hauling railroads are brought into a forum with coal producers and labor to discuss this matter, some benefit may be realized. This will, however, require a good faitn effort by all parties.

Mr. Speaker, let me say in conclusion that new competition is being formed against U.S. coal exports aside from our historical competitors from Australia, Canada, South Africa, and Poland. This new competition is coming from Columbia, and possibly other South American countries such as Venezuela in the near future. The Federal Coal Export Commission will not be a panacea for the problems facing U.S. coal exporters, but it will provide a needed boost to our efforts to address many situations which can be handled by increased cooperation among the Federal and private sectors, and within those sectors.●

ACTION URGED TO REMOVE SOCIAL SECURITY TRUST FUNDS FROM THE UNIFIED FEDERAL BUDGET

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. YOUNG of Florida. Mr. Speaker, this morning I wrote my colleague from Oklahoma, JIM JONES, chairman of the Ways and Means Subcommittee on Social Security, urging the subcommittee to expedite consideration of H.R. 1385, legislation I introduced to accelerate the removal of the Social Security trust funds from the unified Federal budget effective October 1.

President Reagan endorsed my legislation yesterday and the subcommittee held hearings on the subject April 23. As I said in my testimony before the subcommittee, the Social Security system was established 50 years ago as an autonomous, self-supported program with independent trust funds financed by employee and employer contributions. The surplus in these trust funds cannot by law be commingled with general Treasury funds to pay for national defense, education, or agricultural programs, build roads or bridges, or pay for the interest on our national debt.

Still there are some who propose reducing Social Security benefits to lower the national debt. Such attempts, however, provide false budgetary savings because any savings made in the Social Security system cannot be used to reduce the Federal deficit. Accelerating the removal of the Social Security trust funds would return a sense of autonomy to the Social Security Program and will reassure our Nation's Social Security recipients that their benefits will no longer be in jeopardy.

Mr. Speaker, prompt action by Congress in this matter will prevent Social Security benefits from being the object of constant attack during next year's congressional budget process as they were throughout this year's budget negotiations.●

FISCAL YEAR 1986-87 FOREIGN AID AUTHORIZATION AND FISCAL YEAR 1985 SUPPLEMENTAL APPROPRIATIONS

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WIRTH. Mr. Speaker, yesterday the House took two very important votes—on the conference reports for the fiscal year 1986 foreign aid authorization and supplemental appropriations for fiscal year 1985. I voted against both of these reports and want to take this time to explain my reason for doing so.

The reason is simple and straightforward: I cannot support policies designed to make military intervention our predominant tool of foreign policy, especially in Central America.

The supplemental appropriations bill contains $27 million for so-called "humanitarian" aid to the Nicaraguan Contras. The approval of this appropriation signals to the world that the United States advocates the overthrow of a government in a country with which we are technically at peace. This appropriation indicates our preference for fueling an illegal war instead of participating in the internationally recognized Contadora negotiating process. It means we would rather risk further bloodshed and the political destablization of our allies—such as Costa Rica and Honduras—than use diplomacy and economic development to heal the deep social and economic rifts from which the conflicts in Central America have emerged. I deeply regret Congress' lack of foresight and patience in ignoring this latter approach—one that is flexible and is the consensus policy adopted by our allies in the Organizaton of American States.

The inclusion of aid for the Contras in the supplemental is doubly regrettable because it compelled me to vote against an otherwise outstanding appropriations package. The most important provision in this package is the $1.5 billion in economic support funds for Israel. Thus far, Israel has done an admirable job of addressing its economic difficulties. For our most important ally in the Middle East, we can do no less than financially assist Israel's drive to overcome its economic problems.

The supplemental contained a number of other provisions of great importance to Colorado and the Nation.

A long delayed water storage project crucial to the long-term economic vitality of Colorado and the settlement of decades-old water disputes with Native Americans in the region was part of the package. The conference report provides start-up moneys for the Animas-La Plata project is southwestern Colorado. The authorization of these moneys provides the first concrete congressional support for Animas-La Plata since its initial authorization in 1968.

Federal assistance programs critical to thousands of Colorado farmers were also part of the supplemental appropriation package. The additional $2.9 billion to restore net losses to the Commodity Credit Corporation, combined with the $1 billion package recently approved, will assist many Colorado farmers who, with a near record crop on their hands, have few markets in which to sell their highly perishable product.

Finally, the additional appropriation of $318.9 million for the Food Stamp Program and additional funds for student financial assistance will serve to fulfill the important commitment we have made to assist countless needy families and deserving young people.

Yet despite the critical importance of funding for these programs, they pale in comparison to the commitment our country is making—by virtue of the supplemental—to an illegal and destabilizing war in Central America.

In contrast to my perspective on the supplemental, I have few reservations about voting against the conference reports on the fiscal year 1986 foreign aid authorization. This legislation is strewn with measures designed to involve the United States in conflicts around the world. It erodes our dedication to seeking the resolution of international conflicts primarily through diplomatic efforts rather than military.

Reflecting this attitude is the provision to repeal the Clark amendment, which prohibited U.S. military or paramilitary assistance to Angolan rebels. Although Congress did not match this repeal with the authorization of assistance for Angolan rebels, it has already had a devastating impact on efforts to remove the South African presence from Namibia and Cuban troops from Angola. Two days after the House voted for the repeal, the Government of Angola withdrew from sensitive negotiations which even the State Department acknowledged had a good chance of resolving the decade-old problems of occupied Namibia and the Cuban presence in southern Africa.

The foreign aid bill reinstates our military presence in Southeast Asia for the first time since 1975. It authorizes $5 million in military aid to Cambodian non-Communist rebels, even though their prospects for success are closely intertwined with those of the vicious and more numerous Communist Khmer Rouge forces, under the leadership of Pol Pot.

The bill also provides another $27 million in humanitarian assistance to the Contras. More importantly, it contains no language barring the Central Intelligence Agency—the same agency that illegally mined Nicaragua's harbors and financed the creation and distribution of assassination manuals—from distributing the aid to the Contras. With the Boland amendment due to expire on September 30, the lack of that restriction is ominous indeed.

In my critique of this rush to provide military assistance, I do not mean to imply that we should never assist rebel insurgencies. For example, I strongly support the conference report's authorization of $15 million in both fiscal year 1985 and fiscal year 1986 for the Mojaheddin of Afghanistan who are fighting the occupying forces of the Soviet Union. This case differs from the others I have cited because efforts at negotiation, under the auspices of the United Nations, have languished in the face of Soviet stonewalling. Moreover, the Soviet forces are presently engaged in a cruel—almost genocidal—attack on the Afghan people. The reports of indiscriminate Soviet bombing, maiming, and torturing of Afghan civilians must be met with a prompt and concrete response, something that we in the Congress have only begun to do.

There are numerous other reasons to oppose this legislation. First, the conferees have dramatically weakened the successful formula by which Congress has induced El Salvador to accelerate the democratization of its political system and bring an end to its terrible human rights abuses. The conferees replaced the House's explicit conditioning of aid on Presidentially certified progress toward democracy and human rights with report language that removes the stringency and effectiveness of the certification requirement.

Second, Congress is sending the wrong signal to the Marcos government of the Philippines by shifting the focus of our aid program back toward the military. At a time when the new people's army has spread throughout the archipelago and discontent with the Marcos regime is rampant, we must inform Marcos that the stability of the Philippines rests on his ability to engineer a peaceful transition to representative democracy. Our security consideration—namely our rights to Subic and Clark Air Force Bases—depend on such a transition and the continued good will of the Filipinos. Shifting more aid to the Philippines' military account will only encourage President Marcos to pursue a military strategy against the NPA—a strategy that will undermine Filipino hopes for democracy and long term U.S. security interests.

Third, the conferees may have done a disservice to the Middle East peace process by converting the House's firm restraints on arms sales to Jordan into

"sense of the Congress" language. I am strongly opposed to the sale of advanced weaponry to any Arab country that does not formally recognize Israel and enter into peace negotiations based on U.N. resolution 242.

After reviewing the conference report on the coming year's foreign aid authorization, I can find only several major provisions which truly serve our country's long-term security and foreign policy needs. Among them, first and foremost, is the authorization of $3 billion in military and economic aid to Israel, along with the $1.5 billion in fiscal year 1985 supplemental economic assistance. Our steadfast commitment to democracy and freedom in the Middle East is inextricably bound to the fate of Israel. I will always support necessary levels of aid to help Israel revitalize its economy and maintain its superior defenses.

I am also pleased that my colleagues retained the House provision concerning airport security which requires the Secretary of Transportation to pinpoint foreign airports with security deficiencies and grants the President the discretion to impose a boycott of such airports or to cut off American aid to the nations housing those airports. We must take every precautionary measure available to stem the tide of terrorism.

Mr. Chairman, to protect our country, to assist our allies, and to advance the spread of democracy, we need sound foreign aid legislation. We need legislation that emphasizes diplomacy and economic development and supplements those vital tools with a prudent security assistance program. By holding up this year's foreign aid bill to those objectives and conditions, we recognize how counterproductive this legislation truly is.

I am ready to support foreign aid legislation that represents our ideals and protects our interests. But neither the fiscal year 1986 foreign assistance authorization nor the fiscal year 1985 supplemental appropriations legislation, as reported by their conferees, fills these roles. Therefore, I must oppose these bills, although I do so with great reluctance in the case of the supplemental appropriations bill.●

WILLIE D. HARRIS' PRIVATE BILL

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. DORNAN of California. Mr. Speaker, today I am introducing a private bill to permit Willie D. Harris of Cerritos, CA, to present a claim against the U.S. Air Force. The bill would allow Mr. Harris the right to sue for damages for any injuries he suffered in connection with steroid injections administered to him by Armed Forces medical personnel during his service in the U.S. Air Force, provided that such injuries are determined to be the result of negligence on the part of such medical personnel.

As a result of ill-advised council and in ignorance of administrative and judicial remedies, Mr. Harris let his right to appeal the final, unfavorable Air Force administrative decision lapse. Due to the serious nature of his claims he deserves to have his right to bring his case to court reinstated. My bill, plain and simple, will give Mr. Harris a well-deserved day in court.

At 19, Mr. Harris could slam-dunk a basketball. But at 43, he can barely stand long enough to make a pot of coffee. Mr. Harris played basketball in the early 1960's for Kritland Air Force Base, NM. For 2 of those years he played on injured knees with the help of steroid injections. He did so upon the recommendation and concurrence of the military physicians assigned to the base at that time. His doctors now claim that the steroid treatments made him a cripple for life.

I have personally seen the thick scars from his five previous operations on his knees. He will be undergoing a sixth operation tomorrow, August 2, 1985, in Long Beach Veteran's Hospital. This operation will be an attempt to try and save his left kneecap. There is only a 50–50 chance that the doctors will succeed. Nothing will relieve the pain.

I believe that Mr. Harris was treated unfairly and this injury and as a result of mistreatment effectively killed the chance of pursuing a career in professional sports. Mr. Harris had a promising future in basketball. The old Oakland Oaks of the American Basketball Association had noticed him while he was on active duty, and upon his release offered him a tryout. At the time he was still unaware of the extent of his injuries. But the coaches and medical personnel of the Oakland Oaks told him that his knees would not stand up under the pressure of professional basketball.

It wasn't until 1972 that Mr. Harris learned that his knees were degenerating as a result of the steroid injections. His family life, his outlook, and even his pride have been affected. Mr. Harris told me, "After 18 years of pain and suffering and six knee operations—not to mention the pain medication—I hope this legislation will lead to some justice. I ask for your prayers for my surgery." Mr. Chairman, I ask my colleagues for their support in allowing Mr. Harris to pursue justice in the courts. Allow Mr. Harris to present his claim. Thank you.●

A TRIBUTE TO THE MICHIGAN FARMERS' HALL OF FAME

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WOLPE. Mr. Speaker, I want to draw the attention of my colleagues to a little known but very significant institution that is located within my congressional district in southwestern Michigan.

I am speaking about the Michigan Farmers' Hall of Fame. This institution is truly unique—both in its mission and in its structure. It is the only such institution in the United States that is dedicated exclusively to recognizing the contributions of American farm families to our economy and our society. It is unique also in its exclusive dependence upon volunteers and private contributions for its support and operation. The Michigan Farmers' Hall of Fame is truly an organization "of the farmer, by the farmer, and for the farmer."

It was Willis Aukerman, a farmer and Prairieville community leader who, in May 1982, decided that it was time those who comprise the economic backbone of our country be given the kind of recognition that has always traditionally been reserved for our Nation's athletic heroes. Willis Aukerman's idea quickly caught on, and local farm and community leaders joined with him in an effort to ensure that Michigan farm families would receive long overdue recognition for their labors and for their many social and economic contributions. Thus, the Michigan Farmers' Hall of Fame was designed both to provide recognition to particularly outstanding farm families and to expand general public awareness of the multiple contributions of American farm families.

To date, the Michigan Farmers' Hall of Fame has inducted 22 couples and, on August 10 of this year, 10 more couples will be honored by their admission to the Hall of Fame. The nine-member volunteer board of directors is currently constructing a building to house the memorabilia of the inductees. Plans have also been laid for a museum that will house old farm machinery and utensils.

Mr. Speaker, it has been my privilege to work with Willis Aukerman and all the other farm and civic leaders whose commitment and dedication have provided the inspiration for the Michigan Farmers' Hall of Fame. I know that my colleagues will want to join with me in expressing our collective appreciation for this most meaningful tribute to those American farm families who have contributed so much to the social and economic wellbeing of our Nation.●

FULL FUNDING FOR WALLOP-BREAUX

HON. MAC SWEENEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. SWEENEY. Mr. Speaker, a serious problem looms ahead for the people of Aransas County in the 14th District of Texas and for the entire country if we do not protect one of the best programs currently operating in the Federal Government. We must fight for full funding for the Boating Safety and Sport Fish Enhancement Act—the Wallop-Breaux fund.

This fund, operating successfully for over 30 years, provides money to promote natural resource protection and to enhance recreational opportunities for millions of Americans. The current program, as expanded by the Deficit Reduction Act of 1984, serves as a perfect example of the kind of program we need to keep Government spending down while at the same time contribute to the preservation of some of this country's most valued recreational resources.

The attitude of the Office of Management and Budget, which has proposed to use the trust fund money elsewhere, is heartless and foolish. It breaks the good faith agreement between the Federal Government and the sport fishermen who allowed themselves to be taxed on fishing equipment only because the money went to enhance the sporting opportunities they love.

I am especially concerned about the effect this action would have on the people of Aransas County. Cedar Bayou, located in Aransas County, TX, is one of the greatest sport fishing locations on the gulf coast. The bayou is an outlet from the inner bays of Aransas County to the Gulf of Mexico between Matagorda Island and San Jose Island. Cedar Bayou is essential to the flow of water and fish into and out of the bays. It was closed in the late 1970's and is now partially open, but not open nearly enough to allow for the proper flow of water and movement of fish.

Studies, conducted by the Texas Department of Parks and Wildlife in the 1960's, showed that millions of shrimp, crab, red fish, speckled trout, and many other fish larva were transported through this pass. Today, with Cedar Bayou's closure, the volume of fish in the inner bays has declined dramatically, and the adverse economic effects have been devastating.

A task force I appointed to study these effects has shown dramatic consequences for local businesses. Restaurants report 18 percent decreases in business. Motel business in the county plummeted 25 to 30 percent in 1984, and retail receipts dropped by 30 percent. The first 5 months of 1985 have proven even worse than the previous year. This crippling situation cannot continue much longer without permanent damage being done to this once thriving area.

We are on the verge of letting OMB commit a travesty against one of the most successful user fee programs ever established. I urge all of my colleagues to join with me to preserve this country's natural resources, wildlife preserves, and recreational areas. ●

OPPOSITION TO THE PRESIDENT'S TAX PLAN

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. HUBBARD. Mr. Speaker, I am hearing daily—by telephone calls, letters, and postcards—from my constituents about their views concerning the President's tax simplification proposal.

I received a July 11, 1985, letter from Tom Jones of Paducah, KY, which is concise and to the point. Mr. Jones is opposed to changing our income tax code, and believes the President's plan is a "tax increase in disguise."

I hope my colleagues will take a moment to read the views of my constituent. The letter from Tom Jones is as follows:

JULY 11, 1985.

CARROLL HUBBARD,
Rayburn House Office Building,
Washington, DC.

DEAR MR. HUBBARD, shortly, you will be voting on President Reagan's new Tax Bill.

For my part, I am perfectly satisfied with the present tax structure and from all of the material that I have read, the President's bill is a tax increase in disguise so I hope you will vote "NO" when the issue comes up to a vote.

Thank you.

TOM JONES,
Paducah, KY. ●

CONGRATULATIONS TO SAUL STERN

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. HOYER. Mr. Speaker, this month marks the 70th birthday of one of Maryland's most distinguished citizens, Saul Stern. This anniversary marks a life of great achievement.

Mr. Stern has had a career as an extremely successful businessman. He has not been content, however, to be involved solely in that area, his involvement in civic and charitable activities is as impressive as are his achievements in the business world.

Saul Stern is a graduate of the University of Chicago and its law school. During World War II, he served in the South Pacific as a communications officer.

Following his return from the war, Saul Stern joined his brother in the furniture business. The Sterns have built that business into one of the largest office furniture concerns on the east coast.

Among his numerous charitable activities, Mr. Stern has been a moving force in the Jewish Social Service Agency. He is the founder of the Jewish Institute on National Security Affairs and is its current president. Saul Stern's work on behalf of many causes of great concern to the Jewish community resulted in 1983 in his receiving the American Jewish Committee's award for Distinguished Community Service. This is but one of the many awards he has received.

Saul Stern has been deeply involved in activities of special benefit to the State of Maryland. Foremost in this area is his nearly two decades of service as a member of the Maryland State Planning Commission and as its chairman. He has also served as a member of the Board of the University of Maryland Hospital.

Finally, Saul Stern had devoted much of his time and energies to Democratic Party activities, and our party is the better for his involvement.

Mr. Speaker, later this month Mr. Stern's wife Marcia, his son Stephen, and many other family members and friends will be gathering to salute Saul Stern with a birthday celebration. I know that my colleagues will want to join me in sending our best wishes to Saul Stern, a man of great dedication and love of family, his faith, his community and his country. ●

TAX REFORM AND EDUCATION

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. JEFFORDS. Mr. Speaker, I understand the desire and need for tax simplification and tax fairness. I also believe that we should examine the use of tax expenditures for various national priorities. I would concur that such priorities as home ownership, pension programs, charitable giving, and health benefits should be among those categories maintained as priorities for tax incentives in any new system. However, it is difficult to believe that under present circumstances anyone would disagree with including the enhancement of our education system on any such list.

I was alarmed upon studying the tax reform proposal referred to as Treasury II, to find that there is a drastic shift away from direct and indirect incentives to assist education. Although

the exact figures are difficult to ascertain, it appears that the present Tax Code has in the neighborhood of $22 billion of tax incentives for education. Treasury II on the other hand, appears to retain only about 10 percent, or $2 billion, of those incentives.

This shift in priorities is of deep concern to me. It comes at a time when our Nation's education system has been designated at-risk. It comes at a time when States and local governments are already shouldering significant tax burdens. It comes at a time when many States and localities are undertaking efforts to improve the quality of their schools. And, it comes at a time of skyrocketing college costs. A nation where one out of every five adults is functionally illiterate has no business reducing its commitment to the support of education.

As ranking minority member of the Education and Labor Committee, I am today, along with the chairman, Mr. HAWKINS, introducing a resolution which states the sense of this body regarding tax reform and education. In any tax reform measure, education should be considered a national priority. Those deductions or credits which promote education should be retained. Tax reform should in no way impair the ability of State and local governments to maintain their education programs. If anything, tax reform should encourage the improvement of our Nation's education systems. Education is essential to growth, productivity and our status as a world leader. I can think of nothing more worthy of tax incentives than education. ●

THE NATIONAL MOTOR CARRIER PRODUCTIVITY AND SAFETY IMPROVEMENT ACT

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MOODY. Mr. Speaker, I am today introducing the National Motor Carrier Productivity and Safety Improvement Act of 1985. This bill would improve efficiency, increase competition, reduce paperwork and upgrade safety standards in trucking.

I am pleased to be joined on this bill by Mr. DELAY of Texas, Mr. FRANK of Massachusetts, Mr. MACKAY of Florida, Mr. DREIER, and Mr. LEWIS of California.

The emphasis of the bill is on improving productivity and thereby increasing national industrial competitiveness. It builds on the deregulation process begun with the Motor Carrier Act of 1980.

The 1980 act eliminated many burdensome, anticompetitive and anticonsumer regulations. It reduced hauling costs by $6 billion and created productivity gains throughout industry and commerce totalling $40 to $50 billion. But there are considerable productivity gains yet to be realized.

This bill would be an important step toward achieving these goals, while addressing many legitimate needs truck companies have for: First, upgraded and standardized safety requirements; and second, uniform and centralized licensing and registration procedures.

The National Motor Carrier Productivity and Safety Improvement Act would establish a new class of motor carrier called a national carrier, which a company could choose to be if it served three or more contiguous States. A national carrier would be able to compete in both interstate and intrastate hauling and would be eligible for nationally uniform registration fees, fuel taxes and third structure taxes—something truck companies badly need. ICC control over entry, rates and tariffs for national carriers would end, as would ICC's authority to grant antitrust price fixing immunity—something consumers and shippers badly need.

Safety and insurance requirements would be strengthened and transferred from the ICC to the Department of Transportation which would establish safety and fitness requirements for national carriers, maintain safety compliance records, and take action against unsafe, fly-by-night carriers.

State regulation would continue for purely intrastate carriers and ICC regulation would continue for carriers of household goods and for passenger buses.

With the current emphasis on improving the industrial productivity and competitiveness of our Nation, and with 5 years of experience under the 1980 Motor Carrier Act behind us, now is the time to initiate these additional needed reforms.

I urge my colleagues to support this legislation. ●

EPA'S ILL-ADVISED INSPECTION PROGRAM

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. LUKEN. Mr. Speaker, today I am introducing permanent legislation to prevent the U.S. Environmental Protection Agency [EPA] from imposing a premature and ill-advised inspection and maintenance [I/M] program on Ohio. In the absence of discernible benefits to be derived from a vehicle inspection program, I consider the imposition of such a program inherently unjust and unjustifiable.

The EPA has recently threatened to cut off an estimated $130 million in Federal highway funds from Ohio, presumably because the State has failed to initiate an inspection plan in Cincinnati and Cleveland. This action was taken after the EPA reversed its decision to approve the State's plan to meet air quality standards and instead opted to pursue an I/M program.

My bill would prohibit the EPA from implementing such a program unless the agency can demonstate that I/M is the most cost-effective way to attain air quality standards under the Clean Air Act.

A recent report issued by the U.S. General Accounting Office bears out my contention that I/M is unnecessary to attain clean air in Cincinnati. The report concluded that I/M programs are controversial because their benefits are not always clear and their costs are considerable. In Ohio, the cost of starting such a program has been estimated to be around $4 million, with costs of operating and enforcing it expected to exceed $20 million per year. Motorists would have to pay $15 to $20 yearly for each automobile they own, with the greatest burden falling on those who can least afford it: those people who own older cars out of economic necessity.

The effectiveness of current I/M programs has not been properly evaluated, and several States with ongoing inspection programs have shown that the benefit of a slight improvement in air quality is not worth the cost, and that other less costly solutions may produce comparable air quality improvements.

In Ohio, this burdensome and costly program might produce, at best, marginal improvements in the air quality of the Cincinnati region, which is enjoying a summer of good air so far.

In conclusion, I want to emphasize that I am a staunch supporter of efforts to improve our Nation's air quality. However, I believe that we should pursue the most cost-effective method if we want to succeed in achieving this goal with the cooperation of all our citizens. Thus, I am introducing legislation today that will enable us to take this approach and I will pursue its expeditious passage this year. ●

INTRODUCTION OF HOUSE JOINT RESOLUTION TO ESTABLISH NATIONAL FREEDOM OF INFORMATION DAY

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WIRTH. Mr. Speaker, today I am introducing a joint resolution which authorizes the President to proclaim March 16, 1986 as National Freedom of Information Day.

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This day marks the anniversary of James Madison's birthday. Mr. Madison, our fourth President and Father of the Bill of Rights, is the American most responsible for many of the constitutional freedoms we enjoy today, in particular freedom of speech and the press.

What Mr. Madison understood, and what we often take for granted, is the importance of free speech, free press, and the value of information in a democratic society. He envisioned a society in which the American people be truthfully informed about their Government, thus able to enjoy what he called a "peculiar freedom" to scrutinize the bureaucracy. He believed that through encouragement of interaction of the press and people, the Government would become more responsive to the people.

His idea was considered radical in his day. Today, however, it is hard to imagine not being afforded these freedoms in our society. Yet, because many Americans have never known any other way of life, they do not recognize how important the freedom of information is to the preservation of their other freedoms guaranteed by the Constitution.

A National Freedom of Information Day would serve as a reminder to the American people and the rest of the world the vital role these liberties have played in shaping this country.

Moreover, it is important to recognize that the freedom of speech and press mean more than just being able to express one's thoughts. They are catalysts that spark a flow of information. This is the most fundamental right of an American—the right to a free and robust marketplace of diverse and antagonistic ideas.

My resolution would establish a National Freedom of Information Day to honor both the man James Madison, and the principles for which he stood. I urge my colleagues to cosponsor this resolution.●

SENATE—*Wednesday, August 14, 1985*

REGULATORY PROGRAM OF THE U.S. GOVERNMENT—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 73

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on August 8, 1985, during the adjournment of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

The publication of *The Regulatory Program of the United States Government* marks a major milestone in our continuing effort to make government more accountable to the American people and more responsive to their needs. This document presents, for the first time, a comprehensive program of regulatory policy to be carried out over the coming year.

Regulations are a feature of almost every government program. Though many regulations accomplish worthwhile ends, we should not forget the huge hidden costs they entail. The Federal Government mandates tens of billions of dollars of expenditures every year—dollars paid for by the people but not included in any of the Federal budget accounts, not appropriated by the Congress, and not constrained by any spending limits.

Before 1980, these regulatory expenditures had grown out of control. More pages were published in the *Federal Register* in 1980 than during the entire period between 1936 and 1945—the first 10 years of the *Register*. Paperwork burdens had grown such that by 1980, almost two billion hours were expended annually by businesses and individuals to satisfy the Federal Government. Estimates are that Federal Government regulations imposed costs of over $100 billion annually by 1980, adding significantly to the burden imposed on the economy by excessive Federal spending. It has become essential that tools be developed to plan the rational evolution of Federal regulatory requirements.

In 1981, I issued Executive Order No. 12291 setting forth my regulatory principles and, under the Paperwork Reduction Act, my Administration mounted an attack to reduce the paperwork burden. These efforts have helped to reverse the trend of more intrusive and burdensome Federal regulations and paperwork. But more was needed.

The Regulatory Program is a critical step in this process. In order to see that the laws are faithfully executed, and that the policies of this Administration are reflected in the regulations issued under those laws, I issued Executive Order No. 12498 initiating this Regulatory Program. The Program covers the decisions that are within the scope of discretion afforded to the Executive agencies by law and describes the underlying policies and priorities that will influence those decisions.

To set goals and priorities for different programs, government officials must choose the right regulatory tools and identify legitimate needs for regulation as opposed to those that merely benefit special interests. Because some complex regulations take years to develop, involving studies, surveys, and the identification and selection of regulatory options, it is important that senior Federal officials be able to review regulatory options early in the rulemaking process and plan regulatory actions over a longer time horizon. It is also important that they examine and reexamine the nearly 200 volumes of existing regulations to see what regulations need to be modified or have outlived their usefulness.

This year's Regulatory Program is the first in an annual series that will document the efforts of my Administration to manage Federal regulatory programs. This should lead to an increased level of predictability, consistency, accountability, and rationality in Federal regulatory activity.

The objectives of the Regulatory Program are to:

—Create a coordinated process for developing on an annual basis the Administration's Regulatory Program;

—Establish Administration regulatory priorities;

—Increase the accountability of agency heads for the regulatory actions of their agencies;

—Provide for presidential oversight of the regulatory process;

—Reduce the burdens of existing and future regulations;

—Minimize duplication and conflict of regulations; and

—Enhance public and congressional understanding of the Administration's regulatory objectives.

All of this cannot be accomplished simply by publishing a book. This Regulatory Program is the end product of a long process of agencies planning their regulatory activities: gathering and reviewing information, evaluating past progress and program effectiveness, and setting goals and priorities. The publication of the Regulatory Program for 1985 is, however, only the first step in this annual planning process. The next step is for each agency to implement its part of this first Program, as planned and on schedule.

My goal remains to have a government that regulates only where necessary and as efficiently and fairly as possible.

RONALD REAGAN.

THE WHITE HOUSE, *August 8, 1985*.

MESSAGES FROM THE HOUSE RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on August 6, 1985, during the adjournment of the Senate received a message from the House of Representatives announcing that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S.J. Res. 31. Joint resolution to designate the week of November 24 through November 30, 1985, as "National Family Week."

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bills and joint resolutions:

S. 960. An act to authorize international development and security assistance programs and Peace Corps programs for fiscal years 1986 and 1987, and for other purposes;

S. 1147. An act to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and related laws,

H.R. 2068. An act to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the United States Information Agency, the Board for International Broadcasting, and for other purposes;

H.R. 2370. An act to amend the Public Health Service Act to extend the programs of assistance for nurse education;

H.R. 2577. An act making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes;

H.R. 2908. An act to amend title XI of the Education Amendments of 1978, relating to Indian education programs;

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379 in the United Nations General Assembly on November 10, 1975, and urging the United States Ambassador and United States delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations;

S.J. Res. 137. Joint resolution to designate the week of December 15, 1985, through December 21, 1985, as "National Drunk and Drugged Driving Awareness Week";

S.J. Res. 168. Joint resolution designating August 13, 1985, as "National Neighborhood Crime Watch Day"; and

BEST COPY AVAILABLE

H.J. Res. 251. Joint resolution to provide that a special gold medal honoring George Gershwin be presented to his sister, Frances Gershwin Godowsky, and a special gold medal honoring Ira Gershwin be presented to his widow, Leonore Gershwin, and to provide for the production of bronze of such medals for sale to the public.

Under the authority of the order of the Senate of January 3, 1985, S. 960, Senate Joint Resolution 98, Senate Joint Resolution 137, and Senate Joint Resolution 168 were signed on August 6, 1985, during the adjournment of the Senate by the President pro tempore [Mr. THURMOND].

Under the authority of the order of the Senate of January 3, 1985, S. 1147. H.R. 2068, H.R. 2370, H.R. 2577, H.R. 2908, and House Joint Resolution 251 were signed on August 7, 1985, during the adjournment of the Senate by the Vice President.

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 3, 1985, the following enrolled bill was signed on August 2, 1985, during the adjournment of the Senate by the Vice President:

S. 1195. An act to amend title 3, United States Code, to authorize the use of penalty and franked mail efforts relating to the location and recovery of missing children.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that she had presented to the President of the United States the following enrolled bills and joint resolutions:

On August 2, 1985:

S. 1195. An act to amend title 3, United States Code, to authorise the use of penalty and franked mail efforts relating to the location and recovery of missing children.

On August 7, 1985:

S. 960. An act to authorize international development and security assistance programs and Peace Corps programs for fiscal years 1986 and 1987, and for other purposes;

S. 1147. An act to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and related laws;

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379 in the U.N. General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations;

S.J. Res. 137. Joint resolution to designate the week of December 15, 1985, through December 21, 1985, as "National Drunk and Drugged Driving Awareness Week"; and

S.J. Res. 168. Joint resolution designating August 13, 1985, as "National Neighborhood Crime Watch Day."

ADDITIONAL STATEMENTS

RETIRING CONGRESSWOMAN MARJORIE HOLT

● Mr. MATHIAS. Mr. President, my Maryland colleague, MARJORIE HOLT has announced her intention to retire from the Congress at the end of seven terms in the House of Representatives.

MARJORIE HOLT gained public confidence the old-fashioned way—by earning it. In her courthouse years, she learned the basics not only of politics, but of human nature. She also learned that politics is hard work and that she was willing to invest the time and effort it requires.

She earned the public confidence not just of her constituents but of all her colleagues, especially those of us in the Maryland delegation. She was the staunch ally working with the rest of us to preserve the Chesapeake Bay, to guarantee shipbuilding jobs at Sparrows Point, to strengthen the economy of the Port of Baltimore, and to defend the rights of Federal employees.

MARJORIE HOLT'S success as a Member of Congress is the product of her experiences, and she will be missed.●

THE BOY SCOUTS OF AMERICA'S DIAMOND JUBILEE

● Mr. WALLOP. Mr. President, the 1935 National Boy Scout Jamboree came to a close at the end of July, and as it did so, trees were sent home with each council and planted in their respective home States; this represented the theme of the jamboree, "the Spirit Lives On."

Indeed, the spirit does live on, and has for 75 years as the Boy Scouts of America celebrate their diamond anniversary in 1985. Some 75 plus years ago, William D. Boyce was lost in a London fog and was led to his destination by a young British Boy Scout who was, "doing a good turn." Later, because of this young scout, Boyce discussed bringing scouting over to America with Lord Baden-Powell, the father and creator of the Boy Scouts.

On February 8, 1910, the Boy Scouts of America were on their way as they became officially organized, and on June 15, 1965, Congress granted the Boy Scouts of America a Federal charter.

Since then, Boy Scouts around the country have been doing good turns, and having fun to boot. Boy Scouts have been learning about the outdoors, practicing first-aid skills, discovering out Nation's history, and researching new and experimental technologies.

Over 70 million people have participated in making the Boy Scouts of America a tradition which will live in the hearts and minds of people in the past, present, and future.

So, Boy Scouts, your 75th anniversary theme is appropriate, for you can have "Pride in the Past," as you pave the road for "Footsteps to the Future." I commend you.●

ADVANCE NOTIFICATION PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practices.

I wish to inform Members of the Senate that three such notifications have been received.

Interested Senators may inquire as to the details of these advance notifications at the office of the Committee on Foreign Relations, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 6, 1985.
In reply refer to: I-04584/85ct.
Dr. M. GRAEME BANNERMAN,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Northwest Asian country tentatively estimated to cost $50 million or more.

Sincerely,

PHILIP C. GAST,
Director.

POLICY JUSTIFICATION

(U) The prime contractors will be Bell Helicopters Textron, Incorporated of Fort Worth, Texas and AVCO Corporation, Lycoming Division of Stratford, Connecticut.

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 6, 1985.
In reply refer to: I-04434/85ct.
Dr. M. GRAEME BANNERMAN,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Southwest Asian country tentatively estimated to cost $50 million or more.

Sincerely,

PHILIP C. GALT,
Director.

POLICY JUSTIFICATION

(U) The prime contractor will be Bowen McLaughlin York of York, Pennsylvania.

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 6, 1985.
In reply refer to: I-04433/85ct.
Dr. M. GRAEME BANNERMAN,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Southwest Asian country for major defense equipment tentatively estimated to cost $14 million or more.

Sincerely,

PHILIP C. GAST,
Director.

POLICY JUSTIFICATION

(U) The prime contractor will be FMC Corporation of San Jose, California.

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.●

THE CORPS OF ENGINEERS' WORK IN THE CHESAPEAKE BAY

● Mr. MATHIAS. Mr. President, with the passage of the Energy and Water Development Appropriation Act, we assure the continuation of the U.S. Army Corps of Engineers' work in the Chesapeake Bay, including the shoreline erosion study and the proposed shoreline erosion demonstration projects. Let me share with my colleagues some information about what the Corps of Engineers is doing to help save the bay.

The shoreline erosion study, which will be continued this next fiscal year as a result of our action today, examines the critical problems of eroding shorelines in the Chesapeake Bay. The goals are to identify eroding areas, to compare low-cost solutions for treating those areas, and to make recommendations for Federal and State approaches in solving the problems.

Last month, my colleague, the Senator from Maryland, Mr. SARBANES, with EPA Administrator Lee Thomas, Secretary of the Interior Donald Hodel, the Governors of Maryland and Virginia, and others joined me for a tour of Chesapeake Bay. We went to view the problems of the bay and see the progress being made by the Federal agencies working on those problems. We saw firsthand the shoreline erosion of the bay including large gullies on steep slopes, slopes slumping into the water, and bulkheads and vegetated areas used to slow the erosion process.

Chesapeake Bay has over 6,000 miles of shoreline. Much of it is subjected to erosion of various degrees and a significant portion of it is eroding at a rapid rate. During the past century, over 45,000 acres of the land have been lost to the bay water's unrelenting action.

The need to take steps to prevent or control this erosion has been addressed in many reports, including "The National Shoreline Study," the EPA Chesapeake Bay Study, and the Corps of Engineers' "Existing and Future Conditions" study. In addition, one of the recommendations of the Governors of Maryland and Virginia, resulting from a Chesapeake Bay Conference, was to "* * * improve programs for stabilization of eroding shorelines to reduce the effects of sediment in the bay." This recommendation was based on concerns which went beyond the potentially large, immediate, and local effects of loss of land.

Sediment, resulting from shoreline erosion, causes a variety of problems. It is the significant cause of filling of the bay and its channels and harbors. This sediment not only contributes to shortening the life of the bay but also increases the need for channel and harbor dredging.

Perhaps even more important are the effects of sediment from eroding shorelines and other sources on the bay's plants and animals. In its report on the Chesapeake, the EPA concluded that high levels of sediment-induced turbidity have contributed to the significant decline of submerged aquatic vegetation, often called SAV, and of bottom-dwelling species. Sedimentation must be controlled if these organisms are to return to the bay in any numbers.

On our boat tour, we learned firsthand of submerged aquatic vegetation, the sea grasses of the bay, and how they are smothered by sediment, decreasing their productivity and leading to their decline. This eventually leads to the loss of habitat for the bay's organisms, which use the sea grasses for food and shelter. Clearly, sediment entering the bay's ecosystem is a large contributor toward the bay's recent decline, and while nothing can stop erosion entirely, we can learn more about how to slow the process and improve the quality of our bay's waters.

The boat tour opened a lot of eyes to the ecosystem problems of the bay, and that is why the Corps of Engineers' Shoreline Erosion Study and the proposed demonstration projects are so very important to the future health of the bay. The purpose of the study is to identify the magnitude and location of shoreline erosion problems and to recommend specific erosion control projects. Reduction in shoreline erosion will contribute to the restoration of the bay's living resources, as well as improve recreational opportunities.

The study is being conducted in two phases: A reconnaissance phase will determine the extent of the shoreline erosion problem, define the Federal activities needed, and identify non-Federal support for detailed study. The feasibility phase will consist of detailed site-specific investigations leading to recommendations for projects.

The reconnaissance phase was started in October 1984 and is scheduled for completion in March 1986 at a cost of $500,000. Progress Report 1 was completed in March 1985. The report identified 1,260 miles of shoreline for further study—490 miles in Maryland and 770 miles in Virginia—out of a total of 7,325 miles of shoreline investigated. Progress Report 2 was completed on July 25.

The feasibility phase, which will be cost-shared on a 50-percent Federal/50-percent non-Federal basis, will take 2½ years to complete.

The corps has completed a nationwide demonstration program as part of the Shoreline Erosion Control Demonstration Act of 1974. Under this program, several demonstration projects were done around the country, but none in the Chesapeake Bay. The program produced a series of reports which contained evaluations of low-cost shore protection measures. The major thrust of the program was toward private property owners and small local governments. The proposed Chesapeake Bay demonstration projects, likewise, are small-scale projects, intended to show bay landowners how they, as individuals, can make a difference and improve the bay's water quality.

Both the State of Maryland and the Commonwealth of Virginia have expressed interest in having the corps to demonstration projects during the feasibility phase of the Chesapeake Bay Shoreline Erosion Study. These projects would protect typical shoreline stretches, such as bluffs, beaches, and marshes, and would demonstrate to private property owners on the bay the low-cost solutions which are available and which can be instituted immediately.

The State of Maryland has requested the corps to plan, design, construct, and monitor an erosion control demonstration project on State property at Patterson Point Farm in Calvert County. The State of Maryland is paying 100 percent of the estimated cost of $150,000.

As you know, I have been an ardent supporter of the Chesapeake Bay over many years, and I view these current and proposed activities of the Corps of Engineers as absolutely essential in the total ecosystem approach to cleaning up the bay. I hope my colleagues will agree and join with me in supporting a totally integrated Federal/State/local approach, including money for the corps' activities in the bay, so one day all of us will be able to say to our grandchildren, "I saved the bay."●

RAILROAD RETIREMENT

● **Mr. SARBANES.** Mr. President, 50 years ago, on August 29, 1935, the Railroad Retirement Act was signed into law by President Franklin D. Roosevelt. This act established the foundations of the current railroad retirement system.

It was in the rail industry that the first formal industrial pension plan in America was established in 1874. By 1925, more than three-fourths of all railroad workers in the United States were covered by pension plans. However, relatively few employees actually received benefits under these plans, and during the Great Depression of the 1930's these plans had difficulty meeting their obligations. Older workers consequently exercised rights to continue working and accounted for a disproportionate number of the industry's employees. Railway labor sought legislation to continue railroad pensions as part of a reliable and equitable national program.

Although prior railroad retirement legislation had been enacted in 1934, it was declared unconstitutional by the Supreme Court, and the 1935 act was also challenged in the courts. Nonetheless, the Railroad Retirement Board made its first annuity payments 11 months after passage of the 1935 legislation. While subsequent Railroad Retirement Acts were enacted in 1937 and 1974, the 1935 act was the cornerstone of the present railroad retirement system.

During the past 50 years, railroad retirement benefits of $77 billion have been paid by the board to 1,600,000 retired employees, 800,000 spouses, and 2,000,000 survivors; unemployment and sickness benefits have totaled almost $6 billion. The first retirement annuities awarded under the 1935 Railroad Retirement Act averaged $60 a month and no monthly benefits were payable to spouses or survivors. In 1985, nearly 1 million beneficiaries will receive retirement and survivor benefits of about $6 billion, and about 135,000 persons will receive unemployment and sickness benefits of about $200 million.

Throughout the history of the United States, the railroads have played a very crucial role as a catalyst to economic growth and job creation. This 50th anniversary occasion gives all of us the opportunity to renew our commitment to the railroad retirement system. It was established in a time of national crisis and has faced many challenges during the past five decades. However, the act has flourished under nine Presidents from both political parties and 25 Congresses. Although provisions of the Railroad Retirement Act undoubtedly will change, as they have in the past, the act must remain a commitment to the railroad retirees, who have planned for their retirement based on guarantees made by the Government and who have contributed so much to our national strength.●

PROPOSED ARMS SALES

● **Mr. LUGAR.** Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD at this point the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 1, 1985.
Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-47 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter of Offer to Norway for defense articles and services estimated to cost $126 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL No. 85-47

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective Purchaser: Norway.

(ii) Total Estimated Value:

	Million
Major Defense Equipment [1]	$114
Other	$12
Total	$126

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Seven thousand six hundred twelve TOW II guided missiles, 300 tubular launchers, ancillary equipment, and concurrent spare parts.

(iv) Military Department: Army (VGM).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 31 March 1985.

(viii) Date Report Delivered to Congress: August 1, 1985.

POLICY JUSTIFICATION

NORWAY—TOM II MISSILES

The Government of Norway has requested the purchase of 7,612 TOW II guided missiles, 300 tubular launchers, ancillary equipment, and concurrent spare parts. The estimated cost is $126 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Norway; furthering NATO rationalization standardization, and interoperability; and enhancing the defense of the Western Alliance.

Norway needs these TOW II missiles to improve the tank-killing capacity of its infantry battalions. The new brigade concept of the Norwegian Army requires an approximate increase of 50% in antitank weapon systems. These brigades perform the forward land defense in northern Norway. Norway's highest priority is to upgrade their TOW's to TOW II missiles.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Hughes Aircraft Corporation of Tucson, Arizona.

Implementation of this sale is expected to require assignment of U.S. Government personnel and contractor representatives to Norway; however, the number of personnel and length of time they will be needed has not yet been determined.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

SOCIAL SECURITY

● **Mr. SARBANES.** Mr. President, today marks the 50th anniversary of the enactment of the Social Security Act. President Franklin D. Roosevelt signed the 33-page bill into law on August 14, 1935. After 50 years of evolution and growth, the Social Security system is today a major part of our national life. It has served us well by helping to assure the dignity and independence of the individual, the integrity of the family, and the stability of the community.

The Social Security Act is more than old age, survivors, and disability insurance and Medicare. It includes the Federal-State system of unemployment insurance and other benefits and service programs, including Supplemental Security Income [SSI], Title XX, Social Service Block Grants, maternal and child health care, and Medicaid. The Social Security Act is vital to the security of everyone—young, middle-aged, and old, and the

Congress has fortunately recognized this important fact throughout the history of the program.

This year also marks the 20th anniversary of the Medicare Program, an extension of the Social Security Program and the cornerstone of this Nation's commitment to adequate health care for 28 million older persons and 3 million disabled individuals. Clearly, without Medicare, millions of older Americans could not afford even the most basic health care services.

Since the Democratic Party, starting with Franklin D. Roosevelt, has had a longstanding commitment to Medicare and Social Security, I would like to insert the Presidential statement of the signing of the Social Security Act, August 14, 1935:

> Today a hope of many years standing is in large part fulfilled. The civilization of the past hundred years, with its startling industrial changes, has tended more and more to make life insecure. Young people have come to wonder what would be their lot when they came to old age. The man with a job has wondered how long the job would last.
>
> This social security measure gives at least some protection to thirty millions of our citizens who will reap direct benefits through unemployment compensation, through old-age pensions and through increased services for the protection of children and the prevention of ill health.
>
> We can never insure one hundred percent of the population against one hundred percent of the hazards and vicissitudes of life, but we have tried to frame a law which will give some measure of protection to the average citizen and to his family against the loss of a job and against poverty-ridden old age.
>
> This law, too represents a cornerstone in a structure which is being built but is by no means complete. It is a structure intended to lessen the force of possible future depressions. It will act as a protection to future Administrations against the necessity of going deeply into debt to furnish relief to the needy. The law will flatten out the peaks and valleys of deflation and of inflation. It is, in short, a law that will take care of an economic structure of vastly greater soundness.
>
> I congratulate all of you ladies and gentlemen, all of you in the Congress, in the executive departments and all of you who come from private life, and I thank you for your splendid efforts in behalf of this patriotic legislation.
>
> If the Senate and House of Representatives in this long and arduous session had done nothing more than pass this Bill, the session would be regarded as historic for all time.

The Social Security Act is by many measures the single most successful piece of domestic legislation ever created in the United States. From the words of the New Dealers come some lessons as fresh and true today as they were 50 years ago: A strong system of social policy is one that is inclusive—in everyone's interest—and flexible enough to evolve with the realities of the times. Economic security is a necessary component to economic progress, not a drain upon it. Problems of economic security should be considered as a whole, not as a fragmented set of issues, because they are a whole—resulting from a common source: the complex interdependencies of modern economic life.

The 1935 act represents a commitment made by this country to its citizens—a commitment upon which citizens have relied in planning their retirement years. The Social Security Act has flourished under 9 Presidents from both political parties and 25 Congresses. Although provisions of the Social Security Act undoubtedly will change, as they have in the past, the act will remain a dynamic and influential factor in American economic, social and political life.●

SOCIAL SECURITY AND THE DEMOCRATIC SYSTEM

● **Mr. MOYNIHAN.** Mr. President, August 14, 1985, marks the 50th anniversary of the enactment of the Social Security Act. By that act, the American Government made a solemn promise to the American people, and from one generation to another, that American workers and their families would be protected from the financial burdens of old age and disability, and American children from the worst ravages of poverty. No Government initiative since, and few before, has done more to improve the quality of life for more Americans.

Even more, Social Security is a bulwark of our democratic system. My friends from the Council Center for Senior Citizens in Brooklyn recently reminded me of President Franklin D. Roosevelt's words on this matter:

> History proves that dictatorships do not grow out of strong and successful governments, but out of weak and helpless ones. If by democratic methods people get a government strong enough to protect them from fear and starvation, then democracy succeeds. If they do not, they grow impatient. Therefore the only sure bulwark of continuing liberty is a government strong enough to protect the interests of the people, and a people strong enough and well enough informed to maintain its sovereign control over its government.

I ask my colleagues to reflect on President Roosevelt's wisdom, and I especially thank my Brooklyn friends for their wisdom in bringing it to our attention.●

PROPOSED ARMS SALES

● **Mr. LUGAR.** Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notification I have received. A portion of the notification, which is classified information, has been deleted for publication, but is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 1, 1985.
In reply refer to: I-04583/85ct.
Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding under separate cover Transmittal No. 85-48, concerning the Department of the Army's proposed Letter of Offer to Japan for defense articles and services estimated to cost $14 million or more. Since most of the essential elements of this proposed sale are to remain classified, we will not notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL No. 85-48

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) (U) Prospective Purchaser: Japan.

(ii) Total Estimated Value:

Major Defense Equipment [1]	[deleted]
Other	[deleted]
Total	[deleted]

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: [Deleted].

(iv) (U) Military Department: Army (VPB).

(v) (U) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) (U) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) (U) Section 28 Report: Case not included in Section 28 report.

(viii) (U) Date Report Delivered to Congress: [Deleted].

POLICY JUSTIFICATION

[Deleted.]

(U) This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Japan; furthering rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

(U) The sale of this equipment and support will not affect the basic military balance in the region.

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.●

EXTENSIONS OF REMARKS

CLEAN CAMPAIGN ACT

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. NEAL. Mr. Speaker, certain parts of our Nation, including my own State of North Carolina, have been bombarded in recent elections with scurrilous, deceptive, misleading, distorted, and downright dishonest paid radio and television advertising. People are sick and tired of the lies, smears, statements used out of context, doctored photos, et cetera, yet are in a way powerless to do anything about it. One may say that they express their opinion at the ballot box, but oftentimes the real issues have been so obscured by these powerful, deceitful, slick, negative ads that the election contest boils down to those who believe the ads versus those who do not.

Sad to say, these ads continue to dominate some campaigns because they either work, or offer the best chance of electing a candidate who had little else but the attack ads to commend him or her to the electorate. Thus, organizations like the National Conservative Political Action Committee [NCPAC] have been able to say, through its spokesman Terry Dolan, that it could elect Mickey Mouse by using these tactics. As a consequence, a whole new political campaign specialty—the negative broadcast ad—has come into being. There is a ready market for the product, and a growing number of organizations and individuals willing to use it.

I believe, Mr. Speaker, that this kind of despicable campaigning—which does not even stop short of character assassination—is destructive of the democratic process. The strength of our system of government has been that the people, when given sufficient and accurate information, will arrive at proper decisions—whether in an election or on a jury in a court of law. The obfuscation of this information, by devious and deceitful propaganda, therefore deprives the people of a reliable basis for judgment.

This situation, has caused me grave concern for some time. I have searched for some remedy that would be, first, clearly constitutional; second, impeccably fair to all sides in an election campaign; and, third, contributive to, rather than destructive of, the democratic process. In most instances, any thinking along these lines eventually encountered the first amendment, which I consider to be one of our most cherished rights. In other instances, the road was blocked eventually by one objection or another. Then, Mr. Speaker, JOHN DANFORTH, Republican Senator of Missouri, introduced a bill which, I think, meets all the constitutional and fairness requirements, and which I believe would contribute in a meaningful way to the preservation of the democratic process. The bill was also sponsored in the other body by Republican Senator GOLDWATER and Democrats HOLLINGS and SIMON. It has been introduced on this side by my colleague, the gentleman from California [Mr. LANTOS] and I have joined him as cosponsor.

The thrust of the bill is that if any candidate for Federal office airs or causes or permits to be aired any radio or television ad attacking his opponent, and does not do it by using his own voice and/or facial likeness, the candidate at whom the ad is aimed shall be entitled to free and equal air time to respond. If such an ad is placed independent of the candidate, the equal-time requirement will automatically apply.

This, Mr. Speaker, seems to me to be a fair and rational approach to the problem. Senator DANFORTH has caused his bill to be studied by constitutional experts, and says they are satisfied that the bill would survive a constitutional test. It does not censor political advertising, because it permits a candidate or an organization to say whatever they wish. It imposes no prior restraint, and calls no individual or organization to account, except by requiring equal time for the opposition and holding the perpetrator of the ad up to public judgment.

A prominent newspaper in my district, the Winston-Salem Journal, has commented editorially on both the negative ad problem and Senator DANFORTH's bill. At this point, I insert an editorial from the Winston-Salem Journal into the RECORD:

ELECTIONS AS CONVERSATION

Sen. John Danforth of Missouri is not the best known member of the U.S. Senate, but he is one of the most thoughtful.

Danforth spoke recently to a prayer breakfast of the American Bar Association. His subject was campaign standards, or the lack of them. And, more generally, the incivility now accepted as commonplace on the American political scene. A lot of what Danforth said applies to the last Senate race in this state. Before the next one, it might be good to think about whether we want screaming and name calling to become the norm.

Elections are not just about who gets to represent us, they are meant to do two other things. First, they help to clarify and apply our values and beliefs. An election ought not to decide the minutiae of public policy but it does help to set direction and tone. Second, more important and today more in peril, an election is one American way of holding a town meeting. We are not an ancient Greek city state or a Swiss village. We are not only too big and diverse for direct democracy, we are too impatient and pluralistic. And we are not only pluralistic as a society, but as individuals. We have other things to do.

Yet, one of the things that makes us a people is our ability to come together periodically and reason as citizens. Not only to set the context of governance, but to listen and discuss.

The other American approximation of the town meeting is the process of representation. It is not entirely new or accidental that campaigning in our nation is perennial, almost existential. In meeting with our representatives, individually or in groups, in person or by letter, we not only express opinions but carry on the dialogue of democracy. The essence of the democratic spirit is conversation, because only a few truths are self-evident and because public opinion is more than popular prejudice only if it is informed. This is the reason Jefferson was so keen on a free press. It is also the reason Madison created a system that moved slowly. We are encouraged to think and talk things through.

Just as representation is not just handing power over to another citizen but a constant give and take between equals, so an election is not like choosing from a menu. In America a campaign is a long, and sometimes rather bawdy, conversation.

Danforth has said our ongoing town meeting is being drowned out by political commercials and PACS. We do not become better informed by campaigns today but have our prejudicial reflexes tapped by types of propaganda. They are not just argumentative but shrill and slanderous. And this is so particularly in the South where once politics was most gentlemanly. Much money is spent, and much time too. But our choices are not increased, for the degree of manipulation attempted and mud thrown is all that is purchased. Our public space is shrinking, our representatives less responsive, though campaigning and campaign management have become a major American service industry.

Sen. Danforth makes some proposals. For example, when a candidate runs a negative commercial, he ought to have to use his own face and voice in the ad. Or, when a bill is paid for by interlopers, so-called independent spending, the candidate attacked should receive free time to respond. Campaign commercials should be run only in the month immediately preceding the election. And 30-second spots should be banned altogether.

Some will cry that free speech is abridged by proposals such as these. But we ban cigarette ads on TV and now propose to ban liquor in the interest of the common good. The purpose of free speech is the liberty to pursue truth, not to manufacture or debase it.●

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

EXECUTION BY HUNGER, THE UNKNOWN HOLOCAUST

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WAXMAN. Mr. Speaker, I am submitting for the RECORD a copy of a review of the book "Execution by Hunger, the Unknown Holocaust," by Miron Dolot. The review was written by Jack Miles, book editor of the Los Angeles Times, and it was published on Sunday, June 16.

END PAPERS

(By Jack Miles)

Last January, the Book Review received a review copy of "Afghan Refugees: Five Years Later," a 24-page booklet available free from the U.S. Committee for Refugees, 815 15th Street NW, Suite 610, Washington, DC 20005. Though the booklet was too short for review, I thought it worthy of mention: Information on Afghanistan was scarce enough that 24 pages seemed much.

When I read the booklet, I found something more than I had expected. "Over the past five years," wrote Allen K. Jones, its author, "the Soviets, along with forces of the current Afghan government, have been somewhat successful in gaining control of the cities and the roads linking them, but the resistance holds sway in the countryside. This balance could shift dramatically in favor of the Soviets, however, as they intensify their tactics, of killing off the civilian support population, terrorizing and driving off the survivors, and creating famine conditions."

Creating famine conditions. These last words caught my eye, for another, longer book, dealing with another Soviet famine, lay stalled on my shelf. I decided to read it.

"Execution by Hunger, the Hidden Holocaust" (Norton: $16.95; 231 pp.) is the first book-length, eyewitness account of the 1932-33 planned famine in Ukraine. The author, Miron Dolot, was 15 at the time. He describes the event as he lived through it.

Briefly, the Soviets induced a famine by confiscating the entire Ukrainian crop after the 1932 harvest—everything, down to the seed grain—and then sealing the border. Across the border, in the rest of the Soviet Union, there was no famine. But Ukrainians who tried to cross into Russia—that is, into the adjacent Russian Soviet Federated Socialist Republic—were stopped at the border. Those who made it across were forcibly repatriated.

In Ukraine itself, confiscation of the crop was not the only measure taken. A "Bread Procurement Commission" conducted house-to-house searches—*repeated* house-to-house searches—for hoarded grain or other provisions. Their logic was that if the crop had been confiscated and yet the people were still alive, then they must be hiding food somewhere. When the people turned to eating cats and dogs, it was declared that the state had urgent need of dog and cat skins; and the GPU—forerunner of the KGB—went on hunting expeditions.

How many died in the border-to-border death camp? The count can be made only indirectly, and different ways of doing it yield different results. The lowest estimate is 4.8 million, the highest 10 million. The book jacket speaks of 7 million.

Why did the Soviets do it? A full explanation must wait on the first full-dress scholarly treatment of the famine, a book to be published in England next year (at Hutchinson) by Robert Conquest and James Mace, under the auspices of the Ukrainian Research Institute of Harvard University. Another Harvard scholar, Adam Ulam, contributes an introduction to "Execution by Hunger" in which he mentions the Soviets' need to generate capital, their need to provision a vast internal police force, and Stalin's will to crush Ukrainian resistance to his collectivization of agriculture. These factors were operative elsewhere in the non-Russian Soviet Union, however. Only in Ukraine was the violence of the famine-weapon found necessary.

Why? Because only Ukraine (Dolot and other Ukrainians writing on this topic never say, as if their homeland were merely a region, "the Ukraine") was both large enough and nationalistic enough to challenge Russia itself. Once called, demeaningly, "Little Russia," as distinct from the "Great Russia" that grew outward from Moscow, Ukraine was and is a nation comparable to France in both area and population. Today, it constitutes 20% of the Soviet population and, thanks to fertile soil and a climate tempered by the Black Sea, grows 25% of the Soviet agricultural product.

After the fall of the czar, Ukraine declared its independence and was reconquered by the Red Army only with difficulty. In the 1920s, Soviet rule was tolerant; but with the rise of Stalin, russification and collectivization began with a vengeance. Ukrainian resistance grew apace, and the result was a struggle that Stalin told Churchill was more difficult for him than World War II. The climax of this struggle, Russia's climactic victory over Ukraine, and the definitive federation of the two most important nations in the Soviet Union came with the famine of 1932–33. With the intelligentsia dead or deported to Siberia and the rest of the population prostrate, Ukrainian resistance was at an end by spring, 1933, Stalin had won.

It is difficult to speak of Miron Dolot's book without speaking first, as I have, of history and geography. And yet the book remains deeply personal. Indeed, in a most striking way, it remains a boy's book. The author is now 70 years old. His tone of voice is fully, calmly adult. Nonetheless, he confines himself to reporting what the intelligent, observant 15-year-old that he was could take in.

Dolot's story has a natural and compelling structure. It opens in the prosperous, still largely undisturbed agrarian culture of his village, proceeds quickly through the fear and violence of the collectivization, climaxes with the horror of the famine, and ends with a rapid denouement his life after May, 1933; his ultimate escape to the West.

Dolot (a pseudonym) writes a steady, unadorned prose. He lets the awful events speak for themselves. And yet he is not concerned to maintain a blank, emotionless pose. When he cried, and he did, he tells us: It's a part of the story. And then he moves on. Once, once only, he tells us that he is weeping as he writes. The man knows what he is doing.

"One . . . Spring day we heard gunshots reverberating some distance from us. The sounds were coming from the east, and as the shooting approached closer, it was accompanied by the loud barking, whining, and yelping of dogs. At the same time, we heard some men shouting and laughing. This sounded very strange at a time when all the people in the village were downcast and silent. Suddenly, shots rang out in our own backyard, somewhere behind the barn, followed by the sound of a dog yelping and whining. We immediately recognized our dog, Latka. I ran out, and as I came to the place, I saw our Latka lying on the ground in a pool of blood, dead. Three gunmen stood beside her, looking down at her, talking and laughing. I broke out crying and tried to pet my dead dog. But my lamentations made no impression on the killers. One of them pushed me aside, took our Latka by her tail, and dragged her to the main road where a horse-driven cart already loaded with the bodies of other dogs and cats waited. Then all three of them mounted the car and drove away. After a while, we heard the sounds of more shouting in the distance, and of animals crying out in their death throes."

This little incident, however marginal to the main story, is told to near perfection. Dolot is no less equal to his more demanding material.

The harrowing core of the book covers the period from December, 1932, through April 1933. Ukrainians did not at first believe that when all their crop was taken, none would be brought back for them. The state had been harsh before, but it had never attempted—they could not believe it would attempt—extermination. Dolot's family survived by the ruse of burying a cache of food on government land, where the GPU would least expect it. Others were less resourceful; and as a winter of murderous cold and waist-deep snow set in, the smoke disappeared from one chimney after another.

With the first thaw, Dolot's mother sent Miron and his brother, Mikola, to the homes of families for whom she feared. In cottage after cottage, they found the body of a child, sometimes more than one child, neatly laid out as for burial—and the body of the despairing mother hanged from the roof beam. Typically, the man of the family had long since been sent to Siberia.

It was too late for the Dolot brothers to do more than bury the dead. It is too late for us to do even that much. And yet, as we learned recently at Bitburg, memory, even late, has its power.

Sen. Bill Bradley, D-N.J., and Rep. James Florio, D-N.J., succeeded in tacking $400,000 for a Ukrainian famine study commission to a major appropriations bill last October. President Reagan has named some of its members; others have yet to be named. Will this commission, will Dolot's or Conquest's book, will Harvard's Ukrainian Research Institute or a new film on the famine (screening at the Ukaninian Cultural Center, 4315 Melrose, June 30, 2 p.m.) do any good? The question is not easily answered. It might be asked, these days, with particular urgency in Afghanistan.●

COMMEMORATION OF THE 50TH ANNIVERSARY OF SOCIAL SECURITY ON AUGUST 14, 1985

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GREEN. Mr. Speaker, August 14, 50 years ago, a law was enacted which changed the future for Americans. This day marks the signing of the Social Security Act.

At that time, we were enduring the Great Depression. The U.S. population stood at 125 million. A quarter of the 35 million workers in the country were unemployed. And, as we recall the words of President Franklin Roosevelt, a third of Americans were "ill-housed, ill-clad, ill-nourished." Social Security was created to provide income security for the elderly; to provide compensation when there was a loss or reduction of income from work in old age.

Since 1935, the program has been expanded to include workers' families, certain dependents and survivors, and the disabled. Twenty years ago, the Medicare Program was enacted, to provide health care insurance for the elderly. Today, 9 out of 10 workers in the United States are earning protection under Social Security. About one out of every six persons in the country receives monthly Social Security checks. Over 24 million people age 65 and over, almost all of the Nation's older population, have health insurance under Medicare. Another 3 million disabled people under 65 also have Medicare coverage.

Social Security has been expanded dramatically since its inception. It has also suffered from financial problems, which we took action to alleviate 2 years ago, and continue to watch closely today. However, as we look back on the program's first 50 years, I believe it is important to note the significant changes that Social Security has made in people's lives. It has provided a cushion for Americans in their later years, to ensure that no one shall go without life's basic necessities because he or she is no longer able to work. Social Security has shown that America, when faced with a crisis such as the one we endured in the 1930's, can emerge from it with a positive means of preventing its repetition in the future.

It has sometimes been said that Americans value everything old except their people. Perhaps the most significant aspect of Social Security is that it demonstrates America's commitment to its elderly. That we shall celebrate the 50th anniversary of Social Security displays the value we place on our senior citizens and the program which support them.●

READING IS FUNDAMENTAL

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. KOSTMAYER. Mr. Speaker, a new report released by the Northeast Midwest Institute found that one in five adults in this country are unable to read well enough to function effectively in society.

I am appalled that some 60 million Americans are functionally illiterate, but I am even more disturbed by the fact that this number is increasing by approximately 2¼ million people each year.

Steady increases in adult illiteracy represent a personal tragedy for millions of individuals. Functional illiteracy is also a threat to our society as a whole, for it hampers the productivity of American workers, contributes to crime in the streets, and weakens our ability to defend our Nation.

Clearly, we must do all we can not only to promote adult literacy, but to prevent this problem from recurring in the next generation. As new technology continues to replace many jobs requiring manual labor and the service sector of the economy expands, our young people will have an even greater need for communications skills in the future.

Mrs. Elliot Richardson, who is chairman of the board of Reading is Fundamental, Inc. (RIF), addressed the need for prevention in her testimony before the House and Senate Education Subcommittees at a hearing on adult literacy. Mrs. Richardson emphasized the importance of encouraging children to read and to learn at an early age. She suggested that parents read aloud to their children and ensure that they have a wide variety of books to choose from.

As a parent, I found Mrs. Richardson's suggestions particularly constructive. There are no simple solutions for the problem of adult illiteracy, but we can lay the groundwork for a more literate and secure America if we follow the example of the RIF program in our homes as well as our schools. I commend Mrs. Richardson's testimony to my colleagues.

STATEMENT OF MRS. ELLIOT L. RICHARDSON, CHAIRMAN OF THE BOARD, READING IS FUNDAMENTAL, INC., AUGUST 1, 1985

Mr. Chairman, Members of Congress, thank you for giving me the opportunity to speak to you on a situation that threatens our economic health, our military preparedness, and even the democratic foundations of our country—the problem of illiteracy.

We are grateful that the committees are addressing the issue and hope that in their deliberations they will give serious consideration to the prevention of illiteracy. Our experience shows that this matter is of great concern to the public.

The members of this committee are well aware of the distressing facts that one in five American adults is functionally illiterate, that costs related to illiteracy exceed $225 billion annually, and so on.

Adult literacy efforts are working valiantly to help grown people open the doors now closed to them because they cannot read. Though excellent, these efforts cannot solve the problem alone.

According to current estimates, the number of functionally illiterate adults in this country is increasing by some 2¼ million each year.

In order to break into this vicious circle, we must not overlook our young. There are 67 million young people under age 18 growing up in America. Unless we take preventive measures, too many will add to the already alarming illiteracy statistics.

Experts have said that the current generation is the first in our nation's history to grow up less skilled in reading and writing than their parents.

Thirteen percent of all 17-year-olds in this country can already be considered functionally illiterate, though they are not yet counted as adults.

Eighty-five percent of the juveniles who appear before the courts are functionally illiterate.

And nearly one-third of our nation's young people drop out of high school before graduation; among inner city minority youth, drop-out rates often exceed 50 percent.

What can we do to prevent our young people from becoming the grim statistics of tomorrow? From my work in literacy programs for the last 16 years, I have learned that several factors are essential to preventing illiteracy.

The first is motivation—awakening in young people the desire to read and to learn. Although motivation is often regarded as something within, it can be sparked from without. We in Reading Is Fundamental have seen previously disinterested youngsters become avid readers through programs such as ours and the efforts of caring parents and concerned citizens.

Reading is a skill. Like other skills, it improves with practice. Extensive reading also quickens the capacity to think, to write, and to use verbal skills clearly and effectively.

According to a survey reported in Science '82, Fortune 500 executives rate communication skills as "the top priority for business leadership"—even more essential than financial, marketing, and technical know-how.

These executives are well aware that American businesses lose billions of dollars each year because so many employees don't know how to read, write, or think clearly and effectively.

The thousands of youngsters who write to RIF each year thank us again and again for helping them discover that reading is "fun." What they call "fun" is the ingredient that propels them to read. It is fun with a serious purpose and proven results.

The second element involves parents, a child's first and most influential teachers. Even before children go off to school, parents can nurture interest in reading by reading aloud to them, by providing a wide variety of books in the home, and by reading themselves.

Since its inception in 1966, RIF has emphasized the essential role parents play in their children's development as readers. Parents' strong support of RIF programs—nearly 40% of RIF's more than 98,000 volunteers are parents—and the deluge of mail we have received in recent months indicate that parents, even those who have difficulty reading, are eager to help their children. This year, some 40,000 parents have written to RIF for guidance and suggestions. RIF has developed publications to answer these needs.

The third essential element in preventing illiteracy is to ensure that children have an abundant supply of books. If motivated to read and free to choose what interests them, youngsters will read and continue to read, gradually building skills that are crucial to effective communication.

For almost 20 years, these three elements—motivation, parent involvement, and an abundant supply of reading materials—have helped Reading Is Fundamental reach millions of young people and turn them into readers. The recent NIE study, "Becoming a Nation of Readers," underscored the soundness of RIF's preventive approach.

Our future as a democracy is in the hands of our young people. We simply must provide the ounce of prevention that will assure that they grow up reading.

We need strong reading programs in our schools.

We need to help parents help their children.

We need to surround our young people with books, in their schools, their community libraries, and in their homes.

And we need the kind of visibility for the problem of illiteracy that this committee provides.

Thank you for inviting me to testify.●

H.R. 3067, DISTRICT OF COLUMBIA APPROPRIATIONS

HON. JOHN E. GROTBERG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GROTBERG. Mr. Speaker, on July 30, the House considered H.R. 3067, D.C. appropriations bill for fiscal year 1986. On the final amendment offered by our colleague from New Jersey, Mr. SMITH, which would bar the use of any funds in the bill to pay for abortions, I reluctantly voted "no." I did this because the amendment did not contain the "life of the mother exception," which has been a part of the so-called Hyde amendment since the mid-1970's. I am a strong supporter of the Hyde amendment, but felt that the Smith amendment, as offered, precluded Federal funding of abortions covered under the bill if the life of the woman was endangered. In Mr. SMITH's defense, he did attempt to ask unanimous consent to include the "life of the mother exception" in his amendment, but was prohibited from doing so by the chairman of the D.C. Appropriations Subcommittee, Mr. DIXON of California. I am hopeful that the conference report on H.R. 3067 will contain the Hyde amendment intact. If that is accomplished, I will have no hesitancy in voting for it providing the budgetary levels are lowered in the bill's final version.●

LIONS' INTERNATIONAL PRESIDENT HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. KANJORSKI. Mr. Speaker, it is my pleasure to bring to your attention a citizen of the 11th District who has risen to a position of great importance. As international president of the Lions, Joseph L. Wroblewski has shown his commitment and dedication to the fundamental values that have made the Lions such an important part of so many communities.

Joseph L. Wroblewski was born in the small town of Ashley, PA, in the heart of our State's anthracite coal mining region, just a few miles south of Wilkes-Barre. He attended Wilkes College and Eckels College of Mortuary Science, an affiliate of Temple University in Philadelphia. Soon after graduation in 1952, Wroblewski entered the Army, serving in Korea in the medical detachment of an artillery unit.

Returning 2 years later, one of the first things he did was marry the girl he left behind, Normajean. Soon thereafter, Joseph Wroblewski landed his first job with one of Wilkes-Barre's largest funeral homes. Eventually, he and his wife moved back to Ashley and opened their own business, which grew to 15 franchises in three States with more than 100 employees. Today, he still owns two funeral homes, an employment agency, and a travel agency.

While pursuing financial success, Joseph Wroblewski never failed to contribute in other ways to his community. He joined the Ashley Lions Club in 1954, and immediately took an active role. "I was impressed with the work the Lions performed in the field of sight conservation and in serving the needs of senior citizens," he recalls. He took an active role in raising funds for eye bank services, and assisting in the distribution of Christmas baskets to the shut-ins, elderly, and needy of the area. By the mid-1960's, his colleagues showed their appreciation for his hard work by electing him district governor of district 14-H.

In the 1970's, his attention turned to international Lionism, while still committing tremendous time and energy to projects in his own district. By 1976 Joseph Wroblewski had earned the support and respect of not only his fellow Pennsylvanians, but of Lions throughout the Nation. At the 1976 international convention in Hawaii he was elected international director for a 2-year term.

In 1982 he again received the support of his colleagues, and was elected third international vice president. His travels helped cement his commitment to relieving suffering throughout the world. As he noted, "I'm pleased we have adopted our long-term programs in drug awareness and diabetes education and are presenting them around the world." The 1,350,000 Lions members worldwide are a formidable resource in providing better medical facilities and services to the less fortunate in this Nation and abroad.

Mr. Speaker, the slogan introduced by the Lions during Joseph Wroblewski's term as international president sums up his long-standing commitment to improving his world "We Serve Better-Together." I know I speak for many of my colleagues in praising the invaluable work of the Lions. We of the 11th District of Pennsylvania are especially proud of Joseph L. Wroblewski, who has served with such distinction as their international president.●

TRIBUTE TO JANE HAGEDORN

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GREEN. Mr. Speaker, I would like to draw to the attention of my colleagues the passing of a good friend, Jane Hagedorn, wife of New York publisher Charles Hagedorn.

Jane was known for her kindness and her quiet strength, a strength that undoubtedly helped her husband and their son, Chris, in their difficult task of maintaining the publication of quality newspapers in an era when many newspapers have been closed by economics and changes in society.

Jane's strength was also evident in the manner in which she handled her long and difficult illness. She concerned herself with the needs of others, her constant smile belied her pain.

Such courage and unselfishness are a legacy to those who knew Jane Hagedorn and a lesson for all of us. I know this loss has had a terrible impact upon her husband and their son, but I also know that they will do as she wished and carry on in the great tradition of journalism.●

THE 10TH ANNIVERSARY OF HELSINKI ACCORDS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. BIAGGI. Mr. Speaker, I wish I could rise today to celebrate the 10th anniversary of the signing of the Helsinki accords. However, I find that there is little to celebrate. The Helsinki accords recognizes the territorial and political status quo in Eastern Europe, which resulted from World War II. In return the West has gained little except broken promises and dashed hopes. After 4 years of initial improvement and progress in human rights, the situation began to deteriorate with the Soviet invasion of Afghanistan and has grown steadily worse.

Recently, we marked the 26th anniversary of Captive Nations Week, commemorating the millions of freedom-loving people in Soviet-dominated countries throughout the world. This type of commemoration might not be necessary if the Soviet Union would uphold its part in the Helsinki accords. Of course the United States must continue to fight for freedom and human rights regardless of the Soviet stance. Let me repeat part of the statement I made on Captive Nations Week:

> The United States since its inception, has championed fundamental freedoms. We must remain dedicated in our efforts to press for the recognition of basic human rights for all people. We must reaffirm our pledge of obtaining rights for nations under Communist dominion. We as a Nation must uphold the fundamental principle of self-determination and encourage the captive nations in their struggle for freedom from the oppression of the Soviet Union.

Although there has been increasing action and hope for the cause of oppressed people around the world, we must still focus on the latest examples of Soviet adventurism, whether in Europe, Africa, or Central America. The oppressive policies of the Soviets must be recognized and acted upon.

One of the indicators often used to gauge the ups and downs in Soviet human rights policy is the rate of Jewish emigration from the Soviet Union. In 1979 the rate stood at an all time high of 51,000. Since that time the flow has dwindled to almost nothing. In 1983 only 900 Jews were allowed to emigrate from the Soviet Union and the figures for the past few months are even lower. It is thought that at least 400,000 Jews presently reside in the Soviet Union and are unable to leave. In restricting Jewish emigration so harshly the Soviets are once again violating the Helsinki accords which allows the emigration of a people to their national homeland.

The plight of Soviet Jews has deteriorated. During the past year, we have seen the constant harassment of Hebrew teachers and Jewish cultural activists. A new strategy has been in use recently, by which Jews are brought to trial on trumped-up charges. We have a responsibility to do whatever is possible to make life easier for those repressed people who are forced to live under Soviet tyranny. The Soviet Jewry issue should be raised with high level Soviet officials whenever the opportunity arises. This 10th anniversary cannot be a very joyous occasion, but it can serve as reminder that there is much which must be done. The Soviets should be reminded of their part of the accords and held to it. At this time, I would like to insert into the RECORD the full text of an article which appeared in the Washington Post on July 31, 1985:

DON'T CELEBRATE THE HELSINSKI ACCORD; NULLIFY IT

(By Norman Podhoretz)

The other day I received a visit from Avital Scharansky, whose efforts to free her husband, Anatoly, from the Gulag to which the Soviet authorities consigned him seven years ago have given a new dimension to the word indefatigable.

This was not the first time she had come to see me, but this time there was a difference. In previous visits she had mainly appealed for help in getting her husband out of prison. On this occasion, however, her emphasis fell on getting out the 400,000 Jews waiting for permission to emigrate from that larger prison known as the Soviet Union.

Avital Scharansky thinks that a special opportunity to press the issue of Jewish emigration is provided by the meeting this week in Helsinski to commemorate the 10th anniversary of the agreement that was signed there by the Soviet Union, the United States and 33 other nations on Aug. 1, 1975. More generally, she believes that the Soviets are now in such desperate economic straits that they would be willing to trade 400,000 troublesome Jews for most favored-nation (MFN) status.

Is she right? Are the Soviets now prepared to bargain in the currency of what are for all practical purposes Jewish hostages? Perhaps. In the reports that have circulated recently of Soviet moves toward the restoration of diplomatic relations with Israel, broken off during the Six Day War of 1967, mention has been made to offers of pay for certain political concessions by Israel with an increase in the number of Jews who would be allowed to emigrate.

Some who follow these matters closely think the Soviets are also trying to wring political concessions, and not just MFN status, out of the United States in exchange for allowing larger numbers of Jews to leave.

The Soviets have been playing a similar game with the West Germans for some years now, exacting both hard cash and political accommodation for permitting a negotiated quota of East Germans to emigrate to the Federal Republic. Why then should they not try to open a trade in Jews as well? So many Jews for the return of the Golan Heights to Syria, so many for MFN, so many for the cancellation of "Star Wars."

Yet even if the Soviets are now ready to deal in this repulsive fashion, the United States refuse to go along.

In Helsinki 10 years ago, the Soviets promised, among other things, to allow much freer emigration in exchange for what amounted to recognition by the West of their hegemony over East Europe. In restricting Jewish emigration so harshly (from 51,000 in 1979 to about 900 in 1984), the Soviets are thus brazenly violating the Helsinki accord. Thus, too, in offering to exchange a higher emigration quota for economic or political concessions they are demanding yet another "quid" for a "quo" they have never paid and are at best still unwilling to pay in full.

It is because the Soviets have refused to keep their part of the Helsinki bargain in general that a large group of Soviet dissidents living in exile recently issued a statement calling for its nullification by the West. Not only, say these exiled dissidents, has the accord failed in its "initial goal" of promoting human rights in the Soviet Union and its East European satellites. It has "failed even to protect the Helsinki monitors" who have been imprisoned precisely for calling on the communist authorities to observe its provisions. Among these monitors is Anatoly Scharansky.

In English prose that touchingly bears the traces of their native Russian, the exiled dissidents go on: "We tried to persuade Western governments to make release of these people a necessary condition to continue the Helsinki process. It was not done in time, and the situation is irreversible now. Irreversible are the deaths of imprisoned Helsinki monitors Oleska Tikhy, Valery Marchenko and Yuri Letvin from the Ukraine and Eduard Arutyunyan from Armenia. Irreversible are the many years spent in prisons and labor camps by the founders of the Helsinki movement Yuri Orlov, Anatoly Scharansky and other prisoners of conscience."

But the fate of the 400,000 Soviet Jews who have applied for permission to emigrate may not be irreversible. Instead of offering the Soviet Union rewards for letting some of them go—rewards, in other words, for partially keeping commitments for which it has already been exorbitantly paid—the United States ought to be threatening a cancellation of the Helsinki agreement unless the Soviets immediately begin living up to its provisions.

That would mean, as the exiled dissidents say, the release of Scharansky and the other prisoners of conscience, and as his wife adds, it would also mean the simultaneous granting of exit visas to the 400,000 Jews wishing to emigrate.

Avital Scharansky thinks the Soviets would give in to pressure of this kind; the exiled dissidents seem to be more skeptical. But we are not about to find out this week which of them is right. The brutal and heartbreaking truth is that the chances of an American threat to nullify the Helsinki accord are almost nil.

What is most heartbreaking, however, is that even if such a threat were made, it would be no more credible than the empty threats we have repeatedly made to nullify all the other agreements, from the ABM treaty to the treaty banning the use of chemical weapons, that the Soviets have violated just as brazenly as they have the accord whose 10th anniversary is so farically being celebrated in Helsinki.●

TRIBUTE TO HAROLD D. WILKINS OF FLORIDA STATE UNIVERSITY

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. PEPPER. Mr. Speaker, in State university systems throughout the country, there are many dedicated individuals working in administrative capacities to make exciting things happen in education. These individuals deserve a great deal of credit for the growth and excellence of our State universities and, consequently, for the improvement of education in our country.

I am proud to take note of one such outstanding individual in Florida's State university system, Harold D. Wilkins, of Florida State University in Tallahassee, FL.

Hal is the president of FSU's foundation, a position he has filled for several years. Through his knowledge and expertise in obtaining funding for university programs and activities, FSU has been able in the past 3 years, to establish three eminent scholars chairs; two in the School of Theater and the Mildred and Claude Pepper chair in social gerontology. In addition, funds for several other chairs are in the process of being collected. Under Hal's able leadership, Florida State University foundation raised $9.1 million in the last fiscal year. In addition to funding the eminent scholars chairs, these funds have been allocated for student scholarships, for establishing faculty chairs, for research and development in meteorology, computer science and other important areas and for recognizing the work of outstanding professors.

Hal Wilkins and his excellent staff of 21 dedicated individuals are to be warmly commended for their achievement at Florida State University. Their work does not benefit FSU alone but has far-reaching effects as it culminates in raising the quality of education for our citizens, some of whom will be on the cutting edge of history tomorrow.

I therefore, Mr. Speaker, ask my colleagues to join me in paying tribute to the numerous individuals who devote their lives to education and particularly to Florida's own Harold D. Wilkins, president of the Florida State University foundation.●

SMOKELESS TOBACCO

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mrs. COLLINS. Mr. Speaker, the prevalence of alcohol and illicit drugs in our society and their attraction to our children are well known. In recent months, public attention has been drawn to a new fad sweeping the country, one that has invaded our school playgrounds and college campuses. Although an age-old custom, smokeless tobacco, which refers to chewing tobacco and snuff, are the "in thing" among our Nation's youth, and its use is increasing at an alarming rate.

Over 22 million Americans are said to be using smokeless tobacco. Conservative estimates are that 8 to 10 percent of teenagers and preteens have taken up the pinch, chew, or dip habit. Individual State surveys have found even higher rates of use, up to one/third and higher among students in junior and senior high schools and in college.

One reason for this new found appeal is the increased fear over the dangers of cigarette smoking. Another is the Madison Avenue type advertising by producers of smokeless tobacco which features national sports stars and music celebrities aimed at enticing young, prospective users to "go smokeless."

A number of studies have found that smokeless tobacco is not a risk-free product. Oral cancer, dental disease, high blood pressure, and addiction are some of the findings researchers have uncovered. And while the volume of scientific information for smokeless tobacco products may not equal that compiled for cigarettes, it has raised a "red flag," prompting a number of major health organizations to voice strong concern and a call for action.

Only a handful of States have addressed this problem, however, either through product warning labels or minimum sales age limits. At the Federal level, the Federal Trade Commission has punted to the HHS, whose Office of Smoking and Health is now studying the issue. But because groups like the American Cancer Society, the American Medical Association, the American Dental Association, the National Cancer Institute, and even the U.S. Surgeon General have pronounced smokeless tobacco as detrimental to human health, we cannot afford to hold off action.

What is needed in my view is a comprehensive legislative solution. On July 25, I introduced the Smokeless Tobacco Control Act of 1985—H.R. 3078—which will not only make people more aware of the hazards associated with smokeless tobacco, but of the utmost importance, will make it more difficult for young people to get their hands on these potentially deadly products.

My three-part proposal will deal with this problem by requiring HHS to develop educational programs on the health risks of smokeless tobacco for use in our school systems and by health agencies. Grants to States will be authorized as an incentive to enlist help from the States in distributing these educational materials and in setting minimum sales age limits. My bill will also reinstate a Federal excise tax and will earmark the new revenues for the State grants and for cancer research. Lastly, my bill will prohibit producers of smokeless tobacco from deducting advertising expenses from their income taxes.

I believe my legislation will well serve the public health. It will meet the twin goals of making sure that those who wish to use these products are well informed about the inherent dangers, and it will discourage our Nation's children from engaging in an activity that might later result in serious health problems. I would urge my colleagues on both sides of the aisle to join me in working for the passage of this important and timely legislation.●

COMMEMORATING THE 250TH ANNIVERSARY OF THE FOUNDING OF THE FIRST CONGREGATIONAL CHURCH IN BLANDFORD, MA

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. CONTE. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to the people of the First Congressional Church of Blandford, MA. On August 18, they will be celebrating the 250th anniversary of the founding of their church.

The founding of Blandford's First Congregational Church was truly a venture in American pioneering. The western part of the Commonwealth of Massachusetts is beautiful and can be very rugged, and 250 years ago it was still considered wilderness. The Blandford church has fit in well, it is a picturesque building in a picturesque setting.

Pastor Brian Case and the entire assembly—past and present—of the First Congregational Church can be very proud of their heritage as they celebrate this very special occasion. On August 18, a plaque will be dedicated at the church, and the assembly will gather to ask God's blessing so that they can continue to serve his purpose in the western part of the Commonwealth.

Mr. Speaker, I wish all the best to those who are a part of this special church. Their past has been a rich one. Their present is a productive one, and their future is full of promise. It has been my pleasure to share this tribute to the First Congregational Church of Blandford with my colleagues in the House. Thank you, Mr. Speaker.●

NATIONAL HEMOPHILIA AWARENESS MONTH

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GREEN. Mr. Speaker, I should like to submit for the RECORD, additional cosponsors of House Joint Resolution 254, to designate the month of March 1986 as National Hemophilia Awareness Month.

Wayne Dowdy, James Scheuer, Roy Dyson, Gary Ackerman, Hamilton Fish, Henry Hyde, Alan Wheat, David Bonior, Louis Stokes, Geo. W. Crockett, Gerald Kleczka, Jim Moody, Dennis Hertel, Andy Jacobs, Fofo Sunia, Thomas Daschle, Frank McCloskey, Arlan Stangeland, John Bryant, John McKernan.

Claude Pepper, Frank Guarini, Lee Hamilton, Fernand St Germain, Bruce Morrison, Albert Bustamante, Henry Nowak, Bill Carney, Carroll Campbell, Bill Frenzel, Ike Skelton, Fred Eckert, Willis Gradison, Stewart McKinney, Carroll Hubbard, Frank Horton, Tom Bevill, John Porter, Richard Shelby, Martin Sabo.●

COMMENDATION TO THE MONTEBELLO DISTRICT OFFICE OF THE SOCIAL SECURITY ADMINISTRATION

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. MARTINEZ. Mr. Speaker, as part of this years commemoration of the 50th anniversary of the Social Security Administration, I would like to take this opportunity to commend the Social Security Administration's district office in Montebello for the continued service to the community and their efforts on behalf of my constituents of the 30th District of California:

Whereas the Social Security Act was signed 50 years ago on August 14, 1935 and

Whereas Social Security is a significant and necessary support for these disabled or survivors of deceased workers and

Whereas Social Security is an important part of the retirement plans of millions of Americans and

Whereas the Social Security office in Montebello, California under the direction of Irene Kishita, District Manager, provides exemplary service to the public in administering the provisions of the Social Security Act to the 27,000 beneficiaries in the area.

Therefore, I Congressman Matthew G. Martinez, Representative of the 30th District in California, on behalf of the citizens of the District do hereby commend Irene Kishita and the Social Security Administration for the fine services they provide to those residing in our district.●

CONGRESSIONAL RECORD TRIBUTE—LUIS LAINER

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. WAXMAN. Mr. Speaker, it is with special pride and pleasure that I call to your attention a truly outstanding citizen of Los Angeles, Luis Lainer.

Luis was born in Mexico City and emigrated to Los Angeles with his parents as a young child. After his graduation from Yale Law School in 1968, he served as a VISTA volunteer for 2 years in a predominantly Puerto Rican neighborhood in New York City. Luis' experiences in the Williamsburg barrio left an indelible impression and formed the basis and direction his future life would take.

After returning to Los Angeles to practice law, he sought to recreate the idealism and sense of meaningfulness of his VISTA experience. Joined by a group of young professionals—lawyers, teachers, students, rabbis, and social workers—he founded Bet Tzedek, the House of Justice. Started as a storefront office over 10 years ago, Luis worked for a while as the only staff person performing all the necessary tasks himself—counseling, representing clients, recruiting and supervising volunteers, publicity, fundraising, and so forth. Bet Tzedek has flourished into a major community service agency serving, on a nonsectarian basis, thousands of aged, disadvantaged, and defenseless clients who are in danger of losing their homes, vital social benefits, and their dignity.

Although Luis is stepping down as president of the board, a position he has held since 1981, he will continue to serve on several important standing committees, including the executive and nominating committees which he will chair. In addition, the board has appointed Luis Lainer, president emeritus for life.

In his dedication to community service, Luis joins the other members of the illustrious Lainer family who have also committed their lives and resources to the well-being of others. His wife, Lee, and daughters, Jesse and Anne, have every reason to share in the joy and pride of Luis' life.

Terry Friedman, executive director of Bet Tzedek, perhaps best sums up the essence of Luis Lainer's spirit:

> Some of us are dreamers. Others are doers. Few are both. Luis Lainer is that rare combination of dreamer and doer. More important, Luis is also a moral human being who, in every part of his life, sets the standard for the rest of us.●

THE 50TH ANNIVERSARY OF SOCIAL SECURITY

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. KOSTMAYER. Mr. Speaker, on August 14 we celebrate the 50th anniversary of the Social Security Program.

Social Security was established 50 years ago at the recommendation of President Franklin Roosevelt in reaction to the economic insecurity experienced by millions of elderly and unemployed workers during the Great Depression. President Roosevelt proposed a Federal system of old-age insurance, unemployment insurance and public assistance which was passed by the Congress and signed into law on August 14, 1935.

The original program covered 27 million workers. Since then the Social Security Act has been amended many times to meet the changing needs of our society. Last year 119 million workers and their employers contributed $186 billion in Social Security payroll taxes to the trust fund and 36 million received $180 billion in benefits.

The great majority of America's retired people count on Social Security as the foundation for their retirement. For many of them, it is the difference between security and poverty. Twenty-seven percent of our Nation's elderly people depend on their Social Security checks as their sole source of income.

In the past 50 years the Social Security Program has fulfilled its promise of providing security for America's workers. This anniversary gives us an excellent opportunity not only to recognize that achievement, but also to reaffirm our commitment to the program. That is why the theme of the anniversary celebration, "Social Security: Partnership With Tomorrow," is particularly appropriate.

Social Security represents a contract between the Government, retired workers and today's workers. Unfortunately, this year retired workers were once again threatened with the spectre of benefit cuts by those who would use the Social Security Program as a scapegoat for the irresponsible budget policies which have lead to record Federal deficits. Proposals to reduce Social Security benefits obscured the fact that the trust fund ran a surplus last year and that it is on sound financial footing for well into the next century. Such proposals also shook the confidence of today's workers in the future of the program.

We must use this 50th anniversary to restore the public's confidence in the Social Security Program and to reaffirm our Government's commitment to honor its contract with America's workers.●

DEROGATORY REMARKS OUGHT NOT GO UNCHECKED

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. FRANK. Mr. Speaker, last month, New York Mayor Ed Koch admitted that he had referred to our colleague, the gentleman from California [Mr. Dellums] as a "Zulu" and a "Watusi from Berkeley." Mayor Koch attempted to explain away these derogatory racial references to a very distinguished Member of this body with a disingenuous assertion that they were meant to be complimentary. I doubt very much that anyone—Mayor Koch included—believes this.

As I understand it, Mr. Koch uttered these distasteful remarks in the context of a discussion in which he defended the level of American aid to Israel. I am very much in agreement with Mr. Koch on this particular issue and it seems to me incumbent on those of us who are in agreement with Mr.

Koch that significant levels of aid to Israel are very much in America's interest to disassociate ourselves from the racism of his comments about Mr. Dellums.

Our colleague Mr. Dellums is a man who believes that public policy debates ought to be conducted on a very high level, and he is scrupulous on the floor and off in his efforts to avoid personalities and focus on real issues. In keeping with this, and with his general graciousness, Mr. Dellums chose not to make an issue of Mr. Koch's remarks and stated that he accepted Mr. Koch's explanation of them. That is I think a tribute to Mr. Dellums graciousness and distaste for personality politics, and not an indication that he is unduly credulous. Mr. Dellums' understandable unwillingness to engage in a name-calling spat with the mayor of New York in no way relieves any of the rest of us from the responsibility to speak out against Mayor Koch's unfortunate expression of sentiment in this case.

Juan Williams wrote an article for the opposite editorial page of the Washington Post which expressed dismay that so few people had publicly spoken out against the racial implications of Mayor Koch's remarks. I do not agree with everything Mr. Williams says in this article, but I believe its general thrust is accurate: Those who spoke out against the anti-Semitic remarks uttered by Jesse Jackson in 1984 are guilty of hypocrisy and inconsistency if they remain silent in the fact of similarly offensive ethnic slurs by Mayor Koch. Because I believe in this general point—that all of us have an obligation to speak out against bigoted remarks of any sort when uttered by significant public officials—I include Mr. Williams' article at this point in the Record:

Of Zulus, Watusis . . .

(By Juan Williams)

In a soon to be published book, "I Koch—A Decidedly Unauthorized Biography," New York's Mayor Edward I. Koch is quoted as calling Rep. Ron Dellums (D-Calif.) a "Zulu warrior" and a "Watusi from Berkeley."

Koch admits the words are his. He says he intended them as compliments. He called Dellums after the quotation became public to tell the congressman that Watusis are "strong and tall" and the Zulus an "elegant and stylish" people.

Sure. And "Hymie" is a Jewish name.

According to Jack Newfield, a Village Voice writer who was the source for the quotation, Koch used the tribal references in 1976 during an acid volley against U.S. congressmen he felt were trying to reduce U.S. aid to Israel.

"He was specifically focusing on Dellums," Newfield said, "ignoring the substance of what Dellums had to say and then he called him a 'Watusi from Berkeley.' It was unmistakably hostile, derogatory and insulting. It was meant to be."

Dellums has decided to downplay it. The Berkeley congressman who has fought to avoid being labeled a "black militant" or the "congressman in bell-bottoms" is afraid that a personal response to Koch would allow his colleagues to dismiss him as an overly sensitive, angry black man.

But the incident begs comparison with the outcry last year when it was reported that Jesse Jackson privately referred to Jews as "Hymie" and rationalized it as a practice left over from his childhood.

In fact, Koch, in his role as a Jewish leader, led the way in condemning Jackson as an anti-Semite, largely on the basis of the "Hymie" comment. With that as his whip, Koch aired his suspicions that Jackson was an anti-Semite who favored Middle East policies that are antagonistic to Israel's best interests. His proof? The "Hymie" quote, Jackson's ties to Israel's enemies, the dark-skinned people in the Middle East. Jackson hugged Yasser Arafat, Koch reminded his audiences before urging unsuccessfully that Jackson not be allowed to speak at the Democratic convention.

Now Koch is in the hypocrite's corner. If he was so quick to throw stones at Jackson, he has no exemption from being stoned. No matter how expertly he dances away, by quickly admitting his intemperate words and calling Dellums to explain it all, he can't expect anyone to believe in his gut that he was complimenting the congressman.

Koch, who is running for reelection, should be haunted and harassed for every awful racist word revealed in his attack on Dellums. He should be questioned about it at every campaign stop.

Few would suggest that Jackson not be held accountable for his remarks. Why should it be different for Koch? There is no acceptable double standard on bigotry. Why don't Jewish leaders, in particular those who condemned Jackson at the hint of bigotry, condemn Koch?

Or can one group of Americans be freely slandered by a public figure while any hint of bigotry toward another group, in private conversation, is cause for moral outrage?

While proof of Jackson's animus toward Israel may lie in symbols, there is direct evidence of Koch's distaste for blacks. In a fiscal crunch he chose a Harlem hospital to be closed. After blacks gave him 60 percent of their vote in this first Democratic primary—a runoff against Mario Cuomo—he failed to support even moderate, establishment black politicians, stifling the growth of black political power in New York.

In 1981 he opposed David Dinkins, the city clerk, in his bid for Manhattan borough president. In 1982 he backed Alfred DelBello for the state's lieutenant governor's seat when Carl McCall, a moderate black candidate was running.

When it came to naming a superintendent for the New York City public schools, Koch chose Robert Wagner Jr. over Thomas Minter and Anthony Alvarado, a black and a Hispanic, respectively. Wagner was later denied the post because the state education commissioner found him to be unqualified for the job, having never taught school and lacking the necessary postgraduate degrees.

I wonder whether there will be a spate of newspaper articles casting doubt on the ability of Jewish reporters, in a town with a large Jewish population, to cover a Jewish mayor. It might seem crazy, but just such articles were written about black reporters after the Jackson incident.

But seriously, the absence of Jewish outcry at Koch's behavior toward blacks and his foul description of a black congressman amounts to the Jewish community's turning a blind eye to the sins of their own. The issue is not that Jewish leaders should condemn Koch so much as why they don't feel compelled to do it.

Not all Jews are defenders of Koch. Before the Dellums' name-calling became known, Rabbi David Saperstein of the Union of American Hebrew Congregations talked about Koch at an NAACP convention in Dallas:

"It is true that we have our ADL (Anti-Defamation League), and our Morris Abrams (vice-chairman of the Reagan administration's civil rights commission), and Ed Kochs . . . ," he said, "But make no mistake about it: to the majority of Jews and Jewish organizations their views are wrong."

More Jewish leaders needs to say the same and say it publicly and loudly.●

FOREIGN AID AUTHORIZATION AND SUPPLEMENTAL APPROPRIATIONS CONFERENCE REPORTS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1985

● Mr. WEISS. Mr. Speaker, we are voting today on two conference reports which in important ways are interrelated, the conference report on the supplemental appropriations bill, H.R. 2577, and the conference report on the foreign aid authorization bill, S. 960.

I am voting in favor of the conference report on the $13 billion supplemental appropriations bill for fiscal year 1985, for reasons which I first explained when the measure was originally before this House. The supplemental appropriations bill includes funding for many valuable programs which I support, including the Social Security trust fund, guaranteed student loans, food stamps, veterans' benefits, aid to Israel, family social services, and many other items. Nevertheless, my vote for the supplemental appropriations bill is a difficult one, since that bill also contains an appropriation of $27 million for the Nicaraguan Contras, which standing on its own I have always resolutely opposed and will continue to oppose. That is why I vigorously sought, in committee and on the floor, to exclude all Contra funding from the bill.

The conference report on the foreign aid authorization bill for fiscal years 1986 and 1987 presents a different set of choices. That bill also includes provisions which I support, including substantial authorizations for military and economic aid to Israel. But it is of critical importance that the failure of this authorization bill would not block such aid from flowing to Israel. Indeed, funds for Israel have generally been appropriated without a separate authorization in recent years, and I have consistently supported such aid in votes on foreign aid appropriations in this House.

In many other respects, however, this bill sets a most unwise and dangerous course for American policy toward the rest of the world. During its consideration, we witnessed the spectacle of emotionalism and unreflective nationalism overwhelming rational considerations of foreign policy. In case after case, ill-considered amendments with far-reaching consequences were offered from the floor and approved with little debate. We have now become enmeshed, or are in the process of becoming enmeshed, in a half dozen or more wars on three continents, under vastly differing local conditions, with the motliest imaginable range of local proxies. An administration that professes to abhor terrorism has now been authorized, and thereby invited, to use state-sponsored terrorism as a deliberate instrument of policy around the world.

By repealing the Clark amendment, a cornerstone of our Southern Africa policy for almost a decade, this bill opens the door to U.S. military aid to terrorists whose main sponsor happens to be the Government of South Africa—a government which we voted this week to sanction.

By authorizing funding for the Contras in Nicaragua, under the fictitious banner of "humanitarian assistance," this bill subsidizes a band of terrorists whose principal targets have included teachers, health care workers, women, and children.

By exempting El Salvador and Honduras from the longstanding ban on U.S. training of foreign police, the bill opens the door to the very abuses, by Latin American police forces and the U.S. agencies responsible for training them, which led to the enactment of the ban in the first place.

The conference bill provides $70 million in military aid to the brutal and corrupt Marcos regime in the Philippines, almost three times that provided in the House bill.

The bill authorizes $5 million in military assistance to one faction of the guerrillas fighting to oust the Vietnamese forces from Cambodia. As laudable as that objective may be, if our recent experience in the region is any guide, we are not going to replace the Cambodian Government with one of our liking with $5 million, or $500 million, or even $5 billion. At the very best, this authorization will serve only to build unrealistic expectations among those we purport to be assisting. At worst, it will lead us down the bloody path of reintanglement in Indochina, and it may unwittingly contribute to the reinstallation of the Khmer Rouge, who were responsible for one of the worst genocides the world has yet seen. This is a mischievous provision which will come back to haunt us.

As the most comprehensive statement of the Congress on foreign policy, therefore, the bill is too seriously flawed for me to support. My vote against this bill should not be interpreted as signifying opposition to all foreign assistance, not as opposition to all foreign military assistance. The United States lags far behind many European nations in providing economic assistance to the developing countries, and this imbalance should be redressed. On the other hand, the United States has legitimate security interests in many areas of the world, and properly conceived foreign-aid programs can help to protect those interests. But this bill is neither well balanced nor properly conceived, and in the long run it will promote neither economic development nor national security. Let us hope that this turn in American foreign policy is as transitory as the emotionalism which spawned it.●

COMMENTS ON BUDGET RESOLUTION

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1985

● Mr. GAYDOS. Mr. Speaker, while I commend the members of the conference committee on the budget resolution for the many long and hard hours they have spent to develop the product we have just approved, I believe it is time that we put a halt to this concept of legislating in crisis.

I am appalled that we have almost no supporting material to back up the figures which we have been asked to support. The realization that the full conference report will not be in our hands until we return to Washington in September leads me to believe that the figures we have before us are guestimates, pulled out of the air to justify the cuts and freezes in some of the most important domestic programs in this country while permitting a substantial increase in military spending.

I am a firm believer in and strong supporter of the committee system, but I am not yet ready to surrender my vote without having before me some better justification for this document, especially when I see military spending increasing by inflation, plus 3 percent a year for the next 3 years while important programs such as urban development grants, revenue sharing, Medicare and Medicaid, and guaranteed student loans are being cut or frozen.

Just those few domestic programs alone are so vital to me and the people and communities I represent, that I cannot in good conscience support this document.

The demise of the steel industry in my district and the forced unemployment of so many people there, have driven too many cities, towns, and boroughs to the verge of bankruptcy. If it weren't for the funds from UDAG and revenue sharing, the people in those communities would have no services at all. I am dismayed by the agreement to cut UDAG funds by 20 percent for 1986, but I am dumbfounded by the 25 percent cut in revenue sharing for 1986 and the program's elimination in 1987.

Those revenue-sharing dollars are often the only funding source to keep some of the communities in my district alive. McKeesport would have to increase property taxes by 6 mills to make up the funds from the cut in revenue sharing. Clairton would need an 8-mill increase and Homestead a 7-mill hike. And those dollars just don't exist in those communities.

At the same time, we are led to believe that additional funds to trim the Federal deficit will be earned through savings in Medicare and Medicaid and the Guaranteed Student Loan Program. Those savings means cuts and reductions or stiffer means tests, no matter how nicely they put it. Where are we going to cut $450 million from Medicaid over the next 3 years? Or $11 billion from Medicare between 1986 and 1988?

It means that some deserving people, people who have no other resources, are not going to have the protection this Congress fought so hard to give them in the first place. It means the safety net is going to have a huge hole in it.

Then, of course, there is the Guaranteed Student Loan Program. At a time when we say we need as many college-trained young people as we can get to help us create and fill the new jobs in so many fields, we are saying: "I'm sorry, you'll have to find some other way of paying for the education we believe you are going to need. We have to save money by cutting $800 million from the GSL Program over the next 3 years."

What a waste. The military throws billions of dollars away through poorly operated and badly supervised purchasing programs, buying $400 hammers, $200 ashtrays, and so on, and we reward those wasters with an inflationary increase plus 3 percent a year. But, to those young people who will be the future leaders of this country, we say, "sorry."

Where is the balance? Where is the fairness and the understanding we have tried to provide for those Americans in need?

What am I supposed to tell the unemployed steelworker in my district who, today, can no longer afford to help their college-bound sons and daughters meet tuition and boarding expenses? How can I tell them I voted yes on this budget?

Mr. Speaker, I am sorry, but I cannot and will not vote in favor of this budget resolution.●

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UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 99th CONGRESS
FIRST SESSION

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Wednesday, September 4, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

I will sing of Thy steadfast love, O Lord, for ever; with my mouth I will proclaim Thy faithfulness to all generations. For Thy steadfast love was established for ever, Thy faithfulness is firm as the heavens.—Psalm 89:1, 2.

We are grateful, O God, that Your love for us is from generation to generation and Your faithfulness is to the ends of the Earth. Protect us, we pray, from all adversaries and keep us always in Your gracious love. May Your mighty gifts protect, support, and heal Your people. That Your will may be done on Earth as it is in Heaven. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
August 12, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the Certificate of Election received from the Honorable Myra McDaniel, Secretary of State, State of Texas, and the Honorable Mark White, Governor of Texas, indicating that the Honorable Jim Chapman was elected to the Office of Representative in Congress from the First District of Texas in the Special Election held on August 3, 1985.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

THE STATE OF TEXAS

This is to certify, that at a special election held on August 3, 1985, Jim Chapman was duly elected U.S. Representative, District 1, unexpired term

In testimony whereof, I have hereunto signed my name and caused the Seal of State to be affixed at the City of Austin, this the 8th day of August A.D., 1985.

MARK WHITE,
Governor of Texas.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
August 2, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 12:20 p.m. on Friday, August 2, 1985, the following messages from the Secretary of the Senate:

(1) That the Senate passed H.J. Res. 251; and

(2) That the Senate agreed to the Conference Report and agreed to a further amendment of the House to S. Con. Res. 32.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to rule 49, as a result of the adoption of the House and Senate of Senate Concurrent Resolution 32, as amended, the Chair announces that House Joint Resolution 372, increasing the statutory limit on the public debt, has been engrossed and is deemed to have been

NOTICE TO HOUSE MEMBERS

Beginning with the September 4, 1985 edition of the Congressional Record, and continuing through the end of the 1st session of the 99th Congress, a new rule will be implemented for the publication of the House proceedings. The new rule is being tested by the Joint Committee on Printing in response to the will of the House as expressed in the passage of H. Res. 230. That resolution, the "Accuracy in House Proceedings Resolution", recommended the elimination of the use of the "bullet" symbol that has heretofore indicated statements or insertions which were not spoken on the House floor. In place of the "bullet", such non-spoken matter will appear in a different typeface from spoken matter.

Members are urged to familiarize themselves with the Policy Guidelines that have been developed to implement the new rule. Copies of the Policy Guidelines and information regarding the intent of the change are available to Members from the Joint Committee on Printing, upon request.

By order of the Joint Committee on Printing.

FRANK ANNUNZIO, *Vice Chairman.*

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

passed by the House on August 1, 1985.

SWEARING IN OF THE HONORABLE JIM CHAPMAN OF TEXAS AS A MEMBER OF THE HOUSE

The SPEAKER. Will the gentleman from Texas [Mr. Chapman] kindly step into the well of the House. He may be accompanied by the senior member of the Texas delegation, Mr. Brooks, and the delegation.

It is our understanding that the distinguished Senator from Texas, Senator Lloyd Bentsen, is here also.

Mr. Chapman appeared at the bar of the House and took the oath of office.

The SPEAKER. The gentleman is now a Member of the Congress of the United States. Congratulations.

PRESENTATION OF NEW MEMBER FROM FIRST DISTRICT OF EAST TEXAS

(Mr. BROOKS asked and was given permission to address the House for 1 minute).

Mr. BROOKS. Mr. Speaker, we are all very pleased to have a new Democratic Member from the First District of Texas, and the people in deep, east Texas are honored to have a man of his stature and ability. I know that we in the Congress will enjoy his contributions to our legislative efforts.

The gentleman from Texas [Mr. Chapman] is accompanied here by his wife and his daughter, and I think I speak in behalf of all of the Texas delegation when I say, and the Congress on both sides, that we welcome you here, and I want to point out the unusual welcome in that you are accompanied here today by the very distinguished and able senior Senator from Texas, Lloyd Bentsen, who is here with you, and we are glad to have you. Congratulations.

Mr. CHAPMAN. Thank you, Mr. Brooks.

RESPONSE BY NEW MEMBER OF FIRST CONGRESSIONAL DISTRICT OF EAST TEXAS

(Mr. CHAPMAN asked and was given permission to address the House for 1 minute.)

Mr. CHAPMAN. Mr. Speaker, Congressman Brooks, to my colleagues now that are here gathered, to my dear friend, Senator Bentsen, the ladies and gentlemen that are here, and particularly those who are on my right, so many good friends from east Texas, I am pleased to be here. I pledge to my colleagues, to the Members of this body and to my constitu- nonrubber footwear were injuring the ents hard work, and an honest effort to represent the First Congressional District of Texas and America in this body.

Thank you for your vote of confidence, and I look forward to being a part of this great institution. Mr. Speaker, thank you very much.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker pro tempore signed the following enrolled bills and joint resolutions on Tuesday, August 6, 1985:

H.R. 2068. An act to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes.

H.R. 2370. An act to amend the Public Health Service Act to extend the programs of assistance for nurse education.

H.R. 2577. An act making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.

H.R. 2908. An act to amend title XI of the Education Amendments of 1978, relating to Indian education programs.

H.J. Res. 251. Joint resolution to provide that a special gold medal honoring George Gershwin be presented to his sister, Frances Gershwin Godowsky, and a special gold medal honoring Ira Gershwin be presented to his widow, Leonore Gershwin, and to provide for the production of bronze duplicates of such medals for sale to the public.

S. 960. An act to authorize international development and security assistance programs and Peace Corps programs for fiscal years 1986 and 1987, and for other purposes.

S. 1147. An act to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and related laws.

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379, in the U.N. General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations.

S.J. Res. 137. Joint resolution to designate the week of December 15, 1985, through December 21, 1985, as "National Drunk and Drugged Driving Awareness Week", and

S.J. Res. 168. Joint resolution designating August 13, 1985, as "National Neighborhood Crime Watch Day."

□ 1210

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

Washington, DC,
September 4, 1985.

Hon. Thomas P. O'Neill, Jr.,
The Speaker, House of Representatives,
Washington, DC.

Dear Mr. Speaker: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House as follows:

(1) At 4:00 p.m. on Thursday, August 8, 1985 and said to contain a message from the President and a copy of a publication on the Regulatory Program of the U.S. Government; and

(2) At 3:10 p.m. on Wednesday, August 28, 1985 and said to contain a message from the President on nonrubber footwear trade decision transmitted pursuant to 19 U.S.C. 2253(b)(2); and

(3) At 3:20 p.m. on Thursday, August 29, 1985 and said to contain a message from the President under the Federal Pay Comparability Act of 1970.

With kind regards, I am,

Sincerely,

Benjamin J. Guthrie,
Clerk, House of Representatives.
By W. Raymond Colley,
Deputy Clerk.

PUBLICATION OF REGULATORY PROGRAM OF THE U.S. GOVERNMENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Government Operations:

(For message, see proceedings of the Senate of Wednesday, August 14, 1985, at page 22821.)

NONRUBBER FOOTWEAR TRADE DECISION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-100)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on Ways and Means and the Committee on Education and Labor and ordered to be printed:

To the Congress of the United States:

In accordance with Section 203(b)(2) of the Trade Act of 1974 (19 U.S.C. 2253(b)(2)), I am writing to inform you of my decision today to direct the Secretary of Labor to develop a plan to utilize the Job Training and Partnership Act of 1982 to aid dislocated workers in the nonrubber footwear industry. At the request of the Senate Finance Committee, the United States International Trade Commission (ITC) instituted an investigation to determine whether increasing imports of

domestic nonrubber footwear industry. The ITC found that nonrubber footwear imports are a substantial cause of serious injury, or threat thereof, to the domestic footwear industry.

While the escape clause provisions of the Trade Act of 1974 require the ITC to determine the question of whether a domestic industry has been seriously injured as a result of increased imports, I am charged with the responsibility of determining whether the provision of import relief to the domestic industry is in the national economic interest. After considering all relevant aspects of the case, including those set forth in Section 202(c) of the Trade Act of 1974, I have determined that granting import relief would not be in the national economic interest. I believe my decision today will promote our national economic interest by encouraging an open, nondiscriminatory and fair world economic system, a system in which jobs are created and prosperity grows through increased productivity and competitiveness in an open market. As my determination does not provide import relief to the industry, I am setting forth the reasons for my decision.

First, import relief would place a costly and unjustifiable burden on U.S. consumers and the U.S. economy. The Council of Economic Advisers estimates that the global quota remedy recommended by the ITC would create between 13,000 to 22,000 jobs with an average annual wage of $14,000. However, the cost to consumers to create these jobs would be $26,300 per job, amounting to a total consumer cost which could be as high as $2.9 billion over the next 5 years. Moreover, these jobs would not provide permanent employment and would be likely only to last during the 5-year relief period.

Second, import relief would result in serious damage to U.S. trade in two ways. If the ITC global remedy were imposed, U.S. trade would stand to suffer as much as $2.1 billion in trade damage either through compensatory tariff reductions or retaliatory actions by foreign suppliers. This would mean a loss of U.S. jobs and a reduction in U.S. exports. U.S. trade would also suffer because of the adverse impact import relief would have on major foreign suppliers, such as Brazil, who are heavily indebted and highly dependent on footwear exports. Import relief would lessen the ability of these foreign footwear suppliers to import goods from the United States and thus cause an additional decline in U.S. exports.

Third, I do not believe that providing relief in this case would promote industry adjustment to increased import competition. While imports of nonrubber footwear have increased rapidly over the last 12 months, I believe that the industry has been and is in the process of successfully adjusting to increased import competition. An industry that was once characterized by many small firms with limited manufacturing capability, has now emerged as an industry led by larger, more efficient producers who have invested in state of the art manufacturing equipment, diversified into profitable retail operations, and filled out their product lines with imports to respond to rapidly changing consumer taste.

In order to address the difficult problems faced by workers in the industry, I have directed the Secretary of Labor to work with State and local officials to develop a retraining and relocation assistance program specifically designed to aid workers in the nonrubber footwear industry. Appropriate programs of the Job Training Partnership Act are to be used to the fullest extent possible under U.S. law.

Ronald Reagan.

The White House, *August 28, 1985.*

DECISION ON PAY ADJUSTMENT FOR FEDERAL EMPLOYEES UNDER FEDERAL PAY COMPARABILITY ACT OF 1970—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-101)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

Under the Federal Pay Comparability Act of 1970, the President is required to make a decision each year on what, if any, pay adjustment should be provided for Federal employees under the General Schedule and the related statutory pay systems.

My pay advisors have reported to me that an increase in pay rates averaging 19.15 percent, to be effective in October 1985, would be required under existing procedures to raise Federal pay rates to comparability with private sector pay rates for the same levels of work. However, the law also empowers me to prepare and transmit to the Congress an alternative plan for the pay adjustment if I consider such an alternative plan appropriate because of "national emergency or economic conditions affecting the general welfare."

Accordingly, after reviewing the reports of my Pay Agent and the Advisory Committee on Federal Pay, and after considering the adverse effect that a 19.15 percent increase in Federal pay rates might have on our continuing national economic recovery, I have determined that economic conditions affecting the general welfare require the following alternative plan for this pay adjustment:

In accordance with section 5305(c)(1) of title 5, United States Code, the pay rates of the General Schedule and the related statutory pay schedules as adjusted by Section 1 of Executive Order No. 12496 of December 28, 1984, shall remain in effect without change.

Accompanying this report and made a part hereof are the pay schedules that will remain in effect under this alternative plan, including, as required by section 5382(c) of title 5, United States Code, the rates of basic pay for the Senior Executive Service.

Ronald Reagan.

The White House, *August 29, 1985.*

PERMISSION TO MODIFY COMMITTEE AMENDMENT TO CONFORM TO FUNDING CEILINGS REPRESENTED BY SENATE CONCURRENT RESOLUTION 32

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the committee amendment at the desk which was printed in the Congressional Record on July 11, 1985, and which the rule, House Resolution 223, passed by the House on July 24 makes in order during the consideration of H.R. 10, be modified to conform to funding ceilings represented by Senate Concurrent Resolution 32, passed by the Congress August 1, 1985, setting forth the congressional budget for the United States.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. CLINGER. Reserving the right to object, Mr. Speaker, I do so only for purposes of permitting the chairman to explain the purpose of this unanimous-consent request.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. CLINGER. I yield to the gentleman from New Jersey.

Mr. HOWARD. I thank the gentleman for yielding.

Mr. Speaker, this request is to permit the change of authorized funding levels in the committee amendment to be offered later today to bring it into conformity with the congressional budget resolution passed August 1.

The committee amendment published in the Congressional Record of July 22, 1985, reduced the funding levels authorized by the bill for fiscal year 1986 to those represented by the budget resolution as passed by the House. It was the only guidance we had at the time the amendment was printed in the Record.

We now have the budget resolution as passed, and would like to bring authorized levels of funding into conformity with it.

Mr. CLINGER. I thank the chairman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 1128, CLEAN WATER ACT AMENDMENTS OF 1985

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1128) to amend the Clean Water Act, and for other purposes, insist on the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey? The Chair hears none, and appoints the following conferees: Messrs. Roe, Anderson, Mineta, Oberstar, Edgar, Towns, Snyder, Hammerschmidt, Stangeland, and Clinger;

And additional conferees as follows:

Mr. Nowak, solely for sections 59 and 73 of the House amendment and modifications committed to conference; and

Mr. Rowland of Georgia, solely for sections 5; 16(b)(1)(b); 16(h)(3)(a); 24(e)(7); 26(b)(3); and 51(a)(2) of the House amendment and modifications committed to conference.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 281

Mr. REID. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 281.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

INTRODUCTION OF LEGISLATION TO EXEMPT STATE AND LOCAL GOVERNMENT EMPLOYEES FROM COSTLY OVERTIME PAY REQUIREMENTS

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. SMITH of Nebraska. Mr. Speaker, I am introducing legislation today that will exempt State and local government employees from overtime wage coverage under the Fair Labor Standards Act of 1938 [FLSA] and will clarify the application of that act to volunteers. My bill is nearly identical to legislation introduced in the other body as S. 1570 by my good friend, the gentleman from Oklahoma [Mr. Nickles]. Our bills address potentially costly fiscal problems of our local governments stemming from a February 19, 1985, ruling by the U.S. Supreme Court. The Court's decision in Garcia versus San Antonio Metropolitan Transit Authority extended the FLSA to nearly all State and local government employees.

The Garcia decision requires that State and local governments pay their employees overtime for any hours worked over 40 per week, except police and firefighters, who may work longer before accruing overtime.

Prior to the Court's ruling, employees frequently took compensatory time off in lieu of overtime pay. This arrangement was satisfactory to many employees, reflected the seasonal nature of several local jobs, and greatly aided financially strapped local governments.

The overtime pay mandate of the Garcia decision now threatens local governments and our citizens with tax increases, reduced services, and even layoffs.

My bill will fend off the adverse consequences of this unwarranted Federal intrusion by allowing more flexible "comp time" arrangements in lieu of overtime pay.

It also would allow volunteer workers to be paid incidental expenses without jeopardizing their volunteer status.

My legislation would not repeal those provisions of the FLSA regarding minimum wage standards and protection against exploitative child labor practices. The effective date of this bill would be retroactive to February 19, 1985, the date of the Court's decision.

Please join me in restoring the prerogatives of States and local governments to manage their own affairs by cosponsoring this urgently-needed legislation.

The text of my bill follows:

H.R. —

A bill to amend the Fair Labor Standards Act of 1938 to exempt from the overtime requirements of that Act employees of States and local public agencies and to clarify the application of that Act to volunteers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OVERTIME REQUIREMENT.

(a) Amendment.—Section 13(b) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(b)) is amended by striking out the period at the end of paragraph (29) and inserting in lieu thereof "; or" and by adding after that paragraph the following:

"(30) any employee of a public agency that is a State, a political subdivision of a State, or an interstate governmental agency.".

(b) Effective Date.—The amendments made by subsection (a) shall take effect with respect to workweeks beginning after February 19, 1985.

SEC. 2. VOLUNTEERS.

Section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) is amended—

(1) by striking out "paragraphs (2) and (3)" in paragraph (1) and inserting in lieu thereof "paragraphs (2), (3), and (4)", and

(2) by adding at the end the following:

"(4) The term 'employee' does not include any individual who volunteers to perform services for a public agency that is a State, a political subdivision of a State, or an interstate governmental agency and volunteers to perform such services without compensation or for expenses or a nominal fee.".

SEC. 3. CONFORMING AMENDMENTS.

(a) Section 7.—Subsection (k) of section 7 of such Act (29 U.S.C. 207(k)) is repealed.

(b) Section 13.—Paragraph (20) of section 13(b) of such Act (29 U.S.C. 213(b)(20)) is repealed.

A WELCOME TO THE HONORABLE JIM CHAPMAN AS A MEMBER OF THE HOUSE

(Mr. LELAND asked and was given permission to address the House for 1 minute.)

Mr. LELAND. Mr. Speaker, first of all, I would like to welcome all of my colleagues back. It is good to be back in the midst of all of them so we can engage ourselves in our very arduous work ahead of us.

Let me take a few minutes to just say that a few months ago we lost one of our great Members of the U.S. Congress to the Federal judiciary. I was happy for Sam Hall when he took his assignment, but I was also concerned that the residents of the First Congressional District of Texas would continue to receive effective leadership. Well, today I am proud to stand here in the People's House and state that a certain young man from Sulphur Springs, TX has allayed my concern for the welfare of the people in the First Congressional District.

As chairman of the Texas Democratic delegation, it is with great pleasure that I welcome the newest Member of the U.S. Congress and, of course, of the Democratic delegation, Congressman Jim Chapman. I am impressed with Jim because he chose to make the personal sacrifice to serve the people of the First Congressional District as their Representative in Washington. Yet no one should be surprised that he would undertake the task to serve the people. Jim was a public servant long before he came to Washington.

As of today, Jim Chapman will represent a congressional district with one of the most colorful histories in the U.S. Congress. The First District was represented for many years by the Honorable Wright Patman and most recently, of course, by Sam Hall. I am confident that before Jim Chapman leaves this House, he will have a few pages of history to write on his own.

AMERICA'S No. 1 PROBLEM—DEFICITS

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, Mr. President, let me say to my colleagues that the word from the people of western Wisconsin, after a 75-city tour during the past month, is deficit, deficit, deficit—the budget deficit, the trade deficit, and farm-income deficit. And they plead with all of us to set aside our partisanship and our ideology and respond to the needs facing this country with these deficits at the present time.

It did not take the weekend following the passage of that budget resolution for the American people to recognize that it was an inadequate response to the national debt. Even in a rural district such as mine they are absolutely alarmed at the staggering trade deficit facing this country and continuing to grow. And let me tell the Members that the present farm-income deficit is causing the removal and the destruction of the family farm across the country.

Deficit, deficit, deficit—budget deficit, trade deficit, farm-income deficit. Our work is cut out for us in the next few months.

HURRICANE ELENA

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, as you know, Hurricane Elena slammed into the Mississippi gulf coast on Labor Day, bringing winds in excess of 120 miles an hour.

The home of our colleague and minority whip, Trent Lott, sustained some damage in the hurricane. The veterans hospital in Gulfport reports $1 to $2 million in damage, and hundreds of homes and businesses were destroyed. It is certain that property damage costs will run into the hundreds of millions, but we can all be thankful that no one was killed in Mississippi but there were some deaths in Florida.

This storm proved that even with the best equipment, we cannot predict where a hurricane will hit. But the storm watchers and volunteers who manned the shelters and evacuation operations deserve praise. Their work surely helped save people.

Mississippi gulf coast residents survived Camille in 1969 and Frederic in 1979. If I know my fellow Mississippians, I can say with confidence that they will bounce back from this hurricane and those Federal Government agencies certainly help.

INTRODUCTION OF LEGISLATION TO CORRECT BUDGETARY PROBLEMS STEMMING FROM GARCIA DECISION

(Mr. DAUB asked and was given permission to address the House for 1 minute and to extend his remarks.)

Mr. DAUB. Mr. Speaker, today I am introducing legislation in response to the Supreme Court's decision in Garcia versus San Antonio Metropolitan Transit Authority—a decision that subjects employees of State and local governments to the Fair Labor Standards Act [FLSA].

The National League of Cities and the International City Managers' Association estimate that compliance with Garcia will cost $1 billion for this coming year. For fire-protection service alone, the city of Omaha, NE, projects the additional cost of overtime will be $370,000 for the coming year.

Flexible and innovative employment practices, many of which are negotiated between local governments and municipal workers' unions, will no longer be possible under this court decision. The Garcia decision has also created problems with regard to individuals providing voluntary services to State and local governments.

The legislation that I have introduced will rectify these impending effects but still preserve important minimum-wage standards. My bill will exempt State and local governments from the overtime provisions of FSLA retroactive to February 19 and will also exempt individuals providing volunteer services to State and local governments from the minimum wage and overtime provisions of the FSLA.

Mr. Speaker, I circulated a "Dear Colleague" letter on August 27 and would appreciate Members' attention.

GOP IN DISARRAY, DEMOCRATS GAIN IN AUGUST

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, the President said yesterday, "we're in power," meaning the Republicans. I'm glad he finally admitted that after 4½ years—maybe he realizes that this fall is the Republicans' last opportunity to face reality before the Democrats step in and pick up the pieces.

In any event, it was a great August for the Democrats: Jim Chapman defeated the national GOP machine and won a key House race. The Senate Republicans suffered a key retirement, and their control looks even more temporary. And the grassroots Democrats slammed an open door in the Republican National Committee's face.

Contrast this with President Reagan's warning yesterday to fellow Republicans to toe the line or else.

Why such disarray in the GOP? Because events now clearly control the White House agenda, not the other way around anymore, as their mismanagement of the economy and 1984 happy talk campaign have finally caught up with them.

Take any issue: Agriculture, trade, the national debt, and more, the situation is getting worse, and the Republicans don't have a policy to deal with any of them.

THE DEATH PENALTY FOR TREASON AND ESPIONAGE

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, now we have the tragic stories of espionage and treason and betrayal coming out of West Germany to add to the stories that we have learned about American disloyalty in the Walker conspiracies. It is time for this Congress to act and to act responsibly to restore to the laws of the Nation a death penalty to apply for treason and espionage.

We have talked about this, and we have taken action bit by bit, but there is lodged in the Judiciary Committee a comprehensive death-penalty bill that will apply to this kind of betrayal. I urge the chairman of the Subcommittee on Criminal Justice on which I serve in that Committee on the Judiciary to take action and will consult with him in order to bring that up to the floor.

But in the meantime I urge my colleagues to sign Discharge Resolution No. 2 to add pressure on that momentum so that we can act responsibly and bring about this much-needed deterrent to betrayal of our country.

NEW YORK TIMES CRITICIZED FOR FIRING COLUMNIST

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, I was exteremely disappointed by the action of the people who run the New York Times when they fired a columnist named Sydney Schanberg because he had been controversial, outspoken, and on occasion willing to criticize the New York Times itself. I have generally been supportive of the major media institutions in this country when they fought for the right for free and open and untrammeled debate, and obvioulsy they have the right as the owners of that paper to run it as they wish. But I am disappointed in their unwillingness to commit themselves internally to the kind of standards of free and open debate that they understandably argue for publicly.

The New York Times ought to be ashamed of itself for that act of self-censorship, and I hope they will reconsider what they have done.

THE BUDGET: IT'S A PHONY

(Mr. PORTER asked and was givern permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, let me be very blunt.

That budget resolution we passed 5 weeks ago is a sham. It's a phony. We have the audacity to tell the American people that we cut $55 billion from the deficit. You know, I know, all the Members of both Houses know this so-called compromise pales next to the $56 billion in cuts the Senate budget originally proposed. Those were honest numbers. Ours aren't.

Sure, some numbers were concocted to make it sound good. Sure, some token cuts were made. Amtrak cut 15 percent. EDA cut 20 percent. But if we can't muster the nerve to entirely eliminate EDA, we'll never eliminate any program from the budget. We cut farm programs barely half as much as the Senate proposed, and no one thinks even these modest cuts will actually occur.

And, yes, a nice increase for defense—camouflaged by low outlay estimates, which are not binding. And yet another Social Security increase at a time even we can't afford it.

All of this is worse than phony. It's not fair. Not fair to our children. Throughout their lifetimes, they'll be footing the bill for this folly.

ASAT TEST

(Mr. BROWN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, I call the attention of my colleagues to the fact that the President has authorized the testing of an antisatellite weapon against an object in space, which test may take place at any time, perhaps even as we speak. In accordance with provisions of existing law, the President has certified that he is negotiating in good faith with the Soviet Union for an ASAT arms control treaty, that the test is essential to the security of the United States, that it will not do irreparable harm to the prospects for an arms control treaty for space weapons, and that it does not violate the ABM or other arms control treaties. He made this certification on August 20, 1985, while the Congress was in recess, and the required 15 days waiting time expires today, September 4, 1985, while the Congress is still unable to take any action.

The certification made by the President can only be described as fiction, devoid of any resemblance to reality. We could probably have expected something of this sort, since most of the President's policies seem to originate in fantasyland. However, this action constitutes the most bare-faced definance of a specific congressional mandate I have experienced during my tenure in the Congress. I presume that the President takes the position that while he is required to make a certification, there is no requirement that the certification be true, and no congressional sanction for a false certification.

Mr. Speaker, I propose to take additional time in a special order today to discuss the action of the President in more detail. I invite other Members concerned about arms control to join with me, as well as those Members supporting the President on ASAT testing and deployment, so that they may correct any errors or excess of language which may inadvertently enter my remarks.

COURTS FAIL IN THEIR RESPONSIBILITY TO PUNISH VIOLATORS OF LAWS ON HIGH-TECHNOLOGY DIVERSION

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, it never stops—that is, the diversion of high technology. Whenever you open the paper, for example, in August, you see that an illegal exporter gets a suspended sentence or a high-tech exporter gets a reduced jail term.

We in this body spent endless hours to enact legislation designed to prevent the diversion of high technology. We stiffened the penalties, we increased surveillance, but all to no avail if the courts will allow the violators to violate our laws and do this with impunity.

The judges, in my opinion, are totally irresponsible in carrying out their obligations to enforce the laws that this Congress passed, and in my opinion the judges bear an onus for the additional defense spending that is required to insure that the capabilities that are obtained by the Soviets because of the diversion are countered by us, and I think they have to share much of the blame for the high defense spending that takes place many times when they do not enforce the laws that we pass against diversion of high technology here in this body.

THE PEOPLE SEE JOBS, NOT TAX REFORM, AS NO. 1 ISSUE

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, I spent the month of August back in my district in Louisiana listening to and talking to people about what was on their minds. Let me give the Members a quick 1-minute report.

They ask of the Congress three things. First they ask us to do something about the deficit. They figured out that a $200 billion deficit leads to an overvalued dollar and high real interest rates. It is costing them jobs, and jobs are on their minds. They say that we can start with defense. Surely we can defend America with $292 billion.

Second, they talk about the trade deficit and jobs. In the 1 hour that we will spend today doing 1-minute speeches, we will lose 400 manufacturing jobs overseas while the President spouts slogans on free trade and we just spout. My district said that America is Uncle Sam, not Uncle Sucker. Lead, Mr. President, or get out of the way.

Finally, in last place they put tax reform. They are all for it, but they said the President's plan is not simple, not fair, and they ask the question: What does the President's plan do for jobs? Is this another contemporaneous recordkeeping ploy?

Mr. Speaker, tax reform is not the issue. Jobs is. A bill uncertain on employment, a bill adding to the deficit is death to jobs, and it ought to be dead in the House. The tax bill needs to be improved or removed.

REMOVAL OF SOVIET CITIZENS FROM JOBS IN AMERICAN EMBASSIES

(Mr. COURTER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, the State Department employs about 200 Soviet citizens in our two diplomatic missions, some in our Embassy in Moscow and some in our consulate in Leningrad. Last May the House of Representatives passed an amendment proffered by myself which would have prohibited the further hiring of Soviet personnel in our Embassies because of the security problems they have caused in the past. Some of our typewriters, as a matter of fact, were bugged.

In view of the fact that we have been reading about the "spy dust" imbroglio whereby a possible carcinogenic agent was placed on our mission personnel there so their whereabouts and who they met could be traced by the Soviet Union, it becomes that much more important to make sure that Soviet personnel do not have access inside our Embassy. Because the conference report watered down the House amendment making this voluntary, I will be introducing this week a bill which requires that the State Department remove Soviet personnel from our Embassy, and I urge my colleagues to cosponsor the legislation.

WESTERN KENTUCKIANS SAY NO TO INDIVIDUAL TAX RAISES

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, as we welcome today the new Member of Congress form the First District of Texas, I take this 1 minute to comment that in the First District of Kentucky, which I'm privileged to represent, the people are very much aware of the issues before this 99th Congress.

During the recess I kept listening to my constituents.

Yes, they mentioned economic sanctions for South Africa.

Yes, they are anxious about the 1985 farm bill.

They are concerned about Federal deficit spending and trade deficits.

However, the single most talked about issue by western Kentuckians during the August recess involved our present income tax system. They were dismayed at the thought of having to individually pay higher taxes, while many big corporations pay no taxes at all.

Only last week major U.S. newspapers published stories with headlines such as "No U.S. Income Taxes Were Paid in '84 By 40 Big, Profitable Firms, Study says" and "50 Major Firms Paid No Income Tax '81–'84."

I am finding it increasingly difficult to explain to my constituents why the Federal Government continues to tolerate this inequitable situation. It is unfair to ask individuals to pay higher taxes, while allowing big corporations to pay no taxes at all or, indeed, to receive huge tax refunds and credits.

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THE 40TH ANNIVERSARY OF END OF WORLD WAR II

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, sometimes the anniversaries of great events in world history and U.S. history pass when we are on one of our district breaks. The 40th anniversary of the end of the greatest killing in all history, World War II just passed. Those anniversaries were celebrated while we were on our break and we did not have the advantage of those of us who are the elected Representatives of the people to comment upon that great moment in history. The 40th anniversary is important because that is when most of the survivors are still alive to look back with some historical perspective.

I have not yet recovered from the disgusting, obnoxious, television coverage of the fall of Saigon last April on the 10th anniversary, but I certainly was not ready for the 40th anniversary, including one Congressman of this House, on Hiroshima and Nagasaki, expressing shame about the end of World War II and using atomic weapons.

I would recommend to that distinguished Member that he reread, as I did, "Death March," the story of Bataan and what happened to over 60 percent of our prisoners of war in the Pacific Theater, the torture and death that they went through. Only a handful of Americans, several hundred of our POW's in Hanoi, including a distinguished Member of this body, have ever suffered as much as the men taken prisoner in the Pacific. Only 1 percent of our POW's died in Nazi Germany in spite of all the horror of the concentration camps against civilians, but over 60 percent of our men died in the Pacific.

Read this book and you will never again express shame or whimper about the end of the Second World War, using atomic weapons.

HOPE FOR THE FUTURE OF PAKISTAN

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, several months ago a young bright woman came to visit me in my office and she talked about her hopes for the future of her country. She spoke about her deeply felt desire that freedom return to the land of her birth. Her name was Benazir Bhutto and the country of her birth is Pakistan.

Several days ago she was rewarded for her beliefs in democracy and liberty for her country by being placed under house arrest. Despite the death of her father by the Zia government, Miss Bhutto spoke not a word in retribution. Despite 8 years of military rule by the Zia government, she spoke of peaceful change. Indeed, shortly before her arrest she told her supporters that the government must have a chance to live up to its promise to end martial law and restore constitutional civilian rule.

Her sole crime, Mr. Speaker, was her popularity. Let the Zia government understand today that Miss Bhutto has friends in America, as she has popular support in Pakistan.

Let him understand as well that we are watching that she is safe and secure and let that Government understand that as we have extended the hand of friendship, so, too, it can be withdrawn.

SOUL OF AMERICA AT STAKE

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the President's decision not to support the ITC finding that the American shoe industry should be protected against a flood of foreign imports highlights a growing problem of constitutional separation of powers.

The Constitution grants to the Congress the power over "interstate and foreign commerce"—a power which over the last 20 years has been given over by this body to the executive branch in a series of trade laws.

The distinguished chairman of the Commerce, Science, and Transportation Committee of the Senate suggested this past weekend that it is time for the Congress to take back some of the power it has ceded away. I think he is right.

Weekly we hear of yet another industry being destroyed by rising imports—petrochemicals being the newest to be added to the list which ranges from the smallest ball bearings and shoes to automobiles and trucks. What is at stake here is not an ideal of free trade in a perfect world, what is at stake right now is the very soul of America—our industrial base.

As Members of Congress we are sworn to uphold the Constitution. If we are charged by that document with the responsibility for interstate and foreign commerce, then I think we are bound to go about our duty to take back that responsibility.

TRIBUTE TO THE LATE HONORABLE CHARLES W. SANDMAN, JR.

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, regretfully I rise today to note in the RECORD the great loss of a friend, and a distinguished fomer Member of Congress, the Honorable Charles W. Sandman, Jr.

"Charlie," as he was affectionately known to his many friends and supporters in southern New Jersey, died on August 26 after suffering a stroke at his home in Cape May County.

His passing has left a void in the hearts of those who knew, respected, and loved this fine man.

Charlie Sandman was a devoted public servant, who served in the State legislature for 10 years, the U.S. House of Representatives for 8 years, and most recently was chief judge of the Cape May County Family Court.

While he was perhaps best known for his impassioned defense of President Nixon during the impeachment hearings in 1974, Charlie's record of accomplishments goes well beyond that one moment in history, when he

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was called upon to cast one of the most difficult votes to ever confront a Member of Congress.

In fact, he was a tireless worker who loved his country, his community, and his family. He dedicated himself for more than two decades to improving the quality of life for the people he served.

Charlie Sandman is survived by his wife Marion and his six children: daughters Carol and Marion, and sons William, Robert, Charles, and Richard. I wish to extend my deepest sympathy toward the entire Sandman family. Charlie was a remarkable man, and we will all miss him greatly.

PRAISE FOR PAKISTAN'S HUMANITARIAN EFFORTS

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, I recently had occasion to visit the country of Pakistan as part of my duties as a member of the Subcommittee on Immigration and Refugees and the Subcommittee on Crime of the Judiciary Committee. I would like to take this opportunity to commend the Government of Pakistan on their outstanding humanitarian efforts in providing for the almost 3 million refugees from Afghanistan who have flooded their country, and their program to eliminate poppy cultivation in Pakistan.

The Government of Pakistan has done a remarkable job in caring for and supporting the largest refugee population in the world. One-fifth of the entire Afghan population now is residing in 308 refugee camps inside Pakistan. The refugees in Pakistan are about one-third of the total number of refugees in the world from all countries.

Support of the refugees costs over $1 million a day of which the Government of Pakistan pays about half. Obviously, the drain on their budget and GNP have been enormous. In addition, 3 million sheep and goats have come with the Afghan refugees which have created added pressure on the water and pastures of the country.

The Government of Pakistan has also made great strides in eliminating one of the world's major sources of heroin by taking major steps to reduce poppy cultivation. The number of acres of poppies in Pakistan which have been a primary source of opium and heroin have been dramatically reduced since 1980. In addition, Pakistan is proceeding with a beefed-up, tough program against narcotics trafficking.

The Government of Pakistan deserves recognition and praise for these heroic efforts.

BRING BEN WEIR AND THE OTHER HOSTAGES HOME

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, as we return from our district work period, a great many problems and challenges are before us. I hope that as we confront these issues, we do not forget the seven Americans who are still held hostage in Lebanon.

For the families of these hostages, the days, weeks, and months of waiting go on. Can any of us begin to imagine the pain, the agony, and the loneliness of their solitary vigil waiting for news of their loved ones?

We must not let this human drama go on without our attention and help. We must not let this problem slip out of our minds, and we must insist that this administration do everything in its power to bring these hostages home, and bring them home soon.

Rev. Ben Weir, whose family lives in my district, has been held for more than 1 year. That is too long. Bring Ben Weir and the others home.

STATEMENT ON SEMYONOV HUNGER STRIKE

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, yesterday, two blocks from the Soviet Embassy, I met and talked with Alexei Semyonov, stepson of Nobel Peace Prize Laureate Andrei Sakharov and son of Elena Bonner. Five days ago, he began a hunger strike to protest Soviet mistreatment of his parents from whom he has not heard in more than 4 months. Dr. Sakharov, a champion of intellectual freedom, has been in internal exile in the closed city of Gorky since 1980. His wife was sentenced to exile in 1984. Such exile is to live as those already dead.

As cochairman of the U.S. Helsinki Commission, I join in the eloquent remarks of Secretary of State Shultz, who, at the recent 10th anniversary of the Helsinki accords, characterized Sakharov as "the man who, more than any other, represents the ideals enshrined in the Final Act."

The freedoms Dr. Sakharov and Elena Bonner extol are those which are guaranteed by the Helsinki Final Act. Their plight is not an isolated example. It epitomizes the Soviet Union's disregard for the human freedoms and moral standards which guide relations among the states set forth at Helsinki.

If the leaders of the Soviet Union truly wish to improve the atmosphere for the November summit in Geneva, then let them observe the human rights accords they signed 10 years ago and permit the International Red Cross to visit and report on the Sakharovs' condition. In addition, I urge you to join me in requesting the Soviet leaders, as a confidence-building measure, to release Andrei Sakharov and Elena Bonner before the November summit.

VOTE FOR H.R. 1460, ANTI-APARTHEID ACT OF 1985

(Mr. FAUNTROY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAUNTROY. Mr. Speaker, now that we're back from recess, one of the first orders of business Congress must take up is to complete passage of H.R. 1460, the Anti-Apartheid Act of 1985.

While we have spent much of this year debating whether economic sanctions should be imposed by the United States against South Africa, it is clear that the apartheid regime has done more to destroy its own economy than any sanctions we have contemplated to date.

Perhaps now, in the wake of a rapidly deteriorating situation in South Africa, we can send a decisive message to that government and halt its blind march to tragedy, bloodshed, and violence and spark a serious attempt at national reconciliation and dialog with all of the people.

As chairman of the Subcommittee on Domestic Monetary Policy of the Banking Committee, I have written to Federal Reserve Board Chairman Paul Volcker and to certain American financial institutions encouraging them to give serious thought before extending credit or refinancing debt for South Africa, unless new political dispensation and negotiations with all groups in South Africa occurs.

It seems to me that now is the time for all people of conscience to join together and urge the Senate of the United States to vote favorably on the House/Senate conference report on H.R. 1460, and for all of us in the Congress to be prepared to override a veto which our President may use in defense of South Africa's President Botha, and the dying apartheid regime.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore (Mr. Kildee) laid before the House the following communication from the chairman of the Committee on Public Works and Transportation; which was read and, without objection, referred to the Committee on Appropriations:

Committee on Public Works
and Transportation,
Washington, DC, July 29, 1985.

Hon. Thomas P. O'Neill,
The Speaker, House of Representatives,
Washington, DC.

Dear Mr. Speaker: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following projects July 18, 1985:

A succeeding lease at the Railway Labor Building; 400 First Street, NW; Washington, District of Columbia.

A succeeding lease at the Shoreham Building; 15th and H Streets, NW; Washington, District of Columbia.

A succeeding lease at the Tamol Building; 4228 Wisconsin Avenue; Washington, District of Columbia.

A succeeding lease at 1310 L Street, NW; Washington, District of Columbia.

A succeeding lease for multiple agencies at the Matomic Building; 1717 H Street, NW; Washington, District of Columbia.

A succeeding lease at the Century XXI Building; Germantown, Maryland.

A succeeding lease at the Rosslyn Plaza East Building; 1621 North Kent Street; Arlington, Virginia.

Acquisition of space by lease for the Patent and Trademark Office; Department of Commerce; Arlington, Virginia.

A new lease for multiple agencies at the Plaza West Building; Arlington, Virginia.

A succeeding lease at the Ballston Center Tower #1; 800 North Quincy Street; Arlington, Virginia.

A succeeding lease at the Ballston Center Tower #3; 4015 Wilson Boulevard; Arlington, Virginia.

A succeeding lease at the Columbia Pike Office Building; 5600 Columbia Pike; Falls Church, Virginia.

A succeeding lease at III Skyline Place; Falls Church, Virginia.

A succeeding lease at the Fullerton Industrial Park; 7943-59 Cluny Court; Springfield, Virginia.

A new lease at the Northrop-Page Building; 801 Follin Lane; Vienna, Virginia.

The original and one copy of the authorizing resolutions are enclosed.

Every best wish.

Sincerely,

James J. Howard,
Chairman.

There was no objection.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON ARMED SERVICES

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Armed Services:

Committee on Armed Services,
Washington, DC, August 21, 1985.

Hon. Thomas P. O'Neill,
The Speaker, House of Representatives,
Washington, DC.

Dear Mr. Speaker: This is to notify you pursuant to Rule L(50) of the rules of the House that Warren Nelson of the Committee staff has been served with a subpoena duces tecum issued by the United States Claims Court. In consultation with the General Counsel to the Clerk of the House, I will make the required determinations and will notify you of those determinations.

Sincerely,

Les Aspin, *Chairman.*

NATIONAL DEVELOPMENT INVESTMENT ACT

The SPEAKER pro tempore. Pursuant to House Resolution 223 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 10.

☐ 1255

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10) to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965, with Mr. Hoyer in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New York [Mr. Nowak] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. Clinger] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. Nowak].

Mr. NOWAK. Mr. Chairman, I yield 3 minutes to the chairman of the Committee on Public Works and Transportation, the gentleman from New Jersey [Mr. Howard].

Mr. HOWARD. Mr. Chairman, I rise to express my strong commitment to and support for H.R. 10. This bill provides a vastly improved legislative vehicle for the Federal Government to invest in our Nation's most economically distressed communities.

The National Development Investment Act, title I of H.R. 10, amends the existing Public Works and Economic Development Act and completely revises the approach for providing assistance to encourage economic diversification, adjustment and development in regional and subregional areas.

Title II of H.R. 10 extends the Appalachian Regional Development Act by authorizing the finish-up program endorsed by the Appalachian Governors and under which the Commission has been operating since 1982.

For the third time, this legislation comes before the House. In the 97th Congress, H.R. 6100 passed overwhelmingly by a vote of 281 to 95; in the 98th Congress, H.R. 10 passed 306 to 113. The bill before us today has been cosponsored by 173 Members and has strong bipartisan support.

This is a pretty good indication that a majority of present and former Members of the House know firsthand the benefits that have been derived in their own areas from successful economic development programs and realize the value of these regional and subregional programs to our overall national economy.

In many years of experience with regional and local economies, we have clearly seen that policies which address economic problems solely at the national level have not sufficiently helped many of our Nation's economically distressed areas. Despite periods of national economic expansion, many areas are bypassed for any number of reasons. There is a continuing urgency to retain targeted economic programs to help as many as possible of our most distressed areas. A strong national economy depends on self-sufficient and productive local and regional economies, economies that have some stability yet sufficient flexibility to weather the technological and structural changes which accompany and facilitate national growth.

The drafting and refining of this legislation has involved extensive oversight and legislative hearings, an in-depth evaluation of existing economic development programs and many long hours of hard work over a period of several years. A number of people have had a role in shaping this bill, however, at this time I want to commend and express special thanks and appreciation:

To Henry Nowak, chairman and long-time member of our Subcommittee on Economic Development, who has guided the bill through committee and to the floor in this Congress, and who has worked hard to garner support to continue financing the existing programs until we can enact H.R. 10.

To Jim Oberstar, whose dedicated leadership of the subcommittee in the 97th and 98th Congresses was so instrumental in bringing about this carefully constructed economic development initiative;

To Bill Clinger, ranking minority member of the subcommittee, whose contributions to the legislation and whose bipartisan support and effort helped make the bill possible; and

To Gene Snyder, ranking member of the Public Works and Transportation Committee for his cooperation in reporting this bill out of committee with a unanimous vote.

I want to take this opportunity also to give special thanks to the members of the Banking, Finance and Urban Affairs Committee, especially to Chairman St Germain and to Chairman LaFalce of the Economic Stabilization Subcommittee, for their fine work in amending the legislation in the last Congress and for their support in moving this bill forward.

The National Development Investment Act provides for up to 50 percent Federal grants for construction, repair, rehabilitation, and improvement of public facilities; for locally administered revolving loan funds to assist small business, retain existing business, and for projects that will promote development and create jobs;

and for planning, assistance with preparation of development investment strategies, and technical assistance.

There is a new focus in this legislation not found in existing law. It emphasizes a local leadership role, more private sector involvement, and intergovernmental cooperation and coordination. It encourages long-range investment in mutually supporting projects and activity that will harness existing resources and build on a sound economic basis.

It limits eligibility to areas with an unemployment rate of 1 percent or more over the national level for the previous 2 years or with a per capita income of 80 percent or less of the national average, and targets funds to areas of need and where there is the greatest potential for success and self-sufficiency. It retains eligibility for areas where a major employer has closed or is about to close, which would result in a sudden and severe economic dislocation.

The long-term designation for eligibility, as in current law, is eliminated. Now, an applicant must demonstrate distress, using most recent data, with each application.

It sets a limit of $2 million for a grant in any fiscal year to an applicant to implement a development investment strategy and limits to $1 million, a revolving loan grant. This is to provide a wider distribution of limited Federal funds, to avoid giving one area unfair advantage over another, and to promote a balance of economic development programs in both urban and rural areas.

Title II of H.R. 10 provides for continuation of construction of the remaining 380 miles included in the finish up program for the Appalachian highway system and for the gradual completion, rather than abrupt termination, of the area development projects in progress or ready to go. We cannot turn our backs on the Appalachian region at this point in time without seriously jeopardizing much of the value of the large investments made to date. This would drastically impair the region's efforts and opportunities to move closer to national averages for employment and income and overall standard of living, and would be a waste of both the region's and the Nation's resources.

This bill is a realistic approach for developing long-term economic strategies and addressing regional and local disparities. It retains a measure of Federal help by providing seed capital to stimulate and encourage areas undergoing severe economic shock to tackle their own unique problems, but it calls for States, local communities, and the private sector to assume a greater share of the planning, implementing, and financing to achieve these goals.

The bill also reduces the authorizations for both titles to levels appropriate to our national fiscal problems and reflects the deep concern of us all about the size of our Federal deficit.

I urge passage of H.R. 10.

Mr. NOWAK. Mr. Chairman, I will yield myself such time as I may consume.

It is a great pleasure for me, as chairman of the Subcommittee on Economic Development, to join with my colleagues—Mr. SNYDER, Mr. CLINGER, Mr. OBERSTAR, and Chairman HOWARD—in bringing H.R. 10 to the floor.

This bill is intended to provide badly needed assistance to our Nation's most severely distressed areas in their efforts to solve their own economic problems, promote economic growth and diversification, create or retain permanent jobs in the private sector, and move closer to the Nation's economic mainstream.

H.R. 10 completely revises the programs provided by the Public Works and Economic Development Act and extends the Appalachian Regional Development Act. Title I, the revision of the Economic Development Act, draws upon the positive elements of past economic development activities, yet it provides a new look for a private/public partnership to address the needs of the 1980's. At the same time, it responds to the criticisms of existing programs.

This bill follows the guiding principle that economic development should be initiated at the local level. The bill retains a grant program providing 50 percent Federal grants to States, economic development districts, Indians and local governments, to construct public facilities and improve the basic infrastructure necessary to support development. It also retains grants for business development loans. However, the funds will now go to communities to establish and administer their own revolving loans funds to aid small business with startup capital and expand existing operations to create jobs. Funding is also available for economic development planning, including preparation of development investment strategies, and for technical assistance.

A central feature of the bill is the locally developed, long-range development investment strategy. Communities will prepare their own strategies, setting their own priorities and directing their own destinies, requiring considerable private sector and intergovernmental cooperation and coordination.

Eligibility is determined by any one of three distress criteria: an unemployment rate of 1 percent over the national average for the previous 2-year period; or a per capita income that is 80 percent of the national average. The bill also retains eligibility for areas which have experienced, or are about to experience, sudden economic distress through loss of a major employer.

I want to emphasize that H.R. 10 is a great improvement over existing legislation, and it addresses many of the criticisms and shortcomings of current programs.

The Federal financial responsibility is reduced to a 50-percent funding match, which is less than current law that can go up to 80 percent. This is intended to give local government and the private sector a greater stake in a program's success and to foster even greater leveraging of the Federal dollars.

Under the committee amendment, we are further reducing the amounts to bring the figures in line with the budget resolution passed August 1. H.R. 10 funding for EDA would provide a total fiscal year 1986 authorization of $182.8 million. This is 20 percent less than appropriations for fiscal year 1985 for EDA.

There is a limit of $2 million on the total funds an applicant may receive in a given year to implement a development investment strategy. This is to stretch limited Federal funds and to avoid giving one or a few areas an unfair advantage of revolving disproportionately large amounts. A limit of $1 million is set for each revolving fund grant.

Eligibility criteria is scaled down and only areas with the greatest need will receive assistance. Also, an area, once it is determined as eligible, will no longer remain so indefinitely and must demonstrate it meets distress criteria with each application.

Title II of H.R. 10 covers the Appalachian Regional Commission which has proven to be one of the most successful examples of a Federal/State partnership. The Appalachian region is, in a sense, at a crossroads right now in its efforts to achieve parity with national economic levels. While there has been considerable improvement since 1965, the region is still substantially behind most other areas of the Nation in economic opportunity and quality of life.

This bill provides the legislation to put into effect the finish-up programs the Appalachian Governors agreed to in 1982. It represents a great compromise from original plans, especially to the highway system. The 13 States and localities have assumed greater financial responsibility and private sector involvement has increased, but, according to testimony we received at our hearings, their finances are stretched to the limit. Without Federal assistance, the gaps remaining in the highway system may not be completed, at least in the near future, and some on-going and recently completed projects that are dependent on those

highways will not achieve their planned potential.

The committee amendment reduces Appalachian funds to $121 million—down 20 percent from the fiscal year 1985 appropriation.

The help the Federal Government provides under this bill is not excessive, and it requires a substantial contribution by the local community. However, it represents an investment by the Federal Government that can act as a stimulus to economically distressed areas.

Mr. Chairman, this legislation has been overwhelmingly supported by this body twice before. Four years ago, in the 97th Congress, it passed by a vote of 281 to 95; and 2 years ago, in the 98th Congress by 306 to 113.

Two weeks ago, an amendment designed to terminate EDA by striking funding from the fiscal year 1986 appropriations bill, was soundly defeated 315 to 98. The strength of that vote is a clear indication of the high value placed on this subregional economic development program by the Members of the House.

The bill we bring to the floor today, for the third time, would vastly improve the existing programs, gearing them to meet current economic conditions and needs in local areas. I urge continued overwhelming support for H.R. 10 as a strong signal to the other body that we believe these programs are important and should continue to play a role as a catalyst for economic development in our Nation.

☐ 1300

The CHAIRMAN. The gentleman from New York [Mr. NOWAK] has consumed 10 minutes of his allotted time.

The Chair recognizes the gentleman from Pennsylvania [Mr. CLINGER], the ranking member of the subcommittee.

Mr. CLINGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, Emporium, PA, is a small town of 2,800 people nestled in a valley in the Allegheny Mountains and near the New York State line. It is part of Appalachia. It is struggling. The unemployment rate has been in double digits for a number of years; coming down, but not fast enough. Emporium was the birthplace of the Sylvania Electric Products Corp. which, until the late 1970's, was the principal employer, at one time employing over 3,000 people. When, in the late 1970's, a Dutch company, Philips, bought the plant and within months began to phase out all operations. Today, there are only about 80 people employed there. Most of the buildings in the complex are either idle or empty.

But Emporium and its people have not been idle. They have embarked on an ambitious program of economic development. An access road was built to a previously inaccessible site which allowed a local pressed metal plant to expand, creating desperately needed new jobs in the area. The county hired a dynamic young economic development specialist who has been aggressively pursuing ways to attract new jobs and preserve existing ones. Working with the local regional development and planning commission, the community leaders have developed an ambitious but realistic plan for turning their town around. They have already had success with their tourist promotion program.

It is great hunting and fishing country. They are planning to target small to medium companies involved in timber production and the manufacture of wood products. They are surrounded by a lot of timber, forests, very good timber prospects. Most exciting is their plan to take over most of an abandoned Sylvania-Philips plant and convert it into an industrial incubator. They already have five firms committed to move into this complex when it is completed and inquiries from a dozen more. They are raising industrial development money locally. The local banks are involved. A retraining program for workers is underway. Things are definitely looking up in Emporium, PA.

My point is that none of this would have been possible without EDA and ARC. It was the expertise which is available at the North Central Regional Development and Planning Commission funded, in part, by EDA and ARC that enabled them to develop a workable plan, and EDA helped build the access road, which created jobs at the pressed metal plant. EDA is also going to be a partner in developing the industrial incubator which I mentioned.

Mr. Chairman, a small town like Emporium cannot do it alone, but with modest, and I do mean modest, commitments on the part of the Federal Government through the Economic Development Administration and the Appalachian Regional Commission, this assistance, this very modest assistance, coupled with the town's own considerable human resources and its modest financial resources, Emporium is going to make it. It is going to come back. The alternative, Mr. Chairman, was to continue the slow process of withering and dying.

Emporium is not unique. There are countless small towns and cities across the land which have been helped to survive and literally survive and prosper through minimum support from EDA and ARC. They are doing productive work, and that is important, they are creating meaningful jobs, and these are not make-work jobs they are creating, they are not propping up failing industries. The money is going to industries which have a real potential for growth, a real potential for competitiveness, not only domestically but internationally. And that is why, Mr. Chairman, I rise in such strong support of H.R. 10, the National Development Investment Act. I would first like to commend my chairman, Mr. NOWAK, for his outstanding leadership of the Economic Development Subcommittee and for his bipartisan stewardship of the legislation that is before us today.

Mr. Chairman, I also want to commend Chairman JIM HOWARD and the ranking member, Mr. SNYDER, for their leadership and cooperation as well. I feel genuinely fortunate to serve on a committee that has such a long tradition of bipartisan cooperation.

Mr. Chairman, as our chairman indicated, H.R. 10 significantly reforms two Federal assistance programs, the Economic Development Administration and the Appalachian Regional Commission. In the first instance, H.R. 10 completely rewrites the current eligibility and assistance criteria under the EDA, an area under present legislation which in my view has been rightly criticized.

It eliminates the troublesome loan and loan guarantee programs, another sensitive area for these agencies which has not been as effective as others and instead relies solely on grants as a means of assisting local economies. In addition, Federal participation in local development projects would be limited to more than 50 percent. This legislation also imposes a new set of eligibility standards for EDA applicants. Under current guidelines, once a community has attained eligibility as a distressed area, it can use that designation for future applications without regard to changes in the local economy. As many critics of the EDA well know, and as stated on this floor, at present more than 80 percent of our country is deemed distressed and is consequently eligible for EDA assistance and this is clearly not an acceptable situation, which is why H.R. 10 addresses this very critical point.

H.R. 10 indeed changes all that. It abolishes reliance on historic designations and requires the community to establish eligibility with each and every application submitted. To qualify, a community must meet one of three very simple criteria based on unemployment, per capita income, or the prospect of sudden and severe economic dislocation such as a plant closing.

I think it can be safely said that the economic recovery has not been felt in all areas of this country. I am sure most every Member has a few communities that suffer, a community or two that has suffered from persistent and still suffers from persistent high unemployment in spite of the general national improvement in our economy. In view of this situation, it is my firm belief that we need to retain a program such as EDA in place to those areas who, for reasons beyond their own control, cannot keep pace with the rest of the country.

With regard to the Appalachian Regional Commission, H.R. 10 adopts the 5-year close-out program endorsed by the Governors of the 13 States, bipartisan support, of the Governors of the 13 States participating in the ARC. It also transfers the ARC Highway Program to the Department of Transportation.

Mr. Chairman, legislation, as has been indicated, very similar to H.R. 10 has passed the House by overwhelming margins in the two previous Congresses. The bill before us today was reported by unanimous voice vote of the full Committee on Public Works and earlier this month, the House demonstrated its support for EDA defeating an amendment by a 3-to-1 margin to the State, Justice, Commerce appropriations bill to eliminate program funding.

Over the past 4 years, Mr. Chairman, we have seen a number of federally funded local assistance programs slated for reduction or elimination. The community development block grant, urban development action grant, and revenue sharing are three examples.

It is my belief that we in the Congress should maintain a Federal assistance program aimed at helping communities who are genuinely distressed and who have nowhere to turn for assistance and who are willing to make a significant contribution on their own part to turn around their own fortunes. The EDA is such a program, a program dedicated to creating private-sector jobs which are going to aid and enhance the overall economy and it is my hope that we will continue to support it again today.

I urge my colleagues to support H.R. 10.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. Clinger] has consumed 7 minutes of his 30 minutes.

Mr. NOWAK. Mr. Chairman, I yield 3 minutes to my colleague, the gentleman from New York [Mr. LaFalce], the chairman ot the Subcommittee on Economic Stabilization.

Mr. LaFALCE. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in support of H.R. 10, the National Development Investment Act. This bill would authorize the continuation of economic development programs initiated under the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965, while making some needed changes designed to make both programs more efficient and effective.

Since 1981 these programs have been under direct assault from the Reagan administration, and on September 30, 1982, their authorizing legislation was allowed to expire. Although the House, by substantial margins, passed new authorizing legislation in both 1982 and 1983, the Senate failed to join in these actions. This scenario will likely be repeated again this year, as we have reason to expect that the Senate or the White House will drop their objections to this bill.

Despite this legislative stalemate, the programs have continued through the appropriations process. This has been, at best, a stopgap solution which has created uncertainty among potential grant recipients and prevented the implementation of the meaningful reforms contained in H.R. 10. Several regions of the country have been left largely untouched by the overall economic recovery, which now appears to have stalled. The time is ripe to pass authorizing legislation which addresses this situation.

Notwithstanding the existence of serious economic problems throughout the country which require our attention, the administration has called for termination of both the EDA and the ARC. In explaining its opposition, the administration has argued that the EDA, in recent years, strayed too far from its original mission, and was not effectively targeted to assist those areas experiencing the greatest need.

Some of these criticisms are well taken, and I, myself, have had some past misgivings regarding the untargeted nature of these programs and the sometimes political nature of the decisionmaking process. But the administration has conveniently chosen to ignore the EDA's and ARC's substantial record of achievement. These programs have leveraged billions of dollars in private capital, saved or created approximately 2 million private sector jobs, returned billions in tax receipts to the Treasury, and improved the economic situation of some of the Nation's most distressed regions. We are not resting solely on this record of success, however. H.R. 10 also attempts to address and correct the very weaknesses which have provided ammunition to the programs' critics.

While retaining many of the same tools available under the old act, H.R. 10 establishes tightened eligibility criteria which are designed to ensure that Federal development funds reach only those most deserving of assistance. No longer, as under current law, will distressed areas be automatically eligible for grants, but applicants must demonstrate distress criteria for each application. But need is not the only factor to be considered. Grants are to be made only to those applicants which offer a genuine prospect of achieving long-term economic growth. The ad hoc project-by-project approach prevalent under existing law will be replaced by strategic planning, which emphasizes mutually supporting projects that offer the promise of harnessing existing resources and the development of a sound economic base.

H.R. 10 also recognizes that economic development cannot be promoted from above, but requires intense local involvement in the planning and decisionmaking process. It also requires substantial coordination and cooperation between all levels of government and the private sector. Private sector linkage is a principal characteristic of this legislation. Priority is to be given to those projects which promise significant private sector involvement. Indeed, Federal funds cannot account for more than 50 percent of project costs, which ensures that the project has the support and commitment of all interested parties. Stringent monitoring provisions provide the necessary degree of accountability to guarantee that the programs do not stray from these goals.

These changes meet the stated concerns of EDA's and ARC's critics. Yet, the administration opposition actually extends far beyond the specifics to the very nature of the program itself. The administration has argued that these programs are anachronistic given today's fiscal situation, and that they reflect outdated regional targeting economic policies which serve no national economic purpose.

Nothing could be further from the truth. Rather than being anachronistic, programs of this type are particularly relevant in these times of stagnant and uneven economic growth. They can, if well managed, play a critical role in enhancing the competitive position of our industries and those distressed regions and localities which bear the brunt of structural change.

A strong national economy depends on the cooperation of self-sufficient and productive local and regional economies—economies that have both stability and sufficient flexibility to deal with the technological and structural changes which accompany and facilitate national growth. Increased competitive pressure has made it particularly essential that we adopt institutional mechanisms to overcome and adapt to economic dislocations so as to maintain the competitive position of our economy. There is, therefore, a continuing urgency to retain targeted economic programs to assist some of our most distressed areas in their efforts to diversify their economies, to adjust to necessary changes, and to rejoin the Nation's economic mainstream.

Although I am concerned about EDA's failure to address the adverse impact of increasing international competition on large segments of our economy, these programs symbolize the concept of the public-private en-

trepreneurship which must be kept alive if we are to eventually restore the Nation's international competitiveness.

While H.R. 10 goes a long way in remedying the past problems associated with these programs, alone they will be insufficient to the task. The Subcommittee on Economic Stabilization, which I chair, has proposed several complementary initiatives necessary to revitalize the economy. These proposals include the creation of a Council on Industrial Competitiveness, a Bank for Industrial Competitiveness, a secondary mortgage market for industrial loans, and an advanced technology foundation. If passed, these measures would facilitate public-private cooperation, provide necessary seed capital to potentially viable businesses, and ensure the enhancement of our industrial competitiveness. These proposals, along with those contained in H.R. 10, as well as sound fiscal and monetary policies, constitute the elements of a well-rounded policy which can successfully promote the international competitiveness of our economy.

I am particularly pleased that H.R. 10 incorporates several amendments advanced by the Subcommittee on Economic Stabilization. These amendments, among other things, ensure that the funds granted under this program could not be used to assist plants and business establishments merely to shut down in one area and move to another, and would require the Secretary of Commerce, working with the Secretary of the Treasury, to conduct a study during the first year of this program to determine what it would cost to construct and repair certain public works facilities to bring them up to present service level needs.

Because H.R. 10 incorporates these changes, and in order to expedite consideration of this important legislation, the subcommittee chose not to exercise its jurisdiction over EDA to conduct further hearings during this session of Congress. If, however, H.R. 10 meets the same fate as its predecessor versions have in the Senate, as I regrettably anticipate, the subcommittee will work actively to ensure that EDA does not totally ignore the thrust of these proposed reforms, and to develop, as part of an overall industrial competitiveness strategy, legislation which addresses these vital concerns.

This legislation will harness both public and private resources in such a way as to promote economic growth in those regions of our country most in need of assistance. I urge the House to adopt H.R. 10 as a necessary part of a larger program to revitalize our economy.

Mr. Chairman, I urge support of the bill.

Mr. CLINGER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. Wylie], the ranking member of the Committee on Banking, Finance and Urban Affairs, which has joint jurisdiction over H.R. 10.

Mr. WYLIE. I thank the gentleman from Pennsylvania for yielding this time.

Mr. Chairman, who can disagree with the objectives and intentions of H.R. 10, the promotion of economic development in distressed areas of our Nation? And I hate to disagree with my respected colleagues, Messrs. Nowak, Clinger, Howard, and Snyder, but the best intentions cannot and should not be the basis of legislation. At best, such legislation is illusory and through short-term propup development projects fails to recognize long-term marketplace realities.

At worst, it flings wide open the door to pork-barrel abuse and increases our ever-worsening Federal budget deficit. H.R. 10 is the primary example of well-intentioned, yet badly flawed, legislation.

The EDA's original mandate was to save jobs by lending to hard-pressed businesses in poor rural areas. In 20 short years, however, that mandate has been knocked out of kilter. Eligibility requirements have been broadened to the point that all but 19 of 435 congressional districts are now deemed to be "economically distressed" and eligible for loans. Even New York's Westchester County, one of the wealthiest areas in the country with a median family income of over $27,278 a year, makes the hit parade of distressed areas.

Moreover, EDA's lending program has not left a legacy of new jobs or economic activity. Instead, its track record reflects a plethora of problems, including mushrooming loan losses costing an estimated $400 million and imprudent agency underwriting and management of loans, which themselves are thinly veiled—yet classic—pork-barrel projects. According to a 1984 report by the Commerce Department's inspector general, many of EDA's loans never achieved their intended economic impact, many of the loans should never have been made, and, in fact, at least one-third of those loans examined were "manifestly imprudent" and made with the prospects of repayment that were "dim to nonexistent."

I must question why we would continue a program which, in essence, has failed so miserably and now provides outright subsidies for inefficient borrowers. Is this any way to run a program? I think not.

The Federal Government does not have the knowledge or expertise to conduct successful economic development programs, such as that envisioned in this bill. Unlike State and local governments, the Federal Government cannot fully comprehend how to stimulate local economies or fill voids resulting from regional disparities and transitional economies. Federally created programs also carry with them the baggage of extraordinary overhead costs which, when combined with State and local government costs, outweigh any benefits of these programs.

Finally, and most importantly, we cannot ignore the fact that with mounting Federal deficit, we simply cannot afford the luxury of programs such as the EDA that have little, if any, record of success. I am convinced that the only really way to improve local and regional economies is through control of Federal spending and continued economic growth.

A broad-based economic recovery is well within our realm. Indeed, the economy has been expanding, reducing unemployment and increasing economic activity across the Nation.

The single greatest threat to this, however, is the specter of the monstrous Federal budget deficit. Born of our profligacy at home, the deficit has produced real high interest rates, an overvalued dollar, and an ever-increasing trade deficit. All of these results adversely impact our economy and particularly the distressed sectors.

We, the Members, must resolve the budget deficit issue first. We cannot substitute it with other remedial measures which, however laudable they may be, will contribute to—indeed, exacerbate—the very problems which are largely responsible for our current economic difficulties.

I understand that an amendment will be offered by the gentleman from Pennsylvania, Mr. Clinger, to reduce the funding in H.R. 10 as reported from the Public Works Committee and I applaud that effort. The more crucial vote, however, will occur when we vote on final passage, for it is there that the Members will have a clear opportunity to vote decisively to reduce the Federal budget deficit on our first day back from the August district work period.

Mr. Chairman, our former colleague, Clarence "Bud" Brown, now the Deputy Secretary of Commerce, has urged that we eliminate the EDA and begin "the painful effort to eliminate nonessential Government spending." Bud Brown is right, in my opinion: The EDA at this time represents nonessential Government spending. For this reason, I urge my colleagues to vote "no" on final passage of H.R. 10.

□ 1320

Mr. NOWAK. Mr. Chairman, I yield 2½ minutes to the gentleman from West Virginia [Mr. Wise], who is a great contributing member of this committee.

Mr. WISE. Mr. Chairman, I rise in support of H.R. 10, to reauthorize the Economic Development Administration and the Appalachian Regional Commission. As my colleague from New York, Mr. Nowak, knows, I am an original cosponsor of this legislation.

One project in West Virginia that is funded by the ARC highway program deserves special note—Corridor G in central and southern West Virginia. So far, 51 miles of the highway have been completed, and 5 miles are currently under construction, which leaves a balance of 24 miles to finish the whole project. Without this authorization, the $429 million needed to complete Corridor G would not be forthcoming. Corridor G is vital if my State is to have the transportation system necessary to open up the entire southern section of the State for continued economic development.

This bill is important for a number of reasons. Yes, it creates some primary jobs for the unemployed; yes, it actually saves Federal and State Governments money because of the reduced need for unemployment and welfare programs; but most importantly, the assistance that ARC and EDA provides the States will help us help ourselves. It provides tools to build permanent structures. In my view, a job opportunity is a moral imperative, and this bill will provide the opportunities to create thousands of meaningful jobs for our unemployed citizens.

Is the job done?

An editorial in the Charleston, Gazette, August 25, pointed out that there has been much said and printed about the advances that Appalachia has made in the past 25 years since the ARC was begun. There have been gains, but the work is not completed. Hardship, low income, and low education still are widespread in some regions of Appalachia. For instance, 40 percent of the residents of one county do not have drinking water in their homes. Two months ago, Standard and Poor lowered the rating on $773 million worth of outstanding bonds in West Virginia from AA+ to AA– citing "lingering hard times." Seven million net jobs have been created in the country since 1980, but Appalachia has lost 26,000. Per capita income is 75 percent of the national average in Appalachia.

Both the ARC and EDA have touched almost every county in my State. The funding has helped communities like Elizabeth, Summersville, Charleston, Sutton, Clay, Spencer, Gassaway, and almost every town in my district with such things as highways, vocational schools, clinics, libraries, ambulances, sewer systems, road repaving, airport expansion, technical development and planning, hospital construction, and basic community development.

Mr. Chairman, the ARC is a commitment that is not yet fulfilled. There has been improvement; there is even more to do. No one in Appalachia wants a handout. We aren't looking for a great Federal hand to wipe away our problems. We'll do it ourselves. What the ARC does is put some of the tools in our hands to improve greatly the hardest-hit regions of Appalachia. We're not talking about frills, Mr. Chairman. We're talking about safe water in rural areas, health care and roads. The cost—$121 million next year—more than $20 million less than was spent last year. We're determined to bring to Appalachia the same standard of living, the same opportunities enjoyed by so much of the country. We're asking that the ARC be permitted to continue that important work.

Mr. Chairman, every 1 percent in the national unemployment rate adds $30 billion to our Federal deficit. I view this legislation as deficit reducing, and killing two birds with one stone. Sure, just like every other Government agency that I know of, and many private businesses and corporations, ARC and EDA have had some "flops" in investment—but let's not throw out the baby with the bathwater.

I urge my colleagues to maintain the funding levels in this legislation for ARC and EDA, and to vote in favor of the bill.

Mr. CLINGER. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas [Mr. Hammerschmidt], the senior member of the Committee on Public Works and Transportation and a long-time member of the Economic Development Subcommittee.

Mr. HAMMERSCHMIDT. Mr. Chairman, I thank the gentleman for yielding time to me, and I also thank him for the expertise and the long-time effort he has made on H.R. 10 and the economic development of our Nation.

I also want to recognize the leadership of the gentleman from New York [Mr. Nowak] and the fine product that he and the gentleman from Pennsylvania [Mr. Clinger] brought to the floor.

I also want to commend our distinguished chairman, the gentleman from New Jersey [Mr. Howard] and the ranking member of the full committee, the gentleman from Kentucky [Mr. Snyder], for their cooperation.

Mr. Chairman, I rise in support of H.R. 10, the National Development Investment Act, which would reauthorize programs of the Economic Development Administration and the Appalachian Regional Commission.

Communities throughout this Nation, and especially in rural America, have benefited enormously from the assistance provided through these programs. The financial investment in Federal economic development assistance has actually been quite modest, but the return on that investment has been outstanding when measured in terms of job creation and retention.

The Federal role in assisting distressed communities in their efforts to rebuild their public infrastructure and provide basic public services is an altogether proper one, in my judgment, and should be continued. It would be a terrible mistake to assume that all areas of the country have been able to participate fully in our national economic recovery. Pockets of poverty still exist. The needs are still there in so many of our rural communities.

While I firmly believe that we need a Federal program to help distressed communities and while I recognize the outstanding record of the Economic Development Administration, I am mindful of the legitimate criticisms of how the program has been structured. H.R. 10 seeks to address those criticisms with some significant reforms in the EDA Program and its application.

One of the major problems confronting the EDA grant program has been its overly broad eligibility criteria, which literally allowed some 80 percent of the country to be eligible for a limited amount of Federal funds. That had to be changed, and H.R. 10 does just that, and in the process, reduces the portion eligible for assistance nationwide to about 44 percent.

By limiting eligibility, the bill targets the limited number of Federal dollars to those areas with the greatest need. The new eligibility criteria would also ensure that such areas would receive the money, provided their programs are success oriented.

Applicants would no longer submit requests for funding for specific projects, as is the current practice. This project-by-project approach would be replaced by a requirement that applicants present an investment strategy, for which the Federal Government would provide 75 percent of the cost.

The strategy required would be comprehensive, covering a broad range of information, including a cost-benefit analysis of projects envisioned and the identification of past, present, and projected investments by private and public sector participants.

This legislation places great emphasis on private sector involvement. The private sector is the mainstay of our economy and the proper place for the vast majority of permanent meaningful jobs—and that, of course, is what we want Federal economic development assistance to produce.

H.R. 10 will also bring some order to chaos where the EDA loan program has been concerned. This legislation provides only grants. It takes the Federal Government out of the loan business, which has been a source of criticism because of the large number of loans in default and on the brink of default.

The bill authorizes the establishment of a revolving loan fund at the State level for use by small business. Placing the administration of the loan program in local hands makes much more sense, since a better assessment of who should receive loans and a better monitoring program can be carried out at the local level.

H.R. 10 also provides for a gradual phaseout of Appalachian regional development programs, consistent with the recommendations of the Appalachian Governors. We authorize ARC's nonhighway programs through 1990 and finish-up funding for its priority highway program through 1992, when completion of construction is expected.

Finally, Mr. Chairman, this bill is not a budget-buster. The amendment to be offered by the Public Works and Transportation Committee, on which I serve, will lower the authorization levels to those assumed in the first concurrent resolution on the budget for fiscal year 1986 adopted by this body in August.

I believe that the bill before this House is a good bill, carrying a reasonable and modest authorization level, consistent with budgetary restraints, and one that should not satisfy many of the objections to program as it is currently administered.

Mr. NOWAK. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. Traficant].

Mr. TRAFICANT. Mr. Chairman, I first want to commend the gentleman from Minnesota [Mr. Oberstar] and the gentleman from Pennsylvania [Mr. Clinger] for bringing this particular legislation forward, of which I am a cosponsor, and also to Mr. Nowak for the specific leadership he showed.

Mr. Chairman, I want to address another area of the legislation. This proposal assists local governments in developing a strong and viable economic case to support growth and expansion, while at the same time, giving our local officials the necessary flexibility needed to choose the course of action best suited to their local economic needs.

Ladies and gentleman, that is a very important part of this particular project.

While some Members keep saying that the economic growth of our country will ultimately reverse our economic woes, ladies and gentleman, that is not working. H.R. 10 addresses itself specifically to problems of depressed communities such as mine, the 17th District of Ohio, that lost all its steel mills and has one of the highest unemployment rates in all of America.

One thing this will do is it will develop jobs to address infrastructure needs. I am very strongly in support of this. I am hoping that there would not be any cuts in the money that is made available to it. We would go forward with it because our major problem right now is jobs and trying to spur that economic growth.

The programs we have talked about have not worked, and I commend our chairman and EDA for its efforts.

The CHAIRMAN. The Chair would advise the gentleman from Pennsylvania [Mr. Clinger] that he has 17 minutes remaining and the gentleman from New York [Mr. Nowak] that he has 13½ minutes remaining.

The Chair recognizes the gentleman from Pennsylvania [Mr. Clinger].

Mr. CLINGER. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland [Mrs. Bentley].

Mrs. BENTLEY. Mr. Chairman, I thank the distinguished gentleman from Pennsylvania for yielding this time to me.

Mr. Chairman, today I urge my colleagues of the U.S. House of Representatives to continue in their fight to control the deficit by supporting legislation that fosters economic development, creates jobs, and promotes a strong national economy. A vote for H.R. 10, the National Development Investment Act of 1985, is a vote to invest in the economic development of America and help reduce the Federal deficit.

As has been pointed out already today by the able chairman of the Economic Development Subcommittee, Mr. Nowak, the able ranking minority member of the subcommittee, Mr. Clinger, and the outstanding chairman of the House Public Works and Transportation Committee, Mr. Howard, H.R. 10 is designed to provide vital direction and necessary incentives to areas of a depressed economy to create and retain jobs in the United States. Economic self-sufficiency through the private sector is the objective of the National Development Investment Act of 1985. With the current trend of an eroding industrial base in America as a result of foreign competition and an increase of imports, we need legislation to support jobs for Americans.

A section of my home district, adjacent to the city of Baltimore, MD, has been severely affected by the closing of several industries. Unemployment is at an all time high. Unfortunately, this is not a unique problem. Areas throughout our Nation are suffering from industries being forced to close down and the result is unemployment and a depressed economy. With the passage and enactment of the National Development Investment Act of 1985, the Economic Development Administration will continue to provide direction and incentives for economic growth and self-sufficiency through private sector jobs to economically depressed areas.

Enactment of H.R. 10 will establish locally administered revolving loan funds to assist small businesses or retain existing businesses which promote development and create jobs. An effective implementation of the National Development Investment Act will be instrumental in achieving a more competitive U.S. market in international trade. Passage of H.R. 10 is a step closer to a balanced trade.

When this Congress votes to appropriate the National Development Investment Act of 1985, it will be voting to do just that, make a wise investment in our Nation for economic development. Again I urge my colleagues to vote for H.R. 10, the National Development Investment Act of 1985.

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Mr. NOWAK. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. Young].

Mr. YOUNG of Missouri. Mr. Chairman, I rise in support of H.R. 10, the National Development Investment Act. I wish to commend the gentleman from Minnesota [Mr. Oberstar] and the ranking minority member, the gentleman from Pennsylvania [Mr. Clinger], for their leadership and perseverance in introducing this bill. I would also like to thank the chairman of the full committee [Mr. Howard] for his crucial role in determining the swift consideration of this urgently needed legislation.

H.R. 10 recognizes that economic assistance should be directed to distressed communities. The current economic crisis cannot be addressed solely at the national level. Each local community is unique, with different resources and different needs. Any program of national economic recovery must depend on the interdependence and cooperation of regional and local economies. I believe that now, more than ever, there is a great need for targeted economic programs to assist some of the most economically distressed areas in our Nation.

Mr. Chairman, in Missouri an urgent need exists for infrastructure repair. Many of our public facilities—our bridges, our roads, and our sewer systems—await the physical improvements necessary to make them viable for the long term. Unemployment and a sustained period of high interest rates have placed financial constraints on all communities. The creation of new jobs, assistance in the growth of local businesses, and the construction and maintenance of infrastructure systems have been deferred for too long. But money spent now in conjunction with the private sector is an investment in our future. In my own district, whether the funds are directed toward street improvements in Kinloch or St. Louis County, or the construction of a new community center in Wellston, or support for local shoe manufacturing companies, these funds will invigorate the local economies which in turn will contribute to national recovery.

Mr. Chairman, if local economies continue to deteriorate, our national economy can only continue to falter. This bill provides funds for distressed communities; these funds are for those who cannot help themselves. Surely there is no more important role for the Federal Government to play and no role which has as great a potential for our Nation as this.

I urge my colleagues to support this bill.

Mr. NOWAK. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee [Mr. Cooper].

Mr. COOPER. Mr. Chairman, I rise in strong support of H.R. 10, especially title II which reauthorizes the programs of the Appalachian Regional Commission [ARC].

When the ARC was established in 1965, the people of Appalachia lagged far behind the Nation in nearly every important socioeconomic measurement.

Average per capita income in the region was a third below the national average.

One in every three families lived below the poverty level.

Unemployment was 40 percent higher than the national norm.

More than a quarter of the housing in the region was in need of major repair with many posing serious health hazards.

The incidences of infectious disease were a third higher than for the rest of the Nation.

Most communities had rudimentary sewer and water facilities with outdoor plumbing all too common.

Indeed, conditions deviated so far from the national norm, that some sections of Appalachia more nearly resembled life in a developing country than in the United States. The seriousness and pervasiveness of the problems clearly justified a strong coordinated effort. Thus, the ARC was established.

The Appalachian Regional Commission through a wide variety of programs has played an indispensable role in narrowing the huge gap that existed between life for many in Appalachia and life in the rest of the country. The Commission has funded health planning agencies and innumerable health demonstration projects. It has helped establish a network of vocational education programs and job training centers. The Commission has helped improve the quality of housing in the region as well as, help assure its affordability.

Just as important as the Commission's investment in the human potential of the region, has been its efforts in improving the infrastructure of the region. As a result of the Commission's foresight, an assorted collection of nearly impassable dirt roads and inaccessible mountain terrain has given way to a system of modern highways and connecting roads.

The progress of the last two decades is easily measured. Nearly half a million new jobs grew up around the new highway system and more than 2 million jobs overall have been created through both public and private investment. There have been dramatic increases in educational attainment at every level. The infant mortality rate has declined steadily in line with the rest of the Nation. And, primary health care is now available in most counties.

Yet as impressive as the Commission's efforts have been thus far, its successes have only been partial. Far more must be done.

Nearly 60 of the region's counties are still without any form of primary health care. More than 1,000 miles of the planned highway system remains unbuilt. While showing significant improvement, infant mortality, educational achievement, and the quality of housing still lag noticeably behind the rest of the Nation.

In short, Appalachia is still far poorer than any other region of the country.

Perhaps more importantly, the 1980's have exposed the overall vulnerability of the region's economy. That economy is anchored by durable manufactured products like footwear, textiles, and apparels. These industries have proven to be highly vulnerable to foreign competition. In fact, a great number of plants in these industries have already closed down throwing thousands of people out of work.

And, coal, still an important part of the region's economy, has experienced a steep fall in demand due to energy conservation and falling world oil prices. Some areas of the region heavily reliant on coal, still have unemployment rates at recession levels. The competitiveness of coal which depends in large part on the development of new technologies to increase productivity, carries a bleak prospect for future employment.

Indeed the relative decline of the industries which form the backbone of the region's economy during the 1980's, threaten to undo many of the advances made over the last two decades. Today, Appalachia is still a region at risk and still in need of the Nation's help.

However, the people and leaders of the region are not blind to the exigencies of the day. We know that our pressing budgetary crisis demands resolution. The people of Appalachia are more than willing to share in the national effort required to bring discipline to our fiscal affairs.

As a demonstration of this willingness, all 13 Governors who comprise the ARC voted unanimously to phase out all ARC programs. The plan adopted called for scaling back previous plans in almost every area. The unfinished portion of the highway system would be cut in half. The delivery of needed health care to those counties still unreached would be limited to the most basic care, while upgrading of sewer and water systems would be provided only to the most distressed areas.

Mr. Chairman, we think that this phaseout plan constitutes a substantial sacrifice. We think that Congress should not ask more of the people of this region. We think that Congress should incorporate this plan which was agreed to on a bipartisan basis by the Governors of the region, into any authorizing legislation on the ARC.

Mr. Chairman, H.R. 10 does indeed embody the essentials of the Governors' phaseout plan. For that, I commend the gentleman from Minnesota [Mr. Oberstar] as well as the gentleman from New York [Mr. LaFalce].

This House has, in fact, passed nearly identical authorization bills in each of the last 2 years only to see matters come undone in the other body. Since 1980, ARC, and EDA, have been legislated only through the appropriations process.

I am hopeful that this year we will see the actual enactment of H.R. 10. I believe that a strong vote of support by this House will help bring this about.

Mr. NOWAK. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. Rahall].

Mr. RAHALL. Mr. Chairman, today, I would like to rise in strong support of H.R. 10, the National Development Investment Act. Included in H.R. 10 is authorization for the Appalachian Regional Commission, a program which has been instrumental in attempting to alleviate the devastating effects of poverty in Appalachia.

The role of the Federal Government in the economic development of rural areas, particularly Appalachia, was nonexistent before the commitment of President John F. Kennedy to revitalize these regions of the Nation. Since 1965, the ARC has continuously promoted much needed economic progress in Appalachia, decreasing the poverty level, boosting the level of income, slashing infant mortality rates, and increasing the number of doctors. Furthermore, private sector jobs have shown a marked increase and the level of education now approaches the national average. Progress has been made.

This progress could not have been made without the cooperative effort of government—on the local, State, and Federal levels—working in conjunction with the private sector, which includes many businesses and individuals who are willing to invest in the future of their communities.

The father of the Appalachian Regional Commission in the other body, the former Senator Jennings Randolph, always termed these expenditures of money as investments in the future of America. And, indeed, that is truly what we are doing today, Mr. Chairman. I salute and thank Jennings Randolph for his staunch defense, and, indeed, offense, on behalf of ARC from its very inception when Jennings Randolph led many a fight for ARC in the White House itself.

While dramatic improvements have been made, Appalachia still suffers disproportionate socioeconomic hardships. My home State of West Virginia continues to be burdened with the highest unemployment rate in our Nation. The people of Appalachia struggle not only for jobs but for the daily necessities others take for granted. Many people in Appalachia are still poor today. There is much that remains to be done.

The contribution of government to the economic development of rural areas is to be commended. But we cannot stop now. The problems still exist. The phaseout funding provided for the ARC in H.R. 10 is imperative for the continued improvement in the quality of Appalachian life. Without these funds, not only will improvements cease, but the positive effects of past progress will be lost to inevitable regression. I urge you support of H.R. 10.

Mr. CLINGER. Mr. Chairman, I yield 3 minutes to the gentlewoman from Connecticut [Mrs. Johnson], a member of the subcommittee.

Mrs. JOHNSON. I thank the gentleman for yielding.

Mr. Chairman, as a strong supporter and cosponsor of H.R. 10, both in the last Congress and in this, I want to congratulate the subcommittee chairman, the gentleman from New York [Mr. Nowak]; the former subcommittee chairman, the gentleman from Minnesota [Mr. Oberstar]; and my colleague, the gentleman from Pennsylvania [Mr. Clinger], on again coming forward with a very fine and responsible rewrite of an important program whose purpose it is to provide employment in the areas of high unemployment throughout this Nation.

We often talk about structural change. All of us deal day in and day out with industries in America that are having to reduce dramatically their levels of employment, whether it is for technological reasons, foreign competition, or whatever. Industry in America is changing, and what we call structural change is affecting the lives of the people that we represent.

What is so outstanding about this program is that it provides the material support for communities to make that change from one employment base to another employment base.

In my district, it is machine tools, it is bearings, it is brass that are no longer what they used to be, and EDA grants have helped my communities create industrial parks, do the site work, in other words, create the circumstances through which that community can attract those employers of the future to employ the old brass workers, the old machine tool workers, the bearing factory workers, so that their skills can be utilized in creating a dynamic economy in this Nation for the decades ahead.

This is the guts of structural change, the Government's role in the lives of the people of this Nation creating job opportunities, job security and economic vitality in the decades ahead.

I commend my colleagues on a very fine piece of legislation, and I would like to note that the amendment will bring the spending down to conform with our first budget resolution. I hope this bill pass by the same resounding majority that it passed by in the 98th Congress.

Mr. NOWAK. Mr. Chairman, I yield such time as he may consume to the Delegate from the District of Columbia [Mr. Fauntroy].

Mr. FAUNTROY. Mr. Chairman, I rise in support of H.R. 10, the National Development Investment Act, which would authorize $500 million in each of fiscal years 1986 through 1988 for a new Economic Development Program which would replace the present Public Works Grant Program.

I also understand that an amendment will be offered on behalf of the Public Works and Transportation Committee to bring the authorization levels provided under this legislation for the Economic Development Administration and the Appalachian Regional Commission into compliance with the assumptions contained in the first budget resolution for fiscal year 1986 (S. Con. Res. 32), and to provide such sums as are necessary for the programs of both agencies in the additional fiscal years.

Mr. Chairman, it is vital that we pass this legislation which would continue and improve upon Federal programs that have created jobs, provided targeted assistance to areas of our country that have suffered from long-term levels of high unemployment.

While it is true that some in our Nation have benefited from the economic recovery in recent years, there are many regions and many people that have been bypassed and have not been beneficiaries in the recent economic resurgence.

These still depressed regions lack the capital and the financial institutions to participate in the economic recovery. What is and has been needed is a stimulating mechanism such as the Economic Development Administration. The EDA has been a stimulating force providing an incentive to investment, creating jobs and returning tax dollars to our Federal Treasury.

Within the District of Columbia, the Economic Development Administration has been of great benefit. The first revolving loan fund for small and disadvantaged business was provided by the EDA. The District of Columbia's only municipal industrial park is being funded by the EDA. These two projects are providing much needed assistance and employment opportunities for the all too many unemployed and underemployed citizens of the Nation's Capital. The District of Columbia is also looking for the EDA to assist with the development of import and export enterprise.

Mr. Chairman, I am also pleased that H.R. 10 addresses the two substantive criticisms that have been made of the EDA. Under H.R. 10, assistance would be targeted only to the most depressed areas of our country. For example, States, local governments, economic development districts, native American tribes, nonprofit organizations inside cities or counties in areas of economic distress, would be eligible for Government assistance if the area met one of the following three criteria:

A per capita income of 80 percent or less of the national average;

An unemployment rate 1 percentage point above the national average for the previous 2-year period; or

A sudden or anticipated increase in unemployment due to plant closings, or other major economic dislocation.

H.R. 10 also corrects a problem identified in the Loan Program by putting the direction of that program at the local level, where administration of that program can be better executed.

The National Development Investment Act serves the national interest and I urge my colleagues to support its passage.

Mr. NOWAK. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. Kolter], a member of the subcommittee.

Mr. KOLTER. Mr. Chairman, I rise in support today for H.R. 10, the reauthorization of the Appalachian Regional Commission and the Economic Development Administration.

Since enactment of the law creating the ARC and the EDA, all of Appalachia—including my district, the Fourth Congressional District of Pennsylvania—has experienced a steady climb from the dark Appalachian days of the 1960's toward a more fair share of our Nation's prosperity.

Through the years, both the ARC and the EDA have proved themselves as viable programs that are capable of giving assistance to distressed areas, stimulating economies, improving overall health, and creating jobs for countless thousands throughout the region.

With very restrictive funding, both the ARC and the EDA have achieved amazing results and their list of accomplishments are indeed impressive.

But beyond the facts and figures, statistics and rhetoric, lies the real reason to pass H.R. 10. In a word, that reason is—people. These programs have enriched their lives more than ever expected. And while the task is not yet done, the entire region has felt a ray of hope where none existed before.

We must continue our work to help the aged, infirm, illiterate, and unemployed. To do that, we cannot close the door of opportunity in the faces of those so desperately in need.

Mr. Chairman, I humbly ask that each of my colleagues support the National Development Investment Act and vote in favor of H.R. 10.

Mr. CLINGER. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Ridge], a member of the Committee on Banking, Finance and Urban Affairs, with joint jurisdiction.

Mr. RIDGE. Mr. Chairman, I thank the gentleman for yielding time to me, and I congratulate the gentleman on his leadership with this particular initiative. I know that economic development has been a high priority for my friend and colleague from northwestern Pennsylvania, and I do appreciate his leadership on this issue as well.

Mr. Chairman, there remain congressional districts with communities that haven't seen single-digit unemployment since the mid-1970's, where local officials struggle with dwindling tax bases and greater economic and social pressure to provide more services, where plant closings are still a frequent reminder that the national recovery announced and praised in Washington has yet to be experienced and enjoyed everywhere.

The goal of a complete economic recovery encompassing the entire country, and not just portions of it, will not and cannot be realized if we ignore the plight of these communities. The need to address regional pockets of distress demands our attention and our response. The language of the committee report best describes the economic and legislative imperative to support the National Development Investment Act.

The hope and the potential of H.R. 10 can be seen in the successes of previous EDA and ARC programs in northwestern Pennsylvania. We are a Nation of regions, each with different resources. We are interdependent parts and each part has a cumulative effect on our overall national economy. A strong national economy depends on the cooperation of self-sufficient and productive local and regional economies—economies that have some stability yet sufficient flexibility to deal with the technological and structural changes which accompany and facilitate national growth. The committee believes there is a continuing urgency to retain targeted economic programs to assist some of our most distressed areas in their efforts to diversify their economies, to adjust to these changes, and to rejoin the Nation's economic mainstream.

In 1982, a small community, Girard, PA, with unemployment at a miserable 20 percent, decided to turn the liability of a vacant, industrial building into a productive community asset. With the untiring commitment of several retired businessmen and community leaders, local economic development specialists, private capital, and the catalyst of ARC and EDA funding, a small business incubator project was started. With approximately 1 million in Federal dollars generating $4.5 million in private investment, there are now several small businesses employing 140 people.

The Industrial Development Commission of another community, Meadville, PA, with 14 percent unemployment took a vacant and outdated industrial facility of nearly 250,000 square feet and, with an ARC planning grant and an EDA renovation grant, attracted 13 businesses to provide 450 jobs.

One final achievement. With an EDA grant of $500,000, the Northwest Pennsylvania Regional Planning and Development Commission set up a revolving loan fund similar in scope to that provided with this legislation. Eleven communities, all of which provide a local match, participate in this fund. To date, this money has leveraged five times as much private investment, which, in turn, preserved hundreds of jobs while helping to create another 200; 1 job for every $1,500 invested by EDA.

The past infusion of Federal money through EDA/ARC served as the primary economic stimulus to these communities, enabling them to assess and to attract public and private resources, as well as to achieve new growth. This will be especially true under the new requirement that localities provide a comprehensive development program for their communities. The development investment strategy required by H.R. 10 will force local governing bodies to evaluate their long-term resources and needs to develop mutually supportive projects and to invest in only the most productive projects. The development investment strategy will help to promote economic stability and will create regional and local economies capable of supporting investment and job creation in both urban and rural areas.

I commend my colleagues for including stricter eligibility requirements for assistance from the EDA. New requirements terminate the long-term designation of distressed areas. Localities must prove current economic distress so that areas that have successfully used Federal assistance to promote economic growth will not continue to receive these funds when they are no longer in need. The bill defines economic distress as unemployment 1 percent above the national average over the most recent 24-month period of per capita income 80 percent or less than the national average. Additionally, the assistance granted is confined to the distressed areas and cannot be used outside of those areas. This legislation provides an excellent targeting device which assures that the money will be used in communities that have not yet shared in the economic recovery we hear so much about on Washington, but have yet to experience in northwestern Pennsylvania.

Mr. NOWAK. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. Mollohan].

Mr. MOLLOHAN. Mr. Chairman, I am pleased to once again lend my support to the National Development Investment Act which would reauthorize the Economic Development Administration [EDA] and the Appalachian Regional Commission [ARC] programs.

I voted for a similar bill in the last Congress, I intend to vote for H.R. 10 today, and I encourage my colleagues to join me in supporting these programs which can make a difference in creating jobs, bolstering our economy, and meeting community priorities.

Both EDA and ARC have made significant contributions to my district and to the State of West Virginia over the years. These programs have enabled cities and counties to develop essential public facilities—county courthouses, city buildings, water and sewer facilities, industrial parks and recreation areas.

Further, ARC's area development assistance to community health centers, hospitals, vocational education facilities, libraries, and housing complexes are responsible for major social and health gains throughout West Virginia. EDA's revolving loan fund has paved the way for new and existing businesses to create and retain jobs as well as to stimulate local economies.

Building interstate-grade highways in mountainous West Virginia is not easy, but ARC's highway development aid has been instrumental in furthering State transportation goals.

Let's get to the heart of the matter as far as ARC is concerned. ARC was conceived and is still necessary as an equalizer for West Virginia and other Appalachian areas. It is common knowledge that it costs more to build a highway, water or sewer facility, or other public project in a mountainous area.

Historically, it has cost $5.5 million to build a mile of interstate highway in West Virginia as opposed to $2.2 million nationwide. Currently, remaining ARC interstate highway planned in West Virginia will cost $12 million per mile and $9.5 million per mile for other interstate highway development throughout West Virginia. This simple comparison illustrates the overwhelming need to retain ARC assistance.

Therefore, I fervently support reauthorization, and I encourage my colleagues to join me in support of H.R. 10.

Mr. CLINGER. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. Rogers].

Mr. ROGERS. Mr. Chairman, let me commend, first, the authors of this bill for putting together this important legislation and working to get it to the floor. The EDA and the ARC programs have provided enormous assistance to an area that cannot get by without it, to this moment, at least, in the Appalachian area of our country.

This bill is now without some of the troublesome features which have led many to criticize these programs in the past.

Mr. Chairman, there are so many areas of our country that are right now enjoying the benefits of a solid economic expansion, in fact, the most vigorous expansion since World War II—lower interest rates, declining unemployment, fewer poverty-stricken families, general prosperity. And then there are some parts of the country, regions of our country, which know not of America's economic rebound. The people in those areas are still straddled with endemic unemployment, in pockets of poverty far beyond the national average, trailing in nearly every index of economic well-being and health. A good number of these are many of the people of my own district where unemployment reigns at over twice the national average and where in some countries the percentage of families in poverty rises up to 60 percent. They want economic growth. They have the private-sector resolve for economic growth, but they do not have the tax base that draws from the fortunes of industrial development that allows the local governments the revenues with which to build highways, with which to build water districts, with which to recruit industry, and so on. These areas desperately need highway access, the lifeblood, like the veins in the body, that brings nourishment to those areas, so essential to their development. And that comes by way of help from this National Government now through the ARC.

Surely, we owe these people the modest helping hand that comes from the EDA and the ARC. The object of these communities and these areas is private employment, not Government jobs, not Government handouts. They look for the time when they will be self-sustaining, with private jobs and private initiative. And those areas have made some progress in the last few years, thanks to the help of the National Government through the EDA and ARC. But both these programs also tie right in with private support, which pays for the badly needed infrastructure in our afflicted localities throughout Appalachia. Their effects are positive, long lasting, and vital. EDA funds in my district have helped build desperately needed water lines and, most recently, a rail spur which will permit the expansion of a factory, adding desperately needed new jobs. And this is one of the most important, I think, features of these programs, and that is to encourage and lend a helping hand to those communities who are attempting on their own to secure employment for their people.

ARC money has supplied the financial trigger for hospitals, sewer lines, highways, and the like—some of the most basic human services which would not exist in my district, certainly, without this kind of funding.

Yes, in the last few years, Appalachia has made some progress, thanks to Appalachian regional highways that brought life-blood to those areas and access for factories and other economic encouragement, such as coal, and others, and, yes, we have secured water lines to allow us to develop those living places that otherwise would be uninhabitable without life-feeding water, and we have been able to recruit some industry into the area other than our natural resource, coal.

But the job, as has been said here before, is only beginning. We simply must not cut off the aid that we have been giving to those areas to encourage them to spend their own money and to invest their own initiatives into the building of their own areas. They realize that if the answer is to come to their area, it has to come basically from them, but they need our help. I urge this body to approve this bill to reauthorize the EDA and the ARC programs providing enormous assistance to a people who cannot get by without it.

Mr. NOWAK. Mr. Chairman, I yield 1 minute to the gentlewoman from Tennessee [Mrs. Lloyd].

Mrs. LLOYD. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of H.R. 10, and I commend my colleagues on the Public Works Committee for bringing this very valuable legislation to the floor. I just wish that half of the programs that this body authorizes could have the track record of the ARC and the EDA programs that really strike at the heart of a great American philosophy of helping Americans to help themselves.

To fully appreciate what EDA and ARC have meant to Appalachia you really have to have seen the region over the past 20 years. It is an area rich in natural resources but for generations, it was a region isolated by the very mountains that provided so much of its wealth. During the 1950's, steel and coal production were down. Argiculture had become marginal, and the textile industry had been weakened by imports. The region was plunged into a prolonged economic decline and the lack of transportation discouraged new development. The States were hardly in a position to undertake the massive road construction which was needed.

But in 1965, the ARC was created and while the returns were not immediate, they have been invaluable to the people who have made this difficult land their home. The progress and advancement these people have realized in only 15 short years is remarkable. The percentage of Appalachians living in poverty was cut in half, as was their rate of infant mortality. More than 57 percent of the Appalachian population had completed 4 years of high school compared with the only 33 percent in 1960; 2 million new private-sector jobs had been created and a per capita income rose from 78 percent of the national average to 85 percent. We have literally improved the lives of these people through our funding of ARC. Let us not bring this progress to a sudden halt, but instead continue to aid those Americans who still need our support.

H.R. 10 extends the Appalachian Regional Development Act to provide a finish up of the Redevelopment Program by 1990 and of the Highway System Program by 1992. Of course, private involvement is necessary if economic stability is to be realized. This bill stresses private support and investment and encourages the establishment of a development foundation for the region. It disturbs me that this administration has been so opposed to the programs of the ARC and the other development programs. While foreign aid under President Reagan has increased, these programs have been targeted for elimination. My record is one of fiscal conservatism. I agree that we must reduce Federal spending but I fail to see why it must be at the expense of these programs which have provided a decent life for our own people. This administration has supported development programs overseas while seeking to eliminate the very same types of programs in this country. The figures alone are deplorable. The Reagan administration in its 5 years has requested over $60 billion for foreign aid. That figure compared to the less than $3 billion appropriated for UDAG and the less than $2 billion for EDA prove only to show where the administration's priorities lie. Not only has the administration failed to request any moneys for development programs such as UDAG and EDA, but they have repeatedly called for total elimination of those very same programs which have served to eliminate the extreme hardships of many Americans. It is not fiscally irresponsible to sue Federal resources to help Americans.

Mr. Chairman, we have all benefited from programs funded through ARC, UDAG, CDBG as well as the Economic Development Administration. I ask you to think about your individual districts and over the past 2 years or, in my case, 10 years, the number of industrial parks, roads into the industrial parks, sewer and water projects, libraries and civil centers that might not be there today had it not been for the availability of the programs that I have just mentioned, especially programs under EDA.

I know that in my district, a county of some 7,000 which had tried for 6 years to gain funding for a $9 million sewer project could not have supported such an expenditure had it not been for the help of the Economic Development Administration in providing some funding for a badly needed wastewater treatment facility.

My district is not atypical. You have all had the same kinds of problems in your districts and such agencies as I have mentioned have come to be relied upon to provide the necessary assistance that will enhance economic development. I urge you, ladies and gentlemen, to support the Public Works Committee's efforts.

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The CHAIRMAN. The Chair would advise that the gentleman from New York [Mr. Nowak] has 9½ minutes remaining and the gentleman from Pennsylvania [Mr. Clinger] has 3 minutes remaining.

Mr. NOWAK. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. Oberstar].

Mr. OBERSTAR. I thank the gentleman for yielding me this time.

Mr. Chairman, the Economic Development Administration is clearly one of the most extraordinary success stories in the Federal Government's panoply of programs to help communities, distressed areas; people who have lost their jobs through no fault of their own, who simply want to return to work and lead creative, productive lives. EDA has met its mark; has carried out its mission; has been an extraordinarily effective program.

In the hearings conducted in the Subcommittee on Economic Development over 4 years ago in which the gentleman from Pennsylvania was an active participant, the gentleman from New York, now the chairman of that subcommittee, was an active participant, we demonstrated that over the now 20-year history of that program the Federal Government's investment of $4.5 billion in distressed areas of this country, leveraged additional investments of $9 billion from private, State, and local sources, created over 1.5 million jobs, and that every year those jobs are returning to Federal, State, and local treasuries $6.5 billion in taxes.

Every year the jobs EDA created are paying for that cumulative 20-year Federal investment. That is a record that few Federal Government program investments can match if any can match it.

Nonetheless 4 years ago, when we started out to review this very successful program, the gentleman from Pennsylvania and I vowed that we would rewrite, and reshape, and refocus the EDA Program to narrow its application; to make it a more highly targeted program, and we have done so. This was without regard to partisan considerations because the views of the gentleman from Pennsylvania [Mr. Clinger], the views of the gentleman from Arkansas [Mr. Hammerschmidt], of our former colleague, the ranking member on the full Public Works Committee, Mr. Don Clausen, contributed heavily to the thought process that went into reshaping the EDA Program. The gentleman from New York [Mr. Nowak], who contributed an enormous amount of time; our colleagues throughout the Appalachian region, together we rewrote this program which is a claim that few committees in this body can make. That is, to take a very favored Federal Government program and narrow it down, trim its sails, and focus its resources, which we did, and the result is H.R. 10, the National Development Investment Act, which has twice passed this body by overwhelming votes. Those votes are testimony in themselves to the bipartisan nature of this bill, to the intermingling of ideas, to produce a result that will benefit, even more effectively than before, the distressed areas of this country.

People who are out of work, communities that have lost economic base, do not look for a handout; they want a hand up. That is what this legislation will do. I urge your support for the National Development Investment Act. The National Development Investment Act would reauthorize in modified and improved form the programs now administered by the Economic Development Administration. It would also authorize the finish-up program proposed by the Appalachian Governors for the Appalachian Regional Commission.

Mr. Chairman, this bill has twice before passed this body, by overwhelming bipartisan margins: by 281 to 95 in the 97th Congress, and by 306 to 113 in the 98th Congress. I have complete confidence that it will receive equal support this year. I hope also that the other body will this year appreciate the value of and need for this program, and act favorably on it.

H.R. 10 emphasizes the concern on the part of the Public Works and Transportation Subcommittee on Economic Development, and the full committee, for those areas of the country, such as my own district in northeastern Minnesota, which have not benefited from the current economic recovery, and will need continued assistance as they try to diversify their economies and rejoin the Nation's economic mainstream.

This is not a quick-fix jobs bill. It is not a short-term or miracle cure for economically distressed areas. It is a program for stable, long-term, sustained economic growth and permanent, private sector job creation in the Nation's most depressed areas.

It will lay the groundwork for economic recovery at the local level. Our country's economic strength has always been measured by the soundness of the sum of its parts. This bill addresses the most distressed of those parts, our hardest pressed communities, those which do not have the minimum resources, the critical mass, needed to begin the ascent to economic self-sufficiency.

Title I of this bill, the National Development Investment Act, would establish a successor agency to the Economic Development Administration [EDA]. The programs are similar to those under EDA: grants for public capital facilities, loans to small businesses, and technical assistance and planning grants.

But we have modernized and updated these programs to conform to the very positive changes that have been wrought at the State and local levels. States, multicounty agencies, and local communities have, over the years, in large part thanks to EDA's planning assistance, developed substantial economic development capacity, and are ready and willing to take over this role from the Federal Government. H.R. 10 recognizes this capacity, and provides its grantees with the funds, on a 50/50 matching basis, to chart and pursue their own courses toward economic growth and development.

It sharply curtails the percentage of our country's population which would be eligible for assistance: down to 40 percent of the country, plus those communities which are suddenly faced with the loss of a major employer, either a military base or other Federal facility, or a company which has or is about to close its doors.

Title II would put into legislative language the finish-up program proposed for the Appalachian Regional Commission by its member Governors. This is a modest and pragmatic plan of

action to sustain economic recovery in a major region of America which, like my northeastern Minnesota district, has not been able to keep pace with the progress of other parts of this country.

Mr. Chairman, this legislation focuses on the economic development needs of the 1980's: on private sector jobs; on small business, which studies have shown to be the major source of jobs; and on repair and rehabilitation of the Nation's deteriorating infrastructure, as well as on construction of new buildings, facilities, and on the public capital that may be required.

It is a good bill, a sound bill, and a needed bill that concentrates assistance on the economic problems of those remaining distressed areas of the country which genuinely need outside assistance.

I urge my colleagues to support this important legislation.

Mr. NOWAK. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. Kanjorski].

Mr. KANJORSKI. I thank the gentleman for yielding me this time.

Mr. Chairman, I would like to thank you for this opportunity to speak in support of H.R. 10, the National Development Investment Act. The two categorical programs in this act, the Economic Development Administration and the Appalachian Regional Commission, are vitally important to the continued economic development of our Nation's depressed urban and rural areas.

The Appalachian Regional Commission, which this year celebrated its 20th anniversary, is an example of a program whose benefits cannot only be measured in dollars and cents but also in personal success stories. I represent a seven county area in north-central and northeastern Pennsylvania that is part of Appalachia and as a result I have personally witnessed the progress made through the ARC's industrial development projects, the health and social service programs, and the much needed infrastructure projects.

Over the last 20 years, the $58 million allocated by the ARC to my seven-county area has leveraged almost $150 million in additional direct project funds. This $205 million has been a major factor in creating thousands of new employment opportunities, thereby raising the region's overall economic stability, standard of living, education levels, transportation system and health-care facilities. In addition to the $205 million in direct project funds, these moneys have help to generate tens of millions of new investment dollars throughout Appalachia.

The Economic Development Administration has been an integral part of the revitalization of numerous distressed communities. The EDA was a major factor in the redevelopment of downtown Wilkes-Barre after the devastation caused by Hurricane Agnes in 1972. The EDA through its public works, direct loans and technical assistance programs continues to provide the necessary capital for new business startups, company expansion projects, infrastructure development and the creation and retention of thousands of jobs each year. Earlier this year, the EDA committed $1 million to complete a secondary sewage treatment facility in Berwick, PA, which will result in the creation of 950 new jobs.

Mr. Chairman, unemployment in my district is averaging some 13 percent which no significant reduction expected. Programs such as the Appalachian Regional Commission and the Economic Development Administration are two of the few tools available to us to maintain and improve our industrial and employment situation. Those that would eliminate these vital programs demonstrate a callous disregard for the well-being of millions of American citizens now living in depressed urban and rural communities throughout this Nation.

These programs are so important to the present and future economic development of not only my district but numerous other depressed communities, that I support the full funding of H.R. 10. In good conscience I cannot ask my constituents, the local business community and the local governments to accept additional budgetary reductions in programs that have spurred jobs, new business opportunities, better health and medical facilities, improved transportation systems and raised the overall standard of living, while being cost efficient to the Federal Government.

Mr. Chairman, I would like to commend the committee for their diligent work on H.R. 10 and would urge my colleagues to join with me in support of this important industrial development and job creating legislation.

Mr. NOWAK. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. Tallon].

Mr. TALLON. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of H.R. 10. Like so many rural States across the Nation, my State of South Carolina has not enjoyed the economic recovery realized by other areas. The need for economic development assistance is real.

The Federal Government is in a unique position to foster long-term economic growth in every part of the United States. This legislation relies on the private sector to create the jobs, but calls on the public sector to help rebuild local infrastructure and assist development.

Assistance is directed only to those areas not sharing in the benefits of our expanding economy. Furthermore, all grants under this act must be part of a comprehensive development strategy with specific economic objectives.

All 10 counties in the Sixth District of South Carolina, which I represent, would qualify for assistance. In the past year, over $350,000 in Federal grants were made available to my district for economic development.

Mr. Chairman, I know that the program we authorize today will make a difference. I urge my colleagues' support of H.R. 10 to help bring each community into the mainstream of economic life.

I thank the gentleman for his leadership and fine work.

Mr. CLINGER. Mr. Chairman, I yield the balance of my time, 3 minutes, to the gentleman from Pennsylvania [Mr. Gekas].

Mr. GEKAS. I thank the gentleman for yielding me this time.

Mr. Chairman, I take my turn now in supporting the legislation that is in front of us. It seems to me, Members of the committee and colleagues, that for all purposes we are really confirming what the Congress has already said with regard to the issues in this particular piece of legislation. We ought to be supporting this legislation by a unanimous vote for a historical set of reasons. No. 1, more recently in the history of this legislation, the budget resolution itself which reestablished the theme of what we are about, and albeit it reduced funding by 20 percent, said in effect that we want to continue the program with a pruned down and modernization effort that was put into the new bill that is in front of us. That is why I am a little bit in disagreement with the gentleman from Ohio [Mr. Wylie], who spoke previously on the floor, who is worried about, as I am, about renewed efforts that we must take to reduce the deficit.

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For the time being, we have spoken on that subject. The budget resolution was supposed to be, and for our purposes today, was broad based fair application of reduction of funding for programs across the board for which this Congress is responsible. We acknowledge that. We take our lumps, as we say in the vernacular, with respect to this program and we come to the floor today to confirm that budget resolution.

In my remaining time, I would ask the gentleman from Pennsylvania [Mr. Clinger] if he would consult with me for a moment of dialog just so I can get some of my thinking straight, and I would yield to him for that purpose.

If we did nothing today and withdrew this legislation from the floor, God forbid we want it to pass, the programs would continue, albeit in their similar themes as already propounded on the books today. Is that correct?

Mr. CLINGER. The gentleman is absolutely correct, and I would like to respond just for a moment to the gentleman from Ohio [Mr. WYLIE], who had some legitimate criticisms of the existing programs. He talked about the loan program. He talked about other aspects.

The point is, if we do nothing today, the program would continue because the appropriations process is entrained. We would still be dealing with the old legislation, which means that the very parts that he was attacking would still be in existence.

What this bill does is to address those concerns, get rid of the abuses that have been in assistance, targets it more directly, and therefore makes a better program. The money is going to be there. Let us make sure we spend it efficiently.

Mr. GEKAS. That is exactly what I wanted to bring out; that we are supporting a modernization of a program. We are also supporting its part in the deficit reduction program, and we ask for unanimous vote in support of H.R. 10.

Mr. NOWAK. Mr. Chairman, to close out the debate on our side, I yield the remaining time to the gentleman from Arkansas [Mr. ALEXANDER], a great contributor to this program in the past.

The CHAIRMAN. The gentleman from Arkansas [Mr. ALEXANDER] is recognized for 4 minutes.

Mr. ALEXANDER. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of H.R. 10, the National Development Investment Act, and urge its passage. This bill is identical to the bill of the same name and number which passed with an overwhelming majority in the House last year. It is similar to a bill the House passed with nearly a 3-to-1 margin in 1982.

My support of this bill is rooted in my personal knowledge that the economic development program is a valuable contribution to our Nation. The provisions in this bill have been carefully formulated on the information the Committee on Public Works and Transportation and its Subcommittee on Economic Development have gathered during extensive hearings and study conducted in the past 5 years.

And, I am convinced that this proposal before us is a worthwhile successor to the Public Works and Economic Development Act. Federal seed money invested through the programs provided for under that act, as amended, have created or saved more than 2 million private sector jobs since these programs began in 1965. They have leveraged billions of dollars in private sector investment in job creation. The workers who hold those more than 2 million jobs pay enough in taxes every 18 months to repay the total Economic Development Administration Program investment made since 1965.

The partnership created through these programs, between the Federal, State, and local governments has meant the difference between real job opportunities and joblessness for millions of Americans.

It has been particularly vital to the efforts of rural communities, small towns and mid-sized cities to generate private sector work for their residents.

Just this last week I was privileged to take part in the groundbreaking for an industry that will bring 400 jobs to an industrial park in the small town of Trumann, AR. EDA through its economic development programs invested $576,000 in that industrial park. Holders of the jobs Parker-Hannifin will bring to that park will earn an estimated annual payroll of $3,328,000. In 1 year the estimated tax payments they will make will be $655,600—more than enough to repay EDA's investment.

In order words, EDA investments are moneymakers for the Federal Government.

Trumann is just one of the communities throughout Arkansas which have benefited from EDA seed money investments. Between 1965 and 1984, EDA invested $165,386,249 job-producing dollars into 447 Arkansas projects. These investments generated 79,630 private sector jobs, with an annual payroll of $645,546,340, and annual tax payments of $129,605,012.

The share of these EDA investments and results in Arkansas' First District, which I represent, was—$44.1 million EDA dollars; 16,270 private sector jobs; $135.4 million in annual payroll; and, $27.1 million in annual individual income tax payments.

In other words, the 16,270 holders of the EDA seed money investment, private sector jobs pay more than enough in taxes every 2 years to more than repay the total investment EDA has made in the last 20 years.

Critics claim that economic development programs do not spur private sector job generation. Rarely, though, do the critics support their negative rhetoric with data such as I have provided today, and that my colleagues can provide.

In addition to such data, I believe it is worthwhile to consider the results of a 2-year General Accounting Office econometric study of EDA Programs. This study was titled "Estimated Employment Effects of Federal Economic Development Programs." It was released 1 year ago. The study covered the period of 1974 through 1978. In it GAO states:

> The estimates from this (econometric) model suggest that these programs did create jobs between the mid and late 1970s. Our results also show evidence that:
>
> Most jobs were created in the manufacturing sector of the economy * * *. Among the various grant categories, public works grants were the most effective in creating jobs; grants were most effective in creating jobs in states with low employment growth.

The GAO study also found that:

> A $500,000 increase in economic development grants would initially be associated with 216 additional jobs at an estimated cost of $2,315 per job per year * * *.

And that—

> In the long run, the number of new jobs would be reduced to 171, at a estimated cost of $2,924 per job * * *.

The bill before us today tightens eligibility criteria to emphasize assistance where it is most needed, can do the most good, and where local governments and private enterprise are most strongly committed to the economic development goals. These are reasonable and rational requirements.

EDA Programs have always emphasized a strong Federal-local partnership with the economic development project decisions being generated at the local level.

This bill provides strong encouragement to local and State governments to pursue and encourage diversification of their economies. This, too, is important as insurance against the fatal shocks which can come from distress and depression in a single sector of the economy.

This bill promotes a commitment on the part of State and local governments to a continuing, long-term practice of pursuing economic development. This is vital to creating, maintaining, and increasing private sector job opportunities across the Nation.

I have some concerns about some portions of this bill.

In the past two decades, the local governments and community leaders have used the Federal-local partnership to develop and maintain a vital, healthy, strong system of substate economic development districts. I hope that the committee would bring us a bill which would ensure that this system continues its essential and invaluable service. Having reviewed the provisions of the bill and committee report, I believe its intention that these districts continue their work is unequivocal, although I would have liked stronger provision on this. It is my hope that the implementation of the bill's provisions will follow the intent of the bill.

A vitally important element in the success of EDA programs has been the agency's hardworking, committed, knowledgeable field staff. They are known as economic development representatives—EDR's for short. While I would prefer bill language on this, I am encouraged that the committee's intent that the field structure remain in place is clearly stated—more than once—in the report. It is my hope that the implementation of the administrative provisions ensures that the EDR system remains in place and working.

Our Government system is, as it should be, one of consensus making, of compromising to build the best programs possible to serve the interests of the greatest number of our people as possible. Thus, rarely is everyone of the 435 Members of this House going to be satisfied with every one of the provisions in any bill before us. H.R. 10, the National Development Investment Act, is that kind of bill. It serves the interests of every American who is interested in strengthening our economy through private sector job generation. It is a bill worthy of the support of every Member of this House, I urge its passage.

Mr. DE LUGO. Mr. Chairman, I rise in support of H.R. 10, the National Development Investment Act. This legislation was unanimously reported out of the Public Works Committee on May 15, and I am proud to have participated in this action which salvaged economic development programs from the administration's budget ax.

I can think of no more shortsighted idea than to phase out a program of proven success that has been effective in creating jobs in economically distressed areas. The Economic Development Administration has such a track record throughout the country and in the U.S. Virgin Islands. In my district, EDA has funded a wide variety of projects ranging from industrial parks to schools, to vocational training centers, to planning assistance and targeting studies on our key industry of tourism. In every case EDA's financial and technical assistance was invaluable, if not in fact the determining factor in the success of each project. In a small, isolated district such as mine, our economic future depends on diversification and training, and EDA is helping us to achieve that goal.

Given the difficulty that any isolated district, particularly one like the Virgin Islands, has in attracting industry and investment, and availability of EDA assistance is critical. There are few Federal agencies capable of taking the broad, long range economic view so necessary to sound development, and few that have been given the tools and the authority broad enough to accomplish that goal.

In this legislation before us today, Congress is reaffirming its belief in the EDA philosophy. For several years now the administration has tried to phase or wipe out EDA Programs. In this legislation, Congress will say: No, that is not in the best interest of the country. I wholeheartedly concur and the people of the U.S. Virgin Islands agree. On their behalf, I would like to commend the chairman of the Subcommittee on Economic Development, Mr. NOWAK, and my distinguished colleague and chairman, Mr. HOWARD, for their commitment and all their effort in preserving these important economic development programs. I urge my colleagues to support this legislation.

Mr. MCEWEN. Mr. Chairman, it is a pleasure to express my strong support for H.R. 10, the National Development Investment Act. Four years ago, as a member of the Economic Development Subcommittee, I had the opportunity to work on this vital measure which addresses critical development and job needs in the areas of our Nation most in need of our help. The House approved the legislation in the 97th Congress and again in the 98th. Now the bill is before the House once more and I am hopeful that this will be the year it is passed and signed into law.

As an original cosponsor of H.R. 10, and as member of the Public Works and Transportation Committee, it has been my privilege to work on framing this legislation to meet two important goals: Extension and modification of programs under the Economic Development Administration and the implementation of a finish-up program for the Appalachian Regional Commission.

It should be noted at the outset that both the Economic Development Administration and the Appalachian Regional Commission have been helping communities in distressed regions of our Nation for a long time, and they have established fine records in that regard.

Both agencies have filled a great need, and that need in some areas of the country continues. Those areas will need continued help as they seek to diversify their economies in order to join mainstream America.

Their problems vary. For some, their local public facility infrastructure is falling apart, making economic expansion virtually impossible. Some communities have suffered the shock of losing major industries and hundreds of jobs. For them, economic adjustments and diversification is essential but financially beyond their reach without some measure of Federal help.

H.R. 10 incorporates the finish-up program proposed by the Appalachian Governors for the Appalachian Regional Commission. That proposal calls for phaseout of the ARC by 1990 and the completion of its priority highway program by 1992. States served by the Commission are in agreement with the phaseout schedule for both ARC highway and nonhighway programs.

The ARC was created to help turn around the impoverished Appalachian area by establishing programs to improve literacy, health care, income, and the basic infrastructure upon which all development is based.

Certainly the programs of the ARC have breathed new life in the economically deprived areas of Appalachia, and we are making certain in the legislation that the phaseout of this program is a gradual one.

Programs under EDA would be reauthorized through fiscal year 1988. However, H.R. 10 is more than an EDA reauthorization bill. The committee has been concerned with widespread complaints over the grant program's broad eligibility requirements and the excessive number of defaults in the Agency's loan program.

Those concerns are reflected in major changes provided in the bill for both problem areas. New eligibility criteria in the legislation would reduce from 80 percent to about 44 percent that portion of the country now qualified for assistance as a distressed area.

The loan program would be restructured so that grants would be made for the establishment of locally administered revolving loan funds to provide seed capital for small businesses or to retain existing businesses. I believe that this program can best be administered and monitored at the local level.

In the past, EDA has been called a sacred cow. This is not without some justification. Over the past 20 years, the original purpose of the EDA has been lost. When EDA was established, its purpose was to help promote long-term economic development to areas with severe unemployment. However, as the EDA Program grew, its scope grew as well. Soon, the requirements to be considered a "distressed area" were broadened so as to include 80 percent of the entire Nation. It quickly became apparent that EDA had outgrown its original intent and therefore lost much of its effectiveness and support.

The legislation before us today streamlines EDA to allow the original intent of the program to be realized once again. Under this new program, only areas with chronic unemployment, or especially low incomes would be eligible for assistance. In addition, an area could qualify temporarily if there was a dramatic loss in jobs such as the closing of a major plant.

H.R. 10's overall purpose is to provide a program for stable, long-term sustained economic growth and permanent, private sector job creation in the Nation's economically distressed areas.

If enacted into law, it will, in my judgment, lay the groundwork for providing effective economic revitalization at the local level, where lasting recovery must begin.

Mr. MONTGOMERY. Mr. Chairman, today I rise in support of H.R. 10, the National Development Investment Act.

Contained in this legislation is funding for the Appalachian Regional Commission [ARC], which has proved to be a productive partner to the States, local governments, and the private sector in my State of Mississippi and throughout the entire Appalachian region. That partnership has helped our people help themselves.

We have seen the development of roads, water, and sewage systems, education and health facilities and other projects that have helped improve the quality of life for the people served by the ARC.

Jobs have been created, poverty and illiteracy have been reduced, better housing and better highways have been built as a result of the efforts and opportunities made available through the Appalachian Regional Commission. This work has helped bring the Appalachian region more into the mainstream of our national economy.

Mr. EDGAR. Mr. Chairman, I rise today in strong support of the National Development Investment Act, H.R. 10. This bill reauthorizes the Economic Development Administration [EDA] and the Appalachian Regional Commission [ARC], which were established to provide aid to economically distressed areas of the country through the development of industrial facilities and the improvement of basic infrastructure—the real key to economic development in this Nation.

No one can deny, Mr. Chairman, that for many areas of the country, there has been no economic recovery: recession and joblessness continue. In my own State of Pennsylvania, for example, unemployment is still above the national average. In May, 31,000 Pennsylvanians lost their jobs.

The Northeast and Midwest region of the country was particularly hard-hit by the recent recessions, and it is this region that is also the oldest in the Nation. Consequently, its cities and public works are aging as well and the deterioration of its infrastructure is strangling our economy, costing us jobs as industries move to foreign countries.

Unless we take action soon, many more jobs will be lost, communities will be further devastated, and hopes for long-term economic recovery will be dashed forever. Economic growth, and the resulting job creation, is simply not possible unless we have the basic infrastructure to support such growth.

Yet while there is increasing awareness in this country of the importance of sound infrastructure to jobs and a strong economy, we have seen under attack over the past 5 years the very tools that are vital in rebuilding our Nation. With the President's proposed elimination of the deduction for State and local taxes and with Federal support for Amtrak, mass transit, UDAG's and general revenue sharing under attack, it is difficult to imagine how we will be able to meet the clear needs that are before us.

And in fact, the administration has repeatedly proposed to eliminate another tool for infrastructure improvement that we are discussing today; namely, the Economic Development Administration. I think that the reauthorization of the EDA is absolutely vital not only to Pennsylvania and the Northeast and Midwest, but for distressed areas throughout the Nation.

This bill represents a balanced, fair attempt to help distressed communities leverage private capital and plan development strategies. The Public Works and Transportation Committee, on which I am proud to serve, has tightened up the program to address some of the criticisms that have been levelled at the EDA. In addition, the committee will offer a floor amendment to limit spending in the bill to the fiscal year 1985 level, which balances our economic development needs with a responsible approach to the crisis posed by the Federal budget deficit.

H.R. 10 will reauthorize the EDA for 3 years and the ARC for 5 years. The bill provides that EDA grants must be matched by a 50-percent contribution by local interests, meaning that projects will be backed by the communities in which they are located. In addition, this aid will be contingent on the adoption by localities of a comprehensive community development plan. Finally, H.R. 10 eliminates long-term eligibility for EDA grants. In the future, communities will be required to include the most recent data on distress in each application; this will guarantee that economic development aid goes to communities that need it most.

The community development plan, known as development investment strategies, are the heart of the new legislation. Applicant communities must analyze their economic problems; inventory other available Federal, State, local and private resources and past investments; and present a long-term schedule for approaching economic self-sufficiency.

The Secretary of Commerce is directed to evaluate the strategies and base his or her project selection on the basis of greatest potential for success as well as on a basis of need. The priority is to spend these scarce dollars where they will have the most impact.

Mr. Chairman, the Economic Development Administration has been of particular importance in my State of Pennsylvania. Since it was created in 1965, the EDA has obligated over $94 million in vital development funds in my State. In distressed areas, EDA funding is available to help redevelopment efforts. Over the past several years, the EDA has helped communities across Pennsylvania. To note a few examples, EDA funding has been used:

In Philadelphia, to build port facilities, develop export programs, and rehabilitate the Frankford Arsenal; in Altoona, to develop an industrial park and help the local redevelopment authority with road construction; in Scranton, to replace a bridge; in Luzerne, for new sewage construction; in Hazelton, for improvements to the water system; in Jeanette, for sewer reconstruction; in Johnstown, for general infrastructure improvements; in Pittsburgh, a variety of planning grants to the city of Pittsburgh and the Allegheny County Development Department; in Allentown, for bridge improvement; in Lewisburg, for a planning grant for export develpment; in Williamsport, for storm sewers; in Uniontown, for a feasibility study for a foreign trade zone; in Erie, for a grant to Girard Borough for water system improvements.

This is a good bill, Mr. Chairman, it helps us keep the tools we need in our economic development tool chest. It allows us to continue to aid economically distressed communities in a fiscally responsible manner. I urge the passage of H.R. 10.

Mr. MINETA. Mr. Chairman, I would first like to thank Mr. Howard and Mr. Oberstar for their commitment to H.R. 10, the National Development Investment Act. This worthwhile and necessary bill was unanimously reported out of the Public Works and Transportation Committee for good reason.

This House attempted in the 97th and the 98th Congresses to enact this measure, but both times our efforts were thwarted by the other body, which took no action after the House bills were passed. This legislation, if enacted, will provide aid to economically depressed and distressed areas for necessary community projects and facilities. For example, in my area, funds were made available through the Economic Development Administration for much needed work on fire stations, jails, schools, and many other community projects.

Since fiscal year 1982, neither the Economic Development Administration nor the Appalachian Regional Commission has been authorized, although both have continued to operate.

The need for assistance to economically depressed areas is clear and indisputable; this House has several times shown its support for regional development programs. I urge my colleagues now to support this bill, which authorizes funds in fiscal years 1986 through 1988 for an economic development program to replace the public grant program now being used. This authorization bill is necessary to ensure the continuation of economic aid to areas in need of development assistance.

H.R. 10 represents the third attempt to authorize the National Development Investment Act. We must act swiftly and with resolve to pass this bill and to finally persuade the other body to do so also. Congress can no longer afford to act in an ad hoc manner when it comes to authorizing funds for development assistance. This legislation must be passed to facilitate the timely allocation of needed funds for projects such as water and sewage systems, education and health facilities, ports, roads, and grants for private economic development projects.

To ensure that only the most distressed areas receive aid, stringent eligibility requirements are included in H.R. 10. Also, a detailed development strategy must be submitted to demonstrate that the area's particular economic problems have been analyzed with other available resources in mind. Thus, one can be reassured that priority for development aid will be given to those areas that are most needy and that exhibit a realistic improvement plan.

The National Development Investment Act is a sound piece of legislation that will facilitate the authorization and appropriation of funds to areas in need of development assistance. I wholeheartedly support H.R. 10 and I strongly urge my colleagues also to support this worthwhile bill.

Mr. TOWNS. Mr. Chairman, I am pleased to rise in support of the National Development Investment Act, H.R. 10. We should not forget the purpose of this legislation. The Economic Development Administration [EDA] and the Appalachian Regional Commission [ARC] were established to provide aid to economically distressed areas of the country through the development of public facilities such as roads, ports, community water and sewage systems, and education and health facilities, and through grants for private economic development projects. Despite the valuable nature of the programs, the administration has continually opposed the continuation of both EDA and ARC. Throughout the extensive hearings on this legislation, State and local government organizations have stressed the necessity for continued Federal support to promote economic development. It is clear

from the committee's witnesses that whether one is concerned about health care in rural Appalachia or the retention of small businesses in Liberty City in Dade County, FL, that the Federal Government has a responsibility to aid localities in preserving and/or enhancing the economic life of these communities.

The committee has addressed critics' charges of overlapping resources with a targeting approach to areas of economic distress which are clearly defined by three distinct criteria. In addition, funding priority will be given to applicants showing a high ratio of private investment to public funding would receive the highest priority. The bill's requirement that an extensive development investment strategy be submitted for grant awards is a further inducement for maximizing economic resources. I am particularly pleased that the committee's bill again included my amendment requiring minority business enterprise participation in the development investment strategy.

Mr. Chairman, the cities and towns of America continue to need their Federal Government's support to ensure economic self-sufficiency. We have an obligation to respond to this need. I urge my colleagues to support H.R. 10 to retain two agencies, EDA and ARC, who have more than proven their effectiveness in assisting local governments with their economic problems.

Mr. STAGGERS. Mr. Chairman, I rise in support of H.R. 10, the National Development Investment Act. I would first like to take this opportunity to commend Mr. Nowak and his subcommittee for their commitment to creating a thoughtful, comprehensive piece of legislation. Additionally, I wish to commend the gentleman from Minnesota [Mr. Oberstar] for his leadership and dedication to this bill, which addresses a difficult subject with vision and innovation. Finally, I would like to congratulate the full committee for its rallying, in a truly bipartisan manner, to present a viable solution to a national problem.

I am pleased to be a cosponsor of a bill that recognizes both our responsibility to assist the Nation's economically depressed areas, and our responsibility to spend the Nation's money wisely. Let us keep those parts of the Economic Development Administration that have provided valuable support to needy communities in the past and refine those parts that do not meet the initial goals. By redefining eligibility requirements and spending limits, H.R. 10 allows us to do just that.

During its years of existence, EDA has helped the Second District of West Virginia in many ways. By providing operating funds to the regional planning and development councils in the State, EDA ensures coordinated economic development planning, as well as the evolution of long-term development strategies. By providing funding for the construction of infrastructure to industrial parks in both Berkeley and Greenbrier Counties, EDA has helped to attract the investment of the private sector which, in turn, will create much needed jobs. For this reason, I support title I of H.R. 10.

The Second District of West Virginia has been the beneficiary of many Appalachian Regional Commission programs; from the construction of major roadways to the support of an infant mortality reduction program. There are four counties in my district that fall into the distressed county category. In these counties basic services, such as clean drinking water and sanitary sewage disposal, could be considered as luxuries; yet they are now slowly being provided as a result of ARC funding. For example, in Pendleton County, a water system is just now ready to go to construction—the result of combining local and Federal dollars in the spirit of cooperation that this bill wishes to expand.

There is no question that Appalachia still lags behind the rest of the Nation in recovery. Although great strides have been made toward correcting this situation, we have not achieved complete socio-economic parity for Appalachia. Our job is not yet done. For this reason, I support title II of H.R. 10.

This bill befits the philosophies and needs of the 1980's. By offering seed money for revolving loan funds, it acknowledges the role of the Federal Government in helping its neediest communities achieve economic self-sufficiency. By giving top priority to those applications with a high ratio of private investment to public funding, it encourages the participation of the private sector. By setting aside money for technical assistance and feasibility studies, it rewards those communities that seek to help themselves through thoughtful planning and wise investment strategies. By requiring a master economic development plan with each application, it correctly identifies the need for and the desirability of long-range planning. By setting strict eligibility criteria, it assures that only the communities most in need receive funding.

I want the people of the Second District of West Virginia to be able to remain in the communities that they so love. I want them to have jobs in their communities. I want them to have access to good medical care in their communities. I want them to have basic water and sewer services in their communities. Most of all, I want them to be able to share in the economic revival and unique partnership that the National Development Investment Act would create. For this reason, I strongly support H.R. 10 and urge my fellow members to vote for passage of this innovative measure.

The CHAIRMAN. All time for general debate has expired.

Pursuant to House Resolution 223 and the order of the House today, immediately after the enacting clause is read it shall be in order to consider the amendments printed in the Congressional Record of July 11, 1985, as modified, by and if offered by Representative Howard or his designee, which shall be considered en bloc and shall be in order, although amending portions of the bill not yet read for amendment shall not be subject to amendment but shall be debatable for 20 minutes, to be equally divided and controlled by the proponent of the amendments and a Member opposed thereto.

The Clerk will read the enacting clause.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AMENDMENTS OFFERED BY MR. HOWARD

Mr. HOWARD. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. Howard:

Page 18, strike out line 8 and all that follows through "1986," on line 9 and insert in lieu thereof the following:

$125,000,000 for the fiscal year ending September 30, 1986, and such sums as may be necessary for the fiscal years ending

Page 25, strike out line 4 and all that follows through "1986," on line 5 and insert in lieu thereof the following:

$35,000,000 for the fiscal year ending September 30, 1986, and such sums as may be necessary for the fiscal years ending

Page 35, line 14, strike out "$30,000,000" and all that follows through the period of line 17 and insert in lieu thereof the following:

$22,800,000 for the fiscal year ending September 30, 1986, and such sums as may be necessary for the fiscal years ending September 30, 1987, and September 30, 1988.

Page 36, line 14, strike out "$5,800,000" and all that follows through the second period on line 25 and insert in lieu thereof the following:

$2,300,000 for the fiscal year ending September 30, 1986, and such sums as may be necessary for the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990. Of amounts appropriated pursuant to the preceding sentence for each of the fiscal years ending September 30, 1986, September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990, not to exceed $450,000 shall be available for expenses of the Federal cochairman, his alternate, and his staff.".

Page 37, line 7, strike out "$234,000,000" and all that follows through the second period on line 12 and insert in lieu thereof the following:

$79,500,000 for the fiscal year ending September 30, 1986, and such sums as may be necessary for the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, September 30, 1990, September 30, 1991, and September 30, 1992.".

Page 39, line 16, strike out "$166,000,000" and all that follows through the second period on line 20 and insert in lieu thereof the following:

$39,200,000 for the fiscal year ending September 30, 1986, and such sums as may be necessary for the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.".

Mr. HOWARD (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. Under the rule, the gentleman from New Jersey [Mr. HOWARD] will be recognized for 10 minutes and a Member opposed will be recognized for 10 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. HOWARD].

Mr. HOWARD. Mr. Chairman, these amendments would reduce authorized funding levels to bring them into conformity with the budget resolution as passed on August 1.

This is a below-the-freeze amendment. It is an amendment which was agreed upon in principle by our committee at the time of our committee markup on this bill.

Very simply, as we have done in all other authorizing bills considered by the House in this session with the exception of the Water Quality Renewal Act of 1985, the committee amendment would reduce the funding levels in H.R. 10 by bringing the fiscal year 1986 funding authorized by the bill, as introduced, in line with the funding levels proposed by the budget resolution for the EDA and ARC programs. It actually reduces authorized funding levels 20 percent below the total funds appropriated for each of these programs for fiscal year 1985.

Total authorizations for title I, the National Development Investment Act, would drop from $530 million authorized in the bill to $182.8 million for fiscal year 1986 and would be as follows: $125 million for development investment grants; $35 million for investment strategy, planning, evaluation, and demonstration grants; and $22.8 million for administrative expenses.

Authorizations for the Appalachian finish up programs would be reduced from a total of $319.9 million to $136.17 million for fiscal year 1986. This is allocated as follows: $79.5 million for the highway program, $39.2 million for nonhighway programs and $2.3 million for salaries and expenses.

The total fiscal year 1986 cost of the bill would be $303.8 million.

Authorizations for subsequent fiscal years—through fiscal year 1988 for the National Development Investment Act, through fiscal year 1990 for the Appalachian Nonhighway Program and through fiscal year 1992 for the Appalachian Highway Program—are authorized for "such sums as necessary."

Mr. Chairman, the committee remains convinced there is a continuing need for the basic development tools contained in this bill and for the Federal Government as a partner in promoting economic growth in distressed communities of the Nation.

The decision to propose this committee amendment reducing funding for these important programs reflects the deep concern of our members over the size of the Federal deficit and its negative impact upon the overall economy. We believe this amendment is appropriate in view of the need to reduce Federal spending to achieve a sound fiscal position for our country.

Mr. Chairman, I urge support for the committee's amendment.

Mr. DE LA GARZA. Mr. Chairman, as an unwavering supporter of the Economic Development Administration since its inception and as an original supporter of H.R. 10 to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965, I rise in support of the measure.

This program has been of more consistent assistance to my area than any other federally sponsored program of its kind.

Over the years as a result of the EDA programs, we have been successful in developing the Port of Brownsville, in locating the largest and finest foreign trade zone in the United States in McAllen, TX, and in bringing water to thousands of deprived migrant workers who had been accustomed to nothing but outdoor plumbing before the Military Highway Water Supply Corporation was established. This is to mention but just a few of the contributions the EDA has made to my area. There are many, many more.

The EDA has been around for 20 years, and I hope it will continue functioning as the mainstay of economic development in this country for a long time to come. This one Government agency more than any other has helped to revitalize rural America, and it has done so without scandal and with a well-administered budget. It has been my experience that moneys injected into the EDA programs have been tax dollars well-spent.

There are Members still serving on the Committee on Public Works and Transportation who will remember that in the past I have gone before the committee to plead for the retention of the Economic Development Administration. The committee always responded sympathetically to my overtures. I would urge my colleagues to show the same consistent assistance in preserving an agency as invaluable as the Economic Development Administration.

Mr. FORD of Tennessee. Mr. Chairman, I rise today in support of H.R. 10, a bill to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965.

Many communities across the Nation are confronted with high unempolyment, financial instability and a shortage of available capital. Some of our regions, counties and communities are in such poor economic condition that even at times when government spending for social insurance programs has increased, the level of poverty has sharply risen.

We are a nation of regions, interdependent on one another for a strong national economy. A strong national economy depends on the cooperation of self-sufficient and productive local and regional economies—economies that have some stability yet sufficient flexibility to deal with the technological and structural changes which accompany and facilitate national growth.

H.R. 10 is designed to permit the Federal Government, in cooperation with the States to assist distressed local and regional communities to take actions to achieve lasting economic improvement and prosperity. Under the act, new local employment opportunities would be created by developing and expanding public works projects and other facilities and resources. The bill specifically assists distressed communities by helping them to construct public facilities and improve the basic framework necessary to support development. Assistance is continued by facilitating economic adjustment, by promoting economic diversification, by effectively responding to sudden and severe local economic dislocations and by encouraging and supporting local economic planning. This legislation will attempt to provide some relief by making funds available for business expansion and retention through locally administered revolving loan funds.

Economic progress is likely to occur where all levels of government and the private sector are firmly and actively united in a long-term commitment to achieve economic self-sufficiency. What particularly appeals to me about this legislation is that it encourages cooperation among communities in different States and urges, where such communities desire, their respective governments to bring their own resources to bear in support of these local interstate efforts. It also encourages the cooperation of various jurisdictions, such as associations of counties and/or of communities, where various units of local government agree to pool their resources to the mutual benefit of all. This attempts to coordinate all available funding sources to promote economic development.

Mr. Chairman, while I am aware of our need to reduce the Federal budget and to reduce the growth of Federal spending I feel that legislation of this nature will lead to reduction of the national debt. It has been reported that the Federal money provided by these programs has generated billions of dollars in private capital and returned billions more in taxes annually to Federal, State and local treasuries.

I therefore ask my colleagues to join in support of H.R. 10, a bill that is beneficial to the economic development of this Nation.

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The CHAIRMAN. The question is on the amendments offered by the gentleman from New Jersey [Mr. HOWARD].

The amendments were agreed to.

The CHAIRMAN. Pursuant to the rule, the bill, as modified by amendments offered by the gentleman from New Jersey [Mr. HOWARD] which have just been adopted, shall be considered as an original bill for the purpose of amendment under the 5-minute rule

by titles, and each title shall be considered as having been read.

The Clerk will designate title I.

The text of title I is as follows:

TITLE I—NATIONAL DEVELOPMENT INVESTMENT

Sec. 101. The Public Works and Economic Development Act of 1965 is amended to read as follows: "That this Act may be cited as the 'National Development Investment Act'.

"TITLE I—DEVELOPMENT INVESTMENT ASSISTANCE

"FINDINGS AND PURPOSES

"Sec. 101. (a) The Congress reaffirms the proposition that this Nation's economic strength is derived from the health of its regions, States, and local communities, both rural and urban, and that national interest dictates the maintenance and enhancement of economic vitality at the subnational level.

"(b) Congress also recognizes that economic conditions and political relationships change and that legislation must address these changes.

"(c) Congress further affirms that this legislation is designed to make government more efficient and responsive by supporting the following principles: leave to private initiative all the functions that citizens can perform privately; use the level of government closest to the community for all public functions it can handle; utilize cooperative intergovernmental agreements where appropriate to attain economical performance and popular approval; reserve national action for residual participation where State and local governments are not fully adequate and for the continuing responsibilities that only the National Government can undertake, such as monitoring the manner in which Federal funds are used in order to ensure the carrying out of the activities for which assistance is given.

"(d) The private sector remains the ultimate generator of employment and economic growth, but the public sector must reverse decades of infrastructure neglect as a necessary concomitant to private business stability and expansion. State and local governments now have a greater capacity than in previous decades to direct their own destiny, in part because of past Federal efforts; this new capacity must be incorporated in any new legislation at the national level. America's increased involvement in international trade has brought both challenges to some industries, and opportunities for others; these challenges and opportunities must be addressed. Capital shortages will for the foreseeable future curtail the Nation's ability to meet public and private investment needs; it is therefore imperative to marshal the resources of all levels of government and the private sector to create the critical mass of capital and other assets needed to generate growth. Finally, there is a continued need to assist in adjustment of change, which is the only permanent feature of our national, regional, and local economies.

"(e) In recognition of these constants and changes, Congress finds it an appropriate role for the Federal Government to foster the coordination of investments between the public and private sectors and to promote long-term economic development partnerships at the State and local levels, in both rural and urban areas.

"(f) The purposes of this Act are therefore—

"(1) to establish a framework within which Federal, State, and local governments, and the private sectors, in urban and rural areas, can combine their resources to achieve economic development in all parts of the Nation;

"(2) to help create a strong investment climate which promotes the expansion and retention of job opportunities for local residents; and removes economic barriers in local areas which impede the free market forces;

"(3) to build, rehabilitate, and repair public infrastructure where it is inadequate to support and encourage private investment in the area;

"(4) to recognize and rely upon improved State and local governments' capacity to direct their own destinies;

"(5) to link public and private funds to foster coordination of resources between these sectors, in order to leverage the maximum investment in the long-term economic vitality of all areas;

"(6) to facilitate local and regional economic adjustment and economic development diversification in a changing national economy, by assisting State and local efforts to foresee adverse economic changes; to prevent their consequences where possible; to respond as necessary; and to achieve economic self-sufficiency;

"(7) to assist in relieving capital shortages and fill local credit gaps which impede private business startups and expansion;

"(8) to assist communities and industries to respond to the opportunities and challenges of a world increasingly knit together by international trade; and

"(9) to enhance the economic development of Indian reservations, pursuant to the Federal Government's trust responsibilities to Indian tribes.

"ELIGIBLE ACTIVITIES

"Sec. 102. (a) Upon application of a State, economic development district, unit of local government, Indian tribe, or private or public nonprofit organization established for economic development purposes which meets the eligibility criteria established by this Act, the Secretary is authorized to make a grant for a portion of the cost, as provided in section 108, of projects submitted in a development investment strategy. Development investment assistance may be for the following purposes—

"(1) the construction, repair, rehabilitation and improvement of public facilities, including the acquisition of land and other public works improvements to encourage and support private development;

"(2) revolving loan funds to promote the establishment and growth of small businesses and to retain indigenous firms and entrepreneurs which contribute to the creation, retention, and expansion of private sector jobs;

"(3) to conduct feasibility studies, site preparation, and other technical assistance to prepare for development and to enhance the investment climate; and

"(4) development activities which address and prevent economic dislocation and facilitate economic adjustment including assistance to promote qualified employee ownership organizations and which contribute to economic diversification and long-term economic vitality of the area.

"(b) The Secretary shall provide technical assistance and conduct feasibility studies to assist any person to establish a qualified employee ownership organization for purposes of subsection (a)(4).

"APPLICANTS

"Sec. 103. (a) A State may apply for a grant under this title for an eligible project within any unit of local government within the State, other than a unit of local government with a population of fifty thousand or more, if such unit meets the requirements of section 105 and is not within the boundaries of an economic development district.

"(b) A unit of local government within a State, other than a unit of local government with a population of fifty thousand or more, which meets the requirements of section 105 and is not within the boundaries of an economic development district may apply for a grant under this title for an eligible project within such unit, but only if such unit consults the State in the preparation of the grant application.

"(c) An economic development district may apply for a grant under this title for an eligible project within any unit of local government within such district if such unit meets the requirements of section 105.

"(d) A unit of local government within an economic development district may apply for a grant under this title for an eligible project within such unit if such unit meets the requirements of section 105, but only if such unit consults the economic development district in the preparation of the grant application.

"(e) An Indian tribe may apply for a grant under this title.

"(f) A unit of local government with a population of fifty thousand or more which meets the requirements of section 105 and is located outside an economic development district may apply for a grant under this title for an eligible project within such unit and a private or public nonprofit development organization representing an area within such unit may apply for a grant under this title for an eligible project within such area, but only if such grant application is approved by such unit before its submission.

"(g) In the case of a unit of local government which has a population of fifty thousand or more and does not meet the requirements of section 105—

"(1) such unit may, for an area which meet the requirements of section 105 and is within such unit, apply for a grant under this title for an eligible project within such area, but, in the case of a unit of local government which is located within an economic development district, only if such unit consults the economic development district in the preparation of the grant application; and

"(2) a private or public nonprofit development organization representing an area which meets the requirements of section 105 and is within such unit may apply for a grant under this title for an eligible project within such area, but only if such grant application is approved by such unit before its submission.

"APPLICATION FOR GRANT

"Sec. 104. (a) An application for a grant under this title shall include, but need not be limited to—

"(1) a certification that the area for which the grant is to be made meets the distress requirements set forth in section 105;

"(2) a certification relative to the performance of any responsibilities which the Secretary has agreed to accept under section 306; and

"(3) a development investment strategy prepared in accordance with section 106.

"(b) In approving applications for grants under this title, the Secretary shall consider the purposes of this Act as set forth in sec-

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tion 101 of this Act, including but not limited to the following:

"(1) the severity of distress in the area for which the grant is to be made;

"(2) the ratio of private sector investments committed in such area to the amount of the grant applied for;

"(3) the extent to which the appropriate State and local governments have undertaken or agree to undertake other related actions to encourage economic development and the expansion of employment opportunities;

"(4) the effectiveness of the development investment strategy and the degree to which the proposed project contributes to its implementation (including the strategy's relationship to economic problems identified in the strategy), expands employment opportunities in the existing labor market, provides incentives to retain indigenous private businesses, expands or improves public facilities, and encourages private investment;

"(5) the extent to which the strategy and activities are consistent with State and local goals and contribute to long-term economic growth and private sector employment opportunities and establish an overall strengthened economic and business environment which will be self-sustaining; and

"(6) the extent to which assistance under section 102(a)(4) will assist a qualified employee ownership organization to obtain majority ownership of a business.

"(c) No assistance may be provided under this title for projects intended to facilitate the relocation of industrial or commercial plants or facilities from one area to another, unless the Secretary finds that such relocation would not significantly and adversely affect unemployment in, or the economic base of, the area from which the industrial or commercial plant or facility would be leaving.

"DISTRESS REQUIREMENTS

"Sec. 105. (a) In order to be eligible for a grant under this title, the applicant must certify that any activity or project to be funded under such grant will be carried out or located in an area which meets any one of the following criteria:

"(1) the area has a per capita income of 80 percent or less of the national average;

"(2) the area has an unemployment rate 1 percent above the national average percentage for the most recent twenty-four-month period for which statistics are available; or

"(3) the area has experienced or is about to experience a sudden economic dislocation resulting in job loss that is significant both in terms of the number of jobs eliminated and the effect upon the employment rate of the area.

"(b) Documentation of distress shall be supported by Federal data, when available, and in other cases by data available through the State government. Such documentation shall be accepted by the Secretary unless it is determined to be inaccurate. The most recent statistics available must be used.

"DEVELOPMENT INVESTMENT STRATEGY

"Sec. 106. (a) Except as provided in subsection (b), an applicant for a grant under this title shall prepare a development investment strategy for the area for which the grant is sought which—

"(1) identifies the economic development problems sought to be addressed by the grant;

"(2) identifies past, present, and projected future economic development investments in such area and public and private participants and sources of funding for such investments;

"(3) identifies the extent to which the development investment strategy takes into account—

"(A) availability of developable land and space in the area;

"(B) public works, public service, and development facilities in the area;

"(C) availability of low-cost capital;

"(D) tax policy on investments in the area;

"(E) level of skill of the labor force; and

"(F) ability of State and units of local government to provide financial assistance in the management and implementation of the strategy;

"(4) sets forth a strategy for addressing the economic problems identified in paragraph (1) and discusses the manner in which the strategy will solve such problems;

"(5) provides a general discussion of the projects necessary to implement the strategy, an estimate and analysis of the costs and anticipated benefits of implementing the strategy, and an estimate of the timetables for completion of such projects;

"(6) provides a summary of public and private resources which are expected to be available for such projects; and

"(7) provides a comprehensive plan to demonstrate a representative percentage of participation by small business concerns owned and controlled by socially and economically disadvantaged individuals, as defined by section 8(d) of the Small Business Act (15 U.S.C. 637(d)) and relevant subcontracting regulations promulgated pursuant thereto, in all phases of the development and implementation of the development investment strategy.

"(b) In any case in which a unit of local government is the eligible applicant under subsection (b) or (d) of section 103, the unit of local government shall consult the State or economic development district, respectively, in the preparation of a development investment strategy. In any case in which a private or public nonprofit development organization within a unit of local government is the eligible applicant under subsection (g) of section 103, the unit of local government shall approve the organization's development investment strategy.

"PRIVATE SECTOR INCENTIVES

"Sec. 107. (a) To stimulate small business development and to promote internal economic growth which contributes to an improved local tax base and the creation of permanent employment opportunities, the Secretary is authorized to make grants to an applicant and to a State to establish a revolving loan fund to be used for making loans or guaranteeing loans to small businesses for initial or working capital, or the purchase, rehabilitation or expansion of facilities or equipment. In addition, loans or guarantees may be made to businesses where a relatively small amount of capital is needed to complete financing necessary to retain the business in the area. A grant made to a State under this section shall be made on the condition that the revolving loan fund established by such State shall be available only in areas in such State which meet the requirements of section 105.

"(b) No grant for the establishment or recapitalization of a revolving loan fund shall be made for more than $1,000,000.

"(c) No loan or guarantee shall be made from a revolving loan fund which has received a grant under this title unless the financial assistance applied for is not otherwise available from private lenders on terms which in the opinion of the administrator of the revolving loan fund will permit the accomplishment of the project.

"(d) Any applicant for a grant for a revolving loan fund shall give assurances that amounts of any loan which are repaid to the revolving loan fund will be available only for the purposes set forth in subsection (a).

"(e) No loan or guarantee may be made from a revolving loan fund which has received a grant under this title unless the applicant for such loan or guarantee provides reasonable assurance of repayment of the loan.

"(f) The Secretary may make additional grants for a portion of the cost, as provided in section 108(b), of recapitalization of a revolving loan fund, taking into consideration the past performance of such fund.

"(g) The grantee of any grant for a revolving loan fund shall administer the fund.

"FEDERAL SHARE

"Sec. 108. (a) The amount of any grant for a project for any eligible activity described in paragraph (1) of section 102 shall be that amount which when added to amounts available from all other sources is sufficient to complete such project, except that in no event shall the amount of any grant under this title exceed 50 percent of such cost of completing the project as determined at the time of the grant application. No additional funds shall be granted or otherwise made available under this Act for any such project for which a grant has been made under this Act.

"(b) The amount of any grant for the establishment of a revolving loan fund under paragraph (2) of section 102(a) shall not exceed an amount which is equal to the amount of funds available from all other sources for the establishment of such revolving loan fund. The amount of any additional grant for the recapitalization of a revolving loan fund previously established with a grant under this Act shall not exceed an amount which is equal to one-third of the amount of funds available from all other sources for such recapitalization.

"(c) In the case of a grant to an Indian tribe, the Secretary may reduce or waive the non-Federal share.

"LIMITATIONS

"Sec. 109. (a) Except for expenditures to Indian tribes, not more than 15 percent of the appropriations made pursuant to this title may be expended in any one State.

"(b) The Secretary shall not obligate more than $2,000,000 in any fiscal year to any person (including any State or local government or public organization) for grants under this title, other than grants which promote qualified employee ownership organizations.

"OBLIGATION OF FUNDS

"Sec. 110. (a) Not later than May 31 of each fiscal year, the Secretary shall obligate for grants under this title not less than 50 percent and not more than 60 percent of the funds appropriated for such fiscal year pursuant to this title.

"(b) Not later than September 30 of each fiscal year, the Secretary shall obligate for grants under this title the remaining funds appropriated for such fiscal year pursuant to this title.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 111. There is authorized to be appropriated to carry out this title, to be available until expended, $425,000,000 per fiscal year for each of the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988. Not more than 25 percent

of the amount appropriated pursuant to this section for any fiscal year shall be expended to carry out section 107.

"TITLE II—INVESTMENT STRATEGY, PLANNING, EVALUATION, AND DEMONSTRATION

"INVESTMENT STRATEGY AND PLANNING

"Sec. 201. (a)(1) The Secretary is authorized to make grants for economic development planning, including the preparation of development investment strategies under section 106 and the payment of administrative expenses, to States, economic development districts, Indian tribes, counties which meet the distress requirements of section 105 and which are located outside of economic development districts, and those other units of local government having populations of fifty thousand or more which meet such distress requirements and which are located outside of economic development districts. Such planning shall be a part of a comprehensive planning process and shall be a continuous process involving public officials and private citizens in analyzing local economies, defining development goals, determining project opportunities, and formulating and implementing a development program. The Secretary is authorized to make grants for preparation of a development investment strategy under section 106 to any unit of local government having a population of 100,000 or more which meets the distress requirements of section 105 on condition that such unit consult with any economic development district of which it is a part in the preparation of such development investment strategy.

"(2) Any State economic development plan prepared with assistance under this section shall be prepared by the State with the active participation of units of local government and economic development districts located in whole or in part within such State and shall set goals for economic development within such State. Each State receiving assistance under this subsection shall submit to the Secretary an annual report on the planning process assisted under this section.

"(3) Any economic development planning by an economic development district or a unit of local government for which a grant is made under this section shall be consistent with the State economic development plan for the State in which such district or unit is located.

"(b) Grants under this section shall be used, to the maximum extent possible, to provide logical coordination of investment for community facilities, economic development, manpower training, and transportation services.

"(c) Any applicant for assistance under this section is encouraged to provide project planning, financial analysis, marketing, management, feasibility studies, and other technical and financial assistance to communities and neighborhoods within its boundaries.

"EVALUATION AND DEMONSTRATION

"Sec. 202. (a) The Secretary is authorized to conduct a program of evaluation of Federal, State, and local development investment efforts in order to—

"(1) assist in determining the causes of unemployment, underemployment, severe economic adjustment problems, and chronic distress in areas and regions of the United States; and

"(2) assist in formulating, implementing, or improving programs at the National, State, or local levels which are designed to increase employment in private firms, assist depressed industry sectors, or otherwise promote economic development or adjustment.

"(b) The Secretary is authorized to conduct any demonstration program to test the feasibility of new ways to increase productivity and growth and the understanding of regional and local economies, to foster innovative technology and research in the field of economic development, to match the labor force with projected labor markets, to improve United States competitiveness, or to encourage economic diversity and regional balance.

"(c) Programs authorized under subsections (a) and (b) of this section may be carried out by the Secretary acting through the staff of the Department of Commerce, in cooperation with or by the provision of funding to other departments or agencies of the Federal Government, or by contract.

"(d) The Secretary is authorized to make grants to colleges, universities, and other nonprofit educational and research organizations to establish and support ongoing programs which provide to businesses and units of local government management and technical assistance for the purposes of promoting productivity, economic development, and employment opportunity.

"(e)(1) The Secretary, in consultation with the Secretary of the Treasury and such other departments and agencies as the Secretary considers appropriate, shall conduct a study—

"(A) regarding the financing needs for the construction, repair, and rehabilitation of public facilities in order to improve the condition of such facilities so that such facilities can adequately meet present levels of service;

"(B) regarding the ability of State and local governments, including special public authorities which own or operate public facilities, to meet such financing needs;

"(C) to determine—

"(i) the present level of financing for public facilities;

"(ii) the types of financing used to meet such financing needs;

"(iii) those obstacles which affect the ability of State and local governments to meet such financing needs;

"(iv) the access, or lack of access, of State and local governments to the private credit market;

"(v) the ability of the private credit market to absorb such financing needs on a taxable or tax-exempt basis;

"(vi) the extent to which debt limitations affect the ability of State and local governments to meet such financing needs, including a survey of such debt limitation factors with respect to each State; and

"(vii) the ability of State and local governments to increase taxes, or impose or increase user fees, in order to meet such financing needs; and

"(D) regarding such other factors as the Secretary deems appropriate in order to assist the Congress in determining the total financing needs necessary to improve such public facilities.

"(2)(A) The Secretary shall transmit to each House of the Congress an interim report not later than June 30, 1986, and shall transmit a final report to each House of the Congress not later than December 31, 1986.

"(B) The final report shall contain a detailed statement of the findings and conclusions of the Secretary, together with the Secretary's recommendations for such legislative or administrative actions as the Secretary considers appropriate.

"(3) For purposes of this subsection, the term 'public facilities' shall only include the following: non-Federal-aid roads and bridges; water supply and distribution systems; sewer systems; solid waste disposal systems; and transportation facilities which represent an element of local, State, area, or regional economic development, such as airports, ports, waterways, and docks.

"FEDERAL SHARE

"Sec. 203. The amount of any grant under section 201 shall not exceed 75 percent of the cost of economic development planning or of the preparation of a development investment strategy. The amount of any grant under section 202(d) shall not exceed 75 percent of the cost of establishing and supporting the ongoing management and technical assistance program. In determining the amount of the non-Federal share of costs under this section, the Secretary shall give due consideration to all contributions both in cash and in kind, fairly evaluated, including but not limited to space, equipment, and services. In the case of a grant to an Indian tribe under section 201, the Secretary may reduce or waive the non-Federal share.

"OBLIGATION OF FUNDS

"Sec. 204. Not later than December 31 of each fiscal year, the Secretary shall obligate for grants under section 201, 90 percent of the funds appropriated for such fiscal year pursuant to this title (other than those funds available for purposes of section 202). The remainder of such funds shall be obligated during such fiscal year only for making grants under section 201 in areas meeting the criteria set forth in section 105(a)(3).

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 205. (a) There is authorized to be appropriated to carry out this title, to be available until expended, $75,000,000 per fiscal year for each of the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988.

"(b) Of sums authorized to be appropriated under subsection (a) of this section—

"(1) not to exceed $13,000,000 in the fiscal year ending September 30, 1986, and not to exceed $15,000,000 in each of the fiscal years ending September 30, 1987, and September 30, 1988, shall be available for purposes of subsections (a) through (d) of section 202; and

"(2) not to exceed $2,000,000 in the fiscal year ending September 30, 1986, shall be available until expended for purposes of section 202(e).

"TITLE III—ADMINISTRATION

"DEFINITIONS

"Sec. 301. For purposes of this Act—

"(1) the term 'economic development district' means—

"(A) an economic development district designated on or before January 1, 1985, under section 403(a)(1) of the Public Works and Economic Development Act of 1965; and

"(B) any district within a State which is designated by the Secretary, which district is of sufficient size or population and contains sufficient resources to foster economic development on a scale involving more than one county and does not contain within its boundaries any part of another economic development district designated under subparagraph (A) or under this subparagraph;

"(2) the term 'qualified employee ownership organizations' include—

"(A) a qualified employee trust as defined in section 3(c)(2) of the Small Business Act, except that—

"(i) such term shall not be limited to plans maintained by small business concerns or to loans guaranteed under such Act;

"(ii) in the case of any form of financial assistance, the principles of section 3(c)(2)(B) of such Act shall apply under regulations prescribed by the Secretary; and

"(iii) there shall be periodic reviews of the role, in the management of the concern involved, of employees to whose account stock is allocated; and

"(B) any business organized on a cooperative basis;

"(3) the term 'Indian tribe' means the governing body of a tribe, an Indian authority or tribal organization or entity, an Alaskan Native village, or any Indian group which is recognized as an Indian tribe by the Secretary of the Interior, except that the term 'Indian tribe' shall also include those bodies, authorities, organizations, entities, or groups not recognized by the Secretary of the Interior, if—

"(A) such body, authority, organization, entity, or group is recognized, as of May 5, 1985, as a tribe or other similar appropriate entity by the State in which it is located and such State, as of May 5, 1985, holds land in trust on behalf of such tribe or other similar appropriate entity; and

"(B) the project or assistance involved will be located on such land held in trust or on tribal land;

"(4) the term 'unit of local government' means any city, county, town, parish, village, or other general purpose political subdivision of a State;

"(5) the term 'small business' means a business that is independently owned and operated, is not dominant in its field of operations, and meets such other criteria as the Secretary, after consultation with the Administrator of the Small Business Administration, may by regulation establish, including but not limited to, numbers of employees and dollar volume of business by industrial classes;

"(6) the term 'Secretary' means the Secretary of Commerce; and

"(7) the term 'State' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Marianas.

"APPOINTMENT OF ASSISTANT SECRETARY

"Sec. 302. The Secretary shall administer this Act with the assistance of an Assistant Secretary of Commerce, created by section 601 of the Public Works and Economic Development Act of 1965. Such Assistant Secretary shall perform such functions as the Secretary may prescribe.

"CONSULTATION WITH OTHER PERSONS AND AGENCIES

"Sec. 303. (a) The Secretary is authorized from time to time to call together and confer with any persons, including representatives of labor, management, agriculture, and government, who can assist in meeting the problems of area and regional unemployment or underemployment.

"(b) The Secretary may make provisions for such consultation with interested departments and agencies as he may deem appropriate in the performance of the functions vested in him by this Act.

"ADMINISTRATION OF ASSISTANCE

"Sec. 304. No grant shall be approved under this Act unless the Secretary is satisfied that the project for which Federal assistance is granted will be properly and efficiently administered, operated, and maintained.

"POWERS OF THE SECRETARY

"Sec. 305. In performing his duties under this Act, the Secretary is authorized to—

"(1) adopt, alter, and use a seal, which shall be judicially noticed;

"(2) hold such hearings, sit and act at such times and places, and take such testimony, as he may deem advisable;

"(3) request directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics needed to carry out the purposes of this Act; and each department, bureau, agency, board, commission, office, establishment or instrumentality is authorized to furnish such information, suggestions, estimates, and statistics directly to the Secretary;

"(4) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized by this Act;

"(5) procure by contract the temporary or intermittent services of experts and consultants or organizations therefor as authorized by section 3109(b) of title 5, United States Code, compensate individuals so employed at rates not in excess of $100 per diem, including travel time, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) in accordance with section 5703 of title 5, United States Code, for persons in the Government service employed intermittently, while so employed;

"(6) sue and be sued in any court of record of a State having general jurisdiction or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy; but no attachment, injunction, garnishment, or other similar process, mesne, or final, shall be issued against the Secretary or his property. Nothing herein shall be construed to except the activities under this Act from the application of sections 517, 547, and 2679 of title 28, United States Code; and

"(7) establish such rules, regulations, and procedures as he may deem appropriate in carrying out the provisions of this Act.

"CERTIFICATION

"Sec. 306. (a) The Secretary may discharge any of his responsibilities relative to a project for which a grant may be made under title I of this Act by accepting a certification by the applicant of the applicant's performance of such responsibilities. The Secretary shall promulgate such guidelines and regulations as may be necessary to carry out this section.

"(b) Acceptance by the Secretary of an applicant's certification under this section may be rescinded by the Secretary at any time if, in his opinion, it is necessary to do so.

"SAVINGS PROVISIONS

"Sec. 307. (a) No suit, action, or other proceedings lawfully commenced by or against the Secretary or Assistant Secretary or any other officer in his official capacity or in relation to the discharge of his official duties under the Public Works and Economic Development Act of 1965, shall abate by reason of the taking effect of the provisions of this Act, but the court may, on motion or supplemental petition filed at any time within twelve months after such taking effect, showing a necessity for the survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, allow the same to be maintained by or against the Secretary or Assistant Secretary or such other officer of the Department of Commerce as may be appropriate.

"(b) Except as may be otherwise expressly provided in this Act, all powers and authorities conferred by this Act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. All rules, regulations, orders, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to applicable law, prior to the effective date of this Act, by any agency, officer, or office pertaining to any functions, powers, and duties under the Public Works and Economic Development Act of 1965 shall continue in full force and effect after the effective date of this Act until modified or rescinded by the Secretary or such other officer of the Department of Commerce as, in accordance with applicable law, may be appropriate.

"ANNUAL REPORT

"Sec. 308. The Secretary shall make a comprehensive and detailed annual report to the Congress of his operations under this Act for each fiscal year beginning with the fiscal year ending September 30, 1986. Such report shall be printed and shall be transmitted to the Congress not later than February 1 of the year following the fiscal year with respect to which such report is made.

"PREVAILING RATE OF WAGE

"Sec. 309. All laborers and mechanics employed by contractors or subcontractors on projects assisted by the Secretary under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a-5). The Secretary shall not extend any financial assistance under this Act for such project without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this provision, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. App.), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

"RECORD OF APPLICATIONS

"Sec. 310. The Secretary shall maintain as a permanent part of the records of the Department of Commerce a list of applications approved for a grant under this Act, which shall be kept available for public inspection during the regular business hours of the Department of Commerce. The following information shall be posted in such list as soon as each application is approved: (1) the name of the applicant, (2) the amount and duration of the grant for which application is made, and (3) the purposes for which the proceeds of the grant are to be used.

"RECORDS AND AUDIT

"Sec. 311. (a)(1) Each recipient of a grant under this Act shall keep such records as the Secretary shall prescribe, including records which (A) fully disclose the amount and the disposition by such recipient of the proceeds of such grant, the total cost of the project or undertaking in connection with which such grant is given or used, and the amount and nature of that portion of the

cost of the project or undertaking supplied by other sources, and (B) review the efficiency, economy, and effectiveness of the project carried out under this Act.

"(2) Not later than ten days after January 1 and July 1 of each year, each recipient shall transmit a report to the Secretary containing all information prescribed under paragraph (1) which relates to all activities carried out during the preceding period relating to grants made to it under this Act. Each report submitted in January of each year shall include an audited statement of all funds spent on the project or undertaking during the preceding fiscal year prepared by an independent certified public accountant in accordance with the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the Comptroller General of the United States.

"(b) For the purpose of reviewing the efficiency, economy, and effectiveness of programs carried out under the provisions of the Act, including audit and examination, the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of any recipient, subrecipient, contractor, or subcontractor that are pertinent to assistance received under this Act.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 312. There is hereby authorized to be appropriated for salaries and administrative expenses to carry out the provisions of this Act $30,000,000 for the fiscal year ending September 30, 1986, $35,000,000 for the fiscal year ending September 30, 1987, and $40,000,000 for the fiscal year ending September 30, 1988. Appropriations authorized under this Act shall remain available until expended unless otherwise provided by appropriations Acts. Any contract entered into pursuant to this Act shall be effective only to such extent and in such amounts as may be provided in advance in an appropriation Act.".

Mr. LUNDINE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of H.R. 10, the National Development Investment Act. I am a cosponsor of this important legislation and I supported similar bills in the 98th and 97th Congress. I am hopeful that this year H.R. 10 will be enacted into law.

Funding for the Economic Development Administration [EDA] and the Appalachian Regional Commission [ARC] is provided for in this legislation. The EDA and ARC were established to provide various types of assistance to economically distressed areas of the country. Aid for the development of public facilities, such as roads, ports, community water and sewage systems, and education and health facilities, as well as grants for private economic development projects are provided for by EDA and ARC.

It is important to national economic revitalization that we approve this legislation without further delay. Solutions to many of our economic problems can only be found at the local level. I believe, therefore, that State and Federal governments must continue to provide support to facilitate the development of innovative local efforts to address economic problems.

This bill before us today is particularly suited to assist in this effort. It authorizes $500 million in the next 3 fiscal years for a new economic development program to replace the existing Public Works Grant Program. In addition, it authorizes funding for 50-percent Federal matching grants to eligible localities for the development of public infrastructure, for the creation of local revolving funds, and for the establishment of employee stock ownership organizations.

Great care has been taken in this legislation to address the past criticisms of administration of EDA programs. The Business Loan Program is eliminated and to insure that projects funded under this legislation are part of an overall development strategy, the preparation of a development strategy by local concerns interested in assistance is required. Furthermore, to insure that assistance goes to the most distressed communities, eligibility for assistance under the legislation will be determined by a combination of need, as defined by high unemployment or per capita income below the national average, and the ability to prepare an adequate development strategy which provides maximum private sector leveraging for Federal dollars. Finally, the Federal share for capital projects is reduced to 50 percent to assure local commitment.

I am particularly pleased that this legislation contains a provision which allows funding for matching grants for both technical assistance and capital funds to promote employee stock ownership. Such assistance is particularly important in cases where employees seek to purchase plants or firms which otherwise would be shut down.

Employee stock ownership plans [ESOP's] have grown significantly in recent years. There are approximately 5,000 to 6,000 ESOP's in this country today. Most hold only a small percentage of a company's stock. Such stock plans can facilitate the capital expansion of a business, broaden the base of ownership, and provide an incentive for improved productivity.

Most often, access to technical assistance and help in leveraging private credit for potential employee-owned firms is crucial to their success. The employee-ownership provisions of this bill build on the limited, but important, past involvement of EDA under their title IX program.

The advantages of such assistance is no more vividly illustrated than in a case which enabled the employee purchase of specialty steel firm in my congressional district in Dunkirk, NY. In 1976, EDA granted $10 million to the State of New York which was, in turn, loaned to 35 management employees to purchase the Al Tech Specialty Steel Corp. Since then, the record of Al Tech has been very successful. Perhaps the most impressive fact is that within the first 2 years alone, Al Tech employees paid more than $10 million in Federal income taxes.

I also want to express my strong support for title II of this legislation which extends the Appalachian Regional Development Act by adopting a finish-up program for the Appalachian Highway System by 1991 and the area redevelopment program by 1988.

The Appalachian Highway Program, in particular, has been critically important to the upstate New York area and has been instrumental in the construction of the Southern Tier Expressway, the only four-lane, limited-access highway linking our economically depressed rural region with the Interstate System. Traveltime from certain points in upstate New York to New York City has already been reduced from 10 hours to 7 hours, and the Southern Tier Expressway has not yet been completed. I am sure that my colleagues can appreciate the importance of this development and the need to complete this highway project.

In addition to contributing to highway development, much progress has been made in the areas of vocational training, health care delivery, child development, community development, energy and enterprise development, and housing in my district, and in the rest of the Appalachian region. For example, the James Prendergast Library in Jamestown and the Steele Memorial Library in Elmira, two of the most important information centers in my district, were built with ARC library funds. In Steuben County, the regional business development center, sponsored by the Corning Community College, whose graduates have made significant contributions to the economy of the region, was started with ARC vocational education funds. In the field of health, the burn and rehabilitation unit at St. Joseph's Hospital in Elmira was started with $200,000 in ARC funds, and the development of rural ambulatory care at the Salamanca Hospital in Cattaraugus County was assisted with over $300,000 in these funds. I could go on and on with examples of how my congressional district has benefited from ARC funding, but I think that my point is clear. The ARC's contribution to the 14 New York counties has been invaluable and the future of the ARC is of great concern to me.

The 13 Appalachian Governors' 1986 budget request for ARC is $311 million. This is consistent with the Governors' finish-up proposal submitted to Congress in 1981 and with the authorization passed by the House last session. Also, it is consistent with a resolution adopted by the National Governors' Association at its recent meeting. That resolution, in endorsing the concept of multistate regional development strategies and programs, states specifically: "The Administration and Congress should give full financial support to the Governors' plan to provide for phase-out funding for the Appalachian Regional Commission." Consistent with the Governors' request, H.R. 10 includes $234 million for the Appalachian Highway and Access Road Program so that the task of completing the most essential segments of the revised highway plan, such as the Southern Tier Expressway can be completed. I believe that the Governors' 1983-to-1985 record in managing the ARC finish-up program which was worked out with Congress justifies this request for funds in 1986.

If we are to address the serious economic problems we face, this legislation must go forward. I urge my colleagues in the Senate not to permit this bill to die in that body as they did during the last two Congresses. Instead, the Senate should join with the House to design an effective program for local economic development.

I am convinced that we can utilize both our public and private resources more effectively to improve productivity and foster economic growth. The House of Representatives, with my support, took an important first step toward this goal when it approved funding for fiscal year 1986 for the Economic Development Administration on July 17. The passage of H.R. 10 is the next step which must be taken if we wish to see progress in future economic development in this country. I urge my colleagues to join me in supporting this measure.

Mr. APPLEGATE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the legislation.

At this time, I would like to add my support for H.R. 10. This bill was unanimously reported out of Public Works and Transportation, with very good reason.

This legislation directs valuable resources to a part of this country that has long been distressed and unable to attract necessary capital. The Economic Development Administration and the Appalachian Regional Commission have proven effective in the development of public facilities, community water and sewage systems, and education and health facilities. One must agree in the importance of these facilities for improving the standard of living for many Americans. This legislation is very important in my area of the country. The State of Ohio has had to deal with the closing or phasing out of many industries including steel, coal, pottery, and glass. It is an area that has, in several cases lost the fight against imports and faces high unemployment. I am sure that many of my colleagues can well appreciate this situation and can see the value in this kind of legislation.

The bill is not simply another Government expenditure. It provides economic development grants which have proven to be a much needed boost for the local economies. It also would provide for a revolving loan program that would be administered locally. The community must demonstrate that it can provide the necessary loan management capability before they can even qualify. These two provisions are important due to the nature of this area. In the past, it has been extremely difficult for these communities to attract new business, as well as, necessary investment for capital improvements. This bill would give communities and individuals the tools to compete and increase the prospects for raising revenues. We have the opportunity to stimulate the economies of distressed communities, which in the long run will ease the dependency that they now are forced to have on the Federal Government and the taxpayer.

I urge my colleagues to support this legislation in the name of fiscal responsibility and management.

AMENDMENT OFFERED BY MR. MCCOLLUM

Mr. McCOLLUM. Mr. Chairman, I offer an amendment.

The clerk read as follows:

Amendment offered by Mr. McCollum:. Page 11, strike out line 23 and all that follows through page 12, line 13, and insert in lieu thereof the following:

"Sec. 105. (a) In order to be eligible for a grant under this title, the applicant must certify that any activity or project to be funded under such grant will be carried out or located—

"(1) in an area which—

"(A) has a per capita income of 80 percent or less of the national average, and

"(B) has an unemployment rate 1 percent above the national average percentage for the most recent 24-month period for which statistics are available; or

"(2) in an area which has experienced or is about to experience a sudden economic dislocation resulting in job loss that is significant both in terms of the number of jobs eliminated and the effect upon the employment rate of the area.

Mr. McCOLLUM (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. McCOLLUM. Mr. Chairman, I would like to take this opportunity to commend the Committee on Public Works and Transportation for tightening the eligibility requirements that are in this bill over what the law presently reads. However, I am a member of the Banking Committee, which would have potentially the opportunity to review and offer amendments to this legislation, but we did not take it up and I am at this time taking an opportunity on the floor to offer an amendment that I would have in committee that would further tighten the eligibility requirements for grants under the Economic Development Administration portion of this legislation.

The present law allows over 80 percent of the communities in the country to be eligible for consideration under this program. In H.R. 10 the Public Works Committee recognized the problem and tightened the eligibility requirements, but in looking at the provision and its effects, I am not convinced that the standards in section 105 go far enough.

There are three standards set forth in section 105. In order for an applicant to be considered, it must meet one of these three standards. The standards are that the community must have a per capita income of less than 80 percent of the national per capita income, or have an unemployment rate that is 1 percent greater than the national unemployment rate for the preceding 24 months, or has experienced or is about to experience a sudden economic dislocation.

While these changes are a definite improvement over current law, there will still be about 45 to 50 percent of the country eligible under these provisions.

My amendment would simply require that an area have both a per capita income of less than 80 percent of the national level and have an unemployment rate that is 1 percent greater than the national rate. The third test will remain unchanged as an alternative for communities that do not meet the employment and income standards. The effect of this amendment is to reduce the eligible communities while targeting the funds available for the truly needy.

At a time when we have limited funds available for economic development, defining the truly needy and getting the funding to them takes on an even greater emphasis. An area that has a per capita income of 80 percent of the national average is not necessarily distressed. This could be an area where the cost of living is below the national average or have a significant retired population. An area with high unemployment, while being distressed, may not be a good candidate for Federal help because there is enough wealth and income to support economic development locally.

In any case, by reducing eligible communities, we allow for better administration of the funds because of a reduced workload on the EDA itself. This hopefully will provide greater resources to work with viable and needed projects in the most distressed areas.

Who should vote for my amendment? Well, first of all, I would suggest that those who have severely distressed areas in which an EDA project would have great impact should vote for it because there would be less competition for the grants and there would be more administrative help for the communities involved. Second are those who want to see the limited resources of this Government spent in areas of greatest impact. And third are those who do not believe that nearly 50 percent of this country is economically distressed. And I certainly do not believe that 50 percent is economically distressed.

But we do have limited resources. As has been pointed out, the appropriations process has already been undertaken, we have now conformed this particular bill to numbers and figures in the budget, and so on, but they are only limited resources, and it seems to me that above all else we ought to target those limited resources to those few communities in this country who are truly distressed, who have the high unemployment, and who also have the below the national average of per capita income, as indicated—both, rather than just one. And there is that escape valve that remains, even with my amendment, for the truly distressed area where you do have a dislocation that is occurring. So there could be an exception if in fact that were necessary.

Mr. Chairman, I hope that the majority of my colleagues will support the efficient use of resources of the Federal Government in this area and will vote in favor of my amendment.

Mr. CLINGER. Mr. Chairman, I rise in reluctant opposition to the amendment offered by my friend, the gentleman from Florida [Mr. McCollum].

I say "reluctant" in that I believe the gentleman is attempting to address this whole question of eligibility, but I think there are some misconceptions really about what we are doing here and also about what is really necessary for economic development to take place.

There really is another factor. We have established certain eligibility standards—per capita income and unemployment rates. But beyond that we need to have the prospects for economic development to take place. You cannot have it without having certain factors present in any given community. I would posit the situation where you would have two communities under the amendment offered by the gentleman from Florida, one of which would meet his more stringent eligibility requirements and one of which would not, but the one that would meet those requirements would not have an available work force, would not have the available land, and would not have sufficient local capital to get a synergistic effect with the use of Federal funds to really have a critical mass of economic development take place. The other community which would meet either the per capita requirement or the unemployment-rate requirement would have those very essential elements—an eligible work force, a trained work force, land, local capital, training, et cetera, which are absolutely essential for us to really have the prospects of success in any investment we make.

Under that scenario we would be funding a situation in a community which really would have no prospect of success. It would be in effect putting an investment in an area as a pure subsidy to in effect buy them a little time, but that is about all, because the prospects of really having anything happen there would be really remote.

I think the Members have to keep in mind that the area of eligibility which we address in this bill only means that a community can apply for funds. It does not mean that they are going to get any funds. It does not mean that they are going to be selected for a project. It merely means that they have the eligibility to apply.

As a matter of fact, under the Reagan administration, where the funds have been targeted, even under the very generous eligibility requirements that presently exist, where we have not redesignated an area in 15 years and 80 percent of the country is eligible, actually only about 28 percent of the country has been in receipt of EDA funding over that period of time.

The point is that these applications are considered on a competitive basis, and I believe that EDA needs to have the flexibility which is provided in H.R. 10 to make that kind of selection process, to be able to look at competing communities and say, "Yes, this community may be worse off in terms of what is there and per capita income and unemployment, but the potential for reviving that with EDA assistance just does not exist."

What the McCollum amendment, it seems to me, does is to carry out what we used to call the worst first philosophy, and when I served at EDA as chief counsel, this was a concept that was debated and considered at great length. It was rejected, and I think that the reason it was rejected was the very reason that I have been citing, that there was a feeling very strongly that we could be wasting an awful lot of money if we just went to a worst first situation, and we would be missing a tremendous number of opportunities in adjacent or nearby areas where the potential or the very real potential for improvement and rejuvenation existed.

So, Mr. Chairman, I commend the gentleman for attempting to tighten our bill. I would only state that in my view at least it might have the counterproductive effect of having us end up wasting more money.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. CLINGER. I am glad to yield to the gentleman from Florida.

Mr. McCOLLUM. Mr. Chairman, I certainly do not like being on the other side of the issue from my good friend, the gentleman from Pennsylvania. I have the utmost respect for him and for his experience, but it seems to me that with the eligibility we are talking about, we are particularly now faced with this terribly tight limitation on resources, and while what the gentleman is concerned about was undoubtedly true in EDA before, I believe frankly it needs to be reexamined. That is what I am attempting to do here.

It seems to me that this Congress ought to speak its word and really get tight with it because there are too many opportunities for someone down at EDA right now to pass out moneys to communities that might not be so deserving. While there may be a much more limited number that would have the resources to compete under my amendment, I am quite confident, based on my conversations with EDA officials, that we would have many more applications, even under my amendment, than we could possibly fulfill.

Mr. Chairman, I believe that that merits our acceptance of the amendment.

Mr. GRAY of Illinois. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I first want to commend the full committee chairman, the gentleman from New Jersey [Mr. Howard], and the subcommittee chairman, the gentleman from New York, and the gentleman from Pennsylvania for their outstanding work on H.R. 10.

As I rise in opposition to the amendment offered by the gentleman from Florida [Mr. McCollum], I would like to recite a little poem that I think will tell why we must defeat this amendment and allow this bill to have a broad base so we can induce industry to locate wherever we can find industry that wants to locate:

I watched them tear a building down—
A gang of men in a busy town.
With ho-heave-ho and a lusty yell,
They swung a beam and a sidewall fell.
I asked the foreman,
"Are these men as skilled
As the men you would hire if you had to build?"
He just laughed and said,
"No, indeed,
Just common labor is all you need."
So I said to myself,
As I turned and walked away,
Which of these roles have I tried to play?
Have I been a builder,
Who works with care,
Measuring life by the rule and square,

Making my deeds to a well made plan,
And doing the very best I can?
Or have I been a wrecker,
Who walks the town,
Content with the job of tearing down?

Mr. Chairman, inaction is just as destructive as someone taking a sledge hammer and knocking a building down. Grass will literally grow up in the cracks of a sidewalk if you do not have people active and interested. When you narrow this bill down—and the gentleman from Pennsylvania put his finger right on the problem—to where a contiguous district may have the opportunity of attracting industry, people from a very high-unemployment area can then go over and find a job. That is what this bill tries to do in its present form.

I had the great privilege in 1965 of helping to write the first EDA Act, and that program in the last 20 years has brought 1½ million new jobs to this country at a pittance of a cost of $4.7 billion. And as the distinguished gentleman from Minnesota said earlier, we are now bringing back to local, State, and Federal tax coffers more than $6.5 billion annually. Every year we are getting back more than the initial investment, over the past 20 years.

Take my congressional district in southern Illinois, as an example. We have coal, and when the coal mines go down, there is not a lot you can do to sell coal. But across the Mississippi River is St. Louis, and 300 miles to the north is Chicago. They may have an opportunity of bringing in new industry. And just south of us now is the Saturn plant which is going into Tennessee, and people can migrate from one area to the other in an emergency, until things get better at home. But if you limit the jurisdiction of eligibility, you take away that opportunity.

Let me say parenthetically that this committee bill is a pittance of $300 million. Mr. Chairman, let me say that we gave more money to Egypt last year in foreign aid than the entire authorization in this EDA bill. We should be ashamed of ourselves. We give more money to one country than we are providing for the American unemployed worker. This $300 million includes loans, grants, and money to make surveys and planning, and here we want to tighten it down just a little tighter so if it falls just 1 percentage point below the national average and some industry wants to locate, we have to say, "Well, I'm sorry, but we can't help you."

So, I ask my colleagues, vote down this amendment and let us vote the bill up and let us begin to think about increasing the amount of authorization and appropriations for the development of our own country.

We had one plant in my district, the Mark Twain boat plant. We gave them an EDA loan of $2 million. Think of this. They have already paid back that loan down to $300,000, and the company has paid $85 million in local payroll since the inception of that plant. I could go on and on and on and tell you about projects in my district—over 2,000 new jobs funded by EDA.

Let us vote down the amendment. I can understand my friend, the gentleman from Florida, because they are all moving out of these industrial areas right into the Sun Belt. They are going down where they can enjoy the gentleman's district. It is a beautiful area, and I like to visit it. But why do we want to siphon off what chance we have got of keeping jobs in these industrial areas and allow them to go to the Sun Belt and other places?

So, Mr. Chairman, I ask for a no vote on the gentleman's amendment. Let us pass this bill and get on with the job of providing jobs in this great country. Thank you.

□ 1430

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the gentleman from Florida just in what way he changes the criteria for eligibility. I yield to the gentleman.

Mr. McCOLLUM. Mr. Chairman, I would just respond to the gentleman from Minnesota by saying that at the present time, there are three standards that are required; a standard dealing with the unemployment rate having to be over 1 percent. If in fact it is over 1 percent of the national average, then indeed you are eligible. If in fact under the particular law as it now exists in this bill, the per capita income of the community is 80 percent or less than the national average, the community is eligible, or if there is a situation in which a community or an area is experiencing or is about to experience a sudden economic distress or dislocation, under my amendment I simply combine the first two and that way you have got to have both a high unemployment rate of 1 percent above the national average and you also have to have a per capita income of 80 percent or less than the national average.

It is my understanding, if I might take the time to say this, that right now about 80 percent of the communities in America are eligible for EDA moneys. Under this legislation that is pending, without my amendment, about half the communities in the country are, and the best estimate out of the EDA is, if my amendment passed, about 25 percent or a quarter of all the communities in the country, would still be eligible for EDA moneys, which seems to me to be extraordinarily high, but nevertheless, that is where it would be under my amendment.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for his explanation.

It does seem to me if the program is to be reduced, that it ought to have some sense of priority about it. We have always been told that this program was going to relieve distress. My personal opinion of it is that it has been relatively unsuccessful in meeting that purpose.

It seems unbelievable to me that half the United States would be eligible. We have a lot of distress, that is true, but that is quite a lot, half the United States.

I think the gentleman's amendment is rather important. I think it is one in which the House ought to be casting a vote. I cannot imagine that we would spread the taxpayers' bread that broadly on the waters so that half the American communities would be eligible for what most people believe is a particular aid to communities of relatively intense distress.

Mr. Chairman, I did not want to interrupt the love feast that took place in the scheduled debate, but it is my intention to vote against this bill anyway, because I think this program is not one of the essential ones that the Republic requires for growth and property.

I do not deny that federally stimulated investment is always the best way for growth, but I do think if we are to have a program, it makes an awful lot of sense to have our people have some confidence that they direct not toward areas where you can do pretty well or which are not doing badly by themselves, but areas where there is some genuine distress.

I do not know if the criteria of the gentleman from Florida are the best or the worst. At least they are tighter and seem to focus the bill better.

I therefore support the gentleman's amendment.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Florida.

Mr. McCOLLUM. Mr. Chairman, I think that is the very point. I am trying to target it to a very narrow range of realism. While we might have great debate over whether we ought to have a program or not, it seems apparent that the majority is going to vote for the program, or already has, the vast majority; but while we are going to spend $300 million, that is a very small amount of money overall, and as the gentleman says, we ought to narrow it down, target it down.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman.

Mr. GRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to my distinguished colleague, the gentleman from Illinois.

Mr. GRAY of Illinois. Mr. Chairman, I thank my friend for yielding, and although I do not agree with his position on this bill, I wanted to rise and compliment the gentleman on the outstanding job he did this morning on C-SPAN.

Mr. FRENZEL. I thank the gentleman.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

First of all, Mr. Chairman, let us get the facts straight. The bill as drafted, with the criteria written in the legislation, apply to roughly 40 percent, probably a little bit less than that, of the population of the country. That is not an abstract number. That is not almost 50 percent—that is 40 percent. If the economy gets worse, the number could go higher because the distress would be reflected in the total economy of this country and be spread wider across the United States.

The previous criteria, those that are in current law, if applied as written in the law, would cover 80 percent of the population. We recognize that was not terribly well focused. There are a number of counties and labor market areas in the United States that are grandfathered in, I would say to the gentleman from Minnesota, grandfathered in under current law. We have stricken grandfathering. That would no longer be applicable under H.R. 10. Areas that are not eligible under any criteria will no longer be eligible under this legislation.

Further, as the program is administered currently, roughly 28 percent of the country is receiving—that is population-wise—is receiving assistance from EDA.

The gentleman's criteria, those in the pending amendment, combining the two essential features of our criteria in this bill, would narrow the application of EDA to roughly 25 percent of the population. This would not be a worst-first criteria, but a worst-only criteria and would strike at cities. This is aimed principally, whether the gentleman intends it that way or not, its thrust is principally at urbanized areas and would largely disqualify such areas from ever receiving consideration under this EDA program, and I think that is entirely wrong.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Chairman, I thank the gentleman for yielding.

We do have criteria in the bill for less than 80 percent of the average national income, I believe, and/or over 1 percent above the national unemployment level; is that correct?

Mr. OBERSTAR. Yes.

Mr. HOWARD. If we combine the two, then we must have both, and is it not true that an area that may have 5 or 10 or 15 percent unemployment above the national average might not be eligible under this program?

Mr. OBERSTAR. That is entirely possible. The gentleman is correct.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I appreciate the gentleman yielding to me.

I rise to oppose the McCollum amendment at well. It seems to me that the amendment ties the hands of the agency administering this program. The track record of this agency, of the EDA, has been overwhelmingly successful over the last 15 or 20 or so years of its administration.

I would not think that we could improve the capacity of the agency to administer this program by severely restricting it as this amendment would attempt to do.

I thank the gentleman for yielding.

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for his comment. He is absolutely right.

Mr. Chairman, I want to make one further point, and that is that there is another element of targeting in this legislation which was the specific contribution of our former colleague and former ranking member of the House Public Works and Transportation Committee, the gentleman from California, Mr. DON CLAUSEN. Under his recommendation, we have limited the dollar amount to $1 million per project. That assures that the funds will go to the relatively smaller population areas and to only those that have the greatest need. That is the way this program is now being administered and that is the way it would be administered under the provisions of the pending bill.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Florida.

Mr. McCOLLUM. Mr. Chairman, I thank the gentleman for yielding.

I certainly agree with the gentleman that this bill as it has come out of the committee is far better than existing law. But I disagree strongly that we should not narrow it even further. It seems to me that we are not going to be hurting the truly economically distressed areas, because if you have got dislocation regardless whether it is urban or rural or wherever it is, you have got an escape valve for that, and Lord knows we have a number of those right now that need to be taken care of, and in addition to that, with the criteria that I have established in my amendment, you really and truly are getting those people who are in need, and that is the objective.

I mean, everybody here today said $300 million does not go very far when you spread it across the waters. It just seems to me that we have no business keeping eligible 40, 45, or 50 percent, whatever it is; EDA told me 45 to 50 percent; the gentleman says 40, but whatever, 25 percent that it would be under my amendment seems to me to be perfectly adequate.

I understand the gentleman's point.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. OBERSTAR] has expired.

(By unanimous consent, Mr. OBERSTAR was allowed to proceed for 1 additional minute.)

Mr. OBERSTAR. First from the budgetary standpoint, Mr. Chairman, we have looked at the total dollar amount committed in this legislation. That dollar amount has already been reduced substantially by the chairman's amendment. The Howard amendment cuts 20 percent, so our funding universe is already relatively small.

Second, with the criteria that we have written into the bill, we have narrowed the focus of the existing EDA Program to those most distressed areas that have 80 percent per capita income or 1 percent above national average unemployment for 24 months. That is a long period of time to require an area to be distressed in order to qualify for assistance.

Third, we limit the amount of money that can go to any individual project.

If $300 million were appropriated, which it has not been in several years, you would have 300 projects for the whole country if the maximum of $1 million per project were approved. That is not spreading it over 40 or 50 percent of the United States; so we have already a very limited program.

I urge the Committee to defeat the amendment.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I will not take all the time that is allowed.

I just would like to say that the words of the gentleman from Illinois [Mr. GRAY] and the gentleman from Minnesota [Mr. OBERSTAR] make a lot of sense.

I look back at my first term. I remember the debate on the foreign aid bill. This House passed by a voice vote $13 billion plus without even calling for a recorded vote. Now we are here discussing America's infrastructure needs, economically distressed communities, areas which have been targeted by blight and rust bowls and now all the national debt defenders are out talking about breaking the bank with this type of legislation.

I would like to talk about, with the gentleman's amendment and I believe the gentleman means well, the gentleman probably knows much more about it than I do from his past experience; but I represent a district that has one of the highest unemployment levels in all America, having lost all its steel mills. If we pass the gentleman's amendment I probably would not qualify in my district because of the 80 percent per capita provision.

Our unemployment was 29.3 percent last summer in the city of Youngstown, which was 5 percentage points higher than the Great Depression years.

Now, I think this type of legislation is targeted toward communities certainly that must be like mine, because if it is not, it makes no sense at all. If we would take this type of action, we would emasculate and cut the pins out from under the legislation. It will absolutely have no effect and no bearing on a district such as mine and that in my opinion would be really a tragedy.

In my particular town, the city of Youngstown has created low interest subsidy loan programs and with $1 million made available to small businesses, they have created $12.5 million worth of economic development alone, on their own level, and created in excess of 200 jobs.

Now, this is an area that lost over 50,000 jobs in the last 7 or 8 years and for every job that is being created at $4 and $5 an hour, we are losing two jobs at $10 to $12 an hour with the continuing industrial manufacturing blight.

All I have to say is that I cannot fathom the thought that we would continue to assume a posture that is going to negate and wreck the American industrial and manufacturing base and economic development.

All I want to say is that I am strongly opposed to the gentleman's amendment and I hope everybody that is listening to what I say, you might be in a position such as mine where you have tough economic times and with this amendment you would not even qualify for the benefits that are being planned.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield.

Mr. McCOLLUM. Mr. Chairman, I wanted to point out to the gentleman that his community would qualify even with my amendment, because the gentleman has just described a severely dislocated area from the standpoint of unemployment. It seems to me that clearly is there, still an alternative method of qualification and eligibility under this legislation, regardless of my amendment.

I wanted to make sure the gentleman recognizes that fact and in fact this would target the efforts of this legislation to areas where there has been dislocation and distress.

Mr. TRAFICANT. I appreciate that. I want to say this. I am not quite so sure that I would qualify, I am really not. I would have to really investigate and not be rolling the dice here whether or not I would accept the gentleman's amendment.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield further?

Mr. TRAFICANT. Go right ahead.

Mr. McCOLLUM. I want to point out also to the gentleman that what we are attempting to do here is to take some of the appearance of pork barrel out of this bill, which has always been around the EDA is the past. The idea the public has is the idea that we are spreading this to 80 percent of the people.

Mr. TRAFICANT. Mr. Chairman, I will reclaim my time.

I think when we talk about infrastructure in American jobs, we seem to talk about pork barrel.

I agree with what the chairman of the Appropriations Subcommittee, the gentleman from Mississippi, Mr. JAMIE WHITTEN, said down at the Tom Bigbee inaugural. He said, "You may call it pork barrel, but we are leaving jobs for our children." I think we had better start looking at that, so I really do not want to hear much more about pork barrel.

I really appreciate the efforts of this committee and I think everybody should be very careful before they vote for the gentleman's amendment.

Mr. NOWAK. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to this amendment.

I would like to advise the House that this is really one of the questions that this committee looked at very carefully over a long period of time. This eligibility criteria was put together and it meant a great deal to the committee during the legislative markup and also before that during the hearing process where we tried to really balance this kind of criteria that would best serve and implement really the tenets of the bill.

I feel that the gentleman has put forth a thoughtful amendment, but it is something that we have looked at and tried to really bring about that delicate balance that makes success.

We have struck from the eligible population of the country 80 percent from the previous legislation to where H.R. 10 brings that down to practically 40 to 42 percent of the population.

I want to mention that the statistics as we look at this bill and what has happened in the past, we find that for the 5-year period, and we have taken a 5-year period, fiscal years 1980 to 1984, the average of the actual recipients of grants was only 30 percent; so if 30 percent received under the 80 percent that was eligible, we felt by bringing the eligibility down to 40 percent, we could narrow it; so the gentleman and the committee have really done the same thing. We have done it in the bill.

Really, I believe the gentleman's amendment bringing it down to 25 percent would be a little bit too stringent. I would rather have the House take a look at the experience of 1 year or possibly the next session when if this bill is enacted and we could operate under the 40 percent, we would be targeting then in my opinion much closer to what the gentleman wants to mandate through the discretionary administrative priorities that this administration would set for these types of grants in the future.

So I would hope that the House does not upset that balance. It is a thoughtful amendment, but I think we will be able to work with it.

One other point, this committee has requested and received from the administration now monthly reports as to the progress they are making in looking at and implementing all the program money, so our oversight has improved.

We would hope that we can work with the gentleman to improve that oversight and extend it into the future so that we can get a handle on whether or not this 40 percent that we have now is sufficiently targeting this money. I think it will. I would hate to disturb the balance at this late date without the Members knowing what portions of their cities or their counties would become eligible or would not become eligible.

I think we have got the best possible world with the present legislation as amended and I hope we can defeat this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. McCOLLUM].

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. McCOLLUM. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 109, noes 247, not voting 78, as follows:

[Roll No. 291]

AYES—109

Archer
Armey
Badham
Bartlett
Barton
Bates
Bennett
Bereuter
Bliley
Boucher
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Carper
Chandler
Cheney
Cobey
Coble
Combest
Craig
Crane
Daniel
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dorgan (ND)
Dornan (CA)
Duncan
Eckert (NY)
Fawell
Fiedler
Franklin
Frenzel
Gingrich
Gradison
Grotberg
Gunderson
Hansen
Hiler
Holt
Hopkins
Huckaby
Ireland
Jacobs
Kanjorski
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Lewis (FL)
Livingston
Lujan
Lundine
Lungren
Mack
Martinez
McCandless
McCollum
McMillan
Meyers
Mica
Miller (OH)

Miller (WA)
Monson
Moore
Moorhead
Morrison (WA)
Myers
Nielson
Olin
Oxley
Packard
Parris
Penny
Petri
Regula
Roberts
Roemer
Rowland (CT)
Rudd
Sensenbrenner
Shumway
Skeen
Slaughter
Smith (NE)
Smith (NH)
Smith, Denny
Stallings
Stenholm
Strang
Stump
Sundquist
Swindall
Tauzin
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wolf
Wylie
Zschau

NOES—247

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnard
Barnes
Bateman
Bedell
Beilenson
Bentley
Boehlert
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carney
Carr
Chapman
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Conte
Cooper
Coughlin
Courter
Coyne
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dingell
Dixon
Donnelly
Dowdy
Downey
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Green
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hatcher
Hefner
Hendon
Henry
Hertel
Horton
Howard
Hoyer
Hubbard
Hughes
Hutto
Jeffords
Jenkins
Johnson
Jones (OK)
Jones (TN)
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Latta
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Lewis (CA)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Luken
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
Michel
Mikulski
Miller (CA)
Mineta
Mitchell
Molinari
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Ortiz
Panetta
Pease
Perkins
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Reid
Ridge
Rinaldo
Ritter
Robinson
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shuster
Sikorski
Siljander
Sisisky
Slattery
Smith (FL)
Smith (NJ)
Snowe
Spence
Spratt
Staggers
Stark
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauke
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Weaver
Weiss
Wheat
Whitley
Whitten
Williams
Wilson
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (FL)
Young (MO)

NOT VOTING—78

Addabbo
Akaka
AuCoin
Berman
Bevill
Biaggi
Bilirakis
Boggs
Breaux
Campbell
Chappell
Chappie
Collins
Conyers
Crockett
Dannemeyer
Dicks
Dreier
Dymally
Fazio
Fields
Fish
Gibbons
Gray (PA)
Gregg
Hartnett
Hawkins
Hayes
Heftel
Hillis
Hunter
Hyde
Jones (NC)
Kaptur
Lantos
Leach (IA)
Lehman (CA)
Levine (CA)
Loeffler
Long
Lott
Lowery (CA)
MacKay
Martinez
McCain
Moakley
Nelson
Nichols
O'Brien
Owens
Pashayan
Pepper
Pickle
Richardson
Rodino
Roe
Roth
Schaefer
Scheuer
Seiberling
Shaw
Shelby
Skelton
Smith (IA)
Smith, Robert
Snyder
Solarz
Solomon
St Germain
Stangeland
Taylor
Thomas (CA)
Udall
Watkins
Waxman
Wirth
Wortley
Young (AK)

□ 1450

The Clerk announced the following pairs:

On this vote:

Mr. McKay for, with Mr. Owens against.

Mr. Nelson of Florida for, with Ms. Kaptur against.

Mr. Shaw for, with Mr. Long against.

Mr. Thomas of California for, with Mrs. Collins against.

Messrs. WHEAT, VENTO, MOODY, JONES of Tennessee, MADIGAN, and CARR changed their votes from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to title I of the bill?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—APPALACHIAN REGIONAL DEVELOPMENT

SEC. 201. This title may be cited as the "Appalachian Regional Development Act Amendments of 1985".

SEC. 202. The sixth sentence of subsection (a) of section 2 of the Appalachian Regional Development Act of 1965 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "and in severely distressed and underdeveloped counties lacking resources for basic services.".

SEC. 203. Subsection (b) of section 105 of the Appalachian Regional Development Act of 1965 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and not to exceed $5,800,000 for the two-fiscal-year period ending September 30, 1987 (of such amount not to exceed $900,000 shall be available for expenses of the Federal cochairman, his alternate and his staff), and not to exceed $5,800,000 for the two-fiscal-year period ending September 30, 1989 (of such amount not to exceed $900,000 shall be available for expenses of the Federal cochairman, his alternate, and his staff), and not to exceed $2,900,000 for the fiscal year ending September 30, 1990 (of such amount not to exceed $450,000 shall be available for expenses of the Federal cochairman, his alternate, and his staff).".

SEC. 204. Paragraph (7) of section 106 of the Appalachian Regional Development Act of 1965 is amended by striking out "1982" and inserting in lieu thereof "1990".

SEC. 205. (a) Subsection (g) of section 201 of the Appalachian Regional Development Act of 1965 is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "$234,000,000 for fiscal year 1986; $250,000,000 for fiscal year 1987; $270,000,000 for fiscal year 1988; $289,000,000 for fiscal year 1989; $312,000,000 for fiscal year 1990; $337,000,000 for fiscal year 1991; and $364,000,000 for fiscal year 1992.".

(b) Subsection (h)(1) of section 201 of the Appalachian Regional Development Act of 1965 is amended by striking out "70 per centum" and inserting in lieu thereof "80 per centum". The amendment made by the preceding sentence shall apply to projects approved after March 31, 1979.

SEC. 206. Subsection (c) of section 214 of the Appalachian Regional Development Act of 1965 is amended by striking out "December 31, 1980" and inserting in lieu thereof "October 1, 1990" in the first sentence, and by inserting "authorized by title 23, United States Code" after "road construction" in the second sentence.

SEC. 207. Part B of title II of the Appalachian Regional Development Act of 1965 is amended by adding at the end thereof the following new section:

"ECONOMIC ENHANCEMENT GRANTS

"SEC. 215. The Commission is authorized to make grants to States and public and nonprofit entities for projects, approved pursuant to section 303 of this Act, which will—

"(1) assist in the creation or retention of permanent private sector jobs, the upgrading of the region's manpower, or the attraction of private investment;

"(2) provide special assistance to severely distressed and underdeveloped counties which lack financial resources for improving basic services;

"(3) assist in achieving the goal of making primary health care accessible in the region; or

"(4) otherwise serve the purposes of this Act.".

SEC. 208. Clause (2) of subsection (b) of section 224 of the Appalachian Regional Development Act of 1965 is amended to read as follows: "(2) to enable plant subcontractors to undertake work theretofore performed in another area by other subcontractors or contractors;".

SEC. 209. Section 224 of the Appalachian Regional Development Act of 1965 is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this Act, grants with funds authorized under this Act shall not, after October 1, 1985, exceed 50 per centum of the costs of any project approved under this Act (except projects under section 201); but such grants may increase the Federal contribution to any project, notwithstanding limitations in other Federal laws, to such percentage as the Commission determines within the limitations in this Act.".

SEC. 210. Section 401 of the Appalachian Regional Development Act of 1965 is amended by adding at the end thereof the following: "In addition to the appropriations authorized in section 105 for administrative expenses, and in section 201(g) for the Appalachian development highway system and local access roads, there is authorized to be appropriated to the President, to be available until expended, to carry out this Act, $166,000,000 for the two-fiscal-year period ending September 30, 1987; $158,000,000 for the two-fiscal-year period ending September 30, 1989; and $75,000,000 for the fiscal year period ending September 30, 1990.".

SEC. 211. Section 405 of the Appalachian Regional Development Act of 1965 is amended by striking out "1982" and inserting in lieu thereof "1990".

The CHAIRMAN. Are there any amendments to title II?

Are there any further amendments to the bill?

Under the rule, the Committee rises.

□ 1510

Accordingly the Committee rose; and the Speaker having assumed the chair, Mr. HOYER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10) to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965, pursuant to House Resolution 223, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SUNDQUIST

Mr. SUNDQUIST. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SUNDQUIST. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SUNDQUIST moves to recommit the bill, H.R. 10, to the Committee on Public Works and Transportation.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 260, noes 96, not voting 78, as follows:

[Roll No. 292]

AYES—260

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnard
Barnes
Bateman
Bedell
Beilenson
Bennett
Bentley
Boehlert
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carney
Carper
Carr
Chandler
Chappell
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Conte
Cooper
Coughlin
Courter
Coyne
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dingell
Dixon
Donnelly
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Feighan
Fiedler
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Green
Guarini
Hall (OH)
Hamilton
Hammerschmidt
Hatcher
Hefner
Hendon
Henry
Hertel
Horton
Howard
Hoyer
Huckaby
Hughes
Hutto
Jeffords
Jenkins
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kastenmeier
Kennelly
Kildee
Kindness
Kleczka
Kolter
Kostmayer
LaFalce
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Lujan
Luken
Lundine
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McHugh
McKernan
McKinney
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Mitchell
Molinari
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Ortiz
Panetta
Pease
Penny
Perkins
Price
Pursell
Quillen
Rahall
Rangel
Ray
Reid
Ridge
Rinaldo
Ritter
Robinson
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shuster
Sikorski
Sisisky
Smith (FL)
Smith (NJ)
Snowe
Spence
Spratt
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Waxman
Weaver
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams
Wilson
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (FL)
Young (MO)

NOES—96

Archer
Armey
Badham
Bartlett
Barton
Bates
Bereuter
Bliley
Boulter
Brown (CO)
Broyhill
Burton (IN)
Callahan
Chapman
Cheney
Cobey
Coble
Combest
Craig
Crane
Daniel
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dorgan (ND)
Dornan (CA)
Eckert (NY)
Edwards (OK)
Fawell
Franklin
Frenzel
Gradison
Grotberg
Gunderson
Hall, Ralph
Hansen
Hiler
Holt
Hopkins
Hubbard
Ireland
Jacobs
Kasich
Kemp
Kolbe
Kramer
Lagomarsino
Latta
Livingston
Lungren
Mack
Marlenee
McCandless
McCollum
McGrath
McMillan
Meyers
Miller (WA)
Monson
Moorhead
Myers
Nielson
Olin
Oxley
Packard
Parris
Petri
Porter
Regula
Roberts
Roemer
Rowland (CT)
Rudd
Sensenbrenner
Shumway
Siljander
Skeen
Slattery
Slaughter
Smith (NE)
Smith (NH)
Smith, Denny
Stenholm
Strang
Stump
Sundquist
Sweeney
Tauke
Walker
Weber
Whittaker
Wolf
Wylie
Zschau

NOT VOTING—78

Addabbo
Akaka
AuCoin
Berman
Bevill
Biaggi
Bilirakis
Boggs
Breaux
Campbell
Chappie
Collins
Conyers
Crockett
Dannemeyer
Dicks
Dreier
Dymally
Fazio
Fields
Fish
Gibbons
Gray (PA)
Gregg
Hartnett
Hawkins
Hayes
Heftel
Hillis
Hunter
Hyde
Jones (NC)
Kaptur
Lantos
Leach (IA)
Lehman (CA)
Levine (CA)
Loeffler
Long
Lott
Lowery (CA)
MacKay
Martinez
McCain
Moakley
Nelson
Nichols
O'Brien
Owens
Pashayan
Pepper
Pickle
Richardson
Rodino
Roe
Roth
Schaefer
Scheuer
Seiberling
Shaw
Shelby
Skelton
Smith (IA)
Smith, Robert
Snyder
Solarz
Solomon
St Germain
Stangeland
Swindall
Taylor
Thomas (CA)
Torres
Udall
Watkins
Wirth
Wortley
Young (AK)

□ 1520

The Clerk announced the following pair:

On this vote:

Mr. Breaux for, with Mr. Nelson of Florida against.

Mrs. ROUKEMA changed her vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. NOWAK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 77

Mr. WHITEHURST. Mr. Speaker, I ask unanimous consent that my name be withdrawn as cosponsor of H.R. 77.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Virginia?

There was no objection.

OPERATION LIAPP: SAVING MICHIGAN'S BLACK HISTORY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

Mr. CROCKETT. Mr. Speaker, I am very proud today to share with my colleagues the important work being done in Detroit by the Museum of African-American History, under the direction of Dr. Charles Wright, to document and make available the historical records of black accomplishments in Michigan.

Seventy years ago, in 1915, the "Michigan Manual of Freedmen's Progress" was published in Detroit, chronicling the contributions of blacks to the professional and cultural life of our community. Today, under the able direction of editor and publisher John Green, "Operation LIAPP" has been initiated. This project, designed to assist in the location, identification, and authentication of descendants of those mentioned in the "Michigan Manual," and the preservation and dissemination of that information to a wider audience, also calls attention to the anniversary of the first publication of the manual. Operation LIAPP also has taken on the awesome task of updating the material in the "Michigan Manual." Mr. Green and his staff will republish the "Michigan Manual," under the title "Negroes in Michigan History," with supplementary volumes with the updated research as they become available.

I salute the Museum of African-American History for this important undertaking, and especially editor John Green, whose exhaustive efforts over many years have led to the reality of publication.

I would like, for the benefit of my colleagues, to include in today's CONGRESSIONAL RECORD, and tomorrow's, excerpts from the "Michigan Manual of Freedmen's Progress," and commend to them the entire work:

MICHIGAN MANUAL OF FREEDMEN'S PROGRESS

(Compiled by Francis H. Warren, Secretary of Freedmen's Progress Commission)

(Authorized By Act 47, Public Acts 1915, Detroit, Michigan, 1915)

(John M. Green, Editor, Publisher)

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Fairfax, Daniel, Bay City.
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Howard, Mrs. Carrie, Detroit.
Hawkins, Miss E. Fannie, Detroit.
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Johnson, Dr. A. H., Detroit.
Johnson, Dr. H. Peyton, Detroit.
Johnson, Rev. T. C., Kalamazoo.
Jones, Preston, Detroit.
Kemp, William P., Detroit.
Kersey, John, Bay City.
Lester, Benj., Detroit.
Miller, William, Bay City.
Miller, W. S., Lansing.
Nelson, Mrs. Sallie B., Detroit.
Owens, Miss Lucile, Detroit.
Page, William T., Detroit.
Parks, Harry, Kalamazoo.
Parks, Taylor, Bay City.
Pelham, Benjamin B., Detroit.
Phillips, Mr. Joseph, Kalamazoo.
Pierce, Lewellyn S., Lansing.
Powell, William A., Bay City.
Preston, Madame Frances E., Detroit.
Proctor, Mrs. Mary E., Detroit.
Richards, Miss Fannie, Detroit.
Robbins, Henry B. Wade, Ann Arbor.
Robbins, John, Kalamazoo.
Roman, James F., Bay City.
Roxborough, Charles A., Detroit.
Salpaugh, James B., Lansing.
Shelton, Dr. William P., Detroit.
Small, Mrs. Epple, Kalamazoo.
Smedley, George E., Detroit.
Smith, Birney, Detroit.
Stafford, Wallace, Kalamazoo.
Stafford, Mrs. Della, Kalamazoo.
Stowers, Walter H., Detroit.
Tate, William, Lansing.
Taylor, Miss B. Bernice, Detroit.
Thompson, E., Kalamazoo.
Thompson, James G., Lansing.
Thompson, Leonard C., Detroit.
Thompson, William O., Lansing.
Tomlinson, William J., Detroit.
Walker, George C., Bay City.
Warsaw, T. D., Detroit.
Washington, Foster, Bay City.
Webb, Charles R., Detroit.
White, Charles T., Bay City.
Williams, Charles E., Detroit.
Williams, Henry A., Kalamazoo.
Willis, Elijah, Detroit.
Willis, Robert J., Detroit.

DELEGATES TO LINCOLN JUBILEE

The following persons were appointed Delegates by Gov. Woodbridge N. Ferris to the National Half Century Anniversary of Negro Freedom and Lincoln Jubilee at Chicago, Ill., August 22nd to Sept. 16th, 1915:

Allen, John W., 1220 W. Allegan, Lansing.
Allen, William, Union, R.F.D.
Ames, Dr. J.W., 331 Frederick Ave., Detroit.
Archer, Henry L., Cassopolis, R.F.D. 1.
Artis, Mathew T., Cassopolis, R.F.D. 3.
Baker, Oscar W., 305 Shearer Bros., Bay City.
Bagnall, Rev. R.W., 329 St. Antoine St., Detroit.
Bradby, Rev. R.L., 163 Mullet St., Detroit.
Brown, Charles, 514 East Frank St., Kalamazoo.
Browne, Rev. S. Henri, 614 Franklin St. S.E., Grand Rapids.
Buckingham, Josie, Cassopolis, R.F.D. 2.
Byrd, Abner, Cassopolis.
Case, Herbert, 412 Webb St., Jackson.
Clark, Rev. Frank E., Whittaker.
Collier, Charles, 167 Baird St., Benton Harbor.
Curtis, E.L., 704 Cass St., Niles.

Decker, Joseph.
Dickerson, Dr. John H., 307 Washington St., Ypsilanti.
Dungill, Rev. J.A., 523 Walbridge St., Kalamazoo.
Evans, John.
Evans, John J., 403 Maple St., Battle Creek.
Evans, Rev. Jos. M., 166 Napoleon St., Detroit.
Ford, J.C., 550 Jefferson Ave., Grand Rapids.
Foster, Carrie, 271 Fox St., Battle Creek.
Gaskin, Wm. W., Jackson.
Haley, Paul, 140 Clay St., Battle Creek.
Harris, W.Q., Cassopolis, R.F.D. 2.
Hayes, Mrs. Carrie, 221 Harriet St., Ypsilanti.
Henderson, Rev. Jas M., 140 Euclid Ave., Detroit.
Houston, Mrs. George W., 341 Maple St., Detroit.
Jefferson, Thos., 1029 Sigsbee St., Grand Rapids.
Johnson, Wilmot A., Box 405, Lansing.
Kemp, Wm. P., Editor of "The Leader," Detroit.
Lawson, Cornelius, Cassopolis, R.F.D. 2.
McCoy, Mrs. Mary E., 180 Rowena St., Detroit.
Mahony, George, Decatur.
Morgan, E. Y., Boyne City.
Morgan, Mrs. Minnie B., 209 S. Chestnut, Lansing.
Marshall, Mrs. Mayme, 415 Ransom St., Kalamazoo.
Outland, Samuel, Three Rivers.
Patterson, John W., 94 Clay St., Battle Creek.
Penditon, Mrs. Adela, 575 Jefferson Ave., Grand Rapids.
Pettiford, Rev. Lewis, 137 East Frank St., Kalamazoo.
Poole, Alphaeus R., 337 Wesson Ave., Detroit.
Ray, Sergeant A. W., 308 Ridge St., Sault Ste. Marie.
Rider, Wm., 509 Church St., St. Joseph.
Roberts, W. R., 1214 Allegan St., Lansing.
Simpson, Eli, Decatur.
Sims, Mrs. Grace, 649 Jackson St., Grand Rapids.
Smith, Mrs. C. S., 35 Alexandrine Ave., Detroit.
Stewart, Thomas, Kalamazoo.
Thompson, Wm. O., 1025 Allegan, Lansing.
Van Dyke, Fred, Three Rivers.
Warren, C. A., Cassopolis.
Warren, Francis H., 325 Broadway Market Bldg., Detroit.
Williams, Mrs. Henry, 720 Parker St., Kalamazoo.
Wilson, M. Ormie, St. John.

PREFACE

When Thomas Wallace Swan, Secretary of the Illinois Freedmen's Progress Commission, induced the friends of Afro-Americans in that great state to secure the passage of a bill with a sufficient appropriation to hold a jubilee and Half Century Anniversary in commemoration of the great work accomplished by the world's greatest humanitarian, Abraham Lincoln, a peculiarly fitting accomplishment was effected.

The celebration of fifty years of freedom for the former Negro slaves of this nation marks an epoch in the history of our country that holds much for the future good of our nation. True it is that on the surface there appears to have been a growth of hostility to Negro Freedom, not so much because giving the Negro his freedom was an economic failure, nor yet because there remains in the minds of the people at large, any idea that slavery for black men was preferable to the freedom, or rather the partial freedom that they now enjoy, but this apparent growth of hostility to the Negro that has been emphasized in recent years by numerous measures of legislation proposed against him, is more the result of the fact that the daily press, when chronicling crimes of colored men almost uniformly set up the racial character in large type of Negro criminals, and it has come to pass that in a great majority of instances when the term "Negro" is used in news matter, it refers to the criminal Negro and not to that vast bulk of black people who are making good and pursuing the even tenure of their way. Ordinarily, on the other hand, when many of the newspapers mention anything commendable about a black man, his racial character is not mentioned, and in at least one instance where a black woman was assaulted and robbed by a white man in Michigan, no mention was made of the fact that the woman was a Negro while in the same article a colored robber who had assaulted and robbed a white woman was referred to in bold face type as a "Negro."

Another instance illustrating how the press emphasizes the racial character of black criminals and suppresses the racial character of black persons performing good deeds was shown in the campaign of the Old News Boys of the City of Detroit last December, for funds to aid the Good Fellows Club in buying Christmas presents for the poor and needy. Out of a list of some thirty Old News Boys, who had become prominent and wealthy citizens, there were included six Negroes who stood on the busy street corners of the city on an appointed day and sold newspapers for the benefit of the Good Fellows Fund. Some twenty articles appeared in the daily press of the City of Detroit mentioning some, or all of those Old Newsboys. The names of these Negroes were there, but no one could tell from reading the article that any negro had any part in raising those funds for charity, but in the same edition of these papers or in nearly all of them, appeared the "Negro" in headlines over some news item of a criminal act. The racial character of the bad Negro was fully expressed; the racial character of the good Negro was fully suppressed; therefore the effect and result has been a seemingly growing hostility to colored people because of the fact that in reading the daily press the average white man will conclude that there are no good Negroes, that all are bad and should be shunned.

While this has been almost a universal rule with the daily papers, there are a few notable exceptions to the rule. The ratio is shown by the following table which is compiled from clippings from the English-Speaking daily papers of the City of Detroit, from December 1st, 1914, to June 1st, 1915.

Newspaper references taken from four English-speaking daily papers in Detroit from Dec. 1, 1914, to June 1, 1915

Total number of articles mentioning "Negro"	232
Number of articles referring to Negro criminals	139
Number of articles referring to prejudice and discrimination	35
Number of articles referring to Ex-champion Jack Johnson	22
Number of articles commendatory of Negroes	36

It will be seen by this table that out of a total of 232 articles in which the Negro racial character of the persons is mentioned, 139 articles refer to Negro criminals; 35 articles refer to discrimination in various forms against Negroes; 22 articles refer to Jack Johnson, the defeated champion pugilist, and 36 articles were commendable to the Negro. In other words, out of 232 articles where the term "Negro" was mentioned, nearly 200 of them referred to the Negro in a manner that was not commendable, unless those referring to Jack Johnson could be so regarded. In 29 published articles referring to commendable acts in which Negroes took part, the racial character of the Negro was wholly suppressed. What has occurred in Detroit during the six months above referred to is an index to the treatment accorded the black people of this country by the daily press, especially in the large cities from one end of the nation to the other, and while it is not true in a large measure of the country newspapers, and there are some notable exceptions in the large cities, this constant bombardment of the moral character of the black people has produced an apparent growth of hostility to the Freedmen in recent years. So I say again that it is peculiarly fitting that an opportunity has been presented to us by the great State of Illinois, the home of the mighty Lincoln, to present to the world the other side of the story of the black man, to note his progress during the fifty years of freedom he has enjoyed, from total ignorance to an educated race, from abject poverty to a condition of healthful self-sustenance, and from vicious ignorance to a wholesome christian civilization, doggedly and determinedly working out his destiny with the means at hand, assisted and encouraged by those noble, God-fearing white men who can look beneath the surface and see some good in their black brother.

In January, 1915, Governor Woodbridge N. Ferris called me into his office for a conference regarding the accomplishments of the colored people of the State of Michigan. The invitation to the conference was sent through Mr. Charles A. Warren, an attachee of the Governor's office. When we had presented to the governor our statement of Negro accomplishments in this state, he declared that Michigan ought to install an exhibit at the National Half Century Exposition, and it was decided to encourage some member of the Legislature to introduce a bill I was asked to prepare. In February I again went to Lansing with the bill prepared to present to Senator Edgar A. Planck and Representative Frederick B. Wells, with an explanatory statement requesting them to introduce it into the Legislature and seek to have it adopted. The bill was introduced simultaneously in the Senate by Senator Planck and in the House of Representatives by Representative Wells, both of Cass County.

THE COMMISSION

In July, 1914, Governor Woodbridge N. Ferris appointed a number of Michigan Afro-Americans to be delegates to the Lincoln Jubilee and the celebration of the Half Century Anniversary of Negro Freedom to be held in the City of Chicago, State of Illinois, during August and September, 1915.

At the suggestion of Governor Woodbridge N. Ferris, Mr. Chas. A. Warren, one of the delegates so appointed, who is attached to the office of the Governor, sent an invitation to each of the delegates to meet in the City of Lansing in February, 1915, for the purpose of petitioning the Legislature for an appropriation to provide for a Michigan exhibit to be installed in the Chicago Exposition of Freedmen's Progress to be held in connection with the said Lincoln Jubilee.

A meeting was held at the A.M.E. Church in Lansing on the 23rd day of February, 1915. Those present were Chas. A. Warren, Wilmot A. Johnson, Wm. R. Roberts, Ellsworth L. Curtis, Mary E. McCoy and Francis H. Warren. Responses had been received from L. Margaret Williams, of Kalamazoo, Rev. S. Henri Browne, of Grand Rapids and Oscar W. Baker, of Bay City. All of these were named in the proposed bill drafted by Attorney Francis H. Warren, which was submitted to Senator Planck, Representative Wells and Governor Ferris and the delegates effected a temporary organization for the purpose of pushing the bill and securing petitions from the people interested, to obtain favorable action by the Legislature. Several members of the Commission addressed the Legislature Committees from time to time in favor of the bill and it was duly passed by the Legislature and signed by the Governor on the 14th day of April, 1915.

The persons named in the bill as Commissioners from the State of Michigan met at the A.M.E. Church in the City of Lansing, April 21st, and effected a permanent organization by electing Oscar W. Baker, of Bay County, as President, and Francis H. Warren, of Wayne County, as Secretary. Wm. Ross Roberts was elected Vice-President, Mary E. McCoy, Field Agent for Eastern Michigan, Ellsworth L. Curtis, Field Agent for Western Michigan and Wilmot A. Johnson, Chairman of the Executive Committee. Thus equipped, the Commission started in its labors of collecting and preparing exhibits of Afro-American progress from the State of Michigan and also to prepare and publish a Michigan Manual, showing the progress of the Afro-American people of this state. Following is a brief sketch of the personnel of the Commission:

Baker, Oscar W., is a native of Bay City, Mich., and a product of the public schools of that city, completing his education as an attorney-at-law in the University of Michigan. He enjoys an enviable reputation for both ability and integrity, not only in his home city, but throughout the state. He is still a young man and it is expected he will be called upon as time passes, to fill more and more of the responsible positions of trust, within both the gift of the people and of individual clients. He enjoys a lucrative practice at the Bay County Bar and the confidence of all who know him, without regard to race or color. (See sketch under Attorneys-at-Law.)

Roberts, Wm. Ross, is a native of Michigan, being born in Van Buren County 46 years ago and now living in Lansing, Ingham County, at 1214 Allegan St. Mr. Roberts has received a high school education and became exceedingly proficient in writing. He is also a portrait artist of high ability. The fine quality of his penmanship is frequently called into service in many ways and for several years past, he has engrossed the diplomas issued by the Michigan Agricultural College. From 1901 to 1905, Mr. Roberts was a clerk in the office of the Secretary of State. For four years succeeding 1905, he was a clerk in Gov. Warner's office, after which he accepted the position as clerk in the office of the Board of State Auditors. He resigned this position in September, 1913, to accept a clerkship with the State Board of Corrections and Charities and the Michigan State Penology Commission. One of the exhibits listed with the Michigan Commission is a portrait of Gov. Ferris' drawn by Commissioner Roberts.

Johnson, Wilmot A., is a native of Richmond, Va., the date of his birth being Feb. 17, 1852. He removed to Chatham, Ont., with his parents, where he was partially educated. Came to Michigan in 1864, and has lived in the City of Detroit since that year. He graduated from Prof. Dowell's Business College, Mr. Johnson has always been active in politics and was appointed clerk in the office of the Wayne County Treasurer under the Hon. Alex. I. McLeod. Subsequently became a deputy sheriff and served under both Sheriff Littlefield and Collins, after which he was appointed to a clerkship in the office of the Board of Assessors. For the past 16 years Mr. Johnson has been a clerk in the Auditor General's Department at Lansing, where he is still employed. He is still a bachelor.

McCoy, Mary Eleanora Delaney, born at Lawrenceburg, Ind., Jan. 7, 1846, in an underground railroad station. She was the daughter of Jacob C. and Eliza Ann Delaney. Mrs. McCoy did not have the benefit of a school education, though she did attend for a time a Freedmen's school at St. Louis, Mo. She is the wife of the noted invetor, Elijah McCoy, to whom she was married on Feb. 25, 1873. She is a charter member of the noted 20th Century Club of Detroit, which is composed of the best known women of Michigan's metropolis. The public spirited character of Mrs. McCoy may be shown by the numerous organizations in which she has been most active. She was one of the organizers of the Phyllis Wheatley Home for aged colored women and is now Vice-President of that corporation. She has maintained the McCoy Home for colored children and state organizer and Vice-President of the Federated Colored Women's Clubs of Michigan, is Vice-president of the Lydian Association of Detroit, and member of the National Association for the Advancement of Colored people, Guiding Star Chapter O.E.S.; of the Willing Workers; of the King's Daughters, besides which she is an active church worker, being a member of the A.M.E. Church. She also has been identified with the Women's Suffrage Movement and was a flagbearer in the great parade at Washington in 1913, preceding the inauguration of President Wilson.

Williams, Lula Margaret Roberts, is a native of St. Joe County, Michigan. Now resides with her husband at 720 Parker St., Kalamazoo. Mrs. Williams is a high school graduate and also a graduate of the Indiana State Normal College. She taught in the public schools of Lafayette and Columbus, Ind., for several years and in Haines Industrial and Normal School at Augusta, Ga. In June, 1906, she was married to Henry A. Williams, of Kalamazoo, where they now live and whose home is cheered by two children. Mrs. Williams has been active in women's club work in her home city and chiefly through her efforts the Dorcas Club and Let Us Be Friends Club were organized.

Warren, Chas, Augustus. Born in Saginaw 1872, and at the age of three, removed to Windsor, Ont., with his parents, where he received his earlier school training. In 1882 he removed to Port Huron, where he continued school for a time and then lived with his parents in Grand Rapids. While living in this city, he entered the Michigan Agricultural College at Lansing and became a professor in horticulture. Was engaged as Professor of Horticulture at Tuskegee, Ala. In 1902, Mr. Warren returned to Michigan and settled in Cass County, where he engaged in farming. When Governor Ferris assumed office in 1913, he appointed Mr. Warren to a clerkship in his office, where he is still engaged, and from whence he directed his efforts in organizing the delegates to the Lincoln Jubilee at Chicago to become active in securing Legislative aid for a Michigan exhibit, in which he was fully successful. In 1902 he married Miss Edna Harris, of Cass County.

Curtis, Ellsworth L., is a native of Berrien County and was educated in the public schools of that county and of Niles. Mr. Curtis is one of the most enthusiastic of the Commissioners. In private business he is a dealer in nursery stock and supplies the farmers of southwestern Michigan with fruit trees and shrubs. He has always been active in politics in his part of the state, although never holding any public offices of consequence. When made a delegate to the Lincoln Jubilee, he was one of the first to become active in organizing the delegates for the purpose of boosting a Michigan exhibit. His efforts have been rewarded by being made Chief Field Agent in collecting and forwarding the exhibits from the State of Michigan.

Browne, Rev. S. Henri. Shortly after the organization of the Freedmen's Progress Commission in which Rev. Browne gave material assistance, he accepted a call to a Baptist Charge near Cincinnati, Ohio, and left the state permanently to assume his new charge. Rev. Browne has declined to furnish any information regarding himself and it is not available to the compiler of this manual.

Warren, Francis H., was born at Sarnia, Ont., Sept. 3, 1864. At the age of four, he removed to Saginaw with his parents, where he received his early education in the public schools. Later attended school at Reading, Mich., where he went to live with Dr. Thomas, with a view to studying medicine. Graduated from the 8th grade to the high school 9th grade, but was called from school to aid in supporting the family before completing his high school course. He became a newboy in Saginaw and learned the trade of plastering with his father. Later took up painting with John J. Prest in Detroit, and this occupation not agreeing with his health, he accepted work as a waiter in the old Russell House, which has recently been displaced by the Pontchartrain. During the time he worked as a waiter and later as a pullman porter, he traveled all over the United States and Canada, finally settling in Mackinac Island, where he took up the barber business and became quite successful in that line. In 1894 he branched out into a laundry and restaurant business at Mackinac Island and later in St. Ignace, and while thus engaged, he took up the study of law with a correspondence school. Becoming more and more interested in the legal profession, he came to Detroit in the fall of 1899 and entered the Detroit College of Law at the age of 35. He was admitted to the Michigan Bar in 1903 with his law class and immediately accepted a position in the County Treasurer's office under the late Fred S. Snow. Mr. Warren has been quite active in politics for many years, his efforts being chiefly for public ownership of public utilities and other economic reforms. As attorney for the Detroit branch of the National Association for the Advancement of Colored People, he has prosecuted many cases of race discrimination. He was for nine years the editor and publisher of the Detroit Informer, in which work he was ably assisted by Margaret E., his wife. Mr. Warren is one of the few of Michigan Afro-Americans who braved the criticism of his people and became affiliated with the Democratic party, with the hope of securing more favor from that organization for the colored people and of stifling the opposition of such men as Tillman, Vardaman et al. He entered the active practice of law in 1904 and occupied a suite of offices at 325 Broadway Market Building at Detroit.

FRANK LEDESMA—OUTSTANDING CITIZEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, at this time it is my pleasure to rise and pay tribute to Frank Ledesma in recognition of 11 years of service to the city of Soledad, CA. I join the residents of Soledad in wishing him all the best in his retirement from the city council, effective June 24 of this year; however, we will sorely miss his dedication and commitment to serving the public interest in this community.

Mr. Ledesma's lifelong contribution to public service has been distinguished in a number of areas. As council member, 1974-78; then mayor, 1979–85; he has demonstrated his leadership through the implementation of a number of community projects. These include the organization and formation of the Soledad Redevelopment Agency and the Soledad Redevelopment Project, construction of a new sewer treatment facility for the city, and construction and renovation of the city's drinking water system. Furthermore, he has contributed substantially to the improvement and expansion of the city's affordable housing facilities through the initiation of rehabilitation loans through the Soledad Housing Assistance Program, annexation of unincorporated land to expand the city's housing base, and the creation of the Soledad Local Development Corp. Not least among his accomplishments during his years of public service to the city, are the improvements in the professionalism and training of the city's protection forces.

His accomplishments have extended beyond the city's borders. He has served the broader community through membership on the Monterey County Transportation Commission and the Monterey County Local Agency Formation Commission.

Outside of his official roles, Mr. Ledesma has been a moving force in the community through a number of additional clubs and organizations. He is a member of the Veterans of Foreign Wars, Knights of Columbus, Soledad Rotary, and American Legion, holding leadership offices in the latter two. He has been involved with sports programs for the young people of the city as well, including president and team manager for 12 years of the Soledad Little League and director for 2 years of Pop Warner. Additionally, he served as the Mayors' Select Committee of Monterey County. Mr. Ledesma is especially concerned with the welfare of children, as recognized through the appreciation award he received for serving 12 years as a member of the board of the Soledad Union Elementary School District.

A major portion of Mr. Ledesma's career was spent in the employ of the U.S. Postal Service, holding the position of Postmaster in both Soledad and Carmel. He is married to Dominga Torres Ledesma, with whom he has been blessed with six children and five grandchildren.

Mr. Speaker, the key to effective public service is action. It is said that it is better to light one candle than to curse the darkness. Mr. Ledesma has lit an important candle in this community that sends an important message to the public—"If you care, do something about it."

I am honored to bring the outstanding achievements and accomplishments of this distinguished individual to the attention of my colleagues here today. His honesty, integrity, leadership and motivation are to be admired and will be remembered long after his day. On behalf of the citizens of Soledad, I would like to express our deep appreciation to Frank for his dedicated service.

A GREAT VICTORY IN THE ELECTION OF JIM CHAPMAN IN THE FIRST DISTRICT OF TEXAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise today to make note to my colleagues of a great victory that we celebrated in Texas in the election of Representative CHAPMAN in the First District of Texas recently, because of the factors involved.

In my case, I would like to point out for the record that, when I was in the State senate, in the second session of the senate that I served, young CHAPMAN was a page, and his father was a member of the Texas House of Representatives. I recall vividly today at the end of that session when he came up with that very boyish, eager look, and the little brochure that contained the pictures of all the members of the senate, and he said, "You have got to sign this because you are the 31st. I have all 30, but I need yours." That was the last time I saw him until today, when he was taking the oath of office as a Member of this great body.

I think the most significant thing about it is the quality of the victory. This particular election had been targeted and several millions of dollars were poured, mostly because the junior U.S. Senator had made it an issue on a State basis, for what reason, of course, nobody that I know can fully say, but injected into the issue as a result of this heavy play of interest and the outpouring of external monetary financing into the purely local district race, issues were raised about which the American people anywhere, whether it is up in that northeast Texas area or whether it is anyplace else that I know of, are vitally concerned with. The American people, by far and by large, have been always and still are pragmatic, practical, realistic. Of course, we are all human, and we can be swayed. None of us is foolproof, and we can be swayed by issues that are intense in emotionalism, intense in passion. But I think the highest thing to be done under those circumstances by any American citizen seeking the approval of his citizens to an elective trust in this great democracy is how you stand up under that pressure. Do you try to imitate and postulate a position that would seem to be in consonance with their apparent supreme ideological thrust of the passion of the moment? Or do you discern that issue and realize that you cannot afford to fly under false flags under any circumstances because the people are entitled to know?

If you do not have the trust, if the people know the truth, that they will not vote for you, then what kind of a hollow victory is it to win a race?

I had the very similar experience when I started out. There was a lot of similarity here. In my first congressional race, the opposition party on a national basis—nobody knew me nationally then—decided to make it a national campaign to show that President Kennedy's New Frontier was not taking root. It was the first congressional race in the first year of President Kennedy's administration. They sent General Eisenhower down there for 3 days. Both of my newspapers were not for me. And they outspent me. In this case, the same thing thing happened. And yet the people came through, in the sense that they disgarded what they knew was an appeal to rank bias, and appeal to the exacerbation of passion and emotion rather than clear and limpid thinking on those issues.

☐ 1540

So I take this opportunity to include in the RECORD at this point a recital or report of the election in a brilliant way by a young Texas author by the name of Jim Presley that appears in this month's issue of the Texas Observer.

I salute Mr. CHAPMAN and wish him well. God speed in his endeavors, and I wish to congratulate the great-minded citizens of the First District of Texas.

[From the Texas Observer, Aug. 30, 1985]

EAST TEXANS THWART GRAMM PUTSCH

(By James Presley)

TEXARKANA.—For those in the First Congressional District who had grown used to having Wright Patman there in Washington from 1929 till 1976 to defend them against a variety of Republican mischief (he, after all, had not blown the whistle on Watergate), the tenure of his successor, Rep. Sam B. Hall, Jr., following Patman's death in 1976, must have come as a shock. When Ronald Reagan assumed the Presidency in 1981, Hall soon became one of the boll-weevil Southern Democrats who gave aid and comfort to the Republicans in the House.

Now comes 1985, with this scenario: Senator Phil Gramm, flushed with a November victory on Reagan's coat-tails, nominates Hall as federal judge, to create a vacancy. Hall passes the Republican litmus test on enough issues to make him acceptable, even desirable, for the beefed-up Republican judiciary. The plan then was to elect a bona fide Republican, no matter how much the cost, and use that result as evidence of realignment of the political parties. It would be a major publicity coup, particularly for Gramm.

The result was the most expensive race in First District history. The outcome would scarcely change the Democratic control of the House but would convey symbolic power wherever the news went.

To set things in motion, U.S. Sen. Phil Gramm pulled Edd Hargett from obscurity in tiny Linden, Texas, for an appearance in nearby Texarkana. Hargett, once a student of Gramm's, would make a fine Congressman, said Gramm, thereby telegraphing the next punch, which soon came when Hargett announced for the seat as a Republican.

In some ways, Hargett was the political packager's dream. Young (37) and handsome, a former Texas A&M quarterback who had played pro ball, he seemed to have a great many things going for him. The First District has traditionally been an incumbent's district. Wright Patman, known widely as a populist and a scourge of the banking industry, served here for more than 47 years, through all kinds of political permutations on the national scene. Undoubtedly Republican strategists realized that if Hargett got in, he'd probably stay in—maybe for 30 years.

The money gushed forth. Hargett attended the Republicans' candidates school. Top consultants like Roger Ailes, Lee Atwater, and Lance Tarrance were signed on.

In the first election on June 29, Hargett gained 42 percent of the vote, former DA Jim Chapman of Sulphur Springs, 30 percent, and State Rep. Sam Russell of Mt. Pleasant, 18 percent, with the other five candidates dividing the remainder.

Among the Democrats, Jim Chapman, 40, enjoyed an advantage—and in some ways, a disadvantage. Having run for state senator against state Sen. Ed Howard last year in virtually the same district except for one county, he was acquainted with the district, had some name recognition, and had supporters at the outset. The disadvantage he faced was that his race against Howard had also left him with political enemies. Howard had charged Chapman was backed by labor and liberals, and now the Republicans took up the same charges.

Chapman, however, had assets of his own. He was willing to put a great deal of his own money into the campaign, and he was able to use his highly-honed skills as a trial lawyer to distinct advantage, showing himself to be agile-witted and articulate in the forums, the one debate (held in Kilgore outside the district and viewed on Tyler TV), and speeches.

Chapman's early theme was that the Big Bad Ol' Republicans Are Gonna Try to Cut Social Security. He said he'd fight any cut, down to the last COLA. But Hargett said he, too, would fight any attempt to cut Social Security. Chapman matched Hargett's stand on so-called "family" issues such as abortion, school prayer, and gay rights. (The *Texarkana Gazette* chided Chapman for making such an issue over his championing of school prayer, which, the newspaper noted, was advocating something everyone had—the right to pray any time he or she wanted to.) On the other hand, Hargett embraced what might be seen as traditional Democratic values, such as support for Medicare (and Social Security), more jobs for depressed East Texas, and a simplified tax system. There was no calling attention to Hargett's party affiliation by name. His billboards identified him only as being "In the Tradition of East Texas."

All the thunder and lightning from the conservative heavens showered down upon Northeast Texas before the summer was over. About the only thing lacking, really, was a personal visit from The Great Communicator Himself, though that was accomplished electronically.

Jobs turned out to be the hot issue by early July. By then Texarkana plants had laid off 400 workers, AT&T had shut down its Shreveport plant, another Texarkana plant had announced layoffs, while Lone Star Steel's problems continued to fester with employment at only 60 percent of its full force. With this as background, Chapman took up the issue of a trade policy to help American exports and to keep American jobs from going overseas. At this point Hargett told a reporter, "I don't know what trade policies have to do with bringing jobs to East Texas." Chapman pounced upon the sentence. Hargett claimed he was misquoted. When a reporter disproved his claim, Hargett said it was taken out of context. In a July 24 editorial, the *Texarkana Gazette* had the final say: "Hargett has said that the statement was taken out of context and was a misquote. Neither claim is true. The context is accurate—a reporter asked a question about foreign trade policy and Hargett answered it very simply. The quote is the same quote that was videotaped by KTAL–TV and aired on the 6 p.m. news on July 9."

Jobs for the depressed First District, where the unemployment rate passed the national level, and protection of Social Security became the leading "solid" issues of the campaign. Senator Bentsen hammered away at the Reagan administration's having no trade policy. Whether East Texans are conservative or liberal or in between (which they probably are, for the most part), like people everywhere else, they like to have jobs.

In the beginning, much of Hargett's advertising and personal football career at Texas A&M and later professionally. The Aggie maroon color graced his signs, billboards, and campaign materials. (One wonders how many votes he lost from alumni of other Southwest Conference schools.) His television commercials featured football game excerpts. But weeks before the first election, the *Texarkana Gazette* in an editorial, "Hang up the cleats, Edd," chastised him for talking football instead of issues. The commercial was dropped.

The Republican tactic was to hang the image of "dirty campaigner" on Chapman. In the process of this effort, negative mailing and advertising went out until images of a "dirty campaign," ironically, began to form about the Hargett headquarters. In another irony, Chapman began to emerge from the dust of battle as something of a gentlemanly campaigner, though aggressive, but articulate and seemingly undisturbed by the stream of allegations his foes poured forth. At forums and radio interviews, Chapman responded vigorously, decisively, and with good manners. His confidence seemed to grow as the campaign aged.

The negative mailings by the Hargett campaign, from the early days to the last week, kept hammering away with the charge that Chapman was a liberal, that he had run a dirty campaign against Ed Howard (never documented), that he was running a dirty campaign now (never substantiated), and that he supported unpopular planks (gay rights, etc.) of the 1984 Democratic platform and would be controlled by Tip O'Neill and the Northern liberals (which he had denied).

One mailing, handwritten from "Mrs. Shirley Hargett," the candidate's wife, extolled her husband as "a good Christian man" and added: "It is unfortunate that Edd's opponent chose to lie. When he could not find a flaw to attack he resorted to lies . . . It makes me mad when Jim Chapman doesn't tell the truth, especially concerning Edd's views on Social Security." The letter then segued into how Hargett's parents died of cancer while on Social Security and Medicare and how that left the candidate a strong friend on the legislation. Then the scene shifted back to Chapman: "Edd says he understands why Chapman is always throwing mud. It's because Chapman is a Liberal whose support is from the Labor Unions, the Liberal Special Interests and the National Democrats like Tip O'Neill and Walter Mondale."

Though Chapman was "right"—to the conservative way of thinking—on the emotional, often contrived, "family issues," as were every one of the original candidates, being "right" wasn't enough. Moral Majority honcho Jerry Falwell signed a letter that charged:

"Jim Chapman, who supported the Mondale/Ferraro ticket in '84 and Mark White's tax increase has yet to disavow the National Democratic platform. That's the platform that calls for gay rights and the E.R.A.

"Jim Chapman remains silent on school prayer and a pro-life amendment. Jim Chapman's silence on these issues proves one point: he can't stand up to the liberal national Democrats."

Falwell either wasn't listening, didn't care, or knowingly misrepresented the facts. Anyone who ever attended any of the candidate's forums would have heard Chapman, who repeatedly called himself a conservative particularly in the early days of the campaign, state he was against affirmative action for gays, he was against abortion (except in the case of incest, rape, and danger to the mother), and he favored prayer in the schools.

A slick anti-abortion handbill, featuring photographs of Edd and Shirley Hargett and of a winsome small child ("This Little Gal Wants YOU to Vote Saturday, August 3"), was placed on automobiles parked at the Highland Park Baptist Church in Texarkana and, one might well presume, at other churches over the district, during services on the Sunday before election.

Mailboxes were filled by both sides. Senator Lloyd Bentsen sent a letter urging voters to *"finish the job"* and pushing Chapman's candidacy for its support of "old-fashioned family values," "a strong defense," defending "the sacred contract of social security," and protecting American jobs.

The biggest Republican gun came in a mailing during the last week before election, from Ronald Reagan—"we need Edd Hargett in Congress." He continued, "If Edd Hargett wins, it will be strong evidence that the principles of this Administration have the support of the American people—regardless of party label." (Seemingly an appeal for help, not realignment.) Then the postscript clincher: "I was proud to nominate Sam B. Hall, Jr., to be a Federal judge, but sorry to lose the advice and support of this able conservative Congressman. The election of Edd Hargett would mean East Texas continues its tradition of independent conservative representation in the U.S. House of Representatives." Like Wright Patman, one presumes.

By the time voters received Reagan's letter, the television channels had been saturated with his spot commercials pleading with East Texans to vote for "my friend Edd Hargett." Over and over and over. Though Reagan had not appeared in person, he had risked his prestige almost as much with the commercials.

In reviewing campaign ads and "literature" on both sides, it becomes clear that negative charges were a particularly strong thrust of the Hargett campaign.

What made the rampant negativism even more apparent was that, as the Republicans piled accusation upon innuendo, Chapman studiously grew more and more "clean." Hargett's campaign became so negative that in the final week the *Texarkana Gazette* specifically chided him for it. The newspaper never endorsed anyone in the election and, in fact, appeared to take an even-handed approach to the race. But three times it came down editorially on Hargett, for discussing football instead of issues, for denying a statement he had made on jobs and trade policies, and for heading up such a negative campaign.

Chapman ads countered claims that he was tied to the "Northern Liberals" by suggesting the Republicans were trying to buy the election. A large ad during election week headlined, WHO IS THE REAL INDEPENDENT?, focused upon Hargett's spending four times what Chapman had and that more than 40 percent of Hargett's money came from conservative political action committees, with only 12 percent identified as coming from within the district. On the other hand, the ad noted that 42 percent of Chapman's money came from within the district, not including his own $135,000 personal contribution, with only $10,450 coming from political action committees.

In an editorial the same day, the *Gazette* noted that of Hargett's $825,000 war chest, he had received approximately as much money from outside the district—$229,603—as the entire Chapman campaign had raised—$236,819.

The *Gazette* editorialized: "The lopsided total donations—$822,589 for Hargett and $333,042 for Chapman, including the First Committee—seem to lend some credibility to the charge that the election is being bought. . . . Can a Congressman really represent East Texas when he owes his political soul to a PAC, a party organization or a group of wealthy donors?"

Chapman won the runoff over Hargett, 52,665 to 50,741—a margin of 1,924 votes out of 103,406 votes cast, almost one-third of those registered. Chapman's margin was 50.9 percent to Hargett's 49.1 percent. The turnout was 30 percent of the registered voters, 10 percent more than for the first election, with a significant increase in black and older voters.

One of the major factors in Chapman's victory was a significant improvement in his showing in Bowie County (the most populous county, and the location of Texarkana) over his performance in June. An intensive organizational effort led to a jump in Chapman's vote totals from 20 percent in June to 44 percent in August in the city of Texarkana. He more than doubled his percentage of the absentee votes, resulting in the Democrat defeating the Republican at the absentee box by a margin of 3 to 2.

In the end, Hargett, with a million-dollar effort behind him (he spent none of his own money, according to his reports) probably gained more name recognition than his football playing had accomplished. Gramm experienced a deep disappointment, if not frustration. President Reagan, after appearing in TV ads over and over, failed to push Hargett over the goal line and probably suffered some tarnishing of his reputation as a winner. The Texarkana Gazette, often criticized over the years as either establishmentarian or as bland, came out of it as a vigorous, impartial recorder and referee. And Chapman, so frequently accused of "dirty" politics, came off a gentleman, if one will pardon the expression—and the winner.

It is too soon to report whether the flood tide of Reaganism has crested and is receding, based on the First District, but one thing is certain—a carefully engineered test case has backfired, despite everything that could be done. And the reason it did is that the Democrats by and large got together and got their votes out. In a post-election interview, Chapman said he would probably take his own path in Congress, different from either Sam Hall or Wright Patman, but from what he said and did in the special election, it is probable that his record will wind up closer to Wright Patman's than to Sam Hall's.

Gramm, the main loser, was quoted shortly before the election as saying, "Win or lose this race, this is only my first involvement. We're going to keep on building the party until we're hunting Democrats with dogs."

A memorable statement and something to think about by those putative Democrats who edged into Hargett's camp. Stay in line, boys, or here come the dogs! After a campaign like this one, many voters may start thinking, not of realignment, but of reassessment. The First District, of course, is a continuing story. Chapman, now the incumbent, will be up for reelection in 1986, and that campaign is not far off. Stay tuned.

SOME PEOPLE BELIEVE THAT THERE STILL IS SUCH A THING AS FREE TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GOODLING] is recognized for 60 minutes.

GENERAL LEAVE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GOODLING. Mr. Speaker, I took this time and caught a lot of my colleagues by surprise, and therefore this will be an ongoing process for days to come, I am sure. But I took this time to see whether we might be able to flush out just who those one, two or three people are in the United States who still believe in the tooth fairy, and still believe that there is such a thing as free trade.

Is it Mr. Regan? Is is Mr. Buchanan? I hope it is not the President of the United States. There is no such thing as free trade. We all advocate it; we all wish it were true, but we all know that the Japanese do not know what the word means. We also know that the Common Market nations do not know what the word means. Yet, when we try to get a little bit of relief, temporarily, for a shoe industry that employs so many rural people particularly, we find that the White House turns a deaf ear.

You know, there are two ends to Pennsylvania Avenue, and I would remind the President that when he calls here and asks our help, we expect a little consideration when we call in the other direction.

We are told that no action was taken, even though ITC, who 1 year ago ruled 5 to 0 that there was not enough serious damage to the industry for them to act or to recommend action, turned right around 1 year later and recommended, 5 to 0, as a matter of fact, that there is that kind of damage. They voted 4 to 1 to make the kind of recommendations that they did for the President to consider to give some kind of temporary relief to this shoe industry.

In spite of that effort, the President decided that we should not have or grant temporary relief to that industry at this time. He indicated or reports are that he made the decision because he was protecting the economy. Well, let me tell the American people something they already know and something the President already knows. There is nothing more damaging to the economy of the United States or any other country, but particularly the United States, than unemployment. So that better be the first consideration when we are thinking about the economy. What is going to happen to our economy because of the number who have been laid off in just this one industry, not to mention 6 or 8 or 9 or 10 others that I will tick off later. So, we better think about the damage we are doing to the economy by not considering the domestic shoe industry.

Then we heard those who said, "A great move, Mr. President, you protected the consumer." Who is the consumer, I might ask? The consumers, of course, are those people out there who are lucky enough to have jobs in the United States that can make purchases. But if I were those who have a job at the present time, I would not rest on this decision the President has made, because tomorrow it may be

your business or your industry that goes under because of foreign invasion.

Not competition; we welcome competition. The Japanese do not know what that word means either. Neither does the Common Market when we try to get our agricultural products, particularly, into those nations. When you talk about protecting the consumer, you better think about protecting that consumer's job.

Then we hear that old word over and over and over, year after year after year, "retaliation." There are several million Cambodians who are no longer living because we use that word and that fear of retaliation over and over again. We were worried if we did what was right in Southeast Asia and tried to protect the freedom and give those people an opportunity to make their own decisions there would be retaliation from China or from the Soviet Union.

Hundreds of thousands of Vietnamese who are in "education camps"; that is another name for concentration camp. Or the hundreds of thousands who have fled because of course, rather than do what we had to do, we talked about retaliation.

The Laotians, who were looking for some help and got none because of the fear of retaliation. Then I was surprised to hear that this administration used, in defense of their decision, the word "depression." "That is how the Depression started." Well, you know, for 4½ years any time anybody talked about any significance between what is happening now and what happened in the thirties, we were told by the administration that, as a matter of fact, it is a totally different time we are operating in. As a matter of fact, the economy is different, the banking system is different. So do not relate to depression or the depression years. They chose to use that as an excuse or an alibi.

Then, of course, that thing we have heard from administration after administration: "We will take care of the situation with existing laws. We are going to be really forceful." I have heard Mr. Yeutter say that a dozen times. I also heard him say a heck of a lot of different things before the President made the decision than after the President made the decision. You know and I know no matter what enforcement we think about we are not going to protect some of our industrial base.

I would like to relate to a couple "Falwellian" statements I heard made. I do not know how you spell that. You take "Falwell" and you put "ian" on the end and you have a "Falwellian" statement. Well, I heard Secretary Brock, before the President made his decision, make one of those great "Falwellian" statements.

He said, as a matter of fact, or was quoted as having said, I did not hear him directly say it. He was quoted as having said that, "Well, he imagines the shoe industry does need some temporary relief." But he would recommend to those people in that industry that they find other jobs. If that is not a "Falwellian" statement, Mr. Secretary, I do not know what is.

Where do you suggest the people in the Northeast and the Midwest go? Should they go to the machine tool business to find those other jobs? Or to the bearing business, or to the coal business, or the steel business, or the garment business, or the printing press business? I could go on and on and on. Those are the businesses we had in our areas and we do not have any more. Therefore, I do not know where, Mr. Secretary, they should go.

The second "Falwellian" statement that I would refer to is one made, and this one I heard by Ambassador Yeutter, who, as I said, must wear different stripes on different occasions, because having met with him on two occasions prior to the decision that was made by the President, he did not sound very much like the same Ambassador who was making statements in defense of what the President did on television afterward.

He was asked by the young lady who was doing the interview, "Well, what happens to all of these unemployed? What are you going to do?" Well, he said, we will have to take our JTPA system, the Job Training Program, and we will have to retrain them, and then we will get them jobs." I understood the Labor Department really was not asking for any more money along those lines.

But even beyond that, Mr. Ambassador, you went on then in response to the young lady who said, "Well, will that take care of all of them?" and you said, "No, it probably will not, and some probably will not go to the Silicon Valley for jobs, will not leave their home areas."

I have news for you, Mr. Ambassador. I think I read since that statement you were going to visit that area, but everything I understand is, because of the pressures they are receiving from imports in the Silicon Valley, they are laying off people, they are reducing their pay, they are reducing their hours of work.

So I would hope for many reasons, Mr. Ambassador, that, no, they do not all leave the Northeast and the Midwest and go to the Silicon Valley.

I would also call to the attention of this administration, one who believes so strongly in the importance of our national defense effort, how do we have, I would ask the question, a national defense effort if we have no industrial base? I do not understand it. If we become a service economy, what do we service? In World War II, if we were only a service economy, we would never have gotten through that war on the victorious side because we not only had to service, we had to produce those things that were needed to put those who would destroy freedom in this world back where they belonged.

So a service economy will not do, Mr. President, and as our industrial base is eradicated day after day, and eroded day after day, I only ask, how do we protect our freedoms and how do we provide the protection that is needed to protect the free world?

I can only say, Mr. President, we are not asking to close markets, as they do in the Common Market countries, we are not asking to close markets, as the Japanese do with all cute things, and do not tell me that the Prime Minister has now come up with some new ideas which will really open up. I visited there not too long ago. That Prime Minister will not have a snowball's chance in Hades of doing anything about opening markets. Only the good old boys' network makes those decisions in Japan, and they are the leading industrialists.

So, Mr. President, we are not asking you to close markets; we are asking for some temporary relief. We are not saying do not allow shoes to come into this country; we are just saying, Mr. President, in the last 4 years the number has doubled. We are now up to 80 percent. We do not care if the Italians send all of theirs in. They are so expensive they will not harm our shoe industry.

But let me tell you, if you cannot help us get back to about 60 percent until we can make some of the changes, and until that dollar goes down, we are in very serious difficulty in this country.

Again, Mr. President, we need that industrial base. We need some temporary relief, and we are counting on you to find some way to bring that about, and not with smoke and mirrors, as was suggested that is the way we are going to do it.

Mr. McKERNAN. Mr. Speaker, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Maine, who has problems very similar to mine in relationship to this very important issue.

Mr. McKERNAN. I thank the gentleman for yielding and commend him for taking this special order. As one of the two Representatives from the largest footwear producing State in this Nation, fully 12 percent of the shoes that are produced in this country, I wanted to come over and participate in this special order because the things the gentleman is saying are absolutely correct.

We sometimes have blinders on in this country when we realize some of the importance of our historical industries. We look at the shoe industry especially and realize in what terrible straits we now find ourselves, really oftentimes through no fault of our own.

As the gentleman has mentioned, we have had imports of shoes double over the last 4 years. That is 726 million pairs of shoes that came into this country in 1984. How many pairs of shoes do we export? Nine million pairs.

That is the problem. There is no equity in our international trade. What we ask for, representing the shoe industry, what the ITC recommended to the President, was to give the industry some time, give the industry some time to modernize, to retool, to be able to move into the technological age in order to compete internationally, and also, and I think as importantly, to give us time to open up some new markets.

We in this country can compete internationally, but we cannot compete if the countries that are flooding our markets with imports will not allow us to export into their countries, and that is what the ITC recommended, a 5-year program, a program for us to have the opportunity to work with our trading partners to say free trade is the answer, but free trade by only one trading partner is not the answer. That is not the way we have to go.

Maybe in this day and age a whiff of protectionism is necessary, especially here in this country, to demonstrate to our trading partners that protectionism is not the way of the future. We need to have more open trade, but it has to be a two-way street.

In Maine, we have had 32 footwear plants close since 1984. We have had over 6,400 people lose their jobs. We have to think about those issues in human terms, what that means to those people, to their families, to their ability to educate their children, and to feed their families.

We oftentimes do not think about it in terms of the people in places like Biddeford and Saco who lose their jobs. We think about it in general economic terms, about percentages of markets, about total numbers, the macroeconomics of the situation. We ought to bring it right home to those shoe plants in our districts and realize what the human result is of these policies, and realize that we need to be looking at ways to approach the trade issue in the 1980's and the 1990's. The rubrics of the past, free trade for example, are no longer a reality. We need to say, "Where do we go from here?" so we can have an equitable trade policy.

All we ask for, all the ITC recommended, was temporary relief, relief to allow the industry to work out its problems, to modernize, to be competitive. It is not as though the people in the shoe industry are receiving an exorbitant wage. You talk to people in shoe shops in Maine, and I can tell you that they have not only their hourly wage cut, but they have also had the number of hours they are working cut. In Freeport, ME, there is one shoe industry where people are working part time, they are working half days in order to keep the doors open.

That cannot continue. They need some temporary relief, and we are not asking, as I said, for relief for a number of years. We are asking for relief over a short period of time.

I just hope, as the gentleman from Pennsylvania has indicated, that the President will approach this. If he is not going to give us the kind of relief we need on an industrywide basis, that he will take other steps that he can take under our trade laws to make sure that we get at the specific trading partners who are violating this breach of free trade and make sure that we try to approach this on a country-by-country basis if we cannot approach it on an industry basis.

I, for one, am not willing, at this point, to give up on the industrywide approach. I hope that my colleagues will continue to push for relief here in this Chamber to make sure that we take the steps that we can take as a legislature to make the difference for jobs in this country. We can do it by passing the right kinds of laws, by instituting those quotas that were in effect until 1981, by phasing them out over a period of time so we give that window of opportunity, if you will, to the industry to make sure that we have the kind of jobs that we can all be proud of and which, as the gentleman from Pennsylvania has pointed out, could in fact make a difference to our national security at a time of crisis.

So I again just want to commend the gentleman, and associate myself with his remarks.

Mr. GOODLING. I thank the gentleman very much for participating.

I, too, am a freetrader, as I indicated earlier in my remarks, but we have to have both together, free trade and fair trade. At the present time we have nothing that resembles fair trade, and we only have one country participating in free trade.

Back to the whole issue of defense, when I spoke in Lafayette Park at the shoe industry rally, as soon as I was finished I had reporters from Brazil and Taiwan and Korea come charging forth saying, "Boy, do you know what that would do to our industry? Do you know what that would do to us?"

I said, "You know, if I were you and I were as dependent on this country for your defense, as you are, I sure would do everything I possibly could to make sure, as a matter of fact, we continue to have an industrial base. You should be doing this voluntarily. It should not have to be something that ITC had to recommend and the President had to do, because it is your defense that you should be concerned about."

If I lived in Japan, I sure as thunder would be very much concerned about who in the world it is who is going to protect my freedom, as a matter of fact, if either side makes a move, be it the Soviet Union or be it China. So they better be very, very concerned that we have an industrial base so that we can produce whatever it is to deter war, first of all, and if somebody insists on war, so that we can, as a matter of fact, be victorious.

Again, Mr. President, I only fear that you have now lost your opportunity to lead this trade battle. I now fear that there will be many of us who normally would not join in this movement in the Congress of the United States who will join, and as I heard a few Senators say, they will be introducing legislation in order to give the kind of relief ITC recommended, and many in the House who have said the same. I just fear that we will move too rapidly, but it is not our fault, Mr. President. They all waited until after you made that decision. You have now made that decision. My hope is that you can lead the way in this trade battle, but I fear that you have lost that opportunity.

Mr. EMERSON. Mr. Speaker, I want to take this opportunity to express my dismay at the President's decision to reject the ITC's recommendation to temporarily limit foreign shoe imports.

The economic damage caused by the penetration of imported nonrubber footwear is clearly evident in Missouri and is one of the most severe single blows felt by the Eighth Congressional District. Missouri alone has lost nearly half of its footwear manufacturing plants since 1968, causing a loss of almost 10,000 jobs. While seven plants ceased operation during 1978 to 1982, five factories were forced to close their doors just last year.

Footwear is the major manufacturing employer in 20 Missouri counties, each with a population under 50,000, and is a significant industry in 13 additional counties. Plant closings in 1984 left thousands without work. In small, rural communities, job opportunities are limited—and every employed person makes a difference. Such areas simply cannot withstand another year in which unrelenting imports control over three-fourths of the U.S. shoe market.

I am perhaps one of Congress' staunchest supporters of a general policy of free trade. Representing one of the Nation's most productive agricultural areas, I am well aware of the need to maintain and promote our own access to foreign markets—and equally aware of the risks to that access that can result from import restrictions. Nevertheless, I have watched too many small communities suffer too much at the hands of imported footwear, and have become increasingly convinced that this is an industry that needs—and deserves—temporary protection.

From my observations of the industry nationwide. as well as personal knowledge of the nonrubber footwear manufacturers in the Eighth District, I am confident that the industry has not brought this problem on itself. It has made every effort to compete with foreign imports, and done so despite serious obstacles presented by the overall economic conditions of recent years. In Missouri, as well as across the Nation, footwear employees earn wages far below average in comparison to other industries, and considerable resources have been devoted to modernization of facilities and research. Yet, the industry still finds itself unable to cope with the flood of imports—a flood that has reached over 75 percent of the U.S. market.

In short, the damage that has been done is so extensive that the industry cannot "get back on its feet", even with the admirable effort it is making to become fully competitive with foreign producers. Thus, I believe the nonrubber footwear industry's request for a temporary program of market share quotas is a reasonable one. Given short-term protection, the industry will have the opportunity it needs to regain a fair share of the market, and will be able to become fully competitive.

Mr. Speaker, the nonrubber footwear industry is vital to the interests of many of America's rural communities and to the Eighth District of Missouri. Import relief for our shoe industry must now become a major priority for congressional attention. I strongly encourage my colleagues in the House to support a legislative remedy to limiting footwear imports by cosponsoring the American Footwear Industry Recovery Act—and give this important industry, its employees, and small communities throughout rural America a chance to regain the ground they have lost to a relentless flood of imports.

Mr. ALEXANDER. Mr. Speaker, last week the President announced, as his Labor Day present to the American worker, a body blow to the domestic nonrubber footwear industry.

Imported shoes account for 80 percent of the domestic market, and that share is growing daily. Thousands upon thousands of American workers, including 2,000 in my own State of Arkansas since 1983, have lost their jobs. The 200,000 other workers still employed by American shoe manufacturers are economic hostages, each living in fear that his or her plant will be the next to close. Indeed, in Arkansas, footwear employment has not been so low since 1961. Across the Nation, countless communities have seen their economic bases destroyed when shoe plants have closed.

And yet the President blithely holds to an incredibly naive and simplistic view of international economics in which the market is allowed to work its will under any and all circumstances, no matter what the consequences are.

His trade policies, or lack thereof, are bringing the economic recovery he's so proud of to a screeching halt, but the President doesn't seem to realize it. As he has done so many times before, when the facts about footwear didn't support his view of the world, he didn't worry—he simply dismissed the facts as irrelevant.

What is the practical effect of the President's footwear decision?

For one thing, the President has made a mockery of section 201 of the Trade Act. When we passed the Trade Act in 1974, we included section 201 for a reason—and the reason was not pure protectionism. We simply wanted the President to have a mechanism he could use to provide temporary import relief to a severely impacted industry while the industry got back on its feet.

The footwear industry's case was a classic one under section 201. With import penetration nearing 80 percent, the industry came up with a 5-year plan of action for modernization and requested temporary, limited import relief in order to give the plan time to work.

But the industry couldn't even get that far. President Reagan apparently did not feel that footwear manufacturers and workers had suffered enough with imports holding only 80 percent of the market. What would it take to compel the President to act? Would he do nothing if imports rose to 90 percent? Would he do nothing if the American shoe industry were destroyed?

The President can not expect us to believe he is opposed to all section 201 actions on philosophical grounds. He's already granted 201 relief to both basic and specialty steelmakers, and in one case he granted 201 relief to just one firm—Harley-Davidson, the Nation's only motorcycle manufacturer. Why, then, would he not help the footwear industry?

Second, the President's decision was not a wise one in terms of national defense. Armies, after all, move on their feet. If the American shoe industry goes under, who will shoe our soldiers, sailors, and airmen? What happens if we become embroiled in a conventional conflict and our sources of footwear become hostile or lie behind overextended, easily interrupted supply lines? What do we do then?

Finally, however, the decision's major impact will of course be felt by footwear workers. The President, insulated by his prosperous advisors who don't understand the suffering of unemployment, is totally oblivious to the pleas of American workers who want their President to protect their jobs by using American law.

I wonder if the President has ever met a shoeworker? Indeed, I wonder if the President even owns a pair of American-made shoes?

I wish the President would come to Arkansas and meet with the shoe workers I represent. He'd find out how scared they are of losing their jobs and how much they want to continue to be productive members of the American economy.

Labor Secretary Brock did promise the other day to provide Job Training Partnership Act funds for job search, retraining, and relocation—I stress again, relocation—assistance for displaced footwear workers.

But these workers want to be footwear workers. They shouldn't have to endure the hardship of learning new trades, pulling up roots, and moving to remote locales. We oppose forced relocation in South Africa; why should we accept it here?

Through it all, the President remains hypnotized by his 18th century view of world trade. He is a firm believer in the theories of Adam Smith. His trade policy is not to have a trade policy. He carries laissez-faire doctrine to the extreme.

The problem is, the invisible hand has the American worker by the throat.

Some say America's trade problems are caused by unfair practices on the part of our trading partners. Certainly, these contribute to our problems. The President said in announcing his footwear decision that free trade should be fair trade, and I certainly agree with that. But the decision to do nothing for the American footwear industry does nothing for fair trade. Even worse, it is an open invitation for other nations to continue flooding our market with imports.

The sad irony is that the biggest cause of America's record trade deficit is Ronald Reagan's record budget deficit. The budget deficit lures foreign capital, drives up the dollar, makes imports cheaper, and costs Americans their jobs.

In other words, Ronald Reagan helped create the situation that threatened the footwear industry in the first place, and now he refuses to help it in its hour of need.

My colleagues, the President has forced our hand. The only solution left to us is legislative relief. We must swiftly pass H.R. 1973, the bill introduced by the gentlewoman from Maine [Ms. SNOWE]. I am proud to be a cosponsor of this important legislation.

It is up to us in Congress to save the American footwear industry.

Ms. SNOWE. Mr. Speaker, I would like to express my extreme disappointment at the President's denial last week of import relief for the American shoe industry. In one action, the administration shot down more than a year of efforts by the footwear industry to work through the established administrative relief process. The statistics of surging imports, massive plant closing, and severe worker dislocations made an overwhelmingly persuasive case for import relief, and in June the International Trade Commission voted for temporary quotas to give the industry the chance it has earned to get back on its feet. The existing relief process, however, provided discretion to the President on whether to implement the relief proposed by the ITC, which the President refused to do.

As the President's first major trade decision of the year, the callous and shortsighted action to deny import relief for the domestic shoe industry drives home two points. First is that the administration has forfeited its role in providing import relief for an industry whose very existence is threatened. We cannot leave this industry to die, as the administration has chosen to do. The footwear industry does not have another year to waste banging its head into

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the unyielding wall of the administrative relief process.

Congress must act swiftly to provide that relief, and the vehicle for that action already exists in legislation I introduced last March: H.R. 1973, the American Footwear Industry Recovery Act. This legislation, which now has more than 90 cosponsors, would temporarily restrict imported footwear to 50 percent of the U.S. market. This is the level of import penetration which existed just 4 years ago. Today, imports have captured more than 75 percent of the domestic market, and are continuing to increase at an appalling rate.

The second point is that no industry can put credence any longer in established import relief procedures. The administration has proven its blindness to trade problems in its refusal to implement relief for the footwear industry, which suffers from precisely the kind of import problems for which the administrative relif process was originally created. Clearly, something is fundamentally wrong with existing relief procedures, and Congress must now reassert its constitutional authority on trade.

In the short term, we must ourselves take action on serious trade cases, such as footwear, that cannot wait for the creation of a new administrative relief process that can work. At the same time, we must move to reform U.S. trade laws, so that the United States will cease to be the designated dumping ground of all the predatory trading nations of the world.

Ms. MIKULSKI. Mr. Speaker, I rise today to extend thanks to the distinguished gentleman from Pennsylvania for reserving this special order on the issue of import relief for the domestic footwear industry. I strongly believe that the President's decision not to place import restrictions on nonrubber footwear products is both wrong and unrealistic.

Clearly, there is ample justification for import relief. Shoe imports now account for approximately 72 percent of the U.S. market. The ramifications of this import level are substantial and far reaching. First, unemployment in the domestic footwear industry reached 17 percent last year. By any measure, this is a deplorable level of joblessness. Second, domestic footwear production fell almost 11 percent last year, reaching its lowest level since the Depression. Last, well over 100 shoe manufacturing plants have closed since 1979 with many more likely to follow in the wake of the President's decision. All of these statistics present a miserable picture not only for the shoewear industry but also for the dozens of other, associated industries which will doubtless be affected by continuing high levels of imports.

Mr. Speaker, from my cosponsorship of the American Footwear Industry Recovery Act, H.R. 1973, to my cosigning of a letter to the President urging the adoption of the USITC recommended import restrictions, I have been a solid supporter of relief for the footwear industry. I urge the President to reconsider his decision and begin to address the vital needs of American industry and American workers.

Mr. HAYES. Mr. Speaker, as imports have grown, American jobs have decreased. This is a simple statistical fact that President Reagan somehow finds easy to ignore. In a decision that is nothing less than economic surrender, President Reagan has decided not to grant import relief to the nonrubber domestic footwear industry. In May of this year, the International Trade Commission found 5 to 0 that imports were seriously injuring the domestic industry and voted 4 to 1 to recommend to the President that he implement 5 years of quotas on imported shoes. The President could have either accepted this proposal, modified it, or rejected it. On August 28, President Reagan rejected the proposed industry relief, following his policy of not interfering in the free market. This is also consistent with his trade policy, which is nonexistent.

This is a clear example of an industry in need of import relief. In June of 1985, footwear imports increased 34.5 percent over June 1984. Also, June 1985 imports increased 19 percent over May 1985. Meanwhile, the domestic industry has taken great strides in order to become competitive with low-priced imports. They have reorganized and made commitments to put into place the technological and marketing improvements that are necessary. All that they asked for was the 5-year period of relief which would not only serve the domestic industry, but would save 200,000 American jobs.

The lack of any kind of trade policy is destructive to our Nation in many ways. According to research done by Data Resources, Inc., if import growth is not controlled, by 1990, joblessness will grow to 1.9 million, the trade deficit will increase by $21 billion, and $40 billion will be lost from the gross national product. Also, the incredible budget deficit that already threatens the economic security of the Nation will be increased an additional $24 billion.

President Reagan had an opportunity to stand up to the rising tide of imports but chose instead to support his "free trade" philosophy as opposed to the fair trade policies that temporary quotas would have provided. The lack of a coherent trading policy is but another example of the way that this administration has approached the economy. It has consistently chosen philosophy over people, free trade over fair trade, and symbolism over substance. In the face of fleeing American jobs and incredible budget and trade deficits, the President has made the wrong decision. He has, in effect, given domestic shoemakers the boot.

ASAT TESTING AND ARMS CONTROL

The SPEAKER pro tempore Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 60 minutes.

GENERAL LEAVE

Mr. BROWN of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in connection with the subject which I propose to discuss this afternoon in my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There is no objection.

Mr. BROWN of California. Mr. Speaker, earlier today I called to the attention of the House the fact that the President has authorized the testing of an anti-satellite weapon, the F-15 launched miniature homing vehicle, against an object in space. In his haste to have such a test conducted prior to his summit meeting with the Soviet leader Gorbachev, thus presumably demonstrating our resolve and our refusal to be bamboozled by Gorbachev's offer of an Asat test moratorium and comprehensive treaty prohibiting the deployment of any weapons in space, the President has ordered the test conducted against a defunct Air Force satellite now in orbit. He did this rather than wait for the already-scheduled test against an instrumented satellite, which could provide for a more complete analysis of the test results, apparently because the test would not occur until after the summit meeting in November.

In order to comply with the law, the President was required to certify to the Congress that he is negotiating in good faith with the Soviet Union for an Asat arms control treaty, that the test is essential to the security of the United States, that it will not do irreparable harm to the prospects for an arms control treaty for space weapons, and that it does not violate the ABM or other arms control treaties. I include the full text of the language in question at this point:

Public Law 98-473—October 12, 1984—Joint Resolution making continuing appropriations for the fiscal year 1985, and for other purposes.

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled,

SEC. 8100. (a) Nothwithstanding any other provision of law, none of the funds appropriated or made available in this or any other Act may be obligated or expended to test against an object in space the miniature homing vehicle (MHV) anti-satellite warhead launched from an F-15 aircraft unless the President determines and certifies to Congress—

(1) that the United States is endeavoring, in good faith, to negotiate with the Soviet Union a mutual and verifiable agreement with the strictest possible limitations on anti-satellite weapons consistent with the national security interest of the United States;

(2) that, pending agreement on such strict limitations, testing against objects in space of the F-15 launched miniature homing vehicle anti-satellite warhead by the United States is necessary to avert clear and irrevocable harm to the national security;

(3) that such testing would not constitute an irreversible step that would gravely

impair prospects for negotiations on anti-satellite weapons; and

(4) that such testing is fully consistent with the rights and obligations of the United States under the Anti-Ballistic Missile Treaty of 1972 as those rights and obligations exist at the time of such testing.

(b) During fiscal year 1985, funds appropriated for the purpose of testing the F-15 launched miniature homing vehicle anti-satellite warhead may not be used to conduct more than three tests of that warhead against objects in space.

(c) The limitation on the expenditure of funds provided by subsection (a) of this section shall cease to apply fifteen calendar days after the date of the receipt by Congress of the certification referred to in subsection (a) or March 1, 1985, whichever occurs later.

The President made his certification on August 20, 1985, while the Congress was in recess. The required 15-day waiting period expires today, and the test may occur at any time thereafter. There is no provision in the law by which the Congress may reject the certification, but the timing could not have been better calculated to minimize congressional awareness and discussion of the President's action.

In these remarks today, I intend to discuss each of the required four certifications in some detail, and to elaborate on the implications of this action for the future of arms control with the Soviet Union with regard to any weapons system and under any circumstances. I do this because, for many of us in the House, Asat arms control represents a case study, a test of the proposition that arms control is a reasonable option for this country in its relations with the Soviets. If we cannot control the current generation of technologically immature Asats, the likelihood is that we cannot control any arms system, particularly nuclear weapons, and that we are launched upon an infinitely more expensive arms race in space. The result will be an increased military instability; decreased national security; continued budgetary pressure on the Nation's social programs; decreasingly available funds, as well as scientific and engineering manpower, for civilian purposes; continued decline in the civilian economy's capacity for innovation and productivity improvement; and the likely decline in our ability to meet world economic competition.

The language of the law, as set forth above, requires that the President make four separate certifications to the Congress at least 15 days before an Asat test against an object in space may be conducted. I would like to include the full text of the President's response of August 20 to the certification requirements at this point in my remarks as follows:

MV ASAT TESTING CERTIFICATION

[Par. 1]

On March 31, 1984 I submitted a Report to the Congress, in classified and unclassified forms, which detailed many of the considerations involved in analyzing possible limitations on anti-satellite weapons. As that report notes, any realistic and balanced consideration of this topic must take into account a number of problems. These problems include: the need for effective verification; the potential for breakout; the risks of space weapons; the vulnerability of satellite support systems; and Soviet military space activity. In particular, it should be noted that definitional and monitoring difficulties plus the need to counter such satellites as the space-based targeting elements of Soviet weapons systems contribute to the conclusion that a comprehensive ban that would seek to eliminate development, testing, deployment, and use of all means of countering satellites is not verifiable and not in our national security interest. Moreover, no arrangements or agreements beyond those already governing military activities in outer space have been found to date that are judged to be in the overall interest of the United States and its Allies and that meet the Congressionally-mandated requirement of verifiability and consistency with the national security.

[Par. 2]

The United States is presently involved in negotiations at Geneva on a whole range of nuclear and space issues. At these negotiations, Ambassador Kampelman is, among other things, seeking to explore with the Soviet Union the merits of a strategic relationship characterized by a greater reliance on defenses.

[Par. 3]

We have been unable, to date, to identify a specific ASAT proposal which meets the requirements identified by the Congress in 1984. We are seriously exploring with the USSR arms control arrangements intended to prevent an arms race in space while—we hope—easing a possible transition to a more reliable and effective deterrent posture for both sides. We will continue to study possible ASAT limitations in good faith to see whether such limitations are consistent with the national security interests of the United States. We are, therefore, acting on conformity with the first certification requirement.

[Par. 4]

The primary purposes of a United States ASAT capability are to deter threats to space systems of the United States and its Allies and, within such limits imposed by international law, to deny any adversary advantages arising from the offensive use of space-based systems which could undermine deterrence.

[Par. 5]

The USSR has the world's only operational ASAT system with an effective capability to seek and destroy critical U.S. space systems in near-earth orbit. In 1982, a test of this system was integrated into an exercise of Soviet strategic offensive and defensive forces. Moreover, the USSR maintains a very large directed energy research program, including ground based lasers assessed to be capable of performing some ASAT functions. This program could also result in the launch of the first prototype of a space-based laser ASAR in the late 1980s or very early 1990s. In addition, since space systems are vulnerable to a broad range of threats from direct attack to electronic warfare to nuclear effects, the Soviet Union could have developed—without our knowledge—a variety of other means to attack our satellites.

[Par. 6]

There is also a growing threat posed by present and prospective Soviet satellites which, while not weapons themselves, are designed to support directly the USSR's terrestrial forces in the event of conflict. These include ocean reconnaissance satellites which use radar and electronic intelligence in efforts to provide targeting data for use in attacking U.S. and allied surface fleets. They also include photographic and electronic intelligence satellites which provide targeting data and other information useful in supporting Soviet land forces. These Soviet space assets constitute a clear threat to our national security and that of our allies.

[Par. 7]

The United States must take the steps necessary to avert a situation in which the Soviet Union has full freedom to conduct effective attacks on our space systems knowing that their space objects, including those that provide targeting data, are not vulnerable to U.S. attack. The resultant instability from this asymmetry creates a risk of irrevocable harm to the United States. U.S. development of a credible anti-satellite system is a necessary, integral part of the steps needed to avert this situation. Therefore, testing of the MV against objects in space by the United States is necessary to avert clear and irrevocable harm to the national security of the United States and its allies.

[Par. 8]

The ASAT testing which we intend to undertake follows by twelve years the initiation by the USSR of its testing of a coorbital ASAT system which has for some time been the world's only operational ASAT system. The Soviets, moreover, as noted above, have tested and, in some cases deployed, systems which have inherent ASAT capabilities. The existence of such Soviet capabilities and their testing effectively preclude the possibility that testing by the United States of its MV ASAT will constitute an irreversible step.

[Par. 9]

In addition, we believe that testing can constitute an incentive to the Soviet Union to reach agreements on a wide range of issues and thus would not impair prospects for a successful conclusion to the negotiations now underway.

[Par. 10]

The testing against objects in space of the U.S. F-15 MV ASAT system will not give the system the capability to counter strategic ballistic missiles of their elements in flight trajectory and will not constitute a test in an ABM mode. Therefore, such testing is not prohibited by the ABM Treaty.

RONALD REAGAN.

The first of these certifications is; and I repeat it here:

(1) that the United States is endeavoring, in good faith, to negotiate with the Soviet Union a mutual and verifiable agreement with the strictest possible limitations on anti-satellite weapons consistent with the national security interests of the United States.

The President deals with this in paragraphs 1, 2, and 3 of his statement. In response to this first requirement of the law, the President restates his previous position, expressed over the last several years, that:

> A comprehensive ban that would seek to eliminate development, testing, deployment, and use of all means of countering satellites is not verifiable and not in our national security interest. Moreover, no arrangements or agreements beyond those already governing military activities in outer space have been found to date that are judged to be in the overall interest of the United States.

The President goes on to restate his conclusion in slightly different words, as follows:

> We have been unable, to date, to identify a specific ASAT proposal which meets the requirements identified by the Congress in 1984 . . . We will continue to study possible ASAT limitations in good faith to see whether such limitations are consistent with the national security interests of the United States. We are, therefore, acting in conformity with the first certification requirement.

Put in the simplest possible terms, the President's position is that no Asat arms control agreement is in the national interest, and therefore he is under no obligation to attempt to negotiate one, of whatever kind, regardless of the language of the law. However, to avoid undue affront to the Congress, he will "continue to study possible Asat limitations in good faith * * *."

It would be hard to imagine as more stark confrontation between the President and the Congress over a matter of high politicle principal vital to the security of this Nation than the confrontation represented by this certification.

The vital issue, however, is not the Asat, an overpriced and overrated military system of marginal strategic value. In fact, it may well be cancelld by the Pentagon in the near future, as was the similarly marginal Divad system.

The vital issue of high political principal is whether or not this administration, under even the most favorable of circumstances and conditions, will act to restrain the arms race with the Soviets by "* * * endeavoring, in good faith, to negotiate with the Soviet Union a mutual and verifiable agreement with the strictest possible limitations on antisatellite weapons consistent with the national security interest of the United States," as required by the clear language enacted by the Congress. The President's statement that "* * * we will continue to study possible Asat limitations in good faith * * *" is absolutely nonresponsive to the language of the law.

Past administrations, of both parties, have sought in good faith, and frequently achieved, satisfactory and mutually beneficial arms control agreements with the Soviets. This President has taken the view, and expressed it frequently, that arms control agreements of any kind with the Soviets are not in the national interest, that the ones we have should be abrogated, and that no new ones should be entered into.

In accordance with that view, the President's first certification is a pious fraud, a not-very-clever effort to avoid the intent of the Congress by deliberate obfuscation and manipulation of reality. It was probably written by Kenneth Adelman, the President's loyal and subservient Director of the U.S. Arms Control and Disarmament Agency, [ACDA] whose attitude is well expressed in a speech he made before the Boston World Affairs Council—reported in the Boston Globe on June 5, 1985. Mr. Adelman is quoted as follows:

> That [ASAT testing] certification is bull. Is Congress a bunch of Lilliputians trying to tie strings around the executive's hands?

Obviously at least this spokesman for the administration thinks the congressional certification requirement is bull, and that it can therefore be responded to with more bull, and that is what has been done.

It would have been far better, and much easier, for the President to have complied with the law by announcing that he would suspend further Asat testing, as the Soviets have done; or suspend testing after three tests and before the system could be declared operational; and table a proposal at Geneva to end all miniature homing vehicles tests if the Soviets would not further test their coorbital satellite interceptor. That minimum position would satisfy the first congressional certification requirement at no loss to the United States, and would save the taxpayers $4 billion if agreed to by the Soviets. We would not even probe into the issue of whether it was made in good faith.

Such a position would also be much more in our national security interests, which is the subject of the second certification, than would continue testing and deployment of the NHV Asat. It would allow both the United States and the Soviets to continue research on more advanced Asat systems, which we are both doing. This research, already far advanced, will undoubtedly give the United States the potential for a system far more superior to the Soviets than the MHV Asat would be. It would also release DOD funds for an even larger program of satellite survivability, a program on which we have spent billions, and which has already made all but a very small fraction of our military satellites invulnerable to the Soviet coorbital interceptor system. The remainder will be invulnerable to that system in the near future.

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Mr. COUGHLIN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of California. I yield to my colleague, the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Speaker, I want to congratulate my friend and colleague, the gentleman from California, for his leaderhip in the area of Asat testing. I could not agree with him more and I want to associate myself with the gentleman's remarks.

Just today I inserted into the RECORD an editorial from the Philadelphia Inquirer which suggested that certainly it does not make sense to engage in a testing of an Asat system at this time. This is our one real hope for a breakthrough in the area of arms control, because it is the first step toward an arms race in space that could be avoided and could be avoided in a way that is totally verifiable to the United States at no risk to our country because the Soviet antisatellite system, as the gentleman has pointed out, is a very primitive system and not a threat to our security.

Once we test an antisatellite system and have an operational system, heaven only knows where the process goes from there in terms of their wanting to have a system to equal ours and then our wanting to have a better system than theirs.

Here is a chance today. Now it is with us to stop the arms race in space right now by an absolutely verifiable process where we do not test and they do not test.

I just want to congratulate my colleague for his leadership in this for many years. I have appreciated the chance to work together with the gentleman.

Mr. BROWN of California. Well, I certainly want to thank my colleague for his kind remarks and I would be remiss if I did not point out that it is only through the gentleman's own very strong interest in this issue and the work that he has done that we have been able now for the last 2 years to convince the whole House of Representatives that an Asat moratorium and a negotiated Asat treaty is in the best interest of the United States. I hope that the gentleman and I can continue to work together to achieve that goal.

Mr. COUGHLIN. Mr. Speaker, if my colleague will yield further, I certainly look forward to doing that.

I understand that perhaps there has been another delay in the Asat testing. I hope there has, because I think that would enable us to at least keep that before the negotiations that are going on in Geneva and for the talks between the President and the leaders of the Soviet Union.

Mr. BROWN of California. Mr. Speaker, I thank the gentleman again. I think he might be interested in the next paragraph in my remarks, because our position is not an isolated and lonely position. It is in fact a position advanced in a report from this administration which they have disregarded. The position that Mr. Adelman expressed earlier that I mentioned is not the position represented by a report last December from the Arms Control and Disarmament Agency.

Oddly enough, despite the position taken by Mr. Adelman in support of the President's position on Asat arms control, the agency which he heads issued a report last December which supports an Asat treaty. The report states:

> It is the conclusion of this study that arms control measures for anti-satellite weapons can support United States security interests. It must be emphasized that arms control measures are not panaceas and are no substitute for programs to enhance satellite survivability and to monitor Soviet activities with respect to space. Yet survivability measures backed up by an arms control regime will, other things being equal, afford better protection to U.S. satellites than the same measures taken in the context of an unconstrained weapons competition.

Clearly a proposal such as I have suggested, which conforms to congressional intent, and is supported by the ACDA study would likewise strengthen the prospect for further arms control agreements on space weapons, instead of fatally wounding such prospects, and would signal our renewed commitment to the ABM Treaty. Further testing, and eventual deployment, of the MHV Asat goes in the opposite direction, and clearly that is the direction the President has chosen.

Having made these assertions, let me criticize in more detail the language of the President's first certification. The President stated, as I quoted earlier, that:

> . . . a comprehensive ban that would seek to eliminate development, testing, deployment and use of all means of countering satellites is not verifiable and not in our national security interest.

That statement is completely true. A ban on research and development in any field, military as well as civilian, is inherently impossible to verify, and not in the national interest of either the United States or the U.S.S.R. Rhetoric to the contrary is purely rhetoric and should not be considered seriously.

The statement is likewise irrelevant, since the Congress expressed no intent that the President seek a comprehensive ban on research and development. If it had attempted to, I would not have supported it. The President has therefore set up a strawman and demolished it. This may be considered clever by some, but is unbefitting a serious discussion of a vitally important issue.

What is verifiable and in our national security interest is a ban on testing of the current Asat systems on both sides, without which there is no credible possibility of deployment of an effective system. Such verification can be obtained by national technical means—reconnaissance satellites. Such capability for verification is attested to by every knowledgeable observer, and by the fact that we have observed every test of the Soviet coorbital satellite, and the results of each test. The last six tests, incidentally, were all failures, which may be one of the reasons the Soviets are eager to reach agreement banning such systems.

The deployment of the Soviet Asat system can also be verified by the United States through national technical means. We have photographed the missile which launches the system while on the launch pad. Constant observation of the launch pad, or launch pads, is not currently possible, but may be shortly. It is, however, not possible for the Soviets to verify the deployment of our F-15 system because of its small size, the large number of potential F-15 launchers, and the ease of concealing an F-15. If we were to seek a ban on deployment, as well as testing, it would be reasonable to propose onsite inspection in both countries. There is a good possibility the Soviets would accept such a proposal, since in this case they would benefit as much or more than we would. There would be no adverse results for us, and an important principal of onsite inspection and verification would be established, having benefits going far beyond an Asat test ban treaty.

A ban on the use of the current generation of Asat's is, of course, just as easily verifiable as a ban on tests. However, the use of an Asat which has not been thoroughly tested is inconceivable, an act without credible benefit to either side. Nor can an Asat be used if it is not deployed. A ban on testing would provide important advantage to both sides, and its purpose would be to prevent the credible deployment and use of the system. A ban on deployment and use, while somewhat redundant, could contribute to the overall effectiveness of a treaty, particularly if coupled with an onsite verification provision for deployment.

The President, having set up a strawman and demolished it, as a justification for not carrying out the expressed will of the Congress, goes on to the express the more fundamental reason for his failure to negotiate in good faith. He says:

> Moreover, no arrangements or agreements beyond those already governing military activities in outer space have been found to date that are judged to be in the overall interest of the United States . . .

That is the consistent position of the President throughout his life in politics, not only relating to military activities in space, but to all military activities of the United States. His reasons are simple and easily understandable. He feels that arms control treaties hold back U.S. military progress more than the Soviets, that economically and technologically we are superior to them, and as a consequence we should seek to exploit that superiority without restraint. In addition, he feels that the Soviets will seek to cheat on arms control agreements, while we will observe their provisions. Such cheating therefore renders any agreement a nullity, and will give the United States a false sense of security. Within this framework of reality, his position is understandable, even though it may be considered tragically short sighted and mistaken within a different framework of reality.

Within his framework of reality, the President is likewise quite consistent in proceeding apace with the SDI, which if tested or deployed would violate the ABM Treaty. He has no hesitation in making clear that when the day comes that SDI shows signs of bearing fruit, he will give notice of U.S. abrogation of the treaty and proceed at full speed to deploy it in space. In the meantime, he will maintain in all seriousness that the SDI is only a research program. He will avoid the ABM Treaty ban on testing ABM components in space by calling such tests Asat tests, or tests of subcomponents, rather than what they really are.

The President is an able, dedicated, patriotic leader. He is convinced that he is right, and that he must wage a war for the understanding and support of the American people in opposition to those obstructionists in the scientific community, the press, and Congress who seek to thwart him.

Those of us in the Congress who have a different framework of reality must not underestimate the President or the views which he espouses. We must confront them rationally and effectively; and since we are all politicians, we must wage the fight, as he is, for the ultimate purpose of gaining the understanding and support of the American people. We cannot afford to equivocate, compromise or retreat in the face of this confrontation. The American people expect more of their elected leaders.

Thus, the struggle in Congress for a moratorium and then a ban on Asat testing, deployment and use is more than a minor debate over a new military technology. It is, instead, a major battle in a war to establish a new framework of reality for our relations with the Soviets, and a new approach to the problems of nuclear war and human survival on this planet.

The second certification required of the president is—

> (2) that, pending agreement on such strict limitations, testing against objects in space of the F-15 launched miniature homing vehicle anti-satellite warhead by the United States is necessary to avert clear and irrevocable harm to the national security;

The President's response to this requirement is contained in paragraphs

4, 5, 6 and 7 of his statement, as set forth previously.

Prior to making a detailed analysis of this language, three general observations need to be made. First, the President has already said that no Asat agreement is in the interest of the United States and, therefore, he is not proposing one for negotiation with the Soviets. This obviously implies that the time pending before such an agreement with the Soviets could be reached stretches out to eternity, or at least to the end of his administration, which may seem like an eternity to some. The intent of the Congress was that the next Asat test would only be delayed until the President made a good faith effort to negotiate an Asat treaty with the Soviets, which could have occurred within weeks or months. If then no prospects for a treaty were in sight, and the national security would sustain clear and irrevocable harm, the testing could proceed. As a result of the President's position on the first certification we are dealing with two inconsistent timeframes in considering the question of testing. Obviously the congressional requirement that the President certify clear and irrevocable harm to the national security as a result of a relatively short pause in testing has been circumvented by the President's determination not to seek an agreement. His certification on the second point then deals generally with the need for the MHV Asat in the long run, not with harm to security of a short delay in testing, which the Congress sought. In this sense, the President's second certification is irrelevant to the mandate of the Congress, just as his first was.

The second general point is that the Asat test schedule has already been delayed over a year for technical reasons. Either the security of the country has been clearly and irrevocably harmed by this delay, in which case the President should have taken stronger action than he has, or the delay of another few months, or even another year, will be no more of a threat than the existing delay. The Soviets are obviously in no more threatening a position with regard to their co-orbital satellite interceptor than they were 3 years ago, since they have made no further tests in the last 3 years, and their last six tests were all failures.

The third general point has to do with the nature and timing of the next test. The MHV Asat will be tested against a defunct Air Force scientific satellite, not against the instrumented target satellite carefully designed over a period of years, and at a cost of tens of million of dollars, to provide the fullest possible data on the performance of the Asat warhead. The test will obviously be degraded and will provide considerably less than optimum data. A test against the instrumented target, which would provide optimum data, is already scheduled for November, probably after the President's summit meeting with Gorbachev. I would not be able to assert that the timing of the test was planned for its impact on the summit meeting, since I am not privy to the President's inner council. Nor could I say that the intended effect of the test was to further the President's longstanding position that we should reach no agreements on space arms, or any arms, with the Soviets. Conceivably, the President feels that for us to test, in spite of the Soviet's invitation to join in their unilateral test moratorium, will further the cause of arms control. Reasonable people might doubt that this will be the result. However, I think that I can assert that the test makes no major or essential contribution to the success of the Asat program, and certainly is not required to prevent clear and irrevocable harm to the national security.

Now with regard to the specifics of the President's certification that the United States will suffer clear and irrevocable harm to its national security unless the test is conducted: as I said earlier, the President does not even deal with the case that testing today, or next week, is necessary, but with the general need for the MHV Asat. And the first reason we need it is to "deter threats to space systems of the United States * * *." So we reasonably ask, does the Soviet co-orbital satellite interceptor pose a threat to our space systems?

This requires some description of the Soviet system. The first version of the Soviet Asat was equipped with a radar homing device and was tested extensively in space. It achieved no more than 60 percent success in its tests. Gen. Lew Allen, the Air Force Chief of Staff, testified that the system has "a very questionable operational capability." He further stated that "they have not had a test program that would cause us to believe it is a very credible threat." After General Allen's testimony, the Soviets conducted four more tests of the radar-equipped system. Three of the tests were failures, the fourth a partial success. Because even an effective radar guidance system can be frustrated by relatively simple electronic countermeasures, the Soviets then switched to an infrared [IR] homing device, which they tested six times up until 1982. All six of those tests were failures. Leslie Dirks, a former high-ranking CIA official, said "* * * It doesn't work. Anyone who has followed it closely would have to agree." Even absent the incorporation of effective countermeasures in our own satellites, which we are rapidly establishing, it is dubious that the Soviet Union could successfully attack one of our low-orbit reconnaissance satellites, and incur the risk of nuclear war, with such an unproven weapons system. That does not constitute a serious threat to U.S. security interests.

At the time that the Soviets began the development and testing of their Asat, in 1968, the United States had already tested an Asat system in the Pacific, using Thor rockets with nuclear warheads. That system was subsequently deployed and was in place until 1975. The most likely explanation of the Soviet efforts to develop a system is that they were trying to match the effort which we had already made. Our system was, of course, dismantled after we learned that a nuclear explosion in space would knock out our own satellites, as well as the Soviets, and after we signed a treaty prohibiting any nuclear weapons in space. The Soviets continued with testing of their system, using nonnuclear warheads, hoping to get as good a system as we had in 1975.

There are relatively few Members of Congress who were here in the 1960's and 1970's when we had an operating Asat, and even fewer who knew about our Asat system. That system was, incidentally, the fourth system we had tested, but the first that was actually deployed. Today's MHV Asat is the fifth generation of Asat's which the United States has tested over the past 25 years, but the sixth and seventh generation and possibly more, are undergoing laboratory development today and will soon be ready for testing.

You will hear from the Pentagon, or the President, about the 25 years of Asat research, development, testing, and deployment in which the United States has engaged. Nor will you hear about the next two generations of Asat's which are currently in R&D, when DOD officials come to Congress for the $4 to $5 billion they need for the MHV Asat. Instead, they tell you how far ahead the Soviets are, what a great threat their system poses to our space assets, how we must deter them from using theirs by having a better one, et cetera, et cetera. And they will tell you how vital to the national security the system is, right up to the day they cancel it, as was the case with Divad. The next day, of course, they will come in for $8 billion or $10 billion for the next generation system, and will give you the identical story over again.

The reason, quite simply, why we have such a bloated military budget is that the President and the Secretary of Defense feel quite free to use terms like "avert clear and irrevocable harm to the national security," and then define the meaning of that term in any way they see fit. Gullible Congressmen, who have a real and serious concern for the national security, generally will accept the administration's

line without serious analysis of their own. We must learn to do better.

The laughable aspect of the President's use of the deterrence argument in his certification is that the Soviets probably have given up on making a workable system out of their present generation Asat, and have seriously offered a treaty to ban Asat's because they know we are so far ahead of them in sophisticated space technology. That is self-serving and devious on their part, as we might expect, but it is also very much in our interest to accept such a proposal as long as it doesn't constrain further research and development on our part. We are on the verge of perfecting highly accurate and extremely powerful laser and other beam weapons and electromagnetic rail guns, to name two promising technologies which would have infinitely superior Asat capability compared to the MHV Asat.

We believe we can, within the next few years, develop a liquid-hydrogen-fueled hypersonic plane with the capability of flying from Earth into space, departing and landing from almost any airport, and having an efficiency which will reduce the cost of transporting cargo into space to 1 percent of present costs. Such a vehicle has great implications for the deployment of in-orbit Asat's. Our scarce budget dollars should go to the perfection of these multiuse technologies, to giving us world leadership in every promising research area which can contribute both to our economic and military security. To spend huge sums on deploying interim technologies that provide security only to the defense contractors who manufacture them is a waste of money and weakens, rather than strengthens, the United States. Yet that has been the general course we have followed in defense procurement.

The very concept of deterring an attack on one of our satellites by being able to knock one of theirs is a fiction, incapable of rational substantiation. There is no plausible scenarios under which an isolated attack on one of our reconnaisance satellites could take place, except as an integral part of a nuclear exchange with the Soviets. Destroying a reconnaissance satellite vital to maintaining military stability on both sides—but much more important to us—is an act of war, only justified in the event one side is planning to launch a nuclear war. A scenario in which each side destroys the other's reconnaissance satellites, one by one, in a "tit-for-tat" manner is so ridiculous as not to merit serious discussion. This is best evidenced by the fact that we would end up the loser in the exchange. Assuming perfect Asat's on both side's that could, one-by-one, knock out all the other sides satellites, our loss is far grater than the Soviet's because of our greater dependence on satellites. Why play a game you can only lose?

Perhaps it would be useful to elaborate on this point by describing the nature of the Asat-vulnerable satellites on both sides. The most important of such satellites are the photo-reconnaissance and electronic intelligence-gathering satellites. Both sides have them, but ours are at least two generations ahead of the Soviets. Weather satellites in low-polar orbits and a few others are also vulnerable, but none of our nuclear-burst detection, missile-firing detection or communication satellites are vulnerable.

The photo-reconnaissance satellites can take extremely accurate pictures of such important military targets as missile silos, air bases, seaports, communications centers, et cetera. Elint satellites, depending on their sophistication, can identify and collect data from radar emitters, and other electronic signals, including telephone conversations from automobile telephones. The United States earlier generation photo-reconnaissance satellites depend on physical recovery of the exposed film, which would be periodically parachuted to Earth. The Soviets only recently achieved that capability. Previously they had to return the satellite to Earth in order to retrieve the film. As the U.S. satellite exhausted all of its film spools, it would be necessary to send up another satellite, and the one in orbit would be commanded to destruct. We lost a lot of good satellites and cameras that way.

We assume that by now the Soviets have carefully targeted every significant military installation in the United States, just as we have in the U.S.S.R. The most significant difference between the current capabilities of our two systems is that we can now return the satellite photo and electronic data in real time by electronic means using relay satellites in geosynchronous orbit. We do not have to wait for physical recovery of film a week or a month after an event has occurred, as we believe the Soviets do. Nor do we even have to wait for the satellite to come in range of a U.S. ground station. Our station is in geostationary orbit. We do know that the Soviets understand our capabilities, since the manual for the KH-11 satellite was one of the items which they bought from an entrepreneurial U.S. citizen. Only U.S. citizens are deprived of this highly classified information about our satellite capabilities.

Our photo-reconnaissance satellites can sense earth data in a wide range of visible and invisible portions of the spectrum, including infrared and ultraviolet. We can thus determine in real time the existence of tank and troop movements, evacuation of cities, movement of air and naval forces. It has been said by some intelligence sources that we can identify Dolly Parton or Jimmy Durante among a crowd in Red Square. Infrared sensors can detect, by day or night, if factories are operating, barracks are occupied, equipment is moving. The results of such observations can be transmitted within minutes to command centers for evaluation and response.

Obviously this capability, concerning which I have only scratched the surface in this description, gives the United States vitally important, up-to-the-minute intelligence regarding Soviet military activities, and to some degree their intentions, as reflected in both military actions and communications. U.S. command authority has every reason to feel that the Nation is more secure as a result of our technical intelligence collection capabilities, and that the possibility of a sudden, preemptive Soviet military attack is minimal.

The Soviets, as I have mentioned, have no capability of comparable sophistication, but they do not really need it. U.S. newspapers provide the Soviets with the kind of information which we only obtain by technical means or by stealth and subterfuge in the U.S.S.R. Our technical and scientific publications provide the kind of data—pictures and operating characteristics of the MHV Asat, for example—not available about similar Soviet systems. We cannot keep secret even the existence of a small-scale military operation in our neighborhood, such as Cuba or Nicaragua. It would be impossible for us to initiate in secret the activities required for any major military activity on a global scale, and this should provide the kind of security to the Soviets which we get from our superior satellite reconnaissance capability.

Under these circumstances, as I have said before, a successful Soviet attack on our low-orbit reconnaissance satellites would be a serious blow to our national security. A similarly successful attack by the United States on their system would be a minor inconvenience to the Soviets. This turns upside down the conventional concept of deterrence, which demands that we be able to retaliate against any level of attack in such a way as to accomplish unacceptable damage to the aggressor. To achieve a level of damage substantially less than that accomplished by the aggressor provides no deterrence. The Soviet Union would consider it a great victory if they could trade all of their satellites for just a small part of ours. It would be like trading New York City or Washington, DC, for Minsk or Pinsk. How can military planners in good conscience suggest a strategy, such as that represented by the MHV Asat, in which we claim that we might deter the Soviet destruction of a key element in our national security by threatening the Soviets with a minor inconvenience?

The answer, of course, is that military planners are not that stupid. They, or more probably, some less well-informed Presidential speechwriter will put these kinds of arguments into the President's statement, hoping to influence a few gullible Members of Congress. But the real strategy of the military is better disclosed by their plans for insuring the survivability of our satellites, despite any presently conceivable threat from the Soviets. These plans—most of them already being implemented—provide for making our satellites safe from electromagnetic pulse [EMP], lasers, and other radiation; maneuverable so as to avoid kinetic weapons; equipped with threat-warning sensors; capable of being replaced quickly with on-orbit spares, or by immediate launch of replacements from Earth, and other similar survivability programs, including a fight-back capability. Military expenditures on these vitally important measures exceed by a factor of 10 what we have spent on Asat's, and are a rough indication of military priorities. If deterrence is really desirable and important, it will come not from our Asat, but from our ability to destroy their Asat launch centers, or Asat command, control, and communication centers, in the event our satellites are attacked.

This is not to say that some elements of the military do not have a great desire for the MHV Asat. That desire is fundamentally premised on the theory that the United States will ultimately require a war-fighting capability in space, and some kind of Asat is essential to that war-fighting capability. The Navy's desire to knock out the Soviet Rorsat, which I will discuss shortly, is one of the first examples of the military desire to extend into space all of the capabilities they have, or would like to have, on Earth, such as the ability to knock out forward observation posts or warning radars, which are Earth-based counterparts of a Rorsat. This military desire for a war-fighting capability in space will not go away and must ultimately be faced. The Asat fight is a rather trivial side show, but to the military it is the entering wedge for their larger and infinitely more expensive goal.

If one is interested in playing war games, as the deterrence argument would seem to suggest, then we should discuss the most effective way to destroy all at once all the Soviet satellites, including their nuclear blast detection, missile firing detection and communications satellites. This feat is impossible with either of the two Asat systems in existence, but not beyond the reach of current technology. The most effective way would be to launch two shuttles, one in a polar orbit, the other in an equatorial orbit. Each shuttle would be loaded with the necessary number of small nuclear space mines, each space mine equipped with suitable guidance and propulsion systems, much as a communication satellite has today, and with a radio-activated detonator, such as the Soviets probably use on their co-orbital satellite. Each space mine would be launched toward the general vicinity of the target Soviet satellite, those aimed at geostationary and intermediate orbit targets being launched first, since they have the farthest to go. It is not necessary that they hit the target, or even come close, since a nuclear explosion within a few hundred miles will probably disable the satellite.

When all of the mines are in position they could then be exploded simultaneously by radio command from Earth. The two shuttles should be brought back to Earth before the explosions or we lose them also, and our own satellites should be maneuvered to orbits remote from Soviet satellites, or we should be prepared to launch replacements as soon as possible. As soon as all the Soviet's satellites are destroyed, we should plan to launch all of our ground-based missiles at their Soviet targets, and deploy all of our air and sea forces, away from their bases so that they will not be destroyed by the Soviet retaliatory attack. If the Soviets wait for 30 minutes after we knock out all their satellites and launch our missiles, we can then destroy most of their ground-based missiles in their silos, as well as many of their other vital military targets.

To achieve this minimum half-hour wait, we should probably have the President call Gorbachev on the hotline and tell him that the satellite strike was a mistake, and we will replace them all for free. If that ploy is successful, and if we destroy their command, control, and communication modes, they may not be able to order their submarine-based missiles and ground-based mobile missiles that survive to fire. On the other hand, they may not be able to order them not to fire either, and individual commanders, in accordance with previous orders, will automatically target every major population center in the United States. Or they may, of course, fire all their ground-based missiles upon warning of attack, which they would assume an attack on their satellites to be. In which case, we hope to God the SDI works perfectly, because Washington, DC, will be the first target.

Now this is a very plausible scenario, at least compared to a scenario in which each side knocks out the other's satellites one at a time. It is also probably being played over and over again at the Pentagon and at SAC headquarters in Omaha. It is likewise probably being played in Moscow, since they have the same technological capability that we do to make this scenario work. They would be somewhat more restrained than we would, because a larger percentage of our nuclear missiles are on submarines and invulnerable to preemptive attack. However, development and testing of space mine systems to accomplish this scenario can probably take place under a cover of peaceful satellite activity. In the event of an Asat arms race, it is relatively certain that space mines would be next on the agenda for development.

So much for our discussion of the deterrence theory as it relates to the MHV Asat.

The President next discusses the progress of the Soviet laser program and other programs and their potential application as Asat weapons. This is interesting, but irrelevant to the question of how our national security is threatened by not testing the MHV Asat. We have the same research programs, and are at least equal to and probably far ahead of the Soviets. We should continue with our programs, and they undoubtedly will continue with theirs. As I indicated previously, it is probably because they understand the potential of advanced technologies to the Asat mission, and our superiority in developing them, that they have quit testing their co-orbital satellite and are seeking a treaty to ban deployment of all space weapons. We have surpassed the Soviets in every aspect of high technology military uses of space. It is only natural that they would want to restrain the most expensive elements of the race, the deployment of successive generations of space hardware. But our own interests should be identical. We have demonstrated repeatedly our capability to far outpace the Soviets in research and development of advanced systems. We should devote our resources to continuing that lead, rather than wasting resources on unnecessary deployment of intermediate stages of hardware, which are made obsolete in a few years by new R&D.

The underlying fact which should cause us to refrain from making a battlefield out of space is the inherent fragility of all human infrastructures in space. The huge investments we are making, or planning to make, in peaceful civilian development, as well as the vitally important military systems now used to provide stability and enhance peacekeeping, can all be destroyed in an instant by either side. Right now the Soviets would obtain a very one sided benefit from that destruction. Our best strategy would be to encourage and assist them to commit the same level of resources to peaceful space development as we have, so that our losses would at least be equal in space war. But more importantly, we should both insist on preserving space

from becoming a battleground, keep the Asat's, the space mines, the laser battle stations in the science fiction magazines where they belong. And having set that example in space, try to apply it on Earth. We are moving in the opposite direction.

The next reason given by the President in justification of the MHV Asat, if not for the need for immediate testing, really gets down to the meat and potatoes of the issue. The Pentagon is not really worried about deterrence, and I have discussed above some of the reasons. If we can't deter the Soviets with our nuclear missile arsenal, then certainly a minor Asat superiority won't deter them, when we lose if we play the game.

But like all good warriors, the Navy wants to be able to take out the Soviet radar-equipped, nuclear-powered, ocean-observing satellites, Rorsats, which some Navy admirals believe threaten our carrier task forces at sea with their targeting capability. Many other naval experts, in and out of service, discount this argument, for good reasons.

Soviet Rorsats are in position to observe and target U.S. fleets only intermittently. Other location and targeting means are available to the Soviets, such as aircraft, submarines, trawlers, and over-the-horizon radars on land. Satellite radar capability is unreliable and can be seriously degraded by a variety of electronic countermeasures. If systems like the Soviet Rorsat were really useful, the U.S. Navy would have included similar capabilities in their own arsenal, and they have not done so, even though we have technology to do so equal or better than the Soviets. Vice Adm. Gordon Nagler, Director of Command and Control, Office of the Chief of Naval Operations, expressed a common view before the House Appropriations Committee in March 1983, when he said:

> I do not agree with the statement that it is very, very easy to target an aircraft carrier by Rorsat or Elint * * *. We can avoid that. We can really avoid that.

What it boils down to is that the Navy wants anything it can get in the way of marginally useful new technology, just as the Army wanted Divad, and considerations of cost, effectiveness, or strategic necessity and priority are not all that important. The Navy also probably worries a little bit about the high cost and marginal utility of carrier task forces in a central nuclear exchange and thinks that Asat's could play a small role in their survivability. We will probably have more important things to think about when nuclear war finally comes.

I repeat what I said earlier. The Navy, as well as the Air Force and the Army, and probably the Marines before long, want a warfighting capability in space. Navy force can now detect, attack, and destroy enemy submarine and surface forces, aircraft, and land radar installation that can track and locate them. They do not describe these Navy forces as deterrents, but as what they really are, superior warfighting capability, to be used only in case of war. The capability to make an Asat attack on the Soviet Rorsat is precisely the same, and has nothing to do with deterrence. And when war comes the Rorsat will be an absolutely useless piece of junk, either knocked out by nuclear explosions in space, or made useless by the destruction of its ground terminals in the U.S.S.R.

The President does not seem to be really worried with regard to the third certification, that our Asat test and deployment would not gravely impair prospects for negotiations, which he discusses in paragraphs eight and nine of his certification. Since he has already said that he didn't intend to negotiate, his optimism is understandable. Obviously, testing and deployment of our Asat is not going to interfere with negotiations nearly as much as a Presidential refusal to negotiate. He again justifies the testing by reference to the Soviet test of their co-orbital system. Yet, nowhere in his certification does he mention that the Soviets began the development and testing of their system only after the United States had developed and tested its own Asat system, and then had that system fully deployed for a number of years.

This one-sided view taken by the President is, of course, what fuels the never-ending spiral of the arms race. We point to what the other side is doing, yet never acknowledge that the other side justifies its action by pointing to what we have already done. This spiral must end. The President is not contributing to that goal by asserting, as he does, that "we believe that testing can constitute an incentive to the Soviet Union to reach agreement on a wide range of issues and would not impair prospects for a successful conclusion to the negotiations now underway." Such touching faith is admirable if sincere. But such an approach has never worked with the Soviets in the past, and probably will not in the future. And, of course, it does not work when the Soviets try similar tactics on us. We will know for sure when we see the results of the summit meeting in November.

We should comment briefly here on the relevance and purpose of the strategic arms limitation talks [SALT] process over the past generation, for it was aimed at curtailing this senseless spiral. Both sides recognized the difficulties of this process and the results might be marginal. Both sides felt that the primary value of the process was in the opportunities it presented to test the good faith of the other and to move incrementally and by stages toward a stable arms regime which protected the security of each side. Since neither side trusted the other's sincerity completely, and always recognized that some on the other side would never give up the goal of achieving decisive military superiority and eventual military victory over the other, such caution is both understandable and desirable.

Mechanisms, probably inadequate, but certainly capable of improvements, were included to resolve ambiguities and misunderstandings. Some understandings were reached as to certain key sensitivities on each side, such as the onsite inspection sensitivity of the Soviets. SALT was a noble experiment in attempting to achieve bilateral security arrangements, just as the League of Nations and the United Nations were noble experiments in trying to achieve multilateral political and security arrangements. All of these required that, on both sides, there be statesmen with a vision of a future peaceful world, who could help maintain the vigor and the momentum of the institutional processes.

What we have seen is the opposite. Those of little vision have usurped the processes and seek to use them for the old and discredited goals of achieving national military superiority, rather than joint or collective security. The minimum levels of confidence required to make the processes work are being steadily eroded. The goals on both sides are now more how to appear to support the goals of negotiations toward mutual security, rather than to support them in reality. Neither side wishes to forgo the political support of the masses in their own country and around the globe who desire peace and fear the nuclear holocaust to come.

Asat tests and deployment, negotiations in Geneva on nuclear and space arms, the SDI and the November summit must all be seen in this framework. The perceptual engineers on both sides are working diligently to win a war of illusions.

The last certification required of the President is that the test will not violate the ABM Treaty. The President responds in the two sentences of paragraph 10 of his certification.

> The testing against objects in space of the U.S. F-15 MHV Asat system will not give the system the capability to counter strategic ballistic missiles or their elements in flight trajectory and will not constitute a test in an ABM mode. Therefore, such testing is not prohibited by the ABM Treaty.

His statement is partially true, but neglects the real impact of the test. Development of the MHV was initiated many years ago as a part of research on ABM systems. It was magically transformed into an antisatellite weapon and mated with the F-15 as a launch vehicle as Asat research and development funding became more generous and ABM funding languished after the ABM Treaty. In the eyes of those supporting a space-based ABM system, which is the anticipated end result of SDI, the MHV is a key ingredient in at least one tier of a four-tiered space and ground-based ABM system. In its new ABM resurrection, the MHV would be modified to be launched from a satellite, and thousands would be stationed aboard a fleet of satellites, to be launched during the midcourse trajectory of incoming enemy missiles. Perfection of the MHV through testing in an Asat mode serves perfectly the goal of the President to seek prompt deployment of a space-based ABM system. Assertions to the contrary merely indicate the cleverness of the administration in circumventing the well-known position of the Congress to maintain and strengthen the ABM Treaty.

We have now discussed the President's certification with regard to Asat tests in some detail, but by no means exhaustively. The underlying issue remains, should we negotiate with the Soviets on issues of arms control?

The subject of arms control agreements with the Soviets will always be complex and difficult. There are many Members of Congress who agree with the President that no Asat arms control agreement is in the national interest. Many of these members also agree with the President that SALT I, SALT II, the ABM Treaty, and all other arms control agreements with the Soviets do not serve the national interest.

There is a strong and legitimate case to be made for this position. As a practical, fact past and present arms control treaties have not constrained the arms race or increased national security. The most that can be said for them is that they may have temporarily restrained certain categories of arms expenditures, ABM systems for example, while other more mature systems proceeded at an accelerated pace. Arms control negotiations in the past, and today, take up enormous amounts of the resources and skilled manpower of our country, and presumably of the Soviets, for reasons not really related to a desire for arms control. Many in both nations, unfortunately, look upon arms control negotiations and arms control agreements, when reached, as merely another aspect of the mortal struggle in which they are engaged. Their purpose is to gain relative advantage over the other. There is little concept of mutual benefit, benefit to the community of nations, or benefit to future generations of mankind. Or rather, perhaps I should say that the view of many on each side is that the community of mankind and future generations will benefit most if the r ht side—their side—prevails
ly over the other.
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hunger among the masses of its citizens for a world free from war. That hunger runs through all of humanity as it contemplates the tragedy of past wars, the wastefulness of the preparation for war, and the potential destruction of the human race in a future war. The political power of this great hunger can be seen and measured in every society. The leaders of the superpowers must make obeisance to this hunger, even as they maneuver to undermine, subvert and defeat the other. The success of our leaders in coopting the desire of the masses for peace into support for the military posture of each country becomes an element in the struggle for global superiority.

Mutually beneficial arms control agreements under these circumstances are highly unlikely. Even the process of attempting such agreements may lead to bitterness, cynicism, and a feeling of hopelessness among the idealists in Congress and throughout the world; a rejection of politics and politicians; possibly a retreat into mysticism or quietism; or, for some, a decision to engage in terrorism and senseless destruction to compensate for the failure of hope.

I venture briefly into the complexities of this discussion of arms control in general because the posture of the President on Asat arms control presents the problem in all of its starkness. If we cannot face it here, then arms control as a means to security and peace is doomed, and the Congress must face that fact. The gradual development of a climate of mutual trust and confidence, a major goal of the supporters of the SALT process, becomes an illusion.

Those who have supported arms control over the years are not all naive idealists. Some are quite pragmatic politicians and, on occasion, even statesmen. They have not sought arms control as a way to gain military superiority or to maneuver the peaceful sentiments of humanity for their own ends. They believe with all their hearts that unrestrained arms competition will, as it has throughout history, result in war. In today's world that war may be our last.

Nor do these supporters of arms control see these agreements as panaceas or an end to superpower rivalry and competition, or an acceptance of the superiority or even the desirability of the other side's political, economic, or social system. Most expect the competition to continue, and believe firmly in the superiority of their own system, and that that superiority will result in the continued strengthening of their systems and the eventual elimination or radical transformation of all competing systems. They believe so strongly in the superiority of their own systems that they are willing to compete in every arena of human activity, not merely in the arena of war. The reason is simple. Of all the arenas of competition, military confrontation and war hold the least promise for the survival of our system or for humanity.

From a pragmatic standpoint of national security, engaging in an arms race, or a military confrontation with the Soviets plays to their strength and to our weakness. As a totalitarian society under military threat, they are more able to devote the best of their limited economic resources to the continued development of their military power. As a democratic nation with noncredible aggressors on our boundaries, or even in our hemisphere, we have greater difficulty in maintaining the posture of a beleaguered nation under threat—a posture essential to the continued public sacrifice required in a militarized nation. We are experiencing these difficulties now, in connection with the fiscal year 1986 military budget. The Soviets experience no similar difficulties.

We are a technologically complex, highly specialized and highly centralized society. We have sacrificed simplicity and survivability for the presumed advantages of complexity. As a comparatively less developed and more dispersed society, the Soviets have an advantage in survivability and recuperation in the event of an all-out nuclear war. A totalitarian political and economic system would be required for the regeneration of all societies after a nuclear exchange. They have it. We do not.

As a self-contained and relatively self-sufficient continental land mass with interior lines of transportation and communication, they have an advantage in defense in depth which they have used effectively for centuries. For the United States to maintain a credible offensive military posture, it must control the global oceans and be able to move troops and supplies over global distances. U.S. command, control, and communication require satellite capability to a far greater extent than does the Soviet situation.

Our strength is in our ability to appeal to the highest aspirations of humanity, as it has been for centuries, and to contribute to the achievement of those aspirations throughout the world. Those who would attempt to defeat the Soviets by emulating them in their crude strategies of repression, secrecy, brutality, subversions, deception, control of political and social ideologies, and restrictions on scientific and technological exchange, are betraying the promise of American democracy and are doomed to failure. Our example of individual freedom, opportunity, respect for human rights, concern for the welfare of all citizens and commitment to growth and change, constitute our greatest

weapon in humanity's perpetual struggle against tyranny and injustice. Instead of using that weapon to the fullest, we are presumptuous enough to think that we can fight evil with evil, destruction with destruction. As a consequence, more and more of the world's population are rejecting both of the superpowers, seeing only tragedy and futility from becoming aligned with either.

In conclusion, we in the Congress must deal with both the broad question of how we reverse the deterioration in the SALT process, and with the erosion of the principles of collective security, and how we deal with the narrow question of the flagrant and insulting confrontation of the Congress by the President, as represented by his response to the certification requirement for an Asat test. I will leave the broad question for later discussion by those better qualified than I am, and deal here only with the congressional response to the President's Asat certification.

There are two actions that we could take that probably would be fruitless. A minimum-level response would be a joint resolution expressing the sense of the Congress that the President's certification was a fraud and nullity, nonresponsive to the congressional mandate. Even if passed, it would be of no legal effect and the President would disregard it. It might be a vehicle for some impassioned speeches in both the House and the Senate, but little else.

At the opposite end of the spectrum, articles of impeachment could be introduced in the House, and acted on by the Judiciary Committee. These articles would recite the failure of the President to well and faithfully execute the law, as required by his oath of office. Specific citations are numerous, going well beyond the Asat certification and including failure to prosecute violations of the Neutrality Act, the Boland amendment, the U.N. Charter, and the Charter of the Organization of American States [OAS]. The successful prosecution of an impeachment proceeding is highly unlikely at the present time, but the possibility must not be neglected.

More practical alternatives exist. The first of these would be to reject the conference report on the defense authorization bill, sending it back to conference with a demand that the position of the House on Asat tests be upheld. The House provided for a 1-year moratorium on tests if the Soviets refrained from testing. It was the Senate language which contained the now-discredited certification requirement. Since such language is an obvious nullity, it is mandatory that it be removed.

A second alternative is to use the vehicle of the military appropriations bill to work the will of the Congress on the executive branch. This can be done in either of two ways. First, repeat the House language calling for a moratorium on Asat testing. Second, strike all funds for the MHV Asat and cancel the program. A more reasonable use of the funds, if desired, would be to enhance R&D funds for next-generation Asat's and for satellite survivability options.

I would personally recommend that we do all of the above. That is, reject the conference report on defense authorizations; include Asat test moratorium language in the appropriations bill, or continuing resolution if that should develop; and kill the Asat Program. I invite my colleagues to give their serious consideration to all of these alternatives, so that in the days ahead, we may evolve a workable strategy for responding to the President, as he continues to flaunt the will of Congress.

□ 1710

A FACTFINDING MISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. Ray] is recognized for 30 minutes.

Mr. RAY. Mr. Speaker, I've just returned from a factfinding mission during the August recess, at taxpayers expense, in the 21 counties of my congressional district in Georgia.

The Third Congressional District has 4 percent of its population engaged in agriculture and the production of food. This compares to 1.4 percent of the total population nationwide.

I held a series of sessions with the beef and dairy cattle farmers and with those who are engaged in general farming.

I'm very concerned with the dispirited and discouraging frame of mind that I found among these groups. Their average age, nationwide, is 50 years old and many are not encouraging the younger generation to enter into an agricultural career.

I was unable to offer them assurance that things would be greatly improved upon the passage of the 4-year farm bill which is now being considered by the House and Senate Agriculture Committees.

However, Mr. Speaker, I do support the Glickman amendment to the farm bill. This amendment would establish a national commission on agricutural policy to review and examine the current farm situation in this country and make recommendations for consistent, long-term farm policy.

This is an idea which I have advocated many times in speeches before this House. In fact, I introduced House Concurrent Resolution 131 urging that a national commission be established, and 91 of my colleagues have joined me in cosponsoring this resolution. This resolution is still bottled up in the Agriculture Committee and Congressman Glickman is a cosponsor.

I am genuinely concerned that American agriculture as we know it is rapidly deteriorating and the vigorous farm economy that we once enjoyed is disappearing. To handle this growing crisis, I believe that a united effort is needed.

I believe that agricultural experts from around the country should be called together to address the long-range concerns of the American agricultural industry.

Therefore, Mr. Speaker, I support Congressman Glickman's proposal for a National Agriculture Commission and urge my colleagues to support it, too, because we must give our farmers as much hope as is possible.

Another serious concern in the Third Congressional District is the textile industry.

Until recently, this industry which founded the "industrial revolution" was the largest producer of manufactured goods in my district.

For the last 3 years, basic textile manufacturing plants, as well as apparel plants, have been closing their doors at an alarming rate. I'm told that nationwide, we have lost 50 percent of our manufacturing capacity which endangers national security.

The small community of Manchester, GA, just a short distance from Roosevelt's little white house at Warm Springs, lost its major textile plant several months ago, wiping out 750 jobs. The plant had opened in 1910.

During the August recess, while I was at home, one of the remaining plants in operation for 30 years, announced that it was closing its doors because of foreign imports of foundation wearing apparel and garments.

I'm told that many of the workers, mostly women, who had spent the majority of their lives in this plant were openly weeping.

Mr. Speaker, it grieves me to see these two vital American industries—agriculture, and the textile industry, going down the drain.

I would submit that countries such as Japan, France and Germany Denmark, Sweden and others would act to save themselves, and this Congress and this administration seems to simply fiddle while Rome burns.

As serious as these concerns are, there is a situation which is of more concern to my constituents and I would believe that it applies nationwide.

I refer to the ever increasing Federal debt and the deficit.

This matter seems to be on every groups mind, and they were extremely frustrated with the inability of the Congress to address this issue in the last budget resolution passed August 1.

There were accusations from my constituents that the Congress is not serious about cutting Federal spending.

That Congress is accepting deficit financing as a way of life.

Questions, such as: When is the Congress going to take action?

And just tell me, Congressman, why you and your colleagues can't get your act together on this serious matter?

One of my constituents told me that he thought I was doing a good job, but that unfortunately, in his opinion, I would have to be put out of office along with all of the rest of the rascals, in order to send a message to Congress. The rascals being Member's of Congress.

Several weeks ago, I mailed a questionnaire to 204,000 households in my district.

I want to share a representative sampling of the results. As follows—those who wanted to: Protect senior citizens were 5 percent, reduce unemployment were 5 percent, strengthen our defense were 8 percent, reduce the Federal deficit were 77 percent.

I think this points out the mood of the people, which the national polls also confirm.

Mr. Speaker, I recently cosponsored the Leath, MacKay, Slattery amendment, which I thought clearly addressed the deficit more seriously than the recent House/Senate Budget Committee resolution did.

I want to make the following observations.

This amendment would have cut the 1986 deficit by more than $70 billion, instead of the $55 billion, which the House/Senate conferees have cut. Some smoke and mirrors were allegedly used in the process, as some see it.

In my opinion, the 1986 budget resolution is merely better than no budget at all—but it is not a good budget.

It does not take advantage of the supportive mood of America which shouts out in no uncertain terms—"Congress, get our house in order."

It will not make a deep impact on the deficit and unfortunately, it means that for 1986, we will continue the policy of spending $5 for each $4 of revenue.

An extremely disturbing paragraph in the budget document predicts that the Congress will once again raise the debt limit from its already record breaking limit of $1.8 trillion to $2.5 trillion by 1988. Mr. Speaker, I will find it difficult to vote for this measure along with many of my colleagues.

The American people are bound to be frustrated and at their wits end, at the seeming inability of Congress to cope with this disastrous situation which is feeding the trade deficit, mortgaging the future of generations and developing a new entitlement program in the interest due on the national debt which will soon consume 20 cents of each tax payers dollar.

What is the problem? Why can't we cope with this serious concern—when we examine the attitudes of the administration and the Congress we find that the President wants to curb Federal spending and blames the Speaker of the House, Mr. O'Neill and the Democratic Congress for runaway spending.

The Speaker of the House points out that the national debt has doubled under President Reagan from $925 billion to a debt limit of $1 trillion, $800 billion.

The liberals, are pointing fingers at conservatives and saying, "Its all your fault."

The conservatives are pointing fingers at the liberals and saying, "Its all your fault."

As near as I can tell, all 535 Members of the House and Senate, me included, want the budget balanced. So what is the trouble?

I believe that we can get a hint at the problem when we examine the results of the Leath, Slattery, MacKay amendment.

It would have stopped the indiscriminate growth of the Pentagon budget, yet, it would not have harmed an adequate defense.

It would have addressed the entitlement trap that we find ourselves in, but it would not have violated the basic commitments that we have to Social Security, veterans benefits, and civilian retirees.

It would have protected the poor and would have supported education in an appropriate manner.

It would have closed the loopholes on companies and people who make millions and billions and pay no taxes.

It would have probably prevented increasing the debt limit to $2½ trillion in 1988 because it would have cut the deficit by $350 billion in 3 years.

Finally, among other things. it would have addressed head-on forthrightly, and fairly, the real problem—our massive Federal deficit!

The amendment gave the Congress what we say we've been looking for—an opportunity to stand up and to be counted—to tighten our belts and to do what the people of America are demanding that we do—to slow down this irresponsible deficit and bring it to a halt.

It had every reason to be considered—it was well thought out and double checked by the Budget Committee and the Congressional Budget Office. Yet, it received only 56 votes—(41 Democrats and 15 Republicans) with a total of 372 voting against the amendment.

Now why didn't we support the amendment?

Perhaps a lack of intestinal fortitude, or——

Did it cut too deep into national defense, for some?

Were some concerned because it temporarily froze the cost of living for retirees?

Did the references to revenue enhancement or a tax increase scare some away?

No doubt, some Members voted with the majority, believing that you can't go wrong politically, voting for a lopsided measure.

The answer is—all of the above.

And also perhaps many faced up to the real problem: It might be politically risky.

Well, I'm proud to say that I voted for it, because in the words of Congressman Marvin Leath in the final debate of the amendment, he said, "the number one problem is so big, so dangerous, so threatening, that we, as a Congress are going to have to take some risks.

He went on to say that "I have never found an ounce of risk in being responsible."

My friends, there is another group to blame—"the American people" and their special interest groups who are in favor of a balanced budget and fiscal responsibility, and tax reform, as long as we do not cut into their special interest.

Its my opinion that as long as we look to the next election, and try to walk the narrow lines of pleasing and voting to suit these various groups—we will not make progress in our desires to return our country to a sound fiscal and trade policy.

I sense that the voters of America are getting fed up! That they don't care whose fault it is—they just want Congress to carry out our responsibilities and to solve the problem.

I believe that the checks and balance system built into our Constitution by our Founding Fathers, does work and will eventually work in this case.

I firmly believe also, that eventually there will be such an uprising and outcry by the American people against the fiscal policy we are practicing, that the Congress will respond.

It is possible that many of us will be replaced by the voters in the process, and its true that some of us who are "voices crying in the wilderness" will be carried out with the flood!

But until the pendulum begins to swing the other way, we should, as a body, resolve to vote in a consistent manner and to carry out a commonsense policy against fiscal irresponsibility, ignoring partisan policies when necessary.

We should never forget the freedom and advantages which we have as Americans and that is now being undermined and threatened by a massive debt that has now forced America into the category of a debtor nation. Nevertheless, we must be upbeat and proud to stand up for our country.

America, right or wrong, is our country, with the freedom to say what we believe, the freedom to condemn the government, the freedom to make these comments on the floor of the House of Representatives which we could never do in the Soviet Union and other Eastern bloc countries, and the freedom to put into or out of office, elected officials that we do not agree with, which is a tool that our constituents may choose to use, if we don't address the deficit problem.

We have a right to be a proud Nation and we do indeed have a lot to be proud of. So let us as Members of Congress decide now to put our shoulders to the wheel, as we know Americans can do, and resolve these troubling problems.

Mr. Speaker, this concludes my report on my August factfinding trip.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
August 20, 1985.

Hon. Thomas P. O'Neill, Jr.,
Speaker, House of Representatives, Washington, DC.

Dear Mr. Speaker: On July 25, 1985, I informed you that I had been served with a subpoena issued by the United States District Court for the District of Columbia.

In consultation with my General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

Benjamin J. Guthrie,
Clerk, House of Representatives.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Jones of North Carolina (at the request of Mr. Wright), for this week, on account of official business.

Mr. Bevill (at the request of Mr. Wright), for this week, on account of medical reasons.

Mrs. Boggs (at the request of Mr. Wright), for this week, on account of serving as a delegate to the meeting of the Inter-Parliamentary Union.

Mr. Hyde (at the request of Mr. Michel), for today and balance of week, on account of serving as a delegate to the meeting of the Inter-Parliamentary Union.

Mr. Hunter (at the request of Mr. Michel), for today and the balance of the week, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Kolbe) to revise and extend their remarks and include extraneous material:)

Mr. Goodling, for 60 minutes, today.

Mr. Gilman, for 60 minutes, on October 16.

Mr. Craig, for 60 minutes, on September 10.

Mr. Craig, for 60 minutes, on September 11.

Mr. Craig, for 60 minutes, on September 12.

Mr. Molinari, for 60 minutes, on September 11.

(The following Members (at the request of Mr. Chapman) to revise and extend their remarks and include extraneous material:)

Mr. Crockett, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Panetta, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Alexander, for 30 minutes, today.

Mr. Brown of California, for 60 minutes, today.

Mr. Ray, for 30 minutes, today.

Mr. Gaydos, for 30 minutes, today.

Mr. Crockett, for 5 minutes, on September 5.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Kolbe) and to include extraneous matter:)

Mr. Green.
Mr. Grotberg.
Mr. Coughlin.
Mr. Courter in two instances.
Mr. Gunderson in two instances.
Mr. McKernan in two instances.
Mr. Daub in two instances.
Mr. Broomfield in five instances.
Mr. Fawell.
Mr. Swindall.

(The following Members (at the request of Mr. Chapman) and to include extraneous matter:)

Mr. Anderson in 10 instances.
Mr. Gonzalez in 10 instances.
Mrs. Lloyd in five instances.
Mr. Hamilton in 10 instances.
Mr. Brown of California in 10 instances.
Mr. Annunzio in six instances.
Mr. Jones of Tennessee in 10 instances.
Mr. Boner of Tennessee in five instances.
Mr. de la Garza in 10 instances.
Mr. Stark in six instances.
Mr. Lehman of Florida.
Mr. Dyson in four instances.
Mrs. Boxer.
Mr. Traficant.
Mr. Fuster.
Mr. Markey.
Mr. Frank in two instances.
Mr. Rahall.
Mr. McHugh in two instances.
Mr. Panetta.
Mr. Gaydos.
Mr. Yatron.
Mr. Coelho.
Mr. Coleman of Texas.
Mr. Hall of Ohio.
Mr. Fauntroy.
Mr. Schumer.
Mr. Leland.
Mr. Vento.
Mr. Berman.
Mr. Hubbard.
Mr. Studds.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration. reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H.R. 2068. An act to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes;

H.R. 2370. An act to amend the Public Health Service Act to extend the programs of assistance for nurse education;

H.R. 2577. An act making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes;

H.R. 2908. An act to amend title XI of the Education Amendments of 1978, relating to Indian education programs; and

H.J. Res. 251. Joint resolution to provide that a special gold medal honoring George Gershwin be presented to his sister, Frances Gershwin Godowsky, and a special gold medal honoring Ira Gershwin be presented to his widow, Leonore Gershwin, and to provide for the production of bronze duplicates of such medals for sale to the public.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 960. An act to authorize international development and security assistance programs and Peace Corps programs for fiscal years 1986 and 1987, and for other purposes;

S. 1147. An act to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and related laws;

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379, in the United Nations General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resoluton from the record of the United Nations;

S.J. Res. 137. Joint resolution to designate the week of December 15, 1985, through December 21, 1985, as "National Drunk and Drugged Driving Awareness Week"; and

S.J. Res. 168. Joint resolution designating August 13, 1985, as "National Neighborhood Crime Watch Day."

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On August 2, 1985:

H.J. Res. 164. Joint resolution to designate August 4, 1985, as "Freedom of the Press Day."

On August 8, 1985:

H.R. 2058. An act to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board of International Broadcasting, and for other purposes;

H.R. 2370. An act to amend the Public Health Service Act to extend the programs of assistance for nurse education;

H.R. 2577. An act making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes;

H.R. 2908. An act to amend title XI of the Education Amendments of 1976, relating to Indian education program; and

H.J. Res. 251. Joint resolution to provide that a special gold medal honoring George Gershwin be presented to his sister, Frances Gershwin Godowsky, and a special gold medal honoring Ira Gershwin be presented to his widow, Leonore Gershwin, and to provide for the production of bronze duplicates of such medals for sale to the public.

ADJOURNMENT

Mr. RAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 17 minutes p.m.), the House adjourned until tomorrow, Thursday, September 5, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1816. A letter from the Secretary of Agriculture, transmitting a report on agricultural research, extension, and teaching activities, pursuant to Public Law 95-113, section 1410 (95 Stat. 1302); to the Committee on Agriculture.

1817. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Federal Meat Inspection Act, the Poultry Products Inspection Act and the Egg Products Inspection Act to increase the authority of the Secretary of Agriculture to refuse to provide, or withdraw, inspection service, and to authorize the Secretary to determine the degree of inspection to be conducted in meat, poultry, and egg processing plants, and for other purposes; to the Committee on Agriculture.

1818. A letter from the Acting Director, Office of Management and Budget, transmitting the supplementary summary of the budget for the ensuing fiscal year, pursuant to 31 U.S.C. 1106(a)(1) (H. Doc. No. 99-99); to the Committee on Appropriations and ordered to be printed.

1819. A letter from the Acting Director, Office of Management and Budget, transmitting a cumulative report on rescissions and deferrals of budget authority, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 99-96); to the Committee on Appropriations and ordered to be printed.

1820. A communication from the President of the United States, transmitting a fiscal year 1985 budget supplemental of the District of Columbia budget, pursuant to Public Law 93-198, section 446 (87 Stat. 806); Public Law 98-473, section 101(b) (98 Stat. 1837) (H. Doc. No. 99-97); to the Committee on Appropriations and ordered to be printed.

1821. A letter from the Acting Comptroller General, General Accounting Office, transmitting a review of a deferral of budget authority from the U.S. Information Agency as contained in the President's July message (H Doc. 99-90), pursuant to 2 U.S.C. 685 (H. Doc. No. 99-98); to the Committee on Appropriations and ordered to be printed.

1822. A letter from the Acting Director, U.S. Information Agency, transmitting a report on the over-expenditure of funds allotted to the U.S. Information Service in Pretoria, South Africa, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

1823. A letter from the Secretary, Railroad Retirement Board, transmitting a report of a violation in the fiscal year 1985 "Railroad Social Security Equivalent Benefit Account," pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

1824. A letter from the Acting Assistant Secretary of Defense (Comptroller), transmitting a supplemental report of development and procurement schedules for each weapon system for which authorization is required for the period between September 1 to October 31, 1985, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

1825. A letter from the Acting Deputy Assistant Secretary of Defense for Logistics and Communications, transmitting notice of decision to convert to contractor performance the source data entry function at Kelly Air Force Base, TX, pursuant to 10 U.S.C. 2304 note; to the Committee on Armed Services.

1826. A letter from the Acting Secretary of the Navy, transmitting notification that the increase in the fiscal year 1985 procurement unit cost of the Phoenix missile is due to a reprogramming action associated with a second source of production, pursuant to 10 U.S.C. 139(b)(3)(A); to the Committee on Armed Services.

1827. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice that the Department of the Navy plans to study the conversion from in-house operation to commercial contract various functions in California, Florida, Illinois, and Virginia, pursuant to 10 U.S.C. 2304 note; to the Committee on Armed Services.

1828. A letter from the Assistant Secretary of Defense, transmitting a review of special pay for health professionals, pursuant to 37 U.S.C. 303a(c); to the Committee on Armed Services.

1829. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a listing of contract award dates for the period September 1, 1985 to October 31, 1985, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

1830. A letter from the Assistant Secretary of Defense (Comptroller), transmitting the selected acquisition reports [SAR] and SAR summary tables for the quarter ending June 30, 1985, pursuant to 10 U.S.C. 139a(b)(1) and (f) (96 Stat. 740); to the Committee on Armed Services.

1831. A letter from the Deputy Assistant Secretary of Defense for Logistics and Communications, transmitting notice that the telephone switchboard at Tinker Air Force Base will be converted to contractor performance, pursuant to 10 U.S.C. 2304 note; to the Committee on Armed Services.

1832. A letter from the Deputy Chief, Program Liaison Division, Office of Legislative Liaison, Department of the Air Force, transmitting a report on research and development contracts over $50,000 for the Air Force, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

1833. A letter from the Chairman, National Advisory Council on International Monetary and Financial Policies, transmitting the Council's annual report, pursuant to 22 U.S.C. 284b, 285(b), 286b(b)(5), (6), 286b-1, 290i-3; to the Committee on Banking, Finance and Urban Affairs.

1834. A letter from the Secretary of the Treasury, transmitting the annual report on the operations of the Exchange Stabilization Fund for fiscal year 1984, pursuant to 31 U.S.C. 5302(c)(2); to the Committee on Banking, Finance and Urban Affairs.

1835. A letter from the Treasurer of the United States, transmitting a report on activities relating to the minting of 1984 Los Angeles Olympic Games' coins, pursuant to Public Law 97-220, section 11; to the Committee on Banking, Finance and Urban Affairs.

1836. A letter from the Auditor, District of Columbia, transmitting a report entitled, "University of the District of Columbia President's Representation Fund Fiscal Year 1984 Annual Report," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

1837. A letter from the Auditor, District of Columbia, transmitting the annual audit of the D.C. Lottery Charitable Games Control Board for fiscal year 1984, pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

1838. A letter from the Auditor, District of Columbia, transmitting a report entitled, "Revenue Report for May 1985," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

1839. A letter from the Auditor, District of Columbia, transmitting a report entitled, "University of the District of Columbia President's Transition Account Expenditures," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

1840. A letter from the Chairman, Council of the District of Columbia, transmitting District of Columbia Act 6-72, "Youth Rehabilitation Amendment Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1841. A letter from the National Advisory Council on Indian Education, transmitting the annual report of activities, pursuant to Public Law 92-318, section 442(b)(6); to the Committee on Education and Labor.

1842. A letter from the Secretary, Department of Education, transmitting final regulations for the Research in Education of the Handicapped Program, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1843. A letter from the Secretary, Department of Education, transmitting final funding priorities for research fellowships, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1844. A letter from the Secretary, Department of Education, transmitting final regulations for the Emergency Immigrant Education Program, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1845. A letter from the Secretary, Department of Education, transmitting final regulations for Training of Interpreters for Deaf Individuals Program, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1846. A letter from the Secretary, Department of Education, transmitting final regulations for the Library Services and Construction Act—State-Administered Program and direct grant programs for Indian tribes and Hawaiian natives, foreign language materials acquisition, and literacy, pursuant to GEPA, section 431 (d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1847. A letter from the Secretary, Department of Education, transmitting final regulations for Bilingual Education: State Educational Agency Program, pursuant to GEPA, section 431 (d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1848. A letter from the Secretary, Department of Education, transmitting final regulations for Bilingual Education: Fellowship Program, pursuant to GEPA, section 431 (d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1849. A letter from the Secretary, Department of Education, transmitting final regulations for Assistance for Local Educational Agencies in Areas Affected by Federal Activities and Arrangements for Education of Children Where Local Education Agencies Cannot Provide Suitable Free Public Education, pursuant to GEPA, section 431 (d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1850. A letter from the Secretary, Department of Education, transmitting final regulations for the National Graduate Fellows Program, pursuant to GEPA, section 431 (d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1851. A letter from the Secretary of Education, transmitting final amendments for the State Vocational Education Program and Secretary's Discretionary Programs of Vocational Education, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1852. A letter from the Secretary of Health and Human Services, transmitting the annual report for fiscal year 1984 of the Administration on Aging of the Department of Health and Human Services, pursuant to Public Law 89-73, sections 206(d) and 423(c) (92 Stat. 1515; 95 Stat. 1596); to the Committee on Education and Labor.

1853. A letter from the Secretary of Agriculture, transmitting the annual Horse Protection Enforcement Report, pursuant to Public Law 91-540, section 11 (90 Stat. 920); to the Committee on Energy and Commerce.

1854. A letter from the Department of Energy, transmitting the quarterly report on the Strategic Petroleum Reserve for the period of April through June 1985, pursuant to EPCA, section 165(b) (95 Stat. 620); to the Committee on Energy and Commerce.

1855. A letter from the Secretary of Energy, transmitting the annual report on the State Energy Conservation Program for calendar year 1984, pursuant to EPCA, section 365(c); to the Committee on Energy and Commerce.

1856. A letter from the Secretary of Health and Human Services, transmitting the twelfth report of the National Heart, Lung, and Blood Advisory Council, pursuant to PHSA, section 418(b)(2) (90 Stat. 404); to the Committee on Energy and Commerce.

1857. A letter from the Secretary, Securities and Exchange Commission, transmitting the fourteenth annual report of the Securities Investor Protection Corporation for the year 1985, pursuant to Public Law 91-598, section 7(c)(2); to the Committee on Energy and Commerce.

1858. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of a proposed license for the export of defense articles or services sold commercially under a contract in the amount of $50 million or more to Egypt, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

1859. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of a proposed license for the export of defense articles or services sold commercially under a contract in the amount of $50 million or more to British Aerospace, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

1860. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of intent to issue commercial export license for the sale of certain defense equipment to the Government of Canada, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

1861. A letter from the Acting Director, Agency for International Development, transmitting justification of an increase in the funding level of the proposed fiscal year 1985 program in Rwanda, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

1862. A letter from the Director of Legislative Affairs, Agency for International Development, transmitting justification of an increase in assistance in Zambia, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

1863. A letter from the Director of Legislative Affairs, Agency for International Development, transmitting justification for an increase in assistance in Malawi, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

1864. A letter from the Director, Defense Security Assistance Agency, transmitting a report on a proposed lease of defense articles to Turkey (Transmittal No. 8-85), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1865. A letter from the Director, Defense Security Assistance Agency, transmitting a report on a proposed lease of defense articles to Turkey (Transmittal No. 10-85), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1866. A letter from the Director, Defense Security Assistance Agency, transmitting a report on proposed lease of defense articles to Turkey (Transmittal No. 11-85), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1867. A letter from the Director, Defense Security Assistance Agency, transmitting a report on a proposed lease of defense articles to Turkey (Transmittal No. 9-85), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1868. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting a justification for the proposed modification in the assistance proposed for Mozambique for fiscal year 1985, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

1869. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting a justification of an increase in the funding level in Ghana for fiscal year 1985, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

1870. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting a report on amounts obligated and expended in Nicaragua for international security and development assistance, pursuant to Public Law 97-113, section 724(e) (95 Stat. 1553); to the Committee on Foreign Affairs.

1871. A communication from the President of the United States, transmitting a bimonthly report on progress toward a negotiated solution of the Cyprus problem, including any relevant reports from the Secretary General of the United Nations, pursuant to 22 U.S.C. 2373(c); to the Committee on Foreign Affairs.

1872. A letter from the Secretary of State, transmitting the semi-annual reports for the period October 1984–March 1985 listing voluntary contributions by the U.S. to international organizations, pursuant to 22 U.S.C. 2226(b)(1); to the Committee on Foreign Affairs.

1873. A letter from the Secretary of State, transmitting determination that it is in the national interest in grant assistance to the Republic of the Philippines, pursuant to 22 U.S.C. 2370(q); to the Committee on Foreign Affairs.

1874. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1875. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1876. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1877. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions for Hugh Montgomery of Virginia, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with rank of Ambassador, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1878. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions for Herbert S. Okun, Deputy Representative to be of the United States of America to the United Nations, with rank and status of Ambassador Extraordinary and Plenipotentiary, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1879. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice that the Government of Turkey has requested that the U.S. Government permit the use of Foreign Military Sales financing for the purpose of co-assembly of aircraft in Turkey, pursuant to 22 U.S.C. 2791(b); to the Committee on Foreign Affairs.

1880. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued by GAO during July 1985, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

1881. A letter from the Comptroller General, General Accounting Office, transmitting an examination of the Senate Building Beauty Shop Financial Statements for the fiscal years ended February 28, 1985 and February 29, 1984 (GAO/AFMD-85-64), pursuant to 40 U.S.C. 193m-1; to the Committee on Government Operations.

1882. A letter from the Acting Administrator, Office and Management and Budget, transmitting notification regarding recommendations for achieving full and open competition on the basis of technical qualifications and quality in procurement of professional, technical, and management services, pursuant to 41 U.S.C. 407 note; to the Committee on Government Operations.

1883. A letter from the Acting Assistant Secretary for Health, Department of Health and Human Services, transmitting a report on a new system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1884. A letter from the Acting Director, Office of Management and Budget, transmitting a draft of proposed legislation to eliminate or change statutory requirements preventing the reduction of paperwork burdens and regulatory simplification; to the Committee on Government Operations.

1885. A letter from the Acting Director, Office of Management and Budget, transmitting a draft of proposed legislation to amend the Office of Federal Procurement Policy Act to provide authority to test innovative procurement methods and procedures; to the Committee on Government Operations.

1886. A letter from the Acting Director, Office of Management and Budget, transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949 to authorize multiyear contracts in certain cases; to the Committee on Government Operations.

1887. A letter from the Assistant Administrator for Administration and Resources Management, Environmental Protection Agency, transmitting notice of the deletion of a records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1888. A letter from the Assistant Secretary for Administration, Smithsonian Institution, transmitting the annual pension reports for the Smithsonian Institute and the Woodrow Wilson International Center for Scholars; to the Committee on Government Operations.

1889. A letter from the Chief, Army and Air Force Exchange Service, Departments of the Army and the Air Force, transmitting the report of the Army and Air Force Exchange Service on the financial condition of its pension plans for the year ended December 31, 1984, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1890. A letter from the Director, Federal Emergency Management Agency, transmitting a report on the implementation of a records system, pursuant to U.S.C. 552a(o); to the Committee on Government Operations.

1891. A letter from the Director, Office of Financial Management, General Accounting Office, transmitting the annual report of the Comptrollers General Retirement System, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1892. A letter from the Secretary of Agriculture, transmitting a notice of tow computer matching programs relating to unemployment compensation, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1893. A letter from the Clerk of the U.S. House of Representatives, transmitting a quarterly report on the expenditure of appropriated funds, pursuant to 2 U.S.C. 104a (H. Doc. No. 99-102); to the Committee on House Administration and ordered to be printed.

1894. A letter from the Secretary of Energy, transmitting a report on the Colorado River Storage Project power resources and the financial support of authorized projects in the Upper Colorado River Basin States, pursuant to Public Law 98-381, section 108 (98 Stat. 1340); to the Committee on Interior and Insular Affairs.

1895. A letter from the Acting Deputy Assistant Secretary for Indian Affairs, Bureau of Indian Affairs, Department of the Interior, transmitting a proposed plan for the use and distribution of the funds for the Cherokee Nation of Oklahoma in Docket 262-831, pursuant to Public Law 93-134, sections 2(a) and 4; to the Committee on Interior and Insular Affairs.

1896. A letter from the Chair and Commissioner, Commission on Federal Laws (Northern Mariana Islands), transmitting the second interim report of the Northern Mariana Islands Commission on Federal Laws, pursuant to 90 Stat. 268 (sec. 504 of Covenant); to the Committee on Interior and Insular Affairs.

1897. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

1898. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

1899. A letter from the Commissioner, Immigration and Naturalization Service, transmitting a copy of the order granting defector status in the case of Alan John Lightfoot, pursuant to INA, section 212(a)(28)(1)(ii)(b) (66 Stat. 182); to the Committee on the Judiciary.

1900. A letter from the Commissioner of Examinations, Immigration and Naturalization Service, transmitting the order granting defector status in the case of Margaret Beatrice Thomson Alexiou, pursuant to INA, section 212(a)(28)(1)(ii)(b) (66 Stat. 182); to the Committee on the Judiciary.

1901. A letter from the Acting Executive Director, National Advisory Committee on Oceans and Atmosphere, Department of Commerce, transmitting the annual report of the National Advisory Committee on Oceans and Atmosphere, pursuant to Public Law 95-63, section 4(b); to the Committee on Merchant Marine and Fisheries.

1902. A letter from the Secretary of Commerce, transmitting the second biennial report regarding bluefin tuna for the period covering 1983 and 1984, pursuant to Public Law 96-339, section 3; to the Committee on Merchant Marine and Fisheries.

1903. A letter from the Vice Chairman, Federal Martime Commission, transmitting a draft of proposed legislation to revise, consolidate, codify, and enact without substantive change certain general and permanent laws, related to the regulation of water-borne commerce by the Federal Maritime Commission, as chapter 5 of subtitle IV, of title 46, United States Code, "Shipping," pursuant to Public Law 98-89, section 2(j); to the Committee on Merchant Marine and Fisheries.

1904. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to amend section 1103(a) of title 5, United States Code, which enumerates functions of the Director of the Office of Personnel Management; to the Committee on Post Office and Civil Service.

1905. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to restructure the Federal Employees Health Benefits Program to strengthen financial control over the program and enhance competition among participating health plans, and for other purposes; to the Committee on Post Office and Civil Service.

1906. A letter from the Acting Director, Office of Management and Budget, transmitting a Soil Conservation Service plan for the West Fork and Big Creek Watershed, Missouri and Iowa, pursuant to 16 U.S.C. 1005; to the Committee on Public Works and Transportation.

1907. A letter from the Director, Office of Management and Budget, transmitting the Soil Conservation Service plan for English Coulee Watershed, North Dakota, pursuant to 16 U.S.C. 1005; to the Committee on Public Works and Transportation.

1908. A letter from the Secretary of Commerce, transmitting the annual report on the activities of the Economic Development Administration, pursuant to Public Law 89-436, section 707, section 204(b)(2) (90 Stat. 2333; 94 Stat. 2241), and section 904(b) (88 Stat. 1165; 94 Stat. 2241); to the Committee on Public Works and Transportation.

1909. A letter from the Secretary of Transportation, transmitting the National Plan of Integrated Airport Systems, 1984-93, pursuant to Public Law 97-248, section 504(b)(1); to the Committee on Public Works and Transportation.

1910. A letter from the Administrator, Environmental Protection Agency, transmitting the National Quality Inventory Report for 1984, pursuant to FWPCA, section 305(b)(2) (86 Stat. 854; 91 Stat. 1589); to the Committee on Public Works and Transportation.

1911. A letter from the Executive Secretary, Department of Defense, transmitting a report on Department of Defense procurement from small business firms from October 1984 through May 1985, pursuant to 15

U.S.C. 639(d); to the Committee on Small Business.

1912. A letter from the Secretary of Health and Human Services, transmitting the ninth annual report on the Child Support Enforcement Program, pursuant to SSA, section 452(a)(10) (88 Stat. 2352; 91 Stat. 163; 95 Stat. 861); to the Committee on Ways and Means.

1913. A letter from the Secretary of Labor, transmitting a report on the impact of the Caribbean Basin Economic Recovery Act on U.S. labor, pursuant to 19 U.S.C. 2705 (Public Law 98-67 section 216); to the Committee on Ways and Means.

1914. A letter from the Assistant Secretary, Legislative and Intergovernmental Affairs, Department of State, transmitting an aide memoire from the Commission of the European Communities expressing concerns about the Comprehensive Environmental Response, Compensation and Liability Act; to the Committee on Ways and Means.

1915. A letter from the General Council of the Treasury, transmitting a draft of proposed legislation to amend title 26 of the United States Code relating to the collection of the special (occupational) tax from retail dealers in distilled spirits, wines, and beer; to the Committee on Ways and Means.

1916. A letter from the General Counsel of the Treasury, transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 to provide for the collection of fees for certain services; to the Committee on Ways and Means.

1917. A letter from the Deputy Secretary of Defense, transmitting certification that testing of explosive or inert antisatellite warheads against objects in space is necessary to the national interest and that the United States is endeavoring to negotiate with the Soviet Union a mutual and verifiable ban on antisatellite weapons, pursuant to Public Law 98-94, section 1235 (97 Stat. 695) Public Law 98-525, section 205 (98 Stat. 2509); jointly, to the Committees on Armed Services and Foreign Affairs.

1918. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend chapter 138 of title 10, United States Code, to authorize the Secretary of Defense to enter into certain agreements to further the readiness of the military forces of the United States and other North Atlantic Treaty Organization countries and the Republic of Korea; jointly, to the Committees on Armed Services and Foreign Affairs.

1919. A letter from the General Counsel of the Treasury, transmitting a draft of proposed legislation to authorize the Secretary of the Treasury to issue regulations to require that wages and salaries of Federal employees be paid by electronic funds transfer or any other method determined by the Secretary to be in the interest of economy or effectiveness, with sufficient safeguards over the control of, and accounting for, public funds; jointly, to the Committees on Banking, Finance and Urban Affairs and Post Office and Civil Service.

1920. A letter from the Acting Chairman, Nuclear Regulatory Commission, transmitting the report of the nondisclosure of safeguards information, pursuant to AEA, section 147e. (94 Stat. 788); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

1921. A letter from the Comptroller General of the United States, transmitting a report entitled: "The Role of Marketing Orders in Establishing and Maintaining Orderly Marketing Conditions" (GAO/RCED-85-57, July 31, 1985); jointly, to the Committees on Government Operations and Agriculture.

1922. A letter from the Comptroller General of the United States, transmitting a report entitled "Effects and Administration of the 1984 Milk Diversion Program" (GAO/RCED-85-126, July 29, 1985); jointly, to the Committees on Government Operations and Agriculture.

1923. A letter from the Comptroller General of the United States, transmitting a report entitled, "Federal Price Support For Honey Should Be Phased Out" (GAO/RCED-85-107); jointly, to the Committees on Government Operations and Agriculture.

1924. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a report on abnormal occurrences at or associated with any facility licensed or regulated under the Atomic Energy Act of 1954 or the Energy Reorganization Act of 1974 for the first calendar quarter of 1985, pursuant to Public Law 93-438, section 208; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

1925. A letter from the Acting Assistant Attorney General Office of Legislative and Intergovernmental Affairs, U.S. Department of Justice, transmitting the views of the Department of Justice on H.R. 1957, a bill to amend title I of the Marine Protection, Research and Sanctuaries Act of 1972; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

1926. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a letter setting forth the views of the State Department on the Ocean Dumping Amendments Act of 1985 (H.R. 1957); jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

1927. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 8 of the Eastern Pacific Tuna Licensing Act of 1984; jointly, to the Committees on Merchant Marine and Fisheries and the Judiciary.

1928. A letter from the Secretary of Health and Human Services, transmitting a report on the operation of utilization and quality control peer review organizations, pursuant to SSA section 1161 (96 Stat. 392); jointly, to the Committees on Ways and Means and Energy and Commerce.

1929. A letter from the Secretary of Energy, transmitting a report on biomass energy and alcohol fuels programs for the period of April 1 through June 30, 1985, pursuant to Public Law 96-294, section 218(a); jointly, to the Committees on Agriculture, Energy and Commerce, and Science and Technology.

JOINT RESOLUTION ON DEBT LIMIT PASSED UNDER RULE XLIX

Under clause 1 of rule XLIX, the following joint resolution was engrossed and deemed passed on August 1, 1985.

H.J. Res. 372. Joint resolution increasing the statutory limit on the public debt.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. Supplemental report on H.R. 1 (Rept. 99-230, Pt. 2). Order to be printed.

Mr. GARCIA: Committee on Post Office and Civil Service. H.R. 2722. A bill to amend title 13, United States Code, to eliminate the requirement relating to decennial censuses of drainage (Rept. 99-254). Referred to the Committee of the Whole House on the State of the Union.

Mr. FUQUA: Committee on Science and Technology. H.R. 3065. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to authorize a program of research, development and demonstration for innovative or experimental treatment technologies for use in remedial actions; with amendments (Rept. 99-255, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 3229. A bill to amend title 23, United States Code, to extend until December 31, 1985, the deadline for withdrawal of approval of the Westway project in New York and for approval of highway and transit projects substituted for such project; to the Committee on Public Works and Transportation.

By Mr. DAUB:

H.R. 3230. A bill to amend the Fair Labor Standards Act of 1938 to exempt from the overtime requirements of that act employees of State and local public agencies and to clarify the application of that act to volunteers; to the Committee on Education and Labor.

By Mr. EVANS of Iowa (for himself, Mr. Gunderson, Mr. Roberts, Mr. Emerson, Mr. Madigan, Mr. Morrison of Washington, and Mr. Schuette):

H.R. 3231. A bill to amend the Farm Credit Act of 1971 to provide for U.S. Government guarantees for certain obligations of the Farm Credit System; to the Committee on Agriculture.

By Mr. GARCIA (for himself, Mr. Kemp, Mr. Schulze, Mr. Franklin, Mr. Moore, Mr. Hopkins, Mr. de la Garza, Mr. Lungren, and Mr. Rowland of Connecticut):

H.R. 3232. A bill entitled the "Enterprise Zone Jobs Creation Act"; jointly, to the Committees on Ways and Means; the Judiciary; and Banking, Finance and Urban Affairs.

By Mr. HOWARD:

H.R. 3233. A bill to amend section 103(e)(4) of title 23, United States Code, to extend the deadline for withdrawal of approval of the Westway project in New York and for approval of highway and transit projects substituted for such project until December 30, 1985; to the Committee on Public Works and Transportation.

By Mr. KASTENMEIER:

H.R. 3234. A bill to permit the deferral of repayment of Federal insured, guaranteed, and direct student loans for not more than 6 months of maternity leave; to the Committee on Education and Labor.

By Mr. LOTT (for himself and Mr. Walker):

H.R. 3235. A bill to authorize the Administrator of the National Aeronautics and Space Administration to accept title to the Mississippi Technology Transfer Center to be constructed by the State of Mississippi at the National Space Technologies Laboratories in Hancock County, MS; to the Committee on Science and Technology.

By Mr. SCHUMER:

H.R. 3236. A bill to amend the Immigration and Nationality Act to provide for the temporary admission to the United States of the operators of motor common carriers of passengers; to the Committee on the Judiciary.

By Mrs. SMITH of Nebraska:

H.R. 3237. A bill to amend the Fair Labor Standards Act of 1938 to exempt from the overtime requirements of that act employees of State and local public agencies and to clarify the application of that act to volunteers; to the Committee on Education and Labor.

By Mr. DANIEL (for himself, Mr. Bateman, Mr. Whitehurst, Mr. Bliley, Mr. Sisisky, Mr. Olin, Mr. Slaughter, Mr. Parris, Mr. Boucher, and Mr. Wolf):

H.J. Res. 373. Joint resolution designating Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a National Memorial to Patrick Henry; to the Committee on Interior and Insular Affairs.

By Mr. NEAL:

H.J. Res. 374. Joint resolution to express the sense of the Congress that the President should immediately resume negotiations with the Soviet Union and Great Britain on a comprehensive treaty to end the testing of nuclear weapons, including a mutual and verifiable ban on the testing of antisatellite (ASAT) weapons, and that the President should seek to include in the negotiations all other nuclear and nonnuclear weapons nations; to the Committee on Foreign Affairs.

By Mr. HALL of Ohio:

H. Con. Res. 183. Concurrent resolution expressing the sense of the Congress that food producers who permit gleaning of their fields and nonprofit organizations which glean fields and distribute the resulting harvest to help alleviate hunger should be commented for their efforts, and for other purposes; to the Committee on Agriculture.

By Mr. HEFTEL of Hawaii (for himself and Mr. Frenzel):

H. Res. 259. Resolution to request that the President establish a bipartisan commission on the budget deficit; to the Committee on Government Operations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

234. By the SPEAKER: Memorial of the Senate of the State of Louisiana, relative to the control and eradication of imported fire ants; to the Committee on Agriculture.

235. Also, memorial of the Legislature of Guam, relative to appropriations for education; to the Committee on Education and Labor.

236. Also, memorial of the Legislature of Guam, relative to education; to the Committee on Interior and Insular Affairs.

237. Also, memorial of the Legislature of the State of Oklahoma, relative to the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

238. Also, memorial of the Legislature of the State of Oklahoma, relative to compensation of U.S. Senators, and Representatives; to the Committee on the Judiciary.

239. Also, memorial of the Legislature of the State of California, relative to Federal estate tax treatment of agricultural land; to the Committee on Ways and Means.

240. Also, memorial of the Legislature of the State of Oklahoma, relative to import fees on foreign oil and refined petroleum products; to the Committee on Ways and Means.

241. Also, memorial of the House of Representatives of the State of Oklahoma, relative to enactment of an import fee on foreign oil; to the Committee on Ways and Means.

242. Also, memorial of the Legislature of the State of Colorado, relative to the AFDC-U Program; to the Committee on Ways and Means.

243. Also, memorial of the Legislature of Guam, relative to the SSI Program; to the Committee on Ways and Means.

244. Also, memorial of the Senate of the State of Louisiana, relative to ocean incineration of hazardous waste; jointly, to the Committees on Merchant Marine and Fisheries and Science and Technology.

245. Also, memorial of the Fourth Congress of the Federated States of the Marshall Islands, relative to the Compact of Free Association; jointly, to the Committees on Foreign Affairs, Interior and Insular Affairs, and Ways and Means.

246. Also, memorial of the Legislature of the State of California, relative to health care; jointly, to the Committees on Ways and Means, Energy and Commerce, Education and Labor, and Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GINGRICH:

H.R. 3238. A bill for the relief of Jaclyn Hart; to the Committee on the Judiciary.

By Mr. GONZALEZ:

H.R. 3239. A bill to waive certain time limitations with respect to awarding the Medal of Honor to Rudolph Salais Vela; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 2: Mr. Durbin and Mr. Daschle.

H.R. 6: Mr. Gallo.

H.R. 161: Mr. Roybal and Mr. Rinaldo.

H.R. 235: Mr. de la Garza, Mr. Leland, Mr. Fauntroy, Mr. Pepper, Mr. Frost, Mr. Biaggi, Mrs. Burton of California, and Mr. Weiss.

H.R. 237: Mrs. Martin of Illinois.

H.R. 287: Mr. Emerson.

H.R. 362: Mr. Hayes, Mr. Rodino, Mr. Dellums, Mr. Roe, Mrs. Collins, Mr. Savage, Mr. Leland, Mr. Gunderson, Mr. Torres, Mrs. Boxer, Mr. Chandler, Mr. Panetta, Mr. Kleczka, Mr. Neal, Mr. Kolbe, Mr. Sunia, Mr. Durbin, Mr. Daschle, and Mr. Sensenbrenner.

H.R. 580: Mr. Wilson, Mr. Bonior of Michigan, and Mr. Carr.

H.R. 604: Mr. Chandler and Mr. Sunia.

H.R. 816: Mr. Burton of Indiana and Mr. Gingrich.

H.R. 831: Mr. Bryant and Mr. Bates.

H.R. 864: Mr. McEwen, Mr. Spratt, Mr. Kanjorski, Mr. Bryant, Mr. DeWine, Mr. de la Garza, Mr. Ortiz, Mr. Gunderson, Mr. Jacobs, and Mr. Valentine.

H.R. 947: Mrs. Boxer.

H.R. 979: Mr. Fazio, Mr. Tauke, Mr. Bateman, and Mr. Darden.

H.R. 1021: Mr. Garcia and Mr. DioGuardi.

H.R. 1031: Mr. Matsui.

H.R. 1032: Mr. Matsui.

H.R. 1059: Mr. Dornan of California, Mr. Barnard, Mr. Dorgan of North Dakota, Mr. Michel, Mr. Valentine, Mr. Hamilton, Mr. Savage, and Mr. Dowdy of Mississippi.

H.R. 1068: Mr. Weiss, Mr. Mitchell, and Mr. Waxman.

H.R. 1138: Mr. Eckart of Ohio and Mr. Crane.

H.R. 1145: Mr. Rahall and Mr. Richardson.

H.R. 1207: Mr. Akaka, Mr. Alexander, Mrs. Boggs, Mr. Boner of Tennessee, Mr. Bonker, Mr. Hamilton, Mr. Mica, Mr. Murtha, Mr. Obey, Mr. Solarz, Mr. Stokes, Mr. Yatron, and Mr. McCloskey.

H.R. 1219: Mr. Chappie.

H.R. 1294: Mr. Matsui, Mr. Savage, Mr. Edgar, Mr. Wise, and Mr. Sunia.

H.R. 1316: Mr. Dicks.

H.R. 1523: Mr. Feighan, Mr. Gonzalez, Mr. Manton, Mr. Torricelli, Mr. Gejdenson, Mr. Carper, Mr. Crane, Mr. Florio, and Mr. Frost.

H.R. 1524: Mr. Leach of Iowa, Mr. Visclosky, Mr. Gallo, Mr. Durbin, Mr. Levin of Michigan, Mr. Lightfoot, Mr. Brooks, and Mr. Gray of Illinois.

H.R. 1563: Mr. Henry.

H.R. 1607: Mr. Matsui.

H.R. 1616: Mr. Beilenson, Mr. Lowry of Washington, Mrs. Kennelly, Mr. LaFalce, and Ms. Mikulski.

H.R. 1627: Mr. Hopkins and Mr. Hubbard.

H.R. 1666: Mr. Moore, Mr. Applegate, Mr. Jeffords, and Ms. Snowe.

H.R. 1715: Mr. Howard, Mr. Bennett, and Mr. Bilirakis.

H.R. 1809: Mr. Torres, Mr. Carper, Mr. Atkins, and Mr. Rose.

H.R. 1853: Mr. Flippo.

H.R. 1856: Mrs. Boggs, Mr. Gonzalez, Mr. Roe, Mr. Waxman, Mr. Manton, Mr. Solarz, Mr. Matsui, Mr. Mollohan, Mr. Foley, Mr. Rangel, Mr. Vento, Mr. Owens, Mr. Fauntroy, Mr. Oberstar, Mr. Towns, Mr. Bonker, and Mr. Crockett.

H.R. 1875: Mr. Dyson, Mr. Biaggi, Mr. Hoyer, Mr. Roe, Mr. Fauntroy, Mr. Coelho, Mr. Gingrich, Mr. Wise, Mr. Daniel, Mr. de la Garza, Mr. Fish, and Mr. Armey.

H.R. 1892: Mr. Dymally, Mr. Perkins, Mr. Shelby, Mrs. Collins, Mr. Hertel of Michigan, Mr. Murphy, and Mr. Levin of Michigan.

H.R. 1908: Mr. DeLay.

H.R. 1914: Mr. Gray of Illinois, Mr. Daschle, Ms. Kaptur, Mr. Evans of Illinois, Mr. Mitchell, Mr. Wilson, Mr. Crockett, Mr. Conyers, Mr. Weaver, and Mr. Moody.

H.R. 1927: Mr. Oberstar.

H.R. 1973: Mr. Coleman of Missouri, Mr. Dwyer of New Jersey, Mr. Nichols, Mr. Edgar, Mr. Shuster, Mr. Kolter, Mr. Perkins, Mr. Traficant, and Mr. Henry.

H.R. 2001: Mr. Williams, Mr. Florio, Mr. Borski, Mr. Savage, and Mr. Howard.

H.R. 2020: Mr. Fish and Mr. Crockett.

H.R. 2058: Mr. Coelho and Mrs. Collins.

H.R. 2116: Mr. Towns, Mr. Sunia, and Mr. Tauke.

H.R. 2119: Mr. Edgar.

H.R. 2164: Mr. Mitchell, Mr. Weaver, Mr. Lagomarsino, Mrs. Boxer, Mr. Smith of New Jersey, Mr. Glickman, and Ms. Oakar.

H.R. 2235: Mrs. Burton of California, Mr. Savage, Mrs. Schroeder, and Mr. Matsui.

H.R. 2303: Ms. Snowe.

H.R. 2422: Mr. Hall of Texas and Mr. Matsui.

H.R. 2440: Mr. Aspin, Mr. Badham, Mr. Bateman, Mrs. Byron, Mr. Carr, Mr. Chappie, Mr. Darden, Mr. Fowler, Mr. Gonzalez, Mr. Gradison, Mr. Hendon, Mr. Horton, Mr. Hunter, Mr. Hutto, Mr. Jenkins, Mr. Lagomarsino, Mr. Matsui, Mr. Montgomery, Mr. Nichols, Mr. Roe, Mr. Rose, Mr. Thomas of California, Mr. Weber, and Mr. Wortley.

H.R. 2472: Mr. Savage.

H.R. 2502: Mr. Oxley.

H.R. 2504: Mrs. Collins.

H.R. 2578: Mr. Bateman, Mr. Boner of Tennessee, Mr. Chandler, Mr. Crane, Mr. Emerson, Mr. Frenzel, Mr. Matsui, Mr. Towns, and Mr. Wolf.

H.R. 2644: Mr. Moody.

H.R. 2685: Mr. Smith of Florida, Mrs. Burton of California, Mr. Weiss, and Mr. Howard.

H.R. 2695: Mrs. Burton of California, Mr. Oberstar, and Mr. Stokes.

H.R. 2696: Mrs. Burton of California, and Mr. Oberstar.

H.R. 2700: Mr. Rangel, Mr. Berman, Mr. Seiberling, and Mr. Savage.

H.R. 2701: Mr. Roe, Mrs. Boxer, and Mr. Savage.

H.R. 2768: Mr. Borski.

H.R. 2781: Mr. Daschle, Mr. Hiler, and Mr. Dyson.

H.R. 2814: Mr. Armey, and Ms. Mikulski.

H.R. 2854: Ms. Mikulski, Mr. Taylor, Mr. Burton of Indiana, Mr. Ackerman, Mr. Savage, Mr. Garcia, Mr. Horton, and Mr. Gilman.

H.R. 2866: Mr. Gingrich, Mr. Frenzel, and Mr. Fuqua.

H.R. 2902: Mr. Atkins, Mr. Berman, Mrs. Burton of California, Mr. Conyers, Mr. Crockett, Mr. Fazio, Mr. Hall of Ohio, Mr. Hawkins, Mr. Horton, Mr. Hughes, Mr. Jeffords, Mr. Martinez, Mr. Mitchell, Mr. Mrazek, Mr. Rahall, Mr. Roe, Mr. Savage, Mr. Smith of Florida, Ms. Snowe, Mr. Stangeland, Mr. Sunia, Mr. Towns, and Mr. Wolpe.

H.R. 2971: Mr. Clinger, Mr. Walgren, and Mr. DioGuardi.

H.R. 3006: Mr. Torres, Mr. Daschle, Mr. Fish, Mr. LaFalce, Mr. Bedell, Mr. Kostmayer, Mr. Hatcher, Mr. Jeffords, Mr. Stallings, Mr. Bevill, and Mr. Dyson.

H.R. 3032: Mr. AuCoin and Mr. Bates.

H.R. 3040: Mr. Martinez, Mr. Yatron, Mr. Mrazek, Mr. Fazio, Mr. Hawkins, Mr. Daschle, Mr. Fuster, Mr. Mitchell, Mr. Savage, and Mr. St Germain.

H.R. 3078: Mr. Owens, Mr. Conyers, and Mr. Hansen.

H.R. 3090: Mr. Hawkins, Mr. Clay, Mr. Ford of Michigan, Mr. Atkins, Mr. Donnelly, Mr. Kildee, Mr. Martinez, Mr. Lowry of Washington, Mrs. Collins, and Mr. Rangel.

H.R. 3109: Mr. Cobey, Mr. Dornan of California, Mr. Smith of New Jersey, Mrs. Bentley, Mr. Daniel, Mr. Bryant, Mr. Edwards of Oklahoma, and Mr. Monson.

H.R 3121: Mr. Roe, Mr. Kleczka, Mr. Towns, Mr. Sabo, Mr. Skelton, Mr. Mrazek, Mr. Wolpe, Mrs. Boxer, Mr. Savage, and Mr. Biaggi.

H.R. 3173: Mr. Tauke, Mr. Stenholm, Mr. Michel, Mr. Stallings, Mr. Lagomarsino, Mr. Bateman, Mr. Kindness, Mrs. Holt, Mr. Oxley, Mr. Barnard, Mr. Siljander, and Mr. Petri.

H.R. 3174: Mrs. Bentley, Mr. Biaggi, Mr. Fascell, Mr. Frost, Mr. Howard, Mr. Hunter, Ms. Kaptur, Mr. Savage, Mr. Sunia, and Mr. Wolpe.

H.R. 3202: Mr. Cobey, Mr. Mineta, Mr. Roe, Mrs. Johnson, Mr. Leland, Mr. Eckart of Ohio, Mr. Howard, Mr. Rowland of Georgia, Mr. Ackerman, Mr. Torricelli, Mr. Saxton, Mr. Fuster, Mr. Edwards of California, Ms. Kaptur, Mr. Bevill, Mr. Thomas of Georgia, Mr. Rose, Mrs. Burton of California, Mr. Yates, Mr. Fawell, and Mr. Biaggi.

H.J. Res. 12: Mr. DeLay, Mr. Wilson, Mr. Dornan of California, Mr. Armey, Mr. Smith of New Hampshire, Mrs. Vucanovich, Mr. Coble, Mr. Lightfoot, and Mr. Craig.

H.J. Res. 27: Mr. Barton of Texas.

H.J. Res. 127: Mr. Smith of Florida.

H.J. Res. 151: Mr. Edgar, Mr. Carper, Mr. Robert F. Smith, Mr. Gordon, Mr. Denny Smith, Mrs. Vucanovich, Mr. McDade, and Mr. Wylie.

H.J. Res. 154: Mr. Whittaker, Mr. Bruce, Mr. Wolf, Mr. Fuqua, Mr. Vento, Mr. Coleman of Missouri, Mr. Bilirakis, Mr. Porter, Mrs. Kennelly, Mr. Ralph M. Hall, and Mr. Pursell.

H.J. Res. 175: Mr. Sunia, Mr. Hawkins, Mr. Lowery of California, Mrs. Meyers of Kansas, Mr. Lehman of Florida, Mr. Hertel of Michigan, Mr. Wortley, Mr. Luken, Mr. Swindall, Mr. Nelson of Florida, and Mr. Foglietta.

H.J. Res. 178: Mr. Hammerschmidt, Mr. Flippo, Mr. Bereuter, Mr. Hutto, Mr. Bonior of Michigan, Mr. Bateman, Mr. Kastenmeier, Mr. Kostmayer, Mr. Panetta, Mr. Kildee, Mr. Biaggi, Mr. Jones of Tennessee, Mr. Saxton, Mr. Rodino, Mr. Hansen, Mr. Annunzio, Mr. Lundine, Mr. Tauzin, Mr. Bedell, Mr. Robinson, Mr. Price, Mr. Bevill, Mr. Coats, Mr. Jones of North Carolina, Mr. Coughlin, Mr. Matsui, Mr. Yatron, Mr. St Germain, Mr. Foglietta, Mr. Obey, Mr. Wolpe, Mr. Studds, Mr. Chappell, Mr. McHugh, Mrs. Boggs, Mr. Wheat, Mr. Pursell, Mr. Porter, and Mr. Wolf.

H.J. Res. 179: Mr. Applegate, Mr. Aspin, Mr. Bennett, Mr. Bosco, Mr. Dyson, Mr. Edgar, Mr. Erdreich, Mr. Evans of Illinois, Mr. Gallo, Mr. Gordon, Mr. Gray of Illinois, Mr. Hiler, Mr. Horton, Mr. Kolter, Mr. Lewis of California, Mr. McKernan, Mr. Miller of California, Mr. Nelson of Florida, Mr. Olin, Mr. Rostenkowski, Mr. Shaw, Mr. Smith of New Hampshire, Mr. Robert F. Smith, Mr. Solomon, Mr. Tauke, Mr. Tauzin, Mr. Weber, Mr. Wortley, and Mr. Yates.

H.J. Res. 223: Mr. Fish, Mr. Fascell, Mr. Savage, and Mr. Gonzalez.

H.J. Res. 279: Mr. Dickinson.

H.J. Res. 296: Mr. Ridge, Mr. Sisisky, Mr. Molinari, Mr. Fowler, Mr. Conte, Mr. Robinson, Mr. Anthony, Mr. Callahan, Mr. Franklin, Mr. Hartnett, Mr. Heftel of Hawaii, Mr. Perkins, Mr. Blaz, Mr. Moody, Mr. Robert F. Smith, Mr. Loeffler, Mr. Breaux, Mr. Bartlett, Mr. Garcia, and Mr. Frank.

H.J. Res. 297: Mr. Dwyer of New Jersey, Mr. Hammerschmidt, Mr. Bevill, Mr. St Germain, Mr. Murphy, Mr. de la Garza, Mr. Hughes, Mr. Daub, Mr. Robinson, Mr. Foley, Mr. Miller of Washington, Mr. Barnard, Mr. Hartnett, Mr. Heftel of Hawaii, Mr. Tallon, Mr. Wylie, Mr. Torricelli, Mr. Lagomarsino, Mr. Lowry of Washington, Mr. Frenzel, Mr. Moakley, and Mr. Rangel.

H.J. Res. 351: Mr. Kramer, Mr. Oxley, Mr. Smith of Florida, Ms. Mikulski, Mr. Gingrich, and Mr. Eckart of Ohio.

H.J. Res. 357: Mr. Barnes, Mr. Bilirakis, Mrs. Boxer, Mr. Conte, Mr. Coughlin, Mr. Courter, Mr. DeLay, Mr. Eckart of Ohio, Mr. Eckert of New York, Mr. Fazio, Mr. Fauntroy, Mr. Frost, Mr. Gilman, Mr. Green, Mr. Leland, Mr. Levine of California, Mr. McGrath, Mr. Miller of Washington, Mr. Mitchell, Mr. Scheuer, Mr. Studds, Mr. Synar, and Mr. Weiss.

H.J. Res. 363: Mr. Levin of Michigan, Ms. Kaptur Mr. Jeffords, Mr. Green, Mr. Feighan, Mr. Seiberling, Mr. Mrazek, Mr. Fish, Mrs. Boxer, Mr. Dorgan of North Dakota, Mr. Gunderson, Mr. Ackerman, Mr. Coughlin, Mr. Wortley, Mr. Bryant, Mr. Levine of California, Mr. Scheuer, Mr. Frost, Mr. Conte, Mr. Archer, and Mr. Rangel.

H. Con. Res. 63: Mr. Smith of Florida.

H. Con. Res. 69: Mr. Strang, Mr. Gilman, and Mr. Schuette.

H. Con. Res. 74: Mr. Waxman.

H. Con. Res. 90: Mr. Addabbo, Mr. Dreier of California, and Mr. Sisisky.

H. Res. 152: Mr. Matsui.

H. Res. 194: Mr. AuCoin and Mr. Fish.

H. Res. 202: Mr. Frank, Mr. Hubbard, and Mr. Horton.

H. Res. 256: Mr. Leland, Mr. Rangel, Mr. Sunia, M. Mrazek, Mr. Donnelly, Mr. Scheuer, Mr. Savage, Mr. Hawkins, Mr. Kildee, Mr. Coleman of Texas, and Mrs. Boxer.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 77: Mr. Whitehurst.

H.R. 281: Mr. Reid.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

186. By the SPEAKER: Petition of the city of Denton, TX, relative to the Fair Labor Standards Act; to the Committee on Education and Labor.

187. Also, petition of the city council, Jacksonville, FL, relative to the Fair Labor Standards Act; to the Committee on Education and Labor.

188. Also, petition of American Coalition of Citizens with Disabilities Inc., Washington, DC, relative to apartheid in South Africa; to the Committee on Foreign Affairs.

189, Also, petition of the city of Denton, TX, relative to revenue sharing; to the Committee on Government Operations.

190. Also, petition of the Central Southeast Ohio Association, United Church of Christ, Columbus, OH, relative to Central America; to the Committee on the Judiciary.

191. Also, petition of Glen H. Harris, Albany, NY, relative to lumber trade; to the Committee on Ways and Means.

192. Also, petition of the city of Arvada, CO, relative to Social Security; to the Committee on Ways and Means.

193. Also, petition of the Democrat Party of Thailand, Bangkok, Thailand, relative to textile and apparel trade; to the Committee on Ways and Means.

194. Also, petition of the Speaker of the House of Representatives, Bangkok, Thailand, relative to textiles; to the Committee on Ways and Means.

195. Also, petition of the Dutchess County Legislature, New York, relative to taxes; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

WHAT'S YOUR DEGREE WORTH? WHOM DO YOU OWE? THE COMMENCEMENT ADDRESS OF DR. GEORGE R. FIELD

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. GUNDERSON. Mr. Speaker, after 17 years of distinguished service as chancellor of the University of Wisconsin-River Falls, one of five University of Wisconsin campuses in my district, Dr. George R. Field is retiring.

On May 25, 1985, Dr. Field delivered his final commencement address as chancellor. I am pleased to include that address entitled "What's Your Degree Worth? Whom Do You Owe?" in the Record for the benefit of my colleagues and their constituents.

COMMENCEMENT ADDRESS SPRING, 1985

At this point in the program, I usually introduce our commencement speaker. But since this is my last year as Chancellor, the Public Relations Committee asked me to give the commencement address. I also heard by the grapevine that they knew it wouldn't cost the university a cent, so I get to introduce myself. I have been President or Chancellor of this University since 1968, 17 years. I have attended 32 out of 34 graduations during this time. I missed one due to illness and one to attend my son's graduation at the University of Colorado. But instead of telling you more about me, let me tell you about this University.

My talk may be more sentimental and emotional than "world wise" because this University means much to those of us who work here. My mother and father were graduated from the University of Wisconsin-River Falls in 1923. I had uncles who graduated before 1920. I have aunts and cousins who attended here. My three sons and two daughters have been at this university and my wife received her degree a few years back. Many faculty and staff can take the podium and say much the same thing. This place is more than a University to most of us, it's family. Now as a family, like all families, we have our good points and bad. We're not perfect but we try to be human. We work within a large system of higher education and we work for the State of Wisconsin. We are not an island to do what we want. We have system rules and state and federal regulations. But within this bureaucracy we try to be flexible and responsive. I've listened to 31 commencement addresses. It will be 32 if I listen to this one. Most were good, especially those at the fall graduation exercises when the faculty member who has been selected as the distinguished teacher gives the address. Most commencement speeches have a theme, a message and, of course, a charge to you as you leave. I will do that too.

WHAT'S YOUR DEGREE WORTH?

All research indicates that you will make more money than those who don't obtain a college degree. And I'm sure you know that the odds for your making more money and being more economically independent are in your favor. But I want to talk about more than just money. You might be interested to know that during this graduation season, starting a few weeks ago and ending mid-June, there will be approximately one million BA degrees conferred, 300,000 MAs and 35,000 PhDs throughout the United States. There will be 15,000 degrees conferred throughout the University of Wisconsin System, and we will confer approximately 550 at UW-River Falls. There will be at least 2,000 four-year public or private universities granting degrees during this period. Approximately 600 are public, state supported universities. Around 75 of these public state supported state universities are very well known. The balance are relatively unknown. A book was written in 1962 called "Colleges of the Forgotten America." We were the colleges of the forgotten America. Almost a quarter of a century later, since that book was written, we no longer are in that category, forgotten, but we are gaining prestige, distinction, and we do have academic quality.

An interesting question might be, "How does your degree stack up against the one million or, for those of you receiving the Masters Degree, the 300,000? Is the degree you're receiving as good as those from Harvard, the University of Michigan, the University of Wisconsin-Madison, the University of California-Berkeley, Stanford, etc.? Is it better or worse? My answer is that it may be worse for a year or two and then equal for a lifetime. Why worse? Many people look upon the prestigious as being better. Consciously or unconsciously employers will look at vitae, resumes, and say, "Oh, someone from Harvard—must be good." Comparing Harvard to the University of Wisconsin-River Falls, one might ask, "Where is the University of Wisconsin-River Falls?" Until you get that first job, you may have to be more patient and a better fighter to get your foot in the door. Initially, you may be at a disadvantage, but after that first job, everything is equal.

Now you will be compared to another individual, not to where he or she received a degree and where you received your degree. In five and certainly by ten years, no one will ask, "Where did you get your degree?" They will ask what kind of person you are, how you work, how you think, how you communicate and what you've accomplished so far in your particular assignment. Lee Iacocca, in his autobiography, made a statement that formal learning can teach you a great deal, but many of the essential skills in life are the ones you develop on your own. This university has given you the basics, the start. Now it's up to you.

Let me prove my point that your degree is as good as any in the United States by mentioning a few of our graduates. Look at the wall as you walk into the Student Center Ballroom. You will see pictures of men and women. These are our distinguished alumni. You will find doctors, lawyers, professors, vice chancellors, businessmen, an astronaut, researchers, distinguished politicians and, of course, today you've just met Verne Palmburg, Vice President of sales for a large agribusiness corporation and Neal Jorgensen, a distinguished professor at the University of Wisconsin-Madison. There have even been a couple of university presidents among our graduates but, somehow, they have not been selected as distinguished alumni. Our graduates have achieved success and recognition in all walks of life, just like those graduates from the East, the West and the South. Cardinal Newman once said, "No one was ever honored for what they received, honor has been a reward for what one gave." Those pictures on the wall are of men and women from this University who have given much to their profession and to the communities in which they live.

Let me give you some examples from institutions like the University of Wisconsin-River Falls—institutions that aren't in the upper elite, colleges of the forgotten America. In fact, institutions like us but with different names, perhaps some names you've never heard. Former President Lyndon Johnson was graduated from Southwest Texas State University; Julian Goodman, President of the National Broadcasting Company, Western Kentucky University; James A. Michener, author and Pulitzer prize winner, University of Northern Colorado; the honorable Val Peterson, former governor of Nebraska and former Ambassador to Denmark and Finland, Wayne State College in Nebraska; Marvin Stone, editor of U.S. News and World Report, Marshall University in West Virginia; Val Fitch, a physicist, winner of the 1980 Nobel Prize for Science, Chadron State College in Nebraska; Barbara Jordan, former congresswoman from Texas, holder of the LBJ Centennial Chair on National Policy at the University of Texas, is an alumna of Texas Southern University in Houston, a black college; Mike Mansfield, former Senator and U.S. Ambassador to Japan, Montana College of Mineral Science and Technology; Dan Rather, you've all heard of him, the CBS anchorman, from Sam Houston State University in Texas; Thurgood Marshall, Justice of the United States Supreme Court, from Lincoln University in Pennsylvania; Leontyne Price, the famous opera singer, from Central University in Ohio; and Robert Dole, United States Senator from Kansas, Washburn University in Topeka, Kansas. I mention these names to make my point, that the degree you are receiving today is as good as any degree conferred in the United States. You can go far with the basics that you've obtained during your time at this University. So the good news and my theme—you can be proud of the degree that you will receive today. The bad news or good news depending upon your perspective, is that now you have to prove it. It's not where you get your degree but what you do with it.

WHY WERE OUR KIND OF UNIVERSITIES ESTABLISHED?

Gunnar Myrdal, the Swedish Nobel prize winner in economics, stated that, "Education has in America's whole history been the major hope for improving the individual and society." This University was a Normal

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

BEST COPY AVAILABLE

School, a teachers' college, a state college, and now it's a University. We were established for the people, for those not able to go to Harvard or to travel far from home—for those, not affluent, who needed a chance to better themselves and to improve society. Many of our forefathers, especially Thomas Jefferson and Abraham Lincoln, believed that to have a strong democracy you need to educate the masses. So we're in existence to educate ordinary people. And all of the schools that I mentioned previously were established for the same reason. We're to give you, the individual, the opportunity to improve, to improve society, and to strengthen democracy. There is no question but that the hopes and dreams of the human race still lie in the power of educated men and women. State colleges and universities like UW-River Falls educate about one-quarter of all the people attending institutions of higher education in the United States and most of our clientele are from small towns (we are fortunate to have reciprocity and our friends from the Twin Cities enrolled at this University), not wealthy, who need a chance to improve their lot in life and to contribute to society. Back to our distinguished alumni for a moment—Neal Jorgensen is from Luck and LaVerne Palmberg is from Clayton. Those are small towns and there aren't many millionaires in Luck or Clayton—just ordinary, hard working Americans.

WHAT DO WE DO WITH OUR DEGREES?

You remember I said that we were established to improve the individual and to improve society. But often what we do with our degrees tends to emphasize only the first part of that purpose. We want to get a job and, of course, it is natural for us to start thinking about how we can have the better things in life—get rid of that klunker car and get a new one, buy our first house, plan for that vacation that might take us to Canada fishing. After we've achieved the basics we want to buy the bigger car, the VCR, the self focusing camera and the list goes on and on. We become consumers, credit card carriers and, of course, the new trend in the United States is that we strive to be Yuppies, those urban professionals that make money and spend money. Now I'm not knocking "improve thyself" but it becomes such a habit that we forget the other part—to improve society. As we strive to make more money, we tend to take on the attitude, let someone else do it. Our zealous pursuit of material comforts leaves us little time to get involved. But the question is "If you don't get involved, who will?" It's my feeling that you have and that I have and everyone in this audience has a moral obligation to think about the purpose—to improve society and strengthen democracy. "A cynic," said Oscar Wilde, "is a person who knows the price of everything and the value of nothing." All of us are at fault because most of us know the price of everything and we tend to forget other values. If we are to have a life that is fulfilled, we need to know more than price. We need to know the value of what's important.

WHOM DO YOU OWE?

George Peabody said, "Education is a debt owed from present to future generations." Yes, you owe your family, taxpayers, government and yourself, since many of you are taxpayers. You owe past generations who fought the battles to keep a University at River Falls, for the first residence hall, for a new Centennial Science building, a new Food Science addition and so on. We owe many. If, as I hand you your diploma today, I were to hand you a bill for the full cost of instruction of your education, I would hand you your diploma and a bill for $20,000 and that's a fairly conservative estimate. If I include the cost of depreciation of buildings, it would be $40,000 and that's certainly a rough guess. And if I add the cost of land, it would be $50,000. So you owe plenty. What should you do about this debt? Well, for the first few years, you better not complain about taxes. Then, after you take that first job and you save and struggle for economic security, and you become reasonably comfortable, it's time for you to take on the other jobs that we all shy away from—jobs with no glory and many headaches. For example, run for the school board or the police commission, volunteer to be on the park and recreation board or seek election to the city council or the county board. It's interesting to note that even in River Falls, most people say, "I hope they solve this problem". Very few of us are willing to take on the responsibilities of local government. Why? Very little glory and lots of grief and responsibility. It's kind of a no-win situation so we all fall into the habit of saying there's a problem and I hope they do something about it. We're always saying I hope they, they do something about it. To pay off your debt, it seems to me that you have to be part of the "they." Whether it's running for the school board, coaching Saturday morning soccer, being a part of the Big Brother program, helping out with senior citizens, anything to make your community a little better. Some of you may even want to be politicians and isn't that a tarnished profession? The only problem is, it's one of the most important jobs that needs to be done in this country. We need to have honest, hardworking, and dedicated people willing to sacrifice for our society. But if you don't take on these tasks, who will? I have often thought that we should all tithe our time. If all of us gave just ten per cent to politics, to community affairs, to children, to youth, to our high schools, to senior citizens, to our churches, or our synagogue, how much better this country would be.

The Kennedy family said, "We have so much more, we have to give more." Well, we're not the Kennedys but, as we live in this country with its freedoms and its wealth of goods and services, we must realize that we too have much more and that we need to give more. Only 12 per cent of Americans have college degrees. So, although ours is not an elitist institution, you are an elite and have an obligation to serve.

Dr. Charles Kao, professor of economics here, gave our commencement address about ten years ago. As a Chinese, he naturally had to quote Confucius. He said, "Confucius told us 2000 years ago, a hundred mile journey begins with a single step."

While you may not feel that you have asnwers to some of our major problems, you can take the first step by giving part of your time to service, to improve society and the lot of your fellow human beings.

Abe Lincoln said, "You cannot escape the responsibility of tomorrow by evading it today." If not you, who?

CONCLUSION

I mentioned I would have a theme, a message and a charge. My theme was that this is a good university—a very good university. You can be proud of having made this choice and of having been successful. My message is that we were established to benefit you and society. My charge is for you to serve. Don't be a Yuppie. Serve your community, give back some of your time and effort to activities where you live. Let me end by giving you a few quotes—quotes that I've heard over the years and that I cannot improve upon. Woodrow Wilson before he was President of the United States was President of Princeton University, and he said to students, "Don't forget as you walk these classic places, that you are here to enrich the world and you impoverish yourselves if you forget the errands." You too will have a less satisfying life if you forget the errand. Another one, Dr. Jonas Salk on the recent 30th anniversary of the development of polio vaccine, when asked what his greatest reward was, did not stress the elimination of the disease along with the misery and hurt that accompanies the disease. Rather, he quoted Ralph Waldo Emerson who said, "The greatest reward is the opportunity to do something more." You will short change yourself if you don't do something more. Beverly Sills, who retired from a highly successful career as an opera singer five years ago to become director of the New York City Opera, said, "Instead of expecting everything to come to you, there comes a moment when you have to give. I found that the gain is in giving. I think that is one of the greatest privileges, to be able to give."

I don't want to be morbid at a happy time like this but let me give you two other quotes. When Ernest Boyer, our visiting professor, was on campus last month he made a speech in which he said, "I think it is not sentimental to suggest that students should understand that the tragedy of life is not death, the tragedy is to die with commitments undefined and with convictions undeclared and with service unfulfilled." There is satisfaction in knowing what William James called the greatest use of one's life. To spend it for something that outlasts us. Woody Allen, of course, had another view. He said, "I don't want to be immortal through my works. I want to be immortal through not dying." One can be sympathetic with that goal, too. But those people that I mentioned earlier who are distinguished alumni and who are distinguished alumni from other universities like ours, have spent part of their lives doing work that will outlast them. So I urge you to remember our purpose. We're here to improve the individual and society. And you can have a fulfilled life in contributing a small portion of your time to serving others. We do have more; we need to give. I hope that you undertake tasks and seize opportunities and gain achievements that will outlast you.

I'm proud to confer upon you today the appropriate degree. It's been an honor for me to have been President and Chancellor for these 17 years and it is a special privilege that I will have today to shake your hand. I will end by saying, "Yes, you can make a difference and you will short-change yourself if you don't serve your community and neighbor." Thank you.

GEORGE R. FIELD,
Chancellor, UW-River Falls.

LET US TALK BEFORE WE LEAP

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. CRANE. Mr. Speaker, to preface my statement, let me say that I firmly believe

that the administration should be employing all the pressures that can be brought to bear to insure that the Japanese are abiding by the trading agreements to which they are party. I also support U.S. negotiations to gain greater and easier access to Japanese markets. On the other hand, punitive measures against the Japanese for reasons other than current trade law violations would not only be unjustified, but would also be unwise since it would almost assuredly invite retaliation. Based solely on the $37 billion trade deficit with Japan, one might conclude that sanctions against the Japanese would prove more harmful to them than to us. Nothing could be farther from the truth.

From an analytical standpoint, studies have repeatedly shown that protectionism is inevitably self-defeating. The studies reveal that protectionism invites retaliation, increases prices worldwide, inhibits growth and investment by heightening uncertainty, and prevents debtor countries from earning their way back to solvency. Further, there is little evidence that protected industries can or do use the breathing space provided to restructure. Thus, while domestic industries are hiding behind protectionism, foreign producers are increasing their competitive edge.

In addition to disrupting global trade through protectionism, many people either do not realize or discount the fact that Japan is second only to Canada as an overseas importer of American goods. Exports of U.S. manufactured goods to Japan have steadily increased since 1982, while our exports to the remainder of the world have stagnated. There has even been a 4-year surge of high-technology sales to Japan—including an export rise of 48 percent in computers, 38 percent in telecommunications gear, 51 percent in analytical instruments, 41 percent in pharmaceuticals, and 63 percent in electronic parts. Japan is also by far the largest importer of U.S food products, buying some $6 billion worth of American corn, soybeans, fruit, and beef last year. Finally, Japan's direct investment in the United States has more than doubled since 1980. By the end of 1983, this direct investment totaled $11.1 billion and accounted for 90,000 American jobs.

Before we take punitive steps against the Japanese, I think we have to review our own trading practices to determine if they are consistent with a free market philosophy. For example, in testimony before the Trade Subcommittee earlier this year, it came out that we have the highest import duties on trucks of any industrialized country in the world. In talking with a bakers association, they informed me that it costs them 22 cents a pound for imported sugar here in the United States, whereas their competitors in Canada pay only 5 to 6 cents per pound for the same sugar. The list of examples goes on and on. Thus, when talking about comparative advantage, it should be clear that the United States is not playing entirely by the free market rules either.

The U.S. trade deficit is much more likely a direct result of the U.S. recovery and the strong dollar overseas. A massive Federal deficit drives up interests rates and increases the value of the dollar, making our products less competitive and foreign goods much more attractive to American consumers. The dollar's real value in comparison to other currencies has risen more than 70 percent since 1980. And with American prices up 70 percent in comparison to our overseas competition, it's not surprising that our trade deficit has exploded. For this reason, it is the responsibility of the Congress to take immediate action to reduce the budget deficit and bring interest rates down. Only then will the high level of the dollar come down and the trade imbalance cease to exist.

The following article by James J. Kilpatrick points out the danger in overreacting to the current trade situation. As Mr. Kilpatrick suggests, before we take punitive steps against the Japanese, perhaps it would be in the best interest of the United States to carefully consider all the possible consequences. The article follows.

[From Nation's Business, May 1985]

LET US TALK BEFORE WE LEAP

(By James J. Kilpatrick)

On a Thursday afternoon late in March, the U.S. Senate did an unusual thing: It gave vent to honest emotion. On Capitol Hill, honest emotion is not unknown—it is like rain in Phoenix in May—but this display was something special. The Senate was genuinely angry. Before the afternoon ended, that anger exploded in an astonishing vote of 92–0 for a resolution denouncing Japan for its trade barriers and demanding that the President take "all appropriate and feasible action" to obtain the elimination of the objectionable practices.

Resolutions, to be sure, are toothless tigers; they have none of the bite of statutory law. Nevertheless, the Senate's resolution of March 28 is a portent of legislation yet to come. Congress has played bluffing games before with the Japanese, but unless I am sorely mistaken, this time the Hill means business.

Most controversial stories have at least two sides, and this story is no exception. This is the case for the prosecution:

In the 40 years since World War II ended, Japan has become an economic power second only to the United States. By some estimates, Japan's gross national product soon will exceed that of the Soviet Union. Relieved of the need to spend any significant sums on national defense, Japan has been free to devote its resources to domestic development.

Japan is a giant—but it is a tightfisted giant. It loves to export its own goods, but it erects almost insuperable barriers to imports. Some of these barriers are overt: Japan's tariff on imported beef amounts to 35 cents a pound, compared with our 2 cents a pound; Japan's tariff on oranges ranges from 8½ to 17 cents a pound, compared with our 1 cent a pound.

The most serious obstacles are more subtle. Japan's bureaucracy is even more infuriating than our own. An American exporter can expect nothing but delay, frustration, duplicative paper work, costly "inspections" and mysterious and varying interpretations of the thousands of regulations by which imports ostensibly are permitted but actually are discouraged.

These practices are not new. Japan's unwillingness to follow a Golden Rule as to automobiles led to the domestic content bill that passed the House back in November, 1983.

That bill was a bad bill; it would have reversed the feeble currents of free trade and swept us back toward protectionism, yet it roared to passage on a vote of 219–199. Then the bill went to the Senate, where Oregon's Bob Packwood bottled it up in committee. There the bill died.

It provides a measure of change in sentiment to note that Packwood, flushed with anger, was among the 19 senators who spoke in favor of the March resolution.

"I have reached the limits of my patience," he said. "As chairman of the Finance Committee, I am going to do everything I can to retaliate in kind to any of their products that come to this country."

Very well. To these charges the defense responds in this fashion:

The 1984 trade balance of $37 billion cannot be blamed entirely upon Japan's barriers to international trade. At least half of that sum is a consequence of the strong American dollar. The dollar would not be as strong against the yen if it were not for the inability of the U.S. government to get its own fiscal house in order. Japan has in fact been reducing both its official and its subtle obstacles to U.S. imports. The problem is that many American products are not of the high quality that Japanese consumers have grown to expect. American manufacturers have failed to market their products aggressively. How many American companies have sales directors who speak Japanese? Even with the best of products, it takes time to change purchasing patterns.

The Yanks, in brief, should practice patience and try harder.

The Reagan administration is a free trade administration. President Reagan demonstrated that conviction in his refusal to renew quotas on Japanese cars. The Japanese gave him no quid for that quo, but the President remains committed, to quote the Republican platform of 1984, "to a free and open international trading system." Reagan's patience, unlike the Senate's, is not quite yet exhausted.

The Hill's exploding animosity is understandable. The Japanese have indeed behaved selfishly, even arrogantly; their bland insouciance is insufferable. Yet we ought to remember Congreve's maxim that those who act in haste will repent at leisure. Debate on the Senate's March resolution consumed 63 minutes. Before we enact retaliatory laws, let us talk a little longer.

MEMORIES OF CAMP KAUFMAN

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. DYSON. Mr. Speaker, I wish to call to the attention of my colleagues the end of a Calvert County, MD, institution: Camp Kaufman. Established in 1953 by Cecil and Joel Kaufman, the camp provided a generation of Washington area youngsters with a welcome respite from life in the big city.

Since shortly after its inception, Camp Kaufman had the good fortune of being run by the late Phil Cox and his wife, Sis.

Phil and Sis were truly devoted to their 9- to 14-year-old charges, blending just the right mix of compassion and discipline.

Earlier this month, Anne Groer, a proud alumnus of Camp Kaufman who is now a White House correspondent, wrote of her summer sojourns to this peaceful spot along the Chesapeake Bay. Anne artfully recalls pleasures as diverse as roaming the beach between Breezy Point and Scientists Cliff in search of sharks' teeth and mastering lanyardmaking in a trice.

With the closing of Camp Kaufman, there is of course a sense of sadness, but also fond memories for the dedicated group of former counselors and campers who gave special meaning to being a Kaufmannite. I believe I speak for many of my fellow Marylanders in offering these few words of praise to those who contributed to making Camp Kaufman a wellspring of growth and knowledge for so many.

QUESTIONS ON U.S. NICARAGUA POLICY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. WEISS. Mr. Speaker, as the debate continues on the expanding American role in the war against the Government and people of Nicaragua, I suggest that we consider some of its implications, as explored by the editors of the New Yorker in the issue of June 17, 1985.

[From the New Yorker, June 17, 1985]

On Tuesday of last week, in the first of two articles on American military policy in Nicaragua, the *Times* quoted "an intelligence official whose opinions have been solicited by members of the National Security Council" as saying that an American invasion of Nicaragua would be as easy as "falling off a log." The story described a new airfield at Palmerola, in the Honduran highlands west of Tegucigalpa, which was dedicated in February. The field, one of eight in the country, has an eight-thousand-foot, lighted, all-weather runway, which "shimmers like a mirage in the midst of a sprawling military town of wood huts, camouflaged anti-aircraft emplacements and repair shops." The story also noted that this year the United States Army's Southern Command is scheduled to receive a detachment of C-7 Caribou planes, which are capable of "landing troops or matériel" on any of nine hundred "tiny, undeveloped airstrips" in the region. According to the *Times*, "United States intelligence sources in the region have told their superiors in Washington that major Nicaraguan installations are lightly defended"—that thirteen potential targets in the Managua area are guarded only by 57-millimetre and 37-millimetre anti-aircraft guns—and therefore, one intelligence officer has said, "if proper tatics and proper ordnance were applied to those sites, they'd never know what hit them." Another "political military officer in the region" outlined for the *Times* the most plausible scenario in the event of a full-scale conflict: "The U.S. would come in heavily for a month or so, mostly with air strikes against major facilities. Then a new government would be put into place, and it would come with its own army."

According to "several military analysts," the new government would have to deal with the Sandinistas, who might retreat to the hills and keep fighting, but this new government would probably benefit from "a program like El Salvador, advisers and assistance." The Sandinistas might not be much of a problem anyway, because, "one United States military officer who has briefed members of the National Security Council" said, the people who live in the mountains in Nicaragua don't like the Sandinistas and would chop their heads off. Military analysts said that another problem for the Sandinistas was that "Nicaragua has no counterpart to Vietnam's Ho Chi Minh Trail."

In the second article, the *Times* concentrated on the political, not the military, aspects of an American invasion, stating that "interviews with almost fifty" government experts in Washington, Panama, Costa Rica, Nicaragua, and Honduras "indicate that discussion of the issue has become commonplace in official circles," and that in the United States "the mood on Capitol Hill in the last few weeks appears to have shifted sharply against the Sandinista government." General Paul F. Gorman told Congress this winter that even if military aid for the Contras fighting the Sandinistas were renewed the rebels could not be expected to change the Nicaraguan government "in the foreseeable future." Therefore, the next step the Administration is most likely to take, said "several officials," is to end diplomatic relations. Senator Richard Lugar, the chairman of the Senate Foreign Relations Committee, told the *Times* that he thought this would happen soon, and "then we might recognize a government in exile." As for how the war to install that government might begin, "American officials say they have not dropped the threat to destroy" any MIG jets that the Nicaraguans might get from the Soviet Union; in fact, "they have broadened it to include Czech-built L-39 jet training planes." The *Times* explained, "The idea is that American warplanes would destroy the new planes and try not to hit anything else. Then in theory the attack would end.

But a senior Administration official said: 'I've never been able to see how that kind of phased operation stops because it sets off an action-reaction. If we hit the airport and maybe kill eighty or ninety people, they could come at the embassy.'" If they didn't come at the embassy, the official added, they might do something else to provoke an attack. "It is difficult to find anyone, friend or foe of the Nicaraguan government, who is confident the Sandinistas will not make a miscalculation that could lead to a military confrontation with the United States," the *Times* reported. "Many American military and diplomatic officials" have told their "superiors in Washington" that when a confrontation comes neighboring countries would welcome it. If the United States invaded Nicaragua, a Costa Rican official said, his government would issue a statement "saying something like 'it is unfortunate that the Cuban and Soviet advisers were invited in, and that the Sandinistas provoked it.'" An American intelligence officer who has interviewed dozens of people in Nicaragua and has been called upon to "brief numerous senior Administration officials on his views—including Mr. Weinberger, Mr. McFarlane, and Gen. John W. Vessey Jr., the Chairman of the Joint Chiefs of Staff" said, "What the people tells me is, 'we'd get out of your way and let you take care of the Sandinistas'" if the Americans landed. The biggest problem that United States Forces would face, he added, would be preventing "severe retribution" against Sandinista officers.

Now that the invitations have gone out and the notice has appeared in the newspapers, it's probably too late to break off the engagement. Far be it from us to stand up in the back of the church and voice objections. But we do have a few questions. Real questions, not rhetorical ones. The answers to them are not, we think obvious, and that is the point. What, exactly, is a Czech-built L-39 jet training plane? Have we as a nation finally decided the debate about our right to topple governments we don't like? Do we really dislike the Nicarguan government so much more than, say, the government of Guatemala? (If so, what, exactly, does the phrase "human rights" refer to?) What about those eighty or ninety people who are going to be killed when we bomb the Czech L-39 jet trainers? What if a lot more people are killed—say, eight thousand, or maybe nine thousand? Once we have fallen off the log, what, exactly, are we thinking of doing in Nicaragua? That is, are we going to insure a democratic, non-repressive government? Or will we be satisfied as long as the government is anti-Communist? Are we completely convinced that the agent who did the man-in-the-street interviews was a good reporter, and that other Latin-American countries will welcome this invasion? What if some of them get angry and repudiate their debts to American banks? What about the difficulties in distinguishing between farmer and figher which led to, say, the trouble at My Lai—have we figured out how to prevent them? Will our allies in the free world support us, and should we care? Maybe some Americans—college students and such—will get angry and alienated: how much damage will that do to our country? Is there any way, short of our removing its government, for us to live in peace with Nicaragua? How much money will all this cost, and are there better things to spend that money on?

How much should we rely on experts and officials in this matter? Is there anyone else to rely on? Will falling off the log involve defoliating parts of Nicaragua, and, if so, will there be food shortages and the like? The ex-Somocistas in the Contra camps—what will their role be in the new Nicaragua? If the Russians are so deeply involved in Nicaragua, is there any danger that an American invasion of Nicaragua will escalate into something larger? Will an invasion hamper efforts to, say, reach arms-control agreements? Will the land that that has been given to peasants under the Sandinistas be returned to its former owners? Will an invasion undercut international law? Is international law a useful idea? What, exactly, will we feel when we watch the bodies of soldiers being returned to the United States—will our determination waver or will it increase? Have we citizens of the United States collectively given this whole business as much study as any one of us would give, say, the purchase of a new car?

HAPPY HAROLD THAXTON

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. LEHMAN of Florida. Mr. Speaker, my friend, Happy Harold Thaxton, is gone. His loss, for all of his literally thousands of friends in south Florida, will make our world a less joyous place. Our community, without Happy, will no longer have so zestful a personality.

Happy was not known by that name solely because of his own buoyant personality. He was called "Happy" because that is the way that he made others feel.

He had a great gift and a rare quality. No one encountered Harold Thaxton without feeling better. His calling in life was to make others happy, and this he accomplished with such success that never did a nickname fit a man better.

I would like to share the following article about this outstanding man with my colleagues.

[From the Miami Herald, Aug. 16, 1985]

HAROLD THAXTON, CABLEVISION EXECUTIVE

(By Belinda Brockman)

The nameplate on the Dynamic Cablevision executive's desk read "Happy" Harold Thaxton. It was more than just a nickname, it was a way of life.

"That's Happy in quotes," said Ken Fuchs, general manager of Dynamic, "because that's the kind of person he was."

Mr. Thaxton, a former local radio and television country music performer and vice president of Dynamic, died Wednesday of cancer in Griffin, Ga., where he had a second home. He was 66.

He was known as "Happy Harold" to all.

"A lot of people thought Mrs. Harold was my last name," his wife, Anna said.

Country music disk jockey "Uncle Martin" Whales gave Mr. Thaxton the title.

"I knew Uncle Whales when I worked in radio," Mr. Thaxton said in a 1980 interview. "He called me that name because I was always happy. And I am still that way."

A Miami area resident since 1946, Mr. Thaxton ran unsuccessfully for the Hialeah City Council in 1961. Before the election, he was considered a shoe-in for the seat. But the ballot read James H. Thaxton, his legal name. He always claimed he lost the election because no one recognized his name without the "Happy."

He never entered city politics again.

Mr. Thaxton came to Miami to play professional baseball, which he did, for four years. Then, "he ended up in country music," Anna said.

But country music was nothing new to him. Raised in Georgia, Mr. Thaxton was surrounded by the musical style since childhood. He learned to play the bass fiddle at the age of 15.

In 1951, Mr. Thaxton made his television debut on Channel 4's "Uncle Martin Show" with Whales and Molly Turner. The half-hour program aired Saturday afternoons.

Dressed in a porkpie hat and suspenders, with freckles painted on his face and a tooth blackened out, Mr. Thaxton provided the show's comic relief, as well as being the band leader.

"I thought we were Hee Haw before its time," said Turner, who is now Channel 10's consumer reporter. "He helped me get started in television, so I owe him a lot."

The show's first on-screen sponsor was "Alabama Bill" Lehman, a used car salesman who is now a congressman.

The program later moved to Channel 17 and the name was changed to "Sunset Ranch." Still later, it aired on Channel 10.

With his engaging grin and gravelly voice, Mr. Thaxton continued to charm radio and TV audiences until 1965.

But he was never totally absent from the small screen. From 1969 to 1978, he hosted public television station WPBT's yearly auctions, and was the local host for the Cerebral Palsy telethons from 1972 to 1978.

In 1972, Mr. Thaxton joined Dynamic because he saw cable television "as the coming thing," he said five years ago. He remained with the company until his death.

"He was the kind of person who had a real impact on you when you met," Fuchs said. "He was the epitome of life."

In a semi-conscious state the day before he died, Mr. Thaxton's wife asked him "to give me that "Happy Harold" smile," she said. "And he gave it to me."

In addition to his wife, survivors include his mother, Susie; four sisters, Annetta Eubanks, Sara Proctor, Joyce Thaxton and Mabel Peters, and a brother, A.L.

Visitation will be from 5 to 9 p.m. today at the Lowe-Hanks Palm Avenue Chapel, with services at 1 p.m. Saturday.

Memorial donations may be made to the American Cancer Society.

CONTRIBUTING TO DEVELOPMENT IN PARAGUAY

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. MAVROULES. Mr. Speaker, I want to call my colleagues' attention to the generous donation of two Massachusetts organizations toward promoting education in Paraguay.

Through the Peace Corps Partnership Program, the Bilingual Club of Haverhill High School and the Boston Area Returned Peace Corps Volunteers have funded the expansion of a local primary school in a small community in Paraguay to accommodate secondary students as well.

The Peace Corps Partnership Program ought to be applauded for providing the channel for private sector donations to developing nations. In the last 20 years, the Partnership Program has helped the American private sector provide more than $3 million for 2,000 self-help projects in 90 developing nations. I would like to especially commend the Bilingual Club of Haverhill High School for being a partner of such a worthwhile endeavor.

OWING 1 CENT TO THE IRS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. CRANE. Mr. Speaker, I would like to share with you a letter I recently received from a constituent about the penalty he had to pay for miscalculating his income tax liability. While I understand the importance the Internal Revenue Service places on ensuring that everyone pays his or her fair share of taxes in order to reduce the deficit, this letter illustrates what incredible lengths the IRS has gone to in carrying out its task. Should we really be squeezing pennies out of taxpayers to reduce the deficit?

FRITZSCHE INDUSTRIAL PARK INC.,
484 WEGNER ROAD,
McHenry, IL.

U.S. Representative PHIL CRANE,
56 N. Williams Street,
Crystal Lake, IL.

DEAR PHIL: I thought that you would be interested in how efficient "The" Internal Revenue System is. As you will note the bill had to be made out and sent, costing a minimum of 23 cents (postage alone). This of course is 2,300 percent of the unpaid amount, 1 cent. The 1 cent is 1/23,866th of the total bill presumably owed.

The penalty is supposed to be 50 percent of the unpaid balance and the interest is supposed to be 13 percent per annum compounded daily. Now it is possible that 1 cent compounded daily could reach $1.33 in 100 days, but this seems quite unlikely since 13 percent of 1 cent is $0.00136 per year or $0.00000356 per day. Of course compounding does have a great effect but even after 100 days the normal interests only comes up to $0.000356 which would then be a total debt of $0.010356 to which we then add the penalty of 5 percent on the unpaid tax, plus 50 percent of the interest charges which then totals:

Interest	$0.010356
Penalty	.000500
Penalty on interest	.0605178
Total payment due	.0113738

As you can see there is a very large discrepancy between these two.

Maybe you should turn over the problem of the National Debt to the IRS. They would bankrupt the country in nothing flat.—No business.

Sincerely yours,
HERBERT W. FRITZSCHE,
President.

FRITZSCHE INDUSTRIAL PARK INC.,
184 WEGNER RD.,
McHenry, IL.

Requests for payment—Federal unemployment tax:

Our records show you owe $13.27 on your return for the tax and tax period shown above. If you believe our records are not correct, please see the information about the amount you owe on the back of this notice. Make your check or money order payable to the Internal Revenue Service. Please write your taxpayer identifying number on your payment and mail it with the bottom part of this notice. An envelope is enclosed for your convenience. You should allow enough mailing time to be sure we receive your payment by April 18, 1985.

Thank you for your cooperation.

Tax statement:

Tax on return	$238.66
Total credits	238.65
Unpaid tax	.01
Penalty	11.93
Interest	1.33
Amount you owe	13.27

ELEVEN HEADS OF STATE SUPPORT PUERTO RICO'S PLAN FOR DEVELOPMENT OF THE CARIBBEAN BASIN INITIATIVE

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. FUSTER. Mr. Speaker, the July 31, 1985, edition of Caribbean Business reported the contents of a joint letter which 11 heads of state from Caribbean nations recently sent to President Reagan. In general the letter expressed their concern about the future of the CBI.

One of the points highlighted in the letter was the heads of state backing of Puerto Rico's plan to finance economic development of the Caribbean region with funds generated under section 936 of the U.S. Internal Revenue Code. I feel it is important for the Congress to learn how these leaders feel about this important issue and thus I quote from their letter to President Reagan:

> As you are aware, consultations have also been taking place between several of our countries and the government of Puerto Rico concerning the use of funds available to Puerto Rico under the provisions of Section 936 of the Internal Revenue Code to finance a number of projects.
>
> These projects could have a positive effect on developmental efforts jointly in Puerto Rico and in the countries of Caricom. We clearly perceive these as being not only to the mutual benefit of Puerto Rico and our countries but also very much in line with the objectives of the CBI.

In a few days the Ways and Means Committee will be dealing with the fate of section 936 of the IRS Code. That section is not only vital to Puerto Rico's economic development but to the Caribbean Basin Initiative as well.

I trust you will take these important considerations and the views of the following heads of state into account when you participate in the approaching deliberations:

Vere C. Bird, Prime Minister, Antigua and Barbuda; Bernard St. John, Prime Minister, Barbados; Lynden Pindling, Prime Minister, Bahamas; Manuel Esquivel, Prime Minister, Belize; Herbert Blaize, Prime Minister, Grenada; Edward Seaga, Prime Minister, Jamaica; John Osborne, Chief Minister; Montserrat; Kennedy Simmonds, Prime Minister, St. Kitts-Nevis; William George Mallet, Deputy Prime Minister, and Minister of Trade Industry and Tourism, St. Lucia; James Mitchell, Prime Minister, St. Vincent and the Grenadines; Erol Mahabir, Minister of External Affairs, Trinidad and Tobago.

TRIBUTE OF CONGRESSWOMAN BARBARA BOXER TO THE CALIFORNIA VETERANS HOME AT YOUNTVILLE

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mrs. BOXER. Mr. Speaker, I would like to take this opportunity to pay special tribute to the California Veterans Home at Yountville, which is celebrating its 101st anniversary this year.

This historic home at Yountville is the largest of its kind in the country. It houses more than 1,400 men and women who served the United States with courage during the First and Second World Wars and our Wars in Korea and Vietnam. The home provides these veterans with medical care to meet their needs, the opportunity to work and to relax as they please, and an environment where they may live with the dignity and respect they have earned many times over.

What makes the home so special is that it is based on caring—the caring of staff members and volunteers, and of the veterans for one another. Sometimes this care can blossom into love as it did for one couple in their eighties who met and married at the home. There are presently 18 married couples residing at the home. The California Veterans Home at Yountville indeed deserves the highest tribute, for it has been much more than a place to live over the last 101 years. It has been a home.

PAY EQUITY STUDY LEGISLATION—LAUDABLE

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. GUNDERSON. Mr. Speaker, prior to the August recess, the House of Representatives debated H.R. 3008, the Federal Equitable Pay Practices Act of 1985. In light of the fact that this important legislation will be returning to the House floor this month, I wanted to express my wholehearted support of this measure to study the Federal Government's job classification and pay systems.

H.R. 3008 was reported out of the House Post Office and Civil Service Committee, with bipartisan support, on July 24, and since that time a barrage of information has flooded our offices opposing the intent of this legislation and the study. These red flags of caution and warning I contend are unwarranted. Are those in opposition to a study of the Federal work force afraid of what may be discovered?

Pay equity concept is evolving into an important issue of the 1980's. As an issue of this decade, pay equity is not a new or innovative idea of our times. At an International Labor Organization Conference held in Rome in 1951, 80 nations passed a resolution supporting comparable worth. Additionally, more than 100 comparable worth/pay equity initiatives now exist at various governmental levels around the country. Six States have implemented comparable worth/pay equity policies, and other States are in the process of studying their State's pay classification and compensation systems. I contend now is the appropriate time for the Federal Government to review it's classification and wage systems to determine if ethnic origin, gender, or race are elements used in setting pay scales in the Federal work force.

H.R. 3008 establishes a bipartisan "Commission on Equitable Pay Practices" to oversee a study conducted by an independent, private consultant on the Federal classification and wages. The study will take into consideration positions of classified employees of the Federal Government, it will not affect local or State public sector employees or the private sector work force.

H.R. 3008 offers important technical revisions that were not included in H.R. 5680, which was passed by the House last year. The revisions include a March 1985 GAO recommendation on how to conduct a pay equity study by expanding the study to determine if economic variables such as education, locality, merit, productivity, seniority, veterans status, and work experience are associated with occupational pay differentials. Economic analysis joined with job content analysis will provide for a well rounded approach to the study.

The questions asked by this legislation, and determined by a careful study are legitimate. An undertaking of this nature will essentially provide the administration and Congress with information and recommendations to determine if Federal pay practices are consistent with section 6(d) of the Fair Labor Standards Act of 1938 and title VII of the Civil Rights Act of 1964.

The Federal classification and pay systems were established by the Classification Act of 1923, and since that time there has not been a general review of the system. I believe now is an appropriate time to address this matter. It would be rather naive to think that some Federal positions have not become institutionalized, over the years, by a particular gender or race. Let's not push aside a fact finding study of the classification and wage systems and an opportunity to improve the Federal Government as a responsible and fair employer.

The Federal Equitable Pay Practices Act of 1985 is a laudable piece of legislation to assist the administration and Congress in identifying, and if need be address, any forms of discrimination that may exist within the Federal pay system. I strongly urge my colleagues to seriously consider favorably H.R. 3008.

PROMOTING DEMOCRACY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Foreign Affairs Newsletter for August 1985 into the CONGRESSIONAL RECORD:

PROMOTING DEMOCRACY

The American people believe the U.S. should promote the growth of democracy. That belief is shaped by the nation's history and is reinforced by a confrontation with modern ideologies that reject the principles and practices of democracy.

Today democracy is challenged as rarely before. Social and economic ills are its enemies. Indeed, some argue democracy is suitable only for wealthy post-industrial nations and not for improverished societies with severe socio-economic imbalances. Democracy's foremost political challenge comes from the Soviet Union, which regards its system as an international model of government and vigorously promotes its cause worldwide through the communist party and the force of arms.

Despite the challenge, democracy's position is not hopeless. Freedom House, a private group that monitors political and civil liberties around the world, found ten years ago that one person in five lived in full freedom under a democratic government. Today, the figure is one in three. Of the present 167 nations and 52 dependent territories, 53 nations and 32 territories are fully free, and 55 nations and 3 territories are without any freedom at all.

The status of democracy varies. The most encouraging trends have been in Europe and Latin America. Spain, Portugal, and Greece reestablished democratic governments in the mid 1970's. In Latin America, Brazil, Argentina, and Uruguay recently joined the democratic fold. The situation remains poorest in the Middle East and Africa. Israel is considered the only true democracy in the Middle East, and Freedom House finds only two democracies in Africa, Mauritius and Botswana.

Democracy's survival depends on its ability to overcome economic, social, and political challenges. Because of these challenges, President Reagan in 1982 told the British Parliament that a "global campaign" was necessary for democracy's survival and growth. He urged a coordinated effort by the major Western democracies, not only to foster democracy elsewhere but to rejuvenate the commitment to democracy within Western societies.

The promotion of democracy poses risks. Democracy reflects a specific historical experience and no one should expect all democracies to develop the same way. The promotion of democracy may look to some like interference in another country's domestic affairs. Also, proponents of democracy sometimes attempt to establish democratic institutions in countries that lack the social and economic structure to support them. Democracies function best where there is a pluralistc structure of private enterprise, educational institutions, labor unions, and other professional and interest groups. Furthermore, there is need for caution in supporting individuals who claim to back democracy. Sometimes these same leaders later adopt anti-democratic methods.

The U.S. already has taken significant steps to promote the spread of democratic values. In 1983, Congress established the National Endowment for Democracy, which seeks to promote and support initiatives from the two major U.S. political parties, labor organizations, business groups, and university foundations. It also assists the work of other government-supported offices like the U.S. Information Agency, the Voice of America, and Radio Free Europe.

Political party foundations in several Western countries have also assisted the growth of democracy through their support of counterpart political parties in southern Europe and Latin America. U.S. political parties are not as ideological as their European counterparts, but they are also beginning to promote and assist the development of political parties in countries struggling to strengthen their democratic systems. Coordinated policies supported by several countries will have a greater chance of success, and can give support to all democratic parties in a nation rather than just one.

U.S. development assistance can also help strengthen democratic institutions. Many democracies now face serious debt problems and their survival will depend in part on how we can help them through this period. Several other democratic countries have significant development assistance programs. These programs help address social and economic deprivation and help nurture political and cultural institutions that enhance democracy. To realize these goals, the U.S. needs to reassess the present imbalance in its aid program favoring military assistance, which does little to foster the emergence of domestic conditions favoring democracy.

Another step the U.S. and its sister democracies can take is to respect the political independence and territorial integrity of sovereign states. Promoting the overthrow of governments because their principles and system do not conform to democratic ideals will not aid the cause of democracy. Democratic governments will help their cause most by following accepted international rules and using the tools of diplomacy.

Finally, the most important step we can take to assist democracy is to live up to our own ideals. Democratic societies are on trial before the world as they address equal opportunity in education and employment, and such issues as drugs, crime and other less attractive aspects of free and individualistic societies. They are rightly judged not just by the freedoms and opportunities they provide for the most capable, but also by the compassion they show to those least able. Each step taken by democracies to make their societies a better place to live will serve as proof of the value of democratic government.

THE SHOE TAX BECKONS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. CRANE. Mr. Speaker, by September 1, President Reagan has to make a decision in regards to the International Trade Commission's [ITC] recommendation to impose quotas on imported footwear. I recently cosigned a bipartisan congressional letter to President Reagan urging him to take into consideration the interests of the American public as a whole and reject the footwear quotas.

The effect that the quotas would have on American families, especially the elderly and the low-income consumers, must be weighed into this decision. Quotas would slap a hidden tax on consumers that would drive up shoe prices, costing consumers billions of extra dollars and they would restrict the freedom that Americans enjoy of purchasing whatever shoes they want and can afford. Over half the shoes sold in America retail for under $15 and they are virtually all imported. Quotas cost money—and the people who would pay the price of protectionism would be those least able to afford it.

The ITC estimates that the shoe quota would cost the U.S. consumer $50,000 per year for each $14,000 a year job that is saved. In terms of overall dollars, it would result in at least a $1.5 billion per year extra burden on the American consumer. Mr. Speaker, in this case, the cost of restraints is too high and the benefits to the domestic shoe manufacturing industry too negligible to warrant any such action.

I am submitting the following article from the New York Times, appropriately titled, "The Shoe Tax Beckons." Although the quotas would be aimed at protecting the domestic shoe industry, they would be doing so by in effect adding an extra tax to the current price of shoes. The article follows.

THE SHOE TAX BECKONS

The U.S. International Trade Commission, yielding to pressure, recommends quotas that would reduce imports of shoes sharply and drive up their price. President Reagan must now decide whether consumers should finance this remedy, saving American jobs at an annual cost of $50,000 each.

Shoes offer a model study in what's wrong with protectionism, and why it's so hard to stop.

Manufacturing inexpensive shoes requires only simple machinery and abundant low-cost labor. That is why Brazil, South Korea, Taiwan and other low-wage countries produce most of the shoes sold in the United States. Their competition has forced American manufacturers to retrench, closing two-thirds of their plants in the last 15 years. Many of the remaining plants are profitable only because they produce high-quality shoes, whose style is more important than price and whose main competition comes from high-cost factories in Europe.

Competition ought to determine the future of the industry, allowing smarter, more flexible domestic producers to find their niche in a market dominated by low-cost third-world producers. Indeed, the growth of the American economy depends on its gradual shift from low-wage, labor-intensive to high-wage, high productivity industries that can sustain rising living standards.

What's good for most Americans, of course, isn't necessarily good for those who own or work in shoe factories. Of the remaining U.S. producers, the most marginal couldn't possibly survive open world competition. Even the most productive would benefit from protection. From the Carter Administration they got temporary quotas on imports from Taiwan and Korea, briefly halting the industry's decline. To the shoe makers' dismay, President Reagan chose to interpret "temporary" to mean just that; quotas were allowed to lapse in 1981.

Last year the International Trade Commission, an independent Federal agency, denied the shoe makers' petition for import relief, citing the high profitability of the more modern shoe companies. So the industry went back to work the new-fashioned way: lobbying Congress. That changed the commission's mind, and for an obvious reason. The shoe makers speak with a single voice and can point to job losses in 48 states. Thus their influence in politics far exceeds their importance to the economy. The Senate Finance Committee insisted that the Trade Commission reconsider.

This time around the commissioners voted 4 to 1 for a plan that would limit imports to 60 percent of the market saving an estimated 26,000 jobs. By the reckoning of the one dissenting commissioner, that would cost consumers $1.28 billion a year, three times the wages of those 26,000 workers.

To resist, President Reagan may need more than arguments. Though plainly devoted to free trade, he has already yielded expensive import relief to the clothing, steel and motorcycle industries. A nation benefiting from open trade needs to offer something better than protectionism to workers and communities caught in the tides of industrial change. But that is a policy problem that Washington has never taken seriously.

LET'S IMPROVE OUR COUNTER-INTELLIGENCE CAPABILITY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. BROOMFIELD. Mr. Speaker, our Government must do more to expand and professionalize our Nation's counterintelligence programs. Congress has been supportive of this effort and has made additional resources available. Given the dramatic rise in espionage directed against our Government and the private sector, much more needs to be done to counter this growing threat to America's security. I want to share some views on this important issue from the Washington Post with my colleagues in the House.

While all Americans are both worried and disturbed about the recent Walker spy case, it is important to realize that our Government can do more to limit the spying activities of foreign intelligence services in this country. It is incredulous that the Federal Bureau of Investigation, the agency responsible for counterintelligence operations in the United States, is undermanned in the counterintelligence area. I understand that the counterespionage capabilities of other agencies in our Government could be upgraded with the introduction of more resources to include additional personnel specializing in this important area.

A key element of this question is limiting the number of foreign intelligence operatives in the United States. While it is possible for the FBI to monitor the movements of some Soviet intelligence personnel assigned to their Embassy in Washington, hundreds of Soviet personnel assigned to the United Nation's Secretariat in New York have free access to all States and cities in the United States. Among United Nations employees, the large Soviet delegation has the reputation of not doing much official United Nations work. They apparently spend a lot of time, however, traveling around the United States literally siphoning up valuable intelligence information. It is understood that the Soviets collect so much information that they have real difficulties in sorting, processing and collating much of it. Fortunately, Congress is moving ahead and passing legislation designed to limit the number of Soviets who are assigned to their Embassy and to their U.N. delegation.

With those concerns in mind, I commend the following article to my colleagues in the House. Obviously, we cannot do enough to protect America's security. The time for action is now.

Congress, Agencies Clash Over Counterintelligence

LAWMAKERS CALL ADMINISTRATION EFFORTS WEAK

(By Charles R. Babcock)

In the spring of 1984, Sen. Malcolm Wallop (R-Wyo.) received a certificate naming him an "honorary counterintelligence specialist" in the Central Intelligence Agency. The award was said to be in recognition of his efforts to establish a semiautonomous core of career counterintelligence (CI) specialists in the agency.

Wallop, then chairman of the Senate Intelligence budget subcommittee, was neither honored nor amused.

"The CIA ridiculed the career specialist by giving me the award," he said in an interview. "It was designed in total cynicism, with little boys laughing behind doors."

So he wrote, and Congress approved, language in the classified intelligence agencies' authorization bill report for fiscal 1985 requiring the CIA to reestablish CI as a career service. It still has not been done, he and other intelligence sources say.

Doing something about counterintelligence has been a hot topic since accusations in May that alleged spy John A. Walker, Jr. and others for years had passed U.S. Navy secrets to the Soviets. To Wallop and other critics, the Reagan administration's inaction on the "CI specialist" mandate reflects a broader lack of commitment to improving the nation's ability to protect secrets from foreign agents.

"This country," Wallop said, "has virtually zero counterintelligence capability."

He argued that the CIA's counterintelligence system is inadequate because the officers now working in it will someday rotate out to work for other officers whom they may have investigated or whose operations they may have challenged. The result, Wallop said, is a too casual effort, in which the tough questions are not asked about the credibility of agents, operations or even technical systems.

Although few others are so critical, interviews with current and former intelligence officials suggest that the Reagan administration's strong words about counterintelligence have often been matched only by half-steps.

President Reagan said in a radio speech in June that "we've developed a list of things to be accomplished in the counterintelligence and security areas." He has signed two secret directives to study and act on the counterintelligence problem, but little of substance has been accomplished because of bureaucratic resistance, several sources said. A separate directive to revamp personnel security policies has been languishing without action for more than a year.

Funding for more FBI counterintelligence agents—who are responsible for counterespionage operations in the United States—has been added to recent budgets, but only over the objections of administration budget officers. There are now about 1,200 CI agents in the FBI, sources said. But they are still outnumbered, and squads of inexperienced clerks have been used for years to help keep track of potential foreign agents in at least four major cities.

Administration spokesmen declined to speak on the record about the counterintelligence issue. But several members of Congress did. Rep. Lee Hamilton (D-Ind.), chairman of the Permanent Select Committee on Intelligence, said "sometimes it takes a strong blow across the snout," such as the Walker case, to get the administration and Congress to focus on a problem. "Politicians, including myself, are responding to it," he said.

The broad definition of counterintelligence means protecting the nation's documents, communications and secret facilities from penetration. To most people, however, counterintelligence means the stuff of spy novels, the American agent trying to stop the KGB from recruiting a U.S. spy or catching a spy in place.

The main responsibility is split between the CIA, which keeps track of foreign intelligence agents overseas, and the FBI, which does the same in the United States.

Hamilton and Sen. Patrick J. Leahy (D-Vt.), vice chairman of the Select Committee on Intelligence, said long-term solutions are required, in addition to the increased use of polygraphs and imposing the death penalty on military personnel for peacetime espionage, the two measures passed by Congress so far.

Hamilton said the least expensive and most important step to protect national secrets would be enforcing the "need to know" policy. "A security clearance shouldn't entitle anyone to see anything. Someone should have access only if he needs it for his job."

A theme in much of the criticism is that counterintelligence is not viewed as a path to career promotion at the CIA or FBI, or the State Department, where security has long been a low priority.

Rep. Dave McCurdy (D-Okla.), chairman of the House intelligence oversight subcommittee that has been holding closed hearings on counterintelligence, said he feels the biggest security problem is at the State Department. He said CIA Director William J. Casey had accepted a recommendation by an internal CIA commission to give more independence to the CI staff there. "It's fine-tuning at CIA," McCurdy said. "It's trying to stop a flood at State."

He cited recent reports of bugged typewriters in the U.S. Embassy in Moscow and the hiring of foreign personnel in the embassy. "The Soviets [employes] have the run of the first five floors of our embassy in Moscow," he said. "It's ridiculous."

Hamilton said, "The Soviets do have extraordinary technical skills to penetrate our embassies and secure buildings and a

Pinkerton guard from the local plant just isn't aware of what he's up against. Training and skills are critical. People have to be schooled in the techniques of modern espionage."

The Senate intelligence committee, for example, reported earlier this year that a Soviet facility at Glen Cove, N.Y., is believed to be intercepting so many U.S. telephone and telex messages that it requires the shipment of tons of material to Moscow each year. The National Security Agency has embarked on a major program to provide more scrambler phones for the nation's military and intelligence communications systems.

Rep. Andy Ireland (R-Fla.), also a member of the House committee, blamed the lack of concerted action on "bureaucratic inertia. Sometimes there are so many facets of a problem people are mesmerized into doing nothing."

The administration's uneven record on counterintelligence seems, at least in part, the result of longstanding and deeply felt differences about the best way to counter foreign spying here and abroad.

Melvin Beck, a CIA agent who shadowed KGB agents in Havana and Mexico City in the 1960s and has written a book about it, said he thought the experience was unglamorous and silly. Installing a microphone in a KGB officer's apartment resulted only in hours of tapes about his family life, not his spying, he said. "It's all a big game for both sides."

Counterintelligence is also an emotional issue because it amounts at times to spying on colleagues in a secret world where relationships must be based on trust. Mention of the name James J. Angleton, deposed a decade ago as chief of the CIA's counterintelligence staff, still generates controversy because of accusations that he unfairly wrecked the careers of some CIA officers he suspected of being Soviet moles.

In 1980, then-Director Stansfield Turner convinced Congress to approve a special fund to compensate CIA officers considered victimized by Angleton. Angleton supporters argue that any steps he recommended were approved by his superiors.

Wallop and others say an environment must be created in which intelligence information can be challenged and all potential security risks assessed. "There's an inherent dislike on the part of intelligence professionals to be second-guessed," Wallop said, adding that the CIA needs "the skeptical guy on the block."

Wallop said his ideas for changing counterintelligence at the CIA weren't easy to sell to the Senate intelligence committee because of the Angleton legacy. "It was so easy for [Deputy CIA Director] John McMahon to talk Bill Casey out of my idea of multidisciplinary analysis on the basis of Jim Angleton, which was totally irrelevant. To Bill's credit he later came around to the argument I was making. But when it was first presented Angleton was thrown up."

The first Reagan presidential directive to take action on the CI front was drafted by the National Security Council staff in 1981. But some senior career intelligence officials lobbied to change the order to a study, sources said.

NSA, which intercepts foreign communications and attempts to break the coded messages of other nations, opposed suggestions that it had not rigorously addressed the possibility the Soviets were passing false information through its technical collection systems. NSA's reluctance may come about because billions of dollars and careers are invested in U.S. technical systems, Wallop said.

When the study was completed, a new action order was drafted. As a result, a new national intelligence officer for deception was created in late 1983. A former head of the CIA's overhead photo interpretation center, R.P. (Hap) Hazzard, was picked for the job. But executive branch and congressional sources said that little else was done.

When the directives failed to get much action, Wallop led the fight to write part of the counterintelligence agenda into the fiscal 1985 intelligence authorization bill. Besides the CIA career specialty, he got the votes to order the agencies to set up units to conduct "multidisciplinary counterintelligence analysis."

Usually in intelligence work, an intercepted communication or agent report that tends to confirm something in satellite photography would be taken as corroboration and, the more varied the sources, the more credence the conclusion would be given. The multidisciplinary counterintelligence approach would look at the same material for signs that it had been intentionally planted.

One intelligence official familiar with the idea said the CIA does make a good-faith effort to look for deception but often can't find the evidence. "Some things you just have to believe or you will put a caveat on everything you say and then you might as well go out of business," he said.

Wallop said, "The two things in the '85 budget, the career slot and the multidisciplinary analysis are still not effective creations . . . To date the effort has been accommodation rather than commitment. It simply cannot succeed as an accommodation."

Wallop added that recent congressional attempts to strengthen counterintelligence "are literally cosmetic, absent a more serious effort. The death penalty is not a counterintelligence policy. It can clearly be useful as a deterrent and it satisfies the national mood to be outraged . . . But it still isn't at the core of the problem."

The best way to aid the FBI is not simply to increase the number of counterintelligence agents, several experts agreed, but to try to shrink the problem by cutting the number of Soviets in this country or putting greater restrictions on their travel.

An amendment sponsored by Leahy and Sen. William S. Cohen (R-Maine) to make Soviet and U.S. diplomatic missions more equal in size was passed by Congress late last week. So was a proposal by Sen. William V. Roth Jr. (R-Del.) to limit the travel of Soviet nationals who work for the U.N. secretariat in New York.

Roth, a member of the intelligence committee, said that with 4.3 million Americans with security clearances "the best choke point is on the other side—better control of those on the Soviet side." He noted that the committee issued a report in May charging that 200 of the 800 Soviet U.N. employees were intelligence officers.

"The good news," Leahy said, "is that as a result of the Walker case and others, people are actually focusing on this and the administration and Congress will look for long-term solutions."

IT COULD COST, NOT PAY

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. DYSON. Mr. Speaker, the following article appeared in the News American on Monday, July 29, 1985. I feel it is worth repeating.

At first blush the Senate's proposal to impose a $5 per barrel tax on imported oil sounds like a great revenue raiser—and a way to reduce the national deficit. It's estimated that the fee and the resultant increased costs on refined products would yield about $20 billion over the next three years.

Right away there is a problem with the White House, because President Reagan still is insisting that the way to cut the deficits is not to raise taxes but to reduce federal spending. The president hasn't reacted to the Senate's proposal so far, but a senior White House official said it would take "a big horse pill to get him to swallow this."

But the Senate's proposal has a number of economists concerned about the overall negative impact on the economy.

For one thing, some economists claim, the higher tax on energy would affect industry as well as motorists and homeowners, and there would be a resultant slower growth in the gross national product, offsetting much of the gain from the increased taxes. Also, oil prices have come down, and if they come down further inflation likely would fall and real economic growth would increase. Faster growth would in turn increase Federal revenues.

There is a further concern that with the $5 fee increasing the price of crude oil and natural gas in the United States but not in other countries the domestic oil industry would be placed in an unfavorable competitive position with other parts of the world.

Other economists have found these arguments, debatable, but the point is that the Senate, in what appeared to be an easy way to raise revenues, has opened an economic Pandora's Box.

It may be President Reagan will reject the proposal outright. But if he doesn't it would behoove the Senate to take a far deeper look into the possible results before going ahead.

HIGH TECHNOLOGY ACTIVE BUSINESS ACT OF 1985

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. STARK. Mr. Speaker, on Wednesday, July 31, 1985, I introduced the High Technology Active Business Act of 1985, which was designed to eliminate problems associated with the imposition of personal holding company tax on small software companies. Because of the interest that this legislation has generated, I am printing in the

RECORD a detailed description of that legislation.

DETAILED DESCRIPTION OF THE "HIGH TECHNOLOGY ACTIVE BUSINESS ACT OF 1985"

I. Treatment for Personal Holding Company Tax Purposes of Computer Software Royalties Derived by Active Businesses (Sec. 2 of the Act).

A. Basic Problem: Imposition of the Personal Holding Company Penalty Tax on Closely-Held Software Companies.

The basic problem is that small software development companies often possess the characteristics that can trigger application of the personal holding company penalty tax provisions:

(i) The stock of the company is generally held by relatively few shareholders who participate directly in the software development; and

(ii) Once developed, the corporation's software product is transferred to others by means of a license to a particular computer manufacturer or other customer or via a so-called "box-top" license to the public (under which the retail customer agrees to the license merely by opening the wrapper of the software package). The use of a license is necessary to protect the developer's proprietary interest in the software. This form of transfer has been viewed by the I.R.S. as giving rise, at least in many cases, to passive royalty income deemed to be personal holding company income. See Private Letter Ruling 8450025 (September 7, 1984). However, these companies clearly are engaging in active, ongoing business activities, including the development of new and improved software and maintenance activities with respect to existing software products.

The personal holding company penalty tax provisions were adopted to prevent the incorporation of passive investment activities at a time when corporate tax rates were significantly lower than the top individual rates. Accordingly, the application of the personal holding company provisions to software development companies conducting substantial active, ongoing business operations produces an unintended and extremely harsh result.

B. Exclusion for Computer Software Royalties Derived by an Active Business.

The Act adds a new exclusion from the definition of personal holding company income for computer software royalties that are derived by the corporation from the active conduct of a trade or business.

C. Standard for Computer Software Royalties from an Active Business.

For purposes of the new exclusion, computer software royalties will be treated as derived from the active conduct of a trade or business if the corporation satisfied the following *objective tests:*

(1) The royalties must be attributable to computer software that has been:

(a) Developed, manufactured, or produced (in whole or substantial part) by the corporation in connection with a trade or business; or

"Developed, manufactured, or produced" is intended to include software that has been created by the corporation and software that has been purchased from another person for inclusion in a software or combined hardware-software product of the corporation.

"In connection with a trade or business" is intended to mean software that the corporation has developed or acquired for use in a present or *future* business, so as to include software that has been developed during the corporation's start-up phase.

"Corporation (or its predecessor)" is intended to reach the case in which the software is developed by a partnership that converts into a corporation once development has been completed and marketing is to begin or by one or more individuals who transfer the software to the corporation in a transaction qualifying under Code section 351.

(b) Distributed by the corporation in carrying on a trade or business, but only if the corporation otherwise is carrying on the trade or business of developing, manufacturing, or producing computer software.

This provision is intended to extend the exclusion to a software company that, as part of its active, ongoing business operations of developing, manufacturing, or producing software, also distributes software that has been produced by others.

(2) The computer software royalties must constitute 50 percent or more of the ordinary gross income of the corporation.

This requirement ensures that the computer software royalties arise from the primary business activities of the corporation.

(3) The sum of expenses properly allocable to the same trade or business as the computer software royalty income and (i) deductible as ordinary and necessary business expenses (Code section 162), (ii) deductible as research and development costs (Code section 174), and (iii) which would be deductible as ordinary and necessary business expenses if the corporation had been beyond the start-up phase must equal or exceed 25 percent of the corporation's ordinary gross income. Qualifying expenses for purposes of this test are defined to exclude compensation for personal services of major shareholders.

By requiring that R&D and ordinary business expenses be significant as a percentage of the corporation's income, this test distinguishes active business operations from the passive investment repository of the "incorporated pocketbook" situation. In the "incorporated pocketbook" situation, it is unlikely that the corporation could generate significant amounts of proper business expenses other than compensation of the major shareholder(s). Such compensation is not treated as a qualifying expense for purposes of this test.

In addition, by so excluding the compensation of major shareholders, the test addresses the "incorporated talent" concern by in effect requiring that the corporation's operations extend beyond merely the efforts of such major shareholders.

For purposes of the test, any software development costs that are not properly treated as R&D costs under Code section 174 are treated as ordinary and necessary business expenses under Code section 162 (or as amounts that would be deductible under section 162 if the corporation were beyond its start-up phase).

The major shareholders whose salaries are excluded from the category of qualified expenses are defined as the fewest number of shareholders (among those 5 or fewer individuals holding more than 50 percent of the stock for purposes of the personal holding company stock ownership test) whose combined ownership interest exceeds 50 percent in value of the outstanding stock of the corporation.

In essence, this definition of major shareholder results in exclusion of the compensation of those shareholders, beginning with the largest holders, who cause the corporation to exceed the 50 percent stock ownership ceiling for personal holding company characterization purposes.

Solely for purposes of this exclusion of major shareholder compensation from the category of qualifying business expenses, the determination as to who is a major shareholder is to be made without regard to stock that is deemed to be owned by the shareholder solely by reason of attribution from a partner. This provision is intended to address the situation in which an employee with a relatively small stock interest also is a partner in a venture capital fund owning shares in the corporation. If the partnership rules were to be applicable here, this small shareholder-employee would be treated as owning all of the stock held by the venture capital fund when such employee was not truly a major shareholder of the corporation. Accordingly, the partnership attribution rules are made inapplicable for this very limited purpose of determining excluded major shareholder compensation.

A special rule is included to address the situation in which a software company develops a product that proves extremely successful in the market, generating a very substantial amount of cash that the company is reluctant to wholly reinvest in expansion of business operations because of prudent growth concerns. In such a case in which growth income outstrips growth in business expenses, difficulty may arise in meeting the 25-percent-of-income threshold for business expenses, even though the company clearly is engaged in active, ongoing business operations. Accordingly, the special rule permits a company to apply the 25 percent test on the basis of the annual average (in dollars) of business expenses and income over a period consisting of the taxable year in question and the immediately preceding 4 taxable years (or, in the case of a company that has been in existence for less than 4 years, the period consisting of the taxable year, any of the 4 prior years during which the corporation has been in existence, and any immediately succeeding taxable years that are necessary to complete the 5-year computation period).

(4) The corporation must not have other types of personal holding company income that total more than 10 percent of its ordinary gross income.

This requirement is included to prevent a corporation receiving the benefit of the computer software royalties exclusion from sheltering significant amounts of other types of personal holding company income.

Computer software royalties, interest earned on working capital balances during the corporation's start-up phase, and dividends from a (50 percent or more) subsidiary that qualifies as an active software business are not considered to be personal holding company income for this purpose.

Rents and mineral, oil and gas royalties are considered to be personal holding company income for this purpose.

The corporation may avoid running afoul of the 10 percent ceiling on other forms of personal holding company income by paying, to the extent of the excess over the 10 percent ceiling, a dividend during the taxable year, a dividend that is considered to be paid on the last day of the taxable year under Code Section 563, or a consent dividend. A similar provision is included in the present law exclusion of rents (under Code section 543(a)(2)) from personal holding company income.

D. Miscellaneous.

A U.S. software developer's foreign subsidiary that licenses software directly to customers abroad is subject to personal holding company characterization under the foreign

personal holding company provisions for the same reasons as its U.S. parent. To address this problem, an exclusion is added to the definition of foreign personal holding company income for computer software royalties that are received by a foreign subsidiary that otherwise satisfies the requirements of the computer software royalties exception as applied for domestic personal holding company purposes, except that the foreign subsidiary need not "develop, manufacture, or produce" the software giving rise to the royalties so long as the U.S. parent or other member of the same affiliated group satisfies the "develop, manufacture, or produce" test with respect to the software. This provision effects no change in the Subpart F rules.

E. Effective Date.

The new computer software royalties exclusion is applicable to all taxable years ending after date of enactment. However, the Act is intended to clarify the proper treatment of computer software royalties under present law for purposes of the personal holding company provisions.

II. Elimination of R&D Expenditures as a Minimum Tax Preference Item for Personal Holding Companies (Sec. 3).

A. Basic Problem: Application of the Minimum Tax to Start-Up High Technology Companies.

Although R&D expenditures are not treated as a preference item for minimum tax purposes for corporations generally under present law, such costs are made a preference item (under Code section 57(a)(6)) for personal holding companies. During the typical start-up phase, the high technology company will incur substantial R&D expenditures which greatly exceed the company's income, thereby generating net operating losses which may be carried forward to offset profits in future years. The company's only source of income during this start-up phase often will be the interest earned on its working capital balances. If the high technology company constitutes a personal holding company because of this passive interest income, its loss carryforwards will be "tainted" such that, in future years when loss carryforwards are offset against operating profits, the company will be subject to a minimum tax liability on 90 percent of the R&D that had been expensed in the taxable years in which the loss carryforwards were generated.

B. Elimination of R&D Expenses as a Preference Item for Personal Holding Companies.

The Act would eliminate Code section 174 R&D expenses as a preference item for minimum tax purposes for personal holding companies (as well as corporations generally, as under present law).

This is a technical correction of an unintended result. Section 174 R&D expenses were added as a preference item by the 1982 Tax Act essentially in response to the emergence of the R&D limited partnership device, which passes through R&D deductions to individual investors to shelter their unrelated income. By contrast, since a personal holding company is a corporation and not a pass-through entity, no potential exists for using R&D deductions to shelter unrelated income directly received by the individual. In addition, it is difficult to envision a personal holding company undertaking research activities merely to shelter unrelated income of the corporation.

C. Effective Date.

This provision of the Act would be effective for taxable years beginning after December 31, 1982.

AGRICULTURE 1985

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 28, 1985, into the CONGRESSIONAL RECORD:

AGRICULTURE 1985

American farmers will probably have huge harvests this year, prompting fears of further distress in rural areas. Congress is seeking new approaches to increasing farm problems. The dilemma is how to improve farm income and provide sufficient credit while reducing government spending for agriculture. Legislation now before Congress could have greater impact on farmers than in any recent year.

CREDIT

Congress is studying options for reforming the financially troubled Farm Credit System (FCS). The system of 37 banks is federally sponsored, privately owned, and cooperatively organized. It is regulated by a quasi-federal agency, but is financed independently through the sale of farm credit bonds. For generations it has been a reliable source of funds for farmers, and its bonds have been highly rated.

Problems in the system raise concern about its long-term survival. Bad loans and fleeing borrowers, the need to rescue the Spokane district, and trouble in the Omaha district—all caused by current farm problems—show that changes are needed to improve the system's effectiveness. The FCS's unique funding sources and lending practices also cause borrowers problems. Interest rates at FCS banks are not linked to those at commercial banks; they usually change more slowly than commercial rates. Hoosier farmers were dismayed recently to see FLB and PCA interest rates go up while the prime rate fell at commerical banks.

Proposals addressing these financial problems include more credit, debt restructuring, interest buy-down, and purchase of farm assets. Some have proposed more centralized control of the FCS to help it move reserves more quickly to troubled districts. Others have suggested direct federal aid. Most of these proposals require substantial federal funds. Lawmakers will insist that the system use its own considerable resources to deal with problems, but a system providing over $80 billion in loans must remain a major component in agricultural lending.

TAX REFORM

Tax reform could have greater long-term impact on agriculture than farm programs. Agriculture has been a tax haven for many investors. Current policies encourage excessive land and equipment investment, and add to productive capacity, causing overproduction and lower farm prices. Federal revenue lost from agricultural shelters is estimated to be double the taxes paid by farmers.

The President's tax plan tries to discourage nonfarm investors from getting involved in tax loss farming by removing various tax preferences. The plan eliminates income averaging and the investment tax credit. It slows down the depreciation of most farm equipment from 5 to 7 years, and restricts cash accounting. It ends capital gains treatment for timber, livestock, and unharvested crops. It removes the deductibility of preproduction and development costs for some livestock producers, and orchard and vineyard farms. Write-offs for fertilizer and soil reconditioning, soil and water conservation, and some reforestation credits are also eliminated.

Many family farmers have benefited from these procedures. The Department of Agriculture claims, however, that for most farmers lower tax rates and the increase in the personal exemption will offset the loss of these provisions. According to them, 75% of farmers will fall into the lowest—15%—tax bracket, and their overall taxable income will drop by 17%. Farmers will have to follow tax reform as it progresses through Congress to see how different changes will affect them. Several proposals under consideration could increase the current tax burden on farmers.

FARM BILL

The omnibus farm bill, authorized every four years, provides for many agricultural programs: commodity price and income supports; export and trade; domestic and foreign food assistance; research and extension; conservation and credit; and others. Congress faces hard choices this year. Members are aware of the depressed farm economy, declining farm income, and the poor farm export record. But proposed farm subsidies will cost more than budget restraints allow. Members are having trouble developing programs that restore our export competitiveness, assure a decent income for farmers, and meet the overriding need to cut the budget deficit.

Since the House and Senate Agriculture Committees have not completed drafts of the farm bill, it is difficult to guess what the final bill will contain. Some judgments can be made. A move toward market orientation in farm commodity programs, probably in the form of loan rates based on a moving average of market prices in recent years, is likely, although this change will be weakened by eliminating the extreme years, by setting minimum loan levels, or by high target prices. Deficiency payments and a freeze on target prices will probably be approved, as a trade-off for lower loan rates. Payment limits to producers are not likely to change much from the current level of $50,000. Production controls through acreage set-asides and payments to farmers to divert land from production, a long-term conservation reserve, penalties on "sodbuster" farmers who cultivate highly erodible land, and research programs are likely to be approved. Mandatory acreage controls, which would require farmer referendums, seem to be losing support. Export credits and promotions will be bolstered. Few changes are likely in farm credit programs.

Each time Congress writes a new farm bill we are told that American agriculture is at a crossroads. The year is no different. Times are hard in agriculture, with farm assets declining, exports slumping, and farm income stagnating at unacceptably low levels. Congress is wrestling with the farm bill at a time when the governmental role in agriculture is in question and as agriculture reacts to changed international conditions. Under such circumstances, Congress must make every effort to help, but expectations of what it can accomplish should not be exaggerated.

UNITED STATES-ISRAELI STRATEGIC COOPERATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. CRANE. Mr. Speaker, while it is true that each year we give large amounts of economic and military assistance to the State of Israel, I happen to believe that it is in the best interests of the United States to continue this assistance to Israel. In addition to Israel's important geostrategic position in the world and its political stability, there is also another very important reason for fostering good relations with Israel, one that is often ignored. Israel has been an excellent, indeed unparalleled, testing ground for U.S. weapons and technologies. No other country in the world has been more helpful to the United States in analyzing the efficacy of its weapon systems as well as the deficiencies of Soviet weapons systems.

Take, for example, the 1981 Israeli operation known as Peace for Galilee. In the space of several days, the Israelis destroyed more than 90 Syrian Mig's, more than 20 SAM sites, and more than 500 Soviet-made tanks, including the new T-72. New U.S. technology, relatively untested in combat conditions prior to Operation Peace for Galilee, was literally baptised by fire, and came through with flying colors. Not only did this enhance the U.S. position as an exporter of arms, it also provided much needed intelligence as to the relative capabilities of our systems vis a vis those of the Soviets.

Mr. Emanual A. Winston, a board member of the Jaffee Center for Strategic Studies at Tel Aviv University, details some of these positive aspects of our strategic relationship with Israel in his article entitled: "Theatre for American Technology." I highly recommend his article to my colleagues.

JINSA—THEATRE FOR AMERICAN TECHNOLOGY

(By Emanual A. Winston)

(Ed Note: Mr. Winston is a Chicago businessman, Board Member of the Jaffee Center for Strategic Studies at Tel Aviv University, and contributing Editor to Israel Today)

The importance of American and Israeli strategic cooperation cannot be overstated in terms of national security interests. Yet, there is nother aspect of the allied relationship that is often overlooked; the micro-economics of Israel as a theatre for American technology.

America's armament industry has immensely benefited from the successful utilization by the Israel Defense Forces of sophisticated weaponry. The magnificent fighting skill and showcasing of American equipment increased the export sales potential of that weaponry by billions of dollars in the world market. The effect of Israel's military reputation established by 35 years of combat experience serves as the best testament to the selection and capability of weapon systems, most of which are of American design. In a highly competitive export market, being able to refer to the Israeli example is a very strong advantage over other merchants. Since foreign military sales are almost 2.5 times as profitable as military sales to the U.S. government, this "selling" factor reaps big dividends. The capital accumulated from these sales in turn reduces research and development costs for our government, hence the American taxpayer. The economic ramifications are evident in that each billion dollars worth of foreign arms sales translates into jobs for American industry, (the claim often made is approx. 42,000-52,000 jobs). Based on 1980 data, defense firms such as General Dynamics, Northrop, Raytheon, FMC and Harsco had 25 percent of their contracts in foreign sales. (Defense & Foreign Affairs, March 1983). Thus, the employment benefit of defense and export sales are substantial and the reduced costs to the American government by extending production runs and spreading development outlays has strong positive economic ramifications.

The direct effect of Israeli battle perfomance for American sales was best evidenced by the Operation Peace For Galilee. In a span of a short time, the Israelis demolished more than 20 SAM missiles sites, over 90 Syrian MIGs were shot down (including MIG-23s) and over 500 enemy tanks were destroyed (including the new T-72, backbone of the Soviet arsenal). American-made planes played a vital role in the Israeli effort. Most notably, the F15 and F16 saw extensive action. One Israeli F15 was claimed to have shot down more than 20 Soviet-made MIGs in Lebanon.

In addition, the Hughs 5000MD Defender combat helicopter proved a great asset for the Israelis in mountain warfare, destroying large numbers of Syrian tanks, as did a second anti-tank helicopter, the Bell AH-1S Huey Cobra. After the Israelis purchased advanced helicopter gunships, several other countries immediately followed suit (the Jordanians, South Koreans, Kenyans decided to go with the American gunship rather than the British, French and German models). This trend was also evidenced with the Japanese purchase of the Gruman E2C Hawkeye early warning plane which followed Israels suit. Moreover, after the Israeli display of EC mastery in the skies, several other countries have placed orders with the American manufacturer.

James Philbin, the E-2C program director at Gruman Aerospace corporation said Israeli air victories generated prospects from China, Korea, Singapore, Spain, Australia and others. He commented in the September 20, 1982 Business Week that because of the Israelis, "The foreign sales potential looks like 30 to 40 airplanes over the next five years." The Chairman of Loral Corporation also confirmed the importance for American manufacturers of Israeli "combat provern" technology when he stated that: "The fact that Israel has selected our Rapport III (EW protection system) for their F-16s is probably the best sales tool we have." The showcase of the F16 in combat no doubt will also prove highly beneficial in selling the plane to foreign countries over the French Mirage 2000. It should be noted that tour powers, the United States, Great Britain, France and the Soviet Union account for approximately 80% of total arms sales.

The failure of Russian weaponry to thwart the IDF disappointed several Soviet arms clients. Since arms sales are a means of promoting political influence and provide a steady flow of hard currency, the implications of American weapons superiority may have a direct impact on American power projection capabilities, ergo national security interests. The Israeli contribution to this aspect of American active defense is perhaps the most important and overlooked development of bilateral strategic cooperation. Israeli destruction of Soviet-built anti-aircraft missiles, their ease in destroying the Soviet T-72 tank and the downing of a MIG-25 Foxbat has caused the Soviets and the entire Warsaw Pact to question the viability of their own military hardware, tactics and strategy.

The Israelis not only confronted Soviet weaponry, but were forced to engage Western technologies; the lessons of their successful combat will provide invaluable intelligence data to U.S. defense planners and save billions research and development costs, a major advantage for the U.S. that her Soviet adversary cannot claim. Professor Steven L. Spiegel sums up the Israeli asset in real terms: "The facts speak for themselves. Israel is a unique and impressive ally. It influences political developments in its own area, causes the Soviets embarrassment and military lessons which can be learned only from combat experience, provides intelligence in the region, and saves U.S. defense costs through innovations and modifications of U.S. weaponary . . . if Israeli experiences were worth only 2 percent of the annual U.S. defense budget, that would amount to over $4 billion." (Commentary, June 1983)

The relationship between the American and Israeli defense industries is becoming increasingly developed in almost every area. Almost every Israeli corporation utilizes parts and equipment that were manufactured in the United States. Moreover, Israel has made extensive renovations on American technologies by adapting the lessons of combat experience. Thus, millions are saved in testing time and the development of armaments are galvanized through Israeli innovation passed on to America. Many of the licenses for weapon features are in turn sold to American corporations for mass production. The bottom line is that Israeli modifications coupled with cedible experience in destroying the best in Soviet technologies has enhanced the performance of American weaponry, reduced development time and taxpayer costs, thereby contributing to the readiness of U.S. Armed Forces in a period when budget cuts have severely reduced their functional capabilities.

For military planners, Israeli intervention in Lebanon conveyed that the American ally has approached mastering the overall electronic battlefield capability that will dictate the strategem for all future conflicts. The prospects of future American-Israeli strategic cooperation will significantly strengthen the defense industrial base of both nations. Joint development projects employing Israeli battlefield innovation and American production capabilities should be the trend of the future. Teamwork between trusted allies will serve as a catalyst for upgrading the Western world's power projection ability reducing the intimidation factor of the Soviet threat. Indeed, Israel has been a theatre for American weapons technology and defense industrial growth. The microeconomic elements of the relationship, should not be treated lightly. No other ally has contributed so greatly to American defense in so many different modes: intelligence, research and development, combat readiness, expansion of defense industrial base, export competitiveness and strategic deterrence.

A reliable democratic partner is more than an asset in a Western alliance plagued often by apathy, isolationism and laziness. America should be thankful for the "Israel advantage."

A TRIBUTE TO WADE H. INSLEY, JR.

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. DYSON. Mr. Speaker, I rise today to honor the memory of a fellow Marylander, Wade H. Insley, Jr. A native of Wicomico County, Wade greatly contributed to the quality of life in his community.

I knew Wade to be a good and kind man whose involvement in community affairs was both broad and deep. A graduate of the University of Maryland at College Park, Wade was owner of Eastern Food Distributors, Inc., in Salisbury which he operated for about 24 years. He was on the Wicomico County Council for 24 years and president for 12. In addition, Wade was city treasurer for 8 years, a former president of the Maryland State County Commissioners Association, and was instrumental in establishing Pine Bluff Village, serving as its first chairman and for several years as director. As a member of the Bethesda Church he had formerly served on the administrative board and was chairman of the finance committee, as well as a member of the Democratic Club of Wicomico County.

For his untiring and unselfish service to the people of his community, Wade received three distinguished awards. In 1965 he received the Wicomico County Teachers' Association Award in recognition of "inspired and unselfish support to education in Wicomico County," and in 1974 was presented a special Certificate of Recognition from the National Conference of Christians and Jews for "outstanding contributions promoting the cause of goodwill and understanding among all people of our Nation." Wade also received a Certificate of Distinguished Citizenship from Maryland Gov. Marvin Mandel for his "distinguished contribution to the cause of strong efficient county government in Maryland."

It is an honor to pay tribute to a man who did so much to strengthen our democratic traditions. And it is with pride that I share Wade's many accomplishments with you today.

PITTSBURGH SOCCER CHAMP RECOGNIZED

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. WALGREN. Mr. Speaker, a constituent of mine, Peter J. Smith III, is the first western Pennsylvania soccer player to be invited to the National Sports Festival by the U.S. Olympic Committee. The National Sports Festival, a pre-Olympic event, was held in Baton Rouge, LA, from July 22 through August 4.

Peter Smith is an outstanding young man with a promising future in soccer. In the fall he will be a senior at the University of Tampa, where he has just received an achievement award for academics for the fourth consecutive year.

I would like to share with my colleagues an article about Peter which was published in the Pittsburgh Post Gazette South on July 25, 1985.

The article follows:

[From the Pittsburgh Post Gazette South, July 25, 1985]

USC'S SMITH AIMS FOR PRO SOCCER JOB

[By Paul Dangelo]

The only thing that Pete Smith has ever wanted is a chance to prove himself on the soccer field. Next month at the National Sports Festival, he'll get that chance.

Smith, a graduate of Upper St. Clair High School, was recently selected to play for the South Region soccer squad at the Sports Festival, an American mini-Olympics pitting the top American athletes against each other in Olympic events.

For Smith, it's an opportunity to prove that he belongs on the field with this country's top soccer players.

"I felt it was really important for me to make this team if I want to continue to pursue a career in soccer," said Smith. "There will be a lot of important people at the Sports Festival, coaches and scouts from professional teams and the national federation, evaluating players. The Sports Festival is like a stepping stone to the next level, to playing for the national team or with a professional team. Just being there and being seen by these people will help me."

Smith was drafted by the Spirit of the Major Indoor Soccer League when he was a senior in high school, but was not ready as a 17 year old to step into the play-for-pay grade. The Spirit advised Smith to enroll in a top-notch college program and work at improving his skills.

So Smith headed for the University of Tampa, one of the top soccer programs in the country. At Upper St. Clair, Smith had always been an attacking player, a playmaker and a goal scorer. But Tampa Coach Jay Miller changed Smith's position, moving him to defensive midfielder. Smith will be entering his senior season this fall, the third season that he will be a fixture in Tampa's starting line-up.

"We're looking for all of the things from Pete that we always look for from a senior player," said Miller. "He's been in the big battles, the crucial games; we want him to be a leader, to demonstrate coolness and determination on the field. He made the transition to playing with more defensive responsibilities without any problems. Last year, we used him to mark the opponent's top playmaker and he handled the job very well."

Miller is the coach of Smith's South squad in the National Sports Festival and agrees that the games can help make—or break—a career in professional soccer.

"The idea of the games is to get the best athletes together and compete under Olympic conditions," said Miller. "In soccer, the United States Soccer Federation oversees the soccer competition and uses the games as part of the selection process for the national team.

"I know that Pete wants to play pro soccer and playing at the Sports Festival will give him the opportunity to prove that he can play at such a high level of competition. He tried out for the games two years ago but didn't make it, though he was one of the last cuts. Now is his chance. I think he certainly merits a look. He's been around the game a lot and he has good instincts for the game instead of just reacting to a situation in a game. He's always thinking on the field. And he's one of the hardest working players I've ever seen. He's a 90-minute player."

Smith didn't think he had any special advantage in making the Sports Festival because Miller is the South coach.

"He may have known me better than some of the other players, but there were as many disadvantages as there were advantages," Smith said. "It's kind of like playing for your father. He didn't cut me any breaks just because he knew me. I think I made the team because I deserved to. I've worked hard to accomplish this sort of thing in soccer."

Smith has not only set lofty goals for himself, but for his team as well.

"This is my last year at Tampa, and the last year for the school as a Division II school. Next year we'll move up to Division I, which is fine because Tampa has been playing a Division I kind of schedule all along. But I'd really like to win the Division II national championship this season. It would be nice to go out as the champs."

And when that's over, Smith will have the MISL draft to look forward to. One team that will not be drafting Smith is the Spirit, because they failed to sign him after drafting him out of high school. MISL rules state that the Spirit may only sign Smith now if he passes through the draft unclaimed.

"I really want to play for the Spirit but that may be difficult to do now," said Smith. "But as long as I get a chance to play with someone, I'll be satisfied. I'll have to prove this year that I deserve to be drafted, that I'm one of the top players in the country. And I'm ready to do the work that it will take to prove exactly that.

"Maybe down the road something could be worked out that I could come back here and play for the Spirit. Right now there's a lot of talk that the Spirit will move to another city. I hope not. The Pittsburgh soccer community needs the Spirit. Having a professional team in town gives young players a goal to aim for. Plus, the Spirit has reached out and touched the community in a very unique way and I think that would be missed if they were to leave."

"We've watched Pete carefully over the last few years and his development is really coming along," said Spirit General Manager Chris Wright. "We're very pleased that he was selected to participate in the Sports Festival. He's on the right track to accomplish his goal. This is one event where all of the coaches and scouts get to. It's the showcase of young soccer talent in this country."

And it's an opportunity for Pete Smith to guarantee that soccer will be in his future.

HIROSHIMA AND NAGASAKI: TRAGIC BUT NECESSARY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. BROOMFIELD. Mr. Speaker, while many in recent weeks have criticized the decision to drop nuclear weapons on Japan, it was, in fact, the right thing to do.

We in a peaceful and secure America find it easy to play Monday morning quarterback by denouncing the decisions of the brave Americans who guided our country through some of the darkest hours of World War II.

In recent days, the media has been filled with an orgy of stories about the bombings of Hiroshima and Nagasaki and the ensuing loss of so many lives. Surviving Japanese Government officials have recounted the gruesome details of the nuclear attacks and have questioned the U.S. Government decision to use those weapons of mass destruction.

The general impression created by the media was that America was the villain and that Japan was, in those days, a peace-loving little island nation that was attacked for no reason. Let's be honest, however, and talk about why the bombs were dropped.

As part of a massive effort to project its power into the Pacific, Japan invaded many of the countries in that area and quickly established a brutal reputation for itself among those who suffered under Japanese occupation. While talking peace with the United States, Japan attacked Pearl Harbor.

After a long and hard war that the United States neither started nor wanted to fight, President Truman wisely chose to quickly end the war. Other options had been carefully studied. A land invasion would have taken at least a million lives. The fanatical Japanese military had taken control of the Japanese Government and would not let reason prevail. Surrender for the generals was unthinkable. A fight to the last man was their final option.

While plagued with problems, the Japanese military had a large scale nuclear weapons program underway. After the war, senior Japanese scientists admitted that their Government officials would have used the bomb against America if it had been available.

When faced with these sobering realities, is there any wonder that President Truman did what he did? Even after the first bomb was dropped, Japan still hesitated to give up. Finally, however, the second atomic weapon convinced them, and peace came.

Yes, the decision to use those terrible weapons was a sound one. I want to share an insightful Washington Post editorial on this subject with my colleagues in the House. I also want to pay a special tribute to those who served, fought and died, so all of us can enjoy the fruits of freedom.

WE ENDED A TERRIBLE WAR—RATHER THAN ACT GUILTY, WE SHOULD HOLD A GRAND V-J DAY PARADE

(By Richard Harwood)

I am tempted to imagine myself this week as Shakespeare's old King Lear, stumbling across the heath and howling futilely into the storm: "Thou art not more unkind than man's ingratitude."

We are in the process of observing the anniversary of one of the great events in the history of our country and in the history of the world—the conclusion of World War II and the victory of the democracies over the fascists of Germany and Italy and the militarists of Japan. I cannot imagine what our world would be like if we had lost that war. But, at the minimum, one can fairly say that it is unlikely it would be a better or happier place.

This ought to be, therefore, a joyous and satisfying anniversary. We brought to an end 40 years ago a terrible war—terrible beyond contemporary comprehension. No one knows precisely how many people died; 100 million is probably as good an estimate as any. This carnage all stopped on Aug. 14 and the human race was given a fresh opportunity to restore itself and the planet we inhabit. It was a glorious day.

But instead of celebrating, this month, we have been engaging—at least through the popular media—in endless self-flagellation, a kind of psychological hara-kiri. A child or a visitor from another planet would assume from what has been printed and shown to us by television that World War II consisted of a single event: the dropping, for no earthly reason, of two nuclear weapons on the innocent people of Japan.

It is as if little or nothing had gone before, as if a million of our comrades and many millions of our allies had not fallen in battle in fields and oceans all across the globe in order to bring us peace. The expressions of "bomb guilt" have not reached the stage of on-camera immolations at the White House gate but there have been a funeral tolling of church bells, symbolic acts and demonstrations of contrition and endless footage of Hiroshima and Nagasaki.

It is appropriate to mourn the war dead, whether they died at Hiroshima or Bataan or Stalingrad or Auschwitz or Pearl Harbor. But it is also appropriate to remember and to give thanks for the victory that was won.

What we should be doing this week, all over America, is staging the last, grand parade. There will not be another chance. When the 50th anniversary comes along all but a few of the veterans will be infirm or dead. So we should have assembled the old regiments, brigades and divisions, the crews from the ships of the line, the aviators and submariners.

We should have stuffed ourselves into those old uniforms, pinned on the ribbons and medals, hoisted the battle streamers and stepped out down Pennsylvania Avenue, struggling to keep pace with the bands. We would salute absent friends. We would savor the victory and the peace that it won. We would embrace one another and say our goodbyes. And we would say to our sons and daughters: "For all our defects, the world survives. Now it is yours. Take care of it."

That is the way to celebrate this magnificent anniversary—not with a whimper but a bang.

A TRIBUTE TO JAMES A. McNAIR

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. DYSON. Mr. Speaker, I would like to take this opportunity to salute James A. NcNair for his 30 years of distinguished service in the U.S. Army. Having held the position of command sergeant major of the Test and Evaluation Command at the Aberdeen Proving Grounds since 1981, James returns to civilian life this month.

For James McNair, military service has been both challenging and gratifying. McNair's assignments included duty in Alaska, Europe, and Korea. Among James' many awards and decorations are the Meritorious Service Medal with two Oak Leaf Clusters, Army Commendation Medal with three Oak Leaf Clusters, Good Conduct Medal, National Defense Service Medal, Armed Forces Expeditionary Medal, and the Expert Rifleman Badge.

On the occasion of James McNair's retirement, I extend my congratulations to him on his many accomplishments and wish him well in his future endeavors. His outstanding service to his country will long be remembered by his fellow soldiers and is greatly appreciated by his fellow Americans.

NUTTY BUSINESS AT THE ICC

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. CRANE. Mr. Speaker, as you know, Government regulations are very difficult things to eliminate. Once they are on the books, they take on lives of their own. Federal regulation almost always benefits some select group at the expense of the general public, and these special interest groups become very aggressive in protecting their advantageous status. President Reagan is committed to limiting regulation, but progress on reform has been mixed. Consequently, where there have been notable victories, we do well to note the ingredients necessary for success and to acknowledge the contribution of those who made it possible.

Perhaps the most conspicuous victory of the last 5 years has been the deregulation of surface transportation. In 1980 Congress wisely passed two laws—the Motor Carrier Act of 1980 and the Staggers Rail Act—that created the potential for meaningful reform of the strangulating bureaucracy that the Interstate Commerce Commission had become. But the reform laws inevitably committed important areas of implementation to the discretion of the Commission, and a failure of will on the part of the Commissioners could have stymied real progress toward a competitive and efficient market. Fortunately for the Nation, there

has been a majority on the Commission since 1982 that has fought willingly for reform. This majority has produced enormously beneficial results, despite intense criticism, constant foot-dragging, and not infrequent arm-twisting from colleagues special pleaders, and even a few discomfited legislators.

Let me take just a moment to mention a few of the many reform achievements that are the product of this reform-minded majority. The railroad industry is back from the edge of nationalization, serving its customers with speed and innovation. Tens of thousands of new trucking companies have been licensed, leading to a competitive rate level and the end of the take-it-or-leave-it attitudes that characterized the service of monopoly preserves. Intermodal transportation has been freed from restraints on pricing and multimodal ownership in ways that have brought new capital into the field and fostered new enterprise. Shippers and carriers, rail and motor alike, are turning increasingly to the use of contracts rather than rate lists, with the result of mutually exempting their business from regulatory interference. The tariff regulations in the Federal code have been reduced from over 300 pages to under 60, and a whole sector of the trucking industry has been excused from filing altogether. The ICC staff has been cut in half.

The benefits of these and the many other accomplishments of the Commission's majority have been enormous. One observer, an executive of an established trucking firm and a student of transportation logistics, estimates that deregulation of transportation cut $40 to $50 billion from the cost of doing business in 1985. While not everyone will agree to any particular figure, the recognition of the gains from deregulation is widespread, and President Reagan indicated his strong support for further transportation deregulation in his recent State of the Union address. What is not so widely understood, however, is that not all the gains from deregulation came automatically from the laws passed in 1980. What was also needed was farsighted and determined interpretation of those laws.

Consequently, I rise to acknowledge three members of the Interstate Commerce Commission, Frederic N. Andre, Heather J. Gradison, and Malcolm M.B. Sterrett for their consistent, energetic, and courageous efforts on behalf of the cause of free enterprise and responsible, limited government. President Reagan is to be commended for appointing these individuals, and the Commissioners deserve an expression of gratitude for the job they have done. I urge them, and their colleagues, to continue to pursue the congressional mandate for reform. I also urge my colleagues here in the House to read the following editorial by columnist Donald Lambro that appeared in the Washington Times.

[From the Washington Times, Mar. 21, 1985]

NUTTY BUSINESS AT THE ICC

(By Donald Lambro)

The cash crunch at the overstaffed Interstate Commerce Commission has renewed a perennial question that Congress must soon answer: Why, in the midst of $200 billion deficits, is this regulatory anachronism being kept alive?

After deliberately spending more than Congress appropriated for its fiscal 1985 operations, the ICC is now pleading for an emergency $4.5 million supplement. If Congress refuses, ICC Chairman Reese H. Taylor Jr. warns, nearly 1,000 employees will find themselves being furloughed one day a week, without pay, beginning April 1.

That prospect sent shudders through South Dakota Sen. Larry Pressler, an ICC supporter who in a "Dear Colleague" letter said denial of the added funding "would destroy the ICC. By putting them out of business one day a week, you might as well close them down."

That would not only bring cheers from deregulators in and out of Congress—like Wisconsin's Sen. William Proxmire and Budget Director David Stockman—but from liberal crusader Ralph Nader, who has long opposed the ICC's corporate welfare for the big trucking industry.

Unfortunately, the truth that many lawmakers can't bring themselves to face is that if Congress closed down the ICC, few people outside of Washington would notice. Not only would its elimination save taxpayers $48 million a year, it would put an end to a host of Rube Goldberg rail and trucking regulations that prevent competition, inflate shipping costs, and contribute to higher consumer prices.

At a time when the benefits of deregulation in the airline and energy industries are manifestly apparent, it is ludicrous for trucking entrepreneurs to have to seek approval from Washington to haul frozen pizzas from Massachusetts to Arkansas.

The degree to which this agency involves itself in the commerce of our nation is stunningly illustrated in a recent ICC booklet, titled *Can They Do That?* It details which commodities are exempt from ICC regulation and which are not.

For example, take manure. In its natural state, dehydrated, or bagged, the ICC says it is exempt, which means it can be shipped without an ICC certificate. But try trucking manure that is "fermented, with additives such as yeast and molds, producing a rich liquor which in water solution is used for soil enrichment" and you'll have some ICC agents on your case.

Similarly, grass sod, plants, vegetables, and flowers are exempt, but maple syrup, frozen beef dinners, and french-fried potatoes are not exempt.

Dried fruits such as figs and dates are exempt, but grind them up into a paste or mix them up with other substances and they are not.

Or consider, appropriately enough, nuts. Cashews, roasted or cooked, or peanuts, roasted and salted in the shell, are not exempt, but macadamias and pistachios are exempt.

The ICC has hundreds of highly paid people working full time on such things. Indeed, there are 50 ICC field offices scattered around the country that are authorized to crack down on anyone foolish enough to haul the hundreds of unexempted products that cannot be shipped without explicit ICC authority.

"There are about 250 people out there in our field offices," ICC Commissioner Fred Andre told me, "but their work is largely anachronistic. Some of them are doing little more than sending us newspaper clips."

In order to transport ICC-regulated commodities legally, shippers must first enter a closed, incestuous world. They must hire an ICC-approved lawyer to apply for certificate authority to haul goods, maintain insurance with the ICC, keep their rates on file with the commission, and meet a number of other requirements.

Because of partial ICC deregulation begun in 1980, "America's transportation industry is infinitely better off today than it was four years ago," says Mr. Andre.

Now Congress must take the next step and eliminate this useless and counterproductive agency.

TAX REFORM UPDATE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 4, 1985, into the CONGRESSIONAL RECORD:

TAX REFORM UPDATE

As Congress returns from the August recess, one of the major items on its agenda is tax reform. Hundreds of witnesses have testified on aspects of the President's plan, and dozens of analyses have been released. Contrary to some pronouncements that tax reform is dead, chances for passage of a tax reform package this year seem to be improving, at least in the House. The plan the President submitted in May will be the starting point, but some reworking by Congress is expected. The central theme of his proposal to make the tax code fairer and simpler—trimming tax provisions that benefit special groups in order to reduce overall tax rates—is expected to remain intact, but specific provisions might be altered by Congress. Many of the likely changes seem to me to be improvements.

One change, endorsed by both the President and the congressional tax-writing committees, is to make the plan more revenue neutral. The Joint Committee on Taxation recently estimated that the President's plan would result in a $25 billion revenue loss over the next 5 years. Although this loss is less than 1% of anticipated revenues, there is broad agreement that the plan should not increase the federal deficit at all. The President is submitting additional proposals to make up for this projected shortfall.

Of the scores of changes proposed in the President's original package, the main ones are: elimination of the state and local tax deduction for individuals; termination of the business investment tax credit; and the recapture of windfall profits from businesses that deferred past taxes and now could repay them at the new lower tax rates. Together these three provisions would raise $363 billion of the $442 billion needed over the next 5 years to finance the proposed corporate and individual tax rate cuts. The large sums make it unlikely Congress will simply drop these provisions, but some changes are possible, especially in the recapture provision and in the state and local tax deduction. Only 2% of families earning less than $20,000 take the state and local tax deduction, compared to 80% of families with incomes exceeding $50,000. But critics argue that eliminating the deduction will cause state and local governments to lose needed revenue. Alternatives under discussion include excluding only some of the state and local taxes from the preference, or trimming the deduction for richer taxpayers. Concern that the President's recapture provision is a retroactive tax might lead to replacing it with less generous depreciation schedules for business.

Other changes being considered by Congress involve much less revenue than these three parts of the plan. Some changes are proposed to improve the plan's fairness or economic efficiency. Such changes will not be easy to make, as the Chairman of the House tax-writing committee insists that all amendments be revenue neutral: anyone proposing to restore one tax break must find a way to make up for lost revenue by trimming another. Nonetheless, several changes are expected to be seriously considered in committee.

The most likely change on the House side is a reduction in the difference of the tax cuts between middle and upper-income taxpayers. Critics point out that under the President's plan, one-earner families with more than $200,000 in income will receive an 11% tax cut while those earning between $30,000 and $50,000 receive on the average only a 6.5% cut. Possible changes are: adding a fourth tax bracket for the wealthiest taxpayers; or dropping the President's proposal to cut the top capital gains tax rate for investors.

Another "fairness" issue is to reduce the tax plan's burdens on families in which both spouses work, perhaps by retaining the child care credit or offsetting the repeal of the "marriage penalty" deduction. Support is also increasing for strengthening the minimum tax. Despite closing many tax loopholes, the President's plan retains many incentives that could permit some high income individuals and corporations to pay little or no tax. A stronger minimum tax would help ensure that all pay a fairer share.

Other changes receiving serious consideration by Congress include: achieving more balance in the energy tax provisions (the President would eliminate incentives for renewable energy and restore $30 billion in tax breaks over 5 years for oil and gas producers); revising the President's tax on the first few dollars of health-insurance premiums, possibly by replacing it with a generous ceiling on the amount of tax-free benefits; revising the proposed investment interest limitation, which higher income taxpayers with investment income can avoid, according to critics; phasing in the doubling of the personal exemption; and revising the proposed capital cost recovery system for business. Another tricky issue will be the effective dates and transition rules for the various changes. If the changes are phased in to lessen their impact, rate reductions may also have to be phased in.

Action on the package is expected in the House first. Most key changes may be worked out in the Ways and Means Committee rather than on the House floor. To prevent the package from being gutted, the full House may have the opportunity to vote only on the entire committee package, with few or no amendments allowed. Passage is considered less likely in the Senate, where the President's plan has met with more opposition and where procedures are more open.

Even in the House, tax reform faces several hurdles. In addition to concerns about specific provisions, some members are worried about the impact of tax reform on the economy. Others feel that Congress should focus on the budget deficit instead of on tax reform. The key factor in passage is presidential leadership; If the President pushes hard for tax reform, he might get it; if he doesn't push hard, he won't. Those of us who support the goal of tax reform are hopeful that real progress will be made in upcoming weeks on one of the most significant tax reform efforts in decades.

AGRICULTURAL EDUCATION IS CRITICAL

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. DAUB. Mr. Speaker, earlier this summer, I had the privilege and opportunity to attend the 1985 State Presidents Conference of Future Farmers of America [FFA].

Mike Barrett, FFA's national vice president from Mead, NE, spoke to us about the challenge of American agriculture and the importance of quality in agricultural education and in our high schools' vocational agriculture departments.

Mike's remarks are enlightening and instructive, and I take this opportunity to share them with our colleagues:

PRESENTATION AT THE 1985 CONGRESSIONAL LUNCHEON, STATE FFA PRESIDENTS' CONFERENCE, WASHINGTON, DC

Today is a very special day for the young people in attendance. It isn't often that we have an opportunity to share a meal and conversation with those whose wisdom, authority, and expertise affect the lives of all Americans daily. We are honored to have you with us.

This group of FFA members in attendance has been selected by their peers to lead our organization. Here this week at the FFA State Presidents' Washington Conference Program are the top leaders from all 50 states and Puerto Rico. They represent over 430,000 Future Farmers of America in 8,300 secondary schools across the country.

Their peer group is comprised of young people, ranging in age from 14–21, who are the products of a very complete vocational education program. This program is composed of three basic divisions that not only overlap with one another but are actually bonded together. They include: vocational agriculture or classroom instruction, Supervised Occupational Experience Program and the Future Farmers of America organization. This total vocational agricultural program branches off into many fields of agriculture.

Perhaps never before has there been a greater awareness of the need for vocational agriculture/FFA than now when American agriculture faces a multitude of seemingly unsurpassable challenges. This awareness has been conceived from the realization that quality in agricultural education is a duty and not a luxury. A duty brought about by the need to prepare students for the diversity of our country's proudest and most vital industry, American agriculture. We accomplish this by developing applicable and employable competencies and preparing students for higher educational aspirations.

The demand for quality in agricultural education is merging head on with the strides that are currently being taken by the 8,300 vocational agriculture departments in our high schools across the country. This group, composed of energetic young Americans, is rising to the occasion and challenging the adversities that our current agriculture crisis imposes.

It is a quest for success that backs basic academic skills, such as mathematics, English, biology and chemistry, reinforced in the vocational agriculture classroom, with a proven system of realistic application in an actual agricultural occupational setting.

This setting is supported by the philosophy that entrepreneurship is not something that can be acquired through a number of lectures and readings. It is learned through observation and participation and by being exposed to the risk-taking that agriculture requires. We call this 68-year-old innovation a Supervised Occupational Experience Program.

The strategy behind vocational agriculture is based on a well-established principle in which students make independent decisions and are encouraged to take initiative. While this form of vocational education is seldom mentioned by policy analysts, it may very well be the principle that rises above the opponents of vocational education and points the way for implementation of essential educational reforms.

Much of the success of the vocational agriculture/FFA program can be directly attributed to the efforts that have been made to keep abreast of technological advancement. The use of computers, through realistic application of acquired competencies, is one example of our determination to maintain quality in agricultural education.

The need for this determination becomes even more apparent when we consider that today vocational agriculture is often criticized for training farmers when the demand for farmers is definitely declining. Our response to this lies in the fact that today's vocational instruction is comprised of many classes; which may include horticulture, ag mechanics, marketing, processing, and agribusiness.

These classes and others build the competencies needed to meet the diversity of a vast agriculture industry.

Finally, our quest for success matches an educational program that has been proven over the years through past experience and accomplishments (vocational agriculture courses were established in 1917) with a flexibility that allows innovation and foresight to guide the way to infinite possibilities in the future. We realize that true economic and political power of a nation depends vastly on the education of its people. By virtue of the standards that have been set with our three components of the vocational agriculture program, we prepare young people for life, building character and creating productive and useful citizens while at the same time preparing Leaders for the New Fields of Agriculture.

THE 50TH ANNIVERSARY OF RAILROAD RETIREMENT

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. PANETTA. Mr. Speaker, I rise today to pay tribute to the anniversary of a progressive retirement system that has served millions of Americans in its 50Yyear lifetime—the Railroad Retirement System.

On August 29, 1935, President Roosevelt signed the Railroad Retirement Act. This legislation, enacted only 2 weeks after the landmark Social Security Act, was unique in a number of respects. The railroad industry had already instituted retirement programs which had been operating successfully for 50 years or more. The benefits which had been accrued by railroad workers up to that point had to be added on their new Social Security benefits, so a separate system was devised which would honor these private service credits.

Administered by the Federal Government through the Railroad Retirement Board, the program operates on a two-tiered system. Tier I is identical to Social Security; payroll taxes are deducted from the paychecks of railroad employees, and their benefits are computed according to the same formula as for those on the Social Security system. Tier II is a private pension program providing additional benefits above and beyond the Social Security level.

The success of this retirement system can be seen by looking at the numbers of individuals served. Since its inception, $77 billion in benefits have been paid out to 4 million railroad workers and their family members. Currently 460,000 employees are paying taxes into the fund, and 1 million are receiving benefits. The Railroad Retirement Solvency Act of 1983, along with recent increases in the number of railroad workers, has secured the financial stability of the system.

The guarantees this system has provided railroad employees has served to reassure millions of families over the years. The system embodies the kind of protection that all retired Americans deserve, so that they may enjoy the fruits of years of hard labor and dedication. I ask my colleagues to join me in celebrating this historic and significant anniversary.

IN PRAISE OF NATICK LABS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. FRANK. Mr. Speaker, the U.S. Army Research and Development Laboratories in Natick, MA, has, over the years, been quietly doing excellent work researching materials and equipment that provide for the comfort and safety of the American soldier. Unlike the sophisticated weaponry that draws so much attention, both when it works and when it fails, Natick Labs concentrates on the mundane, but equally necessary items such as field rations, boots, all-weather gear and other equipment without which army cannot function.

Recently, however, Natick Labs has received some well-deserved attention over a development that provides both comfort and safety to our soldiers—the Kevlar helmet. As the following article from the Washington Post explains, this helmet has become, among soldiers, the most popular new piece of equipment ever provided. I am proud to have Natick Labs in my district. I am proud of the work they have done on this helmet and the work they do on a continuing basis providing for the needs of American soldiers. And I am glad they are receiving some well-earned recognition for their efforts.

I commend to my colleagues the Washington Post story that follows:

PASGT, MON ARMOR: FORM FOLLOWS FUNCTION IN NEW ARMY HELMET

(By Benjamin Forgery)

Although you don't see much of it on those upbeat "Be all that you can be" television commercials, the U.S. Army is fast acquiring a new image.

American combat-ready soldiers massed in review at Fort Ord, Calif., or spread in squad formations across fields in West Germany, or preparing to hurtle from aircraft in parachute maneuvers at Fort Bragg, N.C., no longer look like cartoonist Bill Mauldin's prototypical "Willie" and "Joe" of World War II, or the GI footsloggers in Korea or the kids afflicted with the thousand-mile stare in Vietnam.

What they do look like is a matter of some dispute, but the reason for the change is not: The troops of the volunteer Army, and the U.S. Marines, and Army Reserve and National Guard units across the land are being equipped with what researchers and bureaucrats call PASGT (pronounced passget), an acronym for Personnel Armor System for Ground Troops, the key elements of which are a ballistics protective vest and, above all, a new, molded, laminated Kevlar helmet.

The old M1 helmet, the "steel pot" born of necessity in the early days of World War II, is going, going and, quite soon, will be gone.

"This is absolutely the best helmet in the world today," engineer Philip Durand states unequivocally. "I guarantee if we show anybody what we did and why we did it, he will say, 'What a beautiful helmet.' "

Durand is half of the team largely responsible for the new design. Lawrence McManus is the other half. They work at the Army and Special Projects Branch of the Individual Protection Laboratory at the U.S. Army Research and Development Center in Natick, Mass., and between them, they estimate, they have accumulated more than 50 years of helmet research.

"We thought it out without any preconceived ideas," Durand adds. "It wasn't an artist's concept. It wasn't just something a general or two happened to like. It was a very logical, sequential, step-by-step, cause-and-effect development."

"Hey, we thought it looked like a Little League baseball cap," quips McManus.

Like Little League baseball caps and more potently, like German helmets from World War II, the silhouette of the new American combat headgear shows a pronounced dip from the edge of the visor to the line to the ear and neck. To many Americans inside and outside the Army this image conjures old hostilities and fears. It is the "Nazi helmet," the essence of Evil and Enemy. By contrast, the steel pot represents God and Country. And, as the new foot soldiers know all too well, you can't cook in the new helmet, and you can't shave out of it, either.

These factors, and the cost—$87 per unit compared with about $30 for the M1 helmet and liner—explain the lengthy delay in getting the PASGT helmet to the troops. Voluminous, painstaking research, initially intended simply to improve the steel pot, began in 1968. The design of the new helmet was fundamentally complete by 1974. Worldwide testing of the product was finished by 1977. Approval from the Joint Chiefs of Staff was granted in 1978. Yet procurement and distribution just inched along.

"I had difficulty getting it into the system because of the visual perception of it," recalls Vivian McKenzie, acting project manager for the Clothing and Individual Equipment Command of the Army Material Command in Alexandria, who was in charge of the initial distributions. But, she says, "the Grenada incident did it."

As part of the Army's Rapid Deployment Force, troops of the 82nd Airborne Division at Fort Bragg were the first to receive the PASGT helmets. Consequently, they were the first to wear the new issue on a combat mission, when President Reagan dispatched U.S. units to Grenada in the fall of 1983. Many Americans got their first view of the helmet in television and newspaper images of that operation, and the response perhaps prompted the Pentagon's low-key approach to any further publicity.

But the performance of the new equipment surpassed expectations. In two well-documented examples, the helmets stopped a vicious bevy of fragments from a 20 mm missile and a round fired from a Russian AK47 rifle. Although even the new helmet is not designed to protect its wearer from direct rifle rounds—"stopping that AK47 bullet was luck, like a Doug Flutie Hail Mary pass," McManus says—response was alacritous throughout the armed forces. Shortly thereafter, the Marine Corps, which until then had disdained the new helmet, put in its order.

Today, McKenzie says, distribution is proceeding rapidly, and by 1988, nearly 2 million PASGT helmets will be in use.

So the next time you see massed troops wearing steel pots on television or in the papers, they probably won't be Americans. They very well could be Germans, though. Soldiers in the Bundeswehr have been wearing a version of the M1 helmet ever since the West German army was reconstituted in 1956.

The question is, did the Germans know something we didn't back in World War II? Was their helmet intrinsically superior to the steel pot?

"No, their design just came about from an artist's concept," Durand says derisively. "In fact, in terms of ballistics it wasn't nearly as good as the M1. It was too close to the head and it had a terrible suspension system with a lot of metal components inside that became secondary missiles."

What about the broad, angled "skirt" around the German helmet? Didn't it offer more protection than the steel pot, with its narrow rim?

"No," Durand says. "That was a leftover from World War I, from trench warfare, when the soldier was in danger from being hit by falling rocks and debris from explosions. That's why the British 'pie plate,' the one we were using in Bataan, had the skirt."

Well, if the old German helmet was so bad, why does the new American helmet look so much like it?

"Actually, it doesn't, if you look closely," McManus says, and he's right, up to a point. The American helmet seems to fit the head better, it has a molded protrusion for the ears, and it lacks the distinguishing flare of the "skirt." Even so, anyone with strong memories of World War II isn't likely to be so analytical.

The only positive aspects McManus and Durand see in the old German helmet are that "it was stable, because it sat lower on the head, and it provided peripheral vision." Those are but two of the many advantages that the pair see in the new American helmet.

"The philosophy of this program began with the obvious assumption that to attain maximum protection to the head one should cover the entire head," states a 1976 Army report, "Development of a New Infantry Helmet."

Common sense dictated that this medieval ideal was not suitable for the 20th-century infantryman. But McManus, Durand and their colleagues in various Army research organizations, setting out to design the first new U.S. helmet since World War II, were leaving nothing to chance.

"Every design aspect reducing the ideal coverage was documented by a corresponding study recommending such a cut or standoff," states the 1976 report. Thirty-two studies were conducted, involving everything from the sizes and shapes of human heads to ballistic material evaluation. The tests produced three U.S. patents, praise from the National Academy of Sciences and, not exactly presto, the PASGT helmet.

Sizing was a particularly nettlesome issue. The problem, say McManus and Durand, was that conventional data on the human head, including information the Army acquired by measuring the heads of 6,600 soldiers, does not take into consideration the vagaries of individuals head shapes. "Sizes just don't go up from 7½ to 7⅝ and so on," Durand says, "It's like a Miss America contest where the perfect measurements are 36-24-35—not one of those women will have all three of those measurements."

After several laborious false starts, McManus and Durand devised a "3-D numerical surface descriptor," a transparent hemisphere fitting over the head and equipped with needlelike probes to measure distance from the head at 27 points. The thing looks like an instrument of torture, but it provided the researchers with the information they needed—that is, it gave them three-dimensional data concerning head shapes corresponding to the voluminous two-dimensional measurements.

"In our eyes the heads actually were more important than the helmet," Durand recalls. "They became the basis from which we designed. The ideal helmet from the ballistic point of view would be a bathing cap, because it moves with the head and thus gives the greatest possible stability, and it presents the smallest target."

The sizing effort was characterized as "the most comprehensive anthropomorphic data-gathering program ever established for the head" by the National Academy of Sciences, and the awful-looking apparatus won McManus and Durand one of those three patents. As a result of this work, the new helmet, which comes in four sizes, fits much better than did the steel pot, and thereby helps to answer the three primary complaints from the field regarding the old helmet—stability, fit and comfort.

Concurrent tests were conducted on ventilation, one of them using a full-scale "copper man" to measure insulation values and "vapor transmission coefficients of clothing systems," and on "transient deformation"—"the distance a given material will momentarily deflect when impacted by a missile of known mass fired at non-penetrating velocity," or what a soldier might call a helmet's headache potential.

In other words, a hard bathing cap would be hot, uncomfortable, and would transmit an awful headache to its wearer when hit by anything larger than a small pebble. These tests proved that one-half-inch standoff for the head was adequate for ventilation and transient deformation in a helmet using Kevlar, the tough new polymer developed by Du Pont originally to replace steel belts in radial tires but whose chemical properties make it ideal for ballistics protection. (Kevlar is also used in the PASGT vest.)

At this point the researchers basically had the inside of the helmet designed. The information was passed on to a sculptor who prepared working molds, and tests continued concerning the exterior properties of the helmet—what shape would provide the optimum mix of visibility, hearing, weapons compatibility and protection—and on the suspension system.

When a prototype based on criteria established in these tests was first field-tested in 1974 at Aberdeen, Md., it received, according to Durand and McManus, the "highest level of troop acceptability of any item of clothing in Army history."

A surprising result of these tests, in view of the fact that a prime complaint about the steel pot was its heaviness, was that the new helmet was perceived as being lighter than the M1, even though its actual weight was about the same.

Why? "The center of gravity is lower, it's closer to the head and it just fits better all around," McManus says.

The result is a helmet with a built-in, adjustable suspension band and an outer shell made of 19 laminated layers of Kevlar. It covers 11 percent more of the head than the M1, provides better visibility and greatly increases stability and comfort. Most importantly, it increases protection. "It takes 2½ times the energy to penetrate this helmet as it does the M1," Durand states. "We can expect head casualties to be reduced by 25 to 30 percent in a given scenario" with the new helmet.

In addition, there are intangible advantages. In the first field tests, 11 years ago, soldiers equipped with the M1 and PASGT helmets ran parallel lines along obstacle courses. "The soldiers invariably took off the steel pot when they were done with the course," Durand recalls, "but many would just leave the PASGT helmet on. We knew we had a comfortable helmet then." In Vietnam quite a few casualties resulted from hits taken on helmetless heads. This is not likely to happen with the new helmet.

Of course, a trooper can't cook in it or use it as an instant early morning wash basin. "You can't cook in it, but you won't bleed in it either, is what we tell the soldiers," concludes McManus.

The new helmet is, in short, a classic example of the design dictum that form follows function. Its great beauty is that it saves lives.

PROTECTING SECRETS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 7, 1985, into the CONGRESSIONAL RECORD:

PROTECTING SECRETS

The Walker spy case and other recent cases of espionage against the U.S. have focused attention on how to improve protection of our secrets.

We now protect vital government secrets through a system of classifying information according to sensitivity, and limiting access to it. Not instituted or regulated by Congress, the system controls information only in the Executive Branch. The system's three categories—Top Secret, Secret, and Confidential—are based on the harm disclosure would cause to national security: exceptionally grave damage, serious damage, or damage. Information is classified only if it is important to national security, and applies to military plans, weapons, or operations; foreign government information, intelligence activities, sources and methods; foreign relations; safeguarding nuclear materials or facilities; cryptology; or a confidential source.

Specific agencies and officials have authority to classify information. Other officials use "derivative authority" to classify documents based on information taken from other classified documents. Last year, 6,900 federal officials with original classification authority classified 881,943 documents. Another 18,725,793 documents were classified by derivative authority.

Only trustworthy people who need the information to do their jobs are allowed access to classified documents. The "determination of trustworthiness" is commonly called a security clearance. The condition that access is necessary is the "need-to-know requirement". To obtain access to classified information, an individual must have both the necessary security clearance (Confidential, Secret, or Top Secret) and the need to know the information to perform his duties.

Recent events show the system is not working well. Several steps can be taken to improve it:

1. Reduce the amount of classified information. Some estimates of the number of classified documents reach into the trillions. The Pentagon alone classifies 16 million new items each year. Needlessly stamping information "secret" breeds a lack of regard for material that is properly classified, and overloads our capacity to protect truly sensitive information. We classify so much materials that officials need clearances for routine work. When everything is classified, then nothing is classified, and officials become careless in handling classified information. If we classified only what is valuable, we could focus our resources to protect that information. An effective security system would have maximum disclosure, recognizing that secrecy can best be preserved when credibility is strictly maintained.

2. Reduce the number of people with access to classified information. About 4.5 million people have security clearances, 40% more than five years ago. Leaks are inevitable when so many people handle secrets. If we reduced the number of people with clearances we could examine their backgrounds and activity more closely.

3. Strengthen the clearance process. We devote too few resources to background clearances. Many investigators are overworked, underpaid and undertrained. Background checks are often sketchy, usually only a perfunctory check for convictions and firings. Only about 1% of 200,000 top secret clearances requested last year were denied. Re-clearance checks, mandated every five years for access to top-secret data, are at least ten years behind schedule. We should regularly recheck and cancel unnecessary clearances. Since spies are apparently motivated more by money than by ideology, clearance reviews, as well as initial checks, should include financial examinations. Another step to consider is the careful use of lie detectors on those with special clearances. Polygraphs, though not infallible, are already used by the CIA and the National Security Agency.

4. Enforce the "need-to-know" principle. The need-to-know principle—the key to the system of classified information—is often violated. A clearance should not entitle an individual to see anything; it is only one condition for access to classified information. Once an individual has met this condition he should be permitted access only if he needs the information to do his job.

5. Improve security at private contractors. 1.5 million private sector employees with clearances are monitored by about 200 government agents. About 200 companies have 95% of the classified documents, but investigators must inspect all 14,000 contractors regularly. Companies request more clearances than they need, often for employees hired to paint and do other maintenance jobs. Many government contractors are lax in reporting clues of espionage—unexplained affluence, unusual interest in classified material, excessive foreign travel. Private companies are also not required to train security guards. Security is often the responsibility of secretaries and file clerks. Federal regulations prohibiting removal of classified documents from the premises are not strictly enforced.

6. Encourage respect for security. The recent upsurge in spying may be due in part to a change in official attitudes. Government officials, including Members of Congress, sometimes leak classified information, usually to influence policy or gain bureaucratic advantage. Public respect for security has declined, and many officials do not, for whatever reason, follow the simple rules that assure good security.

These precautions alone will not eliminate the hemorrhaging of secrets. We will have to take other steps as well, such as stepping up efforts against the real culprits in espionage: thousands of enemy agents operating under diplomatic cover, to do so will require expanding our undermanned counterintelligence units. But if we reduce the amount of information we classify, reduce the number of people with access to that material, and improve investigations of those getting the clearances, we will make those counterintelligence efforts easier, and the nation's secrets will be more secure.

BRZEZINSKI TALKS ABOUT SDI

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. BROOMFIELD. Mr. Speaker, the Soviets are master negotiators and have used their finely tuned skills in the Geneva negotiations on arms control. They try to win major concessions from American negotiators while giving nothing. They promise progress in arms control only if the United States abandons new weapons programs. They leave the negotiating table if they fail to get their way. All too often, it is the United States which gets blamed for the failure of the talks. When agreements are arrived at, the Soviets often break those solemn accords with great disdain. Who can forget about Helsinki?

At the current talks, the Soviets are insisting that the United States abandon the strategic defense initiative. To nobody's surprise, they want our negotiators to say that America will terminate that stabilizing program without requiring that the Soviets cut back on any of their offensive systems.

I am encouraged by a recent article on this subject written by Zbigniew Brzezinski. He is to be commended for saying, "enough is enough." If the Soviets continue to play hard ball at the negotiating table, our Government should quickly move ahead with the strategic defense initiative.

While many opponents of the President's strategic defense initiative have made their views known, I want to share the refreshing views of former Assistant to the President for National Security, Zbigniew Brzezinski, with my colleagues in the House.

[From the New Republic, July 8, 1985]

HOW TO BREAK ARMS CONTROL IMPASSE—A STAR WARS SOLUTION

(By Zbigniew Brzezinski)

The usual danse macabre of American-Soviet arms control negotiations is about to begin. The process is typically initiated by a Soviet announcement to leaders of the U.S. government, and to the myriad self-appointed American accommodationists trooping to Moscow to seek on their own a "fair" solution, that the ongoing stalemate is due entirely to American rigidity. The Soviets insist that they cannot give an inch, and that only a massive display of American good faith—translated into unilateral concessions—can revive the negotiations.

In the late 1970s the Soviets made it clear that progress in negotiations would be contingent upon U.S. abandonment of its cruise missile program. In 1984 they premised even the beginning of arms control talks on the dismantling of the U.S. Pershing and cruise missiles already deployed in Europe. Then the MX missile came to be designated as the impediment to any compromise. And now the Strategic Defense Initiative, Reagan's so-called Star Wars proposal, has been identified as the mortal enemy of arms control.

These arguments are then faithfully reproduced on the Op-Ed pages of U.S. and West European papers. Renowned professors, former ambassadors, various politicized scientists, and leaders of the arms control lobby plead for a demonstration of American good faith—which happens to coincide with the acceptance of what the Soviets have been demanding. The process of negotiation thus begins in earnest—but among us Americans! The Russians, meanwhile, sit at the table in Geneva and wait for the eventual U.S. concessions.

It is a normal procedure for the United States to prepare for serious negotiations with the Soviet Union by defining a tough opening gambit, to be followed by a more flexible position that would be exercised in conjunction with some demonstrated Soviet willingness to compromise. But it is usually only a matter of time before some disgruntled official leaks the substance of the fallback position to one of the ex-ambassadors, peace-loving professors, or any one of the 535 representatives and senators who have lately become our surrogate secretaries of defense and state. Any one of them then feels free to publicize the fallback position as his constructive suggestion. Indeed, the latest fashion is to compose a joint letter published under three or four prestigious signatures, strongly urging the U.S. to make further unilateral concessions in order to convince the Soviets that we are negotiating in earnest. After we prove our good intentions, the Russians may be prepared to accept our third—or fourth—fallback position as a proper match for their own unyielding position.

The Soviet argument against SDI and the domestic critics' case against SDI are politically complementary. The Soviets say that SDI threatens the militarization of space, and that there will be no arms control agreement unless it is abandoned. The American critics say SDI will not work, that it will cost too much, that the Soviets can very easily overcome it, and that the Soviets are dreadfully fearful of it. The logical inconsistency of these arguments is less important than the political symmetry of their intended effect—namely that the U.S. should unilaterally forgo the SDI program.

In fact, nothing could be more damaging to the prospects for real arms control than the jettisoning of SDI. Indeed, the time has come for the United States to bite the bullet on the SDI question. Only if a strategic defense system is deployable within the next decade or so, and only if our will to deploy it is proven credible, can the United States trade it for a genuine and comprehensive arms control agreement with the Soviets. It is essential that this system be capable of disrupting and rendering militarily useless a Soviet first strike by intercepting missiles early in flight or by knocking them out as they descend toward the United States. Anything less than that virtually guarantees that there will be no comprehensive arms control agreement.

The reason for this proposition, unpalatable though it may be to the arms control lobby, is rooted both in the changing character of nuclear weaponry and in the nature of Soviet strategic deployments. In the 1970s both sides enjoyed large strategic forces whose primary function was to pose the threat of annihilation to the other country. These systems were not susceptible to preemptive destruction. The emerging reality of the 1980s, and 1990s is that both sides are deploying far more accurate weapons. These weapons are capable of a preemptive first strike that could eliminate the opponent's strategic forces—and prevent effective retaliation. For the first time it is possible to contemplate the possibility of an attack that destroys an overwhelming majority of the other side's forces while also disrupting its command and communications structures to such an extent that any response would be marginal, spasmodic, and conceivably not totally destructive. In short, as accuracy increases so does the benefit of striking first.

This is not to argue that the Soviets (or the United States) are likely or certain to launch a first strike. It is simply to say that the nuclear relationship is growing ever more precarious. This is the current danger in the American-Soviet military situation. It needs to be addressed and resolved by the arms control process, if possible; or unilaterally, if arms control remains stalemated.

But there is another problem raised by the advent of the highly accurate weaponry.

The Soviet Union is now deploying such forces in large numbers; the United States is not. How can we negotiate effectively in this situation? We somehow have to convince the Soviets to limit the further deployment of their new SS-24 and SS-25 missiles, and to limit significantly the deployment of existing SS-18s and SS-19s, all of which have counterforce capability. Without such limitations, by the early 1990s the Soviets—even by conservative estimates—will have enough missiles to place the entire U.S. arsenal in jeopardy. Only our Trident and Poseidon submarines already out at sea might escape destruction from a Soviet first strike. And with the confusion and resulting disintegration of communications systems, the submarines forces might not be in a position to retaliate effectively.

In contrast, the United States is not likely to be able to threaten the Soviet Union in a comparable way. No ongoing or likely deployment program will enable us to launch a disarming attack. Even if the U.S. had some form of strategic defense in order to protect its missile forces, we would still have far too few MX missiles, D-5 missiles on Trident submarines, and Midgetmen to even permit contemplation of such a disarming first-strike attack at any point between now and the end of the century.

In these circumstances, the decision to go ahead with the SDI makes eminent sense. But is also means reformulating it politically and strategically. The U.S. should drop or at least de-emphasize President Reagan's idealistic hope for total nuclear defense for all our population. We should also abandon our unwillingness to consider SDI in the bargaining process. If we implement that part of the SDI program which by the mid-1990s would enable us to disrupt a Soviet first strike, we would reinforce deterrence and promote nuclear stability. That means concentrating on terminal defense and boost-phase interception.

Once we establish our determination to act on the SDI, we are in a better position to strike a bargain. We can say to the Soviets that we both face essentially two choices, one mutually beneficial, the other especially costly to them, but both stabilizing. The first choice is to renegotiate the 1972 ABM treaty to permit deployment of strategic missile defense, but without either side improving its ability to carry out a first strike. Then, in return for significant reductions in SS-24s, SS-25s, SS-18s, and SS-19s, the United States would not deploy its strategic defense system. The second option would be pursued if Soviets were unwilling to accept such a bargain. The United States would unilaterally terminate the ABM treaty and proceed with the SDI. This would render the Soviets' new generation of accurate missiles useless and wipe out their multibillion ruble investment in them.

Some critics of the SDI argue that the Soviets could respond by vastly increasing their offensive deployments. There are two problems with this line of thinking. First, if the Soviets do respond by building up, they will confirm the ominous suspicion that they are intent on preserving a first-strike capability against the United States; if so, the urgency of negating that threat is all the greater.

Second, if the Soviets expand their offensive forces, the strategic defense could be expanded proportionally. Remember that such a system would not need to be foolproof since it would not be designed to defend populations; it would only need to be capable of significantly disrupting an attack on U.S. strategic forces. In such a competition we would have the advantage. It would be far cheaper for us to add defensive missiles than for them to add highly accurate offensive missiles. (Those who make the most ambitious claims for the SDI should bear in mind that we could not compete so well if we were seeking to build a foolproof defense of our cities. If our defense had to be 100 percent effective, it would cost us far more to expand it than it would cost the Soviets to expand their offensive forces.)

To shape such an effective U.S. defense strategy and a meaningful negotiating posture, President Reagan's SDI needs to be redefined. We must show the Soviets both that we can deploy a strategic defense system soon and that we will negotiate over its deployment if they are willing to make stabilizing reductions in their offensive missile forces. In the event of Soviet unwillingness to accept such an arrangement, we would be in position unilaterally to achieve strategic security for ourselves. And because the SDI would not be accompanied by a massive deployment of disarming first-strike offensive U.S. systems, we would in no way increase our strategic threat to the Soviets. Either way SDI promises a genuinely stabilized nuclear equilibrium between the United States and the Soviet Union. It is time to act.

WHAT THE STATUE OF LIBERTY MEANS TO ME

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. DYSON. Mr. Speaker, I wish to share with my colleagues the four winning essays read at the Jewish War Veterans Ladies Auxiliary of the United States Liebman-Berger Memorial Post No. 7's Fourth of July celebration. Established in 1896, the Jewish War Veterans Ladies Auxiliary is our Nation's oldest veterans organization.

The essays submitted for this competition are entitled, "What the Statue of Liberty Means to Me." The winners—all of whom hail from Maryland's lower shore—are Heather L. Kimmel, Kathy Shenesky, Lisa Ann Hoffman, and Hartley Saunders. I extend my congratulations to these fine young Americans and wish them well in their future endeavors.

The four essays follow:

WHAT THE STATUE OF LIBERTY MEANS TO ME

(By Heather L. Kimmel, Wicomico Senior High School)

In 1865, the French had the idea of giving a monument to the United States to mark the friendship between the two nations. Frederic Auguste Bartholdi was sent to America to investigate the possibilities of such a monument. He conceived of building a colossal statue at the gateway to the New World, the entrance to the New York Harbor. Liberty Enlightening the World was then created by Bartholdi, engineer Alexander Gustave Eiffel, and architect Richard Morris Hunt. In 1886, the statue and pedestal were erected on top of Fort Wood on Bedloe's Island, now Liberty Island.

The idea of the creation of the statue and the finished work itself represent a close friendship between France and the United States. This illustrates the fact that countries of our world can work together and remain allies. An Old World country created the statue for a New World country. The Old World has come to respect the ideas of the New World and no longer tried to take over and destroy the newer principles.

The tablet held by the Statue of Liberty is inscribed "July 4, 1776," the date that the Declaration of Independence was signed. To me, this statue represents the freedom that our forefathers envisioned for the United States. It also symbolizes opportunity for our country's citizens and foreigners that have come and will come here.

The torch in Liberty's upraised right hand symbolizes a ray of hope for all mankind, since the flame in the torch never flickers. Despite wars, conflicts, corruptions, or natural disasters, Americans will have a hope that peace and prosperity will be available to all.

At Liberty's feet is a broken chain, seldom seen. This symbolizes the bonds that link people struggling for their liberty. People of different religions, cultures, nationalities, and races can live and work together in harmony.

Liberty, as a whole, represents the American dream of individual freedom and hope for living a meaningful and rewarding life. Even though the statue is almost 100 years old, it continues to be an important symbol to the American people.

WHAT THE STATUE OF LIBERTY MEANS TO ME

(By Kathy Shenesky, Bennett Senior High School)

The Statue of Liberty is a symbol of pride for all Americans. Seeing it reminds us of the freedom, hope, and courage that all Americans share. Each American has a story to tell about their first viewing of Lady Liberty. They all feel some sort of patriotism, which is a part of being a citizen of the United States. The Statue itself has become a symbol of our country.

All Americans take pride in having freedom. We fought for it during the Revolutionary War, and shared our victory with France the donor of this statue. Immigrants see a life in our country as a chance to be free; either to have freedom from oppression or freedom to be a more independent individual. I feel that there is no country in the world that allows me more freedom to achieve my potential as a citizen of the United States.

Hope is also a characteristic that all Americans share. One hundred years after the Revolutionary War, France gave us the Statue of Liberty to commemorate the one hundredth anniversary of the signing of the treaty to end the war. It was given as a symbol of hope that our alliance would continue. Hope is also felt by United States immigrants. They want to be successful in their new country, and hope for a more prosperous future. The Statue of Liberty makes me hope that our country will spread peace throughout the world.

The Statue of Liberty represents courage. In the Revolutionary War, it took courage for a group of people to fight for freedom and risk defeat. It also takes courage for United States immigrants to move to the United States and risk failure. When I look at Lady Liberty, I feel courage to stand up for what I believe in.

The restoration of the Statue of Liberty has enkindled great enthusiasm among all Americans. To everyone, young, old, rich, and poor, this monument stands for the best qualities of being American.

WHAT THE STATUE OF LIBERTY MEANS TO ME

(By Hartley Saunders, Wicomico Senior High School

Ever since its construction in 1876, the Statue of Liberty has been a symbol of peace and prosperity for imigrants as well as to patriotic Americans. Her magnificent lines and adornments symbolize many of the liberties that native-born Americans have exclusively.

The Statue's parts symbolize different things to me, while projecting a unified feeling of patriotism. The pedestal on which she stands symbolizes how high America has made itself through hard solid work, just as the solid bricks and beams that make up the pedestal. Proceeding upward, I see that Lady Liberty carries a great book. That great book is the symbol of the education that is promised to each and every American. Rising up even further, I pass her majestic head and crown. They symbolize to me the beauty of the land I call America. And finally, after following that colossal arm upward, I reach the torch. Its flame symbolizes America as a bright star over a black sea.

After closely examining the statue in individual parts, I look at her as a whole. And while I am gazing at her supreme beauty, I see another symbol; the green coating. The coating represents to me the riches to be found here, both monetary and personal.

The Statue of Liberty with all her splendor is only as beautiful as the people of America think her. I'm afraid not every one thinks as I do. But as long as a few patriotic people still believe in America, the torch will shine as brightly as the sun.

WHAT THE STATUE OF LIBERTY MEANS TO ME

(By Lisa Ann Hoffman, Wicomico Senior High School)

The Statue of Liberty on Bedloe Island, New York Harbor represents the freedom that America cherishes, and to me it serves as a symbol of what our country stands for. All through the course of history, America has fought for its freedom. When the first settlers from Europe began to colonize the New World, they expressed a desire to be liberated and govern themselves. They battled for that right, and won.

As you enter the New York Harbor, you can't help but see Lady Liberty and the torch that she holds aloft in her right hand. The flame it produces illuminates the world and radiates to everyone the feeling of independence that all Americans should have within them. It also represents the energy and fire that come from the spark of patriotism. In her left hand, Liberty holds the book of law, depicting to me the American idea of equal opportunity for all.

The amiability and gratitude that the French felt towards America must have been overwhelming to be cause for such a gift. The Statue of Liberty also, therefore, exemplifies the respect that America deserves and rightfully receives. She is a constant reminder of all these things and installs in us new partriotism whenever we see her. I am glad that the Statue of Liberty's condition is being kept up, and I hope that the restoration is not only one of her appearance, but also one of the faith and pride of the American people.

INTRODUCTION OF GLEANING RESOLUTION

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. HALL of Ohio. Mr. Speaker, on July 30 I made a statement to accompany the introduction of a resolution to encourage gleaning. As the statement indicated, my resolution commends gleaning groups throughout the country and those food producers—individuals and organizations—who permit gleaners to collect unharvested crops from their fields to help feed the poor of this Nation.

However, due to a printing error, the actual resolution was not formally introduced and assigned a number. For that reason I am resubmitting my resolution on gleaning with the request that the error be corrected.

H. CON. RES. 183

Concurrent resolution expressing the sense of the Congress that food producers who permit gleaning of their fields and nonprofit organizations which glean fields and distribute the resulting harvest to help alleviate hunger should be commended for their efforts, and for other purposes

Whereas a large number of people in this country are not able to regularly supply themselves and their families with food;

Whereas food banks, soup kitchens, and other emergency food providers are witnessing a substantial increase in the number of persons seeking food assistance;

Whereas gleaning is a partnership between food producers and nonprofit organizations through which food producers permit members of such organizations to collect grain, vegetables, and fruit which have not been harvested and distribute such food items to programs which provide food to needy individuals;

Whereas support of gleaning to supply food to the poor is part of the Judeo-Christian heritage as set out in the Book of Leviticus, "When you reap the harvests of your land, do not reap to the very edges of your field or gather the gleanings of your harvest. Do not go over your vineyard a second time or pick up the grapes that have fallen. Leave them for the poor and the alien.";

Whereas a 1977 General Accounting Office analysis estimated that during the 1974 harvest 60,000,000 tons of grain, vegetables, and fruit, valued at $5,000,000,000 were unharvested;

Whereas the diets of millions of hungry people in the United States could have been supplemented with such lost grain, vegetables, and fruit;

Whereas a number of State and local governments have enacted Good Samaritan laws which limit the liability of food donors and provide an incentive for food contributions; and

Whereas numerous civic, religious, charitable, and other nonprofit organizations throughout the country have begun gleaning programs to harvest such food items and channel them to the hungry in the United States: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) food producers who permit gleaning of their fields and civic, religious, charitable, and other nonprofit organizations which glean fields and distribute the resulting harvest to help alleviate hunger should be commended for their efforts; and

(2) State and local governments should be encouraged to enact tax and other incentives designed to increase the number of food producers who permit gleaning of their fields and the number of shippers who donate, or charge reduced rates for, transportation of gleaned produce.

TERRORISM IN THE UNITED STATES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 14, 1985, into the CONGRESSIONAL RECORD:

TERRORISM IN THE UNITED STATES

Terrorist attacks on Americans abroad have increased fears of violence spreading to the U.S. The resurgence of religious fanaticism, the increased willingness of foreign governments to export terrorism, the development of new terrorist technology that makes detection more difficult, the enormous publicity terrorists get in the U.S., and the number and diversity of people within our borders are all reasons for concern.

Terrorism is indiscriminate violence used against innocent bystanders for political effect. Terrorists attempt to create fear and to get widespread attention, exaggerating their strength and the importance of their cause. Most recent terrorist actions in the U.S. have been committed less to alter U.S. government policies than to alter policies in other countries. For example, the FBI recently foiled a plot against the Prime Minister of India during his visit to the U.S. In recent years, the number of terrorist incidents in the U.S. has dropped from 51 in 1982, when 7 people were killed and 26 injured, to 13 in 1984, with no injuries or fatalities. However, the 1984 figures do not count the two dozen abortion clinic bombings, which some say should have been included in the tally. The dominant form of recent terrorist actions in the U.S. has been planting bombs, and most were in New York City. Terrorists usually plan actions that will call attention to their cause without resulting in deaths.

While the State Department heads up our efforts against international terrorism, the FBI is the lead agency in our domestic efforts, with more than 500 full-time counterterrorism agents. In recent years, FBI capabilities have been strengthened, through, for example, an increase in the number of agents, hostage rescue training and expanded computerization. Moreover, domestic surveillance guidelines for the FBI were recently loosened. Fortunately, the trend in the U.S. has been to fewer terrorist acts and more convictions.

Although examples of terrorist acts are found throughout U.S. history, they have not been as widespread here as in other countries, for several reasons. Terrorism

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from domestic groups has been relatively rare because ideology has traditionally not been a major force in U.S. history, and because we have had few recent separationist struggles. Moreover, our political system has an enormous capacity to bring those with grievances into the democratic process.

Thus, the main threat of terrorism in the U.S. may come from abroad. Yet certain factors reduce the influx of terrorism. Foreign terrorists generally attack Americans abroad rather than come to the U.S. because of America's geographical remoteness and our tighter airport security. Many terrorists have been trained in Europe and find it easier to get around there. Also, terrorist acts in the U.S. by foreigners would inflame public opinion against their cause and would likely trigger widespread calls for strong retaliation. The view of most experts is that in the near future most terrorist actions against the U.S. will continue to take place abroad. Yet, as the FBI has noted, there is the potential for an increase of terrorism in the U.S.

We must take several steps to deal with the threat of domestic terrorism. Although we must improve our capabilities for handling terrorist incidents once they occur, the most important steps we can take are preventive—heading off terrorist actions before they take place. Such steps include, first, trying to address the kinds of fundamental grievances that give rise to terrorism. We should also continue to institute security practices that make the task of the terrorist more difficult, such as barriers around public buildings and electronic screening of crowds. Nearly all terrorism can be foiled with currently available security devices and procedures if they are applied sufficiently. We must continue to give wide publicity to our anti-terrorist efforts and our resolve to respond firmly to terrorists. For example, our well-publicized $100 million security effort at the Los Angeles Olympics is credited with discouraging terrorism. In addition, we should tighten our domestic anti-terrorist laws by increasing fines and prison terms, and by providing rewards for informants. Moreover, although the FBI has improved its capacity to deal with conventional terrorists, we should boost our ability to deal with large-scale, heavily-armed terrorist groups and to counter different kinds of attacks, such as against power or water systems. We should also improve our information-gathering efforts against suspected terrorist groups. If U.S. terrorism increases, we should consider carefully proscribed infiltration of suspected terrorist groups and steps to disrupt their planning. Finally, the U.S. should stop supporting actions elsewhere in the world—such as mining harbors and publishing assassination manuals—that appear to give our blessing to the notion of terrorism.

The fight against terrorism in the U.S. does not rest entirely with the federal government. Others must become more involved, including cities that are prime targets, high-profile international companies, and even individual citizens. One major terrorist group was captured because a housewife called officials after becoming suspicious of several men in jogging suits milling around a van. Her suspicion was aroused because the "joggers" were all heavy smokers.

Although our efforts against domestic terrorism must be firm, we must not overreact and trample civil liberties, disrupt normal commerce, and sharply restrict citizen access to our public buildings and to our government. A government that responds with oppressive measures loses the confidence of its people and plays into the hands of terrorists. Moreover, we should remember that terrorist acts in the U.S., though a major source of concern, are much less frequent than other violent acts. For example, last year there were 13 official acts of terrorism in the U.S., compared to 18,600 reported murders, 84,000 forcible rapes, 485,000 robberies, and 2,984,000 burglaries. Our efforts against terrorism in the U.S. must be forceful, but not panicked.

THAT IMPORT SURCHARGE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. COURTER. Mr. Speaker, the following editorial by Congressman JACK KEMP which recently appeared in the Washington Post contributes a great deal to the debate over how we will conquer our trade deficit. JACK reminds us that we must avoid at all cost the kinds of trade policies which dragged this country down earlier in this century and which would reduce our opportunities for economic expansion. I urge my colleagues to read these words carefully:

THAT IMPORT SURCHARGE: WHY WOULD THE DEMOCRATS REPEAT A REPUBLICAN MISTAKE?

Reps. Dan Rostenkowski and Richard Gephardt and Sen. Lloyd Bentsen say that their proposal for a 25 percent import surcharge is a shot across the bow of our trading partners. Like every shot across someone's bow, this one would miss its target. But it would score a direct hit on American businesses, workers and families.

The Rostenkowski-Gephardt-Bentsen bill is no different in principle from the Smoot-Hawley tariff, which helped precipitate the Great Depression. Even some of the circumstances are uncomfortably similar: a growing debt burden in the developing nations; a progressive decline in American agriculture because of the rise of the dollar against other currencies in real terms; a failure to establish a stable international monetary system. In 1929-30, instead of correcting these problems, Congress enacted and President Hoover signed the Smoot-Hawley tariff, which hiked duties across the board. It was the last straw for world trade. The debtor nations could not repay their debts if they could not export to us. They sought to ease the pressure by devaluing their currencies and imposing retaliatory tariffs. The dollar rose even farther. The world economy imploded.

The Democratic sponsors of the new protectionist bill seem to want to repeat the same mistake. The main provision is a 25 percent tariff on any country whose exports to the United States are 50 percent higher than imports and whose world exports exceed world imports by 65 percent. (Why the difference? There's almost a $100 billion statistical discrepancy between total world exports and world imports, even though the two are obviously identical; yet these statistics are supposed to decide whether or not we trigger an all-out trade war!) It turns to that this would selectively target four countries: Japan, South Korea, Taiwan and Brazil.

It's easy to see who this bill would not help: American farmers. Japan, South Korea and Taiwan all make a living by importing raw materials and food and exporting manufactured goods. Japan, for example, is our single biggest agricultural customer. And to the degree that American farmers compete with Brazilian farmers, it is mostly abroad, not in U.S. markets. The 25 percent tariff would hike the prices paid by American farmers for equipment, though the world prices they received would be no higher. And U.S. farmers would be the first victims of any retaliation by other countries.

Would the bill at least reduce our competitive disadvantage in manufacturing? No: Since the tariff is selective, the main result of a 25 percent tariff on Japan would be to shift Japanese goods to Europe and European goods to the United States. This wouldn't help our trade balance at all.

To the degree that any American businesses could gain, it could only be at the expense of other American businesses—and, of course, American households. Both would be hit with price markups from foreign and domestic suppliers. American goods would cost more at home and abroad. Productivity and our standard of living would fall, and we would lose jobs. Any reduction in our imports would be more than matched by a loss of exports. And how can Brazil repay its debts to us if it cannot export to us? How can Japan invest its savings in our country if it cannot transfer the resources to us through trade?

In solving a problem, it helps to know what the problem is. Part of our trade deficit is not a problem. Countries that grow faster than the rest of the world, as we have done, generally import capital seeking a higher return, in the form of a trade deficit. This part of the trade deficit will automatically disappear if other countries pursue growth-oriented policies; if not, we don't need to slow down our economy to reduce the gap, as long as the goods are used to increase our economic capacity. The United States ran a trade deficit for its first 100 years.

But part of our trade deficit is a problem. As in the 1920s, American farmers, manufacturers and mineral producers—industries that export or compete with imports—have been priced out of world markets by the dollar's rise. Just as the fall of the dollar in the 1970s provoked protectionism abroad, the rise of the dollar in the 1980s has led to calls for protection in the United States. The instability of exchange rates has cost many jobs in both the United States and the Third World.

The obvious answer to a monetary policy that permits a rising dollar or a falling dollar is a monetary policy that preserves a stable dollar. We need a domestic monetary policy geared to the value rather than the quantity of money. And we need to return to an international system of stable exchange rates that is neither inflationary nor deflationary. (The Rostenkowski/Gephardt/Bentsen bill does have a section calling for movement toward stable exchange rates.) At the same time, we need a Reagan Round of talks on trade liberalization, patterned on the successful Kennedy Round of the 1960s. This was the goal of the statesman who designed the postwar Bretton Woods monetary system: to dismantle the beggar-thy-neighbor protectionism and competitive currency devaluations of the 1930s.

The Democratic Party is now going through a well-publicized identity crisis. The protectionist bill shows the difficulty the Democrats are having in hammering out

a consistent philosophy. The tariff would hurt the farmers for whom the Democrats want larger federal subsidies. In the field of tax reform, many Democrats propose new disincentives for investment that would worsen the competitiveness of precisely the same industries they are trying to "protect."

Politically, the Democrats might do well to consider the kind of luck we Republicans had with the ideas they are now thinking of adopting. The Smoot-Hawley tariff was the prelude not only to national economic but also Republican political disaster. As E. E. Schattschneider remarked about the soon-to-be-minority Hoover Republicans in his classic study of the Smoot-Hawley tariff: "To manage pressure is to govern; to let pressures run wild is to abdicate."

The Republicans used to be the high-tariff party and the Democrats the party of free trade. The switch underlines a larger role reversal of the two parties: Republicans have become the party of growth and opportunity, and the Democrats the party of tax increases and protectionism. As a rule, I don't mind it when the Democrats act like a minority party—confused, contradictory, narrow in scope. But when the future of our economy is at stake, I wish they would stick to ideas, such as tax reform, that make better economic and political sense.

THE TRAGEDY OF NICARAGUA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. BROOMFIELD. Mr. Speaker, there are many tragedies in today's Nicaragua. After stealing what was originally a democratic revolution, the Sandinista Marxist-Leninists have also destroyed the economy of that country. Their brand of unworkable Communist economics has essentially brought the economy of Nicaragua to its knees. I want to share an interesting editorial on the economy of Nicaragua with my colleagues in the House.

Much has been said about human rights violations by the Sandinistas and their efforts to destroy the church in that country. Much has been written about the police state nature of that society and the growing role of Cuban and Eastern bloc advisers. Many Americans, however, fail to notice that much of the damage to the Nicaraguan economy was inflicted upon that poor country by the Sandinistas themselves.

Around the world, the Marxist-Leninist approach to economics has failed. The economy of the Soviet Union is a classic example of what massive damage is done when the so-called masters of economics take over.

Many countries in Eastern Europe are also economic disasters along with many Third World nations which modeled their economies on the Marxist model.

Given the many problems in that country, is there any wonder that the democratically oriented freedom fighters are winning the support of an increasing number of Nicaraguans? The common people in that country know that the road down which the Sandinistas are forcing that nation is the wrong one. In 1979, that nation obviously took the wrong turn. Let's hope we can help to get Nicaragua back on the right track.

With these concerns in mind, I commend the following insightful article from the Arizona Republic to my colleagues in the House.

The article follows:

[From the Arizona Republic, July 15, 1985]

NICARAGUA: THE FUTURE IS HERE

It was six years ago this month that a popular uprising of the Nicaraguan people drove dictator Anastasio Somoza out of the country his family had controlled virtually as a private fief since 1934.

So abhorrent was the corrupt military dictatorship that the Nicaraguan opposition and North American critics thought almost anything would be preferable.

Well, the future is here in Nicaragua.

According to Mark Falcoff of the American Enterprise Institute on an article in the current issue of Commentary magazine, the euphoria of the immediate post-Somoza era is wearing off and the hard realities of what Sandinista Marxism means are beginning to dawn.

Except among all but the most inflexible apologists for the Sandinistas, there is the growing recognition that quality of life under the regime has steadily declined.

Although never a wealthy country, Nicaragua was reasonably self-sufficient in food production.

Over the past 30 years, the standard of living in Nicaragua, like that for Central America in general, steadily increased.

Under the Sandinistas, that standard has dropped considerably.

Using 1978 as a base year, by 1982, agricultural production had declined 17 percent; industry had dropped 18 percent; and commerce had shown a 27 percent decrease.

The only sector of Nicaraguan society that gained in the first four years of the revolution was the size of the government, which increased three-fold.

By 1983, private consumption of goods had dropped by 12 percent.

Offical sources admit to 20 percent unemployment, and inflation is running at an annual rate of 25 percent.

Amid this economic slump, however, the Sandinistas have managed to build a heavily armed military larger than all others in the region combined.

Since 1979, Nicaragua has been the recipient of $3 billion in foreign loans and $250 million in outright donations, $118 million of that coming from the United States during the Carter administration.

If Nicaragua has economic problems, it is not the fault of the outside world.

Its problems, like those of the Third World generally, are not strictly economic, but are fundamentally political.

The Nicaraguan uprising was, by virtue of their greater armed strength, stolen by Marxists convinced they alone possess the sole repository of historical and economic truth, and are authorized to impose that "truth" on the population generally.

The scenario in Nicaragua is the same one that was played out in Cuba.

For the sake of Marxist patterns of social control, economic growth is willingly sacrificed to the need for the instruments of force and violence.

Nicaraguans understand what is happening, even if many North Americans do not.

That is why in just three years, *contra* forces has grown from a mere 300 to more than 16,000, or three times the number of armed Sandinistas who fought against Somoza.

WOMEN'S EQUALITY DAY

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. DAUB. Mr. Speaker, last week, the Nation marked Women's Equality Day when we recognized the contributions and achievements of American women.

As in past years, this year was one of both accomplishments and continued challenges.

The challenge for us, as we consider legislation that affects women, is to assure that our laws allow full and equal opportunity for women to advance in every sector of American society.

Having become a member of the Ways and Means Committee earlier this year, I am particularly concerned about the impact of major tax reform on women. I am pleased that the proposal before us includes a number of positive provisions in this regard.

Two areas of special concern are the spousal IRA provision and the child care credit. The spousal IRA is a long overdue recognition of the economic value of the homemaker. Additionally, the spousal IRA addresses the problem of disproportionate poverty among elderly women by providing an incentive for retirement savings.

The child care credit recognizes a legitimate cost to America's working parents. The opportunity for a mother to return to her career should not be diminished by our tax laws, and the child care credit assures that this cost of working is treated fairly in the Tax Code.

Tax reform will affect each American family differently; however, if we are to achieve our goal of fairness, we must recognize the role of women in our economy whether they work as a homemaker or in a career outside the home.

Tax reform and a fair tax code are fundamental to women's equality.

CONGRESS AT MIDYEAR

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 21, 1985 into the CONGRESSIONAL RECORD:

CONGRESS AT MIDYEAR

As Congress breaks for its August recess, it is an appropriate time to review its record for the first seven months of 1985. There is only a modest list of legislative accomplishments.

The session began contentiously with the partisan fight over Indiana's Eighth Congressional District seat, and continued with skirmishes over party ratios on committee slots. As consideration of the budget progressed, however, institutional divisions took over with House Democrats and Republicans siding with the President against Senate Republicans. After a slow and bitterly partisan start, Congress managed to reach bipartisan agreement on major budget, defense, and foreign policy issues.

The budget dominated the first six months of the 99th Congress. Differences over Social Security COLAs and defense spending brought budget talks to a halt. But at the last hour before the recess began—ten weeks behind schedule—Congress passed a budget resolution that sets targets for government spending.

The measure's sponsors claim it will trim $55 billion dollars from the deficit for the fiscal year beginning October 1, 1985. But within hours after it was passed, congressional leaders said that overly optimistic economic projections and the budget's measurement for defense cutbacks inflated the savings, and doubts were expressed over whether Congress will enact all the savings called for. Savings will probably be closer to $30-$40 billion next year.

With the President ruling out tax increases and Social Security cutbacks, reductions will come from squeezing domestic programs for a fifth year in a row and by restraining military spending. The balance between defense and domestic cutbacks is vastly different from what the President proposed in February. More savings came from defense, largely because of congressional resistance to continuing the military buildup at the expense of domestic programs. About one half of the savings are from defense.

The budget imposed no new benefit cuts in programs for the poor and elderly, such as food stamps, child nutrition and welfare. Medicare and Medicaid were cut, but by freezing payments to health care providers rathers than by cutting benefits. Farm programs will also be cut, and federal workers' pay will be frozen for one year. Most other domestic programs will be cut by 10-30%. General revenue sharing will end after 1986, the only major program to be eliminated. The plan contains no new taxes.

The budget resolution will keep the deficit from getting worse, but it is little more than a staying effort. Even so, savings are real, and amount to the single largest reductions in history. It sets spending and deficit levels lower than the President proposed. But the budget also leaves deficits of historic proportions. With predictions that, despite these cuts, the deficit will top $200 billion again this year, Congress and the President face an even tougher task next year.

I am concerned about the failure of the President and Congress to address the long-term budget problem. The disappointment for me is that we had the chance while the economy was doing fairly well to act in a non-crisis atmosphere. If we are unwilling to consider reductions in spending in major entitlement programs and defense, then cuts in other domestic areas will have little impact.

The passage of the budget resolution does not complete the budget process. The bill is only a guide for spending bills still to be enacted. My hope is that Congress will make cuts even greater than those proposed by the resolution when it considers spending bills this fall.

Congress also completed action on other items. It released highway funds from last year held up by a dispute over demonstration projects, and repealed the contemporaneous record-keeping requirement enacted last year. In foreign policy and defense, it settled the controversial MX missile and Nicaraguan Contra aid issues, at least for now. It passed the first foreign aid bill since 1981. It provided emergency famine relief and recovery aid for Africa. In response to the TWA hijacking, both Houses passed bills to improve security standards for international air transportation. It has nearly completed action on the defense bill for next year and is likely to give final approval to sanctions against South Africa when it returns in September. Congress has also been pushing the President to take action to reduce the growing trade deficit and to respond to unfair trading practices by other countries, notably Japan.

The President has been less effective at the beginning of his second term. Because of staff changes and the President's illness, the White House has been unable to focus its resources. In both foreign and domestic policy, the President was forced to settle for less than he wanted. The MX was saved but the program was cut in half. Humanitarian aid for the anti-government rebels in Nicaragua was approved, but not the military aid the President wanted. Domestic programs were cut but not eliminated. Senate leaders were forced to abandon efforts to give the President a line item veto. And in the case of sanctions against South Africa, Congress simply repudiated the administration's policy of "constructive engagement" with the Pretoria government.

The big work for the Congress when it returns in September will be to implement the budget resolution. A wide range of additional issues will be on the agenda including immigration, international trade, civil rights, farm programs, clean water reauthorization and the Superfund for toxic waste cleanup. Tax reform is not dead. Virtually all members of the key House tax-writing committees favor tax reforms and the President continues to support it strongly. House action on tax reform this year remains a strong possibility, but Senate action is much more uncertain.

JAPAN EVEN HAS TROUBLE BUYING FOREIGN WINE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. STARK. Mr. Speaker, the Journal of Commerce, August 19, 1985, carried an article entitled "Trade Tensions Mount Over Japanese Wine."

For a people who are so smart, it is hard to understand why they insist on a domestic wine production industry—why 130 million people living in a mountainous area about the size of Montana would want to plant land in vineyards.

But the concluding quote in the article explains why Americans are at the end of their rope over our trade relationship. The Japanese Treasury official says, "We intend to protect first these small, weak wine makers."

Excuse me, Japan, but if you won't buy more of the wine of my district's Livermore Valley, then I intend to protect first my small weak semiconductor and computer firms against Hitachi, Fujitsu, NEC, and the other industrial/bank conglomerates of Japan.

TRADE TENSIONS MOUNT OVER JAPANESE WINE

TOKYO.—In 1983, Herve Gueymard gave up his career as an architect to take over a family business, a 20-acre vineyard that produces about 7,000 cases of select Japanese wine a year.

Japan might seem an unlikely place for a Frenchman to cultivate grapes, but Mr. Gueymard shares the conviction of producers worldwide that the wine market in Japan will ripen in the next decade.

"It will be one of the biggest markets in the world (behind France, the United States and the United Kingdom) within 10 years, maybe before that," the 39-year-old Mr. Gueymard predicted in an interview. "Things are changing and we can feel it."

Growing interest in the beverage, however, has raised tensions in the market, uncorking an oft-bitter brew of trade problems.

Lacking land, climate and a tradition of wine, Japan's wine producers have cultivated their market using foreign flair, a chauvinistic preference for the domestic product and cheap foreign wine blended with locally grown grapes.

Foreign vendors, sensing a coming market boom, voice complaints that are familiar to would-be importers of many other types of products, namely, that the Japanese government has unnecessarily protected Japan's wine makers with a web of tariffs and duties and a dearth of labeling regulations.

"Imported wines have roughly a 23 percent share of the market, but pay 57 percent of the taxes and duties on all wines," said French Embassy Agriculture Attache Jacques Torregrossa.

"Imported wines cannot compete at the moment," said Mr. Gueymard. "The local market is so well-structured."

The import market recently suffered another, unexpected blow—the discovery in Japan of 35 bottles of Austrian and West German wine tainted with a potentially lethal anti-freeze called diethylene glycol.

No deaths or injuries have been reported in Japan or any of 10 other countries where the tainted wine has been found, but the effect has been nothing short of devastating, according to some sources familiar with the market.

At least two department stores in Tokyo halted sales of all Austrian and West German wines, and an American importer, asking not to be named, said he learned that one import firm that does not even handle German or Austrian wines had seen sales plummet from 3,000 cases a week to less than 100 cases.

Once regarded solely as an herbal medicine, wine still enjoys only a single-digit share of the Japanese liquor market, although its growth is double-digit.

In the first quarter of 1985, beer held 60 percent of alcohol sales, whiskey 6.3 percent and wine just over 1 percent, according to the trading house Jardine, Matheson and Co. (Japan) Ltd.

Yet, "Japanese per capita wine consumption doubled during the past 10 years, reaching 0.8 liters in 1983," a U.S. Embassy report said: In Tokyo, consumption reached 1.6 liters per person.

With a drop in whiskey sales of 8 million cases in 1984, an increase in women drinkers, Western meals and travel abroad, and a global trend toward low-alcohol liquor, market watchers say wine will continue to climb.

"Everything is in its favor," said Willie Purcell of Jardine, while at the same time complaining that importers won't easily be able to share in the market.

Japan's climate is so humid and land so scarce that the few wine grapes produced are 500 percent to 900 percent more costly and 8 percent lower in alcohol than U.S. or European Community varieties; according to the French Embassy.

Japanese producers depend on bulk wine from countries such as Spain and Bulgaria, or grape must—the fermenting juice of grapes—for blending with Japanese wine.

Only 20 percent of wine consumed in Japan is purely domestic, and a bottle needs only 5 percent Japanese grapes to be labeled "Product of Japan."

"We don't think it is an important matter," said Masahide Kanzaki of Suntory Ltd., one of three companies that control 60 percent of the market. "Consumers don't want to know where the grapes come from."

In addition to a lack of laws regulating wine labels by origin and variety, importers say duties and taxes are 40 percent higher than those paid by domestic producers.

Japanese officials defend the system as necessary to protect domestic producers. "It is very difficult for us to reduce our tariffs," said Yoshiro Okamoto, deputy director of planning for the Finance Ministry's Custom and Tariffs Bureau. "We intend to protect first these small, weak wine makers."

IN SUPPORT OF H.R. 10

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. RAHALL. Mr. Speaker, today the House passed H.R. 10, the National Development Investment Act which amends the Economic and the Appalachian Regional Development Acts of 1965. The programs developed under these acts have been highly successful in the fight to eliminate poverty and its devastating effects in Appalachia and to educate and enlighten the people of this area.

I would like to share one of the many successful endeavors of the Economic Development Administration in my home district in West Virginia. The following details Marshall University's Center for Regional Progress and its Economic Development Administration University Center Program. The center for regional progress was one of only three new University centers created by EDA nationwide last year. The support provided by EDA has enabled Marshall University to extend a wide variety of technical assistance and research activities to business, industry and government which otherwise would have been unavailable.

MARSHALL UNIVERSITY CENTER FOR REGIONAL PROGRESS, EDA UNIVERSITY CENTER PROGRAM

In August, 1984 Assistant Secretary of Commerce, Ms. J. Bonnie Newman, awarded a $77,000 grant to the Center for Regional Progress to establish an Economic Development Administration University Center. The purpose of the University Center is to provide economic development assistance to 21 southern West Virginia counties hard hit by unemployment.

The EDA University Center program enables the considerable faculty and staff resources of Marshall University to be directed to the region's economic development needs. Four types of assistance are made available to business and industry, government and community organizations: (1) Technical and research assistance, (2) Counseling and referral, (3) Continuing education through workshops, seminars and lectures, (4) Graduate assistantships, cooperative education and internships.

To date 20 faculty members representing various disciplines and 45 students have participated in projects sponsored by the Economic Development Administration Program.

A summary of some of those projects follows.

The client requested assistance in developing a business plan for a pizza/entertainment center, with which bankers and prospective investors could be approached to finance his project. The Center recommended that we undertake a feasibility study along with the development of a business plan to further enhance the business proposal package. Staff is currently researching the feasibility of the project and developing a business plan for the pizza/entertainment center.

The owners of a successful sheet metal fabrication corporation acquired the exclusive manufacturing patent to an innovative solar hearing system and began proto-type production. They test marketed the product and due to the demand for their product the owners decided to set-up a separate corporation to manufacture the solar heater. They approached the Center about advice concerning a national promotional campaign package for their new product. As a result of several meetings with the owners, the Center put together a faculty team to research market data and determine a competitive product price. Upon completion of the market study the team will develop promotional strategies and materials for the new corporation. Market research is underway.

The owner of two local pharmacies asked for research assistance. The research would determine if it is feasible to offer retail goods at a wholesale price, charge a fee for this service and maintain an expected fixed overhead for the two pharmacies. The Center is arranging for a faculty team to study the feasibility of the proposed service and develop a fee schedule as it relates to expected markets.

The client needed market information for downtown Charleston, WV to help pre-lease space in a proposed retail facility. The Center was able to readily assist the client providing the necessary, previously compiled, current market data.

A group of area Chamber of Commerce presidents and local economic development directors requested the Center to research and compile a tri-state regional profile to be used for recruitment purposes. The Center has completed the text of the profile and is working with the group on the design and printing of the document. It is felt, by the group, that the profile will be an asset in the recruitment of business and industry into the area.

The client requested market and demographic information for the Huntington and Charleston, WV areas. Average land, building, and lease cost were also required to conduct a preliminary study concerning the location of a proposed fast food restaurant into the two areas. The Center was able to quickly respond to the client's needs with minimal research and providing previously compiled data.

The client requested both technical and financial assistance to establish a non-profit textile processing plant to provide employment opportunities for the chronically unemployed, the handicapped, and the veterans. The client had approached a number of agencies and entities for assistance. The Center is working with these various groups to assess their level of participation and to package the proposals as a total project. A total proposed project encompassing all groups will better leverage funds and avoid duplication of efforts.

The City of Huntington, WV has asked that Marshall University through the Center for Regional Progress assist in the research and data collection for the development of a city Business Plan. The Business Plan will establish an economic development strategy and help facilitate economic growth within the City. Faculty and staff have become involved in various aspects of the plan development. The University is currently assisting which the arrangement of meetings with local business and community leaders to solicitate their input into the plan, along with ongoing compilation and research of required data.

The client is interested in establishing a consulting business. The business would offer exercise programs and instruction to local businesses for their employees. The Center is studying the aspects of meshing this project with a fitness evaluation and prescription program currently intact at Marshall University.

The Charleston Renaissance Corporation, a non-profit organization working in cooperation with the City of Charleston, WV and the area business community requested assistance with the development of re-development plans for the three Urban Renewal areas of the city. The Center conducted a preliminary marketing survey of Capitol Street between Virginia and Lee Streets and gathered the information necessary, and developed a long term marketing strategy for the area. The non-profit is charged with the implementation of the re-development plan.

Marshall University's College of Business, in conjunction with EDA and the Center for Regional Progress presented the first annual Global Trade Conference and Exposition. The GTC assisted participants in increasing their individual and collective share of the global market for their own businesses' and the region's economy. New opportunities in exporting were discussed and how to develop strategies, promotions, and techniques of capturing these markets. The conference was composed of ten seminars on a wide range of subjects. The exposition provided regional firms the opportunity to display and promote their export products. In addition to exporters, export intermediaries were present to explain their many services that facilitate exporting. The GTC was a great success and the Center looks forward to sponsoring next years conference.

A small manufacturing company has requested assistance from the Center for Regional Progress. They have a patent to manufacture a ceramic self-watering flower pot. The company has run into some problems and currently needs production space to further develop molds and manufacture additional sample pots. These proto-type pots will be used to market the product to distributors. Without commitments from distributors the company cannot secure a loan which is necessary to re-establish their own production facilities. To address their immediate needs the Center is currently researching the possibility of utilizing university space and equipment for production.

The client requested assistance in preparing a feasibility report for a total care retirement center. The feasibility report is providing the necessary documentation for a Certificate of Need from the State Health Department. If constructed, the retirement center will create an estimated 200 new service jobs in the Huntington/Cabell County area.

The Interim Commission on Employment Opportunities and Economic Development of the West Virginia State Legislature requested research assistance. Through the EDA University Center program, research was provided the Interim Commission in the following areas: Financial Incentives to Business, Free Enterprise Zones, State Image and Promotion, Export Marketing, and Taxation.

The McDowell County Development Authority contracted with the Center for Regional Progress to prepare an Economic Development Plan for McDowell County. The plan includes a resource inventory, needs assessment, project recommendations and funding alternatives, and an industrial diversification program to offset high unemployment in the coal fields.

The City of Pt. Pleasant contracted with the Center for Regional Progress to prepare a comprehensive Economic Development Strategy/Marketing Plan to promote industrial development, stabilize employment opportunities, and identify employee training needs in Mason County.

As a result of the EDA program, the Center for Regional Progress has been able to assist the Governor's Office of Economic and Community Development in the recruitment of new industry for West Virginia. The most notable example is the information provided in support of West Virginia's bid to become the site of the new General Motors Saturn factory.

The EDA University Center program, in cooperation with the International Trade Commission and the Regent's Center for Education and Research with Industry, has made possible the publication of a WV Export Products Directory. As a result, WV businessmen will have their products represented in foreign trade missions worldwide.

FINN CASPERSEN STATEMENT ON TAX REFORM

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. COURTER. Mr. Speaker, if my colleagues' mail has been anything like mine lately, they are probably receiving hundreds of letters from individuals and businesses who, though supportive of the concept of tax reform, are opposed to specific aspects of the President's proposal which might hurt them.

In view of this common response, I was greatly impressed to learn that Beneficial Corp., one of the largest financial institutions in the country, is behind President Reagan's plan in spite of the fact that Beneficial's tax liability would increase by about $100 million over 5 years under the proposal. Beneficial's reasons for supporting this tax reform are simple, yet dynamic and farsighted. In the word of Chairman Finn Caspersen:

> This adverse impact (of higher Beneficial taxes) would be far outweighed by the positive consequences of tax reform on our customers and thus on the economy and our own business.

Beneficial Corporation and Finn Caspersen should be applauded for having the foresight to remember what so many others seem to have forgotten: Short-term losses through the elimination of one tax break or another should not color our understanding of the larger benefits resulting from a fairer, simpler tax code, which stimulates long-term economic growth and job creation through lower marginal rates.

It is well worth reading Finn Caspersen's statement on tax reform before the House Ways and Means Committee. I commend this testimony to the attention of my colleagues.

The material follows:

FINN CASPERSEN STATEMENT ON TAX REFORM

Mr. Chairman and members of the Committee, my name is Finn Caspersen. I am Chairman of the Board and Chief Executive Officer of Beneficial Corporation and I appreciate your invitation to appear before this Committee to express Beneficial Corporation's strong support of your efforts to reform our tax system.

The President's tax proposals, which Secretary of the Treasury Baker delivered to you almost two months ago, launched what many taxpayers, both individuals and businesses alike, hope will be an historic and successful effort to reform the system of taxation in this country. The yardstick upon which the success or failure of the effort will be measured will, no doubt, be the financial health or our country, its citizens and businesses over the next decade and beyond. Will the legislation raise enough revenue to meet our government's needs? Will the taxpayers view the system as "FAIR" and continue to support it on a voluntary basis? Will the system provide a framework that permits strong economic growth? Will it permit our multinational companies to compete profitably abroad?

We believe that the President's tax proposals provide the cornerstone for a tax system that will produce the most positive answers to those questions.

Today, I am here to explain why we at Beneficial believe this to be true. I speak from the perspective of the leading consumer lender in the country. Beneficial, unlike many other financial institutions, is first and foremost a consumer lender. we do not lend to governments or in any significant amounts to large businesses. Our primary mission is to supply credit to the public at a fair and profitable rate. We provide this credit in many forms—through our 1,135 loan offices in 40 states, Canada and the United Kingdom; through the issuance of Visa and MasterCard cards; and through retailers of all kinds throughout the country. We lend both on an unsecured and secured basis. We are the largest second-mortgage lender in the country. At the end of June, we had $5.5 billion of loans outstanding to more than 2.3 million customers. Most of our customers are the American middle class; with household incomes that typically range from $20,000 to $50,000. Beneficial Corporation's stock is traded on the New York Stock Exchange and is owned by more than 26,000 shareholders.

Our reason for supporting tax reform in the form submitted by the President is very simple . . . We believe it will benefit our customers. Most of our customers will pay less taxes and, therefore, have more disposable income to save, spend or invest. This, obviously, will benefit us directly. As Americans become financially healthier, they will be better customers for our services. As Secretary Baker pointed out in his testimony, most taxpayers will pay less taxes and most of our customers, namely those families with between $20,000 and $50,000 of household incomes, will pay 7.2% less taxes.

It will also benefit the general economy. Many economists believe the economic recovery in recent years was led by the willingness of the consumer to spend and invest. If the tax changes result in more disposable income as predicted by Secretary Baker then the scenario could be repeated.

Beneficial supports tax reform even though its corporate income tax payments will increase in the aggregate by $100 million over the next five years, the period being used to measure the revenue impact of the proposal. The reason for this increase in tax payments is twofold: first, the transition rules in the President's proposals moderate the benefit of the rate reduction during the first five years of the changes; and second, Beneficial like many other companies structured its financial affairs and made investments over the past several years with the specific purpose of minimizing its corporate income tax burden. It would probably no longer be prudent or economically viable to make such investments if the tax reform proposals are adopted in their present form.

I would now like to turn to the specific provisions of the President's tax reform proposals upon which we base our support for tax reform for both our customers and the company. Looking first at our customers, the keys words in the Treasury proposal as it applies to individual taxpayers are "fairness and simplicity." The tax system today has become extremely complex and riddled with provisions for special interest groups; it is perceived by the averaged American taxpayer to be unfair. In order for the voluntary nature of our income tax system to survive, it is important that this perception be changed. We believe that fairness will be achieved by adopting the President's proposals that broaden the tax base, lower tax rates, and eliminate special deductions, special tax credits and other preferences.

Simplicity and fairness are inter-related. A tax system that is complicated is perceived as unfair because its interpretation is restricted to those who can afford to employ tax experts. We do not expect Congress to adopt, in total, the President's proposals for tax reform. However, we believe it's important that, when the dust settles, the average American must feel that he is better off as a result of these changes and, specifically, that his tax burden has been reduced. If this objective is accomplished, and only if this objective is accomplished, will tax reform achieve its stated goals of fairness and simplicity.

The President's tax reform proposals address two specific deductions that are very important to our customers. They are the home mortgage interest deduction and deductibility of consumer interest. We applaud the Administration for stating as one of the tax reform goals "the home mortgage interest deduction should not be jeopardized." This was enumerated by the President in his State of the Union Address and once again by Secretary Baker before this committee. The President's tax reform proposals permit taxpayers to deduct all of the interest on loans secured on their primary residence. This is of paramount importance to our customers if they are to enjoy the benefits of the American dream of home ownership.

Some have advocated that the home mortgage interest deduction should be limited to the mortgage incurred at the time the house was purchased. We strongly disagree. Implicit in the American dream of home ownership is to one day recognize the increased value in the equity in one's home. Refinancings and second mortgages help middle-class Americans unlock that equity without having to sell their family homes. They are able to finance college educations, pay medical bills, make home improvements or, generally, just improve the quality of their lives. Furthermore, to try to condition the deductibility of interest on the basis of the form of the loan or the use of the proceeds would be inconsistent with tax simplification and would be difficult to enforce and administer.

The President's tax reform proposal further provides that interest expense other than that associated with indebtedness on a principal residence will be deductible up to $5,000 plus investment income. We agree with Secretary Baker that the majority of families will never be affected by the latter limitation; it would serve primarily to curtail the economics of the tax shelters that higher income taxpayers currently utilize to reduce their tax liabilities. We would recommend, however, that the $5,000 limitation be indexed for inflation so that legislative changes will not be necessary in the future if inflation causes interest rates to rise to the very high levels of just a few years ago.

Turning to the reform of corporate taxation, we are pleased to join General Motors, IBM, 3M, R.J. Reynolds, J.C. Penney and many other distinguished companies who have appeared before this committee to support corporate tax reform around two common principles: the reduction in the corporate income tax rate from 46% to 33% and the introduction of the deduction for dividends paid. Like Beneficial Corporation many of these companies will incur increases in their tax burden under the President's proposals. Like Beneficial, they have decided to support this type of tax reform despite the increased cost. They understand that the benefit to their customer and the fundamental fairness which follows from eliminating special preferences and creating a "level playing field" will insure that decisions are based on market motivation not tax considerations. Overall, the reduced rate will encourage economic growth that will lead to better long-term profits for their corporations.

I encourage this committee to look very closely and put a high burden of proof on those companies and those trade associations that argue for the maintenance of special provisions which tilt the playing field in their favor.

Beneficial pays relatively high dividends to its shareholders. We are thus concerned with the partial deduction for dividends paid in the President's proposal. The current system taxes corporate earnings twice. Once when they are earned by the corporation and again when they are received in the form of dividends to its shareholders. While we favor a deduction higher than 10% for dividends paid, we applaud the introduction of the concept and would agree that it should be tempered with the overall need for revenue neutrality.

In conclusion, I recommend and challenge other financial institutions not to limit their testimony today to the impact of the tax reform proposals on their special tax preferences in the Internal Revenue Code. Instead, they should take a broader look at the significance of the reform proposal to the overall economy and especially at its impact on their customers. Ultimately, it will be the health and success of their customers that will control their future profitability. Let's not let the tax system continue to dictate economic decision making. Let the market and consumers provide such initiative.

The tax system should be fair. It should collect enough revenue to support our country and its citizens but not favor one industry over another or one form of capital allocation over another. I agree with many that have come before this committee that the tax laws are now a form of industrial policy. This should be eliminated to the greatest extent possible, in order to introduce a perception of fairness and neutrality in the revenue system.

The job of this committee and Congress is a very difficult one. No doubt with such sweeping tax reform changes there are risks. The answers will not be known nor can the economic result be known with any high degree of certainty. However, the time has come for tax reform legislation to be enacted that is founded on fairness and simplification not special interests. The time for tax reform is now. I learned from listening to our customers that a consensus of the American people want tax reform. We, at Beneficial, are prepared to help you in this historic undertaking for fundamental tax reform. Thank you.

PLIGHT OF MIGRANT FARMWORKERS, SEPTEMBER 4, 1985

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. LELAND. Mr. Speaker, migrant farmworkers are among the most vulnerable workers in our Nation. Low and unstable family income, hazardous working conditions, unsanitary living conditions, the transient nature of their lives, and limited health and social services have led to high infant mortality rates and a lower life expectancy among migrant farmworkers.

The most recent statistics show migrant health to be among the worst in the Nation. The latest available health data for migrant farmworkers notes an infant mortality rate that is two and one-half times the national average. Life expectancy for migrants in 1976 was reported to be 49 years—23 years below the national average.

I would like to commend Molly Moore, Washington Post staff writer, for bringing public attention to findings from a recent report by the U.S. Civil Rights Commission on migrant farmworkers. Her excellent article describes the deplorable and unsanitary living conditions of the migrant farmworker families who harvest the crops on the eastern shore of Virginia.

I am submitting Ms. Moore's article below in hopes that it will awaken our concern for the 2.7 million migrant farmworkers whose labor contributes to making ours the greatest agricultural nation in the world.

VIRGINIA WEIGHS MIGRANT WORKERS' PLIGHT: FEDERAL REPORT SAYS DELMARVA CAMPS AMONG NATION'S WORST

(By Molly Moore)

RICHMOND, August 28.—Virginia Gov. Charles S. Robb's administration, spurred by a civil rights report that said conditions for migrant farmworkers in the state are among the worst in the nation, is proposing sweeping changes to improve migrant labor camps and tighten enforcement of laws protecting the workers.

The administration, taking unusual action for a bureaucracy that long has given migrant problems a low priority, has been conducting its own unannounced investigation of conditions in the state's remote Eastern Shore farmlands. Top ranking officials, who say they have found migrant workers living in housing unfit for humans, said today they will submit their final proposals to Robb within the next month.

"Some say that what's in the [Civil Rights] report is mostly horror stories," said Virginia Secretary of Commerce Betty J. Diener, who donned a pair of old trousers and joined migrant workers picking tomatoes during the investigation. "But they're not untrue horror stories."

The study that alarmed Diener and other Robb administration officials came earlier this summer from the Virginia Advisory Committee to the U.S. Commission on Civil Rights. The report, which the Reagan administration withheld for two years, concluded that the plight of migrant farm workers on the Delmarva Peninsula—a poverty-ridden finger of flat marshland between the Chesapeake Bay and the Atlantic Ocean—has improved little since the Great Depression and that conditions in Virginia were "possibly the worst in the nation."

"I was fairly shocked," said Diener, who has earned a reputation as an activist in a conservative state government. "I called all the agency heads together . . . The report was saying the conditions were the worst in the United States. Why didn't I know about this? We went over there in a hurry."

Virginia officials say their own findings point to major weaknesses in the state's enforcement of health, safety and wage standards for migrant workers. They have discovered that many regulations are not being enforced while some state agencies enforce laws that contradict standards imposed by other agencies.

Their recommendations, still being drafted, are expected to be among the most comprehensive ever proposed by state officials. Some of them, presented publicly for the first time today at a meeting of the state Migrant and Seasonal Farmworkers Commission, include:

Proposals that the state, for the first time, provide funds, grants or loans to farmers for improving migrant labor housing.

A policy-making commission made up of cabinet-level administrators that would coordinate regulations governing migrant workers and attempt to untangle the sometimes conflicting mass of state laws.

Stricter enforcement of health, safety and wage standards.

Improved coordination among numerous agencies providing social services such as food stamps, medical care and education. Officials say they found that migrant workers frequently are victimized by bureaucratic red tape and lose valuable services that government should provide.

State officials say that their findings verify the conditions cited in the federal report, which was prepared in 1982. In many instances, that report was scathing:

"Migrant housing on Virginia's Eastern Shore is deplorable with housing structures ranging from chicken houses to barns," it states. "Commonly cited problems include mosquito infestation, overflowing privies and septic tanks, lack of hot water for bathing, rotten ceilings and roofs, and walls with holes."

Three years later there are some improvements, but state officials say major problems remain in both Virginia and Maryland. Communities such as Exmore, a small crossroads town, have become refuges for migrants. What officials call "outlaw" labor camps—unlicensed ones that go undetected by state inspectors—are commonplace.

At one such camp on the edge of town, workers recently were sleeping in the carcass of a rusting old bus and other abandoned vehicles. They shared a single, weatherbeaten outdoor privy. Beer cans and trash were strewn across the bare dirt that surrounds the vans and cars.

To the north and a few miles from Crisfield, Md., a town known for its annual crab festival, is the massive Westover labor camp with its rows of ramshackle dormitories. Once a World War II camp for German prisoners of war, Westover has been taken over by Maryland growers and it serves each summer as a temporary home for hundreds of Haitians, Mexicans, blacks and others who work the nearby fields. Families are squeezed into tiny, one-room cubicles and dozens of toddlers play unattended underneath huge pieces of farm equipment and trucks in the barren yards.

In a shabby two-story clapboard house perched on the marshy edge of a bay inlet is a group of migrants from a homeless shelter in New York City. They sleep on filthy mattresses covered by dirt-encrusted blankets. Their few possessions are stashed in plastic garbage bags under sagging cots. Two outhouses, on the edge of a nearby potato field, provide their only sanitary facilities.

Some of the laborers say they are resigned to such housing. "You're lucky if you can make enough to pay to live in an abandoned house," said Wilbert Riley, a migrant worker. He said he spent two weeks in an old vacant house just off Exmore's main street while he worked the cucumber and tomato fields.

While housing may be the most visible problem of the migrant workers, the civil rights report and migrant worker advocacy groups say that wage and labor abuses are rampant. Crew leaders frequently cheat workers and pocket money from their pay that should be funneled into Social Security and other tax payments.

There is, for example, the 63-year-old migrant laborer who has been working from Florida to the Delmarva Peninsula since 1937. A migrant advocacy group discovered recently that Social Security Administration has recorded his total at only $20,332 for his 46 years as a farmworker.

In other cases, lawyers representing migrant workers say many crew leaders routinely avoid paying workers the federal minimum wage of $3.35 an hour by underreporting the number of hours their crews work. That often makes it appear the workers were in the fields for relatively short periods and earned the required wage when they actually worked longer and earned far less than they should have.

Few of the numerous federal and state laws imposed during the past decade to protect migrant workers are being enforced, some officials say. Virginia officials say agencies that do attempt to enforce them frequently find the regulations so riddled with loopholes that violations often go uncorrected.

"Migrant workers are just falling between the cracks of every jurisdiction where they work," said Wanda Hoffman, Virginia representative to the U.S. Commission on Civil Rights.

Each summer as many as 8,000 laborers and family members migrate to the Eastern Shore, following the harvest seasons into the tomato, potato, watermelon and pepper fields of the Delmarva. While thousands of summer tourists drive U.S. Rte. 13, the Coastal Highway, most remain oblivious to the dozens of labor camps hidden behind the miles of lush groves of hardwood trees.

Although states are required to regulate the camps, Virginia officials concede they don't know how many of the camps exist, much less have an accurate count of the number of migrant workers in the state. Of the camps that are licensed by state governments as migrant housing, officials estimate that at least one-third of the known facilities are substandard.

A "Guide for Serving Migrant Farmworkers" used by Virginia agencies, points to the problem. "With a bit of initiative and inquisitiveness, it should be possible to ferret out many other locations throughout Virginia where migrants are housed," it says.

Officials say they depend on word-of-mouth reports from various farmworker advocacy groups for information about migrants. This summer Virginia officials say they issued permits for only about half of the 130 migrant labor camps on the Eastern Shore that were reported to them by Delmarva Rural Ministries. The group is a private, federally funded organization that provides health care for migrant workers.

Even when camps are located, Virginia officials say laws regulating them are so lax that the most basic health and safety regulations often cannot be enforced. Virginia law requires only camps housing at least 11 workers to be licensed by and subject to state regulations.

"We might get a report that a camp has 15 people and when we go there we find only nine or 10," said Dr. James B. Kenley, Virginia State Health Commissioner. "They play the numbers game on us."

During one year, despite widespread reports of health and safety violations in the camps in Maryland, only one labor camp was refused a permit to operate. Even then, it was allowed to remain open without the required permit, according to the federal report.

State officials in Maryland and Virginia say they have the authority to cite camps for violations, but have no power to shut them if operators refuse to comply with the laws.

Virginia places strict regulations on camps that house farm workers recruited through the Virginia Employment Commission. The result is that very few crew leaders or growers use the state's job service, thus avoiding compliance with the standards.

Farmworker advocacy groups estimate that about one in four of Virginia's migrant labor camps are operating with serious violations of health and safety codes. Gregory Schell, who heads the Legal Aid Bureau that covers the Delmarva Peninsula, calls that an improvement over the past season when he estimated more than 75 percent of the camps were severely deficient.

Virginia state officials credit Legal Aid Services with forcing improvements through a summertime blitz of complaints last year that prompted the Department of Labor to conduct about 100 investigations of migrant camps. The department imposed $67,875 in civil penalties on growers, but a spokesman said it has collected less than a third of that amount.

While many growers upgraded their housing this year, "some still were really not fit for human beings to live in," said Eva S. Teig, Virginia's Commissioner of Labor and Industry. Teig, a Robb appointee and coordinator of Virginia investigation.

Some state officials say that they are hampered because many local governments in the poverty-stricken Delmarva farmlands have no housing codes or health standards. The two Virginia counties on the southern end of the peninsula are among the poorest in the state.

"They say it's hard to enforce the labor camp housing when local housing is sometimes worse," said Mary Ellen Beaver, a Legal Services field worker. "That's no excuse."

Law enforcement problems are compounded by the high visibility of outsiders on the Shore. "As soon as you go across the bridge [from Virginia Beach] with a state seal on your car, things seem to disappear," said Civil Rights representative Hoffman. "Obviously you're going be noticed as an outsider, and in plenty of time."

Until recent years, federal and state laws held crew leaders—migrants themselves who lead the bands of laborers—responsible for complying with housing and wage regulations. Because officials said it was virtually impossible to enforce those laws, new requirements hold both the crew leader and the farm owner responsible as "joint employers."

That has angered farmers who are facing their own economic problems.

"The farmers are very, very bitter about being made corresponsible for crew leaders," said Philip McCaleb, chairman of the Virginia Migrant and Seasonal Farm Workers Commission, a panel appointed by the governor and charged with monitoring the conditions of migrant workers. "The [law] has been put in strictly because the enforcement agencies and bureaucrat have been unable to enforce rules and regulations against the crew leaders. They're being punished because bureaucrats can't do the enforcement jobs against the people that had been responsible."

Schell, who has taken several growers to court over failure to pay their migrant laborers, says the new system has forced many crew leaders to adhere more stringently to federal wage and tax requirements. Still, Schell estimates that as many as 40 percent of all migrant workers on the Shore are being cheated on their wages and tax payments.

"There has been long-standing flaunting of the law," said Schell.

It was the reluctance of federal officials to act on their own report that partially spurred Virginia officials to chart their own plans to deal with some of the breakdowns in the state government that have contributed to the problems facing migrants.

"What you end up with is a terribly complex problem that no one seems to be able to get a handle on in unison," said Labor Commissioner Teig.

RESPONSE FROM AMBASSADOR ON MEXICAN ELECTIONS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. FRANK. Mr. Speaker, before our recess I submitted an editorial from the Washington Post for inclusion in this RECORD which discussed abuses of the democratic process in the recent Mexican election. Shortly thereafter, I received a letter from the Mexican Ambassador, differing with my views, and submitting two other editorials critical of Mexican elections along with his rebuttal to those editorials. He expressed the view that it would be in the interest of free debate for this packet of material also to be added in the RECORD. I agree because I continue to believe that the Mexican Government was untrue to democratic principles in the way in which it allowed the recent elections to be conducted. And I therefore ask that my correspondence with the Mexican Ambassador as well as the editorials from the New York Times and the Wall Street Journal and the Mexican Ambassador's answer to those editorials be printed here.

EMBAJADA DE MEXICO,
Washington, August 5, 1985.

Hon. BARNEY FRANK,
House of Representatives,
Washington, DC.

DEAR MR. FRANK: I read with interest your statement at the House of Representatives (July 31, 1985) asking to incorporate in the Congressional Records the editorial article of the Washington Post "Elections, Mexican Style", due to your concerns about the violations of human rights of minorities, wherever they may happen.

As your sources of information on these matters do not limit themselves to just one newspaper, I am enclosing two more editorials (of The Wall Street Journal and The New York Times) related to the same issue, as well as the public answers that I gave to their allegations.

I am sure that your sense of justice and fairness will foster the inclusion in the Congressional Records of these four Documents too.

On the other hand I suppose that you agree with me on the fact that irregularities and violations are part of the price of insisting in a democratic electoral process within a political system of individual freedom. Even in such a developed country like the United States and according to recent front page articles of The New York Times—which I am also enclosing—there are some suspicions and complaints of electoral fraud notwithstanding the highly sophisticated computarized systems at their disposal.

Furthermore, to complain about violations in an electoral process—as I have stated in both my letters to The Wall Street Journal and The New York Times—is an effective way of drawing sympathy from many people not sufficiently informed towards losing parties that did not reach the success they hoped for.

Finally, and due to your interest on the recent Mexican elections, I am also gladly enclosing a copy of our press-release 14/85 from July 24th, which points out their main results and gives a brief explanation of the Mexican Electoral System.

With my best regards, I remain

Cordially yours,
JORGE ESPINOSA DE LOS REYES,
Ambassador.

HOUSE OF REPRESENTATIVES,
Washington, DC, August 13, 1985.

Ambassador JORGE ESPINOSA DE LOS REYES,
Embassy of Mexico,
Washington, DC.

DEAR MR. AMBASSADOR: I appreciate the time you took to respond to my public criticisms of the way in which the recent Mexican elections were conducted. I have read the letters to the editor you sent to the New York Times and Wall Street Journal, as well as your letter to me. Nowhere in any of these documents do I find any rebuttal of the very specific, first-hand reports of electoral abuse which I have read in respected American newspapers of varying political opinions. I continue to believe that the recent elections in Mexico were marred by abuses which are inconsistent with a respect for democracy.

I agree with you that "irregularities and violations" are present in many electoral systems. But there is a critical difference between the Mexican experience, as reported in a number of dispatches which I find credible and well documented, and experiences in other countries, including the United States. Here, the role of the federal government has been to combat these irregularities and to try to abolish them. My sense from what I have read and heard—strengthened by the absence of any rebuttal—is that the Mexican government was unwilling to take any firm action against these abuses, and may indeed have encouraged some of them. The fact that there are possible abuses in computer voting, as reported recently in the New York Times, in no way is analogous to what is reported to have happened in Mexico. Had there been a pattern of such abuses in the recent elections in the United States, or in other democratic nations, it would have been relevant for you to cite those. The fact that there are potentials for abuse in computer voting in no way is comparable to the officially sanctioned abuses that appear to have occurred in Mexico.

At your request, I will be submitting to the Congressional Record when we reconvene the two editorials mentioned, as well as your rebuttals to them, and I believe it would be helpful if I included this correspondence as well.

BARNEY FRANK.

[From the New York Times, July 13, 1985]

STILL ONE-PARTY MEXICO

Mexico's electoral system, as again displayed this week, is an undemocratic anomaly. Citizens may vote for parties of their choice but only one of them, the Institutional Revolutionary Party, is allowed to win. This puts Mexico in the uncomfortable company of Chile, Haiti, Paraguay, Cuba and Nicaragua—the other Latin Governments that permit no significant opposition. That is odd company for a society long associated with the cause of Latin American democracy.

Why Mexicans put up with this anomaly is something of a riddle. They have largely surrendered their political life to the electoral machine of the Institutional Revolutionary Party, or P.R.I. For 56 years they have permitted it to elect every President, every state governor, most mayors and the overwhelming majority of each national Congress.

The party used to boast, with some justice, that it repaid this trust by substituting stability, liberty and economic development for the pre-revolutionary upheaval and decline. But those gains have long since been absorbed. Modern Mexico is an increasingly urban, industrial and complex society that should not have to suffer monopoly rule. The unofficial election results from this week's balloting suggest a desire for change. But they also suggest that the desire will continue to be frustrated.

The National Action Party was thought to have a shot at one or two state governorships in northern Mexico. To beat back the challenge the P.R.I. used all its weapons, from the open flaunting of patronage to instances of apparently outright fraud. Reports accumulate about absent poll watchers, suspicious voter lists, missing ballot boxes, taxis full of uncounted ballots, subtotals reported in implausibly round numbers.

Yet despite these obstacles, the National Action Party may have captured an unprecedented number of congressional seats—it claims 16 of the 300 directly contested seats. In the last Congress the P.R.I. held 299.

The P.R.I.'s component units are theoretically providing indirect representation for groups of workers, peasants and other population sectors. But it has become mainly a permanent bureaucracy, governing through patronage and riddled with corruption clear to the top. Mexico preaches something better, and deserves it.

[From the New York Times, July 27, 1985]

IN DEFENSE OF MEXICO'S MAJORITY

To the Editor:

"Still One-Party Mexico" (editorial, July 13) is biased since, among other not very objective comments, it asserts that although "citizens may vote for parties of their choice, only one of them, the P.R.I., is allowed to win."

In this regard, one may ask: Allowed by whom? Elections in Mexico are supervised by a federal electoral commission and by state electoral commissions, all of which include representatives from all of the nine officially registered parties. In the event of a properly documented complaint, the party that considers that its interests have been negatively affected by the majority vote of the corresponding commission can appeal its case to the Supreme Court of Justice or High State Courts of Justice.

To complain of irregularities in the electoral process is a political artifice frequently used in many countries by the losing parties, whatever their ideology, because it is an effective way of drawing sympathy from many people not sufficiently informed.

The not very objective comments by many journalists, and their obvious interest in reporting sensational events, have fostered publication of articles showing a profound lack of understanding of Mexican political realities, primarily based on rumors and complaints—which were only to be expected—from parties that did not achieve the success they hoped for.

Moreover, the editorial concludes with the patronizing assertion that "Mexico preaches something better, and deserves it." This is a generalization valid for all countries since, in one way or another, all nations seek to improve within their own scale of values and cultural models.

It is important to point out that new political leaders have been elected by Mexico in each of its electoral proceedings; this has undeniably been the continued decision of the majority of Mexicans and of Mexicans only.

Most of the voters believe that their legitimate popular representatives have gradually promoted the country's development and maintained domestic and international peace for several decades, notwithstanding the crises and hardships that Mexico, like even already industrialized countries, has faced throughout its long process of development.

JORGE ESPINOSA DE LOS REYES,
Ambassador of Mexico.

Washington, July 17, 1985.

[From the Wall Street Journal, July 12, 1985]

MEXICAN DEBACLE

It is time for Mexico's responsible leaders as well as the country's friends outside to sit down and do some serious stock-taking. Mexico is a troubled nation, a fact made plain by last weekend's midterm elections. It is not merely that the ruling Institutional Revolutionary Party (PRI) practiced some ballot-box fraud. As the nearby Americas column by Journal reporter Steve Frazier makes clear, PRI's behavior in many Mexican polling places was so unabashedly brazen and unapologetic as to turn the Mexican elections into a pathetic event.

The days leading up to the elections were full of promise. A serious and historically unprecedented challenge to PRI's hegemony by the National Action Party (PAN) held the prospect of giving birth to a two-party system, or at least some serious political competition, in Mexico. For that reason, observers and friends of Mexico were watching the election with extraordinary interest. President Miguel de la Madrid must be personally embarrassed at being unable to redeem his promise of honest elections. They were instead a travesty. No doubt many officials in Mexico's current government will take offense at the harshness of this assessment. But Mexicans should understand that this criticism is born of concern and interest in their future.

The affairs and relationships of the world's nations are becoming increasingly integrated, and much of this has to do with expanding world trade. Many less developed nations, often in Asia, are exercising their comparative advantage aggressively, driving world markets forward and thereby improving the economic well-being of all actively participating nations. Because of their size or historical importance, certain countries are regarded as natural, potential leaders in this process. A partial list would include India, China, Brazil and most certainly Mexico, which in addition shares a 2,000-mile border with the U.S.

It is not in the interest of the developing world or of the U.S. in particular to have a nation of such enormous potential as Mexico giving strong evidence that when the train of history pulls toward the 21st century, Mexico won't be on it. While its intense nationalism is understandable historically, Mexico's political future is inevitably bound up with the political and economic system of its large northern neighbor. Put precisely, this means that while Mexico will properly develop within the framework of its own national and cultural institutions, there is little chance of prosperity spreading to all Mexicans without the creation of two critical factors—political and economic freedom. We do not see how the Mexican governing institutions can escape from either, as PRI attempted to do in last weekend's elections.

Though it's true that Mexico has been ruled by a single party for most of the century, it is no Cuba. People speak, move and publish freely in Mexico. The country is developing an educated middle class. Mexico's admirable system of personal freedom has, in short, created a large population of smart, opinionated people. This explains why an opposition party like PAN has come into existence; it's hardly surprising that progress and modernization would impinge on PRI's closed system of political and economic rewards.

PRI and the Mexican government can try to adapt to this healthy political development, as President de la Madrid sometimes has. Or they can try to kill it, as PRI did last weekend in Nuevo Leon and Sonora. But efforts to prop up such an increasingly artificial political system have serious economic implications. While many of Mexico's most motivated workers surge into the U.S., Mr. de la Madrid is left with a politically dispirited and cynical population to respond to his government's efforts at economic reform. And when a party system is willing to endure international obloquy to steal elections, it will scarcely be likely to attract needed foreign capital. More important, it will not be able to offer the opportunities to being back the capital its own citizens have moved abroad.

We don't mean to underestimate the difficulty Mr. de la Madrid and his associates face in joining Mexico to the modern world economy. But as part of the process, Mexico has to recognize its own importance. It is far too crucial a nation to escape having its politics scrutinized by the rest of the participants in an increasingly integrated world. We wish the best of luck to Mexico in general and Mr. de la Madrid in particular, but last weekend's elections must be marked down as a victory for the past.

[From the Wall Street Journal, July 25, 1985]

MEXICO'S ELECTION RESULTS

Your July 12 editorial "Mexican Debacle," regarding the recent elections in Mexico, can hardly be considered objective. One gets the impression that you either had a vested interest in the success of the conservative political party PAN or, because of the predictions and information received from observers prior to the election, felt your expectations frustrated and now wish to justify mistakes in evaluation and analysis. These observers seem not to have taken into account that the majority of the independent surveys conducted before the election forecast a general success for the PRI. If this is the case, instead of unleashing bitter criticism against the Mexican system, the editorial should deal with your own sources of information.

It would be interesting to know whether your reaction would have been the same if, instead of the conservative PAN, it had been a socialist party threatening to take the victory from the PRI, and complaining about "flagrant" violations of the electoral process. Complaining of the results of an election is a political tool—perhaps not a very elegant one, but an effective way of drawing sympathy from many people not sufficiently informed.

A country and its political system cannot be judged by one electoral campaign. To be able to understand and to analyze that country's electoral processes in an objective manner, it is necessary to study its history and political movements in depth. Superficial analysis may be the reason why the article suggests that a bi-party system is the only legitimate form of democracy. To deny the Mexican multiparty system is to deny right of expression and political participation to other ideologies and ways of living equally respectable.

On the other hand the editiorial is unfair to the Mexican nation in saying that "many of Mexico's most motivated workers surge into the U.S.," while "Mr. de la Madrid is left with a politically dispirited and cynical population." However, pretending to be balanced, the article contradicts itself in another paragraph, indicating with patronizing attitude that "Mexico's admirable system of personal freedom has, in short, created a large population of smart, opinionated people."

JORGE ESPINOSA DE LOS REYES,
Ambassador of Mexico.

Washington.

PRAYER ON THE DEATH OF APARTHEID

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. FAUNTROY. Mr. Speaker, on August 12, 1985, a march and demonstration was held in protest against the Government of South Africa's practice of apartheid. During the event, Rabbi Andrew Baker, Washington, DC, director of the American Jewish Committee, delivered a moving statement and prayer which illuminated the moral issue involved in the Free South Africa Movement. I present the text of the prayer for the benefit of my colleagues:

YITGADAL V'YITKADASH SHEMAI RABAH . . .

The Kaddish is well-known as the traditional Jewish prayer recited at times of mourning. When word of a death is first heard, when people have assembled for funerals, when the anniversaries of those losses are marked, we say Kaddish.

It is ironic, then, that the Kaddish, this special prayer for the dead, nowhere in its contents mentions death. Ironic, but fitting. For it acknowledges a truth we all know but seldom admit: The dead are at peace; funerals are for those who must continue. They are the ones who now need comforting. They are the ones who now need strength. They are the ones who now need God's blessing. They are the ones who now need our help.

Everyone knows that Apartheid is evil. It requires no special study, no complex analysis. But until recently it has been a problem easy to ignore. After all, it's on a distant part of the globe, complicated by a strategic location, essential minerals, an important anti-Communist ally, and the like. This sort of thing is best left to diplomats and professionals, we are told. We all know there's nothing worse than a few amateurs trying to mix morality and international politics. But Apartheid is evil, and it can no longer be ignored. These coffins arrayed below are here to tell us that.

Ecclesiastes teaches us that, "The dust returns to the earth as it was; and the spirit returns to God who gave it." But the memories are for us, the living.

And we do have memories now. We may never have known any of the lives whose names are stenciled on these boxes. But the evening news and the daily papers are bringing us graphic images of lives very much like theirs, and of deaths very much like theirs. Youngsters at a time in their lives when the future should look brightest, swept up instead by a wave of frustration and hopelessness. Civil rights workers and anti-Apartheid demonstrators, brought down by assassins' bullets or the random firings of uniformed police. And those caught in the middle—Asians and "coloreds" with only a little more priviledge and a little less misery, and homeland officials and informers and collaborators, too—who must also be counted as victims of the state-sponsored evil. These are the memories we now recall, the hundreds of deaths that have already occurred and the hundreds more that we know are still to come.

"I lift up my eyes to the mountains. From where will my help come? My help will come from the Lord, the maker of heaven and earth." All of our religious traditions share the common belief that there is a God of justice, the creator of all, and that, in time and with our help, the peace and order that reigns in the heavens will descend on all of us as well. There is much for us to do, much we will need to accompany our prayers. There is much for us to do, if a system founded on injustice is to be overturned. There is much for us to do, if peace and harmony are to descend on that distant, troubled land. There is much for us to do, if the wickedness of Apartheid is to be erased from this earth.

We are gathered today to mourn the victims of that wickedness, and to insure that their deaths will have meaning. The authors of the Talmud wrote that, "The righteous are called 'living' even when they are dead, and the wicked are called 'dead' even when they are living."

Those coffins below are nothing but cardboard boxes, visible tokens for us who have assembled at this symbolic funeral. But it is the evil of Apartheid and its supporters that today we call dead. True, we are gathered at a funeral, but it is Apartheid and not its victims that we have come to bury. The living God reminds us that our place—the place of America, its government and its leaders—must be with the victims.

Baruch Ata Adonai, Dayan Haemet.

Praised are you, O Lord, the judge of truth."

OPPOSE CONRAIL TAKEOVER

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. HUBBARD. Mr. Speaker, I received a letter from one of my constituents, B.J. Goodwin of Fulton, KY, which I believe might be of interest to my colleagues. B.J. Goodwin is general foreman of Illinois Central Gulf Railroad at Fulton and is strongly opposed to a Conrail takeover by Norfolk Southern Corp.

I hope my colleagues will take the time to read his comments about smaller, class I railroads—such as Illinois Central—and the need to preserve the railroad industry in the best interests of the Federal Government, shippers and the consumers in our country.

The letter to me from B.J. Goodwin is as follows:

FULTON, KY,
July 9, 1985.

Hon. CARROLL HUBBARD, JR.,
U.S. House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN HUBBARD: I am writing to you to solicit your support in opposition to a Conrail takeover by the Norfolk Southern Corporation, House Bill H.R. 1449. I believe a Conrail sale should be a public offering of stock. If this is impossible, I believe a non-railroad buyer would be the only way to preserve competition.

Over the last 10 years increased concentration of the railroad industry into larger rail systems with their ability to divert traffic from smaller, Class I railroads such as my line, the ICG, has been a significant factor requiring us to reduce our size and the number of employees.

Please support my belief and the hopes of other ICG employees and oppose the Conrail sale to the Norfolk Southern. We believe the sale to a non-railroad buyer would be in the best interests of the government, the shippers and the consumers in the northeast, midwest and southeast. I understand the unions also oppose a Norfolk Southern takeover of Conrail.

Sincerely,

ILLINOIS CENTRAL GULF RAILROAD,
B.J. GOODWIN,
General Foreman.

LEGISLATION TO FACILITATE TRADE AND TOURISM

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. SCHUMER. Mr. Speaker, today I am introducing legislation to facilitate trade and tourism between the United States and Canada by allowing Canadian bus drivers to enter the United States on appropriate visas. This legislation will correct an unintended inequity in our immigration laws that allows airline and ship crews to stop in the United States in the course of their business but does not allow the same privilege to motor coach drivers. My bill, which has also been introduced by Senators DECONCINI, LEAHY, and D'AMATO in the other body, would bring bus drivers under the same immigration provisions as ship and airplane crews.

Because of the current defect in the immigration laws, travelers in the Northeastern United States, particularly in New York, face the threat of a disruption in bus service. In recent years, Greyhound Bus drivers on routes that service points in both Canada and the United States have had trouble obtaining visas to drive their routes. Indeed, since 1983, these drivers have only been allowed to work under "emergency parole status," which will expire without chance for renewal in 1986.

Without this legislation, Greyhound will be forced to suspend its service between Canada and the Northeastern United States because it will no longer be able to hire Canadian drivers. Moreover, if the company must discontinue international service, it will be forced to discontinue several domestic service routes as well, because they are not profitable without the international component. The company has investigated all other alternatives—such as changing drivers at the border and using U.S. drivers for service from Montreal—but none are economically or logistically feasible.

This change in law will not adversely affect U.S. jobs. Indeed, it will preserve some, since jobs filled by U.S. citizens would be lost if Greyhound were forced to discontinue these routes. The bill has the support of both Greyhound and the drivers' union. I hope my colleagues will join me in support of this effort to preserve jobs and promote commerce between the United States and Canada.

I insert the text of the bill in the RECORD:

H.R. 3236

A bill to amend the Immigration and Nationality Act to provide for the temporary admission to the United States of the operators of motor common carriers of passengers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 101(a)(10) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(10)) is amended by inserting before the period at the end thereof the following: "or, for the purposes of paragraph (15)(D) of this section and sections 245, 252, and 257, a person serving as an operator of a motor common carrier of passengers".

(b) Section 101(a)(15)(D) of such Act (8 U.S.C. 1101(a)(15)(D)) is amended—

(1) by inserting "(i)" after "as such"; and

(2) by inserting before the semicolon at the end thereof the following: ", or (ii) as an operator of a motor common carrier of passengers engaged in regular route transport across an international boundary who intends (I) to travel to his destination in the United States with intermittent stops as prescribed by the schedule established by the carrier, (II) to remain in the United States temporarily and solely in pursuit of his employment as an operator of such a carrier, and (III) to depart from the United States with the carrier on which he arrived or some other motor common carrier of passengers".

(c)(1) Section 252 of such Act (8 U.S.C. 1282) is amended by inserting "or stay" after "to land" each place it appears.

(2) Section 252 of such Act is further amended—

(A) in subsection (a)(1), by inserting after "port" the following: "and the period of time during which the motor common carrier of passengers remains in the United States in accordance with the schedule established by the carrier"; and

(B) in subsection (a)(2) and in subsection (b), by striking out "or aircraft" each place it appears and inserting in lieu thereof ", aircraft or motor common carrier".

(d) Section 257 of such Act (8 U.S.C. 1287) is amended by striking out "or aircraft" each place it appears and inserting in lieu thereof ", aircraft, or motor common carrier".

REV. JERRY FALWELL AND SOUTH AFRICA

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. STOKES. Mr. Speaker, Rev. Jerry Falwell, leader of the Moral Majority, has let America and the world know just where he stands on the preeminent moral issue of our day—apartheid in South Africa. Jerry Falwell is not on the side of justice. He is not on the side of morality.

Instead, Rev. Jerry Falwell is on the side of the immoral, racist, and repressive South African Government. In effect, he is a supporter of apartheid.

During a recent trip to South Africa, the man regarded as a key religious leader in America, lent his support to one of the most unchristian and immoral governments in the world—South Africa. Jerry Falwell stated that he supported the token reforms the Botha government has announced. Then, this so-called religious leader labeled his religious brother, Nobel Peace Prize winner Bishop Desmond Tutu, a "phony." Finally, Falwell announced his personal crusade to benefit the minority run Pretoria government. He is launching a $1 million public relations campaign to encourage American investments in South Africa.

Mr. Speaker, America and the religious community now know just where Jerry Falwell stands. On the issue of South Africa, he is not on the side of justice and righteousness. Rather, he stands on the side of immorality and injustice.

We now must question how a man of God could take such a warped position in the midst of the shocking facts. In South Africa, 24 million blacks live under the domination of 5 million whites. The majority has been relegated to segregated and undesirable homelands which comprise only 10 percent of the land. Black South Africans are victimized daily by a host of Government-imposed economic, social, and political discriminatory practices. As the impatience of black South Africans to apartheid and the Government's heavy-handed retaliatory actions grow, the death toll and arrests mount.

Through his recent statements, America's Moral Majority leader stands today with the immoral minority Government in South Africa.

Mr. Speaker, at this time, I would like to insert in the RECORD a recent Cleveland Plain Dealer article on Rev. Jerry Falwell and the South African Government.

[From the Cleveland (OH) Plain Dealer, Aug. 24, 1985]

FALWELL TIPS HIS HAND, AND IT'S ALL THUMBS

(By Darrell Holland)

Paint Jerry Falwell black and send him to South Africa to live.

If that were possible, it would be one way that the leader of the so-called Moral Majority in the United States could begin to understand how bad it really is for blacks living under apartheid.

During a visit this week to South African President P. W. Botha, Falwell revealed his insensitivity to the pain and agony of the 24 million blacks who live under the unjust domination of the 5 million whites in South Africa.

At the very time that Anglican Bishop Desmond Tutu, a delegation of leading South African churchmen and a host of other religious leaders from around the world, including Pope John Paul II, condemned South Africa's oppressive racial laws, Falwell said he supported the very limited (but mostly meaningless) racial reforms Botha proposed.

In doing so, Falwell revealed his lack of understanding of the biblical ideal of justice and righteousness.

There is no doubt that the Old Testament prophets, noted for their proclamation of social and economic justice, would roundly condemn legally imposed racial separation such as exists in South Africa.

And, it is indeed difficult to understand how the command of Jesus to love one's enemies, as well as one's neighbors, could be fitted into a system under which blacks are treated as inferior.

"Indeed, how is it that a man of Falwell's supposedly Christian background can support a system that treats his black brothers and sisters as inferior?" asked one American black this week while expressing dismay at Falwell's failure to morally condemn South Africa for its racial policies.

It has been said before that Falwell's brand of Christian fundamentalism is hardly moral and that it does not represent a majority of American Christians, as its name implies.

In regard to his views on South African treatment of blacks, there can be no doubt that his views are not based on Christian morality or ethics.

And in light of the fact that legalized segregation has largely been dismantled in the United States, either by changing laws or by the courts enforcing the Constitution, it seems unlikely that a majority of Americans would support Falwell's misguided views on South Africa.

Support for apartheid from any religious leader, and especially one held in such esteem in the United States as well as in many other nations, is reminiscent of the Christian leaders in Germany who supported the Nazi regime and its murder of Jews, Gypsies and other Europeans.

Morally, it is a disgrace that Falwell endorsed, as news reports said, Botha's analysis that apartheid is only a system of racial and tribal compartmentalization by which South Africa is governed and that apartheid reflects a social reality, not a policy, and that reform is the government's policy.

If apartheid is a mere social policy, then it is one that dictates that most of the blacks remain poor, while whites are wealthier; this forces a majority of blacks to live in so-called black homelands that make up a little more than 10% of the nation's land mass and is the poorest land in the nation.

Apartheid divides families by making it necessary for fathers to leave their homes to seek jobs, forces blacks to carry passbooks wherever they go and makes them liable for jailing if they do not and denies equal education and employment to blacks.

Opposing proposed economic sanctions against South Africa and, in fact, voicing strong support for American companies that continue to do business there, Falwell has revealed a social and moral conscience that operates at somewhere near kindergarten or preschool levels.

Falwell's meddling in South African affairs, especially in such a sensitive area as race relations, poses a danger to the lives of blacks and whites there. Some observers of the South African scene have suggested that the recent attempts by blacks to attain justice and freedom will not be stopped until whites willingly permit blacks full citizenship.

If the white minority does not respond willingly, permitting blacks to become equal participants in the nation's government and social and economic life, then many are predicting a revolution that could turn out to be one of the worst bloodbaths in modern history.

Botha, and most other South African whites, already have displayed a stubborn intransigence against removing or even reforming apartheid.

To have Falwell, to whom South African whites are likely to attribute greater influence than he really has in the United States, appear to endorse Botha's present policies, likely will make South African whites even less willing to remove apartheid.

That could lead to the bloodshed many already believe is inevitable in South Africa. Other church leaders, including Tutu, have pleaded with Botha to attempt to avoid this.

With all the money he collects from his begging for contributions on his religious television broadcasts, it is likely that Falwell's organization could buy a large number of the one-ounce Krugerrand gold coins produced in South Africa.

He said he was going to urge Americans to buy them as a sign of support for South Africa.

"We are going to present our cause," in a million homes through television, Falwell said, to oppose economic sanctions that Congress might enact.

Falwell, who has decried the violation of human rights in Communist nations, apparently believes social injustice is quite correct in South Africa, a nation he described as a friend of the West.

Western friend or not, President Reagan, himself no friend of sanctions, is far more moral in his judgment, made earlier this year, that "apartheid is repugnant."

Falwell is ethically and morally ignorant in his views on South Africa's racial policies.

WESTWAY TRADE-IN DEADLINE SHOULD BE EXTENDED

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. BIAGGI. Mr. Speaker, today I am introducing an emergency measure that would extend until December 31 the deadline New York has to "trade in" Federal funds already designated for the Westway highway project for an estimated $1.7 billion in Federal mass transit aid. The current deadline for the trade-in is September 30.

This proposed extension should be viewed as an emergency stop gap measure aimed at protecting the best interests of New York City. It is not designed to either save or kill the Westway project, but rather, it will provide city and State officials the necessary time to fully evaluate whether a trade-in of Federal highway for mass transit dollars is the right course to take.

Last month a Federal judge issued a permanent injunction blocking construction of the proposed 4.2-mile highway that would connect the existing Henry Hudson Parkway with the Brooklyn Battery Tunnel. City and State appeals of that decision, which are now underway, are expected to take the case all the way to the U.S. Supreme Court, a time-consuming process that will certainly extend beyond the current September 30 deadline for trading in the Westway funds for mass transit aid.

The December 31 deadline should be ample time for the Westway trade-in dilemma to be resolved in a fair and thoughtful manner.

Congress approved Federal Interstate Highway assistance for the Westway project in the early 1970's. This authority would allow 90 percent of the cost of highway construction, or about $1.96 billion, to be covered by the Federal Government. Under a 1973 law enacted by Congress, New York could trade in that highway money for about $1.7 billion in Federal mass transit aid.

At this time, Mr. Speaker, I insert a recent New York Post article discussing the Westway dilemma in more detail:

[From the New York Post, Aug. 8, 1985]

WESTWAY BOMBSHELL: U.S. JUDGE KILLS $4B SUPERHIGHWAY PROJECT; CUOMO VOWS TO APPEAL

(By Marvin Smilon, Barbara Ross, George Arzt, and Fredric Dicker)

Westway came to a screeching halt yesterday as a federal judge in Manhattan issued a permanent injunction blocking construction of the controversial $4 billion West Side highway.

In a harshly critical 132-page decision, U.S. District Judge Thomas Griesa said Westway is not a highway but a "redevelopment" project—and thus ineligible for billions of dollars in federal highway funds.

Gov. Cuomo said the state would move immediately to appeal the ruling.

"Judge Griesa's decision to block construction of Westway is unfortunate, and we will seek an expedited appeal of his ruling," the governor said.

"We do not believe Judge Griesa will be sustained on appeal."

Mayor Koch said he backed Cuomo's move "100 percent," adding: "I'm not throwing in any towels."

Griesa also labeled "incredible" an Army Corps of Engineers claim that Westway's impact on the Hudson River's striped bass population would be "minor and inconsequential."

Griesa's permanent injunction bars the Corps from giving Westway a vital permit needed to create 200 acres of landfill on the Hudson shore.

He also barred the Federal Highway Administration from paying 90 percent of Westway's bill—estimated at up to $4 billion.

And he blocked New York State from building the highway.

In a clear attempt to conclude the often-bitter, 11-year legal battle, Griesa insisted "two failures to justify the Westway landfill and federal funding for Westway under the applicable legal standards should bring the matter to an end.

"There is simply no legitimate purpose to be served by further proceedings."

Koch said Griesa's decision was, "extremely important" and "would mean the end of the roadway unless the injunction is reversed by a higher court."

The project has inflamed political passions ever since it was first proposed in 1974.

Critics charged that the four-mile, multilane highway on landfill in the Hudson River from the Battery to 42nd Street was a massive boondoggle.

The project also called for 95 acres of park land and 100 acres for commercial development.

Supporters insisted the highway would be a economic boon for the West side, solving traffic problems and creating thousands of jobs.

The city and state now face a Sept. 30 deadline for trading in Westway funds for $1.7 billion in federal mass transit aid.

City officials are trying to get the deadline extended in Congress, where they got an extension once before.

But Koch, while saying it was up to Cuomo to move on a trade-in, insisted that was not "the best option."

Asked if the city would risk missing the deadline in a lengthy appeal, Koch replied:

"I'm never going to do anything that I know is stupid. I'm going to do everything I can to protect this city."

When the deadline approaches, Koch said "he would sit down with the governor and the two of us would decide what is in the best interest of the city and state.

"Neither he nor I would ever take an action that would be irrevocable and lose the city an enormous amount of money," Koch said.

Cuomo conceded he would "have to be mindful of the Sept. 30 date" but maintained "It's too early to say how we'll go about it. That's being looked at and studied."

Yesterday's biting ruling was the second blockbuster decision on Westway from Griesa.

In April 1982, he granted a temporary injunction against construction, overturned an earlier landfill permit issued by the Army Corps and ordered the agency to make a new study of the impact of the landfill on Hudson River fish.

The Corps made that supplemental environmental impact statement (SEIS) and reissued the permit in January.

But Greiesa ruled yesterday that SEIS "should have but did not state" that:

"Westway is not needed for transportation purposes."

"Transportation needs can be satisfied by the existing roadway, improved at a cost of $50 million."

"The reason for the Westway landfill project, estimated to cost $2 billion, is redevelopment."

Griesa emphasized that this was the view not just of Westway opponents, but also of Col. Fletcher Griffis, the Corps' district engineer.

Griffis testified during the two-month trial that neither Westway nor the landfill are needed for transportation purposes.

Lawyers for the state also conceded in a post-trial memorandum that Westway is not necessary for transportation.

However, Griesa noted, the environmental impact statement "characterized the project as primarily related to transportation needs" and did not "apprise the public of the positions" subsequently expressed by Griffis in court.

"These are fundamental differences, not trivial ones," the judge said.

He added that Griffis admitted that, had he characterized Westway as a highway project, he could not have granted the landfill permit.

The distinction is important, Griesa maintained, because under law, the Federal Highway Administration is "essentially limited to highway projects" when issuing funds.

On the issue of the fish, Griesa called the findings by Corps scientists "incredible."

He noted that in a fall 1984 SEIS draft, the Corps' biologist found the landfill would have "a significant adverse impact" on the striped bass.

The Hudson spawning area is believed to account for up to half of the East Coast striped bass population.

But six months later, in the final version of the SEIS, the Corps reversed itself, ruling that the impact on fish would be "minor and inconsequential," thus allowing it to grant the permit.

In an attempt to explain the reversal, witnesses took the position that there was no basic change in their conclusion.

"The court finds this position incredible," Griesa said.

He singled out chief biologist William Dovel, who prepared the SEIS, saying his testimony provided "a collection of assertions so irresponsible that it is shocking that the government ever tendered him as a witness.

"It was difficult to understand how the government relied so heavily on his report in their decision to issue the landfill permit," Griesa said.

The judge also noted that Dovel, while working for the Corps, sought funds from environmentalist Laurence Rockefeller to prepare a report on striped bass.

Rockefeller's brother, former Chase Manhattan chairman David Rockefeller, is a chief proponent of the highway.

REAGAN PLAN TAXES NOW ON MONEY YOU GET LATER

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. MARKEY. Mr. Speaker, as we become deeply involved in the discussion of tax reform, I call to the attention of my colleagues this thoughtful and important commentary. The following editorial by Edward Pendergast, printed in the Boston Herald of July 14, accurately depicts the truth behind one aspect of the Reagan administration's proposal: a program which will inevitably increase, not lower or neutralize, taxes. It is always important to consider the local effects of proposals that will significantly alter national policy. I hope my colleagues will give serious consideration to Mr. Pendergast's observations as we continue to debate the timely issue of tax reform and simplification.

[From the Boston Herald, July 14, 1985]

REAGAN PLAN TAXES NOW ON MONEY YOU GET LATER

(By Edward Pendergast)

With all the talk about tax reform and simplication, President Reagan has insisted that he will not stand for an increase in taxes. At least one of his proposals is in direct contrast to that statement.

The section that relates to cash method of accounting will make any service industry pay increased taxes for its unpaid accounts receivable.

Historically taxes for service companies have been based on their receipt of cash rather than performance of services. This is based on the theory that one is most able to pay taxes when one has received the cash for service rendered. Service companies don't deal in solid, tangible goods, so the income from their services is less assured than wholesalers, retailers or manufacturers.

What a service company does is maintain an inventory, if you could call it that, of the time that has been expended and paid for by the company in the form of payroll for services for which the company has not yet received payment. In other words, you've put the service company in the position of paying out cash for employees to perform a service and paying out taxes for its income before it has collected any cash. Everything is outgo as far as cash is concerned, and no income.

This proposal is unfair and it is only a method of raising additional taxes. If President Reagan can show me that this is not a tax increase for every service company that either has gross receipts in excess of $5 million or needs to show accrual accounting results to creditors in order to obtain credit, then I'll eat my hat. In its usual gibberish there is some statement in the proposed law that says "consideration will be given to taking into account the billing of clients for services in the use of the accrual method." If anybody knows what this means or thinks it is simplification I would be delighted to have them try to explain this to me.

The cash basis of accounting for any company that does not maintain significant inventories has been allowed for 75 years. No one that I have ever heard of has claimed that this is unfair or that is in any way been an abuse as a way to pay taxes. I would like to find out if there is some purpose other than raising taxes.

In fact, even the notion that the proposal might raise additional taxes is somewhat faulty in the long run. The proposal makes the service company that is now reporting on a cash basis accelerate its tax payments so that taxes that might ordinarily be paid next year will have to be paid this year. After the first year or so the federal government will not raise any additional money but the service company will have permanently reduced its operating capital by advancing to Uncle Sam taxes on monies that customers have not yet paid.

To try to make the proposal understandable in a microcosm, think of the young neighborhood child who comes around and mows your lawn. Suppose he comes on Friday and mows your lawn and you promise to pay him his $10 next Friday. What this unfair tax would try to do is to make it so that the young fellow that mows your lawn would have to pay taxes this Friday rather than next Friday when you pay him.

One of the concepts of the tax law has been to tie it into ability to pay. Now the example that I gave you is not of a company large enough to be covered by this law but the principle applies if you wanted to expand this concept, then everybody who is paid in the first week of January for work done in the last week in December, would have to pay a tax as if they had received the money in December. How would you like that and is that fair?

Thanks for the help, Mr. Reagan. You have proposed to make it so that any reasonably sizeable service organization will have to prepare a more complex return, be taxed unfairly and have to slow down its growth so it can pay taxes for income that they have not yet received. This is not so funny for those of us who you bypass completely when you apply your test of simplification, reform and fairness.

TRIBUTE TO JAN AND ALAN SHULMAN

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to an outstanding couple in our community, Jan and Alan Shulman. I ask my colleagues to join me in honoring these two tremendous individuals. Each year the Pacific Southwest Region of the Federation of Jewish Men's Clubs presents the coveted Red Yarmulke Humanitarian Award to individuals who have given of themselves for the betterment of the Jewish community and the strengthening of the Jewish family. I am happy to tell my colleagues that this year's deserving recipients of this award are the Shulmans. The humanitarian award will be presented to the Shulmans at a gala dinner dance at Sinai Temple on November 10, 1985.

Alan and Jan are truly model members of our community. Throughout their 32 years of marriage they have always given generously of their time and energy for important causes. Jan served in a number of vice presidential posts for Valley Beth Shalom Synagogue as well as working in many capacities for the Women's League for Conservative Judaism and she served as a member of the Congressional Cabinet of the University of Judaism. She managed to donate her time to these worthy causes while also serving as the vice president of Los Angeles Hebrew High School. Alan, an attorney and CPA working as a partner in a law firm in Century City, also managed to find time to give to many worthwhile causes. Alan served as president of Valley Beth Shalom Synagogue and was later honored as their "Man of the Year." In addition, he served as a member of the board of directors of the University of Judaism and as a member of the Jewish Federation Counsel's Adult Education Commission.

It is my pleasure and sincere honor to join with my colleagues and the Pacific Southwest Region of the Federation of Jewish Men's Clubs to pay tribute to the Shulmans, a truly remarkable couple who have made inestimable contributions to their community.

A SCHOOLGIRL'S HOPE FOR PEACE

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. McKERNAN. Mr. Speaker, Samantha Smith and her father, Arthur Smith, perished in a plane crash outside Auburn, ME, early last week. This tragic accident ended the life of a simple Maine schoolgirl who had become a symbol of hopes for peace between the United States and the Soviet Union.

Samantha's fame as a goodwill ambassadress stemmed from her 1982 letter to then Soviet leader Yuri Andropov frankly asking, "Why do you want to conquer the world, or at least our country?" Andropov responded by inviting Samantha to tour the Soviet Union to better understand the Soviet people. During the tour that followed, Samantha charmed both the American and Soviet publics with her frank and innocent questioning of why relations between the two superpowers had to be so distrustful. As she said, "God made the world for us to live together in peace and not to fight."

The thing that made Samantha so endearing was that she kept her heart and mind open to all things. She asked, as only a child can, the very basic questions that we, as adults, often overlook. She leapfrogged the sense of mistrust and hostility that has dominated relations between our nations, and appealed to our basic instincts as people. She didn't accept the adult justifications for the way things were, hoping that "with more people thinking about problems of the world, [I hope that] someday soon we will find the way to world peace."

Though her life was but a short 13 years, Samantha Smith did much to further her belief in the need for peace. She fanned the spark that many of us hold for improved relations between the United States and the Soviet Union; she was a youthful bridge between our two countries, succeeding where many diplomats and endless negotiations have fallen short, opening our eyes and ears to the reality of nuclear war by asking simply: "Please tell me how you are going to help to not have a war."

Samantha Smith had a dream, a hope that some day our two nations would live in peace. It is no small feat that, in her life, this simple schoolgirl raised our expectations that that dream can, in fact, become a reality.

Mr. Speaker, I ask my colleagues to join me in paying tribute to Samantha Smith, and in sending sincere condolences to Mrs. Jane Smith in Manchester, ME, on the loss of her husband, Arthur, and her daughter Samantha.

WELCOME TO NEWEST MEMBER OF CONGRESS

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. COLEMAN of Texas. Mr. Speaker, I am proud to join my colleagues today to welcome the newest Member of the House of Representatives, the Honorable JIM CHAPMAN of the First Congressional District of Texas.

If you had believed all of the other side's predictions before the election, JIM CHAPMAN by all accounts should not be here today. He was outspent by a margin of over 2 to 1 by the national Republicans' handpicked candidate, and you would have thought that the administration had relocated the Cabinet in Texarkana by the time election day arrived. When all the ballots were tallied, however, the multimillion dollar RNC campaign had failed, and the people of east Texas had informed the administration what they thought of the largest deficits in American history and the lack of a national trade policy.

Mr. Speaker, JIM CHAPMAN brings to this House a reputation based on hard work, dedication, and responsiveness to the people of east Texas, and I am proud to welcome him here today.

Thank you very much.

COLLEGE OF ST. THOMAS, ST. PAUL SEMINARY, ST. THOMAS ACADEMY A CENTURY OF LEARNING, FAITH AND SERVICE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. VENTO. Mr. Speaker, on September 7, 1985, an academic institution in my district will be celebrating its centennial. The college of St. Thomas, along with the St. Paul Seminary, and the St. Thomas Academy have grown over these past 100 years to form a standard of academic excellence within our community and the entire Midwestern region.

Founded by Archbishop John Ireland 100 years ago on September 8, 1885, St. Thomas Aquinas Seminary was intended to prepare young men for the priesthood and to provide other young men with a classical education.

Located on the 60-acre Finn family farm, St. Thomas Aquinas Seminary began that September with 62 students and a faculty of 5 priests. Returning to the St. Thomas campus today, they would be overwhelmed by the changes that have occurred in the past 100 years.

From their common roots, the focus of these institutions have grown and flourished. In 1894, the St. Paul Seminary moved its campus and 65 seminarians and became a separate entity. Today, still located on that same new campus the seminary is preparing 85 ordination candidates and about 100 students in evening courses and programs for service to God and their community. St. Thomas Academy, a junior and senior school, relocated its campus to Mendota Heights in 1965 and now has a strong academic and extracurricular program for 750 students in grades 7 to 12.

The most dramatic change, however, has been at the college of St. Thomas. Incorporated in 1894, the college of St. Thomas has grown to an enrollment of more than 6,200 students, making it the largest private liberal arts college in Minnesota.

As the student enrollment has grown, so has the curriculum expanded at St. Thomas. Originally only a classics department, the college has built upon this solid foundation and developed not only a strong liberal arts program, but also a graduate degree program, a nontraditional student program, and new programs in manufacturing, engineering, business, and software design.

During its 100 years of existence, the college of St. Thomas has suffered setbacks and encountered serious hurdles. But the college has been able to overcome these hurdles through its constant search for new ways to serve the community.

The golden years of St. Thomas have come during the tenure of my friend and current president, Msgr. Terrence Murphy. Under his leadership, the college has expanded its services and has moved to fill a void in our educational community. Among the notable achievements of President Murphy is the decision in 1977 to become a coeducational institution. While St. Paul has an excellent Catholic women's college St. Catherine's, there was no local coeducational Catholic facility available. Today, St. Catherine's remains a strong educational institution and 40 percent of last year's undergraduates at St. Thomas were women.

In the early 1970's there were minimal educational opportunities available for nontraditional students to expand or improve their careers. In 1975, St. Thomas sought to fill this void by creating the new college. In areas such as management and education, St. Thomas is now providing continuing educational opportunities for over 1,300 nontraditional students.

President Monsignor Murphy and the college are not resting on these laurels. New, innovative programs are being developed to meet our community's needs—whether it be religious education, business ethics, engineering, or international-management studies.

Mr. Speaker, the final test of any institution is the final product that it produces. St. Thomas passes that test with flying colors. the graduates of St. Thomas have been a positive force in Minnesota and throughout our country. In medicine, government, business and all other fields, the alumni of St. Thomas have and continue to contribute to the well-being of our society. President Murphy has stated that St. Thomas wants to impart a Christian vision and Christian values to community life by educating people for various walks of life. The goal of St. Thomas is to impart a spiritual message relevant to our society and not something that is limited to Sunday morning. St. Thomas' efforts clearly make this spiritual message alive in the lives of people who are leaders of our community and our society. Throughout its history, St. Thomas has strived to meet those goals.

Mr. Speaker, I want to congratulate St. Thomas College, the St. Paul Seminary, and St. Thomas Academy on their 100 years of service, their centennial of service to our community and Nation. They have and will continue to be a vibrant force and a positive asset. At this time, I would like to bring to my colleagues' attention the following commentary on the achievements and developments of St. Thomas College.

[From the Minneapolis Star and Tribune, Sept. 1, 1985]

ST. THOMAS COLLEGE STARTS A NEW CENTURY OF COMMUNITY SERVICE

(By Leonard Inskip)

College presidents sometimes say that after 10 years it's time to move on. At the College of St. Thomas, President Terrence Murphy is in his 20th year, and it's the college that's moving on—to useful new programs for students of varied ages and to valuable new service to the community.

This weekend, for the 101st year, new students are gathering for orientation. Classes start Wednesday. Next Saturday and Sunday, St. Thomas and two related schools will celebrate a shared centennial.

The campus's late-summer serenity, freshly mown lawns and blooming flowers speak of tradition: a Catholic framework for a liberal-arts focus with practical applications.

But tradition is no barrier to change: new graduate programs planned or begun in manufacturing engineering, software design, business communications, international management. Lest those suggest a departure from traditional liberal arts, there will be a new chair in business ethics.

St. Thomas will create new graduate programs to serve St. Paul Seminary students—the result of a partial merger planned by the two institutions. But St. Thomas also will get a Jewish-Christian center this fall headed by a prominent Minneapolis rabbi, Max Shapiro. The college already has several special centers, including business management and religious, economic, community and senior-citizen education.

The college has begun working with Normandale Community College on a program to serve students who complete that school's two-year program. It also has long served nontraditional students—people with full-time careers, for example—by providing graduate business and education programs.

In recent years, St. Thomas has added an Owatonna conference center and a Chaska classroom building; both were gifts. This summer, it opened a Chaska business incubator that has access to St. Thomas programs and faculty. Last year, it discussed with William Mitchell College of Law the possibility of that school joining St. Thomas, but nothing developed. Some St. Thomas trustees have talked of classes in downtown Minneapolis—not likely soon, but a possibility someday.

With about 6,300 students, St. Thomas is Minnesota's largest private college—big enough to start programs like graduate studies in manufacturing engineering, small enough to experiment and move quickly, as it did in setting up international-management studies after a governor's commission recommended such a program. The college has good rapport with business because it learns business's needs and acts on them.

An example: When Gov. Rudy Perpich began promoting engineering, Murphy met with such chief executives as Lewis Lehr of 3M, Edson Spencer of Honeywell and William Norris of Control Data. Eventually, Perpich recommended the unusual step of state help for a new manufacturing engineering program at St. Thomas. The Senate said yes; the House said no. Murphy expects St. Thomas to decide this month to proceed on its own.

Last year, Murphy described engineering as a "window of opportunity" for St. Thomas. He anticipated that society's future emphasis "will be not so much on social welfare programs, but rather on programs that will increase the productivity of the country and thereby provide employment, increase the standard of living, combat inflation, and put us in a strong competitive position in the international markets."

St. Thomas looks for programs that other—mainly the University of Minnesota—aren't providing. Murphy says manufacturing engineering is such a niche. But St. Thomas went beyond a niche when it pioneered evening-class management studies in the 1970s. Then the university had a few hundred traditional daytime students working for masters degrees, Murphy recalls. Now St. Thomas has nearly 1,300 nontraditional students in evening and week-end management classes and the university has about 1,200 such students. "They really took our program," Murphy says, but the result is that "the whole community is better off."

The centennial year will see a new relationship between St. Thomas and the Saint Paul Seminary. Both schools and St. Thomas Academy trace roots to a common beginning on Sept. 8, 1885. The seminary became independent in 1894 and the academy, a junior-senior high school, moved away in 1965.

The college and seminary are working out final details. St. Thomas will educate the seminarians, but the seminary will foster religious-character development. St. Thomas will acquire most of the seminary's nearby 35 acres, opening up long-range possibilities for an expended St. Thomas campus. New religious education can strengthen St. Thomas' ability to train lay people to work as church counselors and administrators as priests become fewer.

St. Thomas is one of the nation's 225 Catholic colleges and universities. Most were started by religious orders. St. Thomas is one of a few started by a diocese. The relationship continues, with Archbishop John Roach chairman of the college's trustees. Seventeen priests from the diocese are among 380 fulltime and parttime faculty members. Murphy as said that St. Thomas wants to "impart a Christian vision and Christian values" to community life "by educating people for various walks of life. If we truly want the Gospel message to be relevant to our society and not something that is relegated to Sunday morning, then we must make it alive in the lives of people who are leaders . . . of our community and our society."

But that does not mean proselytizing students, Murphy says. Rather it means requiring a few religion courses along with more traditional liberal-arts requirements. It means, he says, teachers' appreciation of Judeo-Christian traditions and "scholarly discussion of religious values." At the graduate level, such concern is reflected in a course that emphasizes values and the impact of policy decisions on a community. The new chair on business ethics established by Barbara and David Koch (Graco head and a leader in Twin Cities corporate-responsibility thinking) will strengthen that emphasis.

Catholics constitute about 85 percent of St. Thomas undergraduates, but only 30 percent of the graduate students. That reflects, Murphy says, the abundance and variety of schools serving undergraduates, but the limited graduate-level opportunities to have both classes and careers.

The college is planning what probably will be a $35 million capital drive for endowment, buildings and scholarships. Among scholarship goals: Seek top-flight students who don't qualify for needs-based help but who potentially are society's leaders and who, while in college, can offer leadership in academic achievement.

A campus visitor leaves with two strong impressions: (1) Through its constant search for new ways to serve the community, St. Thomas is a remarkable community asset. (2) Thank goodness that Terrence Murphy, unlike those college presidents who say 10 years in one place is enough, stayed around. The Twin Cities are better for having the school and the man.

ECONOMIC DEVELOPMENT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. GARCIA. Mr. Speaker, this administration has made it very clear that they oppose any funding of the Economic Development Administration, because of its belief that the Federal Government should not be be involved in economic development projects at the local level. According to the administration, the private sector can provide all the funding necessary for community economic development.

In theory this may be sound thinking, but in practice it just will not wash, especially in light of the present economic realities. Mr. Speaker, I represent a poor district, the poorest in the Nation. And I can assure my colleagues that private investors are not standing in line, ready and willing to fund housing projects, businesses, or to offer technical assistance to community groups. There are investors, and the Bronx in experiencing a resurgence in terms of renovations, new construction and new businesses that have seen the opportunities that exist in the Bronx. However, more often than not some sort of incentive is needed for these investors to put their money in distressed areas. The fact that the Federal Government is behind a project is sometimes the only incentive needed.

Distressed areas have been faced with continued disinvestment. Local banks in the 18th district have a very poor record of home mortgage lending, and it would not stretch the imagination to say their commercial lending is probably not much better. I do not believe this is a situation unique to the Bronx. I do believe that communities faced with the problem of disinvestment need some Federal assistance in order to provide an incentive for investors. That is why I am a cosponsor of the National Development Investment Act. It will provide much needed assistance to areas that need it, areas that have not seen a trace of the much vaunted economic recovery.

TAX HAVENS: THE NEED FOR ACTION

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. STARK. Mr. Speaker, I would like to call to the attention of my colleagues an article on tax havens which appeared in the August 29th issue of the Washington Post entitled, "More Americans using Foreign Tax Havens."

Tax haven countries have long been a source of refuge for organized crime and drug profits. But it appears that more and more individual and tax protestors are copying crooks like Robert Vesco and stashing money in tax haven countries. So much for the new patriotism!

The IRS cannot hope to deal with this development through the traditional audit procedure. The purpose of going to these tax haven countries is to hide an audit trail or create such a maze of accounting nonsense that no one can determine the tax properly.

I think we need some new approaches to this problem. I will work to include in this fall's tax reform bill the denial of various tax privileges for countries considered tax havens—foreign tax credits; deductibility of losses, and so forth. But I think that we should also consider a Federal transfer tax on the movement of assets to these tax haven countries. The tax would be paid by the investor and anyone participating in the transfer—communications companies, banks, transportation companies, couriers, and so forth—would be held liable for any unpaid transfer tax.

Tax havens and the manipulators of them are helping destroy confidence and faith in our Nation's tax system. They should be treated like the enemies that they are.

The article follows:

[From the Washington Post, Aug. 29, 1985]

MORE AMERICANS USING FOREIGN TAX HAVENS

(By Howard Kurtz)

A growing number of Americans are using tax havens in such places as the Bahamas, the Cayman Islands and Panama as an illegal means of hiding about $20 billion a year from the Internal Revenue Service, a Senate subcommittee said yesterday.

The panel's report said that narcotics traffickers, who deal in vast amounts of illicit cash, still provide the bulk of U.S. funds laundered through foreign tax

havens. But it said its "striking conclusion . . . is that offshore banking accounts are being used by people one might regard as 'average American citizens.' "

The Senate permanent subcommittee on investigations, headed by William V. Roth Jr. (R-Del.), urged the Reagan administration to impose tough sanctions—including limits on direct airline flights—against foreign tax havens that refuse to cooperate with U.S. law enforcement officials.

The United States should deny income tax deductions for losses and expenses incurred in any foreign country that will not negotiate access to its financial records by U.S. investigators, the panel said. Many low-tax foreign havens will not provide such records because they do not recognize tax evasion as a crime.

Banking is a booming industry in small Caribbean nations such as Anguilla, Barbados, and the Turks and Caicos Islands, which have joined such traditional havens as Switzerland and Hong Kong in attracting a flood of foreign capital by adopting strict secrecy laws. The number of banks in Anguilla, for example, jumped from two to nearly 100 in two years.

Such offshore banks have provided a repository for drug smugglers, who use private jets to carry millions of U.S. dollars at a time. But the subcommittee found similar patterns among ordinary citizens, such as a North Dakota farmer who deposited large sums in a bank in the Turks and Caicos Islands.

The report said that unscrupulous shelter promoters "exploit the anti-IRS biases of some of their fellow citizens . . . . These con men persuade susceptible individuals that they can legally avoid taxation by placing their assets in an offshore trust."

A senior IRS official said his agency is conducting 300 criminal investigations of tax shelters, half of them located abroad. He said four cases over the last year each involved more than $100 million in sheltered income.

"We're finding an increase in the blue-collar worker, the middle-income person getting into these shelters," the official said. "You can read the ads in the Wall Street Journal."

In a typical scam, he said, an investor will receive a report showing fictitious commodity losses from a brokerage house in the Cayman Islands. "In many of these situations, there are no commodities being traded," he said, "it's just paper being shuffled."

"The auditor will be given very legitimate-looking documentation. We have no way of going over to those foreign countries to find out what was bought and sold. It's an exercise in futility." He said the IRS must rely on informers and undercover agents to penetrate these shelters.

The subcommittee said the Justice Department's approach to foreign tax havens is "too fragmented" and that information is not shared among law-enforcement authorities.

"The Justice Department did not know what it had even in its own files," a subcommittee investigator said. "The Justice Department uses our list because they never compiled one." He called federal regulators "woefully ignorant on this subject," saying that U.S. bank examiners give low priority to tracking the movement of large amounts of cash.

The Treasury Department fined Crocker National Bank of San Francisco $2.25 million Tuesday for failing to report nearly $4 billion in large cash transactions, most of it suspected drug money funneled through Hong Kong banks. Sixty banks have admitted such reporting violations since February, when the Bank of Boston pleaded guilty to violating the Bank Secrecy Act. Banks have since tripled their reports of large currency transactions.

Stricter reporting would make it more difficult to hide narcotics profits, the Senate investigator said. "Drug smugglers deal in an unbelieveable amount of cash, most of it in small bills," he said. "They've got to launder it, and the easiest and best way to launder it is to take it offshore."

Panama has become a burgeoning financial center. In 1982, the report said, more than $1 billion was funneled through a large Panama bank to Federal Reserve banks in New York and Miami, or four times the amount of such transactions in 1980.

A major reason for this boom is a Panama law allowing secret registered companies. "Anyone holding dirty money in Panama usually has a registered company," the report said. ". . . A registered company can be available within hours. One who walks into the right law firm in Panama City will find them already formed and 'on the shelf'. . . .

"There are no requirements of any kind to be met by an applicant for a registered company. Nor do application procedures assure that actual owners of companies are identified," the report said.

PRESIDENT'S DECISION SHOULD BE REVERSED

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. YATRON. Mr. Speaker, I join my colleagues in expressing my concern over President Reagan's August 28 decision to reject the use of quotas or increased tariffs to protect the American shoe industry against imports. The President's decision runs counter to the wishes of hundreds of thousands of concerned citizens as well as the recommendations of the U.S. International Trade Commission.

By making this decision, the President has rejected calls for assistance to this ailing industry which is now dominated by an influx of imports. The situation is now likely to further deteriorate. More factories will close, more workers will be displaced, and we will face an even greater influx of imports.

In response to this inaction, I urge my colleagues and all concerned citizens to step up their efforts to bring about a reversal of the decision. The time to defend this important industry is upon us.

ESTABLISHING A COMMISSION TO BALANCE THE BUDGET

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. HEFTEL of Hawaii. Mr. Speaker, in spite of the best efforts of both the Senate and the House, we have been unable to put more than a dent in the Federal deficit this year.

The political pressures on Congress simply make it too difficult to do more. Therefore, I propose, Mr. Speaker, we remove the problem from the political arena and ask the President to appoint a bipartisan commission to deal with the deficit. I am pleased that my esteemed colleague, Mr. FRENZEL, has joined me as a cosponsor.

This will not be the first time, of course, that we have used this approach. Three years ago, when the Nation's Social Security system was in deep trouble, the President appointed a commission to come up with a solution. When it did, Congress accepted it, recognizing that it represented the best efforts of thoughtful and well-informed men and women above the political fray.

Faced now with a problem even more serious for our Nation's welfare and even more difficult to resolve in a political setting, we should consider using an approach that we know has worked in the past.

Our proposal asks the President to appoint a commission immediately to report back to Congress by March 15, 1986. I know, Mr. Speaker, this is short notice, but the truth is we have very little time left. The situation is urgent.

Each day our deficit remains high, America's business fades a little more and our place in the world's economic hierarchy slips another notch. The deficit is creating such a demand for capital that interest rates remain unusually high. This in turn encourages foreign investors to convert their capital to dollars and ship it over here. The demand keeps the dollar high—40-percent higher than economists believe it should be. The result is that the rest of the world enjoys a 40-percent subsidy shipping goods to the United States and the goods we are trying to sell them carry a 40-percent penalty.

Is it any wonder our markets are being flooded with foreign imports and our manufacturers crying for quotas and tariffs? The runaway deficit is at the root of our trouble and no amount of protectionism will change matters until we come to terms with the fact that we are spending far more than we are taking in.

During the 1970's and early 1980's, the Federal Government absorbed only about 18 percent of total borrowing while business took 38 percent and households, 40 percent. From 1985 to 1988, the Bank of Boston estimates the Federal Government's share will double to 35 percent while business will be squeezed down to 25 percent and households to 32 percent.

Not only are American businesses being forced to compete with imports carrying a 40 percent subsidy from the strong dollar, but they are forced to complete with their own Government to borrow the money they need to modernize.

Time is short. That is why I chose the March deadline. Besides, the subject of the deficit is hardly a new one. Sadly, most

commission members would be more than familiar with its every detail.

March 15 is the date by which the authorizing committees of Congress must report their budget recommendations for the next year to the Budget Committee. This date would therefore allow the commission's recommendations to be incorporated in the next budget.

In 1980, the deficit stood at $73 billion. This year it is pushing $210 billion. If we continue at this pace we will have squandered our inheritance and have little left for our children. As Congressional Budget Director Rudolph Penner said recently:

> By running up large Federal deficits, the current generation is lowering the potential living standards of its children and grandchildren.

The time for pointing fingers and casting blame has long passed. We can no longer afford to think of the next election. We must think of the next generation.

ANTI-SATELLITE WEAPON TEST

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. COUGHLIN. Mr. Speaker, the recent administration decision to proceed with the first test of an antisatellite weapon against an object in space, while not unexpected, is nonetheless disappointing to those of us in Congress who have been working to lay the foundation for an arms control agreement banning these weapons.

No real purpose is achieved by testing our Asat now but the damage may be great. A recent editorial in the Philadelphia Inquirer expresses precisely my own concern about the Asat test and I commend it to my colleagues.

[From the Philadelphia Inquirer, Aug. 22, 1985]

ANTI-SATELLITE WEAPONS: TO WIN THE RACE IS TO LOSE

The United States must test a satellite-killer weapons for the first time against an object in space and test it now, says White House spokesman Larry Speakes. Soviet objections are discounted as sour grapes. "They [Moscow] have one [an anti-satellite weapon] and they don't want us to have one." National Security Adviser Robert C. McFarlane says the test is needed to maintain the military balance between the superpowers.

Unfortunately the administration left out a few key details:

The Soviet weapon is a clunker. Built in response to early U.S. anti-satellite models in the 1950s and 1960s, it can only hit less important U.S. satellites in low orbit, about a third of the total. The Soviet weapon can't reach the critical U.S. communications satellites in distant orbits.

Rather than stabilizing the space weapons balance, production of the new U.S. anti-satellite weapon will upset it. The U.S. weapon-in-progress is small, swift and far more sophisticated than the Soviets model. If the past is prologue, the Soviets once again will play catch up and develop a weapon to outdo the new U.S. satellite killer.

The United States has the most to lose in a such a race. It is far more dependent on sophisticated satellite communications to coordinate military operations than the Soviet Union.

Why then is the administration flat out opposed to a comprehensive ban on anti-satellite weapons, despite clear Soviet interest? One reason given is the difficulty of ensuring that the Soviets wouldn't cheat. That's a genuine concern that should be addressed carefully in negotiations, but new advances in U.S. satellite technology would make it difficult for Moscow to test a new anti-satellite weapon without detection.

Another issue is whether a treaty could control missiles, space mines or ground-based laser weapons which, though not designed specifically to take out satellites, could attack them. These threats are real. Some can be addressed by additional treaty restraints, others by making satellites more survivable and easier to replace. However, these dangers don't negate the value of banning weapons specifically designed to destroy satellites.

The real reason Washington opposes and Moscow wants a ban on antisatellite weapons may be one that Mr. Speakes never mentioned. Under the loophole of testing anti-satellite weapons the administration can conduct certain tests needed for President Reagan's "Star Wars" missile defense plan, tests that otherwise are forbidden by previous treaty.

If the issue at hand were only the one planned test, it might not be critical. At least several tests will be necessary before the U.S. anti-satellite device can be considered operational. But the administration had made clear that despite the Geneva arms talks and the upcoming superpower summit, it will not press forward for an anti-satellite ban. At best it will discuss "limits" on anti-satellite weapons aimed at those capable of hitting high orbits. But since the United States has more weapons in high orbit, and the Soviets have more in lower orbit, the Soviets are unlikely to buy that offer.

The decision to test, then, marks an administration determination to push ahead with a space race that ultimately will endanger, rather than strengthen American security. It is shortsighted. It is a mistake. In the space-weapons race, there can be no long-term winners.

THIRD ANNUAL CARIBBEAN YOUTH CONFERENCE

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. DE LUGO. Mr. Speaker, with the focus now on the Caribbean area, and with the added attention of the Caribbean Basin Initiative Program, and what we have learned from the Grenada experience, I would like to apprise my colleagues of a recent event in the U.S. Virgin Islands. Last week, the U.S. Virgin Islands hosted the third annual Caribbean Youth Conference which was very well attended by young people from countries and island nations throughout the Caribbean. Prime Minister Eugenia Charles of Dominica was a most welcome guest and speaker at the 3-day conference. The discussions were lively and gave one a real sense of the wealth of talent, energy, and intelligence of the young people of this vital area.

One of the keynote speakers was Dr. Charles W. Turnbull, the commissioner of education in the U.S. Virgin Islands. He made some very astute observations about the Caribbean identity and the possible future of the area which I would like to share with my colleagues.

KEYNOTE ADDRESS

(By Dr. Charles W. Turnbull)

The theme of this year's conference is "Youth Leadership in the Furtherance of Caribbean Identity."

The theme thus presupposes the existence of an element that can be termed "Caribbean Identity," which youth can provide leadership in furthering, expanding, improving. Is this so? Is it a fact that there is at present a "Caribbean Identity? The question for some is more than just thought-provoking. It is a downright provocation. Among some Caribbean youth it might even generate a fist fight or two. So be it. The question must be asked . . . and then answered.

In endeavoring to answer the question let us begin by defining the term—"Caribbean Identity." What do we mean when we say "Caribbean Identity"? A good dictionary that I consulted defined the term identity as "the condition of being oneself or itself and not another", "state of fact of being same one," "exact likeness in nature or qualities." Therefore, as you can plainly see, identity refers to sameness, in fact the word identity relates to identical meaning the same. We all know how closely identical twins resemble each other. Sometimes even their parents have difficulty telling them apart.

Now that we know that by identity we mean sameness we really only know that we are looking for a Caribbean sameness. But what do we mean by Caribbean? That part of the term too must be defined. And believe it or not, in someways this part of the term is more difficult or perplexing to define. This is because different people, including scholars and historians, mean different things when they use the word Caribbean. The dictionary is not much use here. By Caribbean do we mean all the countries of Central America, the West Indies and South America, the West Indies and South America that border the Caribbean Sea? This would include, in addition to the West Indies, Belize, Guatemala, Honduras, Nicaragua, Costa Rica, Panama, Venezuela and Columbia. Are we to inicude countries that do not border the Caribbean Sea, such as Guyana, French Guiana and Surinam, the Bahamas and Bermuda but that do share to a large measure common historical background and modes of political, constitutional, social and economic and cultural development?

In the final analysis the determination of what is meant by Caribbean lies in the hands of the given exponent relative to his respective purpose, objective or aim. To settle the matter for this keynote address and this speaker, by Caribbean we mean all the countries of the West Indies chain from Cuba to Curacao in the Netherland Antilles, the Bahamas, Bermuda, Belize, Guyana, French Guiana, and Surinam. These we feel meet the test of a broad common historical background and mode of development.

Since we have defined "Caribbean" as well as "Identity and have equated "identity" to sameness, we know that we are looking for a Caribbean "sameness" in the various countries. We can now reiterate the question. Is there in fact a Caribbean identity or sameness in the various countries we choose to call Caribbean? If so we must identify and describe this sameness. We must pull and show the common threads that make up this cloth or tapestry, if you please, we call Caribbean identity. The answering of the question now becomes our duty. Is there such a thing as "Caribbean Identity"? We are bold enough to say yes there is. We must now endeavor to identify and describe it.

Caribbean identity comprises the common inherited artifacts, goods, technical processes, ideas, beliefs, habits, customs and values of the people of the region. It is that sum of things that gives the people a collective personality that distinguishes them from another.

Examples of these include Amerindian tools, carvings and pottery, the sugar mill, greathouse, sugar technology, belief in a Supreme Being and a spiritual world, love of freedom and hatred of slavery or anything that even faintly resembles it, love of music, dance, festivals and holidays, desire to own at least a small piece of land and a house, lingering adherence to the time-honored rituals relative to birth, marriage and death, allegiance to family ties, etc.

Caribbean identity has grown out of the realities of geography and history. Although separated by water, for the most part, the countries are close to each other in terms of nautical miles. Narrow divides such as the Mona Passage between Puerto Rico and the Dominican Republic and the Anegada passage between the Virgin Islands and the Leeward Islands separate them. As the great Caribbeanist and scholar Gordon K. Lewis points out, this is not Polynesia or Melanesia, where thousands of ocean miles separate the various groups of islands from each other. Lewis notes:

"* * * This geographical closeness has led to a regular movement of people among the islands, by schooner, steamboat, and, today, small interisland aircraft. Intraregional migration has been the order of the day, especially in the Eastern Carribbean where, for example, laborers go south to work in the oil refineries of Aruba and Trinidad and others go north to seek jobs in the tourist industry of the U.S. Virgin Islands. Whole settlements of contract workers, both bonded and illegal, become part of their adopted homes: Grenadians in Trinidad, Antiguans in the Virgin Islands, Jamacians in Panama, and Dominicans in Puerto Rico. Add to this the more recent influx of political immigrants, e.g., Cubans in Puerto Rico, and a general portrait emerges of a regional society marked by the vast cyclical movements of peoples who have been uprooted—sometimes voluntarily, sometimes involuntarily. This, of course, has not yet expressed itself in any form of stable political union. The West Indies Federation collapsed after four brief years in 1962. But, short of that, the peoples of different Caribbean societies know each other as much as Europeans form different countries do. It is in this sense that geography is the mother of regionalism."

It can also be said that geography is a parent of Caribbean identity.

The other parent can be said to be history. Caribbean history can be divided into three or four broad periods. We choose to select four. They are (1) Pre-Columbian, (2) Pre-Emancipation, (3) Post-Emancipation and (4) Post-Independence. The three major episodes of all the countries, with the exception of a certain few, are European discovery, emancipation of the slaves, and political independence.

Out of a common historical background the social, economic, political and cultural institutions of the region has emerged with a high degree of sameness.

Now that we know there is indeed a Caribbean identity of sameness, and one we assume is worthy of preservation, what can youth leaders do to further this identity? First and foremost, youth leaders, all leaders in fact as well as the general populace, should study, know and appreciate Caribbean history and culture. Although far from perfection, there has been in recent years a considerable number of good volumes written, published and available in the region on Caribbean history and culture. These books, in most instances, have been written by native or long-term residents of the Caribbean, many having spent their professional lives studying the region. We recommend the works of Rex. M. Nettleford of Jamaica, Issac Dookhan of Guyana and the Virgin Islands, Walter Rodney of Guyana, Gordon K. Lewis, Carl Stone and others.

Additionally, a comprehensive series of textbooks of superior quality have been produced by publishing houses such as Macmillan and others for students in preparation for the CXC Examinations.

Additionally, in the various countries historical and cultural societies have been formed if they did not exist before. Organizations such as the Jamaica Institute, the Institute of Puerto Rican Culture, Virgin Islands Historical Society and others provide a venture for the furtherance of knowledge of the Caribbean.

Although far from what it must be, various Caribbean governments are improving and expanding the teaching of Caribbean history in their respective educational systems. Here in the U.S. Virgin Islands a cultural education division has been established to promote greater knowledge, awareness and appreciation of the history and culture of the Virgin Islands and the Caribbean.

More, however, needs to be done. I propose that in each country of the Caribbean a month be set aside, similar to Black History Month in the United States, to draw special attention to the history and culture of that particular country as well as to the rest of the Caribbean. What I am proposing is a "Virgin Islands History Month", a "Barbados History Month", a "Jamaica History Month", etc. Although the history, culture and way of life of each particular country and of the total Caribbean should be stressed year-long, a particular month for special observation would go a long way in the development and furtherance of Caribbean identity and awareness for the total population.

Any observance of Caribbean history must not only include the contributions of Caribbean men and women within the region but also their contributions to the larger world society.

Men and women of Caribbean birth and ancestry have contributed disproportionately to the world in a number of fields. Caribbean people, especially the youth, must know of the contributions of Edward Wilmot Blyden, Jose Marti, Marcus Garvey, Eric Williams, Grantly Adams, Shirley Chisholm, V.S. Naipaul, Alexander Bustamante, Norman Manley, Luis Munoz Marin and Terrance Todman to name but just a few.

A second strategy in the furtherance of Caribbean identity is the fostering of Caribbean unity. To do this it is of paramount importance that youth leaders sincerely believe in regional unity of all kinds and on all levels. Educators, doctors, lawyers, scholars, businessmen, service organization members, youth organizations, people of all groups should organize regional associations that meet regularly on different sites in the Caribbean for exchange of ideas, problem-solving and sheer fellowship.

There should be cultural exchanges, student exchanges, teacher exchanges, etc. The existing sports exchanges should be strengthened. Native Virgin Islanders could relearn cricket and Trinidadians could learn baseball.

There should be more personal visits for vacation and holiday among the residents of the various countries. The list of possibilities for furthering Caribbean identity and solidarity is endless.

What could all of this lead to. No none really knows. It might eventually somewhere down the road of destiny lead to renewed hope and aspiration for a Caribbean nation. As the world and by inference the Caribbean region shrink as the result of even faster and more efficient mode of transportation and communication being effected, the primary barrier to a Caribbean nation might well be the Caribbean people themselves.

Whatever the future may hold, the people of the Caribbean can take pride in what they and their forebear have been, are and will continue to be: a strong, resilient, courageous optimistic people with an identity to keep and pass on to generations to come.

The time is ripe for the furtherance of this identity. Youth leaders of the Caribbean who linger on the shore when wind and wave combine to grant you sailing weather to aid you on your way in your quest for furthering Caribbean Identity!

TEXTILE INDUSTRY JOBS

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. STUDDS. Mr. Speaker, last month Berkshire Hathaway, a textile mill in New Bedford, MA—a city I have the privilege to represent—announced that it would permanently close later this year. Unfortunately, the jobs lost at Berkshire Hathaway are but the latest among some 300,000 textile and apparel jobs lost nationwide in the past 4 years. While the current administration stands idly by, imports of textiles and apparel have been permitted to skyrocket far in excess of the levels established in the multifiber arrangement. Along with a majority of my colleagues, I have cosponsored the Textile and Apparel Trade Enforcement Act, a bill designed to achieve the objectives of multifiber arrangement. It is my hope that the House of Representatives will take up this important legislation this fall.

Edward W. Clark, Jr., of New Bedford, addressed this problem in a recent column appearing in the Standard-Times of New Bedford. I commend Mr. Clark's comments to my colleagues.

BERKSHIRE HATHAWAY CLOSING LINKED TO NATIONAL POLICY

(By Edward W. Clark Jr.)

The tragedy facing Berkshire Hathaway workers, their families, and our community is not an accident of fate. It is not the result of poor local management or an unreasonable union. It is clearly the result of national economic policies that have created depressed prices within the industry, an inflated dollar and a rapidly rising tidal wave of imported textiles and garments. Unless our national government acts swiftly and decisively, the tragedy will be repeated over and over again and will affect many more workers in New Bedford and across the country.

Since 1980 more than 10,000 Massachusetts residents employed in the clothing and textile industries have lost their jobs. These workers have not found jobs as software designers on Route 128. For the most part they have taken lower-paying service industry jobs. Many are still unemployed or underemployed. Their fellow textile and apparel workers are in danger of sharing their fate and the Commonwealth is in danger of losing the more than $770 million dollar annual textile and apparel payroll.

Nationwide 300,000 textile and apparel jobs have been lost in the last four years as imports have grown 19 percent per year. In 1984, 61 textile plants closed in North and South Carolina alone. Clothing and textile imports now comprise almost 50 percent of the American market, a far greater percentage than imported autos or steel. Textile and apparel imports account for 13 percent of our record trade deficit.

To stop the destruction of the U.S. textile and apparel industry more than half of the U.S. House of Representatives and one-third of the U.S. Senate have sponsored the Textile and Apparel Trade Enforcement Act. The Bill seeks to establish a fair trade system that protects the American workers and American industry while allowing for a reasonable level of imports. Our representatives should be commended and supported for recognizing the importance of this bill for Massachusetts.

The current "free" trade system is destroying American jobs by ignoring the unfair advantages other nations give their apparel and textile industries.

Many countries insure wages are kept low by outlawing strikes (South Korea and Poland), using slave labor (South Africa) or tolerating death squads, which kill thousands of trade unionists every year (El Salvador). As long as unions are crushed overseas, foreign wages will remain low. The average American textile worker earns $6.46 per hour or $13,000 per year. He or she will never be able to compete with a textile worker in China who earns 20 cents per hour or a stitcher in Hong Kong who earns $1.46 per hour.

In addition to low wage levels and unfair labor laws, Taiwan, South Korea and Japan give their industries unfair advantage by forbidding the importation of American clothing and textile exports unless their domestic textile and clothing industries approve.

Our government unfortunately often cooperates in eliminating American jobs by subverting the intent of U.S. trade law. Many foreign governments (the Phillipines, China and Mexico) directly subsidize their industries. Under U.S. law, direct subsidies are supposed to trigger import tariffs equal to the subsidy. When it was proven that Brazil subsidized its shoe industry, our government gave Brazil five years to eliminate the subsidies rather than immediately impose a tariff. Five years later Brazil was still subsidizing its shoe industry, and our government gave them a five-year extension. At the same time, Bass Shoe, a division of Chesebrough-Pond's, Inc., closed several plants in Maine and opened a plant in Brazil.

Our government also ignores the trade guidelines established in the international trade agreement on textiles and clothing, the Multi-Fiber Arrangement (MFA). The MFA allows countries to annually increase their exports to the U.S. by six percent. Last year imports of clothing and textiles from Indonesia increased more than 200 percent, while imports from China increased 162 percent. Not wanting to anger the Indonesian or Chinese governments, our government did nothing. China's over-shipment of sheeting material last year could have kept two mills in Massachusetts open for a year.

The American worker is thus laid off to accommodate our government's foreign policy goals. Should we want a military base in the Phillipines, or should we need China's vote at the U.N., her textile and apparel quota is lifted and more Massachusetts workers go to the unemployment office.

Our union is not opposed to trade, especially trade with the Third World. Indeed, in many cases we have encouraged it. What we are opposed to is uncontrolled and unfair trade. Such uncontrolled and unfair trade can only lead to Third World conditions in industrial states like Massachusetts.

These injustices have led Republican Sen. John Danforth, the chairman of the Senate subcommittee on International Trade, to say, "The Administration equates even enforcement of the law as protectionist. They view free trade as "necessitating docile acceptance of the unfair practices of trading partners." The Textile and Apparel Trade Enforcement Act would bring some fairness to an unfair trade system.

Foreign governments and many retailers (who for the most part do not pass on to consumers the savings they make from buying cheap foreign goods) oppose this legislation. The Reagan Administration is also presently opposed to it. If we are to save the textile and garment industries in this country, we must overcome this opposition. Nationally, a majority of our legislators supports the passage of the Textile and Apparel Trade Enforcement Act. We all must work hard to increase that majority to a point where it becomes veto-proof. Failure to do so will most certainly mean the virtual elimination of an industry that affects the employment of one out of eight manufacturing workers in the United States.

Our union will continue to work as hard as possible to make sure that the owners of Berkshire Hathaway live up to their responsibilities and to keep as many Berkshire Hathaway workers as possible employed at decent wages and with decent working conditions. It is clear, however, that in the long run only national legislation can prevent situations similar to the one we now face.

JOE CLOSE, DEAR FRIEND

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. STARK. Mr. Speaker, Joe Close was the most selfless man I've ever known. Altruism is rare in politics, but Joe was a rare person.

Born in Ross, CA, Joe moved to Oakland with his family when he was 10. He graduated from Fremont High School and the University of California, Berkeley, where he earned a degree in economics. After graduating and marrying the former Jan Breschini, he spent 15 years as an advertising executive.

Joe entered politics in the 1950's and became a trusted leader among northern California Democrats. He was a member of the Seventh Congressional District branch of the California Democratic Council [CDC] and held a number of offices in the local, regional, and statewide CDC.

He worked tirelessly to elect representatives he thought would advocate his concepts of good government, and was generally pleased with the quality of officeholders in the east bay. His purpose was to make government work for all the people.

In later years, Joe was employed as administrative assistant to the Emeryville City Council. He resigned for health reasons in 1984, and died a year later. He was 50.

We miss his dry wit. We miss his sound judgment. But most of all, we miss his company. Joe Close was always there when needed. Joe was a friend.

TARENTUM PRESENTS COMMUNITY AWARDS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. GAYDOS. Mr. Speaker, the Borough of Tarentum in the 20th Congressional District of Pennsylvania will publicly recognize the civic contributions of several individuals and organizations at a community awards banquet on September 14.

I am always impressed when a community takes the time and effort to publicize residents or groups who give of themselves in order to improve the life of their neighbors. I am pleased to bring to the attention of my colleagues this year's Tarentum honorees.

Helen Mateer: A retired school teacher and treasurer of the Tarentum Parking Authority, Helen is an active volunteer at Allegheny Valley Hospital.

Frank Anderson: Associate Editor of The Valley News Dispatch, Mr. Anderson also authors "The Stroller", a daily column of observations and announcements that make him one of the most widely read writers in the Alle-Kiski Valley.

Eugene Simon: Now semi-retired, Mr. Simon formerly owned The Valley Daily News and built its circulation from 9,000 to 44,000 before selling in 1976. Mr. Simon still writes a weekly column for several newspapers in Pennsylvania and New Mexico.

St. Vince De Paul Society: Chapters at Sacred Heart/St. Peters' Church and St. Clement's Church have been unstinting in their efforts to aid the poor, the unemployed, the distressed and the disabled veteran.

Volunteer Fire Companies: Eureka Hose (organized 1886), Highland Hose (1913), Summit Hose (1907) are commonly united in their unselfish commitment to protect the lives and property of Tarentum's citizens.

Mr. Speaker, on behalf of the Congress of the United States, I congratulate the above mentioned honorees for the example they have set in community responsibility. I also applaud the Borough of Tarentum for its recognition of outstanding citizenship.

COMMEMORATION OF THE ANNIVERSARY OF THE INVASION OF POLAND

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. ANNUNZIO. Mr. Speaker, on September 1, 1939, the peaceful state of Poland was invaded, marking the beginning of one of the most tragic and destructive wars in the history of mankind—World War II.

On this date, 46 years ago, the forces of nazism broke across the Polish borders from the West, and 16 days after this initial attack, the forces of communism began their treacherous assault from the East. Although the Polish people, including over 830,000 soldiers and officers of the Polish Army, fought bravely to preserve their homeland, they were unable to prevent Poland from becoming a nation without a state, a tyrannized and persecuted country, deprived of over half of its territory and millions of its people.

Many thousands of Polish soldiers were forced to flee from the military might of their oppressors, and joined the allied troops. An underground movement was formed, directed by the Polish Government-in-exile, which contributed to the war effort by crippling the enemy with acts of sabotage and subterfuge.

The members of the resistance movement refused to betray their national honor by collaborating with the enemy, and many were forced to survive for months and years in the mountains and forests of their homeland. Millions of Poles suffered deportation and imprisonment in labor camps, and millions more were tortured and killed. The Polish nation lost close to one-quarter of her population, and the capital city of Warsaw was leveled to the ground.

Even after the end of the war, there was no peace for Poland, as the Soviets continued their occupation, and attempted systematically to destroy the culture, religion, and national identity of the Polish people. Nevertheless, the commitment to freedom of the Polish people has remained strong, and their struggle to achieve personal liberty and national integrity continues undiminished.

Five years ago, on August 31, 1980, the historic Gdansk Agreement was signed between the Polish Government and the workers, allowing them to set up an independent trade union. Today this solidarity movement in Poland has grown to hundreds of thousands of people, who are openly and courageously struggling to achieve freedom of speech, self-determination, and human dignity. An article from the August 29, 1985 edition of the Christian Science Monitor, describing the resolve of the Polish people and the solidarity movement to achieve these objectives follows:

POLAND'S SOLIDARITY—THEN AND NOW

(By Nicholas G. Andrews)

Five years ago this week, on Aug. 31, 1980, the workers' Interfactory Strike Committee signed a historic agreement with the Polish government after a 17-day strike in Gdansk. Apart from a series of economic concessions won by the workers, the agreement allowed them to set up an independent trade union, provided for the release of political prisoners, called for the lifting of media censorship, and stipulated that religious faiths should have access to radio broadcast time. The only one of the 21 points of the Gdansk agreement still in force is the Roman Catholic Church's regular radio broadcast of its Sunday Mass.

The Polish authorities stalled, backtracked, and significantly evaded fulfilling the terms of the agreement. Nevertheless, the Independent, Self-Governing Trade Union Solidarity was legally registered in November 1980. In December 1981, however General Jaruzelski proclaimed martial law, suspending the activities of all trade unions. In October 1982, a new law on trade unions was adopted which delegalized Solidarity and provided for the establishment, in stages, of a new officially approved union.

What is the legacy of Solidarity?

The Solidarity experience showed that the workers could unite to defend their interests and compel the authorities to make economic concessions, assuming both sides renounced violence. It proved that workers without higher education understood their country's problems and could develop ideas and solutions for them. Polish workers and intellectuals joined to negotiate issues with the authorities. The Solidarity period revealed a Polish hunger for free speech and democracy. It gave a moral and spiritual boost to Polish society and furnished hope that, under other circumstances (read: the termination of Soviet hegemony over Poland), the Poles could regain their full independence and sovereignty.

Although the Solidarity union is now illegal, it is alive and busy. It still collects dues from 10–20 percent of its members, publishes uncensored weeklies and biweeklies in every major city, and looks out for the welfare of the families of imprisoned members.

This underground Solidarity organization consists of perhaps several thousand activists. The organization's Interim Coordinating Committee meets periodically, issues communiqués, and announces the union's attitude on public affairs. Each regional center has its committee to coordinate activities and issue appropriate bulletins. In major plants nationwide, clandestine factory committees collect dues, distribute the factory's underground paper or other publications, and organize local actions in defense of workers' interests.

Aboveground, active Solidarity members and sympathizers can be numbered in the hundreds of thousands. Besides distributing underground publications, they lend assistance to underground activities in unseen ways. They also organize public appeals, issue statements of principle, and form groups for specific purposes.

The Polish government's policy, so-called normalization, means a return to a strict totalitarian system in which the authorities, through the credible theat of using much-expanded police powers, permit no deviation from the rules they establish. The murder of the Rev. Jerzy Popieluszko by Ministry of Internal Affairs officials last October was no accident. The accident was that they were caught in the act.

After the purge of some officials, police and security services have resumed their previous practices and enjoy the confidence of the prime minister. Finding a solution to Poland's economic woes and debt obligations is no doubt a major task of Poland's government, but maintaining total political control and diminishing the impact of the opposition is the first priority.

Poland, has been pointed out often enough, is divided into two camps: the rulers, which consist of the Army, the Ministry of Internal Affairs, and the Communist party, state, and government bureaucracy; and the ruled, who include most of the nearly 10 million Solidarity members, other opposition opinion, the Catholic Church and private farmers.

Little communication takes place between the two camps. Efforts to stimulate a dialogue between Solidarity and the government have thus far failed. Solidarity leader Lech Walesa periodically repeats his readiness for a dialogue and negotiations, but the government, believing it has the upper hand and need not negotiate as long as it is willing to use force, ignores him.

Such as it is—a far cry from its 1980–81 existence—Solidarity is unlikely to disappear. Young people in their 20's and 30's who were the mainstay of the union, cannot write it off as a failure and forget it. Too much of the promise of 1980–81 remains fresh in their hearts and minds. So the struggle for Solidarity ideals continues because the Communist system has nothing comparable to offer.

Mr. Speaker, as we again observe this anniversary of the invasion of Poland, I am honored to join Americans of Polish descent living in the 11th Congressional District of Illinois which I am honored to represent, and Polish-Americans all over this Nation, in their hopes and prayers for the reentry of Poland into the community of free nations. The long-suffering people of Poland still look to a strong America for moral support in their continuing struggle to achieve their just aspirations of national liberty.

CALIFORNIA FARMS REELING, TOO

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. COELHO. Mr. Speaker, as we return from the August recess, the House Agriculture Committee will be completing the markup of the 1985 farm bill. This difficult task has been made even more complicated by the President's recent threats to veto legislation that extends too much assistance to American farmers—at a time when falling prices and decreasing exports paint

BEST COPY AVAILABLE

an even gloomier picture of the U.S. farm economy in the months and years ahead.

For years, California's farmers have been recognized as the Nation's leading agriculture producers, and have even been considered immune to the financial problems their Midwest colleagues have experienced. Sadly, that is no longer the case, as California farm income and land values continue to decline, particularly impacting the economy of the fertile San Joaquin Valley. Daily, I hear from my farming constituents that they are hurting, and need help—not a handout, but help. If President Reagan could have driven a few hours north of his Santa Barbara ranch to visit with some of the same farmers I talked to, he might have a better understanding of what the House Agriculture Committee is trying to do. But since the President did not talk to any farmers, I would hope that he and others who share his opinion on this subject will read this New York Times article on the dilemma facing California agriculture.

CALIFORNIA FARMS REELING, TOO

(By Thomas C. Hayes)

Los Angeles, July 25.—From grapes and almonds, to cotton and rice, farmers in California have long had more options to make money than farmers in other parts of the country.

But growers here are reeling too, faced by many of the same woes as other American farmers: falling commodity prices, rising imports, dwindling foreign markets and staggering bank debt.

California growers face their fifth consecutive year of declining profits. The Security Pacific National Bank, for example, estimates that the industry will earn $3 billion this year, down from $3.2 billion in 1984 and a peak of $4.2 billion in 1980.

And falling prices for major crops such as cotton, grapes, raisins, corn, almonds and rice have pared cash flows so much that many growers say they face another year of losses. Those growers who borrowed to buy high-priced land a few years ago have few places to turn for help. California farms, although larger, on average, than those in the Middle West, are still mostly family owned.

"It looks like there will be a day of reckoning for a lot of growers by the end of the year," said Walt Cucuk, owner of a 180-acre grape and raisin farm north of Fresno. "They've got their ranches mortgaged to the hilt and have been living off their savings. "This year's crop won't pay their expenses."

The situation is probably not as bleak as in some parts of the American farm belt, because of the greater diversification. Nonetheless, agriculture is one of California's biggest industries, and the continued downturn has sent farmland prices plummeting, and has taken a toll on the banks here, too.

The problems in California agriculture, for example, were among the factors cited by the BankAmerica Corporation last week when it reported a $338 million loss in the second quarter. Its Bank of America unit has its roots in California's small farming communities and remains the state's largest agricultural lender, with a farm loan portfolio of $2.2 billion. It also owns approximately 94,000 acres on foreclosed farmland.

"All of the major California banks" are confronted with growing agricultural loan problems, said Ray Borton, senior agricultural economist for the California Department of Food and Agriculture.

Agriculture here remained relatively healthy during the nation's steep recession of 1981 and 1983.

Even now, some farmers are still thriving. The California citrus industry, for example, which suffered losses in the late 1970's, has benefited from the canker blight and freezes that hurt orange production in Florida. Several vegetables, such as tomatoes, also are doing well.

But many other crops are slumping. The strong dollar has made it much harder for growers to sell abroad, and foreign farmers are picking away at some of California's biggest markets, said Stephen Levy, senior economist at the Center for the Continuing Study of the California Economy, a private research group.

China, which as recently as two years ago imported California cotton, is now a cotton exporter—and a competitor. It may capture 15 percent of the Japanese market, according to the Agriculture Department.

Then too, wine imports, primarily from France and Italy, accounted for 25.7 percent of all wine consumed in the United States last year, according to the Wine Institute, an industry-financed research group in San Francisco. Many grape growers, including Mr. Cucuk, a third-generation farmer who is 52 years old, expect the figure to approach 28 percent this year.

California wine shipments, aided by the popular new wine coolers, are expected to increase about 3 percent, to 373 million gallons this year, according to the Wine Institute. But prices for grapes used for crushing have declined steadily—to $169 a ton last year, from a peak of $248 in 1981. Cotton, at about 60 cents a pound, is down about 10 cents from a year ago.

With less money coming in from crop sales, California growers have little available to make debt payments. "What we've seen the last two years will continue," said James D. Kirk, senior vice president in charge of lending for the Wells Fargo Bank in the San Joaquin Valley. "The people who took on too much debt will probably go out of business."

Mr. Kirk, along with other bankers, said they now review a grower's chances of making a profit on a given crop in deciding whether to make new loans, instead of looking at land values. Most bankers said they try to carry a farmer as long as possible, and if they must repossess the land, try to lease it back to the farmer.

"In a lot of cases, with appropriate management and efficiency enhancements, the farmers will come through" before the land is repossessed, said Duane Paul, senior economist for the southern California operations of the Bank of America. "But in other cases, fortunately the minority, they are simply not going to make it. It's a bitter pill for us to swallow, as well as for the farmer."

Most banks are keeping foreclosed acres off the market in an effort to keep prices from falling further, Mr. Cucuk, the grape grower, said.

Today, however, land values in the arid; irrigated San Joaquin Valley have plummeted in many cases by more than 50 percent in three years. Land with Thompson seedless grapes, a basic crop used primarily for raisins and in wine-making, has fallen to less than $4,000 an acre, down from a peak average of $10,840.

Rather than buying more land, Mr. Cucuk used his profits from boom times to open a machine shop. But that, too, is now "struggling." Mean-while, he expects to lose money in farming for the second consecutive year.

Dick Markarian, a grower with 880 acres south of Fresno, said that land acquired at $4,000 an acre was still too expensive for a grower to make a profit at today's prices.

Mr. Markarian, who is 74, said memories of occasionally going without food so that his father would not lose the family's 20-acre farm during the Depression had led him to refuse his son's desire to buy more land a few years ago. "I'm scared to death of debt," he said.

At the time, their farm was making more than 30 percent in after-tax profits on $600,000 in annual receipts. Today, the farm, which produces cotton, grapes and corn on mortgage-free land, might not make money, he said.

PRESIDENT ALFONSIN'S DETERMINATION

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. GARCIA. Mr. Speaker, the September 1 edition of the Washington Post had an excellent article of the determination of President Alfonsin and the Argentine people to come to grips with their economic problems.

The tone of the article was not completely optimistic, at least as far as the ability of the Argentine leader to solve his nation's economic crisis. But the article went beyond merely assessing Argentina's economic plight. It talked about the willingness of the Argentine people to give their President a chance. The fact that he must concern himself with the political pressures that go hand in hand with taking severe economic measures was in itself a refreshing sign. There was no talk of a coup in the article, only of the kind of political pressures that any democratic elected leader might find if he or she makes difficult, if unpopular, decisions.

That is not to say that the people are always fair or far sighted in their support for their leaders, but that is how a democracy works, and Argentina is very much a democracy. I am hopeful that the Argentine Government will be able to handle its economic problems, but at the same time, I am very glad that the people of that nation have chosen to do so as a democracy.

I submit the Washington Post article for my colleagues' perusal:

ALFONSIN LEADS ARGENTINES INTO WAR AGAINST INFLATION

(By James L. Rowe, Jr.)

BUENOS AIRES.—Two months ago, Argentine President Raul Alfonsin stood Argentine politics on its head. He told the country the truth about its economic policies.

It was not foreign bankers or Argentina's $48 billion in foreign debt that was the root cause of the country's hyperinflation and economic stagnation—a popular political theme during the first 15 months of his administration.

Instead, he said, Argentina itself and decades of its economic policies were the fundamental source of the country's economic woes.

It was an amazing change of course for the president, who inherited an economic mess in December 1983 from an eight-year-old military government. But to the surprise of veteran observers, most Argentines rallied around Alfonsin's message and the painful prescriptions he administered, boosting his popularity by 10 percentage points.

Last Thursday, labor unions organized a large, one-day strike to protest the new policy, but the demonstration was at best only partially successful and not an indication of a significant loss of support, Alfonsin's supporters and critics agree.

The clock is running on Alfonsin, however, many of these political figures say. If he fails to find the resources to begin to restore the ravaged Argentine economy, his mandate—and the country's economic future—will be in jeopardy.

The problems begin with the $48 billion Argentina owes to foreign creditors, which is soon to grow to $53 billion. Just to pay the interest on that debt, Argentina will have to drain about $5.5 billion a year from its economy—an amount equal to 8 percent of its total output of $70 billion.

As great a burden as the debt, perhaps, is the memory of how little Argentina got in return. Little of Argentina's borrowings were used to modernize or expand industry or create new businesses aimed at exports. Argentine's military government, which took the country into a disastrous war against Britain, spent heavily for its own needs, and to dampen import prices and inflation, the government kept the peso highly overvalued in the early 1980s. But this fed the demand for dollars, as Argentine investors increasingly moved into the American currency to protect themselves from an inevitable fall in the peso's value.

In 1980, according to economist Jorge Dominguez, Argentina borrowed billions of dollars merely to have enough of them in the central bank to satisfy private citizen's demands. Rather than investing in their own country, Argentines shipped their dollars to safer havens abroad. In 1980 alone, nearly $12 billion was sent out of the country, and today, Argentines hold an estimated $25 billion to $35 billion abroad.

Because it neglected its own development, Argentina will need major financial contributions from abroad for several years if it is to meet its interest payments, create jobs and start new export-oriented industries.

For this help, Argentina is dependent upon its bank lenders, who hold about $25 billion of the total debt. Many Argentines were galled by the willingness of the banks to lend to the former military government because, it is said, the banks knew the government was doing little productive with the borrowings. Now the banks hold the lifeline. In the next several months, they are expected to provide fresh money totaling $4.2 billion, the first new bank loans Argentina has received in more than three years. But the banks are reluctant to make big new loans to Argentina, or any other major debtors, because of the huge amount of loans already outstanding (about $350 billion for all of Latin America).

Argentine officials say they are confident that once the country demonstrates it has inflation under control and has taken other sound steps, foreign funds will become available—not only from banks but from the foreign holdings of Argentine citizens.

"But we have to get our economic house in order" before turning to the outside for more help, according to Treasury Secretary Mario Brodersohn, a key architect of the new plan that Alfonsin announced June 14.

That plan began with a wage-price freeze that Alfonsin imposed to break an entrenched inflationary psychology that was pushing prices upward at a 1,300 percent annual rate in May. He promised to cut the bloated federal deficit and ordered a halt to the printing of new money—the principal means Argentine governments have used for decades to pay for their government. To underscore the break with inflationary practices, he created a new currency—the austral—to replace the vilified peso.

Argentina also made peace with its international lenders and the International Monetary Fund, the lender of last resort.

The attack on inflation was the heart of Alfonsin's program. Spiraling upward and out of control, the price escalation was making normal economic decision-making virtually impossible. "By late May, the economy had ground to a halt," according to one diplomatic source.

"The situation we were living through was a desperate one. Argentines are clinging to this plan as though it were a lifesaver. It has been 40 years since they last had a feeling of stability," said Sen Carlos Gomez Centurion, a member of the tiny Provincialist Party.

And the solution was desperate—following Alfonsin's moves, the Argentine economy spun into an almost immediate recession. But the wage and price freeze is only a first step. Adolfo Canitrot, second in command at the Economy Ministry, said that the freeze will be maintained until society is convinced that inflation will not return.

But at some point, economic policy makers will have to devise a strategy to get Argentina growing without rekindling inflation and inflationary expectations, he said. Exactly how they will do that is not clear, even to them, Canitrot and Treasury Secretary Brodersohn said.

If the next phase of the anti-inflation program is to succeed, the government will have to gain control over the public-sector enterprises; more than 350 in all, which range from oil and electricity to appliance manufacturing. Many of them lose money and are a drain on the government's limited resources.

In direct opposition to the verities of Argentine tradition and, especially, those of his own Radical Party, Alfonsin said he would reduce the role of the state in industry, arguing that the private sector is more efficient than the public for most forms of enterprise.

These enterprises control more money that the president, one diplomatic source said. "The government now is attempting to put the bridle on the public-sector enterprises and to get the bit to fit in the mouths of the directors," the source said. "The government must get them to transmit the money they owe the treasury and get them to follow their own budget."

In the months ahead, the debt situation is manageable. This year, a $4 billion export surplus and the long-awaited money from the IMF and the banks will meet and exceed Argentina's need for foreign assistance. But by 1986, the growing load of foreign debt and anticipated difficulties in maintaining exports will begin to slow Argentina's growth. And by 1987, unless the international facts of life change, Argentina will be hit severely by foreign debt service.

Looking farther ahead, Alfonsin and Argentina face major obstacles in their attempt to restore Argentina to the healthy economic status it enjoyed prior to World War II, when it was one of the most prosperous nations in the world. In the last 10 years, manufacturing employment has declined 35 percent, while output has fallen 20 percent, according to Alberto Sojit, a Peronist economist who has been advising the Alfonsin administration. Workers with relatively high incomes have been forced into low-paying service jobs, reducing demand for such middle-income products as automobiles.

The prices of Argentina's exports—mainly agricultural and other commodities—have fallen sharply. About 80 percent of Argentina's exports are agricultural products, and it faces increasing difficulties in exporting to its historical markets such as Europe because European farm policy has been aimed at fostering and protecting products such as beef. In 1960, Argentina exported 1 million tons of beef a year. Today it exports about 250 thousand tons.

Most troubling, perhaps, is Argentina's lack of diversification. While Brazil, its neighbor and traditional Latin American rival, has built aggressive export industries, Argentina has been content to rely on traditional commodities and raw materials for nearly all of its exports. In the mid-1960s, Brazil and Argentina each exported about $1.5 billion worth of goods a year. Today, Argentina exports about $8 billion worth, while Brazil's exports are worth $27 billion.

Economist Dominguez said that Argentina must quickly look to joint ventures with foreign investors to develop industries to transform raw materials and raw commodities into higher-value intermediate goods. For example, Argentina should export beef products, not merely beef, he said.

Perhaps the key factor in Alfonsin's new economic policy is Alfonsin himself.

"He is a man of charisma who speaks clearly and is perceived to be decent," according to N. Charles Rowe, vice president of the Bank of Boston's large Argentine branch operation.

A rival Peronist politician said that, during the year and a half Alfonsin has been in office, has stature has magnified. "Not since Juan Peron do the Argentine people seem willing to put their trust in one politician," he said.

His prospects are aided by the severe divisions in the Peronist Party, conceded Diego Ramirez Guelar, one of the leading Peronist deputies and ranking minority members of the House Budget Committee.

For the last six months, the Peronist Party, called Justicialist, has been in a massive internal war pitting provincial interests against those of urban Buenos Aires. Many expect Alfonsin's 52 percent House majority to climb to 60 percent or higher after the November congressional elections.

To be sure, Alfonsin's desire to reshape the economy and downplay confrontation with foreign banks and multilateral institutions is not shared by the vast majority of his Radical party, which remains committed to a heavy state involvement in industry.

"But attitudes are changing," insisted Cesar Jaroslavsky, who heads the Radical bloc in the House, the more powerful of the two legislative bodies. "We inherited a monstrous state from the military. More than 50 percent of economic activity is in the hands of the state."

"Alfonsin came into power hoping to duplicate the successes the Radicals felt they were achieving the last time they governed in 1963," according to a top Argentine businessman, who spoke on condition that he not be identified.

"But Alfonsin, who has been in regular contact with heads of state all over the world, learned that those policies don't work any more. Certain industries, like utilities, will always be in the hands of the state. But others have no business being there, and Alfonsin apparently now believes that, too," the businessman said.

"Alfonsin has control of the government. Don't you doubt it. Things may take time. But if he wants them to get done, they will get done," said an Argentine bank executive, who also spoke on condition that he not be identified.

But Alfonsin well may exhaust all his political appeal if he conquers the inflation problem and comes up empty-handed on investment. "Argentines are grateful today," said an Alfonsin supporter. "Will they be grateful tomorrow?"

Even though declining real wages have been a fact of life in Argentina for a decade, actual unemployment has been low, averaging about 3.5 percent. However, the recession that followed the wage-price freeze has led to almost-unheard-of layoffs and job losses. "More than 5,000 of our 30,000 members have been laid off," said Ricardo Lamanna, a top official of the union of foremen in the metals industry. "It's worse in construction. We're in favor of fighting inflation, but gradually. A country that doesn't produce can't pay its debts."

Brodersohn warns that "making serious economic policy is not enough. There are three players in this game. We need help from the advanced countries. They have to stop subsidizing exports where they have no comparative advantage. The European subsidy on beef exceeds Argentina's cost of production.

"The international banking community not only must reduce the interest it charges on outstanding loans. It also must make available new lines of credit if we are to grow."

His warning is muted in the less-confrontational tones that are now used by the government in referring to the debt. There is a recognition that, no matter how tempting it may be to say "to hell with the debt," in reality, it costs more to confront than to pay. "To be another Nicaragua, isolated from the United States, is not a palatable option," said a former top Argentine diplomat.

Leading Argentine officials are beginning to realize that neither Europe nor Japan is going to open its domestic markets to Argentine exports and that the United States is becoming Argentina's most important ally. But even if the rhetoric about Argentina's foreign obligations has cooled, the debt never disappears from the horizon.

"The people at the IMF, the Federal Reserve and the [United States] Treasury tell us that, if the economic situation stabilizes and our accounts are more or less in order, there will be an increase in foreign investments and the policy of the banks will change. They tell us the banks will be more willing to lend," the Economy Ministry's Canitrot said. "I don't know how long we've got to wait. After one year or two years without results, the political pressures will build up."

JUDGE EDWARD WEINFELD

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. GREEN. Mr. Speaker, Judge Edward Weinfeld recently celebrated his 35th anniversary on the U.S. District Court for the Southern District of New York. Judge Weinfeld's scholarship and diligence continue to add luster to a distinguished court, and, I should particularly like to bring to the attention of my colleagues an article on Judge Weinfeld that appeared in the August 18, 1985, New York Times.

A LIFETIME OF LAW AND QUIET DILIGENCE FOR JUDGE WEINFELD

(By David Margolick)

It is very quiet in Foley Square at 4:30 in the morning, when 84-year-old Judge Edward Weinfeld usually arrives. The square is deserted except for the homeless people sleeping in the park across from the United States Court House.

Last week Judge Weinfeld marked his 35th anniversary on the bench in appropriate fashion. He showed up at the Court House five minutes earlier than usual, switched on the lights in his chambers, made a pot of coffee and began doing the job he loves—the lonely, difficult but exhilarating work of a Federal trial judge.

When Judge Weinfeld leaves his apartment on East 66th Street for Room 2204 of the courthouse each day, he merely forsakes one home and family for another. At the courthouse he is married to the law, and his clerks are his sons and daughters.

Friends, colleagues and former law clerks have begged him not to work so hard. But the judge, a stickler for facts, takes issue with not only their sentiments, but also their choice of words.

NOT WORK BUT 'JOY'

"When, at a fairly early hour of the morning, I put the key into the door of my darkened chambers and walk across the room to start the day's activities," he wrote recently, "I do so with the same enthusiasm that was mine the very first day of my judicial career. What one enjoys is not work. It is joy."

Edward Weinfeld is the oldest active Federal judge in the United States. But in a profession known for its dissenters, nearly everyone agrees that he also remains what he has long been: one of the most respected Federal judges in the country.

Two years ago, when Judge Weinfeld's alma mater, the New York University Law School, named a professorship after him, Associate Justice William J. Brennan Jr. of the United States Supreme Court called him "a day-by-day living example of what we want our judges to be." He added: "There is general agreement on bench and bar throughout this nation that there is no better judge on *any* court.

2,108 OPINIONS

Judge Weinfeld has earned his reputation through decades of diligence rather than through the luck of assignments or the eloquence of his writing.

He has presided over his share of famous cases—the libel suit by the author Quentin Reynolds against Westbrook Pegler, the noted Hearst journalist, for instance, and New York City's case against Rockwell International for defective subway cars—but no more than his share.

His opinions—2,108 of them as of last week—are long on facts and short on aphorisms.

In 35 years on the bench, he has granted only one interview: to his granddaughter, who is recording his memoirs.

"In a sense, it would be easier to salute him if he'd been more noisy, if he had laid claim to some innovative legal philosophy or sought attention through 'great' opinions or a monopoly of 'important' cases," Justice Brennan said. What has distinguished his career, he said, has been "the purity of its devotion and its quiet dedication to the business of judging."

Judge Weinfeld, who is routinely showered with such praise, is likened to New York's other noted 20th-century jurists, Benjamin Cardozo and Learned Hand.

But Judge Hand himself might have disputed that assessment, at least judging from a photograph he once inscribed to his friend: "To Edward Weinfeld, who makes the rest of us feel like drones."

NO MORE TENNIS

Age has forced some changes in Judge Weinfeld's daily routine. He rarely takes his ruminative lunchtime walks across the Brooklyn Bridge anymore, and his 6 A.M. tennis game died a while ago, with the only person he could find to play at that hour. Some lawyers say that in recent years the judge has grown more impatient, even peremptory, with them in court.

But as sleep becomes more difficult for him, his workday begins earlier than ever. It starts in his chambers, following a round of pushups, with a verse of the Bible—first in Hebrew, then in English. In the hours before his law clerks arrive, he writes opinions, reviews court records and sentencing reports and reads the latest Supreme Court rulings.

One story, apocryphal perhaps but not implausible, tells of a prosecutor who met the judge on the Court House steps at 8 o'clock one morning.

"Going out for breakfast, judge?" he asked.

"No, for lunch," Judge Weinfeld replied.

MINISTER OF JUSTICE

The judge's work, to many, could seem like drudgery: writing and re-writing opinions, reviewing reams of court documents, cross-examining probation officers before sentencing. But Judge Weinfeld is fond of referring to himself as a "minister of justice" and telling his law clerks that "there is no such thing as an unimportant case."

Such sentiments could seem corny to some—but not to those who have reviewed his decisions on appeal, shared the trial bench with him, worked for him or been litigants in his courtroom.

The United States Supreme Court often mentions Judge Weinfeld by name, a rare tribute for a trial judge. Fellow jurists regularly seek his counsel and use his jury instructions.

The defendants in the Brinks murder cases, who routinely disrupted the proceedings in other courtrooms, stood quietly whenever Judge Weinfeld entered his.

DECISIONS RARELY REVERSED

And appellate courts rarely reverse him—not even in the midst of the McCarthy era, when he ruled that a Senate subcommittee had improperly questioned a Columbia University lecturer, Corliss Lamont, about his political beliefs.

"In my view the Court of Appeals would not have upheld any other judge," said Leonard Boudin, who represented Mr. Lamont. "The weight of his learning, legal analysis and reputation made him virtually irreversible."

Judge Weinfeld has periodically promised his wife of 54 years, Lillian, that he plans to retire from his post, a lifetime appointment. But despite gout, phlebitis and other ailments, there is no evidence that he intends to keep his word. Already, he has hired law clerks both for next year and the year after.

They will presumably develop the same bond with Judge Weinfeld as their predecessors, most of whom have long-since gone on to successful careers of their own. Many, looking back, say nothing could compete with their first job or first boss.

"One of the tragedies of my life is that I peaked at 25," said Mitchell Lowenthal, Judge Weinfeld's 1983 clerk and now an associate at Cleary, Gottlieb, Steen & Hamilton in New York.

Another New York lawyer, Daniel Levitt, wrote of his clerkship in 1964-65: "That was the best year. The rest are only to be used to prove we were worthy of you."

"He will never retire," said Martin Lipton, a New York lawyer and Judge Weinfeld's clerk from 1956 to 1957. "He will spend his last days on the bench."

Judge Weinfeld has said he aspired to serve the rule of law even as the 9-year-old son of immigrant parents on the Lower East Side. He practiced law for 27 years before entering public service, first as a delegate to the 1938 New York State Constitutional Convention, and later, as head of Governor Herbert H. Lehman's pioneering public-housing program.

TRUMAN APPOINTEE

It was Lehman, as a United States Senator, who persuaded President Truman to name him a Federal judge.

Like Judge Hand, Judge Weinfeld was often mentioned for higher judicial office, most notably in 1965, when he was recommended by Senator Robert Kennedy and Emanuel Celler, the chairman of the House Judiciary Committee, and his own colleagues for the United States Court of Appeals. President Lyndon Johnson, however, ignored Senator Kennedy's nomination and chose Judge Wilfred Feinberg.

"There is no question that Feinberg's was a fine appointment," said Nicholas deB. Kastzenbach, who was Attorney General at the time. "But I think Johnson wanted to teach Bobby a lesson in politics, and did."

REJECTION "A WASTE"

"Right now, he would stand mountain high in comparison with any Justice on the Supreme Court," said Louis Nizer, who appeared before him in the Reynolds libel case. "It's a great waste."

But others, like Federal District Court Judge Morris Lasker, a colleague for nearly two decades, disagree. "He was better equipped to work by himself than on a collegial court," he said. "He's an artist of sorts, and artists can't work collegially."

According to his friends, Judge Weinfeld is somewhat baffled by the adulation he has received. His attitude toward his life's work appears akin to his feelings about jurors—to whom, he feels no thanks are ever due.

"I happen to believe that one who faithfully and conscientiously discharges his duty neither is entitled to, nor must he or she expect, thanks," he tells jurors before they are discharged. "Your reward must come from the knowledge that you responded to the call of duty as a citizen, and were privileged to play an important part in the administration of justice."

AMERICAN LEGION VIGIL IN NEW JERSEY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. COURTER. Mr. Speaker, a very fine vigil for American MIA's and POW's was organized in July in Franklin, NJ. The ceremony was planned by Mr. Paul Cilurso, chairman of the POW/MIA Vigil Committee of Post 132 of the American Legion. Because Mr. Cilurso and the American Legion have performed distinguished services for American war veterans and their families, I wish the following notice of the vigil to be entered into the RECORD. Mr. Speaker, the American vigil continues for all the good men lost to us in the Southeast Asian war.

[From the Daily Record, Morristown, NJ]

LEGION VIGIL IN FRANKLIN HONORS MIA'S

(By Duane Stoltzfus)

FRANKLIN.—Through the day and through the night American Legionnaires remembered the Americans still missing in Southeast Asia in a vigil that culminated when hundreds of balloons, one for each of the missing soldiers, colored the morning sky yesterday in a symbolic flight to freedom.

The 24-hour vigil, held here at the American Legion Post 132, sought to remind Americans of the 2,464 men who remain missing or unaccounted for since the end of the Vietnam War.

"They are still there," said Paul Cilurso, chairman of the vigil, reflecting on the purpose of the gathering. "There are people over there. They are Americans. We want them home."

"It's not my vigil," he continued. "It's not the committee's vigil. It's an American vigil."

Sponsored by the Sussex County American Legion and the American Legion Department of New Jersey, the event began Saturday noon, with the reading of the 2,464 names of those listed as Prisoners Of War and Missing In Action, a reading that would continue for the length of the watch. The ceremonies included an opening prayer, 21-gun salute, speeches and a parade.

This vigil was the brainchild of Cilurso, who first attended a similar ceremony in Bridgeton last year.

Both Cilurso and Brent Minahane, who also stayed awake for the entire vigil, spoke of symbolic links and an elusive tie that binds those who have served and returned to those who remain missing.

Many of the 428 members of the Franklin post attended the vigil, along with other legionnaires and supporters from elsewhere in the county.

THE FIRST EARTH RUN

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. MCHUGH. Mr. Speaker, all of us remember the spirit of cooperation and patriotism that was generated in 1984 as the Olympic Torch was carried across the United States.

Today, I am inserting into the RECORD an article that recently appeared in the Los Angeles Herald Examiner regarding the first Earth run. This event, which is being organized by David Gershon, the director of the 1980 Winter Olympic torch relay, is designed to take the Olympic torch relay one step further by organizing a worldwide torch relay that will honor our common humanity and ignite the spirit of global cooperation.

The first Earth run is an inspirational concept that deserves our encouragement and support, and thus I hope that all of our colleagues will take a few moments to learn more about this event.

CONCEPT OF FIRST EARTH RUN IS CATCHING FIRE

NEW YORK—An Olympic torch hangs on the office wall of Peter Ueberroth, baseball's new commissioner. It's a reminder of the fever that swept the country last year during the Los Angeles Olympics.

The two-pound torch caught fire in 1984 as it made its way across the United States, carried by thousands of runners in a relay that united the country.

Ueberroth, widely applauded for his organization of the highly profitable 1984 Summer Olympics, says that one of the major reasons for the success of the Games was the torch relay.

"We were able to rekindle pride in our country as evidenced by the millions of people who took part in the torch program as either spectators or participants," Ueberroth said, "I hoped the run would unify the country. People weren't afraid to stand up and cheer for the country, and the rest of the world saw how caring the country could be."

Now, a group headed by David Gershon, the director of the 1980 Winter Olympic Torch Relay, which went from Olympia, Greece, to Lake Placid, is organizing the First Earth Run.

The international event, which Gershon and his compatriots hope will touch millions of people throughout the world, is scheduled to begin in May 1986 at the United Nations in New York and end there four months later.

"The idea of the event is to serve as a powerful catalyst," said Gershon, who also organized and led the American Liberty Torch Bicentennial Relay, a 9,000-mile journey through all 50 states in 1976, and served as associate coordinator for the New York City Marathon for four years. "We hope we can touch a lot of people and inspire them in different ways.

"We are taking the Olympic Torch Relay concept one step further . . . taking it around the world and creating it as an event . . . an event to honor our common humanity and ignite the spirit of global cooperation.

"We are calling it the First Earth Run—An Olympics of Cooperation."

Gershon said the run should be viewed as "something positive . . . something to motivate people, an event to inspire hope. We feel that given the state of the world what we need is something catalytic.

"I hope we will touch over two billion people . . . not just those who know of it, but those who will get involved physically. Our goal is to make a significant statement of cooperation."

The First Earth Run has five elements, Gershon said.

"The first is to get all countries in the world involved," he said.

Toward that end, the plan is to have runners from each country join a relay team for about a week between May and September. "A trunk route will go around the world to about 60 countries," said Gershon. "A tributary route will go to about 100 other countries.

"Using a flaming torch as the visual symbol connecting nation to nation, (the idea is to) have light-bearing runners from every country pass the flame from hand to hand across national boundaries touching every nation as they encircle the earth with light."

The second element is to try and have mass participation at candle-lighting ceremonies in many major cities.

"When the torches are returned to the tributary countries, it will be a chance for everyone to carry the torch," said Gershon. "Through light ritual ceremonies in every town, people receive the light from the light-bearing runners onto torches and candles and then spread it from individual to individual, community to community.

"By the end of the Earth Run, over half the population of the world will have received the light in their own personal candles."

The third element will be to award gold, silver and bronze medals on local and national levels "for the best strategies that embody cooperation."

"All along the pathway of the Earth Run, communities, regions and countries create ceremonies in their own unique cultural ways to celebrate the message of the torch of light as it passes," Gershon said.

The ceremonies, in conjunction with the candle-lighting rituals, will be set up as fund-raisers, he said. "We want to give money to hunger and entrepreneurial development of the Third World," he added.

Element No. 4 is to hold major concerts "to use the universal language of music and satellite communications to magnify the experience of our common humanity." The concerts will be held as the torch arrives in seven cities—Moscow, Peking, Tokyo, Rio de Janeiro, Nairobi, London and Los Angeles.

The final element will come back at the UN Building. There, world leaders, including the secretary general of the UN, will receive the torch, Gershon said, "which represents the hope and aspiration of the whole world.

"Hopefully, we will have made a shift, moving the world one step closer to a positive future."

Assisting Gershon in the project are Hal Uplinger, who has worked for CBS in producing Super Bowl games; Doug Cox, a former director of sales for CBS, who will coordinate the concerts; Mike Mitchell, the head of the chief financial group for the 1984 Olympics; Gail Straub, a former Peace Corps member, and Martin Bents, who works for the UN and will map and plan the torch routes.

Ueberroth is not involved in the Earth Run.

Gershon estimated the total cost for the project at $15 million, with the money to be provided by "corporations, individuals and governments."

"We have a quarter-million dollars committed now," he said. "Within the next six months, we should be nailing down all the financial pieces. We hope to have everything in place by June."

UNFAIR ATTACKS AGAINST AN ADMINISTRATION NOMINEE

HON. PAT SWINDALL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. SWINDALL. Mr. Speaker, I call your attention to an article written by John Lofton which illustrates some of the unfair attacks and smear campaigns that some of the administration nominees have been subjected to.

I would like to submit the full text of the article into the CONGRESSIONAL RECORD.

PRESSING PAW FOR THE FACTS

"I feel like a lion who was just eaten by Christians," said a smiling Anthony Podesta, president of People for the American Way, a rabidly anti-Christian group founded by TV producer Norman Lear.

And, for once in his life, Mr. Podesta was correct about something. He had just concluded a press conference in which he attacked the prospective nomination of Herbert Ellingwood to be assistant attorney general for legal policy at the Justice Department. And during his session with the press, he was kept on the defensive by representatives of Christian groups or publications, who attempted to pin him down on his charges concerning Mr. Ellingwood, who is currently chairman of the Merit Systems Protection Board.

So, what and where is the beef? How valid is the PAW case against Mr. Ellingwood? Well, as Al Smith used to say, let's look at the record.

Charge one is that Mr. E. has "abused merit hiring practices" by judging a person's qualifications for federal jobs on the basis of "religious beliefs." It is alleged that Mr. E. helped "devise" a "talent bank" to (gasp!) place right-wing fundamentalists in federal civil service and political jobs, a "talent bank" said to be a project of the American Coalition for Traditional Values.

But, in a letter last February to Rep. Pat Schroeder, D-Col., Mr. E. denied, *six times*, that he had done this. He said: "I do not advise or assist any group or representatives of any group on the placement of individuals with the civil service." And Mr. Podesta has produced no evidence to refute this denial. In fact, when I pressed him on this allegation, he said, no, he knows of no specific examples where Mr. E. has shown "religious favoritism," as a PAW press release charges. And he said they have looked for victims of such discrimination by Mr. E., they have found no such persons, and they are "still looking."

The PAW's charges as regards Mr. E's alleged relationship with ACTV are, in part, said Mr. Podesta, based on an article in the *Federal Times* which broke this so-called story. But the *Federal Times* story warned that "key questions" critical to determining the propriety and legality of the alleged Ellingwood-ACTV connection "remain unanswered." And "still unclear is the extent of ACTV's contacts within the government, as well as the nature of the jobs the group is seeking to fill."

Another charge is that Mr. E. has "abused the public trust" by "taking excessive paid leave for personal gain," by taking 87 days of paid leave from December 1981 through February 1984 and by taking $16,000 in speaking fees from "ultra-fundamentalist groups" while "working in a full-time federal position."

But, a June 1984 General Accounting Office report made at the request of Rep. Schroeder, and included in the PAW's own press kit, reveals that these charges are hogwash. The GAO report concluded that "all"—repeat *"all"*—of Mr. E's speeches to these Christian groups "were given during his personal time, or while on a leave of absence." Furthermore, said the GAO, its review did not disclose "any attempts to cover up" the nature of Mr. E's trips. And the GAO said that as a political appointee, Mr. E., as an agency head, is exempt from the Annual and Sick Leave Act, he is on call at all times and works whatever hours are necessary to meet his official responsibilities, and he "enjoys complete freedom to absent himself from duty as he sees fit."

The PAW complaint about Mr. E's speaking to Christian groups while also on official business is kooky. The charge is made that such speeches use tax dollars to subsidize the programs of these religious groups. But this is absurd and economically ignorant. With the federal deficit in the $200 billion range, one would think the PAW would be applauding government officials who make speeches, since the money these officials earn is taxed and, thus, helps reduce the deficit! But then, such reasoning imputes a degree of lucidity to Mr. Podesta and his crew which they obviously lack.

Another charge is that Mr. E. showed "personal favoritism" by "pushing through" for an attorney's job the wife of a man who loaned Ed Meese money, and that he did this without allowing anybody else to compete for this job. This is so wrong that at the press conference, Eric Yoder, a reporter for the *Federal Times* who said he broke this story, said he was compelled to note that "no competition was required" for this job. Mr. Yoder told me later that the PAW press release, as regards this charge, "stretches the truth."

And finally, it is charged that Mr. E. has "abused our system of justice" by "reportedly" sending an "ideological questionnaire" to potential judicial nominees when he worked for Gov. Reagan in the 1970s. And it is alleged the California bar once "indicated" it would oppose Mr. E's nomination to the Court of Appeals in 1974.

"Reportedly?" "Indicated?" These are weasel words. *Who* reported this? Well, Mr. Podesta said this report comes from *The New York Times*, the *New York Law Journal*, and certain unnamed judges. As for what the California bar "indicated," a spokesman for this organization said it has no record of any recommendation concerning Mr. E. and that if one was made, it would have been confidential.

And when asked just exactly which senators are among "a number of senators" Mr. Podesta said are "concerned" about Mr. E's prospective nomination, he said, well, his

group has "asked for appointments" with all Judiciary Committee members, and they have met with about half of these members' staffs. Oh.

When Mr. Podesta was asked directly by Richard Dingman of the *Christian Inquirer* if there's any evidence Mr. E. has shown any undue bias in his present job, if he has tried to subvert the normal civil service process, Mr. Podesta said, "No," there's no such evidence.

Ordinarily, in the real world—which means everything north, south, east, and west of Washington, D.C.—it's probably true that where there's smoke, there's fire. But as likely as not, here in the nation's capital, it's an even bet that where there's smoke, there's some clown or group of clowns with a smoke-making machine. And for People for the American Way, bearing false witness has become a way of life, which is hardly the American way, by any definition.

Footnote: And (surprise!) the guy who has produced radio ads for the PAW against Mr. E's nomination is Tony Schwartz, who produced the smear-job TV spot against Barry Goldwater in 1964 featuring the little girl picking the daisy, the countdown, the nuclear explosion.

KRISTINA MARY KOCEK

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. FAWELL. Mr. Speaker, I want to take a moment to congratulate Kristina Mary Kocek of LaGrange Park, IL, on her recent selection for the Secretary's International Youth Year Awards Program, sponsored by the U.S. Department of Education.

Kristina is 1 of 257 outstanding individuals nationwide and 1 of only 5 from the State of Illinois chosen for this award. She was selected from over 1,000 nominations as displaying exceptional caliber and value to others.

The Secretary's awards project is the Department's chief initiative observing International Youth Year, which was designated for 1985 by the United Nations and reinforced by a Presidential proclamation.

Kristina is deserving of this award to honor outstanding youths because she fits that description in several categories. She has been an outstanding student, maintaining a 4.0 GPA for 4 years in a college preparatory program. She was inducted into the National Honor Society during her junior year, and she has accepted a scholarship at Rice University where she will pursue an engineering degree.

She has been an outstanding student leader, serving as the vice president for 2 years in a school/community service organization, Sharclub. Among other activities, she organized visits to the British Home, a retirement residence, was president of the National Honor Society during her senior year, and was a leader in physical education classes for 2 years. Kristina, inspired and created a "school song" sign which was donated to the school and is now hanging permanently in the gymnasium.

Kristina has been an outstanding volunteer in sharing her talents with peers, serving as a tutor in mathematics and writing.

Athletically she is also talented. She participated in track and volleyball for 4 years. In volleyball, she served as captain in her senior year on a strong team that was a State contender. In track, she participated in shot put, and was a State qualifier for 2 years.

Kristina has been an outstanding recipient of various awards earned by young people recognized for achievements in different fields, including: Senior speaker (commencement, chosen by peers), Bausch & Lomb Science Award, Science Department Honors, Outstanding Senior Science Student 1985, English Department Honors, Mathematics Department Honors, Outstanding Senior Mathematics Student 1985, Physical Education Department Honors, Outstanding Senior Scholar Athlete, DAR Good Citizen Award, Illinois State Scholarship, Illinois Merit Recognition Scholarship, Presidential Academic Fitness Award, National Honor Society $1,000 Scholarship, and Write Place Tutor Award.

I wish to extend my sincere congratulations to Kristina Mary Kocek for her outstanding achievements. I share the pride and hopes for Kristina's continued success with her parents, peers, and school staff.

CONGRESSMAN GROTBERG COMMENDS ST. JOSEPH HOSPITAL FOR COST-CONTAINMENT PROGRAM

HON. JOHN E. GROTBERG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. GROTBERG. Mr. Speaker, St. Joseph Hospital, of Elgin, IL, has implemented an innovative health care cost-containment program which provides free medical care for senior citizens 65 and older.

St. Joseph's is operated by the Franciscan Sisters, who since 1902 have been committed to providing quality health care for the elderly. This unique program, GoldenCare Plus, is in keeping with that commitment, and the sisters and hospital administrators should be commended for being in the forefront of this type of service.

GoldenCare Plus is free and open to anyone age 65 and older who is eligible for both parts A and B of Medicare. Senior citizens enrolled in the program have no deductible or coinsurance charges or any other out-of-pocket expenses for any inpatient or outpatient care provided by the hospital.

GoldenCare Plus picks up all hospital costs not covered by Medicare or supplemental insurance up to the maximum Medicare-covered days. Cardholders pay nothing for their room, meals, tests, x rays, or any other hospital charges. That kind of health care cost containment should be contagious.

Mr. Speaker, there is no catch or gimmick to this program. Hospital Administrator Robert J. Mohalski believes the program will eventually pay for itself through increased hospital census, and ultimately will increase the hospital's effectiveness.

In less than a month, 4,500 already have signed for their GoldenCare Plus cards.

St. Joseph also provides special reserved parking at the hospital, free financial counselors and a 50-percent discount on purchases in the hospital cafeteria for all cardholders.

St. Joseph has met the challenge of providing for the ever-changing health care needs, worries and frustrations of the elderly. This is one example of providing quality health care while keeping costs under control. I hope it's contagious in Illinois and across the country.

H.R. 1914

HON. JAMES A TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 4, 1985

Mr. TRAFICANT. Mr. Speaker, earlier this session, I spoke on the House floor concerning AT&T and its plans to invest $30 million to build a plant in Singapore to produce residential telephones. This work is presently done at a plant in Shreveport, LA, and would result in the loss of about 2,000 American jobs.

Recently, AT&T announced that it would be eliminating 24,000 jobs at the communications products unit to make this particular facet of their operation more profitable. Robert E. Allen, chairman of AT&T, said that market conditions had dictated this latest action and that further reductions may be necessary.

Morton Bahr, president of the Communications Workers of America believes these cuts are being made only to achieve increased short-term profits and will result in the loss of AT&T's greatest resource, skilled craft workers. The Communications Workers of America represent about 70 percent of the jobs to be eliminated.

Again, yet another U.S. multinational corporation is making drastic cuts in its U.S. operations while continuing to expand its overseas plans. This type of action will not stimulate economic recovery and provide jobs for the thousands who are unemployed in this country. American jobs are continuing to be sent overseas at an accelerated rate.

I have introduced legislation, the Foreign Subsidiary Tax Equity Act, that would discourage American corporations from moving their operations and American jobs overseas. This legislation would plug an existing loophole in the Tax Code by requiring these U.S. plants to pay tax on the income generated in tax haven countries.

Can we continue to allow American jobs to be shipped overseas? I think American workers need our help, and I believe my legislation, H.R. 1914, is a valuable step in that direction. American jobs and economic stability are at stake in this crisis. I urge you to cosponsor H.R. 1914.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 5, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 6

9:30 a.m.
Joint Economic
To hold hearings on the employment/unemployment situation for August.
2359 Rayburn Building

10:30 a.m.
Joint Economic
Economic Resources, Competitiveness, and Security Economics Subcommittee
To hold hearings on the causes of excessive defense costs.
2359 Rayburn Building

SEPTEMBER 9

9:00 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold oversight hearings on the implementation of the Motor Carrier Act (P.L. 96-296).
SR-253

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on S. 1265, to provide compensation for workers injured by exposure to asbestos.
SD-215

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nominations of Susan M. Phillips, of Iowa, to be a Commissioner of the Commodity Futures Trading Commission, Vance L. Clark, of California, to be Administrator of the Farmers Home Administration, and Larry L. DeVuyst, of Michigan, to be a Member of the Federal Farm Credit Board, Farm Credit Administration.
SR-328A

Governmental Affairs
To hold hearings on S. 1527, to establish a new retirement program for all Federal and postal employees and Members of Congress.
SD-106

Judiciary
Security and Terrorism Subcommittee
To hold hearings to explore the effects of terrorism in South Africa on the security of the United States.
SD-226

2:00 p.m.
Finance
Savings, Pensions and Investment Policy Subcommittee
To hold hearings on retiree benefits.
SD-215

SEPTEMBER 10

9:00
Finance
Taxation and Debt Management Subcommittee
To hold hearings on proposed legislation to raise the limit on the public debt.
SD-215

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume oversight hearings on reforming Federal deposit insurance for banks and thrift institutions.
SD-538

Commerce, Science, and Transportation
To hold hearings on S. 1310, the Clean Campaign Act of 1985.
SR-253

Finance
Taxation and Debt Management Subcommittee
To hold hearings to examine the cigarette excise tax provisions of the Internal Revenue Code.
SD-215

Labor and Human Resources
Labor Subcommittee
To resume oversight hearings on the impact of the Supreme Court's ruling in Garcia vs. San Antonio Metropolitan Transit Authority on the coverage of State and local government employees under the Fair Labor Standards Act.
SD-430

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Governmental Affairs
To continue hearings on S. 1527, to establish a new retirement program for all Federal and postal employees and Members of Congress.
SD-342

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 1093, the Agricultural Patent Reform Act.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SR-385

Joint Economic
Monetary and Fiscal Policy Subcommittee
To hold hearings to explore America's economic challenge in Asia.
SD-562

2:00 p.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Terrence M. Scanlon, of the District of Columbia, to be Chairman of the Consumer Product Safety Commission, and Anne Graham, of Virginia, to be a Commissioner of the Consumer Product Safety Commission.
SR-253

Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings on the implementation of section 404 of the Clean Water Act, relating to the wetlands dredge and fill permit program.
SD-406

Finance
To hold hearings on port and waterway user fees.
SD-215

Joint Economic
Trade, Productivity, and Economic Growth Subcommittee
To hold hearings to explore America's economic challenge in Asia.
2203 Rayburn Building

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

SEPTEMBER 11

9:30 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on reforming Federal deposit insurance for banks and thrift institutions.
SD-538

Commerce, Science, and Transportation
Business meeting, to consider proposals relating to the future of Washington National Airport and Washington Dulles International Airport
SR-253

Finance
To hold hearings on proposed legislation to provide for certain spending reductions and revenue increases.
SD-215

Labor and Human Resources
To hold hearings on United States' relations with the International Labor Organization [ILO].
SD-430

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Energy and Natural Resources
Business meeting, to resume consideration of S. 426, Electric Consumers Protection Act, S. 403, Hydroelectric Facility Relicensing Amendments, S. 1219, Fair Competition in Hydroelectric Licensing Act, and S. 1260, Hydroelectric Relicensing Reform Act.
SD-366

Foreign Relations
To hold hearings on international narcotics trafficking.
SD-419

Governmental Affairs
To continue hearings on S. 1527, to establish a new retirement program for all Federal and postal employees and Members of Congress.
SD-342

Judiciary
To hold hearings on certain provisions of the Conrail Sale Amendments of 1985.
SD-226

Select on Indian Affairs
To hold hearings on S. 1396, to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation in Minnesota.
SD-628

1:00 p.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on competitiveness in the long-distance telephone markets.
SR-253

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

SEPTEMBER 12

9:00 a.m.
Armed Services
To hear and consider the nominations of Robert K. Dawson, of Virginia, to be Assistant Secretary of the Army for Civil Works, Robert B. Sims, of Tennessee, to be Assistant Secretary of Defense for Public Affairs, and routine military nominations.
SR-222

Office of Technology Assessment
The Board, to hold a general business meeting.
EF-100, Capitol

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold oversight hearings on the Department of Energy's "Mission Plan for the Civilian Radioactive Waste Management Program."
SD-366

Finance
To continue hearings on proposed legislation to provide for certain spending reductions and revenue increases.
SD-215

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1461, to permit for 2 years, any passenger cruise vessel that was built in the United States and subsequently sold foreign to be brought back under the U.S. flag with domestic trading privileges.
SR-253

Foreign Relations
European Affairs Subcommittee
To hold hearings to review the National Alliance Treaty Organization [NATO].
SD-419

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

2:00 p.m.
Finance
International Trade Subcommittee
To resume hearings on S. 680, to limit imports of textile products into the United States to a 1-percent growth rate for exporting countries.
SD-215

Foreign Relations
European Affairs Subcommittee
To hold closed hearings to review the National Alliance Treaty Organization [NATO]
Room to be announced

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to markup S. 501 and S. 616, bills to expand export markets for U.S., agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

SEPTEMBER 13

9:30 a.m.
Finance
To continue hearings on proposed legislation to provide for certain spending reductions and revenue increases.
SD-215

10:00 a.m.
Foreign Relations
European Affairs Subcommittee
To continue hearings to review the National Alliance Treaty Organization [NATO].
SD-419

2:30 p.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings to examine motor carrier safety and Mexican trucking operations.
SR-253

SEPTEMBER 16

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 376, the Child Health Incentives Reform Plan.
SD-215

SEPTEMBER 17

9:30 a.m.
Rules and Administration
To hold hearings on S. Res. 29 and S. Res. 81, measures to set forth regulations to implement television and radio coverage of Senate Chamber proceedings.
SR-301

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

2:00 p.m.
Finance
International Trade Subcommittee
To hold hearings on S. 1544, to extend and reform the Trade Adjustment Assistance Program, and related measures, including S. 1450, S. 234, and S. 23.
SD-215

SEPTEMBER 18

9:30 a.m.
Labor and Human Resources
To hold hearings on private sector initiatives to feed the world's hungry.
SD-430

Rules and Administration
To continue hearings on S. Res. 29 and S. Res. 81, measures to set forth regulations to implement television and radio coverage of Senate Chamber proceedings.
SR-301

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on fishing vessel safety and insurance.
SD-562

Foreign Relations

To resume hearings on the Supplementary Extradition Treaty Between the United States of America and the United Kingdom of Great Britain and Northern Ireland, with Annex (Treaty Doc. 99-8), signed at Washington on June 25, 1985.

SD-419

Judiciary

Juvenile Justice Subcommittee

To hold hearings on S. 985, to protect the rights of victims of child abuse.

SR-325

Select on Indian Affairs

To hold hearings on S. 1298, to coordinate and expand services for the prevention, identification, and treatment of alcohol and drug abuse among Indian youth.

SR-485

2:00 p.m.

Governmental Affairs

Energy, Nuclear Proliferation and Government Processes Subcommittee

To hold oversight hearings on enumeration of undocumented aliens in the decennial census.

SD-342

SEPTEMBER 19

9:30 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on S. 812, to authorize the President to control loans and other transfers of capital to any or all of the Soviet bloc countries.

SD-538

Commerce, Science, and Transportation

To hold hearings on record labeling.

SR-253

Energy and Natural Resources

Energy Regulation and Conservation Subcommittee

To hold oversight hearings to review the Federal Energy Regulatory Commission notice of proposed rulemaking on Regulation of Natural Gas Pipelines after Partial Wellhead Decontrol.

SD-366

Finance

To resume hearings on the President's tax reform proposal.

SD-215

10:00 a.m.

Foreign Relations

European Affairs Subcommittee

To resume hearings to review the National Alliance Treaty Organization (NATO).

SD-419

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.

SD-430

1:30 p.m.

Foreign Relations

European Affairs Subcommittee

To continue hearings to review the National Alliance Treaty Organization (NATO).

SD-419

SEPTEMBER 20

9:30 a.m.

Labor and Human Resources

To hold hearings on matters relating to private education.

SD-430

10:00 a.m.

Environment and Public Works

Environmental Pollution Subcommittee

To hold hearings on proposed legislation authorizing funds for wildlife refuge programs.

SD-406

SEPTEMBER 23

9:30 a.m.

Finance

International Trade Subcommittee

To resume hearings on S. 680, to limit imports of textile products into the United States to a 1-percent growth rate for exporting countries.

SD-215

SEPTEMBER 24

9:00 a.m.

Energy and Natural Resources

Energy Regulation and Conservation Subcommittee

To hold oversight hearings on innovative approaches in industrial energy efficiency.

SD-366

9:30 a.m.

Finance

To resume hearings on the President's tax reform proposal.

SD-215

10:00 a.m.

Foreign Relations

Business meeting, to consider pending calendar business.

SD-419

Labor and Human Resources

Children, Family, Drugs, and Alcoholism Subcommittee

To hold hearings on child fitness and health programs.

SD-562

SEPTEMBER 26

9:30 a.m.

Finance

To hold hearings on the President's tax reform proposal.

SD-215

10:00 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Labor and Human Resources

Aging Subcommittee

To hold hearings on pension accrual and the older worker.

SR-385

2:00 p.m.

Foreign Relations

To hold hearings on financing of foreign military sales.

SD-419

Governmental Affairs

Energy, Nuclear Proliferation and Government Processes Subcommittee

To hold hearings on S. 209, the Federal Debt Recovery Act.

SD-342

SEPTEMBER 30

9:30 a.m.

Finance

Taxation and Debt Management Subcommittee

To hold hearings on proposed revisions in subchapter C of the Internal Revenue Code relating to corporate taxation.

SD-215

10:00 a.m.

Governmental Affairs

Civil Service, Post Office, and General Services Subcommittee

To hold hearings on S. 1440, the Non-Smokers Rights Act.

SD-342

OCTOBER 1

9:30 a.m.

Finance

To resume hearings on the President's tax reform proposal.

SD-215

10:00 a.m.

Governmental Affairs

Civil Service, Post Office, and General Services Subcommittee

To continue hearings on S. 1440, the Non-Smokers Rights Act.

SD-342

*Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To hold joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.

2175 Rayburn Building

Labor and Human Resources

Children, Family, Drugs, and Alcoholism Subcommittee

To hold hearings on the exploitation of runaway children.

SD-628

11:00 a.m.

Veterans' Affairs

To hold hearings to review the legislative priorities of the American Legion.

SD-106

OCTOBER 2

9:30 a.m.

Finance

To continue hearings on the President's tax reform proposal.

SD-215

10:00 a.m.

Select on Indian Affairs

To hold hearings on S. 1558, to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada.

SR-485

OCTOBER 3

9:30 a.m.

Finance

To continue hearings on the President's tax reform proposal.

SD-215

10:00 a.m.

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.

2175 Rayburn Building

HOUSE OF REPRESENTATIVES—*Thursday, September 5, 1985*

The House met at 10 a.m.

The Reverend Walter C. Kennedy, associate pastor, First United Methodist Church, Peoria, IL, offered the following prayer:

Eternal God!

As the light of a new day greets us this morning in this House Chamber, grant that the light of Thy divine presence illuminates the mind and warms the heart of each Member as they deliberate the important issues of this hour. Strengthen the hands of our President and all those, who by the will of the people, are privileged, in this day of high destiny, to mold the future of our great country. Create within all a divine discontent that we will not be satisfied with our limited achievement but that we will labor on with vision and valor for the enthronement on Earth of law and love of equity and righteousness, never doubting the final triumph of Thy redeeming purpose, for all children of every race under the sky. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. **ARMEY**. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The **SPEAKER**. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **ARMEY**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 231, nays 100, not voting 103, as follows:

[Roll No. 293]

YEAS—231

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Aspin
Atkins
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bliley
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Chapman
Chappell
Clinger
Coelho
Coleman (TX)
Cooper
Coyne
Crockett
Daniel
Darden
Daschle
Davis
de la Garza
DeLay
Derrick
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Dwyer
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Erdreich
Evans (IL)
Fascell
Feighan
Flippo
Florio
Foglietta
Foley
Fowler
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (PA)
Green
Guarini
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hatcher
Hayes
Hefner
Henry
Hertel
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Ireland
Jeffords
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kemp
Kennelly
Kildee
Kolter
LaFalce
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Lowry (WA)
Lujan
Luken
Lundine
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McHugh
McKinney
Mica
Mikulski
Miller (WA)
Mineta
Mollohan
Montgomery
Moody
Moore
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Nowak
Oberstar
Obey
Olin
Ortiz
Panetta
Pease
Perkins
Pickle
Price
Pursell
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ritter
Robinson
Roe
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schneider
Schulze
Schumer
Sharp
Sisisky
Slattery
Smith (FL)
Smith (NE)
Snowe
Solarz
Spratt
Staggers
Stark
Stenholm
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitehurst
Whitley
Wilson
Wise
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (MO)
Lightfoot
Livingston
Lloyd
Lungren
Mack
Martin (IL)
McCandless
McEwen
McGrath
McKernan
Meyers
Michel
Molinari
Monson
Moorhead
Nielson
Packard
Parris
Penny
Petri
Porter
Ridge
Roberts
Roemer
Rogers
Roth
Roukema
Schaefer
Schuette
Sensenbrenner
Shumway
Shuster
Sikorski
Siljander
Skeen
Slaughter
Smith (NH)
Solomon
Spence
Stangeland
Strang
Stump
Sundquist
Swindall
Tauke
Vucanovich
Walker
Weber
Whittaker
Wolf
Young (FL)
Zschau

NAYS—100

Armey
Bartlett
Barton
Bentley
Bereuter
Boehlert
Boulter
Brown (CO)
Burton (IN)
Callahan
Campbell
Carney
Chandler
Cheney
Clay
Coats
Coleman (MO)
Combest
Conte
Coughlin
Courter
Crane
Daub
DeWine
Dickinson
Durbin
Edwards (OK)
Emerson
Evans (IA)
Fawell
Fiedler
Frenzel
Gallo
Gekas
Gingrich
Goodling
Grotberg
Gunderson
Hiler
Jacobs
Kasich
Kolbe
Kramer
Lagomarsino
Latta
Lent
Lewis (CA)
Lewis (FL)

NOT VOTING—103

Addabbo
Akaka
Applegate
AuCoin
Badham
Berman
Bevill
Biaggi
Bilirakis
Boggs
Broyhill
Carr
Chappie
Cobey
Coble
Collins
Conyers
Craig
Dannemeyer
Dellums
Dicks
Dingell
Dreier
Dymally
Eckert (NY)
English
Fazio
Fields
Fish
Ford (MI)
Ford (TN)
Frank
Franklin
Fuqua
Gibbons
Gray (IL)
Gregg
Hall (OH)
Hartnett
Hawkins
Heftel
Hendon
Hillis
Hunter
Hyde
Jenkins
Jones (NC)
Kaptur
Kastenmeier
Kindness
Kleczka
Kostmayer
Leach (IA)
Loeffler
Long
Lott
Lowery (CA)
MacKay
Madigan
Mavroules
McCain
McMillan
Miller (CA)
Miller (OH)
Mitchell
Moakley
Morrison (CT)
Neal
Nelson
Nichols
O'Brien
Oakar
Owens
Oxley
Pashayan
Pepper
Rangel
Rinaldo
Rodino
Rose
Scheuer
Schroeder
Seiberling
Shaw
Shelby
Skelton
Smith (IA)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
St Germain
Stallings
Taylor
Thomas (CA)
Towns
Udall
Vander Jagt
Whitten
Williams
Wirth
Wortley
Young (AK)

☐ 1020

Mrs. ROUKEMA changed her vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Hallen, one of its clerks, announced that the Senate agrees to the amendment of the House with an amendment to a bill of the Senate of the following title:

S. 444. An act to amend the Alaska Native Claims Settlement Act.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2942) "An act making appropriations for the legislative branch for the fiscal year ending September 30, 1986, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. D'AMATO, Mr. HATFIELD, Mr. STEVENS, Mr. BUMPERS, and Mr. HARKIN to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2959) "An act making appropriations for energy and water development for the fiscal year ending September 30, 1986, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATFIELD, Mr. MCCLURE, Mr. GARN, Mr. COCHRAN, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. DOMENICI, Mr. JOHNSTON, Mr. STENNIS, Mr. BYRD, Mr. HOLLINGS, Mr. BURDICK, Mr. SASSER, and Mr. DECONCINI to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 140. An act to amend the Child Abuse Prevention and Treatment Act to establish a program to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of the child abuse cases, especially child sexual abuse cases;

S. 249. An act to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

S. 811. An act to clarify the treatment of mineral materials on public lands;

S. 816. An act to establish the Pine Ridge Wilderness and Soldier Creek Wilderness in the Nebraska National Forest in the State of Nebraska, and for other purposes;

S. 1027. An act for the relief of Kenneth David Franklin;

S.J. Res. 166. Joint resolution to appeal for the release of D. Yury Orlov and other Helsinki Final Act monitors; and

S.J. Res. 183. Joint resolution to provide for the designation of the week of October 6 through October 12, 1985, as "Myasthenia Gravis Awareness Week."

REV. WALTER C. KENNEDY

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I say to my colleagues that our opening prayer today was offered by my good friend and constituent, Rev. Walter C. Kennedy, associate pastor, First United Methodist Church, Peoria, IL.

Reverend Kennedy was born in Glasgow, Scotland. After graduating from high school, he worked in the John Brown Shipyards of Glasgow, where he helped to build the great seagoing ships, the *Queen Mary* and the *Queen Elizabeth*. He graduated from the International Training College of the Salvation Army and served as a lieutenant and captain in the Salvation Army, with appointments in England and Scotland.

He then came to the United States in 1949 and served as Salvation Army Corps officer, or pastor, in South Dakota, Nebraska, and Michigan. Eventually he was appointed to central Illinois and eastern Iowa as the Salvation Army divisional commander, with headquarters in Peoria.

I guess I really got to know Reverend Kennedy as a brigadier in the Salvation Army. In July 1980, Reverend Kennedy retired, and in September of the same year he became a pastor of the First United Methodist Church in Peoria.

I think it is notable also that when Reverend Kennedy was a brigadier back in January 1969, he opened one of the sessions of the U.S. Senate on the other side of the Capitol.

He and his wife, Marjorie, herself an ordained minister, have three sons: Gavin, Christopher, and Shawn Douglas.

Mr. Speaker, I am delighted to have this chance to give this brief biography of Reverend Kennedy, whose dedication and devotion to his calling and to his fellow human beings are so well known to all the folks out in central Illinois. We are delighted to have him open this session of the House of Representatives with his opening prayer.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1986

Mr. MURTHA. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes.

Mr. ROGERS reserved all points of order on the bill.

The SPEAKER pro tempore (Mr. LEVIN of Michigan). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MODIFICATION OF APPOINTMENT OF CONFEREES ON S. 1128, CLEAN WATER ACT AMENDMENTS OF 1985

The SPEAKER pro tempore. Without objection, the Chair's appointment on yesterday of Mr. ROWLAND of Georgia as an additional conferee on the Senate bill, S. 1128, is hereby modified to include sections 5, 16, 30(a), 34(b), and 45 of the House amendment to S. 1128 and modifications committed to conference, in lieu of the sections of the House amendment announced yesterday.

There was no objection.

THE ERA OF THE HYBRID IN THE AUTO INDUSTRY

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, it's the dawn of a new era in the auto industry. The era of the hybrid. These cars look American and have an American label. Some are even assembled by Americans. But don't be fooled my friends, they're foreign cars.

You would be hard pressed to find a car that is made exclusively from American-made parts and assembled by American workers.

Today's auto industry resembles the steel industry of 1960—predinosaur. We can't expect American workers to compete with foreign workers who are making slave wages. It's time for Congress to act and change the trade policies of America. Free trade is a myth and history will record what we are seeing now—the loss of jobs right before our very eyes.

I invite you to come to Youngstown, Pittsburgh, and Cleveland and see the miles of closed steel mills and despair in people's eyes. You may say now: "That's your tough luck, TRAFICANT. The industries in my district are doing OK." Let's face it. Your district is next.

I ask you to review H.R. 2953 that I have introduced. It will help the auto industry and also give consumers an incentive to purchase cars made in America.

BALANCED BUDGET COSPONSORS SOUGHT

(Mr. SAXTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAXTON. Mr. Speaker, I rise today because I am more convinced than ever of the growing need for a balanced budget amendment.

Never before has there been a stronger voice calling for this body to discipline its spending. And if we don't act, the States may.

Already legal scholars are debating whether or not Congress can control the agenda of a constitutional convention called by the States.

Frankly, I would rather avoid that confrontation.

Earlier this year I introduced a balanced budget amendment which, I believe, approaches our Federal deficit in a responsible, rational way.

Quite simply, it calls for the budget deficit to be reduced by targeted amounts over a 5-year period. At the

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

end of the 5 years, the budget would be balanced.

I thank those who have already cosponsored the bill, and I urge others to add their names.

I don't think anyone could fully express in 60 seconds the increasing importance the American public places on our deficit.

The point was hammered home during the month of August—in town meetings, in frank discussions, and in newspapers.

Please join me in taking this rational approach to the problem.

FAIR TRADE, NOT FREE TRADE

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, America needs fair trade.

As I traveled throughout my district during the month of August, the men and women who work in the glass, brick, and china plants, as well as the steel and chemical workers and coal miners, all had one message for the President: "Get off the free-trade kick. We need fair trade."

The numbers, Mr. Speaker, tell the story. In 4 short years, textile imports have increased from 13 percent to 25 percent, shoe imports have increased from 50 percent to 77 percent, and steel imports have increased from 16 percent to 25 percent.

But it is the people who feel the pain, with 2 million workers losing their jobs to foreign trade from 1980 to 1985, and for those still working, the flood of foreign goods into this country is undermining labor-management agreements and the process of negotiating those agreements.

Mr. Speaker, American industry is an endangered species. The wolves are at the door. Mr. President, we need fair-trade legislation now.

VUCANOVICH HAILS COURT DECISION ON COMPARABLE WORTH

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, yesterday the Ninth U.S. Circuit Court made a landmark decision regarding the comparable worth theory. It overturned a lower court's decision mandating that Washington State pay their employees based on the comparable worth theory.

Mr. Speaker, this decision clearly shows that comparable worth is not workable. In Judge Kennedy's opinion he stated that "the wage gap by itself did not prove that the State of Washington intentionally discriminated against women." This decision proves that Congress should not take up legislation which would mandate a study of comparable worth in the Federal Government.

Comparable worth is nothing but a costly new form of government intervention in the determination of wages. I do not believe that the Congress should proceed with legislation which implements the comparable worth theory. It is clear that we do not need the costly and extraneous legislation that has been proposed.

The decision has been made. Let's get on with more pressing work.

PERSONAL EXPLANATION

Mr. HAYES. Mr. Speaker, I was unavoidably absent on yesterday due to a previously scheduled field hearing in my congressional district. Had I been present, I would have voted "nay" on rollcall No. 291 and "yea" on rollcall No. 292.

Mr. Speaker, I ask unanimous consent that my statement appear in the permanent RECORD immediately following these recorded votes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

"COMPARABLE WORTH" AND CAPTAIN AHAB'S OBSESSION

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, as of today, the promoters of H.R. 3008, the so-called comparable worth bill, are like Captain Ahab in pursuit of Moby Dick—they do not have a leg to stand on, and they should drop this dangerous obsession.

All of us in this body want to see equal pay for equal work, but this bill has nothing to do with that concept. Allow me to quote from the three-judge panel which overturned the Washington State case:

> The state did not create the market disparity and has not been shown to have been motivated by impermissable sex-based considerations in setting salaries.

They further stated that—

> Neither law nor logic deems the free market a suspect enterprise.

Let's face it, H.R. 3008 was an ill-conceived idea in the first place. Anyone who doubted that should realize it now. Without the judicial precedent to justify its existence, the comparable worth bill will have to rely on its own rationale. Given that, I think it would probably be best that this House not even consider the bill.

FAIR TRADE

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, in the August break, when I was home in Louisiana, people talked to me constantly about jobs, the ones they have now and the ones they might lose tomorrow. As I said yesterday, they suggested a plan of action for the Congress: first, work on the deficit. They realize that the enormous deficit, the overvalued dollar, and high real interest rates are costing them jobs. Second of all, they ask that we do something about fair trade.

My people do not believe that protectionism is a strategy or a goal because it hurts workers and it hurts consumers, but they do think that selected, targeted action might be necessary to get the attention of our economic neighbors. Protectionism is not a strategy, but it is a tactic. We are Uncle Sam, not Uncle Sucker. Give us a trade policy, Mr. President, or we will give you one.

Finally, Mr. Speaker, tax reform is the lowest priority on my people's list. They tell us to be careful, be thorough, be fair, promote the middle class, help savings and investment, and create jobs. The current tax reform bill does none of those things. Without major changes, tax reform in its current status is dead.

COMPARABLE WORTH

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, yesterday, the Ninth U.S. Circuit Court of Appeals reversed the ill-fated Washington State comparable worth decision. This clearly shows that the idea of government bureaucrats setting wage rates is destined for defeat in this country—and rightly so.

Judge Anthony Kennedy, writing for the court, summed it up quite nicely when he said, "Neither law nor logic deems the free market a suspect enterprise."

It's ironic that just as this decision against comparable worth is being handed down in the Washington State case, supporters are attempting to impose this same idea on the Federal Government, and eventually the private sector. H.R. 3008 will likely be brought up next week with the intention being to regain momentum lost after the resounding defeat in Washington. Mr. Speaker, we have important work to do in these remaining few months of the session. Comparable worth legislation, especially since we now know this concept will not hold up in court, should be removed from consideration in the House.

Mr. Speaker, the market works; Federal courts have reaffirmed this; and it's time the Congress accepted this.

□ 1035

THE AGRICULTURAL CRISIS

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, I just want to bring to the attention of my colleagues the current seriousness of the agricultural situation. Everybody in this body is aware that farm prices are at the low for many years right now, but I am not sure that everybody is aware that the farm credit system, the largest single bank for farm borrowers in this country, is near the point of bankruptcy because land prices have been falling. These banks have loans which are undercollateralized and we may find that this very large farm credit system is going to burst at the seams. This, in turn, will increase and perhaps be an additional catalyst for more of a farm crisis than we already have and it is affecting the general economy.

Farmers want a farm bill that preserves farm income. Farmers want a trade policy that does not cause the United States to unilaterally disarm throughout the rest of the world and farmers want responsible deficit reduction.

But I would tell my urban colleagues that the economic fate of America is tied to our natural resource base, particularly our agricultural resource base. That base is in serious jeopardy right now and what we do with respect to rural America is going to affect the ability of urban America to remain strong and productive and provide jobs.

TRANSPORTING DANGEROUS CHEMICALS ON OUR ROADS

(Mr. WALGREN asked and was given permission to address the House for 1 minute and to revise and extend this remarks.)

Mr. WALGREN. Mr. Speaker, August is a month of surprises and this one was not exceptional in western Pennsylvania. The first surprise was that there is a daily shipment of a chemical, methyl isocyanate, which is the chemical which was involved in the Bhopal, India, tragedy, going by truck up Interstate 79, the north-south spine of western Pennsylvania.

The second surprise was that there is essentially no Federal regulation which the public can rely on for assurance that these kinds of shipments are made safely.

It turns our that the Department of Transportation's regulatory efforts in this area have been largely limited to explosives and do not cover inhalable toxics. The Department of Transportation has proposed regulations in this area which were sent to the Office of Management and Budget sometime in February and they have yet to be responsed to, having entered that black hole.

The American public deserves the protection of a regulatory presence in this area. I hope the Office of Management and Budget will issue those regulations or approve them immediately without delay.

THE MESSAGE FROM OUR CONSTITUENTS

(Mr. KOLBE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLBE. Mr. Speaker, it seems as though every reporter in town in asking Members of Congress: "What did you learn from your constituents during the recess?" As though we hadn't been taking the pulse of those we represent on every other trip home during the year.

First, I can tell you, having taken 5 days to explore the Grand Canyon on a float trip down the Colorado River, the achievements of man pale into insignificance alongside the majesty of God's creation in that canyon. I return from the journey keenly awake that we are but transient passengers on this planet Earth, stewards for generations past and generations yet to come.

On a more mundane level, as one of the stewards for the current generation, I conducted nearly a dozen town halls and scores of other meetings with constituents during the August recess. The message I heard was a consistent and uniform one: cut spending; trim the deficit.

For the first time, I believe the American people not only understand the need to cut spending in the abstract, but are committed to supporting Congressmen who make tough decisions to make those cuts, even when it affects programs that are close to their own interests.

Yesterday's vote on the economic development administration was not an encouraging beginning to our post-August efforts to rein in spending. I am sure that my colleagues heard the same message I did about spending during the recess. I would urge all of us to consider carefully how we are going to translate that message into hard action and tough choices on spending.

COMPARABLE WORTH

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, when a man or a woman or a minority perform the same job, the same factors should be considered in determining the wages they receive. This basic concept of equal pay for equal work is once again being confused with the concept of equal pay for dissimilar jobs or, as we are calling it today, comparable worth. While most people agree with the first concept, many like myself strongly disagree with the assumptions necessary to accept the latter.

The fact that the study may be impossible to conduct is but one of the problems with H.R. 3008. There are other reasons why a study on the feasibility of comparable worth is a bad idea. The Ninth Court of Appeals in San Francisco agreed yesterday. Let us give H.R. 3008 a dignified burial and get along with more important matters facing this Congress.

THE DEATH OF COMPARABLE WORTH

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, advocates of comparable worth were dealt a blow yesterday when the circuit of appeals overturned an earlier court decision giving Washington State employees equal pay for different jobs. In an unanimous decision, the circuit court found that "Neither law nor logic deems the free market a suspect enterprise."

I couldn't agree more. The arguments against comparable worth are simple and straightforward. The most compelling, though, is the idea that Government can determine the worth of an individual's labor. The truth is that the market and not bureaucrats or the courts is the best instrument for determining wages. As history shows, whenever Government attempts to control the economy, all citizens, women and men alike, suffer.

Mr. Speaker, comparable worth legislation is scheduled to come before the House next week. In light of this decision, I would hope the bill's sponsors would pull it from the floor and let this body move on to more important work, things like trade and budget deficits, tax reform and a farm bill.

TAX REFORM, AN ISSUE TO BE ADDRESSED

(Mr. PACKARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PACKARD. Mr. Speaker, I understand your opinion to be that there is little existing sentiment for a Tax Code overhaul. However, after extensive research, I have found the attitude toward tax reform to be exactly the opposite in the 43d District of California.

Two out of every three residents in Orange County and three out of every four residents of north San Diego County are in favor of the Reagan tax reform package as a whole; 78 percent of the people in my district strongly support replacing the current 14-bracket tax system with a 3-bracket system. Other figures look like this: 88 percent in favor of increasing the IRA limit to $4,000 per year for couples, 87 percent in favor of doubling the personal exemption, and 82 percent in favor of cutting personal income tax and raising corporate tax proportionately.

Mr. Speaker, these figures indicate to me that tax reform is indeed an issue to address in this body. I hope that you will have an open ear toward American taxpayers, and make way for consideration of a tax reform package in Congress this year.

NEITHER LAW NOR LOGIC DEEMS THE FREE MARKET A SUSPECT ENTERPRISE

(Mr. MONSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONSON. Mr. Speaker, "Neither law nor logic deems the free market a suspect enterprise."

That was the decision handed down by the Ninth Circuit Court of Appeals yesterday in overturning Judge Jack Tanner's 1983 decision requiring Washington State to, and I quote from yesterday's unanimous decision, "eliminate an economic inequality it did not create."

Finally we can see set this ridiculous issue aside and get on with more important business. Yesterday's decision is a confirmation of every other major court decision on comparable worth, and it is a confirmation of simple common sense. But maybe the most important result of the decision was to acquit the free market from any charges of inherent discrimination. The market will set wages at a rate at which employers value each service performed. There is no conspiracy of the market forces to keep wages of women lower than those of men.

In fact, implementing a comparable-worth plan would only tend to entrench women in traditional roles. Presently, if women don't like the wages in predominantly women's jobs, they will move to a less traditional job. Comparable worth would remove any incentive for women to move away from their traditionally held jobs.

I'm glad that we can now lay this ridiculous idea to rest and get on with our job.

THE BUDGET: LET'S PLAY FAIR

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, President Reagan recently proposed a freeze on pay increases for Federal civilian employees. I can appreciate his rationale. The Federal budget is in crisis. In private industry, a company in crisis must often ask employees to bear some temporary sacrifice.

There's just one thing wrong here. We're not playing fair. To people who work for a living, we're saying: no cost-of-living increase. To people who have retired, or are on other Federal allowances, we say: OK, you get your inflation increase. To military personnel, we say: OK, you get your inflation increase.

Is this a budget crisis, or isn't it? I say it is. I say in the face fo $200 billion deficits we can't afford to pay any cost-of-living increase to anybody this this year. I imagine civil servants could live with that. But I can understand and sympathize with their protests when they are singled out for an extra dose of sacrifice. They have a right to protest. It's not fair.

You, Mr. Speaker, the Congress, and the President should have agreed to an across-the-board freeze in the first place.

WE HAVE LOST CONTROL OF OUR BORDERS

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, earlier this week Bill Moyers had an exceptional documentary on the question of immigration and the state of immigration law in this country. I would hope that those of my colleagues who have not had an opportunity to view it thus far will take the opportunity in the not too distant future to see a copy of it, which I will make available to the entire House.

In very real terms, that documentary pointed out that we basically have lost control of our borders. That has been the case for some years. It is getting worse.

I believe there is, as they described it, anarchy on our borders.

Mr. Speaker, there is only one place where that anarchy can be addressed and that is in the House of Representatives and the U.S. Senate. It is my hope that we will move with immigration reform, at least begin that movement later this month, and that before this Congress is over we can achieve something that has not been achieved for about 34 years—a comprehensive reform of our immigration law.

The country needs some leadership on this. The country cries out for a solution to the problem that faces us on a daily basis. It is not just some intellectualizing on some question. It is not just some nebulous thing out there. These are real people, facing real problems on a daily basis.

Mr. Speaker, we must act and act now.

☐ 1050

NABIH BERRI, NO FRIEND OF THE UNITED STATES

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, Nabih Berri won himself no small amount of praise for playing the roles of "mediator" and "moderate" in the recent TWA hijacking. But the play was not wholly convincing.

Berri had never disguised his anti-Americanism, and past reports had linked him to other hijackings. In a fiery speech in Beirut last September 9, he claimed to have 50 young suicide commandoes available for action against the Israelis.

As the TWA crime began, Berri publicly supported the hijackers' demands.

He claimed he had control of our hostages, but took much time—and arranged many press conferences—before they were freed.

He holds the title of Lebanese Minister of Justice, but has done nothing to prosecute the killers of Robert Stethem. Indeed, he let the two hold a press conference. And he has apparently done nothing to free the other Americans held in captivity in Lebanon.

I ask my colleagues to consider all this as we weigh three interesting news items from Beirut during August:

Berri's Amal Militia is taking delivery of Soviet-made tanks from Syria, Moscow's closest Middle Eastern ally;

Berri met with a Soviet official to discuss Lebanese security issues; and Berri received and accepted an official invitation to visit the Soviet Union.

If we are waiting for Nabih Berri to do something about the Americans languishing in Lebanon, we may be waiting for some time to come.

CONGRESS HAS A SPENDING PROBLEM

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, we have got a spending problem in the Congress. We spend too much money. Day after day, we spend too much money; week after week, we spend too much money; year after year, we spend too much money; decade after decade, we spend too much money. The American people know it; only this House seems blissfully unaware of the fact that we have got a spending problem in this country.

Now, we talk a lot on this floor about a deficit problem. Let me tell you, a sending problem is different than a deficit problem. The deficit problem is the fault of our spending problem, and it is high time that we begin to curtail spending in this Congress if we are going to solve the deficit problem. We ought to begin today with a bill we have coming before us. We have got a bill coming before us in which the first thing we are going to do is, we are going to pass a rule that waives the Budget Act. Once again, we are going to waive the Budget Act so that we can go on blissfully spending more money, and then later on we are going to spend some money with this bill that the administration did not request, that they still do not want. It amounts to about $6 million. Then we are going to turn around and go back to our constitutent, and we will say, "I don't know how all that spending is taking place." I think it is high time we start voting "no" on spending so that we can get deficits under control. If we do not, we are just plain lying to the American people.

COMPARABLE WORTH IS COUNTERPRODUCTIVE TO THE FREEDOM WOMEN ARE NOW SEEKING

(Mr. SILJANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SILJANDER. Mr. Speaker, my wife is a professional woman. She is a registered nurse and has been very successful in her career. She has been following the issue of comparable worth for some time now. I personally respect her opinion as a working woman.

Nancy feels that she is able to compete in the marketplace. The laws passed in the 1960's and certainly with the new changes in social attitude of late, with those she can fight and obtain equal wages for her profession.

She believes women should continue the fight for all professions for equal pay for equal worth. She has been an advocate of this equality for a long time. But she feels that comparable worth is counterproductive to the freedom women are now seeking.

The court case in the Ninth District Circuit Court is indicative of why this Congress should defeat House Resolution 3008 and pursue a more logical course of action that my wife, Nancy, a professional woman, would choose to pursue.

I thank the Speaker.

IT IS TIME WE PAY ATTENTION TO OUR MOST PROFITABLE EXPORT, AGRICULTURE

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, we hear many of our colleagues decry the trade deficit, and rightly so. But I hope it goes beyond rhetoric. For example, agriculture is our most important and most profitable export, and it is time that we pay attention to it. This month is the 12th anniversary of the Tokyo round of multilateral trade negotiations. It is time we give agriculture an equal billing with manufactured products.

So. Mr. Speaker, I have introduced legislation to do just that. I invite the Members of this House to join with me in that endeavor.

The reason we have these huge trade deficits is because we have the huge fiscal deficits. You can talk to 10 economists here in Washington and get 10 different answers on just about any economic issue. But on one issue they are all agreed; that is, high fiscal deficits will lead to high trade deficits. So I think that the philosophy in this House can no longer be spend, spend, spend, tax, tax, tax; but the philosophy must be: Spend less, tax less.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval is in violation of the rules of the House.

CONGRESS MUST ACT NOW ON FARM CREDIT

(Mr. McEWEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McEWEN. Mr. Speaker, in just a few moments from now, the Governor of the Farm Credit Administration will finally admit what many of us have known for months—the Farm Credit System is in trouble, serious trouble.

He will come to us with his hat in his hand looking for help. And we must help him. Make no mistake about that. We must not let the farmers of America suffer the consequences of blatant mismanagement and abuse of a few.

But we better be sure that we exact our price—that whatever new farm lending system is established has built-in protection. That it provides America's farmers with the lending system they need to operate. Over one-third of all agricultural debt is held by the Farm Credit System. We simply cannot allow the burden of the mismanagement of the Farm Credit System to be borne by America's farmers who, in 1984, completed the second worst agricultural year in the history of America.

And the situation is worsening. With our Nation's farmers doing what they do best—produce food to feed the world at record levels—commodity prices are falling. Land values continue to plummet and the amount of available credit for farmers is shrinking.

Mr. Speaker, the Congress must act now to help America's farmers. They cannot afford to wait any longer.

RAILROAD SAFETY IMPROVEMENT ACT OF 1985

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 250 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 250

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of Rule XXIII, declare the house resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2372) authorizing appropriations for carrying out the Federal Railroad Safety Act of 1970, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be read for amendment under the five-minute rule, and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 2372, it shall be in order, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) to the contrary notwithstanding, to take from the Speaker's table the bill S. 1080 and to consider said bill in the House, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and to insert in lieu thereof the provisions contained in H.R. 2372 as passed by the House.

The SPEAKER, pro tempore (Mr. KILDEE). The gentleman from Texas [Mr. FROST] is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN] pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 250 is the rule providing for the consideration of H.R. 2372, the Railroad Safety Improvement Act of 1985. The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce.

The rule also waives points of order under section 402(a) of the Congressional Budget Act against consideration of the bill. Section 402(a) requires authorizations to be reported by May 15 prior to the beginning of the fiscal year. The Committee on Energy and Commerce voted to report this bill on May 15, but delayed filing the report until May 23 to provide time for the submission of minority views on this legislation. Since this legislation authorizes the enactment of new budget authority for fiscal year 1986, a waiver of section 402(a) is necessary.

In addition, the rule provides for consideration of the bill by sections, with each section to be considered as read. The rule also provides for one motion to recommit.

Finally, Mr. Speaker, the rule provides for a Senate hookup. It provides that after the passage of H.R. 2372, it shall be in order to consider the Senate-passed companion bill, S. 1080, in the House and to move to strike after the enacting clause of that bill and insert in lieu thereof the provisions of H.R. 2372 as passed by the House. House Resolution 250 also waives section 402(a) of the Budget Act against consideration of the Senate bill.

Mr. Speaker, the purpose of H.R. 2372, the Railroad Safety Improvement Act of 1985, is to reauthorize and improve the safety programs of the Federal Railroad Administration, and to provide for railroad research and development programs. The bill authorizes $40.9 million for fiscal year 1986, and $42.5 million in fiscal year 1987 for the two programs. The bill contains several provisions dealing with drug and alcohol abuse in the railroad industry. First, H.R. 2372 would require the Secretary of Transportation to issue regulations to ensure the prevention of alcohol and drug use among railroad employees while they are on the job. The bill also would encourage the establishment of a private nonprofit corporation to support and promote greater employee awareness of drug and alcohol problems.

Mr. Speaker, H.R. 2372 would also improve the protections available to railroad employees who report safety violations or refuse to work under conditions that present the danger of death or serious injury. Under current law, an employee who is dismissed or suspended may sue for reinstatement and damages if proof can be shown that the dismissal or suspension was in retaliation for the employee having reported a safety violation to the Federal Railroad Administration. Mr. Speaker, H.R. 2372 would allow workers who are discriminated against but not suspended or dismissed, to take action against employers as well.

Finally, Mr. Speaker, H.R. 2372 reauthorizes the safety functions of the Federal Railroad Administration for 2 years. The bill would also reauthorize the State Safety Participation Program. This program requires the Federal Government to partially reimburse States for any rail safety inspections and investigations which they may carry out. H.R. 2372 appropriates $3.1 million in fiscal year 1986 and $3.2 million for fiscal year 1987 for the program.

Mr. Speaker, the safety of rail operations in this Nation is essential to passenger transportation services and efficient freight transportation. The passage of this bill would guarantee the improvement of these safety programs, and of safe rail operations. I urge my colleagues to adopt House Resolution 250 so that we may proceed to the consideration of this important legislation.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the provisions of the rule have been ably explained by the gentleman from Texas [Mr. Frost]. It would be redundant for me to go into detail on the provisions of the rule.

Mr. Speaker, the purpose of the bill made in order by this rule is to reauthorize and improve the safety program of the Federal Railroad Administration, and we all know that that is most important. Certainly we all agree with the goal of improved safety on our railroads. However, according to testimony presented in the Rules Committee, there are some provisions in this bill which do not contribute to the goal of improved safety and may, in fact, cause other problems.

Some of these are noted in the minority views contained in the report. The administration also takes a position opposing certain parts of the bill.

Mr. Speaker, under this open rule the House will have an opportunity to concentrate on amendments to make necessary improvements in this bill. Therefore, I support the rule and will support the bill on final passage.

The differences between the House and the other body, if any, can be worked out in the conference when the conferees meet.

Mr. Speaker, I urge adoption of the rule.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to the rule. As the gentleman from Tennessee has explained, and the gentleman from Texas has explained, this is an open rule. I think that is fine, very good, except that this is another one of those rules that waives the Budget Act. Now, I am sure that we will hear from all kinds of people who suggest that waiving the Budget Act here is simply waiving the reporting requirements that said that you have got to have this on the books by May 15. The reason why that is there is to assure us that when we are considering the budget, that we consider all of the things that might be authorized pursuant to the spending that the House of Representatives is going to do.

By waiving this provision of the Budget Act, what we are saying is that we do not think that this had to be included in our original budget considerations.

Well, what we are doing is trying to get around the problem that is in this Congress that we spend too much money. We always figure out ways to get around the rules that are aimed at preventing us from spending money.

☐ 1105

So this rule is one more way of trying to escape our responsibility for overspending our budgets and overspending the tax dollars of the American people, and I would suggest that those who want to begin to stand up for what I think most of you heard the American people saying was their No. 1 concern is deficit, and do something to end the deficit, one of the ways you could start would be by voting against this rule and saying "We're tired of having bills come on the floor under a rules procedure that waives the Budget Act."

It is high time that we at least obey those things that we have put in law that require us to try to stop spending. If we are not willing to do that, then we ought to take all the heat that the American people can direct at this place for the spending that we do.

I ask for a "no" vote on the rule; it waives the Budget Act; we ought not do that.

Mr. QUILLEN. Mr. Speaker, I urge the adoption of the rule, and I have no further requests for time.

I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I would only point out that the committee in fact reported the bill in a timely manner, by May 15, but it delayed in filing in order to accommodate the minority members of the committee so that they could file minority views, and that if it had not been for that accommodation, that this would have been filed in a timely manner and it would not be a request to waive the filing requirement.

Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 244, nays 109, not voting 81, as follows:

[Roll No. 294]

YEAS—244

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnard
Barnes
Bates
Bedell
Beilenson
Bennett
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carney
Carper
Chandler
Chapman
Chappell
Clay
Coelho
Coleman (TX)
Conte
Cooper
Coughlin
Coyne
Crockett
Darden
Daschle
Davis
de la Garza
Derrick
Dickinson
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Edwards (CA)
English
Erdreich
Evans (IL)
Fascell
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall, Ralph
Hamilton
Hansen
Hatcher
Hayes
Hefner
Hertel
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lipinski
Lloyd
Lowry (WA)
Luken
Lundine
Madigan
Manton
Markey
Martinez
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Parris
Pease
Penny
Perkins
Pickle
Price
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Robinson
Roe
Roemer
Rostenkowski
Roukema
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Schneider
Schulze
Schumer
Sharp
Shumway
Shuster
Sikorski
Siljander
Sisisky
Slattery
Smith (FL)
Smith (NJ)
Spratt
Staggers
Stallings
Stangeland
Stark
Stokes
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Wilson
Wise
Wolf
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—109

Archer
Armey
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Burton (IN)
Callahan
Campbell
Cheney
Clinger
Coats
Coleman (MO)
Combest
Courter
Crane
Daniel
Daub
DeLay
DeWine
Dornan (CA)
Duncan
Eckert (NY)
Edwards (OK)
Emerson
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Kramer
Lagomarsino
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Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lujan
Lungren
Mack
Martin (IL)
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Miller (WA)
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Moorhead
Morrison (WA)
Myers
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Packard
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Ritter
Roberts
Rogers
Roth
Rowland (CT)
Saxton
Schaefer
Schuette
Sensenbrenner
Skeen
Slaughter
Smith (NE)
Smith (NH)
Smith, Denny
Snowe
Solomon
Spence
Stenholm
Strang
Stratton
Stump
Sundquist
Sweeney
Swindall
Tauke
Vucanovich
Walker
Weber
Whitehurst
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Zschau

NOT VOTING—81

Addabbo
Akaka
AuCoin
Badham
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Bevill
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Boggs
Breaux
Broyhill
Carr
Chappie
Cobey
Coble
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Conyers
Craig
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Dreier
Dymally
Edgar
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Fields
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Fuqua
Gregg
Hall (OH)
Hartnett
Hawkins
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Jones (NC)
Kaptur
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Miller (OH)
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O'Brien
Oxley
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Pepper
Rangel
Rinaldo
Rodino
Rose
Scheuer
Schroeder
Seiberling
Shaw
Shelby
Skelton
Smith (IA)
Smith, Robert
Snyder
Solarz
St Germain
Taylor
Thomas (CA)
Towns
Udall
Vander Jagt
Williams
Wirth
Wortley
Young (AK)
Young (MO)

☐ 1115

Messrs. EVANS of Iowa, COURTER, and SWEENEY changed their votes from "yea" to "nay."

Messrs. FRANKLIN, ENGLISH, and McCURDY changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. Kildee). Pursuant to House Resolution 250 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2372.

☐ 1125

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2372) authorizing appropriations for carrying out the Federal Railroad Safety Act of 1970, and for other purposes, with Mr. Hubbard in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New Jersey [Mr. Florio] will be recognized for 30 minutes and the gentleman from New York [Mr. Lent] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. Florio].

Mr. FLORIO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Committee is now considering the Railroad Safety Improvement Act of 1985. This is an important piece of legislation, which should help improve both the safety of rail operations and the safety protections provided to railroad employees. The bill also reauthorizes the safety functions of the Federal Railroad Administration [FRA].

Let me highlight some of the key provisions of the bill. First, the bill would require the Secretary of Transportation to issue a final rule, within 30 days of enactment, to ensure the prevention of alcohol and drug use in railroad operations. Alcohol and drug use are a major problem adversely affecting the safety of rail operations. A number of recent accidents have been attributed to alcohol or drug use. It is clear that regulatory action is needed.

I am pleased that Secretary Dole finally issued such regulations the end of July. The subcommittee will be reviewing the rules and their implementation carefully.

In the same area, the bill also requires the Secretary to encourage the formation of a private, non-profit corporation to support and promote greater employee awareness of the drug and alcohol problem and to encourage peer intervention. This innovative provision was the result of the initiative of the ranking minority member of the subcommittee, the distinguished gentleman from New York [Mr. Lent].

As I indicated above, the bill will also improve the safety protections available to railroad employees. The current law protects from retaliation those employees who report safety violations or who refuse to work under certain limited conditions presenting an imminent danger of death or serious injury. However, the usual remedy is backpay and/or reinstatement, if an employee is suspended or discharged in retaliation. Unfortunately, there is no remedy where an employee is harassed, but not suspended or discharged. This bill would allow such an employee to be awarded appropriate compensation of up to 1 year's pay. This remedy is justified because of the need to ensure safe railroad operations and to protect employees who seek to promote safety.

The bill would also provide standing to employees to sue the Department of Transportation where the Secretary has failed to perform a nondiscretionary enforcement related act or duty and such failure results in a danger of serious injury or death to employees. Concern has been expressed that the FRA has failed to properly enforce the rail safety laws and regulations. This provision would provide a remedy, as the court would be able to compel performance of the nondiscretionary act or duty. I want to emphasize that this remedy would only be available where the Secretary has failed to perform a nondiscretionary act—an act the Secretary is required by law to perform.

The bill also requires the FRA to examine three areas of safety concern—the maintenance, inspection and testing of grade crossing devices the need for qualification standards for employees who inspect and test brakes and inspect freight cars and the adequacy of training for train dispatchers. Several of last year's Amtrak accidents occurred at grade crossings. It is crucial that grade crossing warning devices be adequately inspected and maintained.

Finally, the bill reauthorizes the safety functions of the FRA for 2 years. The bill would specifically reauthorize the state safety participation program. Under this program, half the cost of State safety inspectors are paid for by the Federal Government. There are currently about 102 such State inspectors. The administration has recommended eliminating the funding for this program. If that proposal were implemented, most of these inspectors would be eliminated and rail safety would suffer.

This bill is also fiscally responsible. It authorizes a total of $40.9 million for fiscal year 1986, compared to a total appropriation of $41.6 million for rail safety programs in 1985—a reduction of $700,000 from last year's appropriation. While the bill exceeds the administration's budget request of $37.7 million for fiscal year 1986, the difference is primarily due to the administration's proposal to eliminate funding for the State safety participation program—a proposal that has been continually rejected by Congress. The bill also authorizes a total of $42.5 million for fiscal year 1987.

This is an important bill to improve the safety of rail operations, and I urge its passage.

☐ 1130

Mr. GRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from Illinois.

Mr. GRAY of Illinois. I thank the gentleman for yielding to me.

Mr. Chairman, I want to commend the gentleman for his hard work on this bill and say that in the State of Illinois we have had an increasing number of rail accidents. So I think this legislation is badly needed. I just wanted to commend the gentleman for his outstanding work and ask my colleagues to vote down the pending amendments and vote for safety on our railroads.

Mr. FLORIO. I want to thank the gentleman and just point out that there are already, in my opinion, an inadequate number of rail safety inspectors. To seriously consider reducing the number that we have out there as apparently some would do here today, is the height of folly, and is not good policy.

I thank the gentleman for his contribution.

Mr. GRAY of Illinois. Mr. Chairman, will the gentleman yield further?

Mr. FLORIO. I yield to the gentleman.

Mr. GRAY of Illinois. I agree with the gentleman implicitly. As I said, the accident rate in Illinois has been on the increase and we certainly need more people, not less to provide safety on the rails. Thank you.

Mr. FLORIO. Mr. Chairman, I thank the gentleman, and I reserve the balance of my time.

Mr. LENT. Mr. Chairman, I yield myself much time as I may consume.

Mr. Chairman, I rise in support of H.R. 2372, the Railroad Safety Improvement Act of 1985.

H.R. 2372 reauthorizes the Federal Railroad Administration's Rail Safety Program for 2 years. The bill also authorizes funds for conducting safety research and development and for the State Rail Safety Participation Program. The State participation program reimburses States for expenses associated with the employment of State safety inspectors.

I strongly support the reauthorization of the Federal Railroad Administration's Rail Safety Program. In recent years, the safety of railroad operations has greatly improved. Train accidents decreased by approximately 1 percent in 1984, compared to 1983. When adjusted for train miles, which increased by 7.1 percent, the decrease in train accidents was 7.4 percent. This improvement can be attributed to the joint efforts of rail labor and management, along with the guidance of the Federal Railroad Administration.

Despite these positive trends, serious safety hazards still exist. We have all become increasingly troubled by the recent rash of head-on collisions which has occurred on our Nation's railroads. I hope that the FRA will continue to work to improve rail safety.

Secretary Dole recently issued a rule addressing the problems which have resulted from drug and alcohol use by rail employees. I commend Secretary Dole for taking such action. The rule prohibits on-duty alcohol and drug use, and authorizes toxicological testing of employees when there is reason to suspect impairment.

Section 11 of H.R. 2372 requires the Secretary of Transportation to encourage the establishment of a non-profit corporation within the rail industry to foster prevention of alcohol and drug abuse. This program would be a private initiative, funded by voluntary contributions from rail employees with matching grants from rail carriers. The FRA will be authorized to provide startup support in an amount not to exceed $100,000 for this initiative. I am hopeful that this program, in conjunction with the rule issued by the Secretary, will be effective in preventing drug and alcohol use by rail employees.

While I am supportive of reauthorizing the rail safety programs, I am, however, troubled by the concerns raised by the administration about this bill, specifically with respect to sections 6 and 7.

Section 6 provides that the Secretary of Transportation shall not disclose the name of any rail employee who provides information to the Secretary with respect to an alleged safety violation. Presently, the Federal Railroad Administration does not disclose an employee's name unless an inspector did not see the safety violation and no other evidence of the violation is present. In such a situation the employee is given the opportunity to submit a statement describing the safety violation. The employee is informed before he submits the statement that the statement will be shown to the rail carrier as the only evidence of violation. The FRA believes that, if section 6 were enacted, it would not have adequate evidence to present a complaint to a rail carrier if no other evidence was available.

Another section the administration objects to is section 7, the so-called standing provision. This provision would give a rail worker standing to bring suit in Federal district court against the Secretary of Transportation for failure to enforce any violation of the Federal safety laws.

The effect of section 7 would be the creation of a dual system of enforcement for Federal railroad safety laws—one, in an administrative forum, and a second in a Federal district court. This dual system would expose the Federal Railroad Administration to enormous time-consuming and expensive litigation.

It would also seriously impair the exercises of discretion by safety inspectors in the field by constantly second guessing their judgment. Currently, the agility of inspectors to threaten imposition of a fine is a strong incentive for carriers to make immediate repairs of safety violations. The threat of litigation would not encourage prompt correction of the discovered safety defect. Instead it could actually increase the potential of injury to workers.

In conclusion, while I support H.R. 2372, I have serious reservations about the wisdom of sections 6 and 7.

☐ 1140

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. LENT. I am happy to yield to the gentleman from New York.

Mr. BOEHLERT. I thank the gentleman for yielding. I rise in support of the Dowdy amendment to extend the Redeemable Preference Share Program by 2 years. I am very familiar with this program as a regional railroad, headquartered in Cooperstown, NY, which is within my congressional district, is in the process of applying for repayable Federal financing to undertake a major rehabilitation project in New York and New Jersey.

This program is vital and it is cost effective. We well know in Congress, that preserving an essential transportation service is very expensive. The trucking and barge industries have been indirectly subsidized by massive Federal programs of construction on our highways and waterways. In the case of Conrail, a $7-billion subsidy was largely devoted to rebuilding that railroad. Conrail is a success and is about to be transferred into the private sector. With the 505 Program, we have made a small beginning at making financing available to regional railroads for the same kind of rehabilitation projects undertaken by Conrail. These moneys are not a grant as in the case of most other transportation infrastructure programs, but are repayable, equity financing. The funds will be returned to the Government.

John Riley, the Federal Railroad Administrator, has consistently focused attention on the need for regional railroads. Mr. Riley is correct in this matter. These small carriers are acquiring lines that are being abandoned by the larger carriers and are preserving essential service to shippers. However, these lines were often left in a deteriorated condition and there is an urgent need for public financing if these lines are not to be lost.

The Delaware Otsego Railroad [DO] is a prototype of this new breed of carrier. The DO began as a 16-mile shortline—the Cooperstown and Charlotte Valley—which had been abandoned by the Delaware & Hudson Railroad. It has grown into a 500-mile system, competing with Conrail into the New York City area. It has been patched together through lines that Conrail would have abandoned, contracts for haulage over existing Conrail lines, and acquisition of the Susquehanna Railroad in New Jersey, which a Federal judge had ordered liquidated. The DO is an amazing success story. However, many of the lines, especially on the Susquehanna, were left in bad repair by the previous owners. For several months now, the DO has been negotiating 505 repayable financing with the Federal Railroad Administration for critical rehabilitation projects, which will improve the safety and operating standards of the railroad. It is my hope that this application will be approved within the next 45 days. An extension of the program beyond the fiscal year is important to the DO.

The 505 Program is carefully designed for the improvement of facilities where private money is not available at a reasonable cost and there are public benefits. While repayment is required on a set schedule, the interest rate is low and the railroad does not begin repayment for a period of 6 years. This delayed payment schedule is especially important in giving these small carriers the breathing room necessary to revitalize their systems in order to provide superior services to shippers.

Mr. FLORIO. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. Richardson], a very valuable member of the subcommittee.

Mr. RICHARDSON. I thank the chairman of the subcommittee for yielding this time to me.

Mr. Chairman, I first would like to commend the chairman of the subcommittee, the gentleman from New Jersey [Mr. Florio], and the ranking minority member, the gentleman from New York [Mr. Lent] for their efforts on this bill.

Mr. Chairman, this is an important piece of legislation. First of all, it is a compromise between labor and management. It is a bill that improves rail safety protection for employees. It reauthorizes the Federal Safety Program. It protects employees against harassment for reporting safety violations. It requires the FRA to address critical safety problems, of ensuring safe grade-crossing devices and adequately trained dispatchers. It provides standing to employees in limited circumstances to go to court to insure that safety laws are enforced.

Once again, this bill has strong labor and management support. I am a strong supporter of this bill. However, I would just like to point out one issue in this bill that disturbs me and many other Members from Western States who both for substantive and sentimental reasons regret the death of an important member of a train, and that is the caboose.

The caboose in Western circles has been a traditional part of any kind of rail program, and regrettably labor and management have concluded that for safety reasons and because of technology, the elimination of the caboose, the brakeman who for many years as part of lore was lionized for maintaining the safety of the train, is now going to become extinct.

I had contemplated offering an amendment requiring the Secretary of Transportation to give reasons as to why this decision, in the long run, is in the best interests of the country. I have been notified that if I had offered this amendment it would jeopardize some sensitive negotiations; it would open a can of worms that, because of the importance of this bill, should not be opened up at this time, so I will not be offering it, regrettably, because I question, as many in New Mexico, many railroad workers in New Mexico and other States, I know, that the caboose is shown to be safe, that technology replacing the brakeman, perhaps, may not be the best course of action.

But I will not be offering this amendment.

Mr. Chairman, I would just like to have the reassurance of both my friends and colleagues, the chairman of the subcommittee and the ranking member, that they will monitor this issue closely to ensure that this has been the proper decision.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to my colleague, the gentleman from New Jersey.

Mr. FLORIO. I thank the gentleman for yielding.

Mr. Chairman, the gentleman can rest assured that all aspects of safety are the prime concern of this subcommittee and we will certainly be tracking this item, as we will be tracking all other items involving the safety of railroad operations.

Mr. RICHARDSON. I thank the chairman.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from New York.

Mr. LENT. I thank the gentleman for yielding.

Mr. Chairman, I would also like to join with the chairman in reassuring the gentleman from New Mexico that we have not forgotten the caboose. We share the gentleman's nostalgia concerning the end of the use of the caboose by rail carriers. We know that the caboose is an important element of the landscape in New Mexico. We are asking some of the railroads, that traverse the gentleman's State, if they would please paint the last car of their train red so the gentleman will have some simile, at least, of the caboose.

BEST COPY AVAILABLE

Mr. RICHARDSON. I thank my colleague.

My concerns are addressed, but I will hope that not only my two colleagues, but the Secretary of Transportation and the unions and management that somehow think that this is the right decision, although many of their workers, the people out in the field, question it, whether in fact we have done the right thing and that we will have the opportunity in future years to redress this decision if it has been a bad one.

Mr. Chairman, I will not be offering an amendment to require that the Secretary of Transportation conduct an investigation of whether the caboose provides sufficient enhancements to rail safety to warrant their continued use on freight trains.

Mr. Chairman, the State corporation commission of New Mexico has concluded that the elimination of the caboose would open the State up to liability suits if a railroad accident within the State was traced to the absence of a caboose. The New Mexico Corporation Commission is considering requiring cabooses on all runs by the Santa Fe and Southern Pacific Railroad, which will soon merge. Mr. Chairman, I would quote Mr. Alex Valdez, assistant counsel to the New Mexico Corporation Commission, who believes that, "the caboose is a matter of health and safety." Mr. Joe Bailey, a union official that represents Santa Fe trainmen notes that while the company says their trackside indicators have taken the place of the man on the caboose:

The problem is that no machine can take the place of an experienced brakeman. Some brakemen smell axle grease overheating before any of the trackside scanners picked up the problem.

Mr. Chairman, before we eliminate the caboose, I feel it is incumbent upon us to ensure that we do not compromise the health and safety of our railroad workers. My amendment would simply direct DOT to examine this concern and report back its findings—it is my belief that in some instances the caboose is not only desirable but that it contributes to rail safety.

The Homely Caboose Becomes Focus of New Mexico Dispute

(By Iver Peterson)

Santa Fe, NM, April 28.—The homely caboose, subject of nursery stories and the focus of children's waving hands, has become the object of debate about railroad safety here.

The Atchison, Topeka & Santa Fe Railway, like most others, is slowly dropping cabooses from its runs, maintaining that modern electronics have eliminated the need for a brakeman and a conductor to bring up the rear of a freight train.

Under an agreement with its unions, the company has already dropped the familiar little car with the cupola on top from about 25 percent of its trips. But New Mexico, under pressure from railroad unions, is considering regulations that would require cabooses on all runs by the Santa Fe and the Southern Pacific Railroad, which are to merge soon.

Railroad officals say that adding cabooses in New Mexico would eat up the savings realized from eliminating them elsewhere. But some New Mexico officials say the state would be open to liability suits if railroad accidents within the state was traced to the absence of a caboose.

MATTER OF HEALTH AND SAFETY

It is a matter of "health and safety," said Alex Valdez, assistant general counsel to the state Corporation Commission, which regulates transportation within the state. "The question basically comes down to the benefit of the caboose versus the technology that is available to do the same job of monitoring railroad safety."

The commission is expected to issue its regulations soon.

Since brakemen first started using barrels as crude observation posts on the roofs of freight cars, sometime after the Civil War, the caboose has been the post for men monitoring the air pressure in braking systems, watching for dragging equipment, looking out for hazardous load shifts and, most important, checking car axles for overheated bearings that can lead to derailments.

Since those days, said Michael Haverty of the Santa Fe's operations office in Chicago, those functions can be better and more cheaply performed by track-side sensors that scan the trains as they pass.

"I used to belong to the union and my dad was a conductor, so I understand the union's position," Mr. Haverty remarked. "But I look at it from a business standpoint, and that is that if you've got something back there that you don't absolutely need, if you've got the electronics that we've been using for 10 years to do the same thing, then you no longer need to haul a caboose along behind you."

But Joe Bailey, an official of the union that represents the Santa Fe's trainmen, sees it differently.

"The company says their trackside indicators have taken the place of the man on the caboose, which would be well and good if their trackside indicators worked," said Mr. Bailey, vice general chairman of the United Transportation Union in Overland Park, Kansas. "The problem is that no machine can take the place of an experienced brakeman."

Mr. Bailey asserted, for example, that some brakemen had smelled axle bearings overheating before any of the trackside scanners picked up the problem.

The Association of American Railroads estimates that it costs 65 cents a mile to operate a 21-ton caboose, and that railroads could save some $400 million a year if they were dropped.

For many years the caboose also served as the conductor's rolling office and as a bunkhouse for the train crews. The railroads argue that computerized record-keeping and the practice of putting train crews up in motels have eliminated those reasons for retaining the 12,000 cabooses railroad association estimates are still in use.

That view was underscored by a special Presidential commission appointed in 1982 to investigate the prospect of caboose-less trains.

The commission was appointed as a part of a mandatory cooling-off period to forestall a threatened railroad strike. It supported the railroads' contention that new equipment would allow a safe operation of trains without cabooses.

Mr. Haverty of the Santa Fe line said the caboose-less trains run since 1984 have traveled "thousands of miles between Chicago and California without incident."

"There's nothing unsafe about it at all," he said, "but when the unions throw in their scare tactics that you're going to have a derailment and all, it can create these problems.

Amendment to H.R. 2372 Offered by Mr. Richardson

At the end of the bill, add the following new section:

SEC. 12. CABOOSE STUDY.

(a) Study.—The Secretary of Transportation shall conduct a study of whether cabooses provide sufficient enhancements to rail safety to warrant their continued use on freight trains.

(b) Report.—The Secretary of Transportation shall transmit a report containing the results of the study conducted under subsection (a) to the Congress within one year after the date of enactment of this Act.

Mr. LENT. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. Moore].

Mr. MOORE. I thank the gentleman for yielding this time to me.

Mr. Chairman, I thank both the gentleman from New York [Mr. Lent] and the chairman of the subcommittee [Mr. Florio] for their work on this bill.

Mr. Chairman, I rise in strong support of the reauthorization of this bill because I happen to be one of those unlucky Congressmen who had one of the three most recent and worst train accidents occur in my district. Had this bill been law, that accident might not have happened.

On September 28, 1982, in Livingston, LA, in my congressional district, a 100-car Illinois Central Gulf freight train carrying hazardous chemicals derailed, causing hundreds of thousands of dollars in immediate physical damage to property. This accident was the direct result of alcohol abuse; $13.8 million in property damage occurred, making it the most costly alcohol-related train accident in history.

While, fortunately, there were no fatalities, the accident did produce the release of hazardous materials from the breached tank cars that resulted in evacuation of the entire town of Livingston, LA. The evacuation displaced over 3,000 people for more than 2 weeks. It caused untold economic loss to businesses along the site of the derailment, and Livingston is only now, some 3 years later, recovering from that accident.

Investigations into the derailment revealed that the engineer and the head brakeman were indeed intoxicated and had a history of previous alcohol abuse. A railroad clerk unfamiliar with operating a train was at the controls.

On July 31, 1985, the Secretary of Transportation, Elizabeth Dole, announced new safety rules for the railroad industry to prohibit alcohol and drug abuse on the job. It is my belief

that these rules address the problem in a responsible fashion, as does this legislation.

It is coincidental that I received a letter just a week ago from a constituent in Livingston, LA, still remembering this accident almost 3 years later, talking about these rules and searching for safeguards. As far as I am concerned, this accident was the result of criminal negligence, to have 2 people intoxicated and operating a 100-car-long train carrying hazardous substances.

It happened. I guess the only thing we can do here in Government is to address that complete stupidity and inexcusable negligence by tightening up the rules and operations of the Nation's railroads. I compliment this legislation for doing that, but I cannot help but agree with this lady. Why do we have to have these rules to begin with? How did this even happen? But once it did, let us move on and try to do the best we can to prevent it from happening in the future.

One very important and commendable aspect of the regulations is the provision whereby an employee with a drug or alcohol problem may seek out one-time treatment without penalty through the employee treatment program maintained by his company. This is a signal to the troubled employee that help is available for the asking without the loss of his job. However, the other tough provisions dealing with abuse incidents let the employee know that he faces a serious responsibility in owning up to his problem, as reporting to work under the influence of any kind of abuse substance will no longer be tolerated.

Therefore, I urge the adoption of this authorization bill so that these very necessary programs can get underway and we can avoid the kind of horrendous accident that occurred in my congressional district 3 years ago.

Mr. GILMAN. Mr. Chairman, I rise in strong support of H.R. 2372, the Railroad Safety Improvement Act. I would like to commend the distinguished gentleman from New Jersey, the chairman of the Subcommittee on Commerce, Transportation and Tourism [Mr. Florio] and for the Congressman from New York [Mr. Lent], the ranking minority member, for bringing this important measure to our attention.

H.R. 2372 presents a comprehensive approach in upgrading rail safety. Improving railroad safety by adoption of this act will help to preserve the railroad as an important option for travelers, shippers, and others for whom automobiles, trucks, and airplanes do not provide a viable means of transportation.

Included in H.R. 2372 is a provision which protects from discrimination those employees who report safety violations. H.R. 2372 provides a remedy in a case where an employee is subjected to a form of discrimination which does not involve pay. In these cases, such as when an employee is subjected to harassment due to his report of a safety violation, an arbitration board may award the employee up to 1 year's pay.

H.R. 2372 further protects employees by prohibiting the FRA from revealing the name of an employee who reports a safety violation, unless the matter is referred to the Attorney General for enforcement. In addition, the bill grants standing to employees to bring civil action against the DOT to perform an enforcement-related act or duty under Federal railroad safety laws.

Employee protection provisions such as these provide a significant incentive for employees to report safety infractions. In this manner, H.R. 2372 is cleverly designed to improve railroad safety by attacking the problem as soon as it occurs. There is no better place to begin with safety improvement than with the employees themselves.

As ranking minority member of the Select Committee on Narcotics Abuse and Control, I am especially pleased with provisions in this bill which address the alcohol and drug problem in railroad operations.

H.R. 2372 requires the Department of Transportation [DOT] to take steps which will ensure the prevention of alcohol and drug abuse among those involved in railroad operations, a problem which has been identified as a major contributing factor in several recent rail accidents. I am pleased to note here that the FRA has already implemented a final regulation which addresses the alcohol and drug abuse problem, a welcome signal that the full magnitude of this problem has finally been recognized.

The bill also requires DOT to encourage the establishment by the private sector of a nonprofit corporation which will support and promote peer intervention, treatment of employees, awareness programs, and improved utilization of employee drug and alcohol assistance programs. If such an organization is established within 90 days after adoption of this bill, DOT is authorized to provide up to $100,000 in support. It is my sincere hope that the private sector will cooperate with this initiative, and I urge other industries to follow suit by establishing similar drug and alcohol programs for their employees.

Accordingly, I urge my colleagues to join me in support of this important measure.

☐ 1150

Mr. LENT. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. FLORIO. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, each section of the bill is considered as having been read for amendment under the 5-minute rule.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Railroad Safety Improvement Act of 1985".

Mr. FLORIO. Mr. Chairman, I ask unanimous consent that the remainder of the bill be printed in the Record and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The text of the remainder of the bill is as follows:

SEC. 2. PREVENTION OF ALCOHOL AND DRUG USE IN RAILROAD OPERATIONS.

The Secretary of Transportation shall, within 30 days after the date of enactment of this Act, issue a final rule or regulation to ensure the prevention of alcohol and drug use in railroad operations.

SEC. 3. GRADE CROSSING SIGNAL SYSTEM SAFETY.

Section 202 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 431) is amended by adding at the end a new subsection as follows:

"(l) The Secretary shall, within 180 days after the date of enactment of the Railroad Safety Improvement Act of 1985, issue such rules, regulations, orders, and standards as may be necessary to ensure the safe maintenance, inspection, and testing of signal systems and devices at railroad highway grade crossings.".

SEC. 4. POWER BRAKE AND FREIGHT CAR INSPECTIONS.

Section 202 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 431), as amended by section 3 of this Act, is further amended by adding at the end a new subsection as follows:

"(m) The Secretary shall, within 180 days after the date of enactment of the Railroad Safety Improvement Act of 1985, issue such rules, regulations, orders, and standards as may be necessary to define qualification standards for employees who conduct railroad power brake inspections and tests and railroad freight car inspections required under the Federal railroad safety laws, as such term is defined under section 212(e), or under any regulation issued under such laws.".

SEC. 5. DISPATCHER TRAINING.

Section 202 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 431), as amended by sections 3 and 4 of this Act, is further amended by adding at the end the following new subsection:

"(n)(1) The Secretary shall, within 180 days after the date of enactment of the Railroad Safety Improvement Act of 1985, conduct and complete an inquiry into whether training standards are necessary for those involved in dispatching passenger and other trains.

"(2) Upon the completion of such inquiry, the Secretary shall report the results of such inquiry to the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate along with the Secretary's recommendations, and if the Secretary recommends that rules, regulations, orders, or standards are necessary, the Secretary shall promptly initiate appropriate rulemaking proceedings.".

SEC. 6. PROTECTION OF EMPLOYEES AGAINST DISCRIMINATION.

(a) Expedited Procedures.—Section 212(c)(1) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441(c)(1)) is amended by inserting ", and any proceeding with respect to such dispute, grievance, or claim shall be expedited by the Adjustment Board (or any division or delegate thereof) or any other board of adjustment created under section 3 of the Railway Labor Act so that such dispute, grievance, or claim is resolved within 180 days after its filing with such Adjustment Board or other board of adjustment" before the period.

(b) Compensation.—Section 212(c)(2) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441(c)(2)) is amended by adding at the end the following new sentence: "If the violation of subsection (a) or (b) is a form of discrimination other than discharge, suspension, or any other discrimination with respect to pay, and no other remedy is available under this subsection, the Adjustment Board (or any division or delegate thereof) or any other board of adjustment created under section 3 of the Railway Labor Act may award the aggrieved employee appropriate compensation up to the equivalent of 1 year's pay for such employee.".

(c) Disclosure of Names.—Section 212 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441) is amended by adding at the end a new subsection as follows:

"(f)(1) Except as provided in paragraph (2), the Secretary shall not disclose the name of any employee of a railroad who has provided information with respect to an alleged violation of this title, any other Federal railroad safety law, or any rule, regulation, order, or standard issued under this title or any other Federal railroad safety law.

"(2) The Secretary shall disclose to the Attorney General the name of any employee described in paragraph (1) who has provided information with respect to a matter being referred to the Attorney General for enforcement under this title, any other Federal railroad safety law, or any rule, regulation, order, or standard issued under this title or any other Federal railroad safety law.".

SEC. 7. STANDING TO REQUIRE THE PERFORMANCE OF NONDISCRETIONARY ACTS.

The Federal Railroad Safety Act of 1970 is amended by inserting after section 212 the folowing new section:

"SEC. 212A. CIVIL ACTION BY EMPLOYEES.

"(a) Except as provided in subsection (b), any employee of a rail carrier or any authorized representative for collective bargaining of a craft or class of such employees may commence a civil action against the Secretary of Transportation to compel the Secretary to perform any act or duty which is not discretionary and which is related to enforcement under the Federal railroad safety laws, as such term is defined in section 212(e), if the failure to perform such act or duty creates a danger of serious injury or death to such employee or employees.

"(b) No civil action may be commenced under subsection (a) before the expiration of 60 days after the plaintiff has given notice to the Secretary of the alleged failure of the Secretary to perform an act or duty which is the basis for such action, including specific reference to the alleged violation or violations of the Federal railroad safety laws involved. Notice under this subsection shall be given in such manner as the Secretary shall prescribe by rule.

"(c) Any civil action under subsection (a) shall be brought in the United States District Court for the District of Columbia, or the United States district court for the judicial district where the alleged violation or violations of the Federal railroad safety laws has occurred or is occurring.

"(d) When two or more civil actions brought under subsection (a) involving the same issues or violations are pending in two or more judicial districts, such pending actions may, upon application of the Secretary to a court in which any such action is brought, be consolidated for trial by order (issued after giving all parties reasonable notice and opportunity to be heard) of such court and tried in—

"(1) any district which is selected by the Secretary and in which one of such actions is pending,

"(2) a district which is agreed upon by stipulation between all of the parties to such actions and in which one of such actions is pending, or

"(3) a district which is selected by the court and in which one of such actions is pending.

The court issuing such an order shall give prompt notification of the order to the other courts in which the civil actions consolidated under the order are pending.".

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

Section 214(c) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 444(c)) is amended—

(1) in paragraph (1) by striking out "and" after "September 30, 1983,", and by inserting ", not to exceed $27,300,000 for the fiscal year ending September 30, 1986, and not to exceed $28,500,000 for the fiscal year ending September 30, 1987" before the period;

(2) in paragraph (2) by striking out "and" after "September 30, 1983,", and by inserting ", not to exceed $3,100,000 for the fiscal year ending September 30, 1986, and not to exceed $3,200,000 for the fiscal year ending September 30, 1987" before the period;

(3) in paragraph (3) by striking out "and" after "September 30, 1983,", and by inserting "not to exceed $10,400,000 for the fiscal year ending September 30, 1986, and not to exceed $10,800,000 for the fiscal year ending September 30, 1987," after "September 30, 1984,"; and

(4) (b) adding at the end the following new paragraph:

"(4) For the purpose of rail planning for Toledo, Ohio, including planning for improving the safety of rail operations and reducing conflicts between rail and highway traffic, there are authorized to be appropriated not to exceed $100,000 for the fiscal year ending September 30, 1986, and September 30, 1987. The total amount appropriated under this paragraph for both such fiscal years combined shall not exceed $100,000.".

SEC. 9. EMPLOYEE ASSISTANCE PROGRAM EVALUATION.

(a) Report.—The Secretary of Transportation shall conduct an evaluation of any employee assistance program with respect to drug and alcohol abuse run by the Consolidated Rail Corporation and shall, after consultation with representatives of the crafts or classes of employees covered by such program and with the Consolidated Rail Corporation, report to the Congress within 180 days after the date of enactment of this Act. Such report shall contain an evaluation of the effectiveness of such program in helping employees with drug and alcohol abuse problems, and shall include any recommendations of the Secretary for the improvement of such program.

(b) Simultaneous Transmittal to Conrail.—The report submitted to the Congress under subsection (a) shall be transmitted simultaneously to the Consolidated Rail Corporation.

SEC. 10 ENFORCEMENT OF THE SECRETARY'S ACTIONS.

Section 208(a) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 437(a)) is amended by striking out "enforce such orders" and inserting in lieu thereof "enforce any orders, directives, and subpoenas of the Secretary under this title".

SEC. 11. ALCOHOL AND DRUG ABUSE ASSISTANCE.

(a) Establishment of Corporation.—To foster the prevention of alcohol and drug abuse within the railroad industry, the Secretary of Transportation shall encourage the establishment of a private, nonprofit corporation, financially supported by individual railroad employees and railroad companies, to support and promote—

(1) vigilant peer intervention to avoid violations among railroad employees of rule G of the Association of American Railroads' Standard Code of Operating Rules;

(2) early identification and treatment of railroad employees addicted to alcohol or drug;

(3) programs to foster awareness and prevention of alcohol or drug abuse within the railroad industry; and

(4) improved utilization of effective Employee Assistance Programs with respect to alcohol and drug abuse.

If such a corporation is established within 90 days after the date of enactment of this Act, the Secretary of Transportation may provide support, including office space, equipment, postage, printing, and the development of educational materials, of a value of not to exceed $100,000.

(b) Other Requirement Maintained.—The requirement set forth in subsection (a) shall not relieve the Secretary of any requirement set forth in section 2 of this Act.

AMENDMENT OFFERED BY MR. FLORIO

Mr. FLORIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Florio: Page 10, after line 14, add the following new section:

SEC. 12. UNSAFE FACILITIES.

The Federal Railroad Safety Act of 1970 (45 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"SEC. 215. UNSAFE FACILITIES.

"(a) The National Railroad Passenger Corporation (hereafter in this section referred to as 'Amtrak'), or the owner of any facility which presents a danger to the employees, passengers, or property of Amtrak, may petition the Secretary for assistance to the owner of such facility for relocation or other remedial measures to minimize or eliminate such danger under this section.

"(b) If the Secretary determines that—

"(1) a facility which is the subject of a petition under subsection (a) presents a danger of death or serious injury to any employee or passenger of Amtrak or serious damage to any property of Amtrak; and

"(2) the owner of such facility should not be expected to bear the cost of relocating or other remedial measures necessary to minimize or eliminate such danger, the Secretary shall recommend to the Congress that the Congress, as a part of its periodic reauthorizations of this Act, authorize funding, by reimbursement or otherwise, for such relocation or other remedial measures.

"(c) Petitions may be submitted under subsection (a) of this section with respect to

any relocation or remedial measures undertaken on or after January 1, 1978.".

Mr. FLORIO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FLORIO. Mr. Chairman, I am pleased to offer this amendment on behalf of the distinguished gentleman from Florida, the chairman of the Rules Committee.

This amendment is similar to an amendment the House adopted last year on the rail safety bill. It merely provides a procedure where Amtrak or the owner of a facility may petition the Secretary of Transportation for assistance for the owner of the facility where the Secretary determines the facility presents a danger of death or serious injury to an employee or passenger of Amtrak or a danger of serious damage to Amtrak property and the owner should not be expected to bear the costs of remedial measures, including relocation.

If the Secretary believes assistance is justified, the Secretary must then recommend to Congress authorization for such assistance. Congress could then act on the Secretary's recommendation.

I urge support of this amendment.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I am happy to yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding.

This amendment addresses a specific situation in Miami, FL. I believe it is virtually identical to an amendment which was agreed on last year?

Mr. FLORIO. The gentleman is correct.

Mr. LENT. Mr. Chairman, we have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. Florio].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DOWDY OF MISSISSIPPI

Mr. DOWDY of Mississippi. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dowdy of Mississippi: At the end of the bill, add the following new section:

SEC. 12. SAFETY FINANCING.

The Federal Railroad Safety Act of 1970 is amended by adding at the end the following new section:

"SEC. 215. SAFETY FINANCING.

"For the purpose of improving safe rail operations and improving rail safety, the Secretary shall continue to provide financial assistance for facilities rehabilitation and improvement under sections 505 through 510 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 825–830) until September 30, 1987.".

Mr. DOWDY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DOWDY of Mississippi. Mr. Chairman, today I am offering an amendment to H.R. 2372, the Federal Railroad Safety Authorization Act of 1985. My amendment will reauthorize sections 505 through 510 of the Railroad Revitalization and Regulatory Reform Act of 1976, commonly known as the 4R Act, through September 30, 1987. This program was designed for the purpose of improving safe rail operations and improving rail safety in our Nation.

In its early stages, funding for this program was used to defer maintenance on large class I railroads. The Boston & Maine and the Illinois Central Gulf are just two of the railroads which undertook critical mainline rehabilitation work with these funds which were loaned to them by the Government. In more recent years some railroads have acquired several divested lines which suffered neglect because they did not carry enough traffic to justify even routine maintenance by the larger carriers. Thus these transferred lines are often in bad shape and in need of rehabilitation.

My amendment is directed toward these regional and feeder light density operations which are the key to preserving our national system of rail service.

Currently, Mr. Chairman, there are several regional railroad 505 applications in process, some of them in Iowa. The Hardland Railroad has an application pending for loans for rehabilitation. In Louisiana there are funds for an acquisition of lines from the Southern Pacific by a small railroad. In Maine, the Bangor & Aroostook has an application for funds to be borrowed for rehabilitation assistance. In Michigan, the Detroit & Mackinaw Railroad is nearing completion of an application for loans under 505 funding. The Ann Arbor Railroad has an application pending. In Missouri, there is a requirement for continued rehabilitation for the Missouri-Kansas-Texas line between Ladue and the Kansas border. This might become involved in a 505 application.

In New Jersey, the Susquehanna Railroad is in the final stages of a 505 application for rehabilitation in New York and New Jersey. In New York, the Susquehanna Railroad application is for 505 assistance and was given priority in last year's appropriation under the language by the junior Member of the other body.

As I said, Mr. Chairman, the importance of the railroad to the communities and shippers it serves cannot be underestimated. We also have to consider our Nation's defense needs and the involvement of the railroads there. Because this vital program is due to expire at the end of this month, I would hope that my colleagues would join me in supporting this extension amendment.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. DOWDY of Mississippi. I am happy to yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, I am pleased to support this amendment. The gentleman is correct, rehabilitation of our railroads is a very important part of safety. This is a loan program that needs to be reauthorized. The extension the gentleman seeks is highly desirable, and I am pleased to support it.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. DOWDY of Mississippi. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding.

On the subject of this amendment, as I read it, it does not require any authorization for increased spending. Presently, there is, as the gentleman, I am sure, knows, $18 million in unobligated funds in the program which will not be available for the rehabilitation of railroads unless the program is extended through the medium of the gentleman's amendment. Is that correct?

Mr. DOWDY of Mississippi. That is my understanding.

Mr. LENT. I thank the gentleman.

Mr. Chairman, I have no objection to this amendment. I understand that it is going to be very helpful to many of the States in the Northeast, particularly in the event of the sale of Conrail. I understand that there are a number of smaller railroads which might qualify to apply under this program for financial assistance to rehabilitate rail lines.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. DOWDY of Mississippi. I am happy to yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I want to commend the gentleman from Mississippi [Mr. Dowdy], and I rise in support of this amendment.

Mr. Chairman, I rise in support of the amendment offered by my colleague from Mississippi, Mr. Dowdy.

Extending the authorization of the section 505 program from September 30, 1985 to September 30, 1987 will provide the opportunity for Gulf & Mississippi Railroad

to secure badly needed funding for a rehabilitation project on its 713-mile rail line. The G&M is such a vital transportation source through the eastern half of Mississippi.

It serves approximately 300 shippers and is expected to haul 80,000 carloads of woodchips, lumber, furniture, chemicals, paper products and other materials each year. It employs 230 people.

Further evidence of its importance is the fact that the area served by G&M has no north-south interstate highway system, nor does it have another rail carrier. For that reason, it is a necessity for the G&M Railroad to secure the funds to improve service by replacing worn rails, ties and ballast that will reduce the likelihood of derailments.

The 3-year program will cost $20 million. G&M already has arranged to borrow $5 million from a private lender. But further funding sources are not available to G&M because lenders are willing to lend only on present traffic levels, not levels projected for the future.

That is where section 505 of the Railroad Revitalization and Regulatory Reform Act of 1976 comes in. The redeemable preference share program was set up for the specific purpose of providing rehabilitation funds for railroad lines. It operates much like a loan program. No funding is provided until it is determined that the firm can repay it.

G&M has applied for $8 million under this program, but the problem is that the program's authority expires at the end of this month. That is why we are proposing a two year extension. The extra 2 years will allow G&M a chance to pursue its efforts to secure funding and begin this rehabilitation project.

Mr. Chairman, the G&M Railroad is a very sound operation and is providing a great service to the communities in my district and throughout eastern Mississippi. Its projected rehabilitation program will enable G&M to modernize its operation so that it can continue to serve in an efficient manner. I urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. DOWDY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: Page 7, strike out lines 18 through 23.

Renumber the succeeding paragraphs accordingly.

Mr. WALKER. Mr. Chairman, everyone in the House, of course, is for rail safety and recognizes that there are meritorious sections of this bill and that the overall program does deserve to be reauthorized. The question is whether or not we ought to begin the practice of adding spending that the administration says that it does not want in this program.

I think we have to recognize that this is not an administration that has had a bad record on rail safety; 1984, according to the account I have here, was the best in history for the railroad industry in terms of reported accidents. They were the lowest ever. Yet the administration says that there is about $3 million of spending in this particular bill that it does not need to carry out its program.

It was suggested earlier in this debate that by cutting out some of the spending, as I am suggesting we do, we are going to reduce the number of rail inspectors. That is just not true. What we will end up doing is cutting out the subsidy that we give to the States for rail inspectors. To think that we are going to cut out that number of rail inspectors is to suggest that federalism does not work, the States are irresponsible, and in fact what they are going to do is drop the obligation in this particular case. I do not think that is the case. I think that the States will maintain their ability to conduct rail inspections. They will fund this program, as they should. We are talking about their own people, and they will fund the program.

Look, we are in pretty bad shape economically in this country. We are in bad shape economically because we spend money day after day, week after week, and year after year right here. The States are not in great shape, but they are in a good deal better shape than we are, and we have got to begin to look at what is possible within the limitations that we have.

What my amendment suggests is that we can cut this bill by $3.2 million which the administration says that it does not need. We know that when we brought this bill to the floor, we had to bring it out here under a budget waiver, so we do not know how it impacts on the budget we just passed the other day. By a vote of 244 to 109 we voted to waive the budget here a few minutes ago. Now, these are all the Members in this body who were back home telling their constituents about all their fears about the deficit that is their concern here in Washington. They just voted 2½ to 1 to waive the Budget Act so we could take this bill up.

What I am suggesting is that now that we have brought the bill up under a waiver of the Budget Act, maybe we at least ought to comply with the administration's budget request that suggests there is $3 million in here that we do not need to spend.

Three million dollars does not sound like a lot of money to a lot of people around here. It is a lot of money as far as I am concerned, but in terms of the overall perspective, people say that is not a lot of money. But it is 12½ percent of this bill. It is 12½ percent of the bill that we are considering. That is a good chunk.

That is where we have got to stop. We are not going to stop spending around here incrementally, we are not going to do it piecemeal; we are going to do it by taking out some of the programs that we can no longer justify in terms of their priority. This is the way of doing it without jeopardizing rail safety. We simply hand back to the States that obligation which is theirs, and that is to have rail inspectors that they pay for themselves and who are their own rail inspectors.

That is all my amendment would do. It saves $3 million, and it seems to me to be perfectly in line with what the American people would want us to do. To suggest that this amendment is not something we should do is to suggest that the States are going to be just totally irresponsible. I do not think that is the case. I do not think there is a record of the States being irresponsible on the issue of rail safety. I think the States will maintain their obligation.

The question before us is whether or not we are going to be irresponsible, whether or not we are going to continue to spend money that we do not have in ever bigger chunks, and the message that I think we got across the board from the American people is that they want to stop that spending. They are tired of spending this country into oblivion. They are tired of spending money that we are passing on as bills to our children, our grandchildren, and our great-grandchildren. They are sick and tired of the process in Congress that always finds ways to justify spending.

This program, like every other program that comes up here, sure, it is meritorious. Everything we bring out here is meritorious in someone's eyes. We do not do these things maliciously, but the fact is that everything adds up to an excuse for spending.

Mr. Chairman, this is one more excuse for spending that we have here. We can save $3 million by adopting this amendment, and I would suggest that we ought to save that $3 million.

Mr. FLORIO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the gentleman's amendment on a number of grounds, not the least of which is the representation that somehow this legislation is extravagant spending, which is just not sustained by the facts. In fact, as I indicated in my opening remarks, this authorization bill is an absolute reduction from the amount that Congress last year appropriated for these programs.

In 1985 we spent $41.6 million for rail safety programs. This bill authorizes $40.9 million. That is an absolute reduction of $700,000, even discounting the impact of inflation. So to suggest that somehow the bill that we bring to the floor is an increase is just not accurate.

□ 1205

More important than that, as anyone who reads the newspaper knows, there have been a rash of railroad accidents. If anything, we should be providing for an increase in rail safety. A very important part of rail safety are rail safety inspectors. There is no substitute for walking the track. There is no substitute for having people out there with the experience to see how operations are being conducted. We currently have about 400 railroad safety inspectors across the entire country, Federal and State. The gentleman's amendment would have the effect of reducing 25 percent of that railroad safety inspection capability.

I would also suggest that it may very well be that the gentleman's amendment will result in a greater cost to the Federal Government. If the public and responsible officials in DOT see the potential for reducing by 25 percent the number of railroad safety inspectors, it may very well be that they will feel the need, hopefully they will feel the need, to finance the hundred or so safety inspectors that the States are currently paying for at the rate of 50 percent. They will feel the need to adopt all those inspectors into the Federal program whereby the Federal Government will be responsible for paying 100 percent of the cost.

The gentleman has suggested that he hopes that some of the States will pick up the slack and go and hire those inspectors. I would suggest that we have an inadequate number of inspectors right now. I am not prepared to sit here and hope that those inspectors that will be lost will be picked up by someone else.

I think this is a very inappropriate amendment. We cannot be hoping that safety will not be impacted by this amendment.

I would ask the House to reject the gentleman's amendment and go forward with this legislation that provides for an absolute reduction, that some of us are uncomfortable with, by the way, an absolute reduction in the total authorization for rail safety programs, as contrasted with last year's appropriation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. WALKER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently, a quorum is not present. Pursuant to the provisions of clause 2, rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 295]

ANSWERED "PRESENT"—356

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Atkins
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Crane
Crockett
Daniel
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Feighan
Fiedler
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Gray (IL)
Gray (PA)
Green
Grotberg
Guarini
Gunderson
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hatcher
Hayes
Hefner
Henry
Hertel
Hiler
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Packard
Panetta
Parris
Pease
Penny
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Ritter
Roberts
Robinson
Roe
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Schneider
Schuette
Schumer
Sensenbrenner
Sharp
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Slattery
Slaughter
Smith (FL)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitley
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (FL)
Young (MO)
Zschau

□ 1220

The CHAIRMAN. Three hundred fifty-six Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Pennsylvania [Mr. WALKER] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 106, noes 254, not voting 74, as follows:

[Roll No. 296]

AYES—106

Archer
Armey
Barnard
Bartlett
Barton
Bateman
Bilirakis
Bliley
Boulter
Breaux
Broomfield
Brown (CO)
Burton (IN)
Callahan
Cheney
Coats
Coleman (MO)
Combest
Coughlin
Crane
Daniel
DeLay
DeWine
Dickinson
Dornan (CA)
Early
Eckert (NY)
Edwards (OK)
Emerson
English
Fawell
Fiedler
Franklin
Frenzel
Gekas
Gingrich
Gradison
Grotberg
Gunderson
Hall, Ralph
Hammerschmidt
Hansen
Henry
Hiler
Ireland
Jenkins
Johnson
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leath (TX)
Lewis (CA)
Lewis (FL)
Livingston
Lujan
Lungren
Mack
Martin (IL)
McCandless
McCollum
McCurdy
McKernan
Michel
Miller (WA)
Molinari
Monson
Moore
Moorhead
Morrison (WA)
Myers
Nielson
Packard
Porter
Pursell
Ray
Roberts
Roemer
Roth
Rowland (CT)
Rudd
Schaefer
Schneider
Schuette
Sensenbrenner
Shumway
Siljander
Slaughter
Smith (NH)
Snowe
Solomon
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Walker
Watkins
Weber
Whitehurst
Zschau

NOES—254

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnes
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Boehlert
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Clay
Clinger
Coelho
Coleman (TX)
Conte
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Daschle
Daub
Davis
de la Garza
Derrick
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Eckart (OH)
Edgar
Edwards (CA)
Erdreich
Evans (IA)
Evans (IL)
Fascell
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Gallo
Garcia
Gaydos

Gejdenson
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hamilton
Hatcher
Hayes
Hefner
Hertel
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jones (OK)
Jones (TN)
Kanjorski
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Luken
Lundine
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McEwen
McGrath
McHugh
Meyers
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Neal
Nichols
Nowak
Oakar
Oberstar
Obey
Olin

Ortiz
Owens
Panetta
Parris
Pease
Penny
Perkins
Petri
Pickle
Price
Quillen
Rahall
Regula
Reid
Richardson
Ridge
Ritter
Robinson
Roe
Rogers
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Schumer
Sharp
Shuster
Sikorski
Sisisky
Skeen
Slattery
Smith (FL)
Smith (NE)
Smith (NJ)
Smith, Denny
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Waxman
Weaver
Weiss
Wheat
Whitley
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (FL)
Young (MO)

NOT VOTING—74

Addabbo
Akaka
AuCoin
Badham
Berman
Bevill
Biaggi

Boggs
Boucher
Broyhill
Chappie
Cobey
Coble
Collins

Craig
Dannemeyer
Dellums
Dicks
Dreier
Dymally
Fazio

Fields
Fish
Fuqua
Gibbons
Gregg
Hall (OH)
Hartnett
Hawkins
Heftel
Hendon
Hillis
Hunter
Hyde
Jones (NC)
Kaptur
Leach (IA)
Loeffler
Long

Lott
Lowery (CA)
MacKay
McCain
McKinney
McMillan
Miller (OH)
Moakley
Nelson
O'Brien
Oxley
Pashayan
Pepper
Rangel
Rinaldo
Rodino
Rose
Scheuer

Schroeder
Schulze
Seiberling
Shaw
Shelby
Skelton
Smith (IA)
Smith, Robert
Snyder
St Germain
Taylor
Thomas (CA)
Udall
Vander Jagt
Wirth
Wortley
Young (AK)

The Clerk announced the following pairs:

On this vote:

Mr. Shaw for, with Mrs. Long against.

Mr. Oxley for, with Mr. Fazio against.

Mr. Thomas of California for, with Mr. Dellums against.

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1235

Mr. SLATTERY. Mr. Chairman, I rise in support of H.R. 2372, the Railroad Safety Improvement Act of 1975. This legislation authorizes funds for the Federal Railroad Administration Safety Program, the State Safety Participation Program, and rail safety research and development for fiscal years 1986 and 1987. I am pleased that this bill authorizes funding for fiscal year 1986 at a level approximately $700,000 below the amount appropriated for fiscal year 1985. At a time when Federal deficit spending is spiraling out of control, we must be ready to exercise restraint in all areas of the budget.

The bill requires the Secretary of Transportation to expeditiously issue a final rule to ensure the prevention of alcohol and drug abuse in railroad operations. Alcohol and drug use have been implicated in several recent serious rail accidents, and are recognized as major problems in railroad operations. The bill also requires the FRA to examine several other areas of safety concern, such as grade crossing safety, power brake and freight car inspections and dispatcher training.

Finally, Mr. Speaker, this legislation will add important protections for railroad employees against discrimination for reporting safety violations, by prohibiting the Secretary of Transportation from disclosing the name of any railroad employee who reports a potential safety violation, unless the information provided the FRA results in the matter being referred to the Attorney General. Also, the bill allows compensation awards to employees who have been discriminated against or harassed, but who have not been suspended or dismissed. Currently, these employees have no remedy available. This legislation will help to ensure safe railroad operations and protect employees who seek to further safe practices, and I urge my colleagues to join me in supporting it.

The CHAIRMAN. If there are no other amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. WRIGHT] having assumed the chair, Mr. HUBBARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2372) authorizing appropriations for carrying out the Federal Railroad Safety Act of 1970, and for other purposes, pursuant to House Resolution 250, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. FLORIO. Mr. Speaker, pursuant to House Resolution 250, I call up from the Speaker's table the Senate bill (S. 1080), to amend the Federal Railroad Safety Act of 1970 to authorize additional appropriations, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. FLORIO

Mr. FLORIO. Mr Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLORIO moves to strike out all after the enacting clause of the Senate bill, S. 1080, and to insert in lieu thereof the text of H.R. 2372, as passed by the House, as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Railroad Safety Improvement Act of 1985".

SEC. 2. PREVENTION OF ALCOHOL AND DRUG USE IN RAILROAD OPERATIONS.

The Secretary of Transportation shall, within 30 days after the date of enactment of this Act, issue a final rule or regulation to ensure the prevention of alcohol and drug use in railroad operations.

SEC. 3. GRADE CROSSING SIGNAL SYSTEM SAFETY.

Section 202 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 431) is amended by adding at the end a new subsection as follows:

"(l) The Secretary shall, within 180 days after the date of enactment of the Railroad Safety Improvement Act of 1985, issue such rules, regulations, orders, and standards as may be necessary to ensure the safe maintenance, inspection, and testing of signal systems and devices at railroad highway grade crossings.".

SEC. 4. POWER BRAKE AND FREIGHT CAR INSPECTIONS.

Section 202 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 431), as amended by action 3 of this Act, is further

amended by adding at the end a new subsection as follows:

"(m) The Secretary shall, within 180 days after the date of enactment of the Railroad Safety Improvement Act of 1985, issue such rules, regulations, orders, and standards as may be necessary to define qualification standards for employees who conduct railroad power brake inspections and tests and railroad freight car inspections required under the Federal railroad safety laws, as such term is defined under section 212(e), or under any regulation issued under such laws.".

SEC. 5. DISPATCHER TRAINING.

Section 202 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 431), as amended by sections 3 and 4 of this Act, is further amended by adding at the end the following new subsection:

"(n)(1) The Secretary shall, within 180 days after the date of enactment of the Railroad Safety Improvement Act of 1985, conduct and complete an inquiry into whether training standards are necessary for those involved in dispatching passenger and other trains.

"(2) Upon the completion of such inquiry, the Secretary shall report the results of such inquiry to the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate along with the Secretary's recommendations, and if the Secretary recommends that rules, regulations, orders, or standards are necessary, the Secretary shall promptly initiate appropriate rulemaking proceedings.".

SEC. 6. PROTECTION OF EMPLOYEES AGAINST DISCRIMINATION.

(a) EXPEDITED PROCEDURES.—Section 212(c)(1) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441(c)(1)) is amended by inserting ", and any proceeding with respect to such dispute, grievance, or claim shall be expedited by the Adjustment Board (or any division or delegate thereof) or any other board of adjustment created under section 3 of the Railway Labor Act so that such dispute, grievance, or claim is resolved within 180 days after its filing with such Adjustment Board or other board of adjustment" before the period.

(b) COMPENSATION.—Section 212(c)(2) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441(c)(2)) is amended by adding at the end of the following new sentence: "If the violation of subsection (a) or (b) is a form of discrimination other than discharge, suspension, or any other discrimination with respect to pay, and no other remedy is available under this subsection, the Adjustment Board (or any division or delegate thereof) or any other board of adjustment created under section 3 of the Railway Labor Act may award the aggrieved employee appropriate compensation up to the equivalent of 1 year's pay for such employee.".

(c) DISCLOSURE OF NAMES.—Section 212 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441) is amended by adding at the end a new subsection as follows:

"(f)(1) Except as provided in paragraph (2), the Secretary shall not disclose the name of any employee of a railroad who has provided information with respect to an alleged violation of this title, any other Federal railroad safety law, or any rule, regulation, order, or standard issued under this title or any other Federal railroad safety law.

"(2) The Secretary shall disclose to the Attorney General the name of any employee described in paragraph (1) who has provided information with respect to a matter being referred to the Attorney General for enforcement under this title, any other Federal railroad safety law, or any rule, regulation, order, or standard issued under this title or any other Federal railroad safety law.".

SEC. 7. STANDING TO REQUIRE THE PERFORMANCE OF NONDISCRETIONARY ACTS.

The Federal Railroad Safety Act of 1970 is amended by inserting after section 212 the following new section:

"SEC. 212A. CIVIL ACTION BY EMPLOYEES.

"(a) Except as provided in subsection (b), any employee of a rail carrier or any authorized representative for collective bargining of a craft or class of such employees may commence a civil action against the Secretary of Transportation to compel the Secretary to perform any act or duty which is not discretionary and which is related to enforcement under the Federal railroad safety laws, as such term is defined in section 212(e), if the failure to perform such act or duty creates a danger of serious injury or death to such employee or employees.

"(b) No civil action may be commenced under subsection (a) before the expiration of 60 days after the plaintiff has given notice to the Secretary of the alleged failure of the Secretary to perform an act or duty which is the basis for such action, including specific reference to the alleged violation or violations of the Federal railroad safety laws involved. Notice under this subsection shall be given in such manner as the Secretary shall prescribe by rule.

"(c) Any civil action under subsection (a) shall be brought in the United States District Court for the District of Columbia, or the United States district court for the judicial district where the alleged violation or violations of the Federal railroad safety laws has occurred or is occurring.

"(d) When two or more civil actions brought under subsection (a) involving the same issues or violations are pending in two or more judicial districts, such pending actions may, upon application of the Secretary to a court in which any such action is brought, be consolidated for trial by order (issued after giving all parties reasonable notice and opportunity to be heard) of such court and tried in—

"(1) any district which is selected by the Secretary and in which one of such actions is pending,

"(2) a district which is agreed upon by stipulation between all of the parties to such actions and in which one of such actions is pending, or

"(3) a district which is selected by the court and in which one of such actions is pending.

The court issuing such an order shall give prompt notification of the order to the other courts in which the civil actions consolidated under the order are pending.".

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

Section 214(c) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 444(c)) is amended—

(1) in paragraph (1) by striking out "and" after "September 30, 1983,", and by inserting ", not to exceed $27,300,000 for the fiscal year ending September 30, 1986, and not to exceed $28,500,000 for the fiscal year ending September 30, 1987" before the period;

(2) in paragraph (2) by striking out "and" after "September 30, 1983,", and by inserting ", not to exceed $3,100,000 for the fiscal year ending September 30, 1986, and not to exceed $3,200,000 for the fiscal year ending September 30, 1987" before the period;

(3) in paragraph (3) by striking out "and" after "September 30, 1983,", and by inserting "not to exceed $10,400,000 for the fiscal year ending September 30, 1986, and not to exceed $10,800,000 for the fiscal year ending September 30, 1987," after "September 30, 1984,"; and

(4) by adding at the end the following new paragraph:

"(4) For the purpose of rail planning for Toledo, Ohio, including planning for improving the safety of rail operations and reducing conflicts between rail and highway traffic, there are authorized to be appropriated not to exceed $100,000 for the fiscal years ending September 30, 1986, and September 30, 1987. The total amount appropriated under this paragraph for both such fiscal years combined shall not exceed $100,000.".

SEC. 9. EMPLOYEE ASSISTANCE PROGRAM EVALUATION.

(a) REPORT.—The Secretary of Transportation shall conduct an evaluation of any employee assistance program with respect to drug and alcohol abuse run by the Consolidated Rail Corporation and shall, after consultation with representatives of the crafts or classes of employees covered by such program and with the Consolidated Rail Corporation, report to the Congress within 180 days after the date of enactment of this Act. Such report shall contain an evaluation of the effectiveness of such program in helping employees with drug and alcohol abuse problems, and shall include any recommendations of the Secretary for the improvement of such program.

(b) SIMULTANEOUS TRANSMITTAL TO CONRAIL.—The report submitted to the Congress under subsection (a) shall be transmitted simultaneously to the Consolidated Rail Corporation.

SEC. 10. ENFORCEMENT OF THE SECRETARY'S ACTIONS.

Section 208(a) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 437(a)) is amended by striking out "enforce such orders" and inserting in lieu thereof "enforce any orders, directives, and subpoenas of the Secretary under this title".

SEC. 11. ALCOHOL AND DRUG ABUSE ASSISTANCE.

(a) ESTABLISHMENT OF CORPORATION.—To foster the prevention of alcohol and drug abuse within the railroad industry, the Secretary of Transportation shall encourage the establishment of a private, nonprofit corporation, financially supported by individual railroad employees and railroad companies, to support and promote—

(1) vigilant peer intervention to avoid violations among railroad employees of rule G of the Association of American Railroads' Standard Code of Operating Rules;

(2) early identification and treatment of railroad employees addicted to alcohol or drugs;

(3) programs to foster awareness and prevention of alcohol or drug abuse within the railroad industry; and

(4) improved utilization of effective Employee Assistance Programs with respect to alcohol and drug abuse.

If such a corporation is established within 90 days after the date of enactment of this Act, the Secretary of Transportation may provide support, including office space, equipment, postage, printing, and the development of educational materials, of a value of not to exceed $100,000.

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(b) OTHER REQUIREMENT MAINTAINED.—The requirement set forth in subsection (a) shall not relieve the Secretary of any requirement set forth in section 2 of this Act.

SEC. 12. UNSAFE FACILITIES.

The Federal Railroad Safety Act of 1970 (45 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"SEC. 215 UNSAFE FACILITIES.

"(a) The National Railroad Passenger Corporation (hereafter in this section referred to as 'Amtrak'), or the owner of any facility which presents a danger to the employees, passengers, or property of Amtrak, may petition the Secretary for assistance to the owner of such facility for relocation or other remedial measures to minimize or eliminate such danger under this section.

"(b) If the Secretary determines that—

"(1) a facility which is the subject of a petition under subsection (a) presents a danger of death or serious injury to any employee or passenger of Amtrak or serious damage to any property of Amtrak; and

"(2) the owner of such facility should not be expected to bear the cost of relocating or other remedial measures necessary to minimize or eliminate such danger, the Secretary shall recommend to the Congress that the Congress, as a part of its periodic reauthorizations of this Act, authorize funding, by reimbursement or otherwise, for such relocation or other remedial measures.

"(c) Petitions may be submitted under subsection (a) of this section with respect to any relocation or remedial measures undertaken on or after January 1, 1978.".

SEC. 13. SAFETY FINANCING.

The Federal Railroad Safety Act of 1970 is amended by adding at the end the following new section:

"SEC. 215. SAFETY FINANCING.

"For the purpose of improving safe rail operations and improving rail safety, the Secretary shall continue to provide financial assistance for facilities rehabilitation and improvement under sections 505 through 510 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 825-830) until September 30, 1987.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An act authorizing appropriations for carrying out the Federal Railroad Safety Act of 1970, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 2372) was laid on the table.

REQUEST FOR APPOINTMENT OF CONFEREES ON S.1080

Mr. FLORIO. Mr. Speaker, I ask unanimous consent that the House insist on the House amendments and ask for a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. LENT. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2372, RAILROAD SAFETY IMPROVEMENT ACT OF 1985

Mr. FLORIO. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill (H.R. 2372) authorizing appropriations for carrying out the Federal Railroad Safety Act of 1970, and for other purposes, the Clerk be authorized to correct section numbers, punctuation, and cross-references, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending that bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

GENERAL LEAVE

Mr. FLORIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. CHENEY asked and was given permission to address the House.)

Mr. CHENEY. Mr. Speaker, I have taken this time to ask the distinguished majority leader about the program for next week, and will be happy to yield to him at this point.

Mr. WRIGHT. Mr. Speaker, if the gentleman would yield, this completes the business for the day and for the week. That being the case, we would ask that there be no session tomorrow, and that when the House adjourn today, it adjourn to meet on Monday.

On Monday, we expect to have action on at least two motions to suspend the rules; one on the Central Valley project and water project in California; the other on a Michigan wilderness bill, and it would be our purpose to postpone votes on those until the following day, Tuesday.

We would meet at noon on Tuesday and have any recorded votes required from the preceding day and take up the military construction authorizations for fiscal year 1986. That would be under an open rule with 2 hours of general debate. We would expect to finish that on Tuesday.

Now, Wednesday and the balance of the week we have four bills for consideration. The House would meet at noon on Wednesday, but at 10 o'clock the balance of the week.

We would expect to take up the foreign assistance appropriation bill, the Department of Transportation Appropriation bill, the National School Lunch Program and Child Nutrition Act, and the Federal Trade Commission reauthorization. All of those subject to the granting of a rule, and of course, conference reports could be brought up at any time.

Mr. CHENEY. I thank the gentleman. I wonder, can the gentleman give us any guidance at all with respect to the conference report on the Department of Defense authorizations?

Mr. WRIGHT. We expect to have a meeting within a relatively short time to make a determination as to when that conference report would come. I am sorry that I cannot give you that information at this moment. If the gentleman would stay somewhat in contact with the Speaker or the Leader's office, we may be able to give you some further advice. We are going to meet with the chairman, Mr. ASPIN, and with other Members this afternoon and see if we can arrive at an appropriate time to bring that to the House.

Mr. CHENEY. Finally, Mr. Leader, what about next Friday. Can you give us any guidance on whether or not we could expect votes on Friday of next week?

Mr. WRIGHT. I would be very much surprised if there were any votes. I think no votes next Friday. We will try to, we are endeavoring to put together a sheet that will help Members understand just which days the remainder of this month we would expect votes.

As the gentleman is aware, there are two religious holidays that occur during the month of September, and we will want to make as clear a pattern as possible for the guidance of Members, and that will be available for distribution so that all Members may know what we expect to have votes and what days we do not.

Mr. CHENEY. I thank the Leader.

☐ 1245

ADJOURNMENT TO MONDAY, SEPTEMBER 9, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday next it adjourn to meet at noon on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

FARM POLICY LEGISLATION

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, with the miracles of modern transportation and technology, most urban dwellers are accustomed to a constant supply of a wide variety of fresh produce, dairy products, and meats. But, they seem to give little thought to those who labor long hours to provide the food on the table.

Farming is a risky business. It requires more speculation than the stock market, more gambling than a weekend in Las Vegas, and more dedication than the quest for an Olympic medal. The job pays no overtime, nor can a farmer allow bad weather to slow him down. Yet farming has persisted as a way of life despite the hard work and economic difficulties. The economic health of America's hard-working farmers and the farm community are vital to our Nation's economy. When there is a farm credit crisis, the bankrupt farmer is only the first in a long line of bankruptcies to follow.

This weekend, I will be holding meetings with farmers in my district to discuss the farm policy bill we will soon be debating here. I believe that many farmers are more concerned about whether my urban colleagues really understand the special problems faced by farmers, than about receiving more Federal dollars. I urge my colleagues to remember the important contribution farmers make to our national economy and the unique problems of rural communities when we consider farm policy legislation later this year.

ROMANIA DOES NOT DESERVE MOST-FAVORED-NATION STATUS

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, I rise today to call to the attention of my colleagues the column by George Will in today's Washington Post which I would like to insert following my remarks.

Mr. Will addresses the issue of most-favored-nation status for Romania which we will be debating soon and he hits the nail right on the head: Romania, which is considered by the Helsinki Watch Committee as "one of the worst human rights offenders in Eastern Europe," in no way deserves the special trade status of most favored nation unless they improve on human rights.

I recently visited Romania and talked with its citizens who showed clear evidence of the persecution, the human rights violations, the antireligious policies, and the pervasive influence of the Soviet Union. As Mr. Will states, the debate in Congress on most-favored-nation status for Romania should not take long. With the evidence so clear, it should be an open and shut case against allowing any special favors by the United States.

[From the Washington Post, Sept. 5, 1985]

DO ROMANIA NO FAVORS

(By George F. Will)

You cannot toss a brick in Washington without conking someone eager to impose economic sanctions against South Africa. That fact should help Congress keep short its forthcoming debate about whether there should be "most favored nation" status for China, Hungary, Afghanistan and Romania.

MFN status involves access to reduced import duties, credits and other preferences amounting to subsidies. China got MFN status in the 1970s and is considered special because . . . well, it is big and therefore. . . . Besides, the regime is only "so-called communist." President Reagan, on the return trip from China, spoke of the "so-called Communist Chinese."

Some State Department officials consider Hungary, which has MFN status, proof that a therapeutic U.S. policy can move a Soviet satellite toward stealthy independence from Moscow. You say the independence is invisible? Silly you. That just proves how stealthy it is. And never mind the fact that Mikhail Gorbachev's policy toward Eastern Europe is neo-(why should America have all the "noes"?)-Stalinism.

Regarding China and Hungary, Washington is, perhaps, incorrigible. But why do we even need to debate a proposal to strip MFN staus from Afghanistan and Romania?

Afghanistan got MFN status before the Soviet invasion and has kept it through congressional inaction. The administration does not oppose removing Afghanistan's MFN status. The decision regarding Afghanistan is economically unimportant. Afghanistan's only significant export is its population, approximately one-third of which is in refugee camps abroad. Romania is a more interesting case, if only because the argument against Romania is not significantly weaker than the argument against Afghanstan, yet a sizable State Department lobby supports Romania.

Recently Romania produced some toilet paper containing Biblical words such as "Esau," "Israel," "Satan." As many as 20,000 Bibles sent to Romania in the 1970s were seized and recycled into toilet paper. Romania has cited its willingness to permit the shipments of Bibles as evidence of its independence, liberality and eligibility for MFN status.

In his 1983 Christmas homily, the Rev. Geza Palfi, 43, protested a goverment edict making Christmas a "day of labor." He was arrested and died three months later of internal injuries. In spite of severe anti-religious polices, church attendance in Romania is higher than in any Eastern European nation other than Poland. This phenomenon, which is evidence of intense dissatisfaction with the regime, is cited by the regime as evidence of its toleration.

In the United States, we debate the registration of guns. In Romania, typewriters must be registered with the police. Psychiatric "hospitals" are used for the tortue of dissidents. To acquire MFN status, Romania formally ended a confiscatory "education reparation tax" on those who wished to emigrate. The tax is not collected, unofficially, in bribes. Concerned about the low birthrate, the government submits women workers to mandatory gynecological examinations.

The Helsinki Watch Committee considers Romania "one of the worst human rights offenders in Eastern Europe." Romanian actions violate, comprehensively, Romanian law and the nation's international undertakings, including the obligation to allow U.S. citizens to exercise inheritance rights to receive just compensation for property held in Romania.

After 3½ years in Bucharest, the U.S. ambassador, David Funderburk, who speaks Romanian and studied there for two years, resigned to express his exasperation with the State Department's unshakable faith that Romania's President Ceausescu conducts a significantly independent foreign policy. The evidence for this "independence" is an assortment of acts, such as Romania's participation in the 1984 Olympics, acts that are, singly and even cumulatively, small beer.

Ambassador Funderburk says his embassy staff "observed a large Soviet presence in Romania that was not welcome news to some officials in Washington. On our own initiative we looked in registries, checked schools, traced license plates and came up with an ungodly number of resident Soviets, including Soviet agents in factories monitoring Romanian exports to the Soviet Union."

Romania's occasional rudeness may annoy the Kremlin. Romania criticized the invasions of Czechoslovakia and Afghanistan, did not break displomatic relations with Israel after the 1967 war and does not permit Soviet military maneuvers on Romanian soil. But such gestures hardly consittute independence.

They are dust in those eyes, including State Department eyes, that do not want to see Romania's complete compliance with the Kremlin's two paramount requirements—domestic Stalinism and support in the military-industrial complex that is the Soviet Union. The Romanian regime has harshly criticized Poland's Solidarity movement and has integrated its intelligence service with the Soviet's East-bloc network.

Trees, which only God can make, die so that debates, which Congress makes, can be transcribed on paper. The coming debate on MFN status should not cost many trees.

BLACK LUNG: DELAY UNFAIR

(Mr. RAHALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RAHALL. Mr. Speaker, during the recent congressional district work period, I took the opportunity to visit every one of the eight counties making up the Fourth District of West Virginia. One of the major, if not the major, topics of concern was the unacceptable backlog of black lung cases within the Department of Labor. I held a meeting with miners awaiting a resolution of their cases in McDowell County, and a number of them gave me letters explaining the circumstances of their cases and how long they have been waiting for a decision. I hope to deliver these personally to the President along with the concerns of the people of West Virginia. Some of them have been waiting in excess of 10 years for a decision, due to a massive backlog at the administrative law judge level.

I would like to bring to the attention of my colleagues an editorial from the Register-Herald in my hometown of Beckley, WV. It accurately sums up the feelings of the people of Appalachia as they await their well-deserved black lung compensaton. My district offices or my Washington office receive calls hourly every day from people awaiting a resolution of their case. Black lung compensation is a top priority in my office.

I hope that my colleagues will support efforts to eliminate this crippling backlog and expedite the cases so that these deserving people can receive their just compensation. Justice delayed is, indeed, justice denied.

BLACK LUNG: DELAY UNFAIR

The column by Jack Anderson on the opposite page makes a telling point: Coal miners who suffer from Black Lung or widows of Black Lung victims are not receiving justice from the federal government under its black lung program.

Anderson chose a particular case which illustrates the poignant unfairness of a system which denies compensation due individuals by law because of bureaucratic reluctance to expend funds and because companies can fight the benefit awards in court.

No system is perfect, but it seems ridiculous for there to be a backlog of 21,000 cases which, unless the process is expedited, will take some 35 years to resolve.

Justice delayed is justice denied.

Certainly, justice is denied those black lung retirees who die before the cases are settled. And in many cases, it appears that widows, even though, they live many years longer than their husbands, will also die before cases are adjudicated.

Establishment of the black lung program was fair, because coal miners systematically ruined their health by performing their work.

It could be argued that in the early days of coal mining, the risks to health from coasl dust were not understood or appreciated.

But with the advancement of medical science, the harmful effects of inhaling coal dust were established beyond controversy. Although the coal industry began instituting measures to minimize coal dust, it was too late to help many elderly miners whose last days were filled with pain which accompanied every breath they took.

If there is to be action on black lung, the pressure for action must come from President Reagan or other top officials in the administration.

Yet, as Anderson points out, administration officials are encouraging delays in black lung payments in order to reduce federal expenditures.

This is shameful.

By rights, Robert C. Byrd and Jay Rockefeller should be making speeches on the Senate floor every day until the case backlog has been eliminated.

West Virginia's congressmen should also make black lung their top concern, if it is not already.

True, there may be abuses. Some people who do not suffer the terrible disease may have filed for black lung benefits. Some widows may be seeking benefits to which they are not entitled.

Perhaps, because of this, there is an argument for judicial review of cases in which coal companies contest the award.

But these judicial reviews should be expeditious. The federal government should provide as many judges as it takes to clear the backlog in a reasonable time.

It makes no sense to let these cases drag on until those who needed the benefits are dead and buried.—W.M.

TRIBUTE TO CAROLYN SULLIVAN

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, I would like to pay tribute to my constituent, Mrs. Carolyn Reddick Sullivan of Milburn, KY.

Indeed, it is a pleasure for me to have the opportunity to recognize Carolyn Reddick Sullivan, who recently retired from teaching, a profession which she proudly served for 35 years—first in the Graves County and Mayfield City school systems and then at Carlisle County Elementary School.

Throughout her career, Mrs. Sullivan has been a valuable asset to the field of education. Her dedication to excellence and demand for maximum effort from students gained her immense respect throughout her teaching career from her students, their parents and her peers alike. In honor of her many years of distinguished service to her State, she was recently commissioned a Kentucky Colonel by Kentucky Gov. Martha Layne Collins.

Although Carolyn Sullivan's commitment to teaching is well known in western Kentucky, she also found time to be a family person. Carolyn and her husband Durwood, a real estate broker and former teacher, have one daughter, Gina Carol Sullivan, who lives and works at Oak Ridge, TN.

Carolyn Sullivan retired with the highest praise and respect from her community—Milburn, KY.

My wife Carol and I attended the 1985 Milburn Homecoming earlier this year with my mother, Mrs. Carroll Hubbard, Sr., of Louisville, KY. My mother was born and raised in Milburn, KY, and graduated from Milburn High School in 1930.

Among the proud residents of Milburn who witnessed the ceremony honoring Carolyn Reddick Sullivan earlier this year were her parents, Alvin and Lorene Reddick, two beloved individuals who are long-time favorites of mine.

As Mrs. Ernie (Polly) Johnson of Milburn said at the Milburn Homecoming, "Thank you, Carolyn Sullivan, for 35 years of teaching western Kentucky young people in such an outstanding manner."

OPERATION LIAPP: MICHIGAN'S BLACK HISTORY COMES ALIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

Mr. CROCKETT. Mr. Speaker, as I did yesterday, I would like to include in today's RECORD excerpts of the "Michigan Manual of Freedmen's Progress," published in Detroit, MI, in 1915 and chronicling the accomplishments of black citizens in the Michigan community. The manual was first published to commemorate the 50th anniversary of the signing of the Emancipation Proclamation. The manual is now being reissued and updated under the guidance of the Museum of African-American History of Detroit. Under Editor John Green, the reissue is designed to enlighten new generations to the historical contributions of blacks to our State's progress, as well as to update and enlarge on the information in the first manual.

I would like at this time to include some further portions of the original manual for the benefit of my colleagues:

EXCERPTS FROM MICHIGAN MANUAL OF FREEDMEN'S PROGRESS

THE NEGRO IN MICHIGAN

Many interesting incidents have been mentioned arising from the presence, first in the territory from which the State of Michigan was formed, and second, as residents and citizens of this great northern commonwealth, of persons of mixed or of full Negro blood.

We find in such records as are available mention of a "black man who was very pious" in the latter part of the 18th century and several instances in the early part of the 19th century where slaves were brought to Michigan territory are mentioned.

Negro immigration to Michigan in appreciable numbers began in the decade between 1830 and 1840 and assumed largest proportions just prior to the Civil War. The Imigrants consisted of "Free" Negroes i.e. manumitted slaves or their children, also the Negro children of white women. The enumeration of home owners has revealed several colored decendants of Southern white women, born free because of the anti bellum Slave State law that the child followed the condition of the mother. These were supplemented by runaway slaves who were aided to freedom by the famous "Underground Railway."

The Negroes became so numerous in the fifties that considerable hostility began to be manifested and we are told by Mr. Geo. Waterfall, one of Detroit's oldest pioneer citizens, that the Negro population of Detroit in 1861 was about 500. Prior to that time, Southern masters in search of runaway slaves had been mobbed in Detroit and made to leave without their prey, but during the progress of the Civil War the Pro Negro sentiment changed and at least one anti-Negro riot in that city is recorded.

When the Secretary of War authorized Governor Austin Blair to raise one regiment of Negro Volunteers in 1863, Negroes flocked to Detroit from all parts of the State and probably some came from Canada, and soon filled the regiment with 1,500 black volunteers. This regiment acquitted itself in excellent fashion during the remainder of the War and 173 additional black volunteers were mustered in at Detroit and assigned to different regiments during the progress of the War. A complete roster of these black heroes is published in a subsequent chapter of this manual.

Among the early decisions of the Michigan Supreme Court may be found an interesting decision regarding the legal status of the Negro as a voter. The case went up from Detroit where the Negro, a man of very light complexion, had been denied the right to vote. The decision followed the Ohio ruling on the same subject, holding substantially that a Negro followed the condition of his father and where an individual possessed a preponderance of white blood, he was to be regarded as white and therefore a voter. After the war, and especially after the 15th Amendment to the U.S. Constitution was adopted the progress of Michigan's Afro-American citizens has been rapid and certain.

The chapter on Occupations furnished by Mr. Robert A. Pelham, found in another part of this manual together with the chapter devoted to the Michigan Negro in Business clearly shows the rapid rise of the Freedmen during the past fifty years and is full of interest.

The first organization effected to better the condition of Michigan's Afro-Americans occurred on October 8, 9, in 1860, when a convention of colored men met at Battle Creek, Michigan, for the purpose of petitioning the Legislature for the right of suffrage, to consider the intellectual and moral status of the colored people and to devise means to better their condition. This convention elected a permanent committee of the following persons:

James Underwood, Washtenaw county; George W. Lewis, Lenawee; Wm. Casey, Calhoun; George W. Artis, Cass; Josiah Henson, Jackson; Erwin Jeffreys, Van Buren; T. Wilson, Ingham; Mr. Jenkins, Branch; D. Roberts, Kent; T.J. Martin, Cass; E. Owens, Kalamazoo; George De Baptist, Wayne; E.H. Wilson, Kent; John Freeman, Ann Arbor; Walter Duke, White River; Mr. Herod, Ionia.

Mr. T.J. Martin, of Dowagiac, was elected chairman of the convention, and this committee had power to call a convention of Michigan Afro-Americans any time they deemed it necessary to take that step.

Many of this committee had died when in 1884 Mr. Martin consulted the living members and called a convention which was held March 25, 1884, at the same city, at which resolutions were adopted in appreciation of Justice Harlan's dissenting opinion of the United States Supreme Court's decision on "The Civil Rights Act," and also resolutions requesting the Republican party to send a colored delegate at large to the Republican National Convention at Chicago in June. This convention elected a standing committee composed of the following persons, many of whom are still living:

Walter Y. Clark, Walter H. Stowers, of Wayne; R. Wilson, Lenawee; John J. Evans, Calhoun; Joseph C. Ford, Kent; J.H. Baker, Bay; Charles W. Ellis, Saginaw; J. Madry, Cass; J.H. Fox, Washtenaw; Frank M. Thurman, Jackson; George Curtis, Berrien; J.M. Artis, Hillsdale; N. Hamilton, Kalamazoo; L.R. Roberts, Van Buren; W.H. Deigh, Ingham.

In 1876 a Negro of the full blood, John Wilson, was elected to the office of Coroner of Wayne County by the Democratic party. Wilson was a musician and boss barber, operating a ten-chair shop on Griswold street near Jefferson in the City of Detroit, and was probably the first Negro to be elected to public office in the State of Michigan. Closely following Wilson in office was Thomas D. Owens, also elected coroner of Wayne County on the Democratic ticket. Mr. Owens was also a boss barber and one of Detroit's oldest colored citizens, having settled in that city in 1845.

In the early eighties, Negro attorneys appeared before the Detroit courts, Thomas Crisup being the first, quickly followed by D. Augustus Straker, the latter was a University graduate and seemed to become a popular idol of the white people, many commendatory references being made about his court work by the daily papers. He was elected Circuit Court Commissioner for two terms, in the nineties and after the adoption of the primary laws was nominated as a delegate to the State Constitutional Convention in 1908. He was a rock-ribbed Republican of the old school.

In ascertaining the present condition of Michigan's Afro-Americans a question blank was prepared seeking information as follows: Nativity of the person enumerated; length of residence in Michigan; if of mixed blood their nearest white ancestor; occupation; value of real property owned; value of personal property owned; character and value of Exhibits offered; extent of education; whether married or single, and number of children.

Only persons owning real estate, producers of something to exhibit or professional and business persons were enumerated with the following results:

Total number enumerated	1,496
Natives of Michigan	485
Natives of other State or Countries	881
Persons having white ancestry	666
Number of children of mixed blood	1,433
Number of full blooded Negroes	239
Number of children of full blood Negroes	429
Home owners	1,207
Owners of other lands	316
Owners of personal property	979
Number of exhibitors	196
Number of professional persons	98
Number married	1,201
Number educated at common school or better	1,204
Number uneducated	58
Number of occupations in which Afro-Americans are employed	152
Value of real property	$4,219,022
Value of personal property	$1,115,683

A number of lists came in too late for tabulation.

Out of a total of 1496 persons enumerated it will be noted that only 905 answered the question regarding "White Ancestors," probably because of a false modesty regarding the southern manner their white blood was acquired or probably because their dark complexion was so pronounced that they did not think it necessary to answer the question. But the answers given will suffice for the object sought, i.e., whether any inherent physical weakness can be determined as a result of a mixture of blood as claimed by some more or less noted physiologists.

The table discloses 1433 children born to 666 persons of mixed blood and 429 born to 239 of the full blood. Some notable examples of the procreative powers of both classes are recorded in the files of the Commission. Two mixed couples in one township, both farmers, gave birth to 44 children with 30 of them living and healthy, both bodily and morally. While one couple of full Negro blood in Detroit gave birth to 18 children, 11 of whom are living and healthy. All of the farmers were singly born, while the latter couple gave birth to 3 sets of twins.

It will be difficult to reconcile with the figures here given any idea of physical or mental weakness on the part of either mixed or full blood Negroes. One father of 22 children is the descendant of a free born mulatto of Kentucky and is of French, Indian and Negro extraction. This man started as a farmer in 1890 without any capital except a wife and four children and a determination to succeed. Today his estate is valued at $30,000 and he lives in the best house in the township, containing 20 rooms and all modern conveniences including steam heat and he "owes not a dollar to any man," and this particular individual can neither read nor write.

The Allens of Cass County are all of mixed blood. "Uncle Bill," as Wm. Allen is affectionately called, is hale and hearty at 80 odd years and here we find great grandchildren, all healthy, alert, ambitious and industrious citizens who measure up favorably with the best the Nation affords.

Among the mixed blood Afro-Americans in Michigan are found descendants of one former President of the U.S., of U.S. Senators and Congressmen and a leading General of the Confederate Army all from Southern States where inter-marriage of the races has always been prohibited by law, but not by practice, as the complexion of these individuals and the stories told, plainly prove.

The chief object of creating the Commission was to prepare and install a Michigan Exhibit of Freedmen's Progress at the National Half Century Exposition at Chicago, Ill., held in connection with the celebration of the 50th anniversary of Negro Emancipation.

From the number and character of exhibits all expectations have been surpassed. The 196 exhibits listed includes many highly valuable inventions, many beautiful works of art from brush, pen and needle, many articles of handiwork by craftsmen and farm products of all description. True we have been disappointed in listing some of Michigan's best invention, The Dammond R. R. Signal and the Pianola; yet the wisdom of providing for the Michigan Exhibit and this manuel is amply demonstrated.

PARAGRAPHS ABOUT PEOPLE AND THEIR OCCUPATIONS IN DAYS GONE BY

The research for statistical data, for comparative purposes, brought to light a number of interesting facts, relative to Michigan citizens, during the early and succeeding years of the past half century, and are presented here, as occupational data worthy of note.

C. H. Mitchell, graduate of the Law Department at Ann Arbor, was elected Justice of the Peace at Battle Creek in April, 1889.

Dr. S. C. Watson, of Detroit, was born in Charlestown, S.C., in 1832. He received a common school education, attended Oberlin college one year, spent two years at Ann Arbor as a medical student, and afterwards graduated from the Cleveland College of Medicine. He practiced in Toronto and Chatham, locating in Detroit in 1863. He opened a drug store, which business he was engaged in at his death in 1892. He was a member of the Underground Railroad and a close friend of John Brown, Wendell Phillips, William Lloyd Garrison, and their coworkers. Was a member of Board of Estimates in 1876; was elected a member of City Council in 1882, and served two terms. In 1884 was elected delegate-at-large to National Republican Convention which nominated Blaine and Logan. He was the first colored man so honored in the North. He was a commissioner for Michigan at the New Orleans Exposition and was a member of the Jury Commission through appointment by Governor Winans at time of his death.

John H. Freeny, of the Saginaw Valley and resident of Mt. Pleasant, Mich., was born and reared in Camden, N.J. Came to Michigan in 1868 and engaged in barbering at Clare. Later moved to present home and learned photography with the celebrated Goodridge Brothers of Saginaw, after which he opened a photo gallery and a barber shop in East Saginaw. But his yearnings were towards construction, and through real estate investments he soon found himself a dealer in lumber, and in 1883 owned pine land enough to keep him busy for a number of years; also a mill which sawed eight million shingles in 1882. He had three lumber camps, ten teams, four yoke of oxen and 100 men employed. Mr. Freeny was founder and sole owner of the village of Wise, containing about 400 inhabitants and located on a branch of railroad running from East Saginaw to Mt. Pleasant, with two daily mails and in a flourishing condition.

Prof. C.W. Thompson was born a slave to a brutal master in Richmond, Virginia. Through the Underground Railroad he escaped, landing in Philadelphia in 1852, and in 1854 came to Detroit where he settled. Naturally endowed with musical talent, he soon began organizing choirs and choruses and a school of music, having as high as 125 pupils enrolled. He organized the Detroit Philharmonic Society, and even today his influence is felt in his adopted city.

Capt. Obadiah C. Wood was born in New York state in 1815. His parents moved to Rochester, where he received such education as that state provided for its colored citizens in that day. In 1843 he went to Detroit. Mr. Wood was the first person to organize a colored military organization in the state of Michigan. Long before the election of Mr. Lincoln, he had a well organized, drilled and equipped company, and when the war clouds appeared Capt. Wood and his company were among the first to offer their services to the governor of the state, which offer was rejected because the North at that time did not think it needed the Negro's aid in putting down the rebellion. Through Capt. Wood, legal action against the Board of Education, at his own expense, and discrimination having been declared illegal by the Supreme Court of the state he, practically unaided, except by justice, opened the public schools to all colored children in their respective districts in the fall of 1870.

He was the first colored man in Michigan to hold a position under the Federal government, a position he held for twelve years with satisfaction to the Government and credit to himself, and which he resigned on account of ill health. He was also the first colored man elected to a municipal office in the state, being elected a member of the Board of Estimates for two years and commissioned by Governor Bagley as a Jury Commissioner.

Mr. Charles Peterson, of Saginaw, was born in New Jersey in 1822 He settled in several places in New York and Canada before permanently locating in East Saginaw, where he has acquired considerable real estate and a business in draying through hard work and thrift, and was easily worth $50,000 in 1883. His only daughter married Mr. Fountain Bass, the popular caterer of Bay City.

Walter Y. Clark had the first laundry in Detroit. Lack of capital forced him into political life and he held many places of honor and trust.

J.C. Craig, of Grand Rapids, ran a fine barber shop, equipped with electric light and apparatus, as early as 1883.

Mrs. Lucy Thurman, of Jackson, was the first colored woman to lecture and organize branches for the State W.C.T.U. She is also ex-president of the C.W.N.F.C.

Sojourner Truth, noted lecturer, abolitionist, and woman's rights advocate, coworker of Fred Douglass and Susan B. Anthony, made her home in Battle Creek for a number of years and died there.

George W. Lewis came to Lenawee county in 1835, ran leading barber shop in Adrian till 1882, when he became excursion manager for the Wabash Railroad.

Mrs. M.E. Lambert, of Detroit, was not only a splendid elocutionist and rarely gifted in knowledge of literature, but also a writer, having been especially commended for a "Child's Book of Stories" from her pen.

Goodridge Bros., of Saginaw, were for years the leading photographers of Northern Michigan. Their work was not excelled in the state. One specialty was the taking of noted views all over the country.

Richard Shewcraft was the first colored artist to receive a scholarship at the Detroit Museum of Art, which possesses one of his pictures bought by friends before his death and presented to the Museum.

John H. Fox was one of the first colored attorneys in Michigan. In 1883 he was enjoying a lucrative practice in Ypsilanti.

Mr. J.J. Richardson, of Bay City, was well known and appreciated for his newspaper writings and his historical knowledge of early Michigan, which had attracted wide attention in the early 80s. He settled in Saginaw in 1855, when there was only one other colored family in the valley.

Hon. D. Augustus Straker, after becoming a citizen of Detroit in the latter 80s, was the first colored man elected Circuit Court Commissioner. He enjoyed a lucrative mixed practice and the legal books of which he is author are recognized authorities on their subjects.

Frank C. Bradford, of Detroit, was special pattern man of the Fulton Iron Works of Detroit. He was also an inventor.

William C. Swan, of Detroit, attorney, was the first colored man to be nominated on the Democratic ticket for Circuit Court Commissioner.

Hon. J. Frank Rickards came to Detroit in 1865. Was one of the first colored letter carriers, having been appointed in 1879., He is a high mason and an authority on masonic matters.

Dr. Charles Ellis held an honored professional reputation in Saginaw, Michigan, till cut off by death in his early years.

Mr. William Gaskins, of Jackson, has attracted attention all over the state by his expert penmanship.

Miss Dora Grayson was director of music in Tecumseh public schools from 1890 to 1894. She was the first colored woman in Michigan to fill such position.

Mr. Harry Guy composes and arranges high class music for all the best local soloists and orchestras in Detroit.

Detroit Study Club, founded in 1898, by Mrs. Gay Lewis Pelham, is the principal literary club in the state, belonging for seventeen years to the City Federation of Clubs with representation.

Ypsilanti still has colored schools with colored teachers. The pioneer teacher was Rev. Isaac Burdine, known all over the state as a strong race man of splendid qualities.

Preston's Restaurant at Marquette was the leading place of its kind in Marquette in 1890 and Mr. George Preston, proprietor, was counted one of Marquette's most progressive business men.

Mme. Maggie Porter Cole, one of the original Fisk Jubilee Singers, has made Detroit her home since her marriage some years ago. She has organized several choruses and freely lends her talent to charity.

H.F. Snodgrass, of Battle Creek, was foreman for more than 20 years of the blacksmith shops of Nichols & Shepard, agricultural implement manufacturers in that city, with 25 or more race assistants. Wm. Barton was the engineer of the plant for many years.

Isaac N. Jackson, of Charlotte, was at one time foreman of the news room of the Charlotte Republican. This newspaper spoke in the highest terms of him when he was a candidate on the Republican ticket for Town Recorder. He was defeated by only 11 votes.

Miss Lulu V. Childers, of Howell, Michigan, singer, and at present Director of Music at Howard University, received her common school education at Howell and her voice training at Oberlin Conservatory of Music. Miss Childers is an excellent example of a self-made woman, as her training at Oberlin was made largely possible through her own personal efforts.

Dr. L.H. Johnson was born in Union Town, Fayette County, Pa., and settled permanently in Detroit in 1880 after having graduated from Oberlin in a literary course and receiving his degree in medicine from the Chicago Medical College. He built up a fine, lucrative practice, having both colored and white patients—indeed, about 75 per cent of his practice were the latter.

Miss Fannie M. Richards was born in Fredericksburg, Va. The family coming to Detroit in her early days, she is practically a Michigan product. She was appointed a teacher in the public schools at Detroit in 1868 and has taught continuously till 1915, when she was retired upon pension. She was the first president of the Phyllis Wheatly House and known for her charitable deeds as well as her love for literature and her passion for teaching.

Hon. Henry Lincoln Johnson, of Georgia, ex-Recorder of Deeds for the District of Columbia, received his degree in law from the University of Michigan.

The late lamented Dr. John R. Francis, of Washington, D.C., received his degree in medicine from the University of Michigan.

Joseph H. Stewart, of Washington, D.C., honored member of the bar, received his degree in law from the University of Michigan.

Dr. Thomas Wallace, of Adrian, has a celebrated sanatorium and has made some remarkable cures through his special treatment. His Sanatorium with equipment has a valuation of about $20,000.

John Lewis, born in Livingston Co., N.Y., in 1826, came to Adrian with his parents in the fall of 1837. He was a product of the early public school of Adrian and his natural intelligence together with the use he made of his schooling and experience assisted him greatly in acquiring business methods. Economy was his watchword and through this trait about 1857 he bought out his employer's eating house and set about accumulating a competence. His place, "The Verandah," became and remained a land mark in Adrian till Mr. Lewis' death. He was universally respected by all classes of citizens.

Hon. W. W. Ferguson was born in Detroit in 1857. His father, Dr. Joseph Ferguson, was a pioneer of Detroit and city physician for several terms. He was the first boy of his race to enter the Detroit Public Schools, and he graduated with high honors from the High School. He was the first colored member of the Michigan legislature, having been elected in 1892. He was the plaintiff who won the celebrated Ferguson-Gies civil right case, citation of which is made throughout the entire country.

Madame E. Azalia Hackley, the noted singer and musical lecturer, was educated in Detroit, where she taught for a number of years in the public schools. Upon her marriage to Mr. Edward Hackley, Denver, became her home from which place she went forth after hard study to conquer in musical fields and win a world wide reputation in her profession of music.

Among the early teachers who left for Southern fields of labor were Joseph H. Pelham and George Rice, of Detroit in the 70's. Mr. Rice died some years ago in Missouri, where Mr. Pelham remained and taught for more than 40 years. He has two daughters, Misses Mabel and Gladys, now teaching in the Detroit Public Schools, and a son in the Detroit Post Office.

George Young, for many years steward for the "Yondotega" club of Detroit, by special recommendation is now steward of the Country Club, one of Washington's most aristocratic country clubs.

Rev. John A. Williams, rector of St. Mark's Episcopal Church, Omaha, Nebraska, is a Michigan product, educated in the Public Schools of Detroit and becoming a protege of Bishop Worthington, entered the Episcopal priesthood after graduating from the Divinity School at Fairabault, Minn., and is one of the most prominent of the Episcopal clergy.

Ann Arbor has one colored postman and police officer, appointed by Republican and Democratic officials respectively.

Saginaw is credited with one physician.

Grand Rapids has one public school teacher.

Bay City has one public school teacher—has had three.

In 1883 Mr. C. B. Burton was the leading confectioner and caterer of East Saginaw.

Charles Kelly, of Frederick, Crawford county, general store keeper, township treasurer, was postmaster under Harrison and McKinley.

Lieut. Frank W. Cheek was a gallant lieutenant in the Volunteer service in the Spanish-American war.

There has been two race representatives as teachers in the Detroit Conservatory of Music.

Ypsilanti has one colored physician.

In June, 1883, the Wayne County Jury Commission approved the following named among other jurors for the year:

Wayne County Court: Jas. H. Cole.

Superior Court: Montgomery Bell, Wilmont Johnson, Theodore Finney, Joseph W. Shafer, Thaddeus D. Warsaw, Lomax B. Cook, and Dr. Samuel C. Watson.

Recorder's Court: George Sorrel, Henry C. Clark, Obadiah C. Wood and George B. Crisup.

At one time:

Detroit had John A. Loomis, expert stenographer, one of the first to teach stenography in Detroit.

W.H. Vincent was one of Flint's progressive business men, with a fine grocery store.

At Lansing, Mr. Andrew Dungey and Mr. John W. Allen were young contractors and builders.

Alpheus A. Poole was deputy sheriff for Wayne under Sheriff James D. Burns, democrat.

At Lansing, Mr. William Tate, dealer in merchandise.

Ann Arbor, Mr. White, a contractor.

Grand Rapids, Mr. George Miller, pressman.

Lapeer had the well known attorney, S. Laing Williams, of Washington, D.C., the first graduate from Columbia University returning to vote at election time. Mr. Williams is now a citizen of Chicago, Ill.

In Port Huron, Mr. J.E. Bird, counselor and advisor of leading politicians of his district.

Among the well known:

J.C. Ford, of Grand Rapids, a staunch race man and pioneer in all movements for race uplift.

Albert W. Hill, of Detroit, the first Internal Revenue Gauger in Michigan, and a politician of "high degree."

Mme. Frances E. Preston, Detroit, most famous elocutionist and temperance worker.

C.C. Carter, of Port Huron, an influential member of the convention of 1884 and a political force in his locality.

Mr. and Mrs. William H. Howard, of Detroit, funeral directors, undertakers and embalmers.

Dr. Sylvester S. Smith, first dentist in Detroit.

Prof. William H. Dammond resigned a professorship at Wilberforce in 1911 to take a position with the Michigan Central Railroad as assistant bridge engineer. While holding this position, Prof. Dammond invented an electric cab signal, an improvement over and destined to supplant the block signal.

Mr. Ray Middleton, graduate of the University of Michigan, civil engineer, with American Bridge and Iron Works.

Edward P. Harper, son of Hezikiah Harper, born in Indianapolis, became a citizen of Detroit at the age of 6 weeks, his parents having moved to Detroit when he was that age. He was the first Ladies' Hair Dresser in Detroit, having for years the only and later the leading place of business in that line in the city. He taught several of his white successors their trade.

Rev. Hezikiah Harper, founder of Ebenezer A. M. E. Church, Detroit, Michigan.

SECTION 302(a) ALLOCATIONS REQUIRED BY THE CONGRESSIONAL BUDGET ACT

(Mr. GRAY of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GRAY of Pennsylvania. Mr. Speaker, Congress adopted Senate Concurrent Resolution 32, the first concurrent resolution on the budget for fiscal year 1986, on August 1, 1985. Since negotiations between the House and Senate conferees continued well into that morning, there was insufficient time for the preparation of accurate section 302(a) allocations of budget outlays, new budget authority, and new entitlement authority to House committees. Such allocations are required by the Congressional Budget Act to be part of the statement of managers accompanying a conference report on the budget.

House Resolution 253, which provided for the consideration of the conference agreement on the budget resolution also provided that the section 302(a) allocations, which I am now inserting in the CONGRESSIONAL RECORD, shall be the allocations required under section 302(a) of the Congressional Budget Act of 1974.

Additionally, I would like to briefly note the enforcement procedures which were included in the conference agreement.

Section 2 of the resolution provides reconciliation instructions directing 14 House and 11 Senate committees to report by September 27 legislation reducing the deficit for fiscal years 1986 through 1988.

Section 3 of the resolution provides that if Congress does not adopt a second resolution by October 1, then the spending ceilings and revenue floor set forth in this resolution shall become binding. That section further provides that in the House legislation would not be subject to a point of order for exceeding the aggregate spending ceilings if the legislation would not exceed the committee's section 302(a) allocation of new discretionary budget authority or new entitlement authority for fiscal year 1986. This provision is identical to the procedure which applied in both Houses during fiscal year 1985 except that it is only applicable in the House of Representatives in fiscal year 1986.

The conference agreement revises the concurrent resolution on the budget for fiscal year 1985, thereby establishing a new spending ceiling and revenue floor for purposes of section 311(a) of the Congressional Budget Act.

Finally, sections 5 through 10 of the resolution contain provisions expressing the sense of the House, or Senate, or both on various issues.

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302(a) OF THE CONGRESSIONAL BUDGET ACT—FISCAL YEAR 1986

[In millions of dollars]

	Budget authority	Outlays	Entitlement authority
HOUSE APPROPRIATIONS COMMITTEE			
Current level (enacted law):			
050 National Defense	1,017	103,726	0
150 International Affairs	165	9,511	0
250 General Science, Space, and Technology	8	2,762	0
270 Energy	15	3,756	0

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 302(a) OF THE CONGRESSIONAL BUDGET ACT—FISCAL YEAR 1986—Continued

[In millions of dollars]

	Budget authority	Outlays	Entitlement authority
300 Natural Resources and Environment	26	6,368	[illegible]
350 Agriculture	0	598	[illegible]
370 Commerce and Housing Credit	0	1,135	[illegible]
400 Transportation	406	[illegible]	[illegible]
450 Community and Regional Development	4	5,371	[illegible]
500 Education, Training, Employment, and Social Services	8,045	23,785	0
550 Health	25,605	[illegible]	[illegible]
570 Medicare	19,761	19,761	[illegible]
600 Income Security	26,768	38,921	[illegible]
650 Social Security	497	497	0
700 Veterans Benefits and Services	15,212	17,117	[illegible]
750 Administration of Justice	124	1,079	0
800 General Government	[illegible]	[illegible]	0
850 General Purpose Fiscal Assistance	4,567	[illegible]	0
Subtotal	[illegible]	[illegible]	0
Discretionary appropriations action (assumed legislation)			
050 National Defense	302,182	164,072	0
150 International Affairs	19,085	9,917	[illegible]
250 General Science, Space, and Technology	9,095	[illegible]	0
270 Energy	5,009	1,818	0
300 Natural Resources and Environment	15,119	[illegible]	0
350 Agriculture	12,279	794	[illegible]
370 Commerce and Housing Credit	5,084	2,241	0
400 Transportation	10,448	9,137	[illegible]
450 Community and Regional Development	5,938	1,301	[illegible]
500 Education, Training, Employment, and Social Services	22,618	7,243	[illegible]
550 Health	10,473	[illegible]	0
570 Medicare	−1	1,101	[illegible]
600 Income Security	28,901	19,523	0
650 Social Security	−10	[illegible]	[illegible]
700 Veterans Benefits and Services	11,140	[illegible]	[illegible]
750 Administration of Justice	6,665	[illegible]	[illegible]
800 General Government	5,323	4,676	0
850 General Purpose Fiscal Assistance	657	[illegible]	0
920 Allowances	−1,370	−1,420	0
950 Undistributed Offsetting Receipts	41	41	0
Subtotal	468,667	[illegible]	0
Discretionary action by other committees (assumed entitlement legislation):			
150 International Affairs	600	50	0
500 Education, Training, Employment, and Social Services	−100	−100	[illegible]
550 Health	−80	−80	0
600 Income Security	53	53	0
700 Veterans Benefits and Services	45	11	0
800 General Government	189	[illegible]	[illegible]
920 Allowances	−730	−230	0
Subtotal	−23	−108	[illegible]
Committee total	576,505	[illegible]	[illegible]
HOUSE AGRICULTURE COMMITTEE			
Current level (enacted law):			
270 Energy	2,242	2,012	0
300 Natural Resources and Environment	298	284	0
350 Agriculture	7,365	15,502	11,059
450 Community and Regional Development	644	1,222	[illegible]
850 General Purpose Fiscal Assistance	270	270	[illegible]
Subtotal	10,818	[illegible]	11,329
Discretionary action (assumed legislation)			
350 Agriculture	−1,250	−1,250	−1,250
Subtotal	−1,250	−1,250	−1,250
Committee total	[illegible]	[illegible]	[illegible]
HOUSE ARMED SERVICES COMMITTEE			
Current level (enacted law)			
050 National Defense	10,026	10,026	[illegible]
600 Income Security	[illegible]	18,139	18,139
700 Veterans Benefits and Services	[illegible]	3	3
Subtotal	40,622	[illegible]	[illegible]
Discretionary action (assumed legislation)			
600 Income Security	[illegible]	−100	−100
Subtotal	[illegible]	−100	−100
Committee total	40,622	[illegible]	[illegible]
HOUSE BANKING, FINANCE, AND URBAN AFFAIRS COMMITTEE			
Current level (enacted law):			
050 National Defense	5	5	5
150 International Affairs	0	−313	0
370 Commerce and Housing Credit	3,015	[illegible]	0
450 Community and Regional Development	225	161	0
500 Education, Training, Employment, and Social Services	0	−59	−32
550 Health	0	−1	[illegible]
600 Income Security	2,500	2,514	[illegible]
700 Veterans' Benefits and Services	0	−21	0
800 General Government	4	[illegible]	[illegible]
900 Net Interest	20	[illegible]	[illegible]
Subtotal	5,819	[illegible]	−32
Discretionary action (assumed legislation)			
370 Commerce and Housing Credit	−1,585	−1,091	0
450 Community and Regional Development	[illegible]	−14	[illegible]
600 Income Security	−497	−1,567	0
Subtotal	−2,082	−2,672	0
Committee total	3,737	[illegible]	−32
DISTRICT OF COLUMBIA COMMITTEE			
Current level (enacted law):			
750 Administration of Justice	11	11	11
Subtotal	11	11	11
Committee total	11	[illegible]	11
HOUSE EDUCATION AND LABOR COMMITTEE			
Current level (enacted law):			
500 Education, Training, Employment, and Social Services	12	11	4,431
600 Income Security	[illegible]	[illegible]	6,525
Subtotal	[illegible]	74	[illegible]
Discretionary action (assumed legislation)			
500 Education, Training, Employment, and Social Services	[illegible]	[illegible]	−100
600 Income Security	0	−300	−239
Subtotal	[illegible]	−300	0
Committee total	[illegible]	−226	10,617
HOUSE ENERGY AND COMMERCE COMMITTEE			
Current level (enacted law):			
270 Energy	14	14	0
370 Commerce and Housing Credit	33	33	[illegible]
400 Transportation	5	−7	[illegible]
550 Health	[illegible]	−1	24,013
600 Income Security	13,122	11,319	8,272
850 General Purpose Fiscal Assistance	7	6	7
Subtotal	13,189	11,364	32,292
Discretionary action (assumed legislation)			
270 Energy	−14	−14	[illegible]
550 Health	0	0	−80
Subtotal	−14	−14	−80
Committee total	13,175	11,350	32,212
HOUSE FOREIGN AFFAIRS COMMITTEE			
Current level (enacted law):			
150 International Affairs	14,510	12,745	[illegible]
600 Income Security	697	254	254
800 General Government	2	2	0
Subtotal	15,209	13,001	254
Committee total	15,209	13,001	254
HOUSE GOVERNMENT OPERATIONS COMMITTEE			
Current level (enacted law):			
800 General Government	4	4	0
850 General Purpose Fiscal Assistance	4,567	4,567	4,567
Subtotal	4,571	4,570	4,567
Committee total	4,571	4,570	4,567
HOUSE ADMINISTRATION COMMITTEE			
Current level (enacted law):			
500 Education, Training, Employment, and Social Services	[illegible]	[illegible]	[illegible]
800 General Government	37	0	47
Subtotal	45	[illegible]	47
Committee total	45	8	47
HOUSE INTERIOR AND INSULAR AFFAIRS COMMITTEE			
Current level (enacted law):			
270 Energy	[illegible]	−100	[illegible]
300 Natural Resources and Environment	123	[illegible]	11
450 Community and Regional Development	456	454	419
800 General Government	2	[illegible]	0
850 General Purpose Fiscal Assistance	[illegible]	[illegible]	137
Subtotal	1,551	1,153	567
Discretionary action (assumed legislation):			
600 Income Security	[illegible]	[illegible]	−8
800 General Government	173	141	315
950 Undistributed Offsetting Receipts	−4,000	−4,000	0
Subtotal	−3,827	−3,859	307
Committee total	−2,276	−2,706	874
HOUSE JUDICIARY COMMITTEE			
Current level (enacted law):			
370 Commerce and Housing Credit	95	[illegible]	[illegible]
600 Income Security	16	4	4
750 Administration of Justice	100	51	124
800 General Government	301	[illegible]	[illegible]
Subtotal	512	[illegible]	429
Committee total	512	440	[illegible]
HOUSE MERCHANT MARINE AND FISHERIES COMMITTEE			
Current level (enacted law):			
300 Natural Resources and Environment	196	[illegible]	0
370 Commerce and Housing Credit	43	38	[illegible]
400 Transportation	189	−196	352
850 General Purpose Fiscal Assistance	7	7	0
Subtotal	435	49	352
Discretionary action (assumed legislation)			
400 Transportation	−100	−100	[illegible]
Subtotal	−100	−100	0
Committee total	335	−51	352
HOUSE POST OFFICE AND CIVIL SERVICE COMMITTEE			
Current level (enacted law):			
370 Commerce and Housing Credit	790	[illegible]	0
550 Health	0	−168	1,439
600 Income Security	41,620	23,842	23,842
800 General Government	11,618	11,618	0
Subtotal	54,028	35,472	25,281
Discretionary action (assumed legislation)			
550 Health	[illegible]	−800	[illegible]
920 Allowances	0	0	−145
Subtotal	0	−800	−145
Committee total	[illegible]	34,672	25,136
HOUSE PUBLIC WORKS AND TRANSPORTATION COMMITTEE			
Current level (enacted law):			
270 Energy	491	[illegible]	0
300 Natural Resources and Environment	[illegible]	[illegible]	0
400 Transportation	17,621	−2	54
450 Community and Regional Development	[illegible]	[illegible]	[illegible]
800 General Government	[illegible]	−5	[illegible]
Subtotal	18,179	244	54
Discretionary action (assumed legislation)			
400 Transportation	[illegible]	−200	0
Subtotal	[illegible]	−200	0
Committee total	18,179	[illegible]	[illegible]
HOUSE SCIENCE AND TECHNOLOGY COMMITTEE			
Current level (enacted law):			
250 General Science, Space, and Technology	[illegible]	−102	0
270 Energy	[illegible]	115	0
Subtotal	125	13	0
Committee total	125	[illegible]	0
HOUSE SMALL BUSINESS COMMITTEE			
Current level (enacted law):			
370 Commerce and Housing Credit	[illegible]	369	0
Subtotal	507	369	0
Discretionary action (assumed legislation):			
370 Commerce and Housing Credit	−216	−216	0
450 Community and Regional Development	0	−129	0
Subtotal	−216	−345	0
Committee total	291	24	0
HOUSE VETERANS AFFAIRS COMMITTEE			
Current level (enacted law):			
700 Veterans Benefits and Services	1,502	1,266	16,618
Subtotal	1,502	1,266	16,618
Discretionary action (assumed legislation)			
700 Veterans Benefits and Services	[illegible]	0	45
Subtotal	[illegible]	[illegible]	[illegible]
Committee total	1,502	1,266	16,663
HOUSE WAYS AND MEANS COMMITTEE			
Current level (enacted law):			
500 Education, Training, Employment, and Social Services	1,005	[illegible]	3,250
570 Medicare	88,732	76,942	76,515
600 Income Security	26,742	21,757	41,164
650 Social Security	210,730	200,324	[illegible]
800 General Government	[illegible]	[illegible]	[illegible]
850 General Purpose Fiscal Assistance	323	[illegible]	323
900 Net Interest	201,240	201,240	201,240
Subtotal	528,782	500,596	521,051
Discretionary action (assumed legislation).			
570 Medicare	−842	−2,454	−2,454
800 General Government	−473	−473	[illegible]
Subtotal	−1,315	−2,927	−2,454
Committee total	527,467	[illegible]	518,597
UNASSIGNED			
Current level (enacted law):			
050 National Defense	−10,730	−10,730	0
150 International Affairs	−13,060	−13,060	0
270 Energy	−2,241	−2,241	0
300 Natural Resources and Environment	−2,725	−2,725	0
350 Agriculture	−94	−94	0
370 Commerce and Housing Credit	−65	−65	0
400 Transportation	−1,719	−1,719	0
450 Community and Regional Development	−322	−322	0
500 Education, Training, Employment, and Social Services	−38	−38	[illegible]
550 Health	−7	−7	0
570 Medicare	−26,150	−26,150	0
600 Income Security	−15,373	−15,373	0
650 Social Security	−4,009	−4,009	[illegible]
700 Veterans Benefits and Services	−611	−611	0
800 General Government	−17,339	−17,339	0
850 General Purpose Fiscal Assistance	−4,603	−4,603	[illegible]
900 Net Interest	−58,960	−58,960	−31,612
950 Undistributed Offsetting Receipts	−35,941	−35,941	[illegible]
Subtotal	−193,986	−193,986	−31,612
Unassigned total	−193,986	−193,986	−31,612
Total, current level	609,835	719,472	610,471
Total, discretionary action	[illegible]	[illegible]	−4,016
Grand total	1,069,700	967,600	[illegible]

Note.—Totals may not add because of rounding.

FISCAL YEAR 1985 ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SECTION 302(a) OF THE CONGRESSIONAL BUDGET ACT

[In millions of dollars]

House committee	Budget authority	Outlays	New entitlement authority
Appropriations	572,646	531,662	
Agriculture	15,620	24,188	
Armed Services	38,499	26,620	
Banking, Finance, and Urban Affairs	19,549	15,010	
District of Columbia	11	11	
Education and Labor	71	64	
Energy and Commerce	12,270	10,673	
Foreign Affairs	15,466	13,376	
Government Operations	4,573	4,573	
House Administration	44	8	
Interior and Insular Affairs	1,575	957	
Judiciary	570	477	
Merchant Marine and Fisheries	[illegible]	482	
Post Office and Civil Service	51,873	33,328	
Public Works and Transportation	17,661	755	
Science and Technology	[illegible]	37	
Small Business	485	378	
Veterans' Affairs	1,502	1,091	
Ways and Means	490,927	464,677	
Unassigned to Committee	−182,067	−182,067	
Total	1,062,100	946,300	

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. **Addabbo** (at the request of Mr. **Wright**), for an uncertain period of time, on account of medical reasons.

Mr. **Pepper** (at the request of Mr. **Wright**), for September 4 and 5, on account of leading the House delegation to the Inter-Parliamentary Union.

Mr. **Badham** (at the request of Mr. **Michel**) for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. **Boehlert**) to revise and extend their remarks and include extraneous material:)

Mr. **Gingrich**, for 60 minutes, today.

Mr. **Gingrich**, for 60 minutes, on September 9.

Mr. **Lungren**, for 60 minutes, on September 12.

Mr. **Armey**, for 60 minutes, on September 17.

(The following Members (at the request of Mr. **Eckart** of Ohio) to revise and extend their remarks and include extraneous material:)

Mr. **Annunzio**, for 5 minutes, today.

Mr. **Pepper**, for 5 minutes, on September 9.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. **Boehlert**) and to include extraneous matter:)

Mr. **Bliley**.

Mr. **Whitehurst**.

Mr. **Gradison**.

Mr. **Courter**.

Mr. **Roth**.

Ms. **Snowe**.

Mr. **Green**.

Mr. **Broomfield**.

Mr. **Crane**.

(The following Members (at the request of Mr. Eckart of Ohio) and to include extraneous matter:)

Mr. Ackerman.
Mr. Hoyer.
Mr. Ray.
Mr. Lehman of Florida.
Mr. Sikorski.
Mr. Kanjorski in two instances.
Mr. Jacobs.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 811. An Act to clarify the treatment of mineral materials on public lands; to the Committee on Interior and Insular Affairs.

S. 816. An act to establish the Pine Ridge Wilderness and Soldier Creek Wilderness in the Nebraska National Forest in the State of Nebraska, and for other purposes; to the Committees on Interior and Insular Affairs and Agriculture.

S. 1027. An act for the relief of Kenneth David Franklin; to the Committee on the Judiciary.

S.J. Res. 166. Joint resolution to appeal for the release of Dr. Yury Orlov and other Helsinki Final Act monitors; to the Committee on Foreign Affairs.

S.J. Res. 183. Joint resolution to provide for the designation of the week of October 6 through October 12, 1985, as "Myasthenia Gravis Awareness Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. ECKART of Ohio. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 49 minutes p.m.), under its previous order, the House adjourned until Monday, September 9, 1985, at 12 o'clock noon.

OATH OF OFFICE, MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> "I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 99th Congress, pursuant to the provisions of 2 U.S.C. 25:

Hon. Jim Chapman, First District, Texas.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1930. A letter from the Auditor, District of Columbia, transmitting a report entitled: "Revenue Report for June 1985," pursuant to the Public Law 93-198 section 455(d); to the Committee on the District of Columbia.

1931. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of the addition of three countries to the Anti-Terrorism Assistance Program, pursuant to FAA, section 574(a)(1) (97 Stat. 972); to the Committee on Foreign Affairs.

1932. A letter from the Chief Judge, U.S. Tax Court, transmitting the actuarial reports for the U.S. Tax Court judges' retirement and survivor annunity plans for 1984, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1933. A letter from the Deputy Assistant Secretary-Indain Affairs, Bureau of Indian Affairs, Department of the Interior, transmitting reasons for failure to act prior to September 30, 1985, on recognition of petition of the Little Shell Tribe of Chippewa Indians of Montana, pursuant to Public Law 97-403, section 6(20)(B); to the Committee on Interior and Insular Affairs.

1934. A letter from the Director, Office of Civilian Radioactive Waste Management, Department of Energy, transmitting a report entitled "An Evaluation of Commercial Repository Capacity for the Disposal of Defense High-Level Waste"; jointly, to the Committee on Armed Services, Interior and Insular Affairs, and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LEHMAN of Florida. Committee on Appropriations. H.R. 3244. A bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes (Rept. 99-256). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

Referral of H.R. 6 to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries extended for a period ending not later than September 16, 1985.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DORNAN of California:

H.R. 3240. A bill to deny farm program benefits to agricultural producers who participate in the illegal production of cannabis or other prohibited drug-producing plants on their farms; to the Committee on Agriculture.

By Mr. MONTGOMERY:

H.R. 3241. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to employers who employ members of the Ready Reserve or of the National Guard; to the Committee on Ways and Means.

By Mr. SAXTON (for himself, Mr. Roe, Mr. Rodino, Mr. Rinaldo, Mr. Florio, Mr. Torricelli, Mr. Dwyer of New Jersey, Mr. Smith of New Jersey, Mr. Hughes, and Mrs. Roukema):

H.R. 3242. A bill to designate the U.S. Post Office Building in Moorestown, NJ, as the "Edwin B. Forsythe Post Office Building"; to the Committee on Post Office and Civil Service.

By Mr. COATS:

H.J. Res. 375. Joint resolution designating the week beginning January 12, 1986, as "National Fetal Alcohol Syndrome Awareness Week"; to the Committee on Post Office and Civil Service.

By Ms. SNOWE:

H.J. Res. 376. Joint resolution to designate the week beginning September 22, 1985, as "National Needlework Week"; to the Committee on Post Office and Civil Service.

By Mr. ROTH:

H. Res. 260. Resolution to call upon the President to negotiate with other parties to the General Agreement on Tariffs and Trade [GATT] to revise its rules so that agricultural export subsidies would be treated the same as tariffs and primary products the same as manufactured products; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

247. By the SPEAKER: Memorial of the Legislature of the State of Louisiana, relative to emergency flood insurance; to the Committee on Banking, Finance and Urban Affairs.

248. Also, memorial of the Legislature of the State of Louisiana, relative to the world oil refining industry; to the Committee on Energy and Commerce.

249. Also, memorial of the Legislature of the State of Louisiana, relative to Latin America; to the Committee on Foreign Affairs.

250. Also, memorial of the Legislature of the State of Louisiana, relative to the waterfowl season; to the Committee on Merchant Marine and Fisheries.

251. Also, memorial of the Legislature of the State of Louisiana, relative to flood control; to the Committee on Public Works and Transportation.

252. Also, memorial of the Legislature of the State of Louisiana, relative to the investment tax credit for the renovation of

historic properties; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BOEHLERT introduced a bill (H.R. 3243) for the relief of John Brima Charles, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 126: Mr. Wise.

H.R. 386: Mr. Matsui.

H.R. 469: Mr. Dornan of California, Mr. Shumway, and Mr. Gingrich.

H.R. 556: Ms. Snowe.

H.R. 930: Mr. Gonzalez.

H.R. 988: Mrs. Meyers of Kansas.

H.R. 1024: Mr. Beilenson, Mr. Wirth, and Mr. Ackerman.

H.R. 1031: Mr. Smith of New Jersey.

H.R. 1032: Mr. Smith of New Jersey.

H.R. 1427: Mr. Anderson and Mr. Denny Smith.

H.R. 1835: Mr. Applegate, Mr. Feighan, Mr. MacKay, and Mr. Savage.

H.R. 1980: Mr. Weiss.

H.R. 2185: Mr. Frost, Mr. Roberts, and Mr. Tauke.

H.R. 2293: Mr. Dellums, Mr. Seiberling, Mr. Gregg, Mr. Wirth, Mr. Broyhill, Mr. Coble, Mr. Roberts, Mr. Stokes, Mr. Valentine, Mr. Smith of Florida, Mr. Atkins, and Mr. Matsui.

H.R. 2361: Mr. Mineta.

H.R. 2515: Mr. Mollohan.

H.R. 2582: Mr. Smith of Florida, Mr. Martinez, Mr. McCloskey, Ms. Kaptur, and Mr. Leland.

H.R. 2631: Mr. Stallings, Mr. Bryant, Mr. Jeffords, Mr. Olin, Mr. Skelton, Mr. Wilson, Mr. Gingrich, Mr. Reid, Mr. Foley, Mr. Richardson, Mr. Chappie, and Mr. Fazio.

H.R. 2661: Mr. Beilenson, Mr. Hayes, Mr. Weaver, Mr. Savage, and Mr. Vento.

H.R. 2703: Mr. Ritter, Mr. AuCoin, Mrs. Schroeder, and Mr. Synar.

H.R. 2863: Mrs. Boggs.

H.R. 2864: Mr. Rahall and Mr. Barnes.

H.R. 2951: Mr. LaFalce, Mr. Watkins, Mr. Smith of Florida, Mr. Henry, Mr. Mitchell, Mrs. Johnson, Mr. Stokes, Mr. Gray of Illinois, Mr. Staggers, Mr. Stangeland, Mr. Barnes, Mr. Shumway, Mr. Hyde, Mr. Crockett, and Mr. Vento.

H.R. 2954: Mr. Sunia, Mr. Strang, and Mr. Daniel.

H.R. 2969: Mr. Saxton and Mr. Morrison of Connecticut.

H.R. 3048: Mr. Pepper, Mr. Dwyer of New Jersey, Mr. Smith of Florida, Mr. LaFalce, Mrs. Boxer, Mr. Rodino, Mr. Leland, Mr. Bruce, Mr. Mrazek, Mr. Scheuer, Mr. Tallon, Ms. Kaptur, Mr. Stokes, Mr. Berman, Mr. Conyers, Mr. Oberstar, Mr. Fazio, Mr. Morrison of Connecticut, Mr. Bonior of Michigan, Mr. Martinez, Mr. Barnes, Mr. Rangel, Mr. Matsui, Mr. Williams, Mr. Coleman of Missouri, Mr. Fowler, Mr. Gejdenson, Mr. Wirth, Mr. Edgar, and Mr. Sunia.

H.R. 3174: Mr. Fish.

H.R. 3212: Mr. Reid.

H.J. Res. 1: Mr. Donnelly, Mr. Schumer, Mr. Russo, Mr. Dixon, Mr. Campbell, Mr. Bedell, Mr. Chandler, Mr. Barnes, Mr. Crockett, Mr. Bonker, Mr. Valentine, Mr. Lehman of Florida, and Mr. Rahall.

H.J. Res. 217: Mr. Brown of Colorado.

H.J. Res. 313: Mr. Cobey, Mr. Montgomery, Mr. Hansen, Mr. Hillis, Mr. Darden, Mr. Akaka, Mr. Volkmer, Mr. Hutto, Mr. Jenkins, Mr. Evans of Iowa, Mrs. Bentley, Mr. Moorhead, and Mr. Rudd.

H.J. Res. 365: Mr. Daub, Mr. de la Garza, Mr. McDade, Mr. Fazio, Mr. Nelson of Florida, Mr. Lent, Mr. Frank, Mr. Nowak, Mr. Ackerman, Mr. Horton, Mr. Whittaker, Mr. Kindness, Mr. Tauke, Mr. Shumway, Mr. Sharp, Mr. Hamilton, Mr. Reid, Mr. Scheuer, Mr. Wortley, Mr. Henry, Mr. Carper, Mr. Gordon, Mr. Guarini, Mr. Markey, and Mr. Kasich.

H. Con. Res. 36: Mr. Sunia and Mr. Gonzalez.

H. Con. Res. 136: Mr. Smith of New Hampshire.

H. Con. Res. 169: Mr. Matsui, Mr. Savage, and Mr. Manton.

H. Con. Res. 175: Mr. Borski, Mr. Savage, and Mr. Vento.

H. Res. 219: Mr. Weiss, Mr. Reid, Mr. Synar, Mr. Dyson, Mr. Glickman, Mr. Skelton, Mr. Crockett, Mr. Williams, Ms. Oakar, Mr. Ridge, Mr. Edgar, Mr. Tallon, Mr. Yatron, Mr. Hoyer, Mr. Biaggi, and Mr. Applegate.

PETITIONS, ETC.

Under clause 1 of rule XXII,

196. The SPEAKER presented a petition of the American Coalition of Citizens with Disabilities Inc., Washington, DC, relative to disabled persons; which was referred to the Committee on Public Works and Transportation.

EXTENSIONS OF REMARKS

A SYMBOL OF HOPE AND DETERMINATION

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. GARCIA. Mr. Speaker, in today's New York Times, Alan Cowell discusses Nelson Mandela and his importance to South Africa's black community. Mr. Mandela is unyielding with his faith in his people and his cause. Mr. Mandela brings a sense of dignity and incredible strength to the struggle of South Africa's majority community to free itself from the bonds of apartheid.

I hope my colleagues find Mr. Cowell's article as inspiring as I did.

NELSON MANDELA

(By Alan Cowell)

JOHANNESBURG, September 4.—Percy Qoboza remembers the days fondly. One of them goes like this:

In the early 1960's the man was on the run from the police, and Mr. Qoboza, a young black reporter, was following the story.

"He would disappear and then turn up, somewhere, at a public telephone, and call in with a statement. Of course the police would trace the call, but by that time, he was long gone. We had our own pimpernel."

Mr. Qoboza is now a prominent newspaper editor. The man he was talking about is Nelson Mandela, the imprisoned leader of the African National Congress, whose days as the pimpernel ran out in August 1962, when he was arrested for sabotage because of his role in the militant wing of the congress. He has been in prison ever since and has become, through incarceration and steadfast defiance from within the prison walls, South Africa's leading black hero, the man, according to a recent newspaper survey, whom 90 percent of the nation's black people want unconditionally freed.

SYMBOLIZES BLACK DETERMINATION

"I think," Mr. Qoboza said in an interview today, "that he symbolizes black determination to be free."

The symbolism, from a black nationalist point of view, is evident. Pollsmoor prison, outside Cape Town, where Mr. Mandela is held, represents the system against which he rebels. His rebellion, from within, is the ambiguous emblem of defiance in a society where the rulers seem to call the shots.

The enigma, however, seems to be that, invisible and unheard, removed by white authority from black political activism. Mr. Mandela has captured the spirit and devotion not only of those who knew him at the time of his incarceration, but also of those who have, in the last year of upheaval, assumed the custodianship of black resistance—the teen-agers who were not yet born when he was jailed.

If Mr. Mandela, 67 years old, was released tomorrow, said Michael Morake, 18, in an interview in Soweto, Johannesburg's sprawling black satellite, "I will probably pass him by because I would not recognize him."

"But it is his ideas and commitment to the struggle that make even us youths regard him as our leader," he said.

REVOLUTION WILL SET HIM FREE

"Anyhow," he added, "I do not worry about not knowing what Mandela looks like right now, because the day has come closer where I will see him with my own eyes."

"If the system does not free him," he said, "the people's revolution will set him free. And that day is not far away."

Mr. Mandela is seen as an inspiration whose physical presence means less than his message and example.

"He is the symbol of our struggle," said Mzwakhe Kubheka, 19, a high school student. "To me he is like Jesus Christ."

"How many people would rather stay in jail than be free at the cost of their integrity," he said.

"For the struggle to go on," he said, "we do not need Mandela to be around. We, the youths, will do the job the way our leader would have wanted. And he knows that we are carrying on from where he left off 23 years ago."

Mr. Mandela was jailed and was supposed to become, thus, a nonperson, banished, initially to the harshness of Robben Island, off Cape Town. But the myth was stronger than the prison walls and it grew across the generations.

SON OF TEMBU CHIEF

There were other heroes, but many have been detailed or otherwise neutralized. Mr. Mandela filled the emptiness at the heart of blacks yearning for leadership.

Who, then, is he?

Mr. Mandela was born in 1918, the eldest son of a chief of the Tembu people, inheriting a mantle of royal self-confidence that defied white relegation of blacks to second-class status. He studied law at South Africa's Fort Hare University, an academy whose alumni include Robert Mugabe, now Prime Minister of Zimbabwe.

As in Mr. Mugabe's case, the university seems to have honed political views. Mr. Mandela is said to have been expelled from it for organizing a student strike.

In Johannesburg, he and Oliver Tambo, now the exiled leader of the African National Congress, formed a law practice. In 1944 Mr. Mandela joined the congress, then far less demanding of white concessions than it is today, and played a leading role in its nonviolent campaigns against apartheid in the 1950's.

Those actions caused him to be detailed, along with 155 others, in 1957, in a four-year treason trial that ended, in 1961, with all the defendants being acquitted. That was the start of the pimpernel whose credentials were strengthened, Mr. Qoboza said, by the fact that Mr. Mandela never chose self-exile to secure comfortable dissent.

KILLINGS AT SHARPEVILLE

It was at this time, too, that a great change came over black resistance in South Africa. On March 21, 1960, the police shot dead 69 black protesters in Sharpeville, a black township south of Johannesburg, and, in the wake of the massacre, leaders such as Mr. Mandela decided to turn to violence.

Mr. Mandela was a central figure in the formation of Umkhonto we Sizwe—the Spear of the Nation—the military wing of the African National Congress, and he became its first commander. On one of his trips outside South Africa, he was said to have visited Algeria, to organize training bases, and to have undergone training. The name of Umkhonto we Sizwe is feted, still, in the songs that young blacks sing at the gravesides of slain township activists.

In August 1962 the authorities caught up with Mr. Mandela and, after the leadership of Umkhonto we Sizwe was rounded up, put him on trial for sabotage. His final address to the court that jailed him for life is burned into the soul of black resistance.

"There comes a time, as it came in my life," he said, "when a man is denied the right to live a normal life, when he can only live the life of an outlaw because the Government has so decreed to use the law to impose a state of outlawry upon him. I was driven to this situation, and I do not regret having taken the decisions that I did take."

THE CHOICE IS NOT OURS

Earlier, when Mr. Mandela launched violent resistance to white rule, a pamphlet was circulated by his organization saying: "The choice is not ours. It has been made by the nationalist Government which has rejected every peaceable demand by the people for rights and freedom."

At his trial, Mr. Mandela talked of "the ideal of a democratic and free society in which all persons live together in harmony and with equal opportunities."

"It is an ideal which I hope to live for and to achieve," he said. "But if need be, an ideal for which I am prepared to die."

Mr. Mandela is visited regularly only by his immediate family. This year, however, the authorities have permitted some outsiders to see him.

He is, said Lord Bethell, a British peer and member of the European Parliament, who saw Mr. Mandela in January, "a six-foot-tall, lean figure with silvering hair, an impeccable olive-green shirt and well-creased navy blue trousers."

"I am in good health," Mr. Mandela said at the time. "It is not true that I have cancer. It is not true that I have had a toe amputated. I get up at 3:30 A.M. every morning, do two hours of physical exercise, work up a good sweat. Then I read and study during the day.

A MEAN LEFT HOOK

The reference to exercise does not surprise Mr. Qoboza. If Mr. Mandela had not become a politican, he said, he would have become a great athlete. "When the world had not discovered jogging, he had," Mr. Qoboza said. "As an amateur boxer, he packed one of the meanest left hooks in the business."

Samuel Dash, Chief counsel to the Senate Watergate Committee and now a professor of law at Georgetown University, saw Mr. Mandela earlier this year and wrote, in The New York Times Magazine, that "he is a tall, slim, handsome man" who appears "vigorous and healthy, with a calm, confident manner and dignified bearing that seemed incongruous in our prison surroundings."

"Indeed, throughout our meeting, I felt that I was in the presence not of a guerrilla fighter or racial ideologue, but of a head of state," Mr. Dash wrote.

Mr. Mandela, he said, lived in a cell measuring 25 by 40 feet, with access to the roof of the building.

President P. W. Botha has sought to depict the African National Congress, and Mr. Mandela, as Communists. The Congress has long entertained an alliance with the South African Communist Party, but Mr. Tambo, its exiled leader, has denied that it is steered by Moscow.

I AM A SOCIALIST

In his interview with Lord Bethell, Mr. Mandela was quoted as saying: "Personally, I am a Socialist and I believe in a classless society. But I see no reason to belong to any political party at the moment."

Mr. Mandela confronts the authorities with a dilemma, one they have sought to resolve for almost a year in a kind of negotiation conducted through newspapers and public statements.

If he were to accept the authorities' terms for his release—that he renounce violence—then he would be discredited and thus neutralized. But, if he stays in prison, the authorities seem to acknowledge, his aura will grow, as will his stature as a rallying point for black resistance.

Last December, he was offered freedom if he went to live in the so-called homeland called the Transkei. He rejected the offer.

The offer was not publicized, but, in January, after Lord Bethell saw Mr. Mandela, the authorities publicly offered to release him if he gave them an undertaking that he would renounce violence as a means of achieving political goals. That offer, too, was spurned.

His reply, in the strange dialogue between captor and captive, was transmitted by his daughter at a rally in Soweto. "My father says I cannot and will not give any undertaking at a time when I, and you the people, are not free," she said. "Your freedom and mine cannot be separated."

WIFE IS UNDER RESTRICTIONS

Mr. Mandela's messages are often transmitted by family members who see him in prison. His wife, Winnie, is a "banned" person in South Africa, banished to a remote corner of the Orange Free State, forbidden from being quoted in the South African press.

Their relationship is seen by many blacks as a symbol of resistance since both, in their different ways, are damaged by white authority, but both refuse to be cowed.

From the authorities' viewpoint, Mr. Mandela's incarceration presents special problems. While visitors say he is in vigorous health, his death in prison would cause a massive black outcry. To release him might, officials said, strip him of some glamour. But to release him without conditions might be seen by whites as a sign of weakness and, moreover, might result in the unleashing of unpredictable forces.

In the latest statement that he has transmitted through Mrs. Mandela, Mr. Mandela has said the only thing left to the Afrikaner white elite is to discuss a handing over of power to the black majority. But he seems to have left open the door to negotiation.

"If the Government abandons apartheid," Mrs. Mandela said after visiting her husband, "lifts the ban on the A.N.C., releases all political prisoners and allows the exiles to return, then Nelson and other A.N.C. leaders would be prepared to sit down and talk."

What inspires the myth of Mr. Mandela seems to be his refusal to compromise.

"All his life has been dedicated to the struggle," Mr. Qoboza said, "and I bet that the first thing he would do if he was released would be to organize a rally in Soweto and re-dedicate himself to the struggle."

In his interview with Lord Bethell, Mr. Mandela said much the same thing: "If I was released, I would never obey any restriction. If they confined me, for instance, to the Cape area, I would break the order and walk to my home in Soweto to be with my wife and daughter."

SPECIAL PROGRAM GOES TO THE HEART OF DISEASE PREVENTION

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. KANJORSKI. Mr. Speaker, I am pleased to bring to your attention a recently completed program in the 11th District of Pennsylvania to help combat our Nation's No. 1 killer—heart disease. Pennsylvania's Wyoming Valley has a 3.7-percent higher death rate than the national average, so this program was of special interest to our area.

During an 8-week intervention period, the OK Heart Program distributed almost 100,000 publications and brochures as part of a massive education program to let people know how to avoid heart disease through changes in diet and exercize, and what to do in case of a heart attack.

The first phase of this program was a scientific survey of almost 22,000 area residents, which revealed that almost half of the survey group was at a high or medium risk of heart disease. The highest-risk group, representing 707 individuals, received by mail a special confidential advisory from Dr. Edward B. Diethrich, medical director of the Arizona Heart Institute and Dr. Patrick DeGennero of the Luzerne County Medical Society, encouraging these high-risk patients to see their physicians for further evaluation. Almost a thousand residents also took part in a special clinical screening program, to help identify individuals with heart-disease, or a high-risk of developing heart disease.

This project was funded and supported by 490 community groups and organizations who contributed products, services, or money. Many participated in test distribution, and other support services, while 26 groups made contributions of over $440,000.

The tremendous outpouring of assistance and cooperation that marked the OK Heart project shows how the people of the 11th District come together to care for each others' needs. As Dr. Diethrich pointed out in a recent newspaper article on the subject, this is a great point in the history of our community, and a valuable turning point in the lives of many in the Wyoming Valley.

Mr. Speaker, it is impossible to tell with certainty how many lives will be saved by this program. But if the OK Heart project saves just one life, or adds a single year of health and happiness, then the hard work and perseverence that went into this program has served its purpose.

IN SUPPORT OF THE NATIONAL AGRICULTURE COMMISSION

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. RAY. Mr. Speaker, the House Agriculture Committee recently adopted the Glickman amendment as part of the 1985 farm bill. This amendment would establish a National Commission on Agricultural Policy to review and examine the current farm situation in this country and make recommendations for consistent, long-term farm policy. The Commission would be patterned after a working group which Governor Carlin established in Kansas.

This is an idea which I have advocated many times in speeches before this House. In fact, I introduced House Concurrent Resolution 131 urging that a National Agricultural Commission be established, and 91 of my colleagues have joined me in cosponsoring this resolution.

I am genuinely concerned that American agriculture as we know it is rapidly deteriorating and the vigorous farm economy that we once enjoyed is disappearing. To handle this growing crisis, I believe that a united effort is needed. Agricultural experts from around the country should be called together to address the long-range concerns of the American agricultural industry.

Therefore, Mr. Speaker, I support this proposal for a National Agriculture Commission and urge my colleagues to support it, too.

COMMON SENSE FROM A COUNTRY BANKER

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. MARLENEE. Mr. Speaker, the farm income crisis has caused a farm credit crisis, and despite the recent lack of national media attention, neither the farm income nor the farm credit crisis have disappeared.

In fact, the problems surrounding agriculture are as serious and tragic as ever before. Never have American agriculture producers faced such a challenge as they do now.

The same problems pose threats to the farm credit system. I offer to my colleagues the following article by a banker from Scobey, MT. He sheds some light on certain

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farm credit aspects, and shatters other farm credit myths.

Reprinted here is part one of the article. The rest of the story will be reprinted next week, as the House Agriculture Committee settles its conflicts on the 1985 farm bill.

For the edification of my colleagues, here is part one of "A Country Banker Tells How It Is."

A COUNTRY BANKER TELLS HOW IT IS

During the recent ag task force of Congressman Marlenee and federal agency loan heads, John Witte, a country banker, took time out from his daily affairs to travel around with the group, attending the meetings, to get perspective on the agricultural problems around Montana.

The following also is his prepared message to them, collectively. It should be of considerable interest to readers in this area as well as elsewhere:

I have been in agricultural banking for 35 years, and at the present time I am president and Chief Executive Officer of the Citizens State Bank in Scobey and the Traders State Bank in Poplar.

Last year the current governor of this great state declared quite a few of the counties as fire hazard counties, but took Daniels and Roosevelt County off his list because you couldn't start a fire with a flame thrower. What the drought didn't get, the hoppers did.

I charged off more loans last year than I have in the whole 25 previous years in management and ownership.

Our cattle numbers are now down to about 10 percent of normal, and those numbers will shrink more by this fall. The cow man will sell his cattle on a depressed market. I think the average yield on wheat will be about 10 bushels per acre over the past seven years, compared to 25-30 bushels in a year of normal rainfall.

Our farmers are selling the little they have for less than they did forty years ago—not even taking into account the additional ravages of inflation.

In that same period, the price of diesel fuel has gone from a dime to a dollar per gallon, and everything else the farmer and rancher buys has gone up accordingly.

There is an old definition of banking that is as true today in the country banks as it was one hundered years ago: "The purpose of a bank is to gather in the surplus funds of a community, to safeguard and protect them for its customers; to loan them out into the community to help the community grow and prosper, and to make a profit for its stockholders."

We are now sitting in the middle of a fight for survival for rural America . . . not only for the banks, but for the farmers and ranchers and all of the things they support:

The main streets, the schools, the hospitals, the local, county, state and federal governments, and on and on.

"It has been accurately stated that before the cities and towns there were farmers and ranchers. When the farmers and ranchers are gone, so will the cities and towns".

But what will happen when American agriculture goes broke? It is rapidly headed in that direction.

To keep up with our demands, farmers and ranchers have borrowed . . . and have also poured many hundreds of thousands of their own dollars back into their operations to make them more productive.

As productivity increases, fewer farmers and ranchers are needed to provide food for the nation, as many young people are no longer staying on the farms . . .

And in years of prolonged drought, the "independent" farmer finds his family gone, his equity gone, his bank closed, and the folks he has been feeding have turned their backs, so that now for him, "independence" means "alone".

I go back to one of my previous questions and one of our problems in today's agriculture. What will happen to the food on the industrial worker's table when the American farmer and rancher go broke?

It is easy to criticize, but if we were not suffering this prolonged drought I wouldn't be here . . . but what is the Answer?

The PCA'S have played an important part in the agricultural economy. They have been good honest competitors, good lenders, and as far as I am concerned, they've done an admirable job. The PCA borrowers now are coming to us.

Good ag lending executives are hard to find and develop and in today's world I think that anybody who wants to get into it should see a psychiatrist.

We have dedicated people in the banks and PCA'S, and I think we know agricultural lending, but we need some help.

Let me review for you my experience over the past 25 years with the FmHA.

It was not created, as often referred to, as the lender of last resort and the bail out for the banks and PCA'S.

It was created to help the young beginning farmer, and the struggling farmer who needed more close supervision and help, and lower interest rates than the country banks and PCA's could afford to give.

In three specific instances in my lifetime, in visiting with the FHA supervisor, I told him about some of my problems. We reviewed the loans and he took the loans over.

Two or three years later after his close supervision he came back and said "John, they're too good for me, take them back". I did, and twenty years later, I still have them.

The FHA got involved in low interest housing, when we already had the Federal Housing Administration and Veterans Administration.

They also got involved in business and industrial loans when we already had the SBA with qualified people. Then there was another change in the thinking of FmHA and to my mind a disastrous change.

It was a change, similar in line to what my argument is today, "the preservation of rural America"—but it went too far. The FmHA did take some of the banks and PCA problem loans, but did more harm than good.

Again in my case, I know of three different borrowers that I was tired of fighting with, and I told them I would not finance them any more . . . that the best thing they could do was sell out before they went broke. They still had good equities.

Rather than listen to me, and I'm not God, none of us are, they went to FmHA and wound up with new equipment, new pickups, and 3 and 4 mortgages on their land.

Today they are flat broke, and the Federal government has taken a big loss. Not all of rural America can be saved and some of them are not entitled to be saved.

But, gentlemen, there are still a lot of good, honest, hard-working people out there. Still keeping their old equipment in good shape, driving old pickups and cars, and hoping and praying that the rains will come, the grasshoppers will die, and they will eventually get a decent price for their product.

These are the people who are going to pay income taxes, personal property taxes, real estate taxes . . . who are going to keep the hospitals, schools, and main streets of our rural towns open.

LAURENZO'S ITALIAN CENTER: NORTH DADE INSTITUTION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. LEHMAN of Florida. Mr. Speaker, at a time when most Americans do business almost daily with big, impersonal multinational corporations, family-run business is alive and well in north Dade County. The best example is the Laurenzo family and Laurenzo's Italian Center in North Miami Beach.

Before I was elected to Congress, our family automobile dealership was right next door to the Laurenzo family grocery and restaurant. We sold many cars to customers over a cappuccino at Laurenzo's. Since that time, the Laurenzo family business expanded and grew. Typically, they shared their success with the entire community.

Laurenzo's means smiles, good will and, to me and my family, a long-time friendship. Not many can combine joy with economic success, but the Laurenzos have done it. The Miami Herald recently ran an article on this remarkable family, and I would like to share it with my colleagues.

To my friends, the Laurenzos, "Buona Fortuna" and congratulations for a job well done.

A FEAST OF FOOD AND FRIENDSHIP

(By John Sherwood)

Abe Rosenbaum has been there almost every day, seven days a week, for the past 12 years, patiently waiting outside for Laurenzo's "Italian Center" to open at 7 a.m. He is there for more than the coffee and rolls hot from the bakery.

"Abe is one of the family. If he doesn't show up, we worry about him and call," says head chef and baker Ralph Perrotta, a highly regarded member of Laurenzo's "family of workers," which can number as high as 120.

There since 5:30 a.m., Perrotta has started the Laurenzo food gears moving by lighting four huge revolving ovens, 12 feet high, that can bake 600 loaves of bread at a time. He also begins supervising the massive fresh and frozen food preparation that pours out of the kitchen, enough to feed 500 people a day in the cafeteria-style cafe in the center of the store.

Perrotta is the first to greet Rosenbaum, 75, who always sits in the cafe under the fake grape arbor at the same table, same chair, facing the steam table. "If I can't make it for the daily opening," Rosenbaum says, "I worry about them worrying about me and I call. I shop here, too, because everything is so fresh and it's nice and quiet early in the morning, which is not true of the afternoon. I come for the employees, too. I come because they make me feel like family."

This feeling of a close community and personalized service pervades the 25,000-square-foot, one-story building at 164th Street and West Dixie Highway, which has become an institution in North Miami Beach. The prevailing mood here is inspired by a long line of cookaholic Italian women who, traditionally and lovingly, have worked at Laurenzo's and slaved away in kitchens at home, celebrating their talents to a pots-and-pans chorus of: Eat! Eat! Eat!

"Our 50-seat cafe evolved from one table and some chairs that we assembled for husbands who waited while their wives shopped," says Ben Laurenzo, 56, who opened the store 21 years ago. His parents had retired to Florida from upstate New York and the rest of the family soon followed. Over the years, many of them have worked at the market including his late mother, Esther; his wife, Millie; and his brother, Achilles, called "Kelly" by the family.

"The cafe just grew and expanded from serving Danish and coffee to serving wine, beer, sandwiches and then hot plates," Laurenzo said. "Now, we have a full line of Italian dishes. Part of the chalkboard menu changes every day, but there are some items like lasagna—cooked by our Antoinette Michicichi for the past 13 years—that we would dare not go without. We have people who come here for breakfast Danish, lunch *and* dinner.

As plain and drab as Laurenzo's looks from the outside, inside it has all the frantic warmth, heady aroma and Old World fresh food offerings of an Italian street festival in an urban Little Italy. Those enamored of specialty foods, who like to be addressed by name, are at home here and many come weekly from other parts of South Florida to eat, shop and fill their coolers.

But a warning is in order: Do not go into Laurenzo's on an empty stomach, or with too much money in your pocket, because there is no turning back. Self-discipline is the key, but surrender usually is the fate.

Fill up your stomach before your food cart by heading immediately to the cafe. A bit tacky it may be, with all the boffo plastic festoonery of fruit dangling overhead, but the food is served in such large portions that two people often are seen sharing one less-than-$4 entree. They feed football players here, as well: ex-Dolphin Jimmy Cefalo, current Dolphins Kim Bokamper, Mike Kozlowski, Bob Baumhower, and equipment manager Bob Monica among others.

At the entrance, onlookers immediately are drawn to an open, fresh pasta assembly line, where eggs delivered fresh three times a week are broken by the tens of dozens, mixed with flour and then placed into a machine where other ingredients are added and pasta comes oozing out in ordered shapes and sizes. Trays full of 15 kinds of fresh pasta are on display near the machine. Opposite, Italian dishes cooked in the kitchen are stacked in tall frozen food cases, packed under the "Laurenzo" label in a staggering array.

As the shopping cart quickly fills, watch out for the next stop, the enticing realm of the bakery, where you are presented with still more judgments to make. Just try to pass up the dozens of hot, crusty loaves of bread and rolls that seem to roll out every hour, along with all sorts of tarts, cakes, pies, puffs and other pastries.

The first food trail dead-ends at the bakery, and a hard right leads to the next pungent aroma identifying the deli, managed by Barbara Lee. Here, one is further bewitched, bewildered and bamboozled by the choices of meats, salads and a hundred kinds of domestic and imported cheeses—four of which are freshly grated three times a day.

The meat counter is next, the first in the long line of refrigerated cases, where they sell three tons of veal a week, three kinds of Italian sausage that are stuffed on the premises, and the regular run of chops, steaks, ribs and standing roasts. Opposite the meat cases are freshly packaged meats for those who prefer not to wait with their take-a-number in hand for the personalized service.

The next stop, at the far end of the building, is the seafood department. It is managed by Robert Laurenzo, 22, son of founder Ben; brother of store manager David, 32; of Carol, 30, who works in the office; and of Danielle, who can handle a cash register at the age of 11.

Robert, always wearing rubber boots because of his damp surroundings, picks up his own seafood about 6 a.m. at Pompano Beach wholesale fish markets. He often has 20 kinds of fish laid out on ice, as well as other delicacies such as fresh conch, sardine, octopus and squid. Cod from New England is one of his best sellers.

Behind these counters, the real action is hidden backstage, where the churning of the food mills is heard almost until closing time at 7:30. This is where the Laurenzo style of "food from scratch" begins its long procession from the blasting heat of the bakery/kitchen, where flour-powered bakers punch, pull and prod, to the arctic climate of the meat rooms, where the bloody-aproned butchers chop, cut and grind.

The middle of this bustling market is filled with shelves of canned, jarred and packaged speciality foods, most of it imported, along with a surprisingly well-stocked selection of wine, also managed by David. Add to this such delicacies as whole frozen heads of lamb, sun dried tomatoes from Italy packed in "extra-virgin olive oil" and even Italian toothpaste.

Heads of lamb, you say? Perrotta, relaxing in the cafe the other day with a glass of white wine, is used to handling special requests because this is the sort of place where one goes for the difficult. Two young men came in needing a 90-pound pig, roasted whole "with the head and all," they said, a bit puzzled.

"That's no problem," said the boss chef in a soft and sweet Italian accent. He has baked as many as 300 turkeys here for Thanksgiving. "I marinate it overnight with spices and seasonings, stuff it with sausage, and cook it for six hours," he explained with a toss of his hand, as if he were talking about grilling a burger." Then you come and take it away and eat it, OK?"

Fast running out of room, Laurenzo's has expanded into a fresh vegetables market across from its parking lot. And in the back of the Italian Center, the family has put up a two-story, Mediterranean-style building that houses a fancy, newly opened Italian restaurant, the 125-seat Cotillion, with an Italian chef from New York, Ernesto Novero.

They also have expanded their catering operation. And every Wednesday evening, they feature ballroom dancing in their 9,000-square-foot ballroom above the restaurant.

Perrotta dreams of the day when Laurenzo's adds a floor for a massive pasta assembly line that would turn out pasta for all of Florida and beyond.

"It can be done," says David, the ambitious store manager. "It can be done."

COX CABLE TIDEWATER, INC.

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. WHITEHURST. Mr. Speaker, in April of this year, the Governor of Virginia, the Honorable Charles S. Robb, presented a Certificate of Recognition to Cox Cable Tidewater for their community service programming. Mr. Irvine B. Hill, director of communications for Cox Cable Tidewater, has provided me with a summary of their public service activities during the past year, and I am pleased to share this information with my colleagues at this point in the RECORD, and to add my own commendations to those expressed by our Governor.

Besides the achievements listed by Mr. Hill, Cox Cable Tidewater has also aired the first of what will be a series of programs to acquaint the citizens of our area with the growth and development of the Virginia Zoological Park in Norfolk, and individual members of the Cox family have actively participated on a personal basis in many of the community projects.

Mr. Hill and Cox Cable Tidewater are indeed to be commended for their continuing active involvement in improving the quality of life in the Hampton Roads area of Virginia.

COMMONWEALTH OF VIRGINIA,
OFFICE OF THE GOVERNOR,
Richmond, VA, April 10, 1985.

Mr. IRVINE B. HILL,
Unit Manager and Director of Communications, Cox Cable Tidewater, Inc., Norfolk, VA.

DEAR MR. HILL: On behalf of Governor Robb, I would like to thank you and your staff for your continued efforts to provide quality public service programming to your viewers in Tidewater, Virginia. In addition to providing valuable public services to your viewers, your efforts have helped support the Governor's initiatives and objectives to improve the quality of life for all Virginians.

In recognition of these outstanding achievements, the Governor is pleased to present Cox Cable Tidewater with the enclosed Certificate of Recognition. Cox Cable has provided an invaluable service to its viewers and all Virginians, and your efforts are to be commended. We are looking forward to more fine public service programming in the future.

Thank you again and congratulations.

Cordially,

BETTY J. DIENER.

CERTIFICATE OF RECOGNITION

By virtue of the authority vested by the Constitution in the Governor of the Commonwealth of Virginia, there is hereby officially recognized: Cox Cable Tidewater, Inc.

Whereas, Cox Cable Tidewater, Inc. has been active in providing its viewers with high quality consumer-oriented public affairs programming which provides valuable information on important economic, environmental and social issues; and

Whereas, this programming has offered valuable support and assistance to the goals and objectives of this Administration for improving the quality of life in Virginia; and

Whereas, the outstanding contributions of Cox Cable Tidewater, Inc. are worthy of the attention of all Virginians;

Now, therefore, I Charles S. Robb, Governor, do hereby recognize Cox Cable Tidewater, Inc., and I salute their continuing efforts to provide the citizens of Tidewater Virginia with such high quality community service programming.

CHARLES S. ROBB,
Governor.

MARCH 1985—WCOX IN REVIEW

Over the past twelve months, Cox Cable Tidewater has continued to exert itself in the role of a dynamic and highly respected corporate citizen in the South Hampton Roads community. Again WCOXTV-11 can properly accept much of the credit for successfully positioning and maintaining this positive corporate profile through our affirmative approach to the needs, problems and issues of the communities we serve.

During the past year, WCOXTV-11 has sustained this positive thrust for the company through maintaining a quality reputation of providing unique issue and people-oriented community programming. Our affirmative action approach has, most recently, taken the form of a "swamping strategy" in an effort to step-up our already heavy community involvement, as well as counter some unfortunate negative publicity of which Cox has been the victim of late.

As a brief overview, Cox Cable Tidewater through the operations of WCOXTV-11, has achieved the following community-programming successes:

Cultural.—Any cable company who is seriously seeking to establish itself as an involved and interested corporate neighbor must first actively seek out and produce programming which touches the cultural needs and interests of a community. In addition to the 60-minute special program WCOX produced on the Virginia Opera Association last June, Cox Cable Tidewater has been active on two other cultural fronts in recent months:

(1) *The ODU Dance Company.*—Just prior to the Christmas Season last December, Cox CAble Tidewater produced a special 30-minute program on the ODU Dance Company and their up-coming ballet presentation of "The Nutcracker Suite".

(2) *The Chrysler Museum.*—Cox Cable Tidewater has found it to be very advantageous to regularly tap the individuals and resources connected with the Chrysler Museum. Since last October, there have appeared on WCOXTV-11 special programs on Walter P. Chrysler, the benefactor of the Museum, and his recently deceased wife, Jean Outland Chrysler, who was a mover and influential member of the Tidewater Community as well as founder of their renowned Chrysler Museum Library.

In addition to being actively aware and involved in the community's cultural and artistic interests, Cox Cable has also found that providing programming which celebrates the religious and spiritual life of the community is equally important. With this in mind, WCOXTV-11 highlights each traditional religious season with an appropriate program such as the special "Christmas Pageant" taped and shown of The Church of the Good Shepherd, and the Easter Program we are presently working on with Monumental Methodist Church in Portsmouth.

Educational.—As part of Cox Cable Tidewater's sincere desire to present programming that touches the community in a variety of areas, education and citizen awareness programs are a major part of our programming fare on WCOXTV-11. Some of the most successful and effective use of local programming can be attributed to our efforts in this category.

(1) "Saving America's Bay" was a 30-minute educational documentary, completed last January in cooperation with the prestigious Virginia Institute of Marine Sciences, which dealt with the ongoing efforts to identify and solve the major ecological problems presently threatening the life of the Chesapeake Bay.

(2) "Consumer Guideposts" represents the most indepth consumer programming commitment by any cable system in the country. For the past year our ongoing involvement in consumer affairs programming has been massive. By working in close cooperation with the state and local offices of consumer affairs, Cox Cable has produced eighteen 30-minute programs focusing on a variety of consumer-oriented topics. For our efforts to date, we have been recognized by the Honorable Virginia Knauer, Special Assistant to President Reagan for Consumer Affairs.

(3) The Lynn Fischer health show is a limited series of 10 programs wherein various health topics were discussed with physicians, and health experts. Lynn Fischer, local personality and an expert on health issues in her own right, co-produces the series and helps to direct the discussion.

Cox Cable Tidewater is especially proud of our commitment and involvement in the area of educational and instructional programming. In this category, we are excited to point out that the above educational programming efforts have been nominated as a 1985 NCTA ACE Award candidates.

Minority Affairs.—Certainly any successful attempt at maintaining a balanced local-programming effort must include serious projects concerning minority affairs. In this realm Cox Cable Tidewater has consistently gotten high marks. Recent samples of such programming are:

(1) *Urban league of Tidewater.*—"Building Bridges", a half-hour overview of this socially-conscious organization was produced last November and received a tremendous as well as enthusiastic area reception. The object of the program was to raise the viewer's awareness while de-mystifying the role of the Urban League in the community.

(2) *NAACP.*—The NAACP is an important organization to be associated with in any successful effort toward total community involvement. Last October WCOXTV-11 covered the annual meeting and membership dinner held in Norfork. Cox Cable produced this special program and aired it over Channel 11 as a "Community Special". We presently are working on the ground-work to produce a special documentary on the organization schedule to air in the late summer of 1985.

(3) *The Philippino Community.*—WCOXTV-11 has aired the semi-annual Philippino festivals for the past three years. The special ethnic segment of our community has established itself as an asset to the Tidewater community. In 1983, Roger M. Pierce was recognized by the Philippino Ambassador for Cox Cable Tidewater's involvement in producing this series of special programs.

Public Affairs.—Last, but by no means the least, of the affirmative community programming efforts pursued by Cox Cable Tidewater, centers on our commitment to produce programs dealing with local issues and public affairs. This block of programming which regularly airs on WCOXTV-11 makes up a large bulk of the positive thrust which is or goal. Some of the recent special programs for which Cox Cable has received much positive recognition are programs for and about The United Way, The Sanctuary, (an area home for young and unwed mothers); American Heart Association, Crime-Solvers and Crime Line, Catholic Family Services, Tidewater Council on Alcoholism, The Joy Fund, (a local charity organization benefiting less-fortunate children at Christmas time); "The Tidewater Clean Community Commissions, and last, but not least, our much heralded series highlighting the Great Citizens of Tidewater, to name but a few.

All of the above mentioned locally-produced programs are merely a sample of the work generated by the WCOXTV-11 staff and crew in the past twelve months. This is simply the foundation upon which Cox Cable Tidewater builds its credibility in the community and much more, can be, and is, being done on an ongoing basis. In conclusion, Cox Cable Tidewater is committed to total community involvement. The on-going accomplishment of WCOXTV-11 help to build, maintain and support that goal. As our theme, accurately describes, we are the "station that touches Tidewater", and through these sincere and consistent efforts Cox Cable Tidewater can seriously realize their position as a concerned, involved and highly respected member of the Tidewater community.

Respectfully submitted,
IRVINE B. HILL,
Director of Communications.

PLAN FOR A REPUBLICAN WAR ON POVERTY

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. GINGRICH. Mr. Speaker, Frank Gregorsky has outlined some major steps in the right direction for an effective struggle to end poverty. Every Member of the Congress should take note of it.

[From the Washington Post, Sept. 2, 1985]

A PLAN FOR A REPUBLICAN WAR ON POVERTY

(By Frank Gregorsky)

Item: On June 3, a study by the Children's Defense Fund sketched a crisis for black children. The CDF called for more jobs for teens, more subsidized housing, and more birth-control clinics. A CDF staffer priced the desired agenda at $14 billion.

Item: Last week the Commerce Department confirmed the sharpest one-year drop in poverty in 16 years. It was tied to last year's 6.8 percent surge in real GNP growth, which was induced by tax reduction rather than by make-work or social welfare programs.

Is the glass half empty or half full? Those taking the half-full view could cite additional indicators: infant mortality rates below their 1980 levels; stepped-up collections of child support from delinquent fathers; one

of every five new jobs since 1982 going to a black person.

Then again, some of what the CDF said should shake us up: "Only 67% of America's black children have an employed parent, compared to 86% of white children . . . In 1982, over 55% of all births to black women were out of wedlock . . . Among black women under age 20 the proportion was 86% . . . Eight out of every 10 white children live in two-parent families; only 4 out of 10 black children do . . . Black children are . . . four times as likely to be murdered . . ."

High GNP growth will not be enough. To judge from new data on the ineffectiveness of much welfare spending, neither will ambitious federal programs. What we will have is an irresistible force—economic growth—eventually meeting an immovable object—hard-core poverty, and a culture of dependency that Franklin Roosevelt called "a narcotic, a subtle destroyer of the human spirit."

When it comes to poverty, conservatives and administration supporters say the glass is half full, while CDF and its liberal allies blame the president for a glass half empty. What should be discussed is whose agenda is more likely to fill the glass.

The glass could be filled by an agenda that promotes individual enterprise, public safety and traditional values. Indeed, 20 years after the launching of the Great Society, it is surprisingly easy to envision a Republican war on poverty. It might consist of:

Tax Relief: The president's tax-simplification package would drastically reduce the federal tax burden on the under-$15,000 group. For helping low-income working families, it was the only tax plan to earn a perfect rating from the House Select Committee on Children, Youth and Families. It helps to make work more rewarding than welfare.

Enterprise Zones: Owning a small business is one of the greatest work incentives and family-strengtheners in history. Enterprise zones have twice passed the Senate and even won Walter Mondale's blessing. But the House blocks them.

Job Training: The administration, with the Job Training Partnership Act, replaced leaf-raking with skill-making. Over half the trainees find permanent jobs in the private sector. This approach can be expected: Bob Woodson of the National Center for Neighborhood Enterprise suggests making relief payments available in lump sums for training programs or as risk capital for starting a business.

Youth Opportunity Wage: Willing workers age 16-21 should not be subject to regular minimum-wage laws when looking for temporary summer jobs. The National Conference of Black Mayors agrees, recognizing that the chance to begin learning the skills and attitudes of job-holding means more in the early period than how much one gets paid.

Public Housing: The most responsible tenants should get to manage the properties, with the chance to buy them over time. In experimental cases, drugs, vandalism and vacancies have dropped sharply. Look to England: Margaret Thatcher's Tories have a housing strategy that has created anti-property tax and pro-free market political support among lower-income, former Laborite voters.

Stopping Crime: Serious crime was falling even before the effects of the anti-crime legislation pushed through Congress in 1984 were felt. But it will always be worst in poor neighborhoods. No group that speaks out "for the poor" is too credible if it lacks a plan to further cut crime rates. Yet how many Republicans think to market their tough stance on crime as real concern for poor America?

There would be universal support for a crackdown on violent juveniles. Their offenses at present do not count toward a "police record." That means hardened criminals don't technically start their hardening until age 18. But stiff sentences early prevent crimes later. This is called "targeted sentencing," and innocent poor children would be alive today if there were more of it.

When it comes to welfare-state approaches to poverty, the liberals are intellectually bankrupt. The government is just plain bankrupt. Fighting poverty these days means accommodating both fiscal reality and human nature. The new poverty numbers should be the foundation from which Republicans innovate—using approaches they already happen to be comfortable with.

LATIN AMERICAN DEBT CRISIS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. GARCIA. Mr. Speaker, today's New York Times had an insightful article by Mexican writer, Carlos Fuentes. He has succinctly identified the real crisis in Latin America today. I submit Mr. Fuentes article for my colleague's perusal.

The article follows:

THE REAL LATIN THREAT

(By Carlos Fuentes)

The United States should be concentrating its attention on the Latin American debt crisis, not on the arming of contras against Nicaragua. The price riots in the Dominican Republic, the invasion of supermarkets in Rio de Janeiro,, and the waves of strikes everywhere in Latin America poses a far greater threat to United States security than do the politics of three million Nicaraguans.

Over the past 40 years, Latin America has managed to expand economically and extend certain limited benefits of health, housing and education to its people. The present crisis endangers even those modest gains and puts the future of modern Latin America at risk.

Per-capita production fell by nine percent last year, bringing us back to the level of 1977—eight years wiped out in one! Prices rose by 163 percent in 1984. The region's foreign debt is more than $350 billion, yet our export earnings have decreased to $95 billion a year. Latin America is scheduled to pay more than $45 billion in annual interest. That means that we have become a net exporter of capital to industrialized nations exactly at the moment when we need capital most. It also means there is very little capital left for economic development, and even less for basic social programs.

Meanwhile, the middle classes are restlessly undergoing a revolution of lost expectations. The rural areas are growing increasingly poorer as prices for agricultural products decline. Foreign trade continues its downhill ride. Exports from the third world to the industrialized world declined by $42 billion last year. The disruption of trade also hits the industrialized world. United States exports to Latin America fell from $38 billion in 1981 to $20 billion in 1983. This cost the United States economy 300,000 jobs.

Clearly, not only the United States, but also the whole world, and certainly Latin America, face what the economist Eliot Janeway has called "a financial Pearl Harbor." The millions of urban marginals in Latin America's great cities are depoliticized, with nothing to lose, festering in the ciudades perdidas, the lost cities, preparing their assault on the citadels of wealth and privilege.

Latin America could explode with almost medieval resonance. Bereft of political structure, movements would be quickly co-opted by messianic demagogues who would seek to exploit our traditions of religion and violence. These traditions are ingrained in the culture of Latin America. They do not have to be taught. And in the end, present trends, if unchecked, will strengthen another Latin American tradition—the authoritarian use of power. Our political institutions run the gravest risk of being wiped out.

We should be listening to men like Mayor Andrew Young of Atlanta, Felix G. Rohatyn of New York, Pedro-Pablo Kuczynski of Peru and Lord Lever of Britain when they argue for a new Bretton Woods—a new set of monetary and trade arrangements that, instead of perpetually rescheduling debt, would seek to change the nature of that debt. In Lord Lever's proposal, this would be done by deferring current interest for the sake of future profit through new zero-interest securities which would transform short-term debt into medium- and long-term instruments to finance productive investment.

We should also be listening to the voices of two men from opposing ends of the political spectrum: Henry A. Kissinger and Fidel Castro. We must listen to Mr. Kissinger when he warns that the Latin democracies might not survive "in the face of dramatically falling standards of living that appear to be imposed from the outside." We must listen to Mr. Castro when he warns that Latin America is "financing the economies and development of the richest industrialized countries in the world with impressive sums of money."

Mr. Kissinger proposes the equivalent of the Marshall Plan—a hemispheric development program that would replace the "financial minuet" of quarterly crisis meetings on overdue interest payments. Mr. Castro flatly asserts that the debt is unpayable. To prevent the immense damage that national defaults would mean for the United States and the international banking system, Mr. Castro proposes that the governments of the industrialized countries assume the debts owed to private banks.

Mr. Castro has said these things dramatically, as is his wont, by capturing the imagination of the housewife, the wage-earner, the pensioners, the bureaucrat, the shopkeeper—the menaced middle class of Latin America. In fact, the debt crisis has permitted Mr. Castro to re-enter Latin American society on his own terms while the United States plays ancient soap operas on Radio Marti.

Democracy and economic progress do not come naturally to a region where the bywords, for centuries, have been political authoritarianism, archaic violence, patrimonialist whim, crumb-lifting from the table of capitalism. The future of Latin

America, and of the United States, depends on economic solutions, not on printing spy booklets on how to neutralize the Sandinistas.

ACID RAIN

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. SIKORSKI. Mr. Speaker, acid rain is potentially the most serious environmental threat facing our Nation in the 1980's and it is an issue which commands the immediate attention of the American public. Through a barrage of studies, we have learned that acid rain is poisoning our Nation's lakes and marine habitat, our drinking water, our crops, and our forests. Recently the Environmental Defense Fund reported for the first time an explicit 1-to-1 relationship between sulfur dioxide and acid rain after observing the effects of smelter emissions in the Western United States.

With a direct causal relationship established, our Canadian friends are drawing attention to the implications of this environmental hazard on our public health. I wish to enter a recent article from the Twin Cities' St. Paul Pioneer Press describing a study undertaken by Canada to examine the health implications of acid rain on the health of schoolchildren. Scientific evidence already indicates that acid rain may be linked to several forms of human brain degeneration, particularly Alzheimer's disease. Other research has uncovered links between sulfur dioxide and premature deaths in up to 50,000 human beings. The Canadian study reemphasizes that acid rain not only strikes at our environment but also our human health.

ACID RAIN AND LUNGS

For the most part, debate over acid rain has centered on the phenomenon's threat to lakes, forests and buildings. A Canadian study, set to begin this fall, will shift the focus to people. Depending on results, the study could confirm growing fears among scientists that the air pollutants that trigger acid rain also damage the lungs of those forced to inhale them.

According to an official of the Department of National Health and Welfare in Ottawa, some 5,000 elementary school students will participate in the study. Students in five southwestern Ontario communities that receive heavy doses of acid precipitation will be compared to students in five Saskatchewan towns that are mostly free of acid pollution.

Like acid rain, the study's impact will drift far beyond national boundaries. If Ontario students show unusual lung damage, the United States must shoulder some responsibility because an unhealthy portion of the sulfur dioxide that causes Ontario's acid rain is produced by smokestack industries in the Ohio Valley.

Moreover, establishing a positive link between acid rain and damaged lung tissue would put increased pressure on the Reagan administration and foot-draggers in the electric utility and coal industries to ease their steadfast opposition to emission-control legislation. That, in turn, could inspire a so-far gutless Congress to take the action it should have taken last year, when acid rain control measures were high on the Capitol Hill agenda.

If—whew—all that happens, those in the United States who fish, love forests, appreciate historical buildings or breathe with lungs will owe Ottawa a note of thanks.

A TRIBUTE TO TOM KEATING

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. JACOBS. Mr. Speaker, when we Hoosiers think of the Indianapolis Star Columnist Tom Keating, we think of decency, talent, modesty, pathos, common sense and funny stories. We also get misty because of his untimely death long before his life saw autumn.

Tom Keating's spirit will survive as Ernie Pyle's spirit has survived. One thinks of the profound line in the film "I Never Sang for My Father":

> Death ends a life, but it does not end a relationship which continues in the minds of the survivors * * *

The beautiful tributes which follow tell a lot about the goodness of Tom Keating, but they do not and could not tell all of it, which will go on and on as long as people can read the printed word.

[From the Indianapolis Star, Aug. 24, 1985]

TOM KEATING

The death Friday of former *Star* columnist Thomas R. Keating at 45 is a tragic loss, not only for the family and friends who loved him so much, but for Indianapolis and Indiana, whose people and places he so celebrated.

Before leaving *The Star* in January to become director of communications for Lilly Endowment, Mr. Keating had written a daily column which appeared for 14 years in the left hand column of the newspaper's "split page," the first page of the second section.

Many readers had the habit of beginning their day with that column and no wonder. It was the reflection of a remarkable man, one who stepped up to life with uncommon zest and enthusiasm, one who dealt sincerely with others with candor and compassion, one who as a writer never lost the human touch.

He told his stories in the crisp, clear style of such newspaper giants as Red Smith, Ernie Pyle and Damon Runyon. His work was widely reprinted and had been published by a variety of magazines, including *Reader's Digest*.

He won numerous awards but preferred to talk about his other collections—charitable causes and friends—or of his many interests, including sports, books and serious ideas of all kinds.

Throughout his adult life, Mr. Keating, a devoted father, gave unselfishly of his time and talents to help young people, especially in sports, where he coached in church and little leagues, and in journalism, where he taught feature writing at Indiana University, Purdue University at Indianapolis, greeting any discovery of new writing talent with great glee.

Tom Keating was an extraordinary newspaperman and an exceptional human being whose important work at Lilly Endowment has now been cut short by the tragedy of an early death.

It is true that many in Indiana will mourn his loss but it is also true that we are all better off for having known him.

[From the Indianapolis News, Aug. 26, 1985]

THOMAS KEATING

It's often not easy to remain objective about one's competitors, but one didn't have to be objective to respect Tom Keating. Day in and day out, he was one of the best newspaper columnists this city has seen.

Keating died in the early morning last Friday at the age of 45. He died less than nine months after leaving his desk and daily column with The Indianapolis Star behind to become director of communications with the Lilly Endowment.

For 14 years, from 1971 to the beginning of this year, Tom Keating's column was regular reading for much of Indianapolis and Central Indiana. His gift was for searching out the "little" stories in the lives of "everyday" people that were actually bigger than the day's front-page headlines.

His spare and economical style of writing and down-to-earth way of telling a story made a reader feel he or she was chatting with Keating over coffee rather than reading a newspaper. Other writers won readers; Tom Keating made friends.

That's why he will be missed—by his family, his friends, his co-workers and former readers. And, of course, by his competitors.

[From the Indianapolis Star, Aug. 24, 1985]

TRIBUTE TO TOM KEATING: A TREMENDOUS SOURCE OF INSPIRATION

(By John Shaughnessy)

(John Shaughnessy's column regularly appears in The Star Monday, Wednesday and Friday. This special column is a tribute to his friend Tom Keating.)

It was the fourth column I had ever written and, in response, The Star's switchboard was lighting up like a pinball machine. The callers were not pleased; in fact, they were hostile. And their overall opinion of me seemed to be expressed in a message left by one of the callers: "I love The Star and I loved Tom Keating, but this Shaughnessy is terrible!"

I was shaken, so I turned to the writer whom I respected more than anyone. I phoned Tom Keating, who two months earlier had left The Star to accept a job with Lilly Endowment.

"Hey, Tom, do you want your old job back? After today, I know there are a lot of people who want you back." Tom asked what I meant, and after I told him about the calls, he replied, "I thought that was the best column you've written so far. Don't worry about what people say, just keep writing the way you always have and you'll be fine."

That conversation was among the first things I thought of when I was told that Tom died Friday.

There are people who knew Tom better than I. The roots of their friendship extended for years, and their bonds were stronger and deeper. But I'm among those who owe the most to him.

I first met him five years ago when I enrolled in a writing course that he was teaching at IUPUI. He liked some of my work and

asked if he could show it to The Star's city editor. He then arranged an interview for me, and when I was hired, he seemed as happy as I was.

Four years later, he would be in my corner again. When he decided to stop writing his column after 14 years, he recommended that I be chosen to join Dan Carpenter as one of the two people to write a column three days a week.

As much as I appreciated Tom's support and ability, I appreciated him much more when I began to write a column. Writing a column three days a week is the hardest thing I've ever done. When I think that Tom wrote the column skillfully and often beautifully five times a week for 14 years, I am in awe.

But I am even more impressed by the quality that marked his life, a characteristic that was often displayed in subtle ways.

Earlier this year, Tom met Dan and me for lunch to answer any questions we had about writing a column. When Tom arrived 10 minutes late, he apologized, saying that the midday Mass at St. John Catholic Church was longer than usual that day. Attending church was a regular part of Tom's life.

When we went to the 1983 Notre Dame-Purdue football game together, Tom picked me up at my house. Since we were running late, I moved toward his car when he arrived. But Tom wasn't in a hurry. He had been watching his youngest son play football, and now he was taking time to talk with my wife and our two sons.

He also had an Irishman's appreciation of life, combining a willingness to occasionally drink a few beers with the ability to share stories that would leave you in tears from laughing or crying.

In the end, talking about Tom comes down to the impression he left on others. People who neither met him nor talked to him noticed the decency and quality of his life in his columns. And for those of us who knew him, we can only add that we are thankful for having had that opportunity.

As I write this, several letters addressed to Tom are on my desk. They arrived Friday, similar to the many others that have been sent here, even though Tom left this office more than eight months ago. It was obvious that some people still had information they wanted Tom to know, they still had stories they wanted to share with him.

Maybe it was their way of saying that they wanted Tom back, that they wanted to still be able to count on him.

Today, I and a lot of other people share that feeling.

[From the Indianapolis Star, Aug. 25, 1985]

A PUBLIC TRIBUTE TO TOM KEATING, WHO WOULDN'T HAVE STOOD FOR IT

Now it's my turn.

If anyone besides Tom Keating were involved, I doubt I would bother to follow all the elected officials, newspapers executives and other personages who have poured out their tributes during the past couple of days.

People with access to printing presses and microphones have a tendency to abuse their privileges for selfish sentiment, and newspaper columnists (Tom Keating being a notable exception) are the worst offenders.

Besides, when the guy on the street reads and hears all these panegyrics about famous people who have died, he is rightfully skeptical. When Ronald Reagan dies, *The Washington Post* will miraculously find a dozen nice things to say about him.

The difference with Keating is that it's all true. All the eulogies about his feel for the common man, his nose for a tasty story, his devotion to family and friends, are based in hard fact.

A cynic or a charlatan could not have done what Tom did, five days a week for 14 years. He would have blown his cover, or his top, in fairly short order and gone off to something easier or more lucrative.

Tom, of course, did leave newspapering at a shockingly young age, relinquishing a position that is the stuff of dreams for the average kid in journalism school. But he left this business for a new challenge and a line of work that wasn't entirely different for a person of his character. It was logical that Tom Keating and the city's most prominent charitable foundation would find each other.

That's really a major league marriage, isn't it? Keating and Lilly Endowment Inc. Hard to find a more droppable name in these parts. Just being able to say I knew Keating, had lunch with him, was one of my biggest thrills when I joined *The Star* eight years ago.

What I came to like most about Tom was, he hated all that. Being a celebrity, an institution. The picture in the paper, the fact that he was better-known than almost anyone he wrote about—it amounted to a hair shirt he wore as penance for the pleasure of telling other people's stories.

I'm not sure exactly how to say this correctly, but Tom did not make a big deal of what he did. He knew he was at the top of a wonderful craft. Everyone wishes he could write, and Keating made writing look easy. But at the same time, he was achingly aware of the limitations of daily deadline journalism. As long as there were other kinds of writing, other tests of talent and will, he would not rest with *being a columnist*, even a famous one.

By and large, newspaper people I have met are not well-read. We are more likely to know the weekend anchor on Channel 2 than the title of the third book in the Alexandria Quartet. Keating, who was at home with cops and coaches and plumbed the poetry of their lives would sooner chat about good books than almost anything else.

Wise as he was to the hustlers and demagogues who populate the world of the journalist. Tom retained a child's sensitivity to the mystery and heroism of "ordinary" life. He had the great, elusive gift of humility, denied to all but the best of us.

Last year, Tom's friend Bill Kuntz, a revered youth leader in the city, died after a terrible struggle with cancer. One day, as Bill lay in the hospital, Tom remarked to me that we never seem to get around to telling people we love them until it's too late. "So I did," Tom said. "I went to the hospital and I told him." Doing so meant at least as much to Tom as the lovely eulogy he wrote in his column a few days later.

I would not presume to say I had that kind of closeness to Tom. I am proud to say we were friends. I had tried, clumsily, to express my admiration, my affection, and my indebtedness, back when I thought he was going to live forever. The guy would always cut me short. So now, I'll have to do what Tom never would have stood for—tell everybody else.

[From the Indianapolis News, Aug. 26, 1985]

TRIBUTE TO A COMRADE

(By David Mannweiler)

I never gave much thought to mortality until five years ago, when I was 38.

It was five years ago this month, to be exact.

I was rummaging through a file folder in a desk in my home when I found a yellowed clipping of my father's obituary from an August 1949 newspaper.

The opening paragraph said my father was 36 when he died.

"My God," I thought, shocked by the thought. "I have outlived my father."

A similar thought flashed through my mind Friday when I learned Tom Keating had died.

All the cliches applied: At 45, Tom Keating was too young to die. He had too much to live for. He had so much more to give.

But I also remembered how Tom and I occasionally had shared the reckless disregard that all young men harbor toward death.

We had laughingly wondered what the one-paragraph obituary would say about us in newspapers we didn't know in cities we didn't know when we died old and forgotten and retired.

Newspapers in this country have a habit of printing one-paragraph obits on old journalists who die in other cities.

Tom's paragraph, or paragraphs, came too soon.

I can't say I knew Tom as well I would have liked.

We shared some bar time at the Press Club and some lunches and speaking platforms, but we didn't socialize.

We both knew we couldn't. We were colleagues, but we were competitors, too.

Five days a week for more than a decade, Tom in The Star and I in The News went head-to-head challenging each other to come up with the best column. It was fun, and it was frightening.

We traded compliments on columns printed but never discussed columns planned.

On those rare occasions when he stopped by my desk or I at his, we could talk about sports or politics or our families but not our friendly competition.

When my son was born, he was one of the first to offer congratulations.

We both thought it remarkable that, except for the 500-Mile Race, we so rarely crossed paths while searching for a story.

Twice, maybe three times, in all those years, we both showed up at the same event with notebooks in hand.

I envied Tom's talent with words, his inventive mind and his enormous range of contacts. The man was good. One of the best.

Through his columns, Tom became an institution in this city. Through his columns, he became a presence in our lives. I missed his column when he left The Star in January to join Lilly Endowment.

When a collection of Tom's columns was published in 1982, I told Tom I wanted him to autograph my copy, and add an inscription.

It became a running joke between us.

Whenever I ran into Tom, I would ask him when I'd get my book. He always said, with a smile, "I haven't decided yet what to write."

The last time we talked, about three weeks ago on the phone, I wanted some information from Lilly Endowment. Tom cooperated.

But then he held the call. He wanted to talk about newpapering, about changes he had noticed in the papers and how strange it was to read the papers in a different light, now that he was on the outside.

I ended that call by asking Tom where my book was.

He said he hadn't decided what to write.

Tom's columns will have to speak for him now.

[From the Indianapolis Star, Aug. 27, 1985]

KEATING'S PROSE TOUCHED MINDS AND EMOTIONS

(By Bob Collins)

Tom Keating was the best newspaper columnist ever in this state.

He combined a reporter's curiosity with a storyteller's skill. Usually understated, always well-written, his columns touched minds and emotions.

Keating saw things the rest of us didn't or ignored. He mined gold from slag. He elevated the ordinary to the interesting.

He found stories in improbable places. The city was his beat; its citizens his reporters. He had a rare talent for drawing people into conversations, getting quotes a man with a notebook or tape recorder never would hear.

Tom was a shy man, but he wasn't humble. There are no humble people in this business.

Though he was aware of his power, he never was comfortable with it. But he accepted, however reluctantly, the fact that he was a strong force in this community. He used his clout prudently.

He was a man of firm opinions, often voiced forcefully. But they never appeared in his column. His column belonged to the people. So he wrote them, entered their home in the morning and told them interesting stories. He just sort of sat down and had a cup of coffee with us.

You glanced at the headlines, then you turned to Keating. It was a Hoosier habit for 14 years.

The words seemed to flow like a gentle stream. But it wasn't that easy. Tom wore out his share of carpets and water fountains en route to a deadline.

In the last year of his life, diabetes was a constant concern. And the stomach-churning rigors of doing a daily column were not helping his physical condition.

He talked often of leaving. I never believed him. He was a professional newspaperman, married to the job.

But he found another outlet for his considerable talents—the Lilly Endowment. And it must be noted that he simply moved on to a better opportunity to help people in the city he loved.

If this be blasphemy, make the most of it. But I believe God is publishing a much better newspaper today.

[From the Indianapolis Star, Aug. 24, 1985]

IN MEMORY: "LIKE ALL REAL HEROES, HE GAVE MORE THAN HE GOT"

(By Patrick J. Traub)

Robert L. Cotter has a scrapbook of newspaper articles and pictures of his Indianapolis Public School 27 "Masters of Disasters" national championship chess team.

Inside the book is a picture of Cotter, the team and President Reagan.

On the cover is a picture of Cotter and Thomas R. Keating, the former daily columnist for *The Indianapolis Star*.

"That picture means more to me than any other," Cotter said Friday. "It also shows what Tom Keating meant to the team."

That placement captures the public career of the late columnist who told the stories of Indianapolis and Indiana for 14 years through more than 3,500 columns.

The chess team, a group of sixth-grade pupils from an innercity neighborhood, had won the Indiana chess team championship. A trip to the national championship was available, but the money wasn't.

"He wrote one column and the world was opened to us," Cotter recalled. Contributions poured in to pay for the trip to the national championship, which the team won.

The team became national media stars, eventually meeting the president in the White House. Mr. Keating chronicled each step.

It was that type of daily column that caused Lawrence S. Connor, managing editor of *The Star* to remark as Mr. Keating left the paper, "How does he expect us to start the day without his column? It is worse than being taken off coffee."

Robert P. Early, the former managing editor of *The Star* who turned the daily column over to Mr. Keating in 1971, recalled that he was "a man of sterling character who used his many talents wisely and positively, especially as a newspaper columnist. He will be missed but long remembered."

A frequent subject of the daily columns was Center Township Small Claims Court Judge John Hesseldenz. The last regular column written by Mr. Keating was about Hesseldenz's courtroom.

"He would walk in and sit down on the bench for 10 or 15 minutes and leave. I never thought anything happened, but he was so adroit at the human interest story that when I would wake up the next morning, there would be a wonderful story.

"It was an honor to be his last column. I had to leave the bench when I heard about the death," Hesseldenz said.

Another frequent "rainy day" column for Mr. Keating was the Indianapolis Police Department vice squad and its commander, Lt. Mack Crockett.

Crockett said, "He added something to the cosmopolitan nature of the city, being able to spotlight the individuals of the area and allow them, through his column, to let us know them better.

"He would call every so often, and I would keep a list of the things that happened in our work that he had the knack of seeing. Tom saw things we didn't."

Gov. Robert D. Orr said, "Tom Keating's unique insight into people was a treasure to our community. His special gift of moving us to care about other people made Indianapolis a better place to live. Like all real heroes, he gave more than he got."

U.S. Sen. Richard G. Lugar, R-Ind., who was on the Indianapolis Board of School Commissioners when Mr. Keating started at The Star, described him as "a warm and loyal friend with whom I shared most of public and private goals and experiences. His love for all the people who live in Indiana was reciprocated each morning by thousands of friends who read his column before they started a new day.

"I talked to Tom on Wednesday and he was filled with enthusiasm for a great new project boosting Indiana.

"I cannot believe that he has left us so soon with so many good stories left to be written."

Rep. Andy Jacobs Jr., D.-Ind., recalling that Mr. Keating once recruited a nephew to play football, said, "Tom was talent and decency rolled up into one."

Three times a month, Mr. Keating telephoned Marion County Sheriff James L. Wells, checking for possible column ideas. The two met when Mr. Keating was first assigned to The Star's police beat in 1966.

"I remember when Tom first started as a police reporter. He used to come to the old jail in the late '60s and shoot the breeze. He was a common, down-to-earth guy. This is a loss, not only of his talent but quite a loss to the community. The community will suffer from Tom's death."

Thomas H. Lake, chairman of Lilly Endowment, Inc., said. "Tom Keating made a major contribution to the work and insight of the Lilly Endowment. He enjoyed a special friendship with so many people.

"He was a professional journalist of the highest order. The quality of Tom's life and work has been an inspiration to those who knew him and learned from him. He had an unusual ability to see the best in everyone and to bring the best out of his associates.

"He was a decent and caring person with a strong belief in God."

Mr. Keating had taught a feature writing class at Indiana University-Purdue University at Indianapolis since 1978. Howard B. Schaller, executive dean and dean of faculties, said. "Tom Keating's death is an unbelievable shock to his thousands of friends and colleagues. We here at IUPUI share in the grief, because Tom was an adjunct faculty member in the School of Journalism here. For several years each spring he taught feature writing, sharing his vast knowledge and remarkable talent with those just entering the ranks of journalism."

SAINT MARY'S NATIVITY CHURCH CELEBRATES CENTENNIAL

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. KANJORSKI. Mr. Speaker, it is with great pleasure that I bring to your attention a historic event in the Wyoming Valley. Saint Mary's Nativity Church in Plymouth, PA, will celebrate its centennial on September 8, 1985.

One hundred years ago, the Most Reverend William O'Hara, D.D., first bishop of the Scranton diocese, gave permission for the establishment of the Blessed Virgin Mary Parish in Plymouth. The Reverend Lawrence Spryszinski was chosen as the first pastor.

The original church was a simple wooden structure, which served alone until August 1903, when Bishop Michael J. Hoban set the cornerstone for a new chruch. Fire badly damaged the original church on June 14, 1903. But by May 30, 1905, the new structure was completed and dedicated by Bishop Hoban.

Soon after the new church was completed, Father Smelsz initiated plans to renovate the original wooden church into a modern parochial school. Two years later, the Bernadine Sisters were invited to teach

the children of the parish, and they later were assigned to the parish.

On December 26, 1910, the Reverend Stanislaus A. Drier assumed the pastorate of St. Mary's. In June 1911, a new rectory was completed, and by 1918 the parish church was remodeled; its interior walls and ceilings were beautified, making St. Mary's an archetectural treasure of the Wyoming Valley.

On February 26, 1919, fire again badly damaged the church. It was restored in stages, under the direction of Father Drier. By 1920, mass was being offered in the church basement, and on September 8, 1921, the new alters were blessed. In the following 6 years, additional work was done on the bell towers, the interior of the sister's convent, and the parish rectory.

In the early 1930's, land was purchased in Plymouth Township to serve as the site of a new cemetery. A beautiful grotto was built at the entrance, and services were conducted there several times throughout the year.

Another fire in the St. Mary's School in 1949 led to the construction of a new building on the same site. On September 9, 1951 a new school building opened to accept students.

Father Drier passed away on Ash Wednesday, February 23, 1955, after 44 years as pastor. On October 3, 1955, the Right Reverend Monsignor John J. Podkul was named pastor.

By this time, many parish societies had formed, giving parishoners greater opportunity to publicly practice their devotion to God and their parish. In the 1940's the Junior and Senior Sodalities were organized; St. Stanislaus Auxiliary was founded in 1941, as was the Usher's Club. In 1951, the Confraternity of Christian Mothers was formed, and in 1956, the Holy Name Society held its first meeting.

Rev. Joseph F. Kalinowski began his assignment as pastor in January 1972, just months before the devastation of Hurricane Agnes. Church services were held at the Plymouth Armory until the basement of St. Mary's School was readied for use. Volunteers worked steadily to salvage spiritual objects. The restoration and redecoration resulted in a magnificent church, the pride of St. Mary's parishoners.

St. Mary's welcomed its new pastor, the Right Reverend Monsignor Stanley W. Piorkowski in April 1977. Under his direction, renovations began in 1981, including construction of a new sacristy, confessional rooms, a votive room, a bapistry, the restoration of the pipe organ, and renovation of the sanctuary. The church was further beautified by the construction of a new brick bell tower.

In June 1982, the Right Reverend Monsignor Edmund S. Penkala became pastor. It was during his pastorate that the centennial project was completed. On June 22, 1982, a new marble altar with the relics of St. Stanislaus, bishop and martyr, St. Adalbert, St. Andrew Bobola, and St. Maris Boretti, was blessed and dedicated.

Mr. Speaker, the centennial of this historic parish will be celebrated in a jubilee mass by His Excellency, the Most Reverend James C. Timlin, bishop of Scranton, on September 8, 1985. Following the liturgical and spiritual observance, a banquet will be held at Convention Hall in Pittston. I know I speak for many in the Wyoming Valley in expressing my pride and joy in the passing of this important milestone in the history of St. Mary's Nativity Church.

TOM DIAZ ON CZECH LINK TO NICARAGUA

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. COURTER. Mr. Speaker, the Soviet KGB has proven astute at subcontracting out many important foreign operations to its trusted and carefully trained Eastern European subordinates. East German security operatives police the police in Ethiopia, Angola, and Mozambique, and reportedly handle internal security for Fatah, the military arm of the PLO. The Czech services have been no less effective.

Recently a Canadian-headquartered Czech exile organization, the Czechoslovak Federal Council, charged that dozens of Sandinista security personnel have been attending police schools in Czechoslovakia. This can be explained in part, the spokesmen say, by the long associations the Czechs have with Cuba, itself closely involved with Nicaraguan secret police work and covert operations. The statement recalls earlier testimony by Ladislav Bittman, an important defector from the Czech secret service, that Czech agents were working with Fidel Castro as early as 1959, nearly a decade before the Cuban intelligence network was competely subordinated to the KGB.

A fascinating account of the allegations by the Czechoslovak Federal Council has been given by Washington Times reporter Tom Diaz, and I wish it to be entered into the RECORD so that my colleagues have an opportunity to read it:

CZECHS TEACHING SANDINISTAS TERROR

(By Tom Diaz)

Sixty-five Sandinista security officers have been attending a secret police school and participating in interrogation of political prisoners in communist Czechoslovakia over the last eight months, a group of Czech exiles has charged.

The Nicaraguans have been taking advanced training in interrogation techniques from the Faculty of Interrogation at the University of State Security and Forces of Internal Order in Vokovice, a suburb of Prague, according to Jiri Kotas, chairman of the Czechoslovak Federal Council in Exile.

A State Department official said he believes the report is probably true but could not confirm it after checking with intelligence sources.

"We do not have hard intelligence of that training. However, we would not be surprised because it fits a pattern of other Eastern bloc countries training Nicaraguans," he said.

"We've seen it with the Bulgarians and East Germans. The Czechs train everybody else [officers assigned from other client states in the Soviet bloc], so there is no reason to think they are not training the Sandinistas," he said.

A Central Intelligence Agency spokesman said the agency would have no comment on Mr. Kotas' charges.

Mr. Kotas said the Sandinista officials also have helped in interrogation of prisoners in two of "Czechoslovakia's most notorious prisons"—at Ruzyne, near Prague, and Valdice, near Jicin.

Mr. Kotas said the two prisons are reserved for especially dangerous criminals and for "the most dangerous opponents of the communist regime," including human rights activists, clergy and soldiers who have taken or attempted to take weapons.

"Our information comes from a highly placed source within the Czechoslovak power structure," Mr. Kotas said in a telephone interview.

"We know that it is accurate," he said. "It came from an identical source which in several other instances has given us information which has later been confirmed by official U.S. authorities. The source is beyond reproach."

Mr. Kotas said that his group's source "gave us information about the Soviet nuclear deployment in Czechoslovakia" before the Soviet Union first said in 1983 that it had deployed nuclear weapons in Warsaw Pact countries.

The Czechoslovak Federal Council, with headquarters in Canada, is a group of young refugees, 90 percent of whom "escaped from Czechoslovakia in the early 1980s," Mr. Kotas said.

He said he fled Czechoslovakia in 1979 and was formerly employed by the Czechoslovak Academy of Sciences in Prague.

Mr. Kotas described the secret police university to a reporter, saying that "if you looked at it only for the architecture, it looks very nice for a communist country."

He said the school is "highly penetrated" by Russian officials, "as in other [Czech] institutions of that caliber." He specifically emphasized "Russian" as opposed to other Soviet nationalities, and said care is always taken to be sure that the Russian presence never amounts to a majority in such institutions.

The university exists, said Mr. Kotas, specifically to train Czech state police and internal security personnel.

"They [the Sandinistas] are attending this school to learn the method of 'cold terror,' " he said.

Mr. Kotas said the "cold terror" method of interrogation had been developed since the 1960s. He described it as "much more sophisticated" and less directly brutal than the methods used by communist regimes during the 1950s. Earlier methods emphasized beatings and other physical violence. The new "cold terror" method relies more on psychological methods to confuse the subject as to who his enemies and friends are.

"Now you succumb more easily," he said. "The [former method of] beatings built a wall between the prisoner and the interrogator. But now to draw the line [between friends and enemies during interrogation] is very, very difficult."

Mr. Kotas said it was not known for sure from which Nicaraguan agency the trainees have been drawn but they are believed to be from the Ministry of Interior, which is responsible for state police activity under the Marxist Sandinista regime.

There would not necessarily be a language barrier that would hamper Spanish-speaking Nicaraguans involved in the interrogation of Czechoslovakian prisoners, Mr. Kotas said.

He said a number of Nicaraguan exiles studied in Czechoslovakia during the Somoza regime and became fluent in Czech, that many Czech functionaries speak Spanish because of the regime's long association with Cuba, and that Russian is also a fairly common tongue among both Czechs and Nicaraguans.

TAX REFORM BILL SHOULD PUT AMERICAN ASSOCIATION OF FINANCIAL PROFESSIONALS OUT OF BUSINESS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. STARK. Mr. Speaker, the following advertisement appears in the latest issue of Eastern Airline magazine.

It is such bad tax advice under current law that I suspect the IRS will be auditing most of the people who attend these vacations. Under my bill, H.R. 1228, a foreign trip for this vacation break that's also a tax break would be denied any tax deductibility. The effective date of the bill is February 21, 1985—the date I intend to urge when this matter is considered in the tax reform markup beginning September 16.

Eastern Airlines should be more careful about accepting ads from con artists.

SOME VERY INTELLIGENT PEOPLE WOULD LIKE THE IRS TO SEND THEM AWAY

This year, take a vacation break that's also a tax break.

Come to Los Angeles, Phoenix, Orlando, San Jose, Costa Rica; Panama City, Panama; Interlaken, Switzerland or London, England, with the American Association of Financial Professionals, and you'll be able to write off the cost of your airfare on Eastern Airlines, your hotel bill and just about everything else but the suntan lotion.

You'll also learn how to write off a lot more than your vacation; because the American Association of Financial Professionals will offer hundreds of hours of intensive tax strategy workshops devoted to the keeping of most of your money.

So plan on attending one of the upcoming AAFP investment and tax strategies conferences this year. Just send in the coupon, and we'll send you a brochure with more information.

After all, you've given the IRS plenty over the years. Isn't it time they gave you something in return?

FINDING A CURE FOR AIDS

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. GREEN. Mr. Speaker, I should like to submit for the RECORD an op-ed piece which appeared in the New York Times on August 22, 1985. It was authored by Harry Schwartz, a former member of the New York Times editorial board who is an expert on health issues. As the number of AIDS cases continues to grow, we have put greater resources into Federal activities to combat this tragic disease, with the hope of developing a treatment for AIDS soon, and eventually a cure. The following article raises some noteworthy points regarding research into treatments for AIDS, and I commend it to my colleagues' attention.

FINDING A CURE FOR AIDS

(By Harry Schwartz)

SCARSDALE, NY.—Public awareness of the AIDS epidemic is now greater than even before. The numbers explain why.

More than 12,000 cases have been diagnosed to date and more than 6,000 Americans have died of the disease. The great majority of AIDS victims are young men in the prime of life, not elderly citizens.

In this situation the clamor for a medicine to cure AIDS is naturally mounting. And so is the number of Americans who—like Rock Hudson—are going abroad to try medicines that are unavailable here because of Food and Drug Administration rules. The F.D.A. insists that its rules are intended to protect sick people; the AIDS victims running to Mexico, France and other countries obviously believe the F.D.A. rules are too strict.

What this means, clearly, is that despite the great public uproar over AIDS, we have not yet focused attention on the key questions: How do we discover new medicines to help sick people and what can we do to encourage and speed up such discoveries against AIDS and other killing and crippling ailments?

Recently, an influential member of the House of Representatives sneered publicly when told that the average cost of research and development for a new drug now approaches $100 million. The figure, he said, must surely be grossly inflated to justify the profits of the pharmaceutical industry.

Oddly, this same Congressman has a relatively high number of AIDS victims among his constituents. Would he cavil, one wonders, at appropriating hundreds of millions of dollars to find a cure for AIDS?

The great majority of new and effective medicines are discovered by the private pharmaceutical industry, which is under constant attack. An endless stream of critics complain that drug prices are too high, that medicines have too many side effects, that many drugs permitted on the market are really unsafe, and so on. The fact that therapeutic drugs contribute enormously to the improved health and longevity of our people usually goes unmentioned. So does the fact that these medicines are usually the most cost-effective therapies known.

This climate of discussion hardly encourages pharmaceutical executives to invest tens of millions of dollars looking for a remedy for a disease like AIDS, where much of the basic science required is still unknown.

Neither Congress nor the general public has any idea of what an army of chemists, pharmacologists, toxicologists and other specialists is required in the typical modern hunt for a new drug. Nor is there any understanding of how many years and how many tens of millions of dollars can be—and often are—spent fruitlessly because the desired medicine cannot be found. The harsh realities are suggested by the fact that corporations that spend $300 million or $400 million a year on pharmaceutical research do well if they average even one marketable, newly discovered drug every two years.

Pharmaceutical research is always a gamble, even when there is a far better background of scientific knowledge than we now have about AIDS. The huge financial risks of this research make wildcat oil exploration seem tame by comparison.

This background suggests that the tragic AIDS epidemic could have a positive by-product if it produces a new look at the conventional wisdom in the drug field.

AIDS victims understandably want a cure, not a compound that is guaranteed never to have a harmful side effect on anybody under any circumstances. Shouldn't we take a new look to see whether F.D.A. rules are loaded too heavily in favor of unattainable perfect safety while underemphasizing the needs of the sick and the dying? And shouldn't Congressmen who specialize in attacking the pharmaceutical industry worry about their impact upon discouraging investments in research to try to find new cures for killer diseases?

Perhaps AIDS victims and their families might bring these heretical ideas more forcefully to the attention of the F.D.A. and its Congressional masters. Such pressure might help increase the volume of industrial research on AIDS and thus increase the likelihood of finding the remedies so desperately needed.

TRADE WON'T SOFTEN AN ADVERSARY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. CRANE. Mr. Speaker, the time has come for the United States to cease financing the inhuman and reprehensible activities of the Soviet Union. By permitting direct, bilateral trade between the two countries, and with aid and loans from our official lending institutions and governmental agencies, the United States is in effect party to the atrocities perpetrated by the U.S.S.R.

We should remember the words of Soviet defector Aleksandr Solzhenitsyn, who stated: "I think, gentlemen, that we should at last permit this socialist economy to prove its superiority. Let's allow it to show that it is advanced, that it is omnipotent, that it has defeated you, that it has overtaken you. Let us not interfere with it. Let us stop selling to it and giving it loans." If we do this, Solzhenitsyn counsels, "* * * the Soviet economy will no longer be able to deal with everything, [and] will have to reduce its military preparations * * * to feed and clothe its own people. And the system will be forced to relax." By loaning them money and bailing them out in times of economic crisis, we "are merely helping them to rearm * * * helping the Soviet police state."

If we continue to conduct trade, and finance the Soviets and those countries within their sphere of influence, the consequences may be grave indeed. As Solzhenitsyn concludes, "* * * if, in the frenzied competition of one company with another they [the West] will continue to rush in loans and advanced technology, if they will

present earth-moving equipment to our grave-diggers, then I'm afraid that Lenin will turn out to have been right." He had said: "The bourgeoisie will sell us rope, and then we shall let the bourgeoisie hang itself."

As Joseph Finder argues in his article, "Trade Won't Soften an Adversary," the idea that doing business with the Soviets can lead to improved relations is a frightening misconception. Before we in Congress allow ourselves to fall for this rhetoric, I urge my colleagues to consider the points made in Mr. Finder's article. The article follows:

TRADE WON'T SOFTEN AN ADVERSARY

(By Joseph Finder)

The Reagan administration has embarked upon its most concerted effort yet to improve trade relations with the Soviet Union, and it is based on a serious misconception: that doing business with the Russians can lead to improved relations.

Secretary of Commerce Malcolm Balrige met in Moscow last week with Mikhail Gorbachev to discuss ways of increasing East-West trade. "It is high time," the Soviets declared after the meeting, "to defrost the potential of Soviet-American cooperation and to freeze or—to be more precise—to stop the arms race and the escalation of hostility." Secretary Baldridge said recently, "The President is doing his best with the Soviets to establish a better working relationship. Trade is one of the ways." Both sides are speaking of trade as a means of ameliorating political tensions, but I suspect neither side really believes its own rhetoric.

During the height of the most recent detente one heard much about the "web of interlocking relations" theory, which held that commerce locks nations into a relationship of mutual dependency that can somehow keep peace in the world. The most eloquent advocate of this theory was Norman Angell, who argued in his book "The Great Illusion" (1913) that the "elaborate financial interdependence of the modern world" made war senseless. The book was a best seller in the U.S. and Europe just before the outbreak of World War I—an ample refutation. Soviet-American trade never reached gargantuan proportions—a peak of less than $5 billion in 1979—but even so, it did nothing to stem the rapid deterioration in relations largely brought about by the Soviet invasion of Afghanistan at the end of that year.

In 1969, faced with trade-with-Russia-will-bring-peace arguments, Richard Nixon, according to his memoirs, told a meeting of the National Security Council, "I do not accept the philosophy that increased trade results in improved political relations. In fact, just the converse is true. Better political relations lead to improved trade." (His opinion seems to have changed several times since.)

In one sense alone is there a direct link between trade and politics: emigration. Realizing the importance to the West of heightened emigration of Soviet Jews, the Kremlin has unsubtly offered to permit more Jews to leave if trade with the West improves. The chairman of the State Bank of the Soviet Union, Vladimir S. Alkhimov, recently assured Undersecretary of Commerce Lionel H. Olmer that if the U.S.-Soviet trading relationship improved, 50,000 Jewish emigres a year would be "no problem." Compared with the few hundred emigres the Russians allowed out last year, the figure is remarkable.

Apart from emigration, though, the only real link between East-West trade and East-West political relations is in the realm of symbolism. Our allies seem to perceive commerce with the Russians as a sign of healthy relations, as a portent of less tension to come. In the four years since entering office, President Reagan has come to realize this, and so his administration has, despite an ongoing feud between the Commerce Department and the Pentagon, begun to speak of business links with the communist world as one more peace initiative. An unidentified administration official recently insisted to reporters that there is "an implicit link between the trade and the disarmament talks." This is nothing more than rhetoric, an attempt to achieve the appearance of improved relations in the absence of any substance.

Which is not to say that the White House is alone in making such claims. The Soviets, who desire Western equipment and grain, speak of trade with the West as a great panacea. Their assertions are precisely what a lot of people in the West would like to hear. It has not escaped their attention that many Western political leaders are swayed and mollified by displays of apparent conciliation.

"Men willingly believe what they wish," Julius Caesar remarked. And perhaps a little pretense is not such a bad thing. As long as we bear in mind that our oil-drilling machinery will not buy Soviet docility in Nicaragua, or Geneva, or anywhere else for that matter, let us trade with the Russians without deluding ourselves that we can thereby bring about peace. The expression "business as usual" may signify international comity to us capitalists, but to the communists, who are less convinced of the palliative effects of commerce, the phrase does not mean as much.

IN MEMORY OF PHILLY JOE JONES

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. CONYERS. Mr. Speaker, I rise to call my colleagues' attention to the passing of the beloved Philly Joe Jones, who died August 30, 1985, at his home in Philadelphia at the age of 62. He was an extremely talented musician whose warmth and compassion for his fellow men touched everyone. He leaves behind his wife, Eloise, his son, Chris, and many thousands of fans who will cherish his memory always.

Mr. Jones began his musical apprenticeship playing in bands and combos in the Philadelphia jazz clubs. In 1950, he became the house drummer at Birdland on Broadway in Manhattan. These experiences enabled him to meet and play with the likes of outsanding musicians such as Charlie Parker and John Coltrane.

In 1952, he became a member of the Miles Davis Quintet. His hard-hitting style established him as a force within this group which included Paul Chambers, Red Garland, and John Coltrane. Roy Brooks, a good friend and a fine drummer from Detroit, told me recently that perhaps the finest example of percussion rhythms he has heard is found on an album recorded by this group in 1956 called Cookin' with the Miles Davis Quintet.

Jones musical relationship with Davis continued until 1958 when he moved on to become a leader or sideman with Jackie McLean, Lee Morgan, and McCoy Tyner. Jones rejoined Miles Davis in 1962, but the reunion was short lived. He spent much of the mid-1960's freelancing in Los Angeles and San Francisco. From 1967 to 1972 he lived in Europe where he taught drums with percussionist Kenny Clarke who was himself a pioneering jazz drummer.

During the early 1950's, Philly Joe Jones performed periodically with Tadd Dameron, a prolific composer and arranger known for his contributions to the development of bebop. Dameron's work was to have a lasting influence upon Jones, who in the early 1980's formed Dameronia, a repertory group that recreated music of Dameron.

With a grant from the National Endowment for the Arts, Philly Joe Jones was able to see to the reconstruction of many of Tadd Dameron's charts. Most of them had been lost and had to be transcribed instrument-by-instrument from old recordings.

This past June, I had the pleasure of seeing Philly Joe perform with Dameronia at the Capital City Jazz Festival in Washington, DC. With the able assistance of Frank West and Cecil Payne, he led his nine-piece group through the music of Dameron, originally written for a small band but arranged and performed in a manner which filled the hall with the sounds of a full orchestra.

Within the ranks of jazz artists, Philly Joe Jones will long be remembered as an electrifying percussionist who established the drums as a frontline instrument. Not content to keep time and play rhythms, he knew how to make the drum play melodies by creatively using his sticks, brushes, tomtoms, and symbols.

Philly Joe Jones' contributions to the development of jazz have won him recognition around the world. The international jazz community I know is deeply saddened by his loss. I urge the Members of the U.S. House of Representatives to reflect upon his musical legacy, one that this Nation should always treasure.

H.R. 10

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. FORD of Tennessee. Mr. Speaker, yesterday the House passed H.R. 10, the National Development Investment Act which amends the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965.

What particularly appeals to me about this legislation is that it encourages coop-

eration among communities in different States and urges, where such communities desire, their respective governments to bring their own resources to bear in support of local interstate efforts. It also encourages the cooperation of various jurisdictions, such as associations of counties and/or of communities, where various units of local government agree to pool their resources to the mutual benefit of all. This bill attempts to coordinate all available funding sources to promote economic development.

Many communities across the Nation are confronted with high unemployment, financial instability and a shortage of available capital. Some of our regions, counties and communities are in such poor economic condition that even at times when Government spending for social insurance programs has increased the level of poverty has sharply risen.

We are a nation of regions, interdependent on one another for a strong national economy. A strong national economy depends on the cooperation of self-sufficient and productive local and regional economies—economies that have some stability yet sufficient flexibility to deal with the technological and structural changes which accompany and facilitate national growth.

H.R. 10 is designed to permit the Federal Government, in cooperation with the States, to assist distressed local and regional communities to take actions to achieve lasting economic improvement and prosperity. Under the act, new local employment opportunities would be created by developing and expanding public works projects and other facilities and resources. The bill specifically assists distressed communities by helping them to construct public facilities and improve the basic framework necessary to support development. Assistance is continued by facilitating economic adjustment, by promoting economic diversification, by effectively responding to sudden and severe economic dislocations and by encouraging and supporting local economic planning. This legislation will attempt to provide some relief by making funds available for business expansion and retention through locally administered revolving loan funds.

Economic progress is likely to occur where all levels of government and the private sector are firmly and actively united in a long-term commitment to achieve economic self-sufficiency.

Mr. Speaker, while I am aware of our need to reduce the Federal budget and to reduce the growth of Federal spending I feel that legislation of this nature will lead to reduction of the national debt. It has been reported that the Federal money provided by these programs has generated billions of dollars in private capital and returned billions more in taxes annually to Federal, State, and local treasuries.

Therefore, I thank my colleagues for support of this legislation—legislation that is beneficial to the economic development of this Nation.

PINELLAS COUNTY RESIDENTS UNITE TO FIGHT HURRICANE ELENA

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. YOUNG of Florida. Mr. Speaker, as Hurricane Elena gained strength last weekend and approached the coast of Florida, local officials and volunteers planned for and executed the evacuation of much of Pinellas County. The evacuation began in the middle of the evening and involved more than 300,000 residents, half of whom spent at least 2 days in public shelters.

Although the eye of the hurricane bypassed Florida, the storm stalled just off of our coast in the Gulf of Mexico and for more than 40 hours pounded Pinellas County with its powerful southwesterly winds and heavy rain. Sea walls were reduced to rubble, the beaches seriously eroded, power lines downed, and homes and other buildings destroyed. Work is continuing to determine the exact extent of the millions of dollars of damage to property and businesses. We were fortunate, however, that the orderly evacuation of local residents prevented a catastrophic loss of life and personal injuries.

The many individuals who gave of their time in official and unofficial roles during the storm attests to the spirit and determination of the people of Pinellas County who were united in their fight to offset the potentially devastating effects of Hurricane Elena. Local and county officials worked around-the-clock to successfully implement their preplanned evacuation program. Red Cross and numerous other volunteers manned public shelters, providing food and bedding for as many as twice the number of expected evacuees.

Police officers, firemen and National Guardsmen braved the weather throughout the weekend and were out in full force to direct traffic and patrol the streets. In the storm's aftermath, they protected unoccupied property from looting and directed the orderly return of residents to their homes.

There were many examples of people helping their neighbors in need throughout the weekend. When the evacuation notice was first given, many residents went through their neighborhoods to make sure the notice was heard and that transportation was available, especially for the elderly and handicapped.

Restaurant owners and store mangers kept their businesses open extra hours to provide food for individuals and shelters. People took the time to provide food and hot drinks for officers patroling the streets. Doctors, nurses and pharmacists worked extra hours to provide medicine and medical care.

These efforts did not end when the storm subsided Sunday. Local officials and volunteers continue to pitch in to help Pinellas County residents clean up in the wake of the storm assess the damage and begin rebuilding severely impacted areas.

The weekend provided a glowing example of Americans once again helping their neighbors in need. It's a characteristic of our Nation emphasized in times of disaster, but no less apparent on a daily basis, especially in Pinellas County. Hurricane Elena not only provided us with new respect for the fury of such a storm, but a deeper understanding for the spirit and compassion of our neighbors.

THE DISTORTED WORLD SUGAR MARKET

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. GRADISON. Mr. Speaker, I would like to bring to the attention of my colleagues an editorial on the international sugar market which appeared in the Economist on August 10, 1985:

ENSLAVED BY SUBSIDIES

Two hundred years after enslaving people to work on sugar plantations, rich countries are enslaving them again by ruining those same plantations and the poor countries that rely on them. The price of sugar on the world market is below four cents a lb—in real terms probably the lowest price ever fetched and a third as much as it costs the best producers to produce it. If cars that cost $6,000 to make had to be sold at $2,000, all the world's motor manufacturers would go bust, starting with the least efficient ones. Unfortunately, so dreadful is the muddle in the sugar market that the only growers going out of business are the most efficient ones, in Australia, Brazil and Fiji.

It is important to end this idiocy, and replace it with a freer market that encourages sugar to be grown where it is produced most efficiently. Many tropical countries depend heavily on sugar for their economic development, and with it for their political stability. They are victims of an extreme example of what is happening in agriculture throughout most of the world: a drive for self-sufficiency that stops short only of growing bananas under glass.

TAXING THE RICH TO RUIN THE POOR

The European common market pays its farmers 20 cents—ie, more than five times the current world market price—to grow each lb of sugar. With such rewards, European farmers have increased annual production from 10.8m to 13.3m tonnes since 1977, when the EEC began to export more sugar than it imported. To avoid adding a sugar lump to its beef, butter and grain mountains, the EEC has "sold" 38m tonnes of sugar in the past eight years. The difference between the 20 cents a lb farmers are paid for it and the four cents or so it fetches on the market is paid for by European taxpayers, who at present lose about $350 on each tonne unfortunately sold.

In the United States, sugar farmers are getting 17¾ cents a lb, or about four-and-a-half times the world price, with similar results. American sugar imports have fallen from 6m tonnes a year a decade ago to less than 3m tonnes now. Though America is at least not dumping sugar on the world market, it foolishly keeps domestic prices very high. This has made every kind of alternative to sugar artificially competitive.

In consequence, a sugar substitute made out of maize, and called high-fructose corn syrup, has captured about half the import market. With ludicrous logic, this has now set grain growers from the cornbelt to lobbying alongside plantation owners from the deep south for continued high rigged prices for sugar.

The problem is compounded because many poor countries are proving nearly as inward-looking as the rich ones. They also pay their own farmers more than the world price for sugar consumed domestically. Colombia, for instance, pays its farmers 21 cents a lb. Some of this subsidised production naturally spills on to the world market and underwrites chronic over-supply.

Market forces do not help much to mitigate this, because the world sugar trade is so cartelised. Around a third of all the sugar traded internationally is not sold at world market prices at all but under fixed contracts—Russia guaranteeing a market for Cuban sugar, America for its third-world friends and the EEC for former British colonies and others. Since the importers pay the same high prices for these captive imports as they pay their own farmers, this might seem a good deal for the favoured exporters. It is not. Cuba and Mauritius apart, none of them sells much more than half its sugar exports under these arrangements. This means that they virtually have to give the rest of the stuff away on a world market that is damaged further by these "good deals". The countries that lack a sugar daddy—Thailand, Australia and the Philippines—are hurt most, but almost everybody suffers. Markets dominated by import quotas, export subsidies and guaranteed prices provide no incentive for efficient production.

Sugar is too important for this to be tolerable, and not only because the value of the world crop is over $11 billion a year. As Professor Sidney Mintz notes in a new book (see page 51), in the seventeenth and eighteenth centuries sugar marked an early stage in Britain's development into a modern economy—a stage now being reached by many countries in the tropics. For sugar is an industrial as well as a farming business. Refining the stuff is more complicated than processing wheat, coffee and other crops, and because it is advantageous to have refineries near to the plantations, sugar often provides a country with its first taste of industrialisation. It also brings with it a main sign of development—changes in diet. Sugar is often the first food to break the pattern of subsistence peasant meals, based on a single staple crop.

Sugar consumption starts to take off when a country's gross domestic product reaches about $400 a head. It keeps on rising until gdp reaches $6,000 a head, by which time sugar is the biggest single source of fat men's calories. If Chinese and Indians ate as much sugar as Britons, world production would have to double. So, hard though this is to credit in the diet-conscious west, world demand for sugar is set to expand.

For it and other agricultural sectors to develop efficiently, Gatt rules against dumping of manufactured goods will have to be extended to agriculture. That will take time, and multilateral trade negotiations, but the EEC has a great chance to begin making sugar a less wildly inefficient market before then. Next year, its sugar regime runs out. Why not replace it with one that increases the market for developing countries? The EEC pretends its dumping has no impact on the price ("we just sell what we can at world prices") and claims the sugar regime is a model for the common agricultural policy because taxes on imported and domestically produced sugar pay for export subsidies. This is a lie. Last year, the regime cost European taxpayers and consumers around $2 billion. The EEC sugar regime is a parasite, damaging the commodity it feeds on. It is a system that deserves no single taxpayers support.

RESPONSE TO ADMINISTRATION'S REFUSAL TO HELP THE AILING FOOTWEAR INDUSTRY

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. SUNDQUIST. Mr. Speaker, I was extremely disappointed that President Reagan recently accepted the poor advice of some of his advisers and declined to take action to stop the flood of cheap shoes into the United States.

I was particularly saddened to see this decision come after the members of the President's Cabinet who know the most about trade issues advised him to rule in favor of the domestic footwear industry.

The International Trade Commission, which is a conservative and free-trade oriented agency, had recommended earlier this summer that the President take strong action to give our domestic industry some temporary relief to allow it time to regain its competitiveness.

Unfortunately, however, there are others in the administration who confuse foreign policy with economic policy, and don't appreciate the urgency of our massive trade imbalance. They don't understand the need to take responsible administrative actions to give our industries some breathing room so that they may have at least a chance of survival.

Those advisers won their way with the President on this issue. In light of this negative decision, I have taken two actions in response. First, as chairman of the House Republican Trade Task Force, I will be supporting legislative efforts for an immediate remedy to address the footwear issue.

Second, I support the creation of a Cabinet-level Department of Trade. The negative footwear decision convinced me that trade issues have not received the attention they deserve under the present executive-branch framework. It is time that we treat trade concerns as seriously as our competitors. In fact, in many foreign countries Trade Ministers are a part of the top four or five executives in the administration.

Although the retail industry has argued in opposition to any restrictions, the long-term effects of the President's decision will not be to their advantage. By eliminating the domestic footwear industry, imports will eventually monopolize the market which will result in higher prices.

Further, I deeply regret that the President's decision will trigger a rash of protectionist legislation in the Congress. The footwear issue presented the administration with a golden opportunity to take administrative action to head off this mood of protectionism. I am extremely fearful that this sentiment will only bring about an era of bad trade policy. Protectionism is not a good policy; we are all aware of that. The administration should have been taking action to avoid a new batch of sweeping laws. Instead by ignoring the ITC decision and recommendations in this particular case our trade statutes credibility is seriously questioned.

COLONEL QADHAFI: NORTH AFRICAN MEDDLER

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. BROOMFIELD. Mr. Speaker, once again, Col. Mu'ammar el-Qadhafi is threatening the peace and stability of his neighbors in North Africa. The bully of Tripoli is now violating the borders of peace-loving Tunisia while rudely expelling thousands of Tunisian guest workers who have been laboring in Libya. The colonel recently massed his troops on Tunisia's eastern border and threatened to invade. Diplomacy by intimidation and terrorism appears to be his style.

His name has become synonymous with terrorism. Libya watchers in our Government can recount long lists of Libyan plots and operations directed against Tunisia and other pro-Western nations. A few years ago, the colonel engineered an attack on the Tunisian town of Gafsa. Libyan agents have attempted assassinations in Egypt and routinely execute opponents of Colonel Qadhafi in Europe and in other countries around the world. Numerous terrorist training camps are located in Libya and some of the world's most infamous terrorists have been trained there.

Qadhafi has assisted the brutal former ruler of Uganda, Idi Amin, and succeeded in occupying a valuable mineral-rich strip of land along the northern border of Chad. He has assisted marauding bands of Polisario rebels in the Western Sahara and has sprinkled mines throughout the Red Sea in order to disrupt navigation through the Suez Canal. A few years ago, Libyan intelligence agents infiltrated into Saudi Arabia disguised as religious pilgrims while carrying a healthy supply of Soviet-made AS–47 assault rifles. These and other incidents serve to make Qadhafi the "enfant terrible" of the Middle East and a great source of embarrassment to many moderate Arabs who see the insanity of his maneuverings. He is no fool, however, and his actions are clearly designed to attain Libyan foreign policy goals. In this connection, I am deeply disturbed by recent Libyan threats against Tunisia.

With these concerns in mind, I commend the following article on Libya to my colleagues in the Congress.

[From the New York Times, Aug. 27, 1985]

UNITED STATE AFFIRMS SUPPORT FOR TUNISIA AS TENSIONS ON LIBYAN BORDER RISE

(By Bernard Gwertzman)

WASHINGTON, Aug. 26.—The United States today affirmed its support for Tunisia's security, amid a sharp rise in tension between that North African country and neighboring Libya.

Tunisia, which has longstanding ties to the United States, asserted on Sunday that Libyan fighter planes had violated its airspace and that Libya had massed forces along the Tunisian-Libyan frontier, after days of charges and counter-charges. Today, the State Department said Washington stood by a pledge made by President Reagan to President Habib Bourguiba of Tunisia on June 18 at the White House of American backing for Tunisia's security and territorial integrity.

The latest tensions between Libya and Tunisia arose two weeks ago when Libya suddenly ordered the expulsion of Tunisian workers, many of whom had been there for years. So far, about 23,000 Tunisians have been forced over the border into Tunisia, many of them without their property and documents.

Smaller numbers of Egyptians and other foreign nationals have also been expelled from Libya. The official Libyan explanation was that this was done for economic reasons because of the drop in Libya's oil revenues.

In retaliation, Tunisia has expelled more than 200 Libyans from Tunisia, accusing them of subversion.

SUBVERSION OF TUNISIA CHARGED

But Tunisian officials have said that they regarded the Libyan moves as part of a broader plan by Col. Muammar el-Qaddafi, the Libyan leader, to subvert Tunisia, whose President is an 82 year old and in poor health. On several occasions, Colonel Qaddafi has talked of uniting Tunisia to Libya. Because of previous tensions between the two countries, the United States has in recent years become an arms supplier to Tunisia, selling Tunisia a dozen F-5 fighters, M-60 tanks and C-130 transport planes.

When Mr. Bourguiba was in Washington in June, the main concern of the Tunisian side was what it felt was the threat from Libya. The United States has pledged repeatedly since President Reagan took office that it would help any nation threatened by Libya. American officials said that they do not believe that Libya is actually planning an outright invasion of Tunisia, but that Colonel Qaddafi does seem interested in seeking to cause turmoil there.

They said that Colonel Qaddafi seems to have been heartened by his one-year-old treaty of union with Morocco, despite Morocco's ties to the United States, and by the friendly relations he has struck with the new military Government in the Sudan.

SUPPORT FOR "TERRITORIAL INTEGRITY"

Today, Charles E. Redman, a State Department spokesman, said that he wanted to reiterate "for the record" the American attitude toward Tunisia.

"That position was made clear publicly during the visit of President Bourguiba to the United States," he said. "It remains unchanged. President Reagan said at that time that the United States remains firmly committed to the sanctity of Tunisia's territorial integrity and to the principle of noninterference in its internal affairs."

"He also said that Tunisia can rely on the continuing support and friendship of the United States," Mr. Redman said.

The spokesman said that "we have been in close diplomatic contact with the Tunisisans, as always, an odd friend and ally."

The United States has no formal security pact with Tunisia, but, as with other nations believed to be threatened by Libya, the Administration has offered assistance. Two years ago, the United States and France provided backing to Chad, which had come under attack by Libyan forces and rebels backed by Libya.

In recent days, France has conveyed its support for Tunisia and Morocco and Kuwait have offered to mediate. Algeria, which has a friendship treaty with Tunisia, has conferred with the Tunisians, but has said little publicly, State Department officials said. Relations between Algeria and Libya are strained, in part because of the trip to Washington made earlier this year by President Chadli Benjedid of Algeria.

BELLEROSE COMMONWEALTH CIVIC ASSOCIATION CELEBRATES ITS 50TH ANNIVERSARY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. ACKERMAN. Mr. Speaker, I rise today to commend and congratulate the Bellerose Commonwealth Civic Association of Queens County, NY, on the occasion of its 50th anniversary, which will be celebrated on September 8, 1985.

The civic association has dedicated itself to enriching the community life in Bellerose, and all of its residents have reaped the benefits of the organization's hard work and concern.

Mr. Speaker, the association began as a social group that arranged annual picnics and sponsored a Red Cross center during World War II, and has played an active, vibrant role in Bellerose ever since its conception.

Today, the Bellerose Commonwealth Civic Association is integrally involved in programs to promote community awareness and public safety. It reaches out to our young people in Queens through a good-citizenship program that honors the winners at special school assembly meetings. Through this effort, children learn the value and joy of serving others and of achieving their very best.

The association's many successes in alleviating traffic-safety problems have been some of its finest achievements. The community was plagued for years by a small hill at a major intersection in Bellerose that blocked the vision of approaching drivers. The civic association immediately began to work on this serious safety hazard. Through the association's efforts, the hill was leveled, and a traffic light was installed at a nearby intersection. The Bellerose Commonwealth Civic Association, by taking the lead and demanding safe driving conditions for Bellerose residents, has saved lives and prevented countless traffic-related injuries.

The fine officers and members of the association have spearheaded many vital neighborhood programs that enhance the area's safety, stability, and quality of life. The men and women of this organization helped solve a property tax assessment crisis that threatened to displace residents—including elderly homeowners who had lived in the neighborhood for many years. With the strong support of the civic association, another plan was implemented, and residents were able to stay in their homes.

The organization also has worked tirelessly to insure adequate police protection for Bellerose residents.

Mr. Speaker, I take great pride in informing you of the outstanding achievements and accomplishments of the Bellerose Commonwealth Civic Association. I would like to commend its fine officers: Richard Hellenbrecht, president: Peter Condon, vice president; Ross Fertitta, treasurer; Lorraine Anzlone, corresponding secretary; and John Reh, recording secretary. I would also like to acknowledge the distinguished board of directors: James Delaney Bernard Wechsler, Howard Slaney, Robert Costagliola, Sebastian Platania, Melanie Ngai, and George Wolf. These and the other members who have dedicated their time and energy to the safety and betterment of Bellerose deserve our warmest congratulations.

The civic association has many reasons to celebrate this year, and its September 8 gala will be highlighted by a parade, music, food, and a crafts fair.

Mr. Speaker, I would like to ask all of my colleagues in the U.S. House of Representatives to join with me now in paying tribute to all of the people who have made possible the Bellerose Commonwealth Civic Association's fine work, upon the momentous occasion of its 50th anniversary.

NATIONAL NEEDLEWORK WEEK

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Ms. SNOWE. Mr. Speaker, I am introducing a resolution today which would designate the week beginning September 22, 1985 as "National Needlework Week."

Needlework has been a part of American culture since the birth of our Nation, and today still has an impact on our society. Family ties are strengthened and people of diverse backgrounds are brought together through the practice of this art. As an art form, needlework is used to create tapestries, portraits, linens, and to beautify clothing. Needlework in its simplest form is used for the therapy and pleasure of the aged in their homes, churches, and nursing homes. As an industry, needlework has created new jobs in manufacturing, specialty shops, and teaching.

National Needlework Week will create a new awareness of this important aspect of our heritage. It will focus public attention on the need of preserving the beautiful needlework created by our ancestors, as well

as encourage people of all ages to develop their talents in all phases of this art.

I invite my colleagues to join me in showing support for this art form by cosponsoring this resolution.

GIVING AGRICULTURE EQUAL TREATMENT IN MULTILATERAL NEGOTIATIONS

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. ROTH. Mr. Speaker, given our overall 1984 trade deficit of $123 billion, we should pay attention to our most profitable export—agricultural products. Last year alone, the United States exported $38 billion in farm goods and imported only $18.9 billion. As the world's largest exporter of agricultural products, the United States as a whole, and farmers in particular, would benefit from freer trade.

Last year I proposed a four-point plan to boost agricultural exports. As the second point of my proposal I urged congressional action to ensure that agriculture be given equal treatment with other export interests in multilateral negotiations. Agriculture should not be treated like the poor stepchild of the American economy.

Since the General Agreement on Tariffs and Trade [GATT] was first negotiated, agricultural interests have been placed on the back burner. The United States can no longer afford to play the role of innocents abroad. It is past time that agriculture be given a position on an equal footing with other products. The present high level of agricultural protectionism contrasts so sharply with trade liberalization in other areas that it behooves the Congress to act promptly.

I have introduced legislation which calls on the President to negotiate with our GATT trading partners to revise current rules which make an artificial distinction between agricultural and manufactured products. Agricultural export subsidies would thus be treated in the same manner as tariffs, and agricultural products would be treated the same as manufactured products. A unified treatment of tariffs and subsidies would clarify trading rules for market participants and simplify trade negotiations. In a market free of distorting influences, the American farmer would fulfill his role as a competitive producer.

The agricultural sector of most countries is highly protected from foreign competition. Tariffs, quotas and export subsidies are all widely used instruments of protection. The case of the European Economic Community is a glaring example. That body of countries should be a net importer, but by using certain tools it has been able to become a net exporter. Import restrictions on dairy products, sugar, meat and other products have led the United States to request a GATT waiver every year since 1955. Japanese trade policy has caused the price of basic food items to be well above the level of the rest of the world.

Because of the high current level of protection, the potential gain from more liberal agricultural trade is substantial. A 1980 study shows that a 50-percent reduction in agricultural protection by 17 Western nations would increase world trade by $8 billion per year. Conversely, the practice of excluding the agricultural sector from multilateral trade negotiations has had a considerable economic cost. Potential benefits from trade liberalization were lost when agricultural trade and nontariff barriers were eliminated from the Tokyo Round negotiations.

In order to avoid an all out agricultural trade war we need to start negotiations to establish an atmosphere of fair trade now. Hard-line bargaining will be necessary to break down the trade barriers of our major trading partners. The purpose of GATT is to promote freer international trade. We can work through this framework to assure fair treatment of the American farmer.

The exclusion of agricultural trade has had a particularly adverse effect on the United States, which has a comparative advantage in agriculture. If we can place agriculture on an equal footing with other multilateral export interests we can both help the American farmer and citizens of a hungry world, and we can reduce the trade deficit to benefit our entire economy.

RULE ON H.R. 3128, DEFICIT REDUCTION AMENDMENTS OF 1985

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. ROSTENKOWSKI. Mr. Speaker, I take this opportunity to inform my colleagues that the Committee on Ways and Means recently favorably reported to the House of Representatives H.R. 3128, a bill to make changes in spending and revenue provisions for purposes of deficit reduction and program improvements, consistent with the budget process.

I wish to serve notice, pursuant to the rules of the Democratic Caucus, that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration of this bill by the House of Representatives.

POLITICS OF PROTECTION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. CRANE. Mr. Speaker, in the wake of President Reagan's decision to deny the domestic shoe manufacturers relief in the form of quotas or tariffs on imported footwear, I am fearful that Congress will retaliate by passing a plethora of protectionist legislation ranging in nature from across-the-board import surcharges to quotas and tariffs on specific goods.

One such bill that would have a devastating impact both domestically and internationally is H.R. 3035, legislation that would impose a 25-percent import surcharge on countries that have a substantial trade surplus with the United States. While Japan is the main target, Korea, Taiwan, and even Brazil would be adversely subjected to this surcharge. As Robert J. Samuelson points out, "Protectionism may satisfy an urge to punish foreigners, but it threatens to reduce economic growth and worsen our economic problems." In his article, "Politics of Protection," he further notes that, "the trade deficit by itself is not the trade problem." Instead, he views the problem as a result of violent swings in our trade balance that harms those industries dependent on exports or vulnerable to imports.

I find Mr. Samuelson's analysis correct, and further believe that it is the strong U.S. dollar in relation to foreign currencies that plays a major role in the disparity in current trade balances between the United States and foreign competition. The U.S. Congress, with its record budget deficits and high interest rates, can be held responsible for this strong dollar. Until the Congress exercises some fiscal responsibility, the overall situation for American businesses forced to compete with lower priced imports is unlikely to improve. Recent legislative action aimed at reducing the Federal deficit and lowering interest rates would contribute greatly to reducing the value of the U.S. dollar. Thus, rather than punishing our foreign competition, we in Congress should be focusing our attention on our Federal deficit and our high interest rates. Until we get our house in order, we should not be taking out our frustrations on our foreign trading partners.

For more insights into the complex trade position that the United States currently finds itself in, I urge my colleagues to read the following article by Robert J. Samuelson. The article follows:

POLITICS OF PROTECTION

(By Robert J. Samuelson)

A remarkable thing about America's huge trade deficit—$107 billion in 1984 and growing—is that it hasn't yet led to demands for across-the-board protection. That may soon change. Three powerful Democratic congressional leaders have proposed legislation requiring the president to slap a 25 percent tariff on countries with "inequitable" trade surpluses. Trade may be about to jump onto political center stage, dangerously jeopardizing America's post-World War II open trade policies.

Normally, new bills are a yawn. They're a congressman's way of saying "I care"—and little more. Less than 5 percent ever become law. But this bill indicates that protectionism has attained a new respectability and that senior Democrats think it can be turned to partisan advantage. More than that, it reflects a growing feeling that our postwar trade policies no longer serve the national interest and need a fundamental overhaul.

Writing in "Public Opinion" magazine, political consultant Kevin Phillips argues that trade could move "to the front rank of political issues for the first time since the great tariff debates" early in this century. The public has long been sympathetic to protectionism; in one recent poll, 70 percent of respondents supported import limits. What's changing, Phillips contends, is that opinion-making elites—especially business executives are increasingly disaffected with open trade.

He may be right, but if so, we are playing with poison. Protectionism may satisfy an urge to punish foreigners, but it threatens to reduce economic growth and worsen our economic problems. American protectionism might inspire protectionism elsewhere—aimed at the United States and other countries. This would create uncertainty and undermine investment. Lower growth would intensify everyone's trade problems. Until recently, most protectionist measures aimed to help specific industries. The new Democratic proposal and some others hit entire countries—a direct violation of trading rules championed by the United States after World War II. Japan is the main target, but other countries (Korea, Taiwan, Brazil) could be affected. The justification is that these countries have huge surpluses with the United States and need to open their markets.

These proposals rest on a vast misunderstanding of what our trade problem is and how it might be cured. Although other countries' restrictive practices are irritating and hurt some industries, they are not a major source of the trade deficit. Indeed, the trade deficit by itself is not the trade problem. If it were, there would be an easy cure: have a recession. Imports would fall sharply. The last trade surplus occurred in 1975, which was also a recession year of high unemployment.

Actually, permanently large trade deficits, if possible, would be a good thing. They would enable us to consume more than we produce—to raise our living standards. But they aren't possible. Other countries will not indefinitely ship us more than we ship them. Our true trade problem is that the violent swings in our trade balance harm industries dependent on exports or vulnerable to imports. But protectionism cannot cure this instability.

Since 1980, America has had both record postwar trade deficits and record postwar protectionism. Among others, the steel, auto and textile industries have been heavily protected. But these measures have been swamped by other forces. High American economic growth and low growth elsewhere spurred imports and hurt exports. The high dollar has reduced our competitiveness. And the Latin American debt crisis has crimped exports.

In an interdependent world of floating exchange rates and multinational companies, control of a country's trade becomes virtually impossible. The evolution of open world financial markets (which allow countries to borrow to cover trade deficits or to reinvest surplus abroad) perpetuates trade imbalances. Exchange rates do not adjust immediately to eliminate deficits or surpluses.

And multinational firms respond to changing costs in different countries by shifting production. "More and more American multinationals have gone to global product planning," says U.S. trade official Geza Feketekuty. "Each new product is a separate decision as to where it will be designed and produced." The American shoe industry now wants import protection, but U.S. shoe manufacturers themselves account for 30 percent of our imports.

None of these changes was anticipated at the end of World War II when Americans abandoned their traditionally isolationist and protectionist policies. It was assumed that American global economic superiority and relative self-suficiency would continue. Countries' trade would remain relatively balanced, and an open trading system—in contrast to the preferential arrangements that existed before World War II—would promote world peace and a strong anti-communist alliance. Even political consultant Phillips is not certain how the new politics of protection will play out. The worse the economy gets, he argues, the more potent the issue. Its appeals are obvious. The helpful trade actions Congress might take are difficult. High budget deficits prop up interest rates and, therefore, the dollar's exchange rate. So do aspects of the tax code. Both could be changed, but the dividends would be distant and uncertain. By contrast, protectionism offers instant gratification.

Surely that is the message in the Democratic legislation. The main sponsors are all in the party's mainstream: Rep. Dan Rostenkowski of Illinois, chairman of the Ways and Means Committee; Rep. Richard Gephardt of Missouri, head of the House Democratic Caucus; and Sen. Lloyd Bentsen of Texas, ranking Democrat on the trade subcommittee of the Finance Committee. None considers himself a protectionist. Their endorsement of so protectionist a proposal reflects a conviction that it's a respectable and even imaginative economic policy.

But, ironically, the politics of protectionism may be as empty as the economics. The prospect for partisan advantage may be slight. In the Senate, Republican John Danforth of Missouri is already pushing a measure to retaliate against Japan. With rising protectionist sentiment, Republicans and Democrats might compete to see who can be more pro-American. To keep from being isolated, the White House might take its own measures. At home and abroad, protectionism is a game that everyone can play—and lose.

CONGRATULATIONS TO AMERICAN LEGION POST 186 BASEBALL TEAM

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. BLILEY. Mr. Speaker, I would like to take a few moments this morning to offer my hearty congratulations to the baseball team from American Legion Post 186 from Midlothian, VA, for winning the American Legion World Series in Kokomo, IN, on Monday, September 2. With little fanfare and no threats to strike, the American Legion baseball teams met in Indiana for their annual competition. Midlothian Post 186 advanced to the final day of the series by beating Omaha, NE, 3 to 2 and then took on the team from Sacramento, CA, to win the final game of the series 3 to 2 on Monday night. My warmest congratulations to the team from American Legion Post 186. All of Midlothian and the Richmond area are proud of your accomplishments and look forward to seeing you defend your title next year.

CATCHING MUMPS CUTS COSTS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1985

Mr. STARK. Mr. Speaker, I am pleased to announce that MUMPS is spreading throughout the Federal Government and around the world. This disease has proven to be an extremely effective antidote to the fatal ailments big budgetitis and cost overrunus extremus. What's more, this antidote was developed within the walls of an often criticized Federal agency—the Veterans' Administration.

So often we hear of how much the Government wastes; from golden fleeces to $91 screws. Can't the Government be run effectively? Well, I'm glad to report the VA has saved taxpayers millions of dollars and simultaneously improved service to the country's veterans simply by implementing a new, efficient, automated data processing system.

On February 18, 1982, the VA's Department of Medicine and Surgery was given a directive to develop a Decentralized Hospital Computer Program [DHCP]. One of the key provisions of this plan was the choice of softwware systems—the Massachusetts General Hospital Utility Multi-Programming System [MUMPS]. This system was chosen because it is user friendly; needs much less computer space than other language with comparable functions. The cost of implementing this system, including hardware, through fiscal year 1985 is only $100 million, as compared to the $2 billion to $3 billion cost estimated by commercial firms. Not only has the VA implemented the DHCP internally and for much less than expected, but only 2 years after the inception of the DHCP in 1982, the initial MUMPS software was fully operational in 169 VA hospitals.

MUMPS software has also been adapted by hospitals in Japan, Europe—including the largest hospital in the world in Finland—by HHS's Indian Health Service, and the Department of Defense—still immune to MUMPS—is assessing the feasibility of using MUMPS in military hospitals. It is high time that the VA, particularly the Department of Medicine and Surgery, be recognized and commended publicly for its outstanding job in implementing the DHCP and MUMPS software. Implementation of MUMPS in the VA has already saved taxpayers millions of dollars. Imagine the possible savings if MUMPS were to spread to other agencies. I for one am proud of the VA's accomplishments and applaud their fine work.

HOUSE OF REPRESENTATIVES—*Monday, September 9, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Open our eyes, O God, to see the beauty of the world as well as the pain; open our ears to hear the words of joy, as well as the sounds of defeat; open our minds, O God, to understand the mysteries of life and love, and always to be instruments of Your healing and care. We thank You, gracious God, that You have given us responsibility to be Your people in our day and time, and we most earnestly pray for strength to be faithful to that calling. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On August 2, 1985:

H.J. Res. 164. Joint resolution to designate August 4, 1985, as "Freedom of the Press Day."

On August 5, 1985:

H.R. 2378. An act to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes.

On August 9, 1985:

H.J. Res. 251. An act to provide that a special gold medal honoring George Gershwin be presented to his sister, Frances Gershwin Godowsky, and a special gold medal honoring Ira Gershwin be presented to his widow, Leonore Gershwin, and to provide for the production of bronze duplicates of such medals for sale to the public.

On August 15, 1985:

H.R. 2577. An act making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes; and

H.R. 2908. An act to amend title XI of the Education Amendments of 1978, relating to Indian education programs.

On August 16, 1985:

H.R. 2068. An act to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes; and

H.R. 2370. An act to amend the Public Health Service Act to extend the programs of assistance for nurse education.

WATCH WHAT WE DO, NOT WHAT WE SAY

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, in listening to President Reagan's statement this weekend on international trade, I was reminded of an old line from a former President, which said "watch what we do, not what we say." Suddenly, after 4½ years, the President says he is concerned about our Nation's trade crisis. After all of these years of blindly swearing allegiance at the altar of free trade, the President now says he is for fair trade. Mr. President, it's too little, too late. Two weeks ago, you rejected the recommendation of the International Trade Commission to limit the number of shoe imports coming into this country. You slammed the door in the faces of America's footwear workers and manufacturers and left it wide open for their competitors in Korea, Taiwan, and Brazil. Last March, you did much the same to America's automobile industry.

Mr. President, tough talk won't stop the flood of foreign imports—from computer chips to shoes—dumped on our markets. No, only a strong, comprehensive, and far-reaching trade policy for our Nation will help us regain our competitive edge in world trade. We in Congress are ready to move ahead quickly on legislation which puts American workers and American businesses first. We urge you Mr. President, to put aside the press releases, roll up your sleeves, and join us.

AMERICA CAN BE PROUD OF BASSETT ARMY HOSPITAL

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, in recent months the American public has been reading a number of accounts relating to medical problems in our military hospitals.

As chairman of the Investigations Subcommittee of the House Armed Services Committee, we have looked into many of these allegations and, in all honesty, I must report to the Congress that military hospitals are not immune from matters relating to care of patients and the quality of medical attention, but neither are civilian hospitals for that matter.

Over the August recess period, I had occasion to be closely associated with Bassett Army Hospital located at Fort Wainwright, AK. Mr. Speaker, Bassett Army Hospital is a small 40-bed hospital located adjacent to the city of Fairbanks and which, I would suppose, is as remote a military post as we have in the entire continental United States.

During a long-planned vacation to Alaska, my wife developed a rather serious kidney infection necessitating that I locate medical care, which I found after driving some 300 miles from the Valdez area. I cannot speak too highly of the excellent medical care she received in that remote military hospital, and despite the fact this small hospital did not have all the latest equipment found at the Bethesda Naval Hospital or Walter Reed, the personal attention provided by doctors Jake Allen and Frank Floyd, and by nurses Helen Schotz, Marilynn Harasich, and Holly Buchanan more than made up for these deficiencies.

I have never been prouder of military medical care than that which I witnessed during my wife's 5 days at the Bassett Army Hospital from the dedicated doctors and nurses who, much like the television serial MASH, perform their daily duties in combat boots and camouflage olive drab attire.

America can be just as proud of Bassett Army Hospital and of its counterparts throughout the continental United States wherever American military men and women serve.

PRESIDENTIAL SOMERSAULT

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, faced with bipartisan repudiation of his "constructive engagement" policy toward South Africa, the President now says that he will take action by Executive order. Unfortunately, the proposals announced this morning are chock full of loopholes.

He said that he will end loans to the Government of South Africa, but exempted any program directed toward the nation's 24 million blacks, even if that program strengthens apartheid. He can use the money to develop and maintain segregated housing or segre-

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

gated education or segregated nationhood Bantustans.

He suggests that he will end imports of the Kruggerand, and says that he will await the approval of our major trading partners. Since when does the United States need to seek such approval for such steps. Certainly we did not do it in the case of Nicaragua.

Third, the President has eliminated the threat of future sanctions contained in the congressional bill. Those sanctions would have put South Africa on notice that Americans are deadly serious about ending apartheid.

This package may play in Pretoria. It will be seen for what it is worth by the people suffering under the yoke of the Government of South Africa.

□ 1210

AN ATTEMPT BY THE PRESIDENT TO CIRCUMVENT CONGRESSIONAL ACTION ON APARTHEID

(Mr. GRAY of Pennsylvania asked and was given permission to address the House for 1 minute.)

Mr. GRAY of Pennsylvania. Mr. Speaker, I am deeply disturbed this afternoon because of the remarks of the President of the United States with regard to the bipartisan coalition in the House and the Senate on South Africa. Unfortunately, the President has come forward with an ill-disguised, ill-advised attempt to circumvent an overwhelming bipartisan consensus in the Congress.

If the President were truly interested in having our Nation speak with one voice instead of continuing to support the apartheid regime in South Africa, he would sign the legislation that a broad cross-section of Republicans and Democrats have put before him. I fear that the President's tragic refusal to support the compromise legislation will only undermine those moderate forces in South Africa who seek nonviolent reform of apartheid.

In essence, the President has said, "I am going to allow loans by our banks to the apartheid regime as long as they say it is going to help the majority." Second, he is going to go to GATT to ask for permission on a prohibition of Krugerrands. This is the first time we have done our foreign policy by a Gallup poll of other nations rather than acting on what Americans believe in—our values and our interests.

Finally, he has said that there is to be no future sanctions despite the fact that over a thousand of the citizens of the majority have been brutalized and killed in the last few months by the apartheid regime.

Mr. Speaker, it is a sad day for all Americans, and I hope the Members of the other body will have the courage and the strength to continue the bipartisan coalition and approve the compromise legislation in the conference on the Antiapartheid Act.

EXECUTIVE ORDER PROHIBITING TRADE AND CERTAIN OTHER TRANSACTIONS INVOLVING SOUTH AFRICA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99–103)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

(For message, see proceedings of the Senate of today, Monday, September 9, 1985.)

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2936

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of the bill, H.R. 2936.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on the motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall vote, if postponed, will be taken on Tuesday, September 10, 1985.

COORDINATED OPERATION OF THE CENTRAL VALLEY PROJECT AND THE STATE WATER PROJECT IN CALIFORNIA

Mr. MILLER of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3113) providing for the coordinated operation of the Central Valley project and the State water project in California.

The Clerk read as follows:

H.R. 3113

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROJECT OPERATION POLICY.

Section 2 of the Act of August 26, 1937 (50 Stat. 850) is amended by—

(a) inserting at the beginning "(a)"; and

(b) inserting the following new subsection:

"(b)(1) The Secretary of the Interior is authorized and directed to operate the Central Valley project, in conjunction with the State of California water project, in conformity with State water quality standards for the San Francisco Bay/Sacramento-San Joaquin Delta and Estuary unless the Secretary determines that operation of the project in conformity with such standards is not consistent with the congressional directives applicable to the project. Should the Secretary of the Interior so determine, then the Secretary shall promptly request the Attorney General to bring an action in the court of proper jurisdiction for the purpose of determining the applicability of such standards to the project.

"(2) The Secretary is further directed to operate the Central Valley project, in conjunction with the State water project, so that water supplied at the intake of the Contra Costa Canal is of a quality equal to or better than the water quality standards contained in the Water Right Decision 1485 of the State of California Water Resources Control Board, dated August 16, 1978, except under drought emergency water conditions pursuant to a declaration by the Governor of California.".

SEC. 2. NONREIMBURSABLE COSTS.

Section 2 of the Act of August 26, 1937 (50 Stat. 850) is amended by inserting the following new subsection:

"(c)(1) The costs associated with providing Central Valley project water supplies for the purpose of salinity control and for complying with State water quality standards over and above existing water quality objectives identified in the water rights exchange contract dated February 14, 1968, shall be considered nonreimbursable project costs.

"(2) The Secretary of the Interior is authorized and directed to undertake a cost allocation study of the Central Valley project, including the provisions of this Act, and to implement such allocations no later than January 1, 1987.".

SEC. 3. COORDINATED OPERATIONS AGREEMENT.

Section 2 of the Act of August 26, 1937 (50 Stat. 850) is amended by inserting the following new subsection:

"(d) The Secretary of the Interior is authorized and directed to execute and implement the "Agreement Between the United States of America and the Department of Water Resources of the State of California for Coordinated Operation of the Central Valley Project and the State Water Project" dated May 20, 1985: *Provided*, That—

"(1) the contract with the State of California referred to in subarticle 10(h)(1) of the agreement referred to in this subsection for the conveyance and purchase of Central Valley project water shall become final only after an Act of Congress approving the execution of the contract by the Secretary of the Interior;

"(2) if the Secretary determines there is a shortage in the quantity of Central Valley project water available to meet the project's contractual commitments for water and the State water quality standards enacted pursuant to the procedures specified in article 11 of the agreement referred to in this subsection, the Secretary shall apportion available water among the water users capable of receiving water from the project by reducing deliveries to all such water users by the same percentage, unless the Secretary is prohibited by existing contracts, existing law, or has determined that some other method of apportionment is required to prevent undue hardship; and

"(3) the Secretary of the Interior may exercise the termination provisions of the agreement referred to in this subsection only after the Secretary has submitted a report to the Congress and one hundred and eighty days in which Congress is in session have elapsed. The report must outline the Secretary's reasons for terminating the agreement, and include the views of the Administrator of the Environmental Protection Agency and the Governor of the State of California on the Secretary's decision.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. Miller] will be recognized for 20 minutes and the gentleman from California [Mr. Pashayan] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. Miller].

Mr. MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3113 represents the culmination of nearly two decades of negotiations on an agreement to coordinate the operations of the Federal Central Valley project and the California State water project.

I believe that my colleagues from California—Congressman Tony Coelho and Congressman Richard Lehman—would join me in describing H.R. 3113 as one of the most important bills ever considered in Congress affecting water policy in the State of California.

H.R. 3113 is not simply a piece of legislation. It is a peace treaty which can help to end the water wars which have crippled our State's resource program for over a decade.

In 1960, California prepared to launch its State water project and the Federal Government had just approved a substantial expansion of the Central Valley project. My father, then a State senator, wrote the State Delta Protection Act which clarified the obligation of the State project to provide an adequate water supply for the delta and to operate the State project to prevent the intrusion of ocean salinity which degrades the quality of that water supply.

Today, 25 years later, H.R. 3113 makes it clear that the CVP must be operated so that the water supply and water quality of the San Francisco Bay/Sacramento-San Joaquin Delta and Estuary are protected first, before surplus waters are diverted to users in other areas of the State.

Mr. Speaker, water users in California have been in a state of paralysis for over a decade. We've demonstrated that when we are in disagreement, nothing can happen. Now, a new generation of political leadership intends to demonstrate that when we work together we can make great progress.

I want to publicly say that the compromise embodied in H.R. 3113 would not have been possible without the active involvement and the honest determination of my colleagues and cosponsors, Congressmen Tony Coelho and Rick Lehman. They deserve a great deal of credit for this legislation.

H.R. 3113 has the broad support of nearly every group in California, including the Governor, State senators and assemblymen, delta interests, environmentalists, and water contractors from both the State and Federal projects.

Mr. Speaker, the singular goal of this legislation is to resolve, once and for all, the obligation of the Federal Central Valley project to meet State water quality standards for the San Francisco Bay/Sacramento-San Joaquin Delta and Estuary.

This bill clarifies that the Secretary of the Interior, at a minimum, must operate the CVP so as to meet the standards established from time to time for the bay and delta by the State water resources control board, through the board's formal administrative processes.

It is particularly noteworthy that this provision includes the San Francisco Bay, as well as the delta. Protection of the bay has been too long overlooked by the State water resources control board, and we expect that it will be included in the next standards issued by the board. H.R. 3113 makes it clear that the Congress intends for the Federal project to be operated to meet those bay standards should they be promulgated.

It is also important to note that the Federal obligation to meet State water quality standards will exist even if the coordinated operations agreement [COA] becomes inoperative for some reason. Thus, we have for the first time, firm assurances that bay and delta water quality standards will be met regardless of the future of the COA.

Compliance with State water quality standards by the CVP as required by this statute is not intended in any way to prevent or restrict a judicial determination by a court of competent jurisdiction that the CVP has an obligation to maintain water quality standards in the Sacramento-San Joaquin Delta and San Francisco Bay Estuary which exceed and are better that the standards specified in the coordinated operations agreement, and its exhibit A, as directed in this bill.

Mr. Speaker, an important safeguard is provided in H.R. 3113 to the 300,000 customers of the Contra Costa Water District—the first CVP contractor. The bill provides to these customers a guarantee they have never before enjoyed under Federal law: An assurance that specific water quality standards, at least as good as those contained in D–1485, will be maintained at the district's intake at Rock Slough.

Those standards may not be waived unless we confront a catastrophic drought of the sort which affected California in 1976–77, and then, only after complying with California State law and following an emergency drought declaration by the Governor of the State. This waiver of the water quality requirement for Contra Costa will only be invoked on a temporary basis and only in the most extreme conditions where no prudent alternative exists to meeting the State water quality standards.

Mr. Speaker, protecting the delta provides benefits not only for residents of the bay/delta region, but for the customers of the Cental Valley and State water projects. The delta serves as the point of export—the "switching station", if you will—for the State and Federal projects. Maintaining high quality water in the delta is necessary to assure Cental Valley and southern California customers satisfactory water for their crops, their ranches, and their cities.

Maintaining and improving delta water quality benefits a wide variety of other interests as well, including fish and wildlife, salinity control and river and harbor maintenance. It is impossible to enumerate all of the beneficiaries or to send a bill to them for the benefits provided by the project.

Therefore, this legislation makes nonreimbursable all costs associated with providing salinity control and for complying with State water quality standards in excess of the so-called Tracy standards.

It is important to note that making these costs nonreimbursable is not a new idea. The Department of the Interior has been following that same policy since 1978, when the decision was first made voluntarily to comply with State water quality standards.

Mr. Speaker, H.R. 3113 authorizes and directs the Secretary of the Interior to execute and implement the coordinated operations agreement dated May 20, 1985. This agreement, which has been negotiated by representatives of the Bureau of Reclamation and the California Department of Water Resources, provides an additional framework for the management of both water projects and for the benefit of all.

H.R. 3113 authorizes and directs the Secretary to implement the agreement, but only if three statutory conditions are met. We believe these conditions are essential to assure an agreement that permanently resolves the controversies addressed by the COA and H.R. 3113. These provisions are also essential because we do not believe that agreements of this magnitude ought to be entered into or voided without deliberate consideration by the Congress of the United States. There is no better way to protect the Federal investment—which now exceeds $2 billion—in the Central Valley project.

The first statutory provision provides that the contract with the State of California for the conveyance and purchase of Central Valley project water referred to in article 10(h)(1) of the agreement will become final only after an act of Congress. We believe this contract will be critical to the long-term resolution of the controversies addressed by the agreement and H.R. 3113. It will also fundamentally affect the future of water resource development and management in California for decades. It is for these reasons that H.R. 3113 provides that Congress must approve the contract before its execution.

We want to note specifically and emphatically, that when the Secretary signs contracts for the sale or delivery of CVP water, the full force of Federal reclamation law remains in effect. This bill in no way changes existing law with respect to the contracting and delivery of water.

The second statutory provision provides that when the Secretary determines that there is a shortage in the amount of project water available to meet both the contractual commitments and the State water quality standards, the Secretary shall apportion reductions in deliveries to all users. Exceptions to this rule would be allowed under terms of existing contracts, existing law, or upon a determination that some other method of apportionment is required to prevent undue hardship.

When rare shortages do occur, water diversions and deliveries must inevitably be curtailed, as they were in 1976-77. As was the case during that drought, we anticipate that the first responsibility for enduring reductions will come from agricultural contractors before reductions are imposed on municipal users who lack available alternative sources of water for essential human health and safety needs.

This is not a matter of regionalism or favoritism; it is a recognition that when disaster strikes, plants must suffer before human being. This is the basis upon which the project has been operated in the past, with the cooperation of all parties, and it is a sound priority system for future operations as well.

For we in the delta, who have watched our water quality deteriorate as a result of the export of the two projects, it is essential that this legislation provide us fundamental assurances that a baseline of quality has been established which will not be undermined with the signing of new water delivery contracts, or with the construction of additional units of the CVP.

We intend that section 3(d)(2) provide that long-term assurance by establishing that water sold under future contracts be recallable when necessary to meet State water quality standards. Surplus water will remain available for sale under this law.

But water which is needed to meet lawfully established bay-delta water quality standards is not surplus, and must remain available to meet this fundamental project purpose.

The third and final provision added by H.R. 3113 provides that the Secretary may exercise the termination provisions of the agreement only after the Secretary has submitted a report to the Congress and 180 legislative days have elapsed. The report must outline the Secretary's reasons for terminating the agreement, and include the views of the Administrator of the Environmental Protection Agency and the Governor of California on the Secretary's decision.

There are several issues which we were not able to address in this bill. Among the most important is the lack of a sufficient water supply to adequately protect California waterfowl. It is my sincere hope that the Department of the Interior will make this problem a top priority so that waterfowl populations in the Central Valley are not further jeopardized. This is a critical issue, and we in the Congress will be looking closely at this problem in the coming months.

Mr. Speaker, the time has come to move forward to end the suspicion and the stagnation which has impeded sound water policy in California for too long.

I firmly believe H.R. 3113 provides the framework for accomplishing that goal, and I hope my colleagues will join me in support of my motion to suspend the rules and pass this important bill.

Finally, I want to publicly thank several people who worked very hard to make this legislation possible. We are all indebted to the hard work of Tom Graff, Cressey Nakagawa, Dave Schuster, Stuart Somach, Bob Will, and Dave Kennedy who have worked tirelessly to forge the compromise that is H.R. 3113.

Mr. Speaker, under my unanimous-consent request, I include herewith several editorials and letters in support of H.R. 3113:

STATE OF CALIFORNIA,
GOVERNOR'S OFFICE,
Sacramento, September 5, 1985.

Hon. GEORGE MILLER,
Member of Congress, House Office Building, Washington, DC.

DEAR GEORGE: I support H.R. 3113, which would provide for the coordinated operation of the Central Valley Project and the State Water Project in California, and am writing to request your assistance in obtaining the passage of this legislation when it is considered on the House floor.

H.R. 3113 is the culmination of over 25 years of negotiations between the California Department of Water Resources and the Bureau of Reclamation on the Coordinated Operations Agreement (COA). The COA is essential for orderly and efficient functioning of California's two largest water resources development projects, the Federal Central Valley Project (CVP) and the California State Water Project (SWP). The two projects are operated as separate entities by the Bureau and the Department, but their operations are interrelated, their waters are commingled, and their effects on the environment occur jointly in many instances.

The COA will accomplish several objectives. The Bureau of Reclamation will be required to meet the same Delta protection criteria that the Department of Water Resources meets in operating the State project. The COA will also define the respective quantities of water supply of the two projects and thus provide a basis for the Bureau to resume its contracting program. Finally, the COA will provide the basis for negotiating a wheeling and purchase agreement between the two projects such that the CVP can use extra conveyance capacity in the California Aqueduct and the SWP can use interim water available from the CVP until it is needed in CVP service areas.

H.R. 3113 currently has broad statewide support from water interests, environmentalists, State and Federal water contractors and elected officials. Enactment of this legislation is widely viewed as a significant step in resolving California's longstanding controversy over water development.

Thank you for your consideration of my request.

Most cordially,

GEORGE DEUKMEJIAN.

[Telegram]

SACRAMENTO, CA,
September 6, 1985.

Representative GEORGE MILLER,
Capitol One DC:

California Round Table urges support H.R. 3113 enabling legislation for Federal-State water project coordinated operations agreement. Remaining issues requiring clarification can be resolved through process. COA/HR3113 are major positive steps for California water policy. Urge yes vote on September 9.

CHARLES LYNCH,
Chairman.

LEAGUE OF WOMEN VOTERS
OF CALIFORNIA,
Sacramento, CA, August 19, 1985.

To: California congressional delegation, House of Representatives.
From: Linda Broder, LWVC president.
Re: The coordinated operations agreement and H.R. 3113.

The League of Women Voters of California (LWVC) is pleased to support the proposed Coordinated Operations Agreement (COA) and its reauthorizing legislation, HR 3113, as passed by the House Sub Committee on Water and Power Resources on July 30, 1985. We urge adoption of HR 3113 when it comes before Congress this fall.

Many individuals and organizations in California have expressed great interest in the COA, an agreement to coordinate exports of water through the Delta by the Central Valley Project (CVP) and State Water Project (SWP). LWVC members participated in an Ad Hoc Group that met informally to examine the COA and discuss their differing opinions. The starting point for compromise was the common belief that increased cooperation by the two water projects is essential for improved water quality and management of the Delta. The League commends all participants in this group, which included representatives from state and federal contractors, labor, business, environmental and civic groups, for

their willingness to reach for greater accord on the issues involved. The result was an increased understanding of the scope and complexities of the COA and increased respect for each point of view. We believe this process greatly contributed to the successful passage of HR 3113 from the Sub Committee on Water and Power.

We also applaud the work of the Sub Committee in drafting language in HR 3113 which strengthens the commitment of the federal government to water quality protection. While we recognize that the resolution of federal adherence to future standards is uncertain, we are sure that the reference in the bill to the San Francisco Bay/Sacramento San Joaquin Delta is a vast improvement. This recognizes the necessity to expand water quality protections to an area larger than the Delta. The operation of both the CVP and SWP must recognize this responsiblity. This is—and should be—a statewide and national concern.

HR 3113 addresses and satisfies two League concerns: the termination clause, and the requirement that Congress approve the contract that is provided for in the COA. We accept these provisions as passed out of committee in HR 3113.

Two reservations still exist, however. One concerns the new wheeling contract provided by the COA. We urge that conservation measures and an adequate water supply for fish, wildlife and instream uses be included in the contract. Because of the probable inadequacy of Delta standard, D-1485, these goals are as important as the need to fulfill contractual obligations. Water conservation measures should be required and implementation begun before extra water is made available for agricultural contracts. The LWVC discourages water contracting and marketing policies which build up demand and establish rigid patterns of distribution and use. Instead of increasing reliance on exports, the LWVC would prefer to see the COA emphasize greater cooperation and coordination between the two export projects with increased efficiencies in the use of existing supplies.

We hope the new COA will foster these goals. It seems regrettable that the proposed agreement does not mention water conservation (as meaning the saving of water), or fish and wildlife needs, or the desirability of off-stream storage, conjunctive use of ground and surface supplies and the necessity for groundwater recharge.

Emerging economic trends necessitate that the new contract look at factors other than financial gain from the sale of more CVP water through new contracts. Some experts predict that agricultural irrigation demand in the Central Valley will decline due to higher costs and acute drainage problems. Water trading between districts could become another economical option and a source of additional supply. Because the League wishes to discourage rigid patterns of contracting, we hope the forty year CVP contract will become a thing of the past. It is imperative that Congress recognize economic change when it evaluates the wheeling contract as these factors may significantly impact the amount of water available for export for both projects.

Basically, the LWVC is concerned how the additional CVP water will be used including its allocation between urban and rural users. The League will watch the development of the contract closely. You will receive comments from us again at the appropriate time during the EIS process and Congressional review.

Federal compliance with future state water quality standards is the second major LWVC concern that was not settled in the COA or in its enabling legislation. As stated earlier, the League is pleased with the strengthening language in HR 3113. We are highly gratified also that the COA requires the federal government to accept its share of responsibility for mitigating Delta water quality up to the existing standards, D-1485. This interim standard is under review, however, and has been challenged in courts as inadequate. We had hoped that HR 3113 would show an even greater commitment to water quality as one of the purposes of the Central Valley Project. The League accepts the compromise as written as political reality. We will continue to work for high water quality standards in relation to Delta exports for both public health and environmental reasons. We believe that states may set standards higher than minimum federal standards.

The job before us now is to work for passage of the proposed COA, and for HR 3113 without any weakening amendments. In spite of our concerns we recognize that the COA is an historic accord which has the potential to significantly improve water resource management in California.

LOS ANGELES AREA
CHAMBER OF COMMERCE
Los Angeles, CA, August 28, 1985.

Hon. GEORGE MILLER,
House of Representatives, House Office Building, Washington, DC.

DEAR CONGRESSMAN MILLER: When Congress reconvenes in September, one of the critical issues before the U.S. House of Representatives will be HR 3113 (by Congressmen Miller, Coelho, and Lehman) authorizing implementation of a Coordinated Operations Agreement (COA) between the State of California and the federal government. The Los Angeles Area Chamber of Commerce urges your support of HR 3113.

The COA, which has been in negotiation for nearly three decades, establishes a partnership between the federal Central Valley Project (CVP) and the State Water Project (SWP) for the efficient export of water from the Sacramento-San Joaquin Delta.

Through efficiencies created by this agreement between the state's Department of Water Resources and the Bureau of Reclamation, such a partnership will go a long way toward increasing the supply for those who contract for water from either project. Additionally, the delta itself will benefit through a more certain water supply, especially in dry years, resulting in improved water quality and wildlife conditions.

The Southern California area will grow by more than three million people by the turn of the century. Many of those people will depend on the greater Los Angeles area to provide jobs, housing, and recreational opportunities. All of these things depend on an assured supply of water. Most of this region is heavily dependent on water imported from other areas, including the Sacramento-San Joaquin Delta.

It is this Chamber's policy to actively pursue those activities that both reasonably augment and conserve our water supply and which improve the operation of those importation systems on which we depend. The COA helps accomplish these goals by making the federal government partially responsible for releasing water to maintain delta water quality standards, removing some of that burden from the state. The COA also provides a mechanism for the interim sale of some CVP water to the SWP, as well as transportation of some federal water to its contractors through SWP facilities.

HR 3113 is a nonpartisan issue that blends the strength of two great water projects in order to improve both, at virtually no cost. As the COA legislation moves through the Congress, I hope the Los Angeles Area Chamber of Commerce can count on your support.

Sincerely,

RAY REMY.

CALIFORNIA TROUT,
August 21, 1985.

Hon GEORGE MILLER,
Rayburn House Office Building,
Washington, DC.

DEAR REPRESENTATIVE MILLER: Greetings from California Trout, a statewide organization of conservation-minded anglers working to protect, enhance and restore wild trout and native steelhead fisheries around California.

We are happy to throw our support behind your H.R. 3113 to provide for the coordinated operation of the Central Valley Project (CVP) and the State Water Project (SWP) in California. The Coordinated Operation Agreement is an historic document that will have longlasting positive benefits for enlightened water policy throughout the state.

We applaud and fully support your bill and urge you and your colleagues in the House and Senate to pass this measure swiftly. Thank you again for your leadership on this important public policy issue.

Yours truly,

RICHARD H. MAY,
President.

ASSEMBLY, CALIFORNIA LEGISLATURE,
Sacramento, CA, August 20, 1985.

Hon. GEORGE MILLER,
House Office Building,
Washington, DC.

DEAR CONGRESSMAN MILLER: I would like to express my support of Senate Bill 1192—Wilson and HR 1331—G. Miller.

As I'm sure you know, the passage of these bills would be beneficial to both the citizens of California and the federal government. They would provide badly needed water to the farming communities of the Central Valley and also allow the federal government to put to good use the excess water in its reservoirs. This coordinated operating agreement will enhance the quality of life in the Delta area and in turn the lives of all Californians.

I urge you to support Senate Bill 1192 and HR 3113 so that the resources of both the state and the federal government can be put to the best and most efficient use possible.

Sincerely,

PAT NOLAN,
Assembly Republican Leader.

RESOLUTION 8070—RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA ON H.R. 3113

Whereas, The Metropolitan Water District of Southern California relies extensively on the California State Water Project (SWP) to provide vital water supplies from the Sacramento-San Joaquin Delta to 13 million residents of the State living in its service area, and;

Whereas, both the SWP and the federal Central Valley Project (CVP) divert surplus

BEST COPY AVAILABLE

water from the delta under water rights permits administered by the State Water Resources Control Board, and the relative priority of the respective permits of the SWP and the CVP have long been and continue to be the subject of dispute, and;

Whereas, both projects provide major water supplies of statewide importance and can optimize their respective shares of surplus delta water by coordinating their operations, since the SWP has greater diversion capacity while the CVP has greater storage capacity, and;

Whereas, The California Department of Water Resources (DWR) and the United States Bureau of Reclamation (USBR) formally recognized the need for an agreement to coordinate the SWP and CVP operations in a 1960 agreement, and have spent the intervening 25 years developing a fair and reasonable coordinated operation agreement, and;

Whereas, agreement has been reached on coordinated operations that offer practical solutions to long-standing water disputes centered in the delta, but such agreement cannot be implemented without Congressional authority, and;

Whereas, The Interior and Insular Affairs Committee of the House of Representatives has approved legislation in the form of a House of Representatives' Bill, HR 3113, providing that authority and has referred HR 3113 to the full House for passage, and;

Whereas, enactment of that legislation will significantly benefit Metropolitan as well as California generally, by assuring the delta better water quality, and by providing a mechanism for better managing delta water resources.

Now, therefore, be it resolved that the Board of Directors of the Metropolitan Water District of Southern California does strongly support the swift enactment of HR 3113 and the execution of the Coordinated Operation Agreement between the United States and the California Department of Water Resources.

CONTRA COSTA COUNTY, COMMUNITY DEVELOPMENT DEPARTMENT,
Martinez, CA, August 23, 1985.

Hon. GEORGE MILLER,
Congressman, Seventh District
Pleasant Hill, CA.

DEAR CONGRESSMAN MILLER: On August 13, 1985, The Board of Supervisors endorsed H.R. 3113, sponsored by you, providing for the Coordinated Operation of the Central Valley Project and the State Water Project in California. Attached is a copy of a report from the Board's Water Committee on the bill.

The Board appreciates your efforts in sponsoring H.R. 3113 which is a very important piece of legislation to help insure that the water quality and environmental values of the San Francisco Bay/San Joaquin Delta estuary are protected.

Please let the Board's Water Committee know if the County can be of any other assistance in the passage of this very important bill.

If you have any questions, please contact Dave Okita at 671-4295.

Very truly yours,

ANTHONY A. DEHAESUS,
Director.

PAUL E. KILKENNY,
Assistant Director.

CALIFORNIA WATERFOWL ASSOCIATION,
Sacramento, CA, August 21, 1985.

Hon. GEORGE MILLER,
House Office Building,
Washington, DC.

DEAR GEORGE: This letter is in confirmation of my recent conversation with Dan Beard about the Association's requested amendment to H.R. 3113. As you know, CWA strongly supports the concept of the COA and commends you for introducing H.R. 3113. In particular we support its fine tuning of certain of the COA provisions. However, in our letters to you dated July 10th and Juy 30th we expressed our concern over a major side effect which signing of the COA could have on the water supplies for two-thirds of the remaining wetlands in California's Central Valley. Over the past three weeks we have become aware of the considerations which justify a modification of our July 30th request.

First, this fall the Bureau of Reclamation will start a two year feasibility level study of the duck water problem. This study could be the basis for future Congressional action. The quantity, location, and required time of the year when duck water supplies are needed are already known (see my letter of July 30th) so the study will concentrate on potential water sources and delivery systems. The point is that by the fall of 1987 we will know how much of the 453,800 acre foot duck water requirement would actually have to come from CVP yield as opposed to various other sources. My personal horseback guess is about 150,000 acre feet.

Second, the Sacramento Valley agricultural allocation proposed by the CVP contractors is about 383,000 acre feet. However, we understand that only about 200,000 acre feet could be delivered without Congressional authorization and appropriations to extend the Tehama Colusa Canal and build Oat Reservoir.

Third, the Delta Mendota Canal is currently operating at its capacity (including the annual delivery of 250,000 acre feet of surplus water to Westlands). Therefore, the CVP lacks the conveyance capability which would enable to Bureau to contract for more water without using the California Aquaduct. H.R. 3113 provides for Congressional review and approval of any such agreement between DWR and UBR. Therefore, realistically it appears that no more than 450,000 of the 1,100,000 acre feet of available CVP yield could be contracted for in the next two years.

These two constraints, plus a definite timetable for finalizing a plan to solve the duck water problem leads us to the conclusion that our requested amendment to H.R. 3113 is not needed. In its place we would like the bill's legislative history to show clear Congressional intent that the amount of CVP yield necessary to solve the duck water problem should be reserved until the Congress has had an opportunity to deal with this issue. I understand from Dan that this approach is politically feasible, and we respectfully request that you include it as part of your presentation of H.R. 3113 on the House floor. I have been in touch with Kathy Files of Senator Cranston's staff, and she feels that it might be appropriate for the Senator to take similar action on the Senate side.

We would appreciate it if you would let us know whether this alternative approach is acceptable to you.

Sincerely,

D. CHAPIN,
Chairman, Resources Committee.

[From the Sacramento Bee, June 20, 1985]

WATER BREAKTHROUGH AT LAST

After 25 years of argument, litigation and mutual suspicion, the federal Bureau of Reclamation and the state Department of Water Resources have finally come to an agreement about how to coordinate the operation of their California water projects. That was no small achievement.

Its result should increase efficiency and, therefore, increase water available for use by California farmers and urbanites. Even more important, the new agreement finally commits the federal government to using its own water supplies to help meet the state's current standards for protection of the San Joaquin-Sacramento Delta. In return, the federal government will be able to use the state's facilities to deliver water it used to have no means of transporting. Everyone should benefit.

Before Congress approves the new agreement, however, there is at least one central feature that must be bolstered. The federal and state negotiators left it too easy for the federal government to withdraw from the agreement and renege on its delta protection commitment in five years, after the state has already given up its quid pro quo. The agreement also makes it possible for some future interior secretary to unilaterally decide to ignore any tougher delta protection rules the state might enact in the next few years, even though most experts agree tougher rules are needed. It's left to the interior secretary to decide which delta standards conflict with Congress' intentions.

California Rep. George Miller, chairman of the House Subcommittee on Water and Power Resources, is urging Congress to close these and other potential loopholes. He has proposed, for instance, that any future interior secretary be required to obtain congressional permission before breaking the agreement, just as it takes congressional approval to enter into it. He has also proposed that Congress pass legislation making it perfectly clear that its intention is to have federal water used to help protect the fish and wildlife and the quality of water in the delta, the Suisun marsh and San Francisco Bay. Given the distrust that 25 years of argument have nurtured, such extra assurances would make a great deal of sense.

It's also important for Congress to be clear about what this new agreement has not accomplished. Although it has made it possible to move more water from North to South, this agreement has not removed the last roadblock in the way of new water project development.

Whether the state and federal governments and their water customers' can afford major new construction projects, whether conservation and redistribution of existing water supplies would be more cost-effective and whether any particular new project is environmentally acceptable remain questions to be answered case by case, as they were before this agreement made new water shipments possible. Whether the federal government's stored water should be committed to new contractors or saved for use in maintaining delta and bay water quality during dry years is another question that has not been resolved by this agreement; it remains for state water officials to answer. And arriving at the right answers is no easier than it ever was.

The federal-state agreement provides a new opportunity for rationality in the operation of the California water system, and everyone involved in the negotiations is to be congratulated for that. But it is an opportunity that can also be badly abused if Californians don't soon come to an agreement among themselves on a rational set of priorities for the use of the water resources the state has.

[From the Los Angeles Times, Aug. 4, 1985]

WATER OUT OF THE ASHES

One of California's most persistent and divisive water problems is nearing solution. In a critical vote last week the House Interior Committee approved legislation to implement a state-federal agreement for joint operation of their giant water systems in the delta of the Sacramento and San Joaquin rivers.

The agreement would permit the pumps of the federal Central Valley Project and the state Water Project to be managed in a fashion that would protect the environment of the estuary and make available a major new supply of water for potential use in the Central Valley and in Southern California. Notably, the pact would require the U.S. Bureau of Reclamation for the first time to help maintain state water-quality standards in the delta.

The state-federal Coordinated Operating Agreement is a complicated technical arrangement that was under negotiation for about three decades between the federal bureau and the state Department of Water Resources.

House Interior approval of the implementing bill was possibly the most rigorous test for the breakthrough pact. It was a major test, as well, of the direction and influence of Democratic Rep. George Miller of Contra Costa County as the new chairman of Interior's water and power subcommittee.

In the past, Miller has been anathema to many Central Valley and Southern California water-development aspirations. But now, working with two Valley Democrats, Reps. Tony Coelho and Richard H. Lehman, Miller has astutely forged a consensus out of the ashes of the 1982 Peripheral Canal battle and related animosities. His legislation serves all California, and may pave the way for creative solutions to other state water problems.

Speedy final approval of the Miller bill should a priority for all California members of Congress when they return to Washington in September.

[From the Sacramento Bee, Aug. 6, 1985]

WATER WAR ARMISTICE

California Congressman George Miller has called the bill the House Interior Committee just passed a historic peace treaty, and he's right. After 25 years of battling between state and federal officials over the extent of the federal government's responsibility for protecting the San Francisco Bay and the Sacramento-San Joaquin Delta, a settlement has finally been negotiated. The committee's bill not only commits the federal government to operating its California water project in a way that meets the state's environmental standards; it also paves the way for coordinated operation of state and federal water projects. The resulting increase in efficiency—and thus in the amount of water available for use—should benefit all Californians.

The first and most important breakthrough in these water-war-peace negotiations came a month ago, when Deukmejian and Reagan administration officials worked out a coordinated operating agreement for the two water projects. Their agreement, however, still left a few too many potential loopholes and thus didn't fully stanch the mutual suspiciousness that 25 years of water warfare has bred. It was under Miller's guidance that his Subcommittee on Water and Power Resources closed enough of those loopholes to produce an acceptable treaty. He deserves to crow.

What the subcommittee added was language requiring a cooling-off period before any future Interior secretary could unilaterally pull out of the agreement and making it clear that not just Delta but also Bay water quality maintenance is a federal responsibility. Those changes should assuage California fears about the original agreement, which would have left it much easier for federal officials to renege on the deal—or alter its meaning—at some future date.

The legislators also added language requiring congressional approval before federal water deliveries from Northern to Southern California could be significantly expanded. The need to reappear before Miller's conservation-minded committee should discourage thoughtless squandering of the water that will be freed for new uses once the two projects are being operated in better coordination.

The Reagan administration apparently is worried about the cost of these firmer environmental commitments; it would prefer to have the freedom to unilaterally limit the amount of water that will have to be devoted to meeting California's environmental standards. The word on Capitol Hill is that the president may yet veto the bill.

But the price of a veto would be high itself—both in renewed warfare and in environmental risk. All the Miller subcommittee has really added to the original agreement is some assurance that it will be carried out as advertised. To veto that assurance would be to confirm the suspicions that have kept the state and federal governments fighting all this time.

Even if this treaty is signed, of course, California's other longstanding, water wars will still be raging. Within the state, consensus has yet to be reached about the best ways to protect and exploit this critical resource. But a first step is a first step. It should be taken.

[From the San Francisco Examiner, Aug. 8, 1985]

"PEACE TREATY" ON WATER

A small but noteworthy step toward ending California's "water wars" was taken in Washington last week when a House committee approved a measure to help protect water standards in the Sacramento-San Joaquin River Delta. The bill, which would require the Interior Department to accept state-set standards for Delta water quality, was hailed as a "peace treaty" that could break the political stalemate over disposition of the state's water riches.

State and federal water officials have been negotiating for years to try to iron out their differences, and this measure is a result of an agreement reached only weeks ago. The Interior Department has until now held that, in operating its huge Central Valley water project, it need not concern itself with Delta standards.

The fate of the environmentally sensitive Delta has been a bone of contention between water-wealthy Northern California and the more populous Southern part of the state, and has hampered the development of an acceptable state water plan.

The problem is that increasing the amount of fresh Delta water shipped south means increasing the amount of salt water that enters the Delta. Several plans offered to meet the growing water needs of Southern California—such as the Peripheral Canal scheme and Gov. Deukmejian's through-Delta channel plan of last year—have come to grief partly because of their failure to provide safeguards for the Delta (and for San Francisco Bay).

Further complicating the "water wars" has been the existence of federal water projects operating under different rules and policies than the state's. The lack of coordination between federal and state projects has been expensive and contrary to the state's best interests. The bill, cosponsored by Reps. George Miller (D-Martinez), Tony Coelho (D-Merced) and Rick Lehman (D-Sanger), seems likely to pass the House, but may face opposition from the White House.

A presidential veto, however, might not only undo years of delicate negotiations but would also deal a serious blow to efforts to develop an environmentally sound water plan acceptable to both Northern and Southern California. We hope the president is made to understand the importance of this bill to his home state, and comes to see it for the "peace treaty" it is.

[Editorial from KBIG, FM 104, July 26, 1985]

WATER WAR DISPATCHES III—THE SACRAMENTO COA

This is Rob Edwards with a KBIG editorial.

This week, the dispatches from California's water wars are generally good news. Looking south, there's the "Imperial Swap," a deal between San Diego's Imperial Irrigation District and our Metropolitan Water District. Up north, something similar has been worked out between the Federal Bureau of Reclamation and California's Department of Water Resources.

The Federal Central Valley Project and the State Water Project both draw on some of the same Northern California rivers, and they both transfer water south through the Sacramento-San Joaquin Delta. The conflict: water contracts to fill on the one hand, and water-quality standards that restrict delta pumping on the other. The solution: an historic "coordinated operating agreement" between the two projects. We help the feds ship their water, and they use some of it to meet state environmental needs.

Such local agreements are worthwhile, and buy us time. But new facilities remain essential for future needs. Until we face that fact, they'll run hot and they'll run cold—but California's water wars will continue. That's KBIG's opinion—and we welcome contrasting views from responsible individuals.

☐ 1225

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 3113, a bill by the chairman of the subcommittee, the gentleman from California [Mr. MILLER], and others, to implement the coordinated operations agreement, the so-called COA.

Mr. Speaker, as has been said, the underlying COA represents more than 20 years of negotiation to coordinate the operation of two massive water supply projects, the Federal central valley project, owned and operated by the Bureau of Reclamation, and the State water project, owned and operated by the State of California.

Mr. Speaker, I shall leave to others the technical description of the COA. Suffice it to say, the COA is a very complex document which goes a long way in the direction of satisfying environmental concerns for water quality in the Sacramento-San Joaquin Delta.

This is not to say, however, that I should not prefer a bill that would simply authorize the Secretary of Interior to execute the COA as negotiated. In my view, it is not necessary to amend the 1937 Central Valley Project Act itself; however, it is also fair to say that the form of H.R. 3113 passed by the Interior Committee on July 31 represents a substantial improvement over the earlier versions of the bill. Moreover, I am generally satisfied with the form of the report as it relates to article 10(H) of the COA.

For example, future Federal water contracts originally required the approval of Congress, but now under the bill they do not.

I am compelled to say for the record that my own decision to support this bill was founded upon my earnest hope and expectation that it will lead to prompt and serious consideration by the Water and Power Subcommittee of various worthy proposals of water project development and finance in California generally and in the central valley in particular. I am hopeful that the subcommittee will proceed in an expeditious manner to consider various proposals including, but of course not limited to, solutions to the problems of serious ground water overdraft in the poor quality water drainage from the San Joaquin Valley, the midvalley unit of the central valley project, a relocation of the headworks of the Contra Costa Canal, the Pleasant Valley service area addition, indexing or reauthorization of the San Luis unit to allow completion of distribution facilities at the Auburn Dam, and section 203(b) of the Reclamation Reform Act of 1982.

My support is also founded upon the expectation that the Bureau of Reclamation will expeditiously lift the 1978 Andrus moratorium on further Central Valley Project water supply contracts and will proceed to contract with Federal contractors in the central valley.

Furthermore, I look forward to a new spirit of cooperation within California between the delta and the central valley, between farmers and environmentalists, between northern and southern Californians; in a word, among all Californians.

Mr. Speaker, H.R. 3113 is in the nature of a genuine compromise and, as such, is imperfect. However, I urge my colleagues to support this measure as a reasonable effort for the moment and as a hopeful vehicle for the future.

Mr. Speaker, I should wish for a moment to engage in an exchange with my colleague, who I cannot but notice appears in a slightly different fashion today that in the past. It is a wonderful growth.

Mr. Speaker, a lot of people in the central valley have placed their good faith not only in the agreement, but in the people who have participated in the making of the agreement.

I should like to ask my colleague, who has worked very hard on this for sometime now, and my congratulations to him for the efforts that he and the staff have put in in bringing together a very difficult and very interesting compromise. I should like to ask the gentleman to make a comment or two, please, in expansion of his comments already made on his view of future water development in California and what the gentleman will do to encourage future water developments and what cooperation we in the central valley can expect.

Mr. MILLER of California. Mr. Speaker, if the gentleman will yield, I would say to my colleague from California that it clearly is the intent of all parties that have been involved in the drafting and negotiations of the COA and of this legislation that the expectations will be realized that we have speculated on for many years, and that is a coordinated operation of these two very large water projects, one operated by the State of California and the other operated by the Federal Government, that that coordinated operation will provide for an additional yield of water, will free up additional water at various times of the year and in various years, depending on the rainfall in our State and our ability to store that water; but in any event, the freeing up of that water, the exact yield is open to speculation, that that water would then be used to move along with the advancement of water development throughout the State of California, be that for central valley agricultural needs or for municipal water needs; but as the gentleman well knows, all these projects have been stymied over the past decade because of our inability to reach this kind of cooperation.

What the COA does is to provide the residents of the San Francisco and the bay and the delta region the assurance that when we go forward with the development of those projects, and I fully expect to go forward with the development of those projects, there is a threshold which we will now be able to measure, the projection of the bay and the delta region by. If those projects can go forward and we can continue to meet those standards, then I believe it is incumbent upon us to do that.

As the gentleman knows, he has some projects for consideration, other members of the committee have projects for consideration. We now for the first time have the ability to yield water from Federal projects to State projects, back to Federal contractors, so that we now also have the possibility of dramatically reducing the amount of money that we may have to spend and yet be able to put water in the land by the more efficient use of these projects. That is the long answer.

The short answer is that it is expected that the committee will now be free again to start to embark upon the consideration of the various projects that have come before the committee from time to time, but have been lacking in support because of the regional wars that have gone on over water development in the State of California.

I must say, as chairman of that subcommittee, I look forward once again looking for positive and progressive water development in our State.

Mr. PASHAYAN. Then we from the San Joaquin Valley can take it as an assurance that the chairman of the subcommittee will make it the subcommittee's business to expeditiously and thoroughly consider a whole host of projects that we need not decide at this moment the order of or the sequence of.

Mr. MILLER of California. As always, the chairman of the subcommittee will be fair and impartial and would not show any kind of regional bias on the consideration of those projects.

Mr. PASHAYAN. Well, I appreciate that and a lot of people also in the San Joaquin Valley appreciate that.

Mr. MILLER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. Coelho], a very valuable member in the construction of this compromise legislation.

Mr. COELHO. Mr. Speaker, I just want to rise and to compliment the chairman of the subcommittee and the other members of the subcommittee for their work on this particular piece of legislation.

I think that as we look back on this particular bill, we will find that this is indeed a very historic piece of legislation and that it will break the log jam that has existed for 25 years in California and that we will be able to get on with the business at hand.

I want to compliment the gentleman from California [Mr. Miller] for his willingness to put up with all the interfights that take place over California water.

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If my colleagues are intrigued with some of the divisions that take place here in the House or between parties and so forth, they would find it rather intriguing and interesting to participate in California water politics. The fact that the gentleman from California [Mr. Miller] was able to do this, hold hands and listen, and be tough at difficult times, but to be able to keep this thing going together is a credit to he and his staff, and I want to compliment him for it.

Mr. MILLER of California. Mr. Speaker, I yield myself such time as I may consume to just thank my colleague from California [Mr. Coelho] for his remarks. I take them as a compliment from one who has mastered both the politics of the House and the politics of California water.

I would also like to pay tribute to one of our colleagues who could not be here today. That is the gentleman from California [Mr. Richard Lehman] from the central valley who again participated in every aspect of forging this compromise. Unfortunately, the gentleman from California [Mr. Lehman] could not be here. His father is very ill and he simply could not make the trip back for today's session. But I would like to submit for the Record his statement on this legislation and to clearly recognize the time and effort the gentleman poured into making this compromise work, again having the difficult chore of representing very, very diverse uses for the water within our State of California. I would like to acknowledge his participation and to thank him publicly for that.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume just for one concluding remark, expanding on what my colleague said. This is a historic piece of legislation, but historic only to the extent that those of us involved in water carry forth from this moment on. This legislation is very good for a particular part of California, but I take heart in the words of the chairman as he uttered them a few minutes ago that this will not be the end but the beginning of further water development in California. It is the further water development in California that will make this bill truly historic.

Mr. LEHMAN of California. Mr. Speaker, I would like to join the many other Members of the California delegation who support H.R. 3113, legislation implementing the Coordinated Operations Agreement, and I would like to congratulate my colleague and good friend, Congressman George Miller, chairman of the House Interior Water and Power Subcommittee for his role in fashioning this historic legislation.

This agreement will end 25 years of heated discussion and negotiations over the manner in which the Federal Government and State of California will operate their statewide water projects with respect to San Francisco Bay and Sacramento-San Joaquin Delta and Estuary water quality standards.

Not only will this agreement and legislation protect a vital and pivotal natural resource area by ensuring water quality standards, but it will also make available additional water which will benefit the water users in the entire State.

The legislation is historic because it represents a compromise not only between the State and Federal Governments on how to operate the two main water delivery systems in the State, but it reflects a compromise among all water factions in a State where water has historically been the most precious resource and cause of the most devisive and contentious debate. North and south, environmentalist and water developer, and urban and rural interests have all participated in shaping this particular agreement and all agree that this legislation represents the best compromise that could be achieved.

As with all compromises, the legislation is not perfect; however, failure to approve H.R. 3113 would only renew the debate and could cause irreparable damage to both the environment and water development in California. The legislation as drafted contains a number of important safeguards to ensure that the integrity of the Federal Government's interests are preserved without compromising the environmental concerns and water development needs of the State of California.

As one who is intimately aware of the water needs and problems of California and as one active in the center of the debate as a State legislator and now U.S. Representative, I am proud to be associated with this legislation and those who helped fashion it.

I urge my colleagues in the House to join the California delegation and support this important legislation.

Mr. FAZIO. Mr. Speaker, it is important to recognize good things as they occur. The presentation of H.R. 3113 to allow and direct the Bureau of Reclamation to cooperate directly with the State of California on the mutual operations of two vast water projects in the same drainage basin represents the culmination of a peace process that began literally years ago. Congratulations are due to many people for this development, Federal officials in both the Carter and Reagan administrations, State officials in both the Brown and Deukmejian administrations, water developers and wildlife protectors from both northern and southern California, and Members of Congress from both the North and South and from both political parties.

There people represent many different interest, interests which inherently conflict, particularly over a commodity as passion-inducing as water in a State where it is the blood of the economy. Nonetheless, they came together to do something which common sense tells us is in the ultimate interest of all. To the very great extent California's future depends on the allocation of water, this bill lays out the principle upon which California's future will be determined.

We need to know what the rules for water sharing will be in times of drought and surplus, in the North and South, for wildlife, fisheries, cities, and farms, and for repulsion of salt water from the Pacific Ocean. Moreover, the rules must be fair. This Coordinated Operating Agreement, which establishes how much water will be required to maintain quality standards in the Sacramento-San Joaquin Delta, meets both these difficult tests.

Negotiating the agreement was quite an achievement. Developing the political consensus to support it was another achievement. For the first our congratulations go to David Kennedy, current director of the California Department of Water Resources, and to his predecessor, Ron Robie. They also go to David Houston, current director of the Bureau's Mid-Pacific Region, and to his predecessors Mike Catino and Billy Martin. David Shuster at the Bureau and Larry Mullnix at the DWR were the principal staff people who hammered out the concepts and fit them together some years ago. They had support from many others whom I regret not being able to mention here.

None of their work have borne results had it not been for the skill and determination with which the Interior Subcommittee on Water and Power Resources pushed this measure through. Chairman George Miller handled the volatile subject with the required blend of firmness and tact. California subcommittee members Tony Coelho, Rick Lehman, and Chip Pashayan exercised a similar balance between representing the interests of their constituents and the interests of the State as a whole to their constituents. This is a bill where a sense of the common good had to prevail over the fears and needs of particular regions. For their good faith and for holding firm to their consensus the Water and Power Subcommittee deserves a lot of credit.

This bill is remarkable for what it does not contain, as well as for what it does. We all know that there remain many specific needs which we have agreed to put aside so that we could settle the basic question about the Bureau's authority and obligation to meet water standards in the Delta. As do other Members, I have my own set of priorities: Area of origin protections for the North in future allocations of water, an enlarged Oat Reservoir, and facilities to assure the Susiun Marsh adequate water to sustain it as a key portion of the Pacific flyway. I hope we can negotiate these needs between us in the same spirit of cooperation with which we agreed to this bill for the Coordinated Operating Agreement.

The administration has recently taken the position that the Suisun Marsh facilities must be authorized in this legislation as a condition for the President's signature. As one who began legislating on behalf of the Marsh as a State legislator in 1975, and who has legislated and sought appropriations for it in Congress since, and in whose

district the Marsh lies, I deeply appreciate this interest. I intend on introducing a separate Suisun Marsh bill in the very near future, now that the State and Federal water agencies have agreed upon a final plan for the facilities construction and operation. I welcome the administration's support for the measure. I would of course have no objection should we add the Suisun Marsh authorization to the H.R. 3113.

However, I consider that I am part of the agreement between California water legislators to keep the Coordinated Operating Agreement free of additional issues, and I will adhere to that agreement. I do not think that Marsh legislation should be established as a condition for the President's signature either, partly because of the clean bill principle—to which the administration subscribed—and mostly because the Coordinated Operating Agreement is simply too important.

The immediate objective of this bill is to set standards for the Delta itself. My Delta constituents have long worried about their fate during the tumultuous statewide debates over water supplies. I share their relief that now our obligations to the Delta will be determined and statutorily protected. However, there are many benefits elsewhere to establishing the basic rules for the Delta. Among them is the nearly 1 million acre feet of water which the agreement establishes as firm yield for the Federal water contractors. I hope this new resource will be allocated soon and fairly to the many real needs around the State, and I hope that we can keep our appetites within the limits of the supplies. I have constituents who have been waiting many years for a water supply which was promised to them many years before that, the Yolo-Zamora water district. I have other constituents—the northern Sacramento area and the city of Folsom—which have been developing chronic groundwater quality and pumping cost problems over the past decades, and who are anxious for solutions to them. We anticipate that once the Bureau has its supplies assured it under the provisions of the COA that the it will find itself able to enter into new water supply contracts once again.

There are certain provisions in this bill which are particularly beneficial to my people. For instance, the Bureau is anxious to sell "surplus" water on an "interim" basis to areas in the State which are not now Federal customers. This plan—motivated by a real need for revenue—worries Federal water contractors in the North (and elsewhere) who do not have their contracted supplies assured yet. The contracts under which this interim water will be sold must come back to the Congress for approval.

There is a provision that Federal contractors do not have to finance that quantity of water required to meet the higher standards required under D–1485 than were required to meet the former Tracy standards. Many think that Federal contractors get their water too inexpensively, but it is true that their costs are rising and will continue to rise. The financial consideration in the bill for federal contractors is a genuine benefit to them.

Last, the bill acknowledges that the water cut backs will not be demanded in order to share Delta shortages where existing contracts do not already empower the Secretary of Interior to make such cutbacks. New contracts will provide for such cutbacks, of course, as they have in recent years, and it will be necessary for all contractors to share the burden of the Delta in the future. However, for those water districts who have relied for years on contracts without cutback provisions, this bill recognizes this agreement for the remaining life of the contracts.

These provisions were difficult for some of my colleagues to accept. It is typical of the spirit in which this whole effort has unfolded that they were accepted. We will all benefit if this attitude prevails, and if this bill has a quick and unchanged passage through the Senate. It will be an experience which all water legislators will find refreshing, and hopefully will teach us that harmony need not be so rare in the future.

Congratulations again to Chairman MILLER and the members of the Water and Power Subcommittee.

Mr. PASHAYAN. I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. MILLER] that the House suspend the rules and pass the bill, H.R. 3113.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3113, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

COMMUNICATION FROM THE HONORABLE JOSEPH P. ADDABBO, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable JOSEPH P. ADDABBO:

HOUSE OF REPRESENTATIVES,
Washington, DC, September 9, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L (50) of the Rules of the House, that I have been served with a subpoena issued by the United States District Court for the Southern District of New York. After consultation with the General Counsel to the Clerk of the House, I will inform you of the determinations required by the House Rule.

Sincerely yours,

JOSEPH P. ADDABBO,
Member of Congress.

COMMUNICATION FROM THE HONORABLE GUY V. MOLINARI, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable GUY V. MOLINARI:

HOUSE OF REPRESENTATIVES,
Washington, DC, September 9, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L (50) of the Rules of the House, that I have been served with a subpoena issued by the United States District Court for the Southern District of New York. After consultation with the General Counsel to the Clerk of the House, I will inform you of the determinations required by the House Rule.

Sincerely yours,

GUY V. MOLINARI,
Member of Congress.

THE GREAT ARKANSAS CLEANUP

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous material.)

Mr. ALEXANDER. Mr. Speaker, last weekend, thousands of citizens volunteered to continue the tradition of the great Arkansas cleanup. This is an annual event organized by Carl Garner, Resident Engineer, U.S. Army Corps of Engineers, to clean up the parks, lakes, and waterways after a summer of fun.

The idea began 15 years ago when Carl Garner conceived the idea and organized the first effort. Since that time, thousands of tons of trash have been collected and hauled away. Now the Keep America Beautiful Committee is promoting the Garner idea as a goal to establish a public lands day for the Nation. One day each year would be set aside for citizens throughout our country to come together to clean up our lakes, rivers, and parks.

When this comes to pass, the next thing that remains to be done is to haul these mounds of trash to a nearby processing plant to be converted into ethanol fuel which will then be used as a fuel for our automobiles. Figures show that there is enough trash collected annually which, if converted into ethanol, would be equal to the energy from 5 billion barrels of oil and 3 trillion cubic feet of natural gas.

The following article provides additional information:

[From the Arkansas Gazette, Sept. 6, 1985]

STATEWIDE CLEANUP A TRADITION

(By Dorothy Cox)

One stormy Saturday in late September 1970, about 40 to 50 volunteers showed up at Greers Ferry Lake to clean up an accumulation of six years' worth of trash along 300 miles of shoreline.

Last year thousands of volunteers statewide cleaned up enough trash to fill 70 dump trucks. That was in addition to 15,000 pounds of aluminum cans.

This year, volunteers will be carrying on the tradition by cleaning up trash at 13 lakes and along the Arkansas River, and getting some free food and entertainment in the process.

The one-day event, called the "Great Arkansas Cleanup," is being sponsored by the Army Engineers, Coca-Cola and the Keep Arkansas Beautiful Association.

Carl Garner, a resident engineer with the Army Engineers at Greers Ferry, first thought of using volunteers when he saw a small article in the newspaper about volunteers who cleaned up the shoreline of a little lake in New York state.

The Army Engineers "had been operating Greers Ferry Lake since 1964 and there had been a lot of trash accumulated," Garner said. "We had a budget to clean up the park but not 300 miles of shoreline. Volunteers were what we needed."

It worked so well in 1970 and the years following, that the cleanup campaign was expanded to other Army Engineers-operated lakes seven years ago. The event has gained national recognition, including four first-place awards from Keep America Beautiful, Inc.

About 1,200 volunteers showed up at the Murray Park site last year and Rob Gardner, cleanup chairman for the Little Rock-North Little Rock area, said about 2,000 persons this year are expected to help clean up trash north and south of the Arkansas River.

He said that beneath the I–430 bridge traditionally is the worst area, but that volunteers also will be needed for stations at the Murray Lock and Dam parking lot on Rebsamen Park Road, Cook's Landing in North Little Rock, the Coast Guard Auxiliary post on the Little Rock side of the river, Burns Park, Riverfront Park, Riverview Park in North Little Rock and the area just west of the Main Street Bridge in North Little Rock.

Volunteers should go to any of the above reporting stations or to Murray Park, where they will be assigned a station. Volunteers will be assigned until all the trash is picked up in all the areas, Garner said.

It's recommended that volunteers bring gloves and wear protective clothing.

The Central Arkansas area cleanup will last from 9 to 11:30 a.m. and a free lunch, provided by McDonald's and Coca-Cola, will be served from 11:30 a.m. to 1 p.m.

The entertainment begins in earnest at 1 p.m. and continues into the afternoon.

Entertainers include "River Port Revue," a group of 100 professionals and nonprofessionals who will be presenting "old-time, show boat music," the Joel Ruminer Dancers, the Dixie Outlaws, Dealer's Choice, and *Gazette* editorial cartoonist George Fisher.

As they go through the lunch line, volunteers will be given tickets that will be put into a hopper and drawn for prizes. The grand prize is free air fare for two to any American Airlines destination in Mexico.

Other prizes include a color television set from Radio Shack Computer Center, two bicycles from Kmart, a gas barbecue grill from Wal-Mart, dinner for two at Coy's Restaurant and a $25 gift certificate from the Butcher Shop, to name a few.

"We don't want to take anyone away from the Little Rock cleanup" but anyone who will be in the Greers Ferry area Saturday is invited to that cleanup, which will be held from 8 a.m. to noon at nine commercial marinas in the area, Garner said.

A catfish fry and music show will be held at the Narrows Park from 2:30 to 6:30 p.m. with entertainment provided by such diverse entertainers as Jo Ann Castle, Jimmy Driftwood and a choir from Harding College. Hotair balloons will fly over during the festivities.

Other cleanup programs are being held at Lake Ouachita, Beaver Lake, Bull Shoals, Norfork Lake, Lake Greeson, DeGray Lake, Millwood Lake, Lake Gilham, De Queen Lake, Dierks Lake, Lake Dardanelle and Ozark Lake.

Anyone interested in joining in any of the cleanup campaigns across the state should call or go by the nearest Army Engineers resident office or call Garner at 378–6902 for more information.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 5 minutes.

Mr. PEPPER. Mr. Speaker, I was unavoidably absent on September 4 and 5, 1985, while attending the Interparliamentary Union Conference in Ottawa, Canada. Had I been present, I would have voted "no" for the McCollum amendment, roll No. 291 and "aye" for roll No. 292, the national development investment bill.

On September 5, 1985, I would have voted "aye" for roll No. 293, approving the Journal of the previous day. I would have voted "aye" as well for roll No. 294, agreeing to House Resolution 250. Had I been present, I would have responded to the quorum call, roll No. 295, of course, and I would have voted "no" for roll No. 296.

STUDENT LOAN MATERNITY DEFERRAL ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WYDEN] is recognized for 5 minutes.

Mr. WYDEN. Mr. Speaker, I am pleased to introduce the Student Loan Maternity Deferral Act of 1985.

This legislation will make the Higher Education Act of 1965 more flexible for the special needs of new mothers. It amends the Higher Education Act to allow women, during maternity to have a 6-month period of deferment on repayment of Federal student financial aid loans.

Current law mandates that a student must begin repayment of Federal education loans 6 months after the end of a term of study, if the student will not be enrolled full time for the following term. In special hardship cases, such as injury or unemployment, an individual can re-enroll on a part-time basis and maintain their loan deferral as well as be eligible to receive Federal financial aid.

The Student Loan Maternity Deferral Act will make maternity one of these conditions. Hence, new mothers would be able to take a leave from school, return after 6 months, and be eligible to attend school part time for a period of 6 months so that they can spend more time with their newborn.

A recent case in Wisconsin points out an inequity in current law. A woman took a semester off to have a baby and when she returned to school, she wished to continue as a part-time student. She did not want to take on a full course load because she wanted to spend time with her newborn son.

She hoped her situation would allow her to fall into the hardship category so that her loan would be deferred for a period of time. However, under current law, the physical incapacitation of maternity does not qualify a woman for loan deferral under the hardship definition.

By not extending the hardship definition for maternity, the Federal Government is discouraging women from having children while they are in school. If they do have a child, they feel they must return immediately to full-time education. The alternative: begin payback on their Federal student loans.

The law was written to discourage students from unnecessarily prolonging their education and their financial debt to the Federal Government by taking too many leaves from full-time education. However, the law does not allow sufficient flexibility for the special circumstances of new mothers.

This change in the law is essential. It provides a new mother the flexibility needed to continue her education while spending important time with her child during the first months of life.

This change will not cost the Federal Government. It merely defers the student loan repayment for 6 months to allow the new mother additional time to balance her many financial and time commitments.

I ask my colleagues for their support for this simple and sensible adjustment in the law. Thank you.

H.R. 3249

A bill to permit, for not more than 6 months of maternity leave, the deferral of repayment of Federal insured, guaranteed, and direct student loans

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Student Loan Maternity Deferral Act of 1985".

SEC. 2. DEFINITION OF MATERNITY LEAVE.

Section 435 of such Act is amended by adding at the end thereof the following new subsection:

"(k) The term 'maternity leave' means a period during which a female borrower is pregnant, caring for a newborn child, or recovering from childbirth and during which such borrower is not carrying one-half or more of the full-time academic workload at an eligible institution and is not gainfully employed half-time or more.".

SEC. 3. ESTABLISHMENT OF MATERNITY LEAVE DEFERRALS FOR FEDERALLY INSURED STUDENT LOANS.

Section 427(a)(2)(C) of the Higher Education Act of 1965 (20 U.S.C. 1077(a)(2)(C)) is amended—

(1) by striking out "or" at the end of clause (vii); and

(2) by striking out "full-time employment," in clause (viii) and inserting in lieu thereof the following: "full-time employment; or (ix) not in excess of 6 months of maternity leave for female borrowers.".

SEC. 4. ESTABLISHMENT OF MATERNITY LEAVE DEFERRALS FOR FEDERALLY GUARANTEED STUDENT LOANS.

Section 428(b)(1)(M) of such Act is amended—

(1) by striking out "or" at the end of clause (vii); and

(2) by inserting before the semicolon at the end thereof the following: ", or (ix) not in excess of 6 months of maternity leave for female borrowers.".

SEC. 5. ESTABLISHMENT OF MATERNITY LEAVE DEFERRALS FOR NATIONAL DIRECT STUDENT LOANS.

Section 464(c)(2)(A) of such Act is amended—

(1) by striking out "or" at the end of clause (vi);

(2) by striking out the period at the end of clause (vii) and inserting in lieu thereof "; or";

(3) by inserting after clause (vii) the following new clause:

"(viii) is on maternity leave, as defined in section 435(k) of this Act."; and

(4) by adding at the end thereof the following new sentence: "The period during which repayment may be deferred by reason of clause (viii) shall not exceed 6 months.".

SEC. 6. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to any loan to cover the costs of instruction for periods of enrollment beginning on or after the date of enactment of this Act.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mrs. Meyers of Kansas) to revise and extend her remarks and include extraneous material:)

Mrs. Johnson, for 60 minutes, on September 11.

(The following Members (at the request of Mr. Miller of California) to revise and extend their remarks and include extraneous matter:)

Mr. Annunzio, for 5 minutes, today.

Mr. Wyden, for 5 minutes, today.

Mr. Gonzalez, for 60 minutes, today.

Mr. Gaydos, for 30 minutes, on September 10.

Mr. Durbin, for 60 minutes, on September 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. Meyers of Kansas) and to include extraneous matter:)

Mr. Frenzel.
Mr. Porter.
Mr. Chappie.
Mr. Young of Florida.
Mr. Kemp.
Mr. Gallo.
Mr. Dornan of California.
Mr. Gilman.

(The following Members (at the request of Mr. Miller of California) and to include extraneous matter:)

Mr. Mazzoli.
Mr. Gephardt.
Mr. Gordon.
Mr. Clay.
Mr. Lipinski.
Mr. Jacobs.
Mr. Anderson in 10 instances.
Mr. Gonzalez in 10 instances.
Mr. Brown of California in 10 instances.
Mr. Annunzio in six instances.
Mr. Jones of Tennessee in 10 instances.
Mr. Boner of Tennessee in five instances.
Mr. Murtha.
Mr. Walgren.
Mr. Garcia.
Ms. Kaptur.
Mr. Fuqua in five instances.
Mr. Fuster.
Mr. Kastenmeier.

ADJOURNMENT

Mr. MILLER of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 47 minutes p.m.) the House adjourned until tomorrow, Tuesday, September 10, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1935. A letter from the Assistant Secretary of Agriculture for Science and Education, transmitting the third progress report on the human nutrition research and information management (HNRIM) system; to the Committee on Agriculture.

1936. A letter from the Director, Office of Management and Budget, transmitting a cumulative report on rescissions and deferrals of budget authority, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 99–104); to the Committee on Appropriations and ordered to be printed.

1937. A letter from the Director, Federal Emergency Management Agency, transmitting a report on the administration of the Strategic and Critical Materials Stockpiling Act for October 1984 through March 1985, pursuant to the act of June 7, 1939, chapter 190, section 11(a) (93 Stat. 324; 95 Stat. 382); Executive Order 12155, section 1–105; to the Committee on Armed Services.

1938. A letter from the Auditor, District of Columbia, transmitting a report entitled "Review of University Supported Travel by UDC President's Spouse," pursuant to Public Law 93–198, section 455(d); to the Committee on the District of Columbia.

1939. A letter from the Secretary of Education, transmitting final regulations for the Handicapped Special Studies Program, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1940. A letter from the Chairman, Equal Employment Opportunity Commission, transmitting a report on coordination of Federal equal employment opportunity activities, pursuant to Public Law 88–352, section 715 (86 Stat. 111); Executive Order 12067, section 1–401; to the Committee on Education and Labor.

1941. A letter from the Secretary of Energy, transmitting notification of further delay in submission of the national energy policy plan, pursuant to 42 U.S.C. 7321 (b), (c); to the Committee on Energy and Commerce.

1942. A letter from the Acting Assistant Attorney General, transmitting the Department's views on the Railroad Safety Improvement Act (H.R. 2372); to the Committee on Energy and Commerce.

1943. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Air Force's proposed letter of offer to the Federal Republic of Germany for defense articles, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1944. A letter from the Under Secretary of State for Security Assistance, Science and Technology, transmitting notification of changes in allocations of foreign assistance and authorization of additional military assistance of El Salvador, pursuant to 22 U.S.C. 2413(b) and 2364(a)(1); to the Committee on Foreign Affairs.

1945. A letter from the General Counsel, U.S. Arms Control and Disarmament Agency, transmitting an errant sheet and corrected versions of the Nuclear Proliferation Assessement Statements Relating to the Agreement for Cooperation Between the United States of America and the People's Republic of China Concerning Peaceful Uses of Nuclear Energy, Pursuant to AEA, section 123d (92 Stat. 145); to the Committee on Foreign Affairs.

1946. A letter from the Acting Assistant Secretary for Health, Department of Health and Human Services, transmitting notice of an altered Federal Records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1947. A letter from the Assistant Attorney General for Administration, transmitting notification of a revised Federal Records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1948. A letter from the Benefits Program Manager, NAF Personnel Division, Department of the Army, transmitting a report on the U.S. Army Element, Stars and Stripes, Europe, Elective Annunity Contract for the plan year ending June 30, 1985, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1949. A letter from the Chairman, Federal Communications Commission; transmitting a report on compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act), pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1950. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a report on compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act), pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1951. A letter from the Administrator, Veterans' Administration, transmitting a supplemental report on independent hiring services and assistance programs, pursuant to 38 U.S.C. 1520 (94 Stat. 2185); to the Committee on Veterans' Affairs.

1952. A letter from the Secretaries of Agriculture and the Air Force, transmitting notice of intention to interchange military and national forest lands, pursuant to the act of July 26, 1956, chapter 736, section 1; jointly, to the Committees on Agriculture and Armed Services.

1953. A letter from the Chairman of the Board, U.S. Synthetic Fuels Corporation, transmitting the unaudited quarterly report for the quarter ended June 30, 1985, pursuant to Public Law 96–294, section 177(c); jointly, to the Committees on Banking Finance and Urban Affairs and Energy and Commerce.

1954. A letter from the General Counsel of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the Department of the Treasury for unforseen emergencies of a confidential character; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

1955. A letter from the Federal Inspector, Alaska Natural Gas Transportation System, transmitting the quarterly report on the status of the Alaska Natural Gas Transportation System for April through June 1985, pursuant to Public Law 94–586, section 7(a)(5)(E); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

1956. A letter from the Railroad Retirement Board, transmitting the 1987 budget submission, pursuant to 45 U.S.C. 231f (Public Law 93–445, title I, section 7(f) (97 Stat. 436)); jointly, to the Committees on Energy and Commerce, Ways and Means, and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3113. A bill providing for the coordinated operation of the Central Valley project and the State water project in California (Rept. 99–257). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2032. A bill to amend the Securities Exchange Act of 1934 to provide improved protection for investors in the government securities market, and for other purposes; with an amendment (Rept. 99–258). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EDGAR:

H.R. 3245. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Ways and Means.

By Mr. KASTENMEIER:

H.R. 3246. A bill to amend title 35, United States Code, relating to the implementation of the Patent Cooperation Treaty; to the Committee on the Judiciary.

By Mr. KILDEE:

H.R. 3247. A bill to amend the Native American Programs Act of 1974 to authorize appropriations for fiscal years 1987 through 1990; to the Committee on Education and Labor.

By Mr. WILLIAMS (for himself, and Mr. Ford of Michigan):

H.R. 3248. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes: to the Committee on Education and Labor.

By Mr. WYDEN:

H.R. 3249. A bill to permit, for not more than 6 months of maternity leave, the deferral of repayment of Federal insured, guaranteed, and direct student loans; to the Committee on Education and Labor.

By Mr. YOUNG of Florida:

H.R. 3250. A bill to amend title XVI of the Social Security Act to provide that certain aliens may not qualify for Supplemental security income benefits unless they not only are permanent residents of the United States but have also continuously resided in the United States for a period of 5 years, and to provide that an alien may not be admitted to the United States unless a citizen of the United States agrees to provide support to such alien for a period of 5 years after admission, and for others purposes; jointly, to the Committees on Ways and Means, and the Judiciary.

By Mr. DORNAN of California:

H.J. Res. 377. Joint resolution to designate December 5, 1985, as "Walt Disney Recognition Day"; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Florida:

H. Con. Res. 184. Concurrent resolution expressing the sense of the Congress that no amnesty should be granted to aliens present illegally in the United States; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Ms. Oakar.

H.R. 39: Mr. Williams and Mr. Andrews.

H.R. 97: Mr. Weaver, Mr. Shumway, and Mr. Monson.

H.R. 695: Mrs. Johnson.

H.R. 1021: Mr. Lagomarsino.

H.R. 1207: Ms. Snowe, Mr. Burton of Indiana, Mr. Boehlert, Mr. DioGuardi, Mr. Evans of Iowa, Mr. Bereuter, Mr. Solomon, Mr. Pursell, Mr. Derrick, and Mr. Gonzalez.

H.R. 1345: Mr. Shumway.

H.R. 1458: Mr. Ford of Michigan.

H.R. 1577: Mr. Lagomarsino.

H.R. 2001: Mr. Dwyer of New Jersey.

H.R. 2078: Mr. Fish.

H.R. 2236: Mr. Strang.

H.R. 2950: Mr. Durbin, Mr. Visclosky, Mr. Kastenmeier, Mr. Martinez, Mr. McCurdy, Mrs. Collins, Mr. Crockett, and Mr. Markey.

H.R. 3006: Mrs. Holt, Mr. Bustamante, and Mr. Petri.

H.R. 3172: Mr. Foglietta and Mr. Gallo.

H.J. Res. 51: Mr. Chapman.

H.J. Res. 52: Mr. Chapman.

H.J. Res. 218: Mr. Chappell, Mr. Aspin, Mr. Lantos, Mr. Gradison, Mr. Thomas of California, Mr. Schuette, Mr. Wheat, Mr. McKinney, Mr. Lent, Mr. Foley, Mr. Pashayan, Mr. Richardson, Mr. Green, Mr. Dicks, Mr. Olin, Mr. Chandler, Mr. Petri, Mr. Moore, Mr. Grotberg, Mr. Bennett, Mr. Coble, Mr. Annunzio, Mr. Fuqua, Mr. Gregg, Mr. Thomas of Georgia, Mr. Henry, Mr. Dorgan of North Dakota, Mr. Pursell, Mr. Synar, Mr. Barnard, Mr. Luken, Mr. Kasich, Mrs. Burton of California, Mr. Miller of Washington, Mr. Roberts, Mr. Dannemeyer, and Mr. Lewis of California.

H.J. Res. 221: Mr. Addabbo, Mr. Akaka, Mr. Applegate, Mr. Badham, Mr. Barnes, Mr. Bartlett, Mrs. Bentley, Mr. Berman, Mr. Boner of Tennessee, Mr. Borski, Mr. Bosco, Mr. Brown of California, Mr. Bruce, Mrs. Burton of California, Mr. Bustamante, Mr. Carney, Mr. Carper, Mr. Chappie, Mr. Coelho, Mr. Conyers, Mr. Crockett, Mr. Daniel, Mr. Dannemeyer, Mr. Darden, Mr. Daub, Mr. DioGuardi, Mr. Dornan of California, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Erdreich, Mr. Fascell, Mr. Fazio, Ms. Fiedler, Mr. Fields, Mr. Fish, Mr. Frenzel, Mr. Frost, Mr. Fuster, Mr. Ralph M. Hall, Mr. Hansen, Mr. Hayes, Mr. Heftel of Hawaii, Mr. Hefner, Mr. Horton, Mr. Howard, Mr. Hughes, Mr. Jones of North Carolina, Mr. Kemp, Mr. Kolbe, Mr. Kolter, Mr. Kostmayer, Mr. Lantos, Mr. Lent, Mr. Levin of Michigan, Mr. Lewis of California, Mr. Livingston, Mr. Lungren, Mr. Martinez, Mr. McDade, Mr. McKinney, Mr. Mitchell, Mr. Molinari, Mr. Ortiz, Mr. Pepper, Mr. Perkins, Mr. Pursell, Mr. Rodino, Mr. Rose, Mr. Rowland of Georgia, Mr. Scheuer, Mr. Solomon, Mr. Sunia, Mr. Swindall, Mr. Tauke, Mr. Tauzin, Mr. Torricelli, Mr. Towns, Mr. Traficant, Mr. Traxler, Mr. Valentine, Mr. Walgren, Mr. Waxman, Mr. Weber, Mr. Young of Alaska, Mr. Young of Florida, Mr. de la Garza, Mr. Gallo, and Mr. Rahall.

H.J. Res. 222: Mr. Coble and Mr. Huckaby.

H.J. Res. 296: Mr. Rudd, Mr. Gradison, Mr. Dowdy of Mississippi, Mr. Clay, Mr. Lightfoot, and Mr. Stump.

H.J. Res. 308: Mr. Towns, Mr. Weber, Mr. Wirth, Mr. Wylie, Mr. Young of Alaska, Mr. Barnard, Mr. Bereuter, Mr. Boner of Tennessee, Mr. Burton of Indiana, Mr. Campbell, Mr. Carr, Mr. Chandler, Mr. Daniel, Mr. Daub, Mr. de Lugo, Mr. Derrick, Mr. DioGuardi, Mr. Evans of Iowa, Mr. Foglietta, Mr. Frenzel, Mr. Fuqua, Mr. Gejdenson, Mr. Hertel of Michigan, Mr. Kanjorski, Mr. Kleczka, Mr. Kostmayer, Mr. Lehman of California, Mr. Lewis of California, Mr. Livingston, Mr. MacKay, Mr. McKinney, Mr. Miller of Washington, Mr. Moody, Mr. Moore, Mr. Moorhead, Mr. Murphy, Mr. Murtha, Mr. Pashayan, Mr. Pursell, Mr. Ray, Mr. Robinson, Mr. St Germain, Mr. Solomon, Mr. Stangeland, Mr. Tauke, Mr. Bosco, Mr. Conyers, Mr. Edgar, Mr. Kasich, Mr. Martin of New

York, Mr. Rahall, Mr. Rangel, Mr. Rudd, and Mr. Siljander.

H.J. Res. 351: Mr. Smith of New Hampshire.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2936: Mr. Gray of Illinois.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

197. By the SPEAKER: Petition of the city of College Station, TX, relative to the Fair Labor Standards Act; to the Committee on Education and Labor.

198. Also, petition of the Commissioners Court of Morris County, TX, relative to the Fair Labor Standards Act; to the Committee on Education and Labor.

199. Also, petition of the city of San Jose, CA, relative to the establishment of United States/Soviet crisis control centers; to the Committee on Foreign Affairs.

200. Also, petition of the city of Eden Prairie, MN, relative to the Baha'i community in Iran; to the Committee on Foreign Affairs.

201. Also, petition of Stefan Pfouner et al, Vienna, Austria, relative to Navajo and Hopi Indians; to the Committee on Interior and Insular Affairs.

SENATE—*Monday, September 9, 1985*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. Thurmond].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Except the Lord build the house, they labor in vain that build it; except the Lord keep the city, the watchman waketh but in vain.—Psalm 127:1.

Blessed is every one that feareth the Lord; that walketh in his ways.—Psalm 128:1.

God of peace and rest, thank Thee for a profitable recess—for work accomplished, for safe travel, for time with families, for rest, relaxation, recreation, and renewal. May the Senate enjoy Thy strength and wisdom in the pressing days ahead.

Gracious Father in Heaven, impress upon the Senators their accountability to Thee as they enter these final days of the 1st session of the 99th Congress. Help them to give their very finest leadership at this desperately critical time for our Nation. Save them from pretention and behavior that is simply cosmetic—which not only will not address the crises, but actually compound them. Give the Senators courage to be committed to truth and justice and the willingness to sacrifice purely political aims for the sake of the people. For Thy glory, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

OPENING REMARKS OF THE MAJORITY LEADER

Mr. DOLE. Mr. President, I thank the distinguished Chaplain for his very timely remarks. I hope that we can follow the advice in the coming weeks and months.

THE MISSION TO MOSCOW

Second, I welcome all of my colleagues back and particularly commend the distinguished minority leader, Senator Byrd, and others who have just returned from a very constructive visit ot the Soviet Union. I wait with interest the report from the distinguished minority leader, the President pro tempore, and others, who were on that mission to Moscow.

SOUTH AFRICA

Mr. President, I ask unanimous consent to have printed in the Record at this point the Executive order issued this morning by the President concerning South Africa, a fact sheet which outlines in a briefer way, a succint way, the President's actions; also a fact sheet on the difference between the bill, the so-called conference report that is pending, and the President's Executive order along with a letter that Senator Lugar received from the President concerning South Africa, the apartheid policies in South Africa, and the actions that the President has taken this morning.

There being no objection, the material was ordered to be printed in the Record, as follows:

The White House,
Washington, DC, September 9, 1985.

Hon. Richard G. Lugar,
U.S. Senate,
Washington, DC.

Dear Dick: I am writing to you today to ask for your support on an issue that has touched some of the most sensitive nerves in our body politic but which I feel strongly need not and must not divide us. That issue is South Africa. All of us agree that a system that deprives 73 percent of that country's population of basic political and human rights on the basis of race is an affront to our national values. We all know that such a system is also a threat to the long-term stability of a region that is important to our national interests. The question before us is how we best exercise the influence we have to work for a more just and stable order—without adding fuel to the fire and providing opportunities for greater Soviet influence.

To this end, I am issuing an Executive Order which is consistent with these objectives and provides us with a platform from which we can move forward together. The Executive Order incorporates many of the ideas that have come out of the Congress to disassociate ourselves from the system of apartheid. It also adopts the positive provisions of the legislation now before the Senate which will allow the United States to step up its help for the victims of that system. The Executive Order will allow us to execute these proposals in a responsible and effective manner. It is designed to signal the strong feelings all Americans share about apartheid, but it is clearly aimed against the machinery of apartheid, not the victims of that system.

If we all join together behind a common program, we can have so much more influence for good. Let us go forward with a clear vision and an open heart, working for justice, brotherhood and peace.

Sincerely

Ronald Reagan.

Executive Order: Prohibiting Trade and Certain Other Transactions Involving South Africa

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), the Foreign Assistance Act (22 U.S.C. 2151 *et seq.*), the United Nations Participation Act (22 U.S.C. 287), the Arms Export Control Act (22 U.S.C. 2751 *et seq.*), the Export Administration Act (50 U.S.C. 2401 *et seq.*), the Atomic Energy Act (42 U.S.C. 2011 *et seq.*), the Foreign Service Act (22 U.S.C. 3901 *et seq.*), the Federal Advisory Committee Act (5 U.S.C. App. I), Section 301 of Title 3 of the United States Code, and considering the measures which the United Nations Security Council has decided on or recommended in Security Council Resolutions No. 418 of November 4, 1977, No. 558 of December 13, 1984, and No. 569 of July 26, 1985, and considering that the policy and practice of apartheid are repugnant to the moral and political values of democratic and free societies and run counter to United States policies to promote democratic governments throughout the world and respect for human rights, and the policy of the United States to influence peaceful change in that country, as well as the threat posed to United States interests by recent events in South Africa.

I, Ronald Reagan, President of the United States of America, find that the policies and actions of the Government of South Africa constitute an unusual and extraordinary threat to the foreign policy and economy of the United States and hereby declare a national emergency to deal with that threat.

Section 1. Except as otherwise provided in this section, the following transactions are prohibited effective October 11, 1985:

(a) The making or approval of any loans by financial institutions in the United States to the Government of South Africa or to entities owned or controlled by that Government. This prohibition shall enter into force on November 11, 1985. It shall not apply to (i) any loan or extension of credit for any educational, housing, or health facility which is available to all persons on a nondiscriminatory basis and which is located in a geographic area accessible to all population groups without any legal or administrative restriction; or (ii) any loan or extension of credit for which an agreement is entered into before the date of this Order.

The Secretary of the Treasury is hereby authorized to promulgate such rules and regulations as may be necessary to carry out this subsection. The initial rules and regulations shall be issued within sixty days. The Secretary of the Treasury may, in consultation with the Secretary of State, permit exceptions to this prohibition only if the Secretary of the Treasury determines that the loan or extension of credit will improve the welfare or expand the economic opportunities of persons in South Africa disadvantaged by the apartheid system, provided that no exception may be made for any apartheid enforcing entity.

(b) All exports of computers, computer software, or goods or technology intended to service computers to or for use by any of the following entities of the Government of South Africa:

(1) The military;

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

(2) The police;

(3) The prison system;

(4) The national security agencies;

(5) ARMSCOR and its subsidiaries or the weapons research activities of the Council for Scientific and Industrial Research;

(6) The administering authorities for the black passbook and similar controls;

(7) Any apartheid enforcing agency;

(8) Any local or regional government or "homeland" entity which performs any function of any entity described in paragraphs (1) through (7).

The Secretary of Commerce is hereby authorized to promulgate such rules and regulations as may be necessary to carry out this subsection and to implement a system of end use verification to ensure that any computers exported directly or indirectly to South Africa will not be used by any entity set forth in this subsection.

(c)(1) Issuance of any license for the export to South Africa of goods or technology which are to be used in a nuclear production or utilization facility, or which, in the judgment of the Secretary of State, are likely to be diverted for use in such a facility; any authorization to engage, directly or indirectly, in the production of any special nuclear material in South Africa; any license for the export to South Africa of component parts or other items or substances especially relevant from the standpoint of export control because of their significance for nuclear explosive purposes; and any approval of retransfers to South Africa of any goods, technology, special nuclear material, components, items or substances described in this section. The Secretaries of State, Energy, Commerce, and Treasury are hereby authorized to take such actions as may be necessary to carry out this subsection.

(2) Nothing in this section shall preclude assistance for International Atomic Energy Agency safeguards or IAEA programs generally available to its member states, or for technical programs for the purpose of reducing proliferation risks, such as for reducing the use of highly enriched uranium and activities envisaged by section 223 of the Nuclear Waste Policy Act (42 U.S.C. 10101) or for exports which the Secretary of State determines are necessary for humanitarian reasons to protect the public health and safety.

(d) The import into the United States of any arms, ammunition, or military vehicles produced in South Africa or of any manufacturing data for such articles. The Secretaries of State, Treasury, and Defense are hereby authorized to take such actions as may be necessary to carry out this subsection.

Sec. 2. (a) The majority of United States firms in South Africa have voluntarily adhered to fair labor principles which have benefited those in South Africa who have been disadvantaged by the apartheid system. It is the policy of the United States to encourage strongly all United States firms in South Africa to follow this commendable example.

(b) Accordingly, no department or agency of the United States may intercede after December 31, 1985, with any foreign government regarding the export marketing activity in any country of any national of the United States employing more than 25 individuals in South Africa who does not adhere to the principles stated in subsection (c) with respect to that national's operations in South Africa. The Secretary of State shall promulgate regulations to further define the employers that will be subject to the requirements of this subsection and procedures to ensure that such nationals may register that they have adhered to the principles.

(c) The principles referred to in subsection (b) are as follows:

(1) Desegregating the races in each employment facility;

(2) Providing equal employment opportunity for all employees without regard to race or ethnic origin;

(3) Assuring that the pay system is applied to all employees without regard to race or ethnic origin;

(4) Establishing a minimum wage and salary structure based on the appropriate local minimum economic level which takes into account the needs of employees and their families;

(5) Increasing by appropriate means, the number of persons in managerial, supervisory, administrative, clerical, and technical jobs who are disadvantaged by the apartheid system for the purpose of significantly increasing their representation in such jobs;

(6) Taking reasonable steps to improve the quality of employees' lives outside the work environment with respect to housing, transportation, schooling, recreation, and health;

(7) Implementing fair labor practices by recognizing the right of all employees, regardless of racial or other distinction, to self-organization and to form, join, or assist labor organizations, freely and without penalty or reprisal, and recognizing the right to refrain from any such activity.

(d) United States nationals referred to in subsection (b) are encouraged to take reasonable measures to extend the scope of their influence on activities outside the workplace, by measures such as supporting the right of all businesses, regardless of the racial character of their owners or employees, to locate in urban areas, by influencing other companies in South Africa to follow the standards specified in subsection (c) and by supporting the freedom of mobility of all workers, regardless of race, to seek employment opportunities wherever they exist, and by making provision for adequate housing for families of employees within the proximity of the employee's place of work.

Sec. 3. The Secretary of State and the head of any other department or agency of the United States carrying out activities in South Africa shall promptly take, to the extent permitted by law, the necessary steps to ensure that the labor practices described in section (2)(c) are applied to their South African employees.

Sec. 4. The Secretary of State and the head of any other department or agency of the United States carrying out activities in South Africa shall, to the maximum extent practicable and to the extent permitted by law, in procuring goods or services in South Africa, make affirmative efforts to assist business enterprises having more than 50 percent beneficial ownership by persons in South Africa disadvantaged by the apartheid system.

Sec. 5. (a) The Secretary of State and the United States Trade Representative are directed to consult with other parties to the General Agreement on Tariffs with a view toward adopting a prohibition on the import of Krugerrands.

(b) The Secretary of the Treasury is directed to conduct a study to be completed within sixty days regarding the feasibility of minting and issuing gold coins with a view toward expeditiously seeking legislative authority to accomplish the goal of issuing such coins.

Sec. 6. In carrying out their respective functions and responsibilities under this Order, the Secretary of the Treasury and the Secretary of Commerce shall consult with the Secretary of State. Each such Secretary shall consult, as appropriate, with other government agencies and private persons.

Sec. 7. The Secretary of State shall establish, pursuant to appropriate legal authority, an Advisory Committee on South Africa to provide recommendations on measures to encourage peaceful change in South Africa. The Advisory Committee shall provide its initial report within twelve months.

Sec. 8. The Secretary of State is directed to take the steps necessary pursuant to the Foreign Assistance Act of 1961 and related legislation to (a) increase the amount of internal scholarships provided to South Africans disadvantaged by the apartheid system up to $8 million from funds made available for Fiscal Year 1986, and (b) increase the amount allocated for South Africa from funds made available for Fiscal Year 1986 in the Human Rights Fund up to $1.5 million. At least one-third of the latter amount shall be used for legal assistance for South Africans. Appropriate increases in the amounts made available for these purposes will be considered in future fiscal years.

Sec. 9. This order is intended to express and implement the foreign policy of the United States. It is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

Fact Sheet—President's Decision on South Africa Measures

President sending a strong signal to South African Government: apartheid must go; time is now for bold action; actions assert his strong leadership on this issue.

U.S. policy has long included measures to disassociate ourselves from apartheid.

Actions are consistent with President's intent to maintain active presence and influence of American companies, churches, teachers, diplomats, in pushing for change in South Africa.

President shares concerns of American people about racism; his action designed to speak for entire Nation and pull American people together on this important issue.

President's measures not designed to damage South African economy and hurt those we are trying to help; targeted on specific elements of government apparatus.

President wants to work wtih Congress, on a bipartisan basis, to achieve positive and productive changes in the policies of the South African Government.

E.O. commits U.S. to maintain strong presence in South Africa, supports fair employment practices of U.S. companies, increases USG funds for scholarships and human rights activities.

E.O. prohibits U.S. banks lending to South African Government, except loans which would promote welfare of all South Africans.

E.O. bans all computer exports to military, police, and other apartheid-enforcing agencies.

E.O. prohibits U.S. nuclear exports to South Africa except for items needed for health and safety or for IAEA safeguard programs.

E.O. requires firms to adhere to principles similar to voluntary Sullivan program; goal

is to maintain voluntarism, but those who do not adhere will be denied USG trade assistance.

E.O. requires USG to consult with GATT partners on Krugerrand ban.

E.O. requires the Secretary of Treasury to study feasibility of minting and issuing gold coins.

E.O. directs the Secretary of State to establish advisory committee of distinguished Americans to provide recommendations on measures to encourage peaceful change in South Africa.

E.O. will implement U.N. resolution, which U.S. supported, banning imports of South African arms.

Differences Between Bill and E.O.

BANK LOANS

E.O. eliminates an excessive extraterritorial application of U.S. law. Applies to making or approving loans to the SAG by financial institutions in U.S. It prohibits U.S. banks from approving in any way loans to the SAG by any foreign bank or affiliate.

The blanket exceptions (housing, education, health) are identical to those in the bill.

The bill's bank loan provisions would enter into force in 90 days; the E.O.'s in 60.

Treasury and State would be authorized under the E.O. to authorize a loan otherwise prohibited by it which would clearly benefit the victims of apartheid.

COMPUTERS

Essentially the same. The E.O. removes some of the ambiguities in the bill.

NUCLEAR

The E.O. incorporates the bill's prohibition. However, the E.O. includes a reasonable exception for IAEA safeguards and exports which the Secretary of State determines to be necessary for humanitarian reasons for reasons of public health and safety.

KRUGERRANDS

The bill would require an immediate ban on Krugerrand imports. The E.O. requires the Secretary of State and the STR to complete the measures needed pursuant to the GATT prior to a ban.

ARMS

The bill does not contain a provision on arms imports. The E.O. simply implements a Security Council decision of last December.

SCHOLARSHIPS AND HUMAN RIGHTS

Essentially the same. Both contemplate up to $8 million for internal scholarships in FY 86 for those disadvantaged by apartheid and $1.5 million for the Human Rights Fund. Implementing the E.O. will require certain notices to Congress.

DEFINITIONS

The bill contains certain definitions. Most definitions for purposes of the E.O. will be in the Federal agency regulations that will implement the E.O.

EXIM

The bill authorizes certain acts involving South Africa now prohibited by law. The E.O. does not contain such a provision, since an E.O. does not contain such a provision, since an E.O. cannot change a statute.

PROCUREMENT

Both the E.O. and the bill encourage U.S. agencies in South Africa to meet their local needs by procuring goods to the extent practicable from firms of those disadvantaged by the apartheid system.

LABOR PRACTICES

The bill requires U.S. firms in South Africa employing at least 25 persons to implement the Sullivan principles. If they do not, the U.S. Government will not intercede on their behalf with regard to their export marketing activities anywhere in the world. The State Department would also, in effect, be required to establish a new bureaucratic body to regulate the labor practices of such firms.

The E.O. requires U.S firms to adhere to the same fair labor principles stated in the bill. Firms can do so by joining the Sullivan Code and its implementing procedures.

The penalty prescribed for not adhering to the E.O. is the same as that contained in the bill

The main difference is that the bill would in effect end the excellent and efficient system currently in place for monitoring compliance with the Sullivan Code. The E.O. eliminates the need to create a cumbersome new bureaucracy.

STATEMENT OF LABOR PROVISIONS

The E.O. is shorter. It states the actual principles and does not specifically include all the examples provided in the bill. There is no difference in substance.

EMPLOYMENT PRACTICES OF THE U.S. EMBASSY IN SOUTH AFRICA

The E.O. and the bill are essentially the same.

ADVISORY COMMITTEE

The bill's advisory committee deals with labor matters. The E.O.'s advisory committee has a far broader mandate to make recommendations on how to influence peaceful change in South Africa.

FUTURE SANCTIONS

The bill contemplates possible future sanctions based on a Presidential determination on progress in South Africa and a subsequent act of Congress. The E.O. does not have a specific provision on this, but does not rule out this possibility.

REPORTS

The bill contains a requirement for several reports to the Congress (e.g., on progress in South Africa, on how each U.S. firm implements Sullivan). The E.O. does not contain such reporting requirements.

AMENDMENTS TERMINATION

The bill has no real waiver authority, and any change to its terms or terminating the act requires an act of Congress. This is also the case with respect to the so-called waiver provision on Krugerrands. The E.O. can be amended or terminated by the President at any time.

(Mr. COCHRAN assumed the chair.)

Mr. DOLE. Mr. President, the President states in the last paragraph of his letter: "If we all join together behind a common program, we can have so much more influence for good. Let us go forward with a clear vision and an open heart working for justice, brotherhood, and peace."

Mr. President, I make the same point, that we have an opportunity now in Congress, Republicans and Democrats alike, to join—in fact, the President has joined with us. It seems to me that what we should do now is to postpone any final action on the conference report, go forward together, Congress and the President, send the strongest possible signal to the South African Government, which this would do. Then, if for some reason, and I do not know of any, but if for some reason some provisions of the Executive order are not properly complied with or not adhered to as Members of Congress think they should have been, then the conference report would still be available, and it could still be acted upon. I also indicate the only real difference between the Executive order and the conference report is the fact that there are no sanctions in the Executive order but they are not percluded, and the sanctions in the conference report do not take effect until January 1987.

So for all practical purposes, anything that would have taken effect immediately or in the near future is in the Executive order with the exception of the Krugerrand issue, and on that issue the President, as he indicates in his order, will address the other GATT countries before taking that action.

I commend the President for his willingness to move in this direction, and I commend my colleagues, all my colleagues who have been interested in this issue. I hope that we can work out a bipartisan agreement, if not sometime today, then later and that at this time we simply postpone further action on the conference report until some time next year, March, April, some reasonable time in the future.

Mr. President, again I indicate to my colleagues that we will probably have a very busy September and October, possibly November, and someone even indicated December, but I hope to have an opportunity to meet this week with the distinguished Speaker, Congressman O'NEILL; the distinguished minority leader, Senator BYRD; along with the House Republican leader, Congressman MICHEL, so that we can advise our colleagues as clearly as possible when we would adjourn sine die.

I will indicate at a later time our proposed schedule during the Jewish holidays. We will not have votes prior to 6 p.m., and then there is likely to be a proposed recess that would come sometime, I think from the 10th to the 15th of October.

Mr. President, today we will have morning business until 1 p.m., a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes, and at the hour of 1 p.m. there will be 3 hours, or there are proposed to be 3 hours of debate on the antiapartheid conference report, to be equally divided, and then at 4 p.m. today, there is scheduled to be a vote on cloture.

It would be my hope that we might be able to alter the debate period because there will be a Republican conference at 2 p.m. in S. 207 to discuss the antiapartheid conference report, and hopefully we could reach some agreement where we would not have any debate on the antiapartheid bill until that conference is completed.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The **PRESIDING OFFICER**. Under the previous order, the Democratic leader is recognized.

THE MISSION TO MOSCOW

Mr. BYRD. Mr. President, I thank the distinguished majority leader for his references to the trip which I and other Senators on both sides of the aisle made to Moscow during the break. I am delighted that the distinguished President pro tempore, Mr. Thurmond, and the distinguished Senator from Virginia, Mr. Warner, were also on that trip. It was a very hardworking trip. Our time with Mr. Gorbachev was 3 hours and 35 minutes. We feel that we accomplished some things. We will be going down to see the President at the White House tomorrow at 3 p.m. The President had indicated before we left that he would like to have a report on our return and we will be prepared to talk with the President tomorrow afternoon. We look forward to visiting with him.

THE MAJORITY LEADER'S TRIP TO CHINA

Mr. BYRD. Mr. President, I again thank the distinguished majority leader. I am happy that he was able to visit the People's Republic of China. I have been there on two previous occasions. I know that it takes a lot of time and it is a very important thing that he has done. I think it is well that we keep open these windows to the People's Republic of China. Mr. Deng and others there have always been gracious to American's and particularly to elected public officials, whether they are in the Federal Government or in the State governments. I think that such visits are enlightening and helpful, particularly to Members of this body, a body that has certain foreign relations responsibilities.

So I compliment the distinguished majority leader and I say that I am happy that he returns looking as though he has had some rest and has been rejuvenated, both in spirit and in physical strength. I will be looking forward to talking with him further about this visit to the People's Republic. It is a country that just cannot be overlooked, a country that has a population of a billion people or perhaps more. It is not a country that one can just put out of view.

It is impossible to forget or to overlook—and very unwise to attempt to do so—the fact that the People's Republic of China consists of a billion people; some say 1.2 billion. It is only at the peril of having political glaucoma to fail to recognize that there is this country with a fourth of the world's population which cannot be hidden. It cannot be brushed off the international chessboard, whether we are concerned with trade or the economy or national defense or whatever. It is an increasingly important country.

Mr. Nixon opened up the doors for a normalization with that country. I am glad that Mr. Nixon did that. He is probably the only individual who could have done it.

It is good we do whatever we can to press forward with that normalization. We cannot be blind to all of the potential that this involves. It is in the best interests of our country that we better our relations and that we cooperate where we can with the People's Republic. Vice Premier Den has shown his inclination time and time again.

He visited here on Capitol Hill about 5 or 6 years ago. He spoke in the Russell Building, I believe. He visited my office at that time when I was majority leader.

More and more Members of the Senate ought to go to China, to talk with Chinese Government officials. It can create goodwill toward this country on the part of the People's Republic.

So I commend the majority leader again, express gratitude that he has been able to make this trip—and make it safely back home. I look forward to hearing more about what he has to say about China as a result of the visit.

Mr. DOLE addressed the Chair.

The **PRESIDING OFFICER**. The majority leader.

Mr. DOLE. Mr. President, let me thank the distinguished minority leader.

We will be filing a report, hopefully tomorrow, on our trip. Again, I know that some times Members of Congress are criticized for going anywhere outside the United States, or anywhere in the United States by some. But it seems to me, as the distinguished minority leader knows, these are working trips. I think we can count about 43 meetings in a 14-day period. But it was worthwhile. We are excited about it.

I share the view expressed by the distinguished minority leader that it is not only worth our time and effort, but I think it is worth whatever costs might be involved to the American taxpayer. We deal with these problems affecting the Soviet Union, the People's Republic of China, and you have just discussed trade. We visited Korea, Japan, the Republic of China, and Hong Kong. We have big trade deficits with our neighbors in the Far East that were certainly the subject of many of our meetings.

So it seems to me it is a good use of Members' time. I agree with the distinguished minority leader that more Members on both sides should be encouraged, notwithstanding some little criticism, to make this extra effort. It is not a vacation. It is certainly an experience.

SCHEDULE

Mr. DOLE. Mr. President, as I indicated earlier, and I have only recently delivered the memo to the distinguished minority leader's office, I have proposed that on the 16th and the 25th of September there be no votes until after 6 p.m. for Rosh Hashanah and Yom Kippur—the 2 Jewish holidays which occur in September. And I have also proposed that from close of business on October 10 until Tuesday, October 15, the Senate would be in recess, and probably there would not be any votes on the 15th because there will be a number of Members on both sides, I understand, involved in a very important conference in San Francisco, among other things.

Mr. President, I also delivered to the distinguished minority leader personally a first cut at matters that I think we must complete before sine die adjournment. There are other items that committee chairmen have called to my attention. I am certain that the distinguished minority leader will also have some priorities. My list was simply one way to start.

Mr. BYRD. I thank the distinguished majority leader. I assume from what the distinguished majority leader has said that it is somewhat likely that the Congress will be in session past the middle of October. Otherwise, the distinguished majority leader would not be laying out a possible recess. Of course, the majority leader is in a position where he has to do this because he cannot foresee what is going to happen with respect to the tax bill.

I welcome the opportunity to visit with the Speaker, and the minority leadership on the other side of the Capitol, as the distinguished majority leader has said to me privately, and just now publicly.

I would assume that whether the Congress is in beyond November 1, will largely be decided by what progress the House makes in getting the tax bill over to the Senate, and when.

Am I correct in that assumption?

Mr. DOLE. That is correct. As to the House bill, my latest information is that they are going to move very quickly on the tax bill in the next couple of weeks—at least have it drafted by then.

I am not certain when it will pass the House. But I am advised by the chairman of the Finance Committee, Senator Packwood, that his deadline

for action this year—at least unofficially the deadline is that at a minimum a bill would arrive here not later than October 15 because he may need additional hearings. Once it arrives, it would still likely take considerable time.

So, yes, I think whether it is Thanksgiving or Christmas will depend on the rate of progress on tax reform.

Mr. BYRD. I thank the distinguished majority leader.

THE TRADE CRISIS: THE COST IS TOO HIGH

Mr. BYRD. Mr. President, I call attention to the President's radio address on Saturday, September 7. He made a major statement on trade policy.

After 5 years of burgeoning trade deficits that have left millions of Americans permanently out of work or underemployed; after at least three nonpartisan reports to the President, several major studies by the Congress—including an excellent project by Senate Democrats—and countless private and university-conducted studies; after nearly every House and Senate leader, both Democrat and Republican, has sharply criticized the inaction, this administration has decided that there is a serious problem in America's trade relations. I have spoken to the Senate well over a dozen times; I have introduced several pieces of broad-ranging legislation; I have supported serious legislative proposals offered by my colleagues on both sides of the aisle; and I have established a Senate Democratic Working Group on Trade Policy. That working group is chaired by the distinguished Senator from Texas, Mr. Bentsen. I have done these things with a view to filling the void that has thus far existed in this administration in the area of trade.

After 5 years of abdication in the face of the growing international challenge, and 5 years of a big deficit, big dollar policy that shows a total disregard for the fate of American exports and export-related jobs, the administration has announced that it will use the authority it has always had from Congress to take action on a narrow group of products to a few select countries. This decision comes just days after the administration's decision to deny any relief to the American footwear industry, despite the International Trade Commission's finding that the footwear industry deserves such relief because it is suffering serious harm as the result of import penetration that has captured 70 percent of the American market. In a year when the administration's own economists predict that America's trade shortfall will exceed $150 billion, is this the appropriate response? Can we look after a few products in a few countries and call that a trade policy?

In their preliminary report, Senate Democrats called for a comprehensive trade strategy to assure American leadership in the world marketplace and a growing export sector that will provide jobs and support global trade expansion. The President's own Commission on Industrial Competitiveness called for an aggressive and comprehensive approach to the global competition and urged that "The President should pursue initiatives to make trade a permanent national priority." Certainly the steps the President outlined in his Saturday radio statement offer no broad-ranging trade policy. At most, they are an effort to buy time while the administration struggles with the question of how to deal with the growing congressional discontent over its lack of action on trade policy.

We have to be honest with ourselves. The time for a halting symbolic approach to trade policy is over. If the administration is unwilling or unable to fashion a comprehensive trade policy, then Congress is prepared to reassert its constitutional role as the body of Government charged with "authority to regulate Commerce with foreign Nations and among the several states." The administration cannot hope to buy time at this late hour, because we know that such time will be purchased with more American jobs, and further decline in our competitiveness. We have seen what 5 years of inaction have cost, and no one who has thought about the issue is prepared to buy time when the currency is our future. Senate Democrats are on record as being committed to a serious trade strategy, and I invite my Republican colleagues to join with us in our efforts to keep America competitive.

Mr. DOLE. Mr. President, do I have any time remaining?

The **PRESIDING OFFICER**. The Senator has 3 minutes remaining.

Mr. DOLE. I yield 3 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, would it be in order to ask unanimous consent for an additional 5 minutes? If so, I so ask unanimous consent for 5 additional minutes.

The **PRESIDING OFFICER**. Is there objection to the request?

Mr. BYRD. Mr. President, I have 4 minutes remaining. I yield to the majority leader for his further use.

Mr. DOLE. Mr. President, I yield that 4 minutes to the distinguished Senator from South Carolina.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

TRIP TO THE SOVIET UNION

Mr. THURMOND. Mr. President, I had the pleasure of going on the trip to the Soviet Union which was headed by the distinguished Democratic leader, Senator Byrd. I think it was a very helpful trip. We will be making a report to the Congress within the next few days. I wish to commend the Democratic leader, Mr. Byrd, for the excellent leadership he provided on that trip. I think that some good can come out of it. I feel we laid some groundwork for the summit meeting that is to be attended by our President, Mr. Ronald Reagan, and Mr. Gorbachev, the Soviet leader, in November.

THE GARCIA DECISION

Mr. THURMOND. Mr. President, during the recess, I was informed by the South Carolina Division of Human Resource Management that the financial impact of the recent U.S. Supreme Court decision in Garcia versus San Antonio Metropolitan Transit Authority will exceed $6 million per year to the State government of South Carolina.

I take this opportunity to once again emphasize that Garcia has set the stage for a devastating economic impact on State and local governments. Moreover, that decision is contrary to the principles of federalism set forth in the 10th amendment to our Constitution.

S. 1434 and S. 1570 would exempt State and local governments from the maximum hours provision of the Fair Labor Standards Act. As an original cosponsor of both bills, I urge my colleagues to join Senator Nickles, Senator Wilson, and me in our efforts to achieve speedy passage of these critically important legislative initiatives.

Mr. President, I ask unanimous consent that the following editorials from the State of Columbia, South Carolina, dated July 30, 1985, the News and Courier of Charleston, SC, dated August 1, 1985, and the Gaffney Ledger of Gaffney, SC, dated August 2, 1985, be printed in the Record as further evidence of the necessity of these legislative initiatives.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the State (Columbia, SC), July 30, 1985]

"Senate Bill Addresses Overtime Pay Problem"

The impact of the U.S. Supreme Court's Feb. 19 ruling requiring state and local governments to pay overtime to their employees is now being felt.

Officials of these lower-level governments have been forced to budget additional amounts to handle the extra personnel costs. Some predict that there will be a reduction of essential services, such as police, fire, and ambulance, in some areas.

On the other hand, many government employees are clearly pleased over the prospect of additional pay. Chief J.P. "Pete" Strom of the State Law Enforcement Division, noting that police officers have always worked long hours in emergencies without extra pay, thinks the ruling is overdue.

Not content with getting overtime pay at the beginning of the fiscal year, several Calhoun County deputies and a host of North Charleston firemen filed suit to obtain retroactive overtime back to April 15, the effective date of the ruling.

Regardless of what one thinks about the desirability of making state and local governments comply with the Fair Labor Standards Act (FLSA), it is certain that the Supreme Court's 5-4 decision in *Garcia v. San Antonio Metropolitan Transit Authority* raised a serious constitutional question.

In it, the court's thin majority reversed its own eight-year-old ruling in *National League of Cities v. Usery*, which overturned a 1966 congressional act that, relying on the Commerce Clause of the Constitution, extended for the first time FLSA minimum wage and overtime standards to state and local governments.

The *National League of Cities* case was bottomed on the Tenth Amendment, which established the principle of federalism by reserving to the states all power to make decisions on employees pay.

Now the court has done an about-face. Justice Harry Blackmun, writing for the majority, said the states are amply protected by their ability to elect the President and members of Congress. "The political process ensures that laws that unduly burden the states will not be promulgated," he said.

Justice Lewis Powell, speaking for the four-person minority, questioned how "the states' role in the electoral process guarantees" Congress "will not infringe on residual state sovereignty." He also lamented that the majority opinion "effectively reduces that Tenth Amendment to meaningless rhetoric when Congress acts pursuant to the Commerce Clause."

Justice Powell was on the mark with both assertions, but he and his like-minded colleagues did not prevail. *Garcia* stands as the law of the land and must be complied with as long as it stands.

But an effort in underway in the U.S. Senate to overturn the *Garcia* decision. California's Pete Wilson and South Carolina's Strom Thurmond have introduced legislation to exempt state and local govenments from the FLSA and permit, among other things, compensatory time in lieu of overtime pay.

Senator Thurmond noted the decision's "devastating economic impact" on local governments already operating on tight budget, due in part to a reduction of federal aid. He said the ruling might force them to cut other important programs or reduce manpower in vital public safety areas. The bill, he said, "would allow governments to better manage their budgets while giving employees the benefits of "comp time."

If the ruling stands, it will fall particularly hard on smaller units of government that doen't have enough employees to easily adjust work schedules. But it will also hurt bigger units in such ways as interfering with lengthy police investigations. Even voluntary extra work related to the job is not permitted without overtime.

The states, counties and cities need more flexibility than the FLSA permits, particulary in the public safety fields. Congress should give it to them.

[From the News & Courier (Charleston, SC), Aug. 1, 1985]

Pay Rule Not a Federal Issue

Mayor John Bourne's plan to shift the hours and pay schedules of North Charleston's firefighters in response to a recent U.S. Supreme Court ruling went into effect this week. Before debating the merits, or lack thereof, of the plan, the motivating factor—the Supreme Court ruling—was itself unconstitutional.

Historically, federal wage and labor laws have never applied to state and local governments. This is as it should be under the guarantees of the 10th Amendment, which reads: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." That amendment was the basis for a 1976 Supreme Court decision that exempted states and their political subdivisions from the federal minimum wage law.

But last February, in Garcia v. San Antonio Metropolitan Transit Authority, the Supreme Court, on a 5-4 majority vote, reversed that earlier decision and decreed that state and local governments were, in fact, subject to federal wage laws. By so ruling, the Court invalidated the 10th Amendment and states' rights took another thrashing from the hands of the courts.

But there's more here than just another states' rights issue. This ruling could cost the nation's taxpayers as much as $3 billion as firemen and policemen come under the minimum wage law plus overtime. For years, state and local governments sat down with employees and resolved overtime problems through the use of compensatory time off. That system benefited public employees and taxpayers alike.

If Mayor Bourne had not put the new hours and schedule changes in effect—thereby reducing overtime pay for firemen—the Supreme Court ruling could have cost his city about $1 million a year. But, under the Bourne plan, instead of a full staff of firefighters after 5 p.m. at the city's six fire houses, there will be a skeleton crew ready to be augmented by a centrally based "flying squad" or from firemen on standby at home.

The acid test of the new system will come when the first major fire is called in after 5 p.m. We agree with City Council member Patsy Hughes, who expressed her reservations on response time and her hopes that "we don't lose a house over this idea."

Some firemen are pleased with the plan because they will be working fewer hours. Others aren't too pleased because the new schedule just does not have the latitude of the old system that allowed second jobs during their off-time.

On Capitol Hill, at least four bills have been introduced to overturn portions of the Supreme Court's ruling. One, co-sponsored by Sen. Strom Thurmond and Sen. Pete Wilson of California, would go directly to the heart of the matter by amending the Fair Labor Standards Act to exempt state and local governments from its wage and hour regulations. That's a right reserved to local government by the Constitution and one that deserves to be restored.

"Leave it up to the States"

[From the Gaffney Ledger (Gaffney, SC), Aug. 2, 1985]

Taxpayers nationwide should support California Sen. Pete Wilson's effort to amend the federal Fair Labor Standards Act and exempt state and local governments from its wage-and-hour regulations.

Historically, federal labor laws have not applied to state and local governments, which is as it should be in a federal system such as ours. But in February, in Garcia v. San Antonio Metropolitan Transit Authority, the U.S. Supreme Court, by a 5-4 vote, reversed a nine-year-old precedent and decreed that state and local governments indeed were bound by such federal regulations.

The court majority ruled, in effect, that the 10th Amendment to the Constitution is no longer valid. That amendment reads, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States respectively, or to the people." The 10th Amendment was the basis for a 1976 Supreme Court decision that exempted states and their political subdivisions from the federal wage laws.

But there is considerably more at stake here than the two-centuries-old argument over states' rights under our federal system. There is also the matter of about $3 billion a year in taxpayers' money.

This is how much state and local governments could be forced to pay in additional overtime under the Fair Labor Standards Act as decreed in the Garcia ruling. The alternative, of course, would be to reduce overtime. But because most of that overtime is worked by public safety employees—police and firefighters—that's neither practical nor desirable.

For years, state and local governments and their employees have solved the overtime problem through negotiation and the use of compensatory time to offset overtime. This system has benefited public employees and taxpayers alike and should be continued.

Congress should move quickly to amend the Fair Labor Standards Act and restore the right of state and local governments to determine their own wage-and-hour standards.

THE TEXTILE INDUSTRY

Mr. THURMOND. Mr. President, turning to another subject, I hold in my hand a sheet that says 117 textile workers will lose jobs in Inman. "Several hundred fabric-finishing looms will be removed at Inman Mills and 117 people will lose their jobs this month in the first layoffs of the mill's 83-year history."

It further goes on to say, "Inman Mills is one of the top 10 employers in Spartanburg County. The company has spent nearly $50 million in recent years updating equipment at its four plants, Chapman said.

"Cheaper imported goods have made it unprofitable for Inman to produce unfinished fabric on the looms, Chapman said.

"We originally planned to continue running those 320 looms. It got down below costs so fast, so rapidly, that there was nothing we could do about it, and all was because of imports."

Then the last paragraph says "Mayfair Mills laid off about 35 workers in mid-July and Spartan Mills laid off 250 at its Beaumont Plant in mid-August."

Mr. President, the mills keep closing. Jobs are disappearing.

Mr. President, I hope the American people will wake up and see what is happening. What is happening in my State is happening in other States on account of excessive imports coming into this country.

Mr. President, I have another clipping that came out during the time we were in recess, headlined "250 Jobs Eliminated as Spartan Mills Shuts Weaving Operations."

To quote some paragraphs from this article, it states:

> About 250 employees of Spartan Mills will lose their jobs as the company phases out weaving operations at its Beaumont plant, the company chairman said Thursday.
>
> The phaseout, which began Thursday, will leave the plant producing only yarn, chairman and chief executive officer Walter Montgomery Sr. said.
>
> "This is a most difficult time for me," Montgomery said. "It's the first time we've ever had to lay off people since we've been in business, and I've been with Spartan Mills for 63 years."

Mr. President, the last paragraph in the article states:

> Montgomery blamed the phaseout on a "flood" of textile imports allowed by Federal trade polices.

Mr. President, this is further evidence that the trade policies being followed by the administration on textiles is not working. We cannot stand much longer. These jobs will all be gone, not only in my State, but in every State in this Nation, unless something is done to preserve these textile jobs. I am so anxious for the proper steps to be taken.

Mr. President, I would like to call to the attention of my colleagues an article printed in the July 10, 1985, issue of the Gaffney Ledger. It plainly tells the way of life in a small textile-mill community. The residents of Bath, SC, which happens to be in my home county of Aiken, recall how their lives have been woven into the operations of the communty's major employer, the Bath Mill. One generation after another has entered the mill during their teenage years, and have worked their way up to promotions and satisfactory retirement from a job well done. Families for generations have worked at the Bath Mill. The economic futures of many have been smashed. Bath Mill is closing in September. The flood of textile imports makes it impossible for it to remain competitive in the market. Employees who have spent their lives working at the mill and whose livelihood depends on the textile production now face unemployment.

Mr. President, many of these people have no hopes for retraining for other skills or finding other employment. I am deeply concerned about these people and other textile workers who are facing unemployment due to the flood of textile imports on our markets. We must act to protect American jobs and provide hardworking Americans a livelihood.

Mr. President, passage of S. 680 is crucial to this effort.

Mr. President, the article to which I just referred clearly reminds us that imports are hurting hardworking Americans, Americans who have spent their lives working to provide for others.

Mr. President, I ask unanimous consent that a copy of this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Gaggney Ledger, July 10, 1985]

No Regrets: Faithful Employees of Doomed Bath Mill Have Seen Good, Bad Days

Bath, SC.—If you add up the time Junior Reese and members of his family have worked at Bath Mill, it adds up to about 700 years.

Junior Reese could celebrate his 39th year at the mill this year. His wife, Betty Reese, has been there 34 years.

Long stays like that are common. People usually come to work when they're mere children and never work anywhere else.

Not any more. The mill is closing in September.

Reese said he went to work sweeping in the spinning room when he was 15. Mrs. Reese started work as a hand draw-in learner when she was 17.

People assumed Bath Mill was the company they would work for when they get old, Mr. Jones said.

"That was all there was," Jones said and shrugged.

"It was just a way of life," Mrs. Jones added.

The Joneses and Reese are natives of the Bath area. Reese was born in a Bath Mill company house.

The mill closing has left them unsure of their futures. The Reeses have applied for jobs with the Graniteville Company, and Jones plans to retire.

"Textile is all I know," Mrs. Reese said. "And this is the only place I've ever worked. I've never filled out an application for a job."

Reese said he's never even set foot in another mill.

Jones was planning on retiring anyway, but he says he had been hoping to finish out the end of the year, "but it doesn't look like I'll make it."

"There are some working here that just won't get another job because of their ages," Jones added.

Mrs. Jones says she hopes she won't have to try to find another job. Textile jobs are scarce, and she said it's probably hopeless to try to be retrained.

When Jones took his job sweeping the floor, he was making $9 a week. He lived with his uncle, who made $12 a week, and between the two of them, they fed eight people.

Both of them have worked their way up. Reese is now a supervisor and his wife works in the designing area of Bath Mill.

Neither of them ever had any desire to go anywhere else, they said, and two of their friends, Preston and Jessie Mae Jones agreed with them.

Jones has worked at Bath Mill since the 1930's. He said the only days he missed work were the two years he spent in the army during World War II. And Mrs. Jones began work two weeks earlier than Mrs. Reese did.

"There's no need of me trying to be retrained in other areas," she said. "This is all I've ever done."

Plant management has allowed other companies to take applications from Bath Mill workers. If workers have a job interview, they are encouraged to take time off.

Most of them do not know how long they have left because everyone won't be laid off at once. The operation is being phased out department by department.

The mill workers said working your way up from the bottom is part of the Bath Mill tradition.

The Reeses have a son who is doing cleanup work at the mill one day a week.

"He would've taken a job if they'd offered him one," Reese said.

The Joneses have a daughter and a son-in-law who both work at Bath Mill. Mr. Jones said that now he would advise his relatives "not to go into textiles."

"If I had my life to do over again. I'd come back," Reese said. "We've seen the good days and the bad days, and that's why we loved our plant."

Mr. THURMOND. Mr. President, here is one other item entitled "117 Textile Workers to Lose Jobs In Inman." Two hundred fifty jobs are being lost at Spartanburg textile mills, and an entire mill is closing in Bath, SC, involving probably 700 people.

Mr. President, how much longer is this administration going to wait before taking some action? The only action I see to be taken is to pass S. 680. Even if some immediate action is taken now, how do we know next year or 3 years from now the same situation will not come again? I think we need a sound bill, sound legislation, and S. 680 will meet that concern.

I want to say if we will merely keep the imports in line with the domestic growth, that is all we are asking. Why is that not fair? Yet the import growth is 33 percent and domestic growth is 3 percent.

Mr. President, the textile mills will fade out entirely in a few years. Then where will we get uniforms for military men? Where will we get the textile material used in parachutes and other items? According to the Defense Department, textiles rank second to steel in national defense.

Mr. President, it is important that this bill be passed as early as possible.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, let me indicate that I had the privilege of meeting with a number of the CEO's of textile plants at the request of the distinguished President pro tempore, Senator Thurmond, and the distinguished Senator from North Carolina, Senator Helms. We met in Greensboro, NC, about 3 or 4 weeks ago. We had a 2-hour meeting and discussed at length many of the problems that the distinguished President pro tempore has just informed the Senate about.

Mr. THURMOND. Mr. President, I wish to commend the majority leader for his going to North Carolina and meeting with the textile leaders. I am sure the information that was brought out at that time was very helpful to him as it was to others who attended that meeting. We are deeply indebted to our able majority leader.

SENATE RESOLUTION (S. RES. 217)—HONORING THE 98TH BIRTHDAY OF FORMER GOV. ALFRED MOSSMAN LANDON

Mr. DOLE. Mr. President, on behalf of Senator Thurmond, Senator Byrd, and myself, I send a resolution to the desk and ask for its immediate consideration. I have cleared this with the distinguished minority leader.

The PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

S. Res. 217

To honor Alfred Mossman Landon.

Whereas Alfred Mossman Landon, former Governor of Kansas and 1936 Republican nominee for President, is celebrating his ninety-eighth birthday today, September 9, 1985;

Whereas Alf Landon has a firm foothold in American political history of another period, and is ever ready to comment on current affairs with an expertise and sensibility that reveals his unique position as a grand old man of the GOP;

Whereas his blend of morality, humanity and practical politics, has led politicians, labor leaders, reporters, and academicians to seek advice and counsel at his west Topeka home over the last forty-nine years;

Whereas as early as 1936, Alf Landon was a man ahead of his times, reminding Americans of the evils of inflation and pointing to the dangers of uncontrolled Government spending;

Whereas his record of fiscal integrity and balanced budgets during his tenure as Governor of Kansas would be the envy of any contemporary President;

Whereas Alf Landon has contributed much to the development and education of young people;

Whereas for over fifty years, Alf Landon has been one of our most respected and inspiring citizens, earning a permanent niche in American history; and

Whereas as a statesman, politician, businessman, counselor, sportsman, and friend, Alf Landon is a model for all who know him: Now, therefore, be it

Resolved, That the Senate hereby extends to the Honorable Alf Landon our affectionate greetings and best wishes on the occasion of his ninety-eighth birthday.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, today, September 9, 1985, is the 98th birthday of a great American—who also happens to be a great Kansan and the father of my distinguished colleague from Kansas, Nancy Landon Kassebaum. Alf Landon is one of the most respected public figures in this country. Besides being an outstanding political leader for Kansas and the Nation, he has also been a successful businessman, wise counselor, caring friend, and family man.

It is a pleasure for the Senator from Kansas to introduce this resolution honoring Alfred Mossman Landon, former Governor of Kansas and 1936 Republican nominee for President, on the occasion of his 98th birthday. Alf Landon is one of those figures of American politics who remain timeless—he is as comfortable addressing the issues of today as he was addressing the issues of the 1936 campaign. Over the years, he has become a political institution—the GOP's grand old man, full of wisdom and experience and a lively sense of humor. He continues to represent the best of prairie populism, integrity, and independence. It is fitting that the Senate of the United States pay tribute to this great American today. He has been a personal inspiration to me, and he has certainly left a lasting imprint on the history of American politics.

POLITICAL ACCOMPLISHMENTS

Mr. President, Alf Landon has been present on the American political scene for longer than just about anyone still with us. He caught the political bug back in 1912, when he accompanied his father and William Allen White, the newspaperman, to that year's Republican Convention in Chicago. After a stint of activity with the Bull Moose movement, he established himself in the progressive wing of the GOP and moved up through the ranks of State politics to become Governor of Kansas in 1932, by a margin of 6,000 votes. At a time when Republican candidates nationwide were being swept out of office during the Roosevelt era, he was reelected by an increased plurality of 60,000 votes—the only Republican Governor elected in 1934.

STRONG STATE LEADERSHIP

National party leaders were attracted to Landon in 1936 because of his strong image and solid record in office. During the Depression, while the Federal Government was spending heavily and getting into enormous debt in the process, Governor Landon's antidote was to initiate a shoestring, no-frills budget in Kansas—and balance it. Twice Governor of Kansas, from 1933-37, Landon introduced more sweeping changes in his first term in office than Kansas had seen since the Populists took over in 1890.

One of his memorable first moves was pushing a bank bill through the State legislature in 2 hours. Having heard that a large Kansas City bank was about to collapse, Landon walked into the office of the Speaker of the House and explained the need for an emergency bill to keep Kansas banks from closing. The bill passed unanimously in both houses.

FISCAL AUSTERITY STILL IN VOGUE TODAY

Mr. President, Alf Landon was a man ahead of his times. At the top of the Governor's priority list was balancing the State budget during tough economic times. He began by implementing an across-the-board cut of 24 percent that extended to his own $5,000 a year salary and expenses of the Governor's mansion. However, when the legislature refused to cut the Governor's salary, he mailed back a 25-percent refund from each of his paychecks.

By the end of his first term in 1934, Governor Landon had managed to reduce the State per capita cost of Government from the previous $71 5 years before to $51. This is the kind of fiscal leadership that we see all too little of today. Perhaps what this country needs is a new dose of Alf Landon medicine. The issues that he fought so hard for back then are still with us today, even though the context may have changed.

TIMELESS LEADERSHIP

Mr. President, as Alf Landon describes himself, he is "an oil man who never made a million, a lawyer who never had a case, and a politician who only carried Maine and Vermont." His good natured response to the loss of the 1936 Presidential election has endeared him to the countless people who have sought his advice and wisdom since those times. Above the loss of the moment, he has remained a statesman, contributing to the political life of this country from behind the scenes—an inspiration to those who have walked similar paths in Kansas politics and tried their hand at the national level when the opportunity presented itself.

Those who know the Governor, and listen to his views, realize that, even if he had not been the 1936 Republican nominee for President, he would still attract the attention of those who continue to admire and respect his solid leadership, integrity, and practical political wisdom. He continues to give good, honest advice, and preserves a solid perspective of events, both past and present.

HAPPY BIRTHDAY, GOVERNOR!

Mr. President, Alf Landon's personal qualities are too many to enumerate—they are readily apparent to all those who visit with him. Like Truman of Independence and Eisenhower of Abilene, he presents an image of plain-speaking Midwestern values, decorated by a self-effacing humor that is refreshing today.

Family has always been important to Alf Landon. His loving wife Theo has been a strong, quiet, capable influence in his life. She is celebrating this occasion with him back in Topeka.

Their daughter Nancy contributes her graceousness, intelligence and wisdom to this body on a daily basis—she is their legacy to the national political scene today. It is a pleasure having Nancy Landon Kassebaum as a distinguished Senate colleague. A granddaughter, Mary, is a valuable member of my staff, as well.

Mr. President, we celebrate this occasion with Governor Landon and his wife. This man represents a timeless political influence, and we wish him health and happiness on his 98th birthday. The sincere greetings, affectionate thoughts, and best wishes of the U.S. Senate are with Alf Landon today.

Mr. President, I ask unanimous consent that copies of news articles honoring Governor Landon be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Kansas City Kansan, Sept. 5, 1985]

WITH A TWINKLE, ALF LANDON CELEBRATES 98

(By John C. Braden)

Topeka.—On the threshold of his 48th birthday, just 50 years ago, Alfred M. Landon was sitting in the Kansas governor's office, hatching a campaign to keep President Franklin Roosevelt from a second term.

A bunch of Kansas University grads and veterans of the World War were just starting to talk up the "old Budget Balancer"—Landon—as the GOP's hope to unseat Roosevelt.

On the threshold of his 98th birthday, Sept. 9, Alf Landon was sitting on the front porch of his west Topeka mansion. He beams at the memory of those days, making one forget for a moment that, as the 1936 Republican presidential nominee, he got buried in a massive New Deal landslide.

A lot has happened since. Landon came back to Kansas and built a white-columned mansion on a knoll in sight of the current governor's mansion. That's where he's remained to this day with his wife, Theo.

He returned to punching oil wells in the rolling countryside of eastern Kansas, assembled a chain of radio stations and became a confidant, pundit and patriarch to the GOP.

The Landon name has remained valuable in Kansas politics and the former governor's daughter, Nancy Landon Kassebaum, used it and him (in television commercials) to good effect to capture a Senate seat in 1978 and win a second term in 1984.

Age is catching up with Landon, although it took longer than it does for most mortals. His eyesight has weakened and his hearing dimmed, but there's still a sharpness in his eye and a tart answer on his tongue.

Seated between the soaring columns of his front porch, the balding patriarch in blue-and-green plaid flannel shirt says he's not doing too well, but he hasn't seen such nice weather for 150 years.

Then he gives you that grin.

In 1956, the late William Allen White, a famous Kansas newspaperman who knew Landon from his Kansas University days, described Landon's "brown, squinty eyes which opened sometimes like a flash and closed behind the shutters of a grin."

Same grin.

Gone are the horseback rides that were an every-morning ritual well into Landon's 90s, replaced by a walk around the grounds of "about a mile."

Failing eyesight has limited Landon's once-voracious reading, but he has other amusements.

"I watch football, but I haven't had very damn much to cheer and lately," he said, in reference to his alma mater's record.

No big bash is planned for his birthday. Vice President George Bush is expected to pay a courtesy call when he delivers a Landon Lecture Sept. 9 at Kansas State University, in Manhattan, Kansas, then stops in Topeka for a Republican Party fundraiser.

Landon has stopped making the 55-mile trip to K-State for the lectures, but still looks forward to these annual birthday visits from dignitaries. President Reagan came in 1982.

"It's pretty good coverage for an old man," he said.

As for Bush's chances of winning the 1988 GOP presidential nomination, "It's a pretty hard question to answer this far ahead of the convention, but there's no question about his being a strong contender," he said.

Landon also mentions Senate Majority Leader Robert Dole, R-Kan., and "that senator from down South," Sen. Jesse Helms, R-N.C., among the possibles.

Wasn't the populist Landon, in his heyday, considerably more liberal than Helms, and even President Reagan?

"I was. And I am," he said.

Although "a good many people" were frightened by Roosevelt's New Deal back when Landon was stumping against it, the former governor now allows that it didn't turn out to be that bad.

[From the Kansas City Star, Sept. 8, 1985]

ALF LANDON TO OBSERVE 98TH BIRTHDAY MONDAY

(By Lew Ferguson)

Topeka.—It was, Alf Landon confessed, one of the hardest things he has had to do in his long and eventful life.

Last July, the former Kansas governor and 1936 Republican presidential nominee gave away Red, the horse he once rode almost daily from his estate in northwest Topeka up the Kaw River and back 10 miles or more.

"It was very hard, my golly, yes," Mr. Landon said in an interview before his 98th birthday. His birthday will be on Monday.

"I hadn't been able to ride the old boy for two years, so I found him a wonderful place to live. I didn't sell him. I gave him away."

Red, owned by Mr. Landon for more than 20 years, was given to a family that has other horses on a farm east of Topeka. It was a relief to find pleasant surroundings for the old horse, Mr. Landon confided.

He spoke about Red as one would a valued friend with whom many memories are shared.

"We used to ride up the Kansas River, and the morning Rock Island train would go by," Mr. Landon recalled. "They'd blow the whistle and wave at us. I'd wave back. Old Red and I really had a reception committee."

Mr. Landon rode the horse well into his 90s but could no longer climb aboard him after he fell and broke his hip in April 1983.

Even after he quit riding, Mr. Landon would feed apples to the old horse.

The hip fracture and a fall last month that jammed a shoulder and caused pain in his tailbone—but broke no bones—have slowed Mr. Landon's physical activity. But he still walks, with the aid of a cane, 100 yards or so down his driveway and back, sometimes twice in a day.

Mr. Landon also has lunch once a week with two longtime friends at Barnett's Restaurant a mile from his home. Some weeks he goes out for lunch an additional time or two with other friends or visiting family members.

"I'm feeling a little better all the time," he said of his recovery from the recent fall, which occurred at his home.

On Monday, Mr. Landon will be the center of attention once more, as Kansas and the nation note his birthday.

Vice President George Bush will be in Topeka to help him celebrate.

When President Reagan came calling three years ago for Mr. Landon's 95th birthday, he promised him a flight to Washington aboard Air Force One for a party observing his 100th.

Mr. Bush will deliver a lecture at Kansas State University in nearby Manhattan Monday morning, then travel to Topeka for a visit in early afternoon at the Landons' big white colonial style home on the northwest outskirts of town.

Mr. Bush also will attend a fund-raising reception staged by the state Republican Party on Monday night.

The vice president will be there when the students and marching band of Landon Middle School come calling on Mr. Landon at his home in midafternoon, a tradition begun about a dozen years ago.

"I'm not going to say anything this year," said Mr. Landon, who in past years had a few words of advice for the students of the school that bears his name. "The vice president will be there, and I hope he'll say something to them for me.

"It impresses me that he will be there on my birthday. That's a real honor, having the president come for my 95th and the vice president this year."

Mr. Landon served as Kansas governor from 1933-37 and retired from candidate politics after losing the presidency in 1936, but nothing has dimmed his interest in state, national and world affairs—especially politics.

Getting caught up on the latest political gossip usually dominates his weekly luncheon sessions with friends.

Some of Mr. Landon's recent observations on the political scene:

Mr. Reagan is the most popular president since Franklin Roosevelt, who crushed Mr. Landon's challenge for the presidency 49 years ago this fall by winning 46 of the 48 states. He also calls Mr. Reagan "a pretty astute politician" who is able to marshal public opinion like no one since FDR.

He sees Mr. Bush, Kansas Sen. Bob Dole, New York Rep. Jack Kemp and Illinois Gov. Jim Thompson as leading contenders for the 1988 GOP nomination. While meticulously avoiding endorsing any of those contenders, Mr. Landon confirmed he likes Mr. Bush's campaign style.

New Russian leader Mikhail Gorbachev holds the key to future U.S.-Soviet relations. "He is the most important individual facing us," Mr. Landon said. "What's he going to do? Does he mean what he says? I hope we know the answers after the summit conference."

Alf Landon's Wisdom, Born in Defeat 40 Years Ago

By Michael Satchell

TOPEKA, KANSAS.—Alf Landon was tired. Dead beat. Utterly exhausted. At 8 o'clock on this morning, he had pulled on his jodhpurs, given his handmade English riding boots a lick or two with a polish cloth, had a confidential word with his arthritic old collie Shep, saddled up Red, his Morgan horse, and cantered down to the river for the benefit of CBS television.

The day before, he had done the same thing for ABC. The day before that or NBC. For three days, he had been questioned, filmed, posed, prodded and patronized by the news media from breakfast to suppertime. And now there was more.

Late in the scorching afternoon, he slumped down in an old leather chair in his library looking as frail and wilted as a Kansas sunflower growing in a vacant lot. His eyes closed. His jaw slackened. He wore every one of his 89 years in a single expression. It seemed almost cruel to ask him, quietly, what he thought of President Ford's campaign so far.

For several moments, nothing. Then he stirred. His eyes opened. He sat up. The juices began flowing and the words followed. "Ford is a good man, but dadgummit, he's got to get his campaign organized. Get rid of that Rogers Morton fella. Take the initiative and run Carter into the ground."

Politics, politics. Red meat to Alf Landon. And in a 15-minute discourse on the Ford campaign, he hardly paused, except to allow his interviewer time to catch up writing down the old man's words.

Alf Landon is unique, a living footnote to the American political history. After his crushing defeat in 1936 when he ran against an incumbent, Franklin Roosevelt, Landon never again sought public office, but he didn't retire from politics.

For 40 years, he has sat in his mansion in West Topeka while politicans, labor leaders, reporters and academics have tropped to his study for advice and counsel. He offered his opinions only when asked.

Over the years, he has become something of an institution, respected and admired, not an elder stateman in the sense of, say, Everett Dirksen, but more like the GOP's Grand Old Man, full of years and honors and good sense. It is a role that he loves, and with an old charmer like Alf Landon, it's impossible not to be entranced when he delivers a long lecture on deficit spending and Keynesian economics, then cadges a cigarette, sneaks a few drags and whispers: "Don't tell the missus, now."

Landon's wife is a woman of impeccable beauty named Theo. When she tells you that she is, in retrospect, rather pleased that her Alf didn't win back in '36, you know she means it in the kindest way.

"He wouldn't be here today if he had gone to the White House," she said "Washington would have killed him. He works too hard and he cares to much. It's a blessing really. Perhaps if more people had known him and what he stood for back them, he might have had a chance."

Ironically, in terms of public exposure, Landon is probably going to be seen or read about by more people today than when he stumped in 1936 before the days of mass media. He has been interviewed by major newspapers and the wire services, and the three networks have prepared profiles for use during the Republican convention coverage.

Tonight he is scheduled to make his only appearance at the convention. He will introduce his old friend, Sen. Robert F. Dole, R-Kan., the temporary convention chairman.

Had Landon been able to get his message—and image—across to America better in 1936, he just might have been able to make a race of it with FDR for his record was good and he was an attractive candidate.

He was schooled as a lawyer but never practiced. In 1908, after getting his law degree, he became a bookkeeper in Independence, Kan., and during summer vacations, learned the oil business from his father. In 1912, he started wildcatting in Oklahoma and Kansas, drilling his share of dry holes but hitting enough gushers to put him solidly into the oil business.

He caught the bug for politics in 1912 when he went with his father and William Allen White, the newspaperman, to the 1912 Republican convention in Chicago. After a brief fling with the Bull Moose forces, he settled into the progressive wing of the GOP and moved up through the ranks of state politics to become Kansas governor in 1932.

What attracted national party leaders to Landon in 1936 was his solid image and sound record in office. With the federal government spending heavily and getting into enormous debt in fighting the Depression, Landon put Kansas on a shoestring, no-frills budget and balanced it.

In 1932, he won his first gubernatorial term with 6,000 votes and in 1934, when Republican candidates nationwide were being swept out of office, he increased his plurality to 60,000 votes and was the only Republican governor elected that year. Back in the 1920s, when conventional wisdom dictated that such matters were best undiscussed, Landon was publicly denouncing the Ku Klux Klan and urging improved treatment of blacks.

There were personal qualities, too. Like Harry Truman of Independence, Mo., and Dwight Eisenhower of Abilene, Landon exhibited that reassuring, plain-speaking Midwestern decency.

A large oil painting of Landon hanging in his library and completed during his years as governor shows a man with a gentle smile and friendly eyes peering from behind rimless spectacles.

He looks for all the world like a seed salesman or the man bringing the Sears and Roebuck catalog, riding onto your farm on a buckboard or behind the wheel of a Model T. You would buy anything from Alf Landon. He had electability. But Roosevelt had more.

With a sunflower symbol, an "Oh Susanna" campaign ditty and a bulletproof speaker's lecturn, Landon went campaigning, but he knew he had little chance of becoming president.

"Running against Roosevelt," he recalled, "was like trying to get on a moving express train and stop it. There was no chance for me—but it was a good fight and a fair one and we respected each other."

The tally was 27,476,673 votes to 16,679,583, and FDR carried Kansas by 67,000 votes. Landon took only Maine and Vermont. But it bothered Landon not one whit. He spent election day fishing in the Kaw River and when his wife began weeping as the dimensions of the stunning defeat became apparent, Landon just laughed.

"How can you laugh at a time like this?" asked Theo.

"It's just the completeness of it," Landon replied.

So Landon stayed in Topeka, running his oil and natural gas business, his four radio stations, living with dogs and horses and good port, a comfortable life not unlike an English country squire.

The Landon home is a splendid residence, albeit a curious mixture of styles with eight white Doric columns fronting a three-story brick house ensnarled by climbing ivy. Behind, the fields sweep down to the Kaw River. Most mornings, Landon saddles up Red and rides for five or six miles before driving downtown to spend three or four hours at this office.

Inside, in the main area and library, there is little obvious clue that the man who lives here had a distinguished career in state politics and ran for the nation's highest office. But downstairs, Landon has converted his basement into a small museum, a sort of mini-presidential hopeful's library.

There are posters, neckties, pocket knives, salt and pepper shakers, drinking glasses and coffee mugs bearing the smiling, 1936 visage of Landon. There are political cartoons and plaques, awards and honorary degrees. Hundreds of mementoes are arranged in large display cases with "Please Do Not Lean On The Glass" signs. And there is the steel campaign lectern that takes four men to move it.

All of Landon's political memorabilia are here, and the way they are displayed tells you that the memories are very, very important. It almost makes you forget that Landon was the loser.

In his library ("Mein Kampf," "Khrushchev Remembers," "The Imperial Presidency," "Tom's Town,") Landon settled into his easy chair, on this hot afternoon, sipped a glass of water and chatted about two political campaigns 40 years apart.

"You know, you don't have to say I said this but I think I had a lot of foresight back then," Landon said. "My main messages were reduce inflation by cutting back on deficit spending . . . improved relations with other nations . . . and halt the growth of the federal government. Now look what has happened. Inflation is our worst problem at home . . . detente is a major goal . . . and Watergate showed us what can happen when the government gets so big and presidents start thinking they have the divine right of kings."

"I was advocating recognition of Red China years before Nixon went there. Watergate aside, I think Nixon's foreign policy was excellent."

Landon likes Ford and says he's so confident that the President will be renominated he won't even bother to discuss Reagan's chances. Being a Republican progressive, Landon has little time for the Californian, although he isn't eager to articulate his apparent dislike.

As for the November election, Landon thinks the Washington news media and the pollsters are a bunch of fools. "Everybody's saying it will be a landslide for Carter, but mark my words, it will be close, I'd hate to call it, but it will be close."

Wishful thinking perhaps, from a man who can probably identify better than anyone else with the Republican who will be chosen to run against Carter. Or maybe it's political foresight from a man who has had 40 years to reflect on a wealth of political years to reflect on a wealth of political experience that strangely began in defeat, rather than victory.

[From the Boston Globe, Sept. 9, 1985]

'I Would Have Made a Good President'

(By L. David Harris)

TOPEKA, KANSAS.—Age requires fit surroundings. The room is baronial; his portrait as governor is above the fireplace. There's a desk, table, dark carpet, lounging chairs, work chairs, large windows that overlook an expanse of green estate, a wall of books. It's a place to read, to study, to work, to confer. And it's immense: there's room to pace.

The old gentleman—Kansas' own Alfred Mossman Landon, Alf to the country and the world—is there waiting, sitting at his desk. He's 95 today: 46 years ago he ran for the President of the United States.

Something like a country squire, Landon still rides his favorite horse, Big Red, around his 24-acre Topeka estate first thing each morning, weather permitting. Then he holds court: His days are filled with visitors who talk the politics of warhorse campaigns of 40 or 50 years ago and the national politics of today. They seek his counsel, but mainly they seek his presence; he is something of a shrine to them.

Later today, Ronald Reagan will court him, visit him, honor him, wish him many more years. The feeling is mutual. At the last election, Landon, known as an independent thinker and usually aligned with Republican moderates, supported Reagan. "I thought he would make a good President," he says. "And now, well, I think he's making an excellent one."

And Landon is feeling generous: "Look," he says, "Reagan put through his last tax legislation with the assistance of House Speaker Thomas P. O'Neill, Jr. and Sen. Edward M. Kennedy, and they should get credit for that. They put their country above their party. They were all able to work together."

There's a certain dignity about Alf Landon. At midmorning, it's already hot, but his shirt is crisp white and his tie is straight. He is almost bald, with wisps of white hair. Behind the framed glasses his eyes can still twinkle, but they can appear tired, too. He seems at one time durable, yet vulnerable.

STILL ACTIVE AT 95

"My health?" he answers a question. "Well, I'm feeling my age—otherwise, I'm all right."

Landon still has his oil wells. He owns radio stations in Topeka, Dodge City, Liberal, Kan., and Fort Collins, Col., and in Liberal and Fort Collins he also owns television outlets. He talks with his broadcasting people every day on the telephone; he phones the supervisor of his Greenwood County, Kan., oil leases every night. And they regularly confer with him in person at his home. He has more than 40 stripper wells in Greenwood County, and, while he keeps in touch by telephone, he likes to be on the scene.

"I was always an old-fashioned oil producer," he says during an interview. "I believed in being on the derrick floor when they were drilling the formations. I drilled one well down there years ago, guess it was. I didn't go down. But the last well I drilled down there, I was up all night. Any oil man will tell you—the biggest thrill is hitting a good one."

His voice is a little raspy, and there are long pauses as he talks. Landon knows interviewers want to know about the past, but he works to weave it into his views of the present. He struggles for correct words, the right phrases; he struggles so that even the nuances of his thoughts are understood.

He has expectations of interviewers. He wants good questions, specific questions; interviewers should be informed. "Do you understand the terms I'm using?" he asks. And again: "Have you read up on that issue? Have you read what Scotty Reston wrote about that? And another time, when asked about the source of his outlook on life, he gently replied, "Why waste time on a very speculative question? You either have it or you don't.

Landon's life is politics. He likes nothing more than a good discussion of national and world issues. He talks faster, his eyes light up, he seems more alive, in love with his subject. And talks with him about politics and government always include a recurring theme—a theme he plays to the hilt and is absolutely, totally sincere about; namely, that today's problems are the same ones, only magnified, that plagued the country 46 years ago when he ran for president against Franklin Delano Roosevelt.

Further, he says FDR's deficit spending and rigid government controls were the beginnings of today's "inflation running wild." He sees bureaucracy as a virtually uncontrollable, "inexorable fourth branch of government" and he is appalled at what he perceives as the "fraud" of a poorly financed social security program. He still rails about the "many governmental regulations and abuses of power" that put the country "only steps behind what we have seen operating in the economic and fiscal and political policies of fascists states."

It's hard for him not to say, "I told you so."

He does say, however, "I would have made a good President. In some things, I would have been aggressive. In other things not so aggressive, But I would have done very well.

REAGAN IS "ON THE RIGHT TRACK"

He adds that he thinks Reagan is doing very well. No, he says, he has no advice for the President. "I think he's on the right track. Reagan's got a start in the right direction in the way of a balanced budget which is essential, not only to good government, but to meeting the problems of the unemployed."

Landon stays informed. He often reads six newspapers a day; he hears from his political and government friends. Issues, politics, are his regular fare. He say he remembers way, way back when he was pondering ideas that are just coming into vogue today.

In the Republican Party, Landon is known as a middle-of-the-roader and independent in his ways. He's been known to describe himself as a populist Republican, although he also says he's wary of labels and mistrusts them.

Landon called for the recognition of China before it was popular; he advocated that Eisenhower get rid of John Foster Dulles for his "negative" approach to US-Soviet relations; he pushed Nelson Rockefeller, then William Scranton, against Goldwater in 1966, fought the Kansas "right to work" amendment, showed concern about Richard Nixon's "capacity to be a good president'" even before Watergate, and enthusiastically endorsed the Panama Canal Treaty.

"I'm my own man," he says flatly.

Landon was born in West Middlesex, Pa., the grandson of a carpenter, and a Methodist minister and the son of an oil man. In 1904, his father brought the family to Independence, Kan., where his father took over the presidency of a gas company and directed the start of a natural gas pipe from Montgomery County to Topeka and Kansas City. "At that time the longest pipeline anywhere in the world," he says

Landon was graduated with a law degree from the University of Kansas, worked the oil fields, picked up his first oil wells and followed the politics of his father. Father and son went to the 1912 Republican Convention, where they watched their hero, Teddy Roosevelt, lose out to William Howard Taft for the presidential nomination.

They came back to Kansas where with their close friend, William Allen White, of Emporia, they formed the bulwarks of the Kansas "Bullmoose" movement, then finally returned to the Republican fold. Later, too, in 1924, they again joined with William Allen White in a crusade against the Ku Klux Klan, which at that time was active in Kansas political parties.

Landon was twice governor of Kansas (from 1933 to 1937). Kansas saw more sweeping changes in Landon's first term in office that it had since the Populists roared into the capital in 1890.

Among the new governor's first moves, and one he particularly remembers, was pushing a bank bill through the legislature in two hours. Motivated by secret news that a large bank in Kansas City was about to fall, Landon broke precedent by walking to the office of the Speaker of the House and explaining the need for a bill to keep Kansas banks from closing. Although one vote in either the House or the Senate could have brought passage of the bill, it passed unanimously in both Houses.

One of Landon's initial acts as governor, and one that later attracted wide attention in his presidential campaign, was his balancing the state budget. He began with an across-the-board cut of 24 percent that extended to his own $5000 salary and the expenses of the governor's mansion. The Legislature refused to cut the governor's pay, so Landon mailed back a 25 percent refund from each of his paychecks.

Near the end of his first term in 1934, he had reduced the state per capita cost of government to $51 from the $71 it had been five years previously. Kansans rewarded him by returning him to the governor's office for a second term with a 6000-vote margin. He was the only Republican governor re-elected in 1935.

Landon was named by acclamation by his party to run against FDR in 1936 and the campaign call was "Life, Liberty and Landon." But he was defeated in landslide. With a sense of humor and a gift for the turn of a phrase, he once told an interviewer. "I'm an oil man who never made a million, a lawyer who never had a case and a politician who only carried Maine and Vermont."

While he still speaks critically of FDR's politics and policies, he adds, "Personally, we were friends."

He once illustrated his morning-after presidential election blues by telling a story that only a Kansan would know. The story told of a Kansas rancher who was wiped out by a tornado—he lost his house, barn, fences, stock, everything. Surveying the destruction, the rancher burst out laughing.

"How can you laugh at a time like this?" asked his weeping wife. "It's just the completeness of it," the man replied.

During the interview, Landon's wife Theo, is in the next room. She doesn't enter the conversation, yet there is a sense that she is near. Landon's supervisor of his oil leases

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has arrived and she is quietly conversing with him, maintaining that conversation until her husband is free.

Mrs. Landon is 83. Family friends said she can talk business and politics, too. They say she is warm, gentle, humorous, talented. When her husband was running for President, she was profiled in national publications, complimented for her dedication to social welfare causes and admired for her talent as a harpist and pianist. Now, at their home, harp sits nearby. A few feet from it is an old elegant grand piano.

There are three children. Margaret Landon Mills, who lives in Topeka, is Landon's daughter by his first wife, Margaret Fleming, who died about a year after her daughter was born. Landon was a widower for about 10 years, then he married Theo. Their children are Jack, who lives in Colorado, and Nancy Kassebaum, one of Kansas' Republican senators.

He is known to be proud of his senate daughter, but scoffs when asked if I would like her to someday be the first woman to run for the presidency. "Assuring it would be possible, I wouldn't be around to see it," he says.

In politics, Landon has been called "the man from Kansas." Does that have a particular meaning for him?

"I don't know how the country interprets that," he says, "I think there's been some tendency by the big-city press to underestimate the role that Kansas has made in public affairs. But when you look back and see the legislation that we have sponsored in Kansas that's become national legislation . . .

"I mean the state's regulation of the railroad, direct primaries, the popular election of United States senators instead of the by the House—all those, about the turn of the century. We sent a Populist to Congress. Those Populist platforms, Populist policies, along with the law of the land. Some of the best things this country has going for it got their start in Kansas. And I feel strongly about that . . ."

[From the Wall Street Journal, Apr. 17, 1984]

ALF LANDON AND AMERICAN POLITICS

(By Dennis Farney)

TOPEKA, KANSAS.—"There you are," chuckles Alf Landon, an elfin man in a big armchair, savoring his memories. "My father took me to the 1912 Republican convention. That was my introduction to national politics. Now, my daughter is a U.S. senator.

"There you are."

He is 96 years old. Now, wispy-haired and fragile-looking, but with a sudden, zestful grin that surprises you. Nearly a half-century has passed since this moderate, independent-minded Republican challenged Franklin D. Roosevelt in the 1936 presidential race, and stepped in front of a landslide. The memories of this man from Kansas encompass a lifetime of politics—and of political change.

But change for the better, or the worse? Now there's a question to ponder on this sunny April morning. Alf Landon considers it silently, then smiles a sly smile.

"When I consider some of the things this country has survived, with some of the men who've been president, I guess I'm an optimist."

There remains a playful quality to Alfred Mossman Landon, who likes to describe himself as "An oil man who never made a million, a lawyer who never had a case and a politician who carried only Maine and Vermont." He once said his 1936 defeat reminded him of the rancher who lost everything in a Kansas tornado—house, barn, stock, the works—and burst out laughing.

"How can you laugh at a time like this?" asked his tearful wife.

"It's just the completeness of it," the rancher replied.

And there is an engaged, involved, quality as well. Alf Landon still confers by phone, almost nightly, with the supervisor of his Kansas oil wells. He still tends Big Red, his Morgan horse that, as horses measure time, is about as old as he is. He knows the latest gossip about the governor. He pores over the daily papers. And he studies politics as a professional does, appreciating events on several levels at once.

"Oh, I do admire a smart political move," he told the Salina, Kan., Journal in 1979. Like, for example, the way then-President Jimmy Carter called attention to opponent Edward Kennedy's performance at Chappaquiddick—then wrote Sen. Kennedy to say he hadn't meant Chappaquiddick at all. That was smooth.

"Got it in the paper twice."

ACUTE INSTINCTS

His political instincts remain acute. In 1979, when pundits were debating whether Sen. Kennedy would challenge Mr. Carter, Alf Landon advised his daughter, Kansas Sen. Nancy Landon Kassebaum, to watch for a telltale sign. She could be sure Sen. Kennedy was running if he announced his own energy program. Sure enough, the senator did announce an energy plan and, soon after that, jumped into the race. Later, when many political observers still predicted an easy Kennedy victory, Mr. Landon publicly predicted that "Kennedy will have a tougher time getting Carter out of the White House than may be generally supposed." Right again.

Today, Mr. Landon hasn't any doubt that Ronald Reagan will win reelection this fall. "Regardless of whom the Democrats nominate, they aren't together," he concludes.

But, determinedly going his own way, Alf Landon also persists in views that go against the grain of his own party and Mr. Reagan. He's a man who counted George Meany a personal friend, who fought an anti-union Kansas "right-to-work" amendment in 1966. And so, when asked whether the GOP has erred by being too antagonistic to organized labor, he leaves no doubt of his feelings.

"O, for God's sake, yes," he bursts out.

In 1950, Mr. Landon startled both parties by urging that the U.S. recognize China. "I wanted to work out a deal with them before Russia did," he explains. Today, he wishes President Reagan, who is about to visit China, would move more aggressively to exploit Richard Nixon's China opening. He has little patience with the argument, sometimes used by Mr. Reagan himself, that the U.S. must never "abandon" Taiwan for China.

"Taiwan isn't worth a dime to us," he says bluntly. "Everything they've built up is with our money."

And, in sharp contrast to conservative Republicans, he deplores the transformation of issues once a matter of personal conscience—abortion for example—into political issues. "That's bad," he declares. "What business has it got to be an issue? There are too many other important things."

It is tempting to conclude that politics was somehow simpler, less abrasive, in Alf Landon's day—before the rise of divisive social issues, before the rise of television. "When I ran for the Senate," his daughter recalls. "Dad told me two things to remember. 'When you go into a town, visit the newspaper editor. And if you're in a cafe, go back and talk to the cook.' "

Tempting, but probably wrong.

AN ABRASIVE LIFE

For Alf Landon's message is that political life has always been abrasive, and no less a noble calling for that. Approvingly, he once described the Founding Fathers as "rough, tough cookies with fire in their bellies." And listening to him now, re-fighting old battles, the description seems to fit him, too.

Take his battle during his first term as governor (1933-1935) to enact a state income tax. An industry lobbyist informed him he was going to lose in the state senate—by one vote.

"Well, there was one senator, a very nice man, who'd been elected with the money of a man who had a lot of highway contracts," Mr. Landon relates. "Somehow or other—I don't know how, because I was above such things—that contractor got the idea that unless he got his boy in line, he wasn't going to get any more state highway contracts." The senator got in line, the tax carried and the next day the industry lobbyist stuck his head into the governor's office.

"I said, 'I thought you had me beat,' He said, 'You got to our SOB.' "

"For Alf Landon," the Baltimore Sun noted upon printing an op-ed page piece by him in 1979, "time has confirmed more than it has mellowed." It's true. With fierce conviction, he argues that experience has only validated the arguments he made 48 years ago—that the Social Security system was unsoundly financed, that the New Deal would bring rigid regulations and higher taxes in its train.

Always deficit-conscious—he balanced his state budget with 25% across-the-board cut, from his own salary "to the janitor in the basement"—Mr. Landon is following closely the budget-freeze proposal advocated by his daughter. Sen. Kassebaum generally would hold authorizations for programs, including defense, to current levels through fiscal 1985. But the ever-independent father breaks with the daughter in one area: He wouldn't tamper much with the costly Reagan defense buildup. The Russians worry him.

"What do the Russians have to be afraid of us for?" he demands over roasted chicken and coffee at Tommys, his favorite retaurant. "We're so far behind militarily." He peppers his guest with questions about the huge Soviet naval exercises off the coast of Norway. Why so many ships? Why now?

When the check comes, Mr. Landon gathers it in. But, upon learning that Wall Street Journal reporters have expense accounts, he pushes it across the table just as promptly. "You didn't think I was going to be bighearted did you?" he asks. Then when a solicitous family friend asks him whether he'd like to rest or continue the interview, his reply is immediate: "Keep going!"

And that's what this feisty man from Kansas clearly intends to do—keep going. A year and a half ago, on Mr. Landon's 95th birthday, President Reagan visited him here and promised to fly him to the White House for his 100th birthday celebration. Later, some of Mr. Landon's friends suggested to him that, all things considered, he might be prudent to consider making that trip a bit sooner—say, for example, on his 97th birthday this Sept. 9.

Alf Landon pondered that for a while, then brightened with an inspiration. "I can go both times," he suggested.

Mr. DOLE. Mr. President, I would indicate that the distingusihed chairman of the Judiciary Committee has no objection to taking action on this resolution today.

Mr. THURMOND. Mr. President, I am happy to join with the distinguished majority leader in offering this resolution. I believe it is entirely appropriate. We are pleased to waive the jurisdiction of the Judiciary Committee and have action taken at this time. I commend the majority leader.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 217) was agreed to.

The preamble was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, let me say that Governor Landon, as he is affectionately known in Kansas, is very actively celebrating his 98th birthday. He has promised on his 100th birthday he will visit Washington, DC. So we are looking forward to having him in the gallery in a couple of years.

I thank the distinguished minority leader and the distinguished chairman of the Judiciary Committee for permitting the Senate to proceed to consider the resolution.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

THE HARVARD AGENDA FOR AVOIDING NUCLEAR WAR

Mr. PROXMIRE. Mr. President, this summer marks the 40th anniversary of the dawn of the nuclear age with the obliteration of Hiroshima from the explosion of a single relatively small atom bomb. For weeks, we were reminded with a steady drumbeat of media reports of the continuing threat of nuclear annihilation. We know of the overwhelming power of the superpower nuclear arsenals, poised and ready to fire—literally at the touch of a button. Our most prestigious scientific body, the National Academy of Sciences, tell us that if the button is touched igniting a superpower nuclear war, there is the clear possibility that it would trigger a nuclear winter throughout the world. That would be the worst environmental disaster in 65 million years. Mankind as a species might vanish. Certainly civilization, as we know it, would disappear. Not only the Soviet Union but the United States, too, would cease to function as an organized society.

Obviously, we need to focus the best intelligence in this country on how we can avoid such a terrible catastrophe. Every other issue pales into significance. Where do we find this intelligence? One of the great institutions of enlightenment in this country is Harvard University. A few years ago, several of Harvard's most distinguished professors collaborated on a book entitled, "Living With Nuclear Weapons." The authors called on Americans to recognize that nuclear weapons are here to stay. We have to learn to live with them. Painful and dangerous as that prospect is, we have no alternative. As Omar Khayyam wrote in his Rubaiyat: "The moving finger writes and having writ moves on; nor all your piety, nor wit shall lure it back to cancel half a line, nor all your tears wash out a word of it." Nuclear weapons are a fact of life and always will be as long as civilized man dwells on this planet.

Now these same Harvard wise men have once again come forward with some very useful advice in this unclear world. Jospeh Nye, Graham Allison, and Albert Carnesale teach at the John F. Kennedy School of Public Administration at Harvard. They have written a short article that appeared in the New York Times on July 31, entitled: "Of Hawks, Doves—and, Now, Owls." In less than a thousand words, this article suggests what we can do to reduce the chances of nuclear war that could come through inadvertence.

Why is this so important? Because the prospect of a superpower nuclear war resulting from the planned premeditated calculations of a sane superpower leadership are, thankfully, just about nil. The enormous deterrent power of 25,000 nuclear weapons on each side, guaranteeing the sure and swift devastation of any superpower involved in a nuclear war, has seen to that. But a nuclear war of inadvertence is a terrible and very real possibility. Here is where the "owls" come in. As the Harvard experts see it in their article:

> Owls believe the greatest risks of such war come from events getting out of control. History is full of cases where rational decision makers were tripped up by nonrational factors, with disastrous results.

Accidents can happen in an infinite variety of ways: Mental stress, missed communications, faulty computer chips or sensors giving false alarms of nuclear attack. The "owls" suggest a series of steps to avoid inadvertent war. Some of those steps would require cooperation with the Soviet Union; some this country can take independently. The "owl" cooperation steps include: Regular bilateral talks with the Soviet Union on crisis prevention; establishment of additional hot lines among all five countries with nuclear arsenals; multinational measures against nuclear terrorists; sanctions against nuclear proliferators; improvement of warning systems by placing unmanned tamper-proof sensors in each other's missile fields.

Here are the independent steps recommended by the "owls" to be taken by this country on its own: Install on nuclear weapons on naval ships electronic safety locks like those on land-based nuclear weapons; pull back from the East German-West German border the short-range nuclear artillery that would be difficult to control from Washington in a crisis; improve procedures for maintaining civilian control over nuclear weapons; prepare top leaders "far better than we do" for dealing with nuclear crises. The "owls" call these steps suggestive. There are many more that can and should be taken.

These Harvard professors concede that both the hawks and the doves have legitimate contributions to a balanced approach to keeping the nuclear peace. The hawks are right in insisting on a strong and conspicuous deterrent capability to make it clear that any nuclear attack on the United States would provoke a devastating nuclear response. The doves are right in urging mutual, verifiable arms control, easing tensions and seeking for improved ways of cooperation. But the owls have been neglected. Their concern may be the most serious and realistic of all. Inadvertent war through human fallibility in this complex technological world certainly constitutes a grave threat, probably the gravest threat to the survival of this country in this nuclear age. Wars have begun repeatedly throughout history because of human fallibility and inadvertence. Today, a war sparked by a simple human or mechanical blunder is far more likely. Technology has become so complex, it has obviously raced ahead of human judgment. And the destructive power is so infinitely more dangerous than ever before. This is why the owls deserve an attentive audience.

And, Mr. President, because the owls do deserve such an audience, I ask unanimous consent that the article to which I have referred in the July 31, 1985, New York Times entitled "Of Hawks, Doves—and, Now, Owls" and written by Nye, Allison, and Carnesale, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 31, 1985]

OF HAWKS, DOVES—AND, NOW, OWLS

(By Joseph S. Nye, Graham T. Allison and Albert Carnesale)

(CAMBRIDGE, Mass.—Forty years ago, one bomb devastated Hiroshima. Today, there are more than 50,000 nuclear weapons, and a nuclear war could destroy civilization. Avoiding war has become a necessity. How? Hawks have had their say; doves, theirs. Now, listen to the owls.

Public debate focuses heavily on the number of weapons. Hawks fear that fewer on our side might raise the risk of war by tempting the Soviet Union to try to exploit what might look like a military advantage. They point to the weakness of the democracies in the 1930's and their failure to deter Hitler. The way to reduce the risk of nuclear war, hawks say, is to strengthen our arsenal. Their motto is "peace through strength," and Munich is their historical metaphor.

Doves believe that overarming increases the risk of war: Even though we might intend to deter the Russians by adding more weapons, we may increase their fear of attack and provoke them into rash action that could lead to war. Doves draw a lesson from 1941, when America cut off oil supplies to Japan in an effort to deter it from attacking Southeast Asia. Instead, this helped provoke the attack on Pearl Harbor.

Hawks and doves have a point. If we want to reduce war risks, we need policies that steer a middle course between the dangers of temptation and provocation. But the hawk-dove battle misses a more important point: If nuclear war breaks out, it may be less because of deliberate decisions than because events get out of control.

A nuclear weapon is like a crystal ball. Any sane leader can foresee the outcome of nuclear war. But a ball can be shattered by inadvertence.

Owls believe the greatest risks of such war come from events getting out of control. History is full of cases where rational decision-makers were tripped up by non-rational factors, with disastrous results. World War I is the owls' historical methaphor: Most leaders expected a short war, a quick return to business-as-usual. Instead, four years of carnage destroyed 20 million people, three empires and Europe's central position in the global balance of power.

Events get out of control various ways. During a crisis, mental stress can produce a breakdown. Stalin went into seclusion for weeks after Hilter's attack on the Soviet Union in 1941. Or in the heat of a crisis, complex organization may be difficult to control, as President John F. Kennedy discovered when a reconnaissance plane strayed over Soviet territory at the height of the Cuban missile crisis in 1962 Communications may be sent to the wrong place or misunderstood, as happened just before Pearl Harbor. Of course, accidents can happen. False alarms of nuclear attack have occurred. When there is time, we can correct the effects of faulty computer chips or sensors, but at the height of a crisis, there may be no time.

Faced with the dangers of inadvertent nuclear war, what is to be done? Some of the owls' steps would require Soviet cooperation—for example, regular bilateral talks on crisis prevention; establishment of additional hot lines among all five countries with nuclear arsenals; multinational measures against nuclear terrorists, and sanctions against nuclear proliferators; improvement of warning systems by placing unmanned tamper-proof sensors in each other's missile fields.

Owls want America to take some independent steps. We could install on nuclear weapons on naval ships electronic safety locks similar to those on land-based weapons; we could pull back from the East German-West German border the short-range nulcear artillery that would be difficult to control from Washington in a crisis; we could improve procedures for maintaining civilian control over nuclear weapons, we would prepare top leaders far better than we do for dealing with nuclear crises.

These are only a few of the owls' recommendations, the list can be expanded. Owls have no monopoly on wisdom. Hawks and doves also posess part of the truth, but their preoccupations have overly dominated national debate. If we are serious about reducing the risks of nuclear war, we should pay attention to owls.

MYTH OF THE DAY

Mr. PROXMIRE. The myth of the day today is that the Reagan administration has aggressively pursued alleged procurement abuses by defense contractors. Of approximately 400 incidents of suspected contract fraud uncovered by Pentagon auditors over the past 5 years, how many has this administration pushed to prosecution? Three hundred? No. Two hundred? No. One hundred? No. Fifty? No. The fact: only 11 of 400 incidents have resulted in prosecutions. This fact consigns to the shadowy realm of myth the President's oft repeated assertion that this administration was pursuing vigorously contractors who overcharged the Pentagon and that the administration should receive praise and not blame for uncovering payments of $600 for a toilet seat and $400 for a claw hammer.

As reported recently in the St. Louis Post-Dispatch, James H. Curry, assistant inspector general at DOD, sent a memorandum to Inspector General Joseph Sherick, lamenting that "the detecting and reporting of fraud is a waste of time" because of the unlikelihood that contractors will be prosecuted.

Mr. President, let me repeat that. An internal memorandum in the inspector general's office from the assistant inspector general to Inspector General Sherick says that the detection and reporting of fraud in the Defense Department is a waste of time because of the unlikelihood that contractors will be prosecuted.

Who is to blame? According to a report issued in April by the Justice Department's Economic Crime Council, the Defense Department is at fault for referring an "alarmingly low" number of contract fraud cases, many of which were of poor quality, to the Justice Department for prosecution. Mr. Curry disputed the Justice Department's criticism, but responded: "What good is it to increase fraud referrals if nothing happens with the current referrals?"

Mr. Curry continued by stating that the failure to prosecute "regardless of blame, is undermining [the Defense Contract Audit Agency's] interest and support of * * * efforts to detect and prosecute procurement fraud."

Mr. President, this Senator does not know where the fault lies—whether with the Defense Department or the Justice Department—but he does know that President Reagan's assertion that his administration is tough on contractor abuses is a myth. It is a whale of a costly myth. It is costing the taxpayers of this Nation vast sums of money. Once again, it appears that the President is coated with impenetrable teflon. If the Defense Department could coat its missiles with that Reagan quality teflon, no defense could ever stop them. As the popular Washington euphemism has it, President Reagan is "detached" from a very real problem that demands his attention. It is time for him to convert myth into reality by directing the Defense Department and the Justice Department to stop pointing fingers at each other and put the finger on crooked defense contractors. Let's have fraudulent defense contractors prosecuted—all of them—not less than 3 percent.

DETROIT'S HOLOCAUST MUSEUM

Mr. PROXMIRE. Mr. President, the Wall Street Journal of July 12 reported the success of the Holocaust Memorial Center in West Bloomfield, MI, in its first 7 months of operation.

Nearly 100,000 people have visited the museum since it opened its doors 7 months ago.

Rabbi Charles H. Rosenzvig, founder of the center, believes its success is due to an unprecedented level of interest in the Holocaust at this time.

Rabbi Rosenzvig, a Holocaust survivor himself, raised the $7 million necessary to build the center from private contributions. He remembers that 20 years ago he couldn't find the support for the project.

The architecture of the museum has been called striking for the feeling of the death camp experience it has given to visitors.

The building has been described as tomblike. The doors through which visitors enter remind many of the rough riding of the cattle cars that carried Jews to the camps.

The heart of the museum is videotaped interviews with Detroit area survivors of the Holocaust. Several years ago it would have been very difficult to get these people to speak openly about their experiences.

Rosenzvig believes survivors are more willing to speak about the death camps because the number of survivors is dwindling and "revisionist" his-

torians have begun to claim that the Holocaust never happened.

The planners of the proposed Holocaust Museum in Washington have visited the Holocaust Memorial Center in Michigan to gather ideas. The two museums have the same objective of educating those who may know little about the Holocaust.

As each new generation is born, the memory of the Holocaust needs to be maintained and its lessons remembered. I applaud Rabbi Rosenzvig's accomplishment.

Mr. President, virtually every day in the major media in this country there are stories remembering the Holocaust or reporting the work of those committed to keeping its memory alive.

In the arts, the influence of the Holocaust is still strong. Think of all the popular books and movies that evidence the interest the American people have in the subject.

Ratification of the Genocide Treaty is a constructive act that we can take to show our determination that a Holocaust never occur again.

Ninety-six nations have already ratified the treaty. They must wonder why a nation that has always made much of its stand in protecting human rights would choose not to ratify this fundamental human rights treaty.

The Genocide Treaty has been reported to the Senate floor, now for the sixth time.

The treaty has enjoyed the support of every President since World War II.

Mr. President, we committed ourselves to taking up the Genocide Treaty early in the 99th Congress.

The International Convention on the Prevention and Punishment of Genocide is now on the calendar.

We have waited 35 years for this.

There are many important issues to resolve this session. The Genocide Treaty must be one of them.

SEPTEMBER GOLDEN FLEECE TO NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE

Mr. PROXMIRE. Mr. President, I am awarding my Golden Fleece of the Month for September to the National Institute of Neurological and Communicative Disorders and Stroke, for tossing away $160,000 to study in part whether someone can "hex" an opponent during a strength test by drawing an X in front of his opponent's chest. Look out, Hercules, here comes the 98-pound weakling who is good at drawing X's in the air.

Those bulging biceps and swollen pectorals can be pounded into submission by a hocus-pocus move. That is a thesis the Institute is testing with taxpayers' money. We have had voodoo economics, now we may get voodoo physiology.

The Institute is paying to determine whether a hulking, muscle-bound subject will lose in a strength test, like arm wrestling, to an obviously weaker opponent. That opponent, however, knows a secret—making an X causes those muscles to turn into jelly.

The Institute is sponsoring a series of tests. In one case, the spaghetti arms will be tested against the hulk's without performing the X. Other times, they will use this secret technique and see if they do better.

The X is not the only technique which will be tested. On other occasions, the wimps while gently resisting defeat will concentrate on sapping their opponent's energy as their opponents become weaker, weaker, weaker. This Senator has a different idea of whose strength is being sapped—the taxpayers' by the Institute.

On second thought, maybe the Secretary of Defense should be involved in this study. Think of the money we could save if we bought the X instead of the MX.

This Senator thinks that the only people who will really be pinned as a result of this study are the taxpayers, because the Institute has already put the hex on them. Clearly, taxpayers and vital health research have been double-crossed.

In a memo justifying support for the project the Institute states:

> * * * The phenomenon under investigation cannot be understood or explained by information currently available and it is of obvious interest to determine what other heretofore unknown factors or mechanisms significantly influence muscle strength and movement, particularly as they relate to diseases such as cerebral palsy, Parkinsonism, and stroke.

The United States is faced with many serious health problems and a staggering deficit that limits the amount of money we can spend. It is important that limited medical research dollars be spent as wisely as possible.

No one can deny that cerebral palsy, Parkinson disease and stroke are serious health problems which must be addressed through private and Government research. But in this time of severe economic distress, this Senator can only ask: is this particular expenditure the best approach for solving these problems.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. SYMMS). Under the previous order, there will not be a period for the transaction of routine morning business not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

H.R. 1460, THE ANTI-APARTHEID ACTION ACT OF 1985

INVOLVEMENT OR RETRENCHMENT?

Mr. HATCH. Mr. President, I would like to go on record as a vigorous opponent of this bill for two reasons: First, I believe it would be counterproductive in terms of helping South African blacks, and second, its net effect is not in the best interest of our national security.

There are two basic schools of thought on how the United States can best encourage the South African Government to dismantle the abhorrent and immoral system of apartheid. On the one hand, there are those who believe that sanctions are the answer. Mr. President, the bottom line of those who favor imposing sanctions against South Africa can be summed up in one word: "retrenchment." The retrenchers believe that we can punish South Africa, thereby inducing that country to reform.

A recent 700-page study by Gary Clyde Hufbauer and Jeffrey J. Schott entitled, "Economic Sanctions Reconsidered," indicates that sanctions are not as effective a foreign policy tool as one would think. Hufbauer and Schott conclude that:

> Policymakers need to take a close look at the cost and effectiveness of sanctions when designing foreign policy strategy. . . . In most cases, sanctions do not contribute very much to the achievement of foreign policy goals.

The authors contend that economic sanctions may be successful in situations involving small target countries and modest policy goals. Mr. President, ending apartheid is clearly not a modest policy goal but a major undertaking. Let us look at four major limitations on the use of sanctions that Hufbauer and Schott discovered in their study:

First. The sanctions imposed may simply be inadequate to achieve the objectives sought—the goals may be too elusive, the means too gentle, or cooperation from other countries, when needed, too tepid.

Second. Sanctions may create their own antidotes. In particular, economic sanctions may unify the target country both in support of the Government and in search of commercial alternatives.

Third. Sanctions may prompt powerful allies of the target country to lend support, largely offsetting whatever deprivation results from the sanctions themselves.

Fourth. Economic sanctions create their own backlash, abroad and at home. Allies abroad may simply not share the goals of the sender country, the backlash from the sender's allies may be exacerbated if attempts are made to enforce the sanctions on an extraterritorial basis.

After an analysis of 103 cases of sanctions imposed since 1914, including such major episodes as the grain embargo and the Soviet gas pipeline cases, the authors of this monumental study conclude that "sanctions are a decreasingly useful instrument."

Mr. President, I believe the measures outlined in this bill would not only be ineffective; they would actually backfire and harm South African blacks. If we reduce our level of economic involvement with South Africa, blacks and other disadvantaged groups will be the ones who pay the price.

There is a second school of thought which maintains that the most effective means of helping South African blacks is increased involvement in South Africa. Contrary to what some have claimed, this does not mean getting into bed with supporters of apartheid. Just the opposite. Constructive engagement means actively working for fundamental reform at all levels of South African society. In so doing, we need to send a strong, clear and consistent message to all South Africans: apartheid is reprehensible. Our objective is to encourage the acceleration of reform.

Mr. President, a legitimate question that South African moderates have raised during the past year is, why are other countries considering imposing sanctions now—precisely when the South African Government has taken concrete steps to dismantle apartheid? These key changes include:

First, the rise of the black trade union movement. Just 6 years ago, black trade unions were illegal, unrecognized, and had no bargaining status whatsoever. Now they are legal, growing strong, and becoming increasingly sophisticated. All reference to race, color, and sex has been removed from each and every piece of South African labor legislation;

Second, the adoption of a new South African Constitution. In November 1983 a national referendum was conducted in which the then all-white electorate overwhelmingly approved a new South African Constitution which extends the franchise to Asians and coloreds for the first time in the country's history;

Third, the establishment of a multiracial, tricameral Parliament in which whites, coloreds and Asians enjoy equal franchise and participate jointly in the executive and legislative functions of the national government for the first time. So far, blacks have not yet been included at this level, but State President Pieter W. Botha has called for negotiations with black leaders to develop constitutional mechanisms for blacks' political participation;

Fourth, the acceptance by the Government of the permanance of the urban black population;

Fifth, the discontinuation of resettling black communities—the so-called black spot policy;

Sixth, black's increasing share of the country's income. The black share of national income rose from 26 percent in 1970 to 40 percent in 1980. The 1985 black share of national income is nearly 50 percent. By 1982, South African blacks owned 227,000 cars, up 16 percent from 1977, and finally,

Seventh, the reduction of many aspects of so-called petty apartheid. For instance, laws which placed restrictions on interracial sport have been amended. Multiracial sport is now at the discretion of individual clubs. Laws forbidding interracial marriage have also been scrapped.

Mr. President, these changes are not sufficient. But taken collectively, they do indicate a trend toward reform. I believe that white South Africans are more ready for change now than at any time in that nation's history. Admittedly, there is still a group of hard-line Afrikaaners who fear sharing power with blacks. Significantly, however, a fundamental shift has taken place in South African internal politics: the debate is no longer over whether or not apartheid should be abolished, but rather how and at what pace reform should be accomplished. Paradoxically, if the United States turns its back on moderate South Africans who are committed to the reform process, we play into the hands of the minority of South Africans who wish to slow the process of change.

I firmly believe that the key to bringing about peaceful, fundamental reform in South Africa is economic growth.

Interestingly, Mr. President, the Washington Post has made this very point. In an editorial dated June 5, 1985; the Post writes:

> It is . . . the country's economy (that) is its most effective engine of social transformation, compelling whites to grant blacks precisely the training and education, the livelihood and personal rewards, the choices of where to live and work, the associations and organizations, the sense of their own power and community, that apartheid would deny them.

For the benefit of my colleagues I ask unanimous consent that this editorial be printed in the Record in its entirety.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The South African Sanctions

> Proposals in Congress to vote sanctions against South Africa were lagging until President Reagan imposed sanctions against Nicaragua. As a result of this seeming burden of consistency, the House may approve for the first time, on Thursday, a package of economic restrictions against the practitioners of apartheid. If that happens, it will be a mistake.
>
> The case for sanctions is that white minority rule is at once so odious and so powerful that it must be moved and can only be moved by extraordinary economic pressures applied from the outside. Not to attack apartheid in this fashion, it is asserted, is moral and political appeasement. That the intended beneficiaries may also suffer is set down as a price they are prepared to pay.
>
> But there is a serious, respectable, nonracist case against sanctions. It is that the country's economy is its most effective engine of social transformation, compelling whites to grant blacks precisely the training and education, the livelihood and personal rewards, the choices of where to live and work, the associations and organizations, the sense of their own power and community, that apartheid would deny them. And South Africa's place in the world economy, and especially the high-tech, democratic, politically responsive parts of the world economy, is a prime spur to this process.
>
> All of this is understood perfectly well by the sponsors of the sanction legislation. That is why they have quietly designed the particulars of their bill to make the minimal impact on black jobs and opportunities consistent with sending South Africa a political message. In short, the best thing about the bill is that its effect will be largely symbolic. But that does not make it wise public policy.
>
> The legislation is widely seen, by Democrats, as a rebuke to the Reagan administration's policy of "constructive engagement." That it would be. But it would be a poorly aimed rebuke. The type of engagement that widens blacks' economic advantages and openings is the good kind. What deserves to be criticized in the administration's policy but is not attacked by this bill is the bad kind: the kind that lets too many South Africans ask whether the United States is serious about apartheid, the kind that has American diplomats seem more often to be apologizing for apartheid than demanding its abolition.

Mr. HATCH. Mr. President, Chief Gatsha Buthelizi, the leader of South Africa's largest black ethnic group, the Zulu, and the president of a mass political movement known as Inkatha, made this point in his February 1985 meeting with President Reagan. Chief Butheleze told the President:

> I speak for millions when I say that we see tactical and strategic advantages in a rapidly growing economy . . . the non-violent transition from apartheid society to a society based on the principles of open democracy will be greatly enhanced by a sustained high rate of economic growth. Disinvest ment and the economic isolation of South Africa will bring about increased immediate hardships and starvation and will increase disease in the short term, without medium-term and long-term gains to balance deprivation and suffering. Finally, Mr. President, a black South African businessman summed up the situation when he said, "The vote and starvation is of absolutely no interest.

This bill is what I call the salami approach to disengagement: We slice off a little bit this year, and then another piece next year, and so forth. If this bill becomes law, a year from now the Members of this body could very well be debating the disinvestment option. A number of surveys canvassing urban South African black opinion on this issue of disinvestment have shown that an overwhelming majority oppose the strategy. Internationally recog-

nised sociologist Prof. Lawrence Schlemmer, director of the Centre for Applied Social Studies at the University of Natal, showed in one report that 75 percent of working blacks oppose disinvestment. The South African economy must grow by 5 to 6 percent each year in order to create 250,000 new jobs for young blacks. Instead of reducing our involvement in South Africa, we should increase our level of involvement.

An example of the type of involvement I am talking about is the positive initiatives of the nearly 300 U.S. businesses which operate in South Africa. These American firms employ approximately 120,000 South African blacks. Mr. President, I think it is fair to say that U.S. companies operating in South Africa have made a significant positive impact in terms of assisting South African blacks in their struggle for equality. The vast majority, over 70 percent, of South Africans who work for American companies in South Africa are employed by firms that voluntarily adhere to a code of employment conduct established by Rev. Leon H. Sullivan in 1977, known as the Sullivan principles. These companies have committed themselves to nondiscrimination in the workplace and to upgrading the working conditions, skills, and earning levels of their nonwhite employees. When the Senate considered an earlier version of this bill, S. 995, I made a detailed statement explaining why I believe the key to the success of the Sullivan signatories' efforts is the spirit of voluntarism at work. The bill before us today would make a code of employment principles mandatory. There are a number of reasons why this would be counterproductive, but I will not detail them at this time. However, I would refer my colleagues to my earlier statement if they have questions on this matter.

I would like to emphasize the positive role that U.S. businesses have played in South Africa. From 1977–84 U.S. firms spent $100 million in South Africa in the fields of housing, education, training, supervisory/managment development, black entrepreneurship, health, and fair labor employment practices. Sullivan signatories have lobbied for changes in discriminatory legislation, increased the proportion of black workers in supervisory positions, provided common medical, pension and insurance plans to all employees, instituted large-scale training programs for black workers, increased average black employee wages faster than for white employees, and supported public interest law firms which defend legal rights for black South Africans.

Specific initiatives by U.S. businesses include the establishment of PACE Commercial College by the American Chamber of Commerce in South Africa. PACE educates blacks in Soweto, the black township outside Johannesburg, for careers in business. The $6 million school includes 28 classrooms, an assembly hall, a library, a kitchen, a canteen, a gymnasium, and a wide variety of sports facilities. According to the American Chamber of Commerce in South Africa, PACE is the first school in Soweto to have a fully equipped theater, the first to introduce physical education into the curriculum, and the first to serve a balanced midday meal to all pupils and staff from its own kitchens. Tuition for students to attend PACE comes from donations from some 200 companies, trusts, and individuals. About half of these are South African and about half are American.

Mr. President, another innovative project funded by U.S. businesses in South Africa is the Build a Better Society Program known as BABS, which is funded in part by Mobil Corp. The objective of BABS is to promote grassroots resident action among the people of South Africa in order to improve the quality of life, to develop leadership for community problem-solving and to further the concept of equality by bringing about structural change. In June 1982 BABS completed a $1.3 million housing project outside of Capetown consisting of 50 housing units and a community center. This $1.3 million project was entirely funded by Mobil.

I understand that another U.S. company, General Motors, spends roughly $4 million a year on training and social programs for blacks, including the Adopt-A-School Program which provides facilities, support for teachers, libraries, and audio-visual aids to schools.

U.S. businesses have also made an impact in the political arena. For example, in 1982 the South African Government put forth an onerous piece of legislation entitled the "Orderly Movement and Settlement of Black Persons" law. The purpose of this measure was to control the movement of blacks to and from urban areas. The U.S. business community strongly and directly criticized this reprehensible piece of legislation and the bill was withdrawn.

A further example of the catalytic effort by U.S. companies occurred in January of this year when six major South African employer groups, including Afrikaaner and black groups, issued a manifesto opposing apartheid, calling on Pretoria to broaden political and economic participation for the black majority.

Finally, Sullivan signatory companies took an important additional step last December. They pledged publicly to work directly for the elimination of apartheid. As a result of such commitments, U.S. companies having operations in South Africa have become agents for social change—a fact acknowledged by both nonwhite South Africans and the South African Government.

Mr. President, some U.S. business leaders have said that, frankly, their operations in South Africa have a 1 percent profit factor and a 10 percent hassle factor. If we increase this hassle factor by, for instance, imposing a mandatory set of employment principles, some U.S. companies active in South Africa may come to the conclusion that it is simply not worth the trouble to operate there. This would undoubtedly impose a hardship on those South African blacks who are employed by U.S. firms—not to mention the rest of the black population which benefits from the spillover effect of U.S. business presence in South Africa.

Let me turn briefly to South Africa's geopolitical significance. The economies of 14 nations in the African subcontinents are critically dependent upon economic relations with the Republic of South Africa. The Republic of South Africa plays the leading commercial and development role in sub-Saharan Africa. The Republic of South Africa accounts for: 77 percent of the region's total of gross national product—1980; 77 percent of all the electricity generated in the region—1980; 97 percent of all the coal mined in the region—1980; 98 percent of the iron ore mined in the region—1980; 70 percent of the corn grown in the region—1980; 87 percent of the wheat grown in the region—1980; and 67 percent of the sugar crop in the region—1979.

The South African economy provides hundreds of thousands of jobs for workers from neighboring black-ruled states. Approximately 350,000 people from black-ruled countries neighboring South Africa work legally in South Africa. Assuming that each of these 350,000 workers supports a family of five, approximately 2,100,000 people in the region are dependent for their livelihoods upon jobs provided by the South African economy.

South Africa's neighbors depend on the South African gold mining industry; 12 percent of the gross national product of Mozambique is earned by Mozambiquans working in South African gold mines; 51 percent of Lesotho's gross national product is earned by the 104,000 Lesotho miners working in South African gold mines.

Again, Mr. President, my basic point is that any step which would retard South Africa's economic growth would have negative repercussions not only for South African blacks, but for the entire region of southern Africa. This would play directly into the hands of the Soviet-backed African National Congress, which seeks to make South Africa "ungovernable." At this point, Mr. President, I would like to insert into the Record an article from Clarion Call, which is published by Chief Buthelezi's Kwa Zulu government. The title of the article is, "The ANC does not consult Blacks in South Africa." In this article Chief Buthelezi makes the point that, "those who favour the armed struggle and those who favour the employment of violence to make South Africa ungovernable are the ones who scream out disinvestment slogans to the West."

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Clarion Call, Vol. 3, 1985]

The ANC Does Not Consult Blacks in South Africa

The congress held in Zambia recently by the ANC Mission-in-Exile—Its second since the 1960's—was not a "people's" congress where South African Blacks were represented.

Chief M. G. Buthelezi told the Inkatha conference delegates—to loud applause—that the ANC congress was a conference "of those who claim to be our representatives . . ."

The ANC Mission-in-Exile's delegates . . . are faceless nobodies we not whom. They do not report to us because they disown us," he said. (The ANC Mission-in-Exile has opted for an armed struggle, Inkatha for nonviolence and peaceful change.)

It was all a "deep Black South African tragedy" because having met in secret about secret agendas, the ANC members in exile would "strut about the capitals of the world puffing out their chests as though they have consulted with Black South Africa."

Chief Buthelezi said he did not deny the Mission-in-Exile's role in the struggle for liberation.

"But we hate White supremacy as much as we would reject Black supremacy if it were to replace White supremacy".

He had never sought confrontation with the Mission-in-Exile . . . but the fact of the matter was that the ANC had now turned to killing those who disagreed with them.

Chief Buthelezi then read to the Inkatha conference messages that the ANC Mission-in-Exile has recently been broadcasting to Black South Africa.

He said the ANC Mission-in-Exile's message to Black South Africa was "no more than a declaration of war on Inkatha . . ."

No matter what media-created leaders proclaimed, Inkatha, with its more than one million paid-up members remained the most authentic voice of the people in South Africa.

In an address immediately following the Inkatha conference, Chief Buthelezi said he believed the United States, "the greatest democracy in the world", looked as though it was heading towards "unforgiveably" mismanaging its influence.

Speaking to a group of influential American visitors at Ulundi he said:

"I fear that the United States is rapidly approaching the point when it will join the South African Government in mismanaging the factors of success."

"It can run rampant over neighbouring States without the permission of the electorate. It does not seek mandates to destroy democracy. It does not need mandates to fly against every accepted norm which Western civilised countries so value."

Americans did not hear him, he added, when he said that there were very real prospects of White South Africans driven to scorched earth policies.

Whites in South Africa should, instead, be steered away from traditional White tolerance of Government action—"which has for so long relied on police brutality".

"This cannot be done by brutalising them in the same way as South African Governments have always brutalised Blacks.

"The escalation of violence, both on the part of the State and by those who oppose the State, can only lead to ever diminishing prospects of salvaging this country from destruction.

"I am not heard in the United States when I say that we must increase White dependency on Blacks. That we must tip the scales even further in favour of the politics of negotiation. That we must increase Black bargaining power and that these things must be done by increasing the rate of industrialisation in South Africa.

"I am not heard in the United States when I say that those who are bent upon destroying democracy with violence; those who are bent upon making political killings every-day events; those who favour the armed struggle and that those who favour the employment of violence to make this country ungovernable, are the ones who scream out disinvestment slogans to the West."

Violence was flaring across the length and breadth of the country. It was what some called "constructive" violence against apartheid.

"The majority of acts of political violence in South Africa today are acts of violence by Blacks against Blacks," Chief Buthelezi emphasised.

"The ANC's Mission-in-Exile is daily broadcasting and exhorting our youth to kill for political purposes. Our youth are daily being exhorted to kill town Councillors and others with whom they disagree politically."

There were fronts in the country committed to making the country ungovernable and that Americans should not be blind to the fact that they were not going to do so by increasing the forces of democracy.

"Scripts are now being written for the destruction of democratic decency in this country," he said.

"There are forces right now driving to destroy the economic growth base of our country and the end product of the undermining of democracy and the destruction of the economy will be ungovernability in the true sense of the word—not ungovernability for the National Party but ungovernability for whoever may seek to govern.

Chief Buthelezi said that he was also not heard in the United States when he said that those who called for disinvestment and the politics of violence did not have membership-based organisations.

Americans did not listen to him when he said he held mass rallies at which tens of thousands of people—the majority of whom were workers—roared their support for his stand against disinvestment and violence.

If democracy was ever to become a reality, if South African society was ever to be normalised, the politics of national reconciliation would have to succeed.

He pointed out that history had shown that in their struggles, Black Americans did not seek to destroy American society, they sought entry into it.

"Black Americans did not seek to destroy civilised values, they sought to implement them. Black South Africans seek the same," he concluded.

He added that he was not heard in the United States when he said that apartheid was far more vulnerable to democratic opposition now than it had ever been before.

Apartheid was certainly far more vulnerable to democratic opposition than it was to the politics of violence.

"I am not heard when I say that the scales are tipping in favour of the politics of negotiation and that America—more than any other time in history—should be strengthening the democratic process.

"The United States should be strengthening the circumstances which favour the continued growth of democratic opposition to apartheid. It should be strengthening those who have made it their task to hold political violence at bay and to employ the forces of democracy to bring about real change. . ."

He was speaking, among others, to: Mr W Keys, Chairman, Black Political Action Committee (BLACKPAC), Mr J Parker, President, Lincoln Institute for Research and Education, Mr J Kendricks, Executive Vice-President Gencore Corporation, Secretary BLACKPAC, Mr J Watkins, Executive Member Ben Franklin Society and Mr E Alexander, Managing Director of the Jet Engine Testing Corporation.

Chief Buthelezi said that in South Africa racial prejudice had authored one of the most rejected forms of society known in the modern world.

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Inkatha To Investigate Opening to All Races

The decision by the PFP to open its membership to all race groups was applauded by Inkatha, said Chief Buthelezi.

Its parliamentary role demanded that this be done.

Inkatha would now have to think deeply about whether or not to throw open its doors to all races following the scrapping of the Political Interference Act.

"The history of the struggle for liberation has shown the difficulty with which Black organizations open their doors to all races, "Chief Buthelezi told the conference.

"In part the split between the ANC has experienced for so long have roots in this issue. In part the very real difficulties between AZAPO and the UDF have roots in this issue."

Hinting as the possibility of a future alliance he said the PFP, with a new multiracial membership, may yet find that it needed partnerships with Black organizations which elected Black leaders.

The National Party could also find such partnerships necessary "if ever it turns to facing up to the need for fundamental change. . ."

"My own political initiative sense tells me that it would be foolhardly for Inkatha to rush into hasty decisions in this regard. I believe we must feel our way into the future as a Black organization.

"Inkatha is adamantly opposed to any form of racism in government. I have no objection basically to Inkatha opening its doors to all races right now, but I think we need time to make up our minds. There is a role that we have played as Blacks and we will have to decide when it is wise for use to open our doors to all race groups."

The Central Committee of Inkatha was mandated by the delegates to "carefully examine" the difficulties which Black organizations has experienced in the past when they had thrown open their doors to other race groups and to advise next year's conference of their findings.

The conference called in another resolution for the PFP and Inkathan not only to continue with their dialogue, which had been ongoing for years, but to "deepen it and broaden it." This would include exploring ways and means of increasing constituency contact between the PFP and Inkatha.

Mr. HATCH. Mr. President, I am sure that my colleagues are well aware of South Africa's strategic importance to the West. The Western industrial world depends heavily on South Africa for chrome, manganese, vanadium, and platinum. A major disruption in the supply of these minerials would have a disastrous impact on oil refining and the production of a variety of speciality steels needed in such industries as aerospace and machine tools. If the Soviets were to gain control over South Africa, together with their own resources, they would have available 80 percent of the world's gold production, 76 percent of its chrome production, 90 percent of its production of metals in the platinum group, 80 percent of the production of manganese, and 80 percent of the world's production of vanadium. In addition, the Soviets would control the Cape of Good Hope, which is the world's busiest sea lane. Over half of Western Europe's oil, more than 7 million barrels a day, goes by supertanker past South Africa, while over one-fifth of all U.S. oil imports travel through the Cape.

Mr. President, there are those who say that constructive engagement is not working. I say it is precisely because the United States is having an impact in bringing about peaceful, democratic change that the Soviets would like to see us disengaged from South Africa. Their goal is to isolate South Africa economically, which in turn would result in rising black unemployment and increased unrest. This would provide fertile ground for those who seek violent revolution instead of peaceful reform. If we in the U.S. Senate are serious about helping South African blacks, and at the same time seek to preserve our national security interests, we will promote greater U.S. involvement in South Africa, not retrenchment. In a nutshell, the Salami approach to disengagement would be disastrous. I urge my colleagues to reject this ill-conceived measure.

SOUTH AFRICA

Mr. SIMON. Mr. President, it is encouraging that President Reagan has finally come to see that sanctions against South Africa are appropriate and necessary. However, the set of measures outlined in the Presidential decree are inadequate for a variety of reasons.

The conference committee report that was approved by the House and is now awaiting approval by the Senate was a product of bipartisan compromise.

In spite of the fact that the situation in South Africa has worsened with each passing day, the sanctions proposed by the President are even weaker than those contained in the less stringent Senate bill. Failing to vote on the conference report and allowing the implementation of less stringent sanctions at a time when the South African Government has resorted to unprecedented and brutal repression would send the wrong signal to the South African Government and to the world.

There are a number of problems with the Executive order issued by the President:

First, the provisions relating to Krugerrands are ambiguous. The Executive order provides that the ban on Krugerrand sales is subject to GATT approval but under GATT, the United States could take such an action unilaterally and the South Africans would then be entitled to retaliate. Thus, GATT approval is not necessary to implement the Krugerrand ban. Second, and most important, the Presidential decree abolishes the trigger mechanism contained in the conference report. That bill contained a provision that if no significant progress was made in abolishing apartheid in 1 year, additional sanctions, such as ban on new investment, denial of most-favored-nation status, and a prohibition on coal and uranium imports, would be activated. The threat of those further sanctions is a critical policy tool in continuing to put pressure on South Africa to change. Third, the ban on transfers of nuclear technology contains significant loopholes that are not contained in the conference committee report and were in fact rejected by the Senate Foreign Relations Committee.

During the time since the state of emergency was declared, official figures indicate that 650 people have died, 3,000 have been arrested. Virtually the entire leadership of the multiracial nonviolent organization, the United Democratic Front, has been detained without charges or is on trial for high treason. The South African Government has been called reformist but is a government reformist which arrests young children for boycotting schools that perpetuate the myth of their own inferiority? Is a government reformist which arrests people who protest the prosecution of an 8-year-old boy? Is a government reformist which imprisons black leaders such as the Reverend Allan Boesak and Bishop Trevor Tutu who advocate nonviolent change?

Time is running out. We have a unique opportunity today to take measures that will place the maximum amount of pressure on the South African Government to change. Failure to press for change could have disastrous and divisive consequence not only for South Africa but for our country as well. I urge that we vote on and pass the conference committee report.

THE PRESIDENT'S EXECUTIVE ORDER ON SOUTH AFRICA

Mr. HELMS. Mr. President, I shall vote against cloture today. It is not that the issue of South Africa needs more debate; rather, it is that the real issue needs to be understood, and that it be identified clearly in the minds of the American people. And, Mr. President, this is one issue that has been overtaken by events, namely, by the President's action in signing the Executive order this morning. By voting against cloture, we will demonstrate that there is no necessity to move to a final vote on the conference report.

Why is there no necessity for a final vote? Because the President's action already provides the symbolic stand against apartheid that the sponsors of this legislation say they desire. I would feel better about this action if the United States were not involved at all. The activities of the South African Government are the internal domestic affairs of that country. They do not threaten the peace of the world in any degree whatsoever. They do not threaten the security interests of the United States at all.

What does threaten U.S. security interests is the destabilization of the entire African continent being directed by the Soviet Union and its allies. The Soviets openly seek to destroy the pro-Western Government of South Africa in order to deny the geopolitical advantages of its strategic location and its mineral wealth to the West. They also wish to destroy a free-market oriented economy that stands as an affront to the socialist economies of the rest of Africa. They want to destroy the example of a country which, when compared to the rest of Africa, has far more individual and political freedoms than any country on the continent. Of course, it does not have the range of freedoms which the United States enjoys, but neither does South Africa have the relative degree of population homogeneity which the United States enjoys. Nevertheless there is not another country south of the Sahara which comes close.

The facts about the African National Congress have been well documented. Our distinguished colleague from Alabama [Mr. Denton] has carefully demonstrated the factual basis of the connection between Moscow and the ANC. It is fashionable to talk of the ANC as though it were an organization fighting for human rights; but we have seen in too many other nations when the Communist definition of human rights prevails.

The success of the current destabilization process being directed at South Africa depends very much upon the adoption of the conference report as reported to this body. In the first place, it is important for the destabilizers to neutralize the United States in the quest to bring down the South African Government. The conference report not only withdraws U.S. policy support from South Africa in sweeping terms; it also attempts to dictate fine points of domestic South African policy in a manner which the United States itself would never accept. It is cast in the iron mold of ideology, and bound in the chains of hostility.

I recognize that the sponsors of the conference report profess no such aims. I am talking about the practical result such a bill must bring. I am speaking from the recent history of such attempts to dictate so-called reform.

Does any one among us want another Iran?

Does any one think that Nicaragua is better off than before we dictated reform?

Is Zimbabwe better off under Mugabe, who has imprisoned and exiled his democratic opponents and slaughtered 40,000 of their followers in the past 2 years?

Is that the kind of reform we want for South Africa?

Mr. President, I am convinced that that is the kind of reform we would get under the conference report.

It seems never to be noticed that the situation in South Africa is not whites killing blacks, but blacks killing blacks.

It is not a case of a repressed populace exploding against their masters, but a campaign of terrorism directed primarily against the majority of blacks who reject violent revolution. It is a planned and organized campaign of terrorism which has as its purpose the disorientation and alienation of the majority of the black people. It is a campaign directed and organized by cruel men without mercy, men who are willing to kill and maim other black people, to see their jobs destroyed, their families destroyed, and their lives destroyed, just in order to achieve an ideological goal.

That is why the President has rejected economic sanctions against South Africa. He has rejected the prospect that he must stop commercial investment within a year if South Africa fails certain political standards. He has rejected the idea that we must stop trading with South Africa on a most-favored-nation basis if South Africa does not meet certain ideological standards of social organization.

The President's plan shows much more flexibility. He forbids commercial bank loans to the South African Government and to its entities. On a practical basis, most U.S. banks have stopped such loans anyway. I would have preferred not to see this action, nevertheless, because of the delicacy of the international financial situation. We have showed much greater concern for the financial condition of many Communist countries whose human rights records are unspeakable. At least, however, he includes an exemption for Government loans that will increase the economic opportunity of those disadvantaged by apartheid. This is as it should be. The cure for apartheid is economic opportunity, which will create—and has created—an irrestible pressure for political reforms.

The President's plan stops computer sales to the military and apartheid-enforcing agencies, just as the conference report does. Of course, computers have long been banned anyway to the military and to the police under the sanctions which have existed for many years. What the President does is to pinpoint the Nation's moral indignation directly at apartheid.

The President's plan also bans the export of nuclear materials to South Africa, but unlike the conference report, it precludes a ban which would undercut the international atomic energy safeguards against nuclear proliferation.

Finally, Mr. President, it should be noted that the President includes full support for the Sullivan Code principles, but without trying to fine-tune them down to the last comma.

Of course, the President also directs the Secretary of State to ensure that all agencies of the United States comply with these principles as well.

Mr. President, the remaining two issues are those of banning the importation of Krugerrands, and minting a U.S. gold coin. The President agrees with those of us who feel that the ban on Krugerrands is contrary to our international trade relations under GATT, and he asks for consultation with GATT on this matter. As for the minting of U.S. gold coins, I have long advocated a gold coinage for the United States; but I believe that it should be done for its own sake, and not as a response to a foreign policy issue. I agree that the Secretary of the Treasury should be consulted, but I would also urge comprehensive legislation, such as I have introduced in the past, with appropriate and extensive hearings on the matter.

In short, then, the President's plan shows much more flexibility, is less likely to destabilize South Africa, and omits the severe economic sanctions that would have resulted in the paralysis of the South African economy, and the loss of jobs and livelihoods for millions of black South Africans. Moreover, it divests the proposal of the politics and ideology which marred the attempt to create a policy which all Americans could support.

What will come out of this is a unified policy approach to South Africa which will urge the South Africans to find a framework for political expression without destroying the nation. It will provide a framework in which South Africa can retain strong ties to the West, and block Communist and Soviet expansionism in Africa.

Mr. President, the leaders of the black peoples in South Africa have said over and over again that they see no necessity to make the black people suffer in order to get political reform.

Mr. President, earlier this year, about 2,000 workers and Inkatha supporters demonstrated at the home of the U.S. Consul-General in Durban. They presented Mr. Harry Geisel, our Consul-General, with a petition signed by 10,000 blacks which protested U.S. disinvestment from South Africa.

The leader of this protest was Mr. Winnington Sabelo, a member of the Central Committee of Inkatha which is headed by the internationally respected Zulu leader, Chief Minister Gatsha Buthelezi, who is the Chief Minister of Kwazulu in South Africa. As Mr. Sabelo presented the petition to Mr. Geisel, he stated that "We want jobs, help us to get them. Disinvestment will kill us."

In a reply to press questions at the demonstration, Mr. Sabelo stated that Bishop Tutu, who was known to have urged disinvestment, did not speak on behalf of millions of black workers. Indeed, several placards carried at the demonstration stated similar themes. For example, one read, "When did the masses call for disinvestment?" In a direct reference to Bishop Tutu another placard declared that, "The clergy are not the workers nor political leaders."

Mr. President, Senators should note Prince Buthelezi's clear position on the role of Bishop Tutu. In mid May of this year, at the "KwaZulu Day of Prayer for Black South Africa," Chief Minister Buthelezi stated that Inkatha had little hope that Bishop Tutu would work effectively for reconciliation between black and black. He stated that:

> We do not have to read about Bishop Tutu's actions or to be told about them. We experience denigration which he has hurled at us so often from public platforms both here and abroad.

Mr. President, another figure to whom the media has given undue attention is Mrs. Winnie Mandela. How often in recent weeks has she been portrayed in the most glowing terms as a leader of black opinion in South Africa. That her husband has encouraged violence in South Africa, in line with orthodox Marxist-Leninist ideology, has not dimmed the mythology about the couple which has been circulated in the press.

It would be well to reflect on Chief Minister Buthelezi's comments on Mrs. Mandela and her political line in the same speech given on the KwaZulu Day of Prayer at Ulundi. Chief Minister Buthelezi stated that he believed the key to Mrs. Mandela's "political destitution and her impoverished view of South Africa" was her statement that,

> . . . the culture that made us and the culture that alone can save us is not ours anymore . . .

Chief Minister Buthelezi stressed that:

> It is culture that distinguishes man from beast, it is culture that turns us into people with human qualities created by God. It is cultural integrity and cultural values which make us walk tall as human beings and relate to others.

He continued by stating that:

> Culture cements human beings into cohesive achievement-oriented communities seeking higher goals than those of the beasts. Culture is not an insular thing which divides one group from another.

Chief Minister Buthelezi stated that:

> If Mrs. Winnie Mandela was a true black; if she was an African, she would not despise the people around her like she despises me. I have never met such an African defeatist attitude before as I have met in Mrs. Madela. It is those who have abandoned their blackness and who have abandoned their African stature that crawl in the gutters of politics. . . . Those who work to destroy unity are an alien evil force among us.

Chief Minister Buthelezi condemned outbreaks of violence and those who encouraged black children to go on rampages of violence. He stated:

> And when they do so in the name of the struggle for liberation, and when they are lauded as being a new breed of South Africans with iron in their souls and when they are presented as an advance guard of the African National Congress' Mission in Exile, the pain in my being becomes unbearable.

Mr. President, Chief Minister Buthelezi, before the Legislative Assembly in KwaZulu this year, addressed a number of issues in a frank and responsible manner. He stated that:

> I am prepared to talk about power-sharing without insisting on one-man, one vote in a unitary state. I ask simply that the South African government declare its intention of talking about an alternative to a one-man, one-vote in a unitary state with Black South Africa.

In terms of the current constitutional arrangement, Chief Minister Buthelezi stressed that:

> We must seek an alternative political system in which universal adult sufferage is expressed in constitutional terms acceptible to all the People of South Africa. Power-sharing within the framework of the present constitution is not possible . . . power-sharing will only have meaning for blacks when they share power at central government level.

Mr. President, there can be no question about Chief Minister Buthelezi's credentials as a leader in South Africa. He is the preeminent leader of the Zulus who number between 6 and 7 million and who constitute the largest black national grouping. He is a responsible man with a strong Christian commitment. He is a man who seeks to engage in the process of negotiation and reconciliation in order to achieve a just solution and constructive progress in South Africa.

Mr. President, so that our colleagues may benefit from a careful review of the position of Inkatha on the question of disinvestment, I ask unanimous consent that the petition presented by Inkatha to our Consul-General in Durban be printed in the Record.

Mr. President, so that our colleagues may benefit from a careful review of the position of Chief Minister Buthelezi on the matter of negotiations with the South African Government, I ask unanimous consent that the "Declaration of Intent" issued by Chief Minister Buthelezi before the KwaZulu Legislative Assembly on May 27, 1985, be printed in the Record.

There being no objection, the petition and the declaration were ordered to be printed in the Record, as follows:

Anti-Disinvestment Petition to the U.S. Government

The following is the text of the petition delivered by workers and Inkatha supporters to the U.S. Government:

We as leaders elected to positions of authority in Inkatha, have a mandate to speak on behalf of Black South Africa.

This is evident because:

1. Inkatha is the largest Black political organisation ever to have emerged in the history to South Africa and has a paid up membership of nearly one million.

2. Inkatha's leaders are elected to office by its Annual General Conference which is attended by members chosen at local Branch and Regional levels.

3. Inkatha leaders are not only elected by the Annual General Conference, but they are held accountable to it for the way they pursue the aims and objectives set by the conference.

4. The vast majority of Inkatha's members are workers and peasants and it is representative of Blacks in urban areas as it is representative of Blacks in rural areas.

5. Inkatha's aims and objectives and the tactics and strategies it pursues are determined by democratic procedure which enable ordinary members to direct the affairs of Inkatha.

We are mandated to tell Western industrial nations that Black South Africans do not support disinvestments as a strategy which will help them in the struggle for liberation which they wage as Blacks here in this country.

This mandate has been repeatedly given to us at:

1. Every Annual General Conference where resolutions rejecting disinvestment as a strategy are passed unanimously after the question is re-opened for debate every year.

2. Central Committee debates and branch and regional debates which take place in the process of giving practical political effect to the expressed wishes of the Conference.

3. Mass open public meetings which draw crowds of tens of thousands who acclaim the President of Inkatha and other leaders of Inkatha as they inform the Black public of Inkatha's intention to ask for increased investment in this country.

Our stand opposing disinvestment has mass support and we challenge any Black leader who disputes this fact to share a platform with us in Soweto, the country's industrial heartland, to test public opinion.

We inform the United States Government that:

1. No mass meeting of Black South Africans has ever approved of disinvestment as a strategy against apartheid.

2. No democratically elected leader in a membership based organisation of any importance has ever been given a mandate to accept disinvestment as a viable Black political option.

On behalf of Black South Africa, we petition President Reagan, the Senators of the United States and its Congressmen to reject all pressures exerted on them to express abhorrence of apartheid through disinvestment in South Africa.

We thus petition because:

1. Disinvestment will minimise positive Western influences which we need in South Africa to speed up the process of change.

2. Disinvestment will further the politics of violence and damage the politics of reason:

3. Disinvestment is advocated by those who can not see that economic progress gives rise to intergroup dependencies which favour the politics of non-violent negotiation:

4. Disinvestment is most vehemently called for by those who favour the employment of violence to bring about change:

5. Whatever happens in this country, massive backlogs in Black housing, education, health and welfare services and all things Americans recognise to be essential to a decent qualities of human life, will only be wiped out at some future time if we do not damage the economic foundations of South Africa in liberating it from the tyranny of racial oppression.

6. Existing Black poverty will be greatly increased if effective disinvestment campaigns deepen already very problematic unemployment levels:

7. The United States, as the world's leading industrial democracy, should do everything in its power to foster the economic development of the whole of Southern Africa. This obligation to Africa and to the Third World will not be served by damaging not only the South African Economy, but also impoverished neighbouring economies.

Declaration of Intent

We the undersigned hereby declare our commitment to serve God in obedience to His divine will for our country and together: Recognise that:

The history of mankind shows the need for adaptive change among all peoples and all nations.

Nations which have managed to avoid the use of violence in the achievement of national objectives are the nations which have grown in wisdom.

Both mistakes and lessons not yet learned led to errors of judgement in the mainsteam politics in both the Black and White sections of our society.

The South African people are a family of mankind, seeking to live in harmony in the African community of nations and seeking to do so by expressing civilised ideals in the practical social, economic and political affairs of our country.

The South African constitution as it is now written is by force of history and reality a first step in constitutional reform which urgently needs the second step to be taken of enriching the constitution to make it as acceptable to the broad mass of African opinion as it has been made acceptable to the broad mass of White opinion.

The Westminister model of government was not ordained by God to be the only form of good government. We therefore accept:

The need to make the preamble to the South African constitution of equal value to all the groups and peoples of the country by enriching the clause: "To respect, to further and to protect the self-determination of population groups and peoples" to include the notion that this can best be done by sharing power. We need to share power in such a way that no one can dictate to any other group how to express its own self-determination, and we also need to share power in a formula within which the hallowed values of good government are not compromised.

The need to preserve the constitutionality of the adaptive democratic process on which we will jointly rely in being subservient to the divine will for our country. We will therefore together seek:

To negotiate as leaders to amend the South African constitution to make it more acceptable to all groups.

To find an alternative political system to that which the world at large understands by the word 'apartheid' and also to seek an alternative political system in which universal adult suffrage is expressed in constitutional terms acceptable to all the peoples of South Africa.

To give expression to the common citizenship of all South Africa's peoples without qualifying the meaning of citizenship for any group.

To use the opportunities presented in practical politics at first, second and third tier levels of government to fashion national unity by deepening the democratic process, and to use the democratic process in exploration of what needs to be done to get the people to legitimise the instruments of government. We therefore pledge ourselves:

To express national pride and patriotism by insisting that South Africans will decide South Africa's future in the acceptance of each other as individuals and groups and the acceptance of each other's culturual rights to be who they are.

To start where we find ourselves in history and to move from there to build on all that is positive and valuable and to change that which is negative and undesirable.

Each to work in our own constituencies to develop a South African pride in managing our own South African affairs in harmony with internationally accepted standards of civilised decency without being dictated to from without.

Having thus declared we stand together to defend our right even with our lives to take the steps and the time needed to establish consensus between groups and to win support for our joint efforts in the South African family of nations.

And furthermore to stand together to defend South Africa from external onslaughts and to stand together to resist any use of violence which threatens the politics of negotiation aimed at national reconciliation.

I make only one thing totally non-negotiable. South Africa is one country, and there must be one citizenship for one nation.

SOUTH AFRICA

Mr. McCONNELL. Mr. President, as we are all aware, events in South Africa have recently taken a tragic turn for the worse. A day does not pass without one more story of riots, violence, angry demonstrations, and deaths. These difficulties have further strained the South African economy. I have said in the past, South Africa is at a crossroads in her history. I now believe South Africa is on the brink.

Some of my colleagues have been highly critical of legislative initiatives which have tried to address the problems in South Africa. Many claim we should not interfere in another nation's internal troubles. Others argue the situation is not out of control, that the violence is confined to black communities, and that the South African Government can bring quiet to the streets. Essentially, these critics would have you believe that if the United States and Congress would mind their own business, South Africa's problems would disappear. Underlying this argument is a confidence in the South African Government's willingness to exercise whatever security force is necessary to protect and preserve the white population's power and position. I, too, am confident the government will exercise its capable police and military force. We have seen all too many demonstrations of its ability to disperse crowds. But this is not the solution. We will not see peaceful change progress and stability restored with cattle prods, whips, tear gas, and rubber bullets.

While the situation in South Africa is disturbing, other nations are also experiencing internal strife. Many are asking why should Congress and the President break with our policy of constructive engagement? Why target South Africa? Contrary to some critics' beliefs, Congress has not arbitrarily singled South Africa out for punishment. The South African Government's policy and practices have singled it out. We have not weighed the evidence of the Soviet Union's human rights practices against South Africa's. The issue is not one of relativity. South Africa is an important ally. No other U.S. ally has a legislated, legally enforced system of racial segregation. No other ally has brutally enforced the racial repression of the pass laws and homeland's policy. South Africa is unique in the community of Western nations. It is not the threat of Congress or the administration actions which is bringing South Africans into the streets. The U.S. Government is not the political force motivating marches, riots and demonstrations. What is happening in South Africa is a response to apartheid. The grievances are painful and real. The opposition would be acting with or without us.

Today, we have an opportunity to take a position which reflects our interest in change. We have the opportunity to side with voices and forces for reform. There is no doubt peaceful change will benefit all South Africans. We share an interest with South Africans seeking an alternative to the violence and disruption of the past few months. Today, we can make clear the urgency of reform.

When I left for the August recess, I fully intended to return to the Senate and support a motion for cloture on the conference report. The escalation in violence over August convinced me the United States must convey a strong message to the South African Government to carry out meaningful reforms. I am pleased the President recognized the urgency of this concern and chose to issue an Executive order for action on South Africa. Virtually every provision in the legislation Senators ROTH, DODD, and I introduced in April has been included in the President's plan. The administration has responded to congressional concerns with a sound balance of positive and punitive measures. The President has done exactly what Congress asked of him. I am supporting the President's call for a vote against cloture on the conference report because I believe this policy should be given a chance to work. My support is founded on the belief that the administration has recognized the need for a new approach to problems in South Africa. The administration and Congress now share both the goal to end apartheid and the plan to accomplish it. This consensus of opinion of Congress and the President will strengthen our case with the South African Government.

This order is not the end of the issue. It is a beginning. It is an order for action which must be carried out with vigor and dedication if it is to succeed. I am confident the President will assume this responsibility with his customary strong commitment to achievement. Congress should stand by him as he embarks on this critical new course.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. DOLE. Mr. President, I ask unanimous consent, and let me say that I have cleared this with the distinguished minority leader, that the Senate stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 1 p.m., recessed subject to the call of the Chair.

The Senate reassembled at 3:12 p.m., when called to order by the Presiding Officer (Mr. WILSON).

QUORUM CALL

Mr. DOLE. Mr. President, I suggest the absence of a quorum. Let me indicate there will be a rollcall vote. There will be a live quorum that will go rather quickly.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 15 Leg.]

Cochran
Cranston
Dole
Ford
Garn
Hecht
Helms
Matsunaga
Pressler
Trible
Wilson

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absentees.

The legislative clerk resumed the call of the roll.

Mr. DOLE. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas [Mr. DOLE]. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. ANDREWS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from New York [Mr. D'AMATO], the Senator from North Carolina [Mr. EAST], the Senator from Washington [Mr. EVANS], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Nevada [Mr. LAXALT], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Pennsylvania [Mr. SPECTER], are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from North Dakota [Mr. BURDICK], the Senator from Florida [Mr. CHILES], the Senator from Arizona [Mr. DECONCINI], the Senator from Connecticut [Mr. DODD], the Senator from Colorado [Mr. HART], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Louisiana [Mr. LONG], the Senator from Michigan [Mr. RIEGLE], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 79, nays 3, as follows:

[Rollcall Vote No. 170 Leg.]

YEAS—79

Abdnor
Armstrong
Baucus
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Byrd
Cochran
Cohen
Cranston
Danforth
Denton
Dixon
Dole
Domenici
Durenberger
Eagleton
Exon
Ford
Garn
Glenn
Gore
Gorton
Gramm
Grassley
Harkin
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kasten
Kennedy
Kerry
Leahy
Levin
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—3

Goldwater
Quayle
Weicker

NOT VOTING—18

Andrews
Biden
Burdick
Chafee
Chiles
D'Amato
DeConcini
Dodd
East
Evans
Hart
Kassebaum
Lautenberg
Laxalt
Long
Murkowski
Riegle
Specter

So the motion was agreed to.

The PRESIDING OFFICER. A quorum is present.

CLOTURE MOTION

Mr. KENNEDY. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The clerk will report the cloture motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the conference report on H.R. 1460, the Anti-Apartheid Act of 1985.

Edward M. Kennedy, Lowell Weicker, Charles McC. Mathias, Alan Cranston, Claiborne Pell, Paul Simon, Howard Metzenbaum, Patrick Leahy, Jim Sasser, John D. Rockefeller, Dale Bumpers, Paul Sarbanes, Spark Matsunaga, George J. Mitchell, Albert Gore, Jr., Jeff Bingaman, J. Bennett Johnston, Bill Bradley, John Glenn, Max Baucus, J. James Exon, and Daniel P. Moynihan.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

Mr. KENNEDY. Mr. President, will the majority leader hold for a moment to respond to an inquiry?

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, let me also at this time ask if there might be some inclination that we could vitiate the vote on the yeas and nays that is scheduled for 4 o'clock. Would there be objection to that request?

Mr. KENNEDY. Mr. President, reserving the right to object, will the majority indicate what reason the Senate would be denied an opportunity to vote on this extremely important and timely measure which has been debated in the Foreign Relations Committee, the Banking Committee, on the floor of the Senate, and in the conference? Will the majority leader elaborate on the reasons for making such a request of this body at this time?

Mr. DOLE. I beg the pardon of the distinguished Senator from Massachusetts. Was there a question?

Mr. KENNEDY. Yes. I am interested, if the majority leader will tell us, why such a request would be made of this body at this time on this issue.

Mr. DOLE. Mr. President, as I said earlier this morning, it would seem to me that if the President now, as someone indicated, but for whatever reason, in effect adopted the Senate position, it would be in our interest to go forward together, a bipartisan Senate—we have had bipartisan support on the bill—with the President of the United States; it would send a much stronger signal to the South African Government. I think everyone will agree that the original Senate bill, for all practical purposes, has now been made a part of the Executive order. So what I was suggesting this morning, for those of us who feel strongly, as does the Senator from Kansas, the Senator from Massachusetts, and others, is that we ought to postpone consideration of the conference report, make sure the administration lives up to the terms of the Executive order and, if not, we will have the conference report before us. That was the one reason I was hoping we might work that out.

Mr. KENNEDY. Mr. President, further reserving the right to object, it seems to me that these issues have been debated. What we are talking about is a basic and fundamental question upon which this country was built, the equality of all persons. The House of Representatives has responded to this issue; they have voted. As I gather from the majority leader, he is making a request that we vitiate the opportunity for the Senate to fulfill its legislative obligation to speak on this issue at this time and to rely solely upon an Executive order than the benefit of legislation on an issue of fundamental importance and a principle upon which I think this country stands. If we represent anything to ourselves and to the countries of the world, it is equality of individuals. Apartheid runs contrary to that. I think it is imperative we speak to that issue. We have debated it in the Foreign Relations Committee and the Banking Committee. They have done outstanding work. I paid tribute to Senator LUGAR and the members of the Foreign Relations Committee. As the leader has pointed out, we have had a strong bipartisan effort, and I wish we would have that same effort when we pass this legislation, and hopefully the President will find that he would be able to sign it. My own view is that he was well-intentioned in his actions today, but they are ill-suited on this issue, and therefore I would object to the unanimous-consent-request.

Mr. CRANSTON. The President has changed his tune on South Africa. But he still doesn't know all the words to the freedom song for blacks in South Africa.

All Americans should be pleased that the President is no longer denying the realities of racial injustice in South Africa as he did less than 2 weeks ago. I am pleased that he is no longer saying that racial segregation has ended and implying that apartheid has gone away.

Instead, the President has a new script—and it shows most of all, that he can count. He knows the Senate has been prepared to pass a tough South Africa economic sanctions bill despite his opposition.

Unfortunately, his new script is incomplete. It's less than half a solution to a problem that demands our total commitment.

Therefore, I support the motion to end debate on the South Africa conference report and prepare to send this measure to the President.

I believe it is incumbent upon this body to complete the efforts we have undertaken together with the House the past several months to craft a clear, balanced measure to guide future U.S. relations with the people and Government of South Africa.

It would be a serious mistake for the Senate to duck the fundamental issue before us today. We need to speak clearly and to enact an unambiguous statute to define our policy.

The President's belated action this morning imposing certain export curbs on business with South Africa does not meet this need. The President's effort was seriously flawed in a number of respects.

It did not contain the immediate ban on Krugerrand imports supported by the bipartisan House-Senate conference committee, rather it unnecessarily referred this issue to a multilateral international tribunal where it will doubtless face needless delays.

It did not provide for minting of a U.S. gold coin to compete with the Krugerrand, rather left this to yet another study.

It did not provide for mandatory application of the Sullivan principles to U.S. firms' South African operations, rather made these voluntary with no monitoring and reporting provisions or criminal penalties for noncompliance.

It deleted entirely the key provision of the congressional legislation requiring additional sanctions if progress is not made on ending apartheid in the year ahead.

And it inserted a mischievously broad loophole in the ban on nuclear commerce, a loophole which could permit business as usual under the terms of the Executive order.

Finally, and perhaps most seriously, the President's response provides no guidelines as to when and under what conditions U.S. sanctions will be lifted. In other words, there are no benchmarks for progress in ending apartheid established and we are left essentially with a Presidental insistence on total discretion as he says "trust me."

But the sad fact is that this President is out of step with the American people and with Republicans and Democrats in Congress on this issue. Can we trust a President who just last month was claiming absurdly, that segregation had been "totally eliminated" in South Africa?

Regardless of the personalities and the politics of this issue, I think we would do well to remember that ours is a government of laws not men. We do not set matters of crucial national policy by executive fiat, by 11th-hour, loophole-ridden Executive orders.

Given the 180° reversal in the position of this administration on the issue of imposing South Africa sanctions, there is no reason why completion of congressional action on the measure before us need provoke a confrontation. Let the President sign the measure, for it is consistent with his entirely new rhetorical position. If he still wishes to veto it, let us work our will on an override effort. But let us abandon our important legislative work nine-tenths completed. Let us not impose the limited, sloppy White House sanctions, let us enact a clear law with balanced, carefully crafted compromise provisions, let us avert a partisan breakdown on this issue by sending the measure on to the White House.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the hour of 4 p.m. having arrived, the clerk will state the motion to invoke cloture.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the conference report on H.R. 1460, the Anti-Apartheid Act of 1985.

Lowell Weicker, Nancy Landon Kassebaum, Arlen Specter, Dave Durenberger, Bill Cohen, Bob Dole, John H. Chafee, John Danforth, Al Simpson, Daniel J. Evans, Rudy Boschwitz, Bob Packwood, John Heinz, Frank Murkowski, Charles McC. Mathias, and Mark Andrews.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 16 Leg.]

Abdnor
Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Byrd
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
Denton
Dixon
Dole
Domenici
Durenberger
Eagleton
Evans
Exon
Ford
Garn
Glenn
Goldwater

Gore
Gorton
Gramm
Grassley
Harkin
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher

Metzenbaum
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

The PRESIDING OFFICER. A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the conference report on H.R. 1460 shall be brought to a close? The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. Andrews], the Senator from Rhode Island [Mr. Chafee], the Senator from North Carolina [Mr. East], the Senator from Kansas [Mrs. Kassebaum], the Senator from Nevada [Mr. Laxalt], the Senator from Alaska [Mr. Murkowski], and the Senator from Pennsylvania [Mr. Specter] are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. East] would vote "nay."

Mr. CRANSTON. I announce that the Senator from North Dakota [Mr. Burdick], the Senator from Arizona [Mr. DeConcini] the Senator from Connecticut [Mr. Dodd], the Senator from Colorado [Mr. Hart], the Senator from Louisiana [Mr. Long], and the Senator from Michigan [Mr. Riegle] are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona [Mr. DeConcini], the Senator from Connecticut [Mr. Dodd], the Senator from Colorado [Mr. Hart], and the Senator from Michigan [Mr. Riegle] would each vote "yea."

The PRESIDING OFFICER (Mr. Mattingly). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 53, nays 34, as follows:

[Rollcall Vote No. 171 Leg.]

YEAS—53

Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bumpers
Byrd
Chiles
Cohen
Cranston
D'Amato
Dixon
Eagleton
Exon
Ford
Glenn
Gore

Grassley
Harkin
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Matsunaga
Mattingly
Melcher

Metzenbaum
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Rockefeller
Sarbanes
Sasser
Simon
Stafford
Stennis
Weicker
Zorinsky

NAYS—34

Abdnor
Armstrong
Boschwitz
Cochran
Danforth
Denton
Dole
Domenici
Durenberger
Evans
Garn
Goldwater

Gorton
Gramm
Hatch
Hawkins
Hecht
Helms
Humphrey
Lugar
McClure
McConnell
Nickles
Quayle

Roth
Rudman
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—13

Andrews
Burdick
Chafee
DeConcini
Dodd

East
Hart
Kassebaum
Laxalt
Long

Murkowski
Riegle
Specter

The PRESIDING OFFICER. On this vote, the yeas are 53, nays are 34, three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mr. DOLE. Mr. President, I move that the Senate proceed to Senate Joint Resolution 31.

Mr. WEICKER. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. WEICKER. Mr. President, would the Chair indicate as to whether or not this resolution is a privileged or nonprivileged matter?

The PRESIDING OFFICER. It is a privileged resolution.

Mr. WEICKER. And is it correct, Mr. President, that it is possible to ask for the yeas and nays on the motion?

The PRESIDING OFFICER. It is.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I would like to say on the matter of apartheid that while we lost the first cloture vote, it is by no means clear that we would lose——

The PRESIDING OFFICER. There is a nondebatable motion pending at this time.

Mr. CRANSTON. I ask unanimous consent that I be permitted to speak for 3 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ANTIAPARTHEID ACTION ACT OF 1985

Mr. CRANSTON. Mr. President, although we lost the first vote on cloture on apartheid, it is by no means clear that we would lose the vote if all Senators were present, and it is very clear that we would win by a majority vote were we to have the opportunity to vote up or down on the issue of sanctions applied to South Africa until they dismantle apartheid.

The President is seeking to deal with a political problem in the United States. A Senate majority and the House of Representatives seeks to deal with the moral and human rights issue in South Africa. That majority in the Senate is composed of all Democrats and a significant number of Republicans. Therefore, we will keep this matter before the Senate or get it before the Senate in one way or another where we can have an up or down vote. If we are unable to bring the present legislation to a vote, we will have that opportunity before long on measures that will come before the Senate that cannot be filibustered forever because they have to be dealt with.

All Democrats are firmly for this measure; that is 47. Eleven Republicans voted to end cloture. That gets us up to 58. I know that one Republican, who is absent, would vote for cloture when present. That gets us up to 59. And it is quite possible that another one or two of the Republican absentees today would have voted for cloture were they present.

So we are very close to cloture, and without any question we have a majority and we will win on this issue when we bring this matter to a vote in the Senate. That will occur sooner or later. Those of us who feel so strongly about apartheid are not about to abandon this battle.

Mr. BYRD. Mr. President, I ask unanimous consent that I may speak for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President. it should be noted that severe transportation problems, particularly in the Northeast corridor, prevented some Senators from arriving in Washington, DC, to cast their vote on the motion to invoke cloture on the conference report on H.R. 1460, the South African antiapartheid legislation.

Had Senators Dodd, Hart, DeConcini, and Riegle been present and voting, they would have voted "aye" in favor of invoking cloture on the conference report on H.R. 1460.

Mr. President, I wish to express appreciation to the distinguished majority leader for being so accommodating in leaving the vote stand open for a good 30, 40, or 50 minutes in order to accommodate one or more of the Senators whose airplanes were unable to land on schedule. I deeply appreciate it and I am sure that the day will come when perhaps we can also be accommodating in circumstances such as these.

Mr. DOLE. Mr. President, I thank the distinguished minority leader. I again regret that the distinguished Senator from Arizona who was scheduled to be here at 4 o'clock and then delayed until 4:30 and now he is caught in the thunderstorm over National Airport and Senator DeConcini was not able to vote. We did try to accommodate Senator DeConcini and, indirectly, Senator Lautenberg.

I assume there will be another vote on Wednesday. A cloture motion has been filed. We will see what happens on cloture. I think the one important factor is there were 34 votes against cloture, which certainly would be enough to sustain a veto without additional votes, if we went that route. There are additional absentees, so I guess that the vote on Wednesday will be fairly close, as this vote was fairly close.

I regret the distinguished Senator from California now seeks to make this a partisan issue. The issue would not be before the Senate now if it were not for a majority of Republicans, including the majority leader, who supported the efforts of a bipartisan group, and that is still the spirit we hope will be maintained.

In my view, those of us who support this legislation have won a victory and we have not lost a thing. We still have the option, if we can agree to postpone further action on the conference report until a date certain, of testing the administration and determining whether or not the administration will follow everything in the Executive order, plus the Krugerrand action, plus the gold coin action, plus possibly sanctions that could be recommended by the administration.

So it would seem to me that the focus has shifted now from South Africa to playing politics. Can we somehow embarrass the President of the United States who, though belatedly, has gotten on board? The view of this Senator is we send a much stronger signal to those in the South African Government if we have some semblance of bipartisanship, not just in the Congress, but including the executive branch. So it would seem to me we have made some progress. I hope, after we have another cloture vote, that those of us who have gotten the bill this far can get together and agree that our best strategy for keeping everyone's feet to the fire is to postpone final action. Then, if it does not happen, the majority leader will be, as he has been, on the side of the Senator from Massachusetts, the Senator from Connecticut, and others who have been in the forefront for this legislation.

Mr. President, I hope that we might be able to proceed to Senate Joint Resolution 31 without a rollcall vote. If there is a demand for a rollcall vote, then it would be my hope we can postpone that.

The **PRESIDING OFFICER**. The Chair would advise the majority leader that the motion is nondebatable now.

Mr. **DOLE**. That is why I was not debating it.

Mr. **WEICKER**. Mr. President, parliamentary inquiry.

The **PRESIDING OFFICER**. The Senator will state his parliamentary inquiry.

Mr. **WEICKER**. Mr President, I withdraw the inquiry and I suggest the absence of a quorum.

Mr. **KENNEDY**. Mr. President, will the Senator withhold on that request to permit me to speak briefly on the apartheid issue? I know the motion is not debatable

Mr. **DOLE**. I have no objection if the Senator does not intend to file an additional cloture motion.

The **PRESIDING OFFICER**. Is there objection? Without objection, the Senator from Massachusetts is recognized.

Mr. **KENNEDY**. Mr. President, one of the founding principles on which America was created is the proposition that all persons are created equal. Apartheid is a system of government which denies that fundamental right to millions of people in South Africa. Racism is always wrong. It is wrong in the United States, it is wrong in South Africa, and it is wrong in any nation on Earth—and so long as apartheid exists, the United States must speak clearly and unmistakeably against it.

The best way and the right way for the United States to speak out in opposition to apartheid in South Africa is for Congress and the President to act together to enact our country's policy into law.

The President's announcement today is well intentioned, and it is a step in the right direction. But it is too little and too late.

An Executive order that excludes the participation of Congress is not as effective or as appropriate as a statute in expressing the policy of the United States on an issue as important as our abhorrence of apartheid. Moreover, in a number of key areas, the Executive order is an unfortunate retreat from the provisions of the legislation now awaiting final action by the Senate. And even these inadequate provisions could be further weakened or rescinded by some future Executive order, without the approval of Congress.

As representatives of the people of America, the U.S. Senate has its own responsibility to speak out on the issue of South Africa and to state our position on apartheid. Yet the President is asking us today to abdicate that responsibility by abandoning the pending bill.

The legislative process has worked effectively so far to produce a strong bipartisan measure that is worthy of the principles of our Nation. Instead of accepting an Executive order with a watered-down version of this impressive joint effort, the Senate ought to pass the bill and urge the President to sign it.

By doing so, we will be true to our principles as a nation, true to our responsibilities as Members of the Senate, and true to the aspirations of millions of South Africans who hope for freedom and who look to America for help.

The Congress of the United States has been working on this historic legislation for many months. We have had lengthy hearings—both in the Senate Foreign Relations Committee and in The Senate Banking Committee. We have heard eloquence on this floor in our debates. The legislative process has worked—and worked effectively. And out of this work, we have forged an extraordinary consensus on the issue of South Africa.

Now, at the 11th hour, we are asked to withhold further action, and abdicate our responsibility as legislators to make law. But that consensus was too important and this issue is too profound for Congress now to stay its hand.

I do not believe that the President's Executive order should serve as a substitute for the historic legislation that we have been working on.

There comes a time in the life of a country when it must live up to the principles that made that country special and different in the world and in the history. Now is that time for the United States on this issue on apartheid. Apartheid challenges the most fundamental principles of our society stated in the Declaration of Independence—that all people are created equal and that they are endowed with certain inalienable rights, including life, liberty, and the pursuit of happiness.

Millions of Americans died to make that principle a reality for our own country, and now we are being tested again on the application of that principle to South Africa.

That nation has become associated with an oppressive and racist regime that denies the most basic human rights to 23 million men, women, and children because of the color of their skin.

It is not enough for the United States to speak to the evil of apartheid through an Executive order. On an issue as important as this, America should act by statute.

That is the first reason why I believe that we should enact the Anti-Apartheid Action Act of 1985: we speak on apartheid through law, not through Executive order.

Second, the Executive order is much, much weaker in a number of important respects.

It eliminates a key provision that requires the President to report back to Congress after 1 year on whether substantial progress has been made in dismantling apartheid in South Africa, and which requires him to recommend additional sanctions if no progress has been made. This is a major weakening of our bipartisan legislation.

The Executive order also raises grave doubts about the Krugerrand ban. While the bill would produce an immediate ban on the importation of Krugerrands, the Executive order only calls on the Secretary of the Treasury and the U.S. Trade Representative to consult with our major trading partners and with GATT on the issue of a Krugerrand ban—perhaps to be imposed at some indefinite time in the indefinite future.

The Executive order also opens a substantial loophole in the ban on new bank loans to the Government of South Africa. It allows the Secretary of the Treasury to authorize exceptions to the ban in the case of loans that would enhance the economic well-being of black South Africans. This loophole may well be used to permit American banks to finance the institutions of apartheid—such as the homelands governments, the township councils, and the social programs of apartheid which are so thoroughly segregated—even though they may be related to health or welfare or economic development.

One of the essential features of our pending legislation is to stop the United States from funding apartheid. The Executive order will not do that.

As we take up once again the tragedy that is South Africa today, let us think of those brave South Africans who have been such examples of selfless dedication in the struggle to end apartheid in their community.

Let us think of the Reverend Allan Boesak, the president of the World Alliance of Reformed Churches, who even as we meet today, sits in a prison cell, in solitary confinement, somewhere in South Africa. And what is his crime? To dream of freedom, to deplore injustice, and to lead his people along a nonviolent path in their struggle against apartheid.

And let us think of Bishop Desmond Tutu, a man of God and a symbol and inspiration to all peoples everywhere of South Africa's hope for freedom.

And let us think of Winnie Mandela—a brave woman, a loyal wife, and a dedicated mother—who has been driven into exile and whose tiny house—which she calls her prison cell—was recently razed and looted by the agents of apartheid.

And let us think of the children of Soweto who have disappeared and who have been arrested because they stayed away from school to show their opposition to apartheid.

And let us think of the 670 South Africans who have died in the violence of apartheid as the South African Army keeps apartheid alive with the club, the bullet, and the tank.

These people have looked to the United States for assistance in their struggle. We owe it to them, and we owe it to the founding principles of our Nation, to send the strongest message that we can muster. "The American people are with you—and you shall overcome."

Mr. **WEICKER**. Mr. President, I ask unanimous consent that I may proceed for 1 minute.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **WEICKER**. Mr. President, I do not intend to ask for the yeas and nays on the motion proposed by the distinguished majority leader. I would like to say that I think it is more important that the Senate address itself to the outrages that occur daily in South Africa rather than to address itself to the potential outrage of a Presidential defeat on this issue if it passes the House and the Senate.

It is absolutely essential on a moral issue such as this that the United States speak out loud and clear. In essence, what we do with the adoption of the Executive order is to weaken that message. It is to allow the advocates of antiapartheid here in the United States to be the administration that has dragged its feet on the issue of being against apartheid. The House and the Senate have both spoken very clearly. There is no mistaking the words or the intent of the statute.

Now we have something less before us. Granted we are not going to go ahead and change the laws of South Africa. This was always the matter of symbol, and a matter of perception. A lot of people either died or put themselves in jeopardy of death waiting for that symbol, and that perception from the United States of America. Now it will come in a watered-down version. That does not speak very well either in terms of what we do today or in terms of the history that we leave behind. I hope that the U.S. Senate will invoke cloture on Wednesday, that we will have that opportunity, and that we will move together—the President and Congress—to tell the world what is said in the Constitution of the United States we both live by and are willing to die for. That is what is important.

I yield the floor.

NATIONAL FAMILY WEEK

Mr. **DOLE**. Mr. President, is the question on the motion?

The **PRESIDING OFFICER**. The question is on agreeing to the motion of the Senator from Kansas to proceed to the consideration of Senate Joint Resolution 31, National Family Week.

The motion was agreed to. The question is on agreeing to the amendments of the House as follows:

Resolved, That the resolution from the Senate (S.J. Res. 31) entitled "Joint resolution to designate the week of November 24 through November 30, 1985, as 'National Family Week' ", do pass with the following amendments:

Line 5, after "1985," the second time it appears, insert: "and the week of November 23, 1986, through November 29, 1986,".

Amend the title so as to read: "Joint resolution to designate the week of November 24 through November 30, 1985, and the week of November 23 through November 29, 1986, as 'National Family Week'.".

ROUTINE MORNING BUSINESS

Mr. **DOLE**. Mr. President, I suggest that there now be a period for the transaction of routine morning business not to extend beyond the hour of 6 p.m.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. **DOLE**. Mr. President, let me thank the distinguished Senator from Connecticut because we could have had another rollcall vote, or we could have delayed until tomorrow. I indicated to him that we would not attempt to proceed to the consideration of S. 47 this evening. We will probably do that tomorrow.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate on September 4, 1985, during the adjournment of the Senate, received a message from the President of the United States, transmitting a treaty.

JOB TRAINING FOR DISLOCATED WORKERS IN THE FOOTWEAR INDUSTRY—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 74

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on August 28, 1985, during the adjournment of the Senate, received the following message from the President of the United States, which was referred to the Committee on Finance:

To the Congress of the United States:

In accordance with section 203(b)(2) of the Trade Act of 1974 (19 U.S.C. 2253(b)(2)), I am writing to inform you of my decision today to direct the Secretary of Labor to develop a plan to utilize the Job Training and Partnership Act of 1982 to aid dislocated workers in the nonrubber footwear industry. At the request of the Senate Finance Committee, the United States International Trade Commission (ITC) instituted an investigation to determine whether increasing imports of nonrubber footwear were injuring the domestic nonrubber footwear industry. The ITC found that nonrubber footwear imports are a substantial cause of serious injury, or threat thereof, to the domestic footwear industry.

While the escape clause provisions of the Trade Act of 1974 require the ITC to determine the question of whether a domestic industry has been seriously injured as a result of increased imports, I am charged with the responsibility of determining whether the provision of import relief to the domestic industry is in the national economic interest. After considering all relevant aspects of the case, including those set forth in section 202(c) of the Trade Act of 1974, I have determined that granting import relief would not be in the national economic interest. I believe my decision today will promote our national economic interest by encouraging an open, nondiscriminatory and fair world economic system, a system in which jobs are created and prosperity grows through increased productivity and competitiveness in an open market. As my determination does not provide import relief to the industry, I am setting forth the reasons for my decision.

First, import relief would place a costly and unjustifiable burden on U.S. consumers and the U.S. economy. The Council of Economic Advisers estimates that the global quota remedy recommended by the ITC would create between 13,000 to 22,000 jobs with an average annual wage of $14,000. However, the cost to consumers to create these jobs would be $26,300 per job, amounting to a total consumer cost which could be as high as $2.9 billion over the next 5 years. Moreover, these jobs would not provide permanent employment and would be likely only to last during the 5-year relief period.

Second, import relief would result in serious damage to U.S. trade in two ways. If the ITC global remedy were imposed, U.S. trade would stand to suffer as much as $2.1 billion in trade damage either through compensatory tariff reductions or retaliatory actions by foreign suppliers. This would mean a loss of U.S. jobs and a reduction in U.S. exports. U.S. trade would also suffer because of the adverse impact import relief would have on major foreign suppliers, such as Brazil, who are heavily indebted and highly dependent on footwear exports. Import relief would lessen the ability of these foreign footwear suppliers to import goods from the United States and thus cause an additional decline in U.S. exports.

Third, I do not believe that providing relief in this case would promote industry adjustment to increased import competition. While imports of nonrubber footwear have increased rapidly over the last 12 months, I believe that the industry has been and is in the process of successfully adjusting to increased import competition. An industry that was once characterized by many small firms with limited manufacturing capability, has now emerged as an industry led by larger, more efficient producers who have invested in state of the art manufacturing equipment, diversified into profitable retail operations, and filled out their product lines with imports to respond to rapidly changing consumer taste.

In order to address the difficult problems faced by workers in the industry, I have directed the Secretary of Labor to work with State and local officials to develop a retraining and relocation assistance program specifically designed to aid workers in the nonrubber footwear industry. Appropriate programs of the Job Training Partnership Act are to be used to the fullest extent possible under U.S. law.

RONALD REAGAN.

THE WHITE HOUSE, *August 28, 1985.*

REPORT ON FEDERAL PAY COMPARABILITY—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 75

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on August 29, 1985, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

Under the Federal Pay Comparability Act of 1970, the President is required to make a decision each year on what, if any, pay adjustment should be provided for Federal employees under the General Schedule and the related statutory pay systems.

My pay advisors have reported to me that an increase in pay rates averaging 19.15 percent, to be effective in October 1985, would be required under existing procedures to raise Federal pay rates to comparability with private sector pay rates for the same levels of work. However, the law also empowers me to prepare and transmit to the Congress an alternative plan for the pay adjustment if I consider such an alternative plan appropriate because of "national emergency or economic conditions affecting the general welfare."

Accordingly, after reviewing the reports of my Pay Agent and the Advisory Committee on Federal Pay, and after considering the adverse effect that a 19.15 percent increase in Federal pay rates might have on our continuing national economic recovery, I have determined that economic conditions affecting the general welfare require the following alternative plan for this pay adjustment:

In accordance with section 5305(c)(1) of title 5, United States Code, the pay rates of the General Schedule and the related statutory pay schedules as adjusted by Section 1 of Executive Order No. 12496 of December 28, 1984, shall remain in effect without change.

Accompanying this report and made a part hereof are the pay schedules that will remain in effect under this alternative plan, including, as required by section 5382(c) of title 5, United States Code, the rates of basic pay for the Senior Executive Service.

RONALD REAGAN.

THE WHITE HOUSE, *August 29, 1985.*

SCHEDULE 1—GENERAL SCHEDULE

	1	2	3	4	5	6	7	8	9	10
General schedule:										
1	$9,339	$9,650	$9,961	$10,271	$10,582	$10,764	$11,071	[illegible]	$11,393	$11,686
2	10,501	10,750	11,097	11,393	11,521	[illegible]	12,199	12,538	12,877	13,216
3	11,458	11,840	12,222	12,604	[illegible]	13,368	13,750	14,132	14,514	14,896
4	12,862	13,291	13,720	14,149	14,678	15,007	15,436	15,865	16,294	16,723
5	14,390	14,870	15,350	15,830	16,310	16,790	17,270	17,750	18,230	18,710
6	16,040	16,575	17,110	17,645	[illegible]	18,715	19,250	19,785	[illegible]	20,855
7	17,824	18,418	19,012	19,606	[illegible]	[illegible]	[illegible]	21,982	22,576	23,170
8	19,740	20,398	21,056	21,714	22,372	23,030	[illegible]	24,346	[illegible]	25,662
9	21,804	22,531	23,258	23,985	24,712	25,439	[illegible]	[illegible]	27,620	28,347
10	24,011	24,811	25,611	26,411	27,211	28,011	28,811	29,611	30,611	31,211
11	26,381	27,260	28,139	29,018	29,897	30,776	31,655	32,534	33,413	34,292
12	31,619	32,673	33,727	34,781	35,835	[illegible]	37,943	[illegible]	40,051	41,105
13	37,599	38,852	40,105	41,358	42,611	43,864	45,117	46,370	47,623	48,876
14	44,430	45,911	47,392	48,873	50,354	51,835	53,316	54,797	[illegible]	57,759
15	52,262	54,004	55,746	57,488	[illegible]	60,972	62,714	64,456	[illegible]	67,940
16	61,296	63,339	65,382	67,425	[1] 69,468	[1] 71,511	[1] 73,554	[1] 75,597	[1] 77,640	
17	[1] 71,804	[1] 74,197	[1] 76,590	[1] 78,983	[1] 81,376					
18	[1] 84,157									

[1] The rate of basic pay payable to employees at these rates is limited to the rate payable for level V of the Executive Schedule, which is $68,700

SCHEDULE 2—FOREIGN SERVICE SCHEDULE

[illegible]	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7	Class 8	Class 9
1	$52,262	$42,348	$34,315	[illegible]	$22,531	$20,142	[illegible]	$16,097	$14,390
2	53,830	43,618	35,344	[illegible]	23,207	20,746	18,546	[illegible]	14,822
3	55,445	44,927	36,405	[illegible]	23,903	[illegible]	19,103	17,077	15,266
4	57,108	46,275	37,497	[illegible]	24,620	22,010	19,676	17,590	15,724
5	58,821	47,663	38,622	31,296	25,359	22,670	20,266	18,117	16,196
6	60,586	49,093	[illegible]	32,235	26,120	[illegible]	20,874	18,661	[illegible]
7	[illegible]	[illegible]	40,974	33,202	[illegible]	24,051	21,500	19,221	17,182
8	64,276	[illegible]	42,203	34,198	27,710	24,772	22,145	19,797	17,698
9	66,204	53,645	43,469	35,224	28,542	25,515	[illegible]	20,391	18,229
10	67,940	55,255	44,773	36,281	[illegible]	26,281	23,494	21,003	18,776
11	67,940	56,912	46,116	37,369	[illegible]	[illegible]	24,199	21,633	19,339
12	67,940	58,620	47,500	[illegible]	31,188	27,881	24,925	22,282	19,919
13	[illegible]	60,378	48,925	39,645	32,124	[illegible]	25,672	22,950	20,517
14	67,940	62,189	[illegible]	40,834	[illegible]	29,579	26,442	23,639	21,132

SCHEDULE 3—DEPARTMENT OF MEDICINE AND SURGERY SCHEDULES, VETERANS ADMINISTRATION

	Minimum	Maximum
Section 4103 schedules:		
Chief Medical Director		[3] $94,375
Deputy Chief Medical Director		[2] 90,532
Associate Deputy Chief Medical Director		[1] 86,713
Assistant Chief Medical Director		[1] 84,157
Medical Director	[1] 71,804	[1] 81,376
Director of Nursing Service	[1] 71,804	[1] 81,376
Director of Podiatric Service	61,296	[1] 77,640
Director of Chaplain Service	[illegible]	[1] 77,640
Director of Pharmacy Service	61,296	[1] 77,640
Director of Dietetic Service	61,296	[1] 77,640
Director of Optometric Service	61,296	[1] 77,640
Physician and dentist schedule:		
Director grade	61,296	[1] 77,640
Executive grade	[illegible]	[1] 73,582
Chief grade	52,262	67,940
Senior grade	44,430	57,759
Intermediate grade	37,599	48,876
Full grade	31,619	41,105
Associate grade	26,381	34,292
Nurse schedule:		
Director grade	52,262	[illegible]
Assistant Director grade	44,430	57,759
Chief grade	37,599	[illegible]
Senior grade	31,619	41,105
Intermediate grade	26,381	34,292
Full grade	21,804	24,347
Associate grade	18,763	[illegible]
Junior grade	16,040	20,855
Clinical podiatrist and optometrist schedule:		
Chief grade	52,262	67,940
Senior grade	44,430	57,759
Intermediate grade	37,599	48,876
Full grade	31,619	41,105
Associate grade	26,381	34,292

[1] The rate of basic pay is limited to the rate payable for level V of the Executive Schedule, which is $68,700

[2] The rate of basic pay is limited to the rate payable for level IV of the Executive Schedule, which is $72,300

[3] The rate of basic pay is limited to the rate payable for level III of the Executive Schedule, which is $73,600.

Schedule 4—Senior executive service schedule

ES-1	$61,296
ES-2	63,764
ES-3	66,232
ES-4	68,700
ES-5	70,500
ES-6	72,300

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ACTIONS REGARDING SOUTH AFRICA—MESSAGE FROM THE PRESIDENT—PM 76

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers, which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b), I hereby report to the Congress that I have exercised my statutory authority to declare that the policies and actions of the Government of South Africa constitute an unusual and extraordinary threat to the foreign policy and economy of the United States and to declare a national emergency to deal with the threat.

Pursuant to this and other legal authorities, I have prohibited certain transactions, including the following: (1) the making or approval of bank loans to the South African Government, with certain narrow exceptions; (2) the export of computers and related goods and technology to certain government agencies and any apartheid enforcing entity of the South African Government; (3) all nuclear exports to South Africa and related transactions, with certain narrow exceptions; (4) the import into the United States of arms, ammunition, or military vehicles produced in South Africa; and (5) the extension of export marketing support to U.S. firms employing at least twenty-five persons in South Africa which do not adhere to certain fair labor standards.

In addition, I have directed (6) the Secretary of State and the United States Trade Representative to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands; (7) the Secretary of the Treasury to complete a study within 60 days regarding the feasibility of minting U.S. gold coins; and (8) the Secretary of State to take the steps necessary to increase the amounts provided for scholarships in South Africa for those disadvantaged by the system of apartheid and to increase the amounts allocated for South Africa in the Human Rights Fund; and (9) the Secretary of State to establish an Advisory Committee to provide recommendations on measures to encourage peaceful change in South Africa.

Finally, this Order (10) commends the efforts of U.S. firms in South Africa that have voluntarily adhered to fair labor, nondiscrimination principles and encourages all U.S. firms to do likewise.

I am enclosing a copy of the Executive Order that I have issued making this declaration and exercising this authority.

1. I have authorized these steps in response to the current situation in South Africa. It is the foreign policy of the United States to seek peaceful change in South Africa, and in particular an end to the repugnant practice and policy of apartheid and the establishment of a government based on the consent of the governed. Recent developments in South Africa have serious implications for the prospects for peaceful change and the stability of the region as a whole, a region of strategic importance to the United States. The recent declaration of a state of emergency in 36 magisterial districts by the Government of South Africa, the mass arrests and detentions, and the ensuing financial crisis are of direct concern to the foreign policy and economy of the United States. The pace of reform in South Africa has not fulfilled the expectations of the world community nor the people of South Africa. Recent government actions regarding negotiations on the participation of all South Africans in the government of that country have not sufficiently diffused tensions and may have indeed exacerbated the situation.

Under these circumstances, I believe that it is necessary for this Nation to recognize that our foreign policy of seeking change through peaceful means is seriously threatened. In order for this Nation successfully to influence events in that country, it is necessary for the United States to speak with one voice and to demonstrate our opposition to apartheid by taking certain actions directed specifically at key apartheid policies and agencies.

2. The above-described measures, many of which reflect congressional concerns, will immediately demonstrate to the South African Government the seriousness of our concern with the situation in that country. Furthermore, this declaration mobilizes the influence of the private sector to promote an improvement in the economic prosperity, freedom, and political influence of blacks and other nonwhites in South Africa.

RONALD REAGAN.

THE WHITE HOUSE, *September 9, 1985.*

EXECUTIVE ORDER

PROHIBITING TRADE AND CERTAIN OTHER TRANSACTIONS INVOLVING SOUTH AFRICA

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), the Foreign Assistance Act (22 U.S.C. 2151 *et seq.*), the United Nations Participation Act (22 U.S.C. 287), the Arms Export Control Act (22 U.S.C. 2751 *et seq.*), the Export Administration Act (50 U.S.C. App. 2401 *et seq.*), the Atomic Energy Act (42 U.S.C. 2011 *et seq.*), the Foreign Service Act (22 U.S.C. 3901 *et seq.*), the Federal Advisory Committee Act (5 U.S.C. App. I), Section 301 of Title 3 of the United States Code, and considering the measures which the United Nations Security Council has decided on or recommended in Security Council Resolutions No. 418 of November 4, 1977, No. 558 of December 13, 1984, and No. 569 of July 26, 1985, and considering that the policy and practice of apartheid are repugnant to the moral and political values of democratic and free societies and run counter to United States policies to promote democratic governments throughout the world and respect for human rights, and the policy of the United States to influence peaceful change in South Africa, as well as the threat posed to United States interests by recent events in that country,

I, Ronald Reagan, President of the United States of America, find that the policies and actions of the Government of South Africa constitute an unusual and extraordinary threat to the foreign policy and economy of the United States and hereby declare a national emergency to deal with that threat.

Section 1. Except as otherwise provided in this section, the following transactions are prohibited effective October 11, 1985:

(a) The making or approval of any loans by financial institutions in the United States to the Government of South Africa or to entities owned or controlled by that Government. This prohibition shall enter into force on November 11, 1985. It shall not apply to (i) any loan or extension of credit for any educational, housing, or health facility which is available to all persons on a nondiscriminatory basis and which is located in a geographic area accessible to all population groups without any legal or administrative restriction; or (ii) any loan or extension of credit for which an agreement is entered into before the date of this Order.

The Secretary of the Treasury is hereby authorized to promulgate such rules and regulations as may be necessary to carry out this subsection. The initial rules and regulations shall be issued within 60 days. The Secretary of the Treasury may, in consultation with the Secretary of State, permit exceptions to this prohibition only if the Secretary of the Treasury determines that the loan or extension of credit will improve the welfare or expand the economic opportunities of persons in South Africa disadvantaged by the apartheid system, provided that no exception may be made for any apartheid enforcing entity.

(b) All exports of computers, computer software, or goods or technology intended to service computers to or for use by any of the following entities of the Government of South Africa:

(1) The military;

(2) The police;

(3) The prison system;

(4) The national security agencies;

(5) ARMSCOR and its subsidiaries or the weapons research activities of the Council for Scientific and Industrial Research;

(6) The administering authorities for the black passbook and similar controls;

(7) Any apartheid enforcing agency;

(8) Any local or regional government or "homeland" entity which performs any function of any entity described in paragraphs (1) and (7).

The Secretary of Commerce is hereby authorized to promulgate such rules and regulations as may be necessary to carry out this subsection and to implement a system of end use verification to ensure that any computers exported directly or indirectly to South Africa will not be used by any entity set forth in this subsection.

(c)(1) Issuance of any license for the export to South Africa of goods or technology which are to be used in a nuclear production or utilization facility, or which, in the judgment of the Secretary of State, are likely to be diverted for use in such a facility; any authorization to engage, directly or indirectly, in the production of any special nuclear material in South Africa; any license for the export to South Africa of component parts or other items or substances especially relevant from the standpoint of export control because of their significance for nuclear explosive purposes; and any approval of retransfers to South Africa of any goods, technology, special nuclear material, components, items, or substances described in this section. The Secretaries of State, Energy, Commerce, and Treasury are hereby authorized to take such actions as may be necessary to carry out this subsection.

(2) Nothing in this section shall preclude assistance for International Atomic Energy Agency safeguards or IAEA programs generally available to its member states, or for technical programs for the purpose of reducing proliferation risks, such as for reducing the use of highly enriched uranium and activities envisaged by section 223 of the Nuclear Waste Policy Act (42 U.S.C. 10203) or for exports which the Secretary of State determines are necessary for humanitarian reasons to protect the public health and safety.

(d) The import into the United States of any arms, ammunition, or military vehicles produced in South Africa or of any manufacturing data for such articles. The Secretaries of State, Treasury, and Defense are hereby authorized to take such actions as may be necessary to carry out this subsection.

Sec. 2. (a) The majority of United States firms in South Africa have voluntarily adhered to fair labor principles which have benefitted those in South Africa who have been disadvantaged by the apartheid system. It is the policy of the United States to encourage strongly all United States firms in South Africa to follow this commendable example.

(b) Accordingly, no department or agency of the United States may intercede after December 31, 1985, with any foreign government regarding the export marketing activity in any country of any national of the United States employing more than 25 individuals in South Africa who does not adhere to the principles stated in subsection (c) with respect to that national's operations in South Africa. The Secretary of State shall promulgate regulations to further define the employers that will be subject to the requirements of this subsection and procedures to ensure that such nationals may register that they have adhered to the principles.

(c) The principles referred to in subsection (b) are as follows:

(1) Desegregating the races in each employment facility;

(2) Providing equal employment opportunity for all employees without regard to race or ethnic origin;

(3) Assuring that the pay system is applied to all employees without regard to race or ethnic origin;

(4) Establishing a minimum wage and salary structure based on the appropriate local minimum economic level which takes into account the needs of employees and their families;

(5) Increasing by appropriate means the number of persons in managerial, supervisory, administrative, clerical, and technical jobs who are disadvantaged by the apartheid system for the purpose of significantly increasing their representation in such jobs;

(6) Taking reasonable steps to improve the quality of employees' lives outside the work environment with respect to housing, transportation, schooling, recreation, and health;

(7) Implementing fair labor practices by recognizing the right of all employees, regardless of racial or other distinctions, to self-organization and to form, join, or assist labor organizations, freely and without penalty or reprisal, and recognizing the right to refrain from any such activity.

(d) United States nationals referred to in subsection (b) are encouraged to take reasonable measures to extend the scope of their influence on activities outside the workplace, by measures such as supporting the right of all businesses, regardless of the racial character of their owners or employees, to locate in urban areas, by influencing other companies in South Africa to follow the standards specified in subsection (c) and by supporting the freedom of mobility of all workers, regardless of race, to seek employment opportunities wherever they exist, and by making provision for adequate housing for families of employees within the proximity of the employee's place of work.

Sec. 3. The Secretary of State and the head of any other department or agency of the United States carrying out activities in South Africa shall promptly take, to the extent permitted by law, the necessary steps to ensure that the labor practices described in section (2)(c) are applied to their South African employees.

Sec. 4. The Secretary of State and the head of any other department or agency of the United States carrying out activities in South Africa shall, to the maximum extent practicable and to the extent permitted by law, in procuring goods or services in South Africa, make affirmative efforts to assist business enterprises having more than 50 percent beneficial ownership by persons in South Africa disadvantaged by the apartheid system.

Sec. 5. (a) The Secretary of State and the United States Trade Representative are directed to consult with other parties to the General Agreement on Tariffs and Trade with a view toward adopting a prohibition on the import of Krugerrands.

(b) The Secretary of the Treasury is directed to conduct a study to be completed within 60 days regarding the feasibility of minting and issuing gold coins with a view toward expeditiously seeking legislative authority to accomplish the goal of issuing such coins.

Sec. 6. In carrying out their respective functions and responsibilities under this Order, the Secretary of the Treasury and the Secretary of Commerce shall consult with the Secretary of State. Each such Secretary shall consult, as appropriate, with other government agencies and private persons.

Sec. 7. The Secretary of State shall establish, pursuant to appropriate legal authority, an Advisory Committee on South Africa to provide recommendations on measures to encourage peaceful change in South Africa. The Advisory Committee shall provide its initial report within twelve months.

Sec. 8. The Secretary of State is directed to take the steps necessary pursuant to the Foreign Assistance Act and related legislation to (a) increase the amount of internal scholarships provided to South Africans disadvantaged by the apartheid system up to $8 million from funds made available for fiscal year 1986, and (b) increase the amount allocated for South Africa from funds made available for fiscal year 1986 in the Human Rights Fund up to $1.5 million. At least one-third of the latter amount shall be used for legal assistance for South Africans. Appropriate increases in the amounts made available for these purposes will be considered in future fiscal years.

Sec. 9. This Order is intended to express and implement the foreign policy of the United States. It is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

RONALD REAGAN.

THE WHITE HOUSE, *September 9, 1985.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled bills and joint resolutions:

On August 2, 1985:

S.J. Res. 57. Joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "Lupus Awareness Week."

S.J. Res. 180. Joint resolution commemorating the tenth anniversary of the signing of the Helsinki Final Act.

On August 6, 1985:

S.J. Res. 161. Joint resolution to appeal for the release of Soviet Jewry.

On August 7, 1985:

S.J. Res. 168. Joint resolution designating August 13, 1985, as "National Neighborhood Crime Watch Day."

On August 8, 1985:

S. 960. An act to authorize international development and security assistance programs and Peace Corps programs for fiscal years 1986 and 1987, and for other purposes.

S.J. Res. 108. Joint resolution authorizing the Secretary of Defense to provide to the Soviet Union, on a reimbursable basis, equipment and services necessary for an improved United States/Soviet direct communication link for crisis control.

S.J. Res. 137. Joint resolution to designate the week of December 15, 1985, through December 21, 1985, as "National Drunk and Drugged Driving Awarness Week."

On August 9, 1985:

S. 1195. An act to amend title 3, United States Code, to authorize the use of penalty and franked mail in efforts relating to the location and recovery of missing children.

On August 15, 1985:

S. 1147. An act to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and related laws.

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379, in the United Nations General Assembly on November 10, 1975, and urging the United States Ambassador and United States delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations.

MESSAGES FROM THE HOUSE

At 12:03 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 1128) to amend the Clean Water Act, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. ROE, Mr. ANDERSON, Mr. MINETA, Mr. OBERSTAR, Mr. EDGAR, Mr. TOWNS, Mr. SNYDER, Mr. HAMMERSCHMIDT, Mr. STANGELAND, and Mr. CLINGER; and Mr. NOWAK, as an additional conferee solely for the consideration of sections 59 and 73 of the House amendments and modifications thereof committed to conference; and Mr. ROWLAND of Georgia, as an additional conferee solely for the consideration of sections 5, 16, 30(a), 34(b), and 45 of the House amendments and modifications thereof committed to conference.

The message also announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 1080. An act to amend the Federal Railroad Safety Act of 1970 to authorize additional appropriations, and for other purposes.

The message further announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 10. An act to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965;

H.R. 3011. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes;

H.J. Res. 229. Joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week"; and

H.J. Res. 372. Joint resolution increasing the statutory limit on the public debt.

MEASURES REFERRED

The following bills and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 10. An act to amend the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965; to the Committee on Environment and Public Works.

H.R. 3011. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1986, and for other purposes; to the Committee on Appropriations.

H.J. Res. 229. Joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week"; to the Committee on the Judiciary.

H.J. Res. 372. Joint resolution increasing the statutory limit on the public debt; to the Committee on Finance.

MEASURE PLACED ON THE CALENDAR

The following measure was read the second time and placed on the calendar:

S. 1522. A bill to amend section 607 of the Merchant Marine Act, 1936, to ensure consistent use of funds made available for capital construction of vessels, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated.

BEST COPY AVAILABLE

EC-1589. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the National Water Quality Inventory Report for 1984; to the Committee on Environment and Public Works.

EC-1590. A communication from the Chief Immigration, Judge, Executive Office of Immigration Review, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation in the cases of certain aliens, pursuant to section 244(a)(1) and section 244(a)(2) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC-1591. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Effects and Administration of the 1984 Milk Diversion Program"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1592. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Role of Marketing Orders in Establishing and Maintaining Orderly Marketing Conditions"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1593. A communication from the President of the United States transmitting a supplemental request for funds for the District of Columbia government for fiscal year 1985; to the Committee on Appropriations.

EC-1594. A communication from the General Counsel of the GAO transmitting, pursuant to law, a report on the status of budget authority proposed for rescission but for which Congress did not pass a rescission bill; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations and the Committee on the Budget.

EC-1595. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a confidential report on a proposed foreign military assistance sale to Japan; to the Committee on Armed Services.

EC-1596. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a proposed foreign military assistance sale to Norway; to the Committee on Armed Services.

EC-1597. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, a list of certain contract award dates for the period September 1 to October 31, 1985; to the Committee on Armed Services.

EC-1598. A communication from the Acting Executive Director of the National Advisory Committee on Oceans and Atmosphere transmitting, pursuant to law, the annual report of the advisory committee; to the Committee on Commerce, Science, and Transportation.

EC-1599. A communication from the Secretary of Transportation transmitting, pursuant to law, the National Plan of Integrated Airport Systems; to the Committee on Commerce, Science, and Transportation.

EC-1600. A communication from the Chairman of the Northern Mariana Islands Commission on Federal Laws transmitting, pursuant to law, the Commission's 2d interim report; to the Committee on Energy and Natural Resources.

EC-1601. A communication from the Secretary of Commerce transmitting, pursuant to law, the annual report of the Economic Development Administration; to the Committee on Environment and Public Works.

EC-1602. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, the Soil Conservation Service plan for English Coulee Watershed, ND; to the Committee on Environment and Public Works.

EC-1603. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to reduce costs in the Medicare and Medicaid Programs; to the Committee on Finance.

EC-1604. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the administration, impact, and costs of the Utilization and Quality Control Peer Review Organization Program; to the Committee on Finance.

EC-1605. A communication from the Acting Secretary of State transmitting, pursuant to law, a report on the professional development programs of agencies authorized to use the personnel system of the Foreign Service Act of 1980; to the Committee on Foreign Relations.

EC-1606. A communication from the Director of the Office of Legislative Affairs, AID, transmitting, pursuant to law, justification for increased foreign assistance to Mozambique for fiscal year 1985; to the Committee on Foreign Relations.

EC-1607. A communication from the Director of the Office of Legislative Affairs, AID, transmitting, pursuant to law, justification for an increase in foreign aid to Ghana in fiscal year 1985; to the Committee on Foreign Relations.

EC-1608. A communication from the Director of Legislative Affairs, AID, transmitting, pursuant to law, a justification for an increase in foreign assistance to Zambia for fiscal year 1985; to the Committee on Foreign Relations.

EC-1609. A communication from the Director of Legislative Affairs, AID, transmitting, pursuant to law, a justification for an increase in foreign assistance to Malawi for fiscal year 1985; to the Committee on Foreign Relations.

EC-1610. A communication from the Director of Legislative Affairs, AID, transmitting, pursuant to law, a justification for an increase in foreign assistance to Rwanda for fiscal year 1985; to the Committee on Foreign Relations.

EC-1611. A communication from the Chairman of the National Advisory Council on International Monetary and Financial Policies, transmitting, pursuant to law, the fiscal year 1984 annual report of the Council; to the Committee on Foreign Relations.

EC-1612. A communication from the Acting Director of the Office of Management and Budget transmitting a draft of proposed legislation to provide authority to the Director of OMB to test innovative procurement methods and procedures without separate congressional action; to the Committee on Governmental Affairs.

EC-1613. A communication from the Acting Assistant Attorney General transmitting a draft of proposed legislation to provide for reform in compensation of attorneys in civil, criminal, and administrative proceedings in which the United States is a party; to the Committee on the Judiciary.

EC-1614. A communication from the Secretary of Education, transmitting, pursuant to law, final funding priorities for research fellowships; to the Committee on Labor and Human Resources.

EC-1615. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report of the National Heart, Lung, and Blood Advisory Council; to the Committee on Labor and Human Resources.

EC-1616. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the annual Horse Protection Enforcement Report for 1984; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1617. A communication from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of various functions from in-house operation to performance by contract; to the Committee on Armed Services.

EC-1618. A communication from the Secretary of Commerce, transmitting, a draft of proposed legislation to amend section 8 of the Eastern Pacific Tuna Licensing Act of 1984; to the Committee on Commerce, Science, and Transportation.

EC-1619. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on the Child Support Enforcement Program for fiscal year 1984; to the Committee on Finance.

EC-1620. A communication from the Chief of the Army and Air Force Exchange Service, transmitting, pursuant to law, a report on the financial condition of the pension plan for the Service for the year ended December 31, 1984; to the Committee on Governmental Affairs.

EC-1621. A communication from the Secretary of Education, transmitting, pursuant to law, a final list of critical foreign languages under title II of the Education for Economic Security Act; to the Committee on Labor and Human Resources.

EC-1622. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated August 1, 1985; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

EC-1623. A communication from the Acting Director of the U.S. Information Agency, transmitting, pursuant to law, a report on a violation involving an overexpenditure of appropriated funds; to the Committee on Appropriations.

EC-1624. A communication from the Acting Secretary of the Navy, transmitting, pursuant to law, a report on the unit cost baseline cost of the Phoenix missile program; to the Committee on Armed Services.

EC-1625. A communication from the Assistant Secretary of Defense (Health Affairs), transmitting, pursuant to law, an addendum to a report of the review of the special pays for military health professionals; to the Committee on Armed Services.

EC-1626. A communication from the Secretary of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report of the Securities Investor Protection Corporation for 1984; to the Committee on Banking, Housing, and Urban Affairs.

EC-1627. A communication from the Secretary of Commerce, transmitting, pursuant to law, the second biennial report regarding bluefin tuna for the period covering 1983 and 1984; to the Committee on Commerce, Science, and Transportation.

EC-1628. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on the strategic petroleum reserve for the period April 1 through June 30, 1985; to the Committee on Energy and Natural Resources.

EC-1629. A communication from the Secretary of Energy, transmitting, pursuant to

law, the annual report on the State Energy Conservation Program for calendar year 1984; to the Committee on Energy and Natural Resources.

EC-1630. A communication from the Acting Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report on the nondisclosure of safeguards information by the Nuclear Regulatory Commission for the quarter ended June 30, 1985; to the Committee on Environment and Public Works.

EC-1631. A communication from the Acting Commissioner of Social Security, transmitting, pursuant to law, a study of the terminally ill in relation to the Social Security Disability Program, to the Committee on Finance.

EC-1632. A communication from the Secretary of State, transmitting, pursuant to law, semiannual reports on voluntary contributions to international organizations for the period October 1984 to March 1985; to the Committee on Foreign Relations.

EC-1633. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a copy of an aide memoire from the Commission of the European Communities expressing concerns about the Environmental Response Compensation and Liability Act and the Department's response to the aid memoire; to the Committee on Foreign Relations.

EC-1634. A communication from the General Counsel of the Treasury, transmitting a draft of proposed legislation to authorize the Secretary of the Treasury to issue regulations to require that wages and salaries of Federal employees be paid by electronic fund transfer to any other method determined by the Secretary to be in the interest of economy or effectiveness, with sufficient safeguards over the control of, and accounting for, public funds; to the Committee on Governmental Affairs.

EC-1635. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to eliminate or change statutory requirements preventing the reduction of paperwork burdens and regulatory simplification; to the Committee on Government Affairs.

EC-1636. A communication from the Acting Deputy Assistant Secretary of the Interior (Indian Affairs), transmitting, pursuant to law, a proposed plan for the use and distribution of funds awarded the Cherokee Nation of Oklahoma; to the Select Committee on Indian Affairs.

EC-1637. A communication from the Secretary of Education transmitting, pursuant to law, final regulations for Training of Interpreters for Deaf Individuals Program; to the Committee on Labor and Human Resources.

EC-1638. A communication from the Secretary of Education transmitting, pursuant to law, final regulations for the Emergency Immigrant Education Program; to the Committee on Labor and Human Resources.

EC-1639. A communication from the Secretary of Education, transmitting, pursuant to law, a report of the evaluation of the operation of the Helen Keller National Center for Deaf-Blind Youths and Adults for fiscal year 1983; to the Committee on Labor and Human Resources.

EC-1640. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of the Senate Building Beauty Shop financial statements for the fiscal years ended February 28, 1985, and February 29, 1984; to the Committee on Rules and Administration.

EC-1641. A communication from the Deputy Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to provide for exclusion of residents and interns from coverage under the Federal Labor-Management Relations Statute; to the Committee on Veterans' Affairs.

EC-1642. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Better Patient Management Practices Could Reduce Length of Stay in VA Hospitals"; to the Committee on Veterans' Affairs.

EC-1643. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Cost of Care Information to Patients"; to the Committee on Finance.

EC-1644. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Study of Foot Care Coverage Under Medicare"; to the Committee on Finance.

EC-1645. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, report on the implementation of the representative payee provision of the Social Security Disability Benefits Reform Act of 1984; to the Committee on Finance.

EC-1646. A communication from the Director of the General Government Division, General Accounting Office, transmitting, pursuant to law, the annual report on tax matters for calendar year 1984; to the Committee on Finance.

EC-1647. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on International agreements, other than treaties, entered into by the United States in the 60-day period to August 12, 1985; to the Committee on Foreign Relations.

EC-1648. A communication from the Acting Assistant Secretary for Health, Department of Health and Human Services, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1649. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-72 adopted by the Council on July 9, 1985; to the Committee on Governmental Affairs.

EC-1650. A communication from the Secretary of Education, transmitting, pursuant to law, final amendments for the State Vocational Education Program and Secretary's Discretionary Programs of Vocational Education—parts 400, 401, 407, 408, 409, 410, 411, 412, 414, 415, 416, and 417; to the Committee on Labor and Human Resources.

EC-1651. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for Bilingual Education: State Educational Agency Program; to the Committee on Labor and Human Resources.

EC-1652. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for assistance for local educational agencies in areas affected by Federal activities and arrangements for education of children where local educational agencies cannot provide suitable free public education; to the Committee on Labor and Human Resources.

EC-1653. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for Bilingual Education: Fellowship Program; to the Committee on Labor and Human Resources.

EC-1654. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Library Services and Construction Act—State-Administered Program to direct grant programs for Indian tribes and Hawaiian natives, foreign language materials acquisition, and literacy; to the Committee on Labor and Human Resources.

EC-1655. A communication from the Secretary of Education transmitting, pursuant to law, final regulations for the National Graduate Fellows Program; to the Committee on Labor and Human Resources.

EC-1656. A communication from the Administrator of Veterans' Administration transmitting pursuant to law, a biennial report containing recommendations for improvement of programs affecting former prisoners of war; to the Committee on Veterans' Affairs.

EC-1657. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, certain selected acquisition reports and selected acquisition summary tables for the quarter ending June 30, 1985; to the Committee on Armed Services.

EC-1658. A communication from the Acting Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the conversion of certain in-house operations to performance by contract; to the Committee on Armed Services.

EC-1659. A communication from the Acting Deputy Assistant Secretary of the Air Force (Logistics), transmitting, pursuant to law, a report on the conversion of certain in-house operations to performance by contract; to the Committee on Armed Services.

EC-1660. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, a report on the extension of time for serving a final decision in Soo Line Railroad Co. versus Chicago and North Western Transportation Co.; to the Committee on Commerce, Science, and Transportation.

EC-1661. A communication from the Chairman of the Board of the U.S. Synthetic Fuels Corporation, transmitting, pursuant to law, the unaudited quarterly report for the quarter ended June 30, 1985; to the Committee on Energy and Natural Resources.

EC-1662. A communication from the Secretary of Energy transmitting, pursuant to law, a report on the Colorado River Storage Project Power Resources and the financial support of authorized projects in the Upper Colorado River Basin States; to the Committee on Energy and Natural Resources.

EC-1663. A communication from the Acting Director of the Office of Management and Budget transmitting, pursuant to law, the Conservation Service's Plan for the West Fork of Big Creek Watershed, Missouri, and Iowa; to the Committee on Environment and Public Works.

EC-1664. A communication from the D.C. Auditor transmitting pursuant to law, a report on the annual audit of D.C. Charitable Games Control Board for 1984; to the Committee on Governmental Affairs.

EC-1665. A communication from the D.C. Auditor transmitting pursuant to law, a report on the University of the District of Columbia president's transition account expenditures; to the Committee on Governmental Affairs.

EC-1666. A communication from the D.C. Auditor transmitting, pursuant to law, a report on the University of the District of Columbia president's representation fund; to the Committee on Governmental Affairs.

EC-1667. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Revenue Report for May 1985"; to the Committee on Governmental Affairs.

EC-1668. A communication from the Director of the Office of Personnel Management transmitting a draft of proposed legislation to establish specific authority to incur reception and representation expenses; to the Committee on Governmental Affairs.

EC-1669. A communication from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a report on the reasons for the failure of the Secretary of the Interior to act on the recognition petition of the Little Shell Tribe of Chippewa Indians of Montana by September 30, 1985; to the Select Committee on Indian Affairs.

EC-1670. A communication from the Chairperson of the National Advisory Council on Indian Education transmitting, pursuant to law, the Council's 11th annual report to the Congress; to the Select Committee on Indian Affairs.

EC-1671. A communication from the Chief Justice of the United States transmitting, pursuant to law, a copy of the Report of the Proceedings of the Judicial Conference of the United States, 1985; to the Committee on the Judiciary.

EC-1672. A communication from the Secretary of the National Aviation Hall of Fame, Inc., transmitting, pursuant to law, its 1984 annual audit report; to the Committee on the Judiciary.

EC-1673. A communication from the Acting Deputy Assistant Secretary of the Air Force transmitting, pursuant to law, a report on the conversion of the source data entry function at Kelly Air Force Base, TX, to performance under contract; to the Committee on Armed Services.

EC-1674. A communication from the Deputy Secretary of Defense transmitting, pursuant to law, the Presidential certification that testing in space of the F-15 launched miniature homing vehicle antisatellite warhead by the United States is necessary to avert irrevocable harm to the national security and is consistent with the rights of the United States under the ABM Treaty of 1972; to the Committee on Armed Services.

EC-1675. A communication from the Treasurer of the United States transmitting, pursuant to law, a report on activities under the Olympic Commemorative Coin Act of 1982 for the second quarter of 1985; to the Committee on Banking, Housing, and Urban Affairs.

EC-1676. A communication from the Secretary of Energy transmitting, pursuant to law, a report on biomass energy and alcohol fuels programs for April 1 through June 30, 1985; to the Committee on Energy and Natural Resources.

EC-1677. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report on GAO reports issued in July 1985; to the Committee on Governmental Affairs.

EC-1678. A communication from the Secretary of Education transmitting pursuant to law, final regulations for the research in education of the handicapped programs; to the Committee on Labor and Human Resources.

EC-1679. A communication from the Acting Comptroller General of the United States transmitting, pursuant to law, a report on one new deferral of funds for the USIA; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations, the Committee on the Budget, and the Committee on Foreign Relations.

EC-1680. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the 60 days previous to August 19, 1985; to the Committee on Foreign Relations.

EC-1681. A communication from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting, pursuant to law, notice of Department of State approval of a foreign military assistance sale to Turkey; to the Committee on Foreign Relations.

EC-1682. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, a report on a new Privacy Act System of records; to the Committee on Governmental Affairs.

EC-1683. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Residential Care Patterns of Child Placement in Three States"; to the Committee on Labor and Human Resources.

EC-1684. A communication from the Secretary of Agriculture transmitting, pursuant to law, the annual report on agricultural research and education activities for 1984; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1685. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Federal Price Support for Honey Should Be Phased Out"; to the Committee on Agriculture.

EC-1686. A communication from the Acting Assistant Secretary of Health and Human Services and the Assistant Secretary of Agriculture transmitting, pursuant to law, the third progress report on the Human Nutrition Research and Information Management System; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1687. A communication from the Assistant Secretary of the Navy transmitting, pursuant to law, a report on a proposed conversion of the storage and warehousing (Ordnance) function at the Navy Magazine, Lualualei, HI to performance under contract; to the Committee on Armed Services.

EC-1688. A communication from the Assistant Secretary of the Air Force transmitting, pursuant to law, notice of the decision to convert the telephone switchboard operations at Tinker AFB, OK to performance under contract; to the Committee on Armed Services.

EC-1689. A communication from the Chief, Center for Transportation Information, Department of Transportation, transmitting, pursuant to law, the Annual National Transportation Statistics Report; to the Committee on Commerce, Science, and Transportation.

EC-1690. A communication from the Vice Chairman of the Federal Maritime Commission transmitting a draft of proposed legislation to codify the laws within the jurisdiction of the Commission related to shipping and maritime matters; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of August 1, 1985, the following reports of committees were submitted on August 28, 1985:

By Mr. GARN, from the Committee on Appropriations, with amendments:

H.R. 3038: A bill making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1986, and for other purposes (Rept. No. 99-129).

By Mr. ROTH, from the Committee on Governmental Affairs:

Special report entitled "Crime and Secrecy: The Use of Offshore Banks and Companies" (Rept. No. 99-130).

By Mr. HATCH, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 801: A bill to authorize appropriations for the National Science Foundation for fiscal year 1986 (Rept. No. 99-131).

By Mr. THURMOND, from the Committee on the Judiciary, with amendments:

S. 1200: A bill to amend the Immigration and Nationality Act to effectively control unauthorized immigration into the United States, and for other purposes (Rept. No. 99-132).

By Mr. HATCH, from the Committee on Labor and Human Resources, without amendment:

S. Res. 216: An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 801.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ABDNOR, from the Committee on Appropriations, with amendments:

H.R. 3036. A bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1986, and for other purposes (Rept. No. 99-133).

By Mr. SPECTER, from the Committee on Appropriations, with amendments:

H.R. 3067: A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1986, and for other purposes (Rept. No. 99-134).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MOYNIHAN:

S. 1607. A bill to amend section 103(e)(4) of title 23, United States Code, to extend the deadline for withdrawal of approval of the Westway project in New York and for approval of highway and transit projects substituted for such project until December

30, 1985; to the Committee on Environment and Public Works.

By Mr. STENNIS:

S. 1608. A bill for the relief of Maria Victoria Lizana; to the Committee on the Judiciary.

By Mr. McCLURE (by request):

S. 1609. A bill to provide for an equitable distribution of net receipts associated with the Federal onshore mineral leasing program; to the Committee on Energy and Natural Resources.

By Mr. GARN (by request):

S. 1610. A bill to require the Secretary of the Treasury to impose fees upon obligations of Government-Sponsored Enterprises and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SIMON (for himself, Mr. STAFFORD, Mr. KENNEDY, and Mr. METZENBAUM.

S. 1611. A bill to provide improved safety and health standards for railroad employees, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DIXON:

S. 1612. A bill to amend the Internal Revenue Code of 1954 to extend the targeted jobs credit for 3 years; to the Committee on Finance.

By Mr. KENNEDY:

S. 1613. A bill to amend title XVIII of the Social Security Act to provide for greater equity in the medicare program; to the Committee on Finance.

S. 1614. A bill to amend title XVIII of the Social Security Act with respect to payment reform under that title, and for other purposes; to the Committee on Finance.

S. 1615. A bill to amend the Public Health Service Act to permit continuation of health benefits coverage for certain uninsured individuals, to provide incentives for the establishment of Statewide insurance pools, to prohibit hospitals from refusing to examine or provide appropriate treatment to stabilize patients in medical emergencies, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. McCLURE (by request):

S.J. Res. 192. Joint resolution to authorize financial assistance for the Northern Mariana Islands, and for other purposes; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated.

By Mr. DOLE (for himself, Mr. BYRD, and Mr. THURMOND):

S. Res. 217. Resolution to honor Alfred Mossman Landon; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOYNIHAN:

S. 1607. A bill to amend section 103(e)(4) of title 23, United States Code, to extend the deadline for withdrawal of approval of the Westway project in New York and for approval of highway and transit projects substituted for such project until December 30, 1985; to the Committee on Environment and Public Works.

APPROVAL OF HIGHWAY AND TRANSIT PROJECTS IN NEW YORK

● Mr. MOYNIHAN. Mr. President, I am introducing today a bill to extend by 90 days the deadline for withdrawal of approval of the Westway project in New York and for approval of highway and transit projects substituted for such project until December 30, 1985.

This matter is currently sub judice. The Court's decision will in no way be affected by this measure; but it will avoid a situation in which New York loses both its present options—which is to say either build the Westway or trade it in—simply because the clock has run out.

My distinguished colleagues and friends in the House, Mr. HOWARD and Mr. BIAGGI have introduced similar bills.

I ask unanimous consent that the full text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1607

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the third sentence of section 103(e)(4) of title 23, United States Code, is amended by striking out "September 30, 1985" and inserting in lieu thereof "December 30, 1985".●

By Mr. McCLURE (by request):

S. 1609. A bill to provide for an equitable distribution of net receipts associated with the Federal Onshore Mineral Leasing Program; to the Committee on Energy and Natural Resources.

FEDERAL ONSHORE MINERAL LEASING RECEIPTS

● Mr. McCLURE. Mr. President, at the request of the Department of the Interior, I send to the desk for appropriate reference a bill to provide for an equitable distribution of net receipts associated with the Federal Onshore Mineral Leasing Program.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the bill, and the executive communication which accompanied the proposal from the Under Secretary of the Interior, be printed in the RECORD.

Mr. President, as chairman of the Committee on Energy and Natural Resources, I have introduced and will continue to introduce legislation within the jurisdiction of the committee at the request of the administration as a courtesy. This is one of those instances in which the administration has submitted an idea whose time should never come. This idea has surfaced in past administrations and Congress has had the consistent good judgment not to enact it. I see no reason why anything should be different this time around.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law and effective October 1, 1985, there shall be deducted from Federal onshore mineral leasing receipts prior to the division and distribution of such receipts between the States and the U.S. Treasury, in a manner determined by the Secretary of the Interior, an amount that the Secretary of the Interior determines to be equal to the cost to the U.S. Government of administering Federal onshore mineral leasing programs. Such amount shall not include any costs related to mineral activities on Indian lands.

THE UNDER SECRETARY
OF THE INTERIOR,
Washington, DC, July 22, 1985.

Hon. GEORGE BUSH,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: There is enclosed a draft bill, "To provide for an equitable distribution of net receipts associated with the Federal onshore mineral leasing program."

We recommend that the draft bill be introduced, to the appropriate committee for consideration, and enacted.

The enclosed draft bill would require that a deduction be made from Federal onshore mineral leasing receipts prior to their division and distribution between the States and the U.S. Treasury. The amount of that deduction would be determined by the Secretary of the Interior and would equal the costs of administering the Federal onshore mineral leasing programs.

Under the Mineral Leasing Act, except for Alaska, States receive 50 percent of the revenues from Federal mineral leasing activities conducted on public lands within their borders. Another 40 percent of those revenues is deposited into the Reclamation Fund which is used to construct water projects in the Western States. Alaska receives 90 percent of those revenues with no revenues from Federal mineral leasing activities in Alaska deposited into the Reclamation Fund.

States, or in some instances counties, also receive a share of the revenues from Federal mineral leasing activities on acquired and other lands under a variety of laws. Under current law, however, the costs of issuing and supervising mineral leases, collecting and accounting for mineral revenues, and otherwise managing and administering the mineral leasing programs are not deducted before calculating the monies to be shared with the States and to be deposited to the Reclamation Fund. The Administration believes that States and counties should share the net gains from public land activities rather than gross receipts. Sharing on a gross basis, since it ignores costs, bears on relationship to the actual gain or benefits from the activity and results in a subsidy to the States and counties from Federal taxpayers. Under the enclosed draft bill, receipts would be shared on a basis that is net of costs.

The President's fiscal year 1986 Budget estimates that the amount to be deducted in fiscal year 1986 would be $125.2 million. This includes $33.2 million for the direct costs to the Minerals Management Service of collecting, accounting for, and distributing Federal onshore mineral leasing revenues, and related administrative costs; $77.9 million for the direct costs to the Bureau of Land Management of Federal mineral leasing activities, and related administrative costs; and $14.1 million for the direct costs to the Forest Service of mineral leasing activities. The estimated costs related to mineral activities on Indian lands were excluded in deriving these amounts.

For fiscal year 1986, if this draft bill is enacted, we estimate that payments to the States from receipts under the Mineral Leasing Act would be reduced by $54 million, or about 10 percent of the $532 million they would otherwise receive. Payments to States and counties under other laws from Federal onshore mineral leasing receipts would also be reduced by about 10 percent. Overall, this costsharing proposal, if enacted, would reduce the Federal deficit by about $300 million during the five years from fiscal year 1986 through fiscal year 1990. Therefore, we recommend that this proposal be introduced enacted by the Congress.

The Office of Management and Budget has advised that the submission of this proposed legislation is in accord with the program of the President.

Sincerely,

ANN MCLAUGHLIN.●

By Mr. GARN (by request):

S. 1610. A bill to require the Secretary of the Treasury to impose fees upon obligations of Government-Sponsored Enterprises, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

GOVERNMENT-SPONSORED ENTERPRISE USER FEE ACT

● Mr. GARN. Mr. President, I am today introducing the "Government-Sponsored Enterprise User Fee Act of 1985," and I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

GOVERNMENT-SPONSORED ENTERPRISES USER FEE ACT OF 1985—SECTION-BY-SECTION ANALYSIS

Section 1 states the title of the bill, the "Government-Sponsored Enterprises User Fee Act of 1985".

Section 2 sets forth the reasons for the bill. Government sponsorship has pro-vided Government-Sponsored Enterprises ("GSE's") various benefits not otherwise available to private entities in the credit market place. These benefits include in most, but not all cases: exemption of their income from Federal, State and local income taxation; exemption of interest on their debt from State and local taxation; exemption of their securities from SEC regulation; eligibility of securities for special treatment by the Federal Reserve; and lines of credit with the Federal Government. Because of these specific advantages and the overall Federal sponsorship, the GSE's are perceived by the securities market to have a special relationship with the Federal Government. As a result (and despite the absence of Federal guarantees), the GSE's can borrow at interest rates only slightly higher than the interest rates paid by the Treasury on comparable issues of public debt securities. In consequence of these privileges, this Act will impose a fee on all obligations issued by the GSE's after September 30, 1985.

Section 3 provides definitions.

Subsection (1) defines "Government-Sponsored Enterprises". The definition includes both entities set out by name in the section and their subsidiaries, and entities that might be created (or modified) by statute to respond to a specific credit problem by acting as financial intermediaries, and which would not be government owned but which would enjoy some or all of the following advantages: exemption from securities laws and regulation; exemption of their income from Federal, State or local income taxes, and of interest on their debt from such taxes; eligibility of securities for special treatment by the Federal Reserve; and back-up lines of credit with the Federal Government (either direct or indirect).

Subsection (2) defines "obligation(s) outstanding" as an obligation issued by a GSE after September 30, 1985, which remains unpaid in whole or in part. This includes obligations issued for the purposes of refunding previously outstanding obligations.

Subsection (3) defines a "quarter" as a period of time consisting of three consecutive calendar months during each year, beginning October 1, 1985.

Subsection (4) defines "Secretary" as the Secretary of the Treasury.

Subsection (5) defines "secured obligations." Secured obligations are limited to obligations issued by the GSE's after September 30, 1985, which are backed by specific assets of the GSE, including pools of assets or specific income streams. Thus, securities currently issued by GSE's as mortgage-backed pass-through securities and collateralized mortgage obligations would be secured obligations for the purposes of this Act if issued after September 30, 1985.

Subsection (6) defines "subsidiary" to include all entities owned or controlled by one or more GSE's

Subsection (7) defines "unsecured obligations" as all obligations issued by a GSE after September 30, 1985 that are not "secured obligations."

Section 4 established a fee on obligations of the GSE's issued and outstanding after September 30, 1985, and a mechanism for collection of the fee.

Subsection (1) provides that beginning on January 1, 1986, the Secretary will, in consultation with each GSE, retrospectively determine the average principal amount of secured and unsecured obligations of each GSE that were outstanding during the previous quarter. For the quarter starting October 1, 1985, obligations that will be included in the calculation shall be only those obligations issued during that quarter. For subsequent quarters outstanding obligations shall include obligations issued during previous quarters that remain outstanding during all or any part of the quarter plus obligations issued during that quarter. In all cases obligations issued for refunding purposes shall be treated the same as those issued to raise new cash.

Subsection (2) sets forth the fee to be assessed. The fee is to be assessed on all outstanding obligations at an annual base rate of fifty one-thousands of one percent (.00050) of the average principal amount calculated pursuant to subsection (1). For unsecured obligations issued after September 30, 1986, the Secretary will assess an additional fee at an annual rate of thirty-three one-thousandths of one percent (.00033) of the average principal amount calculated pursuant to subsection (1). Therefore, on unsecured obligations issued after September 30, 1986, the annual fee will be eighty-three one-thousandths of one percent (.00083) of the average principal amount. Unsecured obligations issued after September 30, 1985, but before October 1, 1986 will be assessed at the base rate so long as they remain outstanding. As with the calculation of outstanding obligations, refunding obligations are treated the same as obligations issued to raise new cash.

Subsection (3) provides that the fee is due prior to the end of the quarter during which it is assessed, and any fee not paid by the due date is to be assessed a late charge. The amount of the late charge is based on one hundred-fifty percent of the 13-week Treasury Bill rate. The late charge will be added to the fee for the purpose of calculating additional late charges due in the event of a further failure to pay.

Subsection (4) provides that all fees paid under the Act will be deposited in miscellaneous receipts of the United States Treasury.

Subsection (5) states that the Secretary is authorized to prescribe such regulations as are necessary or appropriate to administer the provisions of the Act.●

By Mr. SIMON (for himself, Mr. STAFFORD, Mr. KENNEDY, and Mr. METZENBAUM):

S. 1611. A bill to provide improved safety and health standards for railroad employees, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL RAILROAD EMPLOYEES SAFETY AND HEALTH ACT

● Mr. SIMON. Mr. President, today I am introducing legislation which would transfer the railroad safety jurisdiction of the Department of Transportation to the Department of Labor. There are several advantages to such a transfer. First, safety would be improved; second, in this cost conscious Congress, substantial sums could be saved by consolidating some of the Occupational Health and Safety Administration [OSHA] and rail safety enforcement; third, the agency hopefully would be more responsive to the laws and directions of Congress as well as to the needs of the public.

The Federal Railroad Administration [FRA] was created within the Department of Transportation in 1966. At that time the rail safety functions which had been administered by the Interstate Commerce Commission were transferred to the Department of Transportation. Very little was accomplished in rail safety until the enactment of the Federal Railroad Safety Act of 1970. Since that time the FRA has been subject to much criticism, not only from the workers, but from Congress and independent agencies as well. During the early years after enactment of the 1970 law, the FRA refused to comply with the statutory mandate that regulations be adopted within 1 year from date of enactment. It was in late 1973 before the first regulation under the act went into effect. From the beginning, the FRA refused

to implement the State participation provisions set forth under the act. Only after hearings were scheduled by Congress in 1974 did FRA indicate any willingness to start such a program, even though it was mandated in the law. The next year Congress continued to have concerns with Federal Railroad Administration's failure to do an adequate job. On page 5 of the House Report No. 94-240, 94th Congress, 1st session (1975), the House Committee on Interstate and Foreign Commerce stated:

> The Committee feels that these statistics are telling the story that the Federal Railroad Administration [FRA] is not doing its job adequately. The Committee also feels that a major reason for this problem is that the FRA has consistently failed to avail itself of the safety inspectors and funds authorized by this Committee.

Because of the lack of responsiveness of FRA to safety problems, Congress adopted a number of amendments in 1976 designed to strengthen safety enforcement. For example, evidence produced at the hearings showed that the FRA was compromising penalties at figures substantially below the minimum penalties set forth in the various safety statutes. As a result, Congress required that penalties could not be compromised below the penalty assessed originally. Another matter Congress had to deal with in 1976 required the Secretary to decide any petition filed within 1 year from its receipt. The evidence shows that some petitions would sit at FRA for years without a response from the agency. The continued problems with FRA caused Congress to request that the Office of Technology Assessment [OTA] evaluate the Federal Railroad Safety Program and report the results to Congress. The OTA completed its study in 1978. In general, the study concluded that FRA had failed to set safety goals and had not been able to implement its enforcement authority effectively. In particular, data collection was found to be piecemeal and inadequate; inspections did not correlate with demonstrated needs for a decrease in accidents; regulations did not appropriately set forth performance standards; and penalties were not being assessed in a rational manner. The State Participation Program was not being administered effectively as indicated by the small number of States involved.

In 1978 the Administrator of the FRA, testifying before the Senate Subcommittee on Surface Transportation, admitted that the railroad safety problem had worsened instead of improving since 1970 when the Federal Railroad Safety Act was passed. The situation was so intolerable that it prompted nine members of the House Committee on Interstate and Foreign Commerce to file separate views on FRA's lack of attention to railroad safety. One of those members is the current chairman of the committee, Representative JOHN D. DINGEL.

The members pointed out that FRA's failure to enforce the Federal railroad safety laws has been paralleled by an alarming increase in rail accidents. They also pointed out that FRA recognized that the real answer to the railroad safety crisis lies in enforcing existing laws and regulations against often recalcitrant railroads. They called for definitive action by Congress in three areas. First, Congress should seek ways to force FRA to initiate an aggressive program of enforcing Federal safety statutes and regulations. Second, an appropriation should not be limited to amounts the FRA requests. Third, in view of FRA's failures, the various States should be given greater authority over rail safety. It is interesting to note that this year the Department of Transportation is once again seeking to entirely delete funding for the various States in railroad safety enforcement.

In December 1981, the Department of Transportation submitted a report to Congress entitled "Department of Transportation Systems Safety Plan for Improving the Management of Railroad Safety Programs." The plan sets forth the methodology by which FRA intends to administer its Rail Safety Program. In particular, it shifts away from the imposition of fines for violations to consultation and other types of remedial alternatives. This plan has been criticized by the Comptroller General in a report entitled "The Federal Approach to Rail Safety Inspection and Enforcement: Time For Change." The General Accounting Office's [GAO] report refers to internal legal memoranda from the FRA's chief counsel's office in which the agency lawyers admit that the enforcement policies in the system safety plan exceed the relatively narrow prosecutorial discretion which FRA has. In summarizing the GAO's report, the Comptroller General in a letter dated December 21, 1982, to my colleague in the House, Representative JAMES FLORIO, chairman of the House Subcommittee on Engery and Commerce, stated that the imposition of civil penalties for safety violations is central to the enforcement scheme of the various railroad safety laws, and that the plan is questionable from a legal standpoint. The Comptroller General pointed out that the FRA inspectors may well interpret the plan as a signal to generally avoid citing violations in a wide range of circumstances. In effect, the GAO stated that the plan exceeded FRA's legal authority. Yet the plan is still in full force and effect in 1985.

FRA's enforcement activity to date demonstrates what Congress has complained about for so many years. Even though thousands of defects are discovered annually, only a very small percentage result in citing a railroad for a violation. In only about 5 percent of all cases where defects exist are fines imposed. For example, last year the FRA inspectors discovered 286,771 defects and the Agency sought fines in only 13,000 cases, which is less than 4 percent.

The proof of the pudding is that safety is not getting better, as some suggest, since the adoption of the systems safety plan in 1982. Comparing 1983 with 1984 statistics, every major category appears to be worse. For example, at public and private rail-highway grade crossings, in 1984 there were 648 fatalities and 2,911 injuries. In 1983 there were 575 fatalities and 2,623 injuries. Overall statistics covering accidents and incidents on the railroad show increases as well. Injuries from accidents nearly doubled in 1984. There were 893 injuries which were sustained in accidents during 1984, as compared with 502 injuries in 1983. A "train accident" in railroad terminology is defined as a collision, derailment, or other event involving the operation of railroad on-track equipment resulting in physical property damages that exceed $4,500. That figure has been increased to $4,900 this year. A "train incident" is an event involving the movement of railroad on-track equipment that results in a death, a reportable injury, or a reportable illness but in which railroad property damages do not exceed $4,500. In 1983 there were 432 deaths resulting from train incidents, and 5,182 injuries. In 1984, there were 515 deaths and 5,528 injuries.

I have had personal experiences with the FRA. As a result of a catastrophic accident in my old southern Illinois congressional district approximately 10 years ago, I introduced a bill in 1977 (H.R. 8017), which, if enacted, would have required the Secretary of Transportation to issue regulations requiring locomotives to be equipped with strobe lighting. The regulation would have required that the strobe lights be operated at grade crossings and at other locations where the Secretary finds it is required in the interests of safety. That legislation was not adopted, but Congress required that the Secretary conduct a study to determine whether strobe lights would be more effective than the standard head-light now in use. The FRA concluded that strobe lights should not be placed on locomotives. Frankly, I did not expect anything else from the FRA since they opposed the legislation. I still believe that strobe lights would be an effective deterrent to accidents at rail-highway grade crossings.

In conclusion, I think my recitation of the history of FRA's enforcement activities makes it pretty clear that FRA has done a poor job in its administration of the Federal railroad safety laws. The time has come for a change, and I submit that the appropriate agency to have jurisdiction over rail safety is the Department of Labor. The Occupational Safety and Health Administration already exercises jurisdiction in the rail industry. In particular their regulations cover railroad shops, offices, and other locations where occupational hazards exist in the rail industry. By transferring the jurisdiction to the Department of Labor, I believe that enforcement would be more evenhanded and there would be a long term cost savings to the Federal Government. I join with three others, my friend and colleague on the committee from Vermont, Senator ROBERT STAFFORD; the distinguished ranking minority member of the Labor and Human Resources Committee, Senator KENNEDY; and my friend from Ohio, the ranking minority member of the Labor Subcommittee, Senator METZENBAUM, to offer this bill.

Mr. President, I ask unanimous consent that a brief summary of the proposed bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF LEGISLATION TO TRANSFER RAIL SAFETY JURISDICTION TO OSHA

TITLE I—TRANSFER OF CERTAIN RAILROAD SAFETY FUNCTIONS

Section 101(a) transfers to the Secretary of Labor the powers presently in the Secretary of Transportation with respect to the following laws:

(1) Federal Railroad Safety Act of 1970.

(2) All of the safety appliance acts (including Locomotive Inspection Act, Power Brake law, Boiler Inspection Act), Accident Reports Act, and Reorganization Plan No. 3 of 1965.

(3) Hours of Service Act.

(4) Signal Inspection Act.

The jurisdiction over Hazardous Materials Transportation Act, will remain in the Department of Transportation.

Section 101(b) makes it clear that the powers of the Secretary of Transportation with respect to research and development (except for training and determination of causes of accidents) will remain with the Secretary of Transportation. This section also requires that DOT promptly forward any recommendations concerning improved safety to the Secretary of Labor.

Section 101(c) makes it clear that Department of Transportation's powers will not be diminished as to the laws that are not transferred, and correspondingly, the Department of Labor will have the same powers as the Secretary of Transportation had in the laws that are being transferred.

Section 101(d). This section provides that the laws that are being transferred will be enforced in accordance with Occupational Safety and Health Administration (OSHA) procedures, except for the cease and desist provisions. Among the differences in the enforcement under the existing railroad safety laws and OSHA in that in OSHA, the inspector may immediately issue a citation for a violation. Under the procedures now used by Federal Railroad Administration (FRA), the safety inspector writes up a notice of a violation which is sent to Washington, and then an official in the Washington Office later determines whether a claim should be processed as a violation.

Also, this section preserves enforcement by the Federal Government (rather than by the states) except where the Federal Government fails to take appropriate action.

TITLE II—ADDITIONAL MEMBERS ON THE OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

Section 201(a) This increases the number of members on the Occupational Safety and Health Review Commission (OSHRC) from three (3) to five (5). With respect to the additional two (2) members, one must be a representative from labor and the other one from management, and both shall be especially qualified in the field of railroad safety and health.

Section 201(b) provides that the terms of the two additional members shall be six (6) years, except that initially one of the members shall serve for a term of two (2) years, and the other for a term of six (6) years.

Section 201(c) provides that three members of the commission shall constitute a quorum. An equally divided vote by the Commission will operate to affirm the order being reviewed.

Section 201(d) permits the creation within the Commission of a special railroad safety and health panel composed of both members who are especially qualified in the field of railroad safety. This panel could decide all of the railroad safety matters.

TITLE III—MISCELLANEOUS PROVISIONS

Section 301 generally establishes with the mechanics of transferring the personnel, appropriations, property, records, etc. 301(c)(1) directs that all of the personnel of the FRA handling enforcement and compliance will be transferred to the Department of Labor. This section also makes it clear that *all* of the personnel of the FRA will be protected for one year without reduction in qualification or compensation.

Section 302(a) establishes in the Department of Labor a "Federal Railroad Safety and Health Administration."

Section 302(b) reduces the status of the Federal Railroad Administrator. At the present, his income is the same as the Chairman of the OSHRC. This change would place him in the same category as the Assistant Secretary of Labor, and the remaining members of the Commission.

Section 303 makes it clear that nothing in this Act shall be construed to authorize the Secretary of Labor to reduce the number of inspectors engaged in enforcing the laws being transferred, or to reduce the number of inspectors engaged in the enforcement of OSHA.

Section 305 abolishes the FRA (the functions relating to research and development, hazardous materials that are retained in the DOT will be carried out by other divisions within the Department of Transportation.)●

By Mr. DIXON:

S. 1612. A bill to amend the Internal Revenue Code of 1954 to extend the targeted jobs credit for 3 years; to the Committee on Finance.

EXTENSION OF TARGETED JOBS CREDIT

Mr. DIXON. Mr. President, Congress will have to consider a great number of issues this fall. Many of these issues are difficult and complex, and extremely controversial. I'm sure they will take most of our time and attention.

It is vitally important, however, as Congress attempts to resolve the numerous complex and contentious issues before it, that we ensure that agenda items that are not controversial are not lost in the process.

The targeted Jobs Tax Credit Program expires at the end of this year unless Congress acts to renew it. This program has enjoyed broad support in Congress since it was first created in the late seventies. What is more, it has worked efficiently and in a cost-effective manner to create literally hundreds of thousands of jobs for the disadvantaged.

In 1983, for example, the targeted jobs tax credit resulted in the employment of 431,182 persons. Last year, 653,381 people were employed, and this year the total is expected to exceed 650,000.

The program accomplishes objectives with a minimum of redtape. As the figures convincingly demonstrate, it puts people to work—people who have been hard to place in jobs and many of whom would otherwise be drawing welfare checks or other forms of public assistance. Over 60 percent of those assisted are disadvantaged youths, a group with an unemployment rate over 50 percent in many parts of our country.

The targeted jobs tax credit created over 22,000 jobs in my own State of Illinois last year, Mr. President, and this year it could create as many as 35,000 jobs in Illinois. Further, according to Jobs for Youth/Chicago, an organization dealing with economically disadvantaged youths between 16 and 21 in Illinois, this job creation does not cost the Treasury money, but in fact benefits the Federal Government. Over 80 percent of the people Jobs for Youth/Chicago helps are on welfare. Once employed and even after allowing for the direct cost of the tax credit, the Federal Treasury gains $500 for each targeted jobs tax credit participant, as opposed to spending an average of $1,200 on assistance payments for the same individual.

A recent editorial from the Chicago Tribune entitled "Save the Jobs Tax Credit" makes the same point. According to the editorial, the tax credit will be:

> Responsible for the hiring of about 10,500 hard-to-place people here [in Chicago] in fiscal 1985. After the tax credit involved is subtracted, net welfare savings will come to about $7 million this year and former welfare recipients who now hold jobs will pay an estimated $4 million in taxes.

Mr. President, we cannot afford to let a program lapse that creates real private sector jobs while at the same time creating net budget savings for the Federal Government. Allowing the targeted jobs tax credit to expire would not save money, in fact, it would

add to the deficit. We don't have very many Federal programs that work this well in any area. The targeted jobs tax credit should be extended now for a period long enough to give the program more stability.

I'm sure that the great majority of my colleagues in both the Senate and the House of Representatives will support extension of this essential tax credit program. I am today introducing legislation to extend it for 3 years in order to demonstrate my own commitment to this program, and to help ensure that this program receives the attention and prompt extension it deserves.

Congress will debate tax reform, budget issues, and many other issues this year. Many issues will no doubt not be resolved this year, but will be carried over to next year's session. Extension of the targeted jobs tax credit, however, need not wait and should not wait. Prompt and timely extension would take very little time on the floor, and would ensure that this sensible and fiscally responsible job creation measure is able to continue aiding those who most need our help.

I urge my colleagues, therefore, to join me in working to see that congressional action on extension of the targeted jobs tax credit occurs as quickly as possible.

Mr. President, I ask unanimous consent that a copy of the Chicago Tribune editorial and the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1612

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 51 (c)(3) of the Internal Revenue Code of 1954 (relating to the termination of the targeted jobs credit) is amended by striking out "1985" and inserting in lieu thereof "1988".

[From the Chicago Tribune, Sept. 1, 1985]

SAVE THE JOBS TAX CREDIT

Unless Congress has the good sense to extend it, one of the nation's best strategies for generating private-sector jobs for hard-to-place jobs for hard-to-place people will expire at the end of the year.

At stake is the Targeted Jobs Tax Credit program that gives a federal tax break to employers who hire economically disadvantaged 18- to 24-year-olds, handicapped people, Vietnam veterans, welfare recipients and ex-offenders. It's one of those rare situations in which everyone—including the American taxpayers—wins.

The program lets inexperienced, untrained, disadvantaged applicants give employers a compelling reason to hire them: part of their salary for two years can be deducted from taxes. Once hired, most of these employees gain training and a work record that helps them move up or on to better jobs, as nearly "five years of experience with the program shows. Many community organizations use the tax credit program as a way to persuade employers to take a chance on the jobless people they are trying to help.

The tax break allows many small businesses to hire additional workers they could not otherwise afford; in some instances, these low-cost employees have kept small enterprises from failing. And the tax credit encourages larger employers to take the risk of hiring inexperienced, untrained applicants by reducing the payroll costs of doing so.

Taxpayers benefit, too. The government initially loses revenue from the tax credits. But it saves considerably more in welfare payments that are no longer necessary for the workers and their dependents—savings that many continue for decades as disadvantaged people who might have been stuck on public aid for most of their lives have a chance to become productive taxpayers.

Chicago employers and community organizations have made particularly effective use of the Targeted Jobs Tax Credit. It will be responsible for the hiring of about 10,500 hard-to-place people here in fiscal 1985. After the tax credit involved is subtracted, net welfare savings will come to about $7 million this year and former welfare recipients who now hold jobs will pay an estimated $4 million in taxes. Employers and community organizations who help in job placements say most of these individuals would not have been hired without the incentive of the tax credit.

Nationally, about 565,000 people got jobs last year through the Targeted Jobs Tax Credit program; as many as 750,000 will this year. As in Chicago, savings in welfare and other public assistance payments will be at least twice the cost to the government in tax credits.

There seems to be little opposition in Congress to renewing the tax credit when it expires on Dec. 31. It does not require a congressional appropriation. But supporters fear it could get lost in the debate over major tax reform legislation this fall.

A program that helps create more jobs and fills them with people unlikely to get work on their own does enormous good. When it also saves the government at least twice as much or more in welfare spending as it costs in tax revenues, there should be no question about its renewal. Congress should not only extend the Targeted Jobs Tax Credit program but should also increase the credit and broaden the definition of those who qualify for its help, as its advocates are urging.

By Mr. KENNEDY:

S. 1613. A bill to amend title XVIII of the Social Security Act to provide for greater equity in the medicare program: to the Committee on Finance.

S. 1614. A bill to amend title XVIII of the Social Security Act with respect to payment reform under that title, and for other purposes; to the Committee on Finance.

S. 1615. A bill to amend the Public Health Service Act to permit continuation of health benefits coverage for certain uninsured individuals, to provide incentives for the establishement of statewide insurance pools, to prohibit hospitals from refusing to examine or provide appropriate treatment to stabilize patients in medical emergencies, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH CARE LEGISLATION

● Mr. KENNEDY. Mr. President, I rise to offer three bills designed to begin to deal with the most pressing health needs of the American people. This legislation was developed jointly with Congressman PETE STARK of California, who is introducing companion legislation in the House of Representatives. I would also like to thank Congresswoman KENNELLY for her contribution to this legislation.

Our proposal was divided into three bills for jurisdictional reasons. S. 1613 and S. 1614 propose reforms to the Medicare Program; S. 1615 amends the Public Health Service Act. But all three bills address related problems.

We are introducing this legislation because the crisis in health care the American people confront today demands immediate action.

You do not need an electrocardiogram or even a stethescope to confirm that this crisis exists. Whether the issue is availability of health insurance, denial of needed care, or excessive cost, the condition of the patient is clear: serious, deteriorating, and potentially critical.

I recognize the vital importance of deficit reduction. So the proposals I am advancing today will not mean major new commitments of Federal resources, but they will mean major improvements in health for the American people.

My proposal is directed at several key problems:

The increasing number of Americans without any health insurance;

The decreasing willingness of our Nation's hospitals to provide care to those who cannot pay;

The ever growing burden of health care costs for our Nation's elderly; and

Continued waste in Medicare payments to for profit hospitals and physicians.

Since 1977, the number of Americans without any health insurance coverage has increased a whopping 40 percent, from 25 million people to 35 million people.

At the same time that the number of Americans without health insurance is climbing, the traditional commitment of our country's voluntary hospitals to provide charity care is eroding. According to the American Hospital Association, one in every seven community hospitals adopted explicit limits on charity care in 1982 and 1983 alone.

In every region of the country, public hospitals are reporting four and fivefold increases in economic transfers—a euphemism for turning the needy away. And in Tennessee, in California, in South Carolina, in Alabama, in Arizona, and all across our country emergency patients are being killed or crippled because they cannot find a hospital that will take them in.

Indeed, a recent survey funded by the Robert Woods Johnson Foundation found that 1 million Americans every year are denied medical care because they cannot afford to pay for it. And 5 million Americans do not even seek the health care they need because they know they cannot pay.

We can no longer allow the American people's access to the health care they need to continue to deteriorate.

The elderly are one of the groups that suffer most from the high cost of health care and gaps in health insurance coverage—because they need so much more health care than other members of our population. Reagan benefit cuts and premium increases already enacted will take $11.5 billion from the elderly over the next 5 years. The budget package enacted by the Senate will take another $9.6 billion over the same period if it becomes law. Today, our elderly and disabled Medicare beneficiaries have to pay more than $1 in every $7 of their limited incomes to purchase health care—the same unacceptably high percentage they paid in the dark days before Medicare.

I am pledged to continue to fight the unfair beneficiary cuts proposed by the Republican budget, but it is not enough to try to prevent the Reagan administration from making the elderly's situation even worse. We must take positive steps to address the problems that already exist.

Solving the overall financial problems the high cost of health care poses for the elderly will require more sweeping reforms than are possible in this Congress. But we can make a significant start in this Congress by ensuring that the elderly do not have to pay the price of Medicare reimbursement reforms already enacted. In particular, we can put the calculation of the Medicare hospital deductible and the nursing home copayment on a fairer basis.

Every time a senior citizen enters the hospital, he must pay the deductible. And because the increase in the deductible is calculated based on payment methods Medicare no longer uses, it will increase an outrageous $76 next year, to a staggering $476. And the nursing copayment, which is now $50 a day will increase proportionately.

This 20-percent increase will occur even though the Reagan budget proposes no increase at all in the amount Medicare will pay for a hospital admission.

I say it is unfair for the Government to reap all the savings from prospective payment while Medicare beneficiaries experience only additional costs.

For too long, Medicare has been oriented to providing care only after our senior citizens become sick rather than investing in the preventive care that can keep them well. I believe it is good for beneficiaries and cost-effective for the country to make a modest investment in health to offset the billions we spend on sickness.

At the same time that Medicare beneficiaries are asked to pay far too much for the health care they need and the Reagan administration proposes further draconian cuts in benefits and increases in premiums, the Federal Government still tolerates excessive payments to certain providers. For profit hospitals are still paid an unjustified, $200 million per year bonus called return on equity. Under the administration's budget, Medicare payments to physicians will increase over 12 percent next year, three times as much as the Consumer Price Index, and almost four times as much as payments to hospitals.

The time is now to abolish unjustified bonuses to for-profit hospitals and to lay the groundwork for reforms of physician payments that could save the taxpayers billions of dollars every year.

To respond to these major health problems—the increase in the number of people without health insurance coverage, the decline in charity care, the excessive out of pocket costs faced by Medicare beneficiaries, and the continued wasteful payment by Medicare for some health services—the legislation I am presenting today includes the following steps.

HEALTH INSURANCE COVERAGE

In the area of expanded health insurance coverage, this legislation will require employers to allow laid-off workers to purchase health insurance coverage at lower group rates and to allow open enrollment in family plan health insurance coverage when one member of a family with two workers loses a job and health insurance coverage. Approximately 4 million Americans could potentially benefit from these two provisions.

The legislation will also offer widows, divorcees, and their children the opportunity to continue in employment based health insurance plans for up to 5 years if they are able to pay the premium. There are approximately 5 million Americans who have lost health insurance coverage as a result of divorce or death in the family.

States would be encouraged to set up subsidized group insurance pools for those who do not have access to group health plans and are prevented from purchasing individual health insurance coverage at an affordable price because of preexisting conditions. A few States already have such plans; all States should establish them.

Finally, this legislation will establish a research and demonstration program to develop methods of reducing the cost of health insurance to small employers. Small employers are far less likely to offer health insurance to their employees than larger employers, and even when they do, their employees are unlikely to participate.

The average cost of health insurance in small firms is 40-percent higher than in large firms—an annual premium difference that can add up to a cost of from $950 to $2,400 for family coverage. The bulk of this differential is in higher marketing and administrative costs, and ways to bring this differential down must be developed.

CHARITY CARE

To deal with the problem of charity and emergency care for those without insurance, this legislation will establish a Federal antidumping statute with clear standards for appropriate care and stiff penalties for violation. When one of our citizens arrives at a hospital emergency room with a potentially life-threatening illness or injury he deserves a checkup and treatment, not a credit check and a trip down the road.

This legislation will mandate the Secretary of HHS adjust Medicare payment rates to fairly pay the higher Medicare costs incurred by hospitals that take responsibility for caring for the poor.

And it will require the Secretary of HHS to study and report to the Congress on the adjustments in reimbursements needed to reflect the higher wage costs experienced by inner-city and some rural hospitals that carry heavy charity care loads.

MEDICARE BENEFICIARY COSTS

This legislation will establish a new, fairer basis for calculating the annual increase in the hospital deductible Medicare beneficiaries must pay when they enter the hospital. Under this legislation, the hospital deductible will increase at the same rate as Medicare's payment for a hospital admission and course of treatment, so that our senior citizens share in the economies of prospective payment rather than bearing additional costs. The legislation will lower the nursing home copayment. And it will establish a new demonstration program of prevention centers for our senior citizens to be funded out of the Medicare trust fund.

MEDICARE REIMBURSEMENT REFORMS

To assure that Medicare does not continue to waste money on excessive payments to health care providers, this legislation will abolish the current $200 million per year return on equity subsidy to for-profit hospitals. It will establish a Physician's Payment Commission to study all of the questions surrounding physician reimbursement and to publish, on an expedited basis, a relative value schedule which will provide a basis for a fairer, more cost-effective, reimbursement system of physicians. And it will require the Secretary of HHS to begin to demonstrate a system of paying physicians for inpatient services on the same prospective basis that has been so effective in reducing Medicare's hospital costs. Were such a program in effect today, the Government could save as much as $3 billion over the next 3 years.

CONCLUSION

The legislation I am offering today is a long way from a solution to these extremely important problems. Rather, it is a first step—and a fairly small first step at that. But first steps are important—particularly when the country has been walking backward for the last 5 years.

For too long, the health agenda of the U.S. Congress has been dominated by the narrow, short-sighted, ideological, and mean-spirited agenda of the Reagan administration. I hope that the Senate, by prompt action on this legislation, will serve notice that it is time for a change.

Deficit reduction is vital, but it is not the only objective of the American people and their Government. This year, we intend to show that it is possible to enact a health program that will cut health spending where it needs to be cut, but will also begin the process of healing the grave illnesses that afflict the American health care system.

I call on my colleagues in Congress and the American people to join us in this urgent task.

I ask unanimous consent that the text of these bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1613

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Miscellaneous Amendments of 1985".

SEC. 2. CHANGE IN DEDUCTIBLE AND COINSURANCE FOR INPATIENT HOSPITAL SERVICES AND FOR POST-HOSPITAL EXTENDED CARE SERVICES.

(a) CHANGE IN PART A HOSPITAL DEDUCTIBLE.—Section 1813(b)(2) of the Social Security Act (42 U.S.C. 1395e(b)(2)) is amended—

(1) by amending the second sentence to read as follows: "Such inpatient hospital deductible shall be equal to the inpatient hospital deductible promulgated for the previous calendar year subject to the same percentage change as the percentage change determined by the Secretary under section 1886(e)(4) (relating to changes in the DRG prospective payment rates) for hospital discharges occurring in the fiscal year that begins in that previous calendar year.", and

(2) by striking out the fourth sentence.

(b) CHANGE IN PART A COINSURANCE FOR POST-HOSPITAL EXTENDED CARE SERVICES.—Section 1813 of such Act is amended—

(1) in subsection (a)(3), by striking out "one-eighth of the inpatient hospital deductible" and inserting in lieu thereof "the extended care coinsurance amount", and

(2) by adding at the end of subsection (b) the following new paragraph:

"(3) The extended care coinsurance amount which shall be applicable for the purposes of subsection (a)(3) for a year is one-twelfth of the inpatient hospital deductible for the year. Any amount determined under the preceding sentence which is not a multiple of $1 shall be rounded to the nearest multiple of $1 (or, if it is midway between multiples of $1, to the higher multiple of $1).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning with 1986.

SEC. 3. STUDY OF METHODOLOGY FOR AREA WAGE ADJUSTMENT FOR CENTRAL CITIES AND RURAL AREAS.

(a) REQUIREMENT.—The Secretary of Health and Human Services, in consultation with the Prospective Payment Assessment Commission, shall collect information and shall develop one or more methodologies to permit the adjustment of the wage indices used for purposes of section 1886(d)(3)(E) of the Social Security Act, in order to more accurately reflect hospital labor markets, by taking into account variations in wages and wage-related costs—

(1) between the central city portion of urban areas and other parts of urban areas, and

(2) among different rural areas within a State.

(b) REPORT TO CONGRESS.—The Secretary shall report to Congress on the information collected and the methodologies developed under subsection (a) not later than May 1, 1986. The report shall include a recommendation as to the feasibility and desirability of implementing such methodologies.

SEC. 4. DEMONSTRATION PROJECTS FOR PAYMENT FOR INPATIENT SERVICES OF PHYSICIANS ON THE BASIS OF DIAGNOSIS-RELATED GROUPS.

(a) IN GENERAL.—The Secretary of Health and Human Services, in consultation with the Prospective Payment Assessment Commission (established under section 1886(e) of the Social Security Act) shall conduct demonstration projects in accordance with this section on the feasibility of making payments under title XVIII of the Social Security Act for physicians' services furnished to individuals receiving inpatient hospital services from subsection (d) hospitals (as defined in section 1886(d)(1)(B) of the Social Security Act) on the basis of the classification of discharges by diagnosis-related groups established under section 1886(d)(4) of that Act.

(b) CONDUCT OF DEMONSTRATIONS.—(1) The demonstration projects shall be conducted at a variety of types of hospitals, including hospitals located in rural and urban areas, teaching and non-teaching hospitals, and public hospitals, and hospitals with different types of medical staff arrangements.

(2) The demonstration projects shall include projects to demonstrate—

(A) payment under part B of title XVIII of the Social Security Act, and

(B) a combined payment, to a hospital or to appropriate physician group, including both amounts payable under part A as well as amounts payable under part B.

(3) The demonstration projects shall include projects that test the desirability of providing payment based on all the classifications of discharges, as well as only selected classifications.

(4) The demonstration projects shall be designed in a manner to assure that individuals entitled to benefits under title XVIII are not required to pay more for the receipt of health care services than would be the case if the projects were not in operation.

(5) The Secretary shall provide under the demonstration projects for payment of amounts that exceed the amounts otherwise payable under title XVIII of the Social Security Act if the Secretary determines that such increased payments are necessary in order to induce hospital and physician participation in a demonstration project.

(d) TIMETABLE FOR AND REPORT ON PROJECTS.—(1) The Secretary shall first provide for the establishment of demonstration projects not later than July 1, 1986.

(2) The Secretary shall make an interim report to Congress on the demonstration projects conducted under this section not later than January 1, 1988.

(3) The Secretary shall make a final report to Congress on the demonstration projects conducted under this section not later than July 1, 1989.

(e) FUNDING.—There are transferred to the Secretary in appropriate proportions from the Federal Hospital Insurance Trust Fund (established under section 1817 of the Social Security Act) and from the Federal Supplementary Medical Insurance Trust Fund (established by section 1841 of that Act) such sums as the Secretary determines to be appropriate to carry out this section. Grants and payments under contracts may be made either in advance or by way of reimbursement, as may be determined by the Secretary, and shall be made in such installments and on such conditions as the Secretary finds necessary to carry out the purpose of this section.

(f) WAIVER OF MEDICARE REQUIREMENTS.—The Secretary shall waive compliance with such requirements of title XVIII of the Social Security Act to the extent consistent with this section and for the period the Secretary finds necessary for the conduct of the demonstration program.

S. 1614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Budget Reconciliation Amendments of 1985".

SEC. 2. COMPUTATION OF ADDITIONAL PAYMENT AMOUNTS FOR HOSPITALS SERVING A DISPROPORTIONATE SHARE OF LOW-INCOME PATIENTS.

(a) REQUIRING ADJUSTMENT.—Section 1886(d)(5) of the Social Security Act (42 U.S.C. 1395ww(d)(5)) is amended by adding at the end the following new subparagraph:

"(F)(i) The Secretary shall provide under this subparagraph, for discharges occurring during fiscal years 1986 and 1987, for an additional payment amount, for discharges occurring in a cost reporting period of a hospital, for a subsection (d) hospital that is located in an urban area, that has 100 or more beds, and that—

"(I) serves a significantly disproportionate number of patients who have low income (as defined in clause (iv)(I)), or

"(II) can demonstrate that its net inpatient care revenues (excluding any of such revenues attributable to this title or State plans approved under title (XIX) during the cost reporting period for indigent care from State and local government sources exceed 30 percent of its total of such revenues during the period.

"(ii) The amount of such payment for each discharge shall be the amount determined under paragraph (1)(A)(ii)(II) (or, of applicable, the amount determined under paragraph (1)(A)(iii)) for that discharge multiplied by the disproportionate share adjustment percentage established under clause (iii) for the cost reporting period in which the discharge occurs.

"(iii) The disproportionate share adjustment percentage for a cost reporting period—

"(I) for a hospital described in clause (i)(II) is equal to 16 percent, and

"(II) for other hospitals is equal to seven-tenths of the excess low income patient percentage (as defined in clause (iv)(IV)) for that period,

but in no case may the percentage for any hospital for any period exceed 16 percent.

"(iv) In this subparagraph:

"(I) A hospital 'serves a significantly disproportionate number of patients who have low income' for a cost reporting period if the hospital has a low income patient percentage (as defined in subclause (II)) for that period which equals, or exceeds 15 percent.

"(II) The term 'low income patient percentage' means, with respect to a cost reporting period of a hospital, the percentage of its total number of patient days of inpatient hospital services it provided during period which are attributable to low income patients (as defined in subclause (III)).

"(III) The term 'low income patient' means, with respect to inpatient hospital services provided to a patient, a patient who was, or is determined to have been, entitled to medical assistance under title XIX with respect to some or all of such services during the hospital stay, and includes such an individual notwithstanding the fact that some or all of such services were actually paid for under this title.

"(IV) The term 'excess low income patient percentage' means, for a cost reporting of a hospital, the hospital's low income patient percentage (as defined in subclause (II)) for that period minus 15 percent.".

(b) Restandardizing DRG Payment Amounts To Reflect Disproportionate Share Payments.—Section 1886(d)(2)(C) of such Act is amended—

(1) by striking out "and" at the end of clause (ii),

(2) by striking out the period at the end of clause (iii) and inserting in lieu thereof ", and", and

(3) by adding at the end the following new clause:

"(iv) for discharges occurring during fiscal years 1986 and 1987, excluding an estimate of the additional payments to certain hospitals to be made under paragraph (5)(F).".

SEC. 3. RETURN ON EQUITY CAPITAL FOR INPATIENT HOSPITAL SERVICES AND OTHER SERVICES.

(a) Inpatient Hospital Services.—(1) Section 1861(v)(1) of the Social Security Act (42 U.S.C. 1395x(v)(1)) is amended by adding at the end the following new subparagraph:

"(P) Such regulations may not provide for any payment, with respect to the reasonable costs of inpatient hospital services, for a return on equity capital for hospitals.".

(2) Section 1886(g) of such Act (42 U.S.C. 1395ww(g)) is amended—

(A) by striking out "(1)" after "(g)", and

(B) by striking out paragraph (2).

(b) Other Services.—(1) Section 1861(v)(1)(P) of such Act, as added by subsection (a)(1), is amended by inserting "(i)" after "(P)" and by adding at the end the following new clause:

"(ii) If such regulations provide for the payment for a return on equity capital, the rate of return to be recognized, for determining the reasonable cost of services furnished in a cost reporting period, shall be equal to the average of the rates of interest, for each of the months any part of which is included in the period, on obligations issued for purchase by the Federal Hospital Insurance Trust Fund.".

(2) Section 1861(v)(1)(B) of such Act (42 U.S.C. 1395x(v)(1)(B)) is amended—

(A) by striking out "any fiscal period" and "such fiscal period" and inserting in lieu thereof, "any cost reporting period" and "the period", respectively, and

(B) by striking out "not exceed one and one-half times" in the second sentence and inserting in lieu thereof "be equal to".

(c) Effective Dates.—(1) The amendments made by subsection (a) shall apply to payments made, on the basis of reasonable cost, for hospital cost reporting periods beginning on or after October 1, 1986. Costs attributable to a return on equity capital shall not be included in determining national and regional adjusted DRG prospective payment rates (under section 1886(d) of the Social Security Act) for discharges occurring on or after October 1, 1986.

(2) The amendments made by subsection (b) shall apply to cost reporting periods beginning on or after October 1, 1985.

SEC. 4. EXPANSION OF MEMBERSHIP AND DUTIES OF THE PROSPECTIVE PAYMENT ASSESSMENT COMMISSION TO INCLUDE REVIEW OF PAYMENTS FOR PHYSICIANS' SERVICES.

(a) Expansion and Establishment of Subcommittees.—

(1) In general.—Section 1886(e)(6) of the Social Security Act (42 U.S.C. 1395ww(e)(6) is amended—

(A) by amending subparagraph (A) to read as follows:

"(A)(i) The Commission shall consist of 23 members. Fifteen members of the Commission shall first be appointed no later than April 1, 1984, and the remaining members shall first be appointed no later than January 1, 1986, for a term of three years, except that the Director may provide for such shorter terms as will insure that (on a continuing basis) the terms of no more than eight members expire in any one year. The Director shall appoint a member to serve as Chairman.

"(ii) The Chairman of the Commission shall provide for two subcommittees of the Commission, one with functions and responsibilities relating primarily to hospital payment issues and the other with functions and responsibilities relating primarily to physician payment issues. The Chairman may assign members of the Commission to serve on either or both subcommittees of the Commission."; and

(B) in subparagraph (B), by inserting "representatives of consumer and elderly groups," after "third party payors,".

(2) Initial assignment of members to subcommittees.—The Chairman of the Commission shall initially assign—

(A) to serve on the hospital payment subcommittee of the Commission—

(i) all the members of the Commission serving in positions established before the date of the enactment of this Act, and

(ii) two of the members appointed to the Commission for additional positions established by the amendment made by paragraph (1), and

(B) to serve on the physician payment subcommittee of the Commission the six remaining members of the Commission who are appointed to serve in the additional positions so established.

(b) Additional Functions Relating to Physicians' Payments.—Section 1886(e) of such Act is amended by adding at the end the following new paragraph:

"(7)(A) The Commission shall make recommendations to the Congress, not later than February 1 of each year (beginning with 1987), regarding adjustments to the reasonable charge levels for physicians' services recognized under section 1842(b) and changes in the methodology for determining the rates of payment, and for making payment, for physicians' services under this title and other items and services under part B.

"(B) In making its recommendations, the Commission shall—

"(i) consider, and make recommendations on the feasibility and desirability of reducing, the differences in payment amounts for physicians' services under part B which are based on differences in geographic location or specialty;

"(ii) review the input costs (including time, professional skills, and risks) associated with the provision of different physicians' services;

"(iii) identify those charges recognized as reasonable under section 1842(b) which are significantly out-of-line, based on the considerations of clauses (i) and (ii);

"(iv) assess the likely impact of different adjustments in payment rates, particularly their impact on physician participation in the participation program established under section 1842(h) and on beneficiary access to necessary physicians' services;

"(v) make recommendations on ways to increase physician participation in that participation program and the acceptance of payment under part B on an assignment-related basis;

"(vi) make recommendations respecting the advisability and feasibility of making changes in the payment system for physicians' services under part B based on (I) the Secretary's study under section 603(b)(2) of the Social Security Amendments of 1983 (relating to payments for physicians' services furnished to hospital inpatients on the basis of diagnosis-related groups) and (II) the Offices' report under section 2309 of the Deficit Reduction Act of 1984 (relating to physician reimbursement under part B);

"(vii) identify those procedures, involving the use of assistants at surgery, for which payment for those assistants should not be made under this title; and

"(viii) identify those procedures for which an opinion of a second physician should be required before payment is made under this title.

"(C) The Commission also shall advise and make recommendations to the Secretary respecting the development of the relative value scale under section 1845.".

(c) Study of Relative Value Scale for Physicians' Services.—Part B of title XVIII of such Act is amended by adding at the end the following new section:

"STUDY OF RELATIVE VALUE SCALE FOR PHYSICIANS' SERVICES

"Sec. 1845. (a) The Secretary shall develop a relative value scale that establishes a numerical relationship among the various physicians' services for which payment may be made under this part.

"(b) In developing the scale, the Secretary shall consider among other items—

"(1) the report of the Office of Technology Assessment under section 2309 of the Deficit Reduction Act of 1984,

"(2) the recommendations of the Prospective Payment Assessment Commission under section 1886(e)(7)(C), and

"(3) factors with respect to the input costs for furnishing particular physicians' services, such as—

"(A) the differences in costs of furnishing services in different settings,

"(B) the differences in skill levels and training required to perform the services, and

"(C) the time required, and risk involved, in furnishing different services.

"(c) The Secretary shall complete the development of the relative value scale under this section, and report to Congress on the development, not later than April 1, 1987. The report shall include recommendations for the application of the scale to the payment for physicians' services furnished under this part on or after October 1, 1987.".

(d) Modification of Funding Formula.—Section 1886(e)(6)(I)(ii) of such Act is amended by striking out "Eighty-five" and "15" and inserting in lieu thereof "Fifty" and "50".

(e) Staffing.—Section 1886(e)(6)(C)(i) of such Act is amended by striking out "25" and inserting in lieu thereof "35".

(f) Effective Date.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 5. DEMONSTRATION OF PREVENTIVE HEALTH SERVICES UNDER MEDICARE.

(a) Demonstration Program.—The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") shall establish a demonstration program designed to reduce disability and dependency through the provision of preventive health services to individuals entitled to benefits under title XVIII of the Social Security Act (hereinafter in this section referred to as "medicare beneficiaries").

(b) Preventive Health Services Under Demonstration Program.—The preventive health services to be made available under the demonstration program shall include—

(1) health screenings,

(2) health risk appraisals,

(3) immunizations, and

(4) counseling on and instruction in—

(A) diet and nutrition,

(B) reduction of stress,

(C) exercise and exercise programs,

(D) sleep regulation,

(E) injury prevention,

(F) prevention of alcohol and drug abuse,

(G) prevention of mental health disorders,

(H) self-care, including use of medication, and

(I) reduction of smoking.

(c) Conduct of Program.—The demonstration program shall—

(1) be conducted under the direction of accredited public or private nonprofit schools of public health;

(2) be conducted in no fewer than five sites, which sites shall be chosen to as to be geographically diverse and shall be readily accessible to a significant number of medicare beneficiaries;

(3) involve community outreach efforts at each site to enroll the maximum number of medicare beneficiaries in the program; and

(4) be designed—

(A) to test alternative methods of payment for preventive health services; including payment on a prepayment basis as well as payment on a fee-for-service basis,

(B) to permit a variety of appropriate health care providers to furnish preventive health services, including physicians, health educators, nurses, allied health personnel, dieticians, and clinical psychologists, and

(C) to facilitate evaluation under subsection (d).

(d) Evaluation.—The Secretary shall evaluate the demonstration project in order to determine—

(1) the short-term and long-term costs and benefits of providing preventive health services for medicare beneficiaries, including any reduction in inpatient services resulting from providing the services, and

(2) what practical financing mechanisms exist to provide payment for preventive health services under title XVIII of the Social Security Act.

(e) Reports to Congress.—(1) Not later than three years after the date of the enactment of this Act, the Secretary shall submit a preliminary report to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate in the progress made in the demonstration program, including a description of the sites at which the program is being conducted and the preventive health services being provided at the different sites.

(2) Not later than five years after the date of the enactment of this Act, the Secretary shall submit a final report to those Committees on the demonstration program and shall include in the report—

(A) the evaluation described in subsection (d), and

(B) recommendations for appropriate legislative changes to incorporate payment for cost-effective preventive health services into the medicare program.

(f) Funding.—Expenditures made for the demonstration program shall be made from the Federal Supplementary Medical Insurance Trust Fund (established by section 1841 of the Social Security Act). Grants and payments under contracts may be made either in advance or by way of reimbursement, as may be determined by the Secretary, and shall be made in such installments and on such conditions as the Secretary finds necessary to carry out the purpose of this section.

(g) Waiver of Medicare Requirements.—The Secretary shall waive compliance with such requirements of title XVIII of the Social Security Act to the extent and for the period the Secretary finds necessary for the conduct of the demonstration program.

S. 1615

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Care Improved Access Act of 1985".

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TITLE I—CONTINUATION OF HEALTH INSURANCE FOR INDIVIDUALS LOSING EMPLOYMENT-RELATED COVERAGE

SEC. 101. TEMPORARY EXTENSION OF COVERAGE AT GROUP RATES FOR LAID-OFF WORKERS AND FOR FAMILY MEMBERS OF DECEASED OR DIVORCED WORKERS; OPEN ENROLLMENT FOR SPOUSES OF UNEMPLOYED WORKERS.

(a) In General.—The Public Health Service Act is amended by adding at the end the following new title:

"TITLE XXII—REQUIREMENTS FOR CERTAIN GROUP HEALTH INSURANCE POLICIES

"REQUIREMENT OF CONTINUATION COVERAGE AND OPEN ENROLLMENT PERIOD

"Sec. 2201. (a) In accordance with regulations which the Secretary shall prescribe—

"(1) each employer—

"(A) which is now or hereafter required during any calendar quarter to pay its employees the minimum wage prescribed by section 6 of the Fair Labor Standards Act of 1938 (or would be required to pay its employees such wage but for section 13(a) of such Act), and

"(B) which during such calendar quarter employed an average number of employees of not less than 25,

shall include in any health benefits plan, and

(2) any State and each political subdivision thereof which during any calendar quarter employed an average number of employees of not less than 25, as a condition of payment to the State of funds under section 314(d), 317, 318, 1002, 1525, or 1613, shall include in any health benefits plan,

offered to such employees in the calendar year beginning after such calendar quarter of the Secretary (i) the option of continuation coverage specified in section 2202, and (ii) the spousal open enrollment period specified in section 2203.

"(b) Definition of Employer.—For purposes of this section, the term 'employer' does not include—

"(1) the Government of the United States, the government of the District of Columbia or any territory or possession of the United States or any agency or instrumentality (including the United States Postal Service and Postal Rate Commission) of any of the foregoing, except that such term includes nonappropriated fund instrumentalities of the Government of the United States;

"(2) a church, convention or association or churches, or any organization operated, supervised or controlled by a church, convention or association of churches which organization is an organization described in section 501(c)(3) of the Internal Revenue Code of 1954; or

"(3) a State or any political subdivision thereof, or any agency or instrumentality thereof.

"OPTION OF CONTINUATION COVERAGE

"SEC. 2202. (a) REQUIRED OPTION.—The requirement of continuation coverage referred to in clause (i) of section 2201(a) is that each covered employee or other qualified beneficiary, who would lose coverage under the health benefits plan because of a qualifying event, is given, in accordance with this section, the option of electing continuation coverage under the plan.

"(b) ELECTION.—

"(1) ELECTION PERIOD.—The option of electing continuation coverage must be offered during a period that—

"(A) begins not later than the termination date (as defined in subsection (c)(2)),

"(B) is of at least 60 days duration, and

"(C) ends not earlier than 60 days after the date the qualified beneficiary is notified under subsection (f)(4) or the termination date, whichever date is later.

"(2) EFFECT OF ELECTION ON OTHER BENEFICIARIES.—Unless otherwise specified in the election—

"(A) any such election by a covered employee shall be deemed to include an election with respect to all other qualified beneficiaries of the employee whose coverage would, but for continuation coverage provided in accordance with this section, be affected by the qualifying event; and

"(B) except as provided in subparagraph (A), any such election by an individual who is a qualified beneficiary described in subsection (g)(2)(A) shall be deemed to include an election of continuation coverage on behalf of any other qualified beneficiary (other than the covered employee) whose coverage would, but for continuation coverage provided in accordance with this section, be affected by the qualifying event.

"(c) QUALIFYING EVENT AND TERMINATION DATE.—For purposes of this section—

"(1) A qualifying event under a health benefits plan, with respect to a covered employee, is any of the following events if the coverage of a qualified beneficiary under the plan would, but for continuation coverage provided in compliance with this section, be terminated by the occurrence of the event:

"(A) The termination, or reduction of hours, of the covered employee's employment (other than for cause).

"(B) The death of the covered employee.

"(C) The divorce or separation of the covered employee from his or her spouse.

"(D) The covered employee becoming entitled to benefits under title XVIII of the Social Security Act.

"(2) The term 'termination date' means, with respect to a qualifying event, the date on which coverage of a qualified beneficiary under a group health plan would be terminated under the plan but for continuation coverage provided in compliance with this section.

"(d) TERMS OF CONTINUATION COVERAGE.—Any continuation coverage elected by or on behalf of a qualified beneficiary shall meet the following requirements:

"(1) NO REQUIREMENT OF INSURABILITY.—The coverage may not be conditioned upon, or discriminate on the basis of lack of, evidence of insurability.

"(2) CONTINUED BENEFITS.—The coverage shall consist of coverage which is identical to the coverage provided under the plan to similarly situated beneficaries under the plan with respect to whom a qualifying event has not occurred.

"(3) FAMILY OPTION.—If, at the time of the qualifying event, an individual was covered under the health benefits plan because of the individual's relationship to a covered employee and the individual is a qualified beneficiary, the option must be provided of continuing coverage of the individual.

"(4) PERIOD OF CONTINUED COVERAGE.—The coverage shall be for a period commencing upon the expiration date and ending not earlier than the earliest of the following:

"(A) ONE YEAR FOR UNEMPLOYED.—In the case of a qualifying event described in subsection (c)(1)(A) (relating to unemployment or reduction of employment), one year after the date the continued coverage begins.

"(B) FIVE YEARS FOR OTHERS.—In the case of a qualifying event not described in subsection (c)(1)(A), five years after the date the continued coverage begins.

"(C) END OF PLAN.—The date on which the employer ceases to provide any health benefits plan to employees.

"(D) FAILURE TO PAY PREMIUMS.—The date on which there is a failure in making timely payment of any premium required under the plan with respect to the qualified beneficary.

"(E) REEMPLOYMENT OR MEDICARE ELIGIBILITY.—The date on which the qualified beneficiary first becomes, after the date of the election, a covered employee under any other health benefits plan offered by an employer or becomes entitled to benefits under title XVIII of the Social Security Act.

"(F) REMARRIAGE OF SPOUSE.—In the case of a qualified beneficiary spouse described in subsection (g)(2)(A), the date on which the qualified beneficiary remarries and becomes covered under a health benefits plan as the spouse of a covered employee.

"(G) CHILD TURNING MAJORITY.—In the case of any individual who is a qualified beneficiary by reason of having been a covered dependent child of a covered employee, the date on which the individual ceases to be a covered dependent child of the qualified beneficiary.

"(5) CONVERSION OPTION.—In the case of a qualified beneficiary whose period of continued coverage expires under subparagraph (A) or (B) of paragraph (4), the plan must provide to the beneficiary, during the 180-day period ending on the date of expiration of the period of continued coverage, the option of enrollment under a conversion health plan otherwise generally available to beneficiaries under the plan.

"(e) PREMIUMS FOR CONTINUATION COVERAGE.—

"(1) AMOUNT.—The total premium charged by a health benefits plan with respect to any qualified beneficiary for continuation coverage under the plan shall not exceed the sum of employer premiums and employee premiums generally charged with respect to coverage under the plan of similarly situated beneficiaries with respect to whom a qualifying event has not occurred. The total of all premiums charged by the plan in any plan year may be based upon reasonably anticipated community costs for such plan year of the entire pool of covered employees and other beneficiaries under the plan, including qualified beneficiaries receiving continuation coverage under the plan under this section.

"(2) PAYMENTS.—The plan may provide for payment of the total premium by the qualified beneficiary receiving such coverage, or for payment of all or part of such premium by the employer or other party and payment of the remainder of such premium by such beneficiary. The plan shall provide for payment of any premium by a qualified beneficiary in monthly installments if so elected by the beneficiary. If an election is made during an election period but after the termination date, the plan shall permit payment of any premium for continuation coverage during the preceding period to be made within 45 days of the date of the election.

"(3) PREMIUM DEFINED.—As used in this subsection, the term 'premium' means any amount payable with respect to the provision of coverage under a health benefits plan.

"(f) NOTICE REQUIREMENTS.—In accordance with regulations of the Secretary—

"(1) the health benefits plan must provide, at the time of commencement of coverage under the plan, for written notice to each covered employee and spouse of the employee (if any) of the rights under this section;

"(2) the employer of a covered employee under the plan must notify the health benefits plan administrator if the employee dies;

"(3) each covered employee is responsible for notifying the health benefits plan administrator of the occurrence of any qualifying event (other than that described in subsection (c)(1)(B)) respecting that employee; and

"(4) the health benefits plan administrator must notify each qualified beneficiary, within a period of 14 days after the date the administrator is notified concerning a qualifying event affecting that beneficiary, of—

"(A) the termination date with respect to the beneficiary, and

"(B) the beneficiary's right to elect continuation coverage under this section and the election period established under subsection (b)(1) during which the beneficiary can exercise that right.

"(g) DEFINITIONS.—For purposes of this section—

"(1) COVERED EMPLOYEE.—The term 'covered employee' means an individual who is (or was) provided coverage under a health benefits plan by virtue of the individual's employment or previous employment with an employer.

"(2) QUALIFIED BENEFICIARY.—The term 'qualified beneficiary' means, with respect to a covered employee under a health benefits plan, the covered individual and any other individual who, on the date before the date of a qualifying event for that employee—

"(A) is a beneficiary under the plan as the spouse of the employee and has been married to the employee for at least the immediately preceding 30-day period, or

"(B) is a beneficiary under the plan as a covered dependent child of the employee.

"(3) COVERED DEPENDENT CHILD.—The term 'covered dependent child' means, with respect to a covered employee, and individual who meets the generally applicable requirements of the plan for treatment as a dependent child covered under the plan by reason of the coverage of the employee under the plan.

"(4) GROUP HEALTH PLAN ADMINISTRATION.—The term 'health benefits plan administrator' means, in connection with a health benefits plan, any person who provides for administrative functions relating to enrollment of individuals under the plan. For purposes of this subparagraph, the term 'person' includes one or more individuals, governments or agencies of the United States or any State or political subdivision thereof, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint ventures, joint stock companies, societies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, and fiduciaries.

"OPEN ENROLLMENT FOR SPOUSES OF UNEMPLOYED WORKERS

"SEC. 2203. (a) REQUIRING OPEN ENROLLMENT PERIOD.—The requirement of a spousal open enrollment period referred to in clause (ii) of section 2201(a) is that for each married employee the plan must provide for an open enrollment period (meeting the requirements of this section) for each married employee—

"(1) who is (or, but for a previous election, would be) covered under the plan, and

"(2) whose spouse loses or will lose coverage under a health benefits plan due to the spouse's separation (other than for cause) from employment.

"(b) OPEN ENROLLMENT PERIOD.—The open enrollment period must—

"(1) be a period of not less than 60 days, and

"(2) begin not earlier than 30 days before the date of the spouse's separation from employment and not later than such date, except, at the option of the employee, the period may be delayed to begin on a date not later than the date the employee's spouse actually loses coverage under a health benefits plan.

"(c) LOSS OF COVERAGE.—For purposes of this section, a spouse shall not be considered to have lost coverage during any period (after the separation from employment) in which the coverage is continued and for which a contribution toward the cost of the coverage is being made by an employer, union, or entity other than the spouse.

"(d) TERMS OF ENROLLMENT OPTION.—

"(1) NO REQUIREMENT OF INSURABILITY.—The terms of such an enrollment may not require, or discriminate on the basis of lack of, evidence of insurability.

"(2) BENEFITS AND ENROLLMENT.—Except as provided in paragraph (3), the coverage and terms of an enrollment during an open enrollment period provided under subsection (a) shall be the same as the terms (including any option for coverage of immediate family members) most recently offered with respect to the enrollment of that employee or (at the employer's option), of newly hired or other employees similarly situated.

"(3) EFFECTIVE DATE OF COVERAGE.—Except as provided in paragraph (4), the coverage provided pursuant to an individual's enrollment during an open enrollment period under this section shall be effective no later than—

"(A) the first day of the first pay period that begins more than 5 days after the date the individual enrolls, or

"(B) 30 days after the date the individual enrolls,

whichever is earlier.

"(4) IMMEDIATE COVERAGE OF ADDED FAMILY MEMBERS.—If an employee was previously covered and only exercises the option to cover immediate family members, the coverage of the immediate family members shall begin not later than the first day of the first pay period that begins after the date the individual exercises the option.".

ENFORCEMENT

"SEC. 2204. (a) CIVIL PENALTY.—Any employer (other than a State or political subdivision thereof, or any agency or instrumentality thereof) who knowingly does not comply with one or more of the requirements of this title shall be subject to a civil penalty of not more than $10,000. If such noncompliance continues, a civil penalty may be assessed and collected under this subsection for each 30-day period such noncompliance continues. Such penalty may be assessed by the Secretary and collected in a civil action brought by the United States in a United States district court.

"(b) NOTICE AND HEARING RIGHTS.—In any proceeding by the Secretary to assess a civil penalty under this section, no penalty shall be assessed until the employer charged shall have been given notice and an opportunity to present its views on such charge. In determining the amount of the penalty, or the amount agreed upon in compromise, the Secretary shall consider the gravity of the noncompliance and the demonstrated good faith of the employer charged in attempting to achieve rapid compliance after notification by by the Secretary of a noncompliance.

"(c) TRIAL DE NOVO.—In any civil action brought to review the assessment of a civil penalty assessed under this section, the court shall, at the request of any party to such action, hold a trial de novo on the assessment of such civil penalty and in any civil action to collect such a civil penalty, the court shall, at the request of any party to such action, hold a trial de novo on the assessment of such civil penalty unless in a prior civil action to review the assesment of such penalty the court held a trial de novo on such assessment.

"(d) PRIVATE RIGHT OF ACTION.—Any employer (other than a State or political subdivision thereof, or any agency or instrumentality thereof) who knowingly does not comply with one or more of the requirements of this title shall be liable to individuals for damages (including health care costs incurred) resulting from the employer's failure to comply with the requirements.

"(e) ENFORCEMENT AGAINST STATES.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that it or any of its political subdivisions has failed to comply with one or more requirements of this title, the Secretary shall terminate payments to such State under section 314(d), 317, 318, 1002, 1525, and 1613 and notify the Governor of such State that further payments under such sections will not be made to the State until the Secretary is satisfied that there will no longer be any such failure to comply.".

(b) EFFECTIVE DATES.—

(1) GENERAL RULE.—The amendments made by this section shall apply to plan years beginning on or after January 1, 1986.

(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a health benefits plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the earlier of—

(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) January 1, 1987.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

(c) NOTIFICATION TO COVERED EMPLOYEES.—At the time that the amendments made by this section apply to a health benefits plan described in section 2201 of the Public Health Service Act, the plan shall notifiy each covered employee, and spouse of the employee (if any), who is covered under the plan at that time of the continuation coverage and open enrollment period required under sections 2202 and 2203 of that Act. The notice furnished under this subsection is in lieu of notice that may otherwise be required under section 2202(f)(1) of that Act.

TITLE II—INCENTIVES FOR THE ESTABLISHMENT OF STATEWIDE INSURANCE POOLS

SEC. 201. PROVIDING FOR LARGE EMPLOYERS' PARTICIPATION IN QUALIFIED STATE POOLING ASSOCIATIONS.

(a) ADDITIONAL REQUIREMENT UNDER PUBLIC HEALTH SERVICE ACT.—Title XXII of the Public Health Service Act (as added by part A of this title) is amended as follows:

(1) In section 2201(a)—

(A) redesignate subsection (b) as subsection (c), and

(B) insert after subsection (a) the following new subsection:

"(b) PARTICIPATION IN QUALIFIED STATE POOLING ASSOCIATIONS.—

"(1) REQUIREMENT.—In accordance with regulations which the Secretary shall prescribe, in the case of each employer described in subsection (a)(1) that offers a health benefits plan, either the employer or the entity through which benefits under the plan are offered must be a member of a qualified pooling association (described in paragraph (2)) in each State in which benefits under the plan are offered as a result of employment in that State.

"(2) QUALIFIED POOLING ASSOCIATION.—In paragraph (1), the term 'qualified pooling association' means any organization which—

"(A) is a nonprofit corporation established pursuant to and regulated by State law;

"(B) permits any of the following doing business in the State to be participating members:

"(i) insurers writing expense incurred health insurance,

"(ii) hospital and medical service plan corporations,

"(iii) health maintenance organizations, and

"(iv) employers and other health financing entities;

"(C) makes available (without regard to health conditions) to all residents of the State, who are not eligible for benefits under part A of title XVIII of the Social Security, levels of health insurance typical of the levels of coverage provided through large employer groups;

"(D) charges a pool premium rate expected to be self-supporting based upon a reasonable actuarial determination of anticipated experience and expected expenses, such pool premium rate in no event to exceed 150 percent of average premium rates for individual standard risks in the State for comparable coverage; and

"(E) assesses losses of the pool equitably among all participating members.".

(2) In section 2204(a), insert before the period at the end of the first sentence the following: "(or, in the case of a failure to comply with a requirement of section 2201(b), a civil penalty of not more than 10 percent of the amount of an employer's expenditures for plans which do not comply with that requirement)".

(b) EFFECTIVE DATE.—This amendments made by this section take effect on January 1, 1987.

TITLE III—PROHIBITING REFUSAL OF EXAMINATION OR APPROPRIATE CARE TO STABILIZE PATIENTS IN MEDICAL EMERGENCIES

SEC. 301. RESPONSIBILITIES OF HOSPITALS IN EMERGENCY CASES.

(a) Medical Screening Requirement.—In the case of a hospital (as defined in subsection (e)(3)) that has a hospital emergency department, if any individual comes to the emergency department and a request is made on the individual's behalf for examination or treatment for a medical condition, the hospital must provide for an appropriate medical screening examination to determine whether or not an emergency medical condition (within the meaning of subsection (e)(1)) exists or to determine if the individual is in active labor (within the meaning of subsection (e)(2)).

(b) Necessary Stabilizing Treatment for Emergency Medical Conditions and Active Labor.—If any individual comes to the hospital and the individual is determined (through the screening described in subsection (a) or otherwise) by qualified medical personnel to have an emergency medical condition or to be in active labor, the hospital must provide either—

(1) within the staff and facilities available at the hospital, for such further medical examination and such treatment as may be required to stabilize the medical condition or to provide for treatment of the labor, unless the examination or treatment is refused, or

(2) for transfer of the patient to another medical facility in accordance with subsection (c).

(c) Restricting Transfers Until Patient Stabilized.—

(1) Rule.—If a patient at a hospital has an emergency medical condition which has not been stabilized (within the meaning of subsection (e)(4)(B)) or is in active labor, the hospital may not transfer the patient unless—

(A) there has been a written determination by a physician (within the meaning of section 1861(r)(1) of the Social Security Act) that, based upon the reasonable risks and benefits to the patient, and based upon the information available at the time, the benefits obtained from the provision of appropriate medical treatment at another medical facility outweigh the increased risks to the individual's medical condition from effecting the transfer, and

(B) the transfer is an appropriate transfer (within the meaning of paragraph (2)) to that facility.

(2) Appropriate transfer.—An appropriate transfer to a medical facility is a transfer—

(A) in which the receiving facility—

(i) has available space and qualified personnel for the treatment of the patient,

(ii) has agreed to accept transfer of the patient and to provide appropriate medical treatment, and

(iii) is being provided appropriate medical records (or copies thereof) of the examination and treatment effected at the transferring facility;

(B) in which the transfer is effected through qualified personnel and transportation equipment, including the use of medically appropriate life support measures during the transfer; and

(C) which meets such other requirements as the Secretary may find necessary in the interest of the health and safety of patients transferred.

(d) Enforcement.—

(1) As condition of medicare provider agreement.—Failure of a hospital to meet the requirements of this section subjects the hospital to termination of its medicare provider agreement under title XVIII of the Social Security Act, in accordance with section 1866(b) of that Act.

(2) Civil monetary penalties.—In addition to the other grounds for imposition of a civil money penalty under section 1128A(a) of the Social Security Act, a hospital that has entered into a participation agreement under section 1866 of that Act that knowingly violates a requirement of this section is subject, under that section 1128(a) of that Act to a civil money penalty of not more than $25,000 for each such violation.

(3) Civil enforcement.—Any person that is adversely affected directly by a hospital's violation of a requirement of this section may bring an appropriate action, in an appropriate court of general jurisdiction of the State in which the hospital is located or in the appropriate Federal district court, for damages to the person arising from the violation and for such other equitable relief as may be appropriate to remedy the violation or deter subsequent violations.

(4) Criminal penalties.—

(A) In general.—A responsible physician (as defined in subparagraph (B)) who—

(i) has professional responsibilities for the provision of a screening examination of a patient in the hospital's emergency department and either (I) knowingly fails to provide for any screening examination required under subsection (a) if the failure represents a gross deviation from the prevailing local standards of medical practice, or (II) provides for such a screening examination which is conducted in a manner that is so inappropriate as to represent a gross deviation from the prevailing local standards of medical practice, or

(ii) has professional responsibilities for the treatment of a patient, knows (or has reason to know) that the patient has an emergency medical condition or is in active labor, and who, within the staff and facilities available at the hospital, either (I) knowingly fails to carry out the individual's responsibilities to provide for treatment of the patient under subsection (b) if the failure represents a gross deviation from the prevailing local standards of medical practice, or (II) provides for such treatment in a manner that is so inappropriate as to represent a gross deviation from the prevailing local standards of medical practice, or

(iii) has professional responsibilities for the treatment of a patient, knows (or has reason to know) that either the patient has an emergency medical condition which has not been stabilized or the patient is in active labor, and either—

(I) knowingly transfers (or orders the transfer of) the patient other than to another medical facility, or

(II) knowingly transfers (or orders the transfer of) the patient to another medical facility, if the physician knows (or has reason to know) that the other facility does not have space available for the treatment of the patient and has not agreed to accept the patient.

shall be fined not more than $100,000 or imprisoned not more than one year, or both; except that, if, as a direct result of the violation of this paragraph, the patient dies, the physician shall be fined not more than $250,000 or imprisoned not more than five years, or both.

(B) Responsible physician defined.—As used in subparagraph (A), the term "responsible physician" means, with respect to a patient, a physician who—

(i) is employed by, or under contract with, a hospital, and

(ii) acting as such an employee or under such a contract, has professional responsibilities for the provision of examinations or treatments for the patient or tranfers of the patient.

(e) Definitions.—In this section:

(1) The term "emergency medical condition" means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in—

(A) placing the patient's health in serious jeopardy,

(B) serious impairment to bodily functions, or

(C) serious dysfunction of any bodily organ or part.

(2) The term "active labor" means labor at a time at which—

(A) delivery is imminent,

(B) there is inadequate time to effect safe transfer to another hospital, or

(C) a transfer may pose a threat of the health and safety of the patient or the unborn child.

(3) The term "hospital" includes only a hospital that receives Federal financial assistance (including payments under title XVIII of the Social Security Act).

(4)(A) The term "to stabilize" means, with respect to a medical condition, to provide such medical treatment of the condition as may be necesary to assure that no material deterioration of the condition is likely to result from the transfer of the individual from a facility.

(B) The term "stabilized" means, with respect to a medical condition, that no material deterioration of the condition is likely to result from the transfer of the individual from a facility.

(5) The term "transfer" means the movement (including the discharge) of a patient outside a hospital's facilities at the direction of any person employed by (or affiliated or associated, directly or indirectly, with) the hospital, but does not include such a movement of a patient who (A) has been declared dead, or (B) leaves the facility without the permission of any such person.

(f) Preemption.—The provisions of this section do not preempt any State or local law requirement respecting hospitals, except to the extent that the requirement directly conflicts with a requirement of this section.

(g) Effective Date.—This section shall apply to individuals who come to hospitals on or after October 1, 1985.

TITLE IV—DEMONSTRATION PROJECTS ON IMPROVING ACCESS TO HEALTH INSURANCE FOR SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS

SEC. 401. IMPROVING ACCESS TO HEALTH INSURANCE FOR SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.

(a) Studies and Demonstration Projects.—The Secretary of Health and Human Services shall provide for the conduct of studies and demonstration projects on ways to reduce the costs for small employers and self-employed individuals in obtaining health insurance. In particular the Secretary shall examine, demonstrate, and evaluate how savings in marketing and administrative costs can be achieved through the use of—

(1) standardized policy packages,

(2) State arrangements for the pooling of health insurance,

(3) State or Federal reinsurance of group health contracts,

(4) contracts with banks to offer such insurance to depositors or other groups,

(5) contracts with medicare carriers,

(6) contracts or grants to Chambers of Commerce or similar groups representing business, and

(7) other innovative means.

(b) Report.—The Secretary shall report to Congress on the results of the studies and demonstration projects not later than January 1, 1988.

(c) Authorization of Appropriations.—There are authorized to be appropriated for each fiscal year (beginning with fiscal year 1986) such sums as may be appropriate to carry out this section.

By Mr. McCLURE (by request):

S.J. Res. 192. Joint resolution to authorize financial assistance for the Northern Mariana Islands, and for other purposes; to the Committee on Energy and Natural Resources.

FINANCIAL ASSISTANCE FOR THE NORTHERN MARIANA ISLANDS

● Mr. McCLURE. Mr. President, at the request of the Department of the Interior, I send to the desk for appropriate reference a joint resolution to authorize financial assistance for the Northern Mariana Islands, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the bill, and the executive communication which accompanied the proposal from the Assistant Secretary for Territorial and International Affairs be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of Public Law 94-241 (97 Stat. 1461) is amended—

(1) in Section 703, subsection (a), after the words "Section 702" add the words "and Section 705";

(2) in Section 704, subsections (a), (b) and (d), after the words "Section 702" add the words "and Section 705";

(3) in Section 704, delete subsection (c), and redesignate subsection (d) as subsection (c);

(4) after Section 704 add a new Section 705, as follows:

"Section 705. Enactment of this section by the United States Congress and approval by the President shall constitute a commitment and pledge of the full faith and credit of the United States for the payment, as well as an authorization for the appropriation, of $228 million at guaranteed annual amounts of direct grant assistance for the Government of the Northern Mariana Islands for an additional period of seven fiscal years after the expiration of the initial seven-year period specified in Section 702, which assistance shall be provided according to the Agreement of the Special Representatives on Future United States Financial Assistance for the Government of the Northern Mariana Islands, executed July 19, 1985, between the special representative of the President of the United States and the special representatives of the Governor of the Northern Mariana Islands. The islands of Rota and Tinian shall each receive no less than a ⅓ share and the island of Saipan shall receive no less than a ⅓ share of annualized capital improvement project funds, which shall be no less than 80% of the capital development funds identified in the schedule of payments in paragraph 2 of part II of the Agreement of the special representatives."; and

(5) In Section 1003, subsection (b), delete "Article VII" and insert in lieu thereof "701-704"; redesignate subsection (c) as subsection (d); and add a new subsection (c) as follows:

"(c) Section 705 will become effective on October 1, 1985.".

U.S. Department of the Interior,
Office of the Secretary,
Washington, DC, July 29, 1985.

Hon. George Bush,
President of the Senate, Washington, DC.

Dear Mr. President: Enclosed are the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands, and draft joint resolution "To authorize financial assistance for the Northern Mariana Islands."

We recommend that the joint resolution be referred to the appropriate committee for consideration, and that it be enacted.

Section 902 of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, approved by the Congress in Public Law 94-241, provides that the President, and Governor of the Northern Mariana Islands shall appoint special representatives for the Northern Mariana Islands. President Ronald W. Reagan and Governor Pedro P. Tenorio, respectively, appointed the special representatives. On July 10, 1985, in Saipan, Northern Mariana Islands, the special representatives signed the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands (hereinafter referred to as "agreement").

At such time as the recommended legislation is enacted by the Congress, the agreement will provide the framework for United States financial assistance for the Northern Mariana Islands for a second seven-year period, fiscal years 1986 through 1992. The United States full faith and credit guarantee would continue to be applicable under the agreement to the negotiated $228 million in United States funding over the seven-year period. This funding includes $126 million for capital development, $100.5 million for government operations, and $1.5 million for hospital start-up costs and pension planning. The government operations portion of the funds is conditioned on the Northern Mariana Islands meeting a series of performance standards.

The agreement in other respects, is a departure from past practice. The first seven-year period saw funding, indexed to 1975 prices, with no strings attached for operations, the economic development loan fund, or construction.

The new agreement provides a schedule of annual financing based on the principles of:

Priority for capital and economic development (with augmenting private bonding) over government operations,

Reduction in government operations by at least $1 million a year,

Continuation of Northern Mariana Islands' independent and autonomous regulatory authorities governing utilities, borrowing and economic development, which will put utilities on a full user-fee/pay-as-you-go basis within three years,

Planning for full funding of the government's pension system by the end of the agreement's seven-year period, and

Privatization.

The agreement includes standards to ensure performance under the above principles in addition to calling for Federal technical assistance, biennial meetings to assess progress under the agreement, and annual reports to the Congress. Should performance be found lacking the Secretary of the Interior would be authorized to propose deferral of the Northern Mariana Islands government operations funds.

Also understood by the special representatives are the facts that indexing would no longer be applicable to Northern Mariana Islands funds, and that legislature expenses would be reduced according to public law enacted by the Northern Mariana Islands legislature.

The agreement does not change the amount requested for fiscal year 1986 for the Northern Mariana Islands by the Department of the Interior—$27,726,000. Appropriations language in current appropriations bills, therefore, is not affected by the agreement. Enactment of the attached joint resolution, however, is vital for fulfillment of the agreement and its requirements. With agreement emphasis on capital development, and reduced and efficient government administration, we strongly urge early action by the Congress.

The Office of Management and Budget has advised that enactment of this draft joint resolution would be in accord with the program of the President.

Sincerely,

Richard Montoya,
Assistant Secretary.

Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands

Whereas, under the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (Covenant) the peoples of the Northern Mariana Islands and the United States of America desire to improve their mutually beneficial relationship, and to develop the economic resources referenced in Section 701 needed to meet the financial responsibilities of local self-government in the Northern Mariana Islands; and

Whereas, the guaranteed annual levels of direct grant assistance will expire at the end of fiscal year 1985; and

Whereas, Section 704(d) of the Covenant provides that the Congress may appropriate different amounts at the end of the seven-year period of guaranteed annual direct grant assistance provided by Section 702 of the Covenant; and

Whereas, the Covenant provides for the appointment of special representatives of the two governments to consider and make recommendations regarding future multi-year financial assistance to the Government of the Northern Mariana Islands; and

Whereas, President Ronald Reagan and Governor Pedro P. Tenorio appointed such special representatives who have considered such United States future financial assistance;

Now, therefore, we, Richard T. Montoya, special representative for the President of the United States, and Pedro A. Tenorio, Benjamin T. Manglona, Gregorio C. Sablan, and Ignacio K. Quichocho, special representatives of the Governor of the Northern Mariana Islands, agree as follows:

PART I. POLICY STATEMENT

The Government of the United States and the Government of the Northern Mariana Islands mutually agree that the people of the Northern Mariana Islands will be best served by promoting economic development, lessening dependence on Federal financial assistance for government operations, and reducing the size of government, including the executive and legislative branches. Priority shall be given to maximizing capital development through the use of public and private financing techniques. The Government of the United States recognizes recent significant efforts and the future commitment on the part of the Government of the Northern Mariana Islands to achieve these objectives.

This document affirms the mutual commitment of the Government of the United States and the Government of the Northern Mariana Islands to these goals.

PART II. FUNDING

1. Full Faith and Credit. After approval of this Agreement by the Congress and the President of the United States, payments under this second multi-year financial assistance agreement shall be accorded the full faith and credit of the United States, except that the full faith and credit for the payment of government operations funds shall be subject to the performance standards (paragraph 4 of this Part) and settlement of disputes provisions (paragraph 2 of Part III) contained in this agreement.

2. Schedule of Payments. The Government of the United States shall provide the Government of the Northern Mariana Islands $228 million over a seven-year period, beginning October 1, 1985, and ending September 30, 1992, to be appropriated according to the following schedule:

	Capital development	Government operations	Special programs	Total
Fiscal year:				
1986	$8,465,000	$17,760,000	$1,500,000	$27,725,000
1987	18,294,000	17,050,000		35,344,000
1988	18,000,000	16,360,000		34,360,000
1989	25,150,000	15,000,000		40,150,000
1990	20,850,000	13,000,000		33,850,000
1991	17,850,000	11,000,000		28,850,000
1992	17,390,000	10,330,000		27,720,000
Totals	126,000,000	100,500,000	1,500,000	228,000,000

When appropriated, funds shall be granted annually by the Department of the Interior according to such regulations as are applicable to such grants. All previous funds granted under Section 702 of the Covenant remain subject to the provisions and restrictions under which they were granted.

3. Capital Development.

(a) The Government of the Northern Mariana Islands shall develop a seven-year strategic plan for capital improvement projects and economic development activities. At a minimum, eighty percent of the annual capital development funds identified in the schedule of payments (paragraph 2 of this Part) shall be obligated and expended in accordance with such plan that shall provide for essential infrastructure through capital improvement projects in the areas of power, water, sewers, roads, schools, ports and harbors, and public facilities. The balance, not to exceed a maximum of twenty percent of such annual capital development funds, shall be obligated and expended in accordance with the provisions of such plan that shall provide for economic development activities. Such plan and amendments thereto shall be submitted in accordance with Northern Mariana Islands law and mutually agreed upon by the Government of the Northern Mariana Islands and the Secretary of the Interior, or his designee. The plan shall be project specific with sufficient detail to perform cost/benefit analyses and develop financing strategies and alternatives. The Government of the Northern Mariana Islands shall establish a revolving fund, into which repayments of principal and interest from revenue-producing projects shall be deposited for financing of additional revenue-producing capital development projects. Interest earned on capital development funds before such funds are expended shall be treated as capital development funds; interest earned on moneys in the revolving fund shall become part of the revolving fund.

(b) The payment of federally appropriated funds, backed by the full faith and credit of the United States, may be applied or directed by the Government of the Northern Mariana Islands but such an application or direction by the Government of the Northern Mariana Islands shall not be a guarantee of payment by the United States, either directly or indirectly) for the repayment of debt instruments issued by the Government of the Northern Mariana Islands for capital development funds.

(c) The islands of Rota and Tinian shall each receive no less than a ⅙ share and the island of Saipan shall receive no less than a ⅔ share of annualized capital improvement project funds which shall be no less than 80% of the capital development funds identified in the Schedule of Payments in paragraph 2 of this Part.

4. Government Operations. The full faith and credit of the United States for the payment of government operations funds shall be subject to fulfillment of the following performance standards during the entire seven-year period:

(a) The Government of the United States shall provide $100.5 million in operations funds over the seven-year period in the annual amounts set forth in the schedule of payments. These annual funds shall be provided according to a separate payment schedule developed by the Government of the Northern Mariana Islands consistent with Federal regulations.

(b) The Government of the United States, through its designee, subject to the availability of funds, and at the request of and in cooperation with the Government of the Northern Mariana Islands, shall provide technical assistance, including but not limited to the following purposes: (i) the development and operation of a financial management system, (ii) the development of a plan for the transfer to the private sector by the Government of the Northern Mariana Islands of those functions that can be privately owned and operated, (iii) the promotion of government efficiency, (iv) the improvement of Northern Mariana Islands business development capability, (v) the promotion of business development and marketing by the Government of the Northern Mariana Islands, and (vi) assistance in bonding and financing techniques to be used in capital development.

(c) Representatives of both governments shall meet at least biennially to evaluate and discuss progress and achievements made under this agreement.

(d) The Government of the Northern Mariana Islands shall demonstrate a decreasing reliance on Federal Covenant financial assistance for government operations by reducing such assistance by an average of $1 million a year during the seven-year period of this agreement, and by reducing the overall size of government. Capital development funds shall not be spent for government operations purposes.

(e) The Government of the Northern Mariana Islands shall ensure continuation of an independent public agency that sets rates and fees for public utilities as described in Northern Mariana Islands Public Law 4-47. These services shall be fully funded, including both current expenses and long-term debt, without government subsidy through such user rates and fees by the end of the third year after this agreement is effective.

(f) The Government of the Northern Mariana Islands shall ensure the continued administration of capital development funds by an autonomous public agency of the Northern Mariana Islands, as described in Northern Mariana Islands Public Law 4-49. Such administration shall include the coordination and approval of all public financing of capital improvement projects and economic development activities.

(g) The Government of the Northern Mariana Islands shall obligate and expend those capital development funds to be devoted to capital improvement projects only according to definitions now contained in Northern Mariana Islands Public Law 4-46.

(h) The Government of the Northern Mariana Islands, within three months after this agreement becomes effective, shall initiate a study and an implementation plan that shall ensure an actuarially sound, locally funded pension system for the Government of the Northern Mariana Islands by the end of the seven years after this agreement becomes effective. Alternative strategies to bring the pension system into actuarial balance and alternative time periods necessary to accomplish this objective shall also be analyzed. The plan shall be fully implemented within the seven years referred to above unless otherwise mutually agreed by representatives of the Government of the United States and the Government of the Northern Mariana Islands based on long-term financial considerations and sound governmental management.

(i) The Government of the Northern Mariana Islands shall, within one year after this agreement becomes effective, develop a comprehensive plan for the transfer to the private sector of selected functions currently operated by the Government of the Northern Mariana Islands, and thereafter to the extent feasible, shall implement such transfers to the private sector.

5. Special Programs. The Government of the United States shall provide a one-time payment of $1 million for the Commonwealth Health Center operational start-up costs, and $500,000 for special technical assistance for developing a plan to fully fund the Government of the Northern Mariana Islands pension system. Should a portion of these pension study funds remain unexpended, the balance may be used for such technical assistance as the Government of the Northern Mariana Islands may determine.

PART III. CONGRESSIONAL OVERSIGHT AND REPORTING

1. Reporting. In addition to other reports and audits required by the Government of the United States, the Government of the Northern Mariana Islands shall furnish to the Congress of the United States, as part of its annual budget justification, a report on the use of the funds made available under the schedule of payments contained in this agreement. Such annual reports shall outline the achievements to date under the categories of funding (including the status of efforts to provide for capital development through the use of revenue and general obligation bonds, like instruments of public debt, and other financing techniques) and the progress of efforts to transfer selected functions to the private sector.

2. Settlement of Disputes. Should the Government of the United States believe that understandings or the performance standards of this agreement are not being met, it shall notify the Government of the Northern Mariana Islands in writing, with the intent to resolve such issue in a mutually agreeable and expeditious manner. Should the issue not be resolved within thirty days after such notification is received, the Secretary of the Interior may propose deferral of Government of the Northern Mariana Islands operations funds pursuant to the Congressional Budget and Impoundment Control Act of 1974, (United States Public Law 93-344, 2 U.S.C. 681, et seq.).

PART IV. AMENDMENT OF THIS AGREEMENT

This agreement may be amended from time-to-time as mutually determined by the Secretary of the Interior, or his designee, and the Government of the Northern Mariana Islands, provided that the full faith and credit authorization and appropriation of the capital development funds, and the minimum shares guaranteed for Rota, Tinian and Saipan as provided in Part II, paragraph 3(c), shall not be subject to such amendment.

PART V. RECOMMENDED STATUTORY AMENDMENTS

In order to give effect to this agreement, the parties recommend that the Covenant (Public Law 94-241, 97 Stat. 1461) be amended as follows:

Be it Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 2 of Public Law 94-241 (97 Stat. 1461) is amended as follows—

In Section 703, Subsection (a), after the words "Section 702" add the words "and Section 705".

In Section 704, Subsection (a), (b) and (d), after the words "Section 702" add the words "and Section 705".

In Section 704, delete Subsection (c), and redesignate Subsection (d) as Subsection (c).

After Section 704 add a new Section 705, as follows:

"Section 705. Enactment of this section by the United States Congress and approval by the President shall constitute a commitment and pledge of the full faith and credit of the United States for the payment, as well as an authorization for the appropriation, of $228 million at guaranteed annual amounts of direct grant assistance to the Government of the Northern Mariana Islands for an additional period of seven fiscal years after the expiration of the initial seven-year period specified in Section 702, which assistance shall be provided according to the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands, executed July 10, 1985, between the special representative of the President of the United States and the special representatives of the Governor of the Northern Mariana Islands. The islands of Rota and Tinian shall each receive no less than a ⅙ share and the island of Saipan shall receive no less than a ⅔ share of annualized capital improvement project funds, which shall be no less than 80% of the capital development funds identified in the Schedule of Payments in paragraph 2 of Part II of the Agreement of the Special Representatives."

In Section 1003, Subsection (b), delete "Article VII" and insert in lieu thereof "Section 731-734"; redesignate Subsection (c) as Subsection (d); and add a new Subsection (c) as follows:

(c) Section 705 will become effective on October 1, 1985.

Signed at Saipan, Northern Marina Islands on the tenth day of July, 1985.

For the United States of America:

Richard T. Montoya,
Special Representative of the President of the United States.

For the Northern Mariana Islands:

Pedro A. Tenorio,
Special Representative of the Governor of the Northern Mariana Islands.

Gregorio C. Sablan,
Special Representative of the Northern Mariana Islands.

Benjamin T. Manglona,
Special Representative of the Governor of the Northern Mariana Islands.

Ignacio K. Quichocho,
Special Representative of the Governor of the Northern Mariana Islands.●

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. Thurmond, the name of the Senator from Alabama [Mr. Heflin] was added as a cosponsor of S. 44, a bill to grant the consent of the Congress of the Southeast Interstate Low-Level Radioactive Waste Management Compact.

S. 72

At the request of Mr. Inouye, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of S. 72, a bill to amend titles XVIII and XIX of the Social Security Act to provide that mental health counselor services shall be covered under part B of Medicare and shall be a required service under Medicaid.

S. 231

At the request of Mr. Dole, the names of the Senator from Michigan [Mr. Levin] and the Senator from West Virginia [Mr. Byrd] were added as cosponsors of S. 231, a bill to establish a National Commission on Neurofibromatosis.

S. 361

At the request of Mr. Moynihan, the names of the Senator from Iowa [Mr. Harkin] and the Senator from Montana [Mr. Melcher] were added as cosponsors of S. 361, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 554

At the request of Mr. Roth, the name of the Senator from Oklahoma [Mr. Nickles] was added as a cosponsor of S. 554, a bill to amend title 18, United States Code, to include the transportation of males under the Mann Act, to eliminate the lewd and commercial requirements in the prosecution of child pornography cases, and for other purposes.

S. 808

At the request of Mr. Kennedy, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of S. 808, a bill to provide grants for school-based child care and early childhood education demonstration projects.

S. 809

At the request of Mr. Kennedy, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of S. 809, a bill to provide financial assistance to expand the availability of child care services for college students, particularly low-income students, in order to increase the access of such students to institutions of higher education, and for other purposes.

S. 881

At the request of Mr. Kennedy, the name of the Senator from Texas [Mr. Bentsen] was added as a cosponsor of S. 881, a bill to extend title X of the Public Health Service Act for 3 years.

S. 887

At the request of Mr. Dole, the names of the Senator from Connecticut [Mr. Weicker], and the Senator from Michigan [Mr. Levin] were added as cosponsors of S. 887, a bill to amend the Internal Revenue Code of 1954 to extend the deduction for expenses incurred in connection with the elimination of architectural and transportation barriers for the handicapped and elderly.

S. 908

At the request of Mr. McConnell, the names of the Senator from Indiana [Mr. Lugar], and the Senator from Missouri [Mr. Danforth] were added as cosponsors of S. 908, a bill to provide market expansion and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and for other purposes.

S. 980

At the request of Mr. Trible, the name of the Senator from Texas [Mr.

Bentsen] was added as a cosponsor of S. 980, a bill to amend title I of the Housing and Community Development Act of 1974.

S. 1084

At the request of Mr. Goldwater, the names of the Senator from Illinois [Mr. Dixon], the Senator from Mississippi [Mr. Cochran], the Senator from Ohio [Mr. Metzenbaum], the Senator from New Hamphire [Mr. Rudman], the Senator from Tennessee [Mr. Gore], and the Senator from Delaware [Mr. Biden] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1181

At the request of Mr. Hatch, the names of the Senator from Oregon [Mr. Packwood], and the Senator from Arkansas [Mr. Bumpers] were added as cosponsors of S. 1181, a bill to establish a program for the provision of home and community based services to elderly individuals.

S. 1209

At the request of Mr. Chiles, the names of the Senator from Georgia [Mr. Nunn], and the Senator from Michigan [Mr. Levin] were added as cosponsors of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1223

At the request of Mr. Armstrong, the names of the Senator from Delaware [Mr. Biden], the Senator from Nebraska [Mr. Exon], and the Senator from South Carolina [Mr. Hollings] were added as cosponsors of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean War.

S. 1233

At the request of Mr. Dole, the names of the Senator from Illinois [Mr. Simon], the Senator from Kentucky [Mr. Ford], the Senator from Minnesota [Mr. Durenberger], the Senator from Montana [Mr. Baucus], the Senator from New Mexico [Mr. Domenici], the Senator from Pennsylvania [Mr. Specter], the Senator from Rhode Island [Mr. Chafee], and the Senator from Rhode Island [Mr. Pell] were added as cosponsors of S. 1233, a bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals.

S. 1259

At the request of Mr. Thurmond, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 1259, a bill to correct certain inequities by providing Federal civil service credit for retirement purposes and for the purpose of computing length of service to determine entitlement to leave, compensation, life insurance, health benefits, severance pay, tenure, and status in the case of certain individuals who performed service as National Guard technicians before January 1, 1969.

S. 1298

At the request of Mr. Andrews, the name of the Senator from Oklahoma [Mr. Nickles] was added as a cosponsor of S. 1298, a bill to coordinate and expand services for the prevention, identification, and treatment of alcohol and drug abuse among Indian youth, and for other purposes.

S. 1305

At the request of Mr. Trible, the names of the Senator from Florida [Mr. Chiles], the Senator from South Carolina [Mr. Hollings], and the Senator from Minnesota [Mr. Boschwitz] were added as cosponsors of S. 1305, a bill to amend title 18, United States Code, to establish criminal penalties for the transmission by computer of obscene matter, or by computer or other means, of matter pertaining to the sexual exploitation of children, and for other purposes.

S. 1328

At the request of Mr. Simon, the names of the Senator from Mississippi [Mr. Cochran]. the Senator from Arkansas [Mr. Pryor], the Senator from Kentucky [Mr. Ford], the Senator from Ohio [Mr. Glenn], and the Senator from Georgia [Mr. Nunn] were added as cosponsors of S. 1328, a bill to strengthen programs under title III of the Higher Education Act of 1965, relating to institutional aid, and for other purposes.

S. 1362

At the request of Mr. Evans, the names of the Senator from Oklahoma [Mr. Nickles], the Senator from Kansas [Mrs. Kassebaum], the Senator from Georgia [Mr. Nunn], and the Senator from Rhode Island [Mr. Pell] were added as cosponsors of S. 1362, a bill to amend part A of title IV of the Social Security Act to provide for a study of quality control standards and procedures under the Aid to Families with Dependent Children Program, to provide for a moratorium on the imposition of penalties for erroneous payments, and for other purposes.

S. 1393

At the request of Mr. Abdnor, the name of the Senator from Georgia [Mr. Nunn] was added as a cosponsor of S. 1393, a bill to provide for a study of the use of unleaded fuel in agricultural machinery, and for other purposes.

At the request of Mr. D'Amato, his name was added as a cosponsor of S. 1393, supra.

S. 1399

At the request of Mr. Dole, the name of the Senator from Michigan [Mr. Riegle] was added as a cosponsor of S. 1399, a bill to amend the Rehabilitation Act of 1973 to strengthen the Architectural and Transportation Barriers Compliance Board.

S. 1476

At the request of Mr. Chafee, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of S. 1476, a bill to strengthen the Nation's competitive position in international trade and to improve its ability to respond to unfair and injurious foreign trade practices.

S. 1507

At the request of Mr. Nickles, his name was added as a cosponsor of S. 1507, a bill to increase the tariff on petroleum used for motor fuel.

S. 1537

At the request of Mr. Helms, the names of the Senator from South Carolina [Mr. Thurmond], and the Senator from Idaho [Mr. Symms] were added as cosponsors of S. 1537, a bill to amend title IV of the Higher Education Act of 1965 to provide standards for students for maintaining satisfactory progress as a condition for assistance under that title.

S. 1570

At the request of Mr. Nickles, the names of the Senator from North Carolina [Mr. Helms], the Senator from Alabama [Mr. Denton], the Senator from Oklahoma [Mr. Boren], the Senator from Virginia [Mr. Trible], the Senator from Iowa [Mr. Grassley], and the Senator from Indiana [Mr. Quayle] were added as cosponsors of S. 1570, a bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that act relating to maximum hours, to clarify the application of that act to volunteers, and for other purposes.

S. 1578

At the request of Mr. Thurmond, the names of the Senator from Tennessee [Mr. Sasser], the Senator from Kentucky [Mr. Ford], and the Senator from Alabama [Mr. Heflin] were added as cosponsors of S. 1578, a bill to amend the Low-Level Radioactive Waste Policy Act to improve procedures for the implementation of compacts providing for the establishment and operation of regional disposal facilities for low-level radioactive waste, and for other purposes.

SENATE JOINT RESOLUTION 43

At the request of Mr. Thurmond, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of Senate Joint Resolution 43, a joint resolution to authorize the Armored Force Monument Committee, the United States Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th,

12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations, jointly to erect a memorial to the "American Armored Force" on U.S. Government property in Arlington, VA, and for other purposes.

SENATE JOINT RESOLUTION 165

At the request of Mr. Simon, the names of the Senator from New Jersey [Mr. Lautenberg], the Senator from South Carolina [Mr. Thurmond], the Senator from Michigan [Mr. Riegle], the Senator from South Carolina [Mr. Hollings], and the Senator from Illinois [Mr. Dixon] were added as cosponsors of Senate Joint Resolution 165, a joint resolution designating the month of October 1985 as "National High-Tech Month."

SENATE JOINT RESOLUTION 173

At the request of Mr. East, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of Senate Joint Resolution 173, a joint resolution to designate the month of September 1985 as "National Sewing Month."

SENATE JOINT RESOLUTION 174

At the request of Mr. Heinz, the names of the Senator from Indiana [Mr. Lugar], the Senator from South Carolina [Mr. Hollings], the Senator from North Dakota [Mr. Andrews], the Senator from Maryland [Mr. Sarbanes], the Senator from Delaware [Mr. Roth], the Senator from Michigan [Mr. Levin], the Senator from New York [Mr. Moynihan], the Senator from Massachusetts [Mr. Kerry], the Senator from New Jersey [Mr. Lautenberg], the Senator from Idaho [Mr. McClure], the Senator from California [Mr. Cranston], the Senator from Connecticut [Mr. Weicker], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of Senate Joint Resolution 174, a joint resolution to designate November 18, 1985, as "Eugene Ormandy Appreciation Day."

SENATE JOINT RESOLUTION 175

At the request of Mr. Proxmire, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of Senate Joint Resolution 175, a joint resolution to designate the week of August 25, 1985, through August 31, 1985, as "National CPR Awareness Week."

SENATE JOINT RESOLUTION 185

At the request of Mr. Moynihan, the names of the Senator from Louisiana [Mr. Johnston], the Senator from West Virginia [Mr. Byrd], the Senator from Arkansas [Mr. Bumpers], and the Senator from Minnesota [Mr. Durenberger] were added as cosponsors of Senate Joint Resolution 185, a joint resolution to designate August 18, 1985, as "National Flowers-by-Wire Day."

SENATE JOINT RESOLUTION 186

At the request of Mr. Thurmond, the names of the Senator from New Jersey [Mr. Lautenberg], and the Senator from West Virginia [Mr. Byrd] were added as cosponsors of Senate Joint Resolution 186, a joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week."

SENATE JOINT RESOLUTION 189

At the request of Mr. Hatch, the names of the Senator from New Hampshire [Mr. Humphrey], the Senator from Oklahoma [Mr. Nickles], the Senator from Florida [Mrs. Hawkins], the Senator from Iowa [Mr. Grassley], the Senator from Arkansas [Mr. Bumpers], the Senator from Minnesota [Mr. Durenberger], the Senator from Hawaii [Mr. Inouye], the Senator from Idaho [Mr. McClure], the Senator from Michigan [Mr. Riegle], the Senator from North Carolina [Mr. East], the Senator from South Dakota [Mr. Abdnor], the Senator from North Dakota [Mr. Burdick], the Senator from New Jersey [Mr. Bradley], the Senator from South Carolina [Mr. Hollings], the Senator from Minnesota [Mr. Boschwitz], the Senator from Georgia [Mr. Nunn], and the Senator from New Jersey [Mr. Lautenberg] were added as cosponsors of Senate Joint Resolution 189, a joint resolution designating the week beginning January 12, 1986 as "National Fetal Alcohol Syndrome Awareness Week."

SENATE CONCURRENT RESOLUTION 24

At the request of Mr. MATTINGLY, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of Senate Concurrent Resolution 24, a concurrent resolution to direct the Commissioner of Social Security and the Secretary of Health and Human Services to develop a plan outlining the steps which might be taken to correct the Social Security benefit disparity known as the notch problem.

SENATE RESOLUTION 174

At the request of Mr. GORE, the names of the Senator from Massachusetts [Mr. Kennedy], and the Senator from Connecticut [Mr. Dodd] were added as cosponsors of Senate Resolution 174, a resolution expressing the sense of the Senate with respect to the proposed closing and downgrading of certain offices of the Social Security Administration.

SENATE RESOLUTION 186

At the request of Mr. D'AMATO, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of Senate Resolution 186, a resolution expressing the sense of the Senate that the President should call for negotiations with those democratic nations plagued by terrorism for a treaty to prevent and respond to terrorist attacks.

SENATE RESOLUTION 213

At the request of Mr. METZENBAUM, his name was added as a cosponsor of Senate Resolution 213, a resolution to express the sense of the Senate concerning recess appointments.

SENATE RESOLUTION 217—HONORING ALF LANDON

Mr. DOLE (for himself, Mr. Byrd, and Mr. Thurmond) submitted the following resolution; which was considered and agreed to:

S. Res. 217

Whereas Alfred Mossman Landon, former Governor of Kansas and 1936 Republican nominee for President, is celebrating his ninety-eighth birthday today, September 9, 1985;

Whereas Alf Landon has a firm foothold in American political history of another period, and is ever ready to comment on current affairs with an expertise and sensibility that reveals his unique position as a grand old man of the GOP;

Whereas his blend of morality, humanity and practical politics, has led politicians, labor leaders, reporters, and academicians to seek advice and counsel at his west Topeka home over the last forty-nine years;

Whereas as early as 1936, Alf Landon was a man ahead of his times, reminding Americans of the evils of inflation and pointing to the dangers of uncontrolled Government spending;

Whereas his record of fiscal integrity and balanced budgets during his tenure as Governor of Kansas would be the envy of any contemporary President;

Whereas Alf Landon has contributed much to the development and education of young people;

Whereas for over fifty years, Alf Landon has been one of our most respected and inspiring citizens, earning a permanent niche in American history; and

Whereas as a statesman, politician, businessman, counselor, sportsman, and friend, Alf Landon is a model for all who know him: Now, therefore, be it

Resolved, That the Senate hereby extends to the Honorable Alf Landon our affectionate greetings and best wishes on the occasion of his ninety-eighth birthday.

AMENDMENTS SUBMITTED

JAPANESE TECHNICAL LITERATURE ACT OF 1985

BAUCUS (AND ROCKEFELLER) AMENDMENT NO. 590

(Order referred to the Committee on Commerce, Science, and Transportation.)

Mr. BAUCUS (for himself and Mr. Rockefeller) submitted an amendment intended to be proposed by them to the bill (S. 1073) to amend the Stevenson-Wydler Technology Innovation Act of 1980 for the purpose of improving the availability of Japanese science

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and engineering literature in the United States, and for other purposes; as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Japanese Technical Literature Act of 1985".

Sec. 2. Section 5 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3704) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting immediately after subsection (c) the following new subsection:

"(d) Japanese Technical Literature.—(1) In addition to the duties specified in subsection (c), the Secretary shall establish and, through the National Technical Information Service and such other offices within the Department of Commerce as the Secretary considers appropriate, maintain a program (including an office in Japan) which shall, on a continuing basis—

"(A) monitor Japanese technical activities and developments;

"(B) consult with businesses and professional societies in the United States regarding their needs for information on Japanese developments in technology and engineering;

"(C) acquire and translate selected Japanese technical reports and documents that may be of value to agencies and departments of the Federal Government, and to businesses and researchers in the United States; and

"(D) coordinate with other agencies and departments of the Federal Government to identify significant gaps and avoid duplication in efforts by the Federal Government to acquire, translate, and disseminate Japanese technical information.

Activities undertaken pursuant to subparagraph (C) of this paragraph shall only be performed on a cost-reimbursable basis. Translations referred to in such subparagraph shall be performed only to the extent that they are not available from sources within the private sector in the United States.

"(2) Beginning in 1986, the Secretary shall prepare annual reports regarding important Japanese scientific discoveries and technical innovations in such areas as computers, semiconductors, biotechnology, and robotics and manufacturing. In preparing such reports, the Secretary shall consult with professional societies and businesses in the United States. The Secretary may, to the extent provided in advance by appropriation Acts, contract with private organizations to acquire and translate Japanese scientific and technical information relevant to the preparation of such reports.

"(3) The Secretary also shall encourage professional societies and private businesses in the United States to increase their efforts to acquire, screen, translate, and disseminate Japanese technical literature.

"(4) In addition, the Secretary shall compile, publish, and disseminate an annual directory which lists—

"(A) all programs and services in the United States that collect, abstract, translate, and distribute Japanese scientific and technical information; and

"(B) all translations of Japanese technical documents performed by agencies and departments of the Federal Government, in the preceding twelve months that are available to the public.

"(5) The Secretary shall transmit to the Congress, within one year after the date of enactment of the Japanese Technical Literature Act of 1985, a report on the activities of the Federal Government to collect, abstract, translate, and distribute declassified Japanese scientific and technical information.".

"Sec 3. Section 9 of the National Bureau of Standards Authorization Act for Fiscal Year 1986 (Public Law 99-73; 99 Stat. 173) is amended by striking "$2,715,000" and inserting in lieu thereof "$3,715,000".

● Mr. **BAUCUS.** Mr. President, some months ago I and my colleague Mr. Rockefeller introduced the Japanese Technical Literature Act of 1985. This bill was designed to be one small block in the rebuilding of U.S. competitiveness. It was aimed at increasing our attention and access to technological developments in Japan.

BACKGROUND

All of us are keenly aware of the large and growing U.S. trade deficit. That trade deficit is not the illness—it is the symptom of a number of illnesses. One of them is our declining productivity growth.

One commonly accepted explanation for Japan's postwar miracle is that country's ability to acquire and incorporate American technological developments. This has not happened accidentally. Japanese students learn English, and so they can read American journals. In addition, the Japanese Government and Japanese companies have worked hard at learning from American technology. The Japanese Information Center of Science and Technology and many individual Japanese businesses gather, abstract, and translate information and articles from around the world.

In contrast, we have paid little attention to Japanese technical literature. Whether or not this was ever the right attitude, it certainly is not today. Today Japan ranks third in scientific research.

There is plenty of published material describing Japanese technical developments. About 10,000 technical journals are published in Japan.

Some American companies and trade associations monitor this material. Some Federal agencies do the same in specialized areas. But the efforts are uncoordinated and inadequate—they cover barely 20 percent of the available material.

THE JAPANESE TECHNICAL LITERATURE ACT

The Japanese Technical Literature Act director the Directed of Industrial Technology in the Commerce Department to increase the availability of Japanese science and engineering literature to U.S. businesses, scientists, and engineers through a number of activities. The Director was given substantial flexibility.

Senator Rockefeller and I are pleased to be able to say that reaction to this proposal has been favorable. The National Association of Manufacturers has endorsed the bill. We have received favorable comments from representatives of the American Electronics Association, the American Chemical Society and the Global Competitiveness Council.

IMPROVEMENTS IN THE BILL

Why then would we propose an amendment to the Japanese Technical Literature Act? Because we have learned things that make us think the bill can be made even better.

In the revised bill, we propose a much more specific program in the Commerce Department—building on existing programs and adding new elements.

We have also made some changes to make absolutely clear that the intent of the bill is to complement ongoing or future private sector efforts—not to supplant them or compete with them.

Specifically, the revised legislation would authorize a $1 million Commerce Department program with four tasks:

Issuing an annual report on Japanese technological trends, especially trends in computers, semiconductors, biotechnology, and robotics;

Operating an office in Japan to monitor Japanese scientific and technical developments and translate selected Japanese scientific and technical documents for government, businesses, and academia, on a cost-reimbursable basis, and only to the extent that those documents are not readily available from private-sector sources;

Coordinating existing Federal Government translation programs, including publishing an annual index of existing Federal translations;

Reporting on overall Federal efforts to translate and disseminate Japanese scientific and technical information.

CONCLUSION

Mr. President, this bill is not the single, total answer to all our productivity and competitiveness problems. But we believe this bill represents a significant step.●

● Mr. **ROCKEFELLER.** Mr. President, on May 6, Senator Baucus and I introduced legislation to encourage the translation of Japanese scientific and technical information and to help American companies and researchers obtain access to this material. In the months since then, we have explored these issues through congressional hearings and other consultations, and have clarified our views about how modest Government resources might be directed to meeting such needs.

From these examinations, we're convinced that this country could benefit considerably from greater availability of Japanese R&D—in much the same way Japan has benefited from the work of others. For years, the Japanese have made strenuous efforts to learn from us: They read our professional journals, send students to study

in our universities, attend international meetings and consult with U.S. companies and researchers about discoveries and new technology.

Fluency in English has obviously facilitated such efforts on the part of the Japanese, and many of their brightest scientists and engineers know the language well. But the Japanese Government also makes a systematic effort to collect and translate technical information from all over the world—and encourages companies to use it. Partly because of this, the Japanese have excelled in applying the research findings of others to the development of new products and processes.

But there's no good reason—apart from the language barrier—why this flow of information should go only one-way. Japan devotes over 2 percent of its GNP to R&D and ranks third—after the United States and the Soviet Union—in spending on scientific research. The Japanese have become first-rate innovators and, like us, are engaged in pioneering research in fields like telecommunications equipment, biotechnology, robotics, and computers. At the very least, greater access to Japanese technical literature would alert our industries to the kind of competition they'll be facing. But it could also help us develop and perfect new technologies and products that will keep our industries in the lead.

At present, American researchers and businesses have relatively few opportunities to learn from the Japanese. The language is terribly difficult, and only a few of our largest companies can afford the expense of gathering and translating technical material from Japanese into English. Private services and trade associations are involved in abstracting, indexing, and identifying material which could be useful to read. But translation and dissemination of full texts of articles and reports by either private or government organizations in this country remains very limited—and barely scratches the surface of the Japanese professional literature in most scientific fields.

Our revised bill aims to build on these activities by earmarking $1 million within the Department of Commerce for the following purposes:

To monitor Japanese technical development, collect and translate selected documents, and coordinate the efforts of Federal agencies involved in such information-gathering to make the material available to businesses and researchers.

To prepare annual reports on important Japanese technological developments, in fields like computers, semiconductors, biotechnology, robotics, and manufacturing.

To assist the efforts of professional societies and other private organizations to acquire, screen, translate, and distribute Japanese technical literature.

To publish an annual directory of private and government services to collect and translate Japanese technical information.

To report to the Congress within 1 year on the translation activities of Federal agencies, with recommendations on how they might be improved upon.

We envision a core staff at Commerce to carry out these responsibilities, assisted by an office in Japan to facilitate the identification and acquisition of pertinent documents. With limited resources, the department will need to work closely with professional societies and other potential users to select material to be translated. The legislation further states that government translations be done on a cost-reimbursable basis, and only when the translated document is not available from private sources.

Recent events have proved—in sector after sector—that we can't blithely count on staying in the lead. There are multiple reasons for concern about the competitive position of a wide range of American industries—and the staggering trade imbalances that are sapping our economy's vitality.

We offer this legislation as one important facet of a response to these problems. More effective competition depends on a number of initiatives on our part: We cannot continue to handicap ourselves with an overvalued dollar or to refuse to move against unfair trading practices by some of our competitors. But there are also steps we can and must take to improve our industrial performance—to remain at the forefront of science and technology, to produce high quality products and services.

If Japanese businesses and scientists have access to our best scientific and technical information, it's only right that we should have the same kinds of opportunities to learn from them. The program we've outlined would help bring vital information about Japanese research and technology to the attention of American industry. That's the kind of business help our Government should be providing. And that's why we think the effort is one of the best investments our Government can make.

Mr. President, an article from the New York Times corroborates this view, and I ask unanimous consent that the article be printed in the Record. Private sector interest in the material is increasing, making supportive activities by the Government all the more important.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From The New York Times, Sept. 8, 1985]

AMERICANS PICKING JAPANESE BRAINS

(By Nicholas D. Kristof)

After decades of pooh-poohing Japanese scientific research, American business executives no longer patronize the Japanese as "imitators." End "copiers" of American technology. Quite the contrary. In the wake of Japan's drive for technological supremacy, they are scrambling to keep up with the new scientific research in Japan.

It is not an easy task. As Japan finally moves from imitation to innovation—and becomes a formidable competitor in crucial areas such as supercomputers; biotechnology and robotics—American scientists find themselves hard-pressed to learn of Japanese breakthroughs. So in the past year or so, a small industry has been, emerging, consisting of companies that help monitor Japanese technology and, in effect, broker developments to American corporations.

"What's at stake may well be the competitiveness of American-industry," said Richard J. Samuels, who directs a program on Japanese science at the Massachusetts Institute of Technology. "If you can't pay attention to and assimilate technological information beyond your borders, you're playing the game with one arm tied behind your back."

The new technology brokers are trying to address the problem by translating and indexing Japanese scientific articles. For example, the Japanese Technical Information Service, a Xerox subsidiary, is starting up operations near Philadelphia this fall. (See box inside.) Nissho Iwai, the Japanese trading company, already has done something similar. A year ago, it began publishing Techgram Japan, a magazine full of brief summaries of Japanese technological developments. Here are some recent examples:

A new "killer yeast" that destroys harmful bacteria while fermenting beer.

A machine, run by a microcomputer, that manufactures "riceburgers," a Japanese food consisting of ground meat inside a ball of rice.

A machine that reads aloud from Japanese paperbacks (but takes 25 minutes a page).

So far there are few success stories of American companies successfully adopting Japanese technologies, partly because by the time an invention is practical it is often cheaper to manufacture it in Japan than in the United States. One exception, however, is a missile tracking guidance system developed in part by Toshiba. In June it became the first Japanese military technology officially requested by the United States, which over the years has passed on a great deal of military technology to Japan.

Many scientists say that the new American effort to get at the stream of Japanese research information is too little and too late. Even with the latest undertakings, the vast majority of the 10,000 technical journals published in Japan will be neither indexed nor abstracted in the West. And while the number is rising, only about 400 science students at universities around the country are studying the Japanese language.

"There's a certain hard-to-define intellectual arrogance that everthing on the cutting edge is done here," said Adm. Bobby R. Inman, the former deputy director of the Central Intelligence Agency who now heads the Microelectronics and Computer Technology Corporation, a research consortium. "That's been true in the past, but I detect a smugness setting in."

That smugness certainly is not justified. In robotics, an expanding area of high technology, Japan deploys more than twice as many robots as the United States. Fifty-four percent of new chemical patents worldwide now belong to the Japanese. Biotechnology was pioneered by the United States, but Japan is already the dominant producer of amino acids, an important field in biotech, and is generally believed to be improving its work extremely quickly. Likewise, the United States still has the lead in supercomputers, but Fujitsu and Hitachi are frantically designing plans for computers far more powerful than anything that now exists.

These are all emerging scientific areas that the United States cares about immensely and in the last year or so, there has been a surge of American interest in Japanese technology. A Congressional subcommittee published a report emphasizing business concerns about being able to keep up with Japanese technology. Two conferences have addressed the issue. American companies have sent more scientists to Japan to learn about that country's lastest scholarship. For the first time, M.I.T. is offering Japanese classes, beginning this fall. The Commerce Department is proposing a joint venture with industry to program computers to translate Japanese into English.

Some experts in industry even draw an analogy between today's heightened concern about Japanese technology and the national alarm that followed the Soviet Union's launching of the Sputnik satellite in October 1957. Clearly the concern is on a far smaller scale today, but the purpose of the comparison is to urge the same kind of national commitment to science today as was born after Sputnik's launching.

"We need more effort—there's no question," said Robert W. Gibson Jr., head of the library department at the General Motors Research Laboratories.

The technological issues are complicated by the tensions between the United States and Japan over trade relations. Some Americans, such as Representative Doug Walgren, a Pennsylvania Democrat, contend that Japan is taking advantage of the language barrier to limit access to its research. Others say that the onus lies on the Americans to learn Japanese, or at least to translate Japanese periodicals—just as the Japanese have learned English and translated American journals.

Some companies, sensing profits, are happy to bear that burden. One result of the growing concerns in the United States about Japanese scientific progress has been a modest boom in the publication of indexes and abstracts of Japanese scientific articles. For some companies that already do this for other foreign journals, this just means expanding the Japanese section. Chemical Abstracts, for example, already publishes 140-word summaries of articles in 1,500 Japanese chemical magazines, plus innumerable periodicals from other countries. And Engineering Information, a New York company, publishes abstracts from 5,000 journals from around the world, including 150 from Japan.

Last year, sensing a quickening interest, Engineering Information tried to initiate a new service that would publish abstracts from 1,000 Japanese-language journals. The fee was $45,000 a year for full coverage, or $24,000 annually for just the electronic engineering publications. Five companies signed up for each service, but it was not enough to make it worthwhile, so the project was abandoned. Herbert B. Landau, Engineering Information's president, said.

It is Japan's basic research that experts say the United States needs most to monitor, not inventions that already are practical. And to this end, several American companies—including the International Business Machines Corporation, Motorola, Burroughs, TRW, General Motors and Hughes—are said to be improving their surveillance of Japanese technology, normally from offices in Tokyo.

In late July, I.B.M.—whose trade secrets Hitachi and Mitsubishi Electric tried to steal in 1982, resulting in a much publicized court case—reached an unusual deal with the Japanese Government permitting the company to license technology developed by the joint efforts of Japanese, industry and Government. I.B.M. is considered the dean of Japan-watchers, in large part because of its big Japanese subsidiary.

And although Robert C. Kirkwood, director of government affairs at the Hewiett-Packard Company, describes his company's Japanese surveillance as "spotty at best," it does have about 50 Japanese employees in Tokyo who do research in addition to other work.

With the backing of several American companies, and a two-year, $500,000 grant from the Commerce Department, the American Electronics Association opened an office last year in Tokyo, in part to monitor Japanese technology. Several months ago, the office issued a 72-page source list on Japanese technology, and this fall it will begin publishing a newsletter on technological developments.

"With our small staff we can't look at all technology, but we'll try to pick the raisins out of the cake," said Ralph J. Thomson, a senior vice president of the association.

The Government is also limbering up. A bill before the Senate would authorize $1 million for the Commerce Department to monitor Japanese technology more carefully. Translation costs now prevent the Government from tracking Japanese research more comprehensively.

"The key is machine translation," said Bruce Merrifield, an Assistant Secretary of Commerce. "That's where the major breakthrough would come." He has been meeting with business executives and officials from the Patent Office and intelligence agencies, trying to promote a joint effort to develop a computer program that could efficiently translate Japanese journal articles into English. So far, machine translators are clumsy, stumbling over idioms and metaphors.

In the absence of better computer translations, some researchers are encouraging scientists to study Japanese and work in Japanese research labs. M.I.T., for example, has a program to train scientists to speak Japanese and then put them temporarily in Japanese research facilities.

Behind America's scramble to monitor Japanese technology is a fundamental shift in Japanese scientific research. For most of the period since World War II, Japan devoted itself to importing technologies from the United States and other countries and applying them. Du Pont's nylon patent led to Japan's boom in synthetic textiles; Bell Laboratories' break-throughs in making transistors produced Japan's semiconductor industry; RCA's licenses provided the foundation for Japan's color televisions, and so on.

From 1951 through 1984, more than 42,000 contracts were signed to transfer technology to Japan from abroad. Very little technology crossed the ocean going the other way, and indeed very little exciting, basic research was under way in Japan. The Japanese borrowed ideas from abroad, learning English to do so, and often studying at foreign universities, which were viewed on both sides of the Pacific as better than Japanese institutions, at least in the sciences.

Many Japanese scientists still study in the United States, and read English well enough to absorb a journal article, but in the meantime they have constructed their own research industry. A rigorous education system—longer hours and a longer academic year mean that by the time they graduate from high school, Japanese students have had four more years of school than American students—prepared a foundation. Then, goaded by foreigners who called them mere imitators, Japanese industry and business began a major campaign, a bit more than five years ago, to develop a basic research capability second to none.

"It has been said for a long time that the Japanese are good only at applying technology, that they are not skilled enough or talented enough to develop technology on their own," said Yasuo Wataru, general manager of the Washington office of the Nissho Iwai American Corporation, a Japanese trading company. "I don't think that is true. Certainly we are spending a great deal of money on basis research."

Since 1965, for example, Japan has roughly quadrupled its research expenditures, after adjusting for inflation. In the United States, spending on research has grown by less than 50 percent in the same period.

Moreover, in Japan it is the big companies, the *kaisha*, that have dominated research and development, which could mean that scholarship is more likely to lead to commercial gains than work financed by, say, America's Pentagon. Half of research in the United States is paid for by the Government—much of it military research—while the Government share of Japanese research is about a quarter.

A study of research spending in the two countries, in a forthcoming book by James C. Abegglen and George Stalk, Jr., two consultants in the Tokyo office of the Boston Consulting Group, found that in 1978 major American and Japanese companies both spent about 3 percent of total revenues on research. But by 1983, the fraction had risen to 5.1 percent in Japan, compared to 3.7 percent here.

Canon was spending 14.6 percent of its income on research, NEC was spending 13 percent, Shionogi stood at 9.6 percent. But with the exception of Eli Lilly, at 9.7 percent, American companies spent substantially smaller fractions. General Electric, for example, spent 3.4 percent on research and development, Xerox spent 6.8 percent and RCA 2.4 percent. In many cases, of course, the American companies are larger and to spend a larger total, even though the percentage is smaller.

In scientific fields, software and aerospace are the only two areas where Japan is indisputably well behind the United States—in part because of past American strengths and heavy military spending on aerospace.

"The competitive strength of Japanese companies has been based on price and on quality of product," Mr. Abegglan and Mr. Stalk of the Boston Consulting Group say in "Kaisha, the Japanese Corporation," their book. "Added now, very rapidly, is a highly competitive level of research and development expenditure, with technological

innovation becoming the center of competitive capability."●

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources will conduct a hearing on Wednesday, September 18, 1985, beginning at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Testimony will be received on S. 1517, a bill to amend the Low-Level Radioactive Waste Policy Act of 1980 to authorize continued financial and technical assistance of the Department of Energy to the regional low-level waste compact regions, and to revise the guidelines and procedures for the establishment and use of regional disposal facilities for low-level radioactive waste, and for other purposes.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Energy Research and Development, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information regarding this hearing, please contact Ms. Marilyn Meigs on the subcommittee staff at 202-224-4431.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding hearings on September 11, 1985, in Senate Dirksen 628, beginning at 10 a.m., on S. 1396, to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes. Those wishing additional information on S. 1396, should contract Mike Mahsetky or Peter Taylor of the committee at 224-2251.

On September 18, 1985, in Senate Russell 485, beginning at 10 a.m., on S. 1298, to coordinate and expand services for the prevention, identification, and treatment of alcohol and drug abuse among Indian youth, and for other purposes. Those wishing additional information on this bill should contact Mary Jane Wrenn or Peter Taylor of the committee at 224-2251.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will hold 2 days of hearings on the subject of television and radio coverage of Senate proceedings next week. The committee will meet to receive testimony from Senators on Tuesday, September 17, 1985, at 9:30 a.m., in SR-301, Russell Senate Office Building. On the following day, Wednesday, September 18, at 9:30 a.m., in SR-301, representatives of the media and other interested individuals and organizations will present their views on broadcast coverage of the Senate.

Senators, individuals, and organizations who wish to participate in these hearings or to submit a statement for the hearings record are requested to contact John Swearingen of the Rules Committee staff at 224-9078.

SUBCOMMITTEE ON LABOR

Mr. NICKLES. Mr. President, the Subcommittee on Labor will hold an oversight hearing on pension policy implications of the President's tax proposals on fringe benefits and retirement savings on October 1, 1985. The hearing is scheduled for 9:30 a.m. in room 430 of the Dirksen Senate Office Building. Persons wishing to testify should submit a written request to Chairman DON NICKLES, Subcommittee on Labor, 428 Dirksen Senate Office Building, Washington, DC 20510 by September 16, 1985. If you have any questions concerning the hearing, please contact Rick Lawson, on the subcommittee staff, at 202-224-5546.

ADDITIONAL STATEMENTS

CONGRESSIONAL CALL TO CONSCIENCE FOR SOVIET JEWS

● Mr. WEICKER. Mr. President, I rise today as a participant in the Congressional Call to Conscience Vigil for Soviet Jews, organized by our distinguished colleague Senator BOSCHWITZ. Embedded in the tradition and the national conscience of the United States is a deep concern for oppressed people, whether they reside within our borders or halfway around the world. It is thus our duty and privilege to speak out in defense of those whose basic rights are denied by governments that do not share our regard for the dignity of all human beings. Foremost in these efforts should be our advocacy for Soviet Jewry, for whom conditions have progressively worsened in recent years.

One such example is that of Igor Gregorovich Malishev. He and his wife, Anna, and their son, Stanislav, first applied for visas in January of 1980 in order to join Igor's sister in Israel. They were denied. Subsequent applications were submitted every 6 months. These visa applications were also denied. Although Anna's mother gave her written permission for them to go to Israel, they were refused on the pretext that they should not split the family by leaving a parent behind.

Until 1979 the Malishevs lived in Kiev where Igor worked as a math lecturer at the university for 11 years. After Igor's dismissal from the university, Malishevs moved to Riga where Igor worked as a relief teacher until 1982 when he was forced to resign in order to submit his sixth application for an exit visa. Since then he has given private tutoring in mathematics.

The continued repression of the Jews in the Soviet Union must be stopped. The Malishevs are only one of the thousands of the Soviet Jewish families wishing to flee the Soviet Union, but who are not permitted. It is our duty to call for the discontinuation of this tyranny of Soviet authorities and to put the full strength of our diplomatic and economic resources behind our words.●

AMENDING THE FAIR LABOR STANDARDS ACT

● Mr. HELMS. Mr. President, I strongly support Senator NICKLES' bill, S. 1570, a bill to exempt States and their political subdivisions from the maximum hour provisions of the Fair Labor Standards Act. I am happy to cosponsor this measure.

Mr. President, in a 1976 decision, National League of Cities against Usery, the Supreme Court struck down the 1974 legislation which used the commerce clause to mandate that States and their political subdivisions comply with the maximum hour and minimum wage provisions of the Fair Labor Standards Act. Knowing the vital role State autonomy plays in our federalist system, the Court stated that the 10th amendment limits the commerce clause's applicability to the States and their political subdivisions when the State is involved in a "traditional governmental function" such as fire prevention, police protection, sanitation, and public health. Setting wage and hour laws for State and local government employees likewise falls within this perimeter, according to the Court, and therefore, should be exempt from wage and hour provisions of the Fair Labor Standards Act.

Mr. President, on February 19, 1985, in Garcia against San Antonio Metropolitan Transit, the Court overturned the 1976 decision and mandated that State and local governments comply with all the provisions of the Fair Labor Standards Act.

Mr. President, I am gravely concerned about this decision for two reasons. First, Mr. President, Garcia has dealt a serious if not fatal blow to State sovereignty and the power of the 10th amendment to shield the States from Federal intrusion. As Justice Powell stated in his dissenting opinion in Garcia, "the Court today propounds a view of federalism that pays only lip service to the roles of the States."

Mr. President, contrary to what the majority in Garcia would have you believe, the framers of our Constitution were strong proponents of States' rights and the necessary division of authority between the Federal and State Governments. In Federalist Paper No. 45 Madison stated:

> The powers delegated by the proposed Constitution to the Federal Government, are few and defined. Those which are to remain in the State Governments are numerous and indefinite. The former will be exercised principally on external objects, as war, peace, negotiation, and foreign commerce; with which last the power of taxation will for the most part be connected. The powers reserved to the several States will extend to all the objects, which in the ordinary course of affairs, concern the lives, liberties and properties of the people; and the internal order, improvement, and prosperity of the State.

Mr. President, the 10th amendment embodies this fundamental belief:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the State, are reserved to the States respectively, or to the people.

Mr. President, this Congress should act without delay to restore the constitutionally mandated balance of power between the States and the Federal Government.

Second, Mr. President, compliance with the maximum hour provisions of the Fair Labor Standards Act as mandated by Garcia will fiscally cripple State and local governments in their ability to provide crucial services to their citizenry. The North Carolina Attorney General's office compiled some statistics that past spring on the effect of Garcia on the State government budget. These statistics are based on fiscal year 1983–84 wages. Estimated overtime costs for the State highway patrol will cost an estimated $4,743,277; for the alcohol and law enforcement—$241,731; for State bureau of investigation $1,270,000. In addition, estimates ranging from $7 million to $15 million have been quoted from various State budget sources as the cost to the State of North Carolina to pay overtime and compensatory time to State employees, based on figures from the last fiscal year.

The North Carolina League of Municipalities have compiled statistics on the effect compliance with the Federal maximum hour laws will have on 10 local governments for fiscal year 1985–86. Their estimates predict that compliance will cost these cities a total of $1.75 million for fiscal year 1985–86 alone. Mr. President, in light of this financial burden, the State and local governments have been left with no alternative but to increase taxes and reduce or eliminate crucially needed services to their citizens .

Mr. President, I applaud Senator Nickles in his efforts to weaken Garcia's blatant assault on our States' fiscal stability and autonomy and I am proud to join him in cosponsoring S. 1570. I urge my other colleagues to support the distinguished Senator from Oklahoma in this endeavor.●

THE BUDGET IRRESOLUTION

● Mr. SIMON. Mr. President, the New York Times had an excellent editorial titled "The Budget Irresolution." I suggests that we are not paying nearly enough attention to the deficit.

I heartily concur in that assumption.

I urge my colleagues to read the editorial if they have not already, and I ask that it be inserted at this point.

The editorial follows:

THE BUDGET IRRESOLUTION

Why all the moaning and groaning that Congress didn't cut the deficit enough? If I remember correctly, it set out to cut $50 billion and the new budget resolution ends up cutting $55 billion. What's so bad about that?

What's bad is that those numbers don't tell the whole story. The Congressional Budget Office says the $55 billion will actually work out to only $39 billion. So we'll still be looking at a deficit next year that's more than $180 billion. Some cut.

And remember, we're still talking about estimates. Budget projections are notoriously unreliable. Tax collections fall short. Spending runs over. In any case, the deficit in the final year year of the Reagan Administration would still be way over $100 billion—and that was the original target of this exercise.

All right, but I'm still impressed. The President pushed Congress and it worked. You just wish it had worked your way.

Worked? The President wanted to eliminate a whole bundle of programs. How many did Congress kill? One—revenue sharing—and it was due to expire in a couple of years anyway. People can disagree on which programs are good or bad. But when Congress can't bring itself to kill any at all, that says something important about the functioning of government. Paralysis.

And so far, we've only been talking about spending cuts. We haven't said a word about holding down Social Security increases, or about new taxes.

Why are you so determined to be gloomy? They cut $55 billion this year. They can cut some more next year.

You've got it backward. If they can't make the tough choices this year, when there's no election, do you really think they'll do it next year, when there is one? This was the critical moment. Congress and the Administration finally acknowledged that deficits had gotten out of hand. They sounded serious.

Then look at what happened. Congress started making real cuts in defense and nondefense programs. There was a moment when it looked as if the President might bend on taxes and Social Security. He actually agreed to a temporary freeze in Social Security, but backed off in a hurry. And for a while, he said he'd consider tax increases as a "last resort." But at last resort, he said no. You may say he has the courage of his convictions. I say his convictions guarantee a deficit crisis long after he's gone.

What crisis? Things are pretty good. Inflation and interest rates are down. Jobs are up. The stock market has never been higher.

All true, but that's just the point. If you can't save during good times, how on earth can you expect to do so when the economy turns down again? Besides, big deficits carry with them the expectation of more inflation, sooner or later, and that's why interest rates are still quite high. The Government's enormous borrowing to cover the deficit just adds to that pressure. And jobs may be up but unemployment is stuck at more than 7 percent.

I'm not gloomy. I'm worried about our leaders' failure to cope with our problems when the time is ripe. Deficits are all right, even desirable, in recessions. But when the next recession comes, the deficit will already be excessive. Why? Because it was reduced so little on Aug. 1, 1985.●

DEPARTMENT OF THE INTERIOR REPORT ON SENATE JOINT RESOLUTION 43

● Mr. McCLURE. Mr. President, on August 1, 1985, the Committee on Energy and Natural Resources filed a report on Senate Joint Resolution 43, to authorize the erection of a memorial to the "American Armored Force" on Federal property in Arlington, VA, and for other purposes. At the time that this report was filed no executive communications on the resolution had been received by the committee from the Department of the Interior or the Office of Management and Budget. Those views have now been transmitted to the committee, and I ask unanimous consent that the administration's report be printed in the Record.

The report follows:

U.S. Department of the Interior,
Office of the Secretary,
Washington, DC, July 31, 1985.

Hon. James A. McClure,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman: This responds to your request for our views on S.J. Res. 43, a bill "To authorize the Armored Force Monument Committee, the United States Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, and the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations jointly to erect a memorial to the 'American Armored Force' on United States Government property in Arlington, Virginia, and for other purposes."

We recommend against enactment of this joint resolution.

This measure would authorize several military and veterans associations jointly to erect a memorial to honor those who have served in armored units of the United States armed forces, and those who continue to serve to maintain world peace. It would direct the Secretary of the Interior to select, with the approval of the Commission of Fine Arts and the National Capital Planning Commission, a site on government property in Arlington for the memorial. The measure contains the usual provisions requiring approval of the design, providing for private funding except for maintenance, and requiring assurances that funds will be available to insure completion of the memorial. Normally, memorial legislation is not site specific, as it is in this resolution.

Numerous memorial proposals place a constant demand on the parklands of the Nation's Capital and its environs. In order to protect the concept of open space and dignity which contributes so much to the beauty of the capital, the Secretary of the Interior's National Capital Memorial Advisory Committee was established administratively under the Federal Advisory Committee Act. Among the purposes of the Committee was that of recommending broad criteria, guidelines, and policies for memorializing persons and events on Federal lands in the National Capital Region. The Committee's criteria and guidelines recommended limiting the use of the remaining sites to memorialization of exceptional significance, quality and value; and, as to persons, their degrees of achievement. The Committee's policy is that only military memorials commemorating all members of the armed forces identified with a single event should be placed on parklands in the Nation's Capital. The recently completed Vietnam Veterans Memorial, for example, commemorates all members of the armed forces who served in that conflict, and the Navy Memorial which will be constructed soon on Pennsylvania Avenue at 8th Street, will commemorate all U.S. naval personnel.

There are existing 80 memorials which are located on parklands in Washington, DC., and its environs. Many of these commemorate military heroes dating back to the revolutionary war, and various military units. As a result, most of the desirable memorial spaces have been taken. It is our understanding from discussions with the American Battle Monuments Commission (a member of the Memorial Advisory Committee), that there are over 150 division size units of all the armed forces which have participated in combat. If each of these units or groups of units were to ask the Congress for the use of Federal parklands, there would not be enough open space available to accommodate the memorializations.

S.J. Res. 43 would commemorate only those members of the armed forces who served in armored units. In a June 29, 1984, report to the Committee, the Department recommended against the enactment of a similar measure, S.J. Res. 277 in the 98th Congress, because commemorating only certain units of the armed forces would not be consistent with the policy recommended by the Advisory Committee. On July 31, 1984, the Advisory Committee recommended against enactment of S.J. Res. 277 and supported the Department's report. The Department continues to recommend against enactment of this legislation.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

William P. Horn,
Assistant Secretary.●

TAXES MUST RISE

● Mr. SIMON. Mr. President, one of the more thoughtful observers of the American political scene is Kevin Phillips.

In the Los Angeles Times, of August 4, he published an article that basically says we had better face up to this deficit and, among other things, we are going to have to increase revenue.

He is, of course, absolutely right, as almost all of us admit privately and an increasing number are admitting publicly.

I urge my colleagues to read the Kevin Phillips piece, and I ask that it be inserted in the Record at this point.

The article follows:

TIME FOR TRUTH: TAXES MUST RISE

(By Kevin Phillips)

Washington—Let the truth be told: New or increased taxes are coming in the name of deficit reduction, and the only question is when—and how long it will take President Reagan to come around.

The President feels strongly about the no-tax-increase pledges he made last year. Such is the unhappy legacy of Ronald Reagan's unfolding 12-month response to Democratic presidential nominee Walter F. Mondale's July, 1984, speech urging a tax increase to reduce the federal deficit. That, in retrospect, was a fateful moment in U.S. fiscal history. Not because the subsequent tax debate defeated Mondale and reelected Reagan—its actual impact on November voting was no more than a point or two—but because it created a major misperception about the "mandate" of the 1984 election.

The most recent manifestation, of course, is Reagan's late-July rejection of the Senate GOP's deficit-reduction proposal, involving a $5-a-barrel oil import fee and a biennial instead of annual computation of Social Security cost-of-living increases. These two ideas themselves are debatable. Rejection may be justified. But it is the larger symbolism that disappoints.

What must change is the President's refusal to accept any tax increase—a mistake on three dimensions. First, because although opinion polls did show Americans opposed to Mondale's 1984 tax posture, the major 1980-84 changes in the presidential vote were regional, ethnic and religious; tax policy was only a collateral factor.

Second, because the economic health of the United States now demands that taxes be increased (and new revenue sources found) as part of this autumn's congressional tax-reform process. Deficit-reduction is far more important than revenue-neutral tax reform, which the public rightly dismisses as peripheral.

And finally, from the political standpoint, because the Administration is in the process of dissipating the fiscal responsibility image the Republican Party earned so painfully over so many years.

The probable consequences of failure to increase revenues can be stated easily enough: a mushrooming deficit likely to produce resurgent inflation and rising interest rates would send the country reeling back into recession. Without a tax increase, deficit reduction can't achieve meaningful scale. And if the President doesn't regard the defict as important enough for political sacrifice, why should Congress? In the meantime, several troublesome U.S. economic circumstances are being aggravated by Reagan's no-tax-increase posture.

DEFICIT DANGERS

Angry Senate Republicans now justifiably feel that their efforts to pose hard choices and make sacrifices to reduce the deficit have substantially been for nought. (The budget that Congress finally agreed to last Thursday included an alleged $55-billion deficit-reduction package—as well as a $172-billion shortfall.)

Part of the senators' concern is political. If re-emerging deficit problems start inflation and interest rates ratcheting up, it will be hard for the GOP to maintain Senate control in the 1986 elections. But the President has a stake here, too. Let deficit-reduction hopes implode, and some painful mixture of inflation, interest rates and recession could shred his Second American Revolution. His historical reputation could follow.

The irony is that just when the old GOP politics of commitment to balanced ledgers is becomming the electorate's greatest concern, the White House has eschewed what should be natural Republican leadership. The public, realistic as usual shrugs at the Administration's new tax reform preoccupation. They know the deficit is much more critical. Indeed, mid-July NBC News Poll results found the public putting virtually every other economic priority ahead of tax reform.

In a nutshell, what we need from the President is less attention to tax reform's ideological will-o'-the-wisp and more commitment to what should also be good fiscal policy and good politics: A national mobilization that uses tax overhaul in part for some new revenues and deficit reduction. Time, meanwhile, is becoming an enemy. For the last few years, we've been financing a fair part of the deficit abroad. That won't continue, though, if the dollar keeps dropping.

DOLLAR WORRIES

Since the early 1980s, a considerable percentage of the federal budget deficit has been financed by foreigners, lured by high real interest rates and steadily rising value of the dollar. Belief in the success of Reagan's political economics was also an important part of that equation.

That belief is declining now, though. The President's refusal to come to grips with the deficit is one factor. So is the possibility that the White House might try to stack the Federal Reserve Board with easy-money supporters. And so is the uncertainty about U.S. trade policy and protectionist changes that could occur.

To rebut these fears, the Reagan Administration desperately needs a coherent strategy for coping with the deficit, trade and tax situation. Until one exists, why should foreigners buy dollar-denominated U.S. bonds and other instruments that could depreciate if Reaganomics flounders?

This is not an abstract question. If we're going to have re-escalating deficits because the President won't raise taxes, then skittish overseas investors will stop funding those deficits. That, in turn, means that interest rates would rise. No one can be sure, but the case is plausible.

TAX INCREASE OPTIONS

Nobody *wants* a significant federal tax increase in the near future. However, if we *don't* have one, we'll probably suffer an equivalent or worse economic levy in the form of 1) higher interest rates needed to get Americans and foreigners alike to finance the deficit, 2) a resultant slowdown in economic activity and decline in prosperity or 3) resurgent inflation, the so-called "cruelest tax of all."

To avoid these fates, there's a growing sense in Congress, the Fed and the financial community that serious deficit reduction must entail a tax increase. Powerful Republican Senators such as Majority Leader Bob Dole of Kansas, Finance Committee Chairman Bob Packwood of Oregon and Appropriations Committee Chairman Mark O. Hatfield of Oregon have all been privately and semipublicly saying so for a while now. Last week, House Ways and Means Committee Chairman Dan Rostenkowski (D-Ill.) forecast a tax increase. And in mid-July, Federal Reserve Board Chairman Paul A. Volcker said that if the deficit couldn't be brought down by reducing spending, then increased revenue would be necessary, and "a consumption tax in the long run would be a desirable way to do it."

Taxes can be increased other ways, too, of course. Rostenkowski is suggesting that if a tax-reform package can be worked out by swapping elimination of deductions for bracket reduction, then it would be easy enough to follow up with a tax increase that would raise the new tax rates a point or two. Also, Congress could tell the President it's time to start taxing imports. True, the President just rejected the Senate's idea of an oil-import tax, but, at $5 a barrel, it wouldn't have raised much money—about $9 billion a year. A broader import surcharge, by contrast, could raise a lot. The new Democratic proposal by Rostenkowski and Texas Sen. Lloyd Bentsen to impose a conditional 25 percent import surcharge on goods from Japan, Korea, Taiwan and Brazil could bring in about $20 billion a year, while a 20 percent across-the-board surcharge could raise roughly $75 billion.

But consumption-tax revenues would be larger still. A 10 percent value-added or national sales tax would raise about $250 billion a year. Modified to exclude food, drugs, basic housing, energy expenses and the like, it would raise about $150 billion a year. Another slightly different version, the business transfer tax (BTT), would apply to business transactions and omit the retail-level tax. Imports coming into the country would pay this levy, and the BTT's designers have also come up with a feature to make it rebateable against federal taxes. The significance: If U.S. corporations can offset their BTT payments against other federal taxes, about half of the net revenue impact—totaling $75 billion a year—would be borne by foreigners exporting into the United States. Not surprisingly, interest is growing in this kind of consumption tax, which would not only raise a lot of money for deficit reduction and tax modification, but also strike a blow at the U.S. trade imbalance.

The changing sentiment in the GOP and the business community could convince the President to shift position later this year or early next year. Almost two decades ago, as governor of California, Reagan jokingly dismissed a "my feet are in concrete" pledge not to increase taxes by telling reporters the sound they heard was cement cracking. Today's fiscal crisis is infinitely greater, and the President may find himself confronting a choice between the cement again cracking around his ankles or the economic and political floor collapsing beneath him.●

ADVANCE NOTIFICATION PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale be reviewed. The provisions stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 29, 1985.

In reply refer to I-04829/85ct.

Dr. M. GRAEME BANNERMAN,
Deputy Staff Director,
Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Southwest Asian country for major defense equipment tentatively estimated to cost $14 million or more.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF, Director.

POLICY JUSTIFICATION

[Deleted].

[Deleted].

[Deleted].

(U) The prime contractor will be the Hughes Aircraft Corporation of Fullerton, California.

[Deleted].

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.●

THE PLIGHT OF THE AMERICAN FARMER

● Mr. SIMON. Mr. President, the plight of the American farmer has been in the national spotlight for many months now. There seems to be no end to declining land values and lower prices. More and more farmers are being forced into bankruptcy and off the land they love. During the congressional recess, I had the opportunity to talk to farmers across Illinois and learn firsthand about the pain they are suffering. In a weekly column I write for newspapers in my State, I have detailed our problems and what might be done by Government to ease the strain on the backbone of our country—the American farmer. I ask to have the column printed in the CONGRESSIONAL RECORD.

The column follows:

THE VANISHING DREAM OF THE AMERICAN FARM

America's farmers are hurting. If anyone has any doubt about that, I wish you would travel across the state with me.

Talk to the Christian County farmer, perhaps thirty years old, who with his wife stretched himself to buy a farm—their dream—and picked up a mortgage. Now it looks like it is all vanishing: their dream, their hard work.

I sense that his pride is hurt as well. One of the generally accepted beliefs in this country is that if you get out and work hard, success will follow. He did that; he and his wife worked incredibly hard. But failure is his lot.

He told me that he hates to go into town because he sees the people to whom he owes money, and he feels guilty.

"I'm not the kind of a guy who doesn't pay his bills," he commented.

"The banker's on me and I don't blame him. I'm afraid those notes I've signed for him aren't worth much unless corn and soybean prices improve."

He is bitter, and understandably so, for the problems he faces—low prices and high interest rates—were not caused by him but by his government.

Twenty-three percent of our nation's farmers are in serious financial difficulty. In some parts of Illinois it is higher than that, in some parts lower, but no farmer will tell you that agriculture is not hurting.

As I was writing this I called Dillinger's Grain Elevator near Carbondale to get current grain prices: corn $2.30, soybeans $5.03. Five year ago, corn was $3.43 and beans $8.96. If you add an inflation factor, in today's prices that would probably be about $4.00 and $10.00, respectively. If those were today's prices, farmers would not be desperate.

Adding to farm woes is the prediction that corn production will be up another 8 percent this year, and soybean production will be up 5 percent to 6 percent. In addition to that, because of the over-valued dollar, farm exports are expected to drop $10 billion more on top of the drops of last year and the year before.

It is a grim picture for farmers, for rural banks, for farm implement dealers and for the many sectors of our economy heavily dependent on agriculture. We are all going to feel it if things don't turn around.

What can the federal government do?

More important that anything else is to get the federal government's financial house in order. If we can get our deficit down, interest rates will go down and exports will go up. That would be of tremendous help to farmers.

There are some short-term, immediate steps that can also be taken, like stopping the dumping of ethanol (gasoline produced from corn) from Brazil that adds to our woes.

But the major legislative need is to produce a good, sound farm bill. My colleague, Senator Alan Dixon, understands the plight of Midwest farmers and is working on the Agriculture Committee to produce something solid, but what will emerge is not clear. A bill that shores up prices and calls for a genuine, long-range conservation program will serve the nation well.

If such a bill does not emerge, the farm situation will worsen before it improves.●

HENRY RAINEY

● Mr. SIMON. Mr. President, a half century ago Henry Rainey was pushing President Franklin Roosevelt's legislative package through Congress. Today, his memory has faded but his legacy lives on. In a weekly column I write for newspapers in my State, I remember Henry Rainey and his contributions both to Illinois and to the Nation. I ask to have the column printed in the CONGRESSIONAL RECORD.

The column follows:

AN ILLINOISIAN WHO MADE A DIFFERENCE

Who was Henry T. Rainey?

I doubt that one Illinois citizen out of a hundred recognizes his name.

Henry T. Rainey of Illinois served as Speaker of the U.S. House of Representatives until his death on Aug. 19, 1934, 51 years ago.

President Franklin D. Roosevelt took a train ride from Washington, D.C., to Carrollton, Ill., to be present for the funeral. This was in the days before a president traveled by plane.

A much more famous speaker of the House from Illinois was Joe Cannon of Danville, for whom the Cannon Building on Capitol Hill in Washington is named.

But half a century ago Henry Rainey was a big name on the national scene. He succeeded John Nance Garner as Speaker when Garner became Roosevelt's vice president.

Born in Carrollton a few months before the Civil War started, he attended Knox College in Illinois, Amherst College in Massachusetts and the no-longer-existing Union College of Law in Chicago, now Northwestern University Law School.

Elected to Congress in 1902, he served 18 years and then lost an election in the Harding landslide of 1920. Two years later he was elected once again, serving until his death.

He called himself "progressive," but his opponents called him "radical." He favored things like an eight-hour day, considered by many to be a radical idea at the time.

On the national scene he was perhaps best known for his fights for a low tariff. For most Illinois citizens, his significant effort was to open up the Illinois River to freight, connecting the Great Lakes to the Mississippi River.

But for the nation as a whole, his greatest contribution was pushing through the House the significant legislative package President Roosevelt presented the nation during FDR's first 100 days in office.

In Carrollton, about 70 miles southwest of Springfield, there is a statue of Rainey.

The last time I had a chance to look at the old Rainey farm home—I am told he was very proud of it—it was gradually falling apart, unoccupied, chickens walking through the place.

A man who contributed as much as Henry T. Rainey to the nation should be remembered.

The Illinois State Historical Society or the Greene County Historical Society should investigate if there is any chance of redeeming what was once a magnificent farm home.

If that is not possible—and it may not be—there ought to be an annual Henry T. Rainey lecture in his hometown of Carrollton. Here the nation paid its final tribute to him. Here the nation could hear an annual message of significance.

He should not be forgotten.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD at this point the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 6, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-55 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed Letter of Offer to the Federal Republic of Germany for defense articles and services estimated to cost $25 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF, Director.

TRANSMITTAL No. 85-55—NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) *Prospective Purchaser:* Federal Republic of Germany.

(ii) *Total Estimated Value:* Major Defense Equipment,[1] $22 million; Other, $3 million; Total, $25 million.

(iii) *Description of Articles or Services Offered:* Three hundred ten AGM-65B MAVERICK missiles, with related initial spares and support equipment.

(iv) *Military Department:* Air Force (YDJ).

(v) *Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:* None.

(vi) *Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold:* See Annex under separate cover.

(vii) *Section 28 Report:* Case not included in Section 28 report.

(viii) *Date Report Delivered to Congress:* September 6, 1985.

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[1] As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

FEDERAL REPUBLIC OF GERMANY—AGM—65B MAVERICK MISSILES

The Government of the Federal Republic of Germany (FRG) has requested the purchase of 310 AGM-65B MAVERICK missiles, with related initial spares and support equipment. The estimated cost is $25 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of the FRG; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The sale is essential to the FRG as the AGM-65B MAVERICK missiles will provide the electro-optical conventional weapons delivery capability for which German Air Force F-4F aircraft have recently been modified through the Improved Armament Capability Program. The AGM-65B capability fulfills one of the inter-operability objectives between the U.S. and FRG. This is a follow-on sale. The FRG procured 450 AGM-65B missiles in 1982 and an additional 120 missiles in 1985.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be Hughes Aircraft Company of Tucson, Arizona.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to the FRG.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

HITLER, SOUTH AFRICA AND "THE THIN VENEER"

● Mr. SIMON. Mr. President, the lessons we learned by not speaking loudly enough to protest Adolf Hitler's campaign to extinguish the Jews should provide some direction now as we struggle with our stance on South Africa and apartheid. If we need some reminders of those lessons, David Wyman's "The Abandonment of the Jews" is must reading. In a weekly column I write for newspapers in my State, I have drawn some comparisons between those two oppressive governments and the direction we can receive from Mr. Wyman's book. I ask that the column be printed in the RECORD.

The column follows:

HITLER, SOUTH AFRICA AND "THE THIN VENEER"

(By Senator Paul Simon)

A thin veneer sometimes holds civilizations together.

That thin veneer is threatened, in part, by our fears and those who appeal to fears.

An obvious example is that civilization is threatened by nuclear obliteration because we have fears of the Soviets, and they have fears of us, and each side piles up more and more nuclear weapons—far beyond the point of reason on either side. We are spending more and more on nuclear weapons, less and less to understand each other. The result is that our fears are multiplied.

But the lesson of the problems caused by those who appeal to fears was brought home to me recently by one of the most powerful books I have ever read. It is *The Abandonment of the Jews* by David Wyman.

It is not comforting reading for Protestants, Catholics, Jews and others, or for Americans with no affiliation.

It tells the story of the years during World War II when word gradually filtered from Germany and German-conquered territory about what was happening.

U.S. leadership, from the President on down, was nominally opposed to what Hitler was doing, but time and again when opportunities presented themselves to save thousands of Jews, the opportunities were not seized.

Sometimes Jews in the United States did not stand up because they feared they might spread the poison of anti-Semitism that Hitler encouraged, and an anti-Semitism that had penetrated into our society as well as in other nations.

Protestants and Catholics were also far too timid. The strong message of condemnation of this mass murder that you might expect came not in a torrent, but in a trickle.

As a Lutheran, I wish I could relate that Lutherans were an exception to the general rule; they were not. Nor were Catholics, Baptists, Presbyterians—and the list goes on.

Two groups did speak out forcefully: the Quakers (Friends) and the Unitarians. Even those two groups, which did much better than the others, could have done more.

Religious journals were audibly silent.

In Congress, the voices of humanity and the calls for help were few. The nation was so wrapped up in winning the war that anything else seemed secondary.

But history is not likely to judge us kindly for not opening our shores to desperate people; for not taking advantage of neutral nations that could have saved hundreds of thousands, perhaps millions; for not bombing railroad lines that led to the mass execution sites, and for not bombing those sites themselves.

What can we learn from this?

When there is injustice, in whatever form, we must speak out.

That is true in our communities; it is true in the community of nations. South Africa's situation is a clear example today, with uncomfortable parallels to the beginning of WWII policy, except for a different group being suppressed.

In our desires to reach working accommodation with the Soviet Union and other countries—and I favor getting along better with others—we should not hesitate to speak out about injustices we see. They point out our blemishes, like unemployment, as they should, and we should not hesitate to speak out about their human rights violations. And within our country and our communities, whenever we see people oppressed or criticized or held down solely on the basis of race, creed, national background or sex, we should stand up.

David Wyman's book will haunt you if you read it. We need to be haunted.●

THE NECESSITY OF PEACE CONVERSION

● Mr. SIMON. Mr. President, during the congressional recess, I went through a great variety of things that I had accumulated, and one of them was the testimony of a California businessman, Theodore Williams, chief executive officer of Bell Industries in California, before this State's senate committee on investment priorities.

This testimony was given a few years ago, but it seems to me just as applicable today as it was then.

We have to move off the present course which, ultimately, has to be a catastrophic course.

We must reduce the arms race; we must build a base of understanding between nations.

I ask that the testimony of Theodore Williams be inserted at this point, and I urge my colleagues to read it.

The testimony follows:

TESTIMONY OF THEODORE WILLIAMS

My name is Theodore Williams. I am President, Chairman of the Board and Chief Executive Officer of Bell Industries, a California corporation. I am a Mechanical and Industrial Engineer and have done graduate work in Business Administration. After graduation, I went into the business of manufacturing aircraft engine parts and ordnance tooling during World War II for approximately 2½ years, and then served in the Army as an ordnance officer in the South Pacific. After the war I moved to California where I became a manufacturer of aircraft hydraulic components and computer hardware. In 1968, I merged my company with Bell Industries and assumed my present position in 1970.

Bell Industries is a diversified NYSE listed company whose sales last year were $132 MM with earnings of $5 MM after taxes. We expect to exceed $150 MM in sales this year with approximately 50 percent in electronic products, 25 percent in recreational products and 25 percent in residential products. We have 1600 employees located in 28 divisions, 18 of which are in California, the balance in Oregon, Illinois, Washington, Colorado, New Mexico, Minnesota, Michigan, Wisconsin, and Utah. Since 1970, we have tripled in size and concentrated our efforts in non-defense-oriented businesses. At this point in time we have only one division that is totally defense-oriented.

We have the following objections to defense work:

(a) Too much government looking over our shoulder during the period it takes to fill the order.

(b) Always the possibility of renegotiation even if, due to our own ingenuity, we make a high profit. This is true even on fixed price sealed bid contracts.

(c) We feel more comfortable with a broader customer base, so that the loss of any one order does not have too great an impact on our overall business.

(d) It is very difficult to mix commercial and military business. The excess paperwork, manufacturing and quality control are not warranted in commercial products.

Let me direct your attention to the following points made in a recent publication of the Businessmen's Education Fund about military spending and unemployment:

"Military spending aggravates the problem of unemployment both directly and indirectly. Directly, on the average the number of jobs created by the expenditure of a given sum for defense creates fewer jobs than the same amount spent for civilian goods and/or services. The making of military hardware requires relatively far more capital than most civilian production. Indirectly, so much military spending has gone to finance research and development that a large proportion of American scientists and engineers (some estimates are over half) are engaged in military work. This has resulted in the nondefense industry of the United States falling behind in development of new or improved products. Foreign countries are getting an increased share of the American market in many fields as is easily noticeable in regard to autos, radios, TVs and cameras and less noticeable in regard to machine tools and similar products requiring high technology.

"Some of our older industries, such as steel, are suffering from obsolescence due to a shortage of capital for development of new and improved facilities.

"The U.S. balance of payments has suffered by the fact that in so many lines our products are no longer among the best in the world. This has contributed to the decline of our dollar, a decline which makes our products more attractive to foreigners while making it harder for us to pay for imports of the raw materials we need. Employment has therefore been lessened.

"Military spending does not increase employment—it generates unemployment, according to 'The Empty Pork Barrel,' a report of the Michigan Public Interest Research Group (590 Hollister Road, Lansing, Michigan, 48933). During the years 1970–1974 every time the military budget went up $1 billion, 11,600 jobs disappeared in the United States. That meant that between 1970–74 there was an annual net loss of 907,000 jobs when the military budget averaged $78 billion."

According to the Center for Defense Information, using data from the Department of Defense, Congressional Budget Office, and Bureau of Labor Statistics, about 62 percent of U.S. federal R&D spending is for military and space; only about 13 percent for energy, even though the energy crisis is one of the most important threats to our nation we have yet had to face.

A document called "More Jobs: Converting to a Peaceful, Productive Economy," distributed by several major national unions, states:

"The facts show that defense production is one of the least effective ways of creating employment. As military production has become more capital intensive and automated, the volume of employment has dropped.

In California, defense spending is at an all time high, but total aerospace employment has dropped from a 1968 high of 750,000 to approximately 440,000 today.

If just a fraction of the money now spent on the military were redirected to human and social needs, many additional new jobs could be created in the economy. Unemployment lines would shorten, and welfare and poverty rolls could be reduced."

Perhaps the greatest cost of the defense budget is the diversion of needed technology away from civilian production. For over a generation, approximately half of all scientists and engineers in the country have worked on military-related projects. As a result, the United States has the most advanced missiles and warplanes in the world, but we cannot build a decent railroad. Arms manufacturers prosper, while the heart of the industrial economy decays. A major reason for the present crisis in the steel industry, for example, is that corporations have not put sufficient funds into new equipment and technology. Our scientific talent has gone instead into the military or has been exported abroad by the multinational companies.

From my personal experience over the past 30 years, many small companies I knew and did business with have gone out of business due to discontinuance or cancellation of military subcontracts. We, in turn, have prospered due in large part to our diversification as well as minimizing our dependency on defense contracts.

I would like to now respond to the questions in your Notice of Public Hearing:

1a. Are U.S. Defense Department prime contractors overly dependent on federal military contracts?

Answer. Yes, and I would cite Lockheed, Northrop, Rockwell, Hughes, and General Dynamics as examples. The reasons are due to the fact that personnel from a defense-oriented business are more wasteful, not sufficiently cost conscious, nor geared to product simplification. They do not understand the highly competitive commercial world that does not have room for layers of bureaucracy and no one to turn to for cost overruns.

1b. If so, are defense contractors presently diversified or planning diversification of their production facilities?

Answer. The previous answer is the reason for so little diversification.

1c. Could prime contractors convert to alternative production if there is a major shift in U.S. defense policy?

Answer. It would be difficult, require much time and planning to avoid a domino effect on the subcontractors who depend on the primes.

2. Should a large, federally financed military or weapons system project be cancelled, could prime contractor employees be retrained and employed in non-defense related industry, either inside the corporation or with another corporation?

Answer. The answer is yes, but over a period of time.

3a. To what extent are U.S. Defense Department prime contracts subcontracted to small business, and are such small businesses located in or outside the State of California?

Answer. To a large extent many small plants are very dependent, both inside and outside California. There are also many suppliers of small plants that would also be affected.

3b. To what extent is small business actually involved in the defense industry in the state?

Answer. To what extent—I don't know.

4. How will small businesses that subcontract with defense-related prime contractors be affected should there be a major shift in federal defense spending?

Answer. A great many would be destroyed due to the limited number of customers most of them have. They have limited capital, very little access to obtain capital and generally lack knowledge of commercial markets.

5. Who should be responsible for economic conversion planning in the future?

Answer. Perhaps a clearly stated government policy of gradual guaranteed reduction in military spending over a 10 to 15 year period. This coupled with an increase in spending for essential public needs such as public transportation, alternative energy sources, and low cost housing might enable the job market to adjust by itself.●

NEW BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the first weekly budget scorekeeping report prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986 which was adopted by Congress on August 1.

Section 5 of the budget resolution calls on the Director of the Congressional Budget Office to prepare a report weekly when the Senate is in session that provides up-to-date information on congressional action on bills and resolutions that affect the budget.

The report shows the current revenue, spending, and public debt levels based on completed congressional action as of this time, and compares those amounts to the levels contained in the budget resolution. The report covers fiscal year 1986, the budget year, and fiscal year 1985, the current year. Future reports will continue to provide information on fiscal year 1985 until its expiration on September 30.

This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act.

We plan to print this report in the CONGRESSIONAL RECORD each week when the Senate is in session, normally on Monday, for the information of all Senators.

The staffs of the Budget Committee or the Congressional Budget Office will be pleased to answer any questions regarding the report, or to provide further details.

The report follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, September 9, 1985.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal years 1985 and 1986. The estimated total of budget authority, outlays, and revenues for each fiscal year are also compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through September 5, 1985. The report is submitted under Section 308(b) and in aid of Section 311(b) of the Congressional Budget Act.

Since my last report on fiscal year 1985, the Congress has cleared and the President has approved the Supplemental Appropriations Bill, P.L. 99-88, thereby changing estimated budget authority and outlays. This is my first report on fiscal year 1986.

With best wishes,

Sincerely,

ERIC HANUSHEK
(For Rudolph G. Penner).

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONGRESSS, 1ST SESSION, AS OF SEPT. 9, 1985

[In billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Fiscal year 1985:				
Current level ¹	1,062.2	946.4	736.5	1,823.8
Budget resolution, Senate Concurrent Resolution 32	1,062.1	946.3	736.5	² 1,847.8
Current level is:				
Over resolution by	.1	.1		
Under resolution by			(³)	24.0
Fiscal year 1986:				
Current level ¹	618.9	719.4	792.8	1,823.8
Budget resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	² 2,078.7
Current level is:				
Over resolution by				
Under resolution by	450.8	248.2	2.9	255.0

¹ The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate Committee or passed by the Senate. Thus, savings from reconciliation action assumed in S. Con. Res. 32 will not be included until Congress sends the legislation to the President for his approval. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

² The current statutory debt limit is $1,823.8 billion.

³ Less than $50 million.

FISCAL YEAR 1985: SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 1ST SESSION AS OF SEPT. 9, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
Enacted in previous sessions:			
Revenues			736,650
Permanent appropriations and trust funds	686,253	607,885	
Other appropriations	542,981	516,642	
Offsetting receipts	−182,025	−182,025	
Total enacted in previous sessions	1,047,209	942,502	736,650
II. Enacted this session:			
Famine Relief and Recovery in Africa (Public Law 99-10)	784	280	
Appropriations for the MX missile (Public Law 99-18)		79	
Agriculture supplemental appropriation (Public Law 99-71)	1,000		
Federal supplemental compensation amendment (Public Law 99-15)	160	160	
Statue of Liberty-Ellis Island Coin Act (Public Law 99-61)	16	16	
Contemporaneous recordkeeping repeal bill (Public Law 99-44)			−150
United States-Israel Free Trade Act (Public Law 99-47)			(¹)
State Department authorization (Public Law 99-93)			−1
Supplemental appropriations bill (Public Law 99-88)	(13,029)	(3,369)	
Offsetting receipts	(−48)	(−48)	
Bill total	12,981	3,321	
Total enacted this session	14,943	3,865	−151
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action			
Total current level as of September 9, 1985	1,062,152	946,368	736,499
1985 budget resolution (S. Con. Res. 32)	1,062,100	946,300	736,500
Current level is:			
Over budget resolution	52	68	
Under budget resolution			1

¹ Less than $500 thousand.

Note.—Numbers may not add due to rounding.

FISCAL YEAR 1986: SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99Th CONGRESS, 1ST SESSION AS OF SEPT. 9, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			792,800
Permanent appropriations and trust funds	717,652	631,009	
Other appropriations		185,348	
Offsetting receipts	−162,006	−162,006	
Total enacted in previous sessions	555,645	654,351	792,800
II. Enacted this session:			
Appropriations for the MX missile (Public Law 99–18)		368	
Famine Relief and Recovery in Africa (Public Law 99–10)		421	
Statue of Liberty—Ellis Island Coin Act (Public Law 99–61)	−15	31	
Contemporaneous recordkeeping repeal bill (Public Law 99–44)			13
United States-Israel Free Trade Act (Public Law 99–47)			−8
State Department authorization (Public Law 99–93)			1
Supplemental appropriations bill (Public Law 99–88)	36	3,138	
International Security and Development Cooperation Act (Public Law 99–83)	−25	−25	
Federal supplemental compensation phaseout (Public Law 99–15)			10
Total enacted this session	−4	3,932	1
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Payment to the CIA retirement fund	110	110	
Claims, defense	165	161	
Payment to the Foreign Service retirement trust fund [2]	(161)	(161)	
National forest system	64	52	
Range improvements	10	7	
BLM Miscellaneous trust fund	([1])	([1])	
Payments to air carriers, DOT	54	50	
Retired pay—Coast Guard	352	318	
Maritime, operating-differential subsidies		303	
BIA Miscellaneous trust funds	4	4	
Social services block grant	2,700	2,700	
Family social services	550	550	
Guaranteed student loans	3,267	2,686	
Higher education facilities loans and insurance	18		
Government payment for annuitants	1,606	1,448	
Retirement pay for PHS officers	84	78	
Medicaid	17,910	17,579	
Medical facilities guarantee and loan fund	25		
Payments to health care trust funds [2]	(19,761)	(19,761)	
Special milk program	11	7	
Child nutrition programs	4,099	4,030	
Federal unemployment benefits and allowances	75	74	
Advances to the unemployment trust fund [2]	(516)	(516)	
Special benefits (general retirement and Federal employee retirement)	160	208	
Black lung disability trust fund	1,035	1,035	
Supplemental security income	7,587	7,587	
Special benefits for disabled coal miners	752	752	
Assistance payments	6,783	6,783	
Child support enforcement	436	436	
Payments to social security trust funds [2]	(497)	(497)	
Veterans insurance and indemnities	10	9	
Veterans readjustment benefits	1,006	963	
Veterans compensation	10,076	9,100	
Veterans pensions	3,951	3,631	
Veterans burial benefits	144	144	
Salaries of judges	82	81	
Fees and expenses of witnesses	42	32	
Compensation of the President	([1])	([1])	
Payment to the civil service retirement trust fund [2]	(4,621)	(4,621)	
National wildlife refuge fund	6	6	
General revenue sharing [2]	(4,567)	(4,567)	
Total entitlements	63,235	61,070	
Total current level as of September 9, 1985	618,877	719,353	792,817
1986 budget resolution (Senate Concurrent Resolution 32)	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution			
Under budget resolution	450,823	248,247	2,883

[1] Less than $500 thousand.

[2] Interfund transactions do not add to budget totals.

Note.—Numbers may not add due to rounding.

SMALL BUSINESS SERVICE BUREAU LEADS EXPORT PROMOTION

● Mr. KERRY. Mr. President, one of the most serious economic issues facing our nation today is our massive international trade deficit which has resulted in a loss of as many as 500,000 American manufacturing jobs since 1981. While Congress and the administration are currently engaged in addressing this crisis through a variety of policy measures, it is vitally important the private sector redouble its efforts to increase U.S. exports and become competitive in markets overseas.

In this regard, I would like to call the attention of my Senate colleagues to the successful efforts of the Small Business Service Bureau, Inc., of Worcester, MA. Through the vision and determination of Mr. Francis R. Carroll, one of the Nation's most respected small business leaders, the SBSB has led two delegations of small business owners to the People's Republic of China. As the New York Times reported today, these visits have resulted in solid contacts and increased sales abroad. I am particularly proud to note that in addition to his other endeavors, Mr. Carroll serves as a member of the Senate Small Business Committee's Advisory Council.

Mr. President, I ask that the article from the New York Times be printed with my remarks.

The article follows:

[From the New York Times, Sept. 9, 1985]

U.S. SMALL BUSINESS IS DRAWN TO CHINA: TRIPS PAY OFF IN CONTRACTS

(By John F. Burns)

PEKING, September 8.—A little more than 20 months ago, Michael A. Andreottola was out of a job, his position as an engineer and designer with Applicon, Inc. eliminated when a French company, Schlumberger, took over the American concern and transferred part of its operations to France.

Last week, Mr. Andreottola was in China as the president of his own company, the American Ink Jet Corporation of Woburn, Mass. While here, the 38-year-old executive made fresh inroads into a market that has provided his company with $80,000 of business in little more than a year. His company's total first-year revenues were about $600,000.

Since President Nixon's visit in 1972 opened the way for a resumption of trade between the United States and China, the dominant corporate players have been large multinational corporations such as the Boeing Company, the General Electric Company and the International Business Machines Corporation. The Chinese like to buy from companies that are market leaders, and big corporations are better equipped to meet the often heavy costs of building up a relationship here.

Nonetheless, entrepreneurs like Mr. Andreottola are proving that there is a niche in the Chinese market for small businesses, and not only in the arts and crafts trade that has flourished since Mr. Nixon's visit opened the door.

A READY MATCH

Mr. Andreottola, making his first visit here, found little time to see the sights. At Applicon, he specialized in the development of computer-aided plotters and the inks used with them, notably in seismology. He has built up his own business in maintaining and servicing plotters, supplying inks and consulting, which provided a ready match for Chinese companies involved in the burgeoning oil exploration here.

In a few days here and in Canton, which is close to the major explorations being conducted by Chinese and Western oil companies in the South China Sea, Mr. Andreottola met with the buyers of his inks and identified the operators of several plotters previously sold here who are potential customers of his company. Along the way he also sounded out the possibility of selling the Chinese secondhand plotters from United States companies hit by slumping oil exploration at home.

"About 90 percent of my business is seismology-oriented, and in the United States that's going down fast," Mr. Andreottola said. "Here, it's headed in the opposite direction—there's a lot of oil exploration, and a lot of seismology." He added, "I can see where I will be doing 10 to 15 percent of my business here, more or less offsetting losses in the market at home."

SENDING DELEGATIONS

Mr. Andreottola's effort to enter the Chinese market has been aided by another Massachusetts-based company, the Small Business Service Bureau Inc. Under the leadership of Francis R. Carroll, who founded the company in 1968, the Worcester-based S.B.S.B. has organized two small-business delegations to China in the past year that have produced promising links for participants.

Mr. Carroll's company has signed up 35,000 small businesses in the United States as members, and provides them with a broad range of services from management assistance to electronic mailing, access to group medical insurance and legislative lobbying.

Years ago, before the Communist takeover in Vietnam, Mr. Carroll was involved in a business that built concrete-hulled shrimp boats there. Later, he was the prime mover behind an appeal that raised $100,000 in the Worcester area for a small hospital in the Vietnamese central highlands that was dedicated to Americans who died in the war. From those experiences grew a conviction that an American company did not have to

be listed in the Fortune 500 to be competitive overseas.

VISIT BY CHINESE OFFICIAL

The opening to China came when the Governor of Guangdong, one of the most populous of China's provinces, visited Massachusetts in 1983. At Mr. Carroll's invitation, the official, Liang Lingguang, spent two days looking at business and industry in the Worcester area and reciprocated by inviting Mr. Carroll to lead a small-business delegation to Guangdong. That trip, in November 1984, provided the contacts for the most recent visit.

"As the Chinese explained it to us," Mr. Carroll said, "a lot of their companies have no opportunity—and insufficient funds—to deal with I.B.M. or G.E., but they are eager for the advantages that can flow from dealing with smaller companies that provide a match for their activities." He added: "I think they realize that smaller companies are more flexible, can make their decisions more quickly and can work on smaller profit margins."

On the negative side, many small companies could be daunted by the high costs and the time involved in visiting here. But Mr. Carroll, whose company charges a basic fee of $1,000 for organizing a business executive's trip and setting up introductions, says that a first journey here can be budgeted at less than $5,000, half or less of what the same trip would cost if organized through one of the United States banks that are now offering introductions to the China market.

Another participant in the Carroll group who went away happy was Albert J. DiGregorio, president of the United Lens Company of Southbridge, Mass., who came to China wondering whether the market his father found here in the 1930's could be revived.

After a visit to an optical factory, the American concluded that the Chinese have little need for United States products. However, he was impressed by the quality and cost of the plant's silica and quartz materials, and will investigate the possibility of buying some of his own plant's supplies here. ●

50TH ANNIVERSARY OF THE SOCIETY OF REAL ESTATE APPRAISERS

● Mr. D'AMATO. Mr. President, I rise today to honor the 50th anniversary of the founding of the Society of Real Estate Appraisers. In so doing, I join with my distinguished colleague from Illinois, Senator ALAN DIXON, as a cosponsor of Senate Concurrent Resolution 51, a resolution to honor the golden anniversary of the society.

This organization came into being during the tumultuous period of the Great Depression. In a period of instability for the residential real estate market, real estate appraisers lent credibility during a very uncertain time. The society joined to meet this need and was incorporated in Illinois in 1935.

Today the Society of Real Estate Appraisers boast of a membership of 16,000. They are spread throughout all 50 States, the Caribbean, the Far East, Africa, and the United Kingdom. As appraisers they operate independently and perform their services for various lending and financial institutions, corporations, and all levels of government.

Each year thousands of individuals attend the educational programs sponsored by the society; as a result, the profession has continually flourished and served its communities well. I commend these progressive professionals and urge my colleagues to join me and do the same.●

FAMINE AREAS OF AFRICA—A REPORT BY ANDREW MAIR

● Mr. ARMSTRONG. Mr. President, recently I was given a report on the famine situation in northern Africa by a fellow Coloradan, Mr. Andrew Mair. This report resulted from the deep concern of Mr. Mair for the people suffering from the extended drought in Africa which motivated him to undertake a tour of the area at his own expense. He and two friends, Mr. Ed Rau and Elmer Reed, traveled Kenya, Ethiopia, and Sudan over a 16-day period and made contact with the top officials of the major voluntary agencies responsible for assistance to the drought victims.

I ask that Mr. Mair's report be printed in the CONGRESSIONAL RECORD for two reasons. The first is that it is a most encouraging chronicle of cooperation between nations in a great international effort to ease the suffering of the starving. The second is that the report represents a tangible expression of concern by three citizens who cared enough to become personally involved and to learn the situation first hand.

Mr. Mair has a wealth of experience in aid programs by the U.S. Government. During 12 years of service in the Department of Agriculture, Andy spent 4 years as Deputy Assistant Secretary for International Affairs. He also worked for the Department of State for 9 years and was Coordinator for Food-for-Peace from 1973 to 1975. On his trip he was accompanied by Attorney Ed Rau, who is a 25-year veteran of the Air Force who also served as Air Attaché in Kabul, Afghanistan. Also making the trip was Elmer Reed who is a 35-year veteran of the ASCS of the Department of Agriculture.

The most disturbing aspect of Mr. Mair's discussion of his trip with me is that the current agony of the people of northern Africa is likely to be a forerunner of a series of similar crises in the future. It is Mr. Mair's conclusion that it is not only of great importance to supply food to ease the immediate crisis, it is equally important to convince the nations of the area of the critical necessity to undertake the reforms necessary to improve the long-term food production capability. His report raises a very delicate issue of how to help the unfortunate victims and at the same time lay the foundation for fundamental reforms to avert catastrophes of this kind in the future.

I commend Andrew Mair, Ed Rau, and Elmer Reed for their humanitarian concern that prompted their trip and their efforts to inform the American people about this crisis.

The report follows:

JULY 22, 1985.

Senator WILLIAM ARMSTRONG,
528 Hart Senate Office Building,
Washington, DC.

DEAR SENATOR ARMSTRONG: As your office requested, I am sending you a report of my trip to the famine areas of Kenya, Ethiopia and Sudan. I and two friends and former colleagues of mine from Colorado returned July 6, 1985 from a 16-day tour of the famine areas in the above countries. In each country we contacted the top officials of the major voluntary agencies responsible for distributing the food and other assistance to the drought victims in each country. The agencies we contacted were CARE, Catholic Relief Services, World Vision, Church World Service, Save the Children, and others. We also contacted representatives of F.A.O., the United Nations Food and Agriculture Organization and World Food Program.

These organizations are doing a good job under very difficult circumstances. Getting food to the drought victims in the isolated areas of Ethiopia and Sudan is all but impossible. We returned with increased appreciation for those U.S. citizens and others we met who are assisting those desperate people in the refugee camps and out in the villages in the famine area. They are risking their future health to serve their fellow men. They deserve our appreciation and support.

We were also impressed by the fine spirit of cooperation that exists between various U.S. groups and the international groups working on the same problem. It appears that this crisis is so bad that each group was concentrating on the best way to save lives with little regard for who would get the credit. On June 30 we witnessed an example of this international cooperative effort when we were privileged to travel over 500 miles over the drought area of Ethiopia in an M-I-8 Soviet helicopter piloted by a crew from the Polish Air Force and accompanied by the Polish Ambassador to Ethiopia. They were delivering food to drought victims who could not be reached by other means of transportation.

We saw C-130 cargo planes operated by the British Royal Air Force carrying 16 tons per load and dropping U.S. grain to drought victims. The Royal Air Force had four C-130's and the German Air Force had three C-130's participating in this food distribution system. The Belgians and the Swiss Air Forces were also supplying planes and/or helicopters for the system. We were told that members of the armed forces of the NATO countries had participated with members of the armed forces of eastern bloc countries in a joint project like this.

The United States is the largest contributor of food aid to Ethiopia and Sudan with over one million tons approved under the Food for Peace program for fiscal year 1985.

The time we spent in Africa plus the time we spent researching for the trip convinced us that Africa is truly a continent in crisis. I participated in a tour of the drought areas of Africa a decade ago in preparing for the

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World Food Conference held in Rome, Italy in November 1974. In the last decade food production per capita has dropped ten percent in Africa. There is little evidence to show food production per capita will increase in the next decade.

Leaders of most of the countries of Africa are reluctant to let the market system work. They prefer to keep prices of food low for the people in the cities and thereby providing no incentive for food producers to increase production.

The pro-communist military government that has controlled Ethiopia since Emperor Haile Selassie was executed in 1974 is anti-United States and pro-Soviet Union. The Soviets supported Ethiopia in their war with Somalia in 1977 and 1978 and the United States supported Somalia. They have not forgiven us. The present government is a centralized planned economy based on socialist principles with the Soviet Union as a model. During the past ten years Comrade Mengistu has eliminated all organized opposition to his leadership using many of the same tactics Stalin used in eliminating his competitors for power in his early days in the Soviet Union. They have nationalized many industries and attempted to collectivize their farms. As a result, production has decreased and scarcities of many commodities have developed. Military conflict between neighboring countries and between different areas within countries is the way of life for much of Africa. The conflict between the central government of Ethiopia and the people in the province of Eritrea in northern Ethiopia has been going on for the past 19 years, and there is little to indicate that conflict will be resolved anytime in the near future. People are being killed and property destroyed.

Sudan is providing for one-and-one-half million refugees from Ethiopia, Chad and Uganda. You asked for our recommendations for future actions. We believe the Christian and moral thing to do is to share our abundance with the victims of the drought to the maximum extent possible. There is little doubt that this is the most severe drought to hit parts of Ethiopia and Sudan in this century. The Food and Peace program, or Public Law 480 as it is known to the Congress, was designed for emergencies such as this. The U.S. Department of Agriculture has adequate supplies of grain for this purpose.

The private sector should be encouraged to continue its efforts to assist in the area.

Food aid should not be continued indefinitely. The leaders responsible for government action must be made to realize the United States is not going to continue to feed their people. If requested, we can provide technical assistance on how to improve their food production, but individual countries must take corrective actions to bring about change in their own countries.

I was encouraged by the success of "Live Aid" organized by Bob Geldof. Reports indicate that over $50 million will be provided for assistance to Africa by the entertainment community in that one-day activity. I would encourage you to do what you can to promote the following:

1. Encourage a maximum amount of assistance in food aid and medicine be given from both government and private sources.

2. Encourage your colleagues in the Senate to take whatever actions they can to bring about an increase in food production in Africa. If corrective action is not taken, we will see the present crisis developing again in the years ahead.

I hope you will find this report useful. If I can be of further assistance to you, please let me know.

Sincerely,

ANDREW J. MAIR,
Consultant on World Hunger.

OFFICIALS CONTACTED

Ethiopia

Joseph P. O'Neil—Dept. Chief of Mission, U.S. Embassy; Ann Gray—Economic Councilor, U.S. Embassy; Dr. Frederick E. Mackmer, Jr.—U.S. Coordinator for Emergency Relief, U.S. Embassy; Stanley Dunn—Deputy Commissioner Relief and Rehabilitation, Peoples Republic of Ethiopia, Addis.

Hans A.H. Dall—Resident Representative F.A.O. (Food and Agriculture Organization), Addis; Kevin Farrell—W.F.P. (World Food Program), Addis; His Excellency Anderzej Konopacki—Ambassador of Poland to Sudan; Colonel Kazimierz Pogorzelski—Commanding Officer, Polish Relief Helicopter Squadron in Ethiopia; William Rastetter—Director, Catholic Relief Services, Addis; Dr. James Oxley—Animal Science Department, Colorado State University, Addis.

Kenya

Frederick Sheppard—Administrative Officer, U.S. Embassy, Nairobi; Brian Flanigan—Reg. Security Officer, U.S. Embassy; Robert Downing—Political Officer, U.S. Embassy; Arthur M. Fell—Deputy Director, Regional Economic Development Office; Nancy Metcalf—Regional Food for Peace Officer, U.S. Aid.

Jon O'Rourke—Deputy Food for Peace Officer; Barry Riley—Deputy Director, U.S. Aid, Mission, Nairobi; Robbin Cheetham—Project Manager, Drought Relief Project, CARE, Kenya; Richard Alton—Area Director, Institute of Cultural Affairs, Nairobi; Clive T. Froome—Managing Director, Flamingo Tour, Nairobi.

Sudan

David H. Shinn—Deputy Chief of Mission, U.S. Embassy; Arthur Moss—Refugee Officer, U.S. Embassy; William R. Brown—Director of U.S. Aid, U.S. Embassy; Richard C. Copeland—Coordinator Overseas Services Oxfam, Oxford, United Kingdom; Ken Curtin—Specialist, Refugees and Disasters, Catholic Relief Services, Khartoum.

Dr. Aziz Saleh—F.A.O. Representative for Sudan; Jean-Paul F. Jesse—Delegate of the Commissions of the European Community for Sudan; Mr. Emil Steinkraus—Director, CARE, Sudan; Bill Newell—Executive Director of World Vision for Canada, Acting Director for World Vision United States, Khartoum; Colonel Hasan Ahmed Siddig—Deputy Chief of Police Khartoum; Dr. Nour—Animal Science Department, University of Khartoum.

VISITOR TO ETHIOPIA SEES FAMINE RELIEF EFFORT FIRSTHAND

(By Andrew J. Mair)

If a Westerner arrives at the airport in Addis Ababa, the capital of Ethiopia, and takes the major thoroughfare into the city, he will be surprised to see giant signs displaying the communist hammer and sickle. As you move into the city and approach Independence Square you will see 30-foot pictures of Marx, Engels, and Lenin, the patron saints of the Communist Party. You also see many large pictures of a man in his early 40s with a neatly trimmed mustache and penetrating dark eyes. This is the current strongman of Ethiopia. His name is Mengistu Haile Mariam. His full title is Chairman of the Council of Ministries and the Commission for the Organization of the Party of the Working People of Ethiopia; Commander in Chief of the Armed Forces, Head of State. His full title is used whenever he is quoted in the Ethiopian newspapers.

Ethiopia has an area of 472,000 square miles—about the size of Texas, Oklahoma and New Mexico combined. The country has a high central plateau that varies from 6,000 to 10,000 feet above sea level, with some mountains reaching 15,000 feet.

The official population figures released in 1980 show a population of 31 million, but Ethiopian officials report the population is now more than 40 million. Its history goes back more than 4,000 years, and the Old testament of the Bible records the visit of the Queen of Sheba of Ethiopia to Jerusalem.

Its high plateaus and rugged mountains make it all but impossible to build and maintain roads in many sections of the country. Officials tell us that more than one-half the population of Ethiopia live more than one-half day's walk from the nearest road. Less than 10 percent of the population has access to electricity.

Throughout its history Ethiopia has been plagued by periodic droughts. There is considerable soil erosion caused by overgrazing and high population density. The current drought is reported to be the most severe drought of this century.

Reports from the United Nations show Ethiopia to be one of the poorest countries in the world. Eighty-six percent of its population is dependent on subsistence agriculture for their livelihood. This bit of background information about the country helps you to understand the current situation in the country.

The current military government took over control of the government when Emperor Haile Selassie was dethroned in September 1974. The present government is anti-United States and pro-Soviet Union. The Soviet Union supported Ethiopia in its war with neighboring Somalia during 1978 and 1979 and they have not forgiven us. The present government controls all the political life in Ethiopia. It is a centralized, planned economy based on Socialist principles with the Soviet Union as a model. During the past 10 years Mengistu has eliminated all organized opposition to his leadership, using many of the same tactics Stalin used during his early days in the Soviet Union.

You might say the world discovered Africa and particularly Ethiopia in January 1984 when worldwide television began showing on the evening news pictures of starving people, especially children, in the refugee camps in Ethiopia and Sudan.

As of July 1, 1985, almost one-half million metric tons of United States grain has been allotted for the famine victims in Ethiopia under the Food for Peace Program. The United States is the largest contributor, but there is also a broad base of support coming from most of the industrialized countries of the free world.

In late June I was a witness to this international cooperative effort when I and two other American citizens from Colorado were privileged to travel more than 500 miles over the drought area in a Soviet M-I-8 helicopter piloted by a crew from the Polish Air Force and accompanied by the Polish ambassador. They were delivering food to drought victims who could not be reached by other means of transportation.

We saw C-130 planes operated by the British Royal Air Force carrying 16 tons per

load dropping U.S. grain to drought victims. The Royal Air Force had four C-130s and the West German air force had three C-130s participating in the food distribution system. The Belgians and the Swiss air force also were providing planes and/or helicopters for the system. We were told this was the first time that members of the armed forces of NATO countries had participated with members of the armed forces from eastern bloc countries in a joint project like this.

The U.S. Embassy reports that more than 10 voluntary and charitable organizations from many countries are participating in the famine relief programs in Ethiopia. We were impressed by the cooperative spirit and willingness to help one another that existed between the leaders of the many groups we visited that are working in Ethiopia. The objective appeared to be how can we save more lives and not who will get the credit.

During the past 18 months millions of lives have been saved by this massive effort to get food and medicine to the famine areas in Africa. The problem is getting the food to the people in a country that has limited railroads and almost no highway system. You can get the food to the port but how do you move it to the people who live several hundred miles from the port in rugged mountainous area?

Many lives have been saved but many more will die before this crisis is over. Many are nomads who have followed their livestock over those hills for centuries. Now their livestock are gone—what do they do? One of the Ethiopian government officials told us he had read about the droughts we had experienced in the United States. He said he had read "The Grapes of Wrath," and he knew how the people of the United States had moved and changed their way of making a living because of drought.

Two former colleagues of mine—Edward Rau, an attorney from Denver and Elmer Reed, a retired U.S. Department of Agriculture employee of Denver—and I made a 16-day inspection tour of the drought areas of Kenya, Ethiopia and Sudan. We attempted to contact officials of all the major private groups, such as CARE, Catholic Relief Service, Church of World Service, International Red Cross, World Vision, Save the Children, and others. We also contacted international organizations such as the United Nations Food and Agriculture Organization (FAO) and the World Food Program (WFP).

The three countries we visited received a major portion of the famine aid going to Africa from the United States. Ethiopia has received the most publicity, but many believe the famine has affected more people in Sudan than it has in Ethiopia. Kenya had its worst drought in history in 1983 and 1984, but the rains came to Kenya in the Fall of 1984 and Kenya will harvest a good crop in 1985. It still has many problems. It has the highest rate of increase in population of any country in the world—more than 4 percent. This rapidly expanding population means serious trouble ahead for that government.

The rains in Ethiopia and Sudan have been very spotty or non-existent. Officials estimate that another one-half million people will die of starvation in these countries during the next six months despite massive efforts to get food to them.

We returned to the United States with renewed appreciation of our nation and its system of government—a nation that can provide food and other basic necessities for its citizens and much of the world. We returned with increased appreciation for those U.S. citizens we met who were assisting those desperate people in the refugee camps and out in the villages in the famine area. They are willing to risk their future health to serve their fellow men. They deserve our support and appreciation.

If readers of this report have not contributed to African relief through their favorite charitable organization, I hope they will consider it. For those who have contributed I say thank you and God bless you.

(Andrew J. Mair, a consultant living in Fort Collins, was a delegate to the United Nations World Food Conference in Rome in 1974. He has been deputy assistant secretary for international affairs and commodity programs in the Department of Agriculture and coordinator of Food for Peace in the Department of State.)●

ACID RAIN

● Mr. MOYNIHAN. Mr. President, acid rain is a matter of great concern to Americans in many parts of the Nation, and also to the Senate.

In upstate New York, acid rain is an especially severe and critical problem. Mr. Louis Greppo, a member of the Adirondack North Woodsmen, recently made some very forthright and sensible remarks on the subject at a public forum in Amsterdam, NY.

Mr. President, I ask that Mr. Greppo's statement be printed in the RECORD, and I urge my colleagues to note the concerns of such a conscientious New Yorker, for they are of great importance to all of us.

The statement follows:

NEW YORK STATE AND THE ACID RAIN TRAGEDY

Our great state has paid the highest price in this environmental tragedy. We have lost some of our most beautiful and wild trout ponds in our beloved Adirondacks, and we are seeing our great forest preserve denuded by this acid fallout. It hurts more because New Yorkers are today celebrating the centennial of our unique Adirondack Forest Preserve, which generations of New Yorkers have seen fit to protect from any internal or external degradation now only to see it attacked from an enemy many hundreds of miles away. Others might wonder why we get so upset over a few dead fish. Well, these dead fish just happen to be wild brook trout, legislated the State Fish. They are an indicator of a healthy environment, and they are an integral part of our wilderness system in the Adirondacks.

What to tell our children when the magnificient spruce forest of the high peaks are gone? How will we answer them when they ask us what it was like to fish a wild mountain pond for native Adirondack Brook Trout? Who will explain to them that the reason the haunting cry of the loon no longer can be heard in the North Woods is because none of their forefathers had courage enough to develop a national strategy to clean up the air? We needed cheap energy—"the next generation can worry about the environment."

I hope we will never have to explain to our children and grandchildren that we just couldn't get our act together on this acid rain question. I pray that we can leave our children a world cleaner than the one we were born into. Senator Moynihan tried way back in 1979 by introducing the Acid Precipitation Act (S. 1754) which became law in 1980 and created the Acid Precipitation Task Force to coordinate a 10 year federal research program on acid rain.

Unfortunately, although several acid rain bills have been introduced in both the House and Senate over the past six years, we still have no national acid rain legislation which will control sulfur emissions and thus help put an end to the acid rain tragedy. Senator Moynihan has been one of our biggest supporters in Washington in trying to develop and pass an acid rain bill, but he can't do it alone—we must let the nation know that although the Northeast is being impacted the worst thus far, the forest, lakes, streams, and fishlife of the entire nation and our neighbor to the north, Canada, are suffering from acid rain. We must help Senator Moynihan point out to the administration and to Congress that the answer to the problem must be a national answer.●

THE LATE DR. C. HENRY KEMPE

● Mrs. HAWKINS. Mr. President, I stand before my distinguished colleagues to pay tribute to the late Dr. C. Henry Kempe, whose pioneering efforts in the service of children and families affected by child abuse have established him as a true American hero.

Although his many accomplishments are unknown to most Americans, they have changed the lives of thousands of children in need. I hope that by publicizing Dr. Kempe's significant contributions, I shall not only pay proper respect to him but also make the public more aware of the importance of the fight against child abuse and neglect.

Dr. Kempe dedicated over 25 years of his life to the cause of abused and neglected children. In 1958, he was instrumental in the founding of the Child Protection Team, one of the first of its kind, at Colorado General Hospital in Denver. In 1972, with a $1,800,000 grant from the Robert Wood Johnson Foundation, the Child Protection Team became the National Center for the Prevention and Treatment of Child Abuse, which in 1981 was renamed the Kempe Center in honor of Dr. Kempe.

But Dr. Kempe's accomplishments did not stop there. Throughout his career, one of Dr. Kempe's major goals was to treat the cause of child abuse as well as the symptoms, and in 1959 he developed individual therapy programs for abusive and neglecting parents. Not content to rest on his laurels, he instituted the Lay Therapy program in 1967, using nonprofessionals to support and befriend abusive parents. In the same year, Families Anonymous was created as a self-help support group with professional facilitators for abusive and neglecting parents, and the sexual abuse research and treatment program was expanded in 1981 to include adult male offenders, adolescents, couples, and mothers of children in therapeutic preschool.

In addition to sponsoring numerous symposia on child abuse and neglect, Dr. Kempe, in conjunction with the National Center, wrote, edited, and published a host of books, articles, journals, and instructive films in order to disseminate information on this important, yet until recently overlooked, problem. Some of the titles published are "Helping the Battered Child and His Family," "Sexually Abused Children and Their Families," both of which were coedited by Dr. Kempe, "Abuse and Neglect: The International Journal," which now has five volumes, and "Region 8 News," a quarterly newsletter distributed to 5,000 subscribers free of charge in Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming. Dr. Kempe's own book, "Child Abuse," is a seminal work on the subject and is translated into 13 languages.

Mr. President, what I have said so far is only the tip of the iceberg. The late Dr. Kempe's achievements are truly too numerous to mention. In order to do him justice, I ask unanimous consent that a more complete chronology of the Kempe National Center's accomplishments be placed in the RECORD at this point.

Despite Dr. Kempe's death, the National Center for the Prevention and Treatment of Child Abuse and Neglect continues to study and treat the problem of child abuse. The center has recently merged with CHILDHELP, U.S.A. In order to increase its ability to reach abused children and their families. Now renamed CHILDHELP Diagnostic and Treatment Center, it continues to provide a treatment team made up of professionals from pediatrics, psychiatry, developmental psychology, social work, and early childhood education. Ongoing treatment services include individual psychotherapy, marital therapy, and group therapy, often in conjunction with other programs at the Kempe Center.

Among these additional programs is the therapeutic preschool, which began at the Kempe Center in 1974. At the preschool, children who have experienced sexual abuse, physical abuse, neglect, or were failure-to-thrive infants receive individual help in the form of play therapy, developmental stimulation, and speech and language therapy. What is truly remarkable about this school is that there is no tuition; the program is supported entirely through private foundation moneys.

Another specialized assistance program is the Adolescent Perpetrator's Network, geared toward juvenile sex offenders. Its purpose is to provide professional help in order to prevent today's juvenile offenders from becoming tomorrow's adult abusers of children.

The Kempe Center provides consultation and training for those interested in the general field of child abuse. This training takes the form of professional education, workshops and seminars, symposia, and a scholars-in-residence program. By educating and training a new generation of researchers and citizens concerned about child abuse, the center extends its benefits into the future.

Mr. President, I thank you for this opportunity to honor an outstanding citizen. I hope that Dr. Kempe's success serves to inspire others to aid in the fight against child abuse.

Mr. President, I ask that the list of selected events of the C. Henry Kempe National Center for the Prevention and Treatment of Child Abuse and Neglect be printed in the Record.

The material follows:

SELECTED HISTORICAL EVENTS OF THE C. HENRY KEMPE NATIONAL CENTER FOR THE PREVENTION AND TREATMENT OF CHILD ABUSE AND NEGLECT/DENVER, CO

1958

*Creation of the Child Protection Team, Colorado General Hospital, Denver (one of three started nationally that year).

1959

*Development of individual therapy programs for abusive and neglecting parents.

1961

Drs. D. Henry Kempe and Brandt F. Steele made their first presentation about "The Battered Child Syndrome" in Chicago, at the 30th Annual Meeting of the American Academy of Pediatrics, October 3 (focusing on the medical and psychiatric aspects).

1962

"The Battered Child Syndrome," by C. Henry Kempe, et al., published in the *Journal of the American Medical Association* (a classic in the field of child abuse and neglect literature).

Acted as catalysts and consultants for enactment of Colorado Child Abuse Reporting Statute.

Workshop on the Battered Child held to convene statewide professionals of various disciplines, May 25, Denver, conducted by C. Henry Kempe and Brandt F. Steele.

1966

National workshop roundtable on "Patterns of Parental Behavior Leading to Physical Abuse of Children," March 21–22, Colorado Springs, conducted by Drs. C.H. Kempe and Steele (15 selected participants).

1967

*Instituted Lay Therapy program using non-professionals to support and befriend abusive and neglecting parents.

Dr. C. Henry Kempe receives Robert L. Stearns Award from the University of Colorado.

Creation of Families Anonymous as a self-help support group for abusive and neglecting parents with professional facilitator(s).

1968

Publication of *The Battered Child* (1st ed.) edited by C. Henry Kempe and Ray E. Helfer.

1st annual Battered Child Symposium, May 22–23, Denver.

1969

3rd annual Battered Child Symposium, November 19–21, Denver (163 registrants from U.S., Canada and England).

1970

Research (instituted and continued through 1974) on Health Visitor's Role in Prediction of Early Childhood Injuries and Failure-to-Thrive cases (to examine early maternal attitudes and subsequent childhood injuries).

Participation in "Children in Peril" an ABC-TV news documentary on child abuse.

1971

Predictive Study on Child Abuse initiated and continued through 1976.

1972

Robert Wood Johnson Foundation grant to begin The National Center and over a seven-year period gave $1,800,000.

Publication of *Helping the Battered Child and His Family*, edited by C. Henry Kempe and Ray E. Helfer.

Publication of the *National Child Protection Newsletter*, disseminated free of charge to 800 subscribers nationally and internationally.

4th annual Battered Child Symposium, November 27–28, Denver (263 registrants from U.S., Canada and Netherlands).

1973

Crisis Nursery opened for 24-hour, 7-day-per-week care for abused and neglected children, operative through 1976.

5th annual Battered Child Symposium, May 31–June 1, Denver.

Establishment of library and training facilities to service professionals and students nationally.

Production of self-instructional audio-visual materials: Videotapes:

"Pediatric Interview Between Pediatrician and Mother."

"Diagnosis of Child Abuse and Neglect—Consulting Pediatrician."

"Social Worker and Abusive Parent."

"Team Management of Child Abuse/Neglect."

"Lay Therapy (treatment modality)."

"Families Anonymous (treatment modality."

"A Case of Child Abuse—Pediatric Grand Rounds" (featuring Dr. C.H. Kempe).

Slides and Cassettes by Barton D. Schmitt, M.D. "Visual Diagnosis of Child Abuse and Neglect" (1st edition).

Videotape and film of delivery room "Mother-Infant Interaction" by Janet Dean and Christy Cutler.

1974

Opening of Circle House, a residential treatment facility for multi-problem families, operative through 1977.

*Opening of Therapeutic Preschool for physically abused and neglected children, ages 1–5.

*Initiation of group therapy for abusive/neglectful parents.

1975

*Initiation of group therapy program for preschool-age children.

Over 2,000 letters and packets of materials disseminated in response to requests for information on child abuse/neglect nationally and internationally.

Acquisition of and move to facility at 1205 Oneida St., Denver—which is a large, home-like building in residential area.

Dr. C. Henry Kempe receives George Armstrong Award from the Ambulatory Pediatric Association.

*Initiation of group therapy program for mothers of children in Therapeutic Preschool.

Consultation provided for Colorado and Utah child abuse and neglect legislation.

*Granted status as Regional Resource Demonstration Project (through DHEW) to provide training and professional consultation for Region 8 states (Colorado, Montana, North Dakota, South Dakota, Utah and Wyoming).

Dr. C. Henry Kempe receives Edward W. Browning Award from American Public Health Association.

5th annual Battered Child Symposium, September 29–30, Denver (197 registrants from U.S., Canada and England).

Formulation of Ad Hoc International Committee on Child Abuse and Neglect in Bellagio, Italy (a first of its kind).

Receipt of funds from Commonwealth and Grant Foundations for general operations.

Production of training tapes:

"Difficulty Getting Help"—with Helen Alexander, MSW.

"Psychiatrist's Diagnostic Interview"—with Brandt F. Steele, M.D.

1976

*Study of Hospitalized Children (interaction with children under the age of 18 months who had been hospitalized for failure to thrive, abuse or accidental injuries; comparisons with interactions of the normal clinic population).

Publication of *The Abused Child: A Multidisciplinary Approach to Developmental Issues and Treatment*, edited by Harold Martin. M.D.

*Initiation of group therapy program for physically abused/neglected latency-age children.

Publication of *Child Abuse and Neglect: The Family and the Community* edited by Ray E. Helfer and C. Henry Kempe.

*Formulation of the Friends of the National Center—to facilitate financial support from the private and corporate communities.

1st International Congress on Child Abuse and Neglect held in Geneva, Switzerland.

Edith B. Jackson bequest of $17,000 to the Friends for work of the Center.

Over 2,500 letters and packets of information disseminated in response to requests nationally and internationally.

6th annual Battered Child Symposium, October 25–26, Denver.

Production of two Hospitalization Study training tapes: "Parent-Child Interaction Within the Hospital."

Federal grant to develop and evaluate *Hospital Guidelines for Child Abuse and Neglect*.

Production of slides and audio-cassette by Barton D. Schmitt, M.D. "Visual Diagnosis of Non-Accidental Trauma and Failure to Thrive" (2nd ed.) for American Academy of Pediatrics.

1977

Provision of legislative consultation for *Colorado Termination of Parent-Child Legal Relationship Act* and *Wyoming Child Protection Act*.

Dr. C. Henry Kempe receives C. Anderson Aldrich Award from the American Academy of Pediatrics.

Initiation of group therapy for sexually-mistreated latency-age children.

Establishment of Scholars-in-Residence program to provide on-site, internship experiences in child abuse and neglect issues to eight post-graduate students and professionals from various disciplines, federal funding $100,000.

Preliminary investigation of Foster Care program to integrate foster parents into the family treatment program.

Formation of foster parents' support group.

Formation of biologic parents' group.

*Sexual Mistreatment Pilot Project—to provide diagnostic evaluation of sexually mistreated children and their families and age-appropriate group therapy for children (preschool-age, latency and adolescent) and group therapy for parents.

*Incorporation of the International Society for the Prevention of Child Abuse and Neglect as as a non-profit organization with C.H. Kempe as President.

Publication of first issue of *Child Abuse and Neglect: The International Journal*, C.H. Kempe, editor.

Over 3,000 letters and packets of materials disseminated in response to requests for information on child abuse and neglect nationally and internationally.

7th annual Battered Child Symposium, October 6–8, in Denver.

Dr. C. Henry Kempe received Jacoby Award of the American Medical Association, Pediatrics Division.

Production of training tape: "Parent-Child Interaction: Evaluation and Treatment."

*Initiation of Lay Health Visitor Program to provide evaluation of mothers at time of delivery and screen for potential abuse/neglect.

Publication of *Crisis Nurseries: Practical Considerations* by P. Beezley and M. McQuiston.

*Formation of the National Association of Counsel for Children (an organization for lawyers representing children and others involved in child advocacy) with the encouragement and technical assistance of National Center staff.

Publication of *Child Protection Team Handbook*, edited by Barton D. Schmitt.

*Implementation of pilot study of Mother-Child Interaction Related to Child Abuse and Neglect to evaluate and compare interaction in a structured setting between biological parents and children, foster parents and children, and controls.

Publication of *Legal Representation of the Maltreated Child*, first publication of the National Association of Counsel for Children.

*Initiation of group therapy for adult females who were victims of sexual mistreatment in childhood.

First national meeting and seminar of the National Association of Counsel for Children, held in Denver with 150 participants from 12 states.

1978

Publication of *Hospital and Clinical Management of Child Abuse and Neglect*, through HEW in cooperation with Region 8 states.

Implementation of Foster Care Enrichment program (to encourage interaction between biologic and foster parents around placement and treatment of children).

2nd International Congress on Child Abuse and Neglect, London, England (1,300 registrants from Europe and the U.S.).

Publication of *Child Abuse* by Ruth S. and C. Henry Kempe, published as part of the Developmental Series, Harvard University Press.

Dr. C. Henry Kempe receives Vincent de-Francis Award from the American Humane Association.

Friends of the National Center conducted Kids Campaign to Fight Child Abuse in association with MacDonalds and Red Miller, Coach of the Denver Broncos.

Publication of *Child Abuse and Neglect: The International Journal*, Vol. 2.

Sexual abuse research program expanded to include preschool-age children and adolescents.

Dr. C. Henry Kempe receives University of Colorado Medal.

Research initiated on Failure-to-Thrive Secondary to Caloric Deprivation.

Colorado's first lady, Mrs. Richard ("Dottie") Lamm holds reception for Friends of the Kempe Center and donors.

* Federal funding of The National Center to demonstrate a Regional Child Abuse and Neglect Resource Center to serve six states.

Federal funding for formal Feeding and Growth study of non-organic failure-to-thrive children under age three.

Over 5,000 letters and packets of materials disseminated in response to requests for information on child abuse and neglect nationally and internationally.

First National Association of Counsel for Children Conference: "Handling Paternity Cases Under the Uniform Parentage Act," in Colorado Springs (200 registrants).

1979

Publication of Standards for a *Model Protective Service System* by Claudia Carroll, MSW, Psy.D.

9th annual Battered Child Symposium, May 17–19, Keystone, Colorado (177 registrants from U.S., Australia, Canada, Costa Rica and Norway).

Publication of *Child Abuse and Neglect: The International Journal*, Vol. 3.

Hosted approximately 50 national and international visitors involved in various aspects of child abuse and neglect.

Provided internship for Swedish medical Scholar-in-Residence.

Dr. C. Henry Kempe awarded Rosen von Rosenstein Medal from Swedish Paediatric Association.

Cudahy/Bar-S Stampede—race held in September as a fund-raiser.

Initial organization of Parents United for sexually abusive parents in the Rocky Mountain Region.

* Publication of *Region 8 News*—a quarterly newsletter disseminated to 5,000 subscribers free of charge in Colorado, Montana, North Dakota, South Dakota, Utah and Wyoming.

3rd National Association of Counsel for Children Conference held at Keystone, Colorado.

Publication of *Legal Representation of the Maltreated Child*, Vol. 2 by N.A.C.C.

Boetcher Foundation, Piton Foundation and Tamerac Foundation supported Center work.

Production of slides and cassette: "Visual Diagnosis of Non-Accidental Trauma and Non-Organic Failure to Thrive" (3rd edition) by Barton D. Schmitt, M.D.

Formation of Region 8 Audio-Visual and Information library.

Dr. C. Henry Kempe receives University of Colorado Thomas Jefferson Award.

First petiatric fellow in child abuse and neglect at J.F. Kennedy Child Development Center, National Center and University of Colorado Hospital.

Membership in International Society for Prevention of Child Abuse and Neglect reaches 400.

Membership in the National Association of Counsel for Children reaches 500.

1980

10th annual Battered Child Symposium, May 15-18, Keystone, Colorado (187 registrants from U.S., Canada, Ireland, and Norway).

Region 8 News disseminated to over 5,000 persons in Region 8 for $24,000 states.

Friends of the National Center sent out first annual Christmas Catalog for fundraiser.

Publication of *Child Abuse and Neglect: The International Journal*, Vol. 4.

Provision of internship for Australian nurse, Scholar-in-Residence.

Sexual abuse research program to include couples.

Dr. C. Henry Kempe receives Howland Award from the American Pediatric Society.

Federal grant for specialized Sexual Abuse Training in Region 8.

4th National Association of Counsel for Children Conference in Colorado Springs (187 registrants).

Kaiser Family Foundation grant is awarded for continuation of sexual abuse research for $75,000 over three-year period.

Levi-Straus Foundation grant for three-years general support to Center.

Formation of second group therapy program for sexually mistreated latency-age children.

Second pediatric fellow in child abuse and neglect at The National Center and University of Colorado Hospital.

Law/social work intern accepted for eight months as Scholar-in-Residence.

1981

Expansion of sexual abuse research/treatment program to include adult male offenders, adolescents, couples and mothers of children in Therapeutic Preschool.

Friends of the National Center sent out second annual Christmas Catalog for fundraiser.

Provision of internship for Canadian social worker, Scholar-in-Residence.

Publication of The Battered Child (3rd edition) edited by C. Henry Kempe and Ray E. Helfer.

Federal grant received to sponsor 1st National Conference on Dental Aspects of Child Abuse and Neglect.

Publication of *Sexual Abused Children and Their Families*, edited by Patricia Beezley Mrazek and C. Henry Kempe.

National Association of Counsel for Children held joint Institute with American Bar Association, San Francisco, California, entitled "Protecting Children Through the Legal System" (237 registrants).

Friends of the National Center held Sweepstakes 10-K race as fundraiser in November.

Dr. C. Henry Kempe honored by Colorado associates through the C. Henry Kempe club at the University of Colorado School of Medicine.

The National Center incorporates the name of its founder—becoming "The C. Henry Kempe National Center."

First edition of *Update*, quarterly newsletter of The Friends of The C. Henry Kempe Center, published.

Jack Hogan Charitable Foundation provides ongoing support for three years for Therapeutic Preschool.

Achievement award received from Gannett Foundation.

International Society membership increases to 450.

National Association of Counsel for Children membership increases to over 700 in 46 states and six nations.

C. Henry Kempe receives Genesis award from the National Committee for Prevention of Child Abuse and Neglect in Chicago.

Publication of *Child Abuse and Neglect: The International Journal, Vol. 5.*

Friends of the C. Henry Kempe National Center received private contributions of up to $2000/month.

Over 7,000 letters and packets of materials disseminated in response to requests for information on child abuse and neglect nationally and internationally.

Publication pending on *Child Abuse and Neglect: Clinical Supervision by Claudia Carroll, MSW, Psy.D.*

Publication of *The Lay Person's Role in the Treatment of Child Abuse and Neglect* by Gail Ryan.

Child Abuse by Ruth S. and C. Henry Kempe now translated into 13 languages.

Child Abuse and Neglect: A Cross-Cultural Perspective by J.E. Korbin, published by University of California Press. Dr. Korbin was a Scholar-in-Residence in 1977.

Richard D. Krugman, M.D. succeeds C. Henry Kempe, M.D. as director of The C. Henry Kempe National Center, following a one-year health policy fellowship by Robert Wood Johnson Foundation, in Washington, D.C.

1982

11th annual Child Abuse and Neglect Symposium, Keystone, Colorado (182 registrants from 39 states).

Jane Phillips Sorority presents a national achievement award to The Kempe Center for equipment for the Therapeutic Preschool.

4th International Congress on Child Abuse and Neglect, Paris, France, September 12-15.

Grant Foundation continues ongoing Kempe Center support, especially for Dr. Kempe's work.

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*Ongoing programs at The C. Henry Kempe National Center or programs held in conjunction with Center staff.

NOTE.—Publications listed in this outline appear to give the reader an idea of the historical trend of the literature. A complete staff bibliography is available upon request.●

IRS REGULATIONS BACKLOG

● **Mr. ARMSTRONG.** Mr. President, there is a growing backlog in Internal Revenue Service tax regulation writing projects which Congress has created by its efforts at tax reform in the past 10 years. As of June 30, 1985, the IRS had 453 regulations projects outstanding, some dating back to 1970. These regulations are necessary to explain complex Tax Code. They allow taxpayers to interpret tax laws in terms of their own returns, and to know what tax preparation procedures will and will not pass an IRS audit. Every time that Congress revises or adds to the Nation's tax laws, we pile more regulation writing projects on the IRS. In terms of tax simplification, we are digging ourselves deeper and deeper into a hole.

The effects of this backlog on the tax system, the taxpayers, and on the national economy are serious. Tax laws are always difficult to understand. Without these regulations, they may be close to impossible to decipher for the average citizen. Today there are already many attorneys who specialize not in tax law in general, but in a specific part of the tax system. Even these lawyers find it difficult to keep up on new developments in taxation. With a major tax bill enacted by Congress every 2 or 3 years, it is exceedingly difficult to maintain a clear picture of the tax system. Furthermore, the constant state of flux of the system renders long-term economic planning nearly impossible for the citizen and the professional alike. A good investment under present law may become a disaster a few years into the future. I find it difficult to imagine that either the economic or the social goals of tax legislation will be realized in such a situation. We must first tame our current system of taxation before any efforts at reform and simplification will succeed.

Mr. President, I ask to have printed in the RECORD a table summarizing the current status of IRS regulations. It would also be timely to reprint in the RECORD a 1983 statement by the Colorado Society of Certified Public Accountants which pointed out in forceful terms, serious unsettling effects on the business economy caused by continued tax law changes, which I submit for the RECORD.

The material follows:

IRS REGULATIONS PROJECTS DISTRIBUTION BY YEAR AND PART

Year	A (final status)	B (by Dec. 31, 1985)	C (by Sept. 30, 1986)	D (unscheduled)	Total (year)
1970	0	1	0	0	1
1971	5	2	0	0	7
1972	2	1	0	1	4
1973	2	0	0	0	2
1974	3	0	0	0	3
1975	5	2	0	0	7
1976	20	11	0	0	31
1977	7	1	0	0	8
1978	18	9	0	1	28
1979	3	10	0	2	15
1980	16	10	0	2	28
1981	38	23	0	2	63
1982	38	31	0	1	70
1983	12	23	1	1	37
1984	17	92	2	0	111
1985	11	20	7	0	38
Total (part)	197	236	10	10	453

[From the Congressional Record, May 2, 1983]

To: Colorado Members of Congress.

From: Colorado Society of CPA's Federal Taxation Committee.

Subject: Problems of continuous modification of the Internal Revenue Code.

BACKGROUND

During the thirty-year period from 1939 to 1969, tax legislation was essentially limited to the Internal Revenue Code of 1939, the Internal Revenue Code of 1954, and the Tax Reform Act of 1969, with no other major or significant pieces of legislation.

The past decade has seen a tremendous increase in tax legislation with passage of:

The Employment Retirement Income and Security Act of 1974.

The Tax Reduction Act of 1975.

The Tax Reform Act of 1976.

The Tax Reduction and Simplification Act of 1977.

The Revenue Act of 1978.

The Energy Act of 1978.

The Crude Oil Windfall Profits Tax Act of 1980.

The Economic Recovery Tax Act of 1981.

The Tax Equity and Fiscal Responsibility Act of 1982.

In addition, many technical corrections acts and other less significant tax legislation have been enacted during this same period.

This volume of legislation has created an enormous backlog in the regulation writing process, as there were approximately 450 projects waiting completion at the Department of Treasury as of December 31, 1982. The regulation writing process is further slowed by the lack of a group specifically assigned to and engaged only in regulation writing within the Treasury Department.

The legislation as well as its attendant problems of implementation has resulted from attempts to cope with the changing budgetary, political and social goals of the 1970's and 1980's. However, the continuing tax law changes have an unsettling effect on today's business environment and foster the perception that the existing tax system lacks stability and fairness. Many taxpayers find it increasingly difficult to engage in long-range planning because the associated tax consequences are unpredictable. Because of the increasing technical complexities created by constant revisions of the Internal Revenue Code, professional tax advisors find it more difficult to provide tax advice in a form which can be understood and used by their clients in connection with their financial and business planning. A few recent examples of this are:

The Accelerated Cost Recovery System (ACRS) enacted by ERTA was signed into law in August, 1981, yet was effective for assets placed in service after December 31, 1980. Many fiscal year taxpayers had closed their books, updated their property and equipment ledgers and filed their Federal income tax returns. The passage of ERTA created the need for these taxpayers to amend their income tax returns, thereby incurring additional expense as well as taking time away from their daily operations.

The recently enacted Tax Equity and Fiscal Responsibility Act of 1982 contains 23 different effective dates, 14 of which are effective for periods either beginning or ending before the date of enactment.

As a result of the complexity of present law and the interaction of various code sections, technical corrections acts are required almost immediately after new legislation is passed to correct for unintended results. For example, the use of fiscal years by some newly formed "S" Corporations had to be eliminated from the Subchapter S Revision Act of 1982 by the most recent Technical Corrections Act.

Many have voiced the opinion that the present system be abolished in favor of a "flat rate" tax. The "flat rate" tax proposal is to some extent a result of the increased complexity of present tax law and the belief that the assessment of income taxes should be simpler. A flat rate tax would basically put all taxpayers in the same tax bracket. In its purest form, no deductions or credits would be allowed and all income would be subject to the same tax rate. It would be equivalent to a national sales tax that probably could be filed on a "postcard" return. The original United States income tax law enacted in 1913 was basically a flat rate tax system.

Proposals for the flat rate tax have varied from its purest form to modified versions which include personal exemptions, deductions for such items as charitable contributions and mortgage interest, and surtax charges. There has been a wide range of tax rates and surtax charges proposed, including rates somewhere between 10 and 20 percent and proposals to structure the flat rate tax as an alternative method of tax computation.

RECOMMENDATIONS

On the problem of adverse effects to taxpayers resulting from continuous modification of the Internal Revenue Code, the Federal Taxation Committee of the Colorado Society of Certified Public Accountants reached the following conclusions:

The process of formulation of proposed legislation amending the Internal Revenue Code should be modified, as necessary, to incorporate the following:

(a) Procedures be established whereby proponents of amendments to the Internal Revenue Code (whose principal purpose is to promote a particular social objective, or respond to a political interest) be required to demonstrate that other alternatives to amending the Code have been considered and provide an explanation in the form of a report to Congress of why such other alternatives are not appropriate to accomplish the objectives of the proposed law changes;

(b) Proponents of amendments to the Internal Revenue Code be required to show the contribution of the proposed changes to simplification of the Code, simplification of related compliance (i.e., tax return reporting) and enforcement; and

(c) Establish requirements that Committee Reports which accompany new tax legislation reflect the deliberations which have occurred on the matters outlined in (a) and (b).

If a "flat rate tax" system is considered, it should first be the subject of extensive study on whether this system will accomplish its objective of tax simplification, and whether a satisfactory definition of "income" subject to a "flat rate tax" can be developed.

If additional Federal revenues are required, they be raised by adjusting present tax rates. Adjusting tax rates versus making technical changes to the Internal Revenue Code as means of raising additional revenue will contribute to increased confidence of taxpayers that their current financial decisions will have predictable future tax consequences.

In its discussions on regulation writing by the Treasury Department, the committee reached the following recommendation.

The Department of Treasury establish a permanent group responsible for promulgating regulations. This group should not be available for other activities. In addition to Treasury Department personnel, the group should comprise representatives of industries or taxpayers affected by the Regulations, at the earliest possible stage in the process of their formulation.●

REPORT OF NATIONAL AVIATION HALL OF FAME

● **Mr. GOLDWATER.** Mr. President, as a Member of the Senate representing the National Aviation Hall of Fame, once again it is my pleasure to submit the latest report to that body. I ask that the material be inserted in the RECORD at this point in my remarks.

The report follows:

NATIONAL AVIATION HALL OF FAME

REPORT ON EXAMINATION OF FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 1984 AND 1983

[Accountants' Report]

To the Board of Trustees,
National Aviation Hall of Fame, Inc.,
Dayton, Ohio.

We have examined the balance sheets of the National Aviation Hall of Fame, Inc. as of December 31, 1984 and 1983, and the related statements of revenue and expenses, changes in fund balances and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the National Aviation Hall of Fame, Inc. as of December 31, 1984 and 1983, and the results of its operations and the changes in its financial position for the years then ended in conformity with generally accepted accounting principles applied on a consistent basis.

COOPERS & LYBRAND.

DAYTON, OHIO, *June 18, 1985.*

NATIONAL AVIATION HALL OF FAME, INC., BALANCE SHEETS, DECEMBER 31, 1984 AND 1983

	1984	1983
ASSETS		
Cash and cash equivalents	$77,674	$93,972
Pledges receivable		750
Inventory, "Enshrinee Album" books	36,161	
Prepaid expenses	111	134
Other		80
Total current assets	113,946	94,936
Certificate of deposit (Note 3)	30,381	27,449
Furniture, fixtures and equipment, net of accumulated depreciation of $4,252 in 1984 and $3,141 in 1983	10,069	4,063
Copyrights	1	1
Collections (Note 2)		
Total assets	154,397	126,449
LIABILITIES AND FUND BALANCES		
Accounts payable	$41,132	$6,000
Accrued expenses	443	236
Deferred amounts:		
Enshrinement income	9,375	14,945
Restricted biographical research program	2,274	20,000
Restricted Enshrinee Album Program		21,169
Total current liabilities	53,224	62,350
Fund balances:		
Designated by Board of Trustees for capital expenditures (Note 3)	32,081	27,448
Undesignated	69,092	36,651
Total fund balances	101,173	64,099
Total liabilities and fund balances	154,397	126,449

Note. The accompanying notes are an integral part of the financial statements.

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STATEMENTS OF REVENUE AND EXPENSES FOR THE YEARS ENDED DECEMBER 31, 1984 AND 1983

	1984	1983
Revenue:		
Individual memberships	$49,991	$43,372
Organizational memberships	32,714	20,953
Enshrinement Dinner tickets	16,520	18,290
Sales of medals and other items	878	735
Donations	10,914	10,123
Interest and dividends	9,552	8,425
Enshrinee Album Program	28,527	7,293
Federal grant		13,500
Biographical research	17,726	
Enshrinee Album sales	621	
Donation received, computer	7,117	
Total	174,560	127,681
Expenses:		
Management fee (Note 4)	16,500	29,625
Biographical research (Note 4)	17,726	
Salaries and office wages	13,536	12,495
Enshrinement ceremonies	53,630	48,930
Membership expenses	12,317	3,288
Exhibits		865
Cost of medals and other items	449	376
Office supplies	9,381	6,502
Postage	3,563	2,397
Telephone	1,088	889
Payroll taxes	1,237	1,020
Depreciation	1,111	944
Brochures	5,211	1,516
Enshrinee Album Program	690	2,293
Miscellaneous	1,049	1,088
Total	137,486	112,140
Excess of revenues over expenses	37,074	15,541

Note. The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CHANGES IN FUND BALANCES FOR THE YEARS ENDED DECEMBER 31, 1984 AND 1983

	Designated		Undesignated	Total
	Capital expenditure	Founders		
Balance, December 31, 1982	$23,156	$1,000	$24,402	$48,558
Excess of revenues over expenses			15,541	15,541
Designation (Note 3)	4,292	(1,000)	(3,292)	
Balance, December 31, 1983	27,448		36,651	64,099
Excess of revenues over expenses			37,074	37,074
Designations (Note 3)	4,633		(4,633)	
Balance, December 31, 1984	32,081		69,092	101,173

Note. The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CHANGES IN FINANCIAL POSITION FOR THE YEARS ENDED DECEMBER 31, 1984 AND 1983

	1984	1983
Sources:		
Operations: Excess of revenues over expenses	$37,074	$15,541
Items which did not require current outlay of cash:		
Depreciation	1,111	944
Noncash donation	(7,117)	
Provided from operations	31,068	16,485
Decrease in prepaid expenses	23	304
Decrease in other assets	80	
Decrease in accounts receivable		3,840
Decrease in pledges receivable	750	
Increase in accounts payable	35,132	3,896
Increase in deferred amounts		15,466
Increase in accrued expenses	207	236
	67,260	40,027
Uses of funds:		
Purchase in fixed assets		2,494
Increase in pledges receivable		750
Increase in inventory	36,161	
Decrease in deferred amounts	44,465	
Increase in other assets		80
Increase in restricted funds	2,932	3,293
	83,558	6,617
Net increase (decrease) in cash and cash equivalents	(16,298)	33,410
Cash and cash equivalents, beginning of year	93,972	60,562
Cash and cash equivalents, end of year	77,674	93,972

Note. The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The Corporation was created by an Act of Congress, Public Law 88-372, July 14, 1964, to honor outstanding persons in the field of aviation. The Internal Revenue Service has confirmed the status of the Corporation as a tax-exempt public foundation.

The inventory of "Enshrinee Album" books is valued at the lower of cost or market with cost being determined by the first-in, first-out method.

Furniture, fixtures and equipment are recorded at cost when purchased or at estimated values when received as a donation. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets.

Donated materials other than collections are recorded at their estimated value at the date of receipt. No amounts have been reflected in the statements for donated office space and services as no objective basis is available to measure the value of such services. Donated office space consists of an office and storage provided by the City of Dayton. Donated services consist of time donated by the Board of Trustees for the Corporation.

Biographical research and Enshrinee Album Programs resources are restricted by the donor, grantor, or other outside party for operating the biographical research program, and are deemed to be earned and reported as revenues of the operating fund when the Corporation has incurred expenditures in compliance with the specific restrictions. Such amounts received but not yet earned are reported as restricted deferred amounts.

2. Collections

The Corporation has acquired by purchase or through donations, various models, books and other memorabilia relating to the field of aviation since its founding. Because the value of these items are not readily determinable and they can be considered inexhaustible items, the Corporation has not capitalized them. The value of objects acquired by gift for which the Corporation can make a reasonable estimate is reported as gifts in the statement of revenue, expenses and changes in fund balance.

3. Fund Balances

The capital expenditure fund is intended to provide funds for the purchase of a facility for the Corporation. The Board has directed that all donations received from enshrinees or their families and income earned from investments applicable to capital expenditure fund be added to this fund. Additions to the fund amounted to $4,633 and $4,292 in 1984 and 1983, respectively. Cash is periodically transferred to a separate property account and, currently, it is invested in a certificate of deposit.

In 1981, the Board of Trustees established the Founders Fund for special projects undertaken by the executive director of the Corporation. The Board authorized the transfer of these funds to the undesignated fund furing 1982.

4. Employment Contracts

The Corporation contracts with James W. Jacobs & Associates, Inc. and John C. Dussault on an annual basis to provide consultation and professional services to maintain operations, expand membership, sponsor events and any other services required by the Corporation. James W. Jacobs & Associates services were charged to biographical research in 1984 and management fees in 1983. John C. Dussault services were charged to management fees in both years.

5. Reclassification

Certain amounts in the 1983 financial statements have been reclassified to conform to the 1984 presentation.●

THE ACCOMPLISHMENTS OF MRS. MILEY BUSIEK

● **Mr. GRAMM.** Mr. President, I wish to bring to the attention of my colleagues the accomplishments of one of my constituents, Mrs. Miley Busiek, of Dallas TX. Mrs. Busiek's design of a family of eagles will appear on the gold bullion coin which will be minted in accordance with one of the provisions of this legislation.

When discussion of a gold bullion coin began many years ago, Mrs. Busiek recognized that the tiny space on the surface of a solid gold coin could carry a powerful message about the values, traditions, and strengths of our country. Using her experience as an artist and sculptor, she set out to create a coin design which would honor "our families, senior citizens and young people" as well as sending a "timeless message of hope and strength, unity and optimism for the future that is our great heritage and an example for the entire world."

Mrs. Busiek has testified before both the House and Senate Banking Committees on her coin design. Her design has been enthusiastically endorsed by a bipartisan cross section of political organizations, civic and religious groups and distinguished citizens; including the chairman of the Dallas County Young Democrats and the Dallas County Young Republicans, the Boy Scouts of America, the Catholic Diocese of Dallas, the Jewish Federation of Greater Dallas, the dean of the Dallas Theological Seminary, and many others. Dallas Cowboys coach Tom Landry echoes the sentiments of these organizations when he writes that:

> We, as a nation, have a wonderful opportunity to show our concern for, and pay tribute to, the American family, senior citizens and young people. The coin design portrays symbolically a people's concern for a vital segment of our society. The residents of my state can point with pride to the sculpting and design work of Mrs. Busiek, and the nation will benefit when the new gold bullion coins are minted with a design which is beautifully symbolic of America's spirit and values.●

DOMESTIC STEEL WAGES AND INTERNATIONAL COMPETITIVENESS

● **Mr. HEINZ.** Mr. President, for too long, the complex relationship between wages and international competitiveness has been ignored. In the

steel industry, for example, some have sought simplistically to explain declining U.S. competitiveness as a product primarily of excessively high U.S. labor costs. A recent study by Robert Lawrence and Cohn Lawrence entitled "Manufacturing Wage Dispersion: An End Game Interpretation," however, disputes this conventional argument.

The Lawrences argue that the steel industry's difficulties did not originate with labor costs, but with outside economic conditions. Increased international competition, lower domestic demand for steel, and more domestic competition from minimills enhanced labor's short-term bargaining position with management during the 1970's. This is because management lacked the credible threat of investment in labor-saving productivity improvements to withstand labor's demands at this time. Management was left with a simple choice: Reduce production and lose money or increase wages so that production could continue uninterrupted. Management rationally responded by choosing the latter.

By the 1980's, though, economic conditions had changed the power relationship considerably. Simply put, everything had gotten much worse. A decade of unfair foreign trade practices, combined with a lower demand for steel, made not only credible but inevitable the threat of plant closures and layoffs. Wages suddenly stopped increasing.

The conclusion, then, is that the steel industry's problems are not due to high wages. In fact, the opposite may be true; that is, the increase in domestic steel industry wages may be the result of declining U.S. international competitiveness. If the Lawrences are correct, we should stop blaming union greed for declining international competitiveness, and concentrate more on the unfair international environment in which American steel industries are now forced to conduct business.

Mr. President, the Lawrences though-provoking study is a welcome addition to the dialog on steel issues. I do not agree with all the study's conclusions, but its fresh approach offers us a new way at looking at the relationship between labor costs and international competitiveness. I ask, therefore, that the following article from the Pittsburgh Post-Gazette summarizing the study be printed in the Record.

The article follows:

WAGES DIDN'T CAUSE STEEL'S ILLS, STUDY SAYS

(By James O'Toole)

Washington.—While many analysts have cited high labor costs as a prime contributor to the decline of the nation's steel industry, a new study suggests that steel workers' wage increases through the 1970s were a result rather than a cause of the industry's ills.

This seemingly paradoxical effect is described in "Manufacturing Wage Dispersion: An End Game Interpretation," an article published this month by Cohn Lawrence of Columbia University and Robert Lawrence, a fellow of the Brookings Institution.

They theorize that decisions by management in response to economic conditions outside the control of labor resulted in a short-term strengthening of labor's bargaining position through the 1970s.

The authors start by examining why steel workers' wages increased by 37 percent relative to wages in general through the 1970s—a period when demand for steel remained relative flat. Under traditional economic theories, management would have been expected to be able to resist such a climb in its labor costs during slack demand.

The Lawrences argue, however, that the wage experience of the steel industry defined traditional assumptions because business conditions robbed management of one of its traditional bargaining tools—the alternative of making large-scale investments in new labor-saving plants and equipment.

"By the early 1970s," the Lawrences state, ". . . it became increasingly obvious that the construction of new integrated steel facilities in the United States was not a viable proposition. It was cheaper to build such plants in newly industrialized countries or to build mini-mills in the United States. These judgments were shared by expert analysts, participants in the stock market, and, as revealed by their behavior (if not their statements), steel management."

But while major new investment in steel plants was economically questionable during the decade, the paper argues it was still profitable to operate existing plants. Thus, the article states, "management [lacked] the credible threat of investing in new, more capital intensive plants or shutting down the old plants."

Labor, according to this theory, was thus in a position to reap part of the revenue that, under better industry conditions, would have gone toward investment in capital. The steel industry, in this analysis, became a cash cow for both labor and management through the 1970s. For management, the milking process was exhibited in part by diversification out of the steel business.

"By 1982, with its acquisition of Marathon Oil," the Lawrences observe, "U.S. Steel could be more accurately called U.S. Oil."

For labor, the milking came in the form of climbing wages.

Robert Lawrence, in an interview, said that neither labor nor management was necessarily conscious of the direction is was headed in throughout the 1970s.

"I don't think the individual union leaders necessarily understood why their power increased, but they did find that they could get higher wages without job losses."

Those conditions persisted until the early 1980s, when continued deterioration of the steel industry restored to management the power to resist union wage demands. They describe this shift as the second stage of steel's "end game."

After successive recessions in 1980 and 1982, conditions to the industry were so bleak that even existing plants could not be operated at a profit. Management once again had a credible counter to union demands, in the form of plant shutdowns and massive layoffs. The result was the 1983 industry-wide agreement that reduced steel worker wages by 9 percent and the numerous plant-by-plant concessions made by workers in the first half of the decade.

"Many observers have suggested that the high U.S. steel wages explain the decline in competitiveness of the U.S. steel industry," the Lawrences conclude. "In our view the reverse is more nearly true: the decline in competitiveness explains the rise in steel wages."●

COSPONSORSHIP OF S. 1393

● **Mr. D'AMATO.** Mr. President, I rise today to cosponsor S. 1393, legislation to provide for a study of the use of unleaded fuel in agricultural machinery. This bill addresses an issue of extreme concern to the farmers in my State, and I commend my colleagues, Senator Abdnor and Senator Nickles, for their leadership on this issue.

This bill simply asks that the EPA and USDA take a thorough look at the effect of a leaded gasoline ban on the agricultural community. In cosponsoring S. 1393, I certainly do not want to imply that I oppose the goals of EPA's proposed phasedown of lead in fuel. The health and economic benefits of this phasedown are clear.

However, S. 1393 does not alter EPA's proposed phasedown. It simply requires that EPA and USDA study how these regulations will affect farm machinery. If this bill becomes law, the results of this study would be submitted to Congress no later than January 1, 1988. Neither a reduction in lead content below the 0.1 gram per gallon phasedown level nor a total lead ban could be imposed until 3 months after the report is submitted.

It is essential that both EPA and USDA thoroughly examine the effects of a ban on leaded fuel before allowing any regulation to go into effect which could require farmers to replace expensive equipment. It has been estimated that equipment replacement costs could run as high as $90,000 per farm. We should be sure that we examine all ways in which we can meet EPA's phasedown objectives without forcing farmers to replace costly tractors, combines and other machinery earlier than would otherwise be necessary.

I urge my colleagues to join me in cosponsoring this legislation.●

FEDERAL DEDUCTION FOR STATE AND LOCAL TAXES

● **Mr. MOYNIHAN.** Mr. President, a statement by Mayor Thomas C. Aposporos of Poughkeepsie, NY, was read by Mr. Joseph Chiseri, budget director of that city, at a recent town meeting I hosted. Mayor Aposporos' thoughts on the subject of the Federal deduction for State and local taxes are especially compelling and intelligent ones, and I commend them to the Senate's attention.

Mr. President, I ask that Mayor Thomas Aposporos' statement be

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printed in the RECORD as part of my remarks.

The statement follows:

STATEMENT BY MAYOR THOMAS C. APOSPOROS IN SUPPORT OF DEDUCTIBILITY OF STATE AND LOCAL TAXES

THE ISSUE

The deductibility of state and local taxes from Federal taxable income has been a part of the Federal Tax System since its inception in 1913. The legitimate concern for the growing federal deficit and the desire to reform and simplify the federal tax code are now making deductibility an issue. Those concerned about maintaining equity between taxpayers by taxing only disposable income should oppose the repeal of deductibility. Combined with the effect deductibility has on the revenue raising ability of local governments, this issue is of concern to the City of Poughkeepsie. We agree that the federal deficit must be reduced and that the tax code needs to be revised in the interests of fairness and simplicity. Neither tax equity nor good tax policy, however, would be served by repealing or reducing the value of deductibility.

THE CASE FOR RETENTION

The clearest and most common sense argument to support deductibility is that individuals should not be taxed on a tax. Nothing makes this argument less valid today than when the federal income tax was originally enacted. The key words are "ability to pay". Deductibility makes the tax system more equitable by ensuring that an individual's tax burden is based on the ability to pay. It is as simple as that.

Deductibility also enhances the revenue raising ability of states and localities, and justifiably so. Taxpayers receive, in effect, a federal rebate relative to their marginal income tax rate for every dollar paid in state and local taxes. In economic terms, this reduces the price of state and local government services. This obviously makes revenue raising a bit easier. Under a repeal of deductibility, it is uncertain whether many state and local governments would be able to raise revenues required to maintain services. The National League of Cities reports that it is estimated that the repeal of deductibility would result in a decrease in state and local revenues of $12.4 billion, based on 1982 data. This at a time when massive cuts in federal domestic programs are being considered which will cause localities to assume additional burdens.

Deductibility plays a role in narrowing interstate and intercity tax differences. This is a benefit in that it tends to reduce the incentive for businesses and individuals to migrate from one jurisdiction to another in search of the optimal tax situation.

Additionally, state and local governments receive the benefits of deductibility without the interference in state and local decision making and priority setting, as opposed to grant-in-aid programs which attach strings to the aid.

Contrary to the claims by opponents of deductibility that only wealthier taxpayers in higher tax brackets will benefit, analysis of past data indicates that middle income groups are the recipients of a majority of the benefits. The NLC reports that based on 1982 data, over 61% of the benefits of deductibility went to taxpayers who itemized and had income under $50,000. Almost 90% of the benefits went to those who itemize with income under $100,000. Those who argue that deductibility benefits only itemizers ignore the fact that the standard deduction represents deductions which a typical taxpayer in a particular tax bracket would take if he/she itemized. Thus, consideration is given to the value of deductibility in establishing the standard deduction.

Opponents of deductibility state that it is unfair that the largest states and cities with the highest per capita income and tax burdens benefit the most. We would argue, however, that this illustrates the equity and fairness of the concept of deductibility. Those paying the most taxes and the heaviest burden receive the most benefits. The benefits are targeted more rather than less equitably among states and cities.

CONCLUSION

We in the City of Poughkeepsie feel that deductibility works. Repeal would result in double taxation and studies indicate that the ability of state and local governments to raise revenue would be adversely affected. Revenue systems would be impacted at a time when we are being asked to assume heavier burdens. The concept of deductibility is no less valid now than it was in the early 1900's. The City of Poughkeepsie opposes any efforts to eliminate or reduce the deductibility of state and local taxes. Deductibility should be retained.●

REMARKS OF LT. GEN. WILLARD PEARSON, USA (RETIRED), VALLEY FORGE MILITARY ACADEMY

● Mr. GOLDWATER. Mr. President, we are all aware that educating our young people is one of the highest priorities this Nation must maintain if we are to remain strong and retain our position of leadership throughout the world.

A very important element of our overall educational system is that of the military academies around this country that train our future leaders in all the services. One such institution is the Valley Forge Military Academy and Junior College, a school which, since 1928, has turned out over 13,000 graduates who have become leaders of industry, the professions, public service, and the military. A rollcall of the alumni of this exceptional academy would certainly read like a "Who's Who."

I would like to share with you, Mr. President, a speech dealing with the history of the Valley Forge Military Academy which was delivered by Lt. Gen. Willard Pearson, USA (retired), on April 30, 1985, which attests to the exceptional history enjoyed by the Valley Forge Military Academy, and I ask that his speech be printed in full in the RECORD at the conclusion of my remarks.

The speech follows:

Fellow members of Newcomen and guests: There have been many glowing accolades paid to Valley Forge Military Academy and Junior College over the years. This evening's affair, however, given by such a prestigious organization as The Newcomen Society honors our Board of Trustees, staff, faculty and our proud corps of cadets. We are deeply honored by your presence on our campus here this evening.

In making an after dinner speech I have been advised that one should be brief, be accurate, and then be seated.

Ladies and gentlemen, I promise you that I shall be as brief as possible this evening—no matter how long it takes me.

Although most of my life has been spent as a professional soldier, I recognise that the first line of defense of our democracy—as well as the destiny of our great nation—lies not in our armed forces but in the character and education of our youth. According to Aristotle, "All who have meditated on the art of governing mankind are convinced that the fate of empires depends upon the education of their youth."

It is fitting that this institution, which first opened its doors in 1928, borrowed its name—Valley Forge—from a nearby Army encampment, commanded by General George Washington. Valley Forge was not the site of any famous battle. Washington's Continental Army spent a very bitter winter there. When that Army departed, it left behind for all of us a spiritual legacy of perseverance, courage and sacrifice. Valley Forge was not a military victory of arms; it was a "Triumph of the Spirit".

Speaking of George Washington reminds me of the remarks heard by a chaplain several years ago when he saw a very reluctant new cadet being brought onto the campus by his father. Upon departing the father said to his son: "If Valley Forge was good enough for General Washington, it's good enough for you."

It is also fitting that the motto on the school's shield, "Courage, Honor, Conquer," became a symbol for its very existence. Within four months of its founding in a converted hotel building in Devon—a nearby community—the school burned to the ground in a midnight blaze. The military efficiency of the staff and cadets averted any loss of life or injury, but most of the uniforms, books and personal possessions of those involved were lost.

Within a year of that setback, the Great Depression struck and private schools became an unnecessary luxury for many families.

Despite that rocky beginning Valley Forge survived—a feat credited to its founder and first superintendent, Lieutenant General Milton G. Baker. General Baker is cited as a leader of imagination, drive and energy, whose high standards demanded the best of everyone. He had a dream of founding a military school. He borrowed the money for the first building and recruited the initial corps of cadets and faculty.

When he saw his dream go up in smoke, General Baker found temporary housing for his 125 cadets, and within four days moved the school into its present site, a former boys' school with three dilapidated buildings.

General Baker, who incidentally was a member of The Newcomen Society, continued as the superintendent of Valley Forge for the next forty years, a period which saw the school enhance its national and international reputation for excellence. It was also a time of unprecedented expansion as the school and college grew from three to 84 buildings on a 125-acre campus.

This growth, in part, created another crisis for Valley Forge. During the late '60s and early '70s an anti-military sentiment mushroomed in this country due to the unpopularity of the Vietnam War. Cadet enrollments dropped drastically creating fiscal problems and deferring maintenance on the school's plant and facilities. A number of

military schools throughout the country were forced to close their doors, merge with other schools, or suffer the extreme pangs of economic distress.

This was the situation in 1973 when I was appointed superintendent. Drastic action had to be taken. We initiated a program called "Operation Bootstrap" to reduce expenditures:

First: We froze wages for staff, faculty and employees at their current levels but did provide some merit increases.

Second: We restored to competitive bidding for all purchases and limited those to essential items only.

Third: We reduced the number of employees by reorganizing and reassigning responsibilities.

It was a real belt-tightening program but it produced results. The school's debt of $1.3 million was paid off in six years, thereby eliminating $81,000 in annual interest payments. We have not borrowed money from the bank for the past five years. As a result, interest income increased nearly ten-fold from $15,000 in 1973 to over $135,000 last year. Endowments, which were zero twelve years ago, are now nearing the million dollar mark and earning over $70,000 annually in interest.

We owe much of this fiscal success to our alumni and friends. Twelve years ago cash contributions for 1972–73 were less than $170,000. In the last four years cash contributions from our supporters have exceeded a half-million dollars in each of those four years. This progress would have been impossible without the generosity of the alumni, parents and friends of Valley Forge.

We are now debt free and operating on a cash basis. This has been achieved within our free enterprise competitive economy.

We have resumed across-the-board wage increases for officers and staff. We increased benefits such as insurance and hospitalization and offered grants to members of the faculty studying for advanced degrees or special education. We have also provided funds for memberships in professional organizations and maintained a generous subsidized housing program for most of our staff and faculty.

The bottom line for evaluating our accomplishments, however, is our 13,000 alumni and the successes they have achieved. Valley Forge graduates have left these halls of learning to become leaders of industry, the professions, public service and the military. A roll call of alumni reads like a "Who's Who."

What's the principal reason for the achievements of the men of Valley Forge? I believe this can be attributed to the cadet resolution and our stated mission. The mission is:

"To educate young men fully prepared to meet their responsibilities—alert in mind, sound in body, considerate of others and with a high sense of duty, honor and courage; and to foster love of God and country, gentlemanly qualities and high moral standards."

Valley Forge accomplished this mission through the values founded on military discipline—that is, recognition of authority and acceptance of responsibility. It is a method that has made Valley Forge preeminent among military schools and colleges and admired for the quality of its educational attainment. Our goal is to strengthen the spiritual and moral underpinnings of our cadets so that they, as mature adults, will improve the quality of our institutions, our professions and our society.

One of the most important aspects of the education of our youth, and yet often the most neglected, is that of developing wholesome beliefs, attitudes and goals in life. The Valley Forge faculty has assumed a greater obligation than simply teaching facts, figures and imparting technical knowledge. Their goal is to educate the whole man—mentally, physically, socially and spiritually—and to teach him to organize his time; to study; to think; and to communicate. Of greater importance, however, is teaching him to adapt to today's *changing* world without sacrificing those *changeless* values which develop strength of character, foster love of flag and country, and lead to honorable success.

We believe the highest purpose of education is the development of character. Over a hundred years ago Herbert Spencer, that great English philosopher, wrote: "Education has for its object the formation of character." Later President Theodore Roosevelt remarked, "To educate a man in mind and not in morals is to educate a menace to society." Dr. Steven Muller, currently the president of Johns Hopkins University, said: "Universities are turning out highly skilled barbarians because we don't provide a framework of values of young people who more and more are searching for it." In other words the need is to integrate the moral with the intellectual education of our youth.

The Valley Forge code of ethics establishes moral values as a basis for decision making and exemplary conduct. Also, each cadet must memorize and observe the Cadet Resolution to live by high ethical standards of conduct and behavior. The Cadet Resolution reads as follows:

"My goal in life is to achieve honorable success in my profession and to become a citizen of the highest integrity in my community. To this end, I resolve that:

Honesty and Integrity in thought, word and deed shall characterize my relationships with others.

Excellence shall be the hallmark of my endeavors.

Respect and consideration for all persons and their property shall be my resolve.

Strength of character shall be my objective as I strive to achieve greater self-discipline and the highest physical, mental, spiritual and moral development at Valley Forge.

Responsibility shall be my watchword, both in my obligations to others and in my commitment to my own objectives and ideals.

Remembering that noble thoughts inspire noble deeds, *I shall aspire to a life of honorable service.*"

As one can see, the Cadet Resolution challenges each cadet to develop his full potential. His great satisfaction will come from his own exacting performance which will enhance his self-confidence and self-esteem.

Valley Forge has had a number of credos over the years. In the beginning it was, and still is for that matter:

"From the embattled fields of Valley Forge went men who built America. From the training fields of Valley Forge go men who will preserve America."

We have shortened that to a four-word saying: "Developing Tomorrow's Leaders Today."

We also have an unofficial credo which states: "Send us your boy and we will return to you a man."

Our four major educational goals are to *motivate* young men to acquire those habits and traits of *character* leading to *academic excellence* and *leadership* of the highest integrity.

Valley Forge is a fully accredited, nonprofit institution, with an annual budget of more than $7 million. We have a middle school—grades 7 and 8; a four-year preparatory school—grades 9 through 12; and a two-year junior college. The preparatory school prides itself on the high percentage of college acceptances of its graduates, which was 95 percent last year. The junior college boasts of an equally high rate of transfers to the junior year in leading four-year colleges and universities.

Teachers and cadets here have the advantage of a 65,000-volume library, a computer center, the latest equipment for science courses, language laboratories, a reading/testing and skills center, guidance department, and extensive athletic facilities.

Enrollment, which is sought on a quality but not on a quantity basis, holds steady in the 650 to 700 student range.

Cadets this year, incidentally, come from 26 states and 25 foreign countries. This diversity of backgrounds and cultures contributes to an international education and gives added breadth and character to our school and college.

We are proud of our achievements in academics. Both the academy and junior college were recently reaccredited by the Middle States Association of Colleges and Schools. This year Valley Forge has been selected as a semi-finalist in a survey to determine the nation's top fifty private schools. The survey, known as the "Exemplary Private School Identification Project," is conducted by The Council for American Private Education with a grant from the U.S. Department of Education.

A talented and dedicated faculty gives our program strength and vitality. Valley Forge has sixty-three full-time professors and instructors and another fifteen who are part-time. This provides for a 10–1 student-teacher ratio. We also have an added educational bonus for the cadet by providing extra instruction at the end of the school day. Mandatory supervised study periods are held from 7:30 p.m. to 9:40 p.m. five earnings each week.

There are many extras in a Valley Forge education, the most significant of which is leadership training. Cadet officers in the self-governing corps of cadets acquire practical experience in leadership and managership at an early age. The ROTC program augments this leadership training as do the many extra-curricular activities and athletic programs at Valley Forge.

The Academy's ROTC program has received annually the Department of the Army's "Honor School With Distinction" designation. This permits Valley Forge to nominate three graduates each year to the U.S. Military Academy and the U.S. Naval Academy, and five to the U.S. Air Force Academy.

An active center for the Study of Character Education has been established on campus to foster the teaching of morals and ethics as part of the regular curriculum. The center has developed a textbook for teachers on character education and will soon publish a book, entitled *Values and Virtues*, containing the thoughts of leading experts on the subject. These internationally-known advocates of character education have addressed the faculty and staff and held seminars with the cadets. The purpose of this program is to stimulate, motivate and inspire the cadets to emulate those individuals who have made important contributions to improving the quality of our society. In 1981 our character education program was awarded the George Washington Medal by the Freedoms Foundation at Valley Forge.

Augmenting the regular character development program is mandatory attendance at Sunday chapel services which reinforces the spiritual development of each cadet as taught by his parents at home.

The campus chapel is known as the Alumini Memorial Chapel of St. Cornelius the Centurion. St. Cornelius was a Captain in the Roman Army who was converted to Christianity and died a martyr.

The chapel was dedicated in 1950 by General George C. Marshall. It has a seating capacity for 1,500 persons for the regular nondenominational services. Noted persons from all walks of life have been guest speakers at chapel services.

Athletics also contribute to our character development. We provide our cadets with sixteen varsity sports, junior varsity competition and an intramural program. This allows everyone the opportunity to meet the challenges of athletic competition at his desired level. Sportsmanship, teamwork, fair play and individual pride are the prime objectives of our athletic program.

Athletic facilities include football, baseball, soccer and rugby fields; indoor and outdoor swimming pools; three gymnasiums with eight basketball courts and weight rooms; nine tennis courts; a quarter mile track; a five-lane bowling alley; an indoor 12 point rifle and pistol range; an archery range and an indoor riding arena for equitation and polo games. We have a stable of thirty horses to support our equitation and polo programs.

Valley Forge owns an airline, a Cessna 152, which is used to train young pilots. Twenty-five cadets were enrolled in the flight training course this year. Eight have soloed and one has received his private pilot's license. Initial instruction starts in a special class room on campus equipped with flight simulators, and continues at a nearby airport.

Other facilities here at the Forge include our laundry, tailor shop, a health center manned by an on-call physician, two certified physicians' assistants, and several nurses; and a magnificent student union building, Mellon Hall, named for its donor, the late Richard King Mellon, a Pittsburgh financier and philanthropist.

In addition to our equitation and polo programs, Valley Forge annually holds a Grandprix which brings the country's leading horses and riders to the campus to compete in a jumping competition of Olympic quality. This event, sanctioned by the American Grandprix Association, will be staged next Sunday, and riders will compete for $30,000 in prize money. Proceeds benefit the school's development and scholarship funds.

This brings us to another special event. You are all invited to return to Valley Forge tomorrow as my guests to observe our annual Loyalty-Law Day ceremony. Loyalty-Law Day—designated annually by the President of the United States—is the day we reaffirm and express our loyalty to this great nation in which we live and to the laws which govern it. In Russia—on the other hand—May 1 is the day the Soviets parade and demonstrate their military might.

At Valley Forge we observe Loyalty-Law Day by honoring a great person who has rendered distinguished service to our country. The award is named for Bob Hope, a great American who has given a lifetime of service to our country by entertaining our armed forces around the world in peace and in war. Bob Hope will be here personally to present the award we named for him—The Bob Hope 5-Star Civilian Award—to honor citizens for outstanding service to America.

The award this year will go to Mr. J. Willard Marriott, Sr., founder and chairman of the board of the Marriott Corporation. He served as chairman of two Presidential Inaugural Committees and was executive chairman of the Honor America Committee which organised a huge patriotic celebration in Washington, D.C. on Independence Day in 1970.

The ceremonies start at 5:00 p.m. In addition to seeing Bob Hope and Mr. Marriott, you will have the pleasure of witnessing the precision marching of our corps of cadets to the stirring music of our band in a regimental review.

The presence of these two great Americans on our campus, Bob Hope and Mr. Marriott, makes Loyalty-Law Day a most meaningful day at Valley Forge. Their presence will serve to motivate and inspire our cadets to follow in their footsteps and render honorable service to our country in whatever profession they elect to follow.

Bob Hope received the first award in 1975 in recognition of his dedication to bringing humor and laughter to millions of Americans and particularly to our service personnel, in war and peace, at home and abroad. Past recipients of the honor were: President Reagan; U.S. Senators Barry Goldwater and Strom Thurmond; Generals Lyman L. Lemnitzer, Alexander M. Haig, Jr. and William C. Westmoreland; and Ambassadors Clare Boothe Luce and Walter H. Annenberg.

We have been proud to honor these distinguished Americans, and to have been host to a number of other notables over the years, including Dwight D. Eisenhower. The late president visited the campus three times, including a weekend stay when we dedicated Eisenhower Hall in his honor. Eisenhower Hall is our elegant officers' dining facility.

And now, a personal message, if I may.

In a way you might call this evening "My Swan Song." I will be seventy years of age shortly after the end of this school year, and our Board of Trustees has decided they should seek new and younger leadership. It may be time for a change for the long-range benefit of the school and college.

Our Board of Trustees has evolved from a local constituency into a highly professional group of talented executives from various professions and businesses nationwide as well as internationally. I am grateful to the Board for their tremendous encouragement, support and guidance which has made my task here easier and more pleasant. I am certain that whoever replaces me will also be as fortunate in his relationship with the Board.

The announcement of my pending retirement has brought nearly a hundred messages from far and wide congratulating me on my leadership role here. I deeply appreciate those words of praise and shall cherish and sentiments.

As the superintendent, assisted by an outstanding staff and faculty, I consider our major achievements to have been:

Restoration of the school's fiscal soundness.

Improvement of student quality and the overall academic and military programs.

Establishment of the Center for the Study of Character Education.

The publication of a textbook, *Values and Virtues*, which outlines Valley Forge's Character Education Program.

The observance of Loyalty-Law Day and awarding of the Bob Hope 5-Star Award to distinguished Americans.

Organization of the Valley Forge Grandprix now in its eighth year.

The passage of congressional legislation awarding ten 2-year Department of the Army ROTC scholarships yearly to each of the six military junior in the United States.

Finally, the passage of congressional legislation authorizing second lieutenants commissioned in the military junior colleges to be eligible for active duty training with the reserve compenents.

Ladies and gentleman, may I conclude by saying, you have honored Valley Forge Military Academy and Junior College with your presence tonight. We are pleased to have so many distinguished guests on our campus. Please come back to see us—you will always be welcome.●

NEW TECHNOLOGY AND THE FUTURE OF STEEL

● Mr. HEINZ. Mr. President, encouraging information on new technology and the future of the steel industry was presented by David Cantor on July 22, 1985, in testimony before the House Subcommittee on Investigations and Oversight.

After first exploring the background to the current crisis in the steel industry, Mr. Cantor addresses the crucial question of how well the U.S. steel industry is adjusting to changes in the steel market. He finds that U.S. steel producers are rapidly modernizing due to increased competition at home and abroad. He adds that modernization is being energetically pursued with the most sophisticated technologies being employed.

More sobering, though, is the news that, despite the sustained effort by U.S. steel producers to adjust to increased competition, low world demand for steel and unfair foreign trading practices persist, making adjustment a tough process. Nevertheless, the steel industry should be commended for the extent to which it has modernized.

Those of us in the Congress have an obligation to do what we can to help them through the difficult process which remains.

Mr. President, Mr. Cantor's testimony in the House deserves our attention too, and I ask that it be printed in the RECORD.

The testimony follows:

PREPARED TESTIMONY—HEARINGS ON NEW TECHNOLOGY AND THE FUTURE OF STEEL

Mr. Chairman and Members of the Committee: My name is David Cantor. I am a Specialist in Industry Economics in the Economics Division of the Congressional Research Service. I appreciate very much your invitation to participate in these hearings, and the opportunity to share with you the result of my analysis of the steel industry.

Many claims are made, Mr. chairman, that the current difficulties facing the steel

industry are grounded in management decisions of the past. We hear that the industry overbuilt capacity. We are told that the industry took advantage of its market power and was slow to innovate and modernize. The industry itself tells us that it erred in allowing costs to rise in an almost unbridled way. No longer is the industry dominated by a small group of integrated producers that enables it to dictate price and quantity in the steel market. It now includes a new breed of steel-makers, and "minimills", that have become a significant force for competition in the declining or at best stagnant steel market. They and foreign steel producers that sought overseas markets for themselves, have created a highly competitive market environment. Thus, the integrated segment of our industry, which was virtually the only supplier in the U.S. steel market in the past, is unable to utilize its capacity efficiently and profitably. More important, perhaps, the industry finds itself hard pressed financially to undertake those efforts that could conceivably shore up its ability to meet its competition head-on and with reasonable prospects for success.

My research and analysis of developments in the steel industry suggest to me that the fundamental problem of the industry is the adjustment to changes that have occurred in the U.S. steel market. While, in the past, we economists would characterize the structure of the steel market as an oligopoly—a market where only a few sellers supply the product, today, the steel market is highly competitive. Thus, while management decisions relating to price and investment could be made largely independent of the combined market forces of supply and demand in the past, today they are driven by those market forces.

I would suggest, also, that, even in the past, when the industry faced relatively little competition from abroad, from competing materials, and from new entrants into the industry, America's steel industry was to a degree an innovator in developing and implementing new and more efficient processes to make steel. It could innovate, funding its investment from revenues generated in the oligopolistic market that it dominated. In the present market environment of competition, it continues to be an innovator in adopting new technologies for steelmaking. Thus, while the evidence may support the thesis that the steel industry has not simply sat back and allowed itself to fall behind with respect to technical innovation, the questions today are the adequacy of its efforts in the past, and its ability to make the additional investments necessary to survive—the minimal goal of any seller even in the theoretically ideal, purely competitive market.

THE POST-WORLD WAR II PERIOD TO 1980

Mr. Chairman, strong claims are made that management decisions of the past may be responsible for the steel industry's dilemmas of today. In particular, let me address the question of overcapacity. If the steel industry overbuilt its capacity in the years and decades following World War II, those decisions resulted in part from federal government policy. Analysts—both those regarded as critics of the industry (Donald Barnett and Louis Schorsch, for example) and those viewed as sympathetic to it (Father William Hogan, for example)—agree on this point. President Truman proposed in his State of the Union Message in 1949:

"(Legislation) to authorize an immediate study of the adequacy of production facilities of materials in critically short supply, such as steel; and if found necessary, to authorize government loans for the expansion of production facilities to relieve such shortages, and furthermore to authorize the construction of such facilities directly if action by private industry fails to meet our needs."

The industry disagreed, contending that the outlook for steel demand did not justify expansion. History is on the side of the industry. In 1951, America's steel industry had about 105 million tons of capacity. Yielding to government pressure, it expanded capacity to about 136 million tons by 1960, at an annual rate of growth of about 2.9 percent. Virtually all of this added capacity was in the form of open-hearth furnaces, which replaced the obsolete Bessemer furnaces. In this same period, U.S. steel demand, while fluctuating in response to changes in the business cycle, actually declined at an annual rate of about −0.8 percent. Although excess capacity was created in the industry, the major steel producers did not hold down prices, which rose at an annual rate of nearly 6 percent.

Let me cite one more example of the effect of government policy on the expansion of steel-making capacity in the United States. In 1954, Bethlehem Steel Corporation attempted to acquire the facilities of Youngstown Sheet and Tube Company. Bethlehem wanted productive capacity in the midwest to serve the growing automotive and appliance markets. The Department of Justice opposed the acquisition on antitrust grounds, a decision that was upheld in the courts in 1958. As a result, and in order to penetrate the midwest steel markets, Bethlehem built in the early 1960s the first large "greenfield" plant constructed in the United States since 1952, its plant at Burns Harbor, Indiana. Let me note that, while government policy may have influenced the expansion of capacity in this case, the decision to build Burns Harbor brought with it one of the first large-scale installations of what has become the predominant steel-making process in the world today, the Basic Oxygen Process. Thus, government policy may have coincidentally contributed to technological innovation and modernization of America's steel industry.

Major expansion of steel-making capacity came to an end by 1960, because of lack of growth in demand and the absence of government pressure to expand steel-making capacity. In the 1960s, steel capacity grew by about 8 million tons, at an annual rate of about 0.6 percent. In this same period, demand grew at a rate of about 3.1 percent per annum. Prices continued to rise in this decade.

Then, we come to the 1970s. In the first half of this decade, there was a substantial net increase in total industry capacity to about 180 million tons. But there are several reasons for this. First, domestic steel demand was rising from about 100 million tons in 1969–70 to over 120 million tons in 1973. Second, we begin to detect the strong presence of the "minimills" into the market; these are the relatively small companies that produce steel from scrap metal in electric furnaces. More than two-thirds of the 12.5-million ton expansion of electric furnace capacity took place in the "minimill" segment of the industry from 1972 to 1975. Furthermore, from 1975 on, virtually all of the growth of electric furnace capability took place in the "minimills".

A third reason for the expansion of steel capacity in the first half of the 1970s is that the large integrated steel companies were engaged in the process of modernization. In particular, the integrated companies were ridding themselves, of outmoded and obsolete capacity. Between 1972 and 1975, the industry closed down nearly 20 million tons of relatively inefficient open-hearth capacity, replacing it with 15 million tons of the more efficient Basic Oxygen capability.

While expansion of capacity reached its peak in the mid-1970s, it declined thereafter. For all intents and purposes, the capacity reduction of about 15 million tons in the last half of the 1970s was the result of the continuing process of modernization, namely the elimination of excess open-hearth capability, and the emergence of a declining trend in steel demand. Electric furnace capacity grew by about 5 millions tons, mainly in the "minimill" segment of the industry. Basic Oxygen capability was cosntant at about 96 to 97 millions tons. The most important development in the last half of the 1970s was the closing down of more than 20 millions tons of inefficient open-hearth furnace capability.

The post-World War II era provides examples of modernization other than replacing the obsolete steel-making processes of the past—Bessemer and open-hearth. The integrated steel companies were active in this modernization process. In 1967, U.S. Steel Corporation commissioned the first continuous caster in the United States for its Gary, Indiana works. National Steel and McClouth Steel installed continuous casters in 1968 and 1969.

In the 1960s, America's steel industry was active in developing the process for the direct reduction of iron ore (DRI). Among these efforts were those of Armco, which built and operated a pilot plant in Kansas City, Missouri in 1966 and later, in 1972, a full-scale commercial plant in Houston, Texas. Two other DRI plants were built in the early 1970s: the Midland-Ross plant in Portland, Oregon and the Georgetown Steel plant in Georgetown, South Carolina. None of these DRI ventures proved to be economically viable, however, owing to the sharp increases in natural gas prices in the late 1970s; the DRI process used natural gas as a basic energy input. Be that as it may, these examples indicate that the U.S. steel industry was clearly experimenting with, developing, and implementing new productive processes in the decades gone by—although the extent to which it made technical progress may have been influenced by its market structure.

Before leaving the past, Mr. Chairman, it is important to point out that the oligopolistic structure of the steel market permitted the dominant firms in the industry to adopt pricing strategies other than those of the competitive market place. In particular, the claim is made that steel companies engaged in what economists label, "administered pricing". That is, price is determined by costs to which a percentage mark-up is added. This is the conclusion of Dr. Zoltan Acs in his recently published study of the steel industry. It is almost taken for granted by one of the industry's most prominent critics, Dr. Robert Crandall. Indeed, though this strategy is becoming increasingly difficult to implement in today's market, it has become the norm on which analysts base their analyses of the industry: for example, the Congressional Budget Office (CBO) estimated the price effects of a steel import quota using an equation in which input costs were explanatory variables. In a market where sellers can exert a significant influence on supply, an administered pricing strategy might be considered a prudent business decision. But when the structure of the market changes, this pricing strategy gives rise to the problem of not being able to compete on the basis of price.

This is why we hear one steel industry executive after another confess that they allowed costs to run rampant as recently as the early 1970s. Perhaps, they permitted costs to rise so sharply, because they did not recognize that the market structure was changing, and the industry did not recognize the need to adjust to these changes. In testimony before the Senate Judiciary Committee on July 1, 1983, David Roderick, the CEO of United States Steel Corporation, stated:

"Clearly, during the 1970's, it (labor costs) ran amok. Incidently, I am not, you know, banging the steelworkers for this. Keep in mind that we steel companies signed those contracts, so this is joint bargaining. We did this together. We did not do it very well, in my opinion. We got each other into trouble."

Dr. Acs indicates that demand was a minor factor in influencing price, and that costs of production—mainly, those of labor (which were negotiated with the United Steelworkers on an industry-wide basis)—were dominant in explaining steel price behavior. The point is that, in the past at least, the steel industry could accept higher costs of production, passing them through to buyers, because the structure of the market it served was an oligopoly, where competition from other sellers at home and abroad and from other materials was not a significant concern, and where price could rise above the point at which the market would clear.

THE STEEL MARKET TODAY

Mr. Chairman, if I were to use one phrase to describe the steel market today, it would be "adjustment to competition": competition for market share in a stagnant or declining market; competition with the "minimills"; competition with competing materials; and, competition with imports. This competition has been very tough on the integrated segment of the industry at least, although even the "mimimills" are experiencing difficulty in the marketplace. Indeed, the Barnett-Schorsch study of the steel industry is aptly titled—Steel: Upheaval in a Basic Industry.

First, the market for steel is stagnant. For about the past decade, demand for steel has fluctuated around the 100 million ton level. U.S. steel demand reached a high point of nearly 117 million tons in 1978; its low point was about 76 million tons in 1982. In 1984, U.S. steel demand wa about 96 million tons, and forecasts of future demand by Data Resources, Incorporated suggest that steel demand will be at levels of about 100 million tons through the rest of this decade.

Steel demand has not responded to economic growth. One reason for this is the emergence of substitute materials—especially, plastics and aluminum. Indeed, during the 1970s and into the 1980s, a significant drop occurred in the so-called steel intensity of the economy; that is, the ratio of steel input to real Gross National Product. My analysis of trends in steel intensity indicates that it fell by 22 percent in the 1970s, and by another 14–15 percent in the first half of this decade. The downsizing of cars and the increased use of lighter weight materials in cars and construction help to explain this structural shift away from steel. The only bright spot in this analysis is that the date imply that further declines in steel intensity are likely to be very modest. The point is that steel demand is not likely to rise significantly.

At the same time, we have significantly more sellers in this stagnant market. The large integrated companies clearly dominate in terms of capacity: according to data compiled by Acs, the seven largest companies have over 110 million tons of capacity, but there are also at least 60 "minimill" companies with expanding capacity. These "minimills" have been extremely succussful in penetrating the market for structural products. In 1975, electric furnace output, a reasonable surrogate for "minimill" activity accounted for 20 percent of total U.S. steel production; by 1984, they accounted for about 35 percent of the nation's steel output. Their emergency as a force in the industry makes the steel market more competitive, effectively requiring the integrated companies to adjust to the changes in market structure.

Why are they so successful? One, they are small. They do not have to make the investments in blast furnaces and large steel-making furnaces that the integrated companies must make. Two, they specialize at least for the present in a small range or products. They do not have to have different rolling mill complexes. Three, they are located close to their markets. Thus, their customers incur lower transportation costs than they would if they bought from larger but more distant mills. Four, many employ non-union labor. Thus, they avoid some of the high labor costs and work rules that the unionized integrated companies must operate under. Five, there is some evidence that they benefit from local government assistance: at least one of the most prominent "minimill" companies, Nucor, obtained a substantial amount of its financing through industrial revenue bonds.

But even the future of the "minimills" is debatable. A recent article in Iron Age, a respected trade journal, reported that the traditional market for "minimill" products may be saturated. The article quotes Kenneth Iverson, the CEO of Nucor, as saying:

"In the past, the primary competition for mini-mills was foreign suppliers and integrated producers. Over the last three or four years, this has changed so that the primary competitors today are other mini-mills—and I expect that to continue into the future."

While praising their accomplishments, the American Iron and Steel Institute observed in its 1985 annual report:

"But now, minimills face the problems of growing maturity. Their financial success is based on high volume sales at low per ton profit margins. But economic growth in some traditional minimill markets seems to be slowing, and as they try to move into higher value products, they find themselves competing for a larger share of still depressed markets."

Furthermore, the "minimills", being scrap-based, are likely to encounter significant problems of quality control, should they expand their product line into flat-rolled products. The uniformity of the quality of the raw material inputs is more important in the latter than in the structural and bar products that "minimills" now produce.

The integrated companies compete not only with other industries and the "minimills" for a share of the stagnant steel market, but also with foreign imports. In 1984, the United States imported steel from over 50 countries. Our steel imports represented over one-fourth of the domestic market. There is some indication that foreign steel companies—in Taiwan, for example—built new capacity to capture overseas markets. Even today, new steel mills are being built in third-world countries: Nigeria and Pakistan recently opened or are close to completion of their new steel mills; Venezuela is constructing a 4.8 million ton mill, which, according to a Forbes magazine article, will produce steel to earn foreign exchange. Despite our industry's efforts to modernize, the steel industries of most other countries are newer than our industry, embodying state-of-art technology. Labor costs overseas are a fraction of ours. Even with the import restraint expected as a result of the President's steel program, foreign producers could expect to hold 20 percent of our market.

The integrated steel industry has attempted to respond to the sluggish marketplace for steel and to the competition it faces at home and abroad. Father Hogan discusses the efforts of the major companies to adjust to the market in his book, Steel in the United States: Restructuring to Compete. I addressed the industry's efforts in my report, America's Steel Industry: Modernizing To Compete; with your permission, I submit this report for the record. Essentially, I found three elements to the steel industry's modernization efforts:

1. Rationalization of existing capacity;
2. Adoption of currently available state-of-art technology; and
3. Research and development of new technologies for steel-making.

Clearly, in a smaller market, a critical element of modernization is the elimination of old and obsolete plant. We saw that the industry was engaged in this effort in the 1970s. Perhaps of greatest long-term promise, we observed that the integrated industry replaced some of its older outmoded capacity with more modern plant. Indeed, let me cite some of the data developed by Barnett and Schorsch on the age of steel plants in the United States and Japan; I think this data will put to rest the idea that our plant is "ancient" and, thus, unable to compete. On average, our steel-making furnaces are about 2 years older than those in Japan; our continous casters are about the same age. Where we lag behind is in the product rolling mills: our mills are from 4 to 10 years older than those in Japan.

Our industry has moved forward vigorously to install state-of-art technologies, although not as aggressively as in other countries. From 1981 to 1983, we has a positive rate of growth of continuously cast output, while most other countries had negative growth rates. In this period, a period marked by severe recession, our steel industry constructed or commissioned more than 16 continuous casters. In 1984, nearly 40 percent of our steel output was continuously cast, nearly double the share in 1980; as a result, the industry is making headway in catching up with foreign producers in the use of this technology.

Companies are planning to install new direct reduction processes using coal, thereby bypassing the coking and blast furnace operations. Wily Korf recently announced plans to install this process in his Wallingford, Connecticut plant. Weirton Steel, formerly part of National Steel, has similar plans, and is seeking funding from the Department of Energy to proceed with them.

Smaller, incremental changes in technology are being installed in steel-making operations. New ladle refining systems are in

place in Armco's Ashland, Kentucky plant; U.S. Steel Corporation is installing such a system at its Fairfield, Alabama plant.

LTV Corporation is engaged in a joint venture with Sumitomo Corporation to install a state-of-art electrogalvanizing mill at its Cleveland works. Again, in spite of the stagnant market, we find continued evidence that the industry is installing or willing to install current state-of-art technology to enhance its ability to produce steel of high quality and in competition with imports.

The modernization effort does not stop here, however. The steel industry in collaboration with federal agencies is engaged in research and development efforts to find even more efficient ways to produce quality steel products. You know of the sensor research being undertaken at the National Bureau of Standards. This effort, if successful, would permit the industry to monitor more precisely the quality of the steel as it moves through the various stages of production: from molten metal to ingots to semi-finished shapes to final products. Similarly, U.S. Steel Corporation and Bethlehem Steel Corporation have joined together with the Department of Energy to develop processes for near net shape casting. This process, if successful, would permit the industry to produce slabs one-fourth the thickness of conventional slabs; these thinner slabs would require less processing than the conventional product, with the result of lower costs.

Thus, we see the industry responding to the forces of competition by utilizing its total plant more efficiently, implementing new processes, and looking forward to still newer developments in steelmaking technology. America's Steel Industry is indeed modernizing to compete.

PROSPECTS AND PROBLEMS IN THE FUTURE

Mr. Chairman, as I look back upon the recent and not-so-recent history of the steel industry, I am impressed by the fact that it has continually engaged in a modernization process. Up to the 1970s, it could undertake this effort in a more comfortable business environment: the "minimills", substitute materials, and competition for relatively more modern foreign industries were not major forces affecting it. But, as we know from the experience of just the past few years, all of these factors have created a major change in the steel industry's business environment; they have thrust it into a highly competitive market.

To survive in this market, integrated steel companies must cut costs. They can do this by developing and installing new processes for making steel. They can do this by eliminating inefficient capacity, replacing it in whole or in part by more modern furnaces and rolling mills. They can attempt to reduce labor costs, and are likely to do so by negotiating work rule changes, lower hourly compensation costs, or both.

The issue is not that the industry will not adopt this strategy for survival in a competitive marketplace; I think it is fair to say that the industry has adopted this strategy. The issue is the adequacy of the effort—particularly in its modernization program. This issue is of interest to Congress, because, when Congress passed the Steel Import Stabilization Act as Title VIII of the Trade and Tariff Act of 1984 (P.L. 98–573), it conditioned any import relief on the industry's reinvestment of its cash flow from steel operations into those operations. Congress and the President were willing to restrict competition in the U.S. steel market for five years, but only if the industry was willing to undertake a modernization program that would enable it to become competitive on its own, one that its former market structure did not require of it.

Mr. Chairman, my analysis of the industry's investment pattern in relation to its cash flow a year ago indicated that the industry was already meeting the requirements of the current law. From 1979 to 1983, the industry invested about 3.5 billion dollars more in steel operations that it generated in cash flow from those operations; over these five years, it invested about 11.5 billion dollars in steel operations, while it generated from operating income and depreciation allowances, about 7.9 billion dollars. While I cannot predict the future investment behavior of the industry, I think it is fair to say that the industry is likely to meet the requirements of the law by investing its cash flow from steel in steel.

But even the industry would agree that the amount of investment necessary to become internationally competitive is far greater than its average annual investment of about 2.4 billion dollars in steel operations in the recent past. President Reagan's Steel Advisory Committee, which functioned from November 1983 to November 1984 with participants from industry, labor, and government, reported that the necessary amount of investment in steel would be in the range of 5 to 5.5 billion dollars per year. (I would note that the Committee's report represented a consensus of the views of its members.) The American Iron and Steel Institute claims that "the domestic steel industry, to maintain 95 million tons of shipments capability in the 1980's, needs to spend about $5.2 billion annually to insure adequate modernization of its facilities." Donald Trautlein, CEO of Bethlehem Steel Corporation, in his testimony before the Senate Finance Committee on June 13, 1985 on the President's tax reform proposal, stated that the industry would fall short of its desired investment goals by about 1.5 billion dollars. Thus, while there is every reason to believe that the steel industry will be in compliance with the law, there is also reason to believe that industry investment would be inadequate for it to become competitive in all markets.

Now, frankly, the industry's estimate of its investment requirements may be inflated. They assume a shipment level of 95 million tons, which implies either a massive surge in demand or virtually no imports. As I have already noted, the demand for steel in the forseeable future is projected by Data Resources, Incorporated to be about 100 million tons per year. The only other possibility is for imports to drop to levels of 5 to 7 million tons, if domestic steel shipments are to rise to 95 million tons; this, too, is improbable. Even if the industry's estimate of capital requirements is too high, it is probably fair to say that they will need substantially more per year than they have invested in steel operations in the recent past.

The industry is likely to encounter great difficulty in raising this capital. Conventional borrowing means interest rates in the range of 13.5 to 16.5 percent today, a premium of from 2 to 5 percentage points above the rate paid by high quality long term borrowers. According to the recent Iron Age report on "minimills", even firms in this segment of the steel industry are experiencing difficulty in borrowing.

Indeed, if the steel industry could borrow at substantially reduced rates of interest, not only would it be able to reduce capital charges, but also it would be better able to implement the results of the research and development efforts going on, and benefit from the lower costs derived from new technology. Consider the following optimistic scenario. I recently estimated that a 3.5 percentage point reduction in the interest rate paid by steel companies could lower costs by about 14 dollars per ton just owing to the change in the rate. In addition, if the companies borrowed to install a continuous caster, total costs of production could be reduced by still another 35 dollars per ton.

Among options for generating the capital the industry says it needs to modernize other than conventional borrowing in the capital markets, there is the possibility of more joint ventures with foreign investors. Note, if you will, the purchase of a 50-percent interest in National Steel by Japan's Nippon Kokan Steel Company. There are other examples as well. Nisshin Steel (Japan) has a 10-percent equity interest in Wheeling-Pittsburgh Steel Company. LTV Steel has a joint venture with Sumitomo Steel (Japan) at its electrogalvanizing plant in Cleveland, Kawasaki Steel (Japan) is providing some of the capital to refurbish the Fontana plant of California Steel Company. Canadian steel companies have invested heavily in some of our "minimill" companies: Chapparall and Raritan River Steel. Joint ventures with foreign steel companies emerge as a real possibility for generating capital.

Another option is to finance modernization by executing what amounts to lease-purchase agreements. Bethlehem Steel Corporation is doing just this in order to acquire its two continuous casters at Burns Harbor and Sparrows Point. The Austrian manufacturer of the casters, Voest-Alpine, will receive a payment per ton of steel produced by the casters at the two plants.

Obviously, government could provide some funding directly or indirectly to finance steel industry modernization. To some extent, it is already doing so. There are already various provisions built into our tax code that benefit the industry. The Department of Energy is involved in a collaborative effort with United States Steel Corporation and Bethlehem Steel Corporation to develop a near net shape casting process. The American Iron and Steel Institute and the National Bureau of Standards are jointly engaged in a research and development project to develop sensors to enhance quality control of steel-making. Your Committee authorized expenditures of, I believe, six million dollars by the Department of Energy for steel research, and additional funds for the National Bureau of Standards.

I emphasize these questions of financing modernization, Mr. Chairman, because, whatever the results of the efforts of the scientists and engineers in developing new technologies for steel-making, they translate into a more modern, efficient, and competitive steel industry only if they can be implemented. There is a major difference between technologcal innovation and economic innovation. In the former, new processes may be developed. In the latter, they must pass the tests of economic viability. Thus, in view of the stagnant outlook for steel demand, the existence of excess capacity in the industry today, and the considerable apprehension on the part of the industry regarding the effectiveness of the President's import restraint program, it would not be surprising if the industry implemented new processes with considerable caution.

Finally, Mr. Chairman, I address the question of the outlook for employment in the steel industry. Most analysts agree that modernization of the steel industry will not result in a resurgence of employment in the industry. For example, installation of a continuous caster to replace ingot-casting and the milling of ingots into semi-finished shapes would, according to the recent report of the National Academy of Engineering, reduce labor input per ton of steel by about 50 percent. Except that demand for domestic steel would rise, it is unlikley that persons on layoff or displaced owing to plant closings would be able to reclaim their jobs.

Let me share with you a report by my colleague at CRS, Linda LeGrande, that was commissioned by the Subcommittee on Science, Research, and Technology of the House Science and Technology Committee, and that they have authorised me to release to you. LeGrande finds that the level of steel industry employment over the next decade may not fall substantially from present levels. But, she also finds that the composition of the labor force in the steel industry will change significantly in the next ten years. The lower skilled personnel will give way to more highly skilled and educated workers. Thus, another implication of modernization is that the characteristics of the labor force are likely to be very different from today's steel workforce. Even if employment were to stay at present levels, many of those currently employed would not be able to retain their jobs. Mr. Chairman, I submit for the record and consideration of this committee, the report by Linda LeGrande, Employment in the Steel Industry: The Shape of Change.

Mr. Chairman, in closing, I find the steel industry to be one that has demonstrated a willingness to modernise and to commit resources to that effort, and I would expect that to continue. This is, I think, most encouraging, because such an attitude is critical to its meeting the challenges of adjusting to a competitive marketplace. America's steel industry, in spite of foreign competition and overall sluggish or declining demand, appears to be anything but a dying industry. But, Mr. Chairman, I am not deluded into thinking that the steel industry will emerge as it is today from its current struggle to become fully competitive at its present size. There is still much obsolete capacity in place. Grave doubts exist regarding the ability of the industry to finance its modernization. I suppose that the outlook for the industry can best be expressed by an industry spokesman, Donald Trautlein, who closed his address to the American Iron and Steel Institute at its 1985 annual meeting with these words:

> "We are taking significant steps forward—and we're determined to take more. A lot of good things are happening—and we are making progress. While our industry may be slimmer by [illegible], it will also be a lot smarter, a lot stronger, and a lot more competitive."●

AMENDMENT OF THE MERCHANT MARINE ACT OF 1936

The PRESIDING OFFICER. The clerk will report S. 1522.

The legislative clerk read as follows:

A bill (S. 1522) to amend section 607 of the Merchant Marine Act, 1936, to ensure consistent use of funds made available for capital construction of vessels, and for other purposes.

Mr. DOLE. Mr. President, I object to further consideration.

The PRESIDING OFFICER. Objection having been heard, the bill will be placed on the calendar.

REMOVAL OF INJUNCTION OF SECRECY

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Vienna Convention for the Protection of the Ozone Layer (Treaty Document No. 99-9), transmitted to the Senate by the President of the United States on September 4, 1985.

I also ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the message was ordered to be printed in the Record, as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Vienna Convention for the Protection of the Ozone Layer. The report of the Department of State, the final act of the conference that adopted the Convention, and an environmental assessment and finding of no significant impact are enclosed for the information of the Senate.

The Convention provides a foundation for global multilateral undertakings to protect the environment and public health from the potential adverse effects of depletion of stratospheric ozone. The Convention addresses this important environmental issue primarily by providing for international cooperation in research and exchange of information. It could also serve as a framework for the negotiation of possible protocols containing harmonized regulatory measures that might in the future be considered necessary to protect this critical global resource.

The Convention, which was negotiated and adopted under the auspices of the United Nations Environment Programs [UNEP], will be an important step toward protecting and enhancing public health and the quality of the global environment. The United States played a leading role in the negotiation of the Convention. Expeditious ratification by the United States will demonstrate our continued commitment to progress on this significant environmental issue.

I recommend that the Senate give early and favorable consideration to the Convention and give its advice and consent to ratification.

Ronald Reagan.

The White House, *September 4, 1985.*

SOUTH AFRICA

Mr. DOLE. Mr. President, I want to thank my colleagues for their vote today. I hope that we will not invoke cloture on Wednesday. It will be a close vote because I think now, as I have indicated, it is not the punishment of South Africa. Someone is trying to punish Ronald Reagan. I think that test ought to be met in the same spirit that we have tried to work out an accommodation on South Africa. The President has made a dramatic gesture, not just symbolic, but a real effort to meet Members of Congress more than half way, in fact nearly all the way, in fact probably too far to suit some Members of the Congress, some in both parties. I hope that by Wednesday we can agree that the best course to follow would be to postpone further consideration of the conference report on the antiapartheid bill until some future time so that we can all determine what happens in the interim, not only in South Africa internally, but whether or not the administration, the present administration, the Reagan administration, carries out its commitment under the Executive order, as I have no doubt that it will.

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 2 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 2 p.m. on Tuesday, September 10, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATOR

Mr. DOLE. Mr. President, I further ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senator Cohen, Senator Mattingly, Senator Symms, and Senator Proxmire.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I further ask unanimous consent that following the special orders just identified there be a period for the transaction of routine morning business not to extend beyond the hour of 3:30 p.m. with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the order just entered, that the Senate stand in recess until 2 p.m. on Tuesday, September 10, 1985.

The motion was agreed to; and, at 5:34 p.m., the Senate recessed until tomorrow, Tuesday, September 10, 1985, at 2 p.m.

NOMINATIONS

Executive nominations received by the Senate September 9, 1985:

Department of State

Patricia Mary Byrne, of Ohio, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Deputy Representative of the United States of America in the Security Council of the United Nations, with the rank of Ambassador.

Alan Lee Keyes, of Maryland, to be an Assistant Secretary of State, vice Gregory J. Newell.

Natale H. Bellocchi, of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana.

Michael Sotirhos, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica.

Jean Broward Shevlin Gerard, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

Clyde D. Taylor, of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Paraguay.

Roger Kirk, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Socialist Republic of Romania.

Robert G. Houdek, of Illinois, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Uganda.

Malcolm Richard Wilkey, of Texas, to be Ambassador Extraordinary and Plentipotentiary of the United States of America to the Oriental Republic of Uruguay.

Inter-American Foundation

Elliott Abrams, of the District of Columbia, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 1990, vice Langhorne A. Motley.

The Judiciary

David A. Nelson, of Ohio, to be U.S. circuit judge for the sixth circuit vice a new position created by Public Law 98-353, approved July 10, 1984.

James L. Ryan, of Michigan, to be U.S. circuit judge for the sixth circuit vice George Clifton Edwards, Jr., retired.

Stephen V. Wilson, of California, to be U.S. district judge for the central district of California vice a new position created by Public Law 98-353, approved July 10, 1984.

Alan H. Nevas, of Connecticut, to be U.S. district judge for the district of Connecticut vice a new position created by Public Law 98-353, approved July 10, 1984.

David Sam, of Utah, to be U.S. district judge for the district of Utah vice Aldon J. Anderson, retired.

Department of Justice

Stephen M. McNamee, of Arizona, to be U.S. attorney for the district of Arizona for the term of 4 years vice A. Melvin McDonald, resigned.

William A. Maddox, of Nevada, to be U.S. attorney for the district of Nevada for the term of 4 years, vice Lamond Robert Mills, resigned.

Patrick M. McLaughlin, of Ohio, to be U.S. attorney for the northern district of Ohio for the term of 4 years vice J. William Petro.

Roger Hilfiger, of Oklahoma, to be U.S. attorney for the eastern district of Oklahoma for the term of 4 years, vice Gary Loy Richardson, resigned.

Department of Labor

Dennis Miles Kass, of New York, to be an Assistant Secretary of Labor, vice Donald L. Dotson.

Department of Health and Human Services

Ronald E. Robertson, of Virgnia, to be General Counsel of the Department of Health and Human Services, vice Juan A. del Real, resigned.

Administrative Conference of the United States

Marshall Jordan Breger, of the District of Columbia, to be Chairman of the Administrative Conference of the United States for the term of 5 years, vice Loren A. Smith.

Consumer Product Safety Commission

Carol Gene Dawson, of Virginia, to be a Commissioner of the Consumer Product Safety Commission for a term of 7 years from October 27, 1985. (Reappointment)

Environmental Protection Agency

Lawrence J. Jensen, of Virginia, to be an Assistant Administrator of the Environmental Protection Agency, vice Jack E. Ravan.

Jennifer Joy Manson, of Virginia, to be an Assistant Administrator of the Environmental Protection Agency, vice Josephine S. Cooper, resigned.

Executive Office of the President

M. Alan Woods, of the District of Columbia, to be a Deputy United States Trade Representative, with the rank of Ambassador, vice Robert Emmet Lighthizer, resigned.

Federal Emergency Management Agency

James P. McNeill, of Maryland, to be an Associate Director of the Federal Emergency Management Agency, vice Fred Joseph Villella.

Federal Maritime Commission

Edward V. Hickey, Jr., of Virginia, to be a Federal Maritime Commissioner for the remainder of the term expiring June 30, 1986, vice Alan Green, Jr., resigned.

Francis J. Ivancie, of Oregon, to be a Federal Maritime Commissioner for the remainder of the term expiring June 30, 1987, vice Robert Setrakian, resigned.

General Services Administration

William R. Barton, of Virginia, to be Inspector General, General Services Administration, vice Joseph A. Sickon, resigned.

National Science Foundation

Craig C. Black, of California, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990, vice David V. Ragone, term expired.

Charles L. Hosler, of Pennsylvania, to be a Member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1988, vice John H. Moore.

Securities Investor Protection Corporation

Roger A. Yurchuck, of Ohio, to be a Director of the Securities Investor Protection Corporation for a term expiring December 31, 1987. (reappointment)

U.S. Advisory Commission on Public Diplomacy

Herbert Schmertz, of New York, to be a member of the U.S. Advisory Commission on Public Diplomacy for a term expiring April 6, 1988. (reappointment)

Edwin J. Feulner, Jr., of Virginia, to be a member of the U.S. Advisory Commission on Public Diplomacy for a term expiring July 1, 1988. (reappointment)

E. Robert Wallach, of California, to be a member of the U.S. Advisory Commission on Public Diplomacy for a term expiring July 1, 1988. (reappointment)

U.S. International Trade Commission

Anne E. Brunsdale, of the District of Columbia, to be a member of the U.S. International Trade Commission for the term expiring June 16, 1993, vice Veronica A. Haggart, resigned.

Department of Housing and Urban Development

Richard H. Francis, of Virginia, to be President of the Solar Energy and Energy Conservation Bank, vice Joseph S. Bracewell.

Department of Agriculture

Raymond D. Lett, of Virginia, to be an Assistant Secretary of Agriculture, vice C.W. McMillan, resigned.

Raymond D. Lett, of Virginia, to be a member of the Board of Directors of the Commodity Credit Corporation, vice C.W. McMillan.

Department of State

Winston Lord, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China.

U.S. Institute of Peace

Sidney Lovett, of Connecticut, to be a member of the Board of Directors of the U.S. Institute of Peace for a term of 2 years expiring January 19, 1987 (new position).

John Norton Moore, of Virginia, to be a member of the Board of Directors of the U.S. Institute of Peace for a term of 4 years expiring January 19, 1987 (new position).

Richard John Neuhaus, of New York, to be a member of the Board of Directors of the U.S. Institute of Peace for a term of 2 years expiring January 19, 1987 (new position).

Department of State

James W. Spain, of California, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Socialist Republic of Sri Lanka, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Maldives.

National Foundation on the Arts and the Humanities

Helen Marie Taylor, of Virginia, to be a member of the National Council on the Humanities for a term expiring January 26, 1990, vice Mary Beth Norton, term expired, to which position she was appointed during the recess of the Senate from June 29, 1984, until July 23, 1984.

Department of Energy

Charles A. Trabandt, of Virginia, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1988, vice Georgiana H. Sheldon, term expired.

U.S. Institute of Peace

W. Bruce Weinrod, of the District of Columbia, to be a member of the Board of Directors of the U.S. Institute of Peace for a term of 2 years expiring January 10, 1987. (new position)

In the Air Force

The following officers for appointment in the U.S. Air Force to the grades indicated, under the provisions of section 624, title 10 of the United States Code:

To be major general

Brig. Gen. Stuart E. Barstad, 392-24-1240FR, U.S. Air Force, Chaplain.

To be brigadier general

Col. John P. McDonough, 021-20-5989FR, U.S. Air Force, Chaplain.

In the Army

The following-named Army Medical Service Corps officer for appointment in the U.S. Army to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

To be permanent brigadier general

Col. Walter F. Johnson III, 247-62-9936, Medical Service Corps, U.S. Army.

In the Navy

- The following-named officer for appointment as Vice Chief of Naval Operations pursuant to title 10, United States Code, section 5085:

To be vice chief of naval operations

Vice Adm. James B. Busey IV, 332-26-3214/1310, U.S. Navy.

The following-named officer having been designated for command and other duties of importance and responsibility within the contemplation of title 10, United States Code, section 601, for appointment to the grade of admiral while so serving:

To be admiral

Vice Adm. James B. Busey, IV, 332-26-3214/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Adm. Lee Baggett, Jr., 425-40-6909/1110, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Adm. Ronald J. Hays, 438-38-4391/1310, U.S. Navy

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Vice Adm. James A. Lyons, Jr., 003-18-9857/1110, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Vice Adm. Arthur S. Moreau, Jr., 228-32-2434, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Vice Adm. Carlisle A. H. Trost, 318-24-4658/1120, U.S. Navy.

The following-named officer to be placed on the retired list in the grade indicated under title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Richard A. Miller, 150-18-2838/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 711, to be reassigned in his current grade to be senior Navy member of the Military Staff Committee of the United Nations and to a position of importance and responsibility designated by the President under title 10, United States Code, section 601.

To be senior Navy member of the Military Staff Committee of the United Nations

Vice Adm. Donald S. Jones, 391-22-4694/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Joseph B. Wilkinson, Jr., 467-42-0315/1310, U.S. Navy.

The following-named captains of the Reserve of the U.S. Navy for permanent promotion to the grade of commodore in the line and staff corps, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

UNRESTRICTED LINE OFFICERS

John William Gates, Jr.
Stephen Gordon Yusem
Richard Squier Fitzgerald
Samuel Edward McWilliams

ENGINEERING DUTY OFFICER

Paul Keith Arthur

MEDICAL CORPS OFFICERS

Robert Layman Summitt
Robert Conrad Nuss

SUPPLY CORPS OFFICER

James Hock Mayer

In the Air Force

The following-named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force:

LINE OF THE AIR FORCE

To be colonel

Sahd, Theodore M., 521-56-1871

To be lieutenant colonel

Fedak, William A., 141-30-7383

To be major

Saletta, Gaetana M., 304-54-8228

JUDGE ADVOCATE

To be major

Kinsella, James M., 282-44-9051

In the Air Force

The following officers for promotion as a reserve of the Air Force under the provisions of sections 593, 8366, and 8372, title 10 United States Code. Promotions made under section 8372 and confirmed by the Senate under section 593 shall bear an effective date of September 30, 1985. All other officers shall be promoted upon completion of 7 years of promoting service and 21 years of total service:

LINE OF THE AIR FORCE

Major to lieutenant colonel

Ables, Charles D., 251-64-5448
Affronti, Anthony C., 070-32-9552
Ahlgren, David L., 387-38-9939
Allen, James R., 526-54-8461
Anderson, Arlan J., 501-44-3898
Anderson, John W., 008-30-0993
Andrew, Gary L., 302-34-6602
Antonich, Lawrence J., 517-40-9879
Armistead, John H., Jr., 226-58-1673
Arnette, William T., 241-68-3259
Asai, Melvin H., 575-46-1228
Ashley, Roger M., 231-58-2591
Atherton, Alan B., 483-48-1526
Atkins, Larry L., 541-36-8040
Atwood, Charles L., 514-42-4901
August, Rudolph L., 433-42-1105
Augustine, William L., 156-28-8924
Ayres, Paul J., 375-32-5585
Baber, James J., Jr., 508-38-3552
Baldauf, John A., 074-34-8312
Ball, John F., 050-34-8758
Ball, Michael S., 213-40-8870
Bame, Karl T., 270-32-3629
Bandsuch, Ronald M., 300-34-2368
Banks, Thomas W., 274-38-2458
Barenz, Roger K., 537-40-2358
Barker, Robert J., 137-42-9255
Barksdale, Ronald D., 429-76-0109
Barley, Raymond H., 220-36-2678
Barnard, Robert R.S., 314-42-1998
Barnett, Wayne C., 098-34-4288
Barrow, Raymond S.S., 033-30-3986
Barry, Robert A., 295-36-7211
Barton, Elvertt J., 445-36-2863
Batz, Raymond E., 139-34-6573
Baughn, Brent F., 526-66-5951
Beattie, Charles W., 291-38-9459
Bergh, Philip J., 469-46-4595
Bernhard, Alan T., 215-38-3775
Bever, Michael R., 500-44-5742
Beyer, Paul K., 527-62-9392
Bielinski, Barry T., 360-30-0899
Bienvenu, Leo A., Jr., 435-64-0200
Bledsoe, Harry R., 445-40-1205
Blomgren, Alan A., 476-50-1034
Boesz, Daniel L., 155-30-2429
Bohr, William M., 493-44-8123
Bok, Frederick C., 046-32-8537
Bond, Robert L., 317-40-1213
Bonneau, Leroy R., Jr., 128-32-0170
Bargel, Gregory E., 567-56-3128
Borkholder, Dale., 313-44-2883
Bosworth, Melvin L., 483-50-6754
Boutz, Gary M., 419-50-9819
Bowden, John D., 305-36-6525
Bowen, Brent L., 529-46-1468
Bowman, Norman H., Jr., 422-58-3671

Bradley, Michael J. H., 265-62-4234
Brady, Albert L., 507-56-7103
Brady, Malcolm W., 264-78-8594
Branch, George H., III, 272-38-2128
Brentnall, Robert N., 546-56-3026
Brice, Richard L., 231-54-0130
Brost, Robert N., 504-48-0278
Brown, Harry C., Jr., 409-64-6603
Brown, Wayne G., 051-43-0365
Brubaker, David E., 180-34-3142
Brueckner, Richard C., 353-36-9825
Bruehler, Gary L., 265-60-2236
Brummet, Don C., 337-30-1707
Bruns, Tonu., 147-32-4941
Buchholz, John H. K., 270-40-8736
Buckley, Philip V., Jr., 062-36-0164
Bucklin, Leonard E., 038-26-2667
Buckman, Roger G., 532-40-0870
Bunch, Dennis V., 531-36-6484
Burnette, William H., 243-58-4509
Bush, Gerald V., 528-44-2388
Cahill, Richard W., 159-34-8639
Caldwell, George W., 121-26-5160
Caldwell, James A., 542-44-4136
Calfee, James R., 226-50-0877
Callison, Thomas C., 311-42-2149
Canicatti, Carl L., 262-66-5144
Canorro, Michael A., 531-40-2359
Carlson, David A., 016-26-1778
Carroll, Robert G. H., III, 186-32-9158
Carson, James M., 142-36-0719
Cassidy, Jerry L., 513-44-0226
Cassidy, Thomas J., 144-30-9115
Cathie, Walter C., 158-32-6199
Chapel, William E., 309-50-4398
Chik, Phillip L., 523-54-7306
Chun, Andrew K.T., 575-34-2514
Chung, Warren W.K., 576-40-6853
Cisneros, Charles E., 556-60-8366
Clark, Thomas F., 263-58-9293
Clark, Virgil D., 275-38-5457
Clarke, Walter H., Jr., 310-44-6249
Clifford, Kenneth T., 068-34-4698
Cogswell, Jerry C., 225-50-8536
Cohen, Barry L., 511-44-2440
Cohen, William A., 462-56-7516
Coker, Richard W., 574-14-4796
Cole, Bruce D., 415-64-2650
Colwell, Edward M., 206-34-8428
Compton, Ronald J., 490-48-6286
Conway, John L., III, 417-68-6557
Conwell, George D., 268-34-4055
Cooper, Paul R., 532-44-1006
Cop, Ronald E., 511-44-9543
Cornette, Jimmy C., 314-40-7801
Correa, Agustin 580-74-8001
Corte, Joseph E., 435-56-2748
Counts, Jake S., 247-76-1391
Courchesne, Andre W., 001-32-7835
Cravens, Douglas C., Jr., 259-62-6808
Creech, David L., 467-58-4965
Crist, Neil B., 342-36-1703
Croker, Richard J., 237-64-1859
Cromer, Daniel H., Jr., 249-70-6282
Cubbage, Donnie D., 223-50-3455
Cucullu, Carl R., 436-58-3672
Cullison, James D., 301-36-2061
Cunningham, Gary M., 454-56-9116
Cunningham, Monty 447-40-3656
Czekanski, James P., 011-38-6070
Daly, Daniel F., 097-32-7417
Dangelo, George A., 181-34-5250
Davie, Anderson Jr., 157-36-2966
Davis, Larry K., 499-44-1230
Davis, Richard C., 191-34-8187
Daw, Owen B., 529-52-1989
Dean, Robert C., 211-32-9095
Delaura, Lewis 262-72-6008
Dent, Robert M., 569-48-4762
Deschanes, Bernard O., 006-28-0439
Despain, Thomas H., 443-38-4641
Deterich, David F., 279-38-0419
Dickie, William R., 527-68-0243
Dillon, Joseph J., 041-32-6627
Dipietro, Gilbert J., 179-38-8606
Disrud, Roger G., 501-54-1662
Dobashi, Myron N., 576-40-8614
Dobias, Charles D., 380-42-3550
Doherty, John A.F., 146-30-7238
Domke, Warren E., 525-96-6350
Donahue, Joseph P., III, 163-32-9902
Dothard, Raymond D., Jr., 418-60-3101
Dow, Charles L., 418-58-2351
Dowdle, Herbert E., 575-44-0796
Dozier, John E., IV, 569-68-2892
Dubis, William, 250-68-4917
Duda, Robert M., 021-30-8841
Dunks, Paul I., 451-50-3041
Dunlap, Richard S., 220-40-5360
Dunn, Eugene K., 509-36-7415
Dura, Julius G., 502-38-1292
Dushek, Robert E., 345-34-6793
Dyck, John W., Jr., 521-50-3332
Edkins, David, 263-56-3840
Edkins, Herbert B., Jr., 578-50-5312
Edwards, William B., III, 459-62-9371
Ellard, Norman E., 024-32-7655
Ells, David B., 541-48-8128
Epstein, Paul D., 287-34-8083
Esterby, Brain E., 522-52-2410
Eustace, Richard, J., 019-34-8889
Evans, John W., 401-56-4443
Evans, Richard S., 465-66-7146
Exline, Kenneth M., 361-32-6760
Farrell, Richard L., 011-32-0737
Faulkner, James P., 106-34-9780
Fee, Jerry W., 555-64-2572
Feighny, James P., III, 524-52-0982
Feltes, Lorentz A., 321-36-6224
Felton, Reginald L., 054-36-3071
Fischer, James H., 387-34-1722
Fischer, Richard L., 463-62-6879
Fisher, David R., 121-34-8438
Fitzgerald, Clifford P., 011-28-7522
Fo Godfrey Y.K., 576-36-1485
Foegler, Frank W., 277-34-7450
Forhan, Richard M., 325-32-9787
Foss, Frederick J., 521-52-6682
Foster, John C., Jr., 006-42-0733
Frohman, David R., 305-42-2337
Frye, Reginald F., 225-50-8963
Fujimoto, Douglas J., 575-44-6957
Furlong, James P., 532-42-8089
Gadd, Clayton T., 403-58-0400
Gagnon, Joseph A.J., 011-32-1312
Galaway, Robbie L., 467-66-7184
Galbach, Charles R., 170-30-7140
Galbreath, Thomas E., 479-40-8086
Gallagher, David J., 152-32-3678
Gallagher, John V., 060-32-1692
Gamel, Larry L., 499-46-5047
Garcia, Juventino R., 567-58-3293
Gauthier, Wayne M., 439-64-5798
Gazda, Richard S., 029-32-1716
Geddings, William R., 248-66-6311
Gelven, Don R., 493-38-7045
Gendreau, Raymond J., 533-36-0596
Generale, John T., Jr., 079-34-9666
Giles, James T., Jr., 257-62-2246
Gilliom, David C., 314-42-2263
Gilstad, Claire J., 244-68-7591
Gingerich, Jon S., 430-76-7092
Gjede, Michael F., 045-34-8335
Glaze, Robert M., 455-70-5882
Goetz, Wayne A., 387-40-2963
Gopon, Leon M., 355-32-4588
Gorka, James A., 172-36-4319
Goutas, John N., 008-26-4280
Graham, Frederick R., 092-32-5725
Grant, Clayton, 256-66-8833
Grant, Robert E., 408-48-0344
Grawi, Franklin L., 053-34-2231
Gray, Jack E., II, 444-46-6986
Gregory, Amzi, 442-38-8927
Gregory, Leo T., 264-64-2548
Grimes, Robert R., 220-48-7103
Gritsavage, John R., 054-36-6761
Groves, Brian M., 570-52-7117
Gruendemann, Paul A., 394-32-2247
Guevara, Wenceslao R., 458-60-3514
Gulck, John K., 216-36-1331
Gunn, Wesley R., 422-54-4618
Gunter, George W., 411-68-0349
Hagar, Christopher D., 265-60-9014
Halapin, Richard A., 196-30-4820
Halatin, Theodore J., 142-32-0330
Haley, Paul E., 033-30-4558
Hall, Eugene M., 483-38-0719
Hall, Larry B., 467-78-7697
Hall, Richard F., 585-01-1128
Hammond, Lawrence E., 508-56-1800
Hanson, Henry N.G., 101-34-2243
Harbottle, John C., 288-42-3728
Harbstreet, Karl E., 497-36-2047
Hargis, Thomas G., 494-46-5506
Harkleroad, Wendell J., 415-68-0333
Harlan, Alfred R., 449-62-8016
Harper, Robert C., 460-68-1333
Harris, David C., 419-54-4997
Harris, Max H., 257-62-8964
Harris, Reuben E., Jr., 228-54-9919
Harrison, Wayne L., 460-58-0852
Haughwout, John D., 206-30-2168
Hayden, Robert J., 248-54-5772
Hayne, Robert W., 111-30-3814
Hazelton, Courtlan C., 526-60-9872
Hebert, Eugene A., 206-28-8868
Hembree, Clayton E., 451-62-6497
Herman, Robert E., 183-32-0049
Hicks, Victor M., 257-62-1730
Hittinger, Walter A., 193-28-2807
Hobbs, Douglas D., 444-40-1121
Hobson, Richard J., 311-40-1242
Hockenberger, John E., 186-30-7662
Hodges, John H., Jr., 417-40-0759
Hoffmeyer, Ronald A., 377-42-4877
Holden, Donald B., 577-58-0284
Hollar, Herbert L., 248-70-1721
Hollstein, John A., 302-36-0309
Holly, Wayne, K., 368-40-5629
Holman, Richard D., 416-54-0157
Hoskins, Melvin D., 458-70-9340
House, Richard A., II, 228-58-6574
Houston, Dean., 347-30-7884
Houston, Larry J., 411-68-0358
Houston, William G., 247-68-5867
Howe, Marcella M., 440-40-2561
Huber, Donald L., 495-44-4526
Hudson, Gaynor M., 226-58-5018
Huffman, George R., Jr., 563-42-9457
Huffman, Lawrence C., 534-40-2231
Hughes, David A., 009-30-8322
Hull, James H., Jr., 220-38-9457
Hunter, Gary K., 176-36-6159
Hutcheson, Charles M., 297-36-9035
Hutchins, Lee R., 362-42-0333
Hutter, Raymond R., 183-32-5649
Hyland, James B., 084-34-5392
Isaacson, Richard S., 092-34-2484
Israel, Marvin J., 329-32-9083
Ivy, Robert S., 444-44-4815
James, Isiah, Jr., 265-64-0944
James, Michael G., 169-30-5357
Jensen, Mark, 528-56-4421
Jobanek, Jan M., 227-56-8109
Johnson, Gary N., 342-34-8592
Johnson, Harold R., 318-36-8914
Johnson, James M., 415-66-2707
Johnson, John M., 173-34-3265
Johnson, Kenneth L., 395-40-4300
Johnson, Kirby S., 547-54-3770
Johnson, Steven C., 579-52-2425
Jolley, Joseph P., Jr., 263-64-3337
Jones, Dennis B., 531-42-2780
Jones, Robert O., 239-68-6176
Jones, Stanley R., 516-40-8775
Jones, Walter B., Jr., 237-66-0459
Jopling, Bill R., 236-50-5557
Kalin, Robert E., 309-42-8264
Kalish, Robert J., 137-32-2250
Kaplan, Stephen J., 086-30-0344
Kappel, Steven T., 350-32-2744

Karsner, William S., 405-54-3888
Katz, Judd A., 526-60-5455
Keast, Dennis D., 382-40-7954
Keener, David R., 024-30-9139
Keller, Ronald S., 153-30-1326
Kelly, John E., 261-04-6780
Kelly, Kraig K., 565-52-7704
Key, Gerald A., 403-58-4819
Kimball, Abraham F., Jr., 256-74-8192
Kinder, Jerome C., 388-40-9872
King, Charles H., 247-66-6341
King, Gerald W., Jr., 297-36-7436
King, Richard C., 134-34-4295
King, Thomas J., 444-42-7579
Kirby, Andrew D., 100-34-1600
Kirkham, Edward E., Jr., 456-70-5828
Kiya, Michael K., 458-74-3022
Knepper, John D., 287-34-8019
Knoll, Marvin E., 313-44-4824
Kolp, Terry J., 021-36-9823
Kosmo, Thomas M., 018-34-7347
Kressley, Dale F., 199-32-6406
Kroener, Robert A., 307-44-0076
Krueger, Peter D., 561-70-8036
Krull, Larry G., 503-52-3322
Krzykoski, Stephen H., 300-36-8110
Kubiak, Gerald, 398-40-2013
Kuhns, William R., 192-30-9195
Kunzweiler, Donald J., 330-28-7231
Labarro, Angelo J., 387-36-9990
Lacher, Robert L., Sr., 190-24-3326
Lake, Robert S., 452-64-8228
Lang, Kenneth J., 562-50-6877
Langley, Robert W., 424-54-8904
Largent, Ronald D., 564-50-1676
Lassiter, Albert E., 425-82-6788
Leary, Gerald M., 191-32-2884
Leboeuf, Robert L., 027-32-8204
Lebron, Archie C., 420-58-2125
Lee, David T., 401-56-3886
Lee, Robert P., 563-50-4113
Lee, William J., Jr., 120-32-9929
Lefkowitz, Victor M., 143-34-9267
Leming, Jack D., 314-40-5200
Levar, John M., 350-34-6938
Levin, Edward P., 173-34-0943
Levy, Martin A., 094-32-6974
Lilly, Daniel E., 038-24-9087
Little, Lowell P., Jr., 456-68-9271
Little, Robert J., Jr., 261-64-5806
Logan, Richard J., 564-74-0613
Long, James F., Jr., 415-64-2235
Lopshire, Larry T., 304-40-7997
Lucchetti, Lynn L., 550-54-1774
Lyon, David H., 397-40-6394
MacMillan G. Brian, 213-40-1478
MacPherson, Mercer R., 229-44-2217
Mahsman, Gerrit E., 573-56-6093
Malis, Albert D., 311-44-8482
Malley, John C., 266-58-5327
Maluke, Edward M., 277-30-1616
Mark, Jonathan G., 153-36-2529
Marlow, Olen D., Jr., 237-64-5846
Marshall, Kenneth R., 096-34-3190
Martin, Clark W., 144-32-9609
Martin, Joe L., 443-32-0464
Masek, Richard T., 353-34-9969
Matlock, Richard A., Jr., 548-56-3065
Matney, John R., 560-58-7814
Matzko, Richard W., 211-30-2439
Mazar, Tibor P., 155-32-1859
McCaffrey, John T., Jr., 088-34-2009
McCampbell, Stephen S., 277-40-3309
McClenon, David W., 220-40-5421
McDaniel, Patrick J., 407-56-6816
McElroy, Louis H., 240-42-8295
McGuiness, Regina M., 119-32-1811
McKechnie, Robert R., Jr., 323-32-4801
McKinley, William G., 459-62-6979
McRae, Dudley A., Jr., 257-60-3366
Meilstrup, Ronald V., 305-48-8806
Melrose, Mark W., 536-36-7678
Merkl, Frank J., 201-30-2195
Messecar, Thomas M., 544-46-1671
Mestemaker, Robert J., II, 524-52-3748
Meyer, Robert L., 555-52-4483
Michel, Joseph B., 522-58-3176
Mickley, Jon E., 317-44-4271
Mielke, Ronald W., 504-52-7512
Mildenberger, George B., 543-42-0413
Miller, Jackie R., 525-98-3442
Miller, John O., 236-62-4087
Miller, Michael E., 537-36-9645
Miller, Stephen H., 213-38-7281
Millet, Robert J., 435-68-8508
Milligan, William A., 424-52-1735
Morihara, Gerald T., 576-38-9710
Morris, John E., 522-76-1540
Morrison, Kenneth L., 083-34-1961
Morrison, William J., 141-34-3581
Morrissey, John W., 164-32-7200
Mullen, Russell E., 072-36-5794
Munozrovira, Francisco V., 582-66-9374
Munson, Kenneth E., 523-44-5822
Murakami, James H., 576-40-2393
Muth, John S., 283-36-1677
Myers, David R., 504-46-0565
Neelon, Joseph G., 197-32-8290
Neely, Richard B., 217-36-5948
Neisius, Leon J., 526-60-7830
Nelson, George F., 420-42-5605
Nelson, Terence M., 474-46-1775
Newcomb, Wallace G., 092-32-5500
Nickerson, Ronald A., 163-32-3021
Niemann, William L., 360-36-5849
Nishimura, Kenneth S., 575-42-6993
Noble, Stephen C., 005-42-4985
Nordeck, Charles D., 236-68-8321
Nowicki, Thomas J., 320-36-0427
Odell, Thomas M., 110-34-1829
Ogilvie, Victor N., 546-58-7847
Okeefe, Jacqueline M., 049-24-9958
Olson, Arthur E., Jr., 540-50-2983
Olson, Ralph C., 538-40-4229
Olson, Russell T., 502-48-8198
Omelia, Thomas L., Jr., 205-34-1884
Owen, Charles W., 333-30-4207
Palmer, Anthony M., 553-60-6014
Parrott, Emmons F., 306-42-4786
Pascal, James B., 461-56-3586
Patterson, Ryan R., 270-36-1250
Pedigo, Harold W., 407-52-0679
Penney, Richard L., 027-26-7077
Pero, Kyle F., 026-32-1453
Petschke, Charles A., 026-32-0994
Petz, Michael J., 363-40-2887
Pignitor, Raymond P., 197-32-5215
Pitts, Laurens M., 251-66-5330
Pluska, James W., 343-32-9133
Pond, Betty L., 450-62-8765
Poorman, John M., 541-46-2419
Priest, Robert H., 461-60-3410
Proctor, Ronald L., 413-60-0182
Purtee, David M., 555-56-3340
Radcliffe, Allen B., Jr., 097-34-1399
Ramming, Frank F., 442-46-4337
Randolph, Ronnie E., 227-52-6396
Ranta, Charles L., 340-36-4507
Rapagnani, Nazareno L., 009-28-3055
Rapalski, Jan P., 165-36-7412
Ratino, David A., 291-34-4440
Rawlings, George L., Jr., 237-60-1392
Ray, Paul A., 419-56-8195
Reardon, John T., 222-22-6157
Reddick, William C., 131-30-0973
Reed, Roland O., 191-32-8591
Reifsnyder, David W., 152-32-2714
Renairi, Richard C., 577-56-9888
Render, Charles R., 337-30-2375
Renick, Joseph D., 450-62-5472
Reuther, David W., 526-62-9891
Reyes, Leonard L., 545-52-7941
Reynolds, Michael J., 228-52-7949
Ricciuto, Michael, Jr., 140-32-8039
Richardson, Burke D., 491-44-2867
Richardson, Clifford E., III, 002-32-9660
Richardson, Mark M., 477-46-9975
Ridley, William E., Jr., 254-60-9081
Riess, Michael T., 475-48-3970
Ritchie, Edward A., 525-98-8556
Ritsche, David A., 393-30-8096
Roberto, Mario M., 166-32-7407
Robinson, Ronald W., 266-54-0687
Roels, Timothy J., 358-34-8928
Rogers, John J., 555-52-7611
Rogers, Roger A., 559-56-5837
Rojeck, Gerald, 272-34-6548
Rolle, Lawrence M., 526-68-5445
Ross, Donald J., 501-48-4255
Rouse, George E., 429-76-7621
Rudwick, Thomas W., Jr., 451-48-1860
Rue, Michael J., 395-34-8601
Ruff, Donald E., 302-36-3160
Russell, Rodney O., 231-56-7837
Santana, Angel M., 407-56-6333
Saunders, Edward G., 110-30-0604
Sautter, Paul J., 566-42-1934
Savage, Charles A., Jr., 267-62-7148
Savoie, David L., 008-32-0172
Schenk, John F., 144-42-0707
Schexnaildre, John F., 437-64-8672
Schexnayder, Joel W., 437-54-6929
Schlitt, Sanford, 104-34-8915
Schmeil, Paul F., 531-36-7077
Schneider, Marlowe A., 326-30-4009
Schnoor, Kirke G., II, 228-46-2949
Scott, Clyde A., Jr., 411-66-4238
Sedlacko, Martin P., 051-36-8633
Seifert, Marlin R., 392-38-9048
Sellars, John M., 559-60-9774
Seranian, Jack P., 380-34-4005
Sevier, James M., 238-54-3241
Shaver, Robert M., 441-38-9630
Shealy, Joel W., 249-62-0048
Sheffield, Major J., 229-50-3641
Sher, Harry L., 499-44-2114
Sherman, Paul E., Jr., 177-30-2198
Sherman, Richard H., 049-30-6005
Sherman, Thomas W., 398-38-9078
Sherwood, Terrence L., 484-50-2151
Shipp, William L., 333-30-2182
Sickafoose, Gerald D., 287-38-9141
Sies, Charles M., 550-64-8422
Simmons, Joseph R., Jr., 506-54-8006
Simon, Attila T., 522-56-2223
Siwik, Jon M., 574-16-4343
Skoll, Gerald R., 330-34-0548
Slater, Bruce P., 529-56-5728
Slaughter, Jimmy L., 442-42-9898
Smith, David H., 052-32-4472
Smith, Gary L., 497-34-0899
Smith, Hartley R., II, 049-30-5369
Smith, John F., 149-28-5487
Smith, Morron C., Jr., 416-50-5101
Smith, Paul K., 012-34-5326
Smith, Stephen A., 571-72-9174
Solloway, Richard P., 265-64-5260
Songer, Surain S., Jr., 528-56-8205
Southall, David C., 308-42-9413
Sparks, James W., 446-40-3104
Spayd, Thomas F., 428-90-3490
Speegle, Bobby L., 550-60-9688
Spells, Roy R., 120-28-7158
Spieler, Richard E., 218-42-1441
Spindle, David H., 272-40-2713
Squire, Gordon, C., 058-36-1804
Squyres, Ted L., 425-82-8839
Stafford, Gerald L., 247-72-6844
Stamburgh, Thomas E., 456-64-4679
Steele, Fred M., III, 428-84-8095
Stephan, Jerry N., 445-40-8506
Stickler, Edward A., 576-46-8320
Stifter, Carl F., 187-32-2791
Stoltz, Steve J., 379-40-6763
Stone, George E., Jr., 252-60-4749
Stone, Robert A., 117-34-1527
Stoy, Henry L., 537-38-2746
Stramandinoli, Pasquale A., 104-32-9398
Stratton, Donald J., 355-30-6722
Stucka, Daniel A., 561-56-9360
Suffern, Edward S., 123-32-9076
Sullivan, John A., 549-58-5467

Swallow, James F., III, 465-68-8886
Swanick, David R., Jr., 089-38-5034
Swanson, Byron C., II, 484-52-4901
Tanner, Richard R., 442-46-3143
Tapp, Ronnie L., 405-50-3065
Taylor, Anthony C., 223-56-8278
Taylor, Byron D., 327-32-0362
Taylor, Royce D., 552-54-9752
Terhall, Jude H., 280-34-2414
Thomas, Johnie D., 240-58-1264
Thompson, Steven A., 419-62-1446
Thrower, Stephen W., 491-44-6396
Tobias, Robert L., 293-36-3812
Toles, Marvin D., 444-38-7722
Tracy, William B., 113-34-8636
Traenkner, David P., 187-32-3954
Trance, Francis R., 196-30-4804
Trimble, Vernon L., 504-34-8608
Trinkle, Nelson C., 224-52-7769
Troy, Stephen R., 069-34-2855
Tucker, William T., 003-30-1964
Tullos, George B., 427-88-4149
Tuttle, Richard W., 006-34-6087
Upton, Peter M., 011-34-8054
Valentine, Craig A., 104-32-0693
Valentine, Raymond L., 548-56-3859
Vandenbossche, James V., 383-42-4003
Vandyke, Norman D., 318-34-0519
Vanfossen, Jerry S., 228-56-1852
Vannamee, James F., Jr., 083-34-7160
Vargo, Dennis M., 297-36-1058
Vasel, Roy T., 147-32-8155
Verholek, Michael G., 206-34-6304
Vest, Michael S., 235-64-2639
Vondrak, Richard E., 355-34-7011
Wall, William F., 427-88-4758
Walters, Maynard Z., 224-48-2327
Waterhouse, Kim S., 576-38-4954
Waters, Durand C., 158-30-9173
Weatherman, Jerald G., 465-68-2146
Webster, James S., 266-52-0645
Weedin, George R., 550-58-4063
Weismiller, Richard A., 311-46-5877
Wells, Lee L., 352-30-8424
Wheatley, Tenney H., Jr., 006-38-0850
White, Allan G., 001-30-2091
Whitehouse, Robert E., 547-62-0155
Whitsett, James W., 571-64-8953
Whitten, Rodney D., 521-48-6383
Whitty, Richard F., 394-42-9177
Wilke, Marshal R., 467-66-3658
Wilkins, Jeffrey A., 578-58-4314
Wilkinson, David L., 265-60-9887
Williams, Anthony D., 425-86-8896
Williams, John R., 450-64-5150
Williams, Richard M., 191-34-9382
Williams, Thomas M., 424-50-0696
Willis, Paul K., Jr., 251-66-8833
Wilson, Earl K., Jr., 449-66-6097
Wilson, James E., 414-66-1507
Winter, Lester W., 556-44-0784
Wisby, Thomas M., 444-38-7923
Wolfe, Alex V., 271-38-9957
Wolfe, Peter J., 560-52-8819
Woodfork, Jerry L., 314-36-6763
Woolley, Wallace K., 422-44-7389
Wortmann, John R., 049-32-4257
Wright, David E., 003-32-7023
Wright, William N., 563-58-0899
Yamasaki, Wayne J., 576-38-7475
Yano, George, 575-36-6361
Yasumoto, Stanley Y., 575-34-2344
Yavno, Michael G., 092-34-3288
Zuleeg, Ralph C., 051-34-0028
Zumbrunnen, Thomas P., III, 243-58-6120

CHAPLAIN CORPS

Baum, Denis B., 270-32-1835
Green, Paul P., 221-22-2705
Heyward, John W., Jr., 250-52-5101
Kahlich, Daniel P., 450-70-2767

DENTAL CORPS

Benning, Allen N., 567-56-7039
Curcio, Ralph E., 122-32-5294
Green, Barry L., 162-36-9933
Henslee, Edwin, E., III, 440-44-4727
Herbert, Richard A., 008-30-2891
Hinson, Lanny C., 249-60-9183
Martineau, Joseph A., 266-48-9779
Oshiro, Milton M., 576-42-3853
Rose, William G., III, 151-30-4723
Rudge, John F., 277-38-0657

JUDGE ADVOCATE

Bayne, Harry G., 507-60-7659
Brantley, George G., 252-58-7532
Brock, Richard W., 063-34-1402
Choate, William W., 448-36-6180
Dahlman, Terrell W., 473-64-0691
Dambrosio, Robert O., 187-32-9127
Deluce, John H., 157-32-4075
Demarco, Robert V., 059-32-2246
Dorr, Richard, E., 491-46-0282
Dunn, Richard L., 107-34-8690
Duvall, Thomas O., Jr., 253-66-3621
Ennis, Edgar, W., Jr., 255-70-9906
Falkow, Richard S., 527-54-6949
Jaynes, Barry S., 053-36-1017
Jones, Lawrence L., 434-64-0529
Karr, Alexander J., 057-38-6402
Kean, Barret E., 227-56-2416
Kovacsy, Arpad De 544-46-6693
Lanto, Reino C., Jr., 344-34-7198
Lee, Robert G., 465-68-4392
Lepome, Robert C., 089-38-7436
Lynch, Joseph G., 262-84-4963
McAvoy, Roger J., 555-60-7143
McBride, Curtis W., 494-44-7710
McNamara, Roger T., 230-46-1452
Moorehead, Robert S., Jr., 300-38-9399
Morse, John S., 030-32-1937
Paoletti, Charles J., 528-56-8102
Payne, James H., 462-64-2021
Pent, Michael R., 267-76-4268
Pump, Ronald E., 088-32-6187
Rodriguez, Edward F., Jr., 451-68-7106
Sears, Robert E., 510-50-8879
Shimabukuro, Richard K., 575-42-2004
Sofocleous, Michael, 070-34-5811
Squires, George L., 047-34-1302
Tatum, Edwin B., 441-42-7680
Vannorte, Robert O. S., 248-58-9649
Vinson, William T., 546-58-4903
Watts, Michael R., 306-44-1337
Williams, Charles S., Jr., 261-58-7358
Zanaty, Edward S., 416-58-2803

MEDICAL CORPS

Bachand, Romeo T., 032-28-4197
Battad, Gerino I., Jr., 376-50-0473
Bisquerra, Jose, 233-64-2954
Cabrera, Lorenzo, 580-80-7009
Carruth, Edward L., 428-90-7205
Corpus, Manuel V., 470-48-2752
Crawford, Carl L., 478-34-0988
Davalos, Hugo A., 217-66-6648
Delacruz, Dolores, 345-46-3488
Elliott, Johnny C., 420-52-6260
Goldsmith, William, 553-48-0678
Gopal, Venu, 041-50-2768
Holmberg, John M., 463-64-3440
Jenny, Arthur B., II, 157-32-3572
Kobayashi, T. Kenji, 522-44-2735
Lee, Seung H., 401-74-6951
Legett, John A., 578-52-1744
Mesina, Rolando R., 341-44-4747
Norris, John G., Jr., 433-74-5867
Palen, James E., 329-32-7808
Perez, Celestino M., 332-44-7087
Preston, Adrienne J., 157-28-3893
Sadoughian, Ali A., 270-52-1559
Sbardella, Edward F., Jr., 428-86-0428
Schlosser, Harry D., 384-40-4410
Spier, Roger D., 158-32-7239
Thein, Richard M. H., 097-46-6853
Villasenor, Robert M., 147-44-2332
Walbroehl, Gordon S., 156-36-2645
Wilkinson, Frederick S., 065-34-9198
Wolney, Robert M., 348-28-6442
Yaldua, Cristina C., 514-44-9352

NURSE CORPS

Anderson, Darlene A., 471-44-6787
Ashworth, Janice S., 267-58-9913
Badger, Ellen L., 370-36-9814
Bailey, Raynelle 266-80-6065
Barnett, Katheryn S., 190-34-6537
Bates, Elizabeth R., 487-44-2412
Bendickson, Geraldine M., 469-38-4376
Bendix, Dorothy N., 352-34-7951
Carpenter, Charlene A., 561-66-9086
Carrick, Paula S., 183-34-7786
Carroll, Judy C., 224-56-9355
Cason, Nica V., 450-76-2236
Corbett, Shirley A., 409-70-4291
Craft, Phyllis M., 506-56-1523
Crosby, Mary J., 230-62-0355
Davis, Penny S.L., 246-70-2100
Doolittle, Carolyn R., 221-24-5896
Douville, Deirdrie K., 563-46-3910
Dreibelbis, Jay L., 176-28-7612
Foster, James K., 314-44-0886
Gallagher, Mary E., 195-30-5902
Gilman, Cyrena M., 309-46-4171
Gonzalez, Arlou E., 471-46-6247
Haasis, Helen J., 188-30-6293
Hale, Georgia A., 256-74-8636
Harris, Nancy L., 235-76-9142
Hiatt, Helen L., 415-68-5970
Holmes, Nettie F., 245-56-6534
Jaron, Roberta A., 037-24-1168
Koerbacher, Kathleen C., 460-60-4374
Kowal, Patricia E., 009-32-9028
Krampitz, Sydney D., 281-30-8585
Lee, Margaret K., 565-50-7753
Maack, Barbara L., 209-38-3372
Mabry, Judith E., 267-64-9990
Maher, Theresa A., 014-26-7738
Manning, Elizabeth A., 015-34-9054
Massion, Carolyn 137-34-8438
Masson, Maureen M., 568-42-2185
Matthews, Felecia C., 195-34-5500
McCoy, Mary M., 019-34-8274
McEwen, Erna R., 516-40-7320
Mills, Brenda C., 410-64-2842
Mink, Barbara M., 010-34-9431
Moular, Thomas H., 370-38-3397
Murphy, Patricia A., 053-28-0708
Mushett, Allen P., 140-34-6119
Nicholas, Sandra M., 409-66-0667
Noel, Marlene B., 211-30-5223
Nolter, Donna R., 175-34-5619
Novelli, Theresa M., 180-34-1262
Parker, Connie L., 221-26-1068
Parks, Evelyn J., 332-34-1602
Pfister, Shirley M., 481-52-9707
Plunkey, Joseph A., 382-40-5100
Raposa, Carol A., 011-32-3696
Rice, Susan J., 522-58-2624
Romano, Edith J., 235-60-7082
Schmidt, Judy V., 523-52-1492
Struck, Susan R., 407-56-4949
Thomas, Katherine A., 430-74-7692
Trostle, Aralene P., 208-38-8962
Tyson, Carolyn F., 233-66-2894
Witt, Sandra, 427-80-9535

MEDICAL SERVICE CORPS

Abbott, Patrick J., 551-52-2315
Baxter, Virgil F., Jr., 549-46-9231
Benioff, Donald A., 546-58-8023
Clayborne, William W., 415-58-3350
Ecton, Kenneth L., 522-54-6245
England, William F., 048-32-5023
Ernest, Thomas H., 533-40-3011
Hahn, Richard W., 151-32-3749
Jansen, Michael J., 250-80-9664
McGee, James W., 237-68-6184
Mears, Robert S., 044-34-5030
Moss, Frank E., 256-54-1864
Pate, James T., Jr., 267-64-9950
Riedl, Frederick L., 436-62-1105
Simpson, Dixon Edgar, 518-46-5135
Thomas, James C., 419-52-9779

Walk, Dieter E., 293-30-6414
Webb, David M., 242-64-5372

BIOMEDICAL SCIENCES CORPS

Carter, George M., 260-64-6089
Davidson, Donald A., 245-52-2118
Delancey, Gary W., 505-48-6781
Edkstrom, Merlin E., 501-48-6085
Fisch, Robert E., 051-28-4382
Halls, Edward D., 728-05-4072
King, Harry C., 263-68-6284
Landskroner, Ronald D., 540-44-4925
Morris, Allan B., 403-58-2645
Parmer, Marvin E., 482-52-3789
Robinson, Delanyard L., 419-54-0951
Schneider, Norman R., 510-48-8162
Siebert, George W., III, 067-36-3422
Smick, Kirk L., 533-42-2300
Souri, Elias N., 577-54-7131
Valois, Donald G., 047-26-7897
Watkins, Richard H., 468-50-2595
Welsh, Kenneth W., 385-38-1179

In the Air Force

The following Air National Guard of the U.S. Officers for Promotion in the Reserve of the Air Force Under the Provisions of section 593(a) title 10 of the United States Code, as amended:

IN OF THE AIR FORCE

To be lieutenant colonel

Maj. Dennis M. Anderson, 569-54-7028
Maj. Gary D. Bailey, 422-48-2630
Maj. Dohrman G. Crawford, Jr., 289-42-5473
Maj. James Ford, Jr., 414-56-3405
Maj. Jay O. Hudkins, 568-42-9161
Maj. Charles E. Johnson, 408-84-4647
Maj. Carl E. Magagna, 196-36-7395
Maj. Jose M. Morales, 581-88-8733
Maj. Lyle D. Nevius, 330-38-8644
Maj. Ralph J. Prete, 219-40-2400
Maj. Gary M. Shannon, 183-36-2024
Maj. William G. Stratemeier, Jr., 202-40-3055
Maj. Edmund J. Thimme, Jr., 150-34-2276
Maj. William H. White, 585-20-6796
Maj. Edward B. Williston, 587-01-6348

CHAPLAIN

Maj. John H., Elledge, Jr., 456-60-7349

In the Air Force

The following officer for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view on designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, provided that in no case shall he be appointed in a grade higher than major:

JUDGE ADVOCATE

Kinsella, James M., 282-44-9051

In the Air Force

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with grades and dates of rank to be determined by the Secretary of the Air Force provided that in no case shall the officer be in a grade higher than captain:

LINE OF THE AIR FORCE

Abole, Raymond A., 249-27-7036
Abrams, Danny E., 406-78-9376
Adams, Dawn Adaire, 521-02-5253
Adams, Jerry L., 493-62-8232
Adamson, Donald J., 530-68-1369
Agar, Carl W., 053-48-5585
Albert, Kenneth, 090-52-9159
Aldrich, Daniel W., 060-42-5750
Aleshire, Richard W., Jr., 475-64-0160
Alexander, Daniel J., 557-39-3706
Alexander, Larry D., 311-46-8233
Alford, Leroy, 427-21-1659
Allen, Donald L., 105-44-5062
Allen, Lawrence D., 567-39-6195
Allford, Keith R., 442-58-3156
Ament, Ricky A., 394-74-3885
Anderson, Craig E., 480-72-7165
Anderson, Deborah A., 021-44-6311
Anderson, Deborah Ann, 551-35-3561
Anderson, Scott A., 470-68-4239
Andreano, John M., 166-54-7657
Andrews, Steven R., 043-64-6305
Angwin, Robert K., 374-70-4705
Annunziato, Steven, 098-54-7370
Antalek, Frank E., 548-74-3149
Anthony, Keith D., 199-48-1113
Arant, Richard L., 400-72-0371
Armstrong, Walter S., 195-40-7518
Arnold, George E., 512-46-4916
Atz, Richard S., 197-48-0507
Auer, Timothy J., 543-82-1957
Autrey, Linda D., 254-90-7418
Backman, Mark N., 475-78-3807
Bailey, Matthew K., 233-90-1308
Bailey, Richard M., 359-56-6068
Baker, David M., 463-31-4857
Baker, Jeffrey A., 139-46-8566
Ballmer, Paul J., 585-46-8671
Barchfeld, Conrad C., 049-46-7129
Barker, Crystal L., 021-54-8602
Barlow, Barry V., 401-84-3508
Barnes, Frank D., 067-48-9500
Barnette, Edmund L., Jr., 432-25-5736
Battles, Hosea, Jr., 264-25-8298
Baumgartner, Anthony J., 568-90-3013
Bedard, Michael G., 022-40-7893
Beecher, Stephen P., 057-46-6371
Bell, Eddie Lee, Jr., 424-90-7191
Benefield, Allen J., 226-84-1223
Bennett, Gary M., 263-35-3579
Benz, Stephen D., 326-40-1590
Bergin, Joseph E., 504-76-2917
Berro, Edward T., 370-66-8675
Berry, Laura A., 358-56-5345
Bethune, Margaret E., 238-08-6070
Beusch, Roger H., 392-60-9641
Bigelow, Adam R., 211-48-8525
Biggs, David A., 246-92-2159
Bishop, Remmington G., Jr., 227-78-4049
Black, Douglas S., 225-88-5215
Blakeslee, Howard R., 022-48-4724
Blakley, Mark J., 480-78-7256
Blue, James R., 283-50-7498
Bohn, Paula Marie., 273-50-1226
Bolasky, Glyn F., 219-70-1971
Bolibrzuch, Patrick J., 109-54-4263
Bolton, Benjamin R., 484-90-2114
Bonavita, Jeffrey J., 099-50-0814
Bonomi, Gregory L., 573-23-4907
Bontly, Susan W., 048-38-7764
Book, Gerrit A., 514-56-1493
Boston, Damon B., 315-72-8544
Bottoms, Ronald P., 525-11-1516
Boyd, Leighton K., 549-64-5048
Boyd, Steven H., 223-98-6922
Bradford, Debra S., 303-60-1872
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Newman, Scott J., 479-70-9949
Nichols, Dorothy M., 172-48-1326
Nielsen, Jeffrey P., 422-92-5356
Nist, Brent P., 416-78-3507
Nixon, John W., 069-40-3529
Nolan, Michael K., 123-58-5614
Nolan, Timothy P., 531-68-5002
Norsworthy, David W., 417-92-8639
North, Neland R., 494-66-9370
Nyhagen, Dennis A., 571-62-4783
Oetting, Thomas A., 421-80-2983
Oleson, John S., 450-74-5071
Olmscheid, Kevin L., 476-88-6850
Olson, Lawrence W., 472-60-7065
Olson, William B., 526-35-8789
Orourke, Patrick J., 196-42-2641
Orozco, Robert D., 066-54-7092
Orr, Richard W., 467-98-8069
Osborne, James D., 256-04-7853
Osteen, Esther E., 527-61-5174
Oster, Linda S., 508-62-1032
Ostertag, Jon E., 562-23-6756
Ott, Robert J., Jr., 149-50-7025
Overcast, Douglas P., 409-86-4368
Palmer, Glenn A., 401-02-9142
Paraska, Susan E., 265-04-7870
Parish, Mark, 091-56-8393
Parker, James E., 450-15-9392
Parks, Matthew A., 380-64-9073
Parks, Timothy S., 557-25-1968
Parman, Laura L., 456-92-9075
Patrick, Michael W., 310-50-1350
Patterson, Laura L., 367-58-0312
Patterson, Lester O., 255-94-1565
Patton, Robert E., 215-84-8321
Pauley, James W., 232-02-2461
Pawlowski, Eugene, 307-68-7571
Peale, Stevens B., 047-60-0517
Pejka, Jonathan D., 574-24-7731
Pelini, Jeffery V., 329-60-1251
Pellham, Gary L., 543-64-2309
Pennell, Michael L., 446-68-8239
Perales, Richard G., 526-17-9575
Peterson, Kurt I., 400-94-7590
Pettit, Stephen R., 251-08-3989
Petyak, Randy J., 091-50-2497
Phipps, John M., 409-02-0327
Pierce, Charles R., 243-82-2963
Pietrocola, Gregory P., 266-43-5996
Pillion, Robert, 090-38-9225
Pistole, Mark C., 127-38-0195
Plaster, Donald C., 494-60-0886
Plummer, Lancelot E.P., Jr., 084-38-5274

Pohl, Courtney A., 307-60-9423
Pohlen, Lawrence J., 476-64-9901
Pontoni, Michael E., 275-44-8532
Potter, Karen E., 159-40-0679
Preas, George R., Jr., 231-94-2328
Priddy, Kevin L., 262-25-4949
Priest, Eric P., 297-64-9979
Provoncha, Lizbeth, 266-39-0733
Quarre, Richard G., 551-06-2140
Quinlan, James T., 289-44-9195
Quinn, Dan M., 272-66-9889
Quinn, Patrick D., 307-56-0090
Racho, William S., 555-27-5792
Rada, Stephen J., 506-82-8244
Radford, Robert J., 009-52-5894
Ramirez, Jose L., 545-06-8796
Rampley, David M., 258-13-2545
Raubach, James B., Jr., 557-84-2612
Ray, Michael D., 512-50-3921
Reed, Dean, 557-31-2493
Reed, Kirk L., 476-64-9563
Reed, William M., 409-15-6342
Reehoorn, Robert D., 533-62-4668
Rehberg, Carl D., 566-96-1927
Reilly, John P., 116-36-5131
Rendon, Rene Garza, 464-94-7448
Renz, Keith D., 147-58-5716
Ressler, Michael L., 401-70-0435
Revell, Andre L., 239-08-9397
Rhode, Patrick L., 356-52-7223
Ricchi, Ronald R., Jr., 017-38-0039
Richardson, Louis E., 321-48-3781
Ricket, Kenny, 435-06-7110
Rider, David R., 379-48-4384
Ridings, Partick T., 415-96-3237
Riechers, Charles D., 284-66-2278
Rittinghouse, John W., 514-60-3439
Rizzon, Vincent A., 021-46-2241
Roberts, James E., Jr., 252-96-4967
Robinson, Ethel L., 218-54-5752
Robinson, John D., Jr., 461-04-6938
Robles, Jeffrey B., 433-74-5806
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Rollison, Michael L., 056-54-1127
Romeyn, Alexander, 564-04-1368
Root, David R., 519-58-2291
Rose, John H., 549-88-8888
Rosen, Paul M., 296-52-3678
Roukema, Robert C., 524-80-2778
Rozycki, Walter F., 547-23-7919
Ruebling, Larry D., 496-56-3789
Rush, John H., 507-86-3019
Ryan, Patricia C., 185-46-5118
Ryckeley, Michael F., 257-98-3614
Sabatino, Joan N., 496-64-3213
Salyards, John Lewis, 229-80-4530
Samnick, Steven A., 096-50-1566
Sanders, Dan J., 462-13-3718
Sanderson, Ian R., 027-40-4942
Sargent, Steven J., 011-54-1120
Saucier, Christopher A., 477-72-3241
Saunders, Scott S., 083-52-6904
Sax, Donald P., 111-50-3066
Scafidi, Anthony L., 192-44-3533
Scales, Walter E., Jr., 431-15-3670
Schaefer, Steven J., 573-08-4013
Schaeffer, John R., 479-60-5418
Schmidt, Thomas H., 212-52-1490
Schmiedeke, Joel D., 136-62-9654
Schneider, Dean L., 464-11-6191
Schofield, David B., 573-06-3271
Scipione, Kristin R., 088-50-5923
Scott, Robert J., 337-16-7783
Sengstaken, John R., 079-38-3461
Settembrine, Dominic T., 210-46-4187
Setter, Sheryl K., 118-54-4830
Schaffer, Kenneth N., 353-52-4788
Shanahan Dennis E., III, 360-52-1944
Shaw, Douglas W., 456-04-1809
Shaw, James W., 459-02-5098
Shaw, Patrick M., 537-64-2380
Sheesley, Eric L., 159-54-6194
Sheffield, Michael A., 244-08-7751
Sheldon, Stuart N., 325-46-3183
Shelton, William N., 249-19-2767
Sheridan, James J., 545-96-9206
Shields, David A., Jr., 402-84-1418
Shimon, Rick L., 523-90-9041
Shirey, Clarence B., Jr., 260-76-3304
Shockley, William L., III, 223-76-2995
Sholler, William R., Jr., 325-44-1274
Shore, Charles D., 257-11-6773
Short, Lois H., 441-56-4688
Shrader, Lawrence J., 176-44-0275
Shurila, Joseph A., 012-36-1174
Sibbitt, Larry W., 047-58-4036
Sibell, Russell E., 476-82-0498
Sidlowski, Alexander, 101-52-6412
Siebach, Christopher R., 418-82-0336
Siedow, Steven S., 477-62-9422
Simpson, Eric L., 392-66-0001
Simpson, Gregg W., 235-02-0446
Simpson, Mark E., 467-13-2028
Slane, Jean H., 515-74-7034
Slepetz John M., Jr., 023-50-8743
Smart, James W., 446-66-4462
Smith, Archie M., II, 264-86-2751
Smith, Donald E., Jr., 477-58-0974
Smith, Jane M., 003-46-6066
Smith, Jeffrey S., 217-68-7750
Smith, Joe D., 492-52-4966
Smith, John K., 546-90-4686
Smith, Michael C., 426-15-9948
Smith, Paul E., 231-86-7769
Smith, Philip, 021-42-0769
Smith, Renita D., 417-02-8931
Smith, Richard J., 381-60-3238
Smith, Scott A., 364-66-0257
Snipes, Steven T., 237-98-3764
Snodgrass, Faron B., 233-08-6236
Solterbeck, William D., 519-74-1362
Songer, William H., 262-98-6437
Spanjers, James L., 504-86-2957
Spencer, Alfred S., 260-82-3414
Sperry, Kent D., 399-64-1942
Spivey, Martha K., 464-19-5535
Staley, Ernest E., III, 562-33-2900
Staten, Gregory D., 424-92-3040
Stem, Taylor F., III, 459-39-6810
Stephenson, Earle W., Jr., 194-44-7940
Stevens, John S., 454-27-6356
Stevenson, Pamela D., 401-96-3597
Stewart, Jeffrey J., 131-54-4040
Stine, Russell L., 378-52-0692
Stipo, John R., 141-62-4993
Stipo, Joseph, 230-76-7960
Stokes, Clarence C., 121-40-3315
Stokes, Robert, 252-76-9679
Striebeck, Timothy, 467-21-6706
Stringham, Stephen D., 543-74-0341
Strong, Jeridan, Jr., 314-70-7554
Strother, Ralph M., 491-66-8157
Stupak, William A., 398-56-8506
Sullivan, Mark P., 583-70-3383
Sullivan, William J., IV, 276-60-6671
Suwinski, David H., 175-54-4944
Swan, Leon R., 477-66-0940
Swearengin, Rocky A., 497-60-4519
Sweigart, Tommy Glenn, 463-13-4364
Swillum, Mary L., 335-50-1989
Taetsch, Robert J., 374-60-7302
Talbot, Gary L., 424-64-2038
Talbot, Jonathan B., 046-64-3505
Tanis, Frederick J., 146-40-7495
Tarkington, Dennis L., 265-94-2431
Tarsi, Glenn H., 166-44-2989
Tavares, Felecia D., 527-21-8549
Taylor, David G., 227-62-8634
Taylor, John V., IV, 064-40-2290
Tevis, James S., 461-96-7927
Thatcher, Rex S., 158-46-4388
Theeck, Michael F., 366-60-8628
Thelen, Christopher J., 587-21-5392
Thomas, Bob J., 573-35-6989
Thompson, Douglas J., 563-94-7051
Thompson, Glenn K., 413-17-7375
Thompson, Randall W., 288-44-1212
Thompson, Thomas D., 575-66-3406
Thomson, David L., II, 280-50-0071
Tiernan, Michael J., 352-36-1576
Toll, Michael J., 286-56-4622
Topham, Keith C., 376-74-7213
Torre, Gilbert S., 572-23-3748
Towery, Charles R., 427-23-6105
Towne, Timothy W., 009-34-6397
Townsend, Dale E., 216-68-6748
Townsend, Walter R., 461-02-9450
Traudt, Michael C., 505-78-7320
Treat, David B., 046-58-9178
Trenton, Roger L., 441-48-3838
Trivette, Wendell A., 244-13-2051
Truscello, Neil J., 161-46-2642
Turbe, Charles L., 115-52-4768
Vandendolder, Teresa A., 046-62-5998
Vanetten, Jeffrey A., 111-48-9396
Vankooten, Mark J., 151-56-6217
Varga, Kerry K., 314-60-8969
Vastano, Michael V., 084-56-3983
Verderame, Kenneth, 148-48-8295
Vereb, Thomas E., 216-60-3107
Violette, Gerard R., 004-52-9556
Voelk, Donna M., 084-56-0703
Vogel, Philip J., 230-78-6233
Vogt, Russell G., 110-50-8057
Wackowski, Stephen M., 053-58-0660
Wade, Stephen M., 276-58-7771
Walden, Russell K., 231-84-4845
Walker, James B., 116-48-5328
Walker, Robert C., 080-46-9195
Walker, Timothy D., 464-25-7615
Walle, David C., 289-44-0662
Walmsley, James R., 221-34-3163
Walsh, John M., 536-60-2194
Walsh, Timothy J., 183-46-5756
Walters, Derreck D., 585-48-5354
Wangler, Peter T., 093-56-1689
Ward, Peter W., 024-46-8310
Warner, Donna L., 003-42-4376
Warren, Anthony J., 307-68-5578
Watkins, Alvin M., 245-04-0658
Watrous, Donald S., 213-52-0485
Watson, Furman D., 424-90-1745
Watts, Mark A., Sr., 427-94-3166
Wayson, Michael L., 213-78-7145
Weathers, George C., 452-94-5281
Webb, Janet L., 015-54-7638
Weiss, Edward J., 182-52-2282
Weisz, Kenneth S., 298-68-9312
Welsh, Byron M., 224-06-3261
Welsh, Don B., 524-78-8890
Wengler, Mathew S., 543-74-5363
Wenkel, Michael J., 337-46-9022
Wernette, Michael D., Sr., 259-04-7059
West, Scott D., 243-98-3153
Whaley, Wayne, Jr., 243-04-2488
White, William R., Jr., 246-86-9898
Wilcox, David J., 069-42-2343
Wiley, Raymond A., 012-54-4821
Wilhelm, William P., 459-25-3397
Willetts, Larry L., 456-11-5068
Williams, Antony G., 098-54-8166
Williams, Ingrid M., 516-88-7636
Williams, Larry, 371-52-8300
Williams, Marianne T., 142-56-5652
Williams, Michael D., 553-82-0169
Williams, Michael H., 262-39-8725
Williams, Stephen A., 525-13-6205
Williams, Tommy J., 441-66-4230
Wills, Vincent M., 219-70-2537
Wilmott, Brian S., 573-23-5980
Wilson, Benjamin R., 272-72-2381
Wilson, Michael C., 436-94-3841
Wingard, Terry D., 452-80-9073
Wintersole, Mark S., 448-58-8960
Wiswell, Thomas L., 004-58-8556
Witten, James O., 289-66-5528
Woehrle, Carl C., III, 192-38-6845
Wolf, Vivian K., 216-68-1711
Wolff, Frederic P., 066-38-0487
Wolfrom, Theresa L., 370-72-6206
Wood, Russell S., 260-02-1397
Woods, William J., 071-50-1988

Workman, Robert H., 414-78-2951
Wright, Jonathan C., 006-64-4460
Yaffe, Marc David, 030-52-5818
Yeip, Neal S., 356-62-2607
Yielding, Gary E., 444-62-8162
Young, David G., 422-76-9806
Zangari, Daniel J., 573-13-9368
Zehner, William J., 306-58-5540
Zettl, Gary B., 224-86-3820
Zink, Daniel R., 526-13-1387

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

ARMY

To be lieutenant colonel

William F. Norris, 440-46-7368
Leonard J. Roberts, 315-54-7074
Joseph D. Sebes Jr., 215-50-0597

MEDICAL SERVICE CORPS

To be lieutenant colonel

David G. Butcher, 576-54-0107

ARMY

To be major

Jon B. Christopher, 098-40-1126
David J. Enriquez, 461-86-7209
Derryl L. Finney, 214-54-4698
Rodrick L. Jones, 387-50-1514
John R. Martin, 513-56-0255
Gerald L. Savage, 439-70-3752
Roger W. Todd, 254-84-0041

MEDICAL CORPS

To be major

Christopher L. Case, 577-70-3971
Thomas B. Dougherty, 439-74-6977
Loraine G. Goodman, 201-40-7144

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, section 624:

ARMY

To be major

Abbott, Johnny R., 432-98-5853
Acree, Malcolm T., Jr., 229-78-3129
Acurio, Diane M., 159-46-0355
Adair, Ronnie M., 417-62-9494
Adams, Anthony J., 354-48-0769
Adams, John A., Jr., 416-62-4639
Adams, William L., 452-98-5417
Adams, William T., 263-08-4037
Adelman, Steven J., 545-66-6510
Agness, Wayne C., 279-50-4393
Aikens, Bernard, 587-62-1079
Akroyd, Claudia M., 221-40-8190
Aleshin, Nicholas, 081-38-8722
Alexander, Daniel R., 048-48-6715
Allen, Jonathan, 424-68-4896
Allen, Larry R., 421-78-4579
Allgeier, Linda A., 520-52-7133
Allison, Avery V., Jr., 419-66-1632
Allwein, Kelcy M., 524-78-8779
Almas, William F., 262-13-8742
Alspach, Rita M., 268-50-5614
Alt, Leonard A., 053-40-1061
Amacker, Steven D., 267-02-6319
Amende, Roger A., 407-64-4777
Anderson, Clinton T., 231-70-6270
Anderson, Edward B., 040-50-9050
Anderson, Edwin W., Jr., 260-86-5572
Anderson, Martin F., III, 018-80-8785
Anderson, Michael E., 225-80-6216
Anderson, Peter C., 474-54-7867
Anderson, Richard B., 534-54-4958
Anderson, Ronald, 577-70-9508
Anderson, Samuel W., 263-02-7341
Andreasen, John P., 474-66-9502
Angelacci, Andrew A., 210-36-1382
Angle, Charles D., 220-56-3966
Annen, David M., 389-62-7586
Antis, Robert M., 374-60-8415
Applin, David L., 182-46-4283
Arbucci, Anthony A., 046-42-8802
Armstrong, James E., Jr., 553-84-8305
Arnold, Scott T., 400-68-9770
Arnwine, Martemas, 141-48-6165
Arosteguy, Robert, 569-84-4260
Askey, Robert W., 120-44-2671
Astin, Roger W., 528-80-4611
Athan, Byron D., Jr., 545-78-3675
Atkinson, Richard B., Jr., 247-76-9486
Atkins, Frank G., 261-98-4890
Aultman, William R., 257-78-4993
Austin, Lloyd J., III, 253-80-5848
Austin, Thomas A., V., 228-82-8484
Austria, Duane A., 575-62-6980
Avants, Stewart E., 526-88-2349
Ayers, Thomas G., 357-44-3058
Babb, James D., 259-78-3642
Bacharach, Sam A., 519-50-4700
Bachus, Bruce D., 459-92-3386
Badger, Scott B., 100-46-2092
Baehr, Edward J., 041-48-3983
Baggett, Lewis E., 412-74-1375
Baker, Allen S., 431-86-2970
Baker, Byron G., 430-06-4845
Baker, Claude P., 418-76-9877
Baker, Daniel F., 272-44-1030
Baker, Francis L., 587-40-6001
Baker, Larry G., 302-42-5832
Baker, Philip J., Jr., 094-40-7443
Bakken, Harold L., 501-66-7868
Ballagresti, Joseph A., 144-46-3416
Ballenger, Barbara A., 460-90-0204
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Baltimore, Roland T., 228-62-8784
Banaszak, Michael A., 174-44-1914
Bandy, Dan D., 409-92-1537
Banks, James O., 229-76-2453
Baratta, Robert T., 194-46-5354
Barbero, Eugene G., 162-44-5356
Barciak, Francis J., Jr., 219-60-3476
Barget, Joseph H., Jr., 225-80-5721
Barker, William C., 478-70-9144
Barnes, Bernard A., 214-58-4243
Barnes, Jack D., 335-40-0070
Barnes, Todd C., 211-36-8365
Barnette, Philip L., 405-64-2593
Barno, David W., 117-48-9794
Barr, Robert A., 524-74-3906
Barrett, Llewellyn, III, 587-50-5702
Bartling, Jay R., 504-62-7487
Barton, David W., 293-52-6076
Barton, Howard E., Jr., 264-06-2463
Barton, John W., 585-12-4524
Barton, Roy B., 433-76-8269
Bashay, Charles A., 227-78-5942
Basista, Michael R., 188-32-5295
Bass, John C., 452-80-9534
Bauerle, Robert C., Jr., 466-78-7424
Bauleke, Gary D., 468-68-8647
Bautista, Robert M., Jr., 534-50-8369
Baxter, Michael P., 568-80-5185
Bayse, Richard S., 464-94-5692
Beacon, Steven P., 556-84-4626
Beall, John T., 454-88-3808
Bearce, Michael B., 585-16-9036
Bearden, Michael R., 256-88-5827
Beatty, Kenneth D., 295-48-9499
Beck, Lenora H., 587-54-5825
Becker, Partick J., 042-50-9446
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Belanger, Vangeorge R., 008-44-5678
Bell, Austin D., III, 266-13-2477
Bell, Honor M., 433-68-6965
Bell, Richard R., 225-76-1549
Bell, Robert E. III, 223-84-2006
Bell, Thomas S., 228-70-0433
Bell, William R., 514-42-2675
Bellene, Stephen, 135-50-1959
Belton, Robert T., Jr., 538-58-9983
Bendas, Christine, 355-40-2017
Benefield, James T., 420-72-7107
Benkufski, Steven J., 501-66-9566
Benn, James F. Jr., 419-74-9105
Bennington, Barbara A., 262-15-4759
Benoit, Andre L., 009-36-0008
Bentley, David A., 423-72-9846
Berens, Thomas A., 481-62-2487
Berg, Bryan S., 330-46-8507
Berge, Karl L., 370-54-9002
Berger, Patrick J., 368-56-5136
Bergman, Jeffrey C., 443-56-4993
Bergner, Kirk M., 453-02-2304
Bergum, David G., 381-58-7848
Bero, Victor, J., 458-96-7923
Berry, Bruce R., 311-60-1671
Berry, John H., 432-98-3570
Berry, Reginald R., 450-06-6852
Berwick, Bruce A., 516-72-6136
Best, Louis R., 378-50-2335
Betancourt, Daniel A., 403-80-9572
Bethea, David K., 587-80-6989
Bethea, David W., 244-90-1362
Betteker, James M., 294-48-2995
Bice, Vernon C., 527-94-8509
Bierie, Richard T., 275-54-3801
Bir, Anthony, 313-48-5285
Birchfield, Gary D., 409-82-6282
Bischoff, Jeffrey C., 170-38-6219
Bishop, Gary M., 475-62-7632
Bishop, James R., 445-46-2753
Bishop, Roy V., 429-02-4634
Bithos, John F., 568-98-3698
Blakeney, John O., 438-86-8207
Blankmeyer, William J., 191-44-1213
Bly, James H., 144-46-7081
Bock, Bradford R., 035-32-7787
Boetig, Christopher D., 093-46-3609
Bolick, Joseph A., 264-74-6395
Bolzak, Jerry R., Jr., 050-46-3408
Bond, Stephen J., 529-80-6869
Bondy, Raymond J., 291-52-8607
Boney, Glen M., 587-56-7069
Bonney, Daniel J., 096-46-4909
Bonney, Paul M., 091-46-7764
Bonometti, Robert J., 152-48-7162
Booth, David E., 265-04-3519
Boothe, David A., 412-74-9245
Borcheller, James R., 218-58-7669
Borman, Edwin S., 458-80-8267
Borneman, Harland M., Jr., 388-60-5560
Bosko, Victor J., 122-38-0277
Bostelman, Kenneth P., 297-50-7238
Boudreau, David E., 011-42-8513
Boulware, Princess A., 407-64-4866
Bourne, Stephen J., 432-02-1735
Bourque, Stephen A., 043-42-2833
Bowen, Thomas W., Jr., 557-92-6542
Bowers, George E., 227-80-8991
Bowers, Kerry A., 527-76-4899
Bowers, Walter R., 454-90-1898
Bowman, Carl C., 297-50-6227
Bowman, Keith W., 437-90-1901
Bowman, Vicki Y., 573-92-4779
Boyce, James T., 161-36-2297
Boyd, Donald R., 450-98-9293
Boyd, George G., 194-36-8639
Boyd, Kenneth D., 203-42-8779
Boyd, Ricky E., 417-78-8312
Boyers, Charles A., 253-88-6728
Boyko, Robert G., 042-46-8409
Boylan, Joseph T., Jr., 096-46-4538
Boyle, James W., Jr., 168-44-5803
Bracey, Earnest N., 587-26-9990
Bracket, Michael L., 505-62-5399
Braden, Timothy J., 560-88-3375
Bradford, Edward M., Jr., 230-76-6530
Bradley, Charles, Jr., 452-72-5323
Bradley, Leon, 249-96-8728
Bradley, Rawskia, 223-76-5353
Brady, Michael J., 221-32-8932
Brantley, Maxey D., 467-94-6116
Branz, Thomas L., 332-46-7045
Bratz, Kay E., 222-32-3443
Breen, David L., 391-58-2398
Brewer, John F., III, 574-26-0860

Brewster, Philip S., III, 510-62-4443
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Briggs, Aubry L., 528-68-1355
Brindel, Sherrill L., 512-56-9621
Brindle, Gary L., 176-44-0975
Brinn, Harriett L., 240-92-0968
Brooks, David K., 517-62-0213
Brooks, Fred W., 484-62-9692
Brooks, Otis M., 238-86-8138
Brooks, Randolph E., 488-60-8651
Brostrom, David P., 558-74-7864
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Westbrook, Sheila M., 532-44-1742
Wickwire, Frederick K., 482-56-1065
Wilhelm, Katherine J., 271-52-9621
Wilkins, Wanda K., 244-86-4313
Williams, Rita L., 401-66-7750
Wise, Wayne C., 436-84-4974
Woolnough, Nancy A., 522-66-2499
Wright, Yvonne B., 577-76-7534
Wyckoff, William J., 093-38-9851
Yaney, Sandra F., 200-46-6251
Young, Kathleen K., 359-40-7728
Yungbluth, Joseph A., 507-60-1684
Zamora, Donald B., 528-78-8918

IN THE NAVY

The following-named temporary captains of the reserve of the U.S. Navy for permanent promotion to the grade of captain in the line and staff corps as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

LINE

Burroughs, Robert P.
Hawkinson Arthur A.
Patterson, Robert A.
Raleigh, James, J., III
Schafer, Robert W.
Tarleton, Lee A.

SUPPLY CORPS

Osmon, Robert E.

The following-named temporary commanders of the reserve of the U.S. Navy for permanent promotion to the grade of commander in the line, pursuant to the provisions of title 10, United States Code, section 5912:

Birzer, Norman Q.
Carson, Cary D.
Feller, Rainer
Hampe, Walter R.
Harris, Oscar I. Jr.
Howard, John D.
Keith, Stephen T.
Kraus, George W.
McMorrough, John D.
Medulan, John J.
Miller, David W.
Mortensen, Ivan J.
Navickas, Richard G.
Scully, Thomas J.
Simonson Scott T.
Spangler John H.
Threlkeld Walter F., Jr.

IN THE NAVY

The following-named lieutenants of the line of the Navy for promotion to the permanent grade of lieutenant commander pursuant to title 10, United States Code, section 628, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE (11XX/13XX)

Sabalos, Nicholas, and Thielemann, George J., III

IN THE NAVY

The following-named Navy Enlisted Commissioning Program candidates to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Alfred, Orlando A.
Baker, Charles R.
Bigalbal, Rustico L.
Carruth, Richard G.
Gero, Ronald M., Jr.
Gilbert, David E.
Holcomb, Nancy J.
Knapp, Frederick L.
Preston, James M.

The following-named Naval Reserve officers to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Bladow, Craig W.
Borland, Curtis E.
Brennan, Jennifer L.
Bricker, Paul R.
Cummings, Michael G.
Fuller, Luther B., III
Gordy, Samuel J.
Harrison, Michael C.
Henze, Roger H.
Lipscomb, Michael P.
Manzanet, John
McHugh, Kevin G.
Meetze, James A., Jr.
Murray, Stewart L.
Palma, Timothy R.
Porter, Gregory R.
Rands, Steven R.
Reissener, Brett A.
Sachse, Thomas W.
Soens, Francis J.
Strong, Thomas R.
VanMeter, Guy E.
Wanner, John M., Jr.
Weadick, Gregory R.
Wotipka, Donald G.
Wright, Merrick L.

Frederick E. Ludwig II, ex-Naval Reserve officer, to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

The following-named U.S. Navy officers to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593:

Dufour, David R.
Pratt, Steven G.
Rodriguez, Alexander R.H.

Timothy S. Smith, commander, U.S. Navy, to be appointed permanent commander in the Dental Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

James W. Crawford, commander, U.S. Navy, to be appointed permanent commander in the line of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

IN THE MARINE CORPS

The following-named temporary disability retired officer for reappointment to the grade of major in the U.S. Marine Corps, pursuant to title 10, United States Code, section 1211:

Johnson, James M., 0903

IN THE MARINE CORPS

The following-named Marine Corps Enlisted Commissioning Education Program graduate for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code section 531:

Harold, D. Jones, 1162

The following-named Naval Reserve Officers Training Corps graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, sections 531 and 2107:

Richard S. Babcock, 4340
Dale L. Capwell, 0580
Ronald M. Clifton, 1437
Daniel N. Marquis, 8282
Joel S. Sauer, 9226
Michael T. Simmons, 6623
Wellington Y. Wheaton, 1376

EXTENSIONS OF REMARKS

IMPACT OF OIL MERGERS SEEN

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. FLORIO. Mr. Speaker, we are continuing to see the troubling ripple effects of the current wave of giant oil mergers. A recent article which I am inserting in the RECORD reports that one of the parties to a merger is selling off some of the assets it acquired in an effort to pay off part of the enormous debt resulting from the merger.

Among the concerns raised about the giant oil mergers has been their impact on credit and the debt structure of the industry and the possible adverse consequences for exploration for new reserves. Events such as those reported in the article appear to lend support to the arguments of those who questioned the viability of the companies resulting from the mergers.

The broader lesson to be learned here is that we should stop rushing through approval of these mergers without adequate review and consideration of the consequences. My bill, H.R. 2777, is designed to improve procedures for consideration of oil mergers so we can be assured of a more deliberate approach.

[From the Philadelphia Inquirer, July 19, 1985]

GULF REFINERY IN SOUTH PHILADELPHIA FOR SALE, CHEVRON SAYS

(By Andrew Cassel)

Chevron Corp. is seeking buyers for its Gulf Oil refinery in South Philadelphia and up to 2,000 service stations in the region, company officials confirmed yesterday.

Several major U.S. oil companies and foreign-owned concerns have expressed interest in the 370-acre facility that employs nearly 800 workers, although no "serious negotiations" have taken place, Chevron officials said.

Chevron is putting its East Coast properties into a package that it hopes will sell quickly and help pay part of the company's $14.1 billion debt, which it took on in the 1984 merger with Gulf Corp., officials said.

In addition to the refinery, the package would include adjacent gasoline terminals, oil-storage "tank farms" and about half the 4,000 Chevron and Gulf gasoline stations from Maine to Virginia.

Whoever buys the properties would own "a balanced company that could continue operations as an ongoing buisness," said Orvis Larsen, a Chevron executive who heads an East Coast task force for the company.

Larsen insisted that a sale is only one of several options being considered by Chevron. But he said the company has told prospective bidders it would be willing to tailor a package to suit their needs, adding or subtracting gas stations or other properties to help speed a sale.

"The main driving force behind what we're doing is reduction of our debt," Larsen said. Chevron began offering information packages to prospective bidders about three weeks ago, he said.

The package would include enough gas stations and wholesale supply contracts to handle the refinery's output, which can equal 175,000 barrels of oil per day.

"The marketing assets included would move a volume of produce that's just about equal to the production of the refinery," Larsen said.

Chevron has sold a number of former Gulf properties, including an oil refinery in Louisiana and gasoline stations in the Southeast. The company was near a separate $2.2 billion agreement this week to sell its Gulf Canada Ltd., subsidiary to the Reichmann family of Toronto, but the buyers pulled out at the last minute, forfeiting an $18 million deposit.

Among the reported bidders for Chevron's Southeastern properties last year was Kuwait's government-owned oil company, which industry observers said is interested in obtaining an outlet in the United States for its crude oil. Larsen said some of the prospective bidders for the East Coast properties are from overseas, but he declined to identify them.

Industry experts said that Dutch oil trader John Deuss, who last month agreed to buy the Arco refinery in South Philadelphia from Atlantic Richfield, was examining the Chevron/Gulf properties.

"There's a lot of speculation about Deuss looking at it," one oil industry official said.

Other industry observers doubted that Deuss, who is paying $420 million for Arco's refinery, terminals, pipelines and more than 500 gasoline stations and convenience stores in Philadelphia and New York, could finance another deal of comparable size.

"It would stretch him, unless he bought it for a country like Oman," said one oil trader familiar with Deuss' operations.

Deuss has dealt heavily in Omani crude oil, and is said to have close ties in the Persian Gulf sheikdom.

John Simmons, the retired Arco executive who has been representing Deuss in his dealings in Philadelphia, said he did not know whether the Dutch trader was interested in Gulf's refinery.

"I would be very much surprised if that were the case," he said.

Another source familiar with both Philadelphia refineries said they had different technical strengths and could be operated together without undue duplication.

"They are extraordinarily compatible units," he said.

Unlike most of Arco's stations in this area, which are owned by the company and rented to dealer-franchisees, nearly all of Chevron's stations are owned by dealers or distributors who sell Chevron- or Gulf-brand gasoline under a supply contract with the company.

Gulf stations in this region recently abandoned their widely promoted policy of charging credit-card customers the same price as those who pay with cash. Chevron stations had been charging extra to cover credit-card processing costs, and that policy has been extended to Gulf stations, a Gulf official said.

Arco's sale to Deuss was part of its massive abandonment of the gasoline market east of the Mississippi River and its repositioning as a West Coast rather than a national marketer of petroleum products.

Chevron, which became the nation's largest seller of gasoline after the Gulf merger, is not planning a similar restructuring, officials said.

ROBERT BARTLEY ON TOYING WITH DEPRESSION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. KEMP. Mr. Speaker, yesterday's Wall Street Journal contains the best analysis I have seen of the dangers which lurk in the current mindless itch in Congress to start a worldwide trade war.

Wall Street Journal editor Robert Bartley's article, "Toying With Depression," explains the remarkable similarities between today and the early 1930's, and points to the need for systemic reforms of trade, finance, and the monetary system—not Smoot-Hawley protectionism.

I commend this article as "must" reading for my colleagues.

The article follows:

TOYING WITH DEPRESSION

(By Robert L. Bartley)

For nearly two generations a remarkable consensus dominated American thinking on foreign trade. Protectionism is bad. There was no debate; everyone agreed, but we have forgotten why. Today Congress is awash in protectionist schemes, and it takes an old man to recall that the lesson was painfully learned.

"Some of us remember the 1930s, when the most destructive trade bill in history, the Smoot-Hawley Tariff Act, helped plunge this nation and the world into a decade of depression and despair," President Reagan told a radio audience Saturday. "If the ghost of Smoot-Hawley rears its ugly head in Congress, if Congress crafts a depression-making bill, I'll fight it."

The stock-market crash of 1929 came in the midst of debate in Congress over the tariff; it had spent the year adding item after item to the protection list. In mid-1930 the Smoot-Hawley bill became law, with the highest tariffs in the nation's history. What might have been an ordinary correction—early 1930 showed a recovery in share prices and stabilization in industrial production—turned into the Great Depression. The economy fell until 1933, and fully recovered only with World War II.

ENGINE OF ECONOMIC PROGRESS

After the war, America led the world to a historic open economic order. Following the

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

path set in the Roosevelt administration by Secretary of State Cordell Hull and his reciprocal trade agreements, the international community created such institutions as the Bretton Woods monetary agreement and the General Agreement on Tariffs and Trade. The long postwar boom dawned. These experiences etched into our national consensus, and in particular into the minds of President Reagan's generation, that free trade means prosperity and protectionism means depression.

Economists have of course made much of this argument since Adam Smith. They find that the principal engine of economic progress is the law of comparative advantage; if each good is supplied by the lowest-cost producer, all will be richer. And the more widely comparative advantage works, the more wealth it creates. By blocking comparative advantage, protectionism hurts those on both sides of a barrier. Such arguments fell on deaf ears when 1,028 economists petitioned President Hoover to veto Smoot-Hawley; after the Depression they were readily accepted.

Economists have of course offered many explanations for the Depression besides Smoot-Hawley. At the time, many economists thought the Depression was caused by some kind of technological exhaustion, a theory that vanished when growth returned. The Keynesians explained the Depression in terms of liquidity traps and accelerators and multipliers, a vocabulary that now seems quaint after stagflation and other things impossible in a Keynesian universe. The monetarists think the Depression was caused by M1, though others find its zigs and zags then as puzzling as those today. Some still see the villain as speculation; in fact, at the 1929 high the Dow Jones Industrials were bid up to a price-earnings ratio of 20—high, but far from a tulip-craze level.

The Depression was nothing if not international, and thus there is also an international interpretation. Indeed, at least to judge by a summer immersion in Depression literature, those who look to the international economy for causes are both numerous and increasingly persuasive. Their explanation is succinctly put by Peter Fearon of the University of Leicester, "The origins of the great slump, which began in 1929, are to be found in the United States, which, by reducing its capital exports and imports of goods, placed an impossible strain, directly and indirectly, upon the world economy."

Sketching the economic landscape on the eve of the Depression is instructive, not to mention eerie:

First, an unprecedented international debt crisis. The U.S., historically a foreign borrower, entered World War I with a net debt of $3 billion. It lent to the allies, and emerged with foreign net credits of some $6 billion, which Britain, France and others planned to repay by collecting reparations from Germany. After the war U.S. bond houses floated issues for Germany, Latin America and others, Mr. Fearon remarks: "During the 1920s several U.S. finance houses changed their tactics from the traditional one of waiting for the borrowers to come to New York to the more aggressive approach of sending out agents in search of potential borrowers. This move led to fierce competition, with many agents urging clients to borrow to the hilt."

Second, a declining price level, especially for primary products. Until 1928, the Federal Reserve kept interest rates low in what was thought of as an easy money policy. But prices were level to slipping, and as usual minerals and food fell most sharply.

Third, agricultural distress. Falling prices brought screams from agricultural states. Whether the actual Farm Belt distress in the 1920s was commensurate with the complaints is in retrospect an open question. Modern and well-financed farms prospered until the Depression itself. But the heavy food demands of the war led to overexpansion, inflated land values and heavy debts for many farmers. As prices topped out, the values collapsed and debts became unmanageable.

Fourth, exchange-rate problems. After the war, nations gradually proclaimed their return to the gold standard, but increasingly declined to follow its rules. The U.S. allowed its price level to decline despite holding nearly 40% of the world's monetary gold reserves in 1921, for example. In what most consider a mistake, Britain returned to gold at the pre-war level, while the franc returned at a lower level. Like the U.S., France gained gold but felt that adjustment was the responsibility only of nations losing gold.

Fifth, a fiscal policy of supply-side tax cuts. Most reviewers of the period take a Keynesian view of fiscal policy, suggesting that too much devotion to a balanced budget helped cause the Depression or at least inhibited its cure. To supply-siders, the important feature of the 1920s was the remarkable series of tax cuts promoted by Treasury Secretary Andrew Mellon. Attacked by some as sops to the rich, the cuts were accompanied by the 1920s boom.

For the U.S. this landscape was rosy—gains in production, a stock-market boom, lower prices, lower taxes, a balanced budget, a strong dollar—the Roaring '20s. Then the Depression burst forth.

The internationalist writers—Charles Kindleberger, Mr. Fearon, Heywood Fleisig—find its first signs in a drop in U.S. lending abroad during 1928 and 1929. Frightened by the stock-market boom, the Fed tightened in 1928. U.S. loans abroad dipped, while foreigners poured more funds into the U.S. A drop in the flow of capital from the U.S. put further pressure on weak foreign economies. With the capital account flows drying up, the only way other economies could earn dollars to buy American goods or service American-held debt was through trade. To sustain the international economy, in other words, the U.S. had to import.

Instead, the path to trade protection opened in the waning days of the 1928 campaign, when presidential candidate Hoover promised to call a special session of Congress on agricultural relief. It quickly became apparent that this meant raising the tariff, which Joseph Schumpeter described as the "household remedy" of the Republican Party.

In December Rep. Willis Hawley's Ways and Means Committee announced public hearings on a tariff revision, and his call was not limited to farm goods. As the bill passed the House in May, was heard by Sen. Reed Smoot's Finance Committee and reached the Senate floor in September, more and more industries climbed on the bandwagon. After more months of haggling, the conference committee accepted the highest tariffs in either bill. President Hoover, consoling himself with the observation that it contained authority for the executive branch to change the rates administratively, signed the bill into law.

U.S. imports, $5.9 billion in 1929, fell to $4.4 billion, $3.1 billion and $2.1 billion in the next three years. With the capital account closing and imports declining, U.S. exports necessarily fell, and retaliatory tariffs abroad further advanced the cycle. Trade closed around the world. With the austerity policies of the Bruning government, deflation was particularly severe in Germany, where Hitler assumed full power in 1933. One writer, Goronwy Rees, says that Smoot-Hawley "convinced Japanese public opinion that American policy would not tolerate the legitimate expansion of Japanese trade," and Japan turned back to conquest instead.

Clearly the Smoot-Hawley tariff was a colossal blunder, but just as clearly it was but one mistake in a series. Was it the decisive one? The financial and psychological causes often offered for the Depression seem somehow inadequate; so deep and persistent a collapse seems to call for an explanation based in the real economy, for example trade in goods and services blocked by protectionism. But because Smoot-Hawley didn't become law until nine months after the stock-market crash, it has not usually been considered the cause of the Depression.

But quite plausibly it was the cause after all, in light of Jude Wanniski observation that the market crash came precisely as congressional maneuvering made it clear the tariff bill would go beyond agriculture. We now know that the stock market does anticipate events in just such a way, and Mr. Wanniski also finds other correlations: The market broke with news of the special session and with House passage of the bill, and stabilized in early 1930 on the hope of a presidential veto. Both stocks and commodities broke sharply as soon as Hoover announced he would sign the bill.

Even if Smoot-Hawley was not the cause, it certainly played a leading role in the ongoing contraction. When it passed, stocks were still above 1928 levels, for example. But as the international accounts closed down, the world economy choked.

GHOST OF SMOOT-HAWLEY

In the largest sense, the Depression was caused by the interaction of political and economic events. What is troublesome is to see the same politico-economic scenario working itself out today: International debts, falling primary prices, agricultural distress, an end to foreign lending, and now rising clamor for protection. No one intends to write another Smoot-Hawley, of course, but no one intended to write the first one. Once the notion of protection was let loose by Hoover's special session, more and more protection was claimed by special interest after special interest. As Mr. Kindleberger put it, "The congressional rabble enlarged protection from agriculture to primary products and manufactures of all kinds."

With some 300 protectionist bills now before Congress, we are indeed seeing the ghost of Smoot-Hawley. If we toy with protectionism, we will be toying with another depression. But at least a 74-year-old man is around to remember, throwing an ironic cloak over "the age issue." In facing the protectionist threat, we are singularly lucky to have an old and experienced President who lived through it the last time.

INFORMING THE PUBLIC

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. FRANK. Mr. Speaker, earlier this year the Office of Management and Budget proposed regulations which would substantially curtail the amount of information about our society which is collected and made available by the Federal Government. The Subcommittee on Employment and Housing of the Committee on Government Operations, which I chair, held hearings on this matter and these hearings confirmed my view that the proposal as originally made would be a disaster for the intellectual, political, and economic life of our country, because of the extent to which it would curtail in forum debate.

I was pleased to read, during our recess, an article by a very distinguished economist, Prof. Carolyn Shaw Bell of Wellesley College, documenting the harm this proposal would do. I ask that Professor Bell's article from the August 13 Boston Globe be printed here.

INFORMING THE PUBLIC

(By Carolyn Shaw Bell)

A proposed regulation from the Office of Management and Budget threatens this paper, its readers and anyone who cares about any public issue. Dump sites for hazardous waste, the seatbelt bill currently being considered, jobs lost to low-wage countries or the impact of exit polls on voting behavior are issues only because facts about these conditions exist.

The OMB regulation proposes to restrict, severely, the public availability of information collected from the public and paid for by taxes on the public. Federal agencies now collect information needed to carry out their congressionally assigned tasks. For example, every employer must report on a quarterly basis wages and Social Security taxes paid for every employee. From such reports figures on total taxes paid, number of people covered, type of employer, and so on, have routinely been published. But from now on, if may not happen.

Language in the proposed regulation says, "Agencies would have to show that information dissemination activities were essential to their missions," and of course the Social Security Administration does not need to publish these figures to keep accounts for people.

The Globe regularly publishes the Department of Commerce figures on international trade, exports and imports. Most people have read about the number of millionaires who pay no income tax, reported by the IRS. Asbestos and lead poisoning became known as public dangers after the National Center for Health Statistics had published, year after year, data on the causes of deaths. The figures are collected to help these agencies carry out their congressional missions, but all three could function without sharing this information with the public. If the OMB proposal were in effect none of these facts would be "essential" and they would not, therefore, be provided.

The regulation also requires that information be disseminated only by "imposing user charges where appropriate" and with "maximum feasible reliance on the private sector." Today agencies commonly issue press releases describing key points in their new information. TV, radio and the newspapers can report this news and interested parties can buy the complete reports. And since many public libraries and those at colleges and universities receive government documents and periodicals almost everyone can learn about all the information. How will this change?

Libraries with limited budgets will not be able to pay for everything they now receive and probably many reports will be discontinued because they are not cost-effective. Perhaps the news media will pay to subscribe to press releases; the prices charged for government publications will rise because of fewer buyers.

But some users would pay, and willingly. Publishers and consultants can now buy, very cheaply, computer tapes of federally-collected statistics, repackage them in glossy almanacs or directories and sell "their" information for high prices. Under the new regulation, such, volumes will become far more profitable, because the agency reports now available to knowlegeable users may no longer exist.

Much existing information is so taken for granted it is difficult to imagine doing without it. A local committee can plan housing for the elderly with accurate numbers from the Department of Housing and the Bureau of the Census. Advaocates for or against repealing the state income surtax have plenty of figures from the Treasury Department.

But such groups will be reduced to using rhetoric and opinion instead of convincing information if the OMB proposal goes into effect. The regulation proposes that the private sector take over many of the surveys and data collection programs now managed by federal agencies, and sell their information rather than releasing it generally.

The private sector has no particular interest in collecting all the useful information, only that which can be profitably marketed. The private sector need not design objective programs to collect complete figures on a regular basis.

Instead, controversy will sponsor the publication and collection of information by those lobbying for one side or another. Evidence about air pollution malnutrition or prison brutality can be produced to whip up fears or to reassure readers. State and local figures on employment, street crimes or recreational facilities can be collected and disseminated to bolster the political aims of the private-sector organization producing the data.

Only government is charged with the public interest and the general welfare. Government-collected information is widely available to dispel ignorance so that the public can make informed choices.

The full impact of the proposed regulation is still unknown. Only one brief public hearing has been held. And most people will discover, too late, how harmful the regulation is.

OMB insists no censorship is planned nor any denial of the public's right to know. But it has also made no real attempt to let people know about the proposal, nor campaigned for a wide range of comment, nor alerted potential users. Presumably it is not "essential" to the mission of OMB that information be disseminated about the proposed regulation. The threat is real, and everyone has a stake in the outcome.

NATO AND THE PUBLIC

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. GARCIA. Mr. Speaker, in November 1984, the North Atlantic Assembly Committee on Civilian Affairs, which I chair, published a report on the need for a more effective NATO information service. The report was prepared by my friend and colleague, the committee's general rapporteur, Dr. David Clark.

I believe the report to be particularly apropos in light of any adverse affect the West German spy scandal may have had on public opinion of NATO. If the people knew more about NATO then they would be better able to assess problems confronting it. It is important that the general public understand the importance of NATO, and of course, the continued crucial role that, our friend and ally, West Germany plays in that organization. The Atlantic Alliance is much more than bombs and bullets; it is concerned with keeping the peace and legitimate East-West dialog.

Dr. Clark's report offers some excellent suggestions as to how NATO can better communicate its message to the public. I am inserting excerpts from the report for my colleagues' perusal. I can make available a complete copy of the report for anyone who is interested.

NORTH ATLANTIC ASSEMBLY, COMMITTEE ON CIVILIAN AFFAIRS, GENERAL REPORT ON THE PUBLIC AND THE ALLIANCE

SUMMARY

The Rapporteur aims at identifying the difficulties in communication between the public and NATO, and at suggesting ways of solving them.

I. The State of Public Opinion

The aims of the Alliance are not well-understood by the public. Since the fear of a war has increased in all Alliance countries, and since nuclear war would be utterly catastrophic, the flexible response strategy has not answered public concerns, especially as opposition to nuclear weapons has increased in the last few years. The Rapporteur's assertion is that deterrence rests largely on public support, and that a consensus on the Alliance therefore has to be re-established.

The defence will of citizens has a direct bearing on defence spending, since parliaments have to vote appropriations. At a time when the nuclear threshold should be raised, for strategic as well as public reasons, the public passivity over defence is a matter of concern.

National differences and party-political approaches have also accounted for a lessening of the consensus on the Alliance.

II. Issues Affecting the Public

Three problems have been detrimental to the comprehension of Alliance strategy by the public. The fact that NATO has based its policy on a nuclear response means that any change of vocabulary by the United States is misunderstood in Europe. Conversely, the fact that a large majority of the US public is determined to support the use of US troops if Western Europe were to be attacked is not known.

A clearer association between the Alliance and national survival is also needed. People can more readily understand the necessary demands that are made of them if they can see that their own survival as a national entity relies upon the perpetuation of the Alliance.

The public's dissatisfaction can also be noticed in the discrepancy between some elements of the Alliance's strategy, and relatively new problems, such as the safety of supplies or the need for a European pillar of the Alliance.

III. A New Information Structure for NATO

The Rapporteur describes the present information structure of NATO, based on purely national responsibility. He advocates a more positive approach in each member-country, with the emphasis being placed on variety, by setting up bureaus which would operate through the organizations existing in each country, such as political parties, trades unions, interest groups, etc. The example of the EEC is a case in point.

In NATO itself, the Committees dealing with information should be upgraded and their role in presenting communiques increased. NATO has to realise that information has become a vital part of the Alliance's strategy, since its credibility relies very largely upon it.

INTRODUCTION [1]

1. Governments in democratic countries have to take decisions, even when they are unpopular, but they cannot do so against the wishes of their electorate, when these are expressed by a vote. Furthermore, it is difficult to pursue policies which are contrary to the public mood. However, "public opinion" is much more elusive concept than the electorate, which is a reality expressed by the vote. We are therefore torn between the two extremes: on the one hand, democratically-elected leaders have to take public feelings into account, if only out of prudence, whereas, on the other hand, these cannot be identified clearly. The instruments for measuring support for policies are not perfect, and we are left with an impressionistic approach.

2. What a politican can do, however, is to try to identify problems as he sees them with the help of whatever tools he can find, and offer suggestions for meeting them. In this respect, your Rapporteur should like to express his thanks to those colleagues on this Committee who have sent him results of opinion polls in their countries on the subjects he will be addressing in this report.

3. It is necessary, when dealing with opinion issues, to caution against some misunderstandings. First, it is useful to distinguish between the public as a whole and the leaders, or opinion formers, who are better informed than the general public and share some of the vocabulary and concerns of the decision-makers. Although some of the examples in this report will relate to leaders' positions, if only because of their influence on public opinion as a whole, the report will focus on the attitudes of the public itself. The second caveat arises from the difficulty of comparing results of opinion surveys, especialy on an international basis. Methods vary from country to country, the questions are not strictly the same, and even the same words can bear different connotations. Your Rapporteur would therefore wish to be particularly careful, drawing general conclusions only insofar as they represent visibly a basic framework. Moreover, your Rapporteur would like to underline that opinion surveys seem to him to be one of the means of studying public positions, but that they should be treated with caution. The recent controversy in the Federal Republic of Germany over the drafting of different polls on missile deployment, which induced very varied answers, is a case in point. (1)

4. It is undeniable, however, that politicians and experts consider that public opinion, even in the realm of international policy, is playing an increasingly important role. Even the real politician "par excellence", Dr. Kissinger, argued for his controversial plans to reshap NATO on the basis of the challenge to the Alliance by the "peace movement" and "key segments of public opinion".[2] Democracies cannot ensure their own defence if voters, and their representatives, drag their feet at every proposed amendment to the defence structure. The most compelling reason for this is, of course, financial, although other considerations also have a bearing on it. This is not to say that the general public should determine policies, especially in comparatively abstruse areas such as international affairs and defence. It simply has to be noted that the public now takes part in the discussion of policies in these areas, and that the democratic nature of our regimes implies that this participation will have consequences in terms of budgetary constraints, and of the practicability of the available choices when decisions have to be made. In other words, governments' freedom to act will be more limited. The public will set a framework which will determine the boundaries of policy-making. Governments have some means of influencing the public, but they have to be concious of the change in public attitudes if they want to lead the citizens rather than to be confronted by public opinion.

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I. The state of public opinion

6. Without attempting to describe public feelings as thoroughly as if this report were an academic survey of public opinion in our sixteen countries, your Rapporteur would like to try and describe the underlying trends that account for the awkwardness of public reactions to government policies. Three conclusions emerge: public doubts over the effectiveness of NATO strategy are on the increase, the defence will of citizens is decreasing, and national differences may lead to misunderstandings within the Alliance.

(A) Public doubts

7. Fear of war has increased very noticeably over the last few years. Indeed, the prospect of war is considered more likely now than it was a few years ago. According to a survey in the Federal Republic of Germany, 24 percent of people seem to think that a world war is likely in the next twenty or thirty years,[3] and that in a country which is obviously one of the most central in terms of East-West relations. In the United States, the likelihood of armed conflict is assessed even higher than in Europe, as shown by the testimony given by Mr. Wood, Gallup's Vice-President, to our Committee in Washington on 17 November 1983. According to a State Department testimony to the Committee (24 September 1984), US teenagers are twice as worried as their elders by the prospect of a nuclear war, which 50 percent of them believe is likely before the year 2000. In Canada, 53 percent of respondents thinks that "hostile attitudes between the US and Russia will escalate into a third world war".[4] These feelings have to be analysed in the wider context of the "unthinkability" of war in the nuclear age. As last year's General Report made clear, citizens now envisage war as being so totally destructive that its very prospect is unthinkable. The image of nuclear confrontation relates to nothing known. The very concept of prospective warfare has therefore altered dramatically, from the comprehensible vision of something that should be conjured up by a steady effort, to the obscure prospect of total annihilation of civilization and society. It is not for us to pass a judgment on this vision, which we have to accept as a fact of contemporary life. Indeed, the very concept of nuclear deterrences is based upon such a vision, and as such has been popularised by governments and politicians.

8. The coincidence between the unthinkability of war and the increase in its assumed likelihood has a consequence in that the greater people's belief in the possibility of an all-out war, the more likely they are to be sympathetic to the "peace movement". In West Germany, the only group where a majority of those sampled think that a world war is likely, is that group sympathetic to the "Green" Party.[5] It is also true, conversely, that in France the assessment of the possibility of war is comparatively low, as is the refusal of military means, and of the Alliance.[6] Policy makers must therefore redefine the bases for their call to citizens. The traditional appeal to effort and unity cannot be accepted when the choice seems to be between suicide and surrender.

9. Probably the most noticeable factor in this context is the very rapid shift in the perception of the comparative strengths of the US and the USSR. In West Germany, the assumption of equality between them has given way to a feeling of Soviet superiority whereas in France, the Netherlands, Norway and Belgium, opinion was divided over the issue in 1982, after having united on a vision of rough parity.[7] As a consequence, the effectiveness of NATO under threat is now in doubt. This is true of public confidence on NATO's ability to defend Western Europe, and even more so of its capacity to prevent an attack (the concept of deterrence).[8] This has had little effect, as yet, on the perception of the necessity for the Alliance,[9] but it has already had very serious consequences on the credibility of NATO's strategy. Missile deployment is an example, but more generally the flexible response, which has been the base of the Alliance's posture for over two decades, is visibly affected by this disbelief, as well as being one of its causes.

10. Whatever the merits of the dual-track decision, one of the reasons for the strong opposition to its implementation has been the feeling that deployment was sensed as increasing the threat to the public more than its protection. Politicians who opposed the missile deployment, as well as the "peace movement", have always mentioned the increased risk to civilians as one of the causes for their opposition. This discrepancy between general political attitudes and reaction towards deployment is only a sign of fear. In the theory of deterrence, one of the functions of nuclear weapons is to ensure stability through security. The fact

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[1] The Rapporteur notes with appreciation the assistance provided by the International Secretariat and especially by Mr. Guillaume Parmentier, the Director of the Committee on Civilian Affairs, in the preparation of this report.

that a large proportion of the people opposes them, conflicts with the sense of security which is a basis for security itself. Your Rapporteur does not wish to analyse the conditions of missile deployment, now a fact of the past. However, it remains a most spectacular example of the spreading of insecurity in public mentality. There are technical reasons why this has been the case: in particular, the delay between the dual-track decision and deployment was too long, as the originator of the decision, ex-Chancellor Schmidt, himself vouches. It nevertheless constitutes a sign that not enough attention has been paid to public sensitivities. This was especially damaging because deterrence (as opposed to defence), has to rest on continuous support by the public. As an abstract concept, based both on the feasibility of a devastating response and on the presupposition that an attack can be prevented by that very prospect, deterrence rests at least partly on the degree of support it enjoys among citizens. Your Rapporteur therefore considers it essential that more attention should be paid, by military and civilian leaders, to public consequences of Alliance decisions. Unpopular decisions may be necessary, and should therefore be taken, but it must be stressed that the nature of deterrence, which implies the credibility of a possible response to an agression, makes it essential for governments to convince their citizens. Imposing decisions without reference to them should be avoided as much as possible.

11. This is even more true when military strategy is supposed by many people to increase the threat rather than to diffuse it. In the Federal Republic, for example, a survey conducted by EMNID shows that 50 percent of respondents think that missiles increase the threat, whereas only 17 percent think that they increase security (19 percent think that neither is correct). Although the technical validity of this poll has been debated, it is confirmed by findings in Germany on the level of opposition to deployment, and also in other countries.[10] In Denmark, in 1982, 28 percent of respondents thought that American missiles stationed in Western Europe "increase the probability of attack on Western Europe", as against only 39 percent who thought they "constitute a greater protection", whereas 33 percent thought the matter had no importance, and 26 percent did not know.[11] Your Rapporteur does not mean that these reactions are correct, he asserts that no policy is sustainable in the long term that refuses to take them into account, although it would be wrong to think that policy should follow the whims of public opinion. The logic of deterrence is such that it has to take society as a whole into account, whereas traditional defence was best left to specialists, under elected governments' control. As the Germans say, defence has now become "total", in that its consequences involve all aspects of society. A "total defence" cannot ignore a dialectical relationship between decisions and citizens: the public has become an active factor in policy-making. The burden of the proof that defence is effective rests on governments, since they have to put their message across to their publics if they want to achieve credibility.

III. A NEW INFORMATION STRUCTURE FOR NATO

(A) The present structure

39. The political organisation of NATO is by no means a supranational body. Information about defence and foreign policy is a national prerogative of each member country. Hence there is no NATO information policy as such. NATO has an information directorate (NATIS), the role of which is to assist the governments in their information task. NATO, in its political role, is an instrument of close cooperation. For NATIS to be entrusted with a task, therefore, the NATO Council—a body of 16 Ministers, deputized for by 16 Ambassadors—has to instruct NATIS to carry it out. The NATO Council only takes decisions unanimously. The NATO Secretariat cannot therefore launch an information campaign, or present the case for NATO in any country, when agreement has not been reached among all the sixteen nations on a political level. In practice, the NATO Council is a diplomatic body, with Ambassadors as a collective head and less senior diplomats manning its functions in different committees. Diplomats are not generally trained to take the public aspect of diplomacy into account. This is certainly one of the reasons why NATO public information has been poor.

40. Another aspect of NATIS is that its officers, called "liaison officers", are appointed by their national governments and are solely reponsible for information in their home country. One consequence of this is that, if a member government refused to appoint a liaison officer, for example for domestic reasons, no information at all can be sent to the country. In many respects, however, this would be the situation when information is most needed. This is at present the case with Spain, where a referendum is supposed to be held on NATO membership in 1985, and where NATO as an organisation cannot put its case forward to the public. This is of course a mere consequence of the fact that governments are solely responsible for information about national defence. It would be detrimental to the defence effort if NATO could address citizens in a manner which was not consistent with the government's message.

41. In practice, therefore, NATIS is a body meant for implementing decisions taken by the NATO Council and its Committees. As a result of that, when NATIS is asked to prepare short draft communiqués, fit for the press and the public, a compromise has to be reached, and as a consequence, the final text is long-winded or complicated. This is reflected in the public image of NATO.

42. On its own, NATIS can produce documents which have to be approved by the Council, but they cannot be circulated in member countries through channels other than the Ministries of Foreign Affairs and/or MoD's. NATIS also has a financial problem in that its resources are very limited, thus reflecting the low priority given to information by NATO. The Scientific Division of NATO, the role of which is largely public-relations oriented, although towards a very limited section of society, is provided with a budget which is *six* times as high as that of NATIS. Why should the information structure of NATO, dealing with the public and the press as a whole in sixteen countries, be considered six times less important than NATO's scientific undertakings?

43. The result is that NATO is not properly understood by the public. It has the image of a bureaucratic monolith, which it is not, and of a purely military body, which is also untrue. Its information policy has two defects: it apparently gives a very one-sided image of defence, which cannot appeal to all sides of the public, and it is also largely ineffective in that it does not reach many people. This is no reflection upon the quality of the personnel, but rather a matter of structure and of resources.

(B) Informing the public in member countries

44. The foremost need is to reach the public. This has to be done directly in member countries. The message put forward should be based on the contribution to peace that NATO has made and intends to make. The role of the Alliance in creating a framework for negotiations with other countries has to be stressed. The necessity of the Alliance for each nation's independence is also a central part of NATO's message, and has to be underlined, perhaps at the expense of the claim for Alliance unity. National differences have to be recognised, especially as they are the Alliance's greatest attraction when compared to the monolithic nature of the Warsaw Pact.

45. Variety, however, also exists within member countries. Sympathy for different political parties is in many cases the single most important factor in the diverse attitudes of citizens towards defence. This has to be taken into account.

46. Your Rapporteur has been impressed by the effectiveness of the EEC information machine in his country. The structure of the European community is more integrated, and therefore it would be easier to take a unified approach. However, the EEC's information policy has been varied because it has been realised that this was the key to success. Indeed, it seems as if a different message had been delivered in each country, and indeed to each group in each country. The party structures have been utilised in order to put the EEC's message across to the different sides of the public. NATO should set up bureaux of information in each Alliance country which would accept them.

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54. More generally, NATO must give a more open image of itself. A certain amount of secrecy is necessary in the military field, but the outsider's view of NATO is that it is an obsessively secretive organisation. Many more facts could surely be made available to journalists. The NATO Council should think of a review of the classification system of NATO documents. It is quite extraordinary to see that some of NATO activities which are relevant to civilians, and cannot function properly without the public being made aware of them, such as civil emergency planning for example, are so little-known.

55. Parliamentarians should be encouraged to play a vital part in the field of public communication. Much more data could be made available to those of us who follow these issues closely, and that as a matter of course. This could have a very effective role, as Committee work in national parliaments, as well as questions to governments and positions taken by parliamentarians in their local and national parties, could then reflect some of NATO's concerns and plans. Voluntary organisations also constitute a most important element in this respect. Parliamentarians should play a role in reviving them in some of our countries. In present circumstances, Norway and Denmark stand out as nations where Friends of NATO and Home Guards play an effective role in spreading our message among the population, especially among young people. The report of the Sub-Committee on the Successor Generation deals with these matters in greater detail, and your Rapporteur

only wishes to refer members to it. However, he should like to underline the utility for parliamentarians to take an active interest in the setting up or improvement of voluntary bodies.

THE JESUIT TRADITION LIVES ON AT GONZAGA HIGH SCHOOL IN WASHINGTON, DC

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. MAZZOLI. Mr. Speaker, the teaching tradition of the Society of Jesus is world renowned. This Jesuit tradition is alive—and burning bright—within a few blocks of this Capitol at Gonzaga College High School, 19 I Street, NW.

There, under the remarkable leadership of Rev. Bernard Dooley, S.J., the school's president, and Rev. Leonard Martin, S.J., its headmaster, 734 boys of all races, backgrounds, and religions grow intellectually, physically, but, above all, spiritually into men.

A Gonzaga student develops in 4 years from a boy to a "Man for Others." That is the key, Mr. Speaker. Gonzaga High School in the spirit of Ignatius Loyola, the founder of the Society of Jesus, producers men who care about others.

To all this I can give very personal testimony. Our son, Michael, is a graduate of Gonzaga, class of 1979.

In concrete testimony to the special character of Gonzaga College High School, the Washington Post recently ran a series of three front page articles about the school, its students, its graduates and its goals. All who love Gonzaga swelled with justifiable pride as its successes over formidable odds were detailed in the lengthy articles.

In June, a good friend of mine, John J. Delaney—a Gonzaga alumnus—delivered the annual Kohlman address to graduates of Gonzaga's class of 1985. I know what an honor this was for John because I had the opportunity to deliver the Kohlman address a few years ago.

John, whose sons also attended Gonzaga, in his remarks went to the heart of what this outstanding school stands for and why Gonzaga-trained men—"Men for Others"—are needed in America today more than ever before.

I insert Mr. Delaney's remarks at this point in the RECORD:

GONZAGA COLLEGE HIGH SCHOOL KOHLMAN ADDRESS

Graduation is a passage to be cherished and remembered. The graduation speech, on the other hand, is a sausage. It tends to be lengthy, lacking in meat and above all, forgettable. The most memorable graduation speech that I ever heard was given by columnist Art Buchwald at Georgetown University in 1979. Speaking for his generation, Mr. Buchwald's simple message to the next generation was:

"We've got our oil.

You go find your own oil."

The message I bring you today as you graduate from Gonzaga is also a simple one, but unlike Mr. Buchwald's obviously facetious remark, it is a message of reconciliation. It is Gonzaga's message—to be "men for others." It was first presented to you when you entered these halls as freshmen four years ago. It is a challenge that has been set before Gonzaga students in one form or another since 1821. It finds its roots in the 16th Century prayer of Ignatius Loyola, the founder of the Society of Jesus:

"Teach us, good Lord . . . to give and not to count the cost. . ."

In order to understand that challenge, it is first necessary to understand Gonzaga and why it is singularly qualified to make such a demand upon her sons. So today I would also like to share with you some reflections about this school, its history and spirit, and about you, the Class of 1985, and your role in its past and future.

Thirty-five years ago, like you, I sat in this historic pre-Civil War church as a member of the graduating Class of 1950. I remember little about what was said that day. But I do·recall that it was a time of mixed emotions—happiness and nostalgia mixed with a dab of anxiety as we prepared for "life after Zag." I specifically remember my mind wandering back to a few years before when as a freshman I took that first walk up the wind-swept alley by St. Aloysius; observing the grated windows; the smokestacks; the cat walks; the only school in the county it seemed where the "back door" was actually the "front door."

It all contributed to an architectural style which perhaps could best be characterized as "Early American Alcatraz." Many times in those early days I would ask myself, "What is a nice little Chevy Chase boy like me doing here?" Gradually, however, like so many others, I was swept up in the Eye Street scene and the unique spirit that has always been "Gonzaga." And on that long-ago graduation day, as my wandering mind returned to the present, I was extremely grateful that my life had been touched by this place.

But "wait" you say. "We know all of that. We, too, have lived the Gonzaga story. Indeed, for us, that story has been one of virtually unparalleled success. Why belabor us with these meanderings?

It is a fair question. The Class of 1985 has not only lived the Gonzaga story, it has helped to bring this school to new thresholds of greatness. Its successes in academics, extra-curricular activites and athletics are a source of immense pride for the entire Gonzaga family. Yes, members of the Class of 1985, Gonzaga is indeed on a roll. Like a phoenix, it has literally risen from the ashes of this city and returned to its long held place of prominence. New and refurbished facilities abound. Applicants in unprecedented numbers seek admission. The Eagles fly high.

Why then is it necessary to reflect on Gonzaga and its challenge to all of us to become "men for others?" What is the significance of such reflection when we look about us today and see what the school and the Class of 1985 have achieved?

The answer, I submit, lies in another question—a question that is crucial. Is it possible that Gonzaga's successes will blur our vision of what this school has stood for? Are we in danger of forgetting the "men for others" theme that generations of Gonzagans have heard through the years?

It is appropriate to ask these questions today, precisely because success does not often breed introspection. High tide covers over the shoals. Gonzaga's right to challenge us to be "men for others" does not spring from a background of prestige and wealth; from being an institution solely for the rich and powerful. Just as Christianity finds its credibility in Christ's suffering, just as steel is forged from fire, Gonzaga's challenge finds its legitimacy in a lineage of deprivation, born of a commitment to serve all segments of society.

As we bask today in the warm glow of success, we must not forget that there is and always has been another Gonzaga, a Gonzaga which struggles to survive. To be sure there have been triumphs along the way. But between these triumphs and even during them, Gonzaga's 164-year history is in essence a crucible. It was thus from the very earliest years of its existence as a small seminary on F Street. It was thus for decades following the relocation of the school to what is now Kohlman Hall in 1871. In that first year on Eye Street, only 70 students showed up for classes. The discouragement over the school's plight is revealed in the pages of the History of Gonzaga's first one hundred years, wherein it is stated that Eye Street in 1871 was "little more than a praire." The writer goes on to observe: "There is the quiet of peace, and there is also the quiet of death; the tranquility of Gonzaga, during this, its first year in the new site, looked dangerously like the latter."

But we need not return to prior generation or the last century to know and understand this other side of the Gonzaga story. We need only go back to 1968, the year in which many of you were born. It is a lifetime for you, but really only a brief stroke in history's brush. The tragic events of 1968 seared the very fabric of our country and have left their imprint even to this day. They were to present Gonzaga with perhaps the greatest crisis that it has ever faced.

It has been said that this world is divided into "givers" and "takers." All good men and most great men are givers—willing to risk failure, to make sacrifices, to do what is right for their fellow man. Christ was such a giver. Gonzaga's leaders throughout the decades, beginning in 1821 with its founder, Father Anthony Kohlman, and continuing to the present day with our beloved president, Father Bernard Dooley, have been givers. Their spirit of giving has been reflected in the institution itself.

To recall 1968 in the life of Gonzaga is also to recall the lives of two men, each of which in its own way is interwined with that of Gonzaga. Each of these men was a "giver." Each was a "man for others." Each was to fulfill his destiny in 1968.

One was Aloysius P. McGonigal, a humble Jesuit priest. Al McGonigal taught at Gonzaga as a scholastic in the late 1940's. He was a tough little man, barely 5½ feet tall. He ran the bookstore with an iron hand. He also used to conduct what was known as the "Volunteer Saturday Morning Latin Class." You didn't have to attend the Volunteer Saturday Morning Latin Class—unless of course you wanted to pass Latin. I remember how we used to complain about having to come down to school on Saturday mornings. We groused about Al McGonigal's hard-nosed attitude and insensitivity. Later, of course, following our years at Gonzaga, would come the realization that if anyone was insensitve, we were; that Al McGonigal did not have to give up his Saturday mornings for us, but that he did so—he made this sacrifice—in order to help up.

I lost track of Al McGonigal after leaving Gonzaga, but nearly 20 years later in 1968, I

had occasion to read about him again. The Vietnam War was raging and the terrible Tet offensive was underway, especially around the City of Hue. Father McGonigal was serving in the army as a chaplain at the time. His own unit was safely behind the lines, several miles from Hue. But he learned that the units under fire at Hue were without a chaplin. So Al McGonigal took the risk and went to Hue—a place where he didn't have to be. And it was there, as an unarmed chaplain, that Al McGonigal made the ultimate sacrifice in service to his fellow man. Today, if you visit that simple but haunting Vietnam Memorial on the mall next to the elipse, you will find the name of Al McGonigal inscribed there: a small but fitting memorial to one who was truly a "man for others."

The second man of whom I speak is Dr. Martin Luther King, Jr., a humble minister who was also to encounter destiny in 1968, on an April evening in Memphis, Tennessee. Dr. King went to Memphis because the sanitation workers there on strike for a decent wage and they needed help. They were among the forgotten people at the bottom of society's ladder. They were powerless. They had no voice. So Dr. King rearranged his schedule and went to Memphis—and from there to eternity.

Martin Luther King's message was the message of what a "man for others" ought to be. In accepting the Nobel Peace Prize, Dr. King said: "I refuse to accept the idea that the 'isness' of man's present nature makes him morally incapable of reaching up for the 'oughtness' that forever confronts him."

In a television interview a few weeks before he died, Dr. King again reminded us of what being a "man for others" is all about, when he said: "It's not the quantity of one's life that counts. It's the quality. It's not how long you live that matters, but how well you live."

Just as Christ did not have to go to Calvary, and Al McGonigal did not have to go to Hue, Martin Luther King did not have to go to Memphis. But each went because there was a need for him to go—a need to take a risk in order to serve his fellow man. They were "men for others."

Few who were alive in 1968 will ever forget the impact of Dr. King's death. Doubt pierced the very soul of this nation. There was even doubt about the essential unity necessary for survival of a nation so beset by a widening gulf of misunderstanding between black and white, rich and poor, young and old. the cities—those vital core areas of Ameria—were especially scarred, physically and psychologically. To analogize from "Less Miserables," the cities are the conscience of a nation. They are where its people and problems come together and confront one another. But after the events of April 1968, people, businesses and institutions were departing the cities of America in a tidal wave, leaving wastelands of despair, ruin and poverty in their wake. Washington, D.C., the capital of our nation, was no exception.

It was thus, with the death of Martin Luther King, Jr., and its terrible aftermath that the indescribable spirit of Gonzaga—that basic sense of decency that prevades here—was to undergo its severest test and emerge to enjoy its finest hour as an example for the nation. If the cities are the conscience of a nation. perhaps it is not overreaching to claim that Gonzaga is the conscience of the City of Washington, or at least the conscience of the Jesuits of the Maryland Province. For while America writhed in despair about its cities and the headlong rush to suburbia continued, Gonzaga—to its everlasting credit—stayed in the very heart of the nation's capital. The Jesuits took a risk, because they preceived that the need to continue to provide a quality education for young men from all over the metropolitan area was greater than ever.

That risk was not without its price. In the years following 1968, enrollment dropped precipitously. Deficits arose. The school's small endowment disappeared.

In 1971, Gonzaga bravely celebrated its Sesquicentennial—the 150th year of its existence. One of the highlights of that celebration was the Dramatic Association's memorable production of "Camelot." But despite all the noble effort and the brave front, the tranquility of death once again hung over Gonzaga, as it has one hundred years before. Once again Gonzaga was standing alone on the prairie. Like Camelot, its days seemed numbered. That great shinning experiment of the Jesuits—to operate a college preparatory school in the heart of the Nation's Capital, to which boys of all backgrounds could come and learn together—seemed doomed to failure.

But somehow, Gonzaga persevered with its commitment. Few will ever fully understand the day-by-day sacrifices of the Jesuits and the Gonzaga family in living out that commitment. Some of those who lived it are among us today. They sit before you in this sanctuary. They sit behind you with your families and friends. They sit above you in the choir loft. But for their efforts and the efforts of hundreds of others, none of us would be here today to celebrate the achievements of the Class of 1985.

Wolf Von Eckart, the noted urban planner, on the editorial page of the Washington Post in 1973, described Gonzaga's decision to stay in the City of Washington as "almost defiant." But stay Gonzaga did. Now in 1985 we begin to see fulfillment! Gonzaga's vision is at last being shared by others across the land. More and more people and institutions are beginning to understand that mankind's problems are not resolved by running away. New office buildings and hotels have sprouted up around Gonzaga. Cities throughout the country are coming to life again.

That, gentlemen, is why Gonzaga has earned the right to challenge each of us to be a "man for others." She has suffered and she has persevered.

I truly believe that if Christ, or Martin Luther King, Jr., or Al McGonigal were here today, they would say to Gonzaga "Well done." But they would also say to the Gonzaga family that we cannot rest; that much work lies ahead. All we need do is look around us to see that this is true. Problems of social justice, drug and alcohol abuse, poverty and housing, to name but a few, are still unresolved.

It is really bizarre in a way. We live in Washington, D.C., the capital city of the United States and the Free World. Our daily lives are involved with perhaps the only high school in the country that is situated in the very shadow of the Capitol building itself. We can virtually reach out and touch it. How many times have we walked or driven down North Capitol Street and seen that magnificent dome glistening in the sun or the moonlight? How many times have we thought about it as the symbol of hope and justice for all freedom-loving people? And yet, a mere turn of the wheel into the driveway next to St. Aloysius confronts us with a different reality—the reality of hunger, addiction and hopelessness, embodied in the lines of men who daily seek help and solace at the Horace McKenna Center in this very building.

What must one do to be a "man for others"? Time does not permit an extended response here. But the time will come for all of you—and for some it may come often. It came many times for Horace McKenna, who walked these halls with us until just a few years ago. It came for Joe Kozik in the early 1950's when a young black student went out for Gonzaga's football team, and Joe had to decide whether to drop the player or be forced to cancel scheduled games with a number of D.C. public schools. The City's school system was segregated in those days and black and white kids were not permitted to play against one another. Although the young man offered to quit the team, Joe would have none of it. The games were canceled and Gonzaga made several trips to Pennsylvania to fill out its schedule that year.

While it is difficult to describe what one must do to be a "man for others," or to recognize the moment when it comes, it is safe to say that in a world where life has little value; where what a person possesses seems more important than what a person is; where today's fads are mistaken for tomorrow's foundations; where the grotesque is often adulated and virtue is often scorned; that being a "man for others" will likely not be an easy task. Yet Gonzaga still insists that we try.

How is this relevant to the Class of 1985? It is relevant because in the long run you will decide whether Gonzaga will continue to exist; whether the education offered here is worth the commitment of effort and resources to pass on to future generations. In a compelling address delivered at the Father-Son Communion Breakfast a few weeks ago, Dr. Samuel Alston Banks, president of Dickinson College, reminded us that Gonzaga is a "markedly endangered species." Dr. Banks is correct. But Gonzaga has survived and will survive because it is an institution which has never lacked the courage to place its resources, its heart and indeed its soul on the line to attempt to do what is right.

In the final analysis, "Gonzaga" is people—the students, faculty and staff, alumni, parents and friends who have believed in it and supported it down through the years. Without the support of these people—your predecessors—there would be no Gonzaga. There would be no Class of 1985.

In the second verse of the Alma Mater there is an exhortation to Gonzaga to march on through the centuries and to reach ever on unto eternity. Today Gonzaga asks for your help in fulfilling that mission. In a few moments when you receive your diplomas, will you be merely graduating from Gonzaga, or will you be leaving it for good? When you sing the Alma Mater for the last time as a student and walk out of this church, will you be walking away from the life of this school or will you be walking beside it on its long march into eternity?

Gonzaga waits hopefully for your answer.

VIETNAM VETERAN IS A HERO

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. FLORIO. Mr. Speaker, in my capacity as a Member of the House Veterans' Affairs Committee I have had the chance to meet with hundreds of Vietnam veterans from many States in our Nation. Naturally, many of these men and women have been from my own State of New Jersey and more specifically from the First Congressional District which I have the privilege of representing in Congress.

Mr. Speaker, I ask that the following article from the Courier-Post newspaper be included in the RECORD. It is a story about the courage and dedication of John Caffaro who is a Vietnam veteran. I am proud to say that he is also a constituent of mine and I commend his exploits to the attention of my colleagues. John's bravery and desire to help his fellow man should make us all very proud of these many men and women who are now finally receiving the recognition they so richly deserved.

[From the Camden Courier-Post, Aug. 17, 1985]

VIETNAM VETERAN RESCUES WOMAN AND PROVES POINT

(By Bernie Weisenfeld)

MOUNT LAUREL.—A man who administered first aid to a woman trapped in a smoking automobile here Thursday night told rescue workers he was a Vietnam veteran who "wanted to show that Vietnam vets can do good deeds."

The man who gave medical aid, Pennsauken resident John Caffaro, two years ago helped save a 12-year-old boy from drowning in a swimming pool.

"A lot of people are putting down the Vietnam vets," said Caffaro, 35, a decorated veteran of the Southeast Asia conflict.

"If there's a liquor store held up and they find out it's a Vietnam vet, there's a big article about it. But when somebody does something good it's hardly ever shown it's a Vietnam vet.

"See, we are good people.

"I'm strong on Vietnam vets. We do produce some good in the community," said Caffaro, whose military service medals include a Navy Cross and three Purple Hearts.

Caffaro pulled his pickup truck to the side of the road and helped rescue workers at the scene of a two-car accident about 9 p.m. on Route 73 here, said fire marshall Charles Everett.

"I've never seen anything like this. The guy did one terrific rescue job," said Everett. "He obviously had some training."

The fire marshall said Caffaro put a neck brace on a female passenger who was trapped in a burning car, slid her out of the vehicle and administered "various splints and bandages" until paramedics arrived.

"We have trouble getting volunteers for our rescue squad and this guy just stops along the road—he doesn't belong to anything—and he does a great job," said Everett. "He said being a Viet vet he just wanted to prove they can do good things, that there are Vietnam veterans who do good deeds and they're not all junkies and murderers."

Caffaro said he served with the Marine Corps in Vietnam from 1967 to 1969 as a sniper and helicopter door gunner and was trained in emergency medical aid.

"When the Tet offensive was going down, there was quite a bit of first aid to be given," he said. "The biggest thing knocked into our heads in the Marine Corps was teamwork. If you only have one medic between 50 men and some of the guys are wounded, you just jump in and do it."

Caffaro said he later served with ambulance squads when he lived in Williamstown and Glendora.

Township police identified the two drivers involved in the collision as Bonnie Lee Scarfo, of 462 Hickory Lane, Carneys Point and Francis E. Callahan, of 19 Camden Ave., Voorhees.

Everyone said rescue workers had to use the Jaws of Life to separate the two vehicles.

No further details of the accident were available from police.

A nursing supervisor at Garden State Community Hospital in Evesham said Callahan and Scarfo were treated and released at the hospital.

Scarfo, contacted at home yesterday, said she recalled little about the accident or those who helped her afterward. She said she was the driver trapped in her car.

"There were a lot of nice people there. I was pretty well out of it," Scarfo said.

According to Everett, Caffaro did not stay at the accident scene long after paramedics arrived.

"He was like the Lone Ranger. He just came then disappeared. I didn't get a chance to talk to him like I would have liked," he said.

Caffaro said as soon as the local ambulance squad arrived, he got back in his truck and left. "It's their territory. It's their profession. Another person being in the way gets to be a hinderance."

In May 1983, Caffaro helped a lifeguard pull a drowning 12-year-old Louisville, Ky. boy from a swimming pool of a Mount Laurel motel where Caffaro worked as a chef.

"I just like helping people out when they are in trouble," he said yesterday.

THE 100th ANNIVERSARY OF THE R.R. RAGETTE INC.

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. DioGUARDI. Mr. Speaker, I rise to bring to the attention of this body the proud history of R.R. Ragette Inc., Realtors, which will be celebrating its 100th anniversary on September 22. The people of R.R. Ragette have given dedicated and committed service to homeowners in Westchester County through three generations of the Ragette family. The success of the Ragette firm can be attributed to its professionalism, integrity, and commitment to uncompromising service. For 100 years, R.R. Ragette Inc., Realtors has enjoyed a tradition of achievement, receptivity to contemporary marketing methodology and superb service to both customers and clients.

The R.R. Ragette firm now has four Westchester offices located in Bronxville, Scarsdale, Bedford, and Eastchester, which is the home of their main office. In February 1985, the Ragette firm, in affiliation with Housatonic Valley Insurance, announced the opening of their newest branch—Housatonic Valley/Ragette Inc.—in New Milford, CT.

The firm has a fine record of public service, and is committed to the welfare of the people of Westchester County. The firm established the R.R. Ragette Community Service Award, a scholarship grant to graduating seniors at seven Westchester high schools. The firm also collected food for Ethiopian children at each of our branch offices and matched, dollar for dollar, the value of food collected, had a blood drive, presented free seminars on real estate, and sponsored family concerts in Eastchester, Scarsdale, and Bedford Village. The firm believes this public service is the responsibility of the business community, and therefore has continually "given back" to the people of Westchester who have made them successful.

Committed to the same tenets that have led the Ragette firm to success for a century, President Ralph E. Ragette has had a prestigious career of service to his community and to his profession. In 1977 Mr. Ragette was honored as realtor of the year by the Westchester County Board of Realtors, of which he was president. In addition to his dedicated service as realtor, Mr. Ragette has been involved extensively in community politics. He began his political career in 1947 as chairman of the finance committee of the city of Mount Vernon. He was elected to the city of Mount Vernon's Board of Aldermen, (city council), in 1953 and served for 12 years in that capacity. During this period he served as acting mayor of Mount Vernon. In 1968, Mr. Ragette was elected supervisor of Mount Vernon, and served in this position for 2 years. From 1983 until the present, Mr. Ragette has served on the board of governors, commercial and investment division of the New York State Association of Realtors. He is also the chairman of the housing council of the New York State Association of Realtors. This impressive list of service to the community only highlights Mr. Ragette's productive career.

In 1979, Mr. Ragette's son, Ralph Richard, joined the firm as treasurer, and is presently the executive vice president. Ralph Richard Ragette demonstrates the qualities of leadership that will take the firm into their next century of growth and success. Schooled in marketing methodology and corporate psychology, Ralph R. reflects 20th century goals, attitudes, and insights.

I would again like to commend the firm for its long history of service to the Westchester community and hope that the firm continues to reach ever greater heights of professionalism and competence.

THE DEFICIT DILEMMA

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. DORNAN of California. Mr. Speaker, I am genuinely outraged by the sham budget resolution passed by the House on the eve of August vacation. The numerical gimmickry and budgetary tomfoolery contained in that document make it worthy of inclusion in the Guiness Book of World Records as the world's most fraudulent budget. It is certain that had a captain of industry produced a similar budget for a Fortune 500 company, the hue and cry from liberals in this body would have been deafening. A congressional investigation would no doubt have followed with the poor capitalist being subjected to the collective wrath and holier-than-thou attitude of the liberal keepers of the national morality. Indeed, the capitalist might even face a jail term.

I therefore rise today to sound a few alarm bells and to urge my colleagues to ignore the sham budget resolution and use the remaining appropriations bills to really reduce spending. Given America's precarious foreign trade imbalance, rapidly expanding money supply, and still high real interest rates, it is imperative for continued economic growth that we enact serious spending reductions in fiscal year 1986, and that we keep reducing spending in the out years.

However, if the House of Representatives is not prepared to seriously attack extravagant and excessive Government spending, then I have made it much easier for the President to do so. As many of you well know, I have recently made available to the President a letter, signed by 147 Republican Members of the House, pledging to uphold a Presidential veto of any budget-busting spending bill. This shifts the balance of power in the budgetary battle more toward the President and I urge him to use the veto generously if it is needed.

I would like to submit for the historical RECORD the following article, which I authored, on the deficit and the havoc it can cause the economy. Excerpts from this article have appeared in the New York Times, the Washington Times, the Chicago Tribune, Human Events, and the Los Angeles Herald Examiner, among others.

THE DEFICIT DILEMMA

(By Robert K. Dornan)

Embarrassment in the economics profession is understandably widespread. Despite their warnings that continued large deficits would "crowd out" private borrowing and drive interest rates higher, interest rates have fallen to their lowest level in years, with the likelihood of further reductions in the coming weeks. This development, coming as it did in the midst of the House-Senate budget negotiations, prompted one Capital Hill economist to claim that, "It completely undercuts the whole deficit-reduction drive." In other words, it takes the pressure off Congress to enact spending cuts.

If the budget that just passed is any indication, and it clearly is, then that nameless economist was right. Why risk political hot water by cutting special interest programs when interest rates are falling? This type of attitude, undoubtedly shared by many of our elected representatives, is disturbing because it assumes that the only danger of large deficits is high interest rates. Nothing could be further from the truth.

Conventional economic theory suggests that large deficits—in and of themselves—raise prices, output and interest rates while depressing capital formation. However, there is no empirical evidence to support any but the last of these propositions, which should be reason enough to cut the deficit.

Most credible economists rightly maintain that inflation and interest rates are a function of monetary policy, not fiscal policy. Therefore, instead of blaming the President for high interest rates, we should be pointing a finger at Paul Volcker. While this might make those of us who have strenuously objected to Fed policy feel better, it does not mean that the deficit is less of a problem.

In the past, continued overspending by the federal government has put pressure on the Federal Reserve for monetary expansion. Economist James Solloway of Argus Research Corp. has recently shown that Fed has again started to monetise more of the debt than it should. Mr. Solloway sees the huge increases in the national debt each year—caused by continued large budget deficits—obscuring a sharp acceleration in the rate of growth of the monetary base and, in turn, the money supply. A prolonged acceleration in the monetary aggregates will eventually result in significantly higher inflation rates, with a probable attendant rise in interest rates (after all, interest rates are directly related to the actual, as well as the expected inflation rate).

What is most frightening about this scenario is that even though the Fed has been monetizing the debt at an increasing rate, it seems unable to significantly reduce interest rates. (Interest rates, after inflation, are still at 8 percent, high by historical standards). As Mr. Solloway says, "This is eloquent testimony to the damage that can be inflicted by large budget deficits."

Another major factor to consider is that the deficit has been caused by excessive government spending. As long as the rate of growth in government spending continues to out-pace the growth of the economy, the government will absorb a growing proportion of national output. Putting a larger share of the GNP into the hands of the government will eventually restrict economic growth. Are we a nation prepared to accept a growing government sector and slower growth? I expect not. But that is precisely what might happen if the recent good news about interest rates is interpreted in the wrong way.

Deficits do matter, there can be no denying that. However, they matter in ways different than those assumed by the keepers of the conventional economic wisdom, whose faces become redder with each discount rate cut. (Indeed, some still don't get it. The Washington Post recently editorialized that not reducing the deficit would "increase the chances that interest rates will rise this Fall, at a time when the economy is slowing down." They may be right, but if they are it will be for all the wrong reasons.) Given that taxes are generally higher than they were five years ago, despite the so-called "massive" Reagan tax cuts, the current deficit simply tells us that there is something wrong with our spending habits. We should listen and not let some apparent discrepancy in economic theory divert us from our chosen path of spending cuts.

Why fool ourselves? The deficit is a serious problem, but it is not insurmountable. All that is needed to bring the deficit under control is the political will, or backbone, to strengthen fiscal discipline and restrain the relentless pressure from special interest groups for increased government services.

But alas, it was not to be. The Congress completely caved in when confronted with the choice of a responsible budget or a month-long vacation. It seems schmoozing it up with the special interests back home was more important than providing for the general welfare of the country. And whose welfare gets provided for is something Congress can be very particular about (it is almost exclusively for those folks who can be counted on to show their appreciation on election day).

President Reagan stated after Congress finally agreed on a budget for fiscal year 1986, "It marks only a beginning, not an end." In my view, it hopefully marks the beginning of the end of the budget process.

Two things have become quite obvious, even with the passage of a so-called budget. The budget process is the problem, not the solution; and a veto strategy may be the only way to achieve serious deficit reductions this year.

The "budget process", if it can be called one, has merely served to confuse the financial markets and has bred a sort of "budgetary terrorism" that is holding the economy hostage. If there is one thing that sets the nervous nellies in the financial markets on edge, it is uncertainty. Unfortunately, the only thing the congressional budget process genuinely seems to be good at generating is uncertainty.

It is no accident that the most spectacular growth in deficits has occurred since 1974, the year the Congressional Budget and Impoundment Act was passed. The Act placed strict limitations on the President's power to control spending and was supposed to simplify the budget process while enabling congressional planners to get a long-range view of the economy.

But instead of simplification, we got a lexicon of budgetary mumbo-jumbo: spendouts, reflow estimates, concurrent resolutions, stop-gap bills, and meaningless five-year projections. By any reasonable standards, the Act has been an utter failure.

Indeed, the sight of Congressmen rushing into late-night sessions to push through appropriations bills or to provide temporary funding to keep the government running for a few more days has become all too commonplace (the current budget compromise, agreed to two and one-half months after the statutory May 15th deadline, is a perfect example). The outcome has been a stream of sloppy legislation—usually written by anoymous, unelected congressional staffers—which only makes it all the more apparent that a serious effort must be undertaken to streamline the process.

Despite the havoc that congressional budget shenanigans play with the financial markets, there are many of my colleagues who still fervently believe in the "budget process" and who are committed to making it work. This stubborn faith in a system that has produced only confusion is no mys-

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tery. It is simply a matter of Congress jealously guarding the additional power it was able to wrest from the Presidency in 1974—a much weakened Presidency at that.

The present Congress is not capable of looking after the finances of the country in a responsible manner. In the recent past, it has consistently appropriated money beyond its own budget limitations. It is now in the throes of doing so again.

Congress will soon hand President Reagan a batch of appropriations bills for fiscal year 1986 that, judging by his own statements, should be unacceptable. A quick glance at some of these appropriations bills will show that the Democrats in the House have systematically appropriated funds that exceed the spending levels proposed by the Administration. The bills are loaded with budgetary gimmickry and statistical sleights-of-hand. The bills deny our citizens the responsible spending practices they so resoundingly endorsed in the 1980 and 1984 Presidential elections.

The public has spoken, and the public has been ignored. Consider the following.

Item: House Democrats claim that federally assisted housing programs in the 1986 appropriations bill for the Department of Housing and Urban Development have been frozen at the FY85 level. They are, in fact, $1.7 billion over the 1985 level.

Item: The House Agriculture Committee asserts that the new obligational authority has been reduced by $1 billion below the Administration's request, and $4.2 billion below the 1985 enacted level. In fact, the bill is almost $8 billion over the President's budget.

Item: The Treasury, Postal Service and General Government Appropriations Bill is $1.2 billion over the Administration's request.

Item: The appropriations bill for the Interior Department is $720 million more than last year's appropriation, and $2 billion over the President's budget request for next year.

And so it goes with most of the appropriations bills. Tip O'Neill fiddles while the economy burns.

And all the while, House Democrats claim to be remaining within—or even below—budget levels proposed by the Administration.

In short, the budget resolution just passed—which is much closer to the original House version—is a fraud. It is nowhere close to a budget freeze. Every group and special interest (even the American Association of Retired Persons) indicated that they would accept a small cut if the sacrifice was shared. This uncharacteristic bit of generosity was, however, ignored.

After cutting (some might say gutting) defense, the conference plan does not cut excessive spending where it exists. About 20 percent (19.6) of the cuts come from 68.4 percent of the budget. The remainder come from sleight-of-hand savings such as offsetting receipts ($4.4 billion), allowances ($2.8 billion), and agriculture ($2.3 billion). And the way things look as of this writing, few of the cuts are reconciled.

About the only thing that we can glean from the budget process this year is that substantial deficits will remain in the out years because there are few program terminations. Programs not eliminated, like weeds, have a way of growing back in election years to become even healthier than they were before.

The lack of spending cuts will then put enormous pressure on those of us who have pledged not to raise taxes to raise them. Republicans may well find themselves caught between a rock and a hard place as they contemplate $200 billion deficits against the negative effects of a tax increase.

It is also highly likely that official forecasts of the deficit for fiscal years 1986–1990 will be revised dramatically upward later this year because the Administration's, and hence the Congress', economic assumptions are far too optimistic.

To combat democratic irresponsibility and budgetary terrorism, and to make real progress on the deficit reduction front this year, a new strategy is called for: A VETO STRATEGY.

To encourage President Reagan to us his veto power, I recently made available to President Reagan a letter bearing the names of 147 Members of Congress who have pledged their votes to sustain presidential vetoes of budget-busting spending bills.

Because this presidential option has been reinforced, the dynamics of power in the funding battle have shifted significantly in the President's favor.

President Reagan may have no choice but to veto appropriation bills if he is to show the Congress and the American people that he was serious when he promised to reduce the deficit without resorting to tax increases.

To date, President Reagan has been particularly reserved in his use of the veto, even though history shows us that some of our most successful Presidents have used the veto extensively. Convincing the President to use his veto power may be difficult. In fact, President Reagan only used the veto an average of ten times a year during his first term, and only five times to kill spending bills, none of which were after 1982.

Last year, for instance, Congress failed to pass a budget Resolution until October 1, well after most appropriations bills had already been passed and sent to the President. The President had vowed to veto any of those bills that exceeded his budget request. But when they reached his desk, he did not veto one of them.

But this time the stakes are high; the options narrow. The President must either revert to the destructive tax increases he has pledged to avoid, risk allowing a fiscally irresponsible Congress to drive us into bankruptcy, or exercise control over the orgy of government spending by using the constitutional power given to him—The Veto.

I undertook the effort to secure the 147 signatures of congressmen to make it easy for the President to look Congress straight in the eye and say: "Enough!", unsling his veto gun, and blast away.

The President's spending priorities were endorsed in an historic 49 state electoral landslide. Despite all the fanfare accompanying the budget resolution notwithstanding, those Presidential commitments to reduce spending have now been challenged by a Congress with a dismal record of reckless spending and a chronic incapacity for balancing the budget. Indeed, in recent years, Congress has been lucky to produce a budget at all.

Under the circumstances, Ronald Reagan should use his veto power and, given the ugly alternatives, he may find that the veto power is the only friend he and the American taxpayers have.

ONE MAN'S APARTHEID

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. CLAY. Mr. Speaker, a recent series of utterances by President Ronald Reagan supporting the South Africa regime lead me to wonder whether he is insensitive, uninformed, misled or simply blind to the realities of life as it exists in that haven of bigotry. Mr. Speakes, his press secretary, in spite of his facility for double talk, has found it impossible to cover or explain Mr. Reagan's comments on the status of integrated facilities in South Africa or the statements on South Africa's progress toward dismantling apartheid. Surely the press has kept Mr. Reagan better informed about the situation of this country in turmoil, than did his personal observations in his hometown where he remained unaware that segregation was a fact of life until quite late.

In addition, Rev. Jerry Falwell, a close friend of the President, made disparaging comments about Nobel Peace Prize winner, Bishop Desmond Tutu which were incongruent with the beliefs of most men of the cloth. The weak rationalizations and poor documentation of Reverend Falwell's observations are discussed in two articles about his recent visit to the land of bigotry. One entitled "Sinking to New Lows" and the other is "One Man's Apartheid." I wish to enter the attached articles from the August 27, 1985, Washington Post, into the CONGRESSIONAL RECORD as testimony to the relationship of these two "odd bedfellows."

ONE MAN'S APARTHEID

Finally President Reagan has provided a basis for understanding his relatively relaxed and indulgent view of South Africa. To an Atlanta radio station, he has given a little snapshot of his picture of reality in that quarter. He finds it a place where important progress is being made through the happy incidence of a reformist local government and a persuasive American administration: where blacks really have very little to complain about; anyway the Soviet Union is stirring the pot. No wonder he resists any policy change.

Except it is all—or most of it—quite untrue. From his comments it is evident that the president does not have the foggiest notion of what apartheid is actually about. As Post reporter Glenn Frankel makes plain in today's paper, even in the limited areas where President Reagan points to progress, there is not all that much to boast about. One could hoot at the president for his ignorance if it were not so painful. He altogether omits from his picture, furthermore, any hint of the larger and grosser aspects of apartheid: the humiliation and harassment of the pass courts, for instance, the forced removals, the brutalization of family life. He shows no awareness of the fundamental question of political power—that is, of the disenfranchisement of blacks under the current system and of the quality of repression organized

by whites to deny blacks political power. Has anyone told him that a state of emergency is currently in effect and that blacks are being arrested and killed practically every day?

The president did make his ritual use of the adjective "repugnant" to describe apartheid. By what else he said, however, he erased any impression that the system truly troubles him. It was not simply that he was at pains to excuse Jerry Falwell from the burden of his unfair and unfeeling criticism—since only partially retracted—of the Nobel peace laureate, Bishop Tutu. It was the particular explanation Mr. Reagan offered in so doing. South Africa, he said, is "a combination of minorities. There are at least 10 tribal divisions there." This is a painful echo of the official South African rationale for the large structure of apartheid: that blacks are not the rightful citizens of a unitary South African state but are members of distinct tribes who are to be consigned, unconsulted, to separate "homelands."

What Mr. Reagan has said goes far to explain the most objectionable aspect of his approach to South Africa: his stunning lack of moral energy and commitment to the cause of justice. The South Africa he depicts exists only in his mind. But the South Africa the United States must deal with exists on the ground.

SINKING TO NEW LOWS

When the Rev. Jerry Falwell called Bishop Desmond Tutu a "phony," it seemed as if the depths of offensive know-nothingism had at last been plumbed. But President Reagan has gone his unofficial chaplain one better by claiming, in a radio interview, that segregation in South Africa, as we once knew it in this country, has been virtually eliminated.

Falwell's smear was too much even for the racists in his flock, and he sent a telegram to the bishop in which he accused himself of "an unfortunate choice of words." Similarly, after the president had made a remark that compares with President Gerald R. Ford's hapless insistence that Poland was not under communist domination, a flurry of clarifications came from the White House press office.

Falwell, who purports to do the Lord's work, is plainly doing Reagan's. They want to kill sanctions legislation and to rehabilitate the government of South Africa. It is such uphill work it is no wonder that they have been driven to excesses.

They see the current agony as a communist plot. Falwell warns of "a red river of communism" engulfing the country; Reagan thinks "we would be very innocent, naive" if we didn't believe that the Soviets are "stirring up the pot and waiting in the wings for whatever advantage they can take."

The Reagan-Falwell defense team is getting no help from their clients in South Africa. They are being routed on the field of public relations. President Pieter W. Botha combines the charm of a southern sheriff at Selma with the appeal of a Chicago alderman losing a sewer contract. On the other side are the radiant, committed Tutu and Winnie Mandela, a woman of infinite sorrow and dignity.

For weeks, the American people have been regaled by the sight of South African policemen wading into crowds wielding whips, recalling their use by overseers of slaves.

Falwell, a man of infinite brass, is not the least embarrased by any parellel to slavery. In fact, he invoked it in one of the many speeches he has given since he launched his squalid campaign to make mush of a moral issue.

"We were 180 years as a nation before segregation was eliminated here," he said. "Thank God the world was more patient with us than we have been with South Africa."

It is true that the world was tolerant of slavery as a U.S. institution. But the country at last was not and took arms to end it. The Civil War is not an event for which Americans are grateful.

Tutu has done more than any other person on the scene to avert the civil war that sometimes seems inevitable if black Africans—who, despite Reagan's rosy view, cannot live where they want, must carry passbooks wherever they go and cannot vote—are to achieve their liberties. Far from claiming to represent his people, Tutu has humbly—and pointedly—noted that he is amazed that, considering the situation, they listen to him at all.

The South African government and the Reagan-Falwell team do not realize how lucky they are to have him. It is impossible to imagine what horrors would be occurring without his valiant, principled presence. Perhaps Falwell and Reagan missed the pictures of the bishop intervening, at the risk of his life, to save a black man who was being menaced by a crazed mob, and warning that he would leave South Africa if blacks resorted to violence.

Yet when Tutu declined to attend a meeting of religious leaders called by Botha, the White House did not hesitate to express disapproval. For Falwell's squalid assault on Tutu, however, there was a presidential pardon. Reagan commended Falwell for his "apology" and explained his offense. The bishop, he said, was only reporting what he had heard from South Africans—not passing a pygmy's judgment on one of the noble figures of our time.

In making his apology, Reagan's favorite divine explained he had merely meant to say that Tutu was not speaking for the South Africans "any more than I speak for all Americans."

It was magnanimous of the leader of the Moral Majority to suggest he does not speak for all of us. What was most egregious about his smear was the suggestion that he was speaking for South Africans, putting credentials acquired in 5½ days on a government tour against Tutu's lifetime scars.

But what is most strange is that Reagan and Falwell, both of whom have benefited so mightily from public opinion expertise, have failed to impart any of it to their clients in South Africa.

If they really want to succeed, they should whisper to Pretoria that arresting schoolchildren, the new and repugnant tactic of the "reformist" government, is hardly the way to win friends and influence people in behalf of "constructive engagement."

INDISCRIMINATE INSURANCE PRACTICES THREATEN TO ELIMINATE NURSE MIDWIFE PROFESSION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. FLORIO. Mr. Speaker, there is growing evidence that Americans may no longer enjoy access to a wide range of necessary services due to the scarcity and high cost of insurance coverage. Over the past year, I have received numerous reports of insurance carriers telling child care providers, toxic waste generators, fishermen, and others throughout the country that their premiums have been raised by as much as 1,000 percent, and in some cases, that their policies have been canceled altogether. Last month, about a third of the certified nurse midwives in this country were notified that their malpractice insurance will not be renewed.

The Subcommittee on Commerce, Transportation, and Tourism will continue to examine the availability and affordability of insurance.

The insurance industry states that the rate hikes and cancellations are necessary to cover the insurance company losses that were suffered in 1984. They claim these actions are based on actuarial data and merely reflect the industry's resolve to underwrite selectively and avoid high risks.

The following article suggests that insurance consumers are being denied coverage for reasons that are arbitrary and not based on sound actuarial judgments.

The cutback in insurance coverage is widespread. Often essential services that, by law in some States, may not be offered unless the provider is insured, are denied coverage. Many insurance consumers and the public they serve are experiencing a crisis. It is time to find out what has gone wrong and what can be done about it.

The article follows:

[From the Washington Post, July 21, 1985]

By Colman McCarthy

NURSE-MIDWIVES AND THEIR STRUGGLE TO SURVIVE

Nurse-midwives, whose professionalism is indispensable in America's birthing rooms, are about to become dispensable to the health-care industry. Liability insurance companies are no longer able to provide malpractice coverage. As a result, a large percentage of the nation's 2,800 certified nurse-midwives may be forced out of the hospitals in which they serve or from the birth centers they operate.

The nurse-midwives are the last ones to deserve ejection. Although they assist at only 2 percent of the nation's annual births, their services are near 100 percent in personal care and warmth. While they only deliver in cases of uncomplicated, or low-risk, births, they are soothers and nurturers whose hands and heads know how to make childbirth a joy, not a trauma.

Their rewards are not in money, with salaries averaging $25,000 a year, against

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$110,000 for obstetricians. Their rate of malpractice suits is low: 6 percent have been sued since 1974, against 60 percent of obstetricians having been sued at least once. From that it is fair to say that large numbers of the women they serve tend to swear by them, while many women who use obstetricians merely swear.

Nurse-midwives have no moneyed lobby, as do physicians, to protect their interests before regulators or legislatures. Their interests are anything but special and are based only on a wish not to be driven from business by expenses beyond their control.

Marion McCartney's story is typical. She is a licensed nurse-midwife at the Maternity Center in Bethesda. In 10 years of practice and in more than 600 deliveries, McCartney has never been sued. Four years ago, her insurance was $125 a year. It doubled to $250 two years ago and this year went up to $800. She was braced for even larger hits except that her carrier Mutual Fire, Marine and Inland Insurance Co., which covers 1,400 other nurse-midwives, terminated all its malpractice policies.

McCartney is in practice with four other nurse-midwives. In all, they have assisted at 2,500 deliveries. None has been sued. It is important to keep that record in mind, because it underlies the unfair treatment that is suddenly burdening the nurse-midwives. An official of Mutual Fire in Philadelphia explains that his company is leaving the medical malpractice field because of the soaring risk of claims. In the past, Mutual Fire was reinsured by more than 10 other firms, but now the reinsurance market is avoiding high-risk medicine.

That raises an obvious question: Why should nurse-midwives, who practice low-risk medicine, be treated as if they had created the problem? The answer, according to Richard Guilfoyle, the president of Mutual Fire, is that the insurance industry has yet to establish a separate category in obstetric for nurse-midwives. Guilfoyle is sympathetic to the sudden financial problems of a group that provides low-cost health care. He praises the nurse-midwives for their record and says that he favors separating them from the physicians.

As the loudest protesters, physicians, most of whom earn high salaries, are quick to blame lawyers for the million-dollar verdicts that are increasing in malpractice suits. They blame patients for their high expectations for risk-free medical care. With insurance premiums rising as much as 400 percent in some states in the past five years, physicians see their profession in need of emergency-room rescue.

Whatever heartburn doctors may be suffering, it is far less severe than the pain being endured by the nurse-midwives. Many obstetricians are conscientious and high-skilled professionals ready to make any sacrifice for the women who come to them. But one explanation for their high rate of malpractice suits is that too often an atmosphere of personal warmth and human trust has been lost on the way to, and in, the delivery rooms. The wizardry of technology is often paid greater attention than the emotional needs of the woman.

Much of the technology means better health care; it can also mean impersonal care. As bonds weaken or break between obstetricians and mothers and fathers, fewer restraints are present against suing the doctor. Why not sue? He is a distant figure, not a confidant with whom you can discuss differences.

One reason nurse-midwives are rarely slapped with malpractice suits is that they are sought out by pregnant women who share their belief that birth is a profound emotional experience, not a passing medical event. Nurse-midwives don't dominate the process with machinery and drugs, they nurture it with hands-on skill and personal attentiveness. They gird their medical expertise with woman-to-woman friendliness and understanding.

None of that is to senitmentalize the practice of people like Marion McCartney. She and the Nation's other licensed nurse-midwives are asking only that insurers, insurance commissioners and physicians see them as skilled professionals providing low-cost quality care. They are independent and deserve to be separate.

A TRIBUTE TO MRS. MARIAN BARON GOLDNER

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Ms. KAPTUR. Mr. Speaker, recently, one of my constituents took first prize in the International Association for Children's Literature Competition in Budapest, Hungary. Mrs. Marian Baron Goldner received top honors for her book, "Georgie the Jovial Giraffe," published by Banner, Inc. of New York and South Carolina. At a dinner in her honor in Budapest, Mrs. Goldner received a silver inscribed tray with a notation in Hungarian that she received first prize. Her book will be on display at the International Book Fair in Frankfort, Germany in October.

Mrs. Goldner, who has previously published plays, poems, stories, and articles, signs her books "Grandma Marian." "Georgie" is written in rhyme and contains educational information in addition to being entertaining for children of all ages. I know my colleagues in the House of Representatives join me in congratulating Marian Baron Goldner for her fine work and thanking her for enriching the lives of children throughout the world.

HEART TRANSPLANT PERFORMED IN TALLAHASSEE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. FUQUA. Mr. Speaker, Tallahassee, Florida's capital city, is rapidly gaining a national reputation in the sciences. Last week, doctors at Tallahassee Memorial Regional Medical Center became only the third team in the State of Florida to perform a heart transplant. The patient is doing fine.

The Tallahassee Democrat ran two articles the next morning, one detailing the events of this historic operation and the other explaining the processes of transplant procedures. I wish to praise the doctors, nurses and other members of the medical team involved and pay special tribute to the brave recipient of the heart, Calvin Creel. Special honor should be paid the soul who gave his or her heart so that another might live.

Mr. Speaker, I include at this point in the RECORD the two articles from the Democrat on the heart transplant surgery.

CITY'S FIRST HEART TRANSPLANT PEFORMED

(By Linda Duffy)

The heart of an undisclosed donor was transplanted into a 47-year-old Tallahassee man early Wednesday in a 61-minute operation at Tallahassee Memorial Regional Medical Center.

Calvin "Burl" Creel, who doctors said would have lived only a few days without the transplant, became the first patient to receive a new heart at the hands of Tallahassee Memorial's 16-member heart transplantation team headed by Dr. Thomas J. Bixler.

Tallahassee Memorial has become only the third hospital in Florida where heart transplants are performed. The other two are Shands Teaching Hospital in Gainesville and Tampa General Hospital. The Miami Heart Institute performed one heart transplant in 1969.

Because Creel's family remained in seclusion Wednesday after a week-long ordeal and middle-of-the-night surgery, little is known about him except that he has been disabled with coronary artery disease for several years.

By 3 p.m. Wednesday, Creel was listed in critical-but-stable condition, which Bixler says means there is uncertainty about whether his now-stable vital signs will continue to improve. The condition is usual for a heart-transplant patient.

A report issued by J. Craig Honaman, Tallahassee Mrmorial executive vice president, said Creel was "awake, alert and communicating with nurses and family." He was said to be "progressing as expected."

"I want to emphasise that Mr. Creel is extremely sick," Bixler said at a 7:15 a.m. news conference Wednesday. "He had already undergone two open-heart procedures and would have died within the next few days. He has been disabled for years and it was unclear how long he could have waited for a transplant."

Creel is suffering from some kidney damage, but Dr. C.W Applegate, the team's kidney specialist, had determined it was directly related to the patient's coronary-artery disease and would reverse itself after the transplant, Bixler said.

"Mr. Creel is awake, but he can't speak because he has a breathing tube," Bixler said. "I am sure he is in pain as that is usual for any operation."

If all goes well, Bixler, added, the breathing tube should be removed within 48 hours.

Creel knew he would eventually need a transplant and was evaluated for the procedure when the hospital's unit was readied in August. When he was admitted a week ago, his need for a new heart became crucial.

The search for a suitable donor took six days. Creel's name went on a heart-recipient list with approximately 116 others, but because of his blood type, body weight and severity of illness, he was the No. 1 candidate of 10 for the heart he received Wednesday. According to Terry Jackson, director of the Tallahassee Organ Donor Agency, Creel's wait was very short.

Jackson, Bixler and hospital personnel refused to reveal the identity of the donor other than to say the heart came from an upper Midwestern city.

Jackson said even the Creels don't know the identity of the donor. "This is a very sensitive ordeal," he said, "The majority of donors do stay anomymous."

Although most of the waiting for the heart took place while Hurricane Elana had closed airports in North Florida, Honaman said, "we put off worrying about whether we'd be able to get a heart in here until we actually had one." Once a heart is removed from a donor, it must be implanted within four hours.

The actual transplant began Wednesday at 12:30 a.m. and was completed at 1:31 a.m., three hours and 11 minutes after the organ was located and Bixler flew to the donor hospital to remove the heart.

Kathleen Creel, wife of the patient, gave a short statement, Wednesday morning in which she said: My husband has been sick for a long time. We're thankful to the Lord for this transplant. With the Lord's help, he"ll pull through."

"I want to emphasize that even though the operation went well, this is just the beginning for Mr. Creel," Bixler said. "The critical period starts with the operation and doesn't end for several months. He could suffer serious rejection or other problems at any time."

HEART TRANSPLANT REQUIRES SPEED AND PRECISION

(By Linda Duffy)

Transplanting any organ is a procedure requiring delicacy, precision and speed, but the heart dies the fastest, as only four hours can elapse from the time the heart is removed from the donor and placed in the recipient.

Before any operation can take place, however, recipients must be screened and donors must be found. The recipient has to be under 55 years old and in the last throes of coronary disease. Although without a new heart he would face death in a few months, his lungs need to be in good shape, his pulmonary blood vessels have to be healthy and he must be infection-free.

The donor has to be under 35 and free from infection, cardiovascular disease or cancer.

Then the matching of the donor and the recipient begins—blood types, antibody levels, height and weight. Currently in the United States, 116 dying patients are on list hoping to be matched with a heart. Burl Creel, who received a new heart Wednesday at Tallahassee Memorial Regional Medical Center, had a six-day wait for a donor, which is considered brief.

Once a potential donor has been found for a Tallahassee Memorial recipient, at least one member from the cardiac-transplant team—in Creel's case, Dr. Thomas J. Bixler—rushes to the donor's hospital to remove the heart, place it in a cold electrolyte solution, pack it in a cooler of ice and return with it to Tallahassee to complete the transplant.

Remember, all this must be done within four hours. To stay within that time frame, Tallahassee Memorial's cardiac team will travel no farther than 1,000 miles for a donated organ. Once the doctor's plane lands at Tallahassee Municipal Airport, the hospital's Life Flight helicopter rushes the heart to the medical center.

All the while frenzied activity is going on. The patient, being prepared for surgery, is wheeled into the operating room a full two hours before the arrival of the donor heart. As soon as the heart arrives, the transplant begins. The 15-member team goes to work.

Two technicians divert the patient's blood through a heart-lung machine and surgeons cut the aorta, the right atrium and the blood vessels that lead to the lungs. The donor heart is placed in the chest cavity and sown into place. Finally, the surgeons resuscitate the cooled heart by electrical shock, beginning the heart beat.

The heart-lung machine is disconnected and the chest is closed.

The patient is then moved into the intensive-care unit to receive one-on-one nursing and recuperatory care. He will be in some pain and won't be able to talk for a day or two until the uncomfortable breathing tube in his throat is removed.

RECOGNIZING CLEAR RIDGE ALL-STAR BASEBALL TEAM

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. LIPINSKI. Mr. Speaker, today I would like to share with my colleagues a resolution adopted by the City Council of the City of Chicago recognizing the outstanding achievements of the Clear Ridge Baseball 12-Year Old All-Star Team and commending them on their Illinois State championship win.

RESOLUTION ADOPTED BY THE CITY COUNCIL OF THE CITY OF CHICAGO, IL

Whereas, the Clear Ridge Baseball League in Chicago, is comprised of twenty-nine teams drawn from some three-hundred families of various ethnic backgrounds; and

Whereas, these families and their children live on the southwest side of our great city in the twenty-third ward; and

Whereas, Clear Ridge Baseball has been providing a baseball program for children for almost fifty years; and

Whereas, the Clear Ridge Baseball Twelve Year old All-Star Team won the Illinois State Championship of Babe Ruth Baseball held in downstate Illinois; and

Whereas, the fifteen young men who won this title for their team and this city were: Robert Krzeckowski, Kevin Duddleston, Pat Kane, Robby Brown, Chris Gallichio, Jeff Gricus, Ken Morgan, Frank Famaglia, Joey Bunch, Steve Pfeifer, Steve Sobun, Matt Taylor, Mike Chico, Brian Spalliero, Matt Hall, Coaches—Jim Duddleston, Phil Pfeiffer, Bob Gricus, John Spalliero: Now, therefore, be it

Resolved, That the Mayor and the City Council assembled here on this 7th day of August, 1985, do hereby recognize the outstanding achievements of the Clear Ridge Baseball Twelve Year Old All-Star Team and commend them on their Illinois State Championship win. Be it further

Resolved, That a suitable copy of this resolution be forwarded to the coaching staff of this team as well as the players parents.

A PROGRAM FOR WORLDWIDE ECONOMIC GROWTH

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. FRENZEL. Mr. Speaker, it is my privilege to insert into the RECORD the following speech given to the Japan Federation of Economic Organizations in Tokyo on August 23 by friend, classmate, and colleague, the Honorable JACK KEMP of New York.

Titled "A Program for World-Wide Economic Growth," JACK KEMP'S wide-ranging presentation to this most prestigious group of Japanese business leaders both contained four principal recommendations to improve the climate for world trade, and worldwide economic growth: First, liberalized access to domestic markets, not only in Japan but Europe as well; second, prompt, serious negotiation of a "Reagan round" of GATT improvements; third, reduction of marginal tax rates, and government regulation in all countries; and fourth rebuilding of an international system of stable exchange rates.

You may want to quarrel with one or two of those recommendations. I'm not crazy about No. 4 myself, but our colleague Congressman KEMP has presented a coherent, comprehensive positive program for world growth. His ideas are a refreshing change from the often heard demands for the more negative pessimism of protectionism.

I commend JACK KEMP'S speech, and am pleased to include it in the RECORD.

The speech follows:

A PROGRAM FOR WORLD-WIDE ECONOMIC GROWTH

(By Congressman Jack Kemp)

I am greatly honored to be your guest here in Japan and to be able to address the Keidanren. My wife Joanne and I are especially pleased because it gives us the opportunity to meet Japan and her people in person, instead of through newspaper reports and trade statistics.

Even a brief acquaintance makes it clear that the Japanese are economically successful because they are at heart a nation of artists and poets. It should not be surprising that the people who invented the tea ceremony have also made production almost an art form. Japanese frugality is reflected in the elegance of the haiku even more than in your high rate of personal saving. Indeed, you express your artistic temperament in the very fact that, instead of writing words with a pen, you draw pictures with a brush!

Ambassador Mike Mansfield has said many times that the relationship between the United States and Japan is the most important bilateral relationship in the free world, bar none. Despite our current concerns about trade and national defense, I am happy to say that the state or our relationship is very good.

As an American and a Congressman from Buffalo, I was proud when President Reagan spoke to the Japanese Diet in 1983, the first American President ever to receive that honor. I believe he expressed the sentiment of the American people when he said, "Of all the strengths we possess, of all the ties that bind us, I believe the greatest is our dedication to freedom. Japan and America stand at the forefront of the free nations and free economies of the world."

Both Japanese and Americans should be proud of Japan's economic and democratic development since the war. But it did not happen by accident. It took foresight, courage and hard work on the part of both Japanese and American leaders, and especially on the part of the Japanese people.

The degree of success seems to have astonished even the Japanese. I understand that Japanese journalists began calling the initial spurt of growth in the mid-1950s the "Jimmu boom," because no one could remember such prosperity since the Emperor Jimmu ascended the throne in 660 B.C. But when growth accelerated further in the late 1950s, they had to find a new name, so they called it the "Iwato boom," meaning that such good times had not been seen since the even more remote period when the sun goddess Amaterasu was lured from her Iwato cave. When the economy grew by 13 percent yearly in the late 1960s, they spoke of the "Izanami boom," harking back to the still more misty past when the goddess Izanami gave birth to the islands of Japan.

Yet Japan's "economic miracle" was not really miraculous. Your formula for domestic economic policy was basically what we in the United States call "supply-side economics"—tax incentives for thrift and hard work, a relatively small burden of government, and a minimum of unnecessary regulation. Despite increases in recent years, Japan still has the lowest tax burden among the industrial countries. In fact, for two decades, Japan reduced its tax rates every year, counting on the revenues from faster growth to balance its budget.

Similar policies were also pursued in the United States, notably by President John F. Kennedy. And they have contributed to the rapid development of countries like the Republic of Korea, the Republic of China, Singapore, and Hong Kong—countries poor in natural resources but very rich in human potential. However, it was America's misfortune to forget the formula for its success, until President Reagan rediscovered it.

I am sure that all Japanese school children are told the story about the Emperor Nintoku of the fourth or fifth century, who ascended a high mountain, looked around and said, "In the whole land there rises no smoke; the land is all poverty-stricken. So I will remit all the people's taxes and forced labor from now until three years." The Emperor allowed his palace to become dilapidated, and did not build a new one until he saw the smoke rising once again from the people's chimneys.

Five years ago, President Reagan noticed that there was no smoke rising from the smokestacks of our nation's industries. And he said that it was time to reduce the burdens of taxation, federal spending, and the forced labor of government regulations. He cut tax rates 25%, added new incentives for business investment, and freed our economy from government-imposed burdens. Today the fires of recovery have been stoked, and more than 7 million new jobs have been created. But we will not stop until we have achieved what we promised—full employment without inflation. Congress will shortly consider President Reagan's proposal for a further reform of the tax system, which would cut the top tax rate in half, to 35%, from the time he took office.

Over the years, as our national economies have grown, we have grown together. Trade between the U.S. and Japan has surged tremendously. Our combined economies represent 35 percent of the world's entire output. Total trade between the U.S. and Japan has reached $70 billion, double the level of just ten years ago. Japan is our second largest trading partner after Canada, and our largest agricultural customer. This commerce is still helping our countries to create abundance.

Trade is mutually beneficial. It raises our standard of living by increasing the variety and quality of goods available in every country. It accelerates economic development, not only in the industrialized nations but also in the less developed countries. It helps to keep a tight grip on prices through competition. Above all, it creates jobs by increasing the market for locally produced goods. When trade is free, jobs in Tokyo are not created at the expense of workers in Buffalo, or vice versa; with expanding trade and prosperity, jobs are created in both cities.

Yet, as you know, the sentiment for trade protectionism is growing rapidly in the United States. During my 15 years in the Congress, I have never seen such pressure for protectionism. In the past few days, you have heard other legislators from the United States, who have said they will support protectionist legislation unless Japan moves even further than the recent trade action package. More than 300 different protectionist bills have been introduced, and Congress will begin considering some of them when it reconvenes next month. A major Democratic Party initiative threatens to impose a 25% import fee on any country whose non-oil trade is in surplus by 50% or more. (The sponsors are unclear as to why oil-exporting nations are excluded). This formula aims directly at Japan, the Republic of Korea, the Republic of China, and Brazil.

It is extremely important for you to remember that ours is not a parliamentary system in which the head of government controls the legislature. If such a bill goes to the floor of the Senate, scores of more specific protectionist measures will be added. That's exactly what happened to the Smoot-Hawley tariff of 1930, which began as a bill limited to agriculture, but soon turned into a sweeping measure and finally placed outlandish tariffs on some items that the U.S. didn't even produce. Today the stakes are equally high, and the danger is equally great.

Right now, the chances for avoiding such a disaster rest heavily with President Reagan, who has stood almost alone against the protectionist tide. I will strongly oppose, and I will urge President Reagan to veto, any protectionist legislation passed by the Congress. But President Reagan needs all the help he can get, from his friends both at home and abroad, and I urge you to do what is in your power to help.

The pressure for protectionism will persist as long as its causes remain. It is therefore extremely important to understand and deal with them. I believe there are three reasons why the American trade deficit is front-page news today.

First, the trade deficit has partly reflected a strong U.S. economy, as Sen. Robert Dole observed. Our economy naturally has imported more because it has grown faster than the rest of the world.

It is fashionable to say that the mere existence of a trade deficit costs jobs; on a recent trip to Japan, Rep. Sam Gibbons said that 25,000 American jobs are lost for every $1 billion in the U.S. trade deficit. But this fallacy cannot be allowed to pass unchallenged.

In 1980 the United States had a surplus in goods and services of $9 billion, and total U.S. employment was 100.9 million. Today the total deficit is about $100 billion, but total employment is 108.1 million. In 1980, 59.6 percent of the population over age 16 was employed; today it is 60.1%. These figures prompted economist Herb Stein to ask: "Where are the lost jobs?"

What is overlooked is that the counterpart to our trade deficit is a net capital inflow. This net inflow is due mostly to the fact that U.S. banks are lending more at home and less abroad because of the more favorable economic climate—foreigners have not greatly increased their gross annual investment in the United States. The net inflow has financed 40 percent of the recent investment boom, creating new jobs, hundreds of thousands of new business starts, and a higher standard of living.

There are two ways in which this share of the trade deficit could be reduced. The United States could have a recession; but this would lead to a world-wide reduction in trade, and incidentally increase the U.S. budget deficit. On the other and, the deficit would be reduced if other nations reduce their own tax rates—thereby attracting capital, and strengthening their currenices. In my opinion, this portion of the deficit does not require correction, as long as the investment in America is productive enough to pay for itself. The United States ran a trade deficit almost every year during our first century—and we are still the world's largest developing country.

A second part of the trade deficit is due to trade restrictions; and this has received the most attention. It is clear that Japan has liberalized its trade since the 1960s, and its tariff barriers are lower today on average than in most other GATT nations, including the United States. However, problems remain, especially in such areas as agriculture, forestry, oil and oil products, and capital markets. Their removal would not only increase our trade, but also improve the standard of living of the Japanese, who now spend twice to four times as much as the rest of the world for many basic agricultural and dairy products. Many experts also agree that non-tariff barriers in Japan, such as standards and certification procedures, are a serious obstacle to the free flow of trade between our countries.

I applaud Prime Minister Yasuhiro Nakasone for his trade "action program," which is both a sign of good faith and a significant step forward. The United States should also remove some of its own self-imposed barriers, such as the restriction on exporting Alaskan oil to Japan and the rest of Asia. All of these steps need to be undertaken on their own merits. However, our Commerce Department has estimated that all of them together would reduce the trade imbalance by about $10 billion, or only a quarter of the trade imbalance with Japan.

The third source of the trade imbalance—and the most underestimated—is the chaotic state of the international monetary system. Much of the pressure for protectionism stems from an attempt, since 1971, to maintain a highly integrated world economy without a stable international monetary unit. The result has been similar to what would happen if each American state or Japanese prefecture issued its own fluctuating paper currency.

According to Jan Tumlir, former GATT director of research, "Over the 1970s, the steep rise in the level of economic uncertainty is still insufficiently appreciated as the cause of the halting growth and increased instability in the world economy. It can best be compared to a thick fog descending on a turnpike, slowing down traffic and causing accidents."

Think of the vast difference in the international economic climate before and after the Second World War. The 1930s were the economic equivalence of war—and were soon followed by war itself. A chain reaction was started when each country tried to raise barriers with beggar-thy-neighbor tariffs, exchange controls, and competitive devaluations.

But the farsighted leaders who established the Bretton Woods monetary system, and later the General Agreements on Tariffs and Trade, sought precisely to prevent a return to the mercantilism of the 1930s. President Kennedy, who initiated GATT's Kennedy Round, described this vision as one of "a free community of nations, independent but interdependent, uniting north and south, east and west, in one great family of man, outgrowing and transcending the hates and fears that rend our nation."

Under the Bretton Woods system, the United States offered indirect financial assistance to nations recovering from the war, through multilateral institutions, and agreed to anchor the world monetary system by maintaining the dollar convertible into gold. Other countries committed themselves to stabilizing their currencies by keeping them freely convertible into dollars, and all nations agreed to liberalize international trade. By any measure, the system was a success. Within the framework of Bretton Woods and GATT, nations like Japan and Germany recovered spectacularly through their peoples' efforts. Many less developed nations also began to prosper, thanks to the increasing economic integration.

But fifteen years ago the Bretton Woods system broke down—partly because the international system, based on a national currency, became overextended. Despite its flaws, Bretton Woods was far better than what followed. The breakdown of the world's last stable monetary system unleashed an unprecedented global inflation, which was followed by severe global contraction and rapid regression toward conditions which strongly resemble the 1930s: falling commodity prices, overcapacity, an intractable debt problem, and the beginnings of a slide toward protectionism.

The experiment with floating exchange rates has been a failure. It has failed to bring the promised autonomy of domestic economic policies. It has put a premium on short-term, speculative assets, discouraged long-term investment, and generated defensive behavior by producers and consumers. Trade is disrupted almost daily by unprecedented swings in exchange rates, which have almost turned international trade into a form of gambling. The disruption costs many jobs and much misallocated capital, and those who are hurt turn to their governments for help. Rather than acting as a benign substitute for protectionism, floating exchange rates have directly encouraged it.

I have not said anything about America's budget deficit until now, because the issue can be intelligently addressed only in the context of the international monetary and economic chaos. There is no disagreement about the desirability of reducing the budget deficit, on either side of the Pacific. Indeed, no one would like to reduce the deficit more than the President of the United States. The whole debate turns on how the deficit can actually be reduced. When asked whether tax cuts or deficit reduction is the first priority, the only sensible answer is that the first priority is to prevent a recession that would be the coup de grace for the world economy, and which would hinder rather than promote success in reducing the deficit. Without the American recovery, there would have been little expansion of world trade, and no foreseeable solution to the downward-spiraling debt crisis. It would have been nothing less than irresponsible to pursue monetary or fiscal policies which permited this.

According to conventional wisdom, an autonomously created U.S. budget deficit forces up interest rates, attracting capital and causing the dollar to rise. But it is equally arguable that in a world of floating exchange rates, the dollar's central role in the world economy has caused the currency to rise, created a trade deficit, and contributed to the budget deficit. As long as U.S. dollars are the almost exclusive source of global monetary reserves to accommodate world growth, then one of two things must happen in the face of world-wide demand for reserves: either the U.S. central bank must supply the demand for dollars, or else that demand will be met in real terms through devaluation of other currencies—in either case forcing a trade deficit upon the United States. Until we restore a stable international monetary system through fundamental reform, I am afraid that the pressure for protectionism will continue.

To summarize my recommendations, I believe the industrial countries should take the leadership to improve the climate for international trade in four ways.

First, we need much faster progress in liberalizing access to domestic markets. I am thinking here not only of Japan and the United States, but more especially about Europe, which is in many ways more protectionist. The U.S.-Japanese trade imbalance is not merely a bilateral problem, because Europe's protectionism forces more competition into relatively open markets like the United States.

Second, we need a "Reagan Round" of GATT talks among both industrial and less developed countries. The level of cynicism and hopelessness surrounding such negotiations strike me as completely unjustified. Considering what is at stake, it is our duty to try harder.

Third, more balanced trade can be restored if other countries reduce marginal tax rates and—especially in the case of the stagnant economies of Europe—reduce government intervention in the economy. This would also reduce high rates of unemployment in many countries. I would like to caution against the notion that what is needed is Keynesian "demand stimulus," as though there were little to choose between cutting marginal tax rates and raising government spending. In the United States we have found through hard experience that positive results are achieved only when incentives are increased throught tax rate reduction, not when the burden of spending rises.

Finally, we must quickly begin co-operation to rebuild an international system of stable exchange rates. The Group of Ten meeting in Tokyo earlier this summer, which affirmed support for the floating-rate system, was extremely disappointing, as well as extremely dangerous for the future development of the world economy. I was embarrassed to read a U.S. government publication that justified this position on the astonishing grounds that the floating-rate system "diverts a smaller amount of capital from productive to speculative uses since speculation under this system entails larger risks." My question is: if floating exchange rates are too risky even for speculators, what hope is there for productive businesses?

Prime Minister Nakasone was right when he said: "The free world nations are at a crossroads, facing the crucial choice of continuing along the road of economic prosperity with free trade as its basis or following the path to economic stagnation under protectionism." I am hopeful that we will choose the right path, but to do so we must co-operate in taking vigorous action to address the fundamental problems we face.

Yet economic development does not occur in a vacuum. I would be remiss if I did not mention that the free nations of Asia are also approaching another crossroad. On my current trip—which embraces the Philippines, the Republic of Korea, Japan, and the Republic of China—I find increasing concern throughout the Western Pacific about the dramatic increase in the Soviet Union's military presence here. To someone who has not visited the Pacific in several years, the developments are striking.

For example, over the past eight years, the Soviet Union has built substantial military facilities on the Northern Territories—the south Kurile islands—including about 10,000 motorized infantry, air, and artillery troops. The Soviets remain unyielding concerning the status of the Northen Territories, because the sea lanes of the Soviet Pacific Fleet, as well as of its large strategic nuclear submarine force, run through them. Unfortunately, it is fundamental to Soviet military strategy to control the Northern Territories and to try to neutralize Japan's self-defense.

The Japanese-American Mutual Security Treaty has been called the cornerstone of Asian security. A strong Japanese effort, especially in air defense and sealane protection, is critical to that security, and I commend Prime Minister Nakasone for his responsible commitment to improve its quality. One of the strongest impressions of my visit is how many nations depend on Japan's ability to defend herself.

Perhaps no emotion causes deeper anguish to peace-loving people today than the fact that we live in a world where peace must be defended if it is to be preserved. Yet we bring oursleves to perform the difficult task because what is at stake is not some abstract balance of power, or even a choice between communism and anti-communism. Infinitely more important than what we oppose, it what we stand for: the desire for peace and freedom itself.

One of this century's greatest signs of hope for mankind is that the flower of friendship between our countries blossomed upon a battlefield. This month we observe the 40th anniversary of the end of the tragic war between the United States and Japan. In doing so, we should follow the example of General Douglas MacArthur. At a time when others were steeped in malice, distrust, and hatred, General MacArthur looked forward to reconciliation. Aboard the battleship *Missouri* in Tokyo Bay on September 2, 1945, he said, "It is my earnest hope, and indeed the hope of all mankind, that from this solemn occasion a better world shall emerge out of the flood and carnage of the past—a world dedicated to the dignity of man and the fulfillment of his most cherished wish for freedom, tolerance, and justice."

Far-sighted as he was, if General MacArthur were with us today, even he would be astonished at the progress. Forty years ago, Tokyo lay in ruins. Yet last night, my wife Joanne and I marveled at the culture and prosperity of this thriving, world-class city. There is a reason why Tokyo was able, with the respect and suport of friends, to rebuild herself—because freedom works. We don't need a monument to commemorate the beginning of friendship between our peoples; this city is that monument—a monument to what free men and women can do in a society which empowers them to create a new life for their families and their children.

Yet in the end what is decisive is not just the concept of economic freedom—which you enjoy; nor is it just the necessity of free trade, for which we must all strive. Above all, it is freedom of the spirit—even more than the material prosperity which results from it—that can make a city rise like a phoenix out of the tragedy of war, and come to stand as a living testament to the values which unite the community of freedom-loving peoples everywhere in the world.

Those present today enjoy a measure of peace and prosperity thanks to those, like MacArthur, who went before us—people who were not merely inspired by this vision, but acted upon it. It is our responsibility not merely to conserve this precious heritage, but the increase it and hand it on to those who will come after us. For in the end our highest responsibility is not merely to make our nations prosper; our highest responsibilty to the world is to keep our nations free.

Thank you very much.

PUERTO RICO SEES HARM IN TAX PLAN: REAGAN WOULD DROP PROVISION CREDITED FOR THOUSANDS OF JOBS IN COMMONWEALTH

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. FUSTER. Mr. Speaker, the New York Times article of August 25, 1985 had the arresting title above.

I hope that my colleagues will read with interest the following excerpts of that news story. Its message is of vital importance to the welfare of the 3.5 million American citizens that live in Puerto Rico and to the employment prospects of our labor force now suffering a 23 percent unemployment rate.

Despite what appear to be unfavorable odds, Gov. Rafael Hernández Colón is stepping up efforts to save a tax privilege that has created thousands of jobs on the island from elimination under President Reagan's tax revision proposal.

Economists on and off the island have warned that if the tax privilege, Section 936 of the Internal Revenue Code, is phased out in five years as the White House proposes, dozens of corporations with thousands of jobs will leave the island.

Norman Ture, president of the Institute for Tax Economy Investigation in Washington, said this would be "devastating" to Puerto Rico, whose unemployment rate of 22 percent is three times the national average. Virtually all economists on the island agree with his assessment.

Section 936, in effect since 1976, frees American corporations from Federal taxes on earnings from plants on the island and permits the return of those profits to the mainland. The provision was designed to create jobs. Puerto Rico has 522 plants, with 83,000 jobs, operating under Section 936, according to the Puerto Rico Economic Development Administration. Most are in the pharmaceutical and electronics fields.

TAX PAID TO ISLAND TREASURY

Companies that take portions of their profits to the mainland must pay the Puerto Rico treasury a tax that ranges from 5 percent to 10 percent, depending on how much of the profits the corporations decide to invest in island enterprises. The "toll gate tax" earned the commonwealth $130 million in the fiscal year that ended June 30.

In addition, corporations are required to place 10 percent of their island bank deposits with the Puerto Rico Government Development Bank, which holds $700 million in such deposits. The Hernández Colón administration hopes to persuade companies to spend some of this money to build low-cost housing.

Mr. Ture said of the Section 936 program, "I don't know of any program to create jobs that has created so many jobs so economically."

Economists in the commonwealth predict that elimination of the section, which would require Congressional approval, would cost 100,000 to 150,000 jobs directly and indirectly and that this would touch off a mass migration to industrial cities in the states. And they foresee substantially higher costs for social welfare programs in Puerto Rico that are financed by the Federal Government.

PATENT COOPERATION TREATY LEGISLATION

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. KASTENMEIER. Mr. Speaker, today, I introduce legislation at the request of the administration to implement chapter II of the Patent Cooperation Treaty. If enacted, the proposed legislation authorizes the Patent and Trademark Office to become an international preliminary examining authority and enable U.S. inventors to take advantage of all the benefits offered by the Patent Cooperation Treaty.

This major multilateral convention, adhered to by the United States and 38 other countries, has increased in importance to our inventors since it became operational in 1978. The treaty simplifies the filing of patent applications on the same invention in different member countries by providing centralized filing procedures and a standardized application format. Further, the treaty affords applicants additional time to evaluate their inventions before incurring major prosecution expenses in the countries in which they seek protection. The procedures, which give applicants several options on how to proceed with their applications are embodied in two main chapters of the treaty.

Chapter I of the treaty gives applicants a period of 20 months from the priority date of the international application before they have to incur the expenses associated with national filings. During this period, applicants obtain an international search report to help them decide whether to proceed with patent prosecution in the various countries they initially chose.

Under chapter II of the treaty, the period for delaying national patent prosecution is extended by an additional 10 months and applicants are given an international preliminary examination report evaluating their invention on the basis of information contained in the earlier search report. As a consequence, applicants can be more selective of the countries in which they ultimately decide to proceed, can have time to evaluate the strength of their potential patents and can develop marketing plans.

When the United States ratified the Patent Cooperation Treaty in 1975, Congress decided to postpone adherence to chapter II of the treaty because of the then-prevailing opinion that divergent patent examining methods made chapter II impracticable. The treaty is not self-executing and when Congress passed implementing legislation in 1975—Public Law 94-131—that legislation only provided authority for the Patent and Trademark Office to discharge its functions under chapter I. Experience gained with the operation of the treaty since it became operational in 1978, as well as international harmonization of patent processing procedures, may have laid to rest the early concerns regarding U.S. adherence to chapter II. Some in the patent community have come to the conclusion that it would be in their interest to take advantage of the benefits offered by the procedures of chapter II.

To this end, in a letter of July 27, 1984, the President has already requested the Senate's advice and consent to a withdrawal of the reservation on chapter II, which the United States made when it originally ratified the treaty. The bill which I am introducing today, would legislatively implement the withdrawal of that reservation. It would authorize the Patent and Trademark Office to discharge its functions as an international preliminary examining authority and to act as an elected office under chapter II of the treaty.

Arguably, enactment of this legislation would give our inventors an improved tool to strengthen the protection of industrial property on an international scale. This may be so since most other member states of the Patent Cooperation Treaty already adhere to its chapter II, and our inventors can avail themselves of its benefits in those countries only if the United States also adheres to that chapter.

As chairman of the Subcommittee on Courts, Civil Liberties and the Administration of Justice, I urge all interested parties to submit comments on this proposal to the subcommittee at 2137B Rayburn (225-3926).

SUPERFUND REAUTHORIZATION

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. GALLO. Mr. Speaker, during the summer recess, I had the opportunity to tour the 11 sites in my district that are covered by the NPL list and Superfund. As a result of my visits, I am more convinced than ever that we need closer working relationships at all levels of Government and between Government and the private sector to solve our common environmental problems.

I am also more convinced than ever that we can not continue to delay in the reauthorization of Superfund legislation which, unless we move with purpose and dispatch, will expire in 25 days.

On Thursday, August 8, and Monday, August 12, I visited each Superfund site with local, State, and Federal officials, as well as other interested local residents, concerned about cleanup at each site.

I made this tour for two reasons. First, I wanted to be briefed on the current status of each project and to be sure that local and State officials are working closely to solve these common problems.

My second reason for touring the sites was to emphasize the need for quick congressional action in the fall on the Superfund reauthorization.

What I found were 11 unique Superfund sites, each with individual problems and opportunities for solutions.

The most difficult cleanup project in the 11th District so far is the removal of radon from residential neighborhoods in Glen Ridge, Montclair and West Orange. Work is being done in a confined, populated area, based on experience gained from other cleanups in residential areas.

Transportation and disposal of this low-level radioactive material has become a problem, as well.

Several of the sites I toured involve old landfills leaking polluted groundwater that threatens water supplies. The short-term solution in these areas will be to stop the flow of the liquid.

Long-term solutions may include innovative new technology that will allow for onsite cleansing to remove contamination from the ground. This technology includes a portable unit to burn off hazards.

This process has been perfected by the Environmental Protection Agency. It is portable, leaving no permanent structures behind, and is equipped with state-of-the-art pollution control devices.

Other sites I visited involve innovative local solutions to problems with water supplies. The town of Dover is operating on a backup well system as it awaits agreements paving the way for a permanent solution.

Rockaway Borough and Rockaway Township each have constructed state-of-the-art filtration systems, using local talent to ensure quality water supplies. These sites have been visited by representatives of governments from three continents in search of solutions to their water purification problems.

One site is worthy of particular note, because it involves a private company that has spent well over $1 million to remove a chemical deposit and to remove chemicals from the groundwater using state-of-the-art skimmers.

More companies should be taking such positive steps in cooperation with local, States and Federal officials to complete work on these important cleanup efforts.

Current laws discourage such public spirited efforts, however, on cleanup sites involving more than one company.

My visits have reenforced my belief that local officials have done excellent work toward protecting their communities in these cases.

These visits, combined with my extensive work on the Public Works and Transportation Committee, have furthered my belief that our work over the next 3 weeks will have a profound effect on our environmental quality for decades to come.

Our efforts must provide adequate funding to get the job done, and to do it right. We need a stable, sufficient and fair funding source for our remedial cleanup activities.

We need to provide a community right to know and emergency response training so that communities and people who reside in them are fully protected from the dangers of hazardous wastes.

Our efforts, and the efforts of professionals in the field must continue. Frankly, we have to take steps to ensure that professionals are willing to keep working. We have to provide these professionals with the legal and technical tools to safely and thoroughly perform their mission in a way that protects the public good.

Twenty-one days is not much time to coordinate our actions with the actions of the Senate. It isn't much time to reconcile the well-intentioned approaches of the various committees and subcommittees in our Houses. But, we have a job to do, and do it we must.

ONE HUNDREDTH ANNIVERSARY OF THE FIRST PRIMITIVE METHODIST CHURCH IN WESTMORELAND CITY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. MURTHA. Mr. Speaker, it is a pleasure for me to place in the CONGRESSIONAL RECORD these remarks noting the 100th Anniversary of the First Primitive Methodist Church in Westmoreland City.

Anniversaries such as this deserve our special recognition. Reflect for a moment that when this church was founded Grover Cleveland was President of the United States, America was still healing the wounds of a Civil War that had ended only 20 years before, and we were on the edge of a major industrial revolution that would reform American society.

And reflect that our ancestors over that 100 years saw unprecedented changes in America that have affected the lives of every citizen and how we go about our lives.

At the center of those changes, providing constancy, guidance, and community were American churches such as the First Primitive Methodist Church. In celebrating this anniversary, we mark not only the 100th year of its existence, but we join together in a celebration of the American spirit, America's religious heritage, and American ideals that have seen our families and friends through those often trying and difficult years.

The occassion of this anniversary also marks a rededication—to begin the next hundred years of the Church's history as a continuing community force of strength for individuals and families, and a source of continued focus for the American and religious ideals that will remain a key to our national strength and success.

It is my pleasure to insert these comments in recognition of the congregation of the First Primitive Methodist Church in Westmoreland City.

TRIBUTE TO ALLAIRE LIMOUSINES

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. HOWARD. Mr. Speaker, I would like to express high praise and appreciation for the outstanding safety record of Allaire Limousines in Brielle, NJ. As chairman of the House Public Works and Transportation Committee, I feel a special sense of gratitude for the commitment that Allaire Limousines consistently has shown to innovative safety measures. Michael J. Renehan, president of Allaire Limousines, deserves additional praise for his leadership and excellence in contributing to the overall safety of the roads and highways in my district and all of New Jersey.

Allaire Limousines makes every effort to ensure the safety of their drivers and passengers. Each driver is required to successfully complete the National Safety Council safe driving course. Every vehicle is carefully maintained, and each is replaced by a brand new vehicle every 20 to 30 months. In addition, Michael Renehan has been a longtime advocate of the use of safety belts in his vehicles.

I am not alone in honoring this very special organization. The New Jersey State Legislature, Gov. Thomas Kean of New Jersey, U.S. Transportation Secretary Elizabeth Dole, New Jersey State Senator Frank Pallone, the Insurance Information Institute and Limousine and Chauffeur magazine have also recognized the firm's outstanding safety record.

With best wishes for continued success, I thank Mr. Renehan and his firm for the

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model of excellence they provide for others across the Nation who use America's road system.

THE PERSECUTION OF SOVIET JEWS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. PORTER. Mr. Speaker, the following statement describes the mistreatment of Dr. Nelson Kanter on his recent trip through Europe and the Soviet Union. I would like to call my colleagues attention to this statement as it is a further illustration of the persecution that exists for Soviet Jews, and how an American traveler personally experienced this brutality.

Dr. Nelson Kanter arrived in Leningrad on Friday, August 9, 1985. On August 10, he and his traveling companion were forcibly taken to a Leningrad police station by three or four unidentified persons, one of whom was later identified as the chief of the militia of that district in Leningrad. At the police station, Dr. Kanter and his companion were taken to a room where there were many plain clothesmen and militiamen walking around. Dr. Kanter was separated from his traveling companion: He was taken down a long corridor to a small auditorium where all his personal possessions were examined. An intourist interpretor arrived and Dr. Kanter's personal possessions from a tote bag were exposed on a table where they were photographed from various angles. Dr. Kanter was photographed as well. His requests to speak with the American Consulate were denied. Vitamin C, which he was carrying, was confiscated for a drug check with the implied threat that these people often bring drugs to our country. His personal notebook, containing his views and impressions of Leningrad, were carefully examined and kept.

Some pages of notes made by Dr. Kanter during the previous day, during a visit with Leningrad refusenik, Yakov Gorodetsky, were questioned. Officials implied that he, Dr. Kanter could be held as a spy and that he lied about being a tourist. Under this intimidation, Dr. Kanter was forced to write a statement which said that he did meet with Yakov Gorodetsky, and discussed the recent trial of Roald Zelichonek, another Leningrad refusenik and now prisoner. Dr. Kanter signed the statement. He was told that he was under investigation for speculation. He was removed from detention, but was told he had to report his movements to hotel administration. Dr. Kanter terminated his trip prematurely at great personal expense because he felt he was being followed and watched.

Dr. Kanter is in great distress and there is no doubt that this tourist was used in an incident designed to manufacture evidence against Leningradian Yakov Gorodetsky. Dr. Kanter understands this, and has volunteered the following statement:

> I, Dr. Nelson Kanter, affirm and declare that the statement made at the Leningrad militia station on August 10, 1985, was written and signed only as a result of the enormous pressure exerted on me by the Leningrad militia and the KGB. This statement was in no way a reflection of what Yakov Gorodetsky said in the apartment of the previous day. The information written in my notebook, which was confiscated, was not in the exact words of Mr. Gorodetsky. Those notes represented my own loose interpretation of what was said during the course of my visit with him for my own reminiscences of my travels.

It is important that we in the Congress continue to do all that we can to express our support for those who are being denied their basic human rights in the Soviet Union. I urge my colleagues to join me in protesting the Soviet Union's blatant abuses of fundamental freedoms.

TRIBUTE TO GREG SCHLOSSER

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. STANGELAND. Mr. Speaker, today marks the beginning of a stimulating week in Washington, DC, for my constituent and handicapped intern, Greg Schlosser.

Members of my Handicapped Advisory Committee selected Greg to serve as the 1985 Handicapped Intern from Minnesota's Seventh Congressional District.

A lifelong resident of Minnesota, Greg is a recent graduate of St. Cloud State University where he received his B.S. degree in chemistry with a computer science minor. In September 1986, Greg will enter the University of Minnesota Medical School and will pursue the field of pediatric physical therapy.

In May of 1980, Greg suffered a spinal cord injury in a motorcycle accident and he is now confined to a wheelchair. Undaunted, this inspiring young man has become totally independent and extremely active in the St. Cloud and Sauk Rapids communities. He is a volunteer at the St. Cloud Hospital in occupational therapy. And most recently, he was the vice president of the MS Wheelchair Minnesota Pageant. Always a sports enthusiast, Greg has become active in a number of wheelchair sports, participating as the tournament coordinator in basketball for the Minnesota State Tournament in 1984.

This week-long internship will provide Greg with a firsthand opportunity to learn about the Federal Government, national organizations and consumer groups, and their implementation of the programs benefiting handicapped Americans. This internship profits my district through a sharing of Greg's knowledge about the Government's operation and benefits me by increasing my awareness of the needs and concerns of disabled Seventh District citizens.

Greg has an energetic and challenging week of meetings and discussions involving the Social Security Administration, Department of Health and Human Services, the National Organization on Disability and the American Coalition of Citizens with Disabilities, just to name a few. These meetings will prove invaluable in broadening the scope of this week-long internship and have long-term benefits for the handicapped constituents of my district who struggle to meet daily challenges.

With pride, I salute and welcome Greg to our Nation's Capital and to the attention of my colleagues in the Congress of the United States.

OPPOSING AMNESTY FOR ILLEGAL ALIENS

HON. C.W. (BILL) YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. YOUNG of Florida. Mr. Speaker, more than 30 years have passed since the enactment of our Nation's last comprehensive immigration and naturalization legislation. During this period, the swell of millions of immigrants and illegal aliens seeking shelter in the United States has placed undue strain on our Nation.

In an effort to deal with this situation, Congress has acted over the years in a piecemeal fashion to address urgent immigration concerns. The resulting patchwork of U.S. immigration laws and regulations is seriously in need of a comprehensive overhaul by this Congress.

Both the House and Senate spent a considerable amount of time in the 97th and 98th Congress considering immigration reform legislation without reaching a final agreement. An effort will be made again this year to complete the task of formulating a sound national immigration policy. To assist in that effort, I am introducing legislation today to improve upon the proposals considered by Congress in the past and resubmitted for consideration again this year.

My first measure is a resolution expressing the sense of the Congress that no amnesty be granted to illegal aliens living in the United States. After very long debate, the House narrowly defeated an amendment to immigration reform legislation last year which would have eliminated a provision granting amnesty to aliens.

The Census Bureau estimates that there are as many as 6 million illegal immigrants living in the United States. Granting general amnesty to these lawbreakers would send a signal to potential aliens that our immigration laws are made to be broken.

Amnesty also unfairly rewards those who have bypassed our immigration process, while penalizing the millions of law-abiding individuals who have followed the proper procedures, but have been denied entry for one reason or another. Many others must wait out the lengthy application process, which often takes years to complete.

The second measure I'm introducing today would correct one example of our

Nation's contradictory immigration policies by prohibiting aliens living in the United States for less than 5 years from applying for and receiving Federal welfare benefits. Immigration officials have the authority, under current law, to deport aliens who become public charges within 5 years of their arrival in the United States. The officials, however, who administer the supplemental security income program are not prohibited from making SSI payments to these same aliens.

My legislation would close this loophole by prohibiting the payment of SSI benefits to aliens living in the United States for less than 5 years. The legislation also requires sponsors of aliens to assume a legal financial responsibility during the alien's first 5 years in our country. Current law requires only a moral, but not a financial, responsibility for sponsors. My legislation ensures that the sponsor, and not the American taxpayers, provide a minimum standard income for aliens.

Mr. Speaker, we are a nation of immigrants, who over the years have sought out a life in the United States where many freedoms and opportunities are available that do not exist elsewhere in the world. We have an obligation to accept a legislatively mandated number of immigrants to our Nation each year who have legally applied and followed proper procedures.

We, however, have no obligation to grant amnesty or benefits to any aliens who have come to our shores illegally. As a representative of the State of Florida, I am well aware of the burdens that have been placed upon the State, country and local governments by the influx of illegal immigrants over the years. These aliens should not be rewarded while millions of other people patiently wait many years for their time to come when they can apply for and receive permission to emigrate to our Nation. It is for these people that we must provide a fair, sensible and comprehensive immigration policy, one that I hope Congress will formulate in the coming months and that will reflect the concerns I have expressed over the years.

UNFORGETTABLE FIRE

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. GORDON. Mr. Speaker, I recently received a copy of a book called "Unforgettable Fire." A man from my hometown of Murfreesboro sent it to me on the 40th anniversary of Hiroshima. He hoped that it might help me better understand the horrors of nuclear war. He hoped that it might emphasize the need for eliminating the nuclear threat. I bring the book to your attention for the same reasons.

"Unforgettable Fire" is a collection of pictures drawn by survivors of the Hiroshima bombing. It was published in 1975, 30 years after the bombing, in an effort to keep us from forgetting this nightmare. It is one of the more moving documents I have ever encountered.

The drawings are understated renderings of an unimaginable horror. Often they are accompanied by brief, searing descriptions. I find the drawings are more disturbing than a collection of photographs because they do not represent objective reality—they record images that have been burned in the memories of the survivors.

Here is one example from a man named Ken Nakagawa, age 64.

> This picture is about a rescue operation along the river bank in Sakaimachi. There were cries for help from women, children, and old people pinned under houses or crushed between pillars. The dead were sacrificed for their country. Children, wives, fathers and friends never came back. I hear phantom voices crying for help. I can not forget.

I don't believe that looking at an old man's drawing will make arms control any easier to achieve. I do believe that examining the horror of nuclear war will compel us to prevent its recurrence.

TRIBUTE TO ROBERT G. NICHOLSON

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. CHAPPIE. Mr. Speaker, I'd like to bring to the attention of my colleagues in the House an individual whose dedication and service to youth deserves special recognition. His name is Bob Nicholson, and after more than 40 years as a Boy Scout leader, he is retiring from service.

Mr. Nicholson began his Scouting as a youth in Racine, WI. From out of that experience came a lifelong dedication to the Boy Scouts. Over the years, he has led Boy Scout troops and councils in Montana, Washington, Arizona, New Mexico and California, providing leadership and guidance to hundreds of young men. Since 1974, northern Californians have been especially fortunate to have Bob Nicholson as Scout executive for the Buttes Area Council in Marysville, CA.

As a former Boy Scout, I believe there is no better training for a young man than to become involved in Scouting. It instills in our young people the basic values on which this country was built.

But Boy Scouts couldn't be effective without the dedication of its leaders. That's why it is so important to recognize the contribution made by those who spend their lives helping young men.

In today's busy world, it is especially noteworthy that someone like Bob Nicholson is willing to provide that selfless dedication to enrich the lives of those around him. Through his leadership, he has helped shape and influence America's next generation of leaders. Those young men, and our country, are better for it.

I know I speak for many others when I express my gratitude and appreciation to Bob Nicholson for giving so much of his life to Scouting. His leadership will be missed.

DONALD BAXTER, NEW ROCHELLE FIRE COMMISSIONER, HONORED

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. DIOGUARDI. Mr. Speaker, I rise today to honor Donald Baxter, who is retiring as the fire commissioner of New Rochelle Fire Department in New York. After 35 years of distinguished service, Don's presence will be sorely missed. Appointed on July 16, 1950, as a probationary firefighter, Don's excellent performance saw him quickly rise through the ranks of the department from lieutenant to captain and then deputy chief.

Not only was Don an outstanding firefighter, he was always in the forefront of bringing new methods and technology into the department to improve their lifesaving capabilities. These included the training of all personnel to handle the implementation of emergency medicine and the introduction of computers for usage in the application of fire service. Last year, not one person died in a New Rochelle fire.

Don's commitment to excellence and safety stretched to private individuals and homeowners, encouraging people to install smoke detectors in their homes. Don is also a member of the Westchester County Fire Advisory Board, the Rotary Club and the Elks Club.

It is with great pleasure that I extend my congratulations and best wishes to Don, his wife Mary, and his four children, Donna, Linda, Lawrence, and Donny. We all look forward to Don's continued success and commitment to excellence.

RECOGNIZING THE MONSOUR EDUCATION DEPARTMENT

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. MURTHA. Mr. Speaker, it is a pleasure to insert these remarks into the CONGRESSIONAL RECORD honoring the Monsour Education Department.

This is a group of women who are registered nurses, several with master's degrees, plus a secretary and librarian, who are specialists in women's health, children issues, cardiac rehabilitation, and critical care.

We in Congress have closely overseen the outstanding advances made in medical care in recent years and through the efforts of the National Institutes of Health and other Government agencies have helped to promote this research. No matter how fast we can develop the answers to complex medical problems, they are only partially effective until we get the information to individuals and promote individual health care throughout the community.

This is the type of work being done by the Monsour Education Department through community teaching, over 600 inservice programs a year, and public appearances. These types of educational programs can be particularly effective in the prevention of disease and in calming the fears of citizens who face medical problems.

This vital element of the overall American health care delivery system deserves our continued support and recognition. It is my pleasure to add these congratulations to those being received by the Monsour Education Department on a special day of recognition on September 13.

AMERICAN HEART ASSOCIATION'S FOOD FESTIVAL TO EMPHASIZE GOOD DIET

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. WALGREN. Mr. Speaker, heart and blood vessel diseases kill more men, women, and children in this country than any other cause of death. The economic cost of cardiovascular disease will amount to an estimated $72.1 billion in 1985 alone. Scientists have demonstrated that the typical American diet—one high in cholesterol and saturated fats—contributes greatly to the risk of cardiovascular disease. To help focus public attention on this widespread problem, from September 8–14 the American Heart Association's [AHA] Food Festival will spotlight the eating patterns which can help reduce the risk of heart disease.

Most cardiovascular diseases are the result of atherosclerosis, a condition in which the lipid—fat—and cholesterol levels in the blood are higher than the body requires to maintain good health. When the body accumulates an abundance of fat and cholesterol, the excess can collect in the walls of the arteries, forming deposits called "plaque." If the accumulation of plaque is allowed to progress over the years, an artery can become completely clogged with fats, cholesterol, and other debris. If the artery supplies the heart, the result can be heart attack; if it supplies the brain, the result can be a stroke.

The United States has one of the highest rates of cardiovascular disease in the world. The American diet is so rich in saturated or animal fats, that even children show evidence of high blood cholesterol levels. By middle years, most Americans have accumulated plaque in their arteries, making them candidates for heart and blood vessel diseases.

Medical scientists tell us that lowering the level of cholesterol and saturated fats in the diet can reduce one of the risks of coronary disease. The American Heart Association, in conjunction with several national supermarket chains, will work together during Food Festival Week to encourage consumers to purchase nutritional foods and to become aware of eating habits which can help prevent heart disease. According to the AHA, by limiting cholesterol consumption to less than 300 milligrams per day and fat intake to less than 30 percent of daily calories, otherwise healthy men, women, and children over 2 years old can control blood cholesterol levels and reduce the risk of heart attack and stroke.

American Heart's Food Festival spotlights the value of good nutrition and dietary control of cholesterol and saturated fat. The Food Festival's focus on nutrition lets the public know that participating local food retailers and the American Heart Association care about their well-being.

CHAMINADE COLLEGE PREPARATORY CELEBRATES 75TH ANNIVERSARY

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. GEPHARDT. Mr. Speaker, September 7 is a very important day in the hearts and minds of many young men who attend Chaminade Preparatory School in Creve Coeur, MO. The school is celebrating its 75th anniversary with various celebrations.

Chaminade has served many young men in the crucial growth years of high school. The school is unique among others in that it is the only day and residential school in the St. Louis area.

Not only is this anniversary special to the young men now attending Chaminade—but also to the many alumni who have left its hallowed halls since 1910.

Mr. Speaker, I commend Chaminade College Preparatory for the quality academic and religious guidance it has shown the St. Louis area for the past 75 years and, on this occasion, wish future success.

MSGR. JOSEPH R. PANNONI ENTERS 60TH YEAR OF PRIESTHOOD

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 9, 1985

Mr. FRANK. Mr. Speaker, we can all learn from the example of dedicated and responsible community leaders. Therefore, it gives me pleasure to bring to the attention of the House the inspiring role that Joseph R. Pannoni has played in the city of Fall River, MA, on the occasion of his 60th year in the priesthood. For 60 years, Joseph Pannoni has given generously of his talents as a priest, as a friend of the members of the Holy Rosary Parish, and through his example, to the entire community of Fall River.

Joseph Pannoni's service is especially noteworthy because he is the first priest of Italian descent ordained for the Diocese of Fall River to be elevated to the rank of monsignor.

Mr. Speaker, all the residents of Fall River, MA, deserve to feel honored by the contribution that Msgr. Joseph R. Pannoni has made for 60 years to his parish, to the Diocese of Fall River, and to the community. As his friends and colleagues gather to wish him well, I join to commend him for his exemplary service.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, September 10, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 11

9:30 a.m.

Banking, Housing, and Urban Affairs

To continue oversight hearings on reforming Federal deposit insurance for banks and thrift institutions.

SD-538

Commerce, Science, and Transportation

Business meeting, to consider S. 1017, to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority, S. 1073, to improve the availability of Japanese technical literature to U.S. businesses, scientists, and engineers, and the nomination of Anthony J. Calio, of Maryland, to be Administrator of the National Oceanic and Atmospheric Administration.

SR-253

Finance

To hold hearings on proposed legislation to provide for certain spending reductions and revenue increases.

SD-215

Labor and Human Resources

To hold hearings on United States' relations with the International Labor Organization (ILO).

SD-430

10:00 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.

SR-328A

Energy and Natural Resources

Business meeting, to resume consideration of S. 426, Electric Consumers Protection Act, S. 403, Hydroelectric Facility Relicensing Amendments, S. 1219, Fair Competition in Hydroelectric Licensing Act, and S. 1260, Hydroelectric Relicensing Reform Act.

SD-366

Foreign Relations

To hold hearings on international narcotics trafficking.

SD-419

Governmental Affairs

To continue hearings on S. 1527, to establish a new retirement program for all Federal and postal employees and Members of Congress.

SD-342

Select on Indian Affairs

To hold hearings on S. 1396, to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation in Minnesota.

SD-628

1:00 p.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on competitiveness in the long-distance telephone markets.

SR-253

2:00 p.m.

Judiciary

To continue hearings on pending nominations.

SD-226

3:00 p.m.

Agriculture, Nutrition, and Forestry

Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.

SR-328A

SEPTEMBER 12

9:00 a.m.

Armed Services

To hear and consider the nominations of Robert K. Dawson, of Virginia, to be Assistant Secretary of the Army for Civil Works, Robert B. Sims, of Tennessee, to be Assistant Secretary of Defense for Public Affairs, and routine military nominations.

SR-222

Office of Technology Assessment

The Board, to hold a general business meeting.

EF-100, Capitol

9:30 a.m.

Energy and Natural Resources

Energy Research and Development Subcommittee

To hold oversight hearings on the Department of Energy's "Mission Plan for the Civilian Radioactive Waste Management Program".

SD-366

Finance

To continue hearings on proposed legislation to provide for certain spending reductions and revenue increases.

SD-215

Veterans' Affairs

To hold oversight hearings on veteran's employment issues.

SR-418

10:00 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.

SR-328A

Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings on S. 1461, to permit for two years, any passenger cruise vessel that was built in the United States and subsequently sold foreign to be brought back under the United States flag with domestic trading privileges.

SR-253

Foreign Relations

European Affairs Subcommittee

To hold hearings to review the North Atlantic Treaty Organization (NATO), focusing on Soviet imperatives for the 1990's.

SD-419

Judiciary

Business meeting, to consider pending calendar business.

SD-226

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.

SD-430

2:00 p.m.

Finance

International Trade Subcommittee

To resume hearings on S. 680, to limit imports of textile products into the United States to a one-percent growth rate for exporting countries.

SD-215

*Foreign Relations

European Affairs Subcommittee

To continue hearings in closed session to review the North Atlantic Treaty Organization (NATO), focusing on Soviet active measures.

S-116, Capitol

3:00 p.m.

Agriculture, Nutrition, and Forestry

Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers and abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.

SR-328A

SEPTEMBER 13

9:30 a.m.

Finance

To continue hearings on proposed legislation to provide for certain spending reductions and revenue increases.

SD-215

10:00 a.m.

Foreign Relations

European Affairs Subcommittee

To continue hearings to review the North Atlantic Treaty Organization (NATO), focusing on Soviet active measures.

SD-419

SEPTEMBER 16

9:30 a.m.

Finance

Taxation and Debt Management Subcommittee

To hold hearings on S. 376, the Child Health Incentives Reform Plan.

SD-215

10:00 a.m.

Judiciary

Security and Terrorism Subcommittee

To hold hearings to explore the effects of terrorism in South Africa on the security of the United States.

SD-226

SEPTEMBER 17

9:30 a.m.

Rules and Administration

To hold hearings on S. Res. 29 and S. Res. 81, measures to set forth regulations to implement television and radio coverage of Senate Chamber proceedings.

SR-301

10:00 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.

SD-430

11:00 a.m.

*Foreign Relations

Business meeting, to consider pending calendar business.

SD-419

2:00 p.m.

Finance

International Trade Subcommittee

To hold hearings on S. 1544, to extend and reform the Trade Adjustment Assistance Program, and related measures, including S. 1459, S. 234, and S. 23.

SD-215

SEPTEMBER 18

9:30 a.m.

Labor and Human Resources

To hold hearings on private sector initiatives to feed the world's hungry.

SD-430

Rules and Administration

To continue hearings on S. Res. 29 and S. Res. 81, measures to set forth regulations to implement television and radio coverage of Senate Chamber proceedings.

SR-301

10:00 a.m.

Foreign Relations

To resume hearings on the Supplementary Extradition Treaty Between the United States of America and the United Kingdom of Great Britain and Northern Ireland, with Annex (Treaty Doc. 99-8), signed at Washington on June 25, 1985.

SD-419

Judiciary

Juvenile Justice Subcommittee

To hold hearings on S. 985, to protect the rights of victims of child abuse.

SR-325

Select on Indian Affairs

To hold hearings on S. 1298, to coordinate and expand services for the prevention, identification, and treatment of alcohol and drug abuse among Indian youth.

SR-485

Joint Economic

Economic Goals and Intergovernmental Policy Subcommittee

To hold hearings on international trade.

SD-342

2:00 p.m.

Environment and Public Works

Environmental Pollution Subcommittee

To resume oversight hearings on the implementation of section 404 of the Clean Water Act, relating to the wetlands dredge and fill permit program.

SD-406

Governmental Affairs

Energy, Nuclear Proliferation and Government Processes Subcommittee

To hold oversight hearings on enumeration of undocumented aliens in the decennial census.

SD-342

SEPTEMBER 19

9:00 a.m.

*Foreign Relations

European Affairs Subcommittee

To resume hearings to review the North Atlantic Treaty Organization [NATO].

SD-419

9:30 a.m.

Banking, Housing, and Urban Affairs

To hold hearings on S. 812, to authorize the President to control loans and other transfers of capital to any or all of the Soviet bloc countries.

SD-538

Commerce, Science, and Transportation

To hold hearings on record labeling.

SR-253

Energy and Natural Resources

Energy Regulation and Conservation Subcommittee

To hold oversight hearings to review the Federal Energy Regulatory Commission notice of proposed rulemaking on Regulation of Natural Gas Pipelines after Partial Wellhead Decontrol.

SD-366

Finance

To resume hearings on the President's tax reform proposal.

SD-215

Veterans' Affairs

Business meeting, to consider proposed legislation to meet reconciliation expenditures as imposed by S. Con. Res. 32, setting forth recommended levels of total budget outlays, Federal revenues, and new budget authority for fiscal years 1986, 1987, and 1988, and revising the congressional budget for fiscal year ending September 30, 1985.

SR-418

10:00 a.m.

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.

SD-430

1:30 p.m.

Foreign Relations

European Affairs Subcommittee

To continue hearings to review the North Atlantic Treaty Organization [NATO].

SD-419

SEPTEMBER 20

9:30 a.m.

Labor and Human Resources

To hold hearings on matters relating to private education.

SD-430

10:00 a.m.

Environment and Public Works

Environmental Pollution Subcommittee

to hold hearings on proposed legislation authorizing funds for wildlife refuge programs.

SD-406

SEPTEMBER 23

9:30 a.m.

Finance

International Trade Subcommittee

To resume hearings on S. 680, to limit imports of textile products into the United States to a one-percent growth rate for exporting countries.

SD-215

SEPTEMBER 24

9:00 a.m.

Energy and Natural Resources

Energy Regulation and Conservation Subcommittee

To hold oversight hearings on innovative approaches in industrial energy efficiency.

SD-366

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, on pending calendar business.

SR-253

Finance

To resume hearings on the President's tax reform proposal.

SD-215

10:00 a.m.

Labor and Human Resources

Children, Family, Drugs, and Alcoholism Subcommittee

To hold hearings on child fitness and health programs.

SD-562

11:00 a.m.

*Foreign Relations

Business meeting, to consider pending calendar business

SD-419

SEPTEMBER 26

9:30 a.m.

Finance

To hold hearings on the President's tax reform proposal.

SD-215

10:00 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Foreign Relations

International Economic Policy, Oceans, and Environment Subcommittee

To hold hearings on the General Agreement on Tariffs and Trade (GATT).

SD-419

2:00 p.m.

Foreign Relations

To hold hearings on financing of foreign military sales.

SD-419

Governmental Affairs

Energy, Nuclear Proliferation and Government Processes Subcommittee

To hold hearings on S. 209, the Federal Debt Recovery Act.

SD-342

SEPTEMBER 30

9:30 a.m.

Finance

Taxation and Debt Management Subcommittee

To hold hearings on proposed revisions in subchapter C of the Internal Revenue Code relating to corporate taxation.

SD-215

10:00 a.m.

Governmental Affairs

Civil Service, Post Office, and General Services Subcommittee

To hold hearings on S. 1440, the Non-Smokers Rights Act.

SD-342

OCTOBER 1

9:30 a.m.

Finance

To resume hearings on the President's tax reform proposal.

SD-215

Labor and Human Resources

Labor Subcommittee

To hold oversight hearings on pension policy implications of the President's tax proposals on fringe benefits and retirement savings.

SD-430

10:00 a.m.

Governmental Affairs

Civil Service, Post Office, and General Services Subcommittee

To continue hearings on S. 1440, the Non-Smokers Rights Act.

SD-342

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To hold joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.

2175 Rayburn Building

*Labor and Human Resources

Aging Subcommittee

To hold hearings on pension accrual and the older worker.

SR-385

Labor and Human Resources

Children, Family, Drugs, and Alcoholism Subcommittee

To hold hearings on the exploitation of runaway children.

SD-628

11:00 a.m.

Veterans' Affairs

To hold hearings to review the legislative priorities of the American Legion.

SD-106

OCTOBER 2

9:30 a.m.

Finance

To continue hearings on the President's tax reform proposal.

SD-215

Labor and Human Resources

To hold hearings on the nomination of Edward A. Curran, of Maryland, to be Chairman of the National Endowment for the Humanities.

SD-430

10:00 a.m.

Select on Indian Affairs

To hold hearings on S. 1558, to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada.

SR-485

OCTOBER 3

9:30 a.m.

Finance

To continue hearings on the President's tax reform proposal.

SD-215

10:00 a.m.

Governmental Affairs

To hold hearings on the President's management initiatives and related measures.

SD-342

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.

2175 Rayburn Building

OCTOBER 9

9:00 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on Robert Elsner, of Alaska, and Karen Pryor, of Washington, each to be a Member of the Marine Mammal Commission.

SR-253

10:00 a.m.

Commerce, Science, and Transportation

To hold oversight hearings in conjunction with the National Ocean Policy Study on Pelagic driftnets.

SR-253

Labor and Human Resources

To hold hearings to examine certain barriers to health care.

SD-430

OCTOBER 10

10:00 a.m.

*Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings on fishing vessel safety and insurance.

SD-562

Labor and Human Resources

To hold hearings on mandatory nutritional labeling.

SD-430

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.

SR-385

10:30 a.m.

Commerce, Science, and Transportation

Business, Trade, and Tourism Subcommittee

To hold hearings on the promotion of domestic tourism.

SR-253

OCTOBER 16

9:30 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

OCTOBER 17

10:00 a.m.

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To hold hearings to examine measures to discourage students from dropping out of high school.

SD-430

OCTOBER 23

9:30 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

OCTOBER 24

10:00 a.m.

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.

SD-430

OCTOBER 29

9:30 a.m.

Labor and Human Resources

Handicapped Subcommittee

To hold hearings on the Tenth Anniversary of the Education for All Handicapped Children Act (P.L. 94-142).

SD-430

OCTOBER 30

9:30 a.m.

Labor and Human Resources

To resume hearings to examine certain barriers to health care.

SD-430

10:00 a.m.

Labor and Human Resources

Children, Family, Drugs, and Alcoholism Subcommittee

To hold hearings on the effects of domestic violence.

SD-628

NOVEMBER 6

9:30 a.m.

Labor and Human Resources

To hold hearings on nutrition and fitness in public health.

SD-430

CANCELLATIONS

SEPTEMBER 11

10:00 a.m.

Judiciary

To hold hearings on certain provisions of the Conrail Sale Amendments of 1985.

SD-226

SEPTEMBER 13

2:30 p.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings to examine motor carrier safety and Mexican trucking operations.

SR-253

HOUSE OF REPRESENTATIVES—*Tuesday, September 10, 1985*

The House met at 12 o'clock noon.

The Reverend William Feickert, St. James Lutheran Church and St. Peter Lutheran Church, Tuscarawas, OH, offered the following prayer:

Shalom, shalaam, pax and peace.

Almighty God, source of true wisdom and peace: We invoke Your blessings upon the U.S. House of Representatives assembled to deliberate upon those things which would make for the maintenance, well-being and extension of justice in our land and around the world; and as You have promised to send Your Spirit to lead people into truth, so rule the hearts and guide the counsels of the representatives of our country, that protected from the errors of human weakness, they may seek only the well-being, justice, strength, and peace which comes from caring for Your people and creation. Bless and guide the people, the President, Vice President, the Speaker of the House, legislators, magistrates, executives, service men and women and chaplains.

Bless America with peace, strength, justice, and tranquility. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REV. WILLIAM F. FEICKERT

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, the House has been honored today with the opening prayer by Rev. William F. Feickert, pastor of St. James Lutheran Church in Tuscarawas and St. Peter Lutheran Church in New Philadelphia, both in Ohio. And a friend of mine.

Reverend Feickert is joined here today by his lovely wife, Dorothy, his family, and members of his congregations, and other friends.

Throughout his distinguished service in Tuscarawas County, Reverend Feickert has contributed immensely to the betterment of his community. The special dedication and spiritual devotion that Reverend Feickert brings to the major tasks which confront him everyday goes beyond the norm. His experience of over two decades in service to our Heavenly Father has been especially rewarding—to the Reverend as well as his family and friends. But, most of all, those who come to him during their times of need have come to realize the greatest reward of all.

I would also like to add Reverend Feickert's spiritual commitment and outstanding service to America's veterans. Mr. Speaker, it is an honor to have Reverend Feickert as our guest chaplain today. May we always recall the inspiration that he has given us on this special day.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3244, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, FISCAL YEAR 1986

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. 99-259) on the resolution (H. Res. 261) waiving certain points of order against consideration of the bill (H.R. 3244) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION OF INQUIRY CONCERNING AMERICAN PRISONERS OF WAR IN SOUTHEAST ASIA

Mr. HAMILTON, from the Permanent Select Committee on Intelligence, submitted a privileged report (Rept. No. 99-260, part I) on the resolution (H. Res. 226) directing the Secretary of Defense to furnish certain information to the House of Representatives relating to American prisoners of war in Southeast Asia, which was ordered to be printed.

DEMOCRATS SHOULD BUY AMERICAN

(Mr. HYDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, yesterday while President Reagan was announcing economic sanctions against South Africa, the Democrats were frolicking at the Speaker's Golf Tournament. The golfers were given a terry-cloth souvenir hat which says on the outside "Speaker's Tournament" and the initials "Democratic National Committee," but on the inside the label says "Made in the Republic of South Africa."

Mr. Speaker, it will not do much good for Republicans to condemn apartheid if the Democrats are going to keep boosting South Africa's economy. With our textile industry in such trouble, I hope next time the Democrats will buy American.

MANDATORY MEDICARE/SOCIAL SECURITY

(Mr. REID asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REID. Mr. Speaker, part of the American dream for each of us has been the knowledge that we will have the resources to take care of ourselves throughout our lives.

A good example of how this has been accomplished is in my own State of Nevada, where State and local employees have contributed to a retirement system that will provide such security during the postretirement years.

Because of the overwhelming success of this system, I am strongly opposed to any congressional attempts to make Social Security and Medicare coverage for State and local employees, including teachers, mandatory.

Such a requirement would be inequitable, especially where a State's retirement system already meets the needs of the people.

I am, of course, referring to possible revenue-generating legislation now being considered by Congress to reduce the deficit, at the expense of Government workers nationwide, those workers who already are contributing their fair share to solvent retirement systems.

We're all concerned about solutions to balance the Federal budget, but I oppose action that loads such horrendous financial burdens on States like Nevada that have done an outstanding job of maintaining their own financial integrity.

DEFENSE AUTHORIZATION CONFERENCE REPORT

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, there is apparently no business pending before the House today. We should be taking up the Defense authorization conference report. Some Members on your side are attempting to stall the bill in order to take a few more pot shots at it.

There will be a dangerous precedent set if a separate vote is demanded on this issue.

Do you think it's going to stop there seriously? Do you think the other body won't start playing little tricks like this every time the majority doesn't get its way in conference?

If we are going to open this up to a separate vote, why stop there? Why not do the same thing on the budget process?

Why not take separate votes on all issues about which certain Members feel strongly?

This could be the first crack in the dam. It could eventually lead to a deluge of separate votes.

Is this what we want to see? I think not.

We debated the Defense authorization bill. We voted. It was all fair and square. If we change the game rules here then they will surely be changed for other conference reports, here and in the other body.

Mr. Speaker, I submit it is a bad precedent and we ought not to take that route.

ONE MORE YEAR OF BUSINESS AS USUAL ON HAZARDOUS WASTE CONTROL?

(Mr. ECKART of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART of Ohio. Mr. Speaker, this year the 30th of September means much more than just the end of another fiscal year. It may also mean the end for one of the Nation's foremost environmental protection programs, the Superfund Program for cleaning up our Nation's hazardous wastes.

H.R. 2817, the $10 billion bipartisan bill that Congressman LENT and I introduced earlier this summer, and which has already cleared the House Committee on Energy and Commerce, would do much to alleviate the problems that the beleaguered program has experienced, but there are those who would use the September 30 deadline to offer a simple 1-year extension of the program. Nothing could be more dangerous or more hazardous to America's health than 1 year more as business as usual, 1 year more of delays, loss of funds, regulatory laxitives, lack of schedules, new incentives and development for permanent cleanup technologies, lack of delay of cleaning up Federal facilities, and the continued problems with leaking underground storage tanks.

Mr. Speaker, we need our $10 billion, 5-year reauthorization. Playing short-term politics with the health of millions of Americans is not in the Nation's interest.

☐ 1210

A PROPOSED TOTAL 15-PERCENT CUT IN AMTRAK FUNDING

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, on August 1, just before we left for our August recess, we adopted the conference report on the budget by a pretty substantial bipartisan vote. Some people said that this was just a hollow promise, that it is a sham, and that when the actual appropriations come up, we will not even adhere to that.

We have two chances in the next few days to prove our cynics wrong, and I hope we do. Despite the fact that the budget conference report calls for a 15-percent reduction in the Amtrak funding level, both the Amtrak authorization bill and the Department of Transportation appropriations bill provide only a 10-percent cut in Amtrak funding.

It is clear, through our hearings and discussions and debate over this matter in the Committee on Energy and Commerce, that Amtrak can survive as an efficient and effective national railroad system with an extra 5-percent cut, and I intend to offer an amendment or amendments to both of those bills before us to bring this level to 15 percent.

Mr. Speaker, I hope our colleagues on both sides of the aisle will support this effort to demonstrate that all those things we said about the budget are not just hollow promises. What little credibility we have left with the American people will be lost if we cannot find an additional 5-percent funding cut for Amtrak.

OPPOSING USE OF TAX-DEDUCTIBLE FUNDS FOR PROVIDING MILITARY AID TO CONTRAS

(Mr. LUKEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUKEN. Mr. Speaker, I rise to give warning to my colleagues as to American taxpayer subsidies to the Contra military forces in Nicaragua. Some private citizens in this country are making war in Central America, and doing it with tax-deductible funds.

One of these groups, the U.S. Council for World Freedom, in gaining tax exemption from the IRS, promised not to provide "materiel or funds to any revolutionary or counterrevolutionary group," and yet sent helicopters and riverboats to the Contras. The council's director, Maj. Gen. John K. Singlaub, admits to using his international contacts to channel lethal aid to the Contras. Another group, the Nicaraguan Refugee Fund, held a fundraising dinner, which netted over $200,000. Of this sum, only $3,000 went to aid refugees, while over $115,000 went for "consulting fees."

We have voted several times against providing military aid to the Contras, and yet several private organizations have been funneling supplies to the Contras, despite their promises to the IRS not to do so.

Twenty-six of our colleagues and I recently wrote to the Commissioner of the IRS, Roscoe Egger, suggesting that the IRS review the tax status of these organizations.

I urge your support of this much needed review. These organizations are not to aid the Contras militarily. They should not circumvent the law.

DEFICIT WATCH

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, none of us in this Chamber should wonder why we have $200 billion budget deficits, year after year. Some call the budget uncontrollable. It's no such thing. We in the Congress just refuse to control it.

Let me offer a perfect example. Chemical weapons. Immediately after the House passed its $56 billion deficit-reduction package last spring, we voted on chemical weapons. Here we were, faced with an up-or-down vote on a weapons system we don't really need—a weapons system whose purchase could easily be deferred—a weapons system whose ultimate price tag could reach $20 billion.

How did the Congress vote? To spend the money. Three-quarters of the freshman Members voted that way, and they made the difference. I'll bet many had campaigned as fiscal conservatives, promising to cut the deficit once they came to Washington. But, when the chips were down, they voted to spend.

The House will have a second chance to vote on chemical weapons soon. I'll be interested in seeing what happens this time. So will the American people.

SOUTH AFRICAN SANCTIONS

(Mr. RODINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RODINO. Mr. Speaker, on the question of South Africa, we must ask how much is enough. Yesterday, the President took some steps in the right direction by imposing sanctions against the apartheid government of Pretoria. But considering the magni-

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

tude of injustice in South Africa, the administration's action is too tentative and too grudging—it is simply not enough.

Policy as important as our South Africa policy cannot be conducted on the level of rhetoric and symbolism. It must have the force of law—which is why I supported the sanctions bill that we passed with overwhelming bipartisan support. Unlike the administration's action, this bill gives hope to the forces of moderation and nonviolence in South Africa—at the same time it eliminates our Nation's complicity with the abhorrent system of apartheid.

Americans are a proud people because we believe that our Nation stands for right over wrong. We know that racism is wrong. We know that apartheid is wrong. And we know that constructive engagement with a government that practices racism and apartheid is wrong. Let us not soft pedal our Nation's policy. Let us send a united message to the world and to the people of South Africa that the American people stand for what's right—that we stand for justice and an end to apartheid.

INVOKING A TEMPORARY IMPORT SURCHARGE TO ADDRESS TRADE IMBALANCE PROBLEMS

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CLINGER. Mr. Speaker, although we returned to work last week, the thoughts and comments of our constituents are still fresh in our minds. During my travels through the 23d District of Pennsylvania, I talked with a lot of folks who had one question on their minds—what are we in Congress going to do about the trade deficit, and more importantly the resultant loss of jobs?

It is increasingly apparent that Congress may take some severe measures if the administration fails to devise a proposal which deals with our trade difficulties. I am also in favor of taking prompt action, as long as it is responsible and reasonable in its approach, and does not contribute to the initiation of a trade war with our partners. Still, our American companies and workers need relief, and the time has come to act.

Last month, I wrote to the President asking him to invoke section 122 of the Trade Act of 1974. This would allow him to impose an import surcharge of up to 15 percent, in the form of duties, on articles imported into the United States. It would not last longer than 150 days without congressional approval and could be targeted to specific countries and imported articles.

Mr. Speaker, with our annual trade deficit approaching $160 million, it is clear that Congress and/or the administration will do something, and soon, in the area of trade. Of course, a temporary and minimal import surcharge would not, by itself, solve all our trade problems. But it could be an intermediate step to show our determination to address our problems, while not committing us to long-term approaches that gamble our future economic well-being.

House of Representatives,
Washington, DC., August 2, 1985.

Hon. Ronald Reagan,
President of the United States,
Washington, DC.

Dear Mr. President: I am writing to you to ask that you consider responding to our persistent trade difficulties with Japan by invoking Section 122 of the Trade Act of 1974.

As you know, Section 122 provides you with temporary authority to impose an import surcharge of up to 15% ad valorem, in the form of duties, on articles imported into the United States. This authority, not to exceed 150 days without Congressional approval, can be invoked "to deal with large and serious U.S. balance-of-payments deficits", and can be targeted to specific countries and to specific imported articles.

As you are aware, with our 1985 trade deficit expected to reach a record $160 billion, protectionist sentiments in Congress and around the nation have grown to incredible proportions. These have particularly focused upon Japan, which is likely to have a 1985 merchandise surplus of almost $50 billion with the U.S. This imbalance has affected and will continue to affect virtually every region of our country and every sector of our economy.

Let me point out, Mr. President, that clear precedent exists for the use of an import surcharge. As noted in the Senate Finance Committee report accompanying the 1974 Trade Act: "the use of surcharges for balance-of-payments purposes has gained de facto acceptance in GATT. Major industrialized countries which have resorted to surcharges include France in 1955, Canada in 1962, the United Kingdom in 1968, and Denmark and the United States in 1971."

It is my belief, Mr. President, that invoking Section 122, targeted specifically against Japan, would effectively emphasize our concerns regarding the bilateral trade relationship. At this time of enormous federal budget deficits and an overvalued dollar, it would also add much needed revenue to the Treasury, decrease U.S. demand for Japanese goods by readjusting the undervalued yen, improve the balance of U.S. exports to Japanese imports, and give the U.S. additional leverage in encouraging Japan to allow U.S. exports greater access to Japanese markets, thereby preserving and creating American jobs.

Moreover, Section 122 can specifically target Japan, minimizing the potential for friction with GATT members. In addition, Section 122 allows the exclusion of those imports that meet the special needs of the U.S. economy, can be rapidly instituted or rescinded by Executive Order, and would be limited to only 150 days unless extended by a specific act of Congress.

I would also argue that the use of Section 122 authority as a trade policy option is vastly superior to the numerous proposals currently before Congress. The Gephardt-Bentsen-Rostenkowski 25% import surcharge proposal (H.R. 3035, S. 1449), to take one example, is far less flexible than Section 122. It would remain in force until 1991, it could not be targeted to specific countries, it does not allow the exclusion of certain imports, and its surcharge level is probably too high for price increases to be readily absorbed by the exporting nations.

Mr. President, I share your belief in a free market system, and appreciate your efforts to balance the many elements of our trade and economic policies. But free trade can not be a unilateral U.S. policy. Japan does not practice free trade, and until our trade difficulties are resolved we need to adopt policies that encourage a speedy and equitable resolution of these difficulties. Section 122 authority will help us accomplish this goal, and I strongly urge you to invoke its provisions.

Sincerely,

William F. Clinger, Jr.,
Member of Congress.

The United States
Trade Representative,
Washington, DC., August 23, 1985.

Hon. William F. Clinger, Jr.,
U.S. House of Representatives,
Washington, DC.

Dear Congressman Bill: I have been asked to reply to your letter of August 1 to the President concerning the problem of the U.S. trade deficit and the potential use of Section 122 of the 1979 Trade Act to impose a temporary surcharge on imports.

I think that we are in agreement that we have several major problems on the trade front. One of the primary problems is the very large federal budget deficit which the President and many in Congress wish to see reduced substantially. As you note, we also have experienced a strong dollar, which impedes our exports and encourages U.S. imports. This has resulted from the inflow of foreign capital to partially finance our federal deficit and economic growth. Further, we have had poor growth in our major export markets, with a severe debt crisis in many developing countries which has cut our exports. Finally, and very importantly, in some major markets, such as Japan, we face barriers to our exports of goods and services and distortions to flows of direct investment.

Our trade deficit reflects the cumulative effect of these problems. But is a temporary surcharge the answer? Wouldn't a surcharge detract from the attention needed to continue our efforts to reduce federal spending and deficits? At the end of the "temporary" period of the surcharge, wouldn't we be back where we are now?

Japan accounts for less than a third of our world trade deficit. Therefore, to substantively reduce the trade deficit, we would have to impose a surcharge much more generally than only on Japanese products. However, most of our trade partners would retaliate against our exports, since they do not believe that they should pay the price of our excessive budget expenditures and a strong dollar.

To make the maximum contribution to reducing our trade deficit, we have to work hard to reduce our federal expenditures in order to bring them more in line with our revenues. We also have to vigorously pursue our national trade interests. Instead of a broad or selective surcharge, I believe that, should our trade partners not play the game fairly, we must employ specific actions to gain leverage to achieve more open markets.

I hope that you will continue to work on the trade issue. It is one of the most important national economic issues that we have to address. I also hope that you will continue to express your thoughts and recommendations to the President and me.

Sincerely,

Clayton Yeutter.

House of Representatives,
Washington, DC, September 9, 1985.

Hon. Clayton Yeutter,
U.S. Trade Representative,
Washington, DC.

Dear Mr. Ambassador: Thank you for your response to my recent letter to the President regarding Section 122 of the Trade Act of 1974. I appreciated your comments and agree with much of what you said.

In particular, I agree that the budget deficit is an important factor in our trade problem. I was hopeful that we would do more on this, and was disappointed that we chose a policy that delays the tough decisions until next year.

Yet, having said this, I must also say that I don't think that the solution to our trade deficit can wait until we solve our budget problem. Several countries, most notably Japan, have domestic policies which in some way discriminate toward our exports. These need to be dealt with, regardless of any action we take on the budget. Moreover, I'm not convinced that a lower budget deficit and a resulting lower dollar can occur soon enough to enable U.S. industries to rapidly recapture the foreign and domestic markets which have been lost in recent years due to both macro and microeconomic problems.

I also agree that the imposition of Section 122 is not a substitute for a long-term trade policy which is well-reasoned and part of an overall U.S. approach to economic policy. However, Section 122 would serve several purposes. First, it could serve as an alternative to many of the other trade proposals currently gaining momentum in Congress. The surcharge doesn't have to be 15%, it could be 10% or even 5%, and it doesn't have to last a full 150 days and could be targeted to specific countries and products. Second, it would send an appropriate signal to those countries, particularly Japan, that believe we will continue to maintain the unacceptable status quo in our trade policy (I know you agree we need a trade policy that goes beyond mere "nagging"). Third, it would give the Administration and Congress more time to prepare a comprehensive trade policy to deal with our trade partners in the future. Fourth, it could provide short-term relief to those industries and individuals feeling the pinch from the surge in imports.

Like yourself, I do believe that we should work to avoid a trade war. In my opinion, it would certainly be disastrous for all concerned. However, it is also my belief that we can best avoid retaliation by our trading partners by looking at measures which are short-term in nature and less severe than those such as a 25% long-term import surcharge.

I agree that a temporary surcharge is not the entire answer to this very complex problem; however, until our trading partners realize that the United States will not continue to allow the kind of unfair trading practices that have contributed to our $150 billion 1985 trade deficit, I believe that stronger steps are necessary.

I would be happy to meet with you at the appropriate time to discuss this matter in greater detail. Thank you again for your letter.

Sincerely,

Bill Clinger,
Member of Congress.

The House Wednesday Group,
Washington, DC, September 4, 1985.

Letters to the Editor
New York Times,
New York, New York 10036

Dear Sir: The Times has correctly identified the need to offer an "alternative to workers displaced by imports" ("Pay $68,000, Save a Shoemaker"—August 27), rather than answering the call for protectionism ringing through the halls of Congress.

One way to address this problem would be for Congress to pass a retraining proposal recently introduced by Representatives Bill Clinger (R-PA) and Nancy Johnson (R-CT)—The National Training Incentives Act of 1985, H.R. 1219. This legislation, backed by cosponsors ranging from conservative Republicans to members of the Black Caucus, has several significant provisions which would help to retool U.S. workers.

First, it would provide a 25% tax credit for training expenses in excess of a 5-year historical average, thereby rewarding the type of retraining, on-the-job training, which labor and business agree is the most effective. Structured like the R&D tax credit, this provision will only be used if business decides it needs to spend more on retraining and will generate $4 in private-sector financed retraining for every dollar lost in federal revenues.

This approach is particularly important when considering the bias which now exists in the tax code between incentives for R&D and plant and equipment and for worker retraining. For example, in FY 1986, tax incentives for R&D and plant and equipment totaled $79.2 billion, while incentives for worker retraining came to a paltry $25 million. This represents a ratio of over 300 to 1. This is even more appalling when you consider that in recent years the contribution of education and training to total productivity growth is about one-half.

Another component of the Clinger-Johnson proposal would permit workers to finance retraining with money withdrawn, without penalty or taxation, from their IRAs or annuity accounts. This would allow roughly 13 million working class households to take advantage of an already established network of retirement financing.

Although some might argue that the IRA was designed exclusively with retirement in mind, it is interesting to note that a similar retirement vehicle, the 401(k) Deferred Compensation Plans, does not have the inflexibility of the IRA, but instead allows for early withdrawal for a variety of purposes, including but not limited to the payment of college tuition, purchasing a home, or even the coverage of unreimbursed medical costs, depending upon the particular plan.

A third provision of this important legislation removes a significant disincentive to retraining by allowing any displaced worker who is otherwise eligible for unemployment compensation to collect unemployment assistance while participating in a training program. Unfortunately, at present only 13 states allow a worker in a retraining program to receive unemployment compensation. This must change. We do not need a system which mandates that people wait until their unemployment has run out before they can develop a new skill.

Our nation needs to pursue a more vigorous employment policy so that America's workforce will not lag behind with outmoded skills while technology moves forward. While others advocate the use of protectionist measures to keep jobs in this country, we believe an alternative such as H.R. 1219 is a positive and far-sighted proposal which comes to grips with changes in the world economy. As the Times correctly observes, "policymakers who want growth must do more than nobly pledge allegiance to free trade." The Clinger-Johnson proposal is just such an effort.

Sincerely,

Steven Hofman,
Executive Director.
David Hebert,
Research Associate.

PRESIDENT'S EXECUTIVE ORDER ON SOUTH AFRICA FALLS SHORT OF CONGRESSIONAL GOALS

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, by continuing to resist the congressional sanctions legislation and by offering his own far weaker version of sanctions in his Executive order, President Reagan continues to fail to take advantage of an opportunity he now has to both embrace and strengthen the extraordinary bipartisan concensus that exists, within this Congress and across this land of ours that we must make a very direct break with the policies of constructive engagement.

In South Africa itself, the President's Executive order will be understood essentially as a means of trying to resist stronger sanctions. It thereby encourages the Afrikaners, the white minority regime, in their belief that they can in fact hold on indefinitely, that the current American interest in South Africa is only a passing fancy, and that they can maintain their horrendous system of apartheid without real economic cost and without any significant degree of international isolation. The President's executive order is temporizing. His constant remarks by way of an apology for South Africa are only encouraging greater repression, inviting greater violence, and terribly compromising American interests not only in South Africa but throughout the African Continent.

Mr. Speaker, I urge the President to abide by the consensus that exists in this Congress to give his support to the congressional sanctions legislation.

SUPERFUND REAUTHORIZATION—WE MUST ACT NOW

(Mr. LENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LENT. Mr. Speaker, on September 30, 1985, Superfund, the most important environmental law enacted in this decade, is scheduled to expire. We must not allow this to happen. Congress must act immediately to reauthorize and strengthen this vital program governing the cleanup of our Nation's hazardous waste sites.

Superfund is a complex law, involving serious and controversial issues. Some would avoid confronting these issues by enacting a simple 1-year extension of the legislation. That kind of nonaction would have disastrous consequences for the Superfund Program and for the environmental health of this Nation.

The Environmental Protection Agency has planned to spend $900 million for the cleanup effort in fiscal year 1986. A 1-year extension at current funding levels would slash that obligation by fully two-thirds, to $300 million. EPA would be forced to slam on the brakes, stopping a critical program which is finally gaining momentum. I have a list of 67 hazardous waste sites at which EPA has already slowed or delayed cleanup pending the extension and expansion of this program. I am submitting the list of sites for the RECORD.

Mr. Speaker, if we fail to enact a comprehensive reauthorization of Superfund, we will have failed the citizens who look to us to protect their health. I urge my colleagues to join me in working for immediate House action on a comprehensive Superfund reauthorization bill.

SITES AT WHICH WORK HAS BEEN HALTED DUE TO UNCERTAINTY OF SUPERFUND REAUTHORIZATION

Site name	Stage[1]
EPA Region I	
Charles-George Reclamation Trust Landfill, Tyngsborough, MA	RA
Groveland, Groveland, MA	RD
Hocomonco Pond, Westborough, MA	RD
Nyanza Chemical Waste Dump, Ashland, MA	RD
Nyanza Chemical Waste Dump, Ashland, MA	RA
Beacon Heights Landfill, Beacon Falls, CT	RD
McKin Co., Gray, ME	RA
Picillo Farm, Coventry, RI	RD
EPA Region II:	
Bog Creek Farm, Howell Township, NJ	RD
Bridgeport Rental & Oil Services, Bridgeport, NJ	IRM
Bridgeport Rental & Oil Services, Bridgeport, NJ	RA
Burnt Fly Bog, Marlboro Township, NJ	RD
D'Imperio Property, Hamilton Township, NJ	RA
Gems Landfill, Gloucester Township, NJ	RD
Gems Landfill, Gloucester Township, NJ	IRM
Glen Ridge Radium Site, Glen Ridge, NJ	RD
Goose Farm, Plumstead Township, NJ	RD
Helen Kramer Landfill, Mantua Township, NJ	[illegible]
Lipari Landfill, Pitman, NJ	[illegible]
Montclair/West Orange Radium Site, Montclair/West Orange, NJ	RD
Swope Oil & Chemical Co., Pennsauken, NJ	RD
Marathon Battery Corp., Cold Springs, NY	RD
Olean Well Fields, Olean, NY	RD
Sinclair Refinery, Wellsville, NY	RD
Sinclair Refinery, Wellsville, NY	IRM
Wide Beach Development, Brant, NY	RD
York Oil Co., Moira, NY	RD
EPA Region III	
Douglassville Disposal, Douglassville, PA	RD
Drake Chemical, Lock Haven, PA	RD
Lackawanna Refuse, Old Forge Borough, PA	RA
Lansdowne Radiation Site, Lansdowne, PA	RD
Moyers Landfill, Eagleville, PA	RD
Tysons Dump, Upper Merion, PA	RA
Sand, Gravel & Stone, Elkton, MD	RD
EPA Region IV:	
Davie Landfill, Davie, FL	RD
Miami Drum Services, Miami, FL	RD
EPA Region V	
Acme Solvent, Morristown, IL	RD
Byron Salvage Yard, Byron, IL	RA
Outboard Marine Corp., Waukegan, IL	[illegible]
Wauconda Sand & Gravel, Wauconda, IL	RD
Charlevoix Municipal Well, Charlevoix, MI	RD
Charlevoix Municipal Well, Charlevoix, MI	RA
Northernaire Plating, Cadillac, MI	RD
Verona Well Field, Battle Creek, MI	RD
Verona Well Field, Battle Creek, MI	RA
Eau Claire Municipal Well Field, Eau Claire, WI	IRM
Schmalitz Dump, Harrison, WI	RD
Arcanum Iron & Metal, Darke County, OH	RD
New Lyme Landfill, New Lyme, OH	RD
Old Mill, Rock Creek, OH	RD
Old Mill, Rock Creek, OH	RA
Lehillier/Mankato Site, Lehillier/Mankato, MN	RD
EPA Region VI	
Bayou Bonfuca, Slidell, LA	RD
Bayou Bonfuca, Slidell, LA	RA
Old Inger Oil Refinery, Darrow, LA	RA
Bio-Ecology Systems, Inc., Grand Prairie, TX	RA
EPA Region VII:	
Ellisville Site, Ellisville, MO	RA
Aidex Corp., Council Bluffs, IA	RA
EPA Region VIII	
Woodbury Chemical Co., Commerce City, CO	RA
EPA Region IX	
Celtor Chemical Works, Hoopa, CA	RD
Celtor Chemical Works, Hoopa, CA	RA
Del Norte County Pesticide, Crescent City, CA	RD
San Gabriel Valley, La Puente, CA	IRM
EPA Region X:	
Commencement Bay, Well 12A, Tacoma, WA	RA
Western Processing Co., Inc., Kent, WA	RD
Western Processing Co., Inc., Kent, WA	IRM
United Chrome Products, Inc., Corvallis, OR	RD

[1] Stage refers to the phase of remedial action. RD = detailed design stage or development of plans and specifications. RA = remedial action or the actual implementation of the selected cleanup option; IRM = Initial Remedial Measure or implementation of a small cleanup action prior to final remedy.

THE "YUGO"—A PRODUCT OF SLAVE LABOR

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, when President Reagan lifted the voluntary auto import restrictions last March, he opened the floodgates for foreign cars entering our shores. Now, there is yet another new entry in the race to capture our American market. It is called the Yugo. It is built in Yugoslavia. Ringing in at $3,990, it is being purchased sight unseen in many parts of the country. The low price sounds magnificent, but let's consider why. The workplace in Communist Yugoslavia is a far cry from what it is here in America. How can our workers possibly compete with Yugoslavian workers who have no rights and work for 60 cents an hour? Slave labor. And because Yugoslavia is a Communist country, its companies can afford to build this car at a loss just to steal more of our domestic market. A very clever subversion of our economic system, isn't it.

There is no question that there is room for improvement in the American auto industry. It must modernize, improve quality, and expand productivity. But what this trade issue really comes down to is fairness and a decent standard of living for families across America. The flow of foreign goods on our markets, like the Yugo, may look good to some shortsighted consumers. But when imports rob jobs, America suffers. Our standard of living is second to none. It depends on workers working and plants producing. Our Nation's trade policy must reflect this reality. As President Lincoln said, if this country ever falls, it will fall not from without, but from within.

PAY RAISES FOR GPO EMPLOYEES

(Mr. MONSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MONSON. Mr. Speaker, while holding town meetings in my district in Utah during the August recess, I learned that the problem of greatest concern to my constituents is still the ever growing Federal deficit. We here in Congress debate that issue regularly. Yet, despite our talk about reducing the deficit and cutting the budget, many situations exist which are defeating our efforts.

As a founding member of the Grace Commission caucus, I have been concerned for some time now that so much of taxpayers' money is going to support unnecessary Federal spending each year. One classic case is the Government Printing Office which employs 2,300 Federal employees. These workers have long been among the highest paid in their profession, in or out of Government. In fact, some are being paid up to almost $18,000 a year more than people with similar jobs in the Government.

Yet, the Joint Committee of Printing recently granted permission for the GPO to receive generous 15 percent cost-of-living pay hikes over the next 3 years for all GPO craft workers. If we continue to allow this kind of unnecessary generosity, we will never gain control over Government spending and our ever-increasing Federal deficit.

Mr. Speaker, I include an article by Donald Lambro with my remarks in the RECORD to further explain this example of wasteful spending:

[From Human Events, July 20, 1985]

GOVERNMENT PRINTING OFFICE PAY RAISES SOAK TAXPAYERS

(By Donald Lambro)

REAGAN APPOINTEE IGNORES BUDGET DEFICITS

Let's say you're the head of a large corporate subsidiary and your parent company's running a $200-billion annual deficit. The interest payments alone on your debts are costing you $130 billion a year. The board of directors has voted to slash spending next year by $56 billion to bring the firm's fiscal crisis under control, but it remains deeply split about where to cut.

Meanwhile, your workers are demanding a pay raise (these workers don't care if the company's plunging into debt) and you've got to decide whether your company can afford to give it to them. What do you do?

That's the real-life situation that faced Ralph E. Kennickell Jr., head of the $600-million Government Printing Office, whose 2,300 printers, bookbinders and production workers have long been among the highest paid in their profession, in or out of the government.

Congress' investigating arm, the General Accounting Office, discovered in 1983 that GPO workers were being paid from $3,222 to $17,879 more than workers performing similar jobs elsewhere in the government.

Yet Kennickell's incredible decision was to offer GPO's craft workers a generous cost-of-living raise of up to 15 percent during the next three years and to cut their workweek from 40 hours to 37-and-a-half hours.

In making the wage-hike offer, Kennickell was thumbing his nose at the Administration's efforts to cut the budget as well as the budget-cutting mood in Congress. Faced with another record-shattering $200-billion-plus deficit next year, both the House and Senate budget bills called for freezing federal pay where it is.

However, Kennickell, seemingly oblivious to all this, volunteered the pay hike without any real effort to engage in tough negotiations with his printers. "He just handed it to them on a silver platter," said one well-placed GPO official.

But before the wage hike could take effect, it had to be approved by GPO's lord and master, Congress' Joint Committee on Printing—which, in the past, has been notoriously generous to the printer unions that represent GPO's craft workers. Notably, the chairman of the committee is Maryland Sen. Charles Mathias. Many GPO employes live in his state, and their unions have enthusiastically supported his reelection campaigns.

Thus, despite a budgetary crisis of historic proportions, when the Joint Committee on Printing met on June 13, it merrily voted, by 6 to 2, to ratify Kennickell's costly giveaway to GPO's printers—leaving taxpayers to foot the bill.

The big spenders who irresponsibly agreed to the pay raise were Senators Mathias, Mark Hatfield (R.-Ore.) and Wendell Ford (D.-Ky.); plus Representatives Joseph Gaydos (D.-Pa), Ed Jones (D.-Tenn.) and Frank Annunzio (D.-Ill.).

Only two lawmakers on the committee opposed the pay raise: Representatives Robert E. Badham (R.-Calif.) and Pat Roberts (R.-Kan.).

Under the wage package that the committee rubber-stamped, GPO craft workers will receive a whopping 4.6 percent pay raise this year and up to a 5 percent raise—depending upon the cost-of-living index—in each of the succeeding two years.

"These lucrative benefits," Rep. Roberts told me, "fly in the face of every taxpayer willing to sacrifice in an effort to reduce the deficit."

Why would Kennickell—whose patron is Georgia's Mack Mattingly, one of the Senate's staunchest foes of excessive federal spending—push for this pay raise? Many believed that by supporting the raise for GPO workers, he hoped to improve his weakened chances in the Senate Rules Committee, which has been stubbornly sitting on his embattled nomination since last year.

At this writing, the Rules Committee panel, also chaired by Mathias, was expected to vote soon on Kennickell's nomination. That nomination had been snared in a controversy over Kennickell's financial-disclosure form, in which he reported earning about $20,000 more in 1981 than he actually did earn. He attributed the error to "carelessness."

However, whichever way that vote turns out, Kennickell and Congress' Joint Committee on Printing already have done irreparable damage to the efforts to halt the spending spiral at GPO.

The fact that Kennickell, a Reagan appointee from Georgia, could make such an offer reveals why some of the President's most conservative allies in Congress have been suspicious of Kennickell ever since the White House picked him to succeed GPO Public Printer Danford Sawyer last year.

THE LAW ENFORCEMENT OFFICERS PROTECTION ACT OF 1985

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, this morning the Committee on the Judiciary, by a unanimous voice vote, favorably reported the bill, H.R. 3132, the Law Enforcement Officers Protection Act of 1985.

One of the major new dangers that our Nation's police officers face on patrol or in investigation, is that the criminals are arming themselves with "cop-killer bullets," ammunition specially designed to penetrate their protective armor.

This bill reflects more than 3 years of work on this problem by the Subcommittee on Crime and the Administration. The result is a balanced, workable bill that will provide law enforcement officers with protection from armor piercing ammunition. I want to commend our distinguished colleague from New York, MARIO BIAGGI, for his tireless efforts in helping us to overcome the obstacles that this bill has faced.

The ammunition covered is carefully and narrowly defined, and has no sporting purpose. The bill would prohibit the manufacture and importation of this ammunition except for limited purposes.

The only issue about which there is any disagreement is controlling the sale of this ammunition. The administration's experts concede that it is quite possible that several million rounds of this ammunition could be available on gun dealers' shelves. It is this ammunition that now poses the greatest danger to our Nation's police officers. This bill prevents its sale to the general public by licensed dealers.

This bill will give our Nation's police officers an urgently needed margin of safety. Passage of this legislation must be our highest priority. We must not be blinded by the smokescreen of the National Rifle Association which says that this measure takes away from the Nation's sportsmen.

This ammunition cannot be controlled if it is primarily intended to be used for a sporting purpose. Nothing is taken away from sportsmen.

I urge the House to support prompt passage of this bill to protect the Nation's law enforcement officers.

□ 1225

AMERICAN BUSINESS WOMEN'S DAY

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, today I am introducing a bill which requests the President to designate September 22, 1986, as "American Business Women's Day."

This day would mark the importance of American business women to the whole Nation. This day is supported by the American Business Women's Association which actively promotes professional and educational advancement for women. ABWA has more than 110,000 members and 2,100 chapters.

This organization awards scholarships to women not only entering college, university, or vocational training programs, but also to women who need to refresh job skills before reentering the work force and to women who need certain courses in order to qualify for promotion and career advancement. Since 1949, ABWA has awarded more than $18 million in scholarships. Just last year, ABWA awarded $2.9 million to over 5,700 women.

The ABWA deserves a hearty congratulation for their work in behalf of an important group, the American business woman.

Mr. Sanders, I invite you and our colleagues to join me in celebrating American Business Women's Day on September 22, 1986.

PRESIDENT MISSES OPPORTUNITY FOR PEACEFUL SOLUTION IN SOUTH AFRICA

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, President Reagan has missed a tremendous opportunity to assist moderate whites and black leaders such as Bishop Desmond Tutu in moving toward a peaceful end to apartheid in South Africa.

The President has derailed the bipartisan legislation containing economic sanctions against the government in Pretoria, which passed the House by a vote of 380 to 48, and in an earlier version, the Senate, by a vote of 80 to 12.

The President's Executive order invoking sanctions against South Africa should be seen for what it is: an invidious political tactic. The sanctions moving through Congress were a sincere effort to alleviate the suffering of millions of black South Africans under the yoke of apartheid. It is disturbing in the extreme for the President to reduce this effort to a mere political maneuver designed: First, to head off a confrontation with Congress; and second, as the New York Times put it, "above all to protect South Africa from significant harm."

Mr. Speaker, the people of the United States and the people of South Africa both deserve better.

A FEW THINGS THAT HAPPENED WHILE CONGRESS WAS OUT OF TOWN: SEVEN AMERICANS REMAIN HOSTAGES IN LEBANON

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, a few things happened while Congress was out of town concerning the seven Americans held hostage in Lebanon.

I had the privilege of meeting with President Assad of Syria, Vice President Khaddam and Foreign Minister Shara in Damascus in mid-August on behalf of my constituent Father Lawrence Jenco and the six other Americans held hostage in Lebanon, as well as the 4 Frenchmen. I was most graciously received by President Assad and his Government. Our talks were frank and open. I sincerely hope that these efforts may encourage a renewed search to locate and effect the release of the American and French hostages.

NBC reported Sunday that the wives of two Frenchmen kidnaped in Beirut have received letters from their husbands.

A Kuwaiti Embassy employee kidnaped in Beirut on July 11 was released unharmed at midnight August 12, after 33 days of captivity.

Mr. Speaker, today marks the 246th day of captivity for Father Lawrence Jenco, a Servite priest from Joliet, IL, and a personal friend.

William Buckley, a U.S. Foreign Service officer has been held hostage 543 days today.

Today marks the 490th day of captivity for Rev. Benjamin Weir, a Presbyterian minister

Terry Anderson, the Associated Press bureau chief in Beirut, was kidnaped 178 days ago.

Today is the 105th day of captivity for David Jacobsen, the director of the American University Hospital, Beirut.

Thomas Sutherland, dean of the agriculture school at the American University, has been held for 92 days.

Today also marks the 280th day since the disappearance of Peter Kilburn, the American University librarian.

Mr. Speaker, the hostage crisis in Lebanon continues.

EXECUTIVE ORDER ON APARTHEID NOT ENOUGH

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, it is somewhat encouraging that the White House has finally rethought its policy toward South Africa and the President by Executive order is attempting to preempt any action in the other body on a conference report that has been over there for some time where we have overwhelming bipartisan support for the imposition of sanctions representing our distaste and our abhorrence with apartheid and the repressive actions of the Government in South Africa. But issuing the Executive order, unfortunately, is not going to solve anything, in my judgment. The preemption might work for a while in the other body, but the issue is not going to go away because the Executive order does not do away with the issue.

So what we have, unfortunately, appears to be a confrontation between the President and the Congress where the Congress overwhelmingly wants to do something and it will be so interpreted in South Africa. What we need to have, of course, is a challenge to that government and a change of the U.S. policy. The best way to do that would be statutorily where you have strong bipartisan support and you show to the world that the executive branch and the legislative branch are joined together in making a statement with respect to our opposition on what is going on in South Africa. The way it looks now is it appears to be that we are divided, that something else has happened. I think that is unfortunate.

What should really happen is the other body should take that conference report, send it to the President and the President should sign it and let it become law. Then everybody would know exactly where the United States stands.

ABOLISH THE SYNTHETIC FUELS CORPORATION

(Mr. WORTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WORTLEY. Mr. Speaker, in a burst of can-do spirit, Congress launched the Synthetic Fuels Corporation in 1980 with a $15 billion appropriation and a mandate to go forth and create fuel from oil shale. It didn't matter that the technology was not readily at hand, $15 billion could get it there as needed.

Just in case the outright $15 billion was not enough, Congress said, let there be price supports and loan guarantees. After all, they don't cost anything. Synfuels, it was decreed, would lead the way to enhanced national security and energy independence.

Five years later we are no closer to a commercial synfuels industry. The Synthetic Fuels Corporation has wasted money by the barrel, given new meaning to the word mismanagement and has served as a glaring example of Government waste, fraud, and abuse. If anything, the money wasted on the Synthetic Fuels Corporation has hurt our national security and made us take giant steps backward from more self-sufficiency in energy production.

The House of Representatives has done the correct thing in deleting funds for the Synthetic Fuels Corporation in the Interior appropriations bill.

May our brother legislators across the Capitol bring us closer to debt independence by excising the $6 billion for synfuels in their Interior appropriations bill. And may our enthusiasm for fiscal responsibility be put to good use by passing legislation to terminate the present synfuels program. Amen.

TRADE ANNOUNCEMENT ON BRAZIL

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, if President Reagan's recent announcement here in Washington was supposed to reassure America that we have the resolve to develop a firm and fair trade policy, it did not.

Among the nations which the President targeted for attention in our foreign policy as to trade last Saturday was the nation of Brazil and the President specified that Brazil's resistance to American exports of computer products would be taken on head on.

There was an announcement, though, several weeks ago which received less fanfare and attention relative to Brazil. That announcement was made here in Washington by our Treasury Department and it will have a more far-reaching effect on the economy of the United States than the announcement by the President that we are going after Brazil's imports of American computers.

On August 27 our Department of the Treasury announced that they would allow the Brazilians to export ethanol to the United States duty free until November 2.

At a time when American workers in Decatur, IL, and across the Nation are battered with imports, we will allow up to 500 million gallons of blended Brazilian ethanol to come in duty free.

At a time of a Federal deficit, by not collecting the duty, we will walk away from $300 million that our Treasury could be amassing.

At a time of depressed agricultural prices, this decision by the Treasury will drop the price of corn 15 cents a bushel.

At a time of farm foreclosures across our Nation, American farmers will lose $1.2 billion in farm income because of this Treasury decision.

As we have incurred the largest trade deficit in the history of the United States, we need only look to decisions like these for the cause.

Is it any wonder in light of this Treasury decision that Congress here in Washington and the American people are demanding a trade policy that makes sense and stops this crippling export of our Nation's jobs and wealth.

BEST WISHES TO THE HONORABLE TOM BEVILL

(Mr. CALLAHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CALLAHAN. Mr. Speaker, when we returned last week from our August work recess, a familiar face, good friend and distinguished colleague was noticeably missing from our ranks. Fortunately, Congressman Tom Bevill is only temporarily absent, and I am happy to report that he is doing well, recovering in his Jasper, AL, home from heart bypass surgery a few weeks ago.

Over the years, Alabamians have been wise in their selection of public servants to represent us and our country. Statesmen like the late Speaker William Bankhead, his father John, and Senators Jim Allen, Lister Hill, and Justice Hugo Black have all received their rightful degree of respect during their tenure here in this House and in the other Chamber as well.

Today, the Alabama delegation is honored to have Tom Bevill as one of our most distinguished Members. Webster's Dictionary defines a stateman as "one who exercises political leadership wisely and without narrow partisanship." An abbreviated definition of a true statesman would simply be "Tom Bevill."

Tom, we all wish you a speedy recovery. Get well soon, we need you here in Washington.

TIME RUNNING OUT FOR CONGRESS TO ACT ON TRADE PROBLEMS

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, time is running out for Congress to act responsibly on the trade problems that beset this country. We can no longer ignore the trade deficit, the unfair policies that give other nations a competitive edge, the emerging threat this agreement represents to our domestic industries.

This administration has no trade policy; indeed President Reagan just recently recognized there was even a problem.

But time is running out on our Government to correct this ominous trend. And patience is running out in Congress.

Yet there is a right way and a wrong way to deal with this problem. Reorganizing the executive branch to better cope with trade matters is a step in the right direction.

Today I am introducing a bill to establish a new Department of Commerce and Trade. This department would consolidate most of the trade functions now delegated to the Trade Representative and the Secretary of Commerce. The new Secretary would be the principal spokesman for the administration on trade and would be the President's top trade negotiator. The Department would administer our import relief and export control laws and would administer our export promotion programs.

Responsible trade reorganization can strengthen the formulation and implementation of U.S. trade policies, improve coordination among the agencies, and increase the weight given to our trade negotiators, and enhance our competitive position in world mandates.

NATIONAL DAY OF FASTING TO RAISE FUNDS TO COMBAT HUNGER

(Mr. PACKARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PACKARD. Mr. Speaker, this week I will be introducing a resolution declaring the Sunday prior to Thanksgiving, November 24, 1985, as the "National Day of Fasting to Raise Funds to Combat Hunger." This is not a commemorative piece of legislation, but a bipartisan effort to raise money to feed the hungry in the United States and around the world.

The resolution encourages the people of the United States to forfeit one or more meals (if they can) on that day, Sunday, and contribute the money saved from those meals to a hunger relief organization. The quality that makes this resolution outstanding is that: First, it costs those who choose to participate nothing more than what they would have spent on food for their own meals; second, it gives the American people an opportunity to share potentially tens-of-millions of dollars in aid with victims of hunger; and third, it costs the Government absolutely nothing.

What better way is there to celebrate the blessings in our lives, but to generously share with those less fortunate? Mr. Speaker, I invite my colleagues to join me as original sponsors in support of this most special event.

MORE BAD NEWS FROM THE FARM

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, if we truly want to keep American families on the land, Congress must address the farm credit crisis now.

Recent disclosures that the Farm Credit System, may need a Federal Government bailout to survive, is just the latest in a series of developments that have staggered the farm community. First quarter reports on the farm economy showed us that farm income had dropped more than 30 percent from 1 year ago when we said farm income equaled the 1930's. Bankers polled recently in the Southwest reported more than half of their farm loan repayments were lower than 1 year ago. Farm prices are substantially lower than last year. Small business closings in rural communities are higher than last year. Bank failures have reached alarming numbers. Many American farm communities are taking on the appearance of ghost towns. We're losing an American way of life.

Today, a newspaper in my State reports that the farm economy has become so depressed in parts of Oklahoma that suicide counselors say there is a definite increase in cases within the agriculture community.

Mr. Speaker, the farm bill will not solve these problems. The farm community is bearing the brunt of U.S. fiscal irresponsibility: Huge deficits in the Federal budget and in trade. This administration and this Congress must unite to bring about substantial deficit reduction and a balance in trade. We must take responsibility for the economic crisis in agriculture and work to resolve it.

□ 1240

COMMENDING DOT FOR DECISION ON TRANSPORTING HAZARDOUS WASTE

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

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Mr. ROWLAND of Connecticut. Mr. Speaker, today I would like to commend the Department of Transportation for issuing a very significant and much awaited decision yesterday.

That decision goes to the heart of this Nation's ability to effectively route hazardous materials over our highways to underground storage sites.

The ruling I refer to denies a bid by New York City to avoid shipments of nuclear wastes from Brookhaven Laboratory on Long Island from traveling on highways which traverse the metropolitan area. As an alternative, the city proposed to barge the waste to my State and send it on a much longer, circuitous route.

While I obviously am interested in protecting my State's interest, I also rise to commend the decision for its far broader implications. The national standards of transporting dangerous materials and the fact that these standards must be supreme over attempts by certain localities is all of our responsibility.

A contrary decision would have opened the floodgates for hundreds—perhaps thousands of similar appeals, and the result would be chaos as far as the integrity of the Hazardous Materials Transportation Act is concerned.

Again I commend DOT's decision.

HOUSE AND SENATE SHOULD CONTINUE ACTION ON ANTI-APARTHEID LEGISLATION

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, I rise today to urge our colleagues in the other body to continue to act on the House-Senate conference report on H.R. 1460. Yesterday the President recognized that the policy of "constructive engagement" is ineffective on addressing the worsening repression of South Africa's policy of apartheid. The President's Executive order does not go far enough, however, and action by the Congress should continue.

The best hope for change in South Africa now lies in the conference report before the Senate. H.R. 1460 offers important incentives for action by threatening more severe sanctions within 1 year if no significant progress is achieved toward the elimination of apartheid. The President's Executive order does not provide future sanctions and, therefore, is more likely to be viewed by the South African Government as a set of inconveniences to be tolerated rather than incentives for change.

I believe it is imperative for us in Congress to continue our action to establish a workable plan to resolve this ongoing violation of basic human dignity and individual freedom by adopting the conference report on H.R. 1460.

PRESIDENT'S EXECUTIVE ORDER ON SOUTH AFRICA

(Mr. EDGAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDGAR. Mr. Speaker, I join with my colleagues who have preceded me in condemning the President's proposal on South Africa.

I think the President's proposal is hollow and shallow and circumvents the bipartisan congressional consensus that has developed over the last several months that strong action has to be taken against the Government of South Africa on the issue of apartheid.

I share with my colleagues the comment that was made by our colleague, the gentleman from Pennsylvania [Bill Gray], who indicated that the President's Executive order on South Africa contains the rhetoric of our legislation, but not the teeth necessary to send a firm signal to South Africa and to the world. I agree with that statement.

It is time for the House and the other body to have a real constructive engagement with the White House on this issue of South Africa and demand strong action and strong sanctions against that Government, and stronger penalties in the future if, in fact, no action is taken. I would urge the other body and this body to place on the President's desk that congressional consensus, bipartisan effort and make sure that the President has to stand up and speak out much stronger and much more firmly on this important issue.

PRESIDENT'S ACTION AGAINST SOUTH AFRICA

(Mr. CROCKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROCKETT. Mr. Speaker, as a member of the House conference committee on the antiapartheid bill, I want to commend the chairman of our Foreign Affairs Committee and the chairman of our Judiciary Committee for the excellent statements they made here this morning setting forth their views with respect to the President's recent action.

President Reagan's wrist-slapping order against the apartheid government of South Africa does little to encourage meaningful change in apartheid. Indeed, the President's action not only waters down each of the immediate sanctions proposed by the Congress; but it also eliminates the key proposal that would automatically trigger further and stronger sanctions in a year if acceptable steps to end apartheid were not taken.

Mr. Speaker, Congress must clarify and strengthen the President's message to Pretoria by enacting into law the complete House-Senate conference report. The basic message to South Africa must be, that it is imperative now that the Pretoria government begin meaningful negotiations with black South African leaders, including the imprisoned Nelson Mandela and the Africa National Congress and the imprisoned Rev. Allan Boesak and the United Democratic Front.

U.S. WORKERS COMPETING IN INTERNATIONAL TRADE

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, in a recent article published by the U.S. News & World Report, September 2, 1985, edition, this prestigious weekly news magazine features the question of whether or not U.S. workers can compete in international trade.

On page 40, I will refer to its comparison in the study of U.S. productivity versus Japan. I quote: "Despite Japan's gain, an average American worker can still outproduce his counterpart in Japan. Overall hourly output of a U.S. worker exceeds that of a Japanese one by about 20 percent. Most studies," it goes on to say, "give Americans the edge in efficiency, in agriculture, finance, wholesale and retail trade and in business services. Japan is rapidly gaining on the U.S. in productivity."

Mr. Speaker, the reason that we have fallen behind in America is because in the last several years, the United States has had no trade policy. That is, we have taken no action to represent American workers and farmers in dealing in international commerce. As a result, the sales of U.S. products have declined severely and the trade deficit has risen dramatically.

A few minutes ago, the gentleman from Washington [Mr. Bonker] announced the introduction of a reorganization bill that would reorganize our Government in the form of a Department of Trade. I rise today to support that bill and to say it is a first step toward developing a U.S. trade policy to deal with the current crisis.

THE AMERICAN HEART ASSOCIATION'S FIRST ANNUAL FOOD FESTIVAL

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, the American Heart Association will be sponsoring its first annual food festival during the week of September 8 to 14 to spotlight the value of good nutrition and dietary control of cholesterol and saturated fat to reduce the risk of heart disease.

The American Heart Association will join with more than 6,000 supermarkets throughout the United States by providing information on "heart-healthy" eating, including the importance of reading nutrition labels on packaged foods, as well as how to choose lean cuts of meat and preferable dairy products.

Heart and blood vessel disease kill more men, women, and children in this country than any other cause of death. The economic costs of cardiovascular disease will amount to an estimated $72.1 billion in 1985 alone. Most cardiovascular diseases are the result of atherosclerosis, a condition in which the lipid (fat) and cholesterol levels in the blood are higher than the body requires to maintain good health. When the body accumulates an abundance of fat and cholesterol, the excess can collect in the walls of the arteries, forming deposits called plaque. If the accumulation of plaque is allowed to progress over the years, an artery can become completely clogged with fats, cholesterol, and other debris. If the artery supplies the heart, the result can be heart attack; if it supplies the brain, the result can be a stroke.

Medical scientists tell us that lowering the level of cholesterol and saturated fats in the diet can reduce one of the risks of coronary disease. The American Heart Association has advocated since 1961 a diet low in saturated fat and cholesterol for everyone—healthy individuals and those with heart and blood vessel disease. According to the American Heart Association, by limiting cholesterol consumption to less than 300 milligrams per day and fat intake to less than 30 percent of daily calories, individuals can reduce the risk of heart attack and stroke.

Please join with me in commending the American Heart Association and participating retailers for promoting this first annual national community nutrition event. This is an excellent example of the cooperation that can exist between the voluntary and private sector to accomplish a worthy health promotion goal.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2600

Mr. EDGAR. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 2600.

The SPEAKER pro tempore (Mr. Moakley). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL MIDNIGHT WEDNESDAY, SEPTEMBER 11, 1985, TO FILE REPORT ON H.R. 3128, DEFICIT REDUCTION AMENDMENTS OF 1985

Mr. CROCKETT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary have until midnight on Wednesday, September 11, to file a report on H.R. 3128, Deficit Reduction Amendments of 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PRESIDENT'S EXECUTIVE ORDER ON SOUTH AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Walker] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, I have been somewhat disturbed today as I have listened to some of those who have criticized the President's initiative on South Africa, and particularly somewhat disturbed by the tone of the remarks I have heard, because as one who has been fairly deeply involved in trying to bring about a change in policy in South Africa, it has seemed to me that what we set out to do was to get the administration to change their policy toward a more activist kind of policy.

With the President's announcement of yesterday, that has certainly been done. Now it is true that what the President ended up doing is not exacting what I would have done, but it does apply open and direct pressure to the South African Government which was something that we said all the way along was what we wanted to accomplish. So if it is not precisely what some of the rest of us would have done, if it is not precisely what was in the conference report that a lot of us voted for, if it is not precisely what we outlined in various bills that we vote and put into the hopper on South Africa, the fact is that it is a major and historic step in the right direction, and ought to be looked at in that vein.

The most important thing with it, in my mind, is that it is a policy that the administration now assumes ownership for. If we would go the route of passing the conference report, sending that down to the White House, having it vetoed and overriding that veto on Capitol Hill, it might make us feel good about the fact that we have forced the President to adopt a policy that he did not want. But the fact is that the administration, having criticized and vetoed such a bill, would have no ownership for that policy.

□ 1255

I have usually found that people do not take very much initiative on things that they are not particularly involved with themselves, where they do not have any ownership involvement for themselves. So what you would end up with is an administration grudgingly applying a policy that has been mandated on it about South Africa by the Congress.

Now, it seems to me that that would not get us to where we want to be. I think that we worked, a lot of us, toward trying to achieve a kind of bipartisan agreement and consensus on a policy that would bring change to South Africa. It seems to me that it is distinctly unhelpful to have some here in the Congress who seem to want a confrontation with the President more than they want a change in South African policy. I think our objective should be achieving reform in South Africa, not fighting among ourselves about the nuances of the policy options that we choose. Let me also say in the same context that I found Bishop Tutu's statement yesterday distinctly unhelpful toward uniting the American people in the cause of obtaining real human rights progress in South Africa.

The American people know that President Reagan is not a crypto-racists, as Bishop Tutu called him. That is an ill-advised and totally inaccurate characterization by Bishop Tutu and should be retracted with an apology. Such an apology would help, I think, get the American people together and united toward doing the kinds of things that are necessary in order to bring about changes in the apartheid system in South Africa. All of us who want change in South Africa have a duty to put politics and personal pride of authorship about policies behind the need to formalize a policy that has broad-based support for ending apartheid in South Africa. That is what we should be all about, broad-based support for a policy that has a chance of changing some things in South Africa. The President took a historic step in that direction, and, rather than looking for ways to nitpick that policy change by the President, we sought to be looking for ways to build upon that initiative as a unified American approach to human rights progress in South Africa.

There is enough confrontation in South Africa; we do not need unnecessary confrontation here on our policy toward South Africa.

I would be glad to yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding. I am somewhat out of breath. I apologize because I was in another part of Capitol Hill when the gentleman took the special order. I want to compliment the gentleman for taking this special order.

Did the gentleman hear anyone in the well this morning talking about Ethiopia?

Mr. WALKER. The gentleman is correct. We have got human rights problems around the world beyond South Africa. It seems to me what the President has done in taking the step he did is, he helped define that this nation is going to take strong stands, and I would hope that we will begin to hear more about situations like Ethiopia.

I would be glad to yield further.

Mr. ROTH. I thank the gentleman for yielding.

The reason that I raise this question about Ethiopia is very important. As the gentleman realizes, when the foreign aid legislation was up, we added an amendment to that bill that required the President to report back to the House in 30 days on whether there is a deliberate policy by the Government of Ethiopia to actually starve some of the people in the rebellious areas in Ethiopia. I find it quite interesting to read what the administration had to say about that situation. I commend the report to everyone in this body and submit the entire text in the Record. Although some 7 to 8 million people are in imminent danger of starving to death and many thousands upon thousands have already died because of the cruel and deliberate policies of the Mengistu dictatorship, the President has not imposed sanctions against the Government of Ethiopia. In Ethiopia it is not a question of civil rights, it's a question of life or death. But I hear no one in this body speaking out on that issue.

Certainly if we are going to speak out on South Africa, and we should as we are all opposed to apartheid, we should speak out equally—if not more forcefully—against the death policies in Ethiopia.

At this point, I submit the text of the Presidential determination.

Presidential Determination No. 85-20

Memorandum for the Secretary of State.

Subject: Determination with Respect to Ethiopia.

Pursuant to Section 812(c) of the International Security and Development Cooperation Act of 1985 (P.L. 99-83), I hereby determine on the basis of current evidence that the Ethiopian Government does not meet the condition specified in subsection (c)(1) of that section.

This determination, together with the justification therefor, shall be reported to the Congress immediately. This determination shall be published in the Federal Register.

JUSTIFICATION

Section 812(c) of the International Security and Development Cooperation Act of 1985 (P.L. 99-83) provides as follows:

Prohibition on Imports and Exports.

(1) The President shall determine, within 30 days after the date of enactment of this Act, whether the Ethiopian regime is conducting a deliberate policy of starvation of its people and has not granted fundamental human rights to its citizens. The President shall submit that determination and the basis for that determination to the Congress.

(2) If the President determines that such a policy is being conducted and that such rights are not being granted, paragraph (3) shall take effect if the Congress enacts a joint resolution approving that determination.

(3) If the conditions specified in paragraph (1) and (2) are met:

(a) goods and services of Ethiopian origin may not be imported into the United States; and

(b) except for emergency relief, rehabilitation, and recovery assistance, goods and services of United States origin may not be exported (directly or indirectly) to Ethiopia.

In order for the prohibition on imports and exports to enter into force, the President must first determine that both elements of the condition are met, and so report to the Congress, and Congress must then enact a joint resolution approving the determination.

For the reasons described below, the Ethiopian Government does not meet the condition described in subsection (c)(1). The Ethiopian Government's respect for human rights is deplorable, and its political, economic and military policies have no doubt caused vast and unnecessary human suffering, including starvation. However, as explained in greater detail below, the available evidence does not justify a determination that the Government of Ethiopia is at this time "conducting a deliberate policy of starvation."

1. Human Rights.—The Ethiopian Government's record on human rights is deplorable. In addition to other human rights concerns, the 1985 implementation of the policy of "resettlement" of famine victims, especially from the northern regions, is cause for deep concern. Many of almost half a million persons have been forcibly separated from their families and rounded up, from their villages and at relief camps and feeding sites, and confined under armed guard at transit camps. Transport south by air, bus or truck was accomplished under crowded and inhumane conditions to resettlement sites in primitive wilderness areas, totally lacking in basic health, sanitation and other essential services. Those resettled were compelled to perform long hours of hard labor clearing and cultivating land while receiving only minimal shelter and rations. Veterans of the resettlement campaign who have escaped report beatings, murder, imprisonment, deprivation and what they consider enslavement in a highly regimented work environment where mortality rates are exceedingly high. The inhumane resettlement program diverts from the food reflief effort badly needed transport and logistical support and supplies. We and others have repeatedly brought to the attention of the PMGSE our objection to this policy.

Additional details on the Ethiopian Government's human rights practices can be found in the section on Ethiopia in the Country Reports on Human Rights Practices for 1984, which concludes that human rights prospects for the future remain bleak. A copy of the summary paragraphs from that report is attached.

2. Starvation.—The Ethiopian Government's political, economic, and military policies have no doubt caused vast and unnecessary human suffering, including starvation. The determination called for by Congress, however, requires a finding that the regime is currently and deliberately following a "policy of starvation." The available evidence does not justify a determination that the Government of Ethiopia is, at this time, conducting a deliberate policy of starvation.

In recent months the Ethiopian Government has, in response to pressure from the U.S. and other donors, taken certain actions to facilitate an enhanced relief effort. For example, (1) the Ethiopian Relief and Rehabilitation Commission (RRC) has agreed to a small program to expand feeding in the north where fighting has severely disrupted relief activities; (2) the Ethiopian Government has reduced the pace of its resettlement program, which had diverted substantial transportation resources that could have been used to alleviate starvation; (3) recent evacuations of relief camps have apparently been more humane, and the people involved adequately provided with food and seed. Many problems need continuing effort, however, including the need for much expanded feeding in contests areas, and end to coercive resettlement, highest priority to transporting relief goods, and greater freedom to monitor relief programs. We will continue to review these aspects, and to press the Government of Ethiopia to make further sustained improvements.

Section 812(c) does not call for any determination concerning the past conduct and policies of the Ethiopian Government concerning starvation of its people. Nor does it call for an evaluation of policies that may have had political or military purposes, but which nevertheless caused increased starvation. That Government's past conduct, and the effects of its policies, are matters of grave concern, even though the evidence on these subjects cannot justify a determination under the statute. Background material concerning Ethiopia's past practices is therefore appended to this justification.

Attachment 1.—Excerpts From 1984 Report on Human Rights Practices in Ethiopia

"Ultimate power in Ethiopia, wielded by Chairman Mengistu Haile-Mariam and a small group of former military associates, continues to be exercised and maintained through intimidation and arbitrary arrest. The country is without civil or political freedoms and without institutions or laws to protect its citizens' human rights. The Provisional Military Government of Socialist Ethiopia maintains complete control over the media, labor, education, internal and external movements of Ethiopian citizens, and all political processes.

"Persons expressing opposition to the regime or who are believed not to support it are routinely arrested by security police and subjected to torture in varying degrees; some executions have been reported as well. The individual citizen enjoys no legal protection and may be detained at any time, without explanation and be held indefinitely without any prospect of trial. For example, as many as 1,000 low and mid-level Ethiopian Government officials and business or government-affiliated organization members were arrested in Addis Ababa during June, July, and August.

"Ethiopia, with a population of over 40 million, continues to have one of the lowest per capita incomes in the world ($140). The vast majority of Ethiopians live with inadequate housing, water, sanitation, and medical facilities. The Government has so far

been unwilling to reduce its sizable military spending to increase relief or development efforts. More than one million Ethiopians remained outside the country, the result of years of war, drought, poverty, civil strife, and oppression. Human rights prospects for the future remain bleak."

Attachment 2.—Background on Ethiopian Practices

FAMINE

The present regime in Ethiopia, the Marxist government of Haile Mariam Mengistu, came to power during the chaotic and violent period of the Ethiopian revolution of 1974-76. Since then the regime has consolidated its position by ruthless often violent suppression of opponents. It has been dependent upon the Soviet Union and Cuba for military and political support. The ideological orientation of the leadership is antithetical to the United States and, since Chairman Mengistu's assumption of power, relations between the U.S. and Ethiopia have been severely strained. The property of U.S. nationals was expropriated, diplomatic representation was reduced to lower levels and security and economic assistance halted.

Drought is no stranger to Ethiopia. Periodic drought and famine have laid waste to that nation from time immemorial. The current cycle of drought struck first in 1973 and 1974. Northern areas, already eroded and overworked, were then as now hard hit. Close on the heels of that catastrophe came the revolution which by 1976 had completely eliminated the feudal agrarian system of hundreds of years. The revolutionary government carried out an extensive land reform but assigned low priority to the creation of other viable national agrarian policies, as it focused energies on maintaining political predominance and on the war with Somalia and the internal armed conflict in Eritrea and Tigray. Particularly deterimental to agricultural production and to the rights of the rural population have been the official policy in favor of collectivization and the preponderant allocation of agricultural development resources to inefficient state farms and collectives. Small independent farmers, the backbone of rural population, have suffered. Following years of poor rains, drought came again even more viciously than before into this fragile landscape in 1983 and 1984. The land had never really recovered from the drought of the mid-seventies and, due to the revolution and the internal armed conflict, the rural social system was in shambles. Incorrect government policies, inattention, and a refusal to accept the evidence at hand combined to create the tragedy which now confronts us. The combination of these policies with nature's capriciousness have led to the starvation of hundreds of thousands of people with millions more still at risk.

FAILURE OF THE ETHIOPIAN GOVERNMENT TO AMELIORATE FAMINE CONDITIONS

With the failure of the 1983 rains it became clear that Ethiopia again faced a famine of potentially massive proportions. Food stocks which would normally carry through one year of bad rains were seriously depleted by years of insufficient rains. Warnings from knowledgeable Ethiopians as well as international food production/weather monitoring agencies were ignored. No effective famine planning was done by the Mengistu government, although the Relief and Rehabilitation Commission (RRC), established in 1974, was still in existence. The port of Assab was in fact closed from November 1983 to April 1984 to allow only cement and military equipment to enter. When the rains failed again in 1984, the situation became critical but despite the pitiful scenes of suffering and deprivation due to drought, the Mengistu regime refused to take steps to ameliorate the problem. Donors could not get from the Ethiopian Government answers to basic questions affecting food needs. Rather than alleviate suffering, the regime continued to assign high priority to military spending financed by the Soviet Union.

The expensive preparations for the ostentatious September 1984 ceremonies celebrating the tenth anniversary of the socialist revolution were further evidence that the government put politics ahead of feeding hungry people. Given the specter of starvation, such celebration constituted a callous misallocation of resources. The incongruity was apparent to many. International pressures and criticisms of Ethiopia mounted, forcing the Mengistu regime to reconsider, in a defensive fashion, its responsibities towards its citizens. From that point, November 1984, onward, the Government of Ethiopia grudgingly began to coordinate with donor governments to permit famine relief operations. The sheer enormity of the logistical task has been overwhelming. The process has been plagued with misunderstandings, broken promises, misrepresentations and a continued refusal by the Ethiopians to give relief efforts top priority over security and political considerations. The internal armed conflict also created problems, as both sides of the struggles in Eritrea and Tigray interfered with food shipments.

Following is a summary of Ethiopian Government actions that have resulted in acute human suffering, hunger and even starvation and have been the basis for some arguing that the Ethiopian Government had a deliberate policy of starvation.

The Ethiopian Government was unwilling to allocate available vehicles to the famine relief effort, but used them for military, resettlement and commercial purposes.

The Ethiopian Government was unwilling and later did not facilitate the movement of food to non-government controlled areas of Eritrea and Tigray. International relief workers earlier witnessed strafing and bombing of civilians fleeing to the Sudan. The bombing of villages, the burning of crops and the theft of farm animals have in the past been attributed to forces of the PMGSE.

In what was described as an effort to get people who were dependent on feeding centers back to the land, the Ethiopian Government forcibly evacuated tens of thousands from Ibnet, a relief camp in Gondar Province. Most of these evacuees were driven out without adequate provisions and some died. Pressure from the U.S., the UN and other donors, plus international press attention, led to Chairman Mengistu reopening the camp. The Ethiopian Government claimed the precipitous evacuation was ordered by local forces. However, two months later, military forces again tried to forcibly empty Inbet. This time, UN intervention stopped the evacuation. The Ethiopian Government has told the U.S. and other donors that it intends to close all the camps so that people can return to their land to plant. The U.S., UN and other donors are carefully monitoring these actions so that people will be adequately provided with food and seeds for planting.

The Ethiopian Government, at the depth of the crisis, continued to implement a policy of forced resettlement. This policy included the allocation of substantial transportation resources, including trucks, which would have alleviated starvation. By this allocation of resources the PMGSE demonstrated that its priority was not alleviation of starvation.

We have received persistent reports that food supplies, most provided by the World Food Program, were diverted to local militias and army units; while, we have no evidence that these diversions have involved other than relatively small amounts of food, the persistence of these reports continues to be of concern.

The Ethiopians seized a shipment of Australian wheat intended to be delivered to Tigray and Eritrea via Port Sudan. The Ethiopian Government justified its actions by charges that outside forces were delivering aid to rebels fighting the Ethiopian Government.

Inappropriate PMGSE pricing policies and collectivized agriculture and state farms (particularly in resettlement areas) are having significant negative impact on food production, especially basic food grains. The imposition of a system of collectivized agriculture and state farms (through highly objectionable, coercive means) has proven to be inefficient and unproductive and is contributing further to hunger and starvation. In addition, the PMGSE policy of imposing artificially low official market prices on the sale of basic foodstuffs and forcing farmers to sell at these prices has naturally resulted in a significant decline in production, which has exacerbated further the current food shortage situation. Both the U.S. Government and IBRD have urged the PMGSE to correct its inappropriate agriculture policies. To date no reforms have been made. Given Ethiopia's high rate of population growth, this lack of action augurs ill for the future when the country will have even more people to feed.

EVIDENCE OF RECENT ETHIOPIAN GOVERNMENT ACTION

Recent evidence does not at this time justify a determination that the Ethiopian Government is now conducting a deliberate policy of starvation. Despite the difficulties mentioned above, the international community provided unprecedented aid to Ethiopia. In FYs 1984 and 1985, the Western community has provided 1.1 million metric tons of food, plus millions of dollars for transport. The U.S. is the largest donor, committed to meeting one-third of the need. About 50 percent of the food actually delivered, however, has come from the United States. Both the U.S. and UN, as well as other donors' insistence on certain conditions being met have led to improvement in the situation. This insistence, steadily applied over the past 18 months, has produced sporadic action on the part of the Ethiopian government on logistics, a greater role for humanitarian private voluntary organizations, and better distribution of relief supplies. Some examples of these improvements are the following:

After months of wrangling, the RRC has now agreed to a program to expand feeding throughout the north, the area of civil strife, where fighting has severely disrupted and prevented relief activities. This plan, which is being implemented by American private voluntary organizations and International Committee of the Red Cross, and is designed to increase humanitarian access to the large population at the risk in Eritera and Tigray, began in August. To date, heavy rains and fighting between Ethiopian and rebel forces have interfered with food distribution both from within Ethiopia and across the border from Sudan.

In recent weeks, the Ethiopian Government has substantially reduced the pace of its resettlement program, while adhering to its original policy and targets.

After a delay of many months, the Ethiopian Government granted full accreditation to the five USAID staff removing ambiguity about their status and improving their ability to manage the U.S. relief effort. Accreditation was granted to USAID personnel only after repeated unsuccessful attempts by our Embassy and then higher level intervention of the UN.

After the earlier disastrous events at Ibnet, wherein 60,000 drought victims were driven from the camp at gun point while their huts were burned and possessions destroyed, recent relief camp evacuations were witnessed by NGO, UN and U.S. officials. All report the evacuations were orderly and that people were adequately provided with food and seed. The RRC instructed the evacuees to go to relief centers nearest their homes after a month for further rations.

At our insistence, the PMGSE has recently publicly acknowledged the considerable U.S. and other western assistance, in press reports in Ethiopia and at an August 23 press conference in Washington.

These steps have gradually produced considerable progress in the overall fight against famine. Recent UN figures show improvement in food distribution. According to July 24 UN figures, the total number of beneficiaries receiving emergency food in May, 1985, was approximately 4.6 million, up from about 3.4 million in the months of March and April. Of this May total, half (2.3 million) received their food from the RRC, with an estimated 750,000 of these (or 16 percent of total recipients) being in the resettlement areas, 995,000 in the north (Eritrea, Tigray, and Wollo) and the rest in other areas. Of the 2.3 million beneficiaries who received food from non government organizations (NGOs), 1.7 million (or three fourths) were in Eritrea, Tigray, and Wollo; the remaining 600,000 were in Gondar, Shoa, Harrarhge and Sidamo; and none were in resettlement areas. In terms of metric tons, in May the RRC and NGOs each distributed 35,000 metric tons of food, up from 25,000 and 27,000 respectively in April and 28,000 and 21,000 respectively in March.

The latest World Food Program figures also show an improvement in food distribution in Ethiopia. They report that food distribution steadily increased from 49,000 tons in March to 78,000 tons in July, with more than half distributed by NGOs and the rest by the RRC. Population being reached also increased from 3.4 million in March, to about 5 million by the end of June, representing 63 percent of the estimated total at-risk. A recent joint survey by the office of the UN Assistant Secretary General in Addis Ababa and the International Committee of the Red Cross showed that 80 percent of the population in need in Tigray is being reached. For Eritrea, the percentage is about 76 percent.

While progress has been made recently in resolving some of the problems associated with the famine relief effort, many problems need continuing effort. These include expanded feeding in contested areas, an end to forced and coercive resettlement, highest priority to transporting relief goods, reduced port fees, and freedom to monitor relief programs. Given the failure of the Government of Ethiopia to meet its commitments in the past, we will continue to monitor these with the greatest care.

Mr. WALKER. If the gentleman will allow me to reclaim my time, it is my contention that the President took us down that road yesterday. The President has defined some ways of putting pressure on the South African Government to bring about some change. It is my contention that, rather than being excoriated here in the House because we do not like minor portions of what the President did, that what we ought to be doing is finding ways of accommodating that toward a policy that addresses the future.

TENTATIVE AGREEMENT ON DRILLING OFF THE CALIFORNIA COASTLINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LEVINE] is recognized for 5 minutes.

Mr. LEVINE of California. I thank the Speaker.

Mr. Speaker, I would like to spend a few moments talking about the unfortunate breakdown in the agreement that had been achieved between the Secretary of the Interior, on the one hand, and a bipartisan group of Representatives from the California congressional delegation, on the other hand, with regard to the issue of Outer Continental Shelf oil drilling or offshore oil drilling.

Mr. Speaker, prior to the August recess, for 6 very intense weeks of discussions and negotiations, a bipartisan group of Members of both the House and the other body, including both of U.S. Senators, met for some 20 hours with the Secretary of the Interior to attempt to, and to in fact, succeed in achieving an agreement between the Secretary of the Interior, on the hand, and this bipartisan group of California Representatives, on the other hand, to try to come up with a long-term resolution of these complex and difficult issues of drilling off the California coastline. This was an agreement that was hailed by the Secretary of the Interior, himself, in a joint press conference with a number of us on the delegation as a landmark agreement.

The Secretary came to California and spent some 10 days in hearings up and down the State of California and during the first several days of those hearings again reiterated the importance and significance of this balanced agreement under which a significant part of the California coastline would be protected to the year 2000 and under which some 150 tracts would potentially be available for oil and gas exploration along the California coastline.

There were a number of coastal cities that were deeply concerned about this compromise, a number of tracts along the coastline of California in sensitive coastal areas, but people understood that a compromise needed to be reached, a balance needed to be struck.

There was give on both sides, there was a significant compromise by both sides, and it was the hope of those of us who have been involved in this process that we would come back to Washington and ratify this agreement.

Unfortunately, at a meeting that took place this morning called by the Secretary of the Interior and at which he invited all 45 Members of the California congressional delegation, the Secretary essentially announced that he was no longer able to accept this agreement, that he wanted substantial changes in it. He was unable to tell us today what those changes would be, despite the fact that we have been involved in this process for such a long time and despite the fact that all of the issues, I think, are well known to both sides.

The Secretary indicated that new information had come to his attention. But after a, I think, fairly thorough discussion of the issue, I think it was clear to Members on both sides of the aisle who were at this meeting that the so-called information was neither new nor was, in fact, information. This was simply a lobbying campaign by the oil industry on this administration, which has been so sympathetic to that industry, to urge this administration to go back and get as much as they could possibly get in terms of tracts off the most sensitive parts of the California coastline to satisfy what has unfortunately become an insatiable appetite, a voracious appetite, from this industry.

Mr. Speaker, under prior administrations, whether they were Democratic or Republican administrations, under the administration of President Nixon, under the administration of President Ford, and under the administration of President Carter, those most sensitive areas along the California coastline have been out of bounds for coastal drilling in the immediate future because it was understood by bipartisan administrations and by bipartisan Representatives in this House and in the other body that we were dealing with some of the most precious natural resources in this Nation's inventory and that, in the absence of an absolute energy emergency, a real energy emergency, those resources need not be drilled at this time.

Unfortunately, this administration has broken with that bipartisan tradition initially under the auspices of Secretary Watt who essentially wanted to open up every inch of the California coastline to offshore oil drilling; we had hoped and we had believed that the current Secretary of the Interior was involved in a good faith effort to resolve this issue for a long period of time so we would not have to continue to come back to the floor of this House or the other body to resolve this issue in a legislative fashion. An agreement was reached, an historic agreement, in the words of the Secretary a landmark agreement, and unfortunately, Mr. Speaker, today the Secretary announced to the delegation that he could not live with that agreement.

Unfortunately, we will have to come back to this body seeking the legislative protection that we hoped could be achieved through a resolution of this issue, through a compromise. That will not be possible, but I do believe that it is important that the membership understand that a vast majority of our delegation on a bipartisan basis continues to want to live up to this agreement.

I think it is a sad day for a balanced energy policy and for the California coastline that this resolution has broken down.

UPDATE ON TENTATIVE AGREEMENT ON DRILLING OFF THE CALIFORNIA COASTLINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 5 minutes.

Mr. DANNEMEYER. I thank the Speaker for permitting me to address the House on this occasion.

Mr. Speaker, I, too, attended the meeting that my colleague, Mr. LEVINE, attended with Secretary Hodel, and when I listen to these versions I am almost amused because sometimes I get the impression that some of our colleagues are attempting to tell the American people that the issue is whether or not we shall drill off of the coast of California for the first time, that it is a pristine, virgin area untouched by oil drilling. The truth is that we have been drilling off the coast of California for the last 25 years. That is, the Outer Continental Shelf.

We have 16 platforms in Federal OCS territory containing some 800 wells that are in production right now. We have 15 platforms in State tidelands areas that contain over 3,500 wells.

We have been drilling off the coast of California in the State tideland area; that is, the area within 3 miles of shore, since 1890, the last 90 years.

The issue is not, shall we begin for the first time? the issue is: Shall we expand what has proved to be a compatible activity, given the environmental concerns that we all have?

I am a native Californian. I love the State. I believe every foot of our beach, our coastline, is environmentally sensitive. When I hear some of my colleagues saying there are certain areas of their coastline that are more environmentally sensitive than the other areas, I sometimes think I hear the sound of elitism by those comments. The reason I make this observation is because millions of people in southern California have been using the beaches of southern California all during the quarter century of the time that we have been developing and utilizing the oil resources in the Outer Continential Shelf.

I can say to my colleagues, when you go down to the beach in southern California and play in the waves, the surf, or what have you, when you come out of the surf, you do not have oil on the bottom of your feet except perhaps in a minor area around Santa Barbara, where it comes, not from industry, Mr. Speaker, but it comes from natural seeps that have been in there from time immemorial. The Spanish explorers talked about that in their logs when they explored the California coast.

That is just part of the natural terrain of the area.

The agreement that the Secretary developed tentatively was fatally flawed from the outset. It is unrealistic. I sympathize with my colleague from Santa Monica, Mr. LEVINE. He has a real problem on his hands.

Expecting a Member from the California delegation to agree on drilling off of his or her coastline is kind of like expecting a Member of Congress to agree on the method of his own execution.

There are 17 Members in the California delegation of 45 who have coastal districts in their areas. I sympathize with those Members. They have a difficult problem because there will always be a small handful of vocal folks in those districts who will stand and say much with the concept of "[millions for defense and not one cent for tribute;" that is to say, they will never agree to any drilling off their district under any circumstances. We will never satisfy those people.

So I believe it is more rational for the delegation from California to participate along with all of us, the 435 who comprise this body, in deciding national policy for expansion of a resource off the coast of California. There are 28 of us, of the 45 who represent inland areas. I think we should have had some input into this agreement, the tentative agreement that the Secretary developed.

Unfortunately, none of us were a part of that agreement. I think that is what fatally flawed it. The tentative agreement only permits exploration of maybe 5 percent of the total resource; it exempts areas off Santa Cruz, Bodega Bay, Point Arena, that are estimated to contain in the Department of the Interior's analysis about 1 billion barrels of oil and, in the industry's analysis, about 5 billion barrels of oil.

That tentative agreement locked up those three areas until the year 2000.

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That is ridiculous. This Nation today is importing over a third of its oil every day; it is costing we Americans about $45 billion; that is about a third of our negative trade balance. The national energy policy of America is energy independence. We pursue that policy by exploring those areas of our country off the coast that have reasonable probability of oil and natural gas.

I look forward, Mr. Speaker, in concluding, to having a full debate on the floor of the House where the 435 of us can decide what is going to happen to this national resource, and I look forward to participating in that debate.

SOUTH AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. OAKAR] is recognized for 5 minutes.

Ms. OAKAR. Mr. Speaker, history teaches us that people who expect a steady improvement in their lives seldom resort to violence. People who see no future for themselves and their children often do become violent. In South Africa, a vast majority is permanently denied participation in the political and economic life of their country, based solely on their race. The tragic events we are witnessing in South Africa are the culmination of decades of frustration with the immoral and intolerable system of apartheid. The cause of peace and justice require the prompt implementation of reform. The longer that reform is postponed, the more unstable and intractable the situation will become. Our own national interests, as well as our values as a Nation, are directly involved. The President's effort to circumvent the overwhelming bipartisan consensus on compromise legislation involving South Africa is disappointing and dangerous. By abdicating leadership on this essential moral and strategic issue, the President seems content to let events take their course. We cannot afford to let that happen. It is essential that our country take decisive and meaningful action to send a firm signal to South Africa and the world that the American people expect and support prompt reform in that unhappy country. The President's program sends the wrong message.

OFFSHORE DRILLING

Mr. LEVINE of California. Mr. Speaker, I ask unanimous consent to address the House for 90 seconds, and to revise and extend my remarks.

The SPEAKER pro tempore. The Chair will state that the gentleman can only have 1 minute.

Mr. LEVINE of California. I will take the 1 minute, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. DANNEMEYER. Mr. Speaker, reserving the right to object, does the gentleman from California intend to talk about the issue of offshore drilling?

Mr. LEVINE of California. If the gentleman will yield, yes, this gentleman does intend to.

I would like, if I could, to simply put into context a couple of the comments that the gentleman from California [Mr. Dannemeyer] made so that the record is clear.

Mr. DANNEMEYER. Mr. Speaker, I will withdraw my reservation provided my colleague from California will also include in his request 1 additional minute for this Member from southern California.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California to address the House for 1 minute?

There was no objection.

Mr. LEVINE of California. Mr. Speaker, I think that the gentleman from California [Mr. Dannemeyer], as always, is very persuasive with regard to his side of the issue. I do think that a couple of points should be included in the Record so that comments perhaps will not be misunderstood.

While the gentleman is correct that only 17 of the Members of the delegation do represent coastal districts, and 28 represent inland districts, I think it should also be clear that despite that breakdown of the delegation, the vast majority of the entire delegation does support the agreement that was reached.

It is my understanding that only 11 of the 45 Members have taken a position in opposition to the agreement, which would mean that a significant number of not only the coastal Representatives, but also the inland Representatives, have taken a position in support of the agreement that was reached.

Second, with regard to the issue of resource data—which is one of the subjects that has been discussed now at some length in the meeting this morning, and I am sure we will hear more about—the point that I think needs to be emphasized is that the Interior Department had available throughout all of these discussions resource data which has not changed; it was based on its resource data that this agreement was arrived at.

OFFSHORE DRILLING

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, my colleague is correct that of the 45 members of the California congressional delegation, 11 signed a letter in opposition to this tentative agreement, which means that that would be 34 who were in some posture in between. I think 27 had signed a telegram to the Secretary very recently, indicating their support of the tentative agreement.

I can understand the 17 Members from the California delegation who represent coastal districts, because they have real sensitive problems. I want everyone to understand that.

I do not quite understand why the 28 of us who are inland are so opposed—I mean, a majority of the 28 who are inland are still in opposition to the agreement. I do not quite understand their thinking, particularly those in the San Jaoquin Valley of California, because the farm organizations in our State are in favor of OCS; there are many commercial interests outside of the oil industry that are in support of OCS; and I think it is part of the process of politics that those Members from the inland areas of California in opposition to OCS should have an opportunity of defending their position against establishing energy independence for America, and I look forward to participating in that debate.

PART B MEDICARE REIMBURSEMENT FOR PHYSICIAN ASSISTANTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. Wyden] is recognized for 5 minutes.

Mr. WYDEN. Mr. Speaker, it gives me great pleasure to join with Senator Charles Grassley, of Iowa, in introducing this bill to bring the services of physician assistants under the Medicare Part B Program. The purpose of this measure is to increase access to health care for older Americans. But, I am glad to say, it will not add a penny to the Medicare Program.

Physician assistants are skilled health professionals who perform many of the same duties as physicians such as taking patient histories, conducting physical exams, and, in some States, even writing limited prescriptions. Thus, physicians are able to take care of more patients, but patients get more of their doctors' attention and they get better care.

Currently, Medicare part B covers physician assistant services when they are rendered in a certified rural health clinic or in a health maintenance organization [HMO] or similar program. This coverage policy has been a success. Now Senator Grassley and I want to see these same services available to other Medicare part B beneficiaries. To deny this coverage limits access to health care for some of our senior citizens, and it runs cross-purpose against our health manpower training programs.

For example, in July, both the House and the Senate unanimously passed the health manpower amendments of 1985. Included in this bill was a $14 million, 3-year authorization for physician assistant training programs. It unanimously passed. But the irony, and inefficiency, is that while we are financing the training of physician assistants, we are doing less than we can to make sure older Americans can take advantage of their services.

This legislation would allow us to use these skilled health professionals. And, according to the Congressional Budget Office, the proposal is budget neutral. The bill creates a reimbursement level slightly lower than the reimbursement rate that a physician would otherwise receive. In other words, the increased access, and resultant increased Medicare cost, are offset by a lower reimbursement rate.

Increased access to health care for senior citizens without increase in cost to the Medicare Program and better use of health manpower training investments—two good reasons for Congress to take the action Senator Grassley and I are proposing.

For the benefit of my colleagues, I ask unanimous consent that a Congressional Budget Office letter speaking to the budgetary impact of my bill be included in the Record at the end of my statement.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Bevill (at the request of Mr. Wright), for the week of September 9, on account of medical reasons.

Mr. Kastenmeier (at the request of Mr. Kastenmeier), for September 11, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Dannemeyer, for 5 minutes, today.

(The following Members (at the request of Mr. Chandler) to revise and extend their remarks and include extraneous material:)

Mr. Bilirakis, for 15 minutes, on September 19.

Mr. Walker, for 5 minutes, today.

(The following Members (at the request of Mr. de Lugo) to revise and extend their remarks and include extraneous material:)

Mr. Levine of California, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Ms. Oakar, for 5 minutes, today.

Mr. Hoyer, for 5 minutes, on September 11.

Mr. Feighan, for 60 minutes, on October 1.

(The following Member (at the request of Mr. Dannemeyer), to revise and extend her remarks and include extraneous material:)

Mrs. Johnson, for 60 minutes, on September 17.

(The following Member (at the request of Mr. Levine of California), to revise and extend his remarks and include extraneous material:)

Mr. Wyden, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Chandler) and to include extraneous matter:)

Mr. McMillan.
Mr. Gilman in two instances.
Mr. Henry.
Mr. Ritter.
Mr. Young of Florida.
Mr. Courter.
Mr. Young of Alaska.
Ms. Snowe.
Mr. Stangeland.
Mr. Dornan of California in three instances.

(The following Members (at the request of Mr. de Lugo) and to include extraneous matter:)

Mr. Torricelli.
Mr. Levin of Michigan.
Mr. Coelho in four instances.
Mr. Garcia in two instances.
Mr. Dyson in two instances.
Mr. Robinson.
Mr. Rangel.
Mr. Dwyer of New Jersey.
Mr. Gephardt.
Mr. Darden.
Mr. Fowler.
Mr. Hawkins.
Mr. Edgar in three instances.
Mr. Florio.
Mr. Matsui in three instances.
Mr. Kildee.
Mr. Markey.
Mr. Atkins.
Mr. Waxman.
Mr. Gaydos.

ADJOURNMENT

Mr. LEVINE of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 15 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, September 11, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1957. A communication from the President of the United States, transmitting amendments to the request for appropriations for fiscal year 1986, pursuant to 31 U.S.C. 1106(b) (H. Doc. No. 99-105); to the Committee on Appropriations and ordered to be printed.

1958. A letter from the Secretary of the Treasury, transmitting a report on an expenditure in excess of an appropriation, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

1959. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the proposed sale or transfer of defense articles in excess of $50,000,000 from inventories of regular components of the Armed Forces to the United Kingdom (Transmittal No. 85-49), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1960. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the proposed sale or transfer of defense articles in excess of $50,000,000 from inventories of regular components of the Armed Forces to the Federal Republic of Germany (Transmittal No. 85-29), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1961. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the proposed sale or transfer of defense articles in excess of $50,000,000 from inventories of regular components of the Armed Forces to Korea (Transmittal No. 85-52), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1962. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the proposed sale or transfer of defense articles in excess of $50,000,000 from inventories of regular components of the Armed Forces to Pakistan (Transmittal No. 85-51), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1963. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed letter of offer to Pakistan for defense articles (Transmittal No. 85-51), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1964. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter of offer to the United Kingdom for defense articles (Transmittal No. 85-49), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1965. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed letter of offer to Pakistan for defense articles (Transmittal No. 85-50), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1966. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed letter of offer to Korea for defense articles (Transmittal No. 85-52), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1967. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter of offer to the Federal Republic of Germany for defense articles (Transmittal No. 85-29), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1968. A letter from the Secretary of Commerce, transmitting the annual report on the administration of the Marine Mammal Protection Act of 1972, pursuant to Public Law 92-522, sections 103(f) (94 Stat. 224) and 110(a) (95 Stat. 986); to the Committee on Merchant Marine and Fisheries.

1969. A letter from the Acting Secretary of State, transmitting a report on the status of the State Department Professional Development Program, pursuant to 22 U.S.C. 4023(f); jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

1970. A letter from the Secretary of Health and Human Services, transmitting a report entitled: "Cost of Care Information to Patients," pursuant to 42 U.S.C. 1395ww note (Public Law 98-21, section 603(a)(3)(D); jointly, to the Committees on Ways and Means and Energy and Commerce.

1971. A letter from the Secretary of Health and Human Services, transmitting a report entitled: "Study of Foot Care Coverage Under Medicare," pursuant to Public Law 96-499, section 958(g) and (h); jointly, to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOAKLEY: Committee on Rules. House Resolution 261. Resolution waiving certain points of order against H.R. 3244, a bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes (Rept. 99-259). Referred to the House Calendar.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1246. A bill to establish a federally declared Floodway for the Colorado River below Davis Dam; with an amendment (Rept. 99-261). Referred to the Committee of the Whole House on the State of the Union.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. HAMILTON: Permanent Select Committee on Intelligence. House Resolution 226. Resolution directing the Secretary of Defense to furnish certain information to the House of Representatives relating to American prisoners of war in Southeast Asia (Rept. 99-260, Pt. 1). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 148. A bill to designate certain public lands in the State of Michigan as wilderness, and for other purposes; with an amendment; referred to the Committee on Agriculture for a period ending not later than September 24, 1985, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(a), rule X (Rept. 99-262, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DARDEN:

H.R. 3251. A bill to amend the Immigration and Nationality Act to provide that the number of diplomatic visas issued to aliens who are residents or nationals of the Soviet Union shall not exceed the number of diplomatic visas issued to residents or nationals of the United States by the Soviet Union; to the Committee on the Judiciary.

By Mr. DORNAN of California:

H.R. 3252. A bill to amend the Impoundment Control Act of 1974 to provide that any recission of budget authority proposed by the President take effect unless specifically disapproved by the adoption of a joint resolution; jointly, to the Committees on Government Operations and Rules.

By Mr. GEPHARDT (for himself and Mr. Moore):

H.R. 3253. A bill to amend title XVIII of the Social Security Act to establish the National Council on Access to Health Care, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. GRAY of Illinois:

H.R. 3254 A bill to amend title II of the Social Security Act to restore and protect the benefit levels of workers reaching age 65 in or after 1982 (and their widows and widowers) by eliminating the notch between those levels and the corresponding benefit levels of persons who reached age 65 before 1982; to the Committee on Ways and Means.

By Mr. HEFTEL of Hawaii (for himself and Mr. Daub):

H.R. 3255. A bill to amend the Internal Revenue Code of 1954 to allow monthly deposits of payroll taxes for employers with monthly payroll tax payments under $5,000, and for other purposes; jointly, to the Committees on Ways and Means and the Judiciary.

By Mr. HERTEL of Michigan (for himself, Mr. Davis, Mr. Jones of North Carolina, and Mr. Oberstar):

H.R. 3256. A bill to increase the number of U.S. Commissioners on the Great Lakes Fishery Commission, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LUJAN (for himself and Mr. Richardson):

H.R. 3257. A bill to amend the Atomic Energy Act finding the domestic uranium industry nonviable and requiring the Nuclear Regulatory Commission to issue import licenses for imported nuclear source material and special nuclear material only after certification by the Department of Commerce that such imports will not further damage the domestic uranium industry; jointly, to the Committees on Interior and Insular Affairs and Ways and Means.

By Mr. RANGEL:

H.R. 3258. A bill to amend the Internal Revenue Code of 1954 to provide that the treatment of loans with below-market interest rates shall not apply to obligations issued by the Government of Israel; to the Committee on Ways and Means.

By Ms. SNOWE (for herself, Mr. Lantos, Mr. Smith of Florida, Mr. Horton, Mr. Frost, Mr. Mitchell, Mr. Mrazek, Mr. Martinez, Mrs. Boxer, Mr. Morrison of Connecticut, and Mr. Crockett):

H.R. 3259. A bill to amend title 18, United States Code, to prohibit the use of the mails to send dangerous martial arts weapons; jointly, to the Committees on the Judiciary and Post Office and Civil Service.

By Mr. WYDEN:

H.R. 3260. A bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare Program of services performed by a physician assistant; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. RANGEL:

H.J. Res. 378. Joint resolution designating July 27, 1986, as "Korean Veterans Commemoration Day"; to the Committee on Post Office and Civil Service.

By Mr. SHAW:

H.J. Res. 379. Joint resolution designating September 22, 1986, as "American Business Women's Day"; to the Committee on Post Office and Civil Service.

By Mr. WEAVER:

H. Con. Res. 185. Concurrent resolution expressing the sense of the Congress in support of the efforts of the organizers of and participants in the Farmaid Concert to be held in Champaign, IL, to bring the current crisis in American agriculture to the attention of the American people; to the Committee on Agriculture.

By Mr. FRANK (for himself and Mr. Gilman):

H. Con. Res. 186. Concurrent resolution expressing solidarity with the Sakharov family; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 650: Mr. Gejdenson.

H.R. 669: Mr. Darden and Mr. Mollohan.

H.R. 693: Mr. Williams and Mrs. Lloyd.

H.R. 983: Mr. de la Garza, Mr. Kasich, Mr. Ford of Michigan, Mr. Rahall, Mr. Rudd, and Mr. Gilman.

H.R. 1021: Mr. Chappie and Mr. Pepper.

H.R. 1059: Mr. Glickman, Mr. Madigan, Mr. McEwen, Mr. Fawell, Mr. Luken, Mr. Armey, Mr. Frenzel, Mr. Kramer, Mr. Bruce, Mr. Dannemeyer, and Mr. Denny Smith.

H.R. 1139: Mr. Borski.

H.R. 1272: Mr. MacKay, Mr. Levin of Michigan, Mr. Edgar, and Mr. Borski.

H.R. 1279: Mr. Aspin, Mr. Mitchell, Mr. Skelton, Mr. Torricelli, and Mr. Brown of California.

H.R. 1550: Mr. Swift, Mr. Marlenee, Mr. Moody, Mr. Edgar, and Mr. Saxton.

H.R. 1615: Mr. Glickman, Mr. Jacobs, Mr. Traxler, and Mr. Volkmer.

H.R. 1659: Mr. Crane, Mr. Dornan of California, Mr. Roberts, and Mr. Sabo.

H.R. 1668: Mr. Ackerman, Mr. Seiberling, Mr. Bustamante, and Mr. Oberstar.

H.R. 1704: Mrs. Martin of Illinois and Mr. Gray of Pennsylvania.

H.R. 1769: Mr. Heftel of Hawaii and Mr. Schuette.

H.R. 1811: Mr. Brown of Colorado and Mr. Huckaby.

H.R. 1815: Mr. Gejdenson.

H.R. 1888: Ms. Mikulski, Mr. Nielson of Utah, Mr. Andrews, and Mr. Goodling.

H.R. 1893: Mr. Porter.

H.R. 1969: Mr. Torricelli.

H.R. 1970: Mr. Smith of Florida and Mr. Gonzalez.

H.R. 1973: Mr. Gregg.

H.R. 2189: Mr. Whitten, Mrs. Collins, and Mr. Shuster.

H.R. 2205: Mr. Burton of Indiana, Mr. Lowry of Washington, Mr. Smith of New Jersey, and Mr. Wolpe.

H.R. 2280: Mr. Edgar, Mr. Price, Mr. Boucher, Mr. Atkins, Mr. Udall, and Mr. Tallon.

H.R. 2349: Mr. Kasich and Mr. Hillis.

H.R. 2440: Mr. Bustamante, Mr. Daniel, Mr. Frost, Mr. Gingrich, Mr. Hatcher, Mr. Rangel, Mr. Morrison of Connecticut, Mr. Ortiz, Mr. Smith of Florida, and Mr. Stump.

H.R. 2452: Mr. Rangel.

H.R. 2741: Mr. Swift, Mr. Kildee, Mr. Atkins, Mr. Torres, Mr. Bonker, and Mrs. Collins.

H.R. 2805: Mr. Biaggi, Mr. Hayes, Mr. Leland, Mr. Hiler, Mrs. Collins, Ms. Kaptur, Mr. Smith of New Jersey, Mr. Wirth, Mr. Smith of Florida, Mr. Morrison of Connecticut, Mr. Berman, Mrs. Bentley, Mr. Crockett, Mr. Edwards of Oklahoma, Mr. Reid, Mr. Bateman, Mr. Clinger, and Mr. Dicks.

H.R. 2840: Mr. Crockett, Mr. Edwards of California, Mr. Scheuer, Mr. Savage, Mr. Gejdenson, Mr. Yatron, Mr. Foley, and Mr. Kleczka.

H.R. 2869: Mr. Whitehurst and Mr. Crockett.

H.R. 2907: Mr. Dymally, Mr. Rangel, Mr. Weiss, Mrs. Burton of California, Mr. Towns, Mr. Rodino, Mr. Fuster, Mr. Crockett, Mr. Savage, Mr. Carper, Mr. DeWine, Mr. Sunia, Mr. Fauntroy, and Mr. Gonzalez.

H.R. 2963: Mr. Rodino, Mr. Mitchell, Mr. Fazio, Mr. Seiberling, Mr. Mrazek, Mr. Matsui, Mr. Williams, and Mr. Martinez.

H.R. 2975: Mr. Yatron, Mr. Edgar, Mr. Ridge, and Mr. Murphy.

H.R. 3006: Ms. Mikulski and Mrs. Lloyd.

H.R. 3068: Mr. Weber.

H.R. 3087: Mr. Coelho, Mr. Bevill, Mr. de Lugo, Mr. Crockett, Mr. Wolpe, Mr. Conyers, Mr. Schumer, Mrs. Boxer, Mr. Jeffords, Mr. Murphy, Mr. Morrison of Connecticut, Mr. Fuster, Mr. Jacobs, Mr. Studds, Ms. Mikulski, Mr. Waxman, Mr. Martinez, Mr. Dwyer of New Jersey, and Mr. Owens.

H.R. 3100: Mr. Gonzalez, Mr. Gray of Pennsylvania, Mr. Hall of Ohio, Mr. Smith of Iowa, and Mr. Wyden.

H.R. 3173: Mr. Morrison of Connecticut, Mr. Cobey, Mr. Stangeland, and Mr. Weber.

H.J. Res. 175: Mr. Lightfoot and Mr. Daub.

H.J. Res. 178: Mr. Conyers, Mr. Nelson of Florida, Ms. Snowe, Mr. Wylie, Mr. Mavroules, and Mr. Jacobs.

H.J. Res. 352: Mr. Addabbo, Mr. Akaka, Mr. Anthony, Mr. Applegate, Mr. Atkins, Mr. Biaggi, Mr. Coelho, Mr. de la Garza, Mr. Dymally, Mr. Foglietta, Mr. Fuster, Mr. Gilman, Mr. Guarini, Mr. Hansen, Mr. Horton, Mr. Hoyer, Mr. Leland, Mr. Matsui, Mr. Mineta, Mr. Moakley, Ms. Oakar, Mr. Ortiz, Mr. Owens, Mr. Rangel, Mr. Traxler, Mr. Volkmer, Mr. Waxman, Mr. Yatron, Mr. Miller of California, Mr. Bonior of Michigan, and Mr. Bustamante.

H. Res. 212: Mr. Kolter and Mrs. Martin of Illinois.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2600: Mr. Edgar.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H R. 2266

By Mr. RICHARDSON:

—Page 2, line 10, strike out "$616,000,000" and insert in lieu thereof "$581,400,000".

H.R. 3228

By Mr. DORNAN of California:

—Page 3, strike out lines 1 through 17.

—Page 16, line 4, strike out *"Provided further,"* and all that follows through "Africa:" in line 8.

H.R. 3244

By Mr. BOEHLERT:

—Page 35, after line 25, insert the following new section:

Sec. 304. The Federal Aviation Administration shall develop and publish in the Federal Register guidelines for the selection of locations for Airway Facility Sector Headquarters Offices to ensure consistent criteria for the selection of locations which require the lowest life-cycle costs consistent with the functions of such Offices.

Redesignate subsequent sections accordingly.

By Mr. COUGHLIN:

—On page 15, line 9 strike the "." and insert the following in lieu thereof: ": *Provided further,* That none of the funds provided in this Act shall be used for the approval of, or to pay the salary of any person who approves, projects to construct a landfill in the Hudson River as part of an Interstate System highway in New York City."

By Mr. LEWIS of California:

—At the end of the bill add the following new section:

Sec. 328. The limitation on obligations for Federal-aid highways and highway safety construction programs for fiscal year 1986 shall not apply to obligations for the Bypass Highway Demonstration Project and the Los Angeles Freight Transportation Demonstration.

By Mr. RICHARDSON:

—Page 24, line 11, strike out "$616,000,000" and insert in lieu thereof "$581,400,000".

By Mr. WAXMAN:

Page 41, strike out line 14 and all that follows through page 42, line 4, and insert in lieu thereof the following:

(b) None of the funds described in subsection (a) may be made available for any segment of the Downtown Los Angeles to the San Fernando Valley Metro Rail Project unless—

(1) the Southern California Rapid Transit District establishes an independent committee of experts to conduct detailed studies of the entire Metro Rail Project route and the potential hazards associated with the occurrence of methane gas;

(2) before the expiration of the 9-month period following the date of the enactment of this Act, the committee established under paragraph (1) submits recommendations to the Southern California Rapid Transit District regarding any adjustments in the Metro Rail Project route that are required to avoid tunneling into or through any area where the occurrence of methane gas presents a potential hazard;

(3) the Southern California Rapid Transit District submits to the Urban Mass Transportation Administration binding plans that—

(A) incorporate the recommendations of the committee submitted under paragraph (2); and

(B) indicate that no part of the Metro Rail Project will tunnel into or through any zone designated as a potential risk zone or high potential risk zone in the report of the City of Los Angeles dated June 10, 1985, and entitled "Task Force Report on the March 24, 1985 Methane Gas Explosion and Fire in the Fairfax Area"; and

(4) the Urban Mass Transportation Administration approves such plans.

SENATE—*Tuesday, September 10, 1985*

(Legislative day of Monday, September 9, 1985)

The Senate met at 2 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of truth and justice, in these perilous days the Nation's welfare deserves the total dedication of its public servants to selfless and, if necessary, sacrificial service. We are the United States and we desperately need leadership that is united in purpose and in action. Grant to all leadership—legislative, executive, and judicial—the will to unity. We do not pray for uniformity, Lord, for we know that unity in its essence is diverse. We rejoice in the diversity which has and must characterize our unitedness. But, dear God, deliver us from attitude and action which polarize, fragmentize and destroy. God of our fathers, protect the unity which is the foundation of our greatness, our strength, our influence nationally. In His name whose mission was to unite all things. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

RESERVATION OF LEADERSHIP TIME

Mr. DOLE. Mr. President, I reserve my time under the standing order and also the time of the distinguished minority leader.

SCHEDULE

Mr. DOLE. Mr. President, there will be special orders in favor of Senators COHEN, MATTINGLY, SYMMS, and PROXMIRE not to exceed 15 minutes each, then routine morning business not to extend beyond 3:30. Then we will turn to Senate Joint Resolution 31. I thought we completed Senate Joint Resolution 31 yesterday, "National Family Week."

The PRESIDING OFFICER (Mr. PRESSLER). It is the pending business.

Mr. DOLE. It is the pending business. Following disposition of National Family Week, we will turn to S. 47, the school prayer bill, and rollcall votes can be expected later in the day.

RECOGNITION OF SENATOR COHEN

The PRESIDING OFFICER. Under the previous order, the Senator from Maine [Mr. COHEN] is recognized for 15 minutes.

U.S. TRADE POLICY

THE U.S. SHOE INDUSTRY

Mr. COHEN. Mr. President, less than 2 weeks ago, the President confirmed my belief that this administration has no coherent international trade policy. With his decision to ignore the recommendation of the International Trade Commission to provide import relief to the American shoe industry, the President has written off yet another U.S. industry crippled by foreign imports.

In the face of footwear imports rising to nearly 80 percent of the U.S. market, 21 percent unemployment in the footwear industry, over 125 plant closings in the past year and a half, and a unanimous injury finding by the bipartisan ITC, the President turned his back on the remaining 100,000 American shoeworkers and told them he just does not care enough to help.

As my colleagues know, there exists a mechanism for the objective hearing of an industry's trade grievances and the means to provide assistance to that industry when it can prove that it has been injured by imports. Section 201 of the Trade Act was designed by the Congress to address precisely the crisis faced by the U.S. shoe industry. The President's decision on August 28 has clearly made a mockery of this entire process.

Frankly, the domestic shoe industry could have bypassed the established trade procedure. They could have come directly to Congress, but instead they were encouraged to follow the law, follow the procedure that Congress has set up for industries such as shoes, textiles, or any other industry. They spent hundreds of thousands of dollars pursuing this course of action only to have the President say, "the facts do not matter." I wish he had spoken earlier saying, "Save your money, save your time, because we don't intend to grant relief under any circumstances."

If section 201 of the Trade Act is not a remedy for shoes, where there is almost 78 percent market penetration, then it cannot help any other industry in this country. What we have to recognize is that the administration has said, for all practical purposes, "Don't bother bringing any more 201 actions because even if injury is found, even if the ITC proposes a remedy, you will get no relief from us."

From an ITC which only last year determined that this industry had suffered no injury from imports came a unanimous finding this year that serious injury had occurred. From that same Commission came a majority recommendation for temporary import quotas as the only effective remedy which would allow this industry to recapitalize and modernize, and again become competitive in the world marketplace. Yet the President cast aside the recommendations of his trade policy experts and told the shoe industry that the facts of the case do not matter, and that the industry has wasted its time and money.

In announcing his decision to abandon the American footwear industry, the President directed the Secretary of Labor to work with the affected shoe producing States in developing retraining programs for the thousands of shoe workers whose livelihoods have been shattered by imports.

The cruelest irony, Mr. President, is that this same administration, which has told American workers to sacrifice their jobs at the altar of free trade, has also actively sought the elimination of the very retraining programs it is now promoting.

I say to the President, you cannot have it both ways. Either use your existing authority to combat unfair trading practices and massive import surges which threaten the very existence of our basic industries, or support the programs designed to ease this painful transition.

Mr. President, I come before this body today with a number of my colleagues to tell the President and the American people that there are many in Congress who do care and are prepared to take the necessary actions to insure that a coherent American trade policy is developed for the United States. Absent any substantive action by the President, we in the Congress will step into this void created by the President's inaction and develop a responsible international trade policy which does not sacrifice the jobs of our workers in favor of an abstruse devotion to a trade dogma which ignores the reality of our world trading system. It is a sad commentary on America, Mr. President, when our greatest export is American jobs.

As we in the Congress begin the trade debate, I will be meeting with Senator RUDMAN, who wishes to be associated with my remarks, Senator MITCHELL, Senator DANFORTH, Senator KASTEN, and other members of the Senate footwear caucus to seek to enact legislatively what the administration refused to do under our existing trade relief laws. I had hoped that this would not be necessary. Nevertheless, we have reached an impasse, and I am committed to bringing substantive relief to the American footwear industry.

There was an interesting item in today's Washington Post in reference to some of the complaints being leveled against unfair trade practices by Japan. Japanese officials, for example, have a method of taxing foreign cigarettes based on the sum of their cost plus the average 20-percent tariff paid upon entering Japan. This constitutes a tax on a tax. In responding to this charge, the Japanese officials said:

> The tax-on-a-tax system is deeply rooted in the Japanese legal and financial system. It wasn't created as a trade impediment. We need the revenue.

Another item in this particular story concerns Japan's highly protective trade barriers to leather goods coming from the United States. The Japanese argue that their leather industry, like much of their agricultural sector, qualifies for protection because it is composed of large numbers of small, inefficient businesses that could never compete with the United States and other foreign providers.

So here we have a major trading partner, with which we have a trade deficit approaching $50 billion this year, continuing to erect trade barriers. The Japanese justify these trade barriers as necessary to protect their small, inefficient businesses from competition. I would like to know where the administration has been for the last 4 years. We have lost 100,000 jobs in the footwear industry during this past decade. Last year, we saw over 100 plants close, throwing thousands upon thousands of American workers out of their jobs, and suddenly the administration says, "Well, maybe it is time to do something. Now we have to get tough on our trading partners." Mr. President, it comes very late and is awfully little.

Mr. President, I ask unanimous consent to have printed in the RECORD an article published in today's Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> [From the Washington Post, Sept. 10, 1985]
>
> REAGAN TRADE DEMANDS SEEN TESTING JAPAN
>
> (By John Burgess)
>
> TOKYO, September 9.—Politics and Japanese tax law will make it extremely difficult for Japan to meet demands voiced by President Reagan this weekend for reforms in its market for cigarettes and leather, Japanese officials said today.
>
> But the officials suggested that Reagan's call might turn out to be positive news if it helps reduce pressure in Congress for far-reaching legislation to cut Japan's mounting trade surplus by hindering its exports to the United States.
>
> On Saturday, Reagan announced he had decided to implement "countermeasures" against Japan, the European Community, South Korea and Brazil if they did not stop "unfair trade practices" in a variety of product lines.
>
> Japanese officials expressed surprise at the categories Reagan specified in Japan's case: cigarettes, leather and leather shoes. They have been the subject of negotiations between Washington and Tokyo for years.
>
> In the Japanese view, the market for cigarettes was almost totally liberalized on April 1, when distribution and promotion of cigarettes was thrown open to competition after decades of control by a government monopoly.
>
> However, foreign cigarette companies, which now account for only about 2.3 percent of Japan's $10 billion-a-year market for cigarettes, contend that significant impediments remain. They argue that, in a truly free market, they could build up to about one-quarter of the sales.
>
> In particular, they point to Japan's practice of taxing foreign cigarettes based on the sum of their cost plus the average 20 percent tariff paid upon entering Japan. This constitutes a "tax on a tax" they say and makes their products too expensive.
>
> They complain that the former monopoly agency, now recast as a private company, retains sole rights to produce cigarettes in Japan and contend that it still has a de facto monopoly on distribution.
>
> Japanese officials respond that the tax-on-a-tax system is deeply rooted in the Japanese legal and financial system. "It was not created as a trade impediment," a Foreign Ministry official said. "We need the revenue."
>
> Any shift in tobacco policy comes slowly in Japan, in part because of the influence of Japan's 75,000 tobacco farmers within the ruling Liberal Democratic Party. Tobacco is Japan's second-largest cash crop, after rice.
>
> Officials here concede, however, that leather is a highly protected market. Strict import quotas are in place. Last year, officials of the General Agreement on Tariffs and Trade ruled that quotas on leather were illegal.
>
> Japan pledged to remove them. However, the United States has protested Japanese suggestions that the new system will be a dual-tariff schedule in which anything imported after a certain target level had been reached would be assessed tariffs at a higher rate. "It would be at least as effective a restriction," said one U.S. official here.
>
> The Japanese argue that the leather industry, like much of the agricultural sector, qualifies for protection because it is composed of large numbers of small inefficient businesses that never could compete with U.S. and other foreign producers.

Mr. PRYOR. Mr. President, shock and outrage are the words I would use to describe my reaction to the President's failure to approve global quotas on imported footwear. The glaring absence of any meaningful White House trade policy has once again been demonstrated, this time at the expense of the Nation's footwear workers and their families.

Arkansas is 10th in producing footwear in the United States, and footwear ranks first among all manufacturing industries in 7 Arkansas counties, 5 having a population under 25,000. Arkansas shoe workers want to keep their jobs, and I intend to do everything I can to see that factory doors stay open.

Congress must act now—since the administration has shirked its responsibility—to give the footwear industry a chance to survive and prosper. The American Footwear Industry Recovery Act, of which I am an original cosponsor, accomplishes this important goal and is pending in the Senate Finance Committee. Under the bill, S. 848, quotas would be implemented for 8 years. Although I consider the substance and duration of import relief under this legislation negotiable, the absolute and substantial reduction of imported shoes is not.

Mr. President, it is a continuing mystery to me how a President who claims to advocate a day's work for a day's pay can so easily dismiss the futures of thousands of American citizens who only wish to work hard, provide for their families, and stay on the job. And what does the President do when these workers come to him asking their leader for help? He turns his back, opens every door but the one with the shoe worker behind it, and welcomes a flood of imports into our country.

Shoe workers across this country have a right to demand their government acknowledge and respond to their plight. With imaginative spirit they symbolized the despair prevalent in the industry by sending partial shoes to Members of Congress, this representing the small portion of the domestic market which remains open to American industry. Later, they sent soles of shoes with passionate pleas inscribed on them, asking us to convey to the President the need for positive action on imports. Today, empty shoe boxes, emphasizing that the President gave the footwear industry nothing in his recent decision, arrive in my office to insure that we not forget the seriousness of the situation.

Well, Congress let the President know. I have lost track of the letters I have signed to the White House asking for help, asking only for a change—and the President and his advisers ignored these requests. It is clear now that the solution to this problem is not going to come through administrative action. Real progress can result, however, if Congress taps the creative spirit of the shoe workers of America, adopts their passion and persistence, and enacts a trade law which addresses their problems.

Mr. President, I look forward to meeting in the coming weeks with other members of the Senate footwear caucus and with representatives of the footwear industry to discuss a coordinated legislative strategy to respond to this critical situation. Let those of us in Congress who believe in a future for this proud and important American industry stand up now and act.

Mr. SASSER. Mr. President, will the distinguished Senator from Maine yield?

Mr. COHEN. I yield to the Senator from Tennessee.

Mr. SASSER. I thank the Senator from Maine for yielding.

U.S. TRADE POLICY NONEXISTENT

Mr. President, I rise today to express my shock and frustration at the insensitivity shown by the President in rejecting the advice of the International Trade Commission and refusing to grant import relief to the domestic footwear industry.

Two points emerge crystal clear from this announcement. The first is that this administration has no coherent trade policy and the second is that our trade laws are not working.

This administration is so blinded by the illusion of free trade they cannot see that they are presiding over the deindustrialization of America in the name of ideological purity. There is no such thing in today's international marketplace as free trade and it is time the administration recognizes it. Virtually every country in the world assists its domestic industries with subsidies, with currency manipulation, or with quotas.

It is time for this administration to wake up from its dreamworld of completely free and unfettered trade. There is a real world out there of tough practical choices. We simply must not be afraid to enter the real world marketplace and take steps to preserve our domestic manufacturing industries. We can enforce reasonable and effective trade laws without raising impenetrable trade barriers or evoking the specter of the disastrous Smoot-Hawley Tariff.

While the administration remains wedded to an outmoded economic theory, my constituents are losing their jobs—and this decision means more of them will lose their jobs.

The administration's action on the question of shoe imports is a signal, I think, a signal to our trading partners and trading adversaries around the world that they can continue to eat our lunch, and it is a free lunch so far as they are concerned.

I think it is a signal to my colleagues in Congress that if something is to be done to save the jobs of American workers and to save American industries and to stop the deindustrialization of this country, it will be up to us in Congress to address this problem in a reasonable and moderate fashion.

As I travel around my State, I continually see the effects of shoe imports on our citizens. Seven shoe facilities were closed in Tennessee last year. In these towns, shoe workers are already out of work or will be put out of work in the near future due to plant closings. I talked to individuals who have lost their jobs in the communities where they have lived and worked for years—and they face the future with no prospects of new jobs.

There were over 100 communities across the Nation who shared this devastating experience in the last year.

The second fact apparent from this decision is that our trade laws are simply not working. If ever an example were needed of what constitutes serious injury due to imports, the nonrubber footwear industry provides it.

Between 1968 and 1984, imports increased 233 percent. The net decline in the number of plants totaled 507, costing over 112,700 workers their jobs. Production has fallen to the lowest levels since the Depression. Last year in Tennessee alone, seven shoe plants closed.

The footwear industry followed the procedures laid down in our trade laws to prove injury—and they proved it to the satisfaction of every single Commissioner on the International Trade Commission. They also offered a comprehensive 5-year plan which the industry agreed to undertake during the quota period. If the trade laws will not work for this industry, it is doubtful they will work for any industry.

When Congress wrote the trade laws it intended they be used. We did not intend them as a rhetorical statement whose practical application was to be avoided at all costs.

Far more is at stake here than the fate of a single industry. Frankly, we are dealing with the credibility of our entire system of trade law, with the viability of our most basic American industries, and with the future health of our national economy.

In the next few weeks the Senate will be conducting an extensive trade debate. If we cannot rely on our trade laws to protect our industrial base, then those laws need to be changed. If the administration has no trade policy, then the Congress will write one for them.

The belief that there is no middle ground between absolute free trade and absolute protectionism is largely responsible for the trade crisis we face today—a crisis that has put literally millions of working Americans on the unemployment rolls and has thrown our agricultural sector into its sharpest nosedive since the Great Depression.

It is time we deal with the trade issue as it exists in the real world. We can assist our industries—as other nations do—without starting an international trade war. I intend to be an active participant in the upcoming trade debate as we work to level the playing field for our Nation's industries.

Mr. BUMPERS. Mr. President, will the Senator yield?

Mr. COHEN. I yield to the distinguished Senator from Arkansas.

CHALLENGE FOR THE SENATE ON FOOTWEAR IMPORTS

Mr. BUMPERS. Mr. President, I thank the Senator from Maine for arranging this time for some of us who are deeply concerned about the prospects for the U.S. footwear industry in light of the President's recent refusal to provide sorely needed trade relief for that industry.

I am appalled that the President failed to provide any relief whatsoever. The International Trade Commission proposed to limit shoe imports to 63 percent of the market, and that was the very least figure that should have been adopted. If anything, the President should have strengthened this remedy. Rather, the President has made it clear to the rest of the world that the United States will continue to be a dumping ground for their products, no matter how many of our own workers and industries may be hurt.

Just 2 days after the President refused to help the import-battered domestic shoe industry, the Commerce Department released figures showing that footwear imports continued to flood the American market in July. So far this year, shoe imports have risen 13.4 percent over 1984 levels. In July, 79 million pairs of shoes entered the United States and that was down slightly from 85 million pairs in July 1984, the second highest monthly level ever recorded. As of this moment, 77 percent of all shoes sold in this country are imported.

At the same time that imports have been dramatically increasing, our own domestic industry has been disintegrating. In 1984, which was a banner year for national economic growth, domestic production of footwear fell by over 13 percent, and so far this year, domestic production has declined 22 percent. Since 1979, domestic production has fallen from 400 million pairs to under 300 million pairs in 1984, a decline of 25 percent. The most recent year, other than 1984, that domestic production fell below 300 million pairs was 1921.

In 1984, over 100 footwear plants closed nationwide—1 year, 100 plants. This represents a direct job loss of 7,000 footwear employees in 1984 alone, and nearly 23,000 since 1980. Indirect job losses, a continuously falling work week and growing "temporary" layoffs further exacerbate the hardships imposed on footwear employees. Are these 23,000 people who have lost their jobs since 1980 not as important

as the roughly 1,000 people the President chose to protect who work for the Harley-Davidson Motorcycle Co.? Where is the difference?

In my home State of Arkansas, the shoe industry directly employs about 5,600 people. The footwear industry is the first or second largest employer in 12 Arkansas counties. Since 1980, we have lost eight plants and three were closed just this past year. We have lost over 1,000 direct footwear jobs in Arkansas since 1980, and 2,600 jobs since 1976. Counting indirect employment effects, we have lost nearly 4,500 Arkansas jobs in the past 8 years.

For the rural Arkansas communities that are involved, the impact of a plant closing can be catastrophic in the local economy. The people who are displaced in these rural communities simply have no alternative sources of employment. Of the 12 Arkansas counties where footwear is a leading industry, 8 have populations of less than 25,000. Almost two-thirds of all footwear workers are female, more than one-half are age 50 or older, and less than half have completed high school. They simply have nowhere to go when a plant shuts down.

The footwear industry is in serious trouble, and the President does not seem to care.

If we cannot provide relief when 77 percent of all the shoes in this country are being imported, then no other industry need apply to the International Trade Commission. It is discouraging in the extreme.

If the President does not care whether imported shoes decimate the U.S. shoe industry, the U.S. Senate can vote to impose the quotas recommended by the International Trade Commission; not a good solution, and not one which I wish we had to take.

But if we have to do it, we should do it, and we can fill some of the loopholes that the International Trade Commission left in its order.

The President has challenged Congress to do something, and we should accept the challenge.

I thank the Senator again for yielding.

Mr. COHEN. Mr. President, I thank the Senator for his statement and support for this entire measure.

Mr. President, I shall ask a couple of simple questions.

Is there any other nation in the world that would tolerate a 77-percent import penetration of its market?

Is there any other nation in the world whose leaders would look at a major industry over the years that is now in the process of dying and say: "Too bad. Tough luck. That is the way the world works"?

Is there any other nation in the world whose leadership would say: "Go vote with your feet. Just get out of Maine, get out of Arkansas, leave Missouri. Go out west"?

Mr. BUMPERS. Vote with your bare feet.

Mr. COHEN. "Go out west in bare feet and go to Silicon Valley. Perhaps you can pick up some computer training jobs there."

The difficulty with the vote-with-your-feet type of argument, as the Senator from Arkansas just pointed out, is, there is no place to go. These people are basically low income and the low scale of education the Senator from Arkansas has pointed out. More than half of them are women. Most are over the age of 50. They have no place to go and no jobs to get when they go there.

So for the administration to adopt the posture of "go vote with your feet," it would seem to be the essence of callousness, indifference, and disregard for the over 100,000 people who have lost their jobs and the 100,000 remaining who will lose their jobs in this industry as a result of the President's decision.

Mr. KASTEN. Mr. President, I rise today to voice my support, not only for an American industry which is in deep trouble because of imports, but also for the 22,000 Americans and 4,000 Wisconsinites who are in danger of losing their jobs.

There was a time in America when everything we purchased was made or crafted in the United States, right down to our shoes; 10 years ago, domestic shoes accounted for the major share of the American market. What was a robust industry only 10 years ago is now struggling to stay alive.

Today, you will rarely find the words, "Made in the U.S.A." on the soles of your shoes. You are more apt to find that your shoes were made in Brazil or Spain or Italy, because we have allowed the flood of imported footwear to go unchecked. To make matters worse, these nations have imposed tough quotas on American-made shoes that make it virtually impossible for us to export to them. Now, those imports account for a staggering 77 percent of the domestic market.

Some would argue that American products are no longer as well made. Well, although my colleagues may disagree with the specifics, I know that the best shoes in the world are made in Wisconsin. The reason why the American shoe industry is in peril is because we have not had a balanced and fair trade policy.

I have always been a firm believer in free trade, but I also strongly believe that trade must be fair. Certainly, free trade must not come at the expense of fair trade. And until other nations are willing to trade freely with us by allowing American products in without restrictions, we must literally put our foot down.

Mr. President, as I stated earlier, it is not just a great industry that is at stake here. We are talking about the livelihood of 22,000 Americans and their families. Already, this imbalance of trade has resulted in the loss of thousands of jobs in Wisconsin. Thousands more will be lost if nothing is done.

Over the past 10 years, 14 shoe factories in Wisconsin alone have closed their doors for good. Most recently, hundreds of workers were left jobless by the closing of Chippewa Shoes in Chippewa Falls, WI, at the end of last year. Now, other factories in the State face a similar fate. There is no time to lose.

The administration had a real opportunity to solve this problem when the ITC recommended protection of the domestic industry through import limitations. But on August 28, the White House refused to act.

The ball is now in our court. Congress must act to make the difference while there is still time. I am happy to lend my support to legislative relief.

Mr. President, only by reintroducing fairness into American international footwear trade will we be able to save the jobs of thousands around the United States that will otherwise be lost.

Mr. GORE. Mr. President, I join with my colleagues today to discuss the President's recent decision to refuse relief to the American footwear industry.

The International Trade Commission's May recommendation to the President has been ignored. The Commissioners had overturned previous rulings and by a vote of 5 to 0, they found that the footwear industry had been seriously injured by foreign imports.

The Commission, an independent, bipartisan group, is required to engage in extensive research, conduct specialized studies and maintain a high degree of expertise in all matters relating to the commerce and international trade policies of the country. The Commission evaluates appeals for import relief from affected industries and determines whether an article is being imported in such increased quantities as to be a substantial cause or threat of serious injury to the domestic industry.

In the case of the footwear industry, the Commission found that such relief was warranted. Indeed, their unanimous ruling in favor of the industry reflects their firm conviction that import relief is both necessary and desirable.

Why, then, are these laws on the books? This is a textbook example of a situation that qualifies for section 201, Trade Act, relief.

Without this relief, the collapse of this vital industry is almost assured. An additional 220,000 jobs may be lost, many of them in my own State of Tennessee, which is the fifth most important footwear-producing State in the Nation.

We must not turn our backs on this important industry at this crucial juncture. Otherwise, it will soon cease to exist. I urge my colleages to think long and well about the administration's disregard of our trade laws and the grave effects such policy will have on one of our most important basic industries.

IMPORTED FOOTWEAR QUOTA LEGISLATION

Mr. MITCHELL. Mr. President, I am pleased to join my Senate colleagues today in voicing the imperative need for immediate action on the import surge that is destroying the domestic footwear industry.

Since 1981, when the President made his first decision against the footwear industry and its workers by rejecting the recommendation of the International Trade Commission that the modest import relief then in place be continued for a couple of years, the industry has been subjected to one blow after another.

Developing nations targeted footwear manufacture and export to the American market as a quick way to industrialize and provide their own people with jobs and stepped in to take up the slack during the period of orderly marketing agreements.

When that modest relief measure was allowed to expire, the market was wide open at a time when other nations were closing their own markets and aggressively targeting the American consumer as their final purchaser. Imports soared immediately to some 60 percent of the domestic market and slacked off only in the face of the 1982 recession. That recession saw shoe workers join millions of others thrown out of jobs many had held for decades. It saw many shoe companies close as the surge of corporate bankruptcies reached new records.

But the difference was that in the economic recovery that followed the recession, the closed factories did not reopen. The lost jobs were not recovered. And domestic footwear production shrank, even as imports surged to take advantage of the economic recovery.

With footwear imports reaching an unprecedented three-quarters of the domestic market, with the governments of virtually every other potential market nation limiting imports either directly or by indirect trade barriers, this Nation has become virtually the world's only free market for footwear manufacture.

And given that the vast bulk of footwear manufactured in the world is manufactured for export markets, not domestic consumption, our markets have been flooded with products that can find no other outlet.

It is precisely such a situation that our domestic trade laws were designed to address. The footwear industry took its case to our International Trade Commission, exactly as envisaged by law, argued it there and won the recognition of the Commission that imports were a major cause of its problems.

That determination of fact is required by our trade laws to be made before policy is established. That is as it should be.

But what our trade laws do not assure—and what I am certain no Congress has ever intended—is that following a clear determination of fact, no policy is established.

Yet, that is exactly the stance President Reagan took when he directly rejected any import relief whatsoever for this beleaguered industry.

It is clear that in the absence of White House concern about jobs lost, companies bankrupted and entire communities economically threatened, Congress has a responsibility to act.

We cannot and should not ask one small sector of our population—the people who work in shoe factories, the companies that employ those workers, and the community where shoe manufacturing is an economic mainstay—to pay the entire price for a national policy.

During the 1982 recession, the war on inflation was won, not by supply-side economic theory, but purely on the backs of the men and women thrown out of jobs.

During this 1985 trade crisis, the administration is apparently again willing to wage war on the trade deficit with the livelihood of ordinary working people and the families that depend on those paychecks.

There is only one answer. We must act now to change the law before the administration's total lack of any coherent trade policy plunges even more people into economic disaster.

The 1974 Trade Act, which the President has refused to invoke, was purposefully designed to give the executive branch the freedom it needed to manage international trade relations to the benefit of our Nation by encouraging other nations to lower tariff barriers to imports and relax nontariff import barriers of various sorts.

But instead of using that freedom during its 5 years in office to open other markets and move toward a worldwide regime of free trade, this administration has encouraged imports as a way to hold down inflation, regardless of the cost in American jobs and long-term economic health.

We are witnessing and have been witnessing for 5 years the not-so-very gradual dismantling of our manufacturing economy, as our jobs and production are exported overseas.

Trade policy by this administration has consisted of a series of reluctant and belated actions taken only in the face of the most overwhelming and protracted public concern.

But that is not good enough. Thousands of workers can be idled before public concern is aroused. Hundreds of companies can close plants and go out of business before this administration will act. And if the industry in question is a small and regionalized one—as is the case with footwear manufacture—not even the most protracted and painful crisis has proven to be enough to catch the President's attention.

In these circumstances, it is clear that Congress must recapture an element of its control over the trade policy area that the administration cannot be relied on to exercise.

We must change our laws to make mandatory that which is now discretionary, to narrow the options available so that factual circumstances, not individual preferences, will dictate actions, to ensure relief when the conditions warrant relief, not to raise false hopes.

This Senate and this Congress must act and must act soon, not only on direct relief for the footwear industry, but on a wider scale to make our trade laws reflect the will of the Congress and the realities of the international trading world.

PROTECTIONIST MEASURES FOR THE FOOTWEAR INDUSTRY

Mr. HUMPHREY. Mr. President, in recent weeks the plight of shoe producers and employees has received great attention in Washington, in the press and around the country. More specifically, the question of granting relief, in the form of protectionist measures, to the ailing footwear industry has been considered by policymakers within the administration and legislators on Capitol Hill. I am gratified that so much energy has been devoted to a consideration of what, if anything, can be done to save shoe-worker jobs threatened by import competition. Nevertheless, I applaud the President's decision to refrain from granting quotas to the industry.

This assessment was certainly not an easy one for me to make. In New Hampshire, the nonrubber footwear firms rank first in jobs among all manufacturing industries. It ranks first among all manufacturing in Strafford County and among the top three industries in five of the other nine counties. As of May of this year, the nonrubber footwear industry employed 7,900 people in 28 plants. The footwear industry historically has been important to New Hampshire's economic health; opposing quotas for the industry does not win one many friends.

Much has been said about the International Trade Commission's report to the President on the footwear industry, but little has been mentioned about the dissenting view of Vice Chairman Susan Liebeler. I recommend to my colleagues and all who

have an interest in this issue her views on remedy options for the industry. Vice Chairman Liebeler argues against protectionism for a very simple reason: given the results of protectionism for the industry in the past; the long-term outlook for the industry's competitiveness vis-a-vis low cost foreign producers, and the extent to which domestic manufacturers can be expected to invest in state-of-the-art machinery, the footwear industry does not meet the very stringent criteria set forth by the Congress in section 201 of the Trade Act.

Those criteria stipulate that "import relief actually prevent or remedy serious injury." If protectionism only delays the injury, then relief is not in order. Based on the above-mentioned factors—precedent, long-term outlook and investment predictions—Ms. Liebeler concludes that protectionism is neither an effective nor socially beneficial solution to the footwear industry's woes.

Additionally, it is important to remember, that there is another constituency out there, whose needs and interests are just as important as those of the footwear industry. I am speaking of consumers—230 million Americans including the 1 million who live in New Hampshire. Their needs in this case are affordable shoes at the lowest price. This is especially true for lower income Americans, who desperately need to watch and control the cost of everything they buy, including necessities such as shoes. Economic studies included in Ms. Liebeler's opinion indicate that each $14,000 shoe job saved would incur siocietal costs upwards of $35,000, and that consumers in this country would pay an additional $832 million per year for shoes. Clearly, protectionism is not in the interest of the country at large. In the case of the shoe industry, President Reagan has spoken out in favor of the consumer.

Once again, I commend this Ms. Liebeler's assessment to the attention of my colleagues. Mr. President, I ask unanimous consent that a copy of her opinion be included in the RECORD immediately following my remarks.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

REMEDY VIEWS OF VICE CHAIRMAN SUSAN W. LIEBELER

(Part Two—Remedy)

I. INTRODUCTION

The Commission has made a unanimous affirmative determination in the injury phase of this investigation, thus I must now consider what remedy recommendation to make to the President. The purpose of the escape clause is to provide "temporary relief for an industry suffering from serious injury, or the threat thereof, so that the industry will have sufficient time to adjust to the freer international competition."[1] Section 201 authorizes a petition for import relief "for the purpose of facilitating orderly adjustment to import competition."[2] An industry seeking escape clause relief "must include a statement describing the specific purpose for which import relief is being sought, which may include such objectives as facilitating the transfer of resources to alternative uses and other means of adjustment to new conditions of competition."[3]

The operative language of section 201(d)(1) is as follows:

"If the Commission finds with respect to any article, as a result of its investigation, the serious injury or threat thereof described in subsection (b) of this section, it shall—

"(A) find the amount of the increase in, or imposition of, any duty or import restriction on such article which is necessary to prevent or remedy such injury, or

"(B) if it determines that adjustment assistance under parts 2, 3, and 4 of this subchapter can effectively remedy such injury, recommend the provision of such assistance, and shall include such findings or recommendations in its report to the President."[4]

The statute makes it clear that an affirmative determination by the Commission does not open the door to unrestrained relief. Any import relief[5] recommended can only be the amount "necessary to prevent or remedy such injury."

Section 201 contemplates two bases upon which relief can be granted. First, the domestic industry can seek relief to facilitate the "more orderly" transfer of resources out of the industry than would otherwise take place. In such a case, the domestic industry will still have to shrink, and any relief granted is intended only to make the transition more orderly.

The second basis on which relief can be granted is to prevent or remedy serious injury or threat to the domestic industry. The domestic footwear industry has not argued that it wants a more orderly exit from the industry. Instead it argued that relief will enable it to make new investment so that the market share of domestic producers will increase after the relief has expired.

Import relief can always delay the injury during the period of relief. The statute, however, requires that the import relief actually prevent or remedy serious injury. If import relief would not enable the industry to be competitive in the marketplace after relief expires, then there is no import relief that the Commission can recommend to the President.

II. MY RELIEF RECOMMENDATION

The domestic footwear industry is experiencing a major contraction. Thus, any relief must prevent or remedy such a contraction by enabling the industry to achieve a long-run equilibrium at a level of output substantially above what it could have achieved without import relief.

No import relief

The problem of the domestic footwear industry, however, is the long-run comparative advantage held by foreign producers. Thus, the only import relief that would prevent serious injury to the domestic industry is a permanent import restriction. The Commission is only empowered, however, to recommend temporary relief.[6] It is not, however, the purpose of Section 201 to establish permanent barriers against fairly-traded imports. Rather, its purpose is to provide a domestic industry with temporary relief to adjust to new conditions of competition from imports. Temporary import relief can prevent or remedy injury caused by short-run problems.

Imported shoes are less costly to produce than domestic shoes and they are likely to remain so.[7] This is a result of our nation's unmatched productivity and growth. Nations will, and should, specialize in the production of those commodities in which they have a comparative advantage. Fortunately, our country has a large capital stock which tends to provide labor with many productive employments. Our comparative advantage is in the production of goods that use a high ratio of capital to labor. Shoes, however, are produced with a low ratio of capital to labor. Therefore, American footwear cannot be produced as cheaply as foreign footwear.

The availability of inexpensive imports permits consumers to purchase less expensive shoes, and allows the valuable capital and labor used in the footwear industry to shift to more productive pursuits.[8] The decline of the American footwear industry is part of a dynamic but sometimes painful process. Congress, by only providing for temporary relief, has recognized that our continued prosperity depends on our willingness to accept such adjustments.

The industry has sought so-called temporary import relief before. The Commission has conducted approximately 170 investigations relating to this industry. In addition to 155 adjustment assistance investigations conducted between 1963 and 1974 under Section 301 of the Trade Expansion Act of 1962, the Commission has conducted one escape clause investigation under the predecessor to Section 201, two Section 701 investigations, two section 731 investigations, and five section 751 investigations. In 1982 the industry also initiated investigations with the U.S. Trade Representative under Section 301 of the 1974 Trade Act.

This is the fourth footwear case under section 201 and so far the industry has obtained relief twice. The 1975 petition resulted in adjustment assistance, the 1976 case resulted in Orderly Marketing Agreements (OMS's) with Taiwan and Korea, the two major suppliers of imported footwear. Although the industry tried to postpone the expiration of those OMA's,[9] President Reagan did not seek to extend them and they expired in 1981.

The escape clause is aimed at giving temporary relief to an industry so that it will have enough time to adjust to freer international competition.[10] This industry has had ample time and opportunity to adjust to freer international competition. In its 1976 brief to the Commission in Investigation No. TA-201-7, *Nonrubber Footwear*, petitioners, represented by the same law firm that represents the domestic industry in the current proceeding, made essentially the same plea for "temporary" relief:

"Petitioners recognize that the Trade Act of 1974 only authorizes temporary relief from the influx of imports for the purposes of permitting an industry to adjust to new conditions of competition. The imposition of temporary mandatory quotas for the full period permitted under the terms of the Act would do just that by enabling the domestic industry the respite necessary to regain its economic health and provide more vigorous competition to foreign produced footwear at the termination of such relief.

"In the interim, increased orders to domestic producers would not only generate

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Footnotes at end of article.

increased profits because of the sheer rise in the volume of sales but additional orders would also enable domestic producers to return to efficient levels of capacity utilization, thereby increasing productivity. Such profits could then be ultilized for capital expansion and additional research and development, thereby leading to greater technological and marketing strength.

"In addition, normal economic forces would work to the benefit of the domestic industry so that it would be more competitive in terms of price by the time the quotas were removed." [11]

Speaking through the same counsel in the next footwear case, petitioners again argued that "temporary" relief would enable them to become more productive and competitive:

"On the assumption that the industry is given the quota relief for the five-year period, what actions can be expected of domestic shoe manufacturers to enable them to become more competitive with imports once the transitional period of restraint is terminated?

"In specific terms, we would suggest that domestic footwear manufacturers, restored to greater confidence over their economic future, would make new investments in plant and equipment thereby making the industry even more productive and efficient.

"Greater sales can be anticipated under the quota program which will lead to a return to efficient levels of capacity utilization with longer runs resulting in economies of scale and lower unit production costs which would thus strengthen the industry's overall competitive position. This should also result in a strengthened financial position for companies in the industry, permitting them to attract more capital and more reasonable interest rates, thus enabling them to invest in new plant and equipment and to pay for additional research and development—both technical and marketing. Greater technological and marketing strength will, thus, be an inevitable result improving the industry's competitive position even further. At the same time, there will be a narrowing of price gap between domestic and foreign shoes." [12]

The industry is once again arguing that during the period of import relief they will modernize their plants and equipment and increase productivity. The domestic nonrubber footwear industry has presented an ambitious five-year $697 million plan to reduce costs and become more competitive with imports by developing and applying new technologies throughout the industry. The industry claims that by implementing technologies already within its grasp it will improve domestic productivity by 25 percent, thereby eliminating the 15 percent price advantage of imported footwear.

If I believed that: (1) import relief would allow the industry to implement this plan; (2) the industry would not be able to implement this plan without import relief: and (3) that the plan would allow the industry to achieve a long-run equilibrium characterized by significantly greater production than it would have without relief, then the statute would compel me to recommend the import relief necessary to realize the plan.

The success of the domestic industry's plans rests on several questionable assumptions. First, the petitioners assume that the price advantage of imported footwear that the domestic industry must overcome is only 15 percent [13] but respondents have suggested that the price advantage runs closer to 25 percent.[14] The price advantage enjoyed by foreign footwear producers appears to be considerably higher than 15 percent.[15] Under such a cost advantage, domestic footwear producers may not regain a competitive advantage even if they make the proposed modernization expenditures and even if these expenditures reduce costs by the amount indicated by the petitioners. Second, the petitioners claim that the effects of their proposed modernization efforts will reduce domestic producters' costs by 11 percent and, thereby, allow domestic producers to eliminate most of the 15 percent price advantage of imported footwear.[16] This prediction comes from the Kaplan report, however, which was based on the production of five types of leather shoes only,[17] not on nonleather shoes which account for a significant portion of the United States nonrubber footwear market, especially in the low cost segment which is supplied primarily by imports. Because the major nonleather upper materials are much cheaper than leather, neither the material savings nor labor savings suggested by results of the Kaplan report may apply to nonleather footwear like plastic and fiber shoes. Third, the petitioners assume that the foreign producers will not improve their productivity over the next five years, while domestic productivity will jump by 25 percent as a result of import relief.[18] It is more likely, however, that foreign production will continue to increase. Productivity in the Taiwan and Korean footwear industries, the two largest foreign suppliers of footwear to the United States market, has reportedly increased by 4 to 7 percent annually during the last several years while domestic productivity has remained relatively unchanged. It is not clear why one would not expect this trend to continue. Fourth, the petitioners assume that the domestic industry will spend about $697 million in efforts to reduce their production and distribution costs. Although it is difficult to predict how much the industry will actually spend to modernize, individual firm responses to the Commission's confidential questionnaires indicate that domestic producers plan to spend only about $100 million on these efforts during the requested relief period.[19]

Finally, there is a fundamental question of what connection there is between import relief for the footwear industry and investment in new plant and equipment that will make the industry competitive. If good investment opportunities are available, they will be exploited regardless of any relief provided for this industry. It might be argued that the domestic footwear industry could become more competitive if it could modernize; and that it needs the more favorable cash flow generated by quotas to reinvest in the industry and to encourage financial institutions to lend to the footwear industry.

If modernization of plant and equipment presents favorable investment opportunities for the footwear industry, the capital market would provide financing. Although the increased cash flow which could result from import relief would be likely to improve the equity portion of the footwear producers' balance sheets and make it more likely that they could borrow funds or reinvest, there are other means by which these producers could obtain investment funds. They could issue additional equity or merge with an equity-rich firm. Alternatively, if the market believes that good investment opportunities exist in the footwear industry, but that the managers of some footwear firms are not up to their task, then such firms would be ripe for takeover.

If there is investment in plant and equipment that can be expected to generate a competitive rate of return, then someone, whether it is the current producers or others, will find it in their self-interest to make those investments. To believe that the revenues generated by import relief are necessary to finance this new investment reflects a fundamental misunderstanding of the way in which capital markets operate. If the investment is worthwhile, it does not matter whether the funds used to purchase the investment come from retained earnings, new debentures, bank loans, or new equity ownership. In our highly sophisticated capital market, a project which would ensure the profitable survival of the footwear industry would not go unfunded.

If investment in the domestic industry is not rational because expected costs are likely to exceed expected revenues, then: (1) it is not in the industry's interest to make such investment; and (2) it is not in the nation's interest that the industry do so. If a firm cannot profitably make such an investment, it means that the resources can more productively and profitably be employed elsewhere in the economy.[20] In spite of the efforts by the domestic industry to suppress imports, in spite of the "temporary" relief, in the form of OMA's with Korea and Taiwan, and in spite of the present 9 percent tariff on nonrubber footwear, the industry has been shrinking. Between 1981 and 1984, 207 plants closed (gross), 94 of these closing occurred last year. The closing of unprofitable plants is a necessary adjustment. Import relief at this stage will retard this process and encourage entry into a shrinking industry.

I do not believe the domestic industry's investment plan is credible or viable. The market has already indicated that additional investment or growth in this industry is unwise. Because there is no temporary relief which would prevent or remedy serious injury. I recommend that no import relief be given to this industry.

III. ADJUSTMENT ASSISTANCE

I do, however, recommend that the President provide adjustment assistance [21] to the domestic footwear industry under Parts 2 and 4 of Chapter Twelve of the Trade Act of 1974 (Adjustment Assistance For Workers and Communities).[22] "The Commission shall . . . (B) if it determines that adjustment assistance under parts 2, 3 and 4 of this subchapter can effectively remedy such injury, recommend the provision of such assistance . . ."[23]

The Senate Report clarifies a number of points about the adjustment assistance program. First, it states that the Commission cannot recommend both import relief and adjustment assistance.[24] Second, the Committee states that the addition of the provision concerning adjustment assistance was intended "to permit the Commission to recommend adjustment assistance . . . in circumstances in which the Commission determines that such assistance would be a more effective remedy . . . than import relief.[25] Since the provision of certain types of adjustment assistance encourages workers and firms to exit from an industry, it would appear that Congress intended to give adjustment assistance to ease the pain of exit from an industry. This is a far more effective remedy for industries such as footwear which face irreversible decline.

In providing for Trade Adjustment Assistance, Congress has decided it is appropriate to redistribute wealth from the rest of society to participants in import-competing industries.[26] The statute does not permit me to consider the costs of such programs. It is, however, appropriate for me to consider the effect of the various programs on the domestic footwear industry, since the President may decide to provide trade adjustment assistance.[27]

A declining industry presents its participants with new decisions. An unemployed worker must decide whether to (1) retire; (2) wait to be recalled to work; (3) relocate; (4) obtain training in a new skill in a different industry; (5) seek and accept alternate employment; or (6) withdraw from the work force.

Each affected individual is best placed to weigh the costs and benefits of the various alternatives and make the choice that maximizes his or her expected welfare. There is no reason to believe that all workers should obtain retraining or seek relocation, or any of the other alternatives. The life circumstances of each individual differ, and consequently, their optimal choices differ. Government programs distort the underlying costs and benefits of the choice set faced by displaced workers by paying them for certain choices rather than others.

The adjustment assistance program offers unemployed workers several types of payments, including Trade Readjustment Allowances (Supplementary Unemployment Benefits); [28] employment services; [29] training; [30] job search allowances; [31] and relocation allowances.[32]

The critics of adjustment assistance [33] note that less than 1 percent of individuals affected received either job search or relocation assistance [34] and treat that as evidence of the failure of the program. The program is designed to help people find new work. It has clearly failed to do that, and in fact, with its heavy emphasis on supplementary unemployment benefits, it undoubtedly has encouraged workers to remain unemployed longer than they would otherwise.[35] This result is certainly perverse if the program's purpose is the rapid re-employment of the displaced workers.

Since Congress intended for Trade Adjustment Assistance to help displaced workers find new employment, I recommend that it be aimed at that purpose in this case. Employment services, training, job search cost reimbursement allowances and relocation allowances should be provided for footwear workers.[36] These forms of adjustment assistance are least costly and encourage workers to find new employment.

I also recommend adjustment assistance to communities under Part 4 of Chapter 12 of the Trade Act of 1974.[37] Such assistance would provide loan guarantees to private parties to invest in production facilities in a community in which footwear plants have had to cut back or close operations. Particularly in Maine, where footwear firms are often the major employer in small, somewhat isolated communities, such loan guarantees will diminish the likelihood that whole communities would be injured by the closing of a shoe factory.[38]

I do not recommend adjustment assistance for firms under Part 3 of Chapter 12 of the Trade Act of 1974.[39] This provides for technical assistance, loans and loan guarantees to firms. Payments to firms will retard rather than encourage the industry's adjustment to import competition, and would work at cross purposes to adjustment assistance to workers.

IV. IMPORT RELIEF

A. Available forms of relief

Although I have determined that there is no relief that would prevent or remedy the serious injury to the domestic nonrubber footwear industry, the Commission majority has recommended quotas. Since the Commission has made an affirmative determination in the injury phase of these proceedings and since the Commission majority has recommended quotas, the President now has the option of providing import relief.

If the President decides to provide import relief, he can use any one or more of the following tools:

(1) Proclaim an increase in, or imposition of, any duty on the article causing or threatening to cause serious injury to such industry;

(2) Proclaim a tariff rate quota on such article;

(3) Proclaim a modification of, or imposition of, any quantitative restrictions on the import into the United States of such articles;

(4) Negotiate, conclude and carry out orderly marketing agreements with foreign countries limiting the export from foreign countries and the import into the United States of such articles.[40]

Because the President may decide to impose some form of import relief. I provide my views on its most appropriate form.[41] In so doing, I note that the relief recommended by the majority is intended to restore the industry to its condition at the end of 1983.[42] I will assume that this is the desired level of benefit to the domestic industry. In designing a remedy one should try to find the least costly remedy which will provide the desired benefit. There are less costly and more efficient ways to provide the desired benefit to the domestic industry than the quotas recommended by the majority. I will now discuss the various forms of import relief available to the President.

B. Tariffs

If the President decides to provide import relief, I recommend a system of tariffs, instead of quotas. There are several reasons why a system of tariffs is preferable to a system of quotas.[43]

The first reason for using a tariff instead of a quota is uncertainty about the success of the industry's plan. The domestic industry claims that the foreign cost advantage is only 15 percent, a figure which has been disputed by a number of respondents, and that with five years of import relief it will reduce the foreign cost advantage to 2 percent.[44] If the President accepts the industry's plan and provides relief, he can impose a system of tariffs based on the industry's assumptions that will provide as much protection as the proposed quota. Thus, if the industry's projections are correct and they are able to reduce the cost gap, they will benefit as much from the tariff as from the equivalent quota. On the other hand, if the industry cannot reduce the gap, in which case their plan will almost certainly fail, then the tariff will provide less protection than the quota and the cost to society will be lower. The tariff also has the benefit of taking petitioner's plan at its word.[45]

A related reason for choosing tariffs over quotas is that tariffs will not insulate the industry as much from the discipline of the marketplace. The goal of the statute is to facilitate the adjustment to import competition. Competition from imports is felt through the presence of equivalent imports at competitive prices. If there are changes in the relative costs of producing domestic and foreign shoes, a tariff will allow those changes to be felt in the market, while a quota will not.

Another reason for preferring a tariff is that an ad valorem tariff, as opposed to a unit tariff, does not cause an upgrading of imports and a downgrading of domestic production.[46] With a quota or unit tariff, the cost of a quota right used to import a pair of shoes is the same regardless of the price.[47] Shoes, however, are not fungible. They vary in quality and, therefore, in price. A quota will increase the relative price of inexpensive imported shoes and encourage importers to upgrade their imports. It will thereby encourage domestic production of relatively inexpensive shoes more than it will encourage domestic production of relatively expensive shoes. With an ad valorem tariff, however, the prices of all shoes are increased by the same percentage, although by a different absolute amount; and accordingly, the relative prices of all pairs of shoes remain the same.[48]

Thus, the ad valorem tariff encourages domestic manufacturers to produce all shoes without influencing their choice between inexpensive and expensive shoes. Such an incentive is important in light of the temporary nature of the relief granted under Section 201. It would be a peculiar remedy indeed that for five years encouraged the nonrubber footwear industry to produce precisely those shoes for which it suffers the greatest comparative disadvantage and where improved technology is likely to be least effective in reducing costs.

Therefore, I believe that the President should impose a system of tariffs, preferably ad valorem tariffs if he decides to grant import relief.

C. Tariff-rate quotas

If the President decides to impose some form of a quota, I recommend a tariff-rate quota.[49] With a tariff-rate quota the units specified in the quota can enter the United States without paying the tariff, whereas units above the quota limit have to pay the additional tariff.[50] The benefit of the tariff-rate quota over the quota is that with the tariff-rate quota there is a limit on the distortion that can be caused by the relief.

For every quota there is an equivalent tariff. I suggest that the President set a tariff two or three percentage points above the tariff which would be equivalent to the quota as the tariff portion of the tariff-rate quota. Such a system will give the industry the benefits of the quota if it is correct, but it will limit the costs of relief to society if it is wrong.

D. Auctioned quotas

There are significant benefits of an auctioned quota over quotas or Orderly Marking Agreements allocated to importers or importing nations.[51] When quota rights are simply given away, or are sold at prices substantially below their value, the revenue [52] the Treasury would receive if the quota rights were sold is given to the parties who receive the quota rights.[53]

There is an additional benefit from selling as opposed to assigning quota rights.[54] When quota rights are assigned and are not transferable.[55] then there is no way to be sure that the parties with the rights are the providers of the shoes consumers value most.[56] When the rights are sold, the importers that will be able to pay for the quota rights will be the ones that have the shoes consumers value most.

E. Orderly marketing agreements

The fourth option available to the President is to negotiate orderly marketing agreements (OMA's).[57] This form of relief was granted in 1977 following a previous Section 201 investigation.[58] The effects of an OMA are equivalent to the effects of assigned quotas.

F. Market segment quotas

Assuming the President decides to impose a quota, he must decide whether to impose one quota covering all imported shoes or different quotas covering different market segments. In addition, he must decide whether to exclude specific segments of the market from any quota. There are a number of benefits and problems associated with market-segmented relief. It is my purpose here to discuss them in order to bring them to the President's attention. I make no recommendation on whether market-segmented relief is appropriate.

The intended beneficiaries of any quota presumably are the domestic producers of shoes. U.S. production is not significant in every segment of the nonrubber footwear market. For example, foreign producers have such a large comparative advantage in the production of athletic footwear that domestic manufacturers are unlikely to engage in its production unless extremely high barriers to trade are erected. Most domestic production of nonrubber footwear is of high value-added shoes. Thus, if the purpose of import relief is to stimulate domestic production during the relief period, a higher tariff or lower quota should be provided to the segments of the market where domestic production is most highly concentrated and where supply is relatively elastic. Thus, theoretically at least, athletic footwear should either be excepted from any system of quotas or entitled to a generous quota to reflect the high market share of imports and the relatively low cross-elasticity of demand between athletic footwear and domestic nonrubber footwear.

Theoretically, it is possible to design a quota structured to provide the greatest amount of help to the domestic industry at the least cost to the rest of the nation. Crafting such a remedy is in some respects similar to creating an optimal sales tax. In taxation theory, if the goal is to maximize the revenues that the government receives while distorting economic allocation as little as possible, the optimal taxation scheme entails placing the highest taxes on those commodities with the most inelastic supply and demand curves.[59]

There are a number of problems in applying this technique here. The primary theoretical problem is that unlike the taxation case in which the maximum is the revenues collected by the state, the maximum of our import barrier has a more ineffable character. We seek to provide the greatest prospect for the future viability of the domestic industry. The connections among that viability, the shapes of the relevant supply and demand curves, and the incentives to invest the revenue generated by import relief in the industry are obscure.

Even assuming that one could theoretically specify a least burdensome tariff or quota, there are a number of practical problems that prevent its effective implementation. Although shoes are neither fungible nor identical, neither are they neatly separable into clearly distinct groups. Thus, it is doubtful that we could devise subcategories that Customs could administer at reasonable cost and which clever profit maximizing importers or manufacturers could not circumvent.

The Commission majority has recommended the exclusion of footwear with a customs value $2.50 or below, and Chairwoman Stern and Commissioner Rohr and have recommended separate quotas for shoes based on their customs value. These attempts reflect the laudable goal of not overburdening the consumer by restricting shoes that American firms do not produce, and attempting to limit the distortions that a quota would otherwise generate. However, the exclusions and categorizations present the problems I just discussed. The definition of athletic footwear and its distinction from non-athletic footwear is not clear. Therefore, excluding or segmenting athletic footwear would place a large burden on Customs and would induce product characteristics and labeling changes by manufacturers in order to fall within the excepted category. Similarly, price segmentation of the quota will burden commerce and lead to creative attempts by manufacturers to get around the quota, such as importing shoes without boxes or laces. The world is a complicated place inhabited by people who seek their own welfare. The straightforward distinctions we contemplate in our offices can lead to unanticipated results.

G. Summary

I recommend that if the President imposes quotas they should be global ones and auctioned to the public. The auction held for Treasury bills can serve as a model for any quota auctions. The quota rights should be divided into commercially practical units and all purchasers of rights in the same quota should pay the same price.

IV. COST-BENEFIT ANALYSIS

In making my remedy recommendation I did not consider the costs of import relief or adjustment assistance. Section 201 does not permit the Commission's recommendation to be based on consideration of consumer welfare or social welfare costs. The U.S. Trade Representative has, however, asked the Commission to analyze these costs in all Section 201 cases because they are relevant to the President in deciding whether to give relief. The parties extensively briefed the costs and benefits of relief to us. I shall briefly address these issues.

The consulting firm retained by the domestic industry, ICF Inc., provided the Commission with an economic analysis of the costs and benefits of the domestic industry's proposed quota[60] which yields a net benefit to the United States from the quota.

ICF estimates that 48,000 jobs will be saved and 23,200 to 28,700 jobs will be created by the proposed quota. According to ICF, the quota benefits are the employment gains computed by multiplying the number of jobs saved (and created) by the annual salary.

ICF also used a macro-economic approach to measure the quota benefits. According to ICF, the proposed quota would transfer approximately $900 million to the U.S. economy each year. Using an income multiplier of 2.0, ICF estimates the direct benefits of the quota to be about $1.8 billion a year.

The economic costs of the proposed quota include the increase in consumer prices and a consumption distortion effect (that is to say, a welfare loss to consumers who would forego purchasing footwear as a result of quota induced price increases). In the first three quota years these costs exceed $400 million a year. As a result of anticipated price declines, these costs then drop significantly and are positive in the last year of the quota and thereafter. Comparing the costs and benefits of the quota, ICF claims that the proposed quota will produce large net benefits to the United States economy.

The flaws in this analysis were explained by the Federal Trade Commission (FTC) in their helpful and informative Posthearing Brief.[61] In Appendix A of the FTC brief, the FTC's economic expert, Dr. Morris Morkre, laid bare the methodological flaws that underlie the ICF approach. According to Dr. Morkre, the problem is that ICF ignores the opportunity cost of labor, assuming instead that workers will be permanently unemployed and that those who retire from the work force place no value on their lifestyle. In 1984, however, the mean duration of unemployment among unemployed nonrubber footwear workers was 17.4 weeks. Therefore, the direct employment benefits of the quota are short-lived, equal only to the unemployment costs saved by the quota.[62]

The flaw with the macro-economic approach, according to the FTC, is that it is based on a fundamental misunderstanding of international trade. According to ICF, the quota will transfer funds to the United States that would otherwise go abroad. The response of the FTC is as follows:

"This interpretation of the effect of a reduction in spending abroad ignores the fact that individuals in the United States choose to purchase foreign-made footwear and, as a consequence, they also choose to exchange dollars for foreign shoes. That is, consumers are not wasting or throwing away income or wealth in this transaction. They are obtaining goods that they value at least as highly as the money spent (or else they would not purchase the shoes in the first place). Moreover, using the concept of consumer surplus (see the FTC's Prehearing Brief, Appendix C, p. 21), consumers derive a benefit from such purchases over and above the amount spent.

"In contrast to Mr. Reilly's [the ICF economist] assertion, the quota does not lead to a transfer of wealth (or income) to the United States; the true situation is just the reverse. As a consequence, the foundation of Mr. Reilly's macro-economic approach, the injection of wealth into the United States, evaporates. The quota does not transfer wealth to the United States; rather it implies a destruction of real income in the form of reduced consumer surplus. The rest of his analysis, i.e., the multiplier operation, is meaningless".[63]

I find the cost-benefit analysis of the FTC and of our own Office of Economics to be more rigorous and reliable than that of the domestic industry.

Our office of Economics has estimated the costs of various forms of import barriers, assuming no retaliation by any of our trading partners.[64] It evaluated the effects of the majority's quota proposal. One estimate by our economists is that under such a quota, shoe prices would increase on average 15 percent for imported shoes and 5 percent for domestic shoes. Consumers would pay an extra $832 million each year for shoes. The gain to those in the domestic shoe industry from such a quota would be $681 million, and 24,000 new jobs would be created. A translation of this sum into the cost per job reveals that consumers would pay approximately $35,000 each year for each $14,000 a year job saved. These costs estimates are being provided as part of this report. I believes that these estimates are conservative. Using a slightly lower domes-

tic elasticity of supply figure, the price increases to 8.2 percent for domestic shoes and 17 percent for imported shoes and consumer costs exceed $1 billion a year. The added domestic employment shrinks to 17,500 jobs, which translates into a cost per job of $60,000. These estimates do not include any additional costs due to retaliation. This is a net social welfare cost of $680 million in the first year. Where does the $680 million go? Nearly all of it, $600 million, would go to foreign shoe producers.[65] The remainder is lost as a result of interfering with the market process.[66]

V. CONCLUSION

In summary, I recommend that the President place no additional restraints on nonrubber footwear imports. Because the statute appears to require adjustment assistance in circumstances such as these, I recommend adjustment assistance designed to re-employ displaced footwear workers as rapidly as possible. If the President decides to raise import barriers, I recommend a tariff. If the President chooses a quota, I recommend that it be a global one and that it be auctioned.

APPENDIX A[67]

Increased imports must be a substantial cause of the serious injury or threat thereof to the industry. Subsection 201(b)(4) defines "substantial cause" as a cause "which is important and not less than any other cause." In defining a separate "cause," one must not compare a genus with a species or subspecies.

There are only three types of causes at this level of generality that can inflict serious injury or threat thereof to the domestic industry. They are (1) a decline in demand, represented by an inward and leftward shift of the demand curve (fig. A); (2) a decline in domestic supply, represented by an inward and leftward shift of the domestic supply curve (fig. B); and an increase in foreign supply, represented by an outward and rightward shift of the supply curve (fig. C).

The consequence of these adverse shifts will result in either a fall in the price or quantity of footwear produced by domestic producers, or both.

FOOTNOTES

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[1] S. Rep. 1298, 93d Cong., 2d Sess. 119 (1974).

[2] 19 U.S.C. 2251(a)(1) (1982).

[3] Id.

[4] 19 U.S.C. 2251(d)(1) (1982).

[5] The term import relief is more narrow than the term remedy. Import relief includes all direct restraints on imports: tariffs, quotas, tariff-rate quotas, and orderly marketing agreements. Trade adjustment assistance is a remedy but it is not a form of import relief.

[6] The erection of permanent barriers to import is in the hands of Congress and the President alone.

[7] Prehearing Brief of Footwear Industries of America, Inc., Amalgamated Clothing and Textile Workers Union, AFL-CIO and United Food & Commercial Workers International Union, AFL-CIO, at 53-57, U.S. Int'l Trade Comm., Inv. No. TA-201-55 (1985) (hereinafter FIA Prehearing Brief).

[8] This situtation is not unique to the footwear industry. The classic example is agriculture, where the share of the labor force engaged in farming declined from 50 to 3 percent over the last one hundred years. This shift did not produce a 47 percent unemployment rate; it freed labor to produce cars and computers, etc. Such changes have made our country the richest nation in the world.

[9] After another investigation the Commission advised the President that the termination of the OMA with Taiwan would adversely affect the domestic industry.

[10] S. Rep. No. 1298, 93d Cong., 2d Sess. 119 (1974).

[11] Brief on behalf of the American Footwear Industries Association, Boot and Shoe Workers' Union and United Shoe Workers of America, at 81, U.S. Int'l Trade Comm., *Nonrubber Footwear*, Inv. No. TA-201-7 (1976) (hereinafter *Footwear I*).

[12] Brief on behalf of the American Footwear Industries Association, Boot and Shoe Workers' Union and United Shoe Workers of America, at 57-58, U.S. Int'l Trade Comm., *Nonrubber Footwear*, Inv. No. TA-201-TA-18 (1977) (hereinafter *Footwear II*).

[13] According to the domestic industry's brief, however, the Korean cost advantage in producing the typical ladies' pump is over 30 percent of the cost in the U.S. FIA's Prehearing Brief at 55-56.

[14] Posthearing Brief of Korean Footwear Exporters Association, at 16-17, U.S. Int'l Trade Comm., *Nonrubber Footwear*, Inv. No. TA-201-55 (1985) (hereinafter, KFEA Posthearing Brief): Posthearing Brief of Volume Shoe Corporation in Opposition To A Finding That Increased Imports Are A Substantial Cause of Serious Injury Or Threat Thereof at 22-23, U.S. Int'l Trade Comm., *Nonrubber Footwear*, Inv. No. TA-201-55 (1985) (hereinafter, Volume Shoe Posthearing Brief).

[15] Based on actual purchase experience verified by invoices, the wholesale price advantage of the imported footwear is probably closer to the 25 percent figure. The respondents estimated an average 25 percent import price advantage based on actual wholesale price comparisons or directly competing domestic and imported footwear, whereas the petitioners estimated the 15 percent figure based on the average unit value comparison of all domestic and imported footwear. Aggregate unit value comparisons involving a highly differentiated product like footwear are potentially misleading.

[16] The specific modernization expenditures and their effects in reducing domestic producers' costs are based entirely on findings of the Kaplan report. The Kaplan study was financed by domestic nonrubber footwear producers to determine what their industry must do to become competitive with imported footwear.

[17] The five leather shoes used in the Kaplan study appear to have a simple upper design and do not require the greater labor content of more intricate designs. As a result, the calculated cost savings may not apply to more complex shoe designs requiring intricate handwork. Volume Shoe Posthearing Brief at 24-25.

[18] KFEA Posthearing Brief, at 16-17; Volume Shoe Posthearing Brief, at 27.

[19] Report at A-96, Table 57.

[20] Thus, if the President should provide this industry with import relief, it would be unwise to condition it on reinvestment in the industry.

[21] I am aware that the adjustment assistance program has been sharply curtailed and may be eliminated. Nothing in this opinion should be construed as a statement in support of the existence of such a program. Section 201 requires me to make certain "recommendations" to the President. This language supports the popular misconception that Commissioners play advisory roles. Section 201 does not permit me to consider many factors, such as the costs of my recommendation and its effect on consumers, which are relevant to making informed recommendations.

[22] 19 U.S.C. 2271-2322 (1982).

[23] 19 U.S.C. 2251(d)(1) (1982).

[24] The Commission can "recommend adjustment assistance *in lieu* of import relief." S. Rep. 1298, 93d Cong., 2d Sess. 123 (1974) (emphasis added).

[25] *Id.* (emphasis added).

[26] Adjustment assistance transfers wealth to displaced workers in import competing industries from the rest of society. In a dynamic economy such as ours, we are all subject to the vagaries of the marketplace. Changes in demand, technology, or imports, can result in a loss of our current employment. Displaced shoe workers are no different than the slide-rule makers or the hatters. Each has a once valuable skill for which there is no longer a market. If would be impossible to identify all the individuals who suffer dislocations because of one or more market phenomena. Trade adjustment assistance draws distinctions between those individuals who are injured by imports and those whose injury may be even more severe but are either the victims of something other than increased imports.

[27] Section 201(a)(1)(B) of the Trade Act of 1974, 19 U.S.C. 2252 (1982).

[28] 19 U.S.C. 2292 (1982).

[29] 19 U.S.C. 2295 (1982).

[30] 19 U.S.C. 2296 (1982).

[31] 19 U.S.C. 2297 (1982).

[32] 19 U.S.C. 2298 (1982).

[33] *See, e.g.*, Charnovitz, *Trade Adjustment Assistance: What Went Wrong?*, The Journal/The Institute for Socioeconomic Studies Vol. IX, No. 1, Spring 1984, at 26; Ramseyer, *Letting Obsolete Firms Die: Trade Adjustment Assistance in the United States and Japan*, 22 Harv. Inter. Law J. 595 (1981); *Worker Adjustment Assistance: The Failure & The Future*, 5 Northwestern J. of Inter. Law & Bus. 394 (1983).

[34] *Restricting Trade Acts Benefits to Import-Affected Workers Who Cannot Find A Job Can Save Millions.* Report to Congress by the Comptroller General at 22 (Jan. 15, 1980).

[35] One critic wrote: What no one counted on was the side effects associated with such generous long-lasting income replacement. Givern the circumstances, it is hardly surprising that TAA could cause them to defer training and relocation. Barth, *Dislocated Workers*, The Journal/The Institute for Socio Economic Studies, Vol. VII, No. 1, at 27, (Spring 1982).

[36] I do not recommend that trade adjustment allowances be provided.

[37] See 19 U.S.C. 2371-2374 (1982).

[38] Community adjustment assistance programs may cause sub-optimal investment and result in inefficient use of resources. The fact that firms in other industries have not located in communities on their own suggests that it is not advantageous to do so. Congress, however, has decided to subsidize communities adversely impacted by import competition and I, therefore, recommend adjustment assistance for communities.

[39] 19 U.S.C. 2341-2354 (1982).

[40] 19 U.S.C. 2253(a)(1)-(4) (1982).

[41] I do not, however, recommend that any import relief be granted.

[42] See supra at 130. (Additional Remedy Views of Chairwoman Paula Stern).

[43] For every unit tariff there is a quota that will produce the same equilibrium under conditions of no uncertainty. Comparisons between tariffs and quotas are made assuming this sort of equivalence. This is shown in my general discussion of tariffs and quotas set forth in Appendix B tomy views.

[44] FIA Prehearing Brief, at 16-17 of Appendix 4, U.S. Int'l Trade Comm., *Nonrubber Footwear*, Inv. No. TA-201-55 (1985).

[45] The domestic industry's unwillingness to accept a tariff instead of a quota suggests that they do not think their plan is credible.

[46] There are two kinds of tariffs: unit tariffs and *ad valorem* tariffs. With a unit tariff, the amount of the tariff is the same for all units regardless of price. For example, a tariff of $2.00 on a pair of shoes is a unit tariff. With an *ad valorem* tariff, the amount of the tariff is a fixed percentage of the price, so the amount of the tariff varies with the price. For example, a 15 percent tariff on a pair of shoes is an *ad valorem* tariff.

[47] This is true for both auctioned quotas and allocated quotas.

[48] See Falvey, The Composition of Trade Within Import Restricted Product Categories, 87 J. Pol. Econ. 1105 (1979).

[49] If the President imposes tariff-rate quotas, I recommend that the quota portion be auctioned.

[50] All imports have to pay the current tariff which is 9 percent.

[51] *See Copper*, at 70 n. 14 (Views of Vice Chairman Susan W. Liebeler).

[52] The Commission's Office of Economics estimates that if the majority's recommendation is adopted, the value of the quota rights will be $519 million in the first year alone.

[53] There is at least a theoretical possibility because of the large market share of imports that some enterprising entrepreneur could make a profit by bidding for the entire quota allocation, only use part of that allocation, and thereby raise prices. Such an attempt to monopolize would be actionable under the Sherman Act.

[54] One advantage of an *ad valorem* tariff over a quota is that the tariff does not cause foreign suppliers to change their mix of shoes. An auctioned quota will not cause an upgrading if importers bid for the quota rights not by making a bid in dollars per pair of shoes, but as a percentage of the Custom's value of the shoes. With such a system, there would be a market price for the quota rights as a percentage of price, and the auction winners would pay for their quota rights only when their shoes are imported and valued by Customs. A quota where the bids are a percentage of the value of the imported product is more restrictive than one where the bids are in fixed dollar amounts because the former prevents the upgrading of imports. Thus, if such a bidding system is selected, the quota should be expanded for it to be equally restrictive.

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[55] I recommend that if quota rights are assigned that they be transferable.

[56] J. Hirshleifer, Price Theory and Applications 216–20 (2d ed., 1980).

[57] With OMA's the United States does not owe compensation under the GATT.

[58] *Footwear II.* OMA's were negotiated with Taiwan and Korea.

[59] In the technical economic literature of public finance, distortion minimizing tariffs, or quotas, and taxes, are known as Ramsey prices.

[60] FIA Prehearing Brief at 85–91.

[61] Federal Trade Commission, Posthearing Brief (hereinafter, FTC Posthearing Brief).

[62] *Id.* (Appendix A), at 13–15.

[63] FTC, Posthearing Brief, Appendix A, at 15–16.

[64] A summary of their analysis is set forth in Appendix C to my views.

[65] Import relief which benefits foreign producers more than domestic firms would be a peculiar remedy indeed. If either a tariff is used or quota rights are sold, the U.S. Treasury gets the $600 million.

[66] There is one other important effect of import barriers. They generally raise the value of the dollar, an unwelcome event to participants in export industries and other import-competing industries. As conditions in import-competing industries worsen because of any additional import restraints on footwear, they will seek their own relief and impose still greater costs on consumers.

[67] This analysis was originally developed in *Copper* at 60–65 (Views of Vice Chairman Susan W. Liebeler) As in the copper report, I am indebted to the Federal Trade Commission for presenting this analysis. See 19 U.S.C. 1334 (1982) instructing the Commission to cooperate with other federal government agencies including the Federal Trade Commission.

The **PRESIDING OFFICER**. The 15 minutes of the Senator from Maine have expired.

The Senator from Georgia is recognized.

Mr. **MATTINGLY**. Thank you, Mr. President.

THE TRADE CRISIS

Mr. **MATTINGLY**. Mr. President, the return from the August recess traditionally marks the end of what is considered one of the busiest and, hopefully, most substantive recess periods of Congress. Members are able to take advantage of the longer length of this particular recess to gain deeper insight into how our constituents are faring. What we learn during this particular period becomes all the more valuable because Members immediately return to Washington for the final legislative period of the session.

I wish my colleagues to hear what I heard in reference to trade while I was at home. In addition, I wish to lay before you several ideas that could serve as the basis for future legislation and action. It is evident that the recess just reinforced what I, and a few others, have been stressing for the past 4½ years I have served in this esteemed body and with little reaction until recently.

Trade is part of every facet of our economic life. That is it, pure and simple. That was, and is, the concern of everyone and it should be. Textile workers, footwear workers, retailers, farmers, high technology technicians, machine tool makers, bankers, corporate executives, importers, exporters, local and State officials, retirees, housewives, and many others are all impacted by the current international trade crisis and let us not kid ourselves—we are smack dab in the middle of a trade crisis that will make the early 1930's look like a bad day at the track. The United States is still racing along toward a 1985 trade deficit that could exceed $150 billion. We are watching our export markets erode due to fair as well as unfair competition. And we are watching able-bodied and able-minded U.S. workers sitting idle while their families' standard of living deteriorates. Such a situation makes excellent fodder for the media and political demagogues; sometimes the desire for news or political gain is more powerful than the desire for constructive answers. The adverse impact of imports and trade restrictions on American jobs and profits is easily documented, at last making our trade ills a front burner and national issue. I have long held the outspoken opinion that trade policy should receive the same attention as tax spending, or foreign policy.

It has not in the recent past, but you can bet it will from now on. Maybe the 1986 election obsession and the political search for an issue has surfaced to where something constructive can now occur.

We have a serious problem and our instinct to act is strong. It is indeed critical that action be taken and I believe Congress has an important role to play, but contrary to the view of many of my colleagues I am hesitant about encouraging Congress to set what would probably be 535 different trade policies.

We must speak with a single voice on trade and that voice must follow a unified and coherent policy that affords long, not short, term economic growth and well-being for this country as a whole. That voice must firmly seek the establishment of a fair and open market system that provides the trade access necessary to all trading nations. We, in Congress, should guide that voice—in effect serving as the trade conscience of our trade policy. We in Congress should work to firmly provide a well-thought out framework within which our trade officials can and must act.

My interest and involvement in international trade is well-known and well-documented and my preference has been to listen and learn and then suggest practical ways in which to improve U.S. trade policy. My assessment, then, as toward what direction we need to move vis-a-vis international trade policy is the result of 4½ years of practical, hands-on experience. I attended the November 1982 ministerial meeting of the General Agreement on Tariffs and Trade as an official U.S. Government representative. I have been a member of the Canada-United States Interparliamentary Group. In addition, I have been a participant in the Mexico-United States Interparliamentary Conferences.

When I examined this country's trade policy framework I found that there largely existed those who advocated more or less purely free trade policies and those who supported specific protectionist solutions to existing trade ills. One—free trade—forced the policymaker to see a world trade arena that simply does not exist while the second—protectionism—shrouded U.S. trade policy in a negative, circle-the-wagons type mentality. I am not comfortable with either view. It was becoming obvious to me that our trade focus was either black or white and reeked of naivete or negativism depending on what day of the week it was and who you happened to be talking to. We were heading straight toward the type of conflict in trade philosophy that dominated the early 1930's with such disastrous results. I discovered that there are several givens in the global trade environment that I feel must always be kept in mind:

First, protectionism has a negative effect;

Second, unfair trading practices must be eliminated;

Third, U.S. competitiveness is slipping and must be eliminated;

Fourth, multilateralism is giving way to bilateralism; and

Fifth, unlike every other major trading nation, the United States speaks with not one, but several voices on international trade.

Protectionism is negative. As we invoke protectionist measures to save important jobs, we will just as surely lose others equally important as retaliation and increased prices affect other sectors of the U.S. economy. The most notable example is the Smoot-Hawley Tariff Act of 1930. 1,028 economists petitioned then-President Hoover to veto Smoot-Hawley; they were ignored until 1933. An esteemed fellow Georgian who preceded me in service in this body, in 1936, Senator Richard B. Russell, had the following to say about the 1930 Tariff Act:

> The passage of the Smoot-Hawley Tariff Act did more to demoralize the commerce of the world than any other single act which has ever been passed by the Congress of the United States and signed by the President of the United States. It not only dried up our foreign market for agricultural commodities but it eventually paralyzed industrial production in this country. By reason of its passage there grew up all over the world a complicated system of quotas, embargoes, trade agreements, and restrictions which obstructed all of the normal channels of commerce . . .

The question is, is history going to repeat itself? The situation is too similar and thus it is all the more important to avoid the same results—results that I think can best be described as "boomerang trade legislation," policies quickly tossed out that look good during their initial flight, but that can be guaranteed to return and unintentionally hit some other part of the U.S. economy.

I recognize, however, that in order to return American trade to a level playing field and to force fair trade practices on other nations, tough action is needed. I am certain that some of you may not agree with what I propose, but I ask you to give what I have to say serious consideration. From an international trade standpoint these are difficult and desperate times. Let us try to act in a constructive way.

First, the President must immediately take a direct role in trade policy issues. As leader of the premier global economic power, the President of the United States is in a unique position to influence the creation of an open and fair world trading system. U.S. trade policy is addressed by 25 different U.S. Government agencies. Only the President can consolidate administration initiatives on trade. Without the involvement of the President it will be nearly impossible to cure the problem.

Second, we must focus our energies in a more positive direction—rebuilding the competitive strength of the United States by a commitment to new technologies and their commercial applications to new as well as traditional production.

Third, our competitiveness would be enhanced if, for instance, a personal effort were to be made to purchase domestically-produced goods and services by American consumers. Through good old American purchasing power, consumers can have an impact. I am simply saying that one way to positively help our domestic industries is to pay closer attention to what we buy. I am not saying we should no longer buy foreign-made products, but I am saying, where possible or practicable, think "U.S.A." and then buy the U.S. product. Such an effort can and would make a difference.

Fourth, use of domestic trade laws is perhaps the most effective signal that this country can send to its trading partners that we absolutely will no longer tolerate unfair trading practices and intend to pursue previously agreed upon legal means of remedy to the fullest extent. There are sufficient U.S. laws to accomplish any Presidential initiative to resolve current problems. Some are ineffective or cumbersome and need to be strengthened or streamlined for better useability. Most recently, the Congress passed, and the President signed into law, the Trade and Tariff Act of 1984. Under the provisions of the act, the concept of reciprocity, or equitable market access, became law. That provision has not been utilized. Enforcement of this trade law and others would go a long way toward giving U.S. businesses an even chance on the trade playing field. We must do whatever it takes to make the laws we have useable and enforceable. The President, with the advice of the U.S. Trade Representative and the Secretary of Commerce, should provide the Congress with their ideas on revisions to U.S. trade laws.

Fifth, existing international trade laws are in desperate need of modernization and reform. Multilateral trade agreements such as the General Agreement on Tariffs and Trade [GATT] or the Multifiber Arrangement [MFA] should be revised so as to address emerging trade problems as trade increasingly is occurring outside of these agreements. I urge my colleagues to join me in supporting a new round of multilateral trade negotiations within the context of a reformed GATT.

Sixth, the underlying reasons for exchange rate disparity and instability, including lagging economic growth, should be examined; alternative methods of calculating currency valuations thoroughly investigated; and appropriate reforms enacted. The disparity between the dollar and other currencies makes it difficult for U.S. exports of goods, services and commodities to remain competitive. I suggest that serious thought be given to a Bretton Woods-type of conference on the current situation; much has changed in the international currency exchanges in the last 42 years.

Seventh, we cannot allow our support of U.S. export efforts to stagnate. We must rediscover that "Yankee Trader" spirit that led this country to become the most powerful trading nation on Earth. Creative financing and aggressive marketing strategies are vital in that respect.

Eighth, reduction of Federal expenditures must remain the top priority because it is only in a responsible fiscal environment that international economic opportunity for long-term growth in the United States will be fostered. This is an area in which bipartisanship can have an immediate impact.

I hope that our recent experiences in our home States have assured trade policy and trade issues the highest priority. Consumers and businesses alike are at the mercy of a fragmented trade policymaking apparatus. We must keep in mind the impact of budget, regulatory, and other domestic policy decisions in the competitive position of the United States. Our trade problems are as numerous and diverse as our many producers. Trade must be a joint, and I emphasize the word "joint," effort between the President, the Congress, and the people. The time to act is now, but we must work together and act in a manner that will produce results, positive results, for our country and not one that will boomerang on consumers, business, and our country.

RECOGNITION OF SENATOR PROXMIRE

The **PRESIDING OFFICER**. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 10 minutes.

NUCLEAR ARMS CONTROL STALLED

Mr. **PROXMIRE**. Mr. President, last month in a column on nuclear war in the Milwaukee Sentinel, Ellen Goodman concluded that in the 40 years since Hiroshima "* * * those who lead the superpowers have done nothing, absolutely nothing, to still" the fears of world destruction in nuclear war. How about that? Have the eight Presidents who have led this country in the past 40 years done "absolutely nothing to still our fears?" Ellen Goodman offers a provocative and eloquent challenge. Certainly our leaders have not done nearly enough. But absolutely nothing? Consider what they have and have not done in concert with Soviet leaders to control nuclear arms. They have negotiated five major arms control treaties. Here they are: A limited test ban treaty; an antiballistic missile treaty; a treaty limiting the megatonnage of underground nuclear weapons explosions; and two strategic arms limitation treaties—SALT I and SALT II—limiting the nuclear arsenals of both superpowers. Some would apply the Goodman conclusions to all of these treaties, and call them meaningless. They would have a strong case for that viewpoint. After all, what was the prime purpose of the two treaties limiting nuclear weapons tests? Answer: It was to design an agreement that would stop the technological progress toward even more destructive weapons. Did they succeed? Obviously, they failed and failed dismally. Since those limits on testing, each superpower has engaged in hundreds of nuclear weapons tests. Each has greatly increased the killer efficiency of their weapons. They have increased megatonnage, throw-weight, accuracy, and penetration. Obviously, the limitations on testing and research have to date failed in their mission. So far it is true they have accomplished absolutely nothing. How about the two SALT treaties? Have they not succeeded in limiting the nuclear weapons of both superpowers? The answer is that each superpower has about 10,000 strategic nuclear weapons. Each also has about 15,000 tactical nuclear weapons. There is now a superpower total of 50,000 nuclear weapons. Some limit. The numbers are absolutely ridiculous. Each superpower has sufficient nuclear capability to weather an all-out nuclear attack from the other side and still totally devastate the adversary several times over. The SALT nuclear weapon limitation treaties are in place but the arms race speeds on. So far the Goodman challenge—that superpower leaders have done nothing to still our fears of nuclear destruction, as far as offensive nuclear weapons are concerned—seems right. Finally, there is the Antiballistic Missile Treaty of 1972—the ABM Treaty. That treaty limited the production and deployment of systems that defended against nuclear attack. Now the United States is engaged in the beginning of what promises to be the most costly single military program in history to build a massive defense against nuclear missiles at a cost that could exceed a trillion dollars. Obviously, this effort will make a complete and conspicuous nullity out of the ABM Treaty. The ABM Treaty was expressly drafted to prevent precisely what the United States is prepared to do.

So, are all five of the arms control treaties useless pieces of paper? Have all been swamped by the arms race? The answer is that every one of those treaties began a process that is critical to a peaceful nuclear world. Continuation of that process could indeed greatly lessen the prospect of nuclear war. Each treaty depended on follow-up treaties. Superpower leaders have dismally failed to pursue those follow-up treaties. The Limited Test Ban Treaties of 1963 and 1974 actually pledged—solemnly promised—both superpowers to negotiate a comprehensive verifiable ban on all nuclear weapons testing. Those treaties recognized that unless all testing ended the arms race would zoom on to Armageddon. The newest Star Wars Program has killed the rest of arms control. SALT I and II could only succeed with subsequent treaties that ended production and deployment of strategic missiles and began a cutback. Obviously, the U.S.S.R. will not agree to such a limitation if the United States presses ahead with an antimissile defense system—Star Wars—that can only succeed if the Soviets reduce the number of these offensive missiles. It is equally obvious that the ABM Treaty cannot provide an assured deterrence for both superpowers—if Star Wars threatens the credibility of the Russian deterrent. So Ellen Goodman may be right. We may now have arrived at a point where the arms control efforts of the nuclear age have been nullified by an administration that refuses to negotiate an end to nuclear testing and is pushing hard a Star Wars Program which, if it succeeds, will destroy both deterrence and any prospect for negotiating a limitation or reduction on nuclear missiles.

Mr. President, I ask unanimous consent that the article to which I have referred by Ellen Goodman be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NUCLEAR FEAR HOLDS WORLD IN BONDAGE

(By Ellen Goodman)

The 40-year-old newspapers on my desk chart the terrible plot line, day by day, toward its horrific climax.

On June 20, 450 planes drop 3,000 tons of incendiary bombs on three Japanese cities, leaving behind "one solid mass of flames."

On July 27, 350 planes drop 2,200 tons of firebombs on cities with populations of 377,000.

On July 29, 550 planes drop 3,500 more tons of firebombs.

Finally, on Aug. 6, 1945, a single plane drops a single bomb, the bomb they call, "Little Boy."

In the dry words of the New York Times news summary, "One bomb hit Japan . . . but it struck with the force of 20,000 tons of TNT. Where it landed had been the city of Hiroshima; what is there now has not yet been learned."

It is hard for those of us, raised in the nuclear age, to imagine what Americans thought when they read the news 40 years ago. I have asked my elders, elders who were younger then than I am now. One, a bombardier who flew over Europe, struggles to remember: "I just thought it was a bigger bomb." Another, a Marine in the Pacific waiting to invade Japan, answers: "I thought, well, I guess I'm going to live."

Still others who read the papers on that distant summer day, with eyes glazed by years of war news, must have turned from the news to the ads that bordered it: "Looking forward to fall and a fine fall suit? Come to our third floor and select, in air-conditioned comfort, the wool suit you'll need."

The casualties may have sounded less awesome after four years of death statistics. World War II had already smudged the lines that distinguished soldier from civilian, front line from city. Some 40,000 Britons had died in the Blitz, 135,000 Germans in the firebombing of Dresden, 70,000 Japanese in one night's firebombing of Tokyo.

The 130,000 killed those first minutes in Hiroshima may have been more numbers to those already numbed. We did not yet know about skin that peeled off and faces that melted, about radiation sickness and the silent leukemia that struck years, even generations, later. We hadn't yet heard the stories of the hibakusha, the survivors.

In the first days of the atomic age, the scientists talked about their accomplishment and the military about cost-effective killing. A colonel said at a press conference that since the bomb had done the work of 2,000 planes, "That makes atomic energy far cheaper than any other way of bombing."

Yet in this seamless daily flow of history, there was also an abrupt awakening, an immediate, often subliminal, understanding that the atomic bomb had changed everything. Dailiness couldn't dull the early rumblings of existential dread.

The sounds of it were there in President Harry S. Truman's dramatic announcement: "The force from which the sun draws its power has been loosed against those who brought war to the Far East." They were in solemn cadences in the Vatican's lonely moral judgment: "The last twilight of the war is colored by mortal flames never before seen on the horizons of the universe from its heavenly dawn to this infernal era."

They were in the rush to proclaim that this bomb could be a force for good, could portend a new dawn of energy or, at least, a "club for peace."

But now the newspapers have yellowed. Even the microfilm is hard to read. We have learned in intimate detail what happened on the ground at Hiroshima and Nagasaki. Yet in mad competition with the Soviets, we collectively produced some 50,000 bombs that do indeed make the first seem like a "little boy."

The etiquette books tell us to give rubies for a 40th anniversary. But we have given far more than that in this bondage of two generations. We have given the wealth of nations to the bomb. We have sacrificed peace of mind.

On this Aug. 6, in Washington and Moscow, men will get up, eat breakfast, kiss their families goodbye and go to the office, to spend the day at nuclear war games. Diplomats will argue: How many bombs are enough? Who has more?

And all across the world, people who may not be able to explain fission, people who cannot imagine an argument that would justify extinction, will for a moment think about Harry Truman's "rain of ruin" and nuclear winter.

They'll remember that the mushroom shape of their deepest fears first rose 40 years ago over a place called Hiroshima. They will surely wonder why, in all these years, those who lead the superpowers have done nothing, absolutely nothing, to still that fear.

HOW AMERICA SINKS UNDER ITS DEBT BURDEN

Mr. PROXMIRE. Mr. President, years ago—as a matter of fact, when I first came to the Senate, I remember talking to Alvin Hansen right out here outside the Capitol—Alvin Hansen, the great Harvard expert on business cycles, argued that in the economic history of the United States there had been a remarkable, compensating symmetry in the accumulation of debt. Professor Hansen was writing at the time of the Great Depression and World War II. He contended that the alarm about the Federal Government's debt was based on a peculiar myopia. In Hansen's view critics failed to put debt in perspective. He contended that throughout America's economic history when the Federal debt increased State and local debt tended to decrease and vice versa. On occasions where overall public debt did grow rapidly, Hansen argued that private debt enjoyed a compensating decline.

It is too bad Professor Hansen is not around today. If he were, it is hard to see how he could explain the growth of debt in the past 7 or 8 years and especially in the past 2 or 3 years based on his theory of "debt-symmetry" Every member of this body—it seems that every American who has any concern for our country's economic future—is aware of the immense growth of the Federal Government's debt. We all know that within a few weeks we in the Congress will be called

on to raise the national debt limit, perhaps to more than $2 trillion. Those of us, who have been in this body since 1980 or earlier, will recall that it was less than 4 short years ago that we were called on by President Reagan to increase the debt limit to a then-shocking $1 trillion. This Senator remembers talking all night, in fact, for 16 hours consecutively on September 30, 1981, in protest against what seemed to this Senator at that time to be an outrageous collapse of the Congress, fiscal responsibility.

Mr. President, can we find any solace in the Hansen symmetry argument in 1985 as we prepare to sink the Federal Government under a further debt deadweight? The answer is not just negative. It is shockingly negative. Two trillion dollars is a nice, fat, round figure that should frighten all of us. But it is only part of the whole picture. Is there a compensating drop in this country in corporate debt or individual consumer debt? For those Senators who have not taken a look at the overall, that is, the total public and private debt problem of America, prepare for a shock. The sad fact is that the total public and private debt of this country not only has failed to compensate for the explosion of the Federal Government's debt by providing a corresponding reduction, it has actually exploded far more than the Federal Government's debt. In two excellent articles in the New York Times on September 4 and 6, Leonard Silk discusses this mammoth economic problem. He points out:

> Total outstanding debt in the United States has more than doubled in the past seven years, increasing from $3.3 trillion at the end of 1977 to $7.1 trillion at the end of 1984. While the federal debt was rising by $754 billion during that period, private debt was climbing by $2.3 trillion.

Now, Mr. President, we should not let those trillions bowl us over with these nominal dollars. Between 1977 and 1984 the country suffered an inflation of about 70 percent. Let us correct the nominal growth in debt to measure the increase in real terms. If we do so, we find that both the public and private debt increased steadily and sharply but by far less than the nominal figures suggest. Nevertheless, on any basis the debt of the U.S. citizen has increased. It has increased in every form—public, corporate, and for individuals. It has increased sharply in relation to the gross national product, in relation to personal income or corporate income. The typical American not only is finding that his taxes are going more and more to pay interest on the Federal Government's debt. He finds the corporation which may employ him or whose stock he may own is also more burdened by debt and is becoming increasingly more fragile and subject to collapse in the event of recession because of its increasing debt. He is also increasingly finding his big burden is likely to be the interest he must pay every month on his own mortgage, the interest payments on his car, or on the appliances he has bought for his home.

At the moment Americans except for farmers feel relatively little of this debt burden pressure. We are lulled by the blessed moderation of inflation. The immediate outlook for prices seems comforting. Because the inflation outlook is good, interest rates are also behaving like a well-trained dog. This pleasant interval of ease in meeting our interest obligations may continue for a year or two, maybe even more. But, Mr. President, make no mistake about it. Our country is riding for a fall and a big one. Every country in history that has lived far beyond its means has eventually suffered sharply accelerating inflation. Private corporations and individuals who have consistently spent more than they have taken in have run into trouble. The longer the spending beyond income has gone on, the bigger the problem. Our Federal Government is now into its fourth year of mega-deficits. Private debt has increased even more than the Federal debt in the same period.

What kind of trouble does this spell? At this very moment Israel, Argentina, and Bolivia offer vivid examples. It means inflation—big inflation—in fact very big inflation. And that means very high interest rates. And when high interest rates coincide with a massive and growing debt what does that mean? It means the cost of servicing the national debt will rise to $200 or $300 billion and far more. It means thousands of corporations and millions of individual Americans will not be able to pay interest on their debts. So what do we need? It is plain and simple. This country needs a massive infusion of good old fashioned thrift on every level and we need it now.

Mr. President, I ask unanimous consent that the two articles by Leonard Silk to which I have referred be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 4, 1985]

THE EXPLOSION OF PRIVATE DEBT

(By Leonard Silk)

The rapid growth of the Federal Government's debt has been the focus of a great deal of public concern in recent years. But much less attention has been paid than is due to the even greater explosion of private debt.

Total outstanding debt in the United States has more than doubled in the past seven years, increasing from $3.3 trillion at the end of 1977 to $7.1 trillion at the end of 1984. While the Federal debt was rising by $754 billion during that period, private debt was climbing by $2.3 trillion.

In just the past two years, total debt outstanding increased by nearly $1.5 trillion. In the final quarter of 1984, total debt, private and public, was climbing at an annual rate of $1 trillion for the first time in history. Last year the Federal Government borrowed $198.8 billion to finance its deficit while private businesses and households added $535 billion to their debts.

What are the forces behind the explosion of private debt?

James J. O'Leary, economic consultant to the United States Trust Company, observes that, in the late 1970's, inflation and inflationary expectations were a driving force. Borrowers thought the rising value of the assets they brought, and the declining value of the money with which they would repay their loans, would move than justify the high interest rates they had to pay. And lenders and investors were willing to take big risks in the belief that inflation would bail out unsound loans and investments.

The drop in inflation resulting from the sharp United States and world recession of 1980–82 uncovered the unsoundness of a lot of those loans that were made in an inflationary era. Many farmers who had expanded their operations in the belief that prices of farmland, foodstuffs and fibers would keep on climbing indefinitely were caught with debts they could not handle when commodity prices dropped. Likewise, the oil glut and declining energy prices made a lot of oil loans go bad—and caused some oil producers and banks that had lent to them to go broke.

Farmers and oil producers are not the only ones caught in a bind. Deflation combined with the overexposed financial position of many businesses has resulted in the greatest failure rate since the Great Depression of the 1930's.

From 1931 through 1935 the average number of business failures per year was 20,860, for a failure rate of 126 per 10,000 concerns. During the early postwar years from 1946 through 1950, the average annual number of business failures was only 5,301, and the failure rate was 21 per thousand. But during two years, 1983 and 1984, the average annual number of failures climbed to 29,610 and the failure rate to 104 per 10,000—rate four-fifths as high as occurred during the worst years of the Great Depression.

What is remarkable and disturbing about so high a failure rate now is that it has taken place during the period of business-cycle expansion, not depression. This reflects the weakened financial structure of United States business, and it could foreshadow an even more serious wave of bankruptcies if the business cycle should turn down.

Nevertheless, the tidal wave of increasing debt rolls on. What is keeping it going with the rate of inflation down—and deflation hitting many markets around the world and here? Among the major forces for expanding debt, Mr. O'Leary observes, are these: the vast borrowings to finance mergers and acquisitions—and in some cases by corporate managements to fight off unwanted mergers or acquisitions; aggressive lending by financial institutions to achieve a positive spread between their current rate of return and their current cost of money, to restore profitability; the drive of banks and thrift institutions to lend at floating or variable rates, thereby pushing interest rate risk onto borrowers, and the interest rate "buy-downs" offered by auto companies and home builders in an effort to make sales in a time of persistently high real interest rates that would otherwise discourage their customers.

The expansion of mortgage credit, much of it on a minimum down-payment basis, has brought on a big increase in delinquencies and foreclosures on both homes and commercial properties, as real estate prices have declined in some parts of the country. The Home Loan Bank Board reports that outstanding foreclosed loans of savings and loan associations jumped 27 percent in the first quarter, with most of the increase involving commercial properties.

In a study for United States Trust, Mr. O'Leary concludes that the large increase in delinquencies and foreclosures, together with the losses incurred by lenders in all sectors of the private market, is undoubtedly a result in part of too fast an expansion of private debt and of the assumption by lenders of excessive risks.

Similarly, a study by Mel Colchamiro and William C. Freund for the New York Stock Exchange concludes that the health of American corporations has been endangered by excessive debt. As of the end of last year, 68 percent of all corporate debt financing was short-term, bringing the share of short-term debt up to 51 percent, its highest level in the past 25 years. Further, the study notes, the "quick ratio" (liquid assets as a percent of short-term liability) fell to its lowest postwar level. The so-called interest coverage ratio (pretax corporate profits to interest payments) remained at historically low levels, as did manufacturing corporations' equity-to-debt ratios.

Yet the buildup of debt goes on at the fastest rate of the postwar period. The implications of this debt explosion will be considered in another column.

[From the New York Times, Sept. 6, 1985]

PREVENTING DEBT DISASTER

(By Leonard Silk)

The huge expansion of private debt of recent years poses a threat to the financial health of major sectors of the American economy.

The most immediately threatened sector is agriculture—and the banks that have lent heavily to farmers. The Farm Credit Administration now has 402 farm banks on its problem list, and the entire farm credit system is facing a potential debacle, which could deal a heavy blow not only to the farm economy but also to the national economy and banking system. Farmers owe their creditors a total of $213 billion. A critical issue facing the Reagan Administration is whether to prepare for what could become a bailout amounting to billions of dollars in bad loans, if the depression in agriculture continues.

But is agriculture only the most conspicuously endangered sector resulting from the debt explosion? Nonfinancial business corporations have also been increasing their debts at a rapid pace. A study by the New York Stock Exchange notes that 1984 witnessed an outbreak of "mergermania" with the retirement of an estimated $84 billion to $100 billion worth of equity in merger exchanges of debt or cash for equity. Although $12 billion in equities were issued in 1984—one of the biggest years ever—the corporate equity base declined by at least $72 billion. Mergers—or canceled mergers—last year offset all the equity financing of the last half-dozen years.

Some economists fear that debt-financed mergers and leveraged buyouts withdraw credit from the rest of the economy. But Henry C. Wallich, a member of the Federal Reserve Board, argues that such fear is misplaced, maintaining that such operations do no more than reshuffle assets. The real danger, in his view, is the resulting change in the balance-sheet structure of corporations, causing a deterioration of their debt-equity ratios.

Henry Kaufman, executive director and chief economist of Salomon Brothers, interviewed by telephone in London, expressed his anxiety over the weakened financial base of corporations. "In the past year and a half," he said, "the outstanding equity of nonfinancial corporations shrank by $53 billion, but the debts of the same corporations increased by more than $250 billion." The Fed's Flow of Funds data show a net increase of nonfinancial corporations' debt by $256.9 billion in 1984 alone, bringing their net outstanding debt to more than $2 trillion, more than double its level in 1977. Their short-term debt has soared to 51 percent of their total liabilities.

Just how dangerous is this situation? Some economists contend that the danger has been overblown, arguing that the traditional ratios of debt-equity and corporate liquidity no longer hold because of the internationalization of credit markets, tax laws that encourage debt rather than equity and financial deregulation. But another school says the danger is all too real, holding to the principle that the only valid measure of a corporation's debt capacity is whether it could service its debt in a period of adversity.

For much of American agriculture, the ex post facto answer is that it went far too deeply into debt. Obviously, nobody can simulate just what the cash flow of business corporations will be in the recession or, perhaps, in the next inflation. But business failures have been rising despite almost three years of economic expansion, and a downturn could only aggravate the financial vulnerability of corporations.

What can be done now, other than for the Government to prepare for huge bailouts? One constructive step would be to reduce the Federal budget deficit that, together with the Treasury's effort to lengthen the public debt, has pushed up long-term interest rates, leading corporations to go increasingly into short-term debt. However, the outlook now is that the Federal deficits will remain high and may even worsen. The effort of banks to protect themselves by setting variable interest rates on long-term loans also means greater danger for the borrowers if inflation returns.

Another way to strengthen the corporations would be to encourage greater internal financing. Here the New York Stock Exchange study charges that President Reagan's proposed tax revisions would have a damaging effect by eliminating the Accelerated Cost Recovery System and the Investment Tax Credit, cutting company cash flows.

Mr. Kaufman urges increased Federal regulation to keep the growth of debt under better control. He would enhance the powers of the Federal Reserve System and set up a new National Board of Overseers to supervise all institutions that create credit, not just commercial banks. Indeed, he wants greater international financial oversight to cope with the immense and accelerating growth of international debt. Mr. Kaufman was in London this week pressing his case for such international oversight upon the Group of 30, a body of leading financial authorities.

He is also calling for a new official credit-rating system. He contends that the private rating concerns cannot get as much information as can the Government to do an adequate rating job. If the Government published such reports, he contends, such disclosure would push managements to take strong remedial actions and preventative steps.

Do such ideas come too late? No one can be sure, but remedial measures may be crucial if they are to prevent what is happening in agriculture from becoming a general condition of financial vulnerability.

ERIC STROM'S BAR MITZVAH

Mr. PROXMIRE. Mr. President, on September 7 Eric Strom of Stamford, CT, had his bar mitzvah in Cracow, Poland. According to the New York Times, Eric was the first boy to have a bar mitzvah in Cracow since the end of World War II.

The bar mitzvah was planned as a celebration for the Jews of Cracow. The New York Times reports that those Jews who remain in Cracow are just a few elderly, impoverished survivors of the Holocaust.

During World War II, the Nazis sent the entire population of Cracow's Jewish community to die in Auschwitz.

The Federation of Jewish Philanthropies planned and raised the expenses for the trip, and Eric was chosen for his Polish heritage.

The inspiration for the trip came last spring when an old woman in Cracow remarked to American visitors, "There's never going to be another birth, wedding, or bar mitzvah."

Mr. President, the Jewish community of Cracow still lives under the shadow of the Holocaust. It has been over 40 years since some of the most common of Jewish ceremonies were performed in Cracow's ancient Remu synagogue.

Before leaving for his bar mitzvah, Eric said, "I want to bring joy to them. I want them to know they're not forgotten."

Mr. President, in a broad sense, the survivors of the Holocaust have not been forgotten. Interest in the Holocaust is perhaps greater now than at any recent period.

But, often we forget about the suffering of the individual survivors, like the Jews of Cracow.

We should be proud of Eric Strom and the Federation of Jewish Philanthropies. They have filled an empty space left in the lives of these people by the Holocaust. They have healed, in part, a wound that was over 40 years old.

Mr. President, ratifying the Genocide Treaty would be a symbol that the United States remembers the victims of the Holocaust.

Ninety-six nations have already signed this document which pledges them to punish the perpetrators of genocide.

I urge my colleagues to vote for ratification to show survivors of the Holocaust that we have not forgotten what they endured.

MYTH OF THE DAY: TOO MANY INEFFICIENT FARMERS ARE A CAUSE OF OUR AGRICULTURAL WOES

Mr. PROXMIRE. Mr. President, a myth abounds in our Nation that a prime cause of our agricultural woes is an overabundance of inefficient farmers. Nothing could be farther from the truth. A look at the facts makes this clear.

The farm population as a percent of the total U.S. population has fallen from 15.3 percent in 1950 to a mere 2.4 percent in 1982, the latest year for which U.S. census data are available. For Wisconsin, the comparable figures are 21.1 percent in 1950 and 6.9 percent in 1980, the latest figures available.

These figures spell out the hard reality that we have already weeded out the inefficient farmers in America. What is left are the superefficient farmers whose efforts result in the agricultural productivity that is the envy of the world.

And it is this agricultural productivity that provides our clearest advantage over the Soviet Union. No group in American society is more productive and efficient than the farmer. Our farmers are producing more food than ever before—at the same time that our population is growing and we are working on ways to export more of our agricultural output.

Our taxpayer dollars are not going to prop up inefficient farmers—that is for sure. Here are additional data that support this conclusion and help to destroy the myth that says otherwise. In 1950, there were 5,388,437 farms in America. By 1982, that number had plunged to 2,240,976, a decline of 58.4 percent.

The same story holds true for Wisconsin. The total number of farms in Wisconsin in 1950 was 166,561. By 1982, that number had fallen to 82,199, which represents a drop of 51.2 percent.

Does the picture change for dairy farmers? No way. In 1950, there were 602,093 commerical dairy farms in the United States But in 1982, the figure was 163,963, or a whopping 72.8 percent dive. And in Wisconsin, there were 116,529 commercial dairy farms in 1950. By 1982, this number had dwindled to 40,088, a decrease of 65.6 percent.

Much needs to be done to improve the farm situation today. The immediate challenge facing the Senate is to produce a 1985 farm bill that will help get the job done. But in looking for the causes of our agricultural difficulties, we should dispel the myth that mounting numbers of inefficient farmers are a contributing factor.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 3:30 p.m., with statements therein limited to 5 minutes each.

LABOR DAY—AN AMERICAN TRADITION

Mr. DOLE. Mr. President, the second day of September marked this country's official celebration of Labor Day. It is, traditionally, a day for parades, picnics, and speechmaking, commemorating and reinforcing one of America's most valuable commodities—the strong work ethic of our people.

Despite America's humble beginnings, this Nation has risen to a level of preeminence in the world economy that would have astounded our forefathers. They could not have known that their simple formula for survival in a new world would spawn the productivity and prosperity of an economic giant. But, these are the results of a people committed to achieving their personal best at whatever they choose to do in an economic system that allows them to set any goals, reach any heights, and receive their just rewards.

I grew up believing that, "if you work hard, you get ahead"; that "your only limitations are those you place on yourself"; and, in the true spirit of American optimism, "the sky's the limit." The reason you were "early to bed and early to rise" was so that you could get in a full day's work between rising and going to bed. Well, Mr. President, we have gotten ahead. We have done it through sheer, hard work. In no other place have so many people started with so little and, through their own labors, prospered.

The work ethic runs deeply through the collective spirit of Americans and continues to be a source of pride that is celebrated every year on Labor Day. Moreover, the motivating force behind a holiday of this sort is uniquely American. I believe most Americans share the belief that work is more than a means to a paycheck; for many, it is a means of personal satisfaction, identity, and moral achievement. Self-sufficiency and industriousness are their own rewards. It is not the country that has inspired the people, but the other way around. For millions of immigrants, this was the place to "make something of yourself," and it still is.

There is no better time to recognize the achievements of American workers than on Labor Day, Mr. President. I am pleased that so many Americans took the time to celebrate the day and rededicate themselves to the ideals and ambitions that will sustain this Nation for many years to come.

U.S. JAYCEES HEALTHY AMERICAN FITNESS LEADERS AWARDS CONGRESS

Mr. DOLE. Mr. President, September 14 marks the fourth annual U.S. Jaycees Healthy American Fitness Leaders Awards Congress, sponsored by Allstate Life Insurance and carried out in cooperation with the President's Council on Physical Fitness and Sports. These awards honor 10 individuals who have made an outstanding contribution to the promotion of physical fitness, health or nutrition.

This year's recipients have exhibited notable leadership in areas very diverse from one another, such as the media, education, and active participation in athletic sports. Their bond is the impact each has made on the Nation's awareness of the importance and merits of a wholesome lifestyle. Mr. President, at this time, I would like to recognize each recipient individually:

Edward W. Bradley, 57, is the chief executive officer of the New Jersey Governor's Council on Physical Fitness and Sports. Mr. Bradley designed and established all 21 county councils on physical fitness in New Jersey.

John Burstein, 35, has had great success with his creation of a health and fitness role model for children named "Slim Goodbody." Mr. Burstein has also recorded four record albums and authored several books dealing with fitness and health.

Irv Cross, 45, is a CBS sportscaster as well as the cohost of "NFL Today." As president of the American Running and Fitness Association, Mr. Cross is a writer for Running and Fit News, and frequently serves as a guest speaker or moderator at health and sports-related functions.

Susan Smith Jones promotes health and physical fitness as a consultant, researcher, and lecturer, and is the author of more than 150 internationally published articles on fitness and health.

Dr. Charles T. Kuntzleman, 44, is the national director of both Living Well and Feelin' Good, a cardiovascular health and fitness program for children between the ages of 5 and 9. Dr. Kuntzleman has also authored more than 50 books on fitness.

After winning four gold medals for swimming at the 1976 Olympic games, and capturing the title of Amateur Athlete of the Year in 1977, 29-year-old John Phillips Naber is now the honorary head swimming coach of the National Special Olympics. Mr. Naber also runs more than 100 swimming clinics throughout the country.

Jo-Ann Louise Owens-Nausler, 36, is the State director of health and physical education for the Nebraska Department of Education. In this capacity, Ms. Owens-Nausler presents numerous speeches and conducts seminars, workshops and clinics on health and fitness for the educational community.

Kari Anne Swenson came away from the 1984 World Biathlon Championships with two medals, only to be kidnapped 1 month later. Although Ms. Swenson was shot and wounded during this harrowing experience, she demonstrated that being physically fit is a valuable asset in the face of such adversity. Since her rescue, Ms. Swenson, 24, has resumed her athletic training.

In addition to being a physician, Michael Paul Woods holds the vice presidency of the Wisconsin Olympic Ice Rink Foundation and the U.S. International Speed Skating Association. Dr. Woods is well qualified to serve in both offices, as he is himself an Olympic speedskating competitor and coach.

Lastly, I take special pride in announcing that our distinguished colleague from Indiana, Senator RICHARD LUGAR, is one of this year's recipients of the HAFL awards. Senator LUGAR is honored for his initiative in founding the Dick Lugar Fitness Festival, which promotes fitness and informs the public of fitness programs available to them.

Mr. President, I salute and congratulate each of these 10 individuals for their contribution and leadership, and thank the U.S. Jaycees for their commendable endeavors over the years.

NATIONAL SIGHTSAVING MONTH

Mr. DOLE. Mr. President, I would like to take this opportunity to bring the attention of my colleagues and the American public that the National Society to Prevent Blindness has designated September as "National Sightsaving Month."

At no time is the saying, "An ounce of prevention is worth a pound of cure" more true than in our attitude toward blindness prevention.

This year, 50,000 Americans will lose their vision. An alarming statistic, for sure, particularly when we realize that half of all blindness can be prevented through the use of sound eye health and safety practices.

While one might get the impression that Americans are taking better care of themselves than ever before, watching calories, cholesterol, and calcium intake; jogging, cycling swimming, working out at a health club; the reality is that most people seldom see a doctor until something is wrong. In a recent survey undertaken by the National Society to Prevent Blindness, it was revealed that while 9 out of 10 Americans support the idea of having their eyes checked regularly, nearly 4 out of 10 adults indicated that they have not seen an eye doctor in the past 2 years. The survey further pointed up widespread misconceptions and ignorance about eye diseases and, in particular, about glaucoma, the leading cause of blindness in adults. Few realize that though this disease rarely sends out warning signals, it can be controlled if caught in time.

Moreover, adults carry over this same pattern of indifference in the care of their children's eyes. Statistics show that 1 out of every 20 children, ages 3 to 6, is already coping with vision problems, which if left untreated, may prevent them from reaching their maximum potential.

And, for those of us blessed with no eye problems, let us ensure that we continue to protect our eyesight through eye safety on the job, around the home, and in sports.

I know that all of my colleagues will want to join with me in saluting the efforts of the National Society to Prevent Blindness, who for the last 77 years has been pointing out that our vision is truly a treasure to guard.

HAROLD H. VELDE

Mr. DOLE. Mr. President, last Monday, Harold Himmel Velde died at the age of 75. His death represented an unexpected and tragic loss for his family, friends, and loved ones. Those of us who have served in the Congress for many years knew of Harold Velde through his tenure in the House of Representatives from 1949-57. Still others of us knew Harold through his son, Richard "Pete" Velde, who has worked for me and other Members of the Senate as a staff member and consultant, and who also headed the LEAA.

Harold Velde was an Illinois farm boy who devoted most of his adult life to public service. He graduated from Northwestern University in Evanston, IL, in 1931, and then from the University of Illinois Law School at Champaign in 1937. After being admitted to the Illinois bar, Harold practiced law for a few years, but with the advent of World War II, he joined his fellow countrymen to fight for the cause of freedom and democracy. From 1941-43, he served in the Signal Corps of the U.S. Army, and from 1943-46, he undertook the dangerous occupation of special agent for the FBI, working in the sabotage and counterespionage division.

With the conclusion of the war, he returned to his native Tazewell County and was elected county judge in 1946. Pleased with his service as the local magistrate, his constituents sent him to Washington as their Congressman in 1949. Though his service in Congress included membership on the controversial House Unamerican Activities Committee, Harold was a survivor, being reelected to three succeeding terms. In 1957, however, he decided to return home and practice law. In 1969, he returned to public service to become regional counsel to the General Services Administration. In recent years, he had been living in retirement in Sun City, AZ, with his wife, the former Dolores B. Harrington.

Mr. President. History has not kindly treated all the things Harold Velde did as a Member and, for 2 years, as chairman of the House Unamerican Activities Committee. But anyone who knew Harold Velde knew that he was a good man, a decent may—a true patriot. Though there can be legitimate dispute over his actions, there can be no dispute over his motivations. He was guided by what he felt was right, just, and in the best interests of America—a country he loved as dearly as life itself.

A frequent visitor to Washington, he will be missed in this town. With his easygoing style and unique approach to politics, talking to him was always a real pleasure. I was proud and honored to have made his acquaintance and I urge all my colleagues to join me in extending our heartfelt condolences to his wife, Dolores; son, Pete; and daughter, Jan Ketelsen.

THE NEED FOR A COMMON TONGUE

Mr. SYMMS. I wish to insert into the RECORD one of the most salient articles that I have seen to date on the English language amendment [ELA]. It appeared as a guest editorial in the Idaho Press Tribune on August 28, 1985, and was authored by the member of the Idaho State Legislature who sponsors the English language amendment for the State of Idaho, Representative RON CRANE.

Representative CRANE says that the "liberals" thrive on a "victim" class of people in our society. But in the case of maintenance-style bilingual education, the liberals have made a permanent victim class among the very people they purport to help. Representative CRANE charges that "politically ambitious liberals" do not want assimilation, but rather they want a permanent "victim" class "which will provide a dependable source of votes and power for this generation and beyond."

Representative CRANE's article may offend some, but he has the integrity to call a spade a spade and tell it just is it is. I recommend that my colleagues read this very well written article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEED FOR A COMMON TONGUE

(EDITOR'S NOTE: Several weeks ago Caldwell resident Camilo Lopez authored a Guest Opinion outlining his opposition to an English Language Amendment sponsored at the federal level by Sen. Steve Symms. In Idaho, the Legislature has been asked to adopt a position supporting English as the nation's official language. Today's Guest Opinion is written by the sponsor of the Idaho amendment.)

(By Representative Ron Crane)

Liberals, by and large, love bilingual education, bilingual ballots and other assorted bilingual programs—not because they assist non-English speaking minorities into full fledged membership in the American mainstream, but because they prevent it.

Liberals have long thrived upon the votes of the so-called "victim" classes. Whether that be the housewife who is a "victim" of male chauvinism, or the steelworker who is a "victim" of the so-called Robber Barons.

Unfortunately for the liberals, as their "downtrodden masses" begin to achieve the American dream and enter mainstream middle class America, they also cease to be "victims" and tend to become more and more self-reliant.

Witness the nearly open rebellion in the labor unions when their leadership attempts to march the rank and file in lock-step to the voting booth. Similarly, most women now reject the shrill shrieks of the National Organization of Women.

With Hispanics, however, the liberals think they have found a virtual eternal fountain of "sufferers." Hispanics also represent (surprise, surprise) an already large and constantly increasing source of political power.

To alleviate this suffering (and to bind the loyalties of the sufferers) the liberals have invoked their time-honored, foregone solution to every problem—throw money at it (other people's money, naturally). In this case, the enormously expensive programs of bilingualism.

Aside from supposedly helping the non-English speaking minorities, bilingualism has the side benefit of bringing a multitude of brand new bureaucrats into the federal system. This mushrooming of bureaucracy swells the ranks of the liberals in that the economic survival of each new bureaucrat becomes dependent upon the continuation of the program in which he is involved.

Unfortunately the bilingual programs also tend to make permanent the very "victim" classes they purport to help.

Bilingual education is a good example. First, the name "bilingual" education is in itself a misnomer. This particular program has been besieged from its inception by complaints that many of the Spanish-speaking teachers hired for it were themselves unable to speak English.

What it and the other government bilingual programs have actually developed is a system in which Hispanics perceive they need never learn English.

The rush to promulgate bilingualism has resulted in the creation of an environment in which a permanent Hispanic subculture can flourish. A subculture in which neither the first generation immigrants nor the generations which follow will be able to gain entry to the American mainstream.

In fact, we have created a liberal's paradise—an already large and continuously increasing group of "victims" which will be unable to stand on their own and thus who will be permanently dependent upon bilingual interpreters and the handouts of big government.

Not only is this permanent Spanish-speaking subculture bad for Hispanics, but it is bad for the nation.

In the words of former U.S. Sen. S.I. Hayakawa (himself the son of Japanese immigrants), "What is it that has made a society out of the hodgepodge of nationalities, races and colors represented in the immigrant hordes that people our nation? It is language of course, that has made communication among all these elements possible. It is with a common language that we have dissolved distrust and fear. It is with language that we have drawn up the understandings and agreements and social contracts that make a society possible."

Virtually every other immigrant group, the Irish, the Germans, the Arabs, the Jews, the Koreans—all of them not only adopted America as their new nation, but English as their new language. Further, they learned the language through their own initiative.

As a result these groups have been assimilated into the society. But Camilo Lopez and his fellow liberals want it different this time.

Again quoting Sen. Hayakawa, "The 'Hispanic Caucus' and their fellow travelers look forward to a destiny for Spanish-speaking Americans separate from that of Anglo-, Italian-, Polish-, Lebanese-, Chinese-Americans and all the rest of us who rejoice in our ethnic diversity."

Camilo Lopez and other politically ambitious liberals don't want assimilation. They want a permanent "victim" class which will provide a dependable source of votes and power for this generation and beyond.

We need a state and a nation whose citizens, even if they differ in their means, methods and aspirations, at least retain the ability to talk to one another in the same language.

Theodore Roosevelt once stated "We have room for but one language here, and that is the English language, for we intend to see that the crucible turns out people as Americans . . . not hyphenated Americans."

I agree.

EXCELLENCE IN EDUCATION

Mr. HATCH. Mr. President, the renewed commitment to excellence in education this country is demonstrating is one I strongly support. As chairman of the Committee on Labor and Human Resources, I commend efforts to provide incentives to students to achieve high academic goals. An example of such a worthwhile program is the Presidential Academic Fitness Award which was announced by President Reagan at the National Forum on Excellence in Education in December 1983. I applaud the President for initiating a timely program that will motivate students to excel academically.

The pilot program for graduating seniors which was directed by Secretary Bell in the Department of Education resulted in over 10,000 high schools choosing to participate. These schools presented awards to more than 229,000 students in the spring of 1984. The success of the program generated recommendations to expand the Presidential Academic Fitness Award [PAFA] to other school levels.

For the 1984-85 school year, these awards were presented to students in the exit grade of elementary and middle or junior high school, as well as to high seniors school. Secretary Bennett has been delighted with the number of students who received the Presidential Academic Fitness Award this year, over 763,000 in more than 32,500 public and private schools across the Nation. Schools participating were from every State, the District of Columbia, Puerto Rico, the Trust Territories, Department of Defense dependent schools, Bureau of Indian Affairs schools, and the Department of State overseas assisted schools. In my home State of Utah, there were 218 schools which presented PAFA awards to 7,159 students.

The students who receive the PAFA award must qualify based on grade point average and their score on a nationally recognized standardized test. Recipients graduating from high school must also have completed a solid core of academic courses. I commend those students who received the Presidential Academic Fitness Award and encourage them to continually pursue high academic goals.

I am optimistic that even more superintendents and principals will choose to reinforce academic efforts of their students through this Presidential award in the coming school year.

THE GRANITE SCHOOL DISTRICT AWARDS

Mr. HATCH. Mr. President, I have just learned that the Granite School District in my great State of Utah has been awarded two citations for outstanding educational efforts in the field of home and family living. As you know, Mr. President, I have been one who has constantly championed the home as the basic unit of our society. We are all aware that the moral fibre of our society is determined more by the hearthside values of the home than by any other force.

Moreover, Mr. President, I have also promoted the notion that the private sector can do more than the Federal Government in assisting schools achieve excellence in many fields—the preservation of and the integrity of the home being one.

The Granite School District in Salt Lake City, UT, has just been recognized by the American Vocational Association and others as having achieved the distinction of developing exemplary programs in parenthood/child development programs. The Granite School District's kindergarten through high school parent education program, which includes one elementary school, two junior high schools, and two high school courses is one from a field of 79 selected for this honor. This award, sponsored by the W.K. Kellog Foundation, is one of the most prestigous awards in the field which acknowledges the home as the basic unit in our society.

Mr. President, the second recognition of the Granite School District is the National Dairy Board Award which is awarded after looking at outstanding programs in nutrition education in the public schools. Here again, the Granite School District was chosen as one of six from a field representative of every State in the Nation.

I ask unanimous consent that the statement on "Nutrition in Good Taste," which outlines the Granite program, along with the Voc Ed Special Report which discusses the parenthood education curriculum in the Granite School District be printed in their entirety in the Congressional Record immediately following my remarks. These two programs can serve as a model for other school systems to emulate in developing programs with resources other than Federal.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HATCH. Mr. President, I would also like to say at this time that J. Reed Call, superintendent of the Granite School District, and Almina Barksdale, coordinator for home economics education, should be commended for the outstanding contribution they are making in fostering better cooperation between school systems and the private sector where promoting the family and its importance as a unit in society is concerned.

Exhibit 1

Nutrition With Good Taste—Granite School District's Elementary School Nutrition Program

Elementary school teachers generally do not take a college class in nutrition. This would indicate a limited knowledge of nutritional concepts and how to effectively teach them. This lack of training is one reason why few teachers in the elementary schools get involved in teaching nutrition.

With this information in mind, Granite School District, Salt Lake City, Utah, began a nutrition program in the elementary schools in 1973. One teacher with a degree in home economics was hired to develop and teach the course. It was organized so that the nutrition teacher taught a series of six 30-45 minutes lessons, one per week, for six weeks to each classroom. A worksheet, or a related puzzle, was a follow-up activity for each lesson. Optional inservice workshops were provided for elementary classroom teachers.

Presently there are four nutrition specialists serving 30 of the 60 elementary schools. Schedules are rotated each year to accommodate the entire district. This means about 14,000 students are taught nutrition by a qualified teacher each year.

The curriculum is called "Nutrition With Good Taste." A highlight in each lesson is a tasting experience that reinforces the concept taught in that lesson. In some cases the children help with the food preparation. All teaching must be done with portable equipment because the nutrition specialist moves from room to room carrying her equipment on a utility cart.

The curriculum is designed so that learning is sequential. Level "A" is for grades K-2, and focuses on acquainting the children with a wide variety of foods. Each food group is introduced, and learning activities help students identify which foods belong in each group. Other topics, such as good breakfasts, dental hygiene, cleanliness, and manners are also discussed.

The focus in Level "B", for grades 3-4, elaborates on the Basic 4 guide to good nutrition. Planning balanced meals, learning the simple functions of six nutrients (Vitamins A, C, D, Calcium, Iron, and Protein), and the food sources of these nutrients are the topics emphasized.

The focus of Level "C", for grades 5-6, is to expand the knowledge of nutrients and their functions. Planning balanced menus for a whole day and learning the six nutrient categories (protein, carbohydrates, fats, vitamins, minerals, and water) and their functions, are topics that are covered.

All concepts are taught at the cognitive levels of the students involved.

This program has been well received by students, teachers, principals and parents. The students look forward to the "nutrition lady." Some teachers have commented that there is increased attendance on nutrition days. Principals welcome the program in their school, and parents are impressed and influenced by it. The nutrition specialists must be flexible in order to accommodate the school's ongoing schedule.

Granite School District has also published a 287 page book called "Classroom Nutrition—Ideas and Projects by the Teachers of Granite School District." This is a compilation of ideas that were developed as part of the teacher inservice workshops. These workshops were held each year for elementary classroom teachers who wanted more background and ideas for teaching nutrition. The book contains ideas for worksheets, bulletin boards, food experiences, projects, etc. This publication is an excellent resource for any elementary teacher who wants new ideas for teaching nutrition.

Organizations Unite To Promote Parenting

The comprehensive K-12 parenthood education curriculum for the Granite School District in Salt Lake City, Utah, was developed by the home economics department with special state and federal funds.

The project was initiated as a result of action by the national PTA and the March of Dimes. Additional research by the Utah state and Granite District PTAs ascertained that parents want schools to do more to prepare students to be responsible parents and adults.

The four-year project resulted in the development of a five-part curriculum that includes "Parenthood Education" and "Family Life" at the senior high school level, "Teen Living" and "Family Life Units" in the junior high and middle school, and "All About Families" for grades K-6.

The PTA study found three areas of concern common to all curriculum levels. They are: interpersonal relationships, family resource management and child rearing. These areas of concern are the connecting link and focus of the project.

Objectives targeted by the PTA include:

Improving the quality of family life by developing student skills and positive attitudes dealing with self, family and peer relationships.

Identifying values and goals and recognizing their importance in the decision-making process.

Developing positive attitudes toward the care of children.

Identifying critical nurturing and parenting skills.

Developing resource management abilities.

The senior high and junior high/middle school programs also include sections on issues of immediate concern to the adolescent. These include: where to find help in crisis situations; how to cope with stress, loneliness and rejections; how to help others.

The elementary school curriculum is designed to be infused into the teacher's subject areas, rather than being a self-contained unit of study. The family focus concept encourages the students to share the lesson learnings with their families. Parents are asked to feed back to the teacher the results of this interaction.

Inner-City Program Helps New Parents

The Akron family life programs have been developed to meet the needs of inner-city families with children under the age of 3. The typical client or student is an ADC recipient and undereducated. She has few positive parenting skills and has unrealistic expectations for her child's developmental progress. The typical parent is a woman in her very early 20s.

Referrals to the family life office may be from one of many community agencies or from a friend or relative of the family. Many times, the parent herself calls to ask for services.

Basic information is taken over the phone and the referral is given to the parent/child teacher, who makes a home visit within five days. She interviews the parent(s), observes the child(ren) and discusses with the parent the purpose of the program and suggests the service that seems most appropriate for the family.

Home visits are provided for the parent with a very young infant who needs help with basic infant care and with providing a stimulating learning environment. The home visits, which are funded by Title XX, Ohio Department of Public Welfare, are scheduled once a week on the same day and at the same time. The home visitors are paraprofessionals who know the community and who have been trained through extensive inservice. They provide information about community agencies and help parents make contacts.

HISPANIC HERITAGE WEEK

Mr. RIEGLE. Mr. President, September 16 marks both the beginning of National Hispanic Heritage Week, and the 162d anniversary of Mexico's independence from Spain.

This week of commemoration provides us an important opportunity to pay tribute to the Hispanic Americans—celebrating the tremendous contributions they have made to the growth of our Nation, and refocusing attention on the special needs of this important community.

Hispanic Americans have long played an important role in the development of our society. This is particularly evident in the political arena, where the number of Hispanics holding public office, at both the local and national level, has greatly increased in recent years.

Today, Hispanic Americans have been elected as mayors, Governors, Members of Congress, and councilmembers. Prominent individuals from the Hispanic community in Michigan include Gumecindo Salas, who served until 1984 on the State board of education. Tony Benavides, Paul Vasquez, and Lee Silva are three outstanding Hispanic Americans who have been elected as city council members in the cities of Lansing, Flint, and Ecorse. Other members of the Hispanic community include George Suarez, mayor of Madison Heights, Federal Judge George La Plata, Detroit District Judge Isidoro Torres, and school board member David Rodriguez of Grand Rapids.

On the national level, Hispanic Americans in Congress, through the Hispanic Congressional Caucus, focus special attention on issues of concern to the Hispanic community. Other prominent Hispanic-Americans holding public office include Mayor Henry Cisneros of San Antonio, Federico Pena from Denver, and Governor Tony Anaya of New Mexico.

In part, the political achievements of these individuals were made possible by the support provided by the Hispanic community. Voter registration records indicate that voting among Hispanics has increased substantially over the past 4 years. It is clear that, as a voting bloc, Hispanic Americans can play a critically important role in determining the outcome of elections.

The contribution of Hispanic Americans to the cultural growth and development of this country is also significant. Their unique culture and talents have added to the diversity of our Nation in the fields of art, music, sports, and cuisine.

In acknowledging the important contributions and achievements of Hispanic Americans, we must not overlook the many problems which threaten to prevent Hispanic Americans from participating fully in our society.

Statistics from a 1983 Report of the Committee on Public Works and Transportation reveal that Hispanics are still victims of inadequate opportunity in employment, housing, and education. The median income for Hispanic families is $16,228, as compared to the national average of $23,433. Unemployment for Hispanics also remains 3 percent higher than the national average, and there are twice as many Hispanics living below the Federal poverty level than average.

In the area of education, Hispanic Americans remain one of the least educated groups in our country. Only 44.5 percent of Hispanic Americans ever complete high school, and of those who do, only 7.7 percent continue on to college.

As the fastest-growing minority group in our country today, we must pay special attention to the challenges facing Hispanic Americans. As we work together to overcome the obstacles which make it difficult for Hispanic Americans to participate fully in our society, we build an America which can offer greater opportunity to all Americans.

AMERICAN SUCCESS STORY—M. JACOB & SON

Mr. LEVIN. Mr. President, on September 24, 1985, the M. Jacob & Sons Co. will celebrate the beginning of its second century in Detroit.

The history of this company, and its founder, is a typical story of immigrant hopes, dreams, and success in a free society.

The legacy left by the founder Max Jacob is rich, not in power and wealth, but in terms of hard work, innovation, commitment, and quality of service to customers.

In 1885, American industry was quickly moving forward. For 21-year-old Max Jacob, a recent immigrant from Lithuania, anything was possible. He was a rugged individualist who recognized bottles as his key to success in America.

In the beginning, Max Jacob bought used bottles; he washed, sorted, sold, and delivered them—a need no other business filled at that time—establishing the first bottle distributorship in the country.

The company was a one-man operation. Patent medicines and prescriptions remedies required bottles. There were 21 breweries in Detroit; there were plenty of bottles for Jacobs and his new company. His customer list grew quickly, he bought a fine horse and wagon and his profits began to rise. In the beginning, bottles were hand-blown. But, the development of automatic machinery changed the industry and the scope of Max Jacob's enterprise.

By the time he was 45, Max Jacob's sons were joining his business. They diversified the company and began to supply their containers and closures to companies other than breweries, up to then their major customers.

As the company grew and progressed, a grandson added plastic containers to the glass line; this was a huge step forward for the firm. And today, there is a great-grandson who has moved the firm further ahead by creating a division which supplies major mass merchandisers across America.

Four generations of the Jacob family have established M. Jacob & Sons as the oldest and one of the largest container suppliers in the United States. Each new generation has contributed its talents, and the firm has experienced those ups and downs which go with economic depressions and recessions, national crisis, and changes in technology.

But, Mr. President, there is more to this story than just a successful business venture.

In the best tradition of community service, M. Jacob & Sons this year received the "Contractor of the Year" award from the Jewish Vocational Service and Community Workshop of Detroit. The award is given annually to the firm with "outstanding cooperation in the advancement of a rehabilitation program for the vocationally handicapped workers" served by this agency.

And, in the best tradition of historical endowment, the ceremonies on September 24 will be highlighted by the company's presentation of its antique bottle collection to historic Greenfield Village.

Finally, it should be noted that the ceremonies on the 24th will take place at the Max Jacob House located on the campus of Wayne State University. Mr. Jacob lived in this home in the second decade of this century, and the home has been renovated with the help of his descendants and today houses the offices of the art history department of the University and its extensive slide library.

Mr. President, I am pleased to bring the story to the attention of my colleagues in the Senate. It is with pride that the citizens of Detroit help M. Jacob & Sons into its second century. I want to congratulate the descendants, the proud family members who will gather on September 24 to remember the past, celebrate the present, and plan for a bright future.

THE SCHOOL PRAYER AMENDMENT

Mr. PROXMIRE. Mr. President, it is my understanding that a little later in the day the distinguished Senator from North Carolina, Senator Helms, will offer a proposal to provide for a school prayer amendment. The amendment, as I understand it, would strip the courts of their authority with respect to school prayer.

Mr. President, this Senator strongly believes in school prayer, very strongly. I think school prayer makes sense. If anybody disagrees with the notion that it makes sense, they should recall what happens here, what happened this morning, what happens whenever the Senate comes into session. The Chaplain leads off with a prayer. That is the high point of the day. I have been listening to those prayers for 28 years. They are always inspiring, uplifting.

Mr. President, they are like other prayers. I have heard thousands and thousands of prayers. In fact, I went to a prep school in my childhood where we had prayers at every meal, we had prayers in the chapel, which we had every single night and twice on Sunday. We always had different ministers give the prayer. I was a Catholic; it was a Protestant school.

I cannot remember a single prayer that was not an inspiration and good. I think we are all better off if we are exposed as much as possible to prayer. I think many, many people do not get that opportunity.

Having said that, Mr. President, I must say I am going to strongly oppose the Helms position. I do so because what he is proposing, in stripping the courts of authority, would have an appalling effect on the Constitution and set a precedent which, it seems to me, would provide a very, very bad situation in which, if Congress disagreed or the Senate disagreed with the Supreme Court, we would strip it of authority. It would certainly leave a shambles of the Constitution.

So, for that reason, I will oppose the Helms position, and I hope that we can find a form in which we can vote on school prayer without devastating the Constitution in the process.

Mr. President, I yield the floor.

(Mr. DENTON assumed the chair.)

TAMPERING WITH CONSTITUTIONAL PROCEDURES

Mr. MOYNIHAN. Mr. President, I should like to join with my distinguished and very senior friend [Mr. PROXMIRE] whose early exposure to school prayer obviously has done him nothing but good; I share so many of his views in this matter, most particularly the view that we should not tamper with the constitutional procedures of the United States of America as it approaches its third century. Nor should we attempt to strip from the Supreme Court its right to hear whatever cases are brought before it, which it decides have constitutional merit.

The importance of the matter of Court-stripping derives in singular measure from the fact that it is arguably within the powers of the Congress to do so. The Constitution does provide that Congress can restrict the appellate jurisdiction of the Court, and the Court accepted this in Ex parte McCardle, a Civil War case having to do with a Mississippi editor who was arrested on charges of publishing incendiary and libelous articles.

Legal scholars since have differed on this question, but as my distinguished and learned friend from Wisconsin knows, no less a person than Justice Owen Roberts, after his retirement from the bench in an address in New York City before the New York Bar Association, suggested that while he was the last person to favor tinkering with the Constitution, it might well be in order to amend the Constitution to deal with this ambiguity. There is no question that in judicial practice, as it has emerged from the time of Marbury versus Madison, the Court's independence of the Congress with respect to what matters it will or will not consider has been complete, with the one exception of 1868. For us to stand here and frivolously strip the Court of a power to decide what cases to hear would be to impose upon the separation of powers and the balance within the constitutional system, in a manner that has not been contemplated in a century. Surely, the framers of the Constitution did not intend this consequence; they shared John Marshall's interpretation, later accepted by Presidents and accepted by Congress, that in the end, the Court would and should determine what the Constitution says.

If we do this, would the Senator from Wisconsin dare to suggest where we might stop, if we strip the Court of the power to hear cases in regard to school prayer?

Do we next strip it of the power to take issues concerning free speech? Do we strip it of the power to consider all first amendment rights, freedom of the press, religion, and assembly, and then move to the right of the search and seizure? Find a provision in the Bill of Rights which is not endangered. It would required no more than a majority of this Congress, this body and the other body, to say no, that a particular right as contemplated by the Constitution cannot be adjudged by the Court. In such a world, the Constitution could be violated and there would be no sure remedy.

Mr. President, is there a better formula for bringing chaos to a system that has endured two centuries? That we contemplate this is baffling.

I say to my distinguished and learned friend, it is not surprising that along with the distinguished Presiding Officer, there are only three of us on the floor of the Senate. I dare suggest that there are Members too appalled to come and speak or too embarrassed to come and speak. We are an empty Chamber as we contemplate a measure of the most profound constitutional consequence.

The Senator has been kind to sit and hear me out, but may I ask him, does he not consider that if we were to adopt this measure today, we would put in jeopardy every right contained in the Bill of Rights?

Mr. PROXMIRE. Mr. President, I wholeheartedly agree with my good friend from New York. I am so happy that he was on the floor when I made my brief statement. he has very generously referred to me as learned, which is not the case, but I am delighted to be flattered. The Senator from New York obviously has an understanding and a grasp of this situation that exceeds that of virtually every other Member of the Senate. I think his point is indisputable. There is no question about it. regardless of how a person may feel about this particular provision, school prayer—some favor it, some oppose it. As I say, I enthusiastically favor it—there is no way—no way—that you can justify stripping the Supreme Court. As the Senator has said so well, if we start there, there is no end to it—freedom of speech, the entire Bill of Rights, the whole Constitution is vulnerable. I think that completely must overweigh any consideration we may have for the immediate advantage we might achieve.

So I am delighted my good friend from New York has spoken with such force and eloquence and knowledge. I thank him.

Mr. MOYNIHAN. I thank my friend from Wisconsin.

It is staggering. We have dealt with this measure. We had it on the floor in 1982. We have debated it year after year.

It is something beyond my imagination that this matter, having been debated and having been disposed of in 1982, should be back here 4 years later.

I said earlier, and I repeat, that the particular peril and poignancy of this issue and the measure before us is that there is an arguable constitutional basis.

Article III, section 2, of the Constitution, describing the jurisdiction of the U.S. Supreme Court, states:

> . . . the Supreme Court shall have appellate Jurisdiction, both as to Law and Fact, with such Exceptions, and under such Regulations as the Congress shall make.

In the aftermath of the Civil War, Congress did move to restrict the jurisdiction of the Court in a habeas corpus matter. The Court, in ex parte McCardle, acknowledged its lack of jurisdiction, based on the law. Later, the Court affirmed that it would hear the same matter in other circumstances. So you might say that the Court did not, in the end, submit to the will of Congress—as in my judgment it ought not to have done.

I said earlier, and I repeat, that the framers at the Philadelphia convention who wrote article III, section 2, had a number of matters in mind. We all do accept the fact that the exact intention of many of the procedural measures in the Constitution is not known. There is no record of the debate. No notes were taken. But have no doubt about what the Constitution means in all its essential provisions. It means what it says.

However, it is also the case that in trying to contemplate the workings of the new Supreme Court, there was a matter to be dealt with in the context of the existing courts of 13 States, and they thought it would be wise simply to let Congress work out the details.

They did not at that point foresee the actions of the Court under John Marshall, who made the necessary and wholly happy judgment that, in the end, somebody would have to decide what the Constitution says, and that the proper role of the Court is to declare what the law is—including the highest law, the law of the Constitution itself.

So we began the practice of the Supreme Court ruling on what is constitutional and what is not. It was a slowly evolving practice, beginning with Marbury versus Madison.

If I am not mistaken—the distinguished Presiding Officer [Mr. DENTON], were he free to speak from his podium, might correct me—I do not believe that the Court ruled a measure unconstitutional thereafter for a long period, until the Dred Scott decision. But we have developed a system in which the Court rules on matters of constitutionality with great frequency and changes its mind, ruling a matter unconstitutional in one decade and finding differently in another; as was true most recently with the Court's decision on February 19 of this year in San Antonio Transit Authority versus Garia overruling the 1976 National League of Cities versus Usery decision; There was also a case, not distant, in which an issue was resolved as unconstitutional in one year and the Court changed its mind the following year, and so stated. I believe the two decisions were Carter versus Carter Coal Co., in 1936, and NLRB versus Jones & Laughlin Steel Corp., in 1937. Any human institution is subject to that kind of correction. And why not? The system serves.

Here we are in the 99th Congress, approaching the 200th anniversary of the constitutional system, a written constitutional system. No constitution in the history of the world has persisted as ours has done. And here we put it all in jeopardy with the chaos, the bitterness, the confusion, the contention, and the catastrophe that would emerge from the sudden discovery that there was no place in our system which could rule what are the rights of the citizen under the Constitution—rules decided and settled.

The very proposition that we can deny the Supreme Court the right to hear cases brought under the first amendment puts in jeopardy every entitlement of the Bill of Rights—every provision.

With respect to the powers of government, as described in the respective articles of the Constitution that delineate what exactly it is that Congress may do, the President may do, and the courts may do, I do not in any way lessen their significance to our system of government. They describe it. But I remind this Chamber that the precise question of individual rights was omitted from the final test of the American Constitution, under the theory that the framers were drawing up a list of the powers that were to be made available to a central government, limited and specified powers.

It followed in logic and law that no grant of authority not given could be exercised. In logic, that was a compelling argument. In reality, that was the grasp of reality that so marked the genius of our framers. It was not a good argument, for the simple reason that what was implicitly understood by one generation might not be understood by the next and could not be disproved in the absence of written evidence.

So the first question to which the Senate and the House of Representatives addressed themselves was the specific designation of rights of citizens that this Congress could not infringe upon, even though in logic it had no right to begin with.

Let us not be too dependent on logic, said the men who had fought a revolution and struggled with a confederation, and were learned beyond anything we could hope for today in the realities of government and the history of governments.

Say it right there and start out with the first amendment, which says Congress shall make no law—and it lists—with respect to freedom of speech, freedom of assembly, the establishment of religion, and the freedom of the press.

I do not claim to be as much an authority as a historian or a parliamentarian would be, but to my knowledge we have never until this last decade begun to discuss whether we should strip the Court of its specific appellate jurisdiction with regard to a first amendment issue. The legislation under which the ex parte McCardle case came forward was not such legislation. It was legislation having to do with powers of government in the Civil War, a war between the States.

The first amendment affirms the right of speech, the right of assembly, the right of freedom of religion, Congress shall make no law respecting the establishment of religion or restricting the free exercise thereof. After removing jurisdiction here, shall we then go the 2, and to the 3, the 4, the 5, the 6, the 7, the 8, the 9, and the 10th amendments. The 10th amendment simply reaffirms the original understanding of the framers that no power shall be exercised save that which is granted by the Constitution. Those that remain are reserved to the States or to the people themselves.

The imagination is all but stilled at contemplating what might happen if this legislation should pass. It is a thought that has not occurred to us as a people. It is a proposal that has not been judged in this body save once before as memory serves me, and that was in 1982, in August of that year, when we discussed a similar measure.

At that time, Mr. President, I took the liberty of calling attention to one of the inscriptions on the walls of our Chamber which is also on our great seal: Novus Ordo Seclorum, a new cycle of the ages, a new standard of Government. We set up something special in Philadelphia in 1787. It has served us as no people could ever have hoped to have been served. It has preserved the freedom of speech. It has preserved the freedom of the press. Go around the world and find where else they exist as here.

Sometimes the Court has preserved our rights against the efforts of the Executive and the efforts of the legislative body to infringe on those freedoms. In the end it has been the Supreme Court of the United States that has upheld them, and Congress and the Executive in their wisdom and prudence have acceded it that role.

It is a role as imbued in our constitutional fabric as any practice in this Nation. And here we are contemplating stripping it from our liberties. Strip the power of the Supreme Court to judge whether the liberties of the American people and their institutions have been infringed upon in violation of the Constitution, and you have for practical purposes stripped those liberties and rights from that Constitution.

I do not wish to be apocalyptic. I recognize that what begins as something potential need not in the end reach an extreme; Yet it might.

I ask, Mr. President, would anyone come to the floor of the U.S. Senate and propose to abolish freedom of the press? No. We would not ever start that; besides, the first thing that would be said is that it would be unconstitutional.

We will take the equivalent step if we adopt this measure.

I might just draw attention, Mr. President, to one matter particularly troubling to this Senator, and that is the growing atmosphere which somehow seems to want to call network television news to account for the things it reports about the world, as if somehow the bearer, the messenger, was responsible for the message.

We have had a year of unprecedented charges made against network news.

I might interrupt here to note that in the effort to get us news, two brave and extraordinarily skilled and professional television journalists, Neal Davo and William Latch, were shot down in cold blood in a tinhorn rebellion coup, a military coup in Thailand just 2 days ago. In using the word "tinhorn," I use the words of Mr. Tom Brokaw of "NBC News," who was speaking with sadness and poignancy on behalf of his fellow journalists at NBC, about the death of two of their colleagues, a concern shared throughout the profession.

If we can strip the Supreme Court of its authority to hear cases on the free exercise of religion under the first amendment or the establishment of religion under the first amendment, we can strip from television news the first amendment rights of freedom of the press which they enjoy, and which we need as a nation and the Court will protect as an institution—but which in the hysteria of the moment present just a little bit in this Chamber today could be taken away.

Mr. President, I have nothing to add to what I have said, save to plead with this body to be faithful to the oath each of us takes. We take an oath to uphold and defend the Constitution of the United States. It is not an oath to ensure that tobacco allotments are continued and flourish. It is not an oath to see that mass transit funds are appropriated, or commodity prices for wheat are maintained, or any of the other things which necessarily preoccupy us in the day-to-day work of the Senate. Our oath is to uphold the Constitution, to protect the Constitution, and that is the decision we are going to make in this body before this day is closed.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

NATIONAL FAMILY WEEK

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

> A House message on Senate Joint Resolution 31 to designate the week of November 24 through November 30, 1985 as National Family Week.

The Senate resumed consideration of the joint resolution.

Mr. SIMPSON. Mr. President, I move that the Senate concur in the House amendments to Senate Joint Resolution 31.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

SCHOOL PRAYER

Mr. SIMON. Mr. President, I wish to speak briefly on this because it is an issue that does concern me. I have great respect for the sincerity of the sponsors of this amendment. My father happens to be a Lutheran minister; my brother is a Lutheran minister. I understand the yearning that people have for a sense of ideals and idealism and moral values.

But there are things that a government can do well and there are things that government cannot do well. Government is good at providing aid to students who want to go to college. These pages who one of these days are going to be going to college, I hope we can have good student aid programs for that. We are good at that. We are good at constructing highways, including highways in North Carolina and Illinois.

But I think there are areas where government has to be careful, where we would have to be cautious. One of the distinguished predecessors of the Senator from North Carolina was Senator Sam Ervin, who warned us that we have to be very careful about this entanglement of Government in religion.

There are areas where we can encourage, where there is no problem; for example, giving tax exempt status. We give it to the Lutheran Church or the Baptist Church or the Catholic Church or the Jewish Synagogue or to the Society of Atheists or anyone else who has religious conviction. But when government starts to promote religion, I think we have to be very, very careful.

I remember when I was stationed in the Army in Germany. I happened to be in a community that was Lutheran; and in Germany every community is, by tradition, either Luthern or Catholic. I attended the local Lutheran services there and you had a handful of people. It was the official religion, it was encouraged, received State support, financial support, but it did not have the vitality that it does in a community in Illinois or a community in North Carolina. So I think we have to be careful.

There is a second thing that bothers me in this area. I have a colleague over in the House, Dan Glickman, a Member of the House from Wichita, KS. When Dan Glickman was in the fourth grade, every morning he was excused from the fourth grade classroom while they had a school prayer. Then, every morning he was brought back in. Dan Glickman happened to be Jewish in a community that is overwhelmingly non-Jewish. Every morning little Danny Glickman was being told, "You are different." All the other fourth graders were being told, "Danny Glickman is different."

I do not think that is a very healthy thing. I think we have to be very, very careful as we move ahead in this area of church-state relations.

Again, as I said in opening my remarks, I respect the sincerity of my colleague from North Carolina, and those who are supporting this. But this is an area where I think we have to be very, very careful. We do not want Government running religion, and we do not want religion running the Government. We need a healthy mix but we have to be awfully careful on that mix. We have a prayer by a Chaplain that opens this session. But it is completely voluntary. In fact, it is so voluntary there are not too many of us here when we have that opening prayer by the Chaplain ordinarily in the morning.

But I think that is the way it has to be. We have to set it up in such a way that things can be completely voluntary, and that we do not demand that fourth-graders make decisions in the matter of religion that the Government imposes on them.

So, with all due respect to my distinguished colleague from North Carolina, I am going to be voting against his amendment.

I will be pleased to yield to my colleague from North Carolina.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, Paul Simon knows me personally. He is the most delightful gentleman I have ever met. He is persuasive, he is a hard worker, and he is dedicated to what he believes. I do not find a great deal wrong with what the distinguished Senator from Illinois has said. In the first place, I agree with him. I do not think the Government should promote religion. I have never proposed that. Second, we have to decide, however, whether we are talking about freedom of religion or freedom from religion. I think that is the question.

The Supreme Court, whether the Senator wishes to acknowledge it or not, has gotten this Government involved in religion with a very unwise and unneeded decision. It was promoted by a woman named Madalyn Murray. She is now Madalyn Murray O'Hair. I do not know whether the Senator has ever met the man who was then the little boy around whom this controversy centered. His name is Bill Murray. Bill Murray is going around this country today apologizing for what his mother did to him—using him. He will tell you, if you ask him, that one of the most important things that needs to be done in this country is to get our priorities straight, and to restore the right of voluntary prayer to the schoolchildren of America.

What I am proposing is not a constitutional amendment. It is not "court stripping" as is so often charged. It is simply the implementation of article III of the Constitution of the United States. I am sure the Senator is familiar with that. Article III of the Constitution provides the Congress of the United States with the authority, and I think the duty, to limit the jurisdiction of the Supreme Court and/or the other Federal courts when in the judgment of the Congress of the United States the Supreme Court has exceeded its purview. That is all I am seeking to do—to take this matter out of the Federal Government and put it back where it was for all the years since this Republic was established—put it in the hands of the individual States. There was not any problem until Madalyn O'Hair and others initiated lawsuits which resulted in the unfortunate decisions by the Supreme Court.

We ought to get the Government out of it. I agree with the Senator. I certainly do not believe that the Government should promote any religion. Nor do I believe the Government ought to forbid religion. The question is freedom of religion. It is not a question of freedom from religion.

Mr. President, I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I thank the Chair.

If I may just respond very briefly, the Court got involved originally with this issue when the New York Board of Regents said every schoolchild in the State of New York will recite this prayer. It seems to me the Supreme Court ruled properly that Government cannot be dictating what the people pray. I have never met Madalyn Murray O'Hair or her son. Their original case was in Champaign County, IL, as a matter of fact—in my State. But the first Supreme Court ruling came in that New York Board of Regents case. It seems to me that that Court ruling is sound.

When we say voluntary prayer, the question comes up: Whose prayer? I happen to be a Lutheran. Do we take Lutheran prayer; do we take Baptist prayer? We have a State represented in this Senate where a good percentage of the population is Buddhist. I do not know how many people in North Carolina would like to have a Buddhist prayer opening the school in the morning. I think we are getting into quicksand that we are better off avoiding. Again, I have great respect for the Senator from North Carolina and his sincerity on this thing. But I think there are things the Government can properly do to encourage religion, like having tax-exempt status. I think there are things that we ought to avoid. I think the Senator from North Carolina, with all due respect, has touched on one of those things that we ought to avoid.

Mr. HELMS. Will my friend yield?

Mr. SIMON. I am pleased to yield.

Mr. HELMS. I thank the Senator most sincerely.

One of the byproducts of the campaign to preserve this unfortunate series of Supreme Court decisions is that a myth has grown up that the people of various denominations and faiths cannot get along. My children are out of school. I have five grandchildren. I will not go into how great they are. But three of them are in school. I hope the day never comes when anybody suggests that they should leave the classroom because some prayer may be offensive. I would want them to listen to the Jewish prayer, or Catholic prayer, or whatever. I happen to be a Baptist. And I am convinced that the Baptist Christian faith, as long as it is faithful to the truth, has nothing to fear.

Let me tell the Senator what I did for a week in August. I do not know whether you know this or not. But I may be the only Baptist deacon who participated in the dedication of a Jewish synagogue in Jerusalem. I went to Jerusalem the first week in August to help dedicate a synagogue which was built by the father of the distinguished Senator from Nevada [Mr. Hecht].

I believe Mr. Hecht, Sr., is 95 or 96 years old. He has devoted a great deal of resources to building things in Israel—hospitals, orphanages, a synagogue.

I would say to the Senator that while I always intend to be true to my Baptist upbringing, I was never more impressed than I was on the occasion of the dedication of that synagogue.

So rather than to imagine that we are going to pull ourselves apart by restoring to little children the right to prayer in school, I say let us examine the Jewish faith, the Christian faith, Catholicism, whatever, because presumably all of us worship the same God.

The prayer to which the Senator alluded, which has been regarded as horrendous, the one prepared by the New York regents, let me read it. It is a terrible thing that they propose for the little children as prayer. I will read you verbatim exactly what they propose:

> Almighty God, we acknowledge our dependence upon Thee, and we beg Thy blessings upon us, our parents, our teachers, and our Country.

This is the prayer recommended by the New York State Board of Regents to local school districts which was struck down as unconstitutional by the U.S. Supreme Court in the infamous case of Engel versus Vitale in 1962. The Court held that, even when recited by students on a voluntary basis, this simple prayer was unconstitutional in American public schools.

Mr. President, almost a quarter century has now passed since the Supreme Court first banned voluntary group prayer in the public schools. A generation of Americans has now grown up without the basic freedom to pray at school—a freedom enjoyed by every previous generation of Americans.

As we begin a new school year in September 1985, the time has come to end this gross deprivation of religious liberty and to restore the fundamental right to engage in voluntary school prayer.

Fortunately, the framers of the Constitution gave Congress explicit authority to provide a check on usurpations of power by the Supreme Court. My legislation uses this authority, contained in article III of the Constitution, to withdraw Federal court jurisdiction over school prayer cases, thereby returning the issue to the States, localities, and parents where it belongs and where it was before the Supreme Court rulings of the early 1960's.

Mr. President, religious liberty is too important to leave exclusively in the hands of judicial elites more concerned about imposing their own political views on the Nation than in objectively interpreting the words of the Constitution. My legislation will effectively replace the nonsense of Federal judges on school prayer over the previous two decades with the common sense and practical experience of the American people over the prior 170 years.

Mr. President, the legislation I propose today is substantially similar to the legislation that twice passed the Senate in 1979, only to die in the House Judiciary Committee without ever reaching the House floor for a vote. It is also substantially similar to the amendment I offered in 1982 which received 53 votes in favor of it on a tabling motion before later being set aside on another procedural motion.

The point here, Mr. President, is that this legislation is familiar to the Senate and has received substantial support in the recent past.

Mr. President, the purpose of this legislation is to restore freedom to the States to allow voluntary prayer, Bible reading, and religious meetings in public schools. Through a series of Supreme Court decisions, this freedom—elementary to the drafters of the Constitution—has been taken away from the States. It is time we in Congress restored this fundamental American liberty.

Mr. President, my legislation takes advantage of the congressional authority, given explicitly in article III, sections 1 and 2, of the Constitution, to regulate the general jurisdiction of the inferior Federal courts and the appellate jurisdiction of the Supreme Court. It curtails such jurisdiction so that Federal courts no longer have the power to hear cases involving voluntary prayer, Bible reading, and religious meetings in the public schools.

The result is that such cases become exclusively a matter for the States to handle as they see fit. In effect, prayer would be a local option. This result is fully consistent with the original purpose of the establishment clause of the first amendment, which was to prohibit the establishment of a national church and to leave the remaining issues of church-state relations strictly with the States.

Mr. President, some of my friends have advocated that we adopt a constitutional amendment to correct the courts and restore the freedom to pray in the schools. This is one approach among many which the Constitution allows, and it is an approach that I have supported in the past and still favor today.

But, Mr. President, it is not the only way for Congress to correct erroneous Federal court rulings, nor in my opinion is it the best. The Constitution provides several other more direct ways for Congress to check abuses of the judicial branch, including control of jurisdiction, Senate confirmation of judicial appointments, specific congressional enforcement of constitutional provisions, and impeachment.

As is well known, the constitutional amendment process was intentionally set up to be difficult. The normal procedure is for a two-thirds vote in both Houses of Congress followed by ratification by three-quarters of the State legislatures. This procedure presents an extremely heavy burden to meet. The framers of the Constitution specifically wanted it this way to protect the constitutional text from constant change.

If, however, Congress relegates itself solely to the amendment process to correct judicial errors and usurpations, then the very difficulty of the amendment process will be used to protect, not the constitutional text, but distortions of it. Thus, in the face of usurping Federal judges, the amendment process would serve to subvert the Constitution rather than to preserve it.

In this school prayer matter, Mr. President, the problem has arisen, not because of the text of the Constitution, but because of outright judicial distortions of that text. The text is fine, and the text never prohibited voluntary prayer in the public schools, as American history and experience before the Supreme Court's first prayer decision in 1962 so clearly attest. The text leaves the matter of school prayer, along with other matters of church-state relations, exclusively up to the States. Thus, although we could add a specific constitutional amendment on school prayer, we need not do so in order to restore this fundamental freedom.

The problem in the prayer matter, as in so many areas of constitutional law, is runaway Federal judges bent on imposing their own personal views of good public policy on the American public irrespective of the Constitution. More often than not in recent years, these views have been hostile to both the Constitution and longstanding American traditions. It is no understatement to say that American society has been radically altered in the recent past because of activist Federal judges.

We in Congress have tolerated this judicial usurpation long enough in many areas of the law, and particularly in the area of school prayer. It is time to put a stop to this usurpation and school prayer is a good place to start.

Mr. President, there is at least one Federal judge in this country who has given the correct interpretation of the Constitution with respect to the first amendment and school prayer. Although his judicial brethren higher up overturned his ruling, his opinion will stand for years to come as the definitive statement of how the first amendment was actually intended to work in this area of the law.

I am referring, of course, to the decision of Judge Brevard Hand of Alabama in *Jaffree* v. *Board of School Commissioners of Mobile County,* 554 F. Supp. 1104 (S.D. Alabama 1983). It clearly demonstrates the errors of the Supreme Court in banning voluntary group prayer. I ask unanimous consent that the Hand opinion, including footnotes, be printed in the RECORD at this point.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

[U.S. District Court, S.D. Alabama, S.D.]

JAFFREE *v.* THE BOARD OF SCHOOL COMMISSIONERS OF MOBILE COUNTY

Jan. 14, 1983

CIV. A. NO. 82-0554-H

MEMORANDUM OPINION

Hand, Chief Judge.

Prelusion

If in the opinion of the People, the distribution or modification of the Constitutional powers be in any particular wrong, let it be corrected by an amendment in the way in which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Farewell Address by George Washington, reprinted in R. Berger, Government by Judiciary 299 (1977).

Ishmael Jaffree, on behalf of his three (3) minor children, seeks declaratory and injunctive relief. In the original complaint Mr. Jaffree sought a declaration from the Court that certain prayer activities initiated by his children's public school teachers violated the establishment clause of the first amendment to the United States Constitution. He sought to have these prayer activities enjoined.

A trial was held on the merits on November 15-18, 1982. After hearing the testimony of witnesses, considering the exhibits, discovery, stipulations, pleadings, briefs, and legal arguments of the parties, the Court enters the following findings of fact and conclusions of law.

I. Findings of Fact

Ishmael Jaffree is a citizen of the United States, a resident of Mobile County, Alabama, and has three (3) minor children attending public schools in Mobile County, Alabama: Jamael Aakki Jaffree, Makeba Green and Chioke Saleem Jaffree.

Defendants, Annie Bell Phillips (principal) and Julia Green (teacher) are employed at Morningside Elementary School, where Jamael Aakki Jaffree attended school during the 1981-82 school year. Defendants Betty Lee (principal) and Charlene Boyd (teacher) are employed at E.R. Dickson Elementary School where Chioke Saleem Jaffree attended during the 1981-82 school year. Defendants, Emma Reed (principal) and Pixie Alexander (teacher) are employed at Craighead Elementary School where Makeba Green attended school during the 1981-82 school year. Each of these defendants is sued individually and in their official capacity. Each of the schools is part of the system of public education in Mobile County, Alabama.

Dan Alexander, Dr. Norman Berger, Hiram Bosarge, Norman Cox, Ruth F. Drago and Dr. Robert Gilliard are members of the Board of School Commissioners of Mobile County, Alabama. As commissioners, each of these defendants collectively is charged by the laws of the State of Alabama with administering the system of public instruction for Mobile County, Alabama. These defendants are sued only in their official capacity.

Dr. Abe L. Hammons is the Superintendent of Education for Mobile County, Alabama. Defendant Hammons has direct supervisory responsibilities over all principals, teachers and other employees of the Mobile County Public School System. This defendant is sued only in his official capacity.

Defendant Boyd, as early as September 16, 1981, led her class at E.R. Dickson in singing the following phrase:

> God is great, God is good,
> Let us thank him for our food,
> bow our heads we all are fed,
> Give us Lord our daily bread.
> Amen!

The recitation of this phrase continued on a daily basis throughout the 1981-82 school year.

Defendant Boyd was made aware on September 16, 1981, that the minor plaintiff, Chioke Jaffree, did not want to participate in the singing of the phrase referenced above or be exposed to any other type of religious observances. On March 5, 1982, during a parent-teacher conference, Ms. Boyd was told by Chioke's father that he did not want his son exposed to religious activity in his classroom and that, in Mr. Jaffree's opinion, the activity was unlawful. Again, on March 11, 1982, Ms. Boyd received a handwritten letter from Mr. Jaffree which again advised her that leading her class in chanting the referenced phrase was unlawful. This letter further advised Ms. Boyd that if the practice was not discontinued that he would take further administrative and judicial steps to see that it was. Finally, Ms. Boyd was made aware of the contents of a letter drafted by Mr. Jaffree, dated May 10, 1982, which had been sent to Superintendent Hammons complaining about the prayer activity in Ms. Boyd's classroom. Notwithstanding Mr. Jaffree's protestations, the recitation of the prayer continued.

Defendant Lee learned on March 8, 1982, that Mr. Jaffree had complained about the prayer activities which were being conducted in defendant Boyd's classroom. Ms. Lee directly spoke with Mr. Jaffree on March 11, 1982, and learned from him that he was opposed to the prayer activities in Ms. Boyd's class and that he felt the same to be unconstitutional. On the same day, Ms. Lee called Mr. Larry Newton, Deputy Superintendent, who informed her that the prayer activity in Ms. Boyd's class could continue on a "strictly voluntary basis."

Defendant Pixie Alexander has led her class at Craighead in reciting the following phrase:

> God is great, God is good,
> Let us thank Him for our food.

Further, defendant Pixie Alexander had her class recite the following, which is known as the Lord's Prayer:

Our Father, which are in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done on earth as it is in heaven. Give us this day our daily bread and forgive us our debts as we forgive our debtors. And lead us not into temptation but deliver us from evil for thine is the kingdom and the power and the glory forever. Amen.

The recitation of these phrases continued on a daily basis throughout the 1981-82 school year.

Defendant Pixie Alexander learned on May 24, 1982, that Mr. Jaffree had complained, through a letter dated May 10, 1982, to defendant Hammons, about her leading her class in the above-referenced prayer activity. After Ms. Alexander learned of Mr. Jaffree's May 10, 1982 letter, she continued to lead her class in reciting the referenced phrases.

Ms. Green admitted that she frequently leads her class in singing the following song:

For health and strength and daily food, we praise Thy name, Oh Lord.

This activity continued throughout the school year, despite the fact that Ms. Green had knowledge that plaintiff did not want his child exposed to the above-mentioned song. *See* defendant Green's response to plaintiffs' Interrogatories Nos. 21, 22, 50 and 51.

Upon learning of the plaintiffs' concern over prayer activity in their schools, defendants Reed and Phillips consulted with teachers involved, however, neither defendant advised or instructed the defendant teachers to discontinue the complained of activity.

Prior to the 1981-82 school year, defendants Reed, Phillips, Boyd, and to a lesser extent, Green, each knew the Board of School Commissioners of Mobile County had a policy regarding religious activity in public schools. However, not one of the teachers sought or received advice from the board or the superintendent prior to the plaintiff's initial complaint regarding whether their classroom prayer activities were consistent with the policy.

The policy on religious instruction adopted by the Board of School Commissioners of Mobile County reads as follows:

Religious instruction

Schools shall comply with all existing state and federal laws as these laws pertain to religious practices and the teaching of religion. This policy shall not be interpreted to prohibit teaching about the various religions of the world, the influence of the Judeo-Christian faith on our society, and the values and ideals of the American way of life.

School attendance is compulsory in the State of Alabama. Alabama Code § 16-28-3 (1975).

The complaint in this case was later amended to include allegations against Governor Fob James and various state officials. The claims against the state officials were severed, Fed.R.Civ.P. 21, and they are the subject of a separate order which the Court entered today.

This recitation of the findings of fact is not intended to be an all-inclusive statement of the facts as they were produced in this case. Because of the following opinion the Court is of the impression that the facts above-recited constitute a sufficient recitiation for deciding this case. However, in the event there is a disagreement with the conclusions reached by this Court, the Court does not desire to be precluded from a further recitation of appropriate fact as may be essential to further conclusions in the case. Examples of what the Court alludes to is the factual bases for consideration of the questions of freedom of speech, whether or not secular humanism is in fact a religion, and the propriety of the free exercise of religion.

II. Conclusion of law

A. Subject-Matter Jurisdiction

[1, 2] This action is brought under 42 U.S.C. § 1983.[1] The complaint alleges that the subject-matter jurisdiction of the Court "is evoked pursuant to Title 28, Sections 1343(3) and (4), and Sections 2201 and 2202 of the United States Code." *See* Complaint at 2 (filed May 28, 1982). Neither of the two amended complaints add anything to this jurisdictional allegation.[2]

[3, 4] The complaint alleges that rights guaranteed to the plaintiffs under the first and fourteenth amendments have been violated.[3] The subject-matter jurisdiction of a federal court over a claim arising under 42 U.S.C. § 1983 rests upon 28 U.S.C. § 1343(3). While the complaint does not allege that subject-matter jurisdiction is vested in the court under the general, federal-question jurisdictional statute, 28 U.S.C. § 1331, certainly subject-matter jurisdiction is vested under that provision since a federal district court has "original jurisdiction of all civil actions arising under the Constitution, laws, or treaties of the United States," 28 U.S.C. § 1331, exclusive of the amount-in-controversy. Thus, the Court concludes that it has subject-matter jurisdiction over the claims alleged by the plaintiffs.[4]

B. School-Prayer Precedent

The United States Supreme Court has previously addressed itself in many cases to the practice of prayer and religious services in the public schools. As courts are wont to say, this court does not write upon a clean slate when it addresses the issue of school prayer.

Viewed historically, three decisions have lately provided general rules for school prayer. In *Engel* v. *Vitale,* 370 U.S. 421, 82 S.Ct. 1261, 8 L.Ed.2d 601 (1962), *Abington* v. *Schempp,* 374 U.S. 203, 83 S.Ct. 1560, 10 L.Ed.2d 844 (1963), and *Murray* v. *Curlett,* 374 U.S. 203, 83 S.Ct. 1560, 10 L.Ed.2d 844 (1963), the Supreme Court established the basic considerations. As stated, the rule is that "[t]he First Amendment has erected a wall between church and state. That wall must be kept high and impregnable. We could not approve the slightest breach." *Everson* v. *Board of Education,* 330 U.S. 1, 18, 67 S.Ct. 504, 513, 91 L.Ed. 711 (1947) (per Black, J.).

In *Engel* v. *Vitale* parents of public school students filed suit to compel the board of education to discontinue the use of an official prayer in the public schools. The prayer was asserted to be contrary to the beliefs, religions, or religious practices of the complaining parents and their children. In *Engel* the board of education, acting in its official capacity under state law, directed the principals to cause the following prayer to be said aloud by each class at the beginning of the day in each homeroom: "Almighty God, we acknowledge our dependence upon Thee, and we beg Thy blessings upon us, our parents, our teachers and our Country." 370 U.S. at 422, 82 S.Ct. at 1262. This prayer was adopted by the school board because it believed the prayer would help instill the proper moral and spiritual training needed by the students.

The parents argued that the school board violated the establishment clause of the first amendment when it directed that this prayer be recited in the public schools. The first amendment provides, in relevant part, that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof . . . ." U.S. Const. amend. I. The Supreme Court found "that by using its public school system to encourage recitation of the Regent's prayer, the State of New York ha[d] adopted a practice wholly inconsistent with the Establishment Clause." *Id.* at 422, 82 S.Ct. at 1262. The Court found this prayer to be a religious activity. The prayer constituted "a solemn avowal of divine faith and supplication for the blessing of the Almighty. The nature of such prayer has always been religious . . . ." *Id.* at 424-25, 82 S.Ct. at 1264-65. The Court noted that "[i]t [wa]s a matter of history that this very practice of establishing governmentally composed prayers for religious services was one of the reasons which caused many of our early colonists to leave England and seek religious freedom in America." *Id.* at 425, 82 S.Ct. at 1264. Therefore, according to the Court, the prayer "breache[d] the constitutional wall of separation between Church and State." *Id.*

Citing historical documents, the Court observed that [b]y the time of the adoption of the Constitution, our history shows that there was a widespread awareness among many Americans of the danger of a union of Church and State. These people knew, some of them from bitter personal experience, that one of the greatest dangers to the freedom of the individual to worship in his own way lay in the Government's placing its official stamp of approval upon one particular kind of prayer or one particular form of religious services . . . . The First Amendment was added to the Constitution to stand as a guarantee that neither the power nor the prestige of the Federal Government would be used to control, support, or influence the kinds of prayer the American people can say—that the people's religions must not be subjected to the pressures of government or change each time a new political administration is elected to office. Under the Amendment's prohibition against governmental establishment of religion, as *reinforced by the prohibitions of the Fourteenth Amendment, government in this country, be it state or federal,* is without power to prescribe by law any particular form of prayer which is to be used as an official prayer in carrying on any program of governmentally sponsored religious activity. *Id.* at 429-30, 82 S.Ct. at 1266 (emphasis added).

The assertion by the Court that the establishment clause of the first amendment applied to the states was unaccompanied by any citation to authority. This conclusion

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was reached supposedly upon its examination of historical documents.

In dissent, Mr. Justice Stewart argued that the majority in *Engel* misinterpreted the first amendment. As Mr. Justice Stewart saw it, an official religion was not established by letting those who wanted to say a prayer say it. To the contrary, Mr. Justice Stewart thought "that to deny the wish of those school children to join in reciting this prayer is to deny them the opportunity of sharing in the spiritual heritage of our Nation." *Id.* at 445, 82 S.Ct. at 1274–75. As Mr. Justice Stewart saw the problem, our country is steeped in a history of religious tradition. That religious tradition is reflected in countless practices common in our institutions and governmental officials. For instance, the United States Supreme Court has always opened each day's session with the prayer "God save the United States and this Honorable Court." *Id.* at 446, 82 S.Ct. at 1275. Each President of the United States has, upon assuming office, sworn an oath to God to properly execute his presidential duties. Our national anthem, "The Star-Spangled Banner," contains these verses:

Blest with the victory and peace, may the heav'n rescued land

Praise the Pow'r that hath made and preserved us a nation!

Then conquor we must, when our cause it is just,

And this be our motto "In God is our Trust." *Id.* at 449, 82 S.Ct. at 1277. The Pledge of Allegiance to the Flag contains the words "one Nation *under God,* indivisible, with liberty and justice for all." *Id.* (emphasis in original). Congress added this in 1954. Mr. Justice Stewart believed that the Regent's prayer in New York had done no more than "to recognize and to follow the deeply enriched and highly cherished spiritual traditions of our Nation—traditions which came down to us from those who almost two hundred years ago avowed their 'firm Reliance on the Protection of divine Providence' when they proclaimed the freedom and independence of this brave new world." *Id.* at 450, 82 S.Ct. at 1277.

Following the decision by the Supreme Court in *Engel,* the Court decided *Abington* v. *Schempp* and *Murray* v. *Curlett.* In *Abington,* a state law in Pennsylvania required that [a]t least ten verses from the Holy Bible shall be read, without comment, at the opening of each public school on each school day. Any child shall be excused from such Bible reading, or attending such Bible reading, upon the written request of his parent or guardian. 374 U.S. 205, 83 S.Ct. 1562. The Schempp family, husband and wife and two of their three children, brought suit to enjoin enforcement of this statute. The Schempps contended that their rights under the fourteenth amendment of the United States Constitution were being violated.

Each morning at the Abington Senior High School between 8:15 a.m. and 8:30 a.m., while students were attending their homerooms, selected students would read ten verses from the Holy Bible. These Bible readings were broadcast to each room in the school building. Following the Bible readings the Lord's Prayer was recited. As with the Bible readings, the Lord's Prayer was broadcast throughout the building. Following the Bible readings and the Lord's Prayer, a flag salute was performed. Participation in the opening exercises, as directed by the Pennsylvania statute, was voluntary.

No prefatory statement, no questions, no comments, and no explanations were made at or during the exercises. Students and parents were advised that any student could absent himself from the classroom or, should he elect to remain, not participate in the exercises.

In *Murray v. Curlett,* the Board of School Commissioners of Baltimore City adopted a rule which "provided for the holding of opening exercises in the schools of the city, consisting primarily of 'reading, without comment, of a chapter in the Holy Bible and/or the use of the Lord's Prayer.' " 374 U.S. at 211, 83 S.Ct. at 1565. An athiest, Mrs. Madalyn Murray, objected to the Bible reading and the recitation of the Lord's Prayer. After receiving the objection the board specifically provided that the Bible reading and the use of the Lord's Prayer should be conducted without comment and that any child could be excused from participating in the opening exercises or from attending them upon the written request of his parent or guardian.

Because of the similarity of the issues in both the *Abington* case and the *Murray* case the Supreme Court consolidated both cases on appeal and decided them together. The Court recognized that "[i]t is true that religion has been closely identified with our history and government. . . . 'The history of man is inseparable from the history of religion. And . . . since the beginning of that history many people have devoutly believed that "More things are wrought by prayer than this world dreams of." ' " *Abington School District v. Schempp,* 374 U.S. at 212–13, 83 S.Ct. at 1566 (quoting *Zorach v. Clauson,* 343 U.S. 306, 313 72 S.Ct. 679, 683, 96 L.Ed. 954 (1952)). Notwithstanding this recognition by the Court that the early history of this country, together with the history of man, was inseparable from religion the Court found the Bible reading and the recitation of the Lord's Prayer to be an unconstitutional abridgement of the first amendment prohibition that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof . . . ." U.S. Const. amend. I.

The Court noted that the first amendment prohibited more than governmental preference of one religion over another. Rather, the first amendment was intended " 'to create a complete and permanent separation of the spheres of religious activity in civil authority by comprehensively forbidding every form of public aid or support for religion.' " *Id.* 374 U.S. at 217, 83 S.Ct. at 1568 (quoting *Everson* v. *Board of Education,* 330 U.S. 31–2, 67 S.Ct. 519 (1947)). The Court reviewed several of its precedents which touched on the establishment of religion, and concluded that " '[t]here cannot be the slightest doubt that the First Amendment reflects the philosophy that Church and State should be separated. And so far as interference with the "free exercise" of religion and an "establishment" of religion are concerned the separation must be complete and unequivocal. The First Amendment within the scope of its coverage permits no exception; the prohibition is absolute.' " *Id.* 374 U.S. at 219–20, 83 S.Ct. at 1569–70 (quoting *Zorach v. Clauson,* 343 U.S. 306, 312, 72 S.Ct. 679, 683, 96 L.Ed. 954 (1952)). The Court in *Abington* reasoned from its own precedent rather than independently reviewing the historical foundation of the first and the fourteenth amendments. The Court held that the Bible reading and the recitation of the Lord's Prayer in both cases were religious exercises. The "rights," *id.* at 224, 83 S.Ct. at 1572. of the plaintiffs were being violated. The religious character of the Bible reading and the recitation of the Lord's Prayer were not mitigated by the fact that students were allowed to absent themselves from their homerooms upon request of their parents. "The breach of neutrality that is today a trickling stream may all too soon become a raging torrent . . . ." *Id.* at 225, 83 S.Ct. at 1573.

The principles enunciated In *Engel* v. *Vitale, Abington* v. *Schempp,* and *Murray* v. *Curlett* have been distilled to this: "To pass muster under the Establishment Clause, the governmental activity must, first, reflect a clearly secular governmental purpose; second, have a primary effect that neither advances nor inhibits religion; and third, avoid excessive government entanglement with religion. *Committee for Public Education & Religious Liberty* v. *Nyquist,* 413 U.S. 756, 773, 93 S. Ct. 2955, 2965, 37 L.Ed.2d 948 (1973)." *Hall* v. *Board of School Commissioners.* 656 F.2d 999, 1002 (5th Cir. 1981). "If a statute [or official administrative directive] violates *any* of these three principles, it must be struck down under the Establishment Clause." *Stone* v. *Graham,* 449 U.S. 39, 101, S.Ct. 192, 193, 66 L.Ed.2d 199 (1980) (holding that a Kentucky statute requiring posting of copy of Ten Commandments on walls of each public school classroom in state had pre-eminent purpose which was plainly religious in nature, and statute was thus violative of establishment clause and that avowed secular purpose was not sufficient to avoid conflict with first amendment; emphasis added).

Indeed, in this circuit, prayer in public schools is per se unconstitutional. "Prayer is an address of entreaty, supplication, praise, or thanksgiving directed to some sacred or divine spirit, being, or object. That it may contemplate some wholly secular objective cannot alter the inherently religious character of the exercise." *Karen B.* v. *Treen,* 653 F.2d 897, 901 (5th Cir. 1981).

In sum, under present rulings the use of officially-authorized prayers or Bible readings for motivational purposes constitutes a direct violation of the establishment clause. Through a series of decisions, the courts have held that the establishment clause was designed to avoid any official sponsorship or approval of religious beliefs. Even though a practice may not be coercive, active support of a particular belief raises the danger, under the rationale of the Court, that state-approved religious views may be eventually established.

Although a given prayer or practice may not favor any one sect, the principle of neutrality in religious matters is violated under these decisions by any program which places tacit government approval upon religious views or practices. While the purpose of the program might be neutral or secular, the effect of the program or practice is to give government aid in support of the advancement of religious beliefs. Thus the programs are held invalid without any consideration as to whether they excessively entangle the state in religious affairs.

In contrast, the Supreme Court has permitted the use of the Bible in a literature course where the literary aspects of the Bible are emphasized over its religious contents. *Abington School District v. Schempp,* 374 U.S. 203, 225, 83 S.Ct. 1560, 1573, 10 L.Ed.2d 844 (1963). So long as the study does not amount to prayer or the advancement of religious beliefs, a teacher may discuss the literary aspects of the Bible in a secular course of study. Finally, the Supreme Court permits religious references in official ceremonies, including some school

exercises, on the basis that these references are part of our secularized traditions and thus will not advance religion. *Engel v. Vitale,* 370 U.S. 421, 435 n. 21, 82 S.Ct. 1261, 1269 n. 21, 8 L.Ed.2d 601 (1962).

In the face of this precedent the defendants argue that school prayers as they are employed are constitutional. The historical argument which they advance takes two tacks. First, the defendants urge that the first amendment to the U.S. Constitution was intended only to prohibit the *federal government* from establishing a *national* religion. Read in its proper historical context, the defendants contend that the first amendment has no application to the states. The intent of the drafters and adoptors of the first amendment was to prevent the establishment of a national church or religion, and to prevent any single religious sect or denomination from obtaining a preferred position under the auspices of the federal government.

The corollary of this historic intent, according to the defendants, was to allow the states the freedom to address the establishment of religions as an individual prerogative of each state. Stated differently, the election by a state to establish a religion within its boundaries was intended by the framers of the Constitution to be a power reserved to the several states.

Second, the defendants argue that whatever prohibitions were initially placed upon the federal government by the first amendment that those prohibitions were not incorporated against the states when the fourteenth amendment became law on July 19, 1868. The defendants have introduced the Court to a mass of historical documentation which all point to the intent of the Thirty-ninth Congress to narrowly restrict the scope of the fourteenth amendment. In particular, these historical documents, according to the defendants, clearly demonstrate that the first amendment was never intended to be incorporated through the fourteenth amendment to apply against the states. The Court shall examine each historical argument in turn.

In the alternative, the defendant-intervenors argue that if the first amendment does bar the states from establishing a religion then the Mobile County schools have established or are permitting secular humanism, *see infra* note 41 (discussion of secular humanism), to be advanced in the curriculum and, being a religion, it must be purged also. Such a purge, maintain the defendant-intervenors, is high impossible because such teachings have become so entwined in every phase of the curriculum that it is like a pervasive cancer. If this must continue, say the defendant-intervenors, the only tenable alternative is for the public schools to allow the alternative religious views to be presented so that the students might better make more meaningful choices.

C. First Amendment as Forbidding Absolute Separation [5]

" '[T]he real object of the [F]irst amendment was not to countenance, much less to advance Mohammedanism, or Judaism, or infidelity, by prostrating Christianity, but to exclude all rivalry among *Christian* sects and to prevent any *national* ecclesiastical establishment which would give to an hierarchy the exclusive patronage of the *national* government.' "[6] The establishment clause was intended to apply only to the federal government. Indeed when the Constitution was being framed in Philadelphia in 1787 many thought a bill of rights was unnecessary. It was recognized by all that the federal government was the government of enumerated rights. Rights not specifically delegated to the federal government were assumed by all to be reserved to the states. Anti-Federalists, however, insisted upon a Bill of Rights as additional protection against federal encroachment upon the rights of the states and individual liberties. Excerpted testimony of James McClellan at 5–6 (trial testimony).

The federalists, who were the proponents of the Constitution, acceded to the demand of the Anti-Federalists for a Bill of Rights since, in the opinion of all, nothing in the Bill of Rights changed the terms of the original understanding of the federal convention. It was thought by all that the Bill of Rights simply made express what was already understood by the convention: namely, the federal government was a government of limited authority and that authority did not include matters of civil liberty such as freedom of speech, freedom of the press, and freedom of religion. *Id.* at 8–13.

The prohibition in the first amendment against the establishment of religion gave its states, by implication, full authority to determine church-state relations within their respective jurisdictions. "Thus the establishment clause actually had a dual purpose: to guarantee to each *individual* that Congress would not impose a national religion, and to each *state* that it was free to define the meaning of religious establishment under its own state constitution and laws. The federal government, in other words, simply had no authority over the states respecting the matter of church-state relations."[7]

At the beginning of the Revolution established churches existed in nine of the colonies. Maryland, Virginia, North Carolina. South Carolina, and Georgia all shared Anglicanism as the established reglion common to those colonies. *See* McCellan, *Supra* note 6, at 300. Congregationalism was the established religion in Massachusetts, New Hampshire, and Connecticut. New York, on the other hand, allowed for the establishment of Protestant religions.[8] Three basic patterns of church-state relations dominated in the late eighteenth century. In most of New England there was the quasi-establishment of a specific Protestant sect. Only in Rhode Island and Virginia were all religious sects disestablished. "But all of the states still retained the Christan religion as the foundation stone of their social, civil and political institutions. Not even Rhode Island and Virginia renounced Christianity, and both states continued to respect and acknowledge the Christian religion in their system of law."[9] At the time the Constitution was adopted ten of the fourteen states refused to prefer one Protestant sect over another. Nonetheless, these states placed Protestants in a preferred status over Catholics, Jews, and Dissenters.[10]

The pattern of church-state relations in new states entering the Union after 1789 did not differ substantially from that in the original fourteen. By 1860—and the situation did not radically change for the next three quarters of a century—the quasi-establishment of a specific Protestant sect had everywhere been rejected; quasi-establishment of the Protestant religion was abandoned in most but not all of the states; and the quasi-establishment of the Christian religion still remained in some areas. A new pattern of church-state relations, the multiple or quasi-establishment of all religions in general, i.e., giving all religious sects a preferred status over disbelievers (the No Preference Doctrine) became widespread throughout most of the Union. Thus at the turn of the century, for example, no person who denied the existence of God could hold office in such states as Arkansas, Mississippi, Texas, North Carolina, or South Carolina.[11]

[5] The first amendment in large part was a guarantee to the states which insured that the states would be able to continue whatever church-state relationship existed in 1791. Excerpted testimony of James McClellan at 13 (from trial).

D. Washington, Madison, Adams, and Jefferson

The drafters of the first amendment understood the first amendment to prohibit the federal government only from establishing a national religion. Anything short of the outright establishment of a national religion was not seen as violative of the first amendment. For example, the federal government was free to promote various Christian religions and expend monies in an effort to see that those religions flourished. This was not seen as violating the establishment clause. R. Cord, *Separation of Church and State* 15 (1982).

The intent of the framers of the first amendment can be understood by examining the legislative proposals offered contemporaneously with the debate and adoption of the first amendment. For instance, one of the earliest acts of the first House of Representatives was to elect a chaplain. James Madison was a member of the congressional committee who recommended the chaplain system. On May 1, 1789 the House elected as chaplain, the Reverend William Linn. $500.00 was appropriated from the federal treasury to pay his salary. Even though the first amendment did not become part of the Constitution until 1791, has James Madison believed in the absolute separation of Church and State as some historians have attributed to him. James Madison would certainly have objected on this principle alone to the election of a chaplain.[12] At the Constitutional Convention on June 28, 1787 Dr. Benjamin Franklin suggested that a morning prayer might speed progress during the debates. Franklin told the Convention and its President, George Washington, that he had lived a long time. The longer he lived the more persuaded he was *"that God Governs in the affairs of men."*[13] Franklin "therefore beg[ged] leave to move—that henceforth prayers imploring the assistance of Heaven, and its blessings on our deliberations, be held in this Assembly every morning before we proceed to business, and that one or more of the clergy of this City be required to officiate in that Service—"[14] Franklin's motion was not adopted for political reasons. Alexander Hamilton and others thought that the motion might have been proper at the beginning of the convention but that if the motion were adopted during the convention the public might believe that the convention was near failure. For this reason, which was wholly political, the issue was resolved by adjournment without any vote being taken.[15]

Presidential proclamations, endorsed by Congressman James Madison when Washington was President, dealing with Thanksgiving, fasting, and prayer are all important in understanding Madison's views on the proper role between church and state.[16] Congress proposed a joint resolution on September 24, 1789, which was intended to allow the people of the United States an opportunity to thank Almighty God for the many blessings which he had poured down upon them. The resolution requested that President George Washington recommend to the citizens of the United States a day of public thanksgiving and prayer. Congress intended that the people should thank Almighty God for affording them an opportunity to establish this country.[17] This proclamation was submitted to the President the very day after Congress had voted to recommend to the states the final text of what was to become the first amendment to the United States Constitution.[18] As President, Madison issued four prayer proclamations. Excerpted testimony of James McClellan at 19.

Thomas Jefferson is often cited along with James Madison as a person who was absolutely committed to the separation of church and state. The historical record, however, does not bear out this conclusion.

While Jefferson undoubtedly believed that the church and the state should be separate, his actions in public life demonstrate that he did not espouse the absolute separation evidenced in the modern decisions by the United States Supreme Court. For example, on October 31, 1803, President Jefferson proposed to the United States Senate a treaty with the Kaskaskia Indians which provided that federal money was to be used to support a Catholic priest and to build a church for the ministry of the Kaskaskia Indians. The treaty was ratified on December 23, 1803. As Professor Cord points out in his book,[19] President Jefferson could have avoided the explicit appropriation of funds to support a Catholic priest and a Catholic church by simply leaving a lump sum in the Kaskaskia treaty which could have been used for that purpose. However, President Jefferson was not at all reluctant—for ought that appears on the historical record—to specifically appropriate money for a Catholic mission.

Unlike Presidents Washington, Madison, and Adams, when Jefferson was President he broke with the tradition of issuing executive religious proclamations. In Jefferson's view the establishment clause and the federal division of power between the national government and the states foreclosed executive religious proclamations. While refusing to issue executive religious proclamations, President Jefferson recognized that "no power to prescribe any religious exercise, or to assume authority in religious discipline, has been delegated to the General Government. It must then rest with the States, as far as it can be in any human authority." [20] Thus, of the first four Presidents, all of whom were close to the adoption of the Federal Constitution and the first amendment, only President Jefferson did not issue executive religious proclamations, and only President Jefferson thought that executive religious proclamations were not constitutional.

But even President Jefferson signed into law bills which provided federal funds for the propagation of the gospel among the Indians.[21] Based upon this historical record Professor Cord concludes that Jefferson, even as President, did not interpret the establishment clause to require complete independence from religion in government.

In sum, while both Madison and Jefferson led the fight in Virginia for the separation of church and state, both believed that the first amendment only forbade the establishment of a state religion by the *national* government. "Jefferson was neither at the Constitutional Convention nor in the House of Representatives that framed the First Amendment. The two Presidents who were at the Convention, Washington and Madison, and the President who framed the initial draft of the First Amendment in the House of Representatives, James Madison, issued Thanksgiving Proclamations." [22] The Court agrees with the studied conclusions of Dr. Cord that "it should be clear that the traditional interpretation of Madison and Jefferson is historically faulty if not virtually unfounded . . . ." [23]

One thing which becomes abundantly clear after reviewing the historical record is that the founding fathers of this country and the framers of what became the first amendment never intended the establishment clause to erect an absolute wall of separation between the federal government and religion. Through the chaplain system, the money appropriated for the education of Indians, and the Thanksgiving proclamations, the federal government participated in secular Christian activities. From the beginning of our country, the high and impregnable wall which Mr. Justice Black referred to in *Everson* v. *Board of Education*, 330 U.S. 1, 18, 67 S.Ct. 504, 513, 91 L.Ed. 711 (1947), was not as high and impregnable as Justice Black's revisionary literary flourish would lead one to believe.

Yet, despite all of this historical evidence, only last month the Supreme Court wrote that the purpose of the first amendment is twofold: to foreclose state interference with the practice of religious faiths, and to foreclose the establishment of a state religion familiar in other Eighteenth Century systems. Religion and government, each insulated from the other, could then coexist. *Jefferson's idea of a "wall," see Reynolds* v. *United States*, 98 U.S. (8 Otto) 145, 164 [25 L.Ed 244] (1878), *quoting* Reply from Thomas Jefferson to an address by a committee of the Danbury Baptist Association (January 1, 1802), *reprinted in* 8 Works of Thomas Jefferson 113 (Washington ed. 1861), *was a useful figurative illustration to* emphasize the concept of separateness. Some limited and incidental entanglement between church and state authority is inevitable in a complex modern society, *see, e.g., Lemon* v. *Kurtzman*, 403 U.S. 602, 614 [91 S.Ct. 2105, 2112, 29 L. Ed.2d 745] (1971); *Waltz v. Tax Commission*, 397 U.S. 664, 670 [90 S.Ct. 1409, 1412, 25 L.Ed.2d 697] (1970), *but the concept of a "wall" of separation is a signpost.*

Larkin v. Grendel's Den, Inc., —— U.S. ——, ——, 103 S.Ct. 505, 510, 74 L.Ed.2d 297 (1982) (emphasis added). Enough is enough. Figurative illustrations should not serve as a basis for deciding constitutional issues.

[6] For this Court, Professor Robert Cord, *see supra* note 5, irrefutably establishes that Thomas Jeffersons address to the Danbury Baptist Association cannot be relied upon to support the conclusion that Jefferson believed in a *wall* between church and state. "By this phrase Jefferson could only have meant that the 'wall of separation' was erected 'between Church and State' in regard to possible federal action such as a law establishing a national religion or prohibiting the free exercise of worship." *Id.* at 115. Overall the conduct of Thomas Jefferson was consistent with the conclusion that he believed, like all the other drafters of the Constitution and the Bill of Rights, that the states were free to establish religions as they saw fit.[24]

E. First Amendment as Applied to the States

[7, 8] As has been seen up to this point the establishment clause, ratified in 1791, was intended only to prohibit the federal government from establishing a national religion. The function of the establishment clause was two-fold. First, it guaranteed to each individual that Congress would not impose a national religion. Second, the establishment clause guaranteed to each state that the states were free to define the meaning of religious establishment under their own constitution and laws.

The historical record clearly establishes that when the fourteenth amendment was ratified in 1868 that its ratification did not incorporate the first amendment against the states. The debates in Congress at the time the fourteenth amendment was being drafted, the re-election speeches of the various members of Congress shortly after the passage by Congress of the fourteenth amendment, the contemporaneous newspaper stories reporting the effect and substance of the fourteenth amendment, and the legislative debates in the various state legislatures when they considered ratification of the fourteenth amendment indicate that the amendment was not intended to apply the establishment clause against the states because the fourteenth amendment was not intended to incorporate the federal Bill of Rights (the first eight amendments) against the states.

At the beginning the Court should acknowledge its indebtedness to Professor Charles Fairman, then a professor of law in Political Science at Stanford University, for the scholarly article which he published in 1949[25] Professor Fairman examined in detail the historical evidence which Mr. Justice Black relied upon in *Adamson v. California*, 332 U.S. 46, 47, 67 S.Ct. 1672, 1673, 91 L.Ed. 1903 (1947), where Mr. Justice Black concluded that the historical events that culminated in the adoption of the fourteenth amendment demonstrated persuasively that one of the chief objects of the fourteenth amendment was to make the Bill of Rights applicable to the states.[26]

1. Debates

The paramount consideration in defining the scope of any constitutional provision or legislative enactment is to ascertain the intent of te legislature. The intention of the legislature may be evidenced by statements of the leading proponents.[27] If statements of the leading proponents are found, those statements are to be regarded as good as if they were written into the enactment. "The intention of the lawmaker is the law." *Hawaii v. Mankichi*, 190 U.S. 197, 212, 23 S.Ct. 787, 788, 47 L.Ed. 1016 (1903).

Looking back, what evidence [i]s there . . . to sustain the view that Section 1 was intended to incorporate Amendments I to VIII? [C]ongressman Bingham . . . did a good deal of talking about "immortal bill of rights" and one spoke of "cruel and unusual punishments." Senator Howard, explaining the new privileges and immunities clause, said that it included the privileges and immunities of Article IV, Section 2—"whatever they may be"—and also "the personal rights guarantied [*sic*] and secured by the first eight amendments. . . ." That is all. The rest of the evidence bore in the opposite direction, or was indifferent. Yet one reads in Justice Black's footnote that, [*Adamson* v. *California*, 332 U.S. 46, 72 n. 5 [67 S.Ct. 1672, 1686 n. 5, 91 L.Ed. 1903] (1947)].

A comprehensive analysis of the historical origins of the Fourteenth Amendment, Flack, The Adoption of the Fourteenth Amendment (1908), 94, concludes that "Congress, the House and the Senate, had the following objects and motives in view for submitting the first section of the Fourteenth Amendment to the States for ratification:

1. To make the Bill of Rights (the first eight Amendments) binding upon, or applicable to, the States.
2. To give validity to the Civil Rights Bill.
3. To declare who were citizens of the United States.

We have been examining the same materials as did Flack, and have quoted far more extensively than he. How can he on that record reach the conclusion that Congress proposed by Section 1 to incorporate Amendments I to VIII?

Fairman, *Does the Fourteenth Amendment Incorporate the Bill of Rights*, 2 Stan.L. Rev. at 65-66 (1949). Porfessor Flack explained that the incorporation was based upon remarks of Congressman Bingham and Senator Howard at the time the Thirty-ninth Congress voted upon the fourteenth amendment. Only those two said anything which could be construed as suggesting the result reached by Justice Black and the modern Supreme Court decisions.

Throughout the debates in the House over the meaning of the fourteenth amendment Professor Fairman shows convincingly that Congressman Bingham had no clear concept of what exactly would be accomplished by the passage of the fourteenth amendment. The explanations offered by Congressman Bingham to his colleagues were inconsistent and contradictory.[28]

Together with Congressman Bingham's statements which suggested incorporation were remarks by Senator Howard. Senator Howard spoke with more preciseness than Congressman Bingham. Thus, his interpretation carries much greater weight than that of Congressman Bingham. Yet, because of the circumstances under which he spoke, his statements are subject to question when held out as representative of the majority viewpoint. By sheer chance Senator Howard acted as spokesman for the joint committee when explaining the purpose of the fourteenth amendment to the Senate. The joint committee had been chaired by Senator Fessenden. Chairman Fessenden became sick suddenly and Senator Howard thus became the spokesman for the Joint Committee. "Up to this point [Senator Howard's] participation in the debates on the Civil Rights Bill and the several aspects of the Amendment had been negligible. Poles removed from Chairman Fessenden, who 'abhorred' extreme radicals. Howard . . . was 'one of the most . . . reckless of the radicals,' who had 'served consistently in the vanguard of the extreme Negrophiles.'"[29] Professor Raoul Berger notes with some sarcasm that it is odd that a radical such as Senator Howard should be taken as speaking authoritatively for a committee in which the conservatives outnumbered the radicals and where there was a strong difference of opinion between the radicals and the conservatives. R. Berger, *supra* note 26, at 147.

On May 23, 1866, Senator Howard rose in the Senate, referred to the illness of Fessenden, and stated that he would "present 'the views and the motives which influenced the committee, so far as I understand [them].' After reading the privileges and immunities listed in *Corfield v. Coryell*, [6 Fed.Cas. 546, No. 3230 (C.C.E.D.Pa.1823),] he said, 'to these privileges and immunities . . . should be added the personal rights guaranteed and secured by the first eight amendments.' That is the sum and substance of Howard's contribution to the 'incorporation' issue."[30]

Raoul Berger notes in his analysis of the incorporation question that the remark of Senator Howard was tucked away in the middle of a long speech, that Howard was a last minute substitution for the majority chairman, that Howard was in the minority on the committee, and that after Howard was through speaking Senator Poland stated that the fourteenth amendment secured nothing beyond what was intended in the original privileges and immunities clause of Article IV Section 2. R. Berger, *supra* note 26, 148-49. Senator Doolittle followed Senator Poland with some additional remarks which were designed to reassure those whose votes had already been won in favor of passage of the fourteenth amendment that indeed the amendment was limited to known objectives, which objectives were not intended to encompass the federal Bill of Rights.

The scholarly analyses of Professors Fairman and Berger persuasively show that Mr. Justice Black misread the congressional debate surrounding the passage of the fourteenth amendment when he concluded that Congress intended to incorporate the federal Bill of Rights against the states. *See infra* p. 42-44 (discussion of Blaine Amendment). So far as Congress was concerned, after the passage of the fourteenth amendment the states were free to establish one Christian religion over another in the exercise of their prerogative to control the establishment of religions.

2. Popular Understanding

An examination of popular sentiment across the country reveals that the nation as a whole did not understand the adoption of the fourteenth amendent to incorporate the federal Bill of Rights against the states. Inferentially, that is to say that the people understood that each state was free to continue to support one Christian religion over another as the people of that state saw fit to do. The leading constitutional scholar upon whom Justice Black relied in *Adamson* v. *California*,

Mr. Flack[,] examined a considerable number of Northern newspapers and reported (an admission against the thesis he was defending) the following observation: "There does not seem to have been any statement at all as to whether the first eight Amendments were to be made applicable to the States or not . . . ." Presumably this excluded the press reports of May 24 on Senator Howard's speech of the 23d: for the *New York Herald* and the *New York Times*, which Mr. Flack had before him, did quote in full the passage where it said that the personal rights guaranteed by the first eight amendments were among the "privileges and immunities."

Other newspaper files have been examined in preparing the [article of Professor Fairman] and no instance has been found to vary what has been set out above. Fairman, *supra* note 25, at 68 (footnotes omitted).[31]

Charles Fairman quotes at length from the campaign speeches of five senators who, presumably, heard Senator Howard's speech of May 23, 1866. Not one of the senators mentioned anything about the Bill of Rights when commenting to the electorate about Section 1. Likewise, the five Republicans, including Congressman Bingham, never mentioned that the privileges and immunities clause would impose the federal Bill of Rights upon the states. Along with Professor Fairman, the Court takes the historical record to conclusively show that the general understanding of the nation at large, as illustrated by contemporaneous newspaper reports, demonstrates that the people of this country did not understand the fourteenth amendment to incorporate the establishment clause of the first amendment against the states.

3. Campaign Speeches

After the submission of the fourteenth amendment to the states on June 16, 1866 the members of the Thirty-Ninth Congress began to busy themselves with the prospect of re-election in the fall. The statements which the members of Congress made during their campaign speeches are certainly relevant in ascertaining the intent of the Thirty-ninth Congress with regard to the scope and effect of the fourteenth amendment. All of these speeches were contemporaneous expressions of the intent of Congress. Professor Fairman provides many instances of speeches made on the campaign hustings. *See generally*, Fairman, *supra* note 25, at 68-78. None of the members of Congress indicated in their campaign speeches that the fourteenth amendment was intended to incorporate the federal Bill of Rights against the states. The general consensus with regard to the effect of the fourteenth amendment was that it covered the same ground as the Civil Rights Act of 1866. *Id.* at 72 (remarks of Senator Lyman Trumbull, the sponsor of the Civil Rights Bill).

4. *State-Legislative Debates*

The fourteenth amendment was submitted to the states for their ratification on June 16, 1866. By June, 1867, twelve legislatures had ratified the amendment. By July 28, 1868 the fourteenth amendment had been promulgated.

Professor Fairman combed the relevant legislative materials to see exactly what each state legislature thought the effect of the fourteenth amendment would be. Along with Fairman, the Court finds it important to note not only what was said but what was not said. Had the fourteenth amendment been understood to incorporate the federal Bill of Rights against the states in many instances states would have been required to make radical changes. For instance it was frequent in many states for people to be prosecuted for felonies without an indictment from a grand jury. It was equally common for a jury of less than twelve people to sit in judgment in a felony prosecution. Some states failed to preserve the right to a jury trial and suits at common law where the amount in controversy exceeded $20.00.

The Court will not repeat Professor Fairman's analysis in each state. Only a few states need to be highlighted to convey the popular understanding of the effect of the fourteenth amendment upon the right of states to establish a religion. In New Hampshire, only five months after the promulgation of the fourteenth amendment—in December, 1886—the Supreme Court of New Hampshire had occassion to interpret a provision of the state constituton which provided that the legislature could "authorize towns, parishes, and religious societies 'to make adequate provison . . . for the support and maintenance of public Protestant teachers of piety, religion, and morality.'"[32] Moreover, Article VI of the Bill of Rights from the New Hampshire Constitution encouraged "the public worship of the diety. . . ." The question before the Su-

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preme Court of New Hampshire was whether certain parishioners of the First Unitarian Society of Christians in Dover could fire the preacher. The preacher had begun using text from Emerson interchange-ably with text from the Bible. While Wardens of the church supported the preacher, certain pew owners were outraged. The pew owners sought an injunction restraining the preacher from occupying the meeting house. The trial court granted relief.

On appeal, in a 276-page report neither the opinion of the court nor the dissent made a single reference to the fourteenth amendment. Both opinions, however, had much to say about New Hampshire's policy in ecclesiastical matters. The opinion of the court referred to the first amendment and quoted Story's *Commentaries:*

[T]he whole power over the subject of religion is left exclusively to the State governments, to be acted upon according to their own sense of justice and the State constitutions . . .

Probably at the time of the adoption of the amendment now under consideration, the general if not the universal sentiment in America was, that Christianity ought to receive encouragement from the state, so far as not incompatible with the private rights of conscience and the freedom of religious worship: Fairman, *supra* note 25, 87 (citations omitted).

As Professor Fairman notes: "[I]n December 1868—five months after the promulgation of the Fourteenth Amendment—the New Hampshire court regarded the matter of an establishment of religion as being still 'left exclusively to the State governments.'" *Id.*

[9] The historical record shows without equivocation that none of the states envisioned the fourteenth amendment as applying the federal Bill of Rights against them through the fourteenth amendment. It is sufficient for purposes of this case for the Court to recognize, and the Court does so recognize, that the fourteenth amendment did not incorporate the establishment clause of the first amendment against the states.[33]

5. Supreme Court Decisions

Decisions by the United States Supreme Court rendered contemporaneously with the ratification of the fourteenth amendment indicate that the Court did not perceive the fourteenth amendment to incorporate the federal Bill of Rights against the states. In *Twitchell* v. *Pennsylvania,* 74 U.S. (7 Wall.) 321, 19 L.Ed. 223 (U.S. 1869), the Supreme Court held that the fifth and sixth amendments of the Constitution do not apply to the states. This holding was consistent with the earlier, well-known holding in *Barron* v. *Baltimore,* 32 U.S. (7 Peters) 243, 8 L.Ed. 672 (1833).

In *Barron* v. *Baltimore* the question presented to the court was whether the City of Baltimore was required to compensate Barron under the fifth amendment for the taking of his property for public purposes. When the City of Baltimore paved some streets, streams of water had been diverted in the vicinity of Barron's wharf. The water had deposited large,amounts of sand around the wharf. The sand deposits made these waters too shallow for ocean-going ships to load and unload cargo at the wharf. Chief Justice John Marshal held that Barron's claim raised no appropriate federal question because the fifth amendment was a constitutional limitation applied only against the federal government.[34]

Another decision of the United States Supreme Court, decided in 1870, recognized that the federal Bill of Rights did not control the states.[35] After much deliberation over the question whether jury findings made in state court were reviewable in federal court, the Supreme Court noted that it was "admitted" that the limitations of the seventh amendment[36] did not apply to the states.

F. Blaine Amendment

The discussion up to this point has focused upon the incorporation of the federal Bill of Rights generally through the fourteenth amendment. Events which postdated the adoption of the fourteenth amendment show that the lawmakers of the Thirty-ninth Congress did not intend that the establishment clause would become binding upon the states with the ratification of the fourteenth amendment. [A] conclusive argument against the incorporation theory, at least as respects the religious provisions of the First Amendment, is the Blaine Amendment proposed in 1875. McClellan, *Christianity and the Common Law,* in Joseph Story and the American Constitution 118, 154 (1971) (quoting O'Brien, *Justice Reed and the First Amendment,* 116 (n.d.). At the behest of President Grant, James Blaine of Maine introduced a resolution in the Senate in 1885 which read: "No *State* shall make any law respecting an establishment of religion or prohibiting the free exercise thereof." *Id.* at 154. (emphasis in original). Importantly, the Congress which considered the Blaine Amendment included twenty-three members of the Thirty-ninth Congress, the Congress which passed the fourteenth amendment.

Not one of the several Representatives and Senators who spoke on the proposal even suggested that its provisions were implicit in the amendment ratified just seven years earlier. Congressman Banks, a member of the Thirty-ninth Congress, observed: "If the Constitution is amended so as to secure the object embraced in the principle part of this proposed amendment, it prohibits the States from exercising a power they now exercise." Senator Frelinghuysen of New Jersey urged the passage of the "House article," which "prohibits the States for the first time, from the establishment of religion, from prohibiting its free exercise." Senator Stevenson, in opposing the proposed amendment, referred to *Thomas Jefferson: "Friend as he* [Jefferson] *was of religious freedom, he would never have consented that the States . . . should be degraded and that the Government of the United States, a government of limited authority, a mere agent of the States with prescribed powers, should undertake to take possession of their schools and of their* religion." Remarks of Randolph, Christiancy, Kernan, Whyte, Bogy, Easton, and Morton give confirmation to the belief that none of the legislators in 1875 thought the Fourteenth Amendment incorporated the religious provisions of the First. *Id.* (quoting O'Brien, *Justice Reed and the First Amendment* 116-17 (emphasis added)).

The Blaine Amendment, which failed in passage, is stark testimony to the fact that the adoptors of the fourteenth amendment never intended to incorporate the establishment clause of the first amendment against the states, a fact which Black ignored. This was understood by nearly all involved with the Thirty-ninth Congress to be the effect of the fourteenth amendment.

G. Proper Interpretative Perspective

[10,11] The interpretation of the Constitution can be approached from two vantages. First, the Court can attempt to ascertain the intent of the adoptors, and after ascertaining that attempt apply the Constitution as the adoptors intended it to be applied. Second, the Court can treat the Constitution as a living document, chameleon-like in its complexion, which changes to suit the needs of the times and the whims of the interpreters. In the opinion of this Court, the only proper approach is to interpret the Constitution as its drafters and adopters intended. The Constitution is, after all, the supreme law of the land. It contains provisions for amending it; if the country as a whole decided that the present test of the Constitution no longer satisfied contemporary needs then the only constitutional course is to amend the Constitution by following its formal, mandated procedures. Amendment through judicial fiat is both unconstitutional and illegal. Amendment through judicial fiat breeds disrespect for the law, and it undermines the very basic notion that this country is governed by laws and not by men. *See generally* Breast, *The Misconceived Quest for the Original Understanding,* 60 B.U.L. Rev. 204 (1980) (discussing various approaches to constitutional interpretation).

Let us have faith in the rightness of our charter and the patience to persevere in adhering to its principles. If we do so then all will have input into change and not just a few.

H. Stare Decisis

[12] What is a court to do when faced with a direct challenge to settled precedent?[37] In most types of cases "it is more important that the applicable rule of law be settled than that it be settled right." *Burnet* v. *Coronado Oil & Gas Co.,* 285 U.S. 393, 406, 52 S.Ct. 443, 447, 76 L.Ed. 815 (1932) (Brandeis, J., dissenting). This general rule holds even where the court is persuaded that it has made a serious error of interpretation in cases involving a statute.[38] However, in cases involving the federal constitution, where correction through legislative action is practically impossible, a court should be willing to examine earlier precedent and to overrule it if the court is persuaded that the earlier precedent was wrongly decided. *Id.* at 407, 52 S.Ct. at 447. "A judge looking at a constitutional decision may have compulsions to reverse past history and accept what was once written. But he remembers above all else that it is the Constitution which he swore to support and defend, not the gloss which his predecessors may have put on it." Douglas, *Stare Decisis,* 49 Colum.L.Rev. 735, 736 (1949).

Certainty in the law is important. Yet, a rigid adherence to stare decisis "would leave the resolution of every issue in constitutional law permanently at the mercy of the first Court to face the issue, without regard to the possibility that the revelant case was poorly prepared or that the judgment of the Court was simply ill-considered. The danger is particularly great where the court has moved too far in an activist direction; in such a situation, legislative correction of the error is liable to be virtually impossible." Maltz, *Commentary: Some Thoughts on the Death of Stare Decisis in Constitutional Law,* 1980 Wis.L.Rev. 476, 492 (1980).

[T]he "wall of separation between Church and State" that Mr. Jefferson built at the University [of Virginia] which he founded did not exclude religious education from the

school. The difference between the generality of his statements on the separation of Church and State and the specificity of his conclusions on education are considerable. A rule of law should not be drawn from a figure of speech. *McCollum* v. *Board of Education,* 333 U.S. 203, 247, 68 S.Ct. 461, 482, 92 L.Ed. 649 (1948) (per Reed, J., dissenting).

"[T]he ultimate touchstone of constitutionality is the Constitution itself and not what we have said about it." *Graves* v. *O'Keefe,* 306 U.S. 466, 491-92, 59 S.Ct. 595, 603-04, 83 L.Ed. 927 (1939) (Frankfurter, J., concurring). "By placing a premium on 'recent cases' rather than the language of the Constitution, the Court makes it dangerously simple for future Courts using the technique of interpretation to operate as a 'continuing Constitutional Convention.'" *Coleman* v. *Alabama,* 399 U.S. 1, 22-23, 90 S.Ct. 1999, 2010-11, 26 L.Ed.2d 387 (1970) (Burger, C.J.). "Too much discussion of constitutional law is centered on the Court's decisions, with not enough regard for the text and history of the Constitution itself." R. Berger, *Government by Judiciary: The Transformation of the Fourteenth Amendment* 296 (1977).[39]

This Court's review of the relevant legislative history surrounding the adoption of both the first amendment and of the fourteenth amendment, together with the plain language of those amendments, leaves no doubt that those amendments were not intended to forbid religious prayers in the schools which the states and their political subdivisions mandate.

I. Summary

"Th[e] mountain of evidence has become so high, one may have lost sight of the few stones and pebbles that made up the theory that the Fourteenth Amendment incorporated Amendments I to VIII." Fairman, *supra* note 25, at 134. Suffice it to say that the few stones and pebbles provide precious little historical support for the view that the states were prohibited by the establishment clause of the first amendment from establishing a religion.[40]

More than any other provision of the Constitution, the interpretation by the United States Supreme Court of the establishment clause has been steeped in history. This Court's independent review of the relevant historical documents and its reading of the scholarly analysis convinces it that the United States Supreme Court has erred in its reading of history. Perhaps this opinion will be no more than a voice crying in the wilderness and this attempt to right that which this Court is persuaded is a misreading of history will come to nothing more than blowing in the hurricane, but be that as it may, this Court is persuaded as was Hamilton that "[e]very breach of the fundamental laws, though dictated by necessity impairs the sacred reverence with ought to be maintained in the breast of the rulers towards the constitution." R. Berger, *supra* note 26, at 299 (quoting Federalist No. 25 at 158).

[13]. Because the establishment clause of the first amendment to the United States Constitution does not prohibit the state from establishing a religion, the prayers offered by the teachers in this case are not unconstitutional. Therefore, the Court holds that the complaint fails to state a claim for which relief could be granted.

J. Conclusion

There are pebbles on the beach of history from which scholars and judges might attempt to support the conclusions that they are wont to reach. That is what Professors Flack, Crosskey and the more modern scholars have done in attempting to establish a beachhead, as did Justice Black, that there is a basis for their conclusions that Congress and the people intended to alter the direction of the country by incorporating the first eight amendments to the Constitution. However, in arriving at this conclusion, they, and each of them, have had to revise established principles of constitutional interpretation by the judiciary. Whether the judiciary, inadvertently or eagerly, walked into this trap is not for discussion. The result is that the judiciary has, in fact, amended the Constitution to the consternation of the republic. As Washington pointed out in his Farewell Address, *see* p. i *supra,* this clearly is the avenue by which our government, can and ultimately, will be destroyed. We think we move in the right direction today, but in so doing we are denying to the people their rights to express themselves. It is not what we, the judiciary want, it is what the people want translated into law pursuant to the plan established in he Constitution as the framers intended. This is the bedrock and genius of our republic. The mantle of office gives us no power to fix the moral direction that this nation will take. When we undertake such course we trample upon the law. In such instances the people have a right to complain. The Court loses its respect and our institution is brought low. This misdirection should be cured now before it is too late. We must give no future generation an excuse to use this same tactic to further their ends which they think proper under the then political climate as for instance did Adolph Hitler when he used the court system to further his goals.

What is past is prologue. The framers of our Constitution, fresh with recent history's teachings, knew full well the propriety of their decision to leave to the peoples of the several states the determination of matters religious. The wisdom of this decision becomes increasingly apparent as the courts wind their way through the maze they have created for themselves by amending the Constitution by judicial fiat to make the first amendment applicable to the states. Consistency no longer exists. Where you cannot recite the Lord's Prayer, you may sing his praises in God Bless America. Where you cannot post the Ten Commandments on the wall for those to read if they do choose, you can require the Pledge of Allegience. Where you cannot acknowledge the authority of the Almighty in the Regent's prayer, you can acknowledge the existence of the Almighty in singing the verses of America and Battle Hymn of the Republic. It is no wonder that the people perceived that justice is myoptic, obtuse, and janus-like.

If the appellate courts disagree with this Court in its examination of history and conclusion of constitutional interpretation thereof, then this Court will look again at the record in this case and reach conclusions which it is not now forced to reach.[41]

III. Order

It is therefore ordered that the complaint in this case be dismissed with prejudice. Costs are taxed against the plaintiffs. Fed. R. Civ.P. 54(d).

Ishmael Jaffree, et al., Plaintiffs, v. *Fob James,* in his official capacities as Governor of the State of Alabama and ex officio member of the State Board of Education; Charles Graddick, in his official capacity as Attorney General for the State of Alabama; John Tyson, Jr., Ron Creel, S.A. Cherry, Ralph Higginbotham, Victor P. Poole, Harold C. Martin, James B. Allen, Jr., and Roscoe Roberts, Jr., in their official capacities as members of the Alabama State Board of Education, Defendants.

CIV. A. NO. 82-0792-H.

UNITED STATES DISTRICT COURT, S.D. ALABAMA, S.D.

Jan. 14, 1983.

Action was brought to challenge the Alabama "Prayer Law" as being in violation of Federal and State Constitutions. The District Court, Hand, Chief Judge, held that in view of fact that federal claims of unconstitutionality were dismissed short of trial, court in exercise of discretion would dismiss pendent claims under State Constitution.

All claims for relief dismissed, and injunction previously entered dissolved.

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In view of fact that federal claims of unconstitutionality of state "Prayer Law" were dismissed short of trial, court in exercise of discretion would dismiss pendent claims under State Constitution. Ala.Code 1975, §§ 16-1-20, 16-1-20.1, 16-1-22.1; U.S.C.A. Const.Amend. 1.

Ronnie L. Williams, Mobile, Ala., for plaintiffs.

Anne Neamon, pro se and for petitioners as Friend of Court Citizens for God and Country.

Fob James, III, pro se.

Charles S. Coody, Counsel Director, Div. of Legal Services, Dept. of Education, Montgomery, Ala., for defendants, Tyson, Creel, Cherry, Higginbotham, Poole, Martin, Allen and Roberts.

Bob Sherling, Mobile, Ala., for intervenors.

Maury D. Smith, David R. Boyd, Montgomery, Ala., for Gov. James.

Order

HAND, Chief Judge.

The complaint in this case challenges Senate Bill 8, Alabama Act 82-735, popularly known as "the Prayer Law", Senate Bill 61 (1982), Ala.Code § 16-1-20 (silent meditation), and Ala.Code § 16-1-22.1.

I. The Allegations

The complaint in this case alleges that Senate Bill 61 (1982), Senate Bill 8 (1982) and Ala.Code § 16-1-20.1 violate the rights of the plaintiffs to be free from the state endorsement and establishment of any religion.

Senate Bill 61 (1982) provides:

To prescribe a period of time in the public schools, not to exceed fifteen minutes, for the study of the formal procedures followed by the United States Congress which study shall include the reading verbatum of one of the opening prayers given by either the House or the Senate Chaplain at the beginning of the meeting of the United States House or Senate.

Be it enacted by the Legislature of Alabama:

Section I. At the commencement of the first class of each day in all grades in all public schools the teacher in charge of the room in which said class is held shall, for a period of time not exceeding fifteen minutes, instruct the class in the formal procedure followed by the United States Congress. The study shall include, but not be limited to, the reading verbatim of one of the opening prayers given by either the House or the Senate Chaplain at the beginning of the meeting of the House or Senate. Any student may select an opening House or Senate prayer from the Congressional Record for use by the class.

Senate Bill 8 (1982) provides as follows:

To provide for a prayer that may be given in the public schools and educational institutions of this state.

Be it enacted by the Legislature of Alabama:

Section I. From henceforth, any teacher or professor in any public educational institution within the State of Alabama, recognizing that the Lord God is one, at the beginning of any homeroom or any class, may lead the willing students in the following prayer to God:

Almighty God, You alone are our God. We acknowledge You as the Creator and Supreme Judge of the world. May Your justice, Your truth, and Your peace abound this day in the hearts of our countrymen, in the counsels of our government, in the sanctity of our homes and in the classrooms of our schools. In the name of our Lord. Amen.

Ala.Code Section 16-1-20.1 provides: At the commencement of the first class of each day in all grades in all public schools, the teacher in charge of the room in which each such class is held may announce that a period of silence not to exceed one minute in duration shall be observed for meditation or voluntary prayer, and during any such period no other activity shall be engaged in.

II. Claims for Relief

The state laws are challenged under two separate theories. First, the laws are attacked as being violative of the first amendment to the United States Constitution. The first amendment provides in part that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof . . . ." U.S. Const. Amend. I.

The second basis for attacking the laws rests upon a pendent, state-law claim. The amended complaint alleges that the laws in question violate the guarantee of religious freedom found in the Alabama State Constitution. The relevant section provides:

That no religion shall be established by law; that no preference shall be given by law to any religious sect, society, denomination, or mode of worship; that no one shall be compelled by law to attend any place of worship; nor to pay any tithes, taxes, or other rate for building or repairing any place of worship, or for maintaining any minister or ministry; that no religious test shall be required as a qualification to any office or public trust under this state; and that the civil rights, privileges, and capacities of any citizen shall not be in any manner affected by his religious principles. Ala. Const. art. I, § 3.

Today in the companion case, *Jaffree v. Board of School Commissioners of Mobile County*, 554 F.Supp. 1104, the Court holds that the establishment clause of the first amendment to the United States Constitution does not bar the states from establishing a religion. In light of the reasoning in that opinion the Court holds that the claims in this case fail to state any claim for which relief could be granted under the federal Constitution.

However, in this case, in addition to the claims for relief under the federal Constitution the plaintiffs have alleged claims under the Alabama State Constitution. Ordinarily, these claims would be within the pendent jurisdiction of the court. Pendent jurisdiction is discretionary. The usual rule is that a federal court should decide any state-law claims which arise from a common nucleus of operative facts and which could ordinarily be expected to be brought in the same action. One well-recognized exception to the exercise of pendent jurisdiction lies where the federal claim is dismissed short of trial. Here this case is being dismissed short of trial, and the Court holds that the better exercise of discretion which is consistent with the limited subject-matter jurisdiction of a federal court mandates that the claims in this case be dismissed.

III. Order

It is hereby ordered that the claims for relief under the federal Constitution be dismissed for failure to state a claim. It is further ordered that the pendent, state-law claims be dismissed.

The injunction which this Court previously entered is dissolved.

Costs are taxed against the plaintiffs.

FOOTNOTES

[1] 42 U.S.C. § 1983 provides:

Every person who, under color of any statute, ordinance, regulation, custom, or usage, of any State or Territory, subjects, or causes to be subjected, any citizen of the United States or other person within the jurisdiction thereof to the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, shall be liable to the party injured in an action at law, suit in equity, or other proper proceeding for redress.

[2] Initially, it should be noted that neither 28 U.S.C. §§ 2201 nor 2202 afford any subject-matter jurisdiction to a federal court as the complaint alleges. These sections provide only a remedy.

The operation of the Declaratory Judgment Act is procedural only. By passage of the Act. Congress enlarged the range of remedies available in the federal courts but it did not extent their subject-matter jurisdiction. Thus there must be an independent basis of jurisdiction, under statutes equally applicable to actions for coercive relief, before a federal court may entertain a declaratory judgment action. 10 C. Wright and A. Miller, *Federal Practice and Procedure* § 2766. 841 (1973) (footnotes omitted)

Likewise, 28 U.S.C. § 1343(4) does not afford subject matter jurisdiction to a federal court over claims brought under 42 U.S.C. § 1983. Section 1343(4) affords subject matter jurisdiction to the federal court only over those claims which are brought under "any Act of Congress providing for the protection of civil rights . . ." "Standing alone. § 1983 clearly provides no protection for civil rights since . . . § 1983 does not provide any substantive rights at all." *Chapman v. Houston Welfare Rights Organization*, 441 U.S. 600, 618, 99 S.Ct. 1905, 1916, 60 L.Ed.2d 508 (1979).

[3] In fact, the complaint alleges that "(t)his cause of action arises under the First and Fourteenth Amendments to the United States Constitution . . ." *See* Complaint at 2. This Court has previously explained that no implied cause of action exists under either the first or fourteenth amendments, at least when the first amendment is applied to persons acting under color of state law. The very purpose for enacting 42 U.S.C. § 1983 was to provide a remedy to vindicate the rights afforded by the federal Bill of Rights when persons acting under color of state law violated those rights. It would be incongruous to imply a remedy where Congress has expressly afforded a remedy. *See Strong v. Demopolis City Board of Education*, 515 F.Supp. 730, 732 n. 1 (S.D.Ala.1981)(per Hand, J.).

[4] "[T]he existence of a claim for relief under § 1983 is 'jurisdictional' for purposes for invoking 28 U.S.C. § 1343, even though the existence of a meritorious constitutional claim is not similarily required in order to invoke jurisdiction under 28 U.S.C. § 1331. *See Bell v. Hood*, 327 U.S. 678, 682 [66 S.Ct. 773, 776, 90 L.Ed. 939] (1946); *Mt. Healthy [City School District v. Doyle]*, 429 U.S. 274, 278-79 [97 S.Ct. 568, 571-72 (1977).]" *Monell v. Department of School Services*, 436 U.S. 658, 716, 98 S.Ct. 2018, 2048, 56 L.Ed.2d 611 (1978).

[5] At the start the Court should acknowledge its indebtedness to several constitutional scholars. If this opinion will accomplish its intent, which is to take us back to our original historical roots, then much of the credit for the vision lies with Professor James McClellan and Professor Robert L. Cord. Their work and the historical sources cited in their work have proven invaluable to the Court in this opinion. *See* R. Cord, *Separation of Church and State: Historical Fact and Current Fiction* (1982); P. McGuigan & R. Rader, *A Blueprint for Judicial Reform* (eds. n.d.); J. McClellan, *Joseph Story and the American Constitution*, 118-159 (1971) (Christianity and the Common Law).

[6] McClellan, The *Making and the Unmaking of the Establishment Clause, in Blueprint for a Judicial Reform* 295 (P. McGuigan & R. Radar eds. n.d.) (quoting J. Story, III, *Commentaries on the Constitution* § 1871 (1833) (emphasis added)).

[7] *Id.*

[8] *Id.* at 300. Professor McClellan documents in great detail the political struggle which raged through the various colonies during the Revolution and afterwards to disestablish certain religions throughout the colonies. The establishment of one religion over another in the respective colonies was purely a political matter. The political strength of the various followers determined which religion was established. Like any other political decision, when the political strength of the minorities reached that of the majority, the state disestablished what had formerly been the majority religion. *See e.g., id.* at 301-308.

[9] *Id.* at 307.

[10] *Id.*

[11] *Id.* at 311. Professor McClellan cites numerous examples in which the states required adherence to a Christian religion. For instance, witnesses were considered competent to testify only if they affirmed a belief in the existence of a Christian God. *Id.*

[12] R. Cord, *supra* note 5, at 23.

[13] R. Cord, *supra* note 5, at 24 (quoting *Debates in the Federal Convention of 1787* as reported by James Madison, *Documents Illustrative of the Formation of the Union of the American States* (Washington, D.C.: Government Printing Office, (1927) 295-96 (emphasis in original)).

[14] *Id.* at 24-25.

[15] *Id.*

[16] The views of James Madison are often cited by those who insist upon absolute separation between church and state. Madison was one of the drafters of the first amendment. An uncritical cursory examination of some of Madison's writings would lead one to the conclusion that Madison favored absolute separation between church and state. However, to reach this conclusion is to misunderstand the views of Mr. Madison.

As Professor Cord explains in his book, Madison was concerned only that the federal government should not establish a national religion. Nondiscriminatory aid to religion and support for various Christian religions was not viewed by Madison as unlawful. *See* R. Cord, *supra* note 5, at 25-26 (examining drafts of the establishment clause submitted by Madison).

[17] Professor Cord explains in great detail the circumstances surrounding this presidential proclamation. *See* R. Cord, *supra* note 5, at 27-29.

[18] Professor Cord discusses in detail a document which Madison wrote late in his life known as the *Detached Memoranda*. Some historians have taken the *Detached Memoranda* as a blanket condemnation of religious proclamations issued by Presidents Jefferson, Madison, and Jackson. From this, some historians argue that James Madison believed that absolute separation was mandated by the establishment clause. The Supreme Court has relied upon the *Detached Memoranda* to justify its position of absolute separation in *Abington School District v. Schempp*, 374 U.S. 203, 225 (1963) ("[I]n the words of Madison, 'it is proper to take alarm at the first experiment on our liberties.' ").

Professor Cord suggests that the *Detached Memoranda* reflected nothing more than a shift in Madison's views as he grew older. The *Detached Memoranda* was written long after Madison had left office and long after the first amendment had been drafted. R. Cord, *supra* note 5, 29-36.

The explanation of Professor Cord that Madison is an old man, no longer in office, who regretted some of his past actions, is, to the Court, reasonable. Not all historcial facts can easily be squared. Professor Cord emphasizes his point by analogizing to something which former President Nixon might write upon reflecting on his tenure as president. It would be odd, hypothesizes Professor Cord, if Mr. Nixon were to publish a book in his later years which concluded that taping conversations, without all parties being aware of the recording, is morally wrong and clearly a flagrant violation of the constitutional right to privacy. It would be nonsense, in the view of Professor Cord, for a Nixon biographer to conclude that Richard Nixon believed that the surreptitious tapings of conversations in the Oval Office were immoral and unconstitutional. R. Cord, *supra* note 5, at 36. Similarly, it is faulty to judge what Madison believed to be the scope of the establishment clause at the time he drafted the clause by looking to views expressed late in his life when there are numberous expressions of his intent contemporaneous with the period in which the establishment clause was drafted.

[19] R. Cord, *supra* note 5, at 37-39.

[20] R. Cord, *supra* note 5, at 40 (quoting Letter to a Presbyterian Clergyman (1808)).

[21] Professor Cord chronicles the federal support provided to the Moravian Brethren at Bethlehem in Pennsylvania. The function of the Brethren was to civilize the Indians and to promote Christianity. First passed on July 27, 1787, the resolution supporting the Brethren was supported by every President, including Thomas Jefferson. The legislation supporting the Brethren was sectarian in character. Professor Cord reads this history to conclude that had this sort of interaction between church and state been thought to be unconstitutional then certainly the early Congresses and Presidents would not have authorized expenditure of federal money. R. Cord, *supra note* 5, at 39-46.

[22] R. Cord, *supra* note 5, at 47.

[23] *Id.*

[24] Since the states were historically free to establish a religion it follows that some irritation by non-believers or those in the religious minority was a necessary consequence of establishment. The complaint alleges that "[a]ll of the minor Plaintiffs are exposed to ostracism from their peer group class members if they do not participate in these daily devotional activities." Complaint at 5. The children "all have suffered and continue to suffer severe emotional distress from being forced to participate, via peer group pressure, in devotional observances orchestrated by the defendants." *Id.* at 7. This physchological pressure naturally flows anytime a state takes an official position on an issue. It does not make an establishment unconstitutional. For example, laissez-faire industrialists feel coerced when a state adopts tough environmental laws. Unemployed workers feel pressure from peer groups when the unemployed worker takes advantage of a state labor law which allows him to cross a union picket line to break a strike. Someone, somewhere, feels coerced or pressured anytime the state takes a position. The Constitution, however, does not protect people from feeling uncomfortable. A member of a religious minority will have to develop a thicker skin if a state establishment offends him. Tender years are no exception.

[25] Fairman, *Does the Fourteenth Amendment Incorporate the Bill of Rights?* 2 Stan L. Rev. 5 (1949).

[26] Mr. Justice Black spent nearly twenty years mulling over the criticisms leveled by Professor Charles Fairman. Finally, he had this to say:

What I wrote [in *Adamson v. California*, 332 U.S. 46, 47 [67 S.Ct. 1672, 1673, 91 L.Ed. 1903] (1947),] in 1947 was the product of years of study and research. My appraisal of the legislative history [which surrounded the adoption of the fourteenth amendment and upon which Mr. Fairman relied so heavily] followed 10 years of legislative experience as a Senator of the United States, not a bad way, I suspect, to learn the value of what is said in legislative debates, committee discussions, committee reports, and various other steps taken in the course of passage of bills, resolutions, and proposed constitutional amendments.

My brother Harlan's objections to my *Adamson* dissent history, like that of most of the objectors, relies most heavily on a criticism written by Professor Charles Fairman and published in the Stanford Law Review. 2 Stan.L.Rev. 5 (1949). I have read and studied this article extensively, including the historical references, and am compelled to add that in my view it has completely failed to refute the inferences and arguments that I suggested in my *Adamson* dissent. Professor Fairman's "history" relied very heavily on what was "not" said in the state legislatures that passed on the Fourteenth Amendment. Instead of relying on this kind of negative pregnant, my legislative experience has convinced me that it is far wiser to rely on what "was" said, and most importantly, said by the men who actually sponsored the Amendment in the Congress. I know from my years in the United States Senate that it is to men like Congressman Bingham, who steered the amendment through the House, and Senator Howard, who introduced it in the Senate, that members of Congress look when they seek the real meaning of what is being offered. And they vote for or against a bill based on what the sponsors of that bill and those who oppose it tell them it means. The historical appendix to my "Adamson" dissent leaves no doubt in my mind that both its sponsors and those who opposed it believed the Fourteenth Amendment made the first eight amendments of the Constitution (the Bill of Rights) applicable to the states. *Duncan v. Louisiana*, 391 U.S. 145, 165-66, 88 S.Ct. 1444, 1455-56, 20 L.Ed.2d 491 (1968) (Black J., dissenting).

Charles Fairman "conclusively disapproved Black's contention, at least, such as the weight of the opinion among disinterested observers." A. Bickel, *The Least Dangerous Branch* 102 (1962). Along with Alexander Bickel, Professor Raoul Berger agrees that Charles Fairman's analysis was right on the mark. R. Berger, *Government by Judiciary: The Transformation of the Fourteenth Amendment*, 137 n. 11 (1977).

[27] For example, Professor Raoul Berger cites several cases which recite this common principle of construction. See e.g., *Wright v. Vinton Branch*, 300 U.S. 440, 463, 57 S.Ct. 556, 562, 81 L.Ed. 736 (1937); *Wisconsin Railroad Commission v. C.B. & Q. RR. Co.*, 257 U.S. 563, 589, 42 S.Ct. 232, 238, 66 L.Ed. 371 (1922). *See* R. Berger, *supra* note 26, at 136-37 & 137 n. 13.

[28] Professor Fairman has quoted exhaustively from the Congressional Globe. The various speeches of Congressman Bingham made in support of the fourteenth amendment are quoted in detail. See Fairman. *Does the Fourteenth Amendment Incorporate the Bill of Rights?* 2 Stan.L.Rev. 5, 24-25 (1949).

The analysis of Professor Fairman is attacked vigorously by William Crosskey, then a professor of law at the University of Chicago Law School. Crosskey, *Charles Fairman, "Legislative History," and the Constitutional Limitations on State Authority* 22 U.Chi.L.Rev. 1 (1954). Crosskey quotes at length from the Bingham article and from the *Congressional Globe* in an effort to discredit the explanation offered the historical facts by Professor Bingham.

The debate between the two scholars was pitched. Much of Crosskey's analysis consisted of little more than *ad homineum* attacks on Professor Fairman. The attacks were answered in a reply article written by Professor Fairman. Fairman, *A Reply to Professor Crosskey*, 222 U.Chi.L.Rev. 144 (1954). After reading the original articles of both Fairman and Crosskey, the rebuttal of Fairman, and many other articles on the question, the Court is persuaded that the weight of the disinterested scholars supports the analysis of Professor Fairman. The work of Professor Crosskey impresses the Court as being designed to reach a result. Namely, Crosskey was interested in providing a constitutional basis to support the desegregation decision of the United States Supreme Court in *Brown v. Board of Education* 347 U.S. 483, 74 S.Ct. 686, 98 L.Ed. 873 (1954). For instance in an effort to explain a serious ambiguity in a Bingham speech, Professor Crosskey explains that the speech would make perfect sense if one assumes that Bingham had been reading directly from a text of the Constitution, that he had a copy of the document in his hand and that he was waiving the copy while he spoke in Congress. "You're fudging, Professor Crosskey! You don't know that Bingham had been *reading* from the Constitution." Fairman, *A Reply to Professor Crosskey*, 22 U.Chi.L.Rev.144, 152 (1949).

One scholar, Michael Kent Curtis, argues that Professor Raoul Berger had improperly analyzed the incorporation question by blindly following the lead of Charles Fairman and ignoring the work of William Crosskey. Curtis, *The Bill of Rights as a Limitation on State Authority: A Reply to Professor Berger*, 16 Wake Forest L.Rev. 45 (1980). No lesser a light than Henry M. Hart, Jr., then a professor of law at Harvard Law School, remarked that "(t)he Don Quixote of Chicago breaks far too many lances in his on-slaughts upon the windmills of constitutional history to permit detailed review of each adventure." Hart Book Review, 67 Harv. L. Rev. 1456 (1954). While the comment was, strictly speaking, directed to a recently released book by Professor Crosskey, the thrust of the comment holds true for the scholarship of Professor Crosskey. Professor Henry Hart had little use for the typical analytical method employed by Professor Crosskey: slanderous, *ad homineum* attacks on those historical actors who supported views contrary to those which Professor Crosskey expected to find in a historical record. Professor Hart compared Professor Crosskey to Senator Joseph McCarthy from Wisconsin, *id.* at 1475 ("In the true hit-and-run style popularized by the Senator from the adjacent state to the north, [Wisconsin being north of Illinois] Professor Crosskey, having made th(e) ugly charge [That James Madison deliberately, not inadvertently, falsified some of his notes in 1836 to suit his own purposes at that time], promises to consider in a later volume whether it is true.") Professor Hart is of the general opinion that the scholarship of Professor Crosskey amounted to little more than a "confident tone, nice printing, and an abundance of notes and appendices referring to obscure documents and esoteric word meanings." *Id.* at 1486.

[29] R. Berger, *supra* note 26, at 147 (footnotes omitted).

[30] R. Berger, *supra* note 26, at 147-48 (quoting *Congressional Globe* 2764-65).

[31] Crosskey, Charles Fairman, " '*Legislative History*' " *and the Constitutional Limitations on State Authority*, 22 U.Chi.L.Rev. 1 (1954). In particular, Professor Crosskey is critical of the newspaper examination conducted by Professor Fairman. By Crosskey's count, Fairman and Flack together examined ten newspapers. *Id.* at 100-101. Crosskey points out that there were nearly 5,000 newspapers in circulation in 1870. Thus, if Flack and Fairman examined only ten of these newspapers then, concludes Crosskey, the two ignored a substantial source of evidence in their inquiry. Certainly, at the least, accordingly to Crosskey, neither Flack nor Fairman are entitled to make any conclusions about what the newspapers of the day reflected as the popular understanding of the effect of the fourteenth amendment.

The Court has studied the Crosskey criticism of Professor Fairman and rejects it. The work of the two scholars serves as the cornerstone for both camps in the debate vel non whether the fourteenth amendment was intended to incorporate the federal Bill of Rights. Compare R. Berger, *supra* note 26, 134-156 (rejecting incorporation of the federal Bill of Rights) with Curtis, *The Bill of Rights as a Limitation on State Authority: A Reply to Professor Berger*, 16 Wake Forest L.Rev. 45 (1980) (following Crosskey).

[32] C. Fairman, *supra* note 25 at 86 (quoting N.H. Const, art. 6 (1793)).

[33] It is always difficult to wade through the mass of historical research which has been done on both sides of the issue. For instance, while the defendant-intervenors introduced Professor Robert L. Cord's book, *Separation of Church and Stat: Historical Fact and Current Fiction* in support of the historical record upon which they are relying. Professor Cord concludes, in part, that a) the fourteenth amendment did incorporate the establishment clause against the states, *id.* at 101, and b) the Lord's Prayer, being distinctly Christian in character, or any other prayer which is readily identified with one religion rather than another is impermissible under the establishment clause, *id.* at 162-65.

The Court rejects the conclusion of Professor Cord that the fourteenth amendment incorporated the establishment clause against the states. Professor Cord uncritically adopted the analysis of the United States Supreme Court in reaching his conclusion. In only a footnote does Professor Cord refer to the scholarship of Professor Charles Fairman; then only does Professor Cord note that there has been some "controversy" surrounding the incorporation issue.

Assuming arguendo that the establishment clause had been incorporated against the states then Professor Cord would be correct in his conclusion that any activity which is religiously identifiable would be barred. *See infra* note 41 for the Court's discussion regarding secular humanism.

[34] In *Barron v. City of Baltimore*, the Court noted:

But it is universally understood, it is a part of the history of the day, that the great revolution which established the Constitution of the United States was not effected without immense opposition. Serious fears were extensively entertained that those powers which the patriot statemen who then watched over the interests of our country, deemed essential to union, and to the attainment of those invaluable objects for which union was sought, might be exercised in a manner dangerous to liberty. In almost every convention by which the Constitution was adopted amendments to guard against the abuse of power were recommended. These amendments demanded security against the apprehended encroachments of the general government—not against those of the local governments.

In compliance with a sentiment thus generally expressed, the quiet fears were thus extensively entertained amendments were proposed by the required majority in congress, and adopted by the States. *These amendments contained no expression indicating an intention to apply them to the state governments.* The court cannot so apply them. *Barron v. City of Baltimore*, 32 U.S. (7 Pet.) 243, 250, 8 L.Ed. 672 (1883) (emphasis added).

[35] *Justices of the Supreme Court of New York* v. *United States*, 65 U.S.: (9 Wall.) 274, 19 L.Ed. 658 (1870).

[36] In part the seventh amendment provides that "no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law." U.S. Const. amend. VII.

[37] Abraham Lincoln once said, " 'Stand with anybody that stands *right*. Stand with him while he is right and *part* with him when he does wrong.' " Jaffa, *In Defense of Political Philosophy*, 34 National Review 36 (1982) (emphasis in original).

[38] While stare decisis has more force in cases which determine the meaning of statutes as opposed to interpreting the Constitution, the Supreme Court has frequently reversed itself where it thinks an earlier decision involving the construction of a statute is in error. In *Monell v. Department of Social Services*, 436 U.S. 658, 98 S.Ct. 2018, 56 L.Ed.2d 611 (1978), the Supreme Court identified four factors which it considers when faced with the question whether to overrule a prior decision which involves a statute. The factors are: 1) whether the decisions in question misconstrued the meaning of the statute as revealed in its legislative history; 2) whether overruling the decisions would be inconsistent with more recent expressions of congressional intent; 3) whether the decisions in question constituted a departure from prior decisions; and 4) whether overruling these decisions would frustrate legislative reliance on their holdings. *Id.* at 695–701, 98 S.Ct. at 2038–2041.

[39] Mr. Justice Stevens recently addressed the problem whether a court should follow authority which it believes to have been incorrectly decided. In a case which involved the construction of a statute, parents of Negro school children sued under the Civil Rights Act of 1866 (now 42 U.S.C. § 1982) for alleged discriminatory admission to private schools, which discrimination was based solely upon race. *Runyon v. McCrary*, 427 U.S. 160, 96 S.Ct. 2586, 49 L.Ed.2d 415 (1976). The statute upon which the suit was based, 42 U.S.C. § 1981, was passed prior to the adoption of the fourteenth amendment. It provides in part that "[a]ll persons within the jurisdiction of the United States shall have the same right in every State . . . to make and enforce contracts . . . as enjoued by white citizens. . . ." In *Runyon* two children were denied admission to private schools in Virginia solely because they were Negro. The Supreme Court held that seciton 1981 prohibits private, commercially-operated, nonsectarian schools from denying admission to prospective students solely because of race. Mr. Justice Stevens concurred in the opinion of the Court, but his thoughts on stare decisis are noteworthy.

Mr. Justice Stevens felt compelled to join the opinion of the Court based upon a prior decision of the Court, *Jones v. Alfred H. Mayer Co.*, 392 U.S. 409, 88 S.Ct. 2186, 20 L.Ed.2d 1189 (1968). However, the language of the Civil Rights Act of 1866 and its historical setting left "no doubt in [Mr. Justice Stevens'] mind that the construction of [42 U.S.C. § 1982] would have amazed the legislators who voted fo it." *Runyon* v. *McCrary*, 427 U.S. at 189, 96 S.Ct. at 2603. Given a clean slate Mr. Justice Stevens would have allowed private, commercially-operated, nonsectarian schools the right to deny admission to prospective students solely because of race. He would have reached this result not because he thought that it was socially preferable to the result reached by the Supreme Court, but simply because the intent of Congress and the legislative history surrounding the adoption of 42 U.S.C. § 1981 mandated such a result.

Where Mr. Justice Stevens was unwilling to dissent from his brethren in a case involving statutory construction, this Court feels a stronger tug from the Constitution which it has sworn to support and to defend.

[40] Professor Fairman has summarized concisely in several pages all of the stones and pebbles which could conceivably be relied upon to support the conclusion that the fourteenth amendment intended to incorporate the federal Bill of Rights against the states. See Fairman, *supra* note 28, 134–35.

[41] One of the first of these considerations is whether the teachers and those students who desire to express the simple prayers have any rights to freedom of speech. Compare what the Court observed in the order which granted the preliminary injunction in the companion case, 82-0792-H, against the state on the first amendment right of students to pray at school. 544 F.Supp. 727 at 732-33. The evidence in the case demonstrates that the school board took no active part in any decision made by the teachers to utilize the simple prayer that they have. The school board nor any of the official body of the school administration encouraged or discouraged these teachers from exercising their own will in the matter. Nor does the evidence indicate that those students who opted for this type of exercise were coerced into participating or not participating.

In dealing with matters religious the exercise of first amendment rights are highly circumscribed. The same does not appear to be true in dealing with first amendment rights in expressing one's opinions in all other matters whether they be expressions of moral concern or immoral concern.

The second major area that this Court must concern itself with should this judgment be reversed is that raised by the evidence produced by the intervenors dealing with other religious teachings now conducted in the public schools to which no attention has apparently been directed and to which objection has been lodged by the intervenors.

There are many religious efforts abounding in this country. Those who came to these shores to establish this present nation were principally governed by the Christian ethic. Other religions followed as the population grew and the ethnic backgrounds were diffused. By and large, however, the Christian ethic is the predominant ethic in this nation today unless it has been supplanted by secular humanism. Delos McKown, witness for the plaintiff, expressed himself as believing that secular humanism has been more predominant through the years than we have imagined and indeed was more akin to the beliefs of George Washington, Thomas Jefferson, Benjamin Franklin, and others of that era. Delos McKown also testified that secular humanism is not a religion, though he ultimately waffled on this point. The reason that this can be important to the decision of this Court is that case law deals generally with removing the teachings of the Christian ethic from the scholastic effort but totally ignores the teaching of the secular humanist ethic. It was pointed out in the testimony that the curriculum in the public schools of Mobile County is rife with efforts at teaching or encouraging secular humanism—all without opposition from any other ethic—to such an extent that it becomes a brainwashing effort. If this Court is compelled to purge "God is great, God is good, we thank Him for our daily food" from the classroom, then this Court must also purge from the classroom those things that serve to teach that salvation is through one's self rather than through a diety. Indeed, the Supreme Court in *Abington School District v. Schempp*; 374 U.S. 203, 225, 83 S.Ct. 1560, 1573, 10 L.Ed.2d 844 (1963) (quoting *Zorach v. Clauson*, 343 U.S. 306, 314, 72 S.Ct. 679, 684, 96 L.Ed. 954) (1952), noted that "the State may not establish a 'religion of secularism' in the sense of affirmatively opposing or showing hostility to a religion, thus preferring those who believe in no religion over those who do believe."

That secular humanism is a religion within the definition of that term which the "high wall" must exclude is supported by the finding in *Torcaso* v. *Watkins*, 367 U.S. 488, 495 n. 11, 81 S.Ct. 1680, 1684 n. 11, 6 L.Ed.2d 982 (1961), which recognized that secular humanism is a religion in the traditional sense of the word and also in the statement of the 276 intellectuals who advocate the doctrine of secular religion as delineated in the *Humanist Manifesto I and II*. (Defendant-intervenors exhibit #10).

Textbooks which were admitted into evidence demonstrated many examples in the way this theory of religion is advanced. The intervenors maintain that their children are being so taught and that this Court must preclude the Mobile County School Board from continuing to advance such a religion or in the alternative to allow instruction in the schools that would give a child an opportunity to compare the ethics of each religion so as to make their own credibility or value choices. To this extent, this Court is impressed that the advocacy of the intervenors on the point of necessity makes them parties plaintiff and to this extent they should be realigned as such inasmuch as both object to the teaching of certain religions.

This Court is confronted with these two additional problems that must be resolved if the appellate courts adhere to their present course of interpreting history as did Mr. Justice Black. Should this happen then this Court will hunker down to the task require by the appellate decisions. A blind adherence to Justice Black's absolutism will result in an engulfing flood of other cases addressed to the same point raised by intervenors. The Court will be called upon to determine whether each book or any statement therein advances secular humanism in a religious sense, a never-ending task. Already the involvement of this Court with determining state activities in such things as prison cases, occupies one-third of its docket. This Court can anticipate no less of a burgeoning docket brought about by this incursion into what is legitimately a state concern.

The founding fathers were far wiser than we. They were content to allow the peoples of the various states to handle these matters as they saw fit and were patient in permitting the processes of change to develop orderly by established procedure. They were not impatient to bring about a change because we think today that it is the proper course or to set about to justify by misinterpretation the original intent of the framers of the Constitution. We must remember that "He, who reigns within Himself, and rules passions, desires, and fears, is more a king" Milton, *Paradise Regained.* If we, who today rule, do not follow the teachings of history then surely the very weight of what we are about will bring down the house upon our head, and the public having rightly lost respect in the integrity of the institution, will ultimately bring about its change or even its demise.

Mr. HELMS. Mr. President, it never fails that when I offer this prayer legislation the debate quickly turns from the substance of the school prayer issue to a discussion of the power of Congress to limit the Supreme Court's jurisdiction. Obviously, Senators are free to discuss any aspect of this issue that strikes their fancy. But, Mr. President, the power of Congress to enact my legislation is, in fact, clear and unassailable.

I direct my colleagues' attention to the article III, section 2, of the Constitution which provides in part:

> The Supreme Court shall have appellate Jurisdiction, both as to Law and Fact, with such Exceptions, and under such Regulations as the Congress shall make.

Although this provision prompts much discussion these days about "court stripping" and "threats to the independence of the judiciary," the framers of the Constitution had far different concepts in mind. In Federalist No. 80, Alexander Hamilton wrote about the judicial powers conferred in the Constitution. He said:

> If some partial inconveniences should appear to be connected with the incorporation of any of them (judicial powers) into the plan, it ought to be recollected that the national legislature will have ample authority to make such exceptions and to prescribe such regulations as will be calculated to obviate or remove these inconveniences.

John Marshall, in the Virginia ratifying convention, said:

> Congress is empowered to make exceptions to the appellate jurisdiction, as to law and fact, of the Supreme Court. These exceptions certainly go as far as the legislature may think proper for the interest and liberty of the people. 3 Debates on the Federal Constitution 560 (J. Elliott 2d ed. 1888).

In talking about congressional checks on the judiciary, Hamilton and Marshall point directly to article III, section 2. Their commentary, along with other legislative history, affirms what a reading of the provision plainly indicates. That is, Congress has clear authority to restrict Supreme Court appellate jurisdiction.

An article in the William and Mary Law Review by Ralph A. Rossum eliminates any possible doubt on this point. Mr. Rossum goes to great lengths to refute every argument advanced against the power of Congress to limit Supreme Court appellate jurisdiction. Mr. President, I ask unanimous consent that the Rossum article, entitled "Congress, the Constitution, and the Appellate Jurisdiction of the Supreme Court: The Letter and the Spirit of the Exceptions Clause," 24 William and May Law Review 385 (1983), be printed, including footnotes, at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From 24 William & Mary Law Review 385 (1983)]

Congress, the Constitution, and the Appellate Jurisdiction of the Supreme Court: The Letter and the Spirit of the Exceptions Clause

(By Ralph A. Rossum)[*]

I. INTRODUCTON

Writing in a 1979 issue of *The Public Interest*, Senator Daniel Patrick Moynihan puzzled over the question, "What do you do when the Supreme Court is wrong?"[1] Short of impeachment, the only responses he could identify were "debate, litigate, legislate."[2] He never so much as acknowledged the existence, much less the possible employment, of Congress' power to curtail the appellate jurisdiction of the Court.[3] Events, however, have passed Senator Moynihan by. Over a score of bills were introduced in the Ninety-Seventh Congress to deprive the Supreme Court of appellate jurisdiction either to hear cases involving such issues as abortion rights and voluntary prayer in the public schools or to order school busing to achieve racial balance. Many of these same proposals were reintroduced in the Ninety-Eighth Congress.[4] These measures have in turn prompted considerable scholarly attention and controversy. Symposia in *Judicature*,[5] the *Villanova Law Review*,[6] and the *Harvard Journal of Law and Public Policy*,[7] seminars sponsored by the American Enterprise Institute[8] and the Free Congress Research and Education Foundation,[9] hearings before the Subcommittee on the Constitution of the Senate Judiciary Committee,[10] and the foreward to the *Harvard Law Review*'s analysis of the 1980 Term of the United States Supreme Court[11] all have been devoted to the questions of whether and to what extent Congress can or should strip the Court of appellate subject matter jurisdiction.

On the surface, these measures would appear to be wholly within the constitutional authority of Congress.[12] After all, article III, section 2 of the United States Constitution provides that in all Cases affecting Ambassadors, other public Ministers and Consuls, and those in which a State shall be Party, the Supreme Court shall have original Jurisdiction. In all the other Cases before mentioned the Supreme Court shall have appellate Jurisdiction, both as to Law and Fact, with such Exceptions, and under such Regulations as the Congress shall make.[13]

For many students of constitutional law, the simple reading of these words ends the matter.[14] The language is clear and, for them, conclusive. As Justice Noah Swayne observed in the *United States* v. *Hartwell*[15] over a century ago: "If the language be clear it is conclusive. There can be no construction where there is nothing to construe."[16]

This understanding of Congress' power to curtail the appellate jurisdiction of the Supreme Court is reinforced by *Ex Parte McCardle*,[17] the only Supreme Court decision that has directly addressed this issue. In this post-Civil War case, the Court unanimously upheld a law that stripped the Court of authority to hear appeals from persons imprisoned during the Civil War who sought release from custody under an 1867 habeas corpus statute. Republican leaders in Congress feared that the Supreme Court, which had already indicated hostility toward the Reconstruction program, would use *McCardle* to hold much of that program unconstitutional. Consequently, Congress repealed the 1867 act on which McCardle's appeal was founded. This was an obvious attempt by Congress to use the exceptions clause to deprive the Court of its appellate power to review the substantive constitutionality of congressional acts. Moreover, the repealing act was not passed until after the case already had been argued before the Supreme Court. Nonetheless, the Court at once dismissed the case for want of jurisdiction. As Chief Justice Chase explained:

> We are not at liberty to inquire into the motives of the Legislature. We can only examine into its power under the Constitution; and the power to make exceptions to the appellate jurisdiction of this court is given by express words.
>
> What, then, is the effect of the repealing Act upon the case before us? We cannot doubt as to this. Without jurisdiction the court cannot proceed at all in any cause. Jurisdiction is the power to declare the law, and when it ceases to exist, the only function remaining to the court is that of announcing the fact and dismissing the cause.[18]

For many scholars, then, the constitutional text, supplemented by the Court's reflections on it in *McCardle*, answers any questions concerning the constitutionality of measures restricting the jurisdiction of the Court. As they see it, the only real question raised by congressional initiatives diminishing the Court's appellate jurisdiction is "the wisdom of doing so."[19]

Not everyone, however, is willing to concede that these measures raise only policy questions.[20] Opinion on the constitutionality of congressional curtailment of the Court's appellate jurisdiction is divided, for there are those who argue that such a power could destroy the Court's power of judicial review and, ultimately, undermine our constitutional system of separation of powers.[21] They fear that if Congress had the power to deprive the Supreme Court of its appellate jurisdiction, Congress could constitutionally "deny litigants Supreme Court review in cases involving bills of attainder, ex post facto laws, freedom of speech, press and religion, unreasonable search and seizure, equal protection of the laws, right to counsel, and compulsory self-incrimination."[22] This parade of imaginary horrors convinces some commentators that Congress can no longer claim with good conscience the authority to curtail the Court's appellate jurisdiction,[23] and should Congress nevertheless proceed to exercise this authority, the Supreme Court ought not to tolerate it,[24] but rather ought to invalidate the offending measure.[25]

Those who argue against Congress' power to make exceptions to the Court's appellate jurisdiction find themselves in a most uncomfortable bind. They are forced to deny an explicit power of Congress, expressly granted by the Constitution, in order to protect the Court's implicit power of judicial review, a power which has no textual basis.[26] To extricate themselves from this bind, they commonly advance an argument that has much in common with the argument advanced by the Court in *United Steelworkers of America* v. *Weber*.[27] In that case, Justice Brennan observed that "a thing may be within the letter of the statute and yet not within the statute, because not within its spirit . . . ."[28] Similarly, those who would limit Congress' power to curtail the Court's appellate jurisdiction argue that congressional power to make exceptions may be within the letter of article III and yet not constitutional, because not compatible with the spirit of judicial review.[29] Justice Rehnquist, dissenting in *Weber*, remarked that Justice Brennan's line of argument was worthy "not of jurists such as Hale, Holmes, and Hughes, but of escape artists such as Houdini . . . ."[30] The same criticism is appropriate with regard to the interpretation of the exceptions clause, and perhaps even more so. At least in *Weber*, if the Court were mistaken in preferring the statute's spirit over its letter, the mistake could be easily rectified, because "Congress may set a different [statutory] course if it so chooses."[31] A mistaken interpretation of the exceptions clause would be difficult to rectify, however, because a different course can be set only by constitutional amendment.

The debate over Congress' power to make exceptions has been curious. One side cites the letter of article III and concludes that Congress' power over the Court's appellate jurisdiction is absolute: "The power to make exceptions to Supreme Court appellate jurisdiction is a plenary power. It is given in express terms and without limitation, regardless of the more modest uses that might have been anticipated . . . . In short, the clause is complete exactly as it stands."[32] The opposition in this debate invokes the spirit of judicial review and insists that "the long accepted power of ultimate resolution of constitutional questions by the Supreme Court" must not be disturbed.[33] Given the nature of this debate, neither side can win, because each is talking past the other.[34] There is, however, a clear loser—the Constitution, which is presented as a fatally flawed document that neither says what it means nor means what it says. This Article asserts that the Constitution is not flawed in this respect and that the spirit of judicial review is altogether consistent with the letter of Congress' powers under article III. This Article will examine the arguments on behalf of Congress' power to make exceptions to the Court's appellate jurisdiction and systematically challenge the spirited objections of those who seek to protect the Court's power to interpret the Constitution by ignoring the Constitution.

II. THE ARGUMENT FOR PLENARY CONGRESSIONAL POWER

Those who argue that Congress has plenary power over the Court's appellate jurisdiction present a straightforward case based on three kinds of evidence: the text of the Constitution; the intention of the framers; and the firm, consistent, and unwavering understanding of the Supreme Court. Although further consideration of the clear and conclusive words of article III is unnecessary, an examination of what the framers meant when they used those words and how the Supreme Court has interpreted them is in order.

A. The intent of the framers

No evidence in the records either of the Federal Convention of 1787 or of the various state ratifying conventions would indicate that Alexander Hamilton's words in *The Federalist, No. 80* were not representative of the understanding of virtually the entire founding generation. In that essay, Hamilton reviewed in detail the powers of the federal judiciary and observed that "[i]f some partial inconveniences should appear to be connected with the incorporation of any of them into the plan, it ought to be recollected that the national legislature will have ample authority to make such *exceptions* and to prescribe such regulations as will be calculated to obviate or remove these inconveniences." [35]

The Federal Convention spent very little time debating the jurisdiction of the federal judiciary.[36] On July 24, nearly two months after the Convention began, the delegates agreed to submit the various resolutions they had approved to the Committee of Detail, so that it might "report a Constitution comfortable to the Resolutions passed by the Convention." [37] Their submission concerning the federal judiciary was most rudimentary: "[T]he jurisdiction of the national Judiciary shall extend to Cases arising under the Laws passed by the general Legislature, and to such other Questions as involve the national Peace and Harmony." [38] Nevertheless, the Committee of Detail transformed this vague resolution into language that is almost identical to article III, section 2. After defining the Supreme Court's original jurisdiction, the committee provided that "in all the other cases before mentioned, it [jurisdiction] shall be appellate, with such exceptions and under such regulations as the Legislature shall make." [39]

Although the Report of the Committee of Detail was presented to the Convention on August 6, 1787, the judicial article was not taken up for consideration until August 27. On that date, Dr. Samuel Johnson of Connecticut suggested that the power of the judiciary ought to extend to equity as well as law—and moved to insert the words "both in law and equity" after the words U.S.[40] This proposal was adopted. After an intervening discussion, "Mr. Governeur Morris [of Pennsylvania] wished to know what was meant by the words 'In all the cases before-mentioned it (jurisdiction) shall be appellate with such exceptions &c,' whether it extended to matters of fact as well as law—and to cases of Common law as well as Civil law." [41] James Wilson, the principal architect of the draft reported by the Committee of Detail, answered that the committee meant "facts as well as law & Common as well as Civil law." [42] No comments were forthcoming from other members of the Committee, presumably indicating their agreement with Wilson's answer. To remove all doubt, however, Mr. Dickinson of Delaware moved to add the words "both as to law & fact" after the word "appellate," which was agreed to by unanimous consent.[43]

Acceptance of this addition concluded the discussion.[44] No questions were raised concerning Congress' plenary power to make exceptions. The conclusion is inescapable: both the words chosen by the delegates and the discussion surrounding their choice of these words suggest an unlimited congressional power over the Court's appellate jurisdiction. John Marshall accurately summarized the delegates' intentions when he declared in the Virginia Ratifying Convention that "Congress is empowered to make exceptions to the appellate jurisdiction, as to law and fact, of the Supreme Court. These exceptions certainly go as far as the legislature may think proper for the interest and liberty of the people." [45]

B. The Court's consistent support for plenary congressional power

Although "the ultimate touchstone of constitutionality is the Constitution itself and not what [the judges] have said about it," [46] it is nevertheless significant to observe that the Supreme Court's holdings concerning the exceptions clause are altogether consistent with both the express words of article III, section 2, and the manifest intention of the framers.[47] The Court, of course, has addressed directly an actual congressional contraction of its appellate jurisdiction only once.[48] Nevertheless, it has on numerous occasions taken the opportunity to reflect more generally on the nature and extent of Congress' article III powers. A brief consideration of these reflections reveals the Court's firm and unwavering understanding from the opening days of the republic to the present.

In the first of the relevant cases, *Wiscart* v. *Dauchy*,[49] Chief Justice Oliver Ellsworth acknowledged that "even the [Court's] appellate jurisdiction is . . . qualified; inasmuch as it is given 'with such exceptions, and under such regulations, as Congress shall make.' " [50] He then drew what he considered to be the necessary conclusion from the Court's qualified jurisdiction: "If Congress has provided no rule to regulate our proceedings, we cannot exercise an appellate jurisdiction; and if the rule is provided, we cannot depart from it." [51] Ellsworth's opinion is especially weighty, as he had been a delegate to the Federal Convention and had served on the Committee of Detail that drafted the exceptions clause.

Ellsworth's conception of the Court's jurisdiction continued in an unwavering line through five consecutive chief justices.[52] Thus, Chief Justice John Marshall in *United States* v. *More* [53] argued that an affirmative grant of certain appellate power by Congress is an implied denial of all appellate power not mentioned: "[A]s the jurisdiction of the court has been described, it has been regulated by Congress, and an affirmative description of its power must be understood as a regulation, under the constitution, prohibiting the exercise of other powers than those described." [54] Marshall elaborated upon this argument in *Durousseau* v. *United States:* [55]

> The appellate powers of this court are not given by the judicial act. They are given by the constitution. But they are limited and regulated by the judicial act, and by such other acts as have been passed on the subject. When the first legislature of the Union proceeded to carry the third article of the constitution into effect, they must be understood as intending to execute the power they possessed of making exceptions to the appellate jurisdiction of the supreme court. [56]

Marshall's successor, Chief Justice Taney, likewise acknowledged the utter dependency of the Court's appellate jurisdiction upon acts of Congress: "By the Constitution of the United States, the Supreme Court possesses no appellate power in any case, unless conferred upon it by act of Congress; nor can it, when conferred, be exercised in any other form, or by any other mode of proceeding, than that which the law prescribes." [57]

Chief Justice Chase's statements in *McCardle* concerning the letter of article III, section 2 have already been considered.[58] Chase not only recognized Congress' power over the Court's appellate jurisdiction, but also made an important contribution to our understanding of the role of the Court: "[J]udicial duty is not less fitly performed by declining ungranted jurisdiction than in exercising firmly that which the Constitution and the laws confer." [59]

Finally, in The "*Francis Wright*," [60] Chief Justice Waite affirmed and extended what his predecessors had argued:

> What [the appellate powers of the Supreme Court] shall be, and to what extent they shall be exercised, are, and always have been proper subjects of legislative control. Authority to limit the jurisdiction necessarily carries with it authority to limit the use of the jurisdiction. Not only may whole classes be kept out of the jurisdiction altogether, but particular classes of questions may be subjected to re-examination and review, while others are not.[61]

In the same opinion, Waite also referred to "the rule, which has always been acted on since, that while the appellate power of this court under the Constitution extends to all cases within the judicial power of the United States, actual jurisdiction under the power is confined within such limits as Congress sees fit to prescribe." [62]

Not all judicial support for the opinion that the letter of article III, section 2 is clear and conclusive comes from eighteenth and nineteenth century jurists. For example, while dissenting on other issues in *Yakus* v. *United States*,[63] Justice Wiley Rutledge unequivocally affirmed that "Congress has plenary power to confer or withhold appellate jurisdiction." [64] Similarly, in *National Mutual Insurance Co.* v. *Tidewater Transfer Co.*,[65] Justice Frankfurter noted that:

> Congress need not establish inferior courts; Congress need not grant the full scope of jurisdiction which it is empowered to vest in them; Congress need not give this Court any appellate power; it may withdraw appellate jurisdiction once conferred and it may do so even while a case is *sub judice. Ex parte McCardle* . . . .[66]

For many, then, the words of the Constitution, the intention of the founding generation, and the unwavering opinion of the Supreme Court all clearly, consistently, and unequivocally reveal a constitutional plan for the courts:

> [That plan is] quite simply that the Congress could decide from time to time how far the federal judicial institution should be used within the limits of the federal judicial power; or, stated differently, how far judicial jurisdiction should be left to the state courts, bound as they are by the Constitution as "the supreme law of the Land . . . any Thing in the Constitution or Laws of any State to the Contrary notwithstanding." [67]

III. ARGUMENTS AGAINST ABSOLUTE CONGRESSIONAL POWER OVER THE COURT'S APPELLATE JURISDICTION

Those who place the spirit of judicial review over the letter of article III and who insist that Congress' power under the exceptions clause is either limited or nonexistent make a variety of arguments that can be reduced to seven general headings.[68] One contention is that those who rely on the letter of article III have misconstrued the language of that article. A second contention insists that *Ex Parte McCardle* [69] is a very narrow holding with little or no application beyond its facts. A third argument asserts that the power Congress originally possessed under article III, section 2 has been effectively repealed by the passage of time. A fourth argument contends that Congress cannot make exceptions that would destroy the essential role of the Supreme Court. A fifth and related contention maintains that Congress' power to curtail the Court's jurisdiction is qualified by the constitutional principles of separation of powers and federalism. A sixth claim argues that Congress is limited in its ability to make exceptions by other constitutional provisions, such as those found in the Bill of Rights and the fourteenth amendment. Finally, a seventh argument contends that congressional contraction of the Court's appellate jurisdiction cannot be unconstitutioally motivated, that is to say Congress cannot have as its goal or objective the displacement of a disfavored judicial precedent.

What animates those who make these arguments is their conviction that the spirit of judicial review is jeopardized by the letter of article III. Because of those who contend that Congress has plenary power over the Court's appellate jurisdiction generally have been content to rely simply on the letter of the Constitution and have felt no particular obligation to rebut these arguments, these general claims have gone largely unchallenged.[70] Little effort has been made to show that the traditional concept of judicial review [71] is wholly consonant with the letter of article III. In the following analysis of these arguments, such an effort will be made.

A. The argument from textual construction

The first of the argument against Congress' plenary powers under the exceptions clause is that those who rely on the letter of article III have misconstrued the meaning of its words. Variations of this argument exist, with Leonard Ratner focusing on how the word "exceptions" was commonly used at the time of the Federal Convention,[72] and with such scholars as Irving Brant,[73] Henry Merry,[74] and Raoul Berger [75] concerning themselves with the meaning of the phrase "both as to Law and Fact."

From a survey of dictionaries existing at the time of the Federal Convention, Ratner finds that an exception was generally defined "as an exclusion from the application of a general rule or description."[76] This definition indicates that "an exception cannot destroy the essential characteristics of the subject to which it applies."[77] On this basis, Ratner argues that Congress' power to make exceptions to the Court's appellate jurisdiction is not plenary; any exceptions it makes must be narrower in application than the description of the Court's entire appellate jurisdiction.[78] This ostensible limitation on Congress' power, however, is essentially meaningless. If an exception implies some residuum of jurisdiction, Congress can meet this test by excluding everything but, for example, patent cases. As one of the interlocutors in Henry Hart's famous dialogue remarks: "This is so absurd, and it is so impossible to lay down any measure of a necessary reservation, that it seems to me the language of the Constitution must be taken as vesting plenary control in Congress."[79]

A more ingenious, if ultimately no more successful variation of this argument against Congress' plenary power under article III, section 2 focuses on the meaning of the phrase, "both as to Law and Fact." Those who make this argument refuse to concede that the framers of the Constitution intended to vest Congress with the power to effect the wholesale destruction of judicial review. Rather, they insist, the "sole purpose of the exceptions clause was to permit Congress to limit appellate jurisdiction over question of fact in cases at law."[80] Irving Brant, a noted historian, provides the most recent and sophisticated version of this argument. He contends that as a result of an unfortunate placement of commas in the phrase, "Jurisdiction, both as to Law and Fact," the words "both as to Law and Fact" appear to be a parenthetical, and the modifying clause beginning "with such Exceptions" seems to attach to "Jurisdiction," when in fact, what the entire exceptions clause was meant to modify is simply appellate jurisdiction of questions of fact.[81]

At the time of the Federal Convention, considerable diversity in legal practice existed among the states, both with respect to cases in common and civil law and particularly with respect to cases in equity and maritime jurisdiction. Re-examination of factual issues was permitted in some states, but was not permitted in others. Under its appellate jurisdiction, the Supreme Court inevitably would be called upon to review cases where questions of fact were central and at issue. This prospect, however, raised the spectre of the Supreme Court having the power to overturn a jury's findings of fact in a criminal case. According to Brant, the problem faced by the Convention was to draft a provision that would permit the Court to review questions of fact in civil, equity, and maritime cases, but that would prevent it from abusing this power by retrying facts found by juries in criminal cases. Given the tremendous diversity among the states, drafting a constitutional clause to resolve this problem was all but impossible. Therefore, Brant argues, the framers took the easy way out and drafted language (albeit, Brant concedes, poorly punctuated language) that left the whole issue for handling by the Congress through the medium of the exceptions clause. The exceptions clause thus was "fashioned to meet the principal criticism of the appellate jurisdiction, its inclusion of matters of 'fact.' "[82]

Despite Brant's ingenuity, and that of Merry and Berger as well, this interpretation of the exceptions clause ultimately fails. This interpretation cannot be reconciled with the actual words and punctuation of the Constitution. Had the framers intended what Brant alleges they intended, they obviously were possessed of the necessary skills to have conveyed clearly that intention.[83] Similarly, Brant's interpretation cannot be squared with the proceedings of the Convention. What the Committee of Detail presented to the Convention in no way suggested that Congress' power to make exceptions to the Court's appellate jurisdiction was limited to the treatment of factual issues. Quite the contrary, the only discussion in the Convention relating to the exceptions clause centered on whether the Court was to have power to review questions of fact, not whether Congress' power to curtail the Court's jurisdiction was limited to such questions.[84]

Nor can Brant's interpretation survive exposure to the post-Convention statements of Edmund Randolph and Alexander Hamilton. When the exceptions clause was before the Virgina State Ratifying Convention, Randolph, who had participated in the Federal Convention, declared that "[i]t would be proper to refer here to *any* thing that could be understood in the federal court. [Congress] may except generally both as to law and fact, or they may except as to law only, or fact only." [85] Alexander Hamilton also stressed that Congress' power to make exceptions applied to law as well as to facts: "The supreme court will possess an appellate jurisdiction, boh as to law and fact, in all the cases referred to them, but subject to any *exceptions* and *regulations* which may be thought advisable." [86] Hamilton remarked that the propriety of Congress' power to except matters of law from the Supreme Court's appellate jurisdiction "has scarcely been called into question." [87] "[C]lamors have been loud," he noted, only with respect to granting the Court any appellate jurisdiction over matters of fact.[88] In an effort to quiet the fear of those alarmed by the prospect of any appellate retrial of facts found by a jury, Hamilton declared, again clearly contrary to Brant's contention, that "the Supreme Court shall possess appellate jurisdiction, both as to law and *fact*, and that this jurisdiction shall be subject to such *exceptions* and regulation as the national legislature may prescribe." [89] All of this merely reaffirms Hamilton's assurance that if any "inconveniences" should arise from the powers the Constitution grants to the federal judiciary, Congress will have authority to make such exceptions and to prescribe such regulations as it believes necessary "to obviate or remove these inconvenlences." [90]

Finally, Brant's interpretation is fundamentally at odds with an unwavering line of judicial opinion beginning with Chief Justice Ellsworth, himself a delegate to the Federal Convention and a member of the Committee of Detail, and extending to the present.[91]

B. Reliance on ex parte McCardle

A second major argument against Congress' claim to plenary power under article III, section 2 centers on the meaning of *Ex Parte McCardle.*[92] Rather than supporting Congress' claim as is commonly maintained, several scholars contend that *McCardle* concedes nothing to Congress.[93] They note that in *McCardle*, the Court carefully pointed out that the repealing act of 1868 [94] did not affect judicial authority to issue writs of habeas corpus under section 14 of the Judiciary Act of 1789:

> Counsel seem to have supposed, if effect be given to the repealing act in question, that the whole appellate power of the court, in cases of *habeas corpus* is denied. But this is an error. The [repealing] act of 1868 does not except from that jurisdiction any cases but appeals from the Circuit Courts under the act of 1867. It does not affect the jurisdiction which was previously exercised.[95]

These scholars further note that this statement was reaffirmed a few months later in *Ex Parte Yerger.*[96] In *Yerger*, on a petition for habeas corpus, the Court reviewed a circuit court decision denying the writ to a civilian awaiting trial by a military commission for violating the Reconstruction

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Acts. Without the slightest hesitation, the Supreme Court unanimously sustained its jurisdiction and held that the repealing act of 1868 did not affect its authority under the Judiciary Act of 1789 to issue the writ.[97] Thus, these scholars argue, *McCardle* does not sanction congressional impairment of the Court's jurisdiction:

> The [repealing] statute did not deprive the Court of jurisdiction to decide McCardle's case; he could still petition the Supreme Court for a writ of habeas corpus to test the constitutionality of his confinement. The legislation did no more than eliminate one procedure for Supreme Court review of decisions denying habeas corpus relief while leaving another equally efficacious one available.[98]

These scholars also look to *United States v. Klein*,[99] decided two years after *Yerger*, in which the Court held that Congress could not enact legislation to eliminate an area of jurisdiction in order to control the results in a particular case. Klein sued in the Court of Claims under an 1863 statute that allowed the recovery of land captured or abandoned during the Civil War if the claimant could prove he had not assisted in the rebellion.[100] Relying on an earlier Supreme Court decision [101] that a presidential pardon proved conclusively that the recipient of the pardon had not aided the rebellion, Klein prevailed in the Court of Claims. While the government's appeal to the Supreme Court was pending, Congress passed a statute providing that a presidential pardon would not support a claim for captured property, and that acceptance of a pardon for participation in the rebellion, without a disclaimer of the facts recited, was conclusive evidence that the claimant had aided the enemy.[102] Futhermore, the statute provided that on proof of such pardon and acceptance, which could be heard summarily, the jurisdiction of the federal judiciary in the case should cease, and the Court of Claims should forthwith dismiss the suit of such claimant.[103] As Chief Justice Chase remarked: "The substance of this enactment is that an acceptance of a pardon, without disclaimer, shall be conclusive evidence of the acts pardoned, but shall be null and void as evidence of the rights conferred by it both in the Court of Claims and in this court on appeal." [104] The Supreme Court held the act to be unconstitutional because it subverted the judicial process by prescribing "a rule for the decision of a cause in a particular way," [105] and it also infringed upon the constitutional power of the executive by impairing the effect of a pardon.[106]

These efforts to construe *McCardle* narrowly and to employ *Yerger* and *Klein* to protect the spirit of judicial review from the letter of article III, section 2, however, are unsuccessful. Neither *McCardle* nor *Yerger* in any way suggests that the Court would have been justified in invalidating the act of 1868 if the act had excepted from the Supreme Court's appellate jurisdiction cases arising under section 14 of the Judiciary Act of 1789. Quite the contrary, as Chief Justice Chase noted in *McCardle*, judicial duty entails the refusal to exercise ungranted jurisdiction as well as the obligation to exercise jurisdiction when it is conferred by the Constitution or by law.[107] *McCardle* and *Yerger* are wholly faithful to Justice Chase's understanding. In *McCardle*, the Court declined to exercise jurisdiction that had been positively excepted by the repealing act of 1868. In *Yerger*, the Court firmly exercised jurisdiction that the Judiciary Act of 1789 conferred and which the repealing act in no way limited. Thus, the Court on both occasions acted consistently with Chief Justice Marshall's observation in *Cohens v. Virginia*:[108] "We have no more right to decline the exercise of jurisdiction which is given, than to usurp that which is not given. The one or the other would be treason to the constitution." [109]

Similarly, reliance on *Klein* is misplaced. *Klein* involved a congressional attempt to forbid the Court from giving the effect to evidence which, in the Court's judgment, such evidence should have, and directed the Court to give the evidence an effect precisely contrary.[110] In *Klein*, Congress sought to curtail the appellate jurisdiction of the Supreme Court to obtain a particular result in a specific case; by so doing, Congress "inadvertently passed the limit which separates the legislative from the judicial power." [111] Congress' action in *Klein* is altogether different from congressional contractions of the Court's jurisdiction that seek merely to shift the determination of any result, whatever that result might be, to the lower federal or state courts, both of which are also bound by the Constitution as the supreme law of the land.[112] Shifting jurisdiction to lower federal or state courts is wholly permissible, and the Court in *Klein* declared as much, acknowledging that "if this Act did nothing more . . . [than] simply deny the right of appeal in a particular class of cases, there could be no doubt that it must be regarded as an exercise of the power of Congress to make 'such exceptions from the appellate jurisdiction' as should seem to it expedient." [113]

C. The contraction of Congress' power due to the passage of time

A third argument against the letter of article III operates from the perspective of what Justice Rehnquist has called the "living Constitution with a vengeance." [114] This argument is based on the premise that congressional "control over the Court's appellate jurisdiction has in effect now been repealed by the passage of time and by the recognition that exercise of such power would be in the truest sense subversive of the American tradition of an independent judiciary." [115] C. Herman Pritchett, who is closely identified with this position, argues that while the language of article III, section 2 may have seemed reasonable in 1787, so, too, did choosing a President by indirect election.[116] Originally, the Supreme Court was just a few words in an unadopted document; today, however, it is the most respected judicial body in the world and has the authority to determine the constitutionality of acts of Congress.[117] Given these changes in conditions, "Congress can no longer claim with good conscience the authority granted by article III, section 2." [118]

The assertion that new conditions can amend the clear language and intent of the exceptions clause is subject to considerable doubt. Changing circumstances [119] and the passage of time may be considered in the interpretation and adaptation of such broadly phrased constitutional provisions as the due process and commerce clauses. These clauses were drafted expansively to allow evolving interpretations as time might require. Neither the language of the exceptions clause nor the debates of the Convention, however, indicate that the framers intended such broad adaptations of article III. Changing circumstances can neither alter nor amend the meaning of clear and unequivocal language in the Constitution.[120] Even Pritchett recognizes this, at least with respect to the other constitutional feature he regards as anachronistic—indirect election of the President. Thus, rather than contending that the Electoral College has been repealed by history, Pritchett served on and supported the policies of an American Bar Association blue ribbon commission that proposed a constitutional amendment formally abolishing the Electoral College and substituting in its place direct election of the President.[121]

Many provisions of the Constitution, of course, are phrased broadly, thus permitting flexible interpretations that adapt the document to changing circumstances. Nonetheless, even when such broad phrasing exists, the goal must be "adaptation *within* the Constitution rather than adaptation *of* the Constitution." [122] The terms of article III, however, are not phrased so broadly and no doubt exists as to the framers' intent. Unless the Court is to be permitted to disregard the outer rational limits of constitutional language—all to protect its role as principal interpretor of that language—the "passage of time theory" cannot be legitimately employed to amend the letter of the exceptions clause.

D. The "essential functions" argument

A fourth argument against Congress' power to curtail the appellate jurisdiction of the Supreme Court is that Congress cannot constitutionally make any exceptions that will destroy what is variously described as the Court's essential role or function.[123] "[T]he [exceptions] clause means 'With such exceptions and under such regulations as Congress may make, not inconsistent with the essential function of the Supreme Court under this Constitution.'" [124] This argument, however, is also fraught with difficulties. It makes the Court itself the final arbiter of the extent of its powers. The argument contends not only that the essential functions of the Court cannot be limited, but also that the Court exclusively, and not the Congress, is to determine what functions are, in fact, essential. This interpretation of the exceptions clause cannot be sustained:

> It is hardly in keeping with the spirit of checks and balances to read such a virtually unlimited power into the Constitution. If the Framers intended so to permit the Supreme Court to define its own jurisdiction even against the will of Congress, it is fair to say that they would have made that intention explicit.[125]

Nothing in the text of the exceptions clause or in any Supreme Court opinion addressing this subject suggests that Congress' power under article III, section 2 is limited to making "'inessential' exceptions." [126] The distinction between the "essential" and "inessential" functions of the Court is, of course, wholly extraconstitutional. Consequently, those who draw this distinction on the Court's behalf are not limited by the letter of the Constitution but, rather, are free to define the Court and its essential role and functions as they see fit. Not surprisingly, given the absence of any constitutional restrictions (or, more precisely, given their refusal to recognize and abide by any constitutional restrictions), proponents of this interpretation advance and defend a wide variety of definitions. Thus, Henry Hart, who first propounded this argument, defines the essential role of the Supreme Court as serving as a check on the coordinate branches of government to keep them from destroying the Constitution.[127] Leonard Ratner offers a slightly different view, stressing the Court's "essential constitutional functions of maintaining the uniformity and supremacy of federal law." [128] In contrast, Archibald Cox asserts that the "chief function of the Supreme Court is to protect human rights." [129] Even more expansively, Paul Brest accords a special role for the Court in promoting "individual rights and decision making through democratic processes." [130]

Although considerable variety exists among these definitions of the Court and its essential role, they share one common element. Central to all formulations of this argument is an activist view of the judiciary. Only through frequent recourse to judicial review will the Court be able to perform the essential functions judicial activists assign to it. Quite naturally, proponents of the essential functions argument see Congress' plenary powers under article III, section 2 as a threat to judicial activism.[131] These proponents, therefore, strive to distort or obscure the letter of the exceptions clause, thereby rendering secure the spirit of judicial review that animates their judicial activism.[132]

The incompatibility that proponents of the essential functions argument perceive between the letter of article III and the spirit of judicial review is almost exclusively attributable to the way in which they have defined the essential role and function of the Supreme Court. Their expansive view of what the Court should do obviously is threatened by language that gives to Congress the power to except from the Court's appellate jurisdiction the cases necessary to sustain the Court's activist role.[133] This perceived incompatability, however, can be avoided entirely if the Court's essential role is defined more modestly:

> Federal Courts, including the Supreme Court, do not pass on constitutional questions because there is a special function vested in them to enforce the Constitution or police the other agencies of government. They do so rather for the reason that they must decide a litigated issue that is otherwise within their jurisdiction and in doing so must give effect to the supreme law of the land.[134]

This more limited conception of the role of the Court is consistent not only with the actual provisions of the Constitution, but also with Hamilton's original defense of judicial review in *The Federalist, No. 78*[135] and Chief Justice Marshall's establishment of judicial review in *Marbury v. Madison*.[136] Moreover, because this interpretation regards the Court's power of judicial review as extending no further than to cases otherwise within its jurisdiction, which jurisdiction is subject to such exceptions as Congress shall make, this interpretation reflects the compatibility of the letter of article III and the spirit of judicial review.[137]

E. The separation of powers/Federalism argument

A fifth contention closely related to the essential functions argument is that Congress' power under the exceptions clause is limited by the constitutional principles of separation of powers and federalism.[138]

> If Congress also has plenary control over the appellate jurisdiction of the Supreme Court, then . . . Congress [could] by statute profoundly alter this structure of American government. It [could] all but destroy the coordinate judicial branch and thus upset the delicately poised constitutional system of checks and balances. It [could] distort the nature of the federal union by permitting each state to decide for itself the scope of its authority under the Constitution. It [could] reduce the supreme law of the land as defined in article VI to a hodgepodge of inconsistent decisions by making fifty state courts and eleven federal courts of appeal the final judges of the meaning and application of the Constitution, laws, and treaties of the United States.[139]

This contention, too, is flawed, because it uests on a superficial understanding of the political principles of the Constitution.

Those who would limit Congress' power under article III, section 2 stress that use of the exceptions clause constitutes an attack on the status and independence of the Court and thereby jeopardizes the principle of separation of powers.[140] These criticisms are groundless. In our constitutional system, the judiciary is not supposed to be entirely independent; neither is the legislative nor executive branch. Separation of powers does not entail complete independence. The framers did not intend the branches of government to be wholly unconnected with each other;[141] rather, the framers sought to create a government in which the branches would be so connected and blended, as to give to each a constitutional control over the others.[142] The framers accomplished this blending "by so contriving the interior structure of the government . . . that its several constituent parts, . . . [are] by their mutual relations, the means of keeping each other in their proper places." [143] The result is a government consisting of three coordinate and equal branches, each performing a blend of functions, thereby balancing, as opposed to merely separating, powers.[144]

The term separation of powers is, in fact, a misnomer. The framers created not so much a government of separated powers as one of "separated institutions sharing powers." [145] This sharing of powers allows the branches to have a "mutual influence and operation on one another. Each part acts and is acted upon, supports and is supported, regulates and is regulated by the rest." [146] Thus, the three branches, including the judiciary, are intended to move "in a line of direction somewhat different from that, which each acting by itself, would have taken; but, at the same time, in a line partaking the natural direction of each, and formed out of the natural direction of the whole—the true line of public liberty and happiness." [147]

The framers recognized that power is, by nature, encroaching, whether it be legislative, executive, or judicial.[148] They solved the problem of "the encroaching spirit of power" [149] by balancing the powers assigned to each of the three branches so that each branch could effectively check, but not control, the other two. Furthermore, the framers did not give any one branch the authority to decide whether its powers encroached on the others: "[N]one of [the three branches], it is evident, can pretend to an exclusive or superior right of settling the boundaries between their respected powers." [150]

The framers did not consider the judiciary exempt from the operation of these principles, although they did consider the judiciary to be the least dangerous of the three branches because they had given the judiciary the least amount of power.

> Whoever attentively considers the different departments of power must perceive, that, in a government in which they are separated from each other, the judiciary, from the nature of its functions, will always be the least dangerous to the political rights of the Constitution; because it will be least in its capacity to annoy or injure them. The Executive not only dispenses the honors, but holds the sword of the community. The legislature not only commands the purse, but prescribes the rules by which the duties and rights of every citizen are to be regulated. The judiciary, on the contrary, has no influence over either the sword or the purse; no direction either of the strength or of the wealth of the society; and can take no active resolution whatever. It may truly be said to have neither force nor will but merely judgment; and must ultimately depend upon the aid of the executive arm even for the efficacy of its judgments.[151]

Although the framers regarded the judiciary as having the least capacity, because of the very nature of its functions, to be dangerous, the framers recognized that judicial power could be arbitrary and oppressive. The framers expected that the arbitrary discretion of the courts could be "bound down by strict rules and precedents which serve to define and point out their duty in every particular case that comes before them." [152] Additionally, the framers provided the other branches with powers to check judicial enroachments. Thus, the framers provided for congressional appropriation of money for the judicial branch, presidential appointment and senatorial confirmation of judges, and congressional power to define entirely the jurisdiction of the inferior federal courts. The framers also provided for the impeachment of judges by the House of Representatives and the trial of impeached judges by the Senate—what *The Federalist* called "a complete security" against "the danger of judiciary encroachments on the legislative authority." [153] Finally, the framers of the Constitution provided the legislative branch with ample authority under article III, section 2, so that if "some partial inconveniences" were to arise as a result of the judicial branch's exercise of its powers, Congress could make such exceptions and prescribe such regulations "as will be calculated to obviate or remove these inconveniences." [154]

Thus, the framers never intended for judicial power to be absolute or for the judiciary to be completely independent. Just as they provided checks upon the legislative and executive branches, so too the framers included mechanisms to restrain the judiciary. The exceptions clause was one such mechanism.

Those who contend that Congress' power under the exceptions clause is limited by the constitutional principle of federalism betray an equally superficial understanding of the political principles of the Constitution. They contend, with Leonard Sager, that Congress cannot restrict Supreme Court supervision of state conduct if such supervision is necessary to insure uniform judicial interpretation and state compliance with federal constitutional norms.[155] If the Supreme Court were restricted by Congress in such a manner, such restriction would, they fear, reduce the supremacy clause to a virtual nullity. Sager goes so far as to argue that if the states were not answerable to the Supreme Court, the Constitution would have "little to recommend it over the Articles of Confederation." [156] This view is deficient in a number of particulars.

This view reflects a common misperception concerning the nature of American federalism. The framers relied on federalism, as they also relied on separation of powers and the multiplicity of interests in an extended republic, to achieve their constitutional objectives—the creation and operation of an efficient and powerful guarantor of rights and liberties organized around the principle of qualitative majority rule.[157] The framers sought a "Republican remedy for the disease most incident to the Republican Government."[158] That disease was the tension between majority tyranny and democratic ineptitude.[159] The framers saw the federalism they were creating as contributing to that Republican remedy. Their federalism, however, was not merely a division of power between the national government and the state governments; it was also a blending of federal elements into the structure and procedures of the central government itself.[160] An obvious example of this blending is the mixture into the Senate of the federal principle of equal representation of all the states.[161] The framers recognized that this principle, when joined with bicameralism and separation of powers, could contribute directly to qualitative majority rule. For a measure to become law, for example a measure controlling the appellate jurisdiction of the Supreme Court, it would have to pass the Senate where, because of the federal principle of equal representation, the presence of a nationally distributed majority and the moderating tendencies associated therewith would be guaranteed.

To the framers, federalism also meant that the same relationship that existed between the citizen and the individual state also would exist, at least with regard to those functions specified in article I, section 8, between the citizen and the centralized national government. This is a crucial difference between the Constitution and the Articles of Confederation, and one which Professor Sager apparently overlooks.[162] Under the Constitution, the national government need not gain the cooperation of a state to regulate the behavior of the state's citizens, for they are also citizens of the United States. In fact, even if a state actively attempted to frustrate the wishes of the national government, the national government, through either legislative or judicial action, could reach the citizenry and hold them personally accountable for their actions. This is a significant difference between the Constitution and the Articles of Confederation: the national government can govern the individual directly and need not rely on the good will or cooperation of state intermediaries.

Similarly, if the Congress, moderated in its judgments by the nationally distributed majorities that are assured by the federal principle of equal representation of all states in the Senate, restricts the appellate jurisdiction of the Supreme Court in a certain subject matter area because Congress has concluded that the Court's decisions in that area have unduly limited the states, Congress' action can hardly be described as placing the supremacy clause in jeopardy. Rather, Congress is simply exercising its power under the exceptions clause to obviate those inconveniences that have arisen as a result of the judiciary's interventions and, in a manner that is wholly consistent with the constitutional principle of separation of powers, is determining for the national government what the states may or may not do.

The view that the Congress can limit the appellate jurisdiction of the Supreme Court without jeopardizing federalism is compatible not only with the framers' understanding but also with the actions taken by both Congress and the federal judiciary until well into the twentieth century. Thus, in the Judiciary Act of 1789, Congress did not provide for Supreme Court review of cases in which state courts invalidated state conduct on federal grounds, even if those cases invalidated state conduct under an overly broad reading of federal laws that in turn defeated other federal rights.[163] In the same Act, Congress also subjected Supreme Court review of civil cases to a jurisdictional amount,[164] a requirement that was not eliminated for all cases involving constitutional issues until 1891[165] and was not abolished with respect to Supreme Court review of all federal questions until 1925.[166] Congress did not provide for Supreme Court review of federal criminal cases until 1802, and then only for review of decisions in which an inferior federal court had divided on a question of law.[167] Congress did not grant general power to the Court to review major federal criminal cases until 1891.[168] Obviously, the opponents of Congress' exercise of its powers under the exceptions clause have placed a premium on the uniformity of constitutional interpretation and Supreme Court supervision of state conduct that has not been shared by either Congress or the Court.

F. Limits on congressional power: The Bill of Rights and other constitutional provisions

A sixth argument made against Congress' power under the exceptions clause is that this power is limited by the constitutional requirements of article I, section 9 and the Bill of Rights and is fully subject to review under these and any other constitutional provisions uniformly applicable to all acts of Congress.[169] Those who make this argument draw a parallel between Congress' plenary power under the commerce clause and its plenary power under article III, section 2. For example, just as Congress' power to regulate commerce among the several states is subject to the requirements of the first and fifth amendments,[170] so also is Congress' power to make exceptions. The due process clause of the fifth amendment plays an especially prominent role in this argument. Advocates of this argument view the fifth amendment as guaranteeing litigants an independent judicial hearing of all constitutional claims, thereby limiting Congress' power to make exceptions that will deprive litigants of this hearing and, hence, of the opportunity to petition for the remedies they seek.

Like the other arguments against Congress' power to make exceptions, this argument also is deficient. Those who make this argument are correct, of course, in pointing out that the congressional power at issue is subject to the due process clause and all other constitutional provisions uniformly applicable to acts of Congress. What they fail to consider, however, is that the independent judicial hearing they insist upon need not occur at the Supreme Court level. The requirements of the due process clause can be satisfied fully in the state and lower federal courts, even if Congress were to strip the Supreme Court of its entire appellate jurisdiction. Moreover, because the Supreme Court noted in *Cary v. Curtis*[171] that "the judicial power of the United States . . . is . . . dependent for its distribution . . . entirely upon the action of Congress, who possess the sole power . . . of investing [the inferior courts] with jurisdiction . . . in the exact degree and character which to Congress may seem proper for the public good,"[172] it would be constitutionally permissible under the due process clause for Congress to deny jurisdiction as well to all lower federal courts, provided that state courts retained jurisdiction to hear these matters.[173] State courts, after all, are bound by the Constitution as the supreme law of the land.[174] Moreover, "[i]n the scheme of the Constitution, [state courts] are the primary guarantors of constitutional rights, and in many cases they may be the ultimate ones."[175] Thus, apparently nothing less than the total denial of any state judicial form would be subject to successful challenge as a violation of procedural due process.[176]

G. The prohibition on unconstitutionally motivated withdrawals of jurisdiction

Finally, a seventh argument against Congress' use of the exceptions clause to curtail the Court's appellate jurisdiction is that congressional actions in this regard cannot be unconstitutionally motivated:

> When Congress manipulates jurisdiction in an effort to deny recognition and judicial enforcement of constitutional rights, it has deliberately set itself against the Constitution as the Court understands that document. Comparable behavior on the part of a mayor or police chief would constitute "bad faith," and so here. Legislative bad faith is a constitutionally impermissible motive, and it offers an independent ground for doubting the constitutionality of jurisdictional legislation.[177]

The claim that congressional use of the exceptions clause to displace a disfavored judicial precedent is unconstitutional can be sustained only by embracing the view that the Constitution is merely what the Court says it is. Sager embraces this view,[178] and he fears that "[i]f Congress enacts a selective jurisdictional limitation for cases that concern state conduct, it will be issuing an open, unambiguous invitation to state and local officials to engage in conduct that the Supreme Court has explicitly held unconstitutional."[179] Appalled by the prospect of such a strategem, he repeatedly labels it as "tawdry" and "lewd"[180] and as seducing the state judiciary to "malfeasance."[181]

This willingness to treat the Constitution as identical with its judicial gloss, however, is problematic. The mere reference to such notorious cases as *Dred Scott v. Sandford*,[182] *Plessy v. Ferguson*,[183] and *Lochner v. New York*[184] is sufficient to highlight the difficulty. If the Court was correct in its interpretations of the Constitution in these cases, then efforts to overturn these decisions by constitutional amendment, remedial legislation, or subsequent litigation were unconstitutionally motivated. If, however, the Court was mistaken in its interpretations of the Constitution in these cases, then the Constitution is not simply what the Court says it is, and some constitutional means must be available by which to rectify judicial errors.[185] Without such a means, the fate described by Abraham Lincoln in his First Inaugural Address cannot be avoided:

> If the policy of the Government upon vital questions affecting the whole people is to be irrevocably fixed by decisions of the Supreme Court, the instant they are made in ordinary litigation between parties in personal actions, the people will have ceased to be their own rulers, having to that extent practically resigned the government into the hands of that eminent tribunal.[186]

Actually, various constitutional means do exist to correct Court misinterpretations; the exceptions clause is but one means of correction.

IV. PRACTICAL LIMITATIONS ON THE WITHDRAWAL OF JURISDICTION

At this junction, it should be apparent that the various arguments advanced against the exceptions clause are inadequate to accomplish the formidable task of displacing the clear and express words of article III, section 2. Although they are ingeniously cast and earnestly argued, these arguments can be rebutted, and Congress' power to make exceptions to the Court's appellate jurisdiction remains plenary. This conclusion, however, is unacceptable to some constitutional scholars. Irving Brant may be more graphic than most, but he is no more alarmed than many when he writes: "The mind is staggered by the thought of what would result if Congress should pass, and the Supreme Court should bow to, a law prohibiting the review of state court decisions, or cases involving the first or fourteenth amendments."[187] For Brant, the exceptions clause has "become a dagger sharpened by social conflict and pointed at the heart of the Bills of Rights. Time and again Congress has raised this dagger. Only once has it descended, but the menace continues to mount."[188] These misgivings, however, are unfounded, both because of the practical difficulties that would attend congressional contraction of federal jurisdiction and because of the moderating tendencies of a Constitution structured so that the popular branches can seldom act "on any other principles than those of justice and the general good."[189]

The practical difficulties that would accompany withdrawal of jurisdiction are considerable. First, federal courts are essential to the administration of federal law and the enforcement of coercive sanctions and private remedies. If Congress were to withdraw all jurisdiction from the federal courts, save only the Supreme Court's original jurisdiction, the final resolution of virtually all questions of federal law, constitutional and otherwise, would rest with the highest courts of the fifty states. The potential for inconsistency in their resolution of federal questions is so great, and the practical costs of such inconsistency are so high, that Congress is not likely to withdraw all federal jurisdiction, even though it is authorized by article III, section 2 to do so. If, in recognition of these constraints, the Congress decided to curtail only the Supreme Court's appellate jurisdiction, it would find that it had succeeded only in reducing, but by no means elimination, the potential for national inconsistency. The final resolution of all constitutional questions would then be left to the twelve federal courts of appeal and the probability of inconsistency in their decisions would still remain great.[190] Finally, if the Congress were to exercise its exceptions powers even more exactingly and were selectively to deprive the Supreme Court of jurisdiction to review only particular classes of cases such as busing, school prayer, or abortion, the tradition of store decisis could lead the lower federal and state courts to follow the Supreme Court decisions that originally prompted the congressional contraction:

> [The courts] would still be faced with the decisions of the Supreme Court as precedents—decisions which that Court would now be quite unable to reverse or modify or even to explain. The jurisdictional withdrawal thus might work to freeze the very doctrines that had prompted its enactment, placing an intolerable moral burden on the lower courts.[191]
>
> All of this is likely to convince Congress that "the federal system needs federal courts and the judicial institution needs an organ of supreme authority."[192]

These practical difficulties, however, are not great enough either to reassure those fearful of Congress' power under the exceptions clause or to discourage those who would have Congress exercise this power. Sager regards contractions of Supreme Court jurisdiction as "lewd winks" cast by the Congress in the state courts' direction, and he worries that state courts will be seduced to "dishonor federal precedent and refuse to recognize disfavored rights."[193] Professor Rice inquires: "What will be the practical effect of withdrawing jurisdiction from the Supreme Court and the lower federal courts?"[194] His answer, which employs the school prayer issue as an example, is hardly comforting to Sager:

> Unlike a constitutional amendment, such a withdrawal would not reverse the Supreme Court's rulings on school prayer. Presumably, at least some state courts would strictly follow those decisions as the last authoritative Supreme Court pronouncement on the subject. But a new law would ensure that the Court received no opportunity to further extend its errors.
>
> It may be expected, however, that some state courts would openly disregard the Supreme Court precedents and decide in favor of school prayer once the prospect of reversal by the Supreme Court had been removed. But that result would not be such a terrible thing. . . . [because state courts merely would be reversing] . . . Supreme Court decisions which . . . would appear so erroneous as to be virtually usurpations.
>
> [B]ecause a statute rather than a constitutional amendment is involved, the Court's jurisdiction could readily be restored should the need for it become apparent.[195]

Although the practical difficulties attending jurisdictional contractions may or may not prove reassuring, those fearful of Congress' power to make exceptions should take considerable comfort in the fact that the Constitution is so designed and constructed as to render remote the prospect that Congress will exercise this expressly granted power either frequently or fully. Congress has only once succeeded in passing legislation excising a portion of the Court's appellate jurisdiction,[196] and this occurred in the post-Civil War period against a Court whose last exercise of judicial review was in the notorious *Dred Scott v. Sandford*[197] decision and whose membership included several justices who were on public record as believing that the Reconstruction program was unconstitutional.[198] Moreover, this excision was carried out neither with a meat-ax nor even with Brant's dagger,"[199] but with a scalpel; Congress eliminated only one procedure for Supreme Court review of the question at issue, but left an alternate review procedure untouched. Congress historically has acted quite responsibly toward the Court. It has abused neither its ability to make exceptions nor its other powers to curb the Court.[200] Such historical respect for the functions of the Court is hardly accidental.

V. CONCLUSION

The framers of the Constitution recognized that a dependence on the people and on their representative institutions were essential in a democratic republic. They nevertheless were aware of the need for precautions to insure that the people not only ruled, but that they ruled well.[201] One of the precautions upon which they relied was an independent judiciary exercising the traditional form of judicial review as articulated in *The Federalist, No. 78*[202] and as instituted in *Marbury v. Madison*,[203] thereby keeping the representative branches "within the limits assigned to their authority."[204]

The framers were well aware, however, that this precaution posed a potential threat to the political rights of the Constitution. In this regard, the Court was the least dangerous of the three branches, but it too could annoy and injure the rights and liberties of the people.[205] The Court also had to be restrained, even as it was used to restrain others. One means by which the framers sought to restrain the Court was by granting to Congress the power to make exceptions to the Court's appellate jurisdiction. The framers did not fear that Congress would abuse this power, unrestrained as it was by judicial review, for they had set in place against the tyrannical tendencies of the Congress a variety of auxiliary precautions, including separation of powers, checks and balances, bicameralism, staggered elections, federalism, and the moderating effect of a multiplicity of interests present in an extended republic.

For nearly two centuries, these precautions have worked exceedingly well. The Congress has acted responsibly, and the Court, ever mindful of the consequences that might be visited upon it if it were to attempt to substitute its pleasure for that of the legislative body,[206] generally has resisted the temptation to act as "a bevy of Platonic Guardians."[207] There is every reason to believe that these precautions will continue to work well, provided only that the letter of the Constitution—which is, after all, the very source of these precautions—remains central and governing in the minds of those who study and practice the law, and is not subordinated by them to the activist view which distills the very essence of the judicial role and constitutional legitimacy from the spirit of judicial review.

FOOTNOTES

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[1] Moynihan, *What Do You Do When the Supreme Court Is Wrong?* 57 Pub. Interest 3 (1979).

[2] *Id.* at 8.

[3] Proposals to employ art. III, § 2 of the United States Constitution to limit the appellate jurisdiction of the Supreme Court have been debated throughout our constitutional history. *See* R. Berger, Congress v. The Supreme Court 285-96 (1969); W. Murphy, Congress and the Court (1962); Nagel, *Court-Curbing Periods in American History*, 18 Vand. L. Rev. 925 (1965).

A subsidiary question concerns Congress' power to curb the jurisdiction of the lower federal courts, leaving issues to be decided solely in the state courts. It is generally conceded that Congress could substantially reduce the authority of these courts or even abolish them altogether. *See* Palmore v. United States, 411 U.S. 389, 400-02 (1973); Cary v. Curtis, 44 U.S. (3 How.) 236 (1845); Redish & Woods, *Congressional Power to Control the Jurisdiction of Lower Federal Courts: A Critical View and New Synthesis*, 124 U. Pa. L. Rev. 45 (1975); Rotunda, *Congressional Power to Restrict the Jurisdiction of the Lower Federal Courts and the Problem of School Busing*, 64 Geo. L.J. 839 (1976); Sager, *Foreword: Constitutional Limitations on Congress' Authority to Regulate the Jurisdiction of the Federal Courts*, 95 Harv. L. Rev. 17 (1981). This Article addresses Congress' power to limit the jurisdiction of the lower federal courts only in relation to the central question under consideration. *See infra* note 173.

[4] *See* S. 26, 98th Cong., 1st Sess. (1983), which would deprive lower federal courts of jurisdiction in cases involving state or local abortion law. *See also*

H.R. 618, 98th Cong., 1st Sess. (1983). Similarly, the following bills would deprive the federal courts, including the Supreme Court, of jurisdiction in cases involving voluntary prayer in public schools. S. 88, 98th Cong., 1st Sess. (1983); H.R. 525, 98th Cong., 1st Sess. (1983); H.R. 253, 98th Cong., 1st Sess. (1983). A final group of bills would, in varying degrees, limit the jurisdiction of all federal courts to order school desegregation through mandatory busing. H.R. 798, 98th Cong., 1st. Sess. (1983); H.R. 158, 98th Cong., 1st Sess. (1983)

[5] *Limiting Federal Court Jurisdiction*, 65 Judicature 177 (1981).

[6] *Congressional Limits on Federal Court Jurisdiction*, 27 Vill. L. Rev. 893 (1982).

[7] 6 Harv. J. L. & Pub. Pol'y (Special Issue 1983).

[8] On October 1 and 2, 1981, the American Enterprise Institute held a seminar in Washington, D.C., the topic of which was "Judicial Power in the United States: What Are the Appropriate Constraints?"

[9] The title of the Foundation's seminar, held in Washington, D.C. on June 14, 1982, was "A Conference on Judicial Reform."

[10] *Constitutional Restraints Upon the Judiciary: Hearings before the Subcomm. on the Constitution of the Senate Judiciary Comm. to Define the Scope of the Senate's Authority Under Article III of the Constitution to Regulate the Jurisdiction of the Federal Courts*, 97th Cong., 1st Sess. (1981) [hereinafter cited as *Hearings*].

[11] Sager, *supra* note 3.

[12] This Article does not consider whether these specific measures are properly drafted and technically correct. It considers only whether Congress has the power constitutionally to pass such measures. *See infra* note 19.

[13] U.S. Const. art. III, § 2, cl. 2.

[14] *See* E. Corwin & J. Peltason, Understanding the Constitution 109 (8th ed. 1979); E. Corwin, The Constitution and What It Means Today 179 (1974); Berger, *Congressional Contraction of Federal Jurisdiction*, 1980 Wis. L. Rev. 801; Roberts, *Now Is the Time: Fortifying the Supreme Court's Independence*, 35 A.B.A.J. 1 (1949); Wechsler, *The Courts and the Constitution*, 65 Colum. L. Rev. 1001 (1965). *See also* 39 Cong. Q. Weekly Rep. 947-51 (May 30, 1981) (statements of Professors Martin H. Redish, Paul Bator, and John T. Noonan).

[15] 73 U.S. (6 Wall.) 385 (1868).

[16] *Id.* at 396. *See also* J. Ely, Democracy and Distrust: A Theory of Judicial Review 16 (1980) ("The most important datum bearing on what was intended is the constitutional language itself.").

[17] 74 U.S. (7 Wall.) 506 (1868).

[18] 74 U.S. (7 Wall.) at 514.

[19] E. Corwin & J. Peltason, *supra* note 14, at 179. This Article does not address the "wisdom" of the bills discussed *supra* note 4, nor does it explore the policy questions they raise. Rather, it is limited exclusively to a consideration of Congress' constitutional power to enact such measures.

[20] *See, e.g.*, S. Rep. No. 1097, 90th Cong., 2d Sess. 155-57 (1968); J. Choper, Judicial Review and the National Political Process: A Functional Reconsideration of the Role of the Supreme Court 53-54 (1980); C. Pritchett, Congress versus the Supreme Court (1961); O. Stephens & G. Rathjen, The Supreme Court and the Allocation of Constitutional Power 40 (1980); Brant, *Appellate Jurisdiction: Congressional Abuse of the Exceptions Clause*, 53 Ore. L. Rev. 3 (1973); Hart, *The Power of Congress to Limit the Jurisdiction of Federal Courts: An Exercise in Dialectic*, 66 Harv. L. Rev. 1362 (1953); Merry, *Scope of the Supreme Court's Appellate Jurisdiction: Historical Basis*, 47 Minn. L. Rev. 53 (1962); Ratner, *Congressional Power Over the Appellate Jurisdiction of the Supreme Court*, 109 U. Pa. L. Rev. 157 (1960); Sager, *supra* note 3. Even John Hart Ely, who writes that the constitutional language itself is "the most important datum" bearing upon what the Constitution means, nonetheless concludes that "Congress' theoretical power to withdraw the Court's jurisdiction over certain classes of cases is . . . fraught with constitutional doubt." Ely, *supra* note 16, at 46.

[21] *See, e.g.*, C. Pritchett, *supra* note 20, at 122; Brant, *supra* note 20, at 21. Even among those who deny that Congress has the power to curtail the Court's appellate jurisdiction, opinion is divided over whether "any legislation of this sort [is] unconstitutional as a violation of the separation of powers and as an attack on the status and independence of the nation's highest judicial tribunal," C. Pritchett, The Federal System in Constitutional Law 15 (1978), or whether legislation is unconstitutional only if it deprives the Supreme Court of its essential role of interpreting the Constitution and resolving conflicts between federal laws and between state and federal laws. *See* Hart, *supra* note 20, at 1365; Ratner, *supra* note 20, at 160-61.

[22] Brant, *supra* note 20, at 5, *See also* Ratner, *supra* note 20, at 158.

[23] C. Pritchett, *supra* note 20, at 122.

[24] Slonim, *Law Scope: Say Dormant Prayer Bill Has Broad Implications*, 66 A.B.A.J. 437 (1980) (quoting Lawrence Tribe).

[25] Brant, *supra* note 20, at 28.

[26] Raoul Berger acknowledges this bind: "The distressing fact is that Congress' power to make 'exceptions' to the Supreme Court's appellate jurisdiction is expressly conferred whereas judicial review . . . is derived from questionable implications and debatable history." R. Berger, *supra* note 3, at 4.

[27] 443 U.S. 193 (1979).

[28] *Id.* at 201.

[29] Jesse Choper adopts this position: "The theoretical underpinnings for a wide legislative power to curtail the appellate jurisdiction . . . are hardly as firm as the literal phrasing of Article III and the quite sweeping judicial language would suggest." J. Choper, *supra* note 20, at 53.

[30] 443 U.S. at 222 (Rehnquist, J., dissenting).

[31] *Id.* at 216 (Blackmun, J., concurring).

[32] Van Alstyne, *A Critical Guide to* Ex Parte McCardle, 15 Ariz. L. Rev. 229, 260 (1973). *See also* Roberts, *supra* note 14. "What is there to prevent Congress taking away, bit by bit, all the appellate jurisdiction of the Supreme Court of the United States . . .? I see nothing. I do not see any reason why Congress cannot, if it elects to do so, take away entirely the appellate jurisdiction of the Supreme Court. . . ." *Id.* at 4. For this reason, former Justice Roberts favored a constitutional amendment that would have stripped the Congress of its art. III powers, *Id. See also Hearings*, *supra* note 10 (testimony of Thomas R. Ascik, Paul M. Bator, Jules Gerard, Martin H. Redish, and Charles E. Rice); A. Kelly & W. Harbison, The American Constitution: Its Origins and Development 483 (4th ed. 1970); A Mason & W. Beaney, American Constitutional Law 3, 24 (6th ed. 1978); Burton, *Two Significant Decisions:* Ex Parte Milligan *and* Ex Parte McCardle, 41 A.B.A.J. 124, 176 (1955).

[33] Comm. on the Judiciary, Minority Report on the Omnibus Criminal Control and Safe Streets Act of 1967, S. Rep. No. 1097, 90th Cong., 2d Sess. 156 (1968) [hereinafter cited as Minority Report]. *See also Hearings*, *supra* note 10 (testimony of George J. Alexander, Edward I. Cutler, Lloyd M. Cutler, Leonard G. Ratner, and Telford Taylor).

[34] For an exception to this generalization, see Van Alstyne, *supra* note 32.

[35] The Federalist, No. 80, at 541 (A. Hamilton) (J. Cooke ed. 1961).

[36] See 2 M. Farrand, The Records of the Federal Convention 22, 46 (rev. ed. 1937).

[37] *Id.* at 106.

[38] *Id.* at 132-33.

[39] *Id.* at 173.

[40] *Id.* at 428.

[41] *Id.* at 431.

[42] *Id.*

[43] *Id.*

[44] *But see* Brant, *supra* note 20, at 7. Brant correctly points out that subsequent to Dickinson's motion, an unidentified delegate move to insert the following substitute for the clause on appellate jurisdiction: "In all the other cases before mentioned the Judicial power shall be exercised in such a manner as the Legislative shall direct." 2 M. Farrand, *supra* note 36, at 431. This motion was defeated, six states to two. Brant argues that this proposed clause "would have given Congress the extensive power it claims it possesses under the authority to make exceptions from the Court's appellate jurisdiction. It is hardly conceivable that such a motion would have been offered if the delegates believed that they had just voted to confer substantially the same power under a different wording." Brant, *supra* note 20, at 7. *See also Merry*, *supra* note 20, at 59; Sager, *supra* note 20, at 49-50, n.95. Brant argues that Congress is authorized under art. III, § 2 to make exceptions only to the Court's review of matters of fact. *See generally infra* notes 80-91 and accompanying text. Brant's argument fails, however, because he is mistaken in his assertion that the power to determine how the judicial power shall be exercised is substantially the same as the power to make exceptions to the Court's appellate jurisdiction. The former power, in fact, is much greater, and the delegates understood this. Brant does not appreciate that it is one thing for Congress to have power to determine what cases the Supreme Court shall hear in its appellate jurisdiction, but quite another for Congress to have power to determine what the outcome of those cases shall be.

[45] 3 Debates on the Federal Constitution 560 (J. Elliot 2d ed. 1888).

[46] Graves v. O'Keefe, 306, U.S.C. 466, 491-92 (1939) (Frankfurter, J., concurring). *See also infra* notes 178-86 and accompanying text.

[47] "The government body most ready to assert the power of Congress to deprive the Court of its appellate jurisdiction has been the Court itself." Comment, *Removal of Supreme Court Appellate Jurisdiction: A Weapon Obscenity?* 1969 Duke L.J. 291, 297 n.37. In fact, no justice has ever denied Congress' broad powers under art. III. Although Justice Douglas did declare in his dissent in Glidden Co. v. Zdanok, 370 U.S. 530, 605 n.11 (1962), that "[t]here is a serious question whether the McCardle case could command a majority today," and although this passage frequently is cited in writings that suggest that the contemporary Supreme Court would not accept congressional restrictions of its appellate jurisdiction equivalent to those upheld in McCardle, the context of Justice Douglas' dictum suggests something quite different; namely, if Congress were to attempt to deprive the Supreme Court of jurisdiction over a case that is already under judicial consideration, then it is questionable whether McCardle would be followed today. Douglas subsequently expressed his understanding of the broader question of Congress' power over the appellate jurisdiction of the Supreme Court in his concurrence in Flast v. Cohen, 392 U.S. 83 (1968): "As respects our appellate jurisdiction, Congress may largely fashion it as Congress desires by reason of the express provisions of § 2, art. III. See *Ex Parte* McCardle . . ." *Id.* at 109.

[48] *Ex parte* McCardle, 74 U.S. (7 Wall.) 506 (1868). For a discussion of *McCardle*, see supra notes 17-18 and accompanying text.

[49] 3 U.S. (3 Dall.) 321 (1796).

[50] *Id.* at 327.

[51] *Id.*

[52] To the extent that differences of opinion arose among them, such differences were only over the question of whether the Court's appellate jurisdiction was originally granted by the Constitution or by the Congress. Three different answers were given. The first maintained that any withdrawal of the Court's appellate jurisdiction requires Congress to make a positive exception. All constitutionally granted jurisdiction not positively except by Congress is retained by the Court. This was the view of Justice James Wilson in his opinion in Wiscart v. Dauchy, 3 U.S. (3 Dall.) at 326. The second approach was that the Court possesses no appellate jurisdiction unless positively granted by Congress. The Court's appellate jurisdiction is viewed as congressionally granted rather than as constitutionally authorized. This was the view of Chief Justice Ellsworth in *Wiscart*, *see supra* text accompanying note 50, and of Chief Justice Taney in Barry v. Mercein, 46 U.S. (5 How.) 103, 119-20 (1847), *see infra* text accompanying note 57. The third approach combined features of the first two. Like the first, it based the Court's appellate jurisdiction on the Constitution. However, once Congress had acted to grant the Court appellate jurisdiction, this approach followed the second approach and implicitly denied all jurisdiction not positively granted. This was the view of Chief Justice Marshall in Durousseau v. United States, 10 U.S. (6 Cranch) 307, 313-14 (1810). *See infra* text accompanying note 56. *See also* Comment, *supra* note 47, at 297-300.

[53] 7 U.S. (3 Cranch) 159 (1805).

[54] *Id.* at 173.

[55] 10 U.S. (6 Cranch) 307 (1810).

[56] *Id.* at 313-14. *See also* 3 J. Story, Commentaries on the Constitution of the United States 453 (1833) ("It is apparent, then, that the exception was intended as a limitation upon the preceding words, to enable Congress to regulate and restrain the appellate power, as the public interests might, from time to time, require.").

[57] Barry v. Mercein, 46 U.S. (5 How.) 103, 119-20 (1847).

[58] *See supra* text accompanying note 18. Chief Justice Chase's opinion in *McCardle* echoed, for the most part, Justice Swayne's opinion for an equally unanimous Court in Daniels v. Rock Island R.R., 70 U.S. (3 Wall.) 250 (1854):

> The original jurisdiction of this court, and its power to receive appellate jurisdiction, are created and defined by the Constitution; and the legislative department of the government can enlarge neither one nor the other. But it is for Congress to determine how far, within the limits of the capacity of this court to take, appellate jurisdiction shall be given, and when conferred, it can be exercised only to the extent and in the manner prescribed by law. In these respects, it is wholly the creature of legislation. *Id.* at 254.

[59] *Ex Parte* McCardle, 74 U.S. (7 Wall.) 506, 515 (1868).

[60] 105 U.S. 381 (1881).

[61] *Id.* at 386.

[62] *Id.* at 385.

[63] 321 U.S. 414 (1944).

[64] *Id.* at 472-73.

[65] 337 U.S. 582 (1949).

[66] *Id.* at 655 (Frankfurter, J., dissenting). *See also* Glidden Co. v. Zdanok, 370 U.S. 530, 567 (1962); Burton, *supra* note 32, at 176; Roberts, *supra* note 14, at 4.

[67] Wechalor, *supra* note 14, at 1005-06. Under this plan, "Congress has the power by enactment of a statute to strike at what it deems judicial excess." *Id.*

[68] Not everyone who would limit Congress' power under art. III, § 2 relies on all seven of these arguments. Some of these arguments contradict each other.

[69] 74 U.S. (7 Wall.) 506 (1968).

[70] Intelligent exceptions to this generalization are Rice, *Limiting Federal Court Jurisdiction: The Constitutional Basis for the Proposals in Congress Today*, 65 Judicature 190 (1981); Van Alstyne, *supra* note 32.

[71] *See, e.g.*, Marbury v. Madison, 5 U.S. (1 Cranch) 137 (1803). On the difference between the traditional and modern forms of judicial review, see Wolfe, *A Theory of U.S. Constitutional History*, 43 J. Pol. 292 (1981).

[72] Ratner, *supra* note 20, at 168-71.

[73] Brant, *supra* note 20.

[74] Merry, *supra* note 20.

[75] R. Berger, *supra* note 3. Berger, however, subsequently qualified his position. *See* Berger, *supra* note 14.

[76] Ratner, *supra* note 20, at 168.

[77] *Id.* at 170.

[78] Sager agrees with Ratner's interpretation:

> An "exception" implies a minor deviation from a surviving norm; it is a nibble, not a bite. And there is reason to think that this sense of the term was, if anything, clearer at the time the Constitution was drafted than now. The language of Article III from which Congress draws its authority to limit the jurisdiction of the Supreme Court, thus contains only a bounded power to make exceptions. Sager, *supra* note 3, at 44.

[79] Hart, *supra* note 20, at 1364. Ratner recognizes this and concedes ultimately that "general usage . . . cannot provide a definitive interpretation," whereupon he launches into an "essential role of the Court" argument of the kind discussed *infra* notes 123-32 and accompanying text. Ratner, *supra* note 20, at 171. Sager likewise acknowledges the difficulty of textual interpretation: "To be sure, there is nothing self-evident about the precise limits of Congress' authority in such an amorphous grant, but this lack of an obvious answer invites an application of the tools of constitutional interpretation." Sager, *supra* note 3, at 44. If Sager's methodology for constitutional interpretation included some appreciation of the work of the constitutional framers and their understanding of separation of powers and federalism, his invitation to join him in applying this methodology would be more warmly received. *See infra* notes 138-61 and accompanying text.

[80] Brant, *supra* note 20, at 11.

[81] *Id.* at 5.

[82] R. Berger, *supra* note 3, at 307. *See also* Berger, *supra* note 14: "[T]he founders merely intended by that clause to prevent the Court from revising the findings of a jury." *Id.* at 806.

[83] As Chief Justice Marshall wrote in Barron v. Baltimore, 32 U.S. (7 Pet.) 243 (1833), "[the framers] would have declared this purpose in plain and intelligible language." *Id.* at 249. For example, they could have declared: "In all the other Cases before mentioned, the supreme court shall have appellate Jurisdiction, both as to Law and Fact, but with appellate Jurisdiction as to Fact subject to such Exceptions and under such Regulations as the Congress shall make."

[84] *See supra* notes 40-43 and accompanying text. Brant likewise fails to appreciate that all the controversy present in the state ratifying conventions concerning whether the Supreme Court ought even to have power to review questions of fact in its appellate jurisdiction, a controversy that Brant cites as evidence supporting his general argument, is simply not germane to the question of whether Congress has power to contract the appellate jurisdiction of the Supreme Court with respect to substantive questions of law. For similar citation of and reliance on wholly irrelevant evidence, see Merry, *supra* note 20, at 59-62.

[85] 3 J. Elliott *supra* note 45, at 572. Randolph was echoing John Marshall's comments from the previous day: "What is the meaning of the term exceptions? Does it not mean an alteration and diminution? Congress is empowered to make exceptions to the appellate jurisdiction, as to law and fact, of the Supreme Court." *Id.* at 560.

[86] The Federalist, No. 81, at 552 (A. Hamilton) (J. Cooke ed. 1961).

[87] *Id.* at 549-50.

[88] *Id.* at 550.

[89] *Id.* at 552. Hamilton also observed that separating law and fact in certain issues was impossible. *Id.* at 551.

[90] The Federalist, No. 80, at 541 (A. Hamilton) (J. Cooke ed. 1961). Although Brant quotes from The Federalist No. 80, he engages in a form of academic gerrymandering and conveniently overlooks this passage. *See* Brant, *supra* note 20, at 9. Brant focuses his attention instead on a passage from The Federalist No. 81:

> To avoid all inconveniences, it will be safest to declare generally that the Supreme Court shall possess appellate jurisdiction both as to law and fact, and that this jurisdiction shall be subject to such exceptions and regulations as the national legislature shall prescribe. This will enable the government to modify it in such a manner as will best answer the ends of public justice and security. *Id.*, No. 81, at 552. *See also* Merry, *supra* note 20, at 309 (also ignoring The Federalist No. 80). This passage, of course, is irrelevant to the issue of whether Congress' power under the exceptions clause is limited simply to curtailing the appellate jurisdiction of the Supreme Court in cases raising questions of fact. To prove that Congress' power extends to regulating the treatment of facts does not prove that its power is limited to such regulation. *See supra* note 84.

Despite all of this evidence, Sager maintains the following position:

> [I]f the Framers of Article III had had the bad sense to believe the control of jurisdiction was a workable way to give Congress a substantive check on the federal judiciary, we might well have to live with that fact and with its implications for the constitutional shortcuts that Congress would be entitled to take. But there is no evidence that they held this belief. . . . Sager, *supra* note 3, at 42.

[91] *See supra* notes 49-67 and accompanying text.

[92] 74 U.S. (7 Wall.) 506 (1868).

[93] *See* R. Berger, *supra* note 3, at 2-3; Hart, *supra* note 20, at 1365; Ratner, *supra* note 20, at 178-81. *See also* Rotunda, *supra* note 3, at 849-51.

[94] Act of Mar. 27, 1868, ch. 34, 15 Stat. 44. The Judiciary Act of 1789 provided all federal judges with the power to issue writs of habeas corpus. Judiciary Act of 1789, ch. 20, § 14, 1 Stat. 73, 81.

[95] 74 U.S. (7 Wall.) at 515.

[96] 75 U.S. (8 Wall.) 85 (1869).

[97] *Id.* at 96-98.

[98] Ratner, *supra* note 20, at 180.

[99] 80 U.S. (13 Wall.) 128 (1871).

[100] *Id.* at 131. The statute at issue was the Act of Mar. 12, 1863, ch. 120, 12 Stat. 820.

[101] United States v. Padelford, 76 U.S. (9 Wall,) 531 (1869).

[102] Act of July 12, 1870, ch. 251, 16 Stat. 230, 235.

[103] *Id.*

[104] 80 U.S. (13 Wall.) at 144.

[105] *Id.* at 146. The Court continued:

> Congress has already provided that the Supreme Court shall have jurisdiction of the judgments of the Court of Claims on appeal. Can it prescribe a rule in conformity with which the Court must deny to itself the jurisdiction thus conferred, because and only because its decision, in accordance with settled law, must be adverse to the government and favorable to the suitor? This question seems to us to answer itself. *Id.* at 147.

[106] *Id.* at 147-48.

> To the executive alone is entrusted the power of pardon; and it is granted without limit. Pardon includes amnesty. It blots out the offense pardoned and removes all its penal consequences. It may be granted on conditions. In these particular pardons, that no doubt might exist as to their character, restoration of property was expressly pledged, and the pardon was granted on condition that the person who availed himself of it should take and keep a prescribed oath.
>
> Now it is clear that the legislature cannot change the effect of such a pardon any more than the executive can change a law. Yet this is attempted by the provision under consideration. The court is required to receive special pardons as evidence of guilt and to treat them as null and void. It is required to disregard pardons granted by proclamation on condition, though the condition has been fulfilled, and to deny them their legal effect. This certainly impairs the executive authority, and directs the court to be instrumental to that end. *Id.*

[107] *See* 74 U.S. (7 Wall.) at 515.

[108] 19 U.S. (6 Wheat.) 264 (1821).

[109] *Id.* at 404.

[110] 80 U.S. (13 Wall.) at 147. *See also* Vaughn, *Congressional Power to Eliminate Busing in School Desegregation Cases*, 31 Ark. L. Rev. 231, 244 (1977).

[111] 80 U.S. (13 Wall.) at 147.

[112] This Article in no way condones Congress' use of power to determine the outcome of any particular judicial proceeding. As James Madison recognized, such a power would clearly make the legislators "advocates and parties to the causes which they determine." The Federalist, No. 10, at 59 (J. Madison) (J. Cooke ed. 1961).

[113] 80 U.S. (13 Wall.) at 145. *See also* Rice, *supra* note, 70, at 193-94.

[114] Rehnquist, *The Notion of a Living Constitution*, 54 Texas L. Rev. 693, 695 (1976).

[115] C. Pritchett, *supra* note 20, at 122. *See also* C. Pritchett, The American Constitution 35-36 (3d ed. 1977); Eisenberg, *Congressional Authority to Restrict Lower Federal Court Jurisdiction*, 83 Yale L.J. 498, 501-13 (1974).

[116] C. Pritchett, *supra* note 20, at 122.

[117] *Id.*

[118] *Id.*

[119] Eisenberg, *supra* note 115, at 504.

[120] *See* Redish & Woods, *supra* note 3:

> The seventh amendment, for example, provides that in all cases where the "value in controversy" exceeds twenty dollars, the right to a jury trial at common law must be preserved. It might be argued that use of a twenty dollar floor does not today accomplish the framers' goal of precluding a jury trial in minor civil cases, for twenty dollars at the time of the drafting of the seventh amendment meant something quite different from twenty dollars today. But despite such an argument, we could not read an inflationary spiral into the terms of the seventh amendment. The seventh amendment is strict and unbending in its dictates on this matter. If we are to alter it, even in order to accomplish the framers' goal, we must do so through the amendment process. Similarly, the language and history of article III are so clear that any alteration, even to accomplish the framers' purposes, must come by amendment and not by interpretation in light of "changing circumstances." *Id.* at 74.

[121] *See* N. Peirce, The People's President 161 (1968).

[122] Wolfe, *supra* note 71, at 301.

[123] *See, e.g.*, Minority Report, *supra* note 33, at 156; Brant, *supra* note 19, at 24; Brest, *The Conscientious Legislator's Guide to Constitutional Interpretation*, 27 Stan. L. Rev. 585, 594 (1975); Hart, *supra* note 19, at 1365; Ratner, *supra* note 19, at 160-61; Rotunda, *supra* note 3, at 845; Sager, *supra* note 3, at 42-68; White, *Reflections on the Role of the Supreme Court: The Contemporary Debate and the "Lessons" of History*, 63 Judicature 162, 170 (1979).

[124] Ratner, *supra* note 19, at 172. Interestingly, those who make this argument point out that none of the cases cited in support of Congress' powers under the exceptions clause, including *McCardle*, involves what they would consider an "essential function" of the Supreme Court. *Id.* at 173-81. This fact, however, may attest more to the sense of sound congressional opinion against the wisdom of making such exceptions than to any notion that Congress lacks the power to do so. *See* Van Alstyne, *supra* note 31, at 257.

[125] Rice, *supra* note 70, at 195. For a further discussion of the exceptions clause and its relation to separation of powers and checks and balances, see *infra* notes 140-54 and accompanying text.

[126] Van Alstyne, *supra* note 32, at 257.

[127] Hart *supra* note 20, at 1365. *See also* Brant, *Supra* note 20, in which Brant argues that the Court's critical function is to prevent "the destruction or infringement of any of the mandatory requirements of the Constitution." *Id.* at 24.

Hart and Brant appear to believe that only the Supreme Court, through its employment of judicial review, is able to provide protection against the Constitution's destruction. This view ignores the operation of such constitutional mechanisms as separation of powers, bicameralism, staggered elections, federalism, and the multiplicity of interests present in an extended republic. *See* R. Rossum & G. McDowell, The American Founding: Politics, Statesmanship, and the Constitution 6–11 (1981). *See also infra* notes 140–61 and accompanying test. Moreover, even if these other constitutional features were absent, Hart's and Brant's reliance on the judiciary still would be misplaced. As Learned Hand observed:

> [T]his much I think I do know—that a society so riven that the spirit of moderation is gone, no court can save; that a society where that spirit flourishes, no court need save; that in a society which evades its responsibility by thrusting upon the courts the nurture of that spirit, that spirit in the end will perish. L. Hand, The Spirit of Liberty 125 (1959).

[128] Ratner, *supra* note 20, at 201. *See also* Sager, *supra* note 3, at 43, 45.

[129] Cox, *The Role of Congress in Constitutional Determinations*, 10 U. Cin. L. Rev. 199, 253 (1971). *See also* White, *supra* note 118. White insists that the Court's chief role is serving "as the principal elite institution protecting the people's rights." *Id.* at 170. White goes so far as to argue that the Court should "acknowledge that the source of newly invented rights is not the Constitution but the enhanced seriousness of certain values in our society." *Id.* at 168.

[130] Brest, *supra* note 123, at 594. *See also* J. Choper, *supra* note 19; Brest, *The Misconceived Quest for the Original Understanding*, 60 B.U.L. Rev. 204, 226 (1980); Ely, *supra* note 16, at 87.

[131] *See* Brant, *supra* note 20, at 27–28.

[132] *See* Van Alstyne, *surpa* note 32:

> It does appear to be more than a passing strange argument to suggest that because the full evolution of substantive constitutional review may itself have been exogenous to the Constitution, the power of Congress to make exceptions of any appellate jurisdiction described in article III therefore does not extend to such review; as though the power to make exceptions applies to any appellate jurisdiction granted by article III, but not to that judicial power which the Supreme Court simply evolved in the fullness of time. *Id.* at 262–63.

[133] Their expansive view of the Court's essential role also is threatened by, and in turn threatens, other express constitutional provisions, including the prescribed means for amending the Constitution found in art. V, the delegations of power to Congress found art. I, § 8, and the enforcement sections of the post-Civil War amendments.

[134] Wechsler, *supra* note 14, at 1006. "It is not that the judges are appointed arbiters and to determine as it was upon application, whether the Assembly have or have not violated the Constitution; but when an action is necessarily brought in judgment before them, they must, unavoidably, determine one way or another." Letter from James Iredell to Richard Spaight (Aug. 26, 1787), *quoted in* R. Berger, *supra* note 3, at 82–83. *See also* Rice, *supra* note 70: "Whatever the cogency of [the] 'essential role' test would be to a wholesale withdrawal of jurisdiction, if it were ever attempted by Congress, [this] test cannot properly be applied to narrowly drawn withdrawals of jurisdiction over particular types of cases." *Id.* at 195.

[135] The Federalist, No. 78, (A. Hamilton) (J. Cooke ed. 1961).

[136] 5 U.S. (1 Cranch) 137 (1803).

[137] *See* Chief Justice Chase's comment in *Ex Parte* McCardle, 74 U.S. (7 Wall.) 515 (1868), *supra* text accompanying note 59. *See also* Muskrat v. United States, 219 U.S. 346 (1911):

> The exercise of [judicial review], the most important and delicate duty of this court, is not given to it as a body with revisory power over the action of Congress, but because the rights of litigants in justiciable controversies require the court to choose between the fundamental law and a law purporting to be enacted within constitutional authority, but in fact beyond the power of the legislative branch of the government. *Id.* at 361.

[138] Sager describes the separation of powers/federalism argument as a "particular version of the essential function claim." According to this version, the Constitution "contemplates federal judicial supervision of state conduct to ensure state compliance with federal constitutional norms." Sager, *supra* note 3, at 43, 45.

[139] Ratner, *supra* note 20, at 157–58. *See also Hearings*, *supra* note 10, at 14 (statement of Leonard G. Ratner).

[140] *See, e.g.*, *Hearings*, *supra* note 10, at 226–34 (testimony of Edward I. Cutler); C. Pritchett, *supra* note 20, at 15; Brant, *supra* note 20, at 28–29; Ratner, *supra* note 20, at 158.

[141] The Federalist, No. 48, at 332 (J. Madison) (J. Cooke ed. 1961).

[142] *Id.*

[143] The Federalist, No. 51, at 347–48 (J. Madison) (J. Cooke ed. 1961).

[144] As James Wilson declared in the Federal Convention: "The separation of the departments does not require that they should have separate objects but that they should act separately though on the same objects." 2 M. Farrand, *supra* note 36, at 78. *See also* R. Rossum & G. McDowell, *supra* note 127, at 6–11; R. Scigliano, The Supreme Court and the Presidency 2–7 (1971).

[145] R. Neustadt, Presidential Power 33 (1960).

[146] The Works of James Wilson 300 (R. McCloskey ed. 1967).

[147] *Id.*

[148] The Federalist, No. 48, at 332 (J. Madison) (J. Cooke ed. 1961).

[149] *Id.* at 333.

[150] The Federalist, No. 49, at 339 (J. Madison) (J. Cooke ed. 1961).

[151] The Federalist, No. 78, at 522–23 (A. Hamilton) (J. Cooke ed. 1961).

[152] *Id.* at 529. *See also* The Federalist, No. 48, at 334 (J. Madison) (J. Cooke ed. 1961).

[153] The Federalist, No. 81, at 545–46 (A. Hamilton) (J. Cooke ed. 1961).

[154] The Federalist, No. 80, at 541 (A. Hamilton) (J. Cooke ed. 1961).

[155] Sager, *supra* note 3, at 43. *See also* Kay, *Limiting Federal Court Jurisdiction:* The Unforeseen Impact on Courts and Congress, 65 Judicature 188 (1981); Ratner, *supra* note 20, at 158–61.

[156] Sager, *supra* note 3, at 48.

[157] The principle of qualitative majority rule considers not only the degree of support that a policy receives, but also the quality of the policy itself. *See generally* R. Rossum & G. Tarr, American Constitution: Cases and Interpretation (1983).

[158] The Federalist, No. 10, at 65 (J. Madison) (J. Cooke ed. 1961).

[159] The rival defects of majority tyranny and democratic ineptitude posed seemingly unsurmountable obstacles for constitution-makers, for the more they attempted to overcome majority tyranny by withholding the power to tyrannise, the more they rendered the government inept and powerless, and vice versa.

[160] *See* Diamond, The Federalist *on Federalism*, 86 Yale L.J. 1273, 1278–85 (1977).

[161] *See* The Federalist, No 22 (A. Hamilton) (J. Cooke ed. 1961). In this essay, Hamilton discussed federalism as it was understood until the time of the Federal Convention and described it as characterized by three operative principles:

1. The authority of the central federal government was restricted to the individual stage governments and did not reach the individual citizens composing the states. Even this authority, however, was limited; the resolutions of the federal authority amounted to little more than mere recommendations, which the states opted to observe or disregard.

2. The central federal government had no authority over the internal problems of the individual states. Its rule was limited primarily to certain external tasks of mutual interest to the member states.

3. Each individual member had an exact quality of suffrage. This equal vote was derived from the equality of sovereignty possessed by each member state.

[162] *See generally* Sager, *supra* note 3, at 45–57.

[163] Congress did not authorise the Supreme Court to review cases that invalidated state conduct on federal grounds until 1914. *See* Act of Dec. 23, 1914, Ch. 2, Stat. 790.

[164] *See* Judiciary Act of 1789, ch. 20, § 22, 1 Stat. 84.

[165] Act of Mar. 3, 1891, ch. 517, § 5, 26 Stat. 826, 827–28.

[166] Act of Feb. 13, 1925, ch. 229, § 240(a), 43 Stat. [illegible].

[167] Act of Apr. 29, 1802, ch. 31, § 6, 2 Stat. 156, 159–61.

[168] Act of Mar. 3, 1891, ch. 517, § 5, 26 Stat. 826, 827.

[169] *See* L. Tribe, American Constitutional Law 39 (1978); Hart, *supra* note 20, at 1373; Van Alstyne, *supra* note 70, at 263–64.

[170] Since National League of Cities v. Usery, 426 U.S. 833 (1976), it appears that Congress' power under the commerce clause is also subject to the dictates of the tenth amendment.

[171] 44 U.S. (3 How.) 236 (1845).

[172] *Id.* at 245. *See also* Lockerty v. Phillips, 319 U.S. 182 (1943); Sheldon v. Sill, 49 U.S. (8 How.) 441 (1850); Vaughn, *supra* note 110, at 237–41.

[173] *See* Berger, *supra* note 14, at 804; Wechsler, *supra* note 13, at 1005. *See also* Redish & Woods, *supra* note 3. Redish and Woods argue that Congress' power to deny original jurisdiction to the federal courts and to vest it instead in the state courts is limited by Tarble's Case, 80 U.S. (13 Wall.) 397 (1871), in which the Supreme Court overturned a habeas corpus order by a Wisconsin state court to a federal official ordering the release of an allegedly under-age soldier from the United States Army. The Court reasoned that a state court had no power to interfere with the operations of federal officials. Redish and Woods infer from *Tarble's Case* that state courts lack jurisdiction to entertain any case that seeks to direct the conduct of federal officials through the use not only of habeas corpus but also of mandamus and injunctive powers. They later admit, however, that "Congress can probably circumvent the difficulties created by *Tarble's Case* by explicitly authorizing state court jurisdiction over the acts of federal officials." Redish & Woods, *supra* note 3, at 106. Thus, if Congress wants to preclude all lower federal court jurisdiction, it can do so without raising questions of due process, provided only it clearly authorizes state court review of those cases. *See* Sager, *supra* note 3, at 80–84.

[174] *See* Wechsler, *supra* note 14, at 1005.

[175] Hart, *supra* note 20, at 1401. *See also* Kay, *supra* note 148, at 186; Taylor, *Limiting Federal Court Jurisdiction: The Unconstitutionality of Current Legislative Proposals*, 65 Judicature 199, 201 (1981).

[176] Van Alstyne, *supra* note 32, at 269.

[177] Sager, *supra* note 3, at 76–77. Sager also writes: "Harm to constitutionally protected interests occurs whenever controversial rights are singled out for exclusion from federal jurisdiction. Where the specific circumstances surrounding Congress' deliberations conspire to send an apparent message of Congressional disapproval of federal judicial doctrine, the harm is exaggerated." *Id.* at 75. *See also* Brest, *supra* note 123, at 589–94; Taylor, *supra* note 175, at 202–04.

[178] *See* Sager, *supra* note 3, at 41, 68–69, 72–73, 80, 87.

[179] *Id.* at 69.

[180] *Id.* at 41, 74, 89.

[181] *Id.* at 80. On other occasions, Sager describes the seduction as "bullying." *Id.* at 26, 64.

[182] 60 U.S. (19 How.) 393 (1857).

[183] 163 U.S. 537 (1896).

[184] 198 U.S. 45 (1905).

[185] Ironically, whereas Sager and his like-minded colleagues generally argue that the Constitution is what the Court says it is, they implicitly insist on one exception to this rule: the Constitution, or at least art. III, § 2, is not what the Court says it is, at least in *Ex Parte* McCardle, 74 U.S. (7 Wall.) 505 (1868).

[186] 7 J. Richardson, Messages and Papers of the Presidents 3206, 3210 (1897).

[187] Brant, *supra* note 20, at 28. *See also* Merry, *supra* note 20, at 69; Ratner, *supra* note 20, at 158.

[188] Brant, *supra* note 20, at 28. The sole "descent" of this congressional "dagger" was the Act of March 27, 1868, ch. 34, 15 Stat. 44, which excised a portion of the Court's appellate jurisdiction.

[189] The Federalist, No. 51, at 353 (J. Madison) (J. Cooke ed. 1961).

[190] Wechsler, *supra* note 14, at 1006. It must be remembered, however, that if lack of uniformity among fifty states or twelve circuits concerning constitutional interpretation were to become a problem, congressional withdrawal of jurisdiction could easily be repealed by statute.

[191] *Id.*

[192] *Id.* at 1007. *See also* J. Choper, *supra* note 20, at 54.

[193] Sager, *supra* note 3, at 41, 68.

[194] Rice, *supra* note 70, at 197.

[195] *Id.*

[196] Act of March 27, 1868, ch. 34, 15 Stat. 44.

[197] 60 U.S. (19 How.) 393 (1857).

[198] *See* Van Alstyne, *supra* note 32, at 233–44. *See also* 3 C. Warren, The Supreme Court in United States History 193 n.1 (1922).

[199] *See supra* text accompanying note 188.

[200] The exceptions clause is not the only means by which Congress can attempt to curb the Court. For example, Congress also has power to impeach the justices; to destroy the Court's effectiveness by substantially increasing or reducing the size of its membership; to limit tenure either through constitutional amendment or statutory inducements; to reduce or eliminate staff support for the Court; to refuse salary increases for the justices in inflationary times; to require extraordinary majorities to invalidate statutes; and to require that the justices file seriatim opinions in all cases. *See* W. Murphy, Congress and the Court 63 (1962). *See also* R. Steamer, The Supreme Court in Crisis: A History of Conflict (1971).

[201] The Federalist, No. 51, at 349 (J. Madison) (J. Cooke ed. 1961). These precautions would help to insure that the government would always reflect "the permanent and aggregate interests of the community." The Federalist, No. 10, at 57 (J. Madison) (J. Cooke ed. 1961).

[202] The Federalist, No. 78 (A. Hamilton) (J. Cooke ed. 1961).

[203] 5 U.S. (1 Cranch) 137 (1803). *See generally* Wolfe, *supra* note 122, at 293–99.

[204] The Federalist, No. 78, at 525 (A. Hamilton) (J. Cooke ed. 1961).

[205] *Id.* at 522.

[206] *Id.* at 526.

[207] L. Hand, The Bill of Rights 73 (1965).

Mr. HELMS. I thank the Senator for yielding to me.

Mr. SIMON. I thank the Senator from North Carolina.

I find the prayer referred to is not offensive. I think that 95 percent of our people would not find it offensive. But there are those who do. We are talking religion here. I do not know that much about the various divisions within the Baptist Church. I know there are enough divisions within the Lutheran Church.

One branch believes that any prayer that does not specifically mention Jesus Christ is not considered a valid prayer.

The Senator may say that is right or wrong, but the point is we cannot make that decision in Government. Let us let that branch of the Lutheran Church that believes that go ahead and believe it; let us let Baptists who believe in one thing believe it; let us let Jews who believe in one thing believe it. But let us not have Government sponsoring some things where we get enmeshed in things where I think we should not be.

Again, I have great respect for the Senator from North Carolina, but I think we are getting into quicksand here. I think we better not move in that direction.

Mr. President, I suggest the absence of a quorum.

Mr. GOLDWATER. Will the Senator withhold?

Mr. SIMON. I withhold.

Mr. GOLDWATER addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. Mr. President, I would like to discuss this matter very briefly with my good friend from North Carolina.

I first would ask him, did he really write this bill? Is this really his?

Mr. HELMS. Yes, sir.

Mr. GOLDWATER. Mr. President, I am a little surprised that the Senator from North Carolina decided to outlaw the Supreme Court from our life. I think this is unconstitutional, even though I am not a lawyer and do not pretend to be. I have as much interest in prayer as anyone in this place, although probably I do not use it as much as I should.

The Senator is beginning to get into areas now that are frankly none of our business. As the Senator was inferring, in my State, I have 19 Indian tribes. Every one of them practices a different religion. I have Indian tribes that believe in legend. I have Indian tribes that worship gods that live up in the forests. I have Indian tribes that believe in the stars.

I do not think it is right for this Congress to tell anybody how they should pray. I believe they should be allowed to pray in any way they doggone please.

I just wanted to say to my friend from North Carolina, I am really kind of surprised that he would write this bill. If I wrote it, I would have been ashamed of it.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I am a little surprised at my friend from Arizona, because he is describing article III of the Constitution.

All this bill does, I say to the Senator, if he reads it—and I am certainly not ashamed of it—all this bill does is to give Congress an opportunity to vote on the question of article III of the Constitution of the United States which bestows upon Congress the right and authority to limit the appellate jurisdiction of the Supreme Court in whatever manner the Congress feels the Supreme Court has exceeded its authority.

They call it "court stripping." My friend Sam Ervin did not agree with me on the issue of prayer. In one of the last conversations I had with him, he said, "Jesse, you are doing fine, but get off that prayer business." He agreed with the Senator from Arizona.

But he said, "Your approach is correct—the implementation of article III of the Constitution."

To say that it is unconstitutional to implement the Constitution puzzles me.

Mr. President, just so that it will be clear for the Record, I ask unanimous consent that part of article III of the U.S. Constitution be printed in the Record, to make certain what it provides.

There being no objection, the article was ordered to be printed in the Record, as follows:

ARTICLE III

Section 1. The judicial Power of the United States, shall be vested in one supreme Court, and in such inferior Courts as the Congress may from time to time ordain and establish. The Judges, both of the supreme and inferior Courts, shall hold their offices during good Behaviour, and shall, at stated Times, receive for their Services a Compensation which shall not be diminished during their Continuance in Office.

Section 2. The judicial Power shall extend to all Cases, in Law and Equity, arising under this Constitution, the Laws of the United States, and Treaties made, or which shall be made, under their Authority;—to all Cases affecting Ambassadors, other public Ministers and Consuls;—to all Cases of admiralty and maritime Jurisdiction;—to Controversies to which the United States shall be a Party;—to Controversies between two or more States;—between a State and Citizens of another State;—between Citizens of different States;—between Citizens of the same State claiming Lands under Grants of different States, and between a State, or the Citizens thereof, and foreign States, Citizens or Subjects.

In all Cases affecting Ambassadors, other public Ministers and Consuls, and those in which a State shall be Party, the supreme Court shall have original Jurisdiction. In all the other Cases before mentioned, the supreme Court shall have appellate Jurisdiction, both as to Law and Fact, with such Exceptions, and under such Regulations as the Congress shall make.

Mr. HELMS. Mr. President, let me say in conclusion that Senator Ervin did extensive research on the question of modifying, adjusting, and limiting Federal court jurisdiction. As I recall, he said the article III powers had been used by Congress on 57 occasions.

Furthermore, the Chief Justice of the United States, according to information available to me, has recommended a number of proposals that would limit the jurisdiction of the Supreme Court. I hope the Chief Justice of the United States cannot be accused of "court stripping" or of violating the U.S. Constitution.

I yield the floor and suggest the absence of a quorum.

Mr. BAUCUS. Will the Senate withhold?

Mr. HELMS. Yes.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I have listened with great interest to the discussions between the Senator from Arizona, the Senator from Illinois, and the Senator from North Carolina.

It strikes me that the discussion until now concerns the propriety of school prayer. That is a subject we can debate forever. It is a subject on which there will be no universal agreement. It is a subject which ultimately goes to the core of humanity. It is a discussion which is as important as any other we could endeavor to pursue.

Mr. President, that is not the question which is before us. The question which is before us is whether the U.S. Congress should pass legislation precluding the U.S. Supreme Court and lower Federal courts from hearing school prayer cases. We are not deciding under what circumstances school prayer is permissible or not permissible but, rather, when and under what circumstances, if ever, the Supreme Court or other Federal courts should be precluded from exercising their appellate jurisdiction or hearing cases, concerning school prayer.

The bill before us is a court-stripping bill. It strips the Federal judiciary including the Supreme Court, jurisdiction over school prayer cases. It is my firm conviction that if this bill were to become law, it would begin to eliminate the Constitution of the United States.

I listened to the arguments of the Senator from North Carolina [Mr. HELMS], suggesting that article III of the Constitution provides that the Congress may limit the jurisdiction of the Supreme Court.

The Senator is correct in that those are the words of article III, but we all know, we all learned in civics class, as we studied the history of our country, that when the Founding Fathers came to this country and wrote the Constitution of the United States, it was based upon the principle of separation of powers, of checks and balances. That is why we have an article I, which is the legislative article; article II, the executive article; and article III, the judicial article—three separate articles providing for the powers and limitations of three equal but separate branches of Government.

The fact is that if the interpretation of article III is as the Senator from North Carolina says—that is, if the U.S. Congress can constitutionally preclude the U.S. Supreme Court jurisdiction over any constitutional issue whatsoever—then in effect Congress is eliminating the Supreme Court.

Our Founding Fathers came to America to escape tyranny, to escape religious persecution, to establish certain freedoms—freedom of speech, freedom of the press, freedom to exercise religion in any way an individual wished, and the other freedoms in the Bill of Rights and the other provisions of the Constitution.

The fact is, as we well know, our Founding Fathers felt those freedoms were so important that they put them in the Constitution to be changed only by a constitutional amendment requiring two-thirds vote of both Houses of Congress and ratification by three-quarters of the States.

As a matter of fact, after looking at the Constitutional Convention debates, scholars have been unable to find any discussion on the exceptions clause of article III. There is no debate over that clause, and it is obvious why—it makes no sense for the exceptions clause to allow Congress to limit Supreme Court jurisdiction over core constitutional cases. Such a grant of power would have been a radical departure from the spirit and intent of the Constitution and, obviously, there would have been some debate over it.

In my view, the exceptions clause allows the Congress to limit appellate jurisdiction, but not the core Federal constitutional issues. To limit the core Federal constitutional issues—free speech, prayer, et cetera—would make the entire constitutional scheme nonsense.

There are many other points I could make on jurisdiction removal bills, like S. 47, but I will close today by urging my colleagues to oppose this bill and thereby preserve and protect our Constitution and our system of government.

I yield the floor.

Mr. LEAHY. Mr. President, we are once again compelled to rise to defend the most obvious, most fundamental features of our constitutional system of government. The strength of the Constitution arises from the way it disperses power among the branches of Government and the zeal with which it protects individual liberties. Make no mistake about it. This is not a debate over school prayer. That will come later. Today we are debating the temptation of one branch of Government to subdue another branch by relieving it of its authority.

This debate over limiting Federal court jurisdiction to make changes in the nature and quality of rights declared by the Supreme Court under the Constitution is not new. Just 3 years ago, we debated and rejected the bill Senator HELMS presents today.

The arguments haven't changed. The fundamental principle we upheld then and must uphold now is that our courts, the branch of Government devoted to interpreting our Constitution and laws, must remain free of the pressures of the passing majority. A healthy and independent judiciary is never more necessary than at a time when there is impatience and discontent with the way the Supreme Court chooses to interpret the Constitution.

In normal times we all perceive a great personal stake in the independence of the courts. No one can safely predict whose rights will depend on that independence in the future. Therefore, we favor a strong judiciary, under law, rather than a judiciary that bends first in one popular direction, then in another. But to make this system work, no one has the right to look to the courts for a quick fix. No one has a stake in courts that can be easily persuaded to follow the howls rather than the law.

The bill before us would seek to use the exceptions clause in article III, section 2, clause 2 of the Constitution to justify eliminating Supreme Court appellate jurisdiction in cases reviewing State enactments on school prayer. Article III gives the court appellate jurisdiction "with such exception, and under such regulations as the Congress shall make." Cases from the Court itself and nearly two centuries of legal scholarship have not defined the limits of this congressional power. And I doubt that it is within the realm of likelihood that the scope of the power is about to become the subject of complete agreement among the branches of Government or among legal scholars. I believe that every one of us has a duty to read the Constitution as a living document and to pass on matters before us as if the responsibility for perpetuation of its genius fell to each one of us.

But in order to conclude that article III of the Constitution permits the Congress in the guise of carving exception, to carve up the Supreme Court itself, much of the rest of the Constitution has to be ignored. Article V of the Constitution lays down very explicit rules for the amendment process. The process is long and arduous, and the Constitution has been amended very few times as a result. It is difficult to believe that the authors of the Constitution, as politically astute a group of people as one might imagine, would have framed a careful mechanism for amendment and then would have permitted a simple statute to work as an amendment by eliminating review of that statute by the Supreme Court.

I do not accept the proposition that if Congress creates lower Federal courts, it must endow them with unlimited authority to vindicate every federally created right. There have been limitations on Federal court jurisdiction such as increases in the jurisdictional amount, changes in the nature of diversity and removal jurisdiction, and a few—very few—instances where Congress has limited Federal court jurisdiction altogether, such as the Norris LaGuardia Act and the Tax Injunction Act of 1937.

But not even the few instances where Congress limited the jurisdiction of the Federal courts in specific subject areas did Congress ever go so far as to remove from the total protection of the Federal courts rights guaranteed under the Constitution. Through this lengthy and sometimes tumultuous history of Congress, many bills have been introduced to do just that, and none has ever passed.

Perhaps every generation is bound to test the strength and the limits of the principles of an independent judiciary and the separation of powers.

The 75th Congress was faced with a dilemma not unlike our own when it considered and rejected President Roosevelt's court-packing proposal. The Senate Judiciary Committee rose to the occasion, despite the great pressure to speed along legislation that was designed to ease the pains of the Great Depression. The words of that committee could be our own today:

> Let us, of the 75th Congress, in words that will never be disregarded by any succeeding Congress, declare that we would rather have an independent court, a fearless court, a court that will dare to announce its honest opinions in what it believes to be the defense of liberties of the people, than a court that, out of fear or sense of obligation to the appointing power or factional passion, approves any measure we may enact. We are not the judges of the judges. We are not above the Constitution.

I urge my colleagues to reject S. 47. Nothing less than the rule of law is at stake.

WITHDRAWING SUPREME COURT JURISDICTION OVER SCHOOL PRAYER

Mr. HATCH. Mr. President, the amendment offered by the Senator from North Carolina raises several important legal and policy issues in my mind. In the first place, the Senate has a judgment to make concerning the legal sufficiency of the Supreme Court's interpretations of the first amendment relative to prayer in public schools. For reasons I will explore in more detail hereafter, I think it is evident that the Supreme Court has departed from the intent of the authors of the first amendment establishment clause by restricting public school prayer and meditation. Although the Constitution vests in Congress some authority to make exceptions in the appellate jurisdiction of the U.S. Supreme Court, that limited power must be used very judiciously. This leads us to the crucial question presented by S. 47, specifically, whether Congress would be wise to do what it has some authority to do, namely withdraw Supreme Court jurisdiction over the subject matter of "voluntary prayer, Bible reading, or religious meetings in public schools or public buildings?" On this point, for various reasons, I have severe reservations about using in this instance the authority which the Constitution implies should be employed only in exceptional circumstances. In any event, Congress could employ, and has at its immediate disposal, better means to remedy the dislocations caused by several ill-advised Supreme Court opinions. The better means to which I refer is Senate Joint Resolution 2, a constitutional amendment permitting silent prayer or meditation in public schools. Senate Joint Resolution 2 has been approved by the Constitution Subcommittee and is currently on the Judiciary Committee calendar.

SUPREME COURT AND THE FIRST AMENDMENT

As I mentioned earlier, the Supreme Court has sharply altered the traditional understanding of the first amendment with regard to the permissibility of voluntary and appropriate school devotions. In the mid-1960's and again just a few weeks ago, the Court eliminated prayer from the classroom on the basis that it was inconsistent with the Constitution's prohibition against laws respecting an establishment of religion. These cases overturned the laws of at least 41 States. The most recent Jaffree case was particularly objectionable because it outlawed silent prayer and mediation due to the perception of a majority of the Justices that the State of Alabama had evinced an intent to endorse religion. Leaving aside for a moment the question of how a voluntary moment of silence endorses or offends any religious sentiment, a reading of the history of the Constitution clarifies that the framers would not have considered such harmless activities establishments of religion.

The author of the first amendment, himself, on the convention floor stated his intent for the establishment clause. He said:

> The meaning of the words [is] that Congress should not establish a religion and enforce the observation of it by law . . . [Congress might have power] to establish a national religion; to prevent these effects . . . the amendment was intended. Twice in this brief commentary Madison emphasized that the intent of the establishment clause was to prevent Congress from elevating a single denomination to the status of a national church. The colonists had suffered at the hands of a state church in the old country and wanted to preclude religious prosecutions at the hands of an established national church. Justice Story summarized well the meaning given to the establishment clause for nearly one hundred seventy five years: The real object of the First Amendment . . . was to prevent any national ecclesiastical establishment which would give to an hierarchy the exclusive patronage of the national government.

Animated by this policy, our national heritage developed with profound religious overtones. Besides school prayer, our coinage carries the motto: "In God We Trust." Our national anthem speaks of our trust in Diety. Our pledge of allegiance avows that we are a nation "under God." On our monument walls are engraved Abraham Lincoln's Second Inaugural Address of deep theological content. Our military and Congress are served by chaplains. Our most important public meetings, including the sessions of both the House of Representatives and the Senate and, ironically, the Supreme Court, begin with an invocation of the protections of the Almighty. These venerable customs have not become suddenly inconsistent with the first amendment, nor are they harbingers of a single sanctioned national orthodoxy. They are simply the perpetuation of a rich national tradition and heritage which antedates even the Constitution.

In the wake of misguided Supreme Court interpretations, however, this long-standing concept of the establishment clause has been altered. The First Congress's language has been read not only to prohibit the Federal Government from according preferences to religious denominations but further to erect a "wall of separation" between church and State. The original intent of the first amendment that Congress be neutral between competing religious views has been transformed into the notion of neutrality between religion and irreligion.

Given the integral role of compulsory public education in the development of the values of the citizenry, I am convinced—and I believe that the great majority of Americans would share this view—that the Supreme Court's erroneous interpretations have created a regime in which the State has become antagonistic, even hostile, toward religious views. The average child spends 6 or 7 hours every day in the classroom during which his intellectual, physical, emotional, and cultural development are encouraged. Yet even a moment of silent prayerful meditation or reflection is considered unconstitutional. The student is educated in political theory and sex education, music and art, baseball and football, hygiene and home economics; indeed, he is instructed in virtually everything conducive to a constructive character, yet even a moment of silent prayer may not be part of a balanced school day. President George Washington's Farewell Address contained insightful guidance on this point:

> Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensible supports. . . . Whatever may be conceded to the influence of refined education on the minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle.

The current Court's policy nonetheless mocks the intent of the framers of the first amendment. The establishment clause was simply not drafted to bar appropriate accommodations between government and religion in general. In the name of honoring the intent of the authors of the Constitution and preserving the religious prerogatives of school students and all Americans, the Congress should act to correct the Supreme Court's misconceived rulings.

ARTICLE III, SECTION 2

The language of article III itself seems to counsel Congress to use caution with regard to the Supreme Court's jurisdiction. Section 2 of article III lists the Supreme Court's original jurisdiction and then proceeds:

> In all other cases before mentioned, the Supreme Court shall have appellate jurisdiction, with such exceptions, and under such regulations as the Congress shall make.

This language already seems to imply some limitations in Congress' authority. Congress could not, for instance, withdraw all appellate jurisdiction of the Supreme Court because in that instance it would not be making an exception at all. Nor could Congress make a sweeping withdrawal of all jurisdiction to review cases dealing with the Bill of Rights. As the word "exception" implies, Congress' power relative to the entire corpus of the Court's appellate jurisdiction is limited to making rare and narrow diversions from the normal course of permitting the Court to hear appeals.

At this point, it is important as well to understand the distinction between article III, section 1, which gives Congress authority to create "from time to time * * * inferior [Federal] courts" and article III, section 2, which deals with the appellate jurisdiction of the Supreme Court. As the Supreme Court has repeatedly reaffirmed, the power to create or dissolve lower Federal courts inlcudes the power to define, limit, or withdraw lower Federal court jurisdiction. For instance, Chief Justice Earl Warren stated:

> Congress might appropriately limit litigation . . . pursuant to its constitutional authority under Article III. *South Carolina* v. *Katzenbach*, 383 U.S. 301, 331 (1966).

Chief Justice Stone stated the same principle in these words:

> The Congressional power to ordain and establish inferior courts includes the power of investing them with jurisdiction . . . and of withholding jurisdiction. *Yakus* v. *U.S.*, 321 U.S. 414 (1944).

Finally, the Supreme Court has stated more recently that:

> . . . the Constitution . . . leaves the scope of the jurisdiction of the federal district courts to the wisdom of Congress. *Allen* v. *McCurry*, 101 S. Crt. 411, 419 (1980).

Thus, withdrawals of jurisdiction like the Norris-LaGuardia Act governing labor disputes and the Tax Injunction Act governing challenges to taxing authority are enactments under article III, section 1, rather than section 2 which governs the Supreme Court's power to hear appeals.

The realization of the great responsibility placed upon Congress to shape Federal jurisdiction has always inspired careful and considered conduct. For precisely the reasons mentioned by John Rutledge of South Carolina in the 1787 Convention—that the Supreme Court assures the superiority and uniformity of constitutional policy—Congress has been and remains very cautious about using the exceptions power. This remains an uppermost consideration in my mind and in the views of most Senators as far as I can tell. This is entirely appropriate and in complete accord with the narrow applicability of the exceptions power.

Although Congress possesses a power, prudence often counsels against its use. For example, Congress has authority to plunge the Nation into a global war, but prudence counsels against precipitous use of the war declaration power. Similarly Congress has been appropriately reticent to wield its article III, section 2 power. That reticence should only be overridden when the dislocation associated with a focused restructuring of court remedies is far outweighed by the dislocations occasioned by an errant judicial policy. For instance, I might have recommended its use in the wake of the Dred Scott or Plessey versus Ferguson cases of another era. In any event the exceptions power has been and should be reserved for exceptional circumstances. (See 96 F.R.D. 245 (1982)) Alexander Hamilton wrote that the exceptions clause is a salutory means "to obviate and remove" the "inconveniences" arising from injudicious use of judicial power.

PRUDENTIAL RESERVATIONS ABOUT THIS AMENDMENT

As I have mentioned several times, the language of the Constitution suggests that Congress' article III, section 2 power ought to be used sparingly, perhaps only in "exceptional" circumstances. This requires that we make clear delinations between legal issues and policy considerations. As a matter of law, the Constitution grants Congress some authority to regulate Federal court jurisdiction, but as a matter of policy, this public school prayer issue does not, in my view, warrant the exercise of this powerful check on the Court.

I continue to feel that the Court should receive the opportunity to reconsider this error. Withdrawing jurisdiction from the Supreme Court will deny the Court the opportunity to hear other cases and thus reverse its error. Given the narrow margins of decision, the shifting positions of some Justices, and the fine distinctions in some of the recent religion case holdings, the Court should be afforded the opportunity to reconsider its recent opinions. The most efficient and appropriate way to correct a Supreme Court error is, of course, for the Court to return in a later case to a policy based more solidly on the language of the Constitution and the intent of its authors. This would be precluded by S. 47.

Another consideration counselling against withdrawal of jurisdiction is that the Court's most recent misguided pronouncements remain as binding interpretations of the Constitution. State Supreme Courts which would, in the absence of an appeal to the Federal judicial system, serve as courts of final resort would presumably continue to apply erroneous doctrines as the last authoritative expression of the Supreme Court on that subject. Some might argue that State courts could depart from Supreme Court rulings in the absence of an appeal, but there is no guarantee that those departures would return to an apt reading of the Constitution. Some State courts might stray even further from the moorings of the Constitution.

Finally, and perhaps most important, Congress has at its immediate disposal a corrective which does not suffer from the uncertainties of a jurisdiction withdrawal. In 1982, President Reagan recommended the adoption of a constitutional amendment on the school prayer issue. Hearings were held in both the 97th and 98th Congresses on his proposal. Indeed the Senate voted last Congress in favor of the amendment, but not by the two-thirds margin required for approval. The detailed consideration of this proposal led to the development of an alternative constitutional amendment proposal in 1983 concerning silent prayer or meditation. This was more than a year before the Jaffree decision which struck down Alabama's statute permitting a moment of silent prayer or meditation in public schools. This constitutional amendment proposal would have the well-defined effect of reversing the Jaffree ruling and restoring the proper meaning of the first amendment establishment clause.

This proposal, Senate Joint Resolution 2 in the current Congress, has already had the benefit of another hearing which further focuses the intent of its drafters and clarifies our intent to redirect the Court's establishment clause doctrines. Senate Joint Resolution 2 was approved by the Constitution Subcommittee earlier this year by a vote of 4 to 1. It is now on the Senate Judiciary Committee calendar where it should be considered in an orderly fashion within the next few weeks. This means that the Senate, if it so desired, could have Senate Joint Resolution 2 before it in the very near future.

The language and legislative history of Senate Joint Resolution 2 are clear and certain. This is a remedy for the missteps of the Supreme Court which does not depend on what a variety of different State courts might or might not do if presented with a case that allows them the leeway to enunciate a new policy for their State concerning religious liberties.

Given the ready availability of a superior correction and the inherent uncertainties in the withdrawal of Supreme Court jurisdiction, I would urge my colleagues to channel their efforts into that better avenue. The Supreme Court's misinterpretations of the establishment clause must be set straight. The Congress has the authority to restrict the Court's jurisdiction. But restricting the appellate jurisdiction of the Supreme Court is not in this case the best way to achieve the Senate's objective. Accordingly, I commend to the Senate Joint Resolution 2 as the better way to achieve the meritorious objectives of this amendment.

CONCLUSION

In light of these considerations, I must reluctantly vote to table S. 47. The means it employs to reach the admirable objective of correcting the Court's school prayer policy could have counterproductive consequences. Congress must exercize its authority more judiciously and not in a manner likely to be rejected by the Supreme Court itself.

Mr. THURMOND. Mr. President, I strongly support S. 47, the proposed Voluntary School Prayer Act of 1985. This important legislation would restore to our Nation's children the right to pray voluntarily in the public schools—a right which was freely exercised under our Constitution until the 1960's when the Supreme Court ruled to the contrary.

Mr. President, in the course of its history, our Nation clearly has been guided by a visible faith in God. In the Declaration of Independence our forefathers wrote:

> We hold these Truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness.

In crafting the Constitution, our Founding Fathers sought, through the free exercise clause of the first amendment, to ensure that all Americans were free to worship God without Government interference or restraint. At the same time, they sought, through the establishment clause, to prevent what had originally caused many colonial Americans to emigrate to this country—an official, state religion. In their wisdom, the Founding Fathers recognized that true religious liberty precludes the Government from both forcing and preventing worship.

Until 1962, the establishment clause of the first amendment was generally understood only to prohibit the Federal Government from officially approving, or holding in special favor, any particular religious faith or denomination. I believe that this was the clear intention of the Founding Fathers.

In 1962, however, the Supreme Court ruled that devotional activities in the public schools is a violation of the first amendment, regardless of whether student participation is compulsory or voluntary.

Mr. President, we, as a nation, continue to recognize the Deity in our Pledge of Allegiance by affirming that we are a nation "under God," The coins in our pockets are inscribed with the motto, "In God We Trust." In this body, we begin our workday with the comfort and stimulus of voluntary group prayer—such a practice has been constitutionally upheld by the Supreme Court. It is absurd that the opportunity for the same beneficial experience is denied to the boys and girls who attend public schools. This situation simply does not comport with the intentions of the framers of the Constitution and is, in fact, antithetical to the rights of our youngest citizens to freely exercise their respective religions. It should be changed, without further delay, by appropriate means.

That is why I support this legislation, which would deny the Supreme Court and the Federal district courts jurisdiction in cases involving voluntary school prayer. I believe that Congress is explicitly given the authority to take this action by article III, section 2 of the Constitution. I am hopeful that this legislation will be enacted and once again our children will have the freedom to exercise in public schools what I believe to be a primary guarantee to all citizens under the Constitution—the right to pray voluntarily.

Mr. DIXON. Mr. President, S. 47 would prohibit the Federal courts, including the Supreme Court, from jurisdiction over all future cases arising from State laws or practices relating to "voluntary prayer, bible reading, or religious meetings in public schools or public buildings."

I am opposed to this court-stripping proposal.

As you know, in 1984, I opposed the administration's constitutional amendment authorizing audible, vocal prayer in our public schools. However, as an alternative to that proposal, I offered a silent prayer or silent reflection amendment.

The Dixon silent prayer or silent reflection amendment stated the following:

> Nothing in this Constitution shall be construed to prohibit individual or group silent prayer or silent reflection in public schools. No person shall be required by the United States or by any State to participate in such prayer or reflection. Neither the United States nor any State shall compose any prayer or encourage any particular form of prayer or reflection.

In addition, you may remember that the Dixon amendment would have permitted equal access to public schools by student voluntary religious groups. The provision was as follows:

> The authorization by the United States or any State of equal access to the use of public facilities by student voluntary religious groups shall not constitute an establishment of religion.

As you know, the Dixon amendment and the administration's proposal were rejected by the Senate. However, an equal access provision was enacted in the Education for Economic Security Act, Public Law 98-377, which I supported.

I believe that the 1984 Dixon silent prayer or silent reflection proposal was and is the correct approach for this Congress to take. As a lawyer, I hesitate to limit the Federal courts, including the Supreme Court, from reviewing a subject as important to this country as voluntary prayer in and equal access to our public schools.

Senator HATCH has proposed Senate Joint Resolution 2 which is currently pending in the Senate Judiciary Committee. It is very similar to the Dixon silent prayer or silent reflection proposal of 1984. Senate Joint Resolution 2 is a measure that I could support.

Mr. President, I will vote "yes" on a motion to table S. 47.

Mr. KENNEDY. Mr. President, I am strongly opposed to this legislation which would strip the Supreme Court of jurisdiction to review any State action relating to voluntary prayer in public schools.

It is an unconstitutional and unwarranted attack on the Supreme Court of the United States. The fundamental question we are facing in the Senate has nothing to do with the issue of school prayer. The sole question is whether the proper way for Congress to address the issue of school prayer is to enact legislation stripping the Supreme Court of jurisdiction to hear and decide cases on this issue. That is the wrong way to deal with the issue of school prayer, and I hope that the Senate will have the wisdom to reject this extremist attempt to deny the Supreme Court an important part of its constitutional jurisdiction.

This proposal is extraordinarily significant. It strikes at the core of the separation of powers enshrined in our Constitution. It is ironic that as we approach the bicentennial anniversary of the adoption of the U.S. Constitution on September 17, 1787, we are debating legislation that would undermine the carefully crafted checks and balances that are the genius of our Constitution.

This legislation would remove from the Supreme Court its constitutional authority to determine violations of the establishment clause. In place of the determination of fundamental constitutional protections for all U.S. citizens by one judicial body, the Supreme Court, this bill would substitute 50 different judgments by State courts on the subject of religious liberty, the cornerstone of our democracy. This result is anatheme to our constitutional form of Government and directly contrary to the intent of the framers.

Explaining the importance of the Federal judiciary, Alexander Hamilton wrote in the Federalist No. 80:

> . . . there ought always to be a constitutional method of giving efficacy to constitutional provisions. What, for instance, would avail restrictions on the authority of the State legislatures, without some constitutional mode of enforcing the observance of them? The States, by the plan of the convention, are prohibited from doing a variety of things, some of which are incompatible with the interest of the Union and others with the principles of good government. . . . No man of sense will believe that such prohibitions would be scrupulously regarded without some effectual power in the govern-

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> ment to restrain or correct the infractions of them. This power must either be a direct negative on the State laws, or an authority in the federal courts to overrule such as might be in manifest contravention of the articles of Union. There is no third course that I can imagine. The latter appears to have been thought by the convention preferable to the former, and I presume will be most agreeable to the States.
>
> . . . If there are such things as political axioms, the propriety of the judicial power of a government being coextensive with its legislative may be ranked among the number. The mere necessity of uniformity in the interpretation of the national laws decides the question. Thirteen independent courts of final jurisdiction over the same causes, arising upon the same laws, is a hydra in government from which nothing but contradition and confusion can proceed.

The judicial review by the Supreme Court of all fundamental constitutional issues envisioned by the framers has been the rule of law for nearly 200 years.

In 1961, in his first formal address as Attorney General of the United States, Robert Kennedy emphasized America's historic debt to law as the source of freedom:

He said:

> Law is the link [to] freedom, we know that it is law which creates order out of chaos. And we know that law is the glue which holds civilization together.

The bill now before us is an attempt to break that bond. It is an attack on our basic freedoms. It is an insult to the Supreme Court and an affront to the Constitution. What is at stake is the preservation of the rule of law, the foundation on which all our other liberties rest.

There is no sound precedent for this scheme to abolish Supreme Court review of sensitive contitutional questions.

In the frequently cited case of ex parte McCardle in 1868, the Supreme Court acquiesced in congressional action removing one avenue of review in habeas corpus cases. But this legislation merely repealed a specific 1867 statute authorizing certain habeas corpus claims of unconstitutional imprisonment arising out of the Civil War to be appealed to the Supreme Court. As the Court made clear in its subsequent decision in ex parte Yerger in 1869, Congress had left intact the broad authority of the Supreme Court under the Judiciary Act of 1789 to review lower decisions on habeas corpus.

In a number of other circumstances, Congress has specified the particular methods by which judicial review can be sought. But Congress has never withdrawn the jurisdiction of the Supreme Court to decide constitutional issues.

The authority of the Supreme Court to make the final determination of constitutional issues is vital to our constitutional system. The supremacy clause of article VI of the Constitution states:

> This Constitution and the Laws of the United States which shall be made in Pursuance thereof; and all treaties made, or which shall be made, under the Authority of the United States, shall be the Supreme Law of the Land; and the Judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the Contrary notwithstanding.

The framers recognized that a single supreme judicial body with authority to review State laws was essential to effectuate the supremacy of the national Constitution.

In the Federalist No. 22, Hamilton writes:

> A circumstance which crowns the defects of the Confederation remains yet to be mentioned—the want of a judiciary power. Laws are a dead letter without courts to expound and define their true meaning and operation. . . . To produce uniformity in these determinations, they ought to be submitted, in the last resort, to one SUPREME TRIBUNAL. . . . If there is in each State a court of final jurisdiction, there may be as many different final determinations on the same point as there are courts. There are endless diversities in the opinions of men. We often see not only different courts but the judges of the same court differing from each other. To avoid the confusion which would unavoidably result from the contradictory decisions of a number of independent judicatories, all nations have found it necessary to establish one court paramount to the rest, possessing a general superintendence and authorized to settle and declare in the last resort a uniform rule of civil justice.
>
> This is the more necessary where the frame of the government is so compounded that the laws of the whole are in danger of being contravened by the laws of the parts. In this case, if the particular tribunals are vested with a right of ultimate jurisdiction, besides the contradictions to be expected from difference of opinion there will be much to fear from the bias of local views and prejudices and from the interference of local regulations. As often as such an interference was to happen, there would be reason to apprehend that the provisions of the particular laws might be preferred to those of the general laws; from the deference with which men in office naturally look up to that authority to which they owe their official existence.

As Hamilton observed, a constitutional right without a strong, independent judiciary to safeguard it is meaningless. Our constitutional freedoms have endured for nearly 200 years because the integrity of the checks and balances by the framers enshrined in the Constitution has not been undermined. Past efforts such as this proposal to overturn unpopular decisions of the Supreme Court by removing its jurisdiction in certain types of cases have been rebuffed. These schemes have failed because Congress and the American people saw the true danger in such schemes. If we strike at the Supreme Court, we strike at the heart of the Constitution and the rule of law in America. That is why the HELMS' court-stripping bill must be defeated.

Mr. LEVIN. Mr. President, I wll vote to table S. 47, the proposed Voluntary School Prayer Act of 1985. The issue before us is not whether students should be allowed to pray in public schools. The issue before us is whether the Congress should interfere with the balance of power established in the Constitution of the United States. When similar legislation was considered by the Senate in 1982 I voiced my strong opposition to any bill that would strip the Federal courts of jurisdiction to hear cases concerning constitutional issues. I said then that if the Senate approved the pending amendment stripping the Federal courts of jurisdiction over voluntary school prayer we would "* * * undermine the very integrity of the Constitution."

Legal scholars have long debated the question of whether article III of the Constitution grants the Congress authority to determine the jurisdiction of the Federal courts over constitutional issues such as whether prayer in public schools is permissible under the first amendment. Even assuming the Congress does have such constitutional authority, it would establish a dangerous precedent to withdraw jurisdiction from the Federal courts where we disagree wtih the Supreme Court's interpretation of the Consitution. If the Congress strips the Federal courts of jurisdiction over school prayer cases because we disagree with the Court's interpretation of the first amendment, then we open the door to a never-ending congressional attack on the U.S. Constitution.

Additionally, removing the jurisdiction of the Federal courts to review State court decisions interpreting the U.S. Constitution will create disparity between the States and our system of a Federal Government will be placed in jeopardy. Because the lower Federal courts and ultimately the Supreme Court will no longer have authority to review State court decisions interpreting the Constitution, the Constitution will mean something different in each of the 50 States. For example, the first amendment, which has always been considered to provide the most important freedoms and rights to Americans, will no longer provide the same protections to all Americans. Instead, the protections provided under the first amendment will vary depending on where we live. I do not believe this is what the framers of the Constitution had in mind when they provided in article III, section 1 that "the judicial power of the United States shall be vested in one Supreme Court and in such inferior Courts as the Congress may from time to time establish," or when they provided in article III, section 2 that the Congress may make exceptions and regulations to the appellate jurisdiction of the Supreme Court. Congressional authority to limit the jurisdiction of the Federal courts under article III must be balanced against other provisions in the Constitution such as the supremacy clause. Without the Supreme Court to act as the final arbiter of the meaning of the Constitution, the supremacy clause has no force.

Mr. President, I have supported constitutional and reasonable legislative efforts to address the issue of the rights of public school students to engage in religious activities. I voted for final passage of the Equal Access Act, which requires that whenever a public school permits noncurriculum-related student groups to meet on school premises during noninstructional time, it must provide equal access to school facilities to other groups regardless of the religious, political, philosophical, or other content of the speech at such meetings. However, I cannot support S. 47 because it will undermine the U.S. Constitution which is the foundation of our system of government.

Mr. DENTON. Mr. President, I rise in strong support of S. 47. As a matter of both principle and law, I believe that the Congress must act under article III of the Constitution to correct the injustice created by the Supreme Court's continuing misinterpretation of the first amendment. The Court's recent Wallace versus Jaffree decision outlawing silent prayer in public schools illustrates the need for action.

Mr. President, I have listened with a great sense of discomfort as several of my colleagues have presented their arguments in opposition to the bill. They have contended that the exceptions clause cannot be used to deprive the Supreme Court of appellate jurisdiction in cases involving fundamental constitutional rights. No such limitation is found, however, in the language of the clause nor in the Supreme Court's interpretations of it.

The specious character of the argument is illustrated best in the matter of school prayer. The establishment clause was intended to reserve to the States the question of the establishment of religion. It is only in this century that the Court has expanded its own power to regulate the conduct of the States with respect to the establishment of religion. In other words, the Court interpreted the 1st and 14th amendments in a manner not envisioned by the framers, and now Congress is asked to accept any Court interpretation, no matter how outlandish, as a fundamental constitutional guarantee.

Mr. President, it also bothers me to hear my colleagues warn that "the Constitution will die" if we limit the jurisdiction of the Federal courts. The use of the article III power to curb a wayward judicial branch would restore vitality to the notion that the elected representatives of the people, not judicial appointees, have the right and responsibility to interpret the Constitution in a reasonable and just manner. Many of my colleagues appear to avoid the underlying issue by hiding behind timid interpretations of congressional and Executive power. Those of us who favor restoration of the right to voluntary prayer in public schools will not fall for that ruse.

I urge all of my colleagues who support voluntary prayer to support S. 47.

Mr. BAUCUS. Mr. President, today I rise in strong opposition to S. 47.

As everyone in this body knows, S. 47 is designed to remove Supreme Court and lower Federal court jurisdiction over State cases involving voluntary school prayer.

The sponsors of S. 47 say it is simply a school prayer bill. They say it is only meant to correct incorrect Federal court decisions on the meaning of the Constitution's establishment clause.

But, Mr. President, S. 47 is something far more profound than that. In reality, it is a dangerous and fundamental assault on the independence of of Federal judiciary and the continued validity of the doctrine of separation of powers. It is a legislative attack that threatens to undermine the vital role the courts have traditionally played in the American system of constitutional government.

Mr. President, I began my public service in Congress at a time when another branch of Government—the Presidency—was embroiled in a serious crisis. As a member of the so-called "Watergate class" of 1974, I am proud to have participated in fashioning the sweeping post-Watergate reforms that included the Ethics in Government Act and the campaign finance laws.

But the real legacy of Watergate is that it demonstrated to all of us the wisdom of the framers of the Constitution. We saw the strength of a system of checks and balances that provided for a Presidential impeachment hearing in the House of Representatives. We witnessed the need for the total independence of the Federal judiciary that enabled it to reach its landmark decision in United States versus Nixon.

In sum, we saw that our Government could fully respond to a crisis of major proportions within the framework provided by the Constitution.

Today, people no longer seem as concerned by the threat of an "imperial Presidency." Instead, many Americans are concerned by the threat of an "imperial judiciary." They see the courts as exceeding their constitutional authority in numerous instances:

Courts have imposed mandatory busing orders on school systems.

Courts have stepped in to prevent States from requiring prayer in schools and from prohibiting abortions.

Courts have taken over the administration of State prisons and mental institutions.

I do not wish to argue about whether this picture of the judiciary is an accurate one. I am personally troubled by those judicial decisions that do not carefully and narrowly construe legislative intent. I am equally troubled by those decisions that impose solutions that look more like statutes than case law.

But I am here today because I believe there is a growing movement in this country to address perceived judicial abuses in a manner that is far more damaging than the abuses themselves. Members of the "new right" are proposing solutions, like S. 47, that present a much greater threat to our system of Government than any potential threat we face from our courts.

During the Watergate period, Congress and the courts were very careful to proceed within their constitutionally prescribed roles. Today, those in Congress attacking the "imperial judiciary" are paying little attention to the letter or spirit of the Constitution. They are asking this Nation to embrace solutions that would seriously undermine the essential function of the courts in the American system of Government.

OBJECTIVES OF COURTSTRIPPING PROPOSALS

The framers of the Constitution designed a judicial branch that could protect the integrity of the Constitution. They also designed a judiciary that could assure that individual liberties would not be abridged. Alexander Hamilton stated in Federalist Paper 78 that it is the duty of the courts "To declare all acts contrary to the manifest tenor of the Constitution void. Without this," he observed, "All reservations of particular rights or privileges would amount to nothing."

This concept of the judicial branch was reaffirmed and expanded in Marbury versus Madison. The decision declared the basic principle that the Federal judiciary is supreme in the exposition of the law of the Constitution. One hundred and fifty years later, in Cooper versus Aaron, the court observed that the principle of Marbury:

> Has ever since been respected by this court and the country as a permanent and indispensable feature of our constitutional system.

Until recently, the role of the Supreme Court as the final arbiter of the terms of the Constitution has not been seriously challenged. Throughout our Nation's history it has been recognized that an interpretation of the Constitution by the Supreme Court could only be altered by the Court itself or by a constitutional amendment.

On four different occasions during the past 200 years, our Nation has responded to controversial Supreme Court decisions by using the constitutional amendment process. Even in the wake of the infamous Dred Scott decision, which held that black Americans were not citizens, it was recognized that the proper way to alter the decision was by constitutional amendment. Abraham Lincoln, who profoundly disagreed with the ruling in Dred Scott, nevertheless emphasized the need for a stable constitutional structure. He commented:

> We think (the Supreme Court's) decisions on constitutional questions, when fully settled, should control, not only the particular cases decided, but the general policy of the country, subject to be disturbed only by amendments of the Constitution as provided in that instrument itself. More than this would be revolution.

But today, several single-issue constituencies have failed to mobilize sufficient support to pass constitutional amendments to overturn constitutional decisions with which they disagree. They have responded to this failure by advocating legislative measures, like S. 47, which would effectively "end-run" the requirements of a constitutional amendment.

Their proposals would permit Congress to circumvent Supreme Court decisions by simple statute. They would have Congress respond to a court ruling it disagreed with by stripping the courts of the power to hear that category of cases. And it is this constitutional shortcut that threatens to undermine the constitutional role of the judicial branch.

IMPACT ON THE CONSTITUTION

The proponents of S. 47 and other courtstripping bills argue that the exceptions clause of article III of the Constitution provides Congress with absolute authority to carve out holes in the Supreme Court's appellate jurisdiction. Perhaps that argument is consistent with the specific letter of the Constitution. But it is clearly inconsistent with a logical constitutional structure and the spirit of that document.

Under the analysis offered by the proponents of S. 47, Congress' power over the Supreme Court is without limit. According to their theory, Congress could dismantle any part of the Constitution it wanted and paralyze the Court from reviewing the conduct.

And that's what's most disturbing about court-stripping proposals. They would allow the Supreme Court to enforce only those constitutional guarantees that a majority in Congress said it could. They would thereby entrust to the most political branch of Government the responsibility for deciding which parts of the Constitution are of fundamental importance to all Americans and which are not.

Senator Barry Goldwater, who is also an active opponent of court-stripping, has commented on this problem:

> What particularly troubles me about trying to override constitutional decisions of the Supreme Court by a simple bill is that I see no limit to the practice. There is no clear and coherent standard to define why we shall control the Court in one area but not another. The only criterion seems to be that whenever a momentary majority can be brought together in disagreement with a judicial action, it is fitting to control the Federal courts . . .

Mr. President, I share Senator Goldwater's concerns. I can't believe that this result was intended by the framers when they included the exceptions clause in article III.

We should also consider another consequence of court-stripping proposals. They would not remove constitutional issues from the Supreme Court and give them to Congress for interpretation and enforcement. Instead, they would turn those issues over to the court systems of 50 separate States. They would throw the principle of uniform constitutional interpretation out the window—and with it, the ability of the Constitution to serve as a meaningful national document.

We are one Nation with one Constitution. The first amendment should mean the same thing in Montana as it does in North Carolina. Our constitutional protections help to bind us a people.

Jurisdictional proposals, like S. 47, would allow Congress to undo that common bond by simple statute. Again, I can't believe the framers intended to give Congress that kind of power to undermine the spirit of the Constitution.

IMPACT ON THE COURTS

In the face of these legitimate and seemingly overwhelming constitutional concerns, court-stripping bills like S. 47 are still being actively considered in Congress. This is, in large part, because some Members of Congress believe the courts have blatantly violated their constitutional authority. They see these bills as part of an effort to get the courts back into line and encourage them to engage in more "traditional" and "stable" conduct.

However, it is difficult to imagine any set of proposals more inconsistent with the goals of stability or certainty in our judicial system than the court-stripping bills. No one, not even their proponents, really knows precisely what impact they would have on a specific body of law.

These bills could have precisely the opposite effect from what they are intended to have. For instance, withdrawing Federal court jurisdiction over school prayer would not necessarily return prayer to the public schools. In fact, it would be more likely to elevate the last Supreme Court decisions on the establishment clause to the "permanent" law of the land—to freeze the Court's most recent rulings for all time.

It is true, of course, that the Supreme Court would no longer be able to enforce its previous decisions. And the sponsors of these bills are counting on the State courts to jump headlong into the breach. The jurisdiction proposals are open invitations to State court judges to alter or reverse controlling Supreme Court precedent; otherwise, the bills would have no substantive impact.

The Conference of State Court Chief Justices has commented critically on this aspect of jurisdiction removal. Their 1982 resolution opposing court-stripping observed in part:

> These proposed statutes give the appearance of proceeding from the premise that State court judges will not honor their oath to obey the U.S. Constitution, nor their obligations to give full force to controlling Supreme Court precedents.

The simple fact is that court-stripping proposals like S. 47 would remove Federal court jurisdiction without offering State court judges any real indication of what standard they should follow in the future. Should they continue to feel bound by Supreme Court precedent, or should they accept the finding of the national Congress that the Supreme Court's rulings were incorrect?

I find it ironic that those who have been complaining the most about judicial usurpation of the legislative function are now promoting legislative solutions, devoid of any substantive direction, which would invite increased activism and disparate legal rulings.

IMPACT ON CONGRESS

The impact of jurisdiction bills on the Constitution and the judicial system has been underestimated. The same is true of the impact of these bills on Congress itself. If Congress decides to enter this arena, the pressure to respond to a wider range of constitutional rulings will increase. Every constituency that feels victimized by an adverse constitutional ruling will come running to Congress for a jurisdiction withdrawal bill.

The proponents of S. 47 and other court-stripping bills suggest these fears of congressional abuse are exaggerated. They argue that the jurisdiction bills each represent a narrow "surgical" removal of a limited area of jurisdiction.

But if Congress can remove Supreme Court jurisdiction over school prayer cases, why couldn't it pass stringent gun control legislation and include a provision to prevent Supreme Court review of any case involving the right to bear arms? Why couldn't Congress impose onerous and discriminatory taxes and include a provision to prevent Supreme Court review of the constitutionality of all Federal taxation

cases? Why couldn't Congress attempt to totally preempt the States from engaging in conduct traditionally within their power and remove Supreme Court jurisdiction over the 10th amendment?

These hypotheticals are not farfetched. They are the reasonable and logical extension of the strategy put forward in S. 47. And they should be carefully considered before Congress sets the precedent of court-stripping.

The question presented by S. 47 and other court-stripping proposals is simply this: Should we adopt measures that violate the spirit of the Constitution in order to address today's controversial political issues?

That was the same question that faced Congress in 1937 when President Roosevelt proposed to increase the size of the Supreme Court.

President Roosevelt was deeply troubled by a series of Supreme Court decisions that threatened the success of his national recovery program. He hoped to alter the composition of the Court so that the Court would uphold the constitutionality of his economic plan.

The people and Congress rose up and resoundingly defeated that plan. The American public and a majority of its representatives saw the "court-packing" plan for what it was—a significant threat to the independence of the judicial branch.

As we consider the court-stripping bill before us now, we should keep in mind the wise words of those who successfully defended the Supreme Court in 1937. Senator Burton K. Wheeler was one of those defenders, and his words apply with equal force today:

> So I say it is morally wrong to do by indirection what cannot be done by direction. It is morally wrong to change the Constitution by coercive interpretation. . . . Of course, Mr. President, there have been abuses in the Court. I have been one who has disagreed with them, and I expect to disagree with them again, but I am unwilling on the basis of some specious argument or of some subterfuge that defies the spirit of the Constitution to participate in setting one of the most dangerous precedents that has ever been conceived by this Congress or any other. . . .

Mr. GRASSLEY. Mr. President, I want to thank Senator Helms for pursuing the issue of voluntary prayer in public schools through statutory modifications. I fully support the right of citizens to pray in the public schools.

I have cosponsored a constitutional amendment to allow this right. However, in the past, both measures have been unsuccessful.

I, generally, oppose court stripping legislation. However, since this may be my only opportunity to vote on the exercise of the rights to pray in school, I must vote against the motion to table S. 47 so that the bill can proceed and be heard on the merits.

Mr. KERRY. Mr. President, 200 years ago, the Founding Fathers of this Nation set forth principles upon which our democracy is founded. One of the most important and fundamental of those principles, embodied in our Constitution, is the system of checks and balances between the executive, legislative, and judicial branches of Government. It is our system of checks and balances which has made American democracy unique in all the world, and which has provided us with a firm protection against tyranny and the abuse of power. We need only look back as far as the events of Watergate to see how effectively this system has worked to protect American democracy.

Today, Mr. President, our system of checks and balances and the integrity of our courts are under attack. The legislation which is proposed today would strip the U.S. Supreme Court, and the Federal district courts, of any jurisdiction over cases and questions involving so-called voluntary school prayer. Of course, the effects of this legislation would not be limited to cases involving school prayer. This legislation is an assault on the integrity of our court system, and an assault on the fundamental principles of American democracy.

The sponsors of this legislation have labeled their bill the "Voluntary School Prayer Act of 1985." A better, and more accurate, title would be the "Anti-Judiciary Act of 1985." What do the sponsors of this legislation have against our judiciary? The Constitution already provides a mechanism for the changes they seek. That procedure requires a two-thirds vote of approval by the Congress, and ratification by the States. The sponsors of this legislation have not followed that constitutional procedure. Instead, they have tried to sneak around the back way and pass this court-stripping bill under the guise of a so-called school prayer amendment, requiring only a simple majority vote. Their real purpose of this bill is not to permit Americans to pray—they can already do that without the interference of government—but its purpose is to strip the courts jurisdiction over all issues where their social agenda does not coincide with the U.S. Constitution.

Mr. President, if we were to pass this so-called school prayer bill today, tomorrow we would see the far right introducing legislation to strip the courts of jurisdiction over many other issues. This bill is the first step down a road that leads to the erosion and eventual destruction of the democratic values which have made this Nation great.

Mr. President, one other point needs to be mentioned in this discussion. Over 200 years ago, Thomas Jefferson wrote that the American system of democracy is based upon a "wall of separation between church and state." For two centuries that wall has stood firm, upholding the rights of freedom and religious liberty, free from governmental interference, that all Americans enjoy. Today, the far right seeks to tear down the wall of separation and to attack the principles which Thomas Jefferson espoused. They seek to extend governmental intrusion into the most private and sensitive areas of our lives, by forcing so-called voluntary school prayer into the public school classrooms of our children. Mr. President, I support prayer and the constitutional right of every American to private prayer. But support the bill is not the way to address private prayer. Sometimes the proponents of this legislation are carried away with personal belief that America is a Christian nation. They would like to do what is expressly forbidden by the establishment clause of the U.S. Constitution—that is, to establish an official religion in this country. This so-called voluntary school prayer amendment is only a first step in that direction.

Mr. President, I hope the legislation before us today, or measures like it, may never become law. But what concerns me even more is the fact that some are willing to erode our Constitution, our freedoms, and our democratic system. Perhaps at such times we would do well to remember the words of a great American jurist, Judge Learned Hand:

> Liberty lies in the hearts of men and women; when it dies there, no constitution, no law, no court can save it.

Mr. MATHIAS. Mr. President, the bill before the Senate today, S. 47, is simply the latest step in a sustained effort during the last several Congresses to restrict the remedial powers or the jurisdiction of Federal courts.

I have opposed such jurisdictional and remedial limitations in the past; I oppose such limitations today, and I will continue to oppose them in the future. They are, in my opinion, contrary to the letter and to the spirit of the Constitution and, beyond that, they are unwise as a matter of public policy.

This is certainly not the first time court curbing has been a hot topic in America. In fact, it goes back to at least 1793, when the U.S. Supreme Court ruled in the case of Chisholm against Georgia. That decision raised a hue and cry of dreadful proportions. One newspaper said it "involved more danger to the liberties of America than the claims of the British Parliament to tax us without our consent." The Georgia House of Representatives reacted even more violently. It passed a bill providing that anyone who executed any process issued in the case would be "guilty of a felony, and shall suffer death, without benefit of clergy, by being hanged." Fortunately for the citizens of Georgia, that bill died in the Georgia Senate.

The Chisholm decision was in fact overturned, in 1798, but it was done according to the procedures specified in article V of the Constitution. It was overturned by the adoption of the 11th amendment to the Constitution. Since then literally hundreds of legislative proposals have been introduced in Congress and in Senate legislatures to counteract controversial court decisions or to preclude unwanted judicial pronouncements. Often such proposals are made through the constitutionally proscribed method under article V. All too frequently however, proponents of a change in constitutional law try to achieve the effect of a constitutional amendment through the back door. S. 47 is such a back door approach.

In hearings before the subcommittees of both House and Senate Judiciary Committees during the 97th Congress, the overwhelming majority of legal scholars urged Congress not to enact any of these court jurisdiction proposals. The same arguments apply to this bill.

S. 47 is objectionable for many reasons, but one of its flaws stands out. It is wholly inconsistent with the clear and unambiguous language of article V of the Constitution which sets forth the constitutionally permissible means of amending our organic law.

To be sure, the Founding Fathers realized that constitutional changes would be needed periodically. They wanted the procedures for amending the Constitution to be more flexible than those in the Articles of Confederation, which required the unanimous agreement of the States. But they did not want to make the process too easy. Only after lengthy debate was a compromise struck that, in the words of James Madison:

> Guards equally against that extreme facility, which would render the Constitution too mutable; and the extreme difficulty, which might perpetuate its discovered faults.

This amendatory procedure set forth in article V of the Constitution was designed specifically to deal with the types of changes in the Constitution—in this case, a change in the establishment clause of the first amendment—sought by the proponents of S. 47. But it would be a mistake to substitute congressional legislation for the carefully crafted procedures set forth in article V.

I oppose the substantive change that would be accomplished by enactment of S. 47. The goal of this legislation is to disrupt the carefully crafted relationship between church and state that has served our Nation well for nearly two centuries. By separating government and religion, we have bolstered the legitimacy of civil authority while we have nurtured an unparalleled diversity of religious expression among our people. When proposals to weaken the establishment clause of the first amendment have been presented in the proper form, as amendments to the Constitution, I have opposed them. In this case, however, the proposal before us is fatally flawed in form as well as in content, because it attempts to alter the commands of the Constitution by simple statute.

With all due respect to my colleagues in the Senate, I side with our Founding Fathers on how to go about altering our organic law. Their approach has stood the test of time and has served us well. It should be conserved.

Mr. SYMMS. Mr. President, I am pleased to support S. 47, the school prayer legislation offered by my friend, Senator HELMS. The essence of this bill is to remove the further consideration of religious matters from the purview of Federal bureaucrats and politicians, to return them to the States, and to the people themselves.

Mr. President, this country was founded on prayer, by God-fearing people who knew they must preserve prayer. Many good points have been made regarding the intentions of our Founding Fathers. It is true that the framers of this Nation were unabashedly religious. They saw Divine Providence at the heart of everything they did, and their daily affairs were motivated by and in consonance with their religious convictions. The Founders intentionally omitted references to organized religion in order to keep their new Government from becoming entangled with any one church or denomination. They knew first hand the dangers of religious factionalism, and the injustices of official religious persecution that were suffered even at the hands of colonial authorities.

Nevertheless, the Founding Fathers never intended to remove religion from the hearts of those who govern, and certainly not from the lives of our schoolchildren.

Further, I happen to agree with many that we need to demonstrate to our young that we consider religion sufficiently important to insist upon the right to pray. We want them to act morally, but will not do so ourselves. We will not limit pornography, but we will limit prayer. We cannot see the need to curtail the violence and explicit sexual conduct on television, but we will prohibit prayer in our schools.

I, for one, see a clear conflict of purpose between preventing established religion and the de-facto establishment of functional atheism in the lives of our children.

Recent court actions have more than adequately protected the nonreligious sector of our society, but at the same time have clearly restricted religious activity.

While the lack of religious beliefs by certain groups is their right, I do not believe that their views should set the norm for the rest of this Nation.

Our Nation was formed by moral and religious beliefs. To allow the continued erosion of this important part of our heritage would be to undercut the raising of our children and would jeopardize the strength of our Nation and society.

No one's beliefs—religious or otherwise—are jeopardized by this prayer amendment. One characteristic of American religious freedom is its capacity to allow not only a clear and unhindered choice between a wide variety of religious expressions, but also that it allows for an unfettered and unthreatened choice between religion and no religion. We may believe what we choose.

However, as a result of well-meaning, but wrong decisions by judicial officers, our country is now subjected to an improper policy in the name of religious impartiality. Free exercise of religion has been sacrificed in favor of free exercise for the nonreligious. On this basis, our courts have moved to disallow religious prayer by those who, by virtue of their youth, are in school.

I object to this state of affairs, but it is not simply to reverse this trend that I support S. 47.

This bill is a moderate approach in addressing this problem. Its essence is to allow for freedom of choice and local control.

S. 47 cannot and will not put prayer into—or back into—anything. It will not require prayer, silent or otherwise, in any classroom. It will not require or allow the reading of the Bible or Koran anywhere. It will not establish any form of acceptable theology or spiritual practice for anyone, anywhere.

What this bill will do is remove the further consideration of this issue from the Federal level. The individual States and local school districts will once again be empowered to decide the question of religious conduct in their own schools.

I realize that some discretion may be expected on the part of school officials in the interpretation of any statute. I realize, also, that individual circumstances may present a very fine line between legitimate religious exercise and simple disruption. There are effective means, however, to deal with individual excesses on the local level, without enforcing universal criteria on a national level.

Why not place our trust in the hands of those close enough to the issue to deal responsibly with it? Have we completely lost our respect for—and trust in—the American character and sense of fair play that has made us the great Nation we are today? Must Congress continue to be embroiled in the daily moral affairs of the American people?

I think it is very important to reemphasize that this amendment will not require anyone to participate in any prayer or religious exercise. It will not require school boards or other State and local government agencies to permit students to pray in school. It will simply remove present obstacles which prohibit voluntary prayer nationwide. If States or school boards want to exclude prayer from their schools, they will be as free to do so as they are now. But they will also be free to permit voluntary prayer—a choice they do not have today.

Mr. CHAFEE. Mr. President, this act would remove from the jurisdiction of the Supreme Court and the district courts cases involving prayer, Bible reading, and religious meetings in the public schools. Despite the obvious religious and educational ramifications of this bill, the central issue here does not fall in either of these areas. What we are really considering here is a constitutional issue: whether or not Congress should be allowed to upset the delicate balance of power which lies at the heart of our political and legal institutions.

In stripping the Supreme Court and district courts of their jurisdiction over school prayer and religious activities in the schools, the bill attempts to circumvent the first amendment's enjoinder against laws respecting establishment of religion. I believe that the only proper and legal way to protect school prayer is to amend the Constitution, not to build an artificial, extraconstitutional shield, which is what this legislation would do.

As the forum for redress of legal grievances and the ultimate authority on interpretation of the law, the Federal judiciary has served as an independent and equal arm of our democratic system. I am opposed to the kind of court stripping called for by this bill, which is nothing more than an attempt to work around the American legal system's established channels for settlement of disputes. It is a means of protecting certain questions from the purview of the Federal courts, which have always provided a necessary counterbalance to the other two branches of Government.

By denying all Federal courts jurisdiction over certain kinds of cases, this legislation would effectively exempt certain laws from constitutional interpretation. Only by amending the Constitution may Congress grant permanent protection to certain important principles. This act attempts to create a shortcut alternative to the amending process. In so doing, it poses a serious danger to the separation of powers that has given a strong measure of equilibrium and fairness to our legal and political system for almost 200 years.

This is not the first time that court stripping has been the subject of debate here, and many of this country's most respected legal authorities have strongly opposed it as unconstitutional. These include the American Bar Association, the Conference of Chief Justices, the National Bar Association, the Federal Bar Association, the American College of Trial Lawyers, and 55 deans of leading law schools.

This act would set a dangerous precedent of special, congressionally granted exemptions for certain classes of legal actions. As some of our country's most respected legal scholars have argued, there is only one way to achieve the ends sought by this act—through constitutional amendment. Constitutional amendments regarding school prayer have come before this body in the past, and undoubtedly we will consider these kinds of measures again. That will be the appropriate time to deal with the merits of establishing organized school prayer. This legislation addresses the issue in a manner which represents an abuse of the powers of this body. I urge my colleagues to oppose its passage.

Mr. NICKLES. Mr. President, today we are voting on whether or not children will be granted religious freedom in public schools. Starting in 1962, the Supreme Court has consistently overturned the laws of the majority of States and worked to curtail voluntary religious expression in the classroom. Unfortunately, there are no indications that this trend of hostility toward religious freedom is going to abate. Congress must act to change this tendency of the Court to legislate rather than interpret the Constitution.

In December 1984, the Supreme Court took up another case dealing with school prayer. The case, Wallace versus Jaffree, presented the Justices with the opportunity to return religious freedom to schools. Those in Congress, parents across the country, and others held their breath. Perhaps this would be the long-awaited return of the pendulum back to a historical interpretation of the amendment.

Unfortunately, instead of moving back to the direction established by our Founding Fathers, the Supreme Court restricted our intended religious freedoms even further by ruling in opposition to a moment of silence in the classroom.

The case involved an Alabama law which allowed their public classrooms to start the day with a moment of silence. The authorizing legislation indicated this moment was "for meditation or voluntary prayer." The State law did not require a school system to practice such a moment of silence, nor did it require the moment be used for prayer. It was simply a statute which allowed for freedom of expression, albeit in silence, in the public classroom. Children with a religious orientation could pray. Children who wanted to think about something else could do so.

The Supreme Court held that this law establishes a religion because it mentions prayer as one possible activity during the period of silence. It is inconceivable to me that anyone could believe that mentioning prayer as an option for schoolchildren poses the threat of establishing a State religion. This does not rate as an endorsement of religion any more than mentioning meditation as one possible activity means that Alabama is endorsing meditation as a way of life for their schoolchildren.

Rather than protecting our religious freedom or even maintaining a "neutral stance" as they have asserted, I believe that this Supreme Court ruling and the others on this subject have demonstrated a hostility toward religion. They have moved this country from religious freedom to the prohibition of voluntary vocal prayers, and now to prohibiting silence that might be used for prayer in the classroom.

Given this dismal record on school prayer issues and the outlook for the future, I believe it is time to send a strong signal to the Justices through congressional action. Congress should be a reflection of America's commitment to seeing religious freedom preserved as intended by our forefathers.

When the Supreme Court ruled that vocal voluntary prayer in public schools was prohibited, they reversed the laws of over 40 States which permitted it in their classrooms. Now, in ruling that a moment of silence for prayer or meditation is unconstitutional, they have rolled over the legislative bodies of 24 States which allowed a moment of silence. Public opinion polls show that over three-quarters of the American public support voluntary prayer in public schools. The Senate has voted on this issue before and found that a majority of Senators are in support of voluntary prayer in public schools. How long will it take before the Supreme Court stops making public policy rather than interpreting the Constitution?

I support S. 47 because it would return the option to States to have voluntary prayer in their schools. But, I also cast my vote as a signal of my strong disagreement—and that of my constituents—with the U.S. Supreme Court's rulings which are moving us toward an increasingly secular society. I do not support the Government mandating participation in religious activities. I also do not support the Government prohibiting participation in religious activities. In other words, I support true freedom of religion, and not the current interpretation by the Court. I would hope that the Justices would apply both clauses of the first amendment, which says, "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof." Today we can move back to the balance that our forefathers intended.

Mr. MITCHELL. Mr. President, the measure before us today does not deserve to be enacted. It embodies a profoundly mistaken approach to its goal. Were it to succeed, it would undermine the independence of our judiciary.

This bill is not, as its sponsors claim, a straightforward effort to modify one aspect of the Supreme Court's jurisdiction. It is an attempt to overturn by legislation the Supreme Court's decisions on matters of constitutional law.

The bill is based on an extremely broad interpretation of article III of the Constitution. Proponents of this bill claim that article III confers upon Congress an ability to define the content and reach of constitutional rights directly.

I do not find this claim persuasive. The congressional power to enforce constitutional protections is not identical to the fundamental power to define them. Yet this bill rests on precisely such a confusion.

Since the earliest days of our Government, the Supreme Court has been the final arbiter of constitutional meaning. To the Court alone is granted the power of defining constitutional rights and guarantees. To the Congress is granted the authority to enforce them.

This bill would move us beyond that authority. It would create a congressional right to choose which constitutional rights shall enjoy the full protections of the courts and which shall not.

The Constitution grants us no authority to make such choices. So I oppose this bill on the most fundamental grounds: it is unconstitutional.

As a practical matter, this bill is nothing more than an effort to alter by legislative majority a constitutional judgment of which the proponents disapprove.

Such efforts by Congress and the Executive to control the judiciary are not new.

In the early 1900's, when the Supreme Court was routinely striking down progressive social legislation, bills were introduced to abolish "the Supreme Court's power to pass upon the constitutionality of statutes."

Later, in the 1930's, when Franklin Roosevelt's New Deal programs met resistance in the Supreme Court, he sought to pack the Court to guarantee a Court majority favoring his policies.

In the 1950's, when the Federal courts attempted to curb the witch-hunting activities of Senator McCarthy, a bill was proposed to prohibit the Federal judiciary from ruling on any statutory or agency action aimed at alleged subversives.

All these efforts have one feature in common: They represented a desire to impose a political preference on the judgments of an independent judiciary.

And fortunately for our Nation, these efforts have just one more thing in common: They failed and that is a good thing because they deserved to fail.

Today's effort differs not at all from those which came before in either its inspiration or its effects. And like those earlier attempts, it too deserves to fail.

It deserves to fail on the very practical ground that it would disrupt the uniformity of Federal constitutional interpretation. The first amendment should offer the same protections in one State as in another.

To permit the courts of the 50 States to set different interpretations of constitutional terms—whether of first amendment terms or any other—would permit, if not invite, the destruction of the Constitution as a meaningful national document.

The ultimate safeguard in our system of government is the independence of our judiciary from political control. Although this bill strikes at just one issue on which the Court's rulings are controversial, its effect would be no less than to undermine that independence. In so doing, it would strike at the separation of powers which has safeguarded our people against an overweening government for over 200 years.

It has been my privilege to serve in all three branches of this system—in the executive branch as a U.S. attorney; in the judiciary, as a Federal district court judge; and now in the legislative branch as a Senator representing Maine. I have learned on a first-hand basis that each branch has a different responsibility, and that each is necessary to make our constitutional system work.

It is only the judiciary, however, that is not—and should not be—responsive to an electoral constituency. A significant role of the independent judiciary is to protect the constitutional rights of individuals, of minorities, of our system of democratic procedures itself, even in the face of systematic political attack.

For Congress to limit the breadth of issues with which Federal courts can deal would undermine that independence.

Adoption of this bill would be to adopt the principle that the judiciary's ability to protect constitutional rights can be overruled by a simple majority of the Congress. But if Congress can determine what rights may be reviewed, Congress can effectively decide what rights exist.

This would be a profoundly radical reordering of our system. It would leave the judiciary to operate at the sufferance of the legislative majority, subject to having its powers limited at any time on any issue on which a politically or socially unpopular decision was reached.

Although such a result might make a political majority or a politically influential minority happy at the immediate outcome, it would pose no less a potential threat to its supporters than to its immediate opponents, for it would eliminate the protections that both supporters and opponents of this bill depend upon when other issues arise.

There is a constitutional method available to alter the outcome of a Court ruling when a Court ruling offends sufficiently strongly a substantial majority of our people.

That is the route of the constitutional amendment, not the back-door method of denying to the Supreme Court its fundamental authority to rule on the meaning and application of the Constitution.

The court-stripping bill before us today responds to the desire of some to short-cut that amendment process to rectify one currently-felt shortcoming in our society.

Those people share a common and mistaken perception that the independence of the judiciary is an obstacle to a higher good.

The anchor of our system remains the separate and independent judicial system, acting on statutes devised by an elected, responsive legislature, and carried out by an elected, responsive Executive. Without that anchor, the Constitution would, indeed, be all sail. Our Government—and our liberties—could be blown hither and yon by the partisan, fleeting demands of temporary majorities.

To respond to temporary dissatisfactions by taking apart the careful structure of checks and balances in our Government would be to provoke a constitutional crisis which our dissatisfaction does not warrant and for which the remedy would be more destructive than the problem.

Those who advocate such a change ignore, as they should not, the connection between methods and goals.

Ours is not a society that believes that all means are valid in pursuit of desirable goals. Rather, our society is based on the principle that some means are never acceptable, no matter what the goal.

The issue at stake in this bill is highly controversial. But even if there were broader and more general agreement upon it, the question is not the goal of the bill. It is the means by which that goal is sought.

Can any socially desirable goal—regardless what it is—take precedence

over the fundamental law of the land? Can we strengthen our society if we weaken the ability of our institutions to apply the law in practice?

Our Constitution recognizes the fact that government, law and justice will be administered by human beings. It takes account of the fact that human beings are often short-sighted, often mistaken, often profoundly wrong.

The men and women who preside over our courtrooms reflect their society and their century. They are the products of contemporary experience. And it is for that reason that our courts are insulated from popular passions, from electoral returns, from political swings to left or right. Our system seeks to limit the extent to which human prejudice is systematically imposed on society.

Our courts are insulated from popular feelings for reasons which should be all too clear to anyone familiar with the judicial horrors of our century. We need only recall the Soviet courts, which recognize such crimes as "wrecking" the Soviet economy, or "anti-Soviet slander", or "malicious hooliganism". We have only to remember the despicable and infamous Nazi courts of the 1930's which swept away 200 years of German civilization with the implementation of the Nuremberg racial laws.

Those misapplications of law are not ancient history. They did not occur in the dim reaches of time, before human rights and liberties were enunciated, before there was a body of social thought which defined and defended the value of the individual. Those perversions of justice occurred in this enlightened century—they are still occurring. They occur within our lifetimes, and they were and are carried out by individuals who were willing to place an immediate social goal above the integrity of the law itself.

If we permit our temporary passions to override our permanent interest in maintaining the primacy of law, we will have done more than make a minor modification in the application of article III. We will have taken a dangerous step in the direction of undermining the integrity of our courts. We will have created a precedent here, in the United States, whose consequences can be read in the histories of other nations swept by popular passions.

We can never remind ourselves too often that the popular view today may be anathema to the next generation.

Legislatures can be mistaken. Presidents can be mistaken. Individual judges can be mistaken. The permanent bulwark of an independent judiciary is our protection against the institutionalization of such human error. It is our major shield against the legalization of prejudices, of fleeting passions, of irrational hopes and unreasonable fears.

Those who would tamper with that bulwark not only do a disservice to their contemporaries; they undermine the protections their own children will inherit. For the sake of their children and ours, they cannot be permitted to succeed.

Mr. DOMENICI. Mr. President, while I support the right of schoolchildren to participate in voluntary prayer in our public schools, I am unable to support the measure currently before the Senate. Although one of the stated goals of the Voluntary School Prayer Act of 1985 is "[t]o restore the right of voluntary prayer in public schools," the bill would achieve its goal by divesting the Federal courts of their power to review State statutes regarding a variety of religious activities in public buildings. The goal is admirable, one I have long supported, yet the methods the bill would employ to achieve those goals could lead to an erosion of the constitutional protection of freedom of religion rather than strengthening it.

The issue here is not school prayer. If that were the issue, I would lend my wholehearted support, as I have in the past. Over the past several decades, the Federal courts have been engaged in a persistent attack on the right of children to pray in school. The rulings of various Federal courts in recent years which have invalidated State laws establishing a moment of silence for prayer or a period of voluntary prayer in public schools are distressing. The actions of various school officials in response to such rulings, such as denying student organizations meeting space in public schools where the purposes of the meetings are religious, show that such rulings do not protect freedom of religion, but rather create a climate of hostility toward religious activity by public officials.

There has been a good deal of debate on whether Congress has the power to enact a law such as the one before us. I believe that it does under article III of the Constitution. I have supported similar measures to address abuses by the courts in the past, primarily in the area of busing. Yet I cannot support this measure because I believe it will lead to an erosion in the constitutional protection of freedom of religion.

It is precisely because I desire to protect the rights of every individual to worship freely that I oppose this bill. The issue is whether we shall protect the right of each individual to worship—or not worship—the God of his or her choice. Under this bill, each State could determine its own policy on religion based on the will of the majority in that State. This bill would deprive the Federal courts of the ability to protect the rights of religious minorities by divesting the Supreme Court and all the lower Federal courts of their jurisdiction to review State statutes regarding a wide range of religious activity. Thus, it would prevent the Federal courts from remedying even the most egregious abuses of the separation of church and state, such as where the majority deprives the minority of the right to practice the religion of its choice. This sweeping away of the protection of our Federal courts will not enhance religious freedom, but rather will greatly endanger it.

In closing, let me reiterate that the issue is not whether children should be allowed to pray in school, but rather whether our judicial system will be available to protect against the establishment of one particular religion in a position of preference as compared to others. Freedom of religion is a Federal right and it should be protected by the Federal courts. I, therefore, oppose this measure.

VOLUNTARY SCHOOL PRAYER ACT OF 1985

Mr. SIMPSON. Mr. President, I now ask unanimous consent that the Senate turn to the consideration of S. 47, school prayer.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (S. 47) to restore the right of voluntary prayer in public schools and to promote the separation of powers.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate proceed to vote without any intervening action on the motion to table S. 47 on school prayer unamended and that paragraph 4 of rule XII be waived.

The PRESIDING OFFICER (Mr. QUAYLE). Without objection, it is so ordered.

Mr. SIMPSON. I yield to my fine colleague from Connecticut.

Mr. WEICKER. Mr. President, I inquire of the assistant majority leader as to whether or not he and also my good friend from North Carolina are suggesting that we proceed to my motion to table immediately? There are those who desire to speak. I do not intend to try to cut off anybody.

Mr. SIMPSON. Mr. President, on behalf of the leadership, it is our intent to do it immediately.

Mr. WEICKER. I feel rather passionately on this subject. Indeed, I might add at least it will give it the dignity it should have as a freestanding issue rather than being tacked on to the Small Business Administration authorization bill.

Mr. President, this is not the first time the U.S. Senate has been asked to put itself on record regarding prayer in the public schools and it surely will not be the last.

But we have reached a new stage in this debate and we should be clear what is being asked by this latest incarnation of school prayer in S. 47.

The stakes have been substantially raised in this debate. I have made no secret of my strongly held belief that instituting group religious practice of any kind in the public schools is a denigration of the Constitution.

Mr. President, this goes beyond denigration. It represents destruction of the separation of powers that makes our system unique in the governments of men. Why should citizens of the United States settle for two rather than three separate but equal branches?

Perhaps because S. 47 refers so directly to an issue considered critical by the framers of the Constitution, it has aroused the opposition of not only the Nation's major religious organizations, but also the president of the American Bar Association and former Attorney General William French Smith, among others.

It's no wonder, Mr. President, that legal scholars, despite their political dispositions and however they differ over personnel on the Federal bench, agree that Congress should never be allowed to prescribe the substance to come before that bench.

That is the essence of this legislation, court stripping, a blatant attempt to usurp the role of the Supreme Court and the Federal courts.

Where do we stop should this become law? Federal laws that protect the handicapped are considered a costly nuisance by some in our society, so are those protecting minorities or the rights of those imprisoned. Do we then consider stripping Federal judicial authority over the equal protection guarantees from Federal statutes and the 14th amendment? Should first amendment protections of the free press be left to the vagaries of State courts every time a powerful judge or politician is embarrassed in the newspaper?

As to the secondary issue at stake in this bill, school prayer, the Senate spoke on this matter during the last Congress. A constitutional amendment on this matter fell short of the required two-thirds majority by 11 votes.

As I said, Mr President, the Senate spoke last year but the Constitution spoke to the matter more than 200 years ago. Anyone has a right to pray at any time anywhere in this Nation. And the right not to pray. These rights should not be diminished by Congress and they will not be if we leave the Constitution alone.

Mr. SIMPSON. Mr. President, I yield to the Senator from North Carolina.

Mr. HELMS. I thank the Senator for yielding.

Mr. President, I appreciate the cooperation of my friend from Connecticut and all other Senators in this connection.

We have debated this issue since I came to the Senate, and I appreciate the opportunity for the Senate to have a free-standing vote on this subject. I am prepared to vote.

Mr. PACKWOOD. Mr. President, I do not want to delay a vote. I want to find out from the acting leader what the situation is.

Are we having an extended vote because some people have to leave and some people are arriving? I have a few remarks I would like to make, but I do not know what previous arrangements have been made.

Mr. SIMPSON. Mr. President, the leadership is indicating that several Members on both sides of the aisle are pressed for previous commitments; and if the vote can be held as soon as possible, those commitments can be met.

To accommodate the Members on both sides of the aisle, we will extend the vote from 15 minutes to some longer period, until the Members have voted. That is the intent—to get to it immediately, if at all possible.

Mr. WEICKER. Mr. President, I move to table S. 47, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from North Dakota [Mr. BURDICK] is necessarily absent.

I also announce that if present and voting the Senator from North Dakota [Mr. BURDICK] would have voted "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 62, nays 36, as follows:

[Rollcall Vote No. 172 Leg.]

YEAS—62

Andrews
Baucus
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Byrd
Chafee
Chiles
Cohen
Cranston
D'Amato
Danforth
DeConcini
Dixon
Dodd
Domenici
Durenberger
Eagleton
Evans
Glenn
Goldwater
Gore
Gorton
Harkin
Hart
Hatch
Hatfield
Heinz
Hollings
Inouye
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Riegle
Rockefeller
Rudman
Sarbanes
Simon
Specter
Stafford
Stevens
Weicker
Wilson
Zorinsky

NAYS—36

Abdnor
Armstrong
Bentsen
Cochran
Denton
Dole
Exon
Ford
Garn
Gramm
Grassley
Hawkins
Hecht
Heflin
Helms
Humphrey
Johnston
Kasten
Laxalt
Long
Mattingly
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Roth
Sasser
Simpson
Stennis
Symms
Thurmond
Trible
Wallop
Warner

NOT VOTING—2

Burdick
East

So the motion to table was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. EVANS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent tht the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRASSLEY). Without objection, it is so ordered.

THE DEATH OF FORMER SENATOR HUEY LONG

Mr. LONG. Mr. President, it was on this day 50 years ago that my father, the late Huey Long, a Senator from Louisiana, died in Baton Rouge. There have been many articles written and much speculation concerning his death.

I concluded, Mr. President, that it is appropriate to place into the RECORD a document which I believe provides the information that most students of this question would like to have. It is a transcript taken before the coroner's inquest held on Dr. Carl Austin Weiss, Jr., and conducted by Dr. Thomas B. Bird, coroner of the parish of East Baton Rouge on September 9 and 16, 1935, in the city of Baton Rouge.

Mr. President, in the course of this transcript, there were five witnesses who said that they personally saw Dr. Weiss shoot Huey Long.

One was John Fournet, who was a Justice on the Supreme Court and who later served with distinction as Chief Justice on the Supreme Court, elected and reelected.

Another was Mr. Lawrence Wimberly, a State representative from north

Louisiana, who served for many years with distinction in the State legislature.

Another was Murphy Roden, who, in my judgment, was one of the best policemen who ever served the State of Louisiana and in later years served in other important positions, such as head of the State police in Louisiana under a subsequent administration, and who also had an important appointment in the armed services in World War II.

Another was Mr. Paul Voitier, who I had the privilege of knowing personally, who had no reason to tell anything other than the truth as he knew it.

All of these persons were willing to accept the responsibility of testifying before the coroner's inquiry.

Another witness was Mr. C.A. Riddle, and we called him Ad Riddle, as I recall it, who was a State representative at the time from Avoyelles Parish.

Mr. President, I knew these people and in my judgment these people told the truth.

There is another witness to this matter who did not see the actual shooting of my father. He saw what happened immediately after. That man was Mr. Frampton, who was a reporter for many years. I believe he was working in the Governor's office at the time this matter happened. His statement corroborates what the other five eye witnesses said.

I know there are some who would say that these witnesses who testified all had one thing in common, that they all were Huey Long supporters, overall friends of Huey Long in one respect or another. One could say they would not believe anybody who was a friend of Huey Long even though they could be a Supreme Court judge. But that, to me, does not make too much sense, Mr. President.

I ask unanimous consent that this transcript of the coroner's inquest discussing this event be printed in the RECORD at this point.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

[Transcript of Testimony taken before the Coroner's Inquest held over the Body of Dr. Carl Austin Weiss, Jr., and conducted by Dr. Thomas B. Bird, Coroner of the Parish of East Baton Rouge, on September 9 and 16, 1935, in the City of Baton Rouge, LA]

STATE OF LOUISIANA, PARISH OF EAST BATON ROUGE

Before me, the undersigned authority, Lemuel C. Parker, a Notary Public, duly commissioned and qualified in and for the Parish and State aforesaid, personally came and appeared: Glenn S. Darsey, well and personally known to me, who, after being duly sworn, did depose and say:

That his name is Glenn S. Darsey; that he is a duly licensed and practicing attorney of the Bar of Baton Rouge, Louisiana, and a Notary Public in and for the Parish of East Baton Rouge, Louisiana, duly commissioned and qualified; that on the dates of September 9 and 16, 1935, he was the duly appointed and qualified Deputy Clerk of Court of the Nineteenth Judicial District Court of the State of Louisiana, in and for the Parish of East Baton Rouge, and official Court Reporter of said Court; that, on the dates aforesaid, he reported the testimony taken before the Coroner's Inquest held over the body of Dr. Carl Austin Weiss, Jr., and conducted by Dr. Thomas B. Bird, Coroner of the Parish of East Baton Rouge, on September 9 and 16, 1935, in the City of Baton Rouge, Louisiana; and that he does now, hereby and herewith, certify that the foregoing seventy-two (72) pages represent a true and correct transcript of said testimony.

GLENN S. DARSEY.

Sworn to and subscribed before me, aforesaid Notary Public, at Baton Rouge, Louisiana, on this 5th day of May, A.D., 1949.

LEMUEL C. PARKER,
Notary Public.

Dr. BIRD: The body of C.A. Weiss was examined by the Coroner and Jury. We found thirty bullet openings on the front of the body and twenty-nine on the back and two of the head, one penetrating the left eye and making its exit through the left ear; and other going through the tip of the nose and grazing the face. The body wounds, it was impossible to tell which were wounds of entrance and which wounds of exit there were so many in every direction.

Two bullets were recovered, one a .38 caliber and one a .45 caliber; they were just found under the skin.

Mr. E. Prampton called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Just narrate exactly what you saw immediately preceding the shooting at the Capitol last night. Describe in detail everything you did see.

A. Just immediately preceding the shooting I talked with Senator Long, first, on the floor of the House. then I went in the Governor's office and called my office in New Orleans; in response to questions that they asked me I telephoned Senator Long in the sergeant-at-arms office in the House. He was called to the telephone and I talked with him again. Within a minute or two he left the House and walked down the corridor to the Governor's office. I started from the Governor's office through the anteroom; just as I reached for the doorknob was when I heard the sound of a shot. As I opened the door I saw Senator Long walking down the hall clasping his side with his hands.

By Dr. Bird:

Q. A good many people said they heard two shots.

A. I heard only one at that time.

Q. I mean that first.

A. Yes. As I opened the door I saw two men struggling. One I recognized as Murphy Roden, as a State Highway policeman, and the other man, who was later identified as Dr. Carl Weiss. Murphy had his back towards the door.

By Mr. Odom:

Q. Towards the Governor's door?

A. Yes, and was in a stooping position as though he had fallen in struggling with the man. He backed away, firing as he backed away. As he backed away half a dozen or more started shooting. He pitched forward with his head in the corner near the marble pillar with his face down. He lay there and nobody touched him until the Coroner ordered the body moved.

Q. The corridor you speak of was the north side of the building on the second floor leading from the House down by the Governor's office?

A. And connected with the Senate along with other offices of State officials including that of the Governor.

Q. As I understand your testimony, you had not come into the hall when the first shot was fired?

A. No, sir.

Q. And didn't see him fire that shot?

A. I did not.

Q. Had you gotten out into the hall before the other shots were fired?

A. I was standing in the doorway. I naturally didn't step out in the hallway.

Q. Have you any way of approximating the lapse of time from the first shot to the firing of the succeeding shots?

A. It required the time for me to turn the doorknob and open the door and look out. I would say three or four seconds.

Q. The man whom you identify as firing the first shots after you looked out in the hallway, what is his name?

A. Roden, Murphy Roden.

Q. Was his fire returned by the the man who was subsequently identified as Dr. Weiss?

A. I didn't see him fire any shots.

Q. Was Dr. Weiss in plain view of you?

A. He was.

Q. As far as you could see, did he make any effort or any overt attack on the man who shot him?

A. When I opened the door he was struggling with Roden. He had a pistol in his hand.

Q. Could you tell from the nature of the struggle if Roden took it away from him?

A. They seemed to be struggling over the pistol or just quitting struggling over the pistol.

Q. When they separated could you tell whether Roden jerked away and backed off or whether the other man jerked away? How did the break take place?

A. Roden evidently jerked away. He was still in a crouching position, firing as he backed away.

Q. When he backed away, what did the other man do, Dr. Weiss?

A. Fell on the floor.

Q. Prior to the time he backed away, did Dr. Weiss make any effort to shoot Roden?

A. I don't think he had time to do it.

Q. Was there any motion of his you could construe as an overt act toward Roden?

A. I would say my first impression was Dr. Weiss with a pistol in his hand trying to either wrest it away or get it away from Roden or get in a position where he might use it. I don't know what his intentions were.

Q. You gained that Roden had the weapon and was wresting it from him?

A. No, the other man had it.

Q. The man had the weapon and Roden was trying to wrest it away from him?

A. Yes.

Q. Could you tell whether he wrested it away or turned loose and backed off?

A. I couldn't say. Murphy showed us his thumb that had evidently caught in the jam of the pistol, it evidently caught in the barrel of the pistol.

Q. Could you approximate how many shots Roden fired into Dr. Weiss?

A. I couldn't say, several times.

Q. What was the posture of Dr. Weiss at the time Roden opened fire, was he standing upright or crouching?

A. Crouching. As Roden backed away he shoved Weiss or the man away from him. He backed up and fired as he backed away.

Q. Dr. Weiss was then in a stooping position?

A. Yes, near the floor; he sank down.

Q. Prior to the shooting?

A. They were both in a stooping position.

Q. Which was nearer the floor, Roden or Weiss?

A. Weiss, I believe.

Q. You heard only one shot up until that time?

A. Yes.

Q. I appreciate it is almost impossible to space time. Have you any way of determining or estimating or approximating the time they were engaged in that struggle, hooked up together, the officer and Dr. Weiss?

A. It would be impossible to approximate or estimate it because I didn't see the beginning of it.

Q. Can you estimate or approximate the time that they were hooked up after you saw them?

A. It was practically a continuous action. The minute I opened the door the men I saw were struggling. Roden shoved the other man away and backed away and fired as he did that. He crouched and backed farther away and fired some more.

Q. As Roden fired the man fell?

A. That's right.

Q. You said some other people opened fire after that?

A. Yes.

Q. Do you know who they were?

A. No. There was a group of them there; six, I would say.

Q. Do you know any of them?

A. I am not positive; I saw so many people I am not positive.

Q. Were they what is commonly known as Senator Long's bodyguards?

A. I recognized half a dozen or more whom I knew and recognized to members of the State police.

Q. Can you say you recognized any other man who shot Dr. Weiss besides Mr. Roden?

A. It would be only a guess. Every one had a gun out. I don't know which ones.

Q. Can you tell who had guns out?

A. Paul Votier and, I believe, was firing; I think Joe Messina was, I am not positive.

Q. He was there?

A. He was there.

Q. Was that all or any one else?

A. I don't recall.

Q. Was Mr. McQuiston there?

A. He was there. I don't know whether he did any firing or not.

Q. Did he have his gun out?

A. I think he did.

Q. Was Louis Heard there?

A. I don't know him.

Q. Was Joe Bates there?

A. I don't recall seeing him.

Q. Did any one put his hands on Dr. Weiss besides Roden?

A. I couldn't say.

Q. Can you state the time between the time that Roden did the shooting and the others joined it?

A. They joined in almost simultaneously. It was almost a miracle that Roden was not hit by some of them.

Q. They were around him?

A. On all sides.

Q. Had Dr. Weiss fallen to the floor before the others opened fire?

A. Yes.

Q. The other people opened fire and shot after he was down?

A. Yes, the pistol was in his hand.

Q. He fell down?

A. Yes.

Q. On the north or the south side of the corridor?

A. At the southeast corner of the corridor, as regards the four pillars outside of the Governor's office.

Q. Was his face down flush with the floor?

A. It was partially on his arm.

Q. Was his face towards the north or south?

A. I don't recall. I couldn't see his face.

Dr. BIRD: His face was down; when I found him he had not been touched.

By Mr. Odom:

Q. Was there much of a crowd there?

A. The customary legislative crowd was there, in and out of the hall.

Q. Did you see Judge Fournet as you came out?

A. No, sir; if I did, I didn't recognize him.

Q. Did you recognize any one other than the bodyguards and Dr. Weiss and Senator Long?

A. I wouldn't remember because my attention was concentrated on the shooting and the victim of the shooting.

Q. Among these people whom you saw shooting—the crowd from whence the shots were being fired—could you see any one of the bodyguards in his entourage?

A. I didn't know the bodyguards. I think they were all officers of the State police force. Some may have been on guard duty.

Q. In other words, you don't recall seeing any one except State police?

A. Yes.

Q. They were not in uniform?

A. They were not.

Q. Were any of them in uniform?

A. No, sir.

Witness excused.

J. E. Dearmond, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. What is your occupation?

A. Hotelman.

Q. Were you at the Capitol last night?

A. Yes, sir.

Q. What was your business there?

A. Just visiting.

Q. Are you located in Baton Rouge or New Orleans?

A. New Orleans.

Q. Did you have any business at the Capitol?

A. No, sir.

Q. How did you happen to be there?

A. Just walking around meeting friends.

Q. Have you held any commission under the State or under the City of New Orleans?

A. Yes, sir.

Q. What was it?

A. A special commission from the Bureau.

Q. When was that?

A. Before this law was passed when they recalled all of them.

Q. Have you held any since then?

A. No, sir.

Q. Where were you when the shooting took place?

A. In the secretary to the Governor's office.

Q. Who was in there?

A. Mrs. McGuffey and some other gentleman was up there; I don't know who he was.

Q. What was the first thing that attracted your attention?

A. Senator Long walked in the office in a big hurry. He walked in and said, "We have to get all our men here tomorrow."

Q. Who said that?

A. Senator Long.

Q. Who was he addressing?

A. Nobody in particular.

Q. Who could he have been addressing?

A. He walked in and struck his head in—Mrs. McGuffey was there—he said, "We have to get all our men here tomorrow." He turned around and walked in the hall and repeated the same statement as he stepped in the corridor. Just about that time I heard one shot followed by others. I was not going to stick my head out.

Q. The first shot, you just heard one shot?

A. The way it was, one shot was not so loud.

Q. Have you any way of approximating or spacing the time between the first shot and the others?

A. Very rapidly, four or five seconds.

Q. Can you approximate how many shots there were?

A. Estimated twenty-five or thirty; that was my guess.

Q. Where the body lay, how far was that to the Governor's door?

A. From the Governor's or the Secretary's door?

Q. The secretary's door. That's the door Senator Long went out?

A. Yes, sir. I would say twenty-feet.

Q. When Senator Long came in, who accompanied him?

A. He came in and turned around the way he came and I only saw Murphy Roden.

Q.Were there others with him?

A. I imagine so.

Q. You recognized Murphy Roden?

A. Yes, sir, also Paul Voitier.

Q. They followed him out?

A. He turned around and went out the door, they naturally followed.

Q. What did Senator Long say?

A. "We will have to have all our men here tomorrow."

Q. Is that all he said?

A. Every word. He made the same statement twice. Once in the office and then I heard it as he was going out the door.

Q. Did you know Dr. Weiss?

A. No, sir, I never saw him before to know him.

Q. What was your business in the Governor's office, social or otherwise?

A. I just dropped in socially for a few minutes. I saw Mr. A.P. White, the Governor's secretary, and Bertram Barnett, the publisher of the Bienville Democrat in Arcadia.

Q. You are presently employed by the DeSota Hotel?

A. The National Hotel Company.

Q. Are you still there?

A. I was up until three—two days ago.

Q. You don't know who did the shooting?

A. No, sir, the shooting was so close to the door.

Witness excused.

[The following testimony was heard Spetember 16, 1935.]

John B. Fournet, called as a witness, being first duly sworn by Coroner, testified as follows:

By Mr. Odom:

Q. You are Judge John B. Fournet of the Supreme Court of Louisiana?

A. Yes.

Q. You are an Associate Justice of the Supreme Court?

A. Yes.

Q. Were you present at the Capitol on last Sunday night, say, about 20?

A. Yes.

Q. Did you witness the shooting as a result of which Dr. Carl A. Weiss and Senator Huey P. Long lost their lives?

A. I did.

Q. Will you please relate in your own words just exactly what you saw and what you heard immediately preceding the occurrence and what happened immediately afterwards?

A. Well, I was in the House. I knew Huey was in the House and I wanted to see him and talk to him about something I wanted to impart to him before he left Baton Rouge. I had been in the House a good portion of the evening trying to talk to Huey; he had been there. That's the reason I was there. When he left the House I started out behind him to follow him and get any opportunity to have a conversation with him. As usual, he walks very fast; it is almost hopeless to follow him. But I wanted to talk to him especially, there were two or three things I wanted to talk to him about. When I got into the corridor I didn't see him but I asked a couple of people standing there which way the Senator had gone—when I got there, I couldn't see him—I was told that he entered the Governor's office. I walked leisurely in that direction. I met Joe Messina and we walked together. He knew where Huey was. As we approached the Governor's office, the Senator walked out and walked towards our direction. About the time he reached this big circle in the middle of the corridor——

Q. Let me interrupt you a moment. That was going back towards the House?

A. He was facing the House of Representatives, east, I think, if I have my directions correct. About that time he made some statement as to getting everybody on hand early tomorrow morning. I think. Some one answered him, came and said that has been attended to, but I don't know who answered; quite a few people were there. Some of the Bureau men were there and there were several others up there. I didn't pay much attention to those because Huey was the man I wanted to talk to. My plan was to go talk to him in his room. Just about the time he was answered that was over and there was a little pause, not another word was said, when a man of small stature, a man dressed in a white suit—he was a slender man—flashed among us. He moved hurriedly, wedged in with him, flashed a gun and shot almost simultaneously. I was right next to me. I put my hands on the man's arm and tried to deflect the bullet. I had my hat in my left hand, but I dropped it or lost it in all the excitement. As I put my hands on his arm he shot almost simultaneously. Of course, there was quite a bit of confusion. One of the boys grabbed him at the same time almost that I did; others wedged in. I shoved him as hard as I knew how. When I shoved him somebody else grabbed him. Who, I learned afterwards, was Murphy Roden. He went to the floor; I shoved him and they went down in one continuous movement; there was no cessation; they both went down. The doctor, who I learned since was a doctor, did not go all the way to the floor, as I saw it. He jerked the gun loose and the other boy, who I have learned since was Murphy Roden, grabbed it with both hands when he was trying to shoot again; he was trying to keep him from doing this. All about that time there was no cessation. I made no effort to grab the gun. When the shooting started the gun was between me and the boy who was on the floor. The boy was in this position (indicating), he was almost over him. I, naturally, stepped back a few steps, two or three; the shooting kept on without cessation.

I immediately started to look for Senator Long. I ran down the stairs and found him in the arms of Jimmy O'Connor and somebody else—I don't know who it was. He said that he was shot. We asked him where he wanted us to take him and he said to the sanitarium, of course. We walked with him to the car. My hat stayed right there where it all happened, whether I lost it when I shoved him or not, I don't know; I know it stayed right there.

Q. Judge, at the time you saw Mr. Roden grappling with the man whom you subsequently learned to be Dr. Weiss, you say he was attempting to fire his gun again?

A. Yes.

Q. Could you tell who he was trying to shoot?

A. At the time it looked like he was trying to shoot Murphy, the boy on the floor.

Q. They were grappling?

A. No, Murphy was loose at that time.

Q. I understood you to say that simultaneously with the firing of the gun that you struck the man?

A. Yes, I shoved him hard enough that he went down with the boy that was grappling with him on the floor; he was almost under him up to the wall. I shoved him completely away.

Q. Do you remember just what portion of the body the weapon—what portion of the Senator's body the weapon was pressed against?

A. That's very hard to say. It was at his front with an upward trend. The gun came from his right hip. What he drew the gun from, where it came from on him, I did not see. I had not noticed him or seen him before he fired. He drew it from the hip and straight up and straight out; the man made one step and fired.

Q. It was you who shoved him away?

A. Whether the shoving was sufficient to deflect the bullet would be only conjectural or problematical.

Q. I didn't mean that. At the time you shoved him the force of your shoving forced him to the floor?

A. He didn't go to the floor completely.

Q. Did he go to his knees?

A. He stayed in a crouching position. He always stayed that way, attempting to shoot that other way.

Q. He still had the pistol?

A. In his right hand trying to shoot it with both hands.

Q. Did Roden ever grab him?

A. Yes, Roden held on to the gun.

Q. Were you attempting to get your hands on Dr. Weiss?

A. Yes, for the second time; after I shoved him I was making an effort to grab him when they began to shoot pretty lively around there.

Q. Judge, can you tell us who fired the first shot?

A. No sir. The shooting was from my right and left. All the shooting was done almost directly to my right and left a little behind me. None of them were close to me. I did not see Murphy draw his gun from a reclining position as he got up.

Q. How did he get on the floor?

A. That's pretty hard to say; I was not watching Murphy Roden as I was afraid of the other fellow until it started generally.

Q. Can you tell whether or not Mr. Roden fired the first shot at Dr. Weiss?

Q. If it was Roden, you couldn't recognize anybody. In other words if Dr. Weiss had escaped, I could not have identified him.

Q. The man who fired at Dr. Weiss, did he fire first?

A. The man on the floor did not shoot the first shot. I don't think he was because he was shooting before that while Murphy Roden who was on the floor was attempting to get the gun.

Q. When you say the man who shot first, you are not confusing that with the first shot?

A. No, sir, that was after that.

Q. Have you any way of approximating how many shots were fired?

A. I served in the World War and I was a machine gunner. A machine gun would fire 300 to 600 bullets a minute. I would say after the shooting started it was as fast as a machine gun. In other words, there were two or three or four shooting at one time but to say how many shots were fired, would be a pure guess.

Q. Do you know what sort of weapons were used?

A. It sounded like an automatic. There may have been a single action sandwiched in between.

Q. Were any machine guns used?

A. No, sir. If there were I did not see them. They were shooting from my left and right, practically to the rear.

Q. As a matter of fact, I understand it to be your testimony that while Dr. Weiss was on the floor with the gun in his hand and while he was attempting to use it that he was shot by some one to the rear of you—who it was you don't know, but it was not Mr. Roden?

A. No, sir, that's my firm belief. I know he was on his feet. I didn't see the gun drawn from him; I saw him make the move. The other man rolled over. He went around and down. He went down slowly when the first bullet struck him; he just had a quiver of the body. While he was still doing that the shots were pouring into him from both sides.

Q. Can you describe or denote the spacing of the shots? The first shot from the next shot?

A. Yes. Very close, so close that I thought Senator Long was shot with the first two shots, until the Coroner's verdict and other people, I was of the opinion he was shot twice. The Senator was of that opinion because he said, "You kept him from hitting me the second time."

Q. Can you approximate——?

A. In fact, it was so fast, you could just guess for yourself. Any attempt to give any definite time, would have to be an expert on shots and the time of the shots. I can give you what happened and you can figure it for yourself. There was never any cessation of action, it was one continuous action. The man came straight up to Senator Long and fired. I grabbed his hand and my next move was to shove him as hard as I could; my next effort was to grab him. In the meantime, he and Murphy Roden were mixed up; then I stepped back two steps. The firing was ceasing about that time. You can figure for yourself about how fast that was. I figure they shot forty or fifty times. As fast as you could shoot three or four automatics or revolvers one after the other, whichever way you want to put it, that would be the time. In other words, I have heard worlds of people not to express an opinion, say they thought it was a machine gun, those who heard it and didn't see it.

Q. Judge, was he shot after he was down?

A. The shots were continuous; there never was a cessation. Naturally, some of the shots hit him after he hit the floor. I am convinced of that.

Q. After the continuous firing was over were there any other shots?

A. No, sir. The last shooting that was done was done by an automatic also. It was continuous, there never was any cessation at all. There seemed to be more than one shooting at one time, two or three. When it was finished it was an end to everything. There was never a complete cessation of shooting until it actually stopped. There never was such a thing.

By Mr. Porterie:

Q. There was no conversation between Senator Long and Dr. Weiss at all?

A. He never uttered a word, he never gave any warning. He walked right among us. I was close to the Senator. As Dr. Weiss made one step he shot. There was no outcry at all except by Huey, the usual scream of a man injured or shot. He grabbed his side and that was all I saw of him until I saw him downstairs. When I stepped back I started looking for him. I opened the Governor's office and looked in there for him. I thought he might have gone in there. He was not there so I came back in the corridor, and was told that he ran down the corridor and down the stairs. I ran down and caught him as he was going out the east door.

By Mr. Odom:

Q. Do you recall who was there at the time he was shot?

A. It would be hard to say; there were a bunch of us. Strange to say, I know the boys who go out with Senator Long, but I know the names of only a few. I remembered after that I saw three or four; Joe Messina, Murphy Roden, the young fellow, the man they call George, I couldn't give his name, a big man; Mr. Coleman, a bald-headed fellow, I saw him. I saw this man Louis Lesage, a Standard Oil man; he was sitting in the window. I remember seeing Mr. White after it was over; I don't remember seeing him before that. I also remember seeing Dr. Smith before. There were several boys like that, I saw Joe Bates right after. By that time a great crowd was coming in. Men were running in and peeping out from the House and other directions.

Q. You didn't see any others?

A. No, sir; I made no effort to find out, to be frank with you.

Witness excused.

Rev. Gerald L. K. Smith, called as a witness, being first duly sworn, made the following statement:

I want to say I respect your court, but I do not respect this investigation, and I brand the District Attorney of this court as one of

* * * * *

I worshiped my hero. I will say nothing here and I will not harass these boys who are here in any way.

Witness excused.

Mr. Odom. I might add in view of this charge by this person, that I care nothing of his opinion of me or my actions. When he says I entered into a plot to kill Huey Long, he is a willful, vicious and deliberate liar.

R. William H. Cook, called as a witness, being first duly sworn by the Coroner, testified, as follows:

By Mr. Odom:

Q. Dr. Cook, you are a physician and surgeon practicing your profession in the City of Baton Rouge?

A. Yes.

Q. Were you present at the operation performed on Senator Huey P. Long on last Sunday night a week ago?

A. Yes.

Q. After the operation had been performed did you have occassion to notice his mouth?

A. Yes.

Q. Will you describe to the Coroner and Jury what you found?

A. Dr. Henry McKowen, who was giving the anesthetic, called the attention of all of us, that were present to an abrasion or brushburn on the lower lip of the Senator, and asked that some one put iodine on it which I did.

Q. Was it bleeding?

A. It was not bleeding until Dr. Henry McKowen wiped it off with a moist sponge. Then it did bleed just a little.

Q. It oozed blood?

A. That is correct.

Q. Was it a fresh abrasion?

A. It appeared to be.

Q. Of course, you have no way of telling how that was caused?

A. No, sir.

By Mr. Porterie:

Q. Doctor, an injury of that kind could readily occur to any person after a person was shot who would have to take the steps from the first floor of the Capitol down a step of four flights of stairs to the basement and might strike any sharp angles or the marble in the Capitol after being wounded as he was?

A. Any contusion or trauma could cause that abrasion.

Q. By trauma you mean a lick against a hard surface?

A. Yes.

Witness excused.

Dr. J. Webb McGehee, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Doctor, you are a practicing physician in the City of Baton Rouge?

A. Yes.

Q. Did you have an engagement with Dr. C.A. Weiss for an operation in which you were to administer the anesthetic on last Monday, a week ago today?

A. I did.

Q. When was the last conversation you had with him about that operation?

A. About Friday, when I talked to him personally.

Q. Did you have a telephone message from him?

A. I had a telephone message from him Sunday night about 8:15. My wife talked to him; he wanted to know if I knew that the operation had been changed from our Lady of the Lake Hospital to the Baton Rouge General Hospital.

Q. That was 8:15 Sunday night?

A. Yes, about that.

Witness excused.

C. Sidney Frederick, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Mr. Frederick, you are a practicing attorney, are you not?

A. Yes.

Q. You are the District Attorney of the St. Tammany-Washington District, are you not?

A. Yes.

Q. Were you in the Capitol on Sunday night, a week ago?

A. I was.

Q. Were you there at the time of the shooting?

A. Yes.

Q. Just where were you in the building at that time?

A. I was leaving the Governor's office and had taken perhaps two steps in the reception room when the first shot was fired; that was followed by a second shot and then by a regular fusillade of shots in rapid succession. About that time I had gotten to the small entrance to the secretary's office. The shots had not ceased at that time. I looked out of the door for just a moment because I withdrew myself from exposure at the door immediately. I saw a number of men down the corridor in some confusion. As I say, I withdrew; I waited until the shots had subsided.

Q. Did you see any of the shooting?

A. I couldn't say that I saw any particular person fire any particular shot.

Q. Did you see any person fire any shot?

A. Yes.

Q. Who did you see?

A. I am not in a position to say who fired the shot.

Q. You mean you don't know the person?

A. No, I don't mean that. I mean that I didn't look long enough to determine who fired the shot. In other words, the shooting was going on while I looked down the corridor momentarily.

Q. Did you see more than one person shooting?

A. I saw revolvers in the hands of more than one person.

Q. Did you recognize any of them?

A. No.

Q. Did you know any of them?

A. I can only answer that question by hearsay. I learned the names of two gentleman afterwards.

Q. In otherwords, you learned the names of two men you saw firing?

A. I won't say that. I learned the names of two persons I recognized in the hallway.

Q. Were they contiguous to where the shooting took place?

A. Yes.

Q. How long after the shooting was it before you saw them?

A. Momentarily.

Q. Do you mind telling us the names of these two persons?

A. Murphy Roden and Elliot Coleman.

Q. Did you see revolvers in the hands of those men?

A. I would not swear I saw a revolver in the hands of Mr. Coleman. Mr. Roden, I did.

Q. Did you see the revolver in the hands of Mr. Roden firing?

A. I couldn't answer that truthfully.

Q. Can you approximate—did you see the body of Dr. Weiss at the time of the firing?

A. I was one of the first persons to get it.

Q. Did you see the body before the firing ceased?

A. Yes.

Q. What was—just describe where the body was.

A. The body was lying in a position just across the narrow corridor that leads to the Governor's office just a few feet to the west of the double doors that entered in the Governor's office by the large marble pillar.

Q. Did you see the body when it crumpled to the floor?

A. No.

Q. When you first saw the body it was down, is that correct?

A. I would say that is approximately correct. You must understand this happened so quickly. I didn't keep my head out in that corridor any great length of time.

Q. After you saw the body on the floor did you see who was shooting?

A. I will answer that question this way: There were shots fired after the body was on the floor.

Q. Did you say the only men you identified fired after the body was on the floor to your knowledge?

A. I couldn't say.

Q. I don't remember whether you stated you saw the body when it fell to the floor?

A. No, I would say the body was on the floor.

Q. Could you approximate how many shots were fired after you saw the body on the floor?

A. Perhaps five.

Q. Could you space the shots for us, the time elapsing?

A. Very little time had elapsed between shots.

Q. Would you say more time elapsed between the second and the subsequent shots?

A. I would say that more time elapsed between the firing of the first two shots and then the firing of the shots that followed after they started to fire.

Q. After the second shot was there a continuation of the shooting?

A. It sounded very much to me like a machine gun in action.

Q. Have you heard a machine gun in action or seen one?

A. Yes.

Q. Did you see a machine gun there, Mr. Frederick?

A. No.

Q. Of course, I know it is almost impossible for one to tell under the circumstances such as that the lapse of time between shots, but could you give us any approximate idea of the time between the first and second shots?

A. I would say it was a very short space of time, almost instantly.

Q. Was there a longer space of time between the first and second shots than the second shot and the subsequent shots?

A. I think there was a longer space of time between the second and third shots than between the first two.

Witness excused.

J. T. Cockerham, called as a witness, being first duly sworn, by the Coroner, testified as follows:

By Mr. Odom:

Q. You live at Denham Springs, do you not?

A. Yes.

Q. Were you in the State Capitol last night a week ago?

A. Yes.

Q. Did you witness the shooting there as a result of which Dr. C. A. Weiss and Senator Long lost their lives?

A. No, sir.

Q. Did you hear the shooting, Mr. Cockerham?

A. Yes, I heard it.

Q. Where were you ?

A. Right close to the doors at the front entrance.

Q. You mean out in Memorial Hall?

A. Yes sir.

Q. Did you see anything at all?

A. No, sir.

Q. Did you see any of the participants?

A. No, sir.

Q. Did you see anybody going to or coming from the scene of the shooting?

A. No, sir, just the crowd rushing.

Q. You heard the shooting?

A. Yes, sir.

Q. Describe what you heard.

A. I couldn't describe just what I heard. There were several shots, I don't know how many. Of course, a fellow didn't have time to count them.

Q. Was there any space of time between the first and second shots?

A. Yes.

Q. Between the second and third shots?

A. As well as I remember, there was very little space between the second and third, I don't think much. I remember when the first shot was fired there was a little space and then another.

Q. After the firing of those shots was there continuous shooting then from that time until it was over with?

A. Yes, sir, several shots fired along behind the other.

Q. Have you any way of approximating how many shots were fired?

A. No, sir, a good many. I have no idea how many. There was so much excitement and the firing was so fast I had no way of telling how many.

Witness excused.

Cooper Jean, called as a witness, being duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Mr. Jean, you live in this parish, do you not?

A. Yes.

Q. Were you present in the Capitol last Sunday night a week ago?

A. Yes.

Q. Were you there at the time of the shooting we are investigating now?

A. I was.

Q. Were you a witness to the shooting?

A. No, sir, I was not.

Q. Where were you at the time of the shooting? At the main entrance as you go up into the Capitol? Out in Memorial Hall?

A. Yes.

Q. Did you see anybody going to or coming from the shooting?

A. I saw people, some were trying to go in and some coming out.

Q. Did you recognize any of them?

A. No, I did not.

Q. Have you any way of approximating how many shots were fired?

A. No, sir, I couldn't answer that.

Q. Was there any space of time between the first shot that was fired and the second shot?

A. Very little if any, very little.

Q. Was there any space of time between the second shot and the third shot?

A. I couldn't say anything about the third shot.

Q. When did the beginning of the continuous fusillade of shots take place?

A. As well as I remember, after the second shot.

Q. You didn't see it and didn't see any of the participants?

A. No, sir.

Witness excused.

Ed Sharp, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Mr. Sharp, were you present in the Capitol last night a week ago?

A. Yes.

Q. Last Sunday night?

A. Yes.

Q. Were you present at the time of the shooting which is the subject of this inquiry?

A. Yes, sir.

Q. Did you see the shooting?

A. No.

Q. Where were you?

A. In the lobby, just coming down from the balcony.

Q. The lobby of the House of Representatives?

A. Right in front.

Q. Out in Memorial Hall?

A. Yes, I guess so.

Q. Did you see any of the participants in the shooting?

A. No, sir, not that I know of.

Q. Did you see any one going to or coming from the shooting?

A. People were trying to go in and some were coming back. Most of them were coming out.

Q. You didn't see any of the shooting yourself?

A. No, sir.

Q. Was there any appreciable space of time between the firing of the first and second shots?

A. Half a minute or something like that. Two shots came ahead of the others.

Q. Between the first and second shots?

A. Yes, sir.

Q. And between the second and third shots?

A. About the same time, then a volley of shots.

Q. After the third shot? After the second shot? Your didn't do in there?

A. No, sir. My daughter was with me, and when it commenced she jerked me away and soon as we got away, and I got her quiet, I walked back to see what happened. Somebody said it was firecrackers; I went to find out.

Q. That's all you know about it?

A. Yes, sir.

By Mr. Porterie:

Indicate by the snap of your fingers the cracking of the guns.

(Snap-Snap)

Q. That's the time you call half a minute a little while ago? Is that what you mean?

A. That's as near as I could get at it.

Q. That's all I wanted to know. I have no reflection on you.

A. That's all.

Witness excused.

Earl Straughan, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Were you in the State Capitol last Sunday night a week ago?

A. Yes.

Q. Were you there at the time of the shooting?

A. Yes.

Q. Did you see the shooting?

A. No.

Q. Where were you?

A. About five steps before you go in the hall where the shooting had taken place.

Q. In which direction?

A. Down the hall in front of the House of Representatives.

Q. You mean in what is called the House lobby?

A. I guess that's it.

Q. Did you go out in the hallway when you heard the shooting?

A. No, sir. I was headed that way. When it started I stopped.

Q. You didn't see the shooting?

A. No, Sir.

Q. Did you see any of the participants?

A. I went in there after it was over.

Q. Describe what you saw when you went in.

A. When the shooting was over I walked down there and got almost to where the shooting occurred to see what happened. One fellow was laying on the floor in a white suit. About that time they run us all out. I didn't get up but about fifteen feet to the fellow on the floor.

Q. What did you say?

A. I say I got within about fifteen feet of the fellow laying on the floor and then they made us go out.

Q. Did you see any one there at that time?

A. Yes, several of them.

Q. Do you know who some of them were?

A. I didn't look at the faces; I probably would have but I was looking at the guns.

Q. Were they strangers to you?

A. I know some of them when I see them.

Q. Do you know any of them?

A. Not personally.

Q. Do you know who any of them are?

A. Not that I seen in there; I didn't recognize them.

Q. Have you had any of them pointed out since?

A. From what the papers say, I know several of them by their names.

Q. Who was it you saw there with guns in their hands that you knew?

A. I didn't see them, I couldn't tell.

Q. What sort of guns were they?

A. Not automatics, six-shooters, like the City Police carry here.

Q. About how many men would you say you saw with guns in their hands?

A. Four or five.

Q. You cannot identify any of them for us?

A. No, sir.

Q. Who was with you?

A. Nobody was with me. There was a crowd of people but nobody with me.

Q. Was Lloyd Straughan there?

A. Yes, sir, he is my brother.

Q. Was he there?

A. When the shooting occurred, he ran back in the balcony.

Q. Were you together when it started?

A. We were when it started.

Q. When it started he went the other way?

A. Yes, sir.

Q. Can you give us any idea how many shots were fired?

A. A couple of shots were fired and then a couple of seconds and then twenty-five or thirty; that's my version of it.

Q. Have you any way of approximating how many shots were fired?

A. No way, only guessing.

Witness excused.

C. A. Riddle, called as a witness, being first duly sworn, by the Coroner, testified as follows:

By Mr. Odom:

Q. You are a member of the House of Representatives from the Parish of Avoyelles?

A. Yes.

Q. Were you in the Capitol on the night of the shooting?

A. I was.

Q. Did you witness the shooting?

A. I think I did.

Q. Relate just what you saw, what you heard, and what you observed of the proceedings.

A. When the House adjourned, I came out the right door and turned into the first door to the right into the corridor, which is the east end. I proceeded down the corridor and noticed Senator Long come out of what I thought was the secretary's door.

Q. The secretary to the Governor?

A. Yes. He was coming up the corridor towards the east end facing me. He stopped about six feet from the set-off or setback from the column in the corridor, about the center of the square or circle in the floor of the corridor. I thought that was a good time to approach him and ask him to speak at a barbecue we were going to have in Marksville. When I reached within five or six feet of the Senator, a gun fired—it all happened about the same time. There was a young fellow holding a pistol in his hand pointed directly at Senator Long. I saw four or five inches—three or six inches—I would say, of the barrell which was very bright. Then somebody grabbed him, I think. Then it was just like touching off a bunch of firecrackers. My mind was first centered on Senator Long to invite him to speak. Then when the shot fired and I saw the gun pointed right at Senator Long's abdomen, then my mind was centered on him. Then I centered on myself.

Q. Were you looking at Senator Long at the time the shot was fired?

A. Right at him.

Q. Were you looking at the man who fired it?

A. I was looking directly at Senator Long. When the shot was fired I saw the man.

Q. Prior to that time you had not observed the man who fired the shot?

A. There were five or six men around Senator Long, none of whom I recognized because I was thinking of the Senator and inviting him to speak to us. About that time the gun fired and a body seemed to move from the right in the direction of Senator Long.

Q. Was the man who fired the shot between you and Senator Long?

A. No, he came more from a diagonal direction.

Q. You were facing Senator Long?

A. Yes.

Q. You were meeting him?

A. Yes.

Q. Some one came from the side and shot Senator Long?

A. Yes, somewhat in this direction (indicating). A body moved forward about the time the gun was pointed right at him with both hands, if I remember correctly.

Q. Did you hear any conversation or remark between Senator Long and this man?

A. None whatever. Of course, there were five or six people there. I heard nothing whatsoever. As the gun fired, Senator Long did this (indicating) and turned immediately. After he turned and marched down the corridor, then it was just like firecrackers. I couldn't describe it better than that.

Q. Did you see who did that firing?

A. You mean this fusillade?

Q. Yes.

A. No, sir, I didn't recognize any man, my attention was not on them. I thought it was a bunch of bandits or racketeers in there.

Q. When you last saw the man who shot Senator Long, was he standing up?

A. Yes, bent forward a little.

Q. Did any one put their hands on him at that time?

A. No.

Q. Did you see Judge Fournet there?

A. No, sir, I really didn't. I heard him testify and he must have been there, but I didn't see him if he was there.

Q. Did you recognize anyone who was there?

A. None whatever. My mind was centered on Senator Long. He was in a very good humor that night. I was looking at him. I loved him very much. I was thinking it would be a good time to invite him to speak at Avoyelles.

Q. Did you see this man put his hands on Senator Long, the man who did the shooting?

A. No, sir, I just saw him go forward with the gun.

Q. Did you see Senator Long put his hands on the man?

A. No, sir, I don't think they got that close. I would say they were about five or six feet away.

Witness excused.

Mrs. O.P. Kennedy, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Mrs. Kennedy, you were subpoenaed as a witness and I have understood since that you said you didn't see the shooting and didn't know anything about it.

A. No, sir.

Q. Did your husband see the shooting?

A. No, sir.

Q. You don't know anything about it?

A. We were in the Capitol and did hear the shots.

Q. You were subpoenaed by mistake. I am sorry.

Witness excused.

Gordon Latham, called as a witness, being duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Mr. Latham, you live in Baton Rouge, do you not?

A. Yes sir.

Q. Where are you employed?

A. The Louisiana Creamery.

Q. Were you in the Capitol last Sunday night a week ago?

A. Yes, sir.

Q. Did you witness the shooting?

A. No, sir.

Q. Where were you at the time of the shooting?

A. In Memorial Hall in front of the elevators.

Q. Describe the shooting as you heard it.

A. There were two shots right close together, a little lull and then the whole volley.

Q. Did you observe anybody going to or from where the shooting was?

A. I saw Joe Messina go around the side and get in the elevator running.

Q. Was he walking or running?

A. Running.

Q. Do you know whether he went up or down?

A. No, sir, I don't.

Q. Did you go around where the shooting had taken place?

A. No, sir.

Q. Did you see Mr. Messina subsequent to that?

A. No, sir.

Witness excused.

Dr. C.A. Weiss, called as a witness, being duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Doctor, you are the father of the late Carl A. Weiss?

A. Yes.

Q. Were you with him on Sunday, the day he was killed, the day of that night?

A. Practically the entire day until 7:30 that night.

Q. Will you describe to the Coroner and Jury just what your son did during that day and night up until he * * * sat on * * *. A. He and his wife and baby came to the house * * * there left the baby with my wife and I so they could go to church. They went to mass at St. Joseph's Catholic Church. After mass his wife returned to our home, he stopped in Scheinuk's florial establishment to see about * * * had treated the day before. In a little while he came in with a bouquet of flowers sent to his wife in honor

of the child's birth. He came in very proud, and handed the flowers to his wife saying, "Look what Mr. Scheinuk sent to the baby" Mr. Scheinuk had told him that he had not sent the baby anything when it was born, and had done it at this time. Then they went to their own home, and took the child with them. He was to take dinner with us that day. Between the time they left and returned my wife had occasion to telephone his house twice; one time his wife answered, and the next time he answered. About one o'clock, they came in the house for dinner. We had a very enjoyable meal; he ate heartily and joked and laughed during the meal. After the meal, he asked me if we cared to go to my camp on the Amite River. I told him that I had expected to go, and had already requested my younger son to go ahead and prepare the camp and open it up. So he and his wife and baby and my wife and I took the car and went out to the camp. When we arrived there my wife and I took care of the baby while he and his wife went in swimming. They were in the water about an hour and when they came out we closed up the camp and came home. We sat on the front seat and he and his wife and baby sat on the back seat; we arrived home about 7:30. Then he left there he and his wife and the baby went to their home.

Q. That was about 7:30?

A. Yes.

Q. Did you communicate with him or his wife subsequently?

A. His wife phoned me about ten o'clock—about ten minutes to ten—and asked me if Carl was there. I told her no and she said that he had gone out to make a call.

Q. The last time you saw him was about 7:30?

A. Yes.

Q. Dr. Weiss, can you tell us whether or not your son carried a pistol when he went out at night?

A. Occasionally, he did.

Q. Did he have any reason for it?

A. Recently, we have had at least three intruders in our garage; one he had to run out and I had to run one out; one my younger son called to one night.

Q. How old a man was your son?

A. Twenty-nine.

Q. Was he of robust or slight stature?

A. Very slight. I remarked to my wife that afternoon at the camp while they were in swimming that the boy was just skin and bones. She said, "Yes, he had been working so hard. We will have to get him to take a rest." He weighed about 132 pounds; he was quite a small man.

Q. Your son was a doctor, was he not?

A. Yes.

Q. Twenty-nine years of age?

A. Yes.

Q. Would you care to sketch for the jury a history of his education?

A. He graduated from the Catholic High School when he was fifteen. He then started in the premedical school at L.S.U., and then went to Tulane. In between every year's regular session, he attended summer school. At the age of twenty-one, he graduated with his degree.

Q. He was a doctor of medicine?

A. Yes. He had already taken his Bachelor of Science degree after his second year as a medical student. After he graduated he served an internship at the Touro for two years. He then secured an appointment to the American Hosptial in Paris. In between times he spent a year in Vienna studying under the Masters. Then he completed his internship in Paris. After that he obtained a two-year internship at Bellevue Hospital in New York; the last six months at Bellevue, he was the chief interne at the clinic for ear, nose and throat.

Q. Subsequently, he came to Baton Rouge?

A. And went in private practice with me.

Q. He was a specialist'

A. Ear, Nose, and throat specialist.

Witness excuse.

Murphy Roden, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. There has been some suggestion in the testimony here that you were one of the participants in the shooting that took place at the Capitol. If you were and for that reason or for any other reason, it is your desire not to talk, not to testify, you have that right. You have the right to refuse to testify and the right to stand on your constitutional grounds that your testimony might incriminate yourself. If you care to testify, we will be glad to hear you.

A. I have no objection to testifying.

Q. Mr. Roden, where are you from?

A. Arcadia, Louisiana.

Q. Are you a native of Arcadia?

A. I am a native of Bienville Parish.

Q. Arcadia is in Bienville Parish?

A. Yes, that is the Parish seat.

Q. Were you present or, rather, were you employed last Sunday night a week ago by the Bureau of Criminal Identification?

A. Yes.

Q. Were you discharging your duties as such?

Q. Yes, sir.

Q. Who had assigned you your duties?

A. General Guerre, Superintendent of the Bureau.

Q. Tell us what your duties were?

A. For some time my assignment was to stay with Senator Long and see that no one harmed him.

Q. When did that begin?

A. I have been with him constantly since the 15th of January.

Q. Were you with him in Washington too?

A. Yes, sir.

Q. Were you employed by the State Bureau of Criminal Identification?

A. Yes, sir, by the State.

Q. And paid by them?

A. Yes.

Q. You were assigned by General Guerre to accompany Senator Long, and see that no one did any harm to him?

A. Yes, I also held a commission through the Metropolitan Police Force in Washington for that purpose.

Q. You were acting for what is commonly known as a bodyguard for Senator Long?

A. I suppose so.

Q. How long have you been employed by the Bureau?

A. Since the second day of January, 1928, when I was a member of the Highway Patrol under Governor Simpson. I was transferred to the Bureau on the first day of November of last year.

Q. 1934?

A. Yes.

Q. You have been continuously in the employ of the State since that time?

A. With the exception of three months in 1930 when I resigned to accept an appointment to the air corps technical school in Illinois.

Q. Tell us everything you know about the shooting of Dr. Weiss.

A. We were in the House of Representatives just as it adjourned and Senator Long was talking to Representative Mason Spencer, and then he walked out of the House and down the corridor to the Governor's office. I was walking right behind him. He walked in and I stopped at the door; I was standing right in the door. He was in there for a second or two and turned around and walked out facing me. I backed right out. He walked out to about the left side of the circle on the floor in front of the main door. At that instant he had called to some one to have everybody there in the morning at 9:30; some one told him that had been attended to. At that minute some one brushed through; at that time I was standing directly in front of Senator Long—he brushed right through; at that moment, he pulled a gun and fired at Senator Long. When he went to thrust it into Senator Long, I grabbed him with my left hand over the gun; then there was a struggle and he fell to the floor and was trying to get up again. Guns were shooting around me and my eyes were full of smoke. I received powder burns on my hands and face. I thought at that time that it was a free-for-all; I knew I had the man that shot Senator Long; I was concerned over that. Finally, I fell to the floor with him. Then I jerked loose, got up, pulled my gun and commenced firing.

Q. Had he been fired at at that time?

A. Guns were shooting; I couldn't say whether he had been hit. Evidently, they were shooting at him. I couldn't see at the time they were shooting. My eyes were full of powder and smoke.

Q. You testified you were both down on the floor?

A. Yes, sir, I stumbled; that floor is very slippery and hard to stand up on.

Q. You mean you were off balance?

A. Yes, sir, in the struggle.

Q. Did either one of you fall to your knees that you recall?

A. Probable one knee.

Q. Did you ever get the gun?

A. No, sir.

Q. Did he say anything?

A. No, sir.

Q. Did he say anything at the time he shot Senator Long?

A. No, sir.

Q. Did Senator Long say anything?

A. No, sir.

Q. Except immediately preceding the shooting?

A. He kind of let out a yell of some kind.

Q. That was after the shooting?

A. Yes, sir, the minute the bullet hit him.

Q. Did the man act as if he had been shot before you broke away from him?

A. No, sir, if he had I couldn't tell it. You understand my position. Guns were shooting and I had smoke and powder burns in my eyes and couldn't see to tell just what was going on.

Q. Could you see well enough to see if he still had the gun in his hand?

A. Yes, I knew he had because I couldn't get it away from him and he kept trying to shoot it.

Q. Who was he trying to shoot?

A. Me. He was trying to work it around to me so it would be pointed at me.

Q. How far away from him were you when you opened fire?

A. I didn't get the question?

Q. I understand that you broke away and opened fire?

A. Yes.

Q. How far away did you get before you opened fire?

A. I was right on him; as far from here to the center of the table (indicating).

Q. How many times did you shoot?

A. Ten times.

Q. What kind of gun did you have?

A. A .38 Colt Super-automatic.

Q. As close as you were to him at that time you could not have missed him?

A. I don't know if my shots were effective or not.

Q. Just why did you shoot him?

A. Just why?

Q. Yes.

A. I shot him to keep from being shot.

Q. When you were trying to wrest the gun away from him what was your purpose?

A. To stop the fire. I have been a member of the National Guard for a good many years and that's the first thing they teach you, to put the enemy's gun out of commission.

Q. You didn't succeed?

A. No, sir.

Q. Why didn't you continue to try to get his gun?

A. I gave it up; I knew I couldn't do it.

Q. How old are you?

A. Thirty.

Q. What is your weight?

A. One hundred and fifty, a little less or a little more.

Q. What is your height?

A. Five feet seven and a half inches.

Q. Do you know whether or not you hit Dr. Weiss at all?

A. I wouldn't swear any one of my bullets hit him.

Q. How close were you to him when you opened fire?

A. Right close for the first shots and I continued to back away.

Q. Did you see him when his body crumpled?

A. After my gun went empty,

Q. Were any shots fired after you ceased firing?

A. I don't know; I can't answer that question. It all stopped about the same time. The whole thing was not over six seconds.

Q. Can you identify anybody who was doing any shooting?

A. I never saw a soul shooting a gun.

Q. Were the others in front of you or behind you?

A. Behind us but I was tussling with this fellow that I was trying to get the gun from.

Q. I don't suppose you have any way of estimating how many shots were fired.

A. No, sir; it would just be a guess.

Q. Were any machine guns used?

A. No, sir; there were not any machine guns there.

Q. How many shots did Dr. Weiss fire?

A. I couldn't exactly answer that. I am of the opinion that only one shot was fired.

Q. Mr. Roden, do you mind telling us what other employees of the Criminal Bureau were present?

A. George McQuiston and Joe Messina; that's all I could absolutely testify were there.

Q. At the time he was in the House were any others of the bodyguards there besides those you mentioned?

A. I couldn't say; we were hanging around the door; I had just walked in and saw he was fixing to come out. They were going to adjourn. As I walked in the door he was standing with his arm around Mason Spencer. As he came past I walked behind him..

Q. Did you see Mr. Riddle?

A. No, sir, I don't recall seeing him.

Q. Did you see Judge Fournet?

A. Yes.

Q. Was he walking with Senator Long?

A. Yes, walking down the hall with him.

Q. Did you see what he did?

A. At the time he shoved us? I would say he shoved us at the same time I grabbed the gun, or about that time.

Q. Mr. Roden, you mentioned Joe Messina and who else?

A. George McQuiston was there.

Witness excused.

Joe Messina, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Mr. Messina, do you understand your constitutional rights?

A. Yes, sir.

Q. Were you present at the shooting of Senator Long in the Capitol last Sunday night a week ago?

A. I would like to make a little statement, please, before, I answer any questions.

Q. Yes, you can make a statement.

A. In the first place, Senator Long is a very close friend of mine, and, in the next place, with a plot that conspired before my friend Sidney Songy came to me and begged me to take him to Senator Long's room, that he wanted to confess a crime they wanted him to pull off. He said he couldn't do it. We got him up to Senator Long's room and he told about it. A lot of stuff was captured in that plot, bullets, guns and hand grenades. In a cowardly way Senator Long was shot. I am ready to answer any questions you want to ask.

Q. Tell what you know about the shooting.

A. It is nothing I know much until the time the shots were fired. When Dr. Weiss fired the shot I saw the Senator jump back and I knew he was killed. I immediately run up, pulled my gun out and unloaded it in Dr. Weiss.

Q. At the time you did that was he being held by Mr. Roden?

A. Two men were scuffling and I looked up to see who they were. I shot the man that shot Senator Long. I saw the pistol in his hand.

Q. Did you recognize the other man scuffling with him as Mr. Murphy Roden?

A. Yes, sir.

Q. Were they grappling at the time you fired?

A. Yes.

Q. Did you see Mr. Roden have hold of the pistol at that time?

A. No, sir, this man was free with it at that time; he jerked loose.

Q. What did he do?

A. I immediately fired?

Q. Why did you shoot him?

A. To keep him from shooting Roden or myself or any one else that might be there.

Q. Did he make any effort to shoot you?

A. That, I don't know. He had a pistol and would have shot any one there.

Q. Was the pistol pointed towards you?

A. I don't know; I don't remember much about that.

Q. Was it pointed towards Roden?

A. I don't know.

Q. Did you shoot him to keep him from shooting you or did you shoot him because he shot Senator Long?

A. One reason was he shot Senator Long; the next reason was to keep him from killing me or any one else.

Q. Which one of those reasons did you shoot him for? Because he shot Senator Long or to keep him from shooting you?

A. I thought he would kill any one in there.

Q. What was the primary reasons?

A. He had shot Senator Long and would shoot me and Roden and any one else in there.

Q. How close were you to him?

A. About the distance to this gentleman sitting right there (indicating).

Q. What did you do when you had emptied your gun?

A. I went downstairs to look for Senator Long.

Q. One witness has testified that you went in the elevator.

A. No, sir.

Q. Did you get in the elevator?

A. No, sir, I went downstairs.

Q. Do you know any one else that was shooting?

A. I was too busy watching my gun to look.

Q. Who else was in the party?

A. In what way do you mean?

Q. What bodyguards?

A. George McQuiston, Murphy Roden and myself.

Q. Did you see the man at the time he fired on Senator Long?

A. I saw him a moment after the shot was fired.

Q. Did you see him before the shot was fired?

A. I didn't notice him at that time.

Q. You didn't see him approach Senator Long?

A. I didn't see him until he fired.

Q. How far were you from Senator Long at that time?

A. Not more than eight feet, probably a little closed in the back.

Q. You were behind Senator Long?

A. I run up to see who it was. I saw them in a scuffle and recognized Murphy and began to fire on Dr. Weiss.

Q. You recognized Dr. Weiss at that time?

A. I never did know the Doctor.

Q. How close were you to him when you began to fire?

A. I must have been six or eight feet.

Q. What position was he in, standing up or down on the floor?

A. Standing up, yes, sir.

Q. Straight?

A. Yes, sir.

Q. What was he doing with his gun? In which hand was it?

A. I don't remember.

Q. Mr. Roden testified that several shots were fired before he broke loose from Dr. Weiss?

A. That's Murphy's statement.

Q. Did you fire any shots before he broke loose?

A. I didn't fire until he broke loose. When I saw who it was then I went to firing when he broke loose from Murphy with the pistol in his hand.

Q. You are employed by the State Bureau of Criminal Identification?

A. Yes.

Q. How long have you been so employed?

A. In my present position?

Q. Yes.

A. I have been with the Criminal Bureau since February.

Q. Were you detailed to go with Senator Long?

A. In Louisiana, yes.

Q. You didn't go to Washington?

A. I never did.

Q. Were you under the orders of General Guerre?

A. Yes, sir.

Q. What were your orders?

A. To stop any violence that might occur or anything.

Q. To Senator Long or any one else,

A. To Senator Long or any one else.

Witness excused.

George McQuiston, called as a witness, being first duly sworn by the Coroner, made the following statement:

I don't care to make any statements whatsoever.

Witness excused.

Louis C. Lesage, called as a witness, being first duly sworn by the coroner, testified as follows:

By Mr. Odom:

Q. Mr. Lesage, were you present in the Capitol last Sunday night a week ago?

A. Yes.

Q. Were you present at the time of the shooting?

A. Yes.

Q. Where were you?

A. In the east end window of the corridor leading up to the Governor's office.

Q. In the alleyway between the House and the Senate?

A. I was sitting in the east end corridor window.

Q. You were sitting there?

A. Yes, sir.

Q. Did you see the shooting?

A. No, sir, I did not.

Q. Describe to the gentlemen what you saw.

A. I was talking to Roy Heidelberg at the time Senator Long passed by going down the corridor. I didn't pay any further attention until the first shot was fired. I just had a second to realize or come to the conclusion that probably it was a firecracker. This shooting started almost instantly; it was not over two seconds from the time I heard the first shot. I jumped out of the window and ran into the restroom of the House.

Q. Going away or towards the shooting?

A. I had to take two or three steps towards it to get in there.

Q. When did you go in the restroom?

A. When the riot of shooting started after the first shot.

Q. Were you looking in that direction?

A. Yes.

Q. Could you see what happened?

A. No, sir, I couldn't. My eyesight is not so very good. I could see a crowd of people congregated down there; I judged it to be about opposite the Governor's office.

Q. How far would you say that was from where you were sitting?

A. Probably sixty or sixty-five feet.

Q. Can you approximate about how many shots were fired?

A. No, sir, I have no idea.

Q. Can you space the time between the first and second shots?

A. Not over two seconds.

Q. Between the second and third?

A. I didn't hear the second shot; the only one I heard was the first shot and then a riot of shooting started after that.

Q. Did you recognize any of the participants?

A. No, sir, not a soul. I didn't see a shot fired.

Q. As Senator Long passed you did you recognize anybody with him?

A. The only person I remember seeing was Joe Bates. He was a considerable little distance back of the Senator. Whether he was accompanying Senator Long or not, I don't know.

Witness excused.

Elliott D. Coleman, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Where do you reside?

A. Tensas Parish near Waterproof.

Q. What is your occupation?

A. I am connected with the Bureau.

Q. How long have you been so connected?

A. Since November 15, 1934.

Q. What duties were assigned to you?

A. General criminal work. Most of my work had been in the illicit whiskey traffic and other work.

Q. Were you present in the Capitol the night of the shooting?

A. Yes.

Q. Your name has been mentioned as having been present. Were you present?

A. Yes.

Q. In what capacity?

A. I was ordered to the Capitol by General Guerre to keep down any disturbance or lawlessness that might take place.

Q. Were you attached to the personnel of the man accompanying Senator Long?

A. No, sir, no such instructions were given.

Q. Did you go down the corridor with him?

A. When he came out of the House of Representatives he appeared to be alone. I turned and walked down the corridor with him to the Secretary's office. A couple of other men came on behind a little bit; maybe one was along with me or maybe a little bit behind. Senator Long went in the Governor's office and stayed a few seconds and came out and walked towards the House. When he got nearly opposite the private entrance to the Governor's office he met a bunch coming from the other direction and stopped there. He stopped there and said something about everybody being there the next morning. About that time a party off to the side stepped right up to Senator Long, pulled a gun and fired directly at Senator Long. I ran up and struck at the man that had the pistol but in the confusion my blow landed on some one else. I struck at him again and the blow carried him back because of the impact of the blow and the man who was grappling with him. Murphy Roden had grabbed him and they fell towards the marble wall and the pillar there. The man still had the gun at that time. I jerked out my gun and fired three shots. I thought probably it was a mass attack and I wheeled around and began looking things over holding my gun like this (indicating). Senator Long grabbed his stomach and said, "I am shot."

Q. Was anything said by the man who approached Senator Long that you heard?

A. Not a word, he never said anything.

Q. Was Judge Fournet with Senator Long?

A. If he was he had just walked up; I couldn't say about that.

Q. Did any one attempt to disarm this man besides you?

A. I couldn't say positively about that. I don't think any one would have had time to do it. When the second shot was fired, I thought his gun had fired.

Q. Did you grapple with him?

A. No, sir, I had hit him a blow on the jaw and followed it up to hit him again.

Q. Do you know Murphy Roden?

A. Yes, sir.

Q. Was he grappling with the man who shot Senator Long?

A. Just after I hit him and he was down; Roden was there. I think he was the man; I am satisfied he was.

Q. You said you fired three shots. Was that before or after they broke loose?

A. Just as they broke loose. As far as doing it while he was on the floor, I know he was shot while he was up because he fell up against the marble post there and there was blood on that post high up.

Q. Was that at the time?

A. Roden was just out of line.

Q. Had they been grappling with the gun?

A. Yes, sir.

Q. He shot after they broke loose or before?

A. Afterwards.

Q. Did you see Mr. Roden shoot at all?

A. No, sir, because after I shot three shots I turned around and stood looking in the other direction. Shots passed me to my right at that time.

Q. When you turned around who did you recognize if any one, Mr. Coleman?

A. You mean when I looked back?

Q. Yes.

A. I don't think I could say I recognized anybody. I think Mr. Heard was there and Mr. George McQuiston.

Q. Did you see either one of those men firing?

A. No, sir.

Q. Did you see any one with a gun in his hand?

A. I saw Mr. Heard with a gun in his hand after the shooting was over.

Q. You say you thought it was a mass attack?

A. Yes, sir. I noticed some of our men.

Q. Did any have guns?

A. As I say, two of them. The others were off to my right.

Q. Mr. Coleman, could you say who fired the second shot?

A. No, sir, I thought his gun did.

Q. They were in rapid succession, were they?

A. Yes, sir.

Q. Was there any appreciable delay between any of the shots?

A. No, sir, they were all together right good and then it was all over.

Witness excused.

Joe Bates, called as a witness, being first duly sworn by the coroner, testified as follows:

By Mr. Odom:

Q. Mr. Bates, did you view the shooting we are investigating?

A. Yes, sir, I did.

Q. Will you kindly tell us what you saw?

A. From the time the House adjourned?

Q. Yes.

A. Just before the House adjourned Senator Long told me to be sure and have everyone of our friends notified to be at a caucus the next morning at 9:30. That's one of my duties, to always notify our men when there is to be a caucus. I notified them. Senator Long had gone on out. The House adjourned and I left the House and came in the hall; I remember seeing Mr. Lesage there in the hall; I think Mr. Lesage was talking to some man whom I thought was Mr. Heidleberg. I might be mistaken about that. I walked on down the hall and as I got by Mr. Ellender's office I heard Senator Long say something about the meeting tomorrow morning. I answered and told him they had all been notified. He came moving fastly on up.

Q. Going on towards the Governor's office?

A. Yes, sir, he was talking to Mr. Fournet.

Q. He was going towards the Governor's office?

A. No, sir, he was out in the middle of the hall. Just about then a young man whom I did not know—dressed in white—I thought he was going to shake hands with Senator Long. He was moving out and as he did he pulled a gun, went in and shot the Senator. The Senator screamed and hollered, "He shot me" and turned and moved fastly away in a crouching position holding his stomach. I knew there were enough men there to take care of everything for what might come up. My only thought was to see where the Senator was. I thought the senator might have opened the door and gone in the Governor's office because I did not see where he went. I ran in there and hollored, "Senator Long has been shot. Tell the Governor." He was not there and I came out. All that time shooting was going on. I then thought that Senator Long might have gone farther down the hall and stumbled in the Senate lounge room; I went down there but he was not there and as I came back the shooting was over and I found out that Senator Long had gone downstairs. I came back with the idea of trying to find out who shot the Senator. He was lying there with his face down and I never did see him. I went on in the Governor's office; he wanted to go to the Senator. I came on out and went downstairs and went over to the sanitarium. I got upstairs and hung around a few minutes in the hall near the Senator's room. Joe Messina came out and said that the Senator wanted to know who shot him. I said, "I don't know." And Joe said, "He wants to know." I ran down the stairs and got in my car but I had a terrible time with the traffic.

Q. Did you see who shot Dr. Weiss?

A. No, I did not.

Q. Did you participate in the shooting?

A. No, sir, my gun was never pulled from my pocket.

Q. Who was present with Senator Long at the time of the shooting?

A. Mr. Fournet. I know who was assigned there.

Q. Who was that?

A. From our department, Mr. Roden, Mr. Messina and Paul Voitier; that's all I can tell you.

Q. Were you assigned there?

A. No, sir, I was in charge of the men. In other words, the Cossacks, as they are called, usually come to me for orders when they were on duty.

Q. Had you given them orders that night?

A. They had standing orders.

Q. Those orders were to accompany Senator Long and see that nothing happened to him?

A. They were assigned; I had nothing to do with them.

Q. You had nothing to do with giving them orders?

A. No, sir.

Q. Can you tell us how many shots Dr. Weiss fired?

A. I thought it was a low caliber weapon; I think it was only one shot.

Q. You testified that you don't know who shot Dr. Weiss?

A. No, sir.

Witness excused.

Louis Heard, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. Mr. Heard, you are connected with the Bureau of Criminal Identification?

A. Yes.

Q. Were you in the Capitol the night of the shooting?

A. Yes.

Q. Did you see the shooting?

A. No, sir, I was twenty-five or thirty feet from him.

Q. Tell us what you saw?

A. I saw the Senator when he left the House; I was across on the other side. When he walked out I walked out. When I got out he was in the Governor's office.

Q. How far were you away?

A. Almost at the end of the corridor. In a couple of seconds he came back out to the Governor's office like he was coming back towards the house. I turned and walked ahead of him; then I heard a shot and wheeled around and pulled my pistol out. I saw the commotion up there near the Governor's office. I turned around to see if any one else was coming up the corridor. At that time there was a whole lot of shooting.

Q. Did you see who did the shooting?

A. No, sir, there were too many people between me and where the commotion was.

Q. You testified that you yourself did not do any shooting?

A. No, sir, I did have my pistol out in my hand.

Q. Do you know who was with Senator Long when he went down to the Governors' office?

A. When he walked out of the House coming out of the door, I saw Mr. Roden, and I think, Joe Messina. Those were the only two I saw. When I got in the hall I didn't walk any farther; people were beginning to get out in the hall and the lobby.

Q. Were you assigned to go with Senator Long's party?

A. Yes, sir.

Q. Were you of the party?

A. Yes.

Q. You didn't keep up with them?

A. No, sir.

Q. From whom did you get your orders?

A. General Guerre.

Q. What were your orders?

A. To keep disorders down and not let the Senator get hurt.

Q. You were just assigned to Senator Long when he was here?

A. Yes.

Q. You didn't go to Washington?

A. No, sir.

Witness excused.

Paul Voitier, called as a witness, being first duly sworn by the Coronor, testified as follows:

By Mr. Odom:

Q. Were you present at the Capitol at the time of the shooting?

A. I was.

Q. What was your business there?

A. My business was to stay with the Senator.

Q. Were you connected with the Bureau of Criminal Identification?

A. I am.

Q. Just what were your orders?

A. To see that nothing happened to Senator Long.

Q. How long had you been assigned to him?

A. The present job I have now, I think, last October, but I am in close contact with Senator Long now for four years, probably going on five years.

Q. Since October you were assigned to stay with him continuously?

A. No, sir, four years, nearly five years. When Allen ran for Governor I met Senator Long.

Q. Did you go to Washington with him?

A. Yes, sir.

Q. Where were you when the shooting took place?

A. Three or four feet from Senator Long.

Q. Did you see the shooting?

A. Yes, sir.

Q. Did you see the man who shot him?

A. Yes.

Q. Were you facing Senator Long or the man who shot him?

A. All together I was about two feet in the rear of Senator Long and about one foot from Weiss, the man who done the shooting.

Q. Just describe what you saw.

A. Senator Long walked out of the secretary's office, the Governor's secretary's office; he said that he would like to have all of his men appear tomorrow early, talking to Mr. Bates, I think. I was in about two feet of him all the time. The Senator walked towards Mr. Bates. He stopped right in front of the main door to the Governor's office, in the circle like right there. He was about there one or two seconds when this man—I learned later he was Dr. Weiss—passed on the side of Senator Long, not saying a word. He had a gun in his right hand, if I am not mistaken, with his left hand covering it. He made two steps towards Senator Long and fired his gun. The gun must have been one or two inches from Senator Long's side when he fired the gun.

Q. What happened then?

A. Senator Long, I think, said, "I am shot." It was Judge Fournet that knocked his hand down; in the meantime, Mr. Coleman, he rushed in and punched at Weiss after Weiss fired the shot, Mr. Coleman walked in and punched at Weiss, and, I think, struck Weiss and punched again and missed Weiss. I think he hit Senator Long in the mouth right where that bruise was.

Q. Who did that?

A. Coleman, he punched Weiss, and punched——.

Q. What happened after that?

A. I backed away one or two steps and kept shooting.

Q. What was Dr. Weiss doing at the time you began shooting?

A. Struggling with Murphy Roden and Judge Fournet; Dr. Weiss was in a position like this (indicating) with his two hands on the gun trying to pull it clear. He was finding it mighty hard to pull the gun away.

Q. How far were you from him?

A. About five feet.

Q. When you opened fire, did you shoot him in the rear or in the front?

A. In front.

Q. How could you do that?

A. I shot between Judge Fournet and Murphy Roden.

Q. How many times did you shoot?

A. Four times; then I backed away and made one more shot. All the time he was on his feet.

Q. Why did you shoot Dr. Weiss?

A. It looked like he wanted to shoot everybody around there.

Q. Mostly because he shot Senator Long?

A. Yes, and to protect myself and the others there.

Q. What do you mean when you say "mostly?"

A. My answer is this: I shot him because he shot Senator Long and tried to shoot me and anybody else around.

Q. Did you see anybody else firing?

A. No, sir.

Q. What sort of pistol did you have?

A. 38.

Witness excused.

L. M. Wimberly, called as a witness, being first duly sworn by the Coroner, testified as follows:

By Mr. Odom:

Q. You are a member of the House of Representatives, Mr. Wimberly?

A. Yes, from Bienville Parish.

Q. Were you present in the Capitol the night of the shooting?

A. Yes, part of the time.

Q. Kindly relate just what part you witnessed, what you saw and what you heard.

A. Immediately after the House adjourned, I walked out of the House chamber and proceeded up the corridor towards the Governor's office. As I got part the way up there I noticed Murphy Roden back back from the door. He attracted my attention as if he were clowning, so to speak, kind of like a goose-step, marching backwards that way. Senator Long came out the door; about the time he came out and turned around he made a remark to somebody: "We have got to have all our men present in the morning." He was answered by some one who said that had been attended to. Judge Fournet had about reached Senator Long. He was proceeding in the same direction I was, from the House chamber towards the Governor's office. At that time a man approached Senator Long, passed Murphy Roden and was between Judge Fournet and Senator Long when the shot was fired. Senator Long screamed out in pain and bent over and grabbed himself in the stomach. He said, "You have shot me," and his knees sagged and he struggled out.

Q. Long's knees?

A. Yes. At that time another shot was fired and seemed to me that somebody either pushed or shoved Murphy Roden, and I since learned Dr. Weiss, backward. At that time innumerable shots were fired, more on the order of a machine gun firing. They were firing so rapidly and bullets were ricocheting down that corridor so that I turned and sought cover.

Q. How close were you to Senator Long when he was shot?

A. About the third window there (indicating).

Q. Did you hear any remarks or any conversation passed between Senator Long and the man whom you subsequently learned was Dr. Weiss?

A. I did not.

Q. Were you close enough to have heard it?

A. I did not hear any but I heard other conversation and Senator Long speaks exceptionally loud.

Q. Who did you say you saw shooting?

A. At the time several people around there; this happened very quickly, much quicker than it takes me to tell it. When the shots were fired I naturally realized I had to get out of the way; they were firing towards me.

Q. Did you identify any one who was firing?

A. No, sir, I couldn't say.

Q. What position was Dr. Weiss in when fire was open on him?

A. I would say during the time he and Mr. Roden were struggling and it appeared that there was somebody else in the scuffle when the firing took place.

Q. Was there any scuffling when the second shot was fired?

A. Yes.

Q. Did you see them when they broke away?

A. No, sir, I went out the same door I came in.

Q. More quickly?

A. More quickly but not as fast as the man behind me, and I moved rather quickly myself.

THE CAREER OF HUEY P. LONG, JR.

Mr. LONG. Mr. President—

> And it is here under this oak where Evangeline waited for her lover, Gabriel, who never came. This oak is an immortal spot, made so by Longfellow's poem, but Evangeline is not the only one who has waited here in disappointment.
>
> Where are the schools that you have waited for your children to have, that have never come? Where are the roads and the highways that you send your money to build, that are no nearer now than ever before, Where are the institutions to care for the sick and disabled? Evangeline wept bitter tears in her disappointment, but it lasted only through one lifetime. Your tears in this country, around this oak, have lasted for generations. Give me the chance to dry the eyes of those who still weep here.—Huey P. Long

It has been 58 years since my father stood in the shade of that beautiful oak in St. Martin Parish and asked the people of Louisiana to trust him with their hopes and aspirations. His words were not the empty, demagogic promises so often made by politicians of that day. They were the sincere words of a man who was on the verge of taking Louisiana by storm and would soon assure himself a place as the most outstanding and successful Governor in our Nation's history.

Huey Long was nothing like those Governors who had preceded him. He was a brash young man who scoffed at the status quo, which for too long had kept most of the State's population chained in poverty, disenfranchised from the elective process. To be sure, he made many bitter enemies and was almost impeached by his opponents whose excessive advantage was threatened by his successes. It cannot, however, be disputed that Huey Long was a man of his word. He kept the promises that had been so casually abandoned by others. At a time when the common man had lost much of his faith in government's ability to work for the people's good, Huey Long appeared and restored that faith.

He promised the people roads where there was mostly dirt and mud. He kept that promise, building thousands of miles of concrete, asphalt, and gravel roads in just a few short years. He promised better schools and educational opportunities for a population that was largely illiterate. He kept that promise and built an educational system which for the first time gave opportunities for learning to all children, not just the privileged few. He told the people that government would provide them health care, when they could not afford it. That promise, like the others, was fulfilled. He ensured that a newborn child in the State's charity hospital had the proper care and within a few years the mortality rate dropped by more than one-fourth.

In matters of my father's life, I am a prejudiced man. He is my hero, the one person in this world who has inspired me above all others. But prejudice does not necessarily mean that your view of the matter is distorted or without basis in fact. It simply means that you have an opinion about a matter. In that regard, my view is indeed a prejudiced one. But this view is one that also sees Huey Long as a mortal man, not perfect by any means, with weaknesses like everyone. However, I strongly believe that what motivated my father was his love for mankind and his belief that every man and woman deserved the opportunity to enjoy a good life.

It has been 50 years since my father was struck down by an assassin's bullet in the marble halls of the State capitol in Baton Rouge. Although I was only 16 years old at the time, I was old enough to understand what was happening around me and to appreciate the wisdom and good sense of my father's philosophy. His idealism and love of the common man moved me to enter politics and run for the U.S. Senate 13 years after his death. I hope that he would be proud of me today, for I have tried to champion the causes of those who need a friend in government and to work to build a system which encourages everyone to enjoy a meaningful place in our economic system.

I do not believe in those ideals mainly because they were espoused by my father. I believe in them because they are right and motivated by a deep regard for the good of this country, with compassion for those less fortunate.

As a member of the railroad commission—now known as the public service commission—as Governor of Louisiana and then as a U.S. Senator my father preached fervently of the path this Nation needed to take if our form of Government was to survive.

Huey Long believed that the Government must provide better opportunity for the rank and file Americans. Simply put, he maintained the Government should assure all citizens' potential for leading the good life. It had to stand for the proposition that those who made an effort and worked diligently would have an opportunity to make something of themselves, to have a decent income and enjoy some of the good things. To my father's way of thinking, this was not too much to ask of a government that was founded on the principle that every man has a right to life, liberty, and the pursuit of happiness.

There is no doubt that Huey Long was ahead of his time in this regard. Just examine his Share the Wealth Program. Long before this country had unemployment insurance, he was advocating a program by which the Government would help those who, by no fault of their own, lost their jobs and simply could not afford to support their families. Eventually, the leaders of this country saw the wisdom in this and enacted the proper legislation, legislation that Huey Long had been advocating for years.

BEST COPY AVAILABLE

He was calling for a Social Welfare Program long before President Roosevelt proposed one. In fact, when Roosevelt presented his Social Security Program, he showed he was concerned about what Huey Long was proposing. Roosevelt administered it as insurance, requiring people to contribute for a certain period of time before becoming eligible for benefits.

Remember, this was in the midst of a cruel depression. Under Roosevelt's plan, the elderly got very little immediate help. They needed assistance, but had to wait for years before the help did them much good. Huey's idea was to launch right into a major program that would immediately begin lifting people out of poverty. The fact that it could be done the way he had in mind was demonstrated in my Uncle Earl Long's time as Governor. He promised there would be an old-age pension and we did it immediately and with a substantial portion of it paid with State funds.

I believe my father was correct in maintaining that the Government did not need to take the time it did in building up reserves before helping those in need. The fact is that Social Security today is more an intergenerational transfer payment with little in the way of reserves, somewhat as Huey would have had it. He respected the insurance principle, but I know he would not have wanted millions of aged persons living for years in poverty and wretchedness.

President Johnson, who as a young Congressman was close to President Roosevelt, once acknowledged my father's contribution to Social Security.

> He thought that the old folks ought to have Social Security and old age pensions and I remember when he just scared the dickens out of Mr. Roosevelt and went on a nationwide radio hookup talking for old folks' pensions.

President Johnson said in a speech in New Orleans in 1964:

> And out of this probably came our Social Security system.

Huey Long was looking down the road, with great vision, toward where I still think we should be headed in this country. The whole basis of his philosophy for the Nation was that none should be too rich and none too poor.

His contribution was extraordinary on the Federal scene. He forced the Roosevelt administration to alter the course it had chosen and forced it down a path that would turn out to be the way of the future. It was a course based on the belief that our Government should provide more security and better opportunity for everyone.

Because of Huey's prodding, the Federal Government did a lot more for the average man and for the less fortunate. But there is no doubt that if Huey had had his way, the Great Depression would not have been as severe. With Huey Long leading the way, I doubt it would have taken World War II to end the needless pain and suffering that afflicted this land for 12 years.

One of the earliest stories I heard about my father happened before I was born, but is very characteristic of the kind of man he was. Before he ever sought public office, he and my mother were living in Shreveport, LA. Every morning my father would ride the street car, which ran right in front of the house, to work and back at night. But one day the company raised its fare from 5 cents to 7 cents. You might not think 7 cents is much, but at that time a nickel was like a dollar today, considering how hard it was to earn money and how little people made when they did work.

Huey was outraged and he announced that he would file suit to restore the 5 cent fare. Meanwhile, he would refuse to ride the street car, even though it rolled right in front of his house.

So every morning he would walk down the tracks about 2 miles to his little office in the First National Bank Building. At night, he would walk back home. The men working on the railroad tracks thought he must be crazy. They would call out to him and he would wave back. I am sure they must have said to themselves, "There's that crazy kid Huey Long. He thinks he's going to make them put that street car fare back to 5 cents."

Well, he won the law suit, the fare was lowered back to 5 cents and he started riding the street car again. He made no money from that case, but that is not what he wanted. He told my mother at the time:

> You know, if you want to be in public office and serve the people, you need to prove to them that you can do something for them.

Getting that 7-cent fare down to 5 cents proved a point: He was a man of action. It was not too long before he was elected to the public service commission. As public service commissioner he went to work even harder to establish himself as a person who could help the rank and file of citizens.

Huey was elected to the Louisiana Public Service Commission, then called the railroad commission, about the time of my birth. The campaign for public office kept him away from home much of the time and for that reason he was not in Shreveport when I was born. When the doctor asked my mother what she wanted to name me, she told him she had decided upon Huey P. Long III, after my father who was Huey Junior. My father, however, had other ideas. When he arrived back in town, he demanded that my name be changed.

He told my mother:

> I was Huey Long Jr. and I hated being little Huey all my life. I'm not going to wish that off on a son. Furthermore, when a man is in politics he almost always winds up being repudiated. It's better for the boy to have his own name so if things go badly for me, he can have his own name to make it on.

So, he insisted I be named something else. It so happened that my parents had a respected banker friend, a relative of my mother's, Russell Billiu. They gave me his name and from then on I was known as Russell.

About 20 years later, when I joined the Navy, I needed a copy of my birth certificate. It was then that I discovered my name was still officially Huey P. Long III. Nothing hurt me more than to change my name to what it had been all my life. But if I had not, people would have assumed I was trying to capitalize on my father's name. I thought since I had always been known as Russell, I ought to honor his wish and have my own name and not his.

Huey knew early in his career that he would be controversial and make quite a few enemies, but it never stopped him from doing what he thought was right. Once, he was convinced that the electric company was charging too much. So he filed a law suit and made them refund checks all over the State to people who had been overcharged. Wherever prople wanted service, he took a great interest in it and was very aggressive at making the utilities give their customers a better deal.

Huey was never one to shy away from a fight and to try to change the system when he thought it was treating people unfairly. It was not too long before he started focusing his attention on those old families who owned most of the wealth in our State who had a way of claiming too much advantage and too much privilege for themselves. The rank and file, from his point of view, were not being treated fairly. The people who had the best of it just kept on getting the best of it and those who never had much chance continued to have very little chance. He wanted to do something to change all of that and went to work campaigning for Governor on the promise that the average man was going to get a better deal.

The first time he ran for Governor he lost. I have always maintained he lost, not because he lacked the support of the people, but because it rained all day long on election day. At that time, it was impossible to find more than a few miles of good roads anywhere in the entire State.

In fact, there were hardly any gravel roads worthy of the name, much less hard surface roads. The farmers and people in the rural areas where his supporters were the most numerous were essentially immobilized by the rain, especially in north Louisiana where he was most popular.

He tells a story in his autobiography. He said a friend asked him, "Have you heard about the first box out of Red River Parish?

"No, tell me about it," he said.

"That box is for you 50 to 1."

"Then that means I'm beat," he said. "That box should have been 100 to 2."

The story was different in New Orleans. There the people could get to the polls with relative ease, without having to trudge through miles and miles of mud. In New Orleans, he lost badly, but the weather was not the only reason.

In those days, the Old Regulars' organization had New Orleans so organized that they could deliver to their candidate, even though you may be a very popular candidate running against him. In years to come, he found he would have to build himself an organization able to contend with the Old Regulars in New Orleans and eventually he did to where, shortly before his death, he was successful in defeating the Old Regulars even in the city of New Orleans, but that took years to do.

Back at that time New Orleans had the ultimate in terms of home rule and nobody, not even the Governor, dared to interfere with the city's affairs, especially its elections. So on election day, when Huey's people would cry foul or try to defend their rights, the police would come and arrest all the Long poll commissioners and haul them off to jail, leaving the Old Regulars' commissioners to do their mischief. At that point, you would be finished. They did not have to be in complete control to those polls very long to make sure that the outcome was to their ultimate satisfaction.

In addition, the Old Regulars had thousands of people on the voting rolls who did not belong there. Some were dead and some were sailors coming through town who had registered to vote. Election day would come and the the sailors would be long gone, but curiously they still voted.

Huey soon learned that if he were going to be successful and do some good for Louisiana, he must learn to beat those people at their own game. So many people talk about how ruthless Huey was and the lengths he would go to win an election. Huey Long was simply fighting fire with fire.

Four years later, in 1928, Huey ran again and this time, of course, he won. I can still recall that election day vividly. I was a young fellow, just turning 10 years of age. My sister, my brother, and I were in tears because those early returns coming in out of New Orleans were overwhelmingly against our father. He called and told my mother that he was going to win that race. He had checked all over the State and the early returns for the precincts he counted on carrying were going just the way he thought they should. That was hard to believe when you have been seeing those early returns that looked so bleak.

The following day was a very bad one for us children at school. All the kids in school were just delighted to see that our father was trailing badly and probably was going to lose the election. But to their surprise, it had all turned around the following day and Huey was ahead. My mother went out and got three newspapers and pinned the headlines—"Long Leading" and "Long Takes Lead"—on each one of us children to let our classmates know that Huey was now leading and that he had been elected.

Once elected, he went to work to fulfill his campaign promises. And he did. Among them was his commitment to provide schoolbooks for little children.

He had told the people that there would be free schoolbooks for children and he kept that promise. I can recall that when I was a youngster the schools were all segregated. But even at schools for the white children I can recall that after the young people had been there for a few days, if their parents had not been able to buy them textbooks, the teacher would ask those poor little children to leave and not come back.

Mr. President, when free schoolbooks went in, enrollment of public schools increased by 20 percent. Think of all the little children who had been losing their chance in life because their parents could not afford those books.

It is very tragic to think of all the little children who lost their chance in life because their parents could not afford to buy them school books. Huey changed that and made sure that every child in Louisiana would have text books. He made himself quite a few enemies by doing that because he forced the oil companies to pay for it by drastically increasing the severance tax. One already existed, but he contended it should be much higher. Needless to say, that caused an uproar among the opposition. A friend of mine once said that those people who were against my father were not against children having schoolbooks. They were not against good roads and they were not against good hospitals. They were not really against any of that. They hated Huey because he made them pay for all that.

Possibly more than anyone else in his time, he fully recognized that you really cannot make an omelet without breaking some eggs. He knew that you will make some enemies if you plan to make some changes in the way government operates.

For example, after he had levied the tax and had put free textbooks in the schools, the Caddo Parish School Board was still refusing to accept them, saying they did not need a handout from the State. About that time, however, the people in Caddo Parish learned that the government was planning to establish an airbase in Bossier Parish, right across the Red River. But when the parish leaders came to Huey and asked him to routinely sign over some State property for the base, he refused to sign it.

Those Caddo Parish people were just outraged because they might lose this base and the hundreds of jobs that went with it. But Huey told them, "You people are so rich up there that you say the children don't need free schoolbooks. What do you need with an Air Force base if you're that rich?"

They had to swallow their pride and permit the children to have the free books if they wanted to have Barksdale Field. I'm not sure if he would have been willing to lose the base just to get free books in the school. I suspect he was playing a bluffer's hand. But to hear the other side talk, you would have thought he had committed an impeachable offense. In fact, when an effort was made to impeach him, speakers from Shreveport were heard orating about his tyrannical methods of forcing government-owned books into the hands of proud families who wanted none of it.

But that was the way it was when it came to my father. People either loved him or despised him. There never was, or has been, much in between.

THE OLD REGULARS AND THE STATUS QUO

Those Louisianians who never had to drive a car across the State in the 1920's cannot fully appreciate what Huey did for our State. When he became Governor in 1928, there was less than 100 miles of hard-surface roads in the entire State. Today, there are more than that in every individual parish. But then, if you were to add all the concrete and all the asphalt roads together, there would be less than a hundred miles, with a few other miles under construction.

During the 4-year period he was Governor, in spite of more opposition than any Governor has ever had before or since, he still managed to build a total of 2,300 miles of hard-surface roads. Two-thirds of that was modern, concrete highway, some of the best concrete roads in the United States at that point. That is enough road to build a highway from Baton Rouge to New York, and then build another from Baton Rouge to Chicago. All of this was in one relatively small State in a period of about 3 years, because it took about a year to obtain the authorizations, money, and rights-of-way to get started.

Under his administration, the effort to build roads in Louisiana exceeded that of New York, which was a very progressive State. New York, after all, had six times our population. Louisiana, which was 2 percent of the Nation's population, was employing 10 percent of all those people in the country who were working on road projects, which was five times the national average. Most of that was during a time of depression when a large percentage of workers in country was unemployed.

Not only did he build roads, but he built 111 bridges. Did he receive a lot of acclaim from others who were in power? Not at all. Instead, they tried to impeach him.

Today, when you hear about Huey Long, you are likely to hear that he was almost impeached as Governor. To the unknowing, it would seem that the legislature of a great State would only seek to remove a Governor from office if he had done some dastardly deed. In my father's case, however, nothing could be further from the truth. Those people were angry at him because he was out to make the rich pay more taxes so the average family could live a better life.

There were a few outlandish charges against him, but the only one that passed was one alleging he had threatened to reveal certain information that might embarrass a prominent Louisiana opposition family. His defense was that it could hardly be an impeachable offense to reveal something that is a matter of public record. If it were a public record, then anyone had access to it.

Huey's people got busy and they found 15 senators willing to sign a statement declaring that they would not vote to impeach him no matter what the evidence. Those 15 votes meant that his opponents were beaten because they would not be able to get the majority they needed to convict him.

The position of those senators was that the session had been called for a certain number of days and the time for the session had expired, so the legislature had no right to extend it, without the Governor's consent. Although they could have proceeded with impeachment as a farce and a rump trial if they wished, Huey's opponents knew that would be useless. So they gave up, reluctantly and voted to adjourn.

TO WASHINGTON

Today most Governors who are regarded as great Governors are remembered because they did something significant for roads or for education. Taking those criteria alone, Huey was more outstanding in both respects than any Governor in this country's history, to my knowledge.

He arranged it so that a young person whose family had no means whatsoever to attend Louisiana State University could get a good education by means of a large number of work scholarships. For example, students produced and prepared the food that was served on campus.

I remember so many young people, my classmates, who went to school with no more than the shirt on their back. But Huey provided opportunities for young people to work and pay for their education. And a lot of those young people have been some of the outstanding leaders in our State and Nation since that time. Today, in large measure because of Huey's leadership and example, our Government's policy is to help those young people who cannot otherwise afford a college education.

In doing what he did, he took taxes off those who were least able to pay. When Huey became Governor, there were taxes on a man's cow, his hog, just about anything the Government could find to tax. Huey eliminated those taxes on a farmer's livestock and eventually was able to enact the homestead exemption so that the first $2,000 of assessed valuation, equal to about $30,000 today, would be untaxed. That meant that most people no longer paid a tax on their homes or small farms.

Another example of Huey's compassion: During the Depression, when the little people had no income and could not find the money to pay their bills, the banks would simply foreclose on them and take what little they did have for payment. Huey provided the leadership for a debt moratorium commission, a body set up so that a man could go before it and explain that he was doing his best but that he was on hard times. The commission would usually arrange to give him more time. It would say that a person could not be foreclosed on, allow the debtor more time and would find ways to have the State use its credit to assure the bank would eventually be paid.

He went to Washington in 1932, elected by the people as U.S. Senator and began to spell out his views about his Share the Wealth Program. Incidentally, he later changed their name to "Share Our Wealth Program," feeling that all the people of the country had a claim on the wealth of this great Nation. His theory was that most of our trouble comes from greed. His view was that we have enough of everything in this great country so that most people can live a comfortable life. He believed that the country permits a few people to hog up so much of the wealth that there is just not enough left for the remainder to have a fair share.

His argument was that if you tax away some of the money that those very wealthy people have and then spread it among those who were poor by providing them a home, some furniture, and an auto and paid a pension to the aged and put the unemployed to work on some desirable public works then the rest of the people could live a decent life. Basically, he wanted to assure that every family would have a home, an automobile, a reasonable amount of furniture—enough so they could live decently. Moreover, he wanted to assure that everyone would have a job and a chance to have an education. He wanted all the elderly to have a pension when they reached their declining years.

From the day he made his maiden speech, entitled "The Doom of America's Dream," he was branded by the special interests as a dangerous populist.

He kept speaking out for that until President Roosevelt found that he was going to have to change his way of doing business to keep Huey from stealing all his thunder. When Roosevelt was first elected President, he ran on the platform that could please anybody. Liberals and the conservatives both found things they liked. But in due course, the liberals, Huey in particular, found reason to be dissatisfied, and Huey would make his speeches to the effect that Roosevelt had claimed conditions would be better although they were getting worse and continued to get worse. So much so that Roosevelt decided he was going to have to change his approach. And he decided he would support a Social Security Program which, of course, Huey was glad to vote for, although it did not do near as much for the aged as Huey would like to have done. It required building up larger reserves before they could receive the benefits they would have otherwise.

I suppose Roosevelt had promised all sorts of things when he was running for president as most candidates tend to do. But he had campaigned in such a way that many rich and conservative people thought he was their man. The working folks, too, thought that he was on their side. But in the last analysis, the people from New York, where he was from, did not expect him to do many of the things that Huey Long was talking about.

So Roosevelt got off to a very conservative start, until he and his people started looking at polls that indicated that if Huey Long kept touting his program and ran as a third party candidate, Mr. Roosevelt was not going to be reelected. Huey probably would not have won the election either, but he would have gathered enough votes so that Roosevelt would have run behind the Republican candidate. That had Roosevelt worried. I have talked to people since that day who were with Mr. Roosevelt at the time who tell me just how scared he was of the impact of my father's proposals among the people generally.

One of those people told me that he was in the White House during the days they were talking about how they

would deal with Social Security and that Roosevelt had just a great deal more to say about Huey Long than he did about Social Security. Lyndon Johnson was a good friend of President Roosevelt and he said that because of what Huey Long was saying and the way it was catching on in the country, Roosevelt felt that he had to endorse some kind of Social Security Program. It is very clear to me that my father played a major role in the birth of a system by which our Government became more humane and set out to actively pursue a policy of creating jobs, rather than to leave people idle, homeless, and hopeless.

Of course, Roosevelt did not give Huey Long credit for what was being accomplished at that time. Since then, however, I have heard from many people, even those who were once enemies of my father, who tell me there was not any doubt why Roosevelt was moving in a more liberal direction. He was doing it because he was seeing the rising star of Huey Long moving on him and if he did not do something, he might not be reelected.

There was one thing, however, that President Roosevelt did credit to Huey Long a year or so after his death. It was the National Youth Administration, the program that gave young people all across the Nation a chance to work their way through school. And since that time, we have gone beyond that to make it a great deal easier for young people to attend college.

Mr. President, I have already addressed myself to the assassination. I would like to add one aspect to that matter. I doubt that my father would have been assassinated had he not succeeded in repealing the poll tax. Prior to the time he repealed the poll tax, he was winning the elections by somewhere between 50 and 60 percent of the vote. But you could see great numbers of people who were unable to vote because they could not afford to pay the poll tax, who would vote even if they could. It stands to reason that about 75 percent or more of the whites who could not vote would have voted for him if they had been free to do so.

This repeal of the poll tax did little to help the blacks. They were barred from voting by a so-called white Democratic primary, and he did not attempt to change that at that time because he felt to do so would cause him to be crucified on a cross as it so often happened to liberal Southern politicians. But he did feel that at least he should provide the leadership to start moving in expanding the electorate, and to fix it so that the poor whites could vote. What he did almost doubled the electorate. He never lived to see the results of that. If he had, he would have been winning the electorate by more than 70 percent.

Mr. President, if he had lived in a day such as we have today of the Federal voting rights laws, the blacks who constitute about 30 percent of the population of the State would have also been privileged to vote. How would they have voted? I know how they voted when I was a condidate on the ballot. About 95 percent or more voted for me. When Earl Long was a candidate for Governor, on more occasions than one, about 95 percent of the blacks voted for him. It is fair to assume that Huey would have had about the same thing.

When the opposition saw that they were not going to be able to defeat him at the polls, that caused many of them to feel that they should consider killing the man to have their way. Mr. President, I doubt that the man who appears to have assassinated my father would have wanted to make that move had he known or at least believed what Huey really had in mind. Huey Long had thought that it was too much to keep going back and forth from Washington to Louisiana to try to help a Governor and his friends do business in the State legislature and maintain control of the State every time the opposition sought to overthrow them.

He concluded that he should help to reelect his friends, run for reelection himself at the same election, then, to use his term, "to push the boat way from the shore"—leave it with a Governor who was competent, honest, and who would not tolerate dishonesty in others and to manage the affairs in his own way. He picked out the man he thought was qualified to do that.

That man is known to us who served here for more than 30 years as a great U.S. Senator. Allen Ellender was one of the most straightlaced men I have ever known in politics in my life. If Allen Ellender had been the Governor of the State, we would not have had the scandal that occurred years after Huey Long's death. It seems very unfair to me that many in the media sought to blame him for the scandals that occurred later on, years after his death when he was not the one who was responsibile for it.

None of the corruption in the years after his death could be traced to him for the simple reason that while he was calling the signals when he was Governor and Senator he did not tolerate corruption.

The scandal would not have occurred had his so-called political heirs listened to my mother, who pleaded to them to support Allen Ellender because he was the man she knew Huey Long wanted to succeed him as Governor. Had his opposition known that he was planning to support an independent type man who was as honest as the day is long and intolerant of corruption in others, I think many of them would have looked differently upon their thoughts about him. I think that even the person who shot him would have thought differently about his desire to kill Huey Long because he did not like the way Huey Long was doing business. I think he would have been willing to tolerate Huey making speeches here in Washington and advocating his share of the wealth program had he thought he was not the dominant force in local Louisiana politics.

It may make a point to suggest that we will never achieve perfection on this side of heaven, probably because we do not deserve it. Perhaps this world was intended to be a testing place rather than the ideal. Why else do we endlessly fail to appreciate good people until they are gone, and fail to trust those who are worthy of it until it is too late? In my own case, I have been elected to the U.S. Senate on 7 consecutive times over a period of 38 years. My first election at age 30 was by a close vote, but since that time I have achieved some very large majorities. The closest of the races found me ahead of my nearest opponent by 20 percentage points and I have had majorities of as much as 87 percent, 75 percent, 66 percent, and 70 percent, some of them against opposition that may have deserved more votes than they achieved. In some cases, I have been elected without any opposition whatsoever.

Mr. President, I have won not just some, but almost all of my victories, by larger margins than my father ever achieved. That was in spite of a statewide media which was thoroughly unfair and constantly critical of Huey Long for the last 50 years when he was not alive to defend himself.

Yet, I am convinced that much of my success, even in recent years, was because of my father. How could that be? It was because those who had heard him speak more than 50 years ago, by word of mouth, had a way of expressing their favorable opinions of him in spite of uniformly adverse comment both in print and over the electronic media for 50 years.

With those who had known and supported the man, he was the greatest Governor, not just in Louisiana, but in any State, ever. Those who shared that opinion represented about 60 percent of those who were privileged to vote when Huey Long was on the scene. They represented more than 75 percent of those who were white and could not vote and about 95 percent of those who were black and also could not vote. In other words, had Huey enjoyed the benefit of the Federal voting rights laws, he would have been achieving more than 75 percent of the vote in honest elections.

Among those who were old enough to know Huey Long and recall his speeches, he still rates in the polls more popular than any other Governor. Why? I will always maintain it is because those who knew Huey Long will always remember what he did for them. Neither they, nor I, will ever forget the price he paid for trying to make this world a better place.

He stated his dream for American eloquently in the concluding lines of his autobiography when he said:

> Then no tear dimmed eyes of a small child will be lifted into the saddened face of a father or mother unable to give it the necessities required by its soul and body for life; then the powerful will be rebuked in the sight of man for holding that which they cannot consume, but which is craved to sustain humanity; the food of the land will feed, the raiment clothe and the houses shelter all the people; the powerful will be elated by the well being of all, rather than through greed.

THE 50TH ANNIVERSARY OF THE DEATH OF SENATOR HUEY PIERCE LONG

Mr. BYRD. Mr. President, 50 years ago today, September 10, 1935, Senator Huey Pierce Long of Louisiana died from an assassin's bullet. The distinguished Senator RUSSELL LONG has made some brief remarks in this regard earlier. I feel it is appropriate that this Chamber take the time today to reflect upon the memory of this great American, a distinguished Senator, the father of our own beloved colleague, Senator RUSSELL LONG.

Senator Huey Long was one of the most colorful persons ever to sit in this body. His flamboyant style and controversial methods have been portrayed in a plethora of books, movies, and songs. But the emphasis on his style and methods often distracts from the meaning of his life and political career, both of which were, tragically, far too short.

Born August 30, 1893, in Winnfield, LA. Huey Long seemed destined for a life of public service, and of helping the weak, the underprivileged, and the dispossessed. Regarding his career as a lawyer, Huey Long recalled: "Always my cases were on the side of the small man—the underdog. I have never taken a case against a poor person," he proudly proclaimed.

In 1918, at the age of 25, he was elected State railroad commissioner. In this position, he secured a reduction in telephone rates for the people of his State, prevented rate increases on street-railways, and attacked corporate abuses.

In 1928, Huey Long was elected Governor of Louisiana. His administration resulted in badly needed reforms for his State, free textbooks for the State's schoolchildren, and new bridges, paved roads, and other improvements. New hospitals were built; old ones were modernized; and his beloved Louisiana State University was vastly expanded and improved.

Taxes on the State's oil and gas industries were increased to pay for the programs of Governor Long, while the State's poll tax was abolished to increase the participation of the State's "poor whites" in the democratic process.

In 1930, Huey Long was elected to the U.S. Senate. In his maiden speech to this body, "The Doom of America's Dream," which he delivered amidst the worst days of the Great Depression, Senator Long remarked:

> This great and grand dream of America that all men are created equal * * * this great dream of America, this great light, and this great hope, have almost gone out of sight in this day and time * * * there is a mere candle flicker here and yonder to take the place of what the great dream of America was supposed to be.

Senator Long planned to resurrect the fading American dream with his "share the wealth" program which proposed a homestead allowance and a minimum annual income for every American family. He further proposed to redistribute wealth through limitation of inheritances, heavier taxes on the higher brackets, old-age assistance to the elderly poor, public works, and balancing farm production with farm consumption.

Although the feasibility of some of his plans and ideas has been questioned or challenged, it is certain that he was trying to ensure that every American could and would have a life of economic security and social dignity.

If some of his proposals were infeasible, his heart and mind were in the right place. If some of his plans were in error, at least he erred in trying to make life more comfortable and better for all the people, the poor as well as the rich, the weak as well as the powerful.

As a result, Senator Huey Long developed a tremendous following, not only in Louisiana but also throughout the country. Historian David Potter writes that Senator Long "was second only to the President (Roosevelt) in political importance when he went to Louisiana * * * for a special session of the (State's) legislature." While there, on September 8, 1935, Senator Long was shot by an assassin; he died 2 days latter—50 years ago today.

Upon the death of Senator Long, Senate Majority Leader Alben Barkley said,

> Life is not measured in years. Many men have lived to be 80, 90, or even 100 years old without accomplishing as much in the causes in which they believed and for which they fought as Huey Long accomplished in 40-odd years.

Then, too, there were the words of another U.S. Senator who also fell to an assassin's bullet. In his book, "Profiles in Courage," John F. Kennedy said:

> Must men conscientiously risk their careers only for principles which hindsight declares to be correct, in order for posterity to honor them for their valor? I think not . . . Surely in the United States of America, where brother once fought brother, we did not judge a man's bravery under fire by examining the banner under which he fought.

Senator Huey Long, however, never considered his actions and policies to require defense or explanation. He knew what he sought, and he never asked for quarter.

I think it is appropriate, as we acknowledge the memory of this larger-than-life American, to recall some lines from his favorite poem, "Invictus"—lines which themselves adequately summarize the life and political career of Senator Long:

> In the fell clutch of circumstance
> I have not winced nor cried aloud.
> Under the bludgeonings of chance
> My head is bloody but unbowed. * * *
> It matters not how strait the gate,
> How charged with punishment the scroll,
> I am the master of my fate;
> I am the captain of my soul.

Mr. President, the Scriptures teach us to "Honor thy father and thy mother." Senator RUSSELL LONG has honored his father and his mother—by words and by deeds. In so doing, he has brought honor upon himself. All Members of this body revere Senator RUSSELL LONG. Every Member counts him as a friend. He is a great Senator, a great Louisianian, a great American. History will long honor the memory of Senator Huey Long, and we will long honor the memory of the name of Senator RUSSELL LONG after he departs from membership in this body—which he has announced he will do voluntarily at the close of the 99th Congress.

Mr. President, I yield the floor.

ANTI-APARTHEID ACTION ACT OF 1985

Mr. BYRD. Mr. President, I move to proceed to consider the conference report on H.R. 1460 and offer a cloture motion on the motion to proceed.

The PRESIDING OFFICER [Mr. HECHT]. The clerk will report the cloture motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of the Conference Report on H.R. 1460, The Anti-Apartheid Action Act of 1985.

Edward M. Kennedy, Paul Simon, John D. Rockefeller IV, Bill Proxmire, John F. Kerry, Spark M. Matsunaga, Max Baucus, George J. Mitchell, David Pryor, John Melcher, Gary Hart, Howard M. Metzenbaum, Lawton Chiles, Dale Bumpers, Don W. Riegle, Jr., Alan J. Dixon, J. James Exon, Patrick J. Leahy, Claiborne Pell, and Alan Cranston.

Mr. BYRD. Mr. President, I withdraw the motion to proceed to the consideration of the conference report.

The PRESIDING OFFICER. The motion is withdrawn.

Mr. DOLE. Mr. President, a parliamentary inquiry. As I understand it then, the impact of this would be another cloture vote, not on the conference report but on a motion to proceed to the conference report, and this vote would occur on Thursday?

The PRESIDING OFFICER [Mr. GRAMM]. The Senator is correct.

Mr. DOLE. One hour after convening?

The PRESIDING OFFICER. After a quorum is established.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, it would be my hope that before we recess this evening we can lay down S. 1200, the immigration bill. As I understand it, the distinguished Senator from Michigan, who has a question with reference to S. 1200, is on his way to the floor.

DISCRIMINATION BASED ON ALIENAGE

Mr. LEVIN. Mr. President, I understand from our good friend Senator SIMPSON that there is going to be a hearing in the next week or 2 weeks with the House of Representatives, a joint hearing, on the question of discrimination based on alienage, which is an issue which was debated at the time this bill came up in the last Congress. As a matter of fact, we had a vote at that time on a Hart-Levin amendment relative to nondiscrimination based on alienage.

Logically, some of us have felt that that hearing should take place prior to this bill coming up, because it would provide a record upon which we could debate the issue. It is a complicated issue, by the way. It is extremely complicated. We thought it would be useful to have that hearing record prior to the debate on that amendment.

The leader wishes very much to proceed, and I surely do not want to be an impediment to that. So I talked to Senator SIMPSON about the possibility that we have some assurance that at some point prior to any conference with the House—and our friend is here right now—on this immigration bill, assuming that it gets to that point, those of us who are interested in this subject would have an opportunity, a window, on the floor of the Senate to have a vote either on a bill, or on a resolution or on a sense of the Senate, on some matter relating to the issue of nondiscrimination based on alienage.

If the majority leader is willing to say yes, that at some point prior to conference there would be that opportunity—it could be limited to a few hours—I think it would satisfy a lot of us on both sides of the aisle who have written our good friend ALAN SIMPSON urging that there be a hearing on this subject and who are interested in this possible amendment at some point.

Mr. DOLE. Mr. President, let me indicate that the distinguished Senator from Wyoming is an expert in this area, but I would say that the leadership certainly understands the problem.

I would be willing to make the pledge to the distinguished Senator from Michigan. I hope that would permit us to lay down the bill this evening.

As the Senator indicated earlier, this might be 1 month from now; it might be 6 months from now. If the House does not pass the bill, it might not happen at all. So I am willing to agree to the request of the distinguished Senator from Michigan.

Mr. LEVIN. I think that would be helpful. That was my only problem in proceeding, because I think logic dictates that the hearing come prior to the debate. In this case, that is not possible because of the needs of the leader to proceed, and we can understand that and appreciate it. Those of us interested in this subject would like to be assured of that window prior to the conference, when we would have an opportunity—if we chose, I emphasize—to proceed to a decision by the Senate on some resolution, bill, sense of the Senate, or whatever the form would be.

Mr. SIMPSON. Mr. President, I appreciate the majority leader giving that concurrence, because I certainly will do so. I assure the Senator from Michigan that we will do that.

I think the critical point we have to remember is that when we speak of this vexing, puzzling issue of discrimination based on alienage, we are not talking about color of skin or ethnicity. That is what makes it difficult. It is a new thing which has arisen, which has not even been addressed by civil libertarians or in either body of Congress. It is a very puzzling thing. But I emphasize that it has nothing to do with color of skin or ethnicity. It is a wholly new thing based upon permanent residency or citizenship, and discrimination based on that degree of alienage.

I assure the Senator—and the majority leader has done so—that if we are allowed to go forward, we will accommodate the Members on both sides of the aisle and deal separately with that issue at a separate time, either through hearing or a sense of the Senate resolution, or perhaps even if the House passes it, then when the Senate appoints conferees, a motion to appoint conferees would be in order.

I assure the Senator that we will work toward that, so the window is there for an independent vote on a rather puzzling, extraneous, and yet important part of the issue of immigration reform.

Mr. LEVIN. It is complex. The reason we are in this puzzle is that for the first time we are prohibiting employment of someone instead of prohibiting discrimination against someone in this bill.

I do not have a perfect answer to the puzzle. My good friend puts it very well: it is a very difficult issue.

The fact that there will be that window at some point prior to conference, where we could get an expression from the Senate, if we decided to seek it, is adequate. As always, the majority leader and Senator SIMPSON are cooperative, and we are delighted to cooperate with them.

Mr. DOLE. Mr. President, I understand that the distinguished minority leader is visiting with Senator CRANSTON to see if we can lay down S. 1200. As soon as we do that, we intend to recess until noon tomorrow.

Mr. President, while we are waiting, I advise my colleagues again that the cloture vote on the conference report tomorrow will occur at 2:30 p.m., and it would be my hope that cloture will not be invoked. There are sanctions in place by virtue of the Executive order of the President signed by the President yesterday, Monday, September 9.

I again indicate to my colleagues, and I will again tomorrow, that it seems to me that we should move on to other business, set aside the conference report on the antiapartheid bill and reach some agreement when we may return to the conference report in the event that the Executive order is not complied with or in the event that some of the provisions in the Executive order dealing with Krugerrands or gold coins, or any other areas that may not be as specific as some Senators would like. In the event they are not addressed, then we would have the opportunity to call up the conference report at some specified time in the future.

I happen to believe that would be very good strategy for the Senate to adopt unanimously or at least those who support the antiapartheid legislation.

I have indicated to the distinguished Senator from Massachusetts today that I know there are a lot of politics in the air right now. Many Democrats seize upon this as a hot issue, the way to bash the President, and maybe after a few days of President bashing we can get back to the real world of how do we send a signal to the apartheid Government of South Africa.

I happen to believe that the President's initiatives are just as strong as the original Senate bill and nearly as strong as those matters contained in the conference report, and it seems to me that it is much more important that the President be on record as he is now than having us fussing in the Senate about who will have the pride of authorship, whether it is the President of the United States or some Senator from some State. I happen to believe the President speaks for most of the people, which is more than probably many of us can say in this body.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 2:08 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3113. An act providing for the coordinated operation of the Central Valley project and the State water project in California.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3113. An act providing for the coordinated operation of the Central Valley project and the State water project in California; to the Committee on Energy and Natural Resources.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1691. A communication from the Administrator of the Energy Information Administration transmitting, pursuant to law, the eighth annual survey of proven reserves of crude oil, natural gas, and natural gas liquids; to the Committee on Energy and Natural Resources.

EC-1692. A communication from the Federal Inspector, Alaska Natural Gas Transportation System, transmitting, pursuant to law, a report on the status of the transportation system for the period April through June 1985; to the Committee on Energy and Natural Resources.

EC-1693. A communication from the Secretary of Energy transmitting, pursuant to law, notice of a further delay in the submission of the National Energy Policy Plan; to the Committee on Energy and Natural Resources.

EC-1694. A communication from the Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, the 1985 first quarter report on abnormal occurrences at licensed nuclear facilities; to the Committee on Environment and Public Works.

EC-1695. A communication from the General Counsel of the Treasury transmitting a draft of proposed legislation relating to the collection of the special tax from retail dealers in distilled spirits, wine, and beer; to the Committee on Finance.

EC-1696. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the U.S. within the 60 days previous to August 30, 1985; to the Committee on Foreign Relations.

EC-1697. A communication from the General Counsel of the U.S. Arms Control and Disarmement Agency transmitting an errata sheet and corrected pages for the Nuclear Proliferation Assessment Statement Relating to the Agreement for Cooperation Between the United States and the People's Republic of China Concerning Peaceful Uses of Nuclear Energy; to the Committee on Foreign Relations.

EC-1698. A communication from the Assistant Attorney General transmitting, pursuant to law, five revised reports on Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-1699. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Revenue Report for June 1985"; to the Committee on Governmental Affairs.

EC-1700. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Review of University Supported Travel by UDC President's Spouse"; to the Committee on Governmental Affairs.

EC-1701. A communication from the Director of the Office of Personnel Management transmitting a draft of proposed legislation to restructure the Federal Employees Health Benefits Program; to the Committee on Governmental Affairs.

EC-1702. A communication from the Director of the Office of Congressional Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, a report on the Commission's interagency coordination activities for October 1, 1983 to September 30, 1984; to the Committee on Labor and Human Resources.

EC-1703. A communication from the Secretary of Education transmitting, pursuant to law, final regulations for the Handicapped Special Studies Program; to the Committee on Labor and Human Resources.

EC-1704. A communication from the Chairman of the Task Force on Environmental Cancer and Heart and Lung Disease, transmitting, pursuant to law, the Task Force's seventh annual report; to the Committee on Labor and Human Resources.

EC-1705. A communication from the Executive Secretary of the Office of the Secretary of Defense, transmitting, pursuant to law, the report for October 1984 through May 1985 on DOD Procurement from Small and Other Business Firms; to the Committee on Small Business.

EC-1706. A communication from the Administrator of the Veterans' Administration transmitting, pursuant to law, a report entitled "Report on the Program of Independent Living Services and Assistance"; to the Committee on Veterans' Affairs.

EC-1707. A communication from the Assistant Secretary of the Smithsonian Institution transmitting, pursuant to law, the annual pension report; to the Committee on Governmental Affairs.

EC-1708. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to increase the authority of the Secretary of Agriculture to refuse to provide, or withdraw, inspection service, and to determine the degree of inspection to be conducted, in meat, poultry, and egg processing plants; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1709. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, the Stockpile Report for October 1984-March 1985; to the Committee on Armed Services.

EC-1710. A communication from the Deputy Associate Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on 22 refunds of excess oil and gas royalty payments; to the Committee on Energy and Natural Resources.

EC-1711. A communication from the Director of the Office of Civilian Radioactive Waste Management, Department of Energy, transmitting, pursuant to law, a report evaluating commercial repository capacity for the disposal of defense high-level waste; to the Committee on Energy and Natural Resources.

EC-1712. A communication from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting, pursuant to law, a report on a refund of an excess oil and gas royalty payment; to the Committee on Energy and Natural Resources.

EC-1713. A communication from the Acting Assistant Secretary for Health, Department of Health and Human Services, transmitting, pursuant to law, a report on an altered Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1714. A communication from the chief judge, U.S. Tax Court, transmitting, pursuant to law, the actuarial reports for the Court's retirement and survivor annuity plans for 1984; to the Committee on Governmental Affairs.

EC-1715. A communication from the Secretary of Agriculture transmitting, pursuant to law, a report on two computer matching programs relating to unemployment compensation and worker's compensation; to the Committee on Governmental Affairs.

EC-1716. A communication from the Deputy Chief, Program Liaison Division, Office of the Secretary of the Air Force, transmitting, pursuant to law, the Air Force Report on Experimental, Developmental, and Research Contracts of $50,000 or more, by company; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, with amendments:

S. 40. A bill to provide procedures for calling Federal constitutional conventions under article V for the purpose of proposing amendments to the United States Constitution (with additional views) (Rept. No. 99-135).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. Res. 218. An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 with respect to S. 1200 as reported by the Senate Committee on the Judiciary; referred to the Committee on the Budget.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CRANSTON (for himself, Mr. DeConcini, Mr. Rockefeller, and Mr. Inouye):

S. 1616. A bill to require the Administrator of Veterans' Affairs to provide for the conduct of an epidemiological study of the gender-specific effect of exposure to the herbicide known as agent orange on women veterans of service in the Republic of Vietnam; to the Committee on Veterans Affairs.

By Mr. WALLOP (for himself, Mr. Andrews, Mr. Abdnor, Mr. Simpson, Mr. Laxalt, Mr. Burdick, and Mr. Melcher):

S. 1617. A bill to provide for more effective management of lands of the United States which are subject to conflicting claims or disputes, and to require the Secretary of the Interior to report annually thereon; to the Committee on Energy and Natural Resources.

By Mr. GORE (for himself and Mr. Cochran):

S. 1618. A bill to amend the Communications Act of 1934 to clarify policies regarding the right to view satellite transmitted television programming, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. WILSON (for himself, Mr. Dole, Mr. Packwood, Mr. Moynihan, Mr. Zorinsky, Mr. Cranston, Mr. Cohen, Mr. D'Amato, Mrs. Hawkins, Mr. Hecht, and Mr. Boschwitz):

S. 1619. A bill to amend the Internal Revenue Code of 1954 to provide that section 7872 (relating to imputed interest on below-market loans) shall not apply to loans made to the State of Israel; to the Committee on Finance.

By Mr. DURENBERGER (for himself and Mr. Simon):

S. 1620. A bill to amend title XVIII of the Social Security Act to establish the National Council on Access to Health Care, and for other purposes; to the Committee on Governmental Affairs.

By Mr. SYMMS:

S.J. Res. 193. A joint resolution to authorize the President to issue a proclamation designating the week beginning October 20, 1985, as "The Lessons of Grenada Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurring resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. THURMOND, from the Committee on the Judiciary:

S. Res. 218. An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 with the respect to S. 1200 as reported to the Senate Committee on the Judiciary; to the Committee on the Budget.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CRANSTON (for himself, Mr. DeConcini, Mr. Rockefeller, and Mr. Inouye):

S. 1616. A bill to require the Administrator of Veterans' Affairs to provide for the conduct of an epidemiological study of the gender-specific effect of exposure to the herbicide known as agent orange on women veterans of service in the Republic of Vietnam; to the Committee on Veterans' Affairs.

STUDY OF HEALTH EFFECTS OF AGENT ORANGE EXPOSURE ON WOMEN VIETNAM VETERANS

Mr. CRANSTON. Mr. President, I am today introducing, for appropriate referral, legislation that would require the Administrator of Veterans' Affairs to provide for an epidemiological study of the gender-specific health effects on women veterans of their exposure to dioxin in Vietnam. I am joined in introducing this legislation by my good friends, the Senators from Arizona [Mr. DeConcini] and West Virginia [Mr. Rockefeller], both of whom are on the Veterans' Affairs Committee and the Senator from Hawaii [Mr. Inouye]. This study—which would complement the major epidemiological study mandated by Public Law 96-151 of the effects that exposure in Vietnam to dioxin as found in agent orange has had on veterans' health—would have to be carried out by an entity outside of the VA. I am pleased to note that an identical measure will soon be introduced in the House of Representatives by my friend from Ohio, Ms. Kaptur, along with my colleague from California, Mr. Edwards, and Representatives Edgar, Daschle, and Penny, all members of the House Committee on Veterans' Affairs, where Mr. Edgar serves as chairman of the Subcommittee on Hospitals and Health Care.

Mr. President, I have a longstanding commitment to resolving the many difficult issues relating to the exposure of our troops in Vietnam to agent orange and other toxic substances. As the chairman of the Veterans' Affairs Committee until 1981 and since that time as the ranking Democrat on the committee, I have been very active in a wide variety of legislative and oversight activities on this issue. My goal in this area has been to provide timely relief to those who are suffering health problems which may be related to their exposure while, at the same time, laying the groundwork for getting the answers to the questions that the veterans, their families, and others have about the health consequences of exposure to agent orange and other toxic substances in Vietnam. In the latter regard, I believe that the study mandated by Public Law 96-151, as modified by Public Law 97-72—both of which I authored in the Senate—should provide some very important information and I am gratified that, although there were some very regrettable delays in getting that study underway, it is now progressing reasonably well.

It has been clear for some time, however, that although that study would yield important information regarding general health issues for all veterans—male and female alike—it would not provide any information about the unique, gender-specific concerns of women Vietnam veterans about the possible impact of their exposure to agent orange. Thus, since early 1984, I have been urging various executive branch entities to utilize existing authorities to design and undertake an appropriate study of women Vietnam veterans. Unfortunately, my efforts and those of others in the Congress have been unavailing to date. This is why we are now proposing legislation that would mandate such a study.

Mr. President, so that my colleagues and others with an interest in this issue may have a better appreciation of the background leading up to this legislation, I ask unanimous consent that there be printed in the Record at the end of my statement the following letters: a May 2, 1984, letter to me from Dr. James Mason, director, Centers for Disease Control, responding to an inquiry made at my request; my September 18, 1984, letter to Dr. Mason; Dr. Mason's October 16, 1984, response; my January 23, 1985, letter to Charles Baker, Chair, Cabinet Council Agent Orange Working Group; Mr. Baker's March 6, 1985, response; my July 22, 1985, followup letter to Mr. Baker; an August 26, 1985, response from Dixon Arnett, acting Chair of the Working Group; and my September 9, 1985, followup letter to Mr. Arnett.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I am deeply disappointed that the executive branch has not taken appropriate steps to begin a study of the effects of agent orange on women Vietnam veterans. There is no excuse for further executive branch foot dragging. It is long since past time that the very legitimate concerns of women Vietnam veterans were addressed, and I look forward to quick action in the Congress on this legislation so that those concerns will be addressed.

Mr. President, such a study, in addition to yielding important information about the health status of those women who served in the Armed Forces in Vietnam, would also shed important new light on the questions that women who were in Vietman with voluntary organizations—such as the USO and the Red Cross—have about their health as a result of their work there. For a number of years, I have been concerned that the employees of, or voluntary workers with, certain of these organizations have not received appropriate attention from the Federal Government in response to their concerns about their health as a result of having been in Vietnam. While I am continuing with my efforts to address that issue through separate legislation—including in section 503 of S. 876 as reported by the Veterans' Affairs Committee in June of this year and passed by the Senate on July 30—I believe that the study that would be mandated by the legislation we are introducing today would be of particular relevance to these individuals and that is a further reason for my action in introducing this measure.

Mr. President, I ask unanimous consent that the text of the legislation I am introducing be printed in the Record following the correspondence I mentioned earlier.

There being no objection, the bill and letters were ordered to be printed in the Record, as follows:

S. 1616

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

(a)(1) the Administrator of Veterans' Affairs, through contracts or agreements with private or public agencies or persons, shall provide for the conduct of an epidemiological study of any long-term adverse gender-specific health effects in women of service in the Armed Forces of the United States in the Republic of Vietnam during the period of the Vietnam conflict as such health effects may result from exposure to—

(A) phenoxy herbicides (including the herbicide known as Agent Orange); and

(B) the class of chemicals known as the dioxins produced during the manufacture of such herbicides.

(2) In providing for the conduct of such study, the Administrator may expand the scope of the study to include an evaluation of any long-term adverse gender-specific health effects in women of such service as such health effects may result from other factors involved in such service (including exposure to other herbicides, chemicals, medications, or environmental hazards or conditions).

(3) The Administrator may also include in the study an evaluation of the means of detecting and treating adverse gender-specific health effects found through the study.

(b)(1) The study required by subsection (a) shall be conducted in accordance with a protocol approved by the Director of the Office of Technology Assessment.

(2) The Director shall monitor the conduct of such study in order to ensure compliance with such protocol.

(3)(A) Concurrent with the approval or disapproval or any protocol under paragraph (1), the Director shall submit to the appropriate committees of the Congress a report—

(i) explaining the basis for the Director's action in approving or disapproving the protocol; and

(ii) providing the Director's conclusions regarding the scientific validity and objectivity of the protocol.

(B) If the Director has not approved such a such a protocol during the 180 days following the date of the enactment of this Act, the Director—

(i) shall submit to the appropriate committees of the Congress a report describing the reasons why the Director has not given such approval; and

(ii) shall submit to such committees an update report on such initial report each 60 days thereafter until such a protocol is approved.

(4) The Director shall submit to the appropriate committees of the Congress, at each of the times specified in the second sentence of this paragraph, a report on the Director's monitoring of the conduct of such study pursuant to paragraph (2). A report under the preceding sentence shall be submitted—

(A) before the end of the six-month period beginning on the date of the approval of the protocol by the Director;

(B) before the end of the 12-month period beginning on such date; and

(C) annually thereafter until the study is completed or terminated.

(c) The study conducted pursuant to subsection (a) shall be continued for as long after the submission of the first report under subsection (d)(1) as the Administrator may determine reasonable in light of the possibility of developing through such study significant new information on the long-term gender-specific adverse health effects in women of exposure to dioxins.

(d)(1) Not later than 24 months after the date of the approval of the protocol pursuant to subsection (b)(1) and annually thereafter, the Administrator shall submit to the appropriate committees of the Congress a report containing—

(A) a description of the results thus far obtained under the study conducted pursuant to such subsection; and

(B) such comments and recommendations for administrative or legislative action, or both, as the Administrator considers appropriate in light of such results.

(2) Not later than 90 days after the submission of each report under paragraph (1), the Administrator shall publish in the Federal Register, for public review and comment, a description of any action that the Administrator proposes to take with respect to programs administered by the Veterans' Administration. Each such description shall include a justification or rationale for any such action the Administrator proposes to take. Any such proposal shall be based on the results described in the report under paragraph (1) and the comments and recommendations on that report and any other available pertinent information.

(e) For the purposes of this section, the term "gender-specific health effects in women" includes (1) effects on female reproductive capacity and reproductive organs, (2) reproductive outcomes, (3) effects on female-specific organs and tissues, and (4) other effects unique to the physiology of females.

U. S. Senate,
Committee on Veterans' Affairs,
Washington, DC, September 9, 1985.

Mr. Dixon Arnett,
Deputy Under Secretary for Intergovernmental Affairs,
Department of Health and Human Services, Washington, DC.

Dear Mr. Arnett: I am writing in response to your August 26, 1985, letter to me regarding the status of research efforts on possible health effects in women veterans who were possibly exposed to Agent Orange during their service in Vietnam. I have the following follow-up questions to which I would appreciate your responses:

1.A. What specifically are the "Federally sponsored studies which involve female Vietnam veterans" that you referred to in your letter?

B. What is the timeable for each of these studies?

C. What is the projected relevance of each of these studies to the questions of women Vietnam veterans' health status?

D. What is the statistical power of each of these studies?

2. Is it not correct that "any findings from the ongoing male studies" will shed no light on the issue of significant, unique concern to women Vietnam veterans—namely, the possibility that their exposure to Agent Orange, or other toxic substances in Vietnam, may have affected their reproductive ability?

3. Enclosed is a copy of an August 23, 1985, letter from Dr. Donald Hopkins, Acting Director of the Centers for Disease Control, to Representative Don Edwards, in which Dr. Hopkins notes that CDC "has determined that a study focusing on the health of female [Vietnam] veterans is feasible and has prepared two draft research protocol outlines for epidemiologic studies of female veterans." Please comment on Dr. Hopkins' statement and, in doing so, please reconcile his statement with the one in your letter that "[w]hat is unclear at this time is whether there were enough women veterans exposed to Agent Orange in Vietnam to conduct a scientifically valid Agent Orange Study".

4. In view of the strong interest, which has existed for a number of years now, in attempting to come to terms with the question of the health status of women Vietnam veterans, I firmly believe that something more is called for beyond non-specific statements that the Working Group is continuing to study the issue. I therefore ask that you, in your capacity as the Acting Chairman of the Agent Orange Working Group, give me your best estimate of when there will be a difinitive decision by the Working Group on this issue.

Finally, I think it only fair to advise you that I believe that the Executive Branch has not given appropriate attention to moving forward on this issue and that I and others are preparing legislation to direct that such a study be conducted.

I look forward to your reply at your earliest convenience.

With best wishes,
Sincerely,

Alan Cranston,
Ranking Minority Member.

Department of Health
and Human Services,
Office of the Secretary,
Washington, DC, August 26, 1985.

Hon. Alan Cranston,
U.S. Senate, Committee on Veterans' Affairs, Washington, DC.

Dear Senator Cranston: I am writing in response to your inquiry addressed to Charles D. Baker, Chairman, Cabinet Council Agent Orange Working Group (AOWG), regarding research efforts on possible health effects in female Vietnam veterans following their exposure to Agent Orange. Mr. Baker resigned from Federal Government service effective August 17, 1985, and I have been appointed as the Acting Chairman of the Agent Orange Working Group.

An appropriate research design on the issue of the health effects of Agent Orange exposure on female Vietnam veterans has been extensively discussed within the Agent

Orange Working Group and its Science Panel for more than a year.

What is unclear at this time is whether there were enough women veterans exposed to Agent Orange in Vietnam to conduct a scientifically valid Agent Orange Study and whether the military records which do exist are adequate to make this determination. However, the Agent Orange Working Group is in the process of assembling various alternatives for additional research among women Vietnam veterans.

I am sure that you are aware that there are, at present, several Federally sponsored studies which involve female Vietnam veterans. Although these studies are not primarily focused on Agent Orange, they will cover some important physical and psychological health problems unique to women. In addition, any findings from the ongoing male studies will be extrapolated to women where appropriate.

I assure you that we are very concerned that female veterans receive appropriate medical care and other compensation comparable to that of male veterans for any adverse health consequences of their having served in Vietnam.

Thank you for your continued interest in this issue. I will inform you when the Agent Orange Working Group is able to make a more definitive statement regarding the feasibility of a female Agent Orange study.

With best wishes,
Sincerely,

Dixon Arnett,
Deputy Under Secretary for
Intergovernmental Affairs.

Committee on Veterans' Affairs,
Washington, DC, July 22, 1985.

Hon. Charles D. Baker,
Chair, Cabinet Council Agent Orange Working Group, Department of Health and Human Services, Hubert Humphrey Building, Washington, DC.

Dear Mr. Baker: I am writing in followup to your March 6, 1985, response to my inquiry as to how the Federal Government might conduct research to investigate the possible health effects in female Vietnam veterans of their exposure to Agent Orange.

In your letter, you noted that the Science Panel of the Cabinet Council Agent Orange Working Group was then examining Vietnam veterans health issues for which female-veteran studies may be appropriate and feasible. Please advise me of the status of the Science Panel's review regarding issues specific to female Vietnam veterans who may have been exposed to Agent Orange, its findings to date, and the timetable for making any further decisions which must be made before a study on female Vietnam veterans can begin and for the commencement of such a study.

As you know, I believe very strongly that a study of female Vietnam veterans is extremely urgent in order to more fully understand the possible adverse health effects unique to women who served in Vietnam. In addition, I am very concerned about the delay in starting such an important study and would urge that the Science Panel move forward as quickly as possible in its review and recommendations.

I appreciate your attention to this matter and look forward to your response.

With best wishes,
Sincerely,

Alan Cranston,
Ranking Minority Member.

The Under Secretary of
Health and Human Services,
Washington, DC, March 6, 1985.

Hon. Alan Cranston,
U.S. Senate, Washington, DC.

Dear Senator Cranston: Thank you for your recent letter concerning possible adverse health effects of exposure to Agent Orange on women veterans who served in Vietnam and the need to include them in the epidemiological studies.

The Science Panel of the Cabinet Council Agent Orange Working Group recently examined the proposal for a study of female veterans prepared by the Centers for Disease Control (CDC). The Science Panel feels that the health needs of female Vietnam veterans should receive high priority and are concerned that this should be done in the most expeditious way. Most of the health problems encountered by men as a result of their exposure to various substances, including Herbicide Orange, while in Vietnam can be expected to affect women also. Programs adopted to cope with these problems can be and should be applied to women veterans as well.

There may be some health problems, however, that could accrue differently to female veterans exposed to the Vietnam Experience. The Science Panel feels that studies of female Vietnam veterans should focus on issues which cannot be determined from the ongoing studies of male veterans. The Science Panel also feels that specific research proposals utilizing female veteran subjects should be evaluated after hypotheses concerning health problems unique to female Vietnam veterans have been developed. The Science Panel is currently examining Vietnam health issues for which female veteran studies may be appropriate and feasible.

As I receive the results of the Panel's findings I would be happy to share the reports with you.

With best wishes.
Sincerely,

Charles D. Baker.

Committee on Veterans' Affairs,
Washington, DC, January 23, 1985.

Hon. Charles Baker,
Chair, Cabinet Council Agent Orange Working Group, Department of Health and Human Services, Humbert Humphrey Building, Washington, DC. 20201

Dear Mr. Baker: I have long had a strong interest in the issue of how the Federal Government might conduct research to investigate the possible health effects in female Vietnam veterans of their exposure to Agent Orange. Enclosed is a copy of an October 16, 1984, letter to me on this subject from Dr. James O. Mason, the Director of the Centers for Disease Control.

It is my understanding that the draft protocol outline mentioned in Dr. Mason's letter is pending in the Agent Orange Working Group and may be considered during the Group's next meeting, which is scheduled to take place in early February. I believe that it is extremely important that research be undertaken on this issue, and I strongly urge that the Working Group undertake its review of the protocol outline as expeditiously as possible. It is my strong hope that the members of the Working Group will be able to report favorably on the possibility of a study of female Vietnam veterans, either by endorsing the protocol outline as developed by CDC or by suggesting whatever changes to the outline the members believe are needed in order for a study to go forward.

Thank you for your attention to my views on this issue. I would appreciate hearing from you on this matter as soon as possible after the Working Group's February meeting.

With best wishes,
Sincerely

Alan Cranston,
Ranking Minority Member.

Public Health Service,
Centers for Disease Control,
Atlanta, GA, October 16, 1984.

Hon. Alan Cranston,
Ranking Minority Member, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.

Dear Senator Cranston: This is in response to your letter of September 18 urging that research be undertaken soon to investigate the possible health effects of Agent Orange on female Vietnam veterans and asking about the status of such a study at the Centers for Disease Control (CDC). We appreciate your expression of satisfaction with CDC's efforts with respect to male Vietnam veterans.

As reported to you in my letter of May 2, CDC was then assessing the feasibility of conducting a study of female veterans. Based on that assessment, completed in June, a draft protocol outline for an epidemiologic study of female veterans was prepared. The Department's Agent Orange Science Panel is currently reviewing this outline. Further action will certainly be influenced by the result of that review.

Thank you for your continued interest.

Sincerely yours,
James O. Mason, M.D., Dr. P.H.,
Assistant Surgeon General, Director.

Committee on Veterans' Affairs,
Washington, DC, September 18, 1984.

Dr. James O. Mason,
Director, Centers for Disease Control, Atlanta, GA.

Dear Dr. Mason: As you know, I have had a longstanding interest and concern regarding the unresolved questions surrounding the health effects of Vietnam veteran exposure to Agent Orange. I am satisfied that CDC's involvement in this troubling area, particularly through the birth defects study and the major epidemiological study of Vietnam veterans, has provided and will continue to provide needed information with respect to male Vietnam veterans. However, I believe that similar efforts must be made to investigate the possible effects of this substance on the health of female Vietnam veterans and regret that such efforts have yet to be undertaken.

It is my understanding that it may be possible now to move ahead in this regard. Specifically, Dr. Peter M. Layde, Director of Agent Orange Projects at CDC, informed staff of the Senate and House Veterans' Affairs Committees on July 18 that CDC now has an accurate figure regarding the number of female Vietnam veterans as well as a means of contacting these women for purposes of determining the possible health effects of exposure to Agent Orange. Hence, I urge that the vital need for research in this area be addresed as soon as possible and would very much appreciate knowing the status of CDC's plans to undertake a female Vietnam Veteran health study.

I appreciate your consideration of this matter and look forward to a response at your earliest convenience.

With warm regards,
Cordially,

Alan Cranston,
Ranking Minority Member.

Public Health Service,
Centers for Disease Control,
Atlanta, GA, May 2, 1984.

Hon. Alan Cranston,
U.S. Senate, Washington, DC.

Dear Senator Cranston: This is in response to the telephone conversation between Ms. Katy Burdick of your staff and Ms. Francie de Peyster of our Washington office regarding the inclusion of female Vietnam veterans in the current epidemiologic studies of the health of Vietnam veterans being conducted by the Centers for Disease Control (CDC).

We are interested in any health problems which may occur in women as well as in men. CDC is now assessing the feasibility of conducting a study of female Vietnam veterans. Very early we considered, but decided against, inclusion of women veterans in the specific study mandated by Public Laws 96–151 and 97-72. Comparatively few women served in Vietnam in circumstances where their experiences closely paralleled those of male veterans. To include these few women in the presently designed study would be unfair to the women who agreed to participate since their participation would result in no reasonable conclusions about their health. We concluded that if a study of women were to be done, that study should be designed so that it would include enough women to allow meaningful conclusions to be drawn about them.

A scientifically valid study of women veterans would require that a comprehensive listing of those veterans be compiled, from which a sample of women would then be chosen, located, and invited to participate. We have found that compiling a list of all women who served in Vietnam is more difficult than might be expected, partly because military records of the time did not include "male/female" identification. However, we are working with the Department of Defense and other agencies to identify a large enough group of women Vietnam veterans to comprise a valid study population.

As an initial step in developing plans for a study of female Vietnam veterans, CDC has submitted a small sample of names and social security numbers of women veterans to the Internal Revenue Service (IRS), requesting IRS to provide current mailing addresses for these veterans. At one time we were concerned that we would not be able to locate a significant number of women veterans because a large percentage of women could be expected to have changed their names through marriage in the intervening years. However, the results of IRS test were quite encouraging. IRS regulations now make it possible to identify "secondary" as well as "primary" tax filers. We now believe that a sufficient percentage of women veterans, chosen from a master listing of all veterans, could be located to allow conduct of a meaningful study.

Although the success of this "locatability" test has removed one important concern about our ability to conduct a valid study of women veterans' health, another persists: identification of a suitable comparison or "control" group of women. The demographic characteristics of a control group, whose health status can be compared with those of a group of women who were exposed to the Vietnam experience, should ideally be identical with characteristics of the Vietnam-exposed group except for that exposure. But, because of the relatively small number of women who served in Vietnam, and special characteristics which we think may be associated with those who did serve there (e.g., training, "volunteer" attitude, state of physical fitness, etc.), our epidemiologists are having difficulty identifying sources of names for enough suitably qualified women, both exposed and unexposed, to comprise groups large enough to study with a hope for conclusive findings.

For example, a study of Army nurses who did serve in Vietnam should include a control group of demographically similar Army nurses who did not serve there. However discussions with the Army Nurse Corps indicate that since many nurses in the Army during the years of the Vietnam war spent at least one tour of duty there during their Army service, it may be impossible to locate a suitably large control group from the available pool of Army nurse veterans. Before including other sources in that pool (e.g., Navy, Air Force), we must carefully weigh whether there is sufficient similarity in characteristics of veterans of the other services to make their inclusion of scientifically acceptable.

The legislation which mandates CDC's investigation specifies the participation of only veterans of the Armed Services, thus precluding study of Red Cross, USO, and other nonmilitary female personnel who may have served in Vietnam as potential participants.

As a test to determine what percentage of women in the services during the Vietnam era served in that country, CDC is currently undertaking a feasibility assessment using a group of roughly 1,000 women who were on active duty at that time. This assessment, which is just beginning, will involve reviewing each individual's military service record (located at the National Personnel Records Center in St. Louis) to confirm whether or not that individual had served in Vietnam.

CDC takes very seriously its responsibility to investigate any health problems which may occur in Vietnam veterans. However, in our judgment it would have been inappropriate to attempt to study men and women in a single study. To have done so—in the knowledge that participation of women could yield no reasonable conclusions about their health—would be a disservice to the women asked to participate. We are dedicating considerable professional effort toward assessing the feasibility of a study of female veterans. If determination is made that a study can be conducted in such a way as to assess accurately and honestly the health status of women who served in Vietnam, we will promptly advise Dr. Brandt, Assistant Secretary for Health, and Secretary Heckler.

We appreciate your interest in this issue.
Sincerely yours,

James O. Mason, M.D., Dr.P.H.,
Assistant Surgeon General, Director.

By Mr. WALLOP (for himself, Mr. Andrews, Mr. Abdnor, Mr. Simpson, Mr. Laxalt, Mr. Burdick, and Mr. Melcher):

S. 1617. A bill to provide for more effective management of lands of the United States which are subject to conflicting claims or disputes, and to require the Secretary of the Interior to report annually thereon; to the Committee on Energy and Natural Resources.

MANAGEMENT OF U.S. LANDS IN DISPUTE

● Mr. WALLOP. Mr. President, today I am introducing legislation that will clarify the status of lands which are either in the public domain or in State ownership, and that will require the Secretary of the Interior to report on negotiations for settlement of disputes concerning lands claimed by the States and administered by the Department of the Interior.

This legislation will pave the way toward resolving the long-standing cloud over federally claimed lands that lie primarily within the western public land States by permitting judicial resolution of their status without respect to the time the States filed claims.

Upon admission to the Union, all Western States were granted substantial amounts of land to be held in trust and administered for the benefit of the common schools and other public institutions. Each grant of lands made to the Western States by the U.S. Government expressly required that the States were to serve as trustees of the lands so granted for the exclusive benefit of those beneficiary institutions. Many State supreme courts and the U.S Supreme Court, in reviewing the various act of admission, have consistently held that States have a sacred duty to properly manage and protect the lands granted to them by the U.S. Government.

While Congress and the courts have placed this obligation on individual States, a current provision of the Federal Quiet Title Act eliminates, in certain limited situations, the ability of the States to fulfill their trust obligations.

In effect, the current Federal Quiet Title Act of 1972, as a result of the recent ruling by the U.S. Supreme Court in Block versus North Dakota, requires States, as well as private parties, to file lawsuits within 12 years limitation of the time they knew or should have known there was a Federal claim to the land in question. In some cases this time has been interpreted to be the date of a State's admission to the Union. While it may be reasonable to apply this restriction to private parties to prevent a flood of litigation on old claims, it results in barring the States from fulfilling their stringent obligations which Congress itself imposed upon them when they were admitted to the Union. Certainly, it is anomalous for Congress to require States to serve as trustees of State land and at the same time establish a quiet title barrier which prevents the States from fulfilling their congressionally mandated trust responsibilities.

For example, as the trustee of over 4 million acres of State-owned lands, Wyoming is convinced that it is impossible adequately to administer and protect its vital interests and obliga-

tions under the current language of the Federal Quiet Title Act. Under existing court interpretations Wyoming would have to review over 3 million diverse Federal actions in order to insure that State trust lands were not being claimed by the Federal Government.

In addition, Wyoming would have to continually monitor all ongoing Federal actions including all surface and mineral leasing, grants of rights-of-way, patent applications, land exchanges, withdrawals, special use permits, timber sales, and governmental resurveys, to name a few. Given Wyoming's checkerboard pattern of State land ownership, this is a particularly difficult task. Public lands and the public's interest therein deserve better management than that, both in the interest of efficiency and equity.

Mr. President, this legislation would end this conflict by amending the Quiet Title Act of 1972 to exempt sovereign States from the 12-year statute of limitations for filing suit against the Federal Government over disputed land claims. It would also require the direct involvement of the Department of the Interior in the settlement of State-Federal public land title disputes, which might not be concluded without the option of being able to rely on ultimate judicial resolution. Clear title to real property is essential to any State effort to properly manage and protect State-owned trust lands. Likewise, the resolution of these title disputes would also be necessary for management and protection of Federal lands since State claims remain alive even if there is no consent to sue. The inability to judicially resolve State-Federal title disputes simply makes effective land and resource management even more complex and difficult than it already is.

As a final note, I would like to add that a large and geographically diverse group of States filed amicus curiae briefs in the relevant Block versus North Dakota case: Alabama, Alaska, Arizona, Arkansas, California, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Iowa, Louisiana, Michigan, Minnesota, Montana, Nevada, New Jersey, New York, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Vermont, Washington, and Wyoming.

The widespread support for this legislation is indicated by the resolutions of the following organizations: National Governors Association, National Association of Attorneys General, Western Attorneys General, National Conference of State Legislatures, Western States Land Commissioners Association, and Eastern Land and Resources Council.

Mr. President, I ask unanimous consent that resolutions of each of these groups be presented in the Congressional Record. I would also ask unanimous consent that the bill be printed in the Record immediately following this statement.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1617

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. It is the purpose of this legislation to obtain more effective management of public lands by providing for the speedy resolution of intergovernmental title disputes involving lands to which the United States asserts title, which interfere with effective administration or disposition of public lands.

Sec. 2. The Secretary of the Interior shall report by July 1, 1986, and annually thereafter, to the Senate Committee on Energy and Natural Resources and the House Committee on Interior and Insular Affairs on the status of negotiations for the settlement of any claims by States to lands administered by the Department of the Interior.

Sec. 3. Subsection (f) of section 2409a of title 28, United States Code, is amended by inserting ", except for an action commenced by a State," after "section" and by inserting after the first sentence the following: "Any civil action under this section by a State may be commenced regardless of when such action accrued." Such subsection is further amended by striking out "Such" and inserting in lieu thereof "For purposes of this subsection, an".

National Governors Association Committee on Energy and Environment, February 27, 1984

The state and federal governments share responsibility for orderly development and management of the nation's energy resources. As disputes over state or federal ownership of lands associated with these resources may preclude their development, it is in the interest of both parties to resolve such controversies.

The Quiet Title Act of 1972 applied a twelve-year statute of limitations to claims against the federal government regarding title to parcels of land. It also removed a prior prohibition, based on federal sovereign immunity, on such suits against the federal government. Under the principle that no statute of limitations runs against sovereign states, quiet title actions were brought by states against the federal government for resolution of title disputes.

The U.S. Supreme Court decision in *Block v North Dakota* (May 3, 1983), held that the twelve-year statute of limitations does apply to state claims. The effect of this decision is to leave unresolved state/federal title disputes. If the United States can successfully demonstrate that the state knew or should have known of a federal claim twelve years before the suit, the quiet title action would be dismissed without determination of its merits. The basic title issue will remain judicially unresolved.

Because energy and other resources frequently occur on publicly-owned land, the need to settle definitively federal/state title disputes is evident. Without final judgment, leasees of parcels in question will be uncertain as to their rights to occupy, and granting of leaseholds may be stymied.

Congress is currently considering legislation amending the Quiet Title Act to declare the statute of limitations inapplicable to state claims. The Governors support such legislation as necessary to provide orderly land management and domestic energy resource development.

National Association of Attorneys General, June 26, 1983

Whereas, the federal and state governments coexist as sovereigns in our federal union; and

Whereas, the disputes over title to lands between federal and state sovereigns have caused uncertainty and impeded the orderly resolution of title disputes in the states; and

Whereas, it is in the interests of both states and the United States that such uncertainties be decided on their merits; and

Whereas, the U.S. Supreme Court has recently held that such resolutions may be precluded by the application of the statute of limitations to the claims of sovereign states against the United States; and

Whereas, it is an accepted and cardinal principle of law that no statute of limitations should run against a sovereign state; and

Whereas, if states are precluded by the statute of limitations from asserting claims against the United States, a cloud will nevertheless remain over the disputed property, thus preventing the resolution of title and seriously impeding the process of leasing and orderly utilization of the mineral resources upon such land; and

Whereas, the Supreme Court has suggested that in the absence of a solution by Congress, states having claims against the federal government could assert them by issuing leases to federally-claimed lands, asserting title to much lands and engaging in other activities calculated to confuse and impede the orderly management of such lands; and

Whereas, such controversies should be resolved by litigation on the merits; and

Whereas, it is within the power of Congress to provide for such orderly solutions by legislation,

Now, therefore, be it resolved, that this Association requests Congress to enact legislation to permit sovereign states to bring such actions in quiet title against the United States to obtain resolution of such actions on the merits, free from the procedural obstacles created by the statute of limitations.

Western Attorneys General Resolution

Whereas, the federal and state governments coexist as sovereigns in our federal union; and

Whereas, the disputes over title to lands between federal and state sovereigns have caused uncertainty and impeded the orderly resolution of title disputes in the states; and

Whereas, it is in the interest of both states and the United States that such uncertainties be decided on their merits; and

Whereas, in *Block* v. *North Dakota*, the U.S. Supreme Court held that such resolutions may be prevented by the application of the statute of limitations to the claims of sovereign states against the United States; and

Whereas, it is an accepted and cardinal principle of law that no statute of limitations should run against a sovereign state; and

Whereas, if states are precluded by the statute of limitations from asserting claims against the United States, a cloud will nevertheless remain over the disputed property, thus preventing the resolution of title and seriously impeding the process of leasing and orderly utilization of the mineral resources upon such land; and

Whereas, such controversies should be resolved by litigation on the merits; and

Whereas, it is within the power of Congress to provide for such orderly solutions by legislation; and

Whereas, H.R. 3917[1] would provide for such a solution by exempting the claims of sovereign states from application of the 12-year statute of limitations in the federal Quiet Title Act;

Now therefore be it resolved, that this Association requests Congress to enact H.R. 3917 to permit sovereign states to bring actions in quiet title against the United States and to obtain resolution of such actions on the merits, free from the procedural obstacles created by the statute of limitations; and

Be it further resolved, that the secretary of this Association be directed to transmit copies of this resolution to the appropriate Committees of Congress, the U.S. Attorney General and the Secretary of Interior.

NATIONAL CONFERENCE OF STATE LEGISLATURES

The National Conference of State Legislatures supports legislation amending the Quiet Title Act to declare the statute of limitations inapplicable to state claims. Such legislation is necessary to provide orderly land management and domestic energy resource development.

The Quiet Title Act of 1972 applied a twelve-year statute of limitation to claims against the federal government regarding title to parcels of land. It also removed a prior prohibition, based on federal sovereign immunity, on such suits against the federal government. Under the principle that no statute of limitations runs against sovereign states, quiet title actions were brought by states against the federal government for resolution of title disputes.

The U.S. Supreme Court decision in *Block v. North Dakota* (May 3, 1983), held that the twelve-year statute of limitations does apply to state claims. The effect of this decision is to leave unresolved state/federal title disputes. If the United States can successfully demonstrate that the state knew or should have known of a federal claim twelve years before the suit, the quiet title action would be dismissed without determination of its merits. The basic title issue will remain judicially unresolved.

The state and federal governments share responsibility for orderly development and management of the nation's energy resources. As disputes over state or federal ownership of lands associated with these resources may preclude their development, it is in the interest of both parties to resolve such controversies. Therefore, it is important to amend the Quiet Title Act to prevent the application of the statute of limitations to state claims.

THE WESTERN STATES LAND COMMISSIONERS ASSOCIATION, JANUARY 1984

Whereas, the Federal and State Governments constitutionally coexist as sovereigns in the Federal Union; and

Whereas, numerous disputes over public land titles between the Federal and State Sovereigns presently exist and even more will unquestionably be found in the course of further survey and utilization of public lands; and

Whereas, it is in the interest both of the States and the Federal Government that such disputes be promptly and finally decided judicially to prevent serious administrative difficulty and delay in the orderly administration and utilization of the public lands of both Federal and State Sovereigns as may be required in the public interest; and

Whereas, in *Block v. North Dakota*, the United States Supreme Court held that such judicial resolution may be prevented by the application of the time limitations in the existing Quiet Title Act procedures to claims of the states, notwithstanding the accepted and cardinal principle of law that statutes of limitations do not run against claims by a sovereign state; and

Whereas, the Court also held that the application of the limitations on suit did not extinguish the underlying dispute, but that it would still continue; and

Whereas, only action by the Congress can now provide for the needed resolution of these disputes and permit the process of orderly administration and use of the sovereign lands in dispute; and

Whereas, a bill presently before the Congress (H.R. 3917) provides for the needed solution by exempting all title disputes between the two sovereigns, the State and the Federal Government from the application of the 12-year limitation period in the Federal Quiet Title Act;

Now therefore be it resolved, that this Association requests Congress to enact H.R. 3917[1] to permit sovereign states to bring actions in quiet title against the United States and to obtain resolution of such actions on the merits, free from the procedural obstacles created by the statute of limitations; and

Be it further resolved, that the Secretary of this Association be directed to transmit copies of this resolution to the appropriate Committees of Congress, the U.S. Attorney General and the Secretary of the Interior.

EASTERN LANDS AND RESOURCE COUNCIL, APRIL 11, 1985

Whereas, disputes over title to lands between federal and state sovereigns have caused uncertainty and impeded the orderly resolutions of title disputes in the states and:

Whereas, it is in the interest of all states and the United States that such uncertainties be decided on their merits; and

Whereas, the U.S. Supreme Court held in *Block* v. *North Dakota* that the orderly resolution of title disputes between states and the federal government may be prevented by the application of the statute of limitations to the claims of sovereign states against the United States; and

Whereas, it is an accepted and cardinal principle of law that no statute of limitations should run against a sovereign state; and

Whereas, even though states are precluded by the statute of limitations from asserting claims against the United States, a cloud will nevertheless remain over the disputed property, thus preventing the resolution of title and seriously impeding the process of leasing and orderly utilization of the natural resources upon such land; and

Whereas, such controversies should be resolved by litigation on the merits; and

Whereas, the ELRC is composed or representatives of many of the Eastern States where these types of disputes may arise; and

Whereas, such legislation would achieve this result by exempting sovereign states from application of the 12 year statute of limitations in the Federal Quiet Title Act in disputes with the United States over land titles;

Now therefore be it resolved, that this Council recommends that each of the member states urges its Congressional delegation, the appropriate members of Congress, the United States Attorney General and the Secretary of the Interior to support enactment of this Federal legislation.●

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[1] Identical to our companion bill, H.R. 2484, in this Congress.

[1] A similar resolution was adopted August 22, 1985, which urges its members to support H.R. 2484 and legislation having the same effect.

By Mr. GORE (for himself and Mr. COCHRAN):

S. 1618. A bill to amend the Communications Act of 1934 to clarify policies regarding the right to view satellite-transmitted television programming, and for other purposes; to the Committee on Committee on Commerce, Science, and Transportation.

SATELLITE TELEVISION VIEWING RIGHTS ACT

● Mr. GORE. Mr. President, today Senator COCHRAN and I are introducing the Satellite Viewing Rights Act of 1985. This bill is similar to provisions in legislation I introduced in the House last year, which ensure that the marketing and distribution of satellite television programming be conducted in a fair, competitive marketplace with negotiated, reasonable prices.

As my colleagues are aware, legislation which passed as part of the cable deregulation bill last year settled once and for all the issue of whether or not it is legal to manufacture, sell, and use a satellite Earth station. As long as the Earth station is maintained for private use, it is entirely legal. Public Law 98-549 is entirely clear in establishing that fact. As long as signals remain free of encryption, or scrambling, new legislation would not be necessary.

Earth station owners are willing to pay a fair price for satellite television signals. The provisions passed as part of Public Law 98-549 make it possible for programmers to be compensated for unscrambled signals when that compensation is negotiated in fair marketing agreements. Under a negotiated system of compensation for unscrambled programming, both programmers and Earth station owners benefit. Programmers would not be forced to incur the major costs of scrambling, and Earth station owners would continue to have access to a diverse range of information and entertainment programming.

However, one programmer, HBO, has already begun scrambling its signal part time, and intends to be scrambled full time in the near future. Other programmers have also stated that they expect to scramble their signal within the next year. Earlier this year HBO promised that they would not scramble until there was an

accessible system in place to sell the signal to owners of private Earth stations, and until there were sufficient signal decoders available for purchase by Earth station owners. Unfortunately, HBO has reneged on that commitment and moved ahead with scrambling.

There is no prohibition on scrambling. Programmers are free to exercise that right to protect their signals. But I believe programmers do have a responsibility to make their products available to Earth station owners at fair and reasonable rates. The vast majority of Earth station owners live in rural areas not served by cable systems. They have been passed by because they live in densely populated areas which cable companies have determined are not profitable to serve.

Many of these rural families have been able to become part of the technological revolution in television programming by purchasing a backyard Earth station. For once, new technology has come first to rural families, instead of the slow, trickle down process we have witnessed with other telecommunications improvements. I believe that is an exciting development, and one which should be encouraged. However, the intention of programmers to scramble signals, and the efforts of some to actually stifle the use of backyard Earth stations gives me deep concern.

Until very recently, some of these programmers absolutely refused to even consider selling scrambled programming to backyard dish owners, despite their assurances that their real concern was not private individuals but wholesale commercial theft of their signal property. As a principal author of the language addressing satellite programming in the cable legislation, I worked with programmers to address the concern of commercial theft. The new law substantially strengthens the sanctions against illegal signal piracy. To their credit, most programmers are not now refusing to serve backyard Earth stations. Instead, the problem now facing Earth station owners, dealers, and manufacturers is the potential for anticompetitive pricing and distribution schemes which are intended to monopolize satellite television programming and, worse, shut down Earth station sales everywhere.

The bill we are introducing today addresses this potential for anticompetitive behavior by programmers and distributors of satellite-delivered, scrambled television signals. The bill would prohibit terms and conditions in the sale and distribution of these signals which have the effect of substantially restricting the availability of programming. Any party who has been denied reasonable access to such programming would be able to petition the Federal Communications Commission for relief. The bill would not prejudice the outcome of any FCC finding, but would simply make the FCC the last-resort arbiter of disputes between programmers or distributors and those who wish to receive programming.

The best solution to the dilemma facing Earth station owners and programmers in determining a fair system for system delivery is the free, open, and competitive marketplace. I support that approach above any other. However, the potential for severe market distortion is clearly present. There is considerable vertical integration in the programming and distribution of satellite programming—many of the major programmers also own substantial interests in local cable operations. More troubling is the prospect for special consortium agreements between all programmers and all cable operators to essentially monopolize the distribution of programs to home Earth station owners.

While not all programmers or cable operators wish to shut down the sale and use of Earth stations, some of the more powerful ones have openly stated that that is their motive. That prospect is, to me, clearly anticompetitive. And because of the huge market clout of these few, their intentions deserve attention and, I believe, legislation to prevent an outcome that is patently unfair to Earth station owners. Our bill is intended to do just that.

Over the past 6 months I have had extensive discussions with programmers, cable operators, potential distributors, representatives of the Earth station industry, and others who are involved in the marketplace for satellite television programming. This marketplace may someday fall into place, and at that time no Federal presence would be required. But until that has not yet occurred, and there are clear signals that it will not occur without substantial prodding.

This bill is not a complicated or unreasonable measure. It does not mandate a compulsory license or mandatory regulation of satellite television programming, or reregulation of the cable industry. It does not prevent programmers from moving ahead with their legitimate plans to protect their signals from unauthorized commercial theft. The bill is intended to accomplish one simple goal: To make it possible for all of our constituents, whether rural or otherwise, to take part in telecommunications opportunities which are promising to reshape our society into a truly global village.

I look forward to possible hearings on this issue, and I urge my colleagues to cosponsor the Satellite Television Viewing Rights Act of 1985.●

By Mr. WILSON (for himself, Mr. DOLE, Mr. PACKWOOD, Mr. MOYNIHAN, Mr. ZORINSKY, Mr. CRANSTON, Mr. COHEN, Mr. D'AMATO, Mrs. HAWKINS, Mr. HECHT, and Mr. BOSCHWITZ):

S. 1619. A bill to amend the Internal Revenue Code of 1954 to provide that section 7872 (relating to imputed interest on below-market loans) shall not apply to loans made to the State of Israel; to the Committee on Finance.

EXEMPTING ISRAEL BONDS FROM IMPUTED INTEREST RULES

Mr. WILSON. Mr. President, I was dismayed last week to read in the Wall Street Journal a brief report on an unintended impact of the imputed interest rules that we passed as part of last years tax bill. Unfortunately, as we have focused on one major aspect of those rules—the effect on the sale of real estate—we have overlooked one small, but significant effect that certainly no one in this Chamber could have had in mind.

The problem we must address is that under the imputed interest rules, Israel bonds would become so disadvantaged that no one could afford the tax consequences of buying them.

Under present law, anyone who buys a bond is deemed to have received taxable interest at a market rate—even if the actual interest received is less than that market rate. The pros and cons of this rule have been fully debated, the central issue being whether certain debt instruments are issued at below-market rates in order to facilitate tax avoidance. Clearly, we do not need to rehash this matter, as both the Senate and the House have recently voted on it. However, no one can reasonably contend that Israel's decision to issue bonds at below-market rates is tax motivated.

Israel bonds serve a vital role in the fight against Israel's staggering financial responsibilities. At present, Israel devotes approximately two-thirds of its budget to defense and debt service. Many of the bonds that are issued do yield market rates, but as a means of lowering the costs of debt service, some bonds yield as low as 4 percent. This savings of more than 50 percent on what Israel would otherwise have to pay is of enormous importance. Furthermore, it must be evident that the people who buy these bonds do so not as a matter of tax planning, but with entirely philanthropic motives. Indeed, according to the Wall Street Journal, Israel sold more than $102 million of its bonds in the United States in 1984, and an additional $44 million worth in the first 7 months of this year.

For our tax laws to penalize such efforts—by taxing the holders of Israel bonds for income of more than twice what they actually receive—would not only be unfair, but truly counter to our national interests. It is quite apparent to this Senator that we should do all that we can to encourage voluntary efforts to solve Israel's almost overwhelming financial problems. And, I would hope that it is just as apparent to the entire Senate. I am pleased to announce that the Senators Dole, Packwood, Moynihan, Zorinsky, Cranston, Cohen, D'Amato, Hawkins, Hecht, and Boschwitz have agreed to cosponsor the bill.

At this point, I ask unanimous consent that the bill, the Wall Street Journal article to which I have referred, as well as a copy of a letter from Ronald A Pearlman, Assistant Secretary of Treasury for Tax Policy, be inserted in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1619

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SECTION 7872 OF THE INTERNAL REVENUE CODE OF 1954 SHALL NOT APPLY TO LOANS MADE TO THE STATE OF ISRAEL.

(a) In General.—Subsection (c) of section 7872 of the Internal Revenue Code of 1954 (relating to below-market loans to which section applies) is amended by adding at the end thereof the following new paragraph:

"(4) Exception for Israel Bonds.—This section shall not apply to bonds issued by the State of Israel.".

(b) Effective Date.—The amendment made by subsection (a) shall apply as if included in section 172(a) of the Tax Reform Act of 1984.

[From the Wall Street Journal, Sept. 4, 1985]

Tax Report

A SPECIAL SUMMARY AND FORECAST OF FEDERAL AND STATE TAX DEVELOPMENTS

Israel's 4 percent bonds pack a hidden tax wallop for U.S. buyers.

To combat tax avoidance, the 1984 tax act imputes a market interest rate to certain low-rate loans. Last month, Assistant Treasury Secretary Pearlman wrote Congress's tax committees that the act clearly—if perhaps unintentionally—applies to bonds that Israel for decades has sold to supporters. Thus, an owner of bonds bought after June 6, 1984, is treated as receiving taxable interest of the difference between 4 percent and a market rate (expected to be 10 percent to 11 percent for 1985); he also is treated as making a nondeductible gift of that sum to Israel.

The agency Israel Bonds sold $102 million of 4 percent bonds here in 1984, plus $44 million through last July; its lawyers believe Congress didn't mean to attack investments made to bolster Israel's economy, not to avoid U.S. taxes. Pearlman says the Treasury will cooperate if Congress wants to amend the law; the committee chiefs, just back from recess, haven't responded yet. (The act applies to any bond amount; Pearlman's letter apparently erred in limiting the effect to holdings exceeding $10,000.)

Legislative sources expect Congress to fashion an exemption from imputed interest for Israel bonds.

Department of the Treasury,
Washington, DC., August 13, 1985.

Hon. Bob Packwood,
Chairman, Senate Finance Committee, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Internal Revenue Service is issuing today proposed regulations under section 7872 of the Internal Revenue Code regarding interest-free and below-market loans, as enacted by section 172 of the Tax Reform Act of 1984. I enclose a copy of the regulations for your information and would like to bring three particular issues to your attention.

Section 7872 governs gifts loans, compensation-related loans, corporate-shareholder loans and tax avoidance loans. In addition to the four categories of loans specifically mentioned in the statute, section 7872(c)(1)(E) authorizes the Treasury Department to identify loans which have a significant effect on the Federal tax liability of the lender or the borrower ("significant effect loans"). Once identified by Treasury in regulations, such loans would be subject to the imputed interest rules of section 7872. Owing to the breadth of this grant of authority and the recent legislative interest in certain loans to life care facilities, which in some circumstances might constitute significant effect loans, we think it preferable not to exercise this authority at this time. Instead, the regulations request comments from define significant effect loans. Thus, the proposed regulations do not identify any significant effect loans; for the time being, section 7872 applies to only the categories of loans explicitly identified in the statute.

The proposed regulations were drafted prior to House and Senate consideration of H.R. 2475, primarily concerning the imputed interest rules, which contains certain proposed amendments to section 7872. Consequently, the regulations define the applicable Federal rate used to measure the amount of imputed interest with reference to section 1274(d) as in effect prior to the amendments contemplated by H.R. 2475. I assure you that the section 7872 regulations will be revised prior to their promulgation as final regulations to reflect any changes in current law on the definition of the applicable Federal rate and the rules applicable to life care facilities.

Finally, as we advised you last January, the below-market loan provisions of section 7872 apply to U.S. purchasers of Israel bonds if the principal amount of the bonds held by a taxpayer exceeds $10,000. Thus, interest will be imputed to the bondholders in an amount equal to the difference between interest at the applicable Federal rate and the rate of interest actually paid on the bonds, and the bondholders will be treated as making a nondeductible contribution to Israel in an equal amount. The statute clearly requires these tax consequences. To the extent that the tax treatment of Israel bonds required under section 7872 was unintended, legislative amendment may be required. We would, of course, be happy to work with the Committee in any legislative effort.

I would be happy to further discuss these or other matters arising under section 7872 at your convenience.

Sincerely,

Ronald A. Pearlman,
Assistant Secretary (Tax Policy).

Mr. DOLE. Mr. President, I rise to commend the distinguished Senator from California and to join him as a sponsor of legislation to exempt Israel bonds from the Deficit Reduction Act's low interest loan rules.

Since I was chairman of the Finance Committee when the Deficit Reduction Act was considered, perhaps it would be helpful if I briefly summarized my recollections on this issue. The provisions we generally refer to as the "Imputed interest" rules, in fact, addressed several different issues. One of these was the problem of no interest and low interest loans which involved, in essence, a gift, compensation to an employee or a dividend to a shareholder. In the gift area, the principal example of the problem which was of concern to the Finance Committee involved large, low interest loans between family members. At the time we considered responses to this problem, no one brought up the question of treatment bonds with low interest rates such as Israel bonds. In fact, knowing that any characterization as a gift would only result in a tax deductible charitable contribution to the Israel bond purchaser. I am confident that, if the issue had been brought before the committee, the response would have been to exempt explicitly Israel bonds from the scope of Internal Revenue Code section 7872.

Mr. President, I can assure the distinguished chairman of the Finance Committee that I will do whatever I can to make certain that this technical correction to the imputed interest rules is brought to the full Senate for disposition at the earliest opportunity. There is no reason why there should be any question in anyone's mind that section 7872 does not apply to purchases of Israel bonds.

Mr. PACKWOOD. Mr. President, today I rise to ask my colleagues to support passage of a measure designed to clarify the tax treatment of Israel bonds.

The State of Israel has for decades sold low interest government bonds to Israel's supporters abroad. This financial support enables Israel to bear an overwhelming defense and economic burden in its fight to remain an independent nation. In order to lower the debt service costs of these bonds to Israel, they are often offered at low rates of interest, with yields as low as 4 percent. This savings to Israel is of vital importance in allowing that nation to meet its responsibilities to its citizens as well as to assume a defense burden which is of great importance to the United States in the Middle East.

When the Deficit Reduction Act was passed in 1984, Congress included a provision aimed at tax avoidance transactions through the mechanism of low-interest loans. At that time, Congress was unaware of the impact of this provision on Israeli bonds. We were made aware that the Treasury

Department could not administratively exempt these bonds from the low-interest-loan rules when they issued regulations on August 15. These regulations make clear the need for legislative action.

I am particularly concerned that the issuance of these Treasury regulations will have an extremely negative impact on the sale and marketing of Israel bonds. Congress did not intend this when it passed legislation in 1984. I do not intend to allow unintended tax results to cut off this vital financial pipeline to the State of Israel. Therefore, I will make every effort to support and pass legislation that will ensure that the purchasers of such bonds are not subject to adverse tax consequences.

I also want to make it clear that I will use the earliest possible vehicle to achieve this end. I understand that heavy sales of such bonds take place during the Jewish high holy days, which are close at hand. I will make every effort to have the issue resolved before that time.

Finally, today, along with Senator Wilson of California; the distinguished majority leader, Senator Dole, and Senator Moynihan; and others, I have cosponsored legislation that will exempt these bonds from the low-interest-loan rules. I know that my distinguished colleagues have pledged as well to solve this issue quickly. The Treasury Department has also assured me that they will cooperate in this effort. I urge similar action by my colleagues in the Senate and in the House of Representatives.

Mr. MOYNIHAN. Mr. President, I rise today to join my distinguished colleagues in introducing legislation to correct an unintended consequence of recent tax legislation.

The Tax Reform Act of 1984 included a provision—presently codified as section 7872 of the Internal Revenue Code—designed to impose economically realistic tax treatment on interest-free and below-market loans. The problem is this. For decades, the Government of Israel had issued low-interest bonds to its American supporters. As presently written, section 7872 would require American purchasers of Israeli bonds to pay taxes on the difference between the bonds' return, 4 percent, and the market rate of interest on comparable obligations. In other words, bondholders would be taxed as if they had received a 9- or 10-percent return on their investment rather than the 4 percent they actually receive.

It was never the intention of Congress to include Israel's bonds among those transactions restricted by section 7872. Section 7872 was designed to eliminate certain tax abuses in loan transactions, not to disrupt the bonds sales of one of this Nation's most valued allies. The bill I join in sponsoring today should clarify this matter, by exempting obligations issued by the Government of Israel from the provisions of section 7872. I hope our colleagues will join us in swift oassage of this legislation.

By Mr. DURENBERGER (for himself and Mr. Simon):

S. 1620. A bill to amend title XVIII of the Social Security Act to establish the National Council on Access to Health Care, and for other purposes; to the Committee on Governmental Affairs.

NATIONAL COUNCIL ON ACCESS TO HEALTH CARE ACT

● Mr. DURENBERGER. Mr. President, today I am pleased to join my colleagues on both sides of the aisle, Senator Simon, from Illinois, Representative Moore from Louisiana, and Representative Gephardt from Missouri, in introducing S. 1620, the National Council on the Access to Health Care Act of 1985.

Mr. President, as we create a price-sensitive health care marketplace, we must make sure that accommodations are made in the system to assure that access to quality health services is secured for all who need care. We must adhere to the warning signals that access to health services may be deteriorating—that patients are being shifted from one hospital to the next because they lack the ability to pay for services, that poor women must come up with a $1,000 deposit before a hospital will admit them for the birth of their child. While the extent of the access problems are not well known, we do know that we never want to return to a two-tiered system, with one standard of care for those who can pay, and second, substandard one, for those who cannot.

S. 1620 amends title XVIII of the Social Security Act to establish a National Council on Access to Health Care to study just how far we've come as a Nation in assuring needed access to health care services for all Americans and what effect the recent changes in the financing of the health care industry is having on the access and quality of services.

The National Council will be composed of 15 members representing broad constituent groups including the elderly and other health care consumers as well as those in the practice of medicine and those distinguished in health care administration and financial management. The Council will study the issue of access and will report to the President and to the Congress its recommendations for legislative and/or administrative action. It is important that the States and localities participate in the Council's investigations and the Council is required to coordinate locally sponsored grassroots "mini-conferences", using the model of the White House Conference on Aging, and at least 10 regional hearings to be held throughout the country.

Mr. President, the establishment of the National Council on the Access to Health Care could not be much more timely. Our Nation's health care system is undergoing change unprecedented in the last three decades. Reform of the system is being initiated by both public and private payers of health care services introducing new incentives for cost containment, rewarding the efficient providers of care and forcing the ineffficient providers to either change or get out of the business.

I have been and will continue to be a strong advocate for this reform that is introducing consumer choice into health care delivery. Only by giving people the opportunity to choose, among competing health plans, the plan that best meets their needs for the best price will we able to keep down the costs. We are working slowly to deregulate the health care industry and as we continue a strategy of deregulation, we will be confronted by the problems of financing of health care services for the indigent.

Between 1954 and 1965, we've demonstrated our national commitment to access through the Social Security Act and through the use of the Tax Code. In 1954, Congress enacted section 106 of the Internal Revenue Code to provide a tax exclusion for an employer's contribution to an employee's health insurance plan. This provision in the Tax Code has encouraged the widespread coverage of employees in private health insurance plans. Today, the majority of the work force is now covered through their place of employment.

We have realized one of the health policy goals set out in 1954—to get the work force covered by private health insurance plans. Today, I am advocating a limit to the employer's tax-free contribution to health insurance plans to encourage consumers to buy smart in the health care marketplace by discouraging the overinsurance and overutilization that's developed through this generous tax subsidy.

Through the establishment of the Medicare and Medicaid programs in the Social Security Act in 1965, the Federal Government has provided health care to two distinct population groups where access has traditionally been a problem—the poor and the elderly. Today, the Medicare program provides health insurance coverage for 27 million elderly and 3 million disabled persons. The Medicaid program, although its benefits are unevenly distributed across the country, provides needed services to some 23 million poor Americans.

Congress has been busy working on reform of the largest health insurance program in the country—Medicare. Medicare's new prospective payment system for inpatient hospital services represents the biggest change in the Medicare Program since its inception. The new financial incentives for cost containment is having a direct impact on hospital management strategies. In addition, the Department of Health and Human Services finally released regulations implementing a provision in TEFRA allowing Medicare beneficiaries the option to join private competitive health plans.

Business is also paying more attention to the costs of its health benefits and is encouraging employees to join competitive medical plans including Health Maintenance Organizations (HMO's) and Preferred Provider Organizations (PPO's). Both public and private payers are realizing the perverse financial incentives inherent in cost-based reimbursement and are moving in the direction of prospective payment and capitated health plans. The prepaid concept places providers at a financial risk providing the needed incentive to keep their patients healthy and out of expensive health care facilities.

And then all the evidence points to the fact that the reforms are working. In fiscal year 1984, health care costs rose only 9.1 percent—the first decrease since 1978 and the lowest rate of increase in over a decade. Medicare beneficiary's hospital length-of-stay are down substantially and the Medicare trust fund, once expected to go bankrupt this year, is now financially stable through 1997. Utilization of expensive health care services is down. Costs are down. And the system continues to provide high quality care. Now that's something we all can be proud of.

We know that consumer choice works. It brings price and benefit competition to bear on the health care marketplace. But as we continue our efforts to deregulate the health care industry, we must make sure we don't undo the achievements we've made to assure access to our country's high quality health care system for all Americans.

Despite the great progress we've made to assure access through public and private means, there are still estimates that over 30 million people have no form of health insurance whatsoever—public or private.

Plus, we still have gaping holes in our Federal health programs. Medicare still has no protection against catastrophic illness and provides no coverage for prescription drugs. In addition, the Medicaid Program currently covers less than half of those whose incomes fall below the poverty line.

Where do these people go to get care? Who pays for the cost? And how many of them are going without care until their illnesses become so severe that they have no choice but to head for the hospital emergency room?

The new cost-conscious marketplace is having a predictable effect on the hospital industry. For many years, the hospital has served as our national health insurance program. They have care for the indigent and treated the uncompensated care case load and have paid for it through their ability to cross-subsidize. The hospital passes the bill onto the patients who can pay—both public and private—and we all end up paying for the costs in the form of increased room rates and other charges.

What Medicare and other payers of services are now saying to the hospitals is that "We only want to pay for the costs of the services provided to our beneficiaries." We no longer are willing to pay for the hidden costs of graduate medical education, new technology, and the costs of caring for the indigent. And if we, as a society, decide that these are services that we are willing to pay for, then we need to make their costs explicit and pay for them. Period. We will, however, need new policies and new financing schemes to assure that doctors are trained and continue to provide the highest quality health care, that our medical system continues to advance in technology and treatment capabilities, and that all Americans are assured access to quality health care.

I firmly believe that the solution to the problem of uncompensated care lies in a more explicit acknowledgment of the national responsibility of the care of the poor. We will need to look for a rearrangement of those services currently proving cash and in-kind maintenance programs involving national, State, and local levels of government. Most explicitly, we need to assure access to high quality health care for all and not to prevent the development of a two-tier health care system. The National Council on the Access to Health Care will provide invaluable help as we work through these complex issues.

I commend the Catholic Health Association (CHA) for their efforts in development of S. 1620. I look forward to working with CHA and with my colleagues who have joined me in the introduction of the National Council on the Access to Health Care Act of 1985. Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD , as follows:

S. 1620

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Council on Access to Health Care Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) society has a special obligation to assure that all individuals have equitable access to health care services;

(2) significant changes are taking place in the financing and delivery of health care services;

(3) numerous Federal, State, and private entities have studied and are studying the problems attendant to such changes;

(4) many public and private decisions regarding the organization, financing, and delivery of health care are made in the context of grave budgetary constraints without giving full attention to their long-range implications with respect to access and quality;

(5) in order to avoid serious adverse consequences of such ad hoc decisionmaking, there is a compelling need to develop a cohesive, coordinated policy to address the challenges presented by a rapidly changing system; and

(6) achieving an equitable health care system requires at a minimum—

(A) recognition that society's ethical obligation to ensure equitable access to health care for all is best met through a combination of public and private sector arrangements;

(B) recognition that efforts to contain rising health care costs are necessary but should not impinge on equitable access to health care services;

(C) recognition of the need for sufficiently comprehensive health care services to prevent disease and maintain or enhance good health, and to treat disease, injury, and disability;

(D) recognition of teaching, research, information dissemination, and public health care functions as being integral parts of the health care delivery system;

(E) a pluralistic approach which recognizes individual and institutional integrity and the adherence to ethical and religious beliefs;

(F) elimination of factors which may limit access to health care services or the quality of such services;

(G) broad community grassroots, State, and national participation in health care policy issues; and

(H) recognition that the public and private sectors have a mutual responsibility to develop and implement a national policy to assure access to health care services.

CREATION OF COUNCIL

SEC. 3. Title XVIII of the Social Security Act is amended by adding at the end thereof the following new section:

"NATIONAL COUNCIL ON ACCESS TO HEALTH CARE

"SEC. 1890. (a) ESTABLISHMENT OF COUNCIL.—

"(1) MEMBERSHIP.—(A) There is established the National Council on Access to Health Care (thereinafter referred in this section as the 'Council') which shall be composed of 15 members. The President, the Speaker of the House of Representatives, and the President pro tempore of the Senate shall each appoint 5 members, as follows:

"(i) three members who are distinguished in their representation of one or more of the following fields or constituencies: the elderly and other health card consumers, medical ethics, health insurance, labor, business, law, and the social sciences;

"(ii) one member who is distinguished in the practice of medicine or direct patient care; and

"(iii) one member who are distinguished in health care administration or health care financial management.

The President, the Speaker of the House of Representatives, and the President pro tempore of the Senate shall consult with one another prior to making appointments in order that as many as is practicable of the fields listed in clause (i) may be represented.

"(B) The Secretary of Health and Human Services, the Secretary of Defense, the Secretary of Agriculture, the Director of the Office of Science and Technology Policy, the Administrator of Veterans' Affairs, and the Director of the National Science Foundation shall each designate an individual to provide liaison with the Council. Other Federal agencies may also designate an individual for such purpose.

"(C) A vacancy in the Council shall be filled by the official who made the original appointment, or his successor.

"(2) TERMS.—Members shall be appointed for the life of the Council.

"(3) CHAIRMAN.—The Chairman of the Council shall be appointed by the President, by and with the advice and consent of the Senate, from among the members of the Council.

"(4) MEETINGS.—Nine members of the Council shall constitute a quorum for business, but a lesser number may conduct hearings. The council shall meet at the call of the Chairman or at the call of a majority of its members.

"(5) COMPENSATION.—(A) Members of the Council shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of the duties of the Council.

"(B) While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5 of the United States Code.

"(b) DUTIES OF THE COUNCIL.—

"(1) STUDIES.—(A) The Council shall undertake advisbility studies of the—

"(i) development of a national health care policy to address the issues of access and quality;

"(ii) mechanisms for assigning priorities to the use of public health care resources;

"(iii) ethical and legal bases for such a policy and such priorities;

"(iv) demographic, economic societal, cultural, and aging trends of the United States population and the effects of such trends on the Nation's health needs and health care system;

"(v) differences, if any, in the quality and availability of health care services for various economic and geographic segments of the population;

"(vi) current procedures and mechanisms designed to ensure the quality and availability of health care services to all individuals;

"(vii) capital and operating costs of health care services;

"(viii) efficient and effective use of existing health care resources;

"(ix) appropriate numbers of health care personnel in the various professions and in various geographic regions;

"(x) mechanisms for integrating alternative health care services with traditional acute and longterm care facilities and services;

"(xi) proper role of Federal and State governments and others in the financing, delivering, supervising, and planning of health services; and

"(xii) appropriateness of any other matter which relates to the development or implementation of a national health care policy and which is consistent with the purpose of this Act.

"(B) The Council shall determine the priority and order of the studies required under subparagraph (A). In undertaking the studies, the Council shall coordinate locally sponsored and funded grassroots miniconferences to be held in such numbers and at such locations throughout the country as it shall deem advisable to solicit advice, comments, suggestions, and recommendations from interested individuals, organizations, and the general public. Subsequently, the Council, either as a whole or divided into as many hearing committees as it may so choose, shall convene and conduct a series of hearings in at least the 10 Federal regions of the country for the purpose of receiving the public testimony and reports from the grassroots miniconferences. The Council shall determine how such meetings shall be organized and what criteria shall be established to determine participants in the grassroots miniconferences and hearings. At the conclusion of these public forums, the Council shall publish the recommendations heard and shall give serious consideration to them in its final policy recommendations.

"(C) In order to avoid duplication of effort, the Council shall, in lieu of or as part of any study or investigation conducted under subparagraph (A), use a study or investigation conducted by another entity if the Council sets forth its reasons for such use.

"(D) Studies and investigations under this paragraph shall be coordinated by the National Academy of Sciences under contract with the Council.

"(2) REPORTS TO CONGRESS AND THE PRESIDENT.—Upon the completion of each investigation or study undertaken or utilized by the Council under this subsection, the Council shall report its findings including any recommendations for legislation or administrative action to the President and the Congress.

"(3) ANNUAL REPORTS.—Annually on the anniversary of the date of the enactment of this section, the Council shall report to the President and the Congress the results of its efforts undertaken prior to such date. The third such report shall constitute the final report of the Council and shall include its final recommendations.

"(4) PUBLICATION.—The Council shall publish and disseminate to the public information with respect to its activities.

"(C) ADMINISTRATIVE PROVISIONS.—

"(1) HEARINGS.—The Council may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Council may deem advisable.

"(2) PERSONNEL.—(A) The Council may appoint and fix the pay of such staff personnel as it deems desirable. Such personnel shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(B) The Council may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule.

"(C) Upon request of the Council, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Council to assist it in carrying out its duties under this section.

"(3) CONTRACTS.—The Council, in performing its duties and functions under this section, may enter into contracts with appropriate public or private entities. The authority of the Council to enter into such contracts is effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(4) INFORMATION.—(A) The Council may secure directly from any Federal agency information necessary to enable the Council to carry out this section. Upon request of the Chairman of the Council, the head of such agency shall furnish such information to the Council.

"(B) The Council shall promptly arrange for such security clearances for its members and appropriate staff as are necessary to obtain access to classified information needed to carry out its duties under this section.

"(C) The Council shall not disclose any information reported to or otherwise obtained by the Council which is exempt from disclosure under section 552 of title 5, United States Code, by reason of paragraph (4) or (6) of subsection (b) of such section.

"(5) SUPPORT SERVICES.—The Administrator of General Services shall provide to the Council on a reimbursable basis such administrative support services as the Council may request.

"(6) DEFINITION.—For purposes of this subsection, the term 'Federal agency' means an authority of the Government of the United States but does not include the Congress, the courts of the United States, the government of the Commonwealth of Puerto Rico, the government of the District of Columbia, or the government of any territory or possession of the United States.

"(d) AUTHORIZATION OF APPROPRIATIONS.—To carry out the provisions of this section, there are authorized to be appropriated $3,000,000 for each of the fiscal years 1986, 1987, and 1988.

"(e) TERMINATION.—The Council shall be subject to the Federal Advisory Committee Act; except that, under section 14(a)(1)(B) thereof, the Council shall terminate on September 30, 1988.".

APPOINTMENT OF MEMBERS OF COUNCIL

SEC. 4. The President, the Speaker of the House of Representatives, and the President pro tempore of the Senate shall initially appoint members to the National Council on Access to Health Care not later than 60 days after the date of the enactment of this Act.●

● Mr. SIMON. Mr. President, I am pleased to join my colleagues today in sponsoring legislation which will establish a National Council on Access to Health Care. I feel confident that that mandate of the Council, its makeup and organization will result in some solid and reasonable recommendations to ensure greater access to quality health care for all Americans.

The United States spends a greater percentage of its GNP on health care than almost any other industrial nation. Such a statement seems encouraging until one realizes that, even with this level of expenditure, almost 10 percent of our population have no health care coverage and another 10 percent have inadequate health care coverage. An additional 15 percent have neither the coverage nor the resources to finance a major illness. Most of those without health coverage or with inadequate coverage are the very poor, the working poor, the unemployed, young children and the very old. With our elderly, while Medicare has provided basic health care, we have not even begun to address the quality and cost of long term health care, a problem that will only become more common in the years to come.

Over the years, we have made incremental changes in health care delivery. Medicare and Medicaid have provided sufficient health care coverage to some of the more vulnerable portions of society. Over the past 20 years, other programs like WIC and school lunch and school breakfast have also helped improve the health of young children. But a nation as rich and diverse as ours should not tolerate over 20 percent of the population having little or no access to quality health care.

It is time that we step back and take a long hard look at our present health care system, and consider what alternatives and other options we have to increase the availability of quality, affordable health care for all Americans. It is my sense that there is unanimity among both providers and consumers of health care that our present system is not working. It is also clear that solutions must combine the resources of the public and private sectors.

I believe the National Council on the Access to Health Care offers the Nation the opportunity to bring together those who represent the broadest cross section of interests in the delivery of health care policy. It allows the important process of developing a series of recommendations to improve the delivery of health care to occur outside the confines of the political process. It recognizes the importance of involving as many people as possible through local and regional conferences.

I am confident that my colleagues in both the House and the Senate will view this legislation as a necessary and productive effort. We cannot continue to attempt to fine tune a national health care policy that is inadequate and too costly. Rather, we must take the time and the energy needed to move outside the existing system and undertake the initiatives that will guarantee access to quality health care at reasonable costs for all Americans.●

By Mr. SYMMS:

S.J. Res. 193. Joint resolution to authorize the President to issue a proclamation designating the week beginning October 20, 1985, as "The Lessons of Grenada Week"; to the Committee on the Judiciary.

LESSONS OF GRENADA WEEK

Mr. SYMMS. Mr. President, I am pleased to introduce a joint resolution creating "Lessons of Grenada Week." My colleagues on the House side, Congressmen Newt Gingrich and Sam Stratton, introduced this bill before the August recess in the other body, and I am pleased to say that the legislation has quickly gained numerous cosponsors.

In 1979, Grenada's constitutional Government was overthrown by Maurice Bishop, an avowed Marxist. After his takeover, Bishop boasted that his small group had grabbed control of the entire country and that he, personally, had complete authority over all Government operations in Grenada. During Bishop's rule he became increasingly close to the Soviet Union and Cuba. The Soviet construction of a 10,000-foot airstrip capable of servicing Soviet bombers is evidence of this friendship.

Documents captured by United States forces during the liberation of Grenada provide conclusive evidence that the Soviet Union and Cuba were preparing to use Grenada as a guerrilla training site and a depot for the shipment of military equipment to leftist rebels in Latin America. These documents show the strategic importance the Soviet Union and Cuba placed on the tiny island of Grenada.

This conclusion is supported by the fact that there were large numbers of Soviet, Cuban, Bulgarian, North Korean, and East German advisers on the island. Millions of rounds of ammunition, thousands of weapons, and various types of military equipment such as armored personnel carriers and antiaircraft weapons were found on the island after its liberation. In addition, the Soviet Ambassador to Grenada was a military officer with a rank equivalent to a four-star general.

Bishop was a willing Soviet puppet, who eagerly cooperated with the massive buildup of Soviet, Cuban, and Eastern bloc arms into an enormous stockpile. In 1983, however, his grip began to slip. Evidence now suggests that he was losing the favor of the Cuban Government, and that the Soviets were concerned about retaining a climate favorable to their strategic designs in Grenada. The erosion of his leadership culminated in his assassination during the bloody coup of October 19, 1983.

Although Bishop's Marxist dictatorship had an appalling human rights record, his executioner was significantly worse. Gen. Hudson Austin, who had helped Bishop gain power, immediately instituted a "shoot on sight" curfew, and tortured and jailed those who refused to bow to his barbarous regime.

The situation in Grenada after Bishop's disposal was one of utter chaos and anarchy. In the midst of this anarchy were a large number of American citizens attending a medical school on the island. As they later confirmed, their situation was tenuous and their safety was in doubt. In order to rescue these American citizens, and at the request of the Organization of Eastern Caribbean States [OECS], who feared aggression from the increasingly militant Grenada, President Reagan wisely ordered U.S. Armed Forces into Grenada.

This decision was necessary first to ensure the safety of Americans from a hostile, possibly Iran-like hostage crisis; and second, to keep our treaty commitments with our OECS allies by answering their call for protection and assistance.

In addition to rescuing our countrymen, our forces uncovered an enormous amount of Communist military equipment, seized 35,000 pounds of Communist documents, including minutes from secret meetings, secret treaties with the Soviet Union and Cuba, embassy dispatches from Moscow, and a variety of other items of immense value to scholars, our intelligence agencies, and the American public. These documents provide indisputable evidence of the deceptive and calculated manner in which the Soviet Union encourages and sponsors revolutions throughout the world.

Because of the President's bold action freedom was advanced and Communist aggression near our borders was confronted and stopped. Aside from the American students whose lives were saved, the main beneficiaries of President Reagan's decisiveness are, of course, the people of Grenada who recently held their second free election in 2 years. Because of our liberation of their country, the Grenadan people now have the political freedom to elect the government of their choice.

A "Lessons of Grenada Week" would focus our attention on the Third World exploitation which is continually practiced by the Soviet Union and their satellites. As we have seen in numerous countries around the world, this exploitation is ruthless and persistent.

In Nicaragua, we have witnessed the Sandinistas' continual persecution of their people and their attempts to exterminate the Miskito Indians. Furthermore, the Sandinistas have pledged to spread their Marxist-Leninist revolution to their peaceful neighbors by violent means, if necessary.

In Angola, Cuban troops prop up the corrupt regime which is preventing

peaceful national reconciliation and a democratically elected government. Repeal of the Clark amendment may well curb the adventurism of the Cubans in Africa, deflate Castro's prestige in Latin America, and give democratic resistance forces around the world new confidence.

Most blatant of all is the Soviet Union's destruction of Afghanistan and its people. The Soviet's burning of crops, encouragement of epidemics, destruction of hospitals and sanitation facilities, and repeated bombing of towns, villages, and other nonmilitary targets such as schools and mosques, reveals the true inhumanity of the Soviets.

The Soviets have also instituted a program of forced deportation of Afghan children. Recent reports place the number of 7- to 10-year-old Afghan children who have been sent to the Soviet Union for indoctrination at over 10,000. It is obvious that the Soviet Union's ultimate purpose is the genocide of the Afghan people and the obliteration of the Afghan culture. In this effort, the Red army is making civilians, including peasant children and women, a major target of their war efforts.

I believe that a "Lessons of Grenada Week" is an appropriate commemoration of the October rescue mission and an altogether fitting reminder of the fundamental differences between democratic societies and Communist dictatorships. "Lessons of Grenada Week" will allow the American people to reflect on the importance of the Grenada rescue mission, and, more importantly, on the need to continue to confront the spread of communism throughout the world.

ADDITIONAL COSPONSORS

At the request of Mr. Cranston, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of S. 3, a bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit purposes, so as to recognize the economic contribution of each spouse to the marriage and ensure that each spouse will have social security protection in his or her own right.

S. 7

At the request of Mr. Cranston, the names of the Senator from Wisconsin [Mr. Proxmire], and the Senator from Minnesota [Mr. Boschwitz] were added as cosponsors of S. 7, a bill to amend title XIX of the Social Security Act to provide Medicaid coverage for certain low-income pregnant women.

S. 47

At the request of Mr. Helms, the name of the Senator from South Carolina [Mr. Thurmond] was added as a cosponsor of S. 47, a bill to restore the right of voluntary prayer in public schools and to promote the separation of powers.

S. 665

At the request of Mr. Hatch, the name of the Senator from Idaho [Mr. Symms] was added as a cosponsor of S. 665, a bill to amend the Fair Labor Standards Act of 1938 to facilitate industrial homework, including sewing, knitting, and craftmaking, and for other purposes.

S. 797

At the request of Mr. Hatch, the names of the Senator from Minnesota [Mr. Boschwitz], and the Senator from Virginia [Mr. Trible] were added as cosponsors of S. 797, a bill to authorize an employer to pay a youth employment opportunity wage to a person under 20 years of age from May through September under the Fair Labor Standards Act of 1938 which shall terminate on September 30, 1987, and for other purposes.

S. 810

At the request of Mr. Cranston, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of S. 810, a bill to amend title XX of the Social Security Act to assist States in improving the equality of child-care services.

S. 855

At the request of Mr. Pryor, the name of the Senator from Maine [Mr. Mitchell] was added as a cosponsor of S. 855, a bill for the relief of rural mail carriers.

S. 1004

At the request of Mr. Domenici, the names of the Senator from Utah [Mr. Garn] and the Senator from Utah [Mr. Hatch] were added as cosponsors of S. 1004, a bill to authorize and direct the Secretary of Energy to establish a program to provide for reclamation and other remedial actions with respect to mill tailings at active uranium and thorium processing sites.

S. 1011

At the request of Mr. Grassley, the names of the Senator from Oklahoma [Mr. Nickles] and the Senator from Illinois [Mr. Dixon] were added as cosponsors of S. 1011, a bill to amend title 18, United States Code, to provide the death sentence or mandatory life in kidnapping offenses involving the murder of a minor.

S. 1012

At the request of Mr. Grassley, the names of the Senator from Oklahoma [Mr. Nickles], and the Senator from Illinois [Mr. Dixon] were added as cosponsors of S. 1012, a bill to amend title 18, United States Code, to provide mandatory minimum sentence for offenses involving the sexual exploitation of children.

S. 1013

At the request of Mr. Grassley, the name of the Senator from Illinois [Mr. Dixon] was added as a cosponsor of S. 1013, a bill to require the Attorney General to modify the FBI offense classification system to provide more specific information concerning offenses involving the sexual exploitation of children.

S. 1303

At the request of Mr. Proxmire, the names of the Senator from Maine [Mr. Mitchell], and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of S. 1303, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to better protect the public from the hazards of pesticides, and for other purposes.

S. 1425

At the request of Mr. Levin, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of S. 1425, a bill to create a separate tariff classification for imports of pigskin footwear.

S. 1531

At the request of Mr. Lautenberg, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 1531, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide for improved emergency planning and notification of releases of hazardous substances, and for other purposes.

S. 1594

At the request of Mr. Lautenberg, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of S. 1594, a bill to amend the Communications Act of 1934 to increase the availability of educational and informational television programs for children.

S. 1596

At the request of Mr. Warner, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of S. 1596, a bill to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia.

SENATE JOINT RESOLUTION 68

At the request of Mr. Dodd, the name of the Senator from Oregon [Mr. Packwood] was added as a cosponsor of Senate Joint Resolution 68, a joint resolution to designate November 21, 1985, as "William Beaumont Day."

SENATE JOINT RESOLUTION 117

At the request of Mr. Levin, the names of the Senator from Tennessee [Mr. Gore], the Senator from Arizona [Mr. DeConcini], the Senator from Oregon [Mr. Hatfield], the Senator from Rhode Island [Mr. Chafee], the Senator from Virginia [Mr. Warner],

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the Senator from Vermont [Mr. LEAHY], the Senator from New York [Mr. MOYNIHAN], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Joint Resolution 117, a joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 132

At the request of Mr. DANFORTH, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nebraska [Mr. EXON], the Senator from Massachusetts [Mr. KERRY], the Senator from Nevada [Mr. LAXALT], the Senator from Vermont [Mr. LEAHY], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Joint Resolution 132, a joint resolution designating October, 1985, as "National Head Injury Awareness Month."

SENATE JOINT RESOLUTION 156

At the request of Mr. MURKOWSKI, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Joint Resolution 156, a joint resolution authorizing a memorial to be erected in the District of Columbia or its environs.

SENATE JOINT RESOLUTION 158

At the request of Mr. MURKOWSKI, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Illinois [Mr. SIMON], the Senator from Georgia [Mr. NUNN], the Senator from Oregon [Mr. HATFIELD], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of Senate Joint Resolution 158, a joint resolution designating October 1985 as "National Community College Month."

SENATE JOINT RESOLUTION 181

A the request of Mrs. HAWKINS, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Michigan [Mr. LEVIN], the Senator from Kansas [Mr. DOLE], the Senator from Arizona [Mr. DECONCINI], the Senator from Massachusetts [Mr. KENNEDY], the Senator from North Dakota [Mr. ANDREWS], the Senator from Connecticut [Mr. WEICKER], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Joint Resolution 181, a joint resolution to designate the week beginning September 1, 1985, as "National School-Age Child Care Awareness Week."

SENATE JOINT RESOLUTION 186

At the request of Mr. THURMOND, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Maryland [Mr. MATHIAS], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of Senate Joint Resolution 186, a joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week."

SENATE JOINT RESOLUTION 191

At the request of Mr. BUMPERS, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Tennessee [Mr. GORE], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Kansas [Mr. DOLE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from North Dakota [Mr. ANDREWS], the Senator from Maryland [Mr. SARBANES], the Senator from Mississippi [Mr. COCHRAN], the Senator from Arkansas [Mr. PRYOR], the Senator from New Jersey [Mr. BRADLEY], the Senator from Arizona [Mr. DECONCINI], the Senator from Massachusetts [Mr. KERRY], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Joint Resolution 191, a joint resolution to designate the month of October 1985 as "Learning Disabilities Awareness Month."

SENATE CONCURRENT RESOLUTION 47

At the request of Mr. GLENN, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Concurrent Resolution 47, a concurrent resolution observing the 20th anniversary of the enactment of the Older Americans Act of 1965.

SENATE CONCURRENT RESOLUTION 51

At the request of Mr. DIXON, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of Senate Concurrent Resolution 51, a concurrent resolution to congratulate the Society of Real Estate Appraisers on the 50th anniversary of its founding.

SENATE RESOLUTION 37

At the request of Mr. PRYOR, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of Senate Resolution 37, a resolution regarding small business and agricultural representatives on the Federal Reserve Board.

SENATE RESOLUTION 183

At the request of Mr. DOMENICI, the names of the Senator from Utah [Mr. GARN], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Resolution 183, a resolution to express the sense of the Senate regarding maintenance of U.S. energy independence and national security interests with respect to uranium.

SENATE RESOLUTION 206

At the request of Mr. DURENBERGER, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of Senate Resolution 206, a resolution to urge Federal agencies with flood control responsibilities to plan for and execute efficient and effective cooperation and technical assistance to State and local governments to mitigate the consequences of the high water levels on the Great Lakes.

SENATE RESOLUTION 218—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. THURMOND, from the Committee on the Judiciary, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 218

Resolved, That, pursuant to section 303(c) of the Congressional Budget Act of 1974, section 303(a) of that Act be waived with respect to S. 1200 as reported. S. 1200 as reported, the Immigration Reform and Control Act of 1985, authorizes the payment of entitlement benefits commencing during fiscal year 1989 to cover the full estimated costs to the States for public assistance to the legalized aliens, and for imprisonment costs; and Senate consideration of S. 1200 at the present time would violate section 303(a) of the Congressional Budget Act of 1974, in that the bill would provide new spending authority described in section 401(c)(2)(C) of that Act to become effective during fiscal year 1989, before the first concurrent resolution on the budget for fiscal year 1989 has been adopted. A waiver of section 303(a) of that Act is necessary to provide for the timely consideration of S. 1200.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources to examine the impact of moratoria on Outer Continental Self leasing in Federal waters adjacent to the coastline of the State of California.

This hearing will be held on Tuesday, September 17, beginning at 10 a.m. in room SD-366 in the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should contact the Committee on Energy and Natural Resources, room SD-358 Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Jeff Arnold at (202) 224-5205.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Tuesday, September 10, to conduct a meeting on the nominations of Terrence Scanlon and Anne Graham to the Consumer Product Safety Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and Humanities, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Tuesday, September 10, 1985, in order to conduct a hearing on the reauthorization of the Higher Education Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, September 10, to hold a hearing on S. 1527, the Civil Service Pension Reform Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

VITAMIN A DEFICIENCY

● Mr. CHAFEE. Mr. President, I would like to bring to the attention of the Senate the following September 5, 1985, New York Times article about the perils of vitamin A deficiency among the children in developing countries. This article clearly points out the need for the legislation Senator RUDMAN and I have introduced. Our legislation, S. 1451, would earmark $30 million in the Agriculture, Rural Development, and Nutrition account of the AID budget to be disbursed over a 3-year period, for nutrition programs which reduce vitamin A deficiency. We believe the cost to be minimal in terms of the benefit it provides to children worldwide. I call on my colleagues to read the following article and add their names as cosponsors to this important legislation. I ask that the article be printed in the RECORD at this point.

The article follows:

[From the New York Times, Sept. 5, 1985]

DIET DEFICIENCY OF VITAMIN A IS REVEALED AS A MAJOR KILLER

(By Erik Eckholm)

Dietary deficiencies of vitamin A, long implicated as a cause of blindness, have now been linked to hundreds of thousands of deaths of children each year in Africa, Asia and Latin America.

New findings, described by one expert as "electrifying" in their implications, are galvanizing international efforts to combat the deficiency. The studies indicate that the vitamin deficit, which is widespread in the third world and a major cause of blindness there, is also responsible for significant increases in measles, diarrhea and other potentially deadly diseases among tens of millions of children.

International health officials are developing a plan they hope will eliminate the deficiency worldwide and, in the process, reduce childhood deaths. Experts said the findings had already rejuvenated flagging vitamin therapy programs in Bangladesh and other Asian countries.

Earlier this year, the highest incidence of vitamin A deficiency ever recorded in any population was discovered in famine victims trekking into feeding camps in Ethiopia and the Sudan. Relief officials mounted a quick response, one of many largely unheralded subplots in the larger dramas of life and death in Africa that have caught the world's conscience over the last year. Since March, physicians say, airlifted shipments of high-dose vitamin A capsules to Ethiopia and the Sudan have saved thousands of children from certain blindness and from increased illness.

On the Indonesian island of Sumatra, where inadequate consumption of vitamin A is commonplace, death rates among small children receiving vitamin A therapy were one-third lower than among other children in equally poor circumstances who did not receive the supplements, according to the most recent and conclusive of the studies linking the nutrient deficit to excessive mortality.

That insufficient vitamin A can damage eyesight has long been established. In ancient Egypt and Greece observers noted that the eyes of young children sometimes withered when they consumed an unvaried diet. Today the World Health Organization estimates that half a million children in Africa, Asia and Latin America are permanently blinded each year by xerophthalmia, from the Greek for "dry eye," resulting from inadequate vitamin A. Millions more suffer the lesser, and reversible, debility of night blindness, which causes children to stumble about at twilight. Nutritional blindness has essentially disappeared from the developed world, where diets meet minimum needs for the nutrient.

Although health officials have recognized nutritional blindness as a severe problem for decades, they have seldom granted it high priority when dispensing scarce health funds.

"When the main concern was night blindness, health ministers said, understandably, 'I feel terrible about that, but I can't put my resources into it when half our children are dying before the age of 5,'" said Dr. Alfred Sommer of Johns Hopkins University, who directed the Indonesia studies. But now, he said, in view of the evidence linking inadequate vitamin A to heightened mortality, "ending the deficiency is starting to be viewed as a mainstream activity, not a peripheral one."

The "electrifying" new evidence, said John H. Costello, director of Helen Keller International, "has rekindled interest in the vitamin A problem" among aid agencies such as the United Nations Children's Fund, which finances projects to promote the survival of children, and among third world governments. Helen Keller International, in New York, is the main private group working to prevent nutritional blindness. In Washington, legislation is pending that would more than double the Agency for International Development's vitamin A programs, to $8 million a year.

Dr. Nevin S. Scrimshaw, professor of nutrition at the Massachusetts Institute of Technology, called the Indonesia findings "very important." He said the findings had created new enthusiasm for the global strategy to eradicate vitamin A deficiency being promoted by the World Health Organization, which is now trying to raise $25 million for the first five years of the program. Many experts believe that, through vitamin-capsule distribution, nutrition education and fortification of foods with the vitamin, the deficiency could be largely eradicated even without deeper social progress.

According to Dr. Sommer, 5 million to 10 million children develop night blindness or more severe effects of vitamin A deficiency each year, and an additional 20 million suffer more subtle deficiencies that impair their health. In Asia, the deficiency has been found to be rampant in India, Bangladesh, Indonesia, the Philippines and Thailand; little is known about rates in China. In Latin America the deficiency remains a threat in Haiti and isolated pockets elsewhere. Almost nothing is known about the adequacy of vitamin A in African diets, though fragments of evidence indicate a vast problem.

FIRST SIGN IS NIGHT BLINDNESS

The first overt sign of the deficiency is night blindness. Native names for this condition in Indonesia, India and Bangladesh mean, literally, "chicken eye." Its victims, like chickens, which lack ocular mechanisms for vision in low light, tend to walk erratically in the evening dimness. Night-blind children, physicians say, often spend twilight time sitting silently in a corner to avoid embarrassment. In more advanced stages, the whites of the eyes becomes rough and wrinkled. Then the corneas dry and scar, impairing vision, and finally the corneas rupture, leaving the victim totally blind.

The primary victims are the children of the poor and landless who have least access to the green leafy vegetables, fruits, milk, eggs, liver and fish that provide the vitamin. Cultural practices often accentuate the problem. Mother's milk provides vitamin A but postweaning diets often do not. In Indonesia, most adults consume green vegetables but tend not to feed them to small children. And in Bangladesh, girls are less susceptible than boys because they nibble on vegetables, not generally fed to children, as they stir cooking pots.

Exactly how the deficiency promotes potentially deadly diseases is unclear. Experts said it might suppress the immunological system either directly or indirectly by interfering with iron metabolism, which in turn debilitates the white blood cells that attack invading disease agents. Evidence also suggests that the deficiency causes a hardening of mucous membranes in the gastrointestinal and urinary tracts as well as around the eyes. As these normally moist tissues become skinlike and cracked, a process known as keratinization, they may provide microbes with easy pathways to vulnerable organs.

During food shortages, vitamin A intake sometimes actually improves as desperate people turn to eating nutrient-rich leaves from the environment. But during severe famines and where the landscape is barren, as in parts of Africa in recent years, a chronic, subtle deficiency of the vitamin can quickly be transformed into an open ravager of eyesight. Scientists presume that the lengthy drought afflicting Ethiopia, the Sudan and other African countries has exacerbated a pre-existing dietary deficit of vitamin A. Ethiopian tribes have 27 different names for night blindness, indicating long familiarity with the problem, Dr. Sommer noted.

Last winter, as emaciated drought victims arrived at feeding centers in Ethiopia and the Sudan, veteran relief officials noticed signs of eye injury and called for an expert appraisal. In January doctors from Helen Keller International visited 10 centers in the two countries. They were appalled by what they saw: In some camps nearly 10 percent of the children showed advanced forms of eye damage such as dry patches and corneal scarring, the highest rates ever recorded anywhere. "It is certain that many children in East Africa have become blind and thousands more are in danger of becoming blind," the physicians warned.

Beyond suffering years of poor harvests, many famine victims from warring regions of Ethiopia had reached feeding camps in the Sudan only after weeks of walking through parched desert terrain. "Those that made it to the camps had been without vitamin A for a very long time," said Dr. Victoria Sheffield of Helen Keller International, who recently returned from another assessment of conditions in East Africa. Once in the camps, people received little, if any, of the nutrient in their emergency rations; even vitamin-fortified powdered milk does not provide the nutrient at high enough levels to reverse developing cases of blindness.

Within a month of its alarming January report, the New York agency arranged for two million doses of vitamin A to be sent to the Sudan and Ethiopia. Three pharmaceutical companies donated the vitamin capsules, while another private aid group, Catholic Relief Services, and the United Nations airlifted them to Africa. Officials believe the problem is under control for now, but they worry about the deficiency's effects on millions more Africans who have endured years of drought but have not visited feeding centers or health clinics ready to counter the threat.

25,000 CHILDREN STUDIED

In the late 1970's, while studying eyesight problems on the Indonesian island of Java, Dr. Sommer and colleagues found, "quite unexpectedly, that children with night blindness were dying at a much higher rate than the children next door," he said. They found that, other forms of malnutrition aside, the more severe the vitamin A deficiency, the higher the mortality, mainly from increased rates of respiratory diseases and diarrhea.

The scientists, taking advantage of a vitamin therapy program about to begin in Sumatra, then carried out a more scientifically controlled study of 25,000 children in 450 villages from 1982 to 1984. The therapy could not be introduced to all villages immediately, so the scientists were able to compare health in half the villages, where children received megadoses of vitamin A every six months, with health in the other villages, comparably poor, that had not yet received the therapy. In the one-year interval between examinations of each child, they found that the death rate among those 2 to 6 years old who had received the capsules was 35 percent lower than that among untreated children. No other differences in health care or nutrition between the two groups could be discerned. Dr. Sommer presented the Sumatra findings last month to the International Congress of Nutrition in Brighton, England.

Dr. Barbara A. Underwood of the National Eye Institute in Bethesda, Md., who is a specialist in nutritional blindness, said that scientists had generally accepted the evidence linking vitamin A deficiencies with increased disease and death, but that the magnitude of that effect was still open to question. "We are anxious to see this study replicated in other settings," she said.●

DEATH OF DR. KONSTANTIN D. FRANK

● Mr. MOYNIHAN. Mr. President, a great leader of the New York wine industry, Dr. Konstantin D. Frank, died on Saturday at the age of 86.

As an obituary appearing in Sunday's New York Times duly notes, Dr. Frank was the first viticulturist to demonstrate that Europe's finest vinifera grapes could withstand the rigors of the Northeast climate successfully. Previously, New York winemakers cultivated such hardy domestic varieties as the Concord, Catawaba, and Delaware—all exceptionally vigorous labruscas, but lacking the finesse of some of the more refined vinifera grapes, such as Pinot Noir and Cabernet.

Dr. Frank, who arrived in this country destitute 34 years ago, worked with the reknown Frenchman, Charles Fournier, at the Gold Seal Vinyards south of Geneva, on the shores of Lake Keuka. The two produced New York's first vinifera wines—a Chardonnay and a Riesling—in 1957. Offered commercially under the Gold Seal label, the two wines have been popular ever since.

Mr. President, Dr. Frank's importance to the wine industry of New York cannot be overestimated. I ask that the obituary appearing in Sunday's New York Times be printed in the Record.

The obituary follows:

Dr. Konstantin D. Frank, 86, New York State Winemaker

(By Bryan Miller)

Dr. Konstantin D. Frank, a New York State winemaker who proved to skeptical colleagues that Europe's finest vinifera grapes could thrive in the rigorous Northeast climate, died yesterday at the Ira Davenport Hospital in Bath, N.Y., at the age of 86. He had suffered a stroke a week ago.

Before Dr. Frank's arrival, New York winemakers cultivated primarily such hardy American varieties as Concord, Catawba and Delaware grapes, which bore little resemblance to the grapes used in the fine wines of Europe.

Since colonial times, grape growers had tried unsuccessfully to transplant the European Chardonnay and Riesling grapes, which make some of the most elegant wines in the world.

Dr. Frank, a Russian immigrant with a fiery temperament, arrived in Geneva, N.Y., in the early 1950's and declared that he would succeed where all others had failed. If Riesling grapes could grow in Russia "where it gets to 40 below and your spit freezes before it hits the ground," he once said, New York State would pose no problem.

A NATIVE OF ODESSA

Dr. Frank was born in Odessa, a fifth-generation descendant of Germans invited by Czar Alexander I to bring Western culture and technology to Russia. He earned his doctorate in agricultural science at the Odessa Polytechnic.

After the 1917 revolution, in which two of his brothers were killed, Dr. Frank was appointed head of the nationalized Troubetskoy estates, whose 2,000 acres of vineyards blanketed the banks of the Dnieper River.

In 1943, when the Germans overran the Ukraine, Dr. Frank went to Vienna. After the war he moved to Bavaria, until, in 1951, destitute at the age of 52, he came to the United States, settling in Brooklyn with his wife, two daughters and son. He worked in an Automat until he saved enough money to go to the State Agricultural Station in Geneva. The only job he could find was hoeing blueberries.

WORKED WITH CHARLES FORNIER

In 1953 be found work at the Gold Seal Vineyards, south of Geneva on the shores of Lake Keuka, where his boss was the renowned Charles Fornier, a former champagne maker in France. Mr. Fornier was experimenting with hybrid grapes, trying to come up with a combination that would have the vigor of native grapes and the finesse of vinifera.

Dr. Frank and Mr. Fornier began a scientific collaboration that bore fruit—vinifera fruit—in four years. In 1957 they unveiled their first experiemental vinifera wines, a Chardonnay and a Riesling. They succeeded by grafting vinifera vines onto sturdy native roots. The two were offered commercially under the Gold Deal label and have been popular ever since.

Dr. Frank eventually went off on his own and started a winery, Vinifera Wine Cellars, with the dream of producing vinifera red wines from the grapes that make the great Bordeaux and Burgundies, Pinot Noir and Cabernet. That goal eluded him. His son, Willi, and son-in-law, Walter Volz, have assumed management of the winery in recent years.

"He certainly was a pioneer along with Charles Fornier," said Hermann J. Wiemer, who owns a winery in Dundee, N.Y., bearing his name. "His courage influenced my decision to try growing vinifera in New York State. Otherwise I would have left and gone out to California."

Mr. Wiemer described Dr. Frank as "very opinionated" and strong in his convictions. "When everybody in Geneva and at Cornell was saying his ideas were impossible, he never gave up," Mr. Wiemer said.

Dr. Frank is survived by his wife, Eugenia; three children, Willi, of Hammondsport, N.Y., Hilda Volz, of Bath, N.Y., and Hellen Schelling of Catskill, N.Y., and six grandchildren.

The funeral will be held Monday at 10 A.M. at the Bond-Davis Funeral Home in Hammondsport.●

THE BALTIC STATES

● Mr. PRYOR. Mr. President, every year this country celebrates Baltic Freedom Day and Lithuanian Independence Day even though those States are neither free nor independent. Why, then, do we go through this annual exercise?

We do it because it is important to remember how the Soviets swallowed up those nations and robbed their people of the traditions they valued so highly. As we watch Soviet actions in

eastern Europe and Afghanistan, the Baltic experience serves as a classic case study of Soviet expansionist tactics—armed invasion, obliteration of national identity, and suspension of individual rights.

The loss of their national identity and the freedom to enjoy their cultural traditions was a great blow to the citizens of Estonia, Latvia, and Lithuania, but Baltic-Americans have done their best to keep those traditions alive.

The freedom and independence we celebrate each year refer to the Baltic spirit if not to today's political reality.

That spirit is described in an article from the Wall Street Journal of July 31, written by Seth Lipsky, and I ask to have the article printed in the Record.

The article follows:

[From the Wall Street Journal, July 31, 1985]

Baltic Witness Against the Soviet Tyranny

(By Seth Lipsky)

Copenhagen.—The community of exiled Balts put the Soviet Union on trial here last week. Before a panel of judges, convened at the Hotel Scandinavia by the World Baltic Conference, witnesses testified on Soviet crimes in Estonia, Latvia and Lithuania in the years since those nations were taken captive under the terms of Stalin's pact with Hitler. Exiles, including many assimilated into Western life, came to hear others, some recently arrived, report on the Russification of their homelands, a process that represses native culture, language and politics and replaces it with an alien ideology from Moscow. The verdict seemed clear enough. Then the group took a chartered ship up the Baltic coast to gain a glimpse of the lost lands.

As protests go, it wasn't much; the 150 or so people involved included almost no famous figures, although one legendary Soviet dissident, Vladimir Bukovsky, was on hand. But the fate of the Balts is something to think about as the glitterati gather in Finland this week to congratulate themselves on the signing a decade ago of the Helsinki Final Act. It reminds us that statesmen can sign all the documents they want, whether they be Molotov and Ribbentrop inking the 1939 Russo-German pact or Gerald Ford, Leonid Brezhnev and a few others putting their names to the 1975 Helsinki accords. Still, the claims individuals hold in their hearts have a way of haunting the diplomats.

The World Baltic Conference found its mark in Helsinki in 1973, when the ground work was under way on the now notorious Final Act. The conference, then a year old, had sent a delegation to Helsinki to press free Baltic interests. One of their number—a Latvian named Uldis Grava, who otherwise works as a marketing man for the Newspaper Advertising Bureau in New York—got invited to a press reception at the East German embassy, where he ended up face to face with the Soviet foreign minister, Andrei Gromyko. The ensuing conversation so angered Mr. Gromyko that he stalked out of the reception and had the Finnish government arrest the Baltic delegates at their hotel. It took the American secretary of state—then William Rogers—to get the Balts bailed out. They've been getting the Soviet goat ever since.

The gathering here last week is the latest example. Tass went into a tizzy. It used adjectives like "recidivist burglar" and "alcoholic troublemaker" to describe witnesses against the Russification of the Baltic nations. The Soviets sent to Copenhagen their own delegation of captive Balts, with Russian escorts, to tell local newspapers that everything back home was peaches and cream. Their claims won't emerge as credible with those who followed the testimony, some in writing, some in person, of the free Balts. They conveyed not merely the humiliation of an invasion by the Red Army such as struck the Baltic nations in 1940; they emphasized the more maddening attempts, under way in Tallin, Riga and Vilnius, to erase the concept of a nation.

A defector, Valdo Randpere, formerly assistant to the Estonian minister of justice, told how the legal code of the Russian republic was transferred to Estonia. A young Russian, Sergei Zamascikov, who was educated in Latvia, defected in 1979 and now lives in Los Angeles, described university reserve officers training classes, where future Soviet military leaders hear condemnations of Latvian ethnic traditions considered to be "bourgeois nationalism." A one-time Lithuanian communist now teaching in England, Alexander Shtromas, spoke of those "who grew old only to realize the monstrosity of the cause they chose to serve." A former Soviet tobogganer and now a Munich housewife, Rita Bruvere, told of Russians telling Latvians on an overcrowed bus in Riga: "We slaughtered too few of you fascists."

Then there was the case of an ex-agent in the Latvian KGB, Imants Lesinskis, now living in the U.S. under a new name. The World Baltic Conference wrote to him at the post-office box through which he maintains contact, and he agreed to participate. He was put on the schedule. Two hours before he was to testify in Copehhagen, he telephoned regrets, as too many spies were around. At 8:30 the next morning, though, according to a conference organizer, Mr. Lesinskis walked into the hotel. He appeared uncomfortable amid the photographers and met conference officials in private. He asked to be driven into the city. His escort of Balts drove him about town, and when he was satisfied he wasn't being tailed, he got out of the car and walked into the train station and out of sight.

So it goes on the front lines of the Cold War. On Sunday, the Baltic Star docked at Helsinki, after its charter up the coast. About 400 Balts staged what the Associated Press called "Finland's first major anti-Soviet protest" since the Warsaw Pact invaded Czechoslovakia in 1968. Mr. Bukovsky, who spent 15 years in Soviet labor camps, was the demonstration's featured speaker. The 10 years since the signing of the Final Act, Mr. Bukovsky told a crowd of 2,000, "have been marked by the communist authorities by the increased aggression, by the unprecedented arms buildup, by the support of international terrorism, by the increase of repression, by jamming radio broadcasts, by imprisoning anybody who is willing to speak out."

Few think the free Balts, in their persistent vigil, threaten the Soviets—except, it would seem, the Soviet themselves.●

GLENN OHRLIN HONORED BY NATIONAL ENDOWMENT FOR THE ARTS

● Mr. PRYOR. Mr. President, the National Endowment for the Arts this week will honor 12 master American artists with its highest award. I am most pleased that one of the recipients will be an Arkansan, Glenn Ohrlin of Mountain View. Glenn, a cowboy singer, storyteller, and illustrator, will be recognized in a ceremony on September 12, 1985, as one of the Endowment's National Heritage Fellows. I would like to share with my colleagues some of the specifics of Glenn Ohrlin's talents and life, and I ask that his biography be printed in the Record. I am proud to represent this individual whose many talents we have come to enjoy.

The material follows:

Glenn Ohrlin

Glenn Ohrlin was born in 1926 in Minneapolis and, at age fourteen, moved to California with his family. Two years later, he left home to become a buckaroo in Nevada, and he has been a working cowboy ever since, first as a ranch hand, then as a rodeo circuit rider, and now as the owner of a ranch near Mountain View, Arkansas where he lives in a stone house that he built himself.

Glenn Ohrlin is a master raconteur, specializing in the most outrageous tall-tales which he delivers in classic dead-pan style. He is also an excellent draftsman and illustrates his own books. The "Hell-Bound Train," with detailed and loving drawings of cowboys and their gear. He is best known, however, as a collector and performer of cowboy songs, some 100 of which he put into his own book along with his personal recollections of cowboy life and lore.

Glenn Ohrlin's song repertoire stems from material that originated in the period 1875–1925—traditional British ballads carried west, mid-19th century sentimental melodies, journalistic poetry, bawdy songs and hobo ditties. He sings them in the classic flat unornamented western style and accompanies them with simple understated guitar rhythms. This is the laconic, tough, masculine in style of western balladry at its peak, powerful and strongly affecting, in part because of its lack of adornment. It is also extremely deceptive; like many such western artists Glenn Ohrlin has a sly wit that sneaks up on you and can cloak the most outrageous sentiments with surface respectability.

During the past two years, Glenn Ohrlin has worked closely with the group of western folklorists who organized the extremely successful Cowboy Poetry Gathering in Elko, Nevada in January of this year. He represented the cowboy poets at the various meetings, during which the program was drawn up, and helped select the final list of artists to be invited. At the Gathering itself, he both performed and acted as host for several poetry readings and concerts. Scholar and singer, throughout the event, he exemplified simultaneously the art form and the artist, assuring by virtue of his lifetime devotion ot western tradition that the goals of authenticity and excellence were ever met.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive prior notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the Chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notifications which have been received. The classified annexes referred to in several of the covering letters are available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 9, 1985.

In reply refer to: I-04584/85ct.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-52 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter of Offer to Korea for defense articles and services estimated to cost $178 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 85-52]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Korea.

(ii) Total Estimated value:

	Million
Major defense equipment[1]	$138
Other	40
Total	178

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles of services offered: Twenty-one AH-1S COBRA TOW helicopters with spare engines, concurrent spare parts, special tools, training, support personnel and test equipment.

(iv) Military department: Army (XVE).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense acticles or defense services proposed to be sold: See annex under separate cover.

(vii) Section 28 report: Included in report for quarter ending June 30, 1985.

(viii) Date report delivered to Congress: September 9, 1985.

POLICY JUSTIFICATION

KOREA-AH-1S COBRA TOW HELICOPTERS

The Government of Korea has requested the purchase of 21 AH-1S COBRA TOW helicopters with spare engines, concurrent spare parts, special tools, training support personnel and test equipment. The estimated cost is $178 million.

This sale will contribute to the foreign policy objectives of the United States by helping to improve the security of a friendly country which has been and continues to be an impetus for modernization and progress in Eastern Asia. The sale of this equipment and support will enhance deterrence and contribute to the preservation of peace and stability on the Korean peninsula.

The AH-1S Cobra TOW helicopters proposed in this sale will enhance the Republic of Korea defensive capability and complement the preservation of peace and stability on the Korean peninsula, a key element in the security of Northeast Asia.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractors will be Bell Helicopters Textron, Incorporated of Fort Worth, Texas and AVCO Corporation, Lycoming Division of Stratford, Connecticut.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel: however, seven contractor representatives will be required in Korea for one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 9, 1985.

In reply refer to: I-04869/85ct.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-49 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to the United Kingdom for defense articles and services estimated to cost $54 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of the Transmittal.

Sincerely,

PHILIP C. GAST,
Director

[Transmittal No. 85-49]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: United Kingdom.

(ii) Total estimated value:

	Million
Major defense equipment[1]	$37
Other	17
Total	54

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Four PHALANX Close-in Weapon Systems (CIWS), spare parts and engineering support.

(iv) Military department: navy (LFK).

(v) Sales commission, fee, etc., paid, offered, or agreed to the paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See annex under separate cover.

(vii) Section 28 report: Included in report for quarter ending June 30, 1985.

(viii) Date report delivered to Congress: September 9, 1985.

POLICY JUSTIFICATION

UNITED KINGDOM—PHALANX CLOSE-IN WEAPON SYSTEMS

The Government of the United Kingdom (UK) has requested the purchase of four PHALANX Close-in Weapon Systems (CIWS), spare parts and engineering support. The estimated cost is $54 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of the United Kingdom; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The sale of these four additional Close-in Weapon Systems would significantly enhance the close-in anti-aircraft warfare capability of UK ships. The UK has the military assets to utilize these systems effectively.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the General Dynamics Corporation of Pomona, California.

Implementation of this sale will require the assignment of one additional U.S. Government representative and two contractor personnel in the United Kingdom for three months.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 9, 1985.

In reply refer to: I-02551/85.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-29 and under separate cover the classified annex thereto. This notification replaces Transmittal No. 85-23 and concerns the Department of the Navy's proposed Letter of Offer to the Federal Republic of Germany for defense articles and services estimated to cost $313 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 85-29]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Federal Republic of Germany.

(ii) Total estimated value:

	Million
Major defense equipment[1]	$261
Other	52
Total	313

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: A quantity of 944 AGM-88A high

speed anti-radiation missiles (HARM), associated spare and repair parts, test equipment, site survey, training, technical assistance, and support services.

(iv) Military department: Navy (AHD, amendment 1).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See annex under separate cover.

(vii) Section 28 report: Case not included in section 28 report.

(viii) Date report delivered to Congress: September 9, 1985.

POLICY JUSTIFICATION

FEDERAL REPUBLIC OF GERMANY—HARM MISSILES

The Government of the Federal Republic of Germany (FRG) has requested the purchase of a quantity of 944 AGM-88A High Speed Anti-radiation Missiles (HARM), associated spare and repair parts, test equipment, site survey, training, technical assistance, and support services at an estimated cost of $313 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of the FRG; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The FRG needs the HARM missiles to provide a defense suppression weapon to combat the missile threat faced by their TORNADO aircraft. HARM will assist in achieving air superiority by enabling their TORNADO aircraft to reach enemy targets and accomplish their tactical mission.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be Texas Instruments Corporation of Dallas, Texas.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to the FRG.

There will be no adverse impact of U.S. defense readiness as a result of this sale.●

JOHN J. DRISCOLL

● Mr. DODD. Mr. President, this Thursday, September 12, will mark the end of an era for the labor movement in Connecticut. John J. Driscoll, president of the Connecticut State Labor Council, AFL-CIO, for the past 24 years, will step down on that day. At the age of 73, John Driscoll will retire as the venerable leader of the largest labor organization in my State. In honor of his retirement, I would like to share with my colleagues and with the people of the United States a short summary of his admirable life and career.

John has lived a full and remarkable life. His 50-year career in the labor movement spans the dark days following the Great Depression, through the organization of Government workers in the 1960's, to the struggles in the high technology workplace of today.

John Driscoll was born in Waterbury, CT in 1911, the son of Irish immigrants. His first ambition was to be an architect, but after a year at MIT, he transferred to Wesleyan University in Middletown, CT, where he received degrees in philosophy and English. Aiming to be a college professor, he took a fellowship in philosophy at Brown University in Rhode Island. There he started to read about what industrial unions could do for workers. Inspired by his readings, he enrolled at Harvard Law School to pursue a career in labor law. Once again, he felt he was not using his energy to the best advantage.

John eventually took a job at the Bristol Co. in Waterbury, a manufacturer of scientific instruments. He immediately began organizing the company's workers. Shortly after, he was asked to work for the National Union of Mine, Mill & Smelter Workers' local organization. He moved on to become secretary-treasurer of the State's Congress of Industrial Organizations. From there he joined the United Auto Workers. When the UAW withdrew from the AFL-CIO, he stayed on with the newly merged union.

He challenged the Communist leadership of the Mine, Mill & Smelter Workers and helped unionize brass workers in Connecticut. In 1961, he was elected president of the State Labor Council. He has held that position ever since.

The accomplishments of his tenure include obtaining legislative approval of collective bargaining for municipal and State employees and public school teachers, the Fair Employment Practices Act that prohibits job discrimination on the basis of race, creed, or color, and improvements in unemployment compensation benefits. He is a veritable walking history of the labor movement in Connecticut. He is a scholar, a brilliant strategist, a tough negotiator, a compassionate leader, and an eloquent orator. He is a tough, streetwise union organizer, known to all in Connecticut as "Mr. Labor."

Needless to say, Mr. President, we are very proud of John Driscoll in Connecticut. He will be greatly missed when he retires.

JUNK BOND TAKEOVERS

● Mr. DOMENICI. Mr. President, although the spate of stories about hostile junk bond financed takeovers no longer dominates the front pages of the daily newspaper, the threat presented to the integrity of our Nation's financial institutions and to our capital markets by the junk bond phenomenon has not abated. Takeovers financed with junk bonds continue.

Last June, I introduced S. 1286, the Junk Bond Limitation Act of 1985. The purpose of this bill is to ensure that the limitations on junk bond ownership which apply to federally chartered financial institutions are also applied to federally insured financial institutions which are State chartered. It also mandates that only the most financially secure federally insured financial institutions, those whose net worth is greater than 6 percent of their total worth, shall be permitted to invest in junk bonds. Finally, the bill makes it clear that the Federal Reserve's margin requirements apply to junk bond financed hostile takeovers.

Although my bill addresses only the most immediate and onerous aspects of the junk bond craze, there also are other detrimental aspects of the slew of takeovers financed by junk bonds. In particular, I am referring to the decreased amount of funds available for research and development by American industries and the dimunition in competition which results from corporate takeovers and takeover attempts. The petroleum division of the American Society of Mechanical Engineers has drafted an instructive statement on these effects of hostile takeovers. I ask that excerpts from the "Statement of the ASME Petroleum Division on the Detrimental Effect on the National Economy of Hostile Corporate Takeovers in the Petroleum Industry" be printed in the RECORD.

The material follows:

STATEMENT OF THE ASME PETROLEUM DIVISION ON THE DETRIMENTAL EFFECT ON THE NATIONAL ECONOMY OF HOSTILE CORPORATE TAKEOVERS IN THE PETROLEUM INDUSTRY

The free enterprise system is one of the great social inventions of mankind. It allows the economy to be optimized through companies and individuals acting in their own self-interest in a way that proves to be in the best interest of society as a whole. These adjustments include: Control of monopolies; transfer of payments by the government to the disadvantaged; and, restriction of unfair competitive activities not in the best interest of society. Utilizing a mixed economy, the United States has maintained the most stable and prosperous economy in the world.

Corporate mergers which increase the utilization of research and development and allow more efficient production are an essential and beneficial part of the free enterprise system. However, in the petroleum industry recent raids on profitable, stable companies have resulted in a substantial loss in competition and future technology. Competition insures a low and fair price of commodities to the consumer and induces industry to conduct research, development and implementation programs to obtain a temporary advantage over their competition. If competition in an industry declines, the need for investment in research and development declines also. Research and development programs are considered so important by American industry for its own viability that it spends $39.3 billion a year of corporate funds or 33% of pretax income on this effort. The expenditure of a third of corporate profits is most enlightening in that research and development efforts do not immediately result in corporate profits. Depending on the type of industry and research involved, R&D usually affects profits 5 to 30 years downstream. Therefore, a company only interested in temporary, rather than long term, profits can increase its short term profitability by reducing or eliminating its research and development program.

After the recent takeovers of Cities Service, Gulf, Getty and General American Oil, we estimate, based on the companies' market shares, that competition has been reduced by 10 percent. If Phillips Petroleum and Unocal are taken over, total competition will be reduced by 20 percent and with reduced competition, research and development efforts will decline by 15 percent.

Although reduction in competition in the petroleum-fuel industries has, and will have if continued, an immediate effect on price competition, of more importance, is the effect on the nation's future if the loss of commercial incentive and the accompanying substantial decrease in research and development is allowed to continue. Research and development in this industry has already declined by $170 million per year and may decline further to a total of $345 million per year. This reduction is particularly harmful since the petroleum industry does comparatively little research and development at present; spending one-fifth of the American industrial average. Despite a temporary stability in fuel prices, the U.S. does face the serious problem of acquiring a future reliable and stable fuel supply through research and development.

* * * * *

Examination of the 10K reports submitted to the Security and Exchange Commission before and after the takeover of Gulf shows a drop in research and development of $70 million a year; $26 million of this drop occurred before the actual takeover while Gulf was under attack, and the rest after the takeover. Before the takeover, Gulf had one of the best diversified futuristic research and development programs in the petroleum industry. Attempting to estimate the decrease in research and development along the terms outlined above, we find that the probable future loss per year in research and development from the total takeovers of Cities Services, Gulf, Getty Oil, and General American Oil amount to approximately $173 million per year or 7.7% of the research and development budget of the oil industry. Prospective takeovers of Phillips Petroleum and Unocal with another $170 million of research and development bring the possible losses from takeovers to $343 million or a $15.4% possible loss of the total research and development budget in the petroleum-fuel companies since the beginning of the takeover efforts.

It must be emphasized that the takeover efforts do not have to be successful in order to lose R&D. As can be seen in the Gulf takeover case, substantial amounts were being lost just as result of company economies in resisting the takeover. We find also that on the stock market, which has only a short time view of things, the takeover companies (Chevron and Texaco) have suffered a serious drop in stock price. Therefore, even the stock market does not view the increase in scale of these two companies as a favorable development.

* * * * *

Finally, there is evidence that the value given to an old line company with a view to remaining competitive and viable for the future is low in the stock market. The philosophy behind the takeover of these companies in the petroleum area largely rests on the fact that, at the moment, oil costs about $10 a barrel, whereas in the latest takeovers, it is possible to obtain reserves for $5 a barrel. Such reserves, after they are developed, are likely to be sold for $25 a barrel eventually increasing over 20 years to a very high price. A company that has a long view of its operation and of the nation's future would attempt to acquire and maintain oil reserves in order to stay in business over the long haul. Recent examples of hostile corporate takeover attempts present clear evidence, however, that there is an intent to dispose of assets for the quick, short-term gain, and some current federal statutes now provide the corporate raider with advantages to reach this goal.

The use of so-called junk bonds—high-yield, high-risk, debt—appears to be a leading tool in the scheme to distribute a company's equity in a tax-favored manner that results in liquidation of the company. The plan of the breakup of such companies and the sale of reserved assets at a price close to that of development of new assets provide the leverage for destroying the company.

Federal laws that aid the substantial high-risk debt financing of hostile corporate raids need to be changed, in our opinion, because these takeovers result in the liquidation of otherwise profitable companies; and the destruction of such companies and the research and development that they provide, together with competition in the industry, make it contrary to the national interest to permit their destruction. Until some speculator thinks of a new trick, it appears to be sufficient to pass legislation which would remove the unfair advantage that allows the hostile takeover attempts to lead to a successful speculative maneuver for short-term gain.

* * * * *

Therefore, we arrive at the conclusion that a viable company with a plan to be competitive for a long time in the future is a valuable national asset because of the competition it provides and from the research, development and commercialization program that it sponsors. These companies should be preserved from unfair attack. However, we applaud increased competition and takeovers that may result in a more efficient business, a lower price of commodities, and larger research and development programs.●

ADVANCE NOTIFICATION PROPOSED ARMS SALES

● Mr LUGAR. Mr President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sale under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. I ask that the official notification be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

The notification follows.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 9, 1985.

DR. M. GRAEME BANNERMAN,
deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to an East Asian country tentatively estimated to cost $50 million or more.

Sincerely,

PHILIP C. GAST, *Director.*

POLICY JUSTIFICATION

[Deleted.]
[Deleted.]
[Deleted.]
[Deleted.]
[Deleted.]

(U) The prime contractor has not yet been determined.

[Deleted.]

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.●

CONFIRMATION OF JACK LAWN TO HEAD DEA

● Mrs. HAWKINS. Mr. President, recently a very important Presidential nominee was confirmed by the full Senate. On July 16, 1985, Jack Lawn was overwhelmingly confirmed to be the new Administrator of the Drug Enforcement administration.

Mr. President, as chairman of both the Senate Subcommittee on Children, Family, Drugs and Alcoholism, and the Senate drug enforcement caucus, I am aware that there is no more important position in Government than Administrator of the DEA. As illicit narcotics continue to permeate our society to the extent that our national productivity is lowered, our military readiness is impaired, our children and young adults are corrupted, and our rates of violent crime are increased, it becomes obvious that illegal drugs represent our Nation's No. 1 problem. The Drug Enforcement Agency is the Government body charged with enforcing our drug control laws, and there is no one better for the job of running this vitally important agency than Jack Lawn.

An experienced law enforcement officer, Jack Lawn served with distinction and valor with the Federal Bureau of Investigation for many years, in numerous and diverse posts.

Mr. Lawn gained his invaluable expertise not only in the Criminal Investigative Division, where he was responsible for handling inquiries from the House Select Committee on Assassinations relating to the Martin Luther King, Jr., and John F. Kennedy assassinations, but he also served as Chief of the Civil Rights-Special Inquiry Section of the Criminal Investigation Division in FBI Headquarters in Washington. His distinguished career with the Federal Bureau of Investigation led to Mr. Lawn's appointment as Acting Deputy Administrator of the Drug Enforcement Administration in 1982. In a very short time, Mr. Lawn became Deputy Administrator of the DEA, and then was appointed as Acting Administrator when Bud Mullen left the post.

Mr. President, I am fortunate to have worked with Jack Lawn for a number of years, and have been nothing but impressed by his leadership, his experience, his knowledge, and his dedication. Because it is so vital to the future of our society that we effectively counteract the threat of drug abuse, it is necessary that pivotal roles, like that of Administrator of the Drug Enforcement Administration, be filled with unique and qualified individuals—individuals like Jack Lawn.

I congratulate this deserving man for his appointment to head the Drug Enforcement Administration, and I congratulate as well my colleagues in the U.S. Senate for their wisdom in expeditiously confirming Mr. Lawn to head this agency.●

THE GUARD DOG PROGRAM IN MINNESOTA

● Mr. DURENBERGER. Mr. President, the only viable population of the eastern timber wolf in the lower 48 States exists in northern Minnesota where the species is listed as threatened under the Endangered Species Act.

An ongoing conflict exists between protection of the wolf and the interests of farmers who have livestock in areas inhabitated by the wolves. There is a solution to this conflict which has yet to be tried and tested, that is, the use of specially trained guard dogs to protect the livestock. This proposal, developed by Ray Coppinger of the New England Farm Center, has the support of Fish and Wildlife Service personnel working in the field of wolf related research, the Minnesota Department of Natural Resources, environmental groups, and the farming community.

Mr. President, the House has included $45,000 for this project in H.R. 3011, the Interior and related agencies appropriation bill for 1986, and I have expressed to Senator MCCLURE my hope that the Senate will see the merits of the project and retain this funding level.

Mr. President, I ask that an article on the Guard Dog Program in Minnesota be printed in the RECORD at this point.

The article follows:

[From the Minneapolis and Tribune Sunday Magazine, June 30, 1985]

DOGS VERSUS WOLVES

(By David Stamps)

Late April, and the ground in northern Minnesota is still frozen so close to the surface you can't dig a hole deep enough to bury a turnip. But above ground, things are starting to thaw by degrees.

The Ojibwa Indians, observing the annual return of warmth and color to the world, called April's full moon the Pink Moon. Something in the night air makes even the northern lights look less like the icy apparitions of winter. But there is a sound that chills the flesh like a gust straight out of January. The long, ghostly wail of a timber wolf momentarily freezes the night. Even the few early marsh frogs cease their chorus for a minute.

For Clarence Priem, who owns a herd of 180 Angus and Hereford beef cattle in northern Itasca County, the wolves, howling will grow more unsettling in coming months. Wolf pups have scarcely opened their eyes now; from May to October, when the pups must be fed and instructed in the deadly art of the pack, Priem's farm can become a target of wolves' hunting forays. Calves and occassionally an older cow are the victims. It's not easy to make a profit in the cattle business anywhere these days. Farming 720 acres adjoining wolf country doesn't make it any easier.

But this season there may be help in keeping losses down. Three years ago Priem recruited a special shepherd to live full-time with the herd. His name is Andy, short for Anatolian shepherd, one of the half-dozen breeds of guard dog imported from Europe and Asia within the last decade to protect American livestock.

Though not as penetratingly frightful as a wolf's howl, Andy's hefty "woof" is more than enough to inspire alarm in most creatures. Any nocturnal prowler that heard it would be wise to retreat as fast as four legs or two could carry it.

The sight of Andy by daylight, particularly his short, sturdy muzzle, is convincing proof that his bite is equal to his bark. This season, his first as an adult, could be when Andy proves his usefulness. At age 2 last year, not full grown, he killed two coyotes. To hear Clarence Priem's wife, Hazel, tell the story, the word kill is an understatement. He mauled them. When the dead coyotes were found, not a bone was left unbroken.

Which of itself proves noting. Contrary to hunters' tales of 50 or even 70-pound trophies, coyotes—brush wolves, they are sometimes called—weigh only about 30 pounds, less than a third of a full-grown Anatolian shepherd. Andy already weighs about 100 pounds. Wolves are another matter. Adult males can also weigh up to 100 pounds. Moreover, they hunt in packs. Many people express skepticism that a single dog could be of much use.

But then most Americans, whose idea of a guard dog is a mean German shepherd on a long chain, are unfamiliar with the specialized livestock-guarding breeds—the Anatolian shepherd herd from Turkey, Shar Planinetz from Yogoslavia, Maremma from Italy, Kuvasz and Komondor from Hungary. The great Pyrenees from Spain, introduced to the United States in the '30s as a show dog, is the only breed most Americans know even by name. Yet for centuries guard dogs in Europe and Asia have successfully protected livestock—mostly sheep and goats, but in some cases cattle—against predators, including wolves.

Americans' ignorance of guard dogs can jeopardize their survival in this country. Each year a few guard dogs are shot by hunters.

"A lot of hunters, if they saw Andy out with the herd, would shoot him and come up to the house to say they did me a big favor," says Clarence Priem. "Most people just assume any dog with a herd of cattle is chasing them. Hell, a wolf could be carrying off a heifer, and a hunter would probably drive right by and never see it."

Also contributing to the skepticism about guard dogs' effectiveness may be that most Americans are not all that knowledgeable about wolves either.

A senior official at the U.S. Fish and Wildlife Service in Washington reportedly expressed his own opinion that guard dogs would be useless against wolves because, he said, the wolves would kill the male dogs and breed the females. But that's unlikely. Wolves, one of the few members of the dog family that mate for life, seldom interbreed with dogs in the wild, though they are physically capable of doing so. When wolves kill dogs, they don't discriminate between females and males.

The key to Andy's effectiveness as a guard dog is that he may never actually fight a wolf. Wolves avoid confrontations with animals capable of fighting back. Thanks to Nature's cunning programming, a wolf understands that any disabling injury that prevents it from hunting is a fatal injury. The pack won't provide for an injured adult.

Though confident it could ultimately kill a guard dog, a wolf would be reluctant to risk injury at the jaws of an opponent like Andy. A wolf need not even see Andy or hear his deep-voiced bark to sense the wisdom of giving the farm a wide berth. A sniff of one of the many fence posts marked with Andy's urine may be enough to get the message: There's a very big canine around here.

Guard dogs' potential role as a buffer between wolves and livestock puts them in the middle of a raging controversy. The 1,200 eastern timber wolves estimated to live in northeastern Minnesota represent the only viable wolf population in the lower 48 states. In recent years that has made Minnesota the site of a heated battle between preservationists, who wish to see the wolf population protected, and the Department of Natural Resources (DNR), which in 1980 proposed a sport-trapping and hunting season as part of its bid to "manage the state wolf population."

That battle appeared to be ended in January of this year when the Eighth Circuit Court of Appeals upheld a 1984 ruling from Federal District Judge Miles Lord, who had ruled that a sport-trapping and hunting season would violate the Endangered Species Act of 1973. Minnesota wolves have been protected under that act since 1974. But reports that the Montana Department of Natural Resources is testing the legislative waters for an amendment to the Endangered Species Act to allow hunting of wolves and grizzly bears makes it very likely that the "war against wolves," as Lord called it, could continue here.

So long as it does, farmers like Priem feel caught in the middle. Wolf predation of livestock is the prime reason cited by the Minnesota DNR for the need to reduce the state wolf population. Yet only a small percentage of wolves kill livestock. In 30,000 square miles of northern Minnesota wolf territory, there are about 12,000 farms that raise livestock. On average, only 20 to 30 farms per year are sites of confirmed losses to wolves.

Clarence Priem, who has been raising cattle since taking the farm over from his father 20 years ago, know this as well as anyone. Some years wolves kill a dozen or more of his cattle; the very next year there may be no losses.

As far as Priem is concerned, the point is not that wolf loss is negligible. (In one year alone, when a shortage of hay after a harsh winter forced him to turn the herd out to pasture early, he claims to have lost more than 30 head.) Rather, he believes that the number of farmers actually victimized by wolves is so small that their voices will invariably be drowned out in the preservation-vs.-management debate.

It comes as no surprise to find that Priem doesn't side with the preservationists.

"The people down in Minneapolis who want to protect the wolves, most of them have never seen a wolf. They probably never will see a wolf, and they wouldn't know the difference between a wolf and a big dog if they did see one," he says. "Myself, I don't know what good a wolf is."

At the same time, Priem doesn't care for the DNR's proposal for a sport-trapping and hunting season. "I don't think there are many hunters clever enough to kill wolves," he said. He doubts that the DNR would be as effective as the federal agents at trapping wolves. He fears they might not trap at all, requiring farmers to do the dirty work themselves.

Since 1978, when Minnesota wolves were reclassified from endangered to threatened, the Fish and Wildlife Service has been allowed to trap and kill wolves that are thought to be livestock predators. When a cow or calf is killed, Priem reports the loss to William Paul, a technician at the Fish and Wildlife office in Grand Rapids, Minn.

Paul first determines whether the loss can be confirmed as a wolf kill, in which case, thanks to 1978 stage legislation, Priem can collect reimbursement up to $400 per animal. If indeed a wolf is the culprit, Paul will set traps. Trapping is now limited to a quarter mile from the farm and to 10 days' duration, unless additional predation occurs. Wolf pups, since they do not kill large livestock, are released unharmed. In some cases the entire pack of six to eight adults may have to be caught.

In 1982, when the Fish and Wildlife Service asked Minnesota farmers who have suffered wolf predation whether they would like to try using guard dogs, Priem was one of four who accepted to offer, saying, "Take anything they give you. It can't do any harm. Hell, you could tie a red flag on a stick out in the pasture, and it might help."

As a pup, Andy was of little use the first season. The first step was to "bond" him with the cattle, which Priem accomplished by shutting him in the barn with six orphan calves. The second season he showed some promise. When a cow died, Andy steadfastly guarded the carcass for 10 days. Normally when wolves find a cow carcass they start eating at the back legs and keep eating as far as their hunger takes them, frequently to the head and shoulders. So long as Andy guarded the cow, there was no scavenging.

But while Andy kept guard at the carcass, wolves killed a calf in another pasture. The prompted a call for trapping. To keep Andy out of the traps, he was locked in the barn. Immediately the wolves moved in on the dead cow. When Andy returned to the job, Paul, the Fish and Wildlife biologist, observed him flush a wolf pup and chase it out of the pasture.

Of five dogs placed on four farms, Paul considers Andy to be one of the two that are successfully guarding livestock against wolves. (A pair of dogs at one farm tended to roam too far afield. Another dog got into trouble for unprovoked killing of neighbors' dogs.) Two successful guard dogs out of five is not a great percentage, but then there is no more guarantee that an individual guard dog will be a success than any thoroughbred racehorse will be a winner.

"It takes a complex mix of the dog's breeding, instinct, environment and training to achieve success with a guard dog," says Ray Coppinger, biology professor and director of the Livestock Dog Project at Hampshire College in Amherst, Mass.

Prompted by the grim realization that predator control of coyotes—including poison, explosive baits, even gassing of pups in dens—was costing $30 million per year and having virtually no success, some Western livestock raisers asked Coppinger and his wife, Lorna, to try to adapt European guarding species to work in this country. Ray Coppinger has imported dozens of dogs—including Andy's mother, rescued from a rock pile in Turkey, where it had been abandoned as an unwanted female pup. More than 500 dogs have been placed on farms across the country. About 250 are working in 35 states.

It's a slow process to learn what breeds respond to what training to make effective guard dogs, and the Coppingers admit that a lot of mistakes have been made in the project. But now the team claims a 70 percent success rate for dogs used to guard sheep against coyotes. Still there are no guarantees. A farmer leases a pup for $1 for the first year. If it doesn't work out or dies, the Coppingers will replace it. If it does work out, the farmer agrees to pay $120 per year plus food and veterinary expenses.

Ernest Haehnel, a Sheep raiser near Motley, Minn., considers his leasing of a Shar Planinets from the Coppingers five years ago to be one of the better investments he's made.

"Since Boomer has been with the flock, we haven't lost a single sheep to coyotes," says Haehnel.

Haehnel wasn't losing sheep before getting Boomer, the first of the Coppingers' dogs in Minnesota, but only, he insists, because he was penning the entire flock near his house every night—a burdensome chore considering that Haehnel raises some 450 ewes. He now leaves them out all night. Haehnel is so pleased with the success of Boomer that in 1982 he leased another dog, Ben an Anatolian shepherd and littermate of Andy's, to work an adjoining 640-acre section he'd purchased.

George Jurgenson, DNR conservation officer for the area, agrees that the dogs are probably responsible for Haehnel's excellent record.

"In a good year, when there are plenty of mice for coyotes to eat, a farm the size of Ernie's could lose only nine or 10 lambs," he says. "But in a bad year it could lose 20 to 50. I think those dogs are worth their weight in gold."

Some of Haehnel's neighbors find it's hard to believe that Boomer is a guard dog, since the only time they see him is when the sheep are penned up for lambing or shearing. Then, contrary to accepted guard-dog policy, he likes to snooze in the yard.

"I'll admit the big lummox looks pretty useless when he's sleeping," says Haehnel, "but you should hear him out with the sheep at night. When he barks it's like the roar of a lion."

Except for his size—114 pounds—Boomer does not look particularly dangerous. Two common physical traits of all guard-dog breeds are their short muzzles and floppy ears, which given them the appearance of overgrown puppies. In a sense that's exactly what they are, and what makes them effective.

The result of selective breeding is perfectly illustrated by the contrasting behavior of Boomer and Haehnel's border collie, Tip. When put in with the sheep, Tip exhibits classic canine traits that have been bred to perfection in sheepherding dogs. He barks, chases and nips at the sheep. His threatening eye contact alone is enough to unsettle the flock from the other side of a fence. Boomer, arrested at a state of perpetual, albeit overgrown, puppyhood, would rather lick the ewes' faces than chase them. Even then they placidly ignore him.

"You're wasting your time to try to get him to fetch a ball or a stick," Ray Coppinger told Haehnel when he took Boomer. "Guard dogs have a puppy's typical disinterest in objects." But, like puppies, they are very fond of other creatures. A guard dog, raised with sheep or cattle, will grow up to show more affection toward them than humans, providing the owners don't treat it like a pet.

Farmers may have to reinforce a dog's early training by occasionally chasing it out of the farmyard and back to the flock. A successfully trained guard dog will come to the farmhouse once a day for food and a quick pat on the head and then return to the pasture.

But guard dogs can turn very unpuppylike when something endangers the flock. They are independent and readily show disapproval of any changes involving their stock, even a move to a new pasture.

"Boomer has to be tied up when Tip works the flock, or he would tear him to pieces," says Haehnel. He also has to be tied up when the shearer comes or when sheep are being loaded into a stock truck.

"You don't tell Boomer what to do, you ask him," says Haehnel. "I treat him the same way I do a bull or any other large male animal."

The success of dogs like Boomer has prompted the Coppingers to expand the scope of the Livestock Dog Project. Recently they have placed dogs in New Mexico to guard against mountain lions. Last year they submitted a proposal to the Fish and Wildlife Service calling for a more extensive test of guard dogs in Minnesota's wolf range. They have already purchased some cows and are training dogs to adjust to them. If funds could be made available soon, the project could start this summer.

"It could be a spectacular project," says Ray Coppinger. "It's the only kind of predator control that doesn't kill the predator. It protects both predator and prey."

The proposal calls for only $43,400, but chances for quick approval do not look promising. A quarter of a million dollars have been appropriated this year for lethal and nonlethal control of livestock predators, but unless Congress specifically instructs the Fish and Wildlife Service to do so, the

agency will probably not use any of that money for guard-dog projects.

The Fish and Wildlife Service does not support funding of the guard-dog project in Minnesota. The service agreed reluctantly to support guard-dog projects in Texas and Oregon only after intense lobbying by conservation groups.

Karen Woodsum, Great Lakes regional representative for Defenders of Wildlife, a Washington-based environmental group that leads the pro-guard-dog lobbying effort, believes that the Fish and Wildlife Service has a built-in bias in favor of lethal control methods.

"If it doesn't involve killing the predator, they don't consider it control," she says.

Though the Fish and Wildlife Service in Washington officially opposes the guard-dog project, local Fish and Wildlife staff members say that they think the project has some potential and that they would like to see it funded. They also dispute the charge that the service is against all nonlethal control methods.

"Before our budget was cut last year," says Bill Paul, "we were experimenting with a bunch of nonlethal control techniques—sirens, flashing lights, taste aversion."

Clearly it will take more than five dogs on four farms to determine their effectiveness against wolves. One farmer or four can't make all the trials and all the errors needed to determine what breed or what training will work best. The Priems admit that they did very little to train Andy other than to raise him with the orphan calves. And putting him out with cows as a pup on his own may have been a mistake, they now realize.

"The first time he tried to lick a calf, one of the cows knocked him on his butt," recalls Clarence Priem. "Then some of the others bullied him."

Andy took to the cattle despite the harsh treatment, but he now seems to prefer spending time with a herd of 150 yearlings that are kept in a separate feed lot. He patrols the farm, including the calving pasture, but mostly he stays with the younger cattle.

At best, guard dogs are probably only a partial solution to the wolf problem. Clarence Priem believes that a dog like Andy, who must be free to roam, would never work out at a farm near a highway. Though much too independent to learn tricks, guard dogs do develop their own peculiar traits. One of Andy's is to lie down in front of the school bus that stops for the three Priem children. (He has also been known to carry dead piglets from a neighboring farm into the yearling pasture and guard them as well as the cattle.)

Andy's most engaging trick is to jump into the troughs at feeding time. If Clarence Priem doesn't give him a pat on the head, he'll jump into each of the six troughs. But as soon as he gets the requisite pat, he trots away to the edge of the herd, sometimes grabbing a mouthful of feed before he goes.

"It's a big problem, and he's not the entire solution," says Priem, "but he helps. One thing I'll sure say for him, he's not just a dog. He's got his own ideas."●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of a proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notification which have been received.

The material follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 9, 1985.
In reply refer to I-04433/85ct.
Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-50, concerning the Department of the Army's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $25 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL NO. 85-50

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: Pakistan.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$22
Other	3
Total	25

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: One hundred ten M113A2 armored personnel carriers with machine guns, spare parts and related support equipment.

(iv) Military department: Army (JDO, VFG).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: None.

(vii) Section 28 report: Included in report for quarter ending 30 June 1985.

(viii) Date report delivered to Congress: 9 Sept. 1985.

POLICY JUSTIFICATION

PAKISTAN—M113A2 ARMORED PERSONNEL CARRIERS

The Government of Pakistan has requested the purchase of 110 M113A2 Armored Personnel Carriers with machine guns, spare parts and related support equipment. The estimated cost is $25 million.

This sale will contribute to the foreign policy objectives of the United States by enabling Pakistan to increase its capability to provide for its own security and defense, particularly in view of the increased threat resulting from the Soviet occupation of Afghanistan.

The Government of Pakistan will use this equipment to pursue its overall force modernization plan and to enhance its basic defense capability.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the FMC Corporation of San Jose, California.

Implementation of this sale will require the assignment of four U.S. Government personnel to make three trips to Pakistan for a period of 21 days on each trip.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, September 9, 1985.
In reply refer to I-04434/85ct.
Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-51, concerning the Department of the Army's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $78 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL NO. 85-51

Notice of Prosposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Propective Purchaser: Pakistan.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$70
Other	8
Total	78

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Eighty-eight M109A2 155mm full-tracked self-propelled howitzers with M2 .50 caliber machine guns.

(iv) Military department: Army (VFH).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: None.

(vii) Section 28 report: Included in report for quarter ending 30 June 1985.

(viii) Date report delivered to Congress: 9 Sept. 1985.

POLICY JUSTIFICATION

PAKISTAN—M109A2 155MM HOWITZERS

The Government of Pakistan has requested the purchase of 88 M109A2 155mm full-tracked self-propelled howitzers with M2 .50 caliber machine guns. The estimated cost is $78 million.

This sale will contribute to the foreign policy objectives of the United States by enabling Pakistan to increase its capability to provide for its own security and defense, particularly in view of the increased threat resulting from the Soviet occupation of Afghanistan.

The Government of Pakistan will use this equipment to pursue its overall force modernization plan and to enhance it basic defense capability.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be Bowen McLaughlin York of York, Pennsylvania.

Implementation of this sale will require the assignment of six U.S. Government personnel to Pakistan for three weeks on four separate occasions.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

IMMIGRATION REFORM AND CONTROL ACT OF 1985

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to consideration of S. 1200, the immigration bill.

Mr. BYRD. Mr. President, reserving the right to object—I have no objection personally—but I am constrained to object on behalf of a Senator or Senators.

Mr. DOLE. Mr. President, I move that the Senate proceed to the consideration of S. 1200, the immigration bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas that the Senate proceed to the consideration of S. 1200.

ORDERS FOR WEDNESDAY, SEPTEMBER 11, 1985

ORDER FOR RECESS

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stand in recess until 12 noon Wednesday, September 11, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. I further ask unanimous consent that following the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the Proxmire special order, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond 1 p.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE VOTE AT 2:30 P.M.

Mr. DOLE. I ask unanimous consent that at 2:30 p.m. the Senate vote on cloture on the antiapartheid conference report with the mandatory quorum call of rule XXII being waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. So there would be at least that rollcall, and I would assume, if we can turn to S. 1200, there could be other rollcall votes.

I also indicate that we will not be in late tomorrow evening—I would say 6, 6:15, 6:30.

RECESS UNTIL 12 NOON

Mr. DOLE. Mr. President, I move, in accordance with the order previously entered, that the Senate now stand in recess until 12 noon tomorrow.

The motion was agreed to; and at 7:31 p.m., the Senate recessed until tomorrow, Wednesday, September 11, 1985, at 12 noon.

EXTENSIONS OF REMARKS

FRANK TUCK HAS LEARNED MUCH IN HIS 76 YEARS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. COELHO. Mr. Speaker, recently Mr. Frank Tuck, a prominent figure in the San Joaquin Valley Chinese-American community, celebrated his 76th birthday. Mr. Tuck was the subject of a recent article describing the rich cultural tradition he and his family have maintained in the San Joaquin Valley of California.

Mr. Tuck is a living example of the success that has been achieved by our Nation's immigrant families. He recounts, with amazing clarity, the colorful history of his family—their achievements and assimilation into American society.

It is citizens, such as Frank Tuck, who possess the ability to share with us the contributions of their own cultural heritage, and serve as an important reminder to us all of the ethnic diversity that makes our country great. In recognition of his many contributions I am submitting a copy of the article as it appeared in the Fresno Bee on July 21, 1985.

FRANK TUCK HAS LEARNED MUCH IN HIS 76 YEARS

The old ways and cultures of old Chinatown disappeared so long ago that fairly a third of Fresno's population has cause to wonder why it is even called Chinatown anymore.

And well they might. The "Orientals," as the early Fresno Polk directories listed them instead of by name, have passed into the beyond.

Their descendants have moved across the railroad tracks, above the Shields Avenue no-man's land, beyond Shaw Avenue, and spread out in all directions to be assimilated by the community.

Indeed, the venerable Frank Tuck, dean of the local Chinese community, even wonders why the name Chinatown has survived, because the community makeup many years ago changed to predominantly black and Hispanic.

Tuck, a retired tobacco wholesaler, traces his Fresno roots back to 1874. That's when the county seat was moved here from Millerton and his maternal grandparents, the Ah Kits, moved with it.

His eyes seem to ponder the world from some other time. His unchanging expression, except for the easy grin that radiates wrinkies like a stone tossed onto a mirrored pond, makes him look like some ancient, time-worn statue.

Yet, there is an unmistakable warmth about him, and a keen sense of perception.

Few people in town have touched more of the flock than old Frank Tuck, and his list of community services is too long to be chronicled. He is probably best known for 40 years of association with the old international Institute that was on Waterman Street in west Fresno, dealing with the problems and welfare of hundreds of immigrants.

He has crossed every social line, serving as president of the West Fresno Improvement Association, the Fresno Zoological Society, the Muscular Dystrophy Association, the Toastmasters and the Fresno District Fair Board.

He was born 76 years ago today, on F Street. And his birthday will not go unremembered, although it will be celebrated a day late, tomorrow night in the Cathay Restaurant at Chestnut and Butler avenues.

Doctors and lawyers and Indians and chiefs, old-time friends and politicians and some of his cronies will gather there for a Chinese birthday dinner, and no doubt some reminiscing.

One of his sadder observations is of what he calls the degeneration of Chinatown. At one time, it was a thriving cultural center, stores bulging with customers and merchandise, old China Alley bustling, and a thousand cotton-pickers crowding the streets on Saturday nights. The community boasted a Chinese opera house, and restaurants comparable to San Francisco's.

El Trocadero tavern at Tulare and F Streets was one of the busiest in the San Joaquin Valley, folks jammed the Canales tortilla shop on F Street, and Baretta's Beer Garden on Fresno Street was where Fresnans danced under the stars.

That was all 30 and more years ago, when west Fresno was Chinatown and some of its most prominent—and many of its non-prominent—residents were Chinese.

"The young Chinese have all but discarded the way of the old culture and become totally Americanized," reflects Tuck. With the demise of the first Chinese settlers, the younger ones became "as American as hot dogs." They belong to the Chamber of Commerce, service clubs, and have almost divorced themselves from old Chinese ways.

"About the only old-world customs they retain are a celebration of Chinese New Year and the fall moon festival. I foresee the end of the Chinese tongs in a few years because they have outlived their usefulness."

He remembers the days when the tongs engaged in wars when a gangster element took over some of them to control gambling and opium trafic in California cities.

On a quiet, June night in 1921, as a boy of 11, he was returning with his mother, Becky, from his father's old Lyceum motion picture theater in the 1000 block of F Street when a tong war erupted.

"We were about 50 feet from China Alley and Tulare Street [a gambling row that occupied the alleys between F and G streets] when we heard pistol shots and saw a man drop to the pavement dead. He was Fook Kee, a prominent Chinese merchant.

"My mother rushed me back to the theater and a few minutes later Deputy U.S. Marshal Sidney J. Shannon showed up and told my father [the unofficial mayor of Chinatown] his life was in danger and took him to his home in Divisadero Street by Van Ness Avenue.

"Earlier that same night two other Fresno Chinese were stabbed to death in the tong war which had spread to the whole West Coast."

Tuck recalls that Shannon kept his father under cover for nearly three months while negotiations were under way to settle the tong strife. Frank and his brother, James, and their mother would go by streetcar to the Shannon home three times a week to visit the senior Tuck.

The Shannon and Tuck families had been close for many years, and at one time operated the old McCray blacksmith shop at Millerton.

The tongs originally were set up as a sort of welfare organization when most of the Chinese in the West were single men, shanghaied for delivery to America to work in the mines.

Tuck's grandfather came to America that way. He was a coolie during Gold Rush days and later owned a general store in Sonora.

Chinese paid monthly dues to their particular tong and when they were temporarily unemployed, or too old to work, the tongs provided food and shelter.

Tuck grinned, recalling the myths about the tongs having a myriad of underground tunnels in west Fresno where they allegedly smoked opium and dealt in white-shave traffic.

"These stories," Tuck says, "were figments of the imagination based on the false premise of why Chinese constructed their homes with passageways from their cellars into a common countyard."

While there were perhaps three or four opium dens in Fresno at one time, there never was widespread addiction among Chinese.

"It is strange how in just one generation the public's image of a nationality charges totally, the old stigmas wiped away," Tuck observed. "Today, the Chinese are the last people on Earth anyone would connect with dope.

"There is a pride with the Chinese, to excel, in business and in the profesions. We have many professional people, doctors and dentists and accountants and engineers.

"But one profession that the Chinese frown on is that of the lawyer. They do not encourage their young to go into that. Why? It is considered less than honorable. That is why there are so few Chinese lawyers."

The major influx of Chinese into west Fresno came after the San Franciso earthquake. And at one time in the valley, says Tuck, Chinese laborers harvested most of the farm crops.

Tuck's family history is one of California's most colorful. Material ancestor Ah Kit was the first chinese to join the gold miners at Rootville, a tiny settlement on the south bank of the San Joaquin River that antedated the founding of Millerton in 1854.

In 1895, Tuck's father, John Chan Tuck, moved to west Fresno from Sonora, marrying Becky Kit. The newlyweds took up residence in the 1000 block of G Street, where Frank was born, a half-block from the old house on F Street where he still maintains an address.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

He spent a good deal of his growing-up days in the theater that his father operated from 1916 to 1945, where rode the West's great celluloid cowboys—Tom Mix, Hopalong Cassidy, Gene Autry, Roy Rogers, Buck Jones and John Wayne.

West Fresno rose to its greatest economic heights during the period from the outbreak of World War II—the city becoming a majority military area with Hammer Field, Camp Pinedale and a major encampment at the fairground, not to mention endless convoys and troop trains passing through—to the mid-1950s, when mechanization, particularly the cotton-picking machines, took over thousands of farm jobs.

Tuck recounts times when west Fresno sidewalks were "wall-to-wall" people. There were 14 houses of prostitution thriving on Kern, G, F and Tulare streets, and old Chinatown was where folks from across the track came for Chinese food and visited after the theater or an evening of ballroom dancing.

Probably west Fresno's most famous, or infamous legend has to do with China Alley, that two-block alley between the 900 and 1000 blocks of F and G streets. It housed as many as 15 Chinese lottery operations, which reportedly employed as many as 700 people and added millions of dollars to the community's economy.

It even thrived during the Great Depression, he recalled, people somehow always having money to gamble. "There were at least five daily lottery drawings, at 10 a.m. and at 2, 4, 7 and 10 p.m."

The lottery was a good deal like Keno, players marking various numbers (actually they were Chinese symbols), playing the 10 cents a game and up, with a payoff limit per ticket of $5,000.

Lottery runners fanned out through the city and countryside, canvassing businesses, hotels, pool halls, taverns and everywhere else that people congregated.

Tuck particularly remembers a young Armenian runner nicknamed "Smitty," who covered offices in the Patterson Building. "He had mastered enough Chinese to even work in the lottery drawing house."

Frank Tuck can spin tales for hours about old Chinatown, and about the illustrious and not-so-illustrious old-timers who lingered there before passing on to their reward, or punishment, as their individual life lottery tickets dictated.

He has known the good and the bad and the indifferent and could no doubt blemish more than one good name in this town by rattling long-hidden skeletons in the closets.

But those stories are well hidden behind those old eyes. And probably most of us he's known across the years are better off for it.

Happy birthday, Frank Tuck. Happy birthday to you.

CONGRESSIONAL RESOLUTION OF SUPPORT FOR THE SAKHAROVS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. GILMAN. Mr. Speaker, today I am pleased to join my colleague, the gentleman from Massachusetts, Mr. Barney Frank, in introducing a resolution reaffirming the human rights of Drs. Andrei Sakharov and Yelena Bonner. This sense of Congress resolution urges the President to relay to the Soviet Union our strongest concerns about the lack of information with regard to the whereabouts and well-being of these two noted individuals.

Dr. Sakharov, a Nobel Peace Prize winner, and his wife, Dr. Yelena Bonner, have been exiled to Gorky for the past 5 years. In the last half year, their condition has deteriorated rapidly; Dr. Sakharov was reported to be on a hunger strike, and Dr. Bonner is in need of medical attention that can only be obtained in the West. This past summer they disappeared from their apartment, and since the spring, only two postcards have been received, the most recent of which is already several months old.

Dr. Sakharov's stepson, Alexei Semyonov, is extremely concerned about the lack of postal and telephonic communications with his parents, and brought a postcard to me in June contending there was evidence of tampering. Because the situation has worsened of late, Alexei has begun a hunger strike, now in its 12th day, which petitions the Soviet Government to release his parents, wherever they may be; allow the freedom of communication called for in the Helsinki Final Act and other international agreements to which the Soviet Union is signatory; and further to grant him a visitor's visa so that he may visit his parents and learn the true state of their mental and physical health.

Mr. Speaker, this legislation requests the President, "to protest, in the strongest possible terms and at the highest levels, the blatant and repeated violations of the Sakharovs' rights by the Soviet authorities, and to call upon all other signatory nations of the Final Act of the Conference on Security and Cooperation in Europe to join in such protests." I urge our colleagues to join this noble effort by cosponsoring the resolution and urging the Foreign Affairs Committee to hold early hearings.

Mr. Speaker, the full text of this resolution, which I commend to my colleagues attention, follows:

H. Con. Res. 186

Whereas the Universal Declaration of Human Rights guarantees to all the rights of freedom of thought, conscience, religion, opinion and expression;

Whereas this same Declaration states that "no one shall be subjected to arbitrary arrest, detention, or exile;" and that "no one shall be subjected to arbitrary interference with his privacy, family, home or correspondence;"

Whereas the Declaration further states that "everyone has the right to freedom of movement and residence within the borders of each State," and that "everyone has the right to leave any country, including his own, and to return to his country;"

Whereas the International Covenant on Civil and Political Rights provides that "everyone lawfully within the territory of a State shall, within that territory, have the right to liberty of movement and freedom to choose his residence," and that "everyone shall be free to leave any country, including his own," and that "no one shall be arbitrary deprived of the right to enter his own country;"

Whereas the Final Act of the Conference on Security and Cooperation in Europe provided that each of the "participating states will respect human rights and fundamental freedoms, including the freedom of thought [and] conscience . . . for all," and recognized that all human rights "derive from the inherent dignity of the human person,"

Whereas this same Act pledged that the participating states would "deal in a positive and a humanitarian spirit with the applications of persons who wish to be reunited with members of their family, with special attention being given to requests of an urgent character—such as requests submitted by persons who are ill or old;"

Whereas the Act further commits participating states "to facilitate wider travel by their citizens for personal or professional reasons;"

Whereas the Act specifically affirms the "right of the individual to know and act upon his rights and duties" under the agreement, and affirms the positive role individuals play in the implementation of the Act;

Whereas the Union of Soviet Socialist Republics signed the Final Act of the Conference on Cooperation and Security in Europe, is a party to the Universal Declaration of Human Rights, and has ratified the International Covenant on Civil and Political Rights;

Whereas Nobel Laureate Andrei Sakharov, who, exercising his right as an individual to monitor compliance with the Final Act, had become a leader of the human rights movement in the Soviet Union, was arrested and exiled to Gorky in direct contravention of the abovementioned human rights agreements;

Whereas his wife Elena Bonner, as a result of her efforts to exercise her right of self-expression, has been detained and charged with anti-Soviet agitation;

Whereas Dr. Bonner is thought to be in urgent need of medical attention available only in the West;

Whereas Dr. Sakharov is reported to have undertaken a hunger strike, to the point of endangering his health;

Whereas communication between the Sakharovs in the Soviet Union and their children and stepchildren in the United States has been repeatedly interrupted, delayed, and tampered with by the Soviet authorities,

Whereas the absence of reliable communications between the branches of the family has created serious doubt as to the state of well-being of Dr. Sakharov and Dr. Bonner;

Whereas Mr. Alexei Semyonov, the stepson of Dr. Sakharov and the son of Dr. Bonner, has embarked on a hunger strike to dramatize the plight of his family and to protest the cruel obstruction of his efforts to communicate with his loved ones;

Whereas Mr. Semyenov has demanded a visitor's visa to visit the Soviet Union so that he can reassure himself with his own eyes that his parents are alive and well: Now, therefore be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that, in accordance with the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe, the Soviet Union should drop all charges against Elena Bonner, restore to her and to Dr. Sakharov the full rights to travel (domestic and international) and free expression, allow unimpeded correspondence between them and their relatives and friends in the West, and allow Alexei Semyonov permission to visit them in the Soviet Union.

Section 1. The Congress urges the President—

(1) to protest, in the strongest possible terms and at the highest levels, the blatant and repeated violations of the Sakharov's rights be the Soviet authorities, and

(2) to call upon all other signatory nations of the Final Act of the Conference on Security and Cooperation in Europe to join in such protests.

Sec. 2. The Clerk of the House shall transmit copies of this resolution to the Ambassador of the Soviet Union to the United States and to the Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

PRESERVING THE AUTHORITY OF THE SECRETARY OF LABOR UNDER FECA

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. HAWKINS. Mr. Speaker, on August 1, 1985, I engaged in a colloquy with the gentleman from Florida [Mr. Mica] to clarify the intent and effect of language in H.R. 2068, the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987. The colloquy made clear that the language in sections 112 and 118 of H.R. 2068 does not empower the Secretary of State with authority nor dilute the existing exclusive authority of the Secretary of Labor to decide questions of eligibility for medical and disability benefits under the Federal Employees Compensation Act.

At the time of the colloquy I included for the Record two letters from Secretary of Labor Brock, and requested that an anticipated letter from the Secretary of State be included in the Record when it was received. Since the letter from the Department of State was not received in my office until August 19, I am including it at this point in the Record for the information of my colleagues.

I have also requested that the letter be included at the appropriate point in the permanent Congressional Record of August 1, 1985:

U.S. Department of State,
Washington, DC, August 7, 1985.

Hon. Augustus Hawkins,
Chairman, Committee on Education and Labor, House of Representatives, Washington, DC.

Dear Mr. Chairman: In connection with the pending enactment of H.R. 2068, the State Department authorization bill for FY 86–87, I would like to clarify our understanding as to the intent and effect of sections 112 and 118 of the bill.

Sections 112 and 118 concern the overseas contracting authority of the Secretary of State. It is the position of the Administration—and we understand that this position is consistent with that of the managers of the bill for the House of Representatives and the Senate—that neither sections 112 or 118 contained in the Conference Report may be construed so as to affect the Secretary of Labor's existing authority under the Federal Employees Compensation Act to determine questions involving the employment relationship of any individual with the United States Government and the application of any benefits under that act to any such individual. It is further understood by the Administration that the terms "any other law administered by the Secretary (of State)" may not be construed, and is not intended to grant the Secretary of State any authority to decide questions of eligibility of such individuals for medical and disability benefits under the Federal Employees Compensation Act.

In addition, the Department of State is in full accord with Secretary Brock's letter of July 29, 1985 on the same subject with respect to the Federal Employees Compensation Act.

I would appreciate it if you could make this letter a matter of record in connection with the enactment of this measure.

With best wishes,

Sincerely,

William L. Ball III,
Assistant Secretary,
Legislative and Intergovernmental Affairs.

EXPOSING APARTHEID

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. GARCIA. Mr. Speaker, I am inserting a review of a book from the September 26 edition of the New York Review of Books by Leonard Thompson entitled "The Mythology of Apartheid." The review is particularly noteworthy because it is by Bishop Desmond Tutu.

I hope that Bishop Tutu's review will provide further insight on the warped historiography that is the intellectual and moral basis for apartheid. By striking directly at the myths behind apartheid, Bishop Tutu cuts it at its core.

[From the New York Review of Books, Sept. 26, 1985]

Mythology

THE POLITICAL MYTHOLOGY OF APARTHEID, BY LEONARD THOMPSON

(By Bishop Desmond Tutu)

I remember as if it were yesterday our reactions as black primary school children when we read what the Reverend Mr. Whitehead had to say when describing the relations between the Xhosas on the eastern border and the white frontiersmen. Mr. Whitehead was, I believe, a Methodist missionary who wrote a history textbook which we were obligated to use if we wanted to pass our history examinations. I must underline that my contemporaries and I were not the radicalized and highly politicized students of the sort who were involved in the 1976 uprising and in the current violent protest against the vicious and immoral policy of apartheid. We were rather docile and thoroughly unsophisticated and naive, hardly questioning what appeared to be the divine ordering of our segregated society. It is therefore particularly noteworthy that it was such innocents who found certain features of Mr. Whitehead's historiography disturbing.

We found it distinctly odd that in virtually every encounter between the black Xhosas and the white settlers, Mr. Whitehead invariably described the Xhosas as those who *stole* the settlers' cattle and of the white settlers he would write that the settlers *captured* the cattle from the Xhosas. We did not press this point at all, or hardly at all, in class discussion; but when we were outside we would mutter that it was very funny. It certainly seemed to be stretching coincidence to breaking point. We often remarked that after all, these farmers had no cattle when they landed in South Africa, and all their cattle had had to be procured from the indigenous peoples.

But if we had given expression to any of these misgivings it would have put an end to our chances of success in the examinations. We would have committed South Africa's unforgivable sin of mixing politics with whatever else we were at the time dealing with. At other times we were a little annoyed to read that such and such a white person had "discovered" this or that, as if there had been no other human beings, for example, to see the Victoria Falls before this superior denizen of another hemisphere came upon them.

These were the vague and unformed misgivings and perhaps hurt feelings of somewhat unsophisticated and really unlettered black pupils, feelings that had not been buttressed by any scholarly research or evidence that could stand up to critical scrutiny. Much later we heard a great deal about Western historical objectivity; it all seemed to suggest that Western historians were able to describe the naked, the real facts without any kind of embellishment or accretion, that they were quite uninfluenced by who they were and where they were, able, as it were, to stand outside themselves and give an account of what had "really" taken place, which would in all material respects be the same account given by any other self-respecting historian.

I have been skeptical of this claim to objectivity especially when it was made in South Africa about journalism (which chronicles contemporary events as a primary source for later historiography) on behalf of white journalists who, it was averred, were somehow paragons of the virtue of journalistic objectivity, as against what might be described as the engaged journalism of their black counterparts; for example, in giving an account of what took place in the 1976 uprisings. I believed that we could not just speak of the truth. It had to be truth from the perspective of some observer. What was the truth of what set off the Soweto uprising? It seemed to some of us that who you were, and where you were, determined to a very considerable extent what you were able to see as the facts. You were not just an unconcerned viewer from the sidelines. Your values had been formed by the community to which you belonged and what rated as being important and significant depended very much on the sort of spectacles with which your nature and upbringing had endowed you. The aesthetic, ethical, and moral values a person derives mainly from the community in which he lives will determine very largely what he will judge as being beautiful, good, and true.

Leonard Thompson in his scholarly case study of the South African situation from the standpoint of a sympathetic but critical historian gives me good reason to have trusted my instincts about the way history has been recorded in South Africa. He starts by describing what he understands by political mythology—that which seeks to provide the historical element in an ideology and is the collection of tales that are used to legitimize or to discredit a regime. He was attracted to this study by a collection of materials showing how politicians in South Africa had made use of falsified versions of history. He seeks to show that South African politicians are not in this matter a breed apart, somehow unique "in exploiting history for political ends." It just happens that some are perhaps more blatant than others in doing so.

In defining the character of political myths and mythology, Thompson shows how these are virtually universal phenomena by quoting examples from countries as diverse as the United States of America and the Soviet Union. Hence they are what he calls "ubiquitous," with a remarkable capacity to be adjusted as the circumstances to which they seek to be relevant change. He also calls them "malleable" for this reason. He then provides three criteria for evaluating the political myth. First, how well does it stand up to the critical scrutiny of the historian who uses a rigorous historical method for evaluating the available evidence and how consistent is the conclusion with the historical data? Second, how closely does the particular myth agree with scientific knowledge? Can it stand up to close questioning from competent practitioners of the science most relevant to the discussion? And finally he uses what he calls a utilitarian criterion, which does not ask whether the myth is true or not but whether its effects are good or bad. Some myths are quite dispensable, such as the myth about the truthfulness of George Washington. Its loss from the American lexicon would not materially affect the nature of American patriotism and national self-esteem.

Others are less so, being integral to the entire ideology of the regime they seek to legitimize. It is possible that at a certain stage in the evolution of the Afrikaner people's self-consciousness, abandoning the myth of an early Covenant among Boers (see below) had deleterious repercussions on their consciousness as a people, believing themselves, as they did, to be besieged by hostile foes in an unfriendly and unknown environment.

Myths, in Thompson's analysis, are either conservative or radical. The latter are developed by local or foreign opponents of a system that they seek to over-throw, while the former are intended to justify that regime. Since political myths are historical phenomena they will tend to change, adapting themselves to changing circumstances, though the change, it is hoped, would not alter the core of the mythology too drastically.

Thompson's pioneering study concentrates on the central racist ideology of the Afrikaner people, according to which, following much that was current as science in the West, and following in the wake of a burgeoning white imperialism that rode roughshod over colonial peoples, white people were inherently superior to black people. After all, this had been claimed by the taxonomical studies that spoke mystifying about brain and cranium size and subsequently about the psychological evidence deriving from IQ tests, etc.

This concept of racial superiority justified various actions and views—for example, that there was nothing wrong per se in enslaving black people or in white men having sexual relations with their womenfolk, since this would ensure that some of their stock would now be improved through this magnanimous infusion of white blood; that there could be no equality between black and white in church, state, or court; that it would be perfectly in order for a white master, without having to be accountable to anyone, to beat the daylights out of his servant who had been uppity. The overall effect was to declare that blacks were human, but not quite as human as white people. The whites had a task imposed on them by God to evangelize and civilize these benighted natives, who were likely to remain as children needing the white man to bear the burden of being their guardian.

This is a view of the nature of things which has remained tenaciously part of how most white South Africans have perceived God's ordering of things. And it is not only Afrikaners who have been guilty of these supremacist views. Even the so-called liberal English-speaking South African has deep down in his heart tended to hold to such views, but he has been careful not to be as blatant in their expression as the less subtle Afrikaner. Racism certainly did not see the light of day in South Africa only in 1948 when the Afrikaner Nationalists, under Dr. Daniel Malan, won a shock victory over General J.C. Smuts with their unashamed doctrine of white baaskap (overlordship), of keeping the black man in his place. This aim was enshrined in the policy that has come to be execrated in the world apartheid (separateness), attracting the opprobrium from the world community which it so richly deserves.

Professor Thompson shows that the Afrikaner political mythology began its career as a radical liberation mythology intended to mobilize the Afrikaners in their struggle for self-determination against a rampant British imperialism. He describes the evolution of the political myth in the story of the uprising of Afrikaner frontiersmen against British hegemony in 1815. It is quite remarkable how selective the chroniclers turned out to be in their accounts of what actually took place. (Perhaps it should not be considered remarkable at all—all history is selective. You select what you consider to be significant. The question is whether your selectivity gives a rounded narrative that tries to take account of all the relevant information and material.)

It is instructive to note how later historians gave an interpretation that seems to have eluded those whose experience was contemporary with the particular set of events. The Afrikaner uprising provided convenient material for agitating against the British administration. First, those who rebelled were shown to be principled people. They were held to be right in refusing to allow a white person to be compelled to answer charges in court brought by a servant. Even more important, they were quite right to resist being apprehended by a British-controlled contingent made up of Hottentots. To show the British administration in an even worse light, the emotive name of Slachter's Nek (Butcher's Neck) was used of the rebellion when the execution of the rebels took place in another place with a more innocuous name. The British were callous and quite unmerciful because the ropes at first broke and the condemned men fell without being killed.

Many believed, or so it was said, that when this happened British tradition was to pardon the miscreants. A later myth had it that just after the execution was eventually carried out successfully, a reprieve for the condemned arrived. Nothing is said about the character of the rebels or about their dubious sexual morality. Nor is it pointed out that hardly any self-respecting Afrikaner frontiermen joined the insurrection and that many of these people concurred with the action of the Cape administration. When the British had withdrawn and the Afrikaner had attained independence, it was important that this myth of British injustice be played down to foster unity between the English-speaking and Afrikans-speaking South Africans.

We are given another example of such manipulation of history for practical motives in the myth of the Covenant allegedly made on the eve of the Battle of Blood River in 1838 by the Afrikaners against the Zulus. Professor Thompson points out how striking it is that on one has preserved the precise wording of this Covenant, which has such a pivotal place in Afrikaner history. It is said to have enjoined the Afrikaner and his posterity to observe the day with religious solemnity and to build a church to commemorate the victory over the Zulus. But strangely enough, for several years afterward, those who first took part in the Covenant organized no ceremonies to commemorate the event; and there is no evidence that those who built a church connected it with the Covenant.

It was much later that Afrikaner politicians used the event as an important rallying point for their people in their struggle against the British and the blacks for supremacy in South Africa. Before the building of the Voortrekker Monument between 1938 and 1948 and the emergence of South Africa as a republic outside the Commonwealth in 1961, the Covenant was used in a thoroughly chauvinistic manner. The annual commemoration of what was called Dingaan's Day (later the Day of the Covenant and then Day of the Vow) was used to beat the Afrikaner jingoistic drum. In more recent times, government speakers and others have sought to make the observance a more national affair, one that includes even the blacks who in former times were virtually pilloried. Some Afrikaner historians have called in question the folk mythology relating to the government. One of these was tarred and feathered for his pains.

Professor Thompson points out that he has not referred to the political mythology of either English-speaking South Africans or the blacks. But he has certainly put us in his debt by the gentle process of demythologizing he carries out in his book and by the ways he calls us to the task of continuing such analysis. My own concern is why the Afrikaner, in view of their history, have been so unsympathetic to the aspirations of blacks. Of all the whites in South Africa, the Afrikaners should have been the most sympathetic because they once believed themselves to be oppressed; and once they embarked on the course of liberation, no one was able to stop them. Why do they think that the same inexorable logic of history will falter in the case of the blacks? Or is it that, as a wit once put it, "we learn from history that we don't learn from history"?

ACCUSED KILLERS OF LAND REFORM ADVISERS GO UNTRIED DESPITE DUARTE'S PLEDGES

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. TORRICELLI. Mr. Speaker, in January 1981, two U.S. land reform advisers, Michael Hammer and David Pearlman, employees of the American Institute for Free Labor Development, and the president of the Salvadoran Agrarian Reform Institute were murdered while eating dinner in downtown San Salvador by two members of the National Guard. Despite strong evidence of complicity in the killings by high-ranking officers in the Salvadoran military, El Salvador's judicial system has thus far avoided prosecuting them. While President Duarte has vowed to investigate human rights abuses and mete out justice, it appears that the result of investigations surrounding these murders may be similar to those regarding the 1980 killings of four American nuns, in which only the four gunmen of the National Guard were convicted, and none of the higher ups who authored the crime. An article appearing in a recent issue of the Council on Hemispheric Affairs' bi-weekly publication, the Washington Report on the Hemisphere, by COHA research associates Leslie Singer and Corinne Rosen, explores some of the developments in the Pearlman-Hammer case.

I would encourage all of my colleagues to read Singer and Rosen's article in view of the close connection of this administration with a government which thus far has shown an inability or unwillingness to bring to justice those reponsible for murdering American citizens in El Salvador.

On July 3 Judge Rolando Calderon refused to order the arrest of Capt. Eduardo Alfonso Avila, one of the military officers implicated in the January 1981 murders of two American land reform advisors, Michael Hammer and David Pearlman, employed by the American Institute for Free Labor Development (AIFLD), and Jose Viera, the president of El Salvador's land reform agency, the Instituto Salvadoreno de Transformacion Agraria, were shot as they ate dinner at the Sheraton hotel in San Salvador. Although three new witnesses have offered testimony directly implicating Avila and Lt. Lopez Sibrian in the murders, the judge said that he found no criminal evidence against the Salvadoran army captain in connection with the killings.

Attorney General Santiago Mendoza Aguilar, a Christian Democrat appointed by Duarte following the dismissal of rightist Jose Francisco Guerrero from that post in May, authorized his office to appeal the lower court's decision.

In a press statement issued by AIFLD on May 22, following meetings between Salvadoran President Jose Napoleon Duarte, that organization, the AFL–CIO and the Hammer family, Duarte reportedly gave assurances that he is receiving the full cooperation of the Salvadoran military establishment in carrying out his commitment to prosecute military officers guilty of human rights violations. Duarte also promised to reactivate the special investigative unit and to examine new evidence in the AIFLD murders, pledging to bring the perpetrators to justice.

According to the gunmen's testimony and an AIFLD investigation, Hammer, Pearlman and Viera, were slain by National Guard members Dimas Valle and Gomez Gonzalez, acting on the orders of Avila and Sibrian. Hans Christ, part-owner of the hotel, allegedly pointed out the intended victims to the officers and later led the gunmen to them. Christ's brother-in-law and hotel partner, Ricardo Sol Meza, also was implicated in the killings.

No convictions have been obtained despite the fact that the Salvadoran government has known the identities of everyone purportedly involved in the crime since the gunmen confessed in September 1982. A Salvadoran Embassy official in Washington recently stated that the confessed killers will go to trial later this summer.

In April 1981, the Salvadoran government arrested Sol Meza and attempted to extradite Christ, who had fled to Miami. The charges against both men were dropped in August 1981 when Judge Jose Albino Tinetti, appointed by the Supreme Court to investigate the charges against Sol Meza, stated that there was not enough evidence to prosecute them. The court's decision was sustained by both the Salvadoran Appeals Court and the Supreme Court.

Following the gunmen's confessions, Sibrian was arrested in connection with the murders, but charges against him were provisionally dismissed by a Salvadoran appeals court in October 1982 because Valle and Gonzalez could not identify Sibrian after he altered his appearance by shaving his moustache and dying his hair.

The provisional dismissal meant that the prosecutor had to present new evidence against Sibrian within one year—before the statute of limitations expired. Under Salvadoran law, the gunmen's disclosures cannot be used as evidence against the officers because the testimony of a confessed murderer cannot be considered as evidence against another accused of the same crime. The appeals court's decision was upheld by the Fifth Penal Court and the Supreme Court. The higher court also ordered a definitive stay of the proceedings against Sibrian, thereby closing the case against him. According to the Salvadoran Embassy to the United States, however, Duarte introduced a bill in the Legislative Assembly in June which would extend the statute of limitations to allow the introduction of new evidence so that Sibrian can be tried. The lieutenant was discharged from the army by the president in November 1984, but was only charged with "military infractions."

In December 1983, Capt. Avila was arrested by the Salvadoran police and taken into custody; however, he was charged only with leaving his post without permission—a minor military infraction—rather than for his role in the murders. However, he did testify in March 1984 that he did "not know the facts of the crime" and stated that he did not know the gunmen. He was subsequently released.

The New York Times reported June 28 that Patsy Walker, the wife of former American military attache Col. Gerald S. Walker, testified that Avila confessed his role in the murders to her in 1982, and implicated Sibrian by stating that a man named "Fosforito," reportedly Sibrian's nickname, was aware of all that had happened at the Sheraton Hotel. A Costa Rican citizen, Carlos Francisco Aguilar, also testified that Avila told him of his involvement in the Sheraton killings and in "various operations" in El Salvador, also implicating Sibrian in such activities. In light of the Salvadoran court's refusal to order Avila's arrest on the basis of these new developments, it seems unlikely that Sibrian will be prosecuted using the new evidence, assuming that the statute of limitations bill passes and can be used to nullify the 1984 Supreme Court decision which acquitted him.

In a March 1985 report on unresolved political killings in El Salvador, a U.S. lawyers' group noted that Capt. Avila's uncle is a judge on the Supreme Court and has reportedly used his influence in the past to assign judges to the case who sympathize with the officers' positions. The report also stated that six of the nine judges on the Salvadoran Supreme Court are closely tied to right-wing parties and the military. According to El Salvador's new constitution, promulgated in 1983, the nine judges, appointed by the rightist-controlled National Assembly prior to the Christian Democrats' electoral victory in March 1985, will serve until June 1989 and are responsible for appointing all lower court judges, who hold their positions for life.

Given the nature of El Salvador's tainted and corrupt judicial system and the military's traditional unwillingness to prosecute its own members in politically motivated killings, the Duarte government faces serious obstacles in its efforts to prosecute Sibrian and Avila. Furthermore, prosecution of the two surely isn't one of the major priorities of the Salvadoran president since he became convinced that the unsolved, high-visibility murders will not deter the U.S. Congress from pouring military aid into the country.

ANSEL ADAMS, CONSERVATIONIST

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. COELHO. Mr. Speaker, last month, a mountain peak in Yosemite National Park was dedicated in honor of the dean of nature photographers, the late Ansel Adams.

Mr. Adams' death last year ended a most prolific career dedicated to capturing on film the magnificence of our national parks, including Yosemite, in a way that only he could. Not content to preserve their beauty only on film, as a dedicated conservationist Mr. Adams also fought to preserve these lands in their natural state for the enjoyment of future generations.

Anyone who has experienced the magnificence that is Yosemite can appreciate the great debt we all owe to Mr. Adams for his efforts to record and preserve the beauty of this and other national parks. The dedication of Mount Ansel Adams is certainly a fitting tribute to this great man, as it will serve to remind us of the principles he stood for for many years to come. I would like to express my appreciation to his son and daughter-in-law, Mike and Jeanne

Adams, two very good friends of mine, for all that Mr. Adams contributed to our Nation.

An outstanding article about Mr. Adams appeared recently in the Fresno (CA) Bee, and I think it is fitting that it be reprinted here in recognition of his achievements:

[From The Fresno Bee, Aug. 24, 1985]

ANSEL ADAMS, CONSERVATIONIST

A lineup of notables will gather in Tuolumne Meadows today for a ceremony dedicating a Yosemite National Park mountain peak in honor of Ansel Adams. He died last year at the age of 82 after finally losing his stubborn grip on the here and now.

A 119,000-acre Wilderness Area in the Sierra between the Minarets and the John Muir Wilderness already has been named for Adams. Designating a specific mountain in his honor will thus add more luster to Adams' reputation.

Scheduled to participate in the ceremony today will be Interior Secretary Donald Hodel, Sen. Alan Cranston, and other assorted government grandees, along with conservationists and celebrities like actor Robert Redford.

No doubt everybody will praise Adams for his accomplishments as a landscape photographer and as a leader in the conservation movement.

My regards to them. They are to be respected for their homage to a great man. But the ones who are the most important in Ansel Adams' career, especially as a conservationist, will not be part of the crowd.

They can't be. They are the unborn, the generations of the 21st century and even beyond that, who will be able to enjoy Yosemite and the other places of natural grandeur that Adams helped save from destruction.

You think I am puffing Adams, giving him too much credit, that white-bearded old Michelangelo of the camera?

I'm not. Adams was a great photographer, perhaps the most skillfull nature photographer America has produced. But he was more. His photographs helped create a climate for conservation every bit as much as did the writings of John Muir.

Adams caught images of rocks, clouds and trees on film, but his art transformed them beyond the material. Bathed in a magical light whose secret only he seemed to know, they assume a spiritual quality. When seen this way, "with the inner eye of the spirit," he wrote, "the clear realities of nature . . . reveal the ultimate echo of God."

Looking long and closely at Adams' photographs with that inner eye of the spirit is enough to make one determined those scenes will never succumb to exploitation because they are sacred.

But Adams didn't just let his art speak for him. From 1920 onward, he was involved in activities to protect the environment from those who would despoil it for selfish gain. He was one of the founders of the Wilderness Society and he fought to return Yosemite Valley, where he had a photographic shop, to a more natural state after years of ruinous commercialization.

In those early days, he once reminisced, the valley was a place of "general disorder, garbage, dust and uncontrolled camping. Livestock was staked out or turned loose in the meadow. The firefall was pushed nightly over Glacier Point [for the benefit of tourist] . . . Camp Curry had a pool hall and a bowling alley where nightly thunders vied with the roar of the waterfalls."

Adams joined with park officials and others to rid the valley of the worst abuses. He wasn't entirely satisfied with the results, criticizing the "bureaucratic power and the quasi-feudal paternalism of the concessions," but no one can deny conditions are better today than when he denounced them.

In more recent times, Adams continued to be active on behalf of conservation efforts despite his advanced age. He worked, for instance, for the establishment of a Big Sur national park. He also opposed the attempts of then Interior Secretary James Watt to open formerly protected natural resources to development.

Watt reacted to the troublesome old man with customary scorn. Adams, Watt contended, had never taken a photograph with a human being in it.

That wasn't so. Adams' defenders pointed out that he took at least a thousand portraits, one of them the official presidential portrait of Jimmy Carter.

I'd even go further. I'd say the spirit of man was present in every scene Adams turned his camera to, no matter what the ostensible subject was.

Adams, who looked like Walt Whitman, quoted these lines of the poet in his own writings:

"The earth never tires,/

"The earth is rude, silent, incomprehensible at first, Nature is rude and incomprehensible at first,/

"Be not discouraged, keep on, there are divine things to be envelop'd,/

"I swear to you, there are divine things more beautiful than words can tell."

Whitman said it in words. Adams said it in photographs.

EXTRADITION AND NORTHERN IRELAND

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. FLORIO. Mr. Speaker, I would like to direct the attention of my colleagues to an insightful article that appeared in the August 25, 1985 Bergen Record entitled "Pact Imperils Irish Rebels in U.S." by Mark Lieberman. The article analyzes the complex issues that have been brought forth through the signing of an extradition treaty supplement between the United States and the United Kingdom. I would like to praise my colleague from New Jersey, Representative TORRICELLI, for his role in the effort to defeat this treaty and commend his actions to the attention of my colleagues.

On August 1, a hearing was held by the other body on this treaty supplement which would completely eliminate the political offense clause from our mutual extradition treaties. The primary effect of this action would be to deny political refugees from Northern Ireland the right to seek asylum and protection in the United States. The political offense clause happens to be the cornerstone of extradition treaties both in the United States and in Great Britain. It is also disturbing that our State Department intends to negotiate similar treaties with other nations as well.

Representative TORRICELLI and I both joined 53 of our colleagues in writing to the Senate Foreign Relations Committee to request further hearings on this treaty. BOB's initiative in opposing the treaty is exemplary and I commend the many actions he has taken in the Congress to support an end to political repression in Northern Ireland and foster human rights and freedom in this troubled spot.

I encourage my colleagues to read the following article on the ramifications of this treaty:

PACT IMPERILS IRISH REBELS IN U.S.

(By Mark Lieberman)

Arrests without warrant, trials without jury, felony convictions based solely on the testimony of paid police informers, widespread legally sanctioned use of torture to obtain "evidence" from detainees who may be arrested on the mere suspicion of a policeman and then imprisoned for up to seven days without ever being charged with a crime, journalists subject to arrest for talking to political dissidents or filming their activities, political parties banned, strip searching of female suspects, some as young as 13 . . .

South Africa?

Guess again.

Those are some of the vicious—and well-documented—hallmarks of the legal system of the United Kingdom of Great Britain and Northern Ireland, a system that the U.S. State Department maintains is "a judicial process which provides fair treatment to defendants."

And if Prime Minister Margaret Thatcher and the bureaucrats of the Reagan administration have their way, Irish political exiles in this country will no longer be able to seek relief from extradition by claiming that their alleged crimes in the United Kingdom qualify for the "political-offense exception" clause in the current Anglo-American treaty. Instead they'll be handed over to the "tender mercies" of the British.

Nor will anyone else be able to claim protection under the political-offense clause. The proposed revision to the U.K.-U.S. extradition treaty, which was presented to the Senate Foreign Relations Committee Aug. 1, eliminates the clause altogether.

Some, but not all, of the Irish exiles have been members of the Irish Republican Army. They've persuaded American judges on numerous occasions that their alleged crimes were part of an ongoing political struggle with the British government and therefore not extraditable offenses. Since the Fenians rebelled against the crown in 1860, the United States has never extradited an Irish rebel.

Now the Reagan administration is asking the Senate to ratify a document that would eliminate the political-offense exception, a concept that has been a tenet of American jurisprudence since Secretary of State Thomas Jefferson refused to give up three French "revolutionaries" in 1791.

In the past five years alone three Irish republicans who allegedly committed crimes in the United States have succeeded in proving to American judges that their crimes were political in nature, thereby defeating British efforts to have them extradited.

In the most recent case Joseph Doherty, a former IRA member, faced a U.S. district Court judge in New York in April and won a case in which the British government tried to have him extradited and jailed in Northern Ireland for his alleged role in an attack on a member of the Special Air Services, the elite plain-clothes unit whose sole mission is to engage in armed combat with men like Joe Doherty.

"This case," said Judge John Sprizzo, "presents the political-offense exception in its most classic form."

Doherty is still imprisoned in New York's Metropolitan Corrections Center, where he has been for the past two years. The British government, having failed to have him extradited, is now seeking his deportation, according to Doherty's attorneys.

Meanwhile Jim Barr, a 28-year-old Belfast native, is imprisoned in Pennsylvania, held 14 months on a charge of illegal entry into the United States. He has stood trial twice on that charge. The first trial ended in a hung jury, the second when the government dropped the charge against him. Barr is being held on an international extradition warrant from the British government, which seeks to incarcerate him for his alleged role in a 1981 attack on a British soldier in Belfast. Barr has never been convicted of a crime in this country.

And Liam Quinn, an American citizen, is sought by the British in connection with alleged IRA bombings in the United Kingdom. Quinn has been held in a California prison more than four years, despite the fact that a judge long ago ruled that his alleged offenses were political in nature and that he should be freed.

If the proposed revision to extradition treaty is ratified, Doherty, Barr, and Quinn will almost certainly be the first to suffer the consequences, since the treaty retroactively eliminates the political-offense exception.

But Professor Charles Rice of Notre Dame Law School, an expert on extradition law, says that those men are not the only ones who should worry about the treaty being ratified.

"The treaty is an affront to the rule of law," Rice said. "It is nothing more than an attempted end-run around judicial decisions which have long recognized the political nature of the conflict in Northern Ireland. If it is ratified, every ethnic and national group ought to be concerned."

Others worry about the ramifications of this revision, known as Document 99-8. Rep. Robert Torricelli, D-N.J., one of the earliest opponents of the treaty, told me:

"The United States has always had a special role in preserving the political rights of people who have had those rights denied them in their own countries. This treaty would give the State Department vastly expanded judicial powers, powers which rightfully belong to an independent judiciary. Our national interest does not benefit by being made subservient to the interests of the British government."

Torricelli joined 54 other House members who persuaded Sen. Richard Lugar, Foreign Relations Committee chairman, to permit a fuller public hearing on the treaty. A second hearing on the measure will be scheduled when Congress reconvenes next month. Opponents of the treaty will be permitted to give their views.

In response to thousands of impassioned letters and phone calls from members of the New Jersey Region of the Irish-American Unity Conference (IAUC), the Irish-American Fenian Society, and the Ancient Order of Hibernians, other members of the state's congressional delegation have also gone on record to demand a fuller hearing. (If the treaty is approved by the Foreign Relations Committee, it must then pass in the Senate by a two-thirds' majority.)

"The provisions of the treaty jeopardize all peoples fighting tyranny worldwide," says Dr. Robert Linnon of Livingston, regional director of IAUC. "It's vitally important that before Congress reconvenes, we make the American people aware that if this treaty is ratified, no political exile will ever be safe in America."

Bergen County Freeholder Director John Curran said that he'll introduce a resolution critical of the treaty at the freeholders' next meeting.

"America must continue to be a haven for those whose politics have placed them in danger in their native countries," Curran said. "Where else but in America can such people find protection and the freedom to speak out against oppression?"

Introducing the measure at the Aug. 1 session of the Foreign Relations Committee, the state Department's legal adviser, Abraham Sofaer, warned that the measure must be ratified because of the "increasing difficulty of combating international terrorism."

Sen. Claiborne Pell, D-R.I., among others, was incensed at the blanket condemnation of Irish nationalists implicit in the use of the word terrorism.

"Don't you ever forget, Mr. Sofaer," Pell cautioned, "that one country's terrorist is another country's freedom fighter."

Sofaer attempted to calm the Senators' fears by assuring them that "this treaty is aimed at violence, not at free speech."

Sen. Joseph Biden, D-Del., angrily disagreed with Sofaer's contention that if the political-offense exception were eliminated, Irish political exiles would receive a fair hearing and trial in British courts.

"If we ratify this treaty," Biden said, "we will be admitting that the justice system in Northern Ireland is fair—a notion I absolutely abhor."

Sofaer responded, "We would be doing well here if we had a system of justice that worked as well as the one over there does." The words brought an audible gasp from the crowded hearing room.

Sen. Christopher Dodd, D-Conn., also disagreed violently with Sofaer. "This treaty would violate the fundamental ideals under which this country was founded," Dodd said. He then asked Sofaer if he thought it fair that Irish nationalists may be imprisoned for life after a nonjury trial and solely on the basis of evidence given by admitted police informers.

"Absolutely fair," said Sofaer, evoking another gasp from the audience.

Several senators also expressed concern over the retroactivity provision of the proposal.

"Don't you realize that under this treaty Eamon de Valera," one of the fathers of Irish nationalism, who fled to America, "would have been extradited?" asked Senator Biden.

The senator could have added that if the proposed treaty were in effect during the Revolutionary War, George Washington would also have fit neatly into the government's characterization of a terrorist and would have been liable for extradition to Great Britain.

Other civil libertarians have found other points to abhor and fear in the proposed treaty. The Rev. Sean McManus, national chairman of the Washington-based Irish National Caucus, told me after the Senate hearing that he was deeply concerned that if the treaty is ratified, extradition decisions would be taken from the hands of judges and placed in the hands of State Department bureaucrats.

"The political-crimes defense to extradition has survived for more than a century," wrote Professor Christopher Pyle of Mount Holyoke College for testimony that he'll deliver before the Foreign Relations Committee next month.

Pyle, author of "Extradition, Political Crimes, and American Law," warns, "This treaty would not enhance the extradition of true terrorists" such as airplane hijackers, "who are already extraditable under the terms of the current U.S.-U.K. treaty. . . .

"When the United States finally did join the international extradition movement in the 1850's, we did so on the express condition that political offenders need not be surrendered. To assure that they would not be, we wrote the political-crimes defense into our treaties. Now comes an administration that wants to undo all the work of Jefferson, Marshall, and Webster—that does not respect the line they drew between foreign policy and laws and that wants to surrender persons for reasons of state."

During our nation's brief lifespan French revolutionaries and Irish Fenians, Afghan rebels and Vietnamese boat people, Nationalist Chinese, white Russians, PLO and Irgun members, anti-Castro Cubans and anti-Marcos Filipinos have all benefited from the visionary craftsmanship of the great architects who build the house of safety that became America.

Throughout our history our courts have assured that there shall always be room in that house for dissenters, exiles, and political outcasts. If this proposed revision is ratified, we will have shut and bolted the golden door forever.

MYOPIC ASSESSMENT OF POVERTY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. GARCIA. Mr. Speaker, poverty—especially in the ways it is measured has been a major concern to me. I strongly believe that poverty should be accurately measured so that we, the public policymakers, can make accurate decisions regarding programs to assist the American poor.

Recently, the Census Bureau published the latest statistics on poverty indicating that poverty rate has significantly declined. The Reagan administration has rushed to characterize it as another triumph. I do not question the fact that the poverty rate has declined, but I do question the administration's reaction.

I submit the following essay by Michael Harrington which was published in the New York Times on September 5, 1985. I feel that Mr. Harrington has accurately surmised the administration's over-reaction to the latest picture of poverty in America.

WILLFUL SHORTSIGHTEDNESS ON POVERTY

(By Michael Harrington)

The White House euphoria over the drop in the poverty rate to 14.4 percent in 1984 is deeply disturbing. In celebrating a statistical "triumph," President Reagan and his staff have obscured a larger injustice.

Any reduction in the number of the poor is, of course, a reason to rejoice. And that is true even though the event is hardly a surprise. Every expert predicted the 1984 decline in poverty because real economic growth of almost 6 percent in that year would inevitably help some people at the bottom of the latter.

But the Administration's simplistic and ideological response to the new numbers—they prove, in Mr. Reagan's view, the superiority of free enterprise—blindly ignores the fact that the poverty rate is now higher than it has been in any year since 1965, with the exception of 1982 and 1983. A one-year improvement, from 1983 to 1984, is said to vindicate our economic policies. But there is no comment on the fact that we have "advanced" to poverty levels we reached 20 years ago.

This willful shortsightedness is not new. In recent years, shoddy interpretations of statistics have regularly provided a basis for moral indifference and political complacency.

For instance, unemployment went from a recession high of almost 11 percent in 1982 to 7.3 percent in October 1984. In the 1984 election campaign, this trend was cited as a measure of the Administration's economic success, and one was constantly reminded of the millions of jobs generated by the recovery. Few remembered that John F. Kennedy targeted a 3 percent unemployment rate, or that the Republican Party was salvaged by the electorate in the Congressional elections of 1970 because joblessness had soared to 4.8 percent.

So eight and a half million people out of work—and millions driven from the labor market who are forced to take part-time jobs—are just a fact of social life these days. The most dynamic recovery in 30 years, as the President calls it, has an employment rate which, in the antediluvian age of a decade ago, would have been associated with a deep recession.

Another example. In 1981, the Congressional Budget Office tells us, the Reagan tax cuts increased the disposable income of households with over $80,000 a year by $8,930 and decreased that of households with less than $10,000 a year by $440. That reactionary governmental redistribution of income was partly the result of deductions that discriminated in favor of the rich and against the poor.

By law, the Treasury is required to itemize those deductions in a "tax expenditure budget." How does one deal with such scandalous numbers? The Administration simply redefined tax expenditures to make them go down on paper even as they went up in real life. America was turned into a fairer society by a crafty stroke of the pen.

And now there is the jubilation that there were only 33.7 million poor people in 1984—which is higher than the number of the poor in 1964, when President Johnson declared his war on poverty.

This new callousness, however, does not simply corrupt our values. It muddies our understanding as well. There is growing evidence that economic growth in the 80's is much less effective in eliminating poverty than it was in the 60's, that the reshaping of the occupational structure, the technological revolution, and the internationalization of the economy are creating an environment in which poverty is all the more tenacious.

And that is a threat, not simply to the poor but to all of us, an important fact that the current ignorant celebration utterly obscures.

REJECTION OF FOOTWEAR INDUSTRY IMPORT RELIEF ADDS TO U.S. TRADE CRISIS AND THREATENS AMERICAN JOBS

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. EDGAR. Mr. Speaker, in a disastrous move, President Reagan last week rejected the International Trade Commission's recommendation of import relief for the domestic footwear industry. This is another in a long set of decisions and inactions that have led to further industrial decline and job losses for thousands of American men and women. Without a U.S. trade policy, for the workers of this country on Labor Day, 1985, the trade crisis looms as the No. 1 threat to American jobs and industry.

Far more is at stake with the footwear case, however, than the fate of a single industry. Frankly, it challenges the credibility our entire system of trade law. Continuing passivity in the face of unfair trade practices threatens to seriously damage the industrial base of our Nation's economy and is of special concern to those of us in older industrial States, such as Pennsylvania.

There can be no long-term prosperity and stability if our basic industries are simply allowed to decline and erode. Right before our eyes we are seeing this happen in many industries: textiles, garments, steel * * * the list goes on. Even "high-tech" industries are now being affected. Rejecting the footwear industry's case, one that is clear and pressing, sends a message of indifference about the present staggering trade imbalance and is evidence of the administration's mismanagement of American resources in international trade.

The footwear industry's plight represents a classic case for import relief, the type of case our trade laws were designed to address. Foreign imports now account for over 75 percent of the domestic market. Thousands of jobs have been lost in the process. If action is not taken, the American footwear industry could be extinct by the end of the century. Not only will this result in the loss of many more jobs, but will eliminate domestic competition, a consequence which will ultimately hurt American consumers as well.

For Pennsylvania, this case is also especially important in its own right, since over 10,000 workers in 20 counties are employed in the industry. In fact, Pennsylvania ranks as the third largest footwear manufacturing State. Footwear plants in Allentown, Wilkes-Barre, Lancaster, Hanover, Johnstown, Greencastle, Akron, Auburn, and Danver were among the 105 American footwear operations shut down in 1984.

Under the normal procedures of U.S. trade law, management and labor of the American footwear industry have joined together in seeking relief under section 201 of the Trade Act in order to provide time for the industry to become more productive and competitive. The Federal International Trade Commission [ITC], an independent and bipartisan group of trade experts, unanimously ruled that imports are damaging the domestic footwear industry. The ITC also recommended, 4–1, a 5-year global quota to provide time for modernization. The President, who must act on the recommendations, rejected them.

Taking some sort of constructive action seems in my mind to be mandated by the trade crisis our Nation faces. It is a crisis that has unemployed or underemployed millions of working Americans and thrown the agricultural sector into its sharpest nosedive since the Great Depression. Another clue that a change of course is required comes from recent history. Before the Reagan administration took office, the trade deficit was not a major problem; since then it has increased fivefold to the point that in 1985, it is predicted to exceed a record $150 billion. In fact, most of the reasons are of this administration's own making.

A major cause of high real interest rates and the overvalued dollar is the staggering budget deficits. And the underlying reason for this effect should be no mystery to the Reagan administration. The quick-fix policies it pursued in 1981 and 1982 are now coming back to haunt us. While preaching the need to save money on domestic programs, the savings were merely applied to the military budget. And on top of this, the administration initiated the largest tax cut in American history—one that primarily benefited big business and the wealthy.

The revenue lost then has never been made up, and Government borrowing continues at a shocking rate just to pay the interest on the national debt. In fact, for the first time in this century, the United States is now a debtor Nation, just like Brazil, Argentina, and Mexico. The overvalued dollar, forced up by high real interest rates caused by excessive Government borrowing, raises the price of American goods in foreign markets making them artificially less competitive. Conversely, the price of imports are unnaturally lowered here, giving foreign goods a clear advantage.

Yet the Reagan administration refuses to act even when, as with the footwear section 201 case, import injury is clear and evident. This unwillingness to exercise the powers of the Presidency to ensure free and fair trade and the strange belief that there is no middle ground between absolute free trade and absolute protectionism are also largely responsible for the trade crisis we face today. Similarly, the administration has fallen down on the job in negotiating and enforcing international trade agreements. As a result of these failures, our Nation's main export right now is American jobs.

Mr. Speaker, no one will deny that there are complex reasons for our trade problem—including the budget deficits, high real interest rates, and an overvalued dollar—but only the Reagan administration contends that the solution is inaction. By not acting in the section 201 footwear case, the Reagan administration abandons the

remedies available under present trade law and sends a message to the rest of the world that the United States is unable to effectively compete in the international marketplace. It affirms what many have suspected: that the United States has no trade policy at all.

The bottom line is that this inaction is a case of trade mismanagement. I believe in managed trade—in a concerted strategy to improve competitiveness and in coordinated policies to address marketplace realities. As trade policy managers, we can promote, when possible, a fair worldwide economic system through the free market. But unlike policymakers, we must also realize that the success of such a system depends on the acceptance of free market principles by all or most of our trading partners.

So in managing trade, when unfair trade practices, subsidized industries, and the dumping of foreign products threaten American jobs and industry, we should not be afraid to protect ourselves through the limited application of carefully chosen restrictions in imports. And while managing trade sometimes involves addressing unfair trade practices in specific industries, I also support other initiatives such as:

(1) Modernizing our country's trade laws to better cope with the realities of the world marketplace;

(2) Restoring sense to Government spending policies and reducing the bloated value of the dollar abroad to make American goods more competitive;

(3) Aggressively negotiating new international agreements with other nations to include emerging services and technologies, and eliminating unfair trade barriers and practices to ensure trade that is both fair and free;

(4) Encouraging industrial modernization agreements that bring labor, management, and capital together to achieve greater productivity and competitiveness;

(5) Rebuilding our Nation's aging infrastructure—our highways, bridges, railroads, sewage systems and waterways—so we can move and produce goods more efficiently.

Following Labor Day, 1985, we must, as a Nation, realize that the trade imbalance is an issue that we can no longer ignore. Reagan's decision to reject the footwear industry import relief case is a step backward in the effort to formulate a rational trade policy. The United States has many more resources than the Reagan administration gives it credit for; we should not be afraid to use them. Mr. Speaker, Our Nation must adopt a concerted strategy of managed trade to get America moving again before industries and communities in Pennsylvania and throughout the Nation are further devastated and more jobs are lost.

A POETIC REMINDER OF AN EVENT WE DARE NOT FORGET, THE ANNIVERSARY OF THE DOWNING OF KAL 007

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. DORNAN of California. Mr. Speaker, a constituent has written a moving poetic reminder of the terrible day when the Soviet Union's leaders ordered their air force to destroy a civilian airliner with 167 men, women and children, including our good colleague, Mr. Larry McDonald of Georgia. Mr. Richard E. Franklin, the writer, and I had hoped to put this in the RECORD on September 1, originally, the actual anniversary of the Massacre at Sakhalin. Our calendar did not permit, since the House was not in session until the 4th of September.

It is important to remember events such as the shooting down of KAL 007 and the murder of Maj. Arthur D. Nicholson, Jr., in East Germany. While at opposite ends of the Soviet Empire, these two events together cannot fail to remind us of the nature of the Soviet regime. We must be vigilant. With thanks to Mr. Franklin, I am pleased to submit this for the CONGRESSIONAL RECORD.

MASSACRE AT SAKHALIN

(By Richard E. Franklin)

An SU-15 fighter plane, a Russian in control,
Was hunting down a jumbo jet, on a peaceful flight to Seoul.
The pilot had his orders from the Kremlin, and he knew
He must destroy the liner, with its passengers and crew.
What makes the Kremlin mind to fret, what causes it to kill
A peaceful group of voyagers who trespass o'er their hill?
For O the dreadful consequences of their ungodly sin,
Will forever live in infamy:
Remember Sakhalin!

The captain of the KAL, his passengers and crew,
(And some of them were children, and some were babies, too.)
Were unaware, and innocent of a misdirected course,
That would cause the Kremlin to direct
The use of deadly force.
What makes the Kremlin mind to fret, what causes it to kill
A peaceful group of voyagers who trespass o'er their hill?
For O the dreadful consequence of their ungodly sin
Will forever live in infamy
Remember Sakhalin

Down below, in the darkness, the Russian pilot flew,
Stalking the sleeping liner, awaiting his awful cue.
"Aim at the target," Moscow said, and the pilot aimed his sight,
To launch an 'Anad' missile, thundering into the night.
"Fire," came Moscow's dread command.
"Fired," came the heinous reply,
And they all died on that liner, and the free world questions, why?
For O the dreadful consequence of their ungodly sin
Will forever live in infamy:
Remember Sakhalin!

CONGRESSIONAL SALUTE TO THE FIREHOUSE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. MATSUI. Mr. Speaker, I would like to offer my sincerest congratulations to the Firehouse Restaurant in Sacramento on this elegant institution's silver anniversary.

Tradition sets the Firehouse apart and has made it one of northern California's best-known landmarks. Although parts of the building were renovated, the restaurant retains the charm and style of the late-19th century gold rush town, its horsedrawn engines protected. Many of the ornate original fixtures remain including the brass fire pole which can now be found in the main bar. The Firehouse is the perennial choice of individuals who wish to show out-of-town guests the finest that Sacramento has to offer in dining, and is often the host of national and world leaders who come to visit California's capitol.

Mr. Speaker, on behalf of the city of Sacramento and its citizens, I commend the proprietors, Catherine Cope MacMillan and Donna Cope, for their meticulous supervision of cuisine and service excellence. I also wish them a happy anniversary and thank them for allowing us to retain such a beautiful institution.

GIAMPAOLI FAMILY STILL PACKING AFTER 55 YEARS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. COELHO. Mr. Speaker, recently an article was featured in the Merced Sun-Star which highlighted the achievements of some very good friends of mine, the Giampaoli family of Le Grand, CA.

In the early 1930's, Marino Giampaoli and Carlo Giampaoli came to the United States from Italy. With the help of the Marchini family, they soon founded Live Oak Farms and began to specialize in growing tomatoes. Since that time the farm has grown to the large family operation that is so well known in the area today, packing over 12 million pounds of tomatoes a year, and farming more than 2,000 acres of tomatoes, almonds, wheat, bell peppers, cotton, and corn.

The story of the Giampaoli family is significant because it represents the realization of the American dream—an immigrant family coming to this country and building

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a successful farming operation from the ground up with much hard work. I would like to extend my congratulations to Ray and Maria Giampaoli, and all the rest of the Giampaoli family, for their success with Live Oak Farms. In recognition of their hard work, I am reprinting the article on their achievements from the Merced Sun-Star below:

GIAMPAOLI FAMILY STILL PACKING AFTER 55 YEARS

(By Dan Campbell)

LE GRAND.—Enter the doors of Live Oak Farms tomato packing shed, and you won't walk far before you meet a Giampaoli.

Three generations of Giampaolis work in the packing house and on the 2,000 acres of diversified crops the family farms around Le Grand, keeping alive a family tradition that dates back to the early 1930s.

The Giampaoli family name has been synonymous with fresh market tomatoes in Merced County for more than 55 years, when four Italian immigrants with small amounts of tomato acreage joined forces to start Live Oak Farms—so named because of a prominant old oak tree that stood in the midst of one of their tomato fields outside Le Grand.

The company was started by Marino Giampaoli, his uncle, Carlo Giampaoli, and Decimo and Florindo Marchini.

At that time tomato farming in the Merced area was done on a small scale, the average farmer working only five or six acres of tomatoes grown up verticle poles—a technique that produced high yields but was much more expensive and labor intensive.

When the Giampalois and Marchinis united, they created one of the first farms in the county with extensive acres of fresh tomatoes.

In the 1940s the labor requirements of pole-grown tomatoes prompted Live Oak to switch to tomatoes planted in rows on the ground.

Fresh tomato planting increased, and packing sheds proliferated around Merced as the industry expanded into the 1950s and 1960s.

As recently as 10 years ago, Live Oak Farms was in competition with seven other packers in eastern Merced County.

Today, there are only two others: Bianchi and Sons Packing Co., the biggest packer in the county with a modern facility on West Olive Avenue, and Central California Tomato Growers on West 15th Street, which is a growers' cooperative.

"We pack as many tomatoes as ever in Merced County—the remaining sheds just pack more," said Ray Giampaoli, one of Marino's sons, who today runs the packing shed.

Part of the reason for the demise of some of the packing sheds around Merced was lack of interest in farming among the younger generation.

That's what happened to the Merced Tomato Growers Cooperative, according to Steve Carignani, who was the sales manager of the cooperative for 29 years before it closed its doors.

At one time the cooperative had 25 grower members and more than 2,000 acres of fresh tomatoes.

"But the growers got old and the sons didn't want to keep farming," Carignani recalled.

That doesn't appear to be a danger at Live Oak Farms.

Not only are the three sons of Marinio Giampaoli still running the operation, there are also eight of his grandchildren, nephews and nieces working on the farm and in the shed this summer.

Marino's three sons—Raymond, Elmo and Dario—bought out the Marchini's share of Live Oak Farms in 1981, although the Marchinis remain a prominent Le Grand farm family with almonds, tomatoes and other crops.

In addition to the packing shed, the three Giampaoli brothers and their uncle—Aldo Giampaoli—farm 2,000 acres of almonds, wheat, canning tomatoes, bell peppers cotton, corn and 350 acres of fresh tomatoes.

Like the other tomato packers, Live Oak Farms picks and packs "green mature tomatoes," meaning fully grown but not yet ripened tomatoes. After packing, the tomatoes are "degreened" in special chambers so they are at just the right stage of ripeness when they reach market all across North America. Live Oak tomatoes are also shipped across the Pacific Ocean as far away as Hong Kong.

While Ray runs the packing shed, Dario oversees crop production, Elmo takes care of the almond orchards and office, and Aldo is in charge of irrigation.

Ray and Maria Giampaoli's son, Bob—a recent graduate of Fresno State University—is field foreman of the farming operation, daugther Donna is office assistant and a student at Fresno State. Another daughter, Sandra, is a tally girl in the packing shed and attends Merced College.

Dario and Josephine Giampaoli's daughter Debbie is a tally girl and attends Merced College, while daughter Kathy, a Le Grand High School student, is working on the assembly line as a tomato sorter. Son Gary is driving a tractor and is a Le Grand Junior High School student.

Aldo and Gilda Giampaoli's son Richard does farm equipment service and operation, and his daughter, Julie, is a tomato weigher and attends Fresno State.

Naturally, not all the children have yet decided on careers, but Ray said it appears there is enough interest among them in farming to ensure there will be a Giampaoli at the helm of Live Oak Farms well into the future.

With all those family members working for the company, do the parents tend to cut the children a little extra slack when it comes to getting a job done? Not at all Raymond said. "I think we tend to expect even more from family members."

All of the children have had to work their way up through the ranks to get the positions they hold now.

None of the wives work in the farming or packing operation any more, but they still keep active. Maria, for instance, is active in the California Women for Agriculture.

The fresh tomato market has been glutted this summer, and will prompt the shed to shut down a few weeks earlier than usual, Ray said.

The market is down for the simple reason that "there are too many tomatoes being grown for the demand," Ray said.

But cutting down planted acres won't necessarily solve the problem, according to Ted Batkin, manager of the Fresh Market Tomato Advisory Board—on which Ray has held a seat for the least 10 years.

When prices are high in the United States—around $6 to $7 a box—Mexican farmers in Baja California "open up the flood valve" and begin pouring tomatoes across the border until the price drops again, Batkin said. Then they go back to shipping their fruit to Mexico City.

With prices closer to $4 to $5 a box this year, there has been much import competition from Mexico.

A WORKABLE PLAN TO SAVE MONEY IN VETERANS' HEALTH CARE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. FLORIO. Mr. Speaker, it was with great interest that I read the following letter in the Washington Post last week. The distinguished chairman of the House Veterans' Affairs Committee, Hon. G.V. "SONNY" MONTGOMERY, has outlined a fair and workable proposal to counter the proposed "means test" for veterans' health care.

Mr. Speaker, as a member of the Veterans' Affairs Committee, I am very interested in assuring quality health care for the 28 million veterans of this Nation. To arbitrarily impose a "means test," as a method of determining who is eligible for medical care and who is not, is unfair, unworkable and possibly, in the long run, too expensive. I think that Chairman MONTGOMERY's idea is a fair and efficient response to the need to cut costs and remain faithful to those who have sacrificed so much for their Nation. It is my hope that my colleagues on the Veterans' Affairs Committee will support this plan when the chairman unveils it formally. I think that it is a significant improvement over the other health care proposals we have heard and I strongly support it. I urge my colleagues to do likewise.

The letter follows:

"A MEANS TEST FOR VETERANS"

(By G.V. (Sonny) Montgomery)

I read with great interest The Post's concise and factual editorial of Aug. 22 entitled "A Means Test for Veterans," and am in general agreement. However, its conclusion that "there is no reason to maintain a separtate and costly health service" for veterans with nonservice-connected disabilities or "who are not poor" is, in my opinion, incorrect.

Costly? Quite the contrary, there is evidence that Veterans Administration health care is less expensive than that provided by the private sector.

Many veterans would be left out in the cold if we were to implement a broad eligibility restriction excluding all who are not poor from receiving VA health care. Too often, we overlook the middle-income or just-over-the-poverty-level individual.

Take, for example, the veteran of World War II who served in theater for four years and earned four battle stars (and there are many); he might have later served in Korea. During this time, he incurred no service-related disabilities. He is now 60 years old, he needs medical attention, he might have never before requested VA health care, he is just above the poverty level, he cannot afford private health insurance and is unable to defray medical expenses. I believe the federal government owes this veteran health-care assistance. He earned it. The VA

must never be required to turn away any veteran who cannot afford needed care.

We have a mandate—a fair mandate, we believe—to come up with VA health care cost savings of $1.2 billion in the next three years. Given the options of cutting present programs or employing alternative methods to raise revenue, the answer is obvious.

First, instead of a base income level of $15,000, as contained in the administration's proposed means test for health care eligibility, it should be raised to $25,000 and automatically adjusted to the consumer price index. No veteran up to this level of income would be required to show his inability to pay for health care.

Under my proposal, any veteran who is above the income level could, on a space-available basis, be admitted to the hospital provided the veteran agreed to make a medical copayment similar to that required by Medicare (estimated to be about $476 in FY '86). Unlike the administration proposal, which only shifts costs to other programs, no veteran would be locked out of the system.

Revenue would be generated by requiring insurance companies that collect premiums from thousands of insured veterans who use VA facilities to pay for their care in those facilities. Insurance company contracts now contain clauses that prohibit such payments.

I believe this plan is fair, would be easy to administer, and would not jerk the rug out from under a veteran who desperately needs health care. While achieving the savings required by the budget, we can actually enhance the veterans' health care program.

LOWENSTEIN CONTRIBUTIONS NOT REFLECTED IN RECENT BOOK

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. FRANK. Mr. Speaker, one of the most creative and able people ever to serve in this body was the late Al Lowenstein. I have the honor today of serving as president of Americans for Democratic Action, a position he once held, and we in ADA are very proud to be able to talk about Al Lowenstein as one of ADA's leaders.

Earlier this year a preposterous book was written impuning Al Lowenstein's memory in an extraordinary inept and unsubstantiated fashion. A current member of ADA, Denis Wadley of Minnesota, reviewed this nasty diatribe in a article published in the Minneapolis Tribune on July 21. Mr. Wadley does a superb job in his review of rebutting the book's unfair accusations and also in describing the extremely creative role that Al Lowenstein played as a liberal in the United States.

The review follows:

AUTHOR LACKS EVIDENCE THAT LOWENSTEIN WAS CIA AGENT

(Reviewed by Denis Wadley)

Coming from the right, critics of liberals love to portray them as wimpy, gullible idealists with too much faith in platitudes. Coming from the left, critics will carp at liberals' alleged collaboration with the wicked establishment that is the cause of the problems liberals say they want to solve.

Conservative criticisms are easy to deflect, and indeed most people familiar with politics can recite the arguments on both sides. The judgments of the further left require distinctions that liberals themselves have been often reluctant to provide: Where does liberalism end and some hard-left ideology begin? When are liberals being helpful and when are they just shooting the wounded?

The ideological left will usually have little patience with good liberals because good liberals are meliorists: They usually succeed in pushing reform just far enough to take the edge off radical pleadings that the system is too corrupt to improve, and so should be junked—often for some amorphous egalitarianism that will take repression to impose.

For this the left will not forgive liberals, because liberals, only they seem to know, are the far left's worst enemies.

This seems to be why Richard Cummings doesn't seem to like Allard Lowenstein.

Cummings, published here by Grove Press, which often publishes radical books, alleges that Lowenstein, whose wide range of political involvements led him through Southern Africa, the civil rights crusades, and the Vietnam antiwar movement, each with some distinction, was all this time secretly an agent of the Central Intelligence Agency (CIA).

That's right. I spoof you not.

The problem is, Cummings offers not a shred of proof anywhere in the book. Nothing. Zero. But he asserts his charge at least 200 times, each time in varyingly vague circumstantial connections which, he avers, form a clear pattern.

It is the standard attitude of one convinced before he sifts the evidence: even the *lack* of evidence becomes proof for him. After all, Lowenstein, being a secret agent, wouldn't go around telling everyone, would he? Of course he will deny it; isn't that to be expected?

Lowenstein irritated the hell out of many who couldn't understand his peculiar attraction for young, idealistic people able and willing to devote time and effort to making society better. He could catch people at their selfless best, weld them together in dynamic groups at the cutting edge of reform, and—the one unforgiveable thing for the hard left—actually accomplish something.

Lowenstein headed the "Dump Johnson" movement, which managed to dislodge Lyndon Johnson from the presidency in 1968 by sponsoring the campaign of Eugene McCathy; he spearheaded the liberal alternative to the extremist element in the civil rights movement in the South during the early 1960s; he served three productive terms as national president of Americans for Democratic Action (ADA) (which, though frequently mentioned in Cummings' book, nowhere appears in his rather spotty index); and he produced a remarkably well-written book on racism in South West Africa (now Namibia), called "Brutal Mandate" (1959)—still a fine, relevant treatise.

Had he passed his days giving fine speeches and getting groups to adopt manifestos, he would have been smiled at and forgotten by history, and the hard left would have no reason to complain. Lowenstein actually registered black voters—many of them, and well before the 1965 voting rights law provided federal support. He actually led demonstrations and kept them non-violent, so their credibility wasn't impaired. (Who would ever think the American people would take seriously an antiwar rally—a rally against violence—which degenerated into stonethrowing and fights? Much of what little brutally there was in these marches and demonstrations came from overzealous policemen, not participants. Non-violence showed that the system could solve a problem; violence only fed the radical notion that the system was rotten beyond recall.)

Cummings is in many ways sympathetic to his subject, relating honestly and with great thoroughness Lowenstein's frequent races for Congress (only one successful), his remarkable oratorical skills and the influence of his find book. But a much better and fairer overview of the period and its people would be Allen J. Matusov's "The Unraveling of America: A History of Liberalism in the 1960s" (Harper & Row, $22.95).

In his search for a rationale, Cummings goes for the "good wing" theory—the idea that the CIA has an element that believes in combatting Communism, both in domestic movements and in other nations, not by siding with the military fascist, but with the democratic left. He cities no evidence that such a "wing" was ever influential; and each and every person Cummings connects with Lowenstein's alleged CIA affiliation has denied under oath that any such thing whatever existed.

Not that such arrangements haven't happened. Lowenstein was in the early 1950s president of the National Student Association (NSA), which was exposed in 1967 as having had quite intimate CIA "good wing" ties; but even Cummings acknowledges that this connection began well after Lowenstein's time. Still, the author touches sensitive nerves: Those of us who attended NSA congresses in the 1960s (I went to five) recall the disillusionment of discovering how some idealistic "liberals" we had all looked up to were "initiated" into CIA programs, and this Cummings covers in full and accurate detail.

But assertions about Lowenstein are not proof, however clever an "angle" they give Cummings and Grove Press for this book. Colleagues and friends of Lowenstein ranging in politics from William Sloane Coffin and Joseph Rauh rightward to William F. Buckley Jr.—plus congressional and FBI documents obtained under the Freedom of Information Act—brush off the whole thing as nonsense.

This is not the only book that has recently come to a reviewer accompanied by a multi-sectioned legal brief refuting specifics in a biography; nor, with the more and more relaxed libel and slander standards, especially for the dead, is it likely to be the last.

Much is valuable in this book, and for those who knew or admired Lowenstein, new and interesting information is provided; however, in view of the irresponsibility of the author about his CIA theses, one wonders how speculative some of the rest of the book may be. To some extent, one can judge by the internal documentation; indeed, it is the stark contrast between Cummings' solid research in just about every other area and the complete vagueness and insubstantiality of his CIA allegations that further condemns this jag of his.

Those of us who worked with Lowenstein in these cases—and I admit a bias here—will say, along with Buckley and others, that CIA machinations were utterly out of character for him. It would amount to total hypocrisy for him to spend a 20-year public life defending openness in government and, indeed, opening up much of government previously closed, and then be a secret agent. But some of us have been disillusioned before.

The difference here is proof. In previous cases where such connections have been exposed, the proof has been clear, and the participants have even admitted it. There is no proof with Lowenstein, and that means that any sense of fairness at all will dismiss the charge out of hand. Those who are so cynical that they believe no one is pure—like Cummings, it seems—are free to fantasize; we have a free press. But please permit the rest of us to be willing to believe that on some occasions, such as this one, an honest-to-God idealist manages to preserve his integrity, and be even in death an inspiration to a much more demanding generation growing up now.

ADMINISTRATION'S CHEMICAL WEAPONS POLICY

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. EDGAR. Mr. Speaker, Sunday's New York Times included a strong denunciation of the administration's chemical weapons policy from the former head of the Army's chemical warfare activities. Saul Hormats, writing in a letter to the editor, argued that "the real casualties in a poison-gas war are defenseless civilians." He states that:

> There are good medical reasons for believing that nerve gas sufficient to kill a small percentage of adults would kill a large percentage of children and a very much larger percentage of infants. We run the risk by promoting the use of such weapons of killing an entire generation of Europe.

This parallels an argument I made during the House debate on chemical weapons on June 19, when I said:

> In the commonly described scenario of chemical war in Europe, densely populated civilian areas downwind from the chemical attack would be devastated by airborne chemical agents . . . Navy officials admitted that up to 12 million civilians would be killed in only 24 hours of a chemical war. Military casualties would be negligible in comparison.

Mr. Speaker, later this month the House is expected to vote on the conference report on the defense bill, including a separate vote on chemical weapons. I wish to bring my colleagues' attention to the fact that when the House first considered the defense authorization, it authorized nerve gas production with two significant conditions: First, no production of nerve gas for 2 years to allow an opportunity for chemical weapons limitation negotiations to succeed; and second, even after 2 years, no production of nerve gas without formal approval from NATO.

The conferees gutted even these limited protections by changing the 2-year delay to a bar only on final assembly of chemical weapons, which has been described by "a restriction that really does not restrict." The conferees also watered down the requirement for formal NATO approval to mere consultations with NATO members.

The conferees have ignored the will of the House in dropping the strict conditions on the resumed production of nerve gas. Moreover, they have ignored the clear concern of our allies, the Europeans, about civilian casualties.

I urge my colleagues to oppose the weakened chemical weapons provisions and commend to their attention the Hormats letter, which follows:

WE RISK KILLING AN ENTIRE GENERATION OF EUROPE

To the Editor: Kenneth L. Adelman, director of the Arms Control and Disarmament Agency, provides a vivid description of the horrors of poison gas during World War I (Op-Ed, Aug. 19), but he fails to say that the attack he describes very likely occurred early on when neither side was experienced in this new kind of war or had adequate gas masks. As chemical warfare continued, as adequate masks became available and as troops became accustomed to this new weapon, gas casualties decreased markedly. Later in the war, from 20 percent to 50 percent of all shells and bombs were gas, yet of the 26.5 million total only 1.25 million were gas casualties.

The vast stores of chemical munitions we and the British had during World War II were unused, not for humanitarian reasons, but because they would not have helped win the war. It was the finding of a group of experts, civilian and military, from Britain, Canada and the United States, assembled at the request of President Roosevelt and Prime Minister Churchill, that introducing chemical warfare would not change the outcome of battle but only prolong it, increasing casualties to no military purpose. From discussions shortly after Berlin fell, with such of my opposite numbers as had not yet gone into hiding, I learned Germany's reason for restraint was the same.

Since World War II, there has been a five- to tenfold increase in U.S. and Soviet antipersonnel weaponry effectiveness as compared with a very modest increase, if any, in chemical warfare. One side's dilution of its air and artillery capability by substituting chemical weapons for, say, 10 percent of its conventional munitions would give the other side a very substantial advantage indeed.

When President Nixon stopped U.S. production of chemical munitions in 1969 he sent a clear signal to the Russians that were they to initiate chemical warfare, our response would not be in kind but would be an effective one. He had no need to spell this out. I'm sure the Russians have done the same arithmetic and reached the same conclusions. Despite Mr. Adelman's protestations, we have absolutely no basis for believing Moscow has taken advantage of our current posture and continued production of chemical munitions. This is to my own past knowledge, supported by more recent General Accounting Office findings.

The real casualties in a poison-gas war are defenseless civilians. We have not good World War I civilian-casualty statistics, but the number of poison-gas deaths must have been high. Recent calculations show that a chemical war in Europe today would likely result in the killing of millions of civilians friendly to the U.S.

There are good medical reasons for believing that nerve gas sufficient to kill a small percentage of adults would kill a large percentage of children and a very much larger percentage of infants. We run the risk by promoting the use of such weapons of killing an entire generation of Europe. Neither Mr. Adelman nor anyone else in the Administration has ever denied or rebutted this.

This concern was discussed in a Senate hearing on May 5, 1982, and was the basis for extended House debate and the overwhelming defeat of President Reagan's request for binary production funds on July 22, 1982.

From my discussions with European journalists and concerned citizens, the peoples of Europe are very much aware of the significance of what the Administration is proposing. For reasons we seem not to appreciate, Europeans are more concerned with preserving the lives of their children, their babies, than supporting a U.S. anti-Soviet ideology.

"We are planning," Representative Millicent H. Fenwick said during the House debate, "for something disgusting, something beneath the dignity of this nation, chemical weapons. We know that they may be put into the air, we may be able to protect our soldiers with their wonderful equipment, but how do we protect the poor innocent civilians miles away when the gas is carried on the wind? There is no way of stopping it.

"You cannot say you are using a legitimate weapon against other soldiers. You are not. You are using something against the public, the children in schools, people in hospitals, people walking the streets. These are the people who are going to suffer from these weapons."

SAUL HORMATS.

JIM FRELK ON CUTTING DEFENSE WASTE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. COURTER. Mr. Speaker, I want to bring to my colleagues' attention an excellent article by Jim Frelk, a defense analyst with the Republican Study Committee. He focuses on the "three culprits" of defense waste: Mismanagement by Congress due to political motivations, a lack of incentives within the Department of Defense, and corruption at the DOD and in defense industry. I commend it to all my colleagues who are interested in slashing waste at the Pentagon. Below is the full article:

[From the Washington Times, Sept. 4, 1985]

CURING DEFENSE WASTE WOES

(By James Frelk)

There is waste in the Department of Defense—lots of it. There are also constructive ways of eliminating it without jeopardizing national security.

Three culprits are responsible for most of the waste in defense:

1. Politically motivated mismanagement by Congress.
2. Lack of incentives within the DOD to reduce waste.
3. Corruption within the DOD and among defense contractors.

While contractor corruption has received the lion's share of media attention, it is, in fact, only a small part of overall defense waste.

Procurement reforms that help the DOD fulfill our national security goals with efficiency are the best avenue for real savings.

Some of the needed reforms would require that Congress first make some changes in its operation. Because of the politically motivated way its legislative system is structured, Congress is responsible for a great deal of defense waste.

If a DOD test fails after Congress has appropriated the money, the program manager's choices are either to waste the money or to ask Congress to reprogram it for an area needing more funds. The latter is obviously the best choice. But to reprogram the money, consent of both the authorization and appropriations committees of both House and Senate is required, and these committees discourage large dollar reprogramming requests.

Streamlining the process so that only approval by the appropriations committees would be needed to approve reprogramming, and allowing larger reprogramming requests, might provide the necessary incentives to eliminate waste caused by program failures.

Congress' annual defense budget also wastes money by limiting the Defense Department's ability to take advantage of the "most economical buy" principle in purchasing its equipment. Inability to buy the right amount at the right time (taking advantage of economies of scale) causes higher per-weapon costs. When Congress can't discipline itself to stick to multiyear acquisition plans, money is wasted. Virtually no well-run private corporation ignores economy of scale in its purchasing practices.

Congress, therefore, should move toward a two-year budget cycle for defense, creating greater savings through a more rational, more efficient, and better planned system of purchasing.

Defense contractors long have been protected from financial losses from cost overruns or other production problems. They have negotiated contracts that forced Defense to pay up to 80 percent of cost overruns while absorbing only 20 percent themselves. Those ratios have changed somewhat, but a 2 percent profit has always been guaranteed, leaving contractors with little incentive to reduce cost overruns. Congress should support all new efforts to stop this gravy train by forcing contractors to assume a greater share of the risks.

None of this is meant to suggest that the DOD is without blame. The Defense Department bureaucracy produces its own disincentives to procurement efficiency:

"Goldplating" is a slang term that describes the manufacture of unnecessarily elaborate weapons or equipment. Defense Department coffee pots, for instance, have been designed to survive airplane crashes that would destroy the aircraft they were in. But most of the waste in goldplating doesn't occur in a weapon's initial design and production. It occurs when mistakes aren't corrected as the weapon moves into increased production.

What's needed are incentives for field commanders to suggest changes that improve the equipment their troops are using. Suggestions that save money or improve equipment could be recorded on a commander's performance report, influencing future promotion decisions.

The military has a dearth of qualified acquisition officers. That's because, under the current system, it's almost impossible for an experienced acquisition officer to be promoted to flag rank. Making such promotions available would be one step in the right direction.

Similarly, largely due to low pay, 75 percent of Defense Contract Audit Agency auditors aren't certified public accountants. (In California alone, 50 percent of DCAA's auditors will have to be replaced this year.) Most good auditors are quickly hired away by auditing firms.

DCAA could improve its auditing force by increasing entry-level pay and developing other incentive programs. It should go after quality, not quantity, in hiring and retaining experienced procurement "police officers."

The fact is that President Reagan has done more than his predecessors to improve defense procurement. Most of the horror stories about the $600 toilet seat or the $300 hammer were uncovered through the Reagan administration's efforts. Instead of using procurement reform as a political football—and as justification for gutting the defense budget—Congress should work with the president and the DOD to create incentives to strike at the heart of waste.

AMTRAK FUNDING

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. RICHARDSON. Mr. Speaker, during the authorization and appropriation bill dealing with Amtrak, I will be offering the following two amendments which would put the Amtrak funding levels in line with the budget conference agreement adopted prior to the August adjournment.

I am a strong supporter of Amtrak, but we must be fiscally responsible. These reductions will not affect Amtrak's operations nor any existing routes.

AMENDMENT TO H.R. 2266, AS REPORTED OFFERED BY MR. RICHARDSON OF NEW MEXICO

Page 2, line 10, strike out "$616,000,000" and insert in lieu thereof "$581,400,000".

AMENDMENT TO H.R. 3244, AS REPORTED OFFERED BY MR. RICHARDSON OF NEW MEXICO

Page 24, line 11, strike out "$616,000,000" and insert in lieu thereof "$581,400,000".

THE FIRST SOVIET ACTIVE MEASURE IS IN USE OF LANGUAGE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. DORNAN of California. Mr. Speaker, many of us in the Congress have known Dr. Charles T. Baroch for many years now. He has written and commented on Soviet affairs for decades, and has been a victim of the cold war and a student of it. Almost 10 years ago Dr. Baroch wrote in the Strategic Review, analyzing the report by then General Secretary of the CPSU, Leonid Brezhnev to the 25th Congress of the Soviet Communist Party. He makes the point that the Soviets very carefully appropriate the language of freedom and give it quite a different meaning. Those who measure Soviet words against Soviet deeds quite logically recognize contradictions. How the Western observer attempts to resolve those contradictions is a serious issue. This short analysis by Dr. Baroch may help readers to sort out some of these questions. It should also remind the reader that we are not talking about a "state like any other," to use Dr. Baroch's words in another context, thus not a mirror image of this country.

I am pleased to call this brief article to the attention of my colleagues:

THE BREZHNEV REPORT: THE MEANING OF WORDS

IN BRIEF

In reporting to the 25th CPSU Congress, Brezhnev states that detente does not abolish the laws of the class struggle. He sees detente as a way to create the more favorable conditions for communism. Only after society's revolutionary transformation into communism can man's goals of freedom, progress and peace be achieved.

There is no doubt that the speech of CPSU Secretary General Brezhnev at the recent Party Congress is a very important document. Carefully prepared by the best speechwriters of the Party apparatus and checked for Marxist-Leninist orthodoxy by the top Party ideologues, it is not only a review of Soviet performance of the past five years but a prognosis of things to come in the foreseeable future.

The noncommunist world, obviously more interested in the speech's foreign policy section, will produce innumerable analyses in an effort to detect the hidden meaning of some important passages. Is the relaxation of international tensions a transient phenomenon or is it to become a more durable aspect of international relations? As usual in such reports, Brezhnev supports both interpretations. Contradictions are predictable in Marxist-Leninist documents for two reasons: they are meant to convey a message to those in tune with dialectical terminology—the Communists—and to "disinform" those outside this exclusive club—something they do with considerable success, judging from past performances.

In its editorial of February 26 the *New York Times* took rather a dim view of Brezhnev's sonorous declarations in favor of detente, disarmament, increased Soviet-American cooperation and trade, etc. The *Times* sees a contradiction, and rightly so, between those declarations and Brezhnev's statement that "detente" does not in the slightest abolish the laws of class struggle."[1] From this the editorial concludes: "Inevitably, therefore, many Americans will see detente as merely a convenient setting for the Soviet Union and its allies to apply 'salami tactics' to destroy the noncommunist world, nation by nation."[2]

By contrast, one of the paper's leading columnists took a much more optimistic view of the Brezhnev report. Commenting on criticism made by certain presidential candidates of "Washington," i.e., U.S. foreign policy, he claims that on the whole the executive and legislative branches of government are pursuing a bipartisan foreign policy which is "on a steady course," maintaining in support of this argument that:

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[1] Quoted in "The Brezhnev Report," *New York Times*, February 26, 1976, but omitted in excerpts prepared by TASS for the foreign press.

[2] Ibid.

"If Leonid Brezhnev, presiding over the 25th Congress of the Soviet Communist Party in Moscow, really thought the United States was as divided and its Administration as weak and misguided as Messrs. Reagan, Wallace and Carter suggest, presumably he would be taking a very hard cold-war line against the United States, but instead he defended the policy of coexistence." [3]

To prove his point, he quotes Brezhnev as saying: "We make no secret of the fact that we see detente as the way to create more favorable conditions for peaceful socialist and Communist construction." [4]

The question naturally arises as to what has led to so diametrically opposed an evaluation of the Brezhnev address in the same newspaper and, especially, what prompted the columnist to reach so optimistic an interpretation of it.

First, the address, which was carried live on Moscow's TV network, should be placed in proper perspective. In theory its purpose was to inform the CPSU Congress about Party achievements in foreign and domestic policy. The foreign policy review, in fact, contains material repeated over and over for years by top Party officials and represents obligatory reading for all Party members. It was prepared by the Central Committee International Affairs Department with the goal of influencing foreign audiences, chiefly to create the impression outside the USSR of the Soviet constant preoccupation with and concern for international peace, social progress, and individual freedom all over the world. This is its keynote, the message when the Communists expect noncommunist communications media to spread everywhere—sweet-sounding words, which mankind, tired of threatening wars, atomic holocaust, worldwide famine, etc., will avidly absorb.

As for a certain discrepancy between Soviet words and deeds, the *New York Times* columnist admits its exists, most recently in Angola. Like many others, however, he does not make an effort to locate the roots of this discrepancy, and thus he misreads Brezhnev's speech.

It is always advisable to look for the specific meaning which the Soviet leaders attach to conventional terminology. We tend to accept their vocabulary at its face value and disregard the semantic mutation brought to it by the Marxist-Leninist world view, often to the detriment of our interest.

A successful grasp of Soviet terminology must go behind, so to speak, external forms to search out each term's inner meaning. To do this we must turn, invariably, for the most reliable guidance to top-level Marxist-Leninist ideologists, whose definitions are found in Soviet glossaries and encyclopedias as well as university textbooks.

"Social progress," for example, often mentioned in Brezhnev's report has a dual meaning, as the following brief excerpts from the *Philosophical Encyclopedia* indicate:

"Ascending, gradual development of human society from lower to higher levels and forms. . . . In the contemporary epoch the general trend of social progress is transition to socialism on a worldwide scale. . . . Communist progress differs qualitatively from the progress of an antagonistic society. . . . The progressive nature of socialism and communism in history can be proven not only theoretically but also from practical results of the successful development of the world socialist system and of the transition of new countries and peoples to the socialist path.[5]

Another favorite which Brezhnev exploits in his address is the theme of freedom. It is also extensively treated in a *Philosophical Encyclopedia* entry, the main thrust of which is clear from the following excerpts:

"Freedom is necessity perceived by man and his actions corresponding to his perception, possibility and ability to select his actions. . . . Freedom in its dialectical-materialist understanding plays a great role in the progressive development of society. . . . Objective conditions of genuine freedom are realized as a result of the elimination of antagonistic relations between persons caused by private ownership. . . . The socialist revolution initiates the process of liberation of people in all spheres of social life. . . . The road to freedom leads through the dictatorship of the proletariat. Communism is identical with the arrival of genuine freedom.[6]

Of the three concepts in the report, the most frequently dangled is peace. In its entry "peace," the *Philosophical Encyclopedia* begins familiarly enough: "International relations between peoples and states, excluding use of violent means in implementing policy; absence of war between peoples and states."

It continues with numerous qualifications, however: "Communists, in contrast to bourgeois pacifists, consider the problem of peace within a concrete-historical framework, in connection with given political conditions and the basic interests of the working class and popular masses. They show how to consolidate peace in given conditions, how to struggle against a specific war threat and for a just, democratic and durable peace. . . . During the epoch of imperialism's unlimited sway the democratic peace could not be realized without revolutionary struggle of the masses and the overthrow of imperialist governments. . . . The victory of the October Revolution brought about a turn in world politics from the imperialist peace and wars generated by it to a solid democratic peace which lays the foundation for war's complete elimination. . . . With the victory of socialism in all countries the social and national causes of war will be eliminated once and for all." [7]

Thus, freedom, progress and peace—ideals cherished by men since antiquity—are intrinsically alien to bourgeois-capitalist society and can be achieved only after that society's revolutionary transformation into a socialist and ultimately communist society under scientific management by the Marxist-Leninist parties. This is the message to the world from the 25th CPSU Congress.

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[3] See James Reston, "The Mood of Washington," *New York Times*, February 27, 1976.

[4] Ibid. Mr. Reston's comment on this is "In other words, what is best for his own country and system."

[5] "Progress, social," *Filosofskaya Entsiklopediya*, Vol. 4, 1967, pp. 381-383.

[6] "Freedom," *Filosofskaya Entsiklopediya*, Vol. 4, 1967; pp. 559-563.

[7] "Peace," *Filosofskaya Entisklopediya*, Vol. 3, 1964, pp. 448-452.

VETERAN RECEIVES POETRY AWARDS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. YOUNG of Alaska. Mr. Speaker, I would like to bring to the attention of my colleagues, two poems that tell the story of a war troubled mind. These two poems were written by Mr. W.T. Reeves who is a Korean war veteran who resides in Fairbanks, AK. A very high priority of mine is veterans affairs and I think you will agree that the awards that Mr. Reeves has won for his poetry are well deserved.

EXCAVATION

(By W.T. Reeves, Nov. 7, 1983)

Today they started digging,
in a sacred ground.
They're looking for the pieces,
that others never found.
No Green Peace or Sierra Club
anywhere to be found.
No environmentalists to watch the dig,
or enforce the reclaiming of the ground.
I wonder what will be the damage,
to dreams of long ago.
And if they'll handle gently,
the ones that I love so.
Or will they come wildly crashing,
and throwing things around,
and damage fragile pieces,
in this sacred ground.
It can be quite upsetting,
and puts me in a bind.
For the sacred place they dig,
is in the shadows of my mind.

WHY DO I CRY?

(By W.T. Reeves, Nov. 13, 1983)

The digging has stopped and the crew has gone.
There is a death-like silence that chills to the bone.
A chill of fear for what they never found.
It still lays hidden in the sacred ground.
It moves among the shadows of a troubled mind,
And makes itself known with a salty brine.
It screams in silence from the sacred ground,
Begging the crew to come on down.
The crew gives another pill to calm the mind,
But they can't bury the salty brine.
For twenty-five years the salty sea,
Has made the tears that torture me.
For I believe that men don't cry,
And I don't have an answer when they ask why.
I fear the ward called seven-west,
Where men get battles off their chest.
They fight the wars of days gone by,
Remembering buddies and how they died.
They put their bodies on the line,
And now they pay with troubled minds.
They fought the battle that brought "D" day,
Now they fight a battle called V.A.
For this type of battle we were never trained,
And with our troubled minds we fight the sane.
Why do they fight us for what we have earned,
With our blown off legs and mangled arms?
With troubled minds that can't let go,
Of pain we suffered long ago.

Now they hide us on the seventh floor,
With bars on our windows and solid doors.
Are they really protecting me,
Or don't they want the world to see,
What price we paid for victory?
So to you young students who practice on me,
I don't think a pill will set me free.
I'm not asking for money for days gone by,
I just need an answer, "Why do I cry?".

CONGRATULATIONS TO KCRA-TV

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. MATSUI. Mr. Speaker, this month KCRA-TV in Sacramento celebrates its 30th anniversary in television and 40th anniversary in broadcasting. On September 2, 1955, television history was made when KCRA-TV was born and became the first transmitter in the United States to be fully equipped for color. Since that date, KCRA has become one of the finest and best known broadcasters of local news in the country.

KCRA has attempted over the years to bring world affairs into focus for Sacramento. Since November 1981, KCRA has aired 17 international reports, including documentaries on Cambodia, Yugoslavia, and the Peace Corps. In addition, KCRA pioneered the live local magazine format with "Weeknight" and their consumer-oriented show, "Call 3 for Action," has had resounding success in the betterment of our community.

Mr. Speaker, on behalf of the community of Sacramento and its citizens, I extend my personal thanks and congratulations on a job well done and my best wishes for many more years of successful and high-quality programming.

NUCLEAR EDUCATION FOR ADULTS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. COELHO. Mr. Speaker, recently, the national convention of the Parent-Teacher Association meeting here in Washington passed a very important resolution written by the Kratt Elementary School PTA of Fresno, CA. The resolution brings attention to one of the most critical problems facing children and adults alike in our world today—learning to cope with the unique pressures of living in the nuclear age.

The resolution, entitled "Nuclear Education for Adults," was the idea of Ms. Mary Lou Diddy, a past president of Kratt PTA, and other concerned members of the chapter. The grassroots movement behind the resolution is aimed at placing a greater emphasis in our Nation's educational system on understanding the realities and dangers of nuclear war, and understanding the long-term effect the threat of nuclear war has on our society.

I would like to commend Ms. Mary Lou Diddy and the membership of the Kratt Elementary School PTA for their tireless efforts to bring these important issues to the attention of our Nation. Their hard work will certainly pay off in the form of a more informed citizenry, more able to cope with the pressures of life in the nuclear age.

In recognition of the national importance of this issue, I ask that this resolution passed by the National PTA be printed below.

NUCLEAR EDUCATION FOR ADULTS

Whereas: the P.T.A., through its primary objectives, has historically been an advocate for the health, safety, welfare, and quality of life for children and youth; and

Whereas: psychological studies have shown that the threat of nuclear war and its possible consequences may have a destructive effect on the well being and emotional health of some children and youth; and

Whereas: in 1984 the National P.T.A. convention delegates passed a resolution endorsing nuclear education, focusing on child and student education; and

Whereas: the representatives of our government have a responsibility to listen to the concerns and opinions of the people before making nuclear decisions that affect all people; and

Whereas: the P.T.A. recognizes that in a democracy the responsibility for decision rests with an inform people, and that the P.T.A. actively promotes public awareness education on issues of deep concern to the welfare of our children; now therefore be it

Resolved: that the National P.T.A. use studies, forums, educational materials and programs and work with community organizations to inform its membership about nuclear age education to include nuclear developments; and be it further

Resolved: that the National P.T.A. develop materials and programs to enable parents to effectively address children's fears concerning perceived nuclear dangers.

SUPERFUND BILL MUST BE STRENGTHENED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. FLORIO. Mr. Speaker, the Energy and Commerce Committee recently reported a Superfund reauthorization bill (H.R. 2817). I opposed this legislation because the bill simply does not do enough to ensure that hazardous wastesites around the country will be cleaned up.

The Commerce Committee version of the bill is substantially weaker than the bill approved overwhelmingly by the House last year, 323 to 33. Last year, the House bill included such fundamental reforms of the Superfund Program as the adoption of strict schedules for cleanup and uniform national cleanup standards, as well as the establishment of a citizen's right to sue polluters to compel cleanup when EPA and the States are not acting at the site.

All of these crucial provisions have been fatally weakened or eliminated in the Commerce Committee's version of the legislation this year. The bill is unanimously opposed by the Sierra Club, the National Audubon Society, the National Campaign Against Toxic Hazards and other major national environmental organizations.

A recent editorial in the Wichita Eagle-Beacon provides a good analysis of why the Commerce Committee bill is flawed I commend this insightful commentary to my colleagues' attention.

The editorial urges us to work to strengthen this crucial piece of environmental legislation. I am hopeful that we can fundamentally improve this legislation as it moves forward so that when the House votes it will be voting on a bill that will represent real progress in cleaning up hazardous waste around the country.

[From the Wichita Eagle-Beacon, Aug. 12, 1985]

SUPERFUND BILL NEEDS MUCH WORK IF MISSION IS TO BE ACCOMPLISHED

When Congress in 1980 passed the Comprehensive Environmental Response, Compensation and Liability Act, and created the Superfund, it was reacting to a national toxic-waste pollution problem that Americans know now was just the tip of a poisonous iceberg. Over the past five years, administration of the Superfund program has confirmed that improperly-disposed-of toxic wastes threaten the health of millions of Americans in every state in the union.

While virtually no one in Congress now argues the toxic-waste problem isn't serious, neither House seems inclined to do much but sling money at it. It's realistic to think the Superfund bill that eventually reaches President Reagan's desk will allocate at least $7.5 billion toward beginning cleanups of the sites identified as most dangerous. But unless senators and representatives undergo a change of heart as they begin floor action on the House and Senate versions of a Superfund reauthorization bill next month, it's not realistic to think that money would buy taxpayers increased safety from toxic wastes. Nor would the legislation help citizens protect themselves from toxic wastes or collect damages for waste-related health problems.

What's wrong, in a nutshell, is this: Every institution with a vested interest in Superfund reauthorization, save the public itself, has been heard from, and heeded. This isn't much of a surprise in the Senate, where interest in a vigorous Superfund doesn't appear to be exceedingly strong. But the House's impending retreat from the model Superfund bill it passed last year—it died in conference committee—is a major disappointment.

Then, the House understood that a major reason for the Superfund's less-than-stellar performance was the lack of a rigid cleanup schedule for the U.S. Environmental Protection Agency to follow. Not this year. The House version of the bill, adopted by the Energy and Commerce Committee in the frantic days before Congress' summer recess began, theoretically could allow the EPA to begin no cleanups at all by 1990. If the EPA's dismal cleanup record since 1980 is any indication—only six completed—it's naive to think even that many more dumps would be cleaned up the next five years. The rigid cleanup schedule in last year's

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failed bill should be included in this year's bill.

Too, many chemicals known or suspected to be toxic would fall through the cracks in the impending House bill. Language flaws in the bill also would allow the EPA to enter "quick and dirty" cleanup agreements with dump owners. The House should broaden the bill's list of dangerous chemicals and better define what a "cleanup" is. To allow the EPA too much semantic leeway is to invite phantom cleanups. The nation needs the real thing.

The central objective of fighting toxic-waste pollution is to neutralize or get rid of toxic wastes quickly, regardless of who's at fault. The House seems to have forgotten that, and instead provides those who created waste dumps—even when doing so was perfectly legal—a giant break: limited or no liability for the dreadful mess they created. By adding "strict, joint and several liability" clauses to the bill, members can assure that the EPA doesn't unnecessarily spend tax money cleaning up dumps created by those who are at least morally responsible for menaces to the public health.

Finally, the House needs to go much further toward giving Americans who have been threatened or harmed by toxic wastes full rights to recover damages in court. The current bill pays lip service to this objective, but doesn't give citizens the right to sue polluters or the EPA in federal court. Nor does it give citizens any way to learn what threats that nearby dumps or chemical facilities may pose.

The House Superfund reauthorization bill, in short, needs a lot of work. Given the fact the present Superfund bill expires Sept. 30, House members won't have much time to accomplish this. But somehow they must, lest "Superfund" become a synonym for federal inaction on—and indifference to—a serious public health problem.

COOPERATION AMONG BUSINESS, GOVERNMENT, AND LABOR IN FALL RIVER

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. FRANK. Mr. Speaker, the city of Fall River provides excellent examples of cooperation among business, government, and labor to promote genuine economic development. One excellent example of this is the work being done to expand the Aluminum Processing Co. at the Fall River Industrial Park.

A recent, excellent article in The Fall River News, which does a superb job of coverting the economic affairs of the city of Fall River, highlights this process through an extensive interview with the administrative manager of APC, Loretta George. Ms. George is an enlightened business leader who has contributed a great deal to the economic, social, and cultural life of the city and I think this article is an excellent example that ought to be studied by people interested in how older urban areas can proceed with economic development.

Mayor Carlton Viveiros of Fall River has an outstanding record in this regard and his administration shows how Federal, State, and local officials can work together with private sector people under the right leadership to produce a great deal of good for the citizens of a particular area.

[From the Fall River Herald News, Aug. 18, 1985]

COMPANY LAUDS MUNICIPAL AGENCIES

(By Sean Flynn)

The major expansion of Aluminum Processing Co. now under way at the Fall River Industrial Park was made possible by close cooperation between the company and city agencies, said APC's administrative manager, Loretta George.

She stressed that the financing of the $8.5 million expansion, which will eventually mean the addition of 150 employees, was the result of combined efforts by the company, Greater Fall River Development Corporation, Office of Economic Development and mayor's office.

On July 26 the company purchased its 250,000-square foot facility in the Industrial Park for $1.5 million from the Great Fall River Development Corporation. Besides the funds for the building purchase, $4.5 million was allocated for new equipment and $2.5 million for a 50,000-square-foot addition to the existing 250,000-sqare-foot facility.

The expansion will be financed with a $5 million Industrial Revenue Bond, a $1.5 million Urban Development Action Grant and $2 million in private funds.

In addition, as part of another ongoing major investment program, a $1.2 million computer-controlled anodizing line is now being installed to augment the existing automatic line.

"We're thankful to the staff of the Fall River Office of Economic Development and Mayor Viveiros for their strong support in acquiring the UDAG grant," said Mrs. George. "John Whalen (director of FROED) went to Washington on our behalf many times."

The support from the major's office meant many letters, as well as calls to legislators, such as U.S. Rep. Barney Frank and Sen. John Kerry, noted Mrs. George. "Competiton was stiff for the remaining UDAG dollars," she said. "I believe the major and FROED have acquired more UDAG funding for this city than has been received by any other city in the commonwealth, exclusive of Boston."

Besides the UDAG grant, the company received a $5 million Industrial Revenue Bond that was given initial approval by the Fall River Industrial Development Finance Authority on July 2 and given final approval by the Massachusetts Industrial Finance Agency on July 17.

The current project is only the most recent part of an expansion with a much longer history, said Mrs. George.

In 1972 Lightolier, which owns APC, moved the company to the Industrial Park to a building that the Greater Fall River Development Corporation then owned.

"We essentially put the building up for them, took a mortgage out and then leased it to them with an option to buy," said John F. Lucey, counsel and clerk for the development corporation.

To make the move possible, nine local banks raised $3.8 million for the construction of the facility. APC's final purchase price was reduced during the lease agreement. "The company received credit against the final purchase price every year it paid rent," explained Lucey.

Since 1964 the Aluminum Processing Co. has been a division of Lightolier Inc. of New Jersey, a world-wide supplier of lighting fixtures. Today, APC, employing 650, is the second-largest manufacturer of lighting instruments in the world. With the planned addition of 150 employees, the company will become one of the three largest employers in the city.

APC was founded in 1955 by Irving Puhn and was located in the Kerr Mill complex on Martine Street. The company quickly became a chief supplier to Lightolier, which was the reason Lightolier made the acquisition, explained Mrs. George. At the time of the merger, APC manufactured reflectors for the lighting industry, had a workforce of 70 and occupied 50,000 square feet in the Kerr Mill.

Today the company is a vertically-integrated manufacturing facility producing 125,000 quality lighting fixtures per week—more than six million annually. Each fixture has an average of 23 components. For this production, APC purchases, in one year, enough coils of steel that if stacked one upon the other would be as high as the Empire State Building, enough wire to circle the moon at the equator.

APC has provided lighting fixtures for numerous prestigious projects, including the Boston Prudential Center, the Dallas-Fort Worth Airport, the Moscow Trade Center, the Canadian Olympics in Montreal and Federal Reserve Bank buildings.

The current workforce of 650 receives a $14 million payroll annually. "The productivity of the APC workforce has consistently been high and was a critical factor in determining the expansion," said Mrs. George. "In addition to manufacturing a quality product, we reinvest in our company family to ensure that each employee achieves his full potential."

The company provides further education courses for employees including robotics, citizenship, English, General Equivalency Degrees (G.E.D.), safety, hydraulics, pneumatics and management training.

Many of the jobs require a high level of skill, explained Mrs. George. "It takes three years of training before developing an individual into a qualified metal spinner," she noted.

APC is noted for expertise in the metal spinning process. Skilled workmen turn flat discs of aluminum into symmetrical light hoods of different sizes.

A hood is formed with a mandrel on a lathe turning at a speed of 2200 rpm. Other hoods are formed on automatic spinning machines. Both are high-speed operations which, combined with trimming and press equipment, make up an integrated work cell.

The hoods and reflectors of the fixtures can also by formed by hydroforming. In hydroforming, hydraulic pressure is applied to form aluminum discs over a form. The company says it has more hydroforming machines under one roof than any other lighting facility in North America. Continued investment in new equipment ensures APC's continuing position as a leader in its branch, stressed Mrs. George.

SUPPORT FOR JOINT INTERNATIONAL BORDER COMMISSION

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. STANGELAND. Mr. Speaker, the jointly shared international boundary waters between the State of Minnesota and the Province of Ontario has been the scene of constant border conflicts in the past few years. The livelihoods and economic survival of Seventh Congressional District Minnesotans depend on the successful resolution of these constant border problems with Ontario.

Various attempts, so far, to solve these controversial issues have proved fruitless. Now, the best avenue of resolution is the creation of a Joint International Border Commission involving all four governments to review tourism, resource, and access disputes on the border waters.

I am submitting my testimony of August 23, 1985, at International Falls, MN, before the Senate Governmental Affairs Committee's Intergovernmental Relations Subcommittee, chaired by my colleague and fellow Minnesotan, Senator DAVE DURENBERGER, which addresses and outlines my conception of this Joint International Border Commission and its responsibilities:

STATEMENT OF HON. ARLAN STANGELAND

Mr. Chairman, I commend you for the foresight in conducting this field hearing and calling to witness those who desperately need the Commission in place today—Minnesotans residing in and using the jointly shared international boundary waters area.

This Congressional hearing, and House and Senate companion legislation are the catalysts needed for the Minnesota/Ontario Joint International Border Commission to become reality. As the representative from the Seventh Congressional District, working many years to resolve these border problems, I welcome and appreciate this opportunity you have provided me.

The creation of the Joint International Border Commission is not only timely but imperative. In my capacity as one Member of the United States House of Representatives, I attest to the difficulties encountered in negotiating with a foreign country, on one hand, and employing the services of our State Department on the other.

For many months I have been in contact with Canadian officials in Washington requesting their intercession to iron out a compromise and/or moratorium with Ontario on the implementation of its user fee in the border waters. In addition, as you know, you joined with me in coordinating and hosting a conference in Washington, D.C. in late February where Canadian and Ontarian dignitaries, and Minnesota and United States officials participated in an in-depth examination of the controversial issues affecting this border area. The feeling emerged from this Washington summit that a joint international border commission is now necessary to accommodate the difficulties that have arisen in this specific area.

As far back as 1842, Canada and the United States pledged their integrity and cooperation when the two nations signed the Webster-Asburton Treaty providing that "all the water communications on the lakes along the border between the United States and Canada shall be free and open to the use of the citizens and subjects of both countries." Regrettably, Ontario's user fee may be viewed as a reprisal, and certainly violates the spirit if not the letter of the Treaty. Hostile attitudes and regulations in our decade are unnecessary, unwarranted and unlawful.

The established International Joint Commission, United States and Canada has extremely limited responsibility, and then, only at the behest of the two governments.

Too, the State Department is responsible for this area, bound by treaty, and must oversee the execution of the Treaties' tenets. The most recent example of the State Department's prudence is its rejection of the International Joint Commission's consideration of Ontario's imposed user fee and its ramifications.

Assistant Secretary William L. Ball, however, in his response to my request that the IJC intervene, does explain that ". . . it is our view that the user fee on U.S. sport fishermen is not a regulation primarily affecting navigation and, hence does not fall squarely within the language of relevant U.S.-Canadian treaties. Due to its discriminatory nature, however, the regulation can certainly be argued to be inconsistent with the spirit of those treaties which contemplate that necessary regulations will be imposed non-discriminatorily. In any case, we are fully in accord with your views that the problem is an extremely vexing one which calls for creative resolution."

Mr. Chairman, I ask that this letter from Assistant Secretary Ball be inserted in the hearing record.

The more involved I have become in attempting to solve the border controversies, the more I seem to become a prisoner of these same circumstances. Thus, the frustration and futility of all my endeavors prompted me to introduce H.R. 5340 in the 98th Congress and H.R. 1080 in the 99th act Congress. This legislation "authorizes and requests the President to invite the Government of Canada to join with the United States in the creation of a commission to oversee water policy (including environmental, economic, and travel issues related to water policy) on the lakes intersected by the boundary between the State of Minnesota and Canada.

This is not as State claims a "creative resolution," but rather, a strong first step. Mr. Chairman, I also request that H.R. 1080 be included in the hearing record.

My long lasting concern for the boundary waters area is reflected in my bill H.R. 1080. While this measure may not accomplish all the objectives we may wish to address, it is a preliminary initiative establishing the Commission and defining the Commission's jurisdiction. Since the introduction of H.R. 1080, I have revised and enlarged the scope of the Commission.

The Citizens' Council on Voyaguers National Park issued a resolution supporting the principle of this legislation, and constituents in my Seventh Congressional District also endorse this concept.

The Commission's authority will reflect our mutual respect, responsibility and cooperation for the protection of the valuable jointly shared international boundary waters area between the United States and Canada, and Minnesota and Ontario. Furthermore, the JIBC is designed to encourage and enhance the Webster-Ashburton Treaty of 1842 and the Root-Bryce Treaty of 1909.

H.R. 1080 limits the commission to six members, three of whom represent the United States and three of whom represent Canada. Perhaps Members of Congress, whose districts border Canada, should be added as ex officio members.

The voting members of the Commission from the United States should be appointed by the President from nominations submitted by the Governor of the State of Minnesota, and they should be qualified in international affairs, particularly Canadian affairs, and versed in fish, wildlife and tourism issues related to water policy. Individuals representing the same country should not serve consecutive terms as Chairman of the Commission.

The budget for the Commission could be allocated proportionately from the funding of each of the Departments charged with regulatory responsibility on the U.S.-Canadian boundary waters along the border.

A provision could be inserted in the legislation providing for the other logistics of the Commission—staff complement, location—after the Commissioners have been appointed and the Chairman selected.

Resource degradation in the border waters has precipitated much discussion but action that has been at cross purposes. United and cooperative resource management between Ontario and Minnesota by Ontario and Minnesota is an immediate necessity whose short-term neglect may lead to long-term disastrous repercussions for both countries. The Commission will be responsible for developing and overseeing a joint, comprehensive resource management program for these waters.

Mr. Chairman, I believe that the establishment of this Joint International Border Commission is the only recourse we now have. Through its joint leadership and authority, we will see the end of constant erupting conflicts leading to retaliatory reactions, and return to the amicable, peaceful relationship with our northern neighbor on these important issues.

JOHN LOFTON AND THE ANNIVERSARY OF THE SAKHALIN MASSACRE OF KAL 007

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. DORNAN of California. Mr. Speaker, just over a month ago John Lofton, the gifted and often trenchant writer for the Washington Times, wrote about the short memory of many American businessmen. In his article, "Business as Usual After KAL Shootdown," Mr. Lofton examines cable traffic between the U.S. Embassy in Moscow. He notes that just a few weeks following the deliberate massacre by a Soviet Air Force jet of an unarmed Korean airliner, resulting in the deaths of 269 human beings—including our friend and colleague, Congressman Jerry McDonald—more than 100 American businesses participated in an exhibit "Agribusiness U.S.A.," in Moscow. His article raises the question of why they did so, and whether either our Embassy in Moscow or the Department of State even

thought of advising the businessmen that there might be excellent reasons for withdrawing from the exhibit. The anniversary of that event has come and gone, once again. I do not think we can comfortably ignore the questions John Lofton raises in his article.

[From the Washington Times, Aug. 5, 1985]

Business as Usual After KAL Shootdown

(By John Lofton)

Shortly after Mikhail Gorbachev became the Kremlin's newest top thug, a smiling Dwayne Andreas, cochairman of the U.S.-U.S.S.R. Trade and Economic Council, was featured in a CBS News special, saying of Mr. Gorbachev that "he's the kind of fellow we can do business with."

But, of course, American businessmen like Mr. Andreas would gladly do business with the devil if they could turn a profit.

Nearly two years ago, during the week of October 18-25, 1983, more than 100 American companies and their European branches took part in "Agribusiness USA-83" in Moscow.

Among the participants in this exhibit were Dow Chemical, International Harvester Co., John Deere Co., Lockwood Corp., Ralston Purina Co., Stauffer Chemical, Monsanto, Owens Illinois Inc., E.I. du Pont de Nemours and Co., IBM, Occidental Petroleum, Archer Daniels Midland, Philip Morris, Union Carbide, UpJohn Co., Eli Lilly and Control Data Corp.

This is the way the Information Department of the Soviet Embassy in Washington described the fair: "Thirteen hundred Soviet specialists took part in the scientific seminars and symposiums during the exhibition. Several millions dollars' worth of exhibited machines and equipment were sold to the Soviet foreign trade organizations. It was agreed to continue negotiations about the possibility of additional sales of American equipment to the U.S.S.R. The Soviet and American participants practically unanimously evaluated the results of the exhibitions as successful."

Well, terrific. But there was a fly in the ointment. Or, more accurately, there was a civilian airliner in the sea. A month before this exhibit, the Soviets shot down Korean Air Lines Flight 007, murdering 269 men, women and children, including more than 60 Americans—fellow citizens of the businessmen attempting to do business-as-usual with the Soviets.

So, what happened? Did the U.S. companies scheduled to participate in this exhibition withdraw to protest this mid-air mass murder of their countrymen? Certainly you jest. Here is the story as I have been able to piece it together from U.S. Commerce and State department documents obtained under the Freedom of Information Act:

A cable from our embassy in Moscow says that "a few exhibitors" did withdraw. Exactly which ones is not known. The Soviets will not say. And neither will the U.S.-U.S.S.R. Trade and Economic Council.

Another cable from our Moscow embassy reads: "American business representatives resident in Moscow are concerned about the KAL shoot-down, but they have expressed no reservations about their commitments to participate in the Agribusiness-USA Exhibition in October. While all are shocked by the incident and the Soviet response to it, most view the exhibition as an important means of maintaining market presence during a difficult period."

This cable, signed by Ambassador Arthur Hartman, adds his comment: "U.S. firms with experience in the Soviet market tend not to have reservations about participation. This group comprises the large majority of exhibitors. Companies which have not been active in the Soviet market tend to be the ones expressing serious reservations. Most of these companies are represented by trading companies, which have a sufficient number of principals to maintain exhibition partipation commitments."

Another cable from our Moscow embassy says that "well over half of the $10 million value of exhibited equipment was sold." The exhibition included machines and equipment for production, processing, transportation and storage of agricultural products. The exhibition also featured technologies concerning the use of plant pesticides, the artificial pollination of plants and the insemination of cattle and the automation and management of agri-industrial processes.

Another cable from our Moscow embassy says "over 400" American business representatives participated in this exhibition. And Soviet interest in it is characterized as "high."

Another cable from our Moscow embassy notes that eight Soviet officials "spent several hours at the show, frequently engaging American business representatives in lengthy commercial discussions. Several accepted invitations for lunch at the company stands."

This cable also notes that American exhibitors were "impressed not only by the number of ranking Soviet officials who visited their stands, but also by the special Soviet efforts made to arrange for the purchase of exhibited equipment." The "concerted Soviet initiative made to arrange for post-exhibition contract signings" was said to be "extraordinary."

Another cable from our Moscow embassy says: "Two industry sources reported continuing differences between [Soviet] Ministry of Agriculture officials and those from the Ministry of Tractor and Machine Building. Both claimed that tempers flared in their presence—Minister of Agriculture officials roundly criticizing Minister of Tractor officials for supplying shoddy equipment, and Minister of Tractor officials chastising Minister of Agriculture officials for invading Minister of Tractor's turf. . . . Both sources expressed amazement at the heated outbursts, and both claimed to have been forced to separate the antagonists."

Still another embassy cable from Moscow says of Dwayne Andreas, co-chairman of the U.S.-U.S.S.R. Trade and Economic Council. "Andreas [in a speech which he did not show the embassy in advance] gave an upbeat view of the role of trade, saying that embargoes are notoriously unsuccessful and that trade relations are more important to peace than arms control negotiations. The ambassador [Mr. Hartman], after noting that businessmen are traditionally optimists, expressed [U.S. government] support of the exhibition as a means of promoting non-strategic trade with the Soviet Union."

Mr. Andreas is quoted as saying, in a question-and-answer period following his talk: "We are here out of fear—fear of losing the business."

In this cable, Ambassador Hartman notes that the Soviet press chose to highlight Mr. Andreas' remarks at this press conference rather than those of a Soviet official who appeared with him. He reports a Pravda story interpreted Andreas' comments to have "produced convincing evidence that any type of sanction from Washington in relation to trade with the Soviet Union will bring only harm to American companies."

And, says Mr. Hartman, a Tass story "changed a few words and drew from different responses to construct two quotes of Andreas," reporting Mr. Andreas as saying "life itself has proved that all kinds of embargoes and sanctions in foreign trade are absolutely ineffective."

Mr. Hartman concludes with the comment that "other Western officers have reported similar Soviet creative construction of quotations, in which statements are slightly altered and rearranged to remove or add nuances." He refers to Mr. Andreas as "inexperienced" in his role as co-chairman of the exhibit.

Now, when you ask spokesmen for the various businesses participating in "Agribusiness U.S.A-83" why they went to Moscow to conduct business-as-usual with representatives of a government that murdered more than 60 Americans in cold blood, their responses are pathetic.

Robert Charlton, a public affairs manager for Dow Chemical, told me his company went to Moscow because the US.-U.S.S.R. Trade Council encouraged it to do so. And, since the U.S. Embassy said "nothing one way or the other " about the shooting down of KAL Flight 007, his company inferred from this silence that they were to go, he says. Mr. Charlton says his business is not in a position to establish international policy given the view of the U.S. government that this exhibit was a good thing—a view he admits, when I ask, was given before the Soviets shot down KAL Flight 007.

Me: But is it really saying that you should establish international policy to suggest that you and other American businesses—only one month after the Soviet murder of more than 60 of your fellow Americans—should have told the Soviets in no uncertain terms: "No, we're not going to conduct business-as-usual with murderers?!"

Mr. Charlton: "Well, the key point is that we were looking to the federal government for guidance on this matter."

William Greenhill, a spokesman for International Harvester, takes my question and says he will get me an answer. After 10 days of hearing nothing from him, I call him back. He now says that he will not take my question, that I must put it in writing. When I say this is a stalling tactic, he replies: "Sure, it is."

Stephen Littlejohn, director of government affairs and public relations at Monsanto, says his company checked with our State Department and Commerce Department, asked their advice and was urged to participate in the Moscow exhibit. He says he does not know and will not check to find the names of the officials who urged this.

And last, and certainly least, Leo Zanoni, a public relations associate for Upjohn Co., says, presumably with a straight face: "We were all in favor of pulling out after the shootdown, but we couldn't reach our guy in Moscow."

Spokesmen for Union Carbide, E.I. Dupont, Eli Lilly, John Deere, Occidental Petroleum, I.B.M., Philip Morris and Control Data all took my question about why they went to Moscow despite the destruction of KAL Flight 007. But none of them returned my phone calls with answers, as they promised to do.

HUNGER STRIKE FOR SAKHAROVS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. GILMAN. Mr. Speaker, last Thursday I was privileged to join my colleagues in expressing our support for the exiled Nobel Peace Prize winner and noted scientist, Dr. Andrei Sakharov and his wife, Dr. Yelena Bonner. Across the street from the Soviet Embassy, the stepson of Dr. Sakharov, Alexei Semyonov, has begun a hunger strike on their behalf, which is now in its 11th day. Drs. Sakharov and Bonner have been exiled to the closed Soviet city of Gorky for the past 5 years, and the last 6 months have been most disturbing to many of us because both their postal and telephonic communications have been cut off. Early in the summer, Alexei Semyonov contacted me in an attempt to assess the tampering of a postcard he had recently received from his parents. The Post Office and Civil Service Committee, on which I serve, has conducted an ongoing investigation into the interruption of mail going to the Soviet Union from the United States, as well as the tampering of outgoing mail from that country. Since that time, Alexei and his sister Tanya Yankelevich have only received one other postcard in July of this year. Their parents' apartment in Gorky lies dark and empty, and no convincing evidence has been provided by the Soviet authorities that Drs. Sakharov and Bonner are safe and in good health.

Alexei continues his hunger strike through the heat wave engulfing Washington with stoic determination; he contributed his thoughts and reasons for so doing in an article which appeared in today's Washington Post. I would like to take this opportunity to share this piece with my colleagues, so that they can more fully understand the serious nature of the Sakharov's disappearance. It is imperative that we in Congress continue to insist on the necessity of adhering to international treaties and agreements on human rights. At the same time we are bound by morality to publicize those violations that are committed until such time as they have been satisfactorily resolved. In commending the following thought-provoking article to my colleagues, I urge their support for our congressional efforts in alleviating the plight of these two highly respected exiled Soviet citizens.

A Simple Request: I'd Like to See My Parents

Ten days ago I started a hunger strike near the Soviet Embassy to protest the Soviet Union's persecution and mistreatment of my parents, Dr. Andrei Sakharov and Dr. Elena Bonner. My demand: to see my parents, either in the West or in the U.S.S.R. Why have I taken such a step? I do not regard a hunger strike as a weapon of choice—only of desperation. But did I have a choice?

For over half a year nobody has seen my parents. We do not any longer have any communication with them. My parents' health is poor. In the past few years my mother has suffered three heart attacks. She is a disabled World War II veteran, legally blind in one eye. To save her eyesight, she needs surgery; she may also need bypass heart surgery. My stepfather also needs expert care for a number of illnesses. Yet in their exile my parents are treated only by KGB-supplied doctors whose actions are determined by KGB will and not by the needs of their patients.

That in itself is bad enough, but lately their situation has become even worse. We learned (long after the fact) that in April Dr. Sakharov began a hunger strike. Immediately my parents were isolated from each other and the rest of the world. Later in Soviets showed two videotapes made with hidden cameras: in June, to prove that my stepfather had ended the hunger strike, and in July, to claim that the Sakharovs were reunited. Why, then, it there still no word from the Sakharovs themselves?

The silence is threatening. Having achieved the complete isolation of my parents, the KGB is free to do anything to them, even to kill, and count on that never becoming known to the world (remember Raoul Wallenberg? We are yet to learn his fate 40 years after the Soviets removed him from Vienna and into the Gulag.)

I believe human rights should be the underlying principle in the policies of Western countries toward the Soviet Union; thus I believe my parents, who have become symbols of the struggle for human rights in the Soviet Union, should be vigorously defended by Western countries. Unfortunately, I cannot see that happening now in the Sakharovs' critical and tragic situation.

Many Western countries, justly outraged by South Africa's breaking the moral laws of humanity, are right now applying or considering punitive actions against that state. The Soviet Union is disregarding both moral and legal obligations. The U.S.S.R. has signed international treaties (the Helsinki Accords, the U.N. Declaration of Human Rights) in which it obligated itself to respect human rights.

South Africa still allows its Nobel Peace laureate, Bishop Desmond Tutu, to be outspoken and free. In Poland, a winner of the Nobel Peace Prize, Lech Walesa, is under severe restrictions, but at least is at home and with friends. What country, then, can the Soviet Union be compared to in its treatment of my stepfather, the only Russian ever to win the Nobel Peace Prize? Only one example comes to my mind: Carl von Ossietzky, a German journalist and winner of the Nobel Peace Prize, who was imprisoned by the Nazis. But with this qualification: von Ossietzky was released and allowed to leave Germany.

But the Western countries have effectively dropped human rights issues from the agenda of their relations with the Soviet Union, probably believing that this way progress in other areas can be more easily obtained. I think this is self-defeating: sensing a weakness in the Western positions on principles, the Soviets become confident they can bully the Free World to accept the short end of the deal on any other question too.

As the situation of my parents was worsening in the last year, there was also a change in the policy of the National Academy of Sciences, of which my stepfather is a member. Five years ago, when the Soviets forcibly moved Dr. Sakharov from Moscow, the NAS discontinued scientific exchanges with the Soviet Union. This step was in complete accord with the NAS's traditional strong stand in defense of human rights.

Now, however, under the presidency of Dr. Frank Press, the NAS has reversed course. Although no improvements had been made in Soviet human rights policies, and nothing had changed in cases particularly important to the scientific community—such as those of Drs. Orlov and Shcharansky—and although the Sakharovs are still in Gorky and worse off than before, Dr. Press went to Moscow and signed an agreement resuming the exchanges. He did so on the day that was the fifth anniversary of my stepfather's illegal exile. The very choice of the date says to the Soviets that human rights are not important to the NAS anymore. Even in the face of consequent protests from scientific organizations and a number of individual scientists, including some Nobel laureates, the NAS has refused to change its position.

In view of all this, believing my parents to be in mortal danger, I have started this hunger strike. I know that I cannot win alone. But there are many people concerned about my parents, and with their help I hope the situation can be changed. The administration can be moved from a passive position of denouncing the Soviets' treatment of my parents to actively seeking a resolution of the case.

It would, I believe, have lasting negative effects on East-West relations if Mr. Reagan and Mr. Gorbachev had a friendly meeting and afterwards we learned that the Soviets had killed or let die the Sakharovs and kept it a secret. I also believe that now, before the summit, my parents can and should be rescued.

RESEARCH TO NEUTRALIZE TOXIC WASTES

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. FLORIO. Mr. Speaker, several excellent studies have been issued recently concerning the urgent need to develop new technologies for the permanent treatment of toxic wastes. Unless the development of these technologies is encouraged, we will never get off the treadmill of shifting hazardous wastes from one leaking site to another.

My colleague from New Jersey, Representative ROBERT TORRICELLI, recently introduced an excellent piece of legislation which would establish a badly needed research program in this vital area. I strongly support his legislation and commend him for his efforts. The following article from the Bergen Record describes the nature of the problem that faces us and the solutions offered by Representative TORRICELLI.

[From the Bergen Record, July 25, 1985]

EPA Criticized for Failing To Neutralize Toxic Wastes

(By Robert Kravitz)

WASHINGTON, DC.—The Environmental Protection Agency's approach to toxic waste cleanup is not only wrong but dangerous, according to a congressional advisory group and a growing number of federal legislators.

Instead of promoting promising new technologies to destroy wastes or render them nonhazardous, the federal agency mostly allows wastes to be moved to landfills where they may leak again, the critics say.

"We are not getting permanently effective remedies. In many cases, we're just shifting the problem from one location to the other," says Joel Hirschhorn, senior research associate at the Office of Technology Assessment (OTA), a nonpartisan congressional advisory board.

In more than nine out of 10 cases, OTA investigators have found, landfills that have received waste from federal "Superfund" sites that were leaking deadly chemicals are themselves leaking or in danger of leaking.

According to the OTA and some members of Congress, the EPA's approach could lead to health risks and far higher cleanup costs in the future. They say alternative methods of cleanup exist, but they have hardly been developed or used because of red tape and lack of support from the EPA.

"Most industrialized nations are now using new techniques to dispose of toxic wastes, and many of these techniques were originally developed in the United States," says Rep. Robert Torricelli, a Hackensack Democrat who has introduced legislation requiring EPA to test and promote new technologies. "Japan had a worse toxic waste problem than we did 20 years ago, and they've eliminated it, with no land storage."

NEW TECHNIQUES NOT USED

"The problem really is not a lack of innovation," says Hirschhorn, "but obstacles that stand in the way of proving new technologies, developing them, and demonstrating them."

A recent OTA report listed 26 innovative cleanup techniques, ranging from vitrification to destruction by biological organisms to high-temperature incineration, all of which have proven effective in initial tests. But none of them are being used at any of the 786 Superfund sites.

A typical product on the list is K-20, a chemical sealant, or "encapsulator," developed by a small New Jersey firm, Lopat Enterprises. The sealant mixes with toxic chemicals, preventing them from mixing with water and leaking through soil.

Lopat, based in Wanamassa in Monmouth County, has tested the substance on several sites across the country containing several highly toxic contaminants, including polychlorinated biphenyls (PCB's), chlordane, dioxin, and lead. In each case, according to the company and OTA, it has proved effective.

But EPA has never tested the Lopat product, and it has never been tried on any Superfund sites.

"What's lacking is one central office, somewhere to go to at EPA to get a straight answer," says Lincoln Davis, executive vice-president for research and development at Lopat.

"Industry looks for an EPA approval on products, but there is no such animal," adds Lopat President Louis Flax. "EPA needs to be more firm in saying either a product works or it doesn't work."

Representatives of Lopat and several other companies testified at a recent congressional hearing about the futility of trying to get a new product tested or approved by the EPA.

CATCH-22

According to the companies, first they are told by the EPA that their products can't be used on Superfund sites because they haven't been approved, then they are told there is no one to talk to about getting approval or they get different answers from different regional offices. They are also told they can't be approved unless they are proved effective on wastes at specific Superfund sites, but they are barred from getting samples of those wastes, which the EPA controls.

"The whole thing is a Catch-22," says Torricelli.

Hirschhorn adds that when the EPA evaluates alternatives for Superfund sites and compares the cost of new technologies to that of land disposal, it only looks at the short-term costs of landfills, and not their long-term cost and potential safety hazards.

"They're just not evaluating alternatives to land disposal properly," says Hirschhorn. "The game is loaded from the beginning."

Under Torricelli's bill, the EPA would be required to conduct 10 demonstration projects every two years using new treatment technologies, at a cost of up to $25 million. The agency also would be required to make Superfund wastes available to companies interested in testing new products, and to provide a central repository for up-to-date information on cleanup technologies.

By demonstrating the new technologies, Torricelli said, the EPA would build support for alternatives to landfilling, deep-well injection, and other nontreatment techniques. It also would help promote waste treatment as a viable industry.

"This will give people who have been developing new technologies access to the $10 billion Superfund market," said Torricelli. "That's sufficient incentive for anyone to continue in their work.".

The bill has won bipartisan support, and is backed by Rep. James Florio, the New Jersey Democrat who authored the original Superfund legislation, and several environmental groups.

It was approved unanimously Tuesday by the House Subcommittee on Natural Resources and Environment. It goes today to the full House Committee on Science and Technology, where it is also expected to be approved.

About the only opposition to the bill so far has come from the EPA.

Donald J. Ereth, deputy assistant administrator for research and development, told the natural resources subcommittee that the EPA favors development and demonstration of emerging technologies, but doesn't need a new bill to do so. He also said the agency opposes using Superfund cleanup money for longer-term research and development.

Even within the EPA, however, there are officials who support the bill.

Larry Basilico, chief of hazardous waste research in the Office of Environmental Engineering and Technology, said in a telephone interview that he agrees the agency has not done enough to demonstrate new technologies.

"Most of our evaulation has been on existing technology that's already installed," said Basilico. "I think the bill would give a clear-cut, easier pathway for industry to go out there and help solve the problem."

SUPERFUND: A TEST OF LOYALTIES

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. EDGAR. Mr. Speaker, last week the Philadelphia Inquirer published an editorial entitled "Superfund: A test of loyalties."

The paper calls on us to pass a Superfund reauthorization that will hold the Environmental Protection Agency [EPA] to a strict timetable for cleanups of toxic waste sites, to seek permanent cleanups wherever possible, and to prohibit the transfer of waste from Superfund cleanups to leaking landfills.

I can't agree more.

That's why I introduced legislation yesterday to do just that.

My bill, H.R. 3245, will provide $10.1 billion for the Superfund over the next 5 years. It requires the EPA to abide by a strict timetable, beginning cleanup at 900 toxic waste sites over that period. H.R. 3245 will apply stringent cleanup standards, and would give citizens the right to sue the EPA if it does not fulfill its statutory mandate to clean up Superfund hazardous waste dumps.

H.R. 3245 also includes strong "right-to-know" language that will require manufacturers and processors of hazardous substances to disclose to surrounding communities the health and environmental risks poses by such chemicals and to devise emergency response plans in case there are accidental releases of toxics.

Furthermore, the bill will allow citizens to petition the Federal Agency for Toxic Substances and Disease Registry [ATSDR] to carry out preliminary health assessments when they are exposed to hazardous wastes from Superfund sites. Finally, my bill includes the text of the Radon Reduction Act, H.R. 3172, which would set up a demonstration project with authorizations from the general fund to attack radon contamination problems in Pennsylvania's Reading Prong and elsewhere.

Mr. Speaker, H.R. 3245 is a strong, responsible bill in keeping with the Inquirer's exhortation to develop a Superfund reauthorization that serves the interests of the public. I urge my colleagues to cosponsor the bill and I attach the Philadephia Inquirer editorial for their review:

[From the Philadelphia Inquirer, Sept. 5, 1985]

SUPERFUND: A TEST OF LOYALTIES

A vote to reauthorize the federal Superfund program awaits members of the House of Representatives. Their choice is this: Should the Superfund serve the interests of the public or the interests of the polluters? If they vote for a bill drafted by the House Energy and Commerce Committee, they will be coming down firmly on the side of the polluters.

The bill would give the Environmental Protection Agency a blank check to manage—or mismanage—the Superfund program as it sees fit. There would be no deadlines for action or standards for cleanup. The bill would deprive people of the fullest legal protection from the hazards of toxic substances in the absence of a meaningful federal enforcement effort. As a result, House members who vote for it would be ensuring that the threats posed to communities by abandoned waste sites throughout the United States would increase rather than diminish.

There is no other way to characterize the choice.

The bill is a rejection of everything that has been learned about cleaning up wastes since the Superfund program was established five years ago. The EPA must be held to a strict cleanup timetable. No timetable existed in the 1980 law and the EPA cleaned up only 10 of 800 sites identified as serious hazards while the number of previously uncounted sites soared. The waste sites must actually be cleaned up—not partially contained, not transferred to another leaking landfill where they will contaminate more neighborhoods. Citizens must be guaranteed access to the federal courts so that they can force the EPA to do its job and force polluters to remove wastes that are a current or imminent threat. The bill denies them a strong regulatory program *and* the right to seek legal redress in federal court.

Superfund reauthorization will stand as the most important environmental decision that Congress makes this session. It also will stand as a true measure of whose interests rank foremost with the House of Representatives.

CONGRESSIONAL SALUTE TO JOHN J. MATTIMOE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. MATSUI. Mr. Speaker, I would like to take this opportunity to pay tribute to John J. Mattimoe who is retiring after an exemplary career as general manager of the Sacramento Municipal Utility District [SMUD].

John's hard work and cheerful manner has earned him the respect and admiration of friends and colleagues throughout the Sacramento area. John's achievements, notably his work on the Upper American River project, his contributions to the development of the Rancho Seco Nuclear Power Plant, and his outstanding record as the director of SMUD, serve as powerful and visible tributes to John's commitment to serving the Sacramento community. In a world of limited energy resources, John has led the way in the development of alternative sources of energy such as geothermal and solar power.

Mr. Speaker, Sacramento is truly fortunate to be the home of such an outstanding and energetic citizen. Our community could never properly acknowledge all of the good that John Mattimoe brought with him and I join with all of his friends in saluting John on a job well done and in wishing him a most enjoyable retirement.

THE CLEVELAND CLINIC FOUNDATION

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. STOKES. Mr. Speaker, it gives me great pleasure to call to the attention of my colleagues the dedication this week of the opening of the new clinic building and expansion of the hospital wing at the Cleveland Clinic Foundation. One of the largest ambulatory care facilities in the United States, the 12-story facility will help the foundation meet the increasing demand for outpatient services by providing additional space and centrally locating 16 of 28 clinical departments.

The Cleveland Clinic Foundation is located in my congressional district. It has a distinguished 64-year history of providing the highest quality care to patients throughout the region, the Nation, and the world. As a National Referral Center and International Health Resource, the Cleveland Clinic Foundation serves as a medical court of last resort. Extensive clinical experience enables foundation physicians to identify the most complex medical problems and define solutions.

The integration of clinic and hospital care with research and education in a private not-for-profit group practice distinguishes the foundation in American medicine. A staff of 377 physicians and more than 7,400 employees provides care in 39 specialties and 67 subspecialties. Six "centers of excellence" combine the diverse talent of foundation specialists for more efficient diagnosis and comprehensive treatment of patients. Centers of excellence have been established in cardiovascular diseases, cancer, neurosensory disorders, musculoskeletal disorders, digestive diseases, and urogenital and reproductive disorders.

Construction for the foundation's $72.2 million clinic building was started in 1981. The stable-looking pyramid structure was specifically designed for patient/visitor comfort and ease of orientation. Architects were Caesar Pelli (main designer) of Caesar Pelli and Associates of New Haven, CT; and Van Dijk, Johnson, and Partners (overseeing production of working drawings and construction), of Cleveland, OH. The construction manager was Gilbane Building Company of Providence, RI; and the interior design consultants were Interspace Inc. of Philadelphia, PA.

The construction for the foundation's $56.4 million new hospital wing started in August 1982 and is scheduled for completion in late fall. The new wing contains 449 beds, many of which will replace outdated substandard beds built in the late 1920's. It also includes 11 operating rooms and 5 intensive care units. The lower two floors were completed in June and are already serving as patient exam rooms and private offices for cardiology and thoracic and cardiovascular surgery physicians. The basement will serve as expanded outpatient areas for the departments of radiology and nuclear medicine.

A commitment to providing quality and cost-effective care in an environment supportive to patients' physical and emotional needs has led to this program of expansion and renovation of the foundation's facilities. With these new facilities, the Cleveland Clinic Foundation will enter the 21st century able to meet the health needs of today and prepared to meet the challenges of the future.

CRISIS IN THE TEXTILE INDUSTRY

HON. J. ALEX McMILLAN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. McMILLAN. Mr. Speaker, shortly before the August break, on July 15, 1985, I had the privilege of testifying before the Senate Finance Committee's Subcommittee on International Trade, regarding the serious situation facing the American textile industry.

Since returning to Washington after being at home among my constituents during the August break, I feel that this is a good time to call attention to my remarks before the Senate Finance Committee. We need to move here in the House on the textile bill as soon as possible. Each day we delay, means that more Americans will have lost their livelihood, casting a dark shadow on their future as well as the future of the United States.

The text of my remarks follows:

TESTIMONY OF THE HONORABLE J. ALEX McMILLAN

Mr. Chairman, I represent the Ninth District of North Carolina. Charlotte is the center of my district and is basically a financial and service center for the economies of both North and South Carolina.

The textile and apparel industry in the Carolinas employs—at the end of last year—485,000 people, with an annual payroll in excess of $6 billion, despite losing 20,000 jobs to imports last year. That industry has withstood subsidized imports beginning with Japan decades ago, and today faces a renewed crisis from subsidized imports from relatively new entries in the game. It has responded over those years by making the surviving industry, the textile industry, the most modern and productive in the world.

Saturday night I was talking to a young friend of my son whose father is also one of my closest friends. This 22-year-old is a rising senior at North Carolina State University majoring in textile management. His father is Vice President of Sales at the most efficient yarn producer in the United States. His grandparents and great-grandparents were pioneers in the textile industry in America. And he asked me, "are we going to be able to save the textile industry in America? If not, I'd better look for something else".

That answer is in our hands. He and I know that the textile industry employs directly over 2 million Americans, that imports have grown at an average rate of 19 percent a year for the last four years—32 percent last year—and that we are likely to run a trade deficit this year of $150 billion and probably well over $16 billion of that will be in textiles. We also know that textiles play a vital role in the strategic industrial base of America, and that while our trade deficit equals almost 4 percent of gross national product—a year's worth of real growth in GNP—it is not counted as such, and that import-related job losses contribute heavily to high unemployment rates in this country. And textiles do not stand alone as a victim of trade subsidies. Over 100 major U.S. industries are adversely affected.

The fact of the matter is, the textile and apparel industries are so widespread, and rely on so many suppliers that almost every member of Congress has an interest in the industry's survival. In rural areas of West Texas and Montana, wool growers supply plants in North Carolina and New England. Machinery manufacturers in Massachusetts depend on a strong domestic textile industry. Chemicals produced in New Jersey and Illinois form the raw materials, along with cotton from California, Texas, and Mississippi, for mills on the Eastern Seaboard states. This is not a regional problem.

My young friend and most textile people I know emphatically believe in free and fair trade on a level playing field. The fact is, we don't have free or fair trade when our trading partners can subsidize exports to the United States through tax concessions, regulatory ease, low interest loans, direct subsidy, and sheer product targeting. We don't have free or fair trade when our trading partners restrict U.S. imports to their countries while exporting freely to the United States.

S. 680 and its companion bill H.R. 1562 are designed to restore and enforce the principles agreed to under the Multi-Fiber Agreement of 1981, negotiated in accord with the General Agreement on Tariffs and Trade. They provide ample opportunity for our trading partners to grow with the American market, yet provide a measure of order to the process so vital to our economy, our strategic industrial base and 2 million American jobs.

The Textile and Apparel Trade Enforcement Act of 1985 is an important, but only intermediate, remedy. If Americans truly believe in free and fair trade in the long run, and if our trading partners share their belief, then we had better provide an orderly process to get there. This bill provides one step, as will other legislation directed toward impacted industries. In the long run, in my judgment, we must consider broader legislation that first reaffirms our commitment to free, unrestrained trade but provides a mechanism to offset foreign subsidies. We expect our trading partners to do likewise and are willing to immediately remove such mechanisms when subsidies cease. The burden of proof must be on the exporter.

Moreover, we must insist that our markets be open only to those who will open theirs to our products.

Gentlemen, let's give at least equal weight to the hopes and aspirations of 2 million Americans and my young 22-year-old friend. And I urge you to give this bill your careful and favorable consideration.

H. LEW ZUCKERMAN "MAN OF THE CENTURY"

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. WAXMAN. Mr. Speaker, today, September 10, 1985, one of the outstanding citizens of Los Angeles will be honored on the occasion of his 100th birthday. His name is H. Lew Zuckerman.

Mr. Zuckerman has been a civic, business and philanthropic leader in Los Angeles for more than 70 years. Arriving in the United States from Hungary in 1901 at the age of 15, he became one of the eager, hard-working, idealistic immigrants determined to pursue the American dream to the fullest.

Starting as a grocery boy, in quick succession, Lew tried his hand as an apprentice cigar maker, tailor and entrepreneur. Going west with his brother, Sam, Lew worked his way through St. Louis, Sioux City, and Mitchell, SD. In September 1906, Lew and Sam became U.S. citizens, sworn in by a circuit-riding judge in Nebraska. Finally, in 1907, Lew Zuckerman settled in Los Angeles. Not long after his arrival, he met and married Sadie Belle Goldberg, the daughter of one of the city's most prominent Jewish leaders. The wedding was covered in detail by the Los Angeles Times. The caption on the wedding picture read, "the first photograph of an Orthodox wedding."

Once in Los Angeles, Lew Zuckerman's instinct and talent for seizing the right opportunity became very apparent. The 18th amendment which forced the closure of his liquor business in 1917 was a turning point in Lew Zuckerman's life. He became a real estate developer whose innovative designs were landmarks and paved the way for the evolution of Los Angeles into the metropolis it is today.

As Lew's business prospered and with his experience and special insight into the lives of the people of Los Angeles, he became a civic leader as well. In 1929 he served on a grand jury that exposed corruption in the city. When the Great Depression struck, Lew suffered along with the rest of the country, losing his home and much of his business. Lew realized that homelessness was as great a problem as joblessness and that the ultimate recovery of the Nation would be delayed immeasurably by the loss of homes among the unemployed. In 1931, as a member of the board of realtors, he persuaded the State to impose a moratorium on foreclosures of homes. California became the first of 27 States to enact a moratorium and when Franklin Roosevelt became President, he, too, banned foreclosures in an effort to stimulate the Nation's recovery.

Perhaps H. Lew Zuckerman's most lasting legacy is his role in establishing the Jewish Homes for the Aging. Starting as a 15-room furnished house in the Boyle Heights section of Los Angeles, the Jewish Homes for the Aging, a nonprofit institution, now serves four counties. Over the years, JHA has provided a place of comfort, care, and dignity for more than 10,000 elderly perons. Lew Zuckerman is now one of the residents. On his walls are the plaques and photographs that attest to a lifetime of service and reward, of his constant fund-raising and philanthropic efforts on behalf of the Homes and other charitable organizations—and of his family, his wife, Sadie and sons, Ted and Marvin.

I ask the Members to join me in saluting H. Lew Zuckerman. He epitomizes the spirit of a generation of great Americans who were movers rather than spectators and whose efforts and caring made a difference in the lives of all of us.

BALANCE OF TRADE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Ms. OAKAR. Mr. Speaker, our country is in the midst of an emergency involving our balance of trade. On September 7, 1985 our colleague JOHN P. MURTHA delivered a radio address on trade in response to President Reagan's weekly radio programs. I commend my colleagues' attention to Congressman MURTHA's excellent remarks.

BALANCE OF TRADE

I'm glad to hear that President Reagan is finally starting to pay attention to trade policies. Every time Congress threatens action we hear rhetoric from the Administration, but the trade deficit gets worse.

Some of the cases on which the President indicates he will act have already been under debate in international trade circles for two years. And as we wait for further details and shifting of the President's policies, we lose more American jobs and more American companies are forced to close down.

Missing from what the Administration has done to this point or what the President said today is the sense of urgency.

During August, the people talked to me about nothing but the budget deficit and America's disastrous trade imbalance. The people are not looking for future plans, or long cases in international commissions, or drawn out negotiations. Since January of this year, the United States has lost 220,000 jobs in manufacturing alone. The people want action.

The numbers telling how the trade and budget deficits have cost Americans jobs are increasingly familiar: we are a debtor trade nation for the first time since Woodrow Wilson was President; we have the largest U.S. trade deficit in history; we face another federal budget deficit of over $150 billion this year. And it's also familiar that Presidents like to blame Congress for these problems. But let's make it clear to America that one-half of the entire budget deficit, and our trade deficit, has resulted from actions of the last four years of the Reagan Administration.

Sometimes we become so used to repeating these numbers and arguments that we forget the misery they indicate. I want to take a moment to tell you what I heard

from talking to people in Western Pennsylvania this summer:

Citizens can't understand why we refuse to get tough with our trading partners; they admire America for standing up to the communists with a strong defense—they can't understand why the Reagan Administration refuses to be equally tough on world trade. And neither can I understand it.

I spoke with many veterans of World War II and the Korean Conflict who told me they can't understand why they risked their lives fighting these countries, [returned to take jobs in our steel mills and manufacturing plants], only to see their jobs lost to the very countries they fought against.

Individuals spoke to me about their concerns that our State Department seems to worry more about Japan and Korea and Brazil and Taiwan than it does about Youngstown, Ohio, and Gary, Indiana, and Johnstown, Pennsylvania. They hear the talk about free trade, about respecting our trading partners, about the stability of foreign economies, but they can't understand why they hear nothing about attacking joblessness, or about rebuilding our deteriorating highway system, or about making sure clean drinking water and efficient sewage systems are available to every American.

The President has threatened to veto domestic programs which he says increase the budget deficit—but how about foreign aid which has increased by 69% since 1981. People want to see money spent in America to create jobs for Americans.

The American people are tired of seeing their jobs exported overseas; tired of seeing the Administration pay more attention to foreign governments' economic problems than to protecting American jobs.

It doesn't have to be that way. As Chairman of the House Steel Caucus, I introduced legislation to strictly limit imports of foreign steel. The Administration disagreed. We debated. We talked. In the end, we compromised, and worked together. The results were the voluntary steel import agreements negotiated by the Administration. Possibly, we're just starting to see results from some of those agreements. But behind it all was a spirit of working together for America that the American people understood.

But today most of us don't understand the President's trade policies. Take foreign shoes. They now account for 75% of the shoes sold in America. Since 1968, America has seen 500 shoe factories close and 120,000 American jobs lost. This summer the International Trade Commission—a group no one accuses of being protectionist—looked at those figures and recommended five years of import relief. This import relief would have still kept 50% of shoes sold in America for foreign producers. But the President flatly vetoed it, and said he would veto any trade limit legislation. That action speaks louder than any words on the President's Saturday radio address.

None of the explanations about the strength of the dollar, none of the economic rationale explains these actions. On the trade issue, it's time to stand up for America. It's time to tell our foreign trading partners that we demand fair treatment if they're to continue to have access to our markets.

Let's put Americans back to work.

PAT LAVELLA KEEPS 32-YEAR PROMISE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. GAYDOS. Mr. Speaker, when Patrick A. Lavella ran for the office of tax collector in Sewickley Township, PA, he promised to be a full-time official. It was a promise he kept for 32 years.

In all, Mr. Lavella has spent the major part of his 66 years serving the people of his area. As tax collector, of course, but also as an active member of any civic, social, or volunteer activity in the community that needed a helping hand.

It comes as no surprise to anyone, therefore, that 400 of his friends, neighbors, coworkers, and fellow citizens have seen fit to honor Mr. Lavella, who is retiring in December, with a testimonial dinner next month.

Graduated from Sewickley High School, Pat had entered the Army 3 months before World War II erupted. He was to spend the next 4 years and 4 months in uniform, including a 30-month tour of duty with the 28th Infantry Division in Europe. His return home marked the beginning of a new career—service to the community.

Pat helped organize the Herminie VFW Post 8427 and was its first commander. Naturally, he still is active, serving as the post's service officer for the past 20 years.

He was a charter member of the Herminie Lions Club Crabapple Lake project, president of the Sewickley Township Athletic Association, leader of the community's Bicentennial Celebration Committee, the radio voice for the Sewickley football team, an officer in the Herminie Slovenia Lodge, a member of the local Moose Lodge and of the parish council for St. Edward's Catholic Church. He is a life member of the Herminie Volunteer Fire Company and, of course, has held several offices in that organization.

Professionally, Pat has been president of the Westmoreland County Tax Collectors Association for 25 years, chairman of the county's Community College Authority, president of Sewickley Township Business & Civic Association, and auditor for the Son's of Labor Italian Club.

His retirement will give Pat time to spend with his bride of 3 years, Gertrude, and their family. It will, as he has already indicated, give him more time for his community work.

Mr. Speaker, on behalf of my colleagues in the Congress of the United States, I offer Pat Lavella our appreciation for his many years of unselfish service to people and our best wishes for a long and happy retirement.

A TRIBUTE TO THE EAST COBB ASTROS

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. DARDEN. Mr. Speaker, I want to take this opportunity to commend 14 young men who made it to—and won—a world series without resorting to a strike or demanding the high salaries which today seem to be the most important averages in the baseball world. They're the East Cobb Astros. They are the 1985 Pony League World Series Champions. I am proud to say they are from the Seventh District of Georgia.

These future major leaguers—ages 14 and older—exhibited sportsmanship and endurance in winning four straight games to take the title at Washington, PA, on August 22, 1985. During their climb to the pinnacle of Pony League play, the Astros courageously regrouped after a devastating loss in the Southern Zone Tournament and went on to win three straight games and advance to the world series. They finished with a season record of 56 wins against only 5 losses; in tournament play, they won 15 and lost only that 1 game in the zone tournament.

I note with interest that six of Manager Guerry Baldwin's players, during their younger days, played key roles on another Seventh District championship team—the East Marietta All-Stars, winners of the 1983 Little League World Series. Now, if we can just wait a few more years, maybe they'll be ready to straighten things out at the major league level in Atlanta.

I hope you will join me in congratulating the East Cobb Astros' manager, Guerry Baldwin, Coach John Mullen, Business Manager Tom Polland, Treasurer Ken Olmsted and Team Parents Sharon and Russ Umphenour, but most of all the players—second baseman Adam Olmsted, left fielder Rob Doherty, shortstop Brett Kinard, left fielder John Adkins, right fielder-pitcher Mike Hilton, third baseman-outfielder Joseph Hutchinson, second baseman-pitcher Erik Smith, catcher-outfielder Mike Langley, outfielder-pitcher Billy Harris, first baseman Rusty Umphenour, outfielder-pitcher David Osada, third baseman-pitcher Ted Ward, catcher Steve Kwon and pitcher-outfielder Mark Pisciotta.

INCREASE OF IMPORTED URANIUM DETRIMENTAL TO DOMESTIC INDUSTRY

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. LUJAN. Mr. Speaker, the uranium mining and milling industry is at its lowest level in history. Employment in the U.S. uranium industry has dropped from more than 20,000 employees in 1980 to less than

2,000 in 1985. Domestic U_3O_8 production has dropped from more than 40 million pounds per year to about 10 million pounds in 1985. The domestic mining industry, which a few years ago produced one-half the free world's uranium requirements, will in 1985 provide less than one-quarter of U.S. needs. Only about 5 of the 26 uranium mills in the United States are currently operating—at reduced capacity—and one of those five mills is scheduled to be put on standby shortly.

In my view, a substantial cause of the distress lies in the increase of imported uranium from foreign countries, particularly South Africa, Australia, and Canada. Something must be done to address this problem and revive the U.S. domestic industry. Accordingly, I am introducing a bill that would preserve the current statutory authority of the NRC to license the importation of uranium, but require as a precondition to any such license that the Commerce Department certify that any individual importation of source material, and specifically nuclear material, will not further damage our domestic industry. My bill would require that the NRC establish procedures to require importers of source material to apply for import licenses, and to give the public notice of any such application. Further, my bill would permit interested parties to comment on any application for import license and would afford an opportunity for interested parties to be heard prior to any determination by the NRC to issue or deny such licenses. Finally, my bill would direct the Commerce Department to establish procedures for conducting an assessment of the effect of any such importation of source material on the viability of the domestic uranium industry on a case-by-case basis.

We have permitted for too long the untrammeled importation of source material into this country to the significant detriment of the domestic industry. I can speak personally to this matter in light of the dramatic impact on the citizens of New Mexico. I would hope and trust that my colleagues would join me in this effort to save an industry vital to our national security.

COMET ENCOUNTER

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. FOWLER. Mr. Speaker, on October 8–10, 1985, the congressional space caucus is sponsoring a conference on the future of space science. Many prominent scientists in the field of space science have accepted the invitation of the caucus to address Members and staff on their various disciplines. I will shortly be sending out a "Dear Colleague" letter advising each of you of the place, times, and subjects for discussion. One topic to be examined is the enigmatic comet, now often in the news due to the return after 76 years of the famed Halley's Comet in 1986.

On September 11, 1985, a full 6 months before the Soviet, Japanese, and European rendevous with Halley's Comet, an American spacecraft will pass through the tail of Comet Giacobini-Zinner for the first space probe/comet encounter in history. The spacecraft was launched in 1978 to study the Sun; it came to rest in an area where the gravitational pull from the Earth and the Sun is equal. It remained suspended in that area, providing data on solar disturbances and phenomena. When the decision was made not to launch a dedicated Halley's Comet mission, NASA turned its attention to the future of the International Sun and Earth Explorer as it was then known. In 1982, the space agency redirected this spacecraft toward Comet Giacobini-Zinner in a series of hair-precision maneuvers using the Moon's gravitational pull as a slingshot, whipping the spacecraft out toward the comet. Giacobini-Zinner, discovered in 1900, is a short period comet of 6.4 years, orbiting the Sun in an elliptical path; since its discovery the comet has appeared 12 times. In January 1984 the spacecraft rounded the Moon and headed out for its comet encounter; since that time the mission has been renamed International Cometary Explorer [ICE]

Why do comets hold such fascination for us; could it be that these celestial primordial bodies hold the secrets to the creation of the universe; that they are the records of the beginning? One of the greatest drives behind our scientific exploration of the solar system is our curiosity about how the whole system came into being. How did a vast whirling cloud of dust and gas give birth to our Sun, the planets around it, and life on Earth?

In order to understand the origin and evolution of our solar system, we have to unravel the relationships between the great variety of objects that orbit around the Sun—planets, moons, asteroids, comets, and tiny bits of cosmic dust. So far, we have only a few incomplete theories. Some of the moons of Mars and Jupiter may be captured asteroids. Some asteroids may be the rocky relics of burned-out comets. Meteorites may be broken pieces of asteroids. Some of the cosmic dust may be finely ground remains of asteroids and meteorites, and some of it may have come from comet tails. The exploration of comets is a search for our very beginnings. Comets are believed to be the most pristine and unaltered samples of the early solar system. Because planets—even ones as small as Earth's Moon—are changed by melting volcanism, meteorite impact, and the formation of planetary crusts and metal cores, we do not think that the earliest records of the solar system can ever be found on them. Even some of the asteroids, small leftover bodies between Mars and Jupiter that never formed into a large planet, show evidence of melting and other changes—although some asteroids may be potential sources of unaltered samples.

While there have been many ground-based observations, we still have more questions than answers about what comets are and where they come from. More than 20 years after the beginning of the space age, space scientists are starting to study these puzzling objects at close range with spacecraft. As already mentioned, in September 1985, the International Cometary Explorer [ICE] will fly through the tail of Comet Giacobini-Zinner to give us our first closeup data about what comets are like. Early in 1986, a fleet of spacecraft—European, Russian, and Japanese—will fly past Comet Halley. Also in 1986, the Galileo spacecraft, on its way to an orbit around Jupiter, may fly past an asteroid named Amphitrite.

All these spacecraft will gather new and important data, even though their speed will carry them past their targets in only a few hours. These quick glimpses may lay the basis for more detailed examinations—actual rendezvous in which the spacecraft can meet the comet and stay with it, making observations for periods of months or perhaps years.

Mark your calendars for October 8–10 to explore with the space caucus the phenomena of comets and other mysteries of the cosmos.

COMMUNITY CHILD WATCH WEEK

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. HENRY. Mr. Speaker, I would like to take this opportunity to recognize the week of September 22–28 as "Community Child Watch Week" in the State of Michigan.

I am very proud of the work of the residents of Grand Rapids, as well as the State of Michigan, in their efforts of creating and maintaining an excellent and much needed community service, that of a Community Child Watch Program. Children are indeed our Nation's greatest resource and it is our responsibility to ensure they have a safe environment to grow up in.

Community Child Watch began 6 years ago, as a response to the need for increased child protection while children are away from home. Since the program began, police departments, school systems, and community agencies have worked together in training volunteers to watch for and report potentially dangerous situations. This program is now in existence in over 40 communities and 18 counties throughout Michigan. In addition, similar programs operate in six other States as well as in Canada.

I would also like to honor the many individuals who have so willingly served as volunteers. It is through their active involvement and caring that Community Child Watch continues to achieve the high standards it has set for itself.

Any interested person over the age of 18 can be a volunteer. After completing the required training session, each volunteer then receives a poster to be placed in the window of his or her home. The purpose of this window poster is to alert children who

they can safely contact should they need emergency care.

This program has made tremendous contributions in the past years to the Grand Rapids community, both in teaching children the importance of taking adequate precautionary measures as well as making great strides in preventing crime.

I would ask that all Members of the House of Representatives join me in thanking the volunteers of Community Child Watch for their dedication and deep commitment to this worthy cause, and wish this important community service much success in its future work.

Thank you.

HEALTH CARE ACT

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. GEPHARDT. Mr. Speaker, I am happy to introduce today with my colleague HENSON MOORE the National Council on Access to Health Care Act.

In a society characterized by rapid change, the American health-care field is changing especially rapidly. Daily we hear of dramatic advances in procedures and technology. We are making significant changes in the financing and delivery of health-care services. We have worked hard to control health-care costs—and we have made encouraging progress. Our health-care system remains the best in the world. But it can be better; much remains to be done.

We must continue the moderation of health-care costs.

We must continue to expand the options for health-care consumers.

We must at the same time maintain and improve the quality of health care.

Just as important, we must maintain and improve access to health care. We certainly do not want a cost-effective health-care delivery system that delivers mediocre care or that fails to provide care for people who need it.

Finally, we need to take stock of where we are and where we're going in the health-care field. We have to find out what has changed since the introduction of DRG's. There are a lot of good, potentially helpful data out there waiting to be collected and reflected on. For the past few years we in Congress have been reacting to a crisis in health-care costs. I would like to see us stop doing crisis legislation and take a more considered, long-term overview.

The Council that we propose would meet these needs. I leave it to my colleagues to discuss the details of the proposal. I will simply say that it would start a national discussion of the long-term goals, priorities, and problems we face in the health-care field, a discussion that can only strengthen our health-care delivery system and make it one that serves all Americans in the best way possible.

A TRIBUTE TO CONCORD, MA, ON THE 350TH ANNIVERSARY OF ITS FOUNDING

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. ATKINS. Mr. Speaker, to pay tribute to the town of Concord is no small task. Its contribution to our country and to our world has been extraordinary. Much has been written about Concord's illustrious history, but I should like to mention a few of the qualities which contributed to that greatness, as we mark this 350th birthday.

Concord is known as the home of the Old North Bridge, where on April 19, 1775, "the shot heard 'round the world" roused the colonists to turn back the British soldiers in a battle which began the American Revolution, and eventually led to the founding of America as a new nation. The principles of freedom, justice, and equality run deep in Concord's life to this day. Concordians can be justly proud of that dramatic event.

Concord began 140 years before that famous struggle. We commemorate September 12, 1635 when Simon Willard and the Reverend Peter Bulkely led the way for the settlement of Concord in that place originally known as Musketaquid. The name, Concord, is as much a tribute to the peace treaty which began this first settlement above tidewater, as it is to the area's fields, rivers, and woodlands.

As Concord grew, religion and agriculture were a great part of the community's life. Preserving the right to every citizen to take part in town affairs was also paramount. It is a tribute to participatory democracy that to this day, the open town meeting still governs the town. As population in Concord became more diverse, tensions grew, but Concord has never found its will wanting when it found itself at odds with its basic principles of preserving dignity for all. This climate for freedom, community involvement, and love for the land nurtured all its citizens and became Concord's hallmark. Many famous men and women flourished in this atmosphere.

In the 19th century, the thought-provoking writings of Ralph Waldo Emerson, Henry David Thoreau, Nathaniel Hawthorne, Louisa May Alcott, and Margaret Sidney reached people in all walks of life and every country. Agriculture found a leader in Ephraim Bull who perfected the Concord grape. Bronson Alcott, Elizabeth Peabody, and Frank Sanborn made far-reaching contributions to education. Ebenezer Rockwood Hoar became U.S. Attorney General, and his brother George Frisbee Hoar became a U.S. Senator. While still a young man, Daniel French created the Minute Man Statue which marks the site where colonial minutemen stood their ground at the Old North Bridge. His statue of Abraham Lincoln graces the Lincoln Memorial in Washington, DC. These are but a few of the people who lived in Concord, and through their work, spoke of the world.

In 20th century Concord, there were many leaders, some of whom may leave as indelible a mark on the world as did the 19th century greats.

From the beginning, Concord's strength has been with the people. The 350th anniversary celebration reflects that strength, vitality, and community spirit. Religious observances, citizen breakfasts, luncheons and suppers, a parade with home folks depicting Concord's history, a play, music ceremonies, a ball, flags, and a town gift make everyone feel that they are a part of this special occasion.

The two bustling business centers, civic and religious institutions, and all types of homes speak to the confidence with which people view the present. A walk through the fields and by the streams gives a feeling of quiet appreciation for the land. Attending the numerous forums, events, and meetings gives me the certainty that democracy is thriving in every part of town.

It is with great pleasure that I congratulate Concord at this remarkable time. The 350th anniversary is not only a tribute to longevity, it is a tribute to the spirit of the people.

"Concord is celebrating its 350 years by acknowledging its heritage and anticipating its future," a young Concordian, Trisa Lang, said.

May Concord's future be as illustrious as its past.

MAKING CLOSED CAPTIONED EQUIPMENT MORE AFFORDABLE FOR THE DEAF

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. YOUNG of Florida. Mr. Speaker, television has become an important source of news, information, and entertainment for the American people, as we can watch events unfold live from anywhere in the world.

For our Nation's 16 million deaf and hearing impaired individuals, however, television is just a picture without sound. With advancing technology, the networks are now able to add words to the pictures the deaf see on television. This process, known as closed captioning, has enabled thousands of Americans to fully experience the immediacy of television.

Through hearings of the Appropriations Subcommittee on Education on which I serve, I have followed the federally funded research to expand and improve closed captioning capability. Major breakthroughs are improving the quality of this service and reducing the cost to those who purchase the equipment.

While the technology exists to open the important medium of television to the deaf, closed captioned equipment is still too expensive for many families of deaf individuals to afford. Medical and educational costs place a serious economic burden on the deaf, and little money is left available for items such as closed captioned decoders.

To enable the deaf to better afford this equipment, I have cosponsored H.R. 2853, legislation which would amend the Internal Revenue Code of 1954 to provide an income tax credit for expenses incurred by an individual for the purchase of closed captioned equipment.

Although closed captioned technology has been available and in use by the networks for more than 5 years, fewer than 100,000 units are now actively serving only a small proportion of the hard-of-hearing population.

Let's open this important source of communication to the deaf so that they can more easily participate in, enjoy and understand the daily events affecting their lives and the lives of all Americans. Our research and technological advances in this field are of little use if the majority of deaf Americans cannot afford to make use of closed captioned equipment.

CHIEF SOURISSEAU RECEIVES LAW ENFORCEMENT'S HIGHEST AWARD

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. MARTINEZ. Mr. Speaker, on May 17, 1985, Chief Leslie D. Sourisseau of the Montebello Police Department was honored with the Outstanding California Peace Officer's Award. This award is presented to one California peace officer each year for a demonstrated service that has significantly advanced professional law enforcement through overall career achievement. Les Sourisseau has selflessly served the Montebello community for over two decades and his law enforcement career is worthy of the accolades recently afforded it. Les was born, raised, and educated in Los Angeles County. Following 4 years in the U.S. Navy he became a police officer with the city of Montebello in January 1961. He subsequently served in all levels of his department and was appointed chief of police in February 1972.

Les was not content to simply put in his hours: He actively sought to improve the quality of law enforcement in his department and throughout the State of California. His leadership of the law and legislative committee of the California Peace Officer's Association for a number of years and his ability to establish the law and legislative committee of the California Police Chief's Association as a viable voice in Sacramento has placed both organizations in high regard by both State legislators and the executive branch of State government. His commitment to bringing the problem of alcoholism in law enforcement to the attention of the law enforcement community has also been commendable. The last few years he has focused much of his energies on the importance of establishing Employee Assistance Programs to combat the problem of alcoholism, and was responsible for the formation of the California Peace Officers Association's Employee Assistance Programs Committee.

The Outstanding California Peace Officer Award is not a meritorious award given for a few moments of bravery or for any other fleeting contribution: But rather, this award is bestowed on one who has made a major, long-term contribution to professional law enforcement. Such a contribution has been made by Chief Les Sourisseau, his influence on law enforcement in the area I represent will be long felt, and I am pleased to honor him in the U.S. House of Representatives.

TRIBUTE TO WILLIAM KOENEMUND

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. TORRICELLI. Mr. Speaker, I rise today to pay tribute to a brave and courageous firefighter, William Koenemund of Secaucus, NJ, who died recently in a tragic fire in Passaic, NJ, on Labor Day.

William Koenemund gave his life so that others, helpless victims of a deadly and costly blaze, could live. In the true spirit of the caring and selfless public servant, William Koenemund disregarded his safety in order to safeguard the lives of other innocent people.

It is sad, in times like these, how little we can truly say or do to pay full tribute to individuals, like William Koenemund and other public servants, who through their sacrifice and selfless deeds protect us, our families, and our communities from harm.

It was once said, "Every one of us is given the gift of life, and what a strange gift it is. If it is preserved jealously and selfishly, it impoverishes and saddens. But if it is spent for others, it enriches and beautifies."

William Koenemund gave his life to protect his community. He, and his courageous actions will not soon be forgotten by those who knew him, those who loved him, and those, today, who live because of him.

I ask my colleagues to join with me today in paying tribute to a brave and selfless man, William Koenemund, and to share in the grief and sorrow of his wonderful family.

MEMORIES OF CAMP KAUFMAN

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. DYSON. Mr. Speaker, I wish to call to the attention of my colleagues the end of a Calvert County, MD, institution: Camp Kaufman. Established in 1953 by Cecil and Joel Kaufman, the camp provided a generation of Washington area youngsters with a welcome respite from life in the big city.

Since shortly after its inception, Camp Kaufman had the good fortune of being run by the late Phil Fox and his wife, Sis. Phil and Sis were truly devoted to their 9- to 14-year-old charges, blending just the right mix of compassion and discipline.

Earlier this month, Anne Groer, a proud alumnus of Camp Kaufman who is now a White House correspondent, wrote of her summer sojourns to this peaceful spot along the Chesepeake Bay. Anne artfully recalls pleasures as diverse as roaming the beach between Breezy Point and Scientists Cliff in search of sharks' teeth and mastering lanyard making in a trice.

With the closing of Camp Kaufman, there is of course a sense of sadness, but also fond memories for their dedicated group of former counselors and campers who gave special meaning to being a Kaufmannite. I believe I speak for many of my fellow Marylanders in offering these few words of praise to those who contributed to making Camp Kaufman a wellspring of growth and knowledge for so many.

DANGEROUS MARTIAL ARTS WEAPONS

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Ms. SNOWE. Mr. Speaker, today I am introducing a bill, along with 10 of my colleagues, which would provide the U.S. Postal Service with explicit authority to stop mail order sales of dangerous martial arts weapons to States in which it is illegal to manufacture, sell, carry, or possess such weapons.

In the past few years, Ninja warriors, 16th century Japanese assassins, have been the subject of many motion pictures and television programs. The Ninja warriors used several kinds of dangerous martial arts weapons that were intended to maim and kill. Unfortunately, the current media attention has resulted in the growing popularity of these weapons among school-aged children. According to the Consumer Product Safety Commission, in the last 5 years over 100,000 injuries relating to martial arts weapons have been treated in hospital emergency rooms, with young people between the ages of 5 and 24 accounting for over 60 percent of these injuries.

This bill would add three types of martial arts weapons to the list of dangerous nonmailable items in the United States Code, title 18, section 1716. The specific weapons are nunchuku or kung fu sticks, shuriken or throwing stars, and manrikigusari or fighting chains. Although these weapons are sometimes used in legitimate, supervised martial arts activities, the incidence of criminal and violent use by youth gangs and others has risen dramatically.

Some States have sought to remedy this situation by enacting laws to regulate dangerous martial arts weapons. However, these attempts to control the sale of dangerous martial arts weapons are frustrated

by their ready availability through mail order sales, sometimes for as low a price as $10. This legislation would amend existing postal regulations to ban mail order sales to States which outlaw or regulate the use of dangerous martial arts weapons. However, mail order sales to States that do not have any applicable laws would be allowed, as would the mailing of these weapons to the military or other Government agencies. In addition, the bill does not apply to any knife, sword, or ceremonial or collector weapon that is otherwise mailable under this section of the United States Code.

This legislation would involve a modest but important revision of existing law that will reduce the availability of these dangerous weapons to unsupervised children, youth gangs, and criminals, without inhibiting legitimate martial arts or other sports or hobbies. I urge my colleagues to join me in supporting this measure.

NASA—SPACE INDUSTRIES

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. ANDREWS. Mr. Speaker, outer space offers tremendous economic opportunities for American enterprise. An outstanding example of such enterprise has just recently begun. I am speaking of the recent agreement between Space Industries, Inc. and NASA for the production and launch of a space minifactory. The factory will be launched in the shuttle, be tended by man, and offer a facility for the pursuit of commercial opportunities in space.

Projected for launch in 1989, this privately developed space factory, called the Industrial Space Facility, represents a significant stride toward the industrial utilization of space and will further accelerate our Nation's drive toward space commercialization. The agreement, vigorously pursued by Space Industries, a Houston company at the cutting edge of space development, will translate into strong economic growth and further diversification for the Houston area. I applaud both Space Industries and NASA for this important agreement.

THE ACCOMPLISHMENTS OF MS. AGNES "GUSH" VALENTA OF NORTHAMPTON, MA

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. CONTE. Mr. Speaker, I rise today to share with my colleagues the outstanding accomplishments of one of my constituents. It is always a pleasure for me to honor such a dedicated person. Ms. Agnes "Gush" Valenta has given much of herself to improve girls' athletics in the town of Northampton, MA. On September 15, 1985, Ms. Valenta's devotion will be honored at the dedication of "Gush Park" [Sheldon Field] in her hometown.

Growing up in Northampton, Ms. Valenta and her close friend, Ms. Mary Ellen Godfrey, were not accepted into the boy's athletic league. In 1969, Ms. Valenta and Ms. Godfrey petitioned the city's recreational commission for a girls' softball league. The commission gave them Sheldon Field, a few balls, and its good graces. Since then, the girls' softball league, known as the Lassie League, has provided over 1,000 girls with an athletic outlet. Over the period since its inception, the Lassie League has been divided into three leagues, the Lassiette League for girls 10 to 12, the Lassie League for girls 13 to 15 years of age, and the Senior Lassie League for girls under 18 years old.

Under Ms. Valenta's supervision, the league has flourished more than any other local league. Each player receives a brand-new uniform as well as the honor of playing in a league started by the pioneer of organized women's athletics in Hampton County. In addition to coaching a team every year, Ms. Valenta is responsible for scheduling games, settling disputes, raising money, finding sponsors, and many other jobs that make the league a continued success.

The Senior Lassie League has won national acclaim by participating in national tournaments around the country. The Lassie League all-stars have received statewide fame in the State tournaments in which they have competed in every year since the event began in 1973.

Ms. Valenta has been employed by the city of Northampton in the recreation department for the last 10 years. She is respected by all of her coworkers as the single most important woman in girls' athletics in the town. Since the 1960's, she has been fighting for the acceptance of women's sports. Ms. Valenta is truly a brave woman dedicated to the promotion of equality.

Mr. Speaker, it has been my pleasure to honor Ms. Agnes "Gush" Valenta, a selfless and dedicated citizen.

JERRY FALWELL: CHAMPION OF APARTHEID?

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. RANGEL. Mr. Speaker, I rise to express my shock and dismay about the recent defense of apartheid by Rev. Jerry Falwell.

Mr. Falwell visited South Africa on a supposed factfinding mission, and returned convinced more than ever of the need for a strong white-ruled government. His rationale is that Pretoria has made progress in its race relations, and is a bulwark of democracy against Marxist totalitarianism. He is absolutely wrong on both counts.

South Africa has made absolutely no concessions of power, and is not likely to do so, this according to President Pieter Botha. His recent speech, hyped as a turning point in race relations, was a scathing attack against reform. Botha defended racial repression and any endorsement of Botha is an endorsement of that repression. Mr. Falwell claims to support progress in South Africa. What he is in reality supporting is a repugnant dictatorship.

Democracy does not exist in South Africa in any way, shape, or form. The specter of a Communist bogeyman pulling the strings of protest is simply bad propaganda. The thousands who mourn the dead are everyday people, not Marxist cadres. Jerry Falwell and others who buy Pretoria's line are misleading themselves.

I hope, Mr. Speaker, that the United States will be spared further embarrassment by the good reverend. As a roving ambassador, he is doing more harm than good.

DOUBLE CELEBRATION

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. LEVIN of Michigan. Mr. Speaker, it is a very special event indeed that I share today with our colleagues. Two constituents of mine are celebrating not only their golden wedding anniversary, but 50 years of service to their church and community.

In 1935, the Very Reverend George Nicoloff and his bride, the former Vera Booneff, immigrated to the United States from Yugoslavia. They came in response to the need for a clergyman to serve the many Macedonian and Bulgarian immigrants of the Eastern Orthodox faith who had settled into the Midwest. The Nicoloffs answered the call and for half a century have dedicated their lives to the same principles and beliefs that led them to New York's harbor so many years ago.

On September 29, the Nicoloffs, their four children, seven grandchildren, other family members, parishioners and friends will observe this special, dual anniversary. On behalf of the residents of the 17th District of Michigan who have benefited from their commitment to each other and to their community, I offer our thanks and most sincere best wishes for continued health and happiness.

JOSEPH YOUNG: A PIONEER

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. RITTER. Mr. Speaker, the Lehigh Valley in Pennsylvania has just lost a notable man. Joseph Samuel Young died last month at age 87.

The second generation of his family to serve as president of Lehigh Portland

Cement Co., Mr. Young helped the Allentown-based firm grow from a local concern to a major national industrial force. At one time, Lehigh Portland was the fourth largest cement manufacturer, accounting for 12 percent of U.S. production.

By the time Mr. Young turned the presidency over to his son, William Young, shareholder's equity had grown by about 150 percent through reinvestment of earnings. And the gross plant investment had swelled from $47 million in 1932 to $230 million 31 years later.

Mr. Young, a graduate of Princeton University and Columbia University Law School, also was active in civic affairs. At the outbreak of World War I, he enlisted in the Pennsylvania National Guard where he served as a noncommissioned officer and machinegun instructor at officers' training school. During World War II, he was chairman of the War Production Board for central-eastern Pennsylvania and a member of the Cement Industry Advisory Committee of the War Production Board. He helped organize war loan drives.

He was a member of Allentown's Planning Commission, an adviser to Community Chest, a supporter of the Boy Scouts—who honored him with their Silver Beaver Award—and a pillar at First Presbyterian Church, Allentown. In 1956, he received an honorary doctor of laws degree from Muhlenberg College.

Joseph Young was a pioneer who helped build the Lehigh Valley and America. Yet even with all his achievements, he remained humble and kind. I, like others who knew him, will miss him. He will be remembered in our hearts as well as in our histories.

LONG ISLAND'S UNITED WAY CELEBRATES 20 YEARS OF HELP AND CARING

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. DOWNEY of New York. Mr. Speaker, on September 19, 1985, the United Way of Long Island will celebrate its 20th anniversary. I would like to take this opportunity to personally congratulate the entire Long Island United Way staff, and reflect for a moment on what the United Way has meant to the Long Island community over the last 20 years.

In 1965, when the United Way first came to Long Island, its funds were provided to 44 volunteer agencies and hospitals. Today, the number of community groups and hospitals that benefit from United Way assistance has almost tripled. In the last 4 years alone, the number of Long Islanders who actually receive help through United Way affiliated agencies has risen by 220,000. In 1985, almost 900,000 needy people were helped by the United Way. I know what that kind of help has meant to the Second Congressional District which I represent, and I want to express my deepest thanks.

I could not speak of the United Way of Long Island without also mentioning its massive network of volunteers. On Long Island alone, there are almost 300,000 volunteers working with or through the United Way. These people, too, deserve our greatest admiration and thanks.

In closing, let me once again offer my congratulations and gratitude. The United Way of Long Island has truly helped to make the Long Island community a caring community.

TRIBUTE TO FRANK MOLINARE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. MARKEY. Mr. Speaker, on September 23, friends, relatives, and coworkers will come together to honor Frank Molinare of Malden, MA. Frank is retiring from a distinguished career of over 37 years with the U.S. Postal Service. I am pleased to be able to bring to the attention of the U.S. Congress the accomplishments of this exemplary gentleman.

Mr. Molinare began working for the Postal Service as a clerk and was eventually promoted to manager. Over the years he was responsible for the operation of post offices, in South Boston, Malden/Melrose, and Arlington. For a period of time, he was acting area manager of a postal region encompassing 50 offices.

I commend Frank for his years of commitment to so many communities. His numerous awards and letters of commendation can attest to his dedication to the Postal Service. In 1984, Frank received an award from the U.S. Treasury for selling the most U.S. savings bonds in the Boston area. He also served as Boston area coordinator for the Savings Bond Program.

I know that my colleagues join with me in extending my warmest wishes to Frank Molinare and his family on the occasion of his retirement from Government service. His record of accomplishment serves as an example for all us.

A DESERVING HERO IS AWARDED

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. DYSON. Mr. Speaker, I rise today to pay tribute to Mr. Henry F. Comegys, Sr. of Centerville, MD. Almost a year ago to the day, Mr. Comegys risked his life while rescuing another from a burning truck. In recognition of this act of bravery, Mr. Comegys was awarded a medal by the Carnegie Hero Fund Commission.

I believe it is altogether fitting to retell this heroic story. Following a fiery highway accident involving another truck and a car, the driver of the pickup, Carl Vaughn, was pinned inside the cab of his dump truck. Having witnessed the accident, Henry Comegys ran into the narrow space between the vehicles, both of which were burning, and climbed into the truck's cab, dislodging Vaughn and dragging him to safety. Mr. Vaughn recovered from first- and second-degree burns and other serious injuries, and Mr. Comegys from lesser burns.

It is a rare individual who risks his own life for that of another. Mr. Comegys' courageous and swift conduct in the face of crisis is a source of great pride for many in Maryland's First Congressional District. It is with honor and I extend my sincere congratulations to this most exemplary individual, Mr. Henry F. Comegy's, Sr.

RAILROAD SAFETY

HON. TOMMY ROBINSON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. ROBINSON. Mr. Speaker, I support H.R. 2372 because this spending is both within budget and clearly cost effective.

In 1984, there were 74 derailments in Arkansas and 12 of these involved hazardous materials. Fortunately only one of these dozen accidents resulted in the release of hazardous material.

What is important to note in these figures is that they are typical of the accident records of the country as a whole. Rail safety must be coordinated by a central organization and H.R. 2372 does this in a fiscally responsible way. Arkansas relies completely on Federal inspectors and there is just one assigned to my State on a full-time basis and two additional inspectors are shared with Louisiana.

I want to salute the work of the Energy and Commerce Committee and the Subcommittee on Transportation and Tourism. They have done an excellent job in an area vital to the economic development of my district and the country.

CONGRATULATIONS OF EAGLE SCOUT DANIEL J. JANUSESKI

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1985

Mr. DWYER of New Jersey. Mr. Speaker, I would like to take this opportunity to bring to your attention the elevation of Daniel J. Januseski of my district to the rank of Eagle Scout.

Less than 1 percent of all boys in America achieve the rank of Eagle Scout. This high honor can only be attained if a Scout demonstrates strong leadership abilities. Daniel, a resident of Edison, and a member of Troop 318, has proven that he has the ability to become an Eagle Scout. To complete his Eagle Scout project, Daniel organized 20 of his fellow Scouts to clean up Hi-Wood Park in Edison. The park was in a state of disrepair, with fallen trees, debris covered sewers, and litter covering much of the area. Daniel and his comrades worked 3 days to remove the trees, clean up all the litter, open the sewers, and construct a baseball diamond for neighborhood games and Little League practice.

I ask you to all join me in commending Daniel in the exceptional honor of becoming an Eagle Scout.

BEST COPY AVAILABLE

SENATE—*Wednesday, September 11, 1985*

(Legislative day of Monday, September 9, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of good news, it is impossible for us, public servants, press and media, and the people to imagine what it would be like to be without any news for a protracted period—no newspapers—no television—no magazines—no news! With all our criticism of press and media, we know we could not long function without them. In light of this crucial dependency, give us a fresh appreciation of the necessity for integrity. Help all of us to realize there is no substitute for truth—that lies destroy—and that half-truths, if anything, are more destructive.

Gracious God, bless the men and women of the press and media. Thank You for their hard work—their courage—their sacrifices—and the risks often taken in the line of duty. Strengthen the relationship between Senate and press. We know the press best serves the Senate by serving the people and would repudiate its purpose if it became propaganda. But may the adversarial relationship be professional and not personal, so that in appreciating each other, Senate and press may best serve the Nation. In His name Who is Truth. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

THE CHAPLAIN'S PRAYER

Mr. SIMPSON. Mr. President, I thank our remarkable Chaplain. He is such an extraordinary person, encapsulating the things that confront us and doing it in a way that is so understandable and so very appropriate. I thank him.

As usual, it was exciting to contemplate there for a minute that we would have no news at all for several days. I was excited about that. Of course, I realize that we do not function, we cannot function, without the news.

I always remember what our good librarian, Daniel Boorstin, the Librarian of the Library of Congress, said to us. He said, "We are surfeited with information in this country. What we lack is knowledge."

I think there is a great deal of truth in that. We are full of information, but sometimes in the glut of information we do not have time to process it and use our good brains and commonsense.

SCHEDULE

Mr. SIMPSON. Mr. President, the two leaders under the standing order have 10 minutes each. There is a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes. Then we will have routine morning business not to extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes each.

Mr. President, following routine morning business, the Senate will resume the motion to proceed to S. 1200, the immigration bill. Rollcall votes can be expected.

At 2:30 p.m., by unanimous consent, the Senate will vote on cloture on the anti-apartheid conference report, with the live quorum having been waived. Therefore, rollcall votes can be expected throughout today's session.

With that, Mr. President, I would reserve the remainder of my time and yield to the distinguished Democratic leader at this time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair, the distinguished President pro tempore of the Senate, and also the distinguished majority whip.

Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, we await the presence of the Senator from Wisconsin [Mr. PROXMIRE]. Until he arrives in the Chamber, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

UNITED STATES SHOULD ACCEPT GORBACHEV CHALLENGE AND NEGOTIATE A COMPREHENSIVE TEST BAN

Mr. PROXMIRE. Mr. President, how about the Gorbachev proposal to declare a unilateral 5-month Soviet cessation of nuclear weapons testing, that began last August 6? How about Mr. Gorbachev urging the United States to join the Soviet Union during this moratorium in negotiating an agreement to end all nuclear weapons testing? Was this just a Soviet propaganda ploy? The President turned the invitation down. Most American newspapers ignored it. The few that discussed this Gorbachev initiative dismissed it as Soviet posturing. On August 7, one of the few positive reactions to this Russian initiative appeared in an article written by retired Adm. Eugene Carroll in the New York Times. Admiral Carroll welcomed the Gorbachev proposal profusely. He declared, "Moscow's firm commitment to halt all nuclear tests from August 6, 1985, to January 1, 1986, even if America continues an active nuclear program, is the only significant arms control development since SALT II was signed 6 years ago."

The admiral concludes his article by saying the Gorbachev proposal "may be the most important arms control development of the decade." Admiral Carroll may have overstated the case for Gorbachev's moratorium. On the other hand, what was the most significant arms control development of the 1960's? My nomination is the very similar initiative taken by President John Kennedy when he announced an almost identical unilateral moratorium on nuclear weapons testing in the atmosphere, underwater or in outerspace and challenged the Soviet Union to join the moratorium and negotiate an end to all above-ground nuclear testing. That Kennedy proposal led to the 1963 Limited Test Ban Treaty. That treaty did not stop the arms race but it did end the serious threat to human health from the radioactive fallout that was increasingly polluting the environment as a byproduct of above-ground nuclear weapons testing.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

That treaty also pledged—that is, promised—that both superpowers would continue to negotiate to end all nuclear weapons testing. Twenty-two years ago this country made that solemn pledge. Now our adversary is challenging us to keep that promise. The Soviets have announced that they will not test nuclear weapons at all for the rest of this year and they have asked the United States to negotiate a mutual permanent end to all nuclear weapons testing. Is this a serious and significant proposal? If not—why not? Why should we refuse? What do we have to lose?

Mr. President, there are two prime reasons given for refusing. Both of them are wrong. The first and most easily accepted argument is that the Soviets would cheat. This argument charges that the Soviets have violated all of the arms control agreements they have signed. And they would violate the testing ban because we cannot verify it.

So what is the answer? The answer is that we have a Standing Consultative Commission with Soviet and U.S. membership. Both superpowers have brought complaints of cheating before this Commission. In Commission meetings, the Soviets are reported to have corrected violations or allayed our suspicions with respect to SALT I. Why can we not aggressively use the Commission to explore every indication of Soviet violation? And why can we not use our marvelous technology to give the verification process whatever degree of competence is necessary?

Verification is essential and verification capability is precisely what we should negotiate for in comprehensive test ban negotiations. Our seismologists tell us we can detect any militarily significant underground nuclear weapons tests on it now. We should insist on locating whatever number of monitoring stations on Soviet and U.S. soil may be necessary to assure us that we can detect explosions. We should insist on negotiating an acceptance by both sides of follow-up, on-the-spot, unannounced investigations of suspicious explosions.

How about the second argument? The second argument against U.S. agreement to a comprehensive ban on nuclear weapons tests is that the United States has a vastly superior scientific capability.

Mr. President, that is not very often discussed, but it is a fact. I think it is the underlying fact and the controlling fact. The United States leads the Soviet Union in almost every significant nuclear weapon capability. In 40 years, our country has made the breakthroughs. We are way ahead of the Soviet Union in every aspect of nuclear weapons technology.

We got a report from the Under Secretary of Defense for Research assuring us of this only a couple of months ago. We are ahead in 15 of the most important categories. The Soviets are ahead in none; in five, we are just about tied.

Nuclear weapons testing is essential to this technological progress. Without testing, we cannot continue to improve our nuclear weapons. If we stop it, we lose our advantage. Is this true? It is indeed. Then why give up this advantage? The answer is the advantage overlooks the grim fact that while technological advance keeps us ahead in the nuclear arms race, it is a race we cannot win. Why not? Because no one can win.

We cannot win it and President Reagan himself has said we cannot win it, that nobody can win it.

Why not? Because nuclear weapons become increasingly destructive and unstable. By stopping testing, we stop the race, as Frank Gaffney, Deputy Assistant Secretary of Defense, has written recently: "Nuclear testing is indispensable to nuclear weapons development." It is indeed. That is precisely why a comprehensive nuclear test ban treaty is so critical.

MYTH OF THE DAY: THAT THE REAGAN ADMINISTRATION CONSISTENTLY OPPOSES COMMUNIST REGIMES IN SOUTHERN AFRICA

Mr. PROXMIRE. Mr. President, this administration has forcefully expressed its fears that communism is spreading in the countries of southern Africa. The President has worried out loud that Communists might exploit the turmoil in the country of South Africa. The Defense Department has expressed concern that the horn of South Africa might be turned into a Russian base and threaten U.S. shipping and U.S. warship transit rights.

Is the President really worried about Communists in south African countries or is it one of the biggest myths in official Washington?

I say it is one of our biggest myths. This administration is not worried about Communists in southern African nations. It actively supports Communist and Marxist nations there.

Impossible, you say? Not the anti-Communist Reagan administration. But it is true.

The administration has actively supported the Marxist/Communist regime in Angola. And the administration has proposed giving military aid to the Communist regime in Mozambique.

The Reagan administration supports Angola with extensive Eximbank loans—loans at low interest, courtesy of the U.S. taxpayer. Why would we do such a thing? Maybe, just maybe, because Gulf Oil Co. has a huge investment in Angola as a part owner of the Cabinda Gulf Oil Co. operating out of Angola. This firm provides hundreds of millions of tax dollars in revenue to the Communist leaders of Angola. This revenue goes to support the Cuban troops in Angola and the Soviet and eastern European advisers. It is no exaggeration to say that the Reagan administration indirectly subsidizes the cost of keeping Cuban troops in Angola. That must make Castro smile.

As for Mozambique, here is a Marxist regime opposed by an active pro-Western insurgency. What is the response of the Reagan administration? Give military aid to the Marxist leaders so they can suppress the pro-Western guerrilla fighters. Then invite the leaders of this Marxist and avowedly Communist country to the White House for personal discussions with our President.

Do we oppose the extension of communism in Africa? Hardly. We subsidize it. We praise it. And then we invite them to the White House.

BULGARIA'S PERSECUTION OF ITS ETHNIC TURKS

Mr. PROXMIRE. Mr. President, two recent reports from the New York Times and the Washington Times report that Bulgaria persecutes its ethnic Turkish minority and is destroying their Turkish identity.

The New York Times article, based on Turkish accounts, states that the Bulgarian Government forces ethnic Turks to change their names, usually of Moslem origin, to Bulgarian names, which are Slavic and often derived from the names of Christian saints.

Bulgarian authorities denegrate Moslem culture and religious practice. Their actions lead outsiders to conclude that Bulgaria is trying to destroy completely its Turkish culture.

According to the New York Times, the Bulgarians have killed at least 1,000 ethnic Turks and incarcerated thousands more who have resisted the campaign. Those who refuse to change their names are arrested or resettled within Bulgaria.

The Washington Times reports that the campaign is suppressing all forms of Turkish culture. Bulgarian authorities have closed mosques, outlawed Moslem funerals, and banned circumcision, a Moslem religious custom.

The article states that Bulgaria has even implemented a total ban on Turkish education, closing 1,199 schools.

According to the Washington Times, Bulgaria is trying to become the most culturally homogeneous country in Europe. The official Bulgarian position is that the ethnic Turks are Bulgarians whose ancestors were forcibly converted to islam during the hundreds of years of Ottoman domination.

Just as the Crusaders once justified their wars for domination in this region with the idea of converting heathens, similarly Bulgaria justifies its violence with chauvinism.

To Bulgarian Polit-Bureau member Stanko Todorov, what they are doing to the ethnic Turks they are doing for their own good. He says, "The restoration of Bulgarian names is a historical deed, freeing our compatriots from a conflict of identity."

Mr. President, Bulgaria may now be committing cultural genocide. There are stories of escalating violence including summary executions and guerrilla warfare.

There is no proof yet that Bulgaria has any intention of annihilating its ethnic Turkish minority. But the hatred that underlies the Government's actions leads one to believe that anything is possible.

Mr. President, these prejudices and actions have no place in civilized society. The Senate ought to make this perfectly clear by ratifying the Genocide Treaty. We must make clear to the world that the United States intends that genocide be punished.

The 96 nations that have already ratified the Genocide Treaty must wonder why we have delayed so long, and why we still refuse to sign the treaty, originated by the United States itself at the United Nations,. It passed the United Nations unanimously, has been pending in the U.S. Senate for 35 years, although every President, including President Reagan, has pleaded with us to ratify it.

It is a black mark on our human rights record that we have not ratified it, and it should be corrected.

When addressing human rights abuses, such as Bulgaria's campaign of forced assimilation, ratification would make our position that much more secure.

I ask unanimous consent that the articles from the New York Times and Washington Times be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Times, Aug. 28, 1985]

Turks Vanish in Campaign of Terror by Bulgarians

(By Andrew Borowiec)

Sofia, Bulgaria.—About 1,000 ethnic Turks have been killed and tens of thousands incarcerated this year in a massive and bloody "assimilation campaign" carried out by Bulgaria's Communist authorities.

A Western report made available to The Washington Times in the Bulgarian capital describes "police terror tactics to isolate remote villages and force the inhabitants to change their names." It speaks of "documented cases of summary executions" and refers to the littleknown government effort as a "socio-political fear campaign of truly Orwellian proportions."

The brutal assimilation operation affects close to 1 million ethnic Turks—10.9 percent of the population, most of the rest of which is Slavic—in the country considered a Soviet proxy in the Balkans.

It has triggered resistance and creation of guerrilla groups in the northeastern area of Bulgaria as well as near the Turkish border. Bulgarian officials claim the groups are armed and supplied by Turkey.

The Soviet Union is watching the situation closely, concerned about its own nationality problem. The high birth rate of Soviet citizens of Asian origin is reaching the point where non-Russians will soon overtake the Soviet Union's Slavic population.

Some diplomats feel the Bulgarian "assimilation campaign" was inspired by the Soviet Union as a kind of experiment.

Earlier this year, Bulgarian Interior Minister Dimitar Stoyanov announced that "there are no Turks in Bulgaria. The issue is closed." But, according to other reports, Turkish resistance simmers on in three almost entirely Turkish areas from which foreigners and even diplomats are barred.

The areas were identified as Kardzali in southeastern Bulgaria, Sumen in the northeast and villages around the northeastern town of Razgrad.

The Bulgarian authorities followed up the name-changing operation by a total ban on Turkish education, shutting down 1,199 schools manned by 3,037 teachers, The Washington Times has learned. Circumcision, a Moslem traditional practice, has been banned on "health grounds," as have as Islamic funerals.

Most mosques in the Turkish areas have been shut, except for a handful where a group of Arab diplomats was recently taken on an organized tour.

The official Bulgarian view is that the country's ethnic Turks are Bulgarians forcibly converted to Islam during the rule of the Ottoman empire, which ended here a little over 100 years ago.

According to Bulgarian Communist Party Polit-Bureau member Stanko Todorov, "The restoration of Bulgarian names is a historical deed, freeing our compatriots from a conflict of identity."

Yet the new identity cards with Slavic names still identify their holders as being of Turkish ethnic origin. Bulgarian Turks are not subject to military conscription but instead serve in uniformed "work battalions," most of which are said to be hardly better than chain gangs.

Some diplomatic dispatches from the Bulgarian capital refer to the "statistical disappearance" of the country's ethnic Turks in terms of "efforts to create Europe's most homogenous country."

An estimated 5,000 Turks who resisted the name-changing campaign are imprisoned in the notorious concentration camp on Belene Island on the Danube River. At least twice as many are held in other camps.

In several villages, the male population has reportedly been executed. Such was the case of Yablanovo in northeastern Bulgaria, where the local population opened fire on approaching security forces.

The impact of the campaign on the rest of the country has yet to be determined. The Turks live away from the capital and generally outside the mainstream of Bulgarian life. However, hitherto tranquil Bulgaria was recently plagued by arson, bomb attacks on hotels and restaurants and other sporadic acts of violence.

Little is said officially about this, but the implication is that a "Turkish fifth column" is at work to undermine Bulgaria's Communist regime.

Consequently, security has been tightened, entry visas restricted. Turkish trucks rumbling across Bulgaria put under close surveillance, the predominantly Turkish areas cordoned off by security police.

Diplomats point out that the forced name-changing and ban on the Turkish language are violations of the 1975 Helsinki Final Act signed by Bulgaria. The signatories have pledged to respect their national minorities and assist their development.

The Bulgarian answer is that there are no minorities in Bulgaria and that the whole country is marching in step behind its leadership.

[From the New York Times, Aug. 7, 1985]

Aides in Ankara Say Bulgaria Has Slain 1,000 Ethnic Turks

(By Henry Kamm)

Ankara, Turkey, Aug. 4.—Senior Turkish officials assert that Bulgaria has killed at least a thousand ethnic Turks and imprisoned several thousand others in its campaign to force them to adopt Bulgarian names.

Officials said areas inhabited by ethnic Turks, who number about 800,000, or 8.5 percent of Bulgaria's population, remain sealed off.

Bulgaria has rejected Turkish requests for talks on the problem, as well as an offer to accept Bulgaria's ethnic Turks as immigrants. No reply has been received to a letter that President Kenan Evren sent early this year to Todor Zhivkov, the Bulgarian leader.

The Bulgarian actions have provoked a renewal of tension between the two countries. Bulgaria, an ally of the Soviet Union, lived for five centuries under Ottoman rule, which even in casual conversations in Sofia is described as "the Turkish yoke."

DIPLOMATIC BREAK UNLIKELY

"There can be no good-neighborly relations for the foreseeable future," a Turkish Foreign Ministry official said Friday. However, he said, Turkey envisaged no diplomatic rupture.

According to Turkish accounts corroborated by Western embassies in Sofia, Bulgarian policemen and troops forced entire villages at a time to fill out or sign forms requesting that their Turkish names, mainly of Moslem origin, be changed to Bulgarian names, which are Slavic and often drawn from the names of Christian saints.

In many instances the Turks resisted. Although Turkish authorities say they have lists of names of people killed or arrested, they declined to make them public, citing a need to protect prisoners or families of the dead or detained. Belene, a camp on an island in the Danube, is known to be the main detention center.

Last month, Bulgaria implicitly acknowledged that the name changes had been meeting with resistance. Stoyan Stoyanov, the party leader of Khaskovo District, said in a speech that some ethnic Turks had not yet matured sufficiently politically to accept the new names.

ANTISOCIAL MEETINGS

As reported in a Khaskovo newspaper, Mr. Stoyanov said there has been "sporadic instances of antisocial meeting," and apparent allusion to public protests. He said they had been the work of people favoring outdated

traditions, such as religious burials, circumcision and attendance at mosques.

Mr. Stoyanov said these people should be subjected to political and atheistic education to strengthen their Bulgarian identity.

Stanko Todorov, chairman of the National Assembly and a member of the Politburo, said in a speech in March, after Turkey had offered to receive ethnic Turks as immigrants, that those who wanted to go to Turkey would be forcibly resettled within Bulgaria. As reported by the newspaper Slivensko Delo of Sliven, Mr. Todorov said:

"Those who want to leave their villages to go to Turkey, we will move them within three or four hours. But they will be moved not to Turkey but to other parts of Bulgaria, where they will live in peace and tranquility."

The Turkish officials said Bulgaria had permitted no ethnic Turks to visit their families in Turkey this year. Thousands of such visitors were allowed to come last year.

Similarly, Turkish truck drivers who cross Bulgaria on their way to Western Europe are no longer permitted to leave the main highway to visit Turkish villages, as they had been allowed to do until the name-changing campaign.

The Turkish minority is a legacy of Ottoman rule. In one of the least publicized mass movements of people, 282,000 ethnic Turks were returned to Turkey between 1950 and 1978. Turkey says it assumes that Bulgaria has closed that door and is intent instead on forced assimilation of its ethnic Turkish citizens.

Mr. PROXMIRE. Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to exceed 1 p.m., with statements therein limited to 5 minutes each.

ANTI-APARTHEID ACTION ACT OF 1985

Mr. PROXMIRE. Mr. President, it is my understanding that later today we will vote on a second cloture motion to the South African sanctions bill. I expect to vote in favor of cloture, and I hope very much the Senate will invoke cloture. I would like to speak on that briefly now.

Mr. President, in the first place, I think we ought to keep in mind how extraordinary and extreme the apartheid system is. We have not really discussed apartheid and what it means.

There were a whole series of laws passed in 1950 by the minority white primarily, and dominated, I should say, by the Boers, to give the South African blacks, who are the great majority in the country, constituting 71 percent of the country, virtually no say whatever in government. They are not allowed to vote, nor live where they desire. They are confined to a homeland that is very poor, an area where it is very, very hard to farm and get along. They are only allowed to come into the white section, which is the great majority of the country, via passes.

Mr. President, the appalling aspect of this is not that they are not allowed to vote. Some people were not allowed to vote in this country because we had a property qualification, even a sex qualification for a long time. We had property qualifications for years. But the only reason they are not allowed to vote or live where they wish to live is because of the color of their skin. It is absolutely a racist determination, and it is wrong, wrong, wrong. We know it is wrong.

Mr. President, I rise to voice my continued strong support for the Anti-Apartheid Action Act of 1985. On June 5, a powerful, bipartisan coalition in the House passed legislation signaling America's opposition to apartheid by a vote of 295 to 127. On July 11, 1985, the Senate passed its own antiapartheid legislation with overwhelming bipartisan support by a vote of 80 to 12.

Despite the opposition of the administration, House and Senate conferees met on July 31 and worked out a compromise. We strengthened the Senate bill by adding a ban on the importation of Krugerrands—but agreed to leave out the ban on new investment and new bank loans to the private sector found in the House bill. These compromises were made by conferees because of the strong consensus view in both Houses that the United States had to go on record with its condemnation of apartheid. We felt it was time to show by actions as well as rhetoric that our country supported the rights of blacks in South Africa to have a government in whose selection they participated. It was time to show by deed as well as word that the United States utterly condemns the system of apartheid that dehumanizes the majority black population of that country.

After our conference, the House immediately passed on August 1 the conference bill, H.R. 1460, by a smashing margin of 380 to 48. The Senate would likewise have passed the conference bill on the day—but some Members prevented us from acting. It was agreed, however, that we would take up the conference report today. During most of August, this administration has searched frantically for ways to head off action by Congress on this issue. The President has spoken more than once about his opposition to the minimal sanctions being considered by Congress. And now at the last minute, solely in order to split the bipartisan effort by Congress on this action, the President has issued an Executive order in which he adopts a watered-down version of the prohibitions of the conference report.

Mr. President, the Congress should by all means pass the modest South African sanctions bill that has already passed the House. The majority leader has requested the Senate to hold off on the bill. He has further indicated that in view of the willingness of the administration to advance some of the sanctions in this bill, those of us who favored the bill should declare victory and support the President. The majority leader said that in foreign policy matters it is best for the country to speak with a single voice and if at all possible that voice should be the President's.

The majority leader makes a strong case for taking heart in the President's change of position on South Africa. It is good that the President has decided to take some steps, however hesitant, to begin to put a little pressure on South Africa to start dismembering its cruel apartheid system. But why should the President's Executive order forestall immediate action by the Congress on our sanctions legislation? The most critical provision in the bill that is now pending before the Senate and, that has already passed the House overwhelmingly, is the requirement that the President recommend additional sanctions in January 1987 if the South African Government in the meanwhile has not made "significant progress" in repealing its apartheid legislation. Why should not the Congress welcome the President's initiative, no matter how belated, and build on it with the pending bill? Why should we stop our efforts now?

Let's face it, the sanctions in the conference bill are really quite limited. There is no call for disinvestment, nor even a ban on new investment by American corporations in South Africa. There is no embargo on our trade with South Africa. The President now proposes that we accept his even more "watered down" version of sanctions over the already limited ones in our bill. If we do that, what kind of message will we really be sending to both blacks and whites in South Africa about our concern for reform?

Consider how weak the President's proposed sanctions are. First, the most important economic pressure brought by the bill now before the Senate is the provision to ban the purchase of Krugerrands by Americans. The President would not put that ban into effect unless the country receives permission from the member governments of the Central Agreement on Tariffs and Trade, known as the GATT. As Chairman Howard Wolpe of the House Subcommittee on Africa has pointed out, the administration opposed the boycott of Krugerrands when it appeared before Wolpe's committee. And why did the administration oppose this mild but specific economic sanction? Because, testified the administration, such a ban on Krugerrands would violate the GATT rules. So here we have a situation that would permit the South Africans to continue their sale of hundreds of millions of dollars of their special gold coins in America for the many months it would take for the GATT organization to make a determination, if they decide, according to the rules that we cannot do it. Furthermore, we would establish a precedent that could haunt us in the future of letting an international organization determine for this country what economic policies we can pursue to achieve our national interests in the world. Would it be a precedent? Of course it would. Did this administration go to GATT before it decided to restrict trade with Nicaragua? In the past, did other administrations go to the GATT for permission to limit our trade with Cuba, Poland, Hungary, or Uganda? We did not and I do not think we should have. Should we be required to go to the GATT if—in response to some international emergency in the future—we decide to further limit our imports of some item? What if Congress this year decides to put a surcharge on imported goods? Should we get the GATT's permission first? In 1971, when President Nixon imposed restrictions on imports from Japan and other GATT members, he acted first and later went to the GATT. Why not do the same now?

The pending bill bans all nuclear exports to South Africa. The President's Executive order provides several exceptions to this ban which were considered and rejected by the Foreign Relations Committee during its markup of this provision in the conference bill. Why should we engage in nuclear trade with that country? It will not even sign the Nuclear Nonproliferation Treaty.

The pending bill mandates that United States firms employing more than 25 persons in South Africa adhere to the Sullivan code of fair employment practices in order to ensure they treat their white and black employees alike. It provides for the promulgation of regulations to ensure that American companies carry out this mandate—even providing for fines and prison terms for false statements by our companies. The President's Executive order states only it "is the policy of the United States to encourage strongly all United States firms in South Africa" to follow fair labor practices and does not provide any means for determining whether they are. Why should we not mandate that United States firms treat their black employees in South Africa fairly? Why not provide for enforcement of this mandate?

The pending bill provides for the minting of a U.S. gold coin that is legal tender so our citizens who want to buy gold coins can do so. The President's order provides only for a feasibility study on this matter. If we are going to ban Krugerrand imports why should not our citizens have a chance to buy an American gold coin in its place?

In general, Mr. President, we should keep in mind that the bill pending before the Senate is a very mild bill. It provides no disinvestment. It does not even impose limits on new investment by American industry. It will have only a slight effect on the South African economy. Its prime strength lies in its requirement that—if by January 1, 1987—there has not been significant progress in ending apartheid, then the President will recommend somewhat stiffer sanctions. The President's proposal, on the other hand, is much feebler in what it requires this year. And it completely lacks any real force because it contains no provision that there will be stronger sanctions next year if no progress against apartheid is made.

The United States must, if it is to be true to its traditions and cognizant of its national interests work with both black and white South Africans to help bring about reform in that troubled land. That has always been the purpose of our sanctions proposals—and I am delighted the President has come to accept the view that they can help bring reform. I see no reason why Congress should not pass the conference bill and why the President should not sign it.

100TH ANNIVERSARY OF STANISLAUS ROMAN CATHOLIC CHURCH

Mr. SPECTER. Mr. President, I wish to call the Senate's attention to the parish of the St. Stanislaus Roman Catholic Church of Erie, PA, which is celebrating its 100th anniversary this year.

The construction of the St. Stanislaus Church was completed in 1885 under the guidance of the Rev. Msgr. Andrew J. Ignasiak who lead the parish until his death in 1934. The Rev. Msgr. Wladislaus J. Stanczak then served St. Stanislaus from 1935 until his death in 1962. Father Joseph J. Radziszewski, the present pastor, was appointed in 1962.

I wish to congratulate the St. Stanislaus Roman Catholic Church on its 100th anniversary and on its record of outstanding service to the Erie, PA, community.

SENATOR BURDICK WOULD VOTE YEA ON VOTE 172

Mr. BURDICK. Mr. President, yesterday, September 10, there was a vote on a motion to table the bill S. 47. I was necessarily absent. Had I been present, I would have voted to table the bill.

SNAP-ON TOOLS

Mr. KASTEN. Mr. President, in 1919, 25-year-old Joe Johnson, manager of the then Milwaukee-based American Grinder Manufacturing Co'.s socket wrench division, began questioning the feasibility of one-piece socket wrench units. When his idea of interchangeable sockets with different handles failed to convince his superiors, Johnson and a fellow coworker William A. Seidemann set up their own shop to fashion the first set of snap-on tools.

With their slogan "five do the work of fifty," Johnson and Seidemann enlisted the help of two Wisconsin area tire salesmen who generated more than 500 COD orders for their new product in several months. After incorporating, the newly formed Snap-On Wrench Co., began to search for an effective sales outlet for their product. They attracted factory sales representative Stanton Palmer, whose simple method of taking the tools directly to the customer and demonstrating their beneifts, was a great success.

In 1922, 12 additional sales branches opened and new tools were added. From 1925 to 1929, Snap-On went from 17 to 26 sales branches and nearly doubled its salesmen. This tremendous growth required a new site for the headquarters, from Milwaukee to Kenosha.

In 1930, Snap-On Wrench Co. became Snap-On Tools, Inc., and in 1931 Snap-On formed its first international subsidiary with Canada. World War II had a dramatic effect on the company's future success. Snap-On had become the preferred source of hand tools for use by the military.

After the war, Snap-On turned its attention to marketing. Salesmen were made into independent businessmen which proved to be the most significant decision in the company's history.

Through the fifties and sixties, growing customer demands and a large international market forced Snap-On Tools into an era of plant acquisitions and expansion. By 1973, net sales doubled the 1969 level and doubled again by 1977. At the end of the decade, a fivefold leap was seen in sales.

Mr. President, Snap-On Tools Corp., has squarely faced the challenges in the changing marketplace and the recession of the early eighties, and prospered nonetheless. While other major companies wavered under the economic strain, Snap-On emerged in 1983 with record sales and record earnings.

A new, more aggressive marketing approach, and new product development and designs have enhanced the company's operation since 1983. The challenges facing Snap-On during the remainder of the decade are small considering the hurdles that have been cleared in the past. We can only wait with eager anticipation for what the

second half of the eighties will bring to Wisconsin and its economy because of the jobs and revenue brought to our State by the Snap-On Tools Corp.

Today, more than 3,700 independent Snap-On dealers and nearly 300 industrial salesmen maintain the same tradition of regularly scheduled, direct service to its customers. The diligence, determination and sensitivity exhibited by the company's founders in those early years survives today in the efforts of 6,000 worldwide employees of Snap-On.

In recognition of the 65th anniversary of the Snap-On Tools Corp., in Kenosha, WI, I ask unanimous consent that a booklet published by the company be printed in the Record.

There being no objection, the booklet was ordered to be printed in the Record, as follows:

Snap-on Tools Corporation

(Joseph Johnson, pioneer of "Snap-on" interchangeable sockets)

1920's

It was 1919. The Great War was over. And twenty-five year old Joe Johnson, full of a young man's creative energy, was unknowingly writing the first chapter of an extraordinary story of success.

Joe had just taken over as manager of Milwaukee-based American Grinder Manufacturing Company's new socket wrench division. His exposure to hand tools, at that point, had been fragmentary. So perhaps it was the freshness of his vision, or the raw challenge of something new, that provided him with an idea that would ultimately turn the hand tool industry upside down.

In the early part of the century, mechanics' socket wrenches were one-piece units, with the socket tightly and permanently affixed to the handle. The wrenches, of course, were made in many sizes and handle patterns. It was into the manufacture of these wrenches that Joe's company had just entered.

As Joe began to learn the ways of this new area of business, a nagging question kept entering his mind: Why should a mechanic have to buy a handle in order to have the use of a single socket? In fact, why couldn't a mechanic buy, say, five different handles and ten sockets providing him the flexibility of fifty different combinations?

Being loyal to his employer, Joe offered the idea to the vice president and works manager at American Grinder. As has happened to many others with visionary ideas, he was turned down.

But the practical power of this idea intrigued coworker William A. Seidemann. It wasn't long before the two of them agreed that "interchangeable sockets" had the potential of universal acceptance by professional auto mechanics.

Neither man had the necessary financial resources for implementing their idea. But they were determined.

Using crude bending jigs and muscle power, the partners fashioned their set of five handles with ten interchangeable sockets. The pair enlisted the help of two tire salesmen who covered the Wisconsin area. Using the sample wrench set and the slogan "Five Do the Work of Fifty" the tire salesmen generated more than 500 C.O.D. orders.

Buoyed by their initial success, Johnson and Seidemann decided it was time to legally incorporate.

In 1920, the newly formed Snap-on Wrench Company moved into a rented building in Milwaukee.

In search of an effective sales outlet for their new product, they ran an ad in the Chicago newspapers which attracted Stanton Palmer, a factory sales representative. Palmer's approach was simple. He took the novel tool sets directly to the customer and demonstrated their benefits. He enlisted Newton E. Tarble, a lithography salesman, to share the increasing load. Their sales method proved so successful that in the fall of 1920 they created a formal distribution company.

Motor Tool Specialty Company became the sole sales agent for Snap-on Wrench Company. The arrangement allowed Johnson and Seidemann to concentrate their full efforts on tool production in order to keep up with the demands of the new distribution firm.

In January of 1921, Palmer and Tarble purchased the interest in Snap-on Wrench Company held by two of Johnson and Seidemann's original financial backers. This arrangement meant that the four Snap-on stockholders were now actively involved in either administration, finance, sales, or production. Stanton Palmer was elected President of the young Company.

In the next couple of years, creativity and expansion intensified. In 1922, twelve additional sales branches opened. New tools were being added to the product line. In 1923, the first Snap-on Wrench Company catalog featured nearly 50 items. Even a "special" socket with an oval-shaped opening designed for fitting the spindle nut and adjusting cone on the Model T Ford front bearings appeared in the Company catalog.

Mechanics had also been asking for other kinds of hand tools which led Motor Tool to add a line of open end wrenches and a series of chisels and punches. These tools were first made for Motor Tool by other firms and because of their distinctive blued finish were sold under the name "Blue-Point."

The popularity of these tools spread rapidly, resulting in the formation of the Blue-Point Tool Company, which operated under the same management as Motor Tool Specialty Company.

15¢ For the finest Wrench Built!

By 1925, the five-year-old company boasted 17 branches and 165 salesmen. Continued growth strained the rented Milwaukee facilities. In 1929, Snap-on Wrench Company selected a site in Kenosha, Wisconsin for its new headquarters.

Ideally situated between Milwaukee and Chicago, the Kenosha location meant the Company could put down roots.

(By the time 1929 rolled around, Snap-on Wrench Company boasted 26 sales branches and nearly 300 salesmen. The four founders had put the fledgling company on the map.)

For the Company, the 1930's were a mixture of austerity and creative growth. Snap-on Wrench Company became Snap-on Tools, Inc. to reflect the merger with Blue-Point Tool Company in 1930.

In 1931, a heart attack caused the tragic death of Stanton Palmer. At the time, the Company was anticipating the move to Kenosha and was spread financially thin with bank loans and trade acceptances. When the Depression hit, the principal creditors were Bridge Boulevard Bank and Forged Steel Products Comany.

With the Company's capital structure over-extended, the only solution was to solicit help from the bank and Forged Steel Products. William E. Myers, the owner of Forged Steel, became the new Snap-on Tools, Inc., President. Through the issuance of Snap-on stock to Tarble and to Palmer's estate, Snap-on Tools, Inc. acquired the assets of Motor Tool Specialty Company. Myers, as the new President, insisted on strict austerity measures. He was determined to see the Company regain financial stability.

In 1931, application was accepted by the Canadian Secretary of State for the incorporation of Snap-on Tools of Canada Ltd as a private company. Snap-on Wrench Company had formed its first international subsidiary.

The lean years of the thirties did result in two creative sales policies originally designed as adaptive reactions to the existing financial depression.

One of the salesmen had been writing up "dream orders" with the mechanics in his territory. The salesman would say, "Sure, everybody is in a fix today—no money—but when you do have money again, what tools will you need?"

Rogers Palmer, Stanton's son, who had become Vice President and General Sales Manager in 1935, recognized the positive impact these "dream orders" had on mechanics. The idea quickly developed into a "Needs List" and was accepted throughout the entire work force. In addition to being a record of admitted future needs, it also became a route list, purchase record, and a basis for territorial sales statistics.

A method of extending credit was also designed for coping with the difficulties of the era. This notion was viewed by many as a risky proposition. Nonetheless, "T.P." (time payment) selling, as it came to be known, proved to be a sound sales policy and resulted in lasting goodwill with the mechanic customers.

Branch sales coverage was critically analyzed and a program providing additional sales supervision was initiated. The Boston branch, under Theodore Glenn's guidance, had taken a leading position in national sales. Glenn's branch served as a model for developing additional sales territories.

Qualified salesmen were promoted to field sales managers. They assisted and supervised salesmen in their territories. Dramatically, the number of salesmen increased from 240 to 488 over the next half of the decade.

Also in 1935, Newton Tarble resigned from his position of Vice President and General Sales Manager. He remained on the Board of Directors.

In 1937, the Company name was modified from Snap-on Tools, Inc. to Snap-on Tools Corporation. That same year, a second production facility was built. Capitalizing on a willing labor market and supportive community, a five acre site in Mount Carmel, Illinois was selected.

Europe exploded in the maelstrom of war in 1939 and the U.S. military was forced to shift its production priorities to accommodate the demands of the government.

That same year, President Bill Myers died, necessitating a realignment of administrative functions. Joe Johnson became the President of both Snap-on Tools Corporation and Forged Steel Products. The year 1939 also marked the first dividend payment to Company stockholders. During the previous 19 years, all earnings had been re-invested in the Company's growth and development.

This first dividend payment spearheaded an annual tradition for Snap-on Tools Corporation and underscored the Company's regained stability.

(The combination of President Bill Myers' tight austerity measures and General Sales Manager Rod Palmer's innovative marketing strategies pulled the Company successfully through the depressed and chaotic Thirties.)

1940's

In 1940, Snap-on Tools Corporation executives were proudly looking back over a spirited five-year stretch which had resulted in a doubling of sales volume and a growth in the sales force from 265 in 1935 to 556 salesmen in 1940.

In addition to their increased numbers, salesmen were now visiting their customers on at least a monthly basis instead of the previous six to eight week average. These ambitious salesmen were creating the cornerstone of the Company's marketing success—frequent and regular service to the customer.

World War II and the buffeting of the following five-year period had a dramatic effect on the Company's production methods. Since Snap-on had become a preferred source of hand tools for military use, these demands necessarily led to a need for increased productive capacity, including the building of a new forge shop in Kenosha in 1942.

In addition, tool shortages in the civilian market due to military requirements resulted in a profound alteration of distribution methods. The Company realized that its existence would depend on serving the nonmilitary market. So, in effort to maintain good customer relations, the branches began releasing excess stock to salesmen as it became available.

By creative necessity, the salesmen's cars and station wagons became their rolling stock of tools. Salesmen with walk-in trucks were adding displays to the usual stock shelving. By 1945, this strategy had become so firmly entrenched that all salesmen began carrying stock and making immediate deliveries.

Over the years, Snap-on sales methods have been influenced by two important factors: what serves customers best and what increases the individual salesman's earnings. Selling directly from walk-in trucks seemed to satisfy both of these requirements.

Since salesmen were now selling to customers from their own stock, the next development was logical. The Company made each Snap-on salesman an independent businessman in an assigned territory. This change was significant. It foreshadowed the dramatic role marketing would now play in the Snap-on success story.

Following World War II, bulldozers, concrete mixers, steel erectors and bricklayers became a familiar sight at Snap-on. Space had become so scarce in the Kenosha plant that in 1946 it became necessary to build an addition to house the automatic screw machines, steel storage and a larger die-sinking department. The Company's expansion of its production facilities during the war years was made possible by a government-granted "Certificate of Necessity."

Heavy demands coupled with an inability to replace equipment during the military years had left much of the Kenosha plant in obsolete or worn-out condition. Snap-on management effected extensive modernization during the last half of the decade.

Those last five years of the 1940's witnessed a fundamental change in the Company's perception of its markets. Expedient, quality production methods were being achieved. The Company was ready to capitalize on its still-young marketing program.

(When the turbulence of the war years eased, Snap-on Tools turned its full attention to its marketing philosophy. The evolution of salesmen into independent dealers quickly followed and proved to be the most significant marketing change in the Company's history.)

"Diversification" is the key word for Snap-on in the 1950's. The Company diversified its markets through international expansion, while the product line saw dramatic new introductions through the acquisitions of other manufacturing firms.

The first few years of the decade were, however, wrought with government regulations. Stringent steel control was a byproduct of the Korean War, making it difficult to obtain raw materials for production and resulting in product shortages.

In 1951, twenty years after its formation, Snap-on Tools of Canada Ltd moved from its rented quarters in Long Branch, Ontario into the subsidiary's own recently-finished plant and administrative offices in Toronto.

The 19,000 square foot facility housed machining, heat treating and plating operations, enabling the Canadian operation to manufacture more of its own products and increase its profitability.

In that same year, Canadian sales moved off the $2 million mark where it had been hovering since 1947. Snap-on Tools of Canada Ltd was patterned after the U.S. operation and had 100 independent dealers and eight sales branches as of 1951.

The acceleration of industrial progress in Central and South America led to the formation of a Mexican subsidiary corporation, Herramientas Snap-on de Mexico, S.A., in 1952. The wholly-owned subsidiary recorded its first sales in June of 1952.

In Kenosha, a new factory wing containing 27,000 square feet of space was operational by 1953. The economic boom of the late 1950's further stimulated domestic expansion.

In 1954, Bill Seidemann retired—34 years after collaborating with Joe Johnson in forming Snap-on Wrench Company.

The design and engineering of the automobile was becoming increasingly complex, stimulating a need for diagnostic tune-up equipment. Lacking the necessary production facilities and engineering experience to enter this profitable new field, Snap-on acquired the plant and patents of the Joseph P. Weidenhoff Company of Algona, Iowa in 1956. The nine-employee firm produced timing and analysis equipment, armature growlers and generator test benches. Later, new equipent was installed in the facility for manufacturing the Company's line of metal storage units previously purchased from outside sources.

Another major manufacturing capability was made possible three years later when Snap-on acquired the Judson Engineering Company of Natick, Massachusetts. The product line now included wheel alignment and wheel balancing equipment.

A new era in the administration of the Company began in 1959. In April of that year, Joe Johnson, the developer of interchangeable socket wrenches, retired from his 20-year presidency and was elected Chairman of the Board.

Victor M. Cain was elected President and Robert L. Grover was elected Vice President/Secretary and directed the division of legal, indutrial and public relations.

(Meeting new customer demands and a growing international market propelled Snap-on Tools into an era of plant acquisitions and expansion. Within ten years, the square footage of the Company's facilities had doubled.)

The 1960's represented a period of significant change for the Company's marketing division. To better handle the forecasted product needs of the dealer, it became inevitable that marketing would establish a closer working relationship with manufacturing. This cooperative bond fostered an environment conducive to economic growth.

In the spring of 1960, Joe Johnson, the last of the founders still active in Snap-on management, retired from his post as Chairman of the Board, while remaining active on the Board. That same year, a three-week strike at the Kenosha plant ended 24 years of uninterrupted labor peace.

In 1962 Ted Glenn, who had become Vice President of Sales the year before, initiated a change in the marketing program which would streamline operations. Field administrative responsibilities were realigned to Eastern, Western and Central Division from the existing 7-region structure. This change helped to consolidate and standardize data reporting and personnel practices. It also led to changes in territory assignments with dealers being assigned smaller territories. By this time, dealers were providing service to their customers on a bi-weekly or even weekly basis.

Also in the 1960's the Company reached an important milestone of independence. The original distribution system had been made up of branches which were independent outlets handling the sale of Snap-on products. The Company's purchase of the St. Louis branch in 1960 completed a strategic program of branch acquisitions which gave Snap-on Tools Corporation total control over its marketing and distribution system.

Glenn's innovative practices and sensitivity to the needs of the sales organization, coupled with Cain's stringent internal controls, proved to be a winning mix for Snap-on during the early half of the 1960's.

In 1964, manufacturing capability was established in Mexico. The newly-formed Snap-on Tools de Mexico, S.A. de C.V. began manufacturing a portion of the tools required by the Mexican distribution operation, Herramientas Snap-on de Mexico, S.A. Due to Mexico's laws, the greatest operating versatility was available to Snap-on by maintaining two separate operations: one for production and the other for distribution.

The Comapny entered the computer era in 1964 when an IBM computer was acquired. The system replaced the existing punch card equipment and substantiallly improved the procedures for processing orders and replenishing inventory.

In 1965, a new direct-selling branch opened in the United Kingdom. This development represented the first formal step in transplanting Snap-on marketing methods to the European market. The Company's Canadian counterpart supplied a major portion of the products for this market.

Snap-on wrenches and sockets experienced significant design changes in the 1960's. The U.S. Navy had been experiencing problems in removing small 12-point fasteners from their aircraft. The corners of the fasteners would round off under high torque conditions using conventional wrenches. Responding to their need, Snap-on developed the revolutionary "Flank Drive" design which proved far superior to previous designs. Several years of legal

debate concluded with the patenting of the concept in 1965. Flank Drive was first used on special high-performance tools and later adopted as a feature on most of the Company's wrenches and sockets. At the April 22, 1966 organizational meeting of the Board of Directors, Victor M. Cain, President since 1959 and Snap-on employee since 1929, was elected Chairman of the Board and Chief Executive Officer. Robert L. Grover, Executive Vice President for the previous two years and Snap-on employee since 1942, was elected President. Cain continued as Chairman until his retirement in 1968.

During 1966, significant enlargements were made to the Canadian manufacturing facility, considerably increasing production capability. That same year, a centralized distribution center was built in Ottawa, Illinois for improving service to the Company's branches and international operations.

During the decade, the Company began developing the production capacity for electric, hydraulic and pneumatic tools to keep pace with changing technologies. In 1967, the Snap-on plant in Natick, Massachusetts (formerly the Judson Engineering Co.) began producing a line of pneumatic tools.

The 1960's saw the retirement of two other individuals who played a very important part in the Corporation's growth up until that time. Rod Palmer and Ted Glenn both were pivotal to the Company's growth in marketig and sales.

With the marketing groundwork firmly established, the Company was confidently entering its most significant period since the 1920's. Snap-on Tools Corporation was about to experience a decade of mind-boggling growth and success.

(The cooperative bond developed between manufacturing and marketing in the 60's provided the impetus for the future growth explosion.)

1970's

As Snap-on Tools Corporation moved into the Seventies, it entered a decade in which all previous measurements of success would be rewritten. There is no better indication of this than what is reflected in sales.

By 1973, net sales were double the 1969 level. Sales doubled again by 1977 and by decade's end, the Company recorded net sales of $373.6 million—a five-fold leap from ten years earlier when sales were at $66.2 million. The Company's profitability followed suit. The decade saw 1969's net earnings of $6 million parlayed into a remarkable $42.6 million by 1979.

Norman E. Lutz, who had been with the Company in various accounting and top management positions since 1945, became President in 1974.

Bob Grover became Chairman of the Board.

In 1975, Norm Lutz announced a corporate goal of doubling sales in five years. Snap-on surpassed that mark more than a year ahead of schedule.

During the decade, national and regional distribution methods were perfected with the construction of product distribution centers in Robesonia, Pennsylvania; Carson City, Nevada; and a national parts distribution center in Kenosha, Wisconsin. A 90,000 square foot office addition was completed at the Kenosha headquarters.

The Company's marketing efforts were greatly strengthened and refined with the addition of 20 sales branches, with the total now reaching 50, and a growth in the worldwide sales force from 1,800 to over 3,000.

In order to keep pace with the growing demand for our products, two plants were purchased in Tennessee; new major plant construction began in Milwaukee; and a research and development center was established in Bensenville, Illinois.

International growth kept up with the rest of the Corporation. By the end of the decade, the U.K. operation in its 15th year of existence was recording sales of $30 million—the same figure reported for total corporate net sales in 1962.

In 1977, Willsbach, West Germany became the site for the Company's newest overseas branch.

A year later, Edwin C. Schindler, formerly Executive Vice President, was elected President of the Corporation. He continued as Chief Operating Officer, while Norm Lutz, previously Chairman and President, continued as Chairman and Chief Executive Officer.

In 1978, in an effort to further broaden an already strong interest in the Corporation, Snap-on Tools was listed on the New York Stork Exchange.

On paper, the growth of the Seventies seemed explosive. To an extent it was. Yet the sprouting of the Company was a result not of the times as much as it was of careful and methodical planning. The record-shattering financial figures were accompanied by a steady, even-handed expansion and refinement in every operation.

The Company was well-prepared for the Eighties.

(The 1970's saw a steady, even-handed expansion and refinement in every operation. By decade's end, the Company recorded net sales of $373.6 million—a five-fold leap in ten years.)

1980's

The beginning of the Eighties challenged the basic mettle of the Company. But as it had for its entire sixty-year history, Snap-on Tools Corporation faced those challenges and prospered while other major companies wavered under the economic strain.

The Corporation successfully navigated the turbulent waters of both a changing marketplace and a prolonged recession, emerging in 1983 with record sals of $454.7 million and record earnings of $43.0 million. In addition, 1983 marked the second consecutive year in which Snap-on Tools Corporation attained Fortune 500 status.

Edwin C. Schindler became Chief Executive Officer in 1980 when Norman E. Lutz, Chairman of the Board, retired as CEO. That year also saw operations begin at the newly-constructed Milwaukee manufacturing plant. This venture, in tandem with the new research and development operation in Bensenville, Illinois, symbolized the Company's commitment to maintaining processes and manufacturing efficiencies at a state-of-the-art level.

In 1982, Norm Lutz retired as Chairman of the Board and Edwin Schindler as elected to that position. William B. Rayburn became President and Chief Operating Officer.

In the first three years of the decade, the Company took tough but necessary measures to be assured of a profitable existence during those difficult times. These measures created a lean, effective business operation that prepared the Company for a rejuvenated marketplace in the second half of 1983.

A new and more aggressive marketing approach set the tone for all phases of the Company's operation in 1983. New-product development and design were significantly enhanced by the introduction of color computer-assisted engineering design equipment, further reinforcing the Company's position of leadership in the industry.

In 1984, a new branch warehouse/sales office opened in Tampa, Florida, bringing the U.S. branch total to 53. A 148,000 square-foot building, purchased in late 1983, became operational as the Olive Branch, Mississippi, distribution center. Edwin Schindler retired as CEO, and remained Chairman of the Board. William Rayburn assumed the responsibilites of CEO.

Only weeks after Edwin Schindler had retired as CEO, the Corporation was shocked by the news of his unexpected death. The Company lost a great corporate leader, and the Kenosha community lost one of its most visible and hardworking citizens. William Rayburn was elected Chairman of the Board.

The expansion and refinement of the Seventies truly prepared the Corporation for the challenges of the first half of the Eighties. Those challenges worked to further streamline an already well-tuned Corporation. The second half of the Eighties could only be viewed with eager anticipation.

The Company successfully navigated the turbulent waters of both a changing marketplace and a prolonged recession, emerging with record highs in sales and earnings.

THE COMMITMENT

Our history, as chronicled in these pages, is dramatic evidence of innovation and hard work, and illustrates our unwavering commitment to quality and service.

From the beginning, Snap-on Tools Corporation has maintained the highest standards of excellence. Our 65-year history of success proves that professional mechanics around the world insist on top quality products and rely on superior service that only our dealers, industrial salesmen and international representatives can provide.

Back in the 1920's, the Company's founders—Joe Johnson, Bill Seidemann, Stanton Palmer and Newton Tarble—could not forsee that the novel and practical concept of interchangeable socket wrenches pioneered by Johnson would ultimately set the standard for the entire hand tool industry.

Our founders understood that their unique product demanded a direct and personal marketing approach. Serving the mechanic at his place of business not only proved to be a successful strategy, but it also become the essential ingredient of our marketing success. Today, more than 3,700 independent Snap-on dealers and nearly 300 industrial salesmen maintain this tradition of regularly scheduled, direct service to our customers.

The diligence, determination and sensitivity to the professional mechanic exhibited by our founders in those early years survives in the efforts of 6,000 worldwide employees of Snap-on. We are facing the balance of the 1980's with the same rigorous standards of excellence and an unwavering commitment to continue our 65-year relationship of trust with our customers.

Our unparalleled success in the hand tool industry proves that the demand for quality products and conscientious service will never change.

W.B. RAYBURN,
Chairman, President and
Chief Executive Officer.

A TRIBUTE TO DEAN K. PHILLIPS

Mr. GLENN. Mr. President, I rise today to salute the memory of a genuine American hero, Dean K. Phillips.

Born in Youngstown, OH, Mr. Phillips attended Boardman High School and Ohio University, graduating in 1967. Despite having been granted a student deferment to attend law school, Dean Phillips enlisted in the U.S. Army as a concrete demonstration of his sincere belief that the draft law, particularly the student deferment, was inequitable. Declining the option of a commission, Dean Phillips chose to serve in the ranks as a private first class. He served with great distinction in Vietnam, volunteering for an assignment with the 101st Airborne's 3d Brigade, the Phantom Force, which undertook dangerous long-range reconnaissance patrols. His exceptional bravery was recognized by the award of Silver and Bronze Stars and the Purple Heart, as well as several other decorations.

After completing his military service, Dean Phillips returned to Ohio University where he earned a master's degree and then a law degree from the University of Denver. Thereafter, Mr. Phillips devoted his considerable talents to the welfare of his fellow Vietnam veterans. In Colorado, he served on the jobs for veterans task force and the Colorado Board of Veterans Affairs. He drafted and lobbied successfully for the passage of Colorado's Veterans Re-employment Rights Act, the Vietnam-Era Veterans Tuition Waiver Act, and the Paraplegic and Blind Veterans Tax Credit Act.

In 1977 Dean Phillips came to Washington where he served as special assistant to the VA's general counsel from 1977–79, and special assistant to the Administrator of the Veterans' Administration from 1979–81. He also served as an attorney-adviser to the Board of Veterans Appeals, as a member of the National Advisory Council of the U.S. Senate Committee on Veterans' Affairs, and most recently as an attorney for the Military Order of the Purple Heart.

Dean Phillips was a passionate advocate of veterans' rights and a tireless champion of the enlisted man. His life is an inspiration, a sterling example of dedication to cause and conscience. His death at the young age of 42 is a tragic loss to his family and to the Nation. He is gone now but not forgotten. His life's work on behalf of Vietnam veterans will be his legacy; let us ensure that it will long endure.

TAXING MOTHERS AT HOME

Mr. KASTEN. Mr. President, President Reagan has said:

> In Washington, everyone looks out for special interest groups. Well, I think families are pretty special.

That is the reason he has proposed a major revision of the Federal Income Tax Code, increasing the personal exemption, for taxpayers and their dependents, to $2,000. As he put it in a radio address of December 3, 1983:

> Families stand at the center of society. So building our future must begin by preserving family values. Tragically, too many in Washington have been asking us to swallow a whopper, namely that bigger government is the greatest force for fairness and progress. But this so-called solution has given most of us a bad case of financial indigestion. How can families survive when big government's powers to tax, inflate and regulate absorb their wealth, usurp their rights and crush their spirit? Was there compassion for a working family in 21½ percent interest rates, 12½ percent inflation and taxes soaring out of sight? Consider the cost of child rearing: It now takes $85,000 to raise a child to age 18, and family incomes haven't kept up. During the 1970s real wages actually declined over two percent. Consider taxes: In 1948, the tax on the average two-child family was just $9. Today, it is $2,900.

Sharing the President's concern, in testimony before the House Ways and Means Committee on June 26, was Mrs. Helen Coyne, representing Mothers At Home. This nonpartisan group does not advocate any particular role for women in the economy; it does insist that women should be able to choose either a career as a homemaker or careers outside the home, without being economically penalized by the Federal tax system. As Mrs. Coyne puts it:

> We judge that a majority of mothers in this country want to feel free to decide whether to develop a career inside or outside the home without fear of government-imposed economic penalty. Tax policy should not inhibit a woman's choice to progress, to achieve, to nurture.

I emphatically agree. And that is why I have introduced legislation that would treat families more equitably for tax purposes. It is why I have worked with the administration in forging the President's tax proposal. It is why I remain determined that, to be a true reform, any overhaul of the tax system must address the need to reestablish fairness for the family in general and, in particular, for those women who, for all or part of their careers, are homemakers: quite literally, makers of the homes that form the foundation of our society, our economy, our future.

I ask unanimous consent, that the testimony from Mothers At Home be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY BY MRS. HELEN M. COYNE, PRESIDENT, MOTHERS AT HOME, INC.

Good morning, Mr. chairman and distinguished members of the Committee. My name is Holly Coyne, and I am grateful for this opportunity to discuss the proposals to reform the U.S. Tax Code which are now before this Committee.

First, I would like to explain who I represent and why my testimony should be of interest to this Committee. I am the president of an organization called Mothers At Home, a group which provides support through a monthly publication for mothers who choose to stay home to nurture their families. Founded less than two years ago, our organization quickly gained a national reputation such that thousands of women from across the country and abroad have written to us about their experiences raising families in the 1980's.

Because the letters from these women were unsolicited, we feel they are especially candid descriptions of how today's families are functioning and how the mothers in these families are feeling. We also feel that these letters are a particularly accurate reflection of the opinions of today's mothers because the writers of the letters cross all political, religious, and socio-economic lines: We have heard from mothers in urban areas and mothers in rural areas, from mothers who call themselves conservative, from mothers who are financially well off and mothers who have little economic freedom. And, in spite of the fact that our publication and projects are directed to mothers who are at home, we have heard from a surprising number of working mothers, including many who are the single source of income for their families.

Throughout our correspondence, one common thread prevails—concern for children and family and how their needs should best be met. We are convinced that the opinions expressed in the mail we receive are those of a majority of mothers, and therefore of a majority of families in this nation. Yet, these views seem consistently underrepresented both in the general media and in the policies set forth by the government of this nation. For this reason, we felt compelled to pass along to this Committee our assessment of how the proposed tax reforms will affect families. However, we wish to point out that we appear here today in a strictly educational capacity. Our organization, Mothers At Home, is neither partisan nor political, and does not lobby on behalf of any political party or group.

We recognize that the subject before the Committee is so complex that relatively little light can be shed in just a few minutes. Therefore, we have limited our testimony to three issues which we feel relate directly to what we are hearing from families across the nation.

OUR NATION'S TAX POLICY SHOULD BE CAREER NEUTRAL

First and foremost, we feel that America's families want a tax code which is career neutral—that is, a code which does not create an unfair economic advantage for either two-career families or families choosing to have one spouse stay home. Yet, our mail indicates that mothers whose families are struggling financially feel rewarded for taking a job outside the home and penalized for making the decision to remain home full-time with their children. Letters from both mothers now at home and mothers working full-time portray strong feelings that a financial burden is placed on women who choose to spend more time at home.

It appears to us that some of the proposed changes in the tax code—specifically the increased personal deduction and the equal IRA benefits for non-working spouses—would be a first step in relieving this economic pressure to send both spouses into the paid workforce. We are concerned, however, that much of the discussion of these proposals in the media concludes that if families with one spouse at home will benefit from the tax changes, then families with two wage earners will be hurt by the changes. Rather, we have found that in many cases, families where both spouses work and families with one spouse at home

are not two distinct groups with conflicting interests.

Our letters show that a large group of mothers on the economic borderline float in and out of the workforce—sometime struggling financially while staying at home and sometimes struggling emotionally while working full-time. There are also mothers who desperately need more money but have never taken full-time positions outside the home, and women working full-time who desperately want to spend more time with their children but are afraid of the economic consequences of quitting their jobs. All three groups of mothers resent the fact that they feel forced to choose between time with their children and economic security for their families. (See Appendix "Sampling of Letters From Women Under Economic Pressure.")

Greater equity in the tax code could make enough difference in many family budgets to help all three groups mentioned above. As members of this Committee try to discern what impact these tax proposals will have on families, we hope they will keep this fact in mind.

THE REAL VALUE OF PERSONAL EXEMPTIONS MUST BE RESTORED

Perhaps the element of the Administration's proposal which will have the most obvious impact on families is the restoration of real economic value to the personal exemption. Many of us remember the days when a middle class family could pay the monthly mortgage, raise a family, and save for college, retirement, and a rainy day—all on the modest take-home pay of the fifties. Since then, high inflation, double-digit interest rates, bracket creep, and higher weekly payroll deductions have made it increasingly difficult for families to make ends meet on one income. These same factors have reduced the value of the personal exemption. Restoring the personal exemption to a meaningful level, and indexing it, will give parents an honest economic deduction for the benefits that they, in return, provide society.

While the $2000 personal exemption will remove some of the economic pressure on families to have both parents leave the home for the job market, it will also benefit all other families. Therefore, we urge this Committee to look favorably on this aspect of the tax proposal.

RETIREMENT ACCOUNTS SHOULD BE EQUAL FOR ALL INDIVIDUALS

IRA's have been an important tax innovation of recent years, an incentive for individuals to increase savings and prepare financially for their own retirement. It is difficult to understand why some women cannot participate fully in this benefit. To limit the non-income-earning woman at home to only $250 as an IRA contribution implies that our government considers the out-of-the-home working mother as eight times (with a $2000 IRA allowance) as valuable as her sister at home. We recognize the unique importance of a woman's role as mother and educator at home and therefore support the full extension of the IRA program to all women.

We encourage the Committee to consider these long overdue aspects of tax reform which hopefully begin to correct past inequities.

In conclusion, we would like to note that the suggestions made above not only involve a redistribution of taxes, but reflect the broader issue of freedom of choice. The choice to be a full-time mother today has become economically more and more difficult. We judge that a majority of mothers in this country want to feel free to decide whether to develop a career inside or outside the home without fear of government-imposed economic penalty. Tax policy should not inhibit a woman's choice to progress, to achieve, to nurture.

APPENDIX—LETTERS

I'm a working mother, albeit a very, very reluctant one. My daughter will be six months old tomorrow and not a day goes by without me grieving over losing these precious days with her. I have to work, but my husband and I are doing everything possible to get ourselves on our feet financially so I can work part time by autumn.

I have always strongly supported the women's movement and consequently was totally unprepared for the depth and strength of emotional commitment I felt for my daughter. I never even considered not returning to work so I wasn't prepared financially when I didn't want to resume my job. I am angry and frustrated and hurt. The five months I spent home with my daughter were the most loving, growing and exciting of my life.

I would like very much to receive your newsletter and work in any way I can to promote a more favorable economic alternative for women who want to remain home with their children.—K.R., Allentown, PA.

I work as a bank secretary, and am very grateful to have a job in such a good environment. I work out of economic necessity, however, and have always longed to be at home. Do you perhaps have a pamphlet suggesting ways a family can get along on one income and/or how I could stay at home and still earn money?—A.B., Bryan, OH.

I am writing in response to a recent Phil Donohue show I saw on mothers who stay at home. . . . The comment was made about hoping to provide an economical way for mothers who are forced to work to be able to stay home more with their children. I was very interested in this because I am in that situation. I have been living with my parents along with my two small children since August 1983 and my husband has recently filed for divorce. He has never provided or taken responsibility for us and I will get very little from the divorce.

My desire, of course, is to be able to market some kind of skill from home so I can be with my children more. . . . I do not want to leave my children any more than I have to, but I do have to provide for them.—N.N., Grand Rapids, MI.

I am recently a new mother of a beautiful baby boy. I do not want to go back to work because I feel there is no one that could give my baby the love and teachings I can give him. . . . I am hoping you are able to guide me in the right direction. Even though I want to raise my child at home, my husband and I can not afford it unless I find work I can do in my own home. I am an Electronic Assembler and have seven years of experience. I heard that some companies let you do work at home, but I do not know where to find the information. . . . I am also willing to do other work in my home. If you have any suggestions, please let me know.—E.V., Gloucester, NJ.

I'm hoping your group may have some suggestions for the situation my husband and I find ourselves in. We are hoping to soon buy a house, and have noted the luxury items in our budget that can be eliminated allowing more money for necessities—oil, mortgage, etc. Even with this cutting back we find that when we have children it will be necessary for me to work part time. We both feel strongly that it is so important to stay at home with children when they're young, but have found that I will be unable to do this on a full-time basis.

Does your group have any suggestions for . . . mothers who find themselves in this predicament? Are you aware of any jobs that allow mothers to work part time out of the home? . . . Any information you have would be greatly appreciated.—M.L.B., Roanoke, VA.

I am an older woman (fifty-one) . . . and a mother of seven children. I would dearly love to stay home and take care of things that need taking care of but because my husband is on disability I am unable to do so. I do housework for other people so you know what I do is not exciting, but it does help pay the bills.

I would really like to quit work and be home with my husband as he really should not be left alone, but I have no other choice. If you could help me to be at home and still earn money I would appreciate it very much.—B.J.D., Slippery Rock, PA.

THE 12TH ANNIVERSARY OF THE MILITARY RULE IN CHILE

Mr. KENNEDY. Mr. President, today we take note of a sad and tragic anniversary. Another year of oppression and suffering in Chile has gone by. Another year of military rule has passed, and the situation in Chile is worse now than ever before.

The outcome of this repression is all too predictable. Just last week, antigovernment riots left 10 people dead and scores more injured or arrested. Unless the government changes course, the country will be thrown into an unending cycle of increased violence, death, and repression.

Two weeks ago, the opposition, in a rare instance of unity and compromise, issued an 11-party accord, the National Accord for the Transition to Full Democracy. This responsible and reasonable proposal calls for a restoration of political rights and general elections at a date to be negotiated. It includes the extraordinary concession which allows the continuation of the Pinochet regime until such negotiations are completed. These accords go much farther than half way in efforts to reach an accord with the Chilean Government.

But it is becoming increasingly evident that the Pinochet regime's sole interest is in maintaining its own power. Despite the fact that virtually no one in Chile wants the military to stay on, they hold fast to the reins of government. The junta's only response to date to the National Accord has been to announce yesterday a renewal of its emergency powers. These powers enable Pinochet to restrict fundamental civil liberties. The armed forces are routinely engaged in predawn security sweeps, and they have detained some 40,000 suspected "subversives;" 600 political activists have been exiled to remote parts of the country and six opposition publications have been closed down. Instead of negotiating with the democratic opposition for a return to democracy, the Pinochet regime is intent on crushing it.

Last spring, I introduced along with Senators Cranston, Harkin, and Kerry, and Representative Weiss a resolution calling for the restoration of democracy in Chile. It provides that until such a restoration of democracy, the United States should continue to deny all military and economic assistance to the Pinochet government and should vote against multilateral development bank loans and grants to the Government of Chile, except for humanitarian aid which aids the basic needs of the Chilean people.

Just this past summer, the United States reversed its policy of abstaining on loans to Chile—a policy the administration had adopted to protest the state of siege in Chile. While in theory, the state of seige has since been lifted, in practice, the most basic civil rights continue to be denied the Chilean population.

The people of Chile desire and deserve democracy. They are the heirs to one of the longest and most distinguished democratic traditions in Latin America. We can show our support for the restoration of democracy in Chile by opposing all loans to Chile until the government enters into a meaningful dialog with the opposition on returning Chile promptly to democracy.

Let me, at this time, call attention to an op-ed piece in today's New York Times by a former U.S. Representative from Massachusetts, Robert F. Drinan.

Father Drinan recently returned from a trip to Chile during which he saw a "deep frustration among the 11.8 million people who are humiliated by the torture, murder, harassment and the exiling of citizens."

As Father Drinan points out, the upcoming arrival of a new U.S. Ambassador to Chile presents an opportunity for the administration to change its policy and to press for civilian rule. In the poignant words to Father Drinan of a Chilean who was waiting in line to visit his imprisoned sons, "what happens to my sons depends on decisions to be made by the President of your country."

We must send a clear signal to the Government of Chile that the United States is committed to supporting freedom for the Chilean people. The United States should oppose future loans to that country until it is committed to restoring democracy. I urge the administration to uphold the democratic values of our country and to use our full influence to promote prompt restoration of democracy in Chile.

I ask unanimous consent that the full text of Father Drinan's article may be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Sept. 11, 1985]

12 Years of Night in Chile

(By Robert F. Drinan)

Washington.—What will opposition forces in Chile do today, the 12th anniversary of the coup that brought Gen. Augusto Pinochet to power? I found no clear answers to that question during a visit last month. But I saw water cannons waiting to quell demonstrators. I saw, too, deep frustration among the 11.8 million people, who are humiliated by the torture, murders, harassment and the exiling of citizens who are heirs to one of the richest democratic traditions in Latin America.

I do know the United States has an important role in Chile's future. The arrival shortly of a new ambassador offers the Administration an opportunity to change its policy, in which pieties about a democratic transition are coupled with acts that bolster General Pinochet. We must now press unmistakably for civilian rule.

President Reagan owes Chilean citizens no less. The disintegration of freedom in the last dozen years has been appalling. In 1973, more than 50 percent of all workers belonged to labor unions; today, only 8 percent. In 1973, the external debt was $4 billion; today, $22 billion. The media are censored. Torture touches hundreds each year but intimidates millions. Political parties are suspended.

Aside from the United States, about the only source of hope in Chile is the Roman Catholic Church. At a dinner in the home of Raúl Silva Henriques, the 78-year-old retired Archbishop of Santiago, this venerable figure reviewed his efforts to deter terror from 1973 to 1983 and concluded by saying that the Government's oppression of the church is as bad as persecution of the church in the Roman Empire in the early centuries of Christianity. Chile is harassing the church because, almost alone among social institutions, it represents the tortured, the exiled, the unemployed and the poor.

Nearly everyone in Chile wonders when the dark night will end. Now 68 years old, General Pinochet will not go voluntarily because he has no place to go. If he remains in Chile, he could be tried for countless crimes just as generals and admirals of Argentina have been tried. If he wants to go abroad, there is no place to go except possibly Paraguay.

I have hundreds of memories of the people I talked with. But the one I shall never be able to forget is a man I met in a line outside a jail in Valparaiso while waiting to visit 42 political prisoners.

He told me he was waiting to visit his two sons, both imprisoned on unspecified charges of subversion. After two years, no trial date had been set. Torture had been used, but he obviously did not want to talk about it. As I moved out of the line into the prison, he ended our conversation by stating, "What happens to my sons depends on decisions to be made by the President of your country."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

Mr. DOLE. Mr. President, I understand they are checking on the Democratic side to see if there is any objection to proceeding to S. 1200. In the meantime, I think there would be no objection to the distinguished chairman of the Judiciary Committee indicating that he intends, when the bill is before the Senate, to turn the management over to the distinguished Senator from Wyoming. I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, when the immigration bill comes up, and it appears it will come up in the next hour, as chairman of the Judiciary Committee I wish to designate the chairman of the Immigration Subcommittee, the assistant majority leader, Senator Alan Simpson, as manager of this bill with entire control of it, including allotment of time and such other matters upon which a decision may have to be made.

Mr. DOLE. Mr. President, I thank the distinguished President pro tempore, the chairman of the Judiciary Committee, Senator Thurmond. We hope to have the bill before the Senate momentarily. We need to complete action on the Immigration Reform and Control Act of 1985 hopefully by tomorrow evening, if not by Friday evening.

ORDER OF PROCEDURE

Mr. DOLE. There will be, as advertised, a cloture vote at 2:30 p.m. on the Anti-Apartheid Act. It is my hope that cloture will not be invoked.

Late last evening another cloture petition was filed on a motion to proceed to the conference report. That vote will occur tomorrow. I am not certain what time, but it will be at approximately 2 o'clock p.m. We can work that time out.

I would hope if cloture is not invoked today, that on tomorrow, there would be a clear understanding that it will be the prerogative of the leadership to determine what is before the Senate. I would suggest that tomorrow's procedural vote will have the net effect of determining who will set the agenda of the Senate. As I recall, that is vested in the majority party. I hope tomorrow's vote will reflect the majority view.

Then we can move on to other matters that will be coming before the Senate.

I indicated there would be no rollcall votes on Monday, but we do hope to take up Superfund next week. We

know there is administration opposition to the way the Superfund is funded in the legislation. I happen to share that view. In any event, since we have not been able to work out any compromise—I know Senators Packwood, Stafford, and others on both sides have made that effort—and since the law expires at the end of this month, it seems to me we should move ahead and go to conference with the House as soon as they take action, and see if we cannot resolve the funding issue—without going to the higher level the House proposes in conference. That will be before us next week. It is my hope that we will then start taking up some of the appropriations bills. I will be meeting with Senators Domenici and Hatfield on that issue, that general matter, sometime this week.

The Republican leadership of the House and Senate met with the President this morning. The President was pleased with the action taken by the Senate on Monday with reference to South Africa.

Mr. McFarlane clarified for some of us that on the Krugerrand issue, it is not necessary to get agreement from the other GATT countries, though they do feel it is necessary to consult with other GATT countries. I think those who thought this might be a device for delay will be pleased to have that information.

So what we have, in essence, is more than the bill that passed the Senate on an 80 to 12 vote. In addition, we have the President of the United States, who I understand is the only one in this Chamber who was elected to that office, speaking for the Nation rather than Senators from either side of the aisle. We are now clearly speaking with one voice in strong opposition to apartheid policies in place in South Africa.

In the view of this Senator, that is much superior to what the Congress might do without the President on board.

I would say to my colleagues, and I hope they would understand—it seems to me the best strategy is to postpone consideration of the conference report and agree that at some future date, if certain matters are not implemented as set out in the Executive order, we will recall the conference report. That, to me, would be a strategy that should have strong bipartisan support, as did the original Senate action.

Again, at 2:30, the cloture vote will occur.

TRADE LEGISLATION

We also discussed trade legislation with the President. I think most of this has been reported for the Record by the distinguished assistant majority leader [Mr. Simpson]. I am confident that we can work out some responsible, nonprotectionist trade measure with the administration. Hopefully it will be a measure that will enjoy bipartisan support, but if not, at least with Republican initiative and the House Members and the President going in the same direction.

TAX REFORM

The President is also very eager for tax reform. I would indicate in that area, though I have not discussed this with the chairman of the Finance Committee, that if we are expected to produce a tax bill in the Senate before sine die adjournment, we must ask the House to speed up consideration of the bill. We cannot be left in the position of not receiving the House-passed bill until sometime in November and be expected to have a markup in the Senate Finance Committee, 3 or 4 weeks of debate on the Senate floor, a Thanksgiving Day recess, a conference committee meeting, and a bill sent to the President by the end of the year. It does not take a genius to calculate the days involved.

We certainly want to support the President's efforts, as I think the majority of the American people do. So I urge my colleagues in the House, Democrats and Republicans, to speed up the process, not to just drop it in our lap in mid-November and say, "Well, now, if you want tax reform, go talk to the Senate leadership." We are prepared to move, but we cannot be asked to move if we do not have any time to complete action.

In addition to that, I think the President still believes that we should have done more on Federal spending reduction and he is eager, if necessary, to take issue with Congress on spending matters, including the line item veto, the rate of spending, and a balanced budget amendment which hopefully, we will have time to consider in October.

We indicated briefly that the debt ceiling would be a matter of some difficulty in the Senate. It is my understanding that as of maybe October 8 or 9, we are in real difficulty from the Government standpoint. The cash reserves could be as low as a couple of billion dollars, which is not very much for the Government, so it may necessary to call up the debt ceiling extension even sooner than we had anticipated. We could expect a number of amendments from both sides of the aisle. At best, it is always very difficult to pass, and I would guess that there will be a reluctance from Members on my left to vote to extend the debt ceiling unless a substantial majority of Members on my right vote to extend the debt ceiling. That is always a factor that could be important.

(Mrs. KASSEBAUM assumed the chair.)

Mr. DOLE. Madam President, again, I hope we are in a position to proceed to the Immigration Reform and Control Act, S. 1200.

ANTI-APARTHEID ACTION ACT OF 1985, H.R. 1460—CONFERENCE REPORT

Mr. SIMPSON. Mr. President, I ask unanimous consent that at this time the Senate lay aside the pending immigration bill and turn to the conference report on anti-apartheid, H.R. 1460, and that the time between the present time and 2:30 p.m. be equally divided for debate only.

The PRESIDING OFFICER (Mr. Cohen). Without objection, it is so ordered.

Who yields time?

Mr. SIMPSON. Mr. President, I yield to the Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I am voting against cloture because I believe that the most effective way to oppose apartheid in South Africa is through a unified approach by the U.S. Government as the leader of the free world. Immediate implementation of President Reagan's Executive order, without congressional dissent, is the best way to achieve that objective.

No one in the 97th, 98th, or 99th Congresses has been more active or vocal in opposition to racial injustice and supportive of civil rights than I. I cosponsored the Kennedy-Weicker anti-apartheid bill, joined the drive to improve the Voting Rights Act in 1982, led the fight to revive the Civil Rights Commission in 1983, and was active earlier this year in the battle to invigorate Justice Department enforcement of civil rights laws as embodied in the controversy over the nomination of Mr. William Bradford Reynolds.

President Reagan's Executive order constitutes a significant change in U.S. policy against apartheid. The President has more than met the Kennedy-Weicker bill halfway. The President's Executive order embodies about 85 percent of the bill which emerged from the conference committee. The major difference is the omission of provisions on delayed sanctions which can always be enacted at a later date if they are necessary when that time arises.

The fight against apartheid would be significantly weakened if the Senate involves cloture and pursues a scenario where the conference report is passed, vetoed by the President and that veto is sustained. At this moment, in advance of the cloture vote, it is problematic as to whether cloture will or will not be invoked. It is plain, however, that there are insufficient votes in the Senate to override a Presidential veto.

This issue is too important for politics-as-usual or for the frequent Washington approach to look for "winners" and "losers." I strongly disagree with Senator Kennedy's statement that—

> The Republican Party is at a crossroads on this issue. It must decide whether to be the party of Lincoln or the party of apartheid.

The real issue is: What U.S. policy would best work against apartheid? President Reagan spoke for Democrats and Republicans alike on Monday when he said:

> America's view of apartheid is simple and straightforward: We believe it is wrong. We condemn it.

U.S. Ambassador Herman Nickel, returning to Johannesburg on Tuesday, was equally emphatic on calling on the white minority government there to move beyond "mere statements" and begin dismantling "key featues" of its apartheid system of racial segregation. He continued:

> The injustices committed in the name of this system have gone on too long and they must stop.

Nothing is lost by deferring action on prospective sanctions—that is, sanctions to be implemented within a year from now, which is the biggest difference between the President's Executive order and the conference report which is before the Senate today. If those future sanctions are necessary, they can be enacted at any time in the coming months during this 99th Congess by bringing the issue back before the Senate, by imposing cloture, by adopting the conference report, and by overriding the Presidential veto should that be required.

I would be among the first to press for that action if and when it becomes necessary. At this time the most effective action against apartheid is to stand behind the President, the Chief Executive, who heads the only branch of Government which can get that job done on a day-in and day-out basis.

That is, after all, why the President, as Chief Executive, is principally in charge of foreign affairs. There should not now be a Presidential-congressional confrontation which tells the world that the U.S. Government cannot agree on a policy against apartheid.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as I understand, the time has been equally divided.

The PRESIDING OFFICER. That is correct.

Mr. KENNEDY. Does Senator WEICKER have 10 minutes remaining?

The PRESIDING OFFICER. Eleven minutes.

Mr. KENNEDY. I thank the Chair.

Mr. President, in just a very few moments, the Senate of the United States has a historic opportunity on a truly historic issue. I believe it will be recorded that this is a momentous time of extraordinary importance and challenge. Our votes this afternoon will live on far beyond today or tomorrow; they will live far into the future. I doubt, Mr. President, whether there will be any vote that will be cast in this Congress that will be more important, certainly for us as individuals or for us as Members of this body and for this body itself.

The basic question is whether we will bring a halt to a filibuster on this issue that deals with the kind of society that we are and the kind of policies that we want to reflect this Nation.

The Declaration of Independence talks about all men being equal. I think those of us in this body at this time would like to think of our Founding Fathers writing that phrase and saying "All persons are created equal." We personally, as Members of the Senate, should be able to cast our vote to reflect that concept and not be prevented from casting our vote because of a filibuster. Those who are involved in the filibuster at this time may be able to defer that vote for today and may be able to defer it for tomorrow. But this body is going to have to face up to this issue, if not this afternoon—and I hope it will be this afternoon—then it will face up to this issue before the end of this particular session of Congress.

We are reminded, Mr. President, that the President's actions were well-intentioned and I have not questioned his motivation. But they are ill suited to the challenge that this Nation faces with its policy toward South Africa.

We should be able to continue the work on this conference report that has been fashioned in a bipartisan way through the committees of the Senate that have been chaired by Republicans—in the Foreign Relations Committe with Senator LUGAR, and in the Banking Committee as well.

We have been able to fashion a bipartisan effort here with a vote to 80 to 8 to halt a filibuster and 80 to 12 in support of the legislation. The chairman of the Committee on Foreign Relations, Mr. LUGAR, just last Friday pointed out that the Senate-House conference report is a carefully crafted bill developed by a bipartisan consensus of both Houses of Congress that has not been displayed since Vietnam. The legislation is designed to encourage reform in South Africa. It is intended to use its leverage in South Africa to bring about a less racist system of government.

Nothing has changed, Mr. President, since last Friday and we should have a chance to pass this bill. Otherwise, we are denying the opportunity for the Senate of the United States to put in a statute what our fundamental values and fundamental beliefs are, which I believe have been enshrined well in the Declaration of Independence, in the Emancipation Proclamation, and some other declarations which have stated our basic and more fundamental values.

Mr. President, I hope the Senate will vote in favor of cloture and that we shall move toward consideration of the conference report.

Mrs. KASSEBAUM. Mr. President, how much time remains to those speaking against cloture?

The PRESIDING OFFICER. Five minutes, fifty-one seconds.

Mrs. KASSEBAUM. I thank the Chair.

Mr. President, I support the President's belated decision to redirect American policy along the lines that the Congress has proposed.

There are several reasons why I believe this is the best course, but the most important reason is the effect in South Africa. If we are really concerned with practical results in that country, there is no question but that a unified position on the part of the President and the Congress has the best chance of success.

I have always felt that what was really needed in our South Africa policy was a change in the administration's thinking, and that our legislative actions were a second best alternative. For Congress to try to set a different course from the Executive was always doomed to have problems.

The greatest of these is the difficulty of communicating our purpose and intent to South Africa. No matter how well-concieved our legislation was—and I believe that it was well-conceived—no good can be accomplished if the relevant audiences in South Africa misunderstand our purposes. The potential for such misunderstanding is great, because of the differences in point of view in the two societies. For example, even today President Botha has chosen to see the pressure from America as a partisan political issue between Democrats and Republicans.

The message that we are trying to convey will have a better chance of getting through if it is delivered by a coordinated effort of the Congress and the Executive. It is essential that a new direction in American policy be reflected in the day-to-day actions and statements of the White House and State Department in Washington and our Embassy in South Africa. Without this, congressional actions will simply not produce the desired results.

I am aware that many Members are skeptical about the sincerity of the administration's change of position. I don't believe that to be the case. The President has not tried to undercut Congress' actions, but has aligned himself with them.

The other complaint is that the President's Executive order differs from the legislation in regard to various details of implementation. But I believe that the specifics of various penalties are much less important than the general direction of policy

that is set, and the political will and commitment that lie behind it. Our purpose all along was to send a political message to South Africa, not to impose specific penalties for their own sakes. That purpose will be best accomplished by a united executive-legislative front.

If some have doubts about the administration's commitment to a new course, it should be remembered that Congress will not be surrendering its policy leverage. Many Senators will be watching the administration's implementation of its policy. Senator LUGAR, the majority leader, and many others in both parties will not let our agreed, bipartisan purposes be pushed aside. If at any point it is judged that the administration is not acting in good faith, there will be 80 votes waiting to support legislative action, on the current bill or another.

There is no question that there have been serious differences of opinion in the past between Congress and the administration over South Africa policy. The President has now responded to our concerns and offered us a chance to pursue a unified and coherent policy. I believe that this represents the best possible outcome, combining congressional sentiment with the capabilities of the executive branch. I believe that we should support the President's initiative, and devote our attention to ensuring that its promises are fulfilled.

Mr. WEICKER. Mr. President, I hope that this body would vote cloture this afternoon. I think the delay on this matter by our Nation has been sufficient so that we do not need any more days or weeks or months to make certain that the American message is heard clearly both in South Africa and throughout the world. For whatever concerns I have that were partisan in nature, for whatever concerns I might have insofar as a Presidential veto or that veto being overridden, they cannot come close to the sadness which each one of us feels as we witness the tragedy that goes on day after day in South Africa. It might inconvenience some Senators or some Congressmen or some Presidents insofar as how they react to this issue but others are losing their lives. That is their inconvenience. Schoolchildren are jailed every day, families torn apart, lives lost. And so really our jockeying for whatever position anyone seeks to achieve within a political sense is small potatoes indeed when compared to that human tragedy.

And it is a human tragedy, I might add, that we were willing to fight and die for some 40 years ago, only this time the participants are different and the color of the skin is different, but it is the same story. So it seems to me that the action of invoking cloture is the least that this great Nation can do in pursuit of its ideals. And the issue is not going to go away. It, obviously, is not going to go away by virtue of the actions of those who live in South Africa but just as important it will not go away on the floor of the Senate or in the House of Representatives. If this vote fails today, there will be another vote, and the measure itself will be up for a vote by the Senate in some other form on some other bill. It is my very deeply held feeling that the sooner we act the less lives are lost, the sooner we act the sooner the voices of moderation can speak. So do it today, do it tomorrow, but it is going to be done. I hope that we would have a pride as a body and as a Nation in having helped with the final result rather than having stood on the sidelines and watched others fight that lonely battle.

This is no way is meant to denigrate the efforts or words of our President, but he has not been in the forefront of this issue. And even what was achieved yesterday or spoken by him was done begrudgingly. It is with enthusiasm that each one of us should vote for cloture, and not for political advantage but to enhance the possibility of life in that nation so far away. I yield the floor.

Mr. GLENN. Mr. President, I strongly urge all Senators and the majority leader to allow the Senate an opportunity to complete action on the anti-apartheid bill. The shameful events that have taken place in that tortured country since we last considered this issue in July have only served to reinforce the need for this legislation.

Since July, unrest has spread. Since July, many more black South Africans have died and many others have been detained without charge under the state of emergency. Since July, we have been confronted with daily reports of police beating of peaceful demonstrators with whips and dispersing them with tear gas. And since July, Mr. President, the South African Government has even banned funeral processions that mourn the victims of apartheid. Can you think of anything that would inflame passions more than that.

I acknowledge that the President, recognizing reality, has implemented by Executive order much of what is contained in the conference report. Yet this is the same President Ronald Reagan who just a few days ago in a radio interview credited the Botha regime with having eliminated segregation in South Africa. This is the same President Reagan whose administration has incredibly refused to renounce its discredited policy of "constructive engagement." I submit that perhaps we are contributing to destructive engagement. This is the same President who up until a few days ago so strongly opposed this legislation that he had vowed to veto it. I believe that this important step deserves the force of law. For let us not forget that just as quickly as this Executive order was issued, it could just as quickly be revoked.

The reality in South Africa commands our attention and demands our condemnation. The fact is that apartheid is segregation, and apartheid is still fully in place in South Africa. At birth all South Africans are classified according to the color of their skin, and that classification controls every aspect of their lives thereafter. It determines where they may live, where they may go to school, whether they must carry internal passes, whether they have any voice in government, and finally, whether they are even considered citizens in the land of their birth. If they are white, they are citizens. If they are black, they are not. With few exceptions, resorts, restaurants, buses, and parks all remain segregated. So despite whatever minor changes may have occurred in that system, let there be no misunderstanding about the fundamental nature of apartheid: it is racist—and it is wrong.

Now some have argued that we should not impose sanctions on South Africa when we have implemented no such sanctions on other countries with abominable human rights records—such as the Soviet Union. But that argument is wrong on two counts. First, we have imposed a wide variety of economic and diplomatic sanctions against the Soviet Union, and we have done so on a number of occasions over the years. But second, and even more important, South Africa is the only nation on the face of the Earth where the entire nature of one's existence is wholly and solely determined by the color of one's skin. And let's not forget that South Africa, as distinct from the Soviet Union and other nations whose human rights records are deplorable, lays claim to being part of the Western community of nations. But how can it be accepted as such when its social system is repugnant to Western principles and values?

I trust that every single Member of this body will agree that the South African scheme of apartheid is appalling, inhumane, and unjust. but simply agreeing with that assessment is no longer sufficient. We must demonstrate that our protest is more than a rhetorical exercise. I urge my colleagues to bring this debate to a close and to join the House in cause and conscience by overwhelmingly approving the conference report before us.

Mr. DOLE. Mr. President, I ask unanimous consent that we may proceed for 2 additional minutes, and 1 minute be given to the Senator from California.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I appreciate that very much from the majority leader.

Mr. President, there are a number of important issues at stake in our vote today.

First, there is the substance of the sanctions measure. The conference report provides a carefully balanced package with clear procedures, minus the gaping loopholes of the President's Executive order. This measure is far more likely than the flawed Executive order to yield the results President Reagan has belatedly endorsed. Make no mistake about it; the President's action falls far, far short of the compromise congressional measure on the Krugerrand ban, on the minting of a U.S. gold coin to compete with that symbol of apartheid, on the application of mandatory "Sullivan" fair labor standards, on the banning of nuclear exports, and on the certain application of additional sanctions 12 months hence. Anyone who doubts this fact would do well to consider the sweeping endorsement of the President's action by Jerry Falwell, an apologist for the racist South African regime.

Second, there is a fundamental issue of how our laws are made. We are, indeed, a Nation of laws not men. We should not abandon the product of 3 year's labor in Congress out of deference to an 11th-hour effort to impose government by Executive fiat.

Finally, I would like to comment on the public assertion of my friend Senator DOLE that those of us who are pressing for completion of action on this bipartisan legislation are somehow guilty of partisanship. I would suggest that if those Senators who have already voted to adopt this legislation in the Senate, but whom are now trying to filibuster the conference report, are guilty of endangering the very strong bipartisan consensus we have built on this measure. I urge these colleagues to defend the bipartisan product of this institution rather than abandon this measure out of blind allegiance to the leader of their political party. The principles at stake and the substance of the legislation is simply too important to do otherwise.

Before concluding, I would like to indicate to my colleagues that as the floor manager for this side of the original legislation, it is my intention to press again and yet again for a vote on this conference report. Clearly, a majority of the Senate supports this bill. And clearly, we will adopt the conference report when the filibuster is finally broken. Senators who are considering a vote against this bill today—a bad vote in my estimation—would do well to consider this fact. We will call this vote up again on measures where we can ill-afford a filibuster such as the debt ceiling measure and the continuing resolution for certain appropriations.

We will not abandon this issue. And ultimately, we will prevail. I urge my colleagues on both sides of the aisle to join together to hasten the day when this bill becomes the law of the land.

Mr. President, I ask unanimous consent to insert in the RECORD at this point a chart summarizing the major differences between the congressional legislation and the Executive orders.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

HON PRESIDENT'S EXECUTIVE ORDER ON SOUTH AFRICA IS SIGNIFICANTLY WEAKER THAN THE HOUSE-SENATE CONFERENCE REPORT

Conference report	Executive order
1. Immediate ban on krugerrand imports.	1. Vague, potentially time-consuming consultation of GATT trading partners (up to 90) re krugerrand ban, with no real assurance that ban will actually be implemented.
2. Ban on loans to public sector except for nondiscriminatory education, health and housing facilities in areas open to all.	2. Allows Secretary of Tresury to waive conference report ban if he determines loans "improve the welfare or expand the economic opportunities" of blacks (even by strengthening apartheid structures like segregated towns, bantustants, facilities).
3. Bans computers to security and apartheid-enforcing agencies including local and homeland governments, and to any government agencies not benefitting blacks.	3. Omits conference report ban on computer exports to agencies not benefiting blacks.
4. Bans nuclear exports.	4. Includes exception to conference report ban for nuclear exports that "protect the public health and safety", reduce proliferation risks or implement IAEA programs.
5. President to recommend which of 4 sanctions (includng no new investment, ban on coal and uranium imports, ending of MFN status) to be enacted if South Africa doesn't make "significant progress" in 12 mo toward 8 conditions for dismantling of apartheid.	5. No comparable provision. Secretary of State appoints advisory commission to report in 12 mo on measures to promote peaceful change.
6. U.S. firms in South Africa to implement code of fair employment and antiapartheid practices. State Department monitors and publicly reports on performance, using onsite monitoring and consultation with black representatives.	6. U.S. firms only asked to "register" that they "adhere" to fair employment and antiapartheid principles. Omission of principle that businesses should lobby for repeal of apartheid laws. No official monitoring system to check on companies.
7. Earmarks $350,000 for direct legal and other aid to political prisoners and their families, investigations of political killings, and aid to black-led, nonviolent antiapartheid community groups.	7. Earmarks ⅓ of funds to be provided for human rights activities for "legal assistance" which could include research, infrastructure and other less "controversial" aid to blacks.
8. Allocates at least half of funds for education training and scholarships in South Africa for antiapartheid community group programs.	8. No earmark in scholarship aid for community groups.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HART. President Reagan's announcement today of measures for South Africa may be a welcome departure from the failed policy of "constructive engagement" but it is not enough. Nor is it by any means sufficient reason to abandon the more comprehensive actions proposed by the Congress.

The Reagan administration's effort to derail legislation for broader, effective sanctions against the repressive minority regime in South Africa is cynical and self-defeating. Until now, the President opposed any moves by the Congress to put pressure on the South African Government. He still threatens to veto the bill before us

today, a bill which has elicited broad bipartisan support. Only under the greatest pressure from American public opinion and the South African Government's absolute intransigence has the White House grudgingly agreed to take action. One has to be at least skipteical about the President's motives and ask why his proposals are suddenly being regarded by some as better than those which the Congress spent months deliberating.

In fact, the President is once more trying to dilute efforts to present a strong and resolute American posture in opposition to the archaic and dangerous policies being pursued by the Botha regime. At a time when unity and thoughness are urgently required, the President is trying to circumvent the carefully crafted, fully bipartisan measures agreed to by both Houses of Congress.

President Reagan's measures at best weaken the Congress' already modest intentions.

Our proposed law mandates additional sanctions against South Africa within a year if the Government fails to take adequate steps to end the monstrous injustices of apartheid. Under the President's plan, no additional sanctions are envisioned if South Africa's Government ignores the imperative for reform. Given the obvious tendency of this Botha regime to dismiss past efforts at U.S. pressure, this is a glaring weakness. It is accommodation and concession, not resolute action. Moreover, we can expect the south African Government to be unresponsive to these more limited pressures when it knows that Congress' tougher position has been circumvented by the President.

Mr. President, under the President's plan the single step that would have the greatest impact on the South Africa regime—the ban on Krugerrand sales—is inexplicably postponed. The President says he will take the issue before the GATT international group. How will this policy be received by other countries and by the black South African majority? They know that the United States did not consult GATT when the administration embargoed all trade with Nicaragua, a sanction far more severe than what anyone has contemplated for South Africa. Can this be anything other than a technique for killing this measure?

President Reagan has argued that more stringent economic measures would harm the South African majority. I submit that the President and his advisors would be well advised to ask the people of South Africa—those who stand to be affected—what they think before making such claims. I would draw his attention to a recent Gallup poll conducted in that country, in which almost 80 percent of blacks polled favored economic sanctions as a way to defeat apartheid. They will endure the sacrifice if necessary—such sacrifice pales into insignificance compared to what is endured today under the current system of oppression and disenfranchisement.

For months, we in the Senate, like thousands of Americans across the country, have struggled with what our response should be to the tragic events in South Africa. Shortly before the recent congressional recess, we voted to impose a set of reasonable and moderate economic sanctions to express our condemnation of apartheid. Our colleagues in the House of Representatives have done the same.

Mr. President, we have come too far not to take a strong and unequivocal stand against the dangers and evils of apartheid. I urge us to reject the President's half-hearted efforts at compromise and cast a substantive vote for freedom, for justice and for equality.

It has been suggested that the President's action eliminates the need for us to act. It has been suggested that South Africa is on the road to reform and that we must be patient and allow change to come about gradually.

Mr. President, none of us can set the timetable and agenda for another country's political change. But the majority of South Africans have made their stand. They have decided it is better to die for freedom than to live as slaves. It is a principle with which the Senate should identify, for it is one of the principles upon which this Nation was founded.

South Africa is undergoing an upheaval out of which apartheid must be destroyed and a new political order and social reality created. Apartheid cannot be reformed. One cannot reform a system that denies every basic right of citizenship to three-fourths of its people.

The Botha regime has already displayed its cynical disregard for the views and policies of the administration, revealing the essential bankruptcy and failure of President Reagan's policy of constructive engagement or—"constructive action" as the President is now calling his policy.

We must pressure the Pretoria regime—not to bring it to its knees but to bring it to its senses. Critics of the congressional sanctions charge that we will further destabilize South Africa. In fact, the inflexible and brutal policies of the white minority regime are provoking revolution and violence. For the United States to be irresolute at this point would be the greatest contribution we could make to instability in the country and Africa as a whole.

Why should there be any question today about proceeding with this bill? Why are some arguing that the President's proposals should substitute for those of the Congress? Surely those who argue this do not believe American interests are best served by the continuation of apartheid. Any they cannot truly be indifferent to the civil rights of black people. It is perhaps because the administration and its supporters genuinely do not understand that shoring up the white minority regime is no longer an option.

Even if South Africa does not yet face a full, armed revolution capable of overthrowing the Government, that day will certainly come if widespread, comprehensive reforms are not quickly enacted. If South Africa's Government through its blindness continues to set the country on a road where the only alternative to change is violent revolution, the turmoil that engulfs the region will not further U.S. interests. The longer violence continues, the more radical will be the process of change and the final outcome. Every day that we delay, compromise, and exhibit caution in place of courage, we diminish the chances for the emergence of a moderate pro-Western government that is truly representative.

Mr. President, the entire world is watching our actions today. Many of our friends and allies—as well as our adversaries—have come to see the Pretoria regime as the protected ally of the United States. No country in Africa, pro-Western or not, will have any regard for U.S. objectives or do anything but ridicule our pretensions to democracy, free enterprise, and support for human rights if we continue to sanction tyranny.

Mr. DURENBERGER. Mr. President, I intent to vote against cloture of debate on the conference report. I consider this to be a vote in support of the administration's new, more activist South Africa policy.

A week ago I was prepared to vote in favor of the conference report. I felt, as did many of my colleagues, that the President had not offered a reasonable alternative for moving the United States from passive observer to active participant in the effort to end South Africa's racist apartheid policy. We now have that alternative, albeit not identical to our own proposal, and I believe it is offered in good faith.

Therefore, I urge all of my colleagues to join me in this vote—those who are in favor of the conference report, as well as those who are opposed. We must not lose sight of the ultimate objectives we all seek in South Africa.

My predecessor, the late Senator Hubert Humphrey, told the Democratic National Convention in 1948 that the time had come to—

> Get out of the shadow of state's rights and walk forthrightly into the sunshine of human rights. People, all kinds and sorts of people, look to America for leadership—for help—for guidance.

Let us not forget, then, what is at stake in this national policy debate: 25

million human beings, 25 million nonwhites in South Africa who are denied by a white minority the human rights that we have the luxury of taking for granted.

Our goals—shared by the President and those of us on both sides of the issue—are to fulfill our global commitment to human rights, and at the same time to preserve South Africa as an economically stable government. In a very real sense South Africa's human rights victories will be our own.

The President's Executive order alone is not going to achieve these goals. Neither would Congress' proposal. To assume otherwise would be either egotistical or naive. But our President has taken a very distinct position against apartheid, and I have to believe that he is committed to changing the internal policy of the South African Government. We have had a disagreement with the President over how to go about doing it. I feel that we should give him a chance to see if his way works. If it does not, both he and we can consider further action.

Mr. President, our effort to protect South Africa is sensible. South Africa's strategic location, its contribution to the economic stability of the region, and its mineral wealth are all of great importance to the United States and our allies. We cannot, however, hope to preserve a nation which seems committed to an internal policy which carries the seeds of its own destruction. The rulers of South Africa cannot continue to govern successfully in the face of organized opposition by people denied their human rights through an institutionalized policy of apartheid—people who produce the minerals and provide the means for a stable economy.

Therefore, the administration's new antiapartheid policy is not anti-South Africa. It is not prorevolution. It seeks to preserve South Africa by promoting stability through elimination of the source of instability. In South Africa, our goals of national security and human rights are inseparable—and this new policy finally recognizes that fact.

Throughout the summer, the administration viewed such a policy as harmful to U.S. national security objectives—to the extent that the President would veto it if necessary. Until this week, the administration felt that it was necessary. Until this week, the administration felt that it was following a course of action which would preserve our policy objectives in South Africa by moving the South African Government away from its condemnable domestic practices.

This policy followed a two-track approach. On the one hand, it provided aid and assistance to the majority in order to improve their education and their economic position thereby preparing them for a wider and more responsible role in the affairs of the country. At the same time, it sent signals to the South African minority that they must provide the opportunity for majority participation in the Government. In short, eventual elimination of apartheid.

But the signals the policy sent were not to be so strong as to caused an overreaction by the rulers in South Africa which might cause them to cease the liberalization process—and not so strong as to upset the economy. The theory was that a weak economy would work mostly to the disadvantage of the blacks, the very people whose economic lot we were most interested in improving. The administration maintained that this policy was working, that the economic and educational posture of the blacks was better than it had ever been and that the Afrikaans had taken steps to bring the minority into full citizenship beyond those it had ever taken. The administration saw great hope in this. Enough hope to wait and see.

But the administration, and the South African Government, miscalculated. Progress may have been relatively comforting to the administration and the Afrikaans, but it was insufficient to meet the rising expectation of the blacks. Our policy failed completely to send a strong enough signal to the blacks. A signal of hope, a signal of strong support for their aspiration—their expectations. Though the administration had sufficient faith in the South African Government to wait and see, the majority of South Africans had not such delusions—and no such patience. The miscalculation that oppressed peoples have the same patient approach to reform as the oppressors—that the underprivileged will accept the proportion of wealth determined by the privileged has been repeated throughout history. Blacks in the United States would not accept integration at a "deliberate speed" determined by the whites. And blacks in South Africa won't either.

We in Congress recognized that there was an impending crisis in South Africa when we drafted the antiapartheid bill. We saw that the South African Government was not moving quickly or meaningfully to answer the rising cry for freedom. This sense of crisis was sharpened by the speech of "no concessions" made by President Botha in Duban on August 15. His "let them eat cake" call for division of Government into "own affairs"—irrelevant issues which blacks can decide—and "general affairs"—all the important decisions reserved for the whites—failed to recognize that the majority of the people of South Africa want to decide what affairs are or are not their business.

We were right. Now the crisis has broken full force. The South African economy, which we were so careful not to upset, is in shambles. The South African rulers moving toward reform—at a snail's pace—have imposed a state of emergency which eliminates virtually every civil right. Those who we hoped to move peacefully into the process of Government are in open rebellion. Deaths on both sides mount, and lines become more sharply drawn.

The President has recognized that the circumstances in September are vastly different than those in June or July. He has acted to implement the majority of the very measures we proposed. Now is not the time for cynical accusations or speculations of intent or motives. The fact is that we now have the substance of a policy—a policy built on the same assumptions and assessments we made when drafting the provisions of the conference report. We in Congress must also recognize that the circumstances are different. Those in Congress who sided with the administration's position that sanctions were counterproductive must now side with the President in his recognition that sanctions are in our vital national interest. Those in Congress who supported a legislated foreign policy last week when there was none, must now recognize that, this week, we have most of what we sought. Legislation is no longer relevant as a tool to force the issue.

As I have said, I personally supported broader, more stringent sanctions to bring the South African Government in line with reality. Some of my colleagues favored even harsher ones, still others favor no sanctions. There are as many opinions of the right combination as there are Members. It is clear we cannot draft or execute a coherent foreign policy from the Hill. We must only attempt to do it when we are in extremis. We were and we did. That is no longer the case. The President has now taken a position—he is now out ahead.

It is time to permit him to exercise his responsibility and allow him the flexibility to respond to day-to-day events. We must seize the opportunity to speak in one voice, administration and Congress, against the destructive racist policies of the South African Government. If we are genuine in our desire to serve the objectives of human rights and national security and not exploit the issue for partisan politics, we will vote no on cloture and thereby vote yes for the new antiapartheid foreign policy of the President.

Mr. DOLE. Mr. President, I hope that cloture will not be invoked. I want to set the record straight on what this bill will accomplish. There have been all kinds of statements made to the effect that somehow if we just pass this bill, we will stop all the problems of South Africa—all the killings, kidnapings, and violence. That is simply not the truth. There is nothing we can do in this Congress—no legislation has been introduced—that would stop the bloodshed or immediately and apartheid in South Africa.

I would also say this: I think it is worth a great deal that the President is on board. But some of those who were willing to treat this as a bipartisan issue before, want to treat it as a partisan issue now that the President is on board.

I am willing to stack my civil rights record along with those of anyone else in this Chamber. But this is a foreign policy issue. I do not care when the President was converted. It could have been 1 minute ago. The President speaks for the Nation on foreign policy. Only once since the Kennedy Presidency has a foreign policy veto been overridden and that was on the War Powers Act, vetoed by President Nixon.

I think we ought to be declaring victory as I have said earlier. We ought to be saying to the President, "OK, we take your word for it," as my distinguished colleague from Kansas indicated. "But if you do not comply with the Executive order, if you are stalling on the Krugerrand, if there are not certain other actions taken as outlined in the Executive order within 90 or 120 days, then we are going to bring up the conference report."

Unfortunately, this is no longer an issue of what is good for South Africa. It has become a raw political issue. South Africa is secondary. I hope that my Republican colleagues who have good records in this area, as I believe the majority leader has, will understand that.

I am very proud the President is on board. I was one of those who was on the outside sort of pushing, and I was criticized for it by some. But he made the announcement himself and he made a powerful statement, not withstanding criticism by certain leaders in South Africa. I believe we are on the right track.

So let us give the President the credit he deserves and a chance to follow through. And let me say to those who may still have doubts: I give my word. If there is any slippage, if there is any turning back on the part of the White House or the President, then this Senator will call up the conference report and will support it and will do it when I first have good evidence that that is the case. Until then, we ought to be pleased the President is on board.

SEVERAL SENATORS. Vote.

CLOTURE MOTION

The PRESIDING OFFICER. All time has expired. Under the previous order, the hour of 2:30 p.m. having arrived, the clerk will state the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

> We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the conference report on H.R. 1460, the Anti-Apartheid Act of 1985.
>
> Edward M. Kennedy, Lowell Weicker, Charles McC. Mathias, Alan Cranston, Claiborne Pell, Paul Simon, Howard Metzenbaum, Patrick Leahy, Jim Sasser, John D. Rockefeller, Dale Bumpers, Paul Sarbanes, Spark Matsunaga, George J. Mitchell, Albert Gore, Jr., Jeff Bingaman, J. Bennett Johnston, Bill Bradley, John Glenn, Max Baucus, J. James Exon, and Daniel P. Moynihan.

The PRESIDING OFFICER. By unanimous consent the quorum call has been waived. The question is, Is it the sense of the Senate that debate on the conference report on H.R. 1460 shall be brought to a close?

The yeas and nays are mandatory under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] and the Senator from California [Mr. WILSON] are necessarily absent.

The PRESIDING OFFICER (Mr. SYMMS). Are there any other Senators in the Chamber who wish to vote?

The yeas and nays resulted: yeas 57, nays 41, as follows:

[Rollcall Vote No. 173 Leg.]

YEAS—57

Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bumpers
Burdick
Chafee
Chiles
Cohen
Cranston
D'Amato
DeConcini
Dixon
Dodd
Eagleton
Exon
Ford
Glenn
Gore
Grassley
Harkin
Hart
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Long
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Stennis
Weicker
Zorinsky

NAYS—41

Abdnor
Andrews
Armstrong
Boschwitz
Byrd
Cochran
Danforth
Denton
Dole
Domenici
Durenberger
Evans
Garn
Goldwater
Gorton
Gramm
Hatch
Hawkins
Hecht
Helms
Humphrey
Kassebaum
Laxalt
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Quayle
Roth
Rudman
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner

NOT VOTING—2

East
Wilson

The PRESIDING OFFICER (Mr. SYMMS). On this vote, there are 57 yeas and 41 nays. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. BYRD. Mr. President, I move to reconsider the vote and ask for the yeas and nays.

The PRESIDING OFFICER. The Senator has moved to reconsider the vote and has asked for the yeas and nays. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I move to table the motion to reconsider and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider the vote. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] and the Senator from California [Mr. WILSON] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 50, nays 48, as follows:

[Rollcall Vote No. 174 Leg.]

YEAS—50

Abdnor
Andrews
Armstrong
Boschwitz
Chafee
Cochran
Cohen
D'Amato
Danforth
Denton
Dole
Domenici
Durenberger
Evans
Garn
Goldwater
Gorton
Gramm
Grassley
Hatch
Hatfield
Hawkins
Hecht
Heinz
Helms
Humphrey
Kassebaum
Kasten
Laxalt
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Roth
Rudman
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Zorinsky

NAYS—48

Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bumpers
Burdick
Byrd
Chiles
Cranston
DeConcini
Dixon
Dodd
Eagleton
Exon
Ford
Glenn
Gore
Harkin
Hart
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Long
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Stennis
Weicker

NOT VOTING—2

East
Wilson

So the motion to lay on the table the motion to reconsider was agreed to.

(Note: The following proceedings occurred earlier and are printed at this point in the Record by unanimous consent:)

BUDGET ACT WAIVER

Mr. DOLE. Madam President, I ask unanimous consent that the Senate turn to the consideration of Senate Resolution 218, the budget waiver to accompany S. 1200, the immigration bill.

The PRESIDING OFFICER (Mrs. Kassebaum). Is there objection? Hearing none, it is so ordered.

The clerk will state the budget waiver.

The legislative clerk read as follows:

A Senate resolution (S. Res. 218) waiving section 303(a) of the Congressional Budget Act of 1974 with respect to S. 1200 as reported to the Senate Committee on the Judiciary.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution. Is there any objection?

The resolution (S. Res. 218) was agreed to, as follows:

S. Res. 218

Resolved, That, pursuant to section 303(c) of the Congressional Budget Act of 1974, section 303(a) of that Act be waived with respect to S. 1200 as reported the Immigration Reform and Control Act of 1985, authorizes the payment of entitlement benefits commencing during fiscal year 1989 to cover the full estimated costs to the States for public assistance to the legalized aliens, and for imprisonment costs; and Senate consideration of S. 1200 at the present time would violate section 303(a) of the Congressional Budget Act of 1974, in that the bill would provide new spending authority described in section 401(c)(2)(C) of that Act to become effective during fiscal year 1989, before the first concurrent resolution on the budget for fiscal year 1989 has been adopted. A waiver of section 303(a) of that Act is necessary to provide for the timely consideration of S. 1200.

Mr. DOLE. I move to reconsider the vote.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

Mr. DOLE. Madam President, I understand the distinguished Senator from Massachusetts has no objection to moving to consideration of the bill itself.

Mr. KENNEDY. Madam President, the majority leader is correct.

Mr. DOLE. I ask unanimous consent that the Senate now turn to consideration of S. 1200, the Immigration Reform and Control Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill.

The legislative clerk read as follows:

A bill (S. 1200) to amend the Immigration and Nationality Act to effectively control the unauthorized immigration to the United States, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause, and insert the following:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

S. 1200

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) Short Title.—This Act may be cited as the "Immigration Reform and Control Act of 1985".

(b) Amendments to Immigration and Nationality Act.—Except as otherwise specifically provided in this Act, whenever in this Act an amendment or repeal is expressed as an amendment to, or repeal of, a provision, the reference shall be deemed to be made to the Immigration and Nationality Act.

TABLE OF CONTENTS

Sec. 1. Short title; references in Act.

TITLE I—CONTROL OF ILLEGAL IMMIGRATION

Part A—Funding for Improved Enforcement

Sec. 101. Authorization of appropriations for enforcement and service activities of the Immigration and Naturalization Service and wage and hour enforcement.

Sec. 102. User fees.

Part B—Increased Penalties for Immigration-Related Violations

Sec. 111. Unlawful transportation of aliens to the United States.

Sec. 112. Fraud and misuse of certain immigration-related documents.

Sec. 113. Restrictions on adjustment of status.

Part C—Control of Unauthorized Employment of Aliens

Sec. 121. Making knowing employment of unauthorized aliens unlawful.

Sec. 122. Temporary agricultural worker program.

Sec. 123. Agricultural labor transition program.

Sec. 124. Commission on temporary agricultural worker program.

TITLE II—LEGALIZATION OF STATUS OF CERTAIN LONG-TIME RESIDENTS

Sec. 201. Legalization Commission.

Sec. 202. Legalization of status.

Sec. 203. State legalization impact-assistance grants.

TITLE III—OTHER CHANGES IN THE IMMIGRATION LAW

Sec. 301. Change in colonial quota.

Sec. 302. Visa waiver for certain visitors.

Sec. 303. G-4 special immigrants.

TITLE IV—REPORTS

Sec. 401. Triennial comprehensive report on immigration.

Sec. 402. Reports on unauthorized alien employment and discrimination in employment.

Sec. 403. Report on visa waiver pilot program.

Sec. 404. Presidential reports on any legalization program.

Sec. 405. Report on the Immigration and Naturalization Service.

TITLE V—COMMISSION FOR THE STUDY OF COOPERATIVE UNITED STATES-MEXICAN ENDEAVORS TO IMPROVE ECONOMIC CONDITIONS

Sec. 501. Commission.

TITLE I—CONTROL OF ILLEGAL IMMIGRATION

Part A—Funding for Improved Enforcement

SEC. 101. AUTHORIZATION OF APPROPRIATIONS FOR ENFORCEMENT AND SERVICE ACTIVITIES OF THE IMMIGRATION AND NATURALIZATION SERVICE AND WAGE AND HOUR ENFORCEMENT.

(a) Two Essential Elements.—It is the sense of Congress that two essential elements of the program of immigration control established by this Act are—

(1) an increase in the border patrol and other inspection and enforcement activities of the Immigration and Naturalization Service and of other appropriate Federal agencies in order to prevent and deter the illegal entry of aliens into the United States and the violation of the terms of their entry, and

(2) an increase in examinations and other service activities of the Immigration and Naturalization Service and other appropriate Federal agencies in order to ensure prompt and efficient adjudication of petitions and applications provided for under the Immigration and Nationality Act.

(b) Increased Authorization of Appropriations for INS.—Section 404 (8 U.S.C. 1101 note) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 404. *(a)* There are authorized to be appropriated to the Department of Justice for the Immigration and Naturalization Service—

"(1) for fiscal year **[**1986,**]** *1987*, $840,000,000, and

"(2) for fiscal year **[**1987,**]** *1988*, $830,000,000.".

(c) Sense of Congress Regarding Enforcement of the Immigration Laws.—It is the sense of the Congress that—

(1) the immigration laws of the United States should be enforced vigorously and uniformly, and

(2) in the enforcement of such laws, the Attorney General should take due and deliberate actions necessary to safeguard the constitutional rights, personal safety, and human dignity of United States citizens and aliens.

(d) Supplemental Authorization of Appropriations for Wage and Hour Enforcement.—There are authorized to be appropriated, in addition to such sums as may be available for such purposes, such sums as may be necessary to the Department of Labor for enforcement activities of the Wage and Hour Division and the Office of Federal Contract Compliance Programs within the Employment Standards Administration of the Department in order to deter the employment of unauthorized aliens and remove the economic incentive for employers to exploit and use such aliens.

SEC. 102. USER FEES.

(a) Authorization of Certain User Fees.—Section 281 (8 U.S.C. 1351) is amended—

(1) by amending the heading to read as follows:

"NONIMMIGRANT VISA FEES AND ALIEN USER FEES";

(2) by inserting "(a) Nonimmigrant Visa Fees.—" after "Sec. 281."; and

(3) by adding at the end the following new subsection:

"(b) Alien User Fees.—The Attorney General, in consultation with the Secretary of State, may impose fees on aliens with respect to their use of border facilities or services of the Service in such amounts as may reasonably reflect the portion of costs of maintenance and operation of such facilities and provision of such services attributable to aliens' use of such facilities and services.".

(b) Conforming Amendment to Table of Contents.—The item in the table of contents relating to section 281 is amended to read as follows:

"Sec. 281. Nonimmigrant visa fees and alien user fees.".

Part B—Increased Penalties for Immigration-Related Violations

SEC. 111. UNLAWFUL TRANSPORTATION OF ALIENS TO THE UNITED STATES.

(a) Criminal Penalties.—Subsection (a) of section 274 (8 U.S.C. 1324) is amended to read as follows:

"(a) Criminal **[**Penalties.—(1) Any person who—**]** *Penalties.—*

"(1) Any person who—

"(A) knowing *or in reckless disregard of the fact* that a person is an alien, brings to or attempts to bring to the United States in any manner whatsoever such person at a place other than a designated port of entry or place other than as designated by the Commissioner, regardless of whether such alien has received prior official authorization to come to, enter, or reside in the United States and regardless of any future official action which may be taken with respect to such alien;

"(B) **[**knowingly**]** *knowing* or in reckless disregard of the fact that an alien has come to, entered, or remains in the United States in violation of law, transports, or moves or attempts to transport or move such alien within the United States by means of transportation or otherwise, in furtherance of such violation of law; or

"(C) **[**knowingly**]** *knowing* or in reckless disregard of the fact that an alien has come to, entered, or remains in the United States in violation of law, conceals, harbors, or shields from **[**detection**]** *detection, or attempts to conceal, harbor, or shield from detection*, such alien in any place, including any building or any means of **[**transportation,**]** *transportation; or*

"(D) encourages or induces an alien to come to, enter, or reside in the United States, knowing or in reckless disregard of the fact that such coming to, entry, or residence is or will be in violation of law,

shall be fined, imprisoned not more than five years, or both, for each alien in respect to whom any violation of this subsection occurs. For the purposes of subparagraph (C) of this paragraph, employment (including the usual and normal practices incident to employment) by itself does not constitute harboring.

"(2) Any person who, **[**knowingly**]** *knowing* or in reckless disregard of the fact that an alien has not received prior official authorization to come to, enter, or reside in the United States, brings to or attempts to bring to the United States in any manner whatsoever, such alien, regardless of any official action which may later be taken with respect to such alien shall, for each transaction constituting a violation of this subsection, regardless of the number of aliens involved—

"(A) be fined, or imprisoned not more than one year, or both; or

"(B) in the case of—

"(i) a second *or subsequent* offense,

"(ii) an offense done for the purpose of commercial advantage or private financial gain,

"(iii) an offense in which the alien is not upon arrival immediately brought and presented to an appropriate immigration officer at a designated port of entry,

"(iv) an offense during which either the offender or the alien with the knowledge of the offender makes any false or misleading statement or engages in any act or conduct intended to mislead any officer, agent or employer of the United States,

be fined, or imprisoned not more than five years, or both.".

(b) Miscellaneous Amendments to Seizure and Forfeiture Procedures.—Subsection (b) of such section is amended—

(1) in paragraph (1) before subparagraph (A) by striking out "is used" and inserting in lieu thereof "has been or is being used",

(2) by striking out "subject to seizure and" in paragraph (1) and inserting in lieu thereof "seized and subject to",

(3) by inserting "or is being" after "has been" in paragraph (2),

(4) by striking out "conveyances" in paragraph (3) and inserting in lieu thereof "property",

(5) by inserting ", or the Federal Maritime Commission if appropriate under section 203(i) of the Federal Property and Administrative Services Act of 1949," in paragraph (4)(C) after "General Services Administration",

(6) in paragraph (4)—

(A) by striking out "or" at the end of subparagraph (B),

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; or", and

(C) by inserting after such subparagraph the following new subparagraph:

"(D) dispose of the conveyance in accordance with the terms and conditions of any petition of remission or mitigation of forfeiture granted by the Attorney General.";

(7) by striking out "; *Provided*, That" in paragraph (5) and inserting in lieu thereof ", except that",

(8) by striking out "was not lawfully entitled to enter, or reside within, the United States" in paragraph (5) and inserting in lieu thereof "had not received prior official authorization to come to, enter, or reside in the United States or that such alien had come to, entered, or remained in the United States in violation of law" each place it appears, and

(9) by inserting "or of the Department of State" in paragraph (5)(B) after "Service".

SEC. 112. FRAUD AND MISUSE OF CERTAIN IMMIGRATION-RELATED DOCUMENTS.

(a) Application to Additional Documents.—Section 1546 of title 18, United States Code, is amended—

(1) by amending the heading to read as follows:

"§ 1546. Fraud and misuse of visas, permits, and other documents";

(2) by striking out "or other document required for entry into the United States" in the first paragraph and inserting in lieu thereof "border crossing card, alien registration receipt card, or other document prescribed by statute or regulation for entry into or as evidence of authorized stay or authorized employment in the United States";

(3) by striking out "or document" in the first paragraph and inserting in lieu thereof "border crossing card, alien registration receipt card, or other document prescribed by statute or regulation for entry into or as evidence of authorized stay or authorized employment in the United States";

(4) by inserting "(a)" before "Whoever" the first place it appears; and

(5) by adding at the end the following new subsections:

"(b) Whoever uses—

"(1) an identification document, knowing (or having reason to know) that the document was not issued lawfully for the use of the possessor,

"(2) a identification document knowing (or having reason to know) that the document is false, or

"(3) a false attestation,

for the purpose of satisfying a requirement of section 274A(b) of the Immigration and Nationality Act, shall be fined, or imprisoned not more than two years, or both.

"(c) This section does not prohibit any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a subdivision of a State, or of an intelligence agency of the United States, or any activity authorized under title V of the Organized Crime Control Act of 1970 (18 U.S.C. note prec. 3481).".

(b) Conforming Amendment to Table of Sections.—The item relating to section 1546 in the table of sections of chapter 75 of such title is amended to read as follows:

"1546. Fraud and misuse of visas, permits, and other documents.".

SEC. 113. RESTRICTIONS ON ADJUSTMENT OF STATUS.

(a) Requiring Legal Status at Time of Application.—Subsection (c) of section 245 (8 U.S.C. 1255), relating to nonimmigrants who may not adjust to immigrant status while in the United States, is amended to read as follows:

"(c) Aliens for Whom this Section Does Not Apply.—Subsection (a) shall not apply to the following aliens:

"(1) An alien crewman.

"(2)(A) Except as provided in subparagraph (B), an alien who—

"(i) continues in or accepts unauthorized employment before the date of filing an application for adjustment of status,

"(ii) is not in legal immigration status on the date of filing the application for adjustment of status, or

"(iii) has failed to maintain continuously a legal status since the date of entry into the United States.

"(B) Subparagraph (A) shall not apply to an alien who is—

"(i) an immediate relative, described in section 201(b), or

"(ii) a special immigrant described in section 101(a)(27)(H).

"(3) An alien admitted in transit without a visa under section 212(d)(4)(C).".

(b) Effective Date.—The amendment made by subsection (a) shall apply to applications for adjustment of status filed before, on, or after the date of the enactment of this Act.

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PART C—CONTROL OF UNAUTHORIZED EMPLOYMENT OF ALIENS

SEC. 121. MAKING EMPLOYMENT OF UNAUTHORIZED ALIENS UNLAWFUL.

(a) IN GENERAL.—(1) Chapter 8 of title II is amended by inserting after section 274 (8 U.S.C. 1324) the following new section:

"UNLAWFUL EMPLOYMENT OF ALIENS

"SEC. 274A. (a) MAKING EMPLOYMENT OF UNAUTHORIZED ALIENS UNLAWFUL.—

"(1) HIRING, RECRUITING, OR REFERRING.—It is unlawful for a person or other entity to hire, or to recruit or refer for a fee or other consideration, for employment in the United States an alien knowing the alien is an unauthorized alien (as defined in subsection (h)(2)) with respect to such employment.

"(2) CONTINUING EMPLOYMENT.—It is unlawful for a person or other entity, after hiring an alien for [employment] *employment*, to continue to employ the alien in the United States knowing the alien is (or has become) an unauthorized alien with respect to such employment.

"(3) DEFENSES.—

"(A) COMPLIANCE WITH EMPLOYMENT VERIFICATION SYSTEM.—A person or entity that establishes that it has complied in good faith with the requirements of subsection (b) with respect to the hiring, recruiting, or referral for employment of an alien in the United States has established an affirmative defense that the person or entity has not violated paragraph (1) with respect to such hiring, recruiting, or referral.

"(B) PRESUMPTION FOR EMPLOYERS OF 4 OR MORE EMPLOYEES. [—If] *Except for purposes of subparagraph (2)(E) of subsection (d), if* a person or entity is employing four or more employees and hires (or recruits or refers for a fee or other consideration) for employment in the United States an unauthorized alien, for purposes of paragraph (1) the person or entity shall be presumed to have known that the alien was an unauthorized alien unless the person or entity has complied with the requirements of subsection [(b) with respect to the hiring (or recruiting or referral) of that alien.] *(b).*

"(C) PRESUMPTION FOR LARGE RECRUITERS OR REFERRERS.—If a person or entity recruits or refers for a fee or other consideration more than four individuals in any 12-month period and recruits or refers for a fee or other consideration for employment in the United States an unauthorized alien, for purposes of paragraph (1) the person or entity shall be considered to have known that the alien was an unauthorized alien unless the person or entity has complied with the requirements of subsection [(b) with respect to recruiting or referral of that alien.] *(b).*

"(D) REBUTTAL OF PRESUMPTION.—The presumption established by subparagraph (B) or (C) may be rebutted through the presentation of clear and convincing evidence which contradicts the presumption.

"(4) VIOLATORS SUBJECT TO ORDER.—A person or entity that violates paragraph (1) or (2) is subject to an order under subsection (d).

"(b) EMPLOYMENT VERIFICATION SYSTEM.—Except as provided in subsection (c), the requirements referred to in subsections (a)(3) and (d)(2)(C)(i) are, in the case of a person or other entity hiring, recruiting, or referring an individual for employment in the United States, the requirements specified in the following four paragraphs:

"(1) ATTESTATION AFTER EXAMINATION OF DOCUMENTATION.—

"(A) IN GENERAL.—The person or entity must attest, under penalty of perjury and on a form designated or established by the Attorney General by regulation, that it has verified that the individual is not an unauthorized alien by examining—

"(i) a document described in subparagraph (B), or

"(ii) a document described in subparagraph (C) and a document described in subparagraph (D).

A person or entity has complied with the requirement of this paragraph with respect to examination of a document if the document reasonably appears on its face to be genuine.

"(B) DOCUMENTS ESTABLISHING BOTH EMPLOYMENT AUTHORIZATION AND IDENTITY.—A document described in this subparagraph is an individual's—

"(i) United States passport;

"(ii) [certification] *certificate* of United States citizenship;

"(iii) certificate of naturalization;

"(iv) unexpired foreign passport, if the passport has an appropriate, unexpired endorsement *of the Attorney General* authorizing the individual's employment in the United States; or

"(v) resident alien card or other alien registration card, if the card—

"(I) contains a photograph of the individual or such other personal identifying information relating to the individual as the Attorney General finds, by regulation, sufficient for purposes of this subsection, and

"(II) is evidence of authorization of employment in the United States.

"(C) DOCUMENTS EVIDENCING EMPLOYMENT AUTHORIZATION.—A document described in this subparagraph is an individual's—

"(i) social security account number card (other than such a card which specifies on the face that the issuance of the card does not authorize employment in the United States);

"(ii) certificate of birth in the United States or establishing United States nationality at birth, which certificate the Attorney General finds, by regulation, to be acceptable for purposes of this section; or

"(iii) other documentation evidencing authorization of employment in the United States which the Attorney General finds, by regulation, to be acceptable for purposes of this section.

"(D) DOCUMENTS ESTABLISHING IDENTITY OF INDIVIDUAL.—A document described in this subparagraph is an individual's—

["(i) border crossing card or similar alien identification document issued by the Attorney General to aliens and designated for use for this purpose;]

["(ii)] *"(i)* driver's license or similar document issued for the purpose of identification by a State, if it contains a photograph of the individual or such other personal identifying information relating to the individual as the Attorney General finds, by regulation, sufficient for purposes of this section; or

["(iii)] *"(ii)* in the case of individuals under 16 years of age or in a State which does not provide for issuance of an identification document (other than a driver's license) referred to in clause (ii), documentation of personal identity of such other type as the Attorney General finds, by regulation, provides a reliable means of identification.

"(2) INDIVIDUAL ATTESTATION OF EMPLOYMENT AUTHORIZATION.—The individual must attest, under penalty of perjury on the form designated or established for purposes of paragraph (1), that the individual is a citizen or national of the United States, an alien lawfully admitted for permanent residence, or an alien who is authorized under this Act or by the Attorney General to be hired, recruited, or referred for such employment.

"(3) RETENTION OF VERIFICATION FORM.—After completion of such form in accordance with paragraphs (1) and (2), the person or entity must retain the form and make it available for inspection by officers of the Service or the Department of Labor during a period beginning on the date of the hiring, recruiting, or referral of the individual and ending—

"(A) in the case of the recruiting or referral for a fee or other consideration (without hiring) of an individual, three years after the date of the recruiting or referral, and

"(B) in the case of the hiring of an individual—

"(i) three years after the date of such hiring, or

"(ii) one year after the date the individual's employment is terminated,

whichever is later.

"(4) UNIFORM VERIFICATION POLICY.—The person or entity must apply the requirements of the previous three paragraphs uniformly to all individuals hired (or recruited or referred for a fee or other consideration).

"(5) COPYING OF DOCUMENTATION PERMITTED.—Notwithstanding any other provision of law, the person or entity may copy a document presented by an individual pursuant to this subsection and may retain the copy, but only (except as otherwise permitted under law) for the purpose of complying with the requirements of this subsection.

"(6) LIMITATION ON USE OF ATTESTATION FORM.—A form designated or established by the Attorney General under this subsection and any information contained in or appended to such form, may not be used for purposes other than for enforcement of this Act and sections 1001, 1028, 1546, and 1621 of title 18, United States Code.

"(c) EVALUATION AND CHANGES IN EMPLOYMENT VERIFICATION SYSTEM.—

"(1) PRESIDENTIAL MONITORING AND IMPROVEMENTS IN SYSTEM.—

"(A) MONITORING.—The President shall provide for the monitoring and evaluation of the degree to which the employment verification system established under subsection (b) provides a secure system to determine employment eligibility in the United States and shall examine the suitability of existing Federal and State identification systems for use for this purpose.

"(B) IMPROVEMENTS TO ESTABLISH SECURE SYSTEM.—To the extent that the system established under subsection (b) is found not to be a secure system to determine employment eligibility in the United States, the President shall, subject to paragraph (3) and taking into account the results of any demonstration projects conducted under paragraph (4), implement such changes in (including additions to) the requirements of subsection (b) as may be necessary to establish a secure system to determine employment eligibility in the United States. [Such] *Except as provided in subparagraph (C), such* changes in the system may be implemented only if the changes conform to the requirements of paragraph (2).

"(C) REQUIRING USE OF COUNTERFEIT-RESISTANT SOCIAL SECURITY CARDS.—The President may require, without regard to paragraph (2), that the only social security account number cards which may be presented in order to comply with subsection (b)(1)(C)(i) are such cards as are in a counterfeit-resistant form consistent with the second sentence of section 205(c)(2)(D) of the Social Security Act.

"(2) RESTRICTIONS ON CHANGES IN SYSTEM.—Except as provided in paragraph (1)(C), any change the President proposes to implement under paragraph (1) in the verification system must be designed in a manner so the verification system, as so changed, meets the following requirements:

"(A) RELIABLE DETERMINATION OF IDENTITY.—The system must be capable of reliably determining whether—

"(i) a person with the identity claimed by an employee or prospective employee is eligible to work, and

"(ii) the employee or prospective employee is claiming the identity of another individual.

"(B) USING OF COUNTERFEIT-RESISTANT DOCUMENTS.—If the system requires that a document be presented to or examined by an employer, the document must be in a form which is resistant to counterfeiting and tampering.

"(C) LIMITED USE OF SYSTEM.—Any personal information utilized by the system may not be made available to Government agencies, employers, and other persons except to the extent necessary to verify that an individual is not an unauthorized alien.

"(D) PRIVACY OF INFORMATION.—The system must protect the privacy and security of personal information and identifiers utilized in the system.

"(E) LIMITED DENIAL OF VERIFICATION.—A verification that an employee or prospective employee is eligible to be employed in the United States may not be withheld or revoked under the system for any reason other than that the employee or prospective employee is an unauthorized alien.

"(F) LIMITED USE FOR LAW ENFORCEMENT PURPOSES.—The system may not be used for law enforcement purposes, other than for enforcement of this Act or sections 1001, 1028, 1546, and 1621 of title 18, United States Code.

"(G) RESTRICTION ON USE OF NEW DOCUMENTS.—If the system requires individuals to present a new card or other document (designed specifically for use for this purpose) at the time of hiring, recruitment, or referral, then such document may not be required to be presented for any purpose other than under this Act (or enforcement of sections 1001, 1028, 1546, and 1621 of title 18, United States Code) nor to be carried on one's person.

"(3) NOTICE TO CONGRESS BEFORE IMPLEMENTING CHANGES.—

"(A) IN GENERAL.—The President may not implement any change under paragraph (1) unless at least—

"(i) 60 days, or

"(ii) in the case of a major change described in subparagraph (D), two years,

before the date of implementation of the change, the President has prepared and transmitted to the Committee on the Judiciary of the House of Representatives and to the Committee on the Judiciary of the Senate a written report setting forth the proposed change. The President promptly shall cause to have printed in the Federal Register the substance of any major change (described in subparagraph (D)) proposed and reported to Congress.

"(B) CONTENTS OF REPORT.—In any report under subparagraph (A) the President shall include recommendations for the establishment of civil and criminal sanctions for unauthorized use or disclosure of the information or identifiers contained in such system.

"(C) CONGRESSIONAL REVIEW OF MAJOR CHANGES.—

"(i) HEARINGS AND REVIEW.—The Committees on the Judiciary of the House of Representatives and of the Senate shall cause to have printed in the Congressional Record the substance of any major change described in subparagraph (D), shall hold hearings respecting the feasibility and desirability of implementing such a change, and, within the two year period before implementation, shall report to their respective Houses findings on whether or not such a change should be implemented.

"(ii) CONGRESSIONAL ACTION.—No major change may be implemented unless the Congress specifically provides, in an appropriations or other Act, for funds for implementation of the change.

"(D) MAJOR CHANGES REQUIRING TWO YEARS NOTICE AND CONGRESSIONAL REVIEW.—As used in this paragraph, the term 'major change' means a change which would—

"(i) require an individual to present a new card or other document (designed specifically for use for this purpose) at the time of hiring, recruitment, or referral, or

["(ii) provide for a telephone verification system similar to that described under paragraph (4)(B)(ii);]

"(ii) provide for a telephone verification system under which an employer, recruiter, or referrer must transmit to a Federal official information concerning the immigration status of prospective employees and the official transmits to the person, and the person must record, a verification code;

but does not include a change in any card used for accounting purposes under the Social Security Act.

"(4) DEMONSTRATION PROJECTS.—

"(A) AUTHORITY.—The President may undertake demonstration projects (consistent with paragraph (2)) of different changes in the requirements of subsection (b). No such project may extend over a period of longer than three years.

"(B) REPORTS ON PROJECTS.—The President shall report to the Congress on the results of demonstration projects conducted under this paragraph.

"(d) COMPLIANCE.—

"(1) COMPLAINTS AND INVESTIGATIONS.—The Attorney General shall establish procedures—

"(A) for individuals and entities to file written, signed complaints respecting potential violations of subsection (a),

"(B) for the investigation of those complaints which, on their face, have a substantial probability of validity,

"(C) for the investigation of such other violations of subsection (a) as the Attorney General determines to be appropriate, and

"(D) for the designation in the Service of a unit which has, as its primary duty, the prosecution of cases of violations of subsection (a) under this subsection.

"(2) ORDER FOR VIOLATIONS.—

"(A) IN GENERAL.—If, after notice and opportunity to request a hearing respecting a violation of subsection (a), the immigration judge determines, upon the preponderance of the evidence received, that a person or entity named in the complaint has violated subsection (a), the judge shall state his findings of fact and issue and cause to be served on such person or entity an order.

"(B) CIVIL PENALTY AS PART OF ORDER.—An order under subparagraph (A) shall require the person or entity to cease and desist from such violations and to pay a civil penalty in an amount of—

"(i) not less than $100 and not more than $2,000 for each unauthorized alien with respect to whom a violation of subsection (a) occurred,

"(ii) not less than $2,000 and not more than $5,000 for each such alien in the case of a person or entity previously subject to an order under this subsection, or

"(iii) not less than $3,000 and not more than $10,000 for each such alien in the case of a person or entity which has engaged or is engaging in a pattern or practice of such violations.

"(C) ADDITIONAL REMEDIES AS PART OF ORDER.—An order under subparagraph (A) may require the person or entity—

"(i) to comply with the requirements of subsection (b) (or subsection (c) if applicable) with respect to individuals hired (or recruited or referred for employment for a fee or other consideration) during a period of up to three years, and

"(ii) to take such other remedial action as is appropriate.

"(D) DISMISSAL OF COMPLAINTS.—If upon the preponderance of the evidence taken, the judge is of the opinion that the person or entity named in the complaint has not violated subsection (a), the judge shall state his findings of fact and shall issue an order dismissing the complaint.

"(E) CRIMINAL PENALTY.—Any person or entity which, after having been previously required to pay a civil penalty under subparagraph (B)(iii) for a pattern or practice of violations of subsection (a), again engages in such a pattern or practice shall be fined not more than $3,000 for each unauthorized alien with respect to whom a violation of subsection (a) occurred, imprisoned for not more than six months for the entire pattern or practice, or both, notwithstanding the provisions of any other Federal law relating to fine levels.

"(3) AUTHORITY IN INVESTIGATIONS.—In conducting investigations and hearings under this subsection—

"(A) immigration officers and immigration judges shall have reasonable access to examine evidence of any person or entity being investigated, and

"(B) immigration judges, by subpoena, may compel the attendance of witnesses and the production of evidence at any designated place or hearing.

In case of contumacy or refusal to obey a subpoena lawfully issued under this paragraph and upon application of the Attorney General, an appropriate district court of the United States may issue an order requiring compliance with such subpoena and any failure to obey such order may be punished by such court as a contempt thereof.

"(4) TREATMENT OF CERTAIN SUBDIVISIONS.—In applying this subsection in the case of a person or entity composed of distinct, physically separate subdivisions each of which provides separately for the hiring, recruiting, or referring for [employment] *employment*, without reference to the practices of, [or] *and not* under the control [of,] *of* or common control with, another subdivision, each such subdivision shall be considered a separate person or entity.

"(5) ADMINISTRATIVE APPELLATE REVIEW.—The Attorney General may provide for the administrative appellate review of the determination of an immigration judge under this subsection by an appropriate administrative appellate body.

"(e) Judicial Review of Orders.—Judicial review of orders under this subsection shall be exclusively under the procedures provided in chapter 158 of title 28, United States Code, except as follows:

"(1) Filing deadline.—Petitions for review may be filed not later than 45 days after the date of the final order.

"(2) Venue.—The venue of any petition for review under this subsection shall be in the judicial circuit in which the administrative proceedings before an [immigrant] *immigration* judge were conducted in whole or in part, or in the judicial circuit wherein is the residence of the petitioner, but not in more than one circuit.

"(3) Service.—In the case of review sought by an entity other than the Service, the action shall be brought against the Immigration and Naturalization Service as respondent and service of the petition to review shall be made upon the Attorney General and upon the official of the Service in charge of the Service district in which the office of the clerk of the court is located.

"(4) Substantial evidence.—The petition shall be determined solely upon the administrative record upon which the order is based and the immigration judge's findings of fact, if supported by substantial evidence on the record considered as a whole, shall be conclusive.

"(5) Typewritten briefs.—It shall not be necessary to print the record or any part thereof, or the brief, and the court shall review the proceedings on a typewritten record and on typewritten briefs.

In any judicial review of an immigration judge's order under this subsection, the court may provide for such order of enforcement as may be appropriate. Section 279 shall not apply to causes arising under this section.

"(f) Enforcement of Orders.—If a person or entity fails to comply with a final order issued under subsection (d) against the person or entity, the Attorney General shall file a suit to seek compliance with the order in any appropriate district court of the United States. In any such suit, the validity and appropriateness of the final order imposing the assessment shall not be subject to review.

"(g) Miscellaneous Provisions.—

"(1) Documentation.—In providing documentation or endorsement of authorization of aliens (other than aliens lawfully admitted for permanent residence) authorized to be employed in the United States, the Attorney General shall provide that any limitations with respect to the period or type of employment or employer shall be conspicuously stated on the documentation or endorsement.

"(2) Preemption.—The provisions of this section preempt any State or local law imposing civil or criminal sanctions (other than through licensing and similar laws) upon those who employ, or recruit or refer for a fee or other consideration for employment, unauthorized aliens.

"(h) Definitions.—As used in this section—

"(1) Immigration judge.—The term 'immigration judge' means an immigration officer specially designated to hear cases under this section.

"(2) Unauthorized alien.—The term 'unauthorized alien' means, with respect to the employment of an alien at a particular time, that the alien is not at that time either (A) an alien lawfully admitted for permanent residence, or (B) authorized to be so employed by this Act or by the Attorney General.".

(b) Effective Dates.—(1) Except as otherwise provided in this subsection or subsection (c), the amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

(2) Paragraph (1) of section 274A(a) of the Immigration and Nationality Act, making unlawful the hiring, recruiting, or referral of unauthorized aliens for employment, shall only apply to the hiring, recruiting, or referral of individuals occurring after the date of the enactment of this Act.

(3) Paragraph (2) of section 274A(a) of the Immigration and Nationality Act, relating to making unlawful the continuing employment of unauthorized aliens, shall only apply to aliens who are hired after the date of the enactment of this Act.

(4) Section 274A(g)(2) of the Immigration and Nationality Act takes effect on the first day of the seventh month beginning after the date of the enactment of this Act.

(c) Promulgation of Regulations and Education and Warning Period.—(1) The Attorney General shall, not later than the first day of the seventh month beginning after the date of the enactment of this Act, first issue, on an interim or other basis, such regulations as may be necessary in order to implement section 274A of the Immigration and Nationality Act.

(2) The Attorney General, in cooperation with the Secretaries of Agriculture, Commerce, Health and Human Services, Labor, and the Treasury and the Administrator of the Small Business Administration and with organizations representing or assisting employers, employees, and employment agencies, shall take steps to broadly disseminate forms and information and provide for public education respecting the provisions of section 274A of the Immigration and Nationality Act.

(3) Where the Attorney General has reason to believe that a person or entity may have violated subsection (a) of section 274A of the Immigration and Nationality Act during the six-month period beginning on the first day of the first month beginning after the date of the enactment of this Act, the Attorney General shall notify such person or entity of such belief and shall not conduct any proceeding, nor impose any order, under such section on the basis of such alleged violation or violations.

(4) Where the Attorney General has reason to believe that a person or entity may have violated subsection (a) of section 274A of the Immigration and Nationality Act during the subsequent six-month period, the Attorney General shall, in the first instance of such an alleged violation (or violations) occurring during such period, provide a warning to the person or entity that such a violation or violations may have occurred and shall not conduct any proceeding, nor impose any penalty, under such section on the basis of such alleged violation or violations.

(d) Conforming Amendments to Migrant and Seasonal Agricultural Worker Protection Act.—(1) The Migrant and Seasonal Agricultural Worker Protection Act (Public Law 97-470) is amended—

(A) by striking out "101(a)(15)(H)(ii)" in paragraphs (8)(B) and (10)(B) of section 3 (29 U.S.C. 1802) and inserting in lieu thereof "101(a)(15)(N)";

(B) in section 103(a) (29 U.S.C. 1813(a))—

(i) by striking out "or" at the end of paragraph (4),

(ii) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or", and

(iii) by adding at the end the following new paragraph:

"(6) has been found to have violated paragraph (1) or (2) of section 274A(a) of the Immigration and Nationality Act.";

(C) by striking out section 106 (29 U.S.C. 1816) and the corresponding item in the table of contents; and

(D) by striking out "section 106" in section 501(b) (29 U.S.C. 1851(b)) and by inserting in lieu thereof "paragraph (1) or (2) of section 274A(a) of the Immigration and Nationality Act".

(2) The amendments made by paragraph (1) shall apply to the employment, recruitment, referral, or utilization of the services of an individual occurring on or after the first day of the seventh month beginning after the date of the enactment of this Act.

(e) Conforming Amendment to Table of Contents.—The table of contents is amended by inserting after the item relating to section 274 the following new item:

"Sec. 274A. Unlawful employment of aliens.".

(f) Reports on Implementation of Section.—For monitoring and study respecting the enactment of this section (including actions taken on any discrimination in employment which might result from enactment of this section), see section 402 of this Act.

SEC. 122. TEMPORARY AGRICULTURAL WORKER PROGRAM.

(a) Providing New "N" Nonimmigrant Classification for Temporary Agricultural Workers.—Section 101(a)(15) (8 U.S.C. 1101(a)) is amended—

(1) by inserting "other than agricultural services described in section 216(h)(1)" in subparagraph (H)(ii) after "temporary services or labor",

(2) by striking out "or" at the end of subparagraph (L),

(3) by striking out the period at the end of subparagraph (M) and inserting in lieu thereof "; or", and

(4) by adding at the end the following new subparagraph:

"(N) an alien, having a residence in a foreign country which he has no intention of abandoning, who is coming temporarily to the United States under section 216 to perform agricultural services (as defined in section 216(h)(1)) of a temporary or seasonal nature.".

(b) Involvement of Departments of Labor and Agriculture in Temporary Agricultural Worker Program.—Section 214(c) (8 U.S.C. 1184(c)) is amended—

(1) by striking out "or (L)" in the first sentence and inserting in lieu thereof ", (L), or (N)", and

(2) by adding at the end the following: "For purposes of this subsection the term 'appropriate agencies of Government' means the Department of Labor and includes, with respect to nonimmigrants under section 101(a)(15)(N), the Department of Agriculture. The provisions of section 216 shall apply to the question of importing any alien as a nonimmigrant under section 101(a)(15)(N).".

(c) Admission of Temporary Agricultural Workers.—Chapter 2 of title II is amended by adding after section 215 the following new section:

"ADMISSION OF TEMPORARY AGRICULTURAL WORKERS

"Sec. 216. (a) Application for Labor Certification.—

"(1) Requirement.—A petition to import an alien as a temporary agricultural worker (as defined in subsection (h)(3)) may not be approved by the Attorney General unless the petitioner has applied to the Secretary of Labor for a certification that—

"(A) there are not sufficient [workers] *eligible individuals* who are able, willing, and qualified and who will be available at the time and place needed to perform the services involved in the petition, and

"(B) the employment of the alien in such services will not adversely affect the wages and working conditions of [workers] *eligible individuals* in the United States similarly employed.

"(2) Payment of required fees.—The Secretary of Labor may require by regulation, as a condition of applying for the certification, the payment of a fee to recover the reasonable costs of processing applications for certification.

"(b) Conditions for Denial of Labor Certification.—The Secretary of Labor may not issue a certification under subsection (a) with respect to an employer if the conditions described in [paragraph (1)] *that subsection* are not met or if any of the following conditions exist:

"(1) Labor dispute.—There is a strike or lockout in the course of a labor dispute which, under the regulations, precludes such certification.

"(2) Violation of term of previous certification.—

"(A) In general.—The employer at any time during the previous two-year period employed temporary agricultural workers and the Secretary of Labor has determined, after notice and opportunity for a hearing, that the employer at any time during that period—

"(i) substantially violated an essential term or condition of the labor certification with respect to the employment of domestic or nonimmigrant workers, or

"(ii) has not paid [any] *every* penalty [for such violations] which [have] *has* been assessed by the Secretary of [Labor] *Labor for a violation of a term or condition of such labor certification.*

"(B) Disqualification limited to one year.—No employer may be denied certification under subparagraph (A) for more than one year for any violation described in that subparagraph.

"(3) Not providing for workers' compensation.—The employer has not provided the Secretary with satisfactory assurances that if the employment for which the certification is sought is not covered by State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

"(c) Rules Concerning Applications for Labor Certification.—The following rules shall apply in the case of the filing and consideration of an application for a labor certification for a temporary agricultural worker:

"(1) Deadline for filing applications.—The Secretary of Labor may not require that the application be filed more than 65 days before the first date the employer requires the services of the worker.

"(2) Notice within 14 days of deficiencies.—

"(A) Notice of deficiencies.—The application shall be considered to have met the requirements of subsection (a)(1) (other than subparagraph (A) thereof) unless the Secretary of Labor, within 14 days of the date of filing the application, notifies the employer filing the application that the application does not meet the requirements.

"(B) Submittal of modified application.—If the application does not meet the requirements, the notice shall include the reasons therefor and the Secretary shall permit the employer an opportunity for the prompt resubmission of a modified application.

"(3) Issuance of certification.—

"(A) If conditions met.—The Secretary of Labor shall make, not later than 20 days before the date such services are first required to be performed, the certification described in subsection (a)(1) if—

"(i) the employer has complied with the requirements for certification (including the recruitment of eligible individuals as prescribed by regulation), and

"(ii) the employer does not actually have, or has not been provided with referrals of, eligible individuals who have agreed to perform such services on the terms and conditions of a job offer which meet requirements of regulations.

"(B) Continued acceptance of applicants.—A labor certification under this section remains effective only if the employer continues to accept for employment, until the date the temporary agricultural workers depart for work with the employer, eligible individuals who apply or are referred to the employer.

"(4) Providing housing allowance.—In the employer's complying with terms and conditions of employment respecting the furnishing of housing, the employer shall be permitted, at the employer's option and instead of providing for suitable housing accommodations, to substitute payment of a reasonable housing allowance, but only if suitable housing is otherwise available in the proximate area of employment.

"(d) Roles of Agricultural Associations.—

"(1) Permitting filing by agricultural associations.—A petition to import an alien as a temporary agricultural worker, and an application for a labor certification with respect to such a worker, may be filed by an association representing agricultural producers which use agricultural services.

"(2) Treatment of associations acting as employers.—If such an association is a joint or sole employer of temporary agricultural workers, the certifications granted under this section to the association may be used for the certified job opportunities of any of its producer members and such workers may be transferred among its member producers to perform agricultural services of a temporary or seasonal nature for which the certifications were granted.

"(3) Treatment of violations.—

"(A) Member's violation does not necessarily disqualify association or other members.—If an individual producer member of such an association is determined to have committed an act that under subsection (b)(2) results in the denial of certifications with respect to the member, the denial shall apply only to that member and does not apply to the association or another producer member of the association unless the Secretary determines that the association or other member participated in, or had knowledge of and derived benefit from, the violation.

"(B) Association's violation does not necessarily disqualify members.—If an association representing agricultural producers as [an agent,] *a* joint employer, or employer is determined to have committed an act that under subsection (b)(2) results in the denial of certification with respect to the association, the denial shall apply only to the association and does not apply to any individual producer member of the association unless the Secretary determines that the member participated in, or had knowledge of and derived benefit from, the violation.

"(e) Expedited Administrative Appeals of Certain Determinations.—

"(1) Denial of labor certification.—The Secretary of Labor shall provide for an expedited procedure for the review of a denial of certification under subsection (a)(1) or, at the applicant's request, for a de novo administrative hearing respecting the denial. In the case of a request for such a review or hearing with respect to denial of certification for temporary agricultural workers to perform agricultural services in the production of perishable commodities (as defined by the Secretary of Agriculture for purposes of this section), the Secretary of Labor shall provide that the review or hearing take place not later than 72 hours after the time the request is submitted.

"(2) Redetermination where unqualified workers referred for employment.—The Secretary of Labor shall expeditiously, but in no case later than 72 hours after the time a new determination is requested, make a new determination on the request for certification in the case of a temporary agricultural worker if the employer asserts that eligible individuals who have been referred are not able, willing, or qualified because of lawful employment-related reasons. If the employer asserts that an eligible individual who has been referred is not able, willing, or qualified, the burden of proof is on the employer to establish that the individual referred is not able, willing, or qualified because of employment-related reasons.

"(3) Attorney general expedited review where workers not actually available.—To the extent that—

"(A) a certification under subsection (a)(1) was denied solely because of the availability of eligible individuals to perform the agricultural services specified in the petition, and

"(B) eligible individuals who agree to perform the services for which the temporary agricultural workers are sought are not actually available at the time and place such services are required,

the Attorney General shall provide by regulation for an expedited review of the petition respecting the workers not later than 72 hours after the time the employer requests expedited review under this paragraph. To the extent that the Attorney General determines that the facts described in the previous sentence exist, the Attorney General may provide for approval of the petition (subject to the other conditions required for the approval of certification under subsection (a)(1)), notwithstanding the denial of the certification by the Secretary of Labor.

"(4) Expedited application where [unforseen] *unforeseen* need for workers.—

"(A) Permitting amended application or abbreviated recruitment period.—If the Secretary of Labor makes the determination described in subparagraph (C), the Secretary—

"(i) shall permit the employer to amend or to make an application for certification under subsection (a)(1), and

"(ii) may waive some or all of the 65-day recruitment period described in subsection (c)(1) as necessary to meet the critical need described in subparagraph (C)(i).

"(B) PROMPT REDETERMINATION.—In the case of an amended or new application under subparagraph (A)—

"(i) USING BEST DATA.—The Secretary shall make the determination on the amendment or application based upon the best available labor market information.

"(ii) DEADLINE FOR DETERMINATION.—Except as provided in clause (iii), the Secretary shall make the determination on the amendment or application not later than 20 days before the date on which the workers are needed.

"(iii) DEADLINE FOR LATE AMENDMENTS AND APPLICATIONS—If an amendment or application is made at any time later than 3 days before such date of need described in clause (ii), the Secretary shall make the determination on the amendment or application within 72 hours after the date the amendment or application is submitted.

"(C) DETERMINATION OF [UNFORSEEN] *UNFORESEEN* CIRCUMSTANCES.—The determination under subparagraph (A) is that—

"(i) in the case of an employer that has filed an application for a certification under subsection (a)(1), the employer—

"(I) has a critical need for workers before the expiration of the 65-day period described in subsection (c)(1), or

"(II) has a critical need for additional workers who had not been requested in the previous application;

"(ii) in the case of an employer that had not previously filed such an application, the employer has a critical need for workers before the expiration of the 65-day period described in subsection (c)(1) and the employer made prompt application for certification under subsection (a)(1) when the employer's need for workers became known; and

"(iii) based on the employer's past experience and on reasonable expectations, the need for such workers at the time required could not have been foreseen.

"(5) PERMITTING PRESENTATION OF COUNTERVAILING EVIDENCE.—If the Secretary of Labor denies a certification under subsection (a)(1) or fails to act on the application, the Attorney General may permit the applicant to present countervailing evidence to the Attorney General that—

"(A) there are not sufficient workers who are able, willing, and qualified and who will be available at the time and place needed to perform the services involved in the petition for which the certification is sought, and

"(B) the employment policies of the Department of Labor have been observed.

"(f) ENTRY AND TRANSFER OF TEMPORARY AGRICULTURAL WORKERS.—

"(1) TIME LIMITATION.—An alien may not be admitted to the United States as a temporary agricultural worker for an aggregate period longer than the period (or periods) determined by regulations of the Attorney General. The regulations may provide for a period of admission of longer than one year in the case of agricultural services which the Secretary of Labor has recognized, for purposes of the admission of certain nonimmigrants under section 101(a)(15)(H)(ii), before the date of the enactment of this section.

"(2) VIOLATORS DISQUALIFIED FOR 5 YEARS.—An alien may not be admitted to the United States as a temporary agricultural worker if the alien was admitted to the United States as such a worker within the previous five-year period and the alien during that period violated a term or condition of such previous admission.

"(3) TRANSFER OF WORKERS AMONG EMPLOYERS PERMITTED.—Nothing in this section shall prohibit an employer which has a petition approved with respect to the importation of temporary agricultural workers from hiring such a worker who has completed a work contract entered into with another employer. The Attorney General shall provide for a procedure to allow temporary agricultural workers, who have completed a work contract under this section and who are not otherwise deportable, to remain in the United States for brief periods in which to seek and accept employment with employers who are authorized to employ the workers.

"(g) MISCELLANEOUS PROVISIONS.—

"(1) AUTHORITY OF SECRETARY OF LABOR.—The Secretary of Labor is authorized to take such actions, including imposing appropriate penalties and seeking appropriate injunctive relief and specific performance of contractual obligations, as may be necessary to assure employer compliance with terms and conditions of employment under this section.

"(2) APPROPRIATE DOCUMENTATION.—The Attorney General shall provide for such endorsement of entry and exit documents of temporary agricultural workers as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(3) PREEMPTION.—The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.

"(4) TREATMENT FOR FICA, FUTA, AND SOCIAL SECURITY.—For the administration of the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and the Social Security Act, a temporary agricultural worker shall be considered to be an alien admitted to the United States to perform agricultural labor pursuant to sections 214(c) and 101(a)(15)(H)(ii) of this Act.

"(h) DEFINITIONS.—For purposes of this section:

"(1) AGRICULTURAL SERVICES.—The term 'agricultural services' has the meaning given such term by the Secretary of Labor in regulations and includes—

"(A) agricultural labor, defined in section 3121(g) of the Internal Revenue Code of 1954, and

"(B) agriculture, as defined in section 3(f) of the Fair Labor Standards Act of 1938.

"(2) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' means, with respect to employment, an individual who is not an unauthorized alien (as defined in section 274A(h)(2)) with respect to that employment.

"(3) TEMPORARY AGRICULTURAL WORKER.—The term 'temporary agricultural worker' means a nonimmigrant described in section 101(a)(15)(N).".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 404 (8 U.S.C. 1101 note), as amended by [sections 101(b) and 102(b) of this Act,] *section 101(b)* is further amended by adding at the end the following new subsections:

["(d)] *"(b)* AUTHORIZATIONS OF APPROPRIATIONS FOR SECRETARY OF LABOR.—(1) There are authorized to be appropriated to the Secretary of Labor for each fiscal year, beginning with fiscal year [1986,] *1987*, $10,000,000 for the purposes—

"(A) of recruiting domestic workers for temporary services which might otherwise be performed by temporary agricultural workers described in section 216, and

"(B) of monitoring terms and conditions under which such temporary agricultural workers (and domestic workers employed by the same employers) are employed in the United States.

"(2) There are authorized to be appropriated for each fiscal year, beginning with fiscal year [1986,] *1987*, such sums as may be necessary for the purpose of enabling the Secretary of Labor to make determinations and certifications under section 216 and under section 212(a)(14).

["(e)] *(c)* AUTHORIZATION OF APPROPRIATIONS FOR SECRETARY OF AGRICULTURE.—There are authorized to be appropriated for each fiscal year, beginning with fiscal year [1986,] *1987*, such sums as may be necessary for the purposes of enabling the Secretary of Agriculture to carry out the Secretary's duties and responsibilities under section [216.".]*216.*

"(d) Nothing in this bill is intended to authorize funding for fiscal year 1986.".

(e) PROHIBITING ADJUSTMENT OF STATUS OF TEMPORARY AGRICULTURAL WORKERS.—(1) Section 245(c) (8 U.S.C. 1255(c)), as amended by section 113(a) of this Act, is further amended by adding at the end the following new paragraph:

"(4) An alien (other than an immediate relative specified in section 201(b)) who entered the United States classified as a nonimmigrant under section 101(a)(15)(N).".

(2) Section 248(1) (8 U.S.C. 1258(1)) is amended by striking out "or (K)" and inserting in lieu thereof "(K), or (N)".

(f) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) of this section apply to petitions and applications filed under sections 214(c) and 216 of the Immigration and Nationality Act on or after the first day of the seventh month beginning after the date of the enactment of this Act (hereinafter in this section referred to as the "effective date").

(g) REGULATIONS.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall approve all regulations to be issued implementing sections 101(a)(15)(N) and 216 of the Immigration and Nationality Act. Notwithstanding any other provision of law, final regulations to implement such sections shall first be issued, on an interim or other basis, not later than the effective date.

(h) CONFORMING AMENDMENT TO TABLE OF CONTENTS.—The table of contents is amended by inserting after the item relating to section 215 the following new item:

"Sec. 216. Admission of temporary agricultural workers.".

SEC. 123. AGRICULTURAL LABOR TRANSITION PROGRAM.

(a) ESTABLISHMENT OF TRANSITION PROGRAM.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall promulgate rules and regulations for the implementation of an agricultural labor transition program. The program shall be effective for a three-year period beginning on the first day of the seventh month beginning after the date of enactment of this Act.

(b) LIMITATION ON NUMBER OF WORKERS UNDER PROGRAM.—During the first year of the transition program, an agricultural employer, except as provided in (c), (d), and (e), may, as provided by regulation, employ

up to 100 percent of his nondomestic seasonal agricultural worker need with transitional workers. During the second and third years of the program, the employer may employ up to 67 percent and 33 percent, respectively, of his nondomestic seasonal agricultural worker needs with transitional workers.

(c) CANNOT REPLACE LEGAL WORKERS.—Nothing in this section shall permit transitional workers to replace available United States workers or legal foreign workers admitted under the Immigration and Nationality Act.

(d) COVERAGE UNDER OTHER EMPLOYMENT LAWS.—All workers employed under the provisions of this section shall be fully protected by all Federal and State laws and regulations governing the employment of United States migrant and seasonal agricultural workers.

(e) ELIGIBILITY OF ALIENS.—(1) An undocumented alien in the United States shall be eligible to be a transitional worker under the provisions of this section if the person [is] *was* employed [or has been employed] *on the date of enactment* as a seasonal agricultural worker in the United [States] *States, or has been employed as such a worker* for at least 90 days during a period of time after January 1, [1980.] *1980, and before the date of enactment.*

(2) An undocumented worker shall not be eligible to be a transitional worker and may not be registered under this section if the person is deportable for any reason other than those described in paragraphs (2) and (9) of section 241(a) of the Immigration and Nationality Act, or on the basis, under paragraph (1) of that section, of being excludable at the time of entry under paragraph (19), (20), or (26) of section 212(a) of such Act. Only persons employed as transitional workers and registered as such by the Attorney General during the first year of the program shall be eligible during the second and third years.

(3) A transitional worker under this section is not eligible to apply for adjustment of status under section 245(a) of the Immigration and Nationality Act, unless the alien is an immediate relative described in section 201(b) of such Act.

(f) REQUIREMENTS FOR EMPLOYERS TO PARTICIPATE.—To employ transitional workers under the provisions of this section, an agricultural employer must—

(1) notify the Attorney General of the employer's intention to participate in the transition program within twelve months of the beginning of the program, and

(2) provide such information relating to the employer's requirements for seasonal agricultural workers in months or other periods in previous and future years as the Attorney General may specify.

(g) REPORTS ON USE OF WORKERS.—After an employer begins participation in the agricultural labor transition program the employer shall provide, upon request, to the Attorney General a numerical count of the number of transitional workers employed and the total number of domestic and foreign seasonal agricultural workers employed by the employer.

(h) APPLICATION OF STANDARDS FOR TEMPORARY AGRICULTURAL WORKERS IN CERTAIN CASES.—Any eligible employer under the transition program who employs nonimmigrant alien agricultural workers under the provisions of section 216 of the Immigration and Nationality Act shall provide wages and working conditions as required by subsection (a)(1)(B) of such section to all similarly employed workers of that employer.

(i) EMPLOYMENT DOES NOT PRECLUDE LEGALIZATION OF A WORKER.—Agreement by an alien to be a transitional worker would not preclude that alien from eligibility under the legalization provisions of title II of this Act.

(j) PAYMENT OF FEES.—The Attorney General may require by regulation, as a condition of participation by an employer in the transition program, the payment of a fee to recover the reasonable costs of processing registrations under the transition program.

(k) TREATMENT OF CERTAIN DOCUMENTATION.—In accordance with regulations of the Attorney General, a work permit or other documentation issued under this section to a transitional worker shall be considered to be documentation evidencing authorization of employment for purposes of section 274A(b)(1)(C)(iii) of the Immigration and Nationality Act and an alien employed by an employer and in possession of a properly endorsed work permit or other such documentation for a period of time shall be considered (for purposes of section 274A(h)(2) of such Act) to be authorized by the Attorney General to be so employed during that period of time. For purposes of section 3121(a)(1) of the Internal Revenue Code of 1954 and section 210(a) of the Social Security Act, a transitional worker performing seasonal agricultural services for an employer participating under the program shall be considered to be lawfully admitted to the United States on a temporary basis to perform agricultural labor.

(l) MISCELLANEOUS ADMINISTRATIVE PROVISIONS.—(1) Notwithstanding the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Attorney General is authorized to expend from the appropriation provided for the administration and enforcement of the Immigration and Nationality Act, such amounts as may be necessary for the leasing or acquisition of property in the fulfillment of this section during the period of the transition program.

(2) USE OF RETIRED FEDERAL EMPLOYEES.—Notwithstanding any other provision of law, the retired or retainer pay of a member or former member of the Armed Forces of the United States or the annuity of a retired employee of the Federal Government shall not be reduced while such individual is temporarily employed by the Service for the period of the transition program to perform duties in connection with the program.

SEC. 124. COMMISSION ON *TEMPORARY* AGRICULTURAL WORKER PROGRAMS.

(a) ESTABLISHMENT AND COMPOSITION OF COMMISSION.—(1) There is established a commission (hereinafter in this section referred to as the "Commission") to be composed of 12 members—

(A) two to be appointed by the Attorney General,

(B) two to be appointed by the Secretary of Labor,

(C) two to be appointed by the Secretary of Agriculture,

(D) three to be appointed by the Speaker of the House of Representatives, and

(E) three members to be appointed by the President pro tempore of the Senate.

(2) In appointing individuals as members, the Attorney General, the Secretaries of Labor and Agriculture, the Speaker, and the President pro tempore shall assure that members include some individuals who [are representative of] *represent* labor organizations for agricultural workers and some individuals who [are representative of] *represent* agricultural employers of nondomestic workers. Appointments to the Commission shall be made in a manner that provides for balanced representation of the various interests in the matters considered by the Commission.

(3) A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(4) Appointments to the Commission shall first be made within 30 days after the date of the enactment of this Act.

(5) Members shall be appointed to serve for the life of the Commission.

(b) REVIEW OF AGRICULTURAL LABOR PROGRAMS.—(1) The Commission shall study and review—

(A) the temporary agricultural worker program described in section 216 of the Immigration and Nationality Act, and

(B) the agricultural labor transition program under section 123 of this Act,

particularly as such programs impact on the labor needs of agricultural employers in the United States and on the [wages and conditions] *wages,* working *conditions, and job opportunities* of United States agricultural workers.

(2) The Commission shall specifically review the following with respect to the temporary agricultural worker program under section 216 of the Immigration and Nationality Act:

(A) The standards described in subsection (a)(1) of that section for the certification respecting temporary agricultural workers.

(B) Whether or not there should be a statutory or other specific limit on the number of such workers who may be imported in any period.

(C) Whether or not payments equivalent to the taxes otherwise imposed under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act should be made by the employers of such workers and what use should be made of these payments.

(D) What is a proper length of time and proper mechanism for the recruitment of domestic workers before importation of such foreign workers.

(E) Whether foreign agricultural workers should be contractually restricted to employment with specific employers.

(F) Whether current labor standards offer adequate protection for domestic and foreign agricultural workers.

(G) Whether certain geographic regions need special programs or provisions to meet their unique needs.

(c) REPORT TO CONGRESS.—(1) The Commission shall report to the Congress not later than two years after the effective date (described in section 122(f)) on its reviews under subsection (b). The Commission shall include in its report recommendations for improvements in the temporary agricultural worker program under section 216 of the Immigration and Nationality Act, including specific legislative recommendations—

(1) on the [matter] *matters* specifically reviewed under subsection (b)(2),

(2) improving the timeliness of decisions regarding the admission of temporary agricultural workers under the program,

(3) removing any current economic disincentives to hiring United States citizens or permanent resident aliens where temporary agricultural workers have been requested, and

(4) improving the cooperation among government agencies, employers, employer associations, workers, unions, and other worker associations to end the dependence

of any industry on a constant supply of temporary foreign agricultural workers.

(d) COMPENSATION OF MEMBERS.—(1) Each member of the Commission who is not an officer or employee of the Federal Government is entitled to receive, subject to such amounts as are provided in advance in appropriations Acts, the daily equivalent of the minimum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which the member is engaged in the actual performance of duties of the Commission. Each member of the Commission who is such an officer or employee shall serve without additional pay.

(2) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence.

(f) MEETINGS OF COMMISSION.—(1) Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(2) The Chairman and the Vice Chairman of the Commission shall be elected by the members of the Commission for the life of the Commission.

(3) The Commission shall meet at the call of the Chairman or a majority of its members.

(g) STAFF.—(1) The Chairman, in consultation with the Vice Chairman, may appoint and fix the compensation of a staff director and such other additional personnel as may be necessary to enable the Commission to carry out its functions, without regard to the laws, rules, and regulations governing appointment in the competitive service. Any Federal employee subject to those laws, rules, and regulations may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(2) The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the minimum annual rate of basic pay payable for GS-18 of the General Schedule.

(g) AUTHORITY OF COMMISSION.—(1) The Commission may for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate.

(2) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairman, the head of such department or agency shall furnish such information to the Commission.

(3) The Commission may accept, use, and dispose of gifts or donations of services or property.

(4) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(5) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(h) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

(2) Notwithstanding any other provision of this section, no payment, or authorization to make payments or to enter into contracts under this section, shall be effective to such extent, or in such amounts, as are provided in advance in appropriations Acts.

(i) TERMINATION DATE.—The Commission shall cease to exist 27 months after the effective date (described in section 122(f)).

TITLE II—LEGALIZATION OF STATUS

SEC. 201. LEGALIZATION COMMISSION.

(a) ESTABLISHMENT AND COMPOSITION OF COMMISSION.—(1) There is established a Select Commission on Legalization (hereinafter in this section referred to as the "Commission"), [to be composed of 16 members—

[(A) eight to be appointed by the President (not more than four of whom may be members of the same political party) from a list of names submitted by the Speaker of the House of Representatives and

[(B) eight to be appointed by the President (not more than four of whom may be members of the same political party) from a list of names submitted by the President pro tempore of the Senate.]

to be composed of nine members—

(A) four to be appointed by the President from a list of names submitted by the Speaker of the House of Representatives,

(B) four to be appointed by the President from a list of names submitted by the President pro tempore of the Senate, and

(C) one to be appointed by the President alone, and who shall be appointed Chairman of the Commission.

(2)*(i)* Each list submitted under paragraph (1) shall contain the names of at least [24] *12* individuals, [not more than 12 of whom are members of the same political party, and] none of whom are officials or employees in the legislative branch of the Federal [Government.] *Government and each of whom supports the concept of the legalization program described in section 202. At least seven of the individuals on each list shall be sitting or retired Federal judges, former Members of the Select Commission on Immigration and Refugee Policy, former Members of Congress, or former Attorneys General of the United States. At least two of the remaining individuals on each list shall be representatives of religious organizations, voluntary agencies, civil rights organizations, or organizations representing minority or ethnic groups.*

(ii) The individual appointed by the President to be Chairman shall also be one who supports the concept of the legalization program described in section 202.

(3) A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(4) The Speaker of the House of Representatives and the President pro tempore of the Senate shall submit the lists described in paragraph (2) to the President not later than 30 days after the date of the enactment of this Act and the President shall first appoint individuals as members of the Commission within 30 days after the date of receipt of such lists. *At least five members of the Commission shall be sitting or retired Federal judges, former Members of the Select Commission or Immigration and Refugee Policy, former Members of Congress, or former Attorneys General of the United States.*

(5) Members shall be appointed to serve for the life of the Commission.

(b) DUTIES OF COMMISSION.—The Commission shall monitor and review—

(1) the border patrol and other enforcement programs of the Federal Government designed to [control substantially the illegal entry of aliens into the United States and to prevent and deter substantially violations of the terms of entry,] *curtail illegal entry of aliens into, and illegal stay of aliens in, the United States*, including the amount of resources devoted to these programs and their effectiveness, and

(2) the programs of the Federal Government designed to [eliminate substantially] *curtail* the employment of unauthorized aliens in the United States, including the amount of resources devoted to these programs and their effectiveness.

The Commission may also study improvements that can be made to improve the effectiveness of these programs.

(c) REPORTS TO CONGRESS.—(1) The Commission shall transmit a report to Congress on its activities not later than one year after the date a majority of its members are first appointed, and (until its expiration) not less frequently than annually thereafter.

(2) Each report shall include a description of the increase in resources being devoted to the programs described in subsection (b) and the effect of the increase and such recommendations for improvements in the programs as the Commission determines to be appropriate.

(3) Each report also shall contain a finding of whether the following conditions have been met:

[(A) Programs of the Federal Government are in effect, and have adequate resources, to control substantially illegal entry of aliens into the United States, to prevent and deter substantially violations of the terms of entry, and to eliminate substantially the employment of unauthorized aliens in the United States.

[(B) There is substantial likelihood that these programs will continue to remain effective after the implementation of the program of legalization under section 202 of this Act.]

(A) More effective enforcement measures (including the new enforcement measures provided in section 274A of the Immigration and Nationality Act) have been instituted by the Federal Government, and have adequate resources, to curtail illegal entry of aliens into, and illegal stay of aliens, in, the United States.

(B) There is reasonable likelihood that these measures will continue to be instituted, and have adequate resources for their implementation, after the implementation of the program of legalization under section 202 of this Act.

(C) Because of more effective enforcement, the program of legalization under section 202 of this Act will not serve as a stimulus to further illegal entry.

(d) COMPENSATION OF MEMBERS, MEETINGS, STAFF, AUTHORITY OF COMMISSION, AND AUTHORIZATION OF APPROPRIATIONS.—(1) The provisions of subsection (d), (e), [(f)(2),] (f)(3), (g), and (h) of section 124 of this Act shall apply to the Commission under this section in the same manner as they apply to the Commission established under section 124.

(2) [Nine] *Five* members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(e) TERMINATION DATE.—The Commission shall cease to exist upon the effective date of the legalization program (described in section 202(a)(1)(C)), except that the Commission may continue to function for up to 90 days thereafter for the purpose of concluding its activities.

SEC. 202. LEGALIZATION OF STATUS.

(a) TEMPORARY RESIDENCE STATUS.—The Attorney General may, in his discretion and under such regulations as he shall prescribe, adjust the status of an alien to that of an alien lawfully admitted for temporary residence if the alien meets the following requirements:

(1) TIMELY APPLICATION.—

(A) DURING APPLICATION PERIOD.—Except as provided in subparagraph (B), the alien must apply for such adjustment during the 12-month period beginning on a date (not later than 90 days after the effective date of the legalization program, described in subparagraph (C)) designated by the Attorney General.

(B) APPLICATION WITHIN 30 DAYS OF SHOW-CAUSE ORDER.—An alien who, at any time during the 12-month period described in subparagraph (A), is the subject of an order to show cause issued under section 242 of the Immigration and Nationality Act, must make application under this section not later than the end of the 30-day period beginning either on the first day of such 12-month period or on the date of the issuance of such order, whichever day is later.

(C) EFFECTIVE DATE OF LEGALIZATION PROGRAM.—As used in this section, the term "effective date of the legalization program" means the date the Legalization Commission reports, under section 201(c)(3), that conditions described in such section have been [met.] *met or three years from the date of enactment of this Act, whichever is earlier.*

(D) INFORMATION INCLUDED IN APPLICATION.—Each application under this subsection shall contain such information as the Attorney General may require, including information on living relatives of the applicant with respect to whom a petition for preference or other status may be filed by the applicant at any later date under section 204(a) of the Immigration and Nationality Act.

(2) CONTINUOUS UNLAWFUL RESIDENCE SINCE 1980.—

(A) IN GENERAL.—The alien must establish that he either (i) arrived in the United States before January 1, 1980, and [that he] has resided continuously in the United States in an unlawful status since such date, or (ii) is a special Cuban or Haitian entrant (as described in subparagraph [(D))]. *(D)) and has resided continuously in the United States since December 31, 1980.*

(B) NONIMMIGRANTS.—In the case of an alien who entered the United States as a nonimmigrant before January 1, 1980, the alien must establish that the alien's period of authorized stay as a nonimmigrant expired before such date through the passage of time or the alien's unlawful status was known to the Government as of such date.

(C) EXCHANGE VISITORS.—If the alien was at any time a nonimmigrant exchange alien (as defined in section 101(a)(15)(J) of the Immigration and Nationality Act), the alien must establish that the alien was not subject to the two-year foreign residence requirement of section 212(e) or has fulfilled that requirement or received a waiver thereof.

(D) SPECIAL CUBAN OR HAITIAN ENTRANT.—As used in this section, the term "special Cuban or Haitian entrant" means an alien who is—

(i) a national of Cuba who arrived in the United States and presented himself for inspection after April 20, 1980, and before January 1, 1981, and who [is still] *was* physically present in the United [States;] *States on December 31, 1980;*

(ii) a national of Haiti who on December 31, 1980, was the subject of exclusion or deportation proceedings under section 236 or section 242 of the Immigration and Nationality Act, including a national of Haiti who on that date was under an order of exclusion and deportation or under an order of deportation which had not yet been executed;

(iii) a national of Haiti who *before December 31, 1980*, was paroled into the United States under section 212(d)(5) of such Act or was granted voluntary departure [before December 31, 1980,] and was physically present in the United States on that date; or

(iv) a national of Cuba or Haiti who on December 31, 1980, had an application for asylum pending with the Immigration and Naturalization Service.

(3) CONTINUOUS PHYSICAL PRESENCE SINCE ENACTMENT.—The alien must establish that the alien has been continuously physically present in the United States since the date of the enactment of this section.

(4) ADMISSIBLE AS IMMIGRANT.—The alien must establish that he—

(A) is admissible to the United States as an immigrant, except as otherwise provided under subsection (d)(2),

(B) has not been convicted of any felony or of three or more misdemeanors committed in the United States,

(C) has not assisted in the persecution of any person or persons on account of race, religion, nationality, membership in a particular social group, or political opinion, and

(D) is registered or registering under the Military Selective Service Act, if the alien is required to be so registered under that Act.

(b) SUBSEQUENT ADJUSTMENT TO PERMANENT RESIDENCE AND NATURE OF TEMPORARY RESIDENT STATUS.—

(1) ADJUSTMENT TO PERMANENT RESIDENCE.—The Attorney General, in his discretion and under such regulations as he may prescribe, may adjust the status of any alien provided lawful temporary resident status under subsection (a) to that of an alien lawfully admitted for permanent residence if the alien meets the following requirements:

(A) TIMELY APPLICATION.—The alien must apply for such adjustment during the 12-month period beginning with the first day of the thirty-first month that begins after the date the alien was granted such temporary resident status.

(B) CONTINUOUS LAWFUL RESIDENCE.—

(i) IN GENERAL.—The alien must establish that he has continuously resided in the United States since the date the alien was granted such temporary resident status.

(ii) TREATMENT OF CERTAIN ABSENCES.—An alien shall not be considered to have lost the continuous residence referred to in clause (i) by reason of an absence from the United States permitted under paragraph (3)(A).

(C) ADMISSIBLE AS IMMIGRANT.—The alien must establish that he—

(i) is admissible to the United States as an immigrant, except as otherwise provided under subsection (d)(2), and

(ii) has not been convicted of any felony or three or more misdemeanors committed in the United States.

(D) BASIC CITIZENSHIP SKILLS.—

(i) IN GENERAL.—The alien must demonstrate that he either—

(I) meets the requirements of section 312 of the Immigration and Nationality Act (relating to minimal understanding of ordinary English and a knowledge and understanding of the history and government of the United States), or

(II) is satisfactorily pursuing a course of study (recognized by the Attorney General) to achieve such an understanding of English and such a knowledge and understanding of the history and government of the United States.

(ii) EXCEPTION FOR ELDERLY INDIVIDUALS.—The Attorney General may, in his discretion, waive all or part of the requirements of clause (i) in the case of an alien who is 65 years of age or older.

(2) TERMINATION OF TEMPORARY RESIDENCE.—The Attorney General shall provide for termination of temporary resident status granted an alien under this subsection—

(A) if it appears to the Attorney General that the alien was in fact not eligible for such status;

(B) if the alien commits an act that—

(i) makes the alien inadmissible to the United States as an immigrant, except as otherwise provided under subsection (d)(2), or

(ii) is convicted of any felony or three or more misdemeanors committed in the United States; or

(C) at the end of the forty-second month beginning after the date the alien is granted such status, unless the alien has filed an application for adjustment of such status pursuant to paragraph (1) and such application has not been denied.

(3) AUTHORIZED TRAVEL AND EMPLOYMENT DURING TEMPORARY RESIDENCE.—During the period an alien is in the lawful temporary resident status granted under subsection (a)—

(A) AUTHORIZATION OF TRAVEL ABROAD.—The Attorney General shall, in accordance with regulations, permit the alien to return to the United States after such brief and casual trips abroad as the Attorney General determines reflect an intention on the part of the alien to adjust to lawful permanent resident status under paragraph (1).

(B) AUTHORIZATION OF EMPLOYMENT.—The Attorney General shall grant the alien authorization to engage in employment in the United States and provide to that alien an "employment authorized" endorsement or other appropriate work permit.

(c) APPLICATIONS FOR INITIAL ADJUSTMENT OF STATUS.—

(1) TO WHOM MAY BE MADE.—The Attorney General shall provide that applications for adjustment of status under subsection (a) may be filed—

(A) with the Attorney General, or

(B) with a qualified designated entity, but only if the applicant consents to the forwarding of the application to the Attorney General.

As used in this section, the term "qualified designated entity" means an organization or person designated under paragraph (2).

(2) DESIGNATION OF QUALIFIED ENTITIES TO RECEIVE APPLICATIONS.—For purposes of assisting in the program of legalization provided under this section, the Attorney General shall designate qualified organizations and State and local governments as qualified designated entities for purposes of this section.

(3) TREATMENT OF APPLICATIONS BY QUALIFIED DESIGNATED ENTITIES.—Each qualified designated entity must agree to forward to the Attorney General applications filed with it in accordance with paragraph (1)(B) but not to forward to the Attorney General applications filed with it unless the applicant has consented to such forwarding. No such entity may make a determination re-

quired by this section to be made by the Attorney General.

(4) Penalties for false statements in applications.—Whoever files an application for adjustment of status under this section and knowingly and willfully falsifies, misrepresents, conceals, or covers up a material fact or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be fined, or imprisoned not more than five years, or both.

(5) Application fees.—

(A) Fee schedule.—The Attorney General shall prescribe a fee of $100 or more to be paid by each alien who files an application for adjustment of status under subsection (a) or subsection (b)(1).

(B) Use of fees.—The Attorney General shall deposit payments received under the preceding sentence in a separate account and amounts in such account shall be available, without fiscal year limitation, only to cover administrative expenses incurred in connection with the review of applications filed under this section.

(d) Waiver of Numerical Limitations and Certain Grounds for Exclusion.—

(1) Numerical limitations do not apply.—The numerical limitations of section 201 and 202 of the Immigration and Nationality Act shall not apply to the adjustment of aliens to lawful permanent resident status under this section.

(2) Waiver of grounds for exclusion.—In the determination of an alien's admissibility under subsections (a)(4)(A), (b)(1)(C)(i), and (b)(2)(B)(i)—

(A) Grounds of exclusion not applicable.—The provisions of paragraphs (14), (20), (21), (25), and (32) of section 212(a) of the Immigration and Nationality Act shall not apply.

(B) Waiver of other grounds.—

(i) In general.—Except as provided in clause (ii), the Attorney General may waive any other provision of section 212(a) of such Act in the case of individual aliens for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest.

(ii) Grounds that may not be waived.—The following provisions of section 212(a) of such Act may not be waived by the Attorney General under clause (i):

(I) Paragraph (9) and (10) (relating to criminals).

(II) Paragraph (15) (relating to aliens likely to become public charges) insofar as it relates to an application for adjustment to permanent residence.

(III) Paragraph (23) (relating to drug offenses), except for so much of such paragraph as relates to a single offense of simple possession of 30 grams or less of marihuana.

(IV) Paragraphs (27), (28), and (29) (relating to national security and members of certain organizations).

(V) Paragraph (33) (relating to those who assisted in the Nazi persecutions).

(e) Temporary Stay of Deportation and Work Authorization During Application Period.—The Attorney General shall provide that in the case of an alien who, during the application period described in subsection (a)(1), presents an application for adjustment of status under subsection (a) which application establishes a prima facie case of eligibility to have his status adjusted under such subsection, and until a final administrative determination on the application has been made in accordance with this section, the alien—

(1) may not be deported, and

(2) shall be granted authorization to engage in employment in the United States and be provided an "employment authorized" endorsement or other appropriate work permit.

This subsection shall not be construed as preventing the Attorney General from commencing deportation proceedings against any alien.

(f) Administrative and Judicial Review.—

(1) Limitation on administrative and judicial review.—Except as provided in paragraph (4) there shall be no administrative or judicial review (by class action or otherwise) of a decision or determination under this section.

(2) No review for late filings.—No denial of adjustment of status under this section based on a late filing of an application for such adjustment may be reviewed by a court of the United States or of any State or reviewed in any administrative proceeding of the United States Government.

(3) No collateral attacks.—An alien denied adjustment of status under this section may not raise a claim respecting such adjustment in any proceeding of the United States or any State involving the status of such alien, including any proceeding of deportation or exclusion under this Act.

(4) Single level of administrative appellate review.—The Attorney General shall establish an appellate authority to provide for a single level of administrative appellate review of a final determination respecting an application for adjustment of status under this section. Such administrative appellate review shall be based solely upon the administrative record established at the time of the determination on the application and may not review a denial described in paragraph (2).

(g) Implementation of Section.—

(1) Regulations.—The Attorney General, after consultation with the Committees on the Judiciary of the House of Representatives and of the Senate, shall prescribe—

(A) regulations establishing a definition of the term "resided continuously", as used in this section, and the evidence needed to establish that an alien has resided continuously in the United States for purposes of this section, and

(B) such other regulations as may be necessary to carry out this section.

(2) Considerations.—In prescribing regulations described in paragraph (1)(A)—

(A) Periods of continuous residence.—The Attorney General shall specify individual periods, and aggregate periods, of absence from the United States which will be considered to break a period of continuous residence in the United States.

(B) Absences caused by deportation or advanced parole.—The Attorney General shall provide that—

(i) an alien shall not be considered to have resided continuously in the United States, if, during any period for which continuous residence is required, the alien was outside the United States as a result of a departure under an order of deportation, and

(ii) any period of time during which an alien is outside the United States pursuant to the advance parole procedures of the Service shall not be considered as part of the period of time during which an alien is outside the United States for purposes of this section.

(C) Waivers of certain absences.—The Attorney General may provide for a waiver, in the discretion of the Attorney General, of the periods specified under subparagraph (A) in the case of an absence from the United States due merely to a brief temporary trip abroad required by emergency or extenuating circumstances outside the control of the alien.

(D) Use of certain documentation.—The Attorney General shall require that—

(i) continuous residence and physical presence in the United States must be established through documents, together with independent corroboration of the information contained in such documents, and

(ii) the documents provided under clause (i) be employment-related if employment-related documents with respect to the alien are available to the applicant.

(3) Interim final regulations.—Regulations prescribed under this section may be prescribed to take effect on an interim final basis if the Attorney General determines that this is necessary in order to implement this section in a timely manner.

(h) Temporary Disqualification of Newly Legalized Aliens from Receiving Certain Public Assistance.—During the six-year period beginning on the date an alien is granted lawful temporary resident status under subsection (a) and notwithstanding any other provision of law—

(1) an alien (other than a special Cuban and Haitian entrant, as defined in subsection (a)(2)(D)) granted lawful resident status under this section is not eligible for—

(A) financial assistance furnished under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government,

(B) medical assistance under a State plan approved under title XIX of the Social Security Act, and

(C) assistance under the Food Stamp Act of 1977, and

(2) a State or political subdivision therein may, to the extent consistent with paragraph (1), provide that the alien is not eligible for welfare assistance furnished under the law of that State or political subdivision.

For the purpose of section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96-122), assistance shall be continued under such section with respect to an alien without regard to the alien's adjustment of status under this section. Unless otherwise specifically provided by law, an alien in temporary lawful residence status granted under subsection (a) shall not be considered (for purposes of any law of a State or political subdivision providing welfare assistance) to be permanently residing in the United States under color of law.

(i) Miscellaneous Provisions.—

(1) Dissemination of information on legalization program.—During the three-month period beginning on the effective date of the legalization program, the Attorney General, in cooperation with qualified designated entities and the Secretary of Labor, shall broadly disseminate information respecting the benefits which aliens may receive under this section and the requirements to obtain such benefits.

(2) Procedures for property acquisition or leasing.—Notwithstanding the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Attorney General is authorized to expend from the appropriation provided for the administration and enforcement of the Immigration and Nationality Act, such amounts as may be necessary for the leasing or acquisition of property in the fulfillment of this section. This authority shall end two years after the effective date of the legalization program.

(3) Use of retired Federal employees.—Notwithstanding any other provision of law, the retired or retainer pay of a member or former member of the Armed Forces of the United States or the annuity of a retired employee of the Federal Government shall not be reduced while such individual is temporarily employed by the *Immigration and Naturalization* Service for a period of not to exceed 18 months to perform duties in connection with the adjustment of status of aliens under this section.

(4) Application of provisions of Immigration and Nationality Act.—Except as otherwise specifically provided in this section, the definitions contained in the Immigration and Nationality Act apply in the administration of this section. Nothing in this section shall be held to repeal, amend, alter, modify, effect, or restrict the powers, duties, functions, or authority of the Attorney General in the administration and enforcement of such Act or any other law relating to immigration, nationality, or naturalization. The fact that an alien may be eligible to be granted lawful residence status under this section shall not preclude the alien from seeking such a status under any other provision of law for which the alien may be eligible.

(j) Limiting Application of Public Law 89-732.—The first section of Public Law 89-732 shall not apply to any alien who is first inspected and admitted or paroled into the United States after the date of the enactment of this Act.

SEC. 203. STATE LEGALIZATION IMPACT-ASSISTANCE GRANTS.

(a) Authorization of Appropriations.—There are authorized to be appropriated to make payments to States (and for related Federal administration costs) under this section $600,000,000 for each of three fiscal years, beginning with the fiscal year in which the application period (described in section 202(a)(1)(A)) ends.

(b) Capped Entitlement.—(1) The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") shall provide, in accordance with this section and from the allotment for that State determined under paragraph (2), for payment to each of the States with an application approved under this section for reimbursement of the costs—

(A) of public programs of assistance provided with respect to eligible legalized aliens, *for which such aliens were not disqualified under section 202(h) at the time of such assistance*, and

(B) for the imprisonment of aliens *convicted of a felony* who are in the United States unlawfully and—

(i) whose most recent entry into the United States was without inspection, or

(ii) whose most recent admission to the United States was as a nonimmigrant but—

(I) whose period of authorized stay as a nonimmigrant expired, or

(II) whose unlawful status was known to the Government,

before the date of the commission of the crime for which the imprisonment was imposed.

(2)(A) The Secretary shall establish a formula for determining the amount of the allotment to each State under this section for each fiscal year. Such formula shall, subject to subparagraph (B), take into account—

(i) the number of eligible legalized aliens (as defined in subsection (i)(3)) residing in the State in that fiscal year,

(ii) the ratio of the number of eligible legalized aliens in the State to the total number of residents of that State and to the total number of such aliens in all the States in that fiscal year,

(iii) the amount of expenditures the State is likely to incur in that fiscal year in providing assistance for eligible legalized aliens under programs of public assistance (as defined in subsection (i)(2)), and

(iv) the ratio of the amount of expenditures referred to in clause (iii) in the State to the total amount of such expenditures in all of the States,

in a manner that provides for an equitable and balanced distribution of funds among the States.

(B)(i) The total of the allotments to States under this section is equal to $600,000,000 for each of the three fiscal years described in subsection (a).

(ii) To the extent that all the funds appropriated under this section for a fiscal year are not otherwise allotted to States either because all the States have not qualified for such allotments under this section for the fiscal year or because some States have indicated in their description of activities that they do not intend to [use] *use, in that fiscal year or the succeeding fiscal year,* the full amount of such [allotments in that fiscal year and the succeeding fiscal year,] *allotments,* such excess shall be allotted among the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this clause.

(2) In determining the number of eligible legalized aliens for purposes of paragraph (1)(A), the Secretary may estimate such number on the basis of such data as he may deem appropriate.

(3) For each fiscal year the Secretary shall make payments, as provided by [section 203 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4213),] *section 6503 of title 31, United States Code,* to each State from its allotment under this subsection. Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

(c) Statements and Assurances.—(1) No State is eligible for payment under this section unless the State—

(A) has filed with, and had approved by, the Secretary an application containing such information, including the information described in paragraph (2) and criteria for and administrative methods of disbursing funds received under this section, as the Secretary determines to be necessary to carry out this section, and

(B) transmits to the Secretary a statement of assurances that certifies that (i) funds allotted to the State under this section will only be used to carry out the purposes described in subsection (d), (ii) the State will provide a fair method (as determined by the State) for the allocation of funds among State and local agencies in accordance with subsection (d)(2), and (iii) fiscal control and fund accounting procedures will be established that are adequate to meet the requirements of subsections (e) and (f).

(2) The application of each State under this section for each fiscal year must include detailed information on—

(A) the number of eligible legalized aliens residing in the State, and

(B) the costs (excluding any such costs otherwise paid from Federal funds) which the State and each locality is likely to incur for programs of public assistance and for imprisonment costs described in subsection (b)(1)(B).

(d) Use of Funds.—A State may use amounts paid to it under this section only—

(1) for the purpose of providing assistance with respect to eligible legalized aliens under programs of public assistance and under programs of public health [assistance,] *assistance for which such aliens were not disqualified under section 202(h) at the time of such assistance,* but only to the extent such assistance is otherwise available under such programs to citizens residing in the State, and

(2) for the purpose of paying for costs incurred by the State for the imprisonment of aliens described in subsection (b)(1)(B).

(e) Reports and Audits.—(1)(A) Each State shall prepare and submit to the Secretary annual reports on its activities under this section. In order to properly evaluate and to compare the performance of different States assisted under this section and to assure the proper expenditure of funds under this section, such reports shall be in such form and contain such information as the Secretary determines (after consultation with the States and the Comptroller General) to be necessary—

(i) to secure an accurate description of those activities,

(ii) to secure a complete record of the purposes for which funds were spent, of the recipients of such funds, and of the progress made toward achieving the purposes of this section, and

(iii) to determine the extent to which funds were expended consistent with subsection (d).

Copies of the report shall be provided, upon request, to any interested public agency, and each such agency may provide its views on these reports to the Congress.

(B) The Secretary shall annually report to the Congress on activities funded under this section and shall provide for transmittal of a copy of such report to each State.

[(2)(A) Each State shall, not less often than once every two years, audit its expenditures from amounts received under this section. Such State audits shall be conducted by an entity independent of the State agency administering a program funded under this section in accordance with the Comptroller General's standards for auditing governmental organizations, programs, activities, and functions and generally accepted auditing standards. Within 30 days following the completion of each audit report, the State shall submit a copy of that audit report to the Secretary.

[(B) Each State shall repay to the United States amounts found by the Secretary, after notice and opportunity for a hearing to the State, not to have been expended in accordance with this section and, if such repayment is not made, the Secretary may offset such amounts against the amount of any allotment to which the State is or may become entitled under this section or may otherwise recover such amounts.]

(2)(A) For requirements relating to audits of funds received by a State under this section, see chapter 75 of title 31, United States Code (relating to requirements for single audit).

(B) Each State shall repay to the United States amounts ultimately found not to have been expended in accordance with this section, or the Secretary may offset such amounts against any other amount to which the State is or may become entitled under this section.

(C) The Secretary may, after notice and opportunity for a hearing, withhold payment of funds to any State which is not using its allotment under this section in accordance with this section. The Secretary may withhold such funds until the Secretary finds that the reason for the withholding has been removed and there is reasonable assurance that it will not recur.

(3) The State shall make copies of the reports and audits required by this subsection available for public inspection within the State.

(4)(A) For the purpose of evaluating and reviewing the assistance provided under this section, the Secretary and the Comptroller General shall have access to any books, accounts, records, correspondence, or other documents that are related to such assistance, and that are in the possession, custody, or control of States, political subdivisions thereof, or any of their grantees.

(B) In conjunction with an evaluation or review under subparagraph (A), no State or political subdivision thereof (or grantee of either) shall be required to create or prepare new records to comply with subparagraph (A).

(f) Criminal Penalties for False Statements.—Whoever—

(1) knowingly and willfully makes or causes to be made any false statement or misrepresentation of a material fact in connection with the furnishing of items or services for which payment may be made by a State from funds allotted to the State under this section, or

(2) having knowledge of the occurrence of any event affecting his initial or continued right to any such payment conceals or fails to disclose such event with an intent fraudulently to secure such payment either in a greater amount than is due or when no such payment is authorized,

shall be fined, imprisoned for not more than five years, or both.

(g) Anti-Discrimination Provision.—(1)(A) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964, programs and activities funded in whole or in part with funds made available under this section are considered to be programs and activities receiving Federal financial assistance.

(B) No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this section.

(2) Whenever the Secretary finds that a [State, locality, or local educational agency] *State or locality* which has been provided payment from an allotment under this section has failed to comply with a provision of law referred to in paragraph (1)(A), with paragraph (1)(B), or with an applicable regulation (including one prescribed to carry out paragraph (1)(B)), he shall notify the chief executive officer of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

(A) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted,

(B) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act of 1973, as may be applicable, or

(C) take such other action as may be provided by law.

(3) When a matter is referred to the Attorney General pursuant to paragraph (2)(A), or whenever he has reason to believe that the entity is engaged in a pattern or practice in violation of a provision of law referred to in paragraph (1)(A) or in violation of paragraph (1)(B), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

(h) Consultation with State and Local Officials.—In establishing regulations and guidelines to carry out this section, the Secretary shall consult with representatives of State and local governments.

(i) Definitions.—For purposes of this section:

(1) The term "State" has the meaning given such term in section 101(a)(36) of the Immigration and Nationality Act.

(2) The term "programs of public assistance" means programs in a State or local jurisdiction which—

(A) provide for cash, medical, or other assistance (as defined by the Secretary) designed to meet the basic subsistence or health needs of individuals or required in the interest of public health,

(B) are generally available to needy individuals residing in the State or locality, and

(C) receive funding from units of State or local government.

(3) The term "eligible legalized alien" means an alien who has been granted lawful resident status under section 202(a), but only until the end of the six-year period beginning on the date the alien was granted such status.

TITLE III—OTHER CHANGES IN THE IMMIGRATION LAW

SEC. 301. CHANGE IN COLONIAL QUOTA.

(a) Increase to 3,000.—(1) Section 202(c) (8 U.S.C. 1152(c)) is amended by striking out "six hundred" and inserting in lieu thereof "3,000".

(2) Section 202(e) (8 U.S.C. 1152(e)) is amended by striking out "600" and inserting in lieu thereof "3,000".

(b) Effective Date.—The amendments made by subsection (a) shall apply to fiscal years beginning after the date of the enactment of this Act.

SEC. 302. VISA WAIVER PILOT PROGRAM FOR CERTAIN VISITORS.

(a) Establishing Visa Waiver Pilot Program.—Chapter 2 of title II is amended by adding after section 216 (added by section 122(c) of this Act) the following new section:

"VISA WAIVER PILOT PROGRAM FOR CERTAIN VISITORS

"Sec. 217. (a) Establishment of Pilot Program.—The Attorney General and the Secretary of State are authorized to establish a pilot program (hereafter in this section referred to as the 'pilot program') under which the requirement of paragraph (26)(B) of section 212(a) may be waived by the Attorney General and the Secretary of State, acting jointly and in accordance with this section, in the case of an alien who meets the following requirements:

"(1) Seeking entry as tourist for [less than 90 days.—The] *90 days or less.—The* alien is applying for admission during the pilot program period (as defined in subsection (e)) as a nonimmigrant visitor (described in section 101(a)(15)(B)) for a period not exceeding 90 days.

"(2) National of pilot program country.—The alien is a national of a country which—

"(A) extends (or agrees to extend) reciprocal privileges to citizens and nationals of the United States, and

"(B) is designated as a pilot program country under subsection (c).

"(3) Executes entry control and waiver forms.—The alien before the time of such admission—

"(A) completes such immigration form as the Attorney General shall establish under subsection (b)(3), and

"(B) executes a waiver of review and appeal described in subsection (b)(4).

"(4) Round-trip ticket.—The alien has a round-trip, nonrefundable, nontransferable, open-dated transportation ticket which—

"(A) is issued by a carrier which has entered into an agreement described in subsection (d), and

"(B) guarantees transport of the alien out of the United States at the end of the alien's visit.

"(5) Not a safety threat.—The alien has been determined not to represent a threat to the welfare, health, safety, or security of the United States.

"(6) No previous violation.—If the alien previously was admitted without a visa under this section, the alien must not have failed to comply with the conditions of any previous admission as such a nonimmigrant.

"(b) Conditions Before Pilot Program Can be Put Into Operation.—

"(1) Prior notice to Congress.—The pilot program may not be put into operation until the end of the 30-day period beginning on the date that the Attorney General submits to the Congress a certification that the screening and monitoring system described in paragraph (2) is operational and effective and that the form described in paragraph (3) has been produced.

"(2) Automated data arrival and departure system.—The Attorney General in cooperation with the Secretary of State shall develop and establish an automated data arrival and departure control system to screen and monitor the arrival into and departure from the United States of nonimmigrant visitors receiving a visa waiver under the pilot program.

"(3) Visa waiver information form.—The Attorney General shall develop a form for use under the pilot program. Such form shall be consistent and compatible with the control system developed under paragraph (2). Such form shall provide for, among other items—

"(A) a summary description of the conditions for excluding nonimmigrant visitors from the United States under section 212(a) and under the pilot program,

"(B) a description of the conditions of entry with a waiver under the pilot program, including the limitation of such entry to 90 days and the consequences of failure to abide by such conditions, and

"(C) questions for the alien to answer concerning any previous denial of the alien's application for a visa.

"(4) Waiver of rights.—An alien may not be provided a waiver under the pilot program unless the alien has waived any right—

"(A) to review or appeal under this Act of an immigration officer's determination as to the admissibility of the alien at the port of entry into the United [States or] *States, or*

"(B) to contest, other than on the basis of an application for asylum, any action for deportation against the alien.

"(c) Designation of Pilot Program Countries.—

"(1) Up to 8 countries.—The Attorney General and the Secretary of State acting jointly may designate up to eight countries as pilot program countries for purposes of the pilot program.

"(2) Initial qualifications.—For the initial period described in paragraph (4), a country may not be designated as a pilot program country unless the following requirements are met:

"(A) Low nonimmigrant visa refusal rate for previous 2-year period.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during the two previous full fiscal years was less than 2.0 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during those years.

"(B) Low immigrant visa refusal rate for each of 2 previous years.— The average number of refusals of nonimmigrant visitor visas for nationals of that country during either of such two previous full fiscal years was less than 2.5 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during that year.

"(3) Continuing and subsequent qualifications.—For each fiscal year (within the pilot program period) after the initial period—

"(A) Continuing qualification.—In the case of a country which was a pilot program country in the previous fiscal year, a country may not be designated as a pilot program country unless the sum of—

"(i) the total of the number of nationals of that country who were excluded from admission or withdrew their application for admission during such previous fiscal year as a nonimmigrant visitor, and

"(ii) the total number of nationals of that country who were admitted as nonimmigrant visitors during such previous fiscal year and who violated the terms of such admission,

was less than 2 percent of the total number of nationals of that country who applied for admission as nonimmigrant visitors during such previous fiscal year.

"(B) New countries.—In the case of another country, the country may not be designated as a pilot program country unless the following requirements are met:

"(i) Low nonimmigrant visa refusal rate in previous 2-year period.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during the two previous full fiscal years was less than 2 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during those years.

"(ii) Low nonimmigrant visa refusal rate in each of the 2 previous years.—The average number of refusals of nonimmigrant visitor visas for nationals of that country during either of such two previous full fiscal years was less than 2.5 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during that year.

"(4) Initial period.—For purposes of paragraphs (2) and (3), the term 'initial period' means the period beginning at the end of the 30-day period described in subsection (b)(1) and ending on the last day of the first fiscal year which begins after such 30-day period.

"(d) Carrier Agreements.—

"(1) In general.—The agreement referred to in subsection (a)(4)(A) is an agreement between a carrier and the Attorney General under which the carrier agrees, in consideration of the waiver of the visa requirement with respect to a nonimmigrant visitor under the pilot program—

"(A) to indemnify the United States against any costs for the transportation of the alien from the United States if the visitor is refused admission to the United States or remains in the United States unlawfully after the 90-day period described in subsection (a)(1)(A), and

"(B) to submit daily to immigration officers any immigration forms received with respect to nonimmigrant visitors provided a waiver under the pilot program.

"(2) Termination of agreements.—The Attorney General may terminate an agreement under paragraph (1) with five days' notice to the carrier for the carrier's failure to meet the terms of such agreement.

"(e) Definition of Pilot Program Period.—For purposes of this section, the term 'pilot program period' means the period beginning at the end of the 30-day period referred to in subsection (b)(1) and ending on the last day of the third fiscal year which begins after such 30-day period.".

(b) Limitation on Stay in United States.—Section 214(a) (8 U.S.C. 1184(a)) is amended by adding at the end the following new sentence: "No alien admitted to the United States without a visa pursuant to section 217 may be authorized to remain in the United States as a nonimmigrant visitor for a period exceeding 90 days from the date of admission.".

(c) Prohibition of Adjustment to Immigrant Status.—Section 245(c) (8 U.S.C. 1255(c)), as amended by sections 113(a) and 122(e)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(5) An alien (other than an immediate relative specified in section 201(b)) who was admitted as a nonimmigrant visitor without a visa under section 212(l) or section 217.".

(d) Prohibition of Adjustment of Nonimmigrant Status.—Section 248 (8 U.S.C. 1258) is amended by striking out "and" at the end of paragraph (2), by striking out the period at the end of paragraph (3) and inserting in lieu thereof ", and" and by adding at the end thereof the following new paragraph:

"(4) an alien admitted as a nonimmigrant visitor without a visa under section 212(l) or section 217.".

(e) Conforming Amendment to Table of Contents.—The table of contents is amended by adding after the item relating to section 216 (added by section 122(f) of this Act) the following new item:

"Sec. 217. Visa waiver pilot program for certain visitors.".

SEC. 303. [G-4] G-IV SPECIAL IMMIGRANTS.

(a) Special Immigrant Status for Certain Officers and Employees of International Organizations and Their Immediate Family Members.—Section 101(a)(27) (8 U.S.C. 1101(a)(27)) is amended by striking out "or" at the end of subparagraph (G), by striking out the period at the end of subparagraph (H) and inserting in lieu thereof "; or", and by adding at the end of the following new subparagraph:

"(I)(i) an immigrant who is the unmarried son or daughter of an officer or employee, or of a former officer or employee, of an international organization described in paragraph (15)(G)(i), and who (I) while maintaining the status of a nonimmigrant under paragraph (15)(G)(iv) or paragraph (15)(O), has resided and been physically present in the United States for periods totaling at least one half of the seven years before the date of application for a visa or for adjustment of status to a status under this subparagraph and for a period or periods aggregating at least seven years between the ages of five and 21 years, and (II) applies for admission under this subparagraph no later than his twenty-fifth birthday or six months after the date this subparagraph is enacted, whichever is later;

"(ii) an immigrant who is the surviving spouse of a deceased officer or employee of such an international organization, and who (I) while maintaining the status of a nonimmigrant under paragraph (15)(G)(iv) or paragraph (15)(O), has resided and been physically present in the United States for periods totaling at least one half of the seven years before the date of application for a visa or for adjustment of status to a status under this subparagraph and for a period or periods aggregating at least 15 years before the date of the death of such officer or employee, and (II) applies for admission under this subparagraph no later than six months after the date of such death or six months after the date this subparagraph is enacted, whichever is later;

"(iii) an immigrant who is a retired officer or employee of such an international organization, and who (I) while maintaining the status of a nonimmigrant under paragraph (15)(G)(iv), has resided and been physically present in the United States for periods totaling at least one half of the seven years before the date of application for a visa or for adjustment of status to a status under this subparagraph and for a period or periods aggregating at least 15 years before the date of the officer or employee's retirement from any such international organization, and (II) applies for admission under this subparagraph before January 1, 1993, and no later than six months after the date of such retirement or six months after the date this subparagraph is enacted, whichever is later; or

"(iv) an immigrant who is the spouse of a retired officer or employee accorded the status of special immigrant under clause (iii), accompanying or following to join such retired officer or employee as a member of his immediate family.".

(b) Nonimmigrant Status for Certain Parents and Children of Aliens Given Special Immigrant Status.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by section 122(a) of this Act, is further amended by striking out "or" at the end of subparagraph (M), by striking out the period at the end of subparagraph (N) and inserting in lieu thereof "; or", and by adding at the end the following new paragraph:

"(O)(i) the parent of an alien accorded the status of special immigrant under paragraph (27)(I)(i), but only if and while the alien is a child, or

"(ii) a child of such parent or of an alien accorded the status of a special immigrant under paragraph (27)(I) (ii), (iii), or (iv).".

TITLE IV—REPORTS

SEC. 401. TRIENNIAL COMPREHENSIVE REPORT ON IMMIGRATION.

(a) TRIENNIAL REPORT.—The President shall transmit to the Congress, not later than January 1, 1987, and not later than January 1 of every third year thereafter, a comprehensive immigration-impact report.

(b) DETAILS IN EACH REPORT.—Each report shall include—

(1) the number and classification of aliens admitted (whether as immediate relatives, special immigrants, refugees, or under the preferences classifications, or as nonimmigrants), paroled, or granted asylum, during the relevant period;

(2) a reasonable estimate of the number of aliens who entered the United States during the period without visas or who became deportable during the period under section [241;] *241 of the Immigration and Nationality Act;* and

(3) a description of the impact of admissions and other entries of immigrants, refugees, asylees, and parolees into the United States during the period on the economy, labor and housing markets, the educational system, social services, foreign policy, environmental quality and resources, [and the population growth rate of the United States] *the rate, size, and distribution of population growth in the United States, and the impact on specific States and local units of government of high rates of immigration resettlement.*

(c) HISTORY AND PROJECTIONS.—The information (referred to in subsection (b)) contained in each report shall be—

(1) described for the preceding three-year period, and

(2) projected for the succeeding five-year period, based on reasonable estimates substantiated by the best available evidence.

(d) RECOMMENDATIONS.—The President also may include in such report any appropriate recommendations on changes in numerical limitations or other policies under title II of the Immigration and Nationality Act bearing on the admission and entry of such aliens to the United States.

SEC. 402. REPORTS ON UNAUTHORIZED ALIEN EMPLOYMENT AND DISCRIMINATION IN EMPLOYMENT.

(a) PRESIDENTIAL REPORTS.—The President shall transmit to Congress annual reports on the implementation of section 274A of the Immigration and Nationality Act (relating to unlawful employment of aliens) during the first five years after its implementation. Each report shall include—

(1) an analysis of the adequacy of the employment verification system provided under subsection (b) of that section;

(2) *a description of* the status of the development and implementation of changes in that system under subsection (c) of that section, including the results of any demonstration projects conducted under paragraph (4) of such subsection; and

(3) *an analysis of* the impact of the enforcement of that section on—

(A) the employment, wages, and working conditions of United States workers and on the economy of the United States,

(B) the number of aliens entering the United States illegally or who fail to maintain legal status after entry, and

(C) the violation of terms and conditions of nonimmigrant visas by foreign visitors.

(b) GAO REPORTS.—(1) Beginning one year after the date of enactment of this Act, and at intervals of one year thereafter for a period of five years after such date, the Comptroller General of the United States shall prepare and transmit to the Congress and to the taskforce established under subsection (c) a report describing the results of a review of the implementation and enforcement of section 274A of the Immigration and Nationality Act during the preceding twelve-month period, for the purpose of determining if—

(A) such provisions have been carried out satisfactorily;

(B) a pattern of discrimination has resulted against citizens or nationals of the United States or against eligible workers seeking employment; and

(C) an unnecessary regulatory burden has been created for employers hiring such workers.

(2) In each report, the Comptroller General shall make a specific determination as to whether the implementation of that section has resulted in a pattern of discrimination in employment (against other than unauthorized aliens) on the basis of national origin.

(3) If the Comptroller General has determined that such a pattern of discrimination has resulted, the report—

(A) shall include a description of the scope of that discrimination, and

(B) may include recommendations for such legislation as may be appropriate to deter or remedy such discrimination.

(c) REVIEW BY TASKFORCE.—(1) The Attorney General, jointly with the Chairman of the [Civil Rights Commission] *Commission on Civil Rights* and the Chairman of the Equal Employment Opportunity Commission, shall establish a taskforce to review each report of the Comptroller General transmitted under subsection (b)(1).

(2) If the report transmitted includes a determination that the implementation of section 274A of the Immigration and Nationality Act has resulted in a pattern of discrimination in employment (against other than unauthorized aliens) on the basis of national origin, the taskforce shall, taking into consideration any recommendations in the report, report to Congress recommendations for such legislation as may be appropriate to deter or remedy such discrimination.

(3) The Committees on the Judiciary of the House of Representatives and of the Senate shall hold hearings respecting any report of the taskforce under paragraph (2) within 60 days after the date of receipt of the report.

SEC. 403. REPORT ON VISA WAIVER PILOT PROGRAM.

(a) MONITORING AND REPORT PILOT PROGRAM.—The Attorney General and the Secretary of State shall jointly monitor the pilot program established under section 217 of the Immigration and Nationality Act and shall report to the Congress not later than two years after the beginning of the program.

(b) DETAILS IN REPORT.—The report shall include—

(1) an evaluation of the program, including its impact—

(A) on the control of alien visitors to the United States,

(B) on consular operations in the countries designated under the program, as well as on consular operations in other countries in which additional consular personnel have been relocated as a result of the implementation of the program, and

(C) on the United States tourism industry; and

(2) recommendations—

(A) on extending the pilot program period, and

(B) on increasing the number of countries that may be designated under the program.

SEC. 404. PRESIDENTIAL REPORTS ON ANY LEGALIZATION PROGRAM.

(a) IN GENERAL.—The President shall transmit to Congress two reports after the legalization program has been established under section 202 of this Act.

(b) INITIAL REPORT ON LEGALIZED ALIENS.—The first report, which shall be transmitted not later than 18 months after the end of the application period for adjustment to lawful temporary residence status under the program, shall include a description of the population whose status is legalized under the program, including—

(1) geographical origins and manner of entry of these aliens into the United States,

(2) their demographic characteristics, and

(3) a general profile and characteristics of the population legalized under the program.

(2) their demographic characteristics, and

(3) a general profile and [characteristics of the population legalized under the program] *characteristics.*

(c) SECOND REPORT ON IMPACT OF LEGALIZATION PROGRAM.—The second report, which shall be transmitted not later than three years after the date of transmittal of the first report, shall [include] *include a description of—*

(1) the impact of the program on State and local governments and on public health and medical needs of individuals in the different regions of the United States,

(2) the patterns of employment of the legalized population, and

(3) the participation of legalized aliens in social service programs.

SEC. 405. REPORT ON THE IMMIGRATION AND NATURALIZATION SERVICE.—Not later than ninety days after the date of enactment of this Act, the Attorney General shall prepare and transmit to the Congress a report describing the type of equipment and personnel resources required to improve the capabilities of the Immigration and Naturalization Service so that it can adequately carry out services and enforcement activities.

TITLE V—COMMISSION FOR THE STUDY OF COOPERATIVE UNITED STATES-MEXICAN ENDEAVORS TO IMPROVE ECONOMIC CONDITIONS

SEC. 501 COMMISSION.

(a) ESTABLISHMENT AND COMPOSITION OF COMMISSION.—(1) There is established the Commission for the Study of Cooperative United States-Mexican Endeavors to Improve Economic conditions (hereafter in this section referred to as the "Commission"), to be composed of ten members—

(A) four Members of the House of Representatives to be appointed by the Speaker of the House of Representatives, upon the recommendation of the majority leader and the minority leader; and

(B) four Members of the Senate to be appointed by the President pro tempore of the Senate, upon the recommendation of the majority leader and the minority leader.

(C) four members to be appointed by the President, not more than two from any one political party.

(2) Members shall be appointed to serve for the life of the Commission.

(3) A majority of the members of the Commission shall elect a Chairman.

(b) DUTY OF COMMISSION.—The Commission shall examine how the United States can work together to improve the economy of Mexico and the economy of the United States.

(c) REPORT TO CONGRESSIONAL COMMITTEES.—Not later than one hundred and eighty days after the appointment of the members of the Commission, the Commission shall prepare and transmit to the President and to the Congress a report describing what steps the United States should be taking to work with Mexico to improve economic conditions.

(e) COMPENSATION OF MEMBERS, MEETINGS, STAFF, AUTHORITY OF COMMISSION, AND AUTHORIZATION OF APPROPRIATIONS.—(1) The provisions of subsections (f)(2), (f)(3), (g), and (h) of section 124 of this Act shall apply to the Commission under this section in the same manner as they apply to the Commission established under section 124.

(2) Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(f) TERMINATION DATE.—The Commission shall terminate on the date on which a report is required to be submitted by subsection (c), except that the Commission may continue to function for not more than thirty days thereafter for the purpose of concluding its activities.

Mr. DOLE. Madam President, previously, the RECORD will reflect, the distinguished chairman of the Judiciary Committee has designated the distinguished Senator from Wyoming [Mr. SIMPSON] to manage the bill, allocate time, and have complete control of the form and procedure on this side. I am pleased to turn this matter over to my friend from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Madam President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and that the bill as amended be considered as original text for the purpose of further amendment, with the understanding that points of order be considered as having been waived by reason thereof.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SIMPSON. Madam President, first, let me thank the majority leader for his willingness to bring this matter before the Senate in this timely fashion. I deeply appreciate that. I also thank Senator STROM THURMOND, without whose support and assistance we would never have prevailed in two previous immigration reform efforts. He has been absolutely an extraordinary helpmate to me in this issue.

Let me also pay my respects to my colleague, the ranking minority member of the subcommittee, Mr. KENNEDY, who has been through the wars with me on immigration reform, indeed who chaired this very subcommittee I chair. He chaired it for 12 years, dealt with the tough issues of refugee numbers, the heavy issues of legal immigration. He was instrumental in making the changes which moved the United States away from the national quota legislation which was in effect before 1965. He has had my great admiration and regard as we have dealt with this issue. I appreciate it. It is a tough one for him.

Madam President, this is the third time, the third go-round in rodeo parlance, that I have stood before this body to begin debate on a major immigration reform bill. I spoke on behalf of S. 2222 in 1982 when that bill was debated on the floor for 3 days and passed by a vote of 80 to 19. The equivalent House bill was reported, but no vote was taken. Both bills then died at the end of the 97th Congress. It was a remarkable exercise with my friend, ROMANO MAZZOLI, a Democrat from Kentucky. He did yeoman work. We were both disappointed when that effort ended with the 97th Congress.

In 1983, during the first session of the 98th Congress, I spoke again, this time on behalf of a similar bill, S. 529. After 4 days of debate, that bill was passed by a vote of 76 to 18. In 1984, during the second session of the 98th Congress, the House passed a bill. Unfortunately, we conferees—Senator KENNEDY and I, and Senators THURMOND, MATHIAS, and METZENBAUM—were unable to resolve the differences and the bill died again. It was close but no cigar on that. We did deal with all of the hot issues and it fell apart on a very distinctive one or two.

Today I urge my colleagues to support S. 1200, which is the culmination of the substantive and political finetuning of a 6-year involvement in this issue.

I became chairman of the Immigration Subcommittee in 1981, at the beginning of the 97th Congress. It has been a fascinating 4½ years, I assure you, Madam President, indeed quite an educational process, as were my prior 2 years on the Select Commission on Immigration and Refugee Policy.

Madam President, in my nascent efforts in 1979 and 1980, I originally rejected out of hand certain of the key provisions that are now in this bill, possibly feeling a bit like some of my colleagues must feel as we revisit the issue.

You come to accept such provisions the longer you stay in the game. I wish all of my colleagues could have shared in that rich 6-year learning process, for I assure them that the longer one is in it the more one comes to understand that this is the approach we must take.

I have no great pride of authorship; all have contributed, people from both sides of the aisle: Senator KENNEDY; Senators THURMOND and GRASSLEY, my fine other members of the majority on the subcommittee; Senator HEFLIN, whose activities last year were most helpful; Senator SIMON this year, who has participated very thoughtfully and perceptively; my fine friend, RON MAZZOLI, who could not have been a finer person to work with, who it has been a great privilege to work with; and PETER RODINO, "Mr. Immigration" of the U.S. Congress—it has been a distinct pleasure to work with him—he is moving a bill in the House at this time; Congressman DAN LUNGREN, a very thoughtful, bright young man from California who has worked very hard on these issues; HAM FISH, a fine friend from New York; BARNEY FRANK, the spirited Congressman from Massachusetts, whom I greatly enjoy—his intellect and brightness—he has some critical issues to present to us and we will deal with those; Congressman CHARLIE SCHUMER of Brooklyn, an ally recently found, a gem and a great person to work with.

It has been a great experience, lots of people involved. It is a tough issue. I have said it before, I will say it again: It is an issue filled with racism, fear, guilt, and emotion. All those things play into it and splatter around it. That is why the Select Commission took so long to deal with it. That is why our chairman of the Select Commission, Father Ted Hesburgh, gave so much of himself and his special and unique God-given talents of reconciliation and firmness. We needed that.

So it has been an experience. The bill we have drafted is the product of an evolutionary process of many years. It owes much to hundreds, indeed thousands of Americans—private citizens and public officials, not just in Congress but in Governors' mansions. I think particularly of Gov. Dick Lamb of Colorado, who has been a marvelous and extraordinary ally in the cause; former President Jerry Ford, who watched attentively when he was President trying to work toward a resolution of the problem of illegal immigration. He has been remarkable and of great assistance. So we owe much to literally thousands of Americans and those who are not Americans.

A great many hearings and formal consultations have been held on the myriad subjects related to this bill. In addition, we have had access to all of the excellent prior work on immigration reform done in the past few years, including the efforts of the administrations of Presidents Ford and Carter.

I never thought at the beginning that I would thank President Carter for appointing me to the Select Commission. It was not a task I sought. But President Jimmy Carter knew what was required and he appointed the Commission and told us to get cracking, which we did. I applaud his efforts and his sincerity in approaching the issue.

Then we processed the final report of the Select Commission. I attended a great many hearings and meetings of that fine group, too, as did Senator KENNEDY and Senator MATHIAS and Senator DECONCINI, all members of the Select Commission. We considered the perceptive, interesting proposals of the able former Senator from Kentucky, Dee Huddleston, who worked like a Trojan on this issue for many years before I came to this place. His efforts are displayed in this bill.

And then the efforts of my colleague from Massachusetts, who indeed deserves special recognition.

We also had access to the excellent ideas of the Reagan Task Force on Immigration headed by a most capable and knowledgeable former Attorney General, William French Smith, who became a fine friend and ally in the cause—indeed a close friend. I admire the many times that he assisted me, as did the Vice President of the United States, GEORGE BUSH, who has a great deal of knowledge about this issue, having lived in a border State. Indeed he is very aware of the situation. I appreciate that.

Finally, there were portions of the proposals and the bills that were submitted by the President in July 1981.

In addition, the efforts of the House-Senate conference committee of late last year were very helpful. Even though that stalled, we did a lot of work. We had 10 days of conference committee activity, and it was in many cases heavy lifting, but we came up with the resolution of a great many issues. Many of those resolved issues are part of the new House legislation and will be pursued.

All of the various proposals and recommendations are quite remarkably similar. That really should not be surprising to anyone since they were all the product of intelligent, caring men and women who were attempting to deal with the same problems—that immigration to the United States is out of control.

Because those of us involved in the drafting of S. 1200 faced the same problem, it is again not surprising that our proposed solution is not dramatically different from the others of the recent past.

Madam President, I will explain briefly the provisions of S. 1200, but before I do I would want to present a few remarks on the illegal immigration problem faced by this country. I ask my colleagues to please note that we are not talking about legal immigration.

Every year, hundreds of thousands of illegal immigrants enter the United States. They come for various reasons: fear, anxiety, to work. Some who are asylees are able to petition our Government to stay. They are considered on a case-by-case basis.

The inflow of illegal immigration appears to have become substantially higher in recent years. At least some indication of that can be found in the dramatically increased numbers of apprehensions. In 1965, that number was over 100,000. By 1972, it had reached one-half million. Today it is over 1 million per year.

These people are coming from 92 different nations. The number of illegal aliens already in this country is unknown. The Selection Commission grappled with that. They used a figure of 3.5 to 6 milion as the best guess for 1978. Whatever the number was 7 years ago, there are surely many more now.

The United States cannot perform the most basic function of a sovereign nation, which is to control the entry of aliens across its borders, and to enforce whatever conditions are imposed on the aliens who we do allow to enter. Immigration to the United States is out of control and it is perceived that way at all levels of government and by the American people—indeed, by people all over the world.

Madam President, I shall not at this time discuss the adverse economic and noneconomic impacts of illegal immigration on this Nation. I would refer my colleagues to the committee report and also to the Select Commission final report. Each of those contains a discussion of those impacts. But I can assure that this is not a jobs bill. It was never crafted by me for that purpose or by any member of the subcommittee.

I would point out to my colleagues that immigration pressure on the United States is just beginning and it is not self-limiting. As many people will enter this country as we allow to enter. That is the magnificence of our country. At the present time there is a substantial disparity in job opportunities between the United States and less developed countries, a disparity which may well continue or even widen as a result of political and social conditions in those countries. Such disparity exists not only in rates of unemployment but in wages and working conditions.

For example, it has been estimated that Latin American countries must create—and I think this is a startling figure—4 million new jobs in each remaining year of this century just to avoid increases in the region's already high unemployment rate. The United States, whose labor force is only slightly smaller, could only produce 4.1 million jobs in its best year of 1983. Last year, 3.1 million jobs were created in the United States.

Furthermore, even if unemployment rates were reduced in the less developed countries—a very difficult task indeed, I think, in light of the high birth rates and insecure investment climate in those countries—the disparity in wages and working conditions will remain.

The most generous aid program which Congress might ever pass is unlikely in the foreseeable future to reduce sufficiently the large wage differentials which now exist. U.S. wages are often 10 or 15 times as high.

Madam President, in an earlier time the Nation could welcome millions of newcomers. Immigration is our heritage. That is something that I do not want to see us ever come up short on. So in that earlier time we welcomed millions, many of whom brought few skills but did bring a willingness to work very hard. In a smaller America, with a labor-intensive economy, with simpler technology and a labor shortage, that was often quite enough—that plus their intense drive to become Americans.

Legal immigrants can still greatly benefit America, but only if they are in an appropriate number and selected within that number on the basis of reunification of immediate family and skills which would truly serve the interest of a highly developed Nation.

Madam President, the major purpose of this bill is to make progress toward the day when the American people can be assured that the numerical limitations and selection criteria contained in the immigration statutes are actually implemented through adequate enforcement. The potential benefits and protections of even the most carefully designed statutory standards for determining who may enter the United States, as well as for how long and under what conditions they may remain, will not be available in practice if those statutory standards cannot be enforced.

Madam President, at this time I shall briefly review the provisions of S. 1200 I ask unanimous consent that a somewhat more extensive summary be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. SIMPSON. Madam President, the provisions of S. 1200 are similar to provisions in the bills passed by the Senate in the last two Congresses.

I want to inform my colleagues about the provisions of the prior bills which have not been included at this time.

First, the bill does not amend the preference categories for allocating numerically limited alien visas, nor does it change the numerical limits applicable to such categories, with a minor exception for colonies, which I will explain very briefly.

Second, the bill does not modify exclusion, deportation, or asylum adjudication procedures.

Finally, the bill does not contain provisions pertaining specifically to foreign students.

I would now like to describe what it does contain.

As I have stated, the major purpose of the bill is to increase control over illegal immigration. The primary incentive for illegal immigration is the availability of U.S. employment. In order to reduce that incentive, the bill makes unlawful the knowing employment, or the recruitment, or referral for a fee, of illegal aliens; provides for an optional system to verify work eligibility; and establishes appropriate penalties for violation. These penalties will be substantial enough not to be just a cost of doing business. They will be civil penalties, there is a second pattern and practice of violation. At that time there, a criminal penalty will be available.

In addition, the bill establishes new crimes for certain activities involving fraudulent documents, for bringing aliens to the United States, without prior authorization and for smuggling. It provides increased resources for conventional enforcement and immigration services. It allows the imposition of discretionary fees for immigration services and for the use of INS border and other facilities; and it prohibits adjustments of status by visa abusers.

S. 1200 also makes several changes in the system of legal immigration. Those are minor. Special immigration benefits are provided for certain G-4 visa holders who have resided in the United States for many years, and those are certain employees of international organizations and their family members.

In addition, the colonial quota is increased from 600 to 3,000 visas per year.

The bill also amends certain provisions of the law relating to nonimmigrants. The H-2 temporary worker program is revised in order to assist agricultural employers in adjusting to the reduced availability of illegal foreign workers.

In addition, the bill establishes a 3-year transition program for employers of agricultural labor, and it creates a commission to further study agricultural labor issues, a very critical thing in America, especially to the perishable food industry, those in agriculture who have become dependent on illegal undocumented workers.

We also provide for a pilot visa waiver program. That is authorized for eight countries with low rates of visa denial, exclusion, and visa abuse. We think that can be useful to conserve consular office resources.

The bill further provides for a legalization program. Under certain circumstances, illegal aliens who entered the United States prior to January 1, 1980, may obtain temporary legal resident status. Such aliens would then have an opportunity to adjust to permanent status after 3 years if they satisfied certain conditions, including the presentation of evidence that they have some knowledge of U.S. history, its Government, and the English language, or have enrolled in a program to acquire such knowledge.

The legalization program will begin 3 years after enactment unless at an earlier time a Presidentially appointed commission, whose members must support the concept of legalization in the bill, find that Federal programs to enforce the immigration laws are in place, have adequate resources, and are effective enough to prevent legalization from encouraging more illegal immigration. The risk that legalization migh have this effect was discussed by the Select Commission.

If such finding is made within 3 years after enactment, legalization will begin at the earlier time. Thus legalization can begin no later than 3 years after enactment.

Finally, the bill requires certain reports to be made to Congress. They are important reports, not just cosmetic. The reports are to come from the President or other members of the executive department and they are to come with respect to employers' sanctions and employment verification provisions, legal and illegal immigration, the Legalization Program, the Visa Waiver Program, and the INS.

A report is also required from the Comptroller General of the United States with respect to the implementation of employer sanctions provisions, including whether a pattern of discrimination on the basis of national origin has resulted against citizens or aliens authorized to work in the United States. That is a very important issue.

The bill also establishes a commission to study how the United States and Mexico can work together to improve the economies of the two countries.

Madam President, some concern has been expressed about the possibility that the employers sanctions provisions of S. 1200 will cause some employers to discriminate on the basis of national origin against certain U.S. citizens or aliens authorized to work in the United States, mostly those, of course, who are authorized to do so under their green card.

Because of the importance which that issue has for all of us in this body, let me just comment briefly on the issue now.

My view can be stated very simply: No convincing evidence or argument has been presented that such discrimination will occur, and the evidence that is available indicates that it would not.

I can assure my colleagues that an innocent employer will be protected by following the verification procedures and would have no reason to discriminate. An employer who wishes to avoid hiring certain persons because of their race or creed or color or ethnicity or national origin could continue to try to do so if that evil spirit moves their bosom—and there are people like that, unfortunately, in the world—but those employers would be subject to a suit under title XVII of the Civil Rights Act of 1964. The employers sanctions law would provide no protection for such employers.

The best available evidence—which is that derived from the experience of several European countries, including France, which is a multiracial society—shows that increased discrimination on the basis of ethnicity or national origin does not result from employer sanctions.

I believe, Madam President, it is important to note, as we get into this issue—and it will arise—you will hear the phrase "discrimination" dovetailed often with the phrase of "nationality" or "alienage." That is not what we are speaking of. The Select Commission, the Immigration Subcommittee, Senator KENNEDY, myself, Members prior and Members present, all of us have dealt seriously with the issues of discrimination based on race, religion, ethnicity, and color of skin.

The new discrimination is one called discrimination based on alienage. You want to listen to that very carefully when we get to it because it has nothing to do with color of skin or ethnicity or national origin. I think I can draw a very crisp example—it means that if I, as an employer, am presented with two people, one who is a Canadian with a green card and one a United States citizen, and if I select the United States citizen, under a law prohibiting discrimination based upon alienage, the Canadian green card carrier could sue me through the auspices of the Federal Government on the basis that I had discriminated against him or her on the bases of alienage.

That issue has diverted a bit of attention in the last weeks away from issues of real discrimination, which no one is even suggesting would be allowed to take place here. In fact, Senator KENNEDY has an amendment to that effect. It provides that if there were widespread discrimination, something would be done. I agree; indeed it would.

I hope my colleagues will understand, as we get into the debate, that if discrimination based on alienage had been a problem in this country, it would have been dealt with long before we got to this point in the immigration debate. There are not seven paragraphs on the issue of discrimination based on alienage, in the record of the House subcommittee or full committee activity of those fine civil libertarians there in that body or here in this body, because it is a rather imponderable type of thing. It is a diversion in many ways. I have referred to it at one time as the "magnificent shunt," which I will describe at some future time.

In any event, we will have a hearing on that issue, a joint hearing. Congressman Mazzoli, Congressman Rodino, myself, the subcommittee will have that hearing on September 18 in the House of Representatives. I have assured my colleague, Senator Levin, and those who are deeply concerned about this aspect—and it is a real concern; I do not belittle it. I just say it is imponderable and puzzling and we need to look at it. Senator Carl Levin, being the gentleman I know him to be, will look at it and probe it and pursue it and will come up with a decision on whether we need to go further. And I have assured him of that window. That window will be open to pursue that, either with a time agreement here, a resolution, a bill, or a sense of the Senate, after we have completed our work on that area in that joint hearing process.

So, Madam President, I want to remind my perceptive colleagues that if the problem of illegal immigration is not solved, then there is a very great risk that the American people will turn against legal immigration and against refugees and against asylees, as well. I think there are signs around us that that is already occurring.

I never spend much time playing government by polling. That is why I get into all these delightful issues, I guess. But it is consistently found that the American people want immigration reform. In Roper polls 91 percent of respondents have stated that they want the United States to make an "all out effort to stop illegal entry into the United States"; 79 percent of respondents, in a Gallup poll of 2 years ago, said they thought it "should be against the law to employ a person who has come to the United States without proper papers"; 75 percent of the Hispanic respondents agreed.

My mail from Hispanic Americans has been rather significant in the last 6 years. They will often express to me that it is they themselves who are often most injured by the influx of illegal immigration. It is their jobs that are at stake and it is their people who we are unable to legalize under this bill.

It is an irony of the rarest form. I deeply want to legalize the 2 to 12 million human beings who are here, who have equities, who have U.S. citizen children, who have been here a certain number of years. Every time this bill falls into the tank again those people are left right where they were before—in a fearful subculture of human beings in the United States, who are afraid to go to the cops, afraid to go to the hospital unless it is for a birth, and afraid to go to their employer. What we have in the bill is a very generous and extraordinary legalization. That is what is in this bill once again.

Madam President, of course, this bill has its critics, I have worked with them all and I make myself available to them at any time and will continue to do so.

Indeed, I get hammered pretty hard on the issue right out on my own home ground. I ran for reelection last year and told them I appreciated their patience as I dabbled in this particular issue, which I did not seek. I thanked them for that. I said that if it ever interfered with my ability to represent their interests, I would let it pass by. But I think it is a very critical national issue. I do not seek it as any springboard to anything. It is a political "no win turkey" in every sense.

I keep up the house payments in Cody, WY, so that if the folks back home came to believe that what I am doing is not right for the country or if they should wish a Senator to use a lesser standard, or less zeal, I would at least have a roof over my old bald dome.

Actually, the people of Wyoming are like most of the American people. If we have faith in their common sense and let them know honestly what we are doing—and it is an educational process—they understand very well, and no matter what their special interests may be. In particular, I think they understand that the future of America—the America of their children and their grandchildren and their great-grandchildren—is more important than some special short-term benefit for themselves. They care about the future of this remarkable pluralistic society where we allow people to pursue their private cultures, but we ask of them that they embrace our one public culture—and that is the United States of America, with a common flag and a common language. That is not too much to ask when we give them the privilege of living in this remarkable country.

I think that the people understand that, indeed, there are special short-term economic benefits to some from illegal immigration, but that the right immigration policy should benefit the whole Nation, in its noneconomic as well as economic interest, and for the next 20, 30, 50, 100, 200 and more years. And that policy should insure that the people who come to this country come legally, are protected under our laws, and that those who are here illegally are controlled in a humane way. This does not have anything to do with 2,000 miles of wire or cactus curtains and some of the other remarkable suggestions that have been made to me as chairman of the subcommittee, but which I do not want to get into.

Let us try the humane approach, first, which is penalizing employers who knowingly hire illegal aliens, having some kind of a system to verify employment authorization, legalization, and increased enforcement at our borders and internally. It is a tough task. I ask my colleagues to join in this debate, on the bill and on the amendments. I ask them to support the managers of the bill when they agree that what is proposed is in the national interest.

I thank the Chair. I thank particularly my colleague, Senator Kennedy, the ranking member of the subcommittee.

EXHIBIT 1

SUMMARY OF IMMIGRATION REFORM AND CONTROL ACT OF 1985

I. CONTROL OF ILLEGAL IMMIGRATION

A. Funding for improved enforcement

States the sense of Congress that increases in INS border partol and other inspection and enforcement activities, and in INS examinations and other service activities, are essential elements of the program of immigration control established in the bill.

Authorizes $840,000,000 in FY 1987 and $830,000,000 in FY 1988 to the Immigration and Naturalization Service, in part for these purposes.

Authorizes additional sums to the Department of Labor for enforcement activities of the Wage and Hour Division and the Office of Federal Contract Compliance Programs.

B. Increased penalties for immigration-related violations

New criminal offense for bringing an alien to the U.S., knowing or in reckless disregard of the fact that the alien had not received prior official authorization to enter.

Extends the criminal penalities under current law for use or manufacture of counterfeit or altered entry documents, or entry documents relating to another individual, to include all documents which may be used to show authorized stay or authorized employment in the United States.

Adds criminal penalty for using a false identification document, an identification document not lawfully issued to the possessor, or a false attestation, for the purpose of satisfying the employment verification system requirements (see below).

Adjustment of status to permanent resident would not be available to aliens who have failed, for any reason, to maintain a legal status since entry into the U.S.

C. Unlawful employment of aliens

Penalties against persons who: after enactment knowingly hire, or for a fee or other consideration recruit or refer, for employment in the U.S. an alien who is not authorized for such employment, or knowingly continue to employ unauthorized aliens hired after enactment.

An affirmative defense against a charge of unlawful hiring, recruitment, or referral is available if the verification procedures below have been followed in good faith.

Verification procedure: person employing four or more persons who hires a new employee must attest, for all employees, under penalty of perjury, that he has examined documents which establish both a) employment authorization and b) identity (showing that the individual is not presenting documents relating to another individual). A U.S. passport, certificate of U.S. citizenship, certificate of naturalization, or certain resident alien cards would establish both. Otherwise one document of each type would be presented. Employment authorization documents would include the Social Security card or birth certificate. Identity documents would include: driver's license, other State-issued card, or, under certain circumstances, other documentation approved by the Attorney General.

President is directed to monitor and evaluate the verification system. If he finds that the system is not secure, he must seek to implement such changes as may be necessary to establish a secure system to determine employment authorization. Such changes would only be permitted after notice to Congress: 2 years for a major change, such as a telephone verification system or a new identification document, and 60 days for a change not considered major, such as an improved Social Security card. The President is authorized to establish demonstration projects for up to three years.

If an employer of four or more persons does not follow the verification procedures and an unauthorized alien is found in his employ, the employer will be presumed to have knowingly hired the alien. The presumption may be rebutted by "clear and convincing evidence."

Penalties for violation: first 6 months after enactment (education period): no penalty; second 6 months after enactment: warning for the first offense; 1st offense (after warning if during second 6 months): cease and desist order, civil fine of $100–$2,000; 2nd offense: cease and desist order, civil fine of $2,000–$5,000; pattern or practice of violations: cease and desist order, civil fine of $3,000–$10,000; pattern or practice of violations after penalty has been assessed for prior pattern or practice of violations: criminal penalty of up to $3,000 fine per unauthorized alien, imprisonment of up to 6 months (for entire pattern or practice), or both; the presumption (described above) is not available in criminal prosecutions; if the cease and desist orders are not complied with, the Attorney General is instructed to seek a court order in a U.S. district court; failure to comply with a court order could result in punishment for contempt, including imprisonment.

Cease and desist orders may also require the employer: to follow the verification and record-keeping procedures for up to 3 years; to take other remedial action as appropriate.

A private party may file a written, signed complaint with the INS with respect to potential violations. INS must investigate charges which on their face have a substantial probability of validity, but otherwise retains complete discretion to proceed or not proceed against employers.

Cease and desist orders and orders to pay civil penalties may be issued by immigration judges only after notice and opportunity to request a hearing has been given. The decision of the immigration judge is reviewable by the BIA and the appropriate Circuit Court of Appeals.

D. Agricultural worker provisions

1. Special procedures established for seasonal workers in agriculture (N visa holders, referred to below as "N workers"): employer need not apply for a labor certification more than 65 days in advance of need; Secretary of Labor must inform employers within 14 days if the application requirements have not been met; otherwise the requirements will be considered to have been met; Secretary of Labor must make a labor certification no later than 20 days in advance of need if the requirements for certification have been met and U.S. citizens or authorized aliens are not available; expedited appeal and petitioning procedures are available:

(1) if labor certification is denied (review must be within 72 hours for "perishable commodities" workers), (2) if U.S. workers referred to an agricultural employer are not qualified (new determination must be within 72 hours), (3) if U.S. workers are promised to an employer but they do not show up at the time and place of need (review must be within 72 hours), or (4) if an agricultural employer is faced with a critical labor need due to unforeseen circumstances, such as an unexpected change in climatic conditions (determination must be made within 72 hours if the amended or new application is made less than 3 days before date of need).

Attorney General must approve all regulations, in consultation with the Secretary of Agriculture and the Secretary of Labor.

Authorizes $10,000,000 to Secretary of Labor for the purposes of a) recruiting domestic workers, and b) monitoring and enforcing the terms and conditions under which N workers and domestic workers employed by the same employers are employed in the U.S.

2. Three-year agricultural labor transition program: agricultural employers may continue to employ certain foreign workers under conditions set by A.G.—in first year: 100% of need for nondomestic seasonal agricultural workers, in second year: 67%, and in third year: 33%.

3. Agricultural Worker Commission: 12 membes to be appointed by the Speaker of the House, the President pro tempore of the Senate, the Secretaries of Agriculture and Labor, and the Attorney General. Commission must report within 2½ years with specific legislative recommendations regarding the appropriate form of U.S. temporary worker programs.

II. LEGALIZATION OF STATUS

A. Legalization commission

Establishes a Legalization Commission to be composed of 9 members appointed by the President. No person may be appointed who does not support the concept of the legalization program provided for in the bill. The major duty of the Commission is to report annually to Congress whether certain conditions have been met. Such conditions include the following: (1) effective enforcement measures have been instituted and have adequate resources to curtail illegal immigration, (2) it is reasonably likely that these measures will continue to be in effect and to have adequate resources after legalization, and (3) enforcement has become effective enough to prevent legalization from serving as a stimulus to further illegal entry. The legalization program will begin after the Commission reports that the above conditions have been met, or 3 years after enactment, whichever is earlier.

B. Legalization of status

1. Temporary legal status for illegal aliens who have been physically present in the U.S. since the date of enactment and (i) have continuously resided in the U.S. in an unlawful status since before January 1, 1980, or (ii) are "special Cuban or Haitian entrants" who have continuously resided in the U.S. since January 1, 1981.

Persons receiving temporary status will be able to adjust to permanent resident status 2½ years from date that they are granted temporary residence, if they can show that they have the English language ability and knowledge of U.S. history and government required for naturalization, or are enrolled in a program to acquire such ability and knowledge.

Aliens must apply for adjustment of status to temporary resident status during 12-month period beginning on a date no later than 90 days after effective date of legalization.

Federally funded public assistance will not be available to legalized aliens for 6 years after they receive temporary resident status (except that "special Cuban and Haitian entrants" will continue to qualify for existing special benefits). 2. Persons will not be eligible for legalization who: are excludable under the immigration laws, have been convicted of a felony or 3 or more misdemeanors in the U.S., or have assisted in the persecution of any person on account of race, religion, nationality, or membership in a particular social group, or political opinion.

Certain grounds of exclusion do not apply to applicants for legalization, specifically those relating to labor certification, lack of proper documentation, illiteracy, and requirements for certain graduates of unaccredited medical schools. Other grounds may be waived by the Attorney General for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest, except those relating to criminals convicted of a crime involving moral turpitude, or 2 or more nonpolitical offenses for which sentences aggregating 5 years or more were imposed, drug offenses (except as it relates to a single offense of simple possession of 30 grams or less of marijuana), national security, membership in certain organizations, and persecutions by Nazis. In addition, the Attorney General may not, in connection with applications for adjustment from temporary resident status to permanent status, waive the exclusion relating to aliens likely to become public charges.

3. INS may utilize qualified organizations approved by the Attorney General to assist in outreach and implementation.

4. Application fee of at least $100. Authorizes INS to utilize fees to meet administrative costs of reviewing legalization applications.

C. Reimbursement of States for legalization costs

Capped entitlement assistance to states by Secretary of HHS for 3 years to meet costs of state and local public assistance resulting from legalization program and the costs of imprisonment of illegal aliens convicted of a felony. Distribution formula is based on (1) number of eligible legalized aliens in state, (2) ratio of number of eligible legalized aliens in state to number of residents in state and to number of such aliens in all the states, (3) amount of expenditures state is likely to incur in providing public assistance to eligible legalized aliens, and (4) ratio of amount of such expenditures in one state to total such expenditures in all states.

A cap of $600 million is imposed for each of the three years.

Funds will first become available in the fiscal year during which the application period for legalization ends; distributions may be used in the designated fiscal year or, if not fully spent in that fiscal year, in the following fiscal year.

III. OTHER IMMIGRATION LAW CHANGES

Colonial quota is increased from 600 to 3,000.

State Department may establish a pilot visa waiver program for up to 8 countries which provide a similar benefit to the U.S., after INS has implemented an automated date processing system to properly track the entry and exit of visitors receiving a visa waiver, if the visa refusal, exclusion, and visa abuse rates for the nationals of such countries are below a stated level, and if the visitor has a nonrefundable, nontransferable round-trip transportation ticket. Maximum stay of such visitors would be 90 days.

Relief provisions are provided for certain retired employees of international organizations (G-4 visa holders) and their spouses, and the children and widowed spouses of employees of such organizations.

IV. REPORTS AND ANTI-DISCRIMINATION PROVISIONS

President shall report on 1) the form and effects of legal and illegal immigration to the U.S., 2) the effectiveness and impact of employer sanctions, 3) the adequacy of current systems to determine employment authorization and status of the development and implementation of changes in that system, including the results of any demonstration projects, and 4) the scope and impact of any legalization program.

The A.G. and the Secretary of State shall jointly monitor and report on the visa waiver program. The A.G. is also required to transmit a report on the equipment and personnel resources which would improve the service and enforcement capabilities of the INS.

GAO must monitor the implementation of employer sanctions and report on whether a pattern of discrimination on the basis of national origin has resulted against workers other than unauthorized aliens. A.G. in conjunction with the Commission on Civil Rights and the EEOC must review the GAO reports and, if a report states that a pattern of discrimination has resulted, must recommend specific remedial legislative changes to the Congress. The Judiciary Committees of Congress must hold hearings on such recommendations within 60 days of receipt.

V. U.S.-MEXICO COMMISSION

12-member commission is created to study how the U.S. and Mexico can work together to improve the economies of the two countries. Commission is required to report to Congress within 180 days. After submitting report, commission will terminate.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I wonder if I can have the attention of the floor manager of the bill, and if he could make an appropriate request that these comments be included in the Record not prior to the discussion on South Africa so it would appear in the Record in a unified way, because as I understand it, at probably 2 o'clock I believe the leader has indicated that there might be 15 minutes a side on the South Africa issue. I think, as the chairman of the subcommittee has pointed out, this is a matter of enormous importance and it seems to me that those who follow this debate ought to have an opportunity to see it uninterrupted.

If the floor manager will make that request, I would certainly support that request.

Mr. SIMPSON. Madam President, I certainly do make that unanimous consent request, that the remarks of all of the procedure in connection with S. 1200 appear appropriately in the Record at the conclusion of the handling of the South African sanctions legislation. I have made that assurance to the Democractic whip, Senator Alan Cranston. I ask unanimous consent that that so appear in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I thank the Senator from Wyoming.

THE IMMIGRATION BILL

Mr. KENNEDY. Mr. President, at the outset I want to pay tribute to the work of our subcommittee chairman, Senator Simpson, in moving this bill forward. Throughout our long debate and review of this complex and controversial legislation, he has shown nothing but extreme courtesy, thoughtful consideration, and a willingness to hear every opinion and welcome constructive criticism.

I should also say he has shown extraordinary perseverance. I know, because this is the third year, in the third session of a Congress, that I have stood here with him as we have managed this legislation on the floor for what seems like a great many days. Since we served together on the Select Commission on Immigration and Refugee Policy in 1979 and 1980, Senator Simpson has pursued this issue tirelessly, with the tenacity that it unfortunately requires, as well as with the patience it demands.

This body owes a great deal to Senator Simpson for taking on this enormously controversial issue and presenting it to the Senate in a thoughtful and constructive fashion. He has my deep respect and admiration.

However, as he knows, I still have serious reservations over several provisions in the pending bill. During the Judiciary Committee's markup I made these concerns known, and I will be offering several amendments to address these concerns as we debate this bill in the days ahead.

LEGALIZATION PROGRAM

Mr. President, I believe a fundamental weakness in the pending bill is its retreat on the legalization proposal.

There simply is no valid reason to take the unnecessary and regrettable step backwards that this bill does in failing to immediately authorize a legalization program. Twice the U.S. Senate has voted—by substantial margins—in support of a clear-cut and unequivocal legalization program. Last year the House of Representatives voted for an even more generous amnesty. And last October the conference committee supported an equally generous and flexible legalization program. Why should we abandon these votes in support of such a humane program?

A legalization program was one of the fundamental recommendations of the Select Commission—unanimous, in fact—and was seen by all as an integral part of our reform and enforcement effort. In fact, it was seen as an essential corrollary to the new enforcement provisions recommended by the Commission and which are embodied in the current bill. I believe it still is.

I realize that the legalization program authorized in last year's bill is controversial in some quarters. But if we were willing to "bite the bullet" last year without the political roof falling in, I see no reason to abandon our stand in support of a humane and sensible legalization program. It is not only the right and decent thing to do, but is also an essential ingredient in this reform package.

EMPLOYER SANCTIONS

Mr. President, an equally important concern I have about this bill is that it must not become a vehicle for discriminatory actions against Hispanic Americans or other minority groups. Immigrants and undocumented aliens must not become scapegoats for the serious problems our country faces today. As I have argued from the first day we have debated this bill, I believe we must be extremely cautious to avoid any legislative action that could raise the level of intolerance and discrimination in our society. Whether we like it or not, the employer sanctions provisions in this bill presents this danger, and I regret that the committee did not accept my amendment that addresses this issue.

Let me make it clear that I have in the past supported legal sanctions against employers who knowingly hire undocumented aliens. I have done so as a matter of principle; it is wrong that the sanctions under current law fall solely on the undocumented aliens, not on employers who may be exploiting them, I agree that the Government needs stronger enforcement tools to deal with the serious problem of employers who engage in a pattern and practice of hiring and exploiting undocumented aliens.

However, throughout the Select Commission's work—as well as during the extensive hearings of our subcommittee over the past 4 years—two central objections have been raised again and again.

First, that the proposed employer sanctions might—I stress the word "might"—result in discrimination against certain American workers, especially Hispanics and Asians; and that we should build some protections in the bill to address these fears; and second, that employers would be unnecessarily burdened with paperwork in implementing the sanctions.

On the latter, we have taken several steps to address the fears of the American business community, but on the fears of discrimination we haven't gone as far as I believe we must.

Because if we have learned anything from the history of immigration legislation in past decades is that once an immigration law is enacted, Congress does not act again for many years.

I recall very well, Madam President, when I first came to the U.S. Senate, we had the old McCarran-Walter Immigration Act that had two very obvious discriminatory provisions. One was the national origins quota system that allocated immigrant visas based upon the accident of a person's birth, not on the criteria that the chairman of the Immigration Subcommittee has I think rightfully pointed out—and that is on the possibilities of family reunification—but based only upon a geographical distribution that was based on race.

Also included in that legislation was the Asian Pacific triangle, a geographical area that permitted immigrants to come from that geographical area. Again, there was not the criteria of family reunification. There was not the criteria of what individuals could contribute to the United States but it was solely based upon a very precise geographical area to restrict those whose skin was not white.

Those provisions lasted through the period of 50 or 60 years of consideration of legislation dealing with immigration. So some of our experience has been in this body when there are provisions that can be used in a discriminatory way in the area of immigration, the history has been that too often they have been. So when we consider a new proposal that may or might be used in that form, we should be very aware of it because this body, unlike the efforts that are being made now by the chairman of the Immigration Subcommittee, does not and has not placed historically the kind of priority on this whole question of immigration that has been placed on it in the very recent Congresses.

So in order to assure that Congress will not ignore any discrimination that might arise in the implementation of employer sanctions, I will offer an amendment to provide the following safeguards:

First, to ensure that a fair and impartial study of the sanctions program is available to Congress, my amendment will require that the General Accounting Office undertake an independent study on their implementation.

Second, employer sanctions could be "sunsetted" after 3 years, if the GAO finds that employer sanctions has resulted in a "widespread pattern of discrimination." If no discrimination materializes, then under my amendment, sanctions will be continued. But the bottom line is that this amendment will force Congress to face the issue of discrimination squarely, if it develops.

I know there will be those who say that, as a result of oversight hearings of the committees of the Congress, if we detect that is the result of the implementation of employer sanctions, that the Congress will be all too willing to address that particular issue.

This amendment simply forces the Congress to take such action and face up squarely to such a finding if such a finding should be so made.

I regret the Judiciary Committee, by two votes, did not accept this provision. If it is adopted, I believe minorities in our society will be given a pledge that, if a serious pattern of discrimination emerges, Congress will not ignore it. Given the significant changes proposed by this legislation, this is the minimum assurance we should be willing to provide.

TEMPORARY FOREIGN WORKERS

Madam President, I am also alarmed over the weakening of the H-2, temporary foreign worker provisions contained in this bill. I continue to support the unanimous vote of the Selection Commission in rejecting the establishment of an expanded temporary foreign worker program. Adoption of the legalization program will result in the adjustment in the status of undocumented aliens already working here. In addition, we have provided for a 3-year transition program to help agricultural growers adjust to the new provisions contained in this bill.

Until the impact of these changes is assessed, there is no valid justification now for authorizing a large new temporary foreign worker program. Any such program would have serious consequences for American labor and American wages. I believe we must reject calls for a new "Bracero" program.

It was here, again, Madam President, in the early part of the 1960's as a member of the Human Resources Committee, where we spent many days of hearings on the bracero program and all of the abuses and dehumanizing aspects of that program to individuals in many different parts of our country. We certainly do not want to permit the development of such a new program under this legislation.

I know that the chairman of the Immigration Subcommittee, Senator Simpson, agrees with that, but I think it is important in the opening statements of the manager that we draw attention to it.

We must be extremely cautious not to allow changes in the H-2 Program to undermine labor standards or to depress wages. Employers seeking H-2 workers must be required to seek American workers first, and we should plan for the elimination of this program in the future, not for its expansion.

INTERNATIONAL COOPERATION

Finally, Madam President, as I noted during our previous consideration of this legislation, I remain troubled over the larger issue of the migration pressures our country will encouter in the decades ahead. I am concerned that this legislation continues to move forward in a kind of vacuum, and that we are deluding ourselves if we think it will, on its own, really solve the many immigration problems our country—along with many others—faces today. At best this is a Band-Aid to a potential hemorrhage—a very tentative step in a long-term process.

We only have to look at the number of undocumented aliens that recently came across the southern border at the time that the peso was devaluated not many months ago. The significant increase in the numbers that flooded across the American border was very dramatic.

I believe very strongly that we not only have to deal with this problem domestically, but we also have to be vigorous in working with our allies and friends and neighbors to the south as well as to the north, and not just apply its to the border countries, but to those countries and others in addressing this issue over a longer period of time.

Every day it becomes clearer that migration problems, which are growing around the world, will require much greater international action and cooperation. Domestic laws and actions alone are no longer sufficient. Economic and developmental problems in neighboring countries—or even in countries far away—will have more impact upon migration to the United States than any combination of domestic laws or policies. And violence and conflict can produce flows of people that only concerned international action can deal with.

I recognize, Madam President, that there are no easy answers. But it is imperative that we understand that migration is an international issue, and not merely a domestic concern. And it will require far greater international cooperation than we have undertaken to date—and that is why I supported in committee Senator Simon's amendment forcing at least a brief review of these issues as they relate to Mexico.

One of the most important recommendations of the 1981 Select Commission on Immigration and Refugee Policy, was that the United States should become more actively involved in efforts to achieve international cooperation on world migration and refugee problems.

I continue to endorse the recommendation of the Commission that the United States should expand bilateral consultations to promote cooperation on migration issues in the Western Hemisphere—especially with our

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neighbors, Mexico and Canada. These two nations deserve special consideration in our policies, and I commend Senator SIMPSON for his personal efforts to meet with the leaders of Mexico during the development of this legislation.

But, once again, I must note that this bill is still moving forward without adequate consultations by the executive branch with our neighbors. If we are to achieve genuine cooperation, we must consult in advance, before changes in our immigration policies are set. Unilateral policies, like fences, do not always make good neighbors. During our consideration of this legislation, we must give greater weight to this concern and I hope the administration will give greater evidence that it, too, is pursuing it.

In conclusion, Madam President, although I continue to support efforts to achieve genuine immigration reform, I must oppose this legislation in its present form for all of the reasons I have just reviewed. But I hope my colleagues will favorably consider the amendments I intend to offer in hopes of strengthening the bill, to make it more acceptable to those groups in our society who will be so directly affected by it.

Mr. SIMPSON. Madam President, I thank the Senator from Massachusetts, and particularly express to him that indeed I will listen carefully to the amendments to be proposed. I will visit with my colleague concerning that.

I do look forward to the Senator's amendments. Perhaps we can reach an accord.

(Conclusion of earlier proceedings.)

Mr. DOLE. Mr. President, I understand the pending business is S. 1200, the immigration bill?

The PRESIDING OFFICER (Mr. SYMMS). The majority leader is correct.

Mr. DOLE. Good. Let me thank my colleagues on both sides and hopefully we can move on now to other business. It is my hope we may be able to vitiate the yeas and nays on the vote tomorrow on the motion to proceed. We essentially had that vote already just a few moments ago. So I am very pleased to turn it back to the distinguished Senator from Wyoming. I want to thank the distinguished chairman of the Foreign Relations Committee and others who have been most helpful in this matter.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, at this time let me urge my colleagues that we are now, and apparently will be, able to direct our attention to the floor consideration of S. 1200. I have proffered my opening statement concerning the legislation, as has Senator KENNEDY, and I do urge those within the purview of my voice to bring your amendments forward. We are going to proceed with the legislation hopefully as swiftly as possible, and if there are opening statements by other Members of the body they would be appropriate now and I would so yield for any statement in regard to the legislation.

I see my good friend from Colorado.

Mr. HART. Will the Senator from Wyoming yield for a question,

Mr. SIMPSON. Indeed.

Mr. HART. Mr. President, the Senator from Colorado has an opening statement but perhaps he may have an amendment along the lines of one offered on previous occasions on antidiscrimination. I wonder if the distinguished floor manager would tell us how he sees the flow of this legislation proceeding and how many amendments he anticipates, how much time, and so on?

Mr. SIMPSON. Mr. President, based upon the activity in the Judiciary Committee and what we have to consider based upon the floor debate on two separate previous occasions, I would judge—because I know some of these will drop away—we have about 10 amendments to consider. There are some of critical nature, as is the one of the Senator from Colorado, that is similar I believe to the so-called Levin-Hart, Hart-Levin amendment of the previous debate.

Mr. HART. The Senator is correct.

Mr. SIMPSON. And then there are amendments on employer sanctions, discrimination based on alienage, a worker verification amendment, a legalization amendment by Senator D'AMATO, and a key amendment would be the amendment of the Senator from California [Mr. WILSON], with regard to agricultural temporary workers. That will be tomorrow. The Senator from California is not in the Capitol today.

Mr. HART. The Senator may have answered the question. The distinguished floor manager anticipates the bill will go until tomorrow.

Mr. SIMPSON. Indeed.

Mr. HART. I thank the Senator from Wyoming.

Mr. SIMPSON. You bet. The Senator is most welcome.

I yield to my colleague—and let me say a new member of the subcommittee—Senator PAUL SIMON of Illinois, whom I have known since the 1970's. We legislated together in the early seventies for different States. I met him then. I have great respect for him. It has been a pleasure to have him as a member of the subcommittee. He has been a very fine contributing member. I appreciate the thoughtful way he has addressed the issue of immigration reform. I yield to Senator SIMON.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. I thank you, Mr. President, and I thank my colleague from Wyoming.

One of the things that I have had a chance to dig into a little more fully since I have been here in the Senate after coming over from the House of Representatives is this whole question of immigration, which one of my colleagues has described as a can of worms, and that is not an inaccurate description of this legislative problem because it is exceedingly complicated. One of the things I have learned is to have even greater respect for the distinguished Senator from Wyoming, the chairman of the subcommittee, Senator SIMPSON. He is in a very real sense a legislator's legislator. He has done a superlative job.

I do have reservations. I was one of four who voted against this in the committee. Let me spell out just very briefly the concerns I have, and I will have at least a couple of amendments, one of which is probably going to be a matter of some controversy.

First, I am concerned about the whole legalization issue. We called it amnesty 2 years ago when this was before our body. We are now talking about legalization. What we have is a time gap between the effective date of discrimination penalties or penalties against an employer for hiring an undocumented alien and the point when legalization takes place. What happens to these people during that period?

This was addressed by my colleague, Senator KENNEDY, in the committee. The Kennedy amendment unfortunately was defeated. I assume that my colleague will be offering that amendment again, and I will be supporting that amendment.

The second concern I have is a concern referred to by Senator HART just a little bit ago and that is on the question of discrimination. That, I think, is going to be one of the problems.

Now, I have frankly not been at a hearing where this has been discussed. There is going to be a joint hearing with the House of Representatives on this in the near future. I have said I do not know what the right answers are here. I am going to be listening with great care to what Senator HART and Senator LEVIN have to say. But I sense this is a problem.

Third, I am concernd about the H-2 Program under which we bring in farm workers. Under the current program, over 90 percent of the applications from employers are OK. To simply use the present system seems to me to be much wiser than to tempt fate by moving as this bill does. There are concerns by Cesar Chavez and the Farm Workers Union and I think those concerns are justified. So I am concerned about that.

Finally, I am concerned about the total impact of this on Mexico. The reality is that the undocumented aliens do send a sizable amount of money into Mexico. Mexico has serious financial problems, much more serious than when we originally passed this bill.

I think Mexico's problems have to be alleviated either through the kind of return that is now possible through illegal alien programs or through some kind of loans and grants from the United States or the sale of goods.

I think those are basically the three alternatives. And if we aggravate the economic situation that Mexico faces, we could have some very serious problems south of the border, and that should be of great concern to all of us.

I will be offering at least two amendments, one to increase the quota for the Hong Kong refugees—it is 3,000 in the bill—up to 5,000. It does not increase the overall number. It is in line with a bill that Senator DIXON and I have sponsored. And I think that probably is not going to be a matter of major controversy.

The second is an amendment that will be a matter of greater controversy, and that is an amendment that says on the nonimmigrant visa no one should be denied that nonimmigrant visa because of political beliefs.

The reality as we have embarrassed ourselves fairly consistently by denying Allende's widow in Chile from coming in when she was asked to come in by the Roman Catholic diocese. An author in Canada, the author of the book "Never Cry Wolf," protested B-52's flying over his land in Canada, and so we refused to give him a visa until Canada protested, and then we authorized a visa, but he at this point refused to come down.

The difference between the United States and the Soviet Union is our freedom and our ability to express ourselves without fear. I do not like to see us copying the Soviets in moving away from that.

I recognize that is an amendment that is probably going to be a matter of some controversy.

But these concerns I think we will be discussing in coming days in some detail, and I look forward to joining in that debate.

Again, I have great respect for the chairman of the subcommittee, Senator SIMPSON. He has worked on this issue. It is an issue that frankly he does not get any votes in Wyoming for working on this issue. It is a no-win issue, but it is an important issue for the people of this Nation.

I was not able to vote for it as it emerged from the subcommittee. I hope it can be in the kind of condition I can vote for when it emerges from this body.

I yield back my time, Mr. President.

Mr. SIMPSON. Mr. President, I appreciate the thoughtful remarks of our fellow member of the Subcommittee on Immigration and Refugee Policy, and indeed, he has expressed that we must indeed turn our attention to the fact that this is not just our Nation's problem, although certainly the first duty of a sovereign nation is to control its borders and, of course, that must be done unilaterally.

I have visited and debated many times with my friend from Mexico City, Jorge Bustamonte of Collegio de Mexico, who has shared common platforms with me many times, insisting and with great zeal and enthusiasm that this is indeed a bilateral issue.

And yet it is critical that we realize that if we were to tell our neighbors to the South what to do with their immigration policies, they would be offended. And that same type of thing could arise here and nearly did during the debate on the first bill when there was an expression from the Senate of Mexico that they felt that this was a bilateral issue and they needed to be heard on the issue. And, of course, if we had intruded in that manner in their legislative deliberations I believe it would have been distressful.

As I visited with President Lopez de Portillo, I said to him, "What is it that you would have us do as deal with illegal immigraion?" There was no response.

I said, "I'm not from the State Department, I'm not from the executive branch. I represent 1 of 535 very interesting people. What is your solution?" And there was no response.

Finally, I said, "There is no one here but us chickens. What is your feeling about this critical issue, sir?"

He said, "Treat our people fairly and we hope that they are not exploited."

And I said, "How can we do that when they are there illegally?"

He said, "That is the issue, isn't it?"

I said, "It is, sir, " and that was where that conversation ended. And that is one of the serious problems.

Another serious problem, as well portrayed by the Senator from Illinois, is the issue of what happens to those people in the interim period between the bill and legislation. I would only say that it is the same thing that is happening to them now. If we had passed a bill 2, 3, or 4 years ago they would have been protected. By rejecting the legislation they are subject to deportation, and that will continue to take place until we have our machinery in place, our resources in place, economic activity, employer sanctions and those things implemented and in place.

I think that it is interesting—and I have shared it with the Senator from Illinois—the problems in addressing the issue of Mexico and the giving of economic aid to Mexico so that they might have an economy strengthened as being a solution to our own problems of illegal immigration. All studies have shown the economic aid in other countries very likely increases illegal immigration because, indeed, when the persons have been able to obtain some funds, that is what is required to come here illegally. They either pay a smuggler or someone less than a smuggler, an associate, or a friend. It takes money. When the money is received and the economic aid or support is increased, we have found in studies that illegal immigration increases. And it is indeed a long-term solution—that type of aid—but in the near term of the next 15, 20, or 30 years, we are going to require employer sanctions. And that was the unanimous recommendation of the select commission.

Mr. President, I would indicate to my colleagues that we are now on S. 1200. It is a very fascinating bill. I do hope they will come over here and enjoy this intriguing subject and bring with them their portfolios and their staffs and their vigorous ideas as to the amending process. That would be very helpful. And then we could proceed.

I am going to visit with my colleague, the ranking minority member, and see if we can perhaps resolve or maybe reach an accord on an amendment or two. I would say to those principals listening—and I know they are, as we all do, through our communication procedures in the Senate—if you have an amendment to present please come forward. I have drafts of several amendments that apparently are not in final form. I also know of two that will be presented tomorrow.

The leader has indicated that how quickly this bill is processed and the amendments presented will determine when we shall leave these Chambers this week. In other words, if we could proceed to bring the amendments forward, it is very likely that we can conclude the matter perhaps by tomorrow—in a late evening session if that is required—or this evening, and then Friday Members would be able to return to their district. That is possible. If not, we would probably be in session Friday and dispose of this legislation, in any event, this week.

That is the desire of the majority leader, and certainly I think the desire of this Senator and the desire of Senator KENNEDY, to conclude this bill, get it to the House of Representatives, where then Congressmen RODINO and MAZZOLI and LUNGREN and FISH and FRANK can process their version and get on to a conference committee as early as possible and try to resolve immigration reform before we swing into another election year cycle. Those are not always pleasant. Congressman MAZZOLI and I have found there was more discussion about our names at one of the party conventions than there was about their own platform. That is always a disturbing thing to witness.

So, with that, we are aware of amendments that intend to be produced and I urge you to do so. It will have a direct bearing on your ability to exit the premises this week.

Mrs. HAWKINS. Mr. President, I rise as I have risen in each of the two earlier occasions the Senate considered immigration control legislation to support this effort to regain control over our borders. Though it has been 3 years since the Senate first acted on this issue, the problems are no less severe. For all practical purposes we still have failed to regain control over our borders.

This failure is due not to a lack of effort on the part of the Immigration and Naturalization Service, but to a lack of sufficient resources to deal with the problem, and the failure of existing laws to deal with the source of the problem—the availability of jobs for illegal aliens in the United States. The reason I support this legislation is that it addresses these problems head on. The primary means by which the bill addresses the problem is through an increase in resources for the INS and a program known as employer sanctions.

Employer sanctions provide penalties for employers who knowingly hire or refer, illegal aliens. The penalties are substantial and in the case of a pattern or practice of offenses include criminal penalties. There is a change in this year's bill, however, and that is that the employer sanctions are now voluntary. But a system of incentives and disincentives makes it clearly advantageous for an employer to follow the verification procedures in the bill.

There are several provisions in the bill with which I have problems. For example, I was disappointed to learn that this year's bill deletes the legal immigration provisions that were included in versions of the bill twice passed by the Senate. I also believe that it is a mistake to continue to delay consideration of expanding Presidential powers in the event of an immigration emergency. This is a major issue, and its absence is a major flaw in the legislation. I am also concerned that the States and localities not be forced to take the expense of a Federal decision to legalize a portion of the alien population. It is unfair to expect the States and localities to pick up the costs of a Federal decision.

I commend Senator Simpson for his efforts on this legislation. It is not perfect, but it is sorely needed.

Mr. GRASSLEY. Mr. President, I would like to commend Senator Simpson once again for his patience and diligence in trying to achieve some control over immigration to this country. We all have realized that this is an extremely difficult issue and also one with extremely important consequences.

No one has worked harder on this issue than Senator Simpson and I share his disappointment that we were not successful in getting a bill to the President's desk last Congress.

Approximately 30 years have passed since the last major reform of U.S. immigration policy. The time has arrived to undergo this painful process again.

Theodore H. White described the situation in which America finds itself resulting from our current set of chaotic complicated immigration laws:

> One starts with the obvious: That the United States has lost one of the cardinal attributes of sovereignty—it no longer controls its own borders. Its immigration laws are flouted by aliens and citizens alike, as no system of laws has been flouted since prohibition. And the impending transformation of our nation, its culture, and its ethnic heritage could become one of the central debates of the politics of the 1980s. See White, America in Search of Itself, p.361 (1982).

The debate has already begun and let us hope that S. 1200 is just the first step in the reformation process.

Though most Americans currently residing in the United States owe their presence here to the open door immigration policies of the past, the perpetuation of the myth that this country is one without limits can only prove harmful in the long run. Technology is one of the major reasons why today's immigration phenomenon is entirely different from the immigration waves of the past. As Mr. White continued to explain:

> . . . The earlier immigrants from Europe spent weeks trekking to ports, and then more weeks in the steerage of tramp steamers, to reach the promised land. A modern immigrant can be here or there in four hours from any airport in the Caribbean, in fifteen hours from Asia.
>
> . . . It once took years of work and savings for an honest man to buy passage for his family to join him. Now after six months a diligent immigrant can afford air passage for all the rest of his family. The result has been a stampede, almost an invasion. supra; pp. 361-362.

America currently accepts over twice as many legal immigrants as the rest of the world combined. This does not include the estimated 3 to 6 million aliens illegally in the country. Control of our borders is essential in order to protect U.S. citizens from a continued high unemployment rate and to foster a reliance on our laws by those outside our country who wish to reside here.

The Immigration Reform and Control Act is a well-conceived product which may go far in achieving our badly needed reforms. The provisions of the bill relating to employer sanctions, increased interior and border enforcement and a secure worker eligibility identity system are necessary to regain control over our borders.

Though the concept of legalization has been one of the most hotly debated aspects of the bill, I believe that legalization in some form is not only in the best interests of those undocumented aliens already firmly residing here but for the citizenry of our country as well. A large undocumented population contributes to the creation and perpetuation of an exploited subclass society afraid to report crimes and illnesses which endanger the public health.

A variety of legalization programs were presented to the Select Commission on Immigration and Refugee Policy, a bipartisan group established by the Carter administration to study solutions to our immigration problems, and the Senate Subcommittee on Immigration and Refugee Policy ranging from a massive deportation program to total amnesty for all aliens upon enactment of the bill. The Select Commission's final report stated that it was guided by two major principles in developing its legalization recommendations:

First, the legalization program should be consistent with U.S. interests, and

Second, the program should not encourage further undocumented migration.

The approach adopted by S. 1200, is consistent with these goals. This provision provides that illegal aliens who have resided continuously in the United States since January 1, 1980, are eligible for temporary resident status upon enactment of the bill. These aliens will be eligible to apply for permanent resident status 2½ years following their grant of temporary status. In addition, these residents are ineligible for all Federal assistance programs such as AFDC, food stamps, Medicaid, and the like. Only following 6 years after the adjustment of these aliens, will eligibility for Federal programs become available.

Though my original goal was to have no legalization prior to the assurance of the development of a secure worker authorization system, I find the present bill language is acceptable. Under S. 1200, if current identifiers prove inadequate in stemming the flow of illegal aliens, the President is required to implement changes in the verification system to make it more secure. In addition, S. 1200 establishes a Legalization Commission to be composed of nine members appointed by the President. No person may be appointed who does not support the concept of the legalization program provided for in the bill. The major duty of the Commission is to report annually to Congress whether certain conditions have been met. Such conditions include the following:

First, effective enforcement measures have been instituted and have adequate resources to curtail illegal immigration,

Second, it is reasonably likely that these measures will continue to be in effect and to have adequate resources after legalization, and

Third, enforcement has become effective enough to prevent legalization

from serving as a stimulus to further illegal entry.

The legalization program will begin after the Commission reports that the above conditions have been met, or 3 years after enactment, whichever is earlier.

Therefore, we will ensure that the flow of illegal aliens is substantially curtailed prior to the granting of permanent residency to those eligible under the bill.

The advantages of this proposal are apparent. Massive deportations are not only impractical but nearly impossible. The best chance of apprehending an illegal alien is at the border. The odds plunge drastically downward once that alien has reached the interior of the country. A massive deportation policy was implemented back in 1954 with alarming results. Not only was it unsuccessful in returning many illegal aliens, but the civil rights of many U.S. citizens and permanent residents were violated in the course of this program.

The only realistic remedy to deal with the current population of undocumented workers is to legitimize their status in a way which will ensure that these prople continue to work and become productive and participating members of their communities. I believe legalization as embodied in S. 1200 accomplishes these goals.

This bill is a carefully crafted package which must remain largely intact in order to pass both bodies and go to the President's desk for signature. It is my hope that we can move S. 1200 rapidly through the Senate, that in turn the House will act quickly, and the President will approve this bill by the end of the Congress. If we do not act now, it may be another 30 years before we return to the issue of immigration control. By that time the problem is guaranteed to be beyond congressional solutions.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. S. 1200 is the pending business.

CONDEMNING THE KIDNAPING OF PRESIDENT DUARTE'S DAUGHTER

Mr. KENNEDY. Mr. President, I send a resolution to the desk and ask unanimous consent that it be read. It is in the process of being cleared now by Members of the Senate, but I would like to ask unanimous consent that the resolution be read. It is offered by myself and the chairman of the Foreign Relations Committee, Mr. Lugar.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

S. Res. 219

> *Resolved,*
>
> Whereas the oldest daughter of President Jose Napoleon Duarte of El Salvador, Mrs. Ines Guadelupe Duarte Duran, was assaulted and kidnapped yesterday in her home city of San Salvador;
>
> Whereas the people responsible for the kidnapping are armed terrorists, in the course of the kidnapping, killed a driver and wounded a bodyguard; and
>
> Whereas such acts of terrorism against innocent civilians deserve the condemnation of all civilized peoples throughout the world;
>
> It is the sense of the Senate that:
>
> The kidnapping of President Duarte's daughter is to be deplored in the strongest possible terms;
>
> The individuals responsible for this unconscionable and unwarranted act of terrorism are to be condemned;
>
> The sympathy and prayers of the American people are with the Duarte family and with the people of El Salvador during this ordeal; and
>
> The individuals responsible for this crime should release Ines Guadelupe Duarte Duran immediately and safely.
>
> The President of the United States should provide whatever assistance the government of El Salvador or the Duarte family may request to achieve the safe return of Mrs. Duarte Duran and to bring the kidnappers to justice;

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Senator from Rhode Island [Mr. Pell], the Senator from Delaware [Mr. Biden], and the Senator from Oklahoma [Mr. Boren] be added as cosponsors and that any Member of the Senate be added as cosponsor if they so desire.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Abdnor). Without objection, it is so ordered.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

The Senate continued with the consideration of the bill.

AMENDMENT NO. 591

(Purpose: To increase the colonial quota)

Mr. SIMON. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Illinois [Mr. Simon] for himself, Mr. Dixon and Mr. Kennedy, proposes Amendment No. 591.

Mr. SIMON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 104, line 11, strike out "3,000" and insert in lieu thereof "5,000".

Mr. SIMON. Mr. President, I have discussed this with the distinguished Senator from Wyoming. This is an amendment which in this bill would raise the Hong Kong quota from 3,000 to 5,000.

Cosponsoring the amendment are Senator Dixon and Senator Kennedy.

We do have in Hong Kong a huge pileup now of people who apply. There is a 5- to 7-year wait right now. This is part of total quota within the United Kingdom. It does not add anything to the total number of emigres into this country. I am advised that it would not put a strain on our visa office.

As far as I know it would present no problems. I am advised by my staff that the administration testified over on the House side that they would support a 5,000 quota.

I obviously do not want to speak for the Senator from Wyoming, but I believe this is an acceptable amendment to the Senator from Wyoming.

Mr. SIMPSON. Mr. President, I have visited with the Senator from Illinois. It is something we have discussed before in committee. We did not deal with it there.

I know that the Senator has physically been present and visited with the Hong Kong authorities. I know that I have in the years past.

The increasing of this colonial quota will affect really only one nation and only one colony, and that is Great Britain and its crown colony Hong Kong for at least a few more years in that relationship.

The quota used by a colony is subtracted from the mother country's quota, and that figure, I believe, last year from Great Britain was 11,000 or 12,000, something in that area. This increase will not affect immigration from Great Britain, which never uses its full quota of 20,000 per year. So I think it is appropriate. I appreciate the Senator's thoughtfulness.

In the bill we had taken it from 600 to 3,000 and now his amendment will take it to 5,000. Certainly that would be acceptable to this floor manager, and I understand that Senator Kennedy has indicated his concurrence with the amendment. So we do accept the amendment.

Mr. SIMON. If the Senator will yield, I thank the Senator. He is correct. He brought the figure up to 3,000 which is a distinct improvement and Senator Kennedy has asked to be a cosponsor of the amendment. I appreciate the courtesy of the Senator from Wyoming.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Illinois.

The amendment (No. 591) was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFIED AMENDMENT NO. 591

Mr. SIMON. Mr. President, we have a perfecting amendment here. There was a technical error in the drafting of the amendment that we offered before. I offer that at this time. I have discussed this with the Senator from Wyoming. It does precisely what we talked about before. I offer that amendment.

The PRESIDING OFFICER. Is there objection to modifying the agreed-upon amendment?

Without objection, the amendment is modified.

The modified amendment follows:

On page 104, line 9, strike 3,000 and insert 5,000.

On page 104, line 11, strike out "3,000" and insert in lieu thereof "5,000".

On page 104, line 13, strike 3,000 and insert 5,000.

Mr. SIMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, let me review the bidding here on the immigration bill, S. 1200. The minority floor manager and I, I think, have both expressed that we are here within earshot of the Chamber, ready to process amendments. I am being a bit facetious, so let me get a bit serious.

This bill is not an unknown thing to my colleagues. A great deal of activity and work has gone into it. It has been before the Senate before. It has been pending now since 1 p.m. today. We have had amendments. I do appreciate very much Senator Simon's presentation of an amendment. Senator Chiles will have an amendment in the morning. Then there will be amendments of Senator Kennedy, Senator McClure, Senator Hawkins, and a D'Amato amendment with regard to incarceration. Senator Baucus will have an amendment.

An important amendment tomorrow will be that of Senator Wilson with regard to temporary agricultural employees. It is very likely that the debate on that amendment will begin around noon. We will have that at that time. There may be other amendments, germane or nongermane. Any of those that are nongermane I would hope to dispose of at some other juncture or on some other bill. So we will see how that goes.

Let me say that there were, at least originally, 12 to 15 amendments—serious, I would think we would describe them—to the bill. We await those. There has been a notable lack of activity in bringing those amendments to the floor. We are ready to receive them. If there are amendments, we would like to see the text of them and perhaps we could even accept some of those.

We have a fine staff to assist with those amendments so we might better get the essence of them, and perhaps the minority member of the subcommittee and I could accept those.

The majority leader has other business this evening and we shall get ready to conclude our activities tonight. We shall then get back on this bill at approximately noon tomorrow, very likely with the Wilson amendment. It is likely to be a busy day on S. 1200. There could be several votes tomorrow.

Again, I express these thoughts to you without a sense of threat—because that is something I never enjoyed, whether a Member of the majority or of the minority and I have been both—that is something one never wants to forget in this curious arena when you have been both majority and minority.

Very likely we will try to conclude this measure tomorrow if my colleagues and principals are anxious not to be here on Friday. If that is something Senators are hoping for, that they not be here Friday in session, then I urge them to participate with great gusto tomorrow, Thursday. We will then go perhaps into the evening and try to conclude if that is at all possible. I think the essence of it is that we will finish this bill this week. We have time to do that. Obviously we have time to do that: we have assessed that. Certainly I do not want to impel anyone along with the thought that I might ask for third reading tomorrow or something like that; that might galvanize interests of all sorts and varieties here. But at some point I urge Senators to present themselves with amendments. We know that tomorrow we will deal with the amendments that we are aware of and hopefully accommodate my fellow Senators so that they would not be here Friday. If they will not do that, we will continue tomorrow and then go on into Friday to process S. 1200 because the window will not stay open long with the workload we have, with regard to the farm bill, the Superfund, perhaps another revisitation to South Africa on the anti-apartheid legislation.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate go into a period for the transaction of morning business until 5:45 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 218. A resolution waiving section 303(a) of the Congressional Budget Act of 1974 with respect to S. 1200 as reported by the Senate Committee on the Judiciary.

By Mr. GOLDWATER, from the Committee on Armed Services, with amendments:

S. 1271. A bill to authorize appropriations for fiscal year 1986 for intelligence activities of the United States Government, the Intelligence Community Staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. 99-136).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

Charles A. Trabandt, of Virginia, to be a Member of the Federal Energy Regulatory Commission for a term expiring October 20, 1988.

(The above nomination was reported form the Committee on Energy and Natural Resources with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the following nominations and asked that they be placed on the Executive Calendar:

1. Vice Admiral James B. Busey IV, U.S. Navy, to be Vice Chief of Naval Operations and admiral. (Ref. #540)
2. Admiral Lee Baggett, Jr., U.S. Navy, to be reassigned. (Ref. #541)
3. Admiral Ronald J. Hays, U.S. Navy, to be reassigned. (Ref. #542)
4. Vice Admiral James A. Lyons, Jr., U.S. Navy, to be admiral. (Ref. #543)
5. Vice Admiral Arthur S. Moreau, Jr., U.S. Navy, to be admiral. (Ref. #545)
6. Vice Admiral Carlisle A. H. Trost, U.S. Navy, to be admiral. (Ref. 454)

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

Anthony J. Calio, of Maryland, to be Administrator of the National Oceanic and Atmospheric Administration.

(The above nomination was reported from the Committee on Commerce, Science, and Transportation with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MELCHER (for himself, Mr. Andrews, Mr. Burdick, Mr. Abdnor, and Mr. East):

S. 1621. A bill to amend title 25 U.S.C., relating to Indian education programs, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. MELCHER (for himself, Mr. Domenici, and Mr. Andrews):

S. 1622. A bill to promote the development of native American culture and art; to the Select Committee on Indian Affairs.

By Mr. HEINZ:

S. 1623. A bill to amend titles XI and XVIII of the Social Security Act to enhance the authority of peer review organizations to review the quality of health care services provided under the Medicare Program, and for other purposes; to the Committee on Finance.

By Mr. DeCONCINI:

S. 1624. A bill to make ineligible for certain agricultural program benefits persons who are convicted under Federal or State law of planting, cultivation, growing or harvesting of controlled substances; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. LAXALT (for himself and Mr. Hecht):

S. 1625. A bill to authorize the conveyance of 470 acres in Nevada to the University of Nevada for use as a research and development center; to the Committee on Energy and Natural Resources.

By Mr. DENTON:

S. 1626. A bill to create a Disability Advisory Council; to the Committee on Finance.

By Mr. STEVENS:

S. 1627. A bill to to provide for the establishment of an experimental program relating to the acceptance of voluntary services from participants in an executive exchange program of the Government; to the Committee on Governmental Affairs.

By Mr. CRANSTON (for himself, Mr. Hatch, Mr. Dodd, Mr. Grassley, Mr. Levin, Mr. Metzenbaum, Mr. Moynihan, Mr. Riegle, and Mr. Rockefeller):

S. 1628. A bill to amend part E of title IV of the Social Security Act to revise the provisions relating to Medicaid eligibility of special needs children placed for adoption; to the Committee on Finance.

By Mr. GRASSLEY:

S. 1629. A bill to amend the Tariff Act of 1930 to treat certain agricultural products as like products for purposes of antidumping and countervailing duty investigations; to the Committee on Finance.

By Mr. METZENBAUM (for himself, Mr. Sasser, Mr. Laxalt, and Mr. Stennis):

S.J. Res. 194. Joint resolution to designate the week beginning October 1, 1985, as "National Buy American Week"; to the Committee on the Judiciary.

By Mr. KASTEN:

S.J. Res. 195. Joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "National Temporary Services Week"; to the Committee on the Judiciary.

By Mrs. HAWKINS:

S.J. Res. 196. Joint resolution designating September 22, 1986, as "American Business Women's Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself, Mr. Lugar, Mr. Biden, Mr. Pell, and Mr. Boren):

S. Res. 219. Resolution condemning the kidnaping of President Duarte's daughter; ordered held at the desk.

By Mr. SIMPSON (for Mr. Dole (for himself and Mr. Byrd)):

S. Res. 220. Resolution authorizing the appointment of a special delegation to host a delegation of members of the Standing Committee of the National People's Congress of the People's Republic of China, and for other purposes; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MELCHER (for himself, Mr. Andrews, Mr. Burdick, Mr. Abdnor, and Mr. East):

S. 1621. A bill to amend title 25 U.S.C., relating to Indian education programs, and for other purposes; to the Select Committee on Indian Affairs.

INDIAN EDUCATION PROGRAMS

Mr. MELCHER. Mr. President, since 1918, there has been a law on the books, based on language from an appropriations bill of that same year, to the effect that no moneys may be used "to educate children of less than one-fourth Indian blood whose parents are citizens of the United States and of the State wherein they live and where there are adequate free school facilities provided." (25 U.S.C. 297)

Enforcement by the Bureau of Indian Affairs [BIA] of section 297 over the years has been lax. Generally, they have granted waivers under rather loose guidelines. About 2 years ago however, the BIA took the view that enforcement of this old law could be a way to save money. In fact, if the children in question are transferred to public schools, many will be eligible for chapter I, the Johnson O'Malley Act title IV, and Impact Aid. So the cost is about the same.

The BIA proposed new regulations on May 10, 1985, with a 30-day comment. At my request the deadline for comment was moved forward by about 3 weeks to July 5. They intended to have final regulations in place by August in time to make reductions in the fall student count. I have the impression they are quite stunned by the strength of opposition to the regulations. The National Tribal Chairmen's Association, the National Congress of American Indians, the National Federation of Federal Employees, and the National Indian School Boards Association, among others, are in strong opposition to the proposed regulations. These regulations, so far have not been implemented.

Put simply, the protestors object to precluding certain Indian children from attending Indian schools in their own communities, thus denying these children the benefit of the cultural heritage and cohesion fostered by the local school and discriminating against them by setting them apart as a separate class of Indian children based solely upon racial factors. All this is, of course, in addition to the difficulty of determining what is meant by adequate public school facility.

All members of federally recognized tribes are routinely eligible for all Federal services provided by the BIA and the IHS regardless of their blood quantum. Other Indians who can prove quarter degree blood are also eligible whether or not they are members of federally recognized tribes.

It is, therefore, an anachronism that certain children are being singled out under the auspices of a law that is nearly 70 years old for unfair and discriminatory treatment.

The most affected tribe is the Eastern Cherokee of North Carolina but the figures on the attached memo from the BIA indicate that problems will be felt throughout the country if the BIA insists on strict enforcement of this law. At Eastern Cherokee, it is estimated that 15 percent of the children now attending the Cherokee Indian School will not receive funds for this school year. Many of the Cherokee Indian children who are less than quarter-degree Indian are descendents of individuals who were enrolled in the tribe by the Federal Government in 1924 over the objection of the Cherokee Indian Council. Since then, however, they have been recognized and treated as tribal members by both the tribe and by the Federal Government.

This bill amends the Indian Education Act Amendments of 1978 by defining children eligible to attend BIA funded schools as those children who are members of federally recognized tribes or who are at least one-fourth degree Indian blood. It also allows children of Federal or tribal employees who reside on or near a school site to attend schools without tuition under rules and regulations prescribed by the Secretary. It also allows other children to attend local BIA funded schools by paying tuition fees that are comparable to fees charged by the nearest public school district.

The bill grandfathers in those children who attended BIA schools last year for this coming academic year to prevent a critical situation where some who are already enrolled would be forced to transfer to a public school in midyear. The bill repeals section 296 along with section 288 and 289 of the United States Code. These latter sections deal with tuition charges to white children in Indian schools and much of the language is incorporated in the new language. It makes sense to amend the education act rather than amending each of the three offending statutes. The portion of the education act that is being amended deals with the allotment formula for distribution of BIA education funds.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1621

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 1128 of P.L. 95-561 (25 U.S.C. 2008), as amended, is amended by—

(1) deleting "Indian students" in subsection (a)(1) and substituting in lieu thereof "eligible Indian students"; and

(2) deleting "Indian child" between the words "for each" and "attending such school", and "for an" and "in public school" in subsection (b), and substitute in lieu thereof "eligible Indian student"; and

(3) by adding the following new subsection:

"(f)(1) For purposes of this section, the term "eligible Indian student" shall include students who are members of a Federally recognized Tribe or who are at least one fourth degree Indian blood.

(2) Any student who is not an eligible Indian student but who is a dependent of an employee of the Federal or tribal government and who resides on or near a school site may, pursuant to rules and regulations prescribed by the Secretary, attend a school operated by the Bureau under this section without charge for tuition.

(3) Students who are not otherwise provided for in this Section may, under rules and regulations prescribed by the Secretary, be admitted to any Bureau operated school, provided that the local Indian school board agrees to such attendance and provided that the tuition fees charged to such students shall in no cases exceed the tuition fees charged by the nearest public school district providing free public education in the State in which the Bureau operated school is located. Tuition paid under this paragraph shall be added to the Bureau school's allotment received under this section.

(4) Schools operated under contract with the Bureau may, subject to policies established by the governing school board, accept students who are not eligible for funding under this section. Tuition received under this provision shall be in addition to the school's funding allotment under this section."

Sec. 2. Any other provision of law notwithstanding, any student who attended a Bureau funded school during the 1984–1985 academic year shall be deemed eligible to attend the same Bureau funded school under the same circumstances during the 1985–1986 academic year.

Sec. 3. Sections 288, 289 and 297 of Title 25 of the United States Code are hereby repealed.

By Mr. MELCHER (for himself, Mr. Domenici and Mr. Andrews):

S. 1622. A bill to promote the development of native American culture and art; to the Select Committee on Indian Affairs.

NATIVE AMERICAN CULTURE AND ART DEVELOPMENT ACT

Mr. MELCHER. Mr. President, late in the 98th Congress, I introduced S. 2762, a bill for the preservation and development of native American Art and Culture. The bill was referred to the Select Committee on Indian Affairs which took no formal action. Nevertheless, in the interim Senator Domenici and I have worked closely with numerous groups and individuals with a deep interest in this legislation which has allowed us to clarify a number of issues in the bill.

Today we are introducing another version of the native American art and culture bill which incorporates many of these suggestions. This legislation will provide Federal support for Indian art and culture. While the artistic and cultural heritage of the United States has had numerous influences, the only genuinely native heritage derives from the Indian people. Unfortunately, without impetus from the Federal Government, there is a clear danger not only that much of our existing Indian art and culture will be lost to future generations but continuing artistic expression will be stymied.

The unique aspects of American Indian art and culture must be preserved and fostered by a sensitive and concerned approach both to the historical and ongoing contributions of native Americans. Current Federal initiatives in this area are fragmented and inadequate.

This bill would establish an Institute of Native American Culture and Arts Development directed by a board of trustees, a majority of which will be Indians. The primary functions of the Institute will be to provide the scholarly study of, and instruction in, the arts and culture of native Americans and to establish programs which culminate in the awarding of degrees in various fields of native American art and culture.

It is important to note that the Institute's programs would be designed to complement existing tribal programs for the advancement of native American art and culture. The Institute would play a crucial role in coordinating efforts to preserve, support, revitalize, and develop evolving forms of native American art and culture.

The Institute will have authority to create a Center for Culture and Art Studies and a Center for Research and Cultural Exchange and will incorporate the functions of the existing Institute of American Indian Arts.

The establishment of an Institute encompassing the art and culture of Indian people is not a new concept but, I believe, it is one whose time has come. The Senate Special Subcommittee on Indian Education in its 1969 report, "Indian Education: A National Tragedy—A National Challenge," recommended the creation of such an Institute and emphasized that—

> The information such as an Institute could disseminate, as well as the research which it would conduct, would greatly increase public knowledge and understanding of the American Indian (Senate Report 91-501, p. 126).

Sixteen years have passed since the Senate received that recommendation. With the introduction of this bill, the Senate will have the opportunity to consider this proposal.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1622

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, To promote the development of Native American culture art.

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That this Act may cited as the "Native American Culture and Art Development Act".

FINDINGS

Sec. 2. The Congress finds and declares that—

(1) Native American art and culture has contributed greatly to the article and cultural richness of the Nation;

(2) Native American art and culture occupies a unique position in American history as being our only native art form and cultural heritage;

(3) the enhancement and preservation of this Nation's native art and culture has a fundamental influence on the American people;

(4) although the encouragement and support of Native American arts and crafts are primarily a matter for private, local, and Native American initiative, it is also an appropriate matter of concern to the Federal Government;

(5) it is appropriate and necessary for the Federal Government to support research and scholarship in Native American art and culture and to complement programs for the advancement of Native American art and culture by tribal, private, and public agencies and organizations;

(6) current Federal initiatives in the area of Native American art and culture are fragmented and inadequate; and

(7) in order to coordinate the Federal Government's effort to preserve, support, revitalize, and disseminate Native American art and culture, it is desirable to establish a national Institute of Native American Culture and Arts Development.

DEFINITIONS

Sec. 3. As used in this Act—

(1) The term "Native American art and culture" includes, but is not limited to, the traditional and contemporary expressions of Native American language, history, visual and performing arts, and crafts.

(2) The term "Institute" means the Institute of Native American Culture and Arts Development established by this Act.

(3) The term "Native American" means any person who is a member of an Indian tribe or is a Native Hawaiian.

(4) The term "Indian tribe" means any tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act), which is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians.

(5) The term "Native Hawaiian" means any descendant of a person who, prior to 1778, was a native of the Hawaiian Islands.

(6) The term "Secretary" means the Secretary of the Interior.

(7) The term "Board" means the Board of Trustees established under section 5.

ESTABLISHMENT OF INSTITUTE

Sec. 4. (a) There is hereby established a corporation to be known as the "Institute of Native American Culture and Arts Development", which shall be under the direction and control of a Board of Trustees established under section 5.

(b) The corporation established under subsection (a) shall have succession until dissolved by Act of Congress. Only the Congress shall have the authority to revise or amend the charter of such corporation.

BOARD OF TRUSTEES

Sec. 5. (a) The Board shall be composed of 18 members as follows:

(1) twelve members appointed by the President of the United States by and with the advice and consent of the Senate from among individuals from private life who are Native Americans widely recognized in the field of Native American art and culture;

(2) three members appointed by the President pro tempore of the Senate, upon the recommendation of the majority leader and the minority leader of the Senate, and

(3) three members appointed by the Speaker of the House of Representatives, upon the recommendation of the majority leader and the minority leader of the House of Representatives.

(b) In making appointments pursuant to subsection (a)(1), the President of the United States shall—

(1) consult with the Indian tribes and the various organizations of Native Americans; and

(2) give due consideration to the appointment of individuals who will provide appropriate regional and tribal representation on the Board.

(c)(1) The term of office of each member of the Board appointed pursuant to subsection (a)(1) shall be six years, except that of such members first appointed, four shall serve for a term of two years, four for a term of four years, and four for a term of six years, as designated by the President as of the time of appointment. Any member of the Board appointed pursuant to subsection (a)(1) to fill a vacancy occurring prior to the expiration of the term to which his predecessor was appointed shall be appointed for the remainder of the term. No member of the Board appointed pursuant to subsection (a)(1) shall be eligible to serve in excess of two consecutive terms, but may continue to serve until his successor is appointed.

(2) The term of office of each Member of Congress appointed to the Board under subsection (a) shall expire at the end of the congressional term of office which such Member holds at the time of such appointment.

(d) The President of the United States shall designate the initial Chairman and Vice Chairman of the Board from among the members of the Board appointed pursuant to subsection (a)(1). Such Chairman and Vice Chairman so designated shall serve for twelve calendar months. The Chairman and Vice Chairman shall thereafter be elected by the members of the Board appointed pursuant to subsection (a)(1) and shall serve for terms of two years. In the case of a vacancy in the office of Chairman or Vice Chairman, such vacancy shall be filled by the members of the Board appointed pursuant to subsection (a)(1) and the member filling such vacancy shall serve for the remainder of the unexpired term.

(e) Unless otherwise provided by the bylaws of the Institute, a majority of the members of the Board shall constitute a quorum.

(f) The Board is authorized—

(1) to formulate the policy of the Institute;

(2) to direct the management of the Institute; and

(3) to make such bylaws and rules as it deems necessary for the administration of its functions under this Act, including the organization and procedures of the Board.

(g) Members of the Board appointed pursuant to subsection (a)(1) shall, for each day they are engaged in the performance of the duties under this Act, receive compensation at the rate of $125 per day, including traveltime. All members of the Board, while so serving away from their homes or regular places of business, shall be allowed travel expenses (including per diem in lieu of subsistence), as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

PRESIDENT; EMPLOYEES

Sec. 6. (a) The Board shall appoint a President of the Institute. The President of the Institute shall serve as the chief executive officer of the Institute. Subject to the direction of the Board and the general supervision of the Chairman, the President of the Institute shall have the responsibility for carrying out the policies and functions of the Institute, and shall have authority over all personnel and activities of the Institute.

(b) The President of the Institute shall be compensated at an annual rate not to exceed that prescribed for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(c) The President of the Institute, with the approval of the Board, shall have the authority to appoint and fix the compensation and duties of such officers and employees as may be necessary for the efficient administration of the Institute. Such appointments and compensation may be made without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and chapter 51 and subchapter III of chapter 53 of title 5, United States Code.

GENERAL POWERS OF THE INSTITUTE

Sec. 7. In carrying out the provisions of this Act, the Institute shall have the power, consistent with the provisions of this Act—

(1) to adopt and alter a corporate seal, which shall be judicially noticed;

(2) to make agreements and contracts with persons, Indian tribes, and private or governmental entities and to make payments or advance payments under such agreements or contracts without regard to section 3324 of title 31, United States Code;

(3) to sue and be sued in its corporate name and to complain and defend in any court of competent jurisdiction;

(4) to represent itself, or to contract for representation, in all judicial, legal, and other proceedings;

(5) with the approval of the agency concerned, to make use of services, facilities, and property of any board, commission, independent establishment, or executive agency or department of executive branch in carrying out the provisions of this act and to pay for such use (such payments to be credited to the applicable appropriation that incurred the expense);

(6) to use the United States mails on the same terms and conditions as the executive departments of the United States Government;

(7) to obtain insurance or make other provisions against losses;

(8) to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, and to accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(9) to solicit, accept, and dispose of gifts, bequests, devises of money, securities, and other properties of whatever character, for the benefit of the Institute;

(10) to receive grants from, and enter into contracts and other arrangements with, Federal, State, or local governments, public and private agencies, organizations, and institutions, and individuals;

(11) to acquire, hold, maintain, use, operate, and dispose of such real property, including improvements thereon, personal property, equipment, and other items, as may be necessary to enable the Board to carry out the purposes of this Act;

(12) to use any funds or property received by the Institute to carry out the purposes of this Act; and

(13) to exercise all other lawful powers necessarily or reasonably related to the establishment of the Institute in order to carry out the provisions of this Act and the exercise of the powers, purposes, functions, duties, and authorized activities of the Institute.

FUNCTIONS OF THE INSTITUTE

Sec. 8. (a) The primary functions of the Institute shall be—

(1) to provide scholarly study of, and instruction in, the arts and culture of Native Americans, and

(2) to establish programs which culminate in the awarding of degrees in the various fields of Native American art and culture.

(b) There shall be established within the Institute—

(1) a Center for Culture and Art Studies to be administered by a director (appointed by the President of the Institute, with the approval of the Board), which shall include, but not be limited to, Departments of Arts and Sciences, Visual Arts, Performing Arts, Language, Literature, and Museology; and

(2) a Center for Research and Cultural Exchange, administered by a director (appointed by the President of the Institute, with the approval of the Board), which shall include—

(A) a museum of Native American arts,

(B) a learning resources center,

(C) programs of institutional support and development,

(D) research programs,

(E) fellowship programs,

(F) seminars,

(G) publications,

(H) scholar-in-residence and artist-in-residence programs, and

(I) inter-institutional programs of cooperation at national and international levels.

(c) In addition to the centers and programs described in subsection (b), the Institute shall develop such programs and centers as the Board determines are necessary to—

(1) foster research and scholarship in Native American art and culture through—

(A) resident programs,

(B) cooperative programs, and

(C) grant programs;

(2) complement existing tribal programs for the advancement of Native American art and culture; and

(3) coordinate efforts to preserve, support, revitalize and develop evolving forms of Native American art and culture.

NONPROFIT AND NONPOLITICAL NATURE OF THE INSTITUTE

Sec. 9. (a) The Institute shall have no power to issue any shares of stock, or to declare or pay any dividends.

(b) No part of the income or assets of the Institute shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

(c) The Institute may not contribute to, or otherwise support, any political party or candidate for elective public office.

TAX STATUS

Sec. 10. The Institute and the franchise, capital, reserves, income, and property of the Institute shall be exempt from all taxation now or hereafter imposed by the United States, or by any State, county, municipality, Indian tribe, or local taxing authority.

TRANSFER OF FUNCTIONS

Sec. 11. (a) There are hereby transferred to the Institute, and the Institute shall perform, the functions of the Institute of American Indian Arts established by the Secretary of the Interior in 1962.

(b)(1) All personnel, liabilities, contracts, personal property, and records as are determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with any function transferred under the provisions of this Act, are transferred to the Institute.

(2) Personnel engaged in functions transferred by this Act shall be transferred in accordance with applicable laws and regulations relating to the transfer of functions, except that such trnasfer shall be without reduction in classification or compensation for one year after such transfer.

(c) All laws and regulations relating to the Institute of American Indian Arts transferred to the Institute by this Act shall, insofar as such laws and regulations are applicable, remain in full force and effect. With respect to such transfers, reference in any other Federal law to the Institute of American Indian Arts, or any officer so transferred in connection therewith, shall be deemed to mean the Institute.

ANNUAL REPORT

Sec. 12. The President of the Institute shall submit an annual report to the Congress and to the Board concerning the status of the Institute during the twelve calendar months preceding the date of the report. Such report shall include, among other matters, a detailed statement of all private and public funds, gifts, and other items of a monetary value received by the Institute during such twelve-month period and the disposition thereof as well as any recommendations for improving the Institute.

HEADQUARTERS

Sec. 13. The site of the Institute of American Indian Arts, at Santa Fe, New Mexico, shall be maintained as the location for the Institute of Native American Culture and Arts Development. To facilitate this action and the continuity of programs being provided at the Institute of American Indian Arts, the Secretary is authorized to enter into negotiations with State and local governments for such exchanges or transfers of lands and such other assistance as may be required.

APPLICATION WITH OTHER ACTS

Sec. 14. (a) The Institute shall comply with the provisions of—

(1) Public Law 95-341 (42 U.S.C. 1996), popularly known as the American Indian Religious Freedom Act,

(2) the Archeological Resources Protection Act of 1979 (16 U.S.C. 470aa, et seq.), and

(3) the National Historic Preservation Act (16 U.S.C. 470, et seq.).

(b) All Federal criminal laws relating to larceny, embezzlement, or conversion of the funds or property of the United States shall apply to the funds and property of the Institute.

AUTHORIZATION

Sec. 15. There are authorized to be appropriated to carry out the purposes of this Act—

(1) for the fiscal year beginning October 1, 1986, the sum of $4,000,000, and

(2) for each fiscal year thereafter, such sum as may be necessary to carry out such purposes.

● Mr. DOMENICI. Mr. President, today, along with my colleagues, Senators Melcher and Andrews, I am introducing a bill whose essence was passed by the full Senate on May 10, 1982. The issue remains before us as the House of Representatives did not act on this measure in the 97th Congress, and we did not act on it in the 98th Congress. Today's Federal initiatives in native American art and culture are quite fragmented and sorely inadequate. This bill, which was sponsored last year, S. 2726, by Senators Melcher, Andrews, Inouye, DeConcini, Goldwater, Matsunaga, Cochran, Kennedy, Burdick, and Bingaman, makes vast improvements in the potential for private participation in furthering native American art and culture.

In this bill we create a marriage between the current Federal commitment and those in the private sector who have expressed a desire to contribute hundreds of thousands of dollars but for the current Federal control over virtually all aspects of the Institute for American Indian Arts in Santa Fe. NM. This reluctance to give freely is directly addressed by this bill. We create a federally chartered Institute of Native American Culture and Arts Development under the control an 18-member board of trustees, 12 of whom must be native Americans widely recognized in the field of native American art and culture. All functions of the Institute of America Indian Arts, established by the Secretary of the Interior in 1962, are transferred to the new institute which will have the power to solicit and receive gifts and grants for the benefit of the Institute of Native American Culture and Art Development [INACAD].

Mr. President, interest in this type of change has come to our attention because of the present restrictions on the Institute of American Indian Arts [IAIA]. This inability to convince potential donors that gifts would be free of Federal control has hampered many potential and significant contributions which have yet to materialize. I am proud of the initiative of the IAIA in seeking and encouraging outside contributions. Our fundamental intent in this bill is to continue Federal support while doing all we can to encourage private donations to further the functions of the INACAD. Primarily these functions will be to "provide scholarly study of, and instruction in the arts and culture of native Americans and to establish programs which culminate in the awarding of degrees in the various fields of native American art and culture."

This will be accomplished by the establishment within the Institute of a Center for Culture and Art Studies (arts and sciences, visual arts, performing arts, language, literature, and museology) and a Center for Research and Cultural Exchange (Museum of native American arts, learning resource center, seminars, and other activities). INACAD will also develop programs to foster further research and scholarship and complement existing tribal programs.

This bill also specifies that the new INACAD be established in Santa Fe, NM, which has been the home of IAIA since 1962. All functions of the Institute for American Indian Arts will be incorporated into the new Institute for Native American Culture and Arts Development.

This legislation is vital to the future development of a national effort to promote Indian art education and scholarship in a manner that can attract private support and tap the special talents of the Indian people of this Nation. The many success stories of the IAIA give me a belief that the future of INACAD will be even brighter with the addition of new energies, talents, contributions, and a better organization. With the continued support of the Federal Government in this newly invigorated institute, our Federal investment will see many improved returns. Education in Indian art and culture will be improved, contributions to the museum can increase, scholarship will have a freer hand, and the story of Indian culture will be available to more Americans in a high quality environment.●

By Mr. HEINZ:

S. 1623. A bill to amend titles XI and XVIII of the Social Security Act to enhance the authority of peer review organizations to review the quality of health care services provided under the Medicare Program, and for other purposes; to the Committee on Finance.

PEER REVIEW ORGANIZATIONS LEGISLATION

● Mr. HEINZ. Mr. President, today I am introducing legislation to close a serious loophole in our ability to protect Medicare beneficiaries from poor quality care in our Nation's hospitals, while taking some necessary steps to assure the financial viability of Medicare's watchdogs—the Peer Review Organizations, or PRO's.

Mr. President, 29 million aged and disabled Americans depend on Medicare to provide the health coverage they need. They have a right to the best quality care available—and Congress has the responsibility to assure that the necessary quality controls are in place and functioning effectively.

Now Congress historically has taken this responsibility seriously, repeatedly acting to tighten up quality controls to protect Medicare patients from incompetent, inefficient and unscrupulous health care providers. Over 15 years ago, this concern for quality assurance led the Congress to create the Professional Standards Review Organizations [PSRO's]. A decade later, in 1982, Congress replaced the PSRO's with the Peer Review Organizations [PRO's], thus providing much improved and stronger safeguards for older Americans.

Finally, Congress' determination to guarantee the very best in health care quality assurance resulted in the 1983 amendments to the Social Security Act. Those amendments further sharpened the teeth of Medicare's watchdogs, the PRO's, arming them to counter the threat of premature hospital discharge inherent in the Prospective Payment System.

I regret to inform my colleagues here today that our work in this important endeavor is yet unfinished. An ongoing investigation by the Special Committee on Aging, Aging, which I chair, shows all too early that perhaps thousands of frail and seriously ill older Americans fall victim to those who would abuse Medicare's new payment system for their greater profit.

Frankly, knowing full well of Congress' intent, I was shocked to learn just this past July that HHS had yet to implement the 1983 amendments—leaving the PRO's powerless to act in behalf of those beneficiaries known to have suffered from substandard care. Since then, I am very pleased to say, HHS has begun to take steps to implement Congress' 1983 reforms. But there is much more to be done before we can rest easy on this issue.

Mr. President, the Medicare Quality of Health Care Act of 1985 will support Medicare's quality assurance program in three key ways:

First, it gives the PRO's—for the first time—the clear and definite authority to deny Medicare reimbursement for poor quality services rendered by a doctor or a hospital. By overlooking this authority in the past, we've made the PRO's the big brothers of review, but withheld the big stick of enforcement. We must close this loophole in the PRO's authority if we are to claim to have done everything possible to protect the elderly from substandard care under the new payment system.

Second, the act reforms an anachronism in the Social Security Act that targets funding levels for the vital Peer Review Organizations at the rock-bottom 1982 levels—levels which were established when the old PSRO program was all but phased out of existence. My bill would bring funding levels closer in line with the realities of a program in full swing—and the expensive quality reviews mandated by the cost cutting incentives of the DRG system.

Finally, I understand that some of these essential Peer Review Organizations are facing a financial crisis caused by Medicare's snail-like reimbursement system. PRO's spend tens of thousands of dollars each month on protecting Medicare beneficiaries, but must often wait between 60 and 75 days to be paid by Medicare under the terms of their contracts with HCFA.

The problem is rooted in our payment mechanism, which is based upon principles established in the Government's dealings with mammoth defense contractors. An organization like General Dynamics can weather a late Government payment without a drought in its cash flow. But to many of the PRO's, which are generally small nonprofit organizations operating primarily because of their Medicare contract, payment delays can be crippling. As many as 14 PRO's, charged with protecting some one-third of Medicare beneficiaries, have indicated they will be forced into a deficit by Medicare's slow reimbursement system now or in the future.

These organizations will be forced to borrow money to make their payrolls, and the interest charges can only come from one place under their fixed price contracts with Medicare. These constraints cannot help but have a severe impact on enforcement of quality. I propose amending current practices to require HCFA to make payments to PRO's within 15 days of the close of each month.

Mr. President, I urge the other Members of the Senate to join me in sponsoring these important reforms to keep our peer review system strong and vigorous, so that it may in turn safeguard our aged citizens from substandard health care.●

By Mr. DeCONCINI:

S. 1624. A bill to make ineligible for certain agricultural program benefits persons who are convicted under Federal or State law of planting, cultivation, growing, or harvesting or controlled substances; to the Committee on Agriculture, Nutrition, and Forestry.

CONTROLLED SUBSTANCES PRODUCTION CONTROL ACT

Mr. DeCONCINI. Mr. President, I was recently shocked to learn that individuals who have been convicted of growing marijuana or other illegal drug-producing plants do not automatically lose their access to agricultural program benefits. In fact, while the law makes ineligible for program benefits individuals convicted of harvesting such plants, it fails to speak to the issue of conviction for planting, cultivating, or growing of controlled substances. Furthermore, present law simply prohibits agricultural program benefits in the single year of conviction. Today I am introducing legislation that I believe will remedy this situation and I plan on offering this bill as an amendment to the farm bill when it is brought to the floor of the Senate.

My bill, the Controlled Substances Production Control Act of 1985 would specifically prohibit the participation in agricultural program benefits to any person convicted of planting, cultivating, growing or harvesting of a controlled substance for the year of conviction and the ensuing 4 years. This would apply to cannabis as well as other illegal drug-producing plants.

None of us intended to subsidize the growth of illegal drugs in this country. Yet because of this loophole that is exactly what we are doing. In 1983, the U.S. Department of Agriculture estimated that between $16 to $18 million worth of program benefits were going to just these criminals. In fact, the USDA sent a proposed bill to Congress earlier this year that addressed this very problem. (Their proposal differed from mine in that it only sought a 1 year exclusion, but I believe that we need to create a greater disincentive for growing drugs.)

The overwhelming majority of farmers in this country are honest, hard-working people. We are all well aware of the crisis facing farmers as we attempt to meet the competing demands of cutting the budget and insuring that this country continues to provide food not only for herself but for the starving nations of the world as well. It is unfair that honest farmers must share dwindling program benefits with common criminals. I urge my colleagues to join me in cosponsoring this bill.

I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1624

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Controlled Substances Production Control Act of 1985".

DEFINITIONS

Sec. 2. As used in this Act:

(1) The term "controlled substance" has the same meaning given such term in section 102(6) of the Controlled Substances Act (21 U.S.C. 801(6)).

(2) The term "Secretary" means the Secretary of Agriculture.

(3) The term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

PROGRAM INELIGIBILITY

Sec. 3. (a) Notwithstanding any other provision of law, following the date of enactment of this Act, any person who is convicted under Federal or State law of planting, cultivation, growing, or harvesting of a controlled substance in any crop year shall be ineligible for—

(1) as to any commodity produced during that crop year, and the four succeeding crop years, by such person—

(A) any price support or payment made available under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), or any other Act;

(B) a farm storage facility loan made under section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h));

(C) crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.);

(D) a disaster payment made under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.); or

(E) a loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) or any other provision of law administered by the Farmers Home Administration; or

(2) a payment made under section 4 or 5 of the Commodity Credit Corporation Charter Act (15 U.S.C 714b or 714c) for the storage of an agricultural commodity that is—

(A) produced during that crop year, or any of the four succeeding crop years, by such person; and

(B) acquired by the Commodity Credit Corporation.

REGULATIONS

Sec. 4. Not later than 180 days after the date of enactment of this Act, the Secretary shall issue such regulations as the Secretary determines are necessary to carry out this Act, including regulations that—

(1) define the term "person";

(2) govern the determination of persons who shall be ineligible for program benefits under this Act; and

(3) protect the interests of tenants and sharecroppers.

By Mr. DENTON:

S. 1626. A bill to create a Disability Advisory Council; to the Committee on Finance.

DISABILITY ADVISORY COUNCIL

Mr. DENTON. Mr. President, today, I am introducing the Social Security Disability Advisory Council Act of 1985. The bill would establish a special ad hoc Disability Advisory Council to study and make recommendations on the medical and vocational aspects of disability under titles II and XVI of the Social Security Act. The Council would focus on the evaluation of eligibility for disability and on the effectiveness of vocational rehabilitation programs for Social Security and SSI beneficiaries.

The provisions of the bill are nearly identical to the provisions for the Disability Advisory Council contained in H.R. 2005, the Social Security Minor and Technical Changes Act of 1985. My bill, however, includes a change to ensure that the membership of the Council will include those organizations and individuals representing the interests of the mentally and physically disabled.

The addition arises out of my deep concern for the welfare of people who suffer a mental disability and who are also dependent on Social Security benefits. I believe that the work of the Council could help in the creation of more fair and effective procedures and programs to serve the mentally ill and other disabled populations.

Mr. President, the Social Security Act requires the appointment of an Advisory Council on Social Security every 4 years, at the beginning of each Presidential term, with the mandate to report on the program by January 1 of the second year after appointment. The Council is to be appointed this year, and its report will be due by January 1, 1987. Since 1976, there have been four general advisory panels on Social Security and Medicare. The work of the last Council culminated in the 1983 Social Security amendments.

The House Committee on Ways and Means, and the administration, agree that the primary need now is for a thorough review of the disability program. The House bill therefore, includes provision for a special ad hoc Disability Advisory Council instead of the general quadrennial council required by law. The bill that I am introducing today simply authorizes the creation of that Council.

Unlike H.R. 2005, my bill does not make any other minor or technical changes to the Social Security Act. H.R. 2005 is worthy of support for all its other provisions. My goal with the new bill is simply to ensure the prompt creation of the important panel already required by law.

Mr. President, it pleases me to say that the measure I am introducing has the support of the Mental Health Association. I encourage my colleagues to join in supporting it, given the importance we all place on ensuring the welfare of disabled Americans.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record immediately following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1626

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Appointment of Council.—Within 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall appoint a special Disability Advisory Council.

(b) Membership of Council.—The Disability Advisory Council shall consist of a Chairman and not more than 12 other individuals, appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The appointed members shall, to the extent possible, represent organizations of employers and employees in equal numbers, medical and vocational experts from the public or private sector (or from both such sectors), and organizations and individuals representing the interests of mentally and physically disabled people. The Council shall meet as often as may be necessary for the performance of its duties under this Act, but not less often than quarterly.

(c) Duties of Council.—(1) The Disability Advisory Council shall conduct studies and make recommendations with respect to the medical and vocational aspects of disability under both title II and title XVI of the Social Security Act, including studies and recommendations relating to—

(A) the effectiveness of vocational rehabilitation programs for recipients of disability insurance benefits or supplemental security income benefits;

(B) the question of using specialists for completing medical and vocational evaluations at the State agency level in the disability determination process, including the question of requiring, in cases involving impairments other than mental impairments, that the medical portion of each case review (as well as any applicable assessment of residual functional capacity) be completed by an appropriate medical specialist employed by the appropriate State agency before any determination can be made with respect to the impairment involved;

(C) alternative approaches to work evaluation in the case of applicants for benefits based on disability and recipients of such benefits undergoing reviews of their cases, including immediate referral of any such applicant or recipient to a vocational rehabilitation agency for services at the same time he or she is referred to the appropriate State agency for a disability determination;

(D) the feasibility and appropriateness of providing work evaluation stipends for applicants for and recipients of benefits based on disability in cases where extended work evaluation is needed prior to the final determination of their eligibility for such benefits or for further rehabilitation and related services;

(E) the standards, policies, and procedures which are applied or used by the Secretary of Health and Human Services with respect to work evaluations in order to determine whether such standards, policies, and procedures will provide appropriate screening criteria for work evaluation referrals in the case of applicants for and recipients of benefits based on disability; and

(F) possible criteria for assessing the probability that an applicant for or recipient of benefits based on disability will benefit from rehabilitation services, taking into consideration not only whether the individual involved will be able after rehabilitation to engage in substantial gainful activity, but also whether rehabilitation services can reasonably be expected to improve the individual's functioning so that he or she will be able to live independently or work in a sheltered environment.

(2) For purposes of this subsection, "work evaluation" includes (with respect to any individual) a determination of—

(A) such individual's skills,

(B) the work activities or types of work activity for which such individual's skills are insufficient or inadequate,

(C) the work activities or types of work activity for which such individual might potentially be trained or rehabilitated,

(D) the length of time for which such individual is capable of sustaining work (including, in the case of the mentally impaired, the ability to cope with the stress of competitive work), and

(E) any modifications which may be necessary, in work activities for which such individual might be trained or rehabilitated, in order to enable him or her to perform such activities.

(d) Provision of Assistance to Council; Compensation of Members.—(1) The Disability Advisory Council is authorized to engage such technical assistance, including actuarial services, as may be required to carry out its functions, and the Secretary of Health and Human Services shall, in addition, make available to the Council such secretarial, clerical, and other assistance and such actuarial and other pertinent data prepared by the Department of Health and Human Services as the Council may require to carry out such functions.

(2) Appointed members of the Council, while serving on business of the Council (inclusive of traveltime), shall receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

(e) Reports.—The Disability Advisory Council shall submit a report (including any interim reports the Council may have issued) of its findings and recommendations to the Secretary of Health and Human Services not later than December 31, 1986; and such report and recommendations shall thereupon be transmitted to the Congress and to the Board of Trustees of the Federal Disability Insurance Trust Fund.

(f) Termination.—After the date of the transmittal to the Congress of the report required by subsection (e), the Disability Advisory Council shall cease to exist.

(g) Conforming Amendments.—(1) Section 706 of the Social Security Act is amended—

(A) by inserting "except as provided in subsection (e)," immediately before "the Secretary shall appoint" in subsection (a); and

(B) by adding at the end thereof the following new subsection:

"(e) No Advisory Council on Social Security shall be appointed under subsection (a) in 1985 (or in any subsequent year prior to 1989).".

(2) Section 12 of the Social Security Disability Benefits Reform Act of 1984 is repealed.

By Mr. STEVENS (for himself and Mr. Lautenberg):

S. 1627. A bill to provide for the establishment of an experimental program relating to the acceptance of voluntary services from participants in an executive exchange program of the Government; to the Committee on Governmental Affairs.

EXECUTIVE EXCHANGE PROGRAM VOLUNTARY SERVICES ACT

Mr. STEVENS. Mr. President, today I am introducing, together with Senator Lautenberg, the Executive Exchange Program Voluntary Service Act of 1985. This legislation would provide for the establishment of an experimental program relating to the acceptance of voluntary services from participants in the President's Commission on Executive Exchange. It closely resembles S. 2115, as amended by the Subcommittee on Civil Service, Post Office, and General Services during the 98th Congress.

The President's Commission on Executive Exchange was originally established as the President's Commission on Personnel Interchange by President Johnson on January 19, 1969, Executive Order 11451. President Carter renewed executive branch commitment to the exchange concept, renamed the program and made minor modifications in its charge on May 15, 1979, Executive Order 12136. Further improvements were made by President Reagan on December 5, 1984, Executive Order 12493.

The essential purpose of the program is to promote a better relationship between Government and business by placing outstanding executives in challenging and responsible 1-year assignments in order to foster understanding between the two sectors. Five Presidents have supported this goal.

Under current procedures, private sector executives participating in the Executive Exchange Program are paid by their host Federal agencies. Their salaries, while serving as exchange executives, are limited to the maximum salary set for senior executive service level IV employees—currently $72,300 per year.

This limitation on income has become a serious impediment to recruiting private sector executives for service in the Executive Exchange Program. Individuals having the appropriate mix of interest, experience and career potential are generally earning above the maximum Federal salary permissible while serving as exchange executives. Consequently, participation in the program would require a significant economic sacrifice for these executives. In addition to salary limitations, potential exchange executives must consider familial problems, that is, a short-term move to Washington and relocation to ensuing company assignment, and/or out-of-pocket expenses, that is, travel to visit nonrelocated family. These factors further encumber recruiting efforts.

This legislation proposes an experimental program in which a small group of private sector exchange participants, up to 10 per year for 3 years, would be allowed to serve as Federal employees without Government compensation. As volunteers, they would continue to receive compensation from their sponsoring organizations at their usual salary levels. These volunteer participants, however, would specifically be considered Federal employees for all purposes other than pay and related benefits. Conflict of interest statutes, for example, would remain fully in force, as they are currently for all private sector participants.

At the end of the pilot program, the Commission would report to the Congress on the effectiveness of the test in alleviating recruitment problems, as well as its findings on the program's administration, and its recommendations. Congress would then be in a better position to evaluate the workability of the volunteer concept and decide whether to permanently authorize its use, modify it, or end it altogether.

This legislation would enhance an already beneficial program in several ways. First, up to $2 million in estimated savings would result. If 10 Federal agencies per year no longer had to pay their executive participants roughly $70,000 each, budget outlays would be reduced by approximately $700,000 per year for 3 years.

Second, recruiting efforts for the Executive Exchange Program would be significantly enhanced. Success of the program depends, in large measure, on the ability to attract exceptionally talented executives with well-established records of achievement. As noted above, private sector executives meeting this standard are often earning well in excess of what the Exchange Program can offer.

Clearly, if sponsoring organizations were able to continue the usual compensation for their executives participating in the Exchange Program, an important dimension would be added to the Commission's recruiting efforts. This, in turn, would significantly enhance the Commission's ability to achieve its objectives.

Finally, and most importantly, Federal agencies would benefit as they would be enabled to utilize the expertise of the most outstanding executives the private sector has to offer. In short, the pool of available talent for the Government would be enlarged.

Mr. LAUTENBERG. Mr. President, I am pleased to join with Senator Stevens in sponsoring the Executive Exchange Program Voluntary Services Act of 1985. The Executive Exchange Program was created by President Johnson in 1969 to encourage improved understanding between the Government and private industry. Government executives were to be placed in the private sector for a year, and executives from the private sector would work in the Government at the same time. The experience of working in another environment with a different set of challenges and problems is intended to broaden the perspective with which Government and private leaders view each other's worlds.

For the year that they spend in the Government, the private executives are Federal employees, paid by the Federal Government and subject to the conflict of interest and ethical codes applicable to all Federal employees. Their pay is based on the compensation the executives would have earned with their companies, but it cannot exceed the ceiling set for pay in the Federal Senior Executive Service.

The pay ceiling in the existing Executive Exchange Program has caused a recruitment problem for the program. Private sector executive salaries frequently exceed the maximum that the Federal Government can pay. Many qualified private sector executives who would be interested in the program are deterred from participating by the prospect of having to accept a cut in pay for the year that they would be working for the Federal Government.

The bill that we are introducing today proposes a solution to the recruitment problem. This legislation sets up a 3-year experiment in which a maximum of 10 private sector executives would be part of the Executive Exchange Program, but paid their usual salaries by their sponsoring company. These executives would be serving as volunteers in the Federal agency to which they are assigned. However, in all respects, except pay and benefits, the executives in this experimental program would be considered Federal employees.

Mr. President, the Executive Exchange Program has been a success. Almost 500 private sector executives have participated since the program began. Significant cross fertilization of ideas, management techniques, and policy analysis has occurred. The program should be revised to permit it to continue. The legislation we are introducing today is intended to help the program overcome difficulties in recruiting. Because it offers an experimental approach to the exchange program, it will need to be closely monitored. To this end, the bill requires a report to Congress at the end of the experiment, and more frequent interim reports may be advisable. As noted, the exchange participants are subject to all the conflict of interest and financial disclosure provisions of the Ethics in Government Act.

Recently, the General Accounting Office made some recommendations to the Executive Exchange Program Administrators to improve conflict of interest controls. With this new experimental program of volunteer service, the need for careful monitoring of potential conflict of interest is more important than ever. With appropriate safeguards, the Executive Exchange Program should be able to go forward with this experiment in volunteer services and maintain the valuable interchange of private and public sector management expertise.

By Mr. CRANSTON (for himself, Mr. Hatch, Mr. Dodd, Mr. Grassley, Mr. Levin, Mr. Metzenbaum, Mr. Moynihan, Mr. Riegle, and Mr. Rockefeller);

S. 1628. A bill to amend part E of title IV of the Social Security Act to revise the provisions relating to Medicaid eligibility of special needs children placed for adoption; to the Committee on Finance.

ADOPTION ASSISTANCE AMENDMENTS

Mr. CRANSTON. Mr. President, I am today introducing, for myself and the distinguished chairman of the Committee on Labor and Human Resources, the Senator from Utah [Mr. Hatch], and the Senator from Connecticut [Mr. Dodd], the Senator from Iowa [Mr. Grassley], the Senator from Michigan [Mr. Levin], the Senator from Ohio [Mr. Metzenbaum], the Senator from New York [Mr. Moynihan], the Senator from Michigan [Mr. Riegle], and the Senator from West Virginia [Mr. Rockefeller] legislation, S. 1628, the proposed Adoption Assistance Amendments of 1985, which would make several changes in the adoption assistance program established by the Adoption Assistance and Child Welfare Act of 1980, Public Law 96–272. As I will discuss in a moment, two of the provisions in the legislation I am introducing have also been proposed by the Reagan administration.

LEGISLATIVE HISTORY

Mr. President, I was one of the principal Senate authors of Public Law 96–272, the landmark legislation enacted in the 96th Congress which dramatically reformed the federally funded child welfare and foster care system. That legislation was aimed at bringing about improvements in the child welfare services field by reducing unnecessary family separations, discouraging prolonged foster care placements, and encouraging adoptive placements as an alternative to long-term foster care, where appropriate.

I am particularly proud to have been deeply involved in the development of the adoption assistance provisions of Public Law 96–272 as well as having been the Senate author of the companion adoption legislation, the Adoption Reform Act, contained in title II of Public Law 95–266. Title II of Public Law 95–266 was the first Federal legislation enacted aimed at breaking down the barriers to the adoptive placement

of thousands of children with special needs who had been languishing in foster care. I first introduced adoption reform legislation in the 93d Congress and was therefore very pleased to see these proposals finally enacted in 1978 and 1980 in Public Law 95–266 and Public Law 96–272. Together, these laws represent a national commitment to encourage finding permanent adoptive homes for children who had previously been regarded as unadoptable and often left to drift in what has been called the foster care limbo.

Mr. President, there is little doubt that Public Law 96–272 has had a very beneficial impact upon child welfare services through the country. That is evidenced by the report submitted last year by the Department of Health and Human Services. According to the HHS report, the number of children in foster care in this country has been cut in half. The average length of time a child remains in foster care has been reduced by a full year. The number of children leaving foster care for permanent adoptive homes as part of the new Adoption Assistance Program has steadily and dramatically increased. By fiscal year 1984, almost 12,000 children had been moved from foster care to adoptive placements under the Adoption Assistance Program.

Public Law 96–272 has worked and has made a tremendous difference in the lives of countless numbers of vulnerable children.

Mr. President, the success of Public Law 96–272 is demonstrated by the fact that even the Reagan administration, which in 1981 proposed to repeal this law, today supports its continuation.

CHANGES PROPOSED BY THE ADMINISTRATION

Mr. President, as I have just indicated, the Reagan administration no longer proposes to repeal Public Law 96–272. Earlier this year, however, the administration submitted legislation to make certain changes in the statute. That legislation was introduced in the Senate as S. 1266 on June 10 by the Senator from Colorado [Mr. Armstrong] who serves as the chairman of the Public Assistance Subcommittee of the Senate Finance Committee. Although I was delighted that the administration's proposal contained certain provisions to strengthen the adoption assistance program and contemplated continuation of the basic thrust of Public Law 96–272, I have very grave concerns about the potential impact of certain aspects of the administration's proposals relating to the foster care maintenance provisions of Public Law 96–272. I set forth these concerns in a July 19 letter I sent to the chairman of the Senate Finance Committee, the Senator from Oregon [Mr. Packwood], and the committee's ranking Democrat, the Senator from Louisiana [Mr. Long], who was one of the Senate coauthors of the 1980 legislation. I will insert that letter into the Record at the conclusion of my remarks.

Mr. President, because I strongly support the adoption assistance provisions in the administration's legislation but at the same time strongly oppose certain of the foster care provisions of that legislation, I am today introducing legislation which contains these beneficial and noncontroversial adoption provisions so that they can be separated legislatively from the highly controversial foster care proposals. Congress should adopt the adoption assistance provisions in the administration's legislation without being delayed by consideration of the major and very controversial foster care provisions.

SUMMARY OF ADOPTIONS ASSISTANCE PROVISIONS

Mr. President, the legislation I am introducing today would amend the adoption assistance provisions of Public Law 96–272 in the following ways relating to the availability of Medicaid coverage for special-needs children moved from foster care into adoptive homes under the Adoption Assistance Program.

ELIMINATION OF TOKEN PAYMENT REQUIREMENT

First, our bill would eliminate the necessity of making a token adoption assistance payment in order for a child to continue to receive Medicaid coverage in an adoptive placement. Under current law, eligibility for Medicaid for a special-needs adopted child is contingent upon that child also receiving an adoption assistance payment. The result is that where no cash assistance is rquired but medical assistance is critical, the adoptive parents have to be given at least a token assistance payment in order to qualify their adopted child for Medicaid coverage. This entails needless administrative costs and complications. In testimony before the Finance Committee, the American Public Welfare Association [APWA] pointed out that in a number of States a large percentage of the special-needs adoptions required medicaid assistance only and that is one of these States it was costing $70 in administrative costs to make $1 per month token adoption assistance payments to the parents in order to qualify for Medicaid assistance. The APWA also testified that it is sometimes difficult to explain to adoptive parents who neither want nor need the nominal payment that they must accept it in order to establish Medicaid eligibility for the child.

Mr. President, the bill which originally was passed by the Senate in 1979 required only that the children be eligible for adoption assistance payments in order to be covered by Medicaid; the requirement that a payment actually be made arose out of the House-passed legislation and was retained in the conference agreement. There is no reason why this unnecessary requirement should be continued. The administration agrees.

My position in opposing this linkage was first established when I introduced for the Carter administration its legislation, S. 966 in April 1979 in the 96th Congress. At that time, I pointed out in my floor statement that the linkage between actual receipt of an adoption assistance payment and Medicaid eligibility was a step backward from the legislation, S. 1928, which I had also introduced on behalf of the Carter administration in July 1977 and which the Senate had approved in the 95th Congress (Congressional Record, Vol. 125, Pt. 7, April 10, 1979, at 7970).

I subsequently introduced on August 3, 1979, an amendment to the administration's legislation, amendment No. 392 to S. 966, which, among other changes, removed the linkage between Medicaid eligibility and actual receipt of an adoption assistance payment (Congressional Record, Vol. 125, Pt. 17, August 3, 1979, 22679). The legislation that the Senate passed in October 1979 followed the language proposed in my amendment by setting forth Medicaid eligibility separate from adoption assistance payments, and the legislation being introduced today would thus reestablish the original Senate-approved separation of adoption assistance payments and Medicaid eligibility.

MEDICAID IN STATE OF RESIDENCE

Second, Mr. President, this legislation would require that the State in which a special-needs adopted child resides, rather than the State in which the adoption assistance agreement was entered into, provide Medicaid coverage. This provision would affect situation where a family which has adopted a special-needs child with Medicaid needs moves into another State. Under current law, the State in which the adoption was entered into is required to continue Medicaid coverage, but obtaining medical care with an out-of-State Medicaid card can impose substantial difficulties. When the 1980 legislation was developed, it was contemplated that the States would enter into interstate agreements which would resolve this problem. A model interstate compact to facilitate interstate moves by children adopted under the adoption assistance program has been developed by HHS. The initial work on that interstate compact was supported through an HHS grant to the APWA under the 1978 Adoption Reform Act. However, according to HHS, only nine States have actually adopted legislation that would enable them to enter into such a compact. Unfortunately, as the APWA indicated in its testimony before the Finance Committee in June, getting such a compact actually entered into by a large number of States is a cumbersome and time consuming process. In the meantime, an APWA survey last year showed that slightly more than 1,000 children in the adoption assistance program live outside the States in which the adoption originally occurred.

Mr. President, the problems that confront families which adopt special-needs children under adoption assistance agreements and then who move to a different State has been a long-standing concern of mine. When the Senate considered the conference report on the Adoption Assistance and Child Welfare Act, I expressed concern that we had not adequately addressed this situation in the legislation (Congressional Record, Vol. 126, Pt. 11, June 13, 1980, at 14768).

During the hearings I chaired on the need for the adoption legislation in the 95th and 96th Congresses, several of the witnesses described the problems that territorial limitations upon then-existing State adoption assistance programs posed for their families. In some cases, adoptive families were forced to turn down employment opportunities in other States because a change of residence would result in a loss of adoption assistance. I congratulate the Reagan administration for proposing this change which would eliminate another one of the barriers to adoption of special-needs children.

CONTINUATION OF MEDICAID COVERAGE

Third, and finally, Mr. President, the legislation being introduced today contains a provision relating to the adoption assistance program which was not included in the administration's proposal, but like the two provisions I have described, resolves a somewhat technical problem which some States have confronted in implementing the adoption assistance program. This change was proposed in legislation, S. 1329, introduced in the Senate by the distinguished Senator from New York [Mr. Moynihan] who was also one of the principal Senate authors of Public Law 96-272 and has been a steadfast advocate and proponent of that legislation and in the House companion bill, H.R. 2810, introduced by my good friend and colleague form California, Representative Pete Stark who serves as a member of the House Ways and Means Committee and has long been interested in the adoption assistance and child welfare services program. It would provide for continuation of Medicaid coverage for special-needs children between the time they leave foster care and the time that an interlocutory or final decree of adoption is entered into. Under current law, Medicaid eligibility for a special-needs adoption is tied to issuance of either an interlocutory or final judicial adoption decree. However, in many States, there is a required period of time for a preadoptive placement, often 6 months, before such a decree can be issued. Current law does not provide for Medicaid coverage during this waiting period. To get over this gap in Medicaid coverage, apparently some States are resorting to licensing preadoptive homes as foster care homes and paying the family at the frequently more costly foster care rates. This certainly was neither contemplated nor intended by the 1980 legislation.

This problem in the existing law, Mr. President, also appears to have arisen as a result of our utilizing the House-passed language in the 1980 conference agreement. As I indicated earlier, the House bill, but not the Senate bill, linked Medicaid coverage to receipt of an adoption assistance payment which required in both bills that an interlocutory or final adoption decree be entered before such payment could be made. The original Senate-passed language provided a separate section for Medicaid coverage which required only that the special-needs child meet the eligibility requirements for an adoption assistance payment and have been either adopted or "placed for adoption" (see section 473(b) of the Senate-passed H.R. 3434, Congressional Record, Vol. 125, Pt. 23, at 29495, October 25, 1979). The language in the legislation we are introducing today thus parallels the terminology contained in the Senate-passed bill in 1979.

TITLE XX ISSUE

Mr. President, there is one final issue I want to take a few moments to discuss. As I indicated at the outset, two of the provisions contained in the legislation I am introducing today are derived from the administration's legislation which was introduced on June 10 by Senator Armstrong. In the drafting of the administration's provisions relating to Medicaid eligibility for special-needs adopted children, the reference in existing law to such children being deemed AFDC children for the purposes of both title XIX and XX was changed to refer only to title XIX—that is, Medicaid. Prior to 1981, AFDC recipients had certain priorities for services under title XX and the cross-reference between children receiving adoption assistance payments and title XX gave those children the same priority for services that AFDC children received. In 1981, that priority requirement was repealed in Federal law.

However, concern has been raised that the cross-reference to title XX should not be deleted. First it is pointed out that some States may have established their own priorities for AFDC recipients. Second, it is contended that if at some future time the AFDC priority is restored in the Federal statute with respect to title XX, special-needs adopted children should receive the same priority for services that AFDC children receive.

Although the legislation we are introducing contains the administration's language, I am very sympathetic to these concerns and would be supportive of a modification of this provision if the committee determines that the administration language would or might result in any diminishment of services for these children.

CONCLUSION

Mr. President, as one who has been working to promote adoption opportunities for more than a decade, I am delighted to see the growing and diverse congressional support in this area. The active and enthusiastic support which the Reagan administration is now providing in promoting adoption of children with special needs, both through the recent special needs adoption initiative being carried out by the Office of Human Development Services in HHS and through its support for the adoption assistance provisions of Public Law 96-272 as evidenced by its constructive proposals to improve implementation of the program, is also heartening and greatly welcomed. The futures of thousands and thousands of children with special needs waiting for adoptive homes depends on our ability and willingness to work together on their behalf.

Mr. President, I ask unanimous consent that the text of the bill we are introducing be printed in the Record at this point preceding my July 19 letter to the Finance Committee.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 1628

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Adoption Assistance Amendments of 1985".

Sec. 2. (a) Medicaid Eligibility.—Section 473(b) of the Social Security Act is amended to read as follows:

"(b) For purposes of title XIX, any child—

"(1) who is a child described in subsection (a)(1); and

"(2) with respect to whom an adoption assistance agreement is in effect under this section (whether or not adoption assistance payments are being made under this section), including any such child who has been placed for adoption in accordance with applicable State and local law (whether or not an interlocutory or other judicial decree of adoption has been issued);

shall be deemed to be a dependent child as defined in section 406 and shall be deemed to be a recipient of aid to families with dependent children under part A of this title in the State where such child resides.".

(b) Conforming Amendments.—(1) Section 473(c)(2) of such Act is amended—

(A) by striking out "without providing adoption assistance" in clause (A) and inserting in lieu thereof "without providing adoption assistance under this section or medical assistance under title XIX"; and

(B) by inserting "or medical assistance under title XIX" before the period at the end thereof.

(2) Section 475(3) of such Act is amended by striking out "the adoption assistance payments and any additional services and assistance" in clause (A) of the first sentence and inserting in lieu thereof "any adoption assistance payments and any other services and assistance".

(c) Effective Date.—The amendments made by subsections (a) and (b) shall become effective on October 1, 1985.

U.S. Senate,
Washington, DC, July 19, 1985.

Hon. Bob Packwood,
Chairman.
Hon. Russell Long,
Ranking Minority Member,
Committee on Finance, U.S. Senate, Washington, DC.

Dear Bob and Russell: I am writing to share with you my very strong opposition to the Administration's proposal to alter substantially the funding mechanism for the foster-care program established under title IV-E of the Social Security Act by the Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272).

As you know, along with Senator Moynihan and you, Russell, I was a principal Senate author of the landmark 1980 legislation and have been deeply involved in issues relating to foster care and adoption for many years.

The Administration's proposed legislation, introduced on June 10 as S. 1266 by Senator Armstrong, contains two proposals to improve and enhance the adoption-assistance components added by P.L. 96-272. These proposals (in section 4) include eliminating the need to maintain a 'token' adoption-assistance payment in order to preserve a child's Medicaid eligible for Medicaid from the state where they reside, regardless of whether that is the state which was a party to the adoption-assistance agreement. I support both of these changes which should make the administration of and the provision of services in the adoption-assistance title IV-E program more effective.

However, I strongly oppose those provisions (sections 2, 3, and 5) of the Administration's proposal which would fundamentally alter the funding mechanism for foster care. These changes include (1) lowering the title IV-B funding level 'trigger' for imposition of the foster-care-payment ceiling from the current $266 million to $200 million, (2) eliminating the requirement that the triggering amount for title IV-B be included in an advance appropriation, (3) moving the base year for such a ceiling from 1978 to 1984, (4) reducing the adjustment factor for each state's allotment from the lesser of 10 percent or twice the Consumer Price Index (CPI) to the lesser of 5 percent or the CPI, (5) limiting foster-care appropriations for FY 1986 to $485 million, and (6) placing a one-year limit on submission of state claims, rather than the current two years allowed.

In 1980, I supported the enactment of the provisions in the current law which provide for placement of a ceiling on foster-care reimbursement when the funds appropriated for the child-welfare-services program authorized under title IV-B reached a certain level—currently $266 million. Those provisions were adopted after painstaking negotiations to achieve a formula which would encourage states to reduce unnecessary foster-care placements without hampering their ability to provide abused and neglected children with the foster-care protection that can be essential to their safety and well-being.

The 1980 law works.

That is evidenced by the report submitted last year by the Department of Health and Human Services. According to this report, the number of children in foster care in this country has been cut in half. The number of children leaving foster care for permanent adoptive homes has been steadily and dramatically increasing. The average length of time a child remains in foster care has been reduced by a full year.

We must not jeopardize the progress and success that has been achieved as a result of the 1980 law by cutting back funding for this program and altering the balance that was achieved in P.L. 96-272. The success of the 1980 law lies in great part in our recognition at that time that adequate federal funding was necessary to support provision of the services which would enable the states to do a better job of preventing unnecessary foster care.

I have worked for over a decade to achieve reforms in the federal child-welfare services system, to discourage unnecessary, prolonged foster-care placements, and to encourage adoptive placements as an alternative, where appropriate. However, I have been convinced from the start, and still am, that adequate support for necessary foster-care placements is an integral and vital component of any child-welfare services system.

Last month, I visited the overcrowded emergency shelter facility for abused and neglected children operated by Los Angeles County. I saw infants who were being housed in this institutional setting because the foster-care rates being paid were inadequate to find foster-family homes. I heard child protective services workers and law enforcement personnel describe the increasing number of cases of severely physically and sexually abused children coming to the attention of child-welfare authorities as a result of new child abuse reporting laws and procedures adopted by my state. These experts also uniformly indicated that the children in foster care today present more difficult and complex problems than ever before. It appears that many of the "easier" cases, quite appropriately, have been removed from the foster-care system as a result of the reforms implemented in the past several years.

Although we can justifiably rejoice in these results—which were intended by P.L. 96-272—we must not forget that for many children foster care is a necessary protective service. Cutting back on title IV-E foster-care assistance could well lead to such children being inappropriately or prematurely removed from foster care and returned to an unsafe environment.

I am also not at all persuaded that the Administration's other proposal contained in S. 1266, which would provide a $3,000 payment to those states whose foster-care placements have been reduced by at least three percent below the prior year for each child removed from foster care who has been in that care for more than 24 months, represents responsible child-welfare policy. Creating this kind of fiscal incentive could well encourage inappropriate placements being made. The P.L. 96-272 amendments placed great emphasis on the development of an individualized case plan to help reduce unnecessary or prolonged foster-care placements. That individualized approach is working; we ought not risk undermining our success by adopting a well-intended, but untested and highly questionable, arbitrary fiscal incentive approach which does not take into account the individual needs of the vulnerable children involved.

I believe the evidence is clear that the mechanisms and policies contained in the P.L. 96-272 amendments work. Although the two proposals in S. 1266 relating to improving the adoption-assistance components would be beneficial, any substantial changes in the other provisions enacted in P.L. 96-272 could very well undermine success under the existing law.

I strongly urge that you reject these latter changes.

Cordially,

Alan Cranston.

Mr. HATCH. Mr. President, today I am joining with Senator Cranston in introducing legislation designed to eliminate a particular barrier to the adoption of children with special needs. Currently, there are problems with providing Medicaid payments for many of these children, tending to prevent their adoption across State lines. These are not new problems, but there is no better time than now to correct them.

Our society has no difficulty finding qualified homes for healthy new-born infants. There are many parents waiting for each available baby. However, the situation is entirely different for special-needs children. These are children with physical or mental handicaps, children who are school age, minority children, and children in sibling groups. It is estimated that there are 50,000 children legally free for adoption lingering in foster care because of various public and private obstacles preventing their placement into permanent homes.

This summer, I chaired 2 days of hearings addressing the multiple barriers to adoption of these special-needs children. Both problems and solutions were explored. The Committee on Labor and Human Resources received testimony from witnesses wanting to adopt special-needs children as well as from representatives of public and private agencies responsible for the placement of these children. One Federal barrier cited by many witnesses can and must be addressed by Congress—that is the issue we are addressing today in this legislation.

This bill specifically addresses benefits provided to certain children pursuant to part E of title IV of the Social Security Act. Under current law, if a Medicaid-eligible child in foster care is adopted by parents residing in a different State or if the adopting family moves to another State after the adoption process is finalized, it is extremely difficult to retain Medicaid coverage because of disputes over which State is responsible. Because many special-needs children require extensive, ongoing medical treatment, the costs associated with their care are sometimes prohibitive. Therefore, uninterrupted, continued Medicaid coverage is critical, and, indeed, Congress has overwhelmingly endorsed this continued coverage. However, questions as to which State should continue payment of Medicaid have caused continued problems and heartaches for the families and children who want to be united through the means of adoption.

This legislation would correct the problem by specifying that children eligible for Medicaid within one State retain equal eligibility and coverage within the new resident State, regardless of whether that State was a party to the adoption process. Furthermore, the legislation would amend current law to allow Medicaid coverage to continue through the finalization of an adoption. Under current law, a gap in coverage occurs between the initiation and finalization of the adoption process.

A similar provision is contained in legislation currently before the Senate Finance Committee as part of a comprehensive policy change on the entire Foster Care Program. However, this adoption initiative is worthy of individual attention. It should be very noncontroversial and must be enacted as soon as possible. That is why I am joining others in introducing this bill and in strongly encouraging my colleagues to expedite its enactment.

This legislation is only one element in removing the many barriers to the adoption of children with special needs. But it is an important step. I urge my colleagues to join with me in this effort to improve the child welfare system of our country. We must accept the challenge to do everything possible to break down the barriers which thwart the placement of our Nation's "special needs" children.

By Mr. GRASSLEY:

S. 1629. A bill to amend the Tariff Act of 1930 to treat certain agricultural products as like products for purposes of antidumping and countervailing duty investigations; to the Committee on Finance.

APPLICATION OF ANTIDUMPING AND COUNTERVAILING DUTY STATUTES TO AGRICULTURAL PRODUCTS

● Mr. GRASSLEY. Mr. President, today I am introducing legislation which would amend the Tariff Act of 1930 to clarify the intent of Congress with regard to the application of the antidumping and countervailing duty statutes to agriculture products.

Specifically, this legislation would require the International Trade Commission, in cases determining whether or not imports are causing material injury to our domestic industry, to treat producers of raw initially processed agriculture products as members of the same industry, provided that the latter is produced in a "single continuous line of production" from the raw product.

My legislation covers all agriculture commodities, including livestock and other animals. It covers those instances where the raw product would have completely or substantially been devoted to the production of the processed product, and likewise, the processed product would have to be produced completely or substantially from the raw product. Producers of raw and initially processed products who otherwise manifested a high degree of economic interdependence would also be deemed to be members of the same industry.

The need for this legislation became apparent when on July 25, 1985, the U.S. International Trade Commission ruled, in its countervailing duty determination involving live swine and fresh, chilled and frozen pork from Canada, that hog producers and pork packers were not producers of a like product, and therefore not members of the same industry. The ITC drew this conclusion even though it agreed that fresh, chilled and frozen pork is produced from live swine through a single continuous line of production.

It should be noted that Congress, during its consideration of the 1979 Trade Agreements Act, emphasized the "special nature of agriculture" relative to the countervailing duty and the antidumping statutes. This legislative history can be found in Senate Report 96-209, 96th Congress, 1st session 88 (1979).

Based on this legislative history, the ITC has found producers of raw and processed commodities to be part of the same industry where there exists a single continuous line of production or other evidence of economic interdependence.

In sharp contrast, however, the Commission diverted from this line of reasoning and held that hog producers and pork packers were not producing a like product because there was not sufficient legal integration between producers and packers regardless of the economic interdependence.

What the Commission was apparently looking for was a legal connection among the industry such as instances of packing facilities being owned by producers or contractual relationships between hogs and pork prices.

Regardless of the reasoning for this major shift, the flaws of the outcome are obvious in light of the purpose of these laws. The ITC's mission was to determine if the U.S. pork industry is being materially injured by Canadian imports. The Commission found that material injury was created by the import of live Canadian hogs, but not by Canadian pork products. This logic is hard to understand since our producers must compete for the same consumer market, regardless whether that competition comes from live hogs or slaughtered hogs.

Hogs are transformed to fresh, chilled and frozen pork by a process (slaughter) which fully embodies the concept of the single continuous line of production as much or more than all other industries previously examined by the ITC.

Pork can only be produced from hogs. Hogs are completely devoted to the production of pork. And you can't make a silk purse out of a sow's ear. Moreover, the value of hogs represents approximately 90 percent of the value of fresh, chilled and frozen pork produced by pork packers. In short, it is hard to imagine an agriculture product whose producers are more closely aligned.

The Commission's decision is devasting not only to our pork producers, but also to other producers of agricultural products which come to the ITC for assistance in the future.

It is obvious how our pork producers will be affected. Since the ITC found injury resulting from only live imports and therefore imposed a duty of $3.21 per hundredweight on Canadian live imports, Canadian can easily circumvent the effects by simply slaughtering the hogs in Canada and ship the product to the United States in the form of fresh, chilled and frozen pork. The severe damage to our domestic producers will continue.

This injury has been substantial. The estimated impact of Canadian hog and pork imports on U.S. pork producers range from $1.19 to $2.97 per hundredweight in 1982; $1.12 to $2.80 per hundredweight in 1983; $1.86 to $4.67 per hundredweight in 1984; and $2.14 to $4.88 per hundredweight in 1985.

In short, since 1982 our pork producers have lost between $1 billion to over $2.5 billion because of unfairly subsidized Canadian pork imports. Now, after more than a year of investigation and hearings, the ITC has annouced a decision that recognizes this damage and agrees that countervailing duties are in order, but offers a ruling that undermines any hopes of resolving our problem.

Other agriculture producers may be affected in the same manner in the future if my legislation is not passed. In fact, some producers may even lack standing to bring a trade case in the first place if this ruling stands.

Under existing trade laws and treaties, we have a legal right to defend ourselves against unfair foreign trade subsidies. We cannot, however, afford to allow the ITC to misinterpret those laws and undermine those rights.

My legislation restores the rights of our producers to defenses against unfair trade practices. It will confirm the intent of Congress, as manifested in the 1979 legislative history, that raw and initially processed agricultural products whose producers are economically interdependent are to be

considered producers of a like product for the purposes of the trade laws. The bill does not expand current law beyond what was originally intended by Congress, nor does it represent an attempt to cover processed products which are not fully interdependent with the raw product in question.

I urge my colleagues in joining as cosponsors of my bill, and hope that the Senate Finance Committee can soon hold hearings and act favorably on this important legislation.●

By Mr. METZENBAUM (for himself, Mr. SASSER, Mr. LAXALT, and Mr. STENNIS):

S.J. Res. 194. Joint resolution to designate the week beginning October 1, 1985, as "National Buy American Week"; to the Committee on the Judiciary.

NATIONAL BUY AMERICAN WEEK

● Mr. METZENBAUM. Mr. President, I am today introducing a joint resolution to designate the first week of October 1985 as "National Buy American Week." Senators SASSER, LAXALT, and STENNIS join me in cosponsoring this joint resolution.

Our country today faces an unprecedented foreign challenge. That challenge doesn't come from foreign planes or troops or missiles.

No, Mr. President, we are under assault today by billions of dollars worth of imported products that have in recent years literally flooded the American market. And tragically, that all-out assault has disrupted industries, taken away millions of jobs, and caused pain and suffering for people in every part of the country.

As recently as 15 years ago, made-in-America products dominated U.S. and world markets.

In 1970, only 11 percent of the goods purchased by Americans bore foreign lables. Today, the percentage of imports purchased here has tripled.

In 1970, we had a trade surplus of $2.6 billion. Today, we are quickly approaching an unheard of trade deficit of $150 billion.

The flood of foreign imports—and our inability to sell sufficient goods overseas—threatens the very structure of our economy. This year alone, the mammoth trade deficit will reduce our gross national product by 2 percentage points and will result in the loss of as many as 3.75 million jobs.

Make no mistake, Mr. President, this disastrous trade imbalance is not the result of a decline in the quality of American goods or a lack of faith in the skills of American workers. Rather, it is tied directly to massive budget deficits, high interest rates, an overvalued dollar and the continued unfair trade practices of foreign governments.

I do not believe, Mr. President, that we can turn this situation around by the simple expedient of proclaiming a "Buy American Week."

I wish we could.

But one thing that this proclamation can accomplish is to remind the consumers of this country that every American has an interest in helping to create the prosperity that comes from a healthy and productive economy. And perhaps, Mr. President, this reminder will help Americans realize that the time has come to think of "we" instead of "me."

I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S. J. RES. 194

Whereas the Nation accumulated record merchandise trade deficits in 1982, 1983, and 1984, and a record deficit is predicted for 1985;

Whereas it is predicted that by the end of 1985 the United States will have become a debtor nation for the 1st time since the onset of World War I;

Whereas in many cases the prices of imported goods are artificially low because of illegal subsidies by foreign governments; and

Whereas record merchandise trade deficits cause loss of jobs, loss of productivity, loss of tax revenues, and a decline in the American standard of living: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning October 1, 1985, hereby is designated "National Buy American Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

By Mr. KASTEN:

S.J. Res. 195. Joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "National Temporary Services Week"; to the Committee on the Judiciary.

NATIONAL TEMPORARY SERVICES WEEK

Mr. KASTEN. Mr. President, I rise today, in recognition of the American temporary services industry. This relatively young industry is quickly growing into a significant business force, contributing 500,000 jobs and bringing 5 million people into the U.S. economy each year. It is therefore with honor that I introduce a joint resolution to designate the week of October 20 to 26, 1985, as "National Temporary Services Week."

The temporary help industry contributes to a strong economy as a labor intermediary and as a private sector employer. As an intermediary, it brings together workers and employers for temporary work assignments that benefit both. As a business, its companies employ temporary workers and create employment for those who might not otherwise be a part of the work force.

Over the past 10 years, the temporary services industry has distinguished itself as one of the nation's fastest growing sectors. According to the Bureau of Labor Statistics, the industry ranked third last year in terms of job growth and people entering the work force.

Recently, USA Today conducted an industry stock analysis which cited the temporary service sector's strong performance record and projected even greater future growth in these stocks.

How do these impressive statistics relate to the Nation's work force and the U.S. economy?

First, they generate a significant portion of the Nation's annual payroll. In 1984, the temporary services industry paid out over $5.5 billion in salaries.

Second, they contribute to a healthy business climate which will ensure continued growth in both earnings and employment.

Finally, they add up to greater tax revenue to the Federal Treasury.

Mr. President, the temporary services industry has built an impressive record. I believe that we should now take the time to recognize the contributions the industry has made to our Nation and to encourage its continued success.

I am particularly proud to sponsor this joint resolution because of the contributions the largest temporary service company, Manpower, Inc., has made to the State of Wisconsin. That organization alone employs over 200,000 people throughout the State.

No doubt there are temporary service companies and employees making great contributions in every State throughout the Nation. I urge my colleagues to join me in recognizing those companies and their employees by lending their support to National Temporary Services.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 195

Whereas the temporary services industry is the second fastest growing business sector in terms of job creation in the United States;

Whereas the temporary services industry employed over five million people at various times in 1984;

Whereas the temporary services industry payroll has increased between 1970 and 1984 from $547,000,000 to $6,000,000,000;

Whereas one out of every two hundred nonagricultural jobs in the United States was provided through temporary services in 1984; and

Whereas the temporary services industry provides flexibility for employers to meet short-term labor needs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States States of America in Congress assembled, That the week of October 20, 1985, through October 26, 1985, is designated as "National Temporary Services Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate conferences, programs, ceremonies, and activities.

By Mrs. HAWKINS:

S.J. Res. 196. Joint resolution designating September 22, 1986, as "American Business Women's Day"; to the Committee on the Judiciary.

AMERICAN BUSINESS WOMEN'S DAY

● Mrs. HAWKINS. Mr. President, today I am introducing legislation which requests the President to designate September 22, 1986, as "American Business Women's Day."

This day would not only afford American businesswomen the honor and recognition they deserve as vital participants in the business conmmunity, but would also be an encouragement to future young businesswomen anxious to seize new opportunities and meet the challenges of the business world.

This legislation has the full endorsement of the American Business Women's Association [ABWA] which is a national educational association dedicated to promoting professional and educational advancement of women. Deeply committed to the belief that education remains the key to aiding eager young women who are embarking on business careers, this association has developed a two-part educational program which consists of both a local and national scholarship program. Last year alone, the ABWA awarded nearly $2 million to 5,700 women. Since 1949, they have awarded more than $18 million in scholarships.

A primary strength of this association lies in the fact that these scholarship funds are awarded not only to women entering colleges, universities, or vocational training programs, but also to women who need to refresh job skills before reentering the work force and women who need certain courses in order to qualify for promotion and career advancement. Clearly, this is an organization that deserves not only recognition for their very worthy programs but also our gratitude for their hard work on behalf of American businesswomen. I hope that my colleagues will join me in this effort and in celebrating September 22, 1986, as American Business Women's Day.●

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. Cranston, the name of the Senator from Oregon [Mr. Packwood] was added as a cosponsor of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 104

At the request of Mr. Thurmond, the name of the Senator from New Mexico [Mr. Domenici] was added as a cosponsor of S. 104, a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing bullets.

S. 904

At the request of Mr. DeConcini, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 904, a bill to establish a Water Research Foundation, to include a water research planning center and a water information clearinghouse, to promote water research and to disseminate information relating to water resources.

S. 980

At the request of Mr. Trible, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of S. 980, a bill to amend title I of the Housing and Community Development Act of 1974.

S. 987

At the request of Mr. Exon, the names of the Senator from Alaska [Mr. Stevens], and the Senator from Florida [Mrs. Hawkins] were added as a cosponsors of S. 987, a bill to recognize the organization known as the "Daughters of Union Veterans of the Civil War 1861–65."

S. 1084

At the request of Mr. Sasser, his name was added as a cosponsor of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1127

At the request of Mr. Dixon, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of S. 1127, a bill to extend the Medicare prospective payment transition period.

S. 1214

At the request of Mr. DeConcini, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of S. 1214, a bill to amend section 215 of title 18, United States Code, to modify the state of mind requirements for certain bank bribery and related offenses.

S. 1292

At the request of Mr. Sasser, his name was added as a cosponsor of S. 1292, a bill to amend title VII of the Tariff Act of 1930 in order to apply countervailing duties with respect to resource input subsidies.

S. 1305

At the request of Mr. Trible, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of S. 1305, a bill to amend title 18, United States Code, to establish criminal penalties for the transmission by computer or other means, of matter pertaining to the sexual exploitation of children, and for other purposes.

S. 1406

At the request of Mr. DeConcini, the names of the Senator from Montana [Mr. Baucus], the Senator from North Dakota [Mr. Burdick], and the Senator from North Dakota [Mr. Andrews] were added as cosponsors of S. 1406, a bill to make permanent the formula for determining fees for the grazing of livestock on public rangelands.

S. 1510

At the request of Mr. Andrews, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of S. 1510, a bill to eliminate restrictions on the taxing power of the States to impose, collect, and administer State and local sales and use taxes on sales in interstate commerce.

S. 1537

At the request of Mr. Nickles, the names of the Senator from Wyoming [Mr. Wallop], and the Senator from Mississippi [Mr. Cochran] were added as cosponsors of S. 1537, a bill to amend title IV of the Higher Education Act of 1965 to provide standards for students for maintaining satisfactory progress as a condition for assistance under that title.

S. 1570

At the request of Mr. Nickles, the names of the Senator from South Dakota [Mr. Pressler], and the Senator from Virginia [Mr. Warner] were added as cosponsors of S. 1570, a bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that act relating to maximum hours, to clarify the application of that act to volunteers, and for other purposes.

S. 1600

At the request of Mr. Heinz, the name of the Senator from Tennessee [Mr. Sasser] was added as a cosponsor of S. 1600, a bill to provide that certain of the Social Security trust funds be excluded from the Federal budget process for fiscal years beginning on or after October 1, 1985, and to clarify that specifications and directions with respect to such trust funds may not be included in any concurrent resolution on the budget adopted with respect to fiscal years beginning after such date.

SENATE JOINT RESOLUTION 2

At the request of Mr. Hatch, the name of the Senator from South Carolina [Mr. Thurmond] was added as a cosponsor of Senate Joint Resolution 2, a joint resolution proposing an amendment to the Constitution of the United States relating to voluntary silent prayer or reflection.

SENATE JOINT RESOLUTION 132

At the request of Mr. Danforth, the names of the Senator from Missouri

[Mr. Eagleton], and the Senator from Tennessee [Mr. Gore] were added as cosponsors of Senate Joint Resolution 132, a joint resolution designating October 1985, as "National Head Injury Awareness Month."

SENATE JOINT RESOLUTION 149

At the request of Mr. Dixon, the names of the Senator from Georgia [Mr. Nunn], the Senator from Michigan [Mr. Levin], the Senator from North Carolina [Mr. East], the Senator from North Carolina [Mr. Helms], the Senator from Texas [Mr. Bentsen], the Senator from Nevada [Mr. Laxalt], the Senator from Arkansas [Mr. Pryor], the Senator from New Mexico [Mr. Domenici], the Senator from Mississippi [Mr. Stennis], the Senator from Maine [Mr. Mitchell], the Senator from Alabama [Mr. Denton], and the Senator from Tennessee [Mr. Gore] were added as cosponsors of Senate Joint Resolution 149, a joint resolution to designate the week of September 15, 1985 through September 21, 1985, as "National Dental Hygiene Week."

SENATE JOINT RESOLUTION 155

At the request of Mr. Packwood, the names of the Senator from Idaho [Mr. McClure], and the Senator from Michigan [Mr. Levin] were added as cosponsors of Senate Joint Resolution 155, a joint resolution to designate the month of November 1985 as "National Hospice Month."

SENATE JOINT RESOLUTION 174

At the request of Mr. Heinz, the names of the Senator from Mississippi [Mr. Stennis], and the Senator from Maine [Mr. Cohen] were added as cosponsors of Senate Joint Resolution 174, a joint resolution to designate November 18, 1985, as "Eugene Ormandy Appreciation Day."

SENATE JOINT RESOLUTION 175

At the request of Mr. Proxmire, the names of the Senator from Ohio [Mr. Glenn], and the Senator from Alabama [Mr. Denton], the Senator from Virginia [Mr. Warner], and the Senator from Idaho [Mr. Symms], were added as cosponsors of Senate Joint Resolution 175, a joint resolution to designate the week of August 25, 1985, through August 31, 1985, as "National CPR Awareness Week."

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. Cranston, the names of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of Senate Concurrent Resolution 20, a concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation.

SENATOR CONCURRENT RESOLUTION 51

At the request of Mr. Dixon, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of Senate Concurrent Resolution 51, a concurrent resolution to congratutate the Society of Real Estate Appraisers on the 50th anniversity of its founding.

SENATE RESOLUTION 219—CONDEMNING THE KIDNAPING OF PRESIDENT DUARTE'S DAUGHTER

Mr. KENNEDY (for himself, Mr. Lugar, Mr. Biden, Mr. Pell, and Mr. Boren), submitted the following resolution; which was ordered held at the desk until the close of business on September 12, 1985.

S. Res. 219

Whereas the oldest daughter of President Jose Napoleon Duarte of El Salvador, Mrs. Ines Guadelupe Duarte Duran, was assaulted and kidnapped yesterday in her home city of San Salvador;

Whereas the people responsible for the kidnapping are armed terrorists, in the course of the kidnapping, killed a driver and wounded a bodyguard; and

Whereas such acts of terrorism against innocent civilians deserve the condemnation of all civilized peoples throughout the world;

Resolved, It is the sense of the Senate that:

The kidnapping of President Duarte's daughter is to be deplored in the strongest possible terms;

The individuals responsible for this unconscionable and unwarranted act of terrorism are to be condemned;

The sympathy and prayers of the American people are with the Duarte family and with the people of El Salvador during this ordeal; and

The individuals responsible for this crime should release Ines Guadelupe Duarte Duran immediately and safely;

The President of the United States should provide whatever assistance the government of El Salvador or the Duarte family may request to achieve the safe return of Mrs. Duarte Duran and to bring the kidnappers to justice.

SENATE RESOLUTION 220—APPOINTING A SPECIAL DELEGATION TO HOST A DELEGATION FROM THE PEOPLE'S REPUBLIC OF CHINA

Mr. SIMPSON (for Mr. Dole) (for himself and Mr. Byrd) submitted the following resolution; which was considered and agreed to.

S. Res. 220

Resolved, that the President of the Senate, upon consultation with the Majority Leader and Minority Leader, is authorized to appoint a special delegation of Members of the Senate to host a delegation of members of the Standing Committee of the National People's Congress of the People's Republic of China. The Majority Leader and Minority Leader of the Senate shall serve as co-chairmen of such special delegation.

Sec. 2. (a) The expenses of the special delegation referred to in the first section, including expenses of staff members designated by the co-chairmen to assist such delegation, shall not exceed $50,000 and shall be paid from the contingent fund of the Senate upon vouchers approved by the co-chairmen of such delegation.

(b) For purposes of subsection (a), the expenses of such delegation shall include such special expenses as the co-chairmen may deem appropriate, including reimbursements to any officer or agency of the Government for—

(1) expenses incurred on behalf of such delegation;

(2) compensation (including overtime) of employees officially detailed to such delegation; and

(3) expenses incurred in connection with providing appropriate hospitality, including such expenses incurred by the Secretary of the Senate before the date of adoption of this resolution.

(c) The Secretary of the Senate is authorized to advance funds to the co-chairmen of such delegation in the same manner provided for committees of the Senate under authority of Public Law 118, Eighty-first Congress, approved June 22, 1949.

AMENDMENTS SUBMITTED

IMMIGRATION AND NATIONALITY ACT REFORM

SIMON AMENDMENT NO. 591

Mr. SIMON proposed an amendment, which was subsequently modified, to the bill (S. 1200) to amend the Immigration and Nationality Act to effectively control unauthorized immigration to the United States, and for other purposes; as follows:

On page 104, line 9, strike 3,000 and insert 5,000.

On page 104, line 11, strike out "3,000" and insert in lieu thereof "5,000".

On page 104, line 13, strike 3,000 and insert 5,000.

WILSON AMENDMENT NO. 592

(Ordered to lie on the table.)

Mr. WILSON submitted an amendment intended to be proposed by him to the bill S. 1200, supra; as follows:

On page 68, between lines 5 and 6, insert the following new section:

SEC. 125. SEASONAL AGRICULTURAL WORKER PROGRAM.

(a) Providing New "O" Nonimmigrant Classification for Seasonal Agricultural Workers.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by this Act, is further amended—

(1) by inserting "and other than seasonal agricultural services in perishable commodities described in section 217(h)(1)" in subparagraph (H)(ii) after "section 216(h)(1)";

(2) by striking out "or" at the end of subparagraph (M);

(3) by striking out the period at the end of subparagraph (N) and inserting in lieu thereof "; or"; and

(4) by adding at the end the following new subparagraph:

"(O) an alien having a residence in a foreign country which he has no intention of abandoning who is coming to the United States to perform seasonal agricultural services in perishable commodities (as defined in section 217(h)(1)).".

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(b) Admission of Seasonal Agricultural Workers.—Chapter 2 of title II is amended by adding after section 216 the following new section:

"SEC. 217. ADMISSION OF SEASONAL AGRICULTURAL WORKERS.

(a) Establishment of Seasonal Agricultural Worker Program.—The Attorney General, in consultation with the Secretary of Agriculture and the Secretary of Labor, shall by regulation establish a program (hereafter in this section referred to as 'the program') for the admission into the United States of seasonal agricultural workers (as defined in section 217(hX2).

"(b) Admission of Seasonal Agricultural workers.—A petition to import an alien as a seasonal agricultural worker (as defined in section 217(hX2)) may not be approved by the Attorney General unless the petitioner certifies to the Attorney General the following:

"(1) Seasonal agricultural employer in perishable commodities.—

"(A) Nature of petitioner.—The petitioner employs (or contracts for the employment of) indivuduals in seasonal agricultural services in perishable commodities, or is an association representing such employers or contractors.

"(B) Requirements of petitions.—For each month concerned and for each agricultural employment region (designated under section 217(iX1)) in which the petitioner is operating, the petition must specify—

"(i) the total number and qualifications of individuals in seasonal agricultural services in perishable commodities required in each month, and

"(ii) the type of agricultural work required to be performed by these workers.

"(2) Will make recruiting effort.—The petitioner will make a good faith effort to recruit (as required by the Attorney General in regulations) in the area of intended employment, including the listing of employment opportunities with the appropriate office of a governmental employment service, and will accept for employment able, willing, and qualified workers referred by such office to perform seasonal agricultural services in perishable commodities until the commencement of the seasonal agricultural services for which the petitioner has recruited.

"(3) Report on recruitment.—In the case of a petitioner that has employed seasonal agricultural workers during the previous 12 months, the petitioner will provide a summary of his efforts to recruit domestic workers to perform seasonal agricultural services in perishable commodities during that period.

"(4) Adequate working conditions.—The petitioner will provide such wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed.

"(5) Housing.—The petitioner will furnish housing for nonimmigrants described in section 101(aX15XO) or, at the petitioner's option and instead of arranging for suitable housing accommodations, will substitute payment of a reasonable housing allowance to the provider of the housing, but only if the housing is otherwise available within the approximate area of employment.

"(6) Notice to attorney general of employment.—The petitioner will notify the Attorney General of the entering into, or termination, of an employment relationship with a seasonal agricultural worker not later than 72 hours of the time the relationship is entered into or terminated.

"(7) Employment only in seasonal agricultural employment in perishable commodities.—The petitioner will not employ a seasonal agricultural worker for services other than seasonal agricultural employment in perishable commodities.

"(8) Limitation on the use of "o" workers in perishable commodities.—The petitioner will not employ (or petition for the employment) of a nonimmigrant in any job opportunity under section 101(aX15XO) for seasonal agricultural services in perishable commodities when an application for employment in that job opportunity under section 101(aX15XN) is pending or approved.

"(9) Job information disclosure to "o" workers.—The petitioner shall, upon request, disclose in writing to seasonal agricultural workers when an offer of employment is made, the place of employment, the wage rates, the employee benefits to be provided, and any costs to be charged for each of them, the crops and kinds of activities for which the worker may be employed, and the anticipated period of employment.

"(c) Suspension of Certification.—The Attorney General shall suspend a petitioner's certification under subsection (b) if any of the following conditions exist:

"(1) Labor dispute.—There is a strike or lockout in the course of a labor dispute which, under the regulations, precludes such certification.

"(2) Violation of term of previous certification.—

"(A) In general.—The employer at any time during the previous two-year period employed seasonal agricultural workers and the Attorney General has determined, after notice and opportunity for a hearing, that the employer at any time during that period—

"(i) substantially violated an essential term or condition of the labor certification under subsection (b) with respect to the employment of domestic or nonimmigrant workers, or

"(ii) has not paid any penalty for such violations which have been assessed by the Attorney General.

"(B) Disqualification limited to one year.—No employer may have its certification suspended under clause (A) for more than one year for any violation described in that clause.

"(3) Not providing for workers' compensation.—The employer has not provided the Attorney General with satisfactory assurances that if the employment for which the certification is sought is not covered by State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

"(d) Roles of Agricultural Associations.—

"(1) Permitting filing by agricultural associations.—A petition to import an alien as a seasonal agricultural worker, and a labor certification with respect to such a worker, may be filed by an association representing seasonal agricultural employers which use agricultural services.

"(2) Treatment of associations acting as employers.—If such an association is a joint or sole employer of seasonal agricultural workers, the certifications obtained under this section by the association may be used for the job opportunities of any of its members requiring such workers to perform agricultural services of a seasonal nature for which the certifications were obtained.

"(3) Treatment of violations.—

"(A) Member's violation does not necessarily disqualify association or other members.—If an individual member of such an association is determined to have committed an act that under subsection (cX2) results in the suspension of certification with respect to the member, the suspension shall apply only to that member and does not apply to the association unless the Attorney General determines that the association or other member participated in, or had knowledge of and derived benefit from, the violation.

"(4) Association's violation does not necessarily disqualify members.—If an association representing agricultural employers as an agent, joint employer, or employer is determined to have committed an act that under subsection (cX2) results in the suspension of certification with respect to the association, the suspension shall apply only to the association and does not apply to any individual member of the association unless the Attorney General determines that the member participated in, or had knowledge of and derived benefit from, the violation.

"(e) Expedited Administrative Appeal of Suspension of Certification Under Subsection (cX2)—

"(1) Expedited procedures.—The Attorney General shall provide for an expedited procedure for the review of a suspension of certification under subsection (cX2) or, at the applicant's request, for a de novo administrative hearing respecting the suspension. In the case of a request for such a review or hearing, the Attorney General shall provide that the review or hearing take place not later than 72 hours after the time the request is submitted.

"(f) Hearing De Novo Before the U.S. District Court.—

"(1) Jurisdiction.—On complaintant, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in the District of Columbia, has jurisdiction to enjoin the Attorney General from suspending the complainant's certification under the program and to order the reinstatement of complainant's certification if it is improperly suspended. In such a case, the court shall determine the matter de novo and the burden is on the Attorney General to sustain his suspension.

"(2) Precedence of cases.—Except as to cases the court considers of greater importance, proceedings before the district court, as authorized by this and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

"(g) Miscellaneous Provisions.—

"(1) Authority.—The Attorney General is authorized to take such actions, including imposing appropriate penalties and seeking appropriate injunctive relief and specific performance of contractual obligations, as may be necessary to assure employer compliance with terms and conditions of employment under this section.

"(2) Appropriate documentation.—The Attorney General shall provide for such endorsement of entry and exit documents of seasonal agricultural workers as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(3) Preemption.—The provisions of subsections (a) and (c) of section 214 and the provisions of this action preempt any State

or local law regulating admissibility of nonimmigrant workers.

"(h) Definitions.—For purposes of this section:

"(1) Seasonal agricultural services in perishable commodities.—The term 'seasonal agricultural services in perishable commodities' means services in agricultural employment (as defined in section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)) involving perishable commodities (as defined by regulations of the Secretary of Agriculture).

"(2) Seasonal agricultural worker.—The term 'seasonal agricultural worker' means a nonimmigrant described in section 101(a)(15)(O).

"(3) Caribbean basin.—The terms 'Caribbean Basin' and 'Caribbean Basin Countries' include those countries eligible to be designated by the President as 'beneficiary countries' under section 212(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(b)).

"(i) Establishment of numerical limitations by agricultural employment region.—

"(1) Establishment of agricultural employment region.—For purposes of the administration of the program the Attorney General shall designate not more than 10 agricultural employment regions within the United States. The entire United States shall be encompassed by the area of all such regions.

"(2) Numerical limitations.—After considering the factors described in paragraph (3), if the Attorney General determines that seasonal agricultural workers are required for a month for an agricultural employment region, the Attorney General shall establish a numerical limitation on the number of nonimmigrant visas that may be issued for such workers for that month for that region.

"(3) Factors in determination.—In making the determination and establishing numerical limitations under paragraph (2), the Attorney General shall—

"(A) base the determinations and limitations on petitions filed under section 217(bX1),

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(dX1XA), and

"(D) consult with the Secretary of Agriculture.

"(4) Numerical limitations after three years.—The Attorney General shall establish at the end of the third year after the effective date of this Act, a numerical limit on the total number of seasonal agricultural workers to be admitted into all employment regions in the United States under the program at any given time. In establishing a numerical limit under this paragraph, the Attorney General shall—

"(A) consider petitions filed under section 217(bX1) during the preceding years of the program,

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts under taken by the Secretary of Labor under section 404(dX1XA),

"(D) consult with Secretary of Agriculture, and

"(E) consider the recommendation of the Commission on Agricultural Worker Programs on a numerical limit as provided under section 124(cX5).

"(5) Changes in numerical limitations in extraordinary circumstances.—

"(A) Inadequate monthly and regional limitations.—If—

"(i) a numerical limitation has been established under paragraphs (2) or (4) for a region for a month, and

"(ii) a petitioner described in section 217(b)(1) establishes that extraordinary and unusual circumstances have resulted in a significant change in the petitioner's need for seasonal agricultural workers specified in the petition or in the availability of domestic workers who are able, willing, and qualified to perform seasonal agricultural employment, the petitioner may apply to the Attorney General (in such form and manner as the Attorney General shall provide) for an increase in the numerical limitations otherwise established under paragraphs (2) and (4) to accommodate the circumstances.

"(B) Determination.—The Attorney General shall make a determination on such an application within 72 hours of the date the application is completed. To the extent the application is approved, the Attorney General shall provide for an appropriate increase in the appropriate monthly and regional numerical limitation. The Attorney General may expand the number of workers admitted into the region for which the application is approved by transferring seasonal agricultural workers from another region with a lesser need or by admitting additional workers from foreign countries. In the event the limit on the admission of seasonal agricultural workers for all regions in the United States established under paragraph (4) has been reached at the time the application alleging extraordinary and unusual circumstances is filed, the Attorney General shall follow the procedures in subparagraph (C).

"(C) Increase in the numerical limitation established by the attorney general.—If—

"(i) a numerical limitation on the admission of seasonal agricultural workers into all employment regions has been established by the Attorney General under paragraph (4) and

"(ii) a petitioner described in section 217(bX1) establishes under the provisions of subparagraphs (A) and (B) that extraordinary and unusual circumstances require an increase in the numerical limitation, the Attorney General may provide for an increase in the appropriate numerical limitation in an amount not to exceed 20 percent of the total number authorized for admission into all regions. Any such increase authorized by the Attorney General shall terminate upon the end of circumstances requiring it and shall not result in a permanent expansion of the numerical limit established by the Attorney General under paragraph (4).

"(j) Entry of Seasonal Agricultural Workers.—

"(1) Annual time limitation.—An alien may not be admitted to the United States as a seasonal agricultural worker under section 101(a)(15)(O) for a period of more than nine months in any calendar year. An alien admitted under section 101(a)(15)(O) during any calendar year will not be eligible for readmission into the United States until he has returned to his country of origin for a period of 3 months.

"(2) Violators disqualified for 5 years.—An alien may not be admitted to the United States as a seasonal agricultural worker if the alien was admitted to the United States as such a worker within the previous five-year period and the alien during that period violated a term or condition of such previous admission.

"(k) Wages and Working Conditions.—The Attorney General, in consultation with the Secretaries of Agriculture and Labor, shall establish through regulation appropriate wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed in the area of intended employment.

"(l) Allocation and use of visas under the program.—

"(1) In general.—Nonimmigrant visas for seasonal agricultural workers, within the numerical limitations established under subsection (iX2), shall be made available as follows:

"(A) Previous workers.—Visas shall first be made available to qualified nonimmigrants who have previously been admitted as seasonal agricultural workers and who have fully complied with the terms and conditions of any such previous admission, providing priority in consideration among such aliens in the order of the length of time in which they were so employed.

"(B) Others.—Any remaining visas shall be made available to other qualified nonimmigrants.

"(C) Treatment of spouses and children.—A spouse or child of a seasonal agricultural worker is not entitled to a nonimmigrant visa as such a worker by virtue of such relationship, whether or not accompanying or following to join the nonimmigrant, but may be provided a nonimmigrant visa as such a worker if the spouse or child is qualified as such a worker.

"(D) No individual employer visa petition required.—An alien admitted pursuant to section 101(aX15XO) shall not be required to obtain any petition from any prospective employer within the United States in order to obtain a nonimmigrant visa under the program.

"(E) No limitation to particular employer or crop.—A nonimmigrant visa issued under the program shall not limit the geographical area (other than by agricultural employment region) within which a seasonal agricultural worker may be employed or limit the type of seasonal agricultural employment services, in perishable commodities, the worker may perform.

"(F) Disqualification from federal assistance.—A seasonal agricultural worker under the program is not eligible for any program of financial assistance under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government.

"(G) Allocation of visas to caribbean basin countries.—The Attorney General, in consultation with the Secretaries of State and Agriculture, shall establish through regulations the allocation of visas to workers in specific countries under this section. A percentage of the visas issued shall be allocated to qualified workers in countries located in the Caribbean Basin.

"(m) Trust Fund for Program Administration.—

"(1) Establishment.—The Attorney General shall establish by regulation a trust fund the purpose of which is to provide funds for the administration of the program and to provide a monetary incentive for seasonal agricultural workers in the program to return to their country of origin upon expiration of their visas under the program. The Attorney General shall promulgate such other regulations as may be necessary to carry out this subsection.

"(2) Payments into trust fund.—In the case of employment of a seasonal agricultural worker under the program—

"(A) Employer payment.—The employer shall provide for payment into the trust fund established under this subsection of an amount equivalent to 11 percent of the wages of the worker.

"(B) Worker payment.—There shall be deducted from the wages of the nonimmigrant and paid into such trust fund an amount equivalent to 20 percent of the wages of the worker.

"(C) Wages defined.—For purposes of this paragraph, the term 'wages' has the meaning given such term in section 3121(a) of the Internal Revenue Code of 1954, except that for these purposes paragraph (1) of that section shall not apply.

"(3) Use of amounts in trust fund.—

"(A) Employer payments and interest.—Except as provided in paragraph (B), amounts paid into the trust fund, and interest thereon, shall be used for the purpose of administering the program.

"(B) Worker payments.—Amounts described in paragraph (B) paid into the trust fund with respect to a worker and interest thereon shall be paid to the worker if—

"(i) the worker applies for payment within 30 days of the last day of employment under the program (as verified by the Attorney General) at the United States consulate nearest the worker's residence in the country of origin, and

"(ii) the worker complies with the terms and conditions of the program, including the obligation to be continuously employed (or actively seeking employment) in seasonal agricultural employment in perishable commodities.

"(4) Expansion of consulates.—The Secretary of State is authorized to take such steps as may be necessary in order to expand and establish consulates in foreign countries in which aliens are likely to apply for nonimmigrant status under the program.".

(c) Authorization of Appropriations.—Section 404 (8 U.S.C. 1101), as amended by sections 101(b) and 102(b) of this Act, is further amended by adding at the end the following new subsections:

"(d) Authorizations of Appropriations for Secretary of Labor.—(1) There are authorized to be appropriated to the Secretary of Labor or each fiscal year, beginning with fiscal year 1986, $10,000,000 for the purposes—

"(A) of recruiting domestic workers for temporary services which might otherwise be performed by seasonal agricultural workers described in section 217, and

"(B) of monitoring terms and conditions under which such temporary and seasonal agricultural workers (and domestic workers employed by the same employers) are employed in the United States.

"(e) Authorization of Appropriations for Secretary of Agriculture.—There are authorized to be appropriated for each fiscal year, beginning with fiscal year 1986, such sums as may be necessary for the purposes of enabling the Secretary of Agriculture to carry out the Secretary's duties and responsibilities under section 217.".

(d) Prohibiting Adjustment of Status of Temporary Agricultural Workers.—(1) Section 245(c) (8 U.S.C. 1255(c)), as amended by sections 113(a) and 122(e)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(4) An alien (other than an immediate relative specified in section 210(b)) who entered the United States classified as a nonimmigrant under section 101(a)(15)(O).

(2) Section 248(1) (8 U.S.C. 1258(1)), as amended by section 122(e)(2), is further amended by striking out "(K) or (N)" and inserting in lieu thereof "(K), (N), or (O).".

(e) Effective Date.—The amendments made by subsections (a), (b), (c), and (d) of this section apply to petitions and applications filed under section 217 of the Immigration and Nationality Act on or after the first day of the twelfth month beginning after the date of the enactment of this Act (hereafter in this section referred to as the "effective date").

(f) Regulations.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall approve all regulations to be issued implementing sections 101(a)(15)(O) and 217 of the Immigration and Nationality Act. Notwithstanding any other provision of law, final regulations to implement such sections shall first be issued, on an interim or other basis, not later than the effective date.

(9) Deportation of Seasonal Agricultural Workers for Failure to be Employed or Seek Employment.—Section 241(a) (8 U.S.C. 1251(a)) is amended—

(1) by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or "; and

(2) by adding at the end the following new paragraph:

"(20) entered the United States as nonimmigrants under section 101(a)(15)(O) and failed to be continuously employed or actively seeking employment in seasonal agricultural employment in perishable commodities (as defined in section 217(h)(1) in accordance with the usual and customary employment patterns and practices.".

(h) Sense of Congress Respecting Advisory Commission.—It is the sense of Congress that the President should establish an advisory commission which shall consult with the Government of Mexico and the governments of other appropriate countries and advise the Attorney General regarding the operation of the seasonal agricultural worker program established under section 217 of the Immigration and Nationality Act.

(i) Conforming Amendment to Table of Contents.—The table of contents is amended by inserting after the item relating to section 216, as added by section 122(h), the following new item:

"Sec. 217. Seasonal agricultural worker program.".

On page 2, in the table of contents of the bill, insert after the item relating to section 124 the following new item:

Sec. 125. Seasonal agricultural worker program.

On page 37, line 12, insert ", 101(a)(15)(O)," after "101(a)(15)(N)".

On page 60, line 1, insert "or 217" after "section 216".

On page 60, line 3, strike out "such section" and insert in lieu thereof "section 216 or subsection (b)(4) of section 217, as the case may be,".

On page 63, line 6, insert "and section 217" after "section 216".

On page 64, between lines 14 and 15, insert the following:

"(3) The Commission shall specifically review the following with respect to the seasonal agricultural worker program under section 217 of the Immigration and Nationality Act:

"(A) The standards described in subsections (b) (2), (3), and (4) of that section for the certification respecting seasonal agricultural workers.

"(B) What is the proper length of time and proper mechanism for the recruitment of domestic workers before importation of such foreign workers.

"(C) Whether current labor standards offer adequate protection for domestic and foreign agricultural workers.

"(D) The availability of sufficient able, willing, and qualified domestic workers to meet the needs of agricultural employers.

"(E) The appropriate limit on the number of seasonal agricultural workers who may be imported into all agricultural regions in the United States at any given time, taking into consideration all relevant data, including that resulting from the experience of the Agricultural Labor Transition Program.".

On page 64, line 16, strike out "two years" and insert in lieu thereof "three years".

On page 64, line 19, insert "and seasonal" after "temporary".

On page 64, line 20, strike out "program under section 216" and insert in lieu thereof "programs under sections 216 and 217".

On page 64, line 24, strike out "subsection (b)(2)" and insert in lieu thereof "subsections (b) (2) and (3)".

On page 65, line 2, insert "and seasonal" after "temporary".

On page 65, between lines 12 and 13, insert the following:

"(5) on the appropriate limit on the number of seasonal workers who may be imported into all agricultural regions in the United States at any given time after section 217.

"(6) on the need to continue, improve, or eliminate the seasonal agricultural worker program established under section 217.

On page 66, on lines 11 and 12, strike out "in consultation with the Vice Chairman" and inserting in lieu thereof "in accordance with rules agreed upon by the Commission".

On page 68, line 4, strike out "27 months" and insert in lieu thereof "39 months".

On page 104, lines 20 and 21, strike out "216 (added by section 122(c)" and insert in lieu thereof "217 (added by section 125(b)".

On page 104, line 24, strike out "Sec. 217." and insert in lieu thereof "Sec. 218.".

On page 112, line 22, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 7, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 15, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 18, strike out "section 216 (added by section 122(f)" and insert in lieu thereof "section 217 (added by section 125(i)".

On page 113, between lines 19 and 20, strike out "Sec. 217." and insert in lieu thereof "Sec. 218.".

On page 114, line 9, strike out "paragraph (15)(O)" and insert in lieu thereof "paragraph (15)(P)".

On page 114, lines 22 and 23, strike out "paragraph (15)(O)" and insert in lieu thereof "paragraph (15)(P)".

On page 116, line 6, strike out "section 122(a)" and insert in lieu thereof "sections 122(a) and 125(b)".

On page 116, line 7, strike out "subparagraph (M)" and insert in lieu thereof "subparagraph (N)".

On page 116, line 8, strike out "subparagraph (N)" and insert in lieu thereof "subparagraph (O)".

On page 116, line 11, strike out "(O)(i)" and insert in lieu thereof "(P)(i)".

On page 121, line 10, strike out "section 217" and insert in lieu thereof "section 218".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, September 11, from 3:00 p.m. until 4:30 p.m., to mark up S. 616, the farm bill, and related issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON COMMUNICATIONS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Subcommittee on Communications of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Wednesday, September 11, to conduct a meeting on the competition in the long-distance telephone markets.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, September 11, in order to receive testimony concerning nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, September 11, to hold a hearing on S. 1527, the Civil Service Reform Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

PROTECTIONIST LEGISLATION

● Mr. GOLDWATER. Mr. President, many Members of Congress say many things when they were home during the recess. Some of these matters were clearly understood. Others might be a little bit misinterpreted. I spent my recess in my home State and in several other States, visiting military establishments, and wherever I went, the issues were the deficit and balancing the budget or approaching it. There was no great interest in South Africa. There was no expressed great interest in excluding foreign trade. In fact, there was more interest in the economy—the way it has been more or less burgeoning and the reasons for it—which are very clearly a return on the part of young people to those habits and practices that made America the great economic power it once was.

Now, we return and the Congress is once again in session. And what do we find? Some 300 different bills that may be introduced to protect American industry and American business. We find a continuing interest on the part of some to weaken the defense of this country. Why can we not get down to work and do what the American people think we should be doing? Isn't is about time that we in the Congress recognize the fact that America is no longer the dominant economic world power? Isn't it important that we recognize that our chances of becoming that again are on the remote side? Isn't it time we become honest with ourselves and our constituents and admit that this country lost its economic power because of a decline in our management ability, a decline in our willingness to risk our money, and most of all because of a decline in the productivity of our workers, brought on by the excessive power of unions?

Look at any country in this world that is becoming successful in an economic way and you find their percentage of productivity far, far ahead of the United States. Is cutting off trade with some country going to correct that? No. Other countries will take those countries' place. This country can get along in this world of competition exceedingly well, if not perfectly well, if we quit looking to the Federal Government to solve all our problems; if we listen to the young entrepreneurs of our country who are saying to the Federal Government, "Get off my back. I can make money the old fashioned way, I earn it."

America has changed. The world has changed. Everything is changing and that is not going to stop. Before the U.S. economy winds up at the bottom of the pile, I plead with my colleagues, I plead with those special interest groups around this country, let this great free economy roll. Get off its back. Let it make money. And, let's get this Government in the shape it should be in and not the dangerous terrible shape we find it in today.

In the Wall Street Journal of Tuesday, September 10, appeared a very excellent editorial entitled "The Thundering Herd," and that title should give you an idea of who they are referring to—us.

I ask that this editorial be printed in the Record.

The editorial follows:

[From the Wall Street Journal, Tuesday, Sept. 10, 1985]

THE THUNDERING HERD

It was only necessary for Congress to return to Washington to remind us what a peaceful month August had been. And what a prosperous month. The American economy added something over 300,000 jobs as American industry restaged itself for a strong autumn selling season. Even with summer not yet over, Americans streamed into the auto dealerships in late August to buy new cars at a 71% faster clip than a year ago.

But what did we hear from those returning congresspersons? We heard that things were really terrible out there in the country and that the only cure would be to protect American workers from having to compete with all those non-Americans around the world who speak strange tongues, eat raw fish, hold their forks in their left hands, play futbol instead of football and listen to Lohengrin rather than Lauper on their lunch hours. Congress, it seems, returned from holiday determined to exploit the politics of xenophobia, hatred of all things foreign.

That determination will be manifested, if you believe the news reports out of Washington, in violent behavior. More than 300 protectionist bills will be brought forth seriatim in the House with each sponsor vowing to lie down on the tracks in front of a speeding presidential veto if necessary. Sponsors of a 15% import surcharge say they won't rest until American consumers have been made to pay the $32 billion the Federal Reserve Bank of Cleveland estimates this levy will cost. The president's promise over the weekend that he will press Japan, Brazil and Korea to open up markets for cigarettes, insurance and computers and will strong-arm the Common Market into letting in canned fruit is being scoffed at as "cosmetic" by the congressional protectionists.

What the returning congressmen don't understand, but will soon find out, is that if they really mix it up with the president on this issue, they will lose. On their side they have some antiquated industries and a beleaguered labor movement. On the president's side are 240 million consumers, men, women and children, who have all the usual consumer wants and needs—things like food, transportation and clothing.

American consumers are not xenophobes. They love things foreign. They love Sonys, brie cheese, BMWs, Colombian coffee, Indian tea, Irish woolens, Scotch whisky, Vespa scooters, Portuguese sardines, Argentine corned beef, New Zealand lamb, Mexican tomatoes, Canadian bacon. They also love Detroit cars, California oranges, New York PCs, Kansas City steaks and Indiana prefabs. Americans, except for those few who have just come back to Washington from whatever planet they were inhabiting in August, know one thing: They are living and working in an international economy. They see its artifacts around them very day and they know, instinctively if in no other way, that their lives have been materially enriched by what this awesome international network produces and distributes.

Legislators miss this obvious truth so easily because they are preoccupied with such issues as law, national sovereignty, and, not least, the campaign contributions that come in from American producers who want special privileges or protections. They have been told, time and time again, that interference with the world's commerce is an invitation to economic disaster, but they persist, for the reasons mentioned above, in ignoring that truth.

The president understands it very well. His new Special Trade Representative, Clayton Yeutter, went on the David Brinkley show Sunday and declared to all and sundry that he was wearing foreign-made shoes. "This administration is not at all interested in aiding industries that really give no hope of being price competitive, and it seems to me that's the way it should be."

Indeed it should be. The American productive economy, which is truly awesome whatever the protectionists might say, was built on competition. Corporate executives who come crying to Washington about imports simply are not earning their large salaries. If they can't compete in the business they're in they should try another business. Judging from the explosion of new business formations in the last five years, there is no shortage of opportunities.

As to Washington, we are reminded of one Bill Alexander (D., Ark.), who somehow managed to arrange for a special Air Force plane to haul him and his entourage down to Brazil for a fact-finding trip during the summer holiday. That cost a lot of money. But now that Congress is back in town clamoring for "trade bills" we wonder how much it would cost to offer every legislator a special plane to any destination providing he or she promised to not come back until this latest wave of hysteria has passed. Five million dollars? Cheap at the price.●

TRIBUTE TO MORTON BAHR

● Mr. MOYNIHAN. Mr. President, at its recent convention, the Communications Workers of America elected as its president, Morton Bahr, a native New Yorker and an effective, enlightened trade union leader.

"Morty" Bahr's succession to the presidency of CWA represents the latest milestone in a distinguished trade union career with which those of us in the Empire State are well acquainted.

Indeed, in the period from 1969 through July 1985, Mr. Bahr served as vice president of CWA's District 1, a region which includes not only New York, but also New Jersey and the New England States. During those years, CWA enjoyed unprecedented growth, with union membership more than doubling in the States over which Vice President Bahr had jurisdiction. Today, membership in district 1 totals 120,000.

Much of the credit for CWA's surge in membership development rests with Morty himself, who has always placed a premium on the value of organizing the unorganized. Indeed, one of his first accomplishments on behalf of CWA, between 1957 and 1961, was to direct a major organizing campaign that resulted in bringing more than 24,000 workers employed by the New York Telephone Co., into the union.

Of course, Morty's interest have extended to the greater community. He is a trustee of Nassau, NY, Community College, a member of the board of governors of the United Way of America and has served as labor chair for the Greater New York Blood Bank.

Similarly, Morton Bahr has been intensively immersed in Democratic party policicitics. He was a delegate to the 1976, 1980, and 1984 Democratic National Conventions. He also chaired the statewide labor campaign committees in New York, playing a vital role in the elections of New York Governors Hugh Carey and Mario Cuomo.

A native of Brooklyn, Mr. Bahr is a graduate of Samuel J. Tilden High School and also holds a bachelor of science degree from Empire State College.

He is married to the former Florence Slobodow. They have two children and four grandchildren.

Mr. President, in the near future, those in Washington and throughout the Nation will come to appreciate and admire the innovative, foresighted leadership that was Morty Bahr's trademark in New York. I wish him and the CWA well as they embark together on a historic new era of leadership.●

VITAMIN A DEFICIENCY

● Mr. CHAFEE. Mr. President, Senator RUDMAN and I have introduced S. 1451, which would earmark money in the AID budget that would fund nutrition programs aimed at reducing vitamin A deficiency. This condition results in blindness and other severe human health problems. It is a special problem in the Third World and developing nations. An estimated 500,000 children in developing countries go blind because they don't get enough vitamin A. Ten million children suffer annually from the disorder as witnessed in such places as Bangladesh, India, Indonesia, the Philippines, Haiti, Latin America, Africa, and even in some regions of the United States.

I would like to commend to my colleagues' attention the following article on the eradication of vitamin A deficiencies. This article was prepared by the faculty of the FSN at the University of Rhode Island. The university is one of the leading research institutes in the world on vitamin A. I call on my colleagues to take note of this article and to support this important, humanitarian effort. Mr. President, I ask that the article be printed in the RECORD.

The article follows:

PROGRAMS AT THE UNIVERSITY OF RHODE ISLAND TO ERADICATE VITAMIN A DEFICIENCY

The Food Science & Nutrition (FSN) Department of the University of Rhode Island, is one of the major centers in the U.S. for education and research on foods and nutrition. The Food Science and Nutrition Department has established provitamin A and vitamin A as one of the principal thrusts. With the commitment of 6 of 18 faculty and 10 of 70 graduate students in the department of Food Science and Nutrition providing a critical mass, and combined with related activities from other departments such as Plant Science, Chemistry and Pharmacology, and the International Vitamin A Consultative Group, the University of Rhode Island is clearly one of the leading institutions in the world for the study of provitamin A and vitamin A.

The provitamin A and vitamin A research program is active in both international and national arenas. International applications include the participation of Dr. Kenneth L. Simpson, Professor, Department of Food Science and Nutrition, (FSN) and Drs. C.O. Chichester and Paul D. Maugle in the International Vitamin A Consultative Group (IVACG). In 1979-1982, the International Secretariat worked with groups at the University of Rhode Island and in 1981 became an integral part of the International Center located in the College of Resource Development. These FSN faculty members are actively involved in organizing an international laboratory network to analyze for the provitamin A content of foods from countries where vitamin A deficiency exists. This information will be applied to the development of food supplies with higher vitamin A content and methods of preparation that may render more of the provitamin available to populations in parts of the world where vitamin A deficiency results in xerophthalmia. On the national level, the Department's interest in beta carotene and vitamin A is focusing on possible use as anticancer nutrients. Drs. Kenneth L. Simpson and Leonard Gerber are supervising research on the metabolism of the provitamin A and other carotenoids which will provide knowledge useful in determining whether the carotenoids do indeed provide protection against some forms of cancer.

Dr. Kenneth L. Simpson and Dr. C.O. Chichester have been active researchers in the area of carotenoid analysis and biochemistry for more than 20 years. Among their accomplishments was the development of an advanced analytical method for the rapid, and accurate measurement of provitamin A carotenes. The method was the first dependable separation of carotenes. The application of this analytical technique to foods in this laboratory has shown that the Association of Official Analytical Chemists (AOAC) method currently used for the determination of provitamin A greatly overestimates the vitamin A values of some fruits and vegetables. This points out the need to reevaluate the food tables that have been compiled using the AOAC procedure. It also supports the need for the IVACG network to analyze vegetables from countries where vitamin A deficiency is a problem. Several people from the countries participating in IVACG such as Taiwan, Brazil, and Indonesia have come to Dr. Simpson's laboratory to learn the techniques of carotenoid analysis. Dr. Samson Tsou, from the Asian Vegetable Research and Development Center, spent one year as a visiting scholar in Dr. Simpson's laboratory learning these analytical techniques, developing new techniques, and applying them to the analysis of vegetables. The development of other simplified techniques that can be utilized in areas of the world where it would not be feasible to use the technologically advanced techniques is currently being carried out in Dr. Simpson's laboratory. It is hoped that this technique will be an improvement on the current available methods. With this new method, samples may be screened in the field before sending them to a central analytical laboratory.

Advanced analytical techniques have also been used for the determination of provitamin A and vitamin A in human milk from lactating women in Northeastern New England. The work with breast milk found that the carotene content of the milk reflected the diet of the nursing mother, indicating that dietary carotenoids can be another approach in treating nutritional blindness, xerophthalmia and reducing the incidence of infectious diseases in young children. This research into the vitamin A and provitamin A content of breast milk is continuing.

In addition, this laboratory has determined that vitamin A content of various sources of bovine milks available to the public in the Northeast Region of the United States. Large differences between milk available to the consumer were found. This work is continuing in conjunction with the Food and Drug Administration.

Another aspect of the research effort is assessing the utilization of provitamin A carotenes in mammals. The study encompasses the metabolism of carotenoids beginning with the digestion in the small intestine, absorption of retinol and uncleaved carotenes, and their metabolism. The information obtained from this research will be used to better assess the potency of different carotenoid precursors of vitamin A, as possible anticancer nutrients. An epidemological study has shown that those who smoke and consume more carotene containing vegetables have a lower incidence of lung cancer. Some modified forms of vitamin A have been shown to inhibit cancer in cell cultures, but whether these forms of vitamin A are produced within the body and transported to the proper tissues must be assessed before there is a definite link between consumption of carotene rich foods and lower risk of cancer. A cause and effect relationship has not been established and will not be established until more is known about the metabolism of beta carotene and other carotenoids.

Dr. Leonard Gerber, a faculty member in the Department of Food Science and Nutrition, has centered his vitamin A research on the effects of retinoic acid (a form of vitamin A) on serum triglycerides and the effects of retinoids on wound healing. This work on wound healing showed that dietary beta carotene aided in the formation of scar tissue after surgery. Current research on the role of carotenes in wound healing has shown that protein and carotene supplements increased the strength of scar tissue in rats after surgery. Dr. Gerber is also involved in a project to determine serum carotenes and carotene metabolites in humans whose diets are supplemented with carotenes.

A research project directed by Dr. C.O. Chichester III in the Department of Pharmacology at the University of Rhode Island is currently investigating the effect of retinoids and carotenes on cancer cells in tissue culture.

The research efforts of Dr. Phyllis R. Brown and D. Wilfred Nelson in the Chemistry Department support the analytical research to determine the provitamin A content of foods. Dr. Byung Dong Kim in the Plant Science Department has research experience in genetically engineering the provitamin A content of fruits and vegetables.

INTERNATIONAL INVOLVEMENT

Dr. C.O. Chichester, Professor in the Department of Food Science and Nutrition and a participant in the deliberations of the thirty-seventh World Health Assembly at the 1974 May meeting, aware that safe, effective and relatively inexpensive techniques exist to prevent vitamin A deficency and xerophthalmia, such as increased consumption of local foodstuffs rich in provitamin A. periodic mass distribution of large oral doses of vitamin A and vitamin A nutrifiction of certain foods, was among those who passed a resolution urging all member states to give high priority to the control of the worldwide vitamin A deficiency problem through appropriate nutritional programs or as part of primary health care. Coordination was advised with other intergovernmental organizations and appropriate nongovernmental organizations as well as the launching and management of intensive and extensive international action to combat vitamin A deficiency. This includes the mobilizatin of financial and other resources required for such action.

For over half a century, numerous organizations have long recognized the serious nature of vitamin A deficiency. These reports have been summarized on a global survey by the World Health Organization (WHO) in 1963. WHO documented the high mortality rate associated with the disease. Efforts to deal with the problem centered mainly on individual organizations and countries acting essentially independently of one another. The central problem was that vitamin A deficiency increased the risk of infection which compounded with other factors of malnutrition resulted in increased mortality and morbidity. Its most serious manifestation, and its most obvious one, centered around xerophthalmia, nutritional blindness in large numbers of individuals in Southeast Asia, Africa, Southwestern hemisphere and the Indian south continent. Primary intervention efforts work toward the implementation vitamin A nutrification, nutrition education, and the encouragement and support for the consumption of foods providing vitamin A.

In 1965, the FAO/UNICEF Joint Policy Committee advocated preventing vitamin A deficiency in children through increased production of local foods combined with nutrition education. In the early 1970's, WHO and UNICEF executive boards proposed the distribution of periodic large doses of vitamin A as a safe and effective approach to protection against vitamin A deficiency. These discussions stimulated an increase in public awareness of the vitamin A problem.

INTERNATIONAL VITAMIN A CONSULTATIVE GROUP

In 1972 the Office of Nutrition of the Agency for International Development of the United States State Department through a Nutrition Advisory Committee undertook a review of hypovitaminois A in humans worldwide to see how it might attack the problem or how it could encourage others to pursue coordinated efforts to eradicate vitamin A deficiency.

This endeavor resulted in the preparation of a three volume report by members of the A.I.D. Nutrition Advisory Committee dealing with vitamin A, xerophthalmia and blindness. These volumes are entitled: (1) "A Global Survey of Mass Vitamin A Programs"; (2) "Vitamin A Problems with Special Reference to Less Developed Countries"; (3) "Vitamin A Technology and Xerophthalmia".

With these documents, the Advisory Committee to AID on nutrition suggested the formation of a coordinating group whose function would be to monitor worldwide efforts in combating hypovitaminosis A, to act as a liaison group between sponsoring agencies, to encourage the individual countries where the problem existed to recognize the devastating effects of vitamin A deficiency and to initiate intervention measures.

In 1973 "The International Vitamin A Board" was proposed and was formalized in the spring and summer of 1973. The purposes of the board were outlined as follows:

1. Advise international regional and national technical assistant agencies and governments on the assessment and control of vitamin A deficiency and xerophthalmia.
2. Serve as a clearinghouse for the collection and dissemination of information on vitamin A deficiency and xerophthalmia.
3. To advise on, promote and coordinate scientific, technological, operational and financial resources toward the control of vitamin A deficiency and xerophthalmia.
4. To recommend priorities for research and action for the control of deficiency and xerophthalmia.

A meeting on the "Vitamin A Deficiency Control and Priorities for Action Programs", was planned during the early part of 1974 under the auspices of the National Academy of Sciences and sponsored by the Office of Nutrition, Agency for International Development (USA). The meeting, however, presented a potential conflict with a workshop sponsored by WHO in Jakarta, Indonesia scheduled for September, 1974. A decision was made to combine efforts. The Agency for International Development worked with WHO to expand the meeting which was then scheduled for November 1974. Extensive simultaneous discussions of vitamin A deficiency took place at the 1974 World Food Conference in Rome where Resolution V called for greater efforts to combat vitamin A. The then Secretary of State of the United States, Dr. Henry Kissinger, pledged substantial support from the United States government for efforts to extripate vitamin A deficiency, and iron deficiency anemia.

WHO-AID (USA) meeting in Jakarta, Indonesia pressed for establishment of priorities for research and for action programs. The participants agreed upon an international classification of xerophthalmia, criteria for the diagnosis of xerophthalmia and vitamin A deficiency, treatment prevention protocols, intervention strategies and research needs.

Early in 1975, a meeting was held in UNICEF-New York and the International Vitamin A Consultative Group (IVACG) was established. The concept behind the organization was to maintain flexible participation by policy makers, programmers and scientists concerned with vitamin A deficiency and representatives from countries where hypo-vitaminosis was a problem. Thus, IVACG continues to be dedicated to reducing the prevelance of vitamin A deficiency worldwide. Presently, it's chairman is Dr. Lester J. Teply, (UNICEF/USA) and Dr. Barbara A. Underwood, (National Eye Institute/USA) is the chairperson of it's planning committee, which also includes Drs. Fred Sai, (World Bank), Florentino Solon, (Ministry of Health/Philippines), Edouard DeMaeyer, (WHO/Switzerland), John I. McKigney, (AID/USA/Secretary), C.O. Chichester and Paul D. Maugle, (University of Rhode Island/Secretariat). In fulfilling this mandate, IVACG sponsors periodic international meetings, and scientific reviews of the problem and convenes task forces to analyze issues related to the detection of etiology, treatment and prevention of vitamin A deficiencies. IVACG sponsors international meetings on an almost annual basis to provide a forum for the interchange of ideas and the presentation of new research findings. A major portion of the meetings includes discussions about central programs and survey data. In addition, IVACG also organizes special sessions that are relevant in international and national meetings.

To address issues central to vitamin A deficiency, IVACG has published several guidelines and monographs resulting from the work of task forces and special consultants. These include:

Guidelines for the Eradication of Vitamin A Deficiency and Xerophthalmia (1977) (English and French);

Recent Advances in the Metabolism and Function of Vitamin A and Their Relationship to Applied nutrition (1979);

The Safe Use of Vitamin A (1980) (English and French);

The Symptoms and Signs of Vitamin A Deficiency and Their Relationship to Applied Nutrition (1981) (English and Spanish);

The Biochemical Methodology for the Assessment of Vitamin A Status (1982);

Periodic, Large Oral Doses of Vitamin A for the Prevention of Vitamin A Deficiency and Xerophthalmia: A Summary of Experience, (1984).

An international directory of some 327 administrators and scientists involved in the alleviating Vitamin A deficiency was recently published under the sponsorship of the International Union of Nutritional Sciences, the Nutrition Foundation and the International Vitamin A Consultative Group.

To no small extent, IVACG has stimulated a widespread and successful attack on the problem of vitamin A deficiency. This is evidenced by a major effort by many United Nations groups to mount an assault on this devastating nutritional inadequacy.

BENEFITS TO THE UNIVERSITY OF RHODE ISLAND

The benefits to URI of the proposed legislation to expand Vitamin A programs worldwide would be three-fold. First the international laboratory network to analyze the provitamin A content of foods has been established with URI as the central reference and coordinating unit. URI would train personnel, conduct methodology research and serve as the ultimate reference for the satellite units. This program could establish essential food tables for target countries to improve diets and aid in the development of new crops rich in provitamin A. Secondly, the biopotency effects of vitamin A which contribute to maintaining health, such as inhibiting cancer or promoting would healing are poorly understood. These effects must be more completely understood, and have both national as well as international benefits. Funds to support this type of research and development have been difficult to obtain at URI.

Third. An expansion of the coordinating function of IVACG is badly needed. With the expansion of Vitamin A programs in the world it is imperative that the coordination between scientists and field workers be maintained to prevent splintering. Thus, additional funds are needed to allow IVACG to meet the needs of expanded programs to eradicate vitamin A deficiency.●

DEDUCTIBILITY OF STATE AND LOCAL TAXES

● **Mr. MOYNIHAN.** Mr. President, I would commend to the attention of my colleagues and editorial in the September 9 Washington Post, entitled "Mr. Reagan's Tax Bill." It is a no-nonsense discussion of those principles which ought to guide any attempt here to reform present tax arrangements.

One matter in particular: Take care of the impact of changes in the Tax Code on the Nation's public schools. As the Post states the case, "the administration bill would put a severe new burden on the fiscal system that supports public education in this country."

By eliminating the Federal tax deduction for State and local taxes, the President's plan could, in short order, cut revenues for school districts by an estimated 20 percent nationwide, or the quivalent of $606 for every American elementary and secondary schoolchild.

The educational community is well aware of the devastating potential of repealing the tax deduction for moneys paid as State and local taxes. Every major educational organization in the country has now joined the effort to head-off such a serious misstep. The National School Boards Association, the National PTA and the Nation's two largest teacher organizations, the American Federation of Teachers and the National Education Association, are joined by the American Association of School Administrators; the American Association of State Colleges and Universities; the American Council on Education; the American Federation of State, County and Municipal Employees; the Council of Great City Schools; the Council on Exceptional Children; the International Reading Association; the National Association of Elementary School Principals; the National Association of Federally Impacted Schools; and the National Association of State Universities and Land Grant Colleges.

It is not just the educational community which is, or should be, concerned. Every American will suffer if the deductibility of State and local taxes is repealed and thus the financing of public schools is undermined. The Post states this point quite nicely, and I ask that the full text of the editorial appear in the RECORD.

The editorial follows:

[From the Washington Post, Sept. 9, 1985]

MR. REAGAN'S TAX BILL

With great enthusiasm, President Reagan has now renewed his drive to push his tax reform bill through Congress. But a tax bill, more than almost any other kind of legislation, is a collaboration among many authors, and the final version will differ significantly from the present one. It's a good moment to consider the directions that the remodeling ought to take and the standards that Congress needs to apply to any tax bill attempting this kind of broad revision. There are five tests that deserve special attention:

"Revenues. Let's begin at the beginning. The purpose of the tax system is to raise enough money to run the government. Mr. Reagan's 1981 tax bill has failed that test, and Congress has to be particularly careful that this one raises at least as much as the present law. Supply-side malarkey about the alleged dynamic effects of another tax cut should be dismissed. The present version barely equals the present level of revenue, and any backsliding here would be sufficient reason to abandon it.

Fairness. Traditionally the income tax has taken a bigger share of a large income than of a small one, and that has seemed to most Americans a good definition of fairness. The Reagan bill decreases the tax burden on the poor and near-poor, and that's welcome. But it also lowers the burden, and on a much more substantial scale, for the wealthy. Mr. Reagan's bill would lower the top tax rate on personal income from 50 percent to 35 percent. Why? There's no commanding logic to justify larger reductions at the top of the income scale than in the middle. The president's bill does not meet the test of fairness, and Congress has a responsibility to protect the principle of a progressive rate structure.

Simplification. The administration forfeited its chance to accomplish real simplification when it decided to perpetuate the lower tax rate for capital gains. The lower rate is crucial to most tax shelters, and without it they would have vanished. The right way to handle them—as the then secretary of the Treasury, Donald T. Regan, proposed last fall—is to index capital gains against inflation and then tax them as ordinary income. As the administration bill now stands, it does nothing to make your tax return any simpler.

Economic Effects. Here Congress has to give special concern to the devices by which the administration bill would find new revenue to compensate for the lower tax rates. Abolition of the investment tax credit is overdue. Similarly, the administration is right to eliminate the inequities, from one industry to another, that it established with the fast depreciation allowances in its 1981 bill. More troubling is the attempt by the current bill to recapture some of the benefits already distributed, in past years, by fast depreciation. The amounts of money are large, and would be paid mainly by those heavy industries that are already under great pressure from foreign competition. Those are not the places to find the money to pay for the rate cuts.

But much more important than the technicalities of capital cost, the administration bill would put a severe new burden on the fiscal system that supports public education in this country. The quality of the educational system is the primary determinant of the country's economic growth over the long term. By abolishing the federal tax deduction for state and local taxes, the bill would shift resources away from the treasuries that pay for schools and colleges. To add to the constraints on education merely to achieve another federal tax rate cut would jeopardize future productivity in a way that no tax incentives could repair.

Although you have heard the federal tax system denounced as disgraceful and catastrophic by a succession of eminent public figures, its flaws are not fundamental. Neither are the administration's currently proposed reforms profound. While the administration bill contains a number of improvements over present law, its central and driving purpose is another tax rate reduction. The need for that is not obvious. When Mr. Reagan speaks of reform, what he mainly means is lower tax rates. The other reforms have become incidental to that one. If Congress cannot refashion the administration bill to sustain more adequately the standards that apply to any tax law, there will be no very strong reason at the end of the process to pass it.●

WHO WON LEBANON?

● **Mr. BOSCHWITZ.** Mr. President, the June 24, 1985, edition of the New Republic contains a perceptive article entitled "Who Won Lebanon?" written by Charles Krauthammer. Krauthammer disputes the conventional wisdom that Israel's war in Lebanon was a failure. Instead, he argues that the campaign, costly as it was, realized its principal objective: "to defeat the PLO militarily and cripple it politically." As a direct result, progress in the peace process may now be possible.

Krauthammer disputes a central criticism leveled against Israel even by those who recognize its legitimate security concerns in southern Lebanon: that Israel's drive all the way to Beirut was, literally and figuratively, going too far. Krauthammer assets that the move on Beirut was essential. The 1978 "Litani Operation" demonstrated that entry into southern Lebanon alone was a total waste. As soon as Israeli forces returned home, so did the PLO to southern Lebanon, and so did terrorist attacks on northern Israel.

With the drive on Beirut, and the PLO's expulsion from Lebanon, however, the PLO was removed as a military factor in the region. No longer could it terrorize at will the population of northern Israel. Equally important, the PLO's state-within-a-state in Lebanon was destroyed, robbing Yasser Arafat of much of his freedom of action. His opponents now follow Syria's lead, and to survive he has had to align himself closely to Jordan and Egypt.

This has important ramifications for the peace process. So long as the PLO was a major independent actor, irredentist and unwilling to consider recognition of, or negotiation with, Israel, the peace process could go nowhere. King Hussein's moves over the past 6 months were made possible by the PLO's weakness, not by any change of heart on Arafat's part. PLO weakness may even permit the emergence of other Palestinians who recognize that only by dealing with Israel can they hope to gain any of their political goals or the return of any of the remaining territory Israel acquired in the 1967 war.

Krauthammer points out that there were indeed Israeli misconceptions and mistakes—and very dear costs. Israel's central mistake, he contends, lay in its belief that the invasion would lead to Israeli hegemony over a reshaped, Christian-dominated Lebanon that would then enter into a de facto state of nonbelligerency with Israel. As a result of this misconception, Israel occupied Lebanese territory 2 years longer than was necessary or prudent. It was the occupation and the numbing stream of casualties that so demoralized Israeli society and that raised the animosity of Lebanese Shias.

Ironically, Krauthammer argues, the two powers that have emerged strongest in Lebanon, the Shi'ite Amal Organization and Syria, may now provide Israel with what it sought from the Christians—de facto nonbelligerency. Both Amal and Syria want a tranquil border with Israel, fearing Israel retaliation. Amal knows that further Israeli action in Lebanon could jeopardize its newfound political power. Damascus knows that it too would be held accountable for a resurgence of terrorism. For all its militancy, Syria has not permitted the use of its territory to launch attacks against Israel.

As Krauthammer notes, therefore, "Pretending that, for Israel, the price was paid for nothing in a lost war is a simple denial of the facts." I agree.●

ARMENIAN MASSACRE, 1915

● **Mr. LEVIN.** Mr. President, last month the United Nations Subcommission on Prevention of Discrimination and Protection of Minorities affirmed a historical reality which, despite attempts by others, can never be denied. It voted 14 to 1 to accept a study which calls the Armenian massacre by Ottoman Turkey in 1915, a genocide.

"At least 1 million, and possibly well over half the Armenian population, are reliably estimated to have been killed or death-marched," the report said.

The approval of this report marks a victory for justice and humanity. It represents a victory for Armenians everywhere. Not only does it confirm what students of history know to be Ottoman Turkey's direct role in carrying out the first genocide of the 20th century, it thwarts the current Government of Turkey's attempt to distort history relative to its claim that the genocide never occurred.

I hope this now provides the impetus for the Senate and House to approve pending resolutions that will designate April 24, 1986 as a day of remembrance to victims of genocide, especially those victims of the Armenian genocide.

Mr. President, I ask that the following documents be printed in the RECORD.

The documents follow:

[From the Miami Herald, Aug. 18, 1985]

U.N. REPORT REVIVES ARGUMENTS ABOUT 1915 ARMENIAN MASSACRE

(By Burton Bollag)

GENEVA.—A United Nations human rights panel last week fought a fight that opened old wounds as Turkey tried to keep one paragraph out of an official report.

The single paragraph is at the center of a struggle to set the historical record straight—a struggle that has led to the murders of more than 30 Turkish diplomats in the past 10 years.

The paragraph is a mention of the massacre of at least one million Armenians by the Ottoman Empire (what is today Turkey) in 1915 and 1916. The wording appears in an update of a U.N. report on genocide.

The report is being considered by the U.N. Subcommission on Prevention of Discrimination and Protection of Minorities, meeting in Geneva. Turkey succeeded in having mention of the massacre taken out of an earlier version of the genocide report in the mid-1970s.

Since then, Armenian groups have lobbied hard to prevent the same thing from happening to the new report. Since the time of the killings, Armenians have been demanding—unsuccessfully—that Turkey at least admit that the massacre took place.

"We're here to preserve historical facts," says Harut Sassounian, 34, of Los Angeles, who coordinates the U.N. lobbying work of the Armenian National Committee.

"I've grown up with stories of terror and killings as told to me by my own grandfather and grandmother," Sassounian says.

The updated genocide report—a decision on it is expected in about two weeks—was written by Ben Whitaker, a Briton who directs the London-based Minority Rights Group and is a member of the U.N. subcommission.

The subcommission's 26 members are supposed to be independent experts who do not represent governments. There is no Turkish member, but Turkey is present as an observer. Turkey maintains that there were killings during fighting between Armenian and Turkish communities during World War I. The Turks deny, however, that any wholesale massacre of Armenians took place and say that evidence to the contrary is based on forged documents.

Numerous press reports from the period refer to the deportation and killings of Armenians by the Ottoman Empire. The U.N. report says that the truth of the massacre is confirmed by reports in the diplomatic archives of the United States, Britain and Germany. The German archives are considered particularly significant because Germany was allied with Turkey during the war.

In 1975, the 60th anniversary of the killings, Armenian terrorists began a campaign of attacks against Turkish diplomats outside their country. More than 30 have been killed.

Armenians now live in communities in many countries, including the United States. They are demanding national rights in their former homeland and reparations from Turkey, similar to what Germany paid after World War II to survivors of the Nazi Holocaust.

Whitaker thinks that emotions would die down if Turkey admitted that a massacre took place. "The Germans admitted it [genocide against the Jews] and now they're respected for that," he says.

Turkish diplomats at the meeting, however, tried again to have the paragraph mentioning the massacre deleted.

The issue has repercussions in the United States. In September, Congress is scheduled to again consider an Armenian massacre commemoration bill that supporters have been presenting for 10 years. The Reagan administration is thought to oppose the bill because it wants to avoid offending Turkey, a NATO ally.

[From the Boston Globe, Aug. 31, 1985]

UN PANEL ACCEPTS REPORT CITING ARMENIAN GENOCIDE

GENEVA.—A UN human rights body has voted to accept a study backing charges that 1 million Armenians were massacred by Turkey's Ottoman empire, a UN statement said yesterday.

But Western envoys said the decision contained no request that the study be passed on to the UN Human Rights Commission.

Recent Turkish governments have repeatedly rejected the charges as unfounded, and Turkish delegates attacked the findings, which were prepared by a British human rights advocate, Benjamin Whitaker.

Whitaker defended his study against critics wanting to delete its most contentious paragraph, which cited nine instances of genocide this century, including what it called the 1915-1916 Ottoman massacre of Armenians.

"At least 1 million, and possibly well over half the Armenian population, are reliably estimated to have been killed or death-marched," the report said.

The report, revising a 1978 study on prevention and punishment of genocide, was accepted by 14 votes, one against and four abstentions by the UN Subcommission on Prevention of Discrimination and Protection of Minorities.

UN Panel Adopts Report Calling 1915 Armenian Massacres a Genocide

TURKISH EFFORTS TO DISTORT HISTORY SOUNDLY DEFEATED

Geneva.—On Thursday, Aug. 29, the United Nations Sub-Commission on Prevention of Discrimination and Protection of Minorities adopted a Report on Genocide which, in paragraph 24, calls the Armenian massacres by Ottoman Turks in 1915 a genocide.

Voting 14 for, 1 against, and 4 abstentions, the UN human rights panel resisted heavy Turkish governmental pressures to delete any mention on the Armenian Genocide, and approved Resolution L. 15, defeating those efforts.

Proposed by Mr. Jules Deschenes of Canada, Mr. Olufemi Ayewale George of Nigeria, and Mr. Mubanga-Chipoya of Zambia, the resolution numbered by its UN document reference number E/CN.4/Sub. 2/1985/L. 15 reads:

The Sub-Commission on Prevention of Discrimination and Protection of Minorities,

Recalling Economic and Social Council Resolution 1983/33 of May 1983 by which the Council requests the Sub-Commission to appoint one of its members as a Special Rapporteur with the mandate to revise as a whole and update the Study on the Question of the Prevention and Punishment of the Crime of Genocide taking into consideration the views expressed by the members of the Sub-Commission and the Commission on Human Rights as well as replies of Governments, specialized agencies and other organizations of the United Nations system, regional organizations and non-governmental organizations to a questionnaire to be prepared by the Special Rapporteur;

Recalling also the decision of 1982 August 9 by which the Sub-Commission appointed Benjamin Whitaker to revise and update the study;

Having read the preliminary report prepared by the Special Rapporteur for the Sub-Commission's 37th session;

Having now considered and debated the revised and updated study submitted by the Special Rapporteur at the Sub-Commission's 38th session;

Noting that divergent opinions have been expressed about the content and the proposals of the report:

1. Takes note of the study of the Special Rapporteur, the Revised and Updated Report on the Question of the Prevention and Punishment of the Crime of Genocide;
2. Expresses its thanks and congratulations to the Special Rapporteur for his proposals;
3. Recommends that the U.N. renew efforts to make ratification by member-states of the Convention on Genocide as soon as possible.

Voting for the resolution were: Despouy (Argentina), Joinet (France), Carey (US), Martinez-Baez (Mexico), Tosevsky (Yugoslavia), Gu Yijie (China), Takemoto (Japan), O.A. George (Nigeria), Yimer (Ethiopia), Simpson (Ghana), Bhandare (India), Bossuyt (Belgium), Deschenes (Canada) and Baquero (Ecuador).

The sole vote against the resolution came from Sofinsky, the expert from the Soviet Union.

Abstentions were marked by Khasawneh (Jordan), Martinez (Cuba), Dahak (Morocco) and Chowdhury (Bangla Desh).

Some of the experts who did not vote were outside the meeting when the vote was taken.

The passage of this report and its incorportion as an UN document, along with the documentation calling the 1915 Armenian massacres a genocide, means that, for the first time, Turkish efforts to distort historical facts have been defeated on the international arena.

Their constant attempts to revise history and distort documented facts have been foiled. Turkish anger at the passage of the report was expressed by a vicious attack on the Special Rapporteur in a 10-page statement distributed to the delegates during the last meeting of the Sub-Commission. Calling him a prejudiced Rapporteur, the 10-page statement indulges in a clear attempt to besmirch the character of Mr. Whitaker. Despite considerable political pressures, which has been characterized by the European press as "a major scandal," he has remained steadfast in support of his inclusion of the mention of the Armenian Genocide in his report.

The adoption of the UN Report also means that an 11-year effort by the Armenian National Committee was culminated in success for the rights of the Armenian people. Now, at last, there is an official mention of the Armenian genocide in an UN document.

Review of Further Developments in Fields With Which the Subcommission Has Been Concerned

PARAGRAPH 24 OF THE REVISED AND UPDATED REPORT ON THE QUESTION OF THE PREVENTION AND PUNISHMENT OF THE CRIME OF GENOCIDE

(Prepared by Mr. B. Whitaker)

Toynbee stated that the distinguishing characteristics of the twentieth century in evolving the development of genocide "are that it is committed in cold blood by the deliberate fiat of holders of despotic political power, and that the perpetrators of genocide employ all the resources of present-day technology and organization to make their planned massacres systematic and complete". The Nazi aberration has unfortunately not been the only case of genocide in the twentieth century. Among other examples which can be cited as qualifying are the German massacre of Hereros in 1904, the Ottoman massacre of Armenians in 1915-1916,[1] the Ukrainian pogrom of Jews in 1919, the Tutsi massacre of Hutu in Burundi in 1965 and 1972, the Paraguayan massacre of Aché Indians prior to 1974, the Khmer Rouge massacre in Kampuchea between 1975 and 1978, and the contemporary Iranian killings of Baha'is. Apartheid is considered separately in paragraphs 43-46 below. A number of other cases may be suggested. It could seem pedantic to argue that some terrible mass-killings are legalistically not genocide, but on the other hand it could be counter-productive to devalue genocide through over-diluting its definition.

My Experience During the Armenian Genocide

(By Arthur H. Dadian of Washington, DC)

The genocide of the Armenians in Turkey during World War I was executed in successive stages. In the city where we lived, in peace with our neighbors and miles away from any Russian border, the genocide started with a bang. One morning the city was startled to find that a few of its leading Armenians had been arrested during the night, hung in a public square and left hanging for all to see.

This was followed by arrest of able-bodied men and sending them to work on road projects near the Russian front. My father was arrested and sent to such a project. These men were killed in groups after working on such projects. My father was in a building in a deserted mountainous area where these men were brought to be slaughtered.

Before all this and during it all the Turkish police started coming to Armenian homes, time and again, to take the "census". One time my grandmother complained and was told by one of the policemen that they were following orders from Istambul.

Then came the "deportation" of the remaining men, women and children. Sometimes it meant taking people out on forced marches and starving and torturing them to death. Often it meant taking them to the country under "police protection" to make sure that none escaped and butchering them. When my father was being brought home under guard from the road project he had been sent to, he and his guard happened to come upon a field where a massacre had taken place, under "police protection". Turkish civilians were searching the dead bodies for valuables and gold in their teeth. (The Turkish pasha who had "bought" father's business while he was away needed father to run the business and had orders issued to have him brought back under guard.)

At first this deportation did not apply to Armenians who were members of the Latin-Catholic-Church. My family was so registered and was thus exempt from this first deportation. During this exemption period two police came to our house and told my mother—my father was still away—that my younger sister and I were baptized in the Armenian Church and that we were subject to deportation and they had come to take me and my sister away. But they eventually left without taking us because they felt that as Armenians we were all going to get killed sooner or later and that we might as well get killed a little later with my mother.

Soon the exemption of the Catholics was removed and we were deported. We were the only ones from that group to survive and eventually return to our home in the city. When we were deported, my father was still away, my older brother was staying with the pasha who wanted to adopt him and my older sister was at the American College run by American missionaries at a nearby town. My mother had enrolled her there during our exemption to save her.

One day our pasha told my brother to go and bring my sister home from the American College. A few days after my sister came home, the American College was raided by the Turkish military police. The Armenian male students were taken outside the town and slaughtered. The girls were brought to a vacant house in our block, the owners had been deported. One day we heard screams from that house and went from rooftops to see what was happening. Where we stood we could see the courtyard of the house. I can never forget what we saw. Turks in military uniforms were dragging out to take with them the girls they had selected.

When the Turks along with the Germans lost the war and peace came, the Turks became horrified and frantic. They were sure that the allies will punish them as individuals and as a nation for what they had done to the Armenians. They started doing what all criminals and murderers do—deny everything, cover up, destroy all evidence and kill any survivor who might be used as a witness. My father was arrested. A Turkish leader who had known him for years got him out of jail before they shot him. He advised father to leave the city immediately. They went to the market place and hired a wagon with a driver, came to our house, packed up bare essentials and we left for Adana.●

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[1] At least 1 million, and possibly well over half of the Armenian population, are reliably estimated to have been killed or death-marched by independent authorities and eye-witnesses. This is corroborated by reports in United States, German and British archives and of contemporary diplomats in the Ottoman Empire, including those of its ally Germany. The German Ambassador, Wangenheim, for example, on 7 July 1915 wrote "the government is indeed pursuing its goal of exterminating the Armenian race in the Ottoman Empire" (Wilhelmstrasse archives). Though the successor Turkish Government helped to institute trials of a few of those responsible for the massacres at which they were found guilty, the present official Turkish contention is that genocide did not take place although there were many casualties and dispersals in the fighting, and that all the evidence to the contrary is forged. See, *inter alia*, Viscount Bryce and A. Toynbee, *The Treatment of Armenians in the Ottoman Empire 1915-16* (London, HMSO, 1916); G. Chaliand and Y. Ternon, *Génocide des Arméniens* (Brussels, Complexe, 1980); H. Morgenthau, *Ambassador Morgenthau's Story* (New York, Doubleday, 1918); J. Lepsius, Deutschland und Armenien (Potsdam, 1921; shortly to be published in French by Fayard, Paris); R.G. Hovanissian, *Armenia on the road to independence* (Berkeley, University of California, 1967); Permanent Peoples' Tribunal, *A Crime of Silence* (London, Zed Press, 1985); K. Gurun, *Le Dossier arménien* (Ankara, Turkish Historical Society, 1983); B. Simsir and others, *Armenians in the Ottoman Empire* (Istanbul, Bogazici University Press, 1984); T. Ataov, *A Brief Glance at the "Armenian Question"* (Ankara, University Press, 1984); V. Goekjiam, *The Turks before the Court of History* (New Jersey, Rosekeer Press, 1984); Commission of the Churches on International Affairs, *Armenia, the Continuing Tragedy* (Geneva World Council of Churches, 1984); Foreign Policy Institute, *The Armenian Issue* (Ankara, F.P.I., 1982).—This report was adopted by the *United Nations Sub-Commission on Prevention of Discrimination and Protection of Minorities* on August 29, 1985 by a vote of 14 for, 1 against and 4 abstentions.

MRS. ALICE NEW HOLY BLUE LEGS, 1985 NATIONAL HERITAGE FELLOWS AWARD WINNER

● Mr. ABDNOR. Mr. President, tomorrow, I have the privilege of cohosting a reception for the 1985 National Heritage Fellows honoring 12 master artists and artisans selected by the National Endowment for the Arts to receive this important honor.

I am proud to point out that one of the artists receiving this illustrious award is Mrs. Alice New Holy Blue Legs. Mrs. Blue Legs is from Pine Ridge, SD, and is renowned for the lost art of quillwork. We are especially proud of our cultural diversity in South Dakota and Mrs. Blue Legs embodies this diversity in her unique and rich art form.

Mr. President, I should also like to include a short biography of Mrs. Blue Legs which was prepared by the National Endowment for the Arts.

The biography follows:

Alice New Holy Blue Legs

According to the director of the Museum of the American Indian, "the art of porcupine quill decoration . . . is a singularly North American Indian craft practiced by no other people in the world." Before European explorers and settlers introduced trade beads to Native Americans, porcupine quills were a primary medium used in the decoration of clothing, horse trappings, and other artifacts among Woodland and Plains Indians, most especially the Lakota Sioux. Quillwork, however, is extremely complex, requiring not only the highest degree of painstaking skill and experience, but great patience, as well. Therefore, once trade beads became readily available, the faster, easier beadwork techniques rapidly replaced quillwork among the majority of Indian artisans.

In fact, quillwork has been rapidly becoming a lost art. The New Holy family of Lakota Sioux who live on the rolling prairie land of the Pine Ridge Sioux reservation is given much of the credit for the survival of the art form during the seventies and eighties. Among this family, Alice New Holy Blue Legs has done more than any other single person to maintain the ancient skills, to preserve the excellence of quillwork art, and to pass it on to others. She has taught her five daughters and her grand-daughters well, so well that not only her own work, but that of her daughters, is part of the permanent collection of the Smithsonian Institution.

Further, she has shared knowledge with members of other Indian tribes and non-Indians, as well through workshops, demonstrations, and school residencies in many states. She uses these occasions to communicate the cultural values of the Lakota people telling the ancient tales, discussing the native plants, on which she is considered to be a genuine authority, and transmitting her knowledge across cultural barriers. She plays an exemplary leadership role in the small community of Grass Creek on the Pine Ridge Reservation where she lives, especially demonstrating her concern for the education and welfare of the children. Overall, she is a source of pride to her people, and her art makes clear the shared values of industriousness, generosity, honesty, and wisdom which are the primary virtues of Sioux women.●

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Hatch). Without objection, it is so ordered.

JOINT REFERRAL OF PRESIDENTIAL MESSAGE

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Presidential Message, No. 76, dealing with South Africa, be jointly referred to the Committees on Banking and Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDEFINITE POSTPONEMENT OF CALENDAR ITEMS

Mr. SIMPSON. Mr. President, I inquire of the Democratic leader if he is in a position to indefinitely postpone any or all of the following calendar items: Calendar No. 127, S. 1132, a bill to amend the Arms Control and Disarmament Act to authorize supplemental appropriations for the fiscal year 1985 and to authorize appropriations for the fiscal years 1986 and 1987, for the Arms Control and Disarmament Agency, and for other purposes; Calendar No. 154, H.R. 2456, an act to amend the Arms Control and Disarmament Act in order to increase the authorization of appropriations for the fiscal year 1985, to extend the authorization of appropriations for the fiscal years 1986 and 1987, and for other purposes; and Calendar No. 164, Senate Resoluton 161, a resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1132.

Mr. BYRD. Mr. President, there is no objection to proceeding as the distinguished assistant majority leader has indicated.

Mr. SIMPSON. Mr. President, with that I ask unanimous consent that the calendar items just identified be considered en bloc and indefinitely postponed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF SPECIAL CHINA DELEGATION

Mr. SIMPSON. Mr. President, I send the enclosed resolution to the desk on behalf of Senator Dole and Senator Byrd and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

A resolution (S. Res. 220) authorizing the appointment of a special delegation to host a delegation of members of the Standing Committee of the National People's Congress of the People's Republic of China, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. SIMPSON. Mr. President, I move for adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 220) was agreed to, as follows:

S. Res. 220

Resolved, That the President of the Senate, upon consultation with the Majority Leader and Minority Leader, is authorized to appoint a special delegation of Members of the Senate to host a delegation of members of the Standing Committee of the National People's Congress of the People's Republic of China. The Majority Leader and Minority Leader of the Senate shall serve as co-chairmen of such special delegation.

Sec. 2. (a) The expenses of the special delegation referred to in the first section, including expenses of staff members designated by the co-chairmen to assist such delegation, shall not exceed $50,000 and shall be paid from the contingent fund of the Senate upon vouchers approved by the co-chairmen of such delegation.

(b) For purposes of subsection (a), the expenses of such delegation shall include such special expenses as the co-chairmen may deem appropriate, including reimbursements to any officer or agency of the Government for—

(1) expenses incurred on behalf of such delegation;

(2) compensation (including overtime) of employees officially detailed to such delegation; and

(3) expenses incurred in connection with providing appropriate hospitality, including such expenses incurred by the Secretary of the Senate before the date of adoption of this resolution.

(c) The Secretary of the Senate is authorized to advance funds to the co-chairmen of such delegation in the same manner provided for committees of the Senate under authority of Public Law 118, Eighty-first Congress, approved June 22, 1949.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I inquire of the Democratic leader if he has any further business.

Mr. BYRD. Mr. President, I thank the distinguished majority whip.

ORDER TO HOLD SENATE RESOLUTION 219 AT THE DESK

Mr. BYRD. Mr. President, I ask unanimous consent that Senator KENNEDY's resolution Senate Resolution 219, introduced earlier today, be held at the desk until the close of business tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY

RECESS UNTIL 11 A.M.

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m. on Thursday, September 12, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATORS COHEN AND PROXMIRE

Mr. SIMPSON. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order tomorrow, there be special orders in favor of the following Senators, for not to exceed 15 minutes each: Senator COHEN and Senator PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that following the special orders just identified, there be a period for the transaction of routine morning business tomorrow, not to extend beyond 12 noon, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, on tomorrow, following routine morning business, the Senate will resume consideration of S. 1200, the Immigration Reform and Control Act.

I think it is obvious that rollcall votes could be expected throughout Thursday's session. I previously expressed to my colleagues what is anticipated there and what our anticipation is on that issue. But with that, I express that there will be rollcall votes throughout the day. It is hoped that, with progress and alacrity, perhaps there will not be a session on Friday, if we are able to dispose of the immigration issue, even at perhaps a later time tomorrow evening. That is subject to the will of the Senate.

CLOTURE MOTION VOTE AT 2:30 P.M.

Mr. SIMPSON. Mr. President, at this point I ask unanimous consent that the cloture vote on the motion to proceed to the conference report on the antiapartheid bill occur at 2:30 p.m. tomorrow and that the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 11 A.M.

Mr. SIMPSON. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until the hour of 11 a.m., Thursday, September 12, 1985.

The motion was agreed to; and, at 5:44 p.m., the Senate recessed until Thursday, September 12, 1985, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate September 11, 1985:

THE JUDICIARY

Nicholas Tsoucalas, of New York, to be a judge of the U.S. Court of International Trade vice Nils A. Boe, retired.

Laurence H. Silberman, of the District of Columbia, to be U.S. circuit judge for the District of Columbia Circuit vice a new position created by Public Law 98-353, approved July 10, 1984.

Henry T. Wingate, of Mississippi, to be U.S. district judge for the southern district of Mississippi vice a new position created by Public Law 98-353, approved July 10, 1984.

Paul N. Brown, of Texas, to be U.S. district judge for the eastern district of Texas vice a new position created by Public Law 98-353, approved July 10, 1984.

Alan A. McDonald, of Washington, to be U.S. district judge for the eastern district of Washington vice a new position created by Public Law 98-353, approved July 10, 1984.

DEPARTMENT OF JUSTICE

Roy C. Hayes, Jr., of Michigan, to be U.S. attorney for the eastern district of Michigan for the term of 4 years vice Leonard R. Gilman, deceased.

IN THE AIR FORCE

The following-named officer for promotion to the grade indicated under the provisions of article II, section 2, clause 2, of the Constitution of the United States of America:

IN THE AIR FORCE

To be colonel

Lt. Col. Richard O. Covey, 262-74-0107

IN THE NAVY

The following-named chief warrant officers of the U.S. Navy for permanent promotion to the grades of chief warrant officer W-3 and chief warrant officer W-4, pursuant to title 10, United States Code, section 555, subject to qualifications therefor as provided by law:

Chief warrant officer W-4

Beyer, Donald Jacob, Jr.
Chenoweth, Wayne Grover
Clark, Charles Bennett
Clark, James Ward
Daharsh, Robert Edmond
Deberg, William Fredrick
Drajna, Fred Andrew
Elliott, Boyce Wise
Fowler, William Bennett
Gelardi, Lydia Charlotte
Gillespie, Robert
Hamilton, Wesley Elbert
Heck, Carl Henry
Hunt, John Anderson
James, Joseph David

Jones, William Joseph
Koch, Danny Dale
Koehn, Hubertus Julius
Langford, Thomas Ingersoll
Lanman, George William, Jr.
Laucella, Richard John
Mammen, Lesley Franklin
Mangel, Michael Eugene
Matzke, William August, Jr.
McAllister, Archibald A.
Meadows, John Randolph
Milan, Frederick Thomas
Mills, Dennon West
Monday, James Arthur, III
Murdoff, Gerald Donald
Nielsen, Robert Dalby
Risk, Jerry Dale
Sparks, Gerald Vernon
Steele, Terry Scott
Stimpson, Gerald Neil
Stuedemann, John Arthur
Tanner, Marvin Mason
Underwood, Foy Carlton
Waltemyer, Clyde Leverne, Jr.
Weeks, James Dale

Chief warrant officer W-3

Abshear, James David
Absher, Donald Richard
Akers, Charles A.
Alexander, Carl Thomas
Allen, Robert Eugene
Allred, John Edward
Altier, George R.
Andaya, Carlos Deguzman
Anderson, Mack L.
Argetsinger, Richard Harven
Argilan, John David
Armga, Charles Richard
Arnold, Gordon W.
Arnold, James Michael
Arnold, James Wilson
Auchey, Clair H.
Austin, William Jerry
Aydelott, Charles Robert
Ayre, Durward Calvert
Badnek, Joseph Steven
Bailey, Don Franklin
Bailey, James Johnston, III
Baker, Daniel W.
Baker, Jess K., Jr.
Baldwin, Patrick Lee
Ball, Gerald Wayne
Bancroft, Grove Kenneth
Barber, Charles Benjamin
Barbra, William Ronald
Barcus, William Allen, Jr.
Barker, Billy Larry
Barker, Forester NMN
Barnes, Lynn Edward
Bartlett, Francis Irving
Bartlow, Jack D.
Bautista, Rodolfo Ramos
Baylen, Teddy Orolfo
Bayne, Paul Howard
Beaty, David Louis
Becken, Bryan Asley
Bedford, Michael J.
Beier, Verdell F.
Benfer, Robert Jon
Bernardo, Carlos Gamba
Besser, Ronald N.
Binger, Danny L.
Bird, Melvin Charles, Jr.
Bishop, Donald Cleveland
Bishop, Henry A.
Bishop, Raymond Lewis
Blake, Robert E.
Blakely, Lamont E.
Blount, Karl Sturges
Boliek, Richard Larry
Bolla, John Carlton
Boswell, Homer J.
Bova, William David
Bowman, Jackie T.
Boyle, Joseph D.
Braccio, James R.
Brack, Edwin Davis
Bradley, George A.
Brashear, Billy Gene
Braxton, William Wayne
Brenneke, John S.
Brenner, Carl Arthur
Bridges, James Olsen
Bright, Michael Dale
Briglin, Joseph Robert
Brindle, William, A. J.
Brinkley, Roy Eldon
Bristol, Robert Gord
Britt, Dale Raymond
Brown, Mark Neal
Bruce, Wardee Roland, Jr.
Bryson, Robert Harlan
Bunker, Robert R., Jr.
Burnett, Thomas Robert
Buss, Larry C.
Butler, Eugene W.
Butler, Paul P.
Buttrum, Ronald Leroy
Byers, Harold Duane
Byrd, Wallace Jerome
Cabuco, Carlos J.
Caffarelli, Anthony Matthew
Calheim, Melfred D.
Callahan, Edward Thomas, Jr.
Callahan, Fredrick Norman
Campbell, William J.
Caplinger, Harold Deward
Carson, Jeffery Alan
Carter, Terry M.
Carter, William Marshal
Case, George Shelton
Casey, George Joseph
Cave, William Bernard
Celi, Andres Ponce
Chambers, James Thomas
Chapman, Thomas Escle
Chesnut, Harry William
Chesson, Terrence J.
Chester, George D.
Childers, David Paul
Chinery, Percy Harrison, III
Chiong, Mel Dagsaan
Chmelarsky, Joseph E.
Church, Doyle Richard
Church, James Edward
Churilo, Carl N.
Clark, Jimmy Cline
Clark, Stephen R.
Clemente, Philip Lawrence
Cleveland, Roy Lee
Clontz, Robert E.
Cloyd, Richard V.
Cochran, Jimmy Ray
Cochran, Paul Leroy
Cochran, Raymond Authur
Coffield, David R., Jr.
Cole, Danny Duane
Cole, Gordon D.
Coley, Brian Bernard
Collins, Daniel John
Concepcion, Edwin Sanchez
Conner, Marion R.
Conolly, Joseph Eugene
Cook, Clifford Thomas
Cope, Edward M.
Copes, George T.
Cordoza, Michael A.
Corliss, Albert L., Jr.
Corpuz, Danilo Velez
Correll, Dennis E.
Cox, Cecil Clay
Creed, David Lee
Cummings, Clyde C.
Cunningham, James Lamar
Curtis, Harry Atwell, Jr.
Cusumano, Joseph Peter
Davenport, Charles Alfred
Davis, Cecil Llewellyn
Davis, James Edgar
Davis, John William
Davis, Michael Austin
Dawkins, Max Reid
Dawson, Millard Esmond, III
Day, Dickie Jum
Decker, Jonathan L.
Derrick, Gary Lee
Derus, Richard NMN
Diaz, Robert Joseph
Dicanio, James Victor, Jr.
Dickenson, John Walt
Dickson, William Gerald
Diquollo, Carl NMN
Dixon, Frederick Russell
Dixon, Richard Allen
Dobbins, John William
Dodd, Charles R.
Donlon, James NMN
Dove, Ronald M.
Dronette, Eugene Joseph, Jr.
Duchesne, Ariel
Dunn, Thomas Robe, Jr.
Duport, George P.
Durham, Randall Eugene
Dyer, Lloyd D.
Edgar, Leonard James
Edwards, William Neal
Eggleton, William Wendell
Eichelberger, Cheyenne
Elchlepp, Beaudwyn Paul
Ellis, Roger Allen
Ellison, Stephen L.
Engelhard, Ward H., Jr.
Epperson, Donald Mar
Eskridge, John M.
Fabie, Marcelino Dacuycuy
Falco, Harry William
Fales, Harold L.
Faloon, Robert Daniel
Federer, Raymond F.
Federick, Albert G.
Fegarido, Virgil Charles
Ferreira, Robert William
Feuerlein, Peter C.
Finch, Gaylord Ross
Finch, Willliam Francis
Fine, David Lee
Fitch, John Adams
Fitzgerald, Dennis Clayton
Flannery, Michael Patrick
Fleischer, Douglas W.
Fletcher, James M.
Fletcher, Leslie Bernard
Flood, William Eugene
Flury, William Delbert
Flynn, Gary Elden
Ford, Joseph Curry
Ford, Ralph E.
Forthun, David Carlyle
Fowler, Ronald Lewis
France, Robert Lyle
Freeman, Andrew Louis
From, Roy A.
Frye, Dock H., Jr.
Fugate, Grover L.
Fulford, David William
Fyfe, Douglas J.
Gadsden, George Louis
Galanides, Antonio Mario
Gallegos, Paul G.
Gamble, Gary Lynn
Garcia, Patrick, Jr.
Gardner, Ronald H.
Garner, Carl Eugene
Garrett, Talmadge Co
Gasper, Manuel NMN J.
Geiling, Rex Walter
George, James G.
Gilbert, Phillip George
Gilchrist, William Robert
Gilles, Leonard Francis
Gilliland, Freddie Hugh
Gillip, Raymond Roger

Girouard, Francis Henry, Jr.
Glenn, Bedford Drennen
Glover, Clarence Buren
Gonzales, Gilbert Morris
Gore, Benny Dean
Gork, William James
Grant, Donald Lee
Grant, John I., Jr.
Gray, Frank W., Jr.
Gray, James Robert
Green, Barrett Arson
Greene, Theodore F.
Greenwood, Ernest L.
Greiner, Michael Leo
Grey, Robert P.
Griffin, Clyde Clemmon
Griffis, Gene D.
Groff, Francis M., Jr.
Guffey, Lloyd Leon
Gullett, John Nicholas, Jr.
Gumbayan, Gregorio Entese
Gunderman, George C.
Hacker, Paul David
Haley, Olen Clayton, Jr.
Halfkenny, James A.
Hall, Bertram Martin
Hallmark, William David
Halverson, Francis D.
Hamel, John P.
Hamilton, Marshall N.
Hammer, Charles Fran
Handley, David M.
Haney, Edward Patrick
Hanna, Rudolph Marlin
Harden, Lawrence Elliott
Hardin, Arnie E.
Harman, James Allen, Jr.
Harmon, Joseph Parker
Harper, Randolph Alan
Hart, James Abner
Hart, James H.
Hayden, Robert M.
Hayes, Robert Philmore
Haynes, Charles W.
Hayward, Russell Ernest
Heath, Robert McGuffey
Heidler, Edward J.
Heilman, Jack Arthur
Heiney, Charles E.
Helms, Frank E.
Herman, Charles Nelson
Hernden, Robert Lee
Herpin, Richard, Jr.
Hesketh, Gerald Harrison
Hestand, Edgar Barton
Hickman, Gene A.
Hicks, Gary A.
Hill, Richard Anthony
Hill, Richard D.
Hinton, Edward Lee
Hixon, Harold C.
Hodson, Robert L.
Hoffman, John R.
Holbrook, Jack NMN
Holt, Derrell L.
Houlette, James Franklin
Houston, Robert Edgar
Howes, Robert C., Jr.
Hubble, Lester Harold, Jr.
Hughes, Raymond B.
Hull, Larry G.
Humes, Edwin Francis
Hundley, John David
Hurley, Charles M.
Hutsell, Edward Sheridan
Hyde, Dave F.
Inglis, Merrill Warren
Ingram, James Roger
Iovanna, William R.
Irwin, Charles L.
Jackson, Auston Michael
Jackson, Carl C.
Jackson, Ronald Chavis
Jacobs, Elroy A.
Jacobs, Robert J.
Jenkins, Willie James
Johnson, John Wesley
Johnson, Lawrence Joseph
Johnson, Robert R.
Johnson, Theodore W.
Johnson, William M.
Jones, Bobby Lee
Jones, Frank E.
Jones, Gene R.
Jones, James H.
Jones, Johnny Lee
Jones, Johnny R.
Jones, Joseph Berdell
Jones, Kenneth B.
Jones, Robert Leslie
Jones, Ronny Gene
Jones, Tommy D.
Jordan, James Junior, Jr.
Julian, William H.
Kaullen, Perry W., Jr.
Kehr, Bruce Daniel
Keiser, James Harry
Keith, Wesley Loyal
Kelley, John Stephen
Kennedy, Barry
Key, James Dennis
Keys, Royd
Kimball, Raymond J.
Kiniston, Kalum Eugene
Kinshofer, George Herbert
Kirkpatrick, Larry Andrew
Kite, John Barry
Kretzschmar, Arno Anthony
Kury, Dennis M.
Kusowski, Edwin Thadeus
Lachance, Albert Henry
Lacko, John David
Ladow, Louis Peter
Laduke, Robert C.
Laffey, Thomas
Lamontagne, Michael
Lane, Donald Wayne
Lane, Stephen A.
Lang, Darrell Jon
Lang, Gary Leroy
Langhofer, Wayne D.
Larson, Raymond D.
Lasater, Eugene Royal
Laster, Roy Wayne
Laubach, Kenneth Hubbard
Lawson, Charles Eugene
Lawson, Shirley Wayn
Leasure, James Griffin
Lechler, Carl Gene
Lee, Richard David
Lefebvre, Andre
Leindecker, John Eric
Lenhart, Julius M.
Leong, Francis Ahuna
Lewis, Harry J, Jr.
Lewis, James Martin
Lichtenhan, Charles
Lidgett, Raymond I.
Little, James S.
Locklair, John L.
Long, John G.
Long, Lawrence Herert Edwar
Long, Thomas J.
Longmire, Gary G.
Lovin, Wallace T.
Luepkes, Michael D.
Lundgren, Marlowe K.
Lunsford, Jay William
Lusk, Sherman Hayes
Lyle, Austin Alexander
Lynch, Raymond Richard
Lynd, Robert Nmn
Lyon, Paul Dean
Lyon, Terrence E.
Madrid, John Anthony Jr.
Maes, Thomas Wayne
Mangel, Edward Leonard
Marks, Richard J.
Marlowe, William D.
Marshall, Dewey D.
Martin, Lawrence E.
Martin, Michael Patrick
Mathisen, Tim Ian
Matthews, Frederick Downing
Mattoon, Roland H.
Mattson, Kenneth L.
Maxaner, Bruce
McAllister, David Gow
McChesney, Adrian Morris
McCormick, Thomas F.
McCowan, Charles Fuller
McCurdy, Harold D.
McDonald, Bruce
McGhee, Harvey W.
McGhee, O, D.
McGlynn, Michael J.
McGrew, Ralph R.
McGuire, Albert C.
McGurr, Albert Francis
McKee, Keith Allen
McLaughlin, Otto W, J.
McNealy, John M, Jr.
McWane, Gilbert Joseph
Mebane, Edward L.
Medina, Genelito Valero
Mellis, Larry A.
Meredith, John Russell
Michalak, Michael J.
Micklich, Richard L.
Miller, Charles Kenn
Miller, Herman Earl
Miller, Hershel Morr
Miller, Ralph Fredrick
Milton, Charles Robert
Mobley, Ronald
Moffett, Martin Charles
Mohan, George Vincen
Montgomery, James Joseph Jr.
Moddy, Eugene Henry
Moody, Melvin
Moons, Gerald C.
Moore, Joseph M.
Moore, Paul Adrian
Moore, Robert Wesley
Morgan, Charles F.
Morris, Terry L.
Mott, Dale Albert
Mulder, George Kenneth
Mullins, Noah Thomas
Murphy, Larry R.
Nardone, Dennis C.
Nauta, Raleigh J.
Neal, Ronald Jerome
Neill, Stephen W.
Newman, Danny L.
Nichols, Leo Gordon
Niemann, Gerald Wayne
Nua, Maligi Agatonu
Ohalloran, Francis Edward
O'Hara, Robert Nathan
Olsen, Glen Sanders
Omlor, Francis A.
Orr, Charles W.
Ort, Don G.
Otto, Mark Henry
Owens, Raymond Wayne
Owens, Robert L.
Pacheco, George Nmn
Paddock, John M.
Paoletti, Michael James
Parmiter, Larry C.
Patterson, Dale J.
Paul, George David
Payne, Francis Harvey, Jr.
Pearson, Sherman Jimmy
Pelis, Thomas Fred
Pemberton, Larence Alphonzo
Penner, John E.
Pentecost, Steven Lynn
Peplinski, Dieter
Peters, Karl A.
Peterson, Philip Thor

Peterson, Scott E.
Petroni, David Lee
Piersawl, Michael R.
Pincek, William Robe
Pizarro, Florentino
Pochel, Dennis C.
Ponder, William Forrest
Posey, Donald Richard
Pottratz, Rodger A.
Pratt, Elwood Seth
Preston, Richard R.
Pricer, Robert B., Jr.
Priest, Charles R.
Priestley, Terrance Wayne
Proctor, James A.
Provost, Robert George Arnol
Pryor, Glenn Kenneth
Pryor, Wade Thomas
Putz, Hans Leopold
Rambo, Charles William
Rasbeary, James Adair, Jr.
Reagin, Albert Gene
Reeves, Christopher
Regan, Billy J.
Reiterman, Philip E.
Repak, George Edward
Reyes, Ponciano Legaspi
Rhodes, Roy M.
Rial, John Stephen
Rice, Robert Eugene
Richardson, Gary Lynn
Riddle, Jerry Arthur
Ridley, John David
Riley, Jerry R.
Ritter, Kenneth James
Roberts, Charles E.
Robinson, Tommy Leon
Roderick, Wallace Q.
Roe, Ronald Raymond
Rogalski, Walter Stanley, Jr.
Rogers, Norbert F., II
Ronquillo, Marcelino Espirit
Ross, Bobby J.
Ross, Louis Nmn
Rowe, John Martin
Russow, Claud Franklin
Ryan, Philip W., Jr.
Saffle, Sandra Lee
Saguinsin, Timoteo M.
Sale, James Eubank
Salonga, Cipriano Cruz
Sanders, John William
Savino, Oronzo Joseph
Schaeffer, Lester M.
Schell, Edward Gunnar
Schmidt, Keith Leon
Schmitt, Gerard J.
Schneider, Franz Christian
Schneider, Thomas A.
Schwab, Frederick Arnold
Schwintosky, Roger E.
Scott, Edward C.
Scott, John Lee
Scott, Richard Bryant
Scott, Richard Lee
Seaver, James R.
Seitzinger, John L.
Shanklin, Terry Wayne
Sharp, Floyd Gene
Shaw, George L.
Shaw, Harvey J.
Shawver, Michael T.
Sheets, Keith E.
Sherman, Cornelius Aller, II
Shields, Joseph Nathaniel, II
Shinkle, Leroy Kent
Shope, Merrill E., Jr.
Shotts, Gerald D., Jr.
Shoultz,Larry Donell
Siems, Roger W.
Sieruta, David William
Simmons, Donald B., Jr.
Simmons, Melvin E.
Simpson, Frank Lee
Simpson, Leonard W.
Skipper, William Herman
Sledge, Thomas E.
Solan, David
Smith, James Leroy
Smith, Leonard C.
Smith, Paul Reginald
Smythe, John Merton
Snook, John James Garfield
Snow, Carl W.
Sollis, James L.
Sommer, Robert James, Jr.
Soriano, Ezequiel Santos, Jr.
Spencer, Jerald Wilson
Spivey, Jimmy M.
Stallings, Jack Eugene
Stanfield, Clyde Ray
Stearns, Arnold L.
Stegner, Roland Luverne
Stephens, Richard James
Stephens, Wesley C., Jr.
Stith, Fred Eugene
Stokely, John W.
Strange, Jack Daniel
Strickland, McCoy Odum
Sutfin, Archie L.
Sykes, Joe Tom
Taijito, Juan M.
Tankersley, Billy Al
Tanner, Leonard C.
Tass, William D.
Tauschek, Raymond J.
Taylor, Glenn Edward
Taylor, James B.
Taylor, Richard D.
Teegarden, Dennis Dean
Tennis, Walter Frank
Thayer, Michael Wayne
Thomas, David Richard
Thomas, Juan Antonio
Thompson, Thomas, Jr.
Thorp, Donald Monroe
Threats, Fred NMN
Tigert, John A.
Tilton, William Earl
Tines, John Hilton
Tom, Daniel, Jr.
Torres, Joseph Henry
Toth, Robert J.
Towery, Travis W.
Trent, Richard H.
Trim, Terry Lee
Trotter, James W.
Trudell, Phillip D.
Tumaliuan, Anniano T.
Turner, Norris Edward
Udell, Robert J.
Vanausdal, William R.
Vannostrand, Cliffor
Vargas, Kenneth Lee
Velez, Ernesto NMN J.
Veliz, Jose, Jr.
Vigil, John Gene, Jr.
Vinson, Thurman Lavier
Vogan, Francis John, Jr.
Wagner, Thomas Gerald
Waite, Robert Alan
Waits, John David
Wakida, Donald Mitsuru
Walden, James Edward
Waldron, Elliott M.S.
Walker, Charles Allen
Wallen, Ramon G.
Wandel, Lawrence Paul
Ward, Joseph E.
Watkins William Ray
Watson, David NMN
Wendorff, Alfred D.
West, Joseph A.
Westermeyer, Edward James
Weurding, Robert B.
Whitaker, Larry Howard
Whitefield, John E.
Whitman, Robert P., Jr.
Whitney, William Colin
Whittingham, James D.
Wicks, Walter Henry, III
Wilbur, Donald Richard
Williams, Ernest J.
Williams, Glenn Earl
Williams, James Huber
Williams, Jerry Keith
Williams, Luther Otis
Williams, Thomas K.
Wilson, James Douglas
Wilson, Kathleen Marie
Wilson, Wayne Allen
Windham, James H.
Wise, Orville G., Jr.
Wood, Ronald Lee
Woodruff, Ronald Rudolph
Woolf, Vaughn S.
Worthen, Thomas Lee
Yamashita, Thomas Shigeru
Yoder, David E.
Young, Dennis Carl, Jr.
Young, Douglas Q.
Yu, Fernando V.
Yusis, Edward Nmn
Zambrano, Ernesto Mangadang
Ziegenbein, Alva V.
Zimpher, James C.
Zupinski, Edwin Frank

HOUSE OF REPRESENTATIVES—*Wednesday, September 11, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We remember, O God, those people whose good deeds and service to others are known only to the few but whose acts of charity are motivated by genuine compassion and concern. In Your divine understanding, gracious God, we acknowledge that You encourage us to do justice not so our names will be known, but rather that healing and righteousness will take place. In the silence of our own hearts we honor those saints, whose names are known to You, for their good works and for their devotion to making our homes and communities places of peace and good will. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Hallen, one of its clerk's, announced that the Senate agrees to the amendments of the House to the joint resolution (S.J. Res. 31) "Joint resolution to designate the week of November 24 through November 30, 1985, as 'National Family Week'."

THE REPUBLICANS' $2 TRILLION DEBT

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, U.S. News & World Report, a magazine not known for its liberalism, points out this week that before the Republicans took over in 1981, our Nation's entire 205-year history had produced a $1 trillion debt.

But later this month, in 1985, President Reagan is going to ask Congress to approve a $2 trillion debt. That's right, after campaigning in 1980 on a platform of fiscal responsibility, the Republicans started buying $600 toilet seats and allowing the rich corporations to pay no taxes. The result? A $2 trillion debt that America's young people will have to pay.

There's even an excellent chart here to illustrate how the Republicans have doubled the debt in 5 short years.

How much is 2 trillion? U.S. News says that "2 trillion $1 bills placed end-to-end would stretch 186 million miles—from the Earth to the Sun and back."

That's a pretty long way, Mr. Speaker, but not nearly as far as the Republicans and their corporate welfare queens will have to go in explaining this one to the voters in 1986.

OFFSHORE OIL EXPLORATION NEGOTIATIONS

(Mr. PACKARD asked and was given permission to address the House for 1 minute.)

Mr. PACKARD. Mr. Speaker, yesterday, talks broke down between Secretary Hodel and the California Members—after 6 weeks of difficult and often controversial negotiations on offshore oil exploration. The Members left the room angry and disappointed.

The dispute centered around a preliminary agreement negotiated last July. It called for leasing 150 tracts off of California. Secretary Hodel claimed the tracts offered very low potential, and thus are worthless to the oil industry. He wants better tracts.

The majority of the California delegation wants the Secretary to honor the preliminary agreement. Neither side was in the mood to budge and the agreement fell apart.

Now that the heat of yesterday has subsided, cooler heads must prevail. We are all responsible legislators and the long-term need for agreement still exists.

I call on Mr. Hodel to present immediately what he wants and for the California delegation to return to the bargaining table. In the meantime, the moratorium ought to be extended until consensus is reached.

ADMINISTRATION SHOULD BE WORKING ON SUBSTANTIVE ISSUES IN GENEVA

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, yesterday the President told the visiting Danish Prime Minister that the upcoming summit should be a "starting point for better relations—a starting point for progress." No one could disagree with that. But the other things this administration has been saying raise doubt about whether they are interested in a meeting of substance.

Every day, it seems, we are warned not to expect much from Geneva. The State Department never mentions the summit without cautioning against optimism in the same breath. Yesterday, the President himself made a point of minimizing hopes.

If this is the subtle and delicate language of diplomacy, fine. But my worry is that both sides are becoming more concerned with public relations than with the substantive issue, which is nothing less than human survival.

Our statements and actions should make that clear. As the gentleman from Maine [Mr. Mitchell] has suggested, we should be working on the "essential elements" of an arms control agreement with the Soviets. I hope the President will do just that.

THE KIDNAPING OF PRESIDENT DUARTE'S DAUGHTER

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, I and I am sure all of my colleagues were shocked and saddened to hear about the kidnaping of President Jose Napoleon Duarte's daughter yesterday in El Salvador. We do not know who did it, but we know that whoever did, is despicable and has committed an extreme act of terrorism which we all condemn.

I am sure all of my colleagues join me in extending our sympathy and best wishes and hopes for the recovery of Jose Napoleon Duarte's daughter unharmed.

When President Duarte was here a little over a year ago, he told us that he was willing to endure anything including risking his own life, for democracy in El Salvador. What happened yesterday shows that indeed that is what can happen when you take the kind of risks that he has taken.

So, Mr. Speaker, I ask all of my colleagues to join me in extending sympathy and best wishes to him, and for continued wishes for success in a very difficult job.

HON. SONNY MONTGOMERY RECIPIENT OF THE MENDEL RIVERS' AWARD OF EXCELLENCE

(Mr. NICHOLS asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, I know our colleagues would be interested to know that our distinguished colleague from Mississippi, the Honorable G.V. (Sonny) Montgomery, had been named by the Noncommissioned Officers' Association as the 1985 recipient of the prestigious Mendel Rivers' Award of Excellence.

This award is made annually honoring a Member for his service in behalf of the men and women in our military service, and certainly our friend from Mississippi, the very able chairman of the House Committee on Veterans' Affairs, is most deserving of this honor.

During Sonny's 19 years of dedicated service in the Congress, he has been a strong champion of providing educational opportunities for men and women in the military service, and his efforts in this field have been very helpful to recruitment and retention in all branches of the service.

Sonny's long time concern for our missing in action in Vietnam and Indochina, together with his dedication supporting our National Guard and Reserve forces, entitles him to receive this outstanding award, and I know his many friends on the floor of the House want to join me in extending our sincere congratulations.

Mr. DANIEL. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Virginia.

☐ 1210

Mr. DANIEL. Mr. Speaker, this is a terribly important statement the gentleman from Alabama is making, because it tells us something about a man who has done so well in his life in so many fields. And yet he takes the time to do the little things that affect so dramatically our enlisted personnel in the service. This is a trait that more of us ought to have. I wish I had more of it. The finest thing you can say about Sonny Montgomery, particularly in the South, is that he is a true southern gentleman. He looks like a Congressman, he acts like a Congressman, and he is a credit to the body.

I thank the gentleman for yielding.

CONRAIL

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and Members of the House, the question recurs: What should the U.S. Congress do about Conrail?

The administration proposes, pursuant to its duty, to sell the system to Norfolk, an existing railway system, for $1.2 billion.

There are many of us who can prove conclusively that that is a very inexpensive price to place upon such a worthy asset. We prefer, many of us—and we wish we could impress our colleagues to the same extent—that the system ought to be put up for a public offering. This would have two guaranteed elements: First, it would produce, without question, more than the $1.2 billion now in the picture, and thus would help our revenue picture just that much more; and second, it would guarantee the continued existence of Conrail and its management as we now know it, which we know is a profitable, workmanlike operation in its present circumstance.

That is why I am asking all of the Members to look very closely at the proposed sale as now constituted. We owe our taxpayers more than just the automatic adoption of the sale to Norfolk.

THE NATIONAL DEBT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the gentleman from California started out this morning by talking about the national debt, how the President has now asked us to double it. Reagan started with a $1 trillion debt and now he's driven it to $2 trillion.

I think it is very important to break the debt down even further and show what this means to every individual American. What this means is every American today portion of the debt is $7,736 per every man, woman, and child.

As we go around, crowing about our wonderful gross national product, let us not forget that 50 percent of that gross national product is on the cuff, it is because of this debt, whereas in 1981, when the administration took over, the debt was 34 percent of the GNP. That is a phenomenal increase.

But the projections as to what we are going to have to pay in interest on this national debt are phenomenal, $138 billion in interest payments will be required next year.

Somebody is going to have to pay. The debt is going to come due eventually. And I think it is incredible that a President that campaigned saying that they were really fiscally responsible have turned out to be the most fiscally irresponsible in the history of the country.

THE KIDNAPING OF INES GUADELUPE DUARTE DURAN

(Mr. BARNES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARNES. Mr. Speaker, I am about to introduce a resolution condemning the kidnaping of Ines Guadelupe Duarte Duran, the daughter of the President of El Salvador, Jose Napoleon Duarte. This is an outrageous act. As was said by my friend and colleague from California just a few minutes ago, we have no idea who did it, but whoever did it has engaged in a dispicable action that cannot be justified in any way, under any circumstances.

At 2 o'clock this afternoon I will convene a meeting of the subcommittee that I have the privilege to chair, the Subcommittee on Western Hemisphere Affairs. I hope that we will unanimously report out the resolution that my friend from California, the ranking Republican, Mr. Lagomarsino, has agreed to cosponsor. We hope to move this resolution quickly on a bipartisan basis. I know that all Democrats and all Republicans will want to join us in calling upon those responsible for this kidnaping to release the President's daughter unharmed and to desist in engaging in this kind of reprehensible action.

SAY IT AIN'T SO

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, without in any way diminishing the problems of trade, unemployment or the debt, this today is a brief cry for something I do not even believe the Congress can solve.

Last night I watched, again, baseball players, who have been giving evidence and therefore are free from prosecution, about dealing with and taking drugs. None of these players exhibited much remorse, nor have I heard from baseball owners that they would somehow unite to make sure this cannot happen again, nor from the players' organization. This kind of thing has got to stop. We are not talking about poor farm boys or ghetto youths who are unemployed. We are talking about people who make $300,000 a year, who, for our children, are the models and examples.

Can you imagine my hero, Stan Musial, shooting it up, or maybe Bob Gibson saying, "It was a tough day, therefore I am going to take some pills."

In 1919, a little kid said, "Say it ain't so, Joe." I can only ask today the baseball teams again: Please say it won't be so.

UNFAIR FOREIGN TRADE PRACTICES

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, like the historic figure of Emperor Nero fiddling away while Rome burned, the United States is still fiddling around the edges of a problem which burns at the very heart of the American economic base. Unfair foreign trade practices combine with an administration policy of ignoring those inequities to daily rob Americans of jobs and erode the mining and manufacturing base of the Nation. Our policy seems to be to promote mining and manufacturing jobs everywhere except here on good U.S. soil.

Mr. Speaker, there is a broad gulf-wide difference between protectionism and trade reciprocity. Protectionism implies the artificial support of inefficient operations. Trade reciprocity implies equal and fair treatment of products on the international market.

It is time, Mr. Speaker, for the United States to tell our major trading partners that we will no longer tolerate imbalances in trade restrictions, tariffs, and quotas, that we are prepared to match them item by item, commodity by commodity, until everyone comes to their senses and balance is restored.

Only then will we have real and free and fair trade. And in that kind of economic environment, Americans can compete against anyone in the world.

NEVER MIND THE PROBLEMS WITH CHEMICAL WEAPONS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, this House will soon face another vote on chemical weapons.

Two months ago, the House tentatively approved the production of new nerve gas weapons with two important conditions: First, that a 2-year deadline be set to give the arms control negotiations in Geneva a chance; and second, that we borrow the estimated $20 billion that new nerve gas weapons will cost if our closest NATO allies agree to accept them.

As I predicted at that time, the conference stripped those important conditions from the House bill and left a naked commitment to nerve gas.

Never mind that without our allies' approval, these weapons will not get within 3,000 miles of where they would be needed. Never mind the $20 billion added to the deficit. Never mind three GAO reports stating that the weapons proposed are not ready for production.

The GAO says they won't work, our allies say they won't deploy them, and I say we cannot afford them. Let's reject the conference's open endorsement of chemical weapons.

OPERATION TIGER: A TRIBUTE

(Mrs. BYRON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BYRON. Mr. Speaker, today I would like to pay tribute to 749 American soldiers who lost their lives during Exercise Tiger, a secret preparatory operation for the Normandy invasion during World War II.

During this operation, the U.S. 4th Infantry Division losses were numbered at approximately 749 men and many more were wounded.

The Allied Military Command did little to recognize those individuals who participated. Few people have heard of this tragedy some 41 years later.

Mr. Speaker, a memorial was recently erected to honor these men who lost their lives in the line of duty. The memorial, which stands in Torcross, was not established by a military authority, but by a distinguished gentleman from England. Yesterday I had the privilege of meeting this gentleman. Mr. Ken Small of Torcross in Devon County, England, pursued, at his own expense, the idea of establishing a memorial for over 10 years. On November 9, 1984, Mr. Small's dream became a reality. On that day his memorial to those who served in the operation was dedicated.

I, personally, am proud of Mr. Small's actions and hope others will recognize his efforts to pay tribute to those who served in Operation Tiger, those fallen soliders.

SERVITE ORDER MARKS 700TH ANNIVERSARY; SERVITE FATHER LAWRENCE JENCO HELD HOSTAGE IN LEBANON

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, on Sunday, August 25, members of the Order of Servants of Mary in the Catholic Archdiocese of Chicago met to celebrate the 700th anniversary of the death of St. Philip Benizi, an early leader of the order, known as Servites.

The Servites have been in the Chicago area for 111 years. The order has 10 religious communities in the Chicago Archdiocese and staffs 7 parishes.

Conspicuously absent from the celebrations was Father Lawrence Jenco, a Servite priest from Joliet, IL. Father Jenco has been held hostage in Lebanon since January 8, 247 days. Not a missionary nor an evangelist, Father Jenco was the head of Catholic Relief Services in Beirut when he was kidnaped. To get his help there was only one qualification—that you be in need of help.

Today also marks the 544th day of captivity for William Buckley, a U.S. Foreign Service officer.

Rev. Benjamin Weir, a Presbyterian minister, has been held hostage in Lebanon for 491 days.

Terry Anderson, the Associated Press bureau chief in Beirut, was kidnaped March 16, 179 days ago.

Today is the 106th day of captivity for David Jacobsen, the director of the American University Hospital in Beirut.

Today is the 93d day of captivity of Thomas Sutherland, dean of the American University Agriculture School.

Today also marks the 281st day since the disappearance of Peter Kilburn, the American University librarian.

Mr. Speaker, the hostage crisis in Lebanon continues.

AMERICAN AGRICULTURE

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, as you are aware, the ranches and growers of our country are on the ropes. The farm economy is in shambles; the deficit has driven the dollar so high that the most efficient producer in the world, the American farmer, has been driven from world markets and into foreclosure.

If any situation demands leadership, the exercise of the bully pulpit, the President's attention and his concern, it would be the condition of American agriculture.

And what does our President engage his advisers' valuable time? And how are the unique and irreplaceable leadership qualities of the Presidency brought to bear on this crisis? The answer can be found on the pages of the style section of the Washington Post. In those pages, I learned that Patrick Buchanan has spent his valuable time arranging an Amtrak train to carry Merle Haggard and his band from Bakersfield, CA, to Illinois.

Now, I am not a cynic. I believe that Merle and Willie Nelson and Neil Young, and other country stars, are properly trying to highlight our greatest domestic crisis. But let us get the President and his hired sages working on farm policy. Time is short, Mr. Speaker, and the President should set Mr. Buchanan to work today on a speech on agricultural policy that will point the way out of this morass rather than having him acting as a train ticket agent on a rail passenger system he has tried to terminate.

We can all enjoy the music when this administration decides that it has a governmental role to play other than associating itself with good causes.

IMMIGRATION REFORM

(Mr. SMITH of New Hampshire asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Hampshire. Mr. Speaker, yesterday, the Judiciary Committee began hearings again on the issue of immigration reform, and again the legislation it is considering, H.R. 3080, includes amnesty for illegal aliens. There is no doubt that the American people want immigration reform and there is no doubt they want to see an end to the problem of illegal immigration. But there is one more important thing, Mr. Speaker, the American people do not want amnesty for illegal aliens or any lawbreakers. For those Members of this body that can't bring themselves to supporting H.R. 3080, there is an alternative, H.R. 2267, a bill I introduced in April of this year. This legislation does not contain amnesty for illegal aliens, but does include substantial increases in manpower for the INS and employer sanctions. I invite my colleagues to take a close look at H.R. 2267. It is time to regain control of America's borders.

□ 1225

WE MUST MAINTAIN A NETWORK OF AMERICAN FAMILY FARMS

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute.)

Mr. DORGAN of North Dakota. Mr. Speaker, this week about 150 North Dakotans came to Washington, DC. They met with many Members of the House and Senate and visited with the Speaker of the House to talk about the farm problem that is creating chaos in the central part of our country.

One of them, a friend of mine, a farmer and a State legislator, Representative Allen Richards, left something with us and I read it last evening. I wanted to share a couple of paragraphs with the House because it describes in real terms what is going on out in the country. He talks about the economic devastation out in rural America. He says:

> In my township, in 1980, there were 12 farmers; now there are 7. Only one retired. On the main street of my hometown, which has 1,000 people, there are 4 businesses which have closed in the last 4 years, and 3 more are on the brink.
>
> My legislative district has 25 townships and 5 communities. Five years ago, there were 4 new car dealers; now there are 3. Five years ago, there were 4 farm tractor dealers; now there are 2. Five years ago, there were nearly 20 percent more farmers than there are today, and in 1986 there will be 10 percent less than there are today.

The point of all of this is that he says, the group that came from North Dakota says, quite appropriately, "This country had better start developing a policy that many of our allies have already developed. A policy that says it is important for this country's future to maintain a network of family farms." Our farm program does not now have that policy, and we had better get about the business of developing it. We can do it without spending a great deal of money if we spend that money the right way.

IN TRIBUTE TO JUDGE VELDE

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous material.)

Mr. MICHEL. Mr. Speaker, in the closing days of our August recess—as a matter of fact, on September 1—a former distinguished Member of this body passed away. He happened to be my predecessor in the Congress, Judge Harold Velde, who served during the 81st 82d, 83d, and 84th Congresses. It was Judge Velde who gave me my start in politics because my first position here in Washington was serving as his administrative assistant.

I was asked by the family then, for memorial services held in Pekin, IL, last Saturday, to deliver a eulogy. Mr. Speaker, I include the text of that eulogy for the RECORD. Thank you.

EULOGY OF HON. HAROLD H. VELDE

Dolores, Pete, Joyce, Joan and Jim, I'm deeply touched and honored that you asked me to deliver a eulogy for your husband and father, Judge Velde.

Aside from my parents and wife, no one has played a more pivotal role in my life than the Judge, for it was he who gave me my start in politics 37 years ago.

Dolores, I suspect you may recall as I do very vividly the first time I met the Judge, because you were the Court reporter then and participated in the interview that led to my being hired, fresh out of Bradley, as a sort of "Boy Friday" or general handy man for the Judge's first general election campaign.

At the conclusion of the interview, the Judge seemed to be favorably disposed and said: "We're running our campaign on a shoestring and we can't pay you very much, but if you do a good job and I get elected, you may want to think about coming along to Washington and we can talk again about the pay."

Then in a very apologetic way, he said: "But as for now we can only pay you $30 a week."

Well, needless to say, we saw more in the association and the opportunity than in the salary. We shook hands and that was the beginning of what would become a very close relationship, kinship and friendship.

I also got to know Pete and Joan, who were just teenagers then and their mother, Olive, with whom I had to go over the mail and check the scheduling. It was a family affair. As a matter of fact when the Judge and I first went to Washington, we actually shared an apartment with our wives.

For the record, we could never forget the Judge's birthday, because it fell on April Fool's Day, and we would always make the most of that. He was a Tazewell County boy all the way and liked to talk about his early years in Manito and Sand Prairie Township.

Those were his formative years and they had a great deal to do with his makeup as a man.

We often compared notes about our respective years at Bradley University. From there he went on to graduate from Northwestern and then Law School at the University of Illinois.

The Judge began the practice of law right here in Pekin. During World War II he served in the Army Signal Corps before being tabbed for service as a special agent with the FBI.

It was his counter-intelligence work with the FBI that alerted him to the depth and magnitude of the Communist Conspiracy in our country at the time. The built-up frustrations of observing and reporting first hand knowledge to his superiors of what was really going on and seeing so little done about it would later be one of the compelling reasons for his running for Congress.

Between his service in the FBI and the U.S. House of Representatives he was elected Tazewell County judge and I know he really enjoyed sitting as a judge, for he loved the law.

When the late Everett Dirksen decided against running for reelection to the Congress, it was a natural for Judge Velde to make the race. First a spirited Primary and then a successful fall election.

It was during the next 8 years as the Judge's Administrative Assistant that I got to know him so well and learned so much.

He was a delight to work for. He had a great sense of humor. He worked long hours, but he also knew when it was time to hang it up—take a break—and have a little fun.

He was a bonafide conservative Republican in his politics. It was natural, therefore, that his best friends in the Congress on both sides of the aisle were of similar persuasion. He carried no brief for screaming liberals and they were usually his most caustic critics.

The Judge was indeed at times a very controversial figure during his tenure in the House. And he was that because there were controversial issues at stake.

Repeal of the Taft-Hartley Labor Act was a red-hot issue at the time and one of the Judge's Committee assignments was the Education and Labor Committee, that dealt with it.

The Korean War was going on and the firing of General MacArthur provoked the greatest volume of mail we ever received.

The Judge had a meteoric rise in seniority on his House Committee on Un-American Activities, being elevated to the Chairmanship in only his second term. That was unprecedented!

It was on that Committee with the advent of televised coverage of committee hearings and the tenor of the times that made Judge Velde a national figure.

He didn't crave the spotlight. He just had a nasty job to do and it had to be done. The pressures and tensions of his job at the time were awesome. Yet, he acquitted himself so well with his mild mannered demeanor and judicial temperament.

There's no question in my mind that with all that he had to endure in those hectic days, it was taking its toll and certainly was a factor in his decision not to seek reelection after completing his fourth term.

Judge Velde went to Congress with a specific goal in mind—to expose to public view and attention what he rightly perceived as a clear and present danger to the security of our country. He played a very vital role at a critical time in our history.

We all should be grateful for what he did in his time to make this a better country. His was indeed distinguished service to the Republic. And when he retired voluntarily from the Congress, he went back to practicing law for another twenty years.

When he really retired he became all that much more active in his church and in Sun City, Arizona politics. He also served on the White House Conference on Aging.

As a matter of fact, his own Congressman, Eldon Rudd, told me Thursday on the House Floor that the Judge's precinct had the highest percentage of voter turnout in the State of Arizona in the last several elections.

Dolores, Pete, Joan, members of the family.

We've traversed very briefly with a lot of gaps the life of the Judge—who was a loving, devoted, strong, but gentle, good natured, wonderful husband, Dad, grandfather, dear friend to all of us and much, much more to some of us.

It's a sorrowful time for us because we all loved the Judge and we know he loved us. 75 years in this day and age is too young to die, particularly when one is so sound of mind and physically fit for his years as the Judge was, but we can never tell what the Lord's plan is for any one of us.

We do know that Hal, Harold Judge Velde lived those 75 years to the fullest. He always gave a full measure to his family, to his friends, to his community, and to his country.

Judge, we now say our farewell, grateful that you were so much a part of our lives. That will always be a cherished memory for each and every one of us.

NOW, MORE THAN EVER, WE NEED A STRONG SECRETARY OF AGRICULTURE

(Mr. LEHMAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEHMAN of California. Mr. Speaker, the Nation's farm credit system is on the verge of total collapse. The reason is simple: Farm income is not sufficient to permit farmers to pay their debts. In many commodities, farm prices are significantly below the cost of production, leaving farmers with little to live on and nothing with which to pay their bills.

This crisis can no longer be considered temporary or cyclical. It is chronic and systemic, and will be terminal unless properly treated. We need a trade policy that looks out for our interests. The Reagan administration has adopted a policy of unilateral disarmament in trade. We need a credit structure sensitive and flexible enough to recognize the difference between a farmer struggling through an economic crisis and a common deadbeat who willingly walks away from his bills.

Now, more than ever, we need a strong Secretary of Agriculture who is bold and imaginative and vocal and willing to make policy instead of excuses.

SUPPLY SIDE SUFFER

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, we have heard the statistics which pat the administration on the back because the poverty level is down, but the President cannot claim credit for this. It is the House Members who stood up for Social Security COLA's and rescued this country's seniors from poverty which accounts for the reduction that is really not actually true.

Figures just announced by the Census Bureau show that the poorest 40 percent of all families enjoy just 15 percent of all income. The richest 20 percent of all families enjoy 43 percent of all income. The rich get richer, the poor get poorer, and we have a new economic theory in America: It is called Supply Side Suffer.

We have an administration which merely slaps on the wrist E.F. Hutton officials for perpetrating a major fraud on the American people, but is content to watch the farmer and people lose their jobs and homes by practicing ineffective trade policies. We have yet to attack poverty and unemployment. There are at this point 3.3 million more poor children in America than there were a short 6 years ago. So today, my colleagues, I would like to give my own definition of the economic practices of America. They are called Supply Side Suffer.

THE BEHAVIOR OF THE SOUTH AFRICAN GOVERNMENT DOES NOT WARRANT A WEAKENING OF SANCTIONS

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, I have been puzzled that some people have seen a question of partisanship in the generally negative approach many of us have had to the President's effort to preempt the statutory enactment of sanctions by his own action. In the first place, the President's sanctions are, in some significant areas, weaker than those that are pending before the Congress. Many of us do not feel that the recent behavior of the South African Government is such that it should be rewarded by a weakening of sanctions.

But there is a broader institutional issue at stake as well. Traditionally, Presidents of the United States, out of a respect for democracy and the institutional strength of this country have sought to get joint legislative executive alignment behind important foreign policy arguments. Presidents of both parties have sought to do that.

Here we have the extraordinary spectacle of a President saying to a Congress, instead of us joining together so that both of the elected branches are united here, I will act unilaterally and keep you from acting. That is a reversal of what we have traditionally held to be the best way to present a united picture of America.

LET US NOT FAIL THE HOSTAGE FAMILIES IN THIS MOMENT OF NEED

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, once again I rise to call the attention of our colleagues to the plight of seven Americans who have for so long been held hostages in Lebanon.

Now, more than ever, the families of these hostages are working together, sharing their efforts and their energies to explore every possible hope of ending this said captivity.

I urge my colleagues to join in this effort. I am convinced that if the full influence and prestige of this body and its many Members was brought to bear, we would soon be welcoming the hostages home.

I have never met the Reverend Benjamin Weir, but I have come to know and love his family. They want their father and their husband to be free. The Weir's are brave people, but there is a limit to their endurance.

Let us end their ordeal, and the ordeal of the other families.

The hostage families want to know that their Government and this Congress stands with them. Let us not fail them in this moment of need.

THE PRESIDENT'S SO-CALLED SANCTIONS

(Mr. HAYES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES. Mr. Speaker, once again President Reagan has misread the handwriting on the wall and has declined an opportunity to take the side of Americans who stand for the principles upon which our great Nation was founded. Rather than joining with the majority of the House and Senate in issuing concrete sanctions against the racist South African apartheid regime, the President has announced his own so-called sanctions in an attempt to sidestep a congressional veto override and to buy time

for his failed policy of constructive engagement.

Even Mr. Reagan's advisers agree with administration critics who say that the President's proposals would have no significant effect upon the South African economy. Mr. Reagan has only succeeded in giving lipservice to the intent of legislation which was worked out by the House-Senate conference committee while creating a series of conditions, preconditions, and other loopholes which virtually assure the continued impotence of our Nation's southern Africa policies. Mr. Reagan's so-called sanctions call for no immediate or substantial change in our relationship with South Africa. They are merely an attempt to deflect criticism from the most tyrannical regime since Adolf Hitler's Third Reich. As a Member of Congress who has fought throughout my life for justice, equality, and opportunity for all people, I find Mr. Reagan's position to be dishonest and repugnant.

I warn our distinguished Senate colleagues and the American people not to be fooled by the President's "wolf in sheep's clothing" approach to South African apartheid. I sincerely hope that the Senate will go ahead with our efforts to align the United States of America with those people throughout the world who sincerely support the cause of democracy and self-determination for South Africa's black majority by passing the conference committee's bill.

☐ 1235

SKEPTICISM ABOUT THE PRESIDENT'S STEPS ON APARTHEID AND TRADE

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, the President's recent pronouncements on apartheid and trade have been greeted with wide skepticism by proponents in both parties of action on these two vital fronts. The source of the skepticism is clear.

The President has moved in each case, not out of choice, but because of current pressures from Congress and the American public. Whatever one may have thought of the results, the President's first term was characterized by action. The first months of the President's second term have been characterized by reaction.

As American industries have lost ground before the onslaught of subsidized imports, it has been necessary to push the President to get off the dime. As South Africa's minority has imprisoned or shot hundreds of its black majority, the President has moved only when he faced the cliff's edge of a vetoproof congressional majority.

That is why we are not, and should not, be willing to rely on executive actions or orders alone. They do not spring from clear commitment. Congress must act legislatively in each case to be certain that appropriate steps are fully and effectively taken.

CONFUSION OVER CONFERENCE REPORT ON ANTI-APARTHEID ACT

(Mr. GRAY of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAY of Pennsylvania. Mr. Speaker and colleagues, I rise because there is some confusion that is being raised by those who are questioning the sincerity of those who support the Anti-Apartheid Act and the bipartisan coalition with regard to the conference report on the Anti-Apartheid Act.

Let it be known now that it is not a problem of the Democrats versus the Republicans. It is a question of what does America stand for—its values, its principles—and that should not be a partisan issue. That is why this House, by a vote of 380 to 40, voted for the conference report to impose modest but realistic restrictions on our economic activity with the apartheid regime of Pretoria.

I urge the other body not to be fooled by the political diversionary tactics of the White House to avoid any real restrictions, but to support bipartisanly the anti-apartheid conferance report.

I urge the other body today to vote for full legislative action and send the right signal to Pretoria, not the good news that the President announced, which is good for Pretoria but bad for the victims in Soweto.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 7, SCHOOL LUNCH AND CHILD NUTRITION AMENDMENTS OF 1985

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 99-263) on the resolution (H. Res. 262) providing for the consideration of the bill (H.R. 7) to extend and improve the National School Lunch Act and the Child Nutrition Act of 1966, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2266, AMTRAK AUTHORIZATION, FISCAL YEARS 1986 AND 1987

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. 99-264) on the resolution (H. Res. 263) providing for the consideration of the bill (H.R. 2266) authorizing appropriations for Amtrak for fiscal years 1986 and 1987, establishing a commission to study the financial status of Amtrak, and for other purposes, which was referred to the House Calendar and ordered to be printed.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3244, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION ACT, 1986

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 261 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 261

Resolved, That during the consideration of the bill (H.R. 3244) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes, all points of order against the following provisions in the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived: beginning on page 2, line 4 through page 3, line 8; beginning on page 4, line 8 through page 5, line 7; beginning on page 6, lines 16 through 20; beginning on page 14, line 18 through page 15, line 9; beginning on page 16, lines 4 through 19; beginning on page 18, line 10 through page 19, line 20; beginning on page 19, line 23 through page 20, line 10; beginning on page 21, lines 16 through 19; beginning on page 21, line 23 through page 23, line 7; beginning on page 24, line 3 through page 26, line 5; beginning on page 26, line 19 through page 27, line 9; beginning on page 30, lines 7 through 16; beginning on page 31, line 20 through page 32, line 5; beginning on page 32, line 12 through page 33, line 16; beginning on page 34, lines 1 through 8; beginning on page 37, lines 14 through 17; and beginning on page 40, line 1 through page 46, line 7; and all points of order against the following provisions in the bill for failure to comply with the provisions of clause 6 of rule XXI are hereby waived: beginning on page 2, line 4 through page 3, line 8; beginning on page 4, line 8 through page 5, line 7; beginning on page 16, lines 4 through 19; beginning on page 19, lines 3 through 20; beginning on page 24, line 3 through page 26, line 5; beginning on page 26, line 19 through page 27, line 5; beginning on page 31, line 20 through page 32, line 5; beginning on page 40, lines 6 through 12; and beginning on page 41, line 1 through page 42, line 4. It shall be in order to consider the following amendments: (1) an amendment printed in the Congressional Record of September 10, 1985, by, and if offered by, Representative Coughlin of Pennsylvania, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived; (2) an amendment printed in the Congressional Record of September 10, 1985, by, and if offered by, Representative Lewis of California, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived; and (3) an amendment printed in the Congres-

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sional Record of September 10, 1985, by, and if offered by, Representative Waxman of California, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived.

The **SPEAKER** pro tempore. The gentleman from Massachusetts [Mr. Moakley] is recognized for 1 hour.

Mr. **MOAKLEY**. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Ohio [Mr. Latta] and pending that, I yield myself such time as I may use.

Mr. Speaker, House Resolution 261 is a rule waiving points of order during the consideration of the bill, H.R. 3244, the Department of Transportation appropriation for fiscal year 1986.

Mr. Speaker, the rule does not provide for the bill's consideration since general appropriation bills are privileged under the Rules of the House. Provisions relating to time for general debate are also excluded from the rule. Customarily, general debate is limited by a unanimous-consent request by the chairman of the Appropriations Subcommittee prior to consideration of the bill.

Mr. Speaker, House Resolution 261 waives clause 2 of rule 21, which prohibits unauthorized appropriations and legislative provisions in general appropriation bills, against specified provisions of the bill. House Resolution 261 also waives clause 6 of rule 21, which prohibits reappropriations or transfers in general appropriation bills, against specified provisions in the bill. Mr. Speaker, the specified provisions of the bill which have been protected by these waivers are detailed in the rule, by reference to page and line of the transportation appropriation bill. These waivers are necessary for some of the provisions because, while authorizing legislation for the programs involved are under consideration in the legislative process, they have not yet been enacted, and because a number of paragraphs contain legislative provisions.

House Resolution 261 also makes in order the following amendments printed in the Congressional Record of September 10, 1985: An amendment offered by the gentleman from Pennsylvania [Mr. Coughlin], an amendment offered by the gentleman from California [Mr. Lewis], and an amendment offered by the gentleman from California [Mr. Waxman]. The rule waives all points of order against consideration of the amendments for failure to comply with the provisions of clause 2 of rule 21, which, as I stated earlier, prohibits unauthorzed appropriations and legislative provisions in general appropriation bills.

Mr. Speaker, H.R. 3244 appropriates $11.1 billion in new budget authority for the Department of Transportation and related agencies for fiscal year 1986. The main provisions in the bill are in title I which provides a total of $10.5 billion in funding for the Department of Transportation. Title I appropriates $2.5 billion in new budget authority to the U.S. Coast Guard, $4 billion to the Federal Aviation Administration, $82 million for the Federal Highway Administration, $723 million for the Federal Railroad Administration, and $3 billion for the Urban Mass Transportation Administration.

Title II of the bill provides $554 million in new budget authority for transportation-related agencies. This includes appropriations of $48 million for the Interstate, Commerce Commission and $428 million for the Panama Canal Commission.

Mr. Speaker, H.R. 3244 would provide funding for our Nation's transportation system that is essential to commerce, industry, and a healthy economy. This is an important measure that is vital to the Federal Government and to the American people. I urge my colleagues to adopt House Resolution 261.

□ 1245

Mr. **LATTA**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker. Just by starting consideration of this rule the House has already progressed further on the Department of Transportation appropriation bill this year than it did last year.

Last year, the Rules Committee reported one rule, then went back and reported a second rule, and neither of the two rules was ever called up on the floor. The problem was that the authorizing committee and the appropriation committee did not agree on either procedure.

Mr. Speaker, this rule is similar to other rules reported for other general appropriation bills. It waives points of order because many of the appropriations in this bill are not yet authorized, and because there are provisions in this bill which constitute legislation on an appropriation bill. In addition there are some transfers of funds which could be knocked out on a point of order if not protected.

Besides providing the usual waivers requested by the committee, this rule makes in order three additional amendments and waives points of order to allow their consideration.

First, the amendment by the gentleman from Pennsylvania [Mr. Coughlin] deals with the Wastway project in New York City.

Second, the amendment by the gentleman from California [Mr. Lewis] deals with two demonstration projects in California.

And third, the amendment by the gentleman from California [Mr. Waxman] deals with the construction of the Los Angeles Metro rail subway system.

At this point, Mr. Speaker, I insert the stated reasons for the committee's requested waivers, as follows:

TITLE I—DEPARTMENT OF TRANSPORTATION

The appropriations for Office of the Secretary, salaries and expenses, and Coast Guard, operating expenses, may technically be subject to a point of order since they contain transfers of funds.

The appropriation for Coast Guard, reserve training, is not yet authorized. The necessary authorization for this appropriation is contained in S. 1160, the conference report for which is pending in the House.

The Federal Highway Administration, limitation on general operating expenses, language under highway beautification, and appropriations for railroad-highway crossings demonstration projects and Baltimore-Washington Parkway may technically be subject to a point of order.

The Federal Highway Administration appropriations for the airport highway demonstration project and the rail line consolidation project may technically be subject to points of order since the authorizing legislation for these appropriations has not been enacted and they contain transfers of funds. Authorization for these items is pending in the Public Works and Transportation Committee.

Part of the appropriation for National Highway Traffic Safety Administration, operations and research, is not authorized. The necessary authorization for this appropriation is pending in the Energy and Commerce Committee.

The appropriations for Federal Railroad Administration, railroad safety and redeemable preference shares are not authorized. The authorizations for these appropriations are contained in H.R. 2372, which passed the House on September 5, 1985. Of these, the appropriation for redeemable preference shares contains a transfer of funds.

The appropriation for Grants to the National Railroad Passenger Corporation is not authorized. Authorizing legislation for this appropriation is contained in H.R. 2266 which was reported by the Energy and Commerce Committee on May 23, 1985. This appropriation also contains a transfer of funds.

The Federal Railroad Administration appropriations for rail service assistance and Conrail commuter transition assistance may technically be subject to a point of order.

Part of the appropriation for Research and Special Programs Administration, research and special programs, is not authorized. The authorization for this item has been reported by the Public Works and Transportation, Energy and Commerce, and Judiciary Committees.

TITLE II—RELATED AGENCIES

The appropriation for Interstate Commerce Commission, salaries and expenses, may technically be subject to a point of order since it includes a transfer of funds.

The appropriations for Panama Canal Commission, operating expenses and capital outlay, are not authorized. Authorization for these items is contained in H.R. 1784, which passed the House on May 14, 1985.

The appropriation for United States Railway Association, administrative expenses, is not authorized.

In addition, certain sections in title III of the bill, General Provisions, may be subject to a point of order. Specifically, section 311 and sections 316 through 325 are of interest to several Members.

Mr. Speaker, there was one other amendment, sought by the gentleman from New Jersey [Mr. Saxton] which should have been made in order, but failed to get in by a vote of 4 to 5. It would have provided for a reduction of $30 million for a railroad line in New Jersey.

Mr. Speaker, if this House is serious about ever reducing the deficit, we must have greater reductions in expenditures than appear in this appropriation bill.

Mr. Speaker, I have no requests for time.

Mr. **MOAKLEY**. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATION FROM HON. RONALD V. DELLUMS, MEMBER OF CONGRESS

The **SPEAKER** pro tempore (Mr. Murphy) laid before the House the following communication from Hon. Ronald V. Dellums, Member of Congress:

House of Representatives,
Washington, DC, September 10, 1985.

Hon. Thomas P. O'Neill,
Speaker of the House, Office of the Speaker,
H-204, The Capitol, Washington, DC.

Dear Mr. Speaker: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that I have been served with a subpoena issued by the Superior Court of the District of Columbia. After consultation with the General Counsel to the Clerk, I will inform you of the determinations as required by the House Rule.

Sincerely,

Ronald V. Dellums,
Member of Congress.

GENERAL LEAVE

Mr. **LEHMAN** of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 3244) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes, and that I be permitted to include tables, charts, and other extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION ACT, 1986

Mr. **LEHMAN** of Florida. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3244) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Pennsylvania [Mr. Coughlin] and myself.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. Lehman].

The motion was agreed to.

The **SPEAKER** pro tempore. The Chair designates the gentleman from Indiana [Mr. Sharp] as Chairman of the Committee of the Whole and requests the gentleman from Massachusetts [Mr. Moakley] to assume the chair temporarily.

□ 1252

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3244, with Mr. Moakley (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN** pro tempore. Under the unanimous-consent agreement, the gentleman for Florida [Mr. Lehman] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. Coughlin] will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Florida [Mr. Lehman].

Mr. **LEHMAN** of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we submit for your consideration and for the consideration of the Committee of the Whole the bill, H.R. 3244, making appropriations for the Department of Transportation and related agencies for fiscal year 1986.

Before I get into the details of this particular bill, I first want to express my appreciation to the Members who serve on the transportation appropriations subcommittee. The gentleman from Minnesota [Mr. Sabo], the gentleman from Pennsylvania [Mr. Gray], the gentleman from Michigan [Mr. Carr], the gentleman from Illinois [Mr. Durbin], the gentleman from New York [Mr. Mrazek], all provided insight and perspective during the 3-month indepth review we gave to Federal transportation programs and policies during our hearing process. It is a real pleasure to serve with them. The subcommittee minority members have been equally diligent. The gentleman from Massachusetts [Mr. Conte], the gentleman from Michigan [Mr. Pursell], and the gentleman from Virginia [Mr. Wolf], all are to be commended for the spirit of cooperation they have displayed and the commitment they have shown to developing a safe and effective transportation system for this Nation. I want to make special mention of the ranking minority member, the gentleman from Pennsylvania [Mr. Coughlin], who has spent long hours in committee hearings and has displayed a broad knowledge of our transportation programs and policies. I pay tribute to his knowledge and dedication, and I want him to know of my great appreciation for his sound judgment and cooperation. We have tried to work as a team on this bill, rather than on a partisan basis. And I think that has been to the benefit of this country.

Mr. Chairman, in preparation for this bill the committee developed a hearing record contained in eight volumes amounting to 7,273 pages. Testimony was received from more than 240 witnesses including 29 Members of Congress.

The committee, I believe, has carefully reviewed the programs of the Department of Transportation and related agencies, and is recommending what we consider to be sufficient funds in light of current budgetary constraints to enable these agencies to help meet the requirements of our Nation's transportation system.

SUMMARY OF THE BILL

Mr. Chairman, the bill before you totals $26,544,587,569—of which approximately $11.14 billion is new budget authority and $15.41 billion is liquidating cash.

In addition, the bill places limitations on contract authority obligations for various programs totaling over $16.18 billion.

The bill provides for approximately 110,000 permanent positions for the agencies funded in the bill. This is slightly fewer than in fiscal year 1985 and includes 38,728 military positions for the Coast Guard, 48,002 positions for the FAA, and 5,793 civilian positions for the Coast Guard.

Mr. Chairman, in terms of new budget authority, the bill is $537.2 million, or 4.6 percent below the fiscal year 1985 level.

BUDGET RESOLUTION TARGET

I think the Members would also be interested to know that the bill as reported by the full Appropriations Committee is about $19 million under our section 302(b) allocation. With regard to just discretionary authority, we are about $200,000 below our section 302(b) allocation. As the Members know, under the Budget Act, the Budget Committee provides a lump sum allocation to the Appropriations

Committee pursuant to section 302(a) and the Appropriations Committee then subdivides that among its 13 subcommittees. Our target for discretionary budget authority that was provided to us by the Committee on Appropriations is $10.75 billion and we are within that amount.

SELECTED MAJOR RECOMMENDATIONS

With respect to the major funding recommendations in this bill, I would call the attention of the Members to pages 2 and 3 of the report. The major bill highlights are as follows:

First, the appropriation of $2,449,000,000 for urban mass transportation formula grants, the same as the fiscal year 1985 appropriation;

Second, a provision providing for obligations of not to exceed $13,800,000,000 for Federal-aid highways;

Third, the appropriation of $2,679,600,000 for operations of the Federal Aviation Administration, $49,670,000 less than the budget request;

Fourth, the appropriation of $1,785,200,000, including funds derived by transfer, for operating expenses of the Coast Guard;

Fifth, a total of $616,000,000 including funds derived by transfer, for Amtrak grants;

Sixth, a provision providing for obligations of not to exceed $1,100,000,000 for the discretionary grant program of the Urban Mass Transportation Administration;

Seventh, the appropriation of $1,059,000,000 for facilities and equipment of the Federal Aviation Administration;

Eighth, a provision providing for obligations of not to exceed $1,000,000,000 for airport development and planning grants;

Ninth, the appropriation of $267,300,000 for the capital acquisition, construction, and improvement programs of the Coast Guard;

Tenth, the appropriation of $190,000,000 for the research, engineering, and development activities of the Federal Aviation Administration;

Eleventh, an increase of $38,700,000 over the budget for certain railroad-highway crossings demonstration projects; and

Twelfth, the appropriation of $250,000,000 for transit projects substituted for interstate highway segments.

OFFICE OF THE SECRETARY OF TRANSPORTATION

Mr. Chairman, for the Office of the Secretary of Transportation, the bill provides a total of $89,500,000—an increase of $33.8 million from the current level and $31.947 million above the budget. The bulk of this increase is for continuation of essential air service subsidies, which the administration proposed to eliminate. In addition, office-by-office statutory dollar breakdowns are specified in the bill for the Office of the Secretary.

COAST GUARD

With respect to the Coast Guard, the committee recommends a total program level of $2,511,622,000—which is $79.6 million below the fiscal year 1985 program level. This decrease is composed almost entirely of reductions in the Coast Guard's acquisition, construction, and improvements capital account. The committee believes such reductions are reasonable in light of the large, unexpected amounts appropriated for this activity in Defense Appropriation Acts over the last several years and the large unobligated balance of over $550 million in this account. Excluding AC&I, the bill reflects more than a $33 million increase in Coast Guard program levels between fiscal years 1985 and 1986.

The committee believes this level provides for a balanced program with emphasis on maritime law enforcement—especially drug interdiction; national defense commitments; search and rescue capabilities; dependability and safety of Coast Guard ships, boats, aircraft, and shore facilities; and the welfare and safety needs of Coast Guard personnel. We believe that this level will support a reasonable level of Coast Guard requirements for fiscal year 1986.

For Coast Guard operating expenses, the bill provides a program level of $1.785 billion for fiscal year 1986. In addition, $15 million is expected to carry over from previous appropriations and another $15 million is designated for transfer from the Navy to the Coast Guard in the 1986 defense authorization conference report. This would bring the total amount available for fiscal year 1986 Coast Guard operating expenses to $1,815,200,000—which is $46.6 million more than the amount provided in fiscal year 1985.

The bill would also provide that not less than $325 million of the operating expenses appropriation be available for drug interdiction activities. This is the first time we have carried such a provision, but it is in keeping with the committee's strong commitment to adequately funding such activities.

The operating expense funding level of $1.785 billion will support 37,051 military positions and 4,655 civilian positions. These levels are 469 military and 70 civilian positions above the budget request. The additional $15 million in the pending 1986 Defense Authorization Act would support an additional 500 military positions. Included in the recommended increase is $5 million and 150 military positions for the continued operation of all Great Lakes stations that were proposed to be closed or "seasonalized" by the administration.

For acquisition, construction, and improvements, we are recommending $267.3 million. This is comprised of $93.8 million for vessel acquisitions and improvements; $37 million for aircraft; $64.3 million for shore facilities; $18.3 million for aids to navigation; $28.4 million for command, control and communications, and related systems; and $25.5 million for administration, planning, and design.

The bill also includes $7.195 million to alter or remove bridges that are unreasonable obstructions to waterborne commerce, and $23 million for research, development, test, and evaluation.

The sum of $351.8 million is provided for the pay of retired military personnel of the Coast Guard and Coast Guard Reserve. This is based on an average of 24,298 personnel on the retired rolls.

For reserve training, the full budget request of $61.502 million is recommended. This will provide for a ready reserve of 17,800 including a selected reserve of 12,500.

For the State Recreational Boating Safety Assistance Program, we recommend an appropriation of $13.625 million. This is the same as last year's level.

The bill also contains appropriations of $1 million each for the deepwater port liability fund and the offshore oil pollution compensation fund.

FEDERAL AVIATION ADMINISTRATION

For the Federal Aviation Administration, we are recommending a total program of $5,040,400,000 for fiscal year 1986. This is $260,461,500 less than the enacted fiscal year 1985 level, and $166,048,000 less than the budget request. This level will provide sufficient funds to continue the restoration of the air traffic control system, continue modernization of the national airspace system, improve our airports, and continue important safety regulatory and research initiatives.

For FAA operations, the committee recommends appropriations of $2.744 billion, including $64.4 million for headquarters administration. This represents an increase of $52.5 million over the fiscal year 1985 level of $2,691,500,000. This would provide for 44.965 positions including 19,551 controllers, supervisors and support personnel for centers and towers, and 4,603 flight service station personnel.

According to FAA testimony, the air traffic control system resumed handling 1981 traffic levels in April 1984. Since then, significantly higher levels have been handled. The FAA is currently staffed at about 92 percent of its goal of 11,285 operational controllers for terminals and centers. The shortfall is mainly in the centers, which are continuing to use high levels of overtime to compensate for shortages in experienced controllers. The FAA testified that it is "shooting for" attaining 100 percent of its goal by the end of fiscal year 1985. New controller staffing goals for 1985 will

be set by the FAA later this month. The FAA administrator has testified that a complement of 11,285 operational controllers "will be adequate to handle the projected traffic." We have based our budget recommendation on that assurance.

With regard to controller training, the committee has expressed concern in the report accompanying this bill about the fact that as of April about 69 percent of the FAA's controllers were "full performance level qualified." This compares to about 82 percent immediately prior to the strike. The FAA Administrator testified that he intended to reach the 82-percent figure in 1987—with interim goals of 72 percent in September 1985, and 76 percent in 1986. The committee recognizes that attaining these goals will take time, and that any shortcuts in such training could be counterproductive. Attaining these training levels has to come primarily from on-the-job experience. However, options do exist to increase the experience level of the controller work force on a short term basis, such as hiring reemployed annuitants, which the committee has directed the FAA Administrator to plan for on a contingency basis. If the FAA reports to us that additional flexibility is desirable, we will consider any necessary supplemental request.

Moving on to trust fund contributions, of the $2.744 billion provided for FAA operating expenses in fiscal year 1986, the bill specifies that $644 million, or 23.5 percent of the total, be derived from the airport and airway trust fund.

For facilities and equipment, the bill contains $1.059 billion for fiscal year 1986. This is a decrease of $299 million from the fiscal year 1985 level of $1.358 billion and is also $87.5 million below the budget request. The major reductions in this account include deletions of $13.3 million for three new turboprop aircraft, $12.75 million for construction and field site preparation for the advanced automation system, $19.2 million for various tower projects, and $5 million to begin a Loran-C navigation system.

With respect to the NAS plan, the committee has been generally satisfied with the FAA's progress in its implementation. However, we have concerns about several managerial aspects of this program, and we plan to continue to maintain close oversight of this plan throughout its implementation. Of particular concern to the committee is the FAA's ability to: First, minimize program slippages that now show up in about 30 percent of NAS plan project schedules; second, prevent large cost overruns; and third, achieve the large number of facility consolidations that will be required. We also have specific concerns about the host computer, advance automation system, and weather radar procurements that are described in the accompanying report.

With respect to FAA research, engineering, and development, the committee recommends $190 million, which is a decrease of $7.925 million from the budget request.

The bill also includes a $1 billion obligation limitation on airport development and planning grants. This is the highest funding level ever provided for this program.

The Airport and Airway Development Act of 1982 specifically provides that "the safe operation of the airport and airway system will continue to be the highest aviation priority." And it further provides that "all airport and airway programs should be administered consistent with the section of the FAA Act which specifies the assignment and maintenance of safety as the highest priority in air commerce * * *." Therefore, I believe that safety is to be the highest priority in the administration of the airport improvement program.

The bill also includes $35.4 million for the operation and maintenance of metropolitan Washington airports, and $12 million for construction projects at those airports.

The committee has also reduced the FAA's authority to borrow from the Treasury to pay defaulted aircraft purchase loans from $125 million to $10 million. Testimony indicates that the FAA has paid approximately $153 million a result of defaulted loans. The committee is alarmed at the extent of these defaults and believes that the requested borrowing authority of $125 million for fiscal year 1986 would offer virtually no incentive for the parties invloved to employ options, such as rolling over the loan or extending the payment time, to attempt to work out a potential default. The committee, therefore, has reduced the amount of borrowing authority to $10,000,000. If this is insufficient, the committee, of course, would consider a supplemental request for the payment of loan defaults.

FEDERAL HIGHWAY ADMINISTRATION

Under the Federal Highway Administration, the bill provides for a total fiscal year 1986 program level of $15.054 billion in highway aid. This includes a limitation of Federal-aid highway contract authority obligations of $13.8 billion. The total FHWA program level is $767.8 million more than the budget request and almost $696 million more than that provided in fiscal year 1985.

The bill provides a total of $204.5 million for FHWA administrative expenses, an increase of $739 thousand from the budget request. Included in this amount is $5 million to support a minority business bonding demonstration program. The committee expects the FHWA to implement this program without further delay.

The bill also contains an appropriation of $38.7 million for railroad-highway crossings demonstration projects in six different cities.

A $10 million limitation on highway-related safety grants is also contained in the bill for fiscal year 1986, the same as the budget request, and an appropriation of $8.5 million is recommended for highway safety research and development, which is the same as last year's level.

The committee recommends funds for four additional items not in the budget request: $2.75 million for an airport-highway demonstration project, $5 million for a rail line consolidation demonstration project, $6.5 million for reconstruction of a section of the Baltimore-Washington Parkway, and a provision extending the availability of highway beautification funds.

The committee also recommends continuing the motor carrier safety grant program at $14 million, which is the current rate, and providing $13.9 million for the operations and research of the bureau of motor carrier safety.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

For the National Highway Traffic Safety Administration, the bill includes $89.365 million for operations and research. This is $8.736 million less than the program level proposed in the budget request, and $7.823 million more than the fiscal year 1985 level.

The bill also reserves $10 million of this appropriation to initiate a 3-year pilot project to implement the recommendations contained in the National Academy of Science's report Injury in America. The committee is hopeful that the research recommendations in that report can produce larger payoffs in the injury-related research work currently funded by the NHTSA.

The committee also recommends a limitation on obligations for the State and Community Highway Safety Grant Program of $126.5 million—the same as the current rate.

For the Alcohol Safety Incentive Grants Program, we have established a limitation on obligations of $28.8 million in fiscal year 1986. This corresponds to NHTSA's estimate of fiscal year 1986 obligations for this program.

For safety education and information grants, we have established a combined fiscal year 1983, 1984, 1985, and 1986 obligation limitation of $5 million. The committee expects to assess the results of past and ongoing media campaigns before it will recommend additional funding for such purposes.

FEDERAL RAILROAD ADMINISTRATION

Mr. Chairman, for the Federal Railroad Administration, major recommendations include $28 million for rail safety, $11.2 million for research and development, $20.2 million for rail service assistance, $35.5 million for the redeemable preference share program (including $5.5 million by transfer), and $10 million for Conrail commuter transition assistance.

For Amtrak, we are recommending the sum of $616 million (including $15 million derived by transfer). Of course, the President proposed deleting all Amtrak funds. The amount we are recommending is a 10-percent reduction from last year's level. We expect that all existing routes and services will be maintained at this funding level—including section 403(b) and 403(d) service under the existing funding formulas. Bill language is also included continuing the statutory conditions for rehabilitating and operating a new route between Philadelphia and Atlantic City, and establishing a 60-percent Federal match for the Westside connector project in New York City.

In addition, the bill includes $12.5 million for Northeast corridor capital improvements. This sum will be of direct benefit to Amtrak.

URBAN MASS TRANSPORTATION ADMINISTRATION

For the Urban Mass Transportation Administration, the committee recommends a total program level of $4,108,603,000 for fiscal year 1986. This is $2,731,198,000 more than the budget request, but $42,897,000 less than the enacted fiscal year 1985 level.

Under the Formula Grant Program, the committee recommends an appropriation of $2,449,500,000, which is the same as the fiscal year 1985 level. The administration proposed the elimination of this appropriation for fiscal year 1986. The committee's recommendation would provide operating assistance in accordance with the formulas established in the Surface Transportation Assistance Act of 1982 which was signed by the President on January 6, 1983.

The bill also includes language limiting obligations for transit discretionary grants to $1.1 billion. This amount corresponds to the authorized level in the Surface Transportation Assistance Act of 1982. The committee report also makes various allocations under the discretionary grant program.

The bill includes $250 million for transit projects that have been substituted for interstate highway projects. Of this amount, 50 percent is to be distributed on a formula basis and 50 percent on a discretionary basis. The discretionary funds will be distributed as stated in the committee report.

The bill would also appropriate $250 million under the so-called Stark-Harris authorization to continue construction of the Washington Metrorail system.

The bill provides $59.1 million for research and administrative expenses of UMTA.

Under the general provisions title of the bill, letters of intent are mandated for three new start rail transit projects, authorization is provided for the reallocation of certain section 5 funds apportioned in fiscal years 1982 and 1983, a directive is given to UMTA to reapportion lapsing section 5 funds, and authorization is provided for the use of certain UMTA funds for construction management activities.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The bill limits the administrative expenses of the St. Lawrence Seaway Development Corporation to $1.890 million, $52,000 less than the budget request.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

For the Research and Special Programs Administration, the bill contains $19.4 million, $500,000 more than the fiscal year 1985 level.

INSPECTOR GENERAL

For the Office of the Inspector General, the bill includes an appropriation of $27,950,000. This is $258,000 more than the budget request.

TITLE II—RELATED AGENCIES

Title II of the bill contains $554,127,569 in new buget authority for six transportation-related agencies and commissions. This is $20,939,000 below the cumulative budget requests, and $56,593,376 below last year's level.

More specifically, the committee is recommending $2 million for the Architectural and Transportation Barriers Compliance Board, $22,400,000 for the National Transportation Safety Board, a total of $50.48 million for the Interstate Commerce Commission, $427.784 million for the Panama Canal Commission, $2.1 million for the United States Railway Association, and $51,663,569 for the Federal share of interest payments for the bonded indebtedness of the Washington Metropolitan Area Transit Authority.

Mr. Chairman, last, I would inform the Members that at the appropriate time I plan to offer an amendment to reduce the amounts in the bill by $1 billion to bring the bill more in line with congressional efforts to reduce the deficit. I will explain my amendment in detail during the reading of the bill.

□ 1300

Mr. COUGHLIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of H.R. 3244, the fiscal year 1986 transportation appropriations bill. The bill provides, as the chairman has pointed out, more than $11 billion in new budget authority, which is an increase of $3 billion over the $7.8 billion requested in the budget. However, the amount is $537 million less than the amounts enacted to date for similar activities in fiscal year 1985. So it is very fair to say that this bill is a freeze at last year's levels and is certainly not a budget buster. It is a freeze.

There are $15 billion recommended to liquidate contract authorizations, and $16 billion are recommended to limit obligations on contract authority programs.

I might say that it is a tremendous pleasure for me to have the opportunity to work with Chairman Bill Lehman, who is a friend and who knows the transportation field like he knows the back of his hand. Certainly there is no more fair and compassionate Member in this body, and also no better salesman, I might add, and no better advocate for transportation.

With other subcommittee members, such as Silvio Conte, Carl Pursell, Frank Wolf, Marty Sabo, Bill Gray, Bob Carr, Dick Durbin, and Bob Mrazek, it is a treat to be associated with such an illustrious group. My thanks go as well to the staff who worked on this bill, Jeff Jacobs and Kenny Kraft for the minority, Tom Kingfield, Greg Dahlberg, Lucy Hand, Linda Muir, and Janet Oakley for the majority.

Chairman Lehman has already explained what is in the bill, so I will not go into great detail to repeat what he has said.

I might say that this is a tremendously important bill, however. It does indeed provide the funding for critical programs for highways across this great Nation of ours, for all airports and airways, for the Coast Guard and waterways, for Amtrak and for mass transit.

Let me say, as I have said so often in the past, that the Federal Government has assumed a responsibility for transportation that is historic. Going back indeed to the days of the Roman Empire and before, federal governments have always assumed responsibility for providing transportation between communities.

These are the ties that bind our great land, allow our people the ability to move from place to place, provides the mobility for which Americans are so famous, and, indeed, bring this land together.

Mr. Chairman, I reserve the balance of my time.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. Jones].

(By unanimous consent, Mr. Jones of North Carolina was allowed to speak out of order.)

THE TITANIC MARITIME MEMORIAL ACT OF 1985

Mr. JONES of North Carolina. Mr. Chairman, I am today introducing a bill to designate the shipwreck of the ocean liner, the *Titanic*, as a maritime memorial to the men and women who were aboard when she sank on April 14, 1912. This bill is intended to protect the wreckage, which is of national and international historical, scientific, and cultural signficance.

The *Titanic* was the largest, most luxurious oceanliner of its time. She was considered invincible when, on her maiden voyage, an iceberg cut a 300-foot gash below the water line. Although more than 700 passengers were saved, well over twice that number perished. This major maritime disaster resulted in improved vessel safety regulations.

The wreckage of the *Titanic* lies off the coast of Newfoundland, in international waters. It is well preserved in the cold, anoxic North Atlantic waters, 2.5 miles below the ocean's surface. The ocean environment in which the *Titanic* rests provides a unique opportunity for scientists to conduct deep ocean scientific research and exploration. Through well-planned, collaborative research efforts, much can be learned about the processes of corrosion and preservation at the depths of the sea floor. This knowledge could result in better understanding of whether the deep ocean may be the proper environment for other ocean activities.

An objective of this bill is to ensure that the *Titanic* is maintained intact, where she rests on the sea floor, while the National Oceanic and Atmospheric Administration [NOAA] establishes national guidelines for conducting research on, and exploration and salvage of the wreckage.

Because the *Titanic* was originally owned and insured by British firms, sank off the coast of Canada, in international waters, was discovered through the collaborative efforts of an American expedition and a French expedition, and is the gravesite of men and women from several different nations of the world, the shipwreck is of international significance. Therefore, this bill directs the United States to negotiate with Great Britain, France, Canada, and other interested nations to establish an international agreement which will protect the scientific and cultural significance of the *Titanic*. This agreement shall be consistent with the guidelines promulgated by NOAA.

In 1975, NOAA designated the Monitor National Marine Sanctuary to protect the shipwreck of the U.S.S. *Monitor* off the coast of North Carolina. Together with the National Trust for Historic Preservation, NOAA convened a national conference to develop a structured research program to document, map and survey the shipwreck. Since then a master plan has been designed to govern activities related to the shipwreck. Research is being carried out in a highly productive manner. The experience with the U.S.S. *Monitor* demonstrates the importance of a carefully planned research effort, and could serve as a model for activities relating to the shipwreck *Titanic*.

Mr. COUGHLIN. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. Wise].

Mr. WISE. Mr. Chairman, I would ask if the gentleman from Florida would engage in a colloquy with me.

Mr. LEHMAN of Florida. Yes, if the gentleman will yield.

Mr. WISE. As the gentleman may know, I have been active in trying to promote the increased use of methanol as a transportation fuel in automobiles and buses. In this regard, I have been working with officials of my regional transportation district [KRT] in Charleston, WV, to put together a mass transit demonstration program employing methanol buses. KRT's intent would be to analyze the performance of this fleet in operations maintenance, and other characteristics to see if methanol is indeed the way to go. Is it the committee's intention that the funding under the appropriation for the Urban Mass Transportation Administration can be used for just this sort of purpose?

Mr. LEHMAN of Florida. Yes, the gentleman is correct. Funding under the research, training, and human resources, the formula grants, and the discretionary grants programs may be used for just the sort of purpose that you indicate.

Mr. WISE. Is it the committee's intent that the Department of Transportation should be encouraged to look favorably on UMTA grant proposals that deal with the development of methanol bus fleets?

Mr. LEHMAN of Florida. The committee certainly feels that the Department of Transportation should give these applications a high priority. Methanol development has been a high priority of the gentleman from West Virginia, and I can understand his desire to see it grow. I would encourage the gentleman from West Virginia to pursue with the Department his desire to expand the use of methanol-powered buses, and am glad to assist him in this regard.

Mr. WISE. Mr. Chairman, I thank the gentleman from Florida.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. Watkins].

Mr. WATKINS. Mr. Chairman, I rise to enter into a colloquy with the gentleman from Florida.

I would ask the Chairman, the gentleman from Florida, his subcommittee has been very supportive of aviation airports and I want to thank the gentleman and also the ranking minority member and all of the members for that support. I think it is very important for economic growth.

During the hearings with the FAA this year, the need for a glide slope at the Ardmore Industrial Airport was discussed. I visited with Mr. Carr. He has been down in that area also.

As the gentleman knows, the addition of a glide slope to the localizer equipment at Ardmore would provide this particular area with a needed complete instrument landing system, which is very much needed.

The use of Ardmore's landing site for both private and military aircraft continues to rise due in large part to its prime location between Dallas and Oklahoma City and its runways in that area.

Would the chairman agree that it is the intent of the committee that the FAA continue to work with the city of Ardmore in meeting the pending request for a glide slope at the Ardmore Industrial Airport?

Mr. LEHMAN of Florida. Yes. I would hope that the FAA would work closely with Ardmore and make every effort to look seriously at the glide slope request and move forward on it in the future.

I want to commend the gentleman for bringing this up.

I visited with his constitutents from the city of Ardmore yesterday. I enjoyed the meeting with them and if the gentleman keeps working as hard as he has with this committee, this will not be the Ardmore Industrial Airport. This will be the Ardmore International Airport.

Mr. WATKINS. I will relay that back down there.

I want to thank the chairman for concurring and I want to thank the ranking minority member and the entire committee and Mr. Carr for taking some precious time to come to my area and to be there at the Ardmore Airport and seeing the potential for a high unemployment, low per capita area, strategically located between Dallas and Oklahoma City and the great potential it has if we can actually provide the structure; so again, I thank the chairman.

Mr. PORTER. Mr. Chairman, I would like to commend my colleagues on H.R. 3244, the Department of Transportation appropriations for fiscal year 1986, which is below last year's level and has been brought into conformity with the budget resolution. The committee has exhibited significant restraint in the struggle to deal with our staggering deficits.

I also applaud my colleagues on the Transportation Subcommittee for accomplishing this while at the same time preserving adequate Coast Guard protection for the recreational and commercial users of the Great Lakes.

Earlier this year, the OMB directed the Coast Guard to cut $5 million from the Guard's operating expenses and mandated that all of these cuts be made in the Great Lakes region. The Coast Guard responded

with a plan to close down a number of stations and manning others during the summer months only.

It was obvious to all that this would have greatly increased the rescue response time in many parts of the Great Lakes. On Lake Michigan, the planned closure of the Chicago Air Station in Glenview, IL, would have largely eliminated all airborne rescue services from southern Lake Michigan. The planned closure of Chicago Air Station was announced only days after the station's helicopters conducted a dramatic rescue of fishermen locked in ice off Waukegan harbor.

I applaud the committee's efforts in bringing this bill under last year's level without cutting life-saving services vital to those who use the Great Lakes.

Mr. STOKES. Mr. Chairman. I rise in strong support of H.R. 3244, the Fiscal Year 1986 Department of Transportation Appropriations Act and I wish to commend Chairman BILL LEHMAN, the ranking minority member, LARRY COUGHLIN, and the other members of the Appropriations Subcommittee on Transportation for their fine work in developing this bill.

I especially applaud the work of the members of the subcommittee in recognition of the importance of maintaining our Nation's transportation systems, which are essential to maintaining the quality of life for our Nation's citizens. In many of our urban areas, such as the Cleveland metropolitan area, the availability of Federal assistance is especially critical to correcting safety and traffic problems caused by rapidly deteriorating roads and bridges. H.R. 3244, which includes appropriations totaling $55.4 million for interstate substitute transfer grants for highway and transit projects in the Cleveland metropolitan area., Will go a long way toward helping our region maintain a high quality of public transportation services. The funds provided in this bill will also help to fulfill the Federal commitment made to Ohio in 1979, when Cleveland relinquished funds for a 7.9-mile segment of Interstate I490 because of other highway and transit needs were more important to the maintenance of Cleveland's transportation system. These interstate substitute investments were then, and remain today, vital to Ohio's economy. Six years later, however, Ohio has received less than 43 percent of the substitute highway funds and only 27 percent of the substitute transit funds committed when the initial agreement was approved.

Mr. Chairman, the Cleveland metropolitan area has a strong record of utilizing Federal transportation dollars in a wise and effective manner. The projects which will be funded utilizing the resources provided in H.R. 3244 entail the reconstruction and renewal of basic transportation services. Commitments have already been made by local governments for the requisite non-Federal matching funds. These projects were identified as urgent in 1979 by local, State, and Federal agencies. They are needed even more critically now 6 years later.

Mr. Chairman, we can be proud and take comfort in the fact that Federal transportation dollars help our Nation's cities make needed investments in their infrastructures, their economies and their people. H.R. 3244 deserves our strong support.

Mr. LEHMAN of Florida. Mr. Chairman, I have no further requests for time.

Mr. COUGHLIN. Mr. Chairman, I have no further requests for time.

Mr. LEHMAN of Florida. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 3244

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes, namely:

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

Salaries and Expenses

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of the Secretary of Transportation, including not to exceed $30,000 for allocation within the Department of official reception and representation expenses as the Secretary may determine; $965,000 for the immediate Office of the Secretary, $460,000 for the immediate Office of the Deputy Secretary, $5,500,000 for the Office of the General Counsel, $7,500,000 for the Office of the Assistant Secretary for Policy and International Affairs, $2,180,000 for the Office of the Assistant Secretary for Budget and Programs, $2,570,000 for the Office of the Assistant Secretary for Governmental Affairs, $20,750,000 for the Office of the Assistant Secretary for Administration, $1,470,000 for the Office of the Assistant Secretary for Public Affairs, $780,000 for the Executive Secretariat, $400,000 for the Contract Appeals Board, $1,300,000 for the Office of Civil Rights, $500,000 for the Office of Commercial Space Transportation, $970,000 together with $330,000 to be derived from unobligated balances of "Payments to air carriers" for the Office of Essential Air Service, $580,000 for Regional Representatives, and $4,575,000 for the Office of Small and Disadvantaged Business Utilization, of which $3,500,000 shall remain available until expended and shall be available for the purposes of the Minority Business Resource Center as authorized by 49 U.S.C. 332: *Provided,* That, notwithstanding any other provision of law, funds available for the purposes of the Minority Business Resource Center in this or any other Act may be used for business opportunities related to any mode of transportation.

Transportation Planning, Research, and Development

For necessary expenses for conducting transportation planning, research, and development activities, including the collection of national transportation statistics, and university research and internships, to remain available until expended, $3,000,000.

Working Capital Fund

Necessary expenses for operating costs and capital outlays of the Department of Transportation Working Capital Fund not to exceed $64,500,000 shall be paid, in accordance with law, from appropriations made available by this Act and prior appropriation Acts to the Department of Transportation, together with advances and reimbursements received by the Department of Transportation.

Payments to Air Carriers

For payments to air carriers of so much of the compensation fixed and determined under section 419 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1389), as is payable by the Department of Transportation $36,000,000, to remain available until expended.

COAST GUARD

Operating Expenses

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed eight passenger motor vehicle for replacement only; and recreation and welfare, $1,785,200,000 of which $8,000,000 shall be derived from unobligated balances of "Pollution fund" and of which $15,000,000 shall be derived from the Boat Safety Account: *Provided,* That, notwithstanding any other provision of law, of the funds available under this head $786,800,000 shall be available for compensation and benefits of military personnel: *Provided further,* that, of the funds available under this head, not less than $325,000,000 shall be available for drug enforcement activities: *Provided further,* the number of aircraft on hand at any one time shall not exceed two hundred and ten, exclusive of planes and parts stored to meet future attrition: *Provided further,* That none of the funds appropriated in this or any other Act shall be available for pay or administrative expenses in connection with shipping commissioners in the United States: *Provided further,* that none of the funds provided in this Act shall be available for expenses incurred for yacht documentation under 46 U.S.C. 103 except to the extent fees are collected from yacht owners and credited to this appropriation.

Acquisition, Construction, and Improvements

For necessary expenses of acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto; to remain available until September 30, 1990, $267,300,000: *Provided,* That the Secretary of Transporation shall issue regulations requiring that written warranties shall be included in all contracts with prime contractors for major systems acquisitions of the Coast Guard: *Provided further,* That any such written warranty shall not apply in the case of any system or component thereof that has been furnished by the Government to a contractor: *Provided further,* That the Secretary of Transportation may provide for a waiver of the requirements for a warranty where: (1) the waiver is necessary in the interest of the national defense or the warranty would not be cost effective; and (2) the Committees on Appropriations of the Senate and the House of Representatives are notified in writing of the Secretary's intention to waive and reasons for waiving such requirements: *Provided further,* That the requirements for such

written warranties shall not cover combat damage.

Alteration of Bridges

For necessary expenses for alteration or removal of obstructive bridges, $7,195,000 to remain available until expended.

Retired Pay

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, and payments under the Retired Serviceman's Family Protection and Survivor Benefit Plans, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C., ch. 55), $351,800,000.

Reserve Training

For all necessary expenses for the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services, $61,502,000.

Research, Development, Test, and Evaluation

For necessary expenses, not otherwise provided for, for basic and applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law, $23,000,000, to remain available until expended: *Provided,* That there may be credited to this appropriation funds received from State and local governments, other public authorities, private sources and foreign countries, for expenses incurred for research, development, testing, and evaluation.

Offshore Oil Compensation Fund

For necessary expenses to carry out the provisions of title III of the Outer Continental Shelf Lands Act Amendments of 1978 (Public Law 95-372), $1,000,000, to be derived from the Offshore Oil Pollution Compensation Fund and to remain available until expended. In addition, to the extent that available appropriations are not adequate to meet the obligations of the Fund, the Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations in such amounts and at such times as may be necessary: *Provided,* That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of $60,000,000 in fiscal year 1986 for the "Offshore Oil Pollution Compensation Fund".

Deepwater Port Liability Fund

For necessary expenses to carry out the provisions of section 18 of the Deepwater Port Act of 1974 (Public Law 93-627), $1,000,000, to be derived from the Deepwater Port Liability Fund and to remain available until expended. In addition, to the extent that available appropriations are not adequate to meet the obligations of the Fund, the Secretary of Transportation is authorized to issue, and the Secretary of the Treasury is authorized to purchase, without fiscal year limitation, notes or other obligations in such amounts and at such times as may be necessary: *Provided,* That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of $50,000,000 in fiscal year 1986 for the "Deepwater Port Liability Fund".

Boat Safety

For necessary expenses for recreational boating safety assistance under Public Law 92-75, as amended, the Public Law 98-369, $13,625,000, to be derived from the Boat Safety Account and to remain available until expended: *Provided,* That no obligations may be incurred for the improvement of recreational boating facilities.

FEDERAL AVIATION ADMINISTRATION

Headquarters Administration

For necessary expenses, not otherwise provided for, of providing administrative services at the headquarters location of the Federal Aviation Administration, including but not limited to accounting, budgeting, personnel, legal, public affairs, and executive direction for the Federal Aviation Administration, $64,400,000.

Operations

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including administrative expenses for research and development, and for establishment of air navigation facilities, and carrying out the provisions of the Airport and Airway Development Act, as amended, or other provisions of law authorizing obligation of funds for similar programs of airport and airway development or improvement; purchase of four passenger motor vehicles for replacement only; $2,679,600,000, of which not to exceed $644,000,000 shall be derived from the Airport and Airway Trust Fund: *Provided,* That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the maintenance and operation of air navigation facilities: *Provided further,* That none of these funds shall be available for new applicants for the second career training program.

AMENDMENTS OFFERED BY MR. MINETA

Mr. MINETA. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. MINETA: Page 9, line 10, strike out "$2,679,600,000" and insert in lieu thereof "$2,694,600,000".

Page 10, line 7, strike out "$1,059,000,000" and insert in lieu thereof "$1,044,000,000".

Mr. MINETA. Mr. Chairman, this amendment will add $15 million to the Aviation Standards account of the Federal Aviation Administration's operations to increase the staff of FAA's air carrier and general aviation operations and maintenance inspection program. The $15 million will not add to the overall Department of Transportation appropriation because I am also offering a companion amendment to reduce the facilities and equipment account by $15 million. Savings of far more than $15 million have been achieved recently in activities financed by the facilities and equipment account as a result of lower than expected contract award costs for modernization of the enroute air traffic control computers.

Beginning in 1983, the House became very concerned over administration cuts in the FAA's airline safety inspection work force. At that time, we were in the middle of nearly a 25-percent cut in the field inspectors and support staff charged with ensuring that airlines transporting the travelling public are being operated and maintained safely.

This 25 percent cut came at the same time that the number of airlines was increasing and many of the more established airlines were fundamentally changing the nature of their operations. This past cut was simply the wrong direction to go at the wrong time, given the changed environment resulting from the 1978 deregulation of entry to domestic routes and of domestic airline fares.

When we deregulated domestic route entry and fares, the Congress did not deregulate the safety standards we expected the airlines to meet. Nor did we ease up on the responsibilities of the Department of Transportation and the Federal Aviation Administration to administer aviation safety requirements and regulations.

Congress succeeded in getting those cut inspector positions restored in 1984, but my honorable and distinguished colleague, Chairman LEHMAN, and I have continued to be concerned that the FAA did not have enough people to adequately inspect the Nation's airlines. We commissioned the General Accounting Office to conduct a survey of FAA's inspections of 92 airlines in 1984. What they found was very disturbing. Some airlines received virtually no inspections by FAA. In other words, for those airlines, FAA had no means to know whether those airlines were being operated and maintained according to regulations and standards. At the same time, there appeared to be no strong correlation between the extent and type of services provided by various air carriers and the level and nature of safety inspections performed by FAA. It has become very clear to me that the FAA does not have the staff and resources required to assure the public that our Nation's air carriers are conducting safe operations.

This amendment will increase the authorized positions for aircraft operations and maintenance inspectors by 200. It will also provide an increase in the support staff so that the FAA can best utilize these additional inspectors as well as their existing field inspectors. As pointed out by the GAO study, there is overwhelming need for FAA to standardize the air carrier and general aviation operations and maintenance inspection and certification procedures, handbooks and guidance. In view of the disparities found throughout FAA's regions, 100 directional, administrative, and clerical support positions are being added here for FAA headquarters and the field structure.

Mr. Chairman, recent tragic events have generated much public concern about the safety of the Nation's air transportation system. I want to assure my colleagues and the public from my perspective as chairman of the Subcommittee on Aviation that flying is safe. However, it does not matter how safe the system may be or how good aviation safety statistics may look if the public is not confident that it is safe to board an airplane. I believe my amendment will be an important step toward keeping it that way and toward restoring the public's confidence in aviation safety.

I urge my colleagues to join in support of this amendment.

Mr. Chairman, I yield to the very distinguished gentleman from Florida [Mr. LEHMAN], who chairs the Subcommittee on DOT Appropriations.

Mr. LEHMAN of Florida. Mr. Chairman, I certainly have no objection to the amendments of the gentleman from California. We have both expressed concern about the effectiveness of FAA's aircraft certification and inspection activities and have jointly requested a GAO review of these activities. The initial GAO report indicates that there are inconsistencies and, perhaps, inadequacies in the FAA Certification Program.

I commend the gentleman for his leadership in this area and support his amendments.

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Mr. MINETA. I thank the chairman very much.

Mr. Chairman, I am pleased to yield to our very fine colleague, the gentleman from Pennsylvania [Mr. COUGHLIN], the ranking Republican on the Subcommittee on Appropriations.

Mr. COUGHLIN. I want to commend the gentleman for his amendment.

This certainly has not been a good year for aviation in this country or abroad. I guess there are tremendous concerns about the safety of our aviation equipment, and I support the gentleman's efforts. I think it is a very valuable amendment.

Mr. MINETA. I thank the gentleman very much.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I am pleased to yield to my very fine colleague, the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the ranking Republican on the Aviation Subcommittee of our Committee on Public Works and Transportation.

Mr. HAMMERSCHMIDT. Mr. Chairman, I am sure that citizens everywhere have been shocked and saddened by the number of recent airline accidents. It has been reported that 1985 is the worst year ever for aviation safety. This is particularly troublesome since it follows several years where the airlines established records for their safety performance.

I am convinced that the airline system in this country remains basically safe but I am equally convinced that constant vigilance is necessary to maintain a high level of safety. Therefore, I rise in support of the amendment of the gentleman from California [Mr. MINETA], the chairman of the Aviation Subcommittee.

As he has stated, this amendment would add $15 million for 200 additional Federal Aviation Administration [FAA] safety inspectors and 100 additional support staff. Since 1981, FAA staffing in the flight standards safety area has decreased substantially. This occurred at a time when many new carriers were starting or expanding service as a result of deregulation.

I believe that Secretary Dole recognizes the problems that this reduction in inspectors can cause. Last month she released a report prepared by her safety review task force which recommended improvements in the FAA Flight Standards Safety Program. The Administrator of the FAA, Donald Engen, in commenting on the task force report, acknowledged that improvements were needed and committed his agency to carrying out its recommendation.

I believe that the addition of the new safety inspectors funded by this amendment would go a long way toward helping Secretary Dole and Administrator Engen carry out their commitment to safety.

It is also important to note that this amendment will not increase the overall transportation appropriation. The additional $15 million for inspectors will come out of the more than $1 billion that this bill would appropriate for aviation facilities and equipment. The amendment therefore would not in any way affect the overall budget figures or the deficit.

Of course, as a practical matter, the FAA will not be able to hire all the new inspectors at once and thus may not be able to spend all of the $15 million in 1 year. But this amendment will get them started in the right direction. I am confident that Administrator Engen will do his best to comply.

I, therefore, support this amendment and commend Mr. MINETA for offering it. I would also like to thank the chairman of the Appropriations Committee, Mr. WHITTEN, the ranking Republican, Mr. CONTE, and the leadership of the Transportation Subcommittee, Mr. LEHMAN and Mr. COUGHLIN for their fine work on this difficult and important appropriations measure.

Mr. MOLINARI. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I am pleased to yield to our very fine colleague on the Committee on Public Works and Transportation, the gentleman from New York [Mr. MOLINARI].

Mr. MOLINARI. Mr. Chairman, I rise in very strong support of this amendment. I commend the gentleman for something that is long overdue.

Mr. MINETA. Mr. Chairman, when we deregulated domestic route entry and fares, the Congress did not deregulate the safety standards that we expect the airlines to meet, nor did we ease up on the responsibilities of the Department of Transportation and the Federal Aviation Administration to administer aviation safety requirements and regulations.

So, Mr. Chairman, I urge my colleagues to join in support of this amendment.

Mr. HOWARD. Mr. Chairman, I rise in support of the amendment offered by the Aviation Subcommittee chairman, Mr. MINETA. The Committee on Public Works and Transportation has been deeply involved in the Federal Aviation Administration's airline safety inspection program and has consistently resisted administration efforts to cut inspectors. We must allow no deterioration in the Government's ability to ensure that our Nation's airlines are being operated and maintained safely.

This amendment to provide $15 million to increase the inspection work force by 300 people is a relatively small dollar amount in the grand scheme of things, but each of these dollars will be a dollar spent directly on aviation safety. The public is concerned about the safety of the air transportation system in light of some of the recent accidents, and they are asking what is being done to ensure that flying is safe. More safety inspectors and a better inspection program will have direct benefits for aviation safety. I urge my colleagues to join in support of the amendment.

Mr. SNYDER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California [Mr. MINETA] to increase the number of air safety inspectors.

As we all know, there has been a recent surge in the number of airline accidents. Although none of these accidents have yet been tied directly to a lack of inspectors, there can be no doubt that these accidents raise doubts in the traveling public's mind about aviation safety. The reduction in the number of safety inspectors over recent years certainly does nothing to reassure them. This amendment should help restore that confidence.

In addition, there have been rapid and significant changes in the aviation environment in recent years. These changes have resulted from vastly accelerated technological advances and economic deregulation. These have raised concerns that the changes could lead to a reduction in aviation safety. Studies have shown that the airline industry is adapting well to these changes and that overall there has been no diminution in safety. But the question remains whether a reduced FAA inspector work force can keep pace with the industry and the changing environment. I believe that now is the appropriate time to move forward and increase the number of safety inspectors in order to better meet the challenges they now face.

I am also pleased that this amendment will not have any effect whatsoever on the overall budget or the deficit. The $15 million for additional inspectors will come out of the facilities and equipment account. Prior savings in that area allow this to be done without any harm to other important aviation programs.

I therefore support this amendment and urge my colleagues to do the same.

I would also like to thank Mr. MINETA for offering this amendment and the members of the Appropriations Committee for their fine work on this appropriations bill.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. MINETA].

The amendments were agreed to.

Mr. MOLINARI. Mr. Chairman, I ask unanimous consent that we return to page 8 for the purpose of offering one amendment only.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. LEHMAN of Florida. Mr. Chairman, reserving the right to object, would the gentleman explain why he is going back to this earlier portion of the bill?

Mr. MOLINARI. Mr. Chairman, will the gentleman yield?

Mr. LEHMAN of Florida. I yield to the gentleman from New York.

Mr. MOLINARI. Mr. Chairman, I regret to say that I was on the other side of the aisle discussing another amendment and was not aware of the fact that that section was being called at that time. I intended to offer the amendment at that time.

Mr. LEHMAN of Florida. Is this in regard to the Coast Guard?

Mr. MOLINARI. Yes; it is.

Mr. LEHMAN of Florida. Is this in regard to the recruiting methods and funding that deals with recruiting methods of the Coast Guard?

Mr. MOLINARI. The gentleman is correct.

Mr. LEHMAN of Florida. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. MOLINARI

Mr. MOLINARI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOLINARI: On page 8, after line 17, add the following new section: "With regard to section 2901(a)(1) of the Deficit Reduction Act of 1984 (98 Stat. 1207), the Coast Guard will conform to the standards adopted by the Department of Defense.".

Mr. MOLINARI. Mr. Chairman, the purpose of this amendment, which does not add any money to the bill, is to ensure that the Coast Guard will have within its budget the same authorizations and restrictions imposed upon the Department of Defense with regard to its ability to provide training for its regulars and reservists.

The restriction of funds previously authorized and funded to the Coast Guard for training purposes, travel, and per diem relating thereto, has seriously curtailed the necessary training of reservists, Regulars, and recent volunteers just coming on board. In this day of high tech and new programs introduced affecting intelligence gathering and drug interdiction it is imperative we give this line of defense the best available training to go along with the equipment this Congress has previously authorized.

It is my understanding that the Departments of State, Treasury, Justice, and Defense have exempted themselves from restrictions under section 2901 of the act. The importance of the Coast Guard, with its missions of defense and drug interdiction along with others, is vital to our national security and should be permitted to exercise the same options in its training programs as the agencies I have mentioned.

Repeating what I have previously stated, this amendment does not add 1 cent to the budget. In fact, with the end of this fiscal year just a few weeks away, it will not even restore to the Coast Guard funding previously appropriated. It will, however, insure against administrative cuts in this category from funds appropriated for the next fiscal year.

Mr. LEHMAN of Florida. Mr. Chairman, will the gentleman yield?

Mr. MOLINARI. I am glad to yield to the gentleman from Florida.

Mr. LEHMAN of Florida. Mr. Chairman, we have no objection on this side to the gentleman's amendment, and we will be glad to accept it.

Mr. COUGHLIN. Mr. Chairman, if the gentleman will yield, I have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MOLINARI].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Chairman, I offer a number of amendments, 1 through 12, and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. LEHMAN of Florida: On page 9, line 11, strike out "$644,000,000" and insert in lieu thereof "$548,000,000".

On page 12, line 6, strike out "$1,000,000,000" and insert in lieu thereof "$925,000,000".

On page 17, line 6, strike out "$13,800,000,000" and insert in lieu thereof "$13,250,000,000".

On page 23, strike out lines 8 through 12 and insert in lieu thereof the following:

CONRAIL LABOR PROTECTION

(INCLUDING RESCISSION)

Such sums as may be necessary shall be made available for necessary expenses of administration of section 701 of the Regional Rail Reorganization Act of 1973 by the Railroad Retirement Board: *Provided*, That, of the funds heretofore appropriated under this head, $8,000,000 are rescinded.

On page 24, line 11, strike out "$616,000,000" and insert in lieu thereof "$603,500,000".

On page 28, line 8, strike out "$2,449,500,000" and insert in lieu thereof "$2,210,000,000".

On page 28, line 13, strike out "$1,100,000,000" and insert in lieu thereof "$1,010,000,000".

On page 29, line 3, strike out "$250,000,000" and insert in lieu thereof "$237,500,000".

On page 29, line 7, strike out "$250,000,000" and insert in lieu thereof "$237,500,000".

On page 41, line 9, strike out the colon and all that follows down to and including the word "years" on line 13, and insert in lieu thereof the following: ": *Provided*, That the $429,000,000 shall include $11,800,000 earmarked for fiscal year 1984, $117,200,000 earmarked for fiscal year 1985, $117,000,000 in fiscal year 1986 and, subject to the availability of funds from Congress, $183,000,000 in subsequent fiscal years".

On page 42, line 15, strike out the colon and all that follows down to and including the work "years" on line 20, and insert in lieu thereof the following: ": *Provided*, That the $180,000,000 shall include $20,000,000 earmarked for fiscal year 1984, $49,000,000 earmarked for fiscal year 1985, $36,000,000 in fiscal year 1986 and, subject to the availability of funds from Congress, $75,000,000 in subsequent fiscal years".

On page 43, line 2, strike out the colon and all that follows down to and including the word "years" on line 5, and insert in lieu thereof the following: ": *Provided*, That the $175,000,000 shall include $24,300,000 in fiscal year 1986, and subject to the availability of funds from Congress, $150,700,000 in subsequent fiscal years".

Mr. LEHMAN of Florida (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. LEHMAN of Florida. Mr. Chairman, the overall effect of the amendments we are now considering en bloc is to reduce the spending authority provided in this bill by $1 billion. None of these reductions is desirable, but I think that they are all necessary given the large budget deficits this country faces and the expressed desire of this body for greater efforts to get our budget under control.

The net effect of this amendment is to reduce the amounts in the bill by roughly 4 percent. But I have considered the unique requirements of each and every account in the bill and have taken great care to spread the reductions more fairly than the administration proposed to do.

Some may ask why I simply did not make this a 4-percent across-the-board reduction—which seems the fairest approach at first glance. The reasons I rejected this approach are simply that some accounts are better able to absorb reductions than other accounts, and some accounts already have taken more reductions than other accounts. For instance, a 4-percent reduction in FAA operations would yield about $110 million, but would lay off many air traffic controllers and, in my view, jeopardize the safety of the air traffic control system. A 4-percent cut in Coast Guard operating expenses could jeopardize our Federal drug interdiction efforts. The bill has already reduced FAA's facilities and equipment appropriation by $299 million from last year's level, and has similarly reduced the Coast Guard's acquisition, construction and improvements account by $113 million.

Specifically, these amendments would make the following reductions:

First, reduce the airport grant limitation on obligations by $75 million—from $1 billion to $925 million. The effect of this reduction would be to continue this program at last year's rate—which was the highest funding level in this program's history.

Second, reduce the Federal-aid highway program limitation on obligations from $13.8 billion to $13.25 billion. This also would have the effect of continuing the Federal-aid highway program at the fiscal year 1985 rate—still the highest rate in this program's history.

Third, rescind $8 million from the unobligated balance of Conrail labor protection. Conrail now has in excess of $900 million in the bank and should, therefore, be required to pay its labor protection requirements from its own funds.

Fourth, reduce Amtrak grants by $12.5 million—from a total of $616 million to a total of $603.5 million. This represents a cumulative reduction of 11.4 percent from the fiscal year 1985 level of $684 million.

Fifth, reduce UMTA mass transit formula grants by $239.5 million—from $2,449,500,000 to $2,210,000,000. This represents a 9.8-percent reduction from the fiscal year 1985 level. I would point out that the reductions would affect only capital funds—the current $870 million level for operating assistance would be unaffected by this amendment.

Sixth, reduce the mass transit discretionary grant obligation limitation by $90 million—from $1.1 billion to $1.01 billion. This represents an 8.2-percent total reduction, and a 10-percent reduction for each new start earmark except for Santa Clara, which is under a full funding contract. Those revised funding allocations would be as follows:

Bus and bus facilities	$115,000,000
Existing rail modernization and extensions	435,000,000
New systems and new extensions	380,000,000
Planning	50,000,000
Elderly and handicapped	25,000,000
Innovative techniques and technology introduction	5,000,000
New systems	
Los Angeles (rail construction)	117,000,000
Portland (light rail)	8,100,000
Seattle (bus tunnel)	24,300,000
Miami (circulator)	36,000,000
Santa Clara (light rail)	65,000,000
Atlanta (rail construction)	63,000,000
Houston (busways)	49,500,000
St. Louis (light rail engineering and design)	9,000,000
San Diego (light rail)	8,100,000

I want to stress that, aside from these revised dollar allocations, this amendment should not be interpreted as changing or modifying in any way the directives contained in the committee report.

Seventh, an amendment is also included that would reduce interestate transfer-transit grants by $12.5 million—from $250 million to $237.5 million. This will necessitate a 5-percent pro rata reduction in the interstate transfer-transit discretionary allocations. The revised discretionary allocations would be as follows:

Sacramento	$11,400,000
Chicago	66,500,000
Boston	23,750,000
Duluth	475,000
New Jersey	2,375,000
Cleveland	14,250,000

Eighth, an amendment is also included reducing Washington Metro grants by $12.5 million—from $250 million to $237.5 million.

Mr. Chairman, in addition to these eight substantive amendments, four technical amendments are also included in the package to bring various provisions in conformance with the reductions I have just discussed.

In summation, I want to stress to the Members that these are extraordinary reductions for an extraordinary time. I think these are responsible reductions given our budgetary circumstances, and are eminently more fair than the reductions that have been proposed by others. These reductions spread the pain as evenly as possible across socio-economic lines and across modal transportation lines.

The CHAIRMAN. The time of the gentleman from Florida [Mr. LEHMAN] has expired.

(By unanimous consent, the gentleman from Florida [Mr. LEHMAN] was allowed to proceed for 1 additional minute.)

Mr. LEHMAN of Florida. Mr. Chairman, these reductions are in response to the message that we have been getting when we went back home, and in response to the mood I think that exists in the House of Representatives today, and I urge the adoption of these amendments.

Mr. MINETA. Mr. Chairman, I move to strike the last word.

I would like to ask a question of the chairman of the subcommittee. On page 12 where he is reducing the grant-in-aid program for AIP from $1 billion to $925 million, it was my understanding that in these amendments none of the aviation funding was going to be touched, given the fact that this is aviation trust fund money, and there is sufficient income coming in from the ticket tax and the other sources to be able to continue full funding for grant-in-aid program for airports. I would just like to inquire of the chairman about this provision.

Mr. LEHMAN of Florida. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman from Florida.

Mr. LEHMAN of Florida. I understand the gentleman's concern. As he knows, this is trust fund money and the money will remain there.

I am just dealing with the problems of actual expenditures for this year. As I have stated before, the airport grant program still is at least year's level. The reduction certainly does not directly affect the safety of aviation.

I would hope the gentleman could support this amendment. We have tried to, as I said, make the pain of these reductions as even as possible, and I would not make the $75 million reduction in this airport limitation if I did not have to, but I think we have to in order to keep a balanced reduction.

Mr. MINETA. If I may reclaim my time at this point, one of the concerns that I have is that noise compatibility programs are part of this section. As we have gone to the hub and spoke operations in the airline industry, we are now getting more operations at many airports. At hub airports, more airplanes are landing and taking off because of the hub-and-spoke operation which the airlines have gone to. This is creating noise problems.

Since the noise compatibility program is also a part of this section, it concerns me that the amendment would reduce the minimum requirements for that portion of the grants-in-aid program.

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Mr. LEHMAN of Florida. This has been a concern of the gentleman from California, I know. It has also been my concern. We have tried to work together on noise compatibility. I would hope we could make some legislative history urging that of the $925 million which still remains, that noise compatibility remain a top priority of this program, and I would work with the

gentleman throughout this fiscal year to monitor this. If the gentleman would yield further, this is a very small reduction compared to some of the reductions we made in other programs such as mass transit. So everybody has got to hurt a little bit during a year such as we are faced with.

Mr. MINETA. If the distinguished gentleman would agree, could I ask that the mimimum noise set-aside of 8 percent be based on the $1 billion rather than on the $925 million.

Mr. LEHMAN of Florida. I would be more than happy to do so to the extent that the statute would allow it to be done.

Mr. MINETA. I wonder if we could keep that relationship there.

Mr. LEHMAN of Florida. If at all possible under the statute, I would urge the FAA to do as the gentleman requests.

Mr. MINETA. In the present law, the 8 percent set-aside for noise programs is a mimimum and FAA is free to spend more than that on noise programs.

Mr. LEHMAN of Florida. This is an appropriation bill, and I do not know whether we could do that kind of authorizing legislation in this bill. I certainly could indicate that this would be the intent of this committee to implement it at that level.

Mr. MINETA. And if I may ask about page 9, line 11, the amendment reducing the $644 million, what does that do?

Mr. LEHMAN of Florida. It conforms with the authorizing legislation.

The CHAIRMAN. The time of the gentleman from California [Mr. MINETA] has expired.

(By unanimous consent, Mr. MINETA was allowed to proceed for 1 additional minute.)

Mr. MINETA. Mr. Chairman, I did not catch the gentleman's explanation of the purpose of the amendment on the $644 million.

Mr. LEHMAN of Florida. If the gentleman would yield, it conforms with the authorizing formula in regard to the trust fund share.

Mr. MINETA. Very well. The amendment only reduces the amount of the funding for operations which can be taken from the trust fund.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments en bloc offered by the gentleman from Florida [Mr. LEHMAN].

The amendments were agreed to.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the bill making appropriations for the Department of Transportation for fiscal year 1986.

The Subcommittee on Transportation, on which I have served since its creation in 1967, has worked long and hard to bring this bill before the House. I would like to pay special tribute to our chairman, BILL LEHMAN, and our ranking minority member, LARRY COUGHLIN, for their many hours in hearings and preparation of this bill.

As it stands, this bill provides $11.1 billion in new budget authority to meet the vital transportation needs of our Nation, an amount that is $537 million below last year's level. Our chairman has offered amendments that would reduce certain accounts by a total of approximately $1 billion, which would enable us to meet the overall transportation function assumptions in the budget resolution.

I do not want to repeat all of the remarks that have been made outlining the provisions of this bill, but I would like to highlight a few items of particular interest and concern.

For the Coast Guard's operating expenses, we have provided $1.78 billion, including $786.8 million for military personnel compensation. This will permit a military personnel level of 37,051, an amount that is lower than last year but still 469 positions above the budget request. After holding extensive hearings, it became clear that in order to continue our antidrug effort in the Southeastern United States without detracting from the Coast Guard's traditional activities elsewhere in the country, it would be necessary to provide more personnel than the budget had requested. The amount provided will do that, and will, I might point out to my friends from the Great Lakes, permit the continued operation of all Great Lakes Coast Guard stations.

Under the Federal Railroad Administration, the committee has recommended $616 million for Amtrak, a 10-percent cut from last year's level. Based upon our testimony, it is clear that any further reduction would force Amtrak to reduce service and downgrade frequencies to an unacceptable extent. Amtrak is an important transportation resource that every year receives less and less of its support from the Federal Government. The members of the committee strongly supported its continued operation.

The other items in the bill, including spending for highways, aviation, and urban transit, have been covered by our chairman. I would like to mention one provision having to do with the Transportation Systems Center in Cambridge, MA. This is the Department of Transportation's major research facility, and the bill prohibits any change in its current Federal status. This facility is a tremendous resource, and it was the conclusion of the committee that it should remain a Transportation Department facility.

Finally, let me say that at the appropriate time, I will support the amendment of the gentleman from Pennsylvania [Mr. COUGHLIN] to prohibit the use of interstate highway funds for the landfill portion of the Westway project in New York City. The landfill for this multibillion-dollar project is really a real estate development posing as a highway. In addition, this landfill will do tremendous damage to our national effort to restore the striped bass, or rockfish, to U.S. waters, by destroying the most important striped bass habitat on the east coast after the Chesapeake Bay.

Mr. Chairman, at a time when we are spending millions of dollars to clean up the Chesapeake Bay, we should certainly not be letting New York spend millions of Federal highway dollars to destroy this valuable habitat.

I want to commend the chairman once again. He just took a very courageous stand with his amendment reducing this bill by $1 billion. I hope that the Congressmen and Congresswomen, who are in their offices and who will come here finally for the rollcall on final passage, will take that into consideration and not offer any across-the-board cuts. We opposed across-the-board cuts in committee because they would severely damage two agencies, at least, which cannot afford a single dollar to be cut. One is FAA, where there is a shortage of controllers, and of course we do not want any more airplanes coming down from the skies. It would also cut the Coast Guard, which is already bare-bones right now. At the present time the Coast Guard could use a lot more money than is in this budget.

I hope my colleagues will take that into consideration when we get to final passage. Mr. Chairman, I urge my colleagues to support this bill and to support the Coughlin amendment.

Mr. LEHMAN of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to thank the gentleman from Massachusetts for his support of this legislation and for his service on this subcommittee. It has been yeomanlike, and I must say it is a pleasure to serve on the committee with him.

Mr. Chairman, I ask unanimous consent that the remainder of title I of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The text of the balance of title I is as follows:

FACILITIES AND EQUIPMENT (AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities, including initial acquisition of necessary sites by lease or grant; engineering and service testing including construction of test facilities and acquisition of necessary sites by lease or grant; and construction and furnishing of quarters and related accommodations of officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1990, $1,059,000,000: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities: *Provided further*, That of the funds available under this head, $5,000,000 shall be available for the Secretary of Transportation to enter into grant agreements with universities or colleges to conduct demonstration projects in the development, advancement, or expansion of airway science curriculum programs, and such money, which shall remain available until expended, shall be made available under such terms and conditions as the Secretary of Transportation may prescribe, to such universities or colleges for the purchase or lease of buildings and associated facilities, instructional materials, or equipment to be used in conjunction with airway science curriculum programs.

Research, Engineering and Development (Airport and Airway Trust Fund)

For necessary expenses, not otherwise provided for, for research, engineering and development, in accordance with the provisions of the Federal Aviation Act (49 U.S.C. 1301-1542), including construction of experimental facilities and acquisition of necessary sites by lease or grant, to be derived from the Airport and Airway Trust Fund and to remain available until expended, $190,000,000, of which $4,000,000 shall be available to construct an experimental computer-based Airway and Aviation Management Program in accordance with the provisions of the Federal Aviation Act (49 U.S.C. 1301-1542) at the Center for Research and Training in Information-based Aviation and Transportation Management at Barry University: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering and development.

Grants-in-Aid for Airports (Liquidation of Contract Authorization) (Airport and Airway Trust Fund)

For liquidation of obligations incurred for airport planning and development under section 14 of Public Law 91-258, as amended, and under other law authorizing such obligations, and obligations for noise compatibility planning and programs, $693,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the commitments for which are in excess of $1,000,000,000 in fiscal year 1986 for grants-in-aid for airport planning and development, and noise compatibility planning and programs, notwithstanding section 506(e)(4) of the Airport and Airway Improvement Act of 1982.

Operation and Maintenance, Metropolitan Washington Airports

For expenses incident to the care, operation, maintenance, improvement, and protection of the federally owned civil airports in the vicinity of the District of Columbia, including purchase of eight passenger motor vehicles for police use, for replacement only; purchase, cleaning, and repair of uniforms; and arms and ammunition, $35,400,000: *Provided*, That there may be credited to this appropriation funds received from air carriers, concessionaires, and non-Federal tenants sufficient to cover utility and fuel costs which are in excess of $6,682,000: *Provided further*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, or private sources, for expenses incurred in the maintenance and operation of the federally owned civil airports.

Construction, Metropolitan Washington Airports

For necessary expenses for construction at the federally owned civil airports in the vicinity of the District of Columbia, $12,000,000, to remain available until September 30, 1988.

Aviation Insurance Revolving Fund

The Secretary of Transportation is hereby authorized to make such expenditures and investments, within the limits of funds available pursuant to section 1306 of the Act of August 23, 1958, as amended (49 U.S.C. 1536), and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for aviation insurance activities under said Act.

Aircraft Purchase Loan Guarantee Program

The Secretary of Transportation may hereafter issue notes or other obligations to the Secretary of the Treasury, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury may prescribe. Such obligations may be issued to pay any necessary expenses required pursuant to any guarantee issued under the Act of September 7, 1957, Public Law 85-307, as amended (49 U.S.C. 1324 note). The aggregate amount of such obligations during fiscal year 1986 shall not exceed $10,000,000. Such obligations shall be redeemed by the Secretary from appropriations authorized by this section. The Secretary of the Treasury shall purchase any such obligations, and for such purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force. The purposes for which securities may be issued under such Act are extended to include any purchase of notes or other obligations issued under the subsection. The Secretary of the Treasury may sell any such obligations at such times and price and upon such terms and conditions as he shall determine in his discretion. All purchase, redemptions, and sales of such obligations by such Secretary shall be treated as public debt transactions of the United States.

FEDERAL HIGHWAY ADMINISTRATION

Limitation on General Operating Expenses

Necessary expenses for administration, operation, and research of the Federal Highway Administration, not to exceed $204,500,000, shall be paid, in accordance with law, from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: *Provided*, That not to exceed $48,589,000 of the amount provided herein shall remain available until expended: *Provided further*, That, of the funds available under this limitation, $5,000,000 shall be made available only for a Demonstration Bonding Program for economically and socially disadvantaged businesses: *Provided further*, That, notwithstanding any other provision of law, there may be credited to this account funds received from States, counties, municipalities, other public authorities and private sources, for training expenses incurred for non-Federal employees.

Highway Safety Research and Development

(Highway Trust Fund)

For necessary expenses in carrying out provisions of sections 307(a) and 403 of title 23, United States Code, to be derived from the Highway Trust Fund and to remain available until expended, $8,500,000.

Highway-Related Safety Grants (Liquidation of Contract Authorization) (Highway Trust Fund)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 402, administered by the Federal Highway Administration, to remain available until expended, $9,000,000 to be derived from the Highway Trust Fund: *Provided*, That not to exceed $100,000 of the amount appropriated herein shall be available for "Limitation on general operating expenses": *Provided further*, That none of the funds in this Act shall be available for the planning or execution of programs the obligations for which are in excess of $10,000,000 in fiscal year 1986 for "Highway-related safety grants".

Highway Beautification

Funds appropriated and obligated to carry out sections 131 and 136 of title 23, United States Code, which have been deobligated subsequent to enactment of this Act shall remain available until expended.

Railroad-Highway Crossings Demonstration Projects

For necessary expenses of certain railroad-highway crossings demonstration projects as authorized by section 163 of the Federal-Aid Highway Act of 1973, as amended, to remain available until expended, $38,700,000, of which $25,800,000 shall be derived from the Highway Trust Fund: *Provided*, That the unobligated balance of funds appropriated in Public Law 93-98 for Wheeling, West Virginia, is hereby made available for allocation to carry out highway projects on the Federal-aid system in Wheeling, West Virginia.

Federal-Aid Highways (Liquidation of Contract Authorization) (Highway Trust Fund)

For carrying out the provisions of title 23, United States Code, which are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursements for sums expended pursuant to the provisions of 23 U.S.C. 308, $13,836,000,000 or so much thereof as may be available in and derived from the Highway Trust Fund: *Provided*,

That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of $13,800,000,000 for Federal-aid highways and highway safety construction programs for fiscal year 1986, except that this limitation shall not apply to obligations for emergency relief under section 125 of title 23, United States Code, obligations under section 157 of title 23, United States Code, projects covered under section 147 of the Surface Transportation Assistance Act of 1978, section 9 of the Federal-Aid Highway Act of 1981, subsections 131 (b) and (j) of Public Law 97-424, section 118 of the National Visitors Center Facilities Act of 1968, or section 320 of title 23, United States Code.

Right-of-Way Revolving Fund (Limitation on Direct Loans) (Highway Trust Fund)

During fiscal year 1986 and with the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed $50,000,000.

Motor Carrier Safety

For necessary expenses to carry out the motor carrier safety functions of the Secretary as authorized by the Department of Transportation Act (80 Stat. 939-940), $13,900,000, of which $953,000 shall remain available until expended, and not to exceed $1,601,000 shall be available for "Limitation on general operating expenses".

Motor Carrier Safety Grants

(Highway Trust Fund)

For necessary expenses to carry out provisions of section 402 of Public Law 97-424, $14,000,000, to be derived from the Highway Trust Fund and to remain available until September 30, 1989.

Baltimore-Washington Parkway

For necessary expenses, not otherwise provided, to carry out the provisions of the Federal-Aid Highway Act of 1970, for the Baltimore-Washington Parkway, to remain available until expended, $6,500,000 to be derived from the Highway Trust Fund and to be withdrawn therefrom at such times and in such amounts as may be necessary: *Provided*, That, notwithstanding subsection (b) of section 146 of the Federal-Aid Highway Act of 1970 and any agreement entered into under such subsection, the Secretary of the Interior shall not be required to convey to the State of Maryland any portion of the Baltimore-Washington Parkway located in the State of Maryland, and the State of Maryland shall not be required to accept conveyance of any such portion: *Provided further*, That funds authorized by such section may be expended without regard to any requirement of such an agreement that such portion of the Baltimore-Washington Parkway be conveyed to the State of Maryland.

Rail Line Consolidation Project

(transfer of funds)

For necessary expenses to carry out a project to consolidate two rail lines on a common alignment in the vicinity of Orange, Texas, that demonstrates methods by which a rail line consolidation project will reduce motor vehicle traffic congestion and increase employment, to remain available until expended, $5,000,000 to be derived from unobligated balances of "Research, training, and human resources".

Airport-Highway Demonstration Project

(transfer of funds)

For necessary expenses to carry out a highway project to depress a highway in Shawnee, Oklahoma, that demonstrates methods of improving air service to a small community by extension of a runway over a depressed road, to remain available until expended, $2,700,000 to be derived from unobligated balances of "Research, training, and human resources".

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Operations and Research

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety and functions under the Motor Vehicle Information and Cost Savings Act (Public Law 92-513, as amended), $89,365,000, of which $25,120,000 shall be derived from the Highway Trust Fund: *Provided*, That not to exceed $42,174,000 shall remain available until expended, of which $10,180,000 shall be derived from the Highway Trust Fund: *Provided further*, That, of the funds available under this head, $10,000,000 shall be available to implement the recommendations of the 1985 National Academy of Sciences report on trauma research.

Highway Traffic Safety Grants

(Liquidation of Contract Authorization)

(Highway Trust Fund)

For payment of obligations incurred in carrying out the provisions of 23 U.S.C. 402, 406 and 408, and section 209 of Public Law 95-599, as amended, to remain available until expended, $149,000,000, to be derived from the Highway Trust Fund: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs, the total obligations for which are in excess of $126,500,000 in fiscal year 1986 for "State and community highway safety" authorized under 23 U.S.C. 402: *Provided further*, That none of these funds shall be used for construction, rehabilitation or remodeling costs or for office furnishings and fixtures for State, local, or private buildings or structures: *Provided further*, That none of the funds in this Act shall be available for the planning or execution of programs, the total obligations for which are in excess of $28,800,000 for "Alcohol safety incentive grants" authorized under 23 U.S.C. 408: *Provided further*, That none of the funds in this Act shall be available for the planning or execution of programs authorized by section 209 of Public Law 95-599, as amended, the total obligations for which are in excess of $5,000,000 in fiscal years 1983, 1984, 1985, and 1986: *Provided further*, That not to exceed $5,000,000 shall be available for administering the provisions of 23 U.S.C. 402.

FEDERAL RAILROAD ADMINISTRATION

Office of the Administrator

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, $10,120,000.

Railroad Safety

For necessary expenses in connection with railroad safety, not otherwise provided for, $28,000,000, of which $1,300,000 shall remain available until expended.

Railroad Research and Development

For necessary expenses for railroad research and development, $11,200,000, to remain available until expended.

Rail Service Assistance

For necessary expenses for rail service assistance authorized by section 5 of the Department of Transportation Act, as amended, for Washington Union Station, as authorized by Public Law 97-125, and for necessary administrative expenses in connection with Federal rail assistance programs not otherwise provided for, $20,200,000, to remain available until expended: *Provided*, That none of the funds provided under this Act shall be available for the planning or execution of a program making commitments to guarantee new loans under the Emergency Rail Services Act of 1970, as amended, and that no new commitments to guarantee loans under section 211(a) or 211(h) of the Regional Rail Reorganization Act of 1973, as amended, shall be made: *Provided further*, That none of the funds in this Act shall be available for the acquisition, sale or transference of Washington Union Station without the prior approval of the House and Senate Committees on Appropriations: *Provided further*, That, of the funds available under this head, $15,000,000 shall be available for allocation to the States under section 5(h)(2) of the Department of Transportation Act, as amended: *Provided further*, That, notwithstanding any other provision of law, a State may not apply for fiscal year 1986 funds available under section 5(h)(2) until such State has expended all funds granted to it in the fiscal years prior to the beginning of fiscal year 1981, other than funds not expended due to pending litigation: *Provided further*, That a State denied funding by reason of the immediately preceding proviso may still apply for and receive funds for planning purposes: *Provided further*, That, notwithstanding any other provision of law, of the funds available under section 5(h)(2), $10,000,000 shall be made available for use under sections 5(h)(3)(B)(ii) and 5(h)(3)(C) of the Department of Transportation Act, as amended, notwithstanding the limitations set forth in section 5(h)(3)(B)(ii).

Conrail Labor Protection

Such sums as may be necessary shall be made available for necessary expenses of administration of section 701 of the Regional Rail Reorganization Act of 1973 by the Railroad Retirement Board.

Northeast Corridor Improvement Program

For necessary expenses related to Northeast Corridor improvements authorized by title VII of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended (45 U.S.C. 851 et seq.), $12,500,000, to remain available until expended: *Provided*, That, notwithstanding any other provision of law, the provisions of Public Law 85-804 shall apply to the Northeast Corridor Improvement Program: *Provided further*, That the Secretary may waive the provisions of 23 U.S.C. 322 (c) and (d) if such action would serve a public purpose: *Provided further*, That all public at grade-level crossings remaining along the Northeast Corridor upon completion of the project shall be equipped with protective devices including gates and lights.

Grants to the National Railroad Passenger Corporation

(including transfer of funds)

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for operating losses incurred by the Corporation, capital improvements, and labor protection costs authorized by 45 U.S.C. 565, to remain available until expended, $616,000,000, of which $15,000,000 shall be derived from unobligated balances of "Conrail labor protection": *Provided*, That none of the funds herein appropriated shall be used for lease or purchase of passenger motor vehicles or for the hire of vehicle operators for any officer or employee, other than the president of the Corporation, excluding the lease of passenger motor vehicles for those officers or employees while in official travel status: *Provided further*, That the Secretary shall make no commitments to guarantee new loans or loans for new purposes under 45 U.S.C. 602 in fiscal year 1986: *Provided further*, That the incurring of any obligation or commitment by the Corporation for the purchase of capital improvements prohibited by this Act or not expressly provided for in an appropriation Act shall be deemed a violation of 31 U.S.C. 1341: *Provided further*, That no funds are required to be expended or reserved for expenditure pursuant to 45 U.S.C. 601(e): *Provided further*, That none of the funds in this or any other Act shall be made available to finance the rehabilitation and other improvements (including upgrading track and the signal system, ensuring safety at public and private highway and pedestrian crossings by improving signals or eliminating such crossings, and the improvement of operational portions of stations related to intercity rail passenger service) on the main line track between Atlantic City, New Jersey, and the main line of the Northeast Corridor, unless the Secretary of Transportation certifies that not less than 40 per centum of the costs of such improvements shall be derived from non-Federal sources: *Provided further*, That, notwithstanding any other provision of law, the National Railroad Passenger Corporation shall not operate rail passenger service between Atlantic City, New Jersey, and the Northeast Corridor main line unless the Corporation's Board of Directors determines that revenues from such service have covered or exceeded 80 per centum of the short term avoidable costs of operating such service in the first year of operation and 100 per centum of the short term avoidable operating costs for each year thereafter: *Provided further*, That none of the funds provided in this or any other Act shall be made available to finance the acquisition and rehabilitation of a line, and construction necessary to facilitate improved rail passenger service, between Spuyten Duyvil, New York, and the main line of the Northeast Corridor unless the Secretary of Transportation certifies that not less than 40 per centum of the costs of such improvement shall be derived from non-Amtrak sources.

Railroad Rehabilitation and Improvement Financing Funds

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: *Provided*, That no new loan guarantee commitments shall be made during fiscal year 1986.

Redeemable Preference Shares

(including transfer of funds)

The Secretary of Transportation is hereby authorized to expend proceeds from the sale of fund anticipation notes to the Secretary of the Treasury and any other moneys deposited in the Railroad Rehabilitation and Improvement Fund pursuant to sections 502, 505-507, and 509 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, and section 803 of Public Law 95-620, for uses authorized for the Fund, in amounts not to exceed $35,500,000, of which $5,500,000 shall be derived from unobligated balances of "Rail labor assistance".

Conrail Commuter Transition Assistance

For necessary capital expenses of Conrail commuter transition assistance, not otherwise provided for, $10,000,000, to remain available until expended.

URBAN MASS TRANSPORTATION ADMINISTRATION

Administrative Expenses

For necessary administrative expenses of the urban mass transportation program authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), and 23 U.S.C. chapter 1, in connection with these activities, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, $31,000,000, of which not to exceed $350,000 shall be available for the Office of the Administrator.

Research, Training, and Human Resources

For necessary expenses for research, training, and human resources as authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), to remain available until expended, $28,103,000: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities and private sources, for expenses incurred for training.

Formula Grants

For necessary expenses to carry out the provisions of sections 9 and 18 of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), $2,449,500,000, to remain available until expended.

Discretionary Grants

None of the funds in this Act shall be available for the implementation or execution of programs in excess of $1,100,000,000 in fiscal year 1986 for grants under the contract authority authorized in section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.).

Liquidation of Contract Authorization

For payment of obligations incurred in carrying out section 21(a)(2) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), administered by the Urban Mass Transportation Administration, $720,000,000, to be derived from the Highway Trust Fund and to remain available until expended.

Interstate Transfer Grants—Transit

For necessary expenses to carry out the provisions of 23 U.S.C. 103(e)(4) related to transit projects, $250,000,000, to remain available until September 30, 1987.

Washington Metro

For necessary expenses to carry out the provisions of section 14 of Public Law 96-184, $250,000,000, to remain available until expended.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year except as hereinafter provided.

Limitation on Administrative Expenses

Not to exceed $1,890,000 shall be available for administrative expenses which shall be computed on an accrual basis, including not to exceed $3,000 for official entertainment expenses to be expended upon the approval or authority of the Secretary of Transportation: *Provided*, That Corporation funds shall be available for the hire of passenger motor vehicles and aircraft, operation and maintenance of aircraft, uniforms or allowances therefor for operation and maintenance personnel, as authorized by law (5 U.S.C. 5901-5902), and $15,000 shall be available for services as authorized by 5 U.S.C. 3109.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

Research and Special Programs

For expenses necessary to discharge the functions of the Research and Special Programs Administration, for expenses for conducting research and development and for grants-in-aid to carry out a pipeline safety program, as authorized by section 5 of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1674), $19,400,000, of which $6,975,000 shall remain available until expended.

OFFICE OF THE INSPECTOR GENERAL

Salaries and Expenses

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, $27,950,000.

The CHAIRMAN. Are there any points of order against the remainder of title I?

The Chair hears none.

AMENDMENT OFFERED BY MR. COUGHLIN

Mr. COUGHLIN. Mr. Chairman, I offer an amendment made in order under the rule.

The Clerk read as follows:

Amendment Offered By Mr. Coughlin: On page 15, line 9 strike the "." and insert the following in lieu thereof: ": *Provided further*, That none of the funds provided in this Act shall be used for the approval of, or to pay the salary of any person who approves, projects to construct a landfill in the Hudson River as part of an Interstate System highway in New York City."

Mr. COUGHLIN. Mr. Chairman, what this amendment would do would be to prohibit the expenditure of money for landfilling of the Hudson River as part of a project that is known as the Westway project. In this time of exacerbated deficits, it is important to recognize that this is potentially a $4 billion to $6 billion project. It would cost that much money, $4 billion to $6 billion, to build 4.2 miles of highway in New York. But it really is not a highway that is being built; it is landfill that is being built.

Now, it can be said that since this money comes from the highway trust fund it does not affect the deficit. But

that is not true because money coming from the highway trust fund creates outlays just as any other money does and certainly affects the deficit.

So that no matter how you look at it, this is a very significant commitment that is being made.

Someone might say, "Why are you opposing a project that is in New York?" The reason is that this is a raid on the highway trust fund that will affect every single one of your States. I would add that the amendment is strongly supported by the Member, Mr. Weiss, in whose district the entire project would be. According to the Department of Transportation's 1985 interstate cost estimate, this would cost around $416 million per mile and about $15,000 per inch. The entire project would exceed New York's share of the highway trust fund moneys, which would be about $1.7 billion over the life of the project, over the 10-year period. That would not cover then the 90-percent Federal share of the cost even at the $2.3 billion estimated by the Federal Highway Administration.

So that the money would have to come from other States, other areas, or we would have to increase taxes to increase the highway trust fund to be able to pay for this project. It could not come from New York's existing share of the highway trust fund. It can also be asked: Why should we be telling New York how to use its highway trust fund money? Well, it is important, I think, to point out that this is not a highway project; it is a public works project. It is a landfill project.

Of the 227 acres of landfill proposed by this project, only 36 acres are for highway use, 97 acres are for commercial use, 94 acres are for parks, and if you do not believe me, listen to Judge Griesa who has enjoined proceeding with this highway. He said, and I quote, that Westway is not needed for transportation purposes. He said even the Corps of Engineers agreed that a highway could be built along the existing rights-of-way on West Street and 12th Avenue at a cost of only about $50 million, and here we are talking about $4 to $6 billion for this program.

It is a clear violation of the 1981 Federal Highway Act which says, and I quote:

> Funds shall be limited to the construction necessary to provide a minimum level of acceptable service on the Interstate System.

That is what the highway trust fund is intended to be for, that is what these funds are intended to be used for; not to produce a massive landfill.

Now, finally, it can be said that this is an authorizing committee matter. It is not. It is a straight limitation on an appropriations bill which is certainly within the jurisdiction of this committee. It is not a deauthorization bill. I know that Chairman Howard has a deauthorization bill in, which I fully applaud.

All the amendment does is provide the stopgap necessary until that authorization can be enacted, and the Public Works Committee has full authority to do that.

☐ 1345

But it is necessary because the court injunction that exists against Westway at the present time could be lifted at any time; it is being appealed on an expedited basis. But there are some $300 million in contracts that are ready to be let to begin this $6 billion potential expenditure from the highway trust fund.

(By unanimous consent, Mr. Coughlin was allowed to proceed for 1 additional minute.)

Mr. COUGHLIN. If, once it proceeds, obviously, it is much more difficult to stop, and I hope that we will support this amendment, because it would provide the stopgap necessary to preclude the initiation of this project and to allow the authorizing committee, indeed, to act on the project.

Mr. LEHMAN of Florida. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Pennsylvania [Mr. Coughlin] offered this amendment in the subcommittee, and offered it again in the full Appropriations Committee.

I opposed the amendment in the subcommittee, I opposed the amendment again in the full committee, and I am still opposed to the amendment because I do not believe this bill is the appropriate place to address this issue.

This project, aside from whether it is an authorization or appropriation, is supported by both the Governor of New York and the mayor of New York City, and it is also supported by both of the New York Senators.

I believe we should accept the judgment of the State and the local people in regards to opposing this amendment.

I have the greatest respect for the gentleman from Pennsylvania—the ranking minority member of the subcommittee—and I reluctantly but strongly urge that this amendment be rejected. This is not the right place and not the right time.

Mr. WEISS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, as has been noted by my colleagues, this project lies entirely within the confines of the 17th Congressional District in New York which I represent. It is an interstate highway proposal which would cover an area on the West Side of Manhattan from 42d Street down to the Battery; 4.2 miles.

However, this project has a very unsavory history. It goes back about 14 years; it has been challenged in the courts and on two separate occasions now, Federal District Court Judge Griesa has ruled against the project because of unlawful, improper actions by the various State and Federal agencies and flaws in the environmental impact statement and in the permit process.

The opposition to this project is based on transportation, economic, and environmental grounds.

Why would a highway running 4.2 miles cost, under the Federal Highway Administration's estimate, $2.3 billion? It would be the most expensive highway in the history of the world.

The reason it would cost that much is that this is not really a highway project. This is really a real estate boondoggle, if you will, posing as a highway project.

What they propose to do is to fill in some 200 acres of the Hudson River, put a tunnel inside that landfill and create prime real estate in midtown Manhattan. That is really what this whole thing is about.

The Corps of Engineers has indicated quite clearly that if you wanted to build a highway along the current right-of-way along West Street and 12th Avenue, you could do it for some $50 million and have a very nice highway indeed; but that would not meet the requirements of the real estate and big money folk who are involved in pushing this project.

Now, what I and my constituents have supported is trading in this project under the urban mass transit legislation, so that you could take about $50 million, spend it on a moderate, modest highway, and spend the rest of it; about $1,700 million, on mass transit, on our subway systems, our buses, and our commuter rail lines which are really the lifeblood of New York; and on which all New Yorkers really depend—not only New Yorkers, but those who come into New York to work or for recreation purposes.

That is what makes sense; that is what we ought to have.

Now, let me tell you about the people who support and who oppose this project. My constituents, and indeed New Yorkers generally, on every poll and survey that has been taken, have expressed their opposition to this project and have expressed their support for trade-in.

The most recent survey that I took, sometime around February of this year, had 75 percent of my constituents who responded, and I got a very big response; asking not only this question but a number of other questions, expressed their opposition to the Westway interstate and supported the trade-in.

Of 63 elected officials who testified before the Corps of Engineers, 57 of them opposed this interstate highway, and supported a trade-in. Six officials support it; our two U.S. Senators support it; the Governor and the mayor, support it; and one or two other officials whom I do not know by name support it.

The current president of the city council; the incoming president of the city council; the current president of the Borough of Manhattan; the incoming president of the Borough of Manhattan, all oppose this project and opt for the trade-in.

(By unanimous consent, Mr. Weiss was allowed to proceed for 1 additional minute.)

Mr. WEISS. Now, it seems to me that the way to save money for the Federal Government and the way to satisfy the needs of New York and New Yorkers is to adopt this amendment, so that the landfill portion of the project would be precluded for 1 year.

Our distinguished colleague, the chairman of the Public Works and Transportation Committee, the gentleman from New Jersey [Mr. Howard], has legislation, as does our distinguished colleague from New Jersey [Mr. Guarini], which would permanently bar Federal reimbursement for the landfill portion of Westway; but we do not know when that legislation will actually reach the floor.

Now is the time to put a hold on the landfill, until the substantive legislation can get adopted. We will be striking a blow for environmental transportation and economic good sense. We will be done right by New York and New Yorkers, and we will be doing right by the people, the taxpayers of the United States of America.

Mr. CONYERS. Will the gentleman yield?

Mr. WEISS. I am pleased to yield to my friend from Michigan.

Mr. CONYERS. I want to thank my colleague, Mr. Weiss, for his statement, and identify it in the following way: You see, sir, "I Love New York," as in all the signs that are seen.

(On request of Mr. Conyers and by unanimous consent, Mr. Weiss was allowed to proceed for 3 additional minutes.)

Mr. CONYERS. If the gentleman would continue to yield to me.

Mr. WEISS. I am delighted to yield to my friend.

Mr. CONYERS. Mr. Chairman, as one who goes there regularly, in the course of our business and I might even admit for pleasure, too, I have been hearing about this Westway for so long now it has become a national football in our subcommittees and in the press.

□ 1355

Can you cogently bring us to the heart of the matter? I mean, what has caused this thing to ever occur, in the first place?

Mr. WEISS. As I have indicated in my comments, I am convinced that the purpose of this kind of landfill-tunnel-highway operation is not for the purpose of creating a better highway but for the purpose of creating prime real estate in midtown Manhattan on which luxury housing can be built.

Mr. CONYERS. We have had a lot of problems with prime real estate in midtown Manhattan. That is the subject of books and articles and quite a bit of discussion. But as one of those who has worn that badge, "I love New York," I think this is where the environmentalists, the people who like the city—and, by the way, I think the citizens of the city happen to be on this side of the argument; am I correct?

Mr. WEISS. The gentleman is quite correct. In every survey and poll that has been taken, the people of New York have said that they are opposed to the interstate and they want the money traded in for mass transit purposes.

Mr. CONYERS. Well, I cannot imagine anybody around here not siding with the people on the matter.

Westway is a shameful porkbarrel project and should be eliminated from the Federal budget.

Westway is a multibillion-dollar real estate venture masquerading as an interstate highway in New York City.

New York wants to build a 4-mile highway along the west side of Manhattan in the river. It will cost $1 billion a mile—but they don't really want a road. What they want is more Manhattan Island for real estate development. Building a road is just the way in which the supporters of this boondoggle get the Federal Government to pay for their big dreams and what could be our tremendous mistake.

I've heard it said by some that they would like to unite the States of New York and New Jersey by paving over the Hodson River.

Westway will cost the American taxpayers an estimated $4 to $6 billion, for a 4.2-mile highway. That is $1 billion a mile—or $15,000 an inch. With this price, it is the most expensive highway project ever built. We are in serious trouble in this country if we can't provide roads for our automobiles at less than $1 billion a mile. Let's face it; we could pave it with gold and have it cost less.

It is a environmental disaster. Countless hours of research and studies, including one even by the Army Corps of Engineers, has said that there are superior alternatives.

Westway is a misuse of limited tax dollars, especially in these times of spiraling budget deficits. Money to build Westway will come from the Federal highway trust fund, which was intended to finance the building and repair of the Nation's roads, not for creating real estate in a river.

So all in all, Westway seems like a ludicrous project to me. It costs too much, is an environmental debacle, and there are much better an socially responsible ways to spend the money.

Mr. WEISS. I thank the gentleman for his statement.

Mr. GREEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I join the chairman of the Transportation Appropriations Subcommittee in suggesting that this is the wrong bill on which to raise this issue. The chairman of the Public Works Committee, the distinguished gentleman from New Jersey [Mr. Howard], has made it very clear that he intends to give the Westway issue full ventilation when his bill comes to the floor. That ventilation will permit alternative approaches to the problem, such as that of the gentleman from New Jersey, the gentleman from New Jersey [Mr. Guarini], and others, to be offered in a way that they cannot under the limited exemption from the rule that has been granted by the Rules Committee to consider the amendment of the gentleman from Pennsylvania. And, indeed, some alternative is needed. Everyone acknowledges that if we do not build Westway, we must have something else to take its place. Yet by considering the Westway issue under the present circumstances, we deny ourselves the opportunity to look at what those alternatives are and to see whether they really are better than what the city of New York and the State of New York have proposed to do.

Let me emphasize that this highway is approved and has been approved by successive mayors of the city of New York and is supported by the present mayor of the city of New York, who just won renomination overwhelmingly in a Democratic primary yesterday; that is supported by the Governor of the State of New York, as it has been by past Governors, and that it is supported by both of the Members of the other body from the State of New York.

I do not deny that the project is controversial, but I think it should be very clear that it has wide support within the State and city of New York.

I do not want to dwell at length on the substance of the issue because, as I say, I think that should be left—as the gentleman from New Jersey [Mr. Howard] has suggested in his "Dear Colleague" to us, which I hope all the Members have read—to the work of his committee, when his bill comes on the floor. In view of the comments that have been made, I do think the Members should know a little bit about the history of this project.

This project was approved by the U.S. Department of Transportation in the Ford administration under the aegis of Secretary of Transportation William Coleman. I has gone through a variety of court tests.

Mention has been made of the decision of the district judge, but it was not mentioned that on most of what he decided the first time around, he was overruled by the U.S. Court of Appeals for the Second Circuit, which remanded to him to decide on a single issue. He has now decided that single issue, not to anyone's surprise, against the project. The U.S. Court of Appeals for the Second Circuit has heard the case on an expedited basis, and that is now pending before the court of appeals. Obviously, no one here today has given the kind of review to this project that the court of appeals has, and I do not think Members of this body ought to try to pass judgment on the issues that are now pending before the court.

Mention has been made that somehow this is going to affect the budget. But I think the arguments of my colleague from New York, Mr. Weiss, make it clear that this had nothing to do with the deficit. If we do not get the highway money as a result of the amendment of the gentleman from Pennsylvania, then we are entitled to trade in for mass trnasit money. So it is really a question of which pocket the money is coming out of, whether it is going to be the right Federal pocket or the left Federal pocket, and the net amount of outlays with which the gentleman from Pennsylvania is concerned is going to be the same. So there is no change whatever in the deficit.

Now, both the gentleman from Pennsylvania and the gentleman from New York [Mr. Weiss] seem to suggest that there is something unusual or novel or unique in the fact that this project, which will be a depressed highway and, in part, a covered highway, will utilize the air rights over the highway for a number of purposes, including park and housing.

Now, surely, there is nothing unusual in the fact that people build parks in connection with highways. In fact, the parkway is a typical form of highway in this country, and the fact that because of our limited and land availability, we put the park over the highway instead of alongside it surely should not prevent us from proceeding as we propose to do.

As for using air rights for other kinds of development, let me say that I had occasion to drive to Cambridge, MA, this last weekend, and in the course of that, I drove on Highway 20, the Massachusetts Turnpike.

The CHAIRMAN. The time of the gentleman from New York [Mr. Green] has expired.

(By unanimous consent, Mr. Green was allowed to proceed for 5 additional minutes.)

Mr. GREEN. And, lo and behold, as I drove along, there at one point was a supermarket built across the highway, on top, of course, and there, another mile on, was a motel built across the air rights on top of the highway. In New York City, anyone who has crossed the George Washington Bridge knows that there are four apartment towers on the air rights above the approaches to the George Washington Bridge. Those of you who have visited Gracie Mansion are aware, perhaps, of the fact that the East River Drive, the FDR Drive, run under Gracie Mansion and its adjacent grounds.

What we are doing is not unusual, and the idea that this represents some sort of unique real estate boondoggle is most mistaken. In fact, under the law, if we dispose of any of the real estate, the Department of Transportation has to approve of that, and the U.S. Government gets 90 percent of the proceeds.

So, certainly, there should be no objection about doing that.

So much for the substance of this matter. I would simply suggest that you cannot save a penny by passing this amendment, because if we trade in, you have to pay it out to us in mass transit funds, and I would also suggest there is nothing very unusual in using the air space over highways for other purposes.

But let me turn to what I hope will be the basis of your judgment today, and that is whether we ought to consider this on an appropriation bill.

Now, the general excuse of those who offer limitations on appropriation bills is that the authorizing committee has not given them an opportunity to bring to the floor of the House the issue with which they are concerned—most typically, I suppose, in recent years, the abortion issue.

The usual excuse for offering such an amendment on an appropriation bill is that there has been, and will be, no opportunity for the House as a whole to consider the matter otherwise.

In the present case, that is plainly not accurate. The fact of the matter is, as everyone acknowledges, that the Public Works Committee intends to deal with the Westway issue in this year's surface transportation authorization legislation. And we have every expectation, and the word of the chairman of that distinguished committee, that this measure will be on the floor before very long, so that you will have ample opportunity, whatever your views, to debate and to consider and ultimately to vote on the Westway issue. And I submit that by waiting until the Public Works Committee brings us this issue, you will be able to do it under far better circumstances than you can today, because you will then have an opportunity to consider alternatives which cannot be offered under the limited exemption from the rules under which the Coughlin amendment is brought to us, and you will therefore have an opportunity to compare what the alternatives are—something you have not been given today.

There are some of us who feel that the alternatives have their weaknesses, too, problems of meeting air quality standards, for example. But we shall have full opportunity to debate that when the surface transportation bill comes to us.

I therefore ask that you join the members of the Public Works Committee who have written to you asking you to oppose the Coughlin amendment; I ask you to join in the majority of the members of the Appropriations Committee who voted down the Coughlin amendment, and most of them, I believe, because we felt this was the jurisdiction of the Public Works Committee and not our jurisdiction, that of the Appropriations Committee.

I hope that you will join us and defer this matter until the Public Works Committee is able to bring this matter to us in a full and open forum where we can explore it fully, compare the alternatives, and then reach a reasonable decision.

Mr. GUARINI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the construction of Westway as presently constituted but certainly want to see a highway built on the West Side of New York, one that would be economically feasible and one that would allow New York to solve its transportation problems in accordance with our national policy, which means the ailing subway system and the bus system would have trade-in funds whereby they would receive an assurance of $1.7 billion.

We all love New York. But I think that it is more important to focus on our national policies and question what it means to our Nation.

When this highway was first authorized, there were not the fiscal concerns that we have today. We were not in an era of $200 billion deficits or approaching a $2 trillion debt ceiling. Our debt service was nowhere what it is today.

If we look at our fiscal responsibilities, which is what this argument is all about, as well as national transportation and environmental questions, we know that if we are irresponsible, reprehensibly irresponsible in fiscal policy and fiscal sanity, we are only going to create damage to the future of our country and our security.

What does a debt mean? It means that in years to come, young people will not get student loans; it means that the infrastructure and bridges will not be built in cities throughout our country; it means that veterans will not get health services.

Do we want to give a blank check for the construction of a 4.2-mile highway that will cost more than the 2,800 miles of Interstate 80 in all its totality? Do we want to start a highway that we may not be able to complete, where the Interstate Trust Fund would only go until 1990 unless there is an extension, make a commitment that if the cost overruns are anything like the sewage plant they have in the Hudson River a few miles up the way, where it started off at $200 million, and is now $1.1 billion and still not open. Do we want to get into that kind of a bag, to keep doling out money from a trust fund and weakening the security of that fund, and reducing the money that other States and other projects will get in years to come? And do we want to run the risk of starting a highway that we may not have the funds to complete, a highway that will take 10 or 15 years and disrupt New York? Do we want to build a highway that Ted Weiss, as a congressman, objects to having built in his own district. He said 75 percent of the people object to it even the mayor of the city, when he sat in Congress, objected to it.

Almost every city-elected official objects to it except Mayor Koch, who reversed himself. Bob Moses, who was a builder of great fame in New York, said we do not need a raceway on the West Side of New York. He said it would be a physical and financial catastrophe.

Do the people who live in the area know more than we do in Arizona and California and in other areas, and are we to respect their wishes? Are we to impose upon them a highway which is really not an interstate highway. When President Eisenhower started the interstate highway program, it was part of national security, and the moving of goods and people across the Nation. That is why we started the interstate highway program. It did not even conceive of 4.2 miles in the middle of Manhattan, which is not connected with any other part of the highway program.

So the illogic of the situation really cries out. We would need a ventilation system because of the 6 lanes going under the Hudson River, that would have to be maintained for decades and that alone would create a burdensome cost.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. Guarini] has expired.

(By unanimous consent, Mr. Guarini was allowed to proceed for 5 additional minutes.)

Mr. GUARINI. And even the chairman of the Committee on Public Works and Transportation, our good, competent, able chairman, in his "Dear Colleague" letter of May 16, had said that the highway was "a misuse of the highway trust fund,"

And I go on and quote:

> Who amongst us, especially those who represent crowded urban districts, would not like to see our cities expanded by 234 acres for additional development. New York officials found a way to do it. Unfortunately, that kind of a project is not a proper use of the highway trust fund.

☐ 1410

That comes from the chairman of the committee who authorized it. Let me say, coming from New Jersey, there would be flooding along the river, and into the Meadowlands where there is huge development underway. There is no question Westway's landfill would have an impact on the rise of the Hudson River.

You are paving over, 600 feet on average, into the Hudson River. The environmental question from paving one of our major waterways on the juvenile bass population in the river means that a $200-million fishing industry will be imperiled. The other question of stirring up toxic wastes demands your attention. There is not one reason, there are many reasons why we should not proceed. We in New Jersey want the best for our regional planning; we want the best for New York. We want to be good partners, but we cannot have foisted upon us a highway that is going to be a landfill, a real estate developer's dream, and impose it and have an adverse effect on the State of New Jersey.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. GUARINI. I yield to the gentleman.

Mr. WEISS. I thank the gentleman.

Mr. Chairman, I want to compliment the gentleman on his statement and on his support of this important amendment. I want to underscore a point which I think he made at the beginning of his statement.

There has been some allusion by the distinguished gentleman from New York [Mr. Green] that in fact whether it is the highway that is constructed or there is a trade in for mass transit, it is the same amount of money that is involved. I want to correct that and underscore the gentleman's statement about it.

If you have a trade in, the amount of the trade in is limited at the most to the interstate cost estimate at the time that the request for the trade in is made. At this point, that is $2.3 billion.

Mr. GUARINI. We know how much is it will cost our country.

Mr. WEISS. That is right. If you have a highway the Federal Government is obligated to a blank check reimbursement of 90 percent of whatever the final cost of that highway is, and as the gentleman has indicated, with the cost overruns, this project could cost anywhere from $4 to $10 billion. Nobody knows the difference.

Finally, there has been some suggestion about people who support this project. Well, I want to state for the Record that the two U.S. Senators in fact have been consistent in support. The current Governor has in fact been consistent in his support of the project.

My distinguished friend, the mayor of the city of New York, when he was in this House, with me he led that opposition to the Westway project and supported trade in. He changed his position after he was first elected. The distinguished former Governor, Mr. Carey, campaigned for the first time that we went out for the governorship in opposition to this project and switched his position after he was elected.

So it seems to me that with that background and the peoples' opposition to this highway and the local elected officials, the gentleman's position is absolutely sound.

Mr. GUARINI. I would like to say that we may not get another chance to vote on this bill. The Circuit Court of Appeals could foreseeably today overrule Judge Griesa who had extended hearings in the Federal District Court, Southern District of New York. If that happens, $300 million worth of contracts that are sitting on the desk of Mayor Koch and Governor Cuomo could be let out immediately. I am informed by Mitchell Bernard who is the attorney for the environmentalists and the people who brought the action to deauthorize the building of Westway, has told me that they will not have time for an appeal. So this vote is a critical vote.

If you lose this opportunity to vote, the letting out of the contracts tomorrow morning if the Circuit Court of Appeals reversed it today, may bar forever your opportunity to act. The other bill that you will be considering that has been put into the hopper may not come up until next year. We will pass the point of no return. The 90-day extension that has been talked about for trade in would become moot and unnecessary so your vote now is vital. You must stand up now for fiscal responsibility, for the betterment of your environment, for national transportation policy which is sensible. Your vote can assure that we will not have 4 miles of highway that would further impact and gridlock the traffic in New York, that we will have a comprehensive public and private transportation system for this city and for the region which we will not have unless we become responsive in those areas. Unless we do the right thing today, we may forever lose our chance.

We have been generous with New York. New York will get $1.7 billion in trade in. They cannot be heard to complain. I am asking you to recognize the fact that any excesses on the part of New York would go to the disadvantage of the rest of the 49 States. So please, recognize that this is our last chance; we may not have another opportunity.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. Guarini] has expired.

(On request of Mr. Green and by unanimous consent, Mr. Guarini was allowed to proceed for 2 additional minutes.)

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. GUARINI. I yield to the gentleman.

Mr. GREEN. I thank the gentleman for yielding.

Mr. Chairman, I would simply say to the gentleman first, that he knows because he was a very successful lawyer, that if the Court of Appeals should decide today——

Mr. GUARINI. Flattery will really not receive any votes.

Mr. GREEN [continuing]. There will be a request for a hearing, and in fact, there will be an appeal to the U.S. Supreme Court——

Mr. GUARINI. There will not be time.

Mr. GREEN [continuing]. And there will be plenty of opportunity to get stays beyond this point.

Mr. GUARINI. Has the gentleman spoken with the attorneys? Because the attorneys know that $300 million of letting of contracts could end the whole discussion within 24 hours.

Mr. GREEN. Not if there was a stay granted while all these other things are going on.

Let me say the gentleman mentioned a moment ago the desire for good regional planning. I would simply point out that at the time this highway was planned, the regional highway planning agency was the Tristate Regional Transportation Committee on which the State of New Jersey was represented. I would point out that this highway, Westway, was approved by the Tristate Regional Planning Commission including the New Jersey Commissioners.

Mr. GUARINI. But not as an interstate highway, because that is the difference.

Mr. GREEN. I do not think it is the difference, because if you are worried about traffic impact, if you are worried about whether to trade in for mass transit or not, if you are worried about impact on the Hudson River, these were all issues that were before the Tristate Regional Planning Commission in their role as the transportation planning agency for the area.

Mr. GUARINI. The New York partnership was the strongest proponent of this highway for the redevelopment and the employment of New York because they were in a state of bankruptcy and it was very important that New York be given help. But that is not the same any more. Times have changed.

Mr. GREEN. If the gentleman will yield further, I am not talking about the New York partnership. I am talking about the Tristate Regional Planning Commission. The Commissioners appointed by the Governor of New Jersey. This was the offically designated highway planning agency for the region and the New Jersey Commissioners for this highway, this Westway.

Mr. BIAGGI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it seems like this is deja vu. It was some 10 years ago that we had similar arguments. The proposition then of the Westway was supported by Governor Carey, by Major Beam, by all of labor, and a whole host of important and responsible and credible organizations. Had we started then, it would have been completed and it would have cost us considerably less. What we are concerned about if this amendment is passed, we will have no Westway, we will have no time for trade in. That is because the time expires on September 30. It is a 1-year bill, and all that will be required, all that will result is a delay. A 1-year delay and then there will be a new effort. The cost of this construction will go up.

I guess I have the advantage of some; I am a little bit older than some of the opponents and some of the proponents. But I remember when the East River Drive was proposed. There was a similar hue and cry. Environment was not the issue because we all knew that the East River had a stench that was comparable to Chanel in the extreme opposite. But there was hue and cry: Dislodging residences; disturbing businesses; enriching developers. Nothing is new. It is the same old story. Yet, without the East River Drive, New York, Manhattan town would choke. So be it with the Westway.

When Moses made his original observation that was a long, long time ago. He did not contemplate the growth of traffic coming along the West Side. I travel that West Side every day. I know how important it is with tens of thousands of other motorists who use that West Side as transportation. That should be enhanced and should be rebuilt or built anew. So these are not the arguments; these are not the arguments.

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Remember that. That was controversial. New York was the ogre. People from all over the country looked and said, "The devil with New York. That is the cesspool of our Nation." Happily, wiser heads prevailed and the loan guarantee legislation was enacted. We had the support of then-President Carter. New York was saved. New York prospered and banks throughout the country were saved because they had New York securities.

Today, 10 years later, we must again call upon the wisdom of the House to reject what I will refer to as "Drop Dead, New York—Part II," or the Coughlin amendment.

Pending before us is an amendment which has as its intention, and if adopted will in fact, kill the Westway interstate highway project at least for a year. Yes, ladies and gentleman, Westway could be killed, not by a court, or even by the committee which has jurisdiction over it. No Westway would be killed by a punitive, discriminatory amendment attached to an appropriations bill. Is that right? I say no, and I urge my colleagues to reject this amendment.

As the chairman of the authorizing committee has said in his "Dear Colleague" letter of today, the Coughlin amendment is a backdoor legislative maneuver. I ask my colleagues to put themselves in our shoes. How would you feel if an effort was undertaken on the floor to knock out by an amendment a vitally important highway in your district?

Let me assure my colleagues that if we pass this amendment today, that could happen. Do not view this as being our problem. I promise you it will be your problem because it will set the precedent that will allow amendments, no matter how ill-founded, to make it to the House floor for votes, and with it could ride the fate of a project in your district.

The supporters of this amendment will regale you with lists of those who are opposed to this project. Let me recite some additional supporters of this Westway undertaking.

The CHAIRMAN. The time of the gentleman from New York [Mr. Biaggi] has expired.

(By unanimous consent, Mr. Biaggi was allowed to proceed for 2 additional minutes.)

Mr. BIAGGI. The President of the United States, the AFL-CIO, just to name a couple in addition to the others I have mentioned.

This project is not just a transportation project. It is a catalyst for meaningful economic development along the west side of Manhattan, and if you have not been there, let me suggest you go there and see it. It is the dregs and it should be rehabilitated. It will provide additional housing, additonal businesses.

Mr. WEISS. Mr. Chairman, will the gentleman yield to me about the dregs of my district that he is talking about?

Mr. BIAGGI. No, I will not yield on that point. I have not yielded the gentleman any time. At the conclusion of my comments, I will be delighted to yield to you.

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MR. WEISS. I thank the gentleman.

Mr. BIAGGI. It is the typical waterfront area. It has been upgraded somewhat, but it deserves better. It is a sound investment of the Federal dollar and will produce a solid return. Tens of thousands of people will be working. The construction industry will be working on that Westway for some 10 years.

I urge opposition to this amendment. People talk about the environmental impact. I remember the snail darter that held up a dam that was 90-percent completed for 6 or 7 or 8 years. It is unimportant. They said the snail darter is an endangered species if we continue to build this dam and permit it to function. The courts and reason finally prevailed, and what happened? They removed the snail darter, took it to another place, and snail darters are all over the place. They have multiplied and they are as prolific as the flies in New Jersey.

I am not so sure that these arguments are all that meaningful. Let us use common sense.

The CHAIRMAN. The time of the gentleman from New York [Mr. Biaggi] has again expired.

(On request of Mr. Weiss and by unanimous consent, Mr. Biaggi was allowed to proceed for 1 additional minute.)

Mr. WEISS. Mr. Chairman, will the gentleman yield to me?

Mr. BIAGGI. I would be delighted to yield to the gentleman from New York.

Mr. WEISS. I thank the gentleman for yielding.

Mr. Chairman, would the gentleman concede that, as the Member representing the area, that I spend at least as much time in that area as the gentleman does?

Mr. BIAGGI. I would clearly say so.

Mr. WEISS. All right. Then I would like to suggest to the gentleman, as one who really is familiar with that area, that what has been happening over the course of the last 10 years is a tremendous upgrading of the area in spite of the threat of Westway coming in, and indeed, the estimate now of developers in the area is that what is holding back development is that threat of Westway coming in.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I would be glad to yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding.

Mr. Chairman, I would simply point out that the area where we propose to build Westway is out to the pier and bulkhead line where the piers are rotting away and are a danger to navigation as they break up and go out into the water, and that indeed, as my colleague from Manhattan. Mr. Weiss, has said, there has been a good deal of development in the area. It is residential development and thus the desire on the part of the city to create parks atop the highway, as others in Seattle and New Jersey and elsewhere have had parks atop highways.

The CHAIRMAN. The time of the gentleman from New York [Mr. Biaggi] has again expired.

(By unanimous consent, Mr. Biaggi was allowed to proceed for 1 additional minute.)

Mr. BIAGGI. Mr. Chaiman, I conceded to the gentleman from New York [Mr. Weiss], my colleague for whom I have great affection and respect, but there has been some improvement. I know that. We all know it. We live in New York. But there is no question in my mind that we still have areas there that I would consider the dregs and would be susceptible to improvement, an improvement that would naturally follow if the Westway would come into effect, an improvement of the whole area economically.

There would be developers who would come forward and, yes, I object, and I agree with the gentleman, to having huge skyscrapers border the waterfront. I object to that vigorously. But I understand that the gentleman from New Jersey [Mr. Howard], has a plan that will permit the Westway to go forward with some modification, and that one I would agree with.

Mr. WOLPE. Mr. Chairman, I move to strike the requisite number of words and I rise in very strong support of the amendment that has been offered by my distinguished colleagues, the gentleman from Pennsylvania [Mr. Coughlin], the gentleman from New York [Mr. Weiss], and the gentleman from New Jersey [Mr. Guarini] to prevent Federal highway trust fund money from being spent on the Westway landfill.

Let me say at the outset that I do not sit on the committees that have direct jurisdiction over this project and therefore ordinarily I would hesitate to become this directly involved in the debate. But I do serve on the Committee on the Budget and I rise out of a very keen memory of the anguishing hour upon anguishing hour that the Budget Committee invested this past year in attempting to address the Federal deficit crisis that we are facing.

Indeed, I know that the Federal budget deficit is a matter of concern to all the Members of this body, and not just those of us on the Budget Committee.

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The fact of the matter is that all of us have been forced to go back to our own congressional districts to ask our constituents for some very significant sacrifices, in terms of cuts in a number of critical program areas. I recall in my own instance among the hard decisions that have been most critical for my State were urban development action grant funding reductions, economic development assistance reductions, and mass transit reductions. Those were not choices that were easy to make for any of us.

I submit that, particularly because of the difficulty of those choices, this is 1 year in which we need to be very careful about providing the kind of blank check that is being requested in this Westway project. We should proceed with extreme caution in the face of the horrendous expenditure of funds that is contemplated in this instance.

The project is being described as a highway project, and, therefore, it is to be funded out of the highway trust fund. Yet it is clear, both from the debate and even the discussion by some of the sponsors of the project, that it is far more than that. Westway entails real estate development of a substantial magnitude. In fact, most of the money will be going not to the building of a highway, but to landfill which, we are told, will enhance economic development.

Furthermore, the use of the highway trust fund money is limited by law for "construction necessary to provide a minimum level of acceptable service on the Interstate System." It is hard to imagine how this 200-acre landfill project could fit that description, especially since the Army Corps of Engineers itself considers Westway to be a "nonessential" part of the interstate program.

Finally, we are told that the total cost of this project could run as high as $4 to $6 billion, a cost that would work out to some billion dollars a mile or some $15,000 a linear inch. Does this really make any kind of sense?

As I said earlier, this is a difficult budget year, a particularly difficult budget year for all of us. But I submit that this is not a project that ought to be a close question even if it were not a difficult budget year. The economics do not pan out. The protection for the taxpayer is not there. We are being asked to go forward on an essentially open-ended commitment to a project that is absurdly expensive and is outside the scope of the trust fund authorization. I feel that Congress has a responsibility to prevent a mistake of these proportions from occurring.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. I am glad to yield to the gentleman from New York.

Mr. GREEN. Mr. Chairman, I thank the gentleman for his courtesy in yielding, and I would like to make just a couple of points in response to the gentleman.

First, if you look at the amount per capita that New York State has drawn out of the highway trust fund, you can hardly blame the Federal deficit on

that. We happen to be right at the bottom of the States at the present time in terms of per capita assistance from the highway trust fund, probably because of the fact that our major cross-State highway, the New York State Thruway, was completed just before President Eisenhower announced the Interstate Highway Program.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Wolpe] has expired.

(On request of Mr. Green, and by unanimous consent, Mr. Wolpe was allowed to proceed for 3 additional minutes.)

Mr. GREEN. Mr. Chairman, if the gentleman will yield further, even if Westway is funded, we are only going to be in the middle of the list. Certainly you cannot blame New York State for the deficit in terms of its use of highway trust funds, and I think to pick on this one project simply because it has been tied up in litigation over these years is most unfair.

Nor would I suggest to the gentleman is what we have done in seeking to build a depressed and partly covered highway unusual. In the gentleman's State of Michigan, for example, I am told that the Federal Highway Administration permitted the depressing of a highway and the covering of a highway where, for strict highway purposes, it was not needed, so that two parts of an Orthodox Jewish community could stay in contact with each other over the Sabbath. Yet that, although not a highway purpose strictly, has been permitted in the past by the Federal Highway Administration.

In New Jersey a highway has been depressed, and it was covered over in order to preserve the ambience of a park. There has been a park created in Seattle under similar circumstances.

As I indicated earlier in the debate, another highway, the Massachusetts Turnpike, has used air rights for a supermarket and a motel. We are doing nothing unusual in this.

Mr. WOLPE. Mr. Chairman, if I may reclaim my time to respond to the gentleman from New York, I am not suggesting that New York has taken undue advantage of highway trust funds up to this point or that it is not perfectly free to use highway trust funds in a way that has been authorized by law. The problem is that the total amount of money that was set aside for New York over the duration of the project is some $1.7 billion, and yet the estimated cost of the project is coming in at anywhere from $4 billion to $6 billion.

Who is to pick up that extra cost? How is that financing to be accomplished?

As far as the comparison with the Michigan project in the past and projects in which more than simply highway construction has been permitted, the fact of the matter is that the Westway project, as it has been contemplated, would be more than twice as expensive per mile as any other interstate segment ever built. I submit that Westway is a different ballgame and—without taking anything away from the important and worthwhile construction projects on which New York has embarked in the past—I submit that this project simply falls outside of the scope of what is financially justified.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I simply want to commend the gentleman on his statement, and I suggest, just in fairness and so the record is straight here, that according to the Department of Transportation, since 1956 for every dollar collected from the highway trust fund in New York, New York has received back $1.13. Specifically, the figures are that New York State's payments into the highway trust fund were $7,141,000,000 since 1956, and New York State received back $8,100,000,000.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Wolpe] has again expired.

(By unanimous consent, Mr. Wolpe was allowed to proceed for 2 additional minutes.)

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield further?

Mr. WOLPE. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I just wanted to say just for the record that New York has not been treated unfairly in this. As we look at the expenditures of the highway trust fund, they have received more than their fair share.

Mr. WOLPE. Mr. Chairman, I thank the gentleman for his observation.

I would like to make one additional comment before I yield further to my distinguished colleague, the gentleman from New York. This matter has been subject, as the gentleman knows, to considerable litigation. As the gentleman knows, several courts have viewed as questionable the procedures that led to the approval of this project. I submit the fact of the litigation itself ought to give all of us in this body additional cause to proceed cautiously in moving forward with the project.

Mr. GREEN. Mr. Chairman, will the gentleman yield on that point.

Mr. WOLPE. I am glad to yield to the gentleman from New York.

Mr. GREEN. Mr. Chairman, anyone can litigate, and district judges can make mistakes. In this instance the district judge issued a sweeping decision on Westway on which he was overruled on just about every point but one and one which the findings of the court of appeals were much narrowed from what the district judge had found. It went back, the district judge has now made another ruling, and the court of appeals, whatever it is going to decide, thought the case was worthy enough that it granted an expedited appeal and has heard argument.

That decision will be what that decision will be. I do not purport to represent to the gentleman what it will be. If the decision is that the dredge and fill permit, which was the last step that will have to be taken, was improperly granted, that will be the decision, and there is nothing we in this body will do to change it, as far as I can imagine.

At the same time I would say to the gentleman that if the court rules otherwise, this highway will have met every environmental requirement, and it is not at all clear that the alternative of a land highway at surface level can do that. There are very serious Clean Air Act problems with that, which is why the people went to this mode of construction in the first place. So you may well be throwing a very serious monkey wrench into the transportation planning.

If I may make just one further point, again the highway trust fund at this point is in surplus, not in deficit.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Wolpe] has expired.

(On request of Mr. Green, and by unanimous consent, Mr. Wolpe was allowed to proceed for 1 additional minute.)

Mr. GREEN. Mr. Chairman, if the gentleman will yield further, I think it is as wrong to look to the highway trust fund to solve the deficit problem when it is not creating the problem as I thought earlier this year it was wrong to look to the——

Mr. WOLPE. Mr. Chairman, if I may reclaim my time, the point is not that the highway trust fund is adding to the deficit at this point in time. The point is that this project will definitely add to the deficit over the long term.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. I am pleased to yield to the gentleman from New York, in whose district this project is located and who is telling us that the vast majority of his own constituents oppose this project and believe there is a much better way to proceed.

Mr. WEISS. Mr. Chairman, I thank the gentleman for yielding to me, and again I want to underscore the very last point the gentleman made.

New York City is crying out desperately to keep its transportation lifeline open, that is, its mass transit system, its subway system, and its bus system. We have a need identified already for 10 additional billion dollars, and nobody knows where it is coming from. We have a chance, by trading in this project, to get up to $1,700,000,000 for that mass transit system.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Wolpe] has again expired.

(On request of Mr. Weiss, and by unanimous consent, Mr. Wolpe was allowed to proceed for 1 additional minute.)

Mr. WEISS. Mr. Chairman, will the gentleman yield further?

Mr. WOLPE. I am pleased to yield to the gentleman from New York.

Mr. WEISS. Instead, Mr. Chairman, we are being told that because the highway trust fund is not in deficit, it is perfectly appropriate to spend the obscene amount of money, even if it is a conservative estimate, of $2.3 billion on 4 miles of highway. Whether it is in my district or in anybody else's district, that kind of expenditure cannot be justified.

Let me make one final point with the gentleman on the agreement or the approval. We have just gotten word as to the decision in the circuit court of appeals. The circuit court affirmed the decision of the district court judge as to the defects in the environmental impact statement, reversed it as to the permanent injunction, and remanded the matter back to the Federal defendant. So, it seems to me that since the matter is pending, it is all the more important for this amendment to be adopted to keep things in status quo until there is an opportunity for the legislation of the gentleman from New Jersey [Mr. Howard] or the gentleman from New Jersey [Mr. Guarini] to take effect.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Coughlin amendment.

Mr. Chairman, this Westway project has been the victim of just about every failing of government, every failure of the administrative process, and every failure of the judicial process that the mind of man can conjure up. If it had been built a decade ago, when it was first proposed or when the plans were first ready, it would have cost a substantially smaller portion of what it would cost to build today.

This project, with the delays from the litigation and the appeals and the painful reevaluations all the way up along the line, has suffered the fate of other projects that affect the environment, of utilities, and of other major projects. They have been bogged down in such a morass of administrative appeals and judicial actions that it becomes almost impossible to go ahead with any major urban improvement program.

Now, here we are with New York City having this glorious waterfront asset that any other city in the world would have been holding international architectural competitions on to find the most imaginative and creative design with which to improve that beautiful waterfront asset. You can look at cities that have done this. You can look at London and Paris and Sydney, Australia, and you can look at Rio de Janeiro and Hong Kong, where they have thoughtfully maximized the potential for beauty and for relaxation and leisure time with their waterfront assets—one of the most precious urban assets a city can have.

But here our waterfront is treated in this manner and has been cast upon the development slag heap, left abandoned in a disgraceful, decrepit, crumbling, unsafe condition. It is ridiculous.

We are going to have budget problems until every Member of this Congress goes to the great Congress in the sky. We are going to have problems of mass transportation from now until hell freezes over. Is this waterfront project to develop this glorious urban resource in New York City going to be held hostage to the U.S. budget problem that we are going to have to live with for the next generation? Is it going to be held hostage to the proclivity of otherwise thoughtful and enlightened citizen groups, environmental groups, and consumer groups to use the courts and to use the administrative process to obfuscate, to delay, and to confuse until these development projects are drowned in a sea of delay?

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I say that we ought to go ahead with this project. This project has been a victim of our failing judicial, administrative and legislative processes. This project is a classic case of where the perfect is the enemy of the good. This may not be a perfect project, but it is a damn good project. It will be a beautiful enhancement of the city of New York.

I urge this amendment be defeated.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I am delighted to yield to my distinguished colleague, the gentleman from New York [Mr. Green].

Mr. GREEN. I thank my colleague from New York for yielding.

As the gentleman has indicated, this project has been in and out of the courts, and as my colleague from New York indicated and my office has advised me of the same thing, we now have a decision affirming in part, reversing in part, and not permanently enjoining the project, but obviously since it has been remanded there is going to be the possibility of more litigation and certainly the project cannot go through without it.

Would the gentleman not agree with me that until the Members of this body have had a chance to learn what is in the court's decision and since it is obvious that given the little we know about it that the project is not going forward instantly that we would be better advised to wait until the Public Works Committee has brought this matter before us, as it will be doing in a couple weeks, rather than proceeding under circumstances where we really do not know what the court has decided at the present time.

Mr. SCHEUER. I am in total agreement with my colleague.

The CHAIRMAN. The time of the gentleman from New York [Mr. Scheuer] has expired.

(By unanimous consent, Mr. Scheuer was allowed to proceed for 2 additional minutes.)

Mr. GUARINI. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I am delighted to yield to my distinguished colleague from New York.

Mr. GUARINI. I think many of us would like to see the matter brought to formality. There has been so much uncertainty over the last 14 years and, of course, the costs do go up all the time.

I would like to bring out a point and that is that frequent reference has been made to urban development programs. This is a highway bill, taking moneys from the Highway Trust Act. I just would like to remind the gentleman, as much as we would like to see the development in New York, that it should not be by way of the highway trust fund.

The 1981 Highway Trust Act states: "Funds shall be limited to a minimum level of accepted service on an interstate system."

That does not mean real estate development or sky-rise residential or commercial development or paving over the Hudson River.

Mr. SCHEUER. Well, we are not trying to pave over the Hudson River, but this project does provide on a nonprofit basis quite a rich intermixture of community projects, of civic projects, of leisure time projects, and it will be a beautiful amenity to the city of New York if only we can pry it loose.

Mr. GUARINI. But contrary to the purpose of the court, of the highway trust fund, the interstate highway trust fund.

Mr. SCHEUER. No; the basic guts of this project is a highway, but we have in a rather creative way, I think, added on to the periphery in effect of this some beautiful amenities for the city of New York.

Now, it is basically a highway project, but there are a large number of parks, playgrounds, delightful amenities that are going to enhance the quality of life in New York.

I disagree most thoroughly with my colleagues from New York that the citizens of the West Side will not

enjoy this use. They will enjoy it more than any other citizens of New York, the folks who live within a 5- or 10-minute walk of this project.

Mr. GUARINI. Will the gentleman yield further?

Mr. SCHEUER. Of course, I yield.

The CHAIRMAN. The time of the gentleman from New York [Mr. Scheuer] has again expired.

(At the request of Mr. Guarini, and by unanimous consent, Mr. Scheuer was allowed to proceed for 1 additional minute.)

Mr. GUARINI. Judge Griesa of the Federal District Court for the Southern District of New York had indicated that it was not a highway development program in the findings of his decision, but, in fact, was a real estate development.

He also pointed out that New York could have that same 6-lane highway on the same existing main part of Manhattan where it is now for $50 million and that woud adequately serve and we did not need one for $2.3 billion.

Mr. GREEN. Mr. Chairman, will the gentleman from New York yield?

Mr. SCHEUER. I am happy to yield.

Mr. GREEN. I think it should be pointed out, however, that if we build that surface highway, and I frankly doubt that it could be built for $50 million, I think hundreds of millions is more likely; but the fact of the matter is that if we build a surface highway, we are barring not only the residents of Manhattan, but also all the visitors from access to the waterfront, because we will have a surface level highway which will then make it impossible for our people to have access to the Hudson River waterfront. It will be like a great wall there barring us from the waterfront. One of the advantages of the present Westway is that it does preserve access to the waterfront which will not exist with the gentleman's alternative.

Mr. FRENZEL. Mr. Chairman, I support the Guarini-Coughlin amendment, of which I am a cosponsor. The amendment stipulates that no funds in this act shall be used for the landfill portion of the proposed Westway highway project in New York City.

It has been my understanding that funds in the Transportation appropriations bill are intended to facilitate transportation not to finance real estate development. To my mind that suggests that all moneys in this bill should be spent for transportation-related facilities and activities.

The Westway project does provide for a 4.2-mile section of interstate highway. However, it also provides New York with 100 acres of prime real estate ready for development, at a probable cost of from $4 to $10 billion. That cost at any time should seem prohibitive. In light of the budget deficit, it verges on the obscene. On economic grounds alone, Westway must go.

The Westway project also uses funds that many New Yorkers, including our colleague Mr. Weiss, in whose district the project lies, believe would be for better used shoring up New York's public transit system and building a more modest highway.

Mr. Chairman, I urge my colleagues to join in opposing the Westway project by supporting this amendment.

Mr. MANTON. Mr. Chairman, I rise in strong opposition to the Couglin amendment. This amendment would not only preclude the construction of any interstate highway on the Lower West Side of Manhattan, it would eliminate any additional time for New York to pursue a trade-in for mass transit funds. Even Westway's most vocal opponents favor a trade-in of highway funds for money to be used for New York's subways.

Mr. Chairman, I have long been a proponent of Westway. I am convinced not only for the project's need, but of the soundness of the project as designed. The project has received all of the necessary permits and approvals from Federal agencies. It has been studied over and over and been found to be environmentally sound, fully complying with all Federal mandates and requirements for an interstate highway. Proposed alternatives have also been studied and have been found to have more adverse environmental impacts than the Westway project as now planned. Studies have not only indicated that these alternatives would violate Federal air quality standards, they would also create a greater burden on the national debt. The reason for this is that trade-in funds are derived from general revenues, whereas the proposed funding for the Westway project, would come from the highway trust fund. The highway trust fund is not funded by general revenues, but instead by gasoline and other road-related taxes.

However, even if I remained unconvinced of the project's legitmacy, I would still oppose the Coughlin amendment and so should all my colleagues in this House. If we premit this kind of arbitrary and discriminatory treatment against one State, then every State's project will be placed in jeopardy. If we ignore the dire infrasturcture needs of one State, then no State's needs will be addressed. And if we strike down Westway altogether, we might as well abandon the policy objectives of the whole Interstate Highway System.

Mr. Chairman, I urge my colleagues to defeat this amendment. No State can afford the vulnerability this kind of precedent may impose on future State highway projects.

Mrs. ROUKEMA. Mr. Chairman, I rise today in strong support of the Coughlin-Guarini-Weiss amendment and commend my colleagues for their efforts to halt one of the greatest highway boondoggles ever seriously considered: New York's Westway. This important amendment would prevent any of the funds provided in this transportation appropriation bill to be used for the approval of—or to pay the salary of any person who approves the construction of a landfill in the Hudson River as part of the Westway project.

There is no question that New York needs a refurbished highway on its West Side to help relieve its myriad transportation problems. However, I strenuously object to the attempt to use highway trust fund moneys to subsidize New York City's plan for real estate development—which is what the Westway project proposes.

In addition to being a 4.2-mile replacement for New York City's West Side Highway, the Westway project would provide a 224-acre landfill of the Hudson River upon which luxury high-rise apartments, private office towers and commercial industrial sites will be built.

The project is expected to take 10 to 15 years to complete and cost an estimated $4 to $6 billion. That translates to roughly $15,000 an inch. With this price tag, Westway would become by far the most expensive highway in the world. This fact, in itself, would not be controversial, if it was clearly shown that the expenditure of $4 to $6 billion was absolutely necessary to replace the current West Side Highway. However, that is simply not the case. The fact is, there are viable alternative proposals which do not require that highway trust fund moneys be used for private real estate development.

Ninety percent of the cost of Westway would be paid for out of the highway trust fund because it has been designated as part of the interstate network of highway. However, according to the Federal Highway Act of 1981, the use of the highway trust fund moneys "shall be limited to the construction necessary to provide a minimum level of acceptable service on the Interstate Highway System." I do not believe that this Westway plan represents a minimum level of service. Nowhere in the 1981 act does it allow that highway moneys can be used for land development plans for private developers.

Constructing a less expensive highway along the existing waterfront and "trading-in" the remaining Federal highway funds to overhaul New York's crippled mass-transit system could give New York City both a safe highway and improved mass transit for a fraction of the cost of Westway.

Much has been made of the Westway "battle" between New York and New Jersey. However, opposition to Westway is not a regional issue as some would believe. If the Westway landfill is funded, Federal highway moneys that would otherwise go to many other States would be used instead on this single, mammouth project. Because the highway trust fund expires in 1990, Westway would need additional funds to complete the project. How will New York adequately finance future highway construction, improvements and road and bridge maintenance? The answer is obvious. Beginning construction of this Westway project now increases the likelihood of an American taxpayer bailout later.

The current configuration of Westway represents a raid on the highway trust

fund. Indeed, New York has legitimate transportation needs, but the Federal Government should not be in the business of providing highway moneys for private land development. I urge my colleagues to support this amendment.

Mr. MRAZEK. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1500

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. SNYDER. Mr. Chairman, I move to strike the requisite number of words and I rise in strong opposition to the Coughlin amendment.

Mr. Chairman, this is a particularly mischievious and damaging amendment, and I earnestly appeal to my colleagues to vote it down right substantially.

It is a bad amendment, as Chairman Howard and I indicated in a brief "Dear Colleague" letter to Members late yesterday evening. It is bad transportation policy, grossly unfair to a single State, and a very dangerous precedent.

I would like to elaborate on our reasons, but before I do, there is one thing I think Members ought to grasp. It is that a vote against the Coughlin amendment cannot legitimately be considered a pro-Westway vote, not that some folks will not try to paint it that way, but that description will not stand up to the facts. I hope to make that clear as we go along.

For openers, the fact is that to the extent that there are problems with Westway, and there are, then there are ways to get at these problems. Environmental problems, as have been laid out today, are in the courts and apparently what we hear today is that that case has been remanded back to the district court level, but that is the proper forum now. Problems of cost, or of design, or of development impact, of transportation merits—there may be some of these. It depends on who you talk to. But here again, these are going to be taken care of through the authorization process. They are being addressed in pending legislation, H.R. 3129, and we expect to be marking that up in the committee within the next few weeks.

The problem with the Coughlin amendment is that it recognizes none of this. It simply says that New York cannot build this interstate highway, as currently designed, and I hope that my colleagues will listen carefully. It does not say only as designed, it says, in effect, that it cannot build any alternative interstate highway, even if redesigned to eliminate or reduce the problems on which much of the opposition to the current project has been based.

They talk about a surface highway. They talk today of an alternative, but this amendment eliminates any genuine alternatives along with the present project. It says if there is a problem with the project, junk it. Do not fix it up. Do not look for another way to do the job. Instead, scrap it and do not look for alternatives.

Is there a need? Do nothing. That is the effect of the Coughlin amendment.

The only option left to New York, an option that it already has under existing law, is to trade the project in for transit funding or for a non-Interstate highway alternative. That is no deal at all.

As to transit funding, it would not be in the form of guaranteed apportionments of highway trust fund dollars, but would be in the form of General Treasury revenues. The amount that they get would be a drop in the bucket in terms of New York's transit capital needs, and I wonder what kind of luck New York would have in getting appropriations out of the Appropriations Committee if the gentleman from Pennsylvania, the ranking minority member of the Transportation Appropriations Subcommittee, prevails with his amendment, which is supposedly based at least in part on grounds of cost.

If New York chooses a highway alternative on the trade-in provisions of existing law, the funding would be totally inadequate to the need. There has to be a better alternative. As I said a moment ago, the chairman of our committee has proposed one which is now incorporated in H.R. 3129, the Surface Transportation Assistance Act of 1985, which we are going to be marking up in early October.

The Coughlin amendment means bad transportation policy. Its anti-Westway supporters see it as a way to force New York to trade it in with most of the funds going for transit rather than for highway improvements.

It also singles out New York for treatment given no other city with a controversial interstate project. It would have Congress intervene by statute.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. Snyder] has expired.

(By unanimous consent, the gentleman from Kentucky [Mr. Snyder] was allowed to proceed for 5 additional minutes.)

Mr. SNYDER. This amendment would have Congress intervene by statute in the matter of a project which has gone through the process of local, State, and Federal approval with no viable alternative permissible. If this precedent is established via this amendment, then we cannot say with confidence that any project which can be made the subject of controversy in the future is safe at all, no matter if it has obtained all of the necessary approvals.

Mr. Chairman, we on the Public Works and Transportation Committee have considered the Coughlin amendment, at least in principle, in that it would do the same thing as H.R. 1888, the Guarini amendment, or the Guarini bill on which we took testimony, and we rejected it.

The efforts of the gentleman from Pennsylvania [Mr. Coughlin] were rejected in the Transportation Appropriations Subcommittee of which he is the ranking minority member, and in the full Committee on Appropriations. It should be similarly rejected here today on the floor, and I urge the defeat of this amendment.

Mr. Chairman, let me make another point or two. In the debate today, it has been indicated that the mayor of New York, when he was in the House, opposed the Westway. I think that is accurate.

But since he got to New York, and got to be mayor, he certainly has been apprised of the difficulties, and the problems, and he is no longer opposed to the Westway. Many of us, all of us in the political arena, I am sure, remember the campaign last year when he was proud to get on television with the President of the United States and accepted that big check for Westway. I think that is pretty much evidence of the fact that he is anxious to move on with it, and indicated in that television appearance how good this was.

Again, Mr. Chairman, let me say that the Coughlin amendment does not reduce spending, it does not save any money. In fact, it is a question of whether a project is funded out of the highway trust fund which has a balance around $10 billion and has never contributed to the deficit since it was created in 1956, or whether or not you want to let them trade it in for mass transit, and then take it out of general revenues and put more pressure on the deficit.

I was rather amused at an earlier speaker who talked about the need to feed children, and take care of the veterans, and all of these things, all of which we agree with. Certainly, there are these needs. But I have never yet heard of being able to do those things out of the highway trust fund. If, in fact, you defeat this project and Westway is traded in, New York will go after similar amounts of money—the gentleman from New York [Mr. Weiss] said $1.7 billion, but I think there might be $1.9 billion out of general revenues, in that neighborhood—I think then you are depriving those who are in need in those other categories of general funds.

Mr. Chairman, this is properly within the purview of the legislative committee, the Committee on Public Works and Transportation. We are going to take that in the markup early in October. If an extension is needed by virtue of this court decision, it is on the program for tomorrow for markup, if they need us to put out a small bill to extend the time for trade-in.

Mr. Chairman, I urgently ask that this amendment be defeated.

Mr. SOLOMON. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, a few months ago, just before we recessed, I was criticized in a Utah newspaper for standing up here and talking about cost-sharing, and talking about the fact that people in this country ought to pay for the benefits they derive.

Now I am going to stand up here today because that newspaper in Utah said that Congressman Solomon was from New York, and all he wants is more and more and more money for New York, and he wants us out here in the far West to pay for everything that we get. Well, they were right in the first part, and on the second part they were wrong, because I am opposing this pork barrel project for New York State or New York City.

Mr. Chairman, this amendment is simple and straightforward, but its passage will accomplish several important goals.

First, it will prohibit the expenditure of any funds under this act for the landfill in the Hudson River upon which the infamous Westway boondoggle is proposed to be built.

The arguments against the construction of Westway have been made and repeated countless times in the past several years.

The most highly respected environmental preservation organizations in the United States are united in opposition to the Westway landfill.

In addition, the National Taxpayers Union, one of the most effective groups in the Nation in campaigning against the squandering of scarce Federal tax dollars, is working vigorously in support of the Coughlin amendment.

The estimates as to the eventual cost to complete Westway are truly astounding even in these days of astronomical Federal budgets, and Federal deficits, I might add, as well.

The actual cost of Westway has been set at from $4 to $6 billion—which is about $1 billion per mile, or more than $15,000 per inch.

The sheer cost of the project is unjustifiable, and is more than ample ground for voting for the Coughlin amendment to prevent these massive expenditures.

Equally important, however, the Coughlin amendment is an antipork barrel amendment.

The Members of this House know of my active opposition over the years to all kinds of pork barrel projects—even those in my home State of New York.

As a New Yorker, I can tell all of you here this afternoon that this is pork of the first order.

There is simply no justification for such a massive expenditure for such an unneeded project.

I should also point out that the Coughlin amendment is a good Government amendment.

Its adoption will ensure that our limited highway trust fund resources are used in the manner for which they are truly intended—for highway construction.

Unless this amendment is approved, untold billions in highway construction funds will be used for real estate development.

It is no secret that the landfill proposed for Westway will be used for the construction of private real estate development, the financial benefit of which will fill the pockets of a very few multimillionaires real estate interests in New York City.

To prevent this abuse of limited highway funds, I appeal to my colleagues here this afternoon to stop Westway once and for all.

As a New Yorker and as a Member who has always opposed special interest pork barrelling, I urge my colleagues to vote for the Coughlin amendment.

I would appreciate it if my colleagues today would not look at the situation of holding off until next week and voting against another bill that would oppose it. Let us do it now and let us clear this legislation once and for all, and let us get back to good Government.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I am glad to yield to my colleague from Dutchess County.

Mr. FISH. Mr. Chairman, I would like to point out to my colleagues that the gentleman in the well and I have districts that adjoin each other. I would say that we represent about two-thirds the length of the entire Hudson River, and I come down to within 30 miles of the city of New York.

□ 1515

So my interest is with the communters to the city who live in my District and the labor pool that would be gainfully employed with any expenditure of funds. I submit that the money we are talking about could be far better spent for the city of New York with improvements in its own mass transportation. Second, as far as my constituents who commute to the city daily, what they need is repairs on the metro-north and the commuter lines that get them to and from work in the city. They do not need Westway.

A less ambitious highway, I think, is appropriate. From the research I have done, the trade-in involved would be equivalent in the number of jobs produced.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Garcia and by unanimous consent, Mr. Solomon was allowed to proceed for 2 additional minutes.)

Mr. FISH. Mr. Chairman, will the gentleman continue to yield?

Mr. SOLOMON. I yield to the gentleman from New York.

Mr. FISH. I come down in very strong support with what the gentleman in the well has said and associate myself with his remarks in favor of the Coughlin amendment.

Mr. GARCIA. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to my colleague from New York [Mr. Garcia].

Mr. GARCIA. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to this amendment. I think what has been said here, and I want to make it very clear to my colleagues that, not taking anything away from my other colleagues from the State of New York, but I hope that Members here do not think for one moment that because we are all from the State of New York that we agree on every issue. I want to make it very clear that there are those of us from the city of New York who have different views than those of us who represent the northern end of our State, which has very little to do with the city itself.

You can just as soon live in Indiana, or Massachusetts, or any other State, because it is a different philosophy. But just let me say, if I may, to all of my colleagues here this has been an issue that has been before us for many, many years, and I am hopeful that it will be resolved. I have heard that if you take Westway away we can take those moneys and put them into the subways. I would like very much to have our subways repaired. I think we need it in the city of New York.

But the bottom line is that it does not necessarily go hand and hand, that if you take money away from one, you put it into the other. That is an old political argument, because as soon as you eliminate one, the money may not be there for the second.

I want to make it clear to all of my colleagues here, I think Westway is a project that can be very beneficial and helpful to the city of New York.

The CHAIRMAN. The time of the gentleman from New York [Mr. Solomon] has again expired.

(On request of Mr. Garcia and by unanimous consent, Mr. Solomon was allowed to proceed for 2 additional minutes.)

Mr. GARCIA. Mr. Chairman, will the gentleman yield further?

Mr. SOLOMON. I yield to my colleague.

Mr. GARCIA. I thank the gentleman and appreciate my colleague yielding.

Just yesterday on the exit polls that were taken as people were leaving the polling places—and as most of you know, it was primary day in New York—over 70 percent, well over 70 percent, of the New Yorkers from all over the city of New York are in favor of the Westway project. I think it is important that we understand that there are some of us who have disagreements, and because we are from New York does not necessarily mean that we have the same interests.

Mr. Chairman, I thank my colleague from New York for yielding.

Mr. SOLOMON. I thank the gentleman for his statement.

Before I yield to the other gentleman from New York, you know, I have stood in this well and I have fought for New York City to get funds that were badly needed. New York City is the immigration capital of this country. It has special needs. For us to stand here and fight for this kind of funds, which are not really needed for the city, and then not to be able to get them when we really do need them is a bad thing to be doing.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to my colleague from New York.

Mr. WEISS. I thank the gentleman for yielding.

Mr. Chairman, I just want to make sure that the gentleman, my distinguished friend, Mr. Garcia, when he stated that New York City people disagree with New York State people on this issue, that he does not forget, that he did not forget that I happen to represent a district, in whose district Westway would lie in its entirety. I live in the city of New York, representing parts of Manhattan and the Bronx. I do not know the poll that the gentleman cited, but I know that up to that poll every poll and survey taken inside my district and anyplace else in the city of New York indicated that people are opposed to the project and support trading the program in for mass transit.

Mr. SOLOMON. I think the gentleman from New York [Mr. Weiss] has just made the best argument to vote for this amendment. The project is in his district. Those of you who believe in home rule and do not like to have projects jammed down your throat in your district, support the Coughlin amendment.

The CHAIRMAN. The time of the gentleman from New York [Mr. Solomon] has expired.

Mr. HOWARD. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this is not a matter of who is proenvironment or antienvironment. It is not a question of pro-Westway or anti-Westway. Nor is it a matter of who wants to control Federal spending and who does not.

The issue is the creation of good transportation policy and fairness. It is a question of whether this House will support an amendment that is poor transportation policy, is unfair to one State and provides no alternatives to meet the legitimate transportation needs of New York City.

It is also a question of whether we should rush to approve this ill-conceived amendment that has already been rejected by the Transportation Appropriations Subcommittee and the full Appropriations Committee. It was opposed by the chairman of the full committee and subcommittee. The House should not endorse this back door method of legislation on an appropriations bill when the authorizing committee that has sole jurisdiction over this matter is set to consider a well thought out proposal that will prohibit Westway yet deal with this issue fairly in a matter of days.

This is not a vote to determine who is anti-Westway. Nobody could possibly accuse me of being pro-Westway. I have already sponsored legislation that will stop this environmentally unsound misuse of highway trust funds. However, after years of work in the transportation field, I believe that the approach proposed by the gentleman from Pennsylvania is simply unsound.

To begin with, this proposal does not even effectively prohibit Westway. It is a provision that has a life of 1 year. Unless this amendment were approved every year, Westway could be revived. Even if that were done, this amendment could easily be circumvented. It would bar Federal funds for the landfill that is estimated at $700 million but would not affect the rest of the project. In that case, New York could use its own funds for the landfill and still receive 90-percent Federal funding for the rest of the multibillion-dollar project.

The implications of this amendment should not be disregarded. This would be the first time that Congress would be telling a State that it could not build a legitimately approved segment of the Interstate Highway System. I do not believe that the Members of this body would want to take a step like that with this hastily prepared amendment on the wrong bill. If this type of action can be taken against New York, it could be taken against any other State.

It's also not fair to tell New York it cannot build this project and must come up with a complete new transportation plan within 2 weeks. That's what this amendment would do. It tells New York that if it does not develop a new transportation plan, in detail, by September 30, it will not get any of the funds it is entitled to for its Midtown Manhattan transportation problems. The proponents of this amendment say New York should trade in the Westway project for $1.7 billion in mass transit funds. Under this amendment, that could not be done. New York would not get its highway money and it would also not get its mass transit funds.

I don't believe that the Members of the House want to vote for that kind of proposal.

We should also consider the haste with which this step is being taken. The sponsor of this amendment came to the Committee on Public Works and Transportation earlier this year as the committee with jurisdiction over this issue and asked us to take action to stop Westway. We are doing that. We have legislation to be marked up in 2 weeks that will stop Westway. Let me make it clear. Whether or not this amendment is passed, we will not allow Westway to be built. But our proposal, drafted in the proper forum, is fair to New York and allows the development of good transportation policy. This amendment is unfair and poor policy.

I know that it is easy to vote for this amendment. If it is passed, only New York City is hurt—it does not affect the rest of the country. But we must look beyond that simplistic approach and consider what is right. There is a question of good policy and fairness. There is a right way to legislate. This amendment is not the right way to legislate. I urge my colleagues to vote against this amendment and allow the Committee on Public Works and Transportation to pursue its legitimate role as the authorizing committee with jurisdiction. If you are truly concerned about transportation and about stopping Westway, you will vote against this amendment.

I would like to state that I am totally opposed to the Westway project, and I am totally opposed to this amendment. This amendment is not a pro- or anti-Westway amendment. During the debate there have been many arguments in favor of this amendment, talking about the budget deficit, about the fiscal situation, about how people need education, about how people need clothing, about how they need food. The gentleman from Michigan, and my colleague from New Jersey, Mr. Guarini, made this point against Westway.

The fact is that there is no competition for those kinds of necessary things with Westway. Westway, if it is built, will be built with highway trust fund money which is designated only for the Federal-aid highway program.

Should there be a transfer of funds, in order to get transit money the funding would come from general revenues. Then we would be competing with food, clothing, and housing. This amendment has nothing to do with the budget.

One other point I would like to make: We have had extensive debate this afternoon on whether to vote yes or no on Westway. We have not had any debate on this amendment, and what we are going to be voting on is this amendment. The reason that we should reject this amendment is that it is so faulty.

What it says is that none of the funds in this bill may be used for the approval of, or to pay the salary of any person who approves projects to construct a landfill in the Hudson River as part of an interstate system.

It merely says that you cannot have anyone approve the landfill money.

Does that mean that this will eliminate Westway? No. Westway is a project of a tunnel offshore that will require 10 percent, or 230 acres, of the Hudson River will be filled in.

The plan for Westway is that about 130 acres will be used for parks and recreation. The other 100 would be used for real estate and commercial development. This is what we oppose in Westway.

However, if this amendment passes, you could still get Westway. There could still be the Federal money to build all of Westway with the exception of the cost of the landfill.

So if New York City decides that they will put their own money in for the landfill, the entire project can be built. Then New York could sell off the entire 230 acres of riverfront property for real estate development and none of that profit would go back to the highway trust fund or to the Federal Government. So it could still be built.

Another problem is this: Should New York say, "All right, we will not build the offshore interstate, we will build an interstate on land so we do not have a landfill," they would not be permitted to do that under this amendment. The only interstate that is permitted is the one under the design that was approved under the Federal-aid Highway Amendments of 1981.

This amendment does not set that aside. New York would be blocked from building an interstate on land.

Then people say, "Well, maybe they trade it in for other streets, and roads, and mass transit." The deadline for approval of interstate transfer is September 30. That is only 19 days away. Let us say it takes 2 weeks to get this bill through the other body, and to the President's desk, and to become law. That gives them 4 days for an interstate transfer. That interstate transfer must be in an application to the Federal Government, not just saying we want to transfer the funds, but it has to spell out how they are going to use that money for the streets and transit. They would not be able to do that in 4 days. New York then would be left without any chance for transit money or any other money.

What would New York do then? They cannot build the interstate under this amendment unless they are willing to pay for the landfill and they cannot get any transit money. This bill, inappropriate as it is, is only a 1-year bill. It only freezes this situation for 1 year. New York City would have no alternative but to sit back and wait for 1 year until this bill dies and then come back fighting for Westway again. It is a 1-year wait and delay.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. Howard] has expired.

(By unanimous consent, Mr. Howard was allowed to proceed for 3 additional minutes.)

Mr. HOWARD. There is legislation introduced in this year's highway transit bill that will deny Westway. It will do it in an orderly way, a proper and a fair way. It is not a "get-New York" amendment. But it will not allow Westway to be built. It prohibits the entire project. New York will not be able to build the landfill whether they use their own money or the Federal Government's money.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I will be happy to yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. I thank the gentleman for yielding.

I think my friend and colleague and very distinguished chairman and I are trying to accomplish the same thing. That is what disturbs me. I know that the gentleman has indicated that the highway trust fund was intended to be used for highway construction repair, not for this kind of a landfill project. Your own legislation prohibits the use of funds from the highway trust fund for the Westway project and permits the development of an interstate highway built on existing land.

I guess all we are trying to do here is to allow your committee the time to act, to prevent having an initiation of this landfill project until the gentleman's committee has had the opportunity to act. Whatever the gentleman does would supersede anything that is done here today. It is awfully important, it seems to me, to accomplish what the gentleman and I want to accomplish. We should not go precipitously into this big landfill project.

Mr. HOWARD. Well, what the amendment does, though, is leave open the possibility that Westway could be built. At the same time, the amendment precludes the situation where New York might want to build an interstate on land with no landfill at all.

It still leaves the opening for not 80 or 90 acres but 230 acres of landfill to be used for profit on real estate.

So what I think we should do, whether we are pro- or anti-Westway—and I am anti-Westway—is do what is sensible, what is orderly, what is fair. Let us defeat this amendment, and let us stop Westway in the proper way in this Congress.

Mr. Chairman, I yield back the balance of my time.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

I thank the Chairman.

Mr. Chairman, I just heard the gentleman, my good friend, I might say, from New Jersey, Mr. Howard, saying that he is opposed to the project, but yet he is opposed to the amendment. I feel almost as confused as the young boy who dropped his gum in a chicken coop. The gentleman has had plenty of time to work on this issue through the years. I stopped this project from proceeding 2 years ago in the full Appropriations Committee. I am just wondering what the gentleman and his committee have been doing to resolve this issue during that period of time.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I would be glad to yield to my colleague from New Jersey.

Mr. HOWARD. I thank the gentleman for yielding.

What we have been doing is monitoring this project. Just recently it became apparent that a great deal of this acreage was going to be used for real estate development. That is when we took our position in opposition. We have not been fooling around over there in the committee by not addressing this issue.

Mr. CONTE. Well, it would have been nice if the public works committee had moved promptly and killed this project. We gave you a 2-year leeway when I stopped this project in full committee 2 years ago.

I know your committee has a lot of work to do; you people have a big agenda.

□ 1530

Mr. Chairman, I rise in support of this amendment.

My concern about this project focuses especially on the striped bass, or the rockfish as they call it in Maryland, habitat in the Hudson River that will be completely destroyed by this proposed landfill.

On two occasions now, the Federal courts have stopped construction of the Westway project for failing to take into account of the habitat of the striped bass.

I know you are all familiar with the Federal legislation on striped bass adopted last year, requiring interstate efforts to restore the rockfish, or the striped bass, population. Just last month the State of Virginia imposed a permanent ban on the catching of rockfish, and other States are following suit.

We are spending millions of dollars to clean up the Chesapeake Bay habitat, which along with the Hudson River accounts for over 90 percent of the rockfish along the Atlantic Coast. How silly we would look today to spend millions of dollars to save the rockfish while we permit New York State to waste over $1 billion in Federal money for a landfill that would destroy the habitat of the rockfish along the Hudson River.

As my colleague from Pennsylvania, Mr. COUGHLIN, has pointed out, the Federal court in New York has enjoined further work on this project. Why, then, should we pass this amendment? The reason is that New York has to make a choice in the next several weeks over whether to continue to pursue this project, or to trade in this project for a badly needed transit funding. It is important that New York, and the Federal Highway Administration, understand that congressional intent does not permit the construction of landfills such as this, which are primarily for real estate development instead of transportation, with Federal highway money.

That point has been made clear by Chairman HOWARD in the Committee on Public Works, who introduced legislation of his own clarifying the issue of the legislative intent. But because of the time constraints, and because this bill is moving ahead of the new highway authorization, this restriction should be adopted today.

I know that many of the Members have heard from our former colleague and now mayor of New York, Ed Koch. I would like to close by reading remarks in the CONGRESSIONAL RECORD of January 6, 1977, by the then-Member, Ed Koch.

On that day, Ed Koch inserted an extension entitled: "The Approval of Westway is an Environmental and Financial Fiasco That the Carter Administration Should Try To Correct."

(By unanimous consent, Mr. CONTE was allowed to proceed for 2 additional minutes.)

Mr. CONTE. I quote:

> Mr. KOCH. Mr. Speaker, today Secretary of Transportation William T. Coleman announced his approval of the interstate highway segment proposed to be built on the West Side of New York in landfill in the Hudson River. This project is estimated to cost $1.2 billion at the present time, but will only provide 4.2 miles of roadway from the Battery in Lower Manhattan to 42d Street in New York City. Along with a number of my colleagues from New York City I signed a statement today that summarizes our views on the situation. Briefly we believe that the authority which exists in the Highway Act to substitute mass transit projects for this interstate segment should be employed. Even if the predominate share of the $1.2 billion were to be spent for mass transit improvments, there would still be money available for providing a suitable and small highway on New York's West Side.***

Ed Koch opposed this project in 1977. Ed Koch was right, in 1977. The project has not changed at all. It is still an environmental and financial fiasco.

Ed, I hope you are watching this on C–SPAN. Shame on you, Ed Koch. Shame on you. Shame on you for trying to destroy our striped bass. Shame on you for trying to bail out these developers in New York, these greedy developers, who will fill in and destroy the habitat of all the striped bass and the rockfish.

Vote for the Coughlin amendment and return some sanity to this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. COUGHLIN].

The question was taken, and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. COUGHLIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 287, noes 132, not voting 15, as follows:

[Roll No. 297]

AYES—287

Andrews
Annunzio
Anthony
Applegate
Archer
Armey
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bates
Bedell
Beilenson
Bennett
Bereuter
Bilirakis
Boner (TN)
Bonior (MI)
Bonker
Boucher
Boulter
Boxer
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (IN)
Byron
Callahan
Campbell
Carper
Chandler
Chapman
Chappie
Cheney
Clay
Coats
Cobey
Coble
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Coughlin
Craig
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dicks
Dingell
Dorgan (ND)
Dowdy
Dreier
Durbin
Dwyer
Dyson
Eckart (OH)
Edgar
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Feighan
Fiedler
Fields
Fish
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Gaydos
Gekas
Gephardt
Gibbons
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (PA)
Gregg
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hansen
Hartnett
Hatcher
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jenkins
Johnson
Jones (OK)
Kanjorski
Kaptur
Kasich
Kennelly
Kildee
Kindness
Kolbe
Kostmayer
Kramer
Lagomarsino
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Leland
Levine (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lowry (WA)
Lujan
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Matsui
Mazzoli
McCain
McCandless
McCollum
McCurdy
McDade
McEwen
McKernan
McMillan
Meyers
Mica
Miller (CA)
Miller (WA)
Mitchell
Montgomery
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Murphy
Neal
Nelson
Nichols
Nielson
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Petri
Porter
Price
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Rudd
Russo
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Seiberling
Sensenbrenner
Sharp
Shelby
Shumway
Sikorski
Siljander
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Studds
Stump
Sundquist
Sweeney
Swindall
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torricelli
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Waxman
Weaver
Weber
Weiss
Whittaker
Wirth
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (FL)
Zschau

NOES—132

Ackerman
Alexander
Anderson
Aspin
Atkins
Bateman
Bentley
Berman
Biaggi
Bliley
Boehlert
Boggs
Boland
Borski
Bosco
Breaux
Brooks
Burton (CA)
Bustamante
Carney
Carr
Chappell
Clinger
Coelho
Collins
Courter
Coyne
Daschle
DeLay
DioGuardi
Dixon
Donnelly
Dornan (CA)
Downey
Duncan
Early
Eckert (NY)
Edwards (CA)
Fazio
Flippo
Florio
Foglietta
Foley
Ford (MI)
Garcia
Gejdenson
Gilman
Gray (IL)
Green
Gunderson
Hammerschmidt
Hawkins
Hayes
Hefner
Horton
Howard
Hoyer
Jones (NC)
Jones (TN)
Kemp
Kleczka
Kolter
LaFalce
Latta
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lipinski
Luken
Lundine
Manton
Martin (IL)
Martin (NY)
Martinez
Mavroules
McCloskey
McGrath
McHugh
McKinney
Michel
Mikulski
Mineta
Moakley
Molinari
Mollohan
Monson
Moody
Mrazek
Myers

Natcher
Nowak
Owens
Perkins
Pickle
Quillen
Rahall
Roe
Rose
Rowland (GA)
Roybal
Sabo
Savage
Scheuer
Schumer
Shaw
Shuster
Sisisky
Smith (IA)
Snyder
Stangeland
Stokes
Stratton
Swift
Taylor
Torres
Towns
Traficant
Traxler
Udall
Watkins
Wheat
Whitehurst
Whitley
Whitten
Williams
Wilson
Wise
Wolf
Wright
Young (AK)
Young (MO)

NOT VOTING—15

Addabbo
Akaka
Bevill
Crane
Dickinson
Dymally
Grotberg
Hunter
Jeffords
Kastenmeier
Long
Miller (OH)
Murtha
Pursell
Strang

□ 1540

The Clerk announced the following pair:

On this vote:

Mr. Grotberg for, with Mrs. Long against.

Mr. ALEXANDER, Mr. LAFALCE, and Mrs. BENTLEY changed their votes from "aye" to "no."

Mr. WYDEN, Mr. CAMPBELL, Mrs. LLOYD, Mr. SOLARZ, and Mr. PARRIS changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1555

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. RICHARDSON: On Page 26, line 5, strike the period and add the following: ": *Provided further*, notwithstanding the provisions of this paragraph, the amount available is reduced by $22,100,000.".

Mr. RICHARDSON. Mr. Chairman, my amendment is simply to conform to the House-Senate passed budget resolution by enacting what they decided and which we voted on prior to adjournment. A 1-year, 15-percent reduction for Amtrak. In effect, however, what this amendment basically does is it reduces the appropriation for Amtrak from $603.5 million, which the chairman of the Subcommittee on Transportation offered recently in an amendment that was a 5-percent cut, and inserts in lieu thereof a total of $581.4 million.

This is not an anti-Amtrak amendment. I am not sitting here being critical of Amtrak. I am a strong supporter of Amtrak. Once again, this is not an anti-Amtrak amendment. I am the author of the authorization bill in the Energy and Commerce Committee for Amtrak. I am a strong supporter of it, but I think it is important that we be fiscally responsible and we simply follow what the House-Senate budget compromise has enacted.

In effect, what my amendment would do is it would simply reduce by approximately 1 percent what my colleague and chairman of the subcommittee, Representative LEHMAN, has done in his amendment. Once again, I believe that these cuts can be sustained. They will not affect existing service. I do think there are plenty of provisions in the authorization bill that ensure the viability of Amtrak. I think it has performed well; ridership is up.

On the other hand, I think if the message from our constituents in August was reduce the deficit, let us give the budget committees, which have proposed this guideline, that option of sticking very closely to them.

Once again, this is a painful amendment to somebody like myself. I have five Amtrak stops in my district. My district is entirely serviced by Amtrak, but I do think after discussions with Amtrak, that this cut can be easily sustained. It is a bipartisan effort that hopefully my colleague from Indiana, Mr. COATS, will support, and I respectfully ask the House to support this amendment.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman.

Mr. LENT. The gentleman from New Mexico made reference to the amendment adopted earlier by the committee that was offered by the gentleman from Florida [Mr. LEHMAN]. It was my understanding, and please correct me if I am wrong, that the Lehman amendment achieved the 15-percent level of savings for all transportation functions called for in the House budget resolution.

Mr. RICHARDSON. I do not believe that it did. The Lehman amendment did not achieve that 15 percent. I will yield to my colleague to give you the correct answer. The 15 percent with the Lehman figure is not adhered to. The 15 percent is the 581 that I am proposing.

Mr. LEHMAN of Florida. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman.

Mr. LEHMAN of Florida. The gentleman is correct. But let me point out that that 15 percent, as assumed in the budget resolution, is only advisory, and it is up to the Appropriations Committee to come up with the specific reductions to meet the overall spending target set in this resolution. We have done so. We are within our 302(b) allocation, and I will speak on this at greater length later on.

Mr. COATS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman.

(On request of Mr. COATS and by unanimous consent, Mr. RICHARDSON was allowed to proceed for 5 additional minutes.)

Mr. COATS. I thank the gentleman.

Mr. Chairman, I rise in support of the gentleman's amendment. The gentleman and I had worked in the Committee on Energy and Commerce to try to come up with a reasonable reduction in the funding for Amtrak that would preserve a national rail transportation system, but yet allow Amtrak to attain some cost savings and operate in a more efficient way.

There was some debate about whether that reduction should be 10 percent or 15 percent. The Senate was looking at approximately a 30-percent reduction. Ultimately the question was resolved that we would look to the Budget Committee and the final budget resolution as to the level for reduction. That budget resolution that most of us voted for here on the floor, on a bipartisan basis, came in with a 15-percent reduction in Amtrak's Federal subsidies. We declared a victory on the budget; we went home and told our constituents that we have enacted meaningful budget deficit reductions. That these reductions were going to stick; that these were real reductions; and that these reductions really meant something. That interest rates could now come down.

Now we are back here faced with the first real test of whether we meant what we said. Whether we are willing to enforce that budget resolution. This is a very basic amendment. The Appropriations Committee amended the reduction in Amtrak from the original 10 percent to approximately 11.5 percent. This amendment simply moves the reduction to 15 percent. A small, 3.5-percent increment to bring it in line with what the House majority agreed to do just before we left for the August recess.

I think the gentleman's amendment has a great deal of merit, and it has a symbolic importance, far more important than just this issue. That issue, the real issue that we are dealing with is whether or not we are willing to abide by what we said last August, we were going to do.

So in order to meet those budget goals, in order to demonstrate our political will to the people back home, I think we ought to adopt this amendment. Now, we wish we had the opportunity to make this change in the authorization bill first, before we dealt with the appropriation. Unfortunately, for whatever reason, the appropriations bill was brought up before the authorization bill. Therefore, this is our opportunity to bring the appropriations bill in line with what we agreed to do.

There are numerous ways that Amtrak can achieve these additional 3.5-percent savings without discontinuing raillines, without interrupting any service. We worked and listed a number of ways in the Commerce, Transportation, Tourism Subcommittee of the Energy and Commerce Committee, however we thought it better to leave the discretion to Amtrak as to how they could achieve these savings. Graham Claytor, president of Amtrak, runs a great little railroad. He has made some significant strides, and we think he can find this additional 3.5 percent. If he cannot, we have a number of suggestions that we can give him. Our committee has pledged to work with him in finding these savings.

I think it is important for Members on both sides of the aisle to stick to our agreement; do what we agreed to do in August, and show those people back home that when the first test is up before us, we are willing to stand up and do what we agreed to do.

Mr. RICHARDSON. I want to commend the gentleman for his bipartisan effort in support of this amendment. Once again, we are pro-Amtrak. This is simply to statistically conform to the House-Senate budget agreement. If we are going to stick to this agreement, which is important, which was adopted right before we adjourned, I think this is a minimal effort. A $22 million reduction out of hundreds of millions of dollars will not affect operations, and I think it is important that in this first vote of the session that we conform with that figure.

□ 1605

Mr. LEHMAN of Florida. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

Earlier this afternoon this committee passed a $1 billion reduction in a variety of accounts. That meets the spirit and the intent of what this House voted on before it adjourned in August. Included among the accounts that we voted on was a $12.5 million reduction in Amtrak.

Last year Amtrak was at $684 million. We brought the bill to the floor of the House at $616 million. On the floor of the House today we reduced it to $603.5 million. That to me is what I call fiscal responsibility on Amtrak.

I do not want to be a friend of Amtrak and cut it down to the bone to where it cannot operate. I want Amtrak to survive. It has already taken its fair share of cuts. There is already an 11.8-percent reduction in Amtrak. I do not think it is responsible to make any further reductions if we really want to keep a viable national passenger railroad.

If additional savings are required, the only responsible way to achieve them, as my friend, the gentleman from New Mexico, knows is through changes in authorizing legislation concerning collective bargaining, the cost-sharing with the freight railroads, and the like. I would hope in his authorizing committee that he will pursue these kinds of savings.

Let me repeat what I said before: That the amounts assumed in the budget resolution are only assumptions. They are only advisory. They are not across-the-board cuts. They are not specified. It is up to the Committee on Appropriations to come up with the specific reductions to meet the overall spending targets set in the budget resolution. The budget resolution sent a 302(a) allocation to the Committee on Appropriations. We have our 302(b) allocation from that 302(a) allocation from the Committee on Appropriations. We are within this allocation.

I would urge the defeat of the amendment offered by the gentleman from New Mexico and preserve a viable Amtrak passenger operation that is now beginning to serve this country as it should be.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. LEHMAN of Florida. I yield to my friend, the gentleman from California.

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Chairman, I want to rise in strong support of the position of the subcommittee chairman. First of all, I back his comments about the validity of the figure that he currently has in the bill as it relates to Amtrak. I think it is the proper one.

But there is another very important point here, and that is that the Committee on the Budget has made an overall figure clear for transit spending, but it does not have the responsibility, and I say this as a member of the Committee on the Budget and the Committee on Appropriations, to determine specific levels as it relates to various kinds of transportation funding. That is the jurisdiction of this committee and the subcommittee, particularly in light of the amendment that was offered and agreed to at the very beginning, offered by the chairman. It has met its responsibilities to the Committee on the Budget. The gentleman from Florida [Mr. LEHMAN] and his subcommittee have done what we have asked them to do in the budget process.

We do not need to now, in a more detailed way, restrict their ability to make priorities among the various transportation accounts, so I would urge the committee to stand with the gentleman from Florida [Mr. LEHMAN] and against the amendment. We have met our budget resolution figure. We do not need to cut Amtrak further here to accomplish that overall goal.

I appreciate the position the gentleman has taken.

Mr. COATS. Mr. Chairman, will the gentleman yield?

Mr. LEHMAN of Florida. I yield to the gentleman from Indiana.

Mr. COATS. I thank my friend for yielding.

Mr. Chairman, the gentleman indicated that the Appropriations Subcommittee met its overall goal of the budget process, yet Amtrak was not brought to the level that the Committee on the Budget suggested.

Could the gentleman tell me where the cuts were made and in what other programs they were made in order to reach that overall goal?

Mr. LEHMAN of Florida. We made cuts in a number of areas. We made cuts in the FAA. We made cuts in the Urban Mass Transportation Administration and in other areas.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

Mr. Chairman. I strongly oppose this amendment to make a further cut in the appropriations for Amtrak. Under the amendment of the gentleman from Florida, which was already adopted, Amtrak has already been cut another $12.5 million to a level of $603.5 million, an amount which is 11.4 percent below last year's level of $684 million. I might add that I supported that reduction very reluctantly, and did so only because it was a part of an overall, billion dollar reduction to bring this bill in line with our need to reduce the Federal deficit.

In my view, any further reduction in Amtrak spending would be extremely unwise. In a letter to me dated September 3, 1985, Graham Claytor, the president of Amtrak, indicated that even with full funding at the freeze level of $684 million, Amtrak would have to absorb an estimated $63 million in inflation over its 1985 costs. He indicated that a 10-percent cut would require substantial reductions in Amtrak's 1986 capital program, and holding wages and salaries at the 1985 level despite the fact that they are already 12 percent below average rail industry rates.

In addition, further changes would have to include the deferment of equipment overhauls and some non-safety-related Northeast corridor right-of-way improvements.

He indicated that any further reductions of the kind contemplated by this amendment, would require significant cutbacks in service frequencies.

Mr. Chairman, this would be exactly the wrong time to make this kind of a drastic reduction in Amtrak funding. All indications are that service is improving, and Amtrak is consistently relying on the Federal Government for less and less of its budget. Unlike most other transportation programs, Amtrak is an ongoing business in a very competitive service industry. Further reducing Amtrak funding, and forcing service cuts, is exactly the way to prevent Amtrak from continuing its effort to gradually reduce its need for Federal appropriations.

Perhaps the strongest recommendation for Amtrak, other than the hundreds of letters from Amtrak riders who support the continuation of Amtrak service, lies in the fact that the Department of Transportation's original budget submitted to OMB called for $765 million—$81 million more than last year.

Although Amtrak was knocked out of the budget by my friend, the now-missed young slasher, Dave Stockman, it is clear from the original departmental submission that the transportation experts want to see Amtrak funded at the highest possible level.

Mr. Chairman, Amtrak has made dramatic improvements during the past 14 years in its on-time performance, its operating efficiency, and its revenue-to-cost ratio. Amtrak's level of subsidy has steadily decreased, and it has met or exceeded the revenue-to-cost requirements that the Congress has set.

It would be a transportation policy disaster, and a grave fiscal error, to cut Amtrak off just as it seems to be coming into its own.

Finally, let me address the question of the budget resolution. Earlier today, we adopted an amendment to bring this bill in line with our overall need to reduce the Federal deficit. We cut $1 billion from this bill. Let me say that the Budget Committee's recommendations are just that—recommendations. Under the Budget Act, it is the Appropriations Committee's responsibility to evaluate the competing needs for transportation funding. We have held numerous hearings, and have recommended the level in this bill.

Our obligation under the Budget Act is for the Appropriations Committee to spend no more than the permissible amount for the total of all appropriations bills. We have made overall recommendations to comply with that obligation, and this particular amendment is not required in order to meet our responsibilities to reduce the Federal deficit.

Mr. Chairman, if an authorization bill should be enacted that reduces Amtrak spending, of course that would control. But in the absence of such an enactment, I urge that the recommendations of the committee be followed, and that Amtrak be permitted to stay on track.

I urge the defeat of the amendment.

AMTRAK,
NATIONAL RAILROAD PASSENGER
CORPORATION,
Washington, DC., September 3, 1985.

Hon. SILVIO O. CONTE,
House of Representatives, Rayburn Office Building, Washington, DC.

DEAR REPRESENTATIVE CONTE: Thank you for your letter of August 9 regarding the impact a 15 percent funding reduction would have on Amtrak's ability to operate the current route system.

In testimony before Congress this year, I urged support for a funding freeze of $684 million to operate our national railroad passenger system in fiscal year 1986. Even with full funding at the freeze level Amtrak would have to absorb an estimated $63 million in inflation over our FY1985 costs. Amtrak considered this a bare bones budget which would have required continued significant improvements in productivity over our current performance.

In response to questioning, however, I stated that it may be possible for Amtrak to continue to operate essentially the same routes it operates today if we receive funding at a level 10 percent below the fiscal year 1985 baseline. I had hoped that we would get by with this funding level and that we would be able, through our internally achieved efficiencies, to generate an acceptable maintenance posture and capital program in the out years. Among the actions Amtrak indicated it would take to operate with a 10 percent funding cut include:

Substantial reduction in the scope of Amtrak's capital program in FY86.

Hold employee wages and salaries at or near FY85 levels, in spite of the fact that wages are already 12 percent below rail industry rates, and middle and upper management salaries have a significantly greater differential.

Possible reduction of on-board service crew sizes and station manning levels, with some resulting adverse impact on quality of service and revenues.

Defer equipment overhauls and some right-of-way maintenance in the Northeast Corridor to the extent possible without impacting safety.

Limited reductions and the rearrangement of frequencies in the Northeast Corridor and on some long-distance routes, limited so as not to trigger labor protection obligations.

As you indicate, the FY86 First Concurrent Resolution on the Budget recommends a 15 percent funding cut for Amtrak, which is $34 million below the subcommittee mark, and a total of $100 million below Amtrak's FY1985 funding level. If Amtrak funding is reduced by $34 million in addition to the 10 percent reduction already contemplated, it will probably require elimination of frequencies in the Northeast and the restructuring of more additional long-distance routes from daily to tri-weekly service. Unlike most of the other programs and agencies that the Transportation Appropriations Subcommittee funds, Amtrak is an ongoing business in a very competitive industry. It is unrealistic to believe that a $100 million reduction in our funding from one year to the next will not have significant effects on both the level and quality of service we provide. In sum, Amtrak will survive with a 10 percent budget reduction and can accomplish many of these savings by taking actions that are based on sound business practices, but the company's long-term economic health and long-term program to continue to improve our service while requiring less and less federal operating support would be jeopardized by Appropriations Committee actions that imposed more drastic funding reductions in any one year.

With respect to your comments on the Montrealer, Amtrak is considering a series of changes which include establishing a stop in Greenfield, Massachusetts and shifting the operation of the train to a daylight schedule. I have asked my staff to review the feasibility of instituting an additional stop at Holyoke, Massachusetts and will advise you of our findings as soon as the analysis is complete.

Your support for Amtrak is appreciated more than I can tell you. I hope I have adequately answered your questions. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,

W. GRAHAM CLAYTOR, Jr.,
President.

□ 1615

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

(By unanimous consent, Mr. CONTE was allowed to proceed for 30 additional seconds.)

Mr. CONTE. Mr. Chairman, let me direct my attention to the gentleman from New Mexico and the gentleman from Indiana. If you are going to go by every assumption of the Budget Committee resolution and not the bottom line that they give us, you might as well make an amendment to this amendment and repeal the Appropriations Committee.

Mr. WRIGHT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to direct an inquiry to the distinguished gentleman from Florida [Mr. LEHMAN], the manager of the bill.

I observe on page 83 of the committee report the following language:

> The amount recommended for research and technical assistance includes $5,000,000 for continuation of the cold weather transit technology program * * *.

I think that is an important program, with very positive prospects of saving lives. It is my understanding that the bill included such directions, last year, but that the money never was spent. Is that fundamentally correct?

Mr. LEHMAN of Florida. Mr. Chairman, if the gentleman will yield, that is true. The distinguished majority leader is absolutely right.

Mr. WRIGHT. Mr. Chairman, the distinction I discern is that this year you have attributed a specific sum; namely, $5 million, earmarked expressly for that research and technical assistance program; is that correct?

Mr. LEHMAN of Florida. The gentleman is correct.

Mr. WRIGHT. And I discern therefrom that under the rules and the law the administration is expected to spend it?

Mr. LEHMAN of Florida. That is right, unless they defer it or rescind it, and that would take action that I do not think would be forthcoming.

Mr. WRIGHT. Mr. Chairman, I thank the gentleman.

Mr. LEHMAN of Florida. I thank the majority leader.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, we hear a lot of talk from time to time about how the deficits that this country is faced with are, in fact, Presidential deficits, and that this Congress has been responsible in what it has done and, in fact, deficits cannot be blamed upon us.

Here is one of these amendments that gives us some clear way of defining what is real in this business of defining deficits, and I would hope that we would vote in that way.

The President had suggested in this bill a budget for transportation that was $3.3 billion under what the subcommittee reported and $2.3 billion under the measure as now amended by the subcommittee on the floor. Six hundred million dollars of that $2.3 billion is in the Amtrak account.

The President has suggested that what we should do on Amtrak is eliminate the Government subsidy completely, and he suggests that we have had 14 years of Amtrak attempting to get on its feet with taxpayer money, so what we now have is not a case of a viable system being created; what we have is a process, as the chairman of the subcommittee honestly admitted, of trying to maintain a viable system.

Now, the question becomes this: How long are we going to do that, and what do we regard as "viable"? Because as the OMB has made clear on a couple of occasions, we now have lines on Amtrak where it would be cheaper for us to fly people first class aboard airlines than to have them take the train. The Government would be better off, and the taxpayers would be better off flying people first class than having them on those raillines with the kind of subsidy money we are spending.

That is ridiculous. The taxpayers in times of deficits should not be asked to do that kind of thing, and, in fact, the President is correct, that this is one of those programs we ought to look at for total elimination, saving $600 million and thereby doing something about the deficit.

But, of course, this Congress does not like to look at the elimination of any program. So what we end up doing is trying to act incrementally about spending, and at least with this amendment what we are doing is trying to incrementally reduce the program a little bit—a program that ought to be eliminated, and a case can be made for eliminating it completely. At least we ought to cut back a little bit.

What is the gentleman from New Mexico proposing? He is proposing a $22.1 million cut in that $600 million account. That hardly seems to be to be something that is going to wreck the total viability of the system, and it hardly seems to me to be anything which is going to get the Government completely out of the Amtrak business. It is just an attempt to do a little something toward addressing the deficit and come a little closer to what the budget resolution says we ought to be doing.

I recognize that the Appropriations Committee does not like us bringing up points where the budget resolution and the appropriations process are in conflict, but the fact is that the budget process is constantly being undermined on the House floor with this whole process of figuring things a different way. The problem with that is that every time we figure things a different way we end up raising spending, and over the last 5 years we have overspent our own budgets by $150 billion.

Now, that did not just emerge out of thin air. That came about as a result of us deciding consciously to spend more money in appropriation bills than what we had budgeted. That came about as a result of supplemental appropriations, it came about as add-ons to continuing appropriations, and it comes about for a variety of reasons. But the fact is we are overspending our own budgets around here constantly. This is one more case where we can cast one small vote to try to bring the appropriations more in line with the budget.

Mr. Chairman, I would suggest that here is a program we should be talking about eliminating completely. At the very least we ought to be talking about cutting it back a little bit. I support the amendment.

Mr. COUGHLIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I am reluctant to rise in opposition to my good friends and colleagues, the gentlemen from Pennsylvania and New Mexico, but I would point out that we have cut the funding for Amtrak, not once but twice. We cut the funding for Amtrak in subcommittee, and we cut the funding for Amtrak again in the amendment offered by the gentleman from Florida [Mr. LEHMAN], chairman of the subcommittee, which was adopted on the floor of the House only a few hours ago.

We are at the budget level for the transportation function as a result of the amendment introduced by the subcommittee chairman. The Appropriations Committee has made its own cuts as is its right to determine where the cuts should be made.

In the Transportation Subcommittee of the Appropriations Committee we spent untold hours trying to review all the transportation programs and decide which priorities should be which. We have looked at this, we have looked at what the Budget Committee wanted, and we have looked at the bottom line. We have met the bottom line. We have a bill that meets the Budget Committee's recommendation; it is much less than last year, much below the freeze level.

Mr. Chairman, let me further point out that Amtrak has a peculiar problem in adjusting service levels about which many people are unaware. My good colleague and friend, the gentleman from Pennsylvania, referred to some lines that may not pay their own way. One of the problems Amtrak has is that the discontinuing of a line that even Amtrak might want to discontinue triggers what are called labor protection payments. That means that we have got to pay the people affected the equivalent of 6 years' wages as a result of the discontinuance of a particular line. In many cases the discontinuance of lines would cost more than they would save because of lack of control of those labor protection payments and lack of action by this Congress, if you will, to eliminate the triggering of those payments as lines are changed.

So I think what has been done here by the Appropriations Committee and by the Transportation Subcommittee of the Appropriations Committee is entirely in order. We are at the budget level. We have reduced Amtrak. If we are forced to reduce it more, it is not going to be able to function. Amtrak is important, not just to provide passenger service for this country, as is provided in every other nation, but also for national defense.

So, Mr. Chairman, I urge the defeat of this amendment.

Mr. SABO. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I am happy to yield to my colleague, the gentleman from Minnesota.

Mr. SABO. Mr. Chairman, I would just like to commend the gentleman from Pennsylvania for his statement and join him and the chairman of the subcommittee, along with the ranking minority member of the full committee, in opposition to this amendment.

It is clear that we have substantially reduced the spending in this bill. It is clear that we have also substantially reduced Amtrak funding from last year. I think it is also clear that Amtrak has been doing a better job year by year in managing its system and maintaining a viable rail passenger service in this country. To cut deeper, I think, would do violence to that system, and I hope that this body will reject the proposed amendment.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to call attention to the language in the report on page 6 with regard to protecting the health and safety of airline passengers, and I would like to commend the committee for that language.

I think this is a very serious matter. I would point out that it is possible to have legislation on this. I think it would pass overwhelmingly in this body. Legislation would require what the report language expects the Department to do same thing, but it is preferable for the Department to take action as the report expects. The committee has called to the attention of the Department the problems in airports, and if they take it seriously, they can do it. If they do not, I think there is no alternative in the future than to have some kind of a legislative solution.

Mr. Chairman, I thank the committee for its action in this matter.

Mr. PARRIS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the pending amendment which seeks further cuts in the Federal subsidy for Amtrak.

Reductions already proposed in this legislation are adequate inasmuch as a funding level of $603 million would afford Amtrak adequate opportunity to make the transition from a subsidized to a nonsubsidized entity over a period of time. An additional cut of 5 percent, as proposed by the gentleman from New Mexico, would mean a certain and premature death to the Nation's passenger railroad system.

I am informed and convinced that any further cuts in funding for fiscal 1986 would necessitate the deferral of maintenance, equipment overhauls, and roadbed repairs for the system. Such a deferral, in the opinion of numerous rail experts, would cause the entity to fall into a desperate state of disrepair—probably to the point of no return.

Amtrak has done a commendable job thus far in cutting costs both in the areas of labor and general operations. In fact, negotiations are currently underway between Amtrak and labor unions to further reduce labor costs. Industry estimates claim that, given adequate time, these costs could be reduced by an additional $100 to $150 million. In light of the substantial Federal investment in Amtrak already, it would be, in my judgment, unwise for the Congress to rush into a plan which would have the effect of killing Amtrak merely for short-term gain.

☐ 1630

I would hope that my colleagues would agree that this amendment would not be in the Nation's best interest and that the amendment should be rejected.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. PARRIS. I am happy to yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I want to commend the gentleman and join in the sentiments that he expressed in opposition to this particular amendment.

I believe the gentleman from Virginia represents the area in which the National Airport is situated, is that correct?

Mr. PARRIS. My district borders that facility.

Mr. LENT. I just want to point out to the gentleman one other fact, that 12,000 passengers travel on the airlines between New York and Washington every day and 17,500 travel on the Amtrak between the same two cities. If the Amtrak were to be zeroed out as a result of this, I believe, unwise and injudicious cut a much greater burden would be placed on La Guardia Airport, Newark Airport, and National Airport. Given the number of landings and takeoffs at National Airport, I do not think that airport could reasonably handle the additional burden. I just wanted to throw that in as sort of a makeway argument on why we need to keep Amtrak in business, at least in the Northeast corridor.

I thank the gentleman.

Mr. PARRIS. Mr. Chairman, I thank the gentleman for his contribution and for his comments.

Let me just add one other thought. In response to the observations of my colleague and friend, the gentleman from Pennsylvania [Mr. WALKER], I take, as a Member of this body, a back seat to nobody in terms of his voting record in support of fiscal responsibility; but I do not think you can approach this or any other issue that comes before us in the exercise of these sometimes awesome responsibilities solely from a fiscal point of view. Money is important. Taxes are too high. We would like to reduce Government costs, but that is not the only consideration. The quality of life of the passenger railroad system of this Nation is important to this Nation. I think we have to keep that in mind and reject this amendment.

Mr. COATS. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment.

Mr. Chairman, just a quick summary, I want to make sure that the Members understand that even though there was some discussion about zeroing out Amtrak, removing the Government subsidy from Amtrak, the Richardson amendment does not do that. It simply cuts an additional 3½ percent from the appropriation that is currently before us. This amendment brings it in line with what the House agreed to do in the budget resolution, that was passed on a bipartisan basis just before we adjourned for the August recess. We are not talking about eliminating routes. We are not talking about eliminating Amtrak. In fact, we are not even necessarily talking about reducing service.

Amtrak has demonstrated an improvement in its service and in its efficiency. That is why we are able to come forward with a lower subsidy than what was previously asked for. That is why Mr. Claytor, President of Amtrak, was able to come before our STE committee and testify that he could operate the railroad in an efficient way and provide full service on a national basis with less money than he had asked from Congress in previous years.

As we are staring at horrendous deficits with untold consequences on our economy and on our future, when someone comes forward and says we can run a railroad with less, I think we ought to listen to him and do what we can.

Mr. Claytor did say that he wanted a 10-percent cut—or would accept a 10-percent cut. We think we can go that additional 5 percent and still provide effective, efficient Amtrak service on a national basis.

As I indicated before when the gentleman yielded to me, a number of suggestions were made in the committee as to ways in which cost savings could be achieved that would not jeopardize the service of Amtrak. We continue to stand ready to work with Amtrak in bringing about and implementing those changes.

So to summarize, let me just state to the Members what we are voting on here is a 3½-percent reduction in funding for Amtrak, which brings it in line with a budget resolution that this body passed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. COATS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 173, noes 245, not voting 16, as follows:

[Roll No. 298]

AYES—173

Andrews
Archer
Armey
Atkins
Badham
Bartlett
Barton
Bateman
Bedell
Bereuter
Bilirakis
Boucher
Boulter
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Callahan
Campbell
Carney
Chandler
Cheney
Coats
Cobey
Coble
Coleman (MO)
Coleman (TX)
Combest
Cooper
Craig
Dannemeyer
Darden
Daschle
Davis
DeLay
Derrick
Dickinson
Dornan (CA)
Dreier
Duncan
Eckert (NY)
Edwards (OK)
English
Erdreich
Evans (IA)
Fawell
Fiedler
Fields
Flippo
Franklin
Frenzel
Fuqua
Gaydos
Gibbons
Gingrich
Goodling
Gordon
Gradison
Gregg
Grotberg
Gunderson
Hammerschmidt
Hansen
Hartnett
Hatcher
Heftel
Hendon
Hiler
Hopkins
Hubbard
Huckaby
Hutto
Hyde
Ireland
Johnson
Jones (OK)
Jones (TN)
Kasich
Kemp
Kindness
Kolbe
Kramer

Lagomarsino
Latta
Leath (TX)
Lewis (FL)
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Luken
Lungren
Mack
MacKay
Martin (IL)
Mazzoli
McCain
McCandless
McCloskey
McCurdy
McEwen
McKernan
McMillan
Meyers
Michel
Miller (WA)
Monson
Montgomery
Moore
Moorhead

Morrison (WA)
Neal
Nelson
Nichols
Nielson
Oxley
Packard
Petri
Porter
Quillen
Ray
Richardson
Ritter
Roberts
Robinson
Roemer
Rogers
Roukema
Rowland (CT)
Rudd
Saxton
Schaefer
Schroeder
Schuette
Sensenbrenner
Shaw
Shumway
Siljander
Skeen
Slattery

Smith (NE)
Smith (NH)
Smith, Denny
Snowe
Snyder
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Synar
Tauke
Tauzin
Taylor
Thomas (CA)
Valentine
Vander Jagt
Visclosky
Vucanovich
Walker
Weber
Whitehurst
Whitley
Young (AK)
Young (FL)
Zschau

Schneider
Schulze
Schumer
Seiberling
Sharp
Shelby
Shuster
Sikorski
Sisisky
Skelton
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert
Solarz
Spratt
St Germain
Staggers

Stallings
Stark
Stokes
Stratton
Studds
Swift
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Volkmer
Walgren
Watkins
Waxman

Weaver
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (MO)

NOES—245

Ackerman
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnard
Barnes
Bates
Beilenson
Bennett
Bentley
Berman
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Borski
Bosco
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Carper
Carr
Chappell
Chappie
Clay
Clinger
Coelho
Collins
Conte
Conyers
Coughlin
Courter
Coyne
Crockett
Daniel
Daub
de la Garza
Dellums
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dyson
Early
Eckart (OH)

Edgar
Edwards (CA)
Emerson
Evans (IL)
Fascell
Fazio
Feighan
Fish
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Gallo
Garcia
Gejdenson
Gekas
Gephardt
Gilman
Glickman
Gonzalez
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hawkins
Hayes
Hefner
Henry
Hertel
Hillis
Holt
Horton
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jenkins
Jones (NC)
Kanjorski
Kaptur
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)

Lightfoot
Lipinski
Lowry (WA)
Lundine
Madigan
Manton
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
McDade
McGrath
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Natcher
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Pickle
Price
Rahall
Rangel
Regula
Reid
Ridge
Rinaldo
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Scheuer

NOT VOTING—16

Addabbo
Akaka
Bevill
Bonker
Chapman
Crane

Dymally
Hunter
Kastenmeier
Long
Markey
McCollum

Miller (OH)
Pursell
Roth
Strang

□ 1645

The Clerk announced the following pair:

On this vote:

Mr. Crane for, with Mrs. Long against.

Messrs. ORTIZ, DE LA GARZA, LIGHTFOOT, and BOEHLERT changed their votes from "aye" to "no."

Mrs. LLOYD changed her vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to title I?

PERSONAL EXPLANATION

Mr. ROTH. Mr. Speaker, on rollcall No. 298, I was unavoidably absent. Had I been here, I would have voted "aye."

Mr. CARR. Mr. Chairman, I move to strike the last word.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. CARR. I yield to the gentleman from California.

Mr. BERMAN. Mr. Chairman, I thank the gentleman for yielding. I simply wanted to express my appreciation to the subcommittee, its chairman, and particularly to the gentleman from Michigan for including in the report language that goes along with this legislation recognition by this body of the unequal distribution of noise at the Burbank Airport, which is located in my district, and the fact that the committee's report language urges the FAA and the airport authority to put together a program of runway utilization which will correct that inequity of noise. And furthermore, it is my hope that the subcommittee at its next markup for the fiscal year 1987 bill will review and exercise oversight over the actions of the FAA and the authority and meet the objectives set forth in that report language.

Mr. CARR. I want to commend the gentleman from California for bringing this matter to our attention. He has been a leader in the Congress and to our committee, although he is not a member of our committee, to our committee on this noise compatibility problem in his district. I think the people in his district ought to be very grateful for the leadership he has exercised.

I want to underscore what the gentleman has said and emphasize to the FAA and to the airport authority out there in California that we are very serious about this problem, and that when we hold hearings next year on the FAA budget, we are going to be expecting that there be some positive and significant movement toward a solution to this problem.

I yield back the balance of my time.

The CHAIRMAN. Are there further amendments to title I? If not, the Clerk will read.

The Clerk read as follows:

TITLE II—RELATED AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Mr. PANETTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time for the purposes of a colloquy with the chairman of the subcommittee. It is with reference to a harbor in my area, Morro Bay Harbor, which has a reputation along the central coast as having one of the most dangerous harbor entrances along the coast. Since 1964, some 15 lives have been lost at the harbor, and there have been other major catastrophes that have been averted just barely. Last year, for example, a boat carrying a number of children was turned over at the entrance to the harbor because of the conditions there.

The city is trying to correct this situation by locating a harbor office with a better view of the entrance to the harbor. The Coast Guard has indicated an interest in utilizing that facility so that they can provide more effective navigational services to users of the harbor.

Recognizing those conditions, Mr. Chairman, I would ask the chairman and the subcommittee to provide in the statement of managers direction to the Secretary that she provide funding within available funds to the city of Morro Bay for the construction of this harbor office, and that the Secretary should work with the city in implementing a plan to allow this facility to be utilized by the Coast Guard and other agencies with navigational responsibilities at the harbor.

Mr. LEHMAN of Florida. Mr. Chairman, would the gentleman yield?

Mr. PANETTA. I yield to the gentleman from Florida.

Mr. LEHMAN of Florida. Mr. Chairman, I want to thank the gentleman from California for bringing this to our attention today. I want to assure him that when we reach the conference on this bill with the other body that we will endeavor to put his language in the statement of the managers.

Mr. PANETTA. I thank the chairman and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Salaries and Expenses

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended, $2,000,000.

NATIONAL TRANSPORTATION SAFETY BOARD

Salaries and Expenses

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18; uniforms, or allowances therefor, as authorized by law (5 U.S.C 5901-5902), $22,400,000, of which not to exceed $300 may be used for official reception and representation expenses.

INTERSTATE COMMERCE COMMISSION

Salaries and Expenses

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Interstate Commerce Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed $1,500 for official reception and representation expenses, $50,480,000, of which $2,300,000 shall be derived from unobligated balances of "Payments for directed rail service": *Provided*, That joint board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their official duties as such.

Payments for Directed Rail Service

None of the funds provided in this Act shall be available for the execution of programs the obligations for which can reasonably be expected to exceed $1,000,000 for directed rail service authorized under 49 U.S.C. 11125 or any other legislation.

PANAMA CANAL COMMISSION

Operating Expenses

For operating expenses necessary for the Panama Canal Commission, including hire of passenger motor vehicles and aircraft; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); not to exceed $10,000 for official reception and representation expenses of the Board; operation of guide services; residence for the Administrator; disbursements by the Administrator for employee and community projects; not to exceed $5,000 for official reception and representation expenses of the Secretary; not to exceed $25,000 for official reception and representation expenses of the Administrator; and to employ services as authorized by law (5 U.S.C. 3109); $401,284,000, to be derived from the Panama Canal Commission Fund: *Provided*, That there may be credited to this appropriation funds received from the Panama Canal Commission's capital outlay account for expenses incurred for supplies and services provided for capital projects.

Capital Outlay

For acquisition, construction, replacement, and improvement of facilities, structures, and equipment required by the Panama Canal Commission, including the purchase of not to exceed forty-seven passenger motor vehicles for replacement only (including large heavy-duty vehicles used to transport Commission personnel across the Isthmus of Panama, the purchase price of which shall not exceed $14,000 per vehicle); to employ services authorized by law (5 U.S.C. 3109); $26,500,000 to be derived from the Panama Canal Commission Fund and to remain available until expended.

DEPARTMENT OF THE TREASURY

Office of the Secretary

INVESTMENT IN FUND ANTICIPATION NOTES

For the acquisition, in accordance with section 509 of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended, and section 803 of Public Law 95-620, of fund anticipation notes, $35,500,000.

UNITED STATES RAILWAY ASSOCIATION

Administrative Expenses

For necessary administrative expenses to enable the United States Railway Association to carry out its functions under the Regional Rail Reorganization Act of 1973, as amended, to remain available until expended, $2,100,000, of which not to exceed $500 may be available for official reception and representation expenses.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Interest Payments

For necessary expenses for interest payments, to remain available until expended, $51,663,569: *Provided*, That these funds shall be disbursed pursuant to terms and conditions established by Public Law 96-184 and the Initial Bond Repayment Participation Agreement.

TITLE III—GENERAL PROVISIONS

Sec. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official departmental business; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

Sec. 302. Funds appropriated for the Panama Canal Commission may be apportioned notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 1341), to the extent necessary to permit payment of such pay increases for officers or employees as may be authorized by administrative action pursuant to law which are not in excess of statutory increases granted for the same period in corresponding rates of compensation for other employees of the Government in comparable positions.

Sec. 303. Funds appropriated under this Act for expenditures by the Federal Aviation Administration shall be available (1) except as otherwise authorized by the Act of September 30, 1950 (20 U.S.C. 236-244), for expenses of primary and secondary schooling for dependents of Federal Aviation Administration personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of such dependents and (2) for transportation of said dependents between schools serving the area which they attend and their places of residence when the Secretary, under such regulations as may be prescribed, determines that such schools are not accessible by public means of transportation on a regular basis.

Sec. 304. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18.

Sec. 305. None of the funds appropriated in this Act for the Panama Canal Commission may be expended unless in conformance with the Panama Canal Treaties of 1977 and any law implementing those treaties.

Sec. 306. None of the funds provided in this Act may be used for planning or construction of rail-highway crossings under section 322(a) of title 23, United States Code, or under section 701(a)(5) or section 703(1)(A) of the Railroad Revitalization and Regulatory Reform Act of 1976 at the—

(1) School Street crossing in Groton, Connecticut; and

(2) Broadway Extension crossing in Stonington, Connecticut.

Sec. 307. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

Sec. 308. None of the funds in this Act shall be used to assist, directly or indirectly, any State in imposing mandatory State inspection fees or sticker requirements on vehicles which are lawfully registered in another State, including vehicles engaged in interstate commercial transportation which are in compliance with Part 396—Inspection and Maintenance of the Federal Motor Carrier Safety Regulations of the U.S. Department of Transportation.

Sec. 309. None of the funds contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 310. Notwithstanding any other provision of law, total amounts of contract authority authorized for fiscal year 1986 in section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964, as amended, shall be available for obligation through fiscal year 1989.

Sec. 311. None of the funds in this or any other Act shall be available for the planning or implementation of any change in the current Federal status of the Transportation Systems Center.

Sec. 312. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

Sec. 313. (a) For fiscal year 1986 the Secretary of Transportation shall distribute the obligation limitation for Federal-aid highways by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to each State for such fiscal year bear to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to all the States for such fiscal year.

(b) During the period October 1 through December 31, 1985, no State shall obligate more than 40 per centum of the amount distributed to such State under subsection (a), and the total of all State obligations during such period shall not exceed 25 per centum of the total amount distributed to all States under such subsection.

(c) Notwithstanding subsections (a) and (b), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code.

(2) after August 1, 1986, revise a distribution of the funds made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to those States which, because of statutory changes made by the Surface Transportation Assistance Act of 1982 and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations.

(3) not distribute amounts authorized for administrative expenses and the Federal Lands Highway Programs.

Sec. 314. None of the funds in this Act shall be available for salaries and expenses of more than one hundred and five political appointees in the Department of Transportation.

Sec. 315. Not to exceed $1,000,000 of the funds provided in this Act for the Department of Transportation shall be available for the necessary expenses of advisory committees.

Sec. 316. The limitation on obligations for Federal-aid highways and highway safety construction programs for fiscal year 1986 shall not apply to obligations for the remaining approach and bridge removal work necessary to complete the new bridge alignment for the Zilwaukee Bridge.

Sec. 317. Section 5(b)(2) of the Urban Mass Transportation Act of 1964 is amended by inserting after the first sentence the following new sentence: "Any funds apportioned for fiscal year 1982 or 1983 under subsection (a) for expenditure in an urbanized area with a population of less than 200,000 may be expended in an urbanized area with a population of 200,000 or more.".

□ 1700

AMENDMENT OFFERED BY MR. PICKLE

Mr. PICKLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment Offered by Mr. Pickle: Amend Section 317 by:

Adding the following new Subsection (b):

(b) Section 5(c)(4) of the Urban Mass Transportation Act of 1964 amended by striking the period at the end of the first sentence, and inserting the following: "except that any fiscal year 1982 funds made available to a Governor under section (b)(2) of the Urban Mass Transportation Act of 1964, as amended, that are unobligated as of October 1, 1985, or become unobligated thereafter, shall remain available for expenditure under section 5 until October 1, 1986.".

Mr. PICKLE. Mr. Chairman, this amendment merely clarifies the intent of the committee that section 5 UMTA money allocated to a State's Governor may be spent in urban areas over 200,000.

To explain, section 5 is the pre-1983 UMTA Special Revenue Sharing Program. The Congress replaced the section 5 program with a new program in the 1982 Mass Transit Act.

Thus, since fiscal year 1982, a small amount of section 5 money, originally given to a Governor to spend in cities under 200,000 is unspent, because these areas do not have mass transit programs.

In section 317 of the committee bill, the committee allows a Governor to spend this fiscal year 1982 and fiscal year 1983 section 5 money in urban areas over 200,000 if there is a mass transit need.

Unfortunately, it is late in the fiscal year and the committee's intent may be defeated by the clock as far as fiscal year 1982 funds are concerned because on October 1, these funds are to be spent by DOT under the new program.

Specifically, my amendment allows the fiscal year 1982 funds allocated to a Governor to be spent under section 5 until October 1, 1986, just like the fiscal year 1983 money.

UMTA has no objections to the committee amendment or my clarifying amendment.

Mr. LEHMAN of Florida. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the chairman of the subcommittee.

Mr. LEHMAN of Florida. I thank the gentleman for yielding.

Mr. Chairman, we have studied the amendment. It is a worthwhile amendment. It serves a useful purpose.

Mr. Chairman, we have no objection to the amendment.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. I thank the gentleman for yielding.

Mr. Chairman, we have also examined the amendment. It is a good amendment. We accept the amendment.

Mr. PICKLE. I thank both of the gentleman very much. I am grateful for their cooperation.

Mr. Chairman, I move adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Pickle].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 318. Notwithstanding any other provision of law, within 60 days of the effective date of this Act the Urban Mass Transportation Administration shall reapportion under section 9 of the Urban Mass Transportation Act of 1964, as amended, those funds available for reapportionment pursuant to subsection (c)(4) of section 5 of that Act.

Sec. 319. None of the funds in this or any other Act shall be made available for the proposed Woodward light rail line in the Detroit, Michigan, area until a source of operating funds has been approved in accordance with Michigan law: *Provided*, That this limitation shall not apply to alternatives analysis studies under section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964, as amended.

Sec. 320. (a) Notwithstanding any other provision of law, the Secretary shall, with regard to the Discretionary Grants Program of the Urban Mass Transportation Administration, within 30 days after the enactment of this section, issue a letter of intent and enter into a full funding contract with the Southern California Rapid Transit District for $429,000,000 to complete the Minimum Operable Segment, MOS-1, of the Downtown Los Angeles to the San Fernando Valley Metro Rail Project: *Provided*, That the $429,000,000 shall include $11,800,000 earmarked for fiscal year 1984, $117,200,000 earmarked for fiscal year 1985, $130,000,000 in fiscal year 1986 and, subject to the availability of funds from Congress, $170,000,000 in subsequent fiscal years.

(b) The Urban Mass Transportation Administration shall enter into a contract with the Southern California Rapid Transit District to conduct a study of the potential methane gas risks relating to the proposed alignment of the Metro Rail Project beyond the Minimum Operable Segment, MOS-1. The study shall develop alternative alignments and appropriate environmental documents so that construction will not penetrate the "potential risk zones" and "high potential risk zones" as defined by the Task Force Report on the March 24, 1985, Methane Gas Explosion and Fire in the Fairfax Area, City of Los Angeles. The study shall be completed no later than nine months after the date of enactment of this legislation. Funds for this study, in an amount not to exceed $1,000,000, shall be made available from funds previously allocated for the MOS-1 project, commencing within 30 days of enactment.

AMENDMENT OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. Will the gentleman from California [Mr. Waxman] indicate which of his amendments he is offering?

Mr. WAXMAN. Mr. Chairman, the amendment that would be before us would be the amendment printed in the Record. That amendment will be modified, and I will discuss the modifications which I desire.

The Clerk read as follows:

Amendment Offered by Mr. Waxman: Page 41, strike out line 14 and all that follows through page 42, line 4, and insert in lieu thereof the following:

(b) None of the funds described in subsection (a) may be made available for any segment of the Downtown Los Angeles to the San Fernando Valley Metro Rail Project unless—

(1) the Southern California Rapid Transit District establishes an independent committee of experts to conduct detailed studies of the entire Metro Rail Project route and the potential hazards associated with the occurrence of methane gas;

(2) before the expiration of the 9-month period following the date of the enactment of this act, the committee established under paragraph (1) submits recommendations to the Southern California Rapid Transit District regarding any adjustments in the Metro Rail Project route that are required to avoid tunneling into or through any area where the occurrence of methane gas presents a potential hazard;

(3) the Southern California Rapid Transit District submits to the Urban Mass Transportation Administration binding plans that—

(A) incorporate the recommendations of the committee submitted under paragraph (2); and

(B) indicate that no part of the Metro Rail Project will tunnel into or through any zone designated as a potential risk zone or high potential risk zone in the report of the City of Los Angeles dated June 10, 1985, and entitled "Task Force Report on the March 24, 1985 Methane Gas Explosion and Fire in the Fairfax Area"; and

(4) the Urban Mass Transportation Administration approves such plans.

Mr. WAXMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Ms. FIEDLER. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentlewoman reserves a point of order.

PARLIAMENTARY INQUIRY

Ms. FIEDLER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state her parliamentary inquiry.

Ms. FIEDLER. Mr. Chairman, is this the amendment that has been made in order under the existing rule?

The CHAIRMAN. The Clerk has reported the amendment that is in order under the existing rule.

Ms. FIEDLER. I thank the Chair.

Mr. WAXMAN. Mr. Chairman, the amendment before us is an amendment made in order under the rule, and I will seek a modification of that amendment in order to have it comply with an agreement that we have worked out and which we will discuss shortly.

But let me explain the problem as to why we are discussing this issue at all.

For some years now in Los Angeles we have been trying to get a rapid transit metrorail system. The process has taken years—in fact, over a decade. Last year, we appropriated money for the project and yet the construction has not yet started.

I have been a supporter of the metrorail system, and I continue to be a supporter of the metrorail system. However, in March of this year in an area that would be envisioned by the original route of the metrorail system, there was an explosion. None of us thought at first that there would be any particular connection with the metrorail, but the reality was that this explosion was due to methane gas in that area. The mayor of our city appointed a task force. The task force went out to find out why the explosion took place. The designated two areas: a potential high risk area surrounded by a potential risk area.

We have been concerned about the idea of tunneling through that area. We have had a conflict in testimony.

Some experts say, "Well, sure, it is a risky area, but we can do it safely."

Others have told us in the testimony that we received at a hearing that I held for my subcommittee in June of this year that the construction of such a subway system is fraught with peril. One witness described that if they hit an expected methane gas pocket, it could be like a fireball, costing the lives of the people working on that system.

Well, it seems to me foolhardy to tunnel through an area and take that kind of a risk to the workers involved, and later to the people that will be riding that metrorail system and to the surrounding community, the people living in the surrounding community.

We have proposed to everyone involved that we must accomplish three results: First, to avoid penetrating through this risky area because we did not think it made any sense to continue the idea of tunneling through an area where there is a risk.

Second, the city task force looked at this area and said there is a risk here but there may well be a risk as great in other areas along the metrorail route.

The only reason that they have not looked at the rest of that route is because they have only had an explosion in one part of that route.

We have said there has to be a reevaluation of the safety in light of this explosion, in light of the fact that we know now about the danger of methane gas along that route.

Further, we said there has not only to be a reevaluation but it has to be done independently of the people who insist they can go forward safely.

What our amendments would do is, first of all, ask my colleagues to join in making clear that the language offered in the committee by my friend and colleague, Mr. Dixon, that would call for a rerouting of that subway system out of that risk area be, in fact, guaranteed. Second, we have asked that a study be done of the safety of the route, particularly the second segment of the route. The amendment would further clarify that part.

Now, I have genuine concern about the first segment of the metrorail system as well. However, while the amendment that is before us would require that funds not be dispensed, construction not begun, and other limitations be made on the metrorail system until such time as they reevaluate the safety of the first section, we have been convinced that to put this in the statute may well be harmful to the progress of metrorail finally getting started. So we have agreed to ask the transportation committee of the city of Los Angeles, the city council, to convene an independent committee of technical experts comprised of 10 people, 2 of whom we would be permitted to recommend to be on that committee. The technical committee would deliberate on the question of methane gas safety and whether tunneling is unsafe in that first MOS segment. Their deliberations would be open to the public.

Councilwoman Pat Russell from the city of Los Angeles, who is chairman of that city council committee, would appoint the chair of the technical committee.

The CHAIRMAN. The time of the gentleman from California [Mr. Waxman] has expired.

(By unanimous consent, Mr. Waxman was allowed to proceed for 5 additional minutes.)

Mr. WAXMAN. The councilwoman would appoint the chair of the technical committee, and the technical committee would establish its own rules.

The technical committee would report to the transportation committee of the city council in a public hearing, and that committee, the transportation committee of the council, would adopt findings or take whatever action they deem appropriate. The technical committee and the transportation committee would complete that work, their work, by December 31, 1985. This would be a response to a letter that Congressman Dixon and I would send to Councilwoman Russell.

The reason this makes sense to us is, what we want is a second look into the safety issue before tunneling begins, before construction starts.

Let us look at it again from a technical point of view. Let us reevaluate this whole matter in light of the fact that we have had an explosion. Then let us have someone who is politically accountable to the public deal with that technical committee's report. Let them do it in the sunshine and open to the public of the people of Los Angeles so that they may be able to participate and understand what decisions are being made.

If we can accomplish that result for the first segment, a study of the continued route thereafter which will provide for reports annually to the Congress of the United States so that we will have those reports before any other appropriation would be made to metrorail and an assurance that we will not be tunneling through an area that is already designated as risky by the city task force, it seems to me we ought to then go forward with a proposal that has come out of the Appropriations Committee.

Now, in a minute, Congressman Dixon will be introducing a substitute which would bring this proposal that is before us into conformity with exactly the points that I have raised.

I would like to engage Mr. Dixon in a colloquy before he takes that step and ask him to confirm the statements that I have made as to what will be undertaken with respect to the evaluation of the first segment by the transportation committee of the Los Angeles City Council and his understanding of the way that we have presented to this Committee of the Whole the procedure in dealing with the metrorail.

□ 1715

Mr. DIXON. Yes, if the gentleman will yield.

Mr. WAXMAN. I yield to the gentleman.

Mr. DIXON. The gentleman is correct when he indicates that in a moment I will be offering a substitute amendment to Mr. Waxman's amendment, and you are certainly correct in saying that we are all concerned with the safety of the metrorail project that the Transportation Committee, under the direction of Congressman Lehman, has provided funds, for in this bill.

The gentleman is also correct in saying that we have reached an agreement outside of the legislation to independently ask the chairman of the Transportation Committee to look into this matter by appointing a technical committee, of which you have two representatives, and that they will make a finding or report back to the Transportation Committee, and that that Transportation Committee will make a finding.

Where we have disagreed from time to time as good friends is to the whole issue of safety; and although I am agreeing because I think certainly 10 ounces of prevention is worth it under the circumstances, I want to make it clear that I still maintain that the metrorail system is safe, particularly MOS–1.

I certainly agreed to offer an amendment in the full committee which the gentleman is perfecting here that makes it clear that those high potential risk zones will not be tampered with in any way, shape, or form.

The gentleman and I would differ, though, as it relates to understandable concern, because I would indicate to the gentleman that the explosion had nothing to do with metrorail. Everyone should understand that there is no construction going on.

To me, although the gentleman would disagree, the similarity between metrorail and the explosion was in fact that there is methane gas there that in the tunneling we wil have to deal with; we are not going to go through the area, so we will not deal with it; but to me, that is the only similarity.

Obviously, the reports that have been done indicate that there can be tunneling safety.

Mr. WAXMAN. If I might reclaim my time, just to add a few points, Mr. Chairman.

I hope the gentleman is correct; I know he is as concerned as I am about safety, as is Mayor Bradley and everyone else involved in supporting the metrorail system.

I cannot tell the gentleman it is unsafe. I would not seek to make that claim. What I believe must be done is that we take a look at this thing again in light of the fact that we have had an explosion.

When we did look at it again, we found that metrorail's consulting engineers classified the rail alignment into regions designated "high level hazard"; "medium level hazard"; and "low level hazard."

(By unanimous consent, Mr. Waxman was allowed to proceed for 3 additional minutes.)

Mr. WAXMAN. According to the consultants, the hazard designation was based upon the concentration and pressure. Six stations were designated by the engineers as high level hazards, including three stations in MOS–1; the Civil Center station, the Fifth and Hill station, and the Seventh and Flower station. There are only five stations in MOS–1, and three of them are, or 60 percent have been characterized as "high level" hazards by metrorail's own engineers.

Yesterday, the principal engineer with the State said readings were high.

Our compromise would require a reevaluation in light of these facts, to determine the safety of the route. If in fact it is as safe as we hope it will be, then that reevaluation could be completed and we can go forward.

I am not saying it is unsafe. I am not convinced it is safe; I am convinced that when it comes to a question of safety, that should be our paramount concern, and we should sometimes step back and have an independent reevaluation of those safety concerns by technical people.

Ultimately, the decision is not one of engineers and geologists; it must be a decision by a publicly elected official, and that is why we would have the city council people review that as well, and adopt their findings.

So I am hopeful that we can reach the conclusion and join together with everyone in giving the assurances that some people feel comfortable to give at this time but which this gentleman does not feel able to join in, in absolute assurance that the project will be safely constructed.

The issue is whether it can be safely constructed, not whether the area is hazardous; the area is hazardous, and we hope that the methods of construction in that first segment will allow us to feel that we can go forward and not be concerned that an unforeseen event costing people's lives might occur.

AMENDMENT OFFERED BY MR. DIXON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. WAXMAN

Mr. DIXON. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. Dixon as a substitute for the amendment offered by Mr. Waxman: On page 41, section 320(b) strike lines 19–25 on page 41 through the period on page 42 line 1 insert the following: None of the funds described in subsection (a) may be made available for any segment of the downtown Los Angeles to San Fernando Valley Metro Rail project unless and until the Southern California Rapid Transit District officially notifies and commits to the Urban Mass Transportation Administration that no part of the Metro Rail project will tunnel into or through any zone designated as a potential risk zone or high potential risk zone in the report of the City of Los Angeles dated June 19, 1985 entitled "Task Force Report on the March 24, 1985 Methane Gas Explosion and Fire in the Fairfax Area."

POINT OF ORDER

Ms. FIEDLER. Mr. Chairman, I make a point of order on the amendment.

The CHAIRMAN. The gentlewoman will state her point of order.

Ms. FIEDLER. Mr. Chairman, this amendment violates clause 2, rule XXI. It is legislation in an appropriations bill, and it has not been previously cleared by the Rules Committee.

The CHAIRMAN. Does the gentlewoman have anything further to add?

Ms. FIEDLER. In my opinion, Mr. Chairman, based on the existing rules, that this was not cleared by the Rules Committee; that there was a specific amendment or a lesser amendment which was acceptable by Congressman Waxman, and that any amendment which might be brought by another Member was not cleared by the Rules Committee.

Mr. WAXMAN. Mr. Chairman, if I might, I would like to be heard on the point of order.

The CHAIRMAN. The gentleman from California [Mr. Waxman] is recognized.

Mr. WAXMAN. Mr. Chairman, I would contend that the point of order should not be sustained; that the amendment is a perfecting amendment to the amendment that had been approved by the Rules Committee for the purposes of the waiver.

The substitute amendment that is before us is legislating in no other way than what had already been approved for the purpose of the waiver by the rule that was adopted by the House.

Under those circumstances, as a perfecting amendment, legislating in no greater extent than the original amendment, it is consistent with the rule adopted.

Ms. FIEDLER. Mr. Chairman, in all due respects to the viewpoint expressed by my colleague, this is a substitute amendment, not a perfecting amendment, and consequently reflects a totally different approach to the entire project; and consequently it is, in my opinion, supportive of the violation of the point of order, and the point of order should be sustained.

The CHAIRMAN. (Mr. Sharp). The Chair is prepared to rule.

The Chair would indicate that under the rules and precedents, when a waiver is granted by the Rules Committee against an amendment to a general appropriation bill containing legislation, a substitute or a perfecting amendment thereto is in order as long as it only perfects the protected amendment without proposing additional legislation. And such is the case in this instance; the substitute does not enlarge upon what has been made in order by the Rules Committee.

So the Chair would overrule the point of order.

PARLIAMENTARY INQUIRY

Ms. FIEDLER. I have a parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentlewoman will state her parliamentary inquiry.

Ms. FIEDLER. If it is true that a perfecting amendment which was not made in order under the Rules Committee by a Member who did not seek a waiver of the existing rules was acceptable, would an additional amendment be reportable under the same concept for another Member dealing with the same general issues?

The CHAIRMAN. The Chair would have to evaluate each amendment as the substance of the amendment was before the Chair, as to its relationship to the original Waxman amendment.

The Waxman amendment was made in order by the rules; it is subject to perfecting amendment; and the Chair would simply have to evaluate amendments that are offered to it to determine whether those would be germane or contain further legislation.

Ms. FIEDLER. One further inquiry if I may, Mr. Chairman.

The CHAIRMAN. The gentlewoman is recognized.

Ms. FIEDLER. Is the amendment now before the House considered to be the Waxman amendment, or is it the Dixon amendment?

The CHAIRMAN. The amendment that has just been read is of course the substitute amendment offered by Mr. Dixon to the amendment offered by the gentleman from California [Mr. Waxman].

Ms. FIEDLER. I thank the Chair.

□ 1725

Mr. DIXON. Mr. Chairman, I think the gentleman from California [Mr. Waxman] has given you an adequate overview of the situation. This amendment is a perfecting amendment, because it clearly will delineate the area in which the rapid transit system to be developed in Los Angeles will not enter. Basically, there are two zones in Congressman Waxman's area labeled "high potential" and "potential risk zones" by the Los Angeles City task force. Although I offered an amendment in the committee, which I feel does the same thing, Mr. Waxman felt that this language would in fact perfect that, and so I am pleased to offer this amendment.

I would indicate that I have prior to this received a letter from RTD indicating that they found that my language was binding and would not enter into the area, but since there is some question, I would offer this perfecting amendment.

Let me say further that Congressman Waxman I think has been very articulate in making his case about safety. As I indicated before in a colloquy with him, we are interested in safety. I just want to point out that I feel that the preponderance of the evidence, the overwhelming amount of the evidence, from CALOSHA, RTD, from the city of Los Angeles, from the Fire Department of Los Angeles and the County Fire Department clearly spell out that, as it relates to MOS–1, it is perfectly safe. However, as Mr. Waxman correctly points out, in the effort to take that extraordinary step, we are joining together to ask the City Council Transportation Committee also once again to take a look at the safety and design measures.

I rise in strong support of the perfecting amendment, and I ask for an "aye" vote.

AMENDMENT OFFERED BY MS. FIEDLER TO THE AMENDMENT OFFERED BY MR. DIXON AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. WAXMAN

Ms. FIEDLER. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Ms. Fiedler to the amendment offered by Mr. Dixon as a substitute for the amendment offered by Mr. Waxman: Strike out the language of the substitute and insert in lieu thereof the following:

(b) None of the funds described in subsection (a) may be made available for any segment of the Downtown Los Angeles to the San Fernando Valley Metro Rail Project unless—

(1) the Southern California Rapid Transit District establishes an independent committee of experts to conduct detailed studies of the entire Metro Rail Project route and the potential hazards associated with the occurrence of methane gas;

(2) before the expiration of the 9-month period following the date of the enactment of this Act, the committee established under paragraph (1) submits recommendations to the Southern California Rapid Transit District regarding any adjustments in the Metro Rail Project route that are required to avoid tunneling into or through any area where the occurrence of methane gas presents a potential hazard;

(3) the Southern California Rapid Transit District submits to the Urban Mass Transportation Administration binding plans that—

(A) incorporate the recommendations of the committee submitted under paragraph (2); and

(B) indicate that no part of the Metro Rail Project will tunnel into or through any zone designated as a potential risk zone or high potential risk zone in the report of the City of Los Angeles dated June 10, 1985, and entitled "Task Force Report on the March 24, 1985 Methane Gas Explosion and Fire in the Fairfax Area"; and

(4) the Urban Mass Transportation Administration approves such plans.

Ms. FIEDLER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mr. WAXMAN. Mr. Chairman, I reserve a point of order against the amendment.

Ms. FIEDLER. Mr. Chairman, several years ago I brought an amendment to the floor of the House and gained the support of 135 Members of the Congress to strike funds for the metro-rail project in Los Angeles. I did that after considering the issue very much in depth and only with a great deal of soul searching. I did it because I was persuaded at that time that the project was simply too expensive for us to go forward with, that there were a number of major hazards along the route, including 1,200 underground oil wells, which I warned at that time had the potential to create an explosion either during the tunneling process or during the process of actually going through, since metane gas is odorless and sightless, and there had in fact been a history of clear-cut problems. During past history, people would go into their backyards and stick a shovel in their backyard, light a cigarette, and explosions would take place. That was not unusual in this area. So I decided to support an effort to cut the funds. I was not successful in that

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effort, but I have been successful in encouraging the support of the Department of Transportation. So even though funds have been appropriated over the last several years, the Department of Transportation has not released those funds.

Now, this map which I have over here to my left gives a little bit of an outline as to why I honestly believe that we should not go forward with the project and specifically with the route, and the reason I am bringing forward the amendment is because I have confidence that at least it deals with one of the major factors that we have seen in the last few months.

What happened was that there was an underground explosion which took place along the route of the metrorail, just a few yards from it, and 22 people were injured in Congressman WAXMAN's district. As a result of that, he became concerned. He obviously will speak for himself on the issue. I do not need to try to speak for him. But a hearing was held, and he expressed a very deep concern about some of the hazards which were created as a result of the methane gas.

This particular map shows you the route which is outlined in yellow. The dots which you see are the underground oil wells as identified by the Department of the Interior, many of which create what I believe to be a substantial hazard. These round spots with the triangles in the middle represent the areas that are the station, and in three of the five stations in the first 4 miles of this project they have identified significant hazard according to the RTD's own documents themselves. These are in the downtown Los Angeles area. They say that they would be designated as high level hazard.

Now, I am obviously deeply concerned about the safety of the people of Los Angeles, and I am convinced my colleagues are, those who support the original substitute amendment. I think that they are concerned based upon very good faith for the welfare of the people. But I also feel that for us to go forward and permit the approval of $429 million for a project whose route is, in my opinion, unsafe, and, in the opinion of a number of experts who have looked at various areas along the route, simply is foolhardy on our part.

Now, when the project was first initiated, it was supposed to cost $100 million a mile. They have not yet stuck a shovel in the ground. The project escalated to $300 million a mile. And the project's first 4 miles will cost $1.1 billion, which is what they originally claimed the entire 18 miles would cost.

I believe—and I believe there are a number of experts who agree with me—that there is significant concern. The Appropriations Committee has expressed their concern through the language which they put into the bill but in my opinion has no teeth in it, because the RTD had the authority to originally devise a route which was safe. It is clear, in my opinion, that they want to build this project regardless of what the implication is regarding the safety of the people. They want to move forward with nearly a half billion dollars of public funds, without any reasonable assurance that the route is safe and that the public safety is going to be protected. I think that this is extremely unwise. I personally believe to risk this kind of hazard for public safety, when we know in fact that there has already been a serious accident along the route, is something that we simply cannot accept.

I would like to read to you the opinion of UMTA Administrator Ralph Stanley.

The CHAIRMAN. The time of the gentlewoman from California [Ms. FIEDLER] has expired.

(By unanimous consent, Ms. FIEDLER was allowed to proceed for 3 additional minutes.)

Ms. FIEDLER. Mr. Stanley said, in a letter which was sent to me on September 11:

> As you know, funding for this project was not included in President Reagan's FY '86 budget because the funding currently available is totally inadequate to complete the proposed 18.6 mile system. It is estimated that approximately $2 billion in Federal funds will be required to complete the project.
>
> UMTA is very concerned about the project related safety issues raised by you and Congressman Waxman and feel it is only prudent that the activities outlined in your amendment occur before any consideration be given to providing Federal funds for the Los Angeles Metro rail project. Therefore, we fully support the amendment as currently worded.

The amendment that UMTA supports that is the substitute which I have offered.

I would like to read a little bit of additional language which comes from one of the investigative reports which was done for the city of Los Angeles task force report on the recent Fairfax explosion.

It says:

> All evidence suggests that oil and gas seepage has increased steadily in the past years. How often and at what location a gas bubble can come to the surface cannot be predicted, meaning we simply do not know when this kind of problem might reoccur.

And I might add that within a year of the time of the explosion along the route, there has been testing done. In at least three locations of subway stations in the first 4 miles of metrorail construction, there are clearly identified spots of considerable hazard. It simply does not make sense to go forward unless the entire subway route is subject to a thorough investigation and review before any construction is begun.

I yield to my colleague.

Mr. COUGHLIN. I want to commend the gentlewoman. Certainly it is her leadership in this House that has, I think, resulted in trying to examine this project thoroughly, both from a safety standpoint and from a cost-benefit standpoint. Certainly what she has done in the past has been repeatedly proven to be the fact, and I think that, really, Los Angeles owes her a great debt of gratitude in the diligence that she showed in pursuing this. I certainly support her effort because she has been proven so correct in the past.

Ms. FIEDLER. I thank the gentleman. I appreciate his comments.

The CHAIRMAN. Does the gentleman from California [Mr. WAXMAN] insist upon his point of order?

Mr. WAXMAN. Mr. Chairman, I withdraw my reservation of a point of order.

The CHAIRMAN. Is there further discussion on the amendment?

Mr. WAXMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment, recognizing the fact that it is an amendment with which I have been associated until the very recent times. And I want to explain to the Members why I decided that it is not an appropriate amendment for us to adopt.

The amendment would place a number of very severe limitations on the whole metrorail system going forward and in ways that I do not think are appropriate, in light of the proposal that Mr. DIXON and I have agreed to, with others in Los Angeles, that we presented to the Members on the floor today and have outlined to the Members on the floor today that have been agreed upon to take place in the city of Los Angeles.

The arguments made to me why this amendment might harm metrorail's progress is that it conditions everything and would keep them from getting started and maybe even from getting their funding, to the point where they might lose out on the opportunity to go forward if there is a time delay. Not that there is a safety problem, but a time delay.

For example, this amendment would say they could not start construction on the first phase until such time as they have re-examined the whole route. Well, I think that makes sense, as a general statement, but they do not know the whole route, since they are going to be required to realign that route in order to avoid the potential risk in the potential high risk area.

Well, I think it should be reviewed for safety. And under our proposal it will be reviewed for safety. But it may not be accomplished in time for the

funding to be used for the construction of the first phase.

Now, I want to pay tribute to the gentlewoman from California [Ms. FIEDLER]. She has raised alone a number of important considerations for us to think about with respect to metrorail. She has been an opponent of the whole metrorail system. We have been together in raising concerns about safety, but our concerns only converge when we are talking about safety. Her desire would be to see the whole system not to be funded and not to be built. That is not my proposal. I want the safety considerations dealt with, and once they are dealt with, I would like to see metrorail go forward. I do not want to jeopardize that system.

So I must urge that my colleagues reject this Fiedler amendment, go along with the perfecting amendment offered by Mr. DIXON, so that we can deal with safety satisfactorily and still have a metrorail system that we need so desperately in the city of Los Angeles.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. Yes, I am pleased to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, the gentleman made mention of the fact that he had been associated with this amendment very recently.

Mr. WAXMAN. Yes.

Mr. WALKER. The Fiedler amendment is in fact precisely the language that the gentleman offered earlier to get this debate started, is that not the case?

Mr. WAXMAN. If I could reclaim my time, the gentleman is correct, but I wanted to point out the flaws in that amendment which brought me to the point of deciding to abandon that amendment and to change it in ways that would still allow metrorail to go forward and deal with those safety considerations. If I did not want metrorail to go forward, even after the safety considerations were resolved, I probably would say, "Well, let's put this roadblock in the way, and maybe another one as well, and maybe even strike the funds," which, of course, was Ms. FIEDLER's position in the last Congress.

Mr. WALKER. If the gentleman will further yield, as this gentleman well knows, there is nobody who is better able sometimes to find the flaws of an amendment than the author of the amendment, so we thank the gentleman for giving us that kind of expertise. But if I understand the gentleman correctly, those of us who do have some reservation about this project going forward period would in fact probably want to support the Fiedler approach; is that correct?

Mr. WAXMAN. I am not sure of that. Some may want to go along with that approach, some may want to ask that the funds not be authorized or appropriated. There are other procedural remedies to put forward the views that different Members have with regard to the metrorail system. So I would not seek to suggest how people ought to vote on this amendment except if you want metrorail and you want it done safely, constructed safely, then stick with the proposal that Mr. DIXON and I are putting forward, because I think we will be able to give you greater assurance that we will accomplish both.

This amendment would give you greater assurances of safety but it may not give you assurances that after that we will still have a metrorail.

Mr. WALKER. I thank the gentleman for yielding.

□ 1740

Mr. LEHMAN of Florida. Mr. Chairman, I ask unanimous-consent that all debate on this amendment and all amendments to section 320(b) end in 15 minutes, at 5:55 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Ms. FIEDLER. Mr. Chairman, reserving the right to object, I am trying to make certain, if there is a limitation on the debate, that equal time is divided between my view and the opposing view.

Mr. LEHMAN of Florida. Mr. Chairman, I would include that as part of my unanimous-consent request, that the time be equally divided.

Ms. FIEDLER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. Accordingly, debate on this amendment and all amendments thereto shall end at 5:55 p.m.

The gentleman from Florida [Mr. LEHMAN] will be recognized for 7½ minutes, and the gentlewoman from California [Ms. FIEDLER] will be recognized for 7½ minutes.

The Chair recognizes the gentleman from Florida [Mr. LEHMAN].

Mr. LEHMAN of Florida. Mr. Chairman, I rise in opposition to the Fiedler amendment and in support of the substitute by Mr. Dixon to the Waxman amendment.

Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. I thank the gentleman for yielding.

Mr. Chairman, I would just like to speak briefly in opposition to the Fiedler amendment and in support of the Dixon amendment.

Again, we are dealing here with a complicated and subtle situation. We have an amendment that was originally offered by my colleague from California [Mr. WAXMAN] who, after careful consideration thought an analysis and detailed deliberations with a variety of people on this issue, came to the conclusion that that original amendment was overkill, and that in fact there is a ground that is now reflected in the Waxman-Dixon proposal that would in fact legitimately address the safety concerns but would not be using a shotgun or a sledgehammer in order to address those particular concerns.

I worry that the Fiedler amendment, which goes back to much stronger language, goes well beyond what I think has become a well-crafted, more narrow approach, but one that does two things that both must be done. On the one hand, the Dixon-Waxman language does deal with the safety concerns. It does deal with them comprehensively, effectively and thoroughly. On the other hand, it does not do it in such a way that it is likely to kill the entire project. I think it is very important that we be very clear what language we are focusing on.

I happen to come from a district adjacent to the district in which this methane gas issue arose. I have paid very careful attention to it as a Representative of the Los Angeles area. I have been deeply concerned about the safety issues. I think that the issues that both Ms. FIEDLER and Mr. WAXMAN have raised are extremely important issues. But I do think in dealing with the specific safety concerns emanating from Mr. WAXMAN's district, and emanating from the explosion that occurred, those safety concerns are dealt with properly by the Dixon-Waxman amendment, going further, going to the Fiedler amendment goes beyond what is necessary and in fact I think is clearly understood by all of us to be an effort to throw a significant roadblock into the project itself.

So I do not think we need a sledgehammer or a shotgun at this point. We need a rifle, a careful, analytic, well-crafted compromise, and I think that that is what the Dixon-Waxman language will provide. I would urge my colleagues to reject the Fiedler language, however well intentioned it may be, to reject the Fiedler language and to accept the Dixon-Waxman compromise.

Mr. LEHMAN of Florida. Mr. Chairman, I reserve the balance of my time.

Ms. FIEDLER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the comments made by my colleague from California; however, I have a very different perspective on this issue. Ordinarily, when a project begins and is funded, it is clearly understood what the route is going to be. Somebody wants a project and they go out and evaluate the situation and they come back and they say we have got a specific route which we are going to go through. We know how much it is going to cost, we know what the problems are that we are going to encounter. We make a complete environmental impact report on the issue, and we go out and seek funding, which is what happened in this case.

But what has happened now is that that entire situation is totally changed. No longer do we know what the route is; no longer do we know what the real costs are going to be. No longer do we know what the real hazards are going to be, and so this Congress is being asked to finance to the tune of nearly half a billion dollars of taxpayer money a project where they do not know where it is going, and they do not know what the implications of the costs are going to be. That simply does not make rational sense to me, and frankly, up until a very short time ago, did not make sense to my colleague, Mr. Waxman, who wrote the amendment which I offer as a substitute.

I think that that condition continues to be the case. The RTD, who has the authority and the responsibility under the substitute from Mr. Dixon and Mr. Waxman offered today, are the same people who have the responsibility to evaluate the merits and the safety of the route all along. In fact, they put together an environmental impact statement on the issue but did not indicate the kind of extensive hazards which have since been proven to be the case along the route.

I would like to talk for just a brief moment, if I may, about some of the statements made in a hearing held by Congressman Waxman on June 14. This is what one of the engineering experts said:

> In the construction of tunnels one is particularly concerned with explosive gases because of the confining atmosphere of the work area. To underline this point, one must only remember the Sylmar Tunnel explosion which killed 17 workers in June 1971.

It happens that Sylmar is in my district in the San Fernando Valley, a little distance away from this area. But typical of the kinds of problems that we have where methane gas exists.

> Explosive gases underground are unpredictable. And the potential for unforeseen contact with these gases is always present, particularly in tunnels. An example of the unpredictability, despite the precautions, 2 years ago a small tunnel was excavated under the direction of my inspectors not more than 200 feet north of where this explosion occurred. Although the tests were conducted at least two times, each work shift, during the construction of that tunnel job, no gas was detected during the 1-month life of that job from July 10 to August 11, 1983, and yet, in March 1985 an explosion took place.

People were injured even though there had been an investigative job done along this route.

This is a very hazardous situation and I cannot argue strongly enough for support of this amendment. This amendment is not everything I would like it to be. If I had my way, I would offer an amendment to cut the funds. But since public safety happens to be my No. 1 concern as I believe it is with some of my colleagues, this amendment I believe strikes a reasonable balance between retaining the funding, not going forward with the funding until such time, and I underline that word, until such time as a safe and efficient route has been devised and proof of that route safety has been presented to the Department of Transportation and so approved. So that we can feel confident that rather than saying, "Hey, I did not know there was going to be a problem, and something happens, and we have to pick up the pieces and feel the sense of responsibility," I would not want that on my conscience and I hope my colleagues do not want it on theirs.

Mr. Chairman, I reserve the balance of my time.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. Dreier].

Mr. DREIER of California. I thank the gentleman for yielding.

Mr. Chairman, like Ms. Fiedler, like Mr. Dixon, like Mr. Waxman, I am very concerned about the safety of southern California and those who will be traveling in the Los Angeles Metrorail system. It is very rare, Mr. Chairman, that I would support a Dixon-Waxman compromise on almost any issue, but I must say that they have crafted a very strong compromise which will in fact assure the safety of southern California. I wish to strongly support the Metrorail. It is the best, most cost-effective new start imaginable, and I am very pleased with the compromise that they have assembled and I look forward to continued assured safety for southern California and its travelers.

□ 1750

Mr. LEHMAN of Florida. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. Dixon].

Mr. DIXON. I thank the gentleman for yielding this time to me.

Mr. Chairman, I think everyone here on the floor, and I hope everyone who is watching through our communications systems, understands the issue here.

The gentlewoman from California [Ms. Fiedler] has been opposed to Metrorail from the very first day. She has used every opportunity to have a vote on the Metrorail issue and has been defeated on the issue at every opportunity. She uses a Sylmar explosion in 1972 that, in fact, makes Metrorail all that more justifiable.

Since 1972, we have not had one single explosion in California because of rigid guidelines in the performance of construction and monitoring. Since that time we have built over 60 miles of tunneling in methane gas areas.

The issue of safety has been addressed by an amendment by myself and the gentleman from California [Mr. Waxman] by taking out those high-risk areas from the proposed route. MOS-1 will take 5 years to build, and in that interim period we have directed RTD to come up with an alternative modification that does not penetrate those routes.

This program is supported on this floor in a bipartisan way. It is supported by the Governor of the State of California, George Deukmejian. It is supported by the mayor of Los Angeles, the county board of supervisors, RTD, it has been supported by engineering and scientific studies around California, including Cal-OSHA and the department of mining.

So for someone to come on the floor and say that there is any uncertainty about the safety or the route, it seems to me at this point, when the gentleman from California [Mr. Waxman] and I have agreed to a formula to address his concerns, is an effort to defeat this issue.

Ms. FIEDLER. Mr. Chairman, will the gentleman yield on that point?

Mr. DIXON. No, I will not yield. The gentlewoman has had quite a bit of time. I have been yielded 4 minutes. I think it is inappropriate for the gentlewoman to take the 7 minutes and then I yield to her. I would like to make my statement and then sit down.

Ms. FIEDLER. The gentleman is entitled to make the decision, but I have the right to ask him to yield.

Mr. DIXON. I will not yield.

So, Mr. Chairman, at this 11th hour, a lot of give and take, concern by safety, a lot of support from people organizations, we have once again confronted an amendment to defeat the whole Metrorail program.

It is not unsafe, I maintain. I am taking that step forward. There are areas of high-risk methane coupled with pressure that can cause the combustion. We are not penetrating that route. It seems to me that Congress has acted on the Fiedler amendment time and time again, and I ask for a no vote on the Fiedler amendment, an aye vote on the Dixon amendment, and an aye vote on the Waxman amendment.

Ms. FIEDLER. Mr. Chairman, the gentleman just leaving the well indicated that he feels that the project is entirely safe, yet he offered an amendment before the Committee on Appropriations——

Mr. DIXON. Mr. Chairman, will the gentlewoman yield?

Ms. FIEDLER. No, I will not for the same reason that the gentleman would not.

The gentleman offers an amendment in the Committee on Appropriations indicating that he is concerned about safety. At the same time, the amendment which he brings to the floor today, coauthored with my colleague, the gentleman from California [Mr. Waxman] also indicates that there are significant safety hazards.

I ask my colleagues to point their attention again to the map, if I may, which I brought out on the floor, and this, I might add, covers only a small segment of the route, and to look at the three spots that are in the red area. Those are three of the stations in the first 4 miles of the segment, each identified specifically by the RTD in their own documents as having hazardous levels of methane gas.

It is clear that there are problems there. As recently as just a few months ago there was an explosion, even though the gentleman claims that there has not been an explosion in years, since 1972. This entire debate has been generated because there was an explosion, and I might add that 22 people were injured in that explosion. So to try to claim that there is no problem, I think, is just totally untrue based upon the facts.

I would urge my colleagues that until such time as we are convinced that this project has a safe route, that this project is understood in terms of its cost, that my colleagues support my amendment. It is an appropriate amendment. Let us go forward with the investigation of a safer route which makes some economic sense and some security sense.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California [Ms. Fiedler] to the amendment offered by the gentleman from California [Mr. Dixon] as a substitute for the amendment offered by the gentleman from California [Mr. Waxman].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Ms. FIEDLER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 172, noes 242, not voting 20, as follows:

[Roll No. 299]

AYES—172

Archer
Armey
Badham
Bartlett
Barton
Bateman
Bedell
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Campbell
Carney
Chandler
Chappie
Cheney
Coats
Cobey
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Daniel
Daub
Davis
DeLay
DeWine
Dickinson
DioGuardi
Duncan
Dyson
Edwards (OK)
Emerson
Fawell
Fiedler
Fields
Fish
Franklin
Frenzel
Gekas
Gilman
Gingrich
Goodling
Gradison
Green
Gregg
Grotberg
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hansen
Hartnett
Hendon
Henry
Hiler
Hillis
Hopkins
Hubbard
Hughes
Hyde
Ireland
Jacobs
Jeffords
Johnson
Kasich
Kindness
Kolbe
Kramer
LaFalce
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (FL)
Livingston
Loeffler
Lott
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCain
McCollum
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Michel
Miller (WA)
Molinari
Monson
Montgomery
Moore
Morrison (WA)
Myers
Neal
Nichols
Nielson
O'Brien
Oxley
Packard
Parris
Petri
Porter
Quillen
Regula
Ridge
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland (CT)
Rudd
Russo
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Siljander
Skeen
Slaughter
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Solomon
Spence
Stallings
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Vander Jagt
Walker
Weber
Whitehurst
Whittaker
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NOES—242

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bates
Beilenson
Bennett
Berman
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Chapman
Chappell
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Dannemeyer
Darden
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Durbin
Dwyer
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Guarini
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Horton
Howard
Hoyer
Huckaby
Hutto
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kemp
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lightfoot
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken
Lundine
MacKay
Manton
Martinez
Matsui
Mavroules
McCandless
McCloskey
McCurdy
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Moody
Moorhead
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pashayan
Pease
Penny
Pepper
Perkins
Pickle
Rahall
Rangel
Ray
Reid
Richardson
Rinaldo
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Shelby
Shuster
Sikorski
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Snyder
Solarz
Spratt
St Germain
Staggers
Stangeland
Stokes
Stratton
Studds
Swift
Synar
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Wilson
Wirth
Wise
Wolf
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)

NOT VOTING—20

Addabbo
Akaka
Bevill
Crane
Dymally
Evans (IA)
Foley
Hammerschmidt
Holt
Hunter
Kastenmeier
Long
Markey
Miller (OH)
Price
Pursell
Stark
Strang
Vucanovich
Williams

□ 1810

The Clerk announced the following pair:

On this vote:.

Mr. Crane for, with Mrs. Long against.

Mr. FOGLIETTA and Mr. GALLO changed their votes from "aye" to "no."

Mr. FISH changed his vote from "no" to "aye."

So the amendment to the amendment offered as a substitute for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Dixon] as a substitute for the amendment offered by the gentleman from California [Mr. Waxman].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Waxman], as amended.

The amendment, as amended, was agreed to.

Mr. BEREUTER. Mr. Chairman, I wish to address my colleagues on one particular aspect in the pending appropriations measure—that relating to funding for the Rail-

road Highway Crossings Demonstration Program. This is a section near and dear to the hearts of my constituents.

Permit me to begin by expressing my sincere appreciation to the chairman of the Transportation Appropriations Subcommittee, the ranking member and my good friend, the gentleman from Pennsylvania, and all members of this subcommittee for your continued support for funding the demonstration project located in Lincoln, NE. You have consistently recognized the pressing need we have to moderate the impacts of railroad crossings within our capital city, and you have been most generous in your support.

In May of this year, I appeared before the subcommittee to request $6.9 million for elimination of a hazardous grade crossing conflict in Lincoln—the so-called K and L Streets extension. This amount actually reflected the shortfall in funding we received in last year's continuing resolution. I am delighted that the subcommittee and full Appropriations Committee accepted our request and that the pending bill earmarks the full $6.9 million for the Lincoln project.

The urgency of proceeding with this project became even more apparent in June when a major train derailment knocked out a concrete support column from beneath an overpass on O Street, which is a main artery in the city. This bridge is the primary connection between downtown Lincoln and the western part of the city, with an average daily vehicle count of nearly 30,000.

As a result of the accident, the bridge has to be closed to all traffic for 5 days. This unfortunate accident graphically demonstrated the need for an alternate connection between west Lincoln and the rest of the community. During the closing of the Harris overpass, we had 20,000 to 30,000 vehicles being rerouted, many through residential neighborhoods, because there was no other reasonable and convenient alternative. The other connections to west Lincoln are all across railroad tracks and are frequently blocked by trains. We would have had major traffic congestion problems had we used one of these streets for a detour. The heavy traffic on residential streets created not only inconveniences to the people living in the area, but also caused serious safety concerns.

The K and L Streets extension which the committee bill will fund would have allowed local officials to reroute traffic without major inconveniences to the driving public and businesses and without significantly increasing the potential for traffic and pedestrian accidents in residential neighborhoods.

The K and L Streets segment is crucial to the development of southwest Lincoln. Presently, this section of the city is isolated from the central business district and other areas of the city by tracks which serve the high volume traffic of the Burlington Northern coal trains and other heavy freight carriers. At present, street travelers must cross over five sets of tracks, which carry an estimated 36 trains per day, most of which are traveling 5 to 10 miles per hour, and average 100 cars in length.

The lack of convenient and safe access to this sector of the city has severely hindered its economic development. It also has posed a serious problem for emergency police and fire vehicles which need to traverse the tracks to get to the residents in the area. The police department estimates that at least one police vehicle per day on an emergency call is delayed by a train blockage. The fire department, with a one-truck station within the boundaries of the southwest section, experiences major train-created delays one to two times per month. Ambulance services personnel quoted an average of five calls per week which are held up by train crossings.

Lincoln's involvement in the railroad safety demonstration project has been a true partnership with the Federal Government. Thus far, 61 percent of the total demonstration project costs have been locally funded; the remaining 39 percent have been funded with Federal demonstration funds. It is an excellent partnership which should be continued until completed.

Thank you.

Mr. LEHMAN of Florida. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MOAKLEY] having assumed the chair, Mr. SHARP, Chairman of the Committee on the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3244) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes, had come to no resolution thereon.

PERMISSION FOR SUBCOMMITTEE ON MERCHANT MARINE OF COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT DURING THE 5-MINUTE RULE ON THURSDAY, SEPTEMBER 12, 1985

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that the subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries be permitted to sit at 2 on Thursday, September 12, 1985, for the purpose of holding a hearing on several bills that are intended to grant or restore coastwise trading and fishing privileges to a number of vessels.

The subcommittee will sit in markup of those bills immediately following the hearing.

The ranking minority member of the committee, the gentleman from New York [Mr. LENT] and the ranking minority member of the subcommittee, the gentleman from Kentucky [Mr. SNYDER] have been apprised of the hearing, and markup date, and time, and are in accord with this request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1820

EDUCATION RALLY OF PUBLIC SCHOOL EMPLOYEES IN PRINCE GEORGES COUNTY, MD

The SPEAKER. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, during the August recess, I had the privilege of attending a very successful rally for all public school employees in Prince Georges County. The rally's theme was "We are Education * * * We Are America." Prince Georges County is one of the largest school systems in the United States. We have more than 12,000 outstanding teachers and staff. Too often their efforts and talents go unrecognized by the general public. The rally served to highlight the essential nature of their work for all of society and instilling them with the dignity their role deserves.

Dr. John A. Murphy, superintendent of schools for Prince Georges County, is to be commended for this wonderful idea and for his efforts in making it a success. The rally stressed the importance of the role of the teacher in informing, instructing, and inspiring our youth, without which, the future of our country holds no promise. I would like to include for the RECORD excerpts of Mr. Murphy's speech as well as remarks by people who capture the spirit of the rally, Mr. David Zahren, the Maryland finalist for the NASA "Teacher In Space" program and Mrs. Crista McAuliffe, the person designated to be NASA's first teacher in space. Mrs. McAuliffe sums it all up with her motto that says "I Touch the Future—I Teach."

The material follows:

SUPERINTENDENT MURPHY'S ADDRESS

Ladies and gentlemen, let me welcome you to our 1985–86 school year—a year that promises to be exciting in anticipation, rich in accomplishments, and a year of pride in our school system.

I believe that we stand literally at the threshold of a great advancement, all across America, in school buildings large and small.

In Prince George's County we have the chance to be right out in front of that advancement, on the cutting edge, proving to all the critics that public education works and works well.

As we launch this new school year we should do so as a united family of school personnel committed to a mission that says all children will have successful learning experiences.

I have used the term family in addressing you this morning because I want to emphasize that each of you is an important part of the guidance that our students will need as they are encouraged, admonished, cajoled, and led to successful educational experiences and fulfilled self esteem.

Ladies and gentlemen, we are not without crisis or problems in our school system, and as I outline them I hope you will come together with me and the members of the board of education in that common resolve to meet our problems head on.

We have made tremendous steps forward in our efforts to make Prince George's County public schools an example for other school systems throughout the Nation.

Overall academic achievement, as measured by standardized tests indicates improvement. However, there is a large segment of our student population that is not achieving the success we strive for.

A committee studying minority student achievement identified several items suggesting that black students in our school system, on an average, participate in educational programs, course offerings, and school activities that differ in kind and contest from those of nonblack students.

Standardized tests show a significant gap in the measured achievement of black students throughout all grade levels.

The average standardized test score for black students was significantly below the average—20 percent or more percentile points—than for nonblack students.

In virtually every category, the data indicated the performance of black students was lower than the corresponding performance of nonblack students.

In addition, the committee also addressed the issue of whether there is a correlation between grades earned and student attendance. They found that—for black and nonblack students alike—the lower the average letter grade achieved, the higher the number of days a student is absent.

We intend to deal with the issue of absenteeism in our secondary schools. The board of education has approved a new attendance policy that reduces permissible absences from 10 to 5. Students who miss more than five classes without appropriate make ups will receive a grade of incomplete. It is our hope that this new policy will signal a clear message to students and parents that we expect them to be in school on a regular basis.

Clearly, the challenge before us is to accept the personal goal of elevating the performance level of all students—getting those who do not do well to do better, to level up. We must develop effective schools that will significantly eliminate gaps in achievement between black and nonblack students.

We can do this—not by lowering expectations for some but raising expectations for all. We must believe that all students have within them the capacity to do better.

We can increase student achievement not by criticizing the accuracy of the data but by discussing the implications of the data.

Data such as that gathered by the minority achievement committee will be available to all schools during the next school year.

Each school will be able to complete a valid needs assessment with statistical data concerning students attendance, promotion and retention, grade distribution, and individual student achievement.

Each school's needs assessment will disclose strengths and weaknesses and provide direction for the development of school improvement programs.

But those statistics will not tell the whole story. We will need to look in other directions, at other factors affecting student achievement.

Specifically, what a child can do is an issue of cognitive competency. It implies ability, and refers to the child's motivation reflecting issues of interest, preferences, choice, and particularly rewards and punishments within the educational environment.

The question of what a child should do reflects the values and beliefs that are brought to the educational situation. In mainstream middle class America, the question of can has been paramount in analyzing the educational, affairs of children. Whether a child should or will perform within the educational context is believed to be implicit.

The major point I want to make here is that there are other possibilities to the interpretation, understanding and meaning of low achievement scores, by both black and other students.

When a black student doesn't do it is not necessarily that he can't. As a school system, we must go beyond the questions of can and can not to issues of will and should.

We must deal with motivation, beliefs and values.

As the data are formally drawn together, we will make it available throughout the system.

It is my expectation that plans and strategies will be formulated at each school which will make positive differences in the levels of all students.

Designing, implementing and maintaining the individual school plan of action is the joint effort of all present today.

Our schools must remain equally committed to the inseparable goals of both excellence and equity for all students whether they be gifted or disabled, affluent or poor, black or white, English, or non-English speaking, male or female, handicapped or not.

As a public institution, each school in Prince George's County has a fundamental responsibility to promote achievement not only among the privileged students, but also those at the other end of the scale.

It should be the individual student, not the school, that is the focus of the total learning process.

The only real difference between quality and equality is the letter "e", and that may well stand for effort, and, eventually, the excellence to which all our schools aspire.

Fundamental to overall success is the overriding issue of public attitude.

Each of our family members has a critical role to play as we map our strategy for bringing our reputation as a quality institution to the fore.

Like it or not, our system has suffered from a negative public image; true or not, the perception is a reality to be dealt with.

Step one must be a change in attitude in our own family.

We have a system that is already good and one that has the potential of being the best.

Our public gets its primary information from each of our family members. They listen to our comments at home, in social gatherings, in church, at play, at community events—and gradually their perception of our school system evolves.

Each one of us in our dealings with a particular segment of the public are like chips in a mosaic. When they stand by themselves the contribution seems small but when viewed all together a picture emerges that can be a thing of beauty.

Let me now outline some of the specific strategies that we will employ to ensure improved learning experiences for all of our children.

We begin the 1985–86 school year with a new mission statement that clearly specifies the major purpose of our school system:

To assure that all students acquire the knowledge and develop the skills to enable them to become productive members of society.

Let me bring you up to date on our desegregation efforts, where we have been, where we are, and where we plan to be in the next four years.

This year we will open 12 new magnet schools. Six of these will have talented and gifted programs. The other six will be workplace schools, designed to meet the before and after school care needs of elementary age children.

In addition to these programs we will be supporting ten Milliken II schools. They will receive support over and above what the average school receives as compensation for keeping them predominantly one race schools, as agreed to in our desgregation settlement.

The Milliken II schools will have lower pupil/teacher ratios, additional counseling services, and computer laboratories.

Dr. James Comer, Associate dean of the Yale University Medical School, developed a program in New Haven, CT, that had a significant positive effect on the achievement of black children.

Dr. Comer's model will be introduced this fall in the Milliken II schools. I was very impressed by Dr. Comer's work in Connnecticut and I'm excited by the prospect of his working with our school staff.

Our initial response to the magnet schools has been overwhelming. The talented and gifted schools were filled the first week of advertising that program.

The workplace schools are running a little slower but we're fully optimistic that they, too, will succeed.

The overall success of our magnet plan is based on the effort that many of you provided. I thank you for the marvelous support that you gave this first phase.

Next year will call for additional schools to be added, and our 4-year plan calls for a total of 30 magnet schools.

Planning for next year's magnets will start immediately. We welcome suggestions and recommendations for our program from all staff.

At the high school level we will be introducing Project Sucess.

Project Success is designed to meet the specific needs of 300 ninth grade students who will come to the ninth grade with a history of under-achievement.

It will provide additional teaching positions, reduced class size, team teaching efforts and the use of a variety of instructional strategies. And, as a result, it will help students improve their achievement, attendance and attitude toward their education and the realization that they can be successful in school.

The model will be introduced to other high schools as its success is acknowledged.

While our political leaders speak in glowing terms of their expectations for our school system, their commitment has not always manifested itself in the support needed to accomplish that goal.

While we make our commitment to excellence and extend our energies toward this end, we must also convey to our political leaders that they, too, have an obligation to match that commitment with more than rhetoric.

Ladies and gentlemen, I have high expectations for this school system. I am confident that we can accomplish in Prince George's County what no public school system to date has accomplished.

Gathered in this arena this morning are over 11,000 of the most talented men and women serving any school organization.

We can combine our engergies and make what has heretofore appeared impossible, possible; and, in so doing, I believe we can send a resounding message that will shake public education at its very foundation.

The potential for leading public education into the future is within our grasp. The choice is clearly up to you.

You can opt to be pessimistic, reactive, and join the few vocal naysayers who will continually find excuses for why we can't.

Or you can join me as we chart the course for how we can.

I invite each of you to join with me in whatever role you play in this large school family.

I want everyone involved, whether you work in the cafeteria, a classroom, an office, on a school bus, in maintenance, or as a clerk, a secretary, a custodian, a school principal, or from any other position in this vast enterprise.

Come as we turn the challenges that face us into opportunities that will enhance the lives of the young people who place their trust in us.

We can foster an environment in which every child can succeed.

We can focus on teaching and learning.

Because, we truly are good and getting better.

Simply stated, we are the future of America.

We are education. Thank you.

REMARKS BY MR. DAVID ZAHREN

Most of us in this hall this morning are getting ready to return to a classroom. There's that queasy feeling, that uncertainty, that shock when the first bell rings.

But there's one teacher here who won't be seeing the inside of a school for quite a while. She won't be grading any papers, she won't be worrying about attendance, and if she has to send anybody off to a principal's office, it's going to be one long trip!

And when she blasts off next January and conducts her lessons on that celestial blackboard, she's going to show this country something we've always known—that there is simply no greater responsibility, no job more demanding than what we do every single day.

When the President spoke to us 114 would-be astronauts at the White House, he reminded us—and teachers everywhere—why we choose to teach. His words were simple. He said, America's teachers are the preservers and protectors or our heritage. You save our past from being consumed by forgetfulness and our future from being engulfed in ignorance. Every new class is a new generation to whom you must transmit the treasures of our civilization. You give your students many facts and much knowledge, but your task is greater than that. Because with the facts you must impart the values that give them meaning and context—our most sacred values of human dignity and the worth of individuals.

The woman I'm about to introduce is just that kind of special educator.

Even though she must be wincing from hearing it too often, she does indeed have the right stuff. A bachelor's degree from Framingham State College in Mass., a master's from Bowie State, 12 years as a social studies teacher, 8 of which were spent right here in PG Co. at Thomas Johnson and Foulois Middle Schools, the creator of a course on the American woman, 25 years in the Girl Scout program, and active fundraiser in her community.

NASA may tell you Christa that you really do need booster rockets to go into orbit, but with all the support and prayers and good will from us down here, I reckon you could just about float up there.

Prince George's County is very proud of you Christa and even though you now call Concord, NH home, we hope you'll remember your friends and former neighbors when you fly over Upper Marlboro next year.

SPEECH PRESENTED BY CHRISTA MCAULIFFE

Thank you. I'm delighted to be here where my teaching career began 15 years ago.

And, after 15 years, it still feels good to stand here and say, "I am a teacher."

I am glad that the Space Participant Program recognized teachers as good communicators, as people who had experience taking information and presenting it in an interesting format. Teachers touch all of us; we have all had teachers, been influenced by teachers. We can approach teachers and talk to them. When I was down in Houston at Johnson Space Center, one of the press conferences was opened up to the public. As we finished with the reporters' questions, students began to come up to the stage and ask us questions. I saw these students listening carefully to my every word and asking questions and I thought: It's working—the program is already working. Think of all the students you have seen in your years of teaching—what better way to get information out?

Teachers matter, teachers care. We infuse young minds with a thirst for knowledge. We dedicate ourselves to the task of educating people, both young and old. Teachers provide the link in the educational community for parents and students. Job descriptions, if written accurately, would thwart even the hardiest soul from choosing teaching as a profession. So why do we do it? Why do we teach? Personal satisfaction, the feeling that we are performing a necessary service for society, love of knowledge, love of learning; the list is endless. What motivates us now and has motivated us in the past is strictly individual. Yet we all have a common goal to provide the best education we can in sometime adverse conditions.

Why does this happen? If we are performing such a valuable service, why isn't it readily and easily recognized? When you are dealing with education, as all of us know, there is no tangible end product. Education is so hard to define, to see. This doesn't make it less important than the builder who finishes a house, but it is harder to get the community to recognize its worth.

I see this year as a year of opportunity for education. The Teacher in Space Program has already started people looking positively at schools—what is going on in the schools? What are the new programs about? What is happening in the classroom? I see this as a year of awareness—to get the community involved and, in doing so, to elevate the role of the teacher to where it needs to be. A couple of years ago, I took a poll in my classes and asked students to tell me what careers they were interested in or preparing for. Out of 200-plus, I had three young people cautiously admitting that they might like to go into teaching. Just as we went into teaching, I would like to see young people make that choice today. I would like to see people feeling good about the wonderful profession they have chosen. I would like to see school boards, budget committees, and communities working hard together with teachers to help make salaries competitive with other professions.

People have asked me if I plan to return to the classroom next fall. It's been my life for 15 years. I'll be at Concord High School in September 1986 because if the Teacher In Space doesn't return to teaching, something is wrong!

During this year, I hope to get students and teachers excited about the future because, after all, this space, this frontier out there, belongs to all of us. I hope to help make people aware that teaching is an exciting and necessary profession. I hope to challenge students to reach for the stars. If I can do these things, then I have done my job.

You people out there are my strongest critics, and that's OK; I don't mind being judged by my peers. You are going to be watching me carefully because I represent you and that is a tremendous responsibility. I know that you'll be challenging me. I often tell my students that we need a relationship based on mutual respect and the two things that I require of them are that they do the best they can, and that they be true to themselves. I figure that if I follow my own advice, we'll all be OK!

Last week, I received a present from a colleague of mine. She had seen a t-shirt she liked and had one made up for me. It's very special and I think it sums up the reason why all of us are here. It says, "I touch the future—I teach." Thank you.

IN SPACE RESEARCH TODAY—SEPTEMBER 11—IS AN HISTORIC DATE

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. STRATTON] is recognized for 5 minutes.

Mr. STRATTON. Mr. Speaker, many members of the House may not be aware of the significance in space research of this date.

Today, September 11, 1985, a U.S. space vehicle will make the very first fly-through of the tail of a celestial comet. In fact, since we know so little about comets this could be a suicidal venture for the unmanned U.S. space vehicle which is involved.

The comet in question, by the way, is not Halley's Comet, which has been much in the news of late, and which appears only once in 76 years. I wasn't around for its last appearance, believe it or not; but I remember my Mother and Father telling me all about it. And, like many others, I am hoping to see Halley's Comet next spring—in the Southern Hemisphere, by the way. It is of course, the king of all comets.

Because of the budget crunch, however, the U.S. Space Administration was denied funds for a closer inspection of Halley's Comet. As a result, the only U.S. research involvement in the 1986 appearance will be a piggy-backed U.S. research module on a Soviet inspection vehicle next spring.

But, fortunately, there is another comet around, even though it is not visible to the naked eye, the Giacobini-Zinner Comet. It was this comet's tail that the Goddard Space Center decided to run the mission on, primarily because the Giacobini Comet is in the neighborhood of the International Cometary Explorer, (a space vehicle) 44 million miles from earth.

That actual encounter took place in the heavens this morning at 7:02 a.m., and the vehicle stayed in the comet's tail for some 12 to 20 minutes.

Whether the space vehicle was consumed, or whether the comet's tail yielded up the secret of its composition, we won't know for some time. But it's an interesting and exciting idea.

Mr. Speaker, with the help of the Goddard Space Center, I include with my remarks a paper giving more explicit detail about comets and their behavior, which may make it easier for us to appreciate the exposure when Halley's Comet nears our Earth in 1986.

Also included is a helpful article on the Giacobini Comet and its historical adventure in space.

The article follows:

A LOOK INTO THE BEGINNINGS OF THE SOLAR SYSTEM

The NASA Spacecraft International Cometary Explorer (ICE) is fast approaching its intercept with Comet Giacobini-Zinner on September 11, 1985. This first satellite/comet encounter in history will provide scientists with their first look at the make-up and dynamics of a comet's tail. ICE was launched in 1978 as the International Sun and Earth Explorer and was redirected toward Comet Giacobini-Zinner in 1982. The satellite and comet are now closing at a relative velocity of 13 statute miles per second. Comet Giacobini-Zinner was discovered in 1900 and returns to Earth's neighborhood every 6½ years. It will not be visible to the naked eye but should be an easy target for small telescopes used by amateur astronomers.

Although much attention has been focused on the return of the legendary and famous Halley's Comet next year, the US spacecraft encounter with Comet Giacobini-Zinner will occur six months before the first foreign probes reach Halley's; and if ICE survives the force of the comet's tail, it too will eventually meet Halley's Comet, although nearly 19 million miles away at its closest approach. By then, ICE will be a veteran, the first man-made instrument to have visited a comet.

Comets are one of the great mysteries of the solar system and may hold the keys to understanding the solar system's birth and evolution. They are believed to be composed of the same materials as the primordial solar system, having been unaltered, either by volcanic eruption, melting, or the formation of crusts and cores; comets are a looking glass into the beginning of our universe.

Our best clues to what comets are made of come from studies of their visible comas and tails. The coma is a comet's temporary atmosphere, which forms a glowing cloud, more than 62,000 miles across, around the small, solid nucleus which is, at most, a few kilometers across.

From the coma, the comet's glowing tail stretches across the sky; some tails have been measured to be more than 62 million miles long. (For comparison, the distance from Earth to the sun is about 93 million miles.) The coma and tail are made up of dust, gas, and perhaps grains of ice that have been boiled off the main body of the comet (the nucleus) by the heat of the sun.

Despite the immense size of comet comas and tails, there is actually very little matter in them: they are so tenuous that stars can be seen through them. Virtually all the mass of a comet is in the nucleus—a body that has never been observed by astronomers as more than a pinpoint of light.

The most accepted model of what makes up a comet is the "icy conglomerate" (or, more informally, the "dirty snowball") model proposed in the 1950s by Professor Fred Whipple. According to this theory, the nucleus of a comet is a mixture of ices, silicate minerals, and possibly metals. The ices are solid, frozen substances that are usually liquids or gases under more familiar conditions. Comets may also contain complex carbon compounds like those observed in certain rare meteorites.

The fact that these "dirty snowballs" contain frozen gases suggests that they may have formed from ice-coated rocky grains in the outermost parts of the primordial dust cloud that collapsed to form the sun and planets; the solar system's outer planets may have been built up by the accumulation of such "snowballs," while the rocky inner planets were formed from asteroid-like bodies that had been sufficiently heated by the sun to lose all their volatile gases.

Once formed, both kinds of planets suffered an intense bombardment by the leftover comets and asteroids. The traces of this ancient battering still remain in places like the lunar highlands, the anicent terrains of Mars, and some satellites of the outer planets, like Callisto and Mimas.

All the inner (terrestrial) planets (except Mercury) acquired atmospheres, and there is a continuing debate over whether such atmospheres were produced mainly by gases released from planetary interiors or mainly by further cometary bombardment. Until the chemical composition of comets is known, we cannot tell how much of our own atmosphere came from comets.

If comets were once so abundant in the solar system that they could form huge planets, where are they now? Many of the original comets were probably used up in making the planets, but scientists think that the remainder were gradually scattered into the outermost solar system as a result of close encounters with the larger planets.

Some of these scattered comets are now believed to constitute a vast, invisible swarm, called the Oort Cloud, at the outer edges of the solar system about one-third of the way to the nearest star. In the Oort Cloud (named for the Dutch astronomer Jan Oort, who first proposed it), these comets have remained for billions of years in a cosmic "deep freeze." So far from the sun that their temperature never rises more than a few degrees above absolute zero, they are preserved against the destructive effects of solar heat and light. Our solar system's Oort Cloud of comets has never been observed. We can only infer that it is there from the orbits of present-day comets.

Why don't comets stay in the Oort Cloud? Because the cloud is so far out that the comets, while orbiting the sun, also feel gravitational tugs from other neighboring stars. As the sun moves among the other stars of our galaxy, one of them may occasionally come close enough to give a comet a gravitational nudge, changing its orbit so that the comet leaves the Oort Cloud and heads downward toward the sun.

As a comet falls toward the sun it begins to feel the sun's heat. Slowly the comet warms up; its outermost icy layers turn to gas, and the gas blows off the nucleus, sometimes as sudden bursts and jets that drag dust and small icy chunks with it. The new-born cometary atmosphere reacts to the sun's light and the solar wind which first change the atoms and molecules of the gas to ions (that is, they acquire an electric charge) and then sweep the ions and dust away from the comet to form the familiar tails that, no matter how far they extend from the comet, always point away from the sun.

As the comet gets closer to the sun, the boiling off of material increases, and the coma and tail grow in size and brightness as the comet approaches perihelion, its closet point to the sun. After whipping around the sun at speeds that may approach 62 miles a second, the partially depleted comet heads out again on its long orbit to the Oort Cloud, not to return for perhaps another million years.

After being deflected from the Oort Cloud toward the sun, a few comets enter a second gravitational trap as they make a closer encounter with a large planet (usually Jupiter or Saturn) while either coming in or going out. Some of these close encounters cause the comet to be shot out of the solar system entirely, never to return. Other comets, however, are forced into small orbits that keep them entirely within the inner solar system—often between the orbits of Earth and Jupiter. These become the short-period comets, typically circling the sun in periods of 3 to 200 years.

Short-period comets are also short-lived comets. Each time they pass close to the sun, they lose more and more material, and over the centuries, as their ices are removed, they grow smaller and fainter. Eventually, a short-period comet may become completely moribund; its accessible gases are gone, and it no longer exhibits cometary phenomena. The ultimate fate of such a comet is uncertain: the object may fall apart, leaving a trail of dust along its orbit, or may exist as a tiny rocky skeleton with all its gas and ices gone, or may have another close encounter with a planet and be placed back into a long-period orbit again.

Comets are truly fascinating cosmic phenomena; and with the Giacobini-Zinner encounter this month and with the Halley's rendezvous next March, these celestial enigmas will be forced to give up a portion of their secrets.

[From the Washington Post, Sept. 11, 1985]

U.S. SOLAR SPACECRAFT RACES TO FLY IN COMET'S TAIL TODAY—ICE TO MEET GIACOBINI-ZINNER 44 MILLION MILES FROM EARTH

(By Thomas O'Toole)

A U.S. spacecraft put into space more than seven years ago to study the solar wind streaming off the sun was on target yesterday to become the first ever to fly through the tail of a comet in a possibly suicidal encounter.

The historic encounter between the International Cometary Explorer (ICE) and a comet known as Giacobini-Zinner is to take place 44 million miles from Earth at 7:02 a.m. EDT today, and will presage the encounters between other spacecraft and Halley's comet next March.

"This is a very risky mission," flight director Robert Farquhar said at the Goddard Space Flight Center in Greenbelt, where the comet encounter is being directed. "We are putting the spacecraft in harm's way, and there is a distinct possibility the spacecraft will not survive the encounter."

The most likely damage to the spacecraft would be to the solar cells that power it. A hail of dust or a rock the size of a bowling ball could come tumbling out of the comet's head and strike the spacecraft at high speed, cutting off all its power. The spacecraft has no protective dust shield and no cameras to see whether it is facing unintentional suicide.

Not everyone at Goddard was as pessimistic about the encounter as Farquhar. Project scientist Tycho von Rosenvinge said, "We are optimistic that we'll survive our flight through the dust tail. We don't think the dust tail is as dense as some people think."

Politics had a lot to do with the comet encounter. The mission to Giacobini-Zinner has its roots in the Reagan administration's 1981 decision not to mount a mission to Halley's comet, which is racing toward its 30th recorded encounter with Earth. The Soviet Union, the European Space Agency and Japan have instrumented spacecraft on their way to meet Halley's comet next March after the comet swings round the sun.

"By the summer of 1981, it was obvious that the United States would not be able to send a space probe to Halley's comet," Farquhar said. "It appeared that the United States would be the only major non-participant in the Halley sweep-stakes."

Out of the gloom that there would be no U.S. mission to Halley's comet came a plan by Farquhar to use what was then called the International Sun-Earth Explorer 3 to intercept Giacobini-Zinner and save face. Even though the spacecraft has no cameras to photograph the comet and no instruments to analyze its dust tail, it has at least six instruments capable of measuring certain data about the dust and plasma tails.

It also was expendable and could serve as a "kamikaze" pathfinder for spacecraft flying missions to Halley's comet.

Farquhar said, "The spacecraft was launched in 1978 and had already completed the majority of its primary mission objectives. In addition, we found that the surcharge for sending the spacecraft to the comet would be less than $3 million."

Farquhar and his Goddard team devised a way to maneuver the spacecraft away from its position about 1 million miles from Earth onto a path that would take it around the moon and back through the earth's geomagnetic tail. The spacecraft was maneuvered around the moon four times at a distance of 12,000 miles and a risky fifth time at a distance of only 75 miles.

The encounter with the moon gave the spacecraft a "slingshot" effect that flung it at high speed onto a path that would take it out of the gravitational pull of the moon, the Earth and the sun. It also sent it on a trajectory to intercept Giacobini-Zinner, needing only a few course corrections to target it right for the comet's tail.

Moving at almost 46,000 miles an hour toward the comet, the ICE spacecraft was less than a half-million miles from the comet at 6 p.m. yesterday. The spacecraft's heaters were turned off to save power so its 10 working instruments can send as much data as possible during the encounter.

The spacecraft also made a course correction over the weekend to aim it at a spot in the tail 5,000 miles behind the comet's head.

"We expect to spend a minimum of four to five minutes inside the comet's tail," von Rosenwinge said. "Our time in the tail could be as long as 12 to 20 minutes, depending on whether the tail widens or shrinks. Each comet has a personality all its own."

Giacobini-Zinner is no different. Discovered in 1900 by Michel Giacobini at the Nice Observatory in France and found again in 1913 by Ernst Zinner at the Remeis Observatory in Germany, the comet visits the Earth's environs every 6.5 years and is easily observed by astronomers every 13 years when it swings close to the Earth on its way around the sun.

As comets go, it is not as spectacular as Halley's comet but is far from being burned out.

Its nucleus of primeval rock, ice and snow is about a mile across and the "coma" of exotic gas and dust that surrounds its nucleus is 50,000 miles across. Its yellow dust tail is about 300,000 miles long and its second tail of electrified gas, the plasma tail, is at least 1 million miles long.

Flight directors at Goddard have already witnessed some erratic behavior in Giacobini-Zinner. The comet wandered 1,000 miles off its predicated course last week.

To understand why a comet wanders, a comet can be looked at as if it were a speeding spaceship equipped with its own jet-like engines. In this case, the dust and gas being boiled off the comet as it swings close to the sun.

Comets blow off gas toward the sun, generating a thrust in the opposite direction like a ballon whose escaping air blows it across a room. The tiny thrusting motions that the escaping dust and gas give the comet's own rotation though space either force the comet to spiral away from the nearest celestial body or in toward it.

All this time, snow and ice are subliming off the comet's surface," John C. Brandt, chief of Goddard's Laboratory for Astronomy and Solar Physics, said, "The effect is like an upside-down snowstorm coming off the comet."

Goddard is going all out to communicate with the ICE spacecraft as it moves toward the comet's tail, enlisting the help of tracking networks in Australia, California, Spain, Puerto Rico and Japan to keep in touch with the spacecraft through the critical hours of encounter.

The tracking antennas were also equipped with the new low-noise amplifiers to pick up the weak signals expected from the spacecraft's 5 watt transmitter at a distance of 44 million miles.

"The spacecraft was designed to work at an Earth distance of 1 million miles," said Raymond J. Ambrose, manager of tracking and data acquisition for the U.S. Deep Space Network. "Giacobini-Zinner is almost 50 times that distance, which gives us 2,500 times less signal."

IOWAN HEADS AMERICAN LEGION

The SPEAKER. Under a previous order of the House, the gentleman from Iowa [Mr. Smith] is recognized for 5 minutes.

Mr. SMITH of Iowa. Mr. Speaker, it is my privilege to call to the attention of my colleagues the election of a distinguished Iowan to head the Nation's largest veterans' organization. Dale L. Renaud, 53, of Bondurant, IA, was elected national commander of the American Legion at the closing session of the 67th Annual National Convention, August 28, 1985, in New Orleans. A U.S. Coast Guard veteran of the Korean war, he served 26 months overseas as an underwater soundman first class. Following his discharge from active duty in August 1956, he became production supervisor for the Travelers Insurance Cos. and he currently is president of the MacRae-Renaud Agency, Inc., of Bondurant and West Des Moines, IA.

An active Legionnaire for almost 30 years, Renaud is a life member of the Samuel H. Bridge Post No. 396, Bondurant. He was State commander of the Legion in 1971-72 and served as national executive committeeman from 1979 to 1983. From 1983 to 1985, he was chairman of the American Legion's National Americanism Commission. A graduate in business administration from Simpson College, he has been active in the Lions Club, Christian Church, and the Masons. He served as chairman of the Iowa American Legion's Boys' State from 1964 to 1982. Renaud and his wife, Pat, who were married in 1959, are the parents of two daughters and a son.

Mr. Speaker, I can personally attest to the esteem in which Dale Renaud is held in my State for his leadership in veterans' and community affairs. I am confident he will give this same dynamic leadership to the American Legion as its national commander and will cooperate effectively with Congress and the administration in all efforts to improve the lot of the American veteran.

CONGRESSMAN FRANK ANNUNZIO ANNOUNCES RESULTS OF 1985 TAX REFORM SURVEY

The SPEAKER. Under a previous order of the House, the gentleman from Illinois, [Mr. Annunzio] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I would like to announce the results of a survey on possible changes in our tax laws I conducted recently to obtain the opinions of citizens residing in the 11th Congressional District of Illinois which I am privileged to represent.

More than 10,000 questionnaires were completed and returned, and I want to express my appreciation to my constituents who involved themselves in the decision-making process by responding to this survey.

Ten broad questions were asked relating to various possible changes in current tax law, and the responses on the questionnaires were tabulated by computer. Before listing a numerical summary of the tabulation, I want to point out some significant reactions to several important tax issues.

Seventy-five percent of those responding indicated that they wanted to continue to deduct State and local taxes on their Federal tax returns, including income, property, and sales taxes; 70 percent wanted to keep the additional exemption for the blind and the elderly; and 70 percent did not want to tax health insurance for which their employers now pay.

An overwhelming 81 percent said that Congress should not cut taxes if doing so would raise the Federal deficit, while 89 percent said that the oil and gas industry should not receive preferential tax treatment but should be treated the same as other industries, and 88 percent said that business should not be allowed to deduct the costs of entertaining clients.

On the issue of fairness versus simplification, an 87 percent affirmative vote was given to making sure that everyone pays a fair share of the tax burden. This particular question generated hundreds of letters written separately by many of my constituents who repeated time and again that fairness and equity should receive maximum consideration in making any tax changes.

My constituents also stated that the three main goals of tax reform should be: First, by 88 percent, that both businesses and individuals pay a fair share of the tax burden; second, by 60 percent, that complex tax breaks, giving unfair advantages to those who can afford to pay for expert tax advice, be eliminated; and third, by 38 percent, that additional revenue be raised to help reduce the deficit without raising individual income taxes.

The three goals of tax reform considered least important by my constituents were: First, reducing all tax rates, 66 percent; second, eliminating as many deductions and credits as possible, 48 percent; and third, making it easier for an individual to compute his or her taxes, 47 percent.

It is also interesting to note that of those who returned the questionnaire, 53 percent prepared their own tax returns and 72 percent itemized deductions.

The results of this tax survey are being made available to the chairman and members of the House Ways and Means Committee, which has jurisdiction over all tax legislation, in order that full consideration may be extended to the views expressed by my constituents by the members of the committee during their continuing deliberations on various tax reform proposals.

Mr. Speaker, the following is the completed tabulation of the survey according to percentages:

1985 Tax Reform Survey

1. Listed below are some of the many changes being proposed in tax law. Check those you would oppose, even if they would help make possible an overall reduction in tax rates.

a. Repeal the ability of people to deduct state and local taxes—income taxes, property taxes, and sales taxes—seventy-five percent.

b. Repeal the marriage penalty deduction—thirty-five percent.

c. Limit interest deductions, except for business loans and the mortgage(s) on your principal residence—forty-two percent.

d. Repeal income averaging—thirty percent.

e. Repeal the additional exemption for the blind and the elderly—seventy percent.

f. Repeal credits for energy-saving home improvements—thirty-four percent.

g. Tax a portion of employer-paid health insurance—seventy percent.

h. Tax increases in the cash value of life insurance policies—sixty-six percent.

i. Tax all unemployment compensation and payments for work-related injuries—fifty-five percent.

j. Limit deductions for work-related expenses, such as union and professional dues, safety equipment, tools, uniforms, and travel—forty-three percent.

2. Should Congress cut taxes if doing so would increase the deficit?

Yes, 19%; no, 81%.

3. Should the oil and gas industry receive more favorable tax treatment than other industries in order to provide incentives for increased production?

Yes, 11%; no, 89%.

4. Should capital gains (profits from the sale of stocks, bonds and other investments) be taxed at a lower rate than wages and salaries to encourage such investments, *or* should they be taxed at the same rate as wages and salaries?

a. Lower rate—43%.

b. Same rate—57%.

5. Under the present system, tax rates for people with high incomes are higher than rates for people with lower incomes. Should tax rates for high income people be cut *more* than rates for low and middle income people so that there is less difference between rates for people with big incomes and those with smaller incomes?

Yes, 18%; no, 82%.

6. Should the 50% top tax rate (for joint return income in excess of $175,000) be—

a. Kept at 50%—75%.

b. Cut to 45%—7%.

c. Cut to 40%—7%.

d. Cut to 35%—10%.

7. Should business be allowed to deduct the costs of entertainment, such as taking clients on hunting and fishing trips, to the theater, or to professional sports events?

Yes, 12%; no, 88%.

8. How much should businesses be allowed to deduct for meals at which business might be discussed?

a. The full cost—13%.

b. $25 per person—19%.

c. $15 per person—21%.

d. Nothing—47%.

9. The goals of simplification and fairness often work against one another because much of the complexity in the tax law is due to provisions designed to assure fair treatment for taxpayers with special circumstances. Given that fact, which goal is more important:

a. Simplifying the tax law, even if that results in less fairness—13%, or

b. Assuring that everyone pays a fair share of the tax burden, even if that means less simplification—87%.

10. What should be the main goals of tax reform? Of the Most/Least Important [1] nine goals listed below, which are the three most important (rank 1, 2, 3) and which are the three least important (rank 7, 8, 9)?

a. Make sure everyone, both businesses and individuals, pays a fair share of the tax burden.—88%/*4%*.

b. Reduce all tax rates, but cut rates for high income people more than rates for low and middle income people—8%/*66%*

c. Reduce tax rates, but keep the differences between rates for higher and lower income people—22%/*27%*.

d. Leave the rate structure alone, but cut taxes by raising the personal exemption the the standard deduction—32%/*27%*.

e. Make it easier for me to do my taxes—19%/*47%*.

f. Eliminate complex tax breaks that give unfair advantage to those who can afford high-priced tax experts—60%/*24%*.

g. Simplify the tax system by eliminating as many deductions and credits as possible, including those that are widely used by the average taxpayer—13%/*48%*.

h. Provide tax relief for the poor—20%/*24%*.

i. Raise additional revenue to help reduce the deficit—but without increasing individual income taxes—38%/*26%*.

11. Who prepares your taxes? I do—*53%*. My spouse—*6%*. Friend or relative—*5%*. A commercial tax service—*12%*. Lawyer/accountant—*24%*.

12. Do you itemize deductions? Yes, 72%; no, 28%.

The following information will only be used to analyze survey results and will be kept completely confidential:

13, Family income: Under $10,000, 5%; $10,000-$20,000, 18%; $20,000-$30,000, 26%; $30,000-$40,000; 23%; $40,000-$50,000, 16%; Over $50,000, 13%.

14. Personal information: Single, 21%; married, 79%; both spouses work, 24%; retired/unemployed, 29%; number in family, 2.88; age, 53.9.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON THE BUDGET REGARDING CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEAR 1985

The SPEAKER. Under a previous order of the House, the gentleman from South Carolina [Mr. Derrick] is recognized for 5 minutes.

Mr. DERRICK. Mr. Speaker, on behalf of Chairman William H. Gray III, pursuant to the procedures of the Committee on the Budget and section 311(b) of the Congressional Budget Act of 1974, I am submitting the official letter to the Speaker advising him of the current level of spending and revenues for fiscal year 1985. Since my last report, the Congress adopted Senate Concurrent Resolution 32, setting forth the congressional budget for the U.S. Government for fiscal year 1986 and revising the congressional budget for fiscal year 1985. Those revised aggregates have become the official House spending ceilings and revenue floor.

The current level report is used to compare enacted spending after the start of a fiscal year with the aggregate ceiling on budget authority, outlays, and revenues established in a budget resolution and enforced by point of order pursuant to section 311(a) of the act. The term "current level" refers to the estimated amount of budget authority, outlays, entitlement authority, and revenues that are available (or will be used) for the full fiscal year in question, based only on enacted law.

Now that we are operating under a revised budget resolution, both the aggregates and the estimates of current level reflect the economic and technical assumptions underlying this year's budget resolution, which of course are more up-to-date than last year's assumptions.

I should also note that the section 4(b) exemption in last year's budget resolution is no longer in effect. It applied only as long as the "automatic" second budget res-

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[1] The first number is the percentage of respondents who ranked this item 1, 2 or 3. The second number is the percentage of respondents who ranked the item 7, 8 or 9.

olution for fiscal year 1985 was in effect, but that "automatic" second budget resolution is superseded by Senate Concurrent Resolution 32.

As chairman of the Budget Process Task Force, and on behalf of Chairman GRAY, I intend to keep the House informed regularly on the status of current level.

COMMITTEE ON THE BUDGET,
Washington, DC, September 11, 1985.
Hon. THOMAS P. O'NEILL, Jr.,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending.

Pursuant to Committee Rule 10, I am herewith transmitting the status report of budget authority, outlays, and revenues for fiscal year 1985. This status report compares current level to the budget aggregates in S. Con. Res. 32, the First Concurrent Resolution on the Budget for Fiscal Year 1986, adopted by the Congress on August 1, 1985. As you know, that budget resolution also revised the fiscal year 1985 budget resolution. The current CBO estimates of budget authority, outlays, and reveunes now reflect the economic and technical assumptions that underlie S. Con. Res. 32.

It should be noted that the Section 4(b) exemption, contained in H. Con. Res. 280, the First Concurrent Resolution on the Budget for Fiscal Year 1985, no longer applies. That section provided an exemption to the Section 311(a) budget ceilings for committees that remained within their own "discretionary action" 302(a) allocation. According to Section 4(c) of H. Con. Res. 280 that exemption would cease to apply when a subsequent budget resolution is agreed to. Agreement to S. Con. Res. 32 by the Congress on August 1, 1985, fulfills that condition.

With best wishes,
Sincerely,
WILLIAM H. GRAY, III,
Chairman.

Attachments.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1985 CONGRESSIONAL BUDGET ADOPTED IN SENATE CONCURRENT RESOLUTION 32

REFLECTING COMPLETED ACTION AS OF SEPT. 5, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	1,062,100	946,300	736,500
Current level	1,062,100	946,300	736,500
Amount under ceilings			
Amount over ceilings			
Amount under floor			

BUDGET AUTHORITY

Any measure providing budget or entitlement authority for fiscal year 1985, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in S. Con. Res. 32 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority for fiscal year 1985, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in S. Con. Res. 32 to be exceeded.

REVENUES

Any measure that would result in a revenue loss for fiscal year 1985, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in S. Con. Res. 32.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC., September 9, 1985.
Hon. WILLIAM H. GRAY III,
Chairman, Committee on the Budget, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311(b) of the Congressional Budget Act, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays and estimated revenues in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1985 budget (S. Con. Res. 32). This report for fiscal year 1985 is tabulated as of close of business September 5, 1985, and is based on assumptions and estimates consistent with S. Con. Res. 32. A summary of this tabulation is as follows:

[In millions of dollars]

	Budget authority	Outlays	Revenues
Current level	1,062,100	946,300	736,500
1985 budget resolution, S. Con. Res. 32	1,062,100	946,300	736,500
Current level is.			
Over resolution by			
Under resolution by			

Since my last report the Congress has adopted S. Con. Res. 32 revising the 1985 budget and cleared the Supplemental Appropriation, 1985, P.L. 99-88, and the State Department authorization, P.L. 99-93.

With best wishes,
Sincerely,
ERIC HANUSHEK,
(For Rudolph G. Penner).

PARLIAMENTARIAN STATUS REPORT—HOUSE SUPPORTING DETAIL, FISCAL YEAR 1985 AS OF CLOSE OF BUSINESS SEPT. 5, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			[illegible]
Permanent appropriations and trust funds	[illegible]	607,817	
Other appropriations	542,981	516,642	
Offsetting receipts	−182,025	−182,025	
Total enacted in previous sessions	1,047,157	942,435	736,435
II. Enacted this session:			
Famine relief and recovery in Africa (Public Law 99-10)	784	[illegible]	
Appropriations for the MX missile (Public Law 99-18)		79	
Agricultural supplemental appropriation (Public Law 99-71)	1,000		
Federal supplemental compensation phaseout (Public Law 99-15)	[illegible]	[illegible]	
Statue of Liberty—Ellis Island Coin Act (Public Law 99-61)	18	16	
Contemporaneous recordkeeping repeal bill (Public Law 99-44)			−150
United States-Israel Free Trade Act (Public Law 99-47)			(¹)
State Department authorization (Public Law 99-93)			−1
Supplemental appropriations bill (Public Law 99-88)	(13,029)	(3,369)	
Offsetting receipts	(−48)	(−48)	
Bill total	12,981	3,321	
Total enacted this session	14,943	3,865	−151
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action			
Total current level as of Sept. 5, 1985	1,062,100	946,300	736,500
1985 budget resolution (S. Con. Res. 32)	1,062,100	946,300	736,500
Current level is:			
Over budget resolution			
Under budget resolution			

[1] Less than $500,000

Note.—Numbers may not add due to rounding.

CONSTITUTIONAL AMENDMENT FOR A BALANCED BUDGET

The SPEAKER. Under a previous order of the House, the gentleman from Idaho [Mr. CRAIG] is recognized for 60 minutes.

Mr. CRAIG. Mr. Speaker, I have taken up this special order tonight to talk about an issue that is on the minds of nearly every American, but that few in this House or in the other body choose to talk very loudly about, and that is the question of the budget. But more importantly, that is the question of a constitutional amendment to balance the Federal budget and limit taxes.

This is an issue that has been talked about at great length by a variety of people for the last 7 to 8 years. Movements have been going on in the States across the Nation to encourage our Congress to respond accordingly. Now some 32 States have petitioned the Congress for the purpose of asking them to issue forth an amendment to balance the Federal budget, and yet Congress has failed to respond.

It was with this concern in mind, and with the conviction that I have developed over the last several years while serving in this body that, in fact, the Congress itself and this House included cannot control its spending habits, that spending has in itself become an institutionalized process, and that we no longer control or have the will, most importantly the fiscal responsibility to respond. So we have watched in a progressive way over the last 5 to 6 years a deficit grow from some $40 billion to today's $200 billion. We watched our Budget Committee's struggle this year in an attempt to reduce that $200 billion down to around $170 billion, and in all reality, they failed.

Just before the August recess, we saw the budget resolution come out

with some 68 billion dollars' worth of reconciliation in it. We see the pressures building here now and saw the action on the floor today that demonstrates that this body, although it might wish to chose the rhetoric and demonstrate to the American people that it is interested in reducing deficits, it really does not have the will. It does not have the will because the structure and the nature of this body, and the body across the way will not allow the kind of fiscal integrity and responsibility that well over 80 percent of the American public now demand.

With those concerns in mind, and with my belief in it, and the belief of a lot of other people in this House that the only way we begin to control the deficit was to control or change the structure by which we formulate the budget itself, I and others became convinced that the only avenue for doing so was to begin to push progressively for a constitutional amendment to balance the budget and limit taxes.

With that in mind, some 1½ years ago, I created the organization called CLUBB. [Constitutional Leaders United for a Balanced Budget]. And today, well over 120 Members, Republican and Democrat alike, have joined with me, both in the House and in the other body to move this issue. Now we have in this body House Joint Resolution 27 which is the constitutional amendment to balance the Federal budget and limit taxes. As of today, 193 Members, Democrat and Republican alike, have joined in cosponsorship of that legislation.

The other body has crafted an amendment that has now left the Judiciary Committee, and we would anticipate votes on that constitutional amendment proposal in the other body in late September or early October.

Why are we seeing the renewed momentum on this issue? I think it is very simple. It is simple to understand because the American people have said so loudly and clearly "Get your fiscal house in order." We can no longer tolerate a $200 billion deficit, nor can we tolerate that which a $200 billion spawns, and now nearly $150 billion in trade deficit, and an activity that is in place that is deindustrializing this Nation at a more rapid rate than ever in the history of this country.

I have said on numerous occasions in the last minute that this is a bipartisan issue. It is not Democrat, it is not Republican. It is American, because the American people are crying out for fiscal responsibility.

So I would now ask the cochairman of CLUBB, who has worked closely with me to build this coalition here in the House, who is the primary cosponsor of the House joint resolution, the gentleman from Texas, CHARLIE STENHOLM, to join with me in his comments for a few minutes before we ask our other colleagues to participate with us.

Mr. STENHOLM. I thank my colleague from Idaho for yielding this time, and I want to commend him for the leadership that he has shown in the organization of our CLUBB, our Congressional Leaders United for a Balanced Budget, that has been not only an attempt to focus attention nationwide and in other States, but actually doing it, of getting us to a position in which we have the wherewithal to focus attention in those key States if we in the Congress are unwilling to deal the balanced budget issue. We do have 32 States who have said that is what we want done.

□ 1830

Two more and the Constitution takes over where the lack of will in Congress has been. Without the leadership of the gentleman, Mr. CRAIG, we would not be there. I am proud to be associated with the gentleman from Idaho and the other Members in focusing on this very important question. It seems that everybody is for a balanced budget. We are beginning to hear it talked about by almost every Member of this body. The unfortunate thing to date is, we still just talk about it. There are some who are going to suggest now that because we are about to do this, or we have done this, or we have made a good faith step in the right direction with the budget this year that no longer is it going to be important to focus on the Constitution. Nothing could be furthest from the truth. I think at this very moment it is imperative in this body that we move steadily toward an actual vote and implementation of the constitutional amendment in order to back up whatever it is that we might be actually about to do in the area of spending in this body, proceeding towards a balanced budget.

I guess I would conclude my remarks at this moment by sharing again a little statement that was made 10 years after our Constitution was written by Mr. Thomas Jefferson. He said at that time:

> I wish it were possible to obtain a single amendment to our Constitution, I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of the Constitution. I mean an additional article taking from the Federal Government the power of borrowing.

Oh, how we might wish some day in the near future that we had not borrowed the $2 trillion we have borrowed in order to sustain a standard of living we have been unwilling to pay for in our generation.

Those words of Thomas Jefferson, I think, are going to ring in these Halls some day in the future, I hope in an orderly process as suggested by the gentleman.

Again, I commend the gentleman for his leadership and look forward to working with him and our other colleagues in a bipartisan way to put a little bit of deeds to our words concerning our concern about the deficit.

I thank the gentleman for yielding.

Mr. CRAIG. I thank the gentleman, my colleague from Texas, for the leadership he has taken on this particular issue. There is no question that without him he would not have the number of cosponsors that we have today on House Joint Resolution 27; nor would we have the number of Members we have in CLUBB.

The gentleman has worked with me in stressing the bipartisan approach. We have accomplished that because, as I said earlier and certainly Congressman STENHOLM has said, this is an American issue; it is not a Republican issue nor is it a Democratic issue.

With a $2 trillion national debt and well over 110 billion dollars' worth of financing needs in the 1986 budget just to finance that debt, we are indebting generations and generations in front of us to an obligation to pay for the kind of living style we wish to live but that we are unwilling to pay for.

I would next like to ask my colleague from Oregon, BOB SMITH, who has taken a leadership role on this issue, who started early on when he first came to this Congress to jump into the issue of a balanced budget and to carry it forth to work with a variety of groups across this country, to begin to build that growing interest which now exists in America, to achieve a constitutional amendment, to balance the budget and limit taxes.

Mr. ROBERT F. SMITH. Mr. Speaker, I thank my colleague from Idaho.

I thank the gentleman for taking this time because I think it is essential that this body and the other body of the Congress of the United States understand that the continuous spending habits which have prevailed in the past 40 years, really have come to significance in the last 10 years, are really the kinds of efforts that are destroying the economic future and opportunity for our country, for our families, and for our children of the future.

To bring us somewhat in light, I would want to share with the body and with my colleagues some numbers since I have been in the Congress, only. That has not been a very long time compared to many who are here.

But in 1982, I arrived and we had a tax increase in 1982. Some have forgotten that. It was called TEFRON, $98 billion. In 1983 we had another tax increase, Social Security repair which cost $165 billion. In 1984 we had another tax increase, so-called Tax Reform Act. That was another $51 billion out of the taxpayers' pockets. In that same year we also had a gas tax increase of $5.5 billion.

Suddenly in 1985 we have the so-called Deficit Reduction Act which supposedly saved from $38 billion to $56 billion out of spending; but we know, those of us here, that that was smoke and mirrors, based upon faulty background, and we know that there was very little saving.

So what we have done, and what I am trying to point out, without saying so, we have raised taxes since 1982 in every year and our deficits continue to build.

The point of this is that the Congress, again, has not addressed the issue of spending and their spending habits.

To bring this to light, let me point out that in 1981, after only 209 years of our existence, our total national debt was $997 billion; 4 years later, just 4 years later, it had doubled, and we will be facing the heartburn of the question of raising the debt ceiling to $2 trillion before this year is out.

We have doubled the debt in this country in 4 years.

What is a greater problem is the question of the interest on the debt. The interest on the debt in 1981 was $111 billion. The interest on the debt today in this budget we are facing is $184 billion. Anybody in this business or anybody who has to face a budget knows that when you leverage a business or a household to the tune that you can no longer pay the interest on the debt, then you have sunk either the business or your household is out of business.

Therefore, I think that I have identified that the Congress has not controlled spending. Therefore, I believe there must be a systemic change. The change must be in the constitutional amendment to balance the budget which will become the 27th amendment to our Constitution.

We only amend our Constitution when it is absolutely essential. This becomes essential.

Let me say, I think it is safe to say there are only two categories of U.S. Representatives who serve in this House: The ones who know that their constituents want this amendment and the ones who have not yet asked.

The only alternative left is this balanced budget amendment, and I urge every Member of this body to either become a cosponsor of House Joint Resolution 27 or if they are already a cosponsor to go get a colleague and join us because the fate of the Republic rests on his or her and our decision.

I thank the gentleman for allowing me this time.

Mr. CRAIG. I thank my colleague from Oregon for his leadership and his direct participation in this effort. He has been a stalwart in moving the issue with our colleagues here in the House. I think in your comments today the gentleman brings up some obvious issues, at least in the minds of the American public.

I was told today that with a $200 billion deficit, just this year's deficit, that we are talking about every man, woman, and child in this country being indebted another $10,000. That is the kind of thing that is almost unbelievable: it certainly is to the average man and woman out there.

When you turn to a high school student and say, "How much do you owe the Federal Government?" well, they look at you and say, "Gee, I don't owe anything." If they earned a little money this last summer and qualified and paid their taxes, it was probably very minimal, they do not think they owe anything.

But in reality, with a $2 trillion debt and the old line that, "Gee, whiz, national debt is no problem because you just owe it to yourself," the reality is we do owe it to ourselves. But now we are having to finance that national debt, and, in so doing, we have become a debtor nation for the first time in 70-some-odd years. Now, we are asking foreign governments and foreign interests to put money into our markets so we can afford to pay for the lifestyle that this Congress and this Government has decided they want to spend money on.

□ 1840

I think that is a very, very dangerous position for this country and the citizens of this country to allow our economy to get into, but we are now a debtor nation; and that debt rose progressively, and is held by foreign interests. Is that bad? Most certainly it is bad. It is bad because of what it generates ultimately, and that is a $120 billion trade deficit, and that is an awful lot of people out of work, and no new jobs in the hard sectors of our country, and especially from the States that you and I come from in the West being created.

So let me thank you once again for being a participant, and being an absolute activist in this effort.

Now I would like to yield to my colleague from New Jersey [Mr. Gallo].

Mr. GALLO. I thank the gentleman from Idaho. I complement him for bringing this to the forefront. A lot of people have talked about this particular issue, and very few have done something about it.

I would like to relate an experience that I just had recently, going back to the district and talking about the many problems we think the citizens are interested in; and whether it be tax reform or whether it be the environment, came out loud and clear to me in a town meeting that I had, and numerous meetings with individuals throughout the 11th District in New Jersey, that the question most raised and the most concerned, was dealing with a balanced budget.

They cannot understand; "they" meaning the people back home, why we cannot control the budget. They have to control that household budget, and they cannot understand, frankly, why we are sitting with such a large deficit, and apparently as you have indicated, not the will to control the spending habits.

So when I look, sometimes we here in Washington, being away from our constituents, have a little foggy view of what their concerns are; but I can tell you it is clearly the deficit as the number one priority.

Now it is interesting to note that when we look at our States, 48 States have a balanced budget requirement. The people I have talked to; some in the Congress, some outside the Congress, say, "Dean, you are talking about a balanced budget. Do you know how much success you are going to have with that? It cannot work."

There is a defeatist attitude here that says you cannot balance the budget. In reality, when you look at the fact that 32 States have already signed on, petitioning Congress to have a constitutional convention, I think it proves that it is not a ridiculous matter; it is not something that States take in a frivolous fashion; it is something that we should stand up and start understanding is a large concern.

I have heard my colleagues mention the fact that we have the over $200 billion deficit; we also have over right now a $1.8 trillion national debt. As indicated, we are talking about every man, woman, and child owing $10,000. Now that is a heck of a legacy and one that I do not want to be part of.

I think the job that the gentleman from Idaho [Mr. Craig] and our colleague from Texas [Mr. Stenholm] in getting over 191 or now maybe 193 sponsors on this bill, I think suggests very strongly that there is a concern by this Congress, and all we need, frankly I would suggest, is maybe a few more of our colleagues that are just as concerned.

Those same colleagues that go back to the district and say, "Hey, we're concerned with this, and we want to see a balanced budget"; but they have not put their names on the line.

When we talk about balanced budget, the first question I get after that is, "How can we do that? How can we do that in a year?" I think it is pretty obvious to everyone that you are not going to do it in a year.

As it was explained and as we have discussed, it is something that is going to take a minimum of 4 and possibly 5 years, and it can be done with very little disruption; just a little bit of courage and a little bit of determination.

Mr. CRAIG. Will the gentleman yield?

Mr. GALLO. I certainly will.

Mr. CRAIG. When the gentleman talks about a framework of 4 to 5 years to balance the Federal budget, one of the questions I oftentimes get in speaking on this issue across the country is: Congressman, do you really think you can balance the budget? Do you really think you can get rid of $200 billion?

My answer is no. You cannot do that overnight; it could not be done next year; but what you are suggesting in a 4- to 5-year period is establishing a framework under which this Congress would operate to progressively reduce the deficit, knowing that out there at a 4- or 5-year period, they must bring it into balance. Is that what I understand of you?

Mr. GALLO. That is absolutely right. There is that concern, and I think it can be done. I know we have discussed it; some of my other colleagues have discussed that. It is a workable solution, and one that I think has a great deal of merit, and one that should be followed through on.

I know that when we talk about this year there are very few sessions that are going to be left; I think that it is imperative that all of us that are as concerned, and your organization do everything in its power to inform those Members that have not signed on to bring about a recognition by the House and the Speaker that this Congress is serious about having a constitutional amendment dealing with a balanced budget.

I know that those States, and right now it was mentioned by the gentleman from Texas, we have 32 States that have signed on. Constitutionally, to take this out of the Congress' hands, we need two more States.

It is my understanding that the State of Michigan is in deliberation on this particular issue, and hopefully they will vote in favor of it. Another State that may play a very important role is my own State of New Jersey. That State, I had before coming here, the opportunity as minority leader to introduce a balanced budget amendment requiring the Congress to act and as of yet, that has not taken place, but I know it is in the good hands of Senator Dorsey in the New Jersey Senate, and a number of House members.

I would hope that they would react positively to this, because I think as you go out more and more, this question is not going to fall on its face; you are not going to forget about it; you are going to hear more and more about it.

So in conclusion, I just want to compliment you and also our colleague from Texas [Mr. Stenholm], those members of that organization which I am proud to be part of, as a member, in trying to bring the awareness level to the public and to this Congress.

People today do understand that deficits mean higher costs to them, not only in the possibility of inflation, but also in the real dollar sense as far as interest.

So to you I congratulate you, and I am pleased to be part of this particular debate and dialog, and I hope that it brings about a better understanding with our colleagues.

Mr. CRAIG. Let me thank my colleague from New Jersey who, coming to this body as a freshman, very quickly said, "I want to be a part of that issue, because I so strongly believe in it." As the gentleman has explained, he has been a leader in his State legislature on this issue in attempting to get the State of New Jersey to petition the Congress for the purpose of an amendment to balance the budget. There is no other issue, in my opinion.

When the gentleman talks of the kind of figures he mentions, that every man, woman, and child in this country based on a $2 trillion national debt, now owes $10,000, and that for every $200 billion of deficit that is then moved into the debt column, that that adds $1,000 of debt to each one of those individuals.

□ 1850

I think it is only a matter of time before the American public stand up and says, "Enough. We don't care what program it is, whose program it is, how that program affects me or my neighbor or my community, stop it, Congress, stop it, you have done too much, you have gone too far, and now you have consumed such a large portion of the gross national product of this country and you have committed another large portion of it on an annual basis."

We are not far away from seeing interest on the debt as a single line item in the Federal budget of being No. 2 in size. And, you know, it is interesting. We can sit here, and we do on a regular basis, and debate which program has merit and which program does not have merit and what we will cut here and what we will not cut here. But there is one item that has no debate, none whatsoever. The Budget Committee merely pencils it in, in cooperation with the Office of Management and Budget and the Treasury, and that is called interest on the debt. We cannot decide how much we will pay and when we will pay it. It must be paid. That is the only section of the Federal budget that commands no debate. When that becomes the single largest item or the second single largest item, it will buy no services, it will buy no goods, it will put food in no one's mouth, it will put no missiles in place to protect us. It will simply consume a monstrously large amount of the gross national product of this country for the purpose of financing excess spending of periods past.

Now I would like to recognize another colleague of mine, another freshman who joined this effort and who has been a leader in the area of concern of a balanced budget, my colleague from Texas [Mr. Boulter].

Mr. BOULTER. I thank my colleague for yielding. I just want to tell you how grateful I am to you, Congressman Craig, and also to my very good friend and distinguished colleague from Texas [Charlie Stenholm], for your leadership on this issue, and especially for forming CLUBB [Congressional Leaders United for a Balanced Budget]. And I must say to you that there are two organizations in this body that I am particularly proud to be associated with, and one of them is CLUBB, the group within the House of Representatives that is actively working toward the constitutional amendment to balance the budget and limit taxes, and the other group is the Grace caucus, which I am proud to be the chairman of, because, I will tell you, I came to Congress for the first time this session, and even before being sworn in on January 3, I became a cosponsor of the constitutional amendment to balance the budget and limit taxes, and I did that because in my campaign I talked about and committed myself to doing something about controlling Federal spending.

I do believe, incidentally, that as horrendous as the deficit is, even if our budget were in balance, at this level of Federal spending we would still have a very, very severe problem, and the deficit is more a symptom of what is going on in this country than it is the problem.

But I will tell you how my people feel about it that I represent: They truly believe that the number one issue in our country today is not tax reform, though we need that, but it is the deficit and the threat that it poses to our children. And you have very adequately pointed out, Congressman Craig, some of the dangers and danger signs that we see right now. The $150 million trade deficit, that is very much related to this fiscal deficit. The almost $2 trillion national debt, what is the interest on that? Is it $145 billion right now? Something like that. I can tell you that within this other group, the Grace caucus, we have done some calculations that at current levels of Federal spending, only 15 years hence, when my children will be entering the job market, we will have an annual debt not of $2 trillion but of $13 trillion by the year 2000. And what kind of a world will our kids live in if that happens? I do believe that their liberties, their freedoms are linked to their economic opportunities, and if they are having to work the greater portion of every day just to pay the interest on the national debt, they do not have any economic opportunity and they will not have the liberty and the freedom that they enjoy today.

For my part, I have promised myself and the people I represent that I will never vote for any kind of tax increase until certain reforms are set in place, and one of those is the constitutional amendment to balance the budget, because I truly believe that increased revenues would just be used to further programs that we need to terminate.

I want to speak, for a moment, about my experience on the Budget Committee. It has been a terrific honor to serve on that committee, and also on the conference committee. But I can tell you that every special interest group in America came before our committee, all applauding our efforts to cut the deficit, but each and every one of them saying, "You have got to cut the deficit, but * * *." And this deficit reduction package that we came up with, I supported, I felt like it was the responsible thing to do, but we all know it is no victory over deficits. At best, it is a truce. I feel like our efforts to cut the deficit really fell victim to the same thing that I fear tax reform is falling victim to, and that is special interest groups, to the detriment of families and children, and it is so important, it is the number one threat to our country today, this Federal spending. I just want to congratulate you and recommit myself to working with you and the other Members of CLUBB toward resolving this great crisis which we are in, which I think can only be done with the passage of a constitutional amendment to balance the budget.

Mr. CRAIG. Let me thank my colleague from Texas for those kind words and also to say very clearly you are a leader in this body, willing to stand up and speak out on those things you believe in and to take up issues that are as controversial here, not nationwide, but here, as the constitutional amendment to balance the Federal budget and to limit taxes. I appreciate your leadership in this area. One of the things that was very pleasing this year, as we saw the freshman class come in, both sides, Democrat and Republican alike, great numbers joined this cause because they knew right upfront, early on—it did not take them long to learn—that the only way we were really going to change the habits of this body and especially those fiscal habits, those spending habits, those institutionalized ways that we pour money out, was to do something structurally different to change the system and to do that through a constitutional amendment to balance the budget. So I appreciate your leadership in that area.

I would now like to recognize my colleague from Pennsylvania, an outspoken critic on Federal spending, certainly a leader in this House as it relates to keeping what spending levels we have done as much as possible, taking tough stands and making the point hard for a good many people here because it is so important that we vote on these critical issues. I appreciate the leadership of my colleague, Bob Walker, from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

I just want to take issue, for a moment, with a comment that my colleague from Texas made a minute ago. It is just a difference in degree or a difference in rhetoric to some extent, but I think it is an important difference. I think the major problem facing the country that the American people have recognized is a spending problem. I think that the deficit problem, we tend to talk around here about deficits, but the deficit is the symptom of the spending problem, and I know that that is what the gentleman was reflecting. But I am trying to make it clear to my constituents that there are some who talk deficits around here who want to talk deficits because their idea is to use taxes as a way to solve the deficit problem.

Well, that is not the real problem. The problem is a spending problem, which is precisely what the balanced budget amendment to the Constitution speaks to. It says that it is time that we discipline ourselves on spending. And that is absolutely essential for the future of this country. It seems to me that our colleague from Oregon, when he talked about the fact that the survival of the Republic depends on us finding a way to discipline ourselves on spending, has related the issue, because it is the issue. We cannot go on much longer adding $1,000 a year to every family's personal debt and to the personal debt of every man, woman, and child because of what we spend and have this Nation survive economically. And if it does not survive economically, it cannot survive in any other way. So we really are at a moment of national crisis that needs a solution.

The balanced budget amendment to the Constitution is not a perfect tool but it is a useful tool, and it is in fact the kind of disciplinary tool that will allow us to address this problem in a meaningful way. I think we ought to recognize why it is that we need to do so. And nobody has pointed out that more clearly than the gentleman from Idaho here this evening when he has mentioned the fact that $200 billion worth of deficit this year means adding $1,000 to each family's personal debt.

We have a hard time visualizing $200 billion. We have a hard time visualizing $2 trillion. But $1,000 of additional debt in a year is something that most families can visualize, and most average families—maybe too many people in this Congress are too far away from most average families—but most average families think long and hard before they incur an additional $1,000 in debt. And yet day after day, week after week, month after month, year after year, we pile that debt onto them, we spend the money for them, and often it is done without very much thought.

□ 1900

Mr. CRAIG. You are talking about the newborn baby, at this minute. We are not talking about adults only, are we?

Mr. WALKER. The baby that just this second came screaming into the world as an American has a thousand dollars of debt on his head as a result of what we are piling up in deficits. If you take a look at the $2 trillion, he has $10,000 in overall debt, and I think we ought to look at that, too, because most average American families in this country incur $10,000 worth of debt for only a couple of things. One is to buy a house, most average families incur that much debt, and to buy a new car most families incur that much debt. But we have incurred it for them right here at the Federal level. We have said we are going to pile $10,000 worth of debt onto you and you are going to pay for it. The fact is that they pay for it just as assuredly here as if they had incurred it themselves. They pay for it with the higher interest rates; they pay for it with higher costs in the society as a whole when that kind of debt becomes inflationary. They pay for it. They pay for it over and over and over again. Yet, they do not make that decision. It would be a very tough decision for them to make as a family. Families think long and hard in this country before they buy a home or buy a new car because it is so much debt. Yet, Congress does it day after day.

We did it today. We could not cut our spending habits today to save $22 million on something like Amtrak. We cannot do it at all. We need discipline. The only disciplinary tool that has any chance at all of being effective is the balanced budget amendment to the Constitution. The gentleman from Idaho has provided us with some real leadership toward getting us to the day when this House might actually have the guts to vote on it. That is the problem. We lack the guts to vote on it around here. So we might actually get the guts to vote on it because of the leadership shown by the gentleman from Idaho. I congratulate him for his work and for taking this special order.

Mr. CRAIG. I thank my colleague from Pennsylvania for his comments and for the leadership role he has

taken on the issue of fiscal responsibility.

I yield to my colleague from Texas.

Mr. BOULTER. I thank the gentleman.

In response to my colleague from Pennsylvania I think you are exactly right. What I said was that the deficit is the symptom. I think the greatest need in our country today is for some capital. That is exactly why Japan is beating us so badly right now and why we have a $150 billion trade deficit right now.

The real problem is the ever-increasing level of Federal spending, and as you so eloquently point out, just the sheer lack of courage by the Members of this body to say "no." As a result, with this kind of Federal spending which the deficit reflects, we have a crowding out of private sector initiative at every level, whether it is capital formation or volunteer work or helping our neighbors. The Government seems to be trying to do everything for everybody and there is less incentive for me as an individual to do it. There is less opportunity to get our hands on the capital. It is killing our farmers our small businessmen and everybody knows that. You are exactly correct.

I know one thing, it would make it easier for me, I do not think any of us is immune from the pressure to spend, and it would make it so much easier to say "no" if there were this constitutional prohibition against overspending.

Mr. CRAIG. Mr. Speaker, I yield to the gentleman from North Dakota [Mr. Dorgan].

Mr. DORGAN of North Dakota. I thank the gentleman.

Mr. Speaker, let me say that I do not know of any constituency for the Federal deficit. Everybody is against the Federal deficit, yet we have one and we have one year after year. I understand what the gentleman is saying with respect to a constitutional amendment to balance the budget. In fact, I came here thinking that is probably the wrong thing to do, and after hanging around several years I decided it is probably something we ought to do.

I do not necessarily support the same constitutional amendment that the President supports for a number of very important reasons, but I think the kind of language that Thomas Jefferson suggested in the original debate about this would probably make some sense in the Constitution.

It is important to understand that you can change the Constitution, but that does not mean that you balance the budget. The only way the budget gets balanced is one, if the President recommends a balanced budget and two, if Congress adopts one. If we change the Constitution tomorrow, there would be a President, Republican or Democrat, and a Congress, Republican or Democrat who would say, "Let us have a capital budget and an operating budget. Let us do it that way."

The point I am trying to make is this: We have a shared responsibility between a President who recommends big budget deficits and a Congress that follows his lead. We have got to solve the problem. We do not have the luxury of avoiding it any longer. Changing the Constitution, which I think is something we ought to do but do in the right way, will not solve the problem. The President and Congress will solve the problem by reconciling that which they want to spend with the revenues they are willing to bring in. I might say after attending meetings in my district, people say, well, how do you solve this thing? I scratch my head and say, well, it is very difficult at the moment because the biggest part of the current budget some say has to be increased. Notably defense. We must have some kind of increase in the largest portion of the budget. On the revenue side of the budget, we prohibit any sort of additional revenue. With that kind of mathematical equation, you cannot resolve the issue. I say that when you stand in the well and talk about the deficit you are talking about the issue that a lot of Americans are concerned about. All of us, from both parties, need to do what we must, what we can to try and move this fiscal policy of this country to some sort of stability moving towards a balanced budget.

I am with you; I am simply here today that ultimately a person, a President, a Congressman, a Republican and a Democrat must vote in the right way to balance the budget as between revenues and spending. That is ultimately the way you get that done.

Mr. CRAIG. Let me thank my colleague for making those statements and I am certainly the first to admit that House Joint Resolution 27 may not be the perfect document, and I would encourage my colleague to come join with us in the activity and the debate and support getting the issue out to the floor of this Congress so that we can show the American people that we are really sincere. That we are sincere in changing the Constitution to put into it the tool, not the absolute corrective measure, but the tool that will force us, not allow us, but force us to be fiscally responsible. You and I have both served here long enough to know that we can find any excuse in the book and probably do pretty good at home selling it to our constituents as to why we ought to spend money. The bottom line is we are spending a great deal more than we are willing to take in. In so doing that, we are creating a major fiscal problem in this country.

Now, we are willing to spend $100, but we are only willing to take in about $80. The question is can we take in the other $20 and allow the economy, your farmers and my farmers, to exist? Is there going to be enough money out there for them to borrow their operating lines and to be able to conduct their business? If Government really took all that it is now spending, or is spending really the issue? I think it is, and I think my colleague concurs with me in that. But join with us, come with us in creating the tool. More importantly, providing the avenue and the opportunity here on the floor of the House in which we can create that tool, the constitutional amendment to force this body and the other body to, for the first time in a great long while, to be fiscally responsible. I thank my colleague for joining with us this evening on this issue.

Mr. Speaker, I now would like to yield to my colleague from Texas, Congressman Armey, who, once again, is one of those freshmen who came here and joined early on in this issue, recognizing the problems we have with the deficit and the debt. He joined the balanced budget effort, became a member of CLUBB, is a cosponsor of House Joint Resolution 27, and has been an outspoken leader in his freshman group and here in the Congress on the question of fiscal responsibility

Mr. ARMEY. I thank the gentleman.

Mr. Speaker, I want to begin by pointing out how much I appreciate the gentleman from Idaho taking this special order and discussing this as well as the other work you have done. I do have some prepared comments and Mr. Speaker, I would ask that they be placed in the Record at the appropriate place.

Mr. Speaker, I would like to just focus very quickly on a few issues because we have some other people who want to speak. I embrace, endorse and work for the balanced budget amendment with a certain reservation. That reservation being that it ought not to be necessary. The basic fact is we have a Congress that for too many years, too many sessions, time after time in each new session of Congress, we have a Congress that gets out of hand and they let spending get out of hand. They have not had a sense of discipline and I have become convinced that they may not get a sense of discipline and restraint in spending.

□ 1910

The American people have said, and I think are saying to us daily, "Enough is enough. You have got to hold the line on spending. If you cannot get the discipline on a basis of appropriation bill by appropriation bill, then find the discipline in the budgetary process and begin with a balanced budget amendment or rule, and if you will not adopt a balanced budget amendment for yourselves to obtain that discipline, we will force its adoption through the States." And we are very close to the American people succeeding in forcing this adoption in that manner.

I think it is time that we stand up at this point and say to the American people, "We hear you. We respect you. We do not want you to have to send your message through the State legislatures. We are ready to respond. We are ready to pass this amendment, obtain the rule, learn the discipline, practice the restraint and quit spending your money."

As a final observation, that young baby that is born in America today with $10,000 worth of debt is going to have $28,000 worth of debt by the time he or she is 18 years old and beginning to earn a living. Can you imagine going to your first job already $28,000 in debt, a sum considerably less than you are likely to earn for some years to come?

As a freshman Member of Congress, perhaps I am better able to recall the frustration and bewilderment with which the average American views $200 billion annual deficits and a $2-trillion national debt. Our constituents hear a lot about fiscal responsibility and budget cutting, yet these tremendous deficits persist and our national indebtedness continues to grow. Indeed, it was Congress' inability to act in a constitutional and fiscally responsible manner which motivated me to seek this office.

Committed as I am to fiscal responsibility, one of the first things I did as a Member of Congress was to cosponsor House Joint Resolution 27, the balanced budget/tax limitation amendment. I was also pleased to join with a number of other concerned colleagues in Congressional Leaders United For A Balanced Budget, a group dedicated to passage of a balanced budget/tax limitation amendment. This measure is not an end unto itself; it will, however, force Congress to begin to exercise the fiscal responsibility which the people demand.

By requiring a balanced budget, except in emergencies, it would force the Congress to live within its means—something which every individual must do, and something which Congress has put off for too long.

I also think it is important to stress the "tax limitation" aspect of House Joint Resolution 27. The answer to our budget crisis does not lie in tax increases. We've tried this route before and the long and the short of this act is that it doesn't work. A spendthrift Congress continues to spend what we take from the American people in taxes, and spends more, and more, and more.

Mr. Speaker, we are faced with a number of difficult spending decisions daily. But let me remind my colleagues that we asked the people for this job and we have a responsibility not only to them, but to future generations of Americans, to put our fiscal house in order. The longer we postpone the day of reckoning, the more painful it will be.

Mr. CRAIG. I would like to thank my colleague, the gentleman from Texas, for those valuable words and those observations. He has been strong and outspoken on this issue, and we appreciate his leadership here in the House for fiscal responsibility.

Mr. Speaker, I would now like to yield to my colleague, the gentleman from Oregon [Mr. Denny Smith] who I came to this Congress with back in 1981, who in a very short time recognized that the only way we were going to control our spending habits was to do something which is rather fair and equitable but that was very strong in its effort, and that was to freeze the Federal budget. I believe he started that idea some 3 years ago, and if we had followed his leadership at that time, we would not be struggling with a $200-billion deficit today.

But not only did he lead in that area of fiscal responsibility, he early on recognized the need for the tool, as our colleague from Pennsylvania said, the tool of a constitutional amendment to force this Congress to balance the budget, and became a cosponsor of House Joint Resolution 27 and a member of the CLUBB organization.

I yield to my colleague, the gentleman from Oregon [Mr. Denny Smith].

Mr. DENNY SMITH. I thank my colleague for yielding.

Mr. Speaker, I just cannot tell you how much thought goes into the past here, the past 5 years, and I have to thank the gentleman and the people of western Idaho who have sent him here and the opportunity to help provide that tool to the citizens and the taxpayers in this country.

I remember when we were campaigning 5 years ago as citizens of this country, the gentleman from Idaho and I in the western Oregon area, and 1980 is just a short period ago. When we got to the Congress in 1981, we were faced with one of the tough votes in early 1981 that I think those of us who came here to balance the budget had to face, and that was whether we were going to raise the national debt ceiling at that time to exceed the $1 trillion mark for the first time. I believe it was $980 billion at the time. I am proud to say that I voted against that, and I think that was a very good vote at that time. I still am proud of having done that, and especially when we look back on the fact that since 1981 the spending in the budget of this Congress and in these United States has gone from $660 billion a year to $1 trillion.

So I am proud to join with my colleague tonight in trying to bring more attention to the need to have a tool that will help us balance this budget.

When I travel around Oregon and around this country, too, people say to me, "Can we really balance the budget? Is it really possible for us to balance the budget?"

Then I will tell them, "Sure it is. You have to balance your budget. The State has to balance its budget. All the companies in this country have to balance their budgets."

Yet we cannot seem to balance the budget here. I had a telephone conversation about a week ago with one of my constituents, and he said, "Say, I have kind of a simple idea. Why do we not just cut 10 percent out of everything in this entire budget and get to a balanced budget?"

I said, "Well, I can go you one better than that. We can just freeze the budget. We can just start this process." And yet the media have talked a great deal about the fact that we have a $58-billion budget deficit cut. We did not cut anything. Having served on the Budget Committee for these last 9 months, I can say that the budget process is really dead. It is dead without that tool that the gentleman from Idaho [Mr. Craig] and those Members who have been here and have been talking about it this evening need, along with the rest of the Members in this body.

If we are going to have the ability and the courage to really straighten out the fiscal morass that the finances of the United States is in, we have got to have the balanced budget amendment.

The leadership of the gentleman from Idaho, and the Congressional Leaders United For a Balanced Budget has just been crucial. If we can get those other 2 States and force this constitutional convention, we will force the leadership in this body, this House of Representatives of the people of the United States, to act and bring forward on this floor the opportunity to debate and to get into the Constitution of the United States an opportunity for all of us in this body and all citizens to enjoy the balanced budget and what that would bring to us, which is financial sanity and a fiscal opportunity to straighten out the finances of this Nation and of the entire world.

So I congratulate my colleague, and I appreciate his taking this special order. I am glad to help him at any time in the future and stand ready and able and willing to vote with him.

Mr. CRAIG. I thank my colleague from Oregon for those statements, those kind words, and most assuredly his leadership in these areas. He has not only been a bulldog on the issue; he has been a watchdog in calling attention to the activities and the spending habits of this Congress when they clearly deserve to be called to the attention of the American people.

I just wish we had had the wisdom 3 years ago to follow his leadership in suggesting that then was the time to freeze the budget. I am convinced if we had done that then, we would not only be a long way toward bringing ourselves toward a balanced budget, but we would see the kind of economic resurgence in this country that would probably have unemployment down a couple of more points than it is now, and interest rates would be down a couple more points, and we would not be staggering under the weight of the deluge of products from all over the world as we become the world's warehouse of goods instead of the world's manufacturer of goods.

So I thank my colleague for his leadership, his wisdom, and especially his effort on the issue of the constitutional amendment to balance the budget.

Mr. Speaker, I would now like to yield to my colleague, the gentleman from North Carolina [Mr. Coble], once again a freshman in this body, who has been a leader on the issue not only here but in his own State early on when he came and joined the CLUBB organization, became a cosponsor of the balanced budget resolution, and has certainly served here for his constituents in North Carolina as a leader for fiscal responsibility.

Mr. COBLE. I thank my colleague, the gentleman from Idaho, and the gentleman from Texas who cosponsored this proposal with him. It is a long time coming and needs to be passed very imminently.

As the gentleman just implied, in 1979, as a sitting member of the North Carolina House of Representatives, I was one of the cosponsors of the resolution that urged the Congress to indeed adopt a balanced budget amendment. That was 6 years ago, before the balanced budget amendment revolution was in full force. I knew then it needed to be done. It needed to be done, it seemed to me, and I do not mean this critically, because the Members of this body simply lacked the discipline to do it voluntarily, and I believe if this bill is passed, I think it will not be a voluntary effort.

□ 1920

It will be a direction that has been given, and we will have no choice but to adhere to it.

I am an enthusiastic cosponsor of the gentleman's proposal. I hope that our other Members share the optimism the gentleman and I have concerning the fate of this legislation.

Let me say to the gentleman from Idaho [Mr. Craig] that I said some months ago to my colleagues on the floor, "When we come on the floor, you know, we must insert our respective cards into our voting machine, and that activates the machine." I said to some of my friends on the floor, "Sometime when your machine is activated, press the no button. We have a no button on our machines."

I do not mean this to sound negatively, but many Members on this floor are incapable of hitting the no button. The no button works. Try it, you might like it. I do not like to be "Congressman No," but that no button works, and until we are willing and disciplined to activate it, we are whistling in the dark. Join me in voting no occasionally when no is the right vote, and join me in supporting the gentleman from Idaho and our colleague, the gentleman from Texas, who cosponsors this with him, and let us get this bill rolling.

Mr. Speaker, I thank the gentleman for having yielded to me.

Mr. CRAIG. Mr. Speaker, I would like to thank my colleague, the gentleman from North Carolina, for the good sense he makes in his statement and in his support of the constitutional amendment to balance the Federal budget.

I find it so interesting, as I have the opportunity to speak in my district, across my State, and in other areas of the country, that the American people ask the simple question: "Why not? Why can't you do it? If you don't do it, what will ultimately happen to our country?"

What happens when the $2-trillion national debt becomes $3, and then $4, and then $5, and then it takes $200 billion to finance it on a regular basis? Do you simply walk away from the debt? Do you default? Do you say to those who bought the bonds of this country, who borrowed, or loaned the money to this country to operate, that we are going to walk away from our debt?

No, we cannot do that as a nation. We cannot invite world financial collapse by our fiscal irresponsibility. The American people understand that, but for some reason this body does not.

As the gentleman from North Carolin [Mr. Coble] knows, we struggle and we argue, and we find some good reason to support the budget that we support. We have 435 Members in this House, and there are hundreds of special-interest groups who will tell us privately in our offices that they agree with us that we have got to cut the spending, that we have got to bring the budget under control, but they ask, in their particular area, would we please fund them at an adequate level because theirs is unique and theirs is special?

That is, of course, one of the reasons why this body can no longer say no, because all of us have at least one special-interest group we find it pretty difficult to say no to, and then collectively we find it very difficult to say no to all of them. That has resulted in record deficits, and a record debt, and an economy that is now struggling to try to come alive and provide the sustenance and vitality that the men, and women, and young people in this country are asking for so they may have an opportunity and a job.

The constitutional amendment to balance the Federal budget and limit taxes is not absolute, as has been said by many of our colleagues here this evening, but it is a valuable tool in guiding and directing the Congress of the United States toward fiscal responsibility and providing the ultimate test by which their constituent can then judge them to see if they really do in Congress what they say they would like to do while they are back in their districts.

I thank my colleagues for joining with me in this special order tonight, and I urge my colleagues here in the House who are not now sponsors of House Joint Resolution 27 to join with us in this most critical issue at a most important time in our history.

Mr. Speaker, I yield back the balance of my time.

THE ISSUE OF DUTY-FREE ETHANOL IMPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Durbin] is recognized for 60 minutes.

GENERAL LEAVE

Mr. DURBIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 days within which to extend their remarks on the subject of my special order, and I also ask unanimous consent for permission to insert, during the course of my statement, certain written documents.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DURBIN. Mr. Speaker, I have taken this special order tonight relative to an issue that is very important to the Midwest and certainly one which is important to our Nation's economy and to the deficit which has been spoken to this evening by many Members.

The issue is relative to a decision made by the Department of the Treasury on August 26 relating to the import of Brazilian blended ethanol. This decision by our Treasury Department, as we will explain during the course of this special order, will have a significant negative impact on American farmers and farm families, on American workers, on the American Treasury, and ultimately on the security of our Nation as it relates to our energy independence.

I am glad to be joined in this effort relating to this issue by my colleagues: first, by the gentleman from Iowa, Congressman Jim Leach; the gentleman from North Dakota, Congressman Byron Dorgan; and the gentleman from South Dakota, Congressman Tom Daschle. Prior to making my remarks, I would like to yield to my three colleagues who have stayed with me this evening. First, I yield to my colleague from the other side of the aisle who has joined me from the beginning in this effort, the gentleman from Iowa [Mr. Leach], for the purpose of a statement.

Mr. LEACH of Iowa. Mr. Speaker, I thank the gentleman for yielding, and I would like to stress, as, I think, all Members of the House understand, that the gentleman from Illinois [Mr. Durbin] has led this issue of ethanol more than any other Member of the House and has in fact stood up for the interests of farmers on many issues as profoundly as any Member I know.

I would just like to make three brief observations this evening. One relates to the farm economy. We all understand that it is in difficulty. We also understand that one of the ways we deal with the issue is to seek out new markets for products. Ethanol has as much potential in the great Corn Belt as any other product.

I will be introducing certain legislation tomorrow which will be designed to establish a strategic ethanol reserve which will in effect have the same balance as the strategic petroleum reserve. In theory, however, it will be a reserve based on products that are grown in America, as contrasted to the strategic petroleum reserve, which is based on products which are produced abroad and which also are depletable.

The second point I would like to make relates to the fact that as we look at the whole issue of the farm economy, there are a lot of reasons for the problem. One is the mix of fiscal and monetary policy that has given us a highly valued dollar and high interest rates. In that mix, we in the Congress bear a good deal of responsibility, as does the Federal Reserve Board for administering a rather taut monetary policy for the last 4 or 5 years.

But with regard to the ethanol issue, there is a third aspect that relates to an administration that is of a classic State Department variety. I happen to believe that we have one of the most professional and competent State Departments in the world, but it is a State Department that is politically attuned and not economically attuned. It is a State Department that does not stand up for American economic interests in the same way and with the same degree of professionalism that it stands up for American political interests.

What we have in the ethanol issue is the advocacy of the U.S. Ambassador to Brazil on behalf of the Brazilian Government, in fact, in this case a Brazilian petroleum company that is state-owned and which has under its jurisdiction a strategic ethanol reserve and which also desires to sell ethanol in the United States of America. The American Ambassador requested over 1 year ago of the U.S. Government that we bend the law of the United States to allow ethanol to be imported from Brazil to America without certain tariff restrictions that existed. The American Ambassador also, in a communication formally to our Government, asked that our Government supply him a resident expert on tariff laws that would be able to advise the Brazilian Government on how to get around the tariff laws of the United States.

The arrogance of that request, coupled with the lack of judgment involved with trying to bend the law of the United States in such a way that the American economy is jeopardized, I think, underscores a problem with the U.S. State Department that ought to be well understood by this body. I will say that the Ambassador at issue—and I think it is important to understand this—is a professional career diplomat of distinguished record, excellent stature, and qualifications, and so as I view it, what is at stake is a bias and orientation within the Department of State, and this Congress has a responsibility to shed light on what is happening with Brazilian imports into this country.

□ 1930

Then, finally, let me just conclude by noting that if we think that something is rotten in the state of Denmark, as Shakespeare used to say, or rotten in the State of Washington, as is being reflected on issues of this nature, nothing reflects more on the lack of priorities in this country than the fact that the greatest agricultural country in the history of the world is today importing in the Farm Belt itself, oats from Sweden, hogs from Canada, and now the equivalent of corn or corn substitutes from Brazil right into the heartland. This can imply only one thing: that something systemically is wrong with Government, because the system we have of American agriculure is unrivaled in the world.

So somehow we have to start with a Washington perspective to serve the farmer as the farmer has served America.

With that as a basic orientation, let me suggest that the special order of the gentleman from Illinois is very well taken and I appreciate the gentleman's leadership on the issue.

Mr. DURBIN. I thank the gentleman from Iowa.

At this point I would like to yield to the gentleman from South Dakota [Mr. Daschle].

Mr. DASCHLE. Mr. Speaker, I thank the gentleman for yielding and I, too, want to commend him. No one in the House has taken this issue on with more determination or with more leadership than has the gentleman from Illinois. We all owe him a debt of gratitude for his persistence in pursuing this issue as doggedly as he has over the last several months.

I think we need to talk a little bit about why we are here.

Today's special order is an opportunity for those of us who have fought long and hard for development of a viable domestic fuel ethanol industry to turn the spotlight once again on what I perceive to be a very ill-advised administration decision which clearly stifles this important industry's tremendous potential. We are talking here about the August 26 Customs Service ruling which exempts certain marketers and traders from a congressionally mandated 60-cent duty on blended ethanol imports.

The United States has a growing ethanol industry. We know that. It is well documented. Over the past several years it has been competitive with foreign-government subsidized imported ethanol, largely due to a 60 cents per gallon import duty imposed by Congress in 1980. However, certain marketers and traders have increasingly sought to circumvent that duty, and I think the gentleman is going to be addressing that issue in much more depth at a later time.

Earlier this year, the U.S. Customs Service issued several letter rulings permitting Brazilian-made ethanol blended with the additive toluene to enter the United States duty free. Under pressure from farm-State Members of Congress, the Customs Service announced on August 2 that it would revoke the rulings and reinstitute the 60-cent duty on toluene-blended ethanol. It appeared the problem was solved until the Treasury Department issued a further ruling on August 26 which permits certain shipments of blended ethanol to enter the United States without the duty until November 1.

Well, that is the story so far.

This latest administration ruling places both the U.S. ethanol industry and American farmers in serious jeopardy, I might add at a very vulnerable time. It could allow up to 500 million gallons of imported ethanol to enter the country duty free. Nothing could be a more significant blow to our prospects of succeeding.

These imports are going to undercut the long-term potential of the industry and provide a short-term blow to the farm community at a time when the country faces a serious problem of agricultural surpluses.

Consider the costs of this decision: 200 million bushels of corn will not be converted into ethanol in the United States, in a year when the United States has a bumper crop of corn; a 200-million bushel surplus could drive down the price of corn 15 cents a bushel, according to the National Corn Growers; and $1.2 billion in farm income will be lost if those 200 million bushels are not converted into ethanol.

Most significant in terms of the deficit, the U.S. Treasury could lose up to $300 million it otherwise would have collected in import duties on the foreign-made ethanol.

As the cofounder of the congressional alcohol fuels caucus, I have been involved in the private sector/government partnership that has been so successful so far in building a substantial fuel ethanol industry in a relatively short period of time. Today, private sector investment of over $1 billion has built an industry that will process nearly 250 million bushels of corn—roughly the equivalent of our exports to the Soviet Union—into nearly 600 million gallons of ethanol. Moreover, in addition to providing a critically needed outlet for our productive farmers' grains, this industry is also producing the most environmentally acceptable alternative to lead as an octane enhancer in gasoline.

The Customs Service August 26 ruling places narrow special interests over the broader national interest in violation of the intent of Congress and without benefit of meaningful congressional review. Congress should not allow the administration to run roughsod over farmers and ethanol producers in order to benefit a few marketers and traders who stand to make substantial profits.

We must be committed to seeing this ill-conceived Customs Service decision reversed. A number of Members have already urged Treasury Secretary Baker under the leadership of the gentleman from Illinois to reverse the Customs Service's August 26 ruling and require the collection of import duty for all ethanol/toluene blend. I hope additional Members will join this effort and raise similar concerns with the Secretary.

In addition, I believe that we must look beyond this immediate challenge to the domestic fuel ethanol industry and take greater initiative implementing policies which will expand—not impede—the growth of the domestic ethanol industry. It is imperative that we succeed in the campaign we have begun to make the farmer not only a food, feed, and fiber producer, but also an energy producer.

Attainment of the National Corn Growers' goal of 1 billion bushels of corn into ethanol by 1990 is feasible, and we must take the innovative steps needed to insure that the industry's market opportunities are met. The EPA's decision to reduce lead in gasoline has created an incredible potential of an alcohol equivalent octane gap of 60 billion gallons over the next decade. It should be our objective to have every gallon of that gap filled by agriculturally derived, renewable ethanol. Hopefully, administration officials will learn from their mistakes in the toluene import incident and work with Congress to provide the meaningful short-term incentives which the domestic fuel ethanol industry needs to realize its full potential.

Mr. DURBIN. I thank my colleague from South Dakota who is also a member of the Agriculture Committee for his leadership on this issue and for his cooperation through the alcohol fuels caucus and the promotion of alcohol fuels over the years.

Mr. Speaker, at this point I yield to my colleague, the gentleman from North Dakota [Mr. Dorgan], a member of the Ways and Means Committee who has joined us in this effort.

Mr. DORGAN of North Dakota. I want to thank Congressman Durbin for this special order and the opportunity to speak on it.

I have felt for a long while that the ethanol industry is an industry of the future for the midwestern part of this country, the so-called Farm Belt. It seems to me that a country with energy problems and the need to move toward energy independence is a country that ought to look to a vast resource, notably kernels of corn that we grow in great abundance, barley, wheat and other agricultural products, as a source of energy. To take a kernel of corn and extract from that kernel the alcohol content, you still have left after you have achieved the alcohol, you still have left a protein feed stock; so using our vast agricultural surplus to extend our energy supplies makes good sense to me.

I would have preferred, for example, when we built this program called the PIC Program down at the Department of Agriculture that we would have instead built a network of ethanol alcohol plants across the Midwest that would be there for many, many years, using surplus agricultural products to extend our energy supplies in this country through the use of ethanol alcohol; but that was not the case. That was not done, and I think to the detriment of our agricultural community.

We are developing an ethanol industry in this country. We are doing it slowly. We would like to see much more rapid progress than currently exists, but still that industry is developing, with the help of Congress in many different ways. It will be in my judgment the industry of the future in the Farm Belt.

At the moment there are several threats. One is the loss of the tax exemption that exists, the 6-cent exemption that exists for ethanol.

The President says, "Let's get rid of that." Well that is going to be phased out in 1992 under present law. Plans have been made, facilities have been constructed based on that notion that we will phase out that exemption in 1992.

I would like to see us continue on that schedule to allow the ethanol industry to continue to build and to grow and by 1992 we will phase that exemption out and that industry will be self-sufficient and will be a major part, in my judgment, of the economic foundation of the Midwest.

Another threat that exists currently is the threat of imports, imports to the tune of 100 million, 200 million or perhaps more millions of gallons from Brazil.

I think the gentleman from Illinois and the gentleman from Iowa and others have adequately described what the difficulty is.

I find it absolutely amazing that the Ambassador would in letters be asking questions about how do we bend the rules here? How do we bend the law so that we can move in some ethanol alcohol into the American economy duty-free and with preferred status? How do we do that?

Well, you do not do that. The reason we established these kinds of things in the U.S. Congress and in our Customs Service is that we are trying to achieve a certain kind of public policy.

□ 1940

And we have an ambassador to another country saying how can I down in this country move some of the products from this country back into my home country and bend the law in order to get it done.

I will tell you what, I am baffled and puzzled by the behavior of the Ambassador.

Well, this past weekend I was at the caucus that was held at of the Ways and Means Committee on Saturday and Sunday. Attending that caucus was the Treasury Secretary, James Baker. I had a chance to visit with the Treasury Secretary about this issue and told him of my concern and your concern about these imports, and what it would do to a domestic industry. I mean, this has the potential of devastating an important growing industry in this country.

The Treasury Secretary said well, "all we are going to do at this point is maintain contract sanctity," and I accept that. I mean, I understand the need for contract sanctity. I'm sure the gentleman in the well, Mr. Durbin, coming from a State that is a major part of the Farm Belt, cares about contract sanctity. We have talked about it in many instances in many different ways, contract sanctity with respect to grain sales to the Soviets, contract sanctity so that we make certain that our trading partners understand that when we make an agreement to sell agricultural products to them, we are going to keep that agreement.

So I understand contract sanctity, and when the Secretary of the Treas-

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ury said, "look, we are going to insist on and maintain contract sanctity with respect to the Brazilian exports to the United States," I understood that.

And once I began looking into contract sanctity on Monday, and talking to the Customs Service, I understood that the way the Customs Service looks at this is that we have the threat of seeing 175 million gallons, roughly one-third of the domestic industry production for 1 year, flooding into this country in a very short time frame under their definition of some sort of contract sanctity.

So just a couple of hours ago, I sent something down to the Treasury Department, to Jim Baker, reiterating my concern, and remembering our conversation of this weekend about contract sanctity, and asking him to look into the Customs Service interpretation of what all of that means. Contract sanctity does not mean to me that some folks get together after an August 2 date and say, "well, we were going to make a sale here, and so let us exchange some papers, and create the sale, and we will rush in a bunch of ethanol alcohol under the limit of this Customs Service regulation and avoid some of the duty." I am hoping that the Treasury Secretary in the next few days will take a close look at that and will respond to my inquiry, and I am hopeful that the Treasury Secretary will assure us that contract sanctity means what we think it means; that is, if there were written contracts, binding contracts made in good faith prior to that August 2 date, we understand that. But we do not understand the threat of 175 million gallons being thrown in here under the loosest definition of contract sanctity that I have heard of for some long while.

So those are concerns. We have a plant in Walhalla, ND, that is up and operating and working well. It takes barley that we grow in great abundance, puts it in the front end of that plant and out the back end and you get two things. You get alcohol, ethanol alcohol, and you still have the protein feed content left. I just think it makes great sense to do that with an alcohol commodity that we cannot seem to sell overseas we produce so much of it.

We do a couple of important things. First, we provide new markets for farmers who are desperately searching for new markets, and second, we extend an energy supply we need to extend in this country.

I would like to say that the gentleman from Illinois [Mr. Durbin], has been the consistent leader on this issue in Congress, and I appreciate that. I am going to work on this issue very hard in the Ways and Means Committee on the tax exemption issue that I talked about earlier. I am working in a number of other ways, but I give credit to these few in Congress who understand and have the vision that this industry is critically important to American agriculture that is now in trouble, and this industry is very, very important, I think, to the energy future of the United States. If we have that kind of vision, and if we make the right decisions in the months ahead, we will, I think, see 10 years from now a strong and proud ethanol alcohol industry, and we will know we made the right decision to help that industry grow and be prosperous. I just appreciate the gentleman's special order.

Mr. DURBIN. I thank the gentleman from North Dakota.

As Congress returned this September to start the fall session, there were two major issues which we had to tackle. One was a farm bill, and we are moving with some progress on that front. The second was the issue of our trade relations with other nations around the world.

In my home State of Illinois, as I traveled about my district during the month of August, it was increasingly apparent that this was to be a year of a bumper crop. The fields have never looked better, corn and soybeans in every direction. The projections from the U.S. Department of Agriculture are that we are going to have a bumper crop of corn in the United States this year, over 8 billion bushels produced.

Can you think of what kind of welcome news that would be in other countries of the world where people starve to death for the lack of protein in their diet, all the pictures we have seen on television, but here in the United States where we should be welcoming the news of a bumper crop, many of us who live in farming areas are concerned, because a bumper crop at today's prices means that, unfortunately, prices may go down even more. And the farmers in my area of the country, and across the United States who are having a difficult time to survive look on a bumper crop as a mixed blessing, more production, but lower prices. So there is that concern.

And what we look to to make up the difference with this bumper crop is more demand, and naturally more exports. Forty percent of America's agricultural production is exported. So the more we can sell overseas, the better.

But also, we look for more domestic consumption, whether we are talking about Americans eating more dairy products or whether we are talking about the sale of ethanol in the United States. We are hoping to increase the demand for this bumper crop, this production, and in so doing increase the price and the return for the American farmers.

So I came back to Washington prepared to face the difficulties of the farm bill, in trying to take our scant resources because of our budget deficit, and apply it to a nationwide problem facing our farmers. But a few days before I returned, there was a decision, which we have referred to this evening, by the U.S. Department of the Treasury which affected not only the income that farmers could receive, but also affected the whole trade issue that is before Congress during this session. It revolves around the issue of production of ethanol, and as has been described this evening, we in the United States are blessed with a very productive domestic ethanol industry. I am proud to say that my home State of Illinois is considered the Saudi Arabia of ethanol. We produce 50 percent of all of the ethanol in the United States in my home State, within only a few miles of my home.

The significance of this industry has been stated. Some 600 million gallons of ethanol is produced each year and some 250 million bushels of corn converted into this product, and in the process, we create more demand for our products to raise our price, to help our farmers survive. And something else, we move closer to the day that we all hope for of energy independence. We do not depend on importing grain to produce ethanol. We have got it and plenty of it. And the more we can do to produce this ethanol, the better we are as a nation.

As has been mentioned, the decision by the Department of Energy to phase out the use of lead as an additive in our gasoline that we use in our automoblies creates a unique opportunity for our farm community and for the ethanol industry, because, ladies and gentlemen, we can move to the use of ethanol as an octane additive to replace lead, and in so doing help our farmers, rely on a domestic supply, and have in ethanol an environmentally safe product, all three together.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I will be happy to yield to my colleague from Arkansas.

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman from Illinois for yielding. I compliment the gentleman's leadership in the field of attempting to discover an alternative fuel to a diminishing supply of petroleum energy throughout the world. Just in a short time that the gentleman has been here, he has recognized this national need, this preeminent national concern of discovering an alternative fuel to the declining supply of petroleum energy.

I am advised that it is virtually unanimous among all energy-knowledgeable people that the current, that the known supply of petroleum energy has been reduced by 50 percent during the last 100 years, and that during the next 50 years, maybe even as soon as

the next 30 years, the remaining known supply of petroleum products, petroleum supply will be depleted.

☐ 1950

There is a commanding need in our society today to discover an alternative to petroleum. As the gentleman from Illinois has pointed out, it will do three immediate things for our Nation, in addition to making a supply of energy available.

One, it will clean up our environment. Brazil, since 1980, has reduced the poison, the lead poisoning, in its atmosphere by 75 percent, in only 5 years.

Two, alcohol fuels will reduce our dependence upon foreign oil. Last year the United States spent $57.3 billion for its imported oil bill.

That happens to represent more than one-third of our trade deficit which is plaguing our Nation.

Finally, to revert, to change to an alcohol fuel supply will provide a market for our farm products which will bring wealth to the farm community and provide to it the infusion of economic vitality that is so lacking today.

I comment the gentleman for his leadership.

You know, the subject of alcohol fuel has been well known to modern civilization for about 50 years. I recently obtained a book from the Library of Congress, just yesterday in fact, entitled "Energy Beckons" by Hale, the author. The subject of this book is that opportunity beckons for the American people to seize alcohol fuels as an alternative to petroleum energy that will provide us with new energy as well as new income in our society.

Mr. Speaker, I thank the gentleman from taking this special order this evening, and I commend him for his leadership.

Mr. DURBIN. I thank the gentleman from Arkansas.

As I mentioned in my remarks earlier, returning to Washington, I found that there has been a curious current toward the end of August, where the U.S. Department of the Treasury made a ruling, a significant ruling, one that affects not only the importation of Brazilian ethanol but affects farm income in America.

I have taken it upon myself to investigate the nature and the history of this ruling, and I would like to share it this evening and make it part of our Congressional Record.

It begins with a letter dated July 5, 1984, which I will submit at this point for inclusion in the Congressional Record. I would like to quote from it.

First let me tell you it is a letter from the U.S. Ambassador to Brazil, a gentleman by the name of Diego C. Asencio. This letter from our Ambassador in Brazil to the U.S. Customs Service, a little over a year ago, contains some interesting information. It was addressed to William Von Raab, Commissioner of the U.S. Customs Service, who still holds that position today. Let me read portions of this letter which I think are significant:

Embassy of the
United States of America,
Brasilia, Brazil, July 5, 1984.

Hon. William Von Rabb,
Commissioner, U.S. Customs Service,
Washington, DC.

Dear Commissioner: Recently my Senior Commercial Officer, Mr. Emilio Iodice, and I met with Shegeaki Ueki, the president of the Brazilian state petroleum company Petrobras. Among the subjects we discussed was the tariff treatment of Brazilian anhydrous alcohol exported to the U.S.

Because of the lack of foreign exchange due to growing debt service requirements, Brazil has become a world leader in the substitution of fuel alcohol for gasoline in automobiles. Unfortunately (from Brazil's perspective), the very high U.S. tariffs on alcohol have greatly limited exports of Brazilian alcohol to the U.S.

As you can see from Mr. Ueki's note, Petrobras is interested in obtaining a favorable tariff ruling on the importation of anhydrous alcohol that is pre-blended with additives such as MTBE, BTX and others. According to Mr. Ueki, this product would be used as an additive to gasoline. What the Brazilians are interested in is finding some formula to export a product of alcohol, but which is different enough to qualify for a lower tariff rate.

In view of the bad news they are about to get alcohol in the Congress and from the States of California and Florida, a positive response on this subject would elicit a most positive reaction on the part of the Brazilians. It would serve somewhat to mitigate what has been considered here a growing protectionism stance on our part.

I realize that you do not normally involve yourself in details like this, but I would appreciate your help in seeing that Mr. Ueki's letter gets to the right office in Customs. After the ruling is made, I would be happy to transmit it to Mr. Ueki.

This is an example of the guidance that a future Customs Attache could provide to the Embassy.

With best wishes,
Sincerely,

Diego C. Asencio,
Ambassador.

Mr. Speaker, here in this letter we have the beginning of a chain of events which finally culminated on August 26, a little over a year later, in a ruling by the U.S. Department of the Treasury, and I will describe to you the impact of that ruling.

But it must be remembered as we begin this discussion this evening that it started with a letter from our Ambassador asking our Customs Service to find ways for the Brazilians to avoid paying duty on ethanol they would ship to the United States of America.

This letter, of course, was sent to the Customs Service. Within a few days it was reported that there were Brazilian exporters of ethanol who were looking to mix their ethanol with some blend of additive, whatever it might be, to avoid paying the duty.

By September 12 of that year, the chief of the Classification Branch of the U.S. Customs Service, a Mr. Schifflin allowed this blended ethanol to come in in a duty-free status into the United States. Some 3 or 4 months later, the Treasury Department gave to our Ambassador what he requested, a means for Brazilians to ship ethanol into the United States without paying the duty.

Subsequently, through January and through the month of June in 1985, letter rulings were given to Brazilian exporters to send their products to the United States duty-free. What does it mean to send it in duty-free? Is it significant? Let me tell you how significant it is. The Brazilian ethanol industry is a state industry and heavily subsidized. They are able to produce ethanol at a much lower price than the United States because their government subsidizes their industry. Our duty is 60 cents a gallon to bring the price of their product as it comes into the United States at least at a level equal to the cost of production in the United States so as to keep our industry strong and to make up for their State subsidy. Now, if they can send in their ethanol duty-free, they stand to gain a profit of at least 60 cents a gallon on each gallon they send to the United States, a handsome profit for the exporters.

Let me tell you, the tankerships that are coming in have a capacity of between 8 and 15 million gallons. What it means is that an exporter who can get a letter ruling from the Department of the Treasury can make anywhere from $4.8 to $9 million every time a ship comes in, a very lucrative profit to be made. These letter rulings were made, consistently made. Those of us in Congress who felt they were inconsistent with our law in the United States requiring a duty started to protest. By August 1985, the U.S. Customs Service admitted they had made a mistake, almost a year after the first ruling they said that, "we are wrong, we should not have let that blended ethanol in, to come duty-free." Imagine the impact that has had already. They said on August 2 that they made a mistake. A lot of us breathed a sigh of relief, felt that we had won the battle. We went back to our districts for the August break to tell the farmers that the domestic ethanol industry has a chance, that we had won that battle. We were all very pleased with that result.

Then the other shoe dropped.

On August 26, the Secretary of the Treasury, Mr. Baker, announced that because some companies had made corporate decisions in reliance on the earlier ruling which had been viewed as an incorrect ruling, but in reliance on that ruling that he was going to open up again the possibility for Brazilian exporters who had signed contracts before August 2 of this year to ship to the United States duty-free. Therein lies the problem and the reason that we have met here this evening.

□ 2000

Because the impact of this decision is one which touches every single American citizen. Prior to Secretary Baker extending until November 2 the opportunity for the Brazilians to export, duty-free, our Secretary of Agriculture, a member of the same cabinet as Secretary Baker, sent him a letter urging him not to open the market.

Unfortunately, on August 26, Secretary Baker made that decision, and our subsequent investigation has disclosed that the Brazilians are now in a position where they can export up to 500 million gallons of ethanol, blended ethanol, into the United States duty-free before November 1, 500 million gallons. Almost 1 year's production of America's domestic ethanol industry can come in duty-free in 60 days.

What does it mean? The significance is the fact that we will lose first $300 million we could have collected in duties. You heard the special order before; the concern about the budget deficit. Ladies and gentlemen, as we were in our districts during our work period, the Treasury Department made a decision that could deny the U.S. Treasury $300 million that could be applied to reduce our deficit or to spend on worthwhile programs to help American citizens.

This was not a decision which was made by Congress; it was a decision made by the administration, an administration that has said from the beginning they are committed to reducing Federal spending. They cost us $300 million; up to that amount, with that decision.

So what happens if we import 500 million gallons of ethanol? We will at least take 200 million bushels of American corn off the market that otherwise would have been used for the production of ethanol. When you take 200 million bushels of corn off the market that is not being produced into ethanol, what does it do to the price of corn? It lowers it, and the national corn growers tell us that it lowers it by 15 cents a bushel, or a net loss to American farmers of $1.2 billion in income by this decision by our Treasury; $1.2 billion lost farm income.

The Treasury has lost $300 million; the farmers of America have lost $1.2 billion; there are a lot of smiling faces among Brazilian exporters, making millions of dollars for every tanker that they bring in duty-free, and now what will happen to the 200 million bushels of corn? Our Government will have to buy it. We will have to buy the corn that could have been produced into ethanol at an expense to our Treasury, a significant expense, for the purchase and storage of the surplus of corn which we already have.

As we debate the farm bill, we are trying to find ways to reduce Government spending on farming, while the Department of the Treasury has found a way of increasing the cost of our farm programs.

Several colleagues have joined me in asking for an investigation of this situation. We want to know who the people are and the companies are who will profit from this decision. We would like to know what motivated the administration and the Department of the Treasury to make this decision at a time when it clearly hurts American citizens across the country; in particular our farmers.

It hurts the people working in the domestic ethanol industry, and I will confess that I stand before you today with a parochial interest; I represent Decatur, IL, a town that has been hard hit by this recession; a town of high unemployment; a town that is trying to come back, and one of our major industries is ethanol; and this decision by my Government and your Government may easily cost us jobs in Decatur, IL.

Certainly people will go to work in Brazil to produce the ethanol, but they will do it at the expense of American citizens.

I have asked for an investigation because it is clear to me that the Department of the Treasury has violated our clear statutory intent to charge the 60 cents duty. It is also clear to me that when they opened it up for 90 days, they frankly opened the door to whatever the Brazilians want to send to this country.

I would also like to have it clarified as to what is the role of the U.S. Ambassador to Brazil? If he represents our country, why is he looking for ways to take money out of our Treasury? Why is he fighting for the Brazilians instead of fighting for the American citizens and companies that are affected by this decision?

Therein lies the real concern. Is this administration serving the American people, the American farmer, and the American worker? Are they truly concerned about trade issues, when on one hand the President of the United States says that he is going to take punitive action against Brazil because they will not allow us to send American computers in, and yet on the other hand reaches a decision which takes so many American jobs away, to the benefit of the Brazilians.

My colleague from North Dakota [Mr. Dorgan] said earlier that the Secretary of the Treasury reminded him of contract sanctity; and those of us from farming areas are certainly sensitive to that particular element.

Contract sanctity basically says you are going to keep your word, if you enter into a contract, you are going to follow through, whether it is the United States selling grain abroad, or wherever it might be, and I suppose the Treasury Secretary is saying that if the Brazilian exporters entered into a contract to send ethanol to the United States that we should be in some way cognizant of the fact that that contract exists and respect it.

But there is another sanctity here; there is the sanctity of the law, the sanctity of the law in the United States that imposes this duty, and I wonder if the decision of the Department of the Treasury violates that sanctity.

I wonder, too, if this administration, in making this decision, has considered the impact on Decatur, IL, on Pekin, IL, on the people across this country.

We face many tough decisions in the trade area. We face many tough decisions when it comes to farming. The American farmers can never cope with the weather if the conditions go bad; they cannot control it. They can hardly cope with foreign policy and wars overseas and how it affects the demands for their product.

But little did we know in the farming areas of America that we would have to do battle with our own Government to help farm income in the United States. This battle will continue; in requesting an investigation from the House Ways and Means Committee, in also asking my colleagues to join me, in letters to Secretary Baker concerning this decision; in letters to Secretary Shultz concerning our Ambassador.

We have just begun to fight on this battle, and it is one that we have to continue for the benefit of our farmers and the people working in the ethanol industry across the United States.

Mrs. SMITH of Nebraska. Mr. Speaker, I wish to thank the gentlemen from Iowa and Illinois, Mr. Leach and Mr. Durbin, for their leadership on the important issue of grain ethanol production and use in the United States. I want to particularly commend them for arranging this forum to specifically discuss the issue of Brazilian ethanol imports.

Many of the facts regarding this situation have already been presented. The delay in imposing the 60-cent-per-gallon duty on Brazilian blended ethanol imports could clearly cause a major disruption in domestic ethanol production, further contributing to the excess supply of corn in this country. It is estimated that the price of corn may drop by 15 cents per bushel as a result of this inordinate delay.

Let's contemplate the economic consequences of such an action. Not even considering the effect of this action on the prices of other commodities, the 15-cent price reduction will reduce the value of our oncoming record corn crop by $1¼ billion. The U.S. Treasury could lose as much as $300 million in foregone import duties on the foreign-made ethanol. Undoubtedly, more Federal outlays will be incurred to stockpile the estimated 200 million bushels of corn that will need to be warehoused, because they will not be used in ethanol production.

We are all aware that our colleagues on the Agriculture Committee have approved their version of the 1985 farm bill. We also are aware that one of the biggest struggles in the committee debate was to contain budgetary costs, while enhancing export competitiveness and protecting farmer income. It appears that the current version of the bill at least makes a substantial effort in this direction.

In view of the tight budgetary constraints faced by our Agriculture Committee colleagues and the worst economic circumstances that our farmers have faced in half a century, it only makes sense that these imports, which basically subvert the congressional intent behind our ethanol import duties, be subjected to these duties as soon as possible. I join my colleagues in calling for immediate action to place the full 60-cent-per-gallon duty on all imported ethanol, whether blended or not.

Mr. PENNY. Mr. Speaker, I rise in support of these efforts, and to state again my full support for the American ethanol industry.

As we well know, all of agriculture is at a critical juncture. Export markets are shrinking while production potential continues to expand. In recognition of this reality, efforts are underway in my district to develop new markets to make greater use of our abundant corn harvests, and to do so right here at home. Corn growers in Minnesota have taken the lead in promoting the use of ethanol in gasoline since the 1970's. By working together with the State and Federal Government, they have successfully built a market where none existed before.

I believe a great opportunity exists to further expand on their efforts with the phase-down in lead ordered by the Environmental Protection Agency. I would hope our Government would do everything in its power to continue to expand the market for renewable fuels.

Some inside and out of the U.S. Government have suggested it would be good to allow Brazil to use ethanol sales for servicing its growing international debt. To those so concerned, I hope they will show an equal concern for our efforts in the House to help U.S. farmers obtain markets and a price to meet their debt. One way to do that will be to expand production of ethanol here at home.

Mr. LIGHTFOOT. Mr. Speaker, I would like to call my colleagues' attention to action being taken by the U.S. Customs Service and the Treasury Department that could have disastrous effects on the American farmer, the American ethanol industry, and on the United States' efforts to become independent of foreign energy sources.

In 1980, Congress imposed a duty on ethyl alcohol imports to promote the development of the domestic ethyl alcohol industry and reduce American dependency on imported petroleum. The U.S. Customs Service, in its discretion, determined that ethyl alcohol blends containing less than 60 percent ethyl alcohol would be exempt from the import duty.

Most recently, the U.S. Customs Service and the Treasury Department announced a decision exempting certain marketers and traders from the Custom Service's earlier decision to impose a 60-cent duty on blended ethanol imports. Under this decision, certain marketers and traders of blends of ethyl alcohol containing up to 97 percent foreign ethyl alcohol are exempted from the import duty.

This is a clear violation of the intent of Congress in the 1980 law. After our experience with the OPEC oil embargo, Congress saw the need to develop our domestic energy industry to lessen our dependence on foreign energy sources. The ethyl alcohol industry is well on its way toward becoming a major domestically produced source of energy. If we go forward with the Custom Service's decision, we can write off the past 5 years of work in becoming energy independent and say goodbye to the U.S. ethyl alcohol industry. It is a step backward, and it places the United States in a position where it is more vulnerable to those nations who control world energy supplies.

Perhaps more important in light of the current crisis in the agriculture economy is the effects this decision would have on the commodity market and farm income. It could allow up to 500 million gallons of imported ethyl alcohol into the United States duty free. This would mean that 200 million bushels of corn would not be converted into ethanol in the United States, in a year when the United States has a bumper crop of corn.

Adding 200 million bushels of corn to the U.S. market could drive down the price of corn 15 cents a bushel, according to the National Corn Growers Association. A direct result of that drop in the price of corn would be a $1.2 billion drop in American farm income, during a time when the American farmer is operating with an overhead that is already higher than the return he is able to realize.

We are also faced with an immense Federal deficit. As a result of this decision by the U.S. Customs Service, the Treasury will lose $300 million in import duties on the foreign-made ethanol. That is not to mention the added expense of purchasing and storing the surplus corn.

Furthermore, ethyl alcohol is an important part of our efforts to clean up the air we breathe. It serves as a lead-free gasoline substitute which will help move us toward our national goal of removing tetraethyl lead from gasoline. The demand for ethyl alcohol is sure to increase as the Environmental Protection Agency continues to implement its lead phaseout plan, so why not keep our domestic industry on its feet long enough to become suppliers for this new demand?

Mr. Speaker, for these reasons I believe the U.S. Customs Service should reconsider its decision on this matter. This is simply not the right time to be placing more burdens on the American farmer, the American ethanol industry, or the Federal deficit for the purpose of promoting foreign industries.

Mr. WEBER. Mr. Speaker, I strongly object to the August 26 decision to exempt ethanol imports from the duty Congress imposed in 1980. This is another bleak example of how the administration victimizes farmers with a policy that is shortsighted and contradictory.

The ethanol industry has great potential to help us deal with the problems of huge commodity surpluses. Even with the current oil glut, ethanol is a competitive product in the energy market. As the EPA moves to phase out lead in gasoline, ethanol's role as an octane booster in fuel will become even more important. Ethanol can play a key role in the future of both our agriculture and energy industries.

Ethanol is a fledgling industry, however, and the one thing that can surely ruin it is an inconsistent Federal policy. Businesses can't survive when the rules of the game are constantly being changed. We have an ethanol plant in the district I represent, and from talking with the people at that plant, I know that they need a Federal policy they can count on if their business is going to survive.

This decision is the most recent example of a contradictory Federal farm policy that has been disastrous for rural America. The Government told farmers to plant fencepost to fencepost and then cut off their markets with embargoes. They've laid the groundwork to develop a domestic ethanol industry, and now they're helping foreign countries deal a crippling blow to that industry. It's time the administration united behind a coherent and farsighted policy that the agricultural economy can depend upon. The duty on ethanol must be reimposed immediately.

Mr. VOLKMER. Mr. Speaker, I want to commend the gentleman for taking the time to bring this vital issue to the floor of the House. Many farmers in my district will be adversely affected by this policy. They, as well as I, are glad to see that there are others in this body who will speak up for farmers * * * America's backbone. And, as we in this body know, the strength of that backbone is being severely tested with this policy and many others embraced by this administration.

This unwarranted policy on ethanol places thousands of corn farmers in my district and throughout the Midwest in financial jeopardy. And why? So that a few marketers and traders can make millions on foreign-made ethanol. The farmers in my district have suffered enough under this administration without piling on this insensitive policy.

Just look at the numbers: 200 million bushels of corn will not be converted into

ethanol in this country under this policy; the price of corn will drop 15 cents a bushel under this policy; $1.2 billion in farm income will be lost under this policy; and the U.S. Treasury will lose $300 million it otherwise would have collected in import duties.

The farmers in the Ninth District of Missouri can't afford 15 cents less for a bushel of corn; my farmers can't afford fewer sales. And why should they, especially at the benefit to imports.

This is bad policy. The administration has made another mistake and those to suffer will be the farmers of America.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Pursell (at the request of Mr. Michel), on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Stratton, today for 5 minutes.

(The following Members (at the request of Mr. Durbin) to revise and extend their remarks and include extraneous material:)

Mr. Hayes, for 5 minutes, today.

Mr. Smith, of Iowa, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Derrick, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Roth, following the vote on rollcall 298, in the Committee of the Whole, today.

Mr. Bereuter, on H.R. 3244, in the Committee of the Whole, today.

(The following Members (at the request of Mr. Boulter) and to include extraneous matter:)

Mr. Dornan of California.
Mr. Vander Jagt.
Mr. Weber.
Mr. Lagomarsino.
Mrs. Johnson.
Mr. Roth.
Mr. Eckert of New York.
Mr. Gunderson.
Mr. Broyhill.
Mr. Moorhead.
Mr. Bilirakis.
Mr. Craig.
Mr. McGrath.
Mr. Lungren.
Mr. Shumway.
Mr. Rudd.
Mrs. Martin of Illinois.
Mr. McKernan.
Mr. Lewis of Florida.
Mr. Moore.
Mr. Lightfoot.

(The following Members (at the request of Mr. Durbin) and to include extraneous matter:)

Mr. Skelton.
Ms. Kaptur.
Mr. Gaydos.
Mr. Yatron.
Mr. Torres in two instances.
Mr. Jones of North Carolina.
Mr. Feighan in three instances.
Mr. Bates.
Ms. Oakar in three instances.
Mr. Matsui.
Mr. Frank.
Mr. Bonker.
Mr. Leland.
Mr. Fascell in two instances.
Mr. Florio.
Mr. Smith of Florida.
Mr. Kildee.
Mr. Studds.
Mr. Dingell.
Mrs. Kennelly.
Mr. Dellums in two instances.
Mr. Torricelli.
Mr. Stark.
Mr. Mrazek.
Mr. Mineta.
Mr. Ford of Michigan.
Mrs. Schroeder.
Mr. Hubbard.
Mr. Ortiz.

ADJOURNMENT

Mr. DURBIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 6 minutes p.m.), the House adjourned until tomorrow, Thursday, September 12, 1985, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amended reports of various House committees and delegations traveling under authorizations from the Speaker concerning the foreign currencies and U.S. dollars utilized by them during the fourth quarter of calendar year 1984, and the first and second quarters of calendar year 1985 in connection with foreign travel pursuant to Public Law 95-384.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Delegation to the Far East, November 8–21, 1984:											
Delegation expenses	11/13	11/16	Korea						2,487.09		2,487.09
	11/19	11/21	Japan						48.43		48.43
Delegation to Central America, December 7–11, 1984:											
Delegation expenses	12/2	12/5	[illegible]						41.88		41.88
Committee total									2,577.40		2,577.40

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, July 31, 1985

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1985

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1985—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to United Kingdom, Egypt, Kenya, Feb. 7–18, 1985:											
Aspin, Cong. Les	2/10	2/12	Egypt		180.00				12.02		192.02
Committee total					180.00				12.02		192.02

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, July 31, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Ron Coleman	5/25	5/28	Brazil		220.25						220.25
	5/28	5/30	Argentina		273.00						273.00
Transportation (DOD)							3,927.00				3,927.00
Hon. Norman Dicks	5/29	5/31	France		196.00						196.00
	5/31	6/1	Switzerland		76.00						[illegible]
	6/1	6/3	France		294.00		934.51				1,228.51
Transportation (DOD)							2,021.76				2,021.76
Hon. Steny Hoyer	4/8	4/9	Greece		75.00						75.00
	4/9	4/11	Egypt		174.00						174.00
	4/11	4/12	Jordan		85.00						85.00
	4/12	4/13	Syria		97.00						97.00
	4/13	4/15	Israel		266.00						266.00
	4/15	4/16	England		105.00		[3] 4,723.00				4,828.00
Hon. Bill Lowery	5/25	5/27	Sweden		320.00				101.03		421.03
	5/27	5/29	West Germany		150.00						150.00
	5/29	6/4	France		714.00				175.71		889.71
Transportation (DOD)							2,611.81				2,611.81
Hon. Joseph McDade	5/30	6/3	France		344.00		3,827.00				4,171.00
Hon. Matthew McHugh	4/8	4/9	Greece		75.00						75.00
	4/9	4/11	Egypt		174.00						174.00
	4/11	4/12	Jordan		85.00						85.00
	4/12	4/13	Syria		97.00						97.00
	4/13	4/15	Israel		266.00						266.00
	4/15	4/16	England		105.00		[3] 4,723.00				4,828.00
Hon. Robert Mrazek	4/8	4/9	Greece		75.00						75.00
	4/9	4/11	Egypt		174.00						174.00
	4/11	4/12	Jordan		85.00						85.00
	4/12	4/13	Syria		97.00						97.00
	4/13	4/15	Israel		266.00						266.00
	4/15	4/16	England		105.00		[3] 4,723.00				4,828.00
Hon. David Obey	4/8	4/9	Greece		75.00						75.00
	4/9	4/11	Egypt		174.00						174.00
	4/11	4/12	Jordan		85.00						85.00
	4/12	4/13	Syria		97.00						97.00
	4/13	4/15	Israel		266.00						[illegible]
	4/15	4/16	England		105.00		[3] 4,723.00				[illegible]
Hon. [illegible]	4/5	4/5	[illegible]								
	4/5	4/7	Venezuela		150.00						150.00
	4/7	4/8	Equador		107.00						107.00
	4/8	4/10	Panama		178.00						178.00
	4/10	4/10	Costa Rica								
	4/10	4/12	Honduras		192.00						192.00
	4/12	4/12	El Salvador								
	4/12	4/12	[illegible]								
Transportation (DOD)							1,737.72				1,737.72
Hon. Eldon Rudd	5/31	6/1	France		184.00						184.00
	6/1	6/2	Germany		75.00						75.00
	6/2	6/3	France		98.00		3,101.00				3,199.00
Transportation (DOD)							2,021.76				2,021.76
Hon. [illegible]	4/8	4/9	Greece		75.00						75.00
	4/9	4/11	Egypt		174.00						174.00
	4/11	4/12	Jordan		85.00						85.00
	4/12	4/13	Syria		97.00						97.00
	4/13	4/15	Israel		266.00						266.00
	4/15	4/16	England		105.00		[3] 4,723.00				4,828.00
Hon. Charles Wilson	5/26	5/30	Morocco		300.00						300.00
	5/30	6/1	Italy		212.00						212.00
	6/1	6/7	France		588.00						588.00
	[illegible]	6/11	Germany		300.00		[4] 5,360.00		355.00		6,015.00
George Allen	4/5	4/8	Saudi Arabia		486.00						486.00
	4/8	4/10	Jordan		170.00						170.00
	4/10	4/13	Egypt		261.00		4,867.00				5,128.00
	5/24	5/28	Germany		300.00						300.00
	5/28	5/30	United Kingdom		193.00						193.00
	5/30	6/3	France		344.00		3,827.00				4,171.00
Robert V. Davis	5/26	5/30	Morocco		225.00						225.00
	5/30	6/1	Italy		212.00						212.00
	6/1	6/6	France		490.00						[illegible]
	6/6	6/8	Switzerland		172.00		4,606.00		131.00		4,909.00
Paul Magliocchetti	6/2	6/6	France		392.00				15.18		407.18
	6/6	6/8	Switzerland		172.00		4,339.00		45.05		4,556.05
William [illegible]	5/30	6/1	France		270.00						270.00
	6/1	6/2	Germany		75.00						75.00
	6/2	6/3	France		98.00		3,101.00				3,199.00
Terry Peel	4/8	4/9	Greece		75.00						75.00
	4/9	4/11	Egypt		174.00						174.00
	4/11	4/12	Jordan		85.00						85.00
	4/12	4/13	Syria		97.00						97.00
	4/14	4/15	Israel		266.00						[illegible]
	4/15	4/16	England		105.00		[3] 4,723.00				4,828.00
William Schuerch	4/8	4/9	Greece		75.00						75.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	4/9	4/11	Egypt		174.00						174.00
	4/11	4/12	Jordan		85.00						85.00
	4/12	4/13	Syria		97.00						97.00
	4/13	4/15	Israel		266.00						266.00
	4/15	4/16	England		105.00		[3]4,723.00				4,828.00
Committee total					14,445.25		79,343.56		822.97		94,611.78
Investigations staff:											
Albert L. Hines	4/7	4/16	Germany		675.00		2,163.18		40.64		2,878.82
	4/16	4/17	Italy		75.00						75.00
	4/17	4/20	Spain		243.75						243.75
Roy T. Mason	4/7	4/16	Germany		675.00		2,081.70		18.80		2,775.50
	4/16	4/17	Italy		75.00						75.00
	4/17	4/20	Spain		243.75						243.75
A.M. Statham	4/8	4/23	Germany		1,143.75		2,329.00		40.52		3,513.27
	4/23	4/25	England		210.00						210.00
Joseph A. Vignali	4/8	4/23	Germany		1,143.75		2,329.00		16.32		3,489.07
	4/23	4/25	England		210.00						210.00
Committee total					4,695.00		8,902.88		116.28		13,714.16

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] DOD transportation. Cost shown is comparable first-class commercial rate.

[4] Comprises both commercial and military transportation.

JAMIE WHITTEN, Chairman, Aug. 31, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Delegation to Central America, Apr. 5–12, 1985:											
Montgomery, Cong. G.V. (Sonny)	4/5	4/5	Panama								
	4/5	4/7	Venezuela		150.00						150.00
	4/7	4/8	Equador		107.00						107.00
	4/8	4/10	Panama		178.00						178.00
	4/10	4/10	Costa Rica								
	4/10	4/12	Honduras		192.00						192.00
	4/12	4/12	El Salvador								
	4/12	4/12	Belize								
Transportation: Department of the Army							1,737.72				1,737.72
Spence, Cong. Floyd	4/5	4/5	Panama								
	4/5	4/7	Venezuela		150.00						150.00
	4/7	4/8	Equador		107.00						107.00
	4/8	4/10	Panama		178.00						178.00
	4/10	4/10	Costa Rica								
	4/10	4/12	Honduras		192.00						192.00
	4/12	4/12	El Salvador								
	4/12	4/12	Belize								
Transportation: Department of the Army							1,627.17				1,627.17
Stump, Cong. Bob	4/5	4/5	Panama								
	4/5	4/7	Venezuela		150.00						150.00
	4/7	4/8	Equador		107.00						107.00
	4/8	4/9	Panama		178.00						178.00
Refund to U.S. Treasury for 1 day per diem in Panama.					(89.00)						(89.00)
Transportation: Department of the Army							1,140.92				1,140.92
Commercial transportation							876.00				876.00
Lee, Deborah R.	4/5	4/5	Panama								
	4/5	4/7	Venezuela		150.00						150.00
	4/7	4/8	Equador		107.00						107.00
	4/8	4/10	Panama		178.00						178.00
	4/10	1/10	Costa Rica								
	4/10	1/12	Honduras		192.00						192.00
	4/12	4/12	El Salvador								
	4/12	4/12	Belize								
Transportation: Department of the Army							1,737.72				1,737.72
Visit to Central America, Apr. 6–12, 1985:											
Skelton, Cong. Ike	4/6	4/9	Panama		267.00						267.00
	4/9	4/10	Managua		98.00						98.00
	4/10	4/12	El Salvador		300.00						300.00
Transportation: Department of the Army							5,733.33				5,733.33
Helton, Edward J.	4/6	4/9	Panama		267.00						267.00
	4/9	4/10	Managua		98.00						98.00
	4/10	4/12	El Salvador		300.00						300.00
Transportation: Department of the Army							6,647.08				6,647.08
Visit to Federal Republic of Germany and Switzerland, Apr. 6–13, 1985											
Hillis, Cong. Elwood H. (Bud)	4/7	4/11	FRG		525.00						525.00
	4/11	4/12	Switzerland						224.21		224.21
	4/12	4/13	FRG								
Commercial transportation							1,931.00				1,931.00
Visit to Federal Republic of Germany and United Kingdom, Apr. 7–13, 1985:											
Dellums, Cong. Ronald V.	4/7	4/11	FRG		220.65						220.65
Commercial transportation							2,714.11				2,714.11
Moore, Nina B.	4/7	4/11	FRG		221.03						524.81
	4/11	4/13	United Kingdom		303.78		2,423.99				2,423.99
Commercial transportation											
Elrod, Marilyn A.	4/7	4/11	FRG		253.54						549.94
	4/11	4/13	United Kingdom		[illegible]		2,423.99				2,423.99

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Commercial transportation											
Staff visit to Greece, Apr. 8–12, 1985:											
Lally, John F.	4/8	4/12	Greece		499.83						499.83
Commercial transportation							1,282.00				1,282.00
Preston, Colleen A.	4/8	4/12	Greece		499.83						499.83
Commercial transportation							1,282.00				1,282.00
Fleshman, William T., Jr.	4/8	4/12	Greece		499.83						499.83
Commercial transportation							1,282.00				1,282.00
Cavaiola, Lawrence J.	4/8	4/12	Greece		499.83						499.83
Commercial transportation							1,282.00				1,282.00
Staff visit to Federal Republic of Germany, May 16–20, 1985:											
Scrivner, Peter C.	5/16	5/20	FRG		448.00						448.00
Military transportation							4,972.04				4,972.04
Visit to Federal Republic of Germany, May 23–31, 1985:											
Darden, Cong. George (Buddy)	5/23	5/31	Germany		575.00						575.00
Commercial transportation							1,666.00				1,666.00
Delegation visit to Italy, Turkey and France, May 24–June 4, 1985:											
Price, Cong. Melvin	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Nichols, Cong. Bill	5/30	6/4	France		595.00						595.00
Commercial transportation							1,053.00				1,053.00
Military transportation							2,021.76				2,021.76
Leath, Cong. Marvin	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Bustamante, Cong. Albert G.	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Dickinson, Cong. William L.	5/26	5/27	Italy		75.00						75.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							8,687.26				8,687.26
Whitehurst, Cong. G. William	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Holt, Cong. Marjorie S.	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.00				7,944.08
Badham, Cong. Robert E.	5/29	6/4	France		714.00						714.00
Commercial transportation							1,915.00				1,915.00
Military transportation							2,021.76				2,021.76
Hillis, Cong. Elwood H. (Bud)	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Bateman, Cong. Herbert H.	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Blaz, Cong. Ben	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Battista, Anthony R.	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Bauser, Edward J.	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Chase, Alan C.	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Fleshman, William T.	5/30	5/4	France		595.00						595.00
Commercial transportation							1,053.00				1,053.00
Military transportation							2,021.76				2,021.76
Steffes, Peter M.	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military transportation							7,944.08				7,944.08
Delegation expenses			Italy				1,658.00				1,658.00
			Turkey				1,308.57		1,079.82		2,388.39
			France								
Visit to Brazil and Argentina, May 25–30, 1985:											
Schroeder, Cong. Patricia	5/25	5/28	Brazil		220.25						220.25
	5/28	5/30	Argentina		273.00						273.00
Military transportation							3,927.00				3,927.00
Schafer, Robert E.	5/25	5/28	Brazil		220.25						220.25
	5/28	5/30	Argentina		273.00						273.00
Military transportation							3,927.00				3,927.00
Visit to Hong Kong, May 30–June 1, 1985:											
Hopkins, Cong. Larry J.	5/30	6/1	Hong Kong, BCC		238.00						238.00
Commercial transportation							164.00				164.00
Committee total					26,057.22		165,846.14		1,304.03		193,207.39

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, July 31, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Walter Fauntroy	4/8	4/12	Haiti		174.00		[3] 423.00				[illegible]
Jan Stempach	5/5	5/7	France		172.00						172.00
	5/7	5/11	Congo		464.00						464.00
	5/11	5/12	France		86.00		[3] 2,491.00				2,577.00
Schechter, Peter	5/7	5/11	Congo		580.00						[illegible]
	5/11	5/14	Senegal		225.00						225.00
	5/14	5/15	France		86.00		[3] 2,927.00				3,013.00
Hon. Frank Annunzio	5/16	5/20	Germany		448.00		[4] 6,542.15				6,990.15
Curt Prins	5/16	5/20	Germany		448.00		[4] 6,542.15				6,990.15
Hon. Carroll Hubbard	6/30	7/2	Korea		200.00		[4] 11,969.18				12,169.18
Hon. Rod Chandler	6/30	7/4	China		528.00						528.00
	7/4	7/7	Thailand		432.00						432.00
	7/7	7/9	Hong Kong		304.00		[3] 10,903.41				11,207.41
Committee total					4,297.00		41,797.89				46,094.89

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Commercial air.

[4] Military air.

FERNAND J. ST GERMAIN, Chairman, July 29, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND LABOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Donald M. Baker	6/14	[illegible]	Switzerland	2,772.80	1,064.00	39	1,659.43			39	2,723.43
Rep. James M. Jeffords	6/18	[illegible]	Switzerland	1,782.45	228.00		1,614.44				1,842.44
Mark E. Powden	6/14	6/19	Switzerland	1,188.35	456.00		1,481.43				1,937.43
Committee total					1,748.00		4,755.30				6,503.30

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

AUGUSTUS F. HAWKINS, Chairman, July 22, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ENERGY AND COMMERCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
MacCarthy, Mark	5/17	5/27	Great Britain		461.00		4,277.00				4,738.00
Kitzmiller, Wm. Michael	5/2	5/5	Haiti		300.00		397.00				697.00
Mounts, Gregory	4/13	4/15	Hong Kong		119.00						119.00
	4/15	4/17	Japan		212.00						212.00
Markey, Ed (MC)	6/28	6/30	Switzerland		218.00		1,747.96				1,965.96
Payne, Christopher	6/28	6/30	Switzerland		218.00		1,680.00				1,898.00
Robbins, Anthony	6/27	7/1	Hungary		300.00		3,500.00				3,800.00
Convention fee									200.00		200.00
Robbins, Anthony	4/6	4/16	Japan		1,024.00		3,313.37				4,337.37
Air terminal fee									7.87		7.87
Rail fare in Japan							91.32				91.32
Local transportation							9.84				9.84
Stockton, Peter D.N.	5/31	6/7	Greece		525.00		4,501.00				5,026.00
Fidler, Shelley	6/5	6/7	Canada		249.00		339.67				588.67
Local transportation							96.30				96.30
Freeman, Phyllis	4/6	4/16	Japan		1,024.00		3,313.37				4,337.37
Air terminal fee									7.87		7.87
Rail fare in Japan							91.32				91.32
Local transportation							9.84				9.84
Committee START total					4,650.00		23,367.99		215.74		28,233.73

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN D. DINGELL, Chairman, July 31, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Abbruzzese, P	5/16	5/20	Germany		448.00						448.00
Military transportation							6,542.15				6,542.15
Ackerman, G	4/8	4/15	Israel		931.00		1,563.00				2,494.00
	4/15	4/16	Romania		123.74						123.74

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
	4/16	4/17	Germany		108.00						108.00
Commercial transportation							4,231.00				4,231.00
Berdes, G	5/18	5/23	Soviet Union		151.00						151.00
	5/23	5/25	United Kingdom		200.00						200.00
Commercial transportation							4,145.00				4,145.00
Berman, H	6/30	7/4	People's Republic of China		528.00						528.00
	7/4	7/7	Thailand		432.00						432.00
	7/7	7/9	Hong Kong		304.00						304.00
Military transportation							10,903.41				10,903.41
Total					3,225.74		27,384.56				30,610.30
Bolognese, K	5/6	5/10	Canada		575.00						575.00
Commercial transportation							250.75				250.75
Bonker, D	6/30	7/4	People's Republic of China		528.00						528.00
	7/4	7/7	Thailand		432.00						432.00
	7/7	7/9	Hong Kong		304.00						304.00
Military transportation							10,903.41				10,903.41
Boyer, R	5/19	5/26	Italy		732.00						732.00
	5/26	5/29	Cyprus		324.00						324.00
	5/29	5/30	United Kingdom		151.00						151.00
Commercial transportation							4,022.00				4,022.00
Brady, J.J	5/16	5/20	Germany		448.00						448.00
Military transportation							6,542.15				6,542.15
	6/28	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.00
Total					4,697.00		21,718.31				26,415.31
Military transportation							5,726.04				5,726.04
Bruce, T	5/20	5/22	United Kingdom		324.00						324.00
	5/22	5/26	Italy		494.00						494.00
Commercial transportation							4,363.00				4,363.00
Bush, R	6/29	7/6	Soviet Union		350.00						350.00
Commercial transportation							2,270.00				2,270.00
[illegible], D	6/2	6/7	Thailand		[3] 540.00						540.00
Commercial transportation							2,294.00				2,294.00
Callwood, K	4/5	4/8	Egypt		360.00				4.81		364.81
	4/8	4/13	South Africa		648.00						648.00
	4/13	4/14	Mozambique		105.00						105.00
Commercial transportation							2,619.00				2,619.00
Chambers, F.M	4/9	4/14	Micronesia		500.00						500.00
	4/14	4/15	Philippines		113.00				11.49		124.49
Total					3,434.00		17,272.04		16.30		20,722.34
Military transportation							5,793.81				5,793.81
Crockett, G	6/30	7/4	People's Republic of China		528.00						528.00
	7/4	7/7	Thailand		432.00						432.00
	7/7	7/9	Hong Kong		304.00						304.00
Military transportation							10,903.41				10,903.41
Curran, T	4/9	4/13	Micronesia		[3] 393.00						393.00
	4/14	4/15	Philippines		113.00				11.49		124.49
Military transportation							5,793.81				5,793.81
Dornan, R	5/25	5/26	Italy		95.00						95.00
	5/26	5/28	Malta		52.56						52.56
	5/28	5/31	Ethiopia		393.00						393.00
	5/31	6/3	Switzerland		237.00						237.00
Commercial transportation							2,520.00				2,520.00
Dymally, M.M	7/13	7/16	United Kingdom		324.00		26.18				350.18
Commercial transportation							3,571.00				3,571.00
Total					2,871.56		28,608.21		11.49		31,491.26
Eckert, S	6/30	7/4	People's Republic of China		528.00						528.00
	7/4	7/7	Thailand		432.00						432.00
	7/7	7/9	Hong Kong		304.00						304.00
Military transportation							10,903.41				10,903.41
Fascell, D.B	6/28	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.00
Military transportation							5,726.04				5,726.04
Finley, M	5/16	5/20	Germany		448.00						448.00
Military transportation							6,542.15				6,542.15
Galey, M.E	6/16	6/18	Canada		440.50						440.50
Commercial transportation							252.02				252.02
Garcia, R	5/16	5/20	Germany		448.00						448.00
Military transportation							6,542.15				6,542.15
Total					3,803.50		29,965.77				33,769.27
Gilman, B.A	6/16	6/18	Canada		230.00						230.00
Military transportation							252.02				252.02
	6/30	7/2	Korea		266.00						266.00
Military transportation							13,857.81				13,857.81
Goodman, M	6/29	7/6	Italy		896.00						896.00
Commercial transportation							2,193.00				2,193.00
Grunberg, C.A	6/30	7/4	People's Republic of China		528.00						528.00
	7/4	7/7	Thailand		432.00						432.00
	7/7	7/9	Hong Kong		304.00						304.00
Military transportation							10,903.41				10,903.41
Hammond, B	6/28	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.00
Military transportation							5,726.04				5,726.04
Total					3,859.00		32,932.28				36,791.28

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Huber, R.T.	4/5	4/7	Federal Republic of Germany		216.00						216.00
	4/7	4/12	Soviet Union		305.00						305.00
	4/12	4/15	Spain		324.00						324.00
Military transportation							8,529.81				8,529.81
	5/19	5/23	Soviet Union		200.00						200.00
	5/23	5/25	United Kingdom		453.00						453.00
Commercial transportation							4,145.00				4,145.00
Ingram, G.	7/3	7/8	France		786.00						786.00
Commercial transportation							1,604.81				1,604.81
Jenkins, R.M	5/23	5/26	Italy		366.00						366.00
	5/26	5/29	Cyprus		324.00						324.00
	5/29	5/30	United Kingdom		151.00						151.00
Commercial transportation							4,022.00				4,022.00
Total					3,125.00		18,301.62				21,426.62
Jenkins, Bernadette	6/28	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.00
Military transportation							5,726.04				5,726.04
Lantos, T.	5/10	5/11	Canada		115.00						115.00
Military transportation							610.50				610.50
Levin, H.	6/28	7/2	Korea		399.00						399.00
Commercial transportation							3,616.00				3,616.00
Levine, M.	4/6	4/10	Israel		655.00						655.00
	4/10	4/11	Jordan		118.00						118.00
	4/11	4/14	Egypt		360.00		16.83				376.83
Commercial transportation							2,380.00				2,380.00
Majak, R.R.	6/30	7/4	People's Republic of China		528.00						528.00
	7/4	7/7	Thailand		432.00						432.00
	7/7	7/9	Hong Kong		304.00						304.00
Total					4,114.0		12,349.37				16,463.37
Military transportation							10,903.41				10,903.41
McBride, R.W.	4/9	4/13	Micronesia		500.00						500.00
			Philippines		113.00				11.49		124.49
Military transportation							5,793.81				5,793.81
	6/28	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.0
Military transportation							5,726.04				5,726.04
Oliver, S.	4/25	4/26	Canada		115.00						115.00
Commercial transportation							258.75				258.75
	6/4	6/9	Italy		640.00						640.00
	6/9	6/12	Switzerland		327.00						327.00
Commercial transportation							3,401.00				3,401.00
Total					2,898.00		26,083.01		11.49		28,992.50
Oliver, S.	6/28	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.00
Military transportation							5,726.04				5,726.04
Paolo, B	5/6	5/11	Canada		575.00						575.00
Military transportation, 1 way							305.25				305.25
Commercial transportation, 1 way							125.37				125.37
Pena, R	5/25	5/28	Brazil		220.25						220.25
	5/28	5/30	Argentina		273.00						273.00
Military transportation							6,981.33				6,981.33
Roberts, A.	5/16	5/20	Germany		448.00						448.00
Military transportation							6,542.15				6,542.15
	6/30	7/4	People's Republic of China		528.00						528.00
	7/4	7/7	Thailand		432.00						432.00
Military transportation							10,903.41				10,903.41
Total					3,679.25		30,583.55				34,262.80
Roth, S	4/9	4/13	Micronesia		[3] 360.00						360.00
	4/14	4/15	Philippines		[3] 66.73				11.49		78.22
Military transportation							5,793.81				5,793.81
Riebelman, T	6/28	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.00
Military transportation							5,726.04				5,726.04
Siljander, M	4/5	4/8	Egypt		360.00				4.81		364.81
	4/8	4/13	South Africa		648.00						648.00
	4/13	4/14	Mozambique		105.00						105.00
Commercial transportation							2,619.00				2,619.00
Sletzinger, M.	6/4	6/9	Italy		640.00						640.00
	6/9	6/12	Switzerland		327.00						327.00
	6/12	6/14	Sweden		381.00						381.00
Commercial transportation							3,521.80				3,521.80
Total					4,090.73		17,660.65		16.30		21,767.68
Smith, C.H.	4/20	4/21	El Salvador		[3] 100.00						100.00
Commercial transportation							717.50				717.50
Smith, L.J	5/25	5/28	Brazil		220.25						220.25
	5/28	5/30	Argentina		279.00						279.00
Commercial transportation							6,981.33				6,981.33
	6/28	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.00
Military transportation							5,726.04				5,726.04
Solarz, S.J.	4/9	4/13	Micronesia		500.00						500.00
	4/14	4/15	Philippines		113.00				11.49		124.49
Military transportation							5,793.81				5,793.81

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Total					2,415.25		19,218.68		11.49		21,645.42
	6/29	7/6	Soviet Union		350.00						350.00
	7/6	7/8	Hungary		206.00						206.00
	7/8	7/9	France		131.00						131.00
Commercial transportation							2,270.00				2,270.00
Solomon, G	4/9	4/13	Micronesia		500.00						500.00
	4/14	4/15	Philippines		113.00				11.49		124.49
Military transportation							5,793.81				5,793.81
Spalatin, I	5/19	5/23	Soviet Union		200.00						200.00
	5/23	5/25	United Kingdom		453.00						453.00
Commercial transportation							4,145.00				4,145.00
Sprunger, C.	4/8	4/14	Micronesia		[3] 188.78						188.78
	4/14	4/15	Philippines		[3] 91.80				11.49		103.29
Military transportation							5,793.81				5,793.81
Total					2,233.58		18,002.62		22.98		20,259.18
Tavlarides, M	4/9	4/14	Micronesia		500.00						500.00
	4/14	4/15	Philippines		113.00				11.49		124.49
Military transportation							5,793.81				5,793.81
	4/20	4/21	El Salvador		[3] 100.00						100.00
Commercial transportation							717.50				717.50
Torricelli, R.G	6/30	7/3	Korea		532.00						532.00
Commercial transportation							3,591.00				3,591.00
[illegible], M	6/28	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.00
Military transportation							5,726.04				5,726.04
Verstandig, T.G	5/22	5/26	Italy		494.00						494.00
Commercial transportation							3,661.15				3,661.15
Total					2,942.00		19,489.50		11.49		22,442.99
Weiss, T.	4/8	4/10	El Salvador		540.00						540.00
	4/10	4/13	Nicaragua								
Commercial transportation							860.36				860.36
White, J	6/30	7/4	People's Republic of China		528.00						528.00
	7/4	7/7	Thailand		432.00						432.00
	7/7	7/9	Hong Kong		304.00						304.00
Military transportation							10,903.41				10,903.41
[illegible], T	6/30	7/4	People's Republic of China		528.00						528.00
	7/4	7/7	Thailand		432.00						432.00
	7/7	7/8	Hong Kong		152.00						152.00
Military transportation, 1 way							5,451.71				5,451.71
Commercial transportation, 1 way											
Total					2,916.00		17,215.48				20,131.48
Grand total for 2d quarter											387,191.80

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[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Represents refund of unused per diem.

DANTE B. FASCELL, Chairman, July 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON GOVERNMENT OPERATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Sander Levin	5/10	5/10	Canada	158.13	115.00		610.50				725.50
Hon. Glenn English	5/10	5/11	El Salvador	303.75	75.00					303.75	75.00
	5/11	5/12	Honduras	192	96.00					192	96.00
	5/12	5/14	Nicaragua		184.00		5,120.00				5,304.00
Lee Jardot	5/10	5/11	El Salvador	303.75	75.00					303.75	75.00
	5/11	5/12	Honduras	192	96.00					192	96.00
	5/12	5/14	Nicaragua		184.00		5,120.00				5,304.00
Hon. Cardiss Collins	6/28	7/3	Norway		655.00						655.00
	7/3	7/8	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00		5,726.04				5,954.04
Committee total					2,028.00		16,576.54				18,604.54

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[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JACK BROOKS, Chairman, July 31, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Robert W. Kastenmeier	4/8	4/9	Europe		180.00						180.00
	4/15	4/16									
	4/9	4/11	Africa		174.00						174.00
Military air—1st class equivalent	4/11	4/15	Asia		535.00		4,723.00				5,258.00
Hon. Dave McCurdy	4/12	4/15	Central America		442.00						442.00
Military air							2,460.15				2,460.15
Hon. Bob Stump	4/12	4/15	Central America		442.00						442.00
Military air							2,460.15				2,460.15
Hon. Dick Cheney	4/12	4/15	Central America		442.00						442.00
Military air							2,460.15				2,460.15
Steven K. Berry, Staff	4/12	4/15	Central America		442.00						442.00
Military air and meals							2,460.15		32.85		2,493.00
David S. Addington, Staff	4/12	4/15	Central America		442.00						442.00
Military air and meals							2,460.15		32.85		2,493.00
Hon. Henry Hyde	4/13	4/15	Central America		346.00						346.00
Military air and meals							10,850.74		30.87		10,881.61
Hon. Bob Livingston	4/13	4/15	Central America		346.00						346.00
Military air							10,850.74				10,850.74
Delegation expenses							102.04		171.41		273.45
Hon. Dave McCurdy	5/25	5/30	South America		493.25						493.25
Military air							4,422.50				4,422.50
Delegation expenses									1,434.97		1,434.97
Committee total					4,284.25		43,249.77		1,702.95		49,236.97

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LEE H. HAMILTON, Chairman, July 22, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
John Conyers, Jr., MC	5/25	5/28	Brazil		220.25						220.25
	5/28	5/30	Argentina		273.00						273.00
Military transportation							3,927.00				3,927.00
Committee total[3]					493.25		3,927.00				4,420.25

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Delegation expenses will be reported by the Permanent Select Committee on Intelligence.

PETER W. RODINO, JR., Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON POST OFFICE AND CIVIL SERVICE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Patricia Schroeder	5/25	5/28	Brazil	1.182.742	220.25						220.25
	5/28	5/31	Argentina	174,720	273.00						273.00
Military transportation							3,927.00				3,927.00
Andrew Feinstein	5/25	5/28	Brazil	1.182.742	220.25						220.25
	5/28	5/31	Argentina	174,720	273.00						273.00
Military transportation							3,927.00				3,927.00
Committee total					986.50		7,854.00				8,840.50

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM D. FORD, Chairman, July 29, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. James J. Howard	5/29	6/2	Ireland		426.00				478.75		904.75
	6/2	6/4	France		393.00				75.52		468.52
Commercial air transportation							1,509.00				1,509.00
Military air transportation							1,304.11				1,304.11
Hon. Robert A. Roe	5/29	6/2	Ireland		426.00				478.75		904.75
	6/2	6/4	France		393.00				75.51		468.51
Commercial air transportation							1,509.00				1,509.00
Military air transportation							1,304.11				1,304.11
Hon. Bud Shuster	5/24	5/27	England		354.00						354.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
	5/27	5/30	Germany		225.00				229.03		454.03
	5/30	6/3	France		476.00		2,538.00				3,014.00
Total					2,693.00		8,164.22		1,337.56		12,194.78
Hon. William O. Lipinski	5/24	5/27	Italy		225.00						225.00
	5/27	5/31	Turkey		432.00						432.00
	5/31	6/4	France		476.00						476.00
Military air transportation							7,944.08				7,944.00
Hon. Thomas E. Petri	4/8	4/9	Greece		75.00						75.00
	4/9	4/11	Egypt		174.00						174.00
	4/11	4/12	Jordan		85.00						85.00
	4/12	4/13	Syria		97.00						97.00
	4/13	4/15	Israel		266.00						266.00
	4/15	4/16	England		105.00						105.00
Military air transportation							4,723.00				4,723.00
Total					1,935.00		12,667.08				14,602.08

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMES J. HOWARD, Chairman, July 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Sensenbrenner		4/4	United States				4,171.00				4,171.00
	4/5	4/10	Brazil	1,512.79	335.43					1,512.79	335.43
	4/10	4/12	Uruguay	9,828	108.00					9,828	108.00
	4/12	4/15	Argentina	177,000.00	354.00					177,000	354.00
	4/16		United States								
[illegible]		4/4	United States				4,073.00				4,073.00
	4/5	4/10	Brazil	1,873.18	415.34					1,873.18	415.34
	4/10	4/12	Uruguay	9,828	108.00					9,828	108.00
	4/12	4/15	Argentina	177,000	354.00					177,000	354.00
	4/16		United States								
Boucher[3]		5/25	United States				3,927.00				3,927.00
	5/25	5/28	Brazil		220.25						220.25
	5/28	5/30	Argentina		273.00						273.00
	5/30		United States								
Trippett		5/27	United States				1,603.00				1,603.00
	5/28	5/30	Switzerland	376.50	175.00				595.00	376.50	770.00
	5/30	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Fuqua		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Lujan		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Volkmer		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	426	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Nelson		5/23	United States[4]								
	5/26	5/29	Germany	693	225.00					693	225.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States				1,304.11				1,304.11
Young		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Mineta		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Packard		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Hicks, Jr		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Ketchum		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Freiwald		5/24	United States				2,712.55				2,712.55

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Tate		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Dugan		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Taylor		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Branscome		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Helmfeld		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Irwin		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Mathis		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Smith		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Clement		5/24	United States				1,408.44				1,408.44
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	5/31	Paris	2,237.20	238.00				75.30	2,237.20	313.30
	5/31		United States				554.87				554.87
Thompson		5/24	United States				2,712.55				2,712.55
	5/25	5/27	Sweden	2,848	320.00				101.03	2,848	421.03
	5/27	5/29	Germany	462	150.00					462	150.00
	5/29	6/4	Paris	6,711.60	714.00				175.71	6,711.60	889.71
	6/4		United States								
Committee total					26,016.02		65,867.32		6,104.07		97,987.41

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[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Delegation expenses reported by the Intelligence Committee.
[4] Traveling with the Air Force—"Quick Look" Program.

DON FUQUA, Chairman, July 29, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON VETERANS' AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Bill Hendon	4/5	4/5	Panama								
	4/5	4/7	Venezuela	1,963.50	150.00						150.00
	4/7	4/8	Equador	12,393.80	107.00						107.00
	4/8	4/10	Panama		178.00						178.00
	4/10	4/10	Costa Rica								
	4/10	4/12	Honduras	384	192.00						192.00
	4/12	4/12	El Salvador								
	4/12	4/12	Belize								
Department of Army transportation							1,737.72				
Total					627.00		1,737.72				2,364.72
Nancy Sullivan	4/5	4/5	Panama								
	4/5	4/7	Venezuela	1,963.50	150.00						150.00
	4/7	4/8	Equador	12,393.80	107.00						107.00
	4/8	4/10	Panama		178.00						178.00
	4/10	4/10	Costa Rica								
	4/10	4/12	Honduras	384	192.00						192.00
	4/12	4/12	El Salvador								
	4/12	4/12	Belize								
Department of Army transportation							1,737.72				1,737.72
Total					627.00		1,737.72				2,364.72
Hon. Sam B. Hall	4/5	4/5	Panama								

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON VETERANS' AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
	4/5	4/5	Venezuela	1,963.50	150.00						150.00
	4/7	4/8	Equador	12,393.80	107.00						107.00
	4/8	4/10	Panama		178.00						178.00
	4/10	4/10	Costa Rica								
	4/10	4/12	Honduras	384	192.00						192.00
	4/12	4/12	El Salvador								
	4/12	4/12	Belize								
Department of Army transportation							1,627.17				1,627.17
Total					627.00		1,627.17				2,254.34

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[1] Per diem constitutes lodging and meals
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

G.V. MONTGOMERY, Chairman, July 25, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO IRELAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 6 AND 18, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Thomas P. O'Neill, Jr	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Edward P. Boland	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Joseph M. McDade	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
John P. Murtha	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Edward R. Madigan	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Joseph D. Early	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Brian J. Donnelly	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Pat Williams	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Barbara B. Kennelly	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Bill Lowery	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Raymond J. McGrath	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Dr. Freeman Carey	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Kirk O'Donnell	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
James Ferguson	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Kevin Peterson	3/6	3/18	Ireland		1,536.00		4,244.51				5,780.51
Christine Sullivan	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Donn Anderson	3/13	3/18	Ireland		634.00		6,400.41				7,034.41
Committee total					11,680.00		106,651.07				118,331.07

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[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

THOMAS P. O'NEILL, JR., Apr. 16, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, CHARLES MELLODY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 24 AND MAR. 1, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Charles Mellody	2/25	2/27	Germany		225.00						225.00
	2/27	3/1	Spain		150.00						150.00
							1,544.00				1,544.00
Committee total					375.00		1,544.00				1,919.00

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[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHARLES MELLODY, Apr. 26, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO PORTUGAL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 28 AND 31, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Brooks, Jack	3/28	3/31	Portugal	56.052	324.00						324.00
Military air									6,885.00		6,885.00
Brady, John J.	3/28		Portugal	56.052	324.00						324.00
Military air									6,885.00		6,885.00
Abbruzzese, P.A.	3/28		Portugal	56.052	324.00						324.00
Military air									6,885.00		6,885.00
Committee total					972.00				20,655.00		21,627.00

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[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JACK BROOKS, Apr. 18, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO GERMANY, SOVIET UNION AND SPAIN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 4 AND 15, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Thomas P. O'Neill, Jr.	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Dan Rostenkowski	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Robert Michel	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Silvio Conte	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Charles Rangel	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Delbert Latta	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. John Murtha	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Marty Russo	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Ralph Regula	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. George Miller	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Joseph McDade	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Norman Sisisky	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Frank Guarini	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Dr. Freeman Carey	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Ambassador Philip Kaiser	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Kirk O'Donnell	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Charles Mellody	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
William Pitts	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Nancy Panzke	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Donn Anderson	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Charles Wollerton	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Eleanor Kelley	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Robert Huber	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Total					4,968.00				4,705.12		9,673.00
Hon. Thomas P. O'Neill, Jr.	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Dan Rostenkowski	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Robert Michel	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Silvio Conte	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Charles Rangel	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Delbert Latta	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. John Murtha	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Marty Russo	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Ralph Regula	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. George Miller	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Joseph McDade	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Norman Sisisky	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Frank Guarini	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Dr. Freeman Carey	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Ambassador Philip Kaiser	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Kirk O'Donnell	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Charles Mellody	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
William Pitts	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Nancy Panzke	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Donn Anderson	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Charles Wollerton	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Eleanor Kelley	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Robert Huber	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Total					14,030.00				5,345.00		19,375.00
Hon. Thomas P. O'Neill, Jr.	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Dan Rostenkowski	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Robert Michel	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Silvio Conte	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Charles Rangel	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Delbert Latta	4/12	4/15	Spain		324.00				281.14		605.14
Hon. John Murtha	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Marty Russo	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Ralph Regula	4/12	4/15	Spain		324.00				281.14		605.14
Hon. George Miller	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Joseph McDade	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Norman Sisisky	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Frank Guarini	4/12	4/15	Spain		324.00				281.14		605.14
Dr. Freeman Carey	4/12	4/15	Spain		324.00				281.14		605.14
Ambassador Philip Kaiser	4/12	4/15	Spain		324.00				281.14		605.14
Kirk O'Donnell	4/12	4/15	Spain		324.00				281.14		605.14
Charles Mellody	4/12	4/15	Spain		324.00				281.14		605.14
William Pitts	4/12	4/15	Spain		324.00				281.14		605.14
Nancy Panzke	4/12	4/15	Spain		324.00				281.14		605.14
Donn Anderson	4/12	4/15	Spain		324.00				281.14		605.14
Charles Wollerton	4/12	4/15	Spain		324.00				281.14		605.14
Eleanor Kelley	4/12	4/15	Spain		324.00				281.14		605.14
Robert Huber	4/12	4/15	Spain		324.00				281.14		605.14
Total					7,452.00				6,466.31		13,918.31

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[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

THOMAS P. O'NEILL, JR., July 17, 1985.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO GERMANY, SOVIET UNION, AND SPAIN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 4 AND 15, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Thomas P. O'Neill, Jr.	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Dan Rostenkowski	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Robert Michel	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Silvio Conte	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO GERMANY, SOVIET UNION, AND SPAIN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 4 AND 15, 1985—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Charles Rangel	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Delbert Latta	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. John Murtha	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Marty Russo	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Ralph Regula	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. George Miller	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Joseph McDade	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Norman Sisisky	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Hon. Frank Guarini	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Dr. Freeman Carey	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Ambassador Philip Kaiser	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Kirk O'Donnell	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Charles Mellody	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
William Pitts	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Nancy Panzke	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Donn Anderson	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Charles Wollerton	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Eleanor Kelley	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Robert Huber	4/5	4/7	Federal Republic of Germany		216.00				204.57		420.57
Total					4,968.00				4,705.12		9,673.00
Hon. Thomas P. O'Neill, Jr.	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Dan Rostenkowski	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Robert Michel	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Silvio Conte	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Charles Rangel	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Delbert Latta	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. John Murtha	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Marty Russo	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Ralph Regula	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. George Miller	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Joseph McDade	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Norman Sisisky	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Hon. Frank Guarini	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Dr. Freeman Carey	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Ambassador Philip Kaiser	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Kirk O'Donnell	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Charles Mellody	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
William Pitts	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Nancy Panzke	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Donn Anderson	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Charles Wollerton	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Eleanor Kelley	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Robert Huber	4/7	4/12	U.S.S.R.		610.00				232.39		842.39
Total					14,030.00				5,345.00		19,375.00
Hon. Thomas P. O'Neill, Jr.	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Dan Rostenkowski	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Robert Michel	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Silvio Conte	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Charles Rangel	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Delbert Latta	4/12	4/15	Spain		324.00				281.14		605.14
Hon. John Murtha	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Marty Russo	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Ralph Regula	4/12	4/15	Spain		324.00				281.14		605.14
Hon. George Miller	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Joseph McDade	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Norman Sisisky	4/12	4/15	Spain		324.00				281.14		605.14
Hon. Frank Guarini	4/12	4/15	Spain		324.00				281.14		605.14
Dr. Freeman Carey	4/12	4/15	Spain		324.00				281.14		605.14
Ambassador Philip Kaiser	4/12	4/15	Spain		324.00				281.14		605.14
Kirk O'Donnell	4/12	4/15	Spain		324.00				281.14		605.14
Charles Mellody	4/12	4/15	Spain		324.00				281.14		605.14
William Pitts	4/12	4/15	Spain		324.00				281.14		605.14
Nancy Panzke	4/12	4/15	Spain		324.00				281.14		605.14
Donn Anderson	4/12	4/15	Spain		324.00				281.14		605.14
Charles Wollerton	4/12	4/15	Spain		324.00				281.14		605.14
Eleanor Kelley	4/12	4/15	Spain		324.00				281.14		605.14
Robert Huber	4/12	4/15	Spain		324.00				281.14		605.14
Total					7,452.00				6,466.31		13,918.31

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[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

THOMAS P. O'NEILL, JR., July 17, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO SWEDEN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 10 AND 14, 1985

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Patricia Schroeder	4/10	4/13	Sweden		366.00						366.00
Claudine Schneider	4/10	4/13	Sweden		366.00						366.00
Barbara Bower	4/10	4/14	Sweden		488.00						488.00

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[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PAT SCHROEDER, May 22, 1985.

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REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, JEFFREY R. PIKE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 3 AND 5, 1985

Name of Member or employee	Date: Arrival	Date: Departure	Country	Per diem[1]: Foreign currency	Per diem[1]: U.S. dollar equivalent or U.S. currency[2]	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency[2]	Other purposes: Foreign currency	Other purposes: U.S. dollar equivalent or U.S. currency[2]	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency[2]
Jeffrey R. Pike	5/3	5/5	Canada	323.77			515.10			323.77	515.10

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JEFFREY R. PIKE, May 5, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO NICARAGUA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 3 AND 6, 1985

Name of Member or employee	Date: Arrival	Date: Departure	Country	Per diem[1]: Foreign currency	Per diem[1]: U.S. dollar equivalent or U.S. currency[2]	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency[2]	Other purposes: Foreign currency	Other purposes: U.S. dollar equivalent or U.S. currency[2]	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency[2]
Hon. George Miller	5/3	5/6	Nicaragua		322.27		5,633.76				5956.03
Hon. David Bonior	5/3	5/6	Nicaragua		322.27		5,633.76				5956.03
Steven Champlin	5/3	5/6	Nicaragua		322.27		5,633.76				5956.03
Cynthia Arnson	5/3	5/6	Nicaragua		322.27		5,633.76				5956.03
Committee total					1,289.08		22,535.04				23,824.12

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

GEORGE MILLER, June 6, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO NORTH ATLANTIC ASSEMBLY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 17 AND 20, 1985

Name of Member or employee	Date: Arrival	Date: Departure	Country	Per diem[1]: Foreign currency	Per diem[1]: U.S. dollar equivalent or U.S. currency[2]	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency[2]	Other purposes: Foreign currency	Other purposes: U.S. dollar equivalent or U.S. currency[2]	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency[2]
Hon. Frank Annunzio	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
Hon. Robert Badham	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
Hon. Sherwood Boehlert	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
Hon. Jack Brooks	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
Hon. Sala Burton	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
Hon. Frank Horton	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
B. Larsen	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
R. Lasch	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
Total					3,584.00		52,337.20				55,921.20
Hon. George O'Brien	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
C. Press	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
Hon. Charles Rose	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
Hon. Samuel Stratton	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
Hon. William Whitehurst	5/16	5/20	Germany		448.00						448.00
Military air transportation							6,542.15				6,542.15
Total					2,240.00		32,710.75				34,950.75

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHARLIE ROSE, June 27, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO NORWAY, SWEDEN, AND DENMARK, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 28 AND JULY 7, 1985

Name of Member or employee	Date: Arrival	Date: Departure	Country	Per diem[1]: Foreign currency	Per diem[1]: U.S. dollar equivalent or U.S. currency[2]	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency[2]	Other purposes: Foreign currency	Other purposes: U.S. dollar equivalent or U.S. currency[2]	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency[2]
R. Lasch	[illegible]	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.00
Military transportation							5,726.04				5,726.04
Debra Cabral	6/28	7/3	Norway		655.00						655.00
	7/3	7/5	Sweden		320.00						320.00
	7/5	7/7	Denmark		228.00						228.00
Military transportation							5,726.04				5,726.04
Total					2,406.00		11,452.08				13,858.08

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RONALD LASCH, Aug. 5, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DR. JAMES D. FORD, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 30 AND JULY 7, 1985

Name of Member or employee	Date: Arrival	Date: Departure	Country	Per diem[1]: Foreign currency	Per diem[1]: U.S. dollar equivalent or U.S. currency[2]	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency[2]	Other purposes: Foreign currency	Other purposes: U.S. dollar equivalent or U.S. currency[2]	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency[2]
Dr. James D. Ford	6/30	7/1	West Germany	342.72	112.00		[3] 1,739.00				1,851.00
	7/1	7/5	England	225.5	284.00		160.00				444.00
	7/5	7/7	Ireland	237.57	246.00		[3] 1,563.00				1,809.00
Total					642.00		2,362.00				4,107.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Via military transportation. Amount reflects first class equivalent air fares.

JAMES D. FORD, Aug. 6, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MARY-ALYCE JONES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 30 AND JULY 7, 1985

Name of Member or employee	Date: Arrival	Date: Departure	Country	Per diem[1]: Foreign currency	Per diem[1]: U.S. dollar equivalent or U.S. currency[2]	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency[2]	Other purposes: Foreign currency	Other purposes: U.S. dollar equivalent or U.S. currency[2]	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency[2]
Mary-Alyce F. Jones	6/30	7/2	Germany	[illegible]	112.00						112.00
	7/2	7/4	Italy	514,536	132.00						132.00
	7/4	7/5	Germany		37.50						37.50
	7/5	7/7	France	2,436.60	131.00						131.00
Military air transport							4054.60				
Committee total					411.50		4054.60				4,466.10

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MARY-ALYCE F. JONES, Aug. 2, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HON. JIM MOODY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 7 AND 8, 1985

Name of Member or employee	Date: Arrival	Date: Departure	Country	Per diem[1]: Foreign currency	Per diem[1]: U.S. dollar equivalent or U.S. currency[2]	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency[2]	Other purposes: Foreign currency	Other purposes: U.S. dollar equivalent or U.S. currency[2]	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency[2]
Hon. Jim Moody	7/7	7/8	Switzerland	200.97	79.00	2,083.20	[illegible]			2,283.97	[illegible]

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JIM MOODY, Aug. 12, 1985.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1972. A letter from the Acting Secretary of the Army, transmitting notice that the award of a contract has been authorized without full and open competition while benefiting the public interest, pursuant to 10 U.S.C. 2304(c)(7); to the Committee on Armed Services.

1973. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1974. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the report of political contributions for Malcolm R. Wilkey, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Oriental Republic of Uruguay, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1975. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the report of political contributions for Robert Houdek, of Illinois, a career member of the Senior Foreign Service, class of Minister-Counselor, as Ambassador to Uganda, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1976. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the report of political contributions for Natale H. Bellocchi, of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, as Ambassador to the Republic of Botswana, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1977. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the report of political contributions for Patricia Mary Byrne, of Ohio, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Deputy Representative of the United States of America in the Security Council of the United Nations, with the rank of Ambassador, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1978. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the report of political contributions for Roger Kirk, of the District of Columbia, a career member of the Senior Foreign Service, class of Minister, as Ambassador to the Socialist Republic of Romania, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1979. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the report of political contributions for Michael Sotirhos, of the District of Columbia, as Ambassador to Jamaica, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1980. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the report of political contributions for Jean B. S. Gerard, of New York, as Ambassador to Luxembourg, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1981. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the report of political contributions for Clyde D. Taylor, of Maryland, a Minister-Counselor,

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as Ambassador to the Republic of Paraguay, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1982. A letter from the Acting Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting proposed refunds of excess royalty payments in Outer Continential Shelf areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

1983. A letter from the Acting Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting proposed refunds of excess royalty payments in Outer Continential Shelf areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

1984. A letter from the Acting Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting proposed refunds of excess royalty payments in Outer Continental Shelf areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

1985. A letter from the Chairman, Federal Election Commission, transmitting a copy of the fiscal year 1987 budget request as submitted by OMB, pursuant to Public Law 92-225 section 307 (d)(1) (93 Stat. 1354, 1356); jointly, to the Committees on House Administration and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAWKINS: Committee on Education and Labor. H.R. 3128. A bill to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process; with amendments (Rept. 99-241 Pt. 2). Ordered to be printed.

Mr. RODINO: Committee on the Judiciary. H.R. 3128. A bill to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process; with an amendment (Rept. 99-241, Pt. 3). Ordered to be printed.

Mr. MOAKLEY: Committee on Rules. House Resolution 262. A resolution providing for the consideration of H.R. 7, a bill to extend and improve the National School Lunch Act and the Child Nutrition Act of 1966 (Rept. 99-263). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 263. A resolution providing for the consideration of H.R. 2266, a bill authorizing appropriations for Amtrak for fiscal years 1986 and 1987, establishing a commission to study the financial status of Amtrak, and for other purposes (Rept. 99-264). Referred to the House Calendar.

Mr. DINGELL: Committee on Energy and Commerce. A bill H.R. 3101 to amend titles XVIII and XIX of the Social Security Act to provide for budget reconciliation, and improvements, with respect to the medicare and medicaid program; with an amendment (Rept. 99-265). Pt. 1 Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL

Under clause 5 of rule X the following action was taken by the Speaker:

The Committee on Energy and Commerce discharged from further consideration of H.R. 3128; H.R. 3128 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT:

H.R. 3261. A bill to commemorate the Bicentennial of the Constitution of the United States with exhibits and programs relating to the history of democracy and by the establishment of Democracy Hall; to the Committee on House Administration.

By Mrs. BENTLEY:

H.R. 3262. A bill entitled Passenger Ship Authorization Act: to the Committee on Merchant Marine and Fisheries.

By Mr. BIAGGI (for himself, Mr. Ford of Michigan, Mr. Rahall, Mr. Rangel, Mr. Penny, Mr. Torricelli, Mr. Crockett, Mr. Savage, Mr. Owens, Mr. Traficant, Mr. Ackerman, Mr. Conyers, Mr. Frost, Mr. Mitchell, Mr. Foglietta, Mr. Eckart of Ohio, Mr. Boucher, Mr. Dymally, Mr. Howard, and Mr. Williams):

H.R. 3263. A bill to establish a Federal program to strengthen and improve the capability of State and local educational agencies and private nonprofit schools to identify gifted and talented children and youth and to provide those children and youth with appropriate educational opportunities, and for other purposes; to the Committee on Education and Labor.

By Mr. BIAGGI (for himself, Mr. Jones of North Carolina, and Mr. Lent):

H.R. 3264. A bill to amend section 607 of the Merchant Marine Act, 1936, to ensure consistent use of funds made available for capital construction of vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

Mr. BONKER (for himself, Mr. Alexander, Mr. Bustamante, Mr. Daniel, Mr. Frost, Mr. Glickman, Ms. Kaptur, Mr. Levine of California, Mr. McKernan, Mr. Miller of Washington, Mr. Roth, Mr. Smith of Florida, Mr. Thomas of Georgia, Mr. Torricelli, Mr. Valentine, and Mr. Wilson):

H.R. 3265. A bill to establish as an executive department of the U.S. Government a Department of Commerce and Trade, and for other purposes; to the Committee on Government Operations.

By Mr. COELHO:

H.R. 3266. A bill to declare certain lands in the city of Coalinga, CA, abandoned by the Southern Pacific Transportation Co.; to the Committee on Interior and Insular Affairs.

By Mr. CONYERS:

H.R. 3267. A bill to extend the authorization of appropriations for general revenue sharing for 7 years; to the Committee on Government Operations.

By Mr. DioGUARDI (for himself, Mr. Monson and Mr. Cobey):

H.R. 3268. A bill to provide a separate appropriation for all congressional foreign travel, and for other purposes; to the Committee on House Administration.

By Mr. ERDREICH:

H.R. 3269. A bill to amend the Unfair Competition Act of 1916 and Clayton Act to provide for further relief in the event of unfair foreign competition; jointly, to the Committees on the Judiciary, Energy and Commerce, and Ways and Means.

By Mr. GUARINI (for himself, Mr. Rodino, Mr. Ford of Michigan, and Mr. Garcia:

H.R. 3270. A bill to reestablish the Reconstruction Finance Corporation, to authorize such Corporation to perform its traditional lending functions, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HAMMERSCHMIDT:

H.R. 3271. A bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that act relating to maximum hours, to clarify the application of that act to volunteers, and for other purposes; to the Committee on Education and Labor.

By Mr. JONES of North Carolina (for himself, Mr. Lent, Mr. Biaggi, Mr. Studds, Mr. Lowry of Washington, Mr. Carper, and Mr. Hughes):

H.R. 3272. A bill to designate the shipwreck of the Titanic as a maritime memorial and to provide for reasonable research, exploration and, if appropriate, salvage activities; to the Committee on Merchant Marine and Fisheries.

By Mr. KILDEE (for himself, Mr. Hendon, and Mr. Dorgan of North Dakota):

H.R. 3273. A bill to amend title XI of the Education Amendments of 1978, relating to Indian Education, and for other purposes; to the Committee on Education and Labor.

By Mr. LEACH of Iowa (for himself and Mr. Lightfoot):

H.R. 3274. A bill to provide emergency measures to solve the credit crisis confronting the agricultural economy of the United States and ensure the future availability of credit for rural America, to abolish the Farm Credit Administration and establish the Emergency Farm Credit Authority within the Federal Deposit Insurance Corporation, and for other purposes; jointly, to the Committees on Agriculture, and Banking, Finance and Urban Affairs.

By Mr. LELAND:

H.R. 3275. A bill to require the Secretary of Health and Human Services to make grants to eligible State and local governments to support projects for education and information dissemination concerning Acquired Immune Deficiency Syndrome, and to make grants to State and local governments for the establishment of programs to test blood to detect the presence of antibodies to the human T-cell lymphotrophic virus; to the Committee on Energy and Commerce.

By Mr. McEWEN:

H.R. 3276. A bill to amend the Fair Labor Standards Act of 1938 to exempt from the overtime requirements of that Act employees of State and local public agencies and to clarify the application of that act to volunteers; to the Committee on Education and Labor.

By Mr. McGRATH:

H.R. 3277. A bill to amend the Internal Revenue Code of 1954 to assist in railroad disaster reconstruction efforts; to the Committee on Ways and Means.

By Ms. OAKAR:

H.R. 3278. A bill to require certain banks, savings banks, and savings and loan institutions to obtain Federal deposit insurance; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SHUMWAY:

H.R. 3279. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. SMITH of New Hampshire:

H.R. 3280. A bill to require a separate appropriation for all congressional foreign travel, and for other purposes; to the Committee on House Administration.

By Mr. STAGGERS:

H.R. 3281. A bill to amend title XVIII of the Social Security Act to provide that services provided by a clinical psychologist in a rural health clinic need not be provided under the direct supervision of a physician in order to qualify for payment under the Medicare and Medicaid programs; jointly, to the Committees on Ways and Means, and Energy and Commerce.

Mr. Mr. STAGGERS (for himself, and Mr. Wise):

H.R. 3282. A bill to amend chapter 30 of title 38, United States Code, to provide for educational assistance for apprenticeship or other on job training under the new GI bill educational assistance program; to the Committee on Veterans' Affairs.

By Mr. TAUZIN:

H.R. 3283. A bill amending the Outer Continental Shelf Lands Act to prevent the use of Outer Continental Shelf facilities for the purpose of receiving supplies or cargo from foreign ports, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. THOMAS of Georgia:

H.R. 3284. A bill to amend title 28, United States Code, to make changes in the judicial divisions in the Southern District of Georgia; to the Committee on the Judiciary.

By Mr. GUARINI:

H.R. 3289. A bill to establish the Office of the Director of National and International Drug Operations and Policy; to the Committee on the Judiciary.

By Mr. WHITTEN:

H.J. Res. 380. Joint resolution making continuing appropriations for the fiscal year 1986, and for othef purposes; to the Committee on the Appropriations.

By Mr. NEAL:

H.J. Res. 381. Joint resolution designating March 25 1986, and every March 25 thereafter, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy"; to the Committee on Post Office and Civil Service.

By Mr. PASHAYAN:

H.J. Res. 382. Joint resolution to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project; to the Committee on Interior and Insular Affairs.

By Mr. STARK:

H.J. Res. 383. Joint resolution to require the General Services Administration to hold an annual meeting of the Information Resources Managers of the various Federal Agencies; to the Committee on Government Operations.

By Mr. GRAY of Pennsylvania:

H.J. Res. 384. Joint resolution designating September 22, 1985, as "Farm Aid Day"; to the Committee on Post Office and Civil Service.

By Mr. BARNES (for himself and Mr. Lagomarsino):

H. Con. Res. 187. Concurrent resolution condemning the kidnaping of Ines Gaudelupe Duarte Duran, daughter of President Jose Napoleon Duarte of El Salvador; to the Committee on Foreign Affairs.

By Mr. BARNES:

H. Con. Res. 188. Concurrent resolution expressing the support of the Congress for an early and peaceful return of democratic rule in Chile; to the Committee on Foreign Affairs.

By Mr. GUARINI:

H. Con. Res. 189. Concurrent resolution expressing the sense of the Congress that the President should seek the support of other nations for the establishment of an International Office of Diplomatic Security within the Secretariat of the United Nations; to the Committee on Foreign Affairs.

By Mr. MOAKLEY:

H. Res. 262. Resolution providing for the consideration of the bill (H.R. 7), to extend and improve the National School Lunch Act and the Child Nutrition Act of 1966; House Calendar No. 64. House Report No. 99-263.

H. Res. 263. Resolution providing for the consideration of the bill (H.R. 2266) authorizing appropriations for Amtrak for fiscal years 1986 and 1987, establishing a commission to study the financial status of Amtrak, and for other purposes; House Calendar No. 65. House Report No. 99-264.

By Mr. ROTH:

H. Res. 264. Resolution regarding small business and agriculture representation on the Federal Reserve Board of Governors; to the Committee on Banking, Finance and Urban Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES:

H.R. 3285. A bill to clear certain impediments to the licensing of a vessel for employment in the coastwise and fisheries trade in the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. DeWINE:

H.R. 3286. A bill for the relief of Norman Raymond Lee; to the Committee on Interior and Insular Affairs.

By Mr. FISH:

H.R. 3287. A bill for the relief of Melissa Johnson and Barbara Johnson Lizzi; to the Committee on the Judiciary.

By Mr. RICHARDSON:

H.R. 3288. A bill for the relief of Janet and Michael Nerone; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as folows:

H.R. 12: Mr. Hughes and Mr. Daub.

H.R. 43: Mr. Florio.

H.R. 161: Mr. Borski and Mr. Kostmayer.

H.R. 230: Mr. Hawkins.

H.R. 480: Mr. Sunia.

H.R. 585: Mr. Stallings.

H.R. 825: Mr. Frank, Mr. Manton, Mr. Broski, Mr. Swindall, Mr. Reid, and Mr. Weber.

H.R. 864: Mr. Dorgan of North Dakota, Mr. Torricelli, and Mr. Wilson.

H.R. 917: Mr. Williams.

H.R. 983: Mr. Clinger, Mr. McCloskey, Mr. Waxman, Mr. Wylie, Mr. Hubbard, Mr. Howard, Mrs. Burton of California, Mr. Smith of Florida, Mr. Hughes, Mr. Sundquist, Mr. Dwyer of New Jersey, Mr. Traficant, and Mr. Roth.

H.R. 1019: Ms. Mikulski, Mr. Lehman of Florida, Mr. Weiss, Mr. Sunia, and Mr. Vento.

H.R. 1021: Mr. Fazio.

H.R. 1059: Mr. Leach of Iowa, Mr. Walker, Mr. O'Brien, Mr. Ralph M. Hall, Mr. Durbin, and Mr. Barnes.

H.R. 1287: Mr. McEwen, Mr. LaFalce, and Mr. Martinez.

H.R. 1385: Mr. Ireland.

H.R. 1398: Mr. Traficant.

H.R. 1550: Mr. Howard and Mr. Jacobs.

H.R. 1613: Mr. Nielson of Utah.

H.R. 1626: Mr. Sharp, Mr. Studds, Mr. Kildee, and Mr. Siljander.

H.R. 1674: Mr. Gonzalez.

H.R. 1770: Mr. Eckart of Ohio, Mr. Foglietta, Mr. Gonzalez, Mr. Lagomarsino, Mr. Lehman of Florida, Mr. Leland, Ms. Mikulski, Mr. Smith of Florida, Mr. Tallon, Mr. Wolf, and Mr. Wortley.

H.R. 1840: Mr. Gregg, Mr. Schuette, Mr. Heftel of Hawaii, Mr. Young of Alaska, Mr. Robinson, and Mr. Traficant.

H.R. 1918: Mr. Owens and Mr. Miller of Ohio.

H.R. 1950: Mr. Walgren, Mr. Gejdenson, Mr. Daschle, Mr. Coyne, Mr. Jenkins, and Mr. Donnelly.

H.R. 1965: Mr. Daniel, Mr. Derrick, Mr. DeWine, Mr. Duncan, Mr. Eckert of New York, Ms. Kaptur, Mr. Myers of Indiana, and Mr. Ritter.

H.R. 2025: Mr. Martinez.

H.R. 2132: Mr. de Lugo, Mr. DeWine, Mrs. Martin of Illinois, Mr. Traficant, and Mr. Burton of Indiana.

H.R. 2156: Mr. Barton of Texas.

H.R. 2164: Mr. Horton.

H.R. 2185: Mr. Daub, and Mr. Glickman.

H.R. 2222: Mr. Barton, of Texas, Mr. Lott, Mr. Whitehurst, Mr. McEwen, Mr. Kindness, Mr. Hiler, Mr. Coats, Mr. Brown of Colorado, Mr. Mack, and Mr. DeWine.

H.R. 2257: Mr. Edwards of California, Ms. Kaptur, and Mr. Mitchell.

H.R. 2361: Mr. Green and Mr. Udall.

H.R. 2396: Mr. Morrison of Connecticut.

H.R. 2481: Mr. Stallings.

H.R. 2489: Mr. Jones of Tennessee and Mr. Sundquist.

H.R. 2526: Mr. Weiss.

H.R. 2539: Mrs. Martin of Illinois, Mr. Tauke, Mr. Feighan, Mr. Badham, Mr. Smith of New Hampshire, Mr. Gray of Pennsylvania, Mr. Loeffler, Mr. Cobey, and Mr. Sunia.

H.R. 2580: Mr. Beilenson, Mr. Berman, Mrs. Burton of California, Mr. Edwards of California, Mr. Gejdenson, Mr. Hayes, Mr. Martinez, Mr. Matsui, Ms. Mikulski, Mr. Olin, Mr. Sabo, Mr. Seiberling, Mr. Vento, Mr. Weaver, Mr. Wilson, and Mr. Wolpe.

H.R. 2591: Mr. Fish, Mr. Vander Jagt, Mrs. Lloyd, and Mr. Stallings.

H.R. 2602: Mr. Gray, of Pennsylvania.

H.R. 2632: Mrs. Vucanovich.

H.R. 2659: Mr. Ortiz.

H.R. 2663: Mr. Daschle and Mr. Weaver.

H.R. 2685: Mr. Owens and Mr. Martinez.

H.R. 2708: Mr. Synar, Mr. Badham, Mr. Towns, and Mr. Lott.

H.R. 2741: Mr. Tauke.

H.R. 2761: Mr. Howard, Mr. Dyson, Mr. Rahall, Mr. Rinaldo, Mr. Towns, and Mr. Lehman of Florida.

H.R. 2782: Mr. Downey of New York, Mr. Fish, Mr. Penny, and Mr. Seiberling.

H.R. 2783: Mr. Swift, Mr. Luken, and Mr. Bryant.

H.R. 2795: Mr. Jones of Oklahoma, Mr. Darden, Mr. Boulter, Mr. Martinez, Mr. Monson, Mr. Rowland of Georgia, Mr. Duncan, Mr. Daniel, Mr. Hansen, Mrs. Byron, Mr. Jones of North Carolina, Mr. Loeffler, and Mr. Shuster.

H.R. 2851: Mr. Lantos.

H.R. 2854: Mr. Young of Alaska, Ms. Snowe, Mr. Sunia, Mr. Clay, Mrs. Schroeder, Mr. de Lugo, and Mr. Yatron.

H.R. 2936: Mrs. Holt and Mr. Nielson of Utah.

H.R. 2950: Mr. Miller of California, Mr. Levine of California, Mr. Carper, Mr. Nielson of Utah, and Mr. Owens.

H.R. 2957: Mr. Weiss, Mr. Mineta, Mr. Matsui, Mr. Williams, Mrs. Schneider, Mr. Cooper, Mr. Downey of New York, Mrs. Boxer, Mr. Martinez and Mr. Vento.

H.R. 2958: Mr. Weiss, Mr. Mineta, Mr. Matsui, Mr. Williams, Mr. Cooper, Mr. Downey of New York, Mrs. Schneider, Mrs. Boxer, Mr. Martinez, and Mr. Vento.

H.R. 2973: Mr. Boehlert.

H.R. 2983: Mr. Pursell, Mr. Conyers, Mr. Vander Jagt, and Mr. Siljander.

H.R. 3026: Mr. Daschle, and Mr. Garcia.

H.R. 3035: Mr. Studds, Mr. Owens, and Mr. Davis.

H.R. 3041: Mr. Edwards of Oklahoma, Mr. Rangel, Mr. Gregg, Mrs. Burton of California, Mr. Sunia, Mr. Scheuer, Mr. Gray of Pennsylvania, Mr. Vento, and Mr. Daschle.

H.R. 3042: Mr. Fuster, Mr. Mitchell, Mr. Leland, Mr. Mrazek, Mr. Perkins, Mr. Savage, Mr. Crockett, Mr. Owens, Mr. Towns, Mr. Frank, Mr. Ford of Michigan, Mr. Ackerman, Mr. Clay, Mr. Florio, Mr. Gonzalez, and Mr. Morrison of Connecticut.

H.R. 3050: Mr. Cobey, Mr. Hansen, Mr. Daniel, and Mr. Solomon.

H.R. 3058: Mr. Conyers.

H.R. 3066: Mr. Rahall, Mr. Volkmer, Mr. Courter, Mr. Lagomarsino, Mr. Hughes, Mr. Whitehurst, and Mrs. Boxer.

H.R. 3099: Mr. Foglietta, Mr. Murphy, Ms. Mikulski, Mr. Weiss, Mr. Bates, Mr. Wortley, Mr. Gray of Illinois, Mr. Boehlert, Mr. Leland, Mr. Roe, and Mr. Fazio.

H.R. 3126: Ms. Oakar and Mr. Weaver.

H.R. 3129: Mr. Andrews, Mrs. Byron, and Mr. Mollohan.

H.R. 3132: Mr. Rodino, Mr. Levine of California, Mr. Whitehurst, Mr. Manton, Mr. Yates, Mr. Dixon, Mr. Traficant, Mr. Fuster, Mr. Miller of California, Mr. Ackerman, Mr. Visclosky, Mr. Young of Florida, Mr. Green, Mr. Stokes, and Mr. Barnes.

H.R. 3147: Mr. Walker.

H.R. 3220: Mr. Conyers.

H.R. 3230: Mr. Nielson of Utah, Mr. Weber, Mr. Rudd, Mr. Frenzel, and Mrs. Smith of Nebraska.

H.R. 3235: Mr. Lujan.

H.R. 3237: Mr. Roberts, Mr. Rudd, Mr. Lagomarsino, Mr. Nielson of Utah, Mr. Craig, Mr. Weber, Mr. Frenzel, Mr. Hammerschmidt, Mr. Nichols, Mr. Stallings, Mr. Porter, Mr. Daub, Mrs. Vucanovich, Mr. Skeen, and Mr. Lewis of Florida.

H.J. Res. 1: Mr. Ralph M. Hall.

H.J. Res. 27: Mr. Rowland of Connecticut.

H.J. Res. 126: Mr. AuCoin, Mr. McCloskey, Mr. Porter, and Mr. Gregg.

H.J. Res. 133: Mr. Nelson of Florida.

H.J. Res. 171: Mr. Breaux, Mr. Oberstar, Mr. Chandler, Mr. Garcia, Mr. Ortiz, Mr. Lantos, Mr. Lehman of California, Mr. Natcher, Mr. Annunzio, Mr. Foglietta, Mr. Young of Alaska, Mr. Lewis of Florida, Mr. Pashayan, Mr. Studds, and Mr. McHugh.

H.J. Res. 178: Mr. Young of Missouri and Mr. Burton of Indiana.

H.J. Res. 221: Mr. Hoyer, Mr. Volkmer, Mr. Hamilton, Mr. Schaefer, Mr. Bonior of Michigan, and Mr. Moore.

H.J. Res. 234: Mr. Erdreich, Mr. Rowland of Georgia, Mr. McKernan, Mr. Pepper, and Mrs. Holt.

H.J. Res. 254: Mr. Thomas of Georgia, Mr. Hammerschmidt, Mr. Kasich, Mr. Luken, Mr. Solarz, Mr. Bereuter, Mr. Coleman of Texas, Mr. Pursell, Mr. Fields, Mr. Mineta, Mr. Erdreich, Mr. Lent, Mr. Barnard, and Mr. Schumer.

H.J. Res. 267: Mr. Wilson.

H.J. Res. 271: Mr. Stark, Mr. Davis, Mr. Traficant, Mr. Swindall, Mr. Coelho, Mr. Stump, Mr. Bruce, Mr. Weber, Mr. Wolpe, Mr. Fuqua, Mr. Daschle, Mr. Moody, Mr. Miller of Washington, Mrs. Kennelly, Mr. Hertel of Michigan, Mr. McCloskey, Mr. Sunia, Mr. Dornan of California, Mr. Price, and Mr. Synar.

H.J. Res. 284: Mr. Bliley, Mr. Grotberg, Mr. Daub, Mr. Thomas of Georgia, and Mr. Daschle.

H.J. Res. 287: Mr. Atkins, Mr. Bartlett, Mr. Boland, Mr. Burton of Indiana, Mr. Cheney, Mr. Coble, Mr. Dannemeyer, Mr. de la Garza, Mr. Duncan, Mr. Bliley, Mr. Barnard, Mr. Bedell, Mr. Fauntroy, Mr. Franklin, Mr. Gingrich, Mr. Grotberg, Mr. Hawkins, Mr. Jones of Tennessee, Mr. Kleczka, Mr. Lent, Mr. Mavroules, Mr. Murtha, Mr. Pashayan, Ms. Snowe, Mr. Young of Florida, Mr. Yatron, Mr. Blaz, Mr. Bilirakis, Mr. Hunter, Mr. Bateman, and Mr. St Germain.

H.J. Res. 292: Mr. Rose, Mr. Broyhill, Mr. Addabbo, Ms. Kaptur, and Mr. Manton.

H.J. Res. 296: Mr. Nichols and Mr. Hayes.

H.J. Res. 297: Mr. Montgomery, Mr. Conyers, Mr. Martinez, Mr. Manton, Mr. Lightfoot, Ms. Snowe, Mr. Howard, Mr. Andrews, Mr. Gingrich, Mr. Feighan, Mr. Guarini, Mr. Denny Smith, Mr. Daniel, Mr. Crockett, Mr. Staggers, Mr. Smith of Florida, Mr. Derrick, Mr. Weber, Mrs. Meyers of Kansas, Mr. Henry, Mr. Owens, Mr. Berman, Mr. Eckert of New York, and Mr. McHugh.

H.J. Res. 322: Mr. Anderson, Mr. Andrews, Mr. Bliley, Mr. Bosco, Mr. Brown of Colorado, Mr. Broyhill, Mr. Chandler, Mr. Crockett, Mr. Dannemeyer, Mr. Dorgan of North Dakota, Mr. Foley, Mr. Fuqua, Mr. Gephardt, Mr. Gonzalez, Mr. Guarini, Mr. Hatcher, Mr. Hefner, Mr. Jones of North Carolina, Mr. Kanjorski, Mr. Kleczka, Mr. Kostmayer, Mr. Lagomarsino, Mr. Lantos, Mr. Lehman of California, Mr. Lundine, Mr. Perkins, Mr. Price, Mr. Pursell, Mr. Tauke, Mrs. Vucanovich, and Mr. Wirth.

H.J. Res. 324: Mr. DeWine and Mr. Cobey.

H.J. Res. 326: Mr. Moorhead, Mr. Crockett, Mr. Skeen, Mr. Wylie, Mr. Evans of Iowa, Mr. Wolpe, Mr. Weber, Mr. Nielson of Utah, Mr. Sunia, Mr. Broyhill, Mr. Hamilton, Mr. Akaka, Mr. Torres, Mr. Nowak, Mr. Foley, Mr. Bedell, Mr. Tauzin, Mr. Coyne, Mr. Rinaldo, Mr. Boehlert, Mr. Brown of Colorado, Mr. Coleman of Texas, Mr. Burton of Indiana, Mr. Miller of Washington, Mr. Stangeland, Mr. Nelson of Florida, Mr. Martin of New York, Mr. Bereuter, Mr. Edgar, and Mr. Huckaby.

H.J. Res. 333: Mr. Madigan, Mr. Young of Florida, Mr. Scheuer, Mr. Coughlin, Mr. Sabo, Mr. Conyers, Mr. Bateman, Mr. Lungren, Mr. Bedell, Mr. Guarini, Mr. Bryant, Mr. Wyden, Mr. Rose, Mr. Fish, Mr. Hayes, Mr. Towns, Mr. Gray of Pennsylvania, Mr. Hamilton, Mr. Boner of Tennessee, Mr. Skelton, Mr. Murtha, Mr. St Germain, Mr. Flippo, Mr. Jones of North Carolina, Mr. Skeen, Mr. Dowdy of Mississippi, Mr. Vento, Mr. Mollohan, Mr. Grotberg, Mr. Erdreich, Mr. Volkmer, Mr. Dannemeyer, Mr. Rowland of Georgia, Mr. Gallo, Mr. Barnard, Mr. Brown of Colorado, Mr. Broyhill, Mr. Hartnett, Mr. Daschle, and Mr. Durbin.

H.J. Res. 336: Mr. Dorgan of North Dakota, Mrs. Kennelly, Mr. Walgren, Mr. Wheat, Mr. Smith of Iowa, Mr. Feighan, Mr. Martinez, Mr. Frenzel, Mr. Mineta, Mr. Edwards of California, Mr. Young of Missouri, Mr. Wirth, Mr. Conte, Mr. Bates, Mr. Williams, Mr. Kildee, Mr. Waxman, Mr. Sunia, Mr. Roybal, Mr. Weaver, Mr. Miller of California, Mr. O'Brien, Mr. Akaka, Mr. Panetta, Mr. Obey, Mr. Skelton, Mr. Durbin, Mr. Coughlin, Mr. Hoyer, Mr. Ackerman, Mr. Evans of Illinois, Mr. Fuster, Mr. Leland, Mr. Aspin, Mr. Jeffords, Mr. Vento, and Mr. Owens.

H.J. Res. 356: Mrs. Bentley, Mr. Towns, Mr. Pursell, Mr. Mineta, and Mr. Feighan.

H. Con. Res. 23: Mr. Richardson.

H. Con. Res. 70: Mr. Conte.

H. Con. Res. 129: Mr. Daniel, Mr. Roberts, Mr. MacKay, Mr. Bartlett, Mr. Nielson of Utah, Mrs. Smith of Nebraska, Mr. Wortley, and Mr. Jones of Oklahoma.

H. Res. 12: Mr. Markey.

H. Res. 188: Mr. Thomas of Georgia, Mr. Robinson, and Mr. Matsui.

H. Res. 194: Mr. Schumer.

PETITIONS, ETC.

Under clause 1 of rule XXII,

202. The SPEAKER presented a petition of the city of Eden Prairie, Hennepin County, MN, relative to the Baha'i community; which was referred to the Committee on Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2266

By Mr. EVANS of Illinois:

—At the end of the bill, insert the following new section:

SEC. 11. EMPLOYMENT VACANCY FILING.

(a) Liability.—Section 704(c) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 797c(c)) is amended—

(1) by inserting "(1)" after "Vacancy Notices.—"; and

(2) by adding at the end a new paragraph as follows:

"(2)(A) As soon as the Board becomes aware of any failure on the part of a railroad to comply with paragraph (1), the Board shall issue a warning to such railroad of its potential liability under subparagraph (B).

"(B) Any railroad failing to comply with paragraph (1) of this subsection after being warned by the Board under subparagraph (A) shall be liable for a civil penalty in the amount of $1,000 for each vacancy with respect to which such railroad has so failed to comply.".

(b) Extension.—Section 704(f) of such Act (45 U.S.C. 797c(f)) is amended by striking out "4-year" and inserting in lieu thereof "6-year".

(c) Effective Dates.—The amendments made by subsection (a) shall take effect on the date of enactment of this Act, and the amendment made by subsection (b) shall be effective as of August 1, 1985.

By Mr. FOLEY:

—At the end of the bill insert the following new section:

SEC. 11. RAIL EMPLOYEE TAXES.

Section 11504(a) of title 49, United States Code, is amended by adding at the end the following new paragraph:

"(3) No part of the compensation paid by a rail carrier providing transportation subject to the jurisdiction of the Interstate Commerce Commission under subchapter I of chapter 105 of this title to an employee who performs his regular assigned duties as such an employee on a railroad in more than one State, shall be subject to the income tax laws of any State or subdivision thereof other than a State or subdivision thereof described in paragraph (2) of this subsection.".

H.R. 7,

By Mr. BARTLETT:

—Page 7, after line 24, insert the following new section (and redesignate the subsequent sections accordingly):

SEC. 12. ELIMINATION OF ASSISTANCE FOR NON-NEEDY CHILDREN UNDER THE NATIONAL SCHOOL LUNCH ACT AND THE CHILD NUTRITION ACT OF 1966.

(a) Elimination of Cash Assistance for Non-Needy Children in the National School Lunch and School Breakfast Programs.—

(1) Section 11(a) of the National School Lunch Act is amended—

(A) in paragraph (2) to read as follows:

"(2)(A) The special assistance factor prescribed by the Secretary for free lunches shall be 132.50 cents. The special assistance factor for reduced-price lunches shall be 40 cents less than the special assistance factor for free lunches.

"(B) A two-cent supplemental payment shall be made for each free and reduced price lunch served in a school food authority which, in school year 1984–1985 received a two-cent supplemental payment under this section for each free and reduced price lunch served in the program.";

(B) in paragraph (3)(A) by—

(i) striking clause (i); and

(ii) redesignating clauses (ii), (iii), and (iv) as (i), (ii), and (iii), respectively.

(2) The first sentence of section 14(f) of the National School Lunch Act is amended by striking "national average payment" and inserting in lieu thereof "special assistance factor".

(3)(A) Section 11 of the National School Lunch Act is amended by striking out the heading and inserting in lieu thereof "Apportionment to States".

(B) Section 4 of the National School Lunch Act is repealed and section 11 of the National School Lunch Act (as amended by this section) is redesignated as section 4.

(4) Section 6(a)(2) of the National School Lunch Act is amended by striking "section 4 of this Act and the amount appropriated pursuant to sections 11" and inserting in lieu thereof "section 4".

(5) Section 7 of the National School Lunch Act is amended in the first sentence of subsection (a)(1) by striking out "agricultural commodities and other foods" and inserting in lieu thereof "food and providing meals".

(6) Section 4 of the Child Nutrition Act of 1966 is amended—

(A) in subsection (b)(1)(A)—

(i) by inserting in clause (i) "free or at a reduced price" after "breakfasts served";

(ii) in clause (ii) by striking out ", for reduced-price breakfasts, or for breakfasts served to children not eligible for free or reduced-price meals," and inserting in lieu thereof "or for reduced-price breakfasts,"; and

(B) in subsection (b)(1)(B), by striking out the last sentence thereof.

(7) Section 8 of the National School Lunch Act is amended—

(A) in the second sentence by striking out "agricultural commodities and other foods" and inserting in lieu thereof "foods and provide meals";

(B) in the next to the last sentence, by striking out "national average" and inserting "special assistance"; and

(C) in the last sentence, by striking out "section 11" and inserting in lieu thereof "section 4".

(8) Section 4(d) of the National School Lunch Act, (as redesignated by this section) is amended by striking out "including those applicable to funds apportioned or paid pursuant to section 4 but excluding the provisions of section 7 relating to matching,".

(9) Section 12(f) of the National School Lunch Act is amended by striking out "national average payment rates prescribed under sections 4 and 11" and inserting in lieu thereof "payments prescribed under section 4".

(b) Elimination of Cash Assistance for Non-Needy Children in the Child Care Food Program.—

(1) Section 17 of the National School Lunch Act is amended—

(A) by amending subsections (c)(1), (2), and (3) to read as follows:

"(c)(1) For purposes of this section, the payment rate for free lunches and suppers and the payment rate for reduced-price lunches and suppers shall be the same as the payment rates for free lunches and reduced-price lunches under section 4 of this Act (as adjusted pursuant to section 4(a) of this Act).

"(2) For purposes of this section, the payment rate for free breakfasts and the payment rate for reduced-price breakfasts shall be the same as the national average payment rates for free breakfasts and reduced-price breakfasts respectively, under section 4(b) of the Child Nutrition Act of 1966 (adjusted pursuant to section 4(a) of this Act).

"(3) For purposes of this section, the payment rate for free supplements shall be that in effect on September 30, 1985 and the payment rate for reduced-price supplements shall by one-half the rate for free supplements (adjusted pursuant to section 4(a) of this Act)."; and

(B) in subsection (f)(3)(A) by striking out ", except that reimbursement shall not be provided under this subparagraph for meals or supplements served to the children of a person acting as a family or group day care home provider unless such children" and inserting in lieu thereof ". Reimbursements shall be provided under this subparagraph only for meals and supplements served to children who".

—Page 3, strike out line 17 and all that follows through line 10 on page 4.

—Page 7, after line 24, insert the following new section (and redesignate the subsequent sections accordingly):

SEC. 12. SIMPLIFICATION OF PROGRAM ADMINISTRATION.

The National School Lunch Act is amended by inserting at the end thereof the following new section:

"SIMPLIFICATION OF PROGRAM OPERATIONS

"Sec. 25. The Secretary shall conduct an analysis of program requirements under this Act and the Child Nutrition Act of 1966 to identify program changes that would simplify program operations at the local level. Within one year after the date of the enactment of this Act, the Secretary shall report the results of such analysis, together with any recommendations or proposals for legislation, to the appropriate committees of the Congress.".

—Page 5, after line 22, insert the following new section (and redesignate the subsequent sections accordingly):

SEC. 9. ELIMINATION OF 1986 ADJUSTMENT TO REIMBURSEMENT RATES IN THE SCHOOL LUNCH AND CHILD NUTRITION PROGRAMS.

(a) Special Assistance.—Section 11(a) of the National School Lunch Act is amended in paragraph (3)(A) by striking out "July 1, 1982" and inserting in lieu thereof "July 1, 1987".

(b) Child Care Food Program.—Section 17 of the National School Lunch Act is amended—

(1) in subsection (f)(3)(A) by striking out "July 1 of each year" and inserting in lieu thereof "July 1, 1987 and each subsequent July 1"; and

(2) in subsection (f)(3)(B), by striking out "July 1 of each year" and inserting "July 1, 1987 and each subsequent July 1".

(c) Summer Food Service Program for Children.—Section 13(b) of the National School Lunch Act is amended—

(1) in paragraph (1) by striking out "each January 1" and inserting in lieu thereof "on January 1, 1987 and each subsequent January 1"; and

(2) by inserting at the end of paragraph (4)(B) the following sentence: "Such rates should not be adjusted to reflect changes in costs or prices during the period January 1, 1985 through January 1, 1986.".

(d) School Breakfast Program Authorization.—Section 4(b)(2)(B)(ii) of the Child Nutrition Act of 1966 is amended by adding a new sentence at the end thereof as follows: "No such annual adjustment shall be made July 1, 1986.".

EXTENSIONS OF REMARKS

CUYAHOGA VALLEY NATIONAL RECREATION AREA CELEBRATES 10TH ANNIVERSARY

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. SEIBERLING. Mr. Speaker, the Cuyahoga Valley National Recreation Area [CVNRA] was authorized by Congress in December, 1974 and established as an unit of the National Park System in June, 1975. This past weekend, the CVNRA set aside time to commemorate its 10th anniversary at an event-packed birthday party attended by thousands of its neighbors.

For all the people involved in day-to-day activities of the park, the 10th anniversary was a good time to stop and reflect on just how far we've come in the CVNRA. In fact, work to preserve the unspoiled lands between Akron and Cleveland started in 1962—well before Congress acted—with the founding of the organization which would come to be called the Cuyahoga Valley Association. The association was instrumental in focusing the public's attention on the fast-encroaching urban sprawl and the need to preserve the valley's unique historic, scenic, and natural resources. Without this grassroots support and the vision of such tireless supporter as the late Jim Jackson, we might not have been able to establish this park.

In 1975, the late Bill Birdsell, the first superintendent of the CVNRA, was faced with the enormous challenge of physically piecing a park together where only a handful of the lands destined for Federal ownership were owned by the Park Service. Now, 10 years later, most of the land needed for visitor purposes has been acquired, and the CVNRA is moving forward in other important directions under the leadership of its present superintendent, Lewis Albert. Superintendent Albert has been responsible for the explosion in visitation and development activities in the park since he assumed his position in 1980. Through initiatives including start-up construction of a comprehensive trail system; and program of leasing of historic structures, many of which will be open to the public; and excellent interpretative programs such as the National Folk Festival, and CVNRA is reaching out to ever-increasing numbers of visitors who can enjoy the many, varied recreational opportunities available. In 1984, well over 1 million visitors came to the CVNRA. With the continued assistance of Congressman Ralph Regula, who with our former colleague, Charles Varrik, was an original author of the CVNRA legislation, the next 10 years will certainly see continued development of the CVNRA resources and further increases in visitation by people throughout Ohio and beyond.

One of the best reviews of the first 10 years of the CVNRA was an article by Sue Klein appearing in the Bath Country Journal. The writer was long associated with the Cuyahoga Valley Association and provides an excellent perspective on the progress made so far and many of the people, in addition to those I mentioned above, who have made it all possible. Mr. Speaker, I ask that the article be printed in its entirety in the Record:

Progress in the CVNRA in 10 Years? It's Beginning to Show!

It's been 10 years since the first Superintendent, Bill Birdsell set up shop on Rt. 303 in an old home. Those first months he had no staff, no budget and no land. He mowed his own lawn, washed his own windows and borrowed a card table and chair from the Holiday Inn. His first title was actually "project manager".

In comparison, today there are 23 rangers, a maintenance staff of 30, 17 interpretive staff and with many other personnel, the total number of employees is 87. Today's C.V.N.R.A. has an operating budget of close to $3 million. 80 percent of the 19,000 acrea scheduled for federal protection has been accomplished. 14,746 has been acquired for a total cost of $85,179,500.

But what real changes have occurred down in the Valley as a result of the C.V.N.R.A.? The list goes on ad infinitum. But a sampling of a few projects gives one a feeling for the complexity of creating a park in urban, industrial northeast Ohio.

FIRST THE GROUNDWORK WAS LAID

Much research and cataloging, structure removal and restoration of environmentally damaged areas was needed. Mapping and planning had to be done before new tangible development open to the public could be accomplished.

Under research, inventories and studies were done in such areas as oil and gas wells on park lands, park animals, erosion and siltation, historic structures reports, archeological surveys, 100 oral histories and more.

Environmental restoration efforts have taken many directions. 500 structures were removed from the C.V.N.R.A. Many were removed intact or as salvage by private citizens. For example, the Auto Auction Yard on Station Road was removed from beneath the Rt. 82 bridge. Approximatley 1,000,000 tires were removed from a dump on the floodplains of the river. Acquisition and removal of a garage and dump site resulted in restoration of the area to a natural condition as a beaver marsh.

Maps of soils limitations, utilities and watersheds, (to name a few) had to be produced.

Major "plans" had to be researched and completed including a General Management Plan, a Transportation Plan, a Land Protections Plan, a Pond Management Plan (there are 100 ponds in the C.V.N.R.A.) along with plans for each of the many individual projects within the park.

NEW DEVELOPMENT AND NEW PROGRAMS

Since 1979 the park has offered interpretive and visitor services. This staff, now numbering 17, staffs the 2 visitor centers (Canal Road in the north and Happy Days Visitor Center on Rt. 303) and conducts the interpretive programs. The visitor centers offer many books and educational material relating to the park.

A look at their list of year round interpretive programs reveals a full schedule catering to many interests (stars, plants, animals, other parks, recreational activities, etc.). Weekends sometimes have as many as 10 programs scheduled!

In addition many special events like the Folk Festival have been a part of the yearly program.

The historical restoration and the development and construction of visitor use facilities have just begun. Major work has been done at Virginia Kendall (which the state of Ohio gave to the C.V.N.R.A.), the Jaite Headquarters, Oak Hill Day Use Area, the Stanford Farm, the Earthlore Environmental Education Campus and the lock tender's house on the canal.

Jaite is the historic company town now being used as park headquarters. Oak Hill is an area on Oak Hill Road with lakes for fishing and hiking. The Stanford house is an historic structure that will be opened soon as a youth hostel. Earthlore is made up of three environmental centers on Oak Hill Road. Besides the educational opportunities, there are overnight facilities available to students. The historically significant lock tender's house will soon serve as a canal museum and the visitor's center for the north end.

Historic preservation is an important part of the park's development. Of the 250 structures identified as potentials for the National Register of Historic Places, 75 are now owned by the park. Because the park can't use and restore all of these historically significant structures, an Historic Leasing Program has begun. Bed-and-breakfasts, a youth hostel (these two buildings are ready now) and some other private ventures compatible with the goals of the park will use these historic buildings in the very near future.

Over the past 10 years the development of a volunteer program has been a major accomplishment. Many citizens have given volunteer hours to the park. Last year alone, 507 V.I.P.'s (Volunteers in the Park) gave time. Of these, 150 volunteer their time on a long term basis.

One of the most recent park additions is the many signs that identify the park's boundaries along the access road. People are now more aware than ever of the fact that there really is a park down there.

Near and dear to the hearts of many locals is the Everett Road Covered Bridge. Work began on its restoration (for non-motorized traffic only) in July. Along with the bridge, major restoration and stabilization is now being done on the village of Everett (corner of Everett and Riverview). This will be used as an artist colony in the near future. Brandywine Falls is the newest point of interest. It just recently opened to the public for viewing, hiking and picnicking.

The C.V.N.R.A. has come along way since Bill Birdsell set up shop with a borrowed card table 10 years ago. The park administrative officers in the historic Jaite village with its full staff and computers is but one example of progress.

Park Superintendent, Lewis Albert, says:

"Now that many of the behind-the-scene things have been completed in the first ten years, the park's second decade should see much more actual physical development—including natural and historic resource preservation, as well as visitor use developments for recreation and education. We are very confident and excited about the C.V.N.R.A. in the next 10 years."

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

CALIFORNIA SUPREME COURT RULES FOR CONSUMERS—BLOCKS UNFAIR BAD CHECK FEES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Ms. OAKAR. Mr. Speaker, the California Supreme Court ruled recently that States retain the power to stop national banks from charging unconscionable rates for bad checks.

In expressing the court's decision, Justice Allen Broussard said banks are bound by a duty of good faith and fair dealing in setting their fees. The court's ruling, based on a 1979 California statute dealing with unconscionable provisions in a contract, has important implications for banks, other States, and the Comptroller of the Currency.

In 1983, former comptroller of the currency C.T. Conover issued a ruling shortly before presentation of arguments in the California suit against Crocker National Bank stating that national banks can set whatever fees they choose irrespective of State provisions to the contrary. This clearly anticonsumer ruling by the Comptroller was unanimously rejected by the California Supreme Court.

Absent action at the Federal level, some States are moving forward with progressive legislation to make banking responsive to consumer's needs. At issue is whether Federal regulators will allow national banks, chartered by the Federal Government, to ignore proconsumer State statutes.

In recent years, fees charged by banks and other depository institutions for bad checks and basic banking services have generally risen dramatically. In a growing number of cases, the charges exceed processing cost to the point where they are punitive beyond reason.

To ensure that basic banking services are available to all consumers, I have introduced the Financial Services Access Act (H.R. 2011) to create limited transaction, service free accounts.

The decision by the California Supreme Court is an important victory for consumers, but it should not end there. The comptroller of the Currency, as the regulator of national banks, should close regulatory loopholes that allow national banks to circumvent State statutes to the detriment of consumers or work with Congress to enact strong proconsumer legislation to cover the pricing practices of national banks.

A REPORT ON SOVIET JEWRY

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. FEIGHAN. Mr. Speaker, last month, my colleague and friend from Michigan [Mr. Levin] and I traveled to the Soviet Union to meet with Soviet refusenik families in Moscow and Leningrad. Our trip, which was sponsored by the Union of Councils for Soviet Jews, was an enlightening and enriching experience, and I will not soon forget the many courageous men, women, and children that we were able to meet.

This afternoon, the Subcommittee on Europe and the Middle East and the Subcommittee on Human Rights and International Organizations held a joint subcommittee hearing on religious persecution in the Soviet Union. As a member of both subcommittees, I was delighted that we were able to devote ourselves to this important subject which influences so many lives in the Soviet Union and, indeed, throughout the world.

I insert my remarks for the hearing in the Record following my statement:

Remarks of Congressman Edward F. Feighan

Mr. Chairman: I want to commend the Subcommittees for scheduling hearings on the important subject of religious persecution in the Soviet Union. Today's hearing will help call attention to the plight of hundreds of thousands of Jews living in the Soviet Union who are denied basic human rights, including the right to worship and exercise their religious and cultural traditions. In future hearings, I hope the subcommittees will have an opportunity to examine the Soviet Union's policies against other religions and their members. The persecution of Baptists, Adventists, Jehovah's Witnesses and Orthodox and Roman Catholics is not only widespread, but in many cases is justified in the Soviet constitution and the penal code. The abuses have been well documented by human rights organizations here in America and throughout Western Europe. The incidents have ranged from defamation in the press with no right to reply, to discrimination in employment, housing, education and public life based solely on the religious beliefs expressed by Soviet citizens. These hearings provide an important forum for the dissemination of the information we have on religious persecution in the U.S.S.R. and will, I hope, send a clear message to Soviet Authorities, some of whom we may suppose are in this hearing room at this moment, that the House of Representatives intends to speak clearly and consistently for those Soviet citizens who are denied religious freedom and basic human rights.

Mr. Chairman, during the month of August, I travelled to the Soviet Union with my colleague Mr. Levin to meet and talk with Soviet dissidents and refusenik families. Our trip was sponsored by the Union of Councils for Soviet Jews, and I am particularly pleased that the Union's president, Morey Shapira, is scheduled today as a witness. He and his organization are making a real contribution in the effort to free Soviet Jewry and bring about a change in the Soviet Union's policies of religious repression.

My trip to the Soviet Union was the first visit I have made behind the Iron Curtain, and I cannot adequately express how moved I was by the experience. Of course, during my stay in Moscow and Leningrad, Congressman Levin and I, and our wives, had an opportunity to see the famous sights that are an important part of any trip overseas. We walked through Red Square and saw Lenin's tomb. We visited the War Memorials and passed through the Winter Palace. We admired paintings in the Hermitage and marveled at a Russian opera company.

Yet the most emotional moments of our stay in the Soviet Union did not occur in the hallways of a palace or within the great open space of an opera house. The most emotional moments, the moments that have produced memories that I will remember throughout my life, came in private homes, humble homes, of Soviet citizens who welcomed us in and shared what little they had in a spirit of warm hospitality. The courage and determination of Natasha Khasin, Lev Bronshtein, Lev and Elizaveta Shapiro, and many other refuseniks, were the highlight that I will long cherish. These brave people, who have suffered enormous hardships because of their beliefs, gave us their time, their thoughts, and their hopes. They long to leave the oppression of the Soviet Union, to live in their homeland of Israel, to be near the family and friends who have already gone.

For Jews in the Soviet Union, 1985 is a year of harsh oppression, consisting of increased violence, harassment and a renewed campaign of officially sanctioned anti-Semitism. In addition, the small trickle of emigration from the U.S.S.R. has become even smaller; emigration has reached its lowest point in over a decade. In 1984, only 896 Soviet Jews were allowed to leave, compared with over 51,000 only five years ago. More than 400,000 have received letters of invitation from Israel, in accordance with regulations designed by the Soviet bureaucracy to discourage emigration. Yet the Soviet government would have us believe that all Jews who wish to emigrate have already left.

Life for Soviet refuseniks consists of severe economic and social hardship. To file for emigration often means the loss of one's job, one's friends, and often the hope of a quality education for one's children. In many cases, examples of vilification in the media and by public officials add to the difficulties faced by those who seek to leave the Soviet Union. One refusenik I met, Lev Shapiro, was the victim of a clearly orchestrated campaign of public harassment in May of 1970, when a Leningrad newspaper specifically targeted him for slanderous attacks.

The situation in the Soviet Union for all Jews is tenuous. In the last year, as members of the subcommittees are aware, the Soviet government has stepped up its continuing campaign to eliminate the persistence of Jewish culture from Soviet society. Several teachers of Hebrew have been arrested, prosecuted and jailed, often on trumped-up charges linking the use of drugs in religious rituals. These are not isolated incidents. They are a blatant attempt by the authorities to eliminate Jewish consciousness and distance Soviet Jews from their fellowship with world Jewry.

Another related example for this orchestrated attempt to violate the human rights of all Soviet Jews was the broadcast, less than a year ago, of a show called "Hirelings and Accomplices," over Leningrad television. The show suggested that Soviet Jews seeking to live in Israel or in the West are in some way related to an international anti-Soviet conspiracy. The program argued that Soviet Jews were being used as "pawns" in a plot inspired by "capitalists" in the West, and that many Soviet Jews are, in fact, traitors to the Soviet state. That charge, in effect, places many Soviet Jews in the category of capital criminals, subject to the death penalty solely for desiring to maintain their religious and cultural identity and to teach their children of their rich heritage.

In the face of such abuses, the Soviet refuseniks continue to persevere. The sense of dedication, the commitment to hope, the resolute optimism of so many of the people I met during my brief stay in Moscow and Leningrad came as something of a surprise. For many of them, life is trying and difficult. Yet, they refuse to give up hope, hope that one day the Soviet government will end its repressions and obey the Scriptural command to "undo the heavy burdens, and let the oppressed go free."

Those of us in the West, who have the freedoms that so many in the Soviet Union long for, have an obligation to maintain our efforts to secure their rights. The Soviet government must know that their policies are seen and they are opposed. We need to pursue every avenue possible to increase emigration and liberalize Soviet barriers to worship. We need to take every opportunity to speak to the real issue of respect for basic human rights within the Soviet Union. We need to continue to offer hope and assistance to those who suffer and are denied the opportunity to live and to worship in the land of their choice.

The Soviet refuseniks represent the power of individual courage in the face of unsurmountable obstacles. Their vision, strength and dedication are an inspiration to all who struggle against enormous odds anywhere on earth. I know that many members of the House participate in efforts to secure the release of refusenik families throughout the Soviet Union. Through statements on the floor and letters to Soviet officials, members have let their commitment be known. The refuseniks I met and spoke with were unanimous in their appreciation of these efforts, and they strongly supported continuation of them. They see us as a source of strength for them, their knowledge that we have not forgotten them sustains them in their struggle and comforts them in the hours of despair. While few believed that the new leadership in the Kremlin would be any different than the hard-line leadership in the past, many expressed a sense of optimism that some positive change might come about as a result of the coming summit meeting in Geneva. I know that all of us share in that hope.

Next week, millions of Jews throughout the world will celebrate the holiday of Rosh Hashanah, the beginning of a new year. Yet, Jews in the Soviet Union who celebrate the holiday will do so with the knowledge that the Hebrew they use is regarded as subversive and the faith they express may cost what little freedoms they currently enjoy. These hearings today can make a substantial contribution to a greater understanding of the difficulties faced by refusenik families in the U.S.S.R. One can only hope that the years of struggle and sacrifice that they have endured will soon come to an end.

When first applying for exit permits, the dream of thousands of Soviet refuseniks was Bashanah Habaah B'Yirushalayim, "Next year in Jerusalem." Today, their supporters and friends in the West, with continued concern for their safety and security, pray with them, Bashanah Hazot B'Yirushalayim, "This year in Jerusalem."

FAMILY STRESS AND THE FARM CRISIS

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. WEBER. Mr. Speaker, as we discuss farm policy, it is important to look both at general trends and at the experience of individual farmers. We have to keep in mind the people affected by the policies we enact. A delegation of farmers from Minnesota recently visited my office, telling how low prices were devastating their farming operations. They were witnesses to the high price we will pay, in human terms, if we do not drastically change our current farm policy.

One member of that delegation, Bill Spiczka, left me an essay that his daughter, Kim, had written. Kim is a sophmore at Foley High School in Foley, MN. Her essay on family stress and the farm crisis won first prize in the Minnesota Farm Crisis Essay Contest. I would urge my colleagues to review this thoughtful piece.

FAMILY STRESS AND THE FARM CRISIS

(By Kim Spiczka)

The reports throughout the past few years of the depressed farm economy do not go unnoticed by farmers, especially not family farmers, who seem to be the ones most affected by it. This has affected me personally, as well as my parents. I can also see the adverse effect it has had on farm communities. I'd like to share my views on those topics with you.

Farm stress has had a lot of effect on my relationship with my friends. When my friends ask me to go out for a hamburger, fries and a soda, and I have to turn them down for lack of money, I feel inferior to them. When we go shopping, my friends head straight for the cash register, and all I can do is window shop. Somehow I question why I, a dedicated farm girl, should feel inferior to my peers because my parents have chosen to be stewards of the land.

Because of the frustration caused by farm stress, my relationships with my friends suffer. I, along with my parents, am stressed when the milk check won't cover the machinery repairs, the electricity bill, and insurance costs, let alone provide for what we farm kids term luxuries: a new pair of jeans or dinner at a restaurant. I get depressed after a days work of milking cows, baling hay, and fixing fence. I ask myself, "Why? What did I do it for? Did I really make any money for the family? When farm income is so low, will this make any difference?"

Our family works hard together, laughs and cries with one another, and prays alike that God will protect his stewards. We also share the stress most family farmers are experiencing today. I can see how this causes a problem for my mom because she has the added stress of being a wife, mother, housewife and a family farmer alongside my dad. I am the oldest child at home, and I do a lot of work on the farm, but so does my mom! I read of a study by the Cornell University in New York, which found that when things are going well on the farm, the marital satisfaction is higher than in marriages off the farm. However, when pressures mount and stress rises, more problems are caused for married farm women than for those married women who don't live on the farm. The study pointed out that the biggest factor of stress for farm women is role conflict in having to play all the roles the farm woman has to play. Also, in the May/June edition of Fertilizer Progress, stress is said to be caused by worry, anger, frustration and fatigue. These all are things faced by my parents all the time on the farm. Not only that, the article went on to explain that when stress is increased, the bodies immunity to diseases is much lower, making farmers more susceptible to disease. Also pointed out in the article, the major cause of heart disease is emotional stress. High-fat diets were named as the second biggest factor in the cause of heart disease, and in the article on stress, most people under stress eat more, increasing their fat and cholesterol intake. What the farmers do have going for them as far as heart disease is that only 19 percent of them smoke, as compared with 44 percent of other people, and this is the third leading cause for the disease that kills 740,000 people a year. This is a clear indication on how stress does, and can, affect farmers.

Along with farmers, communities have suffered greatly because of the depressed farm economy. We all know that farmers, just the same as other people, deserve the finer things in life. The only difference is they can't afford them! When farmers can't support the business community, which depends on the farmer's business, the community does not make money. This causes small businesses to close, and then larger businesses to shut down. The January 13th news broadcast on WCCO television station in Minneapolis reported that in ten years from now, we will lose one-third of all farms, taking with them one-half of the banks, and 600 small towns in Minnesota alone. According to Minnesota State Representative Steve Wenzel, 17 families per day in Minnesota go under. The national figure is more alarming at 250 farms closing down every day.

As a direct response to the stress problems faced by farmers, people have begun programs like "Project Support," a service of the University of Minnesota Agricultural Extension department. Programs such as this one offer farmers and their families free counseling on stress management. This only goes to show that the problem has reached alarming heights.

In portraying how one farm family has been affected, and how the farm community is affected, I hope to have enlightened others as to the effect stress does, and will undoubtedly continue to have, on farm families and the farming communities.

A NEW ACTIVISM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. BROWN of California. Mr. Speaker, today an event is occurring which gives hope to those of us who have tried to reconcile the ideals of participatory democracy with the realities of the trench warfare of legislative deliberation. Being released today is preliminary agreement in principle between the environmental community and part of the agricultural chemical industry on changes to the Pesticide Regulatory Program authorized under the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA]. The agreement was reached after months of negotiations between representatives of environmental, consumer, and labor groups and representatives of major agricultural chemical companies.

In reaching this agreement, the two sides have overcome stalemate with statesmanship. FIFRA is a complex statute, and pesticides are an emotional area of public concern, leading to a legislative logjam in which each side has been able to block the other. But each side loses in this situation: The environmental community fails to gain the increased protection that it seeks, and the agricultural chemical industry sees a frustrated public turn to State legislatures and the courts to seek redress. The negotiations have returned the solution of this issue to Congress with brightened prospects for action in the 99th Congress.

This nascent agreement is not perfect, and it is still in a conceptual stage. It does not include all of the nettlesome issues on FIFRA which have plagued us since 1978, the last time we enacted major amendments to the act. Numerous interest groups have not been involved in this process and may have problems with some of the points of this agreement.

All of us must exercise caution in either praising too loudly or condemning prematurely the terms of this agreement, lest it fall apart. In this negotiating process there is a glimmer of hope for the ultimate solution to this and other protracted legislative struggles. It is the process which is as important as the eventual product. I know of no other area where negotiations such as these have occurred, and the participants, who have labored long and hard, are to be congratulated.

We need to encourage this new example of responsible activism. We need to support other efforts, such as the Environmental Protection Agency's initiatives to develop regulations through negotiations. We need to encourage the spread of this enlightened approach to other areas of legislation.

In conclusion, I would like to insert an excerpt of a recent speech given by Mr. Louis Fernandez, chairman of the board for Monsanto. He more eloquently makes the case for this process than I can.

[From the Chemical and Engineering News, Sept. 2, 1985]

ACTIVISM

(Louis Fernandez is chairman of the board of Monsanto. He spoke earlier this summer before the National Petroleum Refiners Association. The following are excerpts from his text)

When a business person such as myself sends a message to government these days, it is usually a variation on the theme, "get off our backs." While there is a certain satisfaction in taking that position, I fear that we in business no longer have that luxury. Government already is involved in how we run our affairs, and that involvement will not, and perhaps should not, go away.

The question has long ceased being whether government will be involved, but how that involvement will manifest itself. One answer to the "how" question is by people in government adopting an "activist" legislative and regulatory role. The business community must then follow suit by actively supporting those efforts.

All of us in society can benefit from a government that actively and creatively encourages cooperation and builds consensus among the diverse groups it serves. An activist government seeks out, listens seriously to, and considers the positions of all interested parties as a matter of basic operating procedure. It doesn't wait for a concern to erupt into a crisis before taking action.

Most important, an activist government believes that, behind the masks we all wear proclaiming our allegiances, be they business or environmental or government or whatever, are people who share fundamental values and goals for our country and our world. The most important thing an activist government can do is modify the current rigid and cumbersome regulatory and legislative structure under which we all suffer, and for which we all must share the blame.

If the public must react to a fait accompli, whether before a Congressional committee or regulatory review board, one cannot help but be negative. It is unreasonable to think that any outside party would agree entirely with a proposal unless it was the author. Something interesting happens, however, when the public gets to discuss an issue prior to the formulation of policy. Participation becomes positive. We can make suggestions, we can review and discuss various points of view, and we can agree to compromises that will be reflected in the final bill or regulation.

The Environmental Protection Agency has been experimenting with this activist approach: bringing interested parties into the process early, and it deserves credit—and support. We in industry, environmental, and consumer groups benefit because EPA better understands our points of view. EPA benefits because it can exploit our expertise.

My proposal for an activist government is not something I offer lightly, but, over the past two years, I have seen the cooperative approach to solving environmental problems work. I believe in the process. I also believe that our society has already paid the price of seemingly never-ending confrontation, and that it is time to find a better way.

For government, an activist approach offers the opportunity to anticipate and respond to issues before they become controversies. For the business community, an activist approach may result in laws and regulations that are more practical, and more tied to fact and science rather than emotion. We may even see fewer regulations that constrain our ability to conduct business but offer little benefit to society.

For the public, an activist approach by their government may help restore faith in that very large federal institution that so affects our lives. When government acts in ways that reflect the opinions of its constituents, then it is truly fulfilling the obligations it has assumed.

MR. JOSEPH R. BOLKER'S THOUGHTS ON SECOND HOME MORTGAGE INTEREST DEDUCTIONS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. ANDERSON. Mr. Speaker, recently I received correspondence from Mr. Joseph R. Bolker, president of Brighton International in Los Angeles, which discusses that section of the President's tax reform plan—that is, Treasury II—relating to mortgage interest deductions on second homes.

Mr. Bolker, who is one of California's most respected and successful builders/real estate developers, makes, what I believe, a well thought out argument on why the President's plan could be a serious blow to the economy. Mr. Bolker points out that by simply having this proposal on the table, a construction slowdown has already occurred in many southern California communities and should it ever become law, we could expect the middle class to be hit the hardest and the Tax Code to become even more complex.

The text of Mr. Bolker's letter follows. I urge my colleagues to review it.

BRIGHTON INTERNATIONAL
DEVELOPMENT CORP.,
Los Angeles, CA, August 27, 1985.

Re: Second home interest deduction proposal.

Congressman GLENN M. ANDERSON,
32 District, Long Beach Boulevard, Long Beach, CA

DEAR GLENN: As a builder/developer, my experience dictates that the provisions of the above stated proposal under the President's tax plan will seriously impair second home construction and the service economies associated with it. Just from having the proposal on the table, I have witnessed a slowdown in our area.

This proposal is unfair and unsound economically. The typical second home purchaser is a middle class family, not the ultrarich, as some might think. The propsal in reality, benefits the rich and throws the burden on the middle class individuals who as a practice must borrow to make major purchases. The wealthy will merely continue to write off against extensive investment income and effectively avoid any limitation.

In addition to being unfair and furthering complexity, limiting the tax deduction does not make economic sense. Second homes are a major component of the economic base for many of our resort communities. In my estimation, this provision will harm those communities and put people out of work for no real gain in tax reform.

I hope that you will pay close attention to this portion of the President's tax package and fight for the deletion of second home mortgage interest limits in future legislation. Thank you for your attention to my comments.

Sincerely,

JOSEPH R. BOLKER,
President.

NATIONAL CHILD SAFETY WEEK

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Ms. OAKAR. Mr. Speaker, this week is National Child Safety Week. We have our colleague, Representative LEWIS, to thank for introducing this legislation and guiding it through the Congress.

As legislators, we are all aware of the need to heighten awareness to the problem of inadequate child safety. We must see to it that our constituencies are aware of how they can actively reduce the numbers of children which disappear from their homes every year. Americans must know how to promote child safety and how to look for signs that a child is existing in an unsafe environment.

Although much progress has been made in recent years in bringing the incidence of runaways, abused children and the problems of child safety generally to the attention of the American public, it is essential that we do everything possible to encourage the growing momentum toward improving the safety of every child in this country.

Again, I commend Representative LEWIS for his introduction of this resolution and I look forward to this week being a productive one in educating the American people in this critical area.

BINARY NERVE GAS WEAPONS AND THE DANGER OF PROLIFERATION

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. FASCELL. Mr. Speaker, binary nerve gas weapons increase the risk of chemical weapons proliferation and the risk of their use by terrorists. This has been one of the main reasons why Congress has turned down the Reagan administration's request to produce this new generation of lethal chemical weapons in each of the past 3 years. A decision now to modernize our chemical arsenal with this new generation of binary nerve gas weapons would undermine many of the military, technical, political, psychological, and moral constraints which have inhibited proliferation.

In 1984 I requested a Congressional Research Service [CRS] study which exposed the adverse proliferation implications of producing binary chemical weapons. The CRS study also underlined the urgency of pursuing a comprehensive and verifiable world ban on new chemical weapon production. The study led me to conclude that the United States should be working hard to secure such a ban rather than breaking our own moratorium on production and launching a new generation of chemical weapons.

The CRS study identifies a number of technical features about binary weapons that would increase the likelihood of chemical weapons proliferation in other countries. These technical features include: First, binary chemical weapons are technically easier to produce than current unitary chemical weapons; second, the production of binary weapons require lower investments of capital, skilled, labor, and expertise than current unitary chemical weapons; and third, the raw materials needed to produce binary weapons are commercially available throughout the world.

Finally, as to the potential use of chemical weapons by terrorists, the CRS study observes that this frightening possibility would be encouraged by a U.S. decision to produce binary weapons. The report stated that:

> A move by the U.S. or any other state to produce, stockpile and deploy binary nerve gas weapons . . . would probably reduce the political and motivational factors inhibiting a terrorist decision to seek such weapons . . . In a world in which unitary or binary chemical weapons become integral components of states' military programs, the risks of chemical terrorism could be expected to increase.

A recent article by Don Oberdorfer in the Washington Post on September 9, 1985, mentions the CRS study and points to a number of troubling proliferation developments. I want to share this article with my colleagues since I think it sketches accurately many of the proliferation risks associated with chemical weapons. I also hope that my colleagues will conclude as I have that funding production of new binary nerve gas weapons is extremely inadvisable particularly because of the new risks of chemical weapons proliferation that binary weapons present. The article follows:

[From the Washington Post, Sept. 9, 1985]

CHEMICAL ARMS CURBS ARE SOUGHT—OFFICIALS ALARMED BY INCREASING USE OF BANNED WEAPONS

(By Don Oberdorfer)

The dirty yellow cloud of poisonous gas has supplanted the atom's mushroom cloud as a symbol of the most pressing proliferation danger facing the world, in the view of government officials from the United States and several other countries.

While no nation has joined the A-bomb club since India conducted a nuclear test in 1974, the deadly chemicals known as "the poor man's atomic bomb" have been repeatedly used in warfare in the 1980s, and in ways that experts fear may promote their further use.

In an effort to stem the tide, officials and chemical specialists from the United States and chemically advanced Western European and Asian countries held an unpublicized meeting for several days last week in Brussels, under the leadership of Australia, to discuss ways to prevent the production and use of chemical weapons from spreading to additional countries. This was the second meeting since June of this group, whose existence is so sensitive with some governments that it has not been given a name.

Secretary of State George P. Shultz said earlier this year that the United States thinks that at least 13 nations have chemical weapons, compared with five in 1963, and that additional nations are trying to get them.

"The sad fact," Shultz said, "is that a half century of widely accepted international restraint on the use or development of chemical weapons is in danger of breaking down."

Other U.S. officials have said that at least 15 countries belong to the "chemical weapons club."

"Proliferation is an enormous problem," said a senior State Department official who has been deeply involved in low-key U.S. efforts to limit them. "I'm afraid that the number [of chemical weapons nations] could double in the next decade."

Since Iraq used mustard gas and nerve gas against Iranian troops in early 1984 and again this year, concern has mounted, generating U.S. interagency studies, chemical-export controls and unpublicized international meetings with American allies to consider joint actions.

The most acute worry is that a future Iranian offensive will trigger another Iraqi poison gas attack and that, in retaliation, major Iranian gas attacks will be launched on the battlefield or against civilian targets. Such an exchange would be the first time since World War I that both sides have used chemical weapons in a war.

Officials are also concerned that if Iran uses chemical weapons it might also supply poison gas to terrorist groups.

Recent U.S. and international discussions have covered such items as restricting shipments of "precursor chemicals" that could be used in chemical weapons and creating "trigger lists" of chemicals whose acquisition should set off alarms in world capitals. The antiproliferation program in the chemical-weapons field is in its infancy, however, compared with the extensive international drive to halt the spread of nuclear weapons.

"Unless we in the West and others get our act together soon to stop the spread of chemical weapons, we will pass up a good opportunity," said Kenneth L. Adelman, director of the Arms Control and Disarmament Agency. "We can possibly nip this looming threat early, before chemical weapons become as commonplace as hand grenades in Third World armies."

Prof. Joseph Nye of Harvard University, who served from 1977 to 1979 as the key U.S. negotiator in creating a "suppliers' group" of advanced nations working together against nuclear weapons proliferation, said that the drive against chemical weapons is "not even as far along" and that it faces considerably more difficult problems.

Nye said it is more difficult to obtain a broad political consensus against chemical weapons, which lack the "species threatening" dimension of atomic weapons. For example, the Soviet Union, which has cooperated in the effort to control nuclear-weapons proliferation, is considered a big part of the problem in the proliferation of chemical weapons.

Moreover, chemical weapons are much easier to manufacture—and thus more difficult to control—than nuclear weapons.

Particularly worrisome, Nye said, are growing programs here and in the Soviet Union to investigate bioengineering, especially the creation of potent new biological substances, as a weapon of war.

The fields of chemical and biological warfare are governed by separate international agreements, but are closely related. The distinction is that biological weapons are living organisms, while chemical weapons are not. Falling in a middle ground are toxins such as "yellow rain," described by the United States as a chemical byproduct of biological processes.

Mounting concern about the spread of chemical weapons in Third World nations comes as a 40-nation conference in Geneva continues to work on a new worldwide chemical weapons ban, without notable success, and as the United States appears about to resume production of nerve gas for its chemical-weapons stockpiles.

Production was halted by President Richard M. Nixon in 1969, but the Reagan administration has waged a three-year battle to restart it.

After a major fight, a House-Senate conference committee authorized resumption of poison-gas production in July, and an appropriation to supply the money is pending on Capitol Hill.

Resumed U.S. production of chemical weapons "could well promote proliferation" by other nations, said a 1984 study by the Congressional Research Service, "but if it does, it will be one factor among many doing so."

The extensive use of gas warfare in World War I generated worldwide revulsion that led to the Geneva Protocol of 1925 outlawing the use of chemical and bacteriological weapons. The protocol, signed by 106 nations, does not outlaw the development or possession of such weapons, only their use. Nonetheless, it eased fears about the weapons for most of the years since.

The Japanese reportedly used gas in Manchuria. And the Italians were said to have used it in Ethiopia in World War II. Egypt is thought to have used mustard gas against Yemen in 1963 and 1967. These attacks against unprotected troops or populations were limited in their international impact, however.

Chemical warfare drifted back into the headlines in September 1981, when the Reagan administration charged the Soviet Union with using poisonous "mycotoxins"—popularly known as "yellow rain"—in southeast Asia. Later the administration charged the Soviets with supplying traditional chemical weapons and "yellow rain" toxins that were used in Afghanistan as well as Laos and Cambodia.

The "yellow rain" charges were and are disputed by a number of private scientists, but the administration continues to reaffirm them. Last month, the State Department said that after "extensive review and analysis by independent authorities in the field as well as government experts . . . our conclusions stand. Chemical and toxin weapons have been used in southeast Asia and Afghanistan."

U.S. officials said, however, that reports suggest that use of chemical weapons and "yellow rain" in those areas has greatly diminished or stopped in the past year or two.

Whatever doubt still exists about "yellow rain," there is little doubt about Iraq's use of chemical weapons against Iranian ground troops in February to April 1984, and again this spring. In both cases, U.N. reports and other independent studies backed up the charges, and Iranian soldiers suffering from poison-gas attacks were treated at hospitals in Western Europe.

"Iraq has gotten away with the use of chemical weapons with minor costs," said Brad Roberts, an expert at the Georgetown Center for Strategic and International Studies. He said this is likely to spur the acquisition and use of poison gas by other countries because "Third World defense planners can see that Iraq turned back a major offensive by Iran with chemical weapons" but hasn't seemed to suffer for it.

Iran has threatened to retaliate in kind. And on April 24, the State Department said Iran "has been seeking to develop a chemical-weapons capability and may now be in a position to use such a weapon." Late last month, a U.S. official familiar with the intelligence said, "Iran has the capability" to use chemical weapons. A few limited chemical attacks attributed to Iranian forces in the past, he said, apparently relied on Iraqi chemical shells captured on the battlefield.

Because chemical-warfare capabilities are shrouded in secrecy and nations rarely admit that they possess such weapons, clear-cut, well-confirmed facts are rare.

A February 1985 report in Chemical and Engineering News, which is said to reflect official information, listed four countries as confirmed possessors of chemical weapons: the United States, Soviet Union, France and Iraq.

Eleven other countries were listed as those "alleged to possess" chemical weapons: Egypt, Syria, Libya, Israel, Ethiopia, Thailand, Burma, China, Taiwan, North Korea and Vietnam.

A September 1983 U.S. intelligence estimate from CIA and other sources, first made public by Jack Anderson and Dale Van Atta in August 1984, gave these details:

Egypt received Soviet chemical-weapons training, indoctrination and materiel in the 1960s while it was the major Soviet client in the Middle East.

Syria has "probably the most advanced chemical-warfare capability in the Arab world" with the possible exception of Egypt. As of 1983 no Syrian production facility had been identified and there was "no need" in view of chemical agents and delivery systems reportedly flowing from the Soviet Union and Czechoslovakia.

Libya met with "little success" in obtaining chemical weapons plants from Eastern or Western Europe but may possess lethal chemical agents for "experimental purposes."

Israel undertook a chemical-weapons program after capturing large amounts of Soviet-supplied equipment from its Arab foes in the 1967 and 1973 wars. Israel is thought to have "at least" nerve gas, mustard gas and riot control agents with "suitable delivery systems" and to have tested its weapons as early as 1976.

Ethiopia acquired "chemical agents, munitions and decontamination equipment" from its Soviet ally. Reports of lethal Ethiopian attacks against Eritrean insurgents are "unconfirmed," although many U.S. officials consider them credible.

Thailand, in response to a Vietnamese chemical-warfare threat, is "upgrading its capabilities" by improving its research and acquiring protective equipment from the West. U.S. officials said recently, however, they do not think that Thailand possesses offensive chemical weapons.

Burma has been seeking since at least 1981 to produce mustard gas. The Central Intelligence Agency estimated that Burma should be "self-sufficient" in chemical weapons by the spring of 1984, most likely for use against internal insurgencies.

China has a "small" offensive chemical-warefare capability. China is thought to have suffered gas attacks in a skirmish with Soviet forces in 1969 and Vietnamese forces in 1979.

Taiwan has "an aggressive, high-priority program to develop both offensive and defensive capabilities." Taiwan has produced at least mustard gas, the report said.

North Korea "reportedly stores and produces" crude chemical weaponry, but the reports are "unsubstantiated."

Vietnam's chemcial-weapons capability, with "a range of agents" in addition to "yellow rain," is reported by U.S. officials to have been "transferred" to that country by its increasingly close ally, the Soviet Union.

Soviet forces are thought to have stockpiled chemical weapons in a number of Eastern European countries, and there is controversy in the U.S intelligence community about whether these nations have their own production facilities. A West German official said his government thinks that East Germany, Czechoslovakia and Poland are producing chemical weapons.

A number of other nations, including South Korea, are reported to be interested in acquiring chemical weapons. A proposal that U.S. forces in South Korea be armed with chemical weapons—in light of reports that North Korea has them—is under study in the Pentagon.

WOMEN VIETNAM VETERANS SHOULD BE INCLUDED IN AGENT ORANGE STUDIES

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Ms. KAPTUR. Mr. Speaker, today, I and several members of the Veterans' Affairs Committee are introducing legislation requiring the Veterans' Administration to proceed with the implementation of a study on the health effects of agent orange on women Vietnam veterans. On August 2, 78 Members of Congress sent a letter to the Cabinet Council Agent Orange Working Group urging the approval of study guidelines so that a study may proceed. Two years have lapsed since the need for a study was recognized. Still, we get the same bland promises of interest from the VA and Department of Health and Human Services but no concrete action. I submit for the RECORD the letter sent to the Agent Orange Working Group Chairman on August 2, and two responses to that letter.

I believe we have been more than patient, but enough is enough. It is unconscionable that women Vietnam veterans were not included in the initial Agent Orange studies conducted by the Centers for Disease Control. While the proposal for a women's study has been under consideration for so long, significant numbers of female Vietnam veterans, and their children, continue to suffer serious health problems. For many of these women, any study will be too little, too late. But this Government has a responsibility to those many other women who may yet be helped by such a study and who may at least be relieved of the uncertainties with which they have lived for so many years.

I urge my colleagues to support this measure.

The materials follow:

House of Representatives,
Washington, DC, August 2, 1985.

Mr. Charles Baker,
Chairman, Cabinet Council, Agent Orange Working Group, Department of Health and Human Services, Washington, D.C.

Dear Mr. Baker: In February, 1984, ninety Members of Congress wrote to the Administrator of the Veterans Administration, Mr. Harry Walters, expressing their concern that women Vietnam veterans had not been included in epidemiological studies then being conducted by the Center for Disease Control. Mr. Walters responded that this was "an issue of prime concern to me" and that in September, 1983, he had "instructed my staff to investigate the possibility of studies on women veterans who served in Vietnam and their exposure to dioxin." In July, 1984, at a Hosue Veterans' Affairs Committee briefing on the CDC's ongoing Agent Orange projects, the CDC acknowledged the feasibility of a study concerning the health effects of Agent Orange on female Vietnam veterans.

Since that time, the Cabinet Council Agent Orange Working Group has been considering the development of a study on this subject. We understand that the Science Panel was not satisfied with one study protocol proposed by the CDC in April of this year. We further understand that the CDC then submitted a proposal to the Science Panel for a more limited study of women Vietnam veterans which could be, according to Mr. Walters, "accomplished more expeditiously and which should answer the same concerns with virtually comparable scientific validity."

In the last six months, several members of both the House and Senate have written to you and other parties involved with the Science Panel's deliberations to stress the urgent need to adopt a study protocol and to proceed with a study without further delay. In your response to several of these Members, you state, "The Science Panel feels that the health needs of female Vietnam veterans should receive high priority and are concerned that this should be done in the most expeditious way."

It has now been almost two years since the need to do such a study was recognized. To date, not even an outline for a study has been approved. Three major studies involving male Vietnam veterans and their exposure to Agent Orange have long been underway. We strongly feel that the health needs of women Vietnam veterans deserve the same expeditious and careful consideration.

We recognize that it takes time to develop and implement a reliable, scientific study; but much time has already elapsed. We firmly believe that it is time for the Veterans Administration, the Center for Disease Control and the Science Panel to put their many verbal expressions of support into concrete action by approving a study protocol so that implementation of that study may proceed.

Our commitment to this study continues to be strong; so, too, is our determination to effect its implementation, whether that be through the administrative process or legislative action. We appreciate your kind attention to our concerns.

Sincerely,

Marcy Kaptur, Nancy Johnson, G.V. "Sonny" Montgomery, Elwood Hillis, Lane Evans, Tom Daschle, Bob Edgar, Don Edwards, Marilyn Lloyd, Robert Roe, John Conyers, Edolphus Towns, James Oberstar, John Miller, Gus Yatron, Mike Lowry, Doug Walgren, Bruce A. Morrison, Mervyn Dymally, Olympia Snowe.

Nick Rahall, James Jeffords, Robert Kastenmeier, Peter Rodino, Major Owens, Fortney H. Stark, Matthew McHugh, Claude Pepper, James Florio, John McCain, Christopher Smith, Joe Moakley, Harley O. Staggers, Jr., Howard Berman, Lindy Boggs, Ted Weiss, Esteban Edward Torres, Guy Molinari, Martin Sabo, Timothy Penny.

Walter Fauntroy, Gerry Sikorski, Andrew Jacobs, Sam Gejdenson, Barbara Boxer, Parren Mitchell, Matthew Martinez, Ken Kramer, William Gray, Albert Bustamante, George W. Crockett, Jr., Gary Ackerman, Barney Frank, Jim Bates, Rod Chandler, Mickey Leland, James Howard, David Bonior, Norman Mineta, James H. Scheuer.

J. Roy Rowland, Robert Matsui, John Seiberling, Sander M. Levin, Don Fuqua, Michael Bilirakis, Cardiss Collins, Sherwood L. Boehlert, Sala Burton, Charles Hayes, Edward F. Feighan, John J. LaFalce, Barbara A. Mikulski, Vic Fazio, Patricia Schroeder, Martin Frost, Frank McCloskey, Dan Glickman.

The Secretary of Health
and Human Services,
Washington, DC, August 8, 1985.

Hon. Marcy Kaptur,
House of Representatives,
Washington, DC.

Dear Mrs. Kaptur: This is to acknowledge receipt of your letter of August 2, 1985, urging the development and implementation of a scientific study, of the health effects of agent orange, on female Vietnam Veterans.

I have asked the Acting Assistant Secretary for Health to give your concerns prompt attention. We expect to provide you with a more thorough response in the near future.

Thank you for bringing this matter to my attention.

Sincerely,

Margaret M. Heckler,
Secretary.

Centers for Disease Control,
Atlanta GA, August 23, 1985.

Hon. Don Edwards,
House of Representatives,
Washington, DC.

Dear Mr. Edwards: This is in response to your letter of August 5 regarding the implementation of an investigation of the health of female Vietnam veterans.

The Centers for Disease Control (CDC) has determined that a study focusing on the health of female veterans is feasible and has prepared two draft research protocol outlines for epidemiologic studies of female veterans. These outlines have been submitted to the Chairman of the Agent Orange Working Group for review. If the research protocol outlines submitted to the Agent Orange Working Group are approved, we shall pursue a study of female veterans' health as rigorously as we are presently pursuing the epidemiologic studies of the health of male veterans.

Thank you for your continued interest in this important public health issue.

Sincerely yours,

Donald R. Hopkins, M.D.,
Assistant Surgeon General,
Acting Director.

H.R. 3297

To require the Administrator of the Veterans' Administration to provide for an epidemiological study of the gender-specific effect of exposure to the herbicide known as Agent Orange on female veterans

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AGENT ORANGE STUDY FOR FEMALE VETERANS.

(a) Requirement for Epidemiological Study.—(1) The Administrator of Veterans Affairs shall provide for the conduct of an epidemiological study of any long-term adverse gender-specific health effects in females of service in the Armed Forces of the United States in the Republic of Vietnam during the period of the Vietnam conflict as such health effects may result from exposure to—

(A) phenoxy herbicides (including the herbicide known as Agent Orange); and

(B) the class of chemicals known as the dioxins produced during the manufacture of such herbicides.

(2) In providing for such study, the Administrator may expand the scope of the study to include an evaluation of any long-term adverse gender-specific health effects in females of such service as such health effects may result from other factors involved in such service (including exposure to other herbicides, chemicals, medications, or environmental hazards or conditions).

(3) The Administrator may also include in the study an evaluation of the means of detecting and treating adverse gender-specific health effects found through the study.

(4) The Administrator shall provide for the study to be conducted through contracts or agreements with public or private agencies or persons.

(b) Functions of Office of Technology Assessment.—(1) The study required by subsection (a) shall be conducted in accordance with a protocol approved by the Director of the Office of Technology Assessment.

(2) The Director shall monitor the conduct of such study in order to assure compliance with such protocol.

(3)(A) Concurrent with the approval or disapproval of any protocol under paragraph (1), the Director shall submit to the appropriate committees of Congress a report—

(i) explaining the basis for the Director's action in approving or disapproving the protocol; and

(ii) providing the Director's conclusions regarding the scientific validity and objectivity of the protocol.

(B) If the Director has not approved such a protocol during the 180 days following the date of the enactment of this Act, the Director—

(i) shall submit to the appropriate committees of Congress a report describing the reasons why the Director has not given such approval; and

(ii) shall submit to such committees an update report on such initial report each 60 days thereafter until such a protocol is approved.

(4) The Director shall submit to the appropriate committees of Congress, at each

of the times specified in the second sentence of this paragraph, a report on the Director's monitoring of the conduct of such study pursuant to paragraph (2). A report under the preceding sentence shall be submitted—

(A) before the end of the six-month period beginning on the date of the approval of the protocol by the Director;

(B) before the end of the 12-month period beginning on such date; and

(C) annually thereafter until the study is completed or terminated.

(c) Duration of Study.—The study conducted pursuant to subsection (9a) shall be continued for as long after the submission of the first report under subsection (d)(1) as the Administrator may determine reasonable in light of the possibility of developing through such study significant new information on the long-term gender-specific adverse health effects in females of exposure to dioxins.

(d) Reports to Congress.—(1) Not later than 24 months after the date of the approval of the protocol pursuant to subsection (b)(1) and annually thereafter, the Administrator shall submit to the appropriate committees of Congress a report containing—

(A) a description of the results thus far obtained under the study conducted pursuant to such subsection; and

(B) such comments and recommendations for administrative or legislative action, or both, as the Administrator considers appropriate in light of such results.

(2) Not later than 90 days after the submission of each report under paragraph (1), the Administrator shall publish in the Federal Register, for public review and comment, a description of any action that the Administrator proposes to take with respect to programs administered by the Veterans' Administration. Each such description shall include a justification or rationale for any such action the Administration proposes to take. Any such proposal shall be based on the results described in the report under paragraph (1) and the comments and recommendations on that report and any other available pertinent information.

(3) The requirement in paragraph (1) for the submission of annual reports expires upon the submission of a report after the completion of the study under subsection (a).

(e) Budget Act Provisions.—(1) This section does not authorize the enactment of new budget authority for a fiscal year before fiscal year 1987.

(2) A contract to carry out the study under subsection (a) may be entered into only to the extent that—

(A) appropriated funds are available to carry out the contract; or

(B) the contract provides that the obligation of the United States to make payments under the contract is contingent upon the availability of appropriated funds for such payments.

(f) Definition.—For the purposes of this section, the term "gender-specific health effects in females" includes effects on female reproductive capacity, reproductive organs, and reproductive outcomes, effects on female-specific organs and tissues, and other effects unique to the physiology of females.

SHOULD WEAPONS BE TAX DEDUCTIBLE?

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. FEIGHAN. Mr. Speaker, I would like to call to my colleagues attention an editorial from August 30, 1985, New York Times regarding the fundraising and spending efforts of some tax-exempt American organizations. The specific concern of the Times' editorial is the potential that the current conflict in Nicaragua may be turned into a war financed in part by Americans who contribute to organizations supplying the anti-Sandinista contra rebels. In one case, Ellen Garwood of Austin, TX, has contributed $65,000 to the U.S. Council for World Freedom, which in turn has used the money toward the purchase of a helicopter for the contras. I think the Times raises some interesting points on these activities, and I believe my colleagues will find it of interest.

I ask that the text of the editorial be inserted in the Record.

Making War the Private Way

An organization called the U.S. Council for World Freedom was granted Federal tax-exempt status in 1982 after its treasurer pledged that it would never provide "materiel or funds to any revolutionary, counterrevolutionary or liberation movement." This council now boasts it has raised as much as $300,000 for the "contra" rebels fighting Nicaragua's leftist regime. What about the tax pledge? The council president says he didn't know about it. Besides, says the current treasurer, the fund-raising has President Reagan's backing and "the blessings of the Government."

This breezy view of the law calls to mind Richard Nixon's remark to a television interviewer: "When the President does it, that means it is not illegal." The point is not limited to tax exemption. The council's activities provoke concern over a wider danger: the Administration's willingness to privatize its diplomatic and military activities.

When private citizens make war, they violate the Constitution; it ordains that only the Federal Government can make war. Nevertheless, the White House has virtually franchised out the contra war to fringe groups and has assigned a National Security Council aide to encourage private funding of the insurgents. The effect has been to circumvent Congress, which voted last year to end U.S. funding of the contras, a ban now partly lifted. The White House insists no laws have been broken.

The most visible fund-raiser is John Singlaub, a retired general and president of the World Anti-Communist League and the U.S. Council, its American chapter. He is doubtless a patriot, but the league has attracted some peculiar freedom fighters. It has been a "gathering place for extremists, racists and anti-Semites," the Anti-Defamation League said in 1981. General Singlaub contends that this is no longer so, that former Nazi SS officers and other extremists have been purged.

The general acknowledges that he should have known about the pledge to Internal Revenue. He also says no American contributions were used to buy arms. This will come as news to Ellen Garwood of Austin, Tex., who says she gave $65,000 toward the purchase of a helicopter, which will be gallantly named "Lady Ellen."

The most obvious danger of turning Nicaragua into a private-sector war is that it violates the Constitution and risks entangling America's good name with extremist groups accountable to no one. If privatizing wars of liberation is accepted, where does the Government draw the line? By what standard can it discourage Americans from buying guns for the Irish Republican Army?

There's little evidence of Administration worry over where its zeal is already leading. Minnesota's level-headed Senator David Durenberger, chairman of the intelligence oversight committee, is worried. He plans hearings when the Senate returns Sept. 9, and it will be none too soon. Sandinista supporters are matching General Singlaub's campaign with their own, and there are plenty more foreign fights that excite Americans on one side or the other. If the White House wants war, the body it must persuade is the U.S. Congress, not the U.S. Council for World Freedom.

WHY CAN'T THE CONGRESS BALANCE THE NATION'S CHECKBOOK?

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. RAY. Mr. Speaker, during the recent recess, I am certain that most Members of Congress were asked, as I was, to explain the threat that the growing deficit poses for our country. And I am sure that most of us responded, in part, by explaining how complicated the country's finances are.

But, Mr. Speaker, the complex deficit issue was greatly simplified for me recently when I received a letter from a boy scout in my district. Dax Hoxsie is from Americus, GA, and he asked me to explain something to him that he doesn't understand. Let me read a portion of his letter:

Because my parents both work, I often hear them talking about our household budget, bills, and balancing the family checkbook. I often hear, too, on television about the Nation's budget not being balanced. My question and concern is this: Why is it that the Government can continue to spend the money it does not have? Why can't the Nation's checkbook be balanced?

Mr. Speaker, Dax has asked a simple, direct question. In my opinion, this Congress has no real answer to give him. Of course, we can cloud the issue with complexities and politics. That's what we've done evertime the subject has come up.

But, if we cast aside the rhetoric and look honestly at our spending habits, can any of us offer a sound reason for spending money we don't have?

The debts we are mounting up will not be foregiven or forgotten. Eventually, the money we borrow will have to be paid back.

Unfortunately, those of us doing the borrowing won't be the ones to make the payments. Dax Hoxsie, and all those other children watching us and wondering what we're doing, will be handed the bill for our purchases.

I hope when that day comes, a few of the borrowers are still around. Then, they can answer the questions that I'm sure Dax and his generation will still be asking:

> Why couldn't you stop spending money you didn't have? Why couldn't you balance the Nation's checkbook?

I hope I'm not one of those still around, Mr. Speaker, because I don't believe there is a satisfactory answer we can give our children.

HONORING MR. NORMAN HSU, U.S. POSTAL SERVICE AWARD NOMINEE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. TORRES. Mr. Speaker, I would like to bring to the attention of my colleagues an individual who has distinguished himself in his community.

Mr. Norman Hsu has been nominated by the Hacienda La Puente Unified School District as their entry for consideration by the U.S. Postal Service for its National Community Service Award.

Mr. Hsu a resident of Hacienda Heights, a beautiful community located in the 34th Congressional District of California, has spent many hours volunteering his time to his community.

He is a member of the Hacienda Heights Kiwanis Club, a member of the Hacienda Heights Cable TV Advisory Committee, Little League, Bobby Sox, PTA and School Boosters.

As a member of the Hacienda Area Chinese Association, he has worked to provide educational programs for the growing Asian community of Hacienda Heights. He has also been an effective liaison with the local school district and community, helping many Asian adults make a smooth transition into the American mainstream.

Mr. Speaker, I ask that my colleagues join me in congratulating Mr. Norman Hsu for being chosen as the district nominee for the National Community Service Award of the U.S. Postal Service.

HENRY HYDE: INTELLIGENCE PROBLEMS AND SOME SOLUTIONS

HON. DAN LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. LUNGREN. Mr. Speaker, over the past several months, there have been a number of spy cases—both here and abroad—that raise serious questions about the Western World's ability to keep a secret. It is quite clear, for example, that both the United States and West German intelligence services have experienced damaging penetrations by agents of the Soviet Union and their Eastern Bloc surrogates.

As a consequence of these latest spy revelations, a number of suggestions have been offered by a variety of experts as to what the United States can do to tighten up its overall security and intelligence apparatus. Some of these recommendations have included legislative initiatives that must warrant immediate consideration. As we consider these proposals, I urge my colleagues to read the following speech given last fall by our distinguished colleague from Illinois, HENRY HYDE.

Although some of what he had to say has been overtaken by events, much of it is still very relevant today. Of special significance are his observations and recommendations regarding congressional oversight of the U.S. intelligence community and his critique of the Intelligence Identities Protection Act.

Mr. Speaker, I, therefore, insert Mr. HYDE'S speech at this point in the RECORD:

CURRENT INTELLIGENCE PROBLEMS AND SOME SOLUTIONS

(Congressman Henry J. Hyde)

At the outset, I wish to thank you for the invitation to address this 10th annual Convention of Former Intelligence Officers. What makes this occasion especially meaningful to me is that I am an ex-naval intelligence officer officer myself. That experience, coupled with my positions on the House's Judiciary and Foreign Affairs Committees, have heightened by awareness of the need for an effective U.S. intelligence capability. This background also has made me very appreciative of the role people like you have played in maintaining that capability.

In my remarks today, I shall focus primarily on the reasons behind House Joint Resolution 633, the legislation I introduced on August 1 of this year which would create a Joint Committee on Intelligence. However, I also will discuss briefly the Intelligence Identities Protection Act—a measure Congress passed some two ago with the objective of deterring disclosures of undercover intelligence personnel.

What caused me to become concerned about Congress' current intelligence oversight arrangement was the furor last spring over the mining of the Nicaraguan harbors. That episode illustrates a problem of overwhelming importance. Specifically, one must ask how capable Congress is of practicing responsible congressional oversight of intelligence activities, once those activities are viewed as an integral part of a foreign policy that has become controversial and the subject of partisan debate.

After Vietnam and Watergate, both Houses of Congress decided to establish Select Committees on Intelligence following extensive investigations of U.S. intelligence activities by panels headed by then Congressman Otis Pike and late Senator Frank Church. Early on, both of these committees appeared to conduct their business in an amicable and bipartisan manner with little evidence of politicization. Unfortunately, such a turn of events was too good to last, and for the last two years or so, the House Permanent Select Committee on Intelligence, in particular, has become increasingly politicized. Of late, its Senate counterpart has also reflected a political coloration not seen heretofore.

One of the intelligence community's most illustrious and respected alumni, Admiral (ret.) Bobby Inman, resigned in October 1982 as a consultant to the House Intelligence Committee because he felt it had become politically partisan. He cited as his specific reason for leaving the fact that he had not been consulted on a subcommittee report critical of the U.S. intelligence performance in Central America. In the admiral's opinion, the report, which emphasized El Salvador, was "put out on party lines."

In his resignation announcement that was reported in the October 15, 1982 edition of the Washington Post, Inman also indicated that the congressional Intelligence Committees' oversight of the intelligence agencies must be nonpolitical in order to earn public credibility. He went on to add that "if the country doesn't establish a bi-partisan approach to intelligence, we are not going to face the problems of the next 50 years." Admiral Inman also offered some sage advice on avoiding leaks by recommending that "none of the staff should have any personal relations with the media."

A serious question with dangerous implications presents itself: Is our democratic form of Government unable to keep any secrets, no matter how sensitive to our national interests? As we all know, the calculated, politically motivated leaking of highly sensitive information has become a Washington art form, and one that is not confined to Congress alone, as a number of these unauthorized revelations have come from various places in the executive branch as well.

With respect to the question of mining Nicaraguan harbors, leaks to the press caused a number of Senators, who knew about the mining activities when they voted for additional assistance for the Nicaraguan resistance forces, to turn around a few days later and disingenuously condemn the mining by voting for a resolution prohibiting it. Such election year flip-flopping called into question the integrity of the oversight process, and jeopardized the President's Central American Aid Program. Senator Leahy and I have strong differences of opinion regarding the President's foreign policy vis-a-vis Nicaragua, but the Senator was right on the mark when he said, "there were Senators who voted one way the week before and a different way the following week who knew about the mining in both instances and I think they were influenced by public opinion, and I think that's wrong and that is a lousy job of legislative action."

It appears the only way to mount a successful covert operation these days is for such an activity to have the nearly unanimous support of both Intelligence Committees and the involved agencies of the intelligence community. Anything short of that is doomed to failure, as opponents will selectively leak material to their acquaintances in the media with the expressed purpose of torpedoing the operation. Moreover, as recent press disclosures clearly demonstrate, you can count on a flurry of these leaks just before anticipated congressional action on the issue in dispute.

What is especially disturbing is that those who are doing the leaking probably have never stopped to think what the short and long-term implications of their revelations will be with respect to U.S. Intelligence efforts, as well as to U.S. foreign policy. They are so preoccupied with scoring political points that they do not even begin to realize

how their actions may be impacting on the lives of U.S. Intelligence and Foreign Service personnel overseas. Furthermore, with respect to the Contras, I doubt if any of these professional leakers have given any thought as to how their discloures might jeopardize the thousands of people in the Nicaraguan resistance movement to which the U.S. made a commitment.

One of the cardinal rules of intelligence is that one does not confirm the accuracy of news accounts regarding sensitive intelligence operations. Yet, we saw in the wake of the initial press disclosures, the chairman of the House Permanent Select Intelligence Committee do just that during a public appearance before the House Rules Committee, and subsequently on the House floor. Ironically, according to one press account, Chairman Edward P. Boland's explanation of what his committee knew and when was partly motivated by a desire to remove any doubt that the CIA had not fully briefed the committee on mining activities. That's a commendable reason, but at what cost to our intelligence capabilities?

Finally, in a move that must have left foreign intelligence services incredulous, the CIA felt obliged to issue a press release that for the first time implicitly and publicly acknowledged its involvement in the mining by citing 11 occasions when it briefed congressional Intelligence Committees on the matter.

What an unseemly spectacle then unfolded! The chairman of the Senate Intelligence Committee, Mr. Goldwater, excoriated the CIA for not being forthcoming. Shortly thereafter, the committee's vice-chairman, Senator Moynihan, announced his resignation from the committee, claiming that he was not properly briefed on the mining matter either. That charge was particularly perplexing to the executive branch because, at least a week before the Senate voted on the assistance to the Nicaraguan resistence forces, Mr. Moynihan reportedly requested a legal opinion from the State Department on the mining question. Nevertheless, CIA Director Casey (in a triumph of discretion over valor) apologized to the Senate Intelligence Committee for his perceived sins and Senator Moynihan decided to remain on the committee. The upshot of this bizarre scenario has been a serious deterioration in relations between the CIA and Congress with a consequent loss of trust—the most vital ingredient in the oversight process.

All of this, of course, makes a mockery of the oversight system and what must be the most overt covert program in intelligence annals. If what is at stake here was not so important, we could pause and have a good laugh at ourselves. Unfortunately, that is not the case. Our friends and intelligence contacts around the world have taken note of our sorry performance in recent months, as have the dedicated American intelligence personnel and the thousands of Miskito Indians and other Nicaraguans dependent upon us for continued support. What they have observed cannot be reassuring. Indeed, they must be wondering why they ever cast their lot with such an unreliable and whimsical partner.

In short, we cannot afford to allow what presently masquerades as congressional intelligence oversight to continue any longer. With politics intruding so heavily on the process, the prospects of more debacles are a distinct possibility. Public discussion of alleged CIA involvement in the election of Jose Napoleon Duarte as President of El Salvador, and revelations concerning purported U.S. support of the Afghan rebels are just two examples of what I mean.

It is time to give serious thought to merging the existing Intelligence Committees into a joint committee composed equally of Republicans and Democrats who, in addition to the requisite trustworthiness, competence and responsibility, also possess the rare restraiant to subordinate political considerations to the national interest. Such a committee must be backed by a small cadre of apolitical professionals with the same exemplary personal qualities as the committee's members.

Creating a new joint oversight panel along these lines would diminish the possibilities for partisan posturing and significantly reduce the number of individuals having access to sensitive information, thus minimizing the risk of damaging unauthorized disclosures. At the same time, it would retain in a more effective and concentrated manner the essentials of congressional oversight over the activities of our intelligence agencies and preclude the possibility of executive branch intelligence components playing one committee off against the other.

It would also address some other practical problems that have resulted from two committees overseeing the intelligence community. As we have learned in recent months, the two committees often reflect different perspectives, and they frequently do not focus on the same matters. Moreover, there apparently is hardly any interaction or coordination on the issues, contrary to what most of us had assumed. For example, the media carried not too long ago unattributed criticisms from the House Intelligence Committee that the CIA may have overspent its budget in its supposedly covert operations in Nicaragua. This view was not shared by the Senate Intelligence Committee. Confusion reigned!

Another thing to bear in mind in this connection is that Congress has increasingly insisted upon being consulted and briefed by the executive branch concerning national security and foreign policy questions. A large percentage of these are intelligence-related and require the involvement of high level executive branch officials who are often hard pressed to meet the demands of both the House and Senate Intelligence Committees. This is particularly true during fast breaking crisis situations. A consolidated oversight panel would provide one point of contact for consultation and briefings in those instances where time is of the essence.

In summary, a Joint Intelligence Committee would not only eliminate the problems just cited, but it would also encourage bipartisan cooperation, and thus ensure a more effective congressional oversight arrangement. I am pleased to report that before Congress adjourned, this idea had gained the bipartisan support of such respected voices in Congress as Senate Majority Leader Howard Baker, and Senator Sam Nunn, who presently sits on the Senate Select Committee on Intelligence. In addition, Senator Dan Quayle, chairman of a select committee studying ways of improving the Senate's committee system, has indicated that he will offer the joint committee concept as a recommendation that should be featured in his panel's final report to the Senate in mid-December of this year.

Such a favorable reception has led me to believe that when Congress reconvenes in January, my bill will be placed high on the legislative priority pole, and you can rest assured that I will be vigorously doing all I can to see that it is enacted into law. As one of your distinguished colleagues, Cord Meyer, noted in a recent column, it is an idea whose time has come and "there seems to be no better way of reconciling security with accountability in a dangerous world."

Before concluding, I would also like to share with you my thoughts about the Intelligence Identities Protection Act that Congress passed a couple of years ago.

As a Member of Congress, I frequently witness legislative efforts that are long on symbolism but short on substance. Sometimes these efforts are so useless that they remind me of a baseball pitcher with the stylish windup of hall of famer Sandy Koufax but who forgot to pick up the ball! In other words, all windup—no pitch.

A case in point is the Intelligence Identities Protection Act. What triggered this nobly intended—but largely ineffective—initiative was a relentless stream of disclosures.

Certain individuals, including turncoat U.S. intelligence officer Philip Agee, were busily and systematically disclosing the names of those clandestinely employed by the various U.S. intelligence agencies. Against this compelling backdrop, Congress finally attempted to remedy a situation that was seriously undermining human intelligence collection efforts worldwide.

Lamentably, the legislation that eventually emerged was so watered down that it has not really accomplished its objective of deterring the exposure of undercover intelligence personnel.

After considerable debate, Congress determined that for a non-Government individual to be convicted under this legislation, the Government would have to prove that such a person had engaged in "a pattern of activities intended to identify and expose covert agents and with reason to believe that such activities would impair or impede the intelligence activities of the United States."

Clearly not covered by this legislative provision would be those journalists who, during the course of a story, casually mention the name of a covert intelligence operative. Particularly instructive in this regard is the conference report to the Identities Protection Act which offers the following interpretation:

"A journalist writing stories about the CIA would not be engaged in the requisite 'pattern of activities,' even if the stories he wrote included the names of one or more covert agents, unless the Government proved that there was an intent to identify and expose agents. To meet the standard of the bill, a discloser must be engaged in a purposeful enterprise of revealing identities—he must, in short, be in the business of 'naming names.' "

Armed with this congressional analysis and legislative history, many journalists have no qualms about dropping the name of an undercover agent in order to make a story a little "sexier" or seemingly more credible. For example, the Washington Post ran an article by correspondent John Lantigua in an early July 1984 edition that illustrates my point.

The thrust of the story concerned an American citizen waiting to be tried in Nicaragua for espionage. Among other things, Lantigua reported that this individual declared that he sold intelligence information to a U.S. diplomat whom Lantigua named and claimed an unnamed former U.S. State Department official had revealed as having been employed by the CIA.

In my opinion, such a titillating disclosure violates the spirit, if not the letter, of the Identities Protection Act. (Incidentally, it is interesting and ironical to note that Lantigua took pains to protect the anonymity of his ex-State Department source while having no compunction whatsoever about revealing the alleged CIA ties of a U.S. Embassy employee who may have been falsely identified as can be the case in leaks of this nature.)

These actions point up that, from an intelligence standpoint, the random or isolated disclosure by an individual journalist can be just as deleterious as the wholesale revelations that used to be featured in the Covert Action Information Bulletin.

In fairness to the Washington Post, it must be mentioned that it is not alone in allowing the publication of reports with damaging revelations regarding those under cover. As Jay Peterzell indicates in the May/June 1984 edition of First Principles: National Security and Civil Liberties, such prestigious and reputable news organs as the New York Times and the Wall Street Journal have also published—since the passage of the identities protection legislation—similar stories in the apparent belief that they would not be "exposed to the prosecution under the Identities Act as now interpreted, even though many of these disclosures appear to have embarassed the U.S. Government or to have interfered with ongoing intelligence activities."

Elsewhere in the same article, Peterzell insightfully observes that "perhaps the most significant effect of the conference report on the legislation is to resolve the doubts of reporters and others about the intended scope of the Identities Act. Lawyers for the Washington Post and the Christian Science Monitor said the report had convinced them the act is not meant to apply to reporters who identify an agent in the context of a news story."

In sum, the Intelligence Identities Protection Act has turned out to be largely symbolic legislation. I will concede that it does appear to have caused the Covert Action Information Bulletin to stop publishing its "naming names" column, but even this notorious journal has dared to reveal occasionally the identity of individuals within the context of a story.

Again, Peterzell is informative as he points out that the Bulletin's editor, Louis Wolf, has stated that "on several occasions we have published articles that discuss CIA activities and identified people when it was important to the story. We got legal advice and went ahead."

Short of remedial legislation, my only and fervent hope, therefore, is that responsible, professional journalists will emulate the example of the Christian Science Monitor which decided, according to Peterzell, not to reveal a name "for moral rather than legal reasons."

That is indeed a transcendant reason and such restraint could literally mean the difference between life and death for some dedicated employee of this Nation's intelligence community.

In conclusion, I want to reiterate my appreciation for this opportunity to speak to you today and I would welcome any suggestions—legislative or otherwise—that you may have to enhance U.S. intelligence.

SCOUTING ANNIVERSARY: THE THOUGHTS OF YOUTH

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. SKELTON. Mr. Speaker, Longfellow wrote in "My Lost Youth":

A boy's will is the wind's will,
and the thoughts of youth are long, long thoughts.

That spirit of youthful adventure, of high hope and valiant enterprise, has always been at the heart of the Boy Scout movement. In this 75th anniversary year of Scouting in America, I am glad to join with those around the world who are celebrating the ideals and the achievements that have marked the Boy Scouts since their beginnings at the turn of the century.

The spirit of scouting was conceived in 1899-1900 during the long ordeal of Mafeking—a town under fierce siege for over 200 days in the Boer War and bravely defended by Robert Baden-Powell, destined to be founder of Scouting. His "Scouting for Boys" in 1906 was a call to British youth and youth everywhere. The first troops were begun in 1908, and by 1909 over 11,000 Boy Scouts gathered for a jamboree at London. In 1910 the movement was introduced into America by Daniel C. Beard, Ernest L. Seton, and James West. These were men who hoped by precept and example to make it possible for boys to pass from youth to manhood strong in character and in body alike. "Mens sana in corpore sano"—the historic ideal of the ancient Greeks—was a guiding principle in the Scouting movement: "A healthy mind in a healthy body". By the application of this ideal in daily life, Scouting sought to instill values into boys that would carry them into adult life as happy, useful citizens, dedicated to the common good.

Since that time three-quarters of a century ago over 70 million Americans have participated in Scouting in one form or another. That tremendous statistic becomes very personal for me when I recall that I am myself an Eagle Scout and that I have a page who will become an Eagle Scout this evening at an Eagle Scout Court of Honor in McLean, VA. Scouts have been prominent in every area of our Nation's life from 1910 to the present day, exemplifying in their lives the principles and values for which scouting stands. The roster of former Scouts includes many Members of Congress, President Reagan, former President Ford, and many, many more.

It would be difficult to overstate the service rendered by Scouting to the quality of American life in any era, but especially in the early decades of this century. This was a time of rapid urbanization and industrialization. Social and economic changes were transforming the very face of our country. The benefits of the outdoor life and of health-giving activities in the open air and under God's free sun and skies were too often denied to millions of boys. A New York City study done at that time indicated that 93 percent of the students in local public schools were "anemic and in need of open air treatment." The lure of hills and the woods, and the lore of generations of woods men and naturalists, conspired to win the hearts and minds of boys—and of the men who helped them—who felt themselves to be, in the famous phrase of the poet Keats, too "long in city pent."

To one who has been long in city pent,
'Tis very sweet to look into the fair
And open face of heaven.

Something of that spirit, that feeling for the wildness of nature and its challenge to a boy's will, has always been present in Scouting.

But also the early decades of this century were a time of heavy immigration from the Old World. Newcomers were often confused and perplexed by the conditions of American life. The growing diversity of ethnic, cultural, and religious backgrounds underlined the need for binding values, ways by which people of different traditions could be brought together. Scouting was one such means—as it still is. The stated purpose of the Scouts—"to promote * * * the ability of boys to do things for themselves * * * and teach them patriotism, courage, and self-reliance"—was itself a response to the urgent necessity of the time. As members of the Boy Scouts of America, boys acquired a sense of larger loyalty that strengthened the Nation's moral fabric.

The theme of self-reliance runs all through our history, a theme strikingly articulated by Emerson in his essay of 1841: "Discontent is the want of self-reliance; it is infirmity of will." The call to boys to cultivate self-reliance in Scouting was balanced by its message of patriotism, a concern for the common good and for civic virtue.

It is hardly surprising that Scouting has had such great appeal to American boys in every generation. Chartered by Congress in 1916, in the midst of the Great European War into which this country would be drawn within a year, the movement grew from 100,000—1914—to over a million by the outbreak of the Second World War.

At this anniversary occasion, it is fitting that we look again at the Scout Oath and ponder its significance: every Scout pledges on his honor "to do my duty to God and my country * * * to help other people at all times * * * to keep myself physically strong, mentally awake, and morally straight." That oath reminds us—and I fear we need reminding—that duty to God precedes all other obligations. It is an oath that could not be permitted in any totalitarian country, past or present. It is an oath deeply rooted in the history and traditions of America. The Scout Law lists the qualities of a Scout in a well-known litany of virtues—" Trustworthy, Loyal, Helpful, Friendly, Courteous, Kind, Obedient, Cheerful, Thrifty, Brave, Clean, and Reverent." An organization which tries to foster such ideals is surely deserving of respect from all who care deeply for the quality of our Nation's life. And I would note the

presence of reverence in that sequence: reverence as an attitude defined by the dictionary as "profound respect mingled with love and awe." An irreverent generation is ultimately an uncaring people. It is the sense of duty—to God, to country, and to other people—that must begin and end in reverence, that profound respect for the source of life and author of liberty.

Think for a moment how deeply the traditions of religious faith inform and sustain the foundations of our national life. Freedom of conscience and of worship is at the heart of our country's heritage, and such freedom would be empty without the vibrant reality of faith in all its rich diversity. The role of religion in our common heritage was definitively expressed by George Washington himself in his first inaugural (1789):

> No people can be bound to acknowledge and adore the Invisible Hand which conducts the affairs of men more than those of the United States. Every step by which they have advanced to the character of an independent nation seems to have been distinguished by some token of providential agency; and in the important revolution, just accomplished in the system of their united government the tranquil deliberations and voluntary consent of so many distinct communities from which the event has resulted cannot be compared with the means by which most governments have been established without some return of pious gratitude, along with an humble anticipation of the future blessings which the past seem to presage * * *.

That "spirit of pious gratitude" invoked by Washington is, I venture to assert, the same spirit that finds expression in the Scout Oath. Our "duty to God" involves no creedal or sectarian identity. It is a broad-based commitment to the Power "that hath made and preserved us a nation." To be sure, we are free not to make such a commitment. But then we are clearly rejecting the moral and spiritual tenets on which Scouting is founded.

"Duty to country," patriotism, takes many forms also. It may mean service in the Armed Forces, or it may mean the quiet obligations of citizenship that are present in every area of human life, in family life, in business and the arts and sciences, the professions, and the like. It is the loyalty that binds State and Nation into indissoluble union.

Above all, Scouting is concerned with the transformation of boys into men. Its dedication to the work ethic, education, morality, reverence, inculcates these ideals as a very way of life, giving direction, and purpose to the energies and enthusiasms of boys. So it is truly that we may say with the poet,

A boy's will is the wind's will,
And the thoughts of youth are long, long thoughts.

I congratulate and commend the Boy Scouts of America on this, their 75th year, confident that their story of achievement, good times, and service to all has only begun.

HONORING MR. ROBERTO GARCIA FOR OUTSTANDING SERVICE TO COMMUNITY AND STATE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. TORRES. Mr. Speaker, I would like to bring to the attention of my colleagues an individual who has distinguished himself in his community and State.

Mr. Roberto Garcia of Sacramento, CA, has served as chief equal employment opportunity officer, for the State employment development department since 1981, following a progressive career in State service that began in 1969 as a job agent in southern California.

An outstanding employee, Mr. Garcia has always found the time and the energy to work with various community groups involved with increasing educational and employment opportunities for young Californians.

As chairman of the State planning committee for the 1984 and the 1985 Chicano and Latino Youth Leadership Conference, Mr. Garcia has once again demonstrated his committment and leadership in coordinating the week-long conference held in Sacramento. His example serves as a positive role model to the participating high school students and to the many volunteers and supporters of the conference.

Several of my constituents have participated in this annual conference and I am pleased to note that the positive experience and support that the students receive under the leadership of Mr. Garcia is very encouraging to the parents in my district.

On September 18, 1985, members of the community from throughout California will convene in Sacramento to honor the dedication and outstanding job that Mr. Garcia has performed as chairman of the conference for the past 2 years.

Mr. Speaker, I ask that my colleagues join me in congratulating Mr. Roberto Garcia for the honors being presented to him by grateful parents, students, and the numerous community leaders and organizations for his contributions and support for the development and education of our young people.

ENVIRONMENTAL AWARD WELL-DESERVED TRIBUTE TO ROBINS AIR FORCE BASE

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. RAY. Mr. Speaker, on September 5, it was my privilege to take part in a Pentagon ceremony honoring Robins Air Force Base. Maj. Gen. Cornelius Nugteren, the Warner Robins Air Logistics Center commander, was present to receive the 1984 Secretary of Defense Natural Resource Conservation Award, a tribute which Robins has worked long and hard to earn.

The Department of Defense has stewardship over 24 million acreas of land, and the Conservation Award Program is designed to reward excellent natural resources management by military installations. Robins Air Force Base earned the award by producing outstanding programs in community relations, outdoor recreation, reforestation, and fish and wildlife management.

The most outstanding aspect of Robins' conservation efforts, however, is their program of wetland development. At the present time, 800 acres bordering the Ocmulgee River are being nominated as a national landmark, due to the interest and efforts of the base.

Their natural resource programs include nature education field trips for schoolchildren, base-sponsored Scouting programs, an excellent timber management program, and an effective and efficient cardboard recycling program. At Robins, the beauty and the value of our natural resources is recognized, protected, and appreciated.

Conservation of our natural resources is more than simply caring for the beauties we now enjoy. At Robins, they have instituted a program to cultivate a love and appreciation of nature in our children, so that conservation efforts will become ingrained in the next generation. Conservation is preservation, and the best way to preserve for eternity is to influence those who will follow us.

I have always taken great pride in representing Robins Air Force Base in this Congress, because its high standards of leadership are famous. It has taken the lead once again, on an issue of importance to all of us—protecting our natural resources.

I want to offer my commendation to Robins Air Force Base for its excellent service in this area, and I want to salute General Nugteren for his leadership in natural resources management. Robins Air Force Base sets a standard of excellence which all military installations are encouraged to follow.

WHERE IS ANDREI SAKHAROV?

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. FEIGHAN. Mr. Speaker, three months have passed since anyone in the West has seen or heard any news on the whereabouts and condition of Nobel Prize winner Dr. Andrei Sakharov and his wife, Dr. Yelena Bonner. The Soviet Government, in violation of every conceivable standard of compassion and respect for basic human rights, has refused to allow these eminent individuals to travel, to meet with their children, or to maintain contact with friends, supporters, and relatives in the U.S.S.R. and in the West.

Eleven days ago, the Sakharov's son, Alexsey Semyonov, began a hunger strike in Washington to call attention to the

plight of his parents. This act of desperation on his part appeared to him to be the only alternative he had to secure attention to the treatment of his parents and to force the Soviet Government to act. Last Thursday, I joined several Members of this body at the Soviet Embassy where we met with Alexsey and joined in voicing our opposition to the Soviet's treatment of the Sakharovs. Soviet officials at the Embassy again refused to discuss the condition of the Sakharovs and refused to accept a petition we offered in behalf of the Sakharov's.

Mr. Speaker, as the United States and the Soviets prepare for the summit conference in Geneva, no action by the Soviet Government could do more to ease the tensions that exist between our countries than a liberalization of their repressive violations of basic human rights. Thousands of Soviet citizens are denied the basic rights guaranteed in the Soviet constitution, in the U.N. "Declaration of the Rights of Man," and in the Helsinki Final Act. Andrei Sakharov and Yelena Bonner are only two of many individuals in the Soviet Union who must rely on voices in the West to plead their case and raise the issue of their freedom with the Soviet regime. I hope all members of the House will join in expressing our continued outrage at the failure of the Soviet Government to move on the issue of human rights. In particular, I hope all Members of the House will continue to press our concern over the abuses directed toward Andrei Sakharov and his family. Mr. Gorbachev and his colleagues in the Kremlin must be assured that the continued abuse of the Andrei Sakharov and Yelena Bonner's human rights will not be forgotten by the House of Representatives or the American people. This tragedy has gone on long enough. It is time for the Soviet Government to bring it to an end.

Mr. Speaker, the Washington Post published an article Monday by Alexsey Seymonov in which he explains why he has taken the daring risks of a hunger strike in an effort to secure news about his parents. I ask that it be included in the RECORD at the conclusion of my remarks.

[From the Washington Post, Sept. 9, 1985]

A SIMPLE REQUEST: I'D LIKE TO SEE MY PARENTS

(By Alex Semyonov)

Ten days ago I started a hunger strike near the Soviet Embassy to protest the Soviet Union's persecution and mistreatment of my parents, Dr. Andrei Sakharov and Dr. Elena Bonner. My demand: to see my parents, either in the West or in the U.S.S.R. Why have I taken such a step? I do not regard a hunger strike as a weapon of choice—only of desperation. But did I have a choice?

For over half a year nobody has seen my parents. We do not any longer have any communication with them. My parents' health is poor. In the past few years my mother has suffered three heart attacks. She is a disabled World War II veteran, legally blind in one eye. To save her eyesight, she needs surgery; she may also need bypass heart surgery. My stepfather also needs expert care for a number of illnesses. Yet in their exile my parents are treated only by KGB-supplied doctors whose actions are determined by KGB will and not by the needs of their patients.

That in itself is bad enough, but lately their situation has become even worse. We learned (long after the fact) that in April Dr. Sakharov began a hunger strike. Immediately my parents were isolated from each other and the rest of the world. Later the Soviets showed two videotapes made with hidden cameras: in June, to prove that my stepfather had ended the hunger strike, and in July, to claim that the Sakharovs were reunited. Why, then, is there still no word from the Sakharovs themselves?

The silence is threatening. Having achieved the complete isolation of my parents, the KGB is free to do anything to them, even to kill, and count on that never becoming known to the world (remember Raoul Wallenberg? We are yet to learn his fate 40 years after the Soviets removed him from Vienna and into the Gulag.)

I believe human rights should be the underlying principle in the policies of Western countries toward the Soviet Union; thus I believe my parents, who have become symbols of the struggle for human rights in the Soviet Union, should be vigorously defended by Western countries. Unfortunately, I cannot see that happening now in the Sakharovs' critical and tragic situation.

Many Western countries, justly outraged by South Africa's breaking the moral laws of humanity, are right now applying or considering punitive actions against that state. The Soviet Union is disregarding both moral and legal obligations. The U.S.S.R. has signed international treaties (the Helsinki Accords, the U.N. Declaration of Human Rights) in which it obligated itself to respect human rights.

South Africa still allows its Nobel Peace laureate, Bishop Desmond Tutu, to be outspoken and free. In Poland, a winner of the Nobel Peace Prize, Lech Walesa, is under severe restrictions, but at least is at home and with friends. What country, then, can the Soviet Union be compared to in its treatment of my stepfather, the only Russian ever to win the Nobel Peace Prize? Only one example comes to my mind: Carl von Ossietzky, a German journalist and winner of the Nobel Peace Prize, who was imprisoned by the Nazis. But with this qualification: von Ossietzky was released and allowed to leave Germany.

But the Western countries have effectively dropped human rights issues from the agenda of their relations with the Soviet Union, probably believing that this way progress in other areas can be more easily obtained. I think this is self-defeating: sensing a weakness in the Western positions on principles, the Soviets become confident they can bully the Free World to accept the short end of the deal on any other question too.

As the situation of my parents was worsening in the last year, there was also a change in the policy of the National Academy of Sciences, of which my stepfather is a member. Five years ago, when the Soviets forcibly moved Dr. Sakharov from Moscow, the NAS discontinued scientific exchanges with the Soviet Union. This step was in complete accord with the NAS's traditional strong stand in defense of human rights.

Now, however, under the presidency of Dr. Frank Press, the NAS has reversed course. Although no improvements had been made in Soviet human rights policies, and nothing had changed in cases particularly important to the scientific community—such as those of Drs. Orlov and Scharansky—and although the Sakharovs are still in Gorky and worse off than before, Dr. Press went to Moscow and signed an agreement resuming the exchanges. He did so on the day that was the fifth anniversary of my stepfather's illegal exile. The very choice of the date says to the Soviets that human rights are not important to the NAS anymore. Even in the face of consequent protests from scientific organizations and a number of individual scientists, including some Nobel laureates, the NAS has refused to change its position.

In view of all this, believing my parents to be in mortal danger, I have started this hunger strike. I know that I cannot win alone. But there are many people concerned about my parents, and with their help I hope the situation can be changed. The administration can be moved from a passive position of denouncing the Soviets' treatment of my parents to actively seeking a resolution of the case.

It would, I believe, have lasting negative effects on East-West relations if Mr. Reagan and Mr. Gorbachev had a friendly meeting and afterwards we learned that the Soviets had killed or let die the Sakharovs and kept it a secret. I also believe that now, before the summit, my parents can and should be rescued.

ELLIE KNEPPER

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. BILIRAKIS. Mr. Speaker, I wanted to take just a moment to correct an oversight that resulted in an omission from my remarks in the CONGRESSIONAL RECORD on July 17.

On that day, I addressed my colleagues about efforts across the Nation to recognize the service and sacrifices of American MIA's and POW's and their families.

In particular, I mentioned that the city of Dunedin, FL, was one of the first communities in the country to pay special tribute to our Vietnam veterans, in particular those who did not return from Southeast Asia. A number of individuals in the community were instrumental in that effort, and I was pleased to be able to honor them by reading their names into the RECORD.

Unfortunately, the name of one person who had an active role in Dunedin's tribute was inadvertently omitted. Therefore, I want to take this opportunity to recognize Ellie Knepper. Ellie was instrumental in Dunedin's successful and moving efforts to dedicate a new stadium to those who served in Vietnam and, in fact, was the founder and chairman of the Stadium Committee. She certainly deserved to be mentioned along with those other individuals who participated in these efforts.

ARMENIAN GENOCIDE

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. MOORHEAD. Mr. Speaker, on Thursday, August 29, in Geneva, the United Nations Subcommission on Prevention of Discrimination and Protection of Minorities adopted an updated version of a genocide study which includes a reference to the Armenian massacre in 1915 and 1916. The fact of this inclusion in an official United Nations document is extremely encouraging.

Members of the Armenian community here in the United States, who have been working for many years to set the historical record straight regarding those terrible events 70 years ago, are very gratified that this important fact of history has been successfully included in a report that has international significance. I am glad to have the opportunity to bring this information to the attention of my colleagues in the House.

THE 95TH ANNIVERSARY OF ROMAN CATHOLIC HIGH SCHOOL

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. DORNAN of California. Mr. Speaker, I am proud to recognize the 95th anniversary of the founding of Roman Catholic High School in Philadelphia, PA, on September 6, 1985. Roman Catholic High was the first free Catholic high school in the country and has become a model for Catholic education in the United States. When Roman was founded in 1890, it gave the children of immigrants and first and second generation Americans the educational opportunities they needed. Today, in ever increasing numbers, Roman is also providing the same opportunity for blacks, Asians, and Hispanics.

Dr. Robert Moffit, class of 1965, and now Assistant Director for Congressional Relations at the Office of Personnel Management, was the keynote speaker at the official celebration at Philadelphia's Plaza Hotel on April 21, 1985. I am happy to include his remarks on that occasion in the RECORD today.

As Bob Moffit points out, many illustrious men have attended Roman. Among them are the Honorable James McGranery, former Attorney General of the United States under President Truman championship fighter Tommy Loughran, and most recently, the Pulitzer Prize-winning playwright, Charles Fuller.

I urge my colleagues to read Bob's inspired and thoughtful remarks. Roman Catholic High School is a very special place and has provided over the past 95 years the surroundings where young men could learn from books and, even more importantly, learn the essential spiritual and moral values that make life deeply meaningful.

Bob put it perfectly in his statement when he said that the occasion stirred something more than memories.

It is a realization that we shared in the life of an institution that stands for something; an institution that has a meaning and a purpose even beyond the high quality of its education. It is a realization clarified, for most of us, with the passage of time.

When we say that an institution stands for something, we mean that it embodies standards. We mean, to put it more directly, that it affirms that certain things are true; that we are to measure up to those standards. Or at the very least, we are to try to measure up to those standards.

Bob Moffit is an accomplished man whose experience at Roman helped to shape his character and ambition and lead him on a path of goodness in this world. We are fortunate in political circles to have his wisdom and leadership aiding our efforts. I commend Bob, congratulate the faculty and alumni of Roman, and commend Bob's remarks to my colleagues' attention on this very important occasion.

The remarks of Mr. Moffit follow:

FIDES ET SCIENTIA

(By Robert Emmet Moffit, Ph.D.)

Father Cartin, Father McLoughlin, Father Murphy, Mr. Oniskey, Dr. Palestini, Reverend Fathers, Fellow Alumni, Ladies and Gentlemen:[1]

Thomas Cahill's bold dream has come true! Ninety five years ago his personal fortune was transformed into a unique institution. It has since become a Philadelphia landmark.

As Dr. Palestini remarked just a few moments ago, Roman is a lot more than an impressive edifice of stone and masonry. She breathes a special spirit. It is that spirit that animates her graduates. It is that spirit that is responsible for the outstanding contributions Roman graduates have made to this great City, to the Commonwealth of Pennsylvania, and to the Republic.

Consider the diverse and illustrious roster of Roman graduates: the late John Facenda, the Voice of Philadelphia and the National Football League, the great Championship Fighter Tommy Loughran, the late Judge Vincent Carroll, an outstanding jurist, the Honorable James McGranery, former Attorney General of the United States under President Truman, and most recently, the Pulitzer Prize-winning playwright, Charles Fuller, whose play, "The Soldier's Story", has been made into a major motion picture. Mr. Fuller's work was, as you know, nominated for an Oscar.

Looking back on our years at Roman, I am sure that we can all recall outstanding academic and athletic records made by our classmates.

Well, I have a record. I have a record that may never have been surpassed in the history of the school. Not only that, my record may indeed withstand the challenge of Roman Catholic High School's next hundred years.

Though I was born in Fairmount and baptized at St. Francis Xavier parish, I was raised in the farthest reaches of Mayor Goode's domain in the Northeasternmost part of Northeast Philadelphia. It was then a sparsely populated little place called Somerton. Now, Somerton is literally a stone's throw from the Buck's County line. And each and every day, I traveled 40 miles by bus and El and Subway, round trip, to and from Roman, making afternoon detours during the track season to Cahill field at 29th and Clearfield. By conservative estimate, that is 40 miles per day, for 180 days per year, for a total of 28,800 miles over a period of four years. Ladies and Gentlemen, I circumnavigated the Globe—and more—just to go to high school. Or, to put it another way, I went around the world in four years on the Frankford El. I bypassed, I might add, modern, progressive, new-fangled places, much closer to home, like Father Judge.

Twenty-eight thousand and eight-hundred miles! That's the record I amassed in my four years at Roman.

I went to school with normal, well-adjusted youngsters from great old Philadelphia neighborhoods like North Philly, Fishtown, Chinatown, Manayunk, East Falls, Roxborough, and Fairmount. And I can tell you that they thought all of this traveling a bit odd. While they were polite and well-bred enough not to broach the subject, I am quite sure that they sincerely felt that I must have been a bit odd to undertake such a daily journey to Broad and Vine Street. Their curiosity was shared by the faculty of Roman, a curiosity colored by some fatherly concern over the state of my mind. In fact, one day, Father Charles Gallen, then Athletic Director for the Philadelphia Archdiocese, invited me to his office and boldly asked me the obvious question: Why are you here and not somewhere else?

I will tell you now what I told Father then. I am here because my father, Edward Patrick Moffit, Class of 39, was here; my uncle James Aloysius Moffit was here; and my youngest uncle, Francis Xavier Moffit was here. It was traditional for Moffits to attend Roman. I might add that my grandfather, James A. Moffit Sr., did not attend Roman. He attended a little country school in the town of Ballymahon, County Longford, in Ireland. From our studies in English at Roman, you may recall the beautiful works of Oliver Goldsmith. Bellymahon was also his home town. Unlike Goldsmith, James A. Moffit Sr. enjoyed a very cordial but very distant relationship with education, particularly after he slugged the local schoolmaster. That may have ended James Moffit's short formal education, but he and Nancy came to America and taught us all the lasting value of good humor and hard work.

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[1] The Rev. John A. Cartin, '16, is a former Rector of Roman Catholic High School. He served in that position from 1938 until 1952. The Rev. Richard J. McLoughlin is current Rector of Roman Catholic High School. The Rev. Joseph T. Murphy serves as Moderator of the Roman Catholic High School Alumni Association and is currently a member of the faculty of Roman. Father Murphy is a specialist in Latin and European civilization. Dr. Robert Palestini is the Assistant Vicar of Catholic Education of the Archdiocese of Philadelphia. Mr. Leonard Oniskey, '50, served as Toastmaster on the occasion of the Ninety Fifth Anniversary of Roman Catholic High School. Mr. Oniskey is a graduate of Cornell University and a businessman, who previously enjoyed a distinguished career with the New York Giants and the Washington Redskins. Other gentlemen participating in the program included: Mr. Joseph T. Wolpert, '50 Chairman of the 95th Anniversary Luncheon; Mr. James Carroll, '37, President of the Roman Catholic High School Alumni Association; Mr. John P. Carney, '52, of the Knights of Columbus; Mr. Albert Kreider, '64, who reported on the progress of Roman's Development Fund; and Mr. Hugh Mooney, '48, who served as Pianist.

So, while my classmates were possessed by other, more normal passions, I was captivated by an intense, almost uncontrollable passion for Tradition. And for this passion, I was willing to sacrifice an academic career at Father Judge, the glamor and glitter of the Great Northeast, winning football seasons, and the girls at St. Hubert's High. I forswore all of this to come to Roman and serve Tradition—and meet the girls at Hallahan.

In speaking of Tradition, there is one Tradition I should like to see revived: the Thanksgiving Day Game between Roman and St. Joseph's Prep. The Feast of Thanksgiving is a great American holiday, an opportunity to give thanks to the Lord for the health, welfare and prosperity of our families and our Country. But for Roman students, Thanksgiving had an extra special meaning. It was a time to thank the Good Lord for the precious opportunity to teach the "Preppers" a lesson in the virtue of humility.

What is it about Roman that stirs these deep feelings in us? It is a number of things. Surely it is the memory of the great friends we made during our four short years. Surely, it is the memory of what seemed to us then great events in our lives—the athletic contests, the successful plays or band concerts, events in which we played a role, perhaps even a decisive role. Surely, again, it is the memory of the fine men who taught us, the lay teachers and the priests, most especially the priests. In my case, it was my first close encounter with the Roman Catholic priesthood. Never before or since, have I met a finer group of men. Strong, sometimes stern, always able, they were utterly, one might even say ruthlessly, dedicated.

Looking back, we conjure up the images of these fine men: Fr. Kline, Fr. Walsh, Fr. Murphy, Fr. Morrison, Fr. MacDonough, Fr. York, Fr. Scherer, and the great Father Fitzpatrick. All of them are forever etched in my memory as great teachers and kind counselors, but most of all as priests. Every one of us had an inkling, no matter our level of achievement or even lack of it, no matter who we were, or where we came from, whether we were black or white, that we were the objects of a strong and paternal love and concern. From them I apprehended, only dimly at the time, and more clearly as the years passed, what the vocation to the priesthood really means. I literally thank God that I had the good fortune to make their acquaintance in my formative years.

So, I think fond memories have something to do with our sentiments on this occasion. But I think that what stirs us is something deeper even than our best memories. I think it is a realization that we shared in the life of an institution that stands for something; an institution that has a meaning and a purpose even beyond the high quality of its education. It is a realization clarified, for most of us, with the passage of time.

When we say that institution stands for something, we mean that it embodies standards. We mean, to put it more directly, that it affirms that certain things are true; that we are to measure up to those standards. Or, at the very least, we are to try to measure up to those standards.

In my experience at Roman, I can honestly say that we were not the objects of endless preaching or moralizing. No. Standards were not so much preached to us, as much as they were merely expected. They permeated Roman's atmosphere, the very air we breathed. They were the unspoken but always assumed rules of our daily conduct.

The point was brought home to me very graphically one day at track practice at Cahill Field. I was a very second-rate track star. I was neither fast enough to run the short sprints nor strong enough for the great long distances. I fell somewhere in the middle. So I was drafted to run the 440 yard dash, the quarter mile. It was, I can well assure you, a thoroughly miserable experience. After completing a series of practice runs, sweat was streaming down my face, my lungs were burning, and my legs felt like lead. I was exhausted. And one of the good priests who had been watching my performance, quietly said to me, "Moffit, that is not good enough." At the time, I was in no mood for anything other than a good pat on the back. But I didn't get that. I got the brutal truth. It was not a worldly expectation. But what should I have expected from a Catholic priest?

The truth that Roman teaches is embodied in her motto, appropriately in the Latin tongue, Fides et Scientia. Faith and Knowledge.

Please consider the fact that in that simple motto—Fides et Scientia—is found the whole idea of Catholic education. It is an education of the whole Man. Man has a twofold destiny, an eternal life and a temporal life. Man's true interests are both natural and supernatural. Logically, then, the object of education is not only the life of the mind, for the completion of temporal tasks, but also the life of the spirit for the completion of final tasks. It is not only the development of human reason, but also the development of human character. A system of education that neglects one or the other is a bad system. A bad education is positively worse than no education at all. It does us no good to concentrate on the training of a man's intellect, and neglect or positively ignore the cultivation of his soul. This is especially true in an age of high technology, when our capacity to exercise great power, not only over our natural environment, but also each other, is potentially without limit. A great genius with the heart of a criminal is a danger, not only to himself, but also to the rest of us. Unfortunately, the recent history of the human race bears this out in gory detail. In every generation, it seems, we are condemned to relearn this terrible lesson. But the Church, with a profound understanding of humanity and two thousand years of experience, has always understood. She has understood because she knows that there is, and can be, no progress in the world, including moral or social progress, unless one knows the fundamentals.

I think that the real reason that we are so strongly stirred by our memories of Roman is that we understand now, far better than we did then, that our lives were shaped by that insistence on the fundamentals; by an insistence on Fides as well as Scientia.

Fides. In the Gospel of Mark, Chapter 12, Verse 17, it is written: "And Jesus said unto them: Render unto Caesar the things that are Caesar's, and unto God the things that are God's. And they marvelled greatly at Him."

In the ancient Roman world, there was no necessary connection between religion and ethics. Ethics were not religious; and religions were not ethical. The pagan gods lived on the same moral plane as pagan men, equally capable of good or evil. There was, however, a necessary connection between religion and the state. Religion was seen as an instrument of the state. It was part of the civil life of the state. It was, in fact, subordinate to the state. There was neither a separation nor a distinction between what belonged to Caesar and what belonged to God; for Caesar fancied himself a god. The state's authority was the highest authority. It was also the fountain of justice and morality. The state was, in a word, absolute.

There were no rights independent of the absolute state. All rights were gifts of the state. What the state gave the state could take away. What the state declared to be right and true was not only legally right and true, but also morally right and true. The pagan state was not only an instrument of law and order, but also assumed the higher role of a supreme teacher of morality and religion.

The Church was persecuted because she taught that there was a higher law than Caesar's law. The Law of God. Indeed, the entire history of the Western world during the past two thousand years can be interpreted as a continuing struggle between the temporal order and the spiritual order, between the higher law of God and the downward pull of our human inclinations, what Augustine called the struggle of two cities in mortal combat, the City of God and the City of Man.

The pagan Roman Empire was based on the principle of absolutism. Tyrannical abuse of authority was standard operating procedure. Now, the Founders of the American Republic, who met here in Philadelphia, were deeply read in the historical experiences of Greece and Rome. They knew that a man who was a law unto himself was a lawless man. They knew, likewise, that a state bound by no higher law was a lawless state.

You and I see this in the Declaration of Independence, the very charter of the American Republic; that there is a law prior to, and higher than, the civil law of the state. Thomas Jefferson called it the law of nature or Nature's God. The Founders recognized, then, the divine law. It was the law that embodied the moral rights of every person, the sacred rights to life, liberty and the pursuit of happiness. They recognized that these rights were not grants of the state, but gifts of God inherent in natural creation. They further recognized that the whole purpose of the state was to protect and defend these rights. This was the highest obligation of the state.

In the American conception of government then, the state is not divine. Rather, it is subordinate to divinity. The state is neither a source nor a teacher of morality and religion, but a respecter of morality and religion. Just as the Declaration of Independence affirms the higher law to which the state must be subordinate, the Federal Constitution leaves the teaching of that law to religious institutions. In fact, the First Amendment to the Constitution denies to the government any competence in matters of religion. Instead, the Constitution holds the federal government subordinate to the freedom of religious conscience and mandates protection of the exercise of religious conscience.

These are the fundamentals. I think they bear repeating, especially today. There is much confusion on the issue.

When you and I were at Roman, we were taught that the Church has a duty to perform. She is charged with teaching morality and religion. Christ commanded Peter to teach—all nations, all peoples, of every class and condition, no exceptions. The Church has a sacred duty to inform conscience. She has no choice in the matter, in any meaningful sense of the term. She cannot disobey

her order and remain what She is. Again, Christ commanded Peter to teach. The command is not to teach except when it is popular, when it is chic, when it is fashionable, when it is convenient, or when the political authorities or the opinion makers of society are in accord with it. So, the Church has a duty. If that duty brings her into conflict with Caesar, or the government, or the courts, or even, Heaven forbid, with a popular television talk show host, so be it.

But what is our duty? In one word, it is loyalty. Loyalty to the Church is something we normally do not, and should not, carry like a chip on our shoulders, waiting for it to be knocked off. It is a matter of quiet faith, resting securely in the inner recesses of our souls.

Unfortunately, however, we live in a time when open, disloyalty to the Church is celebrated and even rewarded as a mark of respectability. The world loves nothing more than a disloyal Catholic. And respectability in the eyes of the world is indeed a fitting "reward". As G.K. Chesterton said, the Church was never respectable and never will be respectable. Her Founder was not respectable.

Loyalty is bound to be tested. Tests come not only in the quiet privacy of our own personal lives, but also in the open forum of public life.

Nowadays, that loyalty is rarely tested on religious doctrine. Frankly, very few people really care whether you, as a Catholic, believe in the Immaculate Conception or the Virgin Birth. For whether these religious ideas are true or not, people think that these notions will have no impact on them. No, loyalty is to be tested on human behavior, matters of private or public morality. Very many people do indeed care whether or not you happen to think, in your heart of hearts, that what is currently fashionable or popular, or whatever it is that they happen to be doing, is right or wrong. People do care what we think or what the Church teaches on these matters. They care, not necessarily because they want to hear the truth, but because they want approval. They want desperately to be told that their behavior, whatever it is, is somehow perfectly all right.

Although this relativist dogma—that morality is merely a matter of personal opinion—is recurrently fashionable, very few of its proponents have the guts to drive it to its logical conclusions. In any case, rest assured that we pass laws in Congress and in our legislatures each and every day against somebody's "personal opinions". And the state so acts. When we exercise a personal judgment that the 55 m.p.h. speed limit is a silly inconvenience, or when we take a joyride in a car under the influence of one-too-many, we are apprehended by the authorities. We are not apprehended because we are violating some mere social convention that the state is whimsically promoting. We are apprehended because we are endangering human life. And, whether we happen to agree with the proposition or not, human life, at least in the narrow context of auto safety, is deemed sacred and worthy of the utmost protection.

The truth is that all law is directed toward the promotion and enhancement of human life. That is the very purpose of law. Please recall that the right to life is the first right enunciated in the Declaration of Independence. It is the first right the state is duty bound to protect. If human life is not sacred, then the law of necessity loses its majesty.

When Roman Catholic High School opened its doors ninety five years ago, the world was very different from what it is today. Intolerance toward the Catholic religion was not uncommon. Today, hostility toward the Catholic religion is far more subtle and infinitely more sophisticated. It is clothed in the garb of freedom of thought and tolerance, but it breathes a spirit of mental conformity and intolerance.

Allow me to illustrate.

The Civil Law is an agent of order. It embodies a notion of what is good for society. A pornographer or an abortionist, whether conscious of it or not, does have a belief system, a world view, a perhaps vague idea of a good society, just like everyone else. He may view the good society as one in which he, at least, may reap enormous profits while plying his loathesome trades. A local pornographer or an abortionist may lobby energetically for changes in the laws governing pornography and abortion, through the courts and in the legislatures. When he is doing so, he is widely perceived as exercising freedom of conscience, and his rights and liberties guaranteed under the Constitution. He may even be applauded in the media for successfully using the democratic process to alter or abolish outmoded restrictions on personal freedom. Nevertheless, when the abortionist or the pornographer is successful, he is, in point of fact, imposing his view of society when a law is altered to reflect his world view. But rarely is he ever called to account for imposing his values on the rest of us.

On the other hand, if a conscientious Catholic, loyal to the teaching of the Church, criticizes laws enacted through the lobbying of abortionists and pornographers, he is accused of trying to impose his values on everyone else. He is accused of undermining the democratic process, breaching the wall of separation between Church and State, polarizing our politics, and even threatening the Constitution. The Catholic must be told to keep his place, especially in public life. If he is outraged by easily available abortion or pornography, if he actually believes the wild and exotic idea that such things are socially destructive, he should have the good taste to keep his opinions to himself; to remain personally opposed; to be quiet.

This is a novel line of argument. It has been recently fashionable. It is also absolute nonsense. There is nothing in our democratic tradition that excludes the forceful expression of one's conscience in public life. There is likewise nothing in our democratic tradition that forbids the forceful presentation of the moral law by the Church, whose function is to teach. It is the suspension of conscience that presents the greatest danger, not only to morality but to liberty as well. The very purpose of democratic politics is to legitimize the expression of conscientiously held values or convictions, whether they are rooted in religious belief or not. Our values, forged at Roman, those truths concerning the moral life, do not proceed from the state. Christ did not commission Caesar to teach either faith or morality. Caesar is to be taught.

We are living in one of the most exciting periods of human history. We are witnesses to a great age of transition. This is true in virtually every phase of life.

When Roman Catholic High opened its doors in 1890, there were 9 million communicants of the Roman Catholic faith in the United States. The overwhelming majority were American Catholics of European extraction. Indeed Catholicism, even in America, was perceived to be a European phenomenon. In my own lifetime, that has all changed. The Church is becoming truly Catholic, and before many more years elapse, it will be a global institution comprised primarily of peoples in what we now call the Third World.

The Pope in Rome is no longer a prisoner of the Vatican. He is a dynamic personality, who unites tremendous energy, intellectual genius and profound faith in an unbeatable combination. We live in a time when the Papacy itself is exerting greater influence over the course of world history than at any time since the Renaissance. If anyone should doubt this, perhaps they should ponder the fears of the Kremlin.

Make no mistake. The Holy Father is still a young man. He is throwing down terrible challenges, not only to you and me in the interest of our salvation, but also to the powers and dominations of this world, including the dark princes of this world. Theologians and politicians may be confused. The Pope is not. And here too, on matters of faith and morals, our lines of loyalty are clear. Ubi Petrus, Ibi Ecclesia. Where there is Peter, there is the Church.

St. Augustine once wrote that history is like a great poem. One does not know its full meaning until the last line is written. What is true of the history of the world is true of institutions, particularly institutions like Roman. More to the point, perhaps, it is true of the life of each and every one of us. The meaning of our lives will be clear to us at the very end. We, and we alone, are the authors of the poem. Our friendships, our loves, our loyalties will constitute the epic that is the experience of each and every one of us. For those of us who had the good fortune to attend Roman, the material is there for a poem rich in eloquence.

Thomas Cahill, Roman's founder, invited us to share in his own dream ninety five years ago. His world has disappeared. But he rightly imagined the immense value of Catholic education for the future. What Roman has given us, all of us, is not only the opportunity to achieve success, but also the ability to cope with adversity. Times of trial may actually constitute our best and most poignant memories at Roman.

I remember one dismal day. Roman was an underdog in a tough football game with a first class team of the Catholic League. It was cold, wet and raining. I was playing the Glockenspiel, or "bells", in the band. Our uniforms were soaked, our fingers were freezing, and it was hard for us to play properly. It was even harder for my friends and classmates, slugging it out on a muddy Cahill field in the fourth quarter against a superior team and a lopsided score. In the near empty stands, I remember hearing a chant that was popular in my time. "Hurrah for Roman, hurrah for Roman, someone in the crowd hollered hurrah for Roman."

If you think about it, it was an odd cheer. Someone in the Crowd. Singular, at the end of that tough game, said, "Well done".

When the final line is written for each and every one of us, I hope that the poem will sing of our loyalty and love in this world. And on our arrival in the next, especially if we are a bit muddy, battered and beaten, and not too respectable, Someone in that crowd will holler "hurrah for Roman".

Thank you.

BEST COPY AVAILABLE

SUPERFUND—UNDERSTANDING THE PROBLEM

HON. FRED J. ECKERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. ECKERT of New York. Mr. Speaker, in the current raging debate over the Superfund reauthorization, it is clear that sensible perspective and understanding are important to making the appropriate decisions on the program. Neither benign neglect nor hysterical overreaction is the proper course. Our action must be to authorize a program that is reasonable, responsible, and effective.

Robert J. Samuelson has written instructively about this dilemma in today's Washington Post. I ask unanimous consent to place it in the CONGRESSIONAL RECORD and ask my colleagues to consider its thoughtful examination of this difficult issue:

SUPERFUND AS METAPHOR

Remember Superfund? Back in 1980, Congress created the $1.6 billion program to clean up hazardous-chemical dumps. Five years later, here's where we are: We don't know how many dumps need to be cleaned, how much it will cost, how long it will take, or—indeed—whether it can be done. And, if it is done, we don't know what health and safety benefits will result. They could be quite modest.

Superfund—Congress is debating its renewal—is an apt metaphor for our environmental frustration. We want technology's benefits without adverse side effects. But the two are inseparable, and our efforts to achieve a socially and economically sensible balance constantly run afoul of unrealistic public expectations and scientific ignorance. As Superfund shows, it's not simply measuring risks against costs, because we're rarely sure what the ultimate risks are.

Almost any new technology is an adventure with an unknown ending. Since World War II, chemical production has expanded more than twelvefold. It has given us thousands of new products: From plastics to antibiotics, from pesticides to deodorants. But just as no one foresaw this chemical extravaganza, neither did anyone accurately predict its long-term dangers. Chemical wastes are but one of the unwanted surprises.

Even describing the Superfund problem is difficult. In theory, chemical wastes today are regulated under the 1976 Resource Conservation and Recovery Act; wastes are supposed to go into approved dumps. Superfund was created to control earlier abandoned dumps or dumps that fail today's regulatory standards. What we know now—but did not know in 1980—is that this problem was underestimated. Consider the statistics:

More than 21,500 chemical dumps have been reported to the Environmental Protection Agency. Of these, 14,329 have been reviewed, with 4,747 deemed serious enough to warrant an on-site inspection. So far, 851 have been proposed for, or put on, the National Priorities List (NPL), signifying serious danger of groundwater or atmospheric contamination.

Emergency cleanups have occurred at about 600 sites, including many not on the NPL, where immediate fire or public-health hazards existed. Drums of chemicals have been removed or disposal sites have been fenced off from the public.

Permanent cleanups at NPL sites have been slow; work has begun at 132, but only six have been finished. Once chemicals seep into the ground, remedies are expensive, time-consuming and often imperfect.

Excavations, the pumping and treatment of groundwater, or construction of new underground dikes may be required. EPA estimates the total number of NPL sites at 2,200; the congressional Office of Technology Assessment thinks the number could exceed 10,000.

Our real confusion, though, transcends statistics. We make chemical dumps the problem, but they're not. The problem lies in their consequences to public health, which are unclear. Superfund has been legislation by horror story. It was inspired by the Love Canal scandal—the chemical landfill in New York that became a housing development. It was easy to sympathize with Love Canal's residents. A country of Love Canals is not a pretty vision. Neither, however, is it the reality.

All dumps are not Love Canals. Different chemicals have varying effects. Even if dangerous, the chemical shave to seep into ground water or the air, and health problems usually result only from prolonged exposure. Even Love Canal's effects are hazy. There's some evidence of reduced birth weights and, in children around Love Canal, higher rates of abnormalities: rashes, eye irritations, seizures. But here's no evidence of increased cancer.

From what we now know, hazardous chemical dumps are at worst an isolated peril to small groups; at best, their dangers are exaggerated. For example, the National Cancer Institute attributes about 35 percent of cancer to dietary habits, another 30 percent to smoking, 5 percent to cancer viruses, and 3 percent each to excessive drinking and sunshine. All environmental causes (on-the-job exposure, general pollution, food additives) are linked to about 6 percent ; dumps belong in this category.

But, politically, we're uncomfortable with such distinctions. The same individualism that demands the freedom to run huge personal-health risks—smoking, for example—also insists that much smaller risks not be imposed on us against our will or knowledge. We have boundless sympathy for innocent victims. Superfund reflets this bias, as well as another: We often fear the unknown more than the known.

Like nuclear power, chemical dumps inspire fears that defy hard evidence—and with some cause. We don't know all the long-term effects. Even the National Cancer Institute's list of cancer sources is a simplification; it minimizes the interaction of personal habits, the environment and genetics. More important, the ultimate danger of chemical dumps is the slow contamination of the groundwater that supplies more than half our drinking water. But dumps aren't the only pollutant, and the extent of groundwater pollution is unclear.

How much should we spend on Superfund? The administration has proposed a five-year, $5.3 billion program, arguing that there isn't scientific staff to handle more. The Senate is considering a $7.5 billion total; and the House, a $10.1 billion program. It's easy to say, "Spend enough to assure safety." But how safe is safe? Enormous sums spent to cure vastly exaggerated problems or to produce modest results are worse than wasted: They may divert attention—and funds—from more pressing problems.

The messiness of environmental regulation reflects this massive uncertainty and inevitable imperfection. The risks of modern technologies are both unavoidable and imprecise. Our ignorance poses opposite evils: Of not spending enough and suffering environmental revenge, or of wasting huge amounts to cater to uninformed public hysteria. We want clear answers when few exist and utopian solutions when none is possible.

CONGRESS SHOULD ECHO THE UNITED NATIONS ON THE ARMENIAN GENOCIDE

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. FEIGHAN. Mr. Speaker, last month a committee of the United Nations published a report making explicit reference to the massacre of over a million Armenians by the Ottoman Empire in 1915. Listed with other atrocities as an act of genocide, the report clearly recognizes what we in the Congress have yet to state: that the Armenian genocide was a fact, and one deserving of our strongest condemnation.

On April 24, 1915, Armenian members of the Ottoman Parliament, leaders of the community, and other prominent Armenians were taken from their homes and murdered. What followed was the systematic murder of well over a million other Armenians; the few who were able to escape the country were the only survivors. Some of those people managed to escape to the United States.

The Turkish Government has consistently denied that a genocide occurred in 1915. Their refusal to acknowledge the atrocities against the Armenian community continues to cause suffering, both for the sympathetic people of Turkey and for the Armenian community around the world. Surely the United States should not be party to perpetuating such horrendous myth.

In 1984 the House of Representatives called for the designation of April 24, 1985, as "A National Day of Remembrance of Man's Inhumanity to Man." This year again, we have tried to achieve such recognition from the Congress. To date, the effort has failed. Why should we continue to postpone recognition of this horror? Why won't the Congress stand as forthrightly as the U.N. committee in accepting a horrible truth and committing ourselves never to let it happen again?

Mr. Speaker, the United Nations has spoken as it should. The facts continue to speak for themselves. It is time for Congress to lend its voice to this collective judgment and pass the resolution condemning the Armenian genocide.

MIRED IN THE SUPERFUND SWAMP

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. DINGELL. Mr. Speaker, House Members will shortly be considering Superfund legislation, H.R. 2817, reported by the Committee on Energy and Commerce. Just as soon as action is completed by the other committees of jurisdiction, over the course of the next several weeks, we will be prepared to seek a rule and bring the measure to the House floor.

The bill reported by the committee will serve well to do the absolutely essential job of cleaning up our Nation's hazardous waste dumps and protecting public health. The bill expands the program, increases the authority of the EPA as well as of the States, and provides $10 billion over the next 5 years for the purpose.

I am confident that the majority of the Members of the House will agree with the 31 of 42 Members on the Commerce Committee who voted 31 to 10 in favor of our Superfund bill. That does, of course, constitute a majority of three to one, and it consists of a majority of both parties.

The Members should also be aware of editorial support for H.R. 2817, shown by both the New York Times (August 5) and the Washington Post (August 11). I commend their respective editorials to the attention of my colleagues:

[From the New York Times, Aug. 5, 1985]

MIRED IN THE SUPERFUND SWAMP

After five years, Superfund is still a daunting swamp of disappointment and discord. The Federal program to clean up abandoned toxic-waste dumps is due to expire, but Congress and the Administration cannot agree on how to renew it. James Florio, one of Superfund's authors, says a new House bill "isn't worth passing." Senator Dole has refused to bring a Senate committee's bill to floor vote. E.P.A. Administrator Lee Thomas fears the program's disruption if Congress cannot agree.

Why has progress been so slow? So many hazardous-waste sites pock the land that just cataloguing them is a major task. The Environmental Protection Agency has found 19,000 so far, and is still counting. Of the 800 designated for priority attention, only 10 have been completely cleaned up. When Superfund I expires in September, after $1.6 billion and five years' work, it'll have done a pygmy's job on a Superman's labor.

To make Superfund II do better, the Senate Environment Committee would increase its five-year budget to $7.5 billion, the House Energy and Commerce Committee to $10 billion. More money is surely needed, but some of the provisions environmentalists are pressing on Congress militate against efficiency.

Letting citizens sue polluters or the E.P.A. would only inspissate the logjam of litigation. Writing strict deadlines of the sort that stimulated action by E.P.A. on other issues might mire it only further in the wastes of Superfund. The House should follow its committee in voting down these complexifying provisions.

There are problems enough in deciding the basic issues of Superfund II, like where the money's coming from. Superfund I was funded by a tax on oil and raw chemicals, with the argument that these were the source of most toxic chemicals in the dumps. The oil and chemical industries assert, probably with reason, that they cannot afford an increase in this tax. Since a broad range of manufacturers and municipalities are among the dumpers, a general excise tax on manufactures might be a fairer source of revenue.

Fine, but the Administration has threatened to veto any Superfund bill based on such a new tax. That leaves a waste-end tax, which has the theoretical advantage of discouraging toxic-waste generation. But the more it succeeds in that goal, the less money this tax will raise. Also, it penalizes those who now go to the expense of disposing of waste properly, to pay for the sins of those who recklessly created the abandoned dumps.

Another problem is posed by the standards of cleanup. Leaving a site pristinely clean of toxics would be ideal, but that costs a lot more than just reducing the immediate health hazard. Which raises another question: Just what is the health hazard? Dumps that ooze carcinogenic chemicals into the air and ground water pose a clear risk to the millions of people who live around them. But no one yet knows how great a risk.

All these unknown suggest that breakneck speed and maximum budgets should not be the only criteria in restructuring Superfund. Efficiency and consistency also matter. Reducing the seepage of funds into lawyers' pockets would help: At present E.P.A. spends as much on litigation as in cleaning up a site. It would also help to stop transferring waste from one site to another with no ultimate benefit.

Dumping too much money and complexity into Superfund II before the basic issues are resolved may only set fiscal waste in pursuit of toxic waste.

[From the Washington Post, Aug. 11, 1985]

NEXT STEP ON SUPERFUND

Congress is finally being driven by the calendar to take some action on the expiring Superfund program to clean up buried toxic wastes. The deadline is Sept. 30; that is when the existing five-year-old authority expires. The House Energy and Commerce Committee produced its usual entertaining swordplay and great showers of sparks just before Congress went on its summer vacation. It reported out a Superfund bill 31 to 10. The losing 10, all Democrats, denounced the bill as a cowardly retreat; the winning 31 hailed it as a statesmanlike advance. The subject is techical, the rhetoric was overblown, and it is hard to know whom to believe.

The Superfund was created in 1980. It was Congress' response to Love Canal. It is one of a number of broad regulatory efforts that Congress has ordered up in recent years to combat chemical poisoning. Most were enacted with a much greater sense of urgency than an appreciation of the technical difficulties involved. In the case of the Superfund, there is still not agreement even on where and how many are the dumps that need to be dealt with. The Environmental Protection Agency estimates 2,000 dumps across the country will be found so dangerous they will need to be cleaned up. The General Accounting Office estimates 4,000; Congress' Office of Technology Assessment, 10,000. There is no agreement, either, on how to approach them. Should the agency do a little work on a lot of sites or a lot or work on a few? How much should it seek to clean up any one site; how clean is clean? Can wastes be chemically neutralized? Burned? It is not always known what is in a dump. Can leaking dumps be walled off? Or should wastes be removed, and then where? Is this not just a transfer of risk? What guarantees can there be that new dumps won't someday leak like old?

Well-disposed experts disagree on all these issues. They are beyond Congress' attention span and competence. There are equally sharp disputes over the equity issues involved: who should be liable, who should pay? There is also a heavy overlay of political distrust that clouds these problems. The Superfund program was at the center of the fight over politicization of EPA in the first Reagan term.

The fight last month in Energy and Commerce was basically over how much to trust and how much to instruct EPA. Environmental groups and the losing Democrats favored a bill like one the House passed last year (it died in the Senate). They would force EPA to start work on a certain number of sites each year (serious work has started on only about 300 so far), and spell out cleanliness standards. The majority gave the agency more room to maneuver.

The bill must now go to three other House committees. The Senate also has yet to act; a bill has been awaiting debate there since mid-June. There is talk of a simple extension of current law if Congress cannot act by the expiration date. Some would make it a year's extension, so that the issue would come up in an election year. That kind of deferral of decision has become almost a way of life in Congress in recent years. It is a weak way to govern. The bills in both houses would greatly expand the Superfund, from the $1.6 billion of the last five years to either $7.5 billion (Senate) or $10 billion (House) the next five. That expansion should not be postponed. And the bill that came out of Energy and Commerce seems to us good enough. There is a limit to how much Congress can usefully force EPA's hand in this complex field.

LATIN AMERICAN DEMOCRACIES SUPPORT CONTADORA

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. BARNES. Mr. Speaker, as the situation deteriorates in Central America, several of our neighbors to the south have decided to join together to support and provide a new impetus to the efforts of the Contadora nations. The Presidents from Argentina, Brazil, Peru, and Uruguay decided to create a support group in order to provide new blood to the Contadora process. This initiative on the part of the new democracies in Latin America resulted from their concern that a political solution is losing ground in the region and their apprehension that other powerful forces in the hemisphere are actively undermining the Contadora process.

I am submitting for the RECORD a copy of the press release issued by the Ministers

of Foreign Relations of the Contadora Group and those of the support group after their meeting in Cartagena, Colombia, on August 24–25, 1985.

PRESS RELEASE ISSUED BY THE MINISTERS OF FOREIGN RELATIONS OF THE CONTADORA GROUP AND THOSE OF THE SUPPORT GROUP, INTEGRATED BY ARGENTINA, BRAZIL, PERU AND URUGUAY

[Unofficial translation]

The Ministers of Foreign Relations of Colombia, Mexico, Panama and Venezuela met in Cartagena de Indias, August 24 and 25, 1985, with their colleagues of Argentina, Brazil, Peru and Uruguay, on invitation from the President of the Republic of Colombia, Belisario Betancur, with the firm resolution to consider the forms of support that the latter countries' governments will give to the peace endeavors in Central America being made by the Contadora Group. This decision stems from their determination to strengthen by actions the support they have granted Contadora to this date. The creation by these countries of a mechanism of support to Contadora constituties, in this sense, a new expression of the political will and of the cooperating potential of Latin America to tend to regional problems according to its own perspective.

The meeting confirmed the serious concern existing among the Latin American countries regarding the crisis in Central Amerca, and also confirmed the decision to strengthen by specific actions and by a strong regional unity the effort of diplomatic negotiation being made by the Contadora Group. Fundamental questions are being debated today in Central America affecting that region's free and independent democratic development. This conflict will have a bearing on the political and social stability of all Latin America if a peaceful and negotiated solution is not found.

For this reason, the Ministers underlined that it is not a question of looking for temporary solutions or allowing incidental excuses to divert attention from the crucial problems of the Central American crises. The question is to find basic and permanent solutions to the essential conflicts of the region. The Secretaries stated that any actions towards peace should be undertaken with a view to the future and in accordance with the objectives of solidarity, independence and justice, which have been the permanent goals of the Latin American peoples. The time factor is essential in the search for these solutions.

Argentina, Brazil, Peru, and Uruguay began within this context of their operation as a mechanism of support to the Contadora Group, which will carry out the following tasks:

Systematic exchange of information, in order to enrich the evaluation of the Central American problems and to identify measures that will contribute to their solution.

Consultation, in order to facilitate the coordination of diplomatic actions that encourage Contadora's negotiation process.

Diplomatic endeavors to seek support for the Contadora Group from:

The Central American governments

The governments of countries with ties and interests in the region

Other governments committed to the peaceful solution of the regional conflict

International organizations, especially the UNO and the OAS

To promote the prompt conclusion and signing of the Contadora Act for peace and cooperation in Central America as the legal instrument that establishes the political commitments of understanding in the region.

To foster the effective observance of this Act of Contadora.

The Ministers:

(A) Agreed on their observation that the worsening of regional conditions makes it necessary for the agreements contained in the Contadora Act for peace and cooperation in Central America to be signed. They also thought it indispensable to encourage the other actions defined by the Contadora Group in its meeting of July 21st and 22nd, 1985, in order to avoid a generalized conflict which would seriously affect the states in the region and would have repercussions in the entire hemisphere.

(B) Stated their conviction that the solution to the Central American problems cannot be attained through violence but through dialogue and political and diplomatic negotiation, as has been permanently proposed by the Contadora Group. It is not a question of substituting the prerogative of any country to do its will but, on the contrary, of presenting feasible alternatives which would offer reasonable security and allow fair, effective and longlasting agreements.

(C) Coincided in that it is indispensable to deactivate the most dangerous real and potential conflicts which are now seen, recognizing that these conflicts are rooted in economic and social inequality and in structures restricting the freedom of popular expression and participation in the political processes that gather the essential aspirations of every society.

(D) Underlined the fact that the endeavors of the Contadora Group are in their entirety aimed at promoting commitments, both in political issues and in questions of security and cooperation towards development, and at avoiding the insertion of the regional conflict in the East-West confrontation.

(E) Coincided in the importance and the need for the countries with ties and interests in the region to make a real contribution to overcome the problems existing in this troubled zone of our continent.

(F) Examined the dramatic deterioration suffered by the Central American economies in the last years, because of factors resulting from international conditions which have been particularly damaging for these countries, and which have been dramatically exacerbated by the political and social unrest which the region is experiencing.

(G) Agreed that the economic crisis and the political crisis are interrelated, for which reason it is necessary to make simultaneous progress towards peace and the reduction of political tension, on the one hand, and towards economic reactivation on the other.

The Ministers of Argentina, Brazil, Peru and Uruguay reiterated their conviction that the negotiating endeavor of the Contadora Group is the only feasible road in attaining peace and reestablishing harmony and cooperation among the Central American states.

On the other hand, the Ministers of Colombia, Mexico, Panama, and Venezuela emphasized the importance of this new expression of Latin American solidarity which is the establishment of the group support to Contadora by the governments of four countries vigorously committed to the region's democratic life. They also expressed their special appreciation for this contribution.

The Ministers of Foreign Relations of Argentina, Brazil, Mexico, Panama, Peru, Uruguay, and Venezuela thanked the President of the Republic of Colombia, Dr. Belisario Betancur, for the guidelines in his opening address and his personal contribution in inaugurating the meeting. They also thanked the Government of Colombia for the hospitality they were granted during their stay in the historic city of Cartagena, which contributed to the successful development of the meeting.

TRADE IMBALANCE IS KEY ISSUE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. FRANK. Mr. Speaker, appropriately, on Labor Day, the Fall River Herald News published an extremely well-reasoned editorial about the threat to American working men and women represented by our growing trade imbalance.

As in the past, the Herald News has expressed a very thoughtful point of view, with which I am in substantial agreement, in an extremely cogent way. I think the excellent argument the Herald News makes for changes in our trade policies is an important one and ought to be widely read:

CONGRESS REFLECTS PUBLIC WILL

After a month's vacation Congress returns to Washington and its woes tomorrow.

The month has not been wasted.

The senators and representatives have had a chance to find out what the folks back home are thinking and feeling.

They will return to the Senate or the House with a surer sense of public opinion, and this will doubtless guide them during the months ahead.

Those months will see some major decisions, especially in terms of federal expenses.

The government is in financial trouble, and Congress will have to do its share to straighten out the government's affairs.

Nevertheless, it has doubtless discovered that the public, by and large, is less worried about the federal deficit than it is about the damage imports on a large scale are doing to domestic industries.

New England has more than its quota of these damaged industries: textiles, apparel, shoes, even fish.

The region's senators and representatives have learned during the past few weeks that people are really worried about the future of these traditional industries.

What is more, they expect the government to help to salvage them.

This is not the same thing as conventional protectionism.

The public is aware that over all, free trade is more beneficial than protectionism.

But it feels, more or less obscurely, that something has gone seriously wrong with the processes of free trade, and that many American industries are the victims because of what has gone wrong.

They are beginning to realize that in many instances, the foreign industries that are exporting goods here at less than our firms can charge are being subsidized by their governments.

The Japanese government subsidizes its industries; so does the Canadian government, and these are only two.

The government of the United States does not.

Part at least of the unfair advantage foreign industries have here is the result of the subsidies they receive.

The current disastrous imbalance of trade is agitating the public to a degree that may well have surprised the senators and representatives.

They have been so concerned with budgetary problems and conflicts that they have underestimated the real distress of a great many persons whose jobs are threatened by the invasion of foreign goods.

It is this very real threat that is preoccupying the public rather than the budget or the national debt.

Because the senators and representatives have now been exposed to what the public is thinking and feeling, it seems likely that in the immediate future they will be pressing for revisions of our foreign trade policies.

They will be less concerned with deficits than quotas, and less concerned with revision of the tax laws than revision of the regulations governing the importation of foreign goods.

The vacation month will have been well spent if Congress comes back from it determined to do something to enable embattled American industries to survive.

The next few weeks will demonstrate whether Congress has paid attention to what it heard back home.

We must all hope it has.

HINGHAM, MA: 350 YEARS

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. STUDDS. Mr. Speaker, in 1942, Eleanor Roosevelt authored "This Is America," a photographic study of the diverse elements that make up a typical American town. Of the thousands of small communities across our Nation, Mrs. Roosevelt selected the town of Hingham, MA—which this year celebrates its 350th anniversary—to depict as representative of America.

Enriching the town is an historical legacy that was Mrs. Roosevelt's principal reason for considering Hingham an exemplary American town. To describe Hingham's history is, in many important ways, to recount the story of America. The annals of American history contain numerous Hingham names and events. The economic, cultural and social forces that caused this country to progress from a colony, to an independent nation, to a highly industrialized society are mirrored in Hingham's past.

While American history textbooks may not contain his name, Peter Hobart was part of the remarkable migration of Puritans seeking freedom from religious persecution. In establishing what was then called Bare Cove, Hobart and his followers jointed other Boston area settlements in forming the Massachusetts Bay Colony. Two key revolutionary era figures, John Hancock and James Otis, had family roots in Hingham, and the town clerk, Benjamin Lincoln, a leading military associate of George Washington, received Cornwallis' sword at Yorktown. In the 1800's, the Hingham Anti-Slavery Society was part of the movement which led to a divided nation; in the ensuing Civil War, 80 townsmen died to preserve the Union. Twentieth century Hingham reaffirmed its commitment to the security of the Nation, its shipyard turning out vessel after vessel in the 1940's and its residents contributing to all major war efforts.

While Hingham's economy was similar to that of area communities, with a strong reliance on farming, fishing and related industries, commercial enterprises developed which were unique to the town. Its woodenware industry produced the famous Hingham bucket, among other household products and, some claim, the first toys made in this country. In addition, hammers and hatchets made by Joseph Jacobs at his metal works in South Hingham were sold all over the United States, South America, and Australia.

From a small village of farmers, fishermen, and craftsmen, Hingham has grown and prospered. To the credit of its residents, the town has done so without sacrificing the charm which Eleanor Roosevelt found so pleasing. We are reminded of its proud history every time we turn a corner. The Old Ship Church, Derby Academy, the many 17th, 18th, and 19th century homes which line Glad Tadings Plain and other streets, the Old Ordinary and other local landmarks made this town a community in which its residents understandably take great pride. It is with the same pride that I am privileged to represent the town of Hingham in the U.S. Congress. I am pleased to join the people of Hingham in commemorating 350 years and offer my best wishes for a successful celebration.

VOCATIONAL AGRICULTURE, EXCELLENCE IN EDUCATION

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. CRAIG. Mr. Speaker, at a time when our society is questioning the ability of our educational system to train competent and progressive leaders for the future, it is refreshing to look at the success of the vocational agriculture programs. Offered in 8,300 schools, the program involves over 816,000 students training for careers in production agriculture and agribusiness.

Although the present rural economy might cause some to question the need for agricultural education, people are now recognizing that agriculture is much more than farming. It is our Nation's largest industry with assets over $1,030 billion. This is equal to 70 percent of the capital assets of all manufacturing corporations in the United States. Even though less than 3 percent of the population is involved in production agriculture, the industry has a profound impact on the economic health of our country. Agriculture and agribusiness employ 22.5 million people, which represents 22 percent of America's labor force. One farmer creates jobs for 5.2 nonfarm people in processing, transportation, marketing, retailing, and numerous other employment fields. Our country's food and fiber system accounts for over 20 percent of the total gross national product and historically has improved our balance of payments. The progress and stability of this important industry is dependent on educated and skilled individuals to meet the ever-changing needs of the future.

Vocational agriculture is a nationwide instructional program operated at the secondary, postsecondary, and adult levels for students preparing for or already engaged in agriculture and/or agribusiness careers. Students participate in three major program components: Classroom and laboratory instruction, supervised occupational experience, and leadership development. Combined, these components provide students with the skills, technical information, confidence, and attitudes necessary for success in their career choice.

The strength of the program is centered around the teaching concept of "learning by doing." Students are instructed in the newest technologies and then can put these skills to work in practical problem-solving situations. Computer operations, genetic engineering, biotechnology as well as production agriculture, agribusiness training, mechanics, horticulture, conservation, and many other instruction areas are part of the typical vocational agriculture classroom. All are designed with each student's interest and career goals in mind. This promotes better understanding and attitudes toward school work and gives a clearer understanding of how this training will be of value in their career choice.

The Supervised Occupational Experience [SOE] Program involves cooperation with the private sector of the agricultural industry to provide students with on-the-job training and entrepreneurships. These experiences are related to, and strengthen the classroom and laboratory instruction. The responsibility, work habits, and financial training are all valuable learning tools of each personalized SOE Program. Classroom instruction is more meaningful if techniques learned can be implemented in the student's own moneymaking experience.

Leadership, citizenship, and personal development activities are also an important part of vocational agriculture instruction. Development of confidence, public speaking ability, and cooperation are all goals of the student organizations that play an active role in the entire program. Students participate in contests, awards, and recognitions which can develop outstanding leadership skills. At the high school level, students participate in the Future Farmers of America [FFA]; postsecondary students participate in the Postsecondary Agricultural Student Organization [PAS]; and adults participate in the Young Farmer Educational Association [YFA]. The suc-

cess of all of these organizations lies in the strength of the high school vocational agriculture program. Students need this early exposure to the career opportunities in agriculture to begin planning for their future. Interest and enrollment in postsecondary and young farmer education, as well as the student organizations, generally begin with students previously exposed to vocational agriculture and the FFA in high school.

These organizations also enjoy active and enthusiastic support from agricultural business and industry. In 1984, over $1.9 million were voluntarily contributed to the Future Farmers of America foundation by individuals and businesses that were convinced of the value of vocational agriculture and the FFA. These students are also very active in building their local communities, working with civic leaders and local resources. FFA, PAS, and YFA chapters have originated and implemented active programs for community betterment and rejuvenation. Their attitude toward the building of our American communities can best be summed up in the FFA motto, "Learning to Do; Doing to Learn; Earning to Live; and Living to Serve."

This combination of classroom and laboratory instruction, supervised occupational experience, and leadership development has proved to be a very effective teaching method for thousands of young men and women looking for success in a career as well as life. The practical application of knowledge through the student's personalized ownership or Work Experience Program [SOE] allows the classroom to expand beyond the walls of the school building. Education is not an 8 a.m. to 4 p.m. operation, but a continuing process that should reach the students whereever they may be. The student organizations enhance this process, building the confidence and leadership qualities that our country is in need of today.

On next Tuesday, September 17, the FFA will honor the 50 State winners of the "Building Our American Communities" [BOAC] Program. The BOAC conference, sponsored by R.J. Reynolds Industries, Inc., will honor the national winner and State winners at a congressional luncheon. Just prior to the luncheon, the FFA State winners will participate in a brief congressional internship with their respective congressional representatives. This is only one of many examples of programs offered by vocational agriculture education.

Vocational agriculture is an important part of the entire educational process. It's success and strength comes from the fact that our Nation cannot do without agriculture and agribusiness. We need educated young men and women with the knowledge, leadership, and confidence provided through vocational agriculture. The futuristic approach to this quality education will benefit our youth and this great country for many years to come.

SAVING THE THIRD WORLD'S CHILDREN

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. YATRON Mr. Speaker, I rise to discuss the critical problem of child health care in developing nations. Every day, approximately 40,000 children die in these countries. Fortunately, important progress in immunization and public-health techniques provide us with the means to significantly reduce this tragic figure. The U.N. World Health Organization and UNICEF have made tremendous contributions in this area and deserve our highest commendation and support.

I want to take this opportunity to bring to the attention of my colleagues an article which appeared in the October 1984 Reader's Digest, which details the massive difficulties as well as the recent strides in addressing the child health care issue. As chairman of the House Subcommittee on Human Rights and International Organizations, I have been actively involved in efforts to improve child health care in developing countries and this subject will remain one of the highest priorities of the subcommittee.

The article follows:

[From the Reader's Digest, October 1984]

SAVING THE THIRD WORLD'S CHILDREN

(By Stanley L. Englebardt)

From the window of a jet sweeping in over the Atlantic, the city of Dakar in Senegal looks like a tropical jewel. Highrise office buildings and luxury hotels frame a bustling port and sandy beaches. But there is ugliness behind the facade. For this is the gateway to an area of West Africa that the World Health Organization (WHO) describes as "among the poorest and most disease ravaged in the world"—where life is assaulted by tuberculosis, tetanus and ever-recurring epidemics of polio, yellow fever, diphtheria, pertussis (whooping cough) and measles.

These are all preventable diseases, long since conquered in the West. Why are they still endemic in so many poor countries? "Primarily because of problems in delivering the needed vaccines," says Dr. Jonas Salk, developer of the first polio vaccine. Inoculating youngsters with the triple vaccine to combat diphtheria, pertussis and tetanus (DPT), for instance, usually requires three injections a month apart, plus a booster shot a year later. When you add in hostile climate and terrain, a scarcity of doctors, tribal superstitions, and malnutrition that lowers resistance to disease, you get some idea of the difficulties.

Now this is changing. Recent advances in vaccinology make it possible to piggyback four inoculations at a time. Pilot programs with local vaccination teams in Upper Volta (now known as Burkina Faso), Senegal and Mali have shown, says Dr. Salk, that "the science and technology exist to save the lives of five million children a year by 1990."

BEDROCK PROBLEMS

Before coming to West Africa I'd heard that the high infant-mortality rate—about 150 deaths in every 1000 births—was taken for granted by the people. But statistics don't prepare you for the sight of a young mother tenderly holding her enervated child and the anguish on her face as the child dies. "When we have the means of preventing it, to allow forty thousand children to die like this every day is unconscionable," says James P. Grant, executive director of the United Nations Children's Fund (UNICEF).

Between 1950 and 1970, WHO, UNICEF and other aid agencies have helped to reduce infant- and childhood-death rates in poor countries by a third. Since then, however, the figures have improved little, even deteriorating in some areas.

Why? Many earlier efforts concentrated on cities, where logistics are easier and results come quickly. But about 80 percent of West Africans live in rural bush country, and these people remained relatively untouched by Western health efforts.

Then, in the mid-1970s, the worst drought of the century gripped the Sahel area; the famine continues, driving death rates still higher. Even in areas where foreign-aid programs have been active, there remain many basic health problems. Open sewers run through the streets of Dakar. In Mali only 6½ percent of the population has access to potable running water. Upper Volta has only 127 doctors and two general and three local rural hospitals for its seven million people, and while I was in its capital, Ouagadougou, a yellow-fever epidemic claimed 286 victims in the south. "The epidemic will just have to burn itself out," a government health official told me. "We haven't the means to do anything about it." Add to these bedrock health and sanitation problems a more than 80-percent illiteracy rate, chronic food shortages, per-capita incomes among the world's lowest, and it's hard to see how headway can be made.

However, recent social and scientific breakthroughs offer some hope. "Simple techniques already exist to save half of the forty thousand children who die each day," says UNICEF's Grant. The pilot programs in Senegal, Mali and Upper Volta, which involve thousands of children, are one example of how immunization can bring a decrease in mortality rates.

"We're not unaware that health in developing countries is part of a chain of social and economic problems," says Dr. Philippe Stoeckel, director of the French-based Association pour la Promotion de la Médecine Préventive (APMP). "Nevertheless, breaking just one link of this chain can have dramatic impact."

FIGHTING A WITCHES' BREW

The seeds of this effort were first sown in 1955 when Dr. Salk introduced his killed-virus vaccine against polio. Then in 1957 virologist. Dr. Albert Sabin introduced a live-virus vaccine administered on a sugar cube.

The Sabin vaccine found a ready market around the world, and in many developing countries it minimized the need for trained medics. But, despite its efficacy, polio epidemics were still occurring several years later in the Third World.

One reason was various problems in delivering the vaccine to so many children. Another reason had to do with temperature. With uncertain refrigeration, many vaccines and drugs lose their potency. In addition, it is thought that the intestinal tract of most Third World people contains a witches' brew of viruses that may, in some cases, work against the attenuated viruses of vaccines.

One possible alternative was to give a mixture of both live- and killed-virus vaccine. But there was a Catch-22. Producing the killed Salk vaccine involved culturing the virus in monkey-kidney tissue. Supplying vaccine for millions of children a year would require sacrificing virtually an entire species of monkey—unacceptable environmentally and financially expensive.

The need was to increase vaccine production and lower costs. Traditionally, vaccine viruses have been "an expanded vaccination program protecting all children in the developing would against infectious diseases." By 1979, however, it was apparent that money and good intentions weren't enough. "We'd set up shop in a centrally located town," recalls Dr. Stoeckel, "and spread the word." Mothers and children would show up for the first session, and most would come back a month later for the second; but for the third and fourth inoculations there'd be few returnees. So the program never immunized enough people to prevent epidemics.

With a two-shot schedule and the ability to combine vaccines, though, this stumbling block has been removed, says Dr. Stoeckel. He is not in charge of a pilot program in the Kolda district of Senegal, which was set up by the APMP with international support. The vaccine-delivery system for the program had to be handled by Senegalese who could carry on after the foreigners had left.

ON THE ROAD

Kolda is a microcosm of the Sahel, where less than half a million people are spread thinly over thousands of square miles. During a two-to-three-month farming season, the villages are abandoned for isolated thatched-roof huts on the edge of fields where an entire family tends the crops.

"We couldn't travel at this time as it was also the rainy season," says Dr. Stoeckel. "So we concentrated on two vaccination sessions, one before and one after the four wet summer months."

Earlier efforts had operated out of fixed health centers. But this rarely reached rural children, so mobile teams were recruited by the APMP. With most shots administered by needlileless jet guns, careful sterilization procedures weren't needed.

Typically, a team has four members: a leader with paramedical experience who administers the one intradermal shot by BCG for tuberculosis and monitors any reactions; a midwife or nurse who explains to the mothers why it's important for the children to return, as well as how to improve family health and nutrition; a driver-mechanic; and a scout who rides ahead to get the village chieftain to assemble the families. Each of these people is also trained to give jet-gun injections.

The first team branched out in Kolda in the February-June period of 1980; a second in 1981; a third in 1982. Each team vaccinated as many as 300 to 500 children a day. Follow-up studies showed that 90 percent of the targeted population had been reached at least once. Blood samples confirmed that the children had developed antibodies against the illnesses.

"It is now imperative to take the next step," Dr. Salk said after seeing the results. "And that's immunization of all children in the developing world." Slowly the realization of that ambitious goal is beginning to take place.

SHOOT-OUT IN KOLDA

The morning after my arrival in Dakar, I met with Dr. Martin Schlumberger. A French tropical-medicine specialist now in charge of the APMP program in West Africa, he covers vast distances in a single-engine airplane. "Pack lightly," he told me. "We'll take off early tomorrow for a look at how it's going."

After a stop in Sedhiou, we flew on to the town of Kolda, whose dirt streets and one-room buildings are under a perpetual haze of smoke caused by cooking meals over wood fires. There was also the unsettling sight of rats scavenging at the hills of millet heaped up as a hedge against famine. "They'll get a quarter of it," our driver said, "and we'll have the rest."

But years of attention by various aid groups have left their mark on Kolda. The town has an elementary school, a rehabilitation hospital for malnutrition victims and a well-stocked clinic where a nun, trained as a nurse, does everything short of major surgery.

Word of the vaccination session brought a big response. At 8 a.m., when we arrived at the site, about 150 women, each carrying an infant in a cloth sling and holding one or two others by the hand, were already queued up. Many had walked miles to get there and would wait two or more hours in a shrinking patch of shade for their turn.

Their first stop was a table where a nurse issued vaccination cards for children getting their first inoculations and checked the cards of those back for the second round. Many cards had been so gnawed by rats they were no longer decipherable, so the nurse simply checked the baby's arm for a needle mark.

The next stop was the vaccination tables. At the first one, the team leader gave BCG-tuberculosis shots to first-timers between 3 months and 8 months of age; at the second, another team member used a jet gun to deliver DPT-polio vaccine into the children's buttocks.

Second-session children, between 9 months and 14 months old, received two jet-gun injections concurrently. With a nozzle pressed against each buttock, a team member released DPT-polio booster into one side and combined measles and yellow-fever vaccines into the other.

Pregnant women also received tetanus injections. "When a child is born in West Africa," explained Dr. Schlumberger, "the medicine man rubs dirt on the umbilicus"—an open invitation to tetanus.

At 2 p.m., more than 400 children had been processed, and exhausted team members dismantled the jet guns, packed away the syringes and loaded the trucks.

FIRST STEP

During the next five days we touched down at a half-dozen towns across West Africa where similar operations are getting under way. Thanks to the new technology, the cost of these campaigns has been cut drastically in the past two years. The new measles vaccine, for example, is now less than ten cents a dose, and the combined DPT-polio killed-virus vaccine about 50 cents per dose. It all works out to between $5 and $15 per patient contact.

Perhaps the most unexpected result is the effect on population growth. Studies in areas where various programs have reduced infant mortality reveal that population-growth rates have fallen to among the lowest in the developing world. Parents can now confidently produce the number of children they want, rather than compensating for those who die.

What I saw in West Africa was only a beginning. About 103 million children are born in the developing countries every year, and few of them get any health care. Reaching all these youngsters wil be a massive and frustrating job.

Yet, clearly, the new vaccination strategy is taking hold. "There are no longer any scientific or technological limits to mass immunization," says Dr. Salk. "All that remains to be done is to put all this on a larger scale and apply it."

CONSUMER SAVINGS PROTECTION ACT

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Ms. OAKAR. Mr. Speaker, today I am introducing the Consumer Savings Protection Act of 1985 to require banks, savings banks, and savings and loans to obtain Federal deposit insurance.

Recent events in Ohio and Maryland make it clear that depositor confidence is based on the perception that a strong insurance fund stands ready, no matter what, to protect the safety of their deposits. In both States, consumers lost confidence in the adequacy of a private insurance fund to safeguard their deposits when the failure of a single institution completely drained the fund of its reserves. I believe unequivocally, that Federal deposit insurance must be required in order to protect consumers' savings and maintain consumer confidence in depository institutions generally.

Clearly, depository institutions are fundamentally different from other businesses and therefore, they must be treated differently. For one thing, they are vested with a high degree of public trust in addition to being instrumental to our national economy and to the conduct of monetary policy. Moreover, banks have an important public purpose. In addition to being intimately connected with the public interest, depository institutions are responsible for meeting the credit and deposit needs of the community in which they are chartered to serve. The operating condition of the institution and the ability of an insurance fund to protect consumers' savings cannot be the subject of doubt or suspicion.

The experience in Ohio and Maryland demonstrated that once an institution suffers heavy losses a chain reaction can begin in which doubt among consumers about the ability of the insurance fund to cover the losses can quickly erode the public's confidence in the safety of their money at other similarly insured institutions and soon a panic begins. Such erosion in confidence can have a profound effect not only on the local community, but also on the region and even on the international money markets.

If all the depository institutions in Ohio and Maryland had been federally insured, the outcome would have been different and consumers would not have gone through the trauma of thinking they were wiped out. Federally insured institutions that fail are generally merged or bought by another institution, oftentimes without an interruption in service. Moreover, Federal insurance funds are backed by the full faith and credit of the U.S. Government.

Unless Federal deposit insurance is required, it is possible the terrible experience in Ohio and Maryland will be repeated elsewhere.

The Consumer Savings Protection Act would provide consumers the best deposit insurance possible.

The Consumer Savings Protection Act is relatively straightforward. It requires banks, savings banks, and savings and loans to apply for Federal deposit insurance within 90 days and to obtain Federal deposit insurance within 2 years. An institution chartered after the enactment of this bill must be federally insured. Additionally, the bill will facilitate a Federal-State partnership to protect deposits at nonfederally insured institutions while these institutions await Federal deposit insurance coverage.

Although Ohio and Maryland have enacted laws that require their State chartered depository institutions to be federally insured, there still are 589 institutions in 8 States with $23.2 billion in deposits that are not federally insured. Enactment of the Consumer Savings Protection Act would bring these institutions and, more importantly their customers' deposits, under the protective cover of Federal deposit insurance backed by the full faith and credit of the U.S. Government.

Mr. Speaker, the disruption caused by the failure of confidence in two private deposit insurance funds, I believe, makes it abundantly clear that in order to provide the maximum protection to depositors and to maintain order and trust in our depository institutions, banks, savings banks, and savings and loans must be required to have Federal deposit insurance. For that reason, I introduced the Consumer Savings Protection Act of 1985. I commend the legislation to my colleagues' attention and ask that they give it their support.

BALANCE THE MEMBERSHIP OF THE FED

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. ROTH. Mr. Speaker, it has become obvious over the past several years just how key a role the Federal Reserve Board plays in shaping this Nation's economy.

Every word uttered by Fed Chairman Volcker is turned inside and out for nuances and hidden meanings. His words and actions can cause the value of the dollar to soar or to drop, affect the performance of the stock market, and influence the general direction of the economy.

The monetary policies of the Federal Reserve, perhaps more than any other single factor, are responsible for determining interest rates and the availability of credit. These policies can virtually make or break any sector of the economy; we have seen in recent years just how Fed policies have helped determine the fate of countless small business owners and farmers.

Section 10 of the Federal Reserve Act provides that: "In selecting the members of the Board of Governors . . . the President shall have due regard to fair representation of the financial, agricultural, industrial and commercial interests, and the geographical divisions of the country."

Unfortunately, recent Presidents have ignored the requirements of the law. Almost without exception, the last 25 appointees to the Board of Governors have been from the financial community or worked in the public sector. None have been from agriculture, and precious few have had significant private sector business experience.

In the coming months, the President will have the opportunity to appoint two new Governors. I believe he should look outside the financial community in filling those vacancies.

Today I am introducing a resolution expressing the sense of the House that the President should consider the appointment of individuals with demonstrable experience in the small business and agricultural sectors when filling the forthcoming vacancies on the Board of Governors.

Why single out these two sectors? No other sectors of the economy are as dramatically affected by Federal Reserve policies as these.

Agriculture is a unique industry and has been treated as such throughout our history. Its markets operate in a fundamentally different manner from other producing industries. American agriculture is responsible for several million jobs and is a $20-billion element on the postive side in our balance of trade.

Small business is not a monolithic entity, but rather it represents housing, services high technology and manufacturing. It creates about 60 percent of all new jobs in this country, represents about half our Nation's total employment, and is responsible for a great deal of technical innovation. All but about 2 percent of our Nation's businesses are classified as small business.

Agriculture and small business have one thing in common. Both are acutely sensitive to changes in monetary policy. Both small business and agriculture are heavily reliant on debt financing. Unlike large corporations, few, if any, small business or agricultural concerns have internal sources of funds. They are unable to weather periods of recession and high interest rates the way larger firms can.

The many thousands of small business bankruptcies several years ago and the severe farm credit and income problems faced by agriculture today are proof that these sectors of the economy live on the very margins of profitability. They are extremely sensitive to interest rates and dependent upon credit for their day-to-day operations.

The legislation I am introducing does not require agriculture and small business participation on the Federal Reserve Board of Governors. Section 10 of the Federal Reserve Act already makes it clear that the membership of the Board should contain a balance of interests. This resolution simply reinforces the original intent of Congress at a time when new appointments to the Board of Governors are imminent.

Congress would not be a representative institution if all its Members were lawyers from New York. The Federal Reserve Board cannot be fully effective or responsive to our diverse economic interests as long as virtually all its members represent the same professional background and, in many respects, outlook. The addition of small business and agricultural members to the Board of Governors would provide those vital sectors of our economy with representation on a body that is in large measure responsible for their success or failure.

I urge my colleagues to join me in sponsoring this legislation.

BERWYN PRINCIPAL GIVES INSPIRING TALK TO STUDENTS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. LIPINSKI. Mr. Speaker, this time of year when our students are returning to school is a perfect time to reflect upon the importance of education to the future of our country. I am sure my colleagues will agree with me that education is vital to the well-being of our Nation and that we can only successfully achieve a good educational system by the work of dedicated and inspired educational leaders at the local level.

Recently in my Congressional District, the Komensky School of Berwyn, IL, had a graduation for its fifth grade students since these students will be moving to another building. At an assembly of these students and parents, the principal of Komensky School, Mrs. Diane D. Pikcunas, gave a very inspiring talk on the importance of learning and the significance of education.

She reviewed the progress of the students and highlighted memorable learning experiences. Focus was on nine of the students receiving the Presidents' Academic Fitness Award, a program started by President Reagan to recognize outstanding academic achievement, and students who received the President's Physical Fitness Award. The tone was positive for participation in science and spelling contests.

It is the type of speech we need to encourage other educational leaders to give to students and parents to encourage a continuing interest and commitment to education for all. Her closing remarks, quoting from the words of Napoleon Hill, one of the founders of a philosophy of success and personal achievement, was uplifting as it urged students to set goals and plan actively to achieve these goals. The words in this speech can serve and should serve as a guide for these students at Komensky School as they enter onto another phase of their educational experience and for students in school systems in other areas of our country.

Mr. Speaker, I call the attention of my colleagues to these words of Mrs. Pikcunas, principal of Komensky School in Berwyn, IL, and would like to enter this inspiring talk into the CONGRESSIONAL RECORD.

ADDRESS TO KOMENSKY PTA AND 5TH GRADE GRADUATES

(By Mrs. Diane Pikcunas)

Good evening and welcome to the final PTA meeting of the year. This meeting is especially significant to me. It signals the close of my first year as an elementary principal. This meeting also means that I must say good-by to students that I have learned to love and understand. For many of these students Komensky is the only school that they have ever known. During their years here the teachers and staff of Komensky have always given their utmost to meet the academic, social, and emotional needs of the students. The students have reciprocated by achieving the best they can and by becoming Learners for Life.

For the next few minutes we will be taking a trip down memory lane to reflect on some of the highlights of the year 1984-85 and there have been some memorable moments. In September we published the first edition of the Lion's Tales, a name which was submitted by one of the Fifth Grade Class members. In the fall the Fifth Grade participated in a fund raiser to defray the cost of the George Williams Outdoor Education Program. Who can ever forget the three days spent in Lake Geneva on the George Williams College Campus? The 5 below zero temperatures, the tobaggan rides and tubing, being lost on a night hike, and Mrs. Pikcunas breaking a stack of dishes!! On this trip our students learned cooperation, independence, and responsibility. It was also a time for the students to meet their soon-to-be new friends from Hiawatha's Fifth Grade. It was a time for teachers and principals to interact with their students on a level that was not possible in the usual school environnment.

The Fifth Grade has been involved in many civic activities such as student guides for American Education Week, library aides and fluoride rinse assistants. Our Fifth graders are always ready to lend a helping hand.

The year was not all devoted to developing character and the Social Skills, the Fifth Grade also competed in the District-wide Spelling Bee and come in a very close second. Our Fifth Grade will also have 9 students receiving the President's Academic Fitness award. The academic fitness award recognizes students who have maintained a B+ or higher average for the past three years and who have scored in the 80th percentile or higher on a standardized test such as the Iowa Test of Basic Skills. Many of our Fifth graders participated in the First Annual Science Fair sponsored by the Komensky Science Club.

Komensky's curriculum does not neglect any aspect of the child's education. Our Cultural Arts departments develop appreciation of music and the fine arts as well as enhance the musical and artistic talents of the students. Many of our Fifth graders participated in the Festival of Arts through the District-wide chorus, District Junior Band or Art displays. Several of our students will also be receiving the President's Physical Fitness award from the Physical Education Department.

We hear that our Nation and our educational system are at risk. We hear that students are not prepared to survive in the future much less be successful. We hear that the student of today is exposed to a watered-down curriculum, and mediocrity is the standard. We need to look carefully and rationally at the threats to the public educational system before we assume the worst is true. From our walk down memory lane you can see that Komensky and District 100 are 100% committed to providing a quality education for the children of Berwyn.

We know that education has experienced a crisis, reform movement or national report every 10 years since 1890. Some of the past reform movements have had little if any important significance. The latest reform movement can impact and change education for the better if we analyze the system to see what works and what doesn't. We cannot continue to add more and more of the same to the curriculum, we must start with the basic question of "What do we want our schools to accomplish?" When I speak of "we", I mean not just educators but you as parents must have input and ownership in the goals of education. Commitment to education is needed from all members of the team. I suggest these general goals that Komensky has established as the direction for our educational system: 1) teaching the basic skills of reading and writing 2) teaching the computational skills necessary to arrive at reasonable mathematical answers 3) the development of citizenship through an understanding of our country and its values and finally 4) the development of motivated life long learners who know where they are going and will accept no less than excellence.

Educational reform, community involvement and parental support alone cannot alter the end product of education—we need you, as the learner, to be fully engaged in your educational process.

To the Class of 1988—as you leave Komensky, I want you all to take this final lesson with you:

You can achieve any goal you set for yourself if you have a direction and if you believe in yourself as we your teachers believe in you.

Let me close with this poem which contains the secret to success from Napoleon Hill, the author of Think and Grow Rich:

If you think you are beaten, you are
If you think you dare not, you don't
If you'd like to win, but you think you can't
It's almost certain that you won't win
If you think you'll lose, you're lost
For out in the world we find
Success begins with your will
It's all a state of mind.
If you think you are out classed, you are
You've got to think high to rise
You've got to be sure of yourself before
You can ever win the prize
Battles don't always go to the stronger or
faster man
Battles are usually won by the
Man Who Thinks He can.

SALUTE TO BARNEY E. HILBURN

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. DELLUMS. Mr. Speaker, on September 13, 1985, citizens and public officials in the city of Oakland, CA., will pause to pay tribute to one of its outstanding public servants, the Honorable Barney Hilburn. Mr. Hilburn has been an active leader in the civic and political life of this community since 1948. He served on the Oakland Board of Education from 1959 to 1985, having served three terms as its president. In this capacity, he led the Oakland schools through many difficult and fruitful periods, at all times being known for his wise and throughtful leadership, his calm demeanor, and his openminded consideration and assessment of opposing points of view. For this highly extraordinary contribution, the children of the city of Oakland, as well as its citizenry, owe him a profound and heartfelt debt of gratitude.

An attorney by profession and training, Barney Hilburn practiced law in this Capital during the early stages of his career, and later became an outstanding health and housing administrator in the county of Alameda and the city of Oakland. His leadership has been an inspiration to the entire community; I wish to extend to Barney Hilburn my personal expression of thanks; to express the shared sense of appreciation of the community for his efforts, and our very best wishes for a long and salubrious retirement.

H.R. 3253, NATIONAL COUNCIL ON ACCESS TO HEALTH CARE ACT

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. MOORE. Mr. Speaker, yesterday I joined my colleague from Missouri [Mr. GEPHARDT] in introducing H.R. 3253, a bill forming the National Council on Access to Health Care. This bill is another step towards insuring that all Americans benefit from the finest health care system in the world.

For a long time, I have focused on making health care more economically efficient, to bring down the exorbitant health care costs facing the American public. As the ranking minority Member of the Health Subcommittee of the Ways and Means Committee in the 98th Congress, I led the push for the DRG system and the prospective payment system of reimbursement under Medicare and Medicaid. These were fundamental changes in the system that were effective means of containing the costs of health care.

We have been successful in our efforts to limit these costs. However, doctors, hospitals, clinics and other health care providers, in their drive to reduce costs, must be careful not to contribute to a growing problem—the problem of denial of access to a full range of health care services and treatment for America's poor. We must avoid falling into the trap of a two-tiered system of health care in this country—one level of care for those who can afford to pay, and a lower level of quality of care for those who can't. It doesn't do any good at all to limit medical service costs if the services are not made available to those who would benefit most from cost containment.

Every American has a right to access to the best quality health care available. I'm concerned whether the poor actually have access to the proper health treatment, and out of this concern we are presenting this proposal today. This National Council on Access to Health Care should help provide a comprehensive view of the long range effects of changes in today's health care system. It will also insure no one is forgotten when the time comes to make those necessary changes.

THE UAW CELEBRATES ITS 50TH ANNIVERSARY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. FORD of Michigan. Mr. Speaker, it is my pleasure today to salute the 50th anniversary of the United Automobile, Aerospace, and Agricultural Implement Workers of America [UAW], the most effective organization ever to dedicate itself to the rights of working people, to economic justice, to racial equality, and to the strengthening of our democratic form of government.

Over the last 50 years, the UAW has been an enormous force for political and economic progress. In its role as collective bargaining agent, the UAW has directly benefited millions of its members and retirees. Many millions of other workers, both union and nonunion, have benefited indirectly from the UAW's pioneering settlements with the auto industry, which raised wage levels, created pension plans, developed a strong seniority system, and set standards for health insurance which influence every other employer.

Together with its brother and sister unions, the UAW helped transform the standard of living for most of America's industrial workers from the poverty and hardship of the 1930's to middle-class levels today. Since the UAW first organized the employees of General Motors and Chrysler in the late thirties, the wages of auto workers have increased from less than $6 a day to more than $13 an hour, a 150-percent increase in real wages. In terms of paid vacation, pensions, insurance and other benefits, the gains have been even greater, since none of these benefits existed before the union demanded and won them. And those gains were not easy. They were won through visionary thinking, hard work, and sacrifice: Sacrifice like the 104-day strike that won the first pension at Chrysler in 1950.

The UAW's economic success for its members has been enormous, but its contributions to the dignity and noneconomic rights of working people have been equally great. When the UAW first began to organize in 1935, the automobile companies refused to recognize the union's existence or even its right to exist. Employees had no rights beyond what the foreman gave them. They could be fired for any reason or no reason at all, and had no right to appeal. If a foreman didn't like an employee's looks, his religion, his politics, the fact that he didn't bribe him, or the fact that a female employee refused him sexual favors, the foreman could fire him or her on the spot. Long before the civil rights laws or the recent changes in the employment-at-will doctrine, the UAW put an end to that kind of tyranny in the auto plants. The union's negotiated grievance procedures and the power of the strike assure that employment decisions are based on seniority and performance, not on the prejudice, corruption, or personality problems of supervisors.

The best measure of the change the UAW has wrought in the treatment of its members may be its recent Saturn agreement with the UAW. Fifty years ago, the UAW's founders were beaten, imprisoned, and killed for daring to challenge management's absolute power over its employees. Government troops and company guards manned machinegun nests that encircled the factories. Local police and hired thugs threatened, beat, and jailed UAW strikers who picketed for union recognition. Today, General Motors has agreed to give the UAW veto power over any management decision concerning the Saturn project. Employees who would have been wage slaves in the 1930's are comanagers today.

Ever since it was chartered in 1935, the UAW has been blessed with leaders who combined integrity and dedication to the union's members with intelligence, statesmanship, vision, and a willingness to fight for what they believed in. Every Member of Congress knows and respects the reputation of Walter Reuther, Leonard Woodcock, and Doug Fraser. And no one who knows him doubts that Owen Bieber will carry on their tradition.

The excellence of the union's leadership is a tribute to the UAW's democratic ideals and its practice of those ideals. The UAW's leaders are elected by its members; the union's contracts are ratified by its members; the union's strike votes are put to its members; and constitutional changes are made only with the consent of the members. From the shop floor up, the union's leaders do an effective job of representing the interests of their brothers and sisters or they are removed from office. The UAW's members have governed themselves and governed themselves well for 50 years.

Another of the UAW's great strengths is its broad view of its members' interests. The union's members and leaders realized long ago that what the Government does in Washington, DC, in State capitals, and in county and municipal offices throughout the Nation has a profound impact on the members' economic security, health, safety, and freedom. As a result, the UAW has been a political powerhouse, helping to elect officials at every level of government who understand and care about the needs and aspirations of working class Americans. The union's legislative department makes sure that every legislator knows the UAW position on every issue of importance to the membership, from labor law and Social Security to import quotas and job training programs.

The UAW's 1 million active members are white and black, Hispanic and Asian-American, men and women, young and old. They share a collective bond and collective ideals, among which the most important is the equality of all Americans under the law. The UAW's commitment to that ideal has kept the union in the forefront of the civil rights movement, fighting for the Voting Rights Act, the Civil Rights Act of 1964, and the equal rights amendment.

Today, when unemployment is at recession levels, fierce international competition and the increasing export of American jobs to other countries make the UAW's strength, skill, and dedication more necessary than ever. The hundreds of thousands of auto workers, insurance company workers, agricultural implement workers, university workers, aerospace workers, government employees, and legal workers the UAW represents can be proud of their union and its role in protecting their jobs and their rights. Fifty years of struggle and success have proven the UAW to be a winner.

DEAN PHILLIPS: WAR HERO AND VETERAN'S ADVOCATE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mrs. SCHROEDER. Mr. Speaker, cancer has taken the life of one of a much decorated Vietnam war hero and tireless veteran's advocate Dean Phillips.

During the early 1970's Dean was a well-known figure in Colorado. He was perhaps the No. 1, most vocal advocate of veterans' rights, especially those of the Vietnam veteran.

Dean knew of what he advocated. He served with the 101st Airborne Division in Vietnam and was awarded two Silver Stars, two Bronze Stars, the Purple Heart, and nine other decorations.

Dean advised and lobbied me on veterans' issues and I am forever grateful. He was a hero in war and a hero in peace.

[From the Stars and Stripes, Aug. 29, 1985]

VETERANS' ADVOCATE DEAN PHILLIPS DIES AUGUST 22

Dean K. Phillips, a highly decorated Vietnam veteran and an erstwhile advocate of veterans' rights, died of cancer at his home in Alexandria, Virginia on August 22.

Over the past decade Dean Phillips was a regular contributor to The Stars and Stripes on many critical issues affecting veterans. His articles on veterans' employment, veterans' preference, and judicial review of veterans were among the most informative and enlightening submitted to The Stars and Stripes.

From 1977 to 1984 Dean worked as an attorney with the Veterans Administration, with duties including liaison between the

VA and veterans organizations and review of VA policy regarding veterans' benefits, veterans' preference and discharge. At the time of his death he was a lawyer with the Military Order of the Purple Heart.

His work for our nation's veterans took him to Capitol Hill where he often testified before congressional committees in support of Vietnam veterans' legislation; Dean was among the first supporters of the Vietnam Veterans Memorial, a project he saw through to completion.

A native of Youngstown, Ohio, Dean joined the Army after his graduation from Ohio University. Before going to Vietnam in 1967, he completed parachute, Ranger and air assault schools. While in Vietnam, Dean served with the 101st Airborne Division as a paratrooper on long-range reconnaissance patrols.

As a testament to his bravery, Dean was awarded two Silver Stars, two Bronze Stars and the Purple Heart, given for war wounds.

Dean left Vietnam in 1968, determined to fight for the rights of those men, at the bottom of the nation's socio-economic ladder, who served in Vietnam.

He received his master's degree from Ohio University and his law degree from the University of Denver.

He began his work in behalf of veterans while still in Colorado. Active in the Colorado Board of Veterans Affairs and the National Association of Concerned Veterans, Dean participated in several lawsuits aimed at protecting veterans' rights.

Dean came to Washington in 1977 to work for the VA where he served as special assistant to the general counsel, special assistant to VA Administrator Max Cleland, and advisor to the Board of Veterans Appeals.

It was in the ensuing years before his illness that The Stars and Stripes came to know Dean Phillips, and the extent of his commitment to Vietnam veterans.

Twelve years after he left Vietnam, Dean applied for service as a Captain in the Army Reserves where he served as company commander of a Special Forces unit in Fort Meade, MD. In the past several years, Dean made four or five parachute jumps a month and trained with his unit for a month each year.

He is survived by his wife, Carla, and two children, Sharra and Frank, all of Alexandria; his parents, Frank and Helen Phillips, and a sister, Penelope Phillips, all of Youngstown; and a brother, Terry Phillips of Jamestown, Colo.

NEW CONCEPTS IN DEVELOPING ECONOMIC POLICY

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. RUDD. Mr. Speaker, we will soon be debating a continuing appropriations bill and possibly a comprehensive overhaul of our Tax Code. Every sector of the economy will be affected by our actions.

If we are to succeed in cutting Government spending, simplifying the Tax Code and making it more equitable, and setting the stage for long-term economic growth, we will have to begin rethinking the way we address economic issues to take into account the profound changes that have occurred in our economy in recent years.

In a recent speech before the Executives' Club of Chicago, the former chairman of Citibank, Walter B. Wriston, touched upon some of the new concepts we ought to consider in developing economic policy. Mr. Writson's insightful remarks, reprinted from the September edition of Harper's, are included below for the consideration of my colleagues.

OBSOLETE ECONOMICS

(From "Gnomons, Words and Policies," a speech given by Walter B. Wriston to the Executives' Club of Chicago on May 8. Wriston recently retired as chairman of Citibank.)

It's no secret that in the last few years some of our best economists have badly missed in predicting the direction of the American economy. The puzzle is why. Perhaps their mistakes are a result of using words and concepts that were developed decades ago to describe a very different kind of economy. In many cases, these are no longer applicable today.

One familiar word that needs to be reconsidered is "capital." A software program that will make its author millions of dollars may require a tirvial sum of money to create compared with the amount needed to start, say, a heavy manufacturing business. The *knowledge* capital stored in that software writer's head, however, is very substantial and very real. A strong argument can be made that this new kind of capital is more critical to the growth of the American economy than is money capital. But knowledge capital does not show up in the numbers economists customarily look at (or quote) when evaluating capital formation.

I am not claiming that money capital will cease to be important; I am, however, suggesting that the accumulation of knowledge capital in the last twenty years is every bit as important. We have little or no control over the natural resources within our borders, but we do have control over the educational and cultural environment that produces the men and women who will lead the world. If we want better economic forecasting and better policies, we must find a way to factor the growth of knowledge into our equations.

Another word much in the news is "productivity." How does America stack up in the global marketplace? Is America's productivity growing faster or slower than that of Japan or some other nation? Granted, these are important questions; but what does the word mean? Productivity, in the crudest sense, means output per man-hour. That's a useful enough concept in manufacturing, but what does it tell us in an information intensive age when the vast majority of our workers are employed in the service sector? Take the financial service industry. Once you get past counting the number of checks cleared per hour or the number of insurance claims paid, you move into the realm of the subjective. How do you measure a loan officer's productivity? By the number of loans he makes? By the size of the loans? By the number of his loans that are repaid on time? By the quantity of bad debt he creates?

Finally, let's consider "overall productive capacity," a concept which plays an important role in the formulation of monetary policy. Some economists argue that if industrial production is at, say, 85 percent of capacity, we are approaching the physical limits of output and thus are in danger of accelerating inflation. But industrial production currently employs only about 20 percent of American labor; there is an almost infinite capacity to expand in the nonindustrial sectors of our society. And while the proportion of workers employed in industry has sharply declined in recent years, there has been no corresponding drop in the *volume* of production. In 1960, the output of goods accounted for about 45 percent of our gross national product; it still remains in that range.

This relatively steady output in the face of a massive exodus of workers from industry raises the question of whether the government's figures on percentage of industrial capacity utilized have the same implications for inflation as they once had. It's not an accident that the capacity utilization index played a key role in leading some forecasters to overestimate inflation in the current economic expansion. Moreover, this index deals only with manufacturing, mining, and utilities—businesses which account for a shrinking share of U.S. industrial output. So the key question may be: Can we construct a more reliable measure for the kind of economy we now have?

Like the lines on Form 1040, every number used to measure our economy has its constituency. Many labor contracts are tied to one inflation index or another; each shift in the contents of the government's market basket affects millions of people. But in rethinking the way we describe the shifting elements that make up our economy, we should take a leaf from the political book of the world. While the globe itself has not changed, the lines on the map of the world have been redrawn and dozens of countries have been created. It would be folly to conduct our foreign policy on the basis of the geopolitical map of 1930. It may well be that to conduct our economic policy on the basis of words and concepts that were valid in the 1930s carries similar hazards for us today.

NEW RULES BY THE HEALTH CARE FINANCE ADMINISTRATION

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. MRAZEK. Mr. Speaker, during the August recess I held a hearing on Long Island in order to address a glaring injustice in our society's obligation to care for those with mental and physical impairments.

The hearing was the culmination of a chair of events that began in June on my mobile office. A constituent, John Czerniewicz, came aboard to relate a classic case of Government intervention gone awry. It seemed that a new set of Federal rules handed down by the Health Care Finance Administration [HCFA] to protect the safety of retarded individuals living in intermediate care facilities [ICF's] had instead threatened many of these individuals with reinstitutionalization.

Mr. Speaker, the core issue here is a concept known as self-preservation. The new HCFA rules state that ICF residents must be able to respond to fire emergencies in a totally independent manner, without any prompting whatsoever from the ubiquitous

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staff members at the ICF. If the residents could not react in the prescribed manner, they faced banishment from the family atmosphere at the ICF to the cold, heartless sterility of a State institution, while the ICF itself could be closed down.

First, it should be understood that these retarded residents must have shown some capacity to react to emergency warnings in order to have received admittance to the ICF. Second, State law in New York requires fire-safe construction methods far superior to those found in the average family dwelling. And third, as Mr. Czerniewicz himself told me:

> It would be just as reasonable to remove the crossing guard at one of our primary schools and then deny admission to that school to any kindergartner who did not, without prompting respond correctly to the traffic signal as it changed.

In response to this overzealous rulemaking on the part of undoubtedly well intentioned Federal bureaucrats, I called together State and Federal officials, parents of ICF residents and local ICF staffers for a public hearing in my district on August 8. Prior to the meeting, I authored a letter to Health and Human Services Secretary Margaret Heckler, asking her to use her authority to allow New York State to implement more reasonable rules for ICF safety, as prescribed in the National Fire Prevention Association Life Safety Code. The letter was cosigned by virtually the entire New York congressional delegation.

At the hearing, I received poignant testimony from Mrs. Lita Cohen and Mr. Czerniewicz, both parents of ICF residents. For the illumination of my colleagues, I submit their testimony. I also submit a Newsday column by Ed Lowe, who effectively points out the result when good intentions run wild, and the innocent victims who can be caught in the crossfire.

Although my office has received no reply from Mrs. Heckler on this issue, it is clear from the commitment of people like Mrs. Cohen, Mr. Czerniewicz, and Mr. Lowe that this issue will not fade away:

STATEMENT BY LITA COHEN, PRESIDENT OF SOCIETY FOR GOOD WILL TO RETARDED CHILDREN, INC.

I am sorry that I could not be here today. However, since my son, Russell, was affected by the fire safety code regulations, I am aware of the difficulty other clients and their parents may face.

The present interpretation of the safety code regulation suggests some discrimination. We do not expect public school children to exit their classrooms during a fire drill without frequent verbal and/or physical prompts to those lag behind. Parents would be appalled if their children ran to exits without proper supervision. However, our retarded children are expected to exit during an emergency without any verbal or physical prompts. Why is so much more expected of our retarded children?

An intermediate care facility has staff on active duty 24 hours a day. Each house has several exits and a fire alarm box on the premises. This degree of safety seems sufficient. Therefore, the responsibility, in an emergency, should be with the staff to evacuate the clients as quickly as possible.

Every person should be allowed the dignity of some risk in their lives. No one of us is born with a guarantee in their hand, and a less than perfect human being should not spend their life in an overprotected environment. Our retarded children are human beings who deserve the dignity of risk in their lives.

STATEMENT BY JOHN ZERNIEWICZ

Congressman Mrazek, Ladies and Gentlemen: Having read the statement by Lita Cohen (appended), I must confess that I reread that last paragraph several times before the wisdom of her observation became clear to me—"the dignity of risk." It may begin the day your five year old goes off to school alone and crosses Jericho Turnpike for the first time holding no one's hand. Of course the Crossing Guard and traffic light reduce the risk to almost zero. From that time on, we know that for him there can be no freedom, no opportunity and no development without some risk. Knowing this, we help him develop the foresight to minimize the dangers, avoid the hazards and anticipate the problems.

With community placement, our mentally retarded children discover a new independence and freedom of movement and many opportunities for learning and development. They live like a family in a house like other houses, made of wood and filled with comfortable furniture and carpets and drapes. But they are at risk because all these things can burn, and when a house burns it can result in injury and death to the occupants. Is this an acceptable risk?

The State of New York believes that it is and has provided houses which have been built or modified to meet the strict requirements of the N.F.P.A. Life Safety Code. When my son spends the week-end at home with us, he is at greater risk because our walls and stairways are not of fire-resistant materials and finishes, we do not have a sophisticated alarm system or multiple exits, nor is anyone alert and on guard each night as we sleep, as is the case at Greenlawn and other State ICFs.

Parents believe it an acceptable risk because they have seen the great improvement in the mental and physical health of their children and would resent and resist any attempt to return them to the comparatively risk-free but sterile life in the concrete buildings of the institution.

That is why we parents are so distressed by a regulation which can determine the acceptability of the risk on a single, fallible criterion—the self-preserving response of a severely retarded person to a drill fire alarm, without any prompting or coaching by the staff. They did it this year, all ten residents, as a result of the hard work and persistence of the staff who trained them for weeks. But had any one of them failed, the penalty would have been banishment to the institution; and some may fail at subsequent tests because they are severely retarded and unpredictable. This is patently unfair for many reasons.

First of all, these residents all understand simple commands and are very cooperative. Anyone slow to respond to the bell will move with alacrity when a familiar voice booms, "let's go, Tommy!", and he'll go with as much self-preserving zeal as anyone answering to the bell.

Secondly, the requirement is unrealistic because the staff are with the residents all the time and would almost instinctively usher them all to immediate safety in the event of a fire, especially one occurring at night when the residents are sleeping.

But this observation leads to some disquieting questions about training and practice in life-saving procedures provided for the staff. Do they know what to do in case of fire? in smoke filled rooms? with panic stricken people? The Safety & Security Services have a pamphlet written to assist employees with information about fire prevention, reporting and evacuation but no notice of compulsory or voluntary training courses in these techniques.

Examination of the Life Safety Code Section on Means of Escape Requirements revealed a ruling which states that where buildings are protected by an automatic sprinkler system such as NFPA 13D, a second means of escape shall not be required. Since all our approved dwellings have such a second means of escape, addition of a sprinkler system would obviously improve the over all safety of the building.

The NFPA 13D sprinkler system is designed for one and two family dwellings and is quite inexpensive. Installation of this system in every community residence would undoubtedly make them safer by prolonging the escape time by at least ten minutes and provide other safety features such as controlling flashover, which is the sudden ignition of accumulated gasses in a room. A brief description of this system is appended.

Let us reduce the risks by every available means to a level that does not burden these severely retarded with more than their share of responsibility for their own safety and let them continue their lives in the community with dignity and self respect.

[From Newsday, May 30, 1985]

BEARING THE BRUNT OF LANGUAGE

(By Ed Lowe)

Nobody feels the power of language so much as its victims.

Russell Cohen, 23, lived for 14 years in a large and relatively impersonal institution where, as a profoundly retarded, non-verbal, male child, he learned next to nothing.

About a year and a half ago, and through a set of circumstances that his parents would later consider practically miraculous, the state moved him to a much smaller, infinitely more intimate, state-run, Intermediate Care Facility in Farmingdale, one he shared with only nine other retarded residents, and one where the staff was on duty 24 hours a day.

According to his mother, Lita, it took Russell about eight months to become adjusted to the smaller facility, to overcome his palpable fear of change, to begin to respond to the doting attention of his patient staff. "But then," said Lita Cohen, president of the Society For Good Will to Retarded Children, "Russell made more progress in that Farmingdale house than he had made in 14 years at the center. Since he's in the house, he's able to dress himself completely. He goes out to a program for six hours a day where he learns self-help skills, lessons he never had and tasks he never did before in his life.

"He's with this staff of people who are so loving and caring, so patient and wonderful, he's become a totally changed person," Lita Cohen said. "I see so many little changes, it's incalculable. When he got upset, he used to become self-destructive, self-abusive. He doesn't do that any more. When we visit him, he doesn't try to follow us out when we're leaving. He'll go back to the other residents. I get eye contact, a lot of eye contact, which I never got before. He seems much more aware of his surroundings. In this lovely Farmingdale house, he shares a room with another young man. Last time we visited, Russell escorted me into his room and sat down on the bed with me. I got the distinct feeling that he knew it was his room. That may not sound like much, but for Russell, it's practically a miracle in itself."

In February, some people who work in bureaus of the government held a meeting during which they discussed and ultimately sharpened some of the language that made certain health care facilities continue to be eligible for certain federal funds that eventually lent some certainly to lives such as Russell Cohen's.

After the meeting, one of the people, Annemarie Schmidt—who labors under the burden of the title, Director of the Survey and Certification Operations Branch of the Survey and Certification Operations Branch of the Division of Health Standards and Quality of the Health Care Financing Administration of the U.S. Department of Health and Human Services—wrote a letter to William B. Carmello, Director of the Bureau of Health Facility Coordination of the Office of Health Systems Management of the New York State Department of Health.

The letter restated and reconfirmed decisions made at the meeting, whose participants had invented more exquisitely specific definitions than had existed previously of the terms, "ambulatory" and "self-preserving." In order for Russell Cohen's Farmingdale to continue to be eligible for the federal contributions that sustained it, the people who lived there and in similar facilities would have to be re-adjudged as among other things, "ambulatory" and "self-preserving," in the event of an emergency situation such as a fire.

"Self-preserving," the letter read, "means capable of taking independent action and following directions. There can be no physical directions or prompts [italics Schmidt's] including the initiation of action (i.e. assisting rising from bed or the physical hands on guidance during escape Verbal directions may not initiate the action nor may they be used constantly throughout the escape procedure. Verbal directions or prompts may only be infrequent and of 'instantaneous duration' as might be expected with a non disabled clientele, i.e. Stop! Hurry! and so on."

Following receipt of the letter, if investigative agents of the government's health blah-blah bureaus were not to re-survey the Farmingdale facility, for example, and suspect any of the inhabitants as potentially in need of coaxing to wake in the middle of the night and escape a potential disaster, the government might pull the funding and eliminate the center. Therefore, center officials knew, they had best rid themselves of the marginally eligible.

Like a line drawn in the water, the new definition seems to have lapped over Russell Cohen's feet. And officials are preparing to send Russell, who learned more about self-preservation in one year at the Farmingdale house than in all the nightmarish years of his childhood, back to the institution.

NAVAL AIR REWORK FACILITY ALAMEDA: DOING AN EFFECTIVE JOB

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. DELLUMS. Mr. Speaker, the Naval Air Rework Facility [NARF] Alameda is an industrial component of the Naval Air Systems Command and is one of six Naval Air Rework facilities nationwide. It is also one of the largest employers in the San Francisco-Oakland Bay area, with over 4,800 civilians and 30 military personnel on board.

Because the cost of labor is so high in the Bay area, the cost of doing business is higher for NARF Alameda than any of the other rework facilities in the United States. As a result, NARF Alameda has been placed at a competitive disadvantage and, in the past, has caused the Alameda facility to be ranked last in the quarterly assessments of the Naval Aviation Logistics Command.

But the last 2 years has seen a steady and dramatic turnaround.

In the last quarterly ranking, NARF Alameda moved to a solid second place in the rankings. The extraordinary capabilities of the command staff and employees speaks for itself. I want to join with those in the Naval Aviation chain of command that applauded this fine effort.

I would also like to commend the NARF commander and his team for the significant progress they have made in equal employment opportunities and affirmative action at the Naval Air Rework Facility.

THE MAINE LEGIONNAIRE WINS NATIONAL AWARD

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. McKERNAN. Mr. Speaker, I am pleased to share with my colleagues an honor which was recently awarded by the National American Legion Press Association to the Maine Legionnaire, the American Legion's publication in the State of Maine. In a national competition, the Maine Legionnaire was declared "Best Publication."

In receiving this award, the Maine Legionnaire has demonstrated its continued dedication to serving as a strong advocate in promoting veterans' rights, and to providing Maine veterans with noteworthy information that affects their lives. I wish to commend your attention to the following excerpt from an official announcement of the award:

LINCOLN, NEBRASKA.—The Maine Legionnaire, the official publication of the Department of Maine, The American Legion, has been declared the top publication in veterans circles, according to the announcement made by Robert B. Craig, National President of the National American Legion Press Association.

The award announcement came at the conclusion of the judging of all newpapers and editorials.

The Maine Legionnaire is edited under the direction of State Adjutant Daniel E. Lambert, and published by Verdi Tripp d/b/a Publishing Services and printed at the Times Record in Brunswick. The Maine Legion publication is considered to be the strong advocate of veterans rights and benefits and a positive image of America.

Maine American Legion State Commander George Gagnon, Millinocket, noted that the Legion and Auxiliary of Maine were pleased that the Maine paper had emerged as "Number 1" in the Nation. He praised Editor Dan Lambert for his tireless efforts to promote the image of the veterans of Maine and the nation.

A BILL TO REQUIRE AN ANNUAL FEDERAL GOVERNMENT COMPUTER USERS' GROUP MEETING

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. STARK. Mr. Speaker, today I am introducing legislation that will provide, by establishing an annual meeting of Federal Government Computer Users, a forum where Federal agencies will share information and experiences concerning computer technology.

This bill is actually a slight modification of a recommendation found in the Grace Commission report. Specifically, the Grace Commission report entitled "Information Gap 3-3" calls for the General Services Administration [GSA] to—

> Establish a software clearinghouse and a technical resource center to promote the development of compatible information systems.

The GSA has already established several technical support centers such as the software development center and the computer store. However, very little has been done by either the GSA or the Office of Management and Budget to promote the establishment of compatible or coordinated information systems throughout the Federal Government.

The Grace Commission has shown that the adoption of common systems will not only improve overall management information but will also produce savings that "could reach about $1 billion per year." To illustrate this point further the Grace Commission made a detailed analysis of the savings that could be realized if just a common payroll system were adopted governmentwide. The estimated 3-year cost of establishing such a system would be approximately $11 million but—

> * * * After full implementation, the Government would have achieved a cumulative net savings of $724.9 million with a decrease of approximately 2,000 staff-years of payroll clerical effort.

This bill, by bringing together the information resources managers [IRM's] of every agency on a regular basis, will provide an opportunity for the Government to identify systems—such as payroll—that can be standardized Government wide. But this bill will also enable agencies to: Identify what systems work and what systems don't; discuss the quality of services provided by various vendors; discover common problems encountered by the agencies; and exchange ideas generated by one agency that could save millions for many other agencies—the adoption of MUMPS software by the VA comes to mond.

The purpose of holding an annual meeting of Federal Government Computer Users is similar to the rationale for annual meetings held by professionals in the private sector. Scholarly papers are exchanged, experiences are shared, and the entire profession—in this case agency IRM's—is advanced.

This bill will enable the Government's left hand to keep track of what its right hand is doing. The potential for cost savings is considerable, for, as the Grace Commission states, although specific savings are difficult to estimate, improving computer systems "has the potential for savings far in excess of these annual budgets (that is, for the implementation of new systems)." However, I hope the commonsense proposals of this bill will strike the GSA Administrator as eminently practical. By unilaterally adopting these proposals, the Administrator will not only avoid facing Congress but also contribute to the efficient management of the Federal Government and the taxpayers' money.

The text of the bill follows:

A bill to require the General Services Administration to hold an annual meeting of the Information Resources Managers of the various Federal Agencies

Whereas an annual meeting of Information Resource Managers from the various Federal Agencies would promote the sharing of automated data processing technology government-wide;

Whereas the fragmented development of automated administrative systems has led to a proliferation of different systems performing similar functions in many Federal Agencies;

Whereas the President's Private Sector Survey on Cost Control recommends the establishment of a software clearinghouse to promote the development of compatible information systems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Director of the General Services Administration (hereinafter in this Act referred to as the Administrator) hold an annual meeting (or on a more frequent basis if deemed so necessary by the Administrator) of Federal Government Computer Users (hereinafter in this Act referred to as the Users' Group), to be attended by the Information Resources Manager, or a designated alternate, from each of the various Federal Agencies. The first Users' Group meeting is to occur within a year following passage of this Act.

Sec. 2. The purpose of these Users' Group meetings shall be, but not limited to,

(a) for the presentation by each of the various Federal Agencies of a report highlighting automated data processing operations of the previous year;

(b) for the sharing of knowledge among the various Federal Agencies concerning problems with automated data processing vendors, internal automated data processing problems, and innovations in software and hardware technology;

(c) for providing a forum where the various Federal Agencies shall present their future plans concerning automated data processing operations; and

(d) for the various Federal Agencies to share information and make recommendations to other Federal Agencies on procedures that have resulted in significant cost savings within a particular Federal Agency.

Sec. 3. The Administrator shall make an annual report by letter to the House Committee on Appropriations that shall include, but not be limited to,

(a) a summary of the Users' Group meeting;

(b) an estimate of obtainable savings if recommendations made pursuant to subsection (1)(d) above were to be adopted, where feasible, by the various Federal Agencies;

(c) an estimate of the effectiveness of the Users' Group in making the various Federal Agencies' automated data processing experiences and concerns known to one another.

Sec. 4. For the purposes of this Act the term "Federal Agencies" means any department, independent agency, board, commission, Government corporation, foundation, or independent establishment under the direction of the President of the United States.

Sec. 5. There are authorized to be appropriated to the Administrator such sums as may be necessary to carry out the purposes of the Act and the project authorized by the first section of this Act.

DIAMOND JUBILEE OF ST. MICHAEL THE ARCHANGEL PARISH OF MUSKEGON, MI

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. VANDER JAGT. Mr. Speaker, on September 28, 1985, St. Michael the Archangel Parish in Muskegon, MI, is closing a historical milestone. From September 1984 the parish of St. Michael's has been celebrating the church's diamond jubilee. I am honored to have this opportunity to pay tribute to Rev. Eugene S. Golas and his entire congregation on this very significant anniversary.

St. Michael's parish was organized in 1909 and its first building started in 1911. The first and oldest organization within the parish is the Rosary Society, which was started immediately after the parish was founded and which has contributed significantly to the spiritual and material welfare of the parish. Within the next 5 years after 1911, the rectory was built. In the following 5 years a convent was erected to house the teaching Sisters of Mercy. St. Michael's Church was dedicated on May 31, 1944, by Bishop Francis J. Haas. It was the first Catholic Church in Muskegon to be consecrated.

The parish was originally begun by the Polish settlers in the Muskegon area. Rev. Msgr. Casimir Skory was the founder of the parish, Rev. Andrew Narlick was the first pastor, followed by Rev. Andrew Sikorski, 1938 to 1972, Rev. Edward J. Bielskas, 1972 to 1982 and presently Rev. Eugene S. Golas.

The church's diamond jubilee is a significant event in the lives of its congregation and clergy. The occasion provides them an opportunity to reflect on its history, its past achievements, and its future goals. This anniversary marks not only an important milestone, but the continuation of a dream, that began back in 1909. As this parish approaches the future, it does so with a renewed commitment and dedication to the well-being of its neighbors and community. All who are privileged to know of the good works done by the church are inspired by their leadership in working to solve the community's problems and to enrich the lives of its citizens. I am certain that this congregation will go on to higher levels of achievement. I know my colleagues will join me in paying tribute to St. Michael the Archangel Parish.

RELIEF FOR JACK WALSH, OWNER OF "SHEARWATER"

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. BATES. Mr. Speaker, today I am introducing legislation to provide relief from certain laws governing the merchant marine, on behalf of Mr. Jack Walsh.

Mr. Walsh, a U.S. citizen, wishes to document the vessel *Shearwater* with the U.S. Coast Guard for employment in the coastwise and fisheries trade. However, certain provisions of the Jones Act pertaining to the ownership of a vessel registered as a U.S.-flag ship, prevent Mr. Walsh from registering the *Shearwater* with the Coast Guard. Specifically, the ownership of the *Shearwater* by a non-U.S. citizen, prior to Mr. Walsh's ownership of the vessel, prevents the Coast Guard from registering the *Shearwater* for the coastwise and fisheries trade. This legislation will allow Mr. Walsh to register the *Shearwater* despite the break in the chain of ownership. I believe that a brief history of the *Shearwater* will make clear the need for private legislation to grant an exception to certain provisions of the Jones Act for Mr. Walsh.

The *Shearwater*, formerly the U.S.S. *Jewell*, is listed in the Dictionary of American Fighting Ships. The U.S.S. *Jewell* was constructed by the Shain Manufacturing Co. of Seattle, WA. The vessel was launched in November 1942 and was put into service by the Navy in the 13th Naval District at Kodiak, AK. In 1946, the 13th Naval District commissioned the vessel out of service to reserve status. Between 1950 and 1977, the vessel served as a commercial harbor cruise ship in the San Pedro/Long Beach area of California. During this period the vessel was documented by the Coast Guard.

The current owner of the vessel, Mr. Walsh, has invested the excess of one-half million dollars in the *Shearwater* to ensure the vessel's safe operation in the coastwise and fisheries trade. Moreover, Mr. Walsh has retained a former Coast Guard inspector to ensure that all restoration and reconstruction of the vessel is in accord with current Coast Guard requirements.

Mr. Speaker, I believe that, in this case, the Jones Act imposes an unreasonable hardship on the owner of the *Shearwater.* While I do not advocate any tampering with the intent or the substance of the Jones Act, I do not believe that the act intended to raise a barrier against a U.S. citizen operating a former ship of the American Navy. I respectfully request my colleagues to support this private bill to provide relief for Mr. Jack Walsh, owner of the *Shearwater.* Favorable consideration of this legislation will ensure that future generations will be able to sail aboard this former fighting ship.

LEGISLATION TO REPEAL EARNINGS LIMITATION

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. SHUMWAY. Mr. Speaker, today I am introducing legislation to repeal the outside earnings limitation which is currently imposed on Social Security recipients.

Under present law, eligible recipients between the ages of 65 and 70 are threatened with a reduction in Social Security benefits if their outside income exceeds a certain level—now $7,320 per year. For those under 65, the level is $5,400. For every $2 earned in excess of these limits, Social Security benefits are reduced by $1.

It certainly makes very little sense, at a time when many of our senior citizens are struggling to make ends meet, to penalize Social Security recipients in this fashion. Social Security is a retirement program, not a welfare program. To deny full benefits to those who have paid into the system throughout their working careers, with the expectation that they would begin to reap the benefits at age 65, is literally a breach of the contract between the Federal Government and the individual worker.

In fact, it is often those who find it most difficult to survive on fixed incomes, particularly during periods of high inflation, who must rely on outside income. It is not wealthy individuals, who often have income-producing investments, who suffer under the earnings limitation—it is those who can least afford it.

Further, the earnings limitation acts as a disincentive to work in a productive capacity. The attitude toward retirement in recent years has made clear that the 56-year limit is somewhat arbitriary; many are choosing and, in fact, are encouraged to continue working beyond this age. Not only is this good for the economy, it is good for the individuals involved. Yet, because of this outdated provision, we are formally penalizing such activity.

Mr. Speaker, legislation similar to mine has been introduced in the past. Many Members share my concerns. Senior citizens throughout the country support this measure. I therefore hope that the full House will join in support of repealing the outdated earnings limitation and quickly pass this legislation.

SUPPORT OUR BEST AND BRIGHTEST STUDENTS: LEGISLATION TO ASSIST THE GIFTED AND TALENTED

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. BIAGGI. Mr. Speaker, today I am introducing legislation to support programs to assist gifted and talented children and youth. I am joined in this bipartisan effort by 19 of my colleagues that believe, as I do, that the Federal Government has a responsibility to provide leadership to assure that the best of our students are adequately served by our educational systems.

This bill, the "Gifted and Talented Children and Youth Education Act of 1985", would provide funds to State and local educational agencies, as well as institutions of higher education, and public and private agencies. The bill authorizes $10 million in fiscal year 1986, and "such sums" in subsequent years, to support programs for students, as well as inservice training and professional development opportunities for teachers. In addition, the act encourages the development of early intervention programs to identify gifted and talented students.

We can best serve the estimated 2 million gifted and talented children in this country if we stimulate high-quality research that will assist in identifying and serving gifted students in innovative ways. To that end, the act establishes a National Cancer for Gifted and Talented Education that will provide national leadership and support to encourage such efforts.

The Federal Government, until 1981, provided for such programs since 1978, under the Gifted and Talented Children's Education Act, authored by my distinguished former colleague from New York, Senator Jacob Javits. Until its demise, this program annually provided $6 million for similar educational efforts. Today, programs for the gifted and talented can be operated by States through the education block grant. However, there remains no national program to specifically serve these particular students in need.

This act is also consistent with the recommendations set forth in the current Department of Education's report, "A Nation at Risk," which highlighted the need for Federal leadership to upgrade and improve our educational system in this area. We know that gifted and talented children are those identified to have outstanding abilities and who require different kinds of services to meet their intellectual, academic, artistic and physical abilities. If we are to graduate—in the coming decades—a "nation of achievers"—then we need to provide the kinds of support to these high-achievers, especially in the classroom where these talents and abilities can be nurtured.

This bill enjoys a wide level of support, including 14 national associations involved with the education of gifted children and youth. Such support underscores the commitment that must be made to avert an increased crisis in our schools which would result in our most promising students would be underserved—or incorrectly served by educational programs. Special education must not only serve the handicapped—but should be equally responsive to the 2 million students who need encouragement, support and special opportunities that will encourage—not discourage—our best and brightest students.

If there is to be a reasonable response to promote quality in the classroom—then we should adopt this legislation which provides a modest approach to addressing a national concern. For the benefit of my colleagues, I am inserting the text of the bill in the Record at this point and invite their support:

H.R. 3263

A bill to establish a Federal program to strengthen and improve the capability of State and local educational agencies and private nonprofit schools to identify gifted and talented children and youth and to provide those children and youth with appropriate educational opportunities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Gifted and Talented Children and Youth Education Act of 1985".

SECTION 1. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds and declares that—

(1) gifted and talented children and youth are a national resource vital to the future of the Nation and its security and well-being;

(2) unless the special abilities of gifted and talented children and youth are recognized and developed during their elementary and secondary school years, much of their special potential for contributing to the national interest is likely to be lost;

(3) gifted and talented children and youth from economically disadvantaged families and areas are at greatest risk of being unrecognized and of not being provided adequate or appropriate educational services;

(4) State and local educational agencies and private nonprofit schools often lack the necessary specialized resources to plan and implement effective programs for the early identification of gifted and talented children and youth for the provision of educational services and programs appropriate to their special needs; and

(5) the Federal Government can best carry out the limited but essential role of stimulating research and development and personnel training, and providing a national

focal point of information and technical assistance, that is necessary to ensure that our Nation's schools are able to meet the special educational needs of gifted and talented children and youth, and thereby serve a profound national interest.

(b) STATEMENT OF PURPOSE.—It is the purpose of this Act to provide financial assistance to State and local educational agencies, institutions of higher education, and other public and private agencies and organizations, to initiate a coordinated program of research, demonstration projects, personnel training, and similar activities designed to build a nationwide capability in our elementary and secondary schools to identify and meet the special educational needs of gifted and talented children and youth. It is also the purpose of this Act to supplement and make more effective the expenditure of State and local funds, and of Federal funds expended under chapter 2 of the Education Consolidation and Improvement Act of 1981 and the Education for Economic Security Act of 1984, for the education of gifted and talented childen and youth.

SEC. 2. DEFINITIONS.

(a) DEFINITIONS.—For the purposes of this Act the following terms have the following meanings:

(1) The term "gifted and talented children and youth" means children and youth who give evidence of high performance capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities.

(2) The term "Secretary" means the Secretary of Education.

(3) The term "institution of higher education" has the same meaning given such term in section 435(b) of the Higher Education Act of 1965.

(b) DEFINITION BY REFERENCE.—Any term used in this Act and not defined subsection (a) shall have the same meaning as that term is given under chapter 1 of the Education Consolidation and Improvement Act of 1981.

SEC. 3. AUTHORIZED PROGRAMS.

(a) ESTABLISHMENT OF PROGRAM.—From the sums appropriated under section 9 in any fiscal year the Secretary (after consultation with the advisory committee established pursuant to section 7) shall make grants to or contracts with State educational agencies, local educational agencies, institutions of higher education, or other public and private agencies and organizations to assist them in carrying out programs or projects authorized by this section that are designed to meet the educational needs of gifted and talented children and youth, including the training of personnel in the education of gifted and talented children and youth or in supervising such personnel.

(b) USES OF FUNDS.—Programs and projects funded under this section may include—

(1) preservice and inservice training (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented children and youth;

(2) establishment and operation of model projects and exemplary programs for the identification and education of gifted and talented children and youth, including summer programs and cooperative programs involving business, industry, and education;

(3) strengthening the capability of State educational agencies and institutions of higher education to provide leadership and assistance to local educational agencies and nonprofit private schools in the planning, operation, and improvement of programs for the identification and education of gifted and talented children and youth;

(4) programs of technical assistance and information dissemination; and

(5) carrying out (through the National Center for Research and Development in the Education of Gifted and Talented Children and Youth established pursuant to subsection (c))—

(A) research on methods and techniques for identifying and teaching gifted and talented children and youth, and

(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purposes of this Act.

(c) ESTABLISHMENT OF NATIONAL CENTER.—The Secretary shall establish a National Center for Research and Development in the Education of Gifted and Talented Children and Youth through grants to or contracts with one or more institutions of higher education or State education agencies, or a combination or consortium of such institutions and agencies, for the purpose of carrying out clause (5) of subsection (b). Such National Center shall have a Director. The Director shall consult with the advisory committee appointed by the Secretary pursuant to section 7 with respect to the agenda of the National Center. The Secretary may authorize the Director to carry out such functions of the National Center as may be agreed upon through arrangements with other institutions of higher education, State or local educational agencies, or other public or private agencies and organizations.

(d) LIMITATION.—Not more than 30 percent of the funds available in any fiscal year to carry out the programs and projects authorized by this section may be used for the conduct of activities pursuant to subsections (b)(5) or (c).

SEC. 5. PROGRAM PRIORITIES.

In the administration of this Act the Secretary (and the advisory committee established pursuant to section 7) shall give highest priority—

(1) to the identification of gifted and talented children and youth who may not be identified through traditional assessment methods (such as the limited-English speaking, economically disadvantaged, handicapped, and women) and to education programs designed to include gifted and talented children and youth from such groups; and

(2) to programs and projects designed to develop or improve the capability of schools in an entire State or region of the Nation through cooperative efforts and participation of State and local educational agencies, institutions of higher education, and other public and private agencies and organizations (including business, industry, and labor), to plan, conduct, and improve programs for the identification and education of gifted and talented children and youth.

SEC. 6. PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND TEACHERS.

In making grants and contracts under this Act, the Secretary shall ensure, where appropriate, that provision is made for the equitable participation of children and teachers in private nonprofit elementary and secondary schools, including the participation of teachers and other personnel serving such children in perservice and inservice training programs.

SEC. 7. SECRETARY'S ADVISORY COMMITTEE.

(a) APPOINTMENT AND MEMBERSHIP.—The Secretary shall appoint a committee composed of at least five persons who are not Federal employees to advise on the administration of this Act, including the content of regulations governing the administration of the Act. The committee shall have as members at least one person who is a director of programs for gifted and talented children and youth in a State educational agency, one person who has substantial responsibility in an institution of higher education for preparing teachers of such children and youth, one person who is nationally recognized as an authority on research in the field of special education of such children and youth, one person who is currently engaged as a teacher in a special program for such children and youth, and one person who is a parent of a child currently enrolled in an elementary or secondary school program for such children and youth.

(b) DUTIES.—The Secretary shall meet with the advisory committee at least twice during each fiscal year for which appropriations are made to carry out this Act, and shall seek the advice and counsel of the committee with respect to—

(1) identification of the most urgent needs for strengthening the capability of elementary and secondary schools nationwide to plan and operate effective programs for the identification and education of gifted and talented children and youth, and for addressing the program priorities set forth in section 5;

(2) the kinds of programs and projects authorized by this Act that are best calculated to help meet the needs identified by the Secretary and the committee pursuant to clause (1);

(3) the assessment of the effectiveness of programs and projects funded under this Act, and of progress under the Act in expanding and improving educational opportunities and programs for gifted and talented children and youth; and

(4) such other matters relating to the administration of this Act as the Secretary may find useful.

SEC. 8. ADMINISTRATION.

The Secretary shall establish or designate an administrative unit within the Department of Education to administer unit within the Department of Education to administer the programs authorized by this Act, to coordinate all programs for gifted and talented children and youth administered by the Department, and to serve as a focal point of national leadership and information on the educational needs of gifted and talented children and youth and the availability of educational services and programs designed to meet those needs. The administrative unit established or designated pursuant to this section shall be headed by a person of recognized professional qualifications and experience in the field of the education of gifted and talented children and youth.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated $10,000,000 for fiscal year 1987, and such sums as may be necessary for each of the four succeeding fiscal years, for the purpose of carrying out this Act.

A CONGRESSIONAL TRIBUTE TO BETTE MURPHY AMMANN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to Bette Murphy Ammann, who was recently chosen for the "Outstanding Women's Solidarity Award" from United Auto Workers' Region 6.

Bette was among the first women to take up jobs in the defense industry during World War II. In 1942, she joined the Douglas Aircraft Co. as a riverter for 60 cents per hour. Betty soon became a union organizer and collected dues.

After the war, Bette continued her union activity. In 1947, she was elected shop steward. Bette's talents were obvious to those she worked with, and she soon rose to higher union posts. She was elected chief steward, secretary of the Steward Council, and then secretary of the union's Welfare Committee.

The list of contributions Bette has made to the union and to the quality of work at Douglas Aircraft over the years is virtually endless. She has been active in women's issues and in bargaining committees. Bette has been elected trustee on the UAW Local 148 executive board. She has also represented the union at both national and international conventions.

When Bette retired from Douglas Aircraft in 1978, she left a legacy of "Douglas firsts:" She was the first female employee to earn $1 per hour, the first female "leadman in shop," the first female assistant foreman in shop, the first female administrator over "war boards," and the first female manufacturing engineer.

Retirement from her job did not mean retirement from union and political activity for Bette Murphy Ammann. She was elected recording secretary of her local's retiree chapter. She has attended numerous conventions on issues concerning senior citizens. Bette was also appointed to the California Central Democratic Committee.

In short, Bette has been an exemplary citizen in our community. She has worked tirelessly to improve working conditions, educate herself and others on important issues, and show that concerted and persistent political activity pays off in the long run.

My wife, Lee, joins me in wishing Bette Murphy Ammann and her daughter, Mary Beth Johnson, all the best in their future endeavors.

YOUNG ISRAEL CONGREGATION HERALDS NEW ERA WITH DEDICATION OF SANCTUARY BUILDING

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. SMITH of Florida. Mr. Speaker, today I rise to commemorate the dedication of Young Israel of Hollywood-Fort Lauderdale's new sanctuary. This event marks a turning point for Broward's first orthodox Jewish congregation and I am proud to pay tribute to their accomplishment on this joyous occasion.

More than a decade ago, the need for an orthodox house of worship was realized amongst a small group of south Broward's growing Jewish community. With a strong commitment toward strictly upholding the laws of Judaism, an orthodox minyan for Shabbat services was established in the city of Hollywood.

They started in the living rooms of their founding members and it was at that point that the minyan took root. The seed which they had planted grew steadily and flourished amidst the needs of the rapidly expanding Jewish population. The congregation, however, still did not have a permanent home. Over the years they moved from a small storefront to a condominium social hall until they acquired their own property on the border of Hollywood and Fort Lauderdale. The congregation, now known as Young Israel of Hollywood-Fort Lauderdale remodeled this property into a sanctuary in 1977.

The orthodox community continued to grow. Young Israel faced many new challenges, but dedication and a strong belief in preserving tradition, allowed them to prevail. Today hundreds of congregants now flock to Young Israel for the purpose of prayer.

It became apparent to the membership that the construction of a new facility would be an important milestone in the effort to achieve a stable and thriving orthodox community in south Florida. Today, that dream has finally been realized as they joyously dedicate the new Young Israel sanctuary, their permanent house of worship. It heralds in a new era for not only the congregation of Young Israel, but for south Florida's entire othodox Jewish community as well.

No tribute to Young Israel's remarkable accomplishments would be complete without mentioning Rabbi Edward Davis, Synagogue President Robert Asheim, the Young Israel board of directors, and the entire congregation, many of whom are my close personal friends and neighbors.

I wish my friends at Young Israel a heartfelt mazel tov in their new sanctuary and continued success in expanding traditional Judaism in Broward County.

COMMEMORATING THE 175TH ANNIVERSARY OF MEXICAN INDEPENDENCE DAY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. KILDEE. Mr. Speaker, on Monday, September 16, our neighboring Republic of Mexico celebrates its independence.

On September 16, 1810, just 34 years after our own Declaration of Independence, a parish priest named Father Miguel Hidalgo y Costilla pulled the rope that rang the bell in the village church of Dolores until the oppressed countrymen from the nearby farms filled the courtyard to overflowing. Then he called upon them to free their native land from the tyrannies of the Spanish Crown.

Not quite 3 months later, Father Hidalgo and his followers proclaimed the abolition of slavery from Mexican soil and wrote the Western Hemisphere's first land reform statute. In the New World the name Hidalgo will rank forever alongside those of Washington, Jefferson, and Lincoln in the annals of human freedom.

In recognition of this important date, and in celebration of Hispanic heritage week, I am proud to pay tribute to the Hispanic community of our Nation.

Today, Hispanics are providing a new spirit and force in America which will help shape the future course of this Nation. Hispanic activism and political activity has already left its mark on the national political landscape.

Hispanics have provided the margin of victory in many political races throughout this country. As well as providing the margin of victory in many races, many Hispanics have been elected to various political offices in this great Nation.

Hispanics in the Seventh Congressional District, Michigan, have made many contributions to the development and enrichment of our community, State, and Nation.

In 1981, a Hispanic was first elected to public office in Genesee County and still serves on the Burton City Council. A year later, a Hispanic was first elected to public office in the city of Flint and remains an effective member of the city council. His election, by a mere 35-vote margin, would not have been possible without the massive increase in voter registration and voter turnout among Hispanics in Flint. Last year marked the first time ever a Hispanic represented the city of Flint at the Democratic National Convention. Again this year, another Hispanic has contributed to the development and enrichment of our community. She was the first Hispanic ever to be elected to the Flint Board of Education. Other Hispanics of the Seventh Congressional District have been appointed by the Governor of Michigan to various commissions and councils. Many more in the Hispanic community have contributed greatly to our community's well-being.

September 16 is not just a date of importance to Mexican-Americans alone. Indeed, it is of great significance to all those sharing in the proud heritage of the Hispanic culture, and indeed, all Americans. Today, all Hispanics must recognize, and seek to strengthen, their common heritage. Together, through a united and active Hispanic people, bound by common interests and pride, Hispanics will at last attain the political and economic equality for which they have already begun to attain.

THE 20TH ANNIVERSARY OF JOB CORPS

HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. CROCKETT. Mr. Speaker, I would like to pay tribute to the Job Corps in its 20th year of impressive and dedicated service to the socially and economically disadvantaged youth of our Nation.

The unique combination of training and support services provided by the Job Corps has steered impoverished youth in the direction of realizing their full potential: adequate preparation to obtain and hold employment in either the public or private sector.

The Job Corps Program has provided a basic and important employment outlet for Detroit, MI, which I represent and which has been devastated by 25.9 percent structural unemployment among Detroit youth. Since its founding in 1972, the Job Corps Center in Detroit has been virtually the only source of hope and restoration of self worth for 6,000 young adults. Over 85 percent of these young people have gotten jobs and have paid back more in income taxes than the cost of participation in the program. For every $1 spent, $1.46 is returned to society in terms of increased employment, less criminal activity and reduced welfare payments.

It is absolutely essential, Mr. Speaker, that we continue our commitment to the Job Corps in order to assure the young and hopeless an opportunity to become functional and productive tax paying citizens.

LEGISLATION COMBATING AIDS

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. LELAND. Mr. Speaker, today I am introducing legislation which would accelerate efforts to combat one of the most critical public health emergencies ever faced by this Nation—the spiraling incidence of acquired immune deficiency syndrome [AIDS]. Approximately 20 new cases are reported to the Centers for Disease Control every day. The total number of cases doubles about every 10 months. Government experts see no slowdown in the incidence of AIDS and by the end of next year, over 35,000 cases likely will have been reported.

AIDS is: A sexually transmitted disease; a disease transmited via contaminated blood and blood products; a disease transmitted across the placental barrier. It most assuredly is not just a disease of male homosexuals. In many other countries it is a heterosexual disease—affecting heterosexual men and women equally.

The nearly 13,000 men, women, and children currently afflicted with AIDS face almost certain death. The future remains very, very bleak for newly diagnosed patients. The promised development of a vaccine also remains uncertain. In the face of such a bleak picture, the only prospect to slow this epidemic is to inform and educate the American public about both AIDS and exposure to human T-cell lymphotrophic virus type III [HTLV-III], the etiologic agent of AIDS.

Under my legislation, the Secretary of Health and Human Services would make grants to State and local governments to support education and information dissemination projects concerning AIDS. The legislation would authorize $40 million for fiscal year 1986. Additionally, the bill would authorize $25 million for establishment, maintenance, and operation of programs to test blood to detect the presence of antibodies to HTLV-III at sites other than those utilized for medical transfusions. The legislation insures confidentiality for all individuals who participate in the education programs or request the blood test at the alternative sites.

The alarming and urgent nature of this situation cannot be understated. I urge my collegues to support these programs.

LEGISLATION TO AMEND SECTION 607 OF THE MERCHANT MARINE ACT OF 1936

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. BIAGGI. Mr. Speaker, I am introducing legislation today to ensure that the Government's interest is protected when a change in control occurs in a U.S. corporation that has established a capital construction fund [CCF] under the Merchant Marine Act of 1936. The chairman of the merchant marine and Fisheries Committee, Walter Jones, and the ranking members of the committee, Norman Lent, join me in introducing this legislation.

The capital construction fund was established in 1970 to promote the replacement and acquisition of U.S.-built vessels for the U.S. Merchant Marine. A company that contracts with the Government to set up a CCF deposits earnings into a tax-deferred CCF account. The money accumulated in the account must then be used to purchase U.S.-built vessels that are registered under the laws of the United States.

The legislation introduced today protects the Government's interest in seeing that the purposes of the CCF Program are not undermined when a corporate takeover occurs. As a tax-deferral program, the Government has a strong interest in ensuring that a CCF is used for the promotional purpose of replacing U.S. vessels and is not used as a source of readily available cash for a new managment group.

This legislation requires the Secretary of Transportation to hold a hearing if the Secretary believes that the change in control of a corporation owning a CCF is contrary to the public interest. If, as a result of the hearing, the Secretary determines that the change in control is contrary to the public interest and will be used to loot the CCF, the Secretary may terminate the agreement. Moreover, even if the Secretary does not terminate the agreement, if a nonqualified withdrawal—a withdrawal for purposes other than those qualified for tax deferral—occurs within 3 years after the takeover, another hearing shall be held to determine if the withdrawal is contrary to the public interest. If so, the CCF agreement must be terminated. When a CCF agreement is terminated by the Secretary, a penalty is imposed on the corporation. The penalty is a maximum of 50 percent of the withdrawal, net of taxes and interest imposed by other provisions of the CCF program.

I believe this legislation is necessary to deter targeting a corporation because it owns a valuable CCF account. At the present time a takeover of one of the U.S. largest and most profitable shipping companies is in progress. There is reason to suspect that a significant factor in this takeover attempt is the target corporation's CCF. A Government-sponsored and regulated promotional program should not act as an incentive to raid a corporation in order to drain its CCF account. Under this legislation, a full and fair hearing is required to protect the Government's interest in ensuring that the CCF Program is used for the proper purposes.

I believe that timely action on this legislation is necessary, and I urge my colleagues to join me and the cosponsors in supporting this legislation.

The text of the bill follows:

That section 607(i) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1177(i)) is amended—

(1) by inserting "(1)" immediately before "Under";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end of the subsection the following:

"(2)(A) For purposes of this paragraph, the term 'control' means the power, directly or indirectly, to direct the management or policies of a corporation.

"(B) The existence of control of a corporation and of a change in control of a corporation that is contrary to the public interest is determined by the Secretary. The Secretary is not required to consider minimum stock ownership in making that determination. Any director of the corporation in office before a change in control may request that the Secretary implement the provisions of subparagraph (C) of this paragraph. The

Secretary has sole discretion to implement subparagraph (C). Trusts or other similar arrangements established or used to circumvent the purposes of this section are part of a change in control that is contrary to the public interest.

"(C) Notwithstanding another law, if a change in control contrary to the public interest occurs after July 31, 1985 in a corporation that has entered into an agreement under this section, the Secretary shall hold a hearing on the record to determine if the change in control is consistent with the purpose of that agreement (as provided in subsection (a) of this section) or with the purposes of this Act. The provisions of title 5, United States Code apply to the hearing.

"(D) If the Secretary determines, as a result of the hearing, that the change in control is not consistent with the purpose of the agreement or with purposes of this Act, the Secretary may terminate the agreement.

"(E) Notwithstanding the provisions of subparagraph (D) of this paragraph, if a nonqualified withdrawal under subsection (h) of this section is made or requested within three years after the date on which the change in control occurs, the Secretary shall hold a hearing under the provisions of subparagraph (C) of this paragraph.

"(F) If the Secretary determines, as a result of the hearing, that the nonqualified withdrawal is not consistent with the purpose of the agreement or with the purposes of this Act, the Secretary shall terminate the agreement.

"(G) If the Secretary terminates an agreement under subparagraphs (D) or (F) of this paragraph, a penalty of not more than 50 percent of the amount of the net nonqualified withdrawal after calculation of taxes and interest shall be imposed. This penalty is in addition to any taxes and interest that may otherwise be applicable under this section.".

THE SCHOOL LUNCH AND CHILD NUTRITION AMENDMENTS OF 1985

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. DOWNEY of New York. Mr. Speaker, child nutrition programs have been an important component of the Federal Government's commitment to ensuring the well being of poorer children in this Nation. At a time when congressional studies have indicated that children are more likely to be in poverty today than they were a decade ago, it would be a major error for us to consider the elimination or reduction of this essential program. That is why I urge my colleagues to support the reauthorization of H.R. 7, the School Lunch and Child Nutrition Amendments of 1985.

Studies have shown the importance of a national nutrition program. The national infant mortality rate has decreased. There has been a decrease in premature births and studies have indicated that health costs in treating malnutrition-related illnesses have decreased.

Given the chronic illiteracy problem that our Nation faces and the countless studies that have suggested that a child that is hungry can not learn, we, the Members of the House of Representatives would be abandoning our obligation to the most essential resource that this great Nation has by not moving to improve the nutritional health of our children. There have been very few programs that have done so much for so little. Child nutrition programs have proved their worth. By extending and improving the National School Lunch Act and the Child Nutrition Act of 1966 we would reaffirm our commitment to America's children and the future of this country.

TAX REFORM PROPOSALS UNFAIR TO THOROUGHBRED HORSE INDUSTRY

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. HUBBARD. Mr. Speaker, during the recent congressional recess and for the past several months, I have been hearing from hundreds of my constituents in western Kentucky and others throughout the entire Commonwealth of Kentucky about their views concerning the President's tax simplification proposal.

Kentuckians are opposed to having their taxes raised individually, while many corporations in America pay little or even no taxes at all.

I would like to share with my colleagues the letter I received from my friend and fellow Kentuckian, Buckner Hinkle of Hidaway Farm at Paris, KY, who has contacted me about the tax proposal's impact upon the thoroughbred horse raising industry—an industry which is very important to Kentucky.

Buck Hinkle's comments are worthy of consideration. His letter follows:

July 12, 1985.

Hon. Carroll Hubbard,
Rayburn House,
Washington, DC.

Dear Carroll: It appears that I am always writing either protesting some proposed action by our government or addressing you and other members of the Kentucky Congressional Delegation from a defensive posture. I do not like to be negative or at cross purposes with our government, but in this instance, which relates to President Reagan's tax reform proposals, my son, Tom, has brought to my attention the inequities dealing with the thoroughbred horse industry in these tax reforms.

According to information he has received from The American Horse Council, the proposal states that cost associated with raising plants or livestock (other than animals held for slaughter) may not be deducted until the asset in question either becomes productive or is sold, unless this preproductive period is less than two years. In the case of horses, the preproductive period would begin at the time of breeding or embryo implantation (or at the time the animal is acquired) and would end when the animal become productive—ready to perform its intended function—or was sold.

Because most horses do not become productive within two years of conception, the effect of this proposal is to deny a current deduction for all costs (including stud fees) of producting most foals. Only if you were sure you would sell a foal within 24 months of conception could you take these current deductions. The effects of this proposal would be to create a serious, perhaps devastating cash flow problem for many breeders and owners whose deductions would be delayed by a number of years; a bookkeeping nightmare in which all costs (including prebirth expenses) associated with horse production would have to be allocated on a per foal basis throughout this preproductive period.

The proposal also eliminates capital gain treatment on the sale of all business property, including horses held for breeding, racing, showing or draft purposes. All business income would be taxed as ordinary income.

In view of the high risk nature of the horse business and the fact that under present law horses are eligible for capital gain treatment only if the animal is held for at least 24 months (as compared to 6 months for most other assets), it appears that the horse industry and horse owners and breeders have been singled out as ineligible for capital gains consideration while other investment type assets, such as stocks and bonds would remain eligible for capital gain treatment.

I am sure you realize that I am approaching this tax treatment from a vested interest standpoint, and it may be that I have misinterpreted the results which will be to the detriment of an industry which brings in a great deal of wealth and trade to Kentucky. However, I do believe if this tax reform proposal is passed with this provision to the horse industry, it will deliver a crippling blow to an industry which right now is feeling the effects of a downslide in that industry.

I hope you will be able to exert your considerable influence in the Congress in helping an industry which is, I believe, worthy of your support.

With the kindest personal regards, I am,
Sincerely yours,
Buckner Hinkle,
Paris, KY.

THE RECENT HISTORY OF THE DAIRY PRICE SUPPORT SYSTEM: THE NEED FOR A NEW DAIRY DIVERSION PROGRAM

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. GUNDERSON. Mr. Speaker, very shortly, the House will consider the 1985 farm bill. As reported from committee, the dairy title contains authority for a new 2-year dairy diversion program similar to the one which successfully reduced surplus milk production from January 1, 1984, to March 31, 1985.

Because of the importance of this program to the dairy title of the farm bill, I will be including several articles in the Record during the next week explaining its purpose and function. I hope my colleagues will find this information useful.

Since 1980, the American dairy industry has been faced with an imbalance in supply and demand which has led to significant Government purchases of dairy products through the Commodity Credit Corporation.

The initial response of the President and Congress to this surplus was to send a signal to producers through price. Quite frankly, if we operated in a world based on theoretical economics, such a signal might have worked. However, these are not normal economic times.

The dairy price support level was frozen in 1981, effectively decreased in 1982 and 1983 through assessments and price cuts, and again reduced through price cuts following April 1, 1985. The result—production increases, not decreases.

The reason for this failure is simple—and it's a reason I have consistently noted on the floor since 1981—there are not other reasonable economic alternatives for the dairy farmer faced with a declining price. By freezing or cutting the support price for milk, you reduce a producer's net income. In today's farm economy, there is only one way for him to recover that lost income—increase production so that the diminished marginal profit is recovered over a greater amount of milk.

The facts are that the only thing that cuts in the support price for milk have done for the American taxpayer is cost them money as the total expense of the support program escalated to $2.6 billion in fiscal year 1983—the high water mark of the push for reductions in the support level for milk. At that point in 1983, the dairy industry and Congress got together and created a farmer-financed program—the dairy diversion—to enhance the income of those dairy producers who voluntarily reduced production.

While the dairy diversion program operated during only 9 months of fiscal year 1984, the cost of the program went down by $1 billion—the first such decrease in years. Its expenses were almost totally paid for through assessments on milk production.

Regrettably, the final version of the 1983 dairy legislation only provided for a 15-month diversion program—rather than the 24-month program sought originally—which ended on March 31, 1985. Since then, two price cuts have occurred. And, true to form, milk production is on the increase again.

During the consideration of the dairy title in the upcoming weeks, we will again be faced with the choice between price cuts and a diversion program very similar to the one in effect during 1984 and the first part of 1985. It seems to me that, if we continue to be serious about limiting surplus dairy production and keeping the cost of price support program down, history tells us to support the diversion program rather than price cuts.

And I hope my colleagues will join me in doing just that when the farm bill comes to the floor.

POCOMOKE CITY, MD: ALL AMERICA-CITIES FINALIST

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. DYSON. Mr. Speaker, I rise today to salute the people of Pocomoke City for being selected as one of 17 finalists in the 1985 All-America Cities competition. Sponsored by the National Municipal League and USA Today, this highly competitive program awards outstanding community achievement. It is with great pride, then, that we in Maryland's First Congressional District commend the fine efforts of the many dedicated organizations, businesses, and citizens that made this distinction possible.

A center of shipping and agriculture from its early settlement days, Pocomoke City is Worcester Country's largest community. Founded in the waning year of the 17th century, Pocomoke City was first known as Meeting House Landing and later as New Town. As the Civil War drew to a close in 1865, this prosperous center of commerce and agriculture became incorporated, and several years later, in 1878, changed its official name to Pocomoke City.

At a time when our Nation's cities are assuming ever-increasing responsibilities for meeting the day-to-day needs of their citizenry, I believe it is especially fitting that we applaud exemplary accomplishment. So as Pocomoke City is held out as a national paradigm for its citizen-action projects—downtown revitalization, the Sunshine Village Apartments and the Pocomoke Area Medical Center—we honor all those whose spirit of community contributed to this award. So Mr. Speaker, I salute Pokomoke City, the "Friendliest Town on the Eastern Shore."

THE JEWISH GUILD

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. BIAGGI. Mr. Speaker, as an original member of the House Select Committee on Aging, I would like to bring to the attention of my colleagues a unique program operating in my home district of the Bronx. The Jewish Home and Hospital for Aged, in conjunction with the Jewish Guild for the Blind, is now offering JHHA-GuildCare, a geriatric day care center for the blind and visually impaired. This very special program provides comprehensive medical, therapeutic, and social services to these people in order that they may remain independent in the community.

Until now, the blind and visually impaired elderly have remained an often overlooked segment of our population. JHHA-GuildCare helps these forgotten people adapt through special therapy. Vision rehabilitation is provided, including low vision evaluation, mobility and orientation training, and help with communication skills. In addition, the elderly learn how to use adaptive equipment for cooking, how to count money, and how to maintain personal hygiene. Round trip transportation and a balanced hot meal are provided daily. JHHA-GuildCare also monitors their health and offers social service counseling, medical specialties such as dentistry and podiatry, and physical, occupational, and speech therapy. But even more importantly, this unique program assists these people in making new friends, developing new skills, and participating in many new activities such as sewing, woodworking, dance therapy, and adult education.

The Jewish Guild, established in 1914, is a nonprofit, nonsectarian agency serving more than 5,000 visually impaired New Yorkers each year. The guild has long been a pioneer in developing programs in social and mental health and responding to community needs.

The Jewish Home and Hospital for Aged, established in 1870, is one of the oldest, largest, and most progressive nonprofit geriatric centers in the country. This center has served more than 2,000 elderly people through comprehensive inpatient and community outreach programs. For over 10 years, they have assisted the aged in the Bronx in leading healthier, more enriched lives while remaining in their homes in the community.

Approximately 5 million older people, or 20 percent of those over 65, report difficulty seeing. The House Select Committee on Aging is focusing much effort on ensuring that our elderly population, especially the blind and visually impaired, is offered an alternative lifestyle to institutionalization. The committee has long believed it is imperative that the aged are not forced to abandon their friends, their family, and their community. I would like to commend JHHA-GuildCare for serving as a model for other effective and economic alternatives to institutionalization. It is my hope that many other such organizations will be established in the near future. We must work to assist this forgotten segment of our population.

NEW BRITAIN NATIONAL BANK CELEBRATES ON ITS 125TH YEAR

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mrs. JOHNSON. Mr. Speaker, today it is my pleasure to congratulate the New Britain National Bank on 125 years of dedicated service to the community of New Britain, CT. On April 13, 1865, its founders embarked on a pledge to serve the New Britain community both financially and as a good neighbor—one who could be trusted—and for the past 125 years the New Britain National has made this intention a reality.

Both the city of New Britain and I would like to thank the New Britain National Bank for its many community services, from its annual blood drive, to its longstanding dedication to the youth of the city. This year marks the 13th annual Hughes Memorial Golf Classic, sponsored by the bank for area children between the ages of 11 and 17 years of age in addition to the 9th annual Girl Scout community Christmas tree benefiting the community's needy.

I would also like to commend New Britain National Bank on being a forerunner in the community on utilizing the capabilities of very competent women. In 1976 Dr. Marie Gustin was elected the first woman director on the board of directors, and in 1979 Katherine Purrington, a former financial planning officer of the bank, was elected as the first woman to chair the New Britain chapter of the American Red Cross. New Britain National currently employs five women officers.

Again, Mr. Speaker, I would like to recognize the selfless, longstanding dedication of the New Britain National Bank to the city of New Britain. I am proud to represent New Britain and its businesses.

CONCERNS OVER THE AIRPORT AND AIRWAY TRUST FUND

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. LEWIS of Florida. Mr. Speaker, at this time when we are discussing transportation appropriations, I am disturbed that a large sum of money already collected for the area of air safety is not being spent.

Like others concerned with the issue of air safety, I am distressed to know that in this time when air safety is of paramount importance there is an approximate $3 billion surplus in the airport and airway trust fund. This trust fund was established in 1970 and revised in 1982 as part of the Tax Equity and Fiscal Responsibility Act [TEFRA], for the explicit purpose of promoting airport improvement and development.

The fact that an extremely large surplus in this trust fund exists causes me to question whether the tax dollars collected for the purpose of airport improvement and development are being used to promote air safety. If these moneys are collected, then they should certainly be spent to improve our national air safety.

175TH ANNIVERSARY OF EAST FORK BAPTIST CHURCH

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. DOWDY of Mississippi. Mr. Speaker, I would like to take this opportunity to call my colleagues' attention to this weekend's celebration of the 175th anniversary of the founding of East Fork Baptist Church in the Chandler Hill community of southwest Mississippi.

East Fork Baptist Church was founded by the Reverend Thomas Mercer, Rev. Ezra Courtney, Bro. Jacob Cobb, and Bro. P. Thomas in 1810. It was originally known as the New Constitution Church and included 12 charter members: Mr. James Chandler, Sr., Mr. John Wilson, Mr. Ephraim Puckett, Mr. James Keith, Mr. John Presteridge, Mr. Lazarus Reeves, Ms. Elizabeth Simmons, Mrs. Martha Wilson, Ms. Frances Spurlock, Mrs. Sarah Keith, Ms. Elizabeth Presteridge, Ms. Alley Presteridge, Ms. Hannah Denman, and Ms. Ann Adams; 39 pastors have served the church over the 175 years including the two long and notable tenures of Rev. Charles Felder (1919 to 1943) and Rev. Zachariah Reeves (1843 to 1871). The church is currently served by Rev. Maurice Wicker who joined East Fork Baptist Church in 1979.

Rural churches have long been an important part of our Nation's heritage. They have served not only as places of worship, but also as the center and heart of a community. Certainly this has been the case with East Fork Baptist Church which has grown from its original membership of 14 to approximately 350 members today. Its baptismal records and Sunday School attendance sheets chronicle not only the church's history, but also the history of the comings, and goings, births, and deaths, and baptismals, and marriages of the entire community. The history of East Fork Baptist Church is, in fact, the history of the community it serves.

This weekend members and friends of the East Fork Baptist Church will gather to celebrate the 175th year of one of Mississippi's oldest churches. I know my colleagues will join me in saluting this fine church and its dedicated members.

IN A WORLD OF SENSELESS VIOLENCE

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. MRAZEK. Mr. Speaker, in a world of senseless violence, it is often the case that innocent victims pay the dearest price for the zealot's rage.

Consider the case of Robert Seifried, Jr. of Bay Shore, Long Island. A drummer in a local rock band, Mr. Seifried was leaving a convenience store in Brentwood during the early morning hours of September 6, when he saw a nearby house in flames. When he tried to lead the elderly couple inside to safety, a bomb which had been planted near the fire went off, maiming Seifried's right leg to the point where the amputation of his right foot was required. Now, his dream of being a professional drummer may be over.

The facts surrounding the incident are bizarre, to say the least. It seems that the owner of the house, Elmars Sprogis, was recently cleared of charges that he was a Nazi war criminal. After the bombing, the Long Island newspaper Newsday received a taped phone message which linked responsibility for the bombing to the Jewish Defense League. Later, the JDL denied a role in the incident, and the FBI is now investigating.

Whoever is responsible, it can be safely assumed that Robert Seifried, Jr. was not the intended victim. Yet, he is now permanently disabled, his musical career in jeopardy, and he is forced to assume the cost of his own recovery because of his lack of health insurance coverage. A radio station in the New York metropolitan area has begun a fundraising drive to help defray medical expenses, but even this can never give back to Robert that which he has lost.

Many people would emerge from this kind of incident terribly bitter about life. But, in a followup story printed in Newsday, Robert showed the same spirit which led him to help the couple in the burning house. "I just want to get out of here and get back to normal," he said from his hospital bed.

He also resisted any tone of vengeance when asked his opinion of his attackers. "I think they're stupid," he said, a sentiment with which all can certainly agree. There's a lot of stupid people in the world.

Indeed. Stupid people blow up houses and allow innocent people with humanitarian instincts to suffer. Stupid people blow up trans-Atlantic jetliners and kill hundreds, just to promote a political cause. Stupid people massacre millions of their countrymen in pursuit of ideological or ethnic purity, or crush to death soccer fans who happen to be in the wrong place at the wrong time. Yes, there are a lot of stupid people in the world.

But for every stupid person, there's also a Robert Seifried, Jr., one who altruistically risks his own health and well-being in an effort to save the lives of others. For every madman with a bomb or a gun, there is someone with compassion and humanity. And we can thank God for that.

Given the determination and spirit he has demonstrated both in his deeds and his reaction to misfortune, it seems safe to say that Robert Seifried, Jr. will bounce back. Already, he has spoken of his desire to get back behind a set of drums and resume his avocation.

If his case is any example, then there is truly little justice in this world. But as long as we have people around like Robert, there is hope, and that is something.

SUPERFUND AS METAPHOR

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. BROYHILL. Mr. Speaker, one of the issues of paramount importance for the House to address in the remaining weeks of this session is legislation to extend and

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expand the "Superfund" Program to clean up our Nation's hazardous waste sites.

The Committee on Energy and Commerce has completed action on H.R. 2817, a 5-year, $10 billion reauthorization. Action is expected soon by the other committees involved—Ways and Means, for the tax portion, Public Works, Judiciary, and Merchant Marine. I sincerely hope that the House will take up and consider H.R. 2817 in the next few weeks.

The issues which we faced in the Commerce Committee—and which will be addressed to some degree by our sister committees and, ultimately, by all of the members—are extremely complex.

Everyone agrees we must make a major commitment to clean up our Nation's hazardous waste sites. Everyone agrees that we must do more.

Beyond these fundamental areas of agreement, there are honest differences of opinion among Members and among concerned organizations and citizens as to precisely what the terms of new legislation should be. Those who have focused on the problem, and who have been involved in close scrutiny of the program's implementation over its first 5 years, are well aware that the issues involved are among the most technically complex of any the Congress faces. Members should not be deluded into thinking that the answers, let alone the questions, are simple. In today's Washington Post, Robert J. Samuelson has written what I believe is a most thoughtful column on the subject, and I commend it to the attention of my colleagues.

Mr. Speaker, I ask that Mr. Samuelson's column, "Superfund as Metaphor," be inserted at this point in the Record for the benefit of the Members.

The article follows:

[From the Washington Post, Sept. 11, 1985]

Superfund as Metaphor

(By Robert J. Samuelson)

Remember Superfund? Back in 1980, Congress created the $1.6 billion program to clean up hazardous-chemical dumps. Five years later, here's where we are: We don't know how many dumps need to be cleaned, how much it will cost, how long it will take, or—indeed—whether it can be done. And, if it is done, we don't know what health and safety benefits will result. They could be quite modest.

Superfund—Congress is debating its renewal—is an apt metaphor for our environmental frustration. We want technology's benefits without adverse side effects. But the two are inseparable, and our efforts to achieve a socially and economically sensible balance constantly run afoul of unrealistic public expectations and scientific ignorance. As Superfund shows, it's not simply measuring risks against costs, because we're rarely sure what the ultimate risks are.

Almost any new technology is an adventure with an unknown ending. Since World War II, chemical production has expanded more than twelvefold. It has given us thousands of new products: From plastics to antibiotics, from pesticides to deodorants. But just as no one foresaw this chemical extravaganza, neither did anyone accurately predict its long-term dangers. Chemical wastes are but one of the unwanted surprises.

Even describing the Superfund problem is difficult. In theory, chemical wastes today are regulated under the 1976 Resource Conservation and Recovery Act; wastes are supposed to go into approved dumps. Superfund was created to control earlier abandoned dumps or dumps that fail today's regulatory standards. What we know now—but did not know in 1980—is that this problem was underestimated. Consider the statistics:

More than 21,500 chemical dumps have been reported to the Environmental Protection Agency. Of these, 14,329 have been reviewed, with 4,747 deemed serious enough to warrant an on-site inspection. So far, 851 have been proposed for, or put on, the National Priorities List (NPL), signifying serious danger of groundwater or atmospheric contamination.

Emergency cleanups have occurred at about 600 sites, including many not on the NPL, where immediate fire or public-health hazards existed. Drums of chemicals have been removed or disposal sites have been fenced off from the public.

Permanent cleanups at NPL sites have been slow; work has begun at 132, but only six have been finished. Once chemicals seep into the ground, remedies are expensive, time-consuming and often imperfect.

Excavations, the pumping and treatment of groundwater, or construction of new underground dikes may be required. EPA estimates the total number of NPL sites at 2,200; the Congressional Office of Technology Assessment thinks the number could exceed 10,000.

Our real confusion, though, transcends statistics. We made chemical dumps the problem, but they're not. The problem lies in their consequences to public health, which are unclear. Superfund has been legislation by horror story. It was inspired by the Love Canal scandal—the chemical landfill in New York that became a housing development. It was easy to sympathize with Love Canal's residents. A country of Love Canals is not a pretty vision. Neither, however, is it the reality.

All dumps are not Love Canals. Different chemicals have varying effects. Even if dangerous, the chemicals have to seep into groundwater or the air, and health problems usually result only from prolonged exposure. Even Love Canal's effects are hazy. There's some evidence of reduced birth weights and, in children around Love Canal, higher rates of abnormalities: rashes, eye irritations, seizures. But there's no evidence of increased cancer.

From what we now know, hazardous chemical dumps are at worst an isolated peril to small groups; at best, their dangers are exaggerated. For example, the National Cancer Institute attributes about 35 percent of cancer to dietary habits, another 30 percent to smoking, 5 percent to cancer viruses, and 3 percent each to excessive drinking and sunshine. All environmental causes (on-the-job exposure, general pollution, food additives) are linked to about 6 percent; dumps belong in this category.

But, politically, we're uncomfortable with such distinctions. The same individualism that demands the freedom to run huge personal-health risks—smoking, for example—also insists that much smaller risks not be imposed on us against our will or knowledge. We have boundless sympathy for innocent victims. Superfund reflects this bias, as well as another: We often fear the unknown more than the known.

Like nuclear power, chemical dumps inspire fears that defy hard evidence—and with some cause. We don't know all the long-term effects. Even the National Cancer Institute's list of cancer sources is a simplification; it minimizes the interaction of personal habits, the environment and genetics. More important, the ultimate danger of chemical dumps is the slow contamination of the groundwater that supplies more than half our drinking water. But dumps aren't the only pollutant, and the extent of groundwater pollution is unclear.

How much should we spend on Superfund? The administration has proposed a five-year, $5.3 billion program, arguing that there isn't scientific staff to handle more. The Senate is considering a $7.5 billion total; and the House, a $10.1 billion program. It's easy to say, "Spend enough to assure safety." But how safe is safe? Enormous sums spent to cure vastly exaggerated problems or to produce modest results are worse than wasted: They may divert attention—and funds—from more pressing problems.

The messiness of environmental regulation reflects this massive uncertainty and inevitable imperfection. The risks of modern technologies are both unavoidable and imprecise. Our ignorance poses opposite evils: Of not spending enough and suffering environmental revenge, or of wasting huge amounts to cater to uninformed public hysteria. We want clear answers when few exist and utopian solutions when none is possible.

NASA SALUTES HONEYWELL OF CLEARWATER FOR A JOB WELL DONE

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. YOUNG of Florida. Mr. Speaker, as a member of the Appropriations Committee, it's a real pleasure to learn about Federal projects that have been completed ahead of schedule and under budget.

Such is the case with Honeywell, Inc., of Clearwater, FL, one of the Nation's leading aerospace manufacturers and the largest industrial employer in Pinellas County, which I represent.

Honeywell designed, developed, built, and tested an important component of the space shuttle landing gear in only 3 months, completing the project in half the contracted time and just as importantly, finishing under budget. The system, developed as a special project by Honeywell for NASA, relays information from the space shuttle's front landing gear to the spacecraft's onboard computer, which activates the automatic braking and steering mechanisms. When installed, the Honeywell equipment will enable the space shuttle to more easily land on a shorter runway, such as that at the Kennedy Space Center. The equipment will first be installed on the Challenger for its November mission.

Honeywell's Clearwater division plays an integral role in the space shuttle program. In addition to equipment for the landing gear, the company's engineers and technicans have designed and manufactured important computer systems that direct flight and engine control.

Honeywell has also designed and produced major components of our national defense programs and continues to be involved with critical research and development of new systems.

The 100 members of the special team which developed the new space shuttle landing system, and all of Honeywell's 4,500 employees should be proud of their contribution to our Nation's national defense and space programs. They should also be proud of their efforts to save the American taxpayers money by making a special commitment to this program.

Following my remarks is an article by Charles Jaffe of the St. Petersburg Times about Honeywell's accomplishment. It sets an outstanding example for all Federal contractors and agencies:

[From the St. Petersburg Times, Sept. 6, 1985]

Honeywell Hopes to Get Bonus for Completing Project Early

(By Charles A. Jaffe)

"Under budget" and "ahead of schedule" are two phrases rarely associated with government contracts.

Yet a Clearwater division of Honeywell Inc. hopes to get a bonus for completing a special project for the space shuttle program three months early and considerably below budget.

Honeywell designed a computer box that calculates the position of the nose wheel on the shuttle's landing gear. The Honeywell system relays information to the main onboard computer, which automatically engages the steering and braking necessary to safely stop the craft, said Dr. Bill Poe, Honeywell's vice president of space systems operations.

The system makes it easier for the shuttle to land on a shorter runway, like the one at Kennedy Space Center. Currently, the orbiters land at Edwards Air Force Base in California.

"Our system is good not only because it makes landing the orbiter more safe, but also because it makes a lot of economic sense by saving NASA the time and money of renting a 747 and flying the orbiter to Florida," Poe said.

"Still, what is most unusual about the project is that it was designed, documented, developed, tested and built by Aug. 27, in only three months," he added. "It wasn't due to be finished until November. And it really is unheard of to finish any device for the space program—no matter how simple—in three months.

Honeywell's device has yet to be installed on any of the four space shuttles. The system has been used during flight simulations "and has tested out perfectly," Poe said.

The system will make its maiden voyage aboard the shuttle *Challenger* in November. That orbiter will land in California so shuttle engineers have the longer runway on which to test the Honeywell system. However, NASA hopes that orbiters in the future will land at the Kennedy Space Center.

Honeywell estimates the cost of developing the system at $3.7-million, Poe said. That figure is below original estimates, which the government approved before sending Honeywell a letter to start development.

Poe said Honeywell does not have an official contract for the project, but is being paid for expenses. Honeywell hopes to receive a bonus for its on-time, under-budget performance.

A bonus "is our proposal, but we'll have to see if it comes about when the contract is negotiated," Poe said. "The really important thing for us was the way our people came together. There were about 100 who worked on the project, and they took it as a personal challenge to make this happen."

A NASA spokesman confirmed that Honeywell may receive a bonus "for a job well-done, but it hasn't been decided yet."

In addition to designing the nose gear control box, Honeywell's Aerospace and Avionics Division has done several other projects for the space shuttle program, including manufacturing computers involved in flight and engine control, Poe said.

It was one of Honeywell's engine control systems that halted a scheduled takeoff recently, after the computers sensed a malfunction in the engines.

Minneapolis-based Honeywell is the largest industrial employer in Pinellas County, with 4,500 employees at two aerospace manufacturing facilities. The company employs 1,500 people at a Tampa facility that produces electronics testing equipment.

HOWARD L. BROWN OF NORWOOD HONORED BY U.J.A.-FEDERATION

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. TORRICELLI. Mr. Speaker, I rise today to pay tribute to Howard L. Brown of Norwood, NJ, who is being honored by the U.J.A-Federation for his unswerving commitment to Israel and for his dedication to community service. Howard is a respected member of the business community, being the sole owner of Summit Office Supply and founder of Summit Printing Co. and Peak Computer Productions.

Howard's tireless devotion to Israel, and his many accomplishments, are an inspiration to us all. He has served as a trustee of the U.J.A. of Bergen County and is presently cochairman of its Initial Gifts Campaign. He will act as 1986 chairman of the Bergen County Palisades division, a group that he originated. He assisted in the formation of the Bergen County Chapter of the American Israel Public Affairs Committee, and is very active in U.J.A.'s Operation Moses to help Ethiopian Jews in Israel.

Howard also gives tirelessly of his time to the community, an effort that was recognized when he received the American Cancer Society's 1982 Torch Award for distinguished service.

Tomorrow evening, the U.J.A.-Federation Campaign will pay tribute to Howard L. Brown for his many accomplishments and commitments. I join with his wife, Nancy, their children, Michele and Michael, and his many good freinds and colleagues in wishing my good friend, Howard Brown, a lifetime of happiness and success, and an evening to remember.

NATIONAL COMMISSION ON JOBS AND SMALL BUSINESS

HON. LYNN MARTIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mrs. MARTIN of Illinois. Mr. Speaker, yesterday I was pleased to join Congressman Parren Mitchell, chairman of the House Small Business Committee, and several of my House and Senate colleagues in convening the National Commission on Jobs and Small Business. Simply put, job creation is the most crucial test of our abilities to provide stability for the American worker.

I am particularly interested in the work of this Commission because the area I represent in northwest Illinois has been hard hit by the exodus of thousands of jobs. We must explore all avenues of job development, and quite frankly this Commission represents the most comprehensive effort I have seen.

In my home State of Illinois, there are over 260,000 small businesses which produce approximately $60 billion in goods and services and have a productivity rate 10 percent higher than the Nation's average; 99.6 percent of all businesses have 500 or fewer employees; this represents 75.3 percent of the State's work force, or 3,251,378 jobs. Furthermore, it is estimated that small firms will generate 50 to 80 percent of all new jobs.

Small business serves as the backbone of our small towns and urban areas. Small businesses are credited with producing 38 percent of our gross national product and 47 percent of our gross domestic product. And we should not forget that small businesses are oftentimes the chief avenue by which women, blacks, Hispanics, and other minorities realize the rich promise of the American dream. Clearly we need no other evidence to illustrate the importance of small business in Illinois or any other State.

We have charged the Commission with the awesome responsibility of providing a framework for new job creation through imaginative and innovative strategies. The specific topics to be addressed include: capital availability, foreign trade, entrepreneurial development, research and development, high technology, manpower and employee training, and national economic policy.

The Commission is nonpartisan, and it will be representative of the many constituencies with a stake in the outcome of the Commission's deliberations. Perhaps most important, the Commission will concentrate on developing feasible policy recommendations, not pie-in-the-sky pronouncements.

One hundred fifty years ago Alexis de Tocqueville wrote of America as:

> A land of wonders in which no natural boundary seems to be set to the efforts of man; and in his eyes, what is not yet done is only what he has not yet attempted to do.

I look forward to working with the Commission in unleashing the potential of small business in America and furthering the spirit de Tocqueville saw in America.

"FLAGS OF CONVENIENCE" OR "RUNAWAY FLAGS"

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. FLORIO. Mr. Speaker, I would like to direct the attention of my colleagues to a July 26 Journal of Commerce editorial that raised some insightful questions on the plight of our Nation's merchant marine fleet. The editorial, whose insight was circulated and supported by the American Maritime Officers Service, paints an ominous setting for the future of our merchant marine in times of crisis.

Current figures indicate that the number of U.S.-owned ships registered under a U.S. flag is equal to the number of U.S.-owned ships registered under foreign flags. Of the 1,000-vessel merchant marine fleet, half are registered under foreign flags because it is often cheaper to maintain the vessel by hiring foreign crews that are willing to work for small wages and fewer benefits.

Although the cost of maintaining a foreign-flag vessel is smaller at this point, we must consider the enormous cost to our national security interests in the long run. Can we be assured that we will have effective control over U.S.-owned vessels registered under foreign flags or will our hands be tied when the need for these ships arises. The merchant marine provides the supply line between the industrial base at home and the troops on the front lines overseas. It is vital that this important lifeline be kept free of obstacles and that we be able to call upon this resource when it is necessary.

In recent years, a number of instances have indicated that our entire merchant marine fleet is not effectively under our control. During the 1973 Arab-Israeli war, United States vessels registered under Liberian flags were not permitted to deliver supplies to the Middle East. In recent months, three ships owned by Hong Kong and registered in Liberia have been denied access to Arab ports that are boycotting nations that have diplomatic or trade relations with Israel. Clearly, there is a need to reassess this policy and ensure that our national security interests are upheld. I commend the following editorial to the attention of my colleagues:

OMINOUS SCENARIO

American shipowners who operate their vessels under foreign "flags of convenience" should take note of a situation that is unfolding for some of their counterparts on the other side of the Pacific—as should all other parties to the long-running debate over the practice.

There are roughly as many American-owned ships registered in the foreign countries that have so-called open ship registries as there are American ships registered under the U.S. flag: about 500 each.

Americans and other nationals have used open registries for decades: The fees they pay to fly the flag of a nation like Liberia or Panama provide healthy revenue to those countries. And the attractions for shipowners are undeniable: lower costs—including significant savings in being able to use very low-cost foreign crewmen—and less red tape.

But there is heated opposition to the practice. American merchant seamen and their unions, who worked for years to reach their current salary levels, take bitter issue with American companies crewing American-owned ships with foreigners willing to work for a pittance; they call it the issue of "runaway flags."

There also have been safety considerations. Open-registry nations long have been accused of having low ship safety standards, and mishaps involving open-registry vessels have, in the past, been all too common. Liberia and Panama, however, began making concerted efforts to upgrade standards in recent years. And U.S. flag-of-convenience operators say their standards are far higher than technically required.

But there is yet another issue in the debate, one that is at the heart of much of traditional thinking about American merchant ships; national defense.

American maritime interests, military leaders and presidents from Franklin D. Roosevelt to Ronald W. Reagan have praised the American merchant marine in ringing tones for the vital role it plays in national defense by providing the supply lines between the industrial base at home and the troops on the front line overseas. Often it is called the nation's "fourth arm of defense."

And U.S.-flag shipping proponents ask a pointed question: can the United States, in time of emergency, depend on American-owned but foreign-registered and foreign-crewed merchant ships to support American forces?

U.S. open-registry advocates reply that such ships—many of which are large tankers unsuitable for military use anyway—are under what they call "effective U.S. control." There would be no problem in an emergency, they say. But the situation now developing for Hong Kong shipowners should raise new debate on that point.

Hong Kong has no ship registry of its own, and some 45 of the British crown colony's shipowners have a total of 400-plus vessels registered in Liberia. As reported in these pages a few days ago, however, a problem has arisen. Over the last three months, at least three of those ships have been refused entry at Arab ports that invoked a boycott of nations that have diplomatic or trade relations with Israel.

The sanctions have never really been applied to Liberian-flag vessels, although there was a brief time when a similar ban was called during the 1973 Israeli-Arab war. But Hong Kong shipowners are deeply concerned about more such actions. They've asked the Liberian government for help—and some are speaking of switching flags.

What does all this mean for American owners of Liberian-registered ships? Maybe nothing. Maybe these will turn out to have been isolated instances. But maybe they won't. Maybe they'll be the start of a trend—an ominous scenario that raises questions on just how effective U.S. control of the U.S.-owned, foreign-flag merchant fleet might turn out to be.

It may be too soon to see exactly what happens to the Hong Kong business interests and their Liberian-flag ships. But it may be too soon to take another look at what could happen to American-owned ships that fly the other nations' flags.

TRADE REORGANIZATION: AN IMPORTANT FIRST STEP

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. BONKER. Mr. Speaker, in seeking to improve America's competitiveness and reduce our intolerable trade deficit, we cannot ignore the gross inadequacies of the trade policy structure within the executive branch. The existing trade organization is outdated, disjointed, and confusing. It fails to provide clear leadership or effective coordination. It stands in the way of a coherent and comprehensive trade policy. It blocks swift and effective responses to unfair trading practices. And it is a complex maze of bureaucracy that frustrates American exporters.

Unlike most other areas of policy, no single individual or institution stands out as the recognized leader within the administration on international trade. There are not even any clearly understood or mutually accepted guidelines for determining how responsibilities over trade are to be divided. The result is an ad hoc system that lacks clear direction, needlessly wastes time and energy, and duplicates effort.

The recent trade negotiations with the Japanese present a perfect example of the current diffusion of authority over trade within the administration. During the course of these discussions, the President has alternately designated representatives of Commerce, the U.S. Trade Representative, Agriculture, State, and Treasury to lead the U.S. negotiating team. This musical-chair approach to a complex and vitally important negotiation is indefensible.

The interagency system is no better. When President Reagan entered office he created the Cabinet Council on Commerce and Trade, chaired by the Secretary of Commerce, and the Senior Interagency Group of International Economic Policy, chaired by the Treasury Secretary, both of which shared responsibility for coordination of trade policy with the congressionally mandated Trade Policy Committee, chaired by the U.S. Trade Representative. Several months ago, the Cabinet Council and the Senior Interagency Group were disbanded, in favor of something called the Economic Policy Council, which is chaired by the Secretary of the Treasury. These complicated, transient, and conflicting arrangements generate endless turf battles and paralysis—not sound trade policy. If the administration cannot set their own house in order, then we in Congress must do it for them.

It is impossible, as well as undesirable, to consolidate all the trade-related offices within the executive branch into a single department. But we can end many of the most debilitating inefficiencies that stand in the way of a strong trade policy.

Today I am introducing a bill to establish a new Department of Commerce and Trade. This Department would consolidate most of the trade functions now delegated to the Trade Representative and the Secretary of Commerce. The Secretary of the new Department would be the principal spokesman for the administration on trade and would be the President's top trade negotiator. The Department would administer our import relief and export control laws and would run our export promotion programs.

One important function, however, would not be delegated to the new Secretary: coordination of trade policies. Without the active participation of the White House, the legitimate trade interests of the other agencies would not be adequately considered in the formulation and implementation of trade policy. My proposal would retain and strengthen the White House's existing responsibilities for trade policy coordination.

Finally, my bill seeks to strengthen the role of the Agriculture Department in the trade policy process. Over the years, USDA has proven itself as an effective and responsible advocate for America's farmers. To ensure that the interests of the agricultural community are not overshadowed or ignored, USDA must be given a stronger voice in the development and implementation of U.S. trade policy.

One additional point should be noted: My proposal would in no way affect existing committee jurisdictions on Capitol Hill, nor would it diminish congressional prerogatives regarding international trade policy.

Responsible trade reorganization can strengthen the formulation and implementation of U.S. trade policies, improve coordination among the agencies, and increase the weight given to trade considerations in the broader context of U.S. domestic and foreign policymaking. Reorganizing the executive branch will not solve our trade problems, but it will be an important first step.

I urge my colleagues to join me in cosponsoring this important legislation.

SECTION BY SECTION ANALYSIS OF BONKER TRADE REORGANIZATION BILL

TITLE I

Findings and purposes.

TITLE II

PART A

Section 201—Establishes a new Executive Department of Commerce and Trade.

Section 202—Except in the case of responsibilities delegated to the Secretary of Agriculture, the Secretary of Commerce and Trade is empowered to:

Exercise primary responsibility for developing and implementing international trade policy (with the advice of the Trade Policy Committee);

Exercise lead responsibility for trade negotiations (with the advice of the Trade Policy Committee);

Report directly to the President and Congress on the administration of trade remedy and reciprocity laws;

Report directly to Congress (particularly to the Ways and Means and Finance Committees) on the conduct and status of trade negotiations and implementation of the trade agreements program;

Promote the export of goods and services;

Consult with State and local governments and other interested parties concerning international trade and investment matters;

The Secretary of Commerce and Trade shall consult with the Secretary of Agriculture on all matters that involve international trade in agricultural products;

The Secretary of Commerce and Trade shall serve as Deputy Chairman of the National Advisory Council on International Monetary and Financial Policies.

PART B

Section 211—Establishes three Deputy Secretaries in the new Department:

One deputy secretary shall be designated to act on behalf of the Secretary in case of the Secretary's absence or disability, and shall be a member of the Board of Directors of the Export-Import Bank;

The other two deputy secretaries shall be designated as Deputy Secretaries for International Trade Negotiations. They shall act on behalf of the Secretary as Chief Negotiators of the United States on international trade matters over which the secretary has authority. One of these deputy secretaries shall act on behalf of the Secretary as the Permanent Representative and Chief of Mission of the United States to the General Agreement on Tariffs and Trade. Both shall have the rank of ambassador.

Section 212—Establishes two under secretaries in the new Department whose functions shall include:

Preparing trade policy options and recommendations for consideration by the Secretary;

Promoting the export of goods and services;

Implementing United States laws regarding international trade policy;

Gathering and analyzing information regarding developments affecting productivity growth in U.S. industries, the relationship between foreign investment and international trade, and the competitive position of major U.S. industries and services sectors;

One under secretary shall be named Vice Chairman of the Board of Directors of the Overseas Private Investment Corporation.

Section 213—Establishes 8 Assistant Secretaries. The Secretary has full discretion in assigning these assistant secretaries.

Section 214—Establishes a General Counsel who shall provide legal assistance to the Secretary concerning the activities, programs, and policies of the Department.

Section 215—Establishes an Inspector General.

Section 216—

Establishes a Chief Textile Negotiator with the rank of ambassador in the new Department;

Establishes a Director General of the United States and Foreign Commercial Service who, within a year, shall submit plans for expanding and enhancing the policy function of the Foreign Commercial Service, with the goal of creating a professional and competitive corps of international trade specialists;

Establishes an Agricultural Advisor within the new Department (if requested by the Secretary of Agriculture). This advisor shall be appointed by the Secretary of Commerce and Trade in consultation with the Secretary of Agriculture and shall act as a liaison between the two departments.

PART C

Section 221—Transfers authorities of the United States Trade Representative to the new Department.

Section 222—Transfers authorities of the Department of Commerce to the new Department.

PART D

Administrative Provision.

PART E

Section 251—Establishes the Assistant to the President for International Trade and the Trade Policy Committee:

The Assistant to the President for International Trade shall provide the President with policy options on international trade matters and shall (in cooperation with the Trade Policy Committee) coordinate the policies and activities affecting international trade that are carried out by the Federal agencies;

The Trade Policy Committee shall assist the President in carrying out his international trade responsibilities. Such assistance shall include coordination of the policies and activities affecting international trade that are carried out by departments and agencies of the government (in cooperation with the Assistant to the President for International Trade). The President shall be Chairman of the Trade Policy Committee, and the Assistant to the President for International Trade shall be Chairman pro-tempore;

The Trade Policy Committee shall seek to expand the responsibilities of the Department of Agriculture in matters affecting agriculture trade and delegate to the Secretary of Agriculture responsibility for formulating and implementing policy and regulations, and conducting international negotiations with respect to agricultural matters;

The Trade Policy Committee may establish additional subcommittees including trade policy review groups, trade policy staff committees, and trade negotiation committees.

Section 252—Amends the Export-Import Bank Chapter by designating a Deputy Secretary of Commerce and Trade as a permanent member of the Bank's Board of Directors.

Section 253—Amends the Overseas Private Investment Corporation Charter by designating an Under Secretary of Commerce and Trade as Vice-Chairman, ex officio, of the Corporation and transfering the Trade and Development Program from the Department of State to the Overseas Private Investment Corporation.

Section 254—Amends the Bretton Woods Agreement Act by requiring the Secretary of Treasury to consult with the Secretary of Commerce and Trade on matters before the International Monetary Fund which relate to trade.

Section 255—Establishes new trade authorities within the Department of Agriculture and requires the Secretary to report directly to the President and Congress (particularly to the Ways and Means and Finance Committees) on the conduct and status of agricultural trade negotiations and implementation of the trade agreements program with respect to agricultural matters for which the Secretary has been delegated responsibility.

PART F

Conforming Provisions.

Section 261(b)(1)—Establishes the Secretary of Commerce and Trade as the chief representative of the United States at any trade negotiation under this title, except in the cae of a trade negotiation for which the Secretary of Agriculture has been designated as chief representative of the United States. Provides the Secretary of Agriculture with the opportunity to be represented at any trade negotiation.

TITLE III

Transitional, Savings, and Conforming Provisions.

Section 309—Terminates the Department of Commerce, the Office of the United States Trade Representative, and the position of the United States Trade Representative.

TITLE IV

Miscellaneous.

Section 401—Definitions.

CONGRESSIONAL SALUTE TO KXTV—CHANNEL 10

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. MATSUI. Mr. Speaker, I would like to take this opportunity to congratulate and commend KXTV—Channel 10 as the station celebrates 30 years of broadcasting excellence in the Sacramento Valley on August 22, 1985.

As one of three major network affiliates in the 20th largest media market in the country, KXTV has been at the forefront of efforts to be a part of and serve the community in which it operates a broadcasting business.

Among some of its notable public service activities are "A New Morning," a daily public affairs show that discusses numerous topics of public interest; the "Waiting Child" series, a weekly news insert that features children available for adoption in the Sacramento area; cosponsorship of Eppie's Great Race, the oldest triathlon in the world that attracts hundreds of participants every year; sponsorship of the Big 10 Classic with proceeds benefiting the widows and orphans trust fund of the California Highway Patrol; sponsorship of the Annual Blood Donor Day, which has received the Distinguished Merit Award from the National American Association of Blood Banks and Best of the Class, an annual recognition program that focuses on high achieving students who are graduating from area high schools.

Under the able leadership of Mr. Allan Howard, vice president and general manager, KXTV continues to demonstrate excellent judgment and good sense and taste in its entertainment, information, education and public service programming. On behalf of the community of Sacramento and its citizens, I extend my personal thanks and congratulations on a job well done and my best wishes for many more years of successful and high quality programming.

YEAR OF THE DRAGON

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. MINETA. Mr. Speaker, in the last few weeks the movie, "The Year of the Dragon," has opened at theaters around the country. In addition to the movie being a critical failure, "The Year of the Dragon" fails to accurately portray Americans of Chinese ancestry and their American experience.

Instead, we are presented with a narrow and twisted portrayal that distorts traditional cultural values and presents Americans of Chinese ancestry in a stereotypical role that is no doubt motivated by an attempt at drama but results only in racism. The film leaves the viewer with the suggestion that brutality and violence are an inherent part of Chinese culture.

It is a disturbing film. It should not have been made. "The Year of the Dragon" presents Americans of Chinese ancestry in a barbaric and uncivilized light that is offensive to all Americans.

IN MEMORY OF JO JONES

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. CONYERS. Mr. Speaker, it is with sadness that I rise on behalf of the Congressional Black Caucus to call to my colleagues attention the passing of another legendary jazz musician, Jonathan "Papa Jo" Jones, who died September 3 at the age of 73.

A native of Chicago, Jo Jones studied piano, saxophone, and trumpet as a youth. In his teens, he performed in touring shows and carnivals with bands led by Bennie Moten and Walter Page. During the early 1930's, Jones received his first recording job with Lloyd Hunter's Serenaders in Omaha. He then moved to Kansas City where he first joined a combo led by Tommy Douglas. Then in 1935, he went to work at the Reno Club as the drummer for the Count Basie Band, the group which he performed with around the world over the next 13 years.

Jo Jones was a major innovator in the swing era whose light but precise 4–4 beat formed the backbone of the Basie Band. His style emphasized brushes and sticks and almost lyric accents on the symbols. Basie's band was well known for its great rhythm section, and Jones was its sparkplug.

Jo Jones incredible musicianship enabled him to delicately accent whatever front instrument that was playing. It also enabled him to work individually by using all four limbs to create separate and distinct rhythms on the symbols, snare, bass and tom-tom. His influence is seen in the work of the bebop drummers who emerged during the 1940's, including artists such as Kenny Clarke, Max Roach, and Art Blakey, and in the delicate strokes of a later drummer, Philly Joe Jones. Jo Jones opened up a new world of possibilities for percussionists, leaving behind the right, obtrusive thumping of an earlier era.

In 1948, Jo Jones left the Basie Band to tour with Illinois Jacquet. During the 1950's he freelanced around New York performing with Lester Young, Joe Bushkin, and the Ella Fitzgerald-Oscar Peterson group. He won the Down Beat critics poll in 1956. In the 1960's and 1970's, he worked with pianists Teddy Wilson and Milt Buckner. He also held his own groups during this period.

Jo Jones' death came just 2 weeks after his induction with other members of the original Count Basie Band into the International Jazz Hall of Fame in Kansas City, MO. Later this month, during the Congressional Black Caucus Foundation's 15th Annual Legislative Weekend, I will be participating in a ceremony to formally recognize that event.

It is my hope that the memory of Jo Jones, and his invaluable contributions, will help to preserve the history of jazz and enable all to study and continue to enjoy one of our Nation's uniquely American forms.

NO TO JORDAN ARMS SALE

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. McGRATH. Mr. Speaker, recent press reports indicate that the White House is determined to go ahead with its ill-advised plan to sell advanced weapon systems to Jordan. Included in this package of goodies are F–20 aircraft and Stinger and Hawk antiaircraft missiles.

Administration spokesmen refer to the sale they are pushing as a test of American friendship. Since when is friendship a one-way commitment? Do true allies use the excuse of friendship to veil threats as Jordan appears to be doing in this case, and Saudi Arabia has done in the past? No! Mr. Speaker, our Nation must not be charged with the burden of proof to demonstrate commitment in United States-Jordan relations. It is time for Jordan to step forward and show sincerity in its relations. The time is long past due for King Hussein to recognize Israel and enter into direct negotiations with the Israeli Government.

I would like to remind my colleagues that a provision of the fiscal year 1986 foreign assistance appropriation bill we will soon consider contains language that reinforces congressional opposition to the sale of weapons to Jordan until King Hussein takes the tangible steps which demonstrate his government's willingness to accept the sovereignty of the Jewish State.

Mr. Speaker, let those who would have this country sell weapons to the so-called

moderate Arab nations in the Middle East beware: If battle lines are drawn, the congressional fight will be fierce.

FEDERAL INDIAN SCHOOLS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. KILDEE. Mr. Speaker, today, I am pleased to introduce H.R. 3273, a measure to clear up a problem relating to eligibility to attend Federal Indian schools. This situation threatens the educational opportunity for over 900 children. Such attendance is currently governed by three separate and somewhat contradictory statutory provisons, provisions which were enacted as parts of funding bills at the beginning of this century. These provisions establish a blood quantum requirement for eligibility. These outdated provisions have been interpreted for over 60 years in a fashion that allowed local school administrators to determine when isolation or special circumstances warranted exceptions. However, now there has been an administrative proposal to remove this local discretion and place an absolute ban on attendance by certain groups who have historically received services. This has led to an outcry from tribal officials, parents, and educators.

Under this new interpretation, children will be prohibited from attending schools within walking distance of their homes, even though the students are fully enrolled members of a Federal recognized tribe. Children of teachers in these isolated Bureau schools will be prohibited from going to the school where their parents teach, instead being forced to spend up to 3 hours a day in schoolbuses traversing hazardous, poorly maintained roads. Students who have gone to community schools for years, some of them seniors in the school, will be suddenly and arbitrarily forced to go to a strange school, often under hardship conditions.

Matters are made worse by the fact that the Bureau of Indian Affairs has refused to state clearly whether or not it intends to go forward with enforcement of its new guidelines this year. While Bureau officials have told local schools to disregard the rules and allow these students to start this year in Bureau-funded programs, everything in writing states that these students will not be allowed to finish out this year. The Bureau has repeatedly told us that they will not make a final decision on the eligibility of these children until November 15, 1985, well into the school year. Frankly, they have also said that their hands are tied, that "things have gone too far." In the absence of remedial legislation, they say they must enforce the new policy, regardless of the impact it will have on the children, their families, teacher morale and stability, and program continuity.

This is a problem of the Bureau's creation. It is obvious that they now wish that they had not taken the first ill-advised steps on this road. However, once begun, they do not feel they can "back out" now. It is equally obvious that the Bureau is hoping that Congress will take the necessary action to extricate it from the mess.

That is precisely what H.R. 3273 does, and precisely why it is being introduced today. It essentially reinstates the policy which has been followed in Bureau schools for the past 40 years. Students who are one-quarter degree Indian blood or who are members of Federal recognized tribes would be eligible to attend schools and receive Federal support. Children of Federal employees, mainly teacher dependents, would also be allowed to attend the schools tuition free. It restates and reinforces the Secretary's authority to make the rules necessary to safeguard scarce Federal resources, by clarifying the Secretary's authority to charge tutition in other hardship cases. Furthermore, it makes these clarifications without adding a penny to the budget.

This is legislation which should be handled quickly, to minimize the damage already done this academic year. This is a bipartisan effort, with a companion bill being introduced on the Senate side today. I anticipate quick action by our colleagues in the Senate and ask for the support of all Members of this House.

A BILL TO EXTEND THE GENERAL REVENUE SHARING PROGRAM

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1985

Mr. CONYERS. Mr. Speaker, today I am introducing H.R. 3267 which will extend the General Revenue Sharing Program for an additional 7 years beyond this fiscal year. Since 1972, this vital program has provided financial assistance to thousands of locales throughout this country, helping them to provide essential services to their citizens.

This administration, after initially indicating its unqualified support of the General Revenue Sharing Program, proposed that it be eliminated and in the original fiscal year 1986 budget, deleted funding for the program. In the fiscal year 1986 budget resolution recently passed by the Congress, the program is scheduled to be eliminated after the fiscal year 1986 budget cycle.

The General Revenue Sharing Program is much too valuable to be eliminated. While the administration takes the approach that everything goes when it involves defense spending and foreign aid, it continues to assault many valuable programs such as general revenue which helps America's communities from sea to shining sea.

The rationale currently in vogue for eliminating the General Revenue Sharing Program is that it is unfair for States that have surpluses to be receiving funds from the Federal Government which has a huge deficit. In truth, only a handful of States have large budget surpluses; many have had to raise taxes and reduce services.

State governments themselves have not received revenue sharing funds since 1980, the reduced funds going now to some 39,000 cities, counties, townships, and villages throughout the country who are eligible.

We must also be equally concerned about fairness. We know that the massive reduction in funds to domestic programs has created tremendous hardships, and much of the burden has been shifted to State and local governments.

Eliminating the General Revenue Sharing Program would accentuate this burden as cities and municipalities are forced to reduce essential services or raise property taxes. Either way, the citizens of this country will be adversely affected.

The State of Michigan's treasury is hardly bulging. It is still recovering from the devastating recession caused by the Reagan administration's ill-fated economic policies. Detroit receives approximately $31 million in general revenue sharing funds while Wayne County receives some $13 million. Neither could make up the loss of funds, and none of the 73 counties and 1,718 locales in Michigan could count on the State to provide the $190 million which they currently receive from the General Revenue Sharing Program. Unemployment and suffering in my district still exceeds 25 percent.

The impact of eliminating the Revenue Sharing Program is multiplied when one considers that the administration has also proposed eliminating the Urban Development Action Grant (UDAG), the Small Business Administration (SBA), the Economic Development Administration (EDA), Legal Services, and Job Corps, and has reduced funding in health care including Medicaid, Medicare, and Child Nutrition, as well as Mass Transit, Housing, Food Stamp, and AFDC Programs. Additionally, the President has proposed that the current deductions for State and local taxes be eliminated.

We often speak of the need for national security as related to our military, but national security comes in many forms. To abandon our communities and to neglect the human welfare of our citizens are far greater threats to our national security than any foreign government could ever pose.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 12, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 13

9:30 a.m.
Finance
To continue hearings on proposed legislation to provide for certain spending reductions and revenue increases.
SD-215

10:00 a.m.
Foreign Relations
European Affairs Subcommittee
To continue hearings to review the North Atlantic Treaty Organization (NATO), focusing on Soviet active measures.
SD-419

SEPTEMBER 16

9:00 a.m.
Finance
To hold hearings on the nominations of George D. Gould, of New York, to be Under Secretary of the Treasury, and Charles O. Sethness, of Massachusetts, to be an Assistant Secretary of the Treasury.
SD-215

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Bill D. Colvin, of Virginia, to be Inspector General of the National Aeronautics and Space Administration.
SR-253

Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 376, the Child Health Incentives Reform Plan.
SD-215

SEPTEMBER 17

9:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on the Administration's proposed regional refugee admissions level for fiscal year 1986, and to review the progress of this year's refugee resettlement program.
SD-562

9:30 a.m.
Finance
Business meeting, to consider pending calendar business.
SD-215

Judiciary
Constitution Subcommittee
To hold hearings on the anniversary of the U.S. Constitution.
SD-226

Rules and Administration
To hold hearings on S. Res. 29 and S. Res. 81, measures to set forth regulations to implement television and radio coverage of Senate Chamber proceedings.
SD-301

10:00 a.m.
*Energy and Natural Resources
To hold oversight hearings on the impact of moratoria on Outer Continental Shelf leasing in Federal waters adjacent to the coastline of the State of California.
SD-366

Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on S. 1562, False Claims Reform Act.
SD-628

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

11:00 a.m.
Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

2:00 p.m.
Finance
International Trade Subcommittee
To hold hearings on S. 1544, to extend and reform the Trade Adjustment Assistance Program, and related measures, including S. 1459, S. 234, and S. 23.
SD-215

SEPTEMBER 18

9:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold joint hearings with the House Committee on the Judiciary's Subcommittee on Immigration, Refugees and International Law on anti-discrimination provisions of S. 1200 and H.R. 3080, Immigration Reform and Control Act of 1985.
2237 Rayburn Building

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on S. 1517, Low-Level Radioactive Waste Policy Act Amendments.
SD-366

Rules and Administration
To continue hearings on S. Res. 29 and S. Res. 81, measures to set forth regulations to implement television and radio coverage of Senate Chamber proceedings.
SR-301

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:00 a.m.
Foreign Relations
To resume hearings on the Supplementary Extradition Treaty Between the United States of America and the United Kingdom of Great Britain and Northern Ireland, with Annex (Treaty Doc. 99-8), signed at Washington on June 25, 1985.
SD-419

Judiciary
To hold hearings on S. 1437, Designer Drug Enforcement Act.
SD-226

*Judiciary
Juvenile Justice Subcommittee
To hold hearings on S. 985, to protect the rights of victims of child abuse.
SD-G50

Select on Indian Affairs
To hold hearings on S. 1298, to coordinate and expand services for the prevention, identification, and treatment of alcohol and drug abuse among Indian youth.
SR-485

Joint Economic
Economic Goals and Intergovernmental Policy Subcommittee
To hold hearings on international trade.
SD-342

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings on the implementation of section 404 of the Clean Water Act, relating to the wetlands dredge and fill permit program.
SD-406

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on enumeration of undocumented aliens in the decennial census.
SD-342

Judiciary
To hold hearings on pending nominations.
SD-226

SEPTEMBER 19

9:00 a.m.
Foreign Relations
European Affairs Subcommittee
To resume hearings to review the North Atlantic Treaty Organization (NATO).
SD-419

9:30 a.m.
Armed Services
Manpower and Personnel Subcommittee
To hold hearings to review wartime medical readiness.
SR-232A

Commerce, Science, and Transportation
To hold hearings on record labeling.
SR-253

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold oversight hearings to review the Federal Energy Regulatory Commission notice of proposed rulemaking on Regulation of Natural Gas Pipelines after Partial Wellhead Decontrol.
SD-366

Finance
To resume hearings on the President's tax reform proposal.
SD-215

Veterans' Affairs
To hold hearings on proposed legislation to provide a cost-of-living increase for fiscal year 1986 in the rates of veterans disability compensation and dependency and indemnity compensation for surviving spouses and children.
SR-418

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

1:30 p.m.
Foreign Relations
European Affairs Subcommittee
To continue hearings to review the North Atlantic Treaty Organization (NATO).
SD-419

2:00 p.m.
Finance
To hold hearings to review certain problems of international competitiveness in the forest industry.
SD-215

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

SEPTEMBER 20

9:30 a.m.
Labor and Human Resources
To hold hearings on matters relating to private education.
SD-430

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on proposed legislation authorizing funds for wildlife refuge programs.
SD-406

SEPTEMBER 23

9:30 a.m.
Finance
International Trade Subcommittee
To resume hearings on S. 680, to limit imports of textile products into the United States to a one-percent growth rate for exporting countries.
SD-215

SEPTEMBER 24

9:00 a.m.
Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold oversight hearings on innovative approaches in industrial energy efficiency.
SD-366

9:00 a.m.
Commerce, Science, and Transportation
Business meeting, on pending calendar business.
SR-253

Finance
To resume hearings on the President's tax reform proposal.
SD-215

Veterans' Affairs
Business meeting, to consider proposed legislation to meet reconciliation expenditures as imposed by S. Con. Res. 32, setting forth recommended levels of total budget outlays, Federal revenues, and new budget authority for fiscal years 1986, 1987, and 1988, and revising the congressional budget for fiscal year ending September 30, 1985.
SR-418

10:00 a.m.
Environment and Public Works
To hold hearings on the nominations of Orson G. Swindle III, of Georgia, to be Assistant Secretary of Commerce for Economic Development, and Jennifer J. Manson, of Virginia, and Lawrence J. Jensen, of Virginia, both to be Assistant Administrators of the Environmental Protection Agency.
SD-406

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on child fitness and health programs.
SD-562

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

11:00 a.m.
Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

SEPTEMBER 25

9:30 a.m.
*Labor and Human Resources
To hold hearings on private sector initiatives to feed the world's hungry.
SD-430

SEPTEMBER 26

9:30 a.m.
*Banking, Housing, and Urban Affairs
To hold hearings on S. 812, to authorize the President to control loans and other transfers of capital to any or all of the Soviet bloc countries.
SD-538

Finance
To hold hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
International Economic Policy, Oceans, and Environment Subcommittee
To hold hearings on the General Agreement on Tariffs and Trade [GATT].
SD-419

2:00 p.m.
Foreign Relations
To hold hearings on financing of foreign military sales.
SD-419

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 209, the Federal Debt Recovery Act.
SD-342

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on international terrorism.
SH-219

SEPTEMBER 30

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on proposed revisions in subchapter C of the Internal Revenue Code relating to corporate taxation.
SD-215

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

OCTOBER 1

9:30 a.m.
Finance
To resume hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on pension policy implications of the President's tax proposals of fringe benefits and retirement savings.
SD-430

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To continue hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.
2175 Rayburn Building

Labor and Human Resources
Aging Subcommittee
To hold hearings on pension accrual and the older worker.
SR-385

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the exploitation of runaway children.
SD-628

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

OCTOBER 2

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
To hold hearings on the nomination of Edward A. Curran, of Maryland, to be Chairman of the National Endowment for the Humanities.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy.
SH-219

10:00 a.m.

Select on Indian Affairs

To hold hearings on S. 1558, to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada.

SR-485

OCTOBER 3

9:30 a.m.

Finance

To continue hearings on the President's tax reform proposal.

SD-215

Veterans' Affairs

Business meeting, to mark up proposed legislation to provide a cost-of-living increase for fiscal year 1986 in the rates of veterans disability compensation and dependency and indemnity compensation for surviving spouses and children.

SR-418

10:00 a.m.

Governmental Affairs

To hold hearings on the President's management initiatives and related measures.

SD-342

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.

2175 Rayburn Building

4:00 p.m.

Select on Intelligence

Closed briefing on intelligence matters.

SH-219

OCTOBER 9

9:00 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on Robert Elsner, of Alaska, and Karen Pryor, of Washington, each to be a Member of the Marine Mammal Commission.

SR-253

Select on Intelligence

To resume closed hearings on the development of a national intelligence strategy (Phase II).

SH-219

10:00 a.m.

Commerce, Science, and Transportation

To hold oversight hearings in conjunction with the National Ocean Policy Study on Pelagic driftnets.

SR-253

Labor and Human Resources

To hold hearings to examine certain barriers to health care.

SD-430

OCTOBER 10

10:00 a.m.

Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings on fishing vessel safety and insurance.

SD-562

Labor and Human Resources

To hold hearings on mandatory nutritional labeling.

SD-430

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.

SR-385

10:30 a.m.

Commerce, Science, and Transportation

Business, Trade, and Tourism Subcommittee

To hold hearings on the promotion of domestic tourism.

SR-253

4:00 p.m.

Select on Intelligence

Closed briefing on worldwide intelligence matters.

SH-219

4:30 p.m.

Select on Intelligence

Closed briefing on the Philippines.

SH-219

OCTOBER 16

9:30 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

Select on Intelligence

To resume closed hearings on the development of a national intelligence strategy (Phase II).

SH-219

OCTOBER 17

10:00 a.m.

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To hold hearings to examine measures to discourage students from dropping out of high school.

SD-430

4:00 p.m.

Select on Intelligence

Closed briefing on intelligence matters.

SH-219

OCTOBER 23

9:30 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

OCTOBER 24

10:00 a.m.

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.

SD-430

4:00 p.m.

Select on Intelligence

Closed briefing on worldwide intelligence matters.

SH-219

4:30 p.m.

Select on Intelligence

Closed briefing on intelligence matters.

SH-219

OCTOBER 29

9:30 a.m.

Labor and Human Resources

Handicapped Subcommittee

To hold hearings on the Tenth Anniversary of the Education for All Handicapped Children Act (P.L. 94-142).

SD-430

OCTOBER 30

9:30 a.m.

Labor and Human Resources

To resume hearings to examine certain barriers to health care.

SD-430

10:00 a.m.

Labor and Human Resources

Children, Family, Drugs, and Alcoholism Subcommittee

To hold hearings on the effects of domestic violence.

SD-628

OCTOBER 31

4:00 p.m.

Select on Intelligence

Closed briefing on intelligence matters.

SH-219

NOVEMBER 6

9:30 a.m.

Labor and Human Resources

To hold hearings on nutrition and fitness in public health.

SD-430

CANCELLATIONS

SEPTEMBER 13

2:30 p.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings to examine motor carrier safety and Mexican trucking operations.

SR-253

SEPTEMBER 16

10:00 a.m.

Judiciary

Security and Terrorism Subcommittee

To hold hearings to explore the affects of terrorism in South Africa on the security of the United States.

SD-226

HOUSE OF REPRESENTATIVES—*Thursday, September 12, 1985*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 11, 1985.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Thursday, September 12, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Reverend Robert Ard, director, Harambee House, and pastor, Christ Church, San Diego, CA, offered the following prayer:

Dear God, thank You for blessing America. Stand beside the men and women who serve in our Government; guide them in their deliberations so they may not be so overwhelmed with the complexities of proportions and percentages they neglect the problems and needs of the people. Let us be strong enough to defend ourselves, compassionate enough to assist others, and willing and wise enough to risk peace with those with whom we may disagree. Let justice be tempered with mercy. Let us forever proclaim, provide, and protect equality of access to the inalienable rights of all Americans regardless of gender, geography, economics, or ethnicity.

Dear God, thank You for blessing America and may we from the mountains, through the prairies to the ocean white with foam; responsibly share these blessings with the world.

In the name of Jesus the Christ, I pray for this body, this Nation and the world, to the living God who alone is worthy of praise. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REV. ROBERT ARD

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, we have had the privilege today of having the Reverend Robert Ard provide the opening prayer.

Rev. Robert Ard has had a distinguished career in the 44th Congressional District of San Diego. He has provided a wealth of practical and spiritual guidance to the district and to the entire community.

As founder and pastor of Christ Church of San Diego he began the Come Eat With Us Program, as well as a variety of other help efforts including the community food pantry, and the community blood bank.

As the executive director of Harambee House, a residential-therapeutic program for delinquent juveniles, he has assisted hundreds of young men to become responsible citizens.

Reverend Ard's greatest contribution to the citizens of the district has been his capacity to become involved in the pursuit of justice and equality for all. He is a great man, and we are honored to have him share with the House part of his greatness.

PERMISSION FOR SUBCOMMITTEE ON ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS OF THE COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Administrative Law and Governmental Relations of the Committee on the Judiciary be permitted to sit on today, Thursday, September 12, 1985, while the House is reading for amendment under the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

ELECTION OF MEMBER TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. GEPHARDT. Mr. Speaker, as chairman of the Democratic caucus and by direction of the caucus, I offer a privileged resolution (H. Res. 265) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 265

Resolved, That Jim Chapman (Texas) be, and he is hereby, elected to the following standing committees of the House of Representatives:

Committee on Public Works and Transportation (to rank immediately following Representative Long); and

Committee on Small Business (to rank immediately following Representative Long).

The resolution was agreed to.

A motion to reconsider was laid on the table.

A LETTER TO AMERICA'S PARENTS: START GETTING ANGRY

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, America's children will someday pay a huge price for today's budget deficits. How can we stop this? America's parents and grandparents have to realize what is happening, and get angry about it. Jean Mills of St. Petersburg, FL, a retired person, is angry about it. Here's what she wrote to me recently:

> I'm afraid that the politicians have promised so much to the populace over the last 40 years that we are destroying ourselves with greed. Everyone now is "entitled" to something from Uncle Sam. There are many retired people who could live very well without Social Security, but they are the first to scream when mention is made about freezing an increase. They are "entitled," and by damn, they're going to collect every penny.
>
> I feel very sorry for the young people of this country. There will be great resentment when they realize what is happening to their future earnings.
>
> We must somehow win the battle of the deficit and save this country from its own greed. Someone has to tell the people they are bleeding their country to death.

Think about it, Mr. Speaker.

COMPENSATORY TIME AND OVERTIME PAY

(Mr. VALENTINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VALENTINE. Mr. Speaker, the Supreme Court has struck a potentially crippling blow against the core of American Government. In the Garcia case, the Court ruled that there are no constitutional limitations on the application of the Fair Labor Standards Act to employees of State and local governments.

The Court prohibited the traditional practice of allowing these employees to take compensatory time off in lieu of overtime pay. It even prevented many of them from volunteering their time to local authorities.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

This decision will hurt the very group it is apparently designed to assist, for these employees count on "banking" their compensatory time off. The decision will also raise taxpayer burdens. Gov. Jim Martin of my State has said that the decision will cost North Carolina more than $15 million in additional overtime pay alone in the next fiscal year.

Mr. Speaker, we cannot allow life and death services to be curtailed. If just one citizen is victimized by a criminal because of reduced police protection, if just one family's home is destroyed by fire because a city could not afford overtime pay for firefighters, if just one person fails to receive emergency medical care because a volunteer ambulance driver cannot continue to work, then the cost of the Garcia decision will prove too high.

Several bills have been introduced which address this problem. I urge my colleagues to join in the effort to help our communities maintain their essential services. The Garcia decision will be implemented on October 15. It is vital that we act now.

There is an old saying in my part of the country: If it ain't broke, don't fix it. The Supreme Court has broken that rule, and now it is up to us to fix it.

OUR HAPLESS HOSTAGES

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, in our travels about our area when we see the 7-Eleven stores, I suggest we use the vision of them as a reminder, a particular reminder of our hapless hostages, the seven Americans and the four Frenchmen, none of whom did anything but good things for the people of Beirut, as, for example, Father Jenco, my personal friend, whose charitable heart beats for anyone in need.

I wonder if they eat well? I wonder if they see each other or have a chance to speak? I wonder if their sleep is restless and haunted? I wonder if they wonder about us and what we are doing for them, and if, like the Son of Man, they may in the night time cry out, "Hast thou forsaken me?"

□ 1010

WILDERNESS BILL INTRODUCTION

(Mr. REID asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REID. Mr. Speaker, a Congressman has a duty, inherent in his job, to create and support legislation that will benefit and protect his State and his Nation.

That is why I am today introducing the Nevada Wilderness Protection Act of 1985, a bill that is the product of diverse input and thousands of hours of study, a bill that designates approximately 723,000 acres of Nevada land as wilderness.

My bill is a well-balanced compromise in the best interests of the State and the Nation. It is not a bill for special interests. It is legislation that could not have been drafted without touring more than 1 million acres of Nevada with the Public Lands Subcommittee and talking to Nevadans throughout the State.

My bill includes 10 areas in Nye, White Pine, Elko, Esmeralda, Clark, and Washoe Counties. Where you'll find high peaks, wild valleys, and trout streams. Where walking, fishing, horseback riding, and hunting can be enjoyed. Where elk, deer, beavers, and bighorn sheep roam freely, and more.

Mine is a bill that will protect and preserve Nevada for diverse groups ranging from miners to environmentalists to ranchers to seniors to schoolchildren, and others. Mine is a bill for all Nevadans, for today and for the future.

COMMUNITY RIGHT TO KNOW LEGISLATION

(Mr. GALLO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GALLO. Mr. Speaker, I have joined with Congressman Robert Wise of West Virginia to sponsor a bill to give police and firemen information on potential hazards in cases of emergencies.

In New Jersey, State officials have said that the recent devastating fire in Passaic would not have been as serious if fire officials had known more about the contents of the buildings involved.

In Institute, WV, which is in Congressman Wise's district, a chemical discharge recently caused great concern about the need to give emergency personnel the right information on a timely basis.

This story is repeated across the country because there is no national procedure to help local officials deal with unique problems in their areas.

The bill we are introducing creates a system of emergency response procedures to get the right information to the right people at the right time.

The procedures in the bill are national in scope, but specific response plans will be developed in communities or counties across the country, based on local needs.

The bill includes $45 million for creation of a national emergency response training program under FEMA.

An additional $7 million would be made available for local planning under the bill.

States will have the opportunity to pass tougher laws or to continue to enforce existing measures.

There is real consensus developing for workable community right-to-know legislation.

Our bill is the result of discussions with many concerned people. I think it represents a real solution for the problems faced by communities across the country.

I feel strongly that our bill provides the needed national framework for emergency response, but leaves the real control of the program in the communities where it belongs.

I urge my colleagues to join the gentleman from West Virginia and me in support of a workable national community-right-to-know program to prevent further loss of lives and property.

INTRODUCTION OF THE EMERGENCY HOME FORECLOSURE RELIEF ACT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, as sheriff of Mahoning County, OH, I refused to foreclose on people's homes during that term, and it caused quite a stir. We had lost 55,000 jobs, our steel mills were shut down, and good people with strong credit histories were suddenly in trouble and losing their homes.

As a result of this, today I am introducing the Emergency Home Foreclosure Relief Act, which will target areas with both a high home-loan delinquency rate and a high unemployment rate. This proposal will facilitate workout agreements between homeowners and creditors for the purpose of allowing individuals with temporary economic problems due to conditions beyond their control to save their family homes.

The bill will not protect deadbeats. I say that again. It will not protect deadbeats, those people with poor credit histories, but it will preserve the American dream for many—the family home—for those hard workers who deserve a break. And Washington should be paying attention to those Americans now who deserve that break.

I would like to commend my colleague, the gentleman from Texas [Mr. Henry Gonzalez,] for his continuing efforts in this area, and I thank him and his staff for assisting my staff and myself in this legislation.

Mr. Speaker, I hope my colleagues will review this and take a look at it. I think it has a lot of merit.

IMPORTS CITED AS REASON FOR CLOSING OF SHOE FACTORY IN MAINE

(Ms. SNOWE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SNOWE. Mr. Speaker, in Maine, we received a tragic confirmation yesterday of the absolute mistake President Reagan made when he failed to support any trade remedy for the domestic shoe industry.

The Bass Shoe Co. announced that it will close its shoe factory in Bangor, ME, putting more people out of work within 3 short weeks. This factory first opened in 1980, when modest restrictions on imported shoes were in effect, and at one point employed as many as 350 workers.

But, unshielded from the cascade of imported shoes, the Bass shoe factory in Bangor has had to lay off workers and, now, close its doors for good. Company President Richard Bourret said:

> We have continued to operate in Bangor in the hope that domestic production needs would increase. But there has been no change in the domestic market conditions, leaving the company no choice but to reduce operations.

Indeed, the personnel director of the factory stated that the decision to close was made "when it became clear that import relief would not be coming,"

Mr. Speaker, this story of dashed hopes and economic dislocation is being repeated throughout the country, and it will continue to spread unless this House takes swift action to halt the unchecked onslaught of imported shoes.

LEGISLATION TO EXEMPT GOVERNMENTAL UNITS FROM CERTAIN PROVISIONS OF THE FAIR LABOR STANDARDS ACT

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUDD. Mr. Speaker, this year's Supreme Court ruling in the case of Garcia versus San Antonio Metropolitan Transit Authority is already posing serious budgetary and administrative problems for State and local governments.

Many flexible employment practices are no longer possible. Volunteers have to be compensated at least at the minimum wage. Accruing compensatory time off in lieu of overtime pay—a practice used extensively by police and firefighters—is prohibited.

If allowed to remain in effect, the Supreme Court decision would prove devastating to State and local governments, costing an estimated $1 billion in the coming year or forcing layoffs or reductions in services.

I urge my colleagues to join me in cosponsoring H.R. 3237 or H.R. 3230, introduced by my two Nebraska colleagues, Representatives Virginia Smith and Hal Daub, respectively. These measures will overturn the Garcia ruling by exempting State and local governments from the overtime provisions of the Fair Labor Standards Act as well as exempt volunteers from its minimum wage and overtime requirements. The bills must be passed at an early date.

THE GOAL IS FAIR TRADE, NOT PROTECTIONISM

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, several weeks ago, the administration labeled efforts to eliminate unfair trading practices overseas as rank protectionism. Well, this has now become the umbrella under which the President has decided to protect himself from charges that his administration has lacked a trade policy.

The President's decision to act on the trade issue is simply too little too late. On one hand, he rejects the pleas of the domestic shoe industry—who played by the rules—and on the other, he claims that he is going to use his existing authority, and then some, to do what he has been authorized to do for the last 5 years.

We have a bystander President who lives in an Alice-in-Wonderland world where deficits, be they trade or budget, simply don't matter. We have a President who calls a tax increase, revenue enhancement. We have a President who calls rebels, freedom fighters. If we continue to look through Ronnie's looking glass, we will bring our Nation to ruin.

Now is the time for action on the trade front. It's not a time for creating a "war chest" as Vice President Bush has called for, but a time for negotiating fair rules of trade worldwide. By saying we're going to meet fire with fire, as Bush called for yesterday, we are simply inviting a trade war.

It seems that the President has misread what the Democrats and the American people have been asking for for the last 5 years; we don't want a trade war, we want fairplay. I and my fellow Democrats here in Congress stand for fair trade, not protectionism.

DEATH OF HUMAN RIGHTS ACTIVIST, VASYL STUS

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, as a Congressman, as a Helsinki Commissioner, and as a human being, I rise today to eulogize Vasyl Stus, a courageous and indefatigable fighter for the rights of individuals and a victim of the Soviet Union's brutal system for the suppression of human thought.

Last week Mr. Stus, a 47-year-old Ukrainian poet and member of the Ukrainian Helsinki Monitoring Group, died in prison in the Soviet Union. The Soviet Government is responsible for his death. They put him in labor camps, denied him medical treatment after most of his stomach was removed, and subjected him to forced labor to hasten his demise. There is a systematic policy whereby Helsinki Monitors are perishing prematurely in Soviet prison camps.

Stus' manuscripts were confiscated and destroyed. But some of his poems have reached the West. In one of them he wrote:

> Is there in this world a trumpet that will sound a final blast to keep me from resurrection? Flow, water, flow and sweep me away form my weariness, for eternities of bondage have crushed me.

Last Thursday, five of my distinguished colleagues and I joined in front of the Soviet Embassy to sound a trumpet in support of Andrei Sakharov. His stepson is conducting a hunger strike in front of the Embassy to gain information about the whereabouts and condition of his parents. Dr. Sakharov is another of the tens of thousands of prisoners of conscience like Vasyl Stus, who suffer at the hands of the Soviet Government. While such efforts come too late for Mr. Stus, we must press forward with our attempts to win freedom for political prisoners in the Gulag.

Mr. Speaker, as we approach this fall's summit meeting between President Reagan and Party Secretary Gorbachev, the people of the United States look upon the refusal of the Soviet Union to abide by its commitments to the Helsinki Human Rights Act as deeply disturbing.

It is difficult to discuss peace with a superpower which wages war against its poets.

HIGH TRADE DEFICIT MEANS LOST AMERICAN JOBS

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, the Washington Post reports today that the President, Mr. Reagan, has met with Republican leaders and has promised them that he now understands the trade problem; that he will take initiative to offer legislative remedies for his failed trade policy. Unfortunately, this realization comes too late for many American workers who have already lost their jobs to the failure of the administration's trade policy.

In 1980, the year Mr. Reagan was elected, the trade deficit was about $36 billion. By the end of 1985, it is projected to be more than $160 billion.

Mr. Speaker, like a blip on an electrocardiogram, the $160 billion trade deficit means that many American workers have already lost their jobs, that factories have closed down, and that America suffers from the lack of a trade policy.

Mr. Speaker, what is needed is Presidential leadership that recognizes the urgent needs that America faces today.

□ 1025

SELECT BLUE RIBBON TASK FORCE TO SOLVE FARM CREDIT CRISIS

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, the farm credit crisis is upon us. The problems afflicting the farm credit system are so severe that unless some corrective steps are undertaken immediately the slide in real estate values in the 1930's will look like a mere seasonal adjustment.

I am introducing a sense-of-Congress resolution which calls for the creation of a select blue ribbon task force to solve the farm credit crisis. Composed of Members of Congress, officials from the Government, and lending institutions, this blue ribbon task force would have the expertise and nonpartisan makeup necessary to complete the job in a timely fashion.

Two immediate steps we must see if we are going to keep the farm credit system solvent are a dramatic drop in the interest rates and significant steps to stop the slide in real estate values.

I urge all my colleagues who are concerned about the future of the farm credit system, the agricultural economy, and basic productivity of food in this country, to cosponsor my resolution.

We must act now to solve the farm credit crisis.

PRESIDENT'S SPEECH ON TRADE DEFICIT JUST DOES NOT CUT IT

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, last week the American people anxiously awaited our President's first major speech on the trade deficit; but after hearing the President's recent radio address, I am sure a lot of people are still waiting. The President's plan is weak and cosmetic. It will do nothing to get at the heart of the trade crisis facing our Nation. Why was there no mention of steel, machine tools, or agriculture? Why did he ignore the plight of the U.S. shoe industry? How could the President outline a trade strategy and not even discuss the automotive industry? Last year, nearly one-third of our trade deficit was with one country—Japan; and of that $36 billion trade deficit with Japan, $19 billion was in automobiles and automobile parts.

Mr. President, your speech just did not cut it.

Why will you not direct your administration to get to the guts of the trade problem? Who is afraid to go toe to toe with our trading partners? The people in my district want some answers. We know a smokescreen when we see one. Mr. President, your announcement last week did not fool anybody.

WHY ARE WE AFRAID TO DISCUSS AIDS

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, two issues frequently lead off if not dominate the news on our evening network news broadcasts over these summer months, the violence in South Africa and a disease called AIDS that is epidemic and killing people of all ages across our great country.

I have never, ever heard of a speech about AIDS in this House or in the other Chamber. Not 1-minute opening session speeches, not in any committee hearings or committee debate on the floor, not even in special order speeches at the end of House sessions. Yet we hear multiple speeches daily on South Africa.

Why are we afraid in the Senate and in the House to talk about a death-delivering disease, a communicable disease that has killed over 6,000 of our citizens?

One person dies per day of AIDS in Los Angeles. I heard in Orange County on a visit over the weekend to my district that three per day in Los Angeles contract AIDS. Three people contract an incurable disease with no cure leading to certain death every day. And it is spilling over into my county of Orange. That means 2 years from now three will be dying every day in Los Angeles and nine or more will be contracting it. Unless, of course, this terrifying epidemic explodes in geometric proportion and everyone is afraid to ever discuss that probability.

This morning on CBS I heard four doctors discussing the AIDS epidemic on split screen from New York City, San Francisco, Atlanta, and Washington, DC, and none of them could agree on basic medicine in regard to this raging epidemic. One doctor says AIDS is only spread from anal intercourse among homosexuals; another doctor says wrong, "I disagree, Doctor. It is only promiscuity, that spreads AIDS, heterosexual or homosexual, Doctor." Confusion. Contradiction. Is it any wonder that parents are picketing. Is it any wonder parents are frightened. Much of the Hollywood product and much of rock music tells our kids to get promiscuous as fast as they can, do it as often as they can, as young as they can and if you get syphilis, gonorrhea, herpes II or sure-death AIDS, well, you're on your own, loser. Yet we are afraid to discuss it here or at the White House level. Only Peggy Heckler, our former colleague heading up HHS and her Assistant Secretary for Health, Dr. James Mason, discuss this nightmare publicly. And, of course, our courageous Surgeon General, Dr. Ev Koop.

One more minute, Mr. Speaker. I am asking Dr. Mason to come to my office next Thursday the 19th. I am inviting all the Members to get a detailed briefing on a death-dealing disease that we are terrified to discuss openly in this House. I will let the Members know in a Dear Colleague letter when and where they can get the brutal facts about death by disease in the United States and Europe and what the AIDS epidemic will be like next year and the years to follow. The main thing we have to fear, not the only thing but the main thing, is fear and phoney embarrassment.

I thank the Speaker for his patience.

CHEMICAL HAZARDS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, during August national attention focused on my district when a chemical leak caused 134 persons to seek medical attention, but in that week, Mr. Speaker, we found that hundreds of people across the country were evacuated or hospitalized as a result of similar incidents.

Today, my colleague, the gentleman from New Jersey, Mr. DEAN GALLO, and I are introducing what we believe is a workable solution to the chemical right-to-know issue. Our legislation guarantees that every State will have an emergency response plan and give assistance to local communities. It creates community right-to-know laws. It requires chemical operators to give immediate notice to local authorities when they know an emergency exists.

In April and May of this year there were 33 major chemical incidents nationwide exposing countless thousands of American citizens to danger.

In 1983, there were 91 incidents on our Nation's waterways involving more than 2 million pounds of hazardous substances.

In 1984, there were 237 accidents on our Nation's railroads involving chemicals, with 54 actual releases.

I am hopeful that the compromise that my friend, the gentleman from New Jersey, and I have reached will be included in the Superfund bill, Mr. Speaker, that is now moving through Congress. That is our aim and as the statistics I have mentioned clearly point out, it is about time.

OUR HEAVY BURDEN OF DEBT

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, this Nation now has $2 trillion in national debt. There is nothing more revealing about the horrors of the congressional spending spree over 40 years than $2 trillion in national debt.

The U.S. News & World Report says this week that that amounts to $37,000 for each American family. There are very few American families who have incurred $37,000 of debt on their own, except for one thing, and that is to buy the house that they live in. Other than that, very few American families have $37,000 in debt, but we have given them that much debt with the spending spree that we have been on.

Now, if you add up the interest to each family that has to be paid on that $37,000 at the 7½-percent interest that the Government is now paying, that is $2,075 a year that is it costing each American family for the debt that we have in their name.

It is interesting to note that the average American taxpayer pays only in personal income taxes, and I say only, it is a lot of money to that family, but they pay $2,766 in taxes. That means that every dime that is being paid by the average taxpayer to the Government is being eaten up in the interest burden that has been incurred on their behalf by this Congress. If there is anything that tells us why this Congress has got to stop its spending, it is that figure. We cannot go on having people paying all their taxes simply to pay interest on the debt. It is disgusting.

ADMINISTRATION ALREADY HAS AUTHORITY TO DEMAND FAIR TRADE

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, the news media would indicate that this administration has finally awakened to the fact that unfair international trade is costing American jobs and hurting American families and now this administration is scurrying around trying to come up with a trade bill. But before they take some cosmetic approach to these unfair trade practices, I hope that we will remember that they have all the authority they need to demand fair trade in this world right now.

The last Congress enacted into law legislation called reciprocity. That gave the President broad new authority to tell any country on this Earth that discriminates against United States products in their markets that we are going to reciprocate and close some of our markets to their products. That authority has never been used by this President. The responsibility for the unfair trade has got to rest on the shoulders of this administration.

I am frankly tired of having the United States treated like a Patsy in international markets. It is time that this administration adopt a get tough trade policy, not with words, not with cosmetics, but with action. It is time to negotiate fair and open trade throughout this world. Until that happens, all the words from this administration will not save jobs and protect families here in the United States.

ETHIOPIA'S HORRENDOUS HUMAN RIGHTS RECORD

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, the foreign aid bill passed by this Congress requested that the President determine whether Ethiopia is deliberately starving its people.

The President's determination describes the horrendous human rights record of the Ethiopian regime. It even states that—

> The Ethiopian Government's political, economic, and military policies have no doubt caused vast and unnecessary human suffering, including starvation * * * these policies have led to the starvation of hundreds of thousands of people with millions more at risk.

Despite all this, the President has determined that Ethiopia is not deliberately starving its people. If blowing up relief trucks, blocking food shipments, spending millions on a military buildup is not a deliberate policy of starvation then I don't know what is.

Mr. Speaker, this determination is telling the Ethiopian Government that you can continue to starve your people, but we will say you are not, so we can keep trading with you. I think that is exactly the wrong message to send. This determination is an embarrassment and a scandal and it should be reversed.

H.R. 7, THE SCHOOL LUNCH AND CHILD NUTRITION ACT

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, I would like to commend my colleague, Chairman HAWKINS, and members of the Education and Labor Committee for reporting a fiscally responsible school lunch and child nutrition reauthorization bill.

The programs reauthorized by this legislation represent the Federal Government's primary ammunition in the war against hunger and malnutrition in this country. Children, the initial beneficiaries of these programs, are our future.

I understand amendments may be offered during debate affecting the National School Lunch Program.

I am advised by the Kansas Department of Education that should an amendment to eliminate the Federal cash subsidy for paid school lunches succeed, approximately 42 percent of the school districts in the State may not be able to continue as participants in the program. In my district alone, the participation of almost half of the school districts would be placed in jeopardy.

Due to the depressed farm economy, the local boards of education would find it exceptionally difficult to raise either the local mill levy or the price of student lunches to offset the absence of the Federal subsidy. Schools in rural areas, where free and reduce price meals constitute a small percentage of the total meals served, would be dealt the greatest disservice.

My colleagues know that I strongly support efforts to reduce the deficit. My support for these efforts is tied directly to my belief that the Federal Government has under its wing programs in little need of Federal financing. The National School Lunch Program, however, cannot be placed in this category.

The educational excellence of our children is substantially linked to the success of the school lunch program. I urge my colleagues to vote no on any proposals to cut the child nutrition programs in this country.

CONDEMNING KIDNAPING OF INES GUADELUPE DUARTE DURAN

Mr. BARNES. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the concurrent resolution (H. Con. Res. 187) condemning the kidnaping of Ines Guadelupe Duarte Duran, daughter of President Jose Napoleon Duarte of El Salvador, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore (Mr. PERKINS). Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 187

Whereas on September 10, 1985, Ines Guadelupe Duarte Duran, daughter of President Jose Napoleon Duarte of El Salvador, was kidnapped and her driver and one of her bodyguards killed;

Whereas President Duarte has issued a statement saying that "We condemn this horrible act that shows an absolute disregard for human rights";

Whereas the Department of State has issued a statement deploring the kidnapping;

Whereas the kidnapping violates international standards of human rights and the laws of armed conflict; and

Whereas such actions will not shorten the conflict in El Salvador, but prolong it: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress condemns the unjustified and reprehensible kidnapping of President Duarte's daughter, demands that she be released unharmed, and offers its full support to President Duarte in his efforts to secure the release of his daughter and to secure a just end to the conflict in his country.

The SPEAKER pro tempore. The gentleman from Maryland [Mr. BARNES] is recognized for 1 hour.

Mr. BARNES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is with a combination of outrage and sadness that I bring this resolution before the House this morning.

The resolution condemns the kidnaping of the daughter of that good and decent man, President Jose Napoleon Duarte of El Salvador, by persons as yet unknown.

I am outraged by the wanton brutality of this act. I am outraged that anyone could consider that any legitimate purpose of armed conflict could be served by the deliberate targeting of innocent family members of political leaders.

And I am saddened because the target of this irresponsible action—President Jose Napoleon Duarte—is the single person most responsible for the fact that El Salvador has moved beyond the dark days when attacks like this occurred routinely. President Duarte has made it his own personal commitment to stop the death squads, stop the disappearances, stop the kidnapings, stop the violence directed at innocent civilians. Now his own family has become the victim of that very violence.

As all my colleagues know, I have been at the forefront of those who for years urged this Congress and this administration to speak out against the death squads, to make it clear that those who engage in this kind of activity cannot expect the sympathy of the United States.

Now I urge this body to send the same message to whoever perpetrated this outrage. I urge my colleagues to send a clear message that—

We condemn this unjustified and reprehensible kidnaping of President Duarte's daughter;

We demand that she be released unharmed;

We fully support President Duarte in his efforts to secure the release of his daughter; and

Whatever effect the kidnapers may expect to achieve, we will continue to be firm in our support of President Duarte's efforts to secure a just end to the conflict in his country.

I know that all my colleagues join me in extending our understanding, sympathy, and support to President Duarte during this difficult time. Passing this resolution this morning will be a concrete expression of our sentiments. I urge the unanimous adoption of the resolution.

□ 1040

Finally, Mr. Speaker, I want to express my appreciation to my colleague and friend, the ranking member of the Subcommittee on Western Hemisphere Affairs, the gentleman from California [Mr. LAGOMARSINO], for agreeing to cosponsor this resolution with me. I would like to yield to the distinguished gentleman from California for any comments that he may have about our resolution.

Mr. LAGOMARSINO. I thank the gentleman for yielding. I want to commend him for introducing this resolution and for including me as the principal cosponsor.

Mr. Speaker, the kidnaping of Ines Gaudelupe Durate Duran, the daughter of President Duarte of El Salvador, is a senseless, barbaric act, and is condemned by all responsible citizens in El Salvador, here, and around the world.

Apparently, and I checked just a moment ago with the State Department, there is no information at present confirming the identity of the kidnapers, although the evidence seems to suggest it is the work of leftist guerrillas. But no matter who it is, what group it is, what their politics are, it is clear, at least it is very clear to me, that they disagree with the policies of Jose Napoleon Durate and of the United States and of what he is doing in El Salvador, trying to promote democracy.

We can all only imagine the pain that he is suffering.

He is quoted as saying

> I am definitely in pain, the pain only a father knows when he is in such a situation. But I also have a duty to my country and I am fulfilling it.

Many of us remember what President Duarte told us about 1 year ago, shortly after his election, when he came here to the United States to talk to Members of Congress about assistance to his country, which he succeeded in getting. He said at that time that he was willing to risk his life, to give everything for the cause of democracy in El Salvador. What he is going through now probably exceeds in pain even what he was imagining when he talked to us.

So Mr. Speaker, I know that our sympathies are with the President and our hope is for his daughter's safe return and for the adequate punishment of those who performed this terrible act. I think again, as the chairman pointed out, that we should make it clear, as we do, that we are not going to be swayed from what most of us in this Chamber, and I think most Americans at this point believe: Namely, that democracy is succeeding, going forward in El Salvador, that President Duarte is one of the primary instruments of that, and that this attack on him through his daughter is not going to succeed.

I thank the gentleman for yielding.

Mr. BROOMFIELD. Mr Speaker, will the gentleman yield?

Mr. BARNES. I am happy to yield to the distinguished ranking member of the Foreign Affairs Committee, the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, I take this time to pay my respects and congratulations to the gentleman from Maryland [Mr. BARNES], the chairman of the Western Hemisphere Subcommittee, as well as the gentleman from California, Mr. BOB LAGOMARSINO, the ranking Republican, for bringing this resolution before the House today.

Mr. Speaker, I offer my support of this resolution which condemns the recent kidnaping of Ines Guadalupe Duarte Duran, daughter of President Jose Napoleon Duarte of El Salvador. Once again, mindless terrorism has struck out at an innocent human being. Regardless of what the terrorists may do, however, El Salvador will not give in to their senseless violence.

As my colleagues well know, Mrs. Duarte Duran was kidnaped after attending classes at the New San Salvador University. In the ensuing shootout, one of her security guards was killed and another was wounded.

As the Communist-backed guerrillas in El Salvador lose the war in the countryside, they have shifted their destructive activities to the urban centers of that once peaceful country. In recent months, innocent Salvadorans have been killed by these urban terrorists along with a group of four off-duty U.S. Marines assigned to protect the American Embassy in that country. The guerrillas who killed the marines recently vowed to "annihilate" all American military advisers in that country.

I join my colleagues in calling upon those who kidnaped Mrs. Duarte Duran to release her unharmed. The free world will not give in to terrorism and those who solve problems from the barrel of a rifle. Random killing and violence directed against the freedom-loving people of that country will not bring down that freely elected government. Peace will come through negotiations, not with Russian assault rifles.

I praise President Duarte for the progress he has made in taking El Salvador along the road to democracy and wish him courage and strength during this difficult moment for his family and for his country.

I call upon my colleagues to join me in offering our support of this resolution.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. BARNES. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding and thank him for introducing this resolution, and in a very timely fashion.

President Duarte has been doing an outstanding job in El Salvador in dealing with the problems that they face in that country, both economic and military. I think he is to be commended, especially in view of all of this adversity.

One thing I would like to point out, however, as we continue to talk about leftist guerrillas possibly being responsible for this. Let us call a spade a spade. The leftist guerrillas are Communist guerrillas backed by the Soviet Union and the Nicaraguans and other Communist fellow travelers who are active in our hemisphere. We must remember that their total goals and objectives are to dominate all of Central America, and we must not allow that to happen.

When they resort to killing marines in El Salvador, or kidnaping President Duarte's daughter, it is a manifestation of their ultimate goal, that of conquest of all of Central America, which would endanger the very security of the United States of America. We must not allow that to happen. We must make sure the American people are very much aware of what the Communists throughout the world have as their ultimate objective, and that is the United States of America.

I thank the gentleman for yielding.

Mr. FASCELL. Mr. Speaker, I rise in strong support of House Concurrent Resolution 187, condemning the kidnaping of Ines Guadelupe Duarte Duran, daughter of President Jose Napoleon Duarte of El Salvador, and which offers the assistance of the United States in efforts to secure her release.

Mr. Speaker, this is a most despicable act which must be condemned in the strongest terms. It is further evidence of the disregard for human life and basic international standards of human rights by the extremists in El Salvador who are continuing to subject the citizens of that country to the most severe civil strife.

It is against the perpetrators of such actions which President Duarte has staked his personal and political life, and against which the United States must stand equally strong. President Duarte and Ines Guadelupe's children and husband have our heartfelt sympathy and prayers for the safety of his daughter and we offer the Salvadoran Government our assistance in securing her release.

Mr. Speaker, I urge the adoption on House Concurrent Resolution 187.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. BARNES. I am happy to yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, as appropriate as it may be to express our indignation at a horrendous act of violence, I never have favored violence as any kind of a policy that is susceptible of resolving any kind of human dilemma. The biggest single unlearned lesson of mankind is that violence has never resolved any kind of a problem confronting mankind.

On the other hand, I think that we have to be realistic and truthful enough to accept our responsibility for what obviously, in my mind, is going to be a continuing and successive episode of events such as this. We have decided that we would impose our will on El Salvador. At this particular time, the available means that we happen to find is President Duarte.

The fact is that no matter how much we have insisted on trying to make this an East-West confrontation, the fact in El Salvador and elsewhere in Central America, as is right now the case in Guatemala—Guatemala is not in the headlines, but it soon will be—where we have tolerated great injustices based on violence and terrorist tactics. We have been culprits in that respect. It ill behooves us to raise a cry of indignation at acts of terrorism when we ourselves have perpetrated them against even nations that to the world we proclaim amnesty and friendship by sending envoys that are there now, such as in Managua. In El Salvador, as I rise here now at this moment, we have our Huey attack helicopters under the guidance and direction of General Duarte, and annihilating children, women, innocent infants up in those mountain areas in the provinces where the scorched-earth policy is no different whatsoever from what we accuse the Russians of doing in Afghanistan, no difference whatsoever. If we look at it from the standpoint of the Russian/Afghanistan situation where Afghanistan is like Mexico is to us, and we look upon the whole situation as their attempt to safeguard their borders, then we have got to recognize that what I think we are doing in El Salvador, even with the best intentions, is reprehensible. We cannot justify the tactics that we have been using in an attempt to subdue the so-called leftists in El Salvador who are innocent civilians, grandparents, children, 6-month-old babies are being blasted out of existence.

In Guatemala, the same thing. It is not any importation of Russian-made, Cuban-made arms. They are almost 100 percent American-made arms, or a residue of Israeli-made arms that are exterminating Indian tribes in Guatemala.

Mr. BARNES. Let me say to the gentleman that I apologize for interrupting the gentleman, but I am going to have to take back my time. We have the Rules Committee awaiting action on a couple of rules.

Mr. GONZALEZ. I do think we have to counterbalance these things and see the realism of it, and see that we have a continuing responsibility for some of these acts of terrorism, and we are going to continue. I predict we will see more of this rather than less.

Mr. BARNES. I thank the gentleman for his contribution.

Mr. Speaker, I would urge a unanimous vote in support of this resolution condemning the act of violence, the murder of innocent civilians in El Salvador, and the kidnaping of the daughter of President Duarte.

I yield back the balance of my time.

Mr. DORNAN of California. Mr. Speaker, will the gentleman yield?

Mr. BARNES. I have promised the Rules Committee that we would be out of here in 3 minutes, and we have already been here 20 minutes.

Mr. DORNAN of California. Was there any time on our side?

Mr. BARNES. There has been time on your side. Several Members of our side have spoken.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the concurrent resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DORNAN of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electonic device, and there were—yeas 402, nays

1, answered "present" 1, not voting 30, as follows:

[Roll No. 300]

YEAS—402

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Coughlin
Courter
Coyne
Craig
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dicks
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fields
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Grotberg
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Lott
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Sisisky
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Slattery
Slaughter
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Smith (NH)
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Smith, Robert
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Thomas (CA)
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Weaver
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Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)

NAYS—1

Savage

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—30

Addabbo
Applegate
Bevill
Bilirakis
Boucher
Conte
Conyers
Cooper
Crane
Crockett
Dickinson
Dingell
Dixon
Dowdy
Dymally
Fish
Gibbons
Gunderson
Horton
Hunter
Ireland
Kastenmeier
Lehman (CA)
Long
Pursell
Strang
Vucanovich
Wolpe
Young (FL)
Zschau

☐ 1110

Mr. GUARINI changed his vote from "nay" to "yea."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WOLPE. Mr. Speaker, during rollcall No. 300, I was unavoidably off the floor. Had I been present, I would have voted "yea" on House Concurrent Resolution 187.

PERSONAL EXPLANATION

Mr. CONTE. Mr. Speaker, during rollcall No. 300, I too, was unavoidably detained and off the floor. Had I been present, I would have voted "yea" on House Concurrent Resolution 187.

GENERAL LEAVE

Mr. BARNES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 187, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Hallen, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 61. Concurrent resolution to commend Pete Rose on becoming the all-time Major League leader in base hits.

PROVIDING FOR THE CONSIDERATION OF H.R. 7, SCHOOL LUNCH ACT AND CHILD NUTRITION AMENDMENTS OF 1985

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 262 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 262

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7) to extend and improve the National School Lunch Act and the Child Nutrition Act of 1966, and the first reading of the bill shall be dispensed with. All points or order against the consideration of the bill for failure to comply with the provisions of section 401(b)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, each section of said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 5(a) of rule XXI and section 401(b)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and support the bill to the House with such amendments as may

have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], and pending that, I yield myself such time as I may consume.

Mr. MOAKLEY. Mr. Speaker, House Resolution 262 is the rule providing for the consideration of the bill H.R. 7, the National School Lunch Program and the Child Nutrition Amendments of 1985.

Mr. Speaker, the rule provides 1 hour of general debate, divided between the chairman and ranking minority member of the Committee on Education and Labor.

Also, Mr. Speaker, House Resolution 262 makes in order the amendment in the nature of a substitute which is recommended by the Committee on Education and Labor. This amendment is to be considered as original text, with each section considered as read.

The rule waives points of order under section 401(b)(1) of the Congressional Budget Act against consideration of the bill and the committee amendment in the nature of a substitute. Section 401(b)(1) of the Budget Act prohibits the consideration of legislation which provides new entitlement authority to be effective before the first day of the fiscal year which begins in the calendar year in which the legislation is reported.

Since the bill and the substitute provide new entitlement authority for the School Breakfast and Child Care Programs which is to become effective July 1, 1985, and since this is before the first day of fiscal year 1986, the bill and the amendment violate section 401(b)(1) of the Budget Act. However, the Committee on Education and Labor has agreed to offer a floor amendment making the programs concerned effective October 1, 1985, and therefore, curing the Budget Act violation. As a result the committee considers the waiver purely technical.

The rule waives clause 5(a) of rule 21, which prohibits appropriations in a legislative bill against that substitute. Certain provisions of H.R. 7, as reported, allow previously appropriated funds to be used for new activities and thus constitute appropriations. Since H.R. 7 is not an appropriation measure a waiver of clause 5(a) of rule 21 is needed.

Mr. Speaker, H.R. 7, the School Lunch and Child Nutrition Amendments of 1985, reauthorizes five expiring programs which are designed to ensure a nutritionally adequate diet for children from low-income families and to provide for nutritional needs of the Nation's elderly. The five programs are the supplemental Food Program for Women, Infants, and Children, more commonly known as the WIC Program; the Summer Food Service Program for low-income children; the Commodity Distribution Program that provides support for both children and older Americans; the State Administrative Expense Program, which provides payments to States to pay for the costs of the programs, and the Nutrition Training and Education Act.

Mr. Speaker, H.R. 7 would authorize $1.86 billion for fiscal year 1986, $1.95 billion for fiscal year 1987, and $2 billion for fiscal year 1989. Of the total funding for fiscal year 1986, there is $121 million in new funding for expansion of existing programs. The bill would add 120,000 new participants and $60 million for the WIC Program.

Mr. Speaker, a similar bill was passed by the House during the 98th Congress, but no action was taken on the bill by the other body. In order to prevent the termination of these programs they were extended for 1 year in the continuing resolution for fiscal year 1985. Mr. Speaker, unless the House enacts this legislation the existing programs will expire at the end of the month. I urge my colleagues to vote for House Resolution 262.

☐ 1120

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. QUILLEN. Mr. Speaker, this is an open rule and I urge its adoption.

H.R. 7 is a very important bill reauthorizing a number of Federal food programs, many of which are set to expire at the end of this month. The five expiring programs are the Special Supplemental Food Program for Women, Infants, and Children—the so-called WIC Program—the Summer Food Service Program for Children, the Commodity Distribution Program, payments to the States to pay for the administrative costs and the Nutrition Education and Training Program.

In addition to extending these programs, the bill also expands the School Lunch Program both by broadening its eligibility and by enhancing the nutritional value of the meals it provides to our schoolchildren.

I don't think there is any significant disagreement about the reauthorization of these important Federal food programs, but there is some dispute over the amount of money that should be spent on them. H.R. 7 sets the spending level at $1.6 billion for fiscal year 1986 and such sums as may be necessary in fiscal years 1987 and 1988. This compares to the $1.5 billion provided during the current fiscal year and the administration's budget request for $1.5 billion for the coming fiscal year.

Last year the House passed a similar bill by a vote of 343 to 72. The other body, however, failed to take up that bill and these programs were included in the continuing appropriation resolution. I hope that history will not be repeated this year because these important programs deserve careful consideration in their own right and on their own merits.

Mr. Speaker, since this is an open rule permitting full debate and the opportunity for Members to vote on all the issues in dispute regarding this bill, I ask for a "yes" vote on the rule so that we can get down to the business of working on this important bill.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman from Tennessee for yielding.

Mr. Speaker, here we go again. Once more, we bring a rule to the floor that waives the Budget Act. Remember just about 6 weeks ago when we passed the budget, with all of the flowery headlines and all of the flowery press releases about what we were doing to end deficits and bring down the amounts of money that we were spending in deficit? Remember all those headlines back home that all of us gloried in? Well, when it comes to actually spending money, guess what. We use the rules process to simply say that the Budget Act is irrelevant, bring it out here, waive the Budget Act, spend the money. That is how we get big deficits. This rule is another link in the chain of big deficits.

Why? Well, this one is really bad. Now, some of them I have mentioned before are kind of procedural. But here you have got one that is really a doozy, because in this particular rule what we are waiving in the Budget Act is entitlement authority. In other words, what this bill does is it creates new entitlement authority. You know those entitlements that everybody says are contribuing to the increase of deficits? Well, right here we are creating one, in violation of the Budget Act. And why do I know it is in violation of the Budget Act? Because we are having to waive the Budget Act in order to bring this entitlement authority to the floor.

So in fact what we are doing here is we are specifically adding to the deficit with new entitlement authority.

Now, Mr. Speaker, I think that it is time that we begin to be a little rational about what we are doing. I mentioned some figures this morning that indicate that every dime of taxes being paid by the average American working family in this country, every dime of them is going to pay their share of the national debt, the $2 trillion of national debt. Their share of that debt being compounded each year, with interest, by the Federal Government, is $2,775, and the average taxpayer pays only $2,766 in taxes.

We are piling on debt to the point where people are now spending every dime they are paying in their personal income taxes just to pay their portion of the debt that we have spent for them.

This bill is one more link in that chain. We have got to stop it. If you vote for this rule, you are voting specifically to waive the Budget Act, to say that entitlement authority will be done in violation of the Budget Act, and we are going to go ahead and spend the money, regardless of the fact that it is new entitlement authority, in violation of the Budget Act.

I say to you, Mr. Speaker, that if we are going to continue that pattern, then someone has got to begin to hold us responsible for what is going on here. We have got to begin holding responsible the people who bring these bills to the floor and the people who vote for these bills.

Mr. QUILLEN. Mr. Speaker, I would advise the gentleman from Massachusetts [Mr. Moakley] that I have two more firm requests for time, and possibly three, and at this time, Mr. Speaker, I yield 7 minutes to the gentleman from Texas [Mr. Bartlett].

Mr. BARTLETT. I thank the gentleman from Tennessee for yielding me some additional amount of time to discuss both this rule and the impact of this rule and the impact of this bill on legislation and on the Federal deficit.

Mr. Speaker, I do not rise to either support or oppose the rule. The rule is an open rule to allow for some amendments that I will be offering, along with a number of other Members, and so I support that.

The gentleman from Pennsylvania, and others, have pointed out that the rule also waives the Budget Act, and that is correct. That is the problem of this bill: In bill after bill, program after program, many that are good programs like these and many that have nice titles like these, we continue to waive not just the Budget Act, but we waive the entire ability of Congress to deal with the entitlement programs.

Mr. Speaker, 52 percent of the Federal budget is entitlements, and that means they almost never or very seldom come before the floor in a way that we can deal with them, and when they do, they always have such good titles, such as school lunch, that any attempt to change them is resisted.

What I will do during debate on the rule is to set the tone of the debate, and I promise you that I will be repetitive both during the rule, during the debate, and during the amendments. As each of you knows, it is terribly difficult to get a very clear debate on programs that are entitled with such names as the School Lunch Program.

My point, of course, will be that the changes and lack of changes in these programs are going away from the direction I think Congress intends to go with at least our public statements and our debate about the deficit, and I will have some charts that I will be passing out on the floor. But the key element of the chart, Mr. Speaker, is to show that the programs covered by H.R. 7 in the fiscal year 1985 cost the American taxpayers $5.5 billion, and that is not bad.

But, Mr. Speaker, through a series of entitlement changes that are in H.R. 7 and in present law would increase the cost of those programs, assuming the same number of recipients, by $2 billion biannually by fiscal year 1990, a 36-percent increase, assuming the same number of recipients, no more, no less.

So, Mr. Speaker, I will have a set of amendments, five in all, with the unanimous consent of the majority and the minority I will be offering to block three of those amendments, to be considered en bloc, and consider the other two separately, to save some time in the debate, although on a $2 billion increase I think we need to take all the time we need.

Mr. Speaker, let me first show the committee what the existing programs are. In H.R. 7, these programs have been increased, each one, by a modest amount, some with improvements, the School Breakfast Program—in fact, I support this change—would add some nutrition, which is sorely needed, at 6 cents a meal. The WIC Program has been increased. And I think over the long run that saves us money because it saves money with the neonatal care and hospitalization. But the difficulty, Mr. Speaker, is the cumulative effect of those changes adds $2 billion to the Federal deficit with one swoop, with one bill, and that bill is up today.

Now, Mr. Speaker, what I have done is I have prepared five amendments that are modifications to these programs. There are no slashing amendments, there are no cutting amendments, there are no amendments that do any great damage. In fact, these amendments are rather modest modifications that have been long discussed and are generally regarded as positive, good-government types of reforms that have simply never been adopted because the title of the program is the School Lunch Program.

Mr. Speaker, I will explain each of these amendments in detail later in the debate. one has no cost estimate impact now but it will save money in the long run, and that is program simplification by the school districts themselves, by the local governments. The second one is to delete the food service equipment, a new program that we are restoring that had been deleted before. Next is to means test family day care, the same as all other school lunch programs are means tested, no more, no less. The next is to eliminate the cash subsidy for nonneedy students, for those students who are receiving a cash subsidy through their school district of 12½ cents in cash for children, yours and mine, who are middle income.

□ 1135

The last is to freeze the COLA for 1 year to provide for a catchup of the increases in COLA's and reimbursements over the last 5 years that frankly did not reflect the increased costs of these programs. The result of that, Mr. Speaker, is to reduce the rate of increase in these programs; it is not to cut the programs. The programs will still increase. But to reduce the rate of increase of these programs. Instead of increasing by 36 percent, that would be cut in half. If the House votes for these amendments today, Mr. Speaker, rather modest reforms, the result will be that 5 years from now we will be spending $1 billion less per year every year until the end of time compounded on these cumulative programs, less than we would if we do not adopt these amendments. The programs will still increase; they will still go up. These are not cutting amendments; they are limiting the rate of increase.

Now, there is a lot of talk in the 1-minutes, at recess, at town halls, on the campaign stump and elsewhere about balancing the budget and reducing the deficit. The only spending program we have on the House floor today is H.R. 7. We cannot reduce anything except the rate of increase in H.R. 7 and in these programs. I understand that it is terribly difficult for a Member to ever vote for anything that would reduce the rate of increase in the School Lunch Program. But, Mr. Speaker, these same children have parents that are trying to get jobs and those jobs will not be there if we continue these deficits.

Those same children have parents that are trying to buy a home and cannot buy them because interest rates are so high that they cannot afford the cost of interest. Those same children have parents who have been thrown out of work by the trade deficit that is a direct result of Congress not making decisions on program after program. The deficit is before us today. It is before us today on only one program, on one program that is a symptom of the 52 percent of all the programs that are called entitlements. That will be the decision. I thank the gentleman for the extra time.

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. I thank the gentleman for yielding me this time.

Mr. Speaker, I appreciate the gentleman from Tennessee in particular, not only for his work on the Rules Committee, but also for his sage advice and counsel to some of us that are new to the House of Representatives. We need quite often to go to some of the Members that have been here for a while and very often just to learn the ropes. It is nice to have people like Mr. Quillen to be able to turn to. I again want to thank the gentleman for giving me this time.

Mr. Speaker, I rise in opposition to this rule, and in a larger sense, in opposition to the recurring incidence of a rule that waives the Budget Act. Last night we had a discussion about the deficit and how serious the problem is and what we can do about it. There was a Member on the floor who suggested the problem is that the President lacks discipline and the President does not send us a balanced budget. I do not think that is quite accurate. The President does not originate spending bills; we do in this House. We have that responsibility; we have that authority, and we need to be disciplined.

We write budgets for discipline and for guidelines and to establish principles for spending. In our budget discussions, we always concern ourselves with entitlements. The question is how can you control, regulate, diminish or reform entitlement programs, and they always become an obstacle to budget reductions, to spending cuts, and to control of the deficit.

The rules are supposed to provide us with discipline. You have to play by the rules. When the Dallas Cowboys beat the Washington Redskins by 30 points, they must play by the rules, and they managed to do that, despite the fact that many thought they were an underdog. So the rules are there for a purpose. I would suggest to you that when you have another rule that says your wide receivers can perform an end run before the ball is snapped, that undermines the discipline of the game.

So we have to in this case question the principle of recurringly going to the committee and obtaining a rule that says waive the Budget Act. Waive these considerations that we labored over for so long to establish a set of guidelines, a set of priorities, and a reasonable allocation of the scarce taxpayers' dollar in America. We do not have enough money to do everything that some would have us do. We must have discipline; we must have a budget, and then within the rules of the House we must learn to live within that budget once we have gone through this often painstaking task of settling on a budget. This is not the only bill that will come to this floor with such a rule. It happens time after time after time. I guess I am going to have to suggest that some of us are going to have to watch this process, determine who asks for the rule that waives the Budget Act, and perhaps give some publication to that or find some way to find some instrument or device where we can get some discipline to adhere to the rules and adhere to the budget.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman.

Mr. WALKER. Just to help him make his point, we are going to have a rule coming up immediately after this one. It too, waives the Budget Act.

Mr. ARMEY. I thank the gentleman for making my case so clear. I thank the gentleman from Tennessee.

Mr. QUILLEN. Mr. Speaker, I commend the gentleman from Texas. We have something in common, not only as colleagues, but his wife is from my district. He is a great guy.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Goodling].

Mr. GOODLING. I thank the gentleman for yielding me this time.

Mr. Speaker, we are doing a good job of mixing oranges and apples and almost anything else so far in this debate. First of all, let me remind everyone that we are reauthorizing five programs in H.R. 7. These five programs are WIC, Summer Feeding Program, Commodity Distribution, State Administrative Costs, and Nutrition Education Programs. We are not reauthorizing School Lunch or any other program than the five that I mentioned. That is all that H.R. 7 does. I think it is time to stop trying to confuse the issue. There are five programs to be reauthorized.

Second, I would like to know where the creation of the new entitlement programs are in H.R. 7. I cannot seem to locate them, and if somebody knows where they are, perhaps when I am finished, when I am finished, you have had a lot of time, you can show me where the creation of all these new entitlement programs are in H.R. 7.

Furthermore, I would like to know where these great expansions are of entitlement programs. USDA said that the School Breakfast Program does not feed nutritious meals. It was USDA that said that in a study that they made, and so it takes 6 cents in order to feed that nutritious meal, 90 percent of which go to, I quote, "the Safety Net Programs." That was coined by this administration I believe. So that goes to the Safety Net.

I would also tell my friend from Texas when you talk about the trade imbalance, et cetera, it goes way beyond what we do here on the floor of the House. There happens to be two people, two naive people left in this world who believe there is free trade. I believe they are both in the United States; I am afraid they are both connected somehow or another with the White House, and that has a lot to do with our trade deficit. So do not try to minimize the trade problems by getting into this program.

During World War II, when we began to draft, those who were responsible for drafting people who might be able to defend this country and the free world found that as a matter of fact there was such a nutrition problem that they really had a difficult time getting people who could stand on their feet to try to protect the free world.

□ 1145

So the Congress reacted by passing a school lunch program, and then added other nutrition programs during the years to ensue.

The Congress decided, as a matter of fact, that this was very important. I served on the Budget Committee. I did not have the luxury of serving on the conference committee, and I suggested to people on the Budget Committee here and on the Senate side ways that, if we are going to freeze everything, we can freeze the nutrition programs without doing too much harm. But they decided in the Budget Committee, and particularly in the conference, that as a matter of fact, we are not going to freeze everything.

In one program, we say you can have a cost-of-living or inflation increase this year, and you can have that inflation increase and 3 percent besides the next years.

It seems to me nutrition is equally important, and we are not asking for that here. In this bill we are basically saying that there is a $121 million increase from current services. I know you just saw a chart and you are going to hear this over and over again, "Oh, you are talking about $2 billion." In the five programs that are being reauthorized in this H.R. 7, we are talking about a $121 million increase, brought down from the $370 million increase that was asked for and passed overwhelmingly in this House last year.

That basically goes to WIC, where we are told again that it costs $2,000 a day—$2,000 a day—to keep a child who is prematurely born in a neonatal care clinic, $60,000 a month, because it usually takes 30 days until they are able to get them caught up. We are talking in WIC of $400 a year versus $2,000 a day per child, and most of that $2,000 per day and that $60,000 per month will eventually come from taxpayers if we do not prevent it.

So we will talk more about this when we get to the actual bill, but there are only five programs that we are reauthorizing. School lunch is not one of them.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

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Mr. Speaker, I would like to at this time thank the gentleman who just left the microphone for putting this debate in its proper perspective.

In fact, the amendment that is going to be proposed by the gentleman from California [Mr. Hawkins] and which will ultimately be adopted, cures the Budget Act violation. Just the changing of July 1 to October 1 cures the Budget Act violation, so all the statements made at the microphone about how much we are spending really is not the Budget Act violation we are talking about. It is just the changing of the date from July 1 to October 1.

Had we had this bill with an October 1 date on it, rather than July 1, there would be no Budget Act violation, so I am glad the gentleman from Pennsylvania [Mr. Goodling] who just left the well really showed where the apples were and where the oranges were. It is only a technical violation, and I do not know where all these entitlement authorities that are being talked about come from, but as I say, as soon as the amendment of the gentleman from California is adopted, there will be no Budget Act violation. I am sorry that some of the speakers chose to discuss this Budget Act waiver in terms of the amount of money being spent. In fact, this Budget Act waiver involves not a single dollar of additional money being spent. It is a technical waiver for a provision which will be corrected by committee amendment. The waiver is necessary only for the purpose of bringing up the bill in order to allow that committee amendment to be offered.

Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 266, nays 142, not voting 26, as follows:

[Roll No. 301]

YEAS—266

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bates
Bedell
Beilenson
Bennett
Bereuter
Berman
Biaggi
Bliley
Boggs
Boland
Boner (TN)
Bonior (MI)
Borski
Bosco
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Chapman
Chappell
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Cooper
Coyne
Daniel
Darden
Davis
de la Garza
Dellums
Derrick
Dickinson
Dicks
DioGuardi
Donnelly
Dorgan (ND)
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
English
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Flippo
Florio
Foglietta
Foley
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hyde
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
MacKay
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Penny
Pepper
Perkins
Pickle
Price
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Sikorski
Sisisky
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Wilson
Wirth
Wise
Wolf
Wolpe
Wright
Wyden
Yates
Yatron
Young (AK)
Young (MO)

NAYS—142

Archer
Armey
Badham
Bartlett
Barton
Bateman
Bentley
Boehlert
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Campbell
Carney
Chandler
Chapple
Cheney
Clinger
Coats
Cobey
Coble
Combest
Coughlin
Courter
Craig
Dannemeyer
Daub
DeLay
DeWine
Dornan (CA)
Dreier
Emerson
Evans (IA)
Fawell
Fiedler
Fields
Franklin
Frenzel
Gallo
Gingrich
Gradison
Gregg
Grotberg
Hansen
Hartnett
Hendon
Henry
Hiler
Hillis
Holt
Hopkins
Hutto
Jacobs
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leath (TX)
Lent
Lewis (FL)
Lightfoot
Livingston
Loeffler
Lott
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCain
McCandless
McCollum
McEwen
McGrath
McKernan
McKinney
McMillan
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Monson
Moore
Moorhead
Morrison (WA)
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Ritter
Roberts
Roemer
Rogers
Roth
Rowland (CT)
Rudd
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Skelton
Slaughter
Smith (NE)
Smith (NH)
Smith, Denny
Smith, Robert
Snyder
Solomon
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wortley
Wylie
Zschau

NOT VOTING—26

Addabbo
Bevill
Bilirakis
Boucher
Conyers
Crane
Crockett
Daschle
Dingell
Dixon
Dowdy
Dymally
Fish
Ford (MI)
Gibbons
Hunter
Ireland
Kastenmeier
Lehman (CA)
Long
Martinez
Pursell
Shelby
Strang
Williams
Young (FL)

☐ 1155

Messrs. LEATH of Texas, JACOBS, EVANS of Iowa, and MOORE changed their votes from "yea" to "nay."

Mrs. KENNELLY, Mr. CHAPPELL, and Mr. BEREUTER changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

☐ 1210

MAKING IN ORDER AT ANY TIME ON WEDNESDAY, SEPTEMBER 18, 1985, OR ANY DAY THEREAFTER, CONSIDERATION OF A RESOLUTION MAKING CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1986

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it be in order at any time on Wednesday, September 18, 1985, or any day thereafter to consider in the House a resolution making continuing appropriations for the fiscal year 1986, and for other purposes, as reported by the Committee on Appropriations.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. WALKER. Reserving the right object, Mr. Speaker, I do so just to ask our committee chairman, it is my understanding that this bill contains all

of the prohibitions that are presently in law; is that correct?

Mr. WHITTEN. Mr. Speaker, if the gentleman will yield, that is true.

Mr. WALKER. I thank the chairman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2266, AMTRAK AUTHORIZATION FOR FISCAL YEARS 1986 AND 1987

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 263 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 263

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2266) authorizing appropriations for Amtrak for fiscal years 1986 and 1987, establishing a commission to study the financial status of Amtrak, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and to the amendment made in order by this resolution and which shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Energy and Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, each section of said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI and clause 5(a) of rule XXI are hereby waived. It shall be in order to consider the following amendments: (1) an amendment printed in the Congressional Record of September 11, 1985, by, and if offered by, Representative Foley of Washington and all points of order against said amendment for failure to comply with the provisions of clause 7 of rule XVI are hereby waived; and (2) an amendment printed in the Congressional Record of September 11, 1985, by, and if offered by, Representative Evans of Illinois and all points of order against said amendment for failure to comply with the provisions of clause 7 of rule XVI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Ohio [Mr. Latta], and pending that, I yield myself such time as I may use.

Mr. Speaker, House Resolution 263 is the rule providing for the consideration of the bill, H.R. 2266, the Amtrak reauthorization for fiscal year 1986.

Mr Speaker, the rule provides for 1 hour of general debate, divided between the chairman and ranking minority member of the Committee on Energy and Commerce.

Mr. Speaker, the resolution provides a waiver of section 402(a) of the Congressional Budget Act—the May 15 reporting deadline for authorization bills. This waiver is necessary because the Committee on Energy and Commerce did not report H.R. 2266 to the House until May 23, 1985.

Because we have heard a lot in the previous debate about waivers of the Budget Act, I want to make the background on this matter as clear as possible. This is a procedural issue. There is no money involved in the waivers. I would stress that the Committee on Energy and Commerce voted on May 15 and ordered the bill reported. So, the dollar amounts were known to the Budget Committee in a timely fashion, which is the whole point of section 402(a).

However, the filing of the report was delayed to accommodate the minority's interest in submitting views, and the report was not actually filed until 8 days later.

House Resolution 263 makes in order the Energy and Commerce Committee amendment in the nature of a substitute to be considered as original text, with each section of the substitute to be considered as read.

Mr. Speaker, House Resolution 263 waives clause 5(a) of rule 21, which prohibits appropriations in legislative bills, against consideration of the substitute. Section 1 of H.R. 2266 designates new uses of previously appropriated funds, and since H.R. 2266 is not an appropriation measure a waiver of clause 5(a) of rule 21 is needed. Also, the rule waives clause 7 of rule 16 which prohibits nongermane amendments against the substitute.

Mr. SPEAKER, House Resolution 263 waives the germaneness rule to permit consideration of two amendments printed in the Congressional Record of September 11, 1985: An amendment to be offered by the gentleman from Washington [Mr. Foley], and an amendment to be offered by the gentleman from Illinois [Mr. Evans]. Finally, House Resolution 263 provides one motion to recommit with or without instructions.

Mr. Speaker, H.R. 2266 authorizes $616 million for the National Railroad Passenger Corporation, more commonly known as Amtrak. The bill would direct Amtrak to use nonoperational capital funds for operating expenses so that it can maintain current levels of service, maintenance, and equipment overhaul. In addition H.R. 2266 authorizes $1 million for the establishment of a 15-member Amtrak Study Commission. This Commission will examine the ability of Amtrak to further improve its financial performance, study its capital needs, and investigate alternative funding mechanism.

Mr. Speaker, I wish to commend the gentleman from New Jersey [Mr. Florio] and the gentleman from New York [Mr. Lent] for their diligent efforts in developing this important legislation. H.R. 2266 represents a strong bipartisan consensus of a bill that is of vital importance to the economy and our national transportation system, it is critical that we continue our commitment to maintaining a viable railroad system and I am grateful to my colleagues on the Commerce Committee who have consistently supported this effort.

Mr. Speaker, I strongly urge adoption of House Resolution 263 so that we may proceed to consideration of this important bill.

Mr. Speaker, I yield for the purposes of debate only to the gentleman from Ohio [Mr. Latta].

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, most of us have heard from our constituents who are concerned about the deficit of our Government and most of us have made speeches calling for action to reduce the deficit.

Well, the bill made in order by this rule is one place where we will have an opportunity to do something about the deficit, not just talk about it.

Let me begin with a historical note about Amtrak. When Amtrak was established by the Rail Passenger Service Act of 1970, the intent of Congress was that Amtrak would be a self-supporting, for-profit corporation. Let me repeat that—would be a self-supporting and a for-profit corporation.

Section 301 of the Rail Passenger Service Act states:

> The Corporation shall be operated and managed as a for profit corporation, the purpose of which shall be to provide intercity and commuter rail passenger service.

Et cetera.

This theme was expressed repeatedly during the floor debates both in the House and in the other body. And yet, Mr. Speaker, in spite of all these good intentions and all of these wonderful speeches, Amtrak's revenues have never equaled its costs. Government subsidy to Amtrak, which was originally envisioned being simply transitional aid, has cost the American taxpayers between $9 billion and $11 billion since 1971. According to projections provided by the Office of Management and Budget, Amtrak will cost the taxpayers in excess of $8 billion over the next 10 years, and let me say, that is $8 billion more red ink, because we do not have the $8 billion.

To put Amtrak subsidies in perspective, Mr. Speaker, let me say that the Congressional Budget Office has compared Amtrak's Federal subsidies on a per-passenger mile basis to the Federal subsidies received by other modes of transportation. Last year, the Federal subsidy to Amtrak totaled about 17 cents per passenger mile, as compared to 8 cents a passenger mile for general aviation and 0.2 cents per mile for intercity bus passengers. Travelers on commercial airlines and automobile users overpaid by 0.2 and 0.1 cents respectively per passenger mile.

According to the Congressional Budget Office, overall cost recovery has improved, with passenger fares covering 50 percent of costs in 1984, versus 38 percent in 1980. However, unrecovered infrastructure costs, meaning track repair and maintenance in the Northeast and track rentals paid to freight railroads elsewhere, have increased since 1980, so that overall operating subsidies remain close to their 1980 levels.

Mr. Speaker, we are at the place where the taxpayers can no longer afford to continue providing huge Federal subsidies to Amtrak.

Mr. Speaker, the congressional budget resolution passed by this Congress just weeks ago provided a 1986 funding level of $582 million for Amtrak, far more than we can afford. But this bill comes in at $616 million, well over the budget which we agreed to. Let me advise the House that unless the committee of jurisdiction comes forth with an amendment to bring this authorization within the budget, I will personally offer such an amendment.

However, Mr. Speaker, the better part of wisdom would be to terminate this program, which we cannot afford, and do something meaningful toward deficit reduction. By so doing, we could send a message to the financial markets and to the American people that we really mean all those speeches that we have made about reducing the deficit.

Mr. Speaker, let me make a couple points about the rule itself which provides for this reauthorization. It begins by waiving the Budget Act requirement that authorization bills be reported by May 15. Naturally, this bill missed the reporting deadline.

The rule next provides for 1 hour of general debate and an open amending process.

Then there is a waiver of the germaneness rule, because the introduced bill was a simple authorization, while the committee substitute includes a number of changes in permanent law.

There is also a waiver of the rule which prohibits appropriations on a legislative bill, because there are a number of provisions in this bill which technically constitute appropriations.

Finally, Mr. Speaker, the rule makes in order two amendments, which are not germane to the rest of the bill.

Let me conclude, Mr. Speaker, with one thought. If we cannot cut this bill, where can we reduce spending?

Mr. Speaker, I have a couple requests for time. I yield 2 minutes to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Speaker, I thank the gentleman from Ohio for yielding. Let me also congratulate him on the remarks that he just made.

I think the gentleman pointed out very clearly the nature of the bill that we are considering and he has also made clear that the rule that we are considering has some problems with it.

Let me first of all comment on the first part of that. He made the point that the bill we are considering if this rule is permitted to pass is a bill that, in fact, creates spending that we cannot afford. Here is a problem that the President in his budget called for the total elimination of it. He said we ought not to spend any money for this program. We cannot afford it.

And what is the reaction of the House of Representatives at a time of high deficits, at a time when we are piling debt upon debt? What is our reaction to the President's initiative to actually eliminate this program? We are going to waive the Budget Act to spend the money. And that is precisely what this rule does.

□ 1225

It is not the bill that is going to waive the Budget Act. We are waiving the Budget Act right here in this rule.

Now we have heard it mentioned that that is probably the fault of the minority, they did not file soon enough. Well I would say to those who make that kind of argument, I do not care whose fault it is, the fact is we bring it out here under the Budget Act and we are in violation of the Budget Act. We are going to spend the money in violation of the Budget Act. We have to stop that.

The American people are disgusted with us parading around a budget and then violating it. This is twice today. Here is the second time in 1 day that we just violate the Budget Act, waive it, say it does not mean anything.

I will tell you, I think there are a lot of people growing sick of the presses that suggests that the discipline we gave ourselves under the Budget Act is meaningless when it comes to spending the money, and that is precisely what we are saying.

Now I am realistic enough to know if the House voted by more than 100 votes on the last bill to violate the Budget Act, even when it related to entitlement authority, that we are not very likely to reject this rule where the violation is more technical, but it is still appalling.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. Mr. Speaker, I also rise in opposition to this rule. I want to thank the gentleman from Ohio for yielding. I admire his work in this body.

I have to say, Mr. Speaker, here we go again. I have to say also that it is rather amusing that we are waiving the Budget Act now on a resolution to fund Amtrak because the train was late coming into the station. I think that is a bit ironic.

Yet, I can understand how we might be a little bit late getting pending bills out of committee and onto the floor. It does take a little bit of time to spend $900 billion of the taxpayers' money. We spent $200 billion more than we have taken in in taxes, so we can have a $200 billion deficit. It does take a little bit of time to spend money in that deficit, contrary to the President's request, so that we can come back and say the problem of the deficit is that the President did not request a balanced budget.

I do understand how all of these things take place. And I understand, Mr. Speaker, that this bill is off track. We need to derail this whole process, not only as it regards spending on Amtrak, but in many, many other areas where we have excessive abuses of spending.

Remember, the Government does not create wealth, it does not create income, it just takes it out of one pocket and puts it into another pocket, and it ought to at least do that on time.

Mr. LATTA. Mr. Speaker, I have no further requests for time.

Mr. MOAKLEY. Mr. Speaker, in closing debate, I want to stress again that the Budget Act waiver involves not a single dollar of additional money being spent.

It is a technical waiver, only. The committee voted to report the bill by the May 15 deadline. The filing was delayed, at least in part, to accommodate the filing of minority views.

The Budget Committee and the Rules Committee agree that the waiver is purely technical and an appropriate step.

Mr. Speaker, I have no further requests for time and I move the previous question on the resolution.

The previous question was ordered.

The **SPEAKER** pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LATTA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 236, nays 159, not voting 39, as follows:

[Roll No. 302]

YEAS—236

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Aspin
Atkins
AuCoin
Barnes
Bates
Beilenson
Bennett
Berman
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Chapman
Chappell
Clay
Coelho
Coleman (TX)
Collins
Conte
Cooper
Courter
Coyne
Crockett
Daniel
Darden
de la Garza
Dellums
Derrick
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hatcher
Hawkins
Hayes
Hefner
Hertel
Hillis
Holt
Horton
Howard
Hoyer
Hughes
Hyde
Jacobs
Jeffords
Jenkins
Johnson
Jones (TN)
Kanjorski
Kaptur
Kennelly
Kildee
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lipinski
Lloyd
Lowry (WA)
Lujan
Luken
Lundine
MacKay
Manton
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Parris
Pease
Penny
Perkins
Pickle
Price
Rahall
Rangel
Reid
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Sharp
Shelby
Shuster
Sikorski
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Walgren
Waxman
Weaver
Weiss
Wheat
Whitley
Wilson
Wirth
Wise
Wolf
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)

NAYS—159

Archer
Armey
Badham
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bliley
Boehlert
Boulter
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Campbell
Carney
Chandler
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Coughlin
Craig
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dornan (CA)
Dreier
Eckert (NY)
Edwards (OK)
Emerson
English
Evans (IA)
Fawell
Fiedler
Fields
Franklin
Frenzel
Gallo
Gingrich
Gradison
Gregg
Grotberg
Gunderson
Hammerschmidt
Hansen
Hartnett
Heftel
Hendon
Henry
Hiler
Hopkins
Hubbard
Hutto
Jones (OK)
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leath (TX)
Lewis (FL)
Lightfoot
Livingston
Loeffler
Lott
Lowery (CA)
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCain
McCandless
McCollum
McDade
McEwen
McGrath
McKernan
McMillan
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Monson
Moore
Moorhead
Morrison (WA)
Myers
Neal
Nielson
Oxley
Packard
Pashayan
Petri
Porter
Quillen
Ray
Regula
Ridge
Ritter
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Rudd
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Siljander
Skeen
Slaughter
Smith (NE)
Smith (NH)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wortley
Wylie
Young (AK)
Zschau

NOT VOTING—39

Addabbo
Applegate
Bedell
Bevill
Bilirakis
Bonker
Conyers
Crane
Daschle
DeLay
Dingell
Dowdy
Duncan
Dymally
Fish
Flippo
Garcia
Gibbons
Huckaby
Hunter
Ireland
Jones (NC)
Kastenmeier
Kleczka
Lehman (CA)
Long
Markey
McKinney
Nichols
O'Brien
Pepper
Pursell
Seiberling
Strang
Udall
Watkins
Whitten
Williams
Young (FL)

□ 1240

Mr. ENGLISH and Mrs. ROUKEMA changed their votes from "yea" to "nay."

Mr. OWENS changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION ACT, 1986

Mr. LEHMAN of Florida. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3244) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. Lehman].

The motion was agreed to.

□ 1248

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3244, with Mr. Sharp in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN.** When the Committee of the Whole rose on Wednesday, September 11, the Clerk had read through line 4 on page 42.

The Clerk will read.

The Clerk read as follows:

Sec. 321. Notwithstanding any other provision of law or regulation, the Secretary shall, with regard to the Discretionary Grants Program of the Urban Mass Transportation Administration, within 30 days after the enactment of this section, issue a letter of intent and, upon completion of the current environmental impact statement, enter into a full funding contract with Metropolitan Dade County, Florida, for $180,000,000 to complete the north and south legs of the downtown component of metrorail, which shall be exempt from the major capital investment policy issued by the Urban Mass Transportation Administration on May 18, 1984: *Provided*, That the $180,000,000 shall include $20,000,000 earmarked for fiscal year 1984, $49,000,000 earmarked for fiscal year 1985, $40,000,000 in fiscal year 1986 and, subject to the availability of funds from Congress, $71,000,000 in subsequent fiscal years.

Sec. 322. Notwithstanding any other provision of law, the Secretary shall, with regard to the Discretionary Grants Program of the Urban Mass Transportation Administration, within 30 days after the enactment of this section, issue a letter of intent and enter into a full funding contract with the Municipality of Metropolitan Seattle, Washington, for $175,000,000 for completion of the bus tunnel project: *Provided*, That the $175,000,000 shall include $27,000,000 in fiscal year 1986 and, subject to the availability of funds from Congress, $148,000,000 in subsequent fiscal years.

Sec. 323. The limitation on obligations for the Discretionary Grants Program of the Urban Mass Transportation Administration shall not apply to any authority for section 21(a)(2)(B) previously made available for obligation.

Sec. 324. (a) Notwithstanding any other provision of law, the Secretary of Transportation may use not to exceed one-half of 1 percent of—

(1) the funds made available for fiscal year 1986 by section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964 to carry out section 3 of such Act to contract with any person to oversee the construction of any major project under such section;

(2) the funds appropriated for fiscal year 1986 pursuant to section 21(a)(1) of the Urban Mass Transportation Act of 1964 to carry out section 9 of such Act to contract with any person to oversee the construction of any major project under such section;

(3) the funds appropriated for fiscal year 1986 pursuant to section 21(a)(1) of the Urban Mass Transportation Act of 1964 to carry out section 18 of such Act to contract with any person to oversee the construction of any major project under such section;

(4) the funds appropriated for fiscal year 1986 pursuant to section 4(g) of the Urban Mass Transportation Act of 1964 to contract with any person to oversee the construction of any major public transportation project substituted for an Interstate segment withdrawn under section 103(e)(4) of title 23, United States Code; and

(5) the funds appropriated for fiscal year 1986 pursuant to the National Capital Transportation Act of 1969 to contract with any person to oversee the construction of any major project under such Act.

(b) Any contract entered into under subsection (a) shall provide for the payment by the Secretary of Transportation of 100 percent of the cost of carrying out the contract.

(c) This section shall take effect on October 1, 1985, and shall cease to be in effect at the close of September 30, 1986.

SEC. 325. (a) GENERAL RULE.—Tolls collected for motor vehicles on any bridge connecting the borough of Brooklyn, New York, and Staten Island, New York, shall only be collected for those vehicles exiting from such bridge in Staten Island.

(b) ENFORCEMENT.—The Secretary shall withhold 1 percent of the amount required to be apportioned to the State of New York under sections 104 and 144 of title 23, United States Code, on the first day of the fiscal year succeeding any fiscal year in which tolls collected for motor vehicles on the bridge referred to in subsection (a) are collected for those vehicles exiting from such bridge in the borough of Brooklyn.

(c) PERIOD OF APPLICABILITY.—This section shall apply on and after the 90th day following the date of enactment of this section, except that this section shall not apply after the date on which the Secretary publishes in the Federal Register a determination under subsection (d).

(d) REMOVAL OF LIMITATION.—

(1) DETERMINATION OF SECRETARY.—Subsections (a) and (b) shall cease to be in effect if, upon petition by the Governor of New York under paragraph (2), the Secretary determines that—

(A) a substantial loss of revenues has resulted from the limitation imposed by subsection (a), or

(B) such limitation has resulted in significant traffic problems,

and the Secretary publishes such determination in the Federal Register.

(2) PETITION.—The Governor of New York may petition the Secretary for a determination under paragraph (1) at any time after a period of six consecutive months in which tolls collected for motor vehicles on the bridge referred to in subsection (a) have been collected only for those vehicles exiting from such bridge in Staten Island.

This Act may be cited as the "Department of Transportation and Related Agencies Appropriation Act, 1986".

Mr. LEHMAN of Florida (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. Are there any amendments to title III?

AMENDMENT OFFERED BY MR. SOLARZ

Mr. SOLARZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLARZ: Page 44, line 20, through page 46, line 7, strike out section 325.

Mr. SOLARZ. Mr. Chairman, when the history of the Republic is finally written I suspect that the debate on this amendment will come to be known as the "Battle of the Bridge."

In one corner is the Staten Island Slugger, Mr. MOLINARI; in the other corner is your humble servant, the Brooklyn Bomber.

What is this battle all about? It is about the biggest and most beautiful suspension bridge not only in the country but the world, the Verrazano Bridge.

Right now, on the Verrazano Bridge which connects Staten Island to Brooklyn, both of which are in New York City, there are two sets of toll collection booths. Tolls are collected on the Brooklyn end of the bridge from people going from Brooklyn to Staten Island, and tolls are collected on the Staten Island end of the bridge from people coming from Staten Island and New Jersey into Brooklyn.

My very good friend from Staten Island, Mr. MOLINARI, managed to insert into the bill at the very last moment in the committee markup last week an amendment which would prohibit two different toll collection points on the Verrazano Bridge and which would require that the only place at which tolls can be collected on the bridge is at the Brooklyn end of the bridge.

Now, I can understand why my very good friend from Staten Island, Mr. MOLINARI——

Mr. MOLINARI. Mr. Chairman, would the gentleman yield just for one point of clarification? Because I think if we are going to start the debate, we want to start it with accuracy.

Mr. SOLARZ. I yield to the gentleman.

Mr. MOLINARI. Did I understand the gentleman to say there are two separate toll booths, one on the Brooklyn side and one on the Staten Island side? Well, I think if the gentleman is as informed on the rest of the proposal as he is on that, we are in deep trouble, because the toll booths are all on the Staten Island side.

Mr. SOLARZ. The point I was trying to make is that the gentleman's amendment would require tolls to be collected only at one point on the Brooklyn end of the bridge, going from Brooklyn to Staten Island. In other words, what the gentleman's amendment would do would be to permit people from Staten Island to go into Brooklyn without paying any toll on the bridge whatsoever.

Mr. MOLINARI. If the gentleman will yield again, the gentleman is still maintaining the same thing, and the gentleman is wrong. It is going to be collected on the Staten Island end of the bridge, regardless of what way they go.

Mr. SOLARZ. I take the gentleman's point, but the gentleman would agree, I am sure, under his amendment, people going from Staten Island into Brooklyn would not have to pay a toll for that part of the trip.

Mr. MOLINARI. That is right.

Mr. SOLARZ. They would only have to pay a toll if they go back over the bridge into Staten Island.

Mr. MOLINARI. That is correct.

Mr. SOLARZ. And then they would pay a toll at the Staten Island end.

Mr. MOLINARI. That is right.

Mr. SOLARZ. OK, we agree on the facts.

The fact of the matter is, from the point of view of the people of Staten Island, the ability to cross the Verrazano Bridge into Brooklyn without paying a toll is, presumptively, a benefit. I would not deny that from their point of view, it may very well be beneficial. But the Metropolitan Transit Authority, which has scientifically studied this question, has concluded that it would cost New York at least $10 million in lost toll revenues, because commuters coming in from Staten Island and New Jersey into Brooklyn over the Verrazano Bridge would not have to pay a toll and would find other, perhaps more circuitous, routes to get back to Staten Island and New Jersey without having to pay a toll on the bridge returning later in the day.

□ 1255

Furthermore, the estimates are that it would substantially increase the amount of vehicular traffic coming from Staten Island and New Jersey into Brooklyn by at least 10 percent, which would add another 7,500 vehicles to the rush hour traffic in Brooklyn, which is already very congested.

Now I want to suggest to my colleagues in the House that the real issue here is not whether the interests of 350,000 people on Staten Island should be pitted against 2.2 million people in Brooklyn. The real issue is not whether Mr. MOLINARI is right in assuming that everybody would be better off if this amendment were left in the bill and there were only a one-way toll collection on the bridge, or whether the MTA is right in assuming that it would cost the city $10 million.

(By unanimous consent, Mr. SOLARZ was given permission to proceed for 3 additional minutes.)

Mr. SOLARZ. Or whether the MTA and New York City are right in asserting, on the basis of their study, that it would cost $10 million and increase traffic in Brooklyn.

The real issue, the fundamental issue, is whether the Federal Government should be involved in making this determination. The Verrazano Bridge is a local bridge. It connects one part of New York City to another part of New York City. It is a bridge which is built with local funds. It is a bridge which is maintained by local funds.

The MTA, the city of New York, the Governor of New York, the Triborough Bridge and Tunnel Authority, are all opposed to the Molinari amendment which is contained in this legislation.

This is preeminently a local issue. Whether there should be two toll collections on the Verrazano Bridge, whether the toll should be collected at the Staten Island end or at the Brooklyn end is not a matter for the Federal Government to resolve and determine and to dictate to New York City.

If ever there was a local issue, this is an example of it. I know of no other bridge in the entire country with respect to which the Federal Government has legislated a determination that there should only be one-way toll collections, let alone at which end of the bridge the toll should be collected.

So I am prepared to acknowledge the possibility that my very good friend from Staten Island may be right, and the Metropolitan Transit Authority may be wrong, but this is not an issue which the Congress of the United States ought to determine. It is a matter for local resolution.

The fact of the matter is that the city of New York, the Governor of New York, the Metropolitan Transportation Authority, and the Triborough Bridge and Tunnel Authority, all of which are the relevent jurisdictions concerning the Verrazano Bridge, believe that Mr. MOLINARI's amendment would be harmful to New York and are therefore opposed to it.

So I call upon my colleagues to vote for the amendment I have offered which would strike from this bill the provision put in it by Mr. MOLINARI. Which, I might add, was put in without any hearings before the Transportation Subcommittee whatsoever; and over the opposition in the committee of my very good friend, the distinguished chairman of the subcommittee, Mr. LEHMAN of Florida, who may feel obligated to support it now because he has to defend the bill on the floor. When the amendment was offered in committee, he opposed it, I suppose, on the grounds that there were no hearings, and because all of the local authorities were against it.

So I appeal to you on grounds of home rule alone—do not assert the heavy hand of the Federal Government on the Verrazano Bridge.

Mr. MOLINARI. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I regret that my colleague from Brooklyn has put the tone of this debate in that it appears to be a Staten Island versus Brooklyn issue because it is not.

The fact is that my district is both in Staten Island and in Brooklyn; on both sides of the bridge. I have well over 150,000 constituents in Brooklyn.

Now, the Governor's office has told me, or told my office, they are taking no position on this issue. Yet, you are making a quote, Mr. SOLARZ, that the Governor is opposed to my provision.

Let me get by that for a moment.

Does the gentleman wish me to yield to him?

Mr. SOLARZ. If the gentleman would yield, if there is a factual question about the position of the Governor, I take it the gentleman is aware of the fact that when a proposal to this effect was introduced in the State legislature, the Governor sent the message opposing it.

Mr. MOLINARI. Well, I am glad you mention that, because that will bring me to another subject. Let me try to frame what I am trying to do here. I make no apology for what I am trying to do here; I am trying to deal with a very serious problem that affects not only my congressional district, but the entire city of New York.

I have sought this legislative vehicle to address that problem, and I would applaud anybody else that would attempt to do the same thing. In fact, I would support somebody else who would attempt to do, to take the same approach.

Now, if you look at my district, Staten Island is the fastest-growing county of the 62 counties in New York State. It happens to be the eighth fastest-growing county in the entire country. The present population there, by the way, is 435,000. So that the traffic bind at the toll plazas is continuing to grow and to grow and to grow.

There are two main reasons why I seek this relief. No. 1, common sense. All the other bridges in the city going to New Jersey, you pay a one-way toll. It has worked out fine.

Mr. SOLARZ. Would the gentleman yield?

Mr. MOLINARI. I yield to the gentleman.

Mr. SOLARZ. I thank the gentleman very much for yielding. I hope the gentleman is aware of the fact that on all of the bridges within New York City itself of which the Verrazano Bridge is of course the leading example, there are tolls which are collected both ways.

Not perhaps on the interstate bridges like the George Washington Bridge, but on the bridges within New York City on which tolls are collected; they are collected on the traffic going in both directions.

Mr. MOLINARI. The fact is that for the three existing bridges from Staten Island to New Jersey, you pay no tolls; that is one of the reasons why I had the eastbound traffic pay no tolls.

There is a second, perhaps more serious question that we have to address. The traffic backs up extraordinarily; and on the Staten Island side, there is a low valley. The carbon monoxide buildup there has grown so intense that the Environmental Medical Center of St. Vincent's Hospital has recommended a number of times that during many periods of the year the Verrazano Bridge toll collectors do not collect tolls, to allow people to go through those toll booths as quickly as possible because there is a health emergency, during air enversion episodes.

They are not listening; they do not listen to the entreaties from the health community.

Now, if you want to talk about the State legislature and the Brooklyn position; I do not think the gentleman is aware of the fact that there was a similar bill introduced into the State assembly, and interestingly enough, it is cosponsored by Assemblyman Lasher and Assemblewoman Eileen Dugan, both of whom represent the Brooklyn portion of the bridge. That, incidentally, would provide for a 1-year proviso: a 1-year pilot program similar to what I am suggesting here.

Now, if the city is correct in its assertions, the provision included says, after 6 months, if one of two things happen; if there is a serious loss of revenue or an adverse impact on traffic, which some people suggest and I do not believe.

(By unanimous consent, Mr. MOLINARI was allowed to proceed for 5 additional minutes.)

Mr. MOLINARI. Then the Governor simply has to make a request to the Secretary of Transportation, provide that information, and this provision would be rescinded.

Mr. SOLARZ. Will the gentleman yield?

Mr. MOLINARI. I yield to the gentleman.

Mr. SOLARZ. I thank the gentleman once again for yielding. I think the gentleman's escape clause is a very constructive part of his amendment, and the gentleman is absolutely right in saying that at the end of 6 months, if the Governor believed that this had resulted in a loss of revenues or it created additional traffic problems, he could apply for a removal of the requirement.

The problem that I have with that formula is that at the end of the day, it leaves the determination in the hands of a Federal official; namely, the Secretary of Transportation, when this is quintessentially a local problem, which in my judgment should be resolved by the State and local authorities and not by Washington.

If it were an interstate bridge, then the gentleman's amendment would probably make sense; but this is a bridge, as the gentleman knows, connecting one part of New York City to another part of New York City.

Mr. MOLINARI. The gentleman has made that point before.

Let me quickly try to move on. The MTA raises three objections to the proposal. If you look at them, they are absolutely ridiculous. No. 1, that one of the things that happens at a toll bridge is it stops traffic, and they say that creates a metering effect upon traffic.

□ 1305

Can you imagine using that as an argument? A metering effect upon traffic.

Why not then put four toll plazas, so that you have four meters instead of one, and you slow the traffic down? I have never heard such an argument in my life as justification for collecting tolls.

No. 2, the issue of safety. They talk about two entrances to the expressway on Staten Island near the toll plaza, they allege that the cars now approaching Staten Island, without paying a toll, would be traveling at faster rates of speed. And they would. That is the intent of my provision. My answer to that simply is: Close those couple of entrances that are nearby the toll plaza and force the Staten Islanders to go a little farther south. They would be happy to do it, because they would be getting across the bridge at a much quicker pace.

So that the second argument is blown out of the water.

And, third, they say that the impact of a toll system would cause a loss of revenues, and they say, for example, "It is anticipated that trucks would abandon the southern bypass and go through Manhattan."

Can you imagine trucks, to save $3 on a toll, assuming they double it, going all the way across Manhattan—and we are not counting on getting on any toll traffic on the other side—to save $3?

The study that was done by the State estimates that it would take an hour. So a truck is going to go an extra hour, burn all the additional gas, to save a $3 toll. Now, if you believe that, then you support the Solarz amendment.

Let me tell you something else. There was a study made. And do you know what the study revealed? Contrary to what you had said earlier, the information you gave me, that 40 percent of the Staten Islanders would seek another way around, I checked that out, and URS Co. conducted a study that was paid for by the State of New York, and their conclusion was that virtually no one from Staten Island would deflect to another route to avoid the one-way toll. Also, Schoepher, the head of TBTA, did not agree with the URS conclusion that 30 percent of the Long Island-southern New Jersey traffic would deflect. Their estimate is that it would take an additional hour. Now, look, we could argue all day. I think I have put forth a fair proposal. We have 6 months to see what would happen. I feel very strongly, very, very strongly, that at the end of 6 months the city is going to be very pleased with what they have seen happen there, and they are going to continue it. I do not think there is going to be any loss of revenue whatsoever.

But let me say one thing in closing at this point in the debate: URS, according to the Democratic sponsors of the State bill, conclusively proved, according to this memorandum, that the only way to determine what will happen in a one-way toll mode is to try it, which is what we are proposing to do here today.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman. Let me first address the issue of the appropriateness of this particular provision in this legislation. This is not an issue of legislating in an appropriation bill. This particular provision would be wrong, whether it was in an authorizing bill or whether it was in an appropriation bill. Here we have a bridge that was built totally with non-Federal funds, it is maintained with non-Federal funds, and here comes the Congress of the United States and attempts to tell the locality in New York as to where, if you will, the toll booths on that bridge, built by their own moneys, will be placed. If that is not micromanagement carried to the most ridiculous extreme, I cannot imagine what could be more ridiculous and more extreme. If you can do it in New York, you can do it anyplace in the country. And on the face of it, this is not the kind of behavior, not the kind of action that the Congress of the United States ought to be engaged in, nor has it any justification for being engaged in.

There is not a single precedent for this kind of action. There is no justification for it. If the gentleman from Staten Island has a problem——

Mr. MOLINARI. Staten Island and Brooklyn, Mr. Weiss.

Mr. WEISS. If the gentleman from Staten Island and Brooklyn has a problem, he ought to persuade the appropriate authorities in New York City or the State to undertake the action that he wants, but to bring his problem here and then to have it attempted to be done in the manner that this was done is just totally wrong and inappropriate.

Now, let me talk for one moment about substance. This is not just a fight between Staten Island and Brooklyn. It is not just the people of Staten Island and Brooklyn who are impacted. The people who govern the city of New York have expressed their opposition to this particular provision because they are looking at the impact on the city as a whole and the additional traffic impacted on the city as a whole.

Now, it just so happens that in my district in Manhattan we have two major tunnels, the Lincoln Tunnel and the Holland Tunnel. The tolls on those tunnels are on the New Jersey side. There are no tolls on the New York side. So that if trucks—never mind Staten Islanders; we are talking about long-distance trucks—are able to cross Staten Island into Brooklyn without any fees and then are able to go back to New Jersey without any fees, they are getting an absolute free ride. But even beyond the money that is involved, what they are doing is flooding, throwing additional heavy traffic on the already most congested traffic-laden streets perhaps in the country, in lower- and mid-Manhattan. If it is a truck, the toll for a six-axle rig is $8 in each direction. We are talking about a lot of inducement, especially when getting from New Jersey into Brooklyn and in Manhattan by traveling across Staten Island and the Verrazano Bridge is a much easier, trafficwise, route.

So I tell you, my colleagues, neither on the basis of procedure nor fairness nor rationality should you be supporting this legislation. And I would have hoped that my distinguished friend and colleague, with whom on many transportation issues I am in total agreement, would have seen the inappropriateness of attempting to have the House of Representatives and the Senate act on this kind of legislation in this fashion.

Mr. MOLINARI. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I would be delighted to yield to my colleague.

Mr. MOLINARI. Does the gentleman have any idea what it would cost for those trucks, once they got to Jersey and got on the turnpike, what it would cost them in ultimate tolls when they go on the turnpike?

Mr. WEISS. All I can tell you is the facts that I have recited to you, and that is going to mean an inducement to them to do it.

Mr. MOLINARI. Well, now, we are talking about tolls as high as $3.25.

Mr. WEISS. We are talking about 8 bucks a shot for a six-axle rig.

Mr. MOLINARI. Three dollars twenty cents. One other thing I would like to call to the gentleman's attention. Yesterday, when you made a very articulate plea on the West Way bill, you made one statement that I took notice of, and that was that you wanted it to be noted that that West Way project—and I am on the same side of the issue as you are.

Mr. WEISS. Yes, you are, indeed, and I commend you for it.

Mr. MOLINARI. That it was totally within your district. And I am saying to you, in fact, I am making a request of you and my colleagues of this House, that we have a very serious problem in my district.

Mr. WEISS. If I may take back my time just for a moment, I appreciate the gentleman's serious problem.

The CHAIRMAN. The time of the gentleman from New York [Mr. Weiss] has expired.

(By unanimous consent, Mr. Weiss was allowed to proceed for 1 additional minute.)

Mr. WEISS. But what the gentleman is attempting to do, without any kind of balanced approach or involvement of the city authority, is to take the problems that his constituents may have in Staten Island and dump them on my constituents in Manhattan. And that I object to.

Mr. MOLINARI. I am going to ask the gentleman to yield again, if he would.

Mr. WEISS. I would be pleased to yield.

Mr. MOLINARI. Here is what the city has been telling you folks: The people in Brooklyn are going to be faced with longer traffic lines. And yet they also say it will cause a diversion of traffic going to Manhattan. You are going to be faced with longer traffic lines. So everybody is going to be hitting extra traffic lines. I ask you, where are these vehicles coming from? Are they going to be dropped out of the sky and by helicopter, and half of them going to Brooklyn and the other half going to Manhattan? Come on. It does not add up. You cannot have it both ways.

Mr. WEISS. If the gentleman will allow me to take back my time again, all I ask you to do is, during traffic hours, anybody, to recollect, if you have been in Manhattan during traffic periods, and know and recollect the congestion, the traffic congestion, on the streets of Manhattan leading toward the tunnels. That is going to be exacerbated. The problem right now is almost beyond endurance.

Mr. OWENS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I think the overriding issue here is the fact that the agenda of this body is being reduced to absurdity by having this discussion on the floor. This item should not have been included in the bill. I think I am a bit more objective than the two gentlemen who spoke previously. My district is not affected directly, in terms of transportation arteries. But I want to know and I wanted to hear from the gentleman from Staten Island and Brooklyn reasons why the local governing bodies cannot be allowed to make this decision. We have an elaborate network of decisionmaking bodies, planning boards, the MTA I think appropriately provides technical information, the mayor himself, the Governor, the legislators. We have enough people who are reasonable to make this decision. Why cannot the collective wisdom at the local level be allowed to have this discussion and make the decision, looking at all the technical arguments and the opposing arguments, et cetera.

The important thing is, nobody here knows better than the people at the local level what these various arguments mean. Certainly the argument made by the gentleman from New York [Mr. Weiss] a few minutes ago about the Manhattan streets being clogged with the approaches to the bridges and the tunnels which feed into the Belt Parkway which feeds into the Verrazano Bridge, anybody can see that, you do not have to be a traffic engineer. And the Belt Parkway is one of the worst constructed and oldest and most congested artery you want to find. It is dangerous to ride on it when you do not have a lot of traffic because people are speeding and it is dangerous, but when it is clogged with rush-hour traffic it does not move at all, and you are going to feed more traffic onto that kind of artery. And even if you put only 1 percent more, it is 1 percent more too much. And I am sure the gentleman from Staten Island and Brooklyn would recognize it is going to increase traffic to some extent. There is going to be a backup into Brooklyn if something goes wrong on the bridge and if something goes wrong at the toll spot.

So I would plead, I would beg that we table this argument, or certainly support the Solarz amendment, in order to get this out of this discussion and back into the local decisionmaking bodies, where there is every reason to believe that the collective wisdom would come away with a decision which takes into consideration the serious problem that Staten Island may experience in terms of the backup of the traffic and the pollution there, on the one hand, and, on the other hand, these other very serious problems which I think only people at the local level can deal with.

I yield to the gentleman from Staten Island.

Mr. MOLINARI. I thank the gentleman for yielding.

I would like to answer those two questions, briefly, if I may. First of all, in terms of backup, no, I do not see a backup. The question you have to answer to yourself is: Is it quicker for toll collectors to collect $3 or $1.50. I suggest it is much quicker to pay $3 or to collect $3 than $1.50. Once you have to change a dollar, you are slowing the process down a great deal.

The other question you raise, why do we not accept the word of the transit authority of the city of New York, that is a simple one for me to answer. Because their record is abominable, atrocious. We just saw what happened with the tunnel in Queens, $800 million gone down the tubes, that project Senator D'Amato has been attacking. They are right now eliminating express bus service in five boroughs, in all five boroughs. More and more cars are being forced on the road because of their inefficiency and their terrible record. That is why I have to bring my case to the floor of the House.

Mr. OWENS. The argument that I make is not that MTA has all the wisdom. I said the collective wisdom of all the bodies, all the decisionmaking bodies. And I think the MTA is just one. I would rely on them only for technical information, and I would want that checked. I would agree with you that they are not a body that has a great deal of credibility right now. But I do not see why the collective wisdom at the local level cannot be allowed to make this decision. I think it would be a great abuse of power for this body to go forward with this item still in the bill. I think, as Congressman Solarz said, we would open it up for Des Moines, for Oshkosh, for Jackson, MS, anyplace where there is a toll bridge we then have jurisdiction, we set a precedent which is a ridiculous precedent. Why should we take on that kind of burden? Why not leave it to the people at the local level to decide about how the tolls are to be collected at a bridge which has no Federal funding and no Federal involvement at all. I think we are off limits and in danger of grossly abusing our power.

□ 1320

Mr. SNYDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York, the sole apparent effect of which would be to needlessly perpetuate traffic congestion and delays for users on a major New York River crossing, and urge my colleagues to join in voting for its rejection.

My committee colleague, the gentleman from New York [Mr. Molinari], is the author of the provision in the appropriations bill before us which requires that tolls be collected from motorists moving only one way, rather than both ways, on the Verrazano-Narrows Bridge between Staten Island and Brooklyn, NY.

His rationale is both simple and persuasive. It makes no sense to stop traffic moving in both directions if such can be avoided without creating other traffic problems or leading to a substantial loss of toll revenues. Indeed, of 16 bridges and tunnels in the New York City area, tolls are collected one way on no less than six.

One-way toll collection procedures are hardly revolutionary. You simply assume that traffic moving one way via a bridge or tunnel eventually will go the other way. So, cutting the toll collection process, but doubling of the toll rate will yield the same amount of revenue. Now sure, there will be always some one-way traffic getting a free ride moving in the nontoll direction, but you will also pick up one-way riders on the toll side as well.

Even if there is some evasion, that may well be offset by the savings on toll collection. It costs no more to collect $3 from a motorist than it does $1.50.

When you consider the backups and congestion and fuel consumption and automobile exhaust generated at toll bridge plazas, this seems to be a most worthwhile approach, where it will work.

The real question, then, is whether you are going to get evasion, circuitous travel by enough motorist to generate a substantial revenue loss, or traffic problems. It seems to me that the provisions in the bill authored by Mr. Molinari have addressed any potential problems. He provided that the one-way toll collection regime can be scrapped by the Secretary of Transportation if the Governor of New York so petitions after 6 months on the basis of traffic problems or a substantial revenue loss.

One further point on the matter of revenue loss, it may be theoretically possible for motorists to beat the system and reduce their toll contribution by using other bridges, but to do so they would have to employ extremely circuitous routes and subject themselves to many more miles of New York area rush hour congestion, not to mention increased fuel use. In any event, a 6-month trial would tell the tale.

From my observations, as ranking minority member on the Committee on Public Works and Transportation, it can be an extremely expensive process to come up with street and highway improvements in congested and heavily developed urban areas. We spend in the millions or hundreds of millions to reduce travel time. Any traffic management alternative along the lines of the provision authored by Mr. Molinari and now incorporated in the bill should be given every reasonable opportunity to succeed.

Mr. Chairman, a final point. I believe it can be said that we on the Public Works Committee were prepared to accept Mr. Molinari's provision as a part of pending authorization legislation. And I think our aversion to seeing authorizing provisions in appropriations bills is pretty well known to Members of the House. But, our colleague from New York [Mr. Molinari] made such a strong case with us that action should be taken promptly that we were pleased to concur in the provision's incorporation into this bill before us today along with others of merit.

It is a good provision. It should stay in the bill. A full-scale working test should be allowed to proceed. The amendment should be defeated.

Mr. HOWARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this issue was brought to my attention by the gentleman from New York, a member of our Committee on Public Works and Transportation, Mr. Molinari, as a time-sensitive problem which required the immediate attention of the Congress. Based on this understanding, I agreed to support this measure's inclusion in the appropriation bill, even though it clearly establishes transportation policy which would normally be handled through the authorization process rather than the appropriation process.

Our committee will be marking up H.R. 3129, the Surface Transportation Reauthorization Act within the next 3 weeks. However, it is also clear to me that the other body does not intend to consider highway reauthorization legislation until later this year or perhaps early next year. The gentleman from New York has indicated to me that the immediacy of the transportation problems in his congressional district require a timely solution. Therefore, I am a strong supporter of the provision in the bill and urge the defeat of the amendment.

Those of us from the State of New Jersey have been very familiar with this kind of situation with our tunnels and bridges into the city of New York for quite some time. So what this has done is to collect double the money one way, and not have to collect at all the other way. In our situation in New Jersey, the toll collections are on the New Jersey side, not the Manhattan side. So we do have to suffer. We do have congestion, and of course that might be added to not at all, because it takes less time to collect $3 than it does $1.50, but then it relieves the congestion to a degree on the West Side of Manhattan. Of course, the West Side of Manhattan does have a terrible transportation problem, which I believe was compounded greatly by the vote this body took yesterday on the Westway amendment which is going to add to the problem because not only will New York not get Westway, which it should not get, it cannot get an interstate highway on the West Side of Manhattan, and will not even be able to get 1 cent to improve its streets or roads or to improve its mass transit which could help the vehicle traffic on the West Side of Manhattan as we tick aways toward September 30 of this year. So there is a greater disaster coming.

I think that this program is logical; why not stop them for the same amount of time or less time on one side and not have to stop the traffic at all on the other side? Once in a while here we get something that comes along of which we say, "Why have we not thought of this before?" Or if we have seen it work in other areas, why not expand it and extend it, it just makes so much sense.

So, I would hope, and of course, having this 6-month deadline on it in which it may be evaluated is probably a very good thing. I think anyone who has been involved in this around this area of New York and New Jersey for any time knows you really do not even need the 6-month study because we know at the end of the 6 months everyone is going to say it is a great idea, let us keep it going.

So I do urge the defeat of this amendment.

Mr. SOLARZ. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection the gentleman is recognized for 5 minutes.

There was no objection.

Mr. SOLARZ. Mr. Chairman, I listened very carefully to the arguments offered by my very good friend from Staten Island, and I want to frankly say that inasmuch as I am not a traffic engineer I do not feel competent to thoroughly evaluate the validity of the arguments he serves.

What I do know, however, is that the Triboro Bridge and Tunnel Authority, the city of New York, the State of New York, the MTA have studied it and they come to a different conclusion. I also know that no hearings were held on this proposal either in the Transportation Subcommittee or in the Public Works Committee. I would hope that if this amendment is adopted and the gentleman's provision is defeated that we could get together and consider the possibility of a study

in the future which might possibly lead to the objectives the gentleman seeks.

But I do think it would be inappropriate for the Congress of the United States to impose its views over the objections of literally all of the local authorities on what is clearly a local issue.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. Solarz].

The question wa, taken; and the Chairman announced that the noes appeared to have it.

Mr. SOLARZ. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2, rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 303]

Ackerman
Akaka
Anderson
Andrews
Applegate
Armey
Aspin
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fawell
Fazio
Feighan
Fiedler
Fields
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kemp
Kennelly
Kildee
Kindness
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nichols
Nielson
Nowak
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Weaver
Weber
Weiss
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)
Zschau

□ 1340

The CHAIRMAN. Three hundred ninety-four Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from New York [Mr. Solarz] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. Members should be advised that the time for the vote has been reduced from 15 minutes to 5 minutes.

The vote was taken by electronic device, and there were—ayes 11 noes 296, not voting 27, as follows:

[Roll No. 304]

AYES—111

Ackerman
Aspin
AuCoin
Barnes
Bartlett
Beilenson
Berman
Biaggi
Boland
Bonior (MI)
Bonker
Boucher
Boxer
Brown (CA)
Bruce
Burton (CA)
Bustamante
Byron
Clay
Coelho
Collins
Cooper
Crockett
Daschle
Dellums
Dicks
Dixon
Dorgan (ND)
Durbin
Dyson
Early
Eckart (OH)
Edwards (OK)
Erdreich
Feighan
Ford (MI)
Fowler
Frank
Garcia
Gejdenson
Gephardt
Gordon
Gray (IL)
Hamilton
Hatcher
Hawkins
Hayes
Hertel
Hoyer
Jacobs
Jenkins
Jones (NC)
Kildee
Kolter
Kostmayer
Lantos
Leland
Levin (MI)
Levine (CA)
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martinez
Mavroules
McCain
McCloskey
McHugh
Mikulski
Miller (CA)
Miller (WA)
Mitchell
Morrison (CT)
Mrazek
Nowak
Oakar
Obey
Owens
Pease
Penny
Petri
Price
Rangel
Reid
Rose
Russo
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Sharp
Solarz
Spratt
Stark
Stokes
Studds
Torricelli
Towns
Udall
Visclosky
Walgren
Weaver
Weiss
Wheat
Whitley
Williams
Wolpe
Wright

NOES—296

Akaka
Anderson
Andrews
Annunzio
Applegate
Archer
Armey
Atkins
Badham
Barnard
Barton
Bateman
Bates
Bedell
Bennett
Bentley
Bereuter
Bliley
Boehlert
Boggs
Boner (TN)
Borski
Bosco
Boulter
Breaux
Brooks
Broomfield
Brown (CO)
Broyhill
Bryant
Burton (IN)
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Coleman (TX)
Combest
Conte
Coughlin
Courter
Coyne
Craig
Daniel
Dannemeyer
Darden
Daub
Davis
de la Garza
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Donnelly
Dornan (CA)
Downey
Dreier
Duncan
Dwyer
Eckert (NY)
Edgar
Edwards (CA)
Emerson
English
Evans (IA)
Evans (IL)
Fawell
Fazio
Fiedler
Fields
Flippo
Florio
Foglietta
Foley
Ford (TN)
Franklin
Frenzel
Frost
Fuqua
Gallo
Gaydos
Gekas
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Green
Gregg
Grotberg
Gunderson
Hall (OH)
Hall, Ralph
Hammerschmidt
Hansen
Hartnett
Hefner
Heftel
Hendon
Henry
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hubbard
Huckaby

Hughes
Hutto
Hyde
Jeffords
Johnson
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kemp
Kennelly
Kindness
Kolbe
Kramer
LaFalce
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lehman (FL)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Manton
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McKernan
McMillan
Meyers
Mica
Michel
Miller (OH)
Mineta
Moakley
Molinari
Mollohan
Monson
Montgomery
Moody

Moore
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Oberstar
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Pashayan
Pepper
Perkins
Pickle
Porter
Quillen
Rahall
Ray
Regula
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton

Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Traficant
Traxler
Valentine
Vander Jagt
Vento
Volkmer
Vucanovich
Walker
Watkins
Waxman
Weber
Whitehurst
Whittaker
Whitten
Wilson
Wirth
Wise
Wolf
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)
Zschau

NOT VOTING—27

Addabbo
Alexander
Anthony
Bevill
Bilirakis
Conyers
Crane
Dingell
Dowdy

Dymally
Fascell
Fish
Gibbons
Gray (PA)
Guarini
Hunter
Ireland
Kastenmeier

Kleczka
Lehman (CA)
Long
Matsui
McKinney
O'Brien
Pursell
Strang
Young (FL)

Mr. WISE changed his vote from "aye" to "no."

Mr. DASCHLE changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1355

The CHAIRMAN. Are there any amendments not prohibited by clause 2(c) of rule XXI?

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to take this opportunity to congratulate the chairman, the ranking member, and the other members and staff of the Transportation Appropriations Subcommittee. This bill is always one of the most difficult pieces of legislation facing the Appropriations Committee and this year's budget constraints made the drafting of this legislation even more difficult.

I would like to address three items in the bill which are particularly important to the Washington Metropolitan Area and the State of Maryland.

The bill includes a critical appropriation of funds for the Washington Metropolitan Area Transit Authority. While the funds in the bill are less than the $250 million requested by the administration, the jurisdictions surrounding Washington, DC, will be able to tighten their belts and proceed ahead on its long-range construction plans for the completion of the full Metrorail System. A steady appropriation of funds over the upcoming years will be required for the orderly construction of the remaining miles of the system and the administration seems inclined to proceed with an appropriate level of funding until the Stark-Harris authorization for Metrorail is depleted. While the subcommittee was faced with difficult budgetary constraints and ultimately had to reduce the administration's request for Metrorail, it nonetheless has strongly reaffirmed its support for the WMATA system and the entire Washington Metropolitan Area deeply appreciates this commitment.

The bill also has included a provision, after consulting with the authorizing committees, that allows the National Park Service to maintain its control over the Baltimore-Washington Parkway and provides funds to begin long-awaited repair work on that road. The Parkway, which has been dedicated in the name of our former colleague, Gladys Noon Spellman, stretches from Washington, DC to the outskirts of Baltimore, MD, and is a highly travelled though increasingly dangerous route. The committee's willingness to maintain the Park Service's control and servicing of the Parkway and provide funds to get rehabilitation underway is appreciated by the millions of people who travel the road each year.

Last, the bill provides funds to begin work on the Jones Falls Expressway in Baltimore, a road so in need of repair that the Mayor of that city has considered closing it unless work began immediately to repair the road surface and bridge supports. The Jones Falls is the main artery into the city of Baltimore from the north and is built in great measure above ground. The committee's willingness to provide Baltimore with discretionary funds has prevented a potential disaster on, or closing of the Jones Falls.

I again want to thank the subcommittee for their hard work. They receive very little thanks for the tough job of making priority decisions on activities and projects that almost all of us agree are excellent investments. I thank them for their work and congratulate them on an excellent product.

Mr. PURSELL. Mr. Chairman, I want to express my strong support of H.R. 3244 Department of Transportation Appropriations for fiscal year 1986.

First, I want to congratulate the committee members, both the majority and minority, for their care and wisdom in preparing this legislation for floor consideration. I also would like to commend the distinguished chairman of the Transportation Subcommittee, Mr. LEHMAN, for his leadership on this vital issue, as well as that of Mr. COUGHLIN, the ranking Republican.

Second, it is important to note that this bill is below the funding level provided for in the transportation appropriations bill for fiscal year 1985. With the adoption of Mr. LEHMAN's amendment of a reduction of $1 billion, we meet the overall targets of the budget resolution. It is difficult to advocate reductions in programs that are beneficial to the American people. I salute the chairman for his recognition of the budget crisis and his courage to propose cuts.

At a time when efforts are aimed at reducing Federal spending, I believe it is imperative to see new financing policies—policies needed to be able to continue transportation and public improvement projects in the future.

Repeated large budget deficits require that Congress also adopt creative strategies to reduce Government spending while maintaining essential public services, such as public transportation. One possible alternative which should be examined for operation of transit systems is privatization. I feel it is necessary to expand the role of the private sector in public transportation. There clearly are benefits for the private sector in development of public transit. The private sector, then, should share the cost. Report language accompanying this bill clearly states that the potential of the private sector to reduce costs and improve service must not be overlooked. I believe the report language regarding privatization in this appropriations bill is an important step in the right direction.

I also want to make special reference to a small, but increasingly significant aspect of the Transportation appropriations bill. This is the St. Lawrence Seaway Development Corporation. The opening of the St. Lawrence Seaway 25 years ago made the Great Lakes a new seacoast for international trade by both the United States and Canada. The seaway is one of our Nation's most important transportation routes, and has a vital role in our manufacturing, farming, and defense capabilities. I believe this waterway linking our industrial heartland to world ports has an even greater potential for the future. Taking maximum advantage of that potential is important to our balance of trade and employment outlook.

My primary efforts this session have been aimed at reducing the huge budget deficit. Toward that end, I have introduced and/or supported efforts to curtail Federal spending on a wide variety of programs. The only way Federal spending can be reduced equitably is for every program to take its fair share of spending limitations. So we come to the Transportation appropriations bill—and spending provided for in this legislation is limited. I am proud that the subcommittee of which I am a member has produced such a bill, and I urge my colleagues to support it. Thank you.

Mr. BOEHLERT. Mr. Chairman, I rise in opposition to the Coughlin amendment to delete all funds for the Westway project in New York City. I agree with my distinguished chairman and ranking minority member of the Public Works Committee that the DOT appropriations bill is not the proper place to address this issue.I would like to reiterate what was said by the Gentleman from New Jersey [Mr. HOWARD], that in no way is a vote against the Coughlin amendment a vote against legitimate environmental concerns; in no way is it a vote for more outrageous, pork-berrel spending. My record will show that I am an ardent environmentalist, and that I have worked hard to achieve serious, balanced cutbacks in Government spending.

The Coughlin amendment was rejected by the Transportation Appropriations Subcommittee and the full Appropriations Committee and for sound reasons. It is very poor legislative practice, and I think it is very unfair to the State and city of New York to deny this issue a full hearing before the committee which has sole jurisdiction over Westway, the House Public Works Committee.

The chairman of that committee has a bill of his own that addresses Westway, and has made clear his intention to hold, before the end of the month, a full committee hearing on Westway during consideration of the Surface Transportation Assistance Act.

The Public Works Committee is the proper forum for addressing this issue in a thorough fasion. It is the only forum which guarantees that the right of New Yorkers, and all American taxpayers, to all fair consideraion of a aspects of federally supported transportation policy in the city of New York.

Mr. LEHMAN of Florida. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. KILDEE] having assumed the chair, Mr. LEHMAN of Florida, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3244) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 307, nays 102, answered not voting 25, as follows:

[Roll No. 305]

YEAS—307

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Callahan
Carney
Carper
Carr
Chandler
Chapman
Chappell
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Cooper

Coughlin
Courter
Coyne
Crockett
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Emerson
English
Erdreich
Evans (IL)
Fazio
Feighan
Fields
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Green
Grotberg

Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Hefner
Henry
Hillis
Holt
Horton
Howard
Hoyer
Huckaby
Hughes
Hutto
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kennelly
Kildee
Kolter
Kostmayer
Kramer
LaFalce
Lantos
Lehman (FL)
Leland
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Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lowry (WA)
Lujan
Luken
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)

Martinez
Mavroules
Mazzoli
McCain
McCloskey
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
Meyers
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Parris
Pease
Penny
Pepper
Perkins
Petri
Pickle

Porter
Price
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sharp
Shaw
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe

Snyder
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wylie
Yates
Yatron
Young (AK)
Young (MO)

NAYS—102

Archer
Armey
Badham
Bartlett
Barton
Bateman
Bliley
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Campbell
Chappie
Cheney
Coats
Cobey
Coble
Combest
Craig
Daniel
Dannemeyer
Daub
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Eckert (NY)
Edwards (OK)
Evans (IA)
Fawell
Fiedler
Franklin

Frenzel
Gekas
Gingrich
Goodling
Gregg
Hansen
Hartnett
Heftel
Hendon
Hertel
Hiler
Hopkins
Hubbard
Hyde
Jacobs
Kasich
Kemp
Kindness
Kolbe
Lagomarsino
Latta
Leach (IA)
Loeffler
Lott
Lowery (CA)
Lungren
Mack
Martin (IL)
McCandless
McCollum
McEwen
McMillan
Michel
Miller (OH)

Monson
Moorhead
Neal
Nielson
Oxley
Packard
Pashayan
Roberts
Roemer
Roth
Schuette
Sensenbrenner
Shelby
Shumway
Shuster
Smith (NH)
Smith, Denny
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Thomas (CA)
Vucanovich
Walker
Weaver
Whitehurst
Whittaker
Wyden
Zschau

NOT VOTING—25

Addabbo
Bevill
Bilirakis
Conyers
Crane
Dingell
Dowdy
Dymally
Fascell

Fish
Gibbons
Gray (PA)
Hunter
Ireland
Kastenmeier
Kleczka
Leath (TX)
Lehman (CA)

Long
Lundine
Matsui
Pursell
Strang
Weber
Young (FL)

□ 1410

Mr. GOODLING changed his vote from "yea" to "nay."

Mr. MINETA changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMENDING PETE ROSE ON BECOMING ALL-TIME MAJOR LEAGUE LEADER IN BASEBALL HITS

Mr. GARCIA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 61) to commend Pete Rose on becoming the all-time major league leader in baseball hits, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection, I yield to the gentleman from Ohio, Mr. Thomas Luken, who is the chief sponsor of the House resolution.

Mr. LUKEN. Mr. Speaker, I rise today on behalf of myself, Mr. Gradison and 18 of our colleagues, who represent areas in Ohio, Indiana, and Kentucky from which the Cincinnati Reds draw fans, in support of this resolution (S. Con. Res. 61) in order to salute and honor a man whose accomplishments on the baseball diamond are legend. We glow with pride that Pete Rose was born and raised in Cincinnati, and that he has played 16 seasons as a Red.

Last evening in Cincinnati, Pete Rose broke Ty Cobb's record of 4,191 major league hits, lining a sharp single to left field.

Pete represents the American dream. More, he has accomplished the impossible dream. Several years ago when he set out on this quest, experts scoffed. The smart money was wagered on age, infirmity, injury preventing fulfillment of his dream.

But Pete proved once again that the impossible dream can be a reality in America, where determination and perseverance can carry one to any heights.

So we honor Pete Rose because of his heart, his grit, his quality of rising above the crowd by sheer fortitude and will. Pete Rose embodies much more than mere athletic ability.

It is fitting and appropriate that Pete Rose be honored by the House of Representatives and the Senate of the United States for making baseball history. Cosponsors of the resolution in the House are:

Bill Gradison of Ohio; Robert Garcia of New York; Frederick Boucher of Virginia; Dan Burton of Indiana; Michael DeWine of Ohio; Tony Hall of Ohio; Lee Hamilton of Indiana; Larry Hopkins of Kentucky; Carl Hubbard, Jr. of Kentucky; Tom Kindness of Ohio; Romano Mazzoli of Kentucky; Bob McEwen of Ohio; William Natcher of Kentucky; Don Pease of Ohio; Carl Perkins of Kentucky; Harold Rogers of Kentucky; Phil Sharp of Indiana; Gene Snyder of Kentucky; Bob Wise of West Virginia; and Chalmers Wylie of Ohio.

Mr. HANSEN. Mr. Speaker, under my reservation of objection, I yield to the gentleman from Ohio [Mr. Gradison].

Mr. GRADISON. Mr. Speaker, I am happy to join with my colleague from Ohio in support of this resolution.

When Pete Rose first stepped onto the field as a second baseman for the Cincinnati Reds in 1963, no one doubted his love for the game of baseball and the zest with which he played it. In the ensuing 23 years, fans of the national pastime across the country have followed the brilliant career of "Charlie Hustle" as he set new records and appeared in numerous All-Star Games, National League championships and the World Series.

Last night, yet another record fell to the bat of Pete Rose. When Ty Cobb, a similarly determined player, retired from baseball in 1928 with 4,191 hits to his credit, it was considered an unsurpassable mark. As he has done so often, Pete has set a new standard. As a player and a manager, Pete Rose has consistently demonstrated the virtue of hard work and a commitment ot excellence that has inspired countless fans and players not only to use the talents they have but to strive to reach ever-higher levels of achievement. Along the way, Pete has left sports fans across the country with memories of head-first slides and sharp line drives. I am proud that Pete Rose and the Cincinnati Reds are constituents of mine.

Mr. HANSEN. Mr. Speaker, I appreciate the excellent remarks of the gentleman from Ohio.

At this time, I yield to the gentlewoman from Ohio, [Ms. Oakar].

Ms. OAKAR. I thank the gentleman for yielding and want to thank my chairman for his courtesy as well.

As an Ohioan, I am really proud of Pete Rose, and I think today we need today contemporary heroes. He is a genuine hero, and he is a regular guy, and I think it is terrific. I know that my colleague from Cincinnati, my good friend, Congressman Luken, who has been awaiting this resolution from the other body all day and all week trying to get it passed, I want to commend him for his work on this as well. I am just real proud that Pete Rose broke the record.

Mr. HANSEN. Mr. Speaker, under my reservation of objection, I yield to the gentleman from New York [Mr. Garcia].

Mr. GARCIA. Mr. Speaker, I thank my colleague from Utah for yielding. I think we should try and set a couple of records straight here before we do anything else.

No. 1, this committee has stated very specifically that we will not pass a resolution on this floor honoring any living person, and I think it is important that the record indicate that.

I believe that what happened last night in Cincinnati is a once in probably a forever period of time. I do not believe anybody else will ever break the record that was broken last night by Pete Rose of the Cincinnati Reds.

So having said that, and having people understand that this is the first time that we have honored a living person in a resolution, that it is a double honor in the case of Pete Rose.

Now I also want to make it clear to my friend from Ohio that you do not have to be from Ohio to love Pete Rose. And those of us from New York, and especially myself who lives within a 2-minute walk from Yankee Stadium, that in spite of this moment in which I give way to my fanaticism for the sport of baseball, I would like to make it very clear that I remain a loyal Yankee fan. And if Pete Rose and the Cincinnati Reds should ever end up in Yankee Stadium, that this moment will be part of the past, and as we go on to the future, we will do everything possible to strike Pete Rose out.

So having said all of that, I say to my colleague from Utah, and my good friend from Cincinnati, Representative Tom Luken, to both of you that I am just delighted that when we talk about the crisis in the Middle East, and we talk about the problems of Central America and our deficit, that Pete Rose shines above it all, and he is like the Phoenix and he comes out of the ashes and he says to all of us, hey, let us get back to America's great pasttime, baseball. And that is one area where there is bipartisanship. It does not matter whether you are Republican or Democrat, a liberal or a conservative.

So I say to Pete Rose, wherever he is right now, we thank you for bringing us together on this historic day.

□ 1425

Mr. HANSEN. Let me just say that the eloquent remarks from the chairman of the committee are well stated. We appreciate them very much. We

will see whether or not the gentleman qualifies as a prophet when he says that this never will happen again or that he seriously doubts it.

Mr. Speaker, at this point I yield to the gentleman from Kentucky [Mr. Rogers].

Mr. ROGERS. I thank the gentleman for yielding.

Mr. Speaker, I join with the others in enthusiastically sponsoring and supporting this resolution. You know, as a non-Ohioan, as a Kentuckian, seeing those tens of thousands of young people who travel from Kentucky, from West Virginia, and the surrounding areas to Cincinnati to watch the Reds play, Pete Rose is today perhaps one of the premier examples in their lives. What a joy it is to see a person who plays the game with such zest and such joy, who is the eternal teenager yet we all know he is a couple of years past that, but the joy and zest that we see this prime example for our youngsters playing, at a time when we see perhaps some others in the sports setting being perhaps an example that we would not wish to be set, is especially true at this point, to see this man lifting our spirits and lifting the example for our youngsters to watch.

So for all of those Kentuckians and all of those West Virginians and Indianans and all the others who come to those games in Cincinnati to watch Pete Rose and the Reds, we say salute again to a great American sports hero and a great figure in the game, forever, of course, Pete Rose.

Mr. HANSEN. I thank the gentleman for his comments.

Mr. Speaker, I yield to the gentleman from New York [Mr. Boehlert].

Mr. BOEHLERT. I thank the gentleman for yielding.

I want to point out to my fellow colleague from New York, and we are so proud to be from the Empire State, that there is a great deal of identification with Pete Rose and New York.

First of all, he started his very distinguished baseball career with the Geneva, NY, Red Legs. Second he is going to end up in New York. Very few of us know where future constituents are going to come from. I am one exception, because I have the privilege of representing Cooperstown, NY, with the National Baseball Hall of Fame and Museum located there, and we all know because of his very distinguished accomplishments on the playing field Pete Rose will return whence he came. He started in Geneva NY. He will return to Cooperstown, NY, where I will invite all of my colleagues at the appropriate time to join in the induction ceremony for a very able professional.

I thank the gentleman for yielding.

Mr. HANSEN. I thank the gentleman for his comments.

Mr. Speaker, I yield to the gentleman from Ohio [Mr. Kindness].

Mr. KINDNESS. Mr. Speaker, in 1963 an enthusiastic young man donned a Cincinnati Reds uniform for his first full season in the major leagues. His aggressive style of play, immense desire and wit immediately set him apart from other rookies in the major leagues that year.

At age 44 that characteristic style and winning attitude, marked by head-first slides and running instead of walking to first base after a walk, continue to set Peter Edward Rose apart from his colleagues in major league baseball.

In lining a base hit to left-center field in the first inning last night, number 4,192 of his illustrious career, Peter Rose has now amassed more base hits over his career than any other player in the history of our national pastime.

On this occasion, we congratulate and commend him on achieving what many of us thought was not possible. Indeed, we thought the Cobb record would stand forever.

Many comparisons have been made between Ty Cobb and Peter Rose, and it's a good bet that they will continue. But I hope in making all these comparisons we do not forget the inspiring message in this accomplishment.

Since his early days in baseball, fans have witnessed the enormous success of this man borne from tremendous dedication and hard work. In effect, we have witnessed his living our American dream.

Congratulations on this great accomplishment, Pete.

Mr. HANSEN. I thank the gentleman for his comments.

Mr. Speaker, at this time I yield to the gentleman from Ohio [Mr. Miller].

Mr. MILLER of Ohio. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the Senate Concurrent Resolution 61 commending Pete Rose for breaking the record that he broke last evening. I think today youngsters need someone whom they can watch. The youngsters do not need critics; they need models. Pete Rose became a model for many, many youngsters. I think it would be worthwhile for all of us to look behind the records Pete Rose has set, to look behind last nights historic 4,192d base hit, and look at Pete Rose in the context of the success that can come to an individual if he or she is willing to give 100 percent to the effort before them. Total dedication and commitment are the hallmarks of Pete Rose. He accomplished the feats that have made famous only because of his terrific work ethic, a work ethic that all of America would do well to emulate.

I thank the gentleman for yielding.

Mr. HANSEN. I thank the gentleman for his comments.

Mr. Speaker, at this time I yield to the gentleman from Pennsylvania [Mr. Gray].

Mr. GRAY of Pennsylvania. I thank the gentleman for yielding.

Mr. Speaker, I take this time to join my colleagues in commemorating this great event. I would point out to all of my distinguished colleagues that we in Philadelphia take a little pride in the success of Mr. Rose. We feel very strongly that during the period he was with us in Philadelphia he benefitted from being in the City of Brotherly Love and Sisterly Affection, and all of us join in congratulating him on the great achievement.

We feel he is part of Philadelphia as well.

Mr. McEWEN. Mr. Speaker, sports fans across the Nation witnessed a baseball milestone last night. Cincinnati Reds Pete Rose got the big knock "number 4,192" which broke Ty Cobb's record for career hits.

Before a standing room only crowd at Riverfront Stadium, Pete slammed a line drive single into left field. The Cincinnati fans responded with a standing ovation for their favorite son. Like the fans at Riverfront Stadium and those across the country, we applaud this great achievement.

Throughout his entire baseball career, Pete Rose has worked hard to attain his goals. Like Ty Cobb, he has strived to become a good hitter. So it should come to no one's surprise that Charlie Hustle has reached this goal.

Mr. Speaker, the Reds player-manager also had a second hit in last night's contest against San Diego. I join with his teammates and friends in congratulating Pete Rose in his effort to set the new all-time record for career hits because sports fans—"You ain't seen nothing yet!"

Mr. BIAGGI. Mr. Speaker, I rise in full support of the resolution (S. Con. Res. 61) to honor Pete Rose, who last night broke Ty Cobb's major league record for total career hits.

In one swing of the bat last night, Peter Edward Rose became a baseball immortal. Perhaps there are some who did not know his name until last night, but it's safe to say that the man they call "Charlie Hustle" did not earn his reputation with one swing of the bat.

In fact, Pete Rose holds 23 National and major league records, including most games played in a career (3,475); most career at bats (13,767); and a record that is perhaps more special than any other to Pete, most winning games played.

That last statistic undoubtedly paints the most accurate picture of Pete Rose—above all else, he is a winner. In fact, two teams—the Philadelphia Phillies and Montreal Expos—gambled huge sums of money on the fact that Pete could turn their image as perennial underachievers into a winning tradition, not necessarily with his considerable talent, but with his attitude.

And, what a refreshing character Pete Rose turned out to be. During an age of sports' superstars who earn millions of dollars for playing a game and then selfishly claiming they owe nothing to nobody, Pete Rose gives it all back. He has spent hours on end throughout his career signing autographs for adoring fans and granting interviews for anxious reporters who cannot seem to get enough of Pete's quick wit and captivating anecdote. Most telling of all was Pete's reaction to his 0 for 4 performance the night before he set the record. Was he nervous because of the record chase? No. "I was tight on Tuesday," he said, "because I hate to inconvenience people and I felt like I was holding everybody up waiting for this."

When the record was broken was he thinking about all the fame and glory that would now come his way? No. "I looked up in the sky and started thinking about my (late) father. I thought I saw him there. And right behind him was Ty Cobb," he added.

Yes, Pete Rose cried last night when he thought of his father's inspiration, and when he shared his joy with his son, Pete, Jr. He cried because Pete Rose appreciates knowing where he came, and where he is headed—and no record in the world will ever change that.

Pete Rose is also the ultimate in sportsmanship. Throughout the course of the record chase he never had a disparaging word for Ty Cobb, nor would he ever suggest that he was better than the man they called the "Georgia Peach." Instead, he did what only Pete Rose would do. He named his baby son Ty Rose.

When he barreled over catcher Ray Fosse to help the National League win an All-Star game a few years back, essentially ending the young catcher's career, nobody suggested Pete was a dirty player; he just didn't know any other way to play but all out.

Every so often an athletic event or an athlete become larger than life. Last night was one of those memorable times. It is a moment that will be treasured by generations to come. What happened last night was good for all our sakes—but, especially for Pete's sake.

Mr. Speaker, at this time I wish to insert an article that appeared in today's Washington Post chronicling the baseball career of Peter Edward Rose, a real American hero.

[From the Washington Post, Sept. 12, 1985]

Rose: It All Started on a Spring Day 44 Years Ago

(By Dave Sell)

History. Pete Rose is part of it.

On April 14, 1941, Harry and LaVerne Rose had a son. Forty-four years 4 months 28 days later, that son, Peter Edward Rose, is the most prolific hitter in the history of baseball. For Pete Rose, it's the most important kind of history.

Last night, he broke Ty Cobb's 57-year-old record for career hits, 4,191, by getting a single for the Cincinnati Reds in the first inning of a 2-0 win over San Diego at Riverfront Stadium. Rose also tripled and walked.

Rose's career began shortly after he graduated (although not without going through 10th grade twice) from Western Hills High School in Cincinnati. The father, who had taken Pete to Crosley Field so many times to watch the Reds and had given his son his own sense of desire and drive, put him on a plane soon after he was awarded his diploma and signed his contract. The contract reportedly was for a whopping $7,000, with a $5,000 bonus if Rose made the big leagues for 30 days.

The bonus clause is somewhat ironic given that one of the 23 National and major league records that Rose holds is for most games played in a career, 3,475. The records that Rose claims, and never has been a shrinking violet about, include most career at bats, 13,767 through Tuesday's game. That one statistic often is the focus of debate when fans argue whether or not Rose is a better hitter than was Cobb, who batted 11,429 times.

Rose began his pro career in 1960 with the Geneva of the New York-Penn League. According to the Reds, he signed on June 18 and made his debut June 25, going two for five. He went on to hit .277 in 85 games. He was the second baseman on that team, pushing Tony Perez, who now platoons with Rose at first base, to third.

In 1961, the year that Cobb died of cancer at the age of 74, Rose hit .331 for the Class D Tampa Tarpons, leading the Florida State League with 160 hits.

Macon, Ga., was home for the summer of 1962. Rose batted .330 and scored a career-high 136 runs in 139 Class A Sally League games.

When Rose arrived in Tampa for spring training in 1963, he wasn't on Cincinnati's 40-man roster, and may have annoyed some of the veterans who didn't take kindly to this kid who ran to first on a walk. Before he made the team, he reportedly received the nickname "Charlie Hustle" from Mickey Mantle.

Rose walked—maybe ran is a better word—in his first at bat in the majors. Bob Friend of the Pittsburgh Pirates may someday find his name in the sports version of Trivial Pursuit as the pitcher who gave up Rose's first big league hit in the fourth game of the season, on April 13. Rose hit .273 that year while playing in 157 games at second and in the outfield, and was named National League rookie of the year by The Sporting News, which would later in his career name him player of the decade.

He would play 16 years with the Reds, during which time he spent only 22 days on the disabled list, before playing out his option and signing with the Philadelphia Phillies in December 1978. He helped the Phillies get to two World Series. But in 1983, he hit only .245, and was released after the season. The Montreal Expos signed him Jan. 20, 1984, hoping his experience would help a team that was a chronic underachiever win a pennant.

But he didn't spend much time in Montreal. It was time to go home. Vern Rapp was struggling as manager of the Reds. By Aug. 16, Rapp was unemployed, replaced by the prodigal son.

Rose had come home. Some wondered if the Reds were making the move more for the increased attendance that Rose's chase of Cobb would bring than for reasons of improving the team. But Rose has proved those skeptics wrong. The Reds are winning, and, now, he has his record.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 61

Whereas Peter Edward Rose has become the all-time leader in base hits in the history of the American pastime, Major League Baseball, by surpassing the record of four thousand one hundred and ninety-one of the great Ty Cobb;

Whereas Pete Rose has played in more winning games than any other player in Major League history;

Whereas Pete Rose won three National League batting titles in 1968, 1969, and 1973;

Whereas Pete Rose was named National League Rookie of the Year in 1963, National League Most Valuable Player in 1973, and the World Series Most Valuable Player in 1975;

Whereas Pete Rose was named the National League Player of the Decade for the period 1970 through 1979 by the "The Sporting News";

Whereas Pete Rose has been named to the National League All-Star Team sixteen times, including ten straight years (1973 through 1982), and has started at five different positions in All-Star games;

Whereas Pete Rose has played in seven National League Championship Series and six World Series; and

Whereas Pete Rose holds all-time Major League records for most games played; for most at-bats; for most singles; for most hits by a switch-hitter; for most total bases by a switch-hitter; for most seasons of two hundred or more hits; for most seasons of one hundred and fifty or more games; and for highest fielding percentage by an outfielder for one thousand or more games: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress to commend Peter Edward Rose on the achievement of becoming the all-time Major League leader in base hits and to recognize all the accomplishments and the inspirational manner in which Pete Rose has played the game of baseball, the National Pastime.

Sec. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to Peter Edward Rose.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on Senate Concurrent Resolution 61.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL MIDNIGHT FRIDAY, SEPTEMBER 13, 1985 TO FILE REPORT ON H.R. 2100

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tomorrow Friday, September 13, 1985, to file a report on the bill, H.R. 2100, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

SCHOOL LUNCH AND CHILD NUTRITION AMENDMENTS OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 262 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 7.

The Chair designates the gentleman from Kansas [Mr. Slattery] as Chairman of the Committee of the Whole, and requests the gentleman from New York [Mr. Garcia] to assume the chair temporarily.

□ 1430

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7) to extend and improve the National School Lunch Act and the Child Nutrition Act of 1966, with Mr. Garcia, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from California [Mr. Hawkins] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. Goodling] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. Hawkins].

Mr. HAWKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I regret to have to rise somewhat on a negative note, but this morning on this particular proposal a great amount of misinformation was given which gives the impression that this bill is being taken up not in compliance with the budget resolution and, in some way, in a rather suspect manner. Such is not the fact, and I regret that some individuals were misinformed as to the extent to which this bill is in simple compliance not only with the budget resolution but in many ways with what has been expressed by the administration.

Unfortunately, several individuals who spoke about the bill this morning and about the rule gave the impression that this is a budget-busting proposal and that it really authorizes new programs and that many of these programs do not conform to the limits expressed in the budget resolution.

I think it is most unfortunate that individuals who talk about fiscal responsibility in a very high intellectual manner have very short memories. Three of the gentlemen who spoke, two from Texas and the other gentleman from Pennsylvania, this morning, on a motion made some time ago, on June 18, 1985, on Mr. Aspin's motion to conform the defense authorization bill to the budget resolution, voted against this amendment which would have reduced the defense appropriation by $10 billion so as to conform to the budget resolution, who today have reversed themselves and now wish to oppose merely $121 million as compared with the $10 billion and speak then of fiscal responsibility.

It seems to me that in considering a little bill to help the children of this Nation they have not demonstrated very much fiscal responsibility.

Now, H.R. 7, as was explained by Mr. Goodling, a member of the committee, the ranking minority member of the subcommittee that handled this bill this morning, H.R. 7 merely reauthorizes, not authorizes but merely reauthorizes, five specific programs. These programs are the School Lunch and Child Nutrition Amendments of 1985 which would reauthorize the special supplemental food program for woman, infants, and children, sometimes known as the WIC Program; the summer food service program for children; the commodity distribution program; the State administrative expenses and nutrition education and training programs.

It should be thoroughly understood that this is simply a reauthorization, that the administration supports the extension of all of these programs.

They are the same programs that we reauthorized just a few years ago in this House by a vote of 343 to 72, except that at that time the expense was much greater, was substantially greater. We have reduced it. So that we have already voted for a much stronger bill than that which is before the committe today.

These programs expired in September 1984, and we are still trying to reauthorize and extend these programs merely by a continuing resolution.

Now, testimony before the committee has demonstrated that these programs have widespread support, that they have been successful, that they are cost effective, and yet they have been the ones that have borne more than their fair share of the budget cuts since 1981.

Let me just briefly describe these five programs. The WIC Program provides nutritious supplemental food to pregnant and post-partum women and infants and childran through age 4. These are persons determined to be at nutritional risk because of inadequate nutrition and inadequate income.

Currently the WIC caseload is just over 3 million, and this is about one-third of the target group.

That we are not doing nearly enough in this regard and have not been over generous, I think, is reflected in the fact that this Nation, among the developed nations, stands 16th in terms of infant mortality.

Last year, 1984, there were 40,000 infant deaths attributed in one way or the other to this serious problem.

A second program which is being extended, the summer food service program for children, which provides food for children in low income areas during the summer months. A third program extends the authority for commodity distribution which requires the Secretary of Agriculture to meet the legislatively-mandated levels of commodity support for the Child Nutrition and Older Americans Act.

It is possible if we do not act on this program and provide for the funding of it through section 32 customs receipt funds, that these programs would have to be funded out of the general funds of the Treasury, and this would require, instead, that we would increase rather than, in this instance, decrease the deficit.

The fourth expiring program provides for payments to the States to assist in meeting the administrative costs of operating various Federal child feeding programs. The last expiring program is the nutrition, education, and training program. This program provides grants to the States to instruct students on the nutritional value of food and to train school food personnel to improve their management of these programs. In addition to extending the five expiring programs, H.R. 7 also provides for a modest expansion of the proven cost-effective programs in the amount of $120 million merely to increase efficiency in handling an increasing caseload. The WIC Program, it should be remembered, has been deemed by experts to be one of the most cost-effective Federal programs in existence.

Numerous studies show that the WIC Program is a sound investment of Federal funds, that saves billions of dollars in health expenditures through prevention and intervention.

Currently, for example, on a unit basis we are paying out $400 to $500, approximately, in this program, as compared with a later cost, if we did not make this expenditure, of several thousands in intensive care in hospitals. This has been well documented, to say nothing in this instance of the cost of dealing with retardation, cerebral palsy, seizures, poor vision resulting from low birth weight which this proposal addresses.

□ 1440

An evaluation of the National School Breakfast Feeding Program, sponsored in 1984 by the Department of Agriculture, estimated that 3 million children in the United States who now skip breakfast would not do so if the breakfast program were available to them.

This same study also regrettably concluded that the School Breakfast Program does not currently provide adequate amounts of certain vitamins and that therefore they have recommended to us on the committee that these meals to be improved; and we have done so.

H.R. 7, therefore, adds 6 cents a meal to the breakfast program in order to correct these iron and vitamin deficiencies as disclosed by the Department of Agriculture.

This investment will return benefits for years to come. There are many studies and testimony of expert witnesses to indicate a direct correlation between children who are well nourished and their motivation in school.

H.R. 7 also makes milk available to kindergartern students, raises the tuition ceiling from $1,500 annually to $2,500 for private school participation, and authorizes $1 million to purchase food equipment.

Mr. Chairman, since 1981, the budget cutbacks in the child nutrition programs have been approximately $5 billion. A Congressional Budget Office report has shown that as a result of these cuts, millions of children and thousands of schools were dropped from the program. One-third of these children were from low-income families.

Though I am, like my colleagues, deeply concerned about the Federal deficit, I earnestly believe that adequate funding of the Child Nutrition Program is a sound investment in our children's future. If a person is hungry, there is not much motivation to do anything.

I further believe that it is in our national interests, and a wise investment for the present and the future that we put an end to hunger in our society.

The President was right in September 1984 when he said, and I quote him: "If even one American child is forced to go to bed hungry, that is a national tragedy." The President was right in 1984; should we do less in 1985 then we did in 1984?

As a task force, the Harvard School of Health has said:

> Hunger is now more widespread and serious in the United States than at any time in the last 10 to 15 years.

Therefore, Mr. Chairman, I submit that we must act and we must act promptly. There is no greater cause; there is no sounder investment, and there is no greater moral responsibility.

Mr. LELAND. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from Texas.

Mr. LELAND. Mr. Chairman, I rise in strong support of H.R. 7 as reported by the House Education and Labor Committee. Earlier this year Representative HAWKINS, the author of this bill, joined me in introducing H.R. 1856, the Comprehensive Nutrition Assistance Act of 1985. I am pleased to note that many of the provisions from my bill are included in the legislation before us today. I would hope that all my colleagues will join me in voting for H.R. 7 today.

H.R. 7 passed the committee by unanimous consent. It is a solid bipartisan package that provides modest, but important, improvements in WIC and other child nutrition programs. The fact that these improvements are primarily targeted to particularly vulnerable groups in our society lends even more credence to the critical need for approval of this bill.

For example, H.R. 7 increases the WIC Program authorization to permit the addition of approximately 120,000 participants. WIC provides crucial nutrition and health services to low-income pregnant women, infants, and children who are determined to be at nutritional risk. the latest available figures indicate that the program serves less than one-third of those who are potentially eligible for benefits. I have always been a proponent of the WIC Program. As chairman of the Select Committee on Hunger, I have gained a more extensive understanding of just how cost effective and successful this program is in improving pregnancy outcomes and child health.

In addition, H.R. 7 provides a nominal increase in the reimbursement rate for meals under the school breakfast program. This provision responds directly to recommendations included in a 1983 USDA report that the school breakfast meal pattern be improved. Considering the majority of existing programs are found in low-income areas and 91 percent of the participants are poor, I believe that this provision reflects a solid contribution to the nutritional well-being of our children.

Census Bureau statistics released just last month indicate that the 1984 poverty rate for all children was 21.3 percent. There continues to be a prevalence of poverty among children. I believe this condition clearly dictates the need for a continued commitment to the maintenance of quality benefits under child nutrition programs.

Mr. Chairman, it would be detrimental to the health and welfare of the children of this Nation if we reduced services provided by these programs. A vote for H.R. 7 demonstrates that we will not renege on our obligation to this Nation's most valuable resource, its children.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, I address my colleagues today in support of H.R. 7, the School Lunch and Child Nutrition Amendments of 1985. This legislation seeks to reauthorize five important child nutrition programs, programs which are shortly due to expire.

These programs, without question, are critical to the health and welfare of thousands of Americans. I strongly urge my colleagues to place their full support behind this important piece of legislation. It is imperative that we maintain these valuable programs, and, in doing so, reaffirm our commitment to what is perhaps this Nation's greatest asset—its children.

I would like to ask my colleagues to recall that in 1984, the House voted to reauthorize these programs by an overwhelming vote of 343 to 72. And the bill which we now consider would provide for spending levels that are even more prudent. In short, this measure is a fiscally responsible initiative, and one which possesses a strong degree of bipartisan support. It provides for a modest expansion in services, and, something which we all must keep in mind, this growth is specifically targeted at those Americans who are most in need. Finally, I would add that the bill, as reported out of committee, is entirely consistent with the budget resolution adopted by the Congress in August.

Programs such as the ones which we seek to reauthorize today are worthy of support largely in and of themselves. The services which are provided are of enormous value to thousands of children throughout this Nation. Indeed, it is rare that we question the worth of these services. It is significant to realize, however, that we are able to defend these programs not only on the basis of their social value, but also on the basis of their cost effectiveness. In fact, there are few programs that prove to be as cost effective as the one which we address today.

Numerous studies have demonstrated that child nutrition programs ultimately save more money than that which is initially authorized. I would cite, as an excellent example, the Supplemental Food Program for Women, Infants, and Children, commonly referred to as the WIC Program. It is estimated that for every $1 spent on the WIC Program, $3 is saved in terms of the money that would eventually have been spent on health services. I recommend to my colleagues that you refer to a recent bipartisan staff report entitled "Opportunities for Success: Cost Effective Prorams for Children." This report, issued by the Select Committee on Children, Youth, and Families, clearly illustrates the cost benefits of these programs, as well as their contribution to America's children.

In closing, I would like to emphasize the fact that these programs have suffered budget cuts in excess of $5 billion over the last 4 years. Yet during this same period, the number of poor children in the United States has increased by 33 percent. Clearly, these programs have taken their share of the burden in the ongoing budget-cutting process. The WIC Program, and other child nutrition programs, are so critical to the health and welfare of our citizens, that it is our duty to preserve, and, indeed, strengthen them. Let us today reaffirm our commitment to our Nation's youth. Let us strongly support the measure before us, so that these vital programs may continue to benefit so many American children.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Chairman, I want to begin by saying that I have a great deal of respect for the chairman of this committee, the gentleman from California [Mr. HAWKINS]; I found him as a chairman to be at all times fair and courteous and very sincere in his efforts.

We are both here today to reauthorize the several programs contained in H.R. 7, and on that issue, we have no dispute; these programs should be, and no doubt will be, reauthorized.

The issue then becomes as to how those reauthorizations will occur and whether the House will be able to make modifications in the reauthorization and indeed in the underlying legislation to provide for some fair modifications so as to limit the rate of increase that are in these programs.

Now I suppose I am not surprised that Defense would come up; I suppose I am surprised that the Defense bill would come up so early in the debate. There are good and valid arguments affecting national security of this country on both sides of the debate as to how far we should cut or add to the defense budget and how fast.

The defense vote will be up next week, not today. What we have before us today are a series of programs that, unless this House acts with some amendments, will be allowed to increase by approximately 36 percent over the next 5 years under these reauthorizations.

Now the size of the bill itself and the changes that the committee made, some of them were good and in fact I support many of those changes. The difficulty is if you accumulate the total cost of these programs including the changes but also the underlying programs that the Congress has never gotten around to changing, you add an additional $400 million in spending next year, from $5.5 billion to almost $6 billion; $5.9 billion; and if you add up the total cost over 5 years, you will add some $2 billion in Federal expenditures, or a 36-percent increase on an annual basis at the end of that 5 years.

So the issue is not whether to reauthorize the School Lunch Program; the issue is how best to reauthorize it. The issue is not even as to whether to increase funding for school lunches, school breakfasts, and WIC, but how best to increase that funding and what is the amount that will keep this Congress from hurting the needy people of this country, who also need and need even more reduction of the Federal operating deficit so that interest rates might come down and unemployment might come down, and their parents might get jobs, and their families might be able to buy homes.

I would take a minute to set what I think the procedure will be for the House Members, I know, who are wondering how long we will be here on this bill. We will have an hour of debate and then I will offer a series of amendments, five in total, one of which may well be accepted by all sides; and that would leave four. I had offered to offer these four amendments either en bloc or in some sort of a block, but a number of Members on both sides of the aisle have requested the opportunity to vote on them separately; and that is the request of the leadership for both the majority and the minority of the committee, and so that is their decision, and that is fine with me.

The numbers are large; the School Lunch Programs are important; and the size of the increases are extraordinarily large and extraordinarily negative, and so I think the House will and should take sufficient time to consider each of these amendments in detail as to what they do, and then the cumulative effect of the amendments.

Mr. Chairman, just a word about the bill itself. The bill does make some needed improvements. For example, the WIC Program will be reauthorized and extended to, I think, save Federal dollars over a long period of time by lowering the cost of neonatal care by providing for additional nutrition for prenatal care.

The School Breakfast and Lunch Programs will be changed in a number of ways that many of us have advocated, including an offer versus serve of the School Breakfast Program and a study of the allocation formula of the State administrative expense.

The authorization continues to ignore budgetary and indeed economic restraints on the programs, and H.R. 7 does not target scarce Federal resources to the needy.

Now it is one thing to advocate continued funding for those programs that serve low-income families in this country; the needy, and I support that. It is another thing to support large increases in those same fundings.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOODLING. I yield 1 additional minute to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I will take my 1 minute and then we will have some additional debate during the amendments.

I will be offering five amendments, including an amendment to simplify the program at the local government level; to delete the now program that would be reinstated of the food service equipment assistance, to instate the same means test for family day care homes for school lunch, the same means test that every other part of the School Lunch and School Breakfast Program has; to eliminate the cash subsidies of nonneedy students; that is to say that portion of the subsidies that goes not to the low income but to the middle income at the rate of 12½ cents cash subsidy per student, and to freeze for 1 year the automatic COLA increase that would occur on July 1, 1986.

□ 1450

The cumulative effect of the amendments would be to reduce annual spending of these programs by $931 million, almost $1 billion, at the end of 5 years, or to cut in half the increases. So if these amendments were adopted, we would be at a freeze level.

Mr. HAWKINS. Mr. Chairman, I yield 3 minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, it is a real pleasure to stand here on the House floor and talk today about something that I believe very deeply in, and that, of course, is H.R. 7, the School Lunch and Child Nutrition Amendments of 1985.

Now, when we talk about this particular piece of legislation, we are talking in broad strokes about some of the most important programs that we have in our country. We are talking about programs that affect your children and our children. We are talking about things that are very basic. We are talking about food. We are talking about the ability to go to school and have some food in your stomach.

Back in 1981, these programs were cut by this Congress drastically. During that time period these programs have taken $5.2 billion in cuts over these last 4 years in combating of hunger among our children.

Now, the problem is getting worse, and the number of poor children who need proper nutrition has grown by over 1 million. It is a terrible fact that since 1981 the elimination of these programs has forced over 800,000 children to go without these services. The school districts simply cannot afford to continue to offer free or reduced breakfasts or lunches. We are moving backward. We have moved backward fast in the last 4 years in our efforts to help these children. I am sure this was not the intent of the Congress and those who voted for those cuts in that time period, but the simple fact of the matter is, that is what has occurred. We have gone backward in terms of nutrition and helping poor children in the last 4 years. In the face of the growing number of hungry children, I do not see how anyone can refuse to support fully this particular type of legislation. We will deal with the individual amendments when they come up. But I can truthfully say to you that there are children who live in poverty in every district of the United States of America, every Congressman in this House of Representatives has children in their districts that have this particular type of problem. No area is immune to this plot. Now is our chance to recapture some of the lost momentum of the fight against poverty and the fight against hunger right here in America.

We passed legislation in this House to provide assistance to the needy people of Africa. That was right and good. But now let us, the Members of the 99th Congress, do the same for the children that we represent. For the sake of our children and the sake of the future of our children, I urge overwhelming passage of this legislation.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the gentleman from Vermont [Mr. Jeffords], the ranking minority member of our committee.

Mr. JEFFORDS. Mr. Chairman, we have an extremely important bill before us today. First of all, I want to commend all of the members of the committee, and especially the chairman of the committee, the chairman of the subcommittee, and the ranking minority member of the subcommittee for putting together a nutrition bill that I think we all should support.

I know, in this day and age when we are suffering from problems of budget deficits and it is necessary for us to try to save every dollar we can, that we have to look very carefully at bills that come to the House floor. The cry is to freeze everything, do not increase anything, and thus we can bring the budget under better control. But there are areas where it does make sense for exceptions, where a program will end up actually saving money, not costing money.

Before getting into that rationale, I would like to say that there are no new entitlement programs in this bill. There are some changes and some modifications in the bill, and with respect to the all-important WIC Program there is even more money to attempt to increase our participation levels.

Let us take a look at what this bill does and, more importantly, what nutrition has done for this country and what the facts show is occurring now.

First of all, good nutrition does save money. The gentleman from California alluded earlier to a report that came out today, a briefing that I attended, which indicated that statistically the facts show that over the years 1980 to 1983, notwithstanding the fact that the country itself improved in such areas as infant mortality and low birthweight, in the poor rural areas we had a significant increase in infant mortality and low birthweight. What is the result of this and what are the implications of these facts for the budget?

We have essentially frozen WIC, as far as the number of people who have been able to participate in this program over the last few years, and we have decreased the amount of money available in food stamps by some $2 billion over the then-current policy of some 4 years ago. The results of the study indicate that this may well be having its ramifications on the health of our country.

What do these program changes mean to us, not only in the sense of what we would like to do for ensuring that our young people are born healthy, but also its ramifications for the budget. We have more young babies born with low birthweight in certain areas and population groups. It costs us about $2,000 a day until that baby comes to a point where it can be self-sustaining.

Studies have indicated very clearly that the WIC Program is a money-saving program. It saves, a Harvard study shows, about $3 for every $1 spent. Thus, we are not saving money by freezing the participation in the WIC Program.

My State of Vermont provides further empirical evidence that this program does work. Whereas the national participation in this program varies somewhere between 30 and 50 percent, the participation in Vermont, among the first States to have the WIC Program, is close to 80 percent. Vermont is one of the most rural areas of the country, has some of the highest poverty, ranked 38th in per capita income and 46th in average wages, yet, our birthweight problem is less than the national average, as is our infant mortality rate.

What would that mean, for instance, if the rest of the country would have the same participation rate as the State of Vermont? It would mean that if we were to spend that extra money to bring the national rate to 80 percent, the net effect would be that we would save in the budget $3.2 billion each year in Medicaid costs and other health services costs.

So, let us delude ourselves in thinking that if we take off a few dollars or if we were to cut rather than expand the WIC Program the very modest bit that we do here, that we would somehow be saving money. It would be a false saving. It would do nothing other than to increase our budget problems, as well as to reduce our compassion for those who need help in the most rural areas of this country.

I want to end by again commending those who have worked so hard, the gentleman from California, the chairman of our committee, and all of the members, including the ranking minority member from Pennsylvania, who have done such an outstanding job in bringing a program here before us. A bill which we can ardently support on both sides of the aisle.

Mr. HAWKINS. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. Hayes].

Mr. HAYES. Mr. Chairman, I rise today in strong support of H.R. 7, the School Lunch and Child Nutrition Amendments of 1985. As a member of the House Education and Labor Committee, I am familiar with this legislation and feel that it is a measure that all members of good conscience should support.

One of the strongest reasons to support this bill is the fact that it falls within the constraints of the Budget Act. The House Budget Committee, despite its preoccupation with the budget deficit and the need to reduce expenditures, saw fit to fully fund this program. All of us may denounce the growing budget deficit, but there was general agreement that this program should be fully funded when the Federal budget was approved by Congress.

A strong reason for support of this bill is the efficiency of its programs. Some of you may be aware that the Women, Infants, and Child Nutrition Program [WIC] has been estimated to save $3 for every dollar spent. This is very important, especially for my colleagues who are concerned with the health of expectant mothers, the high rate of infant mortality and the urgent need for adequate child nutrition.

Over the last 4 years, the Reagan adminsitration has seen fit to cut an overwhelming $5.2 billion from this program. The small increase that we have allotted by no means makes up that difference, but it is a positive step to eradicate hunger of poor and disadvantaged schoolchildren in this country.

There are other important and valid reasons and all play a part in my reasoning to support this bill. However, nothing is more important than the fact that this legislation will make a difference for the people who need this type of assistance the most. I know that this will make a difference for children in Chicago who, because they have been forced to go to school hungry, are unable to concentrate, and therefore unable to learn. I know that this will save lives in the city of Chicago, a city where infant mortality was 17 percent in 1983, 24.9 percent for black infants. Both these numbers are unacceptably high, and the WIC Program will help us to alleviate this problem.

Strong support and protection for the unborn have been shown by some, and that is their right, and I respect it. But I implore you to please show comparable concern to prolong the lives of

those who have already arrived on this earth.

Mr. Chairman, I strongly support the National School Lunch Act and the Child Nutrition Amendments of 1985 and urge my colleagues to adopt it without weakening amendments.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. Gunderson].

Mr. GUNDERSON. Mr. Chairman, let me begin by issuing, along with so many others, a special commendation to the distinguished chairman of our committee, and even his predecessor, who have been such strong leaders in this area. But I would be remiss if I stood up here this afternoon and did not issue a very special commendation to the ranking Republican on the subcommittee, Mr. Goodling. He has been clearly my teacher in all of these elementary education issues, and I think there is no more expert in the U.S. Congress on child nutrition than Mr. Goodling.

You cannot educate a child who is concerned about the hunger pains in their stomach. And that is why, whether we are Republican or Democrat, liberal or conservative, the issue of child nutrition ought to be so essentially important to each and every one of us. As we get into the debate today I think we will learn a lesson, a lesson that perhaps we would have been better off in freezing everything, because I, too, find it very difficult to stand up here today and ask for cuts in certain areas of child nutrition not so we can reduce the deficit but so that we can increase spending in other areas. That game is never won by anyone.

Today we reauthorize H.R. 7, the School Lunch and Child Nutrition Amendments of 1985. As indicated before, we are dealing with five programs which expire, the WIC Program, the summer food service program for children, the commodity distribution authority, the funding for State administrative expenses of these programs and nutrition education and training programs. We are making some improvements and additions to such programs as the School Lunch Program. This program, the School Breakfast Program, does not expire. They are entitlements. We are only making corrections in those programs. I think that is important to understand.

I had two amendments adopted in the full committee consideration which I want to take this time to elaborate on because I think they are important for each and every one of us. One of those is the restoration of the special school milk program. Does it cost money? Yes; it costs $15 million. But, really, all we are doing is correcting a mistake that was made and an oversight that was made in the 1981 Gramm-Latta reconciliation. At that time it was the decision of this Congress that we would eliminate the special School Milk Program, believing that the School Lunch Program, which provided reimbursement for milk, would cover all students in our schools.

□ 1505

We also went on to provide special milk for students in schools that did not have a hot lunch program. What we did not realize is that in all of this we were succeeding in eliminating or prohibiting kindergarten students from getting their regular milk break, because they would go to schools that had a hot lunch program, but they did not participate in the hot lunch program. This then is simply correcting a mistake that was made in that area.

A second amendment of mine is to require that every school offer as an option for students in the school milk or school lunch or school breakfast programs whole milk. Believe it or not, up until this time, the present law and regulations require that you must have skim milk, you must have low fat milk, and you must have butterfat milk. But you do not have to have whole milk.

Now, there may be some debate about adults as to whether or not you should have 2 percent or whole milk, et cetera. But I think the evidence, healthwise, is pretty clear among young people that the content, the fat content, the protein content of whole milk is very nutritious and necessary in their growing bodies and the calcium that it includes. Second, all we are saying here is make sure those families and those students that want this whole milk have that particular opportunity.

We are going to consider a lot of amendments this afternoon, and I would like to just briefly mention a few of them. First of all, the question of freezing rates happens to be an amendment that I think can be supported for 1987, obviously not for this year, July 1 has already been here. It is a legitimate debate but it is one that I think can be defensible. It will save $30 million the first year; $250 million the second fiscal year because of the 9 months in that second fiscal year.

The cash subsidy is a difficult issue to determine where we ought to go in terms of trying to be efficient and still maintain the integrity of our School Lunch Program as the gentleman from Pennsylvania has so eloquently spoken so many times. I can tell you that my school administrators say absolutely keep the commodity subsidy. If you must cut in this area, take a look at some cut in the cash subsidy area. Frankly, 12 cents may be too much. But perhaps this is an area where we could at least find some subsidy.

Mr. HAWKINS. Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. Williams].

Mr. WILLIAMS. I thank the gentleman for yielding me this time.

Mr. Chairman, I am in support of H.R. 7. I hope that this important piece of legislation will not be controversial and will enjoy wide bipartisan support.

The legislation as reported by the committee would reauthorize the five child nutrition programs that expired last year but were extended by the 1985 continuing resolution. These matters should be addressed in authorization bills, not continuing resolutions.

The legislation calls for a very modest increase in the authorization for the WIC Program—the supplemental feeding program for women, Infants and children—and an increase in the Federal reimbursement rate for the School Breakfast Program. The change in the reimbursement rate for the breakfast program is a direct result of the Department of Agriculture's study which indicates that the breakfast program needs to be improved nutritionally.

The national evaluation of school nutrition programs, released by the Department of Agriculture, in March 1982, indicates that the School Lunch Program is extremely important to students in all income categories. The breakfast program, however, was deficient in the protein category. The committee is attempting to respond to this finding by increasing the Federal reimbursement for breakfast by 6 cents per meal, and thus improve the nutritional guidelines for the program.

The funding in this legislation has been cut back by approximately $200 million from the legislation that passed the House overwhelmingly last year and then died in the Senate. The cost of the legislation, approximately $100 million, has been included in the budget resolution as agreed to by the House and Senate.

I am pleased that the bill includes an amendment I proposed that provides automatic eligibility for free meals for those children who are members of households receiving assistance under the Food Stamp Program or members of an AFDC assistance unit under part A of title IV of the Social Security Act in a State where the standard of eligibility or such assistance does not exceed 130 per centum of the income poverty guidelines. For purposes of the AFDC Program, the standard of eligibility is the payment standard rather than the standard of need (in those States where the two standards are not the same).

The purpose of this amendment is to allow for the least burdensome and least expensive application and verifi-

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cation procedures under the free lunch and breakfast programs. It is my intent that in adopting this amendment the privacy of families of individuals participating in the free lunch and breakfast programs will be protected by requiring their permission to use their AFDC or food stamp eligibility as criteria for participation in the free lunch and breakfast programs.

I am pleased to encourage support for H.R. 7.

Mr. GOODLING. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. Gilman].

Mr. GILMAN. I thank the gentleman for yielding me this time.

Mr. Chairman, as we consider this significant measure, it is important that we consider the condition of poverty and malnutrition suffered by thousands of women, infants, and children in our Nation. Because of the widespread affects of this national dilemma, I am pleased to rise in support of H.R. 7, legislation designed to reauthorize and improve upon the National School Lunch Act and the Child Nutrition Act of 1966. I thank the gentleman from California [Mr. Hawkins], the chairman of the Committee on Education and Labor and the ranking minority member, the gentleman from Pennsylvania [Mr. Goodling], for their extensive efforts in bringing this measure before us today.

The National School Lunch Act and the Child Nutrition Act comprise a crucial segment of our federally subsidized food programs, allowing low-income families to meet vital nutritional standards through a system of reduced price and free meals to schoolchildren, as well as aid to pregnant women and infants deemed nutritionally at risk by medical authorities. H.R. 7 modifies some of the provisions of the original acts and provides for an additional $121 million in new spending in fiscal year 1986 permitting $60 million to be added to the WIC Program to accommodate about 120,000 new participants, thus extending the number of eligibles to those not able to feed themselves and their families. This legislation also continues support for State administrative expenses associated with all Federal child nutrition programs.

The extent of the national hunger problem was painfully revealed in a recent Harvard study which notes that increased hunger among low-income children is a result of an inadequate WIC Program and cuts in other subsidized school breakfast, lunch programs and child care feeding programs. H.R. 7, is restoring $121 million to the child nutrition account, provide dire needed assistance to low-income pregnant women, infants and children who are suffering from the debilitating effects of malnutrition.

As a member of the Select Committee on Hunger, I appreciate that a nutritional program must be aimed at providing essential dietary supplements. H.R. 7 accomplishes this task through a series of directed improvements in the school breakfast and lunch plans. For instance, under the new, more comprehensive programs, the USDA is required to ameliorate the nutritional quality of breakfast meals and a 6-cent increase per meal assures that some of our neediest students receive at least one nutritionally balanced meal per day. H.R. 7 also provides automatic eligibility for free meals for children in households receiving food stamps or AFDC in a State where the standard for eligibility does not exceed 130 percent of the income poverty guidelines.

A further provision in H.R. 7 furnishes children with well-rounded meals include the offering of whole milk as a school-lunch beverage. H.R. 7 would also provide special milk to kindergarten children who, because they attend school in split sessions, do not benefit from federally subsidized school meals. The Committee on Education and Labor reports that this bill will provide milk for approximately 1 million kindergarten children.

Nutritional health is tied inextricably to developing good eating habits. In that regard, H.R. 7 reauthorizes through fiscal year 1988 the nutritional education and training program which instructs both students and school food personnel on how to best meet daily intake of essential foodstuffs. In addition, a summer food service program is extended and will continue to implement the school year program so as to ensure a child's continued health throughout the entire year.

In response to the mounting desire to eliminate world famine, the Select Committee on Hunger was established to quell the cries of global suffering in a world which knows no limits to the destruction caused by hunger. Much attention has focused on the widespread famine in Africa and rightly so—but this should not and must not detract from our responsbility to address our problems of domestic hunger. The select committee's moral tenet was to ensure that no child in the world would go hungry, and that no family would be subject to the perils of malnutrition and starvation. Let us make sure that this mandate is extended to our own Nation before we become complacent, ignoring the neglected portions of our society when the overall American standard of living places us well above the world norm. I trust that the irrationality of allowing Americans to go hungry will not be lost on my fellow colleagues.

Accordingly, I urge my colleagues to join in supporting this measure, thus underscoring our Nation's ardent desire to erase all traces of hunger both at home and abroad.

□ 1515

Mr. HAWKINS. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. Vento].

Mr. VENTO. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of H.R. 7, the School Lunch and Nutrition Amendments of 1985.

I want to commend the chairman and the other members on the committee who have worked so hard to bring this measure before us today. Indeed, in the last 4 or 5 years, we have had great debates, and unfortunately, I think more often than not, the WIC Program, the school lunch programs and the child nutrition programs have been the losers in that program. In the end, I think our Nation loses when, indeed, we do not meet these types of needs because it is the sort of cost that will be reflected in the future as we attempt to tap the pool of talent and the resources that we have as a nation.

The bill, of course, is an appropriate response to the problems of poverty in our society, and hunger in our Nation. In the United States, not only do thousands of kids go to bed hungry every night, but they come to school hungry every day.

As a former educator, I can speak from personal experience. You cannot teach hungry kids. Kids do not sit still when they are hungry. They do not listen. They do not pay attention. And most importantly, they do not learn.

You cannot teach kids who are sick. Sick kids who do not get the proper food or enough food at home because their families are of low-income background are a recurring phenomenon in our society.

Recently, Professor Hodgkinson, a fellow at the U.S. Department of Education, recently pointed out the changing complexion of our school-age population across the Nation. Unfortunately, increasingly those kids, those youngsters who are coming into our school system are from low-income backgrounds. The fact of the matter is that, sadly, very often it is the minority groups who contribute the largest amount to our school-age population find themselves for a variety of reasons, which I think are all too familiar to us in terms of discrimination and the other disadvantages that they have, and these manifest themselves in kids with limited ability in our school-age population; so much so that they, of course, will be making up nearly half of our school-age population by the end of this century.

The fact of the matter is, if you look across this country, we find that very often these minority students coming from low-income backgrounds needs the types of extra support that can be offered through programs such as this.

So I appeal to my colleagues to support this worthy program. I think it is a good investment in our future.

Mr. GOODLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all I would like to clear up a few misconceptions that people seem to have.

It has been mentioned on several occasions by prior speakers that we are reauthorizing only five programs and I would like to reemphasize that. There are only five programs that are being reauthorized at this particular time, and those five programs are the WIC Program, the Nutrition Education and Training Program, the Summer Feeding Program, the Commodity Procurement Program, and the State Administrative Expenses Program. There are no other programs being reauthorized in this place of legislation.

Second, it was mentioned earlier today, inadvertently or incorrectly, that there are new entitlement programs in this legislation. There are no—I repeat, underline, emphasize—no new entitlement programs in this legislation.

It was also indicated that there are large additional expenses to existing entitlement programs. I emphasize: There are no large increases in existing entitlement programs. The largest increase is in the breakfast program, and that is because, as was mentioned before, the Department of Agriculture indicated that the School Breakfast Program meal is not nutrititious, and therefore, in order to make it nutrionally adequate, we have added 6 cents per meal to improve that breakfast.

Again, let me say there are no new entitlement programs. There are no large additions to existing entitlement programs.

Then let me point out, and I am sure this was done inadvertently, but the gentleman from Texas has used some figures that are incorrect, and I think we should probably correct them at this time.

What the gentleman did in his figures, and I said it was inadvertent, I am sure, so he can sit down and not get too exicted, he included gross customs receipt money because he included, I believe—I am just saying I believe he included—$350 million, which is where he seems to be off the whole way across, and I am assuming that is coming from an act that was passed in 1935, and it was passed at that time in order to take care of the agriculture program. In that act, they said that one-third of those gross custom receipts would go to the Secretary of Agriculuture to disperse. So the $350 million, I would believe, where he is above the whole way across, would probably come from something that has nothing to do with this legislation whatsoever.

Let me give the correct figures for child nutrition spending—with and without passage of H.R. 7—according to CBO. Let me also say that we are not talking about 1989 and 1990. We are reauthorizing for 3 years. So let me give the 1986 correct figures according to CBO.

Current policy: $5,640,000,000; with H.R. 7 passed, $5,761,000,000, which is "plus" $121 million.

In 1987, $6,054,000,000 is the current policy figure; $6,178,000,000 with H.R. 7, which is "plus" $124 million.

Then in 1988, the last year of reauthorization, current policy would be $6,468,000,000; passage of H.R. 7 would make that $6,595,000,000, which is "plus" $127 million.

So we do not have the large increase that was indicated earlier today.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I would be very happy to yield very briefly.

Mr. BARTLETT. I thank the gentleman for yielding, and I will be very brief.

Mr. Chairman, I know that the Members do not want us to debate technicalities as to what the titles are or when what was passed and at what time. The numbers I have presented to the House are a compilation of the cost, the total cost, of all of the programs that are covered by H.R. 7. Now, it is true the National School Lunch Program is not technically reauthorized by H.R. 7 because it is permanently reauthorized, so it has no sunset, so this is the only opportunity for the House to deal with it.

But the numbers before you, adding up to $7½ billion in fiscal year 1990 represents——

Mr. GOODLING. I figured the gentleman picked that number because it comes out to $2 billion, which sounds more dramatic than anything else.

Mr. BARTLETT. If the gentleman would yield further, no, sir; I picked that number because it is time this Congress begins to look at the cost of their programs as they compound down the road.

Mr. GOODLING. Mr. Chairman, reclaiming my time because we can get into some lengthy debate later on during your amendment process, let me again say that I am giving the exact figures from CBO because people do like the accurate figures.

□ 1525

I believe the error, as I indicated before comes from the $350 million item, which has nothing to do with this package with relationship to reauthorization and funding. That $350 million comes, as I said, from the section 32 account. Section 32 includes one-third of the total customs receipts which is used primarily, I believe, to remove agricultural surpluses.

So, again, let me indicate that the only areas where we are talking about sizable increases are in two, particularly the WIC Program. It has already been mentioned that when we talk about the cost of neonatal care for youngsters who are prematurely born, we are talking about $2,000 a day. We are talking about $60,000 until, as a matter of fact, they leave that particular care since the average length of stay is 30 days. That eventually will be paid by the taxpayer in most instances.

So here this is what we are talking about. Let us spend just $400 a year, not $2,000 a day, and see whether we can prevent this problem. That is what we should be doing in medicine; we should be practicing preventive medicine, It is so much cheaper.

As I indicated, the other area we are talking about is the breakfast program. Here again we have two choices: do away with the breakfast program or make it worthwhile. According to the Department of Agriculture, it is not worthwhile at the present time, and it will take 6 cents a meal to make it worthwhile.

Let me also mention that this Congress must understand that you cannot have this so-called safety net and, at the same time, question paying childrens' meals being subsidized. I would like to emphasize over and over again that the subsidy is to continue the school lunch program. It has nothing to do with the paying child. The Congress decided that in order to keep the national school lunch program going, we must subsidize to a certain degree. If we do not, what happened in 1981 and 1982 will happen again.

In my district alone, to give an example, there are two school districts within 30 miles of each other that we are cutting. As we cut the paying customer, it had no impact whatsoever because one was a very affluent school district, they dropped out of the national school lunch program. They did not have to worry; they did not have that many people to serve. In the second district 30 miles away, 1,300 youngsters were receiving free and reduced-price meals. This district dropped out of the program; they do not have to worry further about those 1,300 youngsters. Why do they not have to worry about those 1,300 youngsters? Because free and reduced-price eligible youngsters have to be served if the school participates in the national school lunch program.

Three States have a requirement for this, but in the others, that is not so. So you just toss them by the wayside.

This is an administration that talks about a safety net. You need that safety net, and you get that safety net by subsidizing all school lunches.

There is one other area where there is an increase. There is an increase in relation to participation by private and parochial schools in the program. This is an administration that believes in tuition tax credits. This is an administration that believes firmly in vouchers. So I would think that it would also be an administration that believes that we certainly should do the same then for the private and parochial schools, when it comes to nutrition, as we do for the public schools.

In order to summarize, I want to again repeat that we are only reauthorizing five programs, not the many that we heard discussed. We are not adding any new entitlement programs. We are not adding a great deal of money to any entitlement program. The only one that gets much of anything is the school breakfast program.

So again let me say that we have brought to the Members a piece of legislation that ought to be passed overwhelmingly. I think there were 77 votes against it last year. We have reduced it from $370 million to $121 million. Many of the amendments we will hear about are amendments that I gave to the Budget Committees in the House and the Senate, and we said that if we are seriously going to freeze every area of the budget, there are ways we might do it without hurting the programs too seriously. But we decided we are not going to freeze the whole budget. So if we are going to have cuts, let us also have fairness.

Mr. HAWKINS. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut [Mr. Gejdenson].

Mr. GEJDENSON. Mr. Chairman, I rise in support of H.R. 7.

I strongly believe that the child nutrition school lunch programs have played, and will continue to play, an important role in serving ill-fed youngsters in America. As we talk about the fiscal and budgetary impact, it is important that we remember that we are speaking of children, children in this country, the richest country on the face of this Earth, and a country with the ability to feed millions of starving children and people in other countries. What we are asking the Congress to do here is to do the very minimal amount to see that American children have a halfway decent share and an even shot in this country.

As a result of cuts in the past, almost 700,000 children were taken off the reduced and subsidized free lunches. In the WIC Program, you cannot go to a hospital in this country without a clear demonstration of the cost-saving impact of providing nutritional assistance to pregnant mothers.

In the medical center at Farmington—the Dempsey Center—I spoke to doctors, and as I said to my colleague just recently on the floor, a cost savings of $60,000 to $70,000 per child is seen when a child is born at full weight and full term, as compared to a child who comes prematurely and of low birth weight.

The debate here on the fiscal and budgetary impact is an important one, but there is also an important role that we, as Members of Congress, face in seeing that we help the next generation of Americans come into our society with somewhat of an equal opportunity. Children who go to school and do not have adequate nutrition do not learn. Children who go to school with an inadequate diet end up at the bottom of society, at the bottom of the job market. Unless we wish to stratify the society further, unless we wish to forget our responsibility in the Congress to the people of this country, we need to understand the importance of passing this piece of legislation as it comes to us from the committee.

Mr. Chairman, I thank the committee chairman for yielding me this time, and I urge support of H.R. 7.

Mr. HAWKINS. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. Traficant].

Mr. TRAFICANT. Mr. Chairman, I thank the chairman of the committee for giving me this opportunity to speak. I commend the gentleman and his committee for the type of work they have done in the past and continue to do. I am proud to be a cosponsor of this particular measure. My remarks, I think, may be a little different from others. I think they sound on a few points that must be made.

Forty percent of the poorest families in America receive but 15 percent of all our income in America, whereas the top 20 percent of all the families in this country enjoy and share 43 percent of all our wealth and income. As we can see, the rich are getting richer and the poor are getting poorer. There is a particular dynamics occurring in America that is much more dangerous than any missile, and that is the social status of people and the income variations that exist between those rich and those poor.

In that regard, we are now talking about a program that deals with nutrition. To echo the words of the gentleman from Kentucky, Mr. Chris Perkins, who was out here earlier, and the statement he made, which was excellent, 1981 set us far back. Now, in 1985, in the land of America, we are talking about hunger and children who do not have adequate nutrition. This is ridiculous. We have an opportunity here to restore funds to programs that are not only cost-effective but that have a far-reaching effect on America and the health of our children.

Since the cuts in 1981, the number of poor children has risen 33 percent. There are 3.3 million more children in America than there were 6 short years ago. So what we are deliberating here is an issue of great importance. Unfortunately, the House is not filled as it should be, but these are the issues that have a tremendous bearing on our country. That is why I am so proud to be a sponsor of the measure.

Mr. Chairman, I would just like to close and say that I agree with the gentleman from Kentucky, Mr. Chris Perkins, when he says that it is literally a disgrace that we should even be discussing hunger for the children of America.

Mr. EDWARDS of California. Mr. Chairman, I rise in support of passage of H.R. 7, the School Lunch and Child Nutrition Amendments of 1985. I commend the distinguished members of the Education and Labor Committee, and their chairman, Mr. Hawkins, for their work on this urgent measure. Their hearings on this important bill were comprised of difficult decisions, with demands for budget cuts being weighed against the compelling need to restore and maintain the Federal child nutrition programs.

The bill before us today provides a much leaner budget than the bill passed overwhelmingly by the House last year. Nonetheless, I believe the modest increase is indispensable, as it preserves essential programs which provide primarily for one group of beneficiaries, specifically, children in poverty.

I will not continue to take the time of my colleagues with my own words, Mr. Chairman, but I do wish to share with the Members of this body, the words of one of my constituents, Lorraine Escobar, of Milpitas, CA.

With simple eloquence, Ms. Escobar offers us a sagacity from which I hope we can all benefit. I urge my colleagues to read what she was written. It is a straightforward and sensible message.

The letter follows:

June 6, 1985.

Congressman Don Edwards,
House Office Building, Washington, DC.

Dear Congressman Edwards: The proposed budget cuts in the federally-funded nutrition programs, and others like it, scare me. These cuts could put a devastating end to the hopes of a better life for many single-parent families.

How can an underpaid single working mother manage to survive the high cost of rent and daycare without some assistance? How can she even dream of security for her family if she has to go hungry so that her children can eat? How can she teach the valuable lesson of self-sufficiency if the high cost of daycare forces her to rely on welfare?

These federally-funded programs are a helping hand, not a handout. I know; I was helped myself. When I became a single parent, the only thing that stood between me and welfare was the subsidized child care program and the nutrition program. These programs afforded me the opportunity to earn my living and develop my job skills to the point where I will soon be able to completely support myself.

My children have witnessed my progress and now have a mother of whom they can be proud. Thanks to these programs, coupled with my desire to better myself, I know my children will be self-sufficient in their own adulthood having had my example to follow. Such a small investment that helps women like myself can pay such large dividends—children who become responsible and self-sufficient adults.

These cutbacks will result in a much larger far-range devastation than this society will be able to handle. Please, don't let this happen, rather, think, think of what tomorrow will bring.

Sincerely,

Lorraine Escobar.

Mr. SOLARZ. Mr. Chairman, last September President Reagan made a statement that all of us considering this legislation today should consider. The President said "If even one American child is forced to go to bed hungry at night, or if one senior citizen is denied the dignity of proper nutrition, that is a national tragedy."

I strongly agree with that sentiment and that is why I strongly support the passage of H.R. 7 as reported by the Education and Labor Committee, on which I am privileged to serve. Despite some of the statements that have been made around town, this legislation does not "bust the budget." The budget recently adopted by the Congress assumes the levels of funding contained in H.R. 7.

This legislation provides for a modest increase in the Child Nutrition Programs, an increase justified by the severity of the hunger problem now experienced by many Americans. In fact the hunger problem is more serious now than at any time in the last 10 to 15 years.

The bill before us today would allow for a small increase in the Special Supplemental Food Program for Women, Infants, and Children [WIC] so that this program could reach an additional 120,000 persons. Currently WIC serves only one-third of those eligible for this program, despite the fact that a number of studies have shown that WIC is a cost-effective program that saves $2 to $3 in medical costs for every dollar spent in nutritional supplements.

H.R. 7 also provides for a small increase in the school breakfast program to improve the nutritional quality of the breakfasts served to the 3 billion low-income children who participate in this program. Hungry children don't learn. And that's why I believe it would be pennywise and pound foolish to make any further cuts in these important child nutrition programs which have already lost $5.2 billion due to budget cuts between 1982 and 1985.

H.R. 7 also contains a provision which I authored that restores $1 million in funding for the Food Service Equipment Program in fiscal year 1986 and such sums as are necessary in fiscal year 1987 and fiscal year 1988. This program which existed in one form or another since the inception of the Federal School Lunch Program was eliminated by the Omnibus Budget Reconciliation Act.

H.R. 7 would once again authorize the provision of small grants to private, parochial, and public schools to help them replace, install, or upgrade the equipment they need to prepare, store, or serve meals in the Federal School Lunch Program.

This small program had served a real need in maintaining the infrastructure of the School Lunch Program, particularly for hard pressed private and parochial schools and rural public schools which serve large numbers of low income children. Such schools are often hard pressed to meet teacher salaries, and faced with replacing a $3,000 refrigerator or a stove, many have had to drop out of the School Lunch Program or switch to more expensive vendor prepared meals.

The Secretary of Education would determine eligibility and priorities for these grants after consulting with the states and the regional offices of the Food and Nutrition Service. Maintaining the infrastructure of the School Lunch Program is a reasonable and cost-effective program, which is why this provision is supported by the coalition of 70 groups who are working to ensure the passage of H.R. 7, and by the Agudath Israel of American, COJO, the Jewish Board of Education of Greater New York, the U.S. Catholic Conference, and the New York City Board of Education.

Because of the importance of the child nutrition programs contained in H.R. 7, I hope that my colleagues will support the bill as reported by the committee and reject all amendments. These programs help to preserve the health and well being of our Nation's children who, after all, are our Nation's hope and future. I urge the timely passage of H.R. 7 and commend the chairman, Mr. Hawkins for his tremendous effort to provide for the nutritional needs of our Nation's children.

Mr. GAYDOS. Mr. Chairman, when this body last year passed the School Lunch and Child Nutrition Act by a vote of 343 to 72, it was clear to all that we in the House of Representatives recognized the value and successfulness of the individual programs.

Today, we have before us again, the same bill, H.R. 7, the School Lunch and Child Nutrition Act and, in the interim nothing has changed concerning the value and success of the program.

The House Committee on Education and Labor, however, has made one major revision—in the area of costs.

The 1984 version of the bill would have extended the five individual programs in this package through fiscal year 1988 with additional spending in the amount of $370 million. The new version, the 1985 bill, shows that we in the House are very much aware of the need for holding the budget line, especially in the light of the huge deficits we have incurred since the current administration took hold of the Government's reins.

The 1985 version of the School Lunch and Child Nutrition Act provides for a modest expansion of the program with an additional $121 million, an amount that has already been included in the budget resolution adopted by both Houses of Congress.

Some might think that even this modest increase is too much in light of the budget deficit, but we must keep in mind the unfair burden borne by these programs during the past several years.

In 1981, we reduced funding for these School Lunch and Child Nutrition Programs by $1.5 billion, 4 percent of the total cuts enacted by the Budget Reconciliation Act of that year. In fact, according to the Congressional Budget Office, the cumulative effect of cuts in these programs between fiscal years 1982 and 1985 has been $5.2 billion.

But the dollars only tell a part of the study, the impact on people, especially children, is even more tragic, as a result of the program cuts in recent years, millions of schoolchildren have been dropped and one-third of these children were from low-income families.

Even the Department of Agriculture has found it to be nutritionally important to children. For many of the poorest, it is the only nutritional meal they will have in a day and, without that, these children have an even more difficult time in school. Let's face it, if your stomach is empty, how can you worry about a long division problem or whether a poem has some meaning for you?

Studies have shown the effectiveness of the WIC Program in terms of preventive intervention. For every dollar invested in WIC, we save $3 in later medical costs. Yet, only half of the eligible WIC population is currently being assisted.

Several years ago, we made a commitment. We, as a nation, committed ourselves to helping those who, because of circumstances beyond their control, were unable to help themselves.

In this bill, H.R. 7, we are honoring that commitment as well as our intent to keep Federal spending within acceptable limits.

We must ask ourselves whether the poor who cannot help themselves should be asked to bear an unfair burden in our efforts to reduce the Federal budget deficit.

This bill brings both elements into line and I urge its passage.

Mr. FRENZEL. Mr. Chairman, it will not be possible for me to be present on the vote on the extension of our nutrition programs in H.R. 7. If I could have been present I would have voted for the bill.

Mr. CLAY. Mr. Chairman, I rise in support of H.R. 7, the School Lunch and Child Nutrition Amendments of 1985. This legislation extends and improves five expiring child nutrition programs: The Special Supplemental Food Program for Women, Infants, and Children [WIC] program, the Summer Food Service Program, the Commodity Distribution Program, nutrition education and training, and State administrative expenses. I strongly support all of these programs because I firmly believe that they are vital for the well-being of our Nation.

I would like, in particular, to stress one of the programs which is dear to my heart based upon my experiences in my district. I have reference to the Summer Food Service Program. I believe that it is highly important that during the summer period when our Nation's children, and in particular our Nation's impoverished young people cannot count on regular sustenance, that the Summer Food Service Program is available as a source of enrichment and stimulation.

I can recall visiting a site in my district where young people were involved this summer in summer feeding programs. It was encouraging to me to see that taxpayers' dollars were being made available to these young people as a means of giving them a fair shake in life.

I was also impressed that in addition to the food that was made available, a program of instruction was also provided.

Mr. Chairman, I thought as I left the site what might have happened to these poor children in terms of nutritional food and snacks from this summer food service had it not been in place. I am convinced that it is an effective and beneficial program and in our national interest and should be sustained.

Another program which I would like to talk about briefly is the WIC Program. This program has been cited by many as "the most cost-effective program in existence." It has also been reported that for every $1 invested in this program, $3 is saved in terms of medical costs. Further, reports show that approximately 35 to 50 percent of the eligible WIC population is not served because funds are not available. This is a shame especially for a program which has demonstrated its successes over and over again. In my own State of Missouri, there was a study conducted with 6,560 prenatal participants active in the WIC Program during 1980 matched with their offsprings' birth certificates and has been cited by GAO as one of the best studies in the Nation. The finding was that "for the participants, the low birthweight rates were less than one-half of the rates comparable for non-WIC mothers." My colleagues, this is of particular significance since low birthweight is a major determinant of infant mortality in our country.

Mr. Chairman, I could cite many examples of successful nutrition programs in my district. The point is that we should have as one of our Nation's No. 1 priorities—the feeding of our hungry children.

I strongly urge my colleagues to join me in supporting this very vital and essential legislation without amendments.

Mr. FAUNTROY. Mr. Chairman, I rise in support on H.R. 7, School Lunch and Nutrition Amendments of 1985. I am pleased to be a cosponsor of H.R. 7 which would extend and improve through fiscal year 1988 five expiring and vital lunch and child nutrition programs. Among the programs to be extended are:

The WIC Program;

The Summer Food Service Program for children;

A commodity distribution funding authority;

The assistance for State administrative expense of these programs; and

The Nutrition Education and Training Program.

These programs, without the passage of this legislation, would expire at the end of this month.

The School Lunch and Child Nutrition Amendments of 1985 also target new funding of a modest $121 million for fiscal year 1986 for limited expansion of these cost-effective programs. Under this legislation the WIC Program would be authorized to increase by 120,000 the number of beneficiaries through the infusion of an additional $60 million in resources. The School Breakfast Program would be nutritionally enhanced by the addition of 6 cents to the Federal contribution to each meal served under this program.

This would be accomplished by the addition of $42 million to the School Breakfast Program to correct those nutritional deficiencies which have been documented in the program by the U.S. Department of Agriculture.

With the passage of the school lunch and child nutrition amendments, milk would be made available to children in our Nation's kindergartens. This initiative would be undertaken at a cost of $15 million. An authorization of $1 million would be granted for the purchase of food equipment. The tuition limitation would be raised to permit moderately priced private schools, schools with tuition levels of $2,500 or under, to continue their participation in the various school feeding programs. This provision's estimated cost is $3 million.

Mr. Chairman, these programs and the improvements embodied in this authorizing legislation are in our national interest and are required if our Nation is to maintain a minimal and civilized level of food security for our children.

As the committee report accompanying H.R. 7 points out, a physician's task force from the Harvard University School of Public Health issued a report his year entitled "Hunger in America, the Growing Epidemic," which concluded that the scourge of hunger in the United States is, in 1985, more serious and affects more of our citizens than any time in the last 10 to 15 years. The report went on to assert that this situation of expanding hunger among our citizenry was, "primarily due to governmental failure." In making this statement, the report cited the impact of $5.2 billion in cuts in these child nutrition programs that were enacted in 1981. As a result of these 1981 budget cuts associated with the Reagan-Gramm-Latta budget there was a loss of 3 million children from participating in the School Lunch Program, 1 million of them from low-income families. With these cuts 2,700 schools were forced to drop out of the School Lunch Program. With these cuts 400,000 children and 800 schools ceased their involvement in the School Breakfast Program.

Tragically, these reductions came at the very time that the American and world economies were undergoing a dislocating transition, increasing unemployment and the impoverisation of all too many of our Nation's children. Today, according to the Bureau of the Census, there are 1 million more children who meet the criteria for free and reduced-price meals than there were when the cuts were enacted in 1981.

In the District of Columbia these programs are meeting a significant and compelling need. The School Breakfast Program provided through the DC Public School serves 13,200 children daily. Ninety-seven percent of those served are children from low-income families. The School Lunch Program serves 46,450 students and 38,700 of these students come from low-income families.

The WIC Program in the District of Columbia served a total of 18,949 clients for fiscal year 1984; the breakdown is as follows: 5,225 women; 6,832 infants; and 6,892 children.

The projected number of clients to be served at the completion of fiscal year 1985 is a total of 18,348; the breakdown is as follows: 5,127 women; 7,010 infants; and 6,211 children.

If we care about our children, if we are true to the ideals we espouse, if we are rational in our understanding of the nutritional, medical, social, and economic benefits that will accrue from this very modest authorization, this legislation should and will have overwhelming support. I urge my colleagues to pass H.R. 7, the School Lunch and Child Nutrition Amendments of 1985.

Mr. RICHARDSON. Mr. Chairman, I rise today in strong support of the School Lunch and Child Nutrition Act. While this program reauthorises five expiring child nutrition programs, I would like to focus here on one of these—the WIC Program. In my home State of New Mexico we have over 63,000 individuals eligible for the WIC Program—of these 63,000 eligible participants less than one-third are currently receiving the help they need. The need for the WIC Program clearly exists. We need to not only keep this program alive—but also to expand it as much as possible within our fiscal constraints.

The bipartisan support for this bill is evident. H.R. 7's funding levels have been approved in the House/Senate budget resolution. I believe that it is significant that the conferees, even with their deep concern over the deficit, felt that this program should not only be continued at current levels, but should also receive a modest increase in funding. WIC is acclaimed as one of the Federal Government's most successful programs. For every dollar we invest in this program we get three back. Not only is this program a wise investment in our childrens future, but it also saves a great deal of money. The average cost for a hospital stay of an infant suffering from low birth weight is $60,000 the average cost of WIC is $400 per year. WIC helps to prevent low birth weight and neonatal problems requiring hospitalization.

I would like to strongly urge all of my colleagues to support the School Lunch and Child Nutrition Amendments of 1985—these programs have clearly shown that they deserve our support as investments in our childrens future. This is what President John F. Kennedy had to say on the issue over 20 years ago:

> The prevention of future adult poverty and dependency must begin with the care of dependent children—those who must receive public welfare by virtue of a parent's death, disability, desertion or unemployment. Our society not only refuses to leave such children hungry, cold, and devoid of opportunity—we are insistent that such children not be community liabilities throughout their lives. Yet children who grow up in deprivation, with adequate protection, may be poorly equipped to meet adult responsibilities.

The School Lunch and Child Nutrition Amendments of 1985 address this societal obligation—a small amount of money spent now helps to solve future problems and to prevent a need for larger future expenditures.

Mrs. COLLINS. Mr. Chairman, I rise in support of H.R. 7, a bill to extend and improve the School Lunch and Child Nutrition Act.

The programs extended by this bill—summer feeding, commodity distribution, nutrition education, the funding of State administrative expenses, and the Women, Infants, and Children [WIC] Supplemental Funding Program—are essential components in our national efforts to combat hunger. In addition to extending authority for these programs, H.R. 7 would restore approximately 10 percent of funding cuts sustained by the Special Milk Program, Private School Eligibility and the Food Equipment Aid Program under the Omnibus Reconciliation Act of 1981.

Most importantly, this bill makes substantial improvements to the WIC Program. At present, there are 2.8 million low-income women, children, and infants participating in this program and receiving a package of highly nutritious food supplements each month. WIC has been successful in improving the health and nutritional status of low-income pregnant women and children determined by the medical profession to be at nutritional risk. Various studies have shown that the WIC Program reduces the incidence of low birth weight by 16 to 20 percent. This is extremely important because low birth weight is the leading cause of infant mortality and is also associated with other serious child health problems. In the black community, conditions are especially bleak for infants. The infant mortality rate for black infants has consistently been much higher than for white infants. It is now at twice the rate and the gap is widening. These tragedies are preventable.

Mr. Chairman, the School Lunch Program has proven to make a substantial difference to children, both nutritionally and educationally. It is a well-known fact that children are less able to participate at their peak if they are hungry. The cuts that Congress made in 1981, coupled with the administrations cutbacks and alterations of the child nutrition programs since then, have had a very negative effect on low-income children who are most at risk in our educational system. This bill affirms congressional commitment to child nutrition by eliminating many of WIC's uncertainties over funding.

I urge my colleagues to support this important legislation.

Mr. HAWKINS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "School Lunch and Child Nutrition Amendments of 1985".

The CHAIRMAN. Are there any amendments to section 1?

The Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. AUTHORIZATIONS OF APPROPRIATIONS UNDER THE CHILD NUTRITION ACT OF 1966.

(a) SPECIAL SUPPLEMENTAL FOOD PROGRAM.—Section 17 of the Child Nutrition Act of 1966 is amended—

(1) in subsection (c)(2) by striking out "Subject to" and all that follows through "1984." and inserting in lieu thereof "Subject to amounts appropriated for the purposes of this program under subsection (g)—";

(2) in subsection (g) by stiking out the first sentence and inserting in lieu thereof "There are authorized to be appropriated $1,629,000,000 for fiscal year 1986 and such sums as may be necessary for each of the fiscal years 1987 and 1988 for the purpose of carrying out the program authorized by this section."; and

(3) in subsection (h)(2) by striking out "1984" and inserting in lieu thereof "1988".

(b) STATE ADMINISTRATIVE EXPENSES.—Section 7(i) of the Child Nutrition Act of 1966 is amended by striking out "1984" and inserting in lieu thereof "1988".

(c) NUTRITION EDUCATION AND TRAINING.—Section 19(j)(2) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(j)(2)) is amended by striking out "1984" and inserting in lieu thereof "1988".

The CHAIRMAN. Are there any amendments to section 2?

If not, the Clerk will designate section 3?

The text of section 3 is as follows:

SEC. 3. AUTHORIZATIONS OF APPROPRIATIONS UNDER THE NATIONAL SCHOOL LUNCH ACT.

(a) SUMMER FOOD PROGRAM.—Section 13(p) of the National School Lunch Act (42 U.S.C. 1761(p) is amended by striking out "1984" and inserting in lieu thereof "1988".

(b) COMMODITY DISTRIBUTION PROGRAM.—Section 14(a) of the National School Lunch Act (42 U.S.C. 1762a(a)) is amended by striking out "1984" and inserting in lieu thereof "1988".

The CHAIRMAN. Are there any amendments to section 3?

The Clerk will designate section 4.

The text of section 4 is as follows:

SEC. 4. FOOD SERVICE EQUIPMENT ASSISTANCE.

(a) GRANTS.—The National School Lunch Act is amended by inserting after section 4 the following new section:

"FOOD SERVICE EQUIPMENT ASSISTANCE

"SEC. 5. (a) Subject to the availability of appropriations, the Secretary shall make grants to school food authorities to assist in providing food service equipment. Such grants shall be awarded on the basis of need, as determined by the Secretary.

"(b) There are authorized to be appropriated $1,000,000 for fiscal year 1986 and such sums as may be necessary for each of the fiscal years 1987 and 1988 for the purposes of this section.".

(b) DEFINITION.—Section 12(d) of the National School Lunch Act is amended by inserting at the end thereof the following new paragraph:

"(8) 'Food service equipment' means equipment used by schools in storing, preparing, or serving food for schoolchildren.".

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARTLETT: Page 3, strike out line 17 and all that follows through line 10 on page 4.

Mr. BARTLETT. Mr. Chairman, this amendment is a rather simple amendment. It would delete a new program which was added by the committee entitled "Food Service Equipment Assistance."

Before I explain the specifics of the amendment, I want to take a few minutes to talk again about the entitlements in the bill and to place this amendment in its context. First, I have a great deal of respect for the ranking Republican member of the Subcommittee on Secondary and Elementary Schools, the gentleman from Pennsylvania. He understands the school lunch program as no other Member of the House does. He has a great deal of knowledge, and he and I have worked together on many of these programs in committee. In fact, I commend the gentleman because he was right on many of these amendments which he either offered or supported, both in the Budget Committee and in the Committee on Education and Labor, and also on the subcommittee and privately. I do hope that he will be able to support some of these amendments on the floor today.

I want to clear up a few concepts and go to the heart of the bill. First, let me point out the total cost of the programs.

Mr. Chairman, I think it is important that the House remember that on all of these programs, if you ask USDA, as I did, what the total cost of all the programs is that are covered by H.R. 7, they would tell you that those programs would cost $5.5 billion in fiscal year 1985 and are increasing approximately 6 to 7 percent a year compounded until by 1990; if we make no changes, they would be up to $7.5 billion.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I am happy to yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, I just want to say that the Department also told the world that catsup is a vegetable.

Mr. BARTLETT. Mr. Chairman, I appreciate the gentleman's attempt to do less than to clarify the issue at hand.

The total cost of these programs, if we do nothing at all today, will rise by 36 percent. It is true that the school lunch program is not up for reauthorization today because it is never up for reauthorization. It is a permanently authorized program, and this is our only day to discuss it and to attempt really for the first time, or this is one of the few times in this body's history, to attempt to control the out-year entitlement program expenditures, of which this is one.

Mr. Chairman, this specific amendment is an amendment to delete the food service equipment, which was an add-on amendment in the committee, and add-on amendment to cost $1 million in the first year.

□ 1540

After that, it was authorized that such sums that it reinstates in fact a program that had been deleted in prior years. It is an old program that is being resurrected.

It seems to me that in these days of scarcer resources we should not be adding on new programs, particularly programs that go for equipment instead of food.

Now, this is the first amendment in a series, Mr. Chairman, and I would point out the consequences of all these amendments. This one is only $1 millon, but the consequences of adopting this amendment, the next one and the ones after that, would be to reduce the total expenditures of these programs by $474 million the first year up to $931 million, or right at $1 billion annually by the 5th year, for the first time to attain some control and limitation over the rate of increases of the entitlement programs.

Mr. Chairman, everyone likes to talk about the deficit. It is some $200 billion this year. It has extraordinarily negative consequences, primarily on low-income families that these programs would serve. The deficits at these levels adding to inflation, to the next recession, to unemployment, to trade deficits, to a lack of ability to buy homes and higher interest rates, in fact hurts poor Americans far more than anyone else. It is concern for those low-income Americans that brings me to the House floor.

Now, we talk about the deficit in many different ways. Half the 1-minute speeches every day on both sides of the aisle are about the horrors of the deficit. We have special orders about a balanced budget amendment or a line-item veto and we talk about it in our town halls. I would suggest that every Member who went home for the recess heard about it and talked about it and said that he or she was against it in their town halls.

Yesterday the Southern Governors Association said that in the aggregate they wanted a budget next year that was balanced in 1 year, that Congress should reduce spending by that amount. But talk is cheap, Mr. Chairman. Today we find out, as we know, that this is the only way to reduce the deficit.

Mr. HAWKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me again place this amendment in such focus, as the gentleman from Texas has been saying. This amendment actually seeks to do what was rather strangely said by his chart. It seems rather strange the gentleman speaks of equipment as being separate from the preparation of food in a school lunch program. I do not see how you can separate the two, because without equipment, how are you going to prepare the food? So there is not that distinction, it seems to me, that can be made.

I would like to refer to the U.S. Department of Agriculture study on this very item and one of the reasons why we adopted that as a result of the Department of Agriculture study. They indicated that most school kitchens in this country were found to be deficient.

Secondly, they indicated that kitchens in rural communities, those that are serving elementary school children and those built prior to 1954 were especially deficient in food service equipment.

Third, they indicated that it appears that poor equipment does affect meal production.

Fourth, across all kitchens, they said, it is estimated that the total cost of removing the deficiencies in equipment in school kitchens would approximate $379.5 million.

Now, instead of taking literally the deficiencies that they recommended needed correction, we added only $1 million, not the $379.5 million which they indicated.

This bill, therefore, I say is a very modest one and it seems rather peculiar to me that a gentleman who supports adding $10 billion in defiance of the budget resolution has no argument to oppose the addition of $1 million in a simple manner to this particular proposal, which is in compliance with the budget resolution.

There is, therefore, it seems to me, a grave inconsistency and I think the amendment should be rejected.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I simply rise so that everyone can focus on this issue from a different perspective. I must tell you that in terms of the magnitude of the whole bill, this is not a significant amendment on one side or the other. It is not going to make any dent, frankly, on the national debt or anything like that and we should not look at it from that perspective.

The only point I would suggest which would bring merit to this issue is that in 1981 when we were forced to prioritize our money in our child nutrition programs, we deleted money for food service equipment, saying that if we have a limited amount of money, let us spend that money on food for children.

This would change that, not too greatly, no, not at all. It is going to be a very small degree. If you look at the five areas where we have increased funding in H.R. 7, I support them. The WIC Program, if there is anyone who objects to the increase in the WIC Program, I would be more happy to discuss the merits of that.

The school breakfast issue was adequately explained by our colleague, the gentleman from Pennsylvania.

I hopefully tried to explain the School Milk Program.

The tuition limitation for private schools is again an effort to try to make the school nutrition programs more accessible to children who happen to be attending private schools.

So out of the five areas, there is only one where we are spending money for equipment rather than food or nutrition for young people.

I must add that the way the program is set up is that it is only in competitive grants. I have to tell you, and our late distinguished chairman of the committee, the Honorable CARL PERKINS, who so adequately represented the schools of rural America, I have no illusions that any school in my district or any school in Mr. PERKINS' district, our present Mr. PERKINS, would have any chance of getting of this money, this $1 million. It is a competitive grant. You know and I know who is going to compete for it.

I guess what you have got to ask yourself is should this $1 million be spent here, and frankly, if we are going to spend it, is there not a better place to spend it?

I just share those thoughts with you.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, I thank the gentleman for yielding.

It does appear to me that the gentleman has hit the nail on the head on several counts.

First, it is not a large amount of money, $1 million in the first year. I would note, however, it moves to such sums after that.

Second, it is a competitive bid kind of process and consequently it is not a situation where all school districts are

---

going to benefit equitably from this kind of a program.

Third, we did not leave the school districts without any way to maintain their equipment or improve their equipment in 1981 when we concluded that it was best to spend money for food. At that time we said that they would be able to use reimbursements to maintain, replace or upgrade food service equipment, and that is not changed in this law; so there are a variety of reasons I think why it does not make good sense now, when we do have to make prioritization decisions, to decide to move back into the area of using school lunch money for the purchase of equipment. We ought to continue to focus attention on the providing of food to individuals. I believe that the gentleman stated that very well, so I join with him in support of this amendment.

Mr. GUNDERSON. Mr. Chairman, I appreciate the gentleman's remarks.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words. I rise to speak in opposition to the amendment.

I have here a cellophane packet that contains six items that have been documented to have been purchased for defense purposes at a cost—and I want you to pay attention to this—for $21,528.

There is an allen wrench in here about 2½ inches long that was purchased for $9,606. Our cost if we had purchased it out in the open market in the free enterprise system would be 13 cents.

There is an antenna motor pin, and that sounds tremendous, for $7,417. It is a little copper wire about hair thin, about 2 inches long. That is known as an antenna motor pin for $7,417.

There is a nut in here that cost $2,043, a bolt at $1,075, a flat washer, you can see it in there, about a half inch in diameter, that cost $387. On the open market it cost a penny.

The last item is called the external screw. That was purchased by our military for $1,000. The open market cost again is one penny.

So I just want to make this comment in general. It is pretty hard to prepare food without equipment; but finally, it seems that every time we get to the issues that deal with entitlement programs, everybody is coming out with breaking and busting the Treasury and adding to the national debt.

Well, when I came here I took a very firm look at the budget deficit and the problems we face. I took a look at the $21,000 worth of external screws. I tried to do something about it, but I did not hear one person stand up and talk about busting the bank in that area.

So I would just like to say that there are many amendments coming forward here under the guise of saving good old Uncle Sam's pocketbook that are not necessarily so. I think we should put our priorities in order and I think this is about the priority that America has been dealing with, and it is really a shame.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BARTLETT].

The question was taken; and on a division (demanded by Mr. BARTLETT), there were—ayes 8, noes 12.

Mr. BARTLETT. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently, a quorum is not present. Pursuant to the provisions of clause 2, rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 306]

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Breaux
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fawell
Fazio
Feighan
Fiedler
Fields
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kemp
Kennelly
Kildee
Kindness
Kolbe
Kolter
Kramer
Lagomarsino
Lantos
Latta
Leach (IA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Monson
Montgomery
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Porter
Price
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schuette
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Yates
Yatron
Young (AK)
Young (MO)
Zschau

□ 1610

The CHAIRMAN. Three hundred eighty-eight Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Texas [Mr. BARTLETT] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. The Chair reminds the Members that this will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 157, noes 235, not voting 42, as follows:

[Roll No. 307]

AYES—157

Archer
Armey
Barnard
Bartlett
Barton
Bateman
Bedell
Bennett
Bentley
Bereuter
Bliley
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Campbell
Carney
Carper
Chandler
Cheney
Coats
Cobey
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Daniel
Dannemeyer
Darden
Daub
DeLay
DeWine
DioGuardi
Dornan (CA)
Dreier
Duncan
Eckert (NY)
Edwards (OK)
Evans (IA)
Fawell
Fiedler
Fields
Franklin
Gallo
Gekas
Gingrich
Glickman
Goodling
Gradison
Gregg
Grotberg
Gunderson
Hansen
Hartnett
Hendon
Henry
Hiler
Hillis
Holt
Hopkins
Hubbard
Hughes
Hyde
Ireland
Jeffords
Jenkins
Johnson
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lungren
Mack
Martin (IL)
McCain
McCandless
McCollum
McEwen
McGrath
McKernan
McMillan
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Monson
Montgomery
Moore
Moorhead
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Regula
Ridge
Roberts
Roemer
Roukema
Rowland (CT)
Rowland (GA)
Rudd
Saxton
Schaefer
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Slaugther
Smith (NE)
Smith (NH)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Spratt
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swindall
Tauke
Thomas (CA)
Vander Jagt
Vucanovich
Weber
Whitehurst
Whittaker
Wolf
Zschau

NOES—235

Ackerman
Akaka
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnes
Bates
Beilenson
Berman
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Breaux
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Carr
Chapman
Chappell
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Cooper
Coyne
Daschle
Davis
de la Garza
Dellums
Derrick
Dickinson
Dicks
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Emerson
English
Erdreich
Evans (IL)
Fazio
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hertel
Horton
Howard
Hoyer
Huckaby
Hutto
Jacobs
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kennelly
Kildee
Kolter
Kostmayer
LaFalce
Lantos
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Lloyd
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McKinney
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Ortiz
Owens
Panetta
Pease
Penny
Pepper
Perkins
Pickle
Price
Quillen
Rahall
Ray
Reid
Richardson
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schumer
Seiberling
Sharp
Shelby
Sikorski
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
St Germain
Staggers
Stallings
Stark
Stokes
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Yates
Yatron
Young (AK)
Young (MO)

NOT VOTING—42

Addabbo
Alexander
Badham
Bevill
Bilirakis
Bosco
Boxer
Brooks
Burton (CA)
Chappie
Conyers
Crane
Crockett
Dingell
Dowdy
Dymally
Fascell
Fish
Frenzel
Hunter
Kastenmeier
Kleczka
Leath (TX)
Lehman (CA)
Loeffler
Long
Madigan
Moody
Olin
Pursell
Rangel
Ritter
Roth
Schroeder
Schulze
Solarz
Strang
Taylor
Torricelli
Walker
Wylie
Young (FL)

The Clerk announced the following pair:

On this vote:

Mr. Frenzel for, with Mr. Brooks against.

Mr. EVANS of Iowa changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to address the Members of the Committee and explain the present situation and the plan for the rest of the afternoon.

This gentleman has been approached by a great number of Members who have made commitments and who have reservations. Unfortunately, we did have a late start. I have consulted with Mr. BARTLETT and the ranking Members on the other side and on the Committee, and they have no objection to concluding today's consideration of the bill at this point.

Therefore, Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having assumed the chair, Mr. SLATTERY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7) to extend and improve the National School Lunch Act and the Child Nutrition Act of 1966, had come to no resolution thereon.

APPOINTMENT AS ADDITIONAL MEMBERS OF THE COMMISSION ON THE U.S. HOUSE OF REPRESENTATIVES BICENTENARY

The SPEAKER. Pursuant to the provisions of section 3 of House Resolution 249, 99th Congress, the Chair appoints as additional members of the Commission on the U.S. House of Representatives Bicentenary, the following Members of the House:

Mr. RODINO of New Jersey; and
Mr. SHARP of Indiana.

□ 1625

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I ask for this time so that we can inquire as to the schedule for the balance of the day and the week, and I ask the distinguished majority whip the program for next week.

I would be glad to yield to him for that purpose.

Mr. FOLEY. If the distinguished Republican whip will yield to me, Mr. Speaker, this concludes the business for the day and the week, and we will be in a pro forma session tomorrow.

On Monday, the House will not be in session because of Rosh Hashana. On Tuesday, the House will meet at noon and consider four bills under suspension of the rules; H.R. 2032, the Government Securities Act of 1985, House Concurrent Resolution 185, commending the organizers of the farm aid concert, H.R. 148, the Michigan Wilderness bill, and H.R. 2385, the Federal Trade Commission reauthorization.

Any recorded votes ordered on Tuesday will be postponed until Wednesday, September 18.

Also on Tuesday will be H.R. 2266, the Amtrak Reauthorization Act for fiscal year 1986. General debate only; the rule has already been adopted.

On Wednesday and the balance of the week, the House will meet at 11 a.m. on Wednesday and Thursday, and 10 a.m. on Friday. We will consider on Wednesday recorded votes ordered on suspensions debated on Tuesday, September 17. Also, H.R. 3128, the deficit reduction amendments, subject to a rule being granted. An unnumbered House bill for continuing appropriations for fiscal year 1986, subject to a rule being granted. The continuation of H.R. 7, the School Lunch and Child Nutrition Acts, and H.R. 2266, the Amtrak Reauthorization Act for Fiscal Year 1986, the complete consideration. And possibly take up H.R. 2100, the 1985 farm bill. This is subject, of course, to the usual reservation that conference reports may be brought up at any time and a further program may be announced later.

Mr. LOTT. I thank the gentleman for that information. I would like to ask him a few questions.

First of all, the school lunch bill that was just being considered by the House would be back up on Wednesday?

Mr. FOLEY. Yes, Wednesday or Thursday.

Mr. LOTT. The House will not be in session on Monday, and there will be no recorded votes on Tuesday.

Mr. FOLEY. That is correct. With the usual reservation that those are legislative votes; that procedural votes might be possible but are not expected on Tuesday.

Mr. LOTT. Then suspension votes, if any are ordered, would go over to Wednesday?

Mr. FOLEY. Wednesday, September 18.

Mr. LOTT. I noted that the DOD conference report is not on the schedule for next week, and I had been under the impression, along with others, that that conference report would be brought to the floor next week.

Mr. FOLEY. Well, as I said, conference reports may be brought up at any time and it is possible that the Department of Defense conference report may come up next week. We have not yet made that determination so it has not been scheduled.

Mr. LOTT. All right, sir.

Mr. FOLEY. We do expect it to come up in the near future.

Mr. LOTT. Can the Members expect to be out by 3 o'clock next Friday?

Mr. FOLEY. Yes. We intend to conclude by 3 o'clock on Friday.

Mr. LOTT. There have also been a number of questions about the following week. The information that we have distributed to our Members indicated that we will have votes on Monday, the 23d. Can the distinguished whip reaffirm or confirm that that is still the plan of the leadership?

Mr. FOLEY. I can certainly say that it is still the plan for the House to meet with votes on Monday, the 23d of September, and to then resume legislative business on Thursday, the 26th of September. On Tuesday and Wednesday, we are recognizing the high holy days, and there will not be votes on those days; and on Friday we do not expect session or votes.

I might tell the gentleman that the current time, obviously subject to changes being announced later, H.R. 2100, the 1985 farm bill, may be brought up on Friday, the 20th of September, for a rule and general debate, and amendments to the bill may be considered on Monday the 23d and then again on Thursday the 26th.

So unless changes are announced, Members would have to assume that the most likely legislation for these 2 days of Monday and Thursday the following week will be votes on amendments to the 1985 farm bill.

Mr. LOTT. I think that is very important information for the membership. I know if there are going to be recorded votes on amendments to the farm bill anticipated on Monday the 23d, that the Members would want to plan to be here for sure on that date. The gentleman is talking about just the rule and general debate on Friday next on the farm bill, with the amendments coming the next week; is that correct?

Mr. FOLEY. That is the current estimate; yes.

Mr. LOTT. I thank the gentleman.

ADJOURNMENT TO TUESDAY, SEPTEMBER 17, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow, it adjourn to meet at 12 o'clock noon on Tuesday, September 17, 1985.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, SEPTEMBER 18, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, September 17, 1985, it adjourn to meet at 11 a.m. on Wednesday, September 18, 1985.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON THURSDAY, SEPTEMBER 19, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Wednesday, September 18, 1985, it adjourn to meet at 11 a.m. on Thursday, September 19, 1985.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, September 18, 1985.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO HAVE UNTIL 5 P.M., SEPTEMBER 23, 1985, TO FILE REPORT ON H.R. 6, THE WATER RESOURCES CONSERVATION, DEVELOPMENT, AND INFRASTRUCTURE IMPROVEMENT AND REHABILITATION ACT OF 1985

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries have until 5 p.m., September 23, 1985, to file its report on H.R. 6, the Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985. This coincides with the period of sequential referral of H.R. 6 to the Ways and Means Committee. This request has been cleared with our minority leadership of the committee.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

□ 1635

INTERNATIONAL FISHERY AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-106)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

(For message, see proceedings of the Senate of today, Thursday, September 12, 1985.)

INTERNATIONAL FISHERY AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES AND THE GOVERNMENT OF THE POLISH PEOPLE'S REPUBLIC—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-107)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

(For message, see proceedings of the Senate of today, Thursday, September 12, 1985.)

ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENT

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 444) to amend the Alaska Native Claims Settlement Act, with a Senate amendment to the House amendment thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment to the House amendment, as follows:

In lieu of the matter proposed to be inserted by the amendment of the House of Representatives, insert:

Section 1. The Alaska Native Claims Settlement Act (85 Stat. 688, 43 U.S.C. 1601-28), as amended, is further amended by adding at the end thereof the following new sections.

"Sec. 34. (a) For purposes of this section the following terms shall have the following meanings:

"(1) the term 'The Agreement' or 'Agreement' means the agreement entitled 'Terms and Conditions Governing Legislative Land Consolidation and Exchange between NANA Regional Corporation, Inc., and the United States' executed by the Secretary of the Interior and the President of NANA Regional Corporation, Inc., on January 31 and January 24, 1985, respectively.

"(2) the term 'transportation system' means the Red Dog Mine Transportation System described in Exhibit B of the Agreement.

"(3) the term 'NANA' means NANA Regional Corporation, Inc., a corporation formed for the Natives of Northwest Alaska pursuant to the provisions of this Act.

"(b) Except as otherwise provided by this section, the Secretary shall convey to NANA, in accordance with the terms and conditions set forth in the Agreement, lands and interests in lands specified in the Agreement in exchange for lands and interests in lands of NANA, specified in the Agreement, upon fulfillment by NANA of its obligations under the Agreement, provided, however, that this modified exchange is accepted by NANA within 60 days of enactment.

"(c)(1) The Secretary shall convey to NANA, pursuant to the provisions of paragraph A(1) of the Agreement, the right, title and interest of the United States only in and to those lands designated as 'Amended A(1) Lands' on the map entitled 'Modified Cape Krusenstern Land Exchange,' dated July 18, 1985. The charges to be made pursuant to paragraphs B(1) and D(27) of the Agreement against NANA's land entitlements under this Act shall be reduced by an amount equivalent to the difference between that acreage conveyed pursuant to this subsection and the acreage that would have been conveyed to NANA pursuant to paragraph A(1) of the Agreement but for this subsection.

"(2) Notwithstanding the provisions of paragraph A(3) of the Agreement, the Secretary shall not convey to NANA any right, title and interest of the United States in the lands described in such paragraph A(3) and the Secretary shall make no charge to NANA's remaining entitlements under this Act with respect to such lands. Such lands shall be retained in Federal ownership but shall be subject to the easement described in Exhibit D to the Agreement as if the lands had been conveyed to NANA pursuant to paragraph A(3) of the Agreement.

"(d)(1) There is hereby granted to NANA an easement in and to the lands designated as 'Transportation System Lands' on the Map entitled 'Modified Cape Krusenstern Land Exchange,' dated July 18, 1985, for use in the construction, operation, maintenance, expansion and reclamation of the transportation system. Use of the easement for such purposes shall be subject only to the terms and conditions governing the construction, operation, maintenance, expansion and reclamation of the transportation system, as set forth in Exhibit D to the Agreement.

"(2) The easement granted pursuant to this section shall be for a term of 100 years. The easement shall terminate prior to the 100-year term:

"(i) if it is relinquished to the United States; or

"(ii) if construction of the transportation system has not commenced within 20 years of the enactment of this subsection. Computation of the 20-year period shall exclude periods when construction could not commence because of force majeure, act of God or order of a court; or

"(iii) upon completion of reclamation pursuant to the reclamation plan required by Exhibit B to the Agreement.

"(3) Within 90 days after enactment of this section the Secretary shall execute the necessary documents evidencing the grant to NANA of the easement granted by this section.

"(4) Except as regards the trail easement described in Exhibit D to the Agreement (to which the 'Transportation System Lands' shall be subject as if such lands had been conveyed to NANA pursuant to paragraph (1) of the Agreement), access to the lands subject to the easement granted by this section shall be subject to such limitations, restrictions or conditions as may be imposed by NANA, its successors and assigns, but NANA and its successors and assigns shall permit representatives of the Secretary such access as the Secretary determines is necessary for the monitoring required by this section.

"(e) The easement granted by this section makes available land for the transportation system, and is intended to be sufficient to permit NANA to comply with the laws of the State of Alaska which may be necessary to secure financing of the construction of the transportation system and the operation, maintenance or expansion thereof by the State of Alaska or by the Alaska Industrial Development Authority.

"(f) The easement granted to NANA by this section may be reconveyed by NANA, but after any such reconveyance the terms and conditions specified in Exhibit B of the Agreement shall continue to apply in full to the easement.

"(g) NANA is hereby granted the right to use, develop and sell sand, gravel and related construction materials from borrow sites located within the easement granted pursuant to this section as required for the construction, operation, maintenance, expansion and reclamation of the transportation system, subject to the terms and conditions specified in Exhibit B of the Agreement.

"(h)(1) The construction, operation, maintenance, expansion and reclamation of any portion of the transportation system on any of the lands subject to the easement granted to NANA by this section shall be governed solely by the terms and conditions of the Agreement, including the procedural and substantive provisions of Exhibit B to the Agreement, as if the lands covered by the easement granted to NANA by this section had been conveyed to NANA pursuant to Paragraph A(1) of the Agreement.

"(2) The Secretary of the Interior, acting through the National Park Service, shall monitor the construction, operation, maintenance, expansion and reclamation of the transportation system, as provided in the Agreement. Any complaint by any person or entity that any aspect of the construction, operation, maintenance, expansion or reclamation of the portion of the transportation system on the lands subject to the easement granted to NANA by this section is not in accordance with the terms and conditions specified in the Agreement shall be made to the Secretary in writing. The Secretary shall review any such complaint and shall provide to NANA or it successors or assigns and to the complainant a decision in writing on the complaint within 90 days of receipt thereof. If the Secretary determines that the activity made the subject of a complaint is not in accordance with the terms specified in the Agreement, and NANA or its successors or assigns disagrees with that determination, the dispute shall be resolved according to the procedures established in Exhibit B to the Agreement.

"(i) The Secretary shall make available to NANA and its successors and assigns the right to use sand, gravel and related construction materials located in Sections 23, 24, 25, 26, 35 and 36 of Township 26 North, Range 24 West, Kateel River Meridian, Alaska, if the Secretary determines either (1) that use of such sand, gravel or related construction material is necessary because there is no other sand, gravel or related construction material reasonably available for the construction, operation, maintenance, expansion or reclamation of the transportation system; or (2) that use of such sand, gravel or related construction material is necessary in order to construct, operate, maintain, expand, or reclaim the transportation system in an environmentally sound manner, consistent with the requirements of Exhibit B of the Agreement. The right to use such sand, gravel and related construction material shall be subject to the terms and conditions of Paragraph A of Exhibit B of the Agreement and such other reasonable terms and conditions as the Secretary may prescribe.

"(j) Notwithstanding Paragraph D(23) of the Agreement, the Secretary shall not agree to any amendment to the Agreement without first consulting with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate and shall transmit copies of the text of any amendment to the Agreement to those Committees at the time of his agreeing to any such amendment.

"Sec. 35. (a) The terms and conditions of this section are solely applicable to the lands described in paragraph A(1) of the Agreement, which is defined by section 34(a)(1) of this Act and modified by section 34, and shall not affect the relinquishment by NANA described in section B(1) of such Agreement.

"(b) NANA Regional Corporation, Inc. ('NANA'), may convey by quit-claim deed to the United States all of its interest in the surface and subsurface estate in any lands described in subsection (a) of this section, provided, however, NANA can relinquish only lands that are compact and contiguous to other public lands within the Krusenstern National Monument and, if the lands to be relinquished have been disturbed by NANA, the Secretary msuch first determine that such disturbance has not rendered the lands incompatible with Monument values. Whenever NANA executes a quit-claim deed pursuant to this section, it shall be entitled to designate and have conveyed to it any lands outside the boundaries of the Cape Krusenstern National Monument and any other conservation system unit, as established and defined by the Alaska National Interest Lands Conservation Act (Public Law 96-487; 94 Stat. 2371, et. seq.), covered by any of its pending selection applications filed under the entitlement provisions of either section 12(b), (12(c) or 14(h)(8) of the Act, as amended. Lands conveyed to NANA pursuant to this subsection shall be of a like estate and equal in acreage to that conveyed by NANA to the United States. The lands conveyed to NANA pursuant to this subsection shall be in exchange for the lands conveyed by NANA to the United States and there shall be no change in the charges previously made to NANA's land entitlements with respect to the lands conveyed by NANA to the United States. Lands received by NANA pursuant to this subsection are Settlement Act lands.

"(c) NANA may relinquish any interest it has under selection applications filed pursuant to this Act, as amended, in the surface and subsurface estate in lands described in subsection (a) of this section by formally withdrawing such application pursuant to this section, provided, however, NANA can relinquish only interests in lands that are compact and contiguous to other public lands within the Krusenstern National Monument and, if the lands have been disturbed by NANA, the Secretary must first determine that such disturbance has not rendered the lands incompatible with Monument values. Whenever NANA formally withdraws a selection application pursuant to this section, it shall be entitled to designate and have conveyed to it lands outside the boundaries of Cape Krusenstern National Monument and any other conservation system unit, as established and defined by the Alaska National Interest Lands Conservation Act (Public Law 96-487; 94 Stat. 2371, et. seq.) pursuant to any of its pending selection applications filed under either section 12(b), 12(c) or 14(h)(8) of this Act. Lands conveyed to NANA under this subsection shall be of a like estate and equal in acreage to the interest which NANA relinquished, and when the lands are conveyed to NANA, the conveyance shall be charged against the same entitlement of NANA as if the lands had been conveyed pursuant to the relinquished selection applications. Lands received by NANA pursuant to this subsection are Settlement Act lands.

"(d) The provisions of this section shall remain in effect only until December 18, 1991.

"(e) Nothing in this section shall be deemed to alter or amend in any way NANA's selection rights or to increase or diminish NANA's total entitlement to lands pursuant to this Act.".

Mr. SEIBERLING (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment to the House amendment be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. YOUNG of Alaska. Mr. Speaker, reserving the right to object—and I shall not object—I yield to the gentleman from Ohio [Mr. Seiberling] for the purpose of explaining the legislation.

Mr. SEIBERLING. Mr. Speaker, this is a bill granting a right-of-way across the Cape Krusenstern National Monument in Alaska, to a regional corporation organized under the Alaska Native Claims Settlement Act. The purpose of the right-of-way is to allow construction of a road connecting the so-called Red Dog mineral area to a port site on the Chukchi Sea.

In July, the House passed the bill, after amending it in a number of respects. One of the provisions in the House version would have given the Regional Native Corp. an incentive to trade out its inholdings not only in the Cape Krusenstern National Monument but also in other conservation areas in that part of Alaska.

The Senate has now returned the bill to us with that language modified so that it applies only to certain lands within the Cape Krusenstern unit. However, on balance, the Senate version is acceptable, in my opinion, and so I am proposing that we concur and thus clear the bill for the President.

My readiness to take this position is based on assurances that I have received that the Native Corp. is in fact committed to transferring those lands into Federal ownership and that nothing in the Senate version precludes the trading out of inholdings in other areas under the procedures of existing law. Reduction of inholdings remains an important priority, which we trust will be vigorously pursued with regard to all conservation system units throughout Alaska.

Mr. Speaker, I include for the Record at this point a letter from the NANA Regional Corp., Inc., regarding S. 444:

NANA Regional Corp., Inc.,
Kotzebue, AK, September 9, 1985.

Re S. 444.

Hon. John Seiberling,
Chairman, Subcommittee on Public Lands of the Committee on Interior and Insular Affairs, House of Representatives, Washington, DC.

Dear Congressman Seiberling: You have requested, because of a Senate amendment to S. 444, as passed by the House of Representatives, additional information on NANA's intentions with respect to the lands that it would receive in the Cape Krusenstern National Monument pursuant to S. 444 and designated as "A-1" lands. NANA is committed to using the provisions of S. 444 to transfer ownership of those lands to the United States. However, final approval of the decision to transfer the lands must come from the people of the Village of Noatak, who initially made the determination as part of the proposed land exchange to accept the "A-1" lands in exchange for other selections they had made within the Monument.

We will take the issue to the people of Noatak to determine their choice in this matter as soon as we can convene a meeting this Fall, and NANA's management is prepared to recommend to the shareholders of Noatak that the "A-1" lands be transferred to the United States. In addition, management does not believe it will be a difficult problem to identify alternate lands that would be acceptable to the people of Noatak.

However, it is essential that the legislation be enacted prior to our meeting with the people of Noatak because of financing and development schedules that must be met if construction of the transportation system is to commence when planned.

NANA and its shareholders appreciate your efforts on their behalf.

Sincerely,
John W. Schaeffer, Jr.,
President,
NANA Regional Corporation, Inc.

Mr. YOUNG of Alaska. Mr. Speaker, further reserving the right to object, I want to compliment the gentleman from Ohio, the chairman of the committee, and all the parties involved in this legislation. It has been a long road. I say that not with tongue in cheek. But we have accomplished something through the cooperation and the negotiation between the Federal Government, the Interior Department, the NANA Regional Corp. and the Congress itself. This is a landmark piece of legislation to implement part of the act that was passed in 1980 and 1971. Again I compliment the gentleman and urge the acceptance of the legislation.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield further?

Mr. YOUNG of Alaska. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, let me also add that I think the gentleman from Alaska [Mr. Young] has played a very constructive role in this. There is not total unanimity on the part of all of the conservation organizations. Although they are divided, some support this solution and some do not. In my opinion, this is a fair solution which protects the Cape Krusenstern National Monument by removing major inholdings inside the monument, it protects the environment with adequate conditions in the legislation, and at the same time helps the North Alaskan Native Regional Corp. to start developing its economic resources, which is very important to the people in that organization. It is an outstanding Native association, with outstanding leadership, and I think they have been very cooperative with the Congress on conservation and other matters and, on the whole, this is an excellent resolution to a multiplicity of problems.

For that reason, I strongly support the bill.

Mr. YOUNG of Alaska. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Ohio?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just considered, and that I be allowed to include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

IMMIGRATION REFORM, A TOP PRIORITY

(Mr. PACKARD asked and was given permission to address the House for 1 minute, and include extraneous matter.)

Mr. PACKARD. Mr. Speaker, we've spent much of the last several months arguing about the deficit, tax reform, Federal spending, and South Africa. But after spending a month in my home district in southern California, I am convinced that we must make immigration reform a top priority for the remainder of this legislative session.

In an editorial published August 29, the San Diego Union noted the great number of undocumented aliens living in hovels—actually eating and sleeping in holes in the ground—in San Diego County. This is becoming a major problem for public safety as well as public health in my district and throughout southern California.

The Border Patrol is unable to perform their function of protecting people because they are greatly undermanned. Our local jurisdictions are similarly unequipped to deal with this flood of people.

We need immigration reform, and we need it today—and we should be just as concerned about the rights and interests of our people as well as the agricultural interests that will be inevitably affected by this legislation.

Mr. Speaker, I include the San Diego Union's August 29 editorial in the Record, as follows:

[From the San Diego Union, Aug. 29, 1985]

Take Note, Congress

There is nothing like personal experience to drive home a truth that might otherwise remain elusive. Accordingly, we have two suggestions for any member of Congress who doubts the urgent need for reform of this country's immigration laws:

First, spend one night with the Border Patrol along the sector of the San Ysidro port of entry.

Second, spend five minutes in any of the burrows—that's right, holes in the ground—that house an increasing number of undocumental aliens employed in agriculture here in San Diego County.

At the border, our visiting member of Congress would find a relative handful of Border Patrol agents trying desperately to stop the 1,000 or more aliens who attempt to enter the United States illegally in the San Ysidro sector on an average night. During a typical weekend, the figure may be 5,000.

The Border Patrol estimates that it apprehends at most half of those entering the United States illegally along this country's 1,800-mile border with Mexico. Most are Mexican nationals. But many are from the strife-ridden countries of Central America or even from such distant places as mainland China.

Odds are reasonably good that, if the congressman risked accompanying agents through the dark into the border canyons and ravines, he might glimpse something of the violence of an international frontier out of control. Perhaps he would witness one of the routine robberies and shootings by the border bandits who prey on aliens trying to cross into the United States. Or perhaps he might stumble in the dark over a rape victim, or an alien beaten and left for dead.

Exaggeration? Visit the border here and see for yourself, congressman.

And after you spend that harrowing night on the border, take in a few of the migrant camps that dot the agricultural areas of San Diego County. You will find some of the migrants living in hovels fashioned of cardboard and the thin plastic sheeting of trash bags. The less fortunate will be sheltering in holes burrowed into the earth. Border Patrol agents call them spider holes. Some are hardly bigger than graves, which is what they sometimes become when a candle consumes the oxygen or ignites clothing and cardboard.

Other hazards include cave-ins, suffocation, lice and other vermin, not to mention the demoralization that must sooner or later attend living as an animal in the ground.

Can it be that in the United States of American in 1985 some of the men and women and even children who help harvest this nation's agricultural abundance live in holes in the ground? It can be and it is, as our reporter Lisa Petrillo and photographer Bill Romero documented in last Monday's San Diego Union.

Now, more members of Congress must see all this for themselves. Immigration reform, including a proper guest-worker program, will remain only a dream unless Congress can at last be stirred to action. An adequate guest-worker program would legalize migrant labor and wipe away the shame of the spider holes and the exploitation they symbolize. That, and a greatly reinforced Border Patrol, could restore a semblance of order along a chaotic, dangerous border.

For two consecutive sessions, Congress has failed to pass the comprehensive immigration reform measure known as the Simpson-Mazzoli bill. A modified version is pending before Congress again. Let those inclined toward apathy or opposition visit here before they vote.

INTRODUCTION OF TWO BILLS TO BENEFIT RURAL AMERICA

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. STAGGERS. Mr. Speaker, I have introduced two bills this week of importance to rural America.

First, I have introduced legislation that will amend the rural health clinics provision of the Social Security Act to help ensure that psychologist's services are available to older Americans in rural areas. Available research indicates that the rural America is underserved in the mental health service system.

Second, my colleague, the gentleman from West Virginia [Mr. Wise] has joined me in introducing a bill to strengthen the Veterans' Educational Assistance Act of 1984 by amending chapter 30, title 38 to include educational assistance for apprenticeship and other on-the-job training. These programs are particularly important to veterans living in rural areas who might not have a college nearby or are not inclined to continue their training through educational institutions.

I urge my colleagues to support the speedy passage of these bills.

Mr. Speaker, I include the text of these proposals for printing in the Record as follows:

H.R. 3281

A bill to amend title XVIII of the Social Security Act to provide that services provided by a clinical psychologist in a rural health clinic need not be provided under the direct supervision of a physician in order to qualify for payment under the medicare and medicaid programs

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(aa) of the Social Security Act (42 U.S.C. 1395x(aa)) is amended—

(1) in paragraph (1XB), by striking out "physician assistant or by a nurse practitioner" and inserting in lieu thereof "physician assistant, nurse practitioner, or clinical psychologist", and

(2) by adding at the end the following new paragraph:

"(4) For purposes of this subsection, the term 'clinical psychologist' means an individual who—

"(A) is licensed or certified at the independent practice level of psychology by the State in which he so practices;

"(B) possesses a doctorate degree in psychology from a regionally accredited educational institution, or in the case of an individual who was licensed or certified prior to January 1, 1978, possesses a master's degree in psychology and is listed in a national register of mental health service providers in psychology which the Secretary deems appropriate; and

"(C) possesses 2 years of supervised experience in health service, at least 1 year of which is post-degree.".

(b) The amendments made by subsection (a) shall apply to services furnished on or after the date of the enactment of this Act.

H.R. 3282

A bill to amend chapter 30 of title 38, United States Code, to provide for educational assistance for apprenticeship or other onjob training under the new GI bill educational assistance program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EDUCATIONAL ASSISTANCE TO INCLUDE APPRENTICESHIP.

(a) In General.—Section 1402 of title 38, United States Code, is amended—

(1) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) The term 'program of education'—

"(A) has the meaning given such term in section 1652(b) of this title; and

"(B) includes a full-time program of apprenticeship or of other onjob training approved as provided in section 1787(a) of this title."; and

(2) by adding at the end the following new paragraph:

"(7) The term 'training establishment' has the meaning given such term in section 1652(e) of this title.".

(b) Conforming Amendments.—(1) Section 1432 of such title is amended by adding at the end the following new subsection:

"(c) In any month in which an individual pursuing a program of education consisting of a program of apprenticeship or other onjob training fails to complete one hundred and twenty hours of training, the amount of the monthly educational assistance allowance payable under this chapter to the individual shall be limited to the same proportion of the applicable full-time rate as the number of hours worked during such month, rounded to the nearest eight hours, bears to one hundred and twenty hours.".

(2) The heading of such section is amended to read as follows:

"§ 1432. Limitations on educational assistance for certain individuals".

(3) The item relating to such section in the table of sections at the beginning of chapter 30 is amended to read as follows:

"1432. Limitations on educational assistance for certain individuals.".

(4) Section 1434(bX2) of such title is amended by inserting "or training establishment, as the case may be," after "educational institution".

DESIGNATING THE ROSE AS THE NATIONAL FLORAL EMBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Louisiana [Mrs. Boggs] is recognized for 5 minutes.

Mrs. BOGGS. Mr. Speaker, today I have the honor of joining with the other Members of the Louisiana delegation, the gentlewoman from Ohio [Ms. Oakar] and the gentleman from South Carolina [Mr. Spratt] in introducing a joint resolution to designate the rose as the national floral emblem of the United States.

The rose has embellished our country with its beauty and perfume for centuries. It has been said that "when love first came to the Earth, the spring spread rosebuds to receive him," I understand that fossilized roses have been found in Colorado and Oregon which date back as far as 40 million years. The breeding and hybridizing of roses, which our first President, George Washington started, is a tradition that still flourishes in our country. In fact, one of the varieties he developed, the Mary Washington Rose, is still enjoyed today in gardens across the Nation.

The rose has been selected to decorate the White House garden where many notable occasions have taken place, innumerable American landmarks and memorials, and three First Ladies have roses named in their honor.

No flower has inspired more poetry and music that the rose, and I understand that the rose has been the victor in every survey designed to determine the favorite flower of the American public.

I believe it is time to make official the position of honor that the rose has long enjoyed in our culture. I believe it is time to make the rose our national floral emblem.

I am including for the Record at this point the text of the resolution:

H.J. Res. 385

Joint Resolution to designate the rose as the national floral emblem

Whereas the study of fossils has shown that the rose has been a native wild flower in America for over thirty-five million years;

Whereas the rose is grown today in every State;

Whereas the rose has long represented love, friendship, peace, and the devotion of the American people to their country;

Whereas the rose has been cultivated and grown in gardens for over five thousand years and is referred to in both the Old and New Testaments;

Whereas the rose has for many years been the favorite flower of the American people, has captivated the affection of human kind, and has been revered and renowned in art, music, and literature;

Whereas our first President was also our first rose breeder, one of his varieties being named after his mother and still being grown today; and

Whereas the United States is without a national flower: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the flower commonly known as the rose is designated and adopted as the national floral emblem of the United States of America, and the President of the United States is authorized and requested to declare such fact by proclamation.

WOODS HOLE SCIENTISTS DISCOVER TITANIC WRECK

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Massachusetts [Mr. Boland] is recognized for 5 minutes.

Mr. BOLAND. Mr. Speaker, a little after 2 a.m. early on the morning of April 15, 1912, the "unsinkable" R.M.S. *Titanic*—on her maiden voyage—slipped below the icy cold waters of the North Atlantic. Seventy-three years later, also a little after 2 a.m., on the morning of September 1, 1985, a joint French-American team discovered the wreck of the great liner. The American team was led by Dr. Robert Ballard of the Woods Hole Oceanographic Institution. Dr. Ballard heads the Deep Submergence Laboratory at Woods Hole and is recognized throughout the world for his outstanding work in oceanography.

Mr. Speaker, I want to congratulate the Woods Hole Oceanographic Institution, the French Institute for Research and Exploration of the Sea, and Dr. Ballard for opening a new era in underwater exploration. The *Titanic* was first photographed by the new deep-towed sonar video camera system [ARGO] which was developed by the Institution's deep submergence laboratory. The vehicle was funded by a $2.8-million grant provided by the Office of Naval Research.

It is expected that following this year of sea trials, ARGO will have its first scientific application in December. At that time, Dr. Ballard will survey a 120-mile section of the East Pacific Rise—which is a submarine ridge between San Diego and Manzanillo, Mexico. Since the first efforts to study this large geological underwater feature were begun in 1973, the scientists have seen about 120 miles of the ridge system. Incredibly, the ARGO survey in December will equal the previous 12 years of work in just 20 days.

Much of this important work in oceanography is funded by the National Science Foundation through grants to Woods Hole and other American oceanographic institutions. Too often the efforts to learn more about life in our oceans is overshadowed by U.S. achievements in space. But the oceans hold most of the clues to the evolution and development of our planet, and the NSF support of oceanic exploration is vital to the continuation of that research.

I think we can all share in the excitement of having found the *Titanic*—but as Dr. Ballard so eloquently said, in finding the great liner it also made us aware of the significance of the *Titanic* as a maritime disaster. Once the excitement of the discovery was behind them, it was fitting that Dr. Ballard and his colleagues held a brief memorial service on the fantail of the research vessel *Knorr* for the 1,522 who perished.

And as many of you here may have read, it is Dr. Ballard's hope that the site of the *Titanic* sinking shall remain forever undisturbed as a memorial to those 1,500 souls that lost their life on that April night 73 years ago. That would be my hope, too, and I would urge all involved in this great adventure to make every effort to insure that the *Titanic* does not fall victim to a second tragedy—and that would be salvage rape for profit of the ship's cargo, goods, and personal effects.

Once again I want to congratulate Dr. Ballard, the Woods Hole Oceanographic Institution and the entire scientific community on the discovery of the *Titanic*. It is a great accomplishment that will help keep this Nation in the forefront of basic research undertaken in the deepest waters of the oceans.

HIGH HOLIDAYS 5746

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, on the evening of September 15, the first day in the autumn month of Tishri, 5746, under the Jewish Calendar, Jews all over the world, will begin the new year with the celebration of Rosh Hashanah, the Day of Judgment.

According to Jewish tradition, on Rosh Hashanah, God remembers all of his creatures and judges humankind, and their destinies are inscribed in the Book of Life. This is a joyous, but solemn, holy day of deep religious significance and the start of a 10-day period of penitence, the Days of Awe, culminating in Yom Kippur the holiest day of the year.

The previous month, the Hebrew month of Elul, is seen by Jews as a time for introspection and meditation in preparation for the repentance and renewal of the new year. It is customary to visit the graves of relatives and teachers, to remember the sanctity of lives, and to gain inspiration for the coming year. Penitential prayers, selikot, are recited at midnight on the Saturday before Rosh Hashanah, and continue for at least 4 days as the tenor of the high holiday period begins to intensify. It is also customary to send friends and relatives cards containing special wishes for a new year of good will, peace, and happiness.

On Rosh Hashanah, the highlight of the synagogue service is the blowing of the Shofar, or ram's horn, whose sound is meant to awaken man's conscience, to renew his faith, to return him to God, and to summon all Jews to self-examination and repentance.

After services, families return to their homes to light festival candles. A holiday meal is served, including a round loaf of bread and apples dipped in honey to symbolize the hope for a sweet new year. The next day is devoted to prayer and self-reflection in the synagogue. Reform and Israeli Jews celebrate Rosh Hashanah for 1 day from sundown to sundown, while Orthodox and Conservative Jews observe this holiday for 2 days.

For 10 days, beginning with Rosh Hashanah, and ending with Yom Kippur, all Jews make a concentrated effort at introspection and reconciliation. It is customary for Jews to ask forgiveness of other people they have slighted or hurt during the previous year. Through this direct confrontation with other persons, they approach forgiveness and reconciliation with others. Jews search their souls and repent for their sins, and ask forgiveness. Their deeds and fate are then weighed in the balance by God on the last day.

Beginning on the 10th evening, Yom Kippur, the Day of Atonement, Jews fast until the next sundown. Most of this time is spent in the synagogue, repenting, and asking pardon from God and from their fellow men. In turn, they freely forgive their neighbors. At the end of the day, the Shofar is blown one last time, and with a cleansed heart, all Jews look forward to a good new life for the following year, and return to their homes for a hearty break-the-fast dinner.

During these holiest of days, I extend my greeting and best wishes for a happy, healthy, and prosperous new year to my many constituents and friends of the Jewish faith who reside in the 11th Congressional District of Illinois which I am honored to represent. "May you be inscribed in the Book of Life." I also hope and pray that the new year brings an end to the persecution of hundreds of thousands of Jews living under Communist oppression, who are prohibited from observing these most holy days, so they too may worship in religious freedom, "next year in Jerusalem."

THE ISSUE OF VIETNAMESE INVOLVEMENT IN CLANDESTINE INTERNATIONAL CURRENCY TRANSFER

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. Lungren] is recognized for 60 minutes.

Mr. LUNGREN. Mr. Speaker, I have taken this time to discuss a problem which I believe is significant but obscure to the American public: The issue of Vietnamese involvement in clandestine international currency transfer. In fact, this is my second in a series of special orders that I plan to conduct with respect to the issue. I would encourage all Members to review my previous statement on the matter which can be found in the May 15, 1985, Congression Record.

By way of background, the Office of Foreign Assets Control, through section 505.565 of the Foreign Assets Control Regulations, allows the transfer of not more than $300 in any consecutive 3-month period to any one payee in Vietnam or $12,000 per year. An additional one-time transfer of $750 is permitted for the purpose of enabling the payee to emigrate from Vietnam. Our Government gave this permission because we believed that most recipients had direct or indirect connections with the U.S. Government or the deposed Government of South Vietnam.

By implementing this program, we have attempted in good faith to continue a longstanding tradition to assist those in distress in other countries. There appears to be, however, overwhelming evidence that suggests that limitations are rigorously being imposed on people with pro-American backgrounds by the present Vietnamese regime. That government is making it enormously difficult for them to maintain even minimal standards under the current economic conditions in the SRVN.

Furthermore, the deplorable situation in SRVN, quite interestingly, goes well beyond its borders. There is documented evidence that indicates the SRVN is picking the pockets of Vietnamese refugees here in America, and other nations.

One may ask, What compels the SRVN to exploit Vietnamese outside their borders? As far back as the early 1950's, a noted Chinese economist from Stanford University named Yuan-Li Wu wrote:

> Governments that have national residents overseas may resort to blackmailing to augment supplies of exchange. Unlike the measures of open warfare and economic pressure * * * there are other methods that are effective as long as their real purpose is disguised. Once their intent is bared, they cease to be of any value to their perpetrator, inasmuch as they can be easily dealt with even if their effect cannot be nullified immediately. They are the methods of economic warfare. * * *

That passage from Dr. Wu's book, "Economic Warfare," a standard in its field for over three decades,

According to some Asian experts, Federal law enforcement officers and

Senate investigators, this definition of covert economic warfare portrays the real life dilemma of many of the 450,000 Vietnamese refugees in this country, most residing in California, Virginia, Texas, and Louisiana. According to Treasury experts, approximately $200 million a year intended for relatives in Vietnam is sent through banks and storefront operators, contributing to a well-organized underground economy in Vietnam.

What is so devastating is the fact that most of the currency does not reach its intented destination; instead, it ends up in the SRVN's treasury. Vietnamese refugees in this country are victimized by a sophisticated manipulation scheme directed against them by the SRVN.

In June 1984, the Senate Banking Committee's Subcommittee on Financial Institutions heard testimony from Vietnamese refugees; and experts revealed that coerced appeals for money from individuals residing in the United States is not uncommon. During the 1984 hearing, the witnesses revealed a startling story that shows that:

In 1981, SRVN Government authorities created an organized and efficient exploitation system "to exhaust the foreign exchange capabilities of overseas Vietnamese."

This exploitation system targets a list of all individuals in Vietnam who have relatives in the United States. Vietnamese cadremen periodically contact people living in Vietnam and encourage them to write to their relatives to request money.

To transfer the money, a network of underground currency collection centers have been established in the United States. In response to orchestrated appeals, Vietnamese refugees take currency to the centers. The U.S. currency is consolidated at periodic intervals and smuggled out of the United States to the state bank of Vietnam. The intended recipients are given a small amount of Vietnamese currency which is immediately subject to regressive taxation or outright confiscation.

In many American cities, there are sizable Vietnamese communities which are vulnerable to these appeals. Some 13 collection centers from Los Angeles to New Orleans and Arlington, VA, reportedly are funneling an estimated $18 million per month to the SRVN.

Mr. Speaker, I think we have only scratched the surface of this insidious exploitation scheme. The need to bring this serious problem to a greater level of public attention is long overdue. In fact, I have written Chairman Solarz of the Subcommittee on Asian and Pacific Affairs to encourage him to investigate this matter.

We simply cannot continue to permit millions of dollars to leave this country only to contribute to a clandestine currency transfer network which:

Is unregulated;

Invites criminal elements;

Presents our law enforcement officers with a complicated system of deception.

I firmly believe that Vietnamese refugees in this country should be given the opportunity to have an adequate system that will provide for the transfer of a reasonable level of funds to their family, without contributing to a regime they despise so much.

Mr. Speaker, the point here is if we do not extend some sort of protection to Vietnamese refugees in this country, then we will continue to give them no choice other than to entrust their money to storefront and backroom operators who skim off a substantial percentage of the funds, but may also be acting in the interest of hostile foreign power. We must begin some steps to bring about a system that can protect them from shadowy underground practices designed solely to bolster the SRVN's insatiable need for substantial hard currency.

H.R. 816; "THE VIETNAM HUMANITARIAN REMITTANCES FUND"

My legislation, H.R. 816—which establishes a self-supporting fund—proposes that there be established in the Treasury of the United States the "Vietnam humanitarian remittances fund," consisting solely of moneys paid by Vietnamese refugees who wish to send such sums to their relatives in Vietnam.

Upon implementation of the legislation, the Secretary of the Treasury shall issue notes drawn on amounts held in the fund which are payable to the designated individual recipient in Vietnam.

No note thus issued may be redeemed out of the Treasury unless:

It is accompanied by a declaration from the State Bank of Vietnam which attests to the amount of funds actually received by the designated recipient;

That the recipient has actual use of all the funds which were sent;

That no duress was employed in soliciting the funds or in obtaining the recipients signature;

Or if evidence exists of special taxation or denial of human rights imposed on the recipient in connection with the redemption of the note.

One of the most important aspects of H.R. 816 is that it makes such clandestine money transfer unlawful, and suggests that the administration seek to negotiate with SRVN for random monitoring of our humanitarian remittances program by either the United States or a multilateral team of inspectors.

My legislation proposes that in the event inspection teams report a pattern or practice of abuse of the procedures thus established for the sending humanitarian remittances to Vietnam, all such remittances will be curtailed.

Mr. Speaker, H.R. 816 does not intend to redirect our current foreign policy direction with respect to Vietnam. The legislation that I have introduced suggests that we demonstrate a commitment to restoring the integrity of humanitarian assistance for our new neighbors in this country who wish to send currency to their relatives in Vietnam. The principles of equity require nothing less.

In summary, H.R. 816, as proposed, would require the active cooperation of the Government of the SRVN in several areas. A good faith agreement between the United States and the SRVN, as provided for in section 3(a), would be the basis of a system set up to facilitate the transfer of currency for humanitarian purposes from residents and citizens of the United States to nationals residing in Vietnam. The bill provides various mechanisms for implementing the agreement, including creating a "fund" within the United States Treasury Department, sending a team of United States or multilateral inspectors to Vietnam to verify the regularity of the proposed transfer procedures, and establishing a time limit on the transfer of funds to expedite transaction.

Mr. Speaker, there are some who have suggested that this system will not work because we need the active cooperation of the SRVN. I can certainly appreciate their concerns. It is my belief, however, that if the Vietnamese Government does not need hard currency, and that currency can only be redeemed in this manner, then there may be tremendous incentive for them to cooperate with us. While I have no illusions that this serious problem will be rectified overnight, my legislation may just be a starting point in recognizing the need to restore the integrity of humanitarian assistance for people in this country who desire to send currency to their relatives in Vietnam.

MARCH 1985 CONGRESSIONAL RESEARCH SERVICE ANALYSIS OF H.R. 816

In March of this year, I requested the Foreign Affairs and National Defense Division of the Congressional Research Service [CRS] to prepare an analysis of H.R. 816.

The 1985 CRS report determined that there could potentially be four situations in which the SRVN Government might be willing to enter into an agreement with the United States regarding new currency transfer mechanisms. Such areas include:

(1) If consent to a regulated system was linked to economic aid or political recognition from the United States; (it must be noted, however, that the United States is extremely unlikely to provide any aid, or take any steps toward normalization of relations, so

long as the Vietnamese continue to occupy Cambodia).

(2) If remittances fall off sharply due to: (a) discouragement on the part of remitters in the United States over whether the intended recipient was receiving any, or an unacceptably low portion of the remittance; (b) a change in U.S. regulations which would make currency transfer illegal, and effective enforcement of this regulation; and (c) effective U.S. action against clandestine means of transferring currency. Should any of these contingencies occur the Vietnamese might look at a regulated transfer system as a way to stabilize the flow of currency into Vietnam.

(3) The Vietnamese could enter into an agreement for the sake of garnering favorable world opinion and then either ignore or abuse the procedures proscribed in the bill.

(4) If, according to Hanoi's calculation, such a system would increase the amount of currency coming into the country.

The March 1985 report also revealed that there may be several reasons why the Vietnamese might not agree to the type of mechanism envisioned in H.R. 816.

Vietnam could flatly refuse to the agreement on the grounds that it violates Vietnam's sovereignty. The Vietnamese Government may not give inspection teams carte blanche to carry out oversight activities. Hardliners within the SRVN's politburo could perceive the proposed mechanisms as an American attempt to dictate Vietnamese internal policies.

Although the Vietnamese are anxious to acquire hard currency to bolster their depleted foreign reserves, the overt transfer of funds on a regular basis to certain families within Vietnam could be disruptive to the socialist ideal by creating a class of remittance people and possibly spawning discontent at the disparities of wealth such a system might create. CRS said further that, "Factionalism within the Vietnamese politburo over this matter and the larger issue of United States-Vietnamese relations could either produce a stalemate or tip the balance to hardline forces who want to remain isolated from the West."

CRS also shed light other possible disincentives that "due to the reportedly thorough system the Vietnamese have instituted for exploiting the remittances entering Vietnam, they have little reason to change the system, particularly as a result of an American request. Any regulated system with ceilings on the amount of funds which can be transferred could reduce the amount of money entering Vietnam, and more importantly, the possibility for the Vietnamese Government to 'benefit' from the remittance."

Mr. Speaker, I am the first to agree that the methods of abusing the system that is set forth in my legislation could happen. There is always the likelihood that inspection teams could be easily manipulated as it is highly unlikely that their travel would be unrestricted. Presumably, the teams would always be escorted by Vietnamese officials. Peasants could still be intimidated by overly zealous local cadres, as has reportedly occurred in many cases, and made to lie about the money they received. There is always that chance that bank officials may be subject to manipulation.

I do believe in purely humanitarian terms; however, my proposal could be an important starting point that may increase the odds for Vietnamese citizens and residents in the United States to be assured that their loved ones in Vietnam would be receiving the full amount of the remittance sent.

Mr. Speaker, it is tragic to hear a refugee's lament that, when he sends $100 to his wife, she will actually get very little of it. Yet he keeps sending the money because, even it she gets to keep $10, that is of some assistance. Or to hear a refugee's sad story that his 9-year-old daughter, gravely ill with rheumatic fever, receives a cable from his wife for money, but the little girl died 4 days later before the money arrived.

It is obvious to me that the need to have a vigorous discussion on the scope and nature of this problem and what we can do to remedy it is greater than ever. In fact, my proposal has an expedited procedure for transferring currency. The sad story I told about the little girl could have been averted if we had some expedited means of transferring currency for humanitarian purposes.

Such a system may also reduce or eliminate the current widespread practice of clandestine transfer, which by all accounts benefit underworld figures operating in the United States and abroad. It is obviously in the broader interest of the United States not to allow an antagonistic Vietnamese Government to be enriched by American dollars now allegedly being siphoned off under current remittance methods.

A recent editorial by the Orange County Register, a newspaper in my district, agreed that I have identified a serious problem within the Vietnamese refugee communities in Orange County and other parts of the country, specifically Virginia and Texas. The Register through its own investigative work reveals that:

> There is good evidence that the Socialist Republic of Vietnam government authorities have put together an organized program to "squeeze" money from Vietnamese living in the United States. The program is in part designed to increase the Government's supplies of foreign currency, and to deplete the resources of refugees. A more cynical bit of of exploitation is difficult to imagine.

The editorial charged that I "seek to remedy to this problem with a piece of legislation."

The editorial concluded that:

> Lungren is to be commended for identifying this problem and seeking to publicize it. If anybody in the Vietnamese refugee community was unaware of this shameful operation, they should be apprised of it. However, Lungren should be content with publicizing it and permitting the ingenuity of Vietnamese people in the United States to operate with a little more reliable information. No legislation is needed, and Lungren's proposal could well be harmful.

While I greatly appreciate the public service the Register has provided, it appears that what this editorial comes close to saying is that we should somehow throw up our hands, and accept the status quo. The editorial vaguely suggests that the man on the street will have to fend for himself, while we in this august body stand idly by and do nothing to help our new neighbors. I think it is absurd to somehow think that the "Rambo" approach to solve this problem is going to help anyone; especially the image of the United States.

The 1984 Senate Banking Subcommittee hearing mentioned earlier during my remarks identified the sum and substance of what this issue is all about. One of the major witnesses—whose identity had to be protected for fear that harm would come to his family still in Vietnam—stated:

> I myself go to church and I went to the church and asked my American friends how they feel about this. I asked my coworkers. I asked every single people who I had opportunity to meet. They are all confused. They say, "No, no. The problem, it no exists." I show them the evidence. I brought them to be where the underground currency is. I show them the paper how many refugees are here. They confused. They are confused. They say, "Well, it not exist. If it exist, our government will know it. Our big country, our powerful country will know it." But nobody acts. And the money keep losing. The Communist are stealing. The Vietnam Government is stealing from our pocket.

Mr. Speaker, based on information that has come from a variety of sources, one can only conclude that it is clear that the Vietnamese politburo is the controlling force when it comes to determining what direction will be taken in collection of currency overseas. Some Asian experts believe the Vietnamese Communists Party's internal security apparatus carefully organizes individuals in Vietnam who have relatives residing abroad into small, easily monitored groups.

As previously mentioned, at periodic intervals, these groups are compelled to write relatives overseas requesting sums of money under a variety of pretexts, some contrived, some legitimate. In response to these appeals for assistance, overseas family members take

their money either to banks or to underground collection centers which operate in the United States under the disguise of commercial enterprises.

These Vietnamese fronts direct the currency they collect through Vietnamese fronts in third countries, typically Canada or France, from which they are sent back to the State Bank of the Socialist Republic of Vietnam.

Mr. Speaker, it is very important to understand that the SRVN's overseas currency scheme is not limited to the United States. On July 13, 1985 the Hamilton Spectator, a Canadian newspaper, ran a series of indepth articles indicating that:

> Vietnamese immigrants are being bled by a $140 million a year currency collection scheme orchestrated by the Vietnamese Government and centered in Montreal.

The Hamilton Spectator investigations revealed that "most of the 25,000 Vietnamese in Canada—including about 4,000 in the Hamilton-Burlington area—who send prescription drugs, sundries, and money back to assist relatives in Vietnam are coerced by the Vietnamese Government to ship the parcels through a Montreal company which has a favored relationship with the Communist regime from which the refugees fled."

A 3-month investigation into the Canadian branch of the currency collection operation by the Hamilton Spectator has revealed:

A cluster of companies on Beaudry Street in Montreal act as the hub of the Canadian currency collection operation.

One of the Montreal companies, Laser Express, is the only Canadian company with a contractual relationship with Vietnamese customs.

Vinamedic, another Montreal company, is the only purchasing agent for the Vietnamese Government in Canada.

Both companies are connected to each other and another company, the Union Generale Des Vietnamien au Canada—a Montreal-based pro-Communist group—by intertwined directorships and land sales. Company officials deny the relationships.

A Carleton University political science professor says the Montreal Companies Act collectively as an unofficial Vietnamese Embassy. The Vietnamese Embassy in Ottawa closed in 1981.

A Toronto company, Transsaigon Co.—owned by a member of the Union General—ships parcels to Vietnam through laser express. The company has satellites in Edmunton, Windsor, and other parts of Canada. The owner denies that he deals with the Vietnamese Government.

The Federal Department of Employment and Immigration, 4 months ago, gave the Union Generale a 5-month $20,000 grant.

The Department of External Affairs and the Quebec Order of Pharmacists were both unaware of the companies' activists and activities until contacted by the Hamilton Spectator.

The value of money and goods shipped through Montreal is nearly 100 times higher than the $19 million statistics Canada estimates that Canada exported to Vietnam last year.

What the Hamilton Spectator revealed is that refugees who attempt to send money, medicine, and packages face a difficult task. Much of the money is siphoned off in taxes by the Vietnamese Government controlled savings accounts. Some of the drugs may be seized. Most of the goods that do get to designated recipients will be sold on the black market. The majority of the money that is sent back flows into the State Bank of the Socialist Vietnam through wire transfers, couriers and commercial credit. If a refugee sends money through the mail it is often stolen or lost in Vietnam. It can take as long as 3 months for a letter to get to Vietnam from Canada.

The articles also illustrated that:

> If the money is sent through Canadian banks it can take up to 8 months to get to Vietnam and the Vietnamese Government only gives the Vietnamese relations a portion of the funds at an exchange rate 10 times lower than that offered through the Montreal operation. The rest of the money is kept, by the government, in an account that the Vietnamese need government permission to withdraw from.

Mr. Speaker, what the Hamilton Spectator uncovered is the fact that the SRVN is resorting to tactics against people who are basically defenseless. Many refugees say they feel guilty about sending money by any route through which they believe the SRVN is benefiting. But each method by which they can send money or other essentials is fraught with problems. When a money order is sent through a local bank to Vietnam's Foreign Trade Bank, the rate of exchange of Vietnamese dong to the dollar is only about half the rate of other transfer methods, refugees say. Current evidence reveals that:

Vietnamese who send money are forced to deal in U.S. funds and pay a service charge as high as 26 percent of the amount they wish to send;

In Vietnam the packages and mail are heavily taxed, pilfered and censored by the governments;

Packages that arrive at Tan Sam Nhat Airport in Ho Chi Minh City are swaddled in red tape and subject to surcharges, taxes, and theft.

Mr. Speaker, I hope all Members of this body will take the time to understand the seriousness of the issue discussed this evening. I am not necessarily certain that my legislation is in fact the appropriate response to the problem which I have outlined. There is still plenty of doubt in my mind about the extent and nature of the problem.

I do believe, however, that if some of these truly alarming stories have any ring of truth, they represent a violation of human rights that go beyond the standards of decent behavior on a very broad scale. I urge all my colleagues to study not ony the methodology contained in my legislation, but also take some time and explore the issue for yourself. Talk to law enforcement officers. Most importantly, discuss this issue with leaders in the Vietnamese communities. All of us owe it to ourselves to discover whether or not the Socialist Republic of Vietnam's controlled economic exploitation scheme actually exists. Most importantly, we should try to learn just how it effects the lives of Vietnamese refugees here in the United States.

□ 1700

Mr. Speaker, perhaps we are a little bit more aware of this problem in my part of the country than in others because we have such a large number of these Southeast Asian refugees, and particularly these Vietnamese refugees, but in fact it is a national problem. It is the height of irony, it is actually the height of tragedy that the very same Vietnamese Government which drove these people from their homeland, which required these people to exit in some of the most dangerous ways to leave their homeland to try to seek a little peace in the United States and elsewhere, should now be taking advantage of these people who now, having reached freedom, are attempting to do nothing more than assist their relatives and their friends who are left back in Vietnam.

As I said, I am not certain that my proposal is the best proposal or the only proposal, but I am putting that proposal out on the table so we can see whether or not it is possible for us to create a set of conditions to allow the Vietnamese who live within our midst to do what any of us would want to do, and that is to help our neighbors, help our families, and help our friends who are left back in their homeland and who are suffering because of the activities of the government that required us to leave.

Mr. Speaker, I ask, can we not try to create a set of circumstances which allows them to have some comfort in the thought that what they are doing is not in vain?

□ 1715

THE LESSONS OF GRENADA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, tonight I am going to renew talking about the real news and what is happening around the world. The concerns we have to face with the war against freedom being waged by the Soviet Union and its Communist allies. I want to focus on two major areas. One is the Gorbachev propaganda offensive, trying to set the stage for Geneva. It is an attempt to create an environment in which there will be more pressure on President Reagan to appease the Soviet Union than there has been in any Western leader since Neville Chamberlain went to Munich in 1938.

In addition to talking about the Gorbachev offensive and what I think is the correct American response to that propaganda offensive, I want to talk about recent developments in Central America and in particular the ways in which the Nicaraguan Communists are threatening Costa Rica. I also want to talk about the ways in which as the El Salvadoran Communists find they are unable to win, they are reverting to terrorism in their efforts to defeat the Government of El Salvador.

Let me first talk about the Gorbachev peace offensive. The fact is that Marxist-Leninist parties, in particular led by Lenin's own writings, are very oriented to psychological, intellectual warfare. They think that words are very, very important. One of the reasons why in most Communist countries there is a dramatic increase in education as soon as a Communist government takes over is because they regard education as the key to brainwashing the population. They believe that brainwashing that teaches people the right words is the key to controlling people in the long run. So it is natural for a Communist government to think that a psychological, political offensive is a part of warfare. Indeed, unlike the West, if you study Leninist warfare or Soviet warfare manuals, they have an entire section on psychological, political, intellectual warfare, in which they have invested very heavily and in which they train a great number of people.

In the past I have cited from the Grenada documents, documents which were captured when we liberated the island of Grenada, documents that are based on a Communist government and a Communist party in Grenada. In those documents I have quoted examples of the very serious planning that goes into a Communist government trying to mislead both the American people and the American news media and the careful planning which goes into propagandizing their own people.

It is clear from the Grenada documents that there is a serious long-term Communist effort to understand the American news media and to know how to manipulate it. An effort to understand American church groups and to know how to manipulate them.

In that setting, I think the Gorbachev offensive is part of a long pattern of Soviet willingness to lie and deceive in order to try to communicate their values.

In the recent Time magazine interview with Gorbachev, there were two fascinating examples of the Soviet modern techniques of manipulation. The funnier of the two was a line where Gorbachev was quoted as saying, "God in His infinite wisdom." I found it fascinating. Here you have the leader of the Communist government, an avowedly atheist movement, a man whose wife teaches Marxist philosophy at the University of Moscow, cheerfully for purposes of Western newsmen citing God. A God which technically he cannot believe exists if he believes the teachings of Lenin, but because he knows that we feel comfortable with people who cite God, he is perfectly willing to make us feel more comfortable.

Second, we had in the very same interview a reference which Gorbachev said, "We would never start a war." Unfortunately, no one on the Time magazine editorial board saw fit to say to him, "What about Afghanistan, where you are currently fighting a war? What about Czechoslovakia, which you invaded in 1968? What about Hungary, which you invaded in 1956? What about the occupation of the army in Poland?"

Instead, they passed over it, allowing a Communist leader with a totally straight face to say to them, "We, of course, would never start a war. I promise you that."

One has to wonder how naive you must think Americans are if you can get away with that kind of bald-faced lie, since he is in the middle of fighting a war in Afghanistan.

The pattern of this offensive is very simple. We know from a variety of works, of which possibly John Barron's books on the KGB are the best. Shevchenko's work on "Fleeing From Moscow" as a Soviet senior official telling us the inside story is helpful and there have been a number of other studies.

We know from these works that the Soviet Government systematically and consistently goes after the penetration of Western news media.

A recent novel, "The Spike," is another example of that. Its coauthor is Arnaud de Borchgrave, the editor of the Washington Times, a former senior columnist for Newsweek magazine.

As you study these books, whether they are fiction or nonfiction, you learn that the KGB, the Soviet secret police, spends a great deal of money bribing some reporters, influencing some editors, establishing some academic centers, setting up a framework of thought.

It is I think fair to say that not since Adolf Hitler manipulated the Western news media in the late 1930's have we seen an offensive designed to convince, manipulate and dupe Western people as sophisticated as Gorbachev's current offensive.

What then should the correct American answer be? When the New York Times prints an ad paid for by the Soviet Embassy, as it did recently, should we censor that ad? I do not think so. When Gorbachev offers to be interviewed, should we stop the interview? I do not think so.

It would be helpful if the newsmen were a little more tough minded, if they asked better questions, if they were more aggressive in cross-examination. But basically, if we are going to be a free society, we have to allow people who are going to lie to us to tell their lies out in the open. And then we have to hope that our intellectuals, our news media, our politicians, our citizens, will pay attention and learn who is telling the truth and who is lying.

Rather than talk about censorship, I would like to suggest just the opposite. We have an opportunity in the third week of October to lay out for the entire world to see who the Communists are and what the system is. Rather than arguing with Gorbachev as a person or discussing whether or not his wife dresses well, it seems to me far more appropriate for us to look at the underlying question of the nature of the Soviet system, the nature of the Communist government.

I think there is no better time to do that than the third week of October, which is the second anniversary of the liberation of Grenada.

I think it is important for two reasons. First of all, the liberation of Grenada was the first time that a Communist government was overthrown and people regained their freedom. In that sense the experience of the Grenadian people, now free, now with a free market, now with a democracy, now with a free press, now with freedom of religion, the lesson of Grenada in ceasing to be Communists offers hope to people all over the world. It offers hope to the Afghan freedom fighters. It offers hope to the Nicaraguan freedom fighters. It offers hope to the Angolan freedom fighters. It offers hope to people in Poland, in the Ukraine, in Estonia, in Latvia, in Lithuania, and throughout the Soviet Union.

Second, in liberating Grenada and saving some 800 American students from possibly becoming hostages, we also captured 35,000 pounds of Communist documents, the records of the Communist government, the records of the Communist Party. So we know a great deal about Grenada.

Unfortunately, because the American intellectual community is largely leftwing, because it does not want to learn about communism, because it does not want to study the Soviet

Union in reality, very little has been done with those documents. Only a few books have been written, of which the most notable was edited by Romerstein and Ledeen and published by the State Department as the Grenada Documents. In addition, a book by Paul Seabury studies the Grenada Documents. But when one looks at all of the leftwing intellectual effort to discredit El Salvador, the Philippines, South Africa, Chile, and then you look and ask how many Ph.D.'s rush down to the National Archives to look at these documents? How many people have been busily studying and trying to tell us what we can learn about communism and the Grenada lesson? The answer, sadly, is very few.

Therefore, I think it is very, very important that we take the third week of October, the week of October 25, and we focus America on looking at the lessons of Grenada and asking ourselves, what do they tell us about today? What do we learn about communism in Grenada that teaches us about Gorbachev? Nothing could better prepare America for Geneva than to study the real nature of communism and look at the real lessons of the Grenada Documents.

That is why I urge my colleagues to cosponsor House Resolution 313, which Congressman IKE SKELTON of Missouri and I have introduced as a bipartisan resolution. It already has over 165 cosponsors. And it is designed to make the week of October 25 a week in which high schools, colleges, Sunday schools, synagogue classes, civic clubs, veterans groups, everyone who has an interest in understanding the world we live in and the nature of communism, might look at the lessons of Grenada. That is why I would urge every citizen to look at their own civic clubs, their own classes, their own opportunities to study the lessons of Grenada. I think it helps to get the local news media to ask the question, what have we learned about communism? By getting editorial writers before they interview Gorbachev to study the way in which Lenin has practiced the art of lying to Western news media, to look at the lessons of disinformation and deception as practiced by the Soviet Union, I think that helps all of us.

So I would urge all of my colleagues to cosponsor House Joint Resolution 313 and help us make the week of October 25 a week to learn the lessons of the Grenada Documents.

I would also urge every group around America that is interested in and concerned about communism or about the survival of freedom to take the opportunity that week to study the lessons of Grenada.

I would urge those citizens whose Congressmen have not yet cosponsored that resolution to contact their Congressmen and ask them to cosponsor House Joint Resolution 313.

In addition to handling propaganda as it relates to the Soviet Union, I think it is also interesting to look at what has been happening around the world that the American news media does not cover very aggressively.

There is a tendency in the American news media if an American ally does something to put it on page 1, and if a Soviet puppet does something to either not print it at all or put it on page 30.

Therefore, I have asked that we put together some major events and on a weekly basis on Thursday I am going to try to link together different news stories you may not have seen. I'm going to show how they relate to the war against freedom being waged by the Soviet Union and its Communist empire. Here are some examples.

First, the Communists have been linked in Nicaragua to 700 Costa Ricans training in Cuba. At least 700 Costa Ricans linked to leftist groups have received military training in Cuba with assistance from the Communist Sandinista government of Nicaragua, according to Costa Rican Deputy Minister Johnny Campos.

Notice that this is not a citation from an American source. This is the Deputy Security Minister of Costa Rica. He said in a recent interview in La Nacion:

> Campos broached the magnitude of local and foreign espionage in his country. He also stated that this training had been going on for 4 years. He divided the espionage activities into three groups which included the involvement of the Ortega-led Communist government of Nicaragua. The Deputy Minister described the situation as dangerous and he is very concerned about it.

An example of what has been happening around the world: The Communist terrorists in El Salvador are changing their behavior. According to Radio Venceremos, the Communists in El Salvador have again bragged about their sabotage activities.

For example, over the Fourth of July weekend, the Communist guerrillas "carried out important sabotage against power lines in this central area of the country. These power outages affected San Salvador and large parts of Central El Salvador."

The broadcast also went on to boast that "on July 5, guerrilla units of the Julio Armando Climaca Detachment downed three high voltage power pylons in (Las Gorritas) Canton, San Jorges jurisdiction, San Miguel Department.

"We continue with more activities to sabotage the war economy of Duarte's government. Sabotage is victory."

I think every American needs to look at that and ask themselves, these are Communist guerrillas. They claim that they are for the people, yet their strategy as they grow weaker and are unable to field a military unit is to engage in terror and in sabotage. Imagine the nature of a group which would say that sabotage is victory. Sabotage is destruction, the breaking up of the economy, the destroying of jobs, the wiping out of civilized amenities. Then when American reporters go to a major city and the power goes out because the guerrillas have successfully sabotaged the power lines, instead of reporting on guerrilla brutality, on the senselessness of their campaign, of their unwillingness to vote, instead the reporter talks about how weak the government is.

Let me suggest that if we had guerrillas trying to knock out power lines around Washington, we could appreciate better the challenge to President Duarte. Not only his daughter kidnaped by terrorists, but he is faced with a guerrilla movement which, as it loses the main war against his army, reverts more and more to terrorist tactics and to guerrilla warfare.

To the south of Nicaragua, Costa Rica finds itself increasingly in difficulty. For example, Costa Rican President Luis Alberto Monge has said definitely that there will be no dialog between Costa Rica and the Communist regime of Nicaragua because the Communist regime has refused to apologize and give explanation for actions to Costa Rica concerning their aggressions directed against his government.

Monge referred to three separate incidents in which Nicaragua waged unprovoked attacks over its border into Costa Rica: The events at Las Crucitas on May 31, when two Costa Rican civil guardsmen died; the July 3 incident in the same area when Communist troops attacked the Costa Rican guardsmen who were trying to recover the body of one of the slain guardsmen; and the July 26 incident at Barra del Colorado, when three Communist air force planes entered Costa Rica's airspace and dropped bombs.

□ 1730

The point I want to make here is that of all of the countries in Central America, Costa Rica is the most peaceful, the most democratic, the most open.

Costa Rica disbanded its army in the late 1940's. It literally has no army anymore. It has been observed by one expert on Central America that Costa Rica is the greatest danger to Nicaragua precisely because it is a democratic country with a free market and a free press. That means that every possible younger Nicaraguan will flee to Costa Rica, just like in Western Europe we see people flee from East Germany to West Germany, from Czechoslovakia to Austria, from Hungary to Austria, and so forth.

The point this expert had made was that as long as Costa Rica is alive, as long as it is a free country, as long as

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it is a better place to live than Nicaragua, it will be an active threat to the Communist government of Nicaragua precisely because it drains away people.

Here we have the President of Costa Rica, a country which does not even have an army, reporting on three incidents in which the Communist government of Nicaragua entered Costa Rican territory. The Costa Ricans are concerned in part because, as they look to the north toward El Salvador, they have some sense of how a country can be torn to pieces by Communist guerrillas.

Communist guerrilla commander Joaquin Villalobos, in a statement concerning the increased terrorists' use of land mines and urban terrorism, has threatened more violence on the people of El Salvador.

"Our aim is to convert every road into a river of blood with mines * * * each stone into a mine and every helicopter into a coffin," Villalobos said in a recent rebel radio broadcast.

The Farabundo Marti Liberation Front [FMLN], the Communist terriorist organization bent on destroying the democratically elected government of President Duarte, is increasing its activities due to decreased support in their insurgency efforts over the past year.

"The subversives have planted a lot of mines in the last few months because they can no longer confront army units directly," said Maj. Omar Vaquerano, an infantry battalion commander. "The mines are a demonstration of the subversives' weakness."

The increase in the effectiveness of the government's efforts against the Communists' activities has broken up the terrorists into small pockets of subversives, taking much of their support base, supplied by the Masas.

The point I want to make is this: Here we have Communists in El Salvador saying that we are going to rely on sabotage. I quoted earlier, "sabotage is victory." They have said here, we have them saying their aim is to convert every road into a river of blood with mines, each stone into a mine and every helicopter into a coffin.

Imagine you were living in democratic Costa Rica, that you were looking up the road to El Salvador, that you saw that kind of bloody, viscious anticivilian guerrilla warfare, sabotage, and terrorism going on. You can appreciate why the Costa Rican Government, the most democratic, most open and decent government in Central America, is increasingly angry with the Nicaraguans, because it sees in Nicaragua a country which is supporting guerrilla warfare with Communists in El Salvador. A country which is itself a Communist dictatorship. And Costa Rica sees an increasing willingness to launch raids against them.

President Monge, in an August 13 letter to Daniel Ortega, the Communist dictator of Nicaragua, said that Costa Rica was a "peaceful people" and blamed "Nicaragua's warmongering attitude" for the border crisis.

Let me emphasize this. This is the President of Costa Rica, the neighbor of Nicaragua, a democratic country which does not even have an army. His attitude toward the Communist Government of Nicaragua, he said it was "a warmongering attitude."

This is not Ronald Reagan talking; this is not some rightwing Republican. This is the democratically elected, free President of Costa Rica.

He went on to say that we Costa Ricans "are a peaceful people and have never attacked anyone."

The Costa Rican President stated that if there is no peace in Nicaragua, then his nation is affected by this. "However," Monge stated, "Costa Rica is not responsible for Nicaragua's peace; Costa Rica cannot achieve or impose peace in Nicaragua."

In clear reference to the unprovoked border aggressions launched by the Marxist-Leninist regime, Monge said that—

> The various border incidents on Costa Rica's northern border, specifically the painful incident at Las Cructas and the violation of our national airspace by your government's military forces, can be protested as acts of aggression we will not tolerate and which, if repeated, will force us to defend ourselves. We demand a satisfactory explanation because these incidents are the result of Nicaragua's warmongering attitude and of the lack of peace in Nicaragua, which is an issue that your government cannot evade.

"Therefore, steps toward peace, both inside and outside Nicaragua, should be taken by your government," Monge said. He also stated that he considered Nicaragua's "international propaganda aimed at tarnishing Costa Rica's real position in relation to the Nicaraguan conflict unjust and ill-intentioned."

So again we have on August 13 the President of the democratic, demilitarized, free Costa Rica complaining, saying to the Nicaraguan Communists to "Let us alone, quit trying to provoke us."

Yet what happened?

On August 25, a Communist army patrol from Nicaragua was spotted by Civil Guard units inside Costa Rican territory in the Boca de San Carlos region, marking the third unprovoked border incident within a week against this democracy.

According to the Panama City ACAN report from the northern region of Costa Rica, the Sandinist People's Army [EPS] patrol fired at the civil guardsmen with their rifles and the civil guardsmen fired back.

Area residents told reporters that apparently the Communists had seized a farm but then abandoned it after the clash with the Costa Rican public forces.

Public Security Minister Benjamin Piza Carranza has explained that a police patrol discovered the Communist group in Costa Rican territory and, for this reason, obeyed the order to fire at them. Costa Rica has no standing army. He said that the Civil Guard remains on alert in the border area, which has been the site of recent unprovoked and illegal attacks launched by the Marxist-Leninist regime.

This is the third incursion the Communist forces have carried out on Costa Rican soil in 1 week, according to official reports issued by the government of President Luis Alberto Monge.

On August 22, five Communist aircraft violated Costa Rican airspace and fired shots, only 24 hours after the Costa Rican Government denounced an attack by the Nicaraguan Communist forces on the Boca de San Carlos police post.

These events have been unfolding during the Nicaraguan so-called peace dialog propaganda campaign.

In other words, where the Nicaraguans are publicly in interviews with American television, talking to American church groups, they pretend they favor peace. There are three times in 1 week in late August that the Nicaraguan Communists violated Costa Rica and attacked Costa Rica. In fact, things have gotten bad enough that Costa Rican Foreign Minister Carlos Jose Gutierrez said that the Inter-American Reciprocal Treaty [TIAR] might be requested if unprovoked Communist border attacks continue, citing that regime's "expansionist objectives" as a possible cause for these incidents.

"I think that, if these aggressions continue, we may resort to the TIAR. Costa Rica has not done so thus far because it believes the aggressions do not merit it," Gutierrez said in a telephone interview with Radio Cadena Nacional. Nevertheless, he noted that "their frequency and constant repetition might lead Costa Rica to resort to a step of that nature."

Gutierrez said that the Communist attacks on Costa Rica could have various explanations, among them that the Communist regime may be trying to intimidate the Costa Rican people. "This could be one of the reasons," he said. He explained that "perhaps the attacks seek to prevent Costa Ricans living in the border area from continuing to express support for the anti-Sandinists.

"Second, it might be that the attacks are the result of the arrogance of the Sandinist Army, which wants to show its military might to its neighbors," Gutierrez added. "We also think the attacks could be part of the expansionist objectives of the Nicaraguan Government, which does not hide its aggressive intentions with regard to the countries that border Nicaragua."

Let me make this point for all of our friends who belong to church groups that say why can there not be peace in Central America. Here he is, the foreign minister of Costa Rica, a country which is a democracy. A country which is free, a country which does not even have an army. All it has is a border patrol and a civil police, and now what is the foreign minister of Costa Rica saying? He said that the Government of Nicaragua has, and I quote: "Expanionist objectives," and "does not hide its aggressive intentions with regard to the countries that border Nicaragua."

In other words, the foreign minister of Costa Rica is trying to say to all of the world, you cannot deal with the Communist Government of Nicaragua because it is trying to expand itself. Nicaragua is an enemy to its neighbors, and it is supporting guerrilla war.

What do the people of Costa Rica think?

In a poll conducted by an affiliate of the international Gallup organization, it was found that 89 percent of the Costa Rican population consider the Marxist-Leninist regime of Nicaragua a threat to peace in the region.

The poll, which was published in the San Jose daily La Nacion, also found that 87 percent of the population have an unfavorable opinion of the Communist government. In addition, 63 percent said that neutrality ought not to apply if Nicaragua violated the Costa Rican sovereignty.

According to the results of the survey, most Costa Ricans approve of the way President Monge is handling the Nicaraguan crisis, but are displeased with the way the Contadora group is resolving the problems between the two nations. Also, 83 percent of the Costa Ricans polled said they were confident the United States would help defend Costa Rica if they were invaded.

On a similar subject, Oscar Aguilar, Presidential candidate of the National Union Party, has said that in view of the new Communist attacks against Costa Rican territory, which were confirmed by the Costa Rican Government, the country should break diplomatic ties with the Marxist-Leninist regime, if only temporarily. His statement, which was on San Jose Radio Reloj on August 22, also explained that "firmness does not mean aggression but that the country cannot continue to defend the national sovereignty with protest notes that no one pays attention to."

I think there are two messages here for Americans. First of all, the next time someone says to you: "But why do you think the Nicaraguan Communists are dangerous," ask them if 89 percent of the free people of Costa Rica are scared of their neighbor, should that not worry you. If the folks who are down there, who are natives, who are local, and who speak Spanish, who have friends in Nicaragua, if 89 percent of them are scared of the Communist next door, should not that be a sign to us that maybe they know more than the local politician or your local reporter who once spent 2 days there on a trip?

Second, what would our friends on the left do to save Costa Rica if, in fact, the Communists in Nicaragua are violating Costa Rican sovereignty? I have just indicated there were three times in 1 week in August that the Nicaraguan Communists were occupying part or acting on parts of Costa Rican territory. What would we do?

Are our neighbors, in fact, the Costa Ricans, right when 83 percent of them say we would help them if they were attacked by Communists, or are they wrong? I wonder. I wonder in this House how many of our more leftwing members would, in fact, find some excuse for explaining away Communist aggression, some way of indicating that it was really caused by Costa Rica, even though Costa Rica is unarmed, has no army, and could not attack anyone.

In fact, the Costa Rican Government is considering seriously breaking relations with Nicaragua.

Costa Rican Foreign Minister Carlos Jose Gutierrez has said that President Monge and his administration has not ruled out a break in relations with Nicaragua.

"On various occasions and in view of repeated attacks and violations of the Sandinist Army, we have been on the verge of breaking relations with Nicaragua but the situation has always been reconsidered," the foreign minister said. Government sources say that the possibility remains, considering recent territorial violations and the air attack August 21. "We now have to think of more drastic measures," Gutierrez said. He went on to say: "The conditions for signing the peace document do not exist," and added that the tension mentioned by Mexican Foreign Secretary Bernardo Sepulveda "is not the result of the position adopted by Costa Rica, which is willing to sign the document if it includes all the aspects necessary to achieve peace.

"It is not a matter of signing the peace document but of fulfilling all its provisions. If this is not done, the efforts would have been useless. Each country that signs the peace document must comply with its provisions. It is not a matter of simply signing the document so as to form part of a group of countries that will subsequently not comply with it," the foreign minister concluded.

I began tonight talking about the propaganda offensive of Gorbachev and of the Soviet Union and that there is a parallel propaganda offensive by the Nicaraguan Communists.

□ 1745

One of the comforting systematic natures of communism that does not seem to change over time, you can count on it, is that they can lie with a straight face. They can tell you they are for law and order while picking your pocket. So it is not at all uncommon for a Communist government like Nicaragua, in a peace offensive, have their President giving peace speeches while their army and air force are violating Costa Rican territory. Here we have the Costa Rican Government telling us about the event.

Again, the Costa Ricans are worried in part because of Nicaraguan Communist direct activity, and they are worried in part about what they see just up the road in El Salvador.

As recently as late August we have seen examples of the kind of Communist terrorism in El Salvador which frightens the democratic, disarmed country of Costa Rica.

According to an August 24 San Salvador La Prensa Grafica report, new acts of vandalism and terror have recently been carried out by subversive groups of the Communist FMLN-FDR terrorist insurgency organization.

On the highways to Santa Ana, Atiquizaya, Sesuntepeque, Tejutla, Usultan, Ilobasco, and other places the terrorist groups attacked buses, injuring at least 20 civilians.

In another unprovoked attack, official reports say that on August 23 the Communist extremists machinegunned a bus, truck, and pick-up truck in Delicias de Concepcion Canton, San Juan. According to the report, several passengers were wounded and all were taken to hospitals in that capital and Zacatecoluca.

As the Communist subversives were preparing to set the vehicle on fire, a military patrol arrived and the rebels immediately opened fire and fled from the army.

The Communist terrorists organization's goal is to overthrow the democratically elected government and replace it with a Marxist-Leninist regime similar to those currently in control in Cuba and Nicaragua.

Now, notice the style here. Now that the Communist guerrillas in El Salvador cannot stand up to the army, what do they do? They shoot the civilians, they machinegun a bus, they machinegun a pickup truck. This is the kind of banditry which can break down a free society but which is very hard for us to fight. Where are our friends on the left, those who are upset because the CIA mined Nicaraguan harbors; those who talked about atrocities from the right? Where is anyone from the left in this body standing up and saying it is wrong for Communist guerrillas to shoot innocent civilians? We have not heard a single person from the left in this House complaining about Communist guerrillas. Yet we recognize that there are all sorts of terrorists from the left who are engaged throughout Central America in trying to destroy pro-American and pro-Western governments.

There is one final point I would like to make tonight about events in Central America. And that is that there is some evidence that Nicaragua is working in concert with drug trafficking. There has been considerable evidence that Cuba works with drug traffickers. But there has been a recent report worth looking at in terms of the Nicaraguan Communists.

An agreement that allowed Colombian cocaine lords to process and ship narcotics through Nicaragua was described July 31 by a pilot working undercover for U.S. authorities.

Adler Barryman Seal described an April 8, 1984, meeting at the Colombian mountaintop home of Jorge Ochoa attended by several members of the Ochoa smuggling cartel:

"They had struck a deal with some [officials] in the Sandinista government in Nicaragua," Seal said. "We're not Communists. We don't agree with their philosophy, but they serve our means and we serve theirs—then they made gestures indicating money."

Seal, 45, said he was initially worried about being arrested if he landed in a plane full of cocaine in a Communist country, but he said he was assured that there would be no problems with Nicaraguan officials.

United States authorities concluded that the operation had at least the tacit approval of high-level Sandinista officials.

The point that I think really ties together drug trade, terrorism, the propaganda offensive, and Nicaragua's attacks on its neighbors in Costa Rica is that from a Communist standpoint all of this fits together. Gorbachev, as a Communist leader, sees the United States as the enemy. The Soviet Union and its Marxist-Leninist leaders are very open in saying that we are the enemy. Anyone who has studied the Grenada documents can find the then-Communist leader of Grenada, Maurice Bishop, saying in a secret speech:

> Of course we are Communists, of course this is a dictatorship, of course we are against the Americans, but if we told them the truth then they will know what we are doing. So we are going to lie to them.

It is amazing, since 1917 we have had an opportunity to study what Lenin wrote in creating the Soviet state, to study how Stalin behaved as a dictator, or to look at what now is almost 70 years of systematic warfare against the West.

It is remarkable to see them spy against us, to have Americans who are arrested as spies, to see West Germans who turn out to be spies, to recognize that the British are expelling spies right this very day, to see that all over the world Gorbachev is involved in country after country, in systematically spying to try to undermine the West.

Similarly, we see, as we look around the world, a Communist offensive. There are Russian troops in Afghanistan killing free Afghans this evening as I speak. There are Cuban troops in Ethiopia, in Angola, in Mozambique killing people who want to be free.

There is a Communist government in Nicaragua trying to impose a dictatorship on its people. There is a Communist army from Vietnam in Cambodia trying to impose a Communist government on its people. There is a Communist army holding down the people of Poland.

In the middle of all this, Gorbachev appears on the cover of Time magazine and explains that he is really a nice guy who is just misunderstood. In the middle of all this, we have a so-called peace offensive. Sometimes you have to ask yourself how naive is the American and European news media, how naive are our intellectual elite, how easy it seems to be for the Communists, almost by the flick of a wrist, to change and say: "Oh, please forget everything we are doing in Afghanistan, ignore the people we are killing, the men, women, and children who are being butchered, the villages that are being bombed, the atrocities that are being committed, we really mean well. Please ignore the spies that you are uncovering in your country that we send there. We really mean well. Why don't you come to Geneva and just talk to us in a pleasant way?"

I believe the President should go to Geneva. I agree with Winston Churchill who once said: "Jaw, jaw, jaw is better than war, war, war."

Still, we should recognize what is going on.

Neville Chamberlain went to Munich in 1938 thinking if you could appease a dictator somehow things would get better. Neville Chamberlain might have given up radar in order to make Adolph Hitler happy. And the British would have lost the battle of London.

The President has the 21st century equivalent of radar, the strategic defense initiative. It is vitally important that all of us in America, and in Europe, and in Japan, and all of the free countries recognize who is going to Geneva.

On the one side, there is a Communist empire, there is a man whose armies are currently trying to conquer Afghanistan, there is a man who is spying against all of us, who is supporting terrorism and who represents the dark forces of the secret police, the Gulag Archipelago and the concentration camps of political prisoners. That is Gorbachev.

We should recognize that, we should remember it, and we should go to those negotiations starting with a question, since this is a man who will lie with a straight face, who will quote God even though he is an atheistic Communist, who would tell us he would never start a war even while he has 120,000 troops fighting in Afghanistan. Let us be clear what is happening.

It is vitally important the American President talk with the Communist leader. It is equally important that the American President not try to appease the Communist leader. If we can reach reasonable agreements that are enforceable, that is worth doing. I hope that on the week of October 25, we will study the lessons of the Grenada documents and we will celebrate, for free people everywhere and people who would like to be free everywhere, the fact that for the first time a Communist nation has become free again. As we look at the lessons of that second anniversary, it is my hope that across America and through the U.S. Information Agency across the world, the people who are free will be able to look once again at the lessons of communism and the nature of communism and what really was happening in Grenada, and that that will give us a much more sober, a much more realistic, a much more reasonable balance as we move toward Geneva.

It is vitally important that Geneva occur, but it is equally important that Geneva not become another Munich.

While Ronald Reagan is a Churchillian figure, a man of great resolution, a man who understands communism, a man who, as a former labor union president, knows how to negotiate, it is very important that he not have Neville Chamberlain's style news media, Neville Chamberlain's style elite, Neville Chamberlain's style advisers, Neville Chamberlain's pressure from his own public to make unwise concessions. By asking your Congressman to cosponsor House Joint Resolution 313, to help us look at the lessons of the Grenada documents, by asking your civic club, your Sunday school, or your synagogue group, your high school, or college class to take time that week to look at the lessons of Grenada, I think it is possible to educate ourselves, and I think that in the long run an educated, free people will survive despite the threats of dictatorship and that we can achieve peace through knowledge and through information.

I thank the Speaker.

GENERAL LEAVE

Mr. McCOLLUM. Mr. Speaker, I ask unanimous consent that all Members be permitted 5 legislative days in

which to extend their remarks and to include therein extraneous material on the bill, H.R. 7, which was considered today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

KIDNAPING OF PRESIDENT DUARTE'S DAUGHTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. McCollum] is recognized for 30 minutes.

Mr. McCOLLUM. Mr. Speaker, I would like to speak today about Mrs. Ines Guadalupe Duarte Duran, the eldest daughter of El Salvador's President, Jose Napoleon Duarte. Both Mrs. Duran and a female friend were kidnaped yesterday and in the process, a young man guarding Mrs. Duran was murdered.

No guerrilla group or organization has yet to claim responsibility for the kidnaping. The clandestine rebel radio station, Radio Venceremos, did not mention the kidnaping during its September 10 broadcast.

However, it seems to me that this is another signal that urban warfare in El Salvador is a reality and the Communist guerrillas mean what they say.

The June 19, 1985, murder of four U.S. marines in the city of San Salvador is still fresh on our minds. Only three of the suspected rebels responsible for this attack have been apprehended to date. Shortly after this murder, the Communists announced they would continue to hunt down Salvadoran and American officials in the cities.

The clandestine radio station of the Marxist-led insurgents, Radio Venceremos, announced yesterday, September 11, 1985, that their goal to "annihilate American advisers" in El Salvador is still a very high priority.

It is crystal clear to anyone who pays attention and who keeps his eyes and ears open as to what kind of criminal we are dealing with in El Salvador and Central America. The Salvadoran intelligence forces recently reported that they have received information that Salvadoran and American officials remain the targets of the Communist rebels.

The crimes and threats of the Communist rebels in El Salvador are not merely directed at the Duarte government or American advisers or officials. These acts are designed to intimidate the Salvadoran population and destabilize that country in order to allow the Communists to abort democracy in El Salvador and Central America as a whole. We must not make any mistake about the actual purposes involved in this series of terrorist acts that they are now engaged in.

As the speaker before me made the point in his presentation, the rebel forces at this time in Central America are conducting terrorist activities in order to bring about a change in the freedom that does exist in the few countries around the area where they now hold control in Nicaragua. The United States, as a result, in order to protect its own citizens and in order to protect the officials of the democratic countries in Central America, especially in El Salvador, and in order to protect the glimmering hope of democracy that is flaming now in those areas down there, the American Government, the United States, us, this Congress must expedite the money, materials, and support already authorized to El Salvador to counter the Communist urban offensive going on. Just before the August recess, we passed a Foreign Assistance Act that contained authority for the United States to provide training and equipment to the police and internal security forces of El Salvador, Honduras, and Costa Rica. The President subsequently signed this act into law.

It is now our duty to see to it that El Salvador, Honduras, and Costa Rica obtain a first-class police force by whatever means of assistance and training that we can possibly give them.

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If that means, and I think it does, appropriations and additional funding by this Congress, we need to proceed now, because it is only with that kind of training that we are going to have the kind of police, the kind of internal security forces in the cities of El Salvador, Honduras, and Costa Rica that can combat this new urban guerrilla terrorism that the Communists are conducting.

It is only in this manner that we can prevent future murders like those of the four marines involved, just a month or so ago, and the kidnaping of Mrs. Duran, the daughter of President Duarte just the day before yesterday.

Now let me say in this connection that these may not be the only funds that we need. We have to look at what we have just recently done, but we also have to look at new funding levels not only for the question of training these police forces, but for the security and economic concerns in El Salvador itself if it is to survive as a democracy.

As we go through the process of the continuing resolution, and looking at the next year's money cycle, it is absolutely incumbent upon this Congress to appropriate whatever additional moneys are necessary to protect the men and women, the Salvadoran and Americans, who are struggling together each day to keep democracy alive in this part of our free world, however small it may be.

I submit to my colleagues and to the American people that we can do no less for democracy and for the future of freedom in this country and in Central America.

PERSONAL EXPLANATION

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, on September 4, the House approved H.R. 10, the National Development Investment Act, by an overwhelming vote of 260 to 96.

I was absent on business last week. As a cosponsor of H.R. 10, I strongly support the continuation of the Economic Development Administration. Had I been present during rollcall vote No. 292, I would have voted "Aye."

INTRODUCTION OF A NEVADA WILDERNESS BILL

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, today, with our colleagues, Jim Weaver, Peter Kostmayer, and Buddy Darden, I am introducing legislation to designate 18 outstanding Forest Service roadless areas in the State of Nevada as wilderness.

Nevada is one of the few remaining Western States for which we have not yet passed legislation in response to the Forest Service's 1979 RARE II wilderness study and recommendations. Those recommendations were made to help the Congress settle the allocation of presently undeveloped lands between wilderness and other multiple uses. Without legislation, all development plans on more than 3.6 million acres of roadless lands in Nevada's National Forests will be under a cloud of uncertainty.

In July of this year, the cosponsors of the bill and I, with members of the Nevada congressional delegation, had the privilege of participating in a 4-day tour by helicopter of Nevada's national forests with Forest Service staff and representatives of the Nevada State government. We met and talked with ranchers, miners, outfitters, representatives of the oil and gas industry, and conservationists at locations across the State, and visited many of the roadless areas that local conservationists have proposed for protection as wilderness. All of us on the trip were impressed—and surprised—by the beauty and diversity of Nevada's mountains.

Nevada's forests are unique islands in the Great Basin desert. High above the desert valleys, they catch the rain, snow, and cool air that makes these verdant mountains such a stunning contrast to the desert below. Once designated wilderness and given national recognition, the areas in our bill, which are widely distributed across the State, will forever change the popular im-

pression that Nevada is just a desert wasteland.

Each of the areas in my bill would make superlative additions to the National Wilderness Preservation System. They include:

Arc Dome in central Nevada's Toiyabe Range. Arc Dome's glacial cirques and alpine ridges are home to desert bighorn sheep. Each year, more hikers use the trails up the side canyons and along the crest of the range. From that trail, you can look out over range after mountain range receding in the distance.

Table Mountain, the heights of the Monitor Range, is home to a thriving elk herd which inhabits some of the most beautiful aspen forest I have ever seen. To my knowledge, based on personal inspections over the years of the vast majority of lands in the National Wilderness Preservation System, there is no area currently in the system which is anything like Table Mountain in terms of terrain, forest cover, and size. Aspens and meadows cover an immense 10,000-foot-high rolling tableland, most of which would be protected as wilderness by our bill. At least four commercial outfitters depend on this area for their livelihood, taking campers and hunters into this beautiful area.

The Quinn Canyon Range was recommended for wilderness by the Forest Service in RARE II because of its spectacularly scenic cliffs and the rugged topography and remoteness that have protected its wilderness character. After our visit, I heartily concur with that judgment.

The South Snake Range, including the Wheeler Peak area in eastern Nevada, was recommended as the site for a Great Basin National Park by the Park Service 30 years ago. Its stunning mountain peaks, lakes, and forests, and the only year-round glacier that remains in the Great Basin from the last ice age, would be protected as wilderness by our bill. We recommend wilderness rather than a park proposal because of local ranchers' desire that livestock grazing be allowed to continue in the area—which wilderness will allow.

The Ruby Mountains, some 15 miles southeast of Elko. The Rubies are one of the most scenically spectacular areas in the entire Nation, and I cannot conceive of a Nevada wilderness bill that did not include them. The Nevada Mining Association has no objection to their designation as wilderness, and the Forest Service has twice proposed them for wilderness. We think they should be wilderness, and have drawn the largest boundary we could to protect as much of this range as is still roadless and undeveloped.

Jarbidge Additions. Our bill adds the drainages on the northeast side to the existing wilderness. We landed at the edge of this area, and virtually everyone in attendance at our informal meeting, including local ranchers, agreed that the area should be in wilderness.

Elk Mountain. Located east of the Jarbidge Additions, this proposal is strongly supported by Nevada sportsmen, who hope that elk will ultimately be reintroduced in the area. The boundary we are proposing has been drawn to exclude several vehicle tracks that are used for hunting and ranching purposes.

Santa Rosa. This desert range north of Winnemucca contains numerous trout streams and forest groves which provide excellent fishing and hunting opportunities. The area also supports a large population of golden eagles and excellent habitat for a mule deer. Our tour of the area convinced us that its unique ecosystems and isolated location in north-central Nevada speak strongly for wilderness designation.

Mount Rose. Over the years, our committee has made a conscious effort to designate wilderness in close proximity to major metropolitan areas, when possible, so that urban residents will be able to continue to enjoy the benefits of nearby primitive recreation. Mount Rose forms part of the scenic backdrop for the city of Reno, and is a spectacular and deserving wilderness candidate.

In total, our bill would protect 1.4 million acres, or about one-third of the still-wild roadless lands in Nevada's National Forests—and would release the remaining 2.2 million acres for multiple-use management. Even with the addition of these 19 areas, Nevada would have less land protected in the National Wilderness Preservation System than any other western State except Utah—which, while it only has 780,000 acres of wilderness, also has 860,000 acres protected in National Parks and Monuments.

The colleagues who are cosponsoring this legislation with me are all on the Public Lands Subcommittee and were on our field trip to Nevada. They, like me, came back convinced that these areas deserve protection as wilderness, and that this bill would strike a fair balance between preservation and development, while assuring that Nevada's national forest lands are adequately represented in the National Wilderness Preservation System.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Kastenmeier (at the request of Mr. Wright), for today, on account of a death in the family.

Mr. Bilirakis (at the request of Mr. Michel), for today, on account of official business.

Mr. Young of Florida (at the request of Mr. Michel), for today, on account of official business.

Mr. Ireland (at the request of Mr. Michel), until 3 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Burton of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. McCain, for 5 minutes, today.

Mr. McCollum, for 5 minutes, today.

Mr. Gingrich, for 5 minutes, today.

Mr. Leach of Iowa, for 5 minutes, today.

(The following Members (at the request of Mr. Gray of Illinois) to revise and extend their remarks and include extraneous material:)

Mrs. Boggs, for 5 minutes, today.

Mr. Boland, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Edwards of California, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Burton of Indiana) and to include extraneous matter:)

Mr. Moorhead.
Mr. Dreier of California.
Mr. Eckert of New York.
Mr. Dornan of California.
Mr. Mack in three instances.
Mr. Leach of Iowa.
Mr. Hartnett.
Mr. Marlenee.
Mr. Gunderson.
Mr. Smith of New Jersey.
Mr. Thomas of California.
Mr. Broomfield in two instances.
Mr. Gilman in three instances.
Mr. Gekas.
Mrs. Johnson.

(The following Members (at the request of Mr. Gray of Illinois) and to include extraneous matter:)

Mr. Panetta.
Mr. Hamilton.
Mr. Fuster.
Ms. Oakar.
Mr. Coelho.
Mr. Vento.
Mr. Rodino.
Mr. Morrison of Connecticut.
Mr. Lipinski in two instances.
Mr. Smith of Florida.
Mr. Fascell.
Mr. Tallon.
Mr. Applegate.
Mr. Skelton in two instances.
Mr. Lehman of Florida.
Mr. Lehman of California.
Mr. Garcia.
Mr. Wyden.
Mr. Berman.
Mr. Mrazek.
Mr. Matsui.
Mr. Annunzio.
Mr. Heftel of Hawaii.
Mr. Rangel.
Mr. Dyson.
Ms. Kaptur.
Mr. Neal.
Mr. Hubbard in two instances.
Mr. Leland.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 31. Joint resolution to designate the week of November 24 through November 30, 1985, and the week of November 23 through November 29, 1986, as "National Family Week."

ADJOURNMENT

Mr. McCOLLUM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 2 minutes p.m.), the House adjourned until tomorrow, Friday, September 13, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1986. A letter from the Acting Assistant Secretary of Defense (Comptroller), transmitting a report of the value of property, supplies and commodities provided by the Berlin Magistrate for the quarter April 1, 1985, through June 30, 1985, pursuant to Public Law 98-473, section 101(h) (98 Stat. 1926); to the Committee on Appropriations.

1987. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the decision to convert to contractor performance the Storage and Warehousing (Ordnance Management) function at the Naval Magazine, Lualualei, HI, pursuant to 10 U.S.C. 2304 note; to the Committee on Armed Services.

1988. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-73 "Student Loan Revenue Bond Act of 1985", and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1989. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the President's determination that the Ethiopian Government is not conducting a deliberate policy of starvation, pursuant to Public Law 99-83, section 182(c) (99 Stat. 265); to the Committee on Foreign Affairs.

1990. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of intent to issue commercial export license for sale of certain major defense equipment, articles, or services, pursuant to 22 U.S.C. 2776 (c) and (d); to the Committee on Foreign Affairs.

1991. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

1992. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958, as amended, to increase civil penalty limits for safety violations by persons engaged in commerical aircraft operations, and for other purposes; to the Committee on Public Works and Transportation.

1993. A letter from the Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations), transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 to make permanent certain provisions relating to members of the Armed Services missing in action; to the Committee on Ways and Means.

1994. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend health maintenance organization authorities; jointly to the Committees on Energy and Commerce and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAWKINS: Committee on Education and Labor. H.R. 2811. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the single-employer pension plan termination insurance program, and for other purposes; with an amendment (Rept. 99-266 Pt 1). Ordered to be printed.

Mr. HAWKINS: Committee on Education and Labor. H.R. 2812. A bill to amend the Employee Retirement Income Security Act of 1974 to provide for an increase in the premium rates payable to the Pension Benefit Guaranty Corporation and to revise the procedures for establishing such premium rates; with an amendment (Rept. 99-267, Pt. 1). Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1903. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to members of the Lake Superior Band of Chippewa Indians who are members of the Minnesota Chippewa Tribe in Dockets Numbered 18-S and 18-U before the Indian Claims Commission, and for other purposes; with amendments (Rept. 99-268). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1904. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgment awarded to members of the Mississippi Band of Chippewa Indians who are members of the Minnesota Chippewa Tribe in Docket Numbered 18-S before the Indian Claims Commission, and for other purposes; with amendments (Rept. 99-269). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 2174. A bill to provide for the transfer to the Colville Business Council of any undistributed portion of amounts appropriated in satisfaction of certain judgments awarded the Confederated Tribes of the Colville Reservation before the Indian Claims Commission (Rept. 99-270). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSTENKOWSKI (for himself, Mr. Dingell, Mr. Stark, and Mr. Waxman):

H.R. 3290. A bill to amend titles XVIII and XIX to provide for budget reconciliation with respect to the health care programs under the Social Security Act, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. BROOKS (by request):

H.R. 3291. A bill to revise certain provisions of chapter 57 of title 5, United States Code, relating to the subsistence allowances of Government civilian employees while performing official travel, and other purposes; to the Committee on Government Operations.

By Mr. DREIER of California (for himself, Mr. Daub, Mr. Weber, Mr. Broomfield, and Mr. Hiler):

H.R. 3292. A bill to relieve individuals with one-person Keogh plans from certain information reporting requirements imposed by the Secretary of the Treasury under the Tax Equity and Fiscal Responsibility Act of 1982; to the Committee on Ways and Means.

By Mr. FAWELL:

H.R. 3293. A bill to amend the Internal Revenue Code of 1954 to establish a threshold of $16,000 for purposes of determining the taxability of Social Security benefits in the case of married couples filing separate income tax returns; to the Committee on Ways and Means.

H.R. 3294. A bill to amend title II of the Social Security Act to permit a State to exclude from coverage (by a modification or additional modification of the applicable State agreement under section 218 of that act) any service performed by election officials or election workers in cases where the remuneration paid for such service is less than $100 in a calendar quarter (rather than only where such remuneration is less than $100 in a calendar year as presently permitted); to the Committee on Ways and Means.

By Mr. FRANK (for himself, Mr. Addabbo, Mr. Martinez, Mr. Berman, Mr. Boland, Mr. de Lugo, Mr. Fuster, Mr. Dellums, Mr. Wolpe, Mr. Dymally, Mrs. Schroeder, Mr. Bustamante, Mr. Owens, Mr. Rangel, Mr. Pepper, Mr. Gonzalez, Mr. Edwards of California, Mr. Conyers, Mr. Weiss, Mr. Garcia, Mr. Ortiz, Mr. Richardson, Mr. Kildee, Mr. Torres, Mr. Roybal, Mr. Crockett, Mr. Clay, Mr. Ford of Michigan, Mr. Lundine, Mr. Jacobs, Mr. de la Garza, Mr. Miller of California, Mr. Panetta, and Mr. Mitchell):

H.R. 3295. A bill to establish a sanitation occupational health and safety standard with respect to agricultural employees engaged in hand labor operations in the field; to the Committee on Education and Labor.

By Mrs. JOHNSON (for herself, Mr. Bonker, Mr. McKinney, Mr. Bereuter, Mr. Ridge, Mr. Rowland of Connecticut, Mr. Lewis of California, and Mr. Gilman):

H.R. 3296. A bill to amend the Trade and Development Enhancement Act of 1983 to provide for better coordination between the tied aid credit programs established in the Export-Import Bank and the Agency for International Development as a defense against the abusive use of mixed credits by foreign countries, to direct the Export-Import Bank to expand its efforts to promote small business exports, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

By Ms. KAPTUR (for herself, Mr. Edwards of California, Mr. Edgar, Mr. Daschle, Mr. Penny, and Mr. Evans of Illinois):

H.R. 3297. A bill to require the Administrator of the Veterans' Administration to provide for an epidemiological study of the gender-specific effect of exposure to the herbicide known as agent orange on female veterans; to the Committee on Veterans' Affairs.

By Mr. KEMP (for himself, Mr. Stenholm, Mr. Siljander, Mr. Hendon, Mr. Weber, Mr. Dornan of California, Mr. Eckert of New York, Mr. Hiler, Mr. Smith of New Jersey, and Mr. English):

H.R. 3298. A bill to protect the rights of victims of child abuse; to the Committee on the Judiciary.

By Mr. LEACH of Iowa (for himself and Mr. Durbin):

H.R. 3299. A bill to direct the Secretary of Agriculture to establish a strategic ethanol reserve; jointly, to the Committees on Agriculture and Energy and Commerce.

By Mr. WISE (for himself and Mr. Gallo):

H.R. 3300. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to establish local emergency response committees which will plan and coordinate local response to hazardous substance emergencies and to provide members of the community with information about hazardous substances that are located within the community, and for other purposes; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. MATSUI (for himself and Mr. Archer):

H.R. 3301. A bill to amend the Internal Revenue Code of 1954 to exempt from taxation corporations or trusts that acquire and manage real property for certain other exempt organizations, and for other purposes; to the Committee on Ways and Means.

By Mr. REID:

H.R. 3302. A bill to designate certain national forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. SCHUMER:

H.R. 3303. A bill to amend the Internal Revenue Code of 1954 to provide that the treatment of loans with below-market interest rates shall not apply to loans to foreign governments; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. Darden, Mr. Kostmayer, and Mr. Weaver):

H.R. 3304. A bill entitled, the Nevada Wilderness Act of 1985; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. SMITH of Florida (for himself, Mrs. Boxer, Mr. Matsui, Mr. Heftel of Hawaii, Mr. Yates, Mr. Hertel of Michigan, Mr. Berman, Mr. Richardson, and Mr. Martinez):

H.R. 3305. A bill to establish restriction on the provision of financial assistance by the Department of Education to educational agencies in States or other political subdivisions that do not impose certain requirements relating to the inspection and equipping with safety belts of schoolbuses; to the Committee on Education and Labor.

By Mr. TRAFICANT:

H.R. 3306. A bill to require the implementation of a home credit emergency plan in each State or home credit region in which the Secretary of Housing and Urban Development determines a home credit emergency exists, to authorize the Secretary of Housing and Urban Development to provide guarantees of repayment or direct assistance to certain debtors, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WEBER:

H.R. 3307. A bill to amend the Internal Revenue Code of 1954 with respect to health insurance premiums paid by self-employed taxpayers, imputed interest relating to sales of farms, and the consequences of forced sales of farm property; to prohibit the distribution of certain benefits with respect to crops produced on highly erodible land and to establish a conservation reserve program; to require the Secretary of Agriculture to conduct a study relating to the effect of currency exchange rates on export sales of agricultural commodities; and to stabilize the value of farm assets; jointly, to the Committee on Ways and Means, Agriculture, and Banking, Finance and Urban Affairs.

By Mrs. BOGGS (for herself, Mr. Breaux, Mr. Livingston, Mr. Tauzin, Mr. Moore, Mr. Huckaby, Mr. Roemer, Mrs. Long, Ms. Oakar, and Mr. Spratt):

H.J. Res. 385. Joint resolution to designate the rose as the national floral emblem; to the Committee on Post Office and Civil Service.

By Mr. PACKARD (for himself, Mr. Addabbo, Mr. Anderson, Mr. Bennett, Mr. Biaggi, Mr. Boner of Tennessee, Mr. Bonior of Michigan, Mrs. Burton of California, Mr. Chappie, Mrs. Collins, Mr. Conte, Mr. DeWine, Mr. DioGuardi, Mr. Dornan of California, Mr. Dwyer of New Jersey, Mr. Feighan, Mr. Hansen, Mr. Hayes, Mr. Hunter, Mr. Kemp, Mr. Lagomarsino, Mr. Jeffords, Mr. Lewis of California, Mr. Lott, Mr. Lowery of California, Mr. Lujan, Mr. Matsui, Mr. Mineta, Mr. Mitchell, Mr. Monson, Mr. Moorhead, Mr. Nielson of Utah, Mr. Roemer, Mr. Roybal, Mr. Skeen, Mr. Slaughter, Mr. Smith of New Jersey, Mr. Strang, Mr. Synar, Mr. Vander Jagt, Mrs. Vucanovich, Mr. Walker, Mr. Watkins, and Mr. Weber):

H.J. Res. 386. Joint resolution to designate November 24, 1985, as "National Day of Fasting to Raise Funds to Combat Hunger"; to the Committee on Post Office and Civil Service.

By Mr. TORRICELLI:

H.J. Res. 387. Joint resolution to designate the week beginning December 1, 1985, as "National Home Care Week"; to the Committee on Post Office and Civil Service.

By Mr. MARLENEE (for himself, Mr. Stenholm, Mr. Evans of Iowa, Mr. Lightfoot, Mrs. Smith of Nebraska, Mr. Hillis, Mr. Penny, Mr. Craig, Mr. Franklin, Mr. Huckaby, Mr. Emerson, Mr. Coelho, Mr. Hatcher, Mr. Sikorski, Mr. Whitley, Mr. Skelton, Mr. Volkmer, Mr. Glickman, Mr. Madigan, Mr. Hendon, Mr. Nelson of Florida, Mr. Lewis of Florida, Mr. Durbin, Mr. Hansen, Mr. Daub, Mr. Roberts, Mr. Whittaker, Mrs. Meyers of Kansas, Mr. Jeffords, Mr. Robert F. Smith, Mr. Cheney, Mr. Morrison of Washington, Mr. Regula, Mr. Stangeland, Mr. Schuette, Mr. Hopkins, Mr. Jacobs, Mr. Bedell, Mr. Brown of Colorado, Mr. Combest, Mr. Lott, Mr. Thomas of Georgia, Mr. Swift, Mr. Rogers, Mr. Solomon, Mr. Panetta, Mr. Thomas of California, Mr. Bereuter, Mr. Leach of Iowa, and Mr. Daschle):

H. Con. Res. 190. Concurrent resolution expressing the sense of the Congress that the President should form a national commission on the farm credit system to make recommendations to the Congress; to the Committee on Agriculture.

By Mr. GEPHARDT:

H. Res. 265. Resolution designating membership on certain standing committees of the House; considered and agreed to.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. PANETTA introduced a bill (H.R. 3308) for the relief of Wayne Greenfield; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 43: Mr. Boner of Tennessee.

H.R. 126: Mr. Owens.

H.R. 157: Mrs. Lloyd.

H.R. 158: Mrs. Lloyd.

H.R. 161: Mr. Reid.

H.R. 232: Ms. Mikulski.

H.R. 237: Mr. Ford of Michigan.

H.R. 281: Mr. Ford of Tennessee.

H.R. 480: Mr. Lowry of Washington.

H.R. 585: Mr. Gonzalez.

H.R. 615: Mr. Hertel of Michigan.

H.R. 621: Mr. Smith of New Hampshire.

H.R. 666: Mr. Hubbard.

H.R. 825: Mr. Rinaldo and Ms. Snowe.

H.R. 1059: Mr. Pease.

H.R. 1318: Ms. Kaptur and Mr. Hendon.

H.R. 1509: Mr. Gray of Illinois.

H.R. 1627: Mr. Natcher.

H.R. 1720: Mrs. Bentley, Mr. Robinson, Mr. Fish, Mrs. Smith of Nebraska, and Mr. Young of Missouri.

H.R. 1926: Mr. Shuster, Mr. Feighan, Mr. Donnelly, Mr. Oberstar, Mr. Ackerman, Mr. Weiss, Mr. Kanjorski, Mr. Mollohan, Mr. Durbin, Mr. Traficant, and Mr. Horton.

H.R. 2064: Mr. Daschle and Mr. Lightfoot.

H.R. 2080: Mr. Chandler, Mr. Tauke, Mr. Howard, Mr. Russo, and Mr. Ritter.

H.R. 2164: Mr. Frost, Mr. Hughes, Mr. Hoyer, Mr. LaFalce, Mrs. Lloyd, Mr. Manton, Mr. Matsui, Mr. Martinez, Ms. Mikulski, Mr. Rahall, Mr. Robinson, Mr. Skelton, and Mr. Tallon.

H.R. 2210: Mr. Penny and Mr. Mollohan.

H.R. 2353: Mr. Boehlert, Mr. Coelho, Mr. Gejdenson, Mr. Lott, Mr. Pursell, Mr. Berman, Mr. Levine of California, and Mr. Savage.

H.R. 2420: Mr. Andrews, Mr. Conyers, Mrs. Lloyd, Mr. Erdreich, Mr. Gray of Illinois, Mr. Neal, Mr. Biaggi, Ms. Mikulski, Mr. Feighan, and Mr. Lantos.

H.R. 2578: Mr. Berman, Mr. Conyers, Mr. Dymally, Mr. Leland, and Mr. Lujan.

H.R. 2581: Mrs. Burton of California.

H.R. 2607: Mr. Wolf, Mr. Early, Mr. Heftel of Hawaii, and Mr. Guarini.

H.R. 2703: Mr. Hughes.

H.R. 2840: Mr. Carr, Mr. Rahall, Mr. Panetta, Mr. Vento, Mr. Chappie, Mr. Dwyer of New Jersey, Mr. Berman, Mr. Traficant, and Mr. Dorgan of North Dakota.

H.R. 2879: Mr. Fazio.

H.R. 2999: Mr. Sunia and Mr. Rahall.

H.R. 3035: Mr. Aspin and Mr. Chapman.

H.R. 3040: Mr. Vento.

H.R. 3068: Mr. Monson.

H.R. 3070: Mr. Conyers.

H.R. 3132: Ms. Mikulski, Mr. Goodling, Mr. Hawkins, Mr. Studds, Mr. Dymally, and Mr. Torres.

H.R. 3150: Mr. Visclosky.

H.R. 3151: Mr. Visclosky.

H.R. 3173: Mr. Nielson of Utah, Mr. Coble, and Mr. Chappie.

H.R. 3197: Mr. Dannemeyer and Mr. Barton of Texas.

H.R. 3198: Mr. Dannemeyer and Mr. Barton of Texas.

H.J. Res. 131: Mr. Jones of Tennessee, Mr. Shumway, Mr. Bliley, Mr. Cooper, Mr. Monson, Mr. McCloskey, Mr. Craig, Mr. Gejdenson, Mr. Saxton, Mr. Coughlin, Mr. Breaux, and Mrs. Vucanovich.

H.J. Res. 171: Mr. Stratton, Mr. McGrath, Mr. Erdreich, Mrs. Boggs, Mr. Dixon, Mr. Ford of Michigan, Mr. Roth, and Mr. Siljander.

H.J. Res. 175: Mr. Bilirakis, Mr. Anderson, Mr. Berman, and Mr. Boehlert.

H.J. Res. 178: Mr. Sisisky, Mr. Coleman of Missouri, and Mrs. Meyers of Kansas.

H.J. Res. 210: Mr. Andrews.

H.J. Res. 218: Mr. Gingrich, Mr. Nelson of Florida, Mr. Levin of Michigan, Mr. Kramer, Mr. Ford of Michigan, Mr. Torres, Mr. Panetta, Mr. Gallo, Mr. Morrison of Washington, Mr. Fascell, Mr. Lujan, Mr. Erdreich, Mr. Derrick, Mr. Conte, Mr. Bosco, Mr. Cobey, Mr. Boner of Tennessee, Mr. English, Mr. Kildee, Mr. Eckart of Ohio, Mr. de Lugo, Mr. Darden, Mr. McDade, Mr. Eckert of New York, Mr. Moakley, Mr. Moorhead, Mr. Mrazek, Mr. Matsui, Mr. Ortiz, Mr. Monson, Mr. Manton, Mr. Pepper, Mr. Price, Mr. McCloskey, Mr. Martin of New York, Mr. Stark, and Mr. Wortley.

H.J. Res. 231: Mr. Coughlin, Mr. McEwen, Mr. Owens, Mr. Gonzalez, Mr. Ford of Michigan, Mr. Jacobs, Mr. Burton of Indiana, Mr. Matsui, and Mr. Chappell.

H.J. Res. 296. Mr. Frost and Ms. Mikulski.

H.J. Res. 298: Mr. Addabbo, Mr. Anderson, Mr. Anthony, Mr. Applegate, Mr. Atkins, Mr. Bennett, Mr. Boner of Tennessee, Mr. Bosco, Mrs. Burton of California, Mr. Campbell, Mr. Chandler, Mr. Conyers, Mr. Dannemeyer, Mr. Daub, Mr. Dingell, Mr. DioGuardi, Mr. Dixon, Mr. Dornan of California, Mr. Dowdy of Mississippi, Mr. Dwyer of New Jersey, Mr. Eckart of Ohio, Mr. English, Mr. Fauntroy, Mr. Fuqua, Mr. Gonzalez, Mr. Green, Mr. Guarini, Mr. Ralph M. Hall, Mr. Hammerschmidt, Mr. Hartnett, Mr. Hatcher, Mr. Hendon, Mr. Henry, Mr. Horton, Mr. Howard, Mr. Jeffords, Mr. Jones of North Carolina, Mr. Kasich, Mr. Kastenmeier, Mrs. Kennelly, Mr. Kindness, Mr. LaFalce, Mr. Lewis of California, Mrs. Lloyd, Mr. Luken, Mr. Lungren, Mr. Matsui, Mr. McCollum, Mr. McEwen, Mr. Miller of California, Mr. Mitchell, Mr. O'Brien, Ms. Oakar, Mr. Pashayan, Mr. Pursell, Mr. Quillen, Mr. Rahall, Mr. Richardson, Mr. Rodino, Mr. Roe, Mr. Rose, Mr. Scheuer, Mr. Schuette, Mr. Smith of Florida, Mr. Robert F. Smith, Mr. Strang, Mr. Swift, Mr. Thomas of Georgia, Mr. Torricelli, Mr. Valentine, Mr. Vander Jagt, Mr. Volkmer, Mr. Williams, Mr. Wolf, and Mr. Yatron,

H.J. Res. 313: Mr. Dreier of California, Mr. Coble, Mr. Carney, Mr. Dannemeyer, Mr. Callahan, Mr. Coleman of Missouri, Mr. Sweeney, Mr. Armey, Mr. Shumway, Mr. Bereuter, and Mr. Biaggi.

H.J. Res. 321: Mr. Vento, Mr. Levin of Michigan, Mr. Henry, Mr. Rahall, Mrs. Burton of California, Mr. Ackerman, Mr. Horton, Mr. Matsui, and Mr. Conte.

H.J. Res. 350: Mr. Addabbo, Mr. Akaka, Mr. Anderson, Mr. Andrews, Mr. Applegate, Mr. Barnes, Mr. Bateman, Mr. Boner of Tennessee, Mr. Breaux, Mr. Burton of Indiana, Mr. Coats, Mrs. Kennelly, Mrs. Collins, Mr. Darden, Mr. Daschle, Mr. Dellums, Mr. de Lugo, Mr. Dowdy of Mississippi, Mr. Dwyer of New Jersey, Mr. Emerson, Mr. Foglietta, Mr. Frenzel, Mr. Gejdenson, Mr. Gunderson, Mr. Ralph M. Hall, Mr. Hamilton, Mr. Hefner, Mrs. Holt, Mr. Horton, Mr. Howard, Mr. Hubbard, Mr. Lagomarsino, Mr. Lent, Mr. Livingston, Mr. McCain, Mr. McHugh, Mr. Mineta, Mr. Moakley, Mr. Nichols, Mr. Owens, Mr. Pashayan, Mr. Pepper, Mr. Quillen, Mr. Rahall, Mr. Richardson, Mr. Rose, Mrs. Schneider, Mr. Shelby, Mr. Skelton, Mr. Stokes, Mr. Tallon, Mr. Torricelli, Mrs. Vucanovich, Mr. Whitley, Mr. Wolf, Mr. Wolpe, Mr. Yatron, and Mr. Young of Alaska.

H. Con. Res. 30: Mr. Erdreich.

H. Con. Res. 129: Mr. Barton of Texas.

H. Con. Res. 177: Mr. Cobey, Mr. Ralph M. Hall, Mr. Oxley, Mr. Eckart of Ohio, and Mr. Latta.

H. Con. Res. 180: Mr. Bereuter, Mr. Garcia, Mr. Dwyer of New Jersey, Mr. Smith of Florida, Mr. Scheuer, Mr. Rodino, Mr. Gilman, Mr. Hayes, Mr. de Lugo, and Ms. Mikulski.

H. Res. 76: Mr. Hiler, Mrs. Kennelly, Mr. Hughes, Mr. Frank, Mr. Zschau, Mr. Stump, Mr. Ackerman, and Mr. McKinney.

H. Res. 132: Mr. Badham, Mr. Gregg, and Mr. Courter.

H. Res. 194: Mr. McCurdy.

H. Res. 226: Mr. Applegate.

PETITIONS, ETC.

Under clause 1 of rule XXII, the following petition and papers were presented, as follows:

203. The SPEAKER presented a petition of the American Society for Public Administration, Washington, DC, relative to income tax; which was referred to the Committee on Ways and Means.

SENATE—*Thursday, September 12, 1985*

(Legislative day of Monday, September 9, 1985)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. Thurmond].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty, God, Supreme Lord of the universe, Sovereign Ruler of history and nations, at this critical time we are grateful for the uncommon good sense of our Founding Fathers. Coming as they did from a continent of divided, autonomous, sovereign, often warring states, they envisioned one nation of 13 plus autonomous, cooperative colonies forged as one United States. With profound gratitude we thank Thee for their wisdom which crafted a document, still relevant and taken seriously after more than 200 years, which provided for, produced and perpetuated such a nation.

Gracious Father, revive in our leadership that good sense, that vision and the wisdom to emulate that extraordinary public stewardship. Give them courage and the will to risk lives, fortunes, and sacred honor to preserve and protect such a union. Gracious God, help the Senators to realize what incredible power they wield when united, and how pathetically impotent the Senate is when fragmented. Infuse them with the strong will to unitedness. In His name whose mission in history was the ultimate unity of all things. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. SIMPSON. Mr. President pro tempore, I thank you.

SCHEDULE

Mr. SIMPSON. There will be time for the two leaders under the standing order of 10 minutes each. There are special orders in favor of the following Senators for not to exceed 15 minutes each: Senator Cohen and Senator Proxmire.

There will be routine morning business not to extend beyond the hour of 12 noon with statements limited therein to 5 minutes each.

At 12 noon, the Senate will resume consideration of S. 1200, the immigration bill. Rollcall votes can be expected.

At 2:30 by unanimous consent of the Senate, the Senate will vote on the cloture motion to proceed to the anti-apartheid conference report—revisited—with a mandatory quorum under rule XXII being waived. At that time, the immigration bill will be temporarily laid aside for that purpose.

I advise that rollcall votes can be expected throughout the day's session and there is a possibility of a later session this evening in order that we might try to complete action on the immigration bill. That is not evidence of any zeal on my part because I think now that the bill is laid down—and with the schedule we have—it is obvious we are going to have to process it one way or the other—either today or tomorrow—because certainly as we get into next week, with Superfund, the farm bill, appropriations, reconciliation, and things that will take a great deal of time, there will be little other window of opportunity there.

So that is the expressed wish. For those who want to get back to their districts tomorrow, we can conclude this today, and certainly will do so by tomorrow.

ORDER OF PROCEDURE

Mr. SIMPSON. Mr. President, I see Senator Cohen is here for his special order. Our colleague from Ohio has asked me to yield just several minutes to him in commemoration of something that would stir your bosom, and that is baseball and Pete Rose.

So with that, if I may yield to my colleague from Ohio, I do yield from my time for that purpose. I yield as much time as may be required as long as I remain a cosponsor of the resolution of the Senator from Ohio.

The PRESIDING OFFICER (Mr. Kasten). The Senator from Ohio is recognized.

Mr. GLENN. The acting majority leader will indeed be a cosponsor. I appreciate that very much, and I appreciate the Senator yielding time for that purpose. I appreciate the Senator from Maine yielding his position on the calendar this morning.

This will not take very long.

TRIBUTE TO PETE ROSE

Mr. GLENN. Mr. President, I send to the desk a concurrent resolution, and ask for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 61) to commend Pete Rose on becoming the all-time major league leader in base hits.

Mr. GLENN. Mr. President, I ask unanimous consent that further reading of the resolution be dispensed with.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. GLENN. I indicate, Mr. President, that this has been cleared for action on the floor this morning by unanimous consent, I believe.

Mr. President, today I take great pleasure in introducing a Senate concurrent resolution which recognizes a great baseball achiever and an incredible baseball achievement. Last night, Ohio native and Cincinnati Red, Pete Rose, became the all-time major league leader in base hits by surpassing a baseball record that had long been considered unbreakable: Ty Cobb's record of 4,191 hits.

Now Ty Cobb was a great ballplayer—and since he played for the Detroit Tigers, I know my colleagues from Michigan are surely proud of him. But we in the Buckeye State are equally proud of Pete—and I know I speak for all of us when I say that while baseball fans in Detroit may have had the Georgia Peach, baseball fans in Ohio are delighted that we have the Cincinnati Rose.

Pete Rose epitomizes the great American athletic tradition of commitment to excellence. Through his dedication to constant improvement, his head-first-style hustle, and his incredible desire to succeed, he has transformed himself from a young, promising prospect with supposedly average God-given abilities to one of major league baseball's alltime best players.

Pete holds so many records that I am sure the Hall of Fame in Cooperstown could devote a whole wing to documenting them. While I will not attempt to do that here, I would like to mention several records that particularly impress me. Besides being the newly crowned leader in hits, this current manager/first baseman of the Cincinnati Reds holds alltime major league records that include the most games played, the most singles, the

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

most hits by a switchhitter, the most total bases by a switchhitter, and the most seasons with 200 or more hits. And, true to form, Charlie Hustle, as he is known, has played in the most winning games.

With these records in mind, most knowledgeable baseball people believe that he will be a first-ballot inductee into the Hall of Fame. In fact, it is even within the realm of the possible that he will become the first player to be unanimously chosen to enter this place of baseball honor. However, before he can qualify for the Hall of Fame, he must retire and, I must say, I have my doubts. The more I see and hear about Pete, the more I have come to believe that he will be able to play as long as he is able to hold a bat in his hand. To me, as senior Democratic member of the Senate Special Committee on Aging, he serves as a wonderful reminder that age has little to do with productivity.

Even if he eventually does retire, it is my understanding that his sons, Pete Junior and Ty, appropriately, might well carry on the Rose baseball tradition. It is with great pleasure that I recognize Pete Rose for the latest and greatest of his accomplishments. I am also delighted to say that Senator Metzenbaum is joining me in offering this resolution, and that our colleague from Ohio, Congressman Tom Luken, is introducing it in the House of Representatives. I hope all our colleagues will join us in paying tribute to this true baseball giant.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 61) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. Con. Res. 61

TO COMMEND PETE ROSE ON BECOMING THE ALL-TIME MAJOR LEAGUE LEADER IN BASE HITS

Whereas Peter Edward Rose has become the all-time leader in base hits in the history of the American pastime, Major League Baseball, by surpassing the record of four thousand one hundred and ninety-one of the great Ty Cobb;

Whereas Pete Rose has played in more winning games than any other player in Major League history;

Whereas Pete Rose won three National League batting titles in 1968, 1969, and 1973;

Whereas Pete Rose was named National League Rookie of the Year in 1963, National League Most Valuable Player in 1973, and the World Series Most Valuable Player in 1975;

Whereas Pete Rose was named the National League Player of the Decade for the period 1970 through 1979 by the "The Sporting News";

Whereas Pete Rose has been named to the National League All-Star Team sixteen times, including ten straight years (1973 through 1982), and has started at five different positions in All-Star games;

Whereas Pete Rose has played in seven National League Championship Series and six World Series; and

Whereas Pete Rose holds all-time Major League records for most games played; for most at-bats; for most singles; for most hits by a switch-hitter; for most total bases by a switch-hitter; for most seasons of two hundred or more hits; for most seasons of one hundred and fifty or more games; and for highest fielding percentage by an outfielder for one thousand or more games: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress to commend Peter Edward Rose on the achievement of becoming the all-time Major League leader in base hits and to recognize all the accomplishments and the inspirational manner in which Pete Rose has played the game of baseball, the National Pastime.

Sec. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to Peter Edward Rose.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. COHEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RESERVATION OF MINORITY LEADER'S TIME

Mr. GLENN. Mr. President, I ask unanimous consent that Senator Byrd's leadership time be reserved for his use until later in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COHEN. Mr. President, I yield to the Senator from Mississippi [Mr. Cochran].

COMMENDING THE PRESIDENT ON HIS PROMOTION OF MITCHELL DANIELS, JR.

Mr. COCHRAN. Mr. President, I rise at this time to commend the President on his decision to appoint Mitchell E. Daniels, Jr., as his new Assistant for Political and Intergovernmental Affairs. Mitch will succeed Ed Rollins, who will be departing this fall.

Just last April, Mitch began his tenure at the White House as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs. His quick ascendancy is a fine testament to this young man's outstanding abilities and talents.

Mitch Daniels, well known to Senators on both sides of the aisle, but particularly to majority Members, initially came to Washington in 1977. Working as administrative assistant to Senator Dick Lugar, now our distinguished chairman of the Foreign Relations Committee, Mitch brought to Capitol Hill vast expertise as a municipal official and attorney in Indianapolis.

Born in Monongahela, PA, Mitch was educated at Princeton University and, in 1967, was honored as a Presidential scholar. Additionally, he holds law degrees from Indiana University School of Law and Georgetown University.

Even before this quick promotion, Mitch was noticed as someone who was progressing rapidly from one position of responsibility to another. Prior to joining the White House staff, Mitch's most recent position of achievement was that of executive director of the Republican Senatorial Campaign Committee, where he served so brilliantly on behalf of the Senate majority. I personally am very appreciative to him for his great assistance to me during my 1984 campaign.

Because of his service as principal assistant and adviser to Senator Lugar during his tenure as chairman of the Banking Committee's Subcommittee on Housing and Urban Affairs, Mitch has brought to the White House a keen sensitivity to the needs and concerns of State and local officeholders. This depth of knowledge, coupled with the valuable insights he garnered not only during his service to the city of Indianapolis from his position on the mayor's staff but also since serving the President as his Intergovernmental Affairs lieutenant, uniquely qualify him for this new role of expanded authority.

I applaud his promotion to this position for which Mitch Daniels is exceptionally qualified. I wish him every success.

RECOGNITION OF SENATOR COHEN

The PRESIDING OFFICER. Under the previous order, the Senator from Maine [Mr. Cohen] is recognized for not to exceed 15 minutes.

SOVIET JEWRY CALL TO CONSCIENCE

Mr. COHEN. Mr. President, I would like to take this opportunity to once again join the congressional call to conscience in behalf of Soviet Jewry and others deprived of their basic human rights by the Soviet Government.

Consideration of this topic raises very difficult and perplexing questions, not only because of the human suffering involved, and the double standards which sometimes seem to characterize our policies where human rights issues are concerned, but also because the systematic human rights abuses perpetrated by the Soviet Government cast a dark shadow across the hope that negotiations between our two countries can reduce international tensions. We need to confront these issues squarely, for our own good, as well as that of the innumerable victims of religious and political persecution inside the Soviet Union.

The Soviet Union claims that the issue of human rights is purely a domestic concern, and that the interest shown by the United States in Soviet human rights policies constitutes interference in its internal affairs. Whatever credence this argument might have had before 1975 was lost in that year, because the Soviet Union signed the Helsinki Final Act, which among other things, stipulates that the participating states will respect human rights and fundamental freedoms, including the freedom of thought, religion and belief. The Final Act also contains specific provisions for the reunification of families and favorable consideration of exit visas for persons deciding to marry a citizen from another participating state.

The evidence of Soviet violations of the Helsinki accords is unmistakable. Over the past 10 years the number of Soviet Jews allowed to emigrate fell from over 51,000 to 896 annually. Similarly precipitous declines in the emigration rates of Soviet citizens of Armenian and German nationality were recorded. It is estimated that there are over 400,000 Soviet citizens who have expressed an interest in emigrating from the Soviet Union.

Most of today's would-be emigrants are Jews seeking to emigrate to Israel. Many, perhaps most, of these would-be emigrants would like to be reunited with their families outside of the Soviet Union, but the Soviet Government refuses to abide by the commitment it made to "deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family * * *." Instead, applicants for exit visas are routinely deprived of their jobs, and are often subjected to other forms of official harassment, including the confiscation of personal property, and imprisonment on false charges.

At the same time, religious persecution of Jews inside the Soviet Union has increased. Numerous Jewish activists have been arrested, including 16 individuals whose only crime was the teaching of the Hebrew language. Rabbis are no longer being trained in the Soviet Union. Soviet authorities have curtailed the production of prayer shawls and other Jewish devotional articles. There has also been a distinct increase in anti-Semitic propaganda in the Soviet press, propaganda I have seen with my own eyes. This state-sponsored anti-Semitism has made a travesty of the promise the Soviets made in 1975 to "* * * respect the freedom of the individual to profess and practice, alone or with others, religion or belief in accordance with the dictates of his own conscience."

The Soviets have also denied exit permission in over 20 cases of Soviet-American marriage, again despite a specific provision of the Final Act designed to protect the rights of such persons. Altogether, the human rights situation in the Soviet Union is worse today than it was 10 years ago when the Final Act of the Helsinki accords was signed.

Last year, while visiting the Soviet Union, I had the opportunity to meet with a prominent Jewish refusenik, Prof. Naum Meiman, and his wife, Inna. My acquaintance with Professor Meiman and his wife has given these grim statistics from the Soviet Union a human face, one I shall never forget.

The Meimans applied for an emigration visa in 1975, the year that the Final Act of the Helsinki accords was ratified. The Soviet Government's first response was to dismiss Professor Meiman from his position at the Institute for Theoretical and Experimental Physics in Moscow.

In the heady atmosphere following the ratification of the Final Act by the Soviet Government, Professor Meiman and 19 others formed the Moscow Helsinki Watch Group to monitor Soviet compliance of the humanitarian provisions of the Final Act. Today Professor Meiman is one of two members of this group who is not in prison, exile, or a work camp.

Professor Meiman has not gone unpunished for his participation in the Moscow Helsinki Group, however. Soviet officials have refused to allow his wife, who is slowly dying from cancer, to travel abroad to receive medical treatments which are not available in the Soviet Union. I find it difficult to imagine a more cruel or unfair punishment.

Mr. President, at the conclusion of a very long meeting with the Meimans, after a very painful discussion about what has happened to them since 1975, Mrs. Meiman said to me:

> You Americans, you are so free. You are always on the move. But for us, life is at a standstill.

Unfortunately, the Meimans predicament is shared by thousands of refuseniks and other victims of religious and political persecution in the Soviet Union.

If the magnitude of human rights violations in the Soviet Union is so great, why is there not a greater public outcry in this country? I think there are a number of reasons.

In part, it is because of the limited access accorded to Western media inside the Soviet bloc. I don't think there can be any doubt that television coverage of the war in Afghanistan, where Soviet human rights violations are most overt, would have a powerful and far-reaching effect on Western audiences.

In part, it is because most Americans do not feel responsible for, nor closely involved in, events in the Soviet Union. There is no accusation of U.S. complicity where Soviet human rights violations are concerned, as is often the case with countries that are large recipients of U.S. aid or active U.S. trading partners.

We also do not have a bitter history of religious and political persecution in this country, which might sensitize us to this issue in the same way that our national experience with racism has to that issue.

Over 2,000 years ago, Thucydides wrote:

> Men's indignation, it seems, is more excited by legal wrong than by violent wrong; the first looks like being cheated by an equal, the second like being compelled by a superior.

Perhaps this also helps to explain why Soviet human rights violations receive less attention than human rights violations in other parts of the world.

Some people feel fatalistic about the human rights situation in the Soviet Union. While aware that human rights violations occur, they believe that there is nothing that can be done about it.

The combination of these elements makes the task of mobilizing support for Soviet victims of religious and political persecution more difficult, but not less important.

At the outset, I mentioned that Soviet human rights violations raise a number of difficult and perplexing questions. One of the questions we must consider is the interaction between Soviet human rights violations and the response that they receive in the West.

The Final Act was never intended to be a purely symbolic gesture. Verifiable, concrete measures were to be implemented in the East in exchange for guarantees of increased security from the West. What will the Soviets conclude if we do not protest these human rights violations? That repression works? That even verifiable agreements with the United States can be violated with impunity?

The most perplexing question of all is how to proceed, given the delicate placement of this issue in the context of superpower relations. In his address commemorating the 10th anniversary of the Helsinki accords, Secretary of State George Shultz made it clear that it is not possible to compartmentalize different aspects of our relations with the Soviet Union. The Secretary made this manifest when he said:

> Security, economic ties, human rights, and contact among people are all equally important and related to each other. Peace encompasses the totality of our relations.

In this respect, Soviet human rights violations are truly a threat to all human rights.

What we must do for our own benefit, as well as that of the innumerable victims of Soviet human rights violations, is to continue to demonstrate the importance we attach to Soviet adherence to the principles of the Helsinki Final Act. We must remind the Soviets, calmly but persistently, that the difficult task of arriving at negotiated settlements to outstanding United States-Soviet problems is greatly compounded by their unwillingness to abide by the terms of agreements which have already been made. We must raise the issue of Soviet human rights violations time and time again in this forum and every other public forum we can find.

How can there be a peace between our countries that is worth the name, until we are persuaded that the Soviets are willing to respect fundamental human rights and to abide by the terms of the commitments that they have made? I urge my colleagues to bear this in mind in their consideration of United States-Soviet issues and in their meetings with Soviet officials.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

TIME FOR A BAN ON NUCLEAR TESTING

Mr. PROXMIRE. Mr. President, what is the prime reason why the time has come for the United States to negotiate a mutual, comprehensive, verifiable end to weapons testing? Is it because our country has twice solemnly promised to do exactly that in two treaties, each signed by the President of the United States, one of which has been ratified by the U.S. Senate? No. That is a compelling reason—but not the prime reason.

Is it because the restraint exercised by nonnuclear weapons states in accepting the nonproliferation policy espoused by countries that have nuclear weapons is based on the promise by the superpowers to negotiate effective arms control agreements—the heart of which is a ban on nuclear testing?

What, then, is the prime reason the United States should promptly negotiate an end to nuclear weapons testing? The answer appears in a recent New York Times article written by William J. Broad. The article does not report an appeal to stop nuclear testing. But a few minutes' reflection on the substance of the article should persuade any sane human being that the time has come to yell "Stop; no more," at the top of our lungs.

The headline of the article shouts: "U.S. Nuclear Weapon Development Continues at Furious Pace." The article reports a series of new nuclear weapon developments that make the weapons that have absorbed 99 percent of our attention seem like innocent Fourth of July fireworks. For example the supernuclear weapons laboratory at Livermore, CA, is working on the development of an antimatter bomb that dwarfs the atomic bomb and even the hydrogen bomb in almost infinite destructive power. The A-bomb and H-bomb explode only a tiny fraction less than 1 percent, of the potential energy when they are fired. But when the scientists perfect antimatter bombs, they set off a complete, 100-percent, liberation of energy that dwarfs in destructive power even the awesome hydrogen bomb.

Now, since the hydrogen bomb has for years been able to strike with millions of tons of TNT and since both superpowers have thousands of these monsters, what new threat do the antimatter bombs represent? The answer is that the antimatter bomb could, as William Broad points out, "be made extremely small yet retain great power." So what is new? What is new is that the antimatter bomb, once perfected, can be delivered very cheaply indeed. No 6,000-mile missile shot over the North Pole, no $200 million bomber necessary to carry it, no $1.8 billion Trident submarine necessary to slide invisibly and quietly along the bottom of the ocean and fire off-shore salvos. Each of these well-known nuclear delivery systems has its immense cost and at least some degree of vulnerability. But the antimatter bomb can, in the words of the New York Times article, "be made extremely small and yet retain great power." That means two things. This will be a weapon against which there is no defense. It does not have to move by bomber or submarine or missile. A lone individual can carry it, concealed on his person. A few such individuals could easily, quickly, and completely destroy our country.

Of course, some Senators will say, "Wait a cotton-pickin minute, PROXMIRE. You argue that the reason we should negotiate a ban on nuclear testing is because that testing will permit the perfection of an antimatter bomb that the United States is developing. Why wouldn't that antimatter supreme bomb be exactly what we need? Wouldn't it give us a big military advantage over the Soviet Union?"

The answer to that one is that, without exception, every advance this country has achieved in nuclear weapons has consistently been picked up by the U.S.S.R. within a very few years. Why should the antimatter bomb be any exception? It will not. So we should negotiate a mutual stop now. We should work with all our heart to make that ban on nuclear testing effective.

Once these antimatter bombs are developed, they will, within a few years, be cheap and then accessible for any fanatic dictator—in Syria, Libya, Iran, Iraq, North Korea—and on and on. Can we stop it? Yes. How? Here's how. Like any other new weapon system it will have to be tested. We can stop those tests now. We can negotiate a mutual, comprehensive and especially a verifiable ban on nuclear weapons testing. And we can devote the marvelous genius of our scientists not to the development of ever more destructive nuclear weapons but to the constant improvement of our verification capability to make certain that both sides comply with the ban on nuclear weapons testing.

Mr. President, I ask unanimous consent that the article to which I referred by William Broad in the New York Times be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. NUCLEAR WEAPON DEVELOPMENT CONTINUES AT FURIOUS PACE

(By William J. Broad)

NEW YORK, NY.—The military creativity that shook the earth 40 years ago with detonation of the atomic bomb is in the midst of a renaissance today.

According to weapon scientists and federal officials, new kinds of nuclear arms are being imagined, developed and tested at a furious pace.

Recent developments reflect an evolution away from the brute force of a huge explosion toward ways of harnessing nuclear explosions for specific tasks.

There are the often-described X-ray lasers in which a nuclear explosion is the power source for creation of deadly beams of radiation. There are much less talked about, more exotic, designs for anti-matter weapons to efficiently annihilate matter, and even brain bombs, whose purpose would be to confuse enemy minds.

While nuclear weaponry becomes almost unrecognizably sophisticated, the public imagination remains fixed on the original bombs and mushroom clouds. It is a gap that worries some opponents of the current quest for new arms.

"I find it alarming that so many people think the development of nuclear weapons is a limited field," said Theodore B. Taylor, formerly an atomic physicist at the Los Alamos National Laboratory in New Mexico, birthplace of the bomb. "You can enhance or suppress literally dozens of classes of energy released by nuclear explosions."

The design of nuclear weapons is a secretive business. It occurs at government laboratories where documents are kept in safes, doors are equipped with combination locks, and fences are topped with barbed wire. The weapons themselves are detonated deep underground in carefully monitored tests at the government's nuclear test site in the Nevada desert.

No one advertises successes or failures. Nonetheless, a review of public documents and interviews with government scientists, federal officials, and weapon experts outside government reveals several distinct types of weapons tested or proposed in the nuclear era.

Atom Bombs. The first nuclear device was detonated July 16, 1945, in the darkness of the central New Mexico desert. Its force was equivalent to approximately 18,000 tons of TNT. That and the devices that devastated

Hiroshima, Japan, on Aug. 6, 1945, and Nagasaki, Japan, three days later were all A-bombs, known as fission weapons, which split heavy atoms to liberate nuclear energy. The Hiroshima bomb was powered by uranium, though, and the Nagasaki bomb by plutonium.

Hydrogen Bombs. The next major step was the H-bomb, which derives its energy by fusing together isotopes of hydrogen to release more of the energy stored in the nucleus of the atom. (Fission splits an atom's nucleus into fragments; fusion forces nuclei together.)

The world's first H-bomb was exploded in 1952 in a test. The 10-megaton blast caused the Pacific isle of Elugelab, one mile in diameter, to disappear. The power was roughly a thousand times what hit Hiroshima. The bomb was also big, weighing a reported 62 tons.

But H-bombs soon became portable, to the point where they could be put on missiles. A "bomb" is dropped from an airplane, while a "warhead" is dispatched on a missile—but for security reasons the distinction is blurred, as it will be in what follows here.

Cobalt Bombs. In the 1950s, as designers of nuclear weapons pondered new possibilities, they talked of making bombs with enhanced radioactive fallout, known as residual radiation. All it took was wrapping an H-bomb with cobalt, a metallic element easily turned into its radioactive isotope, cobalt 60, when exposed to H-bomb radiation. It is not known whether cobalt bombs were ever made or stocked by any nation.

Neutron Bombs. A special type of H-bomb that did go into production is the neutron bomb, which emits "prompt" or momentary radiation. In the mid-1950s, work on the idea was spearheaded by Samuel T. Cohen, a Defense Department consultant. In normal fission, blast and heat make up the great bulk of the energy released, while flash radiation accounts for only 5%. Cohen's idea allowed a bomb to release 6 to 10 times as much neutron radiation, to kill tank crews by radiation.

X-Ray Warheads. In the late 1960s and early 1970s special nuclear warheads were developed that generate enhanced radiation in the X-ray portion of the electromagnetic spectrum, with the aim of knocking out distant enemy warheads. Rapid absorption of X-rays in the outer part of the warhead causes a mechanical effect something like a hammer blow, says Taylor. Enhanced X-ray warheads were fitted atop interceptors of the $5.7 billion Safeguard anti-ballistic missile system, built in North Dakota and eventually abandoned.

Reduced Residual Radiation Bombs. In the 1970s, scientists at the Lawrence Livermore National Laboratory in California developed a tactical warhead dramatically reducing fallout. Andre Gsponer, director of the Independent Scientific Research Institue, in Geneva, Switzerland, says the bomb also "exploits to the maximum the mechanical effect, which is decisive on the battlefield."

Anti-Satellite Weapons. Not all steps in the evolution of nuclear weaponry involve fundamental changes in materials and methods. Most involve refinements. For instance, according to the Livermore publication "Energy and Technology Review," the laboratory has designed and tested a lightweight, low-yield fission device that might serve as the warhead for an anti-satellite weapon.

THIRD GENERATION WEAPONS

A radical departure from A-bombs and H-bombs is a new generation of nuclear weapons that focuses the power of nuclear explosions, rather than letting the force escape in all directions. At the Livermore laboratory, a team of young scientists headed by Lowell L. Wood has pioneered these weapons.

X-Ray Lasers. The premier third-generation device is the X-ray laser, which channels the power of a nuclear explosion into laser rods that emit powerful bursts of concentrated radiation before the whole device is consumed in its nuclear fireball. Unlike regular X-rays, the radiation in an X-ray laser is "coherent": All its electromagnetic waves are in step with one another. According to the Livermore scientists, clusters of X-ray lasers could shoot beams of radiation across thousands of miles of space to stop an entire force of strategic Soviet missiles.

Skeptics say such X-ray lasers could be foiled by simple countermeasures. The weapons have reportedly been tested on at least four occasions in underground tests.

EMP Bombs. Less developed than X-ray lasers are third-generation weapons meant to create an enhanced electromagnetic pulse, or EMP. This powerful surge of electro magnetism can knock out computers and delicate electronics. It is produced by an nuclear weapon exploded above the Earth's atmosphere, its pulse blanketing the area below. For decades, military men in both East and West have struggled to protect critical equipment against this destructive power. According to the experts, the goal of current EMP research is to enhance the pulse to overcome such protection and sow chaos during war.

Microwave Weapons. Similar to EMP bombs, microwave weapons concentrate nuclear energy into a narrower band of frequencies of the electromagnetic spectrum, in order to try to knock out enemy missiles. If hit by a powerful pulse of energy, the delicate electronics of a missile might be ruined.

Particle Beam Weapons. Particle beam weapons focus on matter, trying to accelerate subatomic particles to nearly the speed of light. This may have promise for use in President Reagan's proposed missile defense known as "Star Wars."

Gamma-Ray Lasers. A futuristic device now said by scientists to be the focus of intense interest is the gamma-ray laser, which would send out powerful beams. Its coherent radiation would have a wavelength shorter than that of the X-ray lasers, thus more powerful.

Anti-Matter Bombs. According to Gsponer in Switzerland, the military's interest in anti-matter weapons stems from the great energy released when particles of anti-matter collide with those of matter. In the fission and fusion reactions of nuclear weapons, only a tiny fraction of matter is turned into energy, spectacular as this is. But reactions between matter and anti-matter produce a complete liberation of energy. If perfected, anti-matter bombs could be made extremely small yet retain great power.

Brain Bombs. According to John Nuckolls, head of physics at the Livermore laboratory, human beings suffer confusion and disorientation when subjected to long wavelength radiation of great strength. So physicists might one day find a way to direct and concentrate the power from nuclear weapons into this part of the electromagnetic spectrum, and produce a bomb that would leave an enemy stunned, unable to wage war.

With many of these 14 weapon concepts, especially the latter ones, it is unclear whether proposals have gotten to the development and testing stage. However, William Hoover, a retired Air Force major general who is assistant secretary for defense programs at the Department of Energy, said tests were being conducted not only of X-ray lasers but also of other third-generation weapons.

Weapon builders say it is important to know all the nuclear possibilities, if only to forestall the chance that the Soviets might come up with technical breakthroughs that could be used in a surprise attack. They note that the Russians do not talk about their nuclear weaponry.

Critics say it would be better to halt the nuclear arms race by negotiating a ban on testing such weapons. "It would help stop or slow down troublesome developments on the horizon," said Taylor.

MYTH OF THE DAY: THAT THE JUSTICE DEPARTMENT DISPENSES EQUAL JUSTICE

Mr. PROXMIRE. Mr. President, the myth of the day is that justice is blind. Both Ronald Reagan and his Attorney General, Ed Meese, have announced that they believe in applying the law equally and toughly to all who violate it. Is that the fact? No. The fact is that, as administered by this administration, justice peeks under her blindfold to determine whether a criminal wears a suit and tie or dungarees and a ski mask. Three recent examples expose the President and Attorney General as Homers—and I mean like Homer, author of the Iliad and the Odyssey—that is, spinners of myths.

In a plea agreement with the Justice Department in May, E.F. Hutton pleaded guilty to defrauding some 400 banks of at least $8 million between 1980 and 1982. The company agreed to pay back the $8 million plus a fine and court costs totalling $2.75 million. In other words, the company was required to repay the money it stole plus roughly the amount it earned in interest on that money between 1980 and 1985.

No individuals were prosecuted, even though the Justice Department acknowledged that two identifiable individuals were responsible for the scheme "in a criminal sense." Mr. President, let us not forget, corporations do not commit crimes—people do. Imagine, if you will, the outrage that we would all feel if the Justice Department agreed to let an armed bank robber go free so long as he promised to repay the money he had stolen, plus any interest he had earned on it.

In a second recent episode, General Electric, the Nation's sixth largest defense contractor, pleaded guilty to defrauding the Air Force of some $800,000 by doctoring its books on the Minuteman missile project. What individual person was prosecuted? No one. No individuals were prosecuted. Who

went to jail? No one. Nobody went to jail, as GE continued its trip around the defense monopoly board. Instead, the Government settled for $2 million in penalties. Was that a stiff penalty? Mr. President, GE turns a profit of $2 million every 8 hours.

Finally, in July, an internal Pentagon memorandum revealed that of 400 cases of suspected defense contractor fraud uncovered over the last 5 years, only 11 had resulted in prosecutions. In other words, Mr. President, defense contractor fraud does pay. It is one of the safest games in town. Even if the Pentagon catches you, there is less than a 3-percent chance you will be brought to justice. And, as the previous examples demonstrate, even if you are prosecuted, you will walk away free, with an undiminished profit forecast.

The lesson of these three incidents is that the Reagan administration has a double standard in law enforcement—one for its friends and fellow corporate board members and one for less privileged criminals, with whom it deals far more harshly. This double standard mocks the administration's tough talk on crime. Truly tough law enforcement requires that all of the guilty, whether rich or poor politically connected or alienated, receive equal treatment. Anything less breeds disrespect for the rule of law and increases lawlessness. Unfortunately, this administration has not learned this lesson; it continues to mistake myth for reality.

REPORT ON UGANDA

Mr. PROXMIRE. Mr. President, an article in the August 3 Economist reports that Lt. Gen. Tito Okello's overthrow of President Milton Obote may not end the tribal violence and warfare in Uganda.

President Obote won a rigged election in 1980 after President Nyerere of Tanzania ousted Idi Amin. Now, Obote has fled to Kenya.

The Economist points out that Obote's loss could be Uganda's gain. Amnesty International claims that Obote continued the killing and torture Amin had begun. Elliot Abrams, an Under Secretary of State, believes that more than 100,000 Ugandans have been killed in recent years in a genocidal campaign. According to Abrams, "large-scale civilian massacres, forced starvation, and impeded humanitarian relief operations" caused many of the deaths.

One can hope that General Okello's rise to power will end the mass killings, but the tribal rivalry that lay behind the earlier violence still exists.

Obote is a member of the Langi tribe. Although when he began his rule in 1980 foreign observers believed he would not favor any one tribe, he always favored the Langi.

Okello is a member of the Acholi tribe. He was President Obote's army chief, but the Acholi and the Langi disputed over promotions. The Acholi also complained that Obote used them as cannon fodder in the fight against guerrillas of the National Resistance Army.

We can hope that General Okello will reach out to peoples of the Acholi, the Langi, and the Baganda—a third important tribe, but a message on the state-run radio on the day after the coup left little room for hope. "Fellow Ugandans," a soldier said, "we are leaving no stone uncovered to recover the lives or bodies of Acholi officers." Only later did the announcer add "Acholi and other tribes' officers."

Mr. President, the violence in Uganda proves all the more upsetting when one considers its potential as a nation. While other parts of Africa starve because of drought, most of Uganda has abundant rain, freshwater lakes, and fertile soil. While many African countries lack educated people, the Bagandas are some of the best-educated people in Africa. While many African nations fear their neighbors, Uganda's problems are internal.

Mr. President, we have witnessed genocide after genocide in Uganda. We have seen a potentially great nation self-destruct in tribal violence. We have observed while hundreds of thousands of Ugandans have died.

I hope that General Okello changes this situation. He has promised to hold elections within a year and to revitilize the economy. I wish him well in his efforts.

But, Mr. President, if we had signed the Genocide Convention earlier, we could have changed the situation before General Okello felt compelled to overthrow Obote. Just warning Obote that we were considering accusing him of genocide might have improved the situation. Instead, we can only pray that General Okello will end the cycle of killing.

Mr. President, I implore the Senate to ratify the Genocide Convention so that we can work to stamp out all evidence of genocide.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 12 noon, with statements therein limited to 5 minutes each.

SOLIDARITY WITH THE SAKHAROV FAMILY

Mr. KERRY. Mr. President, I send a concurrent resolution to the desk and ask for its immediate consideration. I should state that it has been cleared by both the majority and minority.

The PRESIDING OFFICER. The clerk will report the resolution.

The bill clerk read as follows:

A concurrent resolution (S. Con. Res. 62) expressing solidarity with the Sakharov family in their efforts to exercise their rights of freedom of expression, of travel, and of communication, as guaranteed them under the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. KERRY. Mr. President, on behalf of myself and the distinguished junior Senator from New York [Mr. D'AMATO], the distinguished senior Senator from Rhode Island [Mr. PELL], the distinguished junior Senator from Maine [Mr. MITCHELL], and the distinguished Senator from Michigan [Mr. RIEGLE], I am pleased to submit this resolution and ask for its unanimous adoption by this body.

Mr. President, for the past 14 days there has been an individual standing on the corner of 16th and K Streets in Washington, DC, protesting the Soviet Government's treatment of his parents.

For 14 days, Alex Semyonov has been conducting a hunger strike to protest the Soviet Union's persecution of his parents, Dr. Andrei Sakharov and Dr. Elena Bonner.

All that Alex is asking is for the Soviet authorities to allow him to visit his parents. All that Alex is asking is for the Soviet authorities to allow his parents to communicate with him—to let him and other members of his family know how they are doing. Yet, for the past 6 months the Soviet Government has not allowed one word to be communicated by the Sakharovs to their loved ones in the West.

On Tuesday of this week, I met with Alex and his 88-year-old grandmother—Elena Bonner's mother. Many of my colleagues had a chance to visit with them both in the reception room off the Chamber. I know they were impressed, as was I, with the act of courage and concern that Alex was demonstrating on behalf of his parents—an act which no human being should be forced to undertake, but one which became necessary because of the inhumane action of the Soviet Government.

That is why we are offering this resolution condemning the Soviet Union's violation of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe.

The resolution urges the President to protest, in the strongest possible terms and at the highest levels, the blatant and repeated violations of the Sakharov's rights by the Soviet authorities.

In addition, we call upon all other signatory nations of the Final Act of the Conference on Security and Cooperation in Europe to join in such protests.

Following my conversation with Alex and his grandmother, I sent the following letter to Soviet Ambassador Anatoly Dobrynin. I would like to share with my colleagues what I said to the Ambassador:

> Mr. Ambassador: Earlier today, I visited with the Sakharov's son, Alex Semyonov, who has entered his second week of a hunger strike near your embassy. I want to express my solidarity with his cause and his efforts to secure the release of his parents from internal exile and my hope that both will be allowed to come to the United States.
>
> Your government has striven for decades to achieve international recognition as an equal among the nations of the world. Granted, the Soviet Union has built one of the greatest nuclear arsenals ever created by mankind. Yet, the treatment of your citizens does not send a message of strength to the world, but one of weakness.
>
> I am a staunch supporter of arms control agreements between our two nations. However, a nation which cannot live at peace with its own citizens cast doubts on its willingness to live at peace with the rest of the world.
>
> As long as the persecution of the Sakharovs and thousands of others of your countrymen continue, then the acceptance of the Soviet Union as an equal among the world community of nations will never be truly realized. I believe your government is making a tragic blunder with the continued concealment from the world community as to what has happened to the Sakharovs.
>
> Therefore, I urge that you convey to Secretary General Mikhail Gorbachev my views and my hope that the Sakharovs be allowed to leave the Soviet Union and be reunited with their family in the United States.

Mr. President, it is my belief that we in the Senate and in Congress must take every opportunity available to us to impress upon the Soviet Union that this is not an internal matter that they can lightly ignore. Helsinki changed all that. After all, it was the Soviet Union which pressed for the agreement known as the Helsinki accords.

Having done so, and having pledged itself with the signatures of its own leadership to abide by all the elements of the Final Act, the Soviet Union forfeited any right to claim that the treatment of its own citizens was an internal matter. I believe it is imperative that we hold them accountable.

Mr. President, there may be differences in this body and with the administration on arms control matters, but we know that we are united on the issue of Soviet treatment of its own citizens. We are all united in our efforts to achieve the release of the Sakharovs.

I believe that this resolution, which has also been sponsored by my good friend, Congressman BARNEY FRANK, in the House, sends that message as strongly and as clearly as we can.

I urge the immediate adoption of this resolution.

Mr. D'AMATO. Mr. President, I rise today as a cosponsor of this joint resolution introduced by the distinguished junior Senator from Massachusetts. This resolution expresses the concern of the Congress and of the American people over the Kremlin's lawless treatment of Andrei Sakharov and his wife Elena Bonner. It calls upon the President to do all in his power to make the Soviet leaders aware of our outrage at the almost total isolation of the Sakharovs.

My attention was drawn once again to the Sakharovs' plight by the fast undertaken by Aleksei Semyonov, Elena Bonner's son. Impelled by fear that the Sakharovs may have disappeared—and by a desire to pressure the Soviets to give his family real access to them—Aleksei began his fast on September 1. Although officials from both the White House and the State Department have recently met with Aleksei to express concern and support for the Sakharovs, the Soviets continue to stonewall.

By now, the Sakharov family is all too familiar with protest hunger-strikes: in 1981, Elena Bonner and Andrei Sakharov got an exit visa for Liza Alekseeva, Aleksei's fiancee; last year, Andrei Sakharov began to fast in an attempt to gain permission for Elena Bonner to go West for glaucoma treatment.

In this regard, it is important to note that, in the 1970's, the Kremlin allowed Elena Bonner to go to Italy three times for her treatments, without hunger strikes. Now, the Sakharovs seem to have vanished. They did not even send greetings to Elena's mother, Ruf, on her 85th birthday.

The Sakharov case has been raised by our Government at all levels—including the highest—at every opportunity with the Soviets. As noted in this resolution, the Sakharovs' plight has been raised at various CSCE meetings. Yet the Soviets turn a deaf ear to all interventions for Andrei Sakharov, winner of the 1975 Nobel Peace Prize. it is, nevertheless, our moral duty to do all we can to make the Soviets understand that their Andrei Sakharov problem will not go away. The world will not forget Andrei Sakharov and Elena Bonner. Nor will the world forget the way the Kremlin has maltreated these brave and humane people.

I call upon my colleagues to join me in support of this resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 62

Resolved by the Senate (the House of Representatives concurring), Expressing solidarity with the Sakharov family in their efforts to exercise their rights of freedom of expression, of travel, and of communication, as guaranteed them under the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe.

Whereas, the Universal Declaration of Human Rights guarantees to all the rights of freedom of thought, conscience, religion, opinion and expression;

Whereas, this same Declaration states that "no one shall be subjected to arbitrary arrest, detention, or exile;" and that "no one shall be subjected to arbitrary interference with his privacy, family, home or correspondence;"

Whereas, the Declaration further states that "everyone has the right to freedom of movement and residence within the borders of each State," and that "everyone has the right to leave any country, including his own, and to return to his country;"

Whereas, the International Covenant on Civil and Political Rights provides that "everyone lawfully within the territory of a State shall, within that territory, have the right to liberty of movement and freedom to choose his residence," and that "everyone shall be free to leave any country, including his own," and that "no one shall be arbitrarily deprived of the right to enter his own country;"

Whereas, the Final Act of the Conference on Security and Cooperation in Europe provided that each of the "participating states will respect human rights and fundamental freedoms, including the freedom of thought (and) conscience . . . for all," and recognized that all human rights "derive from the inherent dignity of the human person;"

Whereas, this same Act pledged that the participating states would "deal in a positive and a humanitarian spirit with the applications of persons who wish to be reunited with members of their family, with special attention being given to requests of an urgent character—such as requests submitted by persons who are ill or old;"

Whereas, the Act further commits participating states "to facilitate wider travel by their citizens for personal or professional reasons;"

Whereas, the Act specifically affirms the "right of the individual to know and act upon his rights and duties" under the agreement and affirms the positive role individuals play in the implementation of the Act;

Whereas, the Union of Soviet Socialist Republics signed the Final Act of the Conference on Cooperation and Security in Europe, is a party to the Universal Declaration of Human Rights, and has ratified the International Covenant on Civil and Political Rights;

Whereas, Nobel Laureate Andrei Sakharov, who, exercising his right as an individual to monitor compliance with the Final Act, had become a leader of the human rights movement in the Soviet Union, was arrested and exiled to Gorky in direct contravention of the above-mentioned human rights agreements;

Whereas, his wife Elena Bonner, as a result of her efforts to exercise her right of self-expression, has been detained and charged with anti-Soviet agitation;

Whereas, Dr. Bonner is thought to be in urgent need of medical attention available only in the West;

Whereas, Dr. Sakharov is reported to have undertaken a hunger strike, to the point of endangering his health;

Whereas, communication between the Sakharovs in the Soviet Union and their children and stepchildren in the United States has been repeatedly interrupted, delayed, and tampered with by the Soviet authorities;

Whereas, the absence of reliable communications between the branches of the family has created serious doubt as to the state of well-being of Dr. Sakharov and Dr. Bonner;

Whereas, Mr. Alexei Semyonov, the stepson of Dr. Sakharov and the son of Dr. Bonner, has embarked on a hunger strike to dramatize the plight of his family and to protest the cruel obstruction of his efforts to communicate with his loved ones;

Whereas, Mr. Semyonov has demanded a visitor's visa to visit the Soviet Union so that he can reassure himself with his own eyes that his parents are alive and well; Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the Sense of the Congress that, in accordance with the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe, the Soviet Union should drop all charges against Dr. Elean Bonner, restore to her and Dr. Andrei Sakharov the full rights to travel (domestic and international) and free expression, allow unimpeded correspondence between them and their relatives and friends in the West, and allow Alexei Semyonov permission to visit them in the Soviet Union.

The Congress urges the President—

(1) to protect, in the strongest possible terms and at the highest levels, the blatant and repeated violations of the Sakharov's rights by the Soviet authorities, and

(2) to call upon all other signatory nations of the Final Act of the Conference on Security and Cooperation in Europe to join in such protests.

The Secretary of the Senate shall transmit copies of this resolution to the Ambassador of the Soviet Union to the United States and to the Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

Mr. KERRY. Mr. President, I move to reconsider the vote by which the concurrent resolution was adopted, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRADE IMBALANCE

Mr. KASTEN. Mr. President, I rise today to express my dismay at the soaring trade deficit, and more importantly, the negative impact that it is having on American jobs.

I just spent the past 5 weeks back in Wisconsin. During that time, the administration issued its decision not to tighten the important restrictions on foreign shoes. Workers throughout the State—both those who have already lost their jobs and those whose jobs are threatened—were outraged.

Mr. President, the people of Wisconsin are right to be concerned about the flood of imports coming into the United States. They understand that if we don't close the floodgate soon their jobs may be washed away. The administration's decision only makes this current of unfair trade even stronger.

Wisconsin workers know that we have an imbalance in trade because we have left the door wide open to imports. They also know that those same countries whose products are taking over our markets refuse to import many of the products made here in the United States.

Now I have said it before and I will say it again—I believe in free trade. But when other nations are not willing to give the same treatment to our products that we give to theirs, free trade comes at the expense of fair trade. And American jobs become our biggest export.

We must protect our workforce by insisting that our trading partners play fair. By showing that we are willing to treat them with some reciprocity, they just may come to see the virtues of free trade.

Mr. President, the precedent set forth by the administration's decision not to follow the ITC's recommendations for import restrictions on foreign footwear is a dangerous one. Does the administration really want to send a signal to American industry that the ITC process doesn't work? Do they really want to give American industry no alternative other than to come to Congress for relief?

Industries other than footwear have been hurt by these unfair trade practices. The American textile industry has been suffering since 1980. There has been a 19-percent average increase in annual textile import growth. That growth has surged to 65 percent in each of the past 2 years. Now imports control over 50 percent of the American clothing market.

As a result, 250 textile factories have closed for good in the United States. The statistics are even worse when you look at the number of people left jobless. A whopping 300,000 jobs have been lost since 1980.

In the State of Wisconsin, 14,800 jobs are dependent upon the State's textile and apparel industries, which include Oshkrosh B'Gosh, Wigwam in Sheboygan, and Jockey International in Kenosha. Where do these people go for relief? As the administration's lack of action on footwear demonstrates, the ITC process has become a dead-end.

That is why today, I have decided to join the majority of my colleagues who have cosponsored S. 680, the "Textile and Apparel Act of 1985."

Mr. President, unless Congress acts soon, we run the risk of losing an industry vital not only to Wisconsin, but also to America. We cannot afford to put thousands of Americans out of work. With the passage of S. 680, we can avoid such a disaster.

It has become clear that Congress must take the lead in fighting for balanced and free trade. I will continue to push for relief for the shoe industry and to bring this textile bill to the Senate floor. But our final goal must be the formulation of an effective trade policy that encourages our trading partners to break down their own trade barriers.

When our trading partners get a taste of their own medicine and realize the effects that import restrictions can have on their own economies, then they may come to understand the importance of free trade. Only then will American workers be truly free to compete.

Therefore, Mr. President, today I have become a cosponsor of S. 680, the Textile and Apparel Act of 1985, and will work for its passage in the U.S. Senate.

ANTI-APARTHEID ACTION ACT OF 1985

Mr. ROCKEFELLER. Mr. President, the South African Government regrettably continues to embrace the racist policy of apartheid. The systematic repression of 21 million blacks in South Africa by the white minority government is fundamentally inconsistent with the basic values which we as Americans stand for—including the right to vote and freedom of movement. The time has come for us to send an unmistakably strong message to Pretoria that we will no longer conduct normal business and diplomatic relations with a government which continues brutally to repress a majority of its people. That is why it is imperative, in my view, that the Senate push ahead with its plans to debate—and ultimately enact—a tough sanctions bill against South Africa.

Before the Senate reconvened on September 9 to consider the Anti-Apartheid Act of 1985, President Reagan continued to defend his administration's failed policy of constructive engagement. The failure of that policy to encourage peaceful change in South Africa has become increasingly clear over the course of this year. Six hundred and seventy-five people have died in South Africa in the last 10 months as a result of civil unrest; over 2,500 have been detained since the state of emergency was decreed on July 21. And if there were any lingering doubts concerning the effect of President Reagan's constructive engagement policy on the Pretoria government, they were clearly dispelled by President Botha's hard-line speech in Durban on August 15.

The Congress, in a clear repudiation of this administration's South African policy, has drafted legislation which would put the Pretoria government on notice that there is a price to be paid for continued intransigence. The Anti-Apartheid Action Act of 1985 would impose several punitive sanctions against South Africa, while holding out the threat of future sanctions if progress in dismantling apartheid were not made. This legislation was carefully crafted during consideration in the Senate Foreign Relations Committee, the Senate Banking Committee, and the floor of the Senate where it passed by a vote of 80 to 12. After working out differences between the House and Senate versions of the bill, the House of Representatives adopted the compromise bill on August 1 by an overwhelming vote of 380 to 48.

The intent of this legislation is straightforward. It is to send a clear signal that continued adherence to apartheid is incompatible with normal relations with the United States. The ban on the sale of Krugerrands, denial of new bank loans and computer sales to the South African Government, and a requirement that all U.S. companies operating in South Africa treat blacks fairly—the so-called Sullivan Principles—are all aimed at encouraging reform of apartheid. Most importantly, the Senate legislation contains a clear commitment to further sanctions if progress is not made in dismantling apartheid.

The President's 11th hour conversion to the need for sanctions does not diminish the fact that his administration's South African policy has not succeeded in reversing racial discrimination in South Africa. Nor can the President's last minute embrace of sanctions be seen as anything more than a tactical attempt to avoid a defeat on this issue on Capitol Hill. The White House's new rhetorical policy does not reflect the severity of the situation in South Africa, nor the depth of the American people's opposition to apartheid. It is too little and too late. If the President seriously wants to speak plainly to South Africa, he should sign the Anti-Apartheid Action Act of 1985 into law.

Sanctions are not an end in themselves. They represent a means by which we can encourage peaceful change in South Africa. President Botha's refusal to embrace even mild reforms in his August 15 policy speech indicate that tough measures rather than empty rhetoric is the only means by which we can hope to influence events there. A recent Gallup survey in South Africa indicated that the majority of blacks now support U.S. sanctions, as does Nobel Peace Prize winner Bishop Desmond Tutu. And just last month, four major South African business organizations urged the Government to negotiate with the whole spectrum of accepted black leaders and to lift the emergency decree. They clearly recognize that there will be no resolution of South Africa's financial problems without political reform. Continued pressure—including sanctions—is necessary to achieve this.

It is said that the art of diplomacy is to recognize the inevitable and take advantage of it. Change in South Africa is inevitable. The issue is how that change will come about and what role the United States may play in encouraging it. Clinging to the status quo will likely result in ever greater frustration and tension within South Africa—leading ultimately perhaps to violent revolution. By clearly opposing the status quo through sanctions, we are acting not only in the interest of peaceful change, but also in our national interest—and in accordance with our deepest moral convictions.

THE CONFERENCE REPORT ON ANTI-APARTHEID

Mr. HATFIELD. Mr. President, I would like to rise at this time to express my intention to vote against this latest cloture motion. As many of my colleagues know, I have been an ardent proponent of sanctions legislation as it relates to the South African system of apartheid. As a cosponsor of the Kennedy-Weicker sanctions bill, and through subsequent support of the Anti-Apartheid Act, I have attempted to remain consistent in my belief that it is vital that we send a clear, concise, and undeniably strong message to Pretoria. The escalating violence that has spread from black townships and engulfed virtually all regions of South Africa is a concrete testament to the fact that constructive engagement has been a failure. Even the President has seen the need for an alteration in our present policy. If only we had enjoyed White House support for our efforts last spring, we might not be carrying on this debate here today.

The debate has now shifted away from topics such as whether or not the Senate of the United States thinks that blacks ought to enjoy fundamental rights in South Africa, or whether it is appropriate for us to take action based on the internal affairs of another country, or even if this action should involve our economic relations with South Africa. No, the real discussion has moved away from sanctions altogether and toward a partisan battle fought with procedural tactics. For this reason, I have serious problems with this afternoon's vote.

In order for our efforts to make an impact upon the people and Government of South Africa, we must focus on several key factors. First of all, any sanctions must be timely in that they are designed to send a message to Pretoria that is a direct reaction to the current situation. While our message of disapproval has been long overdue, it is still important that it get through and be heard as an unconditional denunciation of apartheid. Second, the strength of our message must be great enough to make our intentions crystal clear. Because the foreign policy game is so fraught with rhetoric and hidden meanings, we cannot just give lipservice to our conviction—we must act on it. Third and most important, we, as elected representatives, must act with a clear and united voice. I believe it is in this area that we have suffered our greatest failure on this issue.

As the Anti-Apartheid Act has evolved, it has been subject to overwhelming bipartisan support. It has been steered along a very careful and calculated course that has enabled both Houses to come to a consensus. I would like to applaud the majority leader, Senator Lugar, Senator Kennedy, Senator Weicker, and the others responsible for adhering to a policy that enabled many voices to be heard on the subject of apartheid, and many hands to go into the crafting of the bill we ended up with. Unfortunately, today's vote represents a departure from the process to which we should be adhering. The vote today does not concern apartheid, or even South Africa—it is a procedural, partisan vote that only stands to blur the actual message that we have so patiently been trying to send. In fact, this vote strongly resembles yesterday's motion to reconsider and the ensuing motion to table, which served only to divide, rather than unite the Senate in its deliberations.

Mr. President, on an issue that has been bipartisan in its support, I now hear one party trying to posture themselves as the unabashed defenders of what is right and good for South Africa. Why, might I ask, is the Democratic side of the aisle so willing to alienate Members such as myself that have been supportive of sanction legislation from the beginning. The answer is that we are now arguing over political turf and not the well-being of blacks in South Africa. It is simple as that and I plan to vote against this motion because I adamantly disagree with these tactics.

POLLUTION LAWS PRESERVED RIGHTS

Mr. STAFFORD. Mr. President, it is my custom to avoid issues which are in litigation, not embrace them. But to every rule there are exceptions.

There is now pending before the Second Circuit Court of Appeals a review of the decision by the U.S. District Court for Vermont in the case of *Oulette* v. *International Paper*, 602 F. Supp. 264 (1985). One of the issues in

that case is whether the enactment of the Federal Clean Water Act extinguished rights of action under other laws, including Vermont common and statutory law. Why the question should arise at all is a puzzle to this Senator since the language of the Clean Water Act is quite clear on the subject. Section 505 of the Clean Water Act establishes the right of a citizen to sue to enforce the provisions of the act, then states explicitly that other rights are undisturbed. Subsection (e) states that—

> (e) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any effluent standard or limitation or to seek any other relief (including relief against the Administrator or a State agency).

Despite this clear language, at least one court has held that the act extinguishes some State common law. That court is the Seventh Circuit Court of Appeals, which made such a finding in *Illinois* v. *City of Milwaukee*, 731 F. 2d 403 (1984).

My purpose here is not to review the details of these and other court decisions, but to make available some legislative history which I hope will be helpful in indicating just what was intended by the Congress. This legislative history includes transcripts from the markups during 1970 and 1971 of the Clean Air Act and Clean Water Act.

The citizen suit provision was first adopted in the Clean Air Act and then, about 1 year later, incorporated in the Clean Water Act. Therefore, to completely understand what the members of the Committee on Public Works and the Congress intended, it is necessary to review transcripts and other documents relating to both laws.

The subject of preempting or displacing rights available under other laws arose for the first time on June 4, 1970, at a meeting of the Subcommittee on Air and Water Pollution. The subcommittee was meeting to mark up what was later to become the Clean Air Act. Included in the bill before the subcommittee was a proposal to authorize citizens to file suit to force compliance with pollution control requirements. As the subcommittee members were discussing this proposal, Senator Howard Baker offered an observation and expressed a fear as follows:

> Senator Baker. The only question is whether or not you have access to the Federal courts under one of the jurisdictional requirements for diversity or jurisdictional amount or one of the other specialities. So we aren't creating a brand new cause of action. We are, rather, modifying one that already exists.
>
> I think that brings to mind something that we should make sure we fully understand; that is, that we don't limit and circumscribe the right of citizens individually and as a class to do what they can already do by spelling it out here in this statute. If we start spelling out each detail here, the court is going to hold that we have obliterated everything else that the common law created. (Transcript Roll 15, p. 1687.)

The discussion then moves on to other subjects, but a minute or two later, Senator Baker suggests that the bill be amended.

> Senator Baker. I think you could also put in a saving clause to the effect that:
>
> "Nothing contained in this Act shall abridge or abrogate any pre-existing right by statute or common law."
>
> I think the courts would permit that. (Transcript Roll 15, p. 1692.)

The transcript shows no direct response to Senator Baker's suggestion at this time, but on July 29, 1970, the subcommittee was meeting again to mark up the proposed Clean Air Act. Senator Baker was absent, but there was a discussion of the meaning of the savings clause:

> Senator Cooper. If I may ask another question . . . what would be embraced in equitable relief? (Would it affect) any personal rights you may have as a person, for damages.
>
> Mr. Jorling. The intention in the language, as I understand it, is to specifically avoid any damage provisions. It is strictly an equitable provision to abate, to halt, to prevent this violation from occurring, and does not address itself to either physical or monetary damages in any way. It is strictly an action to achieve this abatement, if found, of a violation of the schedule of compliance and emission stand (sic) or emission requirement.
>
> It does not go to the issue of damages at all, and that comes out, I think, of the whole philosophy of the Act, and that is, it is very difficult for anybody to prove personal or monetary damage resulting from the effects of air pollution.
>
> Mr. Billings. We have reserved the rights of citizens under other common law to seek damages for pollution, if such damages occur. (Transcript Roll 16, p. 0080–81.)

The two staff members responding to the questions from Senators Cooper and Spong were Leon G. Billings and Thomas Jorling. Mr. Billings, who was not a lawyer, was staff director of the Subcommittee on Air and Water Pollution and Senator Muskie's principal aide. Mr. Jorling, a lawyer, was minority counsel to the full committee and the principal aide to the Republican members.

The transcripts contain one further reference to the savings clause, which is a statement by Senator Spong of Senator Baker's original intent. The Members were discussing whether citizens should be required to provide notice to administrative agencies as a precondition to filing suit. There had been earlier subcommittee discussions, and the members were attempting to refresh their recollections, with Senator Muskie observing at one point, "* * * we have gone through this once before. I forget just how we resolved it." (Transcript Roll 16, p. 0088.) Senator Spong recalls the following:

> Senator Spong. It is coming back to me now. Senator Baker's concern was that we could be taking a right away from a citizen . . . to go into court. . . . (Transcript Roll 16, p. 0090.)

Following subcommittee and committee markup, the bill was considered by the full Senate on September 21, 1970. As it had in the earlier stages of the legislative process, floor attention focused almost exclusively on the consequences of conferring on citizens an explicit right to sue to enforce pollution laws. Senator Philip Hart of Michigan defended the provision, which was by then section 304 of S. 4358, as "one of the most attractive features of the bill," adding that it would not result in a proliferation of litigation.

> The bill makes no provision for damages to the individual. It therefore provides no incentives to suit other than to protect the health and welfare of those suing and others similarly situated. It will be the rare, rather than the ordinary, person, I suspect, who, with no hope of financial gain and the very real prospect of financial loss, will initiate court action under this bill.
>
> (Legislative history of the Clean Air Act Amendments of 1970, Congressional Research Service, Library of Congress, Washington, D.C., Volume 1, p. 355.)

Senator Hart's remarks, together with the transcripts of the markups, make it clear that Senators believed that, in enacting the Clean Air Act, they were supplementing remedies available to injured parties, not supplanting them.

The House bill contained no comparable citizen suit provision. But with some changes in the Senate language, the House receded. The last sentence of the Statement of Managers on Part of the House in explanation of the section 304, the citizens' suit provision, was the following:

> The right of persons (or class of persons) to seek enforcement or other relief under any statute or common law is not affected. (Id. at p. 206.)

During consideration of the Clean Water Act the following year, much less attention focused on the citizens' suit provision. That is due, in part, to the fact that the version contained in the Clean Water Act was identical to what had been enacted in the Clean Air Act, except for changes required because of differences in terminology—for example, discharges of water pollution effluent vice emissions of air pollution.

At this time, several bills were pending in the Congress to expand the rights of citizens to file class action suits. Therefore, some discussion concerned itself with the issue of whether the parenthetical phrase "(or class of persons)" might have the effect of expanding the then current law. On September 21, 1971, the Committee on Public Works held a markup of the proposed Clean Water Act amendments which had been reported by the Subcommittee on Air and Water Pollution. During the review of the citizens' suit provision, the following exchange took place:

> Senator Cooper. Do you want to tell us against whom action may be brought and for what causes and then exceptions? Then on page 115, subsection e, you add, "Nothing shall restrict any right which any person (or class of persons) . . .". Is the right of a class of persons only available under the conditions set out in e, in other words, when they have a right under State statute or common law?
>
> Mr. Meyer. Well, it is a parenthetical phrase.
>
> Mr. Jorlang (sic). The intention is, as in the Air Bill, to avoid in this provision any of the complexities that are raised with cross-action (apparently class-action) suits on the basis that this is a provision that authorizes only equitable relief. There is no provision for the recovery of damages nor for requirement of showing of damages.
>
> The provision, subsection e, provides merely that this section, the authorization granted in this section, in no way affects any rights a person has, whether or not acting alone or as a class, under any other law, statutory or common, for relief against a pollutor (sic). This would normally mean that if there are some damages, standard common law damages, and a person would like to join with a class of people that suffered similar damage, this does not prevent them from doing so. (Transcript Roll 17, p. 1617-18.)

This understanding of the savings clause was also reflected in the committee report accompanying S. 2770, which explained what was to become section 505(e) as follows:

> It should be noted, however, that the section would specifically preserve any rights or remedies under any other law. Thus, if damages could be shown, other remedies would remain available. Compliance with requirements under this Act would not be a defense to a common law action for pollution damages. (Legislative History of the Water Pollution Control Act Amendments of 1972, Congressional Research Service, Library of Congress, Washington, D.C., p. 1499.)

The issue of what impact, if any, the enactment of the Clean Water Act would have on the availability of other statutory or common law remedies was apparently not discussed further. However, it would seem that further discussion was unnecessary. From the first mention of the issue by Senator Baker during the subcommittee mark-ups of the Clean Air Act to the last recorded mention of the subject in the Senate Public Works Committee report on the Clean Water Act, the attitude and intent of the members was remarkably consistent. Not once was there ever any doubt as to what they intended or disagreement as to its correctness. In every discussion of the matter, it was clear that all other rights—whether State or Federal, statutory, or common law—were to be preserved. The clarity of the repeated statements to this effect and the unanimity of agreement on the proposition made further discussion meaningless.

I might observe that this Senator was a Member of the other Chamber when the Clean Air Act amendments were adopted and a member of the Senate Committee on Public Works when the Clean Water Act amendments were considered and approved. Speaking only for himself, this Senator can recall no occassion on which it was ever suggested at the time of their consideration that the enactment of the Clean Water Act or the Clean Air Act would diminish the rights of injured parties. On the other hand, I can find a record replete with unequivocal statements by Members and staff that these rights were to be preserved, combined with clear indications of affirmation and agreement by other Senators and Representatives.

In the face of a record such as this, it seems impossible for any reasonable person to conclude that the Congress intended, by the enactment of these laws to provide the public with less protection from personal injury than it had before. Such a conclusion is directly at odds with every statement made during the long and detailed consideration of these laws. Nevertheless, some persons apparently have reached such a conclusion in the past. I would hope that in light of the information I have just provided, they will reconsider and correct earlier decisions.

Mr. President, the complete transcripts to which I have referred are available through the documents room of the Committee on Environment and Public Works should any person wish to review them.

S. 1200, THE IMMIGRATION REFORM AND CONTROL ACT OF 1985

Mr. THURMOND. Mr. President, I rise in support of S. 1200—the Immigration Reform and Control Act of 1985. This bill is the result of a 12-year effort to reform the immigration laws of the United States. It is a streamlined version of the measures that have passed in both of the last two Congresses by wide margins: In the 97th Congress by a vote of 80 to 19; in the 98th Congress by a vote of 76 to 18. Last year, the House narrowly passed a proposal of its own and the bills went to conference. Unfortunately, time ran out before a final resolution on all issues could be reached. Hopefully, this long overdue measure can move quickly through the legislative process to final enactment during this Congress.

Special credit must go to Senator Simpson as chairman of the Subcommittee on Immigration and Refugee Policy for bringing us to this point. He has worked ceaselessly to balance many divergent interests and, at the same time, craft a bill that will enable us to bring illegal immigration under control. The Judiciary Committee considered the bill over the course of four executive sessions. Ten amendments were discussed, six of which were adopted. S. 1200 was reported out favorably by a vote of 12 to 5 on July 30, 1985.

The bill makes major reforms in immigration law that should increase significantly our ability to control the borders of this country. It is strongly supported by the administration. I urge the Senate to demonstrate, once again, its commitment to this critical issue so this bill can be enacted at the earliest possible time.

Mr. President, as pointed out in the committee report on this bill, no other country in the world attracts potential migrants as does the United States, and no other country approaches the United States in the number of legal immigrants accepted and refugees permanently resettled. Such has been the case throughout our history. It is a tradition of which we are justly proud.

On the other hand, it is common knowledge that immigration to the United States, including illegal entrants estimated to be in the millions, is out of control. In the last 9 years, total immigration to the United States increased from 450,000 in 1976 to 510,000 in 1984, with a peak of 800,000 in 1980, counting the Cuban and Haitian entrants during that year. During the same 9-year period, immediate relatives of U.S. citizens, for which there is no numerical limitation, increased from 114,000 to 177,000. Refugee admissions, also not subject to a fixed ceiling, have ballooned from 5,000 in 1977, to as high as 200,000 in 1980; 161,000 in 1981; and 68,000 in 1984. Notwithstanding the 1984 decrease in refugees, the United States continues to take more immigrants and refugees for resettlement than the rest of the world combined.

In addition, hundreds of thousands of illegal entrants come into the United States every year. While the total number of illegal aliens in the country is unknown, the Select Commission on Immigration and Refugee Policy estimated the figure to be between 3.5 and 6 million for 1978. The number is surely much larger today.

Mr. President, there was a time when the Nation could welcome millions of newcomers without jeopardizing the national interest. Such is not the case today in a complex industrial society with considerable unemployment and a need for specialized skills. This bill—while recognizing the great benefits this country obtains from new migrants—tries to come to grips with the necessity that they be limited to an appropriate number, and be selected within that number based on family reunification priorities and preferences for skills needed in a highly developed country. This necessitates that illegal entrants into the United States be brought under control.

The pending measure takes a number of different approaches to reform the immigration laws. First, the bill contains provisions to increase control over illegal immigration. The primary incentive for illegal immigration is the availability of U.S. employment. This bill makes unlawful the knowing employment, or the recruitment or referral for a fee, of illegal aliens. It also provides for a system to verify work eligibility and establishes substantial civil penalties for violations.

Should a pattern or practice of violations subsequent to the imposition of a penalty for a prior pattern or practice of violations be found, then a criminal penalty may be imposed. The bill also established new crimes for certain activities involving fraudulent documents and for bringing illegal aliens to the United States. It further states the sense of the Congress that the resources for border patrol and other enforcement activities should be increased. For this purpose, $840 million for fiscal year 1987, and $830 million for fiscal year 1988, are authorized for the Immigration and Naturalization Service.

Second, certain improvements are directed at nonimmigrant categories. The bill provides for a special, streamlined procedure for H-2 seasonal workers based on the compromise reached by the conference committee in the last Congress. In addition, a 3-year agricultural transition program is provided to enable agricultural employers to adjust gradually to the new system. The bill also establishes a 12-member Agricultural Workers Commission to report within 2 years to Congress with specific legislative recommendations regarding the appropriate form of U.S. temporary worker programs. Further, special immigration benefits are provided for certain children and the surviving spouse of an employee of an international organization and retired employees of such organizations who have been in the United States many years. A pilot visa waiver program is authorized for up to eight countries with low rates of visa denial and exclusion.

Third, the bill provides for a one-time legalization program to deal with the large group of illegal aliens in this country who have been here long enough to have built up certain equities. A Presidentially appointed Legalization Commission, composed of nine members committed to the concept of legalization, is established to determine that enforcement mechanisms are in place to curtail illegal immigration. Legalization procedures are then triggered.

Regardless, legalization will begin no later than 3 years after enactment of this legislation. Once legalization is begun, certain illegal aliens who physically have been present in the United States since the date of enactment, and have continuously resided in the United States since before January 1, 1980, may apply for legal temporary resident status. Such persons may adjust to permanent resident status after 3 years from the date they are granted temporary residence, if they satisfy a minimum English language requirement and have a minimum knowledge of U.S. history and Government, or are enrolled in a program to acquire such knowledge. Such temporary residents will not be eligible for Federal financial benefits. The bill provides for Federal payment to States of up to $600 million per year, for 3 years, in the form of a capped entitlement program, to reimburse them for any necessary public assistance which they are required to provide to these residents.

Mr. President, this triggered approach is a change from the earlier versions of this legislation, and one which I find easier to support. I still do not condone the entry of these illegal aliens into our country. If I did not believe that the only way the Federal Government can gain control over immigration and refugee policy is by way of a legalization program, I would be opposed to it. By delaying the program until after effective enforcement provisions are in place, we will ensure that further illegal immigration will be discouraged.

Finally, the bill requires certain reports from the President to the Congress with respect to the employer sanctions, provisions, legal and illegal immigration, the verification procedures and the legalization program. To ensure that a pattern of discrimination against eligible workers seeking employment does not develop, the General Accounting Office is to monitor the implementation of employer sanctions. This report is to be reviewed by the Attorney General, jointly with the Chairmen of the Equal Employment Opportunity Commission and the Commission on Civil Rights. If such a pattern of discrimination has resulted, specific remedial legislative proposals are to be recommended to Congress.

Mr. President, this is an important bill that should be enacted as quickly as possible. It will not solve all of our problems relating to immigration and refugees, but it is a major step in the right direction. I hope that the Senate will approve this bill expeditiously.

ANTI-APARTHEID ACT CONFERENCE REPORT

Mr. PELL. Mr. President, it has been nearly 2 months since a state of emergency was declared in South Africa. During that time, more than 2,300 South Africans, most of them peaceful, black anti-apartheid protesters, have been detained and over 100 blacks have been killed in clashes with the police and security forces. In an effort to stamp out the growing anti-apartheid movement, the South African Government has arrested leaders of the United Democratic Front, made acts of civil disobedience such as boycotts criminal offenses, outlawed various forms of freedom of assembly and speech, and placed restrictions on funeral proceedings, one of the few remaining outlets of political expression for blacks.

South African President P.W. Botha has belied his commitment to "reform" by refusing to meet unconditionally with respected black leaders such as Nobel laureate Bishop Desmond Tutu and by failing to announce concrete steps toward ending apartheid in his recent speech before the Natal Congress of the Nationalist Party. Botha's hard line and the excessive and wanton use of force by the government has only served to increase the anger and frustration of South African blacks and to breed more violence and unrest throughout the country. South Africa will continue to be a tinderbox until the racist, white minority government abandons its brutal use of force and sits down with black leaders chosen freely by the black community to negotiate the dismantling of apartheid.

Given the seriousness of the South African situation and the widespread opposition among South African blacks and the American people to the administration's failed policy of "constructive engagement," I believe that the Senate should vote on the conference report on H.R. 1460, the Anti-Apartheid Action Act of 1985. This legislation would provide scholarships and other forms of assistance to blacks, make the Sullivan principles mandatory for United States firms in South Africa, prohibit the importation of Krugerrands, ban loans to the South African Government, halt computer sales to South African Government agencies enforcing or administering apartheid, and cut off nuclear trade. It also holds out the threat of future sanctions by requiring the President to report to the Congress in 12 months on what, if any, progress has been made in ending apartheid.

On Monday, the President signed an Executive order embodying many of the provisions in the conference report. However, there are important differences between the two. Whereas the report would ban the importation of Krugerrands immediately, the order defers the ban until after the administration has consulted with the parties to GATT—a process that could take years and never result in a ban. The provisions on loans, computer

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sales, and nuclear trade in the order are significantly weaker than those in the conference report. Finally, the President's order does not hold out the threat of future sanctions, thereby removing an instrument of pressure on the South African Government.

The President's order is a step in the right direction, but it is too little too late. As Bishop Tutu has stated, it is "not even a flea bite." A recent poll conducted for the London Times by a South African affilitate of the Gallup organization indicates that 77 percent of South African blacks favor economic sanctions. In view of this it is clear that the President's order, which was accompanied by a reaffirmation of his commitment to the policy of constructive engagement, will not convince South African blacks that there will be a real change in United States policy.

Under these circumstances, it is more important than ever for the Senate to follow the House and pass the conference report on the Anti-Apartheid Action Act. I regret that the Senate failed to move to a vote on the conference report this week. Passage of the report would put the Senate on record against apartheid, send a strong message to South African blacks that the Congress and the American people support their struggle, and make it clear to the South African Government that the United States will continue to press for genuine movement away from apartheid.

OLD DEFENDERS' DAY

Mr. MATHIAS. Mr. President, today is old Defenders' Day, a legal holiday in the Free State of Maryland. On September 12, 1814, the Battle of North Point was begun. It was a turning point in the War of 1812. In 2 days of intense fighting, the soldiers and citizens of Baltimore, augmented by sailors manning city and harbor defenses, turned back the British attack and saved the city. Today we honor those defenders of the city.

Although this battle is not well enough known to many Americans, they all are aware of one of its results. Francis Scott Key, a Baltimore lawyer, wrote the words of the "Star-Spangled Banner" when, on the morning of September 14, he saw "Old Glory" still flying over Fort McHenry at the mouth of the Port of Baltimore.

The two keys to Baltimore's defense were Rogers' Bastion, an earthen defense east of the city, and Fort McHenry, protecting the sea side at Locust Point. Facing the fort across the channel to the inner harbor was the Lazaretto Battery, which fired upon an attacking contingent of small British boats. Caught between the battery and Fort McHenry, the British retreated. Rogers' Bastion stopped the British ground forces and when the British Navy's heavy gunning of Fort McHenry failed to force it to surrender and allow the British ships to pass to support the ground troops at Roger's Bastion, the British force withdrew on September 14. There were no engagements between American and British warships but the role of naval personnel was vital in helping the American soliders on land.

In an appropriate mixing of the old with the new, Defenders' Day this year was commemorated on Sunday, September 8, at Fort McHenry as Naval Reserve Day. Before a crowd estimated at 7,000, made up of Naval Reservists, their families, friends, and other visitors, the U.S.S. *Hayler* reenacted the bombardment of the fort. It was defended in 1814 by the citizen-soldiers of Baltimore, regular soldiers of the infantry and artillery, and 60 sailors from Commodore Barney's Chesapeake flotilla. This year, the 171st anniversary of the battle, the defenders were from the 2d Battalion of the 110th Field Artillery of the Maryland National Guard, dressed in uniforms of the earlier day and using muskets of the period.

Highlighting the role of the modern Navy and citizen-sailors, each of the 20 Naval Reserve Units of Baltimore gave a demonstration of what they do, using current landing craft and other small boats. The Naval Academy Band performed. A replica of the lighthouse at Lazaretto, easily visible from Fort McHenry, was dedicated. It was a happy, family day, building on past courage in defense of a young nation to show how traditions continue and that our Nation's security remains an obligation for all citizens.

The exploits of 1814 still shine in our national history and should be remembered as a lesson that from time to time society does require a price for the continued enjoyment of its benefits. The admirable record of 170 years of peace between the United States and Great Britian dispells any fear that we shall ever have to fight the battle of North Point again.

But as the human race evolves and society progresses there are inevitably new challenges and new dangers. We are not free of the threat of foreign aggression, but we also face new kinds of dangers in a world that has rapidly become interdependent and therefor highly vulnerable.

It's such a world, the state of our economy may well be as vital to our security as the state of our military forces. Defensive action may require courage and effort as in the past, but today the goals may be different. Defense may demand higher productivity, greater thrift, less luxury, and a willingness to dedicate a larger share of the fruits of our labors to the general welfare. Whatever is needed, I am confident that Marylanders will not be found waiting.

REPRESENTATIVE SONNY MONTGOMERY RECEIVES L. MENDEL RIVERS AWARD

Mr. BYRD. Mr. President, I wish to commend and to congratulate the distinguished chairman of the House Veterans' Affairs Committee, Hon. G.V. (Sonny) Montgomery, on being awarded the L. Mendel Rivers Award of the Noncommissioned Officers Association, on last evening in recognition of his legislative efforts in contribution to the defense of our country.

Chairman Montgomery served more than 35 years in the military, including service in World War II and the Korean war. He has continued to contribute to the defense of this Nation as a leading member of the Veterans' Affairs Committee, which he chairs, and the House Armed Services Committee. Congressman Montgomery has also received recognition from the Paralyzed Veterans of America for his lifetime of service to veterans—an honor which I was proud to receive this year.

His support and leadership in the House made possible the creation of a special commemorative medal honoring those missing or unaccounted for in Southeast Asia—a measure which I also offered in the Senate.

I am grateful to Sonny for his help in that regard, and I am pleased for the many opportunities we have had over the years to work together on behalf of America's veterans and in furtherance of a strong national defense.

Sonny Montgomery's leadership on these issues sets a standard for all of his colleagues in the Congress. I am pleased to offer my heartfelt congratulations to Sonny on his being awarded the L. Mendel Rivers Award.

Mr. KERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

(During the quorum call Mr. Goldwater occupied the chair.)

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Nickles). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. SIMPSON. Mr. President, I believe we are in morning business.

The PRESIDING OFFICER. The Senator is correct.

Is there further morning business? If not, morning business is now closed.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (S. 1200) to amend the Immigration and Nationality Act to effectively control the unauthorized immigration to the United States, and for other purposes.

The Senate resumed consideration of the bill.

Mr. SIMPSON. Mr. President, I appreciate the patience of my colleagues—matched only by my own and that of the minority member of the subcommittee, Senator Kennedy. We are ready to proceed now with the immigration legislation. There have been some accommodations made. An amendment or two that would have taken a great deal of time perhaps have been resolved, and we await in a very few minutes Senator Wilson to present a very important amendment. He will be taking that up. It is one that deserves your careful attention. But at this point I yield to Senator Max Baucus who has an amendment with regard to user fees.

AMENDMENT NO. 593

(Purpose: To eliminate the provisions allowing the imposition of fees for an alien's use of border facilities)

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. Baucus], for himself and Mr. Warner, proposes an amendment numbered 593.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, beginning with line 5, strike out all through the bottom of the page.

On page 2, in the Table of Contents, strike out the item relating to section 102.

Mr. BAUCUS. Mr. President, this amendment is the same amendment that I offered to the immigration bill in 1983. That amendment passed by a vote of 91 to 3. This amendment, like the earlier one, would delete the provisions of the bill which authorize the Immigration and Naturalization Service to impose a fee on aliens who cross the U.S. border coming into the United States.

Mr. President, the provision in this bill is slightly different from the provision of the bill in the 98th Congress. The earlier bill required the Immigration and Naturalization Service to impose this border fee. This year's bill gives the Service discretion to impose a fee on aliens. In either event, Mr. President, I think that the provision is a bad idea. I do not think that we as Americans should be imposing fees on aliens as they cross the border to come to the United States.

We have a history in America of being an open country. We receive travelers, we receive visitors, we receive citizens, and we receive aliens into the United States to travel, visit, or do whatever they may wish. I think it is a policy we should continue. It is a policy we should maintain. I do not think that the country should now start imposing fees on aliens as they come into the United States.

Requiring that fees be paid at the border is inconsistent with the policies of our neighbors, Canada and Mexico, which do not impose fees on Americans who may enter Canada or Mexico. If we were to impose a fee, it seems to me that those countries might think turnaround is fair play. Then, they too would impose fees. We would be going down a road that would make no sense and could lead to a series of escalating fees and counterfees.

Beyond that, I must inform these Members of this body who are not already aware of it, that it is not only the INS that wants border fees. The Customs Service too wants to impose fees. There is a bill wending its way through the Congress right now which may entitle the Customs Service to impose fees on all travelers—whether they be aliens or Americans, entering the United States from whatever origin, whatever source, air, land or sea.

It seems to me we are getting into the situation in which various services and U.S. agencies are thinking about imposing fees on American and/or aliens who enter the United States. Such programs can only create confusion and a lot of irritation at the border, not only for Americans, but for foreigners who travel to and from the United States.

Beyond all of that, I think this provision of the INS imposing fees is degrading. The estimated border fees would be only 25 cents to $1 per person. Collecting these fees would be like the American Government holding a tin cup at the border and telling all foreigners coming into the United States to put a quarter or 50 cents into the American tin cup. We would not be getting a lot of money from it. It would be almost like begging foreign travelers to help us out.

Another problem with the provision is that it contains no dedication. This money would go to the general fund. It would not necessarily go to the INS to support costs of the Service. The theory for most user fees lately is that they should cover the cost of the certain service for which they are charged. That is simply not the case under section 102 of S. 1200.

So for a whole host of reasons, Mr. President, I think that we should again resoundingly defeat and strike out this provision of the bill. I repeat that this provision was defeated by a vote of 91 to 3 last year. I see no reason why it should not be defeated overwhelmingly again this year.

I am joined by Senator Warner who is a cosponsor of my amendment this year, as he was in 1983. He too thinks it is a bad idea. I encourage Senators to vote to delete this provision of the bill and vote for this amendment.

I see my able neighbor, the Senator from Wyoming, standing. He has, as we all know, performed dedicated, and exemplary service in trying to get this bill passed. We all look up to him for leadership and guidance on immigration legislation. It is my understanding that, as further evidence of the Senator's wisdom, he is going to accept this amendment.

I thank the Senator for that.

I yield the floor.

Mr. SIMPSON. Mr. President, I do thank my neighbor to the north, Senator Baucus, for his remarks. I have enjoyed working with him on many things. His State does border our great sister country of Canada and he speaks with clarity on the issue, as he has done before. It is something that we accept. We had it in the bill originally as a provision intended to provide the opportunity for the Immigration Service to require some minimal fee to offset the cost of providing services at ports of entry. That was requested at one time by some in the agency.

I changed the measure this year to make the fees optional rather than mandatory, as in the last Congress.

I understand the feeling, coming from a State with a significant tourist economy.

I accept the amendment, which I believe will alleviate the fears of the tourism industry and others that fees might affect the entry of visitors. Until we get into a more bilateral discussion of this matter, I think it appropriate that it should be removed. We will try to hold to that in conference activity.

Mr. President, the amendment is acceptable to this floor manager and I understand it is also acceptable to the floor manager on the other side, Senator Kennedy.

Mr. BAUCUS. Mr. President, I thank the Senator for his remarks.

Mr. WARNER. Mr. President, I am pleased to join with the distinguished Senator from Montana [Mr. Baucus], in offering this amendment to the Immigration Reform Act.

Two years ago, when the Senate last addressed this issue, 91 of our colleagues went on record in opposition to an immigration fee being levied on persons who enter the United States from abroad.

This Senator must express his disappointment that in spite of that very strong statement by the Senate, a provision is included in the bill before us giving the Attorney General discretion to levy fees on persons entering the United States from abroad.

Mr. President, so as to avoid any confusion about what the Senate did on this issue, I ask unanimous consent that the discussion on this issue, as it appeared in the CONGRESSIONAL RECORD on May 16 and 17, 1983, be printed at the end of my statement.

I wish to advise my colleagues that those organizations which joined the Senators from Montana and Virginia in opposition to the immigration fee 2 years ago continue to support our position today.

Their position, as reflected in the letters which were made a part of that 1983 debate, is unchanged.

Mr. President, during my term in the Senate I have vigorously worked to promote two basic principles of our society.

The first is the freedom to travel.

The second is the freedom to assemble and speak.

Both of these principles lie at the heart of this issue, and both are the foundation of America's second largest industry, the travel and tourism industry.

In 1981, the Congress passed, and the President signed into law the National Tourism Policy Act.

One of the basic objectives of that act was to encourage the free and open exchange of foreign travelers to our country, and the elimination or reduction of all barriers to that exchange.

During my tensure as cochairman of the Senate Tourism Caucus, I have worked with all Senators in support of proposals to promote both foreign and domestic travel to and in the United States.

The imposition of an immigration fee, whether it be mandatory, as proposed in the original immigration bill 2 years ago, or discretionary, as proposed in this bill, stands in the face of every effort and achievement of the Senator from Virginia in this area.

I urge support for the amendment by the Senator from Montana and myself, and the elimination of all references to immigration fees from the pending legislation.

I yield the floor.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1269

Mr. WARNER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. WARNER) proposes an amendment numbered 1269.

Amend section 102, subsection 114 on page 121, line 14, by deleting the word "shall" and insert the word "may" after the words "Secretary of State".

Mr. WARNER. Mr. President, I extend my congratulations to the Senator from Wyoming and others who have drafted this legislation, especially the visa waiver section of the bill.

With the adoption of this section of the bill, one of the major obstacles to increased travel from abroad by tourists and business people will be eliminated.

This provision goes a long way toward the effective implementation of the National Tourism Policy Act, a measure of which I was a cosponsor and, as cochairman of the Senate Tourism Caucus, I actively support.

Mr. President, there is, however, a section of the bill having to do with the entry fees which causes me some concern. It stands in the face of the Tourism Policy Act, in my judgment and I am inquiring if the Senator from Wyoming is aware of this problem and also if the Senator is open to modification of this section.

As the Senator from Wyoming is aware, numerous organizations, including the Travel and Tourism Government Affairs Policy Council, the Motor Coach Tour Industry Association, the Air Transport Association, of America, and the American Automobile Association, have all expressed their concern over the hasty implementation of this section, and the problems, which might ensue.

By making the modification I suggest, the Senate will bring the bill in conformity with the House, thereby effectively resolving the problem associated with the entry fee issue.

Mr. President, I ask unanimous consent at this time to have printed in the RECORD certain documentation to support the views of the enumerated organizations about which I have spoken.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *May 9, 1983.*

Hon. ALAN K. SIMPSON,
U.S. Senate, Senate Dirksen Office Building, Washington, D.C.

DEAR SENATOR SIMPSON: We wish to use this opportunity to express our concern about Sec. 114 of S. 529 which would require the Attorney General to impose fees on aliens entering the U.S.

A recent survey by the "Official Airline Guide" has revealed that of 127 countries throughout the world only Venezuela imposes an "immigration fee." It is true that departure fees are common world-wide and the U.S. as an example also has a departure fee.

In so far as the U.S. receives its 3rd largest share of export earnings from international visitors and the U.S. Congress in passing the National Tourism Policy Act established a policy to . . . "encourage the free and welcome entry of individuals traveling to the U.S. . . ." (Sec. 101(b)(4)) Public Law 97-63, we do not believe it in the national interest to charge a fee for this type of alien visitor who in essence is responsible for creating 289,000 jobs in the U.S.

In reviewing Committee Report (98-62) the Congressional Budget Office estimates that the cost to INS of increasing border patrols (the only reference to costs recoverable under Sec. 114) will be approximately $85 million in 1984 and $70-80 million annually thereafter. The report further goes on to note that "based on information provided INS," CBO estimates (that the cost of processing aliens) will cost INS $40 million a year. CBO further suggests that "the INS would be able to recover this cost by imposing a fee of 20 cents per entry in 1983, with small upward adjustments in subsequent years to reflect inflation. This fee would be classified as a revenue to the government. In reviewing this proposal we infer:

(1) The majority of the increase in costs to INS are attributable to supplemental border patrols and enforcement activities;

(2) These costs are largely unrelated to the processing of short-term business and pleasure travelers to the United States;

(3) These costs will thus be recovered, to an undefinable degree, from "users" who neither generate these costs nor benefit from the facilities and "services" provided.

It is our view that a fee imposed on "international visitors" is discriminatory. Presently, the airlines indirectly bear the costs of inspection facilities, and the cost to briefly examine passports and visas, a government cost, is minimal.

We urge that you clarify, on the floor, the intent of Sec. 114 so as not to include "international visitors."

Sincerely,

JAMES E. GAFFIGAN,
Executive Director.

MEMORANDUM

USER FEE PROPOSAL CONTAINED IN S. 529, THE IMMIGRATION, REFORM AND CONTROL ACT OF 1983

Section 114 of S. 529 (see Appendix I) would amend the Immigration and Nationality Act by adding a section entitled "Nonimmigrant Visa Fees and Border Facility Fees." Subsection (b) requires that "The Attorney General, after consultation with the Secretary of State shall impose fees for an alien's use of border facilities in an amount necessary to make the total of such fees substantially equal to the cost of maintaining and operating such facilities and services."

Included in the Committee Report (No. 98-62) is the Congressional Budget Office (CBO) Cost Estimate (Appendix II) which is germaine to the fee issue. CBO estimates that the cost to INS of increasing border patrols (the only reference to costs recoverable under this section) will be approximately $85 million in 1984, and $70-80 million annually thereafter. The CBO report further finds that "Based on information provided by INS" CBO estimates (that the cost of processing aliens) will cost INS $40 million a year. CBO further suggests that "INS would be able to recover this cost by imposing a fee of $0.20 per entry in 1983, with small upward adjustments in subsequent years to reflect inflation. This fee would be classified as a revenue to the Government."

From this information the following can be inferred:

(1) The majority of the increase in costs to INS are attributable to supplemental border patrols and enforcement activities;

(2) These costs are largely unrelated to the processing of short-term business and pleasure travelers of the United States;

(3) These costs will thus be recoverd, to an undefinable degree, from "users" who neither generate these costs nor benefit from the facilities and "services" provided.

It is important to recognize that the legislative language expressly makes allowance

for the subsidization of particular users by others, i.e. ". . . shall impose fees . . . in an amount necessary to make the total of such fees substantially equal to the cost of maintaining and operating such facilities and services." However, a fee structure which in design allows an arbitrary assignment of cost and benefit has been attempted in the past and subsequently addressed in the Courts.

Congress made its initial declaration of intent in the Independent Offices Appropriation Act of 1952. Title V provides that:

". . . Government activities resulting in special benefits or privileges for individuals or organizations be financially self-sustaining to the maximum possible extent"; and

". . . Regulations prescribing fees be as nearly uniform as practicable"; and

". . . Fees be fair and equitable, taking into consideration direct and indirect costs to the Government, value to the recipient, public policy or interest served and pertinent facts."

In 1959, a Bureau of the Budget Circular was issued, which attempted to interpret the 1954 Act for the agencies, and advise them with respect to its implementation.

"Where a service (or privilege) provides special benefits to an identifiable recipient above and beyond those which accrue to the public at large, a charge should be imposed to recover the full cost to the Federal Government of rendering the service. For example, a special benefit will be considered to accrue and a charge should be imposed when a Government-rendered service:

(a) Enables the beneficiary to obtain more immediate or substantial gains or values (which may or may not be measureable in monetary terms) than those which accure to the general public (e.g., receiving a patent, crop insurance, or a license to carry on a specific business); or

(b) Provides business stability or assures public confidence in the business activity of the benficiary (e.g., certificates of necessity and convenience for airline routes, or safety inspections of craft);

(c) Is performed at the request of the recipient and is above and beyond the service regularly received by other members of the same industry or groups, or of the general public (e.g., receiving a passport, visa, airman's certificate, or an inspection after regular duty hours)."

The FCC established a fee schedule in 1964 which imposed a nominal "filing fee.' The revenues raised covered approximately 25 percent of the agency's budget. In 1970, in response to the encouragement of both Congress and the Executive Branch, the FCC raised the fees to recover its full costs of operation. A group of cable operators challenged the fee structure and the Supreme Court held in 1975 that the assessment per subscriber was a tax, rather than a fee, since it was not related to a special benefit conferred by the FCC (NCTA v. U.S.). In a related case decided simultaneously (FCC v. New England Power Co.), the Court held that ". . . no charge should be made for services rendered when the identification of the ultimate beneficiary is obscure and the service can be primarily considered as benefitting broadly the general public." These represent the only Supreme Court rulings on these issues.

In 1975, the FCC issued a new fee schedule which it perceived to be consistent with the Court's ruling. Again the structure was challenged, and the Court of Appeals held that the new fee structure did not meet the Supreme Court's criteria. The FCC was ordered to develop a new fee schedule as well as clarify the basis for their assessment. The agency interpreted the Court rulings as requiring an assessment of fees based, to some degree, on the value conferred on the user. The FCC ultimately decided that it could not quantify the benefit or value being conferred upon the user, and suspended the collection of all fees in 1977. Though a committee was appointed to determine the most equitable method of refunding the previously collected fees, none have yet been refunded.

Also in 1977, the GAO issued a report which took exception with the FCC's interpretation of the rulings. "GAO does not believe that the Court of Appeals required the Commission to measure separately the value conferred upon the people paying the fee. Instead, based upon interpretation of the court decisions, the Commission can establish a proper fee schedule based solely upon cost." Nonetheless, neither GAO nor Congress have offered any further assistance in calculating an equitable fee schedule based upon cost.

For purposes of this legislation three basic questions arise:

(1) if fees must reflect "direct and indirect costs to the Government" (according to the 1954 Act), what part of INS' costs are "fairly and equitably" allocable to the international traveler? Which of these costs are not already being paid by transportation modes in the form of "facilities use fees"? Is border patrol and enforcement activity an appropriate cost to be subsidized by the international traveler?

(2) what part or aspect of the operation of such facilities can be considered a "value or benefit" which is conferred upon the traveler? INS inspections are distinct from, for example, Department of Agriculture meat grading and inspection services as INS inspections in no way provide "business stability or assure public confidence in the business activity of the beneficiary." Further, INS inspections are not performed "at the request of the beneficiary" nor do they "enable the beneficiary to obtain more immediate or substantial gains or values." Presumably, the ratio of charges should be set equal to the ratios of marginal benefits and the absolute level set to recover full cost. In this case, however, it seems clear that all benefit is recouped by citizens of the United States who are expressly exempted from charge by the language of the bill.

(3) what public policy or interest is served by the imposition of such fees on the traveler? The proposed fees are clearly antithetical to public policy concerns.

IMPLEMENTATION PROBLEMS

There is a multitude of negative implications with respect to the implementation of Sec. 114 of the bill. For example, the proposed fee is discriminatory inasmuch as it would be imposed upon aliens only. A recent survey of 127 countries revealed that only Venezuela imposes an "immigration fee." All other head taxes, departure taxes, etc. are paid by both aliens and nationals. The discriminatory aspect of this fee proposal violates a number of international agreements and many airline bilateral agreements would have to be modified or renegotiated. In addition, this legislation would obviously encourage other countries to initiate the same practice with an attendant risk of abuse.

There are a number of practical considerations as well. For example, how would the fee be collected? Collection at inspection is also problematic. Visitors without U.S. currency would have no choice but to interrupt the inspection, locate a currency exchange desk, and return to the inspection. Collection at this point is also inconsistent with the ASIST pre-clearance procedure. An integral aspect of ASIST clearance is the frequent performance of Customs inspections by INS inspectors, as well as the performance of INS inspections by Customs inspectors. As the legislation requires the imposition of INS fees only, some passengers may be charged while others are not. Alternatively, ASIST could be modified, but presumably only in such a way as to defeat the purpose of the procedure. At airports where ASIST has not yet been implemented, collection of the fee at inspection would of course exacerbate existing delays and long lines.

Similar problems would occur with all transportation modes; as well as with border crossings by foot. At Canadian points-of-entry, where visas are not required, inspectors would encounter the additional difficulty of distinguishing between aliens and citizens. An alien who merely claims to be a U.S. citizen would be likely to successfully avoid paying the fee. It is also possible that an alien might simply refuse to pay the fee, presenting the U.S. with the option of either foregoing the fee or instituting deportation proceedings.

Also disturbing is the inequity made apparent by CBO's observation that the additional monies will be primarily used to fund border patrols and enforcement activities.

Finally, as public policy the fee proposal is inconsistent with our national economic interests. Twenty-three million international visitors spent $12.2 billion in the U.S. in 1981 generating $1.1 billion in federal, state and local tax revenue and supporting approximately 300,000 jobs. At a time when our international competitive position is deteriorating and the U.S. is seeking ways to prevent further erosion, travel and tourism is our third largest source of export income. It is clear from our perspective that whatever revenues are raised must be viewed as inconsequential relative to the harassment and inconvenience that will inevitably be imposed upon international travelers.

JONES, JONES, BELL,
CLOSE & BROWN, CHARTERED,
Washington, D.C., May 6, 1983.

Hon. ALAN K. SIMPSON,
Chairman, Subcommittee on Immigration and Refugee Policy, Senate Committee on the Judiciary, Washington, D.C.

DEAR CHAIRMAN SIMPSON: In follow-up to our telephone conversation, I am writing to elaborate on the concerns of the motorcoach tour industry with respect to the entry fees proposed in Section 114 of S. 529, the Immigration Reform and Control Act of 1983.

The imposition of user fees on aliens crossing our Mexican and Canadian borders by tour bus would be a significant burden to the tour bus industry and its clientele. The fees would not be cost-effective. They would adversely affect the United States tourism industry, economy, our balance of payments deficits, and our perception throughout the world as a country that welcomes the exchange of visitors and ideas through international tourism.

I offer this conclusion for the following reasons:

1. Section 114 violates the specific statutory mandate of the National Tourism Policy Act of 1981 (P.L. 97-63). Under Section 101(b)(4), the Act establishes a national

tourism policy to "encourage the free and welcome entry of individuals traveling to the United States in order to enhance international understanding and goodwill."

2. The fee contradicts general foreign policy goals of encouraging foreign travel to the United States and certainly contradicts the general goal and objective of attempting to reduce our burgeoning balance of payments deficit. In 1981, over 33.6 million Canadians crossed our borders into the United States. Almost 1.3 million of them came by bus. In 1980, the average visitor spent $1,700 while in the United States. Any federal user fee on aliens that would curtail the flow of foreign visitors to the United States would be counter-productive to our economy. Furthermore, since one new job is generated for every $37,750 spent on travel and tourism, any loss of travel and tourism dollars from Mexican and Canadian tourists would adversely affect jobs in the United States.

3. In the tour bus context, any entry fee initiatives from the American government would invite an almost certain retaliatory "entry fee" burden by the nations of Canada and Mexico. Therefore, it is a real and substantial threat to our domestic tour bus industry. For the most part, the tour bus industry caters to middle, fixed-income travelers who would be discouraged from the tour package plan by any additional, $5 to $25 entry fees. Canada, for example, was the destination of about 39.8 million United States citizens in 1981. Of these visitors to Canada, almost 1.5 million traveled to Canada by bus. The imposition of retaliatory border fees on Americans by foreign governments may mean that many of our own citizens, including a large percentage of senior citizens, may forgo a trip.

4. The fees would be either too onerous and discourage travel, or they would be too small to justify the administrative hassle entailed in collecting them and enforcing the program. The tour bus industry is very distressed at the prospect that once the fee door is opened, the characteristic bureaucratic enthusiasms about funding all agency expenses from this new revenue source will occur. All the statutory language in the world cannot prevent an enterprising administrator from loading a lot of agency costs on the points of entry to offset other general budget expenditures.

5. Implementation of the alien "user fee" poses substantial administrative dilemmas related to the method of collecting the fee. If a percentage of the fee is to be collected in advance as part of a travel package, what is the administrative machine that pursues collection? Individual payment at the time of entry conjures another major irritant for the foreign visitor attempting to cross into the United States. Will a foreign tourist who claims US citizenship be excused from the entry fee? What would happen to an alien who refuses to pay the fee? Would he be deported? We have enough practical barriers already at our border points. Inevitably, the proposed entry fee would aggravate the already long delays in airline passenger entry into our country, as well. Enclosed are the foreign visitor statistics of just one country, Canada. The practical problems associated with collecting the entry fee from 33 million Canadian visitors to the United States is awesome. This problem will only be multiplied when all the foreign visitors from Europe, Japan, and other areas of the world are included.

6. The proposed user fee is blatantly discriminatory. It is imposed only on aliens. A recent study of 127 countries disclosed that only Venezuela imposes an "immigration fee." All other departure taxes, head taxes, etc., are paid by both aliens and nationals.

7. There is an inherent inegality in asking a foreign visitor from Canada or Mexico to subsidize United States border administration and enforcement costs that are totally unrelated to processing a Canadian or Mexican business or tourist visitor. The question of why should they pay for border patrols, guard dogs, shotguns, vehicles, and search lights that have nothing to do with their coming and going from the country can legitimately be raised. The processing of aliens crossing our borders is conducted to enforce our immigration laws and protect our national interests. The proposed fee is largely unrelated to the administrative costs of processing short-term leisure or business visitors.

The above comments represent a partial summary of the serious questions and problems engendered by Section 114.

I appreciate your consideration of these concerns. If I can be of any help or assistance with this issue, please let me know.

I remain,

Sincerely,

JAMES D. SANTINI,
Attorney at Law.

UNITED STATES-CANADA TRAVEL STATISTICS

	1981	1980
Visitors:		
U.S. visitors to Canada	39,808,716	[illegible]
Canadian visitors to the USA	33,583,997	33,322,139
Visitors by mode:		
U.S. visitors to Canada:		
Automobile	[illegible]	27,805,711
Air	1,863,231	1,734,539
Bus	1,453,172	[illegible]
Rail, boat, other	1,484,047	[illegible]
Canadian visitors to the USA:		
Automobile	28,379,594	[illegible]
Air	3,187,669	2,941,826
Bus	1,268,643	1,330,292
Rail, boat, other	[illegible]	[illegible]

Source: Canadian Consulate General, Ottawa, Canada (Cleveland, Ohio, office).

AIR TRANSPORT ASSOCIATION,
Washington, D.C., May 4, 1983.

Hon. ALAN K. SIMPSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SIMPSON: The Air Transport Association has followed the Immigration and Reform Act, S. 529, with great interest. We are pleased with, and support, the visa waiver provision contained in the bill, but are concerned about Section 218(b) which would require the Attorney General to impose fees on aliens entering the U.S. for the use of border facilities and services of the Immigration and Naturalization Services.

We oppose the imposition of fees on arriving international travelers because the basic responsibilities of the INS were established by the Congress in the broad national interest and do not uniquely benefit the airlines or airline passengers. The proposed legislation directly conflicts with the goal of the National Tourism Policy Act of 1981 to "encourage the free and welcome entry of individuals traveling to the United States," and will inhibit the Secretary of Commerce in the performance of his duty to "encourage to the maximum extent feasible travel to and from the United States . . ." 22 U.S.C. Sec. 2123(b)(12). It is also inconsistent with the clear policy of the Trade Act of 1974, which called for the reduction and elimination of barriers to international trade. Further, it also would contravene the treaty obligations of the United States under the Chicago Convention.

An INS "user fee" for the use of INS facilities for airline passengers would be discriminatory because the airlines and other tenants already bear the costs of the inspection facilities at airports. Therefore, there is no cost associated with airport inspection facilities for the INS. The only remaining cost would be for the brief examination of passports and visas. Since that inspection is performed for the protection of U.S citizens, it cannot be interpreted as a service for the benefit of the alien. Therefore, it would be a violation of the guidelines for user fees as expressed by the President in his budget message for FY '83.

The United States would be virtually alone in the developed world in assessing INS inspection fees if this measure is adopted. (While some countries levy departure fees they are used generally for tourism promotion.) For this reason, any change in the current law would require protracted consultations with other nations under the terms of existing bi-lateral agreements to determine the reasonableness of the new charge. The imposition of an INS "user fee" would invite retaliation and opposition by other nations as it did last year when the U.S. Customs Service proposed a similar fee for its services. (See the attached list for a complete summary of those countries and groups who opposed the previous proposal.) Substantive changes in law with such widespread international implications require thorough examination in a separate hearing process.

Leaders from the tourism industry and from cities which have U.S. international airports fear that procedures, such as the collection of an alien user fee, would create more delays for arriving visitors and would discourage tourism. Some cities have already experienced the negative economic impact of a downturn in the tourism industry as the direct result of the inefficient federal inspection system. (See attached memorandum re: Miami International Airport.)

The imposition of a fee for INS services on aliens will exacerbate ongoing problems of congestion at U.S. airports of entry. For years the airlines, airports, tourism industry and others have worked to minimize long delays for aliens and returning citizens going through the inspection process. Only recently have efforts been successful in obtaining some relief—but these measures are just the beginning. The entire inspection system, including INS, Customs, and Agriculture must be restructured into a system for the most cost-effective and expeditious inspection of passengers and cargo entering the country. Without significant modification of the current system, stop-gap measures, such as "user fees," serve no purpose.

We respectfully urge that the imposition of an INS "user fee" be deferred and that the concept of a consolidated federal inspection system, as described in the enclosed analysis, be examined as an alternative means of improved manpower and financial resource management.

Sincerely,

WILLIAM J. BURHOP,
Senior Vice President,
Government Affairs.

EXCERPTS FROM THE REPORT OF THE AIRPORT ACCESS TASK FORCE ON GROUNDSIDE CONGESTION

FEDERAL INSPECTION SERVICES

Federal Inspection Services (FIS) at U.S. airports are a significant cause of groundside congestion and delay for international air passengers and shippers. FIS congestion and delay detrimentally impact international passenger and cargo facilitation, disrupt the ability of arriving international air passengers to make planned domestic flight connections, significantly affect the movement of urgent shipments in international commerce and can affect the capacity of an airport to accommodate international traffic.

The Airport Access Task Force recommends that:

1. The Federal Government, through the Secretary of Transportation, ensure that studies funded through Federal planning grants to states, regional agencies, and local entities address airport ground access problems and solutions. Such studies include those efforts which lead to the development of state, regional, and local land use, transportation and airport master plans. Timely and effective review and coordination between the various Federal agencies (FHWA, FAA, UMTA, etc.) that provide planning funds should be accomplished to ensure identification of potential problems involving groundside congestion;

2. Congress encourage and support the concept of coordinated and cooperative or joint funding of projects to develop airport ground access facilities by such agencies as the Federal Aviation Administration, Federal Highway Administration, Urban Mass Transportation Administration, state and local governments—since many access problems are not just airport problems;

3. Congress encourage and authorize the use of Federal funds through existing programs for projects to install ground transportation information systems in airport and off-airport terminals. Such information systems should provide up-to-date information about available ground transportation alternatives for the air traveler;

4. Congress support and encourage the development of off-airport terminal facilities by authorizing the use of Federal funds for the development of such facilities. Further, that the Federal Government support and encourage the development of these facilities by ensuring that, during the planning and project development of such facilities, state and local, as well as Federal authorities, are made aware of available funding and coordinate planning and development activities. Further, that airports and airlines recognize that these facilities can be a cost-effective means of relieving congestion at the terminal, approach roads, and parking lot of an airport. Finally, efforts should be focused on overcoming problems associated with remote baggage handling, ticketing, and other passenger services;

5. Services' procedure be modernized and simplified to maximize the efficient use of resources (e.g., dual channel "red/green door" and "one-step" procedures and automated systems such as the National Cargo Control System) and that cross-training of FIS employees be required;

6. Congress consider the consolidation and streamlining of the Federal Inspection Services so as to expedite passenger and cargo flow through ports as well as reduce operating costs;

7. Priority go to staffing that is commensurate with the activity of the port of entry so as to minimize delay; and

8. FIS costs continue to be recognized as costs to be borne by all taxpayers, since the Federal laws requiring inspection were enacted to protect the nation and all of its citizens.

INTERNATIONAL STANDARDS AND RECOMMENDED PRACTICES, FACILITATION, ANNEX 9 TO THE CONVENTION ON INTERNATIONAL CIVIL AVIATION, JULY 1980

Annex 9—Facilitation

3.8.5. Recommended Practice.—*Visas should in all cases include the following information given in the order shown:*

(a) number of visa;

(b) type of visa;

(c) date of issue, showing day, month and year in that order;

(d) date of expiry, showing day, month and year in that order;

(e) number of entries permitted;

(f) authorized duration of each stay.

3.8.6. Recommended Practice.—*Numerals 1, 2, 3, 4, 5, 6, 7, 8, 9, 0 and the Gregorian calendar (with months being spelled out in full) should be used in furnishing the information listed in 3.8.5.*

3.8.7. Recommended Practice.—*When the text of the visa is in a national language other than English, French or Spanish, one of these three languages should also be used.*

III.—ADDITIONAL DOCUMENTATION

3.9 Recommended Practice.—*Contracting States should not require either from temporary visitors traveling by air, or from operators on their behalf, any information in writing supplementary to or repeating that already presented in their identity documents.*

3.10 A Contracting State which continues to require written supplementary information from temporary visitors traveling by air, shall limit its requirements to the items and shall follow the format set forth in Appendix 3—Embarkation/Disembarkation Card. Contracting States shall accept the Embarkation/Disembarkation Card when completed by temporary visitors and shall not require it to be completed or checked by the operator. Legible hand-written script shall be accepted on the card, except where the form specifies block lettering.

3.10.1 Recommended Practice.—*Contracting States which require the presentation of Embarkation/Disembarkation Cards should provide them to airline operators for distribution to passengers.*

IV.—PUBLIC HEALTH REQUIREMENTS

3.11 In cases where evidence of protection against yellow fever is required from persons travelling by air, Contracting States shall accept the International Certificate of Vaccination or Revaccination in the form set out by the World Health Organization in Appendix 2 of the International Health Regulations (1969).

3.12 Recommended Practice.—*Medical examination of persons arriving by air should normally be limited to those disembarking and coming within the incubation period of the disease concerned, as stated in the International Health Regulations (1969), from an area infected with one of the three quarantinable disease (plague, cholera and yellow fever).*

V.—CLEARANCE PROCEDURES

3.13 Except in special circumstances, Contracting States shall not require that identity documents be collected from passengers or crew before they arrive at the passport control points.

3.13.1 After individual presentation by passengers and crew of the identity documents, the public officials concerned shall, except in special individual cases, hand back such documents immediately after examination, rather than withholding them for purposes of obtaining additional control.

3.14 In giving effect to paragraph 3.2, Contracting States shall ensure that examination by clearance control officials is performed as expeditiously as possible.

3.15 Each Contracting State shall make arrangements whereby the identity document of a temporary visitor need be inspected by only one official at times of entry and departure.

Note.—This provision is intended to ensure inspection of the identity document of a temporary visitor by only one official on behalf of both the Immigration and Police authorities. It is not intended to discourage Health and Customs officials from examining the identity document whenever this may facilitate health and customs clearance of the temporary visitor.

3.16 Contracting States shall accept an oral declaration of baggage from passengers and crew.

3.17 Contracting States shall normally accompany inbound passenger baggage inspection on a sampling selective basis.

* * * * *

MEMORANDUM

JANUARY 7, 1983.

To: Honorable Mayor and Board of County Commissioners.
From: M. R. Stierheim, County Manager.
Subject: Federal Inspection Process, Miami International Airport.

Miami International Airport has for well over 20 years suffered with regard to the ability to process arriving international passengers at an adequate rate. This is basically the result of far greater growth at MIA than elsewhere and continuation of historical staffing patterns by the federal agencies favoring areas such as New York. The problem is further complicated at Miami by a much higher percentage of alien arrivals as compared to other major gateways, more difficult processing because of points of origin and, more recently, because of narcotics control measures.

In spite of tremendous local investment in facilities, extensive efforts to obtain improved agency staffing levels and to obtain improved processing procedures, the problem is now worse than ever. On the three days following New Years day the situation at MIA was a disaster. Delays of up to four hours were recorded with average clearance times during some periods exceeding 2½ hours. The established goal for Miami is 45 minutes for peak periods; i.e., worst case.

The effects of this situation are many, serious and long lasting:

1. The international arrivals facility is designed to meter the flow of passengers from the aircraft to the federal inspection passenger processing stations in Immigration and Customs. As a consequence, only limited seating is necessary and, therefore, available.

All halls and passageways were jammed. Access to rest rooms was restricted. Seating for the elderly or infirm was non-existent. People became ill. Police were required to control the crowds to prevent a riot. Safety and health were endangered. Passengers, some completing a lengthy and tiring trip of up to 10 hours, were forced to stand for well over two hours. For the first time in the history of Miami International Airport, passengers had to be held on aircraft as there was no space for them in the international arrivals area.

2. Connecting schedules are based on allowing 1½ hours between flights. Many passengers missed connections because of delays in processing. Many faced either added costs or great inconvenience waiting for another flight.

Airlines, already in a highly tenuous financial plight, were forced to leave with empty seats while the passenger holding the ticket stood in a line for processing and, in many cases, pay for overnight accommodations.

3. One of the major strengths of Miami's air traffic system and the economies of our air carriers is the international hubbing and connecting traffic patterns which have been carefully developed during the decade of the 70's. This connecting traffic supports the routes which provide service for terminating passengers visiting South Florida and also the cargo lift crucial to our community.

The current problem has been an inability to meet volume demands with the staffing available and procedures utilized by one of the four federal agencies involved in the federal inspection process at MIA; namely, Immigration, a part of the U.S. Justice Department responsible to the Attorney General. It should be pointed out that the staffing by Immigration during the worst portion of our recent crisis totaled 13 inspectors. This is equal to the number of inspectors available for the same period in 1970, thirteen years ago. Permanent staffing at the Airport by INS is not acceptable even for the off peak traffic periods. Miami absolutely cannot tolerate this situation.

Permanent staffing assigned to the Airport by Immigration must be brought to or maintained at levels commensurate with traffic volume and levels at other major international gateways. This means that actual trained, available inspectors must meet these levels, not "approved positions", "inspectors on temporary assignment elsewhere", "at the training academy", etc.

Regional/District management must recognize the peak traffic periods that repeat like clockwork year in and year out at the Airport and take steps to meet them well in advance. Personnel must be assigned temporarily part time to the Airport from other duties. Vacations must be scheduled taking traffic levels into account, abuses of sick and funeral leave must be dealt with as a disciplinary matter. Unusual conditions must be anticipated and contingency staffing plans and procedures developed.

A pool of part time inspectors must be budgeted, hired and trained. They should be qualified aviation/airport employees so that they are available for any emergency. We have offered that the employees of the Aviation Department be trained for such part time requirements. We have even offered to pay the cost of the part time emergency employees.

The alternate solution and the only one that will be cost effective and provide the framework and management system to prevent continuous recurrence of incredible inspection clearance delays, is to change the system of inspection by creating one federal inspection agency with one management team, one budget and one responsible agency. The four federal inspection agencies have shown little willingness in the past to pursue this idea of a single inspection agency for a major airport even though the concept is used at smaller airports and land border crossings, and Congress has not been willing to legislate the single agency concept despite strong recommendations for such an inspection system from the General Accounting Office, various Congressional Oversight Committees, the Office of Management and Budget, Air Transport Association, fact finding committees, and numerous business leaders of national repute who have only needed to observe the existing four separate agency federal inspection system for a few hours, or be briefed that such a monster exists, to recommend the one agency concept. We understand that one of the inspection agencies (Customs) is now in support of the one agency concept at airports and would strongly support a test of such a system. Why not Miami and why not now? The more complicated question of whether there should be a single agency for the entire country can be dealt with separately.

Miami has the best international facilities in the world. It has the greatest international potential. It, unfortunately, has the worst reputation among international travelers. This makes the first item meaningless and will destroy the second.

[From the Miami Herald, Jan. 8, 1983]

END THE STACKUP

Among international travelers, Miami International Airport (MIA) is fast developing a reputation as a great place to suffer. Inexcusably irresponsible failures by U.S. Immigration and Naturalization Service (INS) and Customs officials are solely to blame. Their callous disregard for efficiency threatens not only the comfort, convenience, and safety of the travelers that they serve so poorly. These officials also endanger the reputation and economic-development potential of Greater Miami.

Few times are more predictable as peak-travel periods than the first several days after Jan. 1. At MIA's international-arrivals center on those days this year, however, the peak load almost became a mob. Credit inadequate INS and Customs staffing for that.

Travelers entering that MIA facility had just escaped up to 10 hours cramped in airliner seats, bear in mind. Because of the INS-Customs breakdown, this is what they found:

All halls were jammed. Few seats were available. Access to restrooms was restricted. People became ill. Tempers frayed. Eventually police were summoned to control the crowds, lest they riot.

The average international traveler being processed through MIA then had to wait 2½ hours to gain clearance. Some people waited as long as four hours. Who wouldn't be outraged?

The INS was most to blame. Even under normal conditions, INS staffing at MIA is skimpy. This time it was worse. For extended periods during the peak, only 13 INS agents staffed the 34 available inspection booths. INS's best effort was to man 19 booths. Even that level seldom was attained. One reason was the unprecedented amount of sick and funeral leave taken then by INS staff.

Customs provided 32 agents at peak. Because of strict, inefficient procedural rules, however, the Customs staff is prohibited from doing INS work, so the larger Customs staff made little difference.

This kind of outrage causes many serious ripple effects. The bad word travels fast and far. International travelers often are trend setters and opinion leaders back home.

Many of them missed connecting flights. Neither they nor the airlines need that. Airlines either make money or move operations elsewhere. Many are transferring their international business from MIA to Houston, Atlanta, Dallas-Ft. Worth, even Tampa and Orlando. Loss of that market share will affect passenger and cargo traffic at MIA.

It's simply intolerable that Miami should have to bear this unwarranted burden. Bureaucratic bungling of Federal agencies is principally at fault. From Customs and INS must come the obvious solution—and fast. They must assure sufficient staff at MIA to eliminate this recurring debacle.

Bureaucrats can be slow to move unless the political blowtorch of budgetary pressure is set alight beneath their backsides. South Florida's representatives in Washington have plenty of fuel and many matches. They should not hesitate to turn the heat high.

WORKING PAPER: CAB AIRPORT ACCESS TASK FORCE: WORKING GROUP C—AIRPORT ACCESS AND FEDERAL INSPECTION SERVICES, DECEMBER 17, 1982

(Presented by H. Clifton Madison, Vice President, Western Airlines)

Federal Inspection Services (FIS) at U.S. airports are among the major causes of groundside congestion and delay for air passengers and shippers. FIS congestion and delay detrimentally impacts international passenger and cargo facilitation, disrupts the ability of inbound international passengers to make planned domestic flight connections, and can potentially limit the capacity of an airport to accommodate international traffic. The FIS problem is, therefore, an appropriate area to be addressed by the Task Force as part of its examination of groundside issues.

In 1981, over 20 million international passengers were processed through FIS at U.S. gateway and preclearance airports, and this sector of air travel has shown consistent growth over the years. It is the stated policy of the U.S. government, as articulated in the International Air Transportation Competition Act of 1979, that international air travel should be encouraged from a greater number of U.S. gateway cities to a greater number of cities abroad. Unfortunately, U.S. customs and immigration inspector staffing has fallen behind the growth rate of international air travel.

There has been, and continues to be, severe congestion in processing international travelers through customs and immigration formalities at most U.S. airports of entry and preclearance airports. Delays, at times approaching 2 to 3 hours per flight, are not uncommon at the preclearance airports of Montreal and Toronto and at our airports in Alanta, Baltimore, Chicago, Denver, Detroit, Fort Lauderdale, Honolulu, Los Angeles, Miami, Houston, Minneapolis, New York (Kennedy), San Francisco, Seattle and Tampa, among others.

International airline operations are currently constrained at several U.S. airports due to FIS processing limitations. At New York (Kennedy), for example, the Airline Scheduling Committee must coordinate aircraft arrival schedules to accommodate hourly passenger processing limitations and thereby minimize congestion and delay at JFK International Arrivals Building gates and inspection facilities. At other airports,

assignment of processing "slots" for arriving aircraft loads constrains operational flexibility and effective capacity. Unless significant increases in FIS staffing levels or streamlining of procedures are made, these problems will continue and worsen in the future.

Either adequate numbers of inspectors must be authorized by the Congress or a high priority program to reduce inspector workload—through modernization, simplification, and consolidation of the functions of the several inspection agencies—must be initiated. Measures to facilitate the entry of international air travelers and shipments have been recommended, including:

1. Consolidate the several inspection functions required for the clearance of travelers and goods entering the country.

2. Reallocate headquarters and regional resources to increase inspection agency manpower complements in the field.

3. Reduce and simplify the inspection process for Customs and Immigration to permit the most efficient use of available resources. Namely:

(a) extend preclearance—inspection of passengers and baggage prior to departure from a foreign country—to other locations,

(b) implement the red/green door inspection procedure—or a modification of it—whereby the traveler determines whether or not he must go through Customs formalities,

(c) extend the one-step inspection procedure now operational at Edmonton, Houston, Kennedy Airport satellite terminals, Los Angeles temporary facility and Philadelphia, to other U.S. airports of entry and preclearance airports,

(d) introduce sampling techniques for processing air passengers and freight,

(e) simplify U.S. Customs processing of U.S. international air freight through the introduction by that agency of an automated control system, and

(f) reduce inspection agency documentation requirements to process international air passengers and air freight, for example, by simplifying the shipper's export declaration and eliminating arrival/departure cards for transit without visa passengers.

4. Amend the Tariff Act of 1930 to simplify U.S. tariff schedule computations for assessing Customs duties covering freight importations into the United States, paralleling those changes already implemented for passengers baggage importations.

These measures will help meet the continued growth of international air travel and mitigate the need for major expansions in inspector staffing. A significant case-in-point is the ASIST procedure recently evaluated at Miami and Los Angeles. The procedure has simplified and significantly accelerated both immigration and customs inspection formalities, and has been an important first step toward the development of a more selective and efficient passenger inspection system which now should be expanded nationwide. Unfortunately, ASIST was terminated by Customs at Miami on November 1, 1982.

Under the ASIST procedure, immigration inspectors are augmented with customs inspectors at primary immigration booths. The inspectors of the two agencies are cross-trained to perform each other's functions as well as that of agriculture quarantine. Deplaning travelers undergo inspection formalities with only their hand-carried baggage in their possession. If an immigration, customs or agricultural problem arises, or if duty payment is required, the traveler is referred to the appropriate inspection agency secondary position. Checked baggage is not claimed by the passenger until primary inspection at the immigration booth is completed. The airport authorities at Miami and Los Angeles, the international airlines serving these locations, and arriving travelers have all acclaimed the ASIST procedure. Airports desiring to begin the procedure should be permitted to implement ASIST and other streamlined procedures at the earliest practicable time.

An immediate, short-term cause of current FIS congestion is the misguided reduction and curtailment of Customs and Immigration Inspectors staffing as a way of curbing federal expenditures. Unfortunately, in the government wide search for ways to curb expenditures, efforts are being made to shift the cost of providing many government services to the "beneficiaries" or "users" of such services.

Airlines and airline passengers are not the "beneficiaries" of Customs and immigration inspection services. They certainly are "users", but only because they are required by federal law to be inspected. They receive no special benefit unique to airlines or airline passengers from the inspection, in fact, the inspection process itself is a distinct disadvantage in terms of loss of time and convenience. What frequently is overlooked is that the federal laws requiring the inspection were enacted to protect the nation and all of its citizens—by preventing the entry of undesirable products and persons, by preventing the entry of animal and plant diseases, by tariff enforcement protecting American labor and business from destructive foreign competition and discrimination, and by collecting duties on imported goods. The cost of carrying out these laws should be borne by all taxpayers.

CONCLUSIONS AND RECOMMENDATIONS

FIS staffing levels today are unable to meet airport inspection demands without long delays and serious public inconvenience. This situation will worsen significantly unless immediate positive action is taken to deal with it. Either adequate numbers of inspectors, or a high priority program to reduce inspector workload—through the steps toward modernization, simplification, and consolidation of the inspection process cited above, are urgently needed. Otherwise, FIS congestion and delay will continue to be a major groundside access constraint at U.S international airports and preclearance airports abroad.

SUMMARY OF COMMENTS FILED IN CUSTOMS' DOCKET ON USER FEES

1. OCEANAIR LINE

7-28-82: Seeks exemption of carriers operating smaller aircraft "as the additional costs would be quite burdensome."

2. JAPANESE GOVERNMENT

7-30-82: Seeks exemption "since U.S. commercial airlines to and from Japan are not charged any such fees as those proposed by the U.S. Customs Service."

3. NORTH DAKOTA AERONAUTICS COMMISSION

7-24-82: "North Dakota commercial air taxi operators * * * request an Exemption from the coverage of the rule or any part, thereof, for small entities."

Requests Customs to provide in its rule an alternative to the proposed amendments which will "* * * minimize such significant economic impact of the proposed rule to small entities." Such alternative should exclude all small commercial on-demand air taxi air carriers and other air carriers operating 60 passengers or less or 25,000 pounds of cargo, or 20 passengers or less or 12,500 pounds of cargo.

4. POMPANO AIRWAYS

7-26-82: Opposed to proposed rule. Pompano would be adversely affected by regulation.

5. AIR JAMAICA

7-28-82: Opposes proposed rule: 1. Economic burdens; 2. Discriminatory in that Jamaican government doesn't impose similar tax on U.S. carrier; and 3. Would violate provisions of Chicago Convention.

6. EUROPEAN NORTH ATLANTIC CARRIERS

7-27-82: Opposes proposed rule. Violation of Chicago Convention and various bilateral air transport agreements.

7. FAA

7-28-82: Strongly objects. Costs "of activities for which Customs proposes to levy charges on commercial aircraft operators" should be borne by the general public. Violates international agreements.

8. ITALIAN GOVERNMENT

7-26-82: Opposed. Violates current bilaterals. Would create imbalance between Alitalia and U.S.

9. AIR TRANSPORT ASSN. OF CANADA

7-21-82: Opposed. Unwarranted costs on Canadian air carriers serving U.S. points.

10. DEPARTMENT OF STATE

7-23-82: Opposed. ". . . would be inconsistent with international treaties and bilateral aviation agreements to which U.S. is a party."

11. HELLENIC CIVIL AVIATION AUTHORITY

7-26-82: Opposed. Costs should be borne by U.S. government.

12. REPUBLIC OF SOUTH AFRICA

7-26-82: Request for extra time.

13. BELGIAN DIRECTOR GENERAL OF CIVIL AVIATION

7-26-82: Opposed.

14. FRENCH GOVERNMENT

7-26-82: Authorities are presently studying proposal.

15. EMBASSY OF CANADA

7-26-82: Opposed. Would violate international agreements.

16. NATIONAL AIR CARRIER ASSN.

7-26-82: Opposed. 1. Discriminates between commercial and private aircraft; 2. Commercial aircraft pay for overtime Customs services and should not have to pay for normal hours of work; 3. Customs processing does not directly benefit air carriers; 4. Questions of law; and 5. Refrain from imposition till necessary legislation submitted to and approved by Congress.

17. JAPAN AIR LINES

7-26-82: Opposed. 1. Proposal based on erroneous construction of I.O.A.A.; 2. Proposal does not meet criteria for permissible service "fee"; 3. If burden to fall on some international airlines, must be done by Congressional legislation, not Customs regulation; 4. Airlines should not be expected to bear economic burden; and 5. Imposition of fees may provoke retaliation by other countries against U.S. airlines operating abroad.

18. NY-NJ PORT AUTHORITY

7-26-82: Opposed. Airlines should not have to bear burden.

19. PRINAIR

7-26-82: Seeks exemption identical to that being sought by North Dakota Aeronautics Commission.

20. PORTUGUESE EMBASSY

7-26-82: Extension of time.

21. OK AVIATION (BISMARCK, ND)

7-22-82: Opposed. "Utterly unconscionable."

22. RED AIRCRAFT SERVICE, INC. (FT. LAUDERDALE)

7-26-82: Same as Pompano Airways.

23. VIRGIN AIR

7-21-82: Strongly opposed. People will be unable to absorb costs.

24. IATA (FILED BY RODNEY WALLIS, DIR., FACILITATION & SECURITY)

7-19-82: Opposed. Disregard for economic environment.

25. RAA

7-26-82: Seeks exemption for operations with small aircraft. (Attached to RAA's comments is a copy of their comments filed with CAB in Docket 40673, "Regulatory Flexibility Act—Definition of Small Business," 7-27-82).

26. AIR FRANCE

7-23-82: Opposed. Customs Service does no service for the airlines. "User" of Customs Service is U.S. Government itself. International carriers and passengers shouldn't have to pay.

27. FEDERAL REPUBLIC OF GERMANY

7-22-82: Opposed. Carriers and passengers shouldn't pay; not beneficiaries of Customs services. Seeks exemption for German carriers.

28. AIR NIUGINI

7-12-82: Opposed. Airlines would suffer financial burden.

29. VIRGIN ISLANDS LEGISLATURE

7-13-82: Strongly opposed. Fees would hurt small carriers on which Islands rely.

30. SERVAIR ACCESSORIES, INC. (WILLISTON, ND)

7-13-82: SerVair is operator of small aircraft. Opposes Customs' proposed rule. Would suffer economic burden.

31. PILGRIM AIRLINES

7-12-82: Opposed. Will suffer severely and disproportionately.

32. IATA (HAMMARSKJOLD)

6-15-82: Opposed. Disregard for economic environment.

33. ATA

(Not included in set of documents offered for inspection.)

AMERICAN AUTOMOBILE ASSOCIATION,
Falls Church, Va., May 10, 1983.

Hon. ALAN K. SIMPSON,
Chairman, Subcommittee on Immigration and Refugee Policy, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The American Automobile Association is concerned over a provision contained in Sec. 114 of S. 519, the Immigration Reform and Control Act of 1983, which mandates the imposition of fees on aliens with respect to their use of Immigration and Naturalization Service border facilities and services, in order to offset the costs arising from the use of such facilities.

It is our understanding that, as written, this language would include international travelers in the definition of "aliens."

We wish to note our strong opposition to such fees. The fees proposed by Sec. 114 are not user fees; rather, they are a tax on aliens. Those who would be required to pay the tax would receive no benefit from it. In fact, there is really no relationship between border patrols and international travelers. Border facilities are maintained for the protection of U.S. citizens, not aliens. The fee proposed in Sec. 114 is therefore not a true user fee.

AAA has supported the concept of user fees in the past, most notably the federal gasoline tax to fund development of the Interstate system, and airline ticket taxes to help fund airport and airway development. Those who pay such taxes directly benefit from them.

Furthermore, the fee is discriminatory, because it would be imposed only on aliens, not U.S. citizens. No other country in the world, except the Philippines and Venezuela, imposes a tax similar to that proposed in Sec. 114. The Philippine tax is a head tax imposed only on those visitors whose stay in the country exceeds 59 days.

Moreover, a policy such as that contained in Sec. 114 conflicts directly with the policy set forth in Sec. 101(b)(3) of the National Tourism Policy Act which states: "There is established a national tourism policy to encourage the free and welcome entry of individuals traveling to the United States, in order to enhance international understanding and goodwill. . . ."

At a time when the U.S. is trying to encourage travel to this country from abroad, as well as encourage other countries to eliminate barriers to travel by U.S. citizens, a tax such as that proposed in Sec. 114 is unwise.

AAA urges you, as the sponsor of S. 529, to make clear during Senate consideration of this legislation that such fees are not intended to be imposed upon international travelers.

We appreciate any help you may provide on this matter and hope you feel free to call us if you have any questions.

Sincerely,

JOHN ARCHER,
Managing Director, Government Affairs.

Mr. WARNER. Mr. President, at this time I yield to my distinguished colleague from Montana.

Mr. BAUCUS. Mr. President, may I inquire, what is the pending business?

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia (Mr. WARNER) is the pending business.

AMENDMENT NO. 1270

(Purpose: To eliminate the provisions imposing fees for an alien's use of border facilities)

Mr. BAUCUS. Mr. President, I ask unanimous consent that I may be able to send an amendment to the desk and it be considered as a substitute amendment to the pending amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. BAUCUS) proposes an amendment numbered 1270.

On page 102, strike out "Sec. 114. Fees.".

On page 121, strike out all of section 114, line 4 to line 20.

Mr. BAUCUS. Mr. President, this is a very simple amendment. It would simply delete the fees section of the bill.

I offer this amendment for several reasons. First of all, I think it is fundamentally unsound for our country to begin imposing fees on travelers, who wish to come to America from other countries to enjoy vacations or transact business. We do not charge such fees now, and we should not begin doing it.

I have a particular interest in this issue because we in Montana enjoy a very cordial relationship with our neighboring country, Canada. There are three Canadian Provinces which border the State of Montana. Montanans have always been able to travel freely in Canada, and Canadians have likewise been able to travel freely in the Montana area and other States. I would hate to see Congress interfere with this friendly and cooperative relationship.

I also object to the fees provision on a general level. I do not think we should be sending a signal to the rest of the world that people coming to visit the United States will now have to pay a fee for that privilege. This is neither an acceptable precedent for the future not an acceptable departure from our traditions of the past.

Second, the language of the bill on the imposition of fees is so open-ended, so broad, and so vague that it gives authority to the executive branch of the Government to levy essentially any fee. The language says:

> The Attorney General, after consultation with the Secretary of State, shall impose fees for aliens' use of border facilities or services of the INS in an amount necessary to make the total of such fees substantially equal to the cost of maintaining and operating such facilities and services.

Mr. President, that provision is broad enough to encompass almost anything. Under the proposed language, almost any cost having anything to do with the Immigration Service, could be and, in fact, must be, charged to foreigners who come to visit the United States. The provision of the bill is simply too broadly drawn.

Third, Mr. President, there has been virtually no focus on this provision of the bill. It has been raised in a very passive, tangential way in committee hearings, but I have no recollection in markup of any discussion about this issue. It is a small portion of a large bill, and it has been essentially unnoticed. But now that I have noticed it, I find its implications on our internal economic development and our external foreign relations profoundly disturbing. There are just too many questions that should be answered before we enact a provision that could affect so many areas of our lives.

I understand that the intention of this provision is to collect fees, to take a step toward balancing the budget.

It should be noted however, that the fees to be collected under this provision of the bill are not earmarked. They will not go to the INS but to the general fund of the Treasury. So the INS still has to come before the Congress, before the Appropriations Committee, to get their appropriations. The fees provision of the bill is not in reality going to help defray INS costs.

Finally, I just think the imposition of border fees is a bad idea. I can understand the reason that the provision is in the bill—to raise some money. But think of the precedent it will set. As soon as the United States starts taxing people who come to the United States to visit, on vacation or on business, other countries will start doing the same thing. A series of reciprocal and escalating fees will cause an unnecessary strain between the United States and foreign countries. For that reason, Mr. President, I think we should vote down this provision.

Mr. WARNER. Mr. President, in response to my distinguished colleague from Montana, I wish to point out that the difference, of course, in our two amendments is that mine parallels identically the language in the House and is permissive in nature.

I share the sentiments of the Senator from Montana that this fee situation could be an impediment to tourism and daily commerce from Mexico and Canada.

It is for that reason that I selected a permissive approach to this issue, enabling the appropriate departments and agencies of the Federal Government to determine if, in fact, there is a means by which certain fees could be collected.

I am wondering if the Senator might consider the permissive aspect as curing the problem, primarily in his geographic area of the United States, and, if he would consider that satisfactory, perhaps joining me in this amendment?

Mr. BAUCUS. Is the Senator asking me a question?

Mr. WARNER. Yes; the question is this: Would the Senator consider a permissive approach, enabling the various departments and agencies of the Federal Government to try to collect some fees under circumstances that would not be injurious to the flow of people across our borders? Yet, it could be imposed on people coming for nontourist or business purposes.

Mr. BAUCUS. I understand the concern of the Senator from Virginia. The Senator from Virginia wishes the Senator from Montana to modify the language in the pending bill so that it is similar to the House bill. At present, the Senate bill has mandatory language, requiring the administration to collect fees in amounts equal to operating services and facilities. The language of the House bill is discretionary.

Mr. President, I must answer the Senator from Virginia by saying I do not think that making the provision discretionary is an appropriate solution.

The State Department is in very strong opposition to any fees. So some agrue that if the State Department is opposed and the fees are made discretionary, no fees will be imposed. My response is that, if we all agree that no fees will be imposed anyway, why not just delete the fees provision from the bill?

Deleting the whole section makes our action absolutely clear to everyone—to the State Department, to Congress, to Americans, and to foreigners traveling to the United States—that this is no longer an issue, that there is no question, that no fees will be imposed.

The other problem is that the prepared discretionary language is just as open ended, just as broad, as the bill's original language. In either case, we have no way of knowing what we are getting into.

I suggest that, instead of legislating bad language, let us delete it and take it from there.

Mr. WARNER. I will defer to the sponsor of the bill to define the generic issue. Mine is the addition of the word "may."

It seems to me that we are faced with three alternatives: First, it is made mandatory by the pending bill. Second, I am making it discretionary. Third, the Senator from Montana wants to remove it altogether.

Considering those three positions, I think it appropriate at this time if we hear from the manager of the bill. In particular, I should like clarification of the administration's position.

I share the view expressed by the Senator from Montana; namely, that the Department of State is opposed. I am aware of that. I am also of the opinion that some other segments of the Federal Government are anxious to have the discretionary power to levy some fees.

Mr. SIMPSON. Mr. President, it seems to me that a few minutes ago, Senator WARNER and Senator BAUCUS were involved in this; and now I see that the ball is being fired at the plate, and I am behind the plate.

The issue is the amendment offered by the Senator from Virginia which would remove the mandatory "shall" and make it a permissive, "may," and a substitute by the Senator from Montana which would simply repeal the user fee provision. That is where we are.

I will say just a very few things, because I want to get to the amendment by Senator BUMPERS and accommodate him, and I am sure we can accommodate him on the vote tomorrow, also. I do not think the Senator from North Carolina will have an objection to that.

The fees have been described as entry fees. Actually, they could be imposed either on entry or departure. They are user fees. The Senator from Montana is correct: Those funds are not earmarked. OMB vigorously opposed earmarking, although we did earmark application for legalization fees. But the provision was in the original bill in the 97th Congress. It was in the bill when it was introduced in the 98th Congress, and it had not been changed in the course of markup.

The State Department is less than enthusiastic; that is true. But both Congress and the Office of Management and Budget have been notoriously tightfisted with the Immigration and Naturalization Service.

The past inability of the INS to provide prompt and efficient service is notorious. Border enforcement and interior enforcement have been insufficient and ineffective.

I think Commissioner Allen Nelson is turning it around and is doing a very credible job.

I will conclude, and we can ask for the yeas and nays on the substitute tomorrow.

The committee's idea through the use of mandatory user fees was to provide funds to offset the cost of the facilities and services used by aliens crossing our borders.

Many countries do impose departure fees on persons leaving their borders. The provisions in the bill would permit the imposition of either an entry or a departure fee, whichever the administration deems the most appropriate.

The fees contemplated originally were small: Perhaps 25 cents per person at land crossings and around $1 per person at airports or seaports. That was the intent.

The approach is consistent with the present intention in Government, at least at some other levels to impose user fees, having the people who use the systems pay for the system. The income generated from those fees would improve the service which we furnish to people at the points of entry. The lines would be shortened and service improved through use of funds generated through the user fees.

At this juncture, I personally embrace the view of my colleague from Virginia. It matches the language of the House of Representatives making it permissive instead of mandatory, rather than repeal the fee provision. Maybe we could visit further about the issue of the land crossing fee versus an airport fee or a seaport fee. That is certainly something I would be willing to consider.

Mr. WARNER. Mr. President, will the Senator from Wyoming yield?

Mr. SIMPSON. I yield.

Mr. WARNER. Mr. President, I respect my colleague from Montana. Had he not offered his amendment it is likely the manager of the bill would have accepted my amendment.

Mr. SIMPSON. Mr. President, if the Senator from Montana is accommodating the Senator from Virginia I would accept the amendment in the form of permissive rather than mandatory.

Mr. WARNER. So really the sole issue before the Senate then is to look at a permissive versus mandatory and the managers of the bill are prepared to accept the permissive approach.

Mr. SIMPSON. That is correct for this manager of the bill.

Mr. WARNER. I thank the Senator.

Mr. KENNEDY. Mr. President, I commend the Senator from Montana for bringing this issue to the attention of the Senate.

This particular provision was in the legislation that passed last year.

There were members of the Judiciary Committee, including myself, who were concerned about it, so we inquired about it from the State Department. I must say they were remarkably slow in getting back to us with their own concerns.

Finally, as has been well-stated by the Senator from Montana, when they have reviewed it and reviewed it in very considerable detail, I think the Senator has understated the kind of anxiety they feel and their fear of the implications this provision will have—of the United States being the first country in the world that puts the tin cup out for people when they are coming into this country or coming back into this country. The implications of that I think are profound indeed. Myself, I think they are beneath the dignity of this Nation.

I think we are all familiar with the kinds of fees that have been established to date, the visa fees to pay for consular services, which are quite appropriate. Almost every nation in the world does it. There are the airport fees which we have seen in country after country. Nations do that. There are other kinds of generally accepted exit fees that take place.

If that were what was being intended by this particular provision in the bill, I would certainly hope that it would be sustained. But I think the Senator is quite correct that the language does not say that.

If the language remains as it is in the legislation, I can see not only the possibility of an Attorney General and the Immigration Service establishing an odious kind of process and procedure. I can see other countries establishing similar kinds of restrictions against U.S. citizens when they are traveling abroad. It does seem to me to be highly objectionable for the very sensible reasons the Senator from Montana has stated.

I would hope that over the period of the nighttime—prior to the time that we would vote on this measure—that we could work out a compromise, which would be sufficiently discretionary in terms of the future, but that we agree on what is acceptable and what is responsible and that there be a common understanding by the Members of the Senate exactly what this provision will actually mean.

I, too, am troubled by the discretionary provisions, but as I understand the comments of the Senator from Wyoming in the listing of the kinds of fees he thought would be included, they were the most traditional kinds of fees, and those I think have a general acceptance and understanding in international relations, and were we to come out in that particular way then I think that the Senator's objective would be accomplished. But if we are not able to reach that compromise, I would vote with the Senator from Montana on this amendment and I think he is quite correct.

Mr. BAUCUS. Mr. President, I very much appreciate the remarks of the Senator from Massachusetts. I am not going to take much more of the Senate's time here. We have other matters to attend to.

Let me say, first, that as I understand present law, the kind of matters, the Senator from Wyoming wishes to see covered are already covered. We do not need this provision for airport-type user fees and visa fees.

Second, the fees provision causes a problem because about one-sixth of our border crossings in the North are unmanned. Who is going to collect the fees as Canadians come across or as they go back across? There is no one there to collect them. They are small, remote stations. It is a minor matter, but if we have to have someone collect the fees, that in itself, is going to increase INS costs.

More fundamentally, I do not think imposing border fees is proper or right.

The Senator from Massachusetts says it is demeaning to the United States to start imposing fees on people who come to visit the United States. I agree. If we require these fees, the Statue of Liberty will thereafter be heard to say: "Give Me Your Tired, Your Poor and Your Buck." I do not think that is what we want the Statue of Liberty to represent.

Mr. President, I wish to yield the floor, and I do ask for the yeas and nays on the substitute amendment.

The PRESIDING OFFICER. It there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMPSON. Mr. President, Senator Baucus comes from a State immediately contiguous to me on the north. We, in that part of the world, are familiar with persons who are illegal undocumented workers from Canada. It is odd in these United States we do not always think of them in the same way we think of other illegal undocumented alien persons but, nevertheless, they are the same in every way.

We have vowed never to speak about the Statue of Liberty in this debate, and the Senator from Montana has strayed from the official ground rules and will be severely chastised at some later time.

Fees are now being assessed, as the Senator says, but they are not user fees. We were just trying to frame a user fee.

But I would hope the staffs might work this evening and maybe go on to address what Senator Kennedy is saying with regard to the possibility of the designation of a user fee. But if not, the yeas and nays have been asked for and we will deal with the issue tomorrow. I think the case has been stated.

I yield back the remainder of my time.

Mr. BUMPERS. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The question needs to be resolved on the underlying Warner amendment.

Are the yeas and nays to be ordered on the underlying amendment?

Mr. WARNER. Mr. President, I heard the question. Was there a sufficient second?

The PRESIDING OFFICER. That was on the Baucus substitute.

Mr. WARNER. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 1271

(Purpose: To eliminate the investor preference)

Mr. BUMPERS. Mr. President, is my amendment in order?

The PRESIDING OFFICER. Yes.

Mr. BUMPERS. Mr. President, I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arkansas (Mr. Bumpers) proposes an amendment numbered 1271. On page 157, beginning with line 19, strike out all through page 158, line 6.

Mr. BUMPERS. Mr. President, there are 20 minutes on this amendment to be equally divided and as far as I am concerned, we can probably dispose of it even in less time than that. It is a very simple amendment.

I wish to explain to my colleagues a category included in this bill about which very little or nothing is being said.

No. 1, in the broad category of independent preference, that is a broad category, and under independent preference are four different classifications.

First, if there happens to be an Einstein somewhere wanting in this country, someone with exceptional ability, he can be admitted and he has high priority under this particular classification.

Second, anyone who has a skill that is needed in this country. It is just a skilled worker preference. He can be admitted.

They are the second priority within that classification.

The third one and the one to which I take exception is called investor preference. Before I tell you what investor preference means, Mr. President, let me make this point: In this broad classification, 75,000 people can be admitted into this country within those categories—exceptional ability, as I say, the kind of mind that Einstein might have, if it happens to be something we need. That is No. 1. Skilled workers are No. 2. Those who have money to invest in this country to start a business are No. 3. Out of the 75,000 people in those categories, only 7,500 can be admitted under the investor preference. That is not likely to happen, because here is the existing law.

It is not existing law; actually, it is just something the Attorney General set up in 1978, that anybody who had $40,000 and wanted to employ one person in this country could get in under the existing rule. It is not legislative, it is not a part of the immigration law, it is just something the Attorney General put in in 1978. Not one person has ever been admitted to the United States under that category, and I am glad.

But here comes this bill. This bill provides that anybody in this category who has $250,000 and wants to hire 10 people gets a preference.

AMENDMENT NO. 1270

The PRESIDING OFFICER. The question recurs on the Baucus amendment No. 1270. Five minutes is allowed for debate. Who yields time?

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, after consultation with the author of the substitute amendment, the Senator from Montana, and with the managers of the bill, I am prepared to indicate that I accept the substitute amendment to my amendment. Therefore, my amendment becomes the Baucus amendment and I join with the distinguished Senator from Montana. It is my understanding that the manager of the bill is prepared to accept it. In that case, Mr. President, I move that the yeas and nays be vitiated.

The PRESIDING OFFICER. On which amendment?

Mr. WARNER. Mr. President, I have an amendment pending to which the Senator from Montana has a substitute amendment. I am prepared to accept his substitute amendment, thereby vitiating my amendment. I join with the Senator from Montana.

The PRESIDING OFFICER. Is there objection?

Mr. BAUCUS. Reserving the right to object, on which amendment is the Senator from Virginia having the rollcall vote vitiated?

Mr. WARNER. On both amendments.

Mr. BAUCUS. Mr. President, I appreciate having the yeas and nays vitiated on the Warner amendment. However, I wish to retain the yeas and nays on the Baucus amendment.

Mr. SIMPSON. Does the Senator from Montana recognize that if this accommodation had been made as the Senator from Virginia has indicated, this side of the aisle will accept the amendment, agree to take it?

Mr. BAUCUS. I thank the Senator from Wyoming. However, Mr. President, I believe the amendment to delete the fees provision is an important one. I would like to provide all my colleagues with the opportunity to go on record as supporting and reaffirming America's historical commitment to open border access. And therefore I would like to have a vote on the amendment.

Mr. KENNEDY. Mr. President, I spoke in favor of the amendment of the Senator from Montana yesterday. I welcome the fact that the Senator from Wyoming has been as accommodating as he has been. I will be glad to vote for it. I would have voted for it yesterday. However, I will certainly give every assurance that in the conference we will make every effort to see that it is carried forward. With all due respect, I do not know that it will make a great deal of difference in the conference if we have a vote or not. If the Senator wants to pursue that, it is fine with me. I think it is a question of the Senator from Wyoming wanting to move ahead on the legislation that he made the request.

Mr. BAUCUS. I very much appreciate the views and support of the Senator from Massachusetts and the Senator from Wyoming. I still believe however, that it would be beneficial to have a rollcall vote on the amendment.

Mr. SIMPSON. Mr. President, will the Chair review the status of this vote for the Members present?

Mr. KENNEDY. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

If all time has been yielded back on the amendment, there will be a 10-minute rollcall vote.

Mr. SIMPSON. I ask for a review of the status. We have now had Senator Warner relinquishing his position and now we go

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back to the amendment of the Senator from Montana. Is that correct? The Senator from Virginia has joined the Senator from Montana as a cosponsor of the amendment.

The PRESIDING OFFICER. That would not change the parliamentary procedure. We would still vote on the Baucus amendment.

Mr. SIMPSON. I ask unanimous consent that the yeas and nays be vitiated on the Warner amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SIMPSON. How much time remains, then? Is it 2½ minutes?

The PRESIDING OFFICER. One minute remains.

Mr. SIMPSON. Let me just say, Mr. President, that I appreciate the work the Senator from Virginia, the Senator from Massachusetts, and the Senator from Montana have done with regard to this. I assure the Senator from Montana that I embrace what Senator Kennedy has said about supporting the position in conference. He will have to test me to see if I do that. He will find that that will be so.

We intend to hold hearings on this issue of perhaps separating out seaports and airports, instead of a regular border point type of charge. We will look into that carefully. I will support the amendment.

Mr. BAUCUS. Mr. President, I thank the Senator from Wyoming. He has been very gracious in helping me on this amendment. I thank him for that assistance.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Alaska (Mr. Murkowski) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. Bumpers), the Senator from Arizona (Mr. DeConcini), the Senator from Kentucky (Mr. Ford), the Senator from South Carolina (Mr. Hollings), and the Senator from Rhode Island (Mr. Pell) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pell) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 91, nays 3, as follows:

[Rollcall Vote No. 93 Leg.]

YEAS—91

Abdnor, Andrews, Armstrong, Baker, Baucus, Bentsen, Biden, Bingaman, Boren, Boschwitz, Bradley, Burdick, Byrd, Chafee, Chiles, Cochran, Cohen, Cranston, D'Amato, Danforth, Denton, Dixon, Dodd, Dole, Domenici, Eagleton, East, Exon, Garn, Glenn, Goldwater, Gorton, Grassley, Hart, Hatch, Hatfield, Hawkins, Hecht, Heflin, Heinz, Huddleston, Inouye, Jackson, Jepsen, Johnston, Kassebaum, Kasten, Kennedy, Lautenberg, Laxalt, Leahy, Levin, Long, Lugar, Mathias, Matsunaga, Mattingly, McClure, Melcher, Metzenbaum, Mitchell, Moynihan, Nickles, Nunn, Packwood, Percy, Pressler, Proxmire, Pryor, Quayle, Randolph, Riegle, Roth, Rudman, Sarbanes, Sasser, Simpson, Specter, Stafford, Stennis, Stevens, Symms, Thurmond, Tower, Trible, Tsongas, Wallop, Warner, Weicker, Wilson, Zorinsky.

NAYS—3

Durenberger, Helms, Humphrey.

NOT VOTING—6

Bumpers, DeConcini, Ford, Hollings, Murkowski, Pell.

So the amendment (No. 1270) was agreed to.

AMENDMENT NUMBER 1269, AS AMENDED

The PRESIDING OFFICER. The question is on agreeing to the Warner amendment (No. 1269), as amended.

The amendment (No. 1269), as amended, was agreed to.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment. Without objection, the amendment is agreed to.

The amendment (No. 593) was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAUCUS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Hatfield). Without objection, it is so ordered.

AMENDMENT NO. 594

(Purpose: To insert a new section heading)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. Hatch] proposes an amendment numbered 594.

Mr. HATCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 68, between lines 5 and 6, insert the following new section heading:

SEC. 125. SEASONAL AGRICULTURAL WORKER PROGRAM.

AMENDMENT NO. 595 TO AMENDMENT NO. 594

(Purpose: To provide a seasonal agricultural worker program for employment in perishable commodities)

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mr. Wilson] proposes an amendment numbered 595 to Amendment No. 594.

Mr. WILSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the proposed amendment, strike out all after "Sec. 125." and insert in lieu thereof the following:

SEASONAL AGRICULTURAL WORKER PROGRAM.

(a) Providing New "O" Nonimmigrant Classification for Seasonal Agricultural Workers.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by this Act, is further amended—

(1) by inserting "and other than seasonal agricultural services in perishable commodities described in section 217(h)(1)" in subparagraph (H)(ii) after "section 216(h)(1)";

(2) by striking out "or" at the end of subparagraph (M);

(3) by striking out the period at the end of subparagraph (N) and inserting in lieu thereof "; or";

(4) by adding at the end the following new subparagraph:

"(O) an alien having a residence in a foreign country which he has no intention of abandoning who is coming to the United States to perform seasonal agricultural services in perishable commodities (as defined in section 217(h)(1)).".

(b) Admission of Seasonal Agricultural Workers.—Chapter 2 of title II is amended by adding after section 216 the following new section:

"SEC. 217. ADMISSION OF SEASONAL AGRICULTURAL WORKERS.

"(a) Establishment of Seasonal Agricultural Worker Program.—The Attorney General, in consultation with the Secretary of Agriculture and the Secretary of Labor, shall by regulation establish a program (hereafter in this section referred to as 'the program') for the admission into the United States of seasonal agricultural workers (as defined in section 217(h)(2).

"(b) Admission of Seasonal Agricultural Workers.—A petition to import an alien as a seasonal agricultural worker (as defined in section 217(h)(2)) may not be approved by the Attorney General unless the petitioner certifies to the Attorney General the following:

"(1) Seasonal agricultural employer in perishable commodities.—

"(A) Nature of Petitioner.—The petitioner employs (or contracts for the employment of) individuals in seasonal agricultural services in perishable commodities, or is an association representing such employers or contractors.

"(B) Requirements of Petitions.—For each month concerned and for each agricultural employment region (designated under section 217(i)(1)) in which the petitioner is operating, the petition must specify—

"(i) the total number and qualifications of individuals in seasonal agricultural services in perishable commodities required in each month, and

"(ii) the type of agricultural work required to be performed by these workers.

"(2) Will make recruiting effort.—The petitioner will make a good faith effort to recruit (as required by the Attorney General in regulations) in the area of intended employment, including the listing of employment opportunities with the appropriate office of a governmental employment service, and will accept for employment able, willing, and qualified workers referred by such office to perform seasonal agricultural services in perishable commodities until the commencement of the seasonal agricultural services for which the petitioner has recruited.

"(3) Report on recruitment.—In the case of a petitioner that has employed seasonal agricultural workers during the previous 12 months, the petitioner will provide a summary of his efforts to recruit domestic workers to perform seasonal agricultural services in perishable commodities during that period.

"(4) Adequate working conditions.—The petitioner will provide such wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed.

"(5) Housing.—The petitioner will furnish housing for nonimmigrants described in section 101(a)(15)(O) or, at the petitioner's option and instead of arranging for suitable housing accommodations, will substitute payment of a reasonable housing allowance to the provider of the housing, but only if the housing is otherwise available within the approximate area of employment.

"(6) Notice to attorney general of employment.—The petitioner will notify the Attorney General of the entering into, or termination, of an employment relationship with a seasonal agricultural worker not later than 72 hours of the time the relationship is entered into or terminated.

"(7) Employment only in seasonal agricultural employment in perishable commodities.—The petitioner will not employ a seasonal agricultural worker for services other than seasonal agricultural employment in perishable commodities.

"(8) Limitation on the use of "o" workers in perishable commodities.—The petitioner will not employ (or petition for the employment) of a nonimmigrant in any job opportunity under section 101(a)(15)(O) for seasonal agricultural services in perishable commodities when an application for employment in that job opportunity under section 101(a)(15)(N) is pending or approved.

"(9) Job information disclosure to "o" workers.—The petitioner shall, upon request, disclose in writing to seasonal agricultural workers when an offer of employment is made, the place of employment, the wage rates, the employer benefits to be provided, and any costs to be charged for each of them, the crops and kinds of activities for which the worker may be employed, and the anticipated period of employment.

"(c) Suspension of Certification.—The Attorney General shall suspend a petitioner's certification under subsection (b) if any of the following conditions exits:

"(1) Labor dispute.—There is a strike or lockout in the course of a labor dispute which, under the regulations, precludes such certification.

"(2) Violation of term of previous certification.—

"(A) In general.—The employer at any time during the previous two-year period employed seasonal agricultural workers and the Attorney General has determined, after notice and opportunity for a hearing, that the employer at any time during that period—

"(i) substantially violated an essential term or condition of the labor certification under subsection (b) with respect to the employment of domestic or nonimmigrant workers, or

"(ii) has not paid any penalty for such violations which have been assessed by the Attorney General.

"(B) Disqualification limited to one year.—No employer may have its certification suspended under clause (A) for more than one year for any violation described in that clause.

"(3) Not providing for workers' compensation.—The employer has not provided the Attorney General with satisfactory assurances that if the employment for which the certification is sought is not covered by State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

"(d) Roles of Agricultural Associations.—

"(1) Permitting filing by agricultural associations.—A petition to import an alien as a seasonal agricultural worker, and a labor certification with respect to such a worker, may be filed by an association representing seasonal agricultural employers which use agricultural services.

"(2) Treatment of associations acting as employers.—If such an association is a joint or sole employer of seasonal agricultural workers, the certifications obtained under this section by the association may be used for the job opportunities of any of its members requiring such workers to perform agricultural services of a seasonal nature for which the certifications were obtained.

"(3) Treatment of violations.—

"(A) Member's violation does not necessarily disqualify association or other members.—If an individual member of such an association is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the member, the suspension shall apply only to that member and does not apply to the association unless the Attorney General determines that the association or other member participated in, or had knowledge of and derived benefit from, the violation.

"(4) Association's violation does not necessarily disqualify members.—If an association representing agricultural employers is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the association, the suspension shall apply only to the association and does not apply to any individual member of the association unless the Attorney General determines that the member participated in, or had knowledge of and derived benefit from, the violation.

"(e) Expedited Administrative Appeal of Suspension of Certification Under Subsection (c)(2).—

(1) Expedited procedures.—The Attorney General shall provide for an expedited procedure for the review of a suspension of certification under subsection (c)(2) or, at the applicant's request, for a de novo administrative hearing respecting the suspension. In the case of a request for such a review or hearing, the Attorney General shall provide that the review or hearing take place not later than 72 hours after the time the request is submitted.

"(f) Hearing de novo Before the U.S. District Court.—

"(1) Jurisdiction.—On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in the District of Columbia, has jurisdiction to enjoin the Attorney General from suspending the complainant's certification under the program and to order the reinstatement of complainant's certification if it is improperly suspended. In such a case, the court shall determine the matter de novo and the burden is on the Attorney General to sustain his suspension.

"(2) Precedence of cases.—Except as to cases the court considers of greater importance, proceedings before the district court, as authorized by this and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

"(g) Miscellaneous Provisions.—

"(1) Authority.—The Attorney General is authorized to take such actions, including imposing appropriate penalties and seeking appropriate injunctive relief and specific performance of contractual obligations, as may be necessary to assure employer compliance with terms and conditions of employment under this section.

"(2) Appropriate documentation.—The Attorney General shall provide for such endorsement of entry and exit documents of seasonal agricultural workers as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(3) Preemption.—The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.

"(h) Definitions.—For purposes of this section:

"(1) Seasonal agricultural services in perishable commodities.—The term 'seasonal agricultural services in perishable commodities' means services in agricultural employment including planting cultural practices, production, cultivation, growing, and harvesting involving perishable commodities (as defined by regulations of the Secretary of Agriculture).

"(2) Seasonal agricultural worker.—The term 'seasonal agricultural worker' means a nonimmigrant described in section 101(a)(15)(O).

"(3) Caribbean Basin.—The terms 'Caribbean Basin' and 'Caribbean Basin Countries' include those countries eligible to be designated by the President as 'beneficiary countries' under section 212(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(b)).

"(i) Establishment of Numerical Limitations by Agricultural Employment Region.—

"(1) Establishment of agricultural employment region.—For purposes of the administration of the program the Attorney General shall designate not more than 10 agricultural employment regions within the United States. The entire United States shall be encompassed by the area of all such regions.

"(2) Numerical limitations.—After considering the factors described in paragraph (3), if the Attorney General determines that seasonal agricultural workers are required for a month for an agricultural employment region, the Attorney General shall establish a numerical limitation on the number of nonimmigrant visas that may be issued for such workers for that month for that region.

"(3) Factors in determination.—In making the determination and establishing numerical limitations under paragraph (2), the Attorney General shall-

"(A) base the determination and limitations on petitions filed under section 217(b)(1),

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"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A), and

"(D) consult with the Secretary of Agriculture.

"(4) Numerical limitations after three years.—The Attorney General shall estalish at the end of the third year after the effective date of this Act, a numerical limit on the total number of seasonal agricultural workers to be admitted into all employment regions in the United States under the program at any given time. In establishing a numerical limit under this paragraph, the Attorney General shall—

"(A) consider petitions filed under section 217(b)(1) during the preceding years of the program,

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A),

"(D) consult with Secretary of Agriculture, and

"(E) consider the recommendation of the Commission on Agricultural Worker Programs on a numerical limit as provided under section 124(c)(5).

"(5) Changes in numerical limitations in extraordinary circumstances.—

"(A) Inadequate monthly and regional limitations.—If—

"(i) a numerical limitation has been established under paragraphs (2) or (4) for a region for a month, and

"(ii) a petitioner described in section 217(b)(1) establishes that extraordinary and unusual circumstances have resulted in a significant change in the petitioner's need for seasonal agricultural workers specified in the petition or in the availability of domestic workers who are able, willing, and qualified to perform seasonal agricultural employment, the petitioner may apply to the Attorney General (in such form and manner as the Attorney General shall provide) for an increase in the numerical limitations otherwise established under paragraphs (2) and (4) to accommodate the circumstances.

"(B) Determination.—The Attorney General shall make a determination on such an application within 72 hours of the date the application is completed. To the extent the application is approved, the Attorney General shall provide for an appropriate increase in the appropriate monthly and regional numerical limitation. The Attorney General may expand the number of workers admitted into the region for which the application is approved by transferring seasonal agricultural workers from another region with a lesser need or by admitting additional workers from foreign countries. In the event the limit on the admission of seasonal agricultural workers for all regions in the United States established under paragraph (4) has been reached at the time the application alleging extraordinary and unusual circumstances is filed, the Attorney General shall follow the procedures in subparagraph (C).

"(C) Increase in the numerical limitation established by the attorney general.—If—

"(i) a numerical limitation on the admission of seasonal agricultural workers into all employment regions has been established by the Attorney General under paragraph (4) and

"(ii) a petitioner described in section 217(b)(1) establishes under the provisions of subparagraphs (A) and (B) that extraordinary and unusual circumstances require an increase in the numerical limitation, the Attorney General may provide for an increase in the appropriate numerical limitation in an amount not to exceed 20 percent of the total number authorized for admission into all regions. Any such increase authorized by the Attoreny General shall terminate upon the end of circumstances requiring it and shall not result in a permanent expansion of the numerical limit established by the Attorney General under paragraph (4).

"(j) Entry of Seasonal Agricultural Workers.—

"(1) Annual time limitations.—An alien may not be admitted to the United States as a seasonal agricultural worker under section 101(a)(15)(O) for a period of more than nine months in any calendar year. An alien admitted under section 101(a)(15)(O) during any calendar year will not be eligible for readmission into the United States until he has returned to his country of origin for a period of 3 months.

"(2) Violators disqualified for 5 years.—An alien may not be admitted to the United States as a seasonal agricultural worker if the alien was admitted to the United States as such a worker within the previous five-year period and the alien during that period violated a term or condition of such a previous admission.

"(k) Wages and Working Conditions.—The Attorney General, in consultation with the Secretaries of Agriculture and Labor, shall establish through regulation appropriate wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed in the area of intended employment.

"(l) Allocation and Use of Visas Under the Program.—

"(1) In general.—Nonimmigrant visas for seasonal agricultural workers, within the numerical limitations established under subsection (i)(2), shall be made available as follows:

"(A) Previous workers.—Visas shall first be made available to qualified nonimmigrants who have previously been admitted as seasonal agricultural workers and who have fully complied with the terms and conditions of any such previous admission, providing priority in consideration among such aliens in the order of the length of time in which they were so employed.

"(B) Others.—Any remaining visas shall be made available to other qualified nonimmigrants.

"(C) Treatment of spouses and children.—A spouse or child of a seasonal agricultural worker is not entitled to a nonimmigrant visa as such a worker by virtue of such relationship, whether or not accompanying or following to join the nonimmigrant, but may be provided a nonimmigrant visa as such a worker if the spouse or child also is qualified as such a worker.

"(D) No individual employer visa petition required.—An alien admitted pursuant to section 101(a)(15)(O) shall not be required to obtain any petition from any prospective employer within the United States in order to obtain a nonimmigrant visa under the program.

"(E) No limitation to particular employer or crop.—A nonimmigrant visa issued under the program shall not limit the geographical area (other than by agricultural employment region) within which a seasonal agricultural worker may be employed or limit the type of seasonal agricultural employment services, in perishable commodities, the worker may perform.

"(F) Disqualification from federal assistance.—A seasonal agricultural worker under the program is not eligible for any program of financial assistance under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government.

"(G) Allocation of visas to Caribbean Basin Countries.—The Attorney General, in consultation with the Secretaries of State and Agriculture, shall establish through regulations the allocation of visas to workers in specific countries under this section. A percentage of the visas issued shall be allocated to qualified workers in countries located in the Caribbean Basin.

"(m) Trust Fund for Program Administration.—

"(1) Establishment.—The Attorney General shall establish by regulation a trust fund the purpose of which is to provide funds for the administration of the program and to provide a monetary incentive for seasonal agricultural workers in the program to return to their visas under the program. The Attorney General shall promulgate such other regulations as may be necessary to carry out this subsection.

"(2) Payments into trust fund.—In the case of employment of a seasonal agricultural worker under the program—

"(A) Employer payment.—The employer shall provide for payment into the trust fund established under this subsection of an amount equivalent to 11 percent of the wages of the worker.

"(B) Worker payment.—There shall be deducted from the wages of the nonimmigrant and paid into such trust fund an amount equivalent to 20 percent of the wages of the worker.

"(C) Wages defined.—For purposes of this paragraph, the term 'wages' has the meaning given such term in section 3121(a) of the Internal Revenue Code of 1954, except that for these purposes paragraph (1) of that section shall not apply.

"(3) Use of amounts in trust fund.—

"(A) Employer payments and interest.—Except as provided in paragraph (B), amounts paid into the trust fund, and interest thereon, shall be used for the purpose of administering the program.

"(B) Worker payments.—Amounts described in paragraph (B) paid into the trust fund with respect to a worker and interest thereon shall be paid to the worker if—

"(i) the worker applies for payment within 30 days of the last day of employment under the program (as verified by the Attorney General) at the United States consulate nearest the worker's residence in the country of origin, and

"(ii) the worker complies with the terms and conditions of the program, including the obligation to be continuously employed (or actively seeking employment) in seasonal agricultural employment in perishable commodities.

"(4) Expansion of consulates.—The Secretary of State is authorized to take such steps as may be necessary in order to expand and establish consulates in foreign countries in which aliens are likely to apply for nonimmigrant status under the program.".

(c) Authorization of Appropriations.—Section 404 (8 U.S.C. 1101), as amended by sections 101(b) and 102(b) of this Act, is further amended by adding at the end the following new subsections:

"(d) Authorizations of Appropriations for Secretary of Labor.—There are authorized to be appropriated to the Secretary of Labor for each fiscal year, beginning with fiscal year 1986, $10,000,000 for the purposes—

"(A) of recruiting domestic workers for temporary services which might otherwise be performed by seasonal agricultural workers described in section 217, and

"(B) of monitoring terms and conditions under which such temporary and seasonal agricultural workers (and domestic workers employed by the same employers) are employed in the United States.

"(e) Authorization of Appropriations for Secretary of Agriculture.—There are authorized to be appropriated for each fiscal year, beginning with fiscal year 1986, such sums as may be necessary for the purposes of enabling the Secretary of Agriculture to carry out the Secretary's duties and responsibilities under section 217.".

(d) Prohibiting Adjustment of Status of Temporary Agricultural Workers.—(1) Section 245(c) (8 U.S.C. 1255(c)), as amended by sections 113(a) and 122(e)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(4) An alien (other than an immediate relative specified in section 210(b)) who entered the United States classified as a nonimmigrant under section 101(a)(15)(O).

(2) Section 248(1) (8 U.S.C. 1258(1)), as amended by section 122(e)(2), is further amended by striking out "(k) or (N)" and inserting in lieu thereof "(K), (N), or (O).".

(e) Effective Date.—The amendments made by subsections (a), (b), (c), and (d) of this section apply to petitions and applications filed under section 217 of the Immigration and Nationality Act on or after the first day of the twelfth month beginning after the date of the enactment of this Act (hereafter in this section referred to as the "effective date").

(f) Regulations.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall approve all regulations to be issued implementing sections 101(a)(15)(O) and 217 of the Immigration and Nationality Act. Notwithstanding any other provision of law, final regulations to implement such sections shall first be issued, on an interim or other basis, not later than the effective date.

(g) Deportation of Seasonal Agricultural Workers for Failure To Be Employed or Seek Employment.—Section 241(a) (8 U.S.C. 1251(a)) is amended—

(1) by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or"; and

(2) by adding at the end the following new paragraph:

"(20) entered the United States as nonimmigrants under section 101(a)(15)(O) and failed to be continuously employed or actively seeking employment in seasonal agricultural employment in perishable commodities (as defined in section 217(h)(1) in accordance with the usual and customary employment patterns and practices.".

(h) Sense of Congress Respecting Advisory Commission.—It is the sense of Congress that the President should establish an advisory commission which shall consult with the Government of Mexico and the governments of other appropriate countries and advise the Attorney General regarding the operation of the seasonal agricultural worker program established under section 217 of the Immigration and Nationality Act.

(1) Conforming Amendment to Table of Contents.—The table of contents is amended by inserting after the item relating to section 216, as added by section 122(h), the following new item:

"Sec. 217. Seasonal agricultural worker program.".

Mr. **WILSON.** Mr. President, the purpose of my amendment is to provide a seasonal agricultural worker program for employment in perishable commodities, the objective of which is consistent with those desired by the supporters of this immigration reform legislation.

Let me first say a word about my distinguished colleague from Wyoming. It is hardly necessary, even to newcomers to this body, to point out the distinguished history of the sponsor of this landmark legislation. This is an effort to deal with a problem of the right proportions, and he has dealt with it heroically. I may not agree on several points, but his legislative craftsmanship and the leadership he has taken in holding hearings and doing the background research necessary to even address this problem has to earn the commendation of those who may not agree with the product entirely. So he has my admiration and my respect.

Having said that, I wish to offer an amendment which I think is really necessary in order for any immigration reform legislation to become workable in a way that does not savage an important American industry.

As sponsor of S. 1200, to his credit he is attempting to restrict access to our borders through controls and deterrents.

Similarly, my amendment will achieve a federally regulated program of controlled access to and egress from our Nation's farms. The program would allow foreign workers to enter our country on a temporary basis to work only in perishable agriculture and only as a supplement to the small number of domestic workers available, which number has, through history, been grossly inadequate to the need for timely harvest of perishable commodities, and which promises to be grossly inadequate in the future. Temporary foreign workers are essential in order to ensure the timely harvest of the more than 200 different types of perishable agricultural commodities which are grown nationwide.

Not only is my amendment consistent with the laudable purposes of S. 1200, it is a program which deletes nothing from the committee's bill; rather, my amendment was drafted with the explicit purpose of supplementing the existing agriculturally related provisions of S. 1200—the so-called H-2 program.

While consistency of statutory purpose may be of interest to us as legislative drafters, it is of little concern to a farmer whose 50 acres of peaches ripened over an unexpectedly warm night and must be harvested by hand within 48 hours to assure maximum quality and price. It is of little significance to a woman dependent upon her job in a cannery, where thousands of her fellow employees are divided into three 8-hour shifts in order to can and process fresh fruits and vegetables within 24 hours of harvest. Similarly, statutory niceties are irrelevent to a trucker who will earn $5,000 hauling across the country a trailer loaded with 400 cartons of chilled iceberg lettuce or to the family whose dinner salad will be on their table within less than a week after its fresh ingredients ripened in the fields.

Yet, what we decide here, today, will have a profound impact upon their livelihood and lifestyle; because the issue before us will determine whether American farmers can continue to grow and harvest perishable agricultural commodities in the United States. Our Nation's current production of fresh fruits and vegetables is valued at $23 billion. A considerable portion of this is produced in my State.

I hasten to add that perishable crops are grown in every State. They are grown on more than 25,000 farms across this land. Ninety percent of those farms are small family farms of less than 200 acres. Unlike producers of wheat, corn, and other field grains, these farms are not large operations where mechanical harvesters can be used during peak harvest times. To the contrary, the vast majority of these fruits and vegetables must be harvested by hand, thereby requiring a large number of workers on very short notice. If S. 1200, in its present form, is effective in reducing the number of undocumented workers in this country, our farmers who grow perishable crops face a disconcerting choice, indeed, a destructive choice. They can either hire domestic workers if they are available and qualified, and historically they have not been; or, if they are not, their choice is to hire illegal, undocumented workers which, under the provisions of this legislaton, will subject them to the kind of penalties that threaten to drive them out of business. Or they can simply choose to lose their crop and go out of business.

Mr. President, that is not an acceptable choice; not in this Nation. In my view, a well-constructed immigration reform package should not force our growers to choose between hiring illegals or lose their crop or having to go out of business; especially at a time when American agriculture is reeling

already from precipitate declines in land values, commodity prices, and export sales. Similarly, I do not believe that any U.S. Senator should be forced to vote for a law intended to address the critical national problem of illegal immigration at the expense of a significant segment of American agriculture and to the detriment of the hundreds of thousands of people throughout our land whose livelihood depends upon a workable program to ensure the timely harvest of perishable agriculture.

Mr. President, at some time, probably within a month, but at some time later this fall, this body will take up any number of proposals that have to do with trade. They have to do with the loss, Mr. President, the virtual hemorrhaging of American jobs offshore. It is no exaggeration to state that without this amendment, we face an additional hemorrhage within a narrow segment of perhaps America's basic industry, agriculture; because without the workable provisions that ensure a timely harvest, we will see farmers decline to subject themselves, their families, and their workers to the kinds of procedures that inevitably will drive them out of business.

My guess is that many of them will begin farming in other nations.

Mr. President, what that means, obviously, is not just that we will no longer see the growing and the harvesting of perishable commodities in this country. It means that all the collateral jobs in the packing sheds, in the processing plants, in the warehouses and the drayage sheds, in the trucks and in the retail markets—all of these jobs, at the very least, will suffer shrinkage and many of them will disappear entirely. It is no exaggeration to state that tens of thousands of jobs in my State alone hang in the balance on this vote. It is for that reason that I am offering this amendment.

While S. 1200 does contain modifications of the existing H-2 program, it is simply unrealistic to think that it can adequately address the unique and volatile harvesting needs of the growers of perishable crops. For example, S. 1200 would require a grower, in its streamlining of existing law, to predict in 65 rather than 80 days in advance of need to the Department of Labor the day upon which the farmer's crop will ripen and need to be harvested. In other words, Mr. President, existing law, which is a bureaucratic disaster, now requires the farmer to foretell the weather 80 days in advance of his need of those harvest hands. Is there anybody in here who wishes to wager with me on when the cherry blossoms will bloom?

How many times has the Cherry Blossom Festival been ignored by the blossoms? How many times in your lives have you seen weather predicitons be 180 degrees wrong? How many times have weather conditions created emergencies which man, unable to foresee, had to deal with as disasters?

Mr. President, farming is a risky business. Those who take their chances do so willingly, it is true. They do so knowingly. But, at the very least, they can expect or should be able to expect from their Government cooperation rather than well-intentioned obstacles that make it virtually impossible for them to perform this risky business of farming.

Not all farming is this risky, Mr. President. Not all agriculture is concerned with the growing of perishable commodities. But for those who have chosen this role for themselves, they do have a special need and it cannot be met by a bureaucratic requirement that they predict what is unpredictable, that they foretell what the weather will be.

And this is what happens if they are wrong. The Department of Labor officials attempt to produce the requested number of temporary workers on that magical 65th day.

But if warm weather hastens the ripening process by a day or a week, which is not uncommon, S. 1200 would force the grower to watch his crop slowly but irrevocably rot in the fields waiting for his H-2 workers to appear after the need on that magical 65th day, when the harvest should have occurred on the 59th. On the other hand, if an unexpected frost or a cooling period postpones the harvest for a day or a week or more, S. 1200 would require the grower to pay the idle H-2 workers until picking can commence. That is simply not feasible.

The fact of the matter is that these crops are ripe for harvest when climatic conditions allow them to be, not when the Secretary of Labor certifies them to be. Perhaps that is why the Department processes less than 20,000 H-2 workers each year, many of them to cut sugarcane, which is hardly considered a highly perishable crop; merely 20,000 H-2 workers each year, when USDA estimates that 2.9 million workers are annually employed in the fields.

Mr. **KENNEDY.** Will the Senator yield on that point?

Mr. **WILSON.** I shall be happy to yield at the conclusion of the statement.

A current situation in the Fresno area is a representative case in point. Raisin growers in the heart of California's San Joaquin Valley are in the middle of their harvest, which usually lasts 5 to 6 weeks and requires a temporary work force of nearly 60,000 employees. With 45 percent of the raisin crop on the ground drying in the Sun, a highly irregular rainstorm recently disrupted the harvest, and the threat of more rain has postponed further picking. The work force has been temporarily laid off and has dispersed to other areas to harvest different commodities. This unforeseen and unforeseeable delay has lasted nearly a week; yet, at the first sign of sunshine, growers will scramble to reassemble a work force of 60,000 employees to pick the remaining 55 percent of the crop.

While this situation is a timely, and unfortunately disasterous, case in point, any of my colleagues who have even a passing familiarity with perishable commodities know full well that it is not an unusual, but a representative, one. My amendment will establish a regulatory framework that is flexible enough to accommodate these inescapable harvesting realities, while assuring that the Federal Government has adequate regulatory authority to ensure that participating growers and temporary workers comply with its terms.

Specifically, growers interested in participating in the program would file a petition with the Attorney General setting forth the number of workers that they will need on a month-by-month basis during the next 12-month period. In addition, these growers would certify to the Attorney General, in advance, that they will comply with specific requirements set forth in my amendment. These include explicit efforts to recruit and hire first domestic workers who are willing, able, and qualified to harvest perishable crops.

If the number of domestic workers is inadequate to meet the grower's harvesting needs, then the amendment would permit a participating grower to hire legal foreign workers, who have been issued temporary visas by the Attorney General for the specific purpose of providing a supplemental work force in perishable agricultural production. As under the H-2 provisions of S. 1200, growers would be required to pay an adverse effect wage rate as determined by the Department of Labor. What that means is they are required to pay a wage that assures they will not undercut the prevailing wage, which clearly is above the minimum wage. And I might add far above the minimum wage in many instances.

This is determined by the Department of Labor. Further, they are required to provide either housing or a reasonable housing allowance to the seasonal workers. The growers are further required to provide workers compensation or comparable insurance and to provide written notice of the terms and conditions of employment to the workers.

So that the Attorney General may closely monitor or track the movement of these legal foreign workers, the growers are further required to notify the Department of Justice within 72 hours after each worker either enters or leaves their employment. And in order that the workers have sufficient incentive to return to his or her country of origin, the growers are required to withhold 20 percent of gross wages, which is then escrowed with the U.S. Government. It is deposited in an escrow account in the worker's home country, and this money must be retrieved by the worker himself in person within 30 days after the expiration of his temporary visa or it wil be forfeited.

Let me underscore, it must be retrieved in person at the consulate in the country from which he was recruited.

Finally, participating growers will pay for the cost of the administration of this program by paying a user fee in an amount equal to 11 percent of the worker's gross wages to cover all administrative costs of the program. If any participating growers violate any of these requirements, my amendment authorizes the Attorney General to assess civil penalties and to suspend them from the program; that is, to make them ineligible to participate further in the employment of these seasonal foreign workers for a full year. That is a fact devastating to anybody in the business of annually producing perishable commodities.

Similarly, my amendment imposes explicit obligations on and provides specific protections for the legal foreign workers who will be admitted into our country temporarily. Eligible workers must be willing, able, and qualified to perform harvesting jobs. We are not seeking to recruit people for jobs other than the harvest of perishable commodities. That is the need, that is the purpose, it is the exclusive purpose for which they are admitted under this program. Their temporary visas restrict them to employment in perishable agriculture and they must remain continuously employed in perishable agriculture during the length of their visa or return to their country of origin within 30 days of their last job to receive the 20 percent of their wages which have been withheld. And remember, we know when they have left, because the workers' departure must be recorded by their employer within 72 hours of departure.

Workers who develop a record of compliance with the conditions of the program will receive priority consideration on future visa applications, but those who violate any of the terms will be ineligible to participate in the program for 5 years.

The amendment will not create an openended program as some of its critics mistakenly believe. On the contrary, my proposal directs the Attorney General, in consultation with the Secretaries of Labor and Agriculture, to issue only the amount of temporary visas necessary to supplement the available domestic work force.

This decision will be made on a region-by-region basis every month, and then after 3 years of experience in administering the program the Attorney General is required to set a numerical cap on the maximum number of temporary foreign workers that can be allowed in our country at any one time.

Such explicit statutory authority and detailed regulatory controls as are included in this amendment were lacking entirely from the widely criticized Bracero Program which Congress terminated in the early 1960's. Also missing from the Bracero Program was adequate funding to enable Federal agencies to administer and enforce a program like this one. That is why my amendment assesses participating growers a user fee that the Congressional Budget Office estimates will generate twice as much money as will be necessary to administer the seasonal worker program.

In addition to the flaws that I have recited in the Bracero Program, there was a more significant and in my mind a more tragic omission. The Bracero Program was woefully inadequate in terms of affording worker protections. Today, Mr. President, when undocumented workers work illegally in this country, this sad situation of worker exploitation persists to some minor degree. We really cannot quantify it. The vast majority, I am convinced, of agriculture employers deal fairly with their employees, buy it is certainly true that the illegal status of these workers places them in a vulnerable position that subjects them to the possibility at least of cruel exploitation. To be certain, first of all, they are subject to the coercive and extortionate practices of the "coyotes," the smugglers, who charge them between $500 and $1,500 to smuggle them into this country and continue to threaten them with disclosure to the authorities. Similarly, the illegal worker has little in the way of recourse against unscrupulous employers. That has to change. A civilized society cannot tolerate the kind of thinking that has been going on because of this illegal status.

I do not believe that we should permit people within our midst to live in daily fear without recourse, and this amendment provides the legal temporary worker with specific protections and recourses. Specifically it assures them an adverse effect wage rate so that they cannot be paid slave wages, it assures them adequate housing or an adequate housing allowance, it assures them workers compensation, it allows them to join unions and to move freely from one grower to another within a specific geographic region if they are attracted by higher wages or if there exists a need for them to escape from unfavorable working conditions.

In conclusion, the adoption of my amendment will benefit farmers, workers, and consumers. It will preserve a virtal sector of American agriculture and thousands, tens of thousands of related jobs, the jobs in the packing sheds, in the processing plants, the jobs of truck drivers, the jobs of retail and wholesale grocers, jobs both union and nonunion. And I say to those whose concern has been stated that it will enhance, not diminish, the effectiveness of S. 1200 because it is entirely consistent with the stated goals of this legislation, and it will not cost the American taxpayer a single cent.

For these reasons, it is hardly the killer amendment that some unreasonable critics have so sought to characterize it. It is, in fact, a saving amendment, one that will save an industry and save American jobs and supplement the wages of foreign seasonal workers.

This amendment is cosponsored by Senators Symms, Gramm, Hatch, McClure, Armstrong, Evans, and Gorton.

I respectfully urge that all my colleagues support this amendment. It has been very carefully crafted to respond to the concerns not only of the sponsors of the amendment, but also those who support it, those who have voiced fears that migrant farmworkers will not stay migrant farmworkers, will slip out of that system and become steamfitters or factory workers.

This amendment goes about as far as it is possible to go to accommodate the goals of basic legislation and to save a vital industry that otherwise will be lost to America.

What we are talking about in our definition of the workers involved in perishable agriculture is limited to those who will be involved in the actual cultivation and harvest.

Specifically, we are amending page 11, line 20, by striking "as defined in section 3(f) of the Fair Labor Standards Act of 1938, at 29 U.S.C. 203, subparagraph (f)" and inserting in lieu thereof the following language: "including planting, cultural practices, production, cultivation, growing, and harvesting." It does not seek to include those in the packing sheds, those processing, those trucking, those in the chain of distribution and marketing.

Mr. President, there are others who wish to speak on this amendment, and at this time I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. McConnell). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, I would feel remiss, as a member of the Judiciary Committee, if I did not express my regard for the distinguished Senator from Wyoming and the effort he has put into this particular legislative effort over the last three Congresses. I

think Senator Simpson has done a remarkable job. He has been very patient. He has been thoughtful. He has been restrained. He has helped every Senator who had any concern about this matter. He has paid attention to the arguments and is doing the country a great service in helping us solve problems which are important to our country and which may be resolved by certain aspects of this bill which he has brought to the floor.

I have a great deal of respect for Senator Simpson and the effort he has put forth, not only on this issue but many others as well in Congress.

Having said that, I rise in support of the Wilson amendment. I do so because during the current debate on S. 1200, which is the third effort in recent years to reform our national immigration laws, the adoption of a viable seasonal workers program to meet the basic needs of the producers of perishable farm commodities should not be overlooked. This applies not only to the Western States but to States all over the Union as well.

This country cannot afford to attempt immigration reform, while ignoring the vital interests of small farmers who produce our agricultural necessities, including reasonably priced, high quality, fresh fruits and vegetables. Current perishable crop production is estimated to be worth nearly $23 billion. If these crops are not harvested and packed within a very short time during the harvest season, they will be lost to both the producers and to the American consumer.

Most producers who cultivate perishable commodities are small farmers who are susceptible to serious crop losses which can occur under the inflexible and restrictive H-2 provisions of S. 1200. Without the flexibility and the protections offered by the Wilson amendment, many of the perishable growers may be forced out of business or may be forced to shift their production to nonperishable crops which are capable of being mechanically harvested. In light of the massive surpluses currently produced by wheat, corn, and soybean farmers, I believe the last thing Congress wants to do is to discourage perishable fruit farmers by unrealistic immigration restrictions. The alternative may be for them to enter other flooded agriculture markets—that is, if they are capable, or if they have the capacity to do so; and that is easier said than done.

Were this to happen, distribution and transportation workers would be hurt because there would be fewer crops to distribute. Grocers and food suppliers would be lacking quality products to sell, and their business would suffer accordingly. Restaurants would have difficulty in obtaining fresh fruits and vegetables to serve to their customers. But, most important, the American consumer would find it difficult to obtain some of this Nation's most valued food products and will pay higher prices from those perishable commodities able to find their way to the marketplace.

If S. 1200 is not amended with respect to the seasonal workers' provisions, this country's perishable crop growers will have to decide between hiring undocumented, and probably illegal workers, or losing their crops. A well-balanced immigration reform package should not force perishable crop farmers to make that choice.

Mr. President, I urge all of my colleagues to support the Wilson seasonal foreign worker amendment as a necessary and vital protection of a major agricultural industry. Consumers will benefit, as well as the national interest, by avoiding a severe escalation in the cost of fruits and vegetables. This protection, provided by the Wilson amendment, will guarantee a balanced approach to the needs of perishable crop farmers and the needs of the Nation.

The Wilson amendment will protect domestic workers. It will protect foreign workers. It will also insure that foreign workers, who participate in the seasonal worker program, will return to their native countries upon the expiration of their visas. It will make temporary, legal immigration more attractive to foreign seasonal workers and will make permanent, illegal entry into the United States less attractive. I ask the support of my colleagues in adopting this amendment, which will benefit the farmer, the consumer, and the country as a whole.

Mr. President, I appreciate the efforts of the distinguished Senator from California in leading this battle, because I do believe it is a correct amendment that will help, in the final analysis, to pass an immigration bill. At least, that is my hope, and I commend the distinguished Senator from California for his efforts.

Mr. SIMPSON. Mr. President, I do appreciate the remarks of the Senator from California. I regret that I was interrupted with other business at the time of the presentation of his remarks. They rang very authentically.

I have come to know the Senator from California as a delightful personal friend. He and his wife, Gail, are great additions to this place, and I thank him for that.

My good neighbor from Utah and I have shared some spirited times together. He is a delightful and zealous advocate of his position, and I always admire the way he scraps for the things he believes in.

I see my good colleague from Idaho in the Chamber. We westerners usually stick together, but I want to say that we are sticking together if we accept the provisions in S. 1200.

I could not agree with my colleagues more that agriculture, especially perishable commodities, has some very special needs. There is not any question about that. If I did not recognize that I could never have come this far with this legislation because I represent a Western State, an agriculture-oriented State, a State heavy in beef cattle, wheat, corn, sugar beets, honey, wool, many of the things that we depend on in this country in agriculture. Wool is very important to Wyoming. We produce a great deal of the American lamb and beef in this country.

And we have in agriculture in Wyoming, just as we have in agriculture all over the United States, a great number of illegal undocumented persons who work in agriculture. Anyone who is not seeing that is missing the whole issue here. That is very simple. If you cannot save on interest, machinery, feed, or any other place, there is only one place you do save and that is with illegal undocumented workers. I recognize that. Everyone recognizes that.

I think what we fail to recognize is that we are trying to pass a piece of legislation on immigration reform which has to do with the entire country, and it is immigration reform for the United States of America. It is not for the West, it is not for the East or the South or North. It is for the United States of America.

I think there is the strangest figure you will come in immigration. I think people have a vision that everyone who is an illegal immigrant is someone who is working in agriculture with a hoe on the ground or weeding, working the beet fields or whatever. That is a great diversion from fact because only 8 to 15 percent of illegal undocumented persons work in agriculture. No one has ever given us any different figures on the select commission or in this body or in testimony. Only 8 to 15 percent of the illegal undocumented persons work in agriculture. The remainder of them work everywhere in the United States, assembly lines, service industries, you name it. Many of them for more than the minimum wage, indeed, as Senator Wilson says, and many more than the minimum wage in agriculture.

So there could not be anyone who would agree more that agriculture, especially perishable commodities, has some very special needs. What I really do disagree with is the viewpoint that S. 1200 does not adequately deal with those needs. That has been one of the things I have spent a great deal of time on to assure that S. 1200 does deal with the needs of agriculture and provisionally and especially, if you may, Western agriculture because I tell you what we do in S. 1200. You must be aware that we have not, as

Senator Wilson says, ignored Western agriculture and indeed here is what we do just briefly. It will not take a moment to review that for you. The bill, S. 1200, provides this. I hope you hear this carefully. It provides expedited procedures that are available under the following circumstances. Here they are: they are available when labor certification is denied for workers that are needed in perishable commodities. They are expedited when U.S. workers might show up for work and are not able, willing, and qualified to get expedited procedures. You get expedited procedures under S. 1200 when the U.S. workers fail to show up as promised. You get expedited procedures when a grower faces a critical need for workers due to unforeseen circumstances such as unexpected changes in the weather occurring within 3 days of need.

Under those circumstances the Government agency involved, and that is either the Department of Labor or the Attorney General, depending on the situation, have to respond under S. 1200 within 72 hours.

Also under the H-2 streamlining in S. 1200 we give the Attorney General instead of the Department of Labor the regulatory control over the program. I do not know anyone in agriculture, West or East, who has not had vexing problems with the fact that the regulatory control of the program would often be within the Department of Labor. The regulatory control of the program under S. 1200 will have the Attorney General in consultation with the Department of Labor and the Department of Agriculture making the decisions on the regulatory issues.

We will also still have the Department of Labor in the certification process but the certification process will be limited to the adverse wage test and the availability of workers in distress to other American workers.

We have deleted the current requirement that unemployed workers anywhere in the United States be considered as being eligible domestic agricultural workers. That got very heavy-handed going through original certification, large certifications, certifications throughout the country. We have accepted this current requirement that they be from anywhere in the country. We have pulled it into closer regions.

We have reduced application deadline to 65 days before the date of need. That is in S. 1200. We demand that and require that the Department of Labor respond to the initial applications for foreign workers within specific time periods or else the labor standards will be presumed to have been met. That is in S. 1200. We allow foreign workers to be given a housing deposit in lieu of the farmer providing the housing. That is in S. 1200. We clarify, and this is very important, the nature of the joint liability of the agricultural associations and their individual members in order, then, that labor certifications might be more efficiently and swiftly processed.

In addition, and I think this is key and we will go into it further, we deviate from this bill momentarily to go into an item revisited, which we will do soon, but here is what we have done for the perishable commodity people: We created three brand-new and distinct 72-hour emergency application procedures for foreign workers when climatic changes cause a change in the harvest date, when U.S. workers might show up but are not qualified and when U.S. workers fail to show up as promised. We did that in S. 1200.

We also then allowed those workers to remain in this country for a brief period of time after they have completed their work contract in order that they may swiftly respond to farmers who are facing a 72-hour or shorter need for workers.

I honestly do not know what more we could have done to meet the needs of Western growers, including those with perishable crops. I say to you, and I do not do it to bait or to be contentious, I honestly do not know what more I could have done to accommodate the needs of Western perishable fruit growers.

Nothing I have ever done is enough. It never has been. They have told me as the bill would leave the Senate, "I guess that is OK," and then go to work with pretty heavy equipment—they do better heavy lifting than I ever do—and then they go right to work again.

I do not know where honestly, and I mean that, it could be unless, of course, where it is with this amendment and that is an open-ended guest worker program. I can tell you that.

Mr. WILSON. Mr. President, will the Senator yield?

Mr. SIMPSON. No. I would like to finish my remarks if I may.

I tell you that I have always been opposed to an open-ended guest worker program. I think that they repeat the most serious errors we have ever made in immigration policy that were made in the past without question.

I really know how a person from California has to feel when they are dealing with immigration reform. They cannot possibly win. You cannot possibly withstand the schism and the rips and the riptides that go with it. You cannot vote for immigration reform. This is the issue.

I would love to accommodate my friend from California in many ways, or the other Senator from California, who is just as remarkable a person here. And if I did and did and did, they would still never vote for this bill. Please do not miss that curious part of this ritual.

We can amend and amend and amend, but this bill will never be acceptable to them, as far as I know, at least it never has been. And I understand that, because they are torn by the growers and the unions and the employers and the Hispanics, and I would hate to be in that. That is why the issue gets to be played with only by Senators from Wyoming and Congressmen from Kentucky. Because you get ripped apart by your constituencies when you mess with immigration reform because it deals with guilt, fear, and racism. It does not make it any more fun, but I understand that. That is why I even have more respect for the Senator from California.

But I happen to live in a community where they had the bracero program. I watched that. I did a lot of pro bono work for people who were on the bracero program, as they came in and told me how their gas tank had been filled with sawdust and how the car dealer really gave them a good deal and how, just as they were getting ready to head back to Mexico, they were told they had forgotten to pay the $400-a-month rent for the little shack at the end of the field. I have been there. That was called the bracero program. It ended in a rather repugnant kind of an operation called operation wetback. That is how it ended.

Operation wetback was an expulsion of people who were here in the United States under a program which I hear referred to occasionally as something that worked, and I think it did not work. I was, I must say, offended by it. That was operation wetback.

That is what happens. That is what we got out of that, the last bracero program. Because we admitted large numbers of foreign workers to the United States without searching for U.S. workers. We assured that the wages offered would hopefully not affect U.S. workers' wages. But that did not work.

In this particular amendment, we are trying to say that this will not occur and that comes even before the foreign workers are admitted.

So I think the amendment—and I say this as precisely as I can—I think that what the amendment does really is legalize the status quo of illegal labor in agriculture. In my opinion, that is not immigration reform, because I do not believe that simply by referring to every illegal alien as legal that that constitutes immigration reform.

This seasonal program is exceedingly broad. I hear the Senator referring to it and I am very pleased to hear this because I gather that part of this proposal is an amendment to correct what I saw and did foresee as a glaring weakness, because the seasonal program here, as originally proposed, was extraordinarily broad. It not only provided for harvest labor, it provided also work in handling, planting, drying, packing, packaging, freezing, storing, and delivering to market. And I submit to you that those jobs, even if you want to fall for the argument—many do—that these people all do work that no U.S. citizen will ever do, I can tell you that U.S. citizens are the ones that write me the letters about immigration reform. Many of them are U.S. American Hispanic citizens of the United States who write me those letters and say, "What are you going to do about this situation? I am the one most directly affected. It is me and my family that are most affected by illegal, undocumented persons. I am a U.S. citizen; a minority, but a U.S. citizen."

I can assure you—and I appreciate the Senator's sensitivity to this—that those jobs that I have described indeed are clamored for by U.S. citizens. Those jobs in drying, and packing, and packaging, and processing, and freezing, and storing, and delivering to market. Those are jobs that American citizens do take. I appreciate the Senator's recognition of that, indeed.

Those activities that have to do with time sensitive issues, as I say, under S. 1200, we have tried desperately to recognize the problems of the perishable fruit industry. And, why not? Because they are persuasive, they are important, and they are a critical part of this national debate.

So I tell you that those activities that I describe which are not time sensitive, such as drying the figs and what needs to be done within hours—and I do understand that—those, indeed, are attractive things to U.S. workers. And we do not want to cut into that in any way.

There are three other things in S. 1200, and you must not miss this in the debate. We have streamlined and revised the H-2 Program. We have also put together a 3-year transition program.

Mr. KENNEDY. Will the Senator yield?

Mr. SIMPSON. No, I will not yield at this time.

We have also established an Agricultural Labor Commission to examine the temporary agricultural worker issue and report to Congress. We have a conference report on this, a thorough conference report in this area. It was indeed a critical and 10-day report.

We had a thorough conference on this area and went through this entire area very clearly, especially with what was known as the Panetta-Morrison proposal. And, indeed, when Leon Panetta and Sid Morrison joined forces, they put together a very extraordinary and formidably acceptable piece of legislation.

In the conference committee, we then revised it. We came up with a different hybrid, if you will, of Panetta-Morrison, agriculture-labor, meeting the needs of temporary work for those in the perishable and other areas of agriculture. We came up with a proposal, which is S. 1200.

S. 1200 is a direct distillation of everything we did in conference with regard to agriculture. I do not know how we could have reached a more appropriate view. And I know we are on the right track because organized labor is after me and so are the growers. So I know that, as long as the growers are not satisfied and labor is not satified, we must be awfully close to something that might be appropriate. And that is what is in S. 1200. Because, under that, we put the Attorney General in charge of a program. We require the Department of Labor to respond to employers in a specific period of time. We accommodate all emergency labor needs within a 72-hour certification process. This is all in S. 1200.

We allow the H-2 workers to remain in the country for emergency situations. And we allow agricultural associations, the very key to labor certification to be more easily formed.

The bill also provides for a 3-year transition program, which allows growers to use in the first year after enactment 100 percent of their need for nondomestic, seasonal, agricultural workers—which in practice would be determined with reference to growers' prior year's illegal work force. In other words, under the 3-year transition for the first year you can use 100-percent illegal workers, if that is what you wish to do. Please do not forget that this legislation, if passed, has nothing to do with the people you presently have hired. This whole legislation triggers in when you come to new hire. If you have a whole work force of illegal, undocumented persons, this legislation does not affect them. It is only when you go to new hire that that indeed becomes effective.

So we have a 3-year program for people to use, a 3-year transition, and a 100-percent use of prior years' illegal work force for the first year, 67 percent of that work force in the second year, and 33 percent in the third year.

The Agricultural Commission must study and report within 2½ years, while the growers are still able to use 67 percent of their illegal work force.

CLOTURE MOTION

The PRESIDING OFFICER. The hour of 2:30 p.m. having arrived, under the previous order, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of the Conference Report on H.R. 1460, The Anti-Apartheid Action Act of 1985.

Edward M. Kennedy, Paul Simon, John D. Rockefeller IV, Bill Proxmire, John F. Kerry, Spark M. Matsunaga, Max Baucus, George J. Mitchell, David Pryor, John Melcher, Gary Hart, Howard M. Metzenbaum, Lawton Chiles, Dale Bumpers, Don W. Riegle, Jr., Alan J. Dixon, J. James Exon, Patrick J. Leahy, Claiborne Pell, and Alan Cranston.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent, for the purpose of debate only, that each side have 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, earlier this week, on Tuesday, the supporters of this legislation attempted to file a cloture petition so that we could have a third cloture vote on the Anti-Apartheid Act. It is a tradition, as long as I have been in the Senate, that if an increasing number of Senators vote in support of successive cloture petitions, the leadership continues to permit further cloture votes. We have often had three, or even four, cloture votes on an issue, so long as the supporters of cloture are making progress. We had 53 votes for cloture on the Anti-Apartheid Act on Monday, and 57 votes for cloture on Wednesday. It was entirely reasonable for us to expect a third cloture vote today, but the Republican leadership is denying us that opportunity.

The pending cloture vote is entirely meaningless. It is not a valid test of support for the anti-apartheid vote, because it is not a cloture vote on the act, but on a motion to proceed to the consideration of the act. And that makes all the difference. So far, the Republican majority leader has used the rules to block us from filing a cloture petition to obtain a third cloture vote on the act.

Oh yes, he is willing to permit this meaningless cloture vote on the motion to proceed. Who wouldn't? You don't need cloture to get a final vote or a motion to proceed to a conference report. The motion is already privileged. It is nondebatable. Cloture in this situation is redundant and

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meaningless. It is procedural cloture, not substantive cloture.

Since the majority leader refuses to give us the third substantive cloture vote we seek, I urge my colleagues who support the Anti-Apartheid Act not to be fooled by this cheap imitation, and to vote no on cloture to demonstrate our opposition to this meaningless tactic.

Members of the Senate who voted for cloture on the substance of the Anti-Apartheid Act should vote no on this unfortunate maneuver. The Senate and the country should be under no illusion that this is a serious vote on apartheid in South Africa. It is nothing of the kind.

So I renew my request now to the majority leader. Will we have the opportunity for a third cloture vote on the Anti-Apartheid Act, and follow the time-honored tradition of the Senate to permit such a vote.?1111 ask the majority leader if he will make that request at this time.

Mr. DOLE. Me?

Mr. KENNEDY. That's you. [Laughter.]

Mr. DOLE. We have already had three votes. This is going to be the fourth vote. I do not know why we need five votes. If we do not get this settled, they are making so much progress in South Africa since the President made his announcement there may not be any need to vote on it. I noticed today's headline is "More Improvement in South Africa," with reference to past regulations. So I think the President's announcement has had an impact already. I know that others would like to take credit for whatever may happen. But my view is we ought to be putting pressure on South Africa. I hope we can have this vote, and that would be four. And that ought to be sufficient. Obviously, there are ways Senators can have additional votes by offering the entire measure, or amendments to the immigration bill or debt ceiling. But I hope we still would have some opportunity to agree as we have in the past on this issue, bipartisan agreement, that sometime in the future, if there has been any retrenchment at all by the administration, I would call up the conference report. I am willing to make an agreement along those lines. I am not certain that we should have additional cloture votes. I would be happy to discuss that with the Senator.

Mr. KENNEDY. Mr. President, we have only had two cloture votes so far on the merits. We had a procedural vote yesterday, and we are about to have another procedural vote today. That vote will be meaningless. Clearly we will not be able to obtain the real cloture vote we want, and I urge those who supported cloture on the Anti-Apartheid Act to vote no on this vote.

Mr. BYRD. Mr. President, will the distinguished majority leader allow an additional 15 seconds?

Mr. DOLE. For a statement?

Mr. BYRD. For a question.

Mr. DOLE. Yes.

Mr. BYRD. Mr. President, will the distinguished majority leader ask unanimous consent that it be in order to order the yeas and nays on the conference report at such time as it is before the Senate?

Mr. DOLE. I would rather not. [Laughter.]

Mr. BYRD. I know the Senator would rather not. Would he do it? [Laughter.]

Mr. DOLE. Can I think about it?

Mr. BYRD. Think about it.

Mr. DOLE. During the vote.

Mr. BYRD. You want to do that during the vote?

Mr. DOLE. Let me see how this vote comes out.

Mr. BYRD. All right. That is fair.

Mr. DOLE. I have not foreclosed it.

Mr. BYRD. I thank the majority leader.

Mr. DOLE. I am a little groggy. I had a little surgery.

The PRESIDING OFFICER. By unanimous consent the quorum call has been waived. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of the conference report on H.R. 1460 shall be brought to a close?

The yeas and nays are required. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. East] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 11, nays 88, as follows:

[Rollcall Vote No. 175 Leg.]

YEAS—11

Bradley
Bumpers
Burdick
DeConcini
Dodd
Glenn
Heflin
Hollings
Lautenberg
Pryor
Weicker

NAYS—88

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
Denton
Dixon
Dole
Domenici
Durenberger
Eagleton
Evans
Exon
Ford
Garn
Goldwater
Gore
Gorton
Gramm
Grassley
Harkin
Hart
Hatch
Hatfield
Hawkins
Hecht
Heinz
Helms
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Laxalt
Leahy
Levin
Long
Lugar
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Quayle
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NOT VOTING—1

East

The PRESIDING OFFICER. On this vote, the yeas are 11, the nays are 88. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

SCHEDULE

Mr. DOLE. Mr. President, I announce to my colleagues that the Secretary of State, Mr. Shultz, is in room S-407, where he will be giving a very important briefing to all Senators concerning an overview of American policy. That briefing was to have started at 3 o'clock, but obviously it has been delayed for about 10 or 15 minutes.

I also indicate that I have discussed with the distinguished manager of the bill, Senator Simpson, what we might expect today and tomorrow. He indicates that things will probably move fairly quickly once the pending amendment is disposed of.

I hope to consult with the distinguished minority leader within the next 45 minutes to an hour. I am advised that this legislation could be completed easily tomorrow. I am not certain what that may do to schedules of some Senators, but I will check with the distinguished minority leader and will check on this side. It probably could be completed late this evening; but, again, I will leave that up to the distinguished manager of the bill.

Also, I indicate at this time that I think we can reach a time agreement on the amendment to be offered by the distinguished junior Senator from Massachusetts [Mr. Kerry]. I am advised by the chairman of the Armed Services Committee, Senator Goldwater, that he would be agreeable to a 3-hour time agreement, the time to be equally divided on the amendment.

Mr. DeCONCINI. Mr. President, will the Chair advise me as to the pending business?

The PRESIDING OFFICER (Mr. Denton). The pending business is amendment No. 595 to S. 1200, the immigration bill.

Mr. DeCONCINI. Is that the amendment of the Senator from California?

The PRESIDING OFFICER. It is.

ANTIAPARTHEID CONFERENCE REPORT

Mr. BYRD. Mr. President, will the distinguished Senator yield to me?

Mr. DeCONCINI. I am glad to yield.

Mr. BYRD. I beg the Senator's pardon for the interruption.

Mr. DeCONCINI. I am glad to yield to the minority leader.

Mr. BYRD. Will the Senator yield the floor?

Mr. DeCONCINI. No; I prefer not to yield the floor. I yield for a question.

Mr. BYRD. Mr. President, I thank my distinguished friend.

I ask the distinguished majority leader if he would be agreeable to a unanimous-consent request to let it be in order to order the yeas and nays on the conference report.

Mr. DOLE. No; I have considered that during the vote and I would be constrained to object to that request. But I would be willing, as I have indicated earlier, to discuss some agreement with the distinguished minority leader and the Senator from Massachusetts. I am also advised the distinguished chairman of the Committee now has the papers.

Mr. BYRD. He does?

Mr. DOLE. Yes.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DeCONCINI. I continue to yield without losing my right to the floor.

Mr. BYRD. Mr. President, the taking of the papers from the desk by the distinguished chairman of the Foreign Relations Committee, Mr. Lugar, makes it impossible now for any Senator to move to proceed to the consideration of the conference report. That is the effect of his having taken possession of the papers. I am sorry that has occurred.

I would hope that the distinguished Senator from Indiana [Mr. Lugar] would think a little further about this and not deny the right of his colleagues, anyone of whom may wish to proceed to the consideration of the conference report.

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. DeCONCINI. I am glad to yield without losing my right to the floor.

Mr. KENNEDY. Mr. President, does the Senator from West Virginia find this to be an extraordinary procedure? The majority leader and the chairman of the Foreign Relations Committee are evidently so unsure of their own position on the Anti-Apartheid Act that they now resort to this kind of tactic—a single individual Senator, removing the papers from the desk of the Senate, and unilaterally and arbitrarily denying the Senate the right to act. We have 100 Senators in this body—how can 1 or 2 Senators make the judgment that the remainder of us are to be denied the opportunity for a further vote?

Can the Senator cite a single precedent for the extraordinary tactic we have just witnessed?

Mr. BYRD. I do not recall a precedent for the tactic. I cannot say with certitude that that is the case, but I do not recall its having been done before. It can be done, obviously, and this was the reason that I was trying to get the yeas and nays ordered on the conference report so that those papers could not be removed from the desk.

Mr. KENNEDY. If the papers are at the desk, as the Senator has pointed out, any Senator, acting on his own, has the right to move that the legislation be put before the Senate and ask for a vote on the motion. The motion is nondebatable. It cannot be filibustered. A majority of the Members of the Senate could vote for the motion and put the bill before the Senate. Those are the Senate rules. How can a single Senator simply take the papers from the desk and walk away with them?

This is an extraordinary action. Obviously, those who have resorted to it do not believe that they can win on the merits and therefore they use this extraordinary tactic. I think it is regrettable. It diminishes the Senate as a legislative body and as a body that should have the right and the opportunity to debate the public policy questions of our time.

I thank the Senator.

Mr. BYRD. Will the Senator yield?

Mr. DeCONCINI. I continue to yield to the minority leader without losing my right to the floor.

Mr. BYRD. Mr. President, I am not privy to information that the distinguished majority leader had anything to do with this. But the chairman of the committee, Mr. Lugar, has done it. It can, of course, be done as we have just seen. As I say I do not recall its having been done during my tenure here. But I cannot be absolutely sure that that is the case.

I would hope that the distinguished Senator from Indiana would return the papers to the desk so that any Senator on either side of the aisle may exercise his right under the rules to move to proceed to the consideration of the conference report.

Mr. KENNEDY and Mr. DOLE addressed the chair.

The PRESIDING OFFICER. The Senator from Arizona has the floor. He is not empowered to yield except for a question to himself without unanimous consent.

Mr. DeCONCINI. Mr. President, this is a very important subject matter and I think it is important that it be given even precedence over what I am going to say here, although I have to tell you this is a great statement I pay attention to. Nevertheless, I ask unanimous consent that the Senators involved in this effort have 3 minutes and then the floor return to me at that period of time and if that is agreed to I will sit down for 3 minutes.

Mr. BYRD. And yield half of it to the distinguished majority leader.

Mr. DeCONCINI. Divide it between the two leaders.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, under the Constitution, the President has a pocket veto power. But I know of nothing that gives the chairman of the Foreign Relations Committee the pocket veto power.

Would the Senator from West Virginia agree with me that this is the effect of this kind of extraordinary, unusual behavior?

Mr. BYRD. I think that is the logical construction of the effect of the taking of the papers from the desk.

Mr. DOLE. Mr. President, I do not know where we determined this was appropriate, but I think we checked with the Parliamentarian and we found precedents for it in other administrations in the Senate.

Mr. BYRD. Will the Senator state when, where, under what circumstances, and by whom that was done?

Mr. DOLE. We are still doing that research.

[Laughter.]

Mr. DOLE. We are prepared, as I indicated a number of times, and I am not suggesting we may not work out even another vote at the appropriate time, but it seems to me that at this point we ought to get on with the immigration bill. I will however confess to knowing about the removal of the papers and even helping locate the papers.

Mr. BYRD. Mr. President, is there anything remaining of the 3 minutes?

The PRESIDING OFFICER. The Senator on that side has 1 minute remaining.

Mr. KENNEDY. Will he yield 1 minute?

Mr. BYRD. Yes.

Mr. KENNEDY. Mr. President, I hope that the papers will be returned. This tactic is beneath the dignity of the Senate. We can make light at this moment about this particular procedure, but it affects the substance of one of the most important public policy questions that this body will address. And it affects in a very real way the interest of people not only in South Africa but in this country as well.

I would certainly urge the majority leader and members of the Foreign Relations Committee to reverse this trickery and this abuse of the Senate rules, and give this body an opportunity to consider this important question.

Mr. BYRD. Mr. President, if I could ask the majority leader a question regarding the schedule for the remainder of the day.

Mr. DOLE. Could I respond first?

Mr. BYRD. Yes.

Mr. DOLE. Mr. President, it has been suggested by some in this body that any Senator has the right to move to proceed to a legislative item. While there is no specific rule to deny this, the weight of precedence and accustomed practice of the Senate is certainly otherwise.

It is a bit unusual, as I understand it, looking at the precedents and Dr. Riddick's comments for anyone else to try to set the agenda on moving to call up a conference report but that was done and no one complained on our side.

I would like to take this opportunity to again place in the Record a description of prerogatives of the leadership.

Among the leadership prerogatives which are customarily reserved for the majority leader or his designee and certainly one of the most important is that of setting the agenda for the Senate. While the Senate decides for itself how long it will spend considering any legislative matter, the majority leader determines what matters will be considered through the use of the motion to proceed. This has only been rarely challenged and it is even more rare for the challenge to succeed. A history of this role and how it developed is contained in Senate Document 99-3 by Floyd M. Riddick, Parliamentarian Emeritus of the Senate entitled "Majority and Minority Leaders of the Senate."

On page 26 of that document the following comment can be found.

> In addition to the above organizational motions offered at the beginning of a new Congress, the responsibility for making motions essential to the day-to-day operation of the Senate has devolved upon the leadership. For example, the majority leader or someone acting for him almost invariably (*a*) offers motions to recess or adjourn from day to day; (*b*) calls up the *sine die* adjournment resolution and other resolutions relating to adjournment including resolutions and motions to adjourn for periods of several days; (*c*) makes motions to proceed to the consideration of all proposed legislation (bills and resolutions); and (*d*) proffers routine requests to accommodate the Senate, including orders to permit standing committees to meet while the Senate is in session, notwithstanding the provisions of the rule. While under the rules a quorum call is always in order at the suggestion of any Senator, the majority and minority leaders acting together exercise influence in determining when such calls are to be requested as well as when issues will be voted on by yea and nay vote.

It is clear to this Senator that as far as using the motion to proceed is concerned, the option is clearly a prerogative of the leadership.

So we understand the seriousness of the issue, but we also understand that when we reach a point maybe we ought to move on to something else. We are virtually on the same side in this issue, so I hope we do not get too far apart.

SCHEDULE

Mr. DOLE. Mr. President, the schedule, as I have indicated, is to a certain extent up to the distinguished manager of the bill. There will be no votes on Monday, as I have previously announced. We will hopefully take up Superfund next week, we are trying to reach a time agreement on that.

I hope that we might complete action on this bill early this evening, but, again, that may not be possible. If that is not possible, I understand the managers would like to complete action tomorrow.

Mr. BYRD. In the event action is completed on this bill today, will there be a session tomorrow?

Mr. DOLE. No; if that is an incentive to Members, the answer is there would be no session tomorrow.

Mr. BYRD. I thank the distinguished majority leader.

While I have the floor, let me say, in 30 seconds, that there is no rule, there is no precedent to the effect that a motion to proceed to the consideration of a conference report cannot be made by any Member of the Senate. To the contrary, any Member of the Senate may move to proceed to the consideration of a conference report if the papers are at the desk. It would not be anything new. It was not anything new when I did it the day before yesterday. That is perfectly in order within the rules.

I yield the floor.

Mr. DeCONCINI. Mr. President, let me say that this is most interesting. In my very unbiased observation and position, I certainly think the Senator from Massachusetts and the Senator from West Virginia won that debate. I urge the majority leader and the chairman of the Foreign Relations Committee to return the lost papers.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

AMENDMENT NO. 595

Mr. DeCONCINI. Mr. President, I support the amendment of Senator Wilson which would establish a program to provide legal seasonal workers in the perishable crop industry. This amendment is vital to the agricultural economy of the West and the food industry and economy of the country as a whole.

I have worked over the last 4 years to ensure that whatever immigration reform legislation Congress ultimately approved, the result would not be disastrous for this Nation's growers and ranchers. Disaster for our Nation's agricultural employers would be a disaster for everyone in this Senator's judgment. The price of food would skyrocket. The quality of our foodstuffs would plummet. The millions of people involved in our food delivery system would be laid off, have their hours cut or, worse, lose their jobs altogether.

What could cause such a disaster? Before I explain, I must make a confession for many of our Nation's agricultural employers, particularly in the West. They have become completely dependent on illegal alien workers to plant, cultivate, harvest, and prepare their crops for market. I have talked to many of these honest and law-abiding people, and have held hearings on this subject in Arizona with my distinguished colleague in the House, Congressman Udall. These growers and ranchers have not come to this dependency on illegal workers by their own choice. They are dependent on foreign workers because they have been unable to find and employ legal workers. The work is hard. The hours are long. The working days are sporadic and geographically dispersed. And yes, for many jobs the pay is low. All of these conditions, coupled with the low status of this agricultural work, has resulted in it being very difficult, if not impossible, for western growers and ranchers to hire sufficient numbers of legal workers.

When the so-called Bracero Program was in effect many years ago, there were abuses. Certainly there was a need and justification to reform that program. But we are not talking about the Bracero Program today.

The disastrous effect that this legislation could have on our agricultural system is to make unavailable this necessary pool of illegal workers—the only workers willing, able, and available to do this vital work. If the employer sanctions work, and I continue to have my doubts, agricultural employers would be heavily penalized for continuing to hire such illegal workers. We must see to it that a mechanism is available to provide replacements for the illegal workers that we—and by "we" I mean all of us in the United States who eat—have become dependent on.

In the 97th Congress in 1982, I worked with Senators Simpson and Kennedy, along with the Departments of Justice, Agriculture, and Labor, to fashion changes in the existing H-2 visa program to make it workable for western growers and ranchers. I believe we succeeded in those efforts to streamline and remodel the temporary foreign worker program so that it can be used by those with a steady, reliable, and long-term need for those workers.

In 1983, I was successful in amending the immigration bill to include a transition program for agriculture. This program acknowledged the trauma to agriculture that would result from the sudden denial of illegal alien workers to an industry which had become dependent on them. This program would allow agricultural employers to phase out their use of illegal workers over a period of 3 years.

I am grateful that Senator Simpson has seen fit to include both of these programs, important to me, in his 1985 immigration bill, which was reported from the Senate Judiciary Committee. And I regret that I will have to oppose Senator Simpson on this agricultural worker amendment. He is indeed very

conscientious in his efforts to listen to all Members and attempt to accommodate them. Although we have not reached an accommodation on this one, we have on many, many other areas vital to me and my constituents, and I thank him for that. However, I believe that there is one segment of the agricultural economy whose needs have not been met by either the N visa or the transition program. That segment is the perishable crop industry.

The perishable crop industry differs from the rest of the agricultural industry in two important ways. These two differences make it impossible for employers in this segment to use the N Visa Program. First, it is impossible for growers of perishable crops to perdict more than a few days in advance when their need for workers will occur. Second, their need for workers is short and it is very intense. In this industry workers must be able to move from grower to grower as the crops ready for harvest. A program is needed to accommodate these two unique characteristics of the perishable crop industry. And of course, this program must be promulgated with proper protections for both legal resident and American workers and for the workers involved in the perishable crop program. I congratulate Senator Wilson for having crafted an amendment that strikes just such a balance between the needs of perishable crop growers and the necessary protections for all workers.

Mr. President, there are three major criticisms of the perishable crop amendment. I do not believe that any of these will stand after a careful reading of the amendment. First, it is suggested that those workers employed under this program are not protected and will be vulnerable to the type of exploitation so prevalent during the infamous Bracero Program of the 1950's.

I was a young lad in those days, but I remember visiting those bracero camps and housing developments. Indeed, there were abuses that I remember clearly to this date. Those abuses cannot happen under this amendment.

It is clear that this amendment does not create a new Bracero Program or anything like it. Workers in the program will receive temporary legal status, adverse effect wage rates, workmen's compensation, housing, and all Federal and State labor standard protections. That was not the case under the Bracero Program.

Second, opponents of the amendment argue that it will take jobs away from legal resident and American workers. The amendment, however, prohibits the use of foreign workers unless growers can establish the unavailability of domestic workers. The amendment requires the systematic recruitment of domestic workers right up until the time foreign workers are hired and permitted to come in.

The third major argument presented against the amendment is that it will result in the importation of a vast horde of foreigners who will never go home. This argument does not stand scrutiny for two reasons. First, the amendment empowers the Attorney General to control the number of workers admitted under the program and to cut off all admissions if he or she sees fit. The Attorney General determines if there is a need for foreign workers and, if so, determines how many and for what period of time. Second, the amendment creates both an incentive for workers admitted under the program to go home and a penalty for them if they do not. Twenty percent of the workers' gross wages will be withheld and returned to them in their country if they satisfy the terms of their admittance. Violations of the visa, either through not being employed during its term or failure to return home upon its expiration, will result in forfeiture of the withheld wages and disqualification from the program. I believe this carrot-and-stick approach will ensure the return of those foreign workers to their home countries.

Mr. President, adoption of this amendment is vital to the West and to the entire Nation. We have allowed a situation to develop in our agricultural industry in which we cannot get along without help from citizens of other countries. I do not believe anyone likes this situation, but we have to accept it for now and create a program to allow us to live with it while we work to change it. A sudden demise of the availability of foreign workers will result in more than the loss of a few acres of crops in California. It will have a long-term effect on the availability, price, and quality of the food we all eat. I urge my colleagues to support this amendment.

I thank the Chair for its courtesies. I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to join the Senator from Wyoming in recommending to the Senate of the United States that we reject the amendment of the Senator from California. I think the case has been made very well by the Senator from Wyoming about the inclusion in this legislation of the open-ended provisions of the pending amendment to permit the entry of foreign workers.

But, as he knows, there is already an expedited H-2 procedure—72 hours should emergencies occur—in the bill and I think that this is a very important concession and one which addresses one of the principal concerns of the Senator from California. The bill also provides for a transition period for those particular farms that have used the undocumented aliens for a period of some 3 years to permit an orderly transition to the provisions of the legislation. And there are other provisions in the bill which address their concerns.

Now the Senator from California comes forward with an amendment, Mr. President, that is very similar to the old Bracero Program—title V of the Agricultural Act of 1945. Yet, as bad as that program was, this particular amendment fails to provide even the basic protections that were included in the Bracero program.

Mr. President, the following table briefly outlines just a few of these protections which aren't included in the Wilson amendment, and I ask that it be printed at this point in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 1.—SOME PROTECTIONS IN THE 1951 "BRACERO" STATUTE THAT ARE NOT IN WILSON AMENDMENT

1. Required negotiated arrangements between governments (U.S. & Mexico), or every U.S. effort to negotiate such.

2. U.S. government role—

a. recruiting foreign workers

b. bringing them here, including transportation, subsistence, emergency medical care

c. to assist negotiation of contracts between workers and employers

d. to guarantee employer performance of contractual wage obligations

e. *as a prerequisite to the employment of foreign workers,* to determine that U.S. workers are not available, that reasonable efforts have been made to recruit U.S. workers for the jobs, and that employment of foreign workers will not adversely affect the wages & working conditions of similarly employed U.S. workers.

3. Prohibited providing foreign workers to an employer who also employs undocumented workers knowingly or with reasonable grounds to suspect that states or who could have ascertained that by reasonable inquiry.

4. Required members of an employer association to reimburse U.S. for its costs under the program (including losses by reason of the government guarantee of employment contracts) where the association acted as employer and defaulted on these obligations.

(In contrast Wilson would relieve association members of any responsibility for their association agent's misconduct so long as the members kept themselves ignorant of it.)

Mr. KENNEDY. More importantly, Mr. President, this amendment is unprecedent in ways that were not even contemplated during the time when we were fashioning the Bracero Program. It would permit the admission of foreign workers with a license to look for work without any determination by the Government that there are in fact specific job vacancies for them to fill and without any Government determination that there is any available Americans to do the job. It weakens standards of wages and working conditions, without any Government test of U.S. worker availability, and without any guarantee that the aliens admitted under the program will actually find any employment, or even earn enough to feed and house themselves, or pay for their transportation home.

This proposal would not only undermine the central principal of our immigration laws that U.S. citizens and permanent resident aliens should be protected from unfair competition from foreign labor, but there has been very little discussion here on the floor this afternoon about what its impact will be on American workers, on their wages and working conditions. And clearly, that is something that hopefully all of us in this body are concerned about. The fact that we have some 7.3 percent unemployment, 8 million American men and women who are unemployed today in this country, and we have a very considerable number of unemployed even in the agricultural and farm areas, yet for the first time in U.S. history we are being asked to sanction the admission of foreign nationals whose rights to reside in this country would be restricted possibly to a single geographical area.

I refer to page 12 of the Senator's amendment. "Establishment of numerical limitations by agricultural employment region." It points out here "For the purposes of the administration of the program the Attorney General"—not the Secretary of Labor or the Secretary of Agriculture—"shall designate not more than 10 agricultural employment regions within the United States. The entire United States shall be encompassed by the area of all such regions."

Then over on page 20, "a nonimmigrant visa issued under the program shall not limit the geographical area (other than by agricultural employment region) within which a seasonal agricultural worker may be employed or limit the type of seasonal agricultural employment * * *."

What this is saying is that the Attorney General will designate 10 geographical areas and the worker who comes in with that visa will be permitted to go to one area, or two or maybe even three. But he cannot go to any other area. The Attorney General is going to enforce it. Mr. President, that is as close to the pass laws of South Africa on their foreign workers and their own citizens alike. How is the Attorney General going to enforce it? How are they going to know just when they see an agricultural worker whether he is in the right district or the right region or the wrong region? They give the power of the Attorney General to enforce it. How is he going to do it? Well, on that visa or on that card there is going to have to be a designated area where he is allowed or otherwise he is going to be subject to the penalties under this amendment.

Well, if that is not like the pass laws of apartheid in South Africa, which requires all foreign workers to carry a permit and when they move through different geographical areas—geographical areas, and the country is divided into geographical areas—they have to on demand be able to show that pass. If they do not have that pass, they are subject to criminal penalties under their Department of Interior, virtually identical to what we see envisioned under this amendment's program.

Mr. President, there are many other objectionable provisions in this amendment the establishment of a very significant bureaucracy in consulates all over the hemisphere, to be able to refund the deductions of wages and the allocations by the employers of certain amounts of money for the purposes of ensuring that these individuals are going to return. We are going to establish new bureaucracies in consulates all over the hemisphere. And to establish the administration of this program, it says on page 24, it authorizes "such sums as may be necessary." It is open-ended authorization—open-ended authorization.

Mr. President, this amendment is 32 pages long—I wonder how many individuals in this body have had the opportunity to go through it with any degree of understanding about the implications of this particular program.

According to the Department of Labor—this administration's Department of Labor—the farm worker unemployment rate today is 13.5 percent, and nonfarm across this country is 7.5 percent. The unemployment rate in the agricultural area is double that in the other areas of our economy. It is half this amount according to the Department of Labor in the on season, but it is twice this amount—it gets up to 26 or 27 percent—in the off season.

But you still, even in the harvest season, according to the Department of Labor, unemployment among farm workers which is equal to the unemployment generally across the country today. Yet, here we are considering the amendment of the Senator from California that will effectively just open up every border of this country.

I understand, Mr. President, again according to the Department of Labor, 600,000 workers work in the perishable farm area.

Still we hear from the various growing associations that we need another 250,000, even though there is significant unemployment of Americans. And of all U.S. farms, only 3 percent of them use perishable workers, according to the Department of Agriculture, which amounts to 58,000 individual farms.

You talk about a special interest provision on major legislation. We are asked to consider this program that will affect 58,000 farms. That is virtually identical to the number of farms that used the braceros when the bracero program was active in the early part of the 1960's.

Mr. President, there is no question about what the impact will be if this amendment is accepted and adopted. The hourly wage for these workers is virtually half of what it is in the other areas of production across the country.

Have no question about it, Mr. President, that that amount, which is half of what the average worker gets outside of agriculture, and this does not include the white-collar worker, that amount is going to be going down for those people who are already living on the margin in our own society. The great percentage of those are Americans and American citizens.

The other day we heard the President of the United States talk in his radio program about the trade crisis, the trade deficit, what we are going to do about protecting American jobs.

Mr. President, the one way that you can assure that there will be tens of thousands or hundreds of thousands of Americans who will be displaced is by accepting the Wilson amendment. Make no mistake about it. This is going to be the fastest and quickest way of throwing Americans out of their jobs that we could possibly consider on the floor of the United States Senate, Mr. President.

We hear so many individuals, many of whom are cosponsors of this amendment, cry crocodile tears for the American worker, make all these speeches with regard to the problems of the trade deficit, and here they are cosponsoring this amendment which is going to have a dramatic and significant impact on the American families who work in the agriculture areas of this country.

Mr. President, I think the amendment does not deserve to be favorably considered. As I understand, the chairman of the Judiciary Committee in the House has indicated that if it is favorably considered in both Houses, there would not be a conference on this bill. They will have to make their own judgment about that. But I can say that this amendment is undermining the thrust and the purpose of this legislative effort, one that has tried to tie the sanctions with legalization.

In my opening statement, I outlined my concern about how those particular provisions have been fashioned, but we will have a chance to address that portion later in the afternoon.

Mr. President, if we want to talk about basically undermining the very effective work which has been done and which hopefully will continue to be done on this legislation in trying to address this very important national problem, this particular amendment

will undermine it in a very significant and I think a very unwise way.

Finally, Mr. President, I would like to insert into the Record the analysis of the impact of Senator Wilson's amendment prepared by the AFL-CIO, the Arizona Farmworkers Union, and by the major American church and voluntary agencies.

I would particularly draw the attention of my colleagues to this important point made by the AFL-CIO:

The Wilson amendment creates a labor program that would be administered by the Attorney General, with virtually no role for the Department of Labor, the agency with the knowledge and experience in this area. While Senator Wilson has made cosmetic changes from earlier drafts of his amendment, the basic fact remains that it leaves out the essential role of the Government in protecting job opportunities for American workers and decent labor standards for foreign workers. Under the Wilson amendment the Attorney General could issue visas in a number set by him to alien workers to come to this country on their own and hunt seasonal agricultural work. These workers need not have a job offer in order to obtain a visa. They would have to arrange and pay for their transportation into and within the U.S. and the costs of finding jobs. They may move from job to job for 9 months of the year, and if they are without work and stop looking for work, they are subject to deportation. In short, the amendment would ensure a huge pool of powerless persons desperate for work under any conditions.

Mr. President, I ask that these statements be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

American Federation of Labor and Congress of Industrial Organizations,
Washington, DC, September 12, 1985.

Dear Senator Kennedy: The AFL-CIO has stated in testimony its strong reservations about S. 1200, the Immigration Reform and Control Act of 1985 now on the Senate floor. There are four criteria that we believe any immigration reform legislation must meet: workable employer sanctions, protection against discrimination, generous legalization, and no weakening of the present protections in the temporary foreign worker program. Of these four, S. 1200 measures up on only one, sanctions.

As the Senate considers. S. 1200 the AFL-CIO particularly urges your critical attention to the provisions of the bill on the important and employment of temporary foreign workers in American agriculture.

There is currently a program, known as the H-2 program, operated through the Department of Labor, to evaluate and certify the need for temporary foreign workers in this country. The statutory provision establishing the current H-2 program states that employers are permitted to bring in foreign workers only temporarily and only if unemployed persons capable of performing the needed services or labor cannot be found in this country. These basic principles would be repealed by the provisions of S. 1200 with regard to agriculture. In addition, S. 1200 would establish a new temporary agricultural worker program with loopholes that would enable growers and their associations to evade even the few labor protections carried over from the present H-2 regulations.

This is not all. The Senate will be asked also to consider an amendment that would add a new bracero program to the above provisions and to the bill's transition program giving growers three years in which to shift from their present dependence on undocumented workers. This amendment, which will be offered by Senator Pete Wilson, would authorize an essentially unregulated flow of aliens to do seasonal agricultural work in the production of perishables, including picking, processing and packing.

The Wilson amendment creates a labor program that would be administered by the Attorney General, with virtually no role for the Department of Labor, the agency with the knowledge and experience in this area. While Senator Wilson has made cosmetic changes from earlier drafts of his amendment, the basic fact remains that it leaves out the essential role of the Government in protecting job opportunities for American workers and decent labor standards for foreign workers. Under the Wilson amendment the Attorney General could issue visas in a number set by him to alien workers to come to this country on their own and hunt seasonal agricultural work. These workers need not have a job offer in order to obtain a visa. They would have to arrange and pay for their transportation into and within the U.S. and the costs of finding jobs. They may move from job to job for nine months of the year, and if they are without work and stop looking for work, they are subject to deportation. In short, the amendment would ensure a huge pool of powerless persons desperate for work under any conditions.

We know that a large and powerful agricultural lobby is urging the adoption of this amendment. We respectfully suggest that such a lobby should not be permitted to ride roughshod over the working and living conditions of those whose voices from the fields are little heard in the halls of Congress. There are large pockets of unemployment among domestic seasonal farm workers in this country. The Wilson bracero amendment would drown those workers in a floodtide of foreign workers even more economically desperate and vulnerable than themselves.

The AFL-CIO urges you to vote against the Wilson amendment and support all efforts to maintain the protective conditions of the current H-2 program. We further urge—in order to make this bill a measure that we can endorse—that you support amendments prohibiting discrimination based on national origin or alien status and establishing the most generous practical legalization program.

Sincerely,

Ray Denison, *Director,*
Department of Legislation.

National Office,
Migration and Refugee Services,
Washington, DC, September 12, 1985.

Dear Senator: We are writing in reference to S. 1200, the Immigration Reform and Control Act of 1985. Our respective organizations have differing views on the utility of S. 1200; however, we are united in our opposition to the "guest worker" provisions of the bill as introduced. We are vehemently opposed to the "perishable crop" amendment that Senator Pete Wilson (R-CA) will introduce.

The Select Commission on Immigration and Refugee Policy rejected any expansion of temporary worker programs until the effects of employer sanctions and legalization could be assessed. No evidence presented to date can justify rejection of the Select Commission's widely supported judgment.

The temporary worker proposals of S. 1200 are fundamentally flawed in several key respects:

(1) S. 1200 uses the precise language of the old "bracero" program to eliminate the requirement in current law for the recruitment of domestic workers.

(2) S. 1200 would cause substantial displacement of the domestic agricultural workforce through admission of between 300,000 to 500,000 temporary workers annually. This would be done at a time when unemployment among farmworkers is particularly acute. For example, in California and Texas, unemployment among farmworkers stands at over 20%.

(3) S. 1200 eliminates or weakens most worker protections under current law (i.e., housing, labor standards, etc.) thus inviting exploitation of workers. Past abuses of "H-2" workers suggests that more, not fewer, protections are needed.

These proposals for an expanded temporary worker program go much too far toward a policy of permanent dependence on imported labor. Ironically, the overwhelming evidence from past experience is that "temporary worker" policies stimulate and facilitate illegal migration. These proposals are inconsistent with the fundamental purpose of S. 1200.

The adoption of the Wilson amendment would intensify the contradictions inherent in the guestworker provisions of S. 1200. At a time of public concern over undocumented migration and high unemployment among domestic farmerworkers, it is unconscionable for the Senate to consider proposals which can only remind us of the "harvest of shame" this country witnessed during the days of the "bracero" program.

We trust that you will reject the Wilson proposal and any purported compromise which seeks to expand the temporary worker program beyond the limits of current law.

Thank you for your consideration of these issues.

Sincerely,

United States Catholic Conference, American Civil Liberties Union, National Council of La Raza, Church World Service/National Council of Churches, League of United Latin American Citizens, Mexican American Legal Defense and Educational Fund, HIAS, Lutheran Refugee and Immigration Service, Arizona Farmworkers Union, and National Conference of Black Lawyers.

Arizona Farmworkers Union,
El Mirage, AZ.

Analysis of S. 1200 and Wilson Amendment and Responses to Grower Arguments

S. 1200 has three major provisions designed to expedite and increase the importation of foreign agricultural workers. In addition, Senator Pete Wilson (R. CA.) is sponsoring an amendment which would provide a temporary agricultural worker program for perishable crops. These provisions establish three new temporary worker programs which will allow between an estimated 500,000 to 800,000 foreign workers annually to enter the U.S.

A. Specifically, S. 1200 would: (1) Establish a three year agricultural labor transition program which will have the effect of legalizing the existing undocumented workforce of growers by phasing out their use over three years. A grower will be allowed to retain 100% of their undocumented workforce the first year after passage, 67% the second year and 33% the third year.

Negative impact

There is no mechanism to monitor and protect against U.S. workers being displaced,

No procedures to insure that employers not inflate the number of undocumented workers,

No mechanism to monitor and insure compliance by employer with existing labor standards and wage laws,

Complete control of worker is in the hands of employer which can and has always led to severe abuse of worker rights.

(2) Establish a special agricultural worker program (N visa) within the existing H-2 worker program which:

Negative impact

Significantly reduces the requirement that growers recruit U.S. workers by not requiring minimum recruitment period,

Significantly weakens the statutory preference for hiring U.S. workers as contained in current law,

Eliminates current law requiring H-2 growers to provide employment to any qualified worker who seeks employment during first half of contract period,

Eliminates current law's requirement that free housing be provided to each worker,

Eliminates the U.S. Department of Labor (DOL) ability to suspend certification of H-2 grower during strike of U.S. workers,

(3) Establishes a series of expedited review procedures of applications requesting foreign workers:

Negative impact

Assures that any denial of H-2 certification will be subject to multiple avenues of challenge,

Despite the amount of foreign workers being requested and the variation in crops, DOL is required to resolve appeals no later than 72 hours,

Grants authority to US Attorney General to review denials by DOL not later than 72 hours after requested,

Establishes a legal presumption that grower applications will be considered acceptable unless DOL identifies deficiencies within 14 days. This is granting certification by default.

ESTIMATED ANNUAL FOREIGN WORKFORCE UNDER S. 1200

According to testimony by noted economist David North, an estimated 10% of the total undocumented population is employed in the agricultural industry. The recently published report by the National Academy of Sciences concluded that while no range can be soundly defended, "a population of 1.5 million to 3.5 million illegal aliens in 1980 appears reasonably consistent with most studies." Using the figure of 3.5 million to undocumented in the U.S., ten percent or 350,000 are employed in agriculture. Accordingly, 625,000 temporary workers would participate in the transitional program over three years.

In addition to this program, the special "N visa" program and the expedited review procedures would allow based on estimates growers have over the last few years some 300,000 temporary workers annually.

These two programs combined over a three year period would allow an estimated 500,000 temporary workers annually to enter the US and work in agriculture.

(II) Wilson Temporary Worker Program for Perishable Crops:

This temporary agricultural worker program is intended to provide a free flowing supply of un-regulated foreign temporary workers to the agricultural industry. Despite the fact that provision in S. 1200 virtually repeal all current law, growers from California insist that these provisions are burdensome and impractical for their use.

In essence, many California growers who propose the Wilson amendment are committed to maintaining a status quo of a continued over-supply of farmworkers. Instead of hiring undocumented workers they propose to legitimize their present practices and insulate themselves from any serious review.

Specifically, the Wilson amendent would:

Omit statutory preferences for hiring U.S. workers,

Omits establishing effective recruitment requirements of U.S. workers,

Establish a legal presumption that grower applications will be considered acceptable unless the U.S. Attorney General prove otherwise. In the event the A.G. is unable to process all certifications before harvest time, growers will be presumed to have complied with program terms.

Establish all substantive powers with the A.G. while giving limited responsibilities to the U.S. Department of Labor (DOL)

Provide no real penalties nor debarment of growers violating labor laws, working conditions, provisions of bill.

Elevate violation standard to "Substantively violating." This will have the practical effect of never finding any violations. In the case of violations, disqualifications from programs may not be denied more than 1 year.

Combined temporary work force resulting from S. 1200 and Wilson amendment:

We have previously estimated that some 500,000 to 600,000 workers would be allowed to be imported under the three year labor transitional program and the newly constituted expedited procedures of the H-2 Program-N visa. Proponents of the Wilson Amendment represented to various Senators that they would be willing to accept a cap of 350,000 temporary agricultural workers annually for perishable crops annually. The combined total of all three temporary agricultural worker programs would be approximately 800,000 foreign workers a year for three years and approximately 500,000 to 600,000 there after.

These estimates would more than double the existing estimates of 10 percent of the total undocumented workers in the U.S. of 3.5 million which are said to work in the agricultural industry. This is being proposed at a time when unemployment amongst U.S. Farmworkers has been over 20% for the last three years.

FACTS ABOUT GROWER MYTHS

The following information is based on a study California's Farmworkers conducted by the University of California (UC) and the California State Employment Development Department (EDD). It provides important facts on the farmworker population of California. Most importantly, these facts are from the state whose growers have been the major proponents of cheap temporary worker programs.

Myth—Growers fear that a legalization/Amnesty program would phase out their undocumented workforce who would choose to leave farmwork for urban jobs.

Fact—"According to the VC-EDD survey, more farm workers have contacts to rural employment than to city jobs in the U.S. Moreover, there appears to be little difference according to legal status. Most of the undocumented, like immigrant farmworkers as a whole, do not have urban job contacts. Survey results demonstrate clearly that workers are restrained from moving to city jobs for reasons other than their legal status. Among the undocumented only 12 percent reported that lack of legal papers was their motivation for staying in rural areas. Most cannot move to cities because they have no contacts to jobs or housing. Instead, they prefer to stay in an area where their skills are salable.

Myth—Growers contend that a dominant portion of agricultural labor force is undocumented and therefore temporary worker programs are needed.

Fact—The UC-EDD survey found that a central characteristic of California farm labor markets is the availability of a large pool of workers who individually experience long spells of unemployment. The survey found an average period of unemployment of over 20 weeks for farmworker heads of household. Corroboration of the existence of this pool is shown by comparing the demand for farmworkers with the numbers of individuals actually doing the work. For example, in the late 1970's total demand for in-field labor was approximately 128,000 workers working year-round. But in 1978 there were 298,000 farmworkers who earned more than $800 in 1978 implying the existence of a labor pool with over twice as many workers as there were available jobs.

Overall employers in California face a very stable supply of workers. Scarcities are rare for almost all crop activities.

Myth—A legalization/Amnesty program will not provide a sufficient work-force for the agricultural industry and therefore temporary worker programs are necessary.

Fact—The UC-EDD report concluded that "A generous amnesty would actually alleviate the short-run, if faced with a permanently curtailed labor supply, employers might be obliged to improve working conditions, offer year around employment, and implement technologies which lighten farm tasks. These changes could lengthen farm work careers, attract more women and domestic workers to farm work, and lessen the need for an uncontrolled influx of Mexican workers." The approximately 70 percent had resided in the U.S. for up to 10 years and would thus qualify for either House-Senate legalization program.

Wilson amendment and its false representations:

Myth—Proponents of the Wilson Amendment have emphasized that this program will not result in increasing the flows of undocumented workers and that the workers will have adequate rights and privileges. They believe that by requiring the undocumented to have 20% of their salaries kept in a fund not refundable unless they return after contract period will prove a sufficient safeguard.

Fact—The staff Report of the U.S. Commission on Immigration and Refugee Policy, the Commission which Senator Simpson and others have taken their guidance from in drafting S. 1200, indicated that all previous temporary agricultural worker programs authorized employers to hire temporary workers and to insure that INS was notified. However, because of lack of adequate enforcement many workers deserted their contracts and found higher paying jobs elsewhere. It was found that "a total 72,862 temporary workers had been admitted from 1917 to 1921, of which 21,400" deserted their employment and disappeared."

The report highlights the observations of the famous Bracero program by historian Otey Scruggs who said. "The basic weakness of the program was lack of adequate enforcement machinery. Too much reliance was placed on the good faith of the parties involved. In the case of the farmers, most of whom were haunted by the fear of labor shortage, and who had come to regard the use of Mexican labor as a natural right, an appeal to good faith plainly was chimerical." Once again we find the Wilson Amendment depending on the "good faith" of growers to insure recruitment of domestic workers and compliance with labor law and working condition standards.

Furthermore, the report found that after the first temporary worker program a dramatic increase in Mexican immigration, legal and illegal occurred, increasing from 221,915 in 1910 to 484,418 in 1920 and 890,746 in 1926.

In 1942 when the infamous Bracero program commenced it carried with it many of the same provisions and more than the Wilson Amendment is proposing. The report found that "Despite these strict guarantees, however, workers rights and privileges under the Bracero program were not generally upheld and abuses were common. Such rights were not commonly granted to domestic farmworkers and there were no enforcement mechanisms. Further illegal entry continued unabated as U.S. employers continued to hire undocumented/illegal workers to protest the terms of the Bracero Program. During the 22 year history of the program 4.5 million workers came in as Braceros, but 5 million were apprehended as illegals.

Today, while some things have changed such as farmworkers having more rights than before, sadly but true, there is no serious enforcement of these rights. While Wilson is being proposed along with sanctions it must be noted that less than 5% of all growers in California and in the U.S. are reviewed by INS agents for hiring undocumented. The hiring of the undocumented by the agricultural industry will undoubtedly continue. The Wilson Amendment makes absolutely no serious effort to insure workers' rights and insure equity. It is a grower's program as all others have been in the past.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I would like to join my colleague, Senator WILSON, in urging the Senate's acceptance of this amendment, which would establish a seasonal Agricultural Worker Program for the perishable commodity industry.

Mr. President, I have long advocated a comprehensive reform of our Nation's immigration laws. I applaud and support my colleague, Senator SIMPSON's efforts to reform these laws. In order to establish a truly comprehensive and successful immigration policy, however, we must address the unique and legitimate needs of a substantial portion of this country's farmers. Thousands of growers involved in the production of perishable commodities would be seriously harmed by S. 1200. The H-2 Program contained in this bill is simply not flexible enough to meet the unique needs of perishable crops, which are labor-intensive and highly sensitive to changing weather conditions. This amendment would establish a Complementary Seasonal Worker Program which would be a safety valve available only to those in the perishable commodity industry.

The domestic production of perishable crops represents nearly $23 billion in value to farmers, workers, and consumers. Growers involved in the production of perishable commodities provide employment to approximately 650,000 people Nation wide. In the State of Washington, fruit farming is a half billion dollar industry which employs over 30,000 workers during the harvest season. Washington State is the Nation's leading supplier of cherries and apples, and is the Nation's second largest supplier of pears, prunes, plums, grapes, and apricots; 20 percent of Washington State's entire apple crop is exported to foreign countries, adding to our national trade effort and creating a substantial number of additional jobs.

Growers of these perishable crops in the State of Washington and throughout the Nation have traditionally relied heavily on foreign labor. We must face the reality that a large percentage of these workers are in the United States illegally and there is no guarantee that enough domestic workers will step forward to fill these jobs once illegal immigration is under control.

Unlike the larger wheat farms which use mechanical harvesters, the perishable crop industry, which is largely comprised of small family farms, is labor intensive and a large number of workers is required to harvest the crops. Fruit and vegetable harvesting is physically demanding, unpleasant work, and even at reasonably high wages, the industry has not attracted sufficient numbers of domestic workers. If the Immigration Reform and Control Act of 1985 is to establish a realistic and workable immigration policy, it must not force farmers to choose between hiring illegal workers and losing their crops. The choice should be between hiring domestic workers if available and, if not, hiring legal foreign workers in a program that meets the needs of the perishable grower and provides protections for both foreign and domestic workers.

The H-2 Worker Program included in S. 1200 is simply not usable for the thousands of farmers involved in many kinds of perishable agricultural production. The H-2 Program would still tie the worker to a particular grower, thus preventing the movement from grower to grower that is essential when perishable producers face changing climatic conditions. The H-2 Program also continues the requirement that the grower predict, weeks in advance, when and how many workers will be needed. This is unrealistic considering the harvest volatility of perishable crops.

In addition, the H-2 program's 72-hour emergency provisions intended to address the problems created by an earlier than expected need for workers, a shortage of workers, or a failure to apply for labor certification would nonetheless fail to solve those problems for several reasons. First, the emergency provisions would only be triggered when a critical need exists and the grower would have to wait in line with thousands of other growers for a decision within 72 hours by the Department of Labor as to whether a critical need exists. This decision would have to be made in 72 hours when the growers may need workers within 24 or 48 hours to save the crops.

Moreover, even if a grower did receive an approval for more workers within 72 hours, a contractural relationship would have to be established between the workers and the grower, proper visas and documentation for the workers would have to be obtained, and foreign workers would have to be recruited and brought into the United States. It is completely unrealistic to think that all of this could be done in less than a week, and growers would likely need a large number of additional workers in less than 72 hours.

In June of this year, for example, farmers in Washington State's Yakima Valley were faced with an impending rainstorm during the cherry harvest. As some of you may not know, a rainstorm at the time of a cherry harvest can split the fruit, thus devastating entire orchards. Cherry growers in the Yakima Valley had to triple their work force in a matter of hours. They were able to do so, and the crop was saved. This undoubtedly would not have been the outcome if the growers had attempted to use the H-2 Program in S. 1200. Only a seasonal agricultural worker program that allow workers to move freely from grower to grower during the harvest period can ensure the availability of an adequate work force in a timely manner if a critical need exists.

This amendment avoids the problems of the H-2 Program by admitting workers into specific growing regions thoughout the United States on a monthly basis and enabling them to move freely from grower to grower without the restriction of a contract. The lack of a contract not only would enable them to move in response to crop emergencies but also in response to higher wages dictated by the emergency demand for workers. The workers would benefit from higher wages allowed by a free market system and the growers would benefit by being able to harvest a crop that otherwise would rot.

This approach would assure that there are pools of workers in growing regions at critical periods with the freedom to respond to changes in labor needs dictated by variable weather. Under this amendment and unlike the H-2 Program, if a rainstorm were to create an earlier-than-expected need for workers, they would already be in the region and would be free to respond to the employment needs of growers producing commodities affected by the weather.

This amendment would establish a new seasonal agricultural worker program which would meet the unique needs of the perishable commodity industry, while protecting foreign and domestic labor and ensuring that the foreign workers will return to their own countries. Specifically, this amendment would establish a new category of nonimmigrant seasonal worker who could be employed solely by qualified growers of perishable commodities for a limited period. The key feature of the program would be the ability of workers to move freely among employers following the ripening and harvesting cycles of perishable crops within a specified region.

The Attorney General would admit foreign workers in 10 agricultural regions created throughout the United States for employment in the perishable crop industry only when he determines, after consultation with the Secretaries of Labor and Agriculture, that there is an insufficient number of domestic workers to meet the needs of the producers. In making a determination as to whether any workers should be admitted, the Attorney General would be required to take into consideration the availability of domestic agricultural labor and the recruitment efforts undertaken by the Secretary of Labor to find domestic workers willing to work in this industry. The Department of Labor would appropriate $10 million annually to assist in this effort.

A seasonal worker's ability to participate in the program would be based largely upon his or her experience in the production of perishable commodities. Workers would be given visas that would, in most instances, admit them to work for a period not to exceed 9 months. Strong incentives are provided to encourage workers to return to their countries of origin by withholding 20 percent of their wages, which would be returned to them through the U.S. consulate in their country of origin upon their return and proof of compliance with terms of the visa, including the requirement of continuous employment in perishable agriculture. If workers are not continuously employed, they must leave the United States. Failure to do so within 30 days of their last verifiable employment could result in forfeiture of their withheld wages.

Unlike the old Bracero Program, this new program contains features not only to protect foreign workers but to assure that their admission does not adversely affect the wages and working conditions of domestic workers. Foreign workers would be entitled to workmen's compensation and housing, and they would receive the adverse effect wage that could not fall below the minimum wage. The program includes various monitoring provisions, as well as civil and other penalties for violation of its terms by employers.

Growers who participate in the program would be required to make a good-faith effort to recruit domestic workers until the day foreign workers begin working. Growers participating in the program in the prior 12 months would be required to provide a summary of their past recruitment efforts. Participating growers would pay a users fee that would be more than adequate to cover administration costs, and they would be required to assist the Attorney General in tracking and monitoring the movements of workers admitted under the program by notifying the Attorney General within 72 hours of hiring or terminating the employment of any seasonal worker under the program.

Frankly, the same number of workers will be needed no matter what we do. If domestic workers are not available and the new seasonal agricultural worker program is not enacted, H-2 workers will be brought in. If, as I believe, H-2 is not workable in the perishable commodity industry because of its time and mobility constraints, the danger is that, in order to stay in business, farmers will resort to the present practice of hiring illegal workers—precisely the problem we are trying to avoid.

Mr. President, what we wish to do is change a present system which has the United States filled with illegal workers. We can only do that and preserve an important part of our economy if we recognize their special needs and take men and women who are now working illegally and give them an opportunity to work legally.

This amendment is in the best interests of consumers, domestic workers, and the foreign workers themselves. In my view, this amendment is consistent with the goals of the Immigration Reform and Control Act of 1985. It will help ensure that the thousands of farmers who are involved in the multibillion dollar perishable commodity industry are not forced out of business. I urge my colleagues to give this amendment their full support.

Mr. SIMON. Mr. President, I shall be very brief. I want to join the distinguished chairman of the subcommittee [Mr. Simpson] in opposition to this amendment. Many of the points have been made by him and by Senator Kennedy. Let me just point out two other flaws that I believe exist in this amendment.

No. 1, which department of the Federal Government has the knowledge of labor supply, when we have needs and when we do not have needs? It is fairly obvious that department is the Department of Labor. Which department is going to make the determination here? Not the Department of Labor; the Department of Justice. It seems to me that is a pretty basic flaw. But there is another item.

If you look to pages 7 and 8 of the Wilson amendment—and I have great respect for the Senator from California and his intent—there is a provision that I do not know of any parallel to. Maybe there are parallels somewhere in the Federal statutes, but I know of none in the Federal statutes nor in the statutes of Illinois. It says either the individual employer or an association of employers may apply for the permit to bring in workers. Then it says, if you turn to page 8, "member's violation does not necessarily disqualify association or other members." and the other way around: The "association's violation does not necessarily disqualify members."

So what we have is an open invitation. Everybody gets a double shot at breaking the law, opening this door wider than it is already widened here.

Clearly, Mr. President, we should not be moving in that direction. I hope the Wilson amendment is rejected.

Let me add just one other thing: The Senator from Wyoming said to me the other day, asked me if there were any chance I was going to be voting for this. I responded there was a possibility—not a probability, but a possibility. But if the Wilson amendment is adopted, there is no way many of us could vote for this legislation. This just opens the door wide to every possible abuse. I do not think it is the direction we ought to go in. I hope we have the good sense to resist the pressure from these growers.

I understand the economic realities—at least, I understand them a little bit. But we do not want to be moving in this direction. I hope we will reject the amendment.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER (Mr. D'Amato). The Senator from Idaho.

Mr. SYMMS. Mr. President, first, I thank the Senator from California for offering the amendment, and I am pleased to share in the cosponsorship with him of this effort. Also, I compliment the distinguished Senator from Washington for what I think is a very accurate presentation of what the picture is with respect to the necessity for this amendment in the fresh fruit and vegetable industry in the Pacific Northwest specifically.

The Senator from Washington made very clear the workability of the H-2 Program. I think it is interesting, to add to what he said, that the sweet cherry crop in Washington, Oregon, and Idaho was harvested prior to the 4th of July this year. That is the first time in some 25 or 30 years. It was an extraordinarily early year. If you had peach, pear, and prune pickers lined up to work in 3 or 4 weeks after the cherries had come off, which is normal, about 3 weeks after that, these small farmers would have had workers lined up under the H-2 Program to finish the harvest and they would have found out, because of the extraordinarily cold weather after the 4th of July, that everything got delayed by 2 weeks.

I hope that Senators will heed very carefully the thoughtful remarks of the senior Senator from Washington, because I think they were right on target. He said very accurately that this amendment is absolutely essential if this bill becomes law and is to be a workable law and achieve the noble goals that some of our colleagues wish to achieve in their quest for immigration reform. It is a humanitarian amendment.

I have heard some comments by the distinguished Senator from Massachusetts and others which imply that this amendment will not be good for the workers. It is totally the opposite. Without this amendment we are ignoring what is going on in the real world where perishable crops are being harvested.

I think we should not do that. There is a legal guest worker program in effect today. It is good for the workers. It is good for the consumers. It is good for those nationals from Mexico who have a much lower standard of living. They take their money. They go home. They spend it directly on their families. There is no interference. It is probably the most efficient foreign aid program the United States has in effect today.

The amendment of the Senator from California provides assurances that these people will be properly treated, so that they will be paid in a proper fashion, housed in a proper fashion, transported in a proper fashion, and have normal protections as fellow human beings. I might add that in most cases these people are nationals of our neighboring nation of Mexico. They are fellow Americans in that respect. They are fellow North Americans. I believe, from a humanitarian aspect, what the Senator is trying to do is absolutely right.

I wish to begin my remarks also by thanking my distinguished colleague and friend, Senator Simpson, for his efforts to address this problem. I know the Senator from Wyoming very sincerely listened to the concerns of the fruit and vegetable growers and he has taken some steps toward trying to meet them. I recognize and appreciate the chairman's efforts to modify the H-2 Program, but I think we have to say, as Senator Gorton did earlier, that the modifications incorporated in S. 1200 fall far short of the mark in our efforts to meet the needs of the perishable crop growers.

Under the provisions of S. 1200, the present certification period—and I hope my colleagues who are not familiar with the produce industry will listen carefully to this—that is, the time that must expire between the grower's application for foreign laborers and the day on which those laborers begin working, is reduced from 80 days to 65 days. Also, a 72-hour emergency application procedure is proposed. Seventy-two hours, I say to my colleagues, is 3 days. In terms of the Washington State cherry harvest which took place this year, during 3 days they harvested about 40 percent of their crop by doubling the numbers of workers.

Now, those committee modifications will enhance the ability of the farmers who participate in the H-2 Program to anticipate the harvest date and the labor needs when they apply for foreign laborers. However, they will have to guess 65 days in advance of when their crop will be ready. And as I already mentioned, this year in the Pacific Northwest started out as a very early year, the earliest year that I can remember for the harvest of strawberries, sweet cherries, and apricots. Then, all of a sudden, a cold snap came and everything was delayed. Now it is a little later than average. I think those are the real problems which make the H-2 Program unworkable.

The perishable crop producers are absolutely not able to forecast the weather and crop conditions with the kind of accuracy to work through the bureaucracy and actually have workers there when needed. Recognizing the special needs of these farmers who must harvest their fruits and vegetables in a matter of days or face disastrous losses, the distinguished Senator from Wyoming has added a 72-hour emergency provision to this bill. I know he is trying hard to meet the needs of the produce growers with this provision, but it just simply is not enough. Under this bill the emergency provision would be triggered when a "critical need" exists. That is what it says, critical need. A grower who has a critical need would have to wait 72 hours for the Department of Labor to make the same decision. Then additional visas must be issued and foreign workers must be located and recruited under the Department of Labor contractual agreement.

Now, the Senator from Washington mentioned the sweet cherry crop splitting when it rains. You simply cannot wait 3 days to harvest a cherry crop if there is an impending rainstorm because it would totally decimate the value and the usability of that crop. If they wait for the Department to get the paperwork together and the crop is destroyed then where would that leave the workers?

What I am saying, Mr. President, is that the time spent by producers of perishable crops applying for emergency help is time they simply cannot afford if the crop is to be saved. If a heat wave hits southern Idaho, produce growers must expand their work force up to 5 or 10 times the normal level and the workers will have to be available in a day or two, otherwise the crop will be ruined by the extreme heat. All of these difficulties are in addition to the problems that the Department of Labor will face when hundreds or even thousands of farmers are clammering for emergency visas because the weather has suddenly changed.

The Department of Labor has a very difficult time processing the applications under the current H-2 Program under which less than 20,000 foreign workers are allowed to enter annually. It is working fairly well in some areas, in sheepherding and others, where it can be predicted somewhat in advance that the sheep will be moved, and so forth, and also it is a much lower labor intense type of work so there are not as many workers involved. But as I said, the Department of Labor is currently having a difficult time processing those applications under the current H-2 Program with less than 20,000 foreign workers being annually employed under that program. So one can imagine what the problems would be if we tried to expand that program many times over to take care of perishable commodities. Also the H-2 proposal in this bill does not allow a grower to postpone the arrival time of workers if cold weather delays a harvest period. As a result, the workers would arrive early and they must be paid, housed, and fed even though they are not working. With the farm economy what it is today, we simply cannot afford that. I doubt that there are farmers in the Nation who can afford an inefficient contractual agreement of this sort. Most of these growers are very small family farm operators in my State and in the Pacific Northwest in general and they would be unable to operate under those terms.

Mr. President, for those reasons I think Congress must adopt the Wilson amendment, which will be an alternative that will supplement the H-2 Program and ensure a stable supply of workers for the Nation's perishable crop industry.

Under our amendment, temporary workers will be subject to approval and control by the Attorney General with strong incentives for them to return to their country of origin. The amendment has been very carefully drafted and includes the following provisions: The Attorney General will be able to determine the number of workers to be admitted based on the demonstrated need and availability of domestic workers. I think it is very important for the program to have the flexibility to see how many workers are really going to be needed. No. 2, the guest workers would be given visas to work only in perishable commodities for a period of no longer than 9 months. The distinguished Senator from California has even limited the scope of that. The growers would be required to notify the Attorney General within 72 hours after hiring an individual and again within 72 hours after the individual leaves the employer's service.

Growers would be required to withhold 20 percent of the employee's wages to be escrowed in an account at the U.S. consulate in the employee's home country. Workers will collect this money upon their return and after showing proof of compliance with the terms of the visa. The 20 percent would be forfeited if they did not return or could not show they had been continuously employed.

Also, Mr. President, farmers participating in this program would have to:

Make a good faith effort to recruit domestic workers;

Provide wages and working conditions comparable to those given domestic workers;

Provide housing or a housing allowance to foreign workers and

Provide workmen's compensation or its equivalent to guest workers.

This program will make possible the mobility of workers that is essential to the perishable crop industry. It does not require the contractual arrangements that are part of the H-2 Program and which make that program unworkable for growers who depend on a labor force that can move quickly from one farm to another. Yet, this guest worker program provides the control necessary to monitor the movements of foreign workers while they remain in this country.

Mr. President, our labor and immigration policies should be designed to ensure that a dependable labor force will be available to harvest the Nation's agricultural products. This amendment will help us achieve that goal, and I urge my colleagues to support it.

Mr. President, our labor and immigration policy should be designed to ensure that people will be available to harvest the Nation's agricultural products, and I urge my colleagues to support it.

I say again that out there in the real world, where the produce is being harvested, there is an illegal guest worker program in place right now. It is happening whether we like to think about it in the Senate or not. That is what is going on. We should keep that in mind when we pass legislation that calls for immigration reform, in view of what is happening in Central America, where we have more and more people voting with their feet to escape places like Nicaragua and the turmoil that is on the burner of Castro and Daniel Ortega and others, and what their plans are for Mexico. I think the question of immigration reform is bigger than just passing this legislation.

Specifically, without this amendment, this legislation simply will not do what the authors intend it to do. It will not give us reform. The same situation that exists today will exist next year and the year after and the year after that, unless the American people simply do not want fresh fruits and vegetables. If they want all canned produce that is grown offshore and shipped into the country, that is what will happen. I do not think that is what the American people want.

I can say from personal experience, from seeing this, that the guest workers in this country today, in the Pacific Northwest, are making the same wages as the domestic workers who are working there. In most cases, it is twice and often much more than twice the minimum wage.

So the question is not wages. The question is practicability, the viability of having the workers there, and the flexibility to hire people who want the jobs.

All these people in the guest worker program want, is an opportunity to earn an honest living, doing a job that American citizens choose not to do.

I have had countless growers in my State tell me that they have a standing order at the employment office for workers to harvest perishable crops, and they hardly get anyone hired. They have a standing order for several workers. I have had hundreds of farmers tell me that, and I know it to be the truth. They never can hire domestic workers.

This is absolutely important. This is a very important amendment to those of us in the West. I say to my colleagues that this amendment is going to be the best possible solution to a very difficult problem. Without it, the same abuses that many of my colleagues talk about will occur. They are only in a very small area. On occasion, somebody is exploited.

If we leave this amendment out of this legislation, the things people talk about, the exploitation of Mexican nationals and other things, will still take place. The Senator from Washington said it better than I, and he stated what is going on all across Arizona, California and other areas—a situation that still exists. Some of us have been in the fields and have seen the produce operation in action.

I hope my colleagues will take heed, and I urge the support of this amendment.

Mr. GRAMM. Mr. President, I am happy to associate myself with the Senator from California and others who have spoken on behalf of this measure.

There is no sense in my repeating the same points that have been made over and over as to what the Wilson amendment is and is not. But there is one point I should like to address, and I will do it quickly.

Those who oppose this amendment want to debate the issue of foreign nationals working in this country. It is clear, however, that the bill itself recognizes that under some set of circumstances, it is going to be necessary in agriculture to allow foreign nationals into the country, under a certain set of conditions, to engage in the production of agricultural products. That is what the H-2 section is about.

So the debate here is not about the world we hope will exist, a world in which there are Americans eager to take every job, in which we produce goods and services at the price we can afford to pay, given the vagaries of nature, without any kind of guest worker program. The proponents of this bill have already conceded that that is not the case.

The question here is whether or not the H-2 Program can work, whether or not we need an additional provision in the bill—in this case, the provision provided by the Senator from California.

In my State, we produce about $200 million worth of products that, No. 1, are perishable and that, No. 2, are highly dependent on labor for its production—everything ranging from onions to jalapeno peppers.

Mr. President, we do not have an onion set-aside program. We pay no one not to produce jalapeno peppers. If we need labor to come in and harvest a crop and the labor is not there, the farmer who has invested his or her life's worth is going to lose it.

The H-2 Program is not used to any significant extent in my State because it is unworkable. It is simply not flexible enough to meet our needs. Maybe it would be great if we did not have needs, but we are not debating that. Even the authors of the bill recognize and concede that point.

I am a cosponsor of the Wilson amendment because I think it gives greater flexibility, because I think it will come closer to meeting the needs

of my State, and because we are entering an uncharted area in agricultural production.

We do not know what the passage of the Simpson bill will do in terms of economics. I think it is vitally important in this era of uncertainty that we have a safety valve that will protect perishable products, which are labor intensive, under what I believe to be a very stringent set of circumstances aimed at protecting domestic labor, aimed at granting status to those who come into the country to work on our farms and our fields, to protect them in terms of housing, health care, wages, and working conditions.

I think that this safety valve is vitally important.

I hope the Wilson amendment will be adopted. I intend to vote for it. I urge my colleagues to do so.

I believe that if this bill is adopted without the Wilson amendment, it will impose great hardship on American agriculture, especially perishable products, and that we will be back here next year or the next year voting on a provision very similar to the Wilson amendment, only the fellow who planted the onions this year or the peppers or the cauliflower may not be in business. So my view is in entering this unchartered area with new labor laws, in trying to eliminate the massive employment of illegal aliens to stop the flow of illegal aliens into the country, I believe we need this safety valve and I am for it and I am going to vote for it, and I urge my colleagues to do the same.

The PRESIDING OFFICER. Is there further debate?

Mr. McCLURE. Mr. President, I rise in support of the Wilson amendment to the Immigration Reform and Control Act of 1985. I really do admire the work that Senator Simpson has done on this difficult and complex issue. Not just this year but in the past.

It certainly is an area that has needed national attention, and I commend the Senator for his persistence and hard work in developing a solution. However, because of the specific needs of growers of perishable agricultural commodities an alternative must be allowed and therefore I am in support of Senator Wilson's amendment to S. 1200.

Although the H-2 program and proposed improvements to it in S. 1200 may work well for certain types of agriculture, it is not well suited to meet the needs of thousands of farmers involved in many kinds of perishable agricultural production. The improvements included in the S. 1200 may substantially benefit those who can use an H-2 program. They fail to address, however, the basic objections of those who feel that an H-2 program can not meet the needs of perishable agriculture even with a 72 hour emergency application procedure, a provision allowing the workers to "briefly" roam after the expiration of their initial contract, and reduction of the precertification period from 80 days to 65 days. These provisions are inadequate for a number of reasons.

First, because of the vagaries of weather, perishable growers cannot predict with certainty when they will need to harvest and how many workers will be needed. The H-2 Program is too inflexible to assure that enough workers can be provided on a timely basis in an emergency due to a change in weather.

Second, under the H-2 Program S. 1200 is insufficient to handle the needs of perishable commodities. Perishable crops are extremely sensitive to weather conditions. It is impossible to pin down the exact time a perishable crop will be ready for harvesting.

For example, in Idaho alone such perishable commodities as apples, peaches, prunes, plums, and sweet cherries accounted for $31,366,000 in trade in 1983. This figure excludes potatoes and onions which together accounted for an additional $347,000,000. It is impossible for the growers of these products to predict 65 to 80 days in advance when their crops will be ready for harvest. Harvest time is determined by the amount of moisture received and the heat of the summer. These crops must be picked and packed within a short period of time otherwise they will be lost at considerable cost to the producers. These growers must have help, almost always on short notice, or they will lose their crops.

On a national scale, the perishable crop industry is also very substantial. Current production is valued at nearly $23 billion. This industry is also obviously important to the consumers in America who have become accustomed to high quality fresh fruits and vegetables on a year-round basis at a reasonable price.

If S. 1200 is effective in reducing the number of undocumented workers in this country, those involved in the perishable crop industry face a choice: they can hire domestic workers if they are available and qualified; however, if they are not, they have to decide between hiring illegal undocumented workers or losing their crop. They would choose the first option at the risk of facing civil or criminal penalties for violating the law. A well constructed immigration reform package should not force a choice between hiring illegals or losing a crop.

I believe the real choice should be between hiring domestic workers if available and, if not, hiring legalized foreign workers in a program that provides safeguards by providing protections that are not available to undocumented workers today.

My colleague's amendment would ensure that a sufficient supply of seasonal workers could be provided in a timely manner in the event of domestic worker shortages. It will protect the rights of both domestic and foreign workers, provide decent wages and working conditions and guarantee that workers return to their countries of origin upon the expiration of their temporary visa. I might also add that the administrative costs of the program will be borne by participating growers through a user fee required by the amendment and not by the American taxpayer.

In simple terms, the amendment simply assures that any immigration reform proposal containing employer sanctions will not confront thousands of small family farms in this country with the option of either going out of business due to a lack of an available workforce or facing heavy civil and criminal penalties for failing to comply with the immigration laws. Moreover, the Wilson amendment will also provide protections to the workers and ensure regular supplies of perishable commodities to American consumers.

I urge the support of my colleagues on this amendment.

Mr. President, allow me to rephrase and restate just one very simple fact of life: A farmer who has brought his crop to the point of harvest does not face just the loss of income that might be a temporary loss for a short period of time, if he cannot harvest that crop when it is ready, he loses the whole year's income.

There has been much rhetoric in this Chamber over the last several months about the plight of the American farmer and his need for additional credit to tide him over periods of time such as the one we are experiencing in the country today. What is being suggested in this legislation is that we expose that self-same farmer to the dilemma of losing his farm for the lack of income created by the shortage of workers or take the risk of civil and criminal penalties. Do you really want a farmer to face that choice? Do you really want to put him in the box of deciding whether or not to violate the law or lose his farm?

I think there has to be a better answer. I think the distinguished Senator from California and the amendment that he has offered has found that answer. I do urge its support.

I yield the floor.

Mr. SIMPSON. Mr. President, it has been a thoughtful debate. I think we are nearly ready to conclude. I think Senator Wilson would indicate, too, that we are about ready to proceed here.

Regretfully, and yet with clarity, at the conclusion of the Senator's remarks or anyone else who wishes to speak, I will move to table the amendment when it is perfectly apparent that everyone has finished their debate. Certainly not until then. But I will do that.

Let me just say two things with regard to what we have done here in S. 1200. I remember the debate and it is good to hear Senator McClure, Senator Symms, and Senator Wilson. All of us have been in this debate and in the former two versions of this bill.

Mr. SYMMS. In fact, it has been much less vigorous today than it was the last time we were engaged in that, I say to my dear friend.

Mr. SIMPSON. Mr. President, I can tell you that it has been much less vigorous. In fact, we were using pictures, as I was describing the scene, taken two blocks from the Capitol where they apprehended several illegal, undocumented workers.

Senator Symms, from Idaho, was in spirited discussion on that with me. I remember it very well.

But I think the issue is that we did a lot. I think that even those who speak today will know that we did an awful lot between what we had in the first bill and the second bill and what's in S. 1200. S. 1200 is a distillation of the conference committee activity and a refinement of the so-called Panetta-Morrison amendment with oak leaf clusters, if you would refer to an old military phrase.

So, it thinned out. It took some of the sting out of it. Yet it surprised the House when the Panetta-Morrison amendment passed by 58 votes—a startling vote to the proponents and the opponents of immigration reform.

But I just would review once again for you, just so the record is clear and those who are listening know, that we have provided in S. 1200 many expedited procedures for growers—not just western growers but any perishable growers in the United States. When labor certification is denied—and that happens so often and is so frustrating for all of us in the West—when labor certification is denied for workers needed in "perishable commodities," it will trigger the expedited process.

Mr. SYMMS. Will the Senator yield for a question?

Mr. SIMPSON. Yes.

Mr. SYMMS. Does not the administration support this amendment?

Mr. SIMPSON. The Wilson amendment?

Mr. SYMMS. Yes.

Mr. SIMPSON. The administration, I must say we have conflicting signals. We have the Secretary of Labor, the Secretary of Agriculture—I eventually always have to go see the President of the United States and say to him, "Are you still on board?" And he says, "Yes." But I have had the eternal struggle with this administration from the beginning and have never ever gone through immigration reform on the basis that the administration was for this or for that. In many cases, simply if I had not had William French Smith and Attorney General Meese and George Bush and the President, I would never know where I had been with the administration on immigration reform. It is beyond my ken. I am unable to track that.

Mr. SYMMS. They do support the amendment, though?

Mr. SIMPSON. Well, I do not support it.

Mr. SYMMS. You do not, but the administration does.

Mr. SIMPSON. Some parts of the administration do, some do not. It is that kind of a curious situation.

Mr. McCLURE. If the Senator will yield, the distinguished Senator from Wyoming has before him a statement of administration policy, which does very explicitly support the Wilson amendment. If he does not want to refer to that in this debate, I hope he will not refer to the last paragraph when we get around to another amendment in which the administration supports his position.

Mr. SIMPSON. Mr. President, so that we do clear the air—and we eventually get that done in this place—I have before me a September 12, 1985, memorandum on the Immigration Reform and Control Act.

> The administration supports the enactment of S. 1200 with the adoption of the amendments to establish a self-financed, limited seasonal worker program which will provide field harvest labor for perishable commodities.

That is in the bill. That is S. 1200. That is what it is. It had administration support, the very much scaled down seasonal worker program. Then it goes on to describe that the MSPA, that is the Migrant and Seasonal Agricultural Worker Protection Act, would have to apply. And it does not. Right now, in the proposal presented by Senator Wilson, this does not apply. The MSPA regs have to apply, according to this administration memorandum. And this amendment does not comply with that. So I guess I can tell you that part of it.

We—in S. 1200—are also saying when U.S. workers show up for work but are not able, willing, and qualified, the expedited procedures go into place.

Also, when U.S. workers fail to show up as promised, the expedited procedures go into place. And when a grower faces a critical need for workers due to unforeseen circumstances—and I express to you that would be an unexpected change in the weather occurring within 3 days of need—that would trigger an expedited procedure.

Under those circumstances, the Government agency involved—and that would be either the Department of Labor or the Attorney General, depending upon the situation—must then respond within 72 hours. That is what S. 1200 provides.

So, I did want to share that with you. And then just say, and I think I can conclude—and I direct the remarks to those thoughtful persons on the other side of the debate—we have found in our travels of 6 years that many of the growers from the West do not understand or they misunderstand intentionally the H-2 Program. They do not want to take the time to use it or they have had some friend that tried it and it did not work and they got hammered or they got tired of dealing with the Labor Department. And that is true. I know that happened.

However, we speak of the experiences in the West, where the H-2 Program, as I say, has never been tried. But even in Idaho—and I cite to my two colleagues, and they know it much better than I—there is a movement now in Idaho to form an association of growers to apply for the current H-2 Program. Apparently over 100 growers have expressed an interest in Idaho with over I believe 1,200 job opportunities involved.

Now, that effort right now I believe is limited to irrigation. But with S. 1200 and its improved H-2 Program I think we can certainly move on to harvesting and other critical labor.

I hear Senator Symms' remarks clearly when he asks how can the Labor Department, which has difficulty in processing 20,000 applications—and that is all we use in H-2 now—how will they be able to handle the hundreds of thousands of new applications? I hope the phrase "hundreds of thousands" does not reverberate through here because that is what terrorizes organized labor; that is what frightens people who talk about an expanded guest worker program. If there were some cap we might reach, that could be dispelled. I do not think any of us want a million guest workers or 2 million.

Mr. SYMMS. Will the Senator yield for a comment and a question on that?

Mr. SIMPSON. Yes.

Mr. SYMMS. The point I am trying to get at is that the undocumented workers in the country number, depending on whose figures you listen to, anywhere from 5 million to 15 million. A very small percentage of them—the Senator has said himself, and I believe we all agree—actually work in American agriculture. The threat to organized labor and industrial jobs and manufacturing jobs, the fear you always hear from organized labor does not take place with respect to the perishable commodities in the Wilson amendment.

I believe the Wilson amendment would make what the Senator from Wyoming is trying to do more workable. If you get that one section taken care of so that it is, so to speak, out of the closet, then the segments of industry where illegal immigration is really a problem will come to the surface where people can see it. It will be easier to isolate the problem.

I said this in the debate the last time. If you go into most any restaurant in the major metropolitan area of Washington, DC, and go back in the kitchen and pull your Senate card out and yell, "Immigration," probably half of the people working in the restaurant are going to run for the door. I think we are being unrealistic here.

To put the farmers in the situation, as Senator McClure has pointed out, where they have to make a choice of losing their farms or hiring people who are available to work is unacceptable. These folks are here because they are seeking honest employment to raise their families. Why not get it up on the surface, as Senator Wilson is suggesting, so that they can have a decent place to stay, so they do not have to hide and run from the law?

I just think it is a much more humane way to go about the problem. I hope the Senator will not oppose it with too much enthusiasm. I will also cite one other point if the Senator will yield for 1 more second. We all know the problem of American agriculture, and the major problem is that grain is too cheap competing on international markets for all kinds of reasons. If we drive people out of perishable commodity production in Idaho—Senator McClure mentioned 10,000 cars of onions, 25,000 cars of potatoes—if those people start producing wheat because they cannot hire the workers legally, they are going to be producing a crop that they certainly can produce a lot of. On all of this ground on which they grow potatoes and onions, they will grow 125 bushels of wheat per acre.

What are they going to do with it? Are they going to stack it in the Government bins? We as taxpayers will pay for that too.

I think there is a really good argument here. I hope my colleagues do not look over the very logical argument, and I think a very reasonable argument to accept this amendment. I hope my colleague will not oppose it too vigorously because I think it will help him achieve the goals that he has worked for for so long.

I thank you for yielding. I apologize for interfering with your time.

Mr. SIMPSON. Mr. President, I enjoy debating with Senator Symms. He is a spirited proponent of his position. I will just say I think this should be kept in mind as we talk about the crops applied to the farmer. Let us keep in mind that 95 percent of the farm money that we are going to cough up very soon—and it will be quite a figure—goes to six basic commodities, none of which are dealt with in this particular amendment. The biggest chunk, the awesome chunk, the 95- to 97-percent chunk of farm money goes to the six basic commodities: wheat, corn, tobacco, peanuts, rice, and cotton. It does not go in any sense to the products that are here called perishable products.

Mr. SYMMS. The Senator is making my point. Why create a situation where these people who are growing perishable commodities stop growing them and start growing something in the Government program? Let us encourage them to keep growing perishable commodities and keep it out of the program so we have less to contend with here on the Senate floor.

Mr. SIMPSON. We have learned that many in America have learned not just to work the land but to work the programs. So that does happen in our country. That is why we put a 3-year transitional program together. That is part of S. 1200, to wean growers off of the illegal work force. That is why we put in expedited procedures. That is why we took care of historical ranching operations like sheep herding. That is in here. All that is in S. 1200. There is not anything that we did not address. But what we are never able to do is satisfy the perishable fruit industry. There is no way I can do that. I could accept this amendment—which I am not going to do—I am going to resist it with vigor. But even if it were accepted this bill would not be acceptable to Senator Wilson or to those who speak. Each of you have already indicated in past votes that you cannot support immigration reform. I understand that.

Mr. WILSON. Will the Senator yield?

Mr. SIMPSON. Yes.

Mr. WILSON. In the first place, I would assume that the point you are making is purely for education, but it seems to me that what we should be doing is arguing amendments on the merits of the basic amendment that is pending. I can certainly understand there is a certain amount of horse trading that goes on. But I do not think that if you listen this afternoon anyone who listened carefully thinks that everyone who is supporting this amendment is opposed to the basic bill. This is simply not the case. There are several people strongly in support of the measure of the Senator from Wyoming who are equally strong in their support of this amendment because they have recognized that good intentions are not enough; that while the rest of the bill may be drafted to deal with other subjects, it does not deal adequately with the subject of perishable commodities.

I must tell the Senator that earlier today he was gracious enough to comment on our personal relationship which is one that with him I treasure. But at the same time, he commented that it was impossible for anyone from California to support his measure. The implication was that there were pressures there that made it impossible.

Let me take a moment to share with my friend from Wyoming and anyone else who may be interested in a few rather general feelings that I have about the Senator's legislation.

He is right in trying to deal with what is a monumental set of problems. The Senator has made a magnificent effort to do so. But the effort in my judgment is flawed. There are some serious problems. I think there are problems, correctly identified by some who fear that there will be defensive discrimination on the part of small businessmen and women when as employers they are faced with the propsect of the possible hassle of Federal prosecution if they hire an illegal alien by mistake. So in order to avoid that possibility many are going to look and listen to job applicants. And if they see one who sounds or looks foreign without saying to anyone that they are doing so, they may very well seek to avoid the possibility of prosecution by opting in favor of those who look and sound as though they were U.S. citizens even though many U.S. citizens, particularly those of Hispanic ancestry, look and sound foreign but are in fact U.S. citizens entitled to all the rights and privileges of citizenship.

There are other problems with the legislation. But the basic problem has to do with the fundamental assumption that employer sanctions are somehow going to stem this massive flow of illegal immigration. I should tell my friend from Wyoming that I suspect that no one else on this floor has considered the problem of illegal immigration from quite the same vantage point as have I for many, many years before I came to this body as a citizen of San Diego County, as a resident of that county in the southwestern corner of the United States. My home was in a community that is literally on the Mexican border. It is a fact that it is the busiest international crossing in the world. That is counting the legal crossings. It is a lot busier than that because of the massive nightly illegal immigration into the United States, not just through San Diego County, but all along that very porous, 1,800-mile long, undefended border.

I was mayor of that city for 11 years. During the time that I served as mayor, it grew from 14 to the 17th most populace in the United States. Because of my concern with the growth of that city and accommodating that growth, I found myself better than half my waking scrambling engaged in the business of economic development, trying to provide the job base necessary to put this growing population to work.

If this seems a digression to you, let me illustrate its relevance. We discovered both through experience and also through econometric studies aimed at determining what motivated migration into our community that many who could legally migrate from the Frost Belt did so even though they were reasonably assured that they would not find employment in their new home of choice because they apparently reasoned as they were standing in the cold and drear of Buffalo or Hamtramck on a winter afternoon waiting for their unemployment check that they might just as well be unemployed in the sun of San Antonio, or Phoenix or San Diego or Miami as where they were unemployed in less sanguine circumstances.

My friends, if that is true for those in that circumstance, it is true in spades for those who are unable to eke out any kind of living or who cannot very realistically see the aspirations they enjoy for their children coming to any fruition, in a nation that does not enjoy any of the benefits which the United States citizenship confers. What I am saying very simply is that I think we very likely delude ourselves, that employer sanctions even if we were to persuade every Mexican, every Salvadoran, every Jamaican, and every Haitian that they would never work in the United States—that they were guaranteed unemployment here—they would come anyway. They would come bringing their families because they seek better medical care, better education, better opportunity in what they view quite properly as a land of far greater opportunity than those from which they have come.

Unless there be time to conduct this experiment, I personally doubt that employer sanctions will make a 10 or 15 percent difference in the number of people who come. I think they will come in any case. Hope will spring eternal. They will think perhaps they can evade all the elaborate mechanisms. But they will come for the reasons I have indicated.

Perhaps we need to engage in this experiment if only to illustrate that, in fact, it is not an adequate response. Then we will have to come to grips with the hard reality of what is an adequate response.

In the meantime, it makes no sense to kill industries in this country in the name of immigration reform.

Having purged myself of those personal observations, and I assure my friend from Wyoming they are heartfelt, let me respond to things which he has said and others have said—although as I come to think of it, he yielded to me, and if he wishes to complete his statement——

Mr. SIMPSON. I would appreciate your saying things, but I believe if we can get on, I will be able to tell my colleagues whether we are going to be here tonight or whether we are going to be here tomorrow.

Mr. WILSON. I will continue with apologies to my friend from the great State of New York.

Let me get to the comments that have been made with respect to this amendment.

It has been not just suggested but stated that this amendment requires that this is an open-ended program and brings an unlimited number of seasonal workers into the United States.

That simply is not true. The fact of the matter is the Attorney General has the discretion to determine whether anyone comes, and he has within that discretion the authority to decide that no one can come. He must take into account stated objective criteria that have do to with the availability of domestic labor, that have to do with the stated need in the applications of growers, and then, after a 3-year period of administering this law on a regional and month-by-month basis, he then is required, not given discretion but directed, to set a cap in any region which will determine month by month the absolute limit of the number of seasonal workers who would be permitted into the United States for a temporary period. They are, in fact, seasonal workers.

So that statement is simply flatly false.

When he comes to make this exercise of discretion, among the criteria that he must consider are the historical usage of foreign workers in each of the growing regions; the efforts of the Secretary of Labor to recruit domestic workers to perform the work in question; basically, the availability of willing, able, and qualfied domestic workers. He is, to be certain, required to consider the grower petitions, but they are but one element in all of the objective criteria that must receive consideration.

It is he, the Attorney General and not the growers, who has the authority to determine who will come.

There is no such thing as simply getting foreign workers on demand. That is the impression that is sought to be created here, but it is simply false.

This is not an open-ended amendment. It requires the Attorney General to set the actual number of workers 3 years after its effective date.

Perhaps the most offensive thing that has been said this afternoon is that this is a bracero program. That is flatly false. I take the strongest exception to it.

I can well imagine young Al Simpson as a cub lawyer doing pro bono work for the victims of the kind of abusive exploitation that has befallen all too many braceros. But to say that this is the program which during the 1940's and 1950's subjected people to that is more than utter nonsense; it is untrue and it is unfair.

There were not, during the bracero program, any of the obligations which this amendment imposes upon employers. There were no worker protections. There was no housing for them nor any requirement for a housing allowance. Certainly, there was no workman's compensation or other insurance. Certainly, under the old bracero program, and indeed under the H-2 provisions in existing law and in S. 1200, workers are tied to a single employer.

What recourse did they have, and, indeed, what recourse do they have, if they find themselves exploited or abused by that employer?

In contrast, this amendment affords to them the opportunity to move freely in accordance with the marketplace and their own desires through one of 10 regions in the United States, which divide the United States into 10 geographic areas. They are large areas.

Before my friend from Massachusetts leaves this floor, I must say I find invidious the comparison with past law. In the first place the law, past law on South Africa applies to South Africa. Indeed, I do not understand——

Mr. KENNEDY. Will the Senator yield?

Mr. WILSON. The Senator will in a moment.

I cannot understand how specifically someone will oppose the point of view that you will allow the market to dictate free movement within an entire geographic region and still consistently support a program that ties them to a single employer. That refers to another institution called slavery.

Let us leave off demagoguery and get to the facts in the case. The facts are that without this amendment, a situation of growers of perishable commodities will be that which Senator GORTON and Senator SYMMS have so adequately described. Senator SYMMS came to me on the floor and he said, "Do they not understand that, with the situation being what it is, that the growers who wish to do right by their employees are constantly in fear as are the employees themselves that the INS will come swooping down?"

That is no way for either the employer or the employee to live. They ought to live with the certainty of a law which requires certain obligations on the part of the employers. It should guarantee workers' rights. The current situation does not do that.

Let me come to the point about the failure to actually give the H-2 Program a fair try.

The H-2 Program has been tried in the West and, indeed, has been tried across the country. Let me give you some examples, a few citations.

A large grower in Arizona using the H-2 provisions complains bitterly to me about thousands of dollars spent in

litigation with the Department of Labor on regulatory issues. His case is by no means unique. While he may be large enough to afford it, most of the people who grow perishable commodities, this special interest, so-called, are, in fact, small farmers. Their farms are less than 200 acres. They are not gigantic spreads. They cannot afford that kind of litigation.

The same thing has been the experience of California growers. Indeed, bad experiences are not limited to Arizona and California. A potato grower in Wyoming drove many miles to the nearest Labor Department office to apply for an H-2 permit. In spite of extensive efforts on his part, the Department of Labor did not act quickly and ultimately refused to approve participation in the H-2 Program, even though there were no available domestic workers. Of course, what has happened as a result of that is that quite reasonably, quite naturally, others, seeing the bitter experience of those who have tried the H-2 Program, have concluded that it is not for them.

My friend in Wyoming has sought to address what everybody has acknowledged are the shortcomings of the existing H-2 Program. He speaks of streamlining it. He has sought to reduce the time needed to predict the weather from 85 to 60 days.

This afternoon he has sought to indicate that the present provisions of the program are adequate to the needs of the growers of commodities. They are not. Last year, there were only 20,000 H-2 permits processed the entire year—20,000. They would be overwhelmed by the kind of experiences currently going on in Fresno, where the interruption of the harvest has put 60,000 people searching for other employment.

What are those people going to do when the sun shines and they are going to have to scramble to get those workers back? Are they going to say, "Oh, boy, I hope the Department of Labor can, within 3 days, respond to a need that exists right now?" The Department of Labor would be overwhelmed.

The Department has very, very limited expertise, I should tell my friend from Illinois, with respect to this very specialized subject of agricultural labor. They are not experts in it, they do not profess to be.

Let me just say this, Mr. President: 53,000 small farmers, as my friend from Massachusetts has told us, 53,000 small family farmers, in his judgment, may be a special interest. In mine, it is an industry that is deserving of at least cooperation and sympathy from its government, not well-intentioned, misguided bureaucratic requirements that virtually doom the success of the particularly precarious and risky business which they have chosen. They are entitled, I think, not just to sympathy but to regulations that work. They are willing and able to undergo all the obligations that this amendment will impose upon them.

Without this amendment, they will, in fact, be what we heard described this afternoon again and again as the situation of either breaking the law or losing the farm. That is not an acceptable choice and it cannot be made so or dignified in anything but misguided, remarkably cruel thinking by calling it essential to the passage of reform legislation.

Let me finally make a point about the reform or the passage of reform legislation. The critics of this amendment, for reasons that may or may not be relevant, have determined that they are going to dub this the killer amendment. The killer amendment passed the House of Representatives, my friend from Wyoming says, by 68 votes. That is even more than I had thought. But it was a lopsided win and far more than the handful by which the basic bill was passed. It seems to me that more than an argument can be made that without this amendment, it might not have passed the House of Representatives. But I will say that if there is anyone in the House of Representatives who says that they will not take up this legislation or they will prohibit its being considered because it contains this amendment, if they are saying that the price of their considering immigration reform legislation is to doom an entire industry of 53,000 small family farmers, then I say that is unacceptable. It is not a reason to vote against this amendment; however well-intentioned that argument, it misses by a mile.

We cannot accept it as justification for turning away from the needed attention, the needed reform in the regulations that now seek to govern—hopelessly—this industry, which deserves not just our sympathy but our realistic help.

Mr. President, this legislation is multifaceted. There will be other amendments, but I do not think there is any other amendment that goes quite so basically to the element of fairness. We have been urged this afternoon by opponents of the amendment to consider American jobs. We are all going to be considering American jobs at great length, again and again, this fall.

I am considering the American jobs that will be lost in a hemorrhage if this amendment is not adopted—jobs in packing sheds, in processing and freezing plants, in truck yards, in grocery stores, in warehouses. And we can only guess how many tens of thousands all across the country will depend on the timely harvest of blueberries in Maine or apples picked by Jamaicans in Vermont, apples in upstate New York, or grapes. It is true in Minnesota, it is true in Idaho, it is true of cherries and apples in Washington State and asparagus. It is true throughout the Southwest. It is true all over the Nation, that the small family farmers who are engaged in this risky business need our help.

They are right to ask, it; we will be wrong to deny it.

I thank the Chair.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. WILSON. Yes, Mr. President.

Mr. McCLURE. I thank the Senator for yielding. If I recall correctly, the statistics indicate that somewhere between 8 and 15 percent of all illegal aliens in the United States are employed in agriculture. But if I remember the deportation figure, the deportations of illegal aliens will exceed 1 million a year. Of that, over 900,000 are from agricultural labor. I would not suggest at all that that means a million illegal aliens have been deported, because I think many of them are the same people imported more than once. In Idaho, we figure the turnaround time is about 4 days. If they are really determined when they get back to Mexico, they are back up to Idaho within 4 days. Then it takes INS a while to locate them again. The same person may be deported more than once in a year.

But let me ask the Senator from Wyoming, am I right on those general figures of the number of illegal aliens and the number of deportations, and where do those deportations originate?

Mr. SIMPSON. Mr. President, the Senator is correct about the fact that only about 8 to 15 percent of the illegal undocumented population work in agriculture. That is correct.

With regard to what he defines as deportation, I respectfully say that of the 1 million-plus apprehensions—and there were 1 million point 2, I think, in the past year, we think we apprehend 1 out of 2 or 1 out of 3. But of those apprehensions, the great bulk—in fact, 95 percent of them go back on what is called voluntary departure. There is not a deportation that takes place.

Mr. McCLURE. I understand that a good many of them wait until the end of the season and turn themselves in so they get their way home paid by the taxpayers of the United States. That is perhaps another anomaly of the current situation. But, yes, I think a high percentage are indeed on voluntary departures.

Mr. SIMPSON. That is true and I would say that in those voluntary departures at the border, agriculture is rather heavily represented on that border, without question. But over 90 percent of the apprehensions are at the border and not internally.

Mr. McCLURE. I thank the Senator.

Mr. DENTON. Mr. President, I would first like to commend our distinguished colleague from Wyoming for his unequalled perseverance in leading the drive for a crucial reform of our immigration laws. As usual, Senator Simpson's approach to the task has been a mix of logic, patience, compassion, and plain common sense.

When the effort to reform our immigration laws began approximately 10 years ago, we recognized the need to maintain control over our borders in order to ensure the social integrity of the Nation and to protect our economic stability. Now I believe that there is a more pressing problem; we must recognize our obligation to protect the security of the Nation.

Throughout the world, we are witnessing a rising tide of violence—violence directed predominantly toward the citizens and interests of the United Sates. Fortunately, we have experienced relatively little terrorist violence within our borders, but we must not grow complacent about the existence of the threat. If we continue to lose control over the flow of people across our borders, we will become a progressively easier target for internationally active terrorist organizations. Although strengthening our borders alone cannot protect us against the threat, it is an essential step toward that goal, and it is one that I hope we will undertake this year.

Mr. President, no one can seriously argue with the proposition that it is the promise of greater economic opportunity that draws the vast majority of illegal aliens into our country. As long as we maintain the current law which makes it illegal for an alien to work but legal for an employer to give that alien a job, then the flow of illegal immigration will persist.

Mr. President, despite all of the criticism that has been leveled at the effort to reform our immigration laws year after year, I believe that Senator Simpson's bill takes the most logical, effective approach to reducing illegal immigration by eliminating the economic magnet that draws people into our country illegally while enhancing the resources of our enforcement agencies. I am confident that this approach will return to us some semblance of control over our borders.

In an area as complex and controversial as immigration reform, it will be impossible, as Senator Simpson will attest, to satisfy every interested or affected group. Our goal, of course, is to enact a bill that will be effective while causing as little unnecessary hardship as possible. The bill attempts to do that by recognizing the reality that the population of illegal aliens within our society has, to a large extent, become a significant factor, both socially and economically.

In that regard, we must face the fact that, because of their unpredictable, weather-dependent harvest deadlines, growers of perishable commodities have become dependent on a highly mobile migrant work force, a large portion of which is made up of illegal aliens. These growers will be severely affected and may face economic ruin if they are unable to fill their harvesting needs from the domestic work force or acquire an adequate number of workers through the expanded temporary worker mechanisms provided in the bill.

In Alabama we have 450 to 500 commercial fruit farms. The most important of these crops economically for the State is the peach crop, which also is one of the most perishable. Alabama is also developing a large blueberry industry. Blueberries, too, are a very perishable crop.

All of these crops are very labor intensive. Thus Alabama farmers are dependent upon both a local work force plus a migrant work force which originates in Florida and works its way up the east coast. As Alabama becomes more and more industrialized, the local work force available to these fruit growers will decline and they will grow increasingly dependent on migrant workers. If these farmers do not have access to a highly flexible, readily available foreign work force, I am afraid that they will eventually face economic disaster.

I know that my distinguished colleague from Wyoming believes that the provisions already in the bill are sufficient to meet the needs of the growers of perishable crops. On the other hand, the farmers themselves present convincing arguments that they will need more flexibility as provided in Senator Wilson's amendment. I hope that we will make sure that we recognize the situation of the growers of perishable crops while, at the same time, providing adequate protection for our domestic work force and implementing sufficient incentives for the temporary workers to return to their country of origin when their work is completed. I believe Senator Wilson's amendment does all of these, and I strongly urge my colleagues to pass this important legislation with the Wilson amendment.

Mr. EVANS. Mr. President, I rise in support of the amendment offered by my colleague from California, [Mr. Wilson] which would augment the current H-2 provisions of S. 1200 by establishing a seasonal agricultural worker program for the perishable commodity industry.

I believe reform of the Nation's immigration laws is long overdue and I commend the Senator from Wyoming's [Mr. Simpson] invaluable contribution in this area. Immigration reform is premised on two very important objectives: to regain control of U.S. borders and to stop the exploitation of defenseless workers. S. 1200 contains substantive provisions to address the first objective such as employer sanctions and increased funding for our border patrol. In our efforts to achieve this second important objective we cannot turn our back on the needs of farmers in the perishable crops industry. This industry has relied heavily on foreign labor for approximately 50 years. We cannot ignore the reality that many of these workers are in the United States illegally. Furthermore, there is no guarantee that once we stem the flow of illegal immigration, adequate numbers of domestic workers will fill such jobs.

As currently drafted, S. 1200 fails to recognize the unique and legitimate needs of producers of perishable commodities. The pending amendment would eliminate the rigid aspects of the H-2 program that make it unacceptable to the production of perishable commodities.

Before highlighting the key provisions of the amendment I must emphasize that the nature of the perishable crops industry is heavily labor-intensive and strongly susceptible to changing weather conditions. These factors are essential in evaluating the adequacy of the H-2 provisions of S. 1200.

The proposed amendment would not supplant the H-2 provisons of S. 1200. Rather, it would supplement H-2 with a seasonal worker program available only to those involved with the production of perishable commodities. It would not be an open-ended program as many opponents allege. The Attorney General would admit foreign workers to perishable agriculture only after he determines, in consultation with the Secretaries of Labor and Agriculture, that there is an insufficient number of domestic workers to meet the needs of producers.

It is important to emphasize that the number of workers needed in the perishable commodities industry will not change. If this amendment is not adopted and we find, as I suspect we will, that an inadequate number of domestic workers are available, workers will be brought in anyway under H-2. The irony is that the existing program is simply unworkable, especially in the West, because of its time and mobility constraints. For example, under S. 1200 growers are required to predict weeks in advance how many workers they will need and when. The volatile nature of the perishable crops industry makes this requirement unrealistic.

In the State of Washington, cherries represent a significant part of the perishable comodities industry. They can be harvested in less than 2 weeks; however, they can be made unharvestable in an even shorter amount of time given the probability of rain. Weather, which is a most uncontrollable characteristic, can make crops such as peaches ripen much more quickly than anticipated. These factors are critical when considering the unique needs of this industry.

We must also consider the importance of the perishable commodities industry in light of our international trade efforts. The State of Washington, for example, employes about 30,000 workers during the harvest season. Fresh cherries have recently become an exportable item and we now export an estimated 20 percent of our apple crop to foreign nations. A substantial number of new jobs will be created with continued expansion of our export of perishable commodities.

There are a number of significant safeguards in the pending amendment. To participate in the program, growers would have to make a good faith effort to recruit domestic workers. In addition they would have to provide wages and working conditions that must be comparable to those given domestic workers. They would not be allowed to depress wages and working conditions for domestic workers. Growers would also have to provide housing or a housing allowance to foreign workers as well as workmen's compensation or its equivalent.

The amendment contains strong incentives to encourage foreign workers to return to their home countries by withholding a portion of their wages which would be returned to them through the U.S. consulate upon their departure from the United States in compliance with the terms of their visas.

Mr. President, in conclusion, the pending amendment is in the best interests of the Nation's perishable commodities industry, consumers, and both foreign and domestic workers. It is consistent with our essential objective of immigration reform because it would provide both foreign and domestic workers with adequate protections and guaranteed rights. I urge my colleagues to suport this most important addition to the existing H-2 provisions of S. 1200

Mr. SIMPSON. Mr. President, let me conclude just by saying that what Senator Wilson says shows the sensitivity of a man who was mayor of the municipality of San Diego. That I can understand. There is not any need to develop it further, except he is after the same approach I am: that is humane immigration reform. We are both on the same track. Hopefully, we can do it before we get to methods that are not humane or less fitting to our country, like 2,000 miles of barbed wire, "cactus curtains," or some other recommendations I have had made to me as chairman of the Immigration Subcommittee.

I admire the intensity of his feeling. I will not go any further. I do not believe we have any further persons to speak on our side of the issue.

Therefore, I move to table the Wilson amendment. The yeas and nays have already been called for.

The PRESIDING OFFICER. Does the Senator wish to table only the second-degree amendment and leave the first-degree amendment before the Senate, or does he wish to table the first-degree amendment which would take the second-degree one with it?

Mr. SIMPSON. I would prefer the latter approach.

The PRESIDING OFFICER. Then he would table the Hatch amendment as well?

Mr. SIMPSON. Yes, Mr. President, which would take both of them down.

The PRESIDING OFFICER. Does the Senator wish the yeas and nays?

Mr. SIMPSON. They have been requested. I renew that request.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Utah. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. East] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Arkansas [Mr. Pryor] is necessarily absent.

The PRESIDING OFFICER [Mr. Gorton]. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 50, nays 48, as follows:

[Rollcall Vote No. 176 Leg.]

YEAS—50

Andrews
Biden
Bingaman
Bradley
Burdick
Chafee
Chiles
Cohen
Cranston
Danforth
Dixon
Dodd
Durenberger
Eagleton
Ford
Glenn
Grassley
Harkin
Hart
Heinz
Inouye
Johnston
Kasten
Kennedy
Kerry
Lautenberg
Levin
Lugar
Mathias
Matsunaga
Melcher
Metzenbaum
Moynihan
Packwood
Pell
Pressler
Proxmire
Quayle
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Simon
Simpson
Specter
Stafford
Stennis
Weicker
Zorinsky

NAYS—48

Abdnor
Armstrong
Baucus
Bentsen
Boren
Boschwitz
Bumpers
Byrd
Cochran
D'Amato
DeConcini
Denton
Dole
Domenici
Evans
Exon
Garn
Goldwater
Gore
Gorton
Gramm
Hatch
Hatfield
Hawkins
Hecht
Heflin
Helms
Hollings
Humphrey
Kassebaum
Laxalt
Leahy
Long
Mattingly
McClure
McConnell
Mitchell
Murkowski
Nickles
Nunn
Sasser
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—2

East
Pryor

So the motion to lay on the table the amendment (No. 594) was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I move to lay that motion on the table.

Mr. Chiles was recognized.

Mr. DOLE. Mr. President, may we have order,

The PRESIDING OFFICER. The majority leader is correct. The Senate will be in order.

Will Members and staff please take their conversation elsewhere or take their seats?

The Senate is still not in order. Senators will take their seats or cease their conversations.

The Senate is not in order.

SCHEDULE

Mr. BYRD. Mr. President, if the Senator will yield, I wish to ask some questions of the distinguished majority leader about the program for the remainder of the day.

Mr. CHILES. I yield.

Mr. DOLE. Mr. President, I thank the distinguished minority leader. It is my understanding that the Chiles amendment will be accepted. Then there is a possibility of turning to an amendment by the distinguished junior Senator from Massachusetts, which would take a couple of hours and maybe longer. That would be disposed of this evening.

Then the distinguished Senator from Idaho indicated he had an amendment to be disposed of rather quickly. That would still leave about six amendments, I understand, that require yeas and nays.

It is also my understanding that the managers would then go out tonight and try to complete action on the bill tomorrow, if I might ask that of the distinguished manager.

Mr. SIMPSON. Mr. President, there are about six amendments that would appear to call for a rollcall vote. There is an amendment of Senator Kerry, on which there is a proposed time agreement by a unanimous-consent request. I am not aware of what the outcome of that might be. I understood at one time that it was agreed that it would be 1½ hours, with 1 hour by the proponents and a half-hour for the opponents, with no amendment or any amendment procedures, to be culminated with a motion to table. That has not been presented as a unanimous-consent request yet.

After that, I would think we will have the McClure amendments, the English language amendment, and also a search warrant amendment which can become a bit contentious.

The remaining amendments should be within a good time limit.

But I would not indicate to you that we would finish before 8 or 9 o'clock. I think it would probably go further than that. Therefore, probably to come in tomorrow would be the best thing to do so people might accommodate themselves this evening.

Mr. DOLE. Mr. President, the majority leader would be prepared, if it was satisfactory to the managers of the bill, because I know of some Senators who have official commitments tomorrow, if those who have amendments were here tomorrow and could complete action on those amendments, we would then vote on those amendments on Tuesday, because I have already indicated there would be no votes on Monday, which is a Jewish holiday.

If that might be acceptable to those who have official plans starting tomorrow, maybe we could check that out between now and the next vote. So we will probably stay in until about 8 or 8:30 this evening and if those who have amendments were available tomorrow, if it were satisfactory to the managers and they have no objection, we could then postpone votes but complete action on the amendments and have the votes on Tuesday next.

Mr. BYRD. Will the distinguished majority leader then be willing to inquire as to what amendments may be called up and who the authors may be? That would help us. Then we could proceed to check with our cloakrooms to see if other Senators have amendments and we could get some idea now of what amendments were going to be called up and whether or not Senators would be willing to have time limitations on them. It might help the majority leader in the decision that he will make.

Mr. CRANSTON. If the majority leader will yield, I have one, two, or possibly three amendments, and I could bring up all of these tomorrow.

Mr. DOLE. Will there be rollcalls required on each?

Mr. CRANSTON. I am not certain; probably one. I am not certain yet. We will try to work them out with managers handling the bill.

Mr. KENNEDY. Mr. President, I have two amendments and the chairman of the subcommittee is familiar with both of them. One of them I believe goes to the heart of the whole legislation, and that is the legalization provisions. I did not understand earlier in the day that we might get into this process.

The other amendment is important, as well, and I have been in conference with the chairman of the committee on that.

Quite frankly, on the legalization issue, on that particular amendment, I would insist that we have an opportunity to have a discussion with Members here. It reaches to the heart of this whole legislation. We addressed this issue the last two Congresses we debated this bill. The two essential aspects are the enforcement provision and the legalization, and this amendment deals with that program. I think it is a very important issue.

I am glad to accommodate the leader on the question of time, but if you are going to go to a latter time, I would request at least that we have a reasonable chance to consider that and then move to a vote. But I am glad to accommodate the leader's request.

Mr. DOLE. Mr. President, we might be able to work out something for time on each side before the vote on that amendment.

Mr. SIMON. Mr. President, I have two amendments, both of which ought to be fairly brief and one of which would require a rollcall vote.

Mr. DOLE. As I understand it, Senator CHILES has an amendment, Senator HAWKINS has an amendment, Senator MCCLURE has two amendments, Senator CRANSTON has three amendments, Senator HART possibly has an amendment, Senator GRAMM has two amendments, Senator METZENBAUM——

Mr. METZENBAUM. I have three amendments.

Mr. DOLE. Three amendments; Senator KENNEDY has two amendments, Senator MOYNIHAN has an amendment, Senator EXON has one amendment.

Will that require a rollcall vote?

Mr. EXON. It very likely will require a rollcall, but I can be here to present it tomorrow.

Mr. DECONCINI. Will the majority leader yield for a question?

Mr. DOLE. Yes.

Mr. DECONCINI. Is it possible to resolve now whether we are going to have votes tomorrow or on Tuesday? If we are going to have them tomorrow, we should just say so.

Mr. DOLE. That is what we are trying to resolve now. Some want to do it tomorrow and some want to do it Tuesday.

Mr. SYMMS. Will the majority leader yield for a question?

Mr. DOLE. As I understand it those who are offering amendments and have indicated they have amendments will be available tomorrow.

I yield to the Senator from Idaho.

Mr. SYMMS. I thank the majority leader for yielding.

One of the things that concerns me is that we just had a vote here that was 48 to 50 which is devastating to the produce industry in the West. I hesitate to see us debate this on Friday when there will be a small group of Members present if there are no votes.

The employer sanctions that are in the bill now become a much bigger issue because of the way the vote just turned out on the Wilson amendment. I hope that if the employer sanctions amendment is brought up it would be voted on the day it is debated, because it is very important at this point. As the Senator from Massachusetts mentioned on the other amendment, it is right at the heart of the discrimination factor of this bill. I believe, with the way the last vote came out, that the stage is set for a lot of discrimination with the employer sanctions.

Mr. DOLE. I am inclined to believe, just checking with the managers, that they would prefer that we just do what we planned to do this evening: vote on the Kerry amendment and perhaps one McClure amendment and then come back tomorrow and just have another full day. Unless we can change that somehow, that will probably be the program.

Mr. SIMPSON. Mr. President, I think that the comanager and I have indicated that we would proceed with this bill. I believe people have made their plans based on that. I think we can dispose of the Chiles amendment and perhaps the Kerry amendment and the McClure amendment and then tomorrow we would process the bill and continue.

Mr. KENNEDY. I will be glad to enter into a time agreement on those two amendments.

Mr. DOLE. Let me get back to the distinguished minority leader, but it appears that we would have a session tomorrow.

Mr. BYRD. I thank the distinguished majority leader and I thank the distinguished Senator from Florida.

AMENDMENT NO. 596

(Purpose: to modify the definition of a special Cuban or Haitian entrant, and for other purposes)

Mr. CHILES. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The PRESIDING OFFICER (Mr. COHEN). The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. CHILES] proposes an amendment numbered 596.

Mr. CHILES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 75, line 8, strike "December 31, 1980" and insert in lieu thereof "October 14, 1981".

On page 76, line 8, strike "January 1, 1981" and insert in lieu thereof "October 15, 1981".

On page 76, line 10, strike "December 31, 1980" and insert in lieu thereof "October 14, 1981".

Beginning on page 76 with line 11 strike out all through line 25 and insert in lieu thereof the following:

(ii) a national of Haiti who has established a record with the Immigration and Naturalization Service before October 15, 1981, and who was physically present in the United States on that date; or

On page 77, line 1, strike "(iv)" and insert in lieu thereof "(iii)".

Mr. CHILES. Mr. President, I offer an amendment that will extend the deadline for granting legal status to Cubans and Haitians who have been in the United States prior to October 15, 1981.

Everyone will recall the boatlifts of 1980 which brought thousands of Cubans and Haitians to Florida. Many of these people came to the United States with the understanding that they had this Nation's approval. Indecisiveness and lack of immigration policy by the administration resulted in thousands believing that they had free passage into this country.

Once in the United States, many of these people were given a special Cuban/Haitian entrant status by the administration. Almost all of these persons are known to the Immigration and Naturalization Service and they are recognized by the administration as a class who entered during the boatlift.

My amendment would simply extend the date in S. 1200 for granting legal status to this group from January 1, 1981 to October 15, 1981. This means that any Cuban or Haitian who entered the United States before October 15, 1981, who is still physically present in the United States, and who meets U.S. immigration eligibility requirements would be eligible for legal status.

The October date is important as it was then that the U.S. Government finally took definite action and started an interdiction program with the Haitian Government which authorized U.S. Coast Guard vessels to return undocumented Haitians to Port-au-Prince. This is a clear declaration of U.S. policy that it is illegal to enter without papers unless the alien has legitimate claims to asylum.

Mr. President, I want to stress that these people are known to the Immigration and Naturalization Service and have been recognized by our Government as a special class. They have been in a legal limbo awaiting further action by the U.S. Government. My amendment would provide the authority for our Government to give them legal status in the United States.

Mr. President, I have discussed this amendment with the chairman and ranking member of the committee.

Mr. SIMPSON. Mr. President, this is an issue of importance to the Senator from Florida and to the rest of us. I will speak for 1 minute.

All of the Cubans arriving prior to October 20, 1980, were given a very special Cuban-Haitian entrance status. All of those arriving after that date were determined to be illegal. The Haitians were given the status until December 1980, so I believe January 1, 1981, is an appropriate date. But the United States did not institute the policy of interdiction until October 1981, where we gave our first big signal as to what we intended to do. So I think a cutoff of October 15, 1981—and that is Senator HAWKINS' amendment—is not unreasonable. Legalization of those people should, I think, remain triggered because of the threat of illegal immigration from these countries, and until enforcement is in place that is going to remain quite great. But the entrants are in no danger of being deported at the present time or in the future, in any event.

Mr. CHILES. No. They are all loose, and working.

Mr. SIMPSON. Therefore, I am willing at least on this side of the issue to accept the amendment and yield to Senator KENNEDY.

Mr. KENNEDY. Mr. President, I think the chairman of the committee has made the case very well. I hope we will move forward with the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Florida.

The amendment (No. 596) was agreed to.

Mr. DOLE. Mr. President, has the distinguished Senator offered his amendment?

Mr. KERRY. Mr. President, I intend to.

Mr. DOLE. Mr. President, I understand this amendment will be offered by the distinguished junior Senator from Massachusetts, and that the chairman of the Armed Services Committee is willing to enter into a time agreement—an hour for the proponents, and a half-hour for the opponents. Then the Senator probably will move to table the amendment.

Mr. GOLDWATER. Mr. President, I very reluctantly agree. No. 1, I do not think this is a matter that is germane to the immigration bill; and, No. 2, I remind my friend from Massachusetts that this test is going to be conducted tomorrow. I do not care what happens in this body. The test is going to be conducted. Since I had my discussion first on the floor, I indicated to my friend from Massachusetts an hour for his presentation, although I said that we can bring General Abramson in here to run the whole show, and he could explain the whole thing in 10 minutes. That would be all right—and half an hour for our side. I do not like to hold up the Senate that long on something that I frankly do not see any need for, particularly when the test is going to be conducted tomorrow. This section will have absolutely no effect on it at all. But I am not going to oppose the time method which the chairman of the committee has agreed to, or that the leadership has agreed to. I just do not like to sit around here that long.

Mr. DOLE. Does the Senator object to that time agreement?

Mr. GOLDWATER. No. I cannot object to it.

Mr. DOLE. I make that request.

Mr. BYRD. What is the request?

Mr. DOLE. That on the amendment to be offered by the Senator from Massachusetts there be a time agreement of 1 hour for the proponents, ½ hour for the opponents, and that no amendments be in order to the amendment.

Mr. SYMMS. Reserving the right to object, will the distinguished majority leader cut that in half? We are trying to concentrate on immigration legislation. If you can cut that in half, it would be less in the way, and interfering with the normal duties of the Senate.

Mr. DOLE. As I understand it, may be cut more than half on this side, Hopefully, after the agreement is reached, it will not take an hour on that side. So I think we can probably do it rather quickly.

Mr. KERRY. Will the majority leader yield? Mr. Leader, I will endeavor to yield back as much time as possible. I doubt that we will use the full hour. I will certainly try not to.

Mr. BYRD. Mr. President, I have no objection if the request is as the distinguished majority leader said—no amendments to the amendment would be in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Are we going to table it?

Mr. GOLDWATER. I wanted to make sure that the debate will end tonight, and we will not resume the debate Tuesday before a vote.

Mr. DOLE. Mr. President, no. We are going to vote on this in about 1 hour, I hope, or less.

AMENDMENT NO. 597

Mr. KERRY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], on behalf of himself, and Senators HART, KENNEDY, WEICKER, SIMON, CRANSTON, PELL, and LARKIN, proposes an amendment numbered 597.

On page 125, after line 23, add the following new title:

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. DELAY OF ANTI-SATELLITE WEAPON TEST.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

BEST COPY AVAILABLE

(1) the President of the United States and the head of the Soviet Union have agreed to a summit conference scheduled to convene in Geneva, Switzerland, on November 19, 1985;

(2) that conference will present an extraordinary opportunity for an agreement in principle on measures to control the arms race between the United States and the Soviet Union, including limitations on anti-satellite weapons; and

(3) a delay in the scheduled test of an anti-satellite weapon against an object in space by the United States until after the conclusion of the summit conference could greatly enhance the climate for fruitful discussions and facilitate the possibility for an accord on anti-satellite weapons.

(b) DELAY OF TEST.—Notwithstanding any other provision of law, the Secretary of Defense may not carry out a test of the Space Defense System (anti-satellite weapon) against an object in space until after the conclusion of the summit conference between the President of the United States and the head of the Soviet Union referred to in subsection (a).

Mr. KERRY. Mr. President, I sent this amendment to the desk on behalf of myself and Senators HART, KENNEDY, WEICKER, SIMON, CRANSTON, PELL, and HARKIN.

I would like to say to the distinguished manager of the immigration bill that I recognize that it is not his choice nor really mine that we are discussing this amendment on this bill. If I had another vehicle, I would have chosen it. I appreciate the distinguished chairman of the Armed Services Committee for his willingness to permit this issue to be aired in this manner in order to have opposing views heard.

Mr. President, I know we visited this issue before. It is not a new issue in the Senate. It is not a new issue even to this session. The reason that I am asking the Senate to take a stand tonight, before tomorrow's afternoon test firing of an antisatellite weapon, is that I believe, and many of my colleagues share the belief, that we have the unique opportunity to be able to take a step that might—not guaranteed but that might—open the door to more fruitful negotiations, and that certainly would put the United States on the highest moral ground with respect to the arms race and issues of weapons in space.

This amendment is a straightforward attempt to enhance the climate of the summit by preserving the status quo on ASAT's for a mere 9 weeks. It is not an effort to say we will never test. It is not an effort to take away from the President the ability to test. It is simply an effort to say that in the interest of trying to achieve an arms control agreement, in the interest of hopefully limiting the opening up of the window of space to space weapons, we will take this opportunity as the Senate, which has already expressed itself in its effort to secure limitations on antisatellite weapons, that we will do so now in the hopes that those 9 weeks might afford us the opportunity to do a better job of restraining the growth in those weapons.

I do not have to tell any of my colleagues here, many of whom have served in public life far longer than I and in far more important positions, the importance of the opportunity for a summit meeting. It takes place infrequently. Obviously, this particular summit is perhaps one of the most important in recent memory in the opportunities that it affords us.

We seek a 9-week delay by the United States in the face of a status quo that has existed for some 15 years and a weapons system that the Soviets have not tested since 1982. All we are asking for is 9 weeks of cushion to say that the United States is going to make its best effort and put the best foot forward in order to try to limit the further development of weapons in space designed to target and kill satellite.

The first issue that this amendment strives to speak to is the posture of the United States as it enters the summit. Do we or do we not wish to be perceived by the world as the nuclear superpower that is willing to go an extra step to seek real controls or a superpower that brazenly pushes aside a simple opportunity to show restraint?

In testing a new military technology, a homing device fired from underneath the wing of an F-15 aircraft, we will be testing a weapon that I happily acknowledge is superior to weapons of the Soviet Union. But in so doing right before the summit, Mr. President, I believe we play into the hands of those who want to play the propaganda game of characterizing the United States as being responsible for an increase in the space race.

By contrast, a decision by the United States not to test the antisatellite weapons before the summit could put the United States in the posture of offering the Soviets a special incentive to put forward an agreement in principle on limiting ASAT's and other weapons and could go a long way to alter the tone in which the United States prepares for the summit.

This amendment does not, and I repeat, Mr. President, it does not, prevent the President from going ahead with an Asat test after the summit if the Soviet Union fails to take a responsible position in Geneva.

Nine weeks.

I ask my colleagues to consider that on two prior occasions the Senate has gone on record as wanting to limit ASAT's. It did it when the distinguished Senator from Virginia joined with Senator Tsongas, my predecessor, and it did it again this year when the distinguished Senator from Virginia set up a certification process which did allow tests but which made it clear that there were specific conditions under which those tests should be conducted.

The second thing this amendment tries to do: It strives to respond to the continuing congressional belief that our satellites are important to us for the preservation of the security of our country. The continued security of our satellites is absolutely essential to our ability for command and control, for intelligence, and it is essential, moreover, to almost all of the major military objectives that we have with respect to deterring nuclear war.

If we open space up to a race that will jeopardize those satellites we, in fact, begin to jeopardize our own deterrent ability and we diminish our current posture of security.

The later we take action, Mr. President, the longer that we wait, the more possible it becomes that the Soviet Union will develop more sophisticated antisatellite weapons as will we and the more impossible it becomes to secure some kind of restraint on this dangerous technology.

Mr. President, these facts are not at issue in this Congress. These facts have been accepted by the Senate. That is precisely why we require the President to endeavor to negotiate the strictest possible ASAT limitations consistent with the national security of this country.

On August 20, while the Congress was in recess, as many of us predicted would happen, President Reagan informed us that the United States planned to conduct the first test of its new F-15 launched miniature homing vehicle against an object in space. It should be noted we have had two tests with this particular system. One was classified as a success; the other as a partial success. They were against a point in space.

At the time that he made the announcement, the President certified, as required by law, that the United States had endeavored in good faith to negotiate with the Soviet Union a mutual and verifiable agreement with the strictest possible limitations on antisatellite weapons consistent with the national security interests of the United States.

He also certified the other requirements with respect to carrying out a test. Specifically: he certified that pending agreement on such strict limitation, testing against objects in space by an antisatellite warhead of the United States is, in the language that Senator WARNER and others proposed that was passed by the Congress—that such a test must be necessary "to avert clear and irrevocable harm to the national security, that such testing would not constitute an irreversible step that would gravely impair prospects for negotiations on antisatellite weapons, and that such testing is fully consistent with the rights and obliga-

tions of the United States under the ABM Treaty of 1972."

Mr. President, to date there has been no close examination by this body of this certification. We pass a law. We require the President to certify. And yet no one in the Senate has formally examined that certification before this test takes place in such a way that we should decide whether or not we approve it.

Mr. President, I believe the certification does not accurately reflect reality and I even believe that it makes a mockery of reality in certain respects.

Let us just take a moment to review the facts.

First and most significantly, the planned test tomorrow—at least according to press accounts—does not come after the United States has conducted serious negotiations toward a treaty. As the President himself states in the certification document, the United States has been "unable to identify a specific ASAT proposal which meets the requirements defined by the Congress in 1984." Believing as it does that, in the words of the President's certification, "No arrangements or agreements beyond those already governing military activities in outer space have been found to date that are judged to be in the overall interest of the United States and its allies," the administration therefore—and we know this as a matter of record—has not undertaken negotiations on an ASAT treaty, which is specifically what the certification requires.

For the record, I would like to list at least five possible ASAT proposals the Reagan administration could have sought to negotiate, all of which would comply with the intent sought by Congress in the 1984 language. First, a ban on all testing, use and possession of all ASAT capability; second, a ban on testing, use and possession of dedicated ASAT's as opposed to all ASAT's—dedicated ASAT's; third, a ban on the use and testing but not the possession of dedicated Asat's; fourth, a ban on development or use of new types of ASAT's, no restrictions on existing ASAT systems; fifth, a ban on the use of ASAT's, no restrictions on possession or testing.

Now, I will concede there is some expert consensus that the first type of agreement is unattainable at the present time because some non-ASAT systems have some theoretical capability to serve as ASAT's. And we can point to the GALOSH system as an example of that. So residual capabilities would remain even if dedicated systems were banned.

But, Mr. President, the second type of agreement is something that we could negotiate if the administration desired, and it would help protect our satellites and it would limit competition in space weaponry. Even if the administration believes that verificiation problems prevent the second type of agreement, the second being a ban on testing and use of a dedicated Asat such as the system which the Soviets now have, then we could go into the third agreement or the fourth agreement or the fifth. Even the fifth type of agreement, despite its obvious limitations, is possible if the United States and Soviet Union chose to try to codify rules of the road.

Instead, the administration has said that no Asat proposal of any kind is in the national security interests of the United States and therefore has not sought to negotiate one—that is the clear reading of the language that has been submitted in the certification to the Congress.

Now, one reason that the administration gives for its refusal to negotiate an Asat Treaty is the issue of verification, that limits on Asat's are allegedly nonverifiable. But, Mr. President, I find it hard to believe how you can make that argument on the face of what we know today about the Soviet system by which assessment, Mr. President, we are now making the decision that we ought to go ahead and supposedly test. It is verification that has given us that very information. The truth is that despite the administration's claims that verification is an obstacle to any Asat agreement we know that they have a system. We know how big it is. We know how many tests have been conducted. We know how many of those tests have succeeded. We know how long it takes to intercept an object in space. We know in what orbital inclinations. We know they have not tested it in more than 3 years. We know from numerous nonclassified reports and testimony that in all it has been tested 20 times. We know it has failed to intercept a target 11 times, for an overall success rate of just 45 percent. We know the Soviet Asat is not exactly a modern state of the art weapon. It was introduced in 1968. We know it was lofted into orbit atop an SS-9 booster rocket, a large liquid fueled intercontinental ballistic missile, weighing more than 2,000 kilograms and 6 meters long. We know in each test it has been launched from Tyuratum into orbits with a narrow range of inclination. And we know that to test it the Soviets have launched satellites into orbits within the same range of inclination. We know it takes the Soviet ASAT one to two trips around the Earth before its orbit crosses that of the target and interception occurs. We know that it can only live for the period of those two revolutions and then because of its short life, because it is battery operated, it dies and it falls.

Mr. President, we know a great deal about the system and whatever the intent of the Soviet ASAT Program, it clearly does not today threaten most U.S. satellites. And that is a matter of record from various responsible officials in our military who have testified before our committees in a nonclassified fashion, and they have publicly stated that that level of threat is indeed minimal. The administration says it can reach 5,000 kilometers. We know it has never been tested at more than 2,400 kilometers. Now, that might enable the Soviet Asat system to threaten some few weather satellites and some military spy and communications satellites.

Mr. President, I am not saying to the distinguished Senator from Ohio or to the distinguished Senator from Virginia that this system cannot go up and knock down a couple of satellites. Yes, it can. But the majority of our most vital satellites are at much higher levels outside the range of this system. Mr. President, as sure as it has happened every time in the arms race, if we create a capability that is beyond that of the Soviet Union, they will surely follow.

There are also basic conceptual flaws in the Soviet system. First, the satellite can only be attacked when its ground track runs close to the launch site of the Asat system of the Soviet Union, a condition that is satisfied only for satellite orbits with inclinations higher than the latitude of the antisatellite's launch site. That only happens, Mr. President, twice a day, twice a day and there are delay periods of up to 6 hours or so, an average delay period of 6 hours before they can shoot.

When you put all this together, when you make a considered, rational judgment about U.S. security, about the threat to this Nation, it is difficult to understand how this particular system at this moment in time presents such a compelling and irrevocable danger to the United States that we cannot wait 9 weeks until the President sits down in Geneva and says to Mr. Gorbachev, "Are we really going to go ahead with this process?" I think in the interest of that effort we should take a second look. There is no reasonable military scenario arising between now and the summit meeting whereby the Soviet Asat threatens clear and irrevocable harm to the national security—clear and irrevocable harm to the national security.

Would it, if we went on interminably and they had an effective system? Yes, I would probably agree with the Senator from Ohio and others. But that is not what we are talking about. We are talking about whether or not at this moment in time that is the condition that exists.

I believe that the certification does not merit the stamp of approval of the U.S. Senate. I believe, instead, that a test of our Asat at this time against an object in space jeopardizes ultimately our national security; because if we do not get an agreement, then our satellites will ultimately also be threatened. We have much to lose from this. We rely on our satellites for information that is vital to our national defense, from command and control of our military forces to early warning of military attack. Our military forces are far-flung. We have bases around the world, and the preponderance of our nuclear weapons is located beyond our shores. If our satellites were to be threatened, we would risk the decapitation of both nuclear and conventional forces, making it difficult for the United States to maintain a credible response to a sneak attack.

As the United States begins flying more frequent space shuttle missions to service, to fly, and to bring fresh crews to continuously inhabited space stations, the threat to the U.S. interests from Soviet deployment of ASAT technology will continue to grow.

The long-term damage to our strategic security from the further development of ASAT technologies by both sides thus far outweighs whatever short-term theoretical advantage the administration has claimed from going ahead with the testing of our current ASAT.

It is for these reasons of national security that we moved to request the President to negotiate an ASAT Treaty with the strictest possible limitations. I believe that it remains in the interests of our national security that we reach such an accord on ASAT.

Mr. President, every scientist and every expert who has looked at this system will tell each and every Senator that this system we are testing tomorrow is superior, vastly superior—if it works—to the system of the Soviet Union. Every time any side has unilaterally made a technological breakthrough in the arms race, the other side has followed. That history and pattern of action and reaction has been the history of the arms race.

We exploded the first atomic bomb. The Soviets followed in 1949.

In 1948, we unveiled the first intercontinental bomber capable of carrying nuclear weapons. The Soviets followed suit 7 years later.

In 1952, we exploded the first hydrogen bomb, and the Soviets followed the next year.

In 1957, the Soviets launched the first satellite into orbit and perfected the first intercontinental ballistic missile. The United States followed suit on both scores within a year.

In 1960, the United States fired the first submarine-launched ballistic missile. The Soviets followed suit 8 years later.

In 1964, the United States developed the first multiple-warhead missile, and in 1968 the United States tested the first multiple independently targetable reentry vehicle. The Soviets did not score that breakthrough until 1973.

In 1982, we successfully completed testing the first long-range cruise missile and began bomber deployments of this system. In 1984, we began deployment of submarine-launched cruise missiles. The Soviets are still racing to catch up.

This action and reaction is the history of the arms race. If we are serious about trying to stop that arms race, if we are serious about not wanting to militarize space, then why is 9 weeks too much for us to ask to delay a test which might make it irrevocable for us to go back? Why? Because an F-15 is a mobile, already-deployed platform for firing this missile. That means that if we are successful in this test and you are a Soviet planner, you will say to yourself, "Every F-15 in the United States military has a potential ability of being a platform for firing this missile," and the arms race is out of control, and the ability to verify can be lost, and the ability for reaching an accord to limit this technology is also lost.

Remember the planning and strategy about MIRV. The distinguished Senator from Arizona was here then, and it was argued then that MIRV is going to be our response to the Soviet defensive ability.

When we deployed the MIRV, the Soviets and the United States had already agreed to the ABM tready, and there was at that time no defensive or offensive threat that mandated our doing it, but we did it anyway.

The result today is that because they have 70 percent of their weapons in land-based missiles, they have developed, by MIRVing, a counterthreat which in fact has put at risk our land-based missiles; and by making that decision, we exposed ourselves to a danger and lessened our security. We are paying the price of that decision today. Today, we are trying to get rid of it, and today there is not a strategic planner who does not say that it was a mistake to MIRV. But we did it because we did not have the courage or the gumption to say no at that time.

I liken this decision about antisatellite weapons to the same process. This is the time to try to say no. As everybody who has been following the issue knows, antisatellite weapons testing is not limited merely to antisatellite goals and purposes. Antisatellite testing is integrally tied to our SDI capacity, to tracking midcourse flights, to doing a host of things which we cannot do under the ABM Treaty but which we can do in antisatellite testing.

Therefore, we risk the danger that we tie the two so closely together that, given the Soviet situation with respect to SDI, we may make the probability of success at the talks a real impossibility.

Mr. President, I know that even if this amendment were to be adopted today, this would not stop the test, because this bill will not be through Congress in that period of time.

So that is not what we are doing here, and I do not pretend that is what we are doing here. What we are doing here is trying to execute one of the most solemn responsibilities we have as U.S. Senators and which this body alone fundamentally has because of our purview over treaties and our purview over the nuclear arms race because of the jurisdictions of the Foreign Relations Committee and the Armed Services Committee.

I think it is important for U.S. Senators who pass legislation that calls on us to have limits on antisatellite weapons; for U.S. Senators who talk about peace; for U.S. Senators who believe that this Nation takes daring steps to end the arms race; for Senators who watched John Kennedy in 1963 take that kind of step, with the limited test ban as a consequence—for those Senators to say to the President, by voting tonight for this measure: "Mr. President, won't you please entertain the thought of holding off for 9 weeks in the interest of putting the Soviet Union on the defensive, in the interest of hopefully keeping us out of space"?

I believe that is a worthy goal, and I am sorry it has to be tied to the immigration bill, but that is the only vehicle present, and the time is short. I believe that, in the interest of peace, it is worth it.

I was in Geneva during the recess, and I had occasion to talk to delegates of the Nuclear Nonproliferation Treaty Review Conference, from more than 125 nations. Universally, including our own allies, who may smile and say nice things publicly, behind the scenes they are concerned, desperately concerned, about this move we are about to make. They are desperately concerned that we may be on a course that may embroil them as a battleground, nuclear or otherwise, and that may make it impossible for them to give true meaning to something like the Nonproliferation Treaty.

So I ask my colleagues to consider and consider hard. I know that the Senator from Ohio is going to say that the Soviets have a system; they have had it for 17 years, and we do not have one. Mr. President, we had one. We were the first ones to do it.

We tested one and we decided it was not very good so we dismantled it—the Nike-Zeus—we dismantled it.

The Soviets began after we had started but they have not tested for 3 years. They have two launch pads from which they can currently put something up.

If anyone here were President of the United States and the Soviets shot one of our satellites from one of those two

pads and you know you have 5 or 6 hours before they can shoot again, you know and I know that something is going to happen in the course of those 5 or 6 hours to either resolve that problem or to not have it happen again.

If it does happen again, Mr. President, if it does happen again after 6 hours I do not believe there is a person here who would not consider the obliteration of Tyuratum, and deny them the ability to do it one more time.

Mr. President, when we talk about the abilities of the Soviets to knock down all our satellites, that is not a realistic problem today, but if we test tomorrow and if we cannot take that extra step to be able to prevent it, it may be the realistic problem, and it will be because we have not had the courage and we have not had the gumption to stand up and say that 9 weeks is worth the effort for peace.

Thank you, Mr. President.

Mr. HART. Mr. President, will the Senator yield for a question?

Mr. KERRY. I yield to the distinguished Senator from Colorado.

Mr. HART. I strongly support this amendment and the Senator from Massachusetts' efforts in this regard, and I think it is absolutely sound policy for this Nation. I wonder if the Senator from Massachusetts would kindly respond to a question or two.

First, does he contemplate this amendment as a referendum on whether this country ought to have an antisatellite capability?

Mr. KERRY. No; I do not contemplate this amendment as that. I contemplate it as a referendum on the issue of whether or not we should take a step now, under the existing situation, to try to prevent the need to have an antisatellite ability by limiting both nations' development of this technology.

Mr. HART. So, really the essence of this amendment at the present time is one of timing and the question really has to do with when a step ought to be taken, rather than whether it ought to be taken.

Mr. KERRY. The distinguished Senator from Colorado is absolutely correct.

Mr. HART. So the Senator from Massachusetts really intends to test the good faith of the Soviet Union and test the bargaining and negotiating process. This process has been the mainstream, bipartisan policy of this Nation since the 1960's that is, bilateral negotiations between the superpowers to seek limits and controls and on the spread of both offensive and defensive systems. Is that not correct?

Mr. KERRY. I would only change one word there which is to perhaps say whatever faith the Soviet Union would characterize good or not, whatever faith, and otherwise I absolutely agree.

Mr. HART. Does the Senator from Massachusetts believe that this country's security would be jeopardized by waiting until after the summit meeting to go forward with this test?

Mr. KERRY. This Senator, based on 4 years' experience in the military and serving at the nuclear-chemical-biological warfare school and whatever other attributes I can bring to the judgment, does not in any way feel that 9 weeks will jeopardize the security of the United States. It will enhance it.

Mr. HART. Finally, if I may ask the Senator, somewhat apart from the major intent of this amendment, if in fact the sole condition under which arms control can operate is verification—the national technical means of both nations to be able to detect whether the other nation is living up to the terms of an agreement. Can the Senator from Massachusetts suggest what possible reason there might be for this Nation to have an ability to blind or obliterate the Soviet Union's capability of verifying treaties that we might negotiate?

Mr. KERRY. I think there are a number. One obviously is our ability for star wars, our ability to put in a space-based defensive system regardless of what happens to the ABM treaty, and a second obviously is the belief in terms of policy that we are better off always achieving a technological superiority and holding on to those windows of superiorities rather than ever trying to achieve stability or parity and essential equivalency.

Mr. HART. The question I am trying to get at here is what possible security purpose would be served by pursuing a race to be able to deny one side or the other the ability to verify limits on treaties that might be negotiated?

Mr. KERRY. None that I can see.

Mr. HART. If I may say so, I think the Senator from Massachusetts is to be congratulated for calling this matter to the attention of the American people. I am afraid it is one of those situations where decisions have been made, tests will go forward; it will be one fairly important step away from the ability to reach an agreement at the summit, an agreement at Geneva and may pose, as the Senator from Massachusetts has already suggested, an irretrievable step.

I hope people will not merely approach this issue on a technological basis; that is, how capable is the Soviet system and how capable is ours? That is not the issue.

The issue is not even one of parity: they have an antisatellite capability, therefore, we have to have one.

The issue is a far deeper policy question and that is: what possible national security purpose can the ability to blind Soviet satellites have, except in the case where we are prepared to go to war?

I thank the Senator.

Mr. KERRY. I thank the distinguished Senator for his questions which point to the heart of the matter. I think the Senator from Colorado underscores clearly and very succinctly perhaps the bottom line, if you will, and I thank him for his question in doing so.

Mr. President, I reserve whatever time may remain. I inquire how much that is at this time?

The PRESIDING OFFICER. The Senator has 25 minutes remaining.

Mr. GOLDWATER. Mr. President, how much time remains?

The PRESIDING OFFICER. The opponents have 20 minutes.

Mr. GOLDWATER. And the proponents?

The PRESIDING OFFICER. The proponents have 25.

Mr. GOLDWATER. Twenty-five.

I yield 10 minutes to the Senator from Ohio and if he needs more just ask for it.

Mr. GLENN. I thank the Senator very much.

Mr. President, we all agree we would like to have a total and complete verifiable ban on antisatellite weapons.

If past history is any indication of our arms negotiating capacity at Geneva, however, that agreement is unlikely in the foreseeable future.

Therefore, I believe it is in the best interest of our national security for us to proceed with the testing of our own antisatellite system.

I would say in starting out, Mr. President, I dislike the position I am in very much, that of opposing the distinguished Senator from Massachusetts. Few in this body or in the House of Representatives have a more distinguished combat record, or have sacrificed more for this country, and feel more strongly about the need to control future warfare than Senator KERRY. And I feel much the same way. I have had a lot of combat, too, but I did not suffer as much as the distinguished Senator from Massachusetts. I know he is the recipient of I believe three separate Purple Hearts, and he has a very distinguished combat record.

The Senator has pointed out, Mr. President, the fact that we have stayed ahead in technology. He enumerated numerous instances where we have gone ahead, and where we have developed new weapons systems and the Soviets have followed behind.

I can only say that I am very thankful for that, and that it is not the other way around. If the Soviets had been ahead and we were the ones lagging along behind, history might not show that deterrence has worked as well as it has with us in the lead, as it would have with the Soviets in the lead.

Granted, our ASAT system, if it works, as the distinguished Senator from Massachusetts said, if it works, will be a superior system. But that "if it works" is what we are trying to find out with the test tomorrow.

Recent intelligence briefings, the latest of which was just yesterday, which some of us including the distingusihed Senator from Massachusetts attended, showed the Soviets have been moving ahead with their Asat capabilities on several different fronts.

Now, what is our vulnerability to the Soviet antisatellite capability? The distinguished Senator from Colorado made the point that we are dependent on our national technical means for verifying everything the Soviets do, and they are dependent on the same thing against us. But they have the advantage of a subscription to Aviation Week and to the CONGRESSIONAL RECORD. So they have 98 percent of their job done for them. We do not have that.

What is at risk are our low-altitude satellites which give us the most detailed view of the Earth. These satellites can detect weaker electronic signals than we can from far out in space, they do our best photographic work, and they do ocean surveillance. These are the satellites that the distinguished Senator from Colorado referred to, and these are the satellites at risk with the Soviet system.

The very heart of our intelligence system is at risk when the Soviets have their antisatellite systems deployed.

What have the Soviets done or what are they doing in research? They cover at least four major areas of Asat technology.

The one antisatellite system they have deployed right now is the coorbital interceptor.

I will not try to explain this system in detail, but it is a launch vehicle that gets on the same orbital plane as the vehicle which it intends to attack, slowly overtakes it, and then destroys it.

A second system which they have is a direct-ascent interceptor, which in theory is similar to the miniature homing vehicle that we are trying to develop.

The Galosh, which the Senator from Massachusetts referred to, can be a direct-ascent interceptor. We do not know quite what it can do, but the best estimates are it may have a capability against our satellites.

Third, they are also developing directed energy weapons, such as lasers and particle beam weapons. These are not in place yet, but they are working on them. They would endanger our satellites.

Fourth, they are working on electronic countermeasures of sufficient power to damage or interrupt satellite functions.

So there are four major areas that they are working on now: coorbital interceptors, direct ascent interceptors, direct energy weapons, and electronic countermeasures.

What has gained the most attention is the coorbital interceptor. They have had it deployed since 1968, and they have conducted 20 tests of their coorbital Asat system.

The best estimates are exactly what the Senator from Massachusetts said, that only nine of these tests have been successful. Senator KERRY points with great pride to the fact that the Soviets have only been 45 percent successful.

But I submit, Mr. President, that is 45 percent more capability than we have in the United States of America. We have zero, because we dismantled our comparatively primitive system in the mid-1970's.

So to run a critique of the system of the Soviets and to point out its inadequacies when we do not even have a system to compare it with—we are zero; we are zero in our capability—leads me to believe that we should not postpone the scheduled test any longer, even for 8, 10, or 11 weeks.

The last test of their interceptor, it is true, was held in 1982, but that was the 20th test. We have conducted exactly one against a hole in space and our test vehicle did not have the homing device on board.

So they tested their orbital interceptor the last time in 1982. I guess perhaps we could read that a different way than was interpreted by the Senator from Massachusetts. I could interpret that to mean they are quite happy with their program and feel it is worthy of being deployed without any more tests. That may or may not be the case, obviously, I cannot speak for them.

The Soviet's coorbital interceptor has the ability to threaten all of our military intelligence satellites in low Earth orbit. Let us not confuse these satellites in low Earth orbit with the communications satellites in geosyncronous orbit. The satellites we would depend on the most for our national technical means—the low orbit satellites—are the very satellites that they would be able to take out most readily.

Now, whether they could do this within 24 hours, or a week, or even 2 weeks is not what is at issue here. The issue is that they have the capability to do this and, we have no capability to do it.

The other Soviet antisatellite research—on directed energy weapons, direct-ascent interceptors, and electronic countermeasures—put our satellites in higher orbits at some risk. However, we do not give them a whole lot of capability against our geosyncronous satellites at this time.

As I stated earlier, we have conducted one test of our antisatellite system in January 1984, and that was directed at a point in space, not at the target, and the miniature homing device was not even on board. So to assume that the Asat system we are currently developing is more flexible and effective than the current Soviet system may be a bit premature, because we have not even put our system to a real test yet, and that is really what we are talking about. There is no question the Soviets are interested in a moratorium because it would ensure them a unilateral advantage in Asat capabilities.

The Soviet squeals about how we should not upset this balance when there is no balance—all the balance is at their end of the scales—as far as I am concerned, should fall on deaf ears.

I think we would be much better off to look at the upcoming summit as an opportunity to negotiate with the Soviets, not by our own weakness or by our lack of testing, but by saying, "OK, we will go ahead and show we can hit an incoming satellite," and then by saying, "OK, you have a system and we have a system. Let us negotiate and both take our systems out of existence."

And we can do it from a position of strength at that time, of proven capability, not by going and saying we have forsworn testing against your system when we do not even have a capability.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GLENN. Mr. Preisdent, will the Senator yield me 3 more minutes?

Mr. GOLDWATER. I am happy to yield 3 more minutes to the Senator from Ohio.

Mr. GLENN. I thank the Senator.

That, to me, would be a much more realistic negotiating position on which to go to Geneva. The Soviets must indeed laugh when they think they can force postponement of a system of ours that is a response to a system that they have had in place for some 17 years.

It would be just as ludicrous if we thought we could say to the Soviets,

> We have had aircraft carriers with a tremendous power projection capability for many, many years. Now, Soviet Union, you should not develop this weapon system. You should not develop aircraft carriers. You should not develop that kind of force projection because you have never had it before. It is going to upset a balance that previously was all on the side of the United States.

I am sure the Soviets would think that was preposterous.

A couple of years ago, I proposed that we not deploy our GLCM's ground launched cruise missiles, for a period of time because the Soviets had not deployed theirs. I thought that once we crossed that threshold, there would be a great deal of difficulty in verifying any future arms control negotiations. So I asked the deployment be put off for 90 days so we could

make one last attempt at negotiating with the Soviets.

But this is a different situation. This is a situation where the Soviets have an existing system. It is in place. We can question its capability, but even with the estimates of the distinguished Senator from Massachusetts of it being only 45 percent successful, that is 45 percent more capability than we have in this country. I think we can go to Geneva with a stronger position if we go with a system that has had at least one successful test. Hopefully, then, we can say, "We have a system and you have a system. Let's negotiate.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KERRY. Mr. President, if I may, I wish to ask the distinguished Senator from Ohio a question or two. What I would like to do, if I may, Mr. President, is talk about where we are today.

Mr. GOLDWATER. Mr. President, I believe the Senator indicated that this time would come off his time.

Mr. KERRY. Yes; I did indicate that.

The PRESIDING OFFICER. The Senator from Massachusetts is using time under his control.

Mr. KERRY. Mr. President, as we are here tonight on the eve of this test, it is true, is it not, that the current Soviet capability to knock down satellites is from the Tyuratum site and its current co-orbital system? That is today's ability—correct?

Mr. GLENN. Although we are getting into an intelligence area, I believe there is another site which they can launch from, but the majority of their capability is from the Tyuratum site.

Mr. KERRY. What the Senator is talking about with respect to direct energy, laser capability, direct descent capability, we are also working on—correct?

Mr. GLENN. We are, indeed.

Mr. KERRY. And with respect to today's decisionmaking, we must make a determination of current threat to the United States as it exists today. My question to the Senator is: If we are working on those systems as they are, if the only existing system is Tyuratum, and perhaps another site where the same kind of system could be launched, then the only threat to our satellites today is a system where you could have two shots, maybe three, and an interval of 4 to 6 hours; is that correct?

Mr. GLENN. When you speak of reload time, I am not willing to confirm or not confirm the times, although it takes a definite period of time to reload.

Mr. KERRY. This is from unclassified published sources, Scientific American magazine, and other things, where this has been pretty thoroughly discussed. Of course, I am taking my information from there. Assuming that is the range, we will agree at least there is a delay period.

Mr. GLENN. There is, indeed.

Mr. KERRY. The delay period is a delay period of hours.

Mr. GLENN. That is correct.

Mr. KERRY. In reality in terms of our decisionmaking and response after one or two satellites have been hit, we get some time to do some thinking before responding, do we not?

Mr. GLENN. I presume after our satellite has been hit, we would be doing a lot of very fast thinking.

Mr. KERRY. Or responding?

Mr. GLENN. That is the question. Are we going to start World War III after they take out one satellite? Would it be two satellites? Do we take out Tyuratum? After one satellite, or would it require two Satellites being blasted out of space? Would it be three? That is a horrendous decision that the President of the United States would have to make, as to whether we obliterate a major city in the Soviet Union after we lose one satellite or two or whatever. I say to the Senator from Massachusetts that I would much rather have the ability to take out one of their satellites if they take out one of our satellites. We cannot do that right now without the test and without developing our own system. That would be a more logical response that would not lead automatically to World War III.

Mr. KERRY. In the long run, Mr. President, I agree with the Senator from Ohio. I am not standing here making an argument that if we cannot get an agreement, if they continue to improve their system, we should not build a satellite system. I am not somebody who believes that we should not have the strongest defense of any nation on the face of this planet. Of course we should. But the issue is today's threat. Why, if that is the threat, is there a clear and irrevocable harm to the United States national security by not testing 9 weeks later? This very same threat that the Senator has just described in answer to my question has existed for 15 years. Why is there an irrevocable national security threat in 9 weeks?

Mr. GLENN. I agree completely with the Senator from Massachusetts. To put this off for 9 weeks is not going to do irrevocable damage. However, I think it indicates to the Soviets that every time they squeal about something we are willing to jump through hoops, and give more credibility to their squeals than I think is necessary. We put off for 17 years not developing our capability. Is 9 weeks more going to hurt us? No, probably not. But I want to see us get on with it. We need this capability. If we are going to reduce the risk of World War III by us not having to take our Tyuratum when they take out one or two of our satellites, I would much rather that we have the capability of taking out one or two of their satellites. Then maybe we can negotiate.

Mr. KERRY. I appreciate the Senator's comments. My only problem is if I were sitting in the Soviet Union making decisions and I must make a judgment about building or not building or trying to put the genie back in the bottle on a missile that fits under the wing of an F-15 that has a homing ability versus my coorbital ability, I would be worried, and it would be darned hard for me as a leader in that country to say to my people that I feel any more secure or more especially that I am in a position to negotiate from strength. I do not know a nation in the world that negotiates out of weakness. I do not want to and I do not think you can. But if we test this successfully and put them in the position of weakness, they then, just as we have throughout the arms race, will wait until they build the same system before they negotiate.

Mr. GLENN. How does the Senator feel he puts them in the position of weakness?

Mr. KERRY. We have been though the history of bargaining chips here ad infinitum. We know the history. Here we are with one more bargaining chip theory 9 weeks before summit with no increase in threat to the United States. The Senator said it himself. There is no difference in 9 weeks. The Senator also said it is not irrevocable harm. If it is not irrevocable harm, then the certification given us by the President of the United States is false.

Mr. GLENN. I am not here to verify what the President of the United States said. I have some doubts about some of that verification myself and about how hard they negotiated in Geneva. He certified they did. I am not here to really argue with him about it. But I think when we go to Geneva, we would be in a far better negotiating position if we had a successful satellite test under our belt to compare with their system, and then we can really negotiate from a position of equality, or at least partial equality. We will not have a deployed system, but we will have at least one test that shows proof of intent, which we do not have right now. It might fail.

Mr. KERRY. It may well fail, as the distinguished Senator says. I just cannot for the life of me understand why the President—I cannot say, "Mr. Gorbachev, I am willing to hold off 9 weeks, and if we do not get an agreement in Geneva, or you are not serious about talking, I am going to test the thing, and I am going to have Senator KERRY and others voting for it because you have it." It is not a huge loss.

I reserve the remainder of my time, Mr. President.

Mr. GOLDWATER. Mr. President, parliamentary inquiry: How much time does the proponent have left?

The PRESIDING OFFICER (Mr. Chafee). The proponent has 17 minutes.

Mr. GOLDWATER. If the proponent has 17 minutes left, how about the opponent?

The PRESIDING OFFICER. Eighteen minutes.

Mr. GOLDWATER. I will yield 3 minutes to my friend from Virginia.

Mr. WARNER. Mr. President, I ask unanimous consent that the memorandum for the Secretary of Defense and the certification be printed in the Record at this point in the debate.

There being no objection, the material was ordered to be printed in the Record, as follows:

Presidential Determination No. 85–19

Memorandum for the Secretary of Defense

Pursuant to Section 205 of the Department of Defense Authorization Act, 1985, as enacted by P.L. 98-525, I hereby determine and certify that:

The United States is endeavoring in good faith to negotiate with the Soviet Union a mutual and verifiable agreement with the strictest possible limitations on anti-satellite weapons consistent with the national security interests of the United States.

Pending agreement on such strict limitations, testing against objects in space of the F-15 launched miniature homing vehicle anti-satellite warhead by the United States is necessary to avert clear and irrevocable harm to the national security.

Such testing would not constitute an irreversible step that would gravely impair prospects for negotiations on anti-satellite weapons.

Such testing is fully consistent with the rights and obligations of the U.S. under the Anti-Ballistic Missile Treaty of 1972 as those rights and obligations exist at the time of such testing.

You are directed on my behalf to report this determination and certification to the Congress.

You or your delegatee are authorized and directed to publish this determination and certification in the Federal Register.

Ronald Reagan.

MV ASAT Testing Certification

On March 31, 1984, I submitted a Report to the Congress, in classified and unclassified forms, which detailed many of the considerations involved in analyzing possible limitations on anti-satellite weapons. As that report notes, any realistic and balanced consideration of this topic must take into account a number of problems. These problems include: the need for effective verification; the potential for breakout; the risks of disclosing sensitive information; the problems of definition of space weapons; the vulnerability of satellite support systems; and Soviet military space activity. In particular, it should be noted that definitional and monitoring difficulties plus the need to counter such satellites as the space-based, targeting elements of Soviet weapons systems contribute to the conclusion that a comprehensive ban that would seek to eliminate development, testing, deployment, and use of all means of countering satellites is not verifiable and not in our national security interest. Moreover, no arrangements or agreements beyond those already governing military activities in outer space have been found to date that are judged to be in the overall interest of the United States and its Allies and that meet the congressionally mandated requirements of verifiability and consistency with the national security.

The United States is presently involved in negotiations at Geneva on a whole range of nuclear and space issues. At these negotiations, Ambassador Kampelman is, among other things, seeking to explore with the Soviet Union the merits of a strategic relationship characterized by a greater reliance on defenses.

We have been unable, to date, to identify a specific ASAT proposal which meets the requirements identified by the Congress in 1984. We are seriously exploring with the U.S.S.R. arms control arrangements intended to prevent an arms race in space while—we hope—easing a possible transition to a more reliable and effective deterrent posture for both sides. We will continue to study possible ASAT limitations in good faith to see whether such limitations are consistent with the national security interests of the United States. We are, therefore, acting in conformity with the first certification requirement.

The primary purposes of a United States ASAT capability are to deter threats to space systems of the United States and its Allies and, within such limits imposed by international law, to deny any adversary advantages arising from the offensive use of space-based systems which could undermine deterrence.

The USSR has the world's only operational ASAT system with an effective capability to seek and destroy critical U.S. space systems in near-earth orbit. In 1982, a test of this system was integrated into an exercise of Soviet strategic offensive and defensive forces. Moreover, the U.S.S.R. maintains a very large directed energy research program, including ground based lasers assessed to be capable of performing some ASAT functions. This program could also result in the launch of the first prototype of a space-based laser ASAT in the late 1980's or very early 1990's. In addition, since space systems are vulnerable to a broad range of threats from direct attack to electronic warfare to nuclear effects, the Soviet Union could have developed—without our knowledge—a variety of other means to attack our satellites.

There is also a growing threat posed by present and prospective Soviet satellites which, while not weapons themselves, are designed to support directly the U.S.S.R.'s terrestrial forces in the event of conflict. These include ocean reconnaissance satellites which use radar and electronic intelligence in efforts to provide targeting data for use in attacking U.S. and allied surface fleets. They also include photographic and electronic intelligence satellites which provide targeting data and other information useful in supporting Soviet land forces. These Soviet space assets constitute a clear threat to our national security and that of our allies.

The United States must take the steps necessary to avert a situation in which the Soviet Union has full freedom to conduct effective attacks on our space systems knowing that their space objects, including those that provide targeting data, are not vulnerable to U.S. attack. The resultant instability from this asymmetry creates a risk of irrevocable harm to the United States. U.S. development of a credible anti-satellite system is a necessary, integral part of the steps needed to avert this situation. Therefore, testing of the MV against objects in space by the United States is necessary to avert clear and irrevocable harm to the national security of the United States and its allies.

The ASAT testing which we intend to undertake follows by twelve years the initiation by the U.S.S.R. of its testing of a coorbital ASAT system which has for some time been the world's only operational ASAT system. The Soviets, moreover, as noted above, have tested and, in some cases deployed, systems which have inherent ASAT capabilities. The existence of such Soviet capabilities and their testing effectively preclude the possibility that testing by the United States of its MV ASAT will constitute an irreversible step.

In addition, we believe that testing can constitute an incentive to the Soviet Union to reach agreements on a wide range of issues and thus would not impair prospects for a successful conclusion to the negotiations now underway.

The testing against objects in space of the U.S. F-15 MV ASAT system will not give the system the capability to counter strategic ballistic missiles or their elements in flight trajectory and will not constitute a test in an ABM mode. Therefore, such testing is not prohibited by the ABM Treaty.

Ronald Reagan.

Mr. WARNER. Mr. President, I am looking here at the Record of the previous actions by this body on this question. On the amendment which I sponsored earlier, the vote was 74 to 9 in favor of the amendment. Subsequently, the Senate approved the Armed Services recommendation with respect to the conference on the authorization bill by 94 to 5. Those actions were taken at a time when we had full knowledge of the summit that was upcoming. Therefore, I ask my distinguished colleague from Massachusetts what has occurred in the interim that would justify the Senate of the United States, in view of those strong votes, to perform a complete reversal which would be regarded throughout the world as one of the greatest flip-flops in history? I suggest at this critical time when our President is preparing for the summit that the Congress in every respect should provide support such that this Nation is speaking with one voice. I think it would be extremely detrimental to the summit preparations if at this time the Senate—I am confident it will not do so—were to provide a flip-flop in the record of the vote on this issue.

Mr. KERRY. Mr. President, I would like to answer that. I would also like to yield 2 minutes to the Senator from Colorado.

Mr. HART. Mr. President, I am not sure I understand what the Senator from Virginia was trying to say. If he was suggesting that the vote on the conference report of the Defense Authorization bill was some sort of ratification for an antisatellite testing program, then I certainly do not understand that assertion. I am sure, on reflection, he would not want that to stand.

Mr. WARNER. If the Senator will yield on my time——

Mr. HART. No. I am answering the Senator's question. To suggest this argument stressing that this Chamber should speak with one voice seems to me to fly in the face of the Jeffersonian notion about this Nation that people can have honest disagreements. If we are being told now that nobody can disagree with the President on anything having to do with defense or foreign policy because we are headed for a summit, then I do apparently not understand what the American system is all about. Certainly, with an issue having to do with nuclear arms or the one voice theory that we keep hearing about applied to policy for South Africa suggests that Senators of the United States cannot stand up and disagree with respect to discussion of an antisatellite test being conducted on what I believe is a phony certification, I certainly believe the Senator from Virginia might want to rethink his assertion.

Mr. WARNER. Mr. President, I would like to reply on my time.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I respect the distinguished Senator from Colorado. The authorizing conferees adopted a compromise position that permits a total of three Asat tests against an object in space through the end of fiscal year 1986. The conference report on the authorization bill was adopted in the Senate by a vote of 94-5.

Mr. HART. So 94 Senators would say go ahead, that was what they were voting for? I certainly do not believe they voted for that. I do not think many Senators looked at the line items in that bill and approved every one of them.

Mr. President, what we are addressing is a qualitative escalation of the arms race. There is one reason to have observation satellites—to verify what the other side is doing. It is because of our mutual capabilities to verify what the other side is doing that we have had any arms control at all.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERRY. I yield such time as the Senator requires.

Mr. HART. I think the issue is a policy question, Mr. President, not a technological question. Do we want to get into a race that invalidates the ability to verify arms control agreements? That is the issue. Do we want to do it 9 weeks before we have a summit conference, ostensibly to help limit the nuclear arms race?

Well, I guess you can have the bargaining chip theory that unless we develop an Asat, we do not have anything to bargain with.

I do not happen to believe that.

I think this is a very serious question. This is not just another weapons system. This is a qualitative escalation of the nuclear arms race. Mr. President, if we get into the business of insisting everything the Soviets have, we have to have too, or that there should be no delay in going forward with a test whose timing was arbitrarily set in the first place, or if we believe genuinely we have been doing serious bargaining in Geneva to limit antisatellite weapons, then we believe in the tooth fairy.

This is not a vote on giving the President a mandate or whether we have strength or weakness or any other rhetoric that gets thrown around on the floor to obscure serious questions. This is whether the timing is right to go forward with a major step in the escalation in the arms race in a way we have never done before, which threatened the very ability to negotiate meaningful arms control.

I hope the Senate will sober up and throw the rhetoric aside and address the basic fundamental policy question.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I would like to briefly answer the question of the distinguished Senator from Virginia.

I voted among those 94 for a lot of different reasons, not the least of which there was a lot of good in it that we need. I also led the fight prior to that as an amendment to that report to try to prevent the satellite testing for a period of time, as the Senator knows. I gladly cosponsored with him the language which he just read, which I voted for in the final report.

I do not think it changes, as the Senator said, our ability to want still to create conditions whereby limitations on Asat's can be achieved.

Second, and perhaps more importantly, the distinguished Senator from Virginia and the 93 others all voted for a particular process, which is a matter of law today, which codified our intent that the President should adhere to the process.

The distinguished Senator from Ohio has already cast doubt on that process.

That is what is different. That is what has changed to say we should be here now debating this issue because the certification is not bona fide. There is not serious negotiation about Asat restrictions going on in Geneva nor has there been. We are not pursuing that policy.

Finally and just as importantly, at the time we took that vote, I do not believe the summit had been announced. This is a new opportunity. It is a new window. I think we ought to seize it, as the distinguished Senator from Colorado said.

It is an issue of policy. It really is an issue of policy. I reserve the remainder of my time.

Mr. BINGAMAN. Mr. President, I rise to support the amendment offered by the Senator from Massachusetts. I do so as one who is not opposed in principle to a limited U.S. Asat testing program so long as it is undertaken as part of a serious effort to reach a verifiable agreement to constrain testing and deployment of Asat weapons.

A limited test program of our Asat system would not be enough for us to have confidence in the deployment of our Asat. So a limit on further testing and on deployment of our Asat would still be verifiable.

A moratorium on testing of our Asat so long as the Soviets do not test an Asat poses the problem that the Soviets would have little incentive to negotiate seriously on the details of an agreement in that circumstance. For they would have already accomplished their objective of stopping our Asat program before they sat down at the negotiating table.

So I have supported the three-test Asat testing compromise which has emerged from the Defense Authorization Conference the past 2 years, provided the President certified our intention to seek the strictest possible verifiable Asat limits before starting the limited test program. But I have not supported testing of our Asat without any serious attempt at negotiating restraints on these systems. For then we would be forgoing an opportunity to reduce the vulnerability of our critical command, control, communications, and intelligence satellites in return for a transitory advantage in placing similar Soviet satellites at risk. Without any Asat limits, we would be guaranteed a future in which essentially all space systems on both sides would grow ever more vulnerable.

Unfortunately, the Presidential certification sent to the Congress on August 20 does not inspire confidence in the administration's intention seriously to pursue Asat limits. Far from it. And the certification was apparently originally sent up so that the 15-day waiting period would expire and an Asat test would take place prior to Congress' return from its August recess. In that case we would have faced a fait accompli. Luckily, someone in the Defense Department did not count properly, so we do have this opportunity today to debate the certification and the administration's approach prior to the first Asat test against an object in space. That test is, according to news reports, now scheduled for tomorrow.

Mr. President, I think that we have to ask ourselves, "Why the haste in conducting this test?" Why bother to do the test against an uninstrumented target, when presumably we want to get all the information we can from each test? Is not that a waste of money? Why rush to get the test in before the summit? If it is a failure, won't the President's hand actually be weakened? And just how troubled is this program technically? Apparently, the last test of our Asat against a point in space was not a success. Apparently, the Air Force keeps offering up this program for cancellation in the DOD's internal budget reviews, presumably an indication that they don't think that this will be the Asat system of choice in the long run.

In point of fact, if we and the Soviets reach a limited agreement in the future, banning our current Asat and the Soviets' current Asat, an extremely limited system which failed its last six tests before the Soviets declared their moratorium on further testing a couple of years ago, neither side may in fact be giving up much at all. Both sides will simply turn to the potentially far more effective Asat systems currently at the research stage, so long as testing and deployment of those systems remain unconstrained. So I hope we will do better than such a limited agreement on the current generation of Asat's if we and the Soviets ever seriously undertake negotiations in this area.

In summary, because I have concerns both about the administration's commitment to seeking Asat arms control constraints and about the haste with which this test has been put together, I am going to vote in favor of the Senator from Massachusetts' amendment. We need the time between now and the Geneva Summit to sort out our national policy on Asat arms control. I am not opposed in principle to our conducting some tests of our Asat system in the future provided it is done in the context of a serious attempt to negotiate Asat restraints and to deal with the growing problem of satellite vulnerability.

Mr. KENNEDY. Mr. President, I support Senator KERRY's timely amendment urging the President to postpone further testing of U.S. antisatellite weapons until after the summit in Geneva. I support this amendment for at least two reasons.

First, if the United States were to announce that, as a gesture of our good faith, we were to postpone this test, it would establish an atmosphere that would be more conducive to achieving real progress in arms control at the summit this November. The announcement last month that the United States planned to conduct such a test before the summit gave the Soviets an important propaganda victory in the world and allowed them to portray the United States as not being sincere in our efforts to achieve meaningful arms control agreements with the Soviet Union.

And second, I believe that continued testing of antisatellite weapons by either side jeopardizes the possibility of achieving a verifiable ban on antisatellite weapons in a future agreement with the Soviet Union. The United States is much more dependent—both in our national security and in our civilian life—on satellites than is the Soviet Union, and we would thus stand to lose more if each nation were to develop and to deploy weapons with the capacity to destroy the other's satellites. The time to achieve a verifiable ban on antisatellite weapons which, in my opinion, would be in the national security interests of the United States, is now, before either nation has completed its efforts to develop more accurate and more sophisticated and more reliable methods of destroying objects in space. Without testing, these new weapons cannot be deployed with any confidence that they would work. And after testing, it will be much more difficult to verify any agreement between the two nations not to deploy such weapons.

So the first step down this path is to support Senator KERRY's amendment. The next step is for President Reagan to respond to our concerns and to order that the test be postponed. There is no risk to the fundamental interests of the United States if such an action were to be taken by the President, and there is potentially much to be gained.

I urge my fellow Senators to support the Kerry amendment.

Mr. EAGLETON. Mr. President, I rise in support of the pending amendment to place a 9-week moratorium on the testing of antisatellite weapons [Asat] in space. This amendment should not be seen as a referendum on whether or not we should develop Asat technology. The question at hand is not even whether or not we should test Asat's in the future. The simple question is whether or not we should test our Asat technology now—tomorrow.

Tomorrow the Air Force intends to launch a new Asat weapon aimed, for the first time, at a space-based target. But everyone knows that the original test planned for tomorrow's launch has been scrapped. The Air Force originally planned to test the Asat against a multimillion dollar instrumental target satellite which was painstakingly designed over a number of years, to give the fullest possible data on the performance of the Asat. But the supersatellite is on the blink and the Air Force is now going to fire the Asat at an old, useless satellite. Obviously the test has been seriously degraded and will yield minimal data.

The Air Force has all but admitted that the only reason for prematurely conducting the test tomorrow is that the President wants to flex his military muscle before the meets with Mikhail Gorbachev at the summit in 9 weeks. In effect, the President wants to use the Asat test as a bargaining tool, which is exactly what he should not do at this time.

As we saw with MIRV's and with the cruise missiles, bargaining tools or chips that are allowed to proceed too far soon become building blocks.

Allowing this bogus test of our Nation's Asat technology to go ahead sends the wrong signal to the Soviets verily moments before a crucial summit between the superpowers' leaders. While we do not want to show weakness, we do want to show a pragmatic interest in reaching agreements about the weapons race in space.

I oppose the Asat test tomorrow and believe that its postponement until after the summit will enhance, not weaken, our Nation's negotiations.

Mr. GOLDWATER. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Arizona has 15 minutes and the Senator from Massachusetts 11 minutes.

Mr. GOLDWATER. Mr. President, I will not take long. The arguments have been made, and I think they are very succinct, against the amendment of the Senator from Massachusetts. The Senator from Colorado who participated in the conference report will remember that this was one of the most hotly contested arguments that we had. The House took a very strong position on a satellite and we had not taken such a strong position. Nevertheless, the decision was finally reached as related by the Senator from Virginia.

I agree with the Senator from Colorado, that we should discuss these things on the floor, even though the prerogative of foreign policy rests with the President, and even though attaching such an important amendment as this to an immigration bill I think is entirely, nongermane. But we will wait and see what happens to that.

Mr. President, I really believe the job of the U.S. Senate, the job of the Armed Services Committee, is to do our best to provide a strong United States. To me, that is paramount. I do not give a particular hoot about what the Russians think about what we do. The negotiations in Geneva, in my estimation, are going to be a total waste of time whether we conduct this test tomorrow, the next day, 9 weeks from now, or anytime. I think the attitude that prevails in the Soviet Union is the attitude that we should have in this country: That whatever we have to do to make this country strong enough to preserve our freedom we are going to do.

Here is a system of antisatellite that has been worked on for a long time. It was worked on for a long time and then abandoned. Now, tomorrow, an F-15 is going to take off and attempt to hit a target a little bit above the average target. We do not know if it is going to work. There is no way in the world for us to know it is going to work. If it does not work it becomes another ball game.

If it does work, then we have taken one more step in what we should be doing, providing for the strength of the United States and not forever worrying about what the head of the Soviet Union thinks about or what the Soviet military thinks about.

Personally, I do not think we are going to war, and I do not think that anything we are talking about here on the floor tonight is going to help prevent war.

Mr. President, I am going to move at the proper time to table this amendment. The vote will not come until Tuesday. I would hope that Members of the Senate would take advantage of the CONGRESSIONAL RECORD and read it.

Mr. President, I reserve the remainder of my time.

Mr. KERRY. Mr. President, I believe the order reads that we will have a vote this evening on this matter on a motion to table.

The PRESIDING OFFICER. There is no order presently to put a vote over until Tuesday.

Mr. KERRY. Mr. President, at this time I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KERRY. Mr. President, I would like to summarize, if I may, for the proponents.

I listened to the very distinguished chairman of the Armed Services Committee, whom I respect enormously and who I know has nothing but the interests of this country in mind. I would like to think that we share that. I certainly share with him the belief that what we should do is whatever is necessary to preserve the strength of the United States. As I said earlier, we should indeed be second in defense to no nation in the world. But it is my judgment we are that today and we will be that 9 weeks from now if we vote to delay this test. In fact, we may even be less strong should this test be successful. So I would hope that my colleagues will vote to exercise their constitutional and appropriate prerogative to advise the President with respect to international policy. It is certainly within our purview to decide what systems we think ought to be part of our arsenal and what are not.

Mr. President, I yield back my time and again express my appreciation to the manager of the bill and regret indeed that this had to happen on his bill.

The PRESIDING OFFICER. Is all time yielded back?

Mr. GOLDWATER. Mr. President, did the Senator yield back the time?

The PRESIDING OFFICER. The Senator from Massachusetts yielded back the remainder of his time.

Mr. GOLDWATER. Mr. President, I move to table this amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GOLDWATER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back and the yeas and nays having been ordered, the question is on agreeing to the motion of the Senator from Arizona.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST], the Senator from Nevada [Mr. LAXALT], and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Arkansas [Mr. PRYOR] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 62, nays 34, as follows:

[Rollcall Vote No. 177 Leg.]

YEAS—62

Abdnor
Andrews
Armstrong
Bentsen
Boschwitz
Bradley
Byrd
Chiles
Cochran
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dole
Domenici
Durenberger
Evans
Exon
Ford
Garn
Glenn
Goldwater
Gorton
Gramm
Grassley
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Kassebaum
Kasten
Long
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Quayle
Rockefeller
Roth
Rudman
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NAYS—34

Baucus
Biden
Bingaman
Boren
Bumpers
Burdick
Chafee
Cranston
Dodd
Eagleton
Gore
Harkin
Hart
Hatfield
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Pell
Proxmire
Riegle
Sarbanes
Sasser
Simon
Weicker

NOT VOTING—4

East
Laxalt
Pryor
Stafford

So the motion to lay on the table the amendment (No. 597) was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. DURENBERGER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, if I may have your attention——

The PRESIDING OFFICER. Will the Chamber please be in order so that the manager of the bill might be heard? Will those Senators conversing please take their conversations which would mean themselves also to the cloakroom?

We are not going to proceed until the Chamber is in order.

The Senator from Wyoming, and may we please have attention in the Chamber so the Senator from Wyoming might be heard as to further procedures for this evening.

Mr. SIMPSON. Mr. President, I wish to take a moment to make some remarks before I yield to the Senator from Florida.

We will very shortly take the amendment of the Senator from Florida [Mrs. HAWKINS] and then an amendment of Senator McCLURE which will be an up-and-down vote and then we will discontinue the activities for today and begin tomorrow at 9 a.m. with morning business. That is the intent in any event. Then we will be back on the bill as soon as that is concluded with Senator KENNEDY's amendment on legalization in midday, then the other amendments, and make every effort to, in fact, conclude the bill tomorrow. I am not aware of how many rollcall votes there might be. I would hope it will not be more than four. But in any event, I tell you that and it is not me pushing. The bill is the pending item of business.

Monday is a holiday from voting, and Tuesday we intend to go on toward Superfund and that activity.

So we would like to dispose of this, win, lose, or draw.

That is the information I can share with you at this time with regard to the bill.

I yield to the Senator from Florida.

AMENDMENT NO. 598

(Purpose: To authorize an immigration emergency revolving fund of $35,000,000 to be used to provide for an increase in border patrol or other enforcement activities of the Service, and for reimbursement of State and localities in providing assistance in meeting an immigrant emergency)

Mrs. HAWKINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida [Mrs. HAWKINS] proposed an amendment numbered 598.

Mrs. HAWKINS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill add the following:

SEC. . There are authorized to be appropriated to an immigration emergency revolving fund, to be established in the Treasury, $35,000,000, to be used to provide for an increase in border patrol or other enforcement activities of the Service and for reimbursement of State and localities in providing assistance as requested by the Attorney General in meeting an immigration emergency, except that no amounts may be withdrawn from such funds with respect to an emergency unless the President has determined that the immigration emergency exists and has certified such fact to the Judiciary Committees of the House of Representatives and of the Senate.

Mrs. HAWKINS. Mr. President, this amendment should be familiar to the managers of the bill. They have seen it before, the last time the Senate considered immigration reform legislation back in May 1983. At that time, the managers recognized the need for such an amendment and graciously agreed to accept it without objection. Since the language of the amendment is identical and since the situation is the same, I hope that we can reach an similar accommodation on this go-round of the immigration bill.

The purpose of the amendment is to establish a $35 million contingency fund to be available in the event of a immigration emergency, such as Florida experienced in 1980.

The Mariel immigration emergency was a management disaster. The Federal Government could not makeup its mind whether it wanted to welcome the Marielitos with open arms, or whether it wanted to prevent Castro's illegal display. This wavering was reflected in the bureaucracy by chaos and confusion. As if the sheer magnitude of helping 120,000 people arrive and be assimilated into American society in a period of months were not grave enough, these problems were compounded by ambiguity over which Federal agencies has what powers to act, and a reluctance in some agencies to reprogram previously allocated funds for this new and expected contingency.

While we did it the hard way, we have gained some valuable experience from the Cuban boatlift. Over the last couple of years the administration has been developing a contingency plan to deal with immigration emergencies. That plan was completed several years ago. It outlines the options and authorities of those agencies called on in event of an immigration emergency. Although the plan draws on the experience of the 1980 boatlift, it has been drafted so that it applies to any other kind of an immigration emergency. I have had an opportunity to review this plan, and while I believe that the President needs additional authority to handle such emergencies, the current plan will greatly enhance the ability of the Federal Government to respond to such situations in a timely and effect manner.

While I would prefer to prevent such emergencies in the future, this kind of a plan is a good idea—just in case. However, implementing it requires immediate access to funds. During the Cuban boatlift in 1980, the lack of adequate funding at the critical outset of the emergency compounded the problems created by the boatlift. Local agencies were reluctant to use their funds for any unforseen contingency fearing they had no right to do so or would not be reimbursed.

My amendment addresses the problem of funding. It sets up a fund of $35 million that can be drawn on in the event that the President declares an immigration emergency. It does not expand the President's powers to deal with such an emergency. It provides him with the financial resources to employ his existing authorities effectively and promptly. The lack of funding for the immigration emergency contingency plan is its fundamental deficiency, and until the problem of adequate funding is solved the plan amounts to little more than a hollow, time-consuming exercise.

Finally there is one additional important point regarding my amendment—it will have no effect on the size of the Federal deficit. Because the use of this fund is contingent upon a Presidentially declared immigration emergency, it does not add one penny to budget outlays. As a result, there will be no effect on the budget deficit or the credit markets.

The fact that this amendment does not cost any money does not minimize its importance. This type of a contingency fund would be a vital tool in responding to any future immigration emergency—it will cut down on the confusion, chaos, and reluctance to act that characterized the 1980 Mariel Boatlift.

Mr. President, my amendment provides a reasonable and rational precaution against the kind of chaos that followed the Cuban boatlift—or that might follow any other immigration emergency.

This amendment is fair, and it is good policy. I urge my colleagues to give it their full support.

Mr. SIMPSON. Mr. President, in the 98th Congress, Senator HAWKINS, the ranking minority member of the subcommittee, and I agreed to this amendment. A similar version was approved by the conference committee. It simply provides, in the event of another Mariel Harbor-type emergency, that moneys will be available from an immigration emergency revolving fund to offset State and local costs to allow for an increase in enforcement activities.

I think it is true to state that it should have no impact on the budget issues, because the fund is contingent upon a Presidentially declared immigration emergency. Under this amendment, assistance will be provided when it is requested by the Attorney General after the emergency has been declared. That is my understanding.

Mrs. HAWKINS. That is correct.

Mr. SIMPSON. Mr. President, I am willing to accept the amendment. On behalf of the ranking minority member and comanager of the bill, we will accept the amendment.

Mrs. HAWKINS. I thank the Senator and the ranking minority member.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida [Mrs. HAWKINS].

The amendment (No. 598) was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mrs. HAWKINS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 599

(Purpose: To express the sense of the Congress that the English language is the official language of the United States)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] on behalf of himself, Mr. BURDICK, Mr. GARN, Mr. THURMOND, and Mr. SYMMS, proposes an amendment numbered 599.

On page 125, after line 23, add the following:

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. POLICY TOWARD THE ENGLISH LANGUAGE

(a) FINDINGS.—The Congress finds that—

(1) the United States has been and will continue to be enriched by the contributions of immigrants from diverse cultures;

(2) a common language, English, fosters harmony among our people, promotes political stability, permits the interchange of ideas, encourages societal accord, and unites us as a people committed to freedom and equality;

(3) the learning of the English language by our Nation's immigrants is vital to their participation in the economic, education, social, and political opportunities of our country; and

(4) a role of the Congress is supporting the bonds that unite our people, one of the most important of which is the use of the English language.

(b) POLICY. —It is the sense of the Congress that—

(1) the English language is the official language of the United States; and

(2) no language other than the English language is recognized as the official language of the United States.

On page 3, at the end of the table of contents, add the following:

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. Policy toward the English language.

Mr. McCLURE. Mr. President, today I am offering an amendment to the immigration bill which expresses the sense of the Senate that English is the official language of the United States. I emphasize that it is a sense-of-the-Senate finding and statement of policy. It does not amend statutes. It does not have the effect of changing any of the laws of the land with respect to any other law that affects this issue.

Diversity and tolerance have always made this country great. As a nation of immigrants, we have had to forge our common commitment to freedom from many backgrounds, philosophies and ideals. The very fact that people from all countries and all walks of life have come to America and worked together for common goals is a testament of our strength.

But, Mr. President, while diversity has helped to make us strong, we must not lose sight of our common bonds. Every nation must have those practices which are shared by all citizens. I believe a common language is one of those practices.

For non-English-speaking immigrants, the learning of the English language is the first task to be mastered. This has been true for the last 200 years. I believe we do a grave disservice to immigrants if we allow them to believe they can fully participate in the many opportunities this country offers if they do not learn English. This simply is not true. If a person does not have a working knowledge of English, he cannot fill out a job application, cannot participate in community affairs, cannot be a good consumer. Not only is the immigrant himself shut out of our society, we as a nation suffer the loss of his contributions. If diversity has made us strong, we must have a means of communication to share that diversity. If I were to move to France tomorrow, how could I possibly expect to be a productive member of that nation if I were to continue speaking only English?

Mr. President, the purpose of this resolution is not to discourage, in any way, the ethnic and linguistic differences in this country. I support and encourage the rights of all Americans to preserve their cultural heritages. It is vitally important that we preserve our ability to welcome all people from all nations and learn from them. But I believe this is an entirely different issue from the preservation and promotion of English. Maintaining different cultural ties and traditions does not preclude the necessity to read, write, and speak English.

Our former colleague, Senator S.I. Hayakawa, has been widely quoted on this matter but I think his statements bear repeating. Senator Hayakawa said:

> Language is a powerful tool. A common language can unify; separate languages can fracture and fragment a society. The American "melting pot" has succeeded in creating a vibrant new culture among people of many different cultural backgrounds largely because of the widespread use of a common language, English. Learning English has been the primary task of every immigrant group for two centuries. Participation in the common language has rapidly made available to each new group the political and economic benefits of American society. Those who have mastered English have overcome the major hurdle to full participation in our democracy.

Mr. President, similar language to this amendment has passed the Senate on two occasions, most recently on last year's immigration bill. I urge my colleagues to support my amendment.

Mr. SYMMS. Mr. President, I rise in support of the amendment offered by my colleague from Idaho. There are 14 sponsors in the Senate on the English language amendment who have been working hard to see the English language become the official language of the United States. We in this body were preceded in this effort by our two former distinguished colleagues, Senator Huddleston and Senator Hayakawa, who started paving the way for this in this country.

According to the law, Mr. President, a person must be able to read and write and speak English to become a citizen. Proficiency in English is required in order to participate in the American dream, to enjoy the full economic opportunities this Nation offers, and to enter into the political dialog which is not possible in many nations on Earth. In order to do all of this in America, a person must be able to use the English language.

We are in favor of preserving one's ethnic background when we stand to say we still want the common bond of English. We do not desire to destroy anyone's pride in their heritage. On the contrary. We encourage the learning of foreign languages and the preservation of cultural heritage. In fact, just this morning I had the distinct privilege in the Russell Building to see an award given to Jimmy Jausoro and his famous Orinkari dance troupe from Boise, ID. They were here and honored with a major national award in the arts. This is a cultural group, the Basques in Idaho, Nevada, Wyoming, Utah, the western States, and northern California. It is a very large group. They are very large in our State. They are a very important part of the fiber of heritage in our State. It is interesting that one of the leaders of that group is the secretary of state of the State of Idaho, Pete Cenarussa, who, when he started in the public school system in Idaho, he could not speak a word of English. Neither could his parents. He was instructed by his parents to go to school, learn English, come home, and teach the family English so they could survive. He later served with distinction in World War II as a pilot in the armed services in the U.S. Marine Corps, graduated from the University of Idaho, and served as speaker of the house of representatives in the State of Idaho. He always has said had it not been for the persistence of his parents to force him to learn English, he would never have been able to be the success he has become.

Mr. President, I am very proud of the Basques in Idaho, proud of the group that got the honor today, and proud of them for being great Americans. They all emphasize the importance of having their youngsters be able to come in and learn to participate in the English language so they can enjoy our society.

I compliment and thank my distinguished senior collegue for offering this amendment.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I would like to ask unanimous-consent to be named a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. My remarks will be very brief. In my home State of South Dakota—I think throughout this Nation—the common ladder to economic success has been the English language. Increasingly, efforts are underway to offer our young people bilingual education. These efforts are to be commended. However, we must not lose sight of our official language. One sure way to lock our young people into poverty situations is to neglect their need to learn the English language. Some States have amended their constitutions to provide English as the official language. We in the U.S. Congress must also stress the importance of the English language.

I strongly support this amendment. I think it is a very thoughtful one. I have cosponsored similar amendments to immigration reform bills. I think that is a very essential provision and ask unanimous consent that I be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I have been discussing this amendment with several Senators on the floor, and one suggestion has been made that might aid its passage. First of all, Mr.

President, I appreciate the comments that have been made. I recognize the difficulty of raising this issue. But I think it is an important issue. I hope that the Senate will speak on it. I hope for a nearly unanimous vote, although I know it will not be unanimous. But in an effort to reduce any controversy, it has been suggested that a change in the language in the amendment would assist its passage. Therefore, I ask to modify the amendment. In subsection (b) on the second page, which is the policy statement, to amend it to read as follows: "It is the sense of the Congress that the English language is the official language of the United States." period, deleting the balance of subparagraph (b).

The **PRESIDING OFFICER**. The Senator has a right to modify his amendment.

Mr. **McCLURE**. I thank the Chair.

The amendment, as modified, is as follows:

On page 125, after line 23, add the following:

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. POLICY TOWARD THE ENGLISH LANGUAGE.

(a) FINDINGS.—The Congress finds that—

(1) the United States has been and will continue to be enriched by the contributions of immigrants from diverse cultures;

(2) a common language, English, fosters harmony among our people, promotes political stability, permits the interchange of ideas, encourages societal accord, and unites us as a people committed to freedom and equality;

(3) the learning of the English language by our Nation's immigrants is vital to their participation in the economic, education, social, and political opportunities of our country; and

(4) a role of the Congress is supporting the bonds that unite our people, one of the most important of which is the use of the English language.

(b) POLICY.—It is the sense of the Congress that—

(1) the English language is the official language of the United States.

On page 3, at the end of the table of contents, add the following:

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. Policy toward the English language.

Mr. **McCLURE**. Mr. President, let me make just this additional statement. The language I deleted refers to all other languages which I think is not an operative requirement of this amendment. But I would not want it to be read, that because we took that language out, we in any way wished to state the opposite, and that some other language is recognized as an official language.

I think it very clearly says on the face of it that the official language of the United States is the English language, and let us stand at that.

Mr. **THURMOND**. Mr. President, I rise in support of this amendment that declares the sense of the Congress that the English language is the official language of the United States and that no other language other than the English language is recognized as the official language of the United States.

This amendment was passed by a 3-to-1 margin when it was offered to the immigration bill in the 97th Congress. It was also included in the immigration measure that passed the Senate in the last Congress.

Language is indeed a unifying factor. It is a characteristic of a people that brings divergent interests and backgrounds into a whole. It is the basis of a society and creates a public culture.

We who live in this great Nation have greatly benefited from the sharing of the ideas and the melding of the customs of all of the immigrants who have come to our shores. This enrichment is made even greater from the sharing of a common basis: The use of the English language.

I urge my colleagues to join with me in supporting this resolution.

Mr. **SYMMS**. Mr. President, I rise in support of the amendment offered by my colleague from Idaho. I and the 14 cosponsors of S. 20, the English language amendment, have been working very hard to see English become the official language of the United States. We are preceded in this effort by our distinguished former colleagues, Senator Huddleston and Senator Sam Hayakawa.

Mr. President, according to the law, a person must be able to "read, write and speak English in ordinary usage" to become a citizen. In order to really participate in the American dream, to enjoy the full economic bounty this Nation offers and to enter into the political dialog which is not possible in many nations on Earth. In order to do all this in America, a person must use the English language.

We are in favor of preserving one's ethnic background. We do not desire to destroy one's pride in one's heritage. On the contrary, we encourage the learning of foreign languages and the preservation of cultural heritage. In fact, just this morning one of Idaho's best known Basques, Jimmy Jausoro, and his famous Orinkara dance troupe were here in Washington to be honored with a major national award in the arts. Here is a cultural group, which is large in Idaho, that has maintained its finest music and dance heritage. Although not Basque myself, I am proud of Jimmy and his group. I honor them for being true Americans who have preserved their great culture.

Mr. President, we cannot allow our great Nation to become divided as has our neighbor to the north and other nations which have a multiplicity of national languages. Language is the glue that holds a nation together and reduces suspicion among its citizens.

I urge my colleagues in this body to support Senator McClure's amendment.

Mr. **McCLURE**. Mr. President, I ask unanimous consent that the distinguished Senator from Alabama [Mr. Denton] be made an original cosponsor of the amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **DOMENICI**. Parliamentary inquiry. Have the yeas and nays been ordered?

The **PRESIDING OFFICER**. The yeas and nays have not been ordered.

Mr. **DOMENICI**. Mr. President, since we are not going to have a record vote, I am not going to ask for one, I want the record to reflect that if we would have had such recorded vote, I would have voted no.

Mr. **SIMON**. Mr. President, will the Senator yield?

Mr. **DOMENICI**. I am pleased to.

Mr. **SIMON**. I simply want to join by saying if we were to have a record vote that would be my vote, too.

Mr. **DOMENICI**. I will state my reasons afterward so I will not have to keep anyone here.

The **PRESIDING OFFICER**. The record will reflect that if there were a record vote, the vote of the Senator from New Mexico and the vote of the Senator from Illinois would be no.

Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Idaho.

The amendment (No. 599), as modified, was agreed to.

Mr. **McCLURE**. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **EAGLETON**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **SIMPSON**. Mr. President, had this vote been a rollcall vote, I would have voted no, for the reason that I think it could be handled on a significantly different piece of legislation. It makes me somewhat uncomfortable to deal with it on this legislation, and therefore I voted no. I am fully aware that the vote would have been very near what it was the previous time we voted, which was, I believe, about 76 to 23. I am fully aware of that, but I just wanted to state that to clarify my position.

Mr. **KENNEDY**. Mr. President, I want to join with Senator Simpson in saying I, too, would have voted no on the amendment offered by Senator McClure.

Like him, I, too, felt that this bill was the wrong vehicle for this amendment—that it could be misunderstood.

I am gratified that the amendment was modified, but I still feel this legislation dealing with illegal migration and new enforcement policies is the wrong bill and could be interpreted as a rather negative statement by some groups in our society.

Mr. **SIMPSON**. If I can have the attention of my colleagues, that will conclude the voting for tonight. We have two other amendments we will process very briefly. Then I believe the hour of convening is set at 9 a.m. At least, the majority leader and I were speaking of that time. Then we will be back on the bill after the conclusion of morning business.

The **PRESIDING OFFICER**. The chair has an inquiry. What does the manager mean by process?

Mr. **SIMPSON**. Yes, accepted by the majority and minority managers of the bill—one to be laid down and dealt with in the morning, one to be handled at the present time.

Mr. **MATTINGLY** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Georgia.

Mr. **MATTINGLY**. Mr. President, I ask unanimous consent that I be added as a cosponsor.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **McCLURE**. Will the Senator yield for a unanimous-consent request?

Mr. **SIMPSON**. I will.

Mr. **McCLURE**. Mr. President, I ask unanimous consent that the distinguished Senator from California [Mr. Wilson] be added as original cosponsor of the amendment just adopted.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

AMENDMENT NO. 600

(Purpose: To extend the income and eligibility verification system under section 1137 of the Social Security Act so as to provide for verification of immigration status in the cases of aliens applying for benefits under specified welfare and other programs)

Mrs. **HAWKINS**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida [Mrs. Hawkins] proposes an amendment numbered 600.

Mrs. **HAWKINS**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III add the following:

SEC. . VERIFICATION OF IMMIGRATION STATUS OF ALIENS APPLYING FOR BENEFITS UNDER CERTAIN PROGRAMS.

(a) REQUIRING IMMIGRATION STATUS VERIFICATION.—

(1) UNDER AFDC, MEDICAID, UNEMPLOYMENT COMPENSATION, AND FOOD STAMP PROGRAM.—Section 1137 of the Social Security Act (42 U.S.C. 1320b-7) is amended—

(A) by redesignating paragraphs (4) through (7) of subsection (a) as paragraph (5) through (8), respectively, and inserting after paragraph (3) the following new paragraph:

"(4) the State shall require, as a condition of eligibility for benefits under any program listed in subsection (b), that each applicant for or recipient of benefits under that program must declare in writing, under penalty of perjury, whether or not the individual is a citizen of the United States, and, if not a citizen of the United States, the individual shall present alien registration documentation or other proof of immigration registration from the Immigration and Naturalization Service that contain the individual's alien admission number, or alien file number (or numbers if he has more than one number), and—

"(A) if such an applicant or recipient is not a citizen of the United States, the State shall utilize the individual's alien file or alien admission number to verify with the Immigration and Naturalization Service the alien's immigration status through an automated or other system (designated by the Service for use with States) that—

"(i) utilizes the alien's name, file number admission number or other means permitting efficient verification, and

"(ii) protects the alien's privacy to the maximum degree possible,

"(B) if the verification under subparagraph (A) does not indicate that the individual is in an immigration status permitting eligibility for benefits under the applicable program—

"(i) the State shall provide the alien with an opportunity to prove otherwise by submitting to the State documents establishing a satisfactory immigration status for the applicable program, photostatic or other similar copies of which documents shall be transmitted by the State to the Immigration and Naturalization Service for official verification, and

"(ii) the State may not deny, reduce, or terminate an individual's benefits under the program on the basis of immigration status without affording the individual the opportunity described in clause (i), and

"(C) if an individual has been determined (after the opportunity described in subparagraph (B)(i)) to be an alien in an immigration status which does not permit the individual to be eligible for benefits under the applicable program, the State shall deny or terminate the individual's participation in the program;"; and

(B) in subsection (b), by striking out "Licome verification system" in the matter preceding paragraph (1) and inserting in lieu "income and eligibility verification system".

(2) UNDER SSI PROGRAM.—Section 1631(e)(1)(B) of such Act is amended by striking out "subsections (a)(6) and (c)" and inserting in lieu thereof "(a)(4), (a)(7), and (c)".

(b) PROVIDING 90 PERCENT MATCHING FUNDS FOR NON-LABOR COSTS OF IMPLEMENTATION AND OPERATION.—

(1) UNDER AFDC PROGRAM.—Section 403(a)(3) of the Social Security Act is amended by inserting before subparagraph (B) the following new subparagraph:

"(A) 90 percent of so much of such expenditures as are for the non-labor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4),".

(2) UNDER MEDICAID PROGRAM.—Section 1903(a) of such Act is amended by inserting after paragraph (3) the following new paragraph:

"(4) an amount equal to 90 percent of the sums expended during the quarter which are attributable to the non-labor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4); plus".

(3) UNDER UNEMPLOYMENT COMPENSATION PROGRAM.—The first sentence of section 302(a) of such Act is amended by inserting before the period at the end the following: ", including 90 percent of so much of the reasonable expenditures of the State as are attributable to the non-labor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4)".

(4) UNDER CERTAIN TERRITORIAL ASSISTANCE PROGRAMS.—Sections 3(a)(4), 1003(a)(3), 1403(a)(3), 1603(a)(4) of the Social Security Act (as in effect without regard to section 301 of the Social Security Amendments of 1972) are each amended by redesignating subparagraph (B) as subparagraph (C) and inserting after subparagraph (A) the following new subparagraph:

"(B) 90 percent of so much of such expenditures as are for the non-labor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4); plus".

(5) UNDER THE FOOD STAMP PROGRAM.—Section 16 of the food Stamp Act of 1977 (7 U.S.C. 2025) is amended by adding at the end the following new subsection:

"(h) The Secretary is authorized to pay to each State agency an amount equal to 90 per centum of the non-labor costs incurred by the State Agency in implementing and operating the immigration status verification system described in section 1137(a)(4) of the Social Security Act.".

(c) EFFECTIVE DATES.—

(1) INS ESTABLISHING VERIFICATION SYSTEM BY OCTOBER 1, 1987.—The Commissioner of Immigration and Naturalization shall implement a system for the verification of immigration status under section 1137(a)(4)(A) of the Social Security Act (as amended by this section) so that the system is available to all the States by not later than October 1, 1987.

(2) HIGHER MATCHING EFFECTIVE IN FISCAL YEAR 1988.—The amendments made by subsection (b) take effect on October 1, 1987.

(3) USE OF VERIFICATION SYSTEM REQUIRED IN FISCAL YEAR 1989.—The amendments made by subsection (a) take effect on October 1, 1988. States have until that date to begin complying with the requirements imposed by those amendments.

Mrs. **HAWKINS**. Mr. President, I ask unanimous consent that the amendment pending at the desk be temporarily laid aside, and that it be the pending business when the Senate returns to consideration of S. 1200 tomorrow, September 13, 1985.

The **PRESIDING OFFICER**. Is there objection? Without objection, it is so ordered.

Mr. **BYRD**. Mr. President, before any more Senators leave the Chamber, might the Republican leader inform us whether there will be any more rollcall votes this evening, and what the prospects are for tomorrow?

Mr. **DOLE**. Mr. President, I will indicate that I am advised by the managers that there will be no more rollcall votes this evening. There will be one amendment that will be accepted.

It is my understanding that we can proceed early tomorrow morning. There will be rollcall votes tomorrow and hopefully we can complete action on this bill between 3 and 4 o'clock in the afternoon.

Mr. BYRD. Mr. President, I thank the majority leader.

Mr. FORD. Mr. President, might I ask at what time the votes will take place?

Mr. DOLE. Mr. President, I hope we will not find it necessary to have a rollcall vote on every amendment. There are amendments on both sides. We will do our best to hold down the number of votes.

Mr. FORD. Mr. President, the Senator from Kentucky will be in Kentucky looking at a new source of energy, construction for which will be dedicated tomorrow. We hope it will give us a new source of energy. It is a new coal technology which is important to my State and other States. It is incumbent upon me to be there. I am afraid I will miss my first vote this year, if the Senate is not accommodating to stack the votes until Monday or Tuesday. I guess it is just beyond any realm of possibility to stack them until Tuesday.

Mr. DOLE. I will work with the distinguished minority leader to encourage our friends on both sides to have voice votes.

Mr. FORD. Mr. President, I appreciate the majority leader's comments. I hate to miss votes. If we could be accommodated, it would be important to several Senators on both sides who cannot be here tomorrow.

Mr. DOLE. I understand.

Mr. SYMMS. Mr. President, a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. SYMMS. Has a motion to reconsider the vote on the Hatch amendment been made?

The PRESIDING OFFICER. It has not been.

Mr. SYMMS. I make that motion and ask for the yeas and nays.

The PRESIDING OFFICER. The request is not in order unless the request is made by a Senator on the prevailing side.

AMENDMENT NO. 601

(Purpose: Express the sense of the Senate that the visa waiver pilot program will achieve highly desirable goals which are in the national interest)

Mr. PRESSLER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. Pressler], for himself and Mr. Warner, proposes an amendment numbered 601.

Mr. PRESSLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 113, insert the following immediately before line 20:

(f) Sense of the Senate.—It is the sense of the Senate that the visa waiver pilot program authorized by the amendments made by this section will provide economic benefits, greater international understanding and cooperation, and more efficient use of consular resources, and that such goals are highly desirable and in the national interest. The Senate reaffirms its support for such program.

Mr. PRESSLER. Mr. President, for many years the administration, the travel and tourism industry, and the Senate have supported legislation which would waive the U.S. visa requirement in certain cases.

In 1982, I sponsored the original visa waiver amendment to the Immigration Reform and Control Act. This body passed that amendment unanimously, and has reaffirmed its support for visa waiver every year since.

In 1983, the Immigration Reform and Control Act again passed with the visa waiver provision. The House passed an amended version in 1984. The bill has not been signed into law because of controversy over other provisions in the bill—not visa waiver.

Once again we are going forward in an attempt to pass an immigration reform bill. And once again, I am pleased to see that the Senate supports the enormously important visa waiver provision. However, visa waiver has not been included in the immigration reform package now being considered by the House of Representatives. I ask my colleagues to join me in insisting that visa waiver be part of this legislation.

Today I am offering this amendment to express the sense of the Senate that the visa waiver provision be included in the final package when the respective House and Senate bills go to the conference committee. By recognizing the importance of this provision and reaffirming our support, we are sending a clear message to the conferees on this matter, so I urge my colleagues to support this amendment.

It is estimated that visa waiver would bring as many as 400,000 additional visitors into the United States from abroad, producing close to $300 million in U.S. tourism receipts. Based on these receipts, an estimated 7,000 to 8,000 travel-related jobs would be created and more than $16 million in tax receipts would be realized.

Our American embassies and consulates are often overwhelmed by processing visas. In some countries, backlogs are so bad that applicants cancel their travel plans to the United States.

The U.S. nonimmigrant visa requirements are among the most restrictive in the world. These restrictions retard our economic growth and serve as a self-imposed trade barrier against the United States. This restrictive approach increases our trade deficits and is very harmful to a very important U.S. industry. It is rather curious that, in the present atmosphere of growing protectionist sentiments and concern about our trade imbalance, we should add to our own problems by not enacting the visa waiver legislation into law. We are shooting ourselves in the foot if we fail to insist that visa waiver be retained in a House-Senate compromise on this important issue.

Mr. President, making travel to our country less restrictive will increase the number of visitors, reduce our trade deficit, add to our foreign exchange earnings, encourage economic growth, and break down another barrier to trade in tourism. The support of visa waiver legislation by this Senate is good commonsense and I ask my colleagues to support this amendment.

Mr. WARNER. Mr. President, I am pleased to join my good friend from South Dakota, Mr. Pressler, in commending the distinguished majority whip, Mr. Simpson, for his courage and foresight in including in this important immigration reform legislation provisions allowing visa waiver.

Earlier this year the Senator from South Dakota and I, along with the Senators from Tennessee, Mr. Sasser and Mr. Gore; Hawaii, Mr. Inouye and Mr. Matsunaga; Utah, Mr. Hatch; Alaska, Mr. Murkowski; Ohio, Mr. Glenn; New Mexico, Mr. Bingaman; and Illinois, Mr. Simon, introduced S. 825, a bill to provide visa waivers for nonimmigrant tourists from certain countries.

We undertook this effort with the full recognition that Congressman Romano Mazzoli and Senator Simpson intended to reintroduce the legislation before us today.

Our objective in promoting visa waiver was not to detract in any way from the unyielding and devoted efforts of the distinguished Senator from Wyoming.

Our objective was to provide additional momentum to help bring the Congress to grips with this very important issue.

Today, we reaffirm our support for immigration reform legislation including visa waiver, and urge that when this bill goes to conference with the House of Representatives, every effort be made to retain visa waiver.

With trade deficits running at such a high level, the United States must do everything it can to bolster its exports.

Inbound foreign travelers represent the second largest export for the United States.

In fact it is estimated that as many as 400,000 additional visitors from abroad would gladly respond to the aggressive marketing appeals of the U.S. Travel and Tourism Administration and America's travel destinations were it not for the difficulties they face in obtaining nonimmigrant tourist visas.

Through the cooperative efforts of the Senator from Wyoming the Congress can help alleviate this problem.

The Senator from Virginia applauds the efforts and the leadership of the chairman of the Immigration Subcommittee, and is grateful to the Senator from South Dakota and others for their unyielding support of the visa waiver provisions of this bill.

Mr. President, I ask unanimous consent that my statement which appeared in the Record on March 18 of this year regarding visa waiver be printed at this point in today's proceedings.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator John W. Warner

Mr. President, I am pleased to join with the Senator from South Dakota (Mr. Pressler), and the Senator from Tennessee (Mr. Sasser), to introduce the Visa Waiver Act of 1985, a bill providing limited waiver of the U.S. non-immigrant visa requirements.

As co-chairman of the Senate Tourism Caucus, Senator Sasser and I have urged for many years now the enactment of this legislation, and we have eagerly joined with Senator Pressler in his capacity as chairman of the Subcommittee on Business, Trade, and Tourism, to obtain for America's travel and tourism industry the important benefits this legislation holds.

ECONOMIC IMPACT

Mr. President, international travel to the United States in 1983: accounted for 21.7 million total foreign arrivals and receipts of $13.9 billion (including international transportation payments to U.S. carriers); netted this nation 706 percent of total world international arrivals (286.5 million) and 11.9 percent of global foreign tourism expenditures (96.2 billion); resulted in federal, state, and local tax revenues of more than $1.1 billion; directly and indirectly generated over 600,000 U.S. jobs; and accounted for one-third of business services exports.

Based on one study, adjusted to reflect current data and assumptions under last year's bill, it is estimated that the proposed legislation will add as many as 400,000 visitors from abroad.

These visitors will produce $300 million in tourism receipts.

Based on these receipts, an estimated 7,000 to 8,000 travel-related jobs would be created and more than $16 million in tax receipts would be realized.

The State Department in 1980 estimated that 70 percent of the non-immigrant visas are related to tourism and three percent related to business activities.

The American embassies and consulates are frequently overwhelmed by the processing of these visas.

In some countries, backlogs are so bad that applicants get angry and cancel their plans to travel to the United States.

The State Department has determined that, if the new law had been in operation in 1982, over $3 million in resources and over 120 positions abroad could have been used for other purposes.

POLICY AND THE NATIONAL INTEREST

Studies conducted in 1977 for the U.S. Travel Service, predecessor to the U.S. Travel and Tourism Administration, determined that "difficult entry procedures and/or difficulty in obtaining a visa" inhibited some foreign nationals from visiting the United States.

An average of 13.6 percent of potential visitors from five of the countries eligible under legislation pending that year anticipated these difficulties.

The percent of actual visitors reporting such difficulties ranged from 25 percent (France) to four percent (Netherlands).

Most western European countries eliminated visa requirements for Americans and other visitors during the post-World War II era.

At least 35 countries have eliminated this requirement.

The present law requires that all foreign nationals, except those from Canada and the Bahamas, possess a visa to enter the United States as a visitor.

But U.S. laws concerning tourism support a visa waiver program.

Under the International Travel Act of 1961, the Secretary of Commerce is directed to ". . . encourage the simplification, reduction, or elimination of barriers to travel, and the facilitation of international travel generally," and "to stimulate and encourage travel to the United States by residents of foreign countries. . . ."

Further, the National Tourism Policy Act of 1981 establishes a national tourism policy whose principal objective is to ". . . encourage the free and welcome entry of individuals traveling to the United States in order to enhance international understanding and good will. . . ."

CONCLUSION

The non-immigrant visa requirements of the United States are among the most restrictive in the world.

The restrictions serve as a trade barrier, retarding economic growth and inhibiting good will.

The proposed legislation is in the national interest and will promote inbound travel.

Making travel to the United States less restrictive will increase the number of visitors, add to our foreign exchange earnings, encourage economic growth and break down another barrier to trade in tourism.

Visa waiver legislation like this bill is aggressively supported by the administration.

It passed in both the House of Representatives and the Senate in the last Congress, and it is endorsed by virtually all segments of the travel and tourism industry.

Mr. President, I urge the support of my colleagues for this measure, and I am hopeful it will receive swift and early consideration in this body as well as in the House of Representatives, where Congressman Bill Boner has introduced identical legislation.

Mr. PRESSLER. Mr. President, I move adoption of the amendment.

Mr. SIMPSON. Mr. President, we feel we can accept the amendment since it reflects the intent of the committee regarding the visa waiver provision. I appreciate him offering it at this time.

I believe this amendment has been cleared on the minority side and is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota.

The amendment (No. 601) was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PRESSLER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, with regard to the Hawkins amendment which has been laid down, I ask unanimous consent that it be the pending business in the morning when we return to S. 1200.

NATIONAL HIGH-TECH MONTH

Mr. SIMPSON. Mr. President, having consulted with the minority leader, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 128, National High-Tech Month, reported today by the Committee on the Judiciary.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 128) designating the month of October 1985 as "National High-Tech Month."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ACCOMPLISHMENTS OF THE HISTORIC SITES ACT OF 1935

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 299, a joint resolution recognizing the accomplishments of the passage of the Historic Sites Act of 1935.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 299) recognizing the accomplishments over the past 50 years resulting from the passage of the Historic Sites Act of 1935, one of this Nation's landmark preservation laws.

The **PRESIDING OFFICER**. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. JOHNSTON. Mr. President, I rise in support of House Joint Resolution 299. This joint resolution would recognize the act approved August 21, 1935, popularly referred to as the Historic Sites Act of 1935, for its substantial contributions over the past 50 years to the identification and protection of the Nation's cultural heritage.

Mr. President, the Historic Sites Act has played a vital role in preserving places important in American history, places that Americans are visiting every day in increasing numbers, such as Gettysburg, Jamestown, Valley Forge, and Fort Laramie. Prior to the enactment of this measure, there was no existing legislation which served to preserve historic properties such as these. Concerned that many of these historically invaluable structures would be lost forever to development, interested citizens and public officials worked together to develop "a national policy to preserve for public use historic sites, buildings and objects of national significance for the inspiration and benefit of the people of the United States." It is due to their hard work and foresight that on August 21, 1935, President Franklin D. Roosevelt signed into law the Historic Sites Act.

Mr. President, this legislation authorizes the Secretary of the Interior, through the National Park Service, to record and document historic structures; to survey historical and archeological properties; and to acquire, restore, and manage properties of historical value. Additionally, it authorizes the National Park Service to build and maintain museums at historic sites as well as provide the public with educational and interpretative materials about their historic significance. The act is also responsible for establishing the National Park System Advisory Board, whose members are expert in park-related disciplines such as history, archeology, architecture, and natural science.

Fifty years after the enactment of the Historic Sites Act, millions of people are benefiting from its legacy as they visit our historic places and reflect on the events and values which helped to shape our country. It is indeed fitting on the occasion of its 50th anniversary that we recognize the accomplishments resulting from the passage of the Historic Sites Act of 1935. I urge my colleagues to join me in commemorating one of this Nation's landmark preservation laws.

The **PRESIDING OFFICER**. If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

The preamble was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

TEXT OF THE GOVERNING INTERNATIONAL FISHING AGREEMENT WITH THE PEOPLE'S REPUBLIC OF CHINA—MESSAGE FROM THE PRESIDENT—PM 77

The **PRESIDING OFFICER** laid before the Senate the following message from the President of the United States, together with accompanying papers, which pursuant to Public Law 94-265 was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*), (the Act), I transmit herewith the text of the Governing International Fishery Agreement between the Government of the United States and the Government of the People's Republic of China, which was signed at Washington on July 23, 1985.

This agreement is one of a series negotiated in accordance with the Act. It is the first such agreement to be concluded that incorporates the 1984 amendments to the Act, clearly establishing the relationship between a foreign nation's allocations requests and its contributions to the development of the U.S. fishery in which it is requesting allocations. This agreement will further the objectives of the Act and will serve to enhance relations between the United States and the People's Republic of China.

I recommend that the Congress give favorable consideration to this agreement at an early date.

RONALD REAGAN.

THE WHITE HOUSE, *September 12, 1985.*

TEXT OF THE GOVERNING INTERNATIONAL FISHING AGREEMENT WITH THE POLISH PEOPLE'S REPUBLIC—MESSAGE FROM THE PRESIDENT—PM 78

The **PRESIDING OFFICER** laid before the Senate the following message from the President of the United States, together with accompanying papers, which pursuant to Public Law 94-265 was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*), (the Act), I transmit herewith the text of the Governing International Fishery Agreement between the Government of the United States and the Government of the Polish People's Republic, which was signed at Washington on August 1, 1985.

This agreement is one of a series negotiated in accordance with the Act. It is a renegotiated agreement that will allow the fisheries relationship between the United States and the Polish People's Republic to continue when the agreement currently in force expires on December 31, 1985. It incorporates the 1984 amendments to the Act that clearly establish the relationship between a foreign nation's allocations requests and its contributions to the development of the U.S. fishery in which it is requesting allocations. This agreement will further the objectives of the Act and will permit the fishing industries of the United States and the Polish People's Republic to continue without interruption the cooperative fishery arrangements that have developed since the first such agreement was signed with the Polish People's Republic in 1977.

I recommend that the Congress give favorable consideration to this agreement at an early date.

RONALD REAGAN.

THE WHITE HOUSE, *September 12, 1985.*

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTION SIGNED

At 4:38 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 31. Joint resolution to designate the week of November 24 through November 30, 1985, and the week of November 23 through November 29, 1986, as "National Family Week".

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. THURMOND].

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1717. A communication from the Acting Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a listing of supplemental contract award dates for the period September 1, 1985, to October 31, 1985; to the Committee on Armed Services.

EC-1718. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to Korea for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-1719. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to Pakistan for defense articles estimated to cost in excess of $50 million; to the Committtee on Armed Services.

EC-1720. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to the United Kingdom for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-1721. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the budget estimate, request, and information of the Board for fiscal year 1987; to the Committee on Commerce, Science, and Transportation.

EC-1722. A communication from the Acting Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1723. A communication from the Acting Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1724. A communication from the Acting Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1725. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Comments Regarding Proposed Legislation: District of Columbia Cash Management Act of 1985"; to the Committee on Governmental Affairs.

EC-1726. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1984; to the Committee on Governmental Affairs.

EC-1727. A communication from the Secretary of the Air Force and the Secretary of Agriculture, transmitting, pursuant to law, a report on the intention of the Departments of interchange jurisdiction of military and National Forest System lands; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1728. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a supplemental summary of the fiscal year 1986 budget; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

EC-1729. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals; pursuant to the order of January 30, 1975, referred jointly to the Committee on Appropriations and the Committee on the Budget.

EC-1730. A communication from the Under Secretary of State for Security Assistance, Science, and Technology, transmitting, pursuant to law, a report on the reallocation of certain funds; to the Committee on Appropriations.

EC-1731. A communication from the Benefits Program Manager, U.S. Army Community and Family Support Center, transmitting, pursuant to law, a report on the U.S. Army Element, Stars and Stripes Europe, Elective Annuity Contract for the plan year ending June 30, 1985; to the Committee on Armed Services.

EC-1732. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend chapter 138 of title 10, United States Code, to authorize the Secretary of Defense to enter into certain agreements to further the readiness of the military forces of the United States and other North Atlantic Treaty Organization countries and the Republic of Korea; to the Committee on Armed Services.

EC-1733. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958, as amended, to increase civil penalty limits for safety violations by persons engaged in commercial aircraft operations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-1734. A communication from the Department of Labor transmitting, pursuant to law, a report entitled "Trade and Employment Effects of the Caribbean Basin Economic Recovery Act"; to the Committee on Finance.

EC-1735. A communication from the General Counsel of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the Department of the Treasury for unforseen emergencies of a confidential nature; to the Committee on Finance.

EC-1736. A communication from the Secretary of Labor, transmitting pursuant to law, his determination in respect to a contract award; to the Committee on Governmental Affairs.

EC-1737. A communication from the National Commander of the American Ex-Prisoners of War, transmitting, pursuant to law, the 1985 audit report for the American Ex-Prisoners of War; to the Committee on the Judiciary.

EC-1738. A communication from the Director of ACTION, transmitting, pursuant to law, new guidelines for the VISTA program; to the Committee on Labor and Human Resources.

EC-1739. A communication from the Acting Administrator of the Office of Federal Procurement Policy, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, notice of a new Federal acquisition regulation; to the Committee on Government Affairs.

EC-1740. A communication from the Chairman and Members of the Railroad Retirement Board, transmitting, pursuant to law, the budget submission of the Board for fiscal year 1987 to the Committee on Labor and Human Resources.

EC-1741. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to the Federal Republic of Germany for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-1742. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on the administration of the Marine Mammal Protection Act for the period April 1, 1984, through March 31, 1985; to the Committee on Commerce, Science, and Transportation.

EC-1743. A communication from the Acting Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1744. A communication from the Assistant Secretary of the Air Force (Manpower, Reserve Affairs, and Installations), transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 to make permanent certain provisions relating to members of the Armed Forces missing in action; to the Committee on Finance.

EC-1745. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a Presidential determination with respect to Ethiopia; to the Committee on Foreign Relations.

EC-1746. A communication from the Deputy Administrator of the National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, a final rule under the Coastal Zone Management Act; to the Committee on Commerce, Science, and Transportation.

EC-1747. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60 day period prior to September 9, 1985; to the Committee on Foreign Relations.

EC-1748. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Outstanding Liens Against Samuel C. Jackson Plaza Project Parcels"; to the Committee on Government Affairs.

EC-1749. A communication from the District of Columbia Auditor transmitting, pursuant to law, report entitled "Review of Transactions Between the University of the District of Columbia and the Office of the Secretary"; to the Committee on Governmental Affairs.

EC-1750. A communication from the Acting Records Office, U.S. Postal Service, transmitting, pursuant to law, notice of a computer matching program; to the Committee on Governmental Affairs.

EC-1751. A communication from the Secretary of Health and Human Services, transmitting, a draft of proposed legislation to amend health maintenance organization authorities; to the Committee on Labor and Human Resources.

EC-1752. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the fiscal year 1987 budget request of the Commission; to the Committee on Rules and Administration.

EC-1753. A communication from the Secretary of Transportation, transmitting drafts of proposed legislation: (1) to amend subtitle IV of title 49, United States Code, to reduce regulation of motor carriers of property, and for other purposes; (2) to amend subtitle IV of title 49, United States Code, to reduce regulation of surface freight forwarders, and (3) to amend subtitle IV of title 49, United States Code, to reduce regulation of interstate water carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

H.J. Res. 128: A joint resolution designating the month of October 1985 as "National High-Tech Month".

S.J. Res. 68: A joint resolution to designate November 21, 1985, as "William Beaumont Day".

S.J. Res. 139: A joint resolution to designate the week of December 1, 1985 through December 7, 1985, as "National Home Care Week".

S.J. Res. 141: A joint resolution to designate the week beginning May 18, 1986, as "National Tourism Week".

S.J. Res. 155: A joint resolution to designate the month of November 1985 as "National Hospice Month."

S.J. Res. 159: A joint resolution to designate the rose as the national floral emblem.

S.J. Res. 173: A joint resolution to designate the month of September 1985 as "National Sewing Month".

S.J. Res. 186: A joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week".

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. Thurmond, from the Committee on the Judiciary:

Alex Kozinski, of California, to be United States Circuit Judge for the Ninth Circuit;

Ralph B. Guy, Jr., of Michigan, to be United States Circuit Judge for the Sixth Circuit;

Stephen H. Anderson, of Utah, to be United States Circuit Judge for the Tenth Circuit;

Ferdinand F. Fernandez, of California, to be United States District Judge for the Central District of California;

Glen H. Davidson, of Mississippi, to be United States District Judge for the Northern District of Mississippi;

Robert B. Maloney, of Texas, to be United States District Judge for the Northern District of Texas;

David Bryan Sentelle, of North Carolina, to be United States District Judge for the Western District of North Carolina;

Brain B. Duff, of Illinois, to be United States District Judge for the Northern District of Illinois; and

Donald James Quigg, of Virginia, to be Commissioner of Patents and Trademarks.

By Mr. Goldwater, from the Committee on Armed Services:

Robert B. Sims, of Tennessee, to be an Assistant Secretary of Defense.

(The above nomination was reported from the Committee on Armed Services with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. Warner, from the Committee on Armed Services:

Mr. WARNER. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the Congressional Record and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of September 30, 1985, at the end of the Senate proceedings.)

ROUTINE MILITARY NOMINATIONS WHICH HAVE BEEN PENDING WITH THE SENATE ARMED SERVICES COMMITTEE THE REQUIRED LENGTH OF TIME AND TO WHICH NO OBJECTIONS HAVE BEEN RAISED—SEPTEMBER 12, 1985

*1. In the Navy there are 6 appointments to the permanent grade of commodore (list begins with Lewis Mantel). (Ref. No. 4)

**2. In the Marine Corps Reserve there are 157 permanent appointments to the grade of lieutenant colonel (list begins with Paul D. Allen, Jr.) (Ref. No. 486)

*3. In the Navy there is 1 permanent promotion to the grade of rear admiral (Charles Francis Clark). (Ref. No. 488)

*4. Admiral Sylvester R. Foley, Jr., U.S. Navy, to be place on the retired list. (Ref. No. 499)

Total 165.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DIXON:

S. 1630. A bill to substitute the employment of American citizens for Soviet nationals employed by the U.S. diplomatic mission or U.S. consular posts in the Soviet Union, and for other purposes; to the Committee on Foreign Relations.

By Mr. SIMON (for himself, Mr. Rockefeller, Mr. Moynihan, Mr. Dodd, and Mr. Bradley):

S. 1631. A bill to further the national security and improve the economy of the United States by providing grants for the improvement of proficiency in critical languages, for the improvement of elementary and secondary foreign language instruction, and for per capita grants to reimburse institutions of higher education to promote the growth and improve the quality of post-secondary foreign language instruction; to the Committee on Labor and Human Resources.

By Mr. HEINZ:

S. 1632. A bill to amend the Internal Revenue Code of 1954 to require that employers provide an extension of health plan coverage at group rates for family members of deceased, divorced, or Medicare-eligible workers; to the Committee on Finance.

By Mr. DURENBERGER:

S. 1633. A bill to maintain the current tax on cigarettes on a permanent basis, and to distribute 50 percent of the proceeds of such tax to the States for preventive health programs; to the Committee on Finance.

By Mr. SPECTER:

S. 1634. A bill to amend the Disaster Relief Act of 1974; to the Committee on Environment and Public Works.

S. 1635. A bill to require the Federal Emergency Management Agency to update and distribute the publication entitled "Protecting Mobile Homes from High Winds"; to the Committee on Commerce, Science, and Transportation.

S. 1636. A bill to increase the maximum individual and family grant under the Disaster Relief Act of 1974; to the Committee on Environment and Public Works.

S. 1637. A bill to authorize funds for the Department of Commerce for use in the development of the next generation weather radar (NEXRAD); to the Committee on Commerce, Science, and Transportation.

By Mr. GOLDWATER:

S. 1638. A bill to direct the Secretary of the Interior to release on behalf of the United States certain restrictions in a previous conveyance of land to the town of Jerome, Arizona; to the Committee on Energy and Natural Resources.

By Mr. EXON:

S. 1639. A bill to authorize the minting of gold bullion coins; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HECHT (for himself, Mr. Garn, Mr. Mattingly, Mr. Gramm, Mr. Gorton, Mr. Heinz, Mr. D'Amato, Mr. Domenici, Mr. Abdnor, Mr. Grassley, Mr. Goldwater, Mr. Trible, Mr. Wilson, Mr. Lugar, Mr. Pressler, Mr. Laxalt, Mr. Stafford, Mrs. Hawkins, Mr. Riegle, Mr. Sarbanes, Mr. Proxmire, Mr. Cranston, Mr. Dodd, Mr. Dixon, Mr. Sasser, Mr. Leahy, Mr. Bentsen, Mr. DeConcini, Mr. Heflin, Mr. Inouye, Mr. Moynihan, Mr. Pryor, Mr. Matsunaga, Mr. Hollings, and Mr. Eagleton):

S.J. Res. 197. Joint resolution to designate the week of October 6, 1985 through October 13, 1985 as "National Housing Week"; to the Committee on the Judiciary.

By Mr. MATHIAS (for himself and Mr. Kennedy):

S.J. Res. 198. Joint resolution to designate the year of 1986 as the "Sesquicentennial Year of the National Library of Medicine"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. Glenn (for himself, Mr. Metzenbaum, Mr. Simpson, Mr. Kasten, Mr. Ford, and Mr. Levin):

S. Con. Res. 61. A concurrent resolution to commend Pete Rose on becoming the all-time Major League leader in base hits; considered and agreed to.

By Mr. Kerry (for himself, Mr. D'Amato, Mr. Kasten, Mr. Mitchell, Mr. Riegle, Mr. Helms, Mr. McClure, Mr. Symms, Mr. Humphrey, and Mr. Wallop):

S. Con. Res. 62. A concurrent resolution expressing solidarity with the Sakharov family in their efforts to exercise their rights of freedom of expression, of travel, and of communication, as guaranteed under the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe; considered and agreed to.

By Mr. HARKIN:

S. Con. Res. 63. A concurrent resolution expressing the sense of the Congress in support of the efforts of and participants in the Farmaid Concert to be held in Champaign, IL, to bring the current crisis in American agriculture to the attention of the American people; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DIXON:

S. 1630. A bill to substitute the employment of American citizens for Soviet nationals employed by the United States diplomatic mission or United States consular posts in the Soviet Union, and for other purposes; to the Committee on Foreign Relations.

U.S. FOREIGN MISSIONS SECURITY IMPROVEMENT ACT

Mr. DIXON. Mr. President, today I am introducing legislation to require the Department of State to replace all Soviets employed at United States diplomatic and consular missions in the Soviet Union with United States personnel. This action is long overdue.

There are more than 200 Soviet citizens working in our Moscow Embassy, and the Department of State has confirmed that most, if not all, report to the KGB in one way or another. Think about that. Most of the approximately 200 Soviet citizens employed in the U.S. Embassy in Moscow are in a position to spy on our diplomatic corps on a daily basis. I am worried about that, Mr. President, and I think something needs to be done. Hiring Soviet citizens to work in our Embassy is an invitation to easy espionage. What really irritates me is the fact that the Soviets, as a general rule, do not allow American citizens in their Washington Embassy. I believe it's about time we start playing the game by the same rules.

I am also alarmed by revelations of stepped-up Soviet use of the chemical compound NPPD, a tracking agent used on individuals under KGB surveillance. This chemical is a known mutagen, a cancer-causing agent, and it may jeopardize the health and well-being of our diplomatic personnel in the Soviet Union. The United States asks a great deal from its Foreign Service officers. These individuals frequently find themselves in dangerous situations—situations often beyond their control. It is not unusual for diplomatic staff and Embassy personnel to be put under surveillance, and the use of various substances and devices to track the movements of individuals is widespread. But, Mr. President, it is certainly a matter of extreme concern when KGB methods place American Foreign Service officers and their dependents at a significant health risk. And this is exactly what has happened in Moscow. There is even a possibility that NPPD was used inside the American chancery by Soviet employees.

For these reasons, I am introducing the U.S. Embassy Security Improvement Act of 1985. This legislation would require the Department of State to replace all Soviet citizens in United States diplomatic or consular missions in the Soviet Union with American personnel at the earliest opportunity, unless the Secretary of State certifies that the Soviet citizen does not pose a significant threat to American security, or the Soviet employee is necessary to provide usual and customary services to Americans, and an American replacement would greatly reduce efficiency at the Embassy, or the Soviet worker is engaged in an occupation which precludes his or her entry into American diplomatic and consular missions in the Soviet Union. To carry out the goal of replacing Soviet workers, and to study and implement ways to improve security at other American missions in Eastern Europe, my legislation authorizes a sum not to exceed $12 million for fiscal year 1986 and $33 million for fiscal year 1987. These figures are based on State Department estimates.

There are over 200 probable Soviet agents employed in our diplomatic mission in Moscow. This represents a threat to our security, and it's a situation we should avoid. I believe we must focus more attention on embassy security in the Soviet Union and Eastern-bloc nations. Reducing Soviet accessibility to American diplomatic and consular missions represents a step in the right direction.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the Congressional Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1630

Be it enacted by the Senate and House of Representatives of the United States of America in Congres assembled, That this Act may be cited as the "United States Foreign Missions Security Improvement Act of 1985".

Sec. 2. The Secretary of State shall, at the earliest opportunity, replace Soviet nationals who are employed by the United States diplomatic mission or by United States consular posts in the Soviet Union with American citizens unless the Secretary determines and so certifies to the Congress every twelve months from the date of enactment of this Act for each such Soviet national whose employment is continued that—

(1) such Soviet national does not pose a significant threat to the Security of the United States;

(2) the employment of such Soviet national is necessary to provide usual and customary services to United States nationals, and the employment of a United States national as a replacement for such Soviet national would reduce to a significant extent the efficiency of operations at a United States diplomatic mission or consular post; or

(3) such Soviet national is employed in an occupation which precludes entry into the facilities of a United States diplomatic mission or consular post in the Soviet Union.

Sec. 3. There are authorized to be appropriated to the Secretary of State for the purpose of carrying out section 2 and for studying and implementing ways to improve security at United States diplomatic missions and consular posts in Eastern European countries $12,000,000 for the fiscal year 1986 and $33,000,000 for the fiscal year 1987.

By Mr. SIMON (for himself, Mr. Rockefeller, Mr. Moynihan, Mr. Dodd, and Mr. Bradley):

S. 1631. A bill to further the national security and improve the economy of the United States by providing grants for the improvement of proficiency in critical languages, for the improvement of elementary and secondary foreign language instruction, and for per capita grants to reimburse institutions of higher education to promote the growth and improve the quality of postsecondary foreign language instruction; to the Committee on Labor and Human Resources.

FOREIGN LANGUAGE ASSISTANCE FOR NATIONAL SECURITY ACT

● Mr. SIMON. Mr. President, our Nation may be the most self-centered of developed countries about language, much to our detriment in terms of national security, international trade, and intercultural understanding. A recent compilation by the U.S. Depart-

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ment of Education lists 169 languages as critical to the national interest. The languages range from Bassa to French, from Yoruba to Japanese. The rationale is simple. In order to do business abroad—a priority with our current balance of trade problems—and to understand events in the world which affect our national security, we must break down language barriers.

Advances in physics, printed in German journals, do not reach our scientists in a timely way because of a multimonth lag in translating these technical texts, and frequently never reach us. Trade with Japan is hampered, in part, by our lack of understanding of their language and culture. Even our long-term European trading partners give preferential treatment to businesses that speak their languages.

Political disturbances around the world are often in areas about which our Nation does not have the knowledge or language expertise. Our responses are delayed and sometimes wrong because we lack that knowledge.

Currently, title VI programs in the Higher Education Act fund a small part of the 93 language and area studies centers which enable students and professionals to study 150 languages on the Department of Education's critical list.

We need to do more. Languages are best learned at an early age. Language requirements for entry into and graduation from postsecondary institutions are motivations for language training at lower grade levels. While I strongly support title VI programs, we need to do much more to strengthen our Nation's resources of language and area studies experts. We should introduce all students to another language and culture. This will help our business community, our national defense, and international understanding.

I am introducing legislation to encourage language study at both the precollege and college levels. This legislation was introduced in the House and passed that Chamber in 1984 by a margin of 265 to 120. A similar bill introduced today in the Senate cosponsored by Senators Rockefeller, Dodd, Bradley, and Moynihan contains the following provisions:

Establishes a system of competitive grants among States for funding model foreign language programs to be run by local school districts and community colleges. A small portion of funding in this section is reserved for direct grants to local education agencies.

Authorizes grants to colleges and universities to reimburse them for part of the costs of providing foreign language instruction to students. This is to encourage colleges and universities to have language entrance and exit requirements, to encourage students to take more than 2 years of a language, and to encourage students to study one of the less commonly taught languages.

Authorizes grants to institutions or consortia of higher education institutions to establish intensive summer language programs for exceptional high school students and for elementary and secondary school foreign language teachers.

Authorizes grants to universities and consortia of universities to pay not more than half the costs of sending advanced language students abroad.

A Federal program of support established in the proposed legislation will initially total less than $75 million per year in outlays. The return will repay our investment many times over. Business, diplomacy, national security, international understanding—there is no price tag on these vital sectors of national life. I invite my colleagues to join me in encouraging foreign language study and proficiency.

Mr. President a few years ago I was able to get an amendment adopted to the Foreign Service Act of 1980, which called upon the Secretary of State to designate two Embassies in which everyone working had to speak the language of the host country.

Despite great reluctance from the State Department and others, I was finally able to get the amendment adopted.

Secretary of State Alexander Haig designated Senegal and Uruguay as the two countries.

I thought my colleagues might be interested in a letter I've received from Inspector General William C. Harrop of the State Department. I ask unanimous consent that his letter and a copy of the bill be inserted in the Record.

Clearly, our country, which is so deficient in foreign language skills, and our Foreign Service which, unfortunately, suffers from the same problem, ought to do more to require local language ability.

Exactly how we expand upon this experience, I will leave to my colleagues in the Foreign Relations Committee, but we should follow through.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1631

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "Foreign Language Assistance for National Security Act of 1985".

Sec. 2. The Congress finds that—

(1) the economic and security interests of this Nation require significant improvement in the quantity and quality of foreign language instruction offered in the Nation's educational institutions, and Federal funds should be made available to assist this purpose;

(2) many endeavors in both the public and private sectors involving such matters as international relations or multinational business transactions require the skills of individuals with knowledge of foreign languages; and

(3) the educational institutions of the Nation should provide students with an understanding of the history and culture which influence the perspectives, values, and attitudes of the people of other countries, and foreign language instruction is one means of achieving this goal.

Sec. 3. (a) The Secretary shall make grants to State educational agencies whose applications are approved under subsection (b) in order that such agencies may fund model programs, designed and operated by local educational agencies, providing for commencement or improvement and expansion of foreign language study for students residing within their school districts. Any State whose application is approved shall receive an amount equal to the sum of (1) $275,000, plus (2) the product of $0.06 multiplied by the population of the State (as determined in accordance with the most recent decennial census). The amount described in the preceding sentence shall be made available to the State for two additional years after the first fiscal year during which the State received a grant under this section if the Secretary determines that the funds made available to the State during the first year of funding were used in the manner required under the State's approved application.

(b) Any State educational agency desiring to receive a grant under this section shall submit an application therefor to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. No application may be approved by the Secretary unless the application—

(1) contains a description of model programs designed by local educational agencies, and representing a variety of alternative and innovative approaches to foreign language instruction, which were selected school district of the local educational agency shall be eligible to participate in any model program funded under this section (without regard to whether such children attend schools operated by such agency);

(3) provides assurances that, if the application of the State educational agency is approved, each model program described in the application shall have available to it sufficient funds from State and local sources, in addition to any funds under this section, to ensure that the program is carried out as described in the application; and

(4) provides that the local educational agency will provide reliable and valid evaluations of pupils' proficiency at appropriate intervals in the program, and provide such evaluations to the State educational agency.

(c)(1) To the extent consistent with the number of children in the State or in the school district of each local educational agency who are enrolled in private elementary and secondary schools, such State or agency shall, after consultation with appropriate private school representatives, make provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate and which meet the requirements of this section. Expenditures for educational services and arrangements pursuant to this subsection for children in private schools shall be equal (taking into account the number of children to be served and the

needs of such children) to expenditures for children enrolled in the public schools of the State or local educational agency.

(2) If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation of children from private schools as required by paragraph (1), or if the Secretary determines that a State or local educational agency has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children which shall be subject to the requirements of this subsection. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with section 557(b) (3) and (4) of the Education Consolidation and Improvement Act of 1981.

(d) If sums appropriated to carry out this section are not sufficient to permit the Secretary to pay in full the grants which State educational agencies may receive under subsection (a), the amount of such grants shall be ratably reduced.

(e)(1) From sums reserved for each fiscal year pursuant to section 11(b)(1) to carry out the provisions of this subsection, the Secretary is authorized to make grants to local educational agencies whose applications are approved under paragraph (3) in order that such agencies may support exemplary programs providing for commencing or improving and expanding foreign language study for students residing within their school districts.

(2) The Secretary may not approve any application for a grant under this subsection unless the Secretary determines that the exemplary program described in the application is consistent with the State programs approved under subsection (a) for the State in which the local educational agency is located.

(3) Each local educational agency desiring to receive a grant under this subsection shall submit an application to the Secretary at such time, in such form, and containing or accompanied by such information and assurances as the Secretary may require.

Sec. 4. (a) The Secretary shall make grants to State agencies whose applications are approved under subsection (b) for the purpose of providing assistance to model programs designed and operated by community and junior colleges providing for the commencement or improvement and expansion of foreign language studies at those institutions. Any State whose application is so approved shall receive an amount equal to the sum of (1) $30,000, plus (2) the product of $0.01 multiplied by the population of the State (as determined in accordance with the most recent decennial census).

(b) Any State desiring to receive a grant under this section shall, through a State agency designated (in accordance with State law) for this purpose, submit an application therefor to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. No application may be approved by the Secretary unless the application—

(1) contains a description of model programs designed by community and junior colleges, and representing a variety of alternative and innovative approaches to foreign language instruction, which were selected by the State agency for funding under this section;

(2) provides assurances that, if the application of the State agency is approved, each model program described in the application shall have available to it sufficient funds from State and local sources, in addition to any funds under this section, to ensure that the program is carried out as described in the application; and

(3) provides that the community and junior colleges will provide reliable and valid evaluations of pupils' proficiency at appropriate intervals in the program, and provide such evaluations to the State agency.

(c) If sums appropriated to carry out this section are not sufficient to permit the Secretary to pay in full the grants which State agencies may receive under subsection (a), the amount of such grants shall be ratably reduced.

Sec. 5. (a)(1) The Secretary shall make grants to institutions of higher education to reimburse such institutions for part of the costs of providing undergraduate foreign language instruction to students at such institutions. Any institution of higher education desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require.

(2)(A) An institution of higher education shall not be eligible for a grant under this section for a fiscal year unless—

(i) the sum of the number of students enrolled at such institution in qualified postsecondary language courses on October 1 of that fiscal year exceeds 5 per centum of the total number of students enrolled at such institution; and

(ii) such institution requires that each entering student have successfully completed at least two years of secondary school foreign language instruction or requires that each graduating student have earned two years of postsecondary credit in a foreign language (or have demonstrated equivalent competence in a foreign language).

(B) For purposes of subparagraph (A)(i), the total number of students enrolled in an institution shall be considered to be equal to the sum of (i) the number of full-time degree candidate students enrolled at the institution, and (ii) the number of part-time degree candidate students who are enrolled at the institution for an academic workload which is at least half the full-time academic workload, as determined by the institution in accordance with standards prescribed by the Secretary.

(3) As a condition for the award of any grant under this section, the Secretary may establish criteria for evaluating programs assisted with funds under this section and require an annual report which evaluates the progress and proficiency of students in such programs.

(b)(1) Any institution of higher education which submits an application under this section for a grant for any fiscal year, and which has sufficient undergraduate enrollment in postsecondary language courses and foreign language requirements as required under subsection (a)(2), shall be eligible to receive an amount equal to the sum of the following:

(A) To provide assistance for the costs of postsecondary foreign language instruction at the level of the first or second year of postsecondary study of a language, an amount equal to—

(i) $30, multiplied by

(ii) the remainder, if any, of—

(I) the number of students enrolled in a qualified postsecondary foreign language course at such level on October 1 of such fiscal year, minus

(II) the number of students equal to 5 per centum of the total number of students enrolled at such institution.

(B) To provide assistance for the costs of foreign language instruction above the level of the second year of postsecondary study of a language, an amount equal to—

(i) $40, multiplied by

(ii) the number of students enrolled in a qualified postsecondary foreign language course at such level on October 1 of such fiscal year.

(2) Any institution which is eligible to receive an amount under paragraph (1) shall be eligible to receive an additional amount equal to $40 multiplied by the number of students enrolled (at any level of instruction) in any foreign language instruction in languages determined by the Secretary to be less commonly taught.

(c) If sums appropriated to carry out this section are not sufficient to permit the Secretary to pay in full the grants which an institution of higher education may receive under subsection (b), the amount of such grants shall be ratably reduced.

Sec. 6. (a) The Secretary shall make grants to an institution of higher education (or a consortium of such institutions) in each Federal region whose application is approved under subsection (b) for the purposes of providing assistance to summer intensive language training institutes for exceptional secondary school students. Any institution or consortium whose application is so approved shall receive an amount equal to not more than $3,000 multiplied by the number of students, not to exceed one hundred and fifty, enrolled in such institute.

(b) Any institution of higher education or consortium of such institutions desiring to receive the grant for its region shall submit an application therefor to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. No such application may be approved by the Secretary unless the application—

(1) contains a description of the proposed program of intensive instruction, which may include, but is not limited to, the languages described in section 8(b)(1);

(2) provides adequate assurance that students from any Federal region who wish to participate will be selected on the basis of aptitude in that language, as determined by appropriate testing and verified by their teachers, and of motivation;

(3) provides assurances that the institution of higher education will seek to enroll at least eighty qualified students in the institute; and

(4) provides assurances that the program of intensive instruction will be developed and operated in close cooperation with secondary school teachers and administrators.

(c) The Secretary shall encourage, to the extent possible, diversity in the languages taught in institutes during any summer with the United States.

(d) Awards under this section shall be made to institutes (or consortia) on the basis of excellence of the program proposed in the application, taking into consideration such elements as library resources, faculty achievement, and language learning facilities.

(e) Funds available to institutes under this section may be used to cover costs associated with enrollment in an institute, including tuition, fees, administration, and living expenses.

(f) If sums appropriated to carry out this section are not sufficient to permit the Secretary to pay in full the grants which institutions of higher education may receive under subsection (a), the amount of such grants shall be ratably reduced.

Sec. 7. (a) The Secretary shall make grants to an institution of higher education (or a consortium of such institutions) in each Federal region whose application is approved under subsection (b) for the purposes of providing assistance to summer language training institutes for the professional development of the proficiency of elementary and secondary school language teachers. Any institution or consortium whose application is so approved shall receive an amount equal to not more than $3,000 multiplied by the number of teachers, not to exceed three hundred, enrolled in such institute.

(b) Any institution of higher education or consortium of such institutions desiring to receive the grant for its region shall submit an application therefor to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. No such application may be approved by the Secretary unless the application—

(1) contains a description of the proposed program of instruction;

(2) provides adequate assurance that teachers from any Federal region who wish to participate will be selected on the basis of recommendations from a principal or other supervisory official and a demonstrated commitment to the teaching of the language studied in the institute; and

(3) provides assurances that the institution of higher education will seek to enroll at least eighty qualified teachers in the institute.

(c) Awards under this section shall be made to institutes (or consortia) on the basis of excellence of the program proposed in the application, taking into consideration such elements as library resources, faculty achievement, and language learning facilities.

(d) Funds available to institutes under this section may be used to cover costs associated with enrollment in an institute, including tuition, fees, administration, and living expenses.

(e) If sums appropriated to carry out this section are not sufficient to permit the Secretary to pay in full the grants which institutions of higher education may receive under subsection (a), the amount of such grants shall be ratably reduced.

Sec. 8. (a) The Secretary shall make grants to institutions of higher education, or to consortia of such institutions, whose application is approved under subsection (b) for the purposes of providing assistance to enable advanced foreign language students to develop their language skills and their knowledge of foreign cultures and societies through study abroad. Such study abroad may be combined with an internship in an international business enterprise. Any institution or consortium whose application is so approved shall be eligible to receive a grant in an amount not to exceed one-half the cost of providing such assistance.

(b) Any institution of higher education or consortium of such institutions desiring to receive a grant under this section shall submit an application therefor to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. No such application may be approved by the Secretary unless the application—

(1) contains a description of the proposed program of study abroad in any of the following areas:

(A) Latin America, the Caribbean, and Puerto Rico for the study of Spanish, Portuguese, and other major languages of that region;

(B) the Middle East for the study of Arabic and other major languages of that region;

(C) Japan for the study of Japanese;

(D) the People's Republic of China or the Republic of China for the study of Chinese;

(E) the Republic of Korea for the study of Korean;

(F) the Union of Soviet Socialist Republics for the study of Russian and other major languages of that region;

(G) Africa for the study of major languages of that region;

(H) South Asia for the study of Hindi and other major languages of that region;

(I) Eastern Europe for the study of major languages of that region; and

(J) Southeast Asia for the study of major languages of that region;

(2) provides adequate assurance that those who wish to participate will be selected on the basis of demonstrated proficiency in the language, as shown by testing comparable to that conducted by the Foreign Service Institute of the Department of State; and

(3) demonstrates that the program will provide the opportunity to combine language study with the study of journalism, international business, finance, economic development, science, engineering, political science, international studies, or other related areas and is open to students majoring in those areas if they can qualify under paragraph (2).

(c) Funds available to institutions under this section may be used to cover costs associated with the study abroad program, including tuition, fees, administration, and living expenses.

(d) If sums appropriated to carry out this section are not sufficient to permit the Secretary to pay in full the grants which institutions of higher education may receive under subsection (a), the amount of such grants shall be ratably reduced.

Sec. 9. No grants shall be made or contracts entered into under this Act except to such extent, or in such amounts, as may be provided in appropriation Acts.

Sec. 10. For purposes of this Act:

(1) The term "institution of higher education" means any institution of higher education, as defined under section 1201(a) of the Higher Education Act of 1965, which is located within a State, but does not include a community or junior college.

(2) The terms "community college" and "junior college" mean any institution of higher education, as defined under section 1201(a) of such Act, which is located within a State and which provides a two-year program for which awards an associate degree or which is acceptable for full credit toward a bachelor's degree.

(3) The terms "local educational agency" and "State educational agency" have the same meaning given such terms under section 198 of the Elementary and Secondary Education Act of 1965.

(4) The term "Secretary" means the Secretary of Education.

(5) The term "State" means any of the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(6) The term "qualified postsecondary foreign language course" means a course of foreign language instruction which (A) is scheduled to meet at least five days each week for at least fifty minutes each day, or (B) provides instruction each week for a period of time equivalent to the period described under clause (A).

Sec. 11. (a) There are authorized to be appropriated for fiscal year 1986 such sums as may be necessary to carry out the provisions of this Act.

(b) There are authorized to be appropriated for each of the fiscal years 1987, 1988, and 1989—

(1) $35,000,000 to carry out section 3 of this Act of which $5,000,000 in each fiscal year shall be available to carry out subsection (e) of section 3;

(2) $4,000,000 to carry out section 4 of this Act;

(3) $11,000,000 to carry out section 5 of this Act;

(4) $5,000,000 to carry out section 6 of this Act;

(5) $10,000,000 to carry out section 7 of this Act; and

(6) $10,000,000 to carry out section 8 of this Act.

Dear Senator Simon: I know that you are primarily responsible for the provision of the Foreign Service Act of 1980 which set up the model post language program for two of our embassies abroad. We have recently inspected one of these posts, Dakar, Senegal, and I thought you would be interested in the following excerpt from our report:

The mission's status as a model language post has also contributed to the Embassy's exceptional performance in all areas. The model language program requires that all American personnel have prescribed levels of competence in French. Although the program has been in effect only two years, the Ambassador and virtually all personnel of the mission are convinced that the program has contributed significantly to the professional performance. The inspectors agree. Proficiency in French has clearly enhanced the ability of all officers and staff to gain access, gather information, communicate, and negotiate. While helping them to perform more effectively, the program has also helped them to adjust more easily to living overseas. Some agencies have not yet taken adequate account of the new model language requirements in their personnel assignment systems, resulting in prolonged delays in filling several highly skilled positions, such as the AID supervisory program officer and the Peace Corps doctor. However, the local AID and Peace Corps missions agree that French language capability in Senegal is important, although AID believes more flexibility is needed in implementing the language requirement.

The model language program is due or formal evaluation in early fiscal year 1986. While the benefits are hard to quantify, the inspectors conclude that the language requirement has made an important contribution to performance and morale in Dakar and should be continued.

I believe you can draw great pride from the results of your initiative.

Sincerely,

William C. Harrop,
Inspector General, U.S. State Department.●

● Mr. MOYNIHAN. Mr. President, I am pleased to join my distinguished

colleague, Senator Simon, in introducing legislation to improve the foreign language proficiency of our Nation's students and teachers. We have raised this issue before; Senator Simon, then a Member of the House of Representatives, introduced similar legislation in the last Congress (H.R. 2708), while I introduced a companion measure in the Senate (S. 1795).

The steady decline of American foreign language proficiency has been well documented, most notably in three General Accounting Office studies and a 1979 report of the President's Commission on Foreign Language and International Studies. Each of these analyses concluded the decline in foreign language competency in this country poses significant problems for the success of our economy, educational system, and international relations.

Throughout this century there has been a steady decrease in the number of students studying foreign languages—paradoxically, during this same period, the United States assumed a leading role in international affairs. The President's Commission reported in 1979 that the percentage of school students studying a foreign language peaked in 1915 at 36 percent. That number had declined to 24 percent by 1966, and to just 15 percent by 1979. The Commission also noted that "8 percent of American colleges and universities now require a foreign language for admission, compared with 34 percent in 1966."

In "A Nation At Risk," published in 1983, the National Commission on Excellence in Education concluded that foreign language study "introduces students to non-English-speaking cultures, heightens awareness and comprehension of one's native tongue, and serves the Nation's needs in commerce, diplomacy, defense, and education." The Carnegie Foundation for the Advancement of Teaching, and its president, Mr. Ernest L. Boyer, former chancellor of the State University of New York, concurred, in their fine report, High School: "In an increasingly interdependent world, foreign language study must be a vital part of the core of common learning."

Not only should students learn foreign languages, instruction should begin at an early age. The Carnegie Foundation report noted that there is no "right" time to learn a foreign language, and recommended that study begin by the fourth grade and continue through high school.

Our legislation would authorize $75 million annually to promote foreign language instruction for students and teachers at all levels of education. Some $30 million would be provided to State education agencies to support model foreign language programs, and an additional $5 million would be made available directly to local education agencies for demonstration projects and exemplary programs. Summer institutes would provide training for language instructors and hone the skills of outstanding high school students. Elementary and secondary schools, as well as junior and community colleges, would receive assistance to develop foreign language curricula. Colleges and universities with language requirements would receive supplemental Federal aid, and additional aid for programs offering less commonly taught languages such as Russian, Chinese or Japanese. Finally, this legislation would fund overseas study combining language programs with internships in international business.

This legislation addresses the diverse and complex aspects of foreign language instruction. Programs for elementary students will promote lifelong foreign language fluency. Programs for high school and college students will complement their studies of world literature and history, and help produce adults better able to compete in the world economy. In sum, this measure provides multiple and complementary solutions to a complex, chronic shortcoming.

Our ability to communicate with our allies, as well as our adversaries, is an important link in our security as well as our economic success. A small minority of the world's population speaks English as its native language. It is regrettable that this ethnically rich and culturally diverse Nation is fast losing its ability to talk to many of the other peoples of the world. I urge my colleagues to join me in this measure to improve our Nation's foreign language skills.●

● Mr. DODD. Mr. President, as a member of the Senate Subcommittee on Education, Arts, and Humanities and as cochair of the House/Senate International Education Study Group, I rise in strong support of the Foreign Language Assistance for National Security Act of 1985.

America is faced with a challenge that involves our national security, our economic prosperity, and our ability to conduct a realistic and successful foreign policy in the troubled times ahead. Yet this is not a challenge to develop more sophisticated weaponry or to conquer the far reaches of space. It is a challenge to improve our ability to understand and communicate with other nations.

Unfortunately, in the face of a world becoming more closely intertwined economically, politically, and militarily, the response of our Nation has been—to say the least—inadequate. At all educational levels, we are failing to produce American students with the foreign language skills necessary to meet this challenge. Make no mistake about it. Today's youngsters are tomorrow's diplomats, intelligence experts, and international business people. Yet we are failing to provide them with the skills necessary to compete with other nations in the political, military, and economic arenas. Through the passage of this legislation, Congress can help to reverse this trend, to guarantee that our Nation has the human resources necessary to protect our vital national interests, at home and abroad.

The Foreign Language Assistance for National Security Act represents a well-balanced attempt to deal with the critical lack of foreign language skills in our schools, and in our diplomatic, intelligence, and business communities. In order to stimulate foreign language training at the elementary and secondary levels, our legislation would authorize grants to States for the funding of model programs in local school districts. It would also provide grants to institutions of higher education which establish foreign language entrance or exit requirements, and which have at least 5 percent of their students enrolled in foreign language courses. These two programs are complementary, and provide an essential system of incentives for educational institutions to provide students with the skills they will need to succeed in business, in Government, and in everyday life.

Section 6 and 7 of our proposal would authorize the Secretary of Education to establish summer foreign language training institutes for exceptional high school language students and elementary and secondary language teachers. These institutes would help outstanding students become proficient in a language early on, and would encourage the introduction of innovative teaching techniques into the foreign language curricula of our Nation's schools. These provisions of the bill are essential if we are to begin to identify and train those whose outstanding aptitude for languages can serve America's interests in a variety of areas.

Section 8 of the bill would provide much needed Federal matching funds for advanced language study abroad. The "immersion method" of teaching languages and cross-cultural skills is the most effective means we have of instilling in students a comprehensive understanding of a particular country or region. The funds authorized under section 8 would be specifically targeted at students who plan to visit those Nations which are most important to the future security and prosperity of the United States. Again, as in sections 1 through 7, section 8 places primary emphasis on developing those human resources which our Nation will need to compete in the decades ahead.

As Adm. Bobby Inman, former Deputy Director of the CIA, told Congress in 1981, "the foreign language capability of our Nation is poor and getting worse." This trend can be traced directly to our elementary and secondary schools, and to our colleges and universities. At the elementary level, fewer than 1 percent of our pupils currently receive any foreign language instruction. At the secondary level, only 15 percent of American students study a second language, and just 5 percent pursue these studies for more than 2 years. Only 10 percent of our postsecondary institutions require a foreign language for admission, and the vast majority mandate no language training during a 4-year undergraduate education. Most important, less than 1 percent of American students who are enrolled in foreign language programs study Chinese, Japanese, Arabic, and Russian, which together comprise 80 percent of the spoken languages of the world. It comes as no surprise then that there are more teachers of English in the Soviet Union than there are students of Russian in the United States.

It is also becoming increasingly clear that our Nation's diplomatic, intelligence, and economic efforts are being held hostage to this antiquated and ethnocentric national education policy. We have so few college graduates competent in foreign languages that the State Department can fill only 66 percent of the Foreign Service positions which require even minimum language competence. Of the 13,000 positions in the Department of Defense which require foreign language capability, only half are filled by individuals with the necessary language competence. In the CIA, the NSA, and the other intelligence agencies, we simply cannot find enough qualified linguists to staff our increasingly sophisticated network of data collection and analysis. In 1981, Admiral Inman told Congress that recruiting qualified individuals for intelligence positions "has been made difficult by the fact that many universities and colleges no longer have foreign language requirements as part of their mandatory curriculum. We need to be able to recruit and hire people who already possess capability in a foreign language."

In testimony before the House Subcommittee on Postsecondary Education, Maj. Gen. Richard Larkin, of the Defense Intelligence Agency, concurred. He stated that "this problem is directly related to the inability of our educational system to continue to provide the talent required for understanding foreign cultures and interpreting their behavior."

In the same congressional hearing, Craig Wilson, Special Assistant to the Secretary of Defense for Intelligence and Human Resources, concluded:

> The American population no longer presents us (the Defense Department) with a large talent bank of bilingual and multilingual people on which to draw to meet current and future needs . . . the problems, the shortfalls, won't be eliminated overnight.

In the economic sphere, we are similarly dependent on our ability to understand other languages and cultures. International trade now accounts for a full 25 percent of our gross national product. Forty percent of U.S. farmland produces for export, and 20 percent of U.S. industrial output is sold abroad. All told, one in five Americans depends on international trade for employment. Far more than at any previous time in our history, the economic decisions and actions of other countries are of central importance to our own national economic well-being. Most important, we depend more than ever on foreign markets of sustaining our sales, profits, and jobs.

I would ask my colleagues to consider the following examples of the commercial disasters which ignorance of other languages and cultures can help to create. When General Motors advertised its "Body by Fisher" car in Belgium, the slogan was described in Flemish as "Corpse by Fisher." Similarly, when Chevrolet tried to market its Nova model in Puerto Rico and Latin America, the company's advertising executives failed to realize that "No Va" is Spanish for "It Doesn't Go." And who can forget the Pepsi-Cola Co.'s use of its "Come Alive With Pepsi" advertising campaign in Taiwan. The literal translation of this slogan was "Pepsi Brings Your Ancestors Back From the Grave."

In order to avoid commercial blunders of this type in the future, our secondary schools and colleges need to produce potential business executives who are competent in foreign languages. Unlike our Defense and Intelligence Agencies, the American business community has no means to provide foreign language training to its new hires. As Richard McElheny, Director General of the U.S. and Foreign Commercial Service, told Congress last April:

> Language training in our schools and colleges * * * provides business with employees who have a head start and helps sell American products in world markets.

Without this essential language training, our pool of future business executives will be doomed to repeat the mistakes of the past.

Mr. President, when we consider the dearth of foreign language skills in our diplomatic, intelligence, and business communities, the need for congressional enactment of our legislation becomes clear. There is a direct connection between our poor language capabilities as a Nation, and the second-class status of foreign language education in our Nation's schools. This proposal does not call on the Federal Government to assume total responsibility for the foreign language education of our Nation's children. It simply recognizes that it is our responsibility to help create a pool of foreign language competent Americans which our government and business community can draw from in the future. Because the States have neither the resources nor the inclination to undertake this difficult task alone, congressional action in this area can act as a catalyst, encouraging States and localities to educate our children for the 21st century.

In closing, I would like to urge my colleagues to heed the ominous words of former U.N. Secretary General Kurt Waldheim:

> Many civilizations in history have collapsed at the very height of their achievement because they were unable to analyze their basic problems, to change direction, and to adjust to the new situations which faced them.

We, in Congress, have analyzed the basic problem, and now we have a chance to change direction. I hope my colleagues will not allow this opportunity to pass us by.●

● Mr. BRADLEY. Mr. President, I am pleased to join my colleagues, Senator Dodd, Senator Moynihan, and Senator Rockefeller in supporting this important legislation offered by Senator Simon. As Senator Simon has already mentioned, our poor national performance with respect to foreign language learning places us at a considerable disadvantage in the areas of international commerce, international exchange of scientific and technical information, and intercultural communication and understanding. The unfortunate state of foreign language competence in the United States also has implications for the Nation's security. Our diplomatic, intelligence, and defense agencies have a prodigious appetite for persons with advanced training in foreign languages. The Federal Government has over 30,000 positions requiring foreign language competence, many of them requiring advanced skills. Year after year the Government experiences difficulty trying to fill these positions.

In the international trade arena, we have become painfully aware in recent years of the consequences of this lack of language expertise. A significant part of our trade difficulties with Japan stem in part from a fundamental dearth of knowledge about Japanese language and culture. While Japanese trade experts have invested considerable time and effort in learning our language and culture, U.S. trade experts have not made similar efforts to understand Japanese language and culture. Given the fact that we do not share a common cultural heritage with Japan, as we do with Western European trade partners, this lack of expertise will continue to work to the disadvantage of American companies who are seeking Japanese markets.

Mr. President, a variety of studies have appeared in recent years detailing the dismal state of foreign language learning in our Nation's schools. While students in most European countries begin mandatory foreign language education during their elementary school years, studies suggest that only a modest proportion of our students study any foreign language at the secondary school level. Indeed, a 1980 study of high school diploma requirements found that only eight States require their high schools to offer foreign language instruction; none of these States require students to complete a single foreign language course as a prerequisite for graduation. The vast majority of our institutions of higher education do not require any foreign language competence as a prerequisite for admission. As James Perkins, chairman of the President's Commission on Foreign Language and International Studies, has noted:

> The hard and brutal fact is that our programs and institutions for education and training for foreign language and international understanding are both currently inadequate and actually falling further behind.

The report of the National Commission on Excellence in Education, "A Nation At Risk," recognized the importance of foreign language instruction for our Nation's future. According to the authors of this report, the study of foreign language introduces students to non-English-speaking cultures, heightens awareness and comprehension of one's native tongue, and serves the Nation's needs in commerce, diplomacy, defense, and education. The Commission recommended that high school students complete at least 2 years of foreign language instruction and noted that true proficiency would require from 4 to 6 years of study.

In summary, Mr. President, we need to find the means to strengthen the country's pool of expertise in foreign language studies. The Foreign Language Assistance for National Security Act represents a sound, carefully reasoned approach to this problem. In an increasingly interdependent world, the ability of a nation to thrive economically, socially, and intellectually will depend on the ability of its citizens to communicate in a multilingual world. I commend Senator Simon for his sponsorship to this bill and urge my colleagues to support this important piece of legislation.●

By Mr. HEINZ:

S. 1632. A bill to amend the Internal Revenue Code of 1954 to require that employers provide an extension of health plan coverage at group rates for family members of deceased, divorced, or medicare-eligible workers; to the Committee on Finance.

HEALTH INSURANCE CONTINUATION ACT

● Mr. HEINZ. Mr. President, today there are 35 million Americans for whom an accident or illness carries a special threat of financial disaster, unnecessary pain or disability—even death. These are the men, women, and children without health insurance. The problem of access to health insurance is not a new one, but the magnitude of the problem has increased. Between 1979 and 1983 alone, the ranks of the uninsured in this country swelled by more than 20 percent.

Mr. President, I am introducing legislation today—the Health Insurance Continuation Act—which focuses on the plight of one particular group, widowed or divorced spouses, and their children, whose health insurance has been provided under the umbrella of an employed spouse's group policy. For these people, death or divorce carries an additional loss, that of their health insurance coverage. These individuals often are ill-equipped to foot the bill for an expensive individual policy—assuming they can even find a policy to cover them.

At least part of the dilemma of the uninsured stems from a national preference for group insuring. Eighty-five percent of health insurance is obtained through the workplace, at group rates. A large percentage of families obtain their health insurance through the principal wage earner's employer. In a system so totally group oriented, it is easy to understand how a spouse's death—or a divorce—can leave a nonemployed person underinsured, at best, and more likely, completely uninsured. Individual health policies are far more difficult to obtain than in times past. When they are available, they almost always provide less coverage at substantially higher rates than the group policies.

The Health Insurance Continuation Act requires group health insurance plans to allow continued access to coverage for spouses and their dependent children who have been previously covered but, due to a change in family status, suddenly find themselves uninsured.

This bill is a modification of H.R. 21, legislation introduced in the House by Representative Stark, and incorporated with changes into the deficit reduction package approved by the Ways and Means Committee (H.R. 3128). While this bill will not help every uninsured individual, it will protect an estimated 5 million Americans.

In response to concerns raised by employers about H.R. 21, I have worked with the Washington Business Group on Health, the National Association of Manufacturers, and other groups to come up with a bill that is more acceptable to employer's. The bill that I am introducing today addresses their major concerns and has the full support of the American Association of Retired Persons, the Older Women's League, along with other national senior citizen and womens' organizations.

Mr. President, the Senate Special Committee on Aging, which I have the honor to chair, held hearings several months ago on the problems of the medically uninsured. Among those testifying at these hearings was an independent insurance broker who frequently encounters situations in which women find themselves without insurance due to changes in family status. She focused on three problem areas: women who lose their medical coverage as a result of the loss of their or their spouse's employment; women who lose coverage as a result of divorce or death of their spouse; and women who are not employed, are 65 or older, but not eligible for medicare, who cannot get coverage through private carriers. She described case after case in which her clients could not get adequate health insurance protection. All too often, these people were left at risk for enormous medical bills. For some of these women, insurance was especially difficult to obtain because of preexisting conditions or the very expensive premiums of individual policies.

Another witness at the committee's hearing told of her own problems in obtaining health coverage after the death of her husband. She thought her husband's policy would continue to protect her. But when she became ill and sent her claims in, she was told that she was no longer covered. Because she had cancer, nobody would insure her. Her medical bills exceed $5,000—all of which she is struggling to pay out of pocket.

In our investigation we found that not only is the lack of health insurance a financial burden, but it may actually be detrimental to health. People are reluctant to seek medical care when they are without insurance. The delay in seeking care can be costly, and even deadly. Moreover, there are an increasing number of hospitals that refuse to provide health care services to those without insurance before receiving some up-front payment, or a guarantee that payment will be forthcoming.

Mr. President, the bill I am introducing today denies the business tax deduction for group health insurance to all employers who fail to provide the option of 2 years of continuation coverage to the previously covered family members of deceased, divorced, or medicare-eligible workers. After 2 years, the individual will be offered the right to convert to an individual policy with the employer's group insurer.

Notification of eligibility for a continuation option would be made when a policy is issued. This option must be held open for a period of 60 days, with full coverage maintained in the interim. Continuation coverage will not be conditional on any physical examination and will entitle the individuals to the same scope of benefits as similarly situated individuals provided under the group plan at the time of continuation. The insured spouse will pay both the employee and employer shares of the premium directly to the insurer, unless other arrangements are made. Premiums shall not exceed the combined employer/employee premiums assessed for each similarly situated group member.

Some may argue that this bill imposes a weighty financial burden on employers. Not true: continuation policies carry no new costs for an employer. Both the employee and employer expenses for the group coverage pass directly to the divorced spouse or widow. The administrative burden placed on employers to keep track of the newly covered individuals is very minimal.

Mr. President, this legislation offers the perfect opportunity for us to turn back to the private sector some of the responsibility for providing needed health care to Americans. It creates no hardship for employers or for the Federal Government and offers an avenue for assuring full access to health care for minor dependents. It creates a support for those dependents who need it for a period long enough to enable them to regain some stability and a means for self-support. I hope that my colleagues will see the merit of this bill and join me in seeking its passage. I ask unanimous consent that the text of the bill be inserted in the Record at this time.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1632

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

(a) In General.—Subsection (i) of section 162 of the Internal Revenue Code of 1954 (relating to deduction for trade or business expenses with respect to group health plans) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) Continuation coverage.—

"(A) Requiring option of continuation coverage when qualified beneficiary would lose coverage.—The expenses paid or incurred by an employer for a group health plan shall not be allowed as a deduction under this section unless each qualified beneficiary who would lose coverage under the plan because of a qualifying event is given, in accordance with this paragraph, the option of electing continuation coverage under the plan.

"(B) Election.—

"(i) Election period.—The option of electing continuation coverage must be offered during a period that—

"(I) begins not later than the termination date (as defined in subparagraph (C)(ii)),

"(II) is of at least 60 days duration, and

"(III) ends not earlier than 60 days after the date the qualified beneficiary is notified under subparagraph (F)(iv) or the termination date, whichever date is later.

"(ii) Effect of election on other beneficiaries.—Unless otherwise specified in the election, any such election by a qualified beneficiary described in subparagraph (G)(ii)(I) shall be deemed to include an election of continuation coverage on behalf of any other qualified beneficiary whose coverage would, but for continuation coverage provided in accordance with this paragraph, be affected by the qualifying event.

"(C) Qualifying event and termination date.—For purposes of this paragraph—

"(i) A 'qualifying event' under a group health plan, with respect to a covered employee, is any of the following events if coverage of a qualified beneficiary under the plan would, but for continuation coverage provided in compliance with this paragraph, be terminated by the occurrence of the event:

"(I) The death of the covered employee.

"(II) The divorce or separation of the covered employee from the employee's spouse.

"(III) The covered employee becoming entitled to benefits under title XVIII of the Social Security Act.

"(ii) The term 'termination date' means, with respect to a qualifying event, the date on which coverage of a qualified beneficiary under a group health plan would be terminated under the plan but for continuation coverage provided in compliance with this paragraph.

"(D) Terms of continuation coverage.—Any continuation coverage elected by or on behalf of a qualified beneficiary shall meet the following requirements:

"(i) No requirement of insurability.—The coverage may not be conditioned upon, or discriminate on the basis of lack of, evidence of insurability.

"(ii) Continued benefits.—The coverage shall consist of coverage which is identical to the coverage provided under the plan to similarly situated beneficiaries under the plan with respect to whom a qualifying event has not occurred.

"(iii) Period of continued coverage.—The coverage shall be for a period commencing upon the termination date and ending not earlier than the earliest of the following:

"(I) Maximum of two years.—Two years after the termination date.

"(II) End of plan.—The date on which the employer ceases to provide any group health plan to employees.

"(III) Failure to pay premiums.—The date on which there is a failure in making timely payment of any premium required under the plan with respect to the qualified beneficiary

"(IV) Reemployment or medicare eligibility.—The date on which the qualified beneficiary first becomes or could become, after the date of the election, a covered employee under any other group health plan or becomes entitled to benefits under title XVIII of the Social Security Act.

"(V) Remarriage of spouse.—In the case of a qualified beneficiary described in subparagraph (g)(ii)(I), the date on which the beneficiary remarries and becomes (or could become) covered under a group health plan as the spouse of a covered employee.

"(VI) Child turning majority.—In the case of an individual who is a qualified beneficiary by reason of having been a covered dependent child of a covered employee, the date on which the individual ceases to be a covered dependent child of the covered employee.

"(iv) Conversion option.—In the case of a qualified beneficiary whose period of continued coverage expires under clause (iii)(I), the plan must provide to the beneficiary, during the 180-day period ending on the date of expiration of the period of continued coverage, the option of enrollment under a conversion health plan otherwise generally available to beneficiaries under the plan.

"(E) Premiums for continuation coverage.—

"(i) Amount.—The total premium charged by a group health plan with respect to any qualified beneficiary for continuation coverage under the plan shall not exceed the sum of employer premiums and employee premiums generally charged with respect to coverage under the plan of similarly situated beneficiaries with respect to whom a qualifying event has not occurred. The total of all premiums charged by the plan in any plan year may be based upon reasonably anticipated community costs for such plan year of the entire pool of covered employees and other beneficiaries under the plan, including qualified beneficiaries receiving continuation coverage under the plan under this paragraph.

"(ii) Payments.—The plan may provide for payment of the total premium by the qualified beneficiary receiving such coverage, or for payment of all or part of such premium by the employer or other party and payment of the remainder of such premium by such beneficiary. The plan shall provide for payment of any premium by a qualified beneficiary in monthly installments if so elected by the beneficiary. If an election is made during an election period but after the termination date, the plan shall permit payment of any premium for continuation coverage during the preceding period to be made within 34 days of the date of the election.

"(iii) Premium defined.—As used in this subparagraph, the term 'premium' means any amount payable with respect to the provision of coverage under a group health plan.

"(F) Notice requirements.—In accordance with regulations of the Secretary—

"(i) the group health plan must provide, at the time of commencement of coverage under the plan, for written notice to each covered employee and spouse of the employee (if any) of the rights provided under this paragraph;

"(ii) the employer of an employee under the plan must notify the group health plan administrator if the employee dies;

"(iii) each covered employee is responsible for notifying the group health plan administrator of the occurrence of any qualifying event (other than that described in subparagraph (C)(i)(I)) respecting that employee; and

"(iv) the group health plan administrator must notify each qualified beneficiary, within a period of 14 days after the date the administrator is notified concerning the occurrence of a qualifying event affecting that beneficiary, of—

"(I) the termination date with respect to the beneficiary, and

"(II) the beneficiary's right to elect continuation coverage under this paragraph and the election period established under subparagraph (B)(i) during which the beneficiary can exercise that right.

"(G) Definitions.—For purposes of this paragraph—

"(i) Covered employee.—The term 'covered employee' means an individual who is (or was) provided coverage under a group health plan by virtue of the individual's employment or previous employment with an employer.

"(ii) Qualified beneficiary.—The term 'qualified beneficiary' means, with respect to a covered employee under a group health plan, any other individual who, on the date before the date of a qualifying event for that employee—

"(I) is a beneficiary under the plan as the spouse of the employee and has been married to the employee for at least the immediately preceding 30-day period, or

"(II) is a beneficiary under the plan as a covered dependent child of the employee.

"(iii) Covered dependent child.—The term 'covered dependent child' means, with respect to a covered employee, an individual who meets the generally applicable requirements of the plan for treatment as a dependent child covered under the plan by reason of the coverage of the employee under the plan.

"(iv) Group health plan administrator.—The term 'group health plan administrator' means, in connection with a group health plan, any person who provides for administrative functions relating to enrollment of individuals under the plan. For purposes of this subparagraph, the term 'person' includes one or more individuals, governments or agencies of the United States or any State or political subdivision thereof, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint ventures, joint stock companies, societies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, and fiduciaries.".

(b) Conforming Amendment.—Paragraph (1) of section 162(i) of such Code is amended by striking out "General rule" and inserting in lieu thereof "Coverage relating to end stage renal disease".

(c) Effective Dates.—

(1) General rule.—The amendments made by this section shall apply to plan years beginning on or after January 1, 1986.

(2) Special rule for collective bargaining agreements.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the earlier of—

(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) January 1, 1987.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

(d) Notification to Covered Employees.—At the time that the amendments made by this section apply to a group health plan described in section 162(i) of the Internal Revenue Code of 1954, the plan shall notify each covered employee, and spouse of the employee (if any), who is covered under the plan at that time of the continuation coverage required under paragraph (2) of that section. The notice furnished under this subsection is in lieu of notice that may otherwise be required under paragraph (2)(F)(i) of that section.●

By Mr. DURENBERGER:

S. 1633. A bill to maintain the current tax on cigarettes on a permanent basis, and to distribute 50 percent of the proceeds of such tax to the States for preventive health programs; to the Committee on Finance.

DISEASE PREVENTION AND HEALTH PROMOTION ACT

● Mr. DURENBERGER. Mr. President, today, I rise to introduce the Health Promotion and Disease Prevention Act of 1985. This legislation would maintain the current Federal cigarette tax at 16 cents per pack rather than letting it revert back to 8 cents per pack on October 1, 1985, as currently scheduled. S. 1633 would devote 8 cents of this 16 cents tax per pack to a trust fund to be distributed to the States for disease prevention and health promotion activities.

Mr. President, this bill represents somewhat of a turnabout for me. As you and my colleagues know, ever since I was first elected to the Senate, I have been opposed to increases in Federal excise taxes for cigarettes and alcohol. My sentiments have not changed. However, it appears inevitable that the tax will be increased this year and I put forth this proposal as a statement of where I think the money ought to go.

The momentum to reduce the deficit has driven the increased interest in the Federal cigarette tax. Many times I have argued that we should not try to solve the Government's fiscal problems at the margin by small increases as represented by this cigarette tax. It is not a "flash in the pan" when you consider the full extent of the Federal Government's fiscal problems. But, since my colleagues are so determined to use it, I decided to speak up and develop the alternative in S. 1633 for their consideration.

In the past, I have flatout opposed cigarette taxes for a number of reasons:

First, excise taxes on cigarettes and alcohol have and should remain the province of the States. The Federal Government since 1981 has been reducing its funding for State activities. Commensurately, State responsibilities in education, health, and other areas have increased. The Federal aid, as a percent of State revenues, declined from 31.7 percent in 1980 to 23.7 percent in 1984. By 1986, the ratio will be down to less than 22 percent and per capita figures show comparable declines.

The States, with "tax revolt" not a distant memory, have little "tax room." The public wants to see State sales, income, and property taxes kept down. The excise taxes are one of their only routes for enhancing revenue. Since 1940, the real Federal excise tax burden has fallen. This has provided additional taxing capacity. And, they have taken advantage of it. Between 1981 and 1982, 20 States raised cigarette taxes. This year, 14 States increased their cigarette taxes contingent upon the Federal tax falling back to 8 cents, while 11 States raised their cigarette taxes regardless of congressional action. My home State of Minnesota is in this position.

Second, I have always felt that excise taxes were particularly regressive. They are especially hard on the poor who can least afford the price increase yet tend to smoke more than the well-to-do. One study indicates that 26 percent of men in white-collar jobs now smoke, while 50 percent of their blue-collar counterparts do. Not only do these comparisons hold true for working women, but it appears that the number of blue-collar female smokers is increasing.

I am concerned that there will be cases where the higher costs of cigarettes will actually take food off the table. I realize that the price sensitivity of the poor will reduce the consumption of cigarettes with higher taxes. At the same time it is also true that many will keep on smoking at any cost.

Finally, I am a little wary of using the excise tax to control individual habits and lifestyle. It just seems to me that there have to be more direct and better ways. I support using the economic incentives of raising health insurance premiums for smokers. I introduced S. 357 which would do just that for Medicare part B. Also, I know Blue Cross is beginning to offer discounts to nonsmokers in a number of States, including my own State of Minnesota. Advertising, labeling, and other educational means are also effective and to date underestimated.

Regardless of these reasons, other than the tobacco State Senators, the tobacco industry, and the State legislatures, it is obvious that there is a little interest in letting the 16-cents per-pack excise tax for cigarettes revert back to the 8 cents. Therefore, I am forced to the conclusion that I should sacrifice my principles and offer this proposal.

I am not sanguine about the public health problem smoking represents. Every Surgeon General since 1965 has cited smoking as this Nation's No. 1 health risk. The data indicates without a doubt that cigarettes cause death and sickness. On the average, cigarette smokers lose 5½ minutes of life for each cigarette they smoke.

The statistics on the relation between particular diseases and smoking are devastating. Forty percent of the 565,000 heart disease deaths in this Nation are attributable to smoking. Equally, 5 percent of the 131,000 of the annual lung cancer deaths are due to smoking. The list goes on. Just this year, the increased cigarette smoking by women, over the last decades will make lung cancer the leading cause of cancer deaths among women—surpassing breast cancer.

Besides this personal toll, smoking costs society more than $16 billion added health care costs and $50 billion in lost productivity and earnings.

Accounting for these factors and the inevitability of this tax increase, I propose we put the money where it can best advantage the health and welfare of those, particularly the poor, that we will be taxing the most—in disease prevention and health promotion. This Government currently spends woefully little on protective health. It has $110 billion in sick care treatment and research programs but currently devotes only $1 billion to wellness.

It is time we reassess our priorities. The savings we can reap and the improved quality of life for our citizens will be reflected in additional committment we can make to prevention. The testimony at a hearing I held in the Health Subcommittee of the Finance Committee last June clearly demonstrated that preventive health initiatives are effective, though they have been relatively ignored in the Medicare and Medicaid programs. Placing 8 cents of the cigarette excise tax here will put an additional $1.5 billion into preventive health. It will pay off many fold.

The initiative I propose in S. 1633 would not institute a new 1960's-like catagorical program. Instead, it would give the States the option to supplement existing Federal preventive efforts—the maternal and child health, preventive health, and alcohol, drug abuse, and mental health block grants—or to spend it on own particular preventive priorities. It is my hope that States would choose to devote some of these funds to public health efforts to discourage smoking by the young.

Since the poor will be proportionately paying the most and can benefit the most from preventive health initiatives of State and local government, I have developed for S. 1633 a funding formula which would be based on population and the number of individuals a State has with incomes below the poverty level.

Let me conclude by saying that once this "deficit crunch" is over, I would hope we will allow the States to "buy out" this tax much as I have proposed we do with the gas tax. Though, I suppose, such an alternative will not be feasible for the forseeable future.

Mr. President, I ask unanimous consent that a summary of S. 1663 and the bill be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1633

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section. 1. This Act may be cited as the "Disease Prevention and Health Promotion Act of 1985".

TAX ON CIGARETTES

Sec. 2. (a) Rate of Tax.—Section 283(c) of the Tax Equity and Fiscal Responsibility Act of 1982 is amended by striking out "and before October 1, 1985".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to cigarettes removed after September 30, 1985.

DISEASE PREVENTION AND HEALTH PROMOTION TRUST FUND

Sec. 3. (a) In General.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to Trust Fund Code) is amended by adding at the end thereof the following new section:

"SEC. 9505. DISEASE PREVENTION AND HEALTH PROMOTION TRUST FUND

"(a) Creation of Trust Fund.—There is established in the Treasury of the United States a trust fund to be known as the 'Disease Prevention and Health Promotion Trust Fund', consisting of such amounts as may be appropriated or credited to the Disease Prevention and Health Promotion Trust Fund as provided in this section or section 9602(b).

"(b) Transfers to Disease Prevention and Health Promotion Trust Fund.—There is hereby appropriated to the Disease Prevention and Health Promotion Trust Fund an amount equal to 50 percent of the taxes received in the Treasury after September 30, 1985, under section 5701(b) (relating to tax on cigarettes).

"(c) Expenditures From Trust Fund.—Amounts in the Disease Prevention and Health Promotion Trust Fund shall be available, as provided in appropriation Acts, for grants to States for approved preventive health programs in accordance with the provisions of this section.

"(d) Grants to States.—

"(1) Amount of grant.—Each State which complies with the requirements of this section for a fiscal year shall receive a grant for such fiscal year in an amount equal to—

"(A) the amount which bears the same ratio to 50 percent of the total amount appropriated for grants under this section for such fiscal year as such State's population bears to the total population of all the States receiving grants under this section for such fiscal year, plus

"(B) the amount which bears the same ratio to 50 percent of the total amount appropriated for grants under this section for such fiscal year as such State's poverty population bears to such State's total population, standardized such that the total amount under this subparagraph equals 50 percent of the total amount appropriated for grants under this section for such fiscal year.

"(2) Poverty population.—For purposes of paragraph (1), the term 'poverty population' means those individuals whose family income is below the official poverty line for a family of that size, as established by the Office of Management and Budget.

"(3) State.—For purposes of this section, the term 'State' means the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

"(e) Use of Grants.—

"(1) In general.—A State may use grants received under this section—

"(A) for any purpose for which funds could be used if received under title V of the Social Security Act (Maternal and Child Health Services Block Grant), part A of title XIX of the Public Health Service Act (Preventive Health and Health Services Block Grant), or part B of title XIX of the Public Health Service Act (Alcohol and Drug Abuse and Mental Health Services Block Grant); or

"(B) for carrying out a program of preventive health which the Secretary of Health and Human Services has approved, on the basis of the application submitted in accordance with subsection (f), as being within the priorities for preventive health established by the Surgeon General.

"(2) Prohibited uses.—No funds received under this section may be used for—

"(A) inpatient services, other than inpatient services provided to crippled children or to high-risk pregnant women and infants, or such other inpatient services as the Secretary of Health and Human Services has approved under section 504(b)(1) of the Social Security Act;

"(B) cash payments to intended recipients of health services;

"(C) the purchase or improvement of land, the purchase, construction, or permanent improvement (other than minor remodeling) of any building or other facility, or the purchase of major medical equipment; or

"(D) satisfying any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

"(f) Application and Statement of Assurances.—

"(1) Application.—In order to receive payment for a fiscal year under this section each State shall submit an application to the Secretary of Health and Human Services. Each such application shall be in such form and submitted by such date as the Secretary of Health and Human Services shall require. Each such application shall contain assurances that the legislature of the State has complied with the provisions of paragraph (2) and that the State will meet the requirements of paragraph (3).

"(2) Public hearings.—After the expiration of the first fiscal year in which a State receives a payment under this section no funds shall be paid to such State for any fiscal year under this section unless the legislature of the State conducts public hearings on the proposed use and distribution of such funds for such fiscal year.

"(3) Assurances.—As part of the annual application required by paragraph (1), the chief executive officer of the State shall certify that such State—

"(A) agrees to use the funds paid under this section in accordance with the requirements of this section;

"(B) agrees to establish reasonable criteria to evaluate the performance of entities which receive funds from the State from the payment made under this section, and to establish procedures for procedural and substantive independent State review of any failure by the State to provide funds for any such entity;

"(C) agrees to permit and cooperate with any Federal investigation undertaken in accordance with subsection (g);

"(D) has identified those populations, areas, and localities in the State with a need for the services for which funds may be provided by the State under this section; and

"(E) agrees that Federal funds made available under this section for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under this section and will in no event supplant such State, local, and other non-Federal funds.

The Secretary of Health and Human Services may not prescribe for a State the manner of compliance with the requirements of this paragraph.

"(4) Description of intended use.—

"(A) The chief executive officer of a State shall, as part of the application required by paragraph (1), also prepare and furnish the Secretary of Health and Human Services (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under this section for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State in such manner as to facilitate comment from any person, including any Federal or other public agency, during development of the description and after its transmittal. The description shall be revised, consistent with this section, throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this section, and any revision shall be subject to the requirements of the preceding sentence.

"(B) For purposes of subparagraph (A), if funds are to be used for purposes allowed under subsection (e)(1)(A), the description need only include the program under which the use of funds is authorized. If funds are to be used for purposes of a program described in subsection (e)(1)(B), the description shall include sufficient information with respect to the program to enable the Secretary of Health and Human Services to determine whether such program is within the priorities for preventive health established by the Surgeon General.

"(g) Reports, Audits, and Investigations.—

"(1) Annual reports.—Each State shall prepare and submit to the Secretary of Health and Human Services annual reports on its activities under this section. Such reports shall be in such form and contain such information as the Secretary determines, after consultation with the States and the Comptroller General, to be necessary (A) to determine whether funds were expended in accordance with this section, (B) to secure a description of the activities of the State under this section, and (C) to secure a record of the purposes for which funds were spent, of the recipients of such funds, and of the progress made toward achieving the purposes for which the funds were provided. Copies of the report shall be provided, upon request, to any interested person, including any public agency. In determining the information that States must include in the report required by this paragraph, the Secretary may not establish reporting requirements that are burdensome.

"(2) Audits.—Chapter 75 of title 31, United States Code (relating to single audits), shall apply to funds paid to the States under this section.

"(3) Investigations.—

"(A) The Secretary of Health and Human Services shall conduct in several States in each fiscal year investigations of the use of funds received by the States under this section in order to evaluate compliance with the requirements of this section and certifications provided under subsection (f).

"(B) The Comptroller General of the United States may conduct investigations of the use of funds received under this section by a State in order to insure compliance with the requirements of this section and certifications provided under subsection (f).

"(C) Each State, and each entity which has received funds from a payment made to a State under this section, shall make appropriate books, documents, papers, and records available to the Secretary or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request therefor.

"(D) In conducting any investigation in a State, the Secretary or the Comptroller General of the United States may not make a request for any information not readily available to such State or an entity which has received funds from a payment made to the State under this section or make an unreasonable request for information to be complied, collected, or transmitted in any form not readily available. This paragraph does not apply to the collection, complication, or transmittal of data in the course of a judicial proceeding.

"(h) Withholding of Funds.—(1) The Secretary of Health and Human Services shall, after adequate notice and an opportunity for a hearing conducted within the affected State, withhold funds under this section from any State which does not use such funds in accordance with the requirements of this section or the certification provided under subsection (f). The Secretary shall withhold such funds until the Secretary finds that the reason for the withholding has been removed and there is reasonable assurance that it will not recur. The Secretary may not institute proceedings to withhold such funds unless the Secretary has conducted an investigation concerning whether the State has used such funds in accordance with the requirements of this section or the certification provided under subsection (f). Investigations required by this paragraph shall be conducted within the affected State by qualified investigators.

"(2) The Secretary shall respond in an expeditious manner to complaints of a substantial or serious nature that a State has failed to use funds in accordance with the requirements of this section or certifications provided under subsection (f).

"(3) The Secretary may not withhold funds under paragraph (1) from a State for a minor failure to comply with the requirements of this section or certifications provided under subsection (f).

"(i) Nondiscrimination and Criminal Penalties.—The provisions of sections 1908 and 1909 of the Public Health Service Act shall apply with respect to the use of funds paid to States under this section in the same manner as such sections apply with respect to the use of funds allotted to States under part A of title XIX of such Act (Preventive Health and Health Services Block Grant).".

(b) Clerical Amendment.—The table of sections for such subchapter A is amended by adding at the end thereof the following new item:

"SEC. 9505. DISEASE PREVENTION AND HEALTH PROMOTION TRUST FUND.".

(c) Effective Date.—The amendments made by this section shall become effective on October 1, 1985.

Bill Summary of S. 1633—The Disease Prevention and Health Promotion Act of 1985

Current law: The federal excise tax on cigarettes was set at 16 cents in 1982. This law sunsets on October 1, 1985 when the federal tax would revert back to 8 cents per pack.

S. 1633 will:

1. Retain the 16-cent cigarette tax.
2. Set up a Disease Prevention and Health Promotion Trust Fund to which 50 percent of the 16-cent tax would go.
3. Funds from the Trust Fund would then be distributed to the States to be spent on prevention programs.
4. States would be given the option of using the prevention funds to supplement the current prevention federal block grants (the Maternal Child Health, Preventive Health, and/or Alcohol Drug Abuse and Mental Health Block Grants) or to spend on new preventive health initiatives.
5. Funds will be distributed according to a formula based on each State's population and percent of residents below the poverty level.●

By Mr. SPECTER:

S. 1634. A bill to amend the Disaster Relief Act of 1974; to the Committee on Environment and Public Works.

DISASTER PLANNING GRANTS

Mr. SPECTER. Mr. President, it is also important that after a disaster strikes, there be sufficient plans and resources available to minimize damage and help the victims. I am therefore introducing a bill today which would increase the Disaster Preparedness Improvement Grant from $25,000 to $50,000. This grant provides funds through the Federal Disaster Assistance Administration to each State, on a matching basis, for maintaining and improving disaster plans and procedures. This legislation would also require the Federal Emergency Management Agency to submit a report to Congress at the end of 1 year assessing the adequacy of these funds for the development and maintenance of disaster plans.

The current grant limit of $25,000 has been in effect ever since the passage of the Disaster Relief Act of 1974. Since that time, the consumer price index has risen 110 percent. That level of inflation alone provides a basis for increasing the matching share to $50,000.

More importantly, the current level of funding is not sufficient to enable States to develop adequate disaster plans and procedures. On March 31, 1981, the Comptroller General submitted a report to the Subcommittee on Oversight and Review of the House Committee on Public Works and Transportation entitled "States Can be Better Prepared to Respond to Disasters." The report was based on the

General Accounting Office's study of seven States' emergency plans, which were developed or updated with Federal funds. The GAO found that a majority of State agencies has not developed standard operating procedures to determine how tasks would be performed in the event of an emergency. This failure exists despite the fact that detailed standard operating procedures have been found crucial to disaster response success. The GAO also found that none of the States had developed training programs to prepare State and local personnel to implement assigned tasks. In addition, in five of the States studied, local communities' emergency plans were not compatible with State plans.

Even though State disaster planning was found to be inadequate 4 years ago, the Federal Government has still not increased the Disaster Preparedness Improvement Grant above its 1974 level.

Samual Speck, the Associate Director of the Federal Emergency Management Agency for State and Local Programs and Support, has informed me that FEMA recently suggested to the Office of Management and Budget an increase in these grants from $25,000 to $50,000 because of the need for States to plan adequately for increased State and local funding and operational involvement in disaster response and recovery. Disaster preparedness and response is primarily the responsibility of State and local governments. It is only when an emergency situation is beyond the capability of local and State governments that the President declares a major disaster or an "emergency," thereby providing various types of Federal assistance under the Disaster Relief Act of 1974. However, in order to reduce the long-term burden on the Federal Government and to reduce the damage and loss of life caused by disasters, States need the resources to develop, maintain, and improve their disaster plans and procedures.

The General Accounting Office's report outlining the inadequacy of State planning and the Federal Emergency Management Agency's proposal to double the disaster preparedness improvement grant indicate their belief that States do not at this time have the resources necessary to develop adequate disaster plans. By increasing the Federal Government's grant to States from $25,000 to $50,000, we would be providing States with an incentive to increase their own spending and to develop and improve plans and procedures that are vital to the safety of the American people.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD as if read.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1634

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 201(d) of the Disaster Relief Act of 1974 (42 U.S.C. 5131(d)) is amended by striking out "$25,000" and inserting in lieu thereof "$50,000".

(b) Not later than one year after the date of enactment of this Act, the Director of the Federal Emergency Management Agency shall report to the Congress on the adequacy of State resources to carry out the provisions of section 201(d) of the Disaster Relief Act of 1974.

By Mr. SPECTER:

S. 1635. A bill to require the Emergency Management Agency to update and distribute the publication entitled "Protecting Mobile Homes from High Winds"; to the Committee on Commerce, Science, and Transportation.

MOBILE HOMES

Mr. SPECTER. Mr. President, today I am also introducing legislation that will help prevent the damage and loss of lives caused by natural disasters. Although we must be prepared to respond to and recover from emergencies, the most important action that we can take is to help avert tragedy before it strikes.

I am therefore introducing legislation that would require the Federal Emergency Management Agency to update the out-of-print 1974 pamphlet "Protecting Mobile Homes from High Winds" and to supply this pamphlet, through mobile home manufacturers, to every purchaser of a mobile home in the United States.

Mobile homes can become deathtraps during high wind situations and floods if they are not properly protected. To cite just one example of the gravity of the situation, in 1983 and 1984, 45 percent of all tornado deaths took place among mobile home occupants. Tornadoes are so dangerous to people who live in mobile homes that the National Oceanic and Atmospheric Administration recommends that when a tornado threatens, people should leave mobile homes immediately and head for the nearest shelter. If no shelter is available, even lying flat on the ground is safer than remaining in a mobile home during a tornado.

The Federal Emergency Management Agency believes that the Government's best opportunity to reduce the loss of lives and prevent injuries from tornadoes striking mobile homes is an enhanced public information and education effort targeted at mobile home occupants. FEMA is therefore preparing to reprint the excellent pamphlet "Protecting Mobile Homes from High Winds." This pamphlet includes information about the latest standards for tiedowns and structural strength, as well as improved design and construction performance standards for multipurpose mobile home park shelters.

It is important that all purchasers of mobile homes be informed about the danger they face during high winds and how to best protect themselves and their property. Unfortunately, the current budget only allows for approximately 20,000 pamphlets to be printed. Although any reprinting of this pamphlet after 11 years is certainly important, a far greater number of pamphlets are necessary. Last year, 295,000 mobile homes were purchased in the United States. Every one of these consumers needs to have this vital information. By supplying each mobile home purchaser with this pamphlet, the Federal Government will be taking an important, yet relatively simple step that will aid potential victims of disasters before they strike and thereby reduce the damage and loss of life that they cause.

Mr. President, I ask unanimous consent that the text of the legislation I am introducing be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.1635

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Director of the Federal Emergency Management Agency shall—

(1) update the publication entitled "Protecting Mobile Homes from High Winds"; and

(2) provide for the distribution of such publication through mobile home dealers to all purchasers of new mobile homes.

By Mr. SPECTER:

S. 1636. A bill to increase the maximum individual and family grant under the Disaster Relief Act; to the Committee on Environment and Public Works.

INDIVIDUAL AND FAMILY GRANTS

● Mr. SPECTER. Mr. President, today I am introducing four pieces of legislation that are vital in order for this Nation to better prepare for and respond to the natural disasters that strike us every year. This legislation is designed to help people who have been hit by tragedy and to increase our preparedness so that tragedy can be averted.

Mr. President, the first piece of legislation that I am introducing today would increase the per-grant limit of the Individual and Family Grant Program from $5,000 to $10,000. This increase is needed in order to better assist the thousands of victims of natural disasters in the United States.

Pennsylvania and Ohio recently experienced a series of tornadoes that left $226 million of damage, thousands of people homeless, and almost 90 dead. I personally toured western Pennsylvania after this disaster and witnessed the horrible toll on the people who must face the loss of their incomes, their farms, their homes, and their loved ones.

Many of these people are eligible for assistance from the Federal Emergency Management Agency. Federal aid to individuals comes in many forms, including temporary housing, assistance with mortgage and rental payments, disaster employment assistance, legal services, crisis counseling, and tax relief. In addition, many of the victims of these tornadoes and of other natural disasters are eligible for individual and family grants of up to $5,000 for immediate needs such as clothing, furniture, bedding, and other essentials. However, it is my belief that this $5,000 limit is out of date. It was enacted as part of the Disaster Relief Act of 1974. Since then, the limit would have needed to more than double in order to keep up with inflation. Unfortunately, the $5,000 limit has never been increased and is no longer enough to help many of the victims of natural disasters.

The bill which I am introducing will not affect the majority of grant applicants. The average IFG award in 1984 was $2,300. Thus, the $5,000 limit is adequate for most applicants and an increase would not change their grants at all. However, there are a number of applicants in virtually every disaster who require additional assistance. It is for these devastated victims that we need to increase the individual and family grant limit to $10,000.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD as if read.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1636

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the last sentence of section 408(b) of the Disaster Relief Act of 1974 (42 U.S.C. 5178(b)) is amended by striking out "$5,000" and inserting in lieu thereof "$10,000".

(b) The amendment made by subsection (a) shall apply with respect to disasters occurring on or after May 1, 1985.●

By Mr. SPECTER:

S. 1637. A bill to authorize funds for the Department of Commerce for use in the development of the next generation weather radar [NEXRAD]; to the Committee on Commerce, Science, and Transportation.

WEATHER RADAR IMPROVEMENTS

Mr. SPECTER. Mr. President, I am also introducing legislation today that will hold the authorization level for the Commerce Department's funding of NEXRAD, next generation weather radar, at its fiscal year 1985 appropriations level of $19.75 million.

NEXRAD represents a major breakthrough in early storm warning. When completed, it will be a nationwide network of weather radar that will satisfy the needs of the Department of Commerce, the Department of Defense, and the Department of Transportation as well as their principal users. The NEXRAD system is designed to meet their needs into the 21st century by providing warnings of hazardous weather, flash flood predictions, general weather forecasts, ensuring safety of flight, water resource management, protecting resources on military installations worldwide, and planning military operations of the Air Force, Army, and Navy.

The NEXRAD system uses Doppler radar technology which is superior to conventional radar and increases leadtime for tornado warnings from 1 minute to an average of 20 minutes. An example if its importance occurred in 1979, during a Joint Doppler Operational Project experiment at Vance Air Force Base. The use of Doppler radar provided enough warning time of an approaching tornado and hailstorm to enable base personnel to protect 52 I-38 aircraft valued at more than $83 million, as well as their own lives. This example demonstrates the enormous potential that the NEXRAD system has to save lives and billions of dollars of property.

The original timetable for NEXRAD development scheduled production to begin in 1988 and continue through 1993. This schedule was based on the assumption that the Commerce Department, which currently supplies 60 percent of the NEXRAD funds, would spend $29.75 million on this program in fiscal year 1986. However, the Office of Management and Budget has recommended cutting fiscal year 1986 funds to $12.86 million. In order for the production of this important system to stay on schedule, a funding level equal to last year's appropriation of $19.75 million is needed.

NEXRAD development should not be delayed. NEXRAD is the only major breakthrough in storm warning visible in the coming years. Even if the current schedule is kept, the program will not be fully operational until 1993. The extra $7 million needed to keep funding at the fiscal year 1985 level rather than OMB's proposed authorization of $12.86 million will ensure that production of this vital system continues according to the original timetable. The money and lives that the NEXRAD system will save will quickly make up for the funds needed to keep it on schedule.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1637

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of enabling the National Oceanic and Atmospheric Administration, Department of Commerce, to carry out its public warning and forecast service duties under law, there is authorized to be appropriated for the next generation weather radar (NEXRAD) development, the sum of $19,750,000.

By Mr. GOLDWATER:

S. 1638. A bill to direct the Secretary of the Interior to release on behalf of the United States certain restrictions in a previous conveyance of land to the town of Jerome, AZ; to the Committee on Energy and Natural Resources.

RELEASE OF RESTRICTIONS IN JEROME, AZ, LAND CONVEYANCE

● Mr. GOLDWATER. Mr. President, today I am introducing legislation which would allow the town of Jerome, AZ, to use the land it bought from the U.S. Government in 1915 for purposes other than park and cemetery use.

When the 40-acre parcel was purchased, Jerome was a bustling mining town with a population around 15,000. Under the authority of the act of September 30, 1890, which allowed the conveyance of public land for cemetery and park purposes, the town paid fair market value for the area in question. After the closing of the mines in the 1950's, the population decreased markedly so that it now numbers around 500. Less than 10 acres have been utilized and there is little likelihood that the remaining acreage will be needed for expansion of the cemetery.

Jerome would like to have the deed restrictions removed so that it can put the land to its best use and assist the community's economic development. The act of September 30, 1890, contained no express reverter provision and the 1915 land conveyance patent also does not contain an express reversionary clause.

The Department of the Interior has no objection to this proposal as it is written because it does not release the mineral interests of the United States or the right-of-way for ditches and canals contained in the 1915 patent. This is not a controversial bill and is one which I hope will receive timely committee action.●

By Mr. EXON:

S. 1639. A bill to authorize the minting of gold bullion coins; to the Committee on Banking, Housing, and Urban Affairs.

GOLD BULLION COIN ACT

Mr. EXON. Mr. President, I am pleased that President Reagan has finally altered his position on South Africa. However, like an overwhelming majority of the Congress, I would like to see the President go further. The anti-apartheid legislation approved by the House of Representatives takes a carrot and a stick approach. It provides for an escape from the imposition of severe sanctions if significant progress in dismantling apartheid is made.

The obvious purpose of both the congressional and Presidential efforts is to symbolically place the United States on the side of democracy in South Africa and to assist democratic forces by taking the profit out of apartheid. The weakness with the President's Executive order is that it does not bring continuing pressure on the South African Government to end its official policies of racial oppression.

One key provision of the anti-apartheid conference report which the President is unable to implement on his own initiative is section 18 of the report which authorizes the minting of American gold coins.

An array of American gold coins in the same sizes, weights, and purities as the South African Krugerrands would provide an American alternative to investment in South Africa. If the President is successful in his ban of the Krugerrand, then there will be at least $400 million in American investment looking for a place to go. It is best that that investment stay in the United States. In addition, American gold coins would enjoy instant acceptance on the world market as a direct competitor to the South African Krugerrand.

On March 7, I introduced the American Gold Bullion Coin Act. A day later Senators Cranston and Dole introduced legislation based on the Lewis-Dixon gold coin bill. During the consideration of the Senate anti-apartheid bill, Senators, Cranston, Dole, and I joined forces to attach legislation based on our gold coin bills to the Senate anti-apartheid bill. That amendment was accepted by the Senate leadership and unanimously adopted as a provision of a noncontroversial amendments package.

In the Anti-Apartheid Act conference, Congressman Annunzio, the congressional expert on American coinage, embraced the Senate concept and added some excellent technical adjustments to improve the gold coin provisions.

The bill I introduce today is the product of the months of work that went into perfecting legislation to authorize the minting of American gold coins. The bill contains the exact provisions of title 18 of the Anti-Apartheid Act. I am hopeful that this legislation can be quickly considered and sent to the President for his signature.

By Mr. HECHT (for himself, Mr. Garn, Mr. Mattingly, Mr. Gramm, Mr. Gorton, Mr. Heinz, Mr. D'Amato, Mr. Domenici, Mr. Abdnor, Mr. Grassley, Mr. Goldwater, Mr. Trible, Mr. Wilson, Mr. Lugar, Mr. Pressler, Mr. Laxalt, Mr. Stafford, Mrs. Hawkins, Mr. Riegle, Mr. Sarbanes, Mr. Proxmire, Mr. Cranston, Mr. Dodd, Mr. Dixon, Mr. Sasser, Mr. Leahy, Mr. Bentsen, Mr. DeConcini, Mr. Heflin, Mr. Inouye, Mr. Moynihan, Mr. Pryor, Mr. Matsunaga, Mr. Hollings, and Mr. Eagleton):

S.J. Res. 197. Joint resolution to designate the week of October 6, 1985, through October 13, 1985, as "National Housing Week"; to the Committee on the Judiciary.

NATIONAL HOUSING WEEK

● Mr. HECHT. Mr. President, today, along with 36 of my colleagues, I am introducing a Senate Joint Resolution to proclaim the week of October 6–13, 1985 "National Housing Week."

The housing industry is the single most critical sector of our Nation's economy. I think it is safe to say that America cannot move ahead unless the housing industry is strong, vibrant, and healthy.

Over the past several decades, the housing industry has been a good economic indicator. Five recessions identified by the National Bureau of Economic Research since 1960 were preceeded by downturns in the housing starts and sales while each subsequent recovery was led by a pickup in housing activity.

The general recovery from our most recent experience with an economic downturn was again led by dramatic improvement in housing activity.

In conjunction with playing such a vital role in this Nation's economy, the housing industry has long served as an able partner with the Government in providing safe, decent, and affordable housing for Americans. Therefore, Mr. President, it is only fitting that Congress acknowledge their tremendous contribution to our society as well as their continuing commitment to housing and home ownership in America.●

● Mr. D'AMATO. Mr. President, I am pleased today to join as a cosponsor of this joint resolution which designates the week of October 6, 1985, through October 13, 1985, as "National Housing Week." My distinguished colleague, Senator Hecht, should be commended for this effort.

Over the past 50 years, the Federal Government has played a major role in advancing national housing policies in its partnership with the housing industry. We must continue to forge the combined commitment of the Federal Government with the strength and ingenuity of private enterprise to bring about decent housing for all Americans.

To own a home and live in decent housing strengthens the family, the community, and the Nation. It gives all Americans a stake in America. The task of providing safe and decent housing, however, requires our continuing commitment to help Americans attain the dream of homeownership. Tax incentives and legislative initiatives to promote home ownership and the availability of affordable housing must continue.

The Federal Government should take an active, advocacy role in housing development and rehabilitation; it should continue policies that help our citizenry fulfill this dream.

National Housing Week serves as a reminder to all Americans that we will not let this dream die. Therefore, it is appropriate, Mr. President, to designate October 6, 1985, through October 13, 1985, as National Housing Week. It reaffirms the national commitment to housing and home ownership, as well as a recognition of the economic opportunities created by housing in our communities.

The promise of a decent shelter has been an enduring dream for all Americans. We cannot let this dream die.●

By Mr. MATHIAS (for himself and Mr. Kennedy):

S.J. Res. 198. Joint resolution to designate the year of 1986 as the "Sesquicentennial Year of the National Library of Medicine"; to the Committee on the Judiciary.

SESQUICENTENNIAL YEAR OF THE NATIONAL LIBRARY OF MEDICINE

● Mr. MATHIAS. Mr. President, today I am pleased to introduce a joint resolution to designate 1986 as the Sesquicentennial Year of the National Library of Medicine, the world's largest and most distinguished collection of health science literature. It is located in Bethesda, MD.

The National Library of Medicine as we know it today began in 1836 as a collection of books in the Office of the Army Surgeon General. As the library grew, it became the Army Medical Library in 1922 and the Armed Forces Medical Library in 1952. The National Library of Medicine [NLM] was officially chartered in 1956 as the result of legislation introduced by Senators Lister Hill and John F. Kennedy.

From its modest origins, the Library has provided impetus to creative innovations in cataloging and documenting medical knowledge for future generations. In 1865, John Shaw Billings, one of our country's greatest bibliographers and librarians, assumed charge of this collection of medical manuscripts. Billings' expertise and unique method of cataloging provided the foundation of the Index Catalogue and Index Medicus, which remains one of the great contributions to medicine.

Among its accomplishments, the NLM has pioneered in developing the renowned Medical Literature Analysis and Retrieval System [MEDLARS]. The Library's computer-based MEDLARS search services are available online to researchers at biomedical libraries and other institutions throughout the world. In research, education, and medical practice, more and more American health professionals are benefiting from these communications systems and services provided by the NLM.

The rapid access to biomedical information that the NLM makes possible has led to significant breakthroughs in the medical field. Many of the contributors to this progress enjoy little recognition or monetary reward. However, their findings, as documented through the efforts of the National Library of Medicine, have improved the health of all Americans.

I urge my colleagues to support this joint resolution and to participate in the commemoration of the Sesquicentennial Year of the National Library of Medicine.●

ADDITIONAL COSPONSORS

S. 246

At the request of Mr. Durenberger, the names of the Senator from Colorado [Mr. Hart] and the Senator from Massachusetts [Mr. Kennedy] were added as cosponsors of S. 246, a bill for the relief of Peter Lyn Johnson.

S. 573

At the request of Mr. Gore, the name of the Senator from Arizona [Mr. Goldwater] was added as a cosponsor of S. 573, a bill to amend the Federal Food, Drug, and Cosmetic Act to prohibit the use of sulfiting agents in certain foods, and for other purposes.

S. 576

At the request of Mr. Dole, the names of the Senator from Nebraska [Mr. Zorinsky] and the Senator from Iowa [Mr. Harkin] were added as cosponsors of S. 576, a bill to exclude from the Caribbean Basin Economic Recovery Act ethyl alcohol used for fuel which is merely distilled or denatured in a beneficiary country.

S. 625

At the request of Mrs. Hawkins, the name of the Senator from North Carolina [Mr. East] was added as a cosponsor of S. 625, a bill to include the offenses relating to sexual exploitation of children under the provisions of RICO and authorize civil suits on behalf of victims of child pornography and prostitution.

S. 680

At the request of Mr. Kasten, his name was added as a cosponsor of S. 680, a bill to achieve the objectives of the multifiber arrangement and to promote the economic recovery of the U.S. textile and apparel industry and its workers.

S. 737

At the request of Mr. Dixon, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of S. 737, a bill to amend the Immigration and Nationality Act to increase the immigrant quota for colonies and dependent areas.

S. 863

At the request of Mr. Danforth, the name of the Senator from Alaska [Mr. Murkowksi] was added as a cosponsor of S. 863, a bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act to authorize appropriations for fiscal year 1986 and 1987, and for other purposes.

S. 950

At the request of Mr. Heinz, the name of the Senator from West Virginia [Mr. Rockefeller] was added as a cosponsor of S. 950, a bill to amend the Communications Act of 1934 to promote fairness in telecommunications policy by providing for lifeline telephone service.

S. 987

At the request of Mr. Exon, the name of the Senator from Indiana [Mr. Quayle] was added as a cosponsor of S. 987, a bill to recognize the organization known as the Daughters of Union Veterans of the Civil War 1861–1865.

S. 1018

At the request of Mr. Gorton, the name of the Senator from California [Mr. Cranston] was added as a cosponsor of S. 1018, a bill to amend the National Labor Relations Act to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.

S. 1093

At the request of Mr. Mathias, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1093, a bill to amend the patent law to restore the term of the patent grant in the case of certain products for the time of the regulatory review period preventing the marketing of the product claimed in a patent.

S. 1097

At the request of Mr. Danforth, the name of the Senator from Wisconsin [Mr. Kasten] was added as a cosponsor of S. 1097, a bill to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol.

S. 1233

At the request of Mr. Dole, the names of the Senator from Arizona [Mr. Goldwater], the Senator from Minnesota [Mr. Boschwitz], and the Senator from New York [Mr. Moynihan] were added as cosponsors of S. 1233, a bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals.

S. 1250

At the request of Mr. Heinz, the names of the Senator from Tennessee [Mr. Gore], the Senator from Maine [Mr. Mitchell], the Senator from Colorado [Mr. Hart], and the Senator from Maryland [Mr. Mathias] were added as cosponsors of S. 1250, a bill to amend the Internal Revenue Code of 1954 to extend the targeted jobs tax credit for 5 years, and for other purposes.

S. 1277

At the request of Mr. Bradley, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of S. 1277, a bill to amend title XIX of the Social Security Act to provide that States may provide home or community-based services under the Medicaid Program without the necessity of obtaining a waiver.

S. 1335

At the request of Mr. Thurmond, the name of the Senator from Alaska [Mr. Murkowski] was added as a cosponsor of S. 1335, a bill entitled "Money Laundering and Related Crimes Act of 1985."

S. 1371

At the request of Mr. Levin, the names of the Senator from Iowa [Mr. Grassley] and the Senator from Tennessee [Mr. Gore] were added as cosponsors of S. 1371, a bill to designate the portion of 15th Street, SW., Washington, DC, located between Maine and Independence Avenues as "Raoul Wallenberg Avenue."

S. 1450

At the request of Mr. Heinz, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1450, a bill to prohibit the Secretary of Health and Human Services from changing reimbursement levels or methodologies for home health services under the Medicare Program prior to October 1, 1986, or during a freeze period.

S. 1451

At the request of Mr. Chafee, the names of the Senator from Hawaii [Mr. Inouye], the Senator from Vermont [Mr. Leahy], the Senator from Missouri [Mr. Danforth], and the Senator from Massachusetts [Mr. Kerry] were added as cosponsors of S. 1451, a bill to allocate funds appropriated to carry out section 103 of the Foreign Assistance Act of 1961 for nutrition programs which reduce vitamin A deficiency.

S. 1456

At the request of Mr. Lautenberg, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of S. 1456, a bill to recognize the Army and Navy Union of the United States of America.

S. 1459

At the request of Mr. Bradley, the names of the Senator from West Virginia [Mr. Rockefeller] and the Senator from California [Mr. Cranston] were added as cosponsors of S. 1459, a bill to provide secure job opportunities to workers displaced by imports.

S. 1542

At the request of Mr. McClure, the name of the Senator from Montana [Mr. Baucus] was added as a cosponsor of S. 1542, a bill to amend the National Trails System Act by designating the Nez Perce (Nee-Me-Poo) Trail as a component of the National Trails System.

S. 1543

At the request of Mr. Mathias, the name of the Senator from Delaware [Mr. Roth] was added as a cosponsor of S. 1543, a bill to protect patent owners from importation into the United States of goods made overseas by use of a U.S. patented process.

S. 1582

At the request of Mr. Murkowski, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of S. 1582, a bill to amend the Securities Exchange Act of 1934.

S. 1619

At the request of Mr. Wilson, the names of the Senator from Texas [Mr. Bentsen], the Senator from Delaware [Mr. Roth], and the Senator from Illinois [Mr. Dixon] were added as cosponsors of S. 1619, a bill to amend the Internal Revenue Code of 1954 to provide that section 7872 (relating to imputed interest on below-market loans) shall not apply to loans made to the State of Israel.

S. 1629

At the request of Mr. Zorinsky, his name was added as a cosponsor of S. 1629, a bill to amend the Tariff Act of 1930 to treat certain agricultural products as like products for purposes of antidumping and countervailing duty investigations.

SENATE JOINT RESOLUTION 134

At the request of Mr. Biden, the name of the Senator from Nevada [Mr. Laxalt] was added as a cosponsor of Senate Joint Resolution 134, a joint resolution to designate "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 150

At the request of Mr. Bradley, the names of the Senator from Ohio [Mr. Glenn], the Senator from Alabama [Mr. Denton], the Senator from Texas [Mr. Bentsen], the Senator from Tennessee [Mr. Gore], the Senator from Rhode Island [Mr. Pell], the Senator from Georgia [Mr. Nunn], the Senator from Illinois [Mr. Simon], the Senator from Louisiana [Mr. Johnston], the Senator from Florida [Mrs. Hawkins], the Senator from Nebraska [Mr. Exon], the Senator from Mississippi [Mr. Cochran], the Senator from California [Mr. Cranston], and the Senator from Nebraska [Mr. Zorinsky] were added as cosponsors of Senate Joint Resolution 150, a joint resolution to designate the month of March 1986 as "National Hemophilia Month."

SENATE JOINT RESOLUTION 158

At the request of Mr. Murkowski, the names of the Senator from California [Mr. Cranston], the Senator from Hawaii [Mr. Matsunaga], the Senator from Kansas [Mr. Dole], the Senator from Nebraska [Mr. Exon], the Senator from Massachusetts [Mr. Kennedy], and the Senator from Arizona [Mr. Goldwater] were added as cosponsors of Senate Joint Resolution 158, a joint resolution designating October 1985 as "National Community College Month."

SENATE JOINT RESOLUTION 159

At the request of Mr. Johnston, the name of the Senator from Nebraska [Mr. Zorinsky] was added as a cosponsor of Senate Joint Resolution 159, a joint resolution to designate the rose as the national floral emblem.

SENATE JOINT RESOLUTION 170

At the request of Mr. Simon, the names of the Senator from Iowa [Mr. Grassley], the Senator from Hawaii [Mr. Matsunaga], the Senator from North Dakota [Mr. Burdick], the Senator from Illinois [Mr. Dixon], the Senator from Kentucky [Mr. Ford], the Senator from South Carolina [Mr. Hollings], the Senator from North Carolina [Mr. East], the Senator from New Mexico [Mr. Domenici], the Senator from Vermont [Mr. Leahy], the Senator from West Virginia [Mr. Byrd], the Senator from Massachusetts [Mr. Kennedy], and the Senator from Utah [Mr. Hatch] were added as cosponsors of Senate Joint Resolution 170, a joint resolution to designate the month of March 1986 as "Music In Our Schools Month."

SENATE JOINT RESOLUTION 174

At the request of Mr. Heinz, the names of the Senator from Montana [Mr. Baucus], the Senator from California [Mr. Wilson], and the Senator from Illinois [Mr. Simon] were added as cosponsors of Senate Joint Resolution 174, a joint resolution to designate November 18, 1985, as "Eugene Ormandy Appreciation Day."

SENATE JOINT RESOLUTION 189

At the request of Mr. Hatch, the names of the Senator from Nevada [Mr. Laxalt], the Senator from North Carolina [Mr. Helms], and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of Senate Joint Resolution 189, a joint resolution designating the week beginning January 12, 1986, as "National Fetal Alcohol Syndrome Awareness Week."

SENATE JOINT RESOLUTION 191

At the request of Mr. Bumpers, the names of the Senator from Maine [Mr. Mitchell], the Senator from South Carolina [Mr. Thurmond], and the Senator from Mississippi [Mr. Stennis] were added as cosponsors of Senate Joint Resolution 191, a resolution to designate the month of October 1985 as "Learning Disabilities Awareness Month."

SENATE RESOLUTION 174

At the request of Mr. Gore, the name of the Senator from Mississippi [Mr. Stennis] was added as a cosponsor of Senate Resolution 174, a resolution expressing the sense of the Senate with respect to the proposed closing and downgrading of certain offices of the Social Security Administration.

SENATE RESOLUTION 199

At the request of Mr. Heinz, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of Senate Resolution 199, a resolution to urge the Senate of the United States to reject any tax reform proposal which would impose a tax on the annual increase in the value of permanent life insurance.

SENATE CONCURRENT RESOLUTION 61—CONGRATULATING PETE ROSE ON BECOMING BASEBALL'S ALL-TIME LEADING HITTER

Mr. GLENN (for himself, Mr. Metzenbaum, Mr. Simpson, and Mr. Kasten) submitted the following concurrent resolution; which was considered and agreed to:

S. Con. Res. 61

Whereas Peter Edward Rose has become the all-time leader in base hits in the history of the American pastime, Major League Baseball, by surpassing the record of four thousand one hundred and ninety-one of the great Ty Cobb;

Whereas Pete Rose has played in more winning games than any other player in Major League history;

Whereas Pete Rose won three National League batting titles in 1968, 1969, and 1973;

Whereas Pete Rose was named National League Rookie of the Year in 1963, National League Most Valuable Player in 1973, and the World Series Most Valuable Player in 1975;

Whereas Pete Rose was named the National League Player of the Decade for the period 1970 through 1979 by the "The Sporting News";

Whereas Pete Rose has been named to the National League All-Star Team sixteen times, including ten straight years (1973 through 1982), and has started at five different positions in All-Star games;

Whereas Pete Rose has played in seven National League Championship Series and six World Series; and

Whereas Pete Rose holds all-time Major League records for most games played; for most at-bats; for most singles; for most hits by a switch-hitter; for most total bases by a switch-hitter; for most seasons of two hundred or more hits; for most seasons of one hundred and fifty or more games; and for highest fielding percentage by an outfielder for one thousand or more games: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress to commend Peter Edward Rose on the achievement of becoming the all-time Major League leader in base hits and to recognize all the accomplishments and the inspirational manner in

which Pete Rose has played the game of baseball, the National Pastime.

Sec. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to Peter Edward Rose.

SENATE CONCURRENT RESOLUTION 62—EXPRESSING SOLIDARITY WITH THE SAKHAROV FAMILY

Mr. KERRY (for himself, Mr. D'Amato, Mr. Kasten, Mr. Mitchell, Mr. Riegle, Mr. Helms, Mr. McClure, Mr. Symms, Mr. Wallop, and Mr. Humphrey) submitted the following concurrent resolution; which was considered and agreed to:

S. Con. Res. 62

Whereas, the Universal Declaration of Human Rights guarantees to all the rights of freedom of thought, conscience, religion, opinion and expression;

Whereas, this same Declaration states that "no one shall be subjected to arbitrary arrest, detention, or exile;" and that "no one shall be subjected to arbitrary interference with his privacy, family, home or correspondance;"

Whereas, the Declaration further states that "everyone has the right to freedom of movement and residence within the borders of each State," and that "everyone has the right to leave any country, including his own, and to return to his country;"

Whereas, the International Covenant on Civil and Political Rights provides that "everyone lawfully within the territory of a State shall, within that territory, have the right to liberty of movement and freedom to choose his residence," and that "everyone shall be free to leave any country, including his own," and that "no one shall be arbitrarily deprived of the right to enter his own country;"

Whereas, the Final Act of the Conference on Security and Cooperation in Europe provided that each of the "participating states will respect human rights and fundamental freedoms, including the free of thought (and) conscience . . . for all," and recognized that all human rights "derive from the inherent dignity of the human person;"

Whereas, this same Act pledged that the participating states would "deal in a positive and a humanitarian spirit with the applications of persons who wish to be reunited with members of their family, with special attention being given to requests of an urgent character—such as requests submitted by persons who are ill or old;"

Whereas, the Act further commits participating states "to facilitate wider travel by their citizens for personal or professional reasons;"

Whereas, the Act specifically affirms the "right of the individual to know and act upon his rights and duties" under the agreement and affirms the positive role individuals play in the implementation of the Act;

Whereas, the Union of Soviet Socialist Republics signed the Final Act of the Conference on Cooperation and Security in Europe, is a party to the Universal Declaration of Human Rights, and has ratified the International Covenant on Civil and Political Rights;

Whereas, Nobel Laureate Andrei Sakharov, who, exercising his right as an individual to monitor compliance with the Final Act, had become a leader of the human rights movement in the Soviet Union, was arrested and exiled to Gorky in direct contravention of the above-mentioned human rights agreements;

Whereas, his wife Elena Bonner, as a result of her efforts to exercise her right of self-expression, has been detained and charged with anti-Soviet agitation;

Whereas, Dr. Bonner is thought to be in urgent need of medical attention available only in the West;

Whereas, Dr. Sakharov is reported to have undertaken a hunger strike, to the point of endangering his health;

Whereas, communication between the Sakharovs in the Soviet Union and their children and stepchildren in the United States has been repeatedly interrupted, delayed, and tampered with by the Soviet authorities;

Whereas, the absence of reliable communications between the branches of the family has created serious doubt as to the state of well-being of Dr. Sakharov and Dr. Bonner;

Whereas, Mr. Alexei Semyonov, the stepson of Dr. Sakharov and the son of Dr. Bonner, has embarked on a hunger strike to dramatize the plight of his family and to protest the cruel obstruction of his efforts to communicate with his loved ones;

Whereas, Mr. Semyonov has demanded a visitor's visa to visit the Soviet Union so that he can reassure himself with his own eyes that his parents are alive and well: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the Sense of the Congress that, in accordance with the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe, the Soviet Union should drop all charges against Dr. Elena Bonner, restore to her and Dr. Andrei Sakharov the full rights to travel (domestic and international) and free expression, allow unimpeded correspondence between them and their relatives and friends in the West, and allow Alexei Semyonov permission to visit them in the Soviet Union.

The Congress urges the President—

(1) to protest, in the strongest possible terms and at the highest levels, the blatant and repeated violations of the Sakharov's rights by the Soviet authorities, and

(2) to call upon all other signatory nations of the Final Act of the Conference on Security and Cooperation in Europe to join in such protests.

The Secretary of the Senate shall transmit copies of this resolution to the Ambassador of the Soviet Union to the United States and to the Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

SENATE CONCURRENT RESOLUTION 63—EXPRESSING APPRECIATION TO PARTICIPANTS IN THE FARMAID CONCERT

Mr. HARKIN submitted the following concurrent resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. Con. Res. 63

Whereas family farms have played a critical role in the history and development of the United States;

Whereas during the first 6 months of 1985, more than 43,000 mortgages on farms in the United States have been foreclosed;

Whereas over 200,000 jobs have disappeared due to the decline in the farm economy;

Whereas it is paramount that the contribution of agriculture to the United States economy be recognized and protected; and

Whereas the Farmaid Concert will focus national attention on the plight of the American farmer: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the efforts of the organizers of and participants in the Farmaid Concert to be held in Champaign, Illinois, to bring the current crisis in American agriculture to the attention of the American people should be supported.

AMENDMENTS SUBMITTED

IMMIGRATION CONTROL ACT OF 1985

BAUCUS (AND WARNER) AMENDMENT NO. 593

Mr. BAUCUS (for himself and Mr. Warner) proposed an amendment to the bill (S. 1200) to amend the Immigration and Nationality Act to effectively control unauthorized immigration to the United States, and for other purposes; as follows:

On page 5, beginning with line 5, strike out all through the bottom of the page.

On page 2, in the Table of Contents, strike out the item relating to section 102.

HATCH AMENDMENT NO. 594

Mr. HATCH proposed an amendment to the bill S. 1200, supra; as follows:

On page 68, between lines 5 and 6, insert the following new section heading:

SEC. 125. SEASONAL AGRICULTURAL WORKER PROGRAM.

WILSON AMENDMENT NO. 595

Mr. WILSON proposed an amendment to amendment No. 594 proposed by Mr. Hatch to the bill S. 1200, supra; as follows:

In the proposed amendment, strike out all after "Sec. 125." and insert in lieu thereof the following:

SEASONAL AGRICULTURAL WORKER PROGRAM.

(a) Providing New "O" Nonimmigrant Classification for Seasonal Agricultural Workers.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by this Act, is further amended—

(1) by inserting "and other than seasonal agricultural services in perishable commodities described in section 217(h)(1)" in subparagraph (H)(ii) after "section 216(h)(1)";

(2) by striking out "or" at the end of subparagraph (M);

(3) by striking out the period at the end of subparagraph (N) and inserting in lieu thereof "; or"; and

(4) by adding at the end the following new subparagraph:

"(O) an alien having a residence in a foreign country which he has not intention of abandoning who is coming to the United States to perform seasonal agricultural services in perishable commodities (as defined in section 217(h)(1)).".

(b) Admission of Seasonal Agricultural Workers.—Chapter 2 of title II is amended by adding after section 216 the following new section:

"SEC. 217. ADMISSION OF SEASONAL AGRICULTURAL WORKERS

(a) Establishment of Seasonal Agricultural Worker Program.—The Attorney General, in consultation with the Secretary of Agriculture and the Secretary of Labor, shall by regulation establish a program (hereafter in this section referred to as "the program") for the admission into the United States of seasonal agricultural workers (as defined in section 271(h)(2)).

"(b) Admission of Seasonal Agricultural Workers.—A petition to import an alien as a seasonal agricultural worker (as defined in section 217(h)(2)) may not be approved by the Attorney General unless the petitioner certifies to the Attorney General the following:

"(1) Seasonal agricultural employer in perishable commodities.—

"(A) Nature of petitioner.—The petitioner employs (or contracts for the employment of) individuals in seasonal agricultural services in perishable commodities, or is an association representing such employers or contractors.

"(B) Requirements of petitions.—For each month concerned and for each agricultural employment region (designated under section 217(i)(1) in which the petitioner is operating, the petition must specify—

"(i) the total number and qualifications of individuals in seasonal agricultural services in perishable commodities required in each month, and

"(ii) the type of agricultural work required to be performed by these workers.

"(2) Will make recruiting effort.—The petitioner will make a good faith effort to recruit (as required by the Attorney General in regulations) in the area of intended employment, including the listing of employment opportunities with the appropriate office of a governmental employment service, and will accept for employment able, willing, and qualified workers referred by such office to perform seasonal agricultural services in perishable commodities until the commencement of the seasonal agricultural services for which the petitioner has recruited.

"(3) Report on recruitment.—In the case of a petitioner that has employed seasonal agricultural workers during the previous 12 months, the petitioner will provide a summary of his effort to recruit domestic workers to perform seasonal agricultural services in perishable commodities during that period.

"(4) Adequate working conditions.—The petitioner will provide such wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed.

"(5) Housing.—The petitioner will furnish housing for nonimmigrants described in section 101(a)(15)(O) or, at the petitioner's option and instead of arranging for suitable housing accomodations, will substitute payment of a reasonable housing allowance to the provider of the housing, but only if the housing is otherwise available within the approximate area of employment.

"(6) Notice to attorney general of employment.—The petitioner will notify the Attorney General of the entering into, or termination, of an employment relationship with a seasonal agricultural worker not later than 72 hours of the time the relationship is entered into or terminated.

"(7) Employment only in seasonal agricultural employment in perishable commodities.—The petitioner will not employ a seasonal agricultural worker for services other than seasonal agricultural employment in perishable commodities.

"(8) Limitation on the use of "o" workers in perishable commodities.—The petitioner will not employ (or petition for the employment) of a nonimmigrant in any job opportunity under section 101(a)(15)(O) for seasonal agricultural services in perishable commodities when an application for employment in that job opportunity under section 101(a)(15)(N) is pending or approved.

"(9) Job information disclosure to "o" workers.—The petitioner shall, upon request, disclose in writing to seasonal agricultural workers when an offer of employment is made, the place of employment, the wage rates, the employee benefits to be provided, and any costs to be charged for each of them, the crops and kinds of activities for which the worker may be employed, and the anticipated period of employment.

"(c) Suspension of Certification.—The Attorney General shall suspend a petitioner's certification under subsection (b) if any of the following conditions exist:

"(1) Labor Dispute.—There is a strike or lockout in the course of a labor dispute which, under the regulations, precludes such certification.

"(2) Violation of Term of Previous Certifications.—

"(A) In general.—The employer at any time during the previous two-year period employed seasonal agricultural workers and the Attorney General has determined, after notice and opportunity for a hearing, that the employer at any time during that period—

"(i) substantially violated an essential term or condition of the labor certification under subsection (b) with respect to the employment of domestic or nonimmigrant workers, or

"(ii) has not paid any penalty for such violations which have been assessed by the Attorney General.

"(B) Disqualification limited to one year.—No employer may have its certification suspended under clause (A) for more than one year for any violation described in that clause.

"(3) Not providing for workers' compensation.—The employer has not provided the Attorney General with satisfactory assurances that if the employment for which the certification is sought is not covered by State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

"(d) Roles of Agricultural Associations.—

"(1) Permitting Filing by Agricultural Associations.—A petition to import an alien as a seasonal agricultural worker, and a labor certification with respect to such a worker, may be filed by an association representing seasonal agricultural employers which use agricultural services.

"(2) Treatment of associations acting as employers.—If such an association is a joint or sole employer of seasonal agricultural workers, the certifications obtained under this section by the association may be used for the job opportunities of any of its members requiring such workers to perform agricultural services of a seasonal nature for which the certifications were obtained.

"(3) Treatment of Violations.—

"(A) Member's violation does not necessarily disqualify association or other members.—If an individual member of such an association is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the member, the suspension shall apply only to that member and does not apply to the association unless the Attorney General determines that the association or other member participated in, or had knowledge of and derived benefit from, the violation.

"(4) Association's violation does not necessarily disqualify members.—If an association representing agricultural employers as an agent, joint employer, or employer is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the association, the suspension shall apply only to the association and does not apply to any individual member of the association unless the Attorney General determines that the member participated in, or had knowledge of and derived benefit from, the violation.

"(e) Expedited Administrative Appeal of Suspension of Certification Under Subsection (c)(2)—

"(1) Expedited Procedures.—The Attorney General shall provide for an expedited procedure for the review of a suspension of certification under subsection (c)(2) or, at the applicant's request, for a de novo administrative hearing respecting the suspension. In the case of a request for such a review or hearing, the Attorney General shall provide that the review or hearing take place not later than 72 hours after the time the request is submitted.

"(f) Hearing de Novo Before the U.S. District Court.—

"(1) Jurisdiction.—On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in the District of Columbia, has jurisdiction to enjoin the Attorney General from suspending the complainant's certification under the program and to order the reinstatement of complainant's certification if it is improperly suspeneded. In such a case, the court shall determine the matter de novo and the burden is on the Attorney General to sustain his suspension.

"(2) Precedence of cases.—Except as to cases the court considers of greater importance, proceedings before the district court, as authorized by this and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trail or for argument at the earliest practicable date and expedited in every way.

"(g) Miscellaneous Provisions.—

"(1) Authority.—The Attorney General is authorized to take such actions, including imposing appropriate penalties and seeking appropriate injunctive relief and specific performance of contractual obligations, as may be necessary to assure employer compliance with terms and conditions of employment under this section.

"(2) Appropriate Documentation.—The Attorney General shall provide for such endorsement of entry and exit documents of seasonal agricultural workers as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(3) Preemption.—The provisions of subsections (a) and (c) section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.

"(h) Definitions.—For purposes of this section:

"(1) Seasonal Agricultural Services in Perishable Commodities.—The term 'seasonal agricultural services in perishable commodities' means services in agricultural employment including planting cultural practices, production, cultivation, growing, and harvesting involving perishable commodities (as defined by regulations of the Secretary of Agriculture).

"(2) Seasonal Agricultural Worker.—The term 'seasonal agricultural worker' means a nonimmigrant described in section 101(a)(15)(O).

"(3) Caribbean basin.—The terms 'Caribbean Basin' and 'Caribbean Basin Countries' include those countries eligible to be designated by the President as 'beneficiary countries' under section 212(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(b)).

"(i) Establishment of Numerical Limitations by Agricultural Employment Region.—

"(1) Establishment of agricultural employment region.—For purposes of the administration of the program the Attorney General shall designate not more than 10 agricultural employment regions within the United States. The entire United States shall be encompassed by the area of all such regions.

"(2) Numerical limitations.—After considering the factors described in paragraph (3), if the Attorney General determines that seasonal agricultural workers are required for a month for an agricultural employment region, the Attorney General shall establish a numerical limitation on the number of nonimmigrant visas that may be issued for such workers for that month for that region.

"(3) Factors in determination.—In making the determination and establishing numerical limitations under paragraph (2), the Attorney General shall—

"(A) base the determinations and limitations on petitions filed under section 217(b)(1),

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A), and

"(D) consult with the Secretary of Agriculture.

"(4) Numerical limitations after three years.—The Attorney General shall establish at the end of the third year after the effective date of this Act, a numerical limit on the total number of seasonal agricultural workers to be admitted into all employment regions in the United States under the program at any given time. In establishing a numerical limit under this paragraph, the Attorney General shall—

"(A) consider petitions filed under section 217(b)(1) during the preceding years of the program,

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts under taken by the Secretary of Labor under section 404(d)(1)(A),

"(D) consult with Secretary of Agriculture, and

"(E) consider the recommendation of the Commission on Agricultural Worker Programs on a numerical limit as provided under section 124(c)(5).

"(5) Changes in numerical limitations in extraordinary circumstances.—

"(A) Inadequate monthly and regional limitations.—if—

"(i) a numerical limitation has been established under paragraphs (2) or (4) for a region for a month, and

"(ii) a petitioner described in section 217(b)(1) establishes that extraordinary and unusual circumstances have resulted in a significant change in the petitioner's need for seasonal agricultural workers specified in the petition or in the availability of domestic workers who are able, willing, and qualified to perform seasonal agricultural employment, the petitioner may apply to the Attorney General (in such form and manner as the Attorney General shall provide) for an increase in the numerical limitations otherwise established under paragraphs (2) and (4) to accommodate the circumstances.

"(B) Determination.—The Attorney General shall make a determination on such an application within 72 hours of the date the application is completed. To the extent the application is approved, the Attorney General shall provide for an appropriate increase in the appropriate monthly and regional numerical limitation. The Attorney General may expand the number of workers admitted into the region for which the application is approved by transferring seasonal agricultural workers from another region with a lesser need or by admitting additional workers from foreign countries. In the event the limit on the admission of seasonal agricultural workers for all regions in the United States established under paragraph (4) has been reached at the time the application alleging extraordinary and unusual circumstances is filed, the Attorney General shall follow the procedures in subparagraph (C).

"(C) Increase in the numerical limitation established by the attorney general.—If—

"(i) a numerical limitation on the admission of seasonal agricultural workers into all employment regions has been established by the Attorney General under paragraph (4) and

"(ii) a petitioner described in section 217(b)(1) establishes under the provisions of subparagraphs (A) and (B) that extraordinary and unusual circumstances require an increase in the numerical limitation, the Attorney General may provide for an increase in the appropriate numerical limitation in an amount not to exceed 20 percent of the total number authorized for admission into all regions. Any such increase authorized by the Attorney General shall terminate upon the end of circumstances requiring it and shall not result in a permanent expansion of the numerical limit established the Attorney General under paragraph (4).

"(j) Entry of Seasonal Agricultural Workers.—

"(1) Annual time limitation.—An alien may not be admitted to the United States as a seasonal agricultural worker under section 101(a)(15)(O) for a period of more than nine months in any calendar year. An alien admitted under section 101(a)(15)(O) during any calendar year will not be eligible for readmission into the United States until he has returned to his country of origin for a period of 3 months.

"(2) Violators disqualified for 5 years.—An alien may not be admitted to the United States as a seasonal agricultural worker if the alien was admitted to the United States as such a worker within the previous five-year period and the alien during that period violated a term or condition of such previous admission.

"(k) Wages and Working Conditions.—The Attorney General, in consultation with the Secretaries of Agriculture and Labor, shall establish through regulation appropriate wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed in the area of intended employment.

"(l) Allocation and Use of Visas Under the Program.—

"(1) In general.—Nonimmigrant visas for seasonal agricultural workers, within the numerical limitations established under subsection (i)(2), shall be made available as follows:

"(A) Previous workers.—Visas shall first be made available to qualified nonimmigrants who have previously been admitted as seasonal agricultural workers and who have fully complied with the terms and conditions of any such previous admission, providing priority in consideration among such aliens in the order of the length of time in which they were so employed.

"(B) Others.—Any remaining visas shall be made available to other qualified nonimmigrants.

"(C) Treatment of spouses and children.—A spouse or child of a seasonal agricultural worker is not entitled to a nonimmigrant visa as such a worker by virtue of such relationship, whether or not accompanying or following to join the nonimmigrant, but may be provided a nonimmigrant visa as such a worker if the spouse or child also is a qualified as such a worker.

"(D) No individual employer visa petition required.—An alien admitted pursuant to section 101(a)(15)(O) shall not be required to obtain any petition from any prospective employer within the United States in order to obtain a nonimmigrant visa under the program.

"(E) No limitation to particular employer or crop.—A nonimmigrant visa issued under the program shall not limit the geographical area (other than by agricultural employment region) within which a seasonal agricultural worker may be employed or limit the type of seasonal agricultural employment services, in perishable commodities, the worker may perform.

"(F) Disqualification from federal assistance.—A seasonal agricultural worker under the program is not eligible for any program of financial assistance under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government.

"(G) Allocation of visas to caribbean basin countries.—The Attorney General, in consultation with the Secretaries of State and Agriculture, shall establish through regulations the allocation of visas to workers in specific countries under this section. A percentage of the visas issued shall be allocated to qualified workers in countries located in the Caribbean Basin.

"(m) Trust Fund for Program Administration.—

"(1) Establishment.—The Attorney General shall establish by regulation a trust fund the purpose of which is to provide funds for the administration of the program and to provide a monetary incentive for seasonal agricultural workers in the program to return to their country of origin upon expiration of their visas under the program. The Attorney General shall promulgate such other regulations as may be necessary to carry out this subsection.

"(2) Payments into Trust Fund.—In the case of employment of a seasonal agricultural worker under the program—

"(A) Employer payment.—The employer shall provide for payment into the trust fund established under this subsection of an amount equivalent to 11 percent of the wages of the worker.

"(B) Worker payment.—There shall be deducted from the wages of the nonimmigrant and paid into such trust fund an amount equivalent to 20 percent of the wages of the worker.

"(C) Wages defined.—For purposes of this paragraph, the term 'wages' has the meaning given such term in section 3121(a) of the Internal Revenue Code of 1954, except that for these purposes paragraph (1) of that section shall not apply.

"(3) Use of Amounts in Trust Fund.—

"(A) Employer payments and interest.—Except as provided in paragraph (B), amounts paid into the trust fund, and interest thereon, shall be used for the purpose of administering the program.

"(B) Worker payments.—Amounts described in paragraph (B) paid into the trust fund with respect to a worker and interest thereon shall be paid to the worker if—

"(i) the worker applies for payment within 30 days of the last day of employment under the program (as verified by the Attorney General) at the United States consulate nearest the worker's residence in the country of origin, and

"(ii) the worker complies with the terms and conditions of the program including the obligation to be continuously employed (or actively seeking employment) in seasonal agricultural employment in perishable commodities.

"(4) Expansion of consulates.—The Secretary of State is authorized to take such steps as may be necessary in order to expand and establish consulates in foreign countries in which aliens are likely to apply for nonimmigrant status under the program.".

"(c) Authorization of Appropriations.—Section 404 (8 U.S.C. 1101), as amended by sections 101(b) and 102(b) of this Act, is further amended by adding at the end the following new subsections:

"(d) Authorizations of appropriations for secretary of labor.—(1) There are authorized to be appropriated to the Secretary of Labor for each fiscal year, beginning with fiscal year 1986, $10,000,000 for the purposes—

"(A) of recruiting domestic workers for temporary services which might otherwise be performed by seasonal agricultural workers described in section 217, and

"(B) of monitoring terms and conditions under which such temporary and seasonal agricultural workers (and domestic workers employed by the same employers) are employed in the United States.

"(e) Authorization of appropriations for secretary of agriculture.—There are authorized to be appropriated for each fiscal year, beginning with fiscal year 1986, such sums as may be necessary for the purposes of enabling the Secretary of Agriculture to carry out the Secretary's duties and responsibilities under section 217.".

"(d) Prohibiting Adjustment of Status of Temporary Agricultural Workers.—(1) Section 245(c) (8 U.S.C. 1255(c)), as amended by sections 113(a) and 122(e)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(4) An alien (other than an immediate relative specified in section 210(b)) who entered the United States classified as a nonimmigrant under section 101(a)(15)(O).

(2) Section 248(1) (8 U.S.C. 1258(1)), as amended by section 122(e)(2), is further amended by striking out "(K) or (N)" and inserting in lieu thereof "(K), (N), or (O).".

(e) Effective Date.—The amendments made by subsections (a), (b), (c), and (d) of this section apply to petitions and applications filed under section 217 of the Immigration and Nationality Act on or after the first day of the twelfth month beginning after the date of the enactment of this Act (hereafter in this section referred to as the "effective date").

(f) Regulations.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall approve all regulations to be issued implementing sections 101(a)(15)(O) and 217 of the Immigration and Nationality Act. Notwithstanding any other provision of law, final regulations to implement such sections shall first be issued, on an interim or other basis, not later than the effective date.

(g) Deportation of Seasonal Agricultural Workers for Failure To Be Employed or Seek Employment.—Section 241(a) (8 U.S.C. 1251(a)) is amended—

(1) by striking out the period at the end of paragraph (19) and inserting in lieu thereof "or"; and

(2) by adding at the end of the following new paragraph:

"(20) entered the United States as nonimmigrants under section 101(a)(15)(O) and failed to be continuously employed or actively seeking employment in seasonal agricultural employment in perishable commodities (as defined in section 217(h)(1) in accordance with the usual and customary employment patterns and practices.".

(h) Sense of Congress Respecting Advisory Commission.—It is the sense of Congress that the President should establish an advisory commission which shall consult with the Government of Mexico and the governments of other appropriate countries and advise the Attorney General regarding the operation of the seasonal agricultural worker program established under section 217 of the Immigration and Nationality Act.

(I) Conforming Amendment to Table of Contents.—The table of contents is amended by inserting after the item relating to section 216, as added by section 122(h), the following new item:

"Sec. 217. Seasonal agricultural worker program.".

CHILES AMENDMENT NO. 596

Mr. CHILES proposed an amendment to the bill S. 1200, supra; as follows:

On page 75, line 8 strike "December 31, 1980" and insert in lieu thereof "October 14, 1981".

On page 76, line 8 strike "January 1, 1981" and insert in lieu thereof "October 15, 1981".

On page 76, line 10 strike "December 31, 1980" and insert in lieu thereof "October 14, 1981".

Beginning on page 76 with line 11 strike out all through line 25 and insert in lieu thereof the following:

(ii) a national of Haiti who has established a record with the Immigration and Naturalization Service before October 15, 1981, and who was physically present in the United States on that date; or

On page 77, line 1 strike "(iv)" and insert in lieu thereof "(iii)".

(AND KERRY

KERRY (AND OTHERS) AMENDMENT NO. 597

Mr. KERRY (for himself, Mr. Hart, Mr. Kennedy, Mr. Weicker, Mr. Simon, Mr. Cranston, Mr. Pell, and Mr. Harkin) proposed an amendment to the bill S. 1200, supra; as follows:

On page 125, after line 23, add the following new title:

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. DELAY OF ANTI-SATELLITE WEAPON TEST.

(a) Congressional Findings.—The Congress finds that—

(1) the President of the United States and the head of the Soviet Union have agreed to a summit conference scheduled to convene in Geneva, Switzerland, on November 19, 1985;

(2) that conference will present an extraordinary opportunity for an agreement in principle on measures to control the arms race between the United States and the Soviet Union, including limitations on anti-satellite weapons; and

(3) a delay in the scheduled test of an anti-satellite weapon against an object in space by the United States until after the conclusion of the summit conference could greatly enhance the climate for fruitful discussions and facilitate the possibility for an accord on anti-satellite weapons.

(b) Delay of Test.—Notwithstanding any other provision of law, the Secretary of Defense may not carry out a test of the Space Defense System (anti-satellite weapon) against an object in space until after the conclusion of the summit conference between the President of the United States and the head of the Soviet Union referred to in subsection (a).

HAWKINS AMENDMENT NO. 598

Mrs. HAWKINS proposed an amendment to the bill S. 1200, supra; as follows:

At the appropriate place in the bill add the following:

Sec. . There are authorized to be appropriated to an immigration emergency revolving fund, to be established in the Treasury, $35,000,000 to be used to provide for an increase in border patrol or other enforcement activities of the Service and for reimbursement of State and localities in providing assistance as requested by the Attorney General in meeting an immigration emergency, except that no amounts may be withdrawn from such funds with respect to an emergency unless the President has determined that the immigration emergency exists and has certified such fact to the Judiciary Committees of the House of Representatives and of the Senate.

McCLURE (AND OTHERS) AMENDMENT NO. 599

Mr. McCLURE (for himself, Mr. Burdick, Mr. Garn, Mr. Thurmond, Mr. Symms, Mr. Pressler, Mr. Denton, Mr. Mattingly, and Mr. Wilson) proposed an amendment, which was subsequently modified, to the bill S. 1200, supra; as follows:

On page 125, after line 23, add the following:

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. POLICY TOWARD THE ENGLISH LANGUAGE.

(a) Findings.—The Congress finds that—

(1) the United States had been and will continue to be enriched by the contributions of immigrants from diverse cultures;

(2) a common language, English, fosters harmony among our people, promotes political stability, permits the interchange of ideas, encourages societal accord, and unites us as a people committed to freedom and equality;

(3) the learning of the English language by our Nation's immigrants is vital to their participation in the economic, education, social, and political opportunities of our country; and

(4) a role of the Congress is supporting the bonds that unite our people, one of the most important of which is the use of the English language.

(b) Policy.—It is the sense of the Congress that—

(1) the English language is the official language of the United States.

On page 3, at the end of the table of contents, add the following:

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Policy toward the English language.

HAWKINS AMENDMENT NO. 600

Mrs. HAWKINS proposed an amendment to the bill S. 1200, supra; as follows:

At the end of title III add the following:

SEC. . VERIFICATION OF IMMIGRATION STATUS OF ALIENS APPLYING FOR BENEFITS UNDER CERTAIN PROGRAMS.

(a) Requiring Immigration Status Verification.—

(1) Under AFDC, medicaid, unemployment compensation, and food stamp programs.—Section 1137 of the Social Security Act (42 U.S.C. 1320b-7) is amended—

(A) by redesignating paragraphs (4) through (7) of subsection (a) as paragraphs (5) through (8), respectively, and inserting after paragraph (3) the following new paragraph:

"(4) the State shall require, as a condition of eligibility for benefits under any program listed in subsection (b), that each applicant for or recipient of benefits under that program must declare in writing, under penalty of perjury, whether or not the individual is a citizen of the United States, and, if not a citizen of the United States, the individual shall present alien registration documentation or other proof of immigration registration from the Immigration and Naturalization Service that contain the individual's alien admission number, or alien file number (or numbers if he has more than one number), and—

"(A) if such an applicant or recipient is not a citizen of the United States, the State shall utilize the individual's alien file or alien admission number to verify with the Immigration and Naturalization Service the alien's immigration status through an automated or other system (designated by the Service for use with States) that—

"(i) utilizes the alien's name, file number, admission number or other means permitting efficient verification, and

"(ii) protects the alien's privacy to the maximum degree possible,

"(B) if the verification under subparagraph (A) does not indicate that the individual is in an immigration status permitting eligibility for benefits under the applicable program—

"(i) the State shall provide the alien with an opportunity to prove otherwise by submitting to the State documents establishing a satisfactory immigration status for the applicable program, photostatic or other similar copies of which documents shall be transmitted by the State to the Immigration and Naturalization Service for official verification, and

"(ii) the State may not deny, reduce, or terminate an individual's benefits under the program on the basis of immigration status without affording the individual the opportunity described in clause (i), and

"(C) if an individual has been determined (after the opportunity described in subparagraph (B)(i)) to be an alien in an immigration status which does not permit the individual to be eligible for benefits under the applicable program, the State shall deny or terminate the individuals's participation in the program;"; and

(B) in subsection (b), by striking out "income verification system" in the matter preceding paragraph (1) and inserting in lieu "income and eligibility verification system".

(2) Under SSI program.—Section 1631(e)(1)(B) of such Act is amended by striking out "subsections (a)(6) and (c)" and inserting in lieu thereof "(a)(4), (a)(7), and (c)".

(b) Providing 90 Percent Matching Funds for Non-Labor Costs of Implementation and Operation.—

(1) Under AFDC program.—Section 403(a)(3) of the Social Security Act is amended by inserting before subparagraph (B) the following new subparagraph:

"(A) 90 percent of so much of such expenditures as are for the non-labor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4),".

(2) Under medicaid program.—Section 1903(a) of such Act is amended by inserting after paragraph (3) the following new paragraph:

"(4) an amount equal to 90 percent of the sums expended during the quarter which are attributable to the non-labor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4); plus".

(3) Under unemployment compensation program.—The first sentence of section 302(a) of such Act is amended by inserting before the period at the end the following: ", including 90 percent of so much of the reasonable expenditures of the State as are attributable to the non-labor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4)".

(4) Under certain territorial assistance programs.—Sections 3(a)(4), 1003(a)(3), 1403(a)(3), 1603(a)(4) of the Social Security Act (as in effect without regard to section 301 of the Social Security Amendments of 1972) are each amended by redesignating subparagraph (B) as subparagraph (C) and inserting after subparagraph (A) the following new subparagraph:

"(B) 90 percent of so much of such expenditures as are for the non-labor costs of the implementation and operation of the immigration status verification system described in section 1137(a)(4); plus".

(5) Under the food stamp program.—Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) is amended by adding at the end the following new subsection:

"(h) The Secretary is authorized to pay to each State agency an amount equal to 90 per centum of the non-labor costs incurred by the State agency in implementing and operating the immigration status verification system described in section 1137(a)(4) of the Social Security Act.".

(c) Effective Dates.—

(1) INS establishing verification system by October 1, 1987.—The Commissioner of Immigration and Naturalization shall implement a system for the verification of immigration status under section 1137(a)(4)(A) of the Social Security Act (as amended by this section) so that the system is available to all the States by not later than October 1, 1987.

(2) Higher matching effective in fiscal year 1988.—The amendments made by subsection (b) take effect on October 1, 1987.

(3) Use of verification system required in fiscal year 1989.—The amendments made by subsection (a) take effect on October 1, 1988. States have until that date to begin complying with the requirements imposed by those amendments.

PRESSLER (AND WARNER) AMENDMENT NO. 601

Mr. PRESSLER (for himself and Mr. Warner) proposed an amendment to the bill S. 1200, supra; as follows:

On page 113, insert the following immediately before line 20:

(f) Sense of the Senate.—It is the sense of the Senate that the visa waiver pilot program authorized by the amendments made by this section will provide economic benefits, greater international understanding and cooperation, and more efficient use of consular resources, and that such goals are highly desirable and in the national interest. The Senate reaffirms its support for such program.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. COHEN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, September 12, 1985, in closed executive session in order to receive a briefing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. COHEN. Mr. President, I ask unanimous consent that the Subcommittee on Energy Research and Devel-

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opment of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, September 12, to hold an oversight hearing on Department of Energy's "Mission Plan for the Civilian Radioactive Waste Management Program."

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE ORGANIZATION TASK FORCE

Mr. COHEN. Mr. President, I ask unanimous consent that the DOD Organization Task Force of the Committee on Armed Services be authorized to meet in executive session, during the session of the Senate on Thursday, September 12, to hold a meeting to discuss one of the chapters of the DOD Organization Staff Study.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and Humanities of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Thursday, September 12, 1985, in order to conduct a hearing on the reauthorization of the Higher Education Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate, on Thursday, September 12, 1985, between the hours of 3 p.m. and 4 p.m. in order to mark up S. 616, the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

UTERO INTERVENTION

● Mr. HUMPHREY. Mr. President, on July 1, a hearing was held under the auspices of the newly-formed Pro-Life Action Task Force for Women, Children and the Unborn. The hearing investigated the most recent developments in fetal diagnosis and fetal surgery, and explored some of the ethical questions surrounding the new technologies.

Women and their children, both born and unborn, are continually faced with distressing circumstances, seemingly beyond their control and without resolution. This hearing is one of several that will examine the positive responses that are in fact available to these women. The testimony resulting from these investigations is being disseminated to State legislatures, the press and the public in an effort to inform them of the potentials and the drawbacks of in utero intervention. It is also our hope to focus public awareness on the congenital conditions most easily remedied by fetal surgery—namely hydrocephalus and hydronephrosis.

We encourage the use of the hearing transcripts as pools of information from which future legislative and private initiatives can draw. These sources, we hope, will promote much-needed funding for research, provide moral and financial aid to families, and establish ethical guidelines for those involved in and affected by fetal surgery.

In utero intervention is still at an experimental stage. Yet steadily, the field has developed in conjunction with advances in diagnostic techniques, antilabor induction drugs, and fetology. Unique opportunities for aggressive, effective treatment of certain conditions now present themselves—as early as the 18th week of pregnancy.

Over 30 major developmental irregularities can now be detected by prenatal diagnostic tests. Of these, four conditions have been successfully corrected by fetal surgery on human patients, and several more have been remedied in animal patients. Results of the surgery have been striking. Rough estimates show that up to 80 percent of the hydrocephalic patients survive where previously death was imminent. Some of these require further postnatal treatment, but the surgery has served the important function of limiting brain damage. In addition, there are the inspiring cases like Sarah Lund's, where a complete cure seems to have been effected.

Currently, on the basis of the diagnostic information provided, women either abort the "defective" infant or opt to continue the pregnancy and commence appropriate postnatal treatment. The advent of new prenatal options may soon present a positive, middle-ground alternative to the two extremes of abortion and nontreatment. We must address and promote positive alternatives to abortion and suffering such as these if we truly are to become a healthy and caring nation.

Mr. President, I present to my colleagues the written testimony of Dr. Richard Depp, the noted fetal surgeon who has successfully operated in utero on a number of preborn infants. His testimony is especially enlightening about the techniques he uses and the ethical situations he faces. I also present a summary of the hearing.

The material follows:

Testimony of Dr. Richard Depp Before the "Pro-Life Action Task Force for Women, Children and the Unborn" Hearing on Fetal Surgery

Good afternoon. I am Dr. Richard Depp, Professor of Obstetrics and Gynecology at Northwestern University Medical School and Director of the Division of Obstetrics at Prentice Women's Hospital in Chicago. I have been asked to apprise your Task Force on recent advances in fetal medicine, with particular reference to the technologies of fetal surgery. I have with me Julie Lunde and her daughter Sarah, who presented to my office with a diagnosis of fetal hydrocephalus.

The concept that the fetus is a patient, an individual whose medical or surgical problems are subject to medical or surgical treatment is certainly modern. This is primarily a function of recent availability of techniques allowing the physician to visualize, monitor, measure, and even recently assess responses to outside stimuli. As a consequence, we are now in a position where we must view the fetus seriously from a medical, legal and ethical standpoint as a patient.

Much of our progress over the past years had its foundation in the 1960's and 70's when a number of investigators began experimentation on the animal fetus in attempts to understand fetal physiology and in attempts to create animal models for human disease.

Our ability to potentially treat the fetus as a patient is the result, in many cases, of funding by national health agencies and foundations with interest in this area. Our instruments to assess fetal condition include recent availability of electronic fetal monitors, ability to withdraw amniotic fluid bathing the fetus, through the maternal abdomen to determine the presence of abnormal metabolites or chromosomes, or to measure fetal hormones in the maternal blood or urine. The development that has had the most profound effect on our approach to the fetus was the introduction of safe, non-invasive imaging techniques, such as real-time ultrasound which permits direct visualization of the living fetus. Using this technology, we can accurately delineate normal and abnormal fetal development with truly astounding detail. For those of you who have not visualized such an examination, it is much akin to a moving picture evaluation of the fetus.

We are only now beginning to attempt fetal surgery; the idea is only relatively new. In the 1960's, several investigators from Australia as well as the United States "surgically" treated the fetus with erhythroblastosis fetalis, a condition in which the fetus becomes severely anemic as a result of antibodies crossing from the maternal system. In the early 1960's, Liley demonstrated that intra-abdominal placement of blood in the fetus is effective in treating this condition, severe fetal hydrops. This inaugurated fetal "intervention". Not only are we able to treat the fetus surgically, but we are also able to treat the fetus from a medical vantage point. The most notable medical example is our ability to hasten lung development of the premature fetus by the administration of steroids to reduce the impact of respiratory distress syndrome, an entity which was responsible for the death of former President John F. Kennedy's child. Other conditions include fetal congenital hypothyroidism, another notable example.

With these new abilities comes additional responsibility on the part of the physician. Until recently, the fetus did not require a physician; the only requirement was an advocate or protector. Advocates have always been present but the grounds for advocacy were often religious, emotional and philosophical rather than diagnostic and therapeutic. The fact that correctable disorders can now be recognized, and in some cases managed by medical and surgical therapy, to some extent changes our priorities. It certainly raises complex ethical questions about risks and benefits, and about the rights of the mother and fetus as patients. We as physicians are only beginning to address these difficult issues.

In approaching the fetus with a potentially surgically correctable anomaly, a number of questions are raised. Until recently, the only question raised by the prenatal diagnosis of a fetal malformation, particularly those incompatible with life, was whether to abort the fetus or await delivery. With the advent of new technologies, therapeutic alternatives and prenatal diagnosis, such as changing the mode of delivery and even treatment before birth, assume new clinical significance.

Until recently, the rationale for determining how the prenatal diagnosis of any given fetal defect will affect perinatal management is quite simple. Lesions incompatible with postnatal life lead to spontaneous abortion or delivery. Most surgically correctable lesions are best treated after normal term delivery. It is the lesion which is progressive which leads to reversible or preventable disfunction of other organ systems which requires either early delivery or consideration of fetal surgery. I must emphasize at this point that, although the rationale for such surgical intervention is simple, our present experience, even though dramatically advanced over previous years, is still limited and therefore our views must be cautiously expressed. At this time, they are intended to serve only as a basis for discussion, investigation and refinement.

At the present time, three conditions are considered for possible surgical intervention prior to delivery. They are: posterior urethral valve syndrome, a condition primarily affecting the male fetus resulting in an obstruction of urine release from the penis. The result of this obstruction is progressive enlargement of the bladder and kidney collecting system. There is a secondary failure of fetal lung development because of the dramatic enlargement and expansion of the fetal bladder. The second condition commonly considered is obstructive progressive fetal hydrocephalus, a condition in which the ventricle, a fluid-filled space within the fetal head, enlarges progressively at the expense of brain tissue. A third condition, fetal diaphragmatic hernia, a condition wherein the abdominal contents spill into the fetal chest reducing the ability of the fetal lungs to develop and expand, has also been considered as a problem potentially treated surgically. This latter condition has, to my knowledge, not been treated in the human fetus as of this time.

There are several major points to be made regarding availability of fetal surgery. The first is that fetal surgery is, at this point, experimental with no proven benefit. We have much to learn. However, this should not make us hesitant to proceed with further investigation in this area. The long term objective is to provide the patient and the fetus with alternatives not presently available.

Summary of Fetal Surgery Hearing

A hearing examining the relatively new medical fields of fetal diagnosis and fetal surgery convened Wednesday, July 31 on Capitol Hill under the auspices of the recently formed Pro-Life Action Task Force For Women, Children and the Unborn. Chaired by Senator Gordon J. Humphrey (R-N.H.), the seven-Senator Task Force has formed to probe issues affecting women and their children—both born and pre-born.

Women and their children today face numerous distressing circumstances beyond their control and seemingly without resolution. The hearing was the first of several that will examine the positive responses to these circumstances that are in fact available. Directed at informing legislators, the press and the public of the potentials and drawbacks of in utero treatments, Senator Humphrey expects the hearing and resulting transcripts to serve as pools of information from which future legislation and private initiatives can draw. Senator Humphrey also noted that the hearing would ultimately demonstrate the importance of in utero operations as a positive alternative to the undesirable extremes of abortion and non-treatment.

One-year old Sarah Lund provided a striking example of the tremendous potential of fetal surgery. Early in 1984, Chicago perinatologists diagnosed Sarah, then only six months in her mother's womb, as suffering an advanced case of congenital hydrocephalus—or "water on the brain." The condition is characterized by a buildup of cerebrospinal fluid as a result of a block in canals exiting the brain. Prevented from reabsorbing into the blood stream, the fluid accumulates in the brain ventricles, compressing normal cells. The excess accumulation leads finally to mental retardation or death.

Sarah's own prognosis was bleak, given her abnormally bloated head—80 percent of which was filled with cerebrospinal fluid. Her condition confirmed by ultrasound, Dr. Richard Depp of Prentice Women's Hospital performed the surgery. When Sarah's skull later enclosed the shunt, Depp implanted a second. The shunt continues to drain the fluid into her abdomen through a tube lying just under her skin.

Sarah's hydrocephalus remains—doctors today know of no cure for the condition—and she will always require periodic revisions of the shunt system. But the operation is a tremendous success in that doctors averted much of the damage that might have occurred, and arrested many of the typical difficulties associated with hydrocephalus. Today, according to her mother, Mrs. Lund, Sarah "has a little bit of trouble with control of her head, but she is rolling over and smiling, and she is very alert. We just think the world is hers."

Surprisingly, and rather refreshingly, Mrs. Lund brushed off concerns about the dangers to her own health. Her fears, she noted, were exclusively for her child. "I wasn't thinking about myself at that time . . . (the pain) was all internal. I really turned into myself, you know, for the baby." Instead, Mrs. Lund's concerns centered on the risk to the life of her child—should the surgeon miss his target or should she (Mrs. Lund) spontaneously abort—and on whether the surgery would actually improve Sarah's condition.

In actual fact, the mother can expect to experience little long-term risk due to the operation. Mrs. Lund, however, described the temporary inconveniences of the surgery, including the nausea associated with anesthesia, the pain of the incision and needle, uterine contractions, and the thrashing of the now agitated baby. Nevertheless, the following morning Mrs. Lund returned home to await Sarah's birth ten weeks later.

Mrs. Lund, responding to Senator Humphrey's observations on the comparative newness of the technology and the lack of experience doctors have in the field, also emphasized that she and her husband were lucky to even discover that in utero options were available. Mrs. Lund also noted the difficulties involved in connecting with knowledgeable sources. As Senator Humphrey noted, Mrs. Lund attributed these difficulties to the lack of information available to doctors, the lack of surgeons with the requisite skills and the shortage of financial resources for research and patient support.

Sarah's doctor, Dr. Depp, in fact, is one of only a handful of fetal surgeons practicing in the relatively new field of fetal surgery. Doctors first intervened in utero in 1963 with transfusions to correct RH imbalances that subjected fetal red cells to attacks by the mother's immune system. Actual surgical intervention did not occur, however, until 1978 when a Harvard team of doctors surgically aspirated the hydrocephalic brain of a fetus. The surgery failed. Research continued, though, and in 1981, doctors in Denver, San Francisco and Richmond all performed successful operations for hydrocephalus, hydronephrosis and collapsed lungs respectively.

New techniques and technology facilitated the development of both fetal diagnosis and fetal surgery. Senator Humphrey noted the importance of the introduction of ritodrin, an anti-labor induction drug. As the primary complication involved in fetal surgery is spontaneous abortion of the fetus, the new drug alone has allowed tremendous advances in the field.

Depp also noted the importance of improved diagnostic methods that visualize and monitor the fetus, and even assess fetal neurological functions. The most profound development, by general consensus of doctors, is that of ultrasound, which enables delineation of fetal conditions with "truly astounding detail." Depp specifically cited new equipment with which "you can actually see the nasal hair on the nostrils of the fetus at twelve or thirteen weeks of pregnancy."

Dr. William Colliton, past Chairman of the OB-GYN department at Holy Cross Hospital, and Assistant Clinical Professor at George Washington University, elaborated upon the "astounding detail" available to the sonographer. An experienced sonograph user in his private practice, Colliton narrated a sector-scan film that showed the beating four-chamber structure of the heart (and the aorta pulsating in unison), vena cava, umbilical vein and cord, liver, eye orbits, nose, mouth, spinal column and ribs of a "twenty-eight weeker." These organs and structures, and others, a sonographer can detect and monitor in infants as young as twelve weeks.

Colliton's descriptions underscored the importance Depp attributes to the sonographer, and the complexity of the ultrasound technician's task. The fetal surgeon relies heavily on the "image" provided by the sonograph to visualize his patient and the target organ. Indeed, the very vitality and responsiveness to pain that characterize (indeed, humanize) the fetus in utero, render the sonographers' role critical and extremely difficult.

These revolutionary technologies have aided in the treatment of three conditions, in addition to the Rh factor imbalance. The first is hydrocephalus—the condition suffered by Sarah Lund. The second is hydronephrosis, an obstruction causing urine buildup in the bladder and kidney, resulting in damaged kidneys and underdeveloped lungs. The third is fetal diaphragmatic hernia, where the abdominal contents push through a lesion in the diaphragm again inhibiting lung growth. Doctors have successfully treated this in animals, and it will most likely be the next operable condition. Depp also expressed optimism that mylomeningecele—the spinal sac condition often associated with spina bifida—will soon be operable.

Depp noted that despite the advances in the technology, fetal patients must meet certain criteria before he will intervene surgically. As Depp described, the infant's conditions must be detectible by available diagnostic tools such as sonography or amniocentesis. The condition must also be progressive, and as a result the prognosis for the child must be expected to worsen substantially if he/she does not receive aid. In addition, the condition must be operable. Any infant with a condition that has little or no chance of being remedied will not be operated on in utero. Finally, Depp refuses to operate on a patient who would benefit from post-natal treatment and yet suffer no significant risks due to a delay in such surgery.

Depp also discussed complications surrounding fetal surgery. Late diagnosis of the condition clearly will complicate the task of the surgeon. The fetus, of course, has no symptoms that are manifest exteriorly, so a mother rarely senses danger signals. That ultrasound is not readily available to many women further contributes to the frequency of late diagnoses. Misdiagnosis and incomplete diagnosis also obviously present problems and this too is exacerbated by the paucity of experienced and capable fetal surgeons and the shortage of funds.

Finally, there is the uncertainty that the surgery in fact, and alone, corrected the condition at hand. To this end an International Fetal Surgery Registry has been established under the direction of Edward Manning of the University of Manitoba—Winnepeg. Following a Krol Foundation Symposium on fetal surgery, the nation's most respected fetal surgeons committed themselves to pooling their information, experience and expertise in the Registry. The surgeons hope in this way to develop a substantial data base upon which scientific determinations can be made.

With the mind-boggling advances in technology come equally perplexing ethical questions. Depp, agreeing with Senator Humphrey that serious problems might result with respect to a fetal candidate selection process, cited concerns regarding the criteria for determining which infants are operable. Depp noted that the analysis of risks and benefits, and subsequent actions in response to this data, also pose critical moral questions. In addition, one must consider the rights of the mother who does not directly benefit from the operation, yet clearly retains status as a patient. Senator Humphrey later pointed out the practical difficulties, in addition to the ethical concerns, involved in compelling a mother unwilling to undergo surgery for the benefit of her infant.

The most significant question raised, however, involves the moral and legal status of the fetus—and Senator Humphrey directed much of the testimony toward this issue. The question involves determinations of the personhood status of the fetus, and the correlative matter of the rights due such an unborn person.

As a result of the advances in fetal treatment and techniques, the fetus now finds him or herself in the unaccustomed position of bearing operable conditions. The preborn child, now treatable, appears almost indistinguishable from other human beings who are similarly operable. Consequently, it is difficult not to posit a comparable right to treatment for the fetus. Depp notes that, as a result of the advent of new diagnostic techniques and fetal surgery, "we are now in a position where we must view the fetus seriously from a medical, legal and ethical standpoint as a patient."

As a result, we can easily posit sundry rights, including a right to life, for the unborn child. Indeed, Depp goes so far as to posit that his unborn patient is "at some point . . . a person." "So at that point, to me, I think I have a special responsibility to that individual."

Senator Humphrey also questioned extensively regarding the pain-killing techniques fetal surgeons use. Doctors anesthetize (which effectively renders the patient insensate to pain) or narcotize (inject a narcotic through a vein so that "you care less about pain") both the mother and the fetus. Depp narcotizes his patients—the woman and her child. The mother, then, experiences less pain due to the incisions and nausea. The fetus gets "sleepy" and becomes less active, making the placement of the catheter easier and less risky. Depp also confirms that the fetus on which he operates, feels pain, and this too justifies the narcotization of the infant. "They do feel. . . . they feel the needle and they move out of the way. They feel pressure. . . ."

The field of perinatology encounters the same ethical concerns regarding the status of the fetus. Perinatology, by definition, also deals with two patients—the fetus and the mother—though individual perinatologists may establish different "personhood" standards for the fetus. An informal definition might describe the discipline (a subspeciality of neonatology) as a combination of the fields of pediatrics and obstetrics. Dr. Gary Sheldon, a perinatologist from St. John's Hospital in St. Louis, Missouri, noted that the field concerns itself with problems during the pregnancy, and with difficulties around the birth. Indeed, Sheldon indicated many perinatologists consider their province to extend even before conception.

Sheldon, as did Depp and Colliton, termed the advent of sophisticated ultrasound imaging systems "the single most important advance" facilitating this new approach to the fetus as patient. The ability to visualize anatomic defects, track fetal motion, monitor growth and development and evaluate individual organs have all advanced the perinatologist's understanding of the pre-born infant.

Several conditions avail themselves to some degree of correction by the perinatologist. In addition to the operable conditions discussed by Depp, Sheldon discussed maternal diabetes mellitus (the mother suffers a diabetic condition that seriously affects the developing infant's health), intrauterine growth retardation and fetal functional cardiac abnormalities.

Sheldon also detailed various remedies available to the perinatologist faced with these conditions. Doctors may indirectly advance the health of the fetus by treating the mother, or it may directly address the fetal condition through numerous treatments aimed at the infant in utero. The first path involves improvement of maternal nutrition, restriction of maternal activity, and correction of maternal medical problems. Sheldon also emphasized the treatment of maternal diabetes condition as a therapy whose corollary purpose is to benefit the fetus.

Regarding the direct addressing of fetal conditions, Sheldon noted the operable conditions described by Depp. An additional, intriguing option involved the direct injection of nutrients into the amniotic fluid, allowing an infant with intrauterine growth retardation to increase nutrition intake. Sheldon also suggested variations in delivery mode (for example, a Caesarean delivery) and in delivery time (inducing labor before term to allow early post-natal treatment).

Paradoxically, the pre-born infants Depp and Sheldon labor to save, are yet candidates for abortion at the determination of the mother and a physician. As Senator Humphrey stressed, this paradox raises disturbing questions with respect to this nation's policy of allowing abortion on demand throughout the nine months of pregnancy. Senator Humphrey also emphasized that the advent of the new technological innovations examined in the hearing provide additional proof and confirmation for the belief that the fetus is a person guaranteed full status as a person with constitutional rights. Professor William May of Catholic University agrees. "I do not think that any subsequent development in medical technology will falsify the truth that we now know; namely, that there is in existence, from the time of the conception and fertilization, a new human life." Thus, regardless of the extent of our knowledge and understanding of the fetus, those rights, that status as person, are inherently due the infant. Any denial of these rights, then, merely represents society's refusal to attribute to the unborn child that which it inherently retains.●

STUDENT LOAN COLLECTIONS

● Mr. SIMON. Mr. President, I am inserting in the CONGRESSIONAL RECORD a letter sent to me by Dr. Ray A. Neff of Marshall, IL.

He points out what I hope is an isolated incident in the collection of student loans.

I have two concerns in the student loan area, in addition to sharing the concern that all of us have—that we collect loans from those who owe us money.

My first concern is that we are giving the impression that there is massive abuse of the student loan system and a high default rate. As a matter of fact, the default rate on student loans is appreciably lower than the default rate at banks on automobile loans.

That does not mean that that default rate should not be lower. I want to do everything I can to help lower it. But the impression abroad is that there is massive default, and that simply is not the case.

My second concern is the type of thing that Dr. Neff points out in his letter. I hope we will be careful not to impose an injustice on people in the process of seeing to it that just debts are paid.

I ask that Dr. Neff's letter be printed in the RECORD, and I urge my colleagues to read it.

The letter follows:

MARSHALL, IL, *August 19, 1985.*

Hon. PAUL SIMON,
Senate Office Building, Washington, DC.

DEAR SENATOR SIMON: I am emeritus faculty at Indiana State University, having retired in July of 1984. In 1973 I took sabbatical leave and did graduate work at Ball State University. At that time I took out a student loan through the Dulaney National Bank here in Marshall. I returned to Indiana State University in September of 1974 and over the next several years paid off the loan without delinquency of any kind.

In the Spring of 1984 I began to receive telephone calls from various persons claiming to represent the Illinois Loan Program demanding that I pay up on my student loan. They claimed that I owed over Ten Thousand Dollars. I informed them that my loan was completely paid and that their records were faulty. These persons were both hostile and rude. Several called me "a crook" and referred to me as "a leach."

In August of 1984 a man came to my door and attempted to force his way into my home. He claimed that he represented the Illinois Loan Program and had credentials which seemed to prove it. I refused him entry and called the police but by the time they arrived he was gone.

Subsequently I received a barrage of telephone calls from several persons, some claiming to be with the Illinois Loan Program and all abusive. I finally traced some of these calls to Van Rue Credit, 6141 North Cicero Avenue, Chicago, 60646. On February 15, 1985 I sent Van Ru Credit, by Certified Mail with return receipt, a letter telling them to cease and desist in their harassment of me. I cited the *Fair Debt Collection Practices Act* (15 USCS) and sent copies to the Attorney General of Illinois; the U.S. Attorney; Mr. David Lewis, Clark County States Attorney; and my attorney. Since then I have heard nothing additional from Van Ru Credit.

But now I am being harassed by a Ms. Rosalie Budd of National Legal Services of Chicago, an agency on which I can acquire no information. They have no listed telephone in Chicago nor does anyone seem to know of them. Ms. Budd knows about my personal affairs, my home ownership, my autos, and my bank accounts; she states that they will be seized if I do not pay up immediately. She does however seem to think that I am thirty-nine years old (I am sixty-one).

I recently met with my attorney and we looked into the Illinois Loan Program and the student loan program in general. What we learned was astounding.

For several years I have been hearing "horror stories" from former students who have had autos, stereos, television sets, and even a piano, seized in actions which would be, if they were as they described them, both immoral and illegal. Having dealt with students and their stories for a number of years I manifest a certain disbelief for I could not believe that such things were happening. The claims were that even when the notes were paid collections were demanded and in many instances received. Each instance described a stealthy approach by the collectors with seizures being made without due process.

I have attached a copy of an "Illinois Guaranteed Loan Program" "Interim Note." You will no doubt immediately notice that it is a cognivit note in which judgment is confessed in advance, all rights of the debtor waived, and property encumbered, even before money has been received.

The Fourteenth Amendment of the United States Constitution states, in part:

"No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws."

Cognivit notes, when held by State agencies violate this section of the Constitution. All Illinois Guaranteed Loan Program notes are such instruments and are illegal, and therefore uncollectible, paid or unpaid.

In the August 19, 1985 issue of *Time*, page 21, there is an article which states that the Internal Revenue Service will be withholding tax refunds to persons who they claim owe unpaid student loans. It is clear that the U.S. Government and the State of Illinois are attempting to do illegally that which they are prevented by the U.S. Constitution from doing legally. They will not test their case in court nor will they even pretend due process. I invite your attention to the wording of the student interim note attached which says in part:

"I hereby irrevocably authorize any attorney-at-law to appear for me in any court of record, in term time or vacation, at any time after default, and to waive issuance and service of process and confess judgment against me in favor of the holder hereof, for such amount as may appear to be unpaid hereon, together with interest, costs of suit and reasonable attorneys' fees, and to release all errors, waive all right of appeal and consent to the immediate execution upon such judgment . . ."

Under this note it is not necessary for the holder to even prove that money is owed but can collect ". . . such amount as may appear to be unpaid . . ."

I now request that you take whatever action is necessary to bring this horrible scheme to the attention of the Congress since I feel that what is being done is not only unconscionable but criminal. The United States Government and a number of state agencies are involved in what is tantamount to loan sharking.

Very truly yours,

RAY A. NEFF, Ed.D.●

THE FARM TRAGEDY

●Mr. BENTSEN. Mr. President, agriculture today is in a crisis unprecedented since the Great Depression of the 1930's. The statistical evidence of this is abundant. Exports, prices, and credit are all major problem areas.

Every new forecast by the USDA is worse than the one before. Exports this year are forecast to drop 16 percent from last year, and net farm income is forecast to drop 38 percent. Wheat prices in July were the lowest in 7 years, and wheat exports from Houston, the No. 1 wheat export port, are off 65 percent from last year. Cotton exports, much of which come from west Texas, are down from 500,000 bales a week last year to 50,000 bales per week now.

Many farmers are hanging on by a thread that is stretched to and beyond the breaking point. At today's low prices even a bumper crop may only be a break-even year for many farmers. The mountain of farm debt cannot be service, let alone repaid, when agriculture has a negative 15 percent return, which is what Federal Reserve statistics for 1984 show. The farm credit crisis is shaking even the cooperative Farm Credit System.

The statistical evidence of the problems in rural America are impressive, but there is also another side to the story. There is the human tale of individual tragedy repeated time after time after time in small towns all over the farm belt. We must not let ourselves get so buried in a mountain of dry figures that we lose sight of the real problem.

Mr. President, the human side of the farm problem is well illustrated in a short editorial written by Frank Ford of Hereford, TX. I ask that the editorial from the September issue of Acres, U.S.A. be printed in the RECORD as a reminder that our farm problems are people problems, not just statistical problems.

[From Acres, U.S.A., September 1985]

THE CLEANSED

(By Frank Ford)

We buried two young farmers today.

Two weeks ago I heard a top executive of one of the leading grain trading firms say in a radio interview that the "agricultural situation couldn't be straightened out until the system is cleansed (his word) of the (young) farmers with the high debt structures." This is current wisdom in much of our nation's leadership. We have a recovery now, but we can't pay as we go. We must depend upon the wealth from the privileged of the Third World to cover our bond issues and buy our T-bills so that we don't have to tax ourselves. Our wealthy can make the dollar go much farther on their trips in Europe. Executives can plot their corporate takeovers, further draining the money supply and keeping interest rates the highest in modern history. How does this relate to a small Texas community this day in January?

We buried two young farmers today. They loved the land, and they loved farming. They were fine, dedicated, hard working young men. Both in their late 20s had married the sweethearts that they had dated right here in our Texas town. Both were loving, open, giving, responsible husbands whose lives were an inspiration to their families and to all of us who had seen them grow up, active in such things as scouting, Future Farmers, and their church. One of these young fathers had just seen the birth of the fifth child by his beautiful young wife. I saw this precious family just a few weeks ago, full of joy and hope in the face of the depression in agriculture caused by, among other factors, crumbling exports because of our "strong" dollar.

He was a very good farmer . . . one of the best they say. He could not, however, make 16 hour days on the farm pay out. So he took a second job. One night recently, he was bringing a semi-trailer rig into our Texas town from a point up north. It was midnight. His brother-in-law had accompanied him on the trip to keep him company. This young man was the father of three small children. We don't know whether there was an equipment failure or whether my young friend went to sleep from exhaustion. In a few tragic seconds, a rig went out of control, hit an abutment . . . Their small children cried at the funeral. It seemed like the whole town was there. There were many young farmers there. Perhaps unfriendly takeovers and huge deficits and "strong" dollars are more important. But our town hurts today, and we will for a long time.●

DEFENDER'S DAY

● Mr. D'AMATO. Mr. President, I rise today in honor of a glorious vision. On September 14, 1814, as morning dawned on Fort McHenry in Baltimore, Francis Scott Key was being held on a British ship in the harbor. From that ship we had witnessed a night of violence and tyrannical assault. When the sun rose—he saw a wondrous sight: the American flag was still waving in the breeze. Today we celebrate Defender's Day in honor of the efforts of patriotic men and women of America; in particular we honor Francis Scott Key.

Key had gone to the British to negotiate the release of Dr. William Beanes. Key successfully negotiated the release of Dr. Beanes, but, due to the fact that the British invasion plans of Baltimore had been discussed in Key's presence, the British held him until after the attack. Key was so moved after the invasion when he saw the American flag flying that he wrote a poem that started with 'O say can you see by the dawn's early light * * *."

I think we all know, or should know, the rest.

Shortly after the incident, Key went to see a friend, Mrs. J.H. Nicholson, and gave her a copy. Mrs. Nicholson then went to a printer and had the copy made into handbills. The original title was "The Defense of Fort McHenry" but soon gained popularity and was renamed "The Star-Spangled Banner."

Over the years, the song was to become the popular national anthem of the people. By the 1890's, it was specified to be played at all ceremonial events of the Army and Navy. On March 3, 1931, it officially became the national anthem of the United States of America.

It is the song that still brings tears to the eyes of millions of Americans, and I hope it continues to do so forever.●

EXPLODING MYTHS

● Mr. SIMON. Mr. President, some of the most thoughtful editorials that appear anywhere in the Nation are in the Los Angeles Times.

Recently it had an editorial titled, "Exploding Myths," in which they say the climate must be changed if we are to do what we should for the American people.

I could not agree more.

I ask that this fine editorial be printed in the RECORD, and I urge my colleagues to read it.

The editorial follows:

EXPLODING MYTHS

If government policies are based—as they seem to be—on the premise that the poor are lazy, then they must be rewritten from top to bottom. The myth that the poor shun work, when in fact many work harder than the well-to-do and for far less reward, did not stand up under the kind of close inspection involved in last week's Times report on poverty.

On another crucial point, a team of Times reporters wrote that the statistical picture for the poor is as grim now as in any recent time. In the latest federal count in 1983 there were 35.3 million poor people—one American in seven. That's an increase of 11 million in five years. And the poor are getting poorer. At last count the poorest Americans had only 60% of the money that they needed for life's basics. The most tragic statistic of all says that one-fourth of all children under 6 live in poverty. Half of black American children are poor.

Behind the statistics are real people. Hardworking people like Gilbert Maxwell, who cleans up at a shrimp-packing plant in Brunswick, Ga., for $10,800 a year. Or elderly people like Rob Green, 75, and his wife of Dawes Hollow, W.Va., who live on potatoes, beans, a little bacon and a few onions. Or the countless infants who die because their mothers did not eat well during pregnancy and seldom, if ever, saw a doctor.

Why has a country as rich as the United States done so little for its poor?

Programs first launched during the New Deal in the 1930s and then greatly expanded in the 1960s actually had some success in reducing poverty rates and lifting some of the poor into the middle class. But there were also enough failures to give government intervention a bad name. Presidents Gerald R. Ford and Jimmy Carter allowed inflation to eat away the value of anti-poverty aid. By the time Ronald Reagan became President, the political climate allowed deep cuts in programs providing job training and public-service employment, unemployment insurance, food stamps, compensatory education and nutrition for children.

That climate must be changed. If there is one myth that the Times research exploded, it is that there are undeserving poor who will not work. Most of the poor are women with children or the elderly or the infirm. Of the remaining poor, two-thirds work, and work hard—cleaning shrimp plants, making beds in hotels, picking up other peoples' garbage.

Specific steps that government could take to help lift some of the poor out of poverty or to cushion hardships for those who are still locked there include:

Providing welfare payments to the needy even when fathers remain in the home, to encourage families to stay together.

Enacting minimum federal standards for welfare benefits; they vary widely around the country.

Lightening the poor's tax burden by increasing the personal income-tax exemption.

Conducting more intensive experiments with "workfare"—requiring welfare recipients to do community work in return for their benefit checks—as long as they are not structured in ways that punish people for being poor.

Passing tougher child-support laws.

Encouraging corporations and local governments to provide reasonably priced child care. More subsidized day care would make entry-level jobs a reasonable alternative to a welfare check.

Encouraging family-planning programs rather than cutting their funds in endless debates over abortion.

In a series of lectures at Harvard University in April, Sen. Daniel Patrick Moynihan (D-N.Y.) outlined much of this program. He said during the lectures that Americans "are a surpassingly generous people, not least one supposes because we are, in the end, so blessed, so well-off generally." Faced with natural disasters, Americans aid families that they know to have been devastated. Poverty is our biggest national disaster, and the poor need that same spirit of sharing today.●

EXEMPTION FOR BONDS ISSUED BY ISRAEL FROM IMPUTED INTEREST TAX

● Mr. D'AMATO. Mr. President, I rise today to join in sponsoring, S. 1619, legislation offered by my good friend and colleague, the junior Senator from California. The bill he has offered would exempt bonds issued by the State of Israel from section 7872 of the Internal Revenue Code of 1952.

The Deficit Reduction Act of 1984 applied an imputed interest rate to certain below market-rate loans. Subsequently, Congress passed legislation amending the Act to relieve most of the onerous imputed interest provisions. Unintentionally, bonds issued by the State of Israel were not included under the amending legislation. This, of course, was a mere oversight; it would be unconscionable to tax those who want to help our good friend, the State of Israel.

In the volatile Middle East, the United States had had only one stable and trustworthy ally, the State of Israel. since the inception of Israel as a nation in 1948, Israel and the United States have shared a special relationship. This relationship is based upon shared values. These values include a dedication to individual rights and a belief in democracy. Government-sponsored economic and military aid, as well as assistance from the private sector, make the cornerstone of our concrete support. In return, Israel has offered the United States the use of military bases and storage facilities for our rapid deployment force's equipment. Most importantly, Israel is a stable democracy in a historically unstable region.

Israel's debt roughly equals its GNP. Its debt service is almost $4 billion per year, a billion of which is paid to the United States. Most of U.S. economic aid to Israel never leaves the U.S. Treasury because it repays principal and interest on past loans. Because of this, the Israel bonds program is an integral part of our Nation's total assistance to Israel. In 1984, the Israeli Bonds Agency sold $102 million worth of bonds in the United States.

My support for this legislation is strengthened by Israel's own efforts to stabilize its economy. It would be unfair and untimely to allow the enforcement of the imputed interest tax on Israel bonds. I commend the junior Senator from California for working so hard to rectify this problem, and I urge my colleagues to strongly support this legislation.●

GOVERNMENT PRINTING OFFICE

● Mr. HATFIELD. Mr. President, we have just celebrated Labor Day and it is, therefore, especially heartening to learn of a Government agency where a harmonious relationship exists between highly productive employees and a sensitive, progressive administration. I am referring to the Government Printing Office where management, under the leadership of Ralph Kennickell, the Acting Public Printer of the United States, and labor concluded wage negotiations and signed an agreement without requiring an arbiter for the first time in 6 years. Patience and goodwill on both sides characterized the 2 months of negotiations and were instrumental in the success of the talks.

The Government Printing Office is one agency which has welcomed with open arms the arrival of computers, video composition, and the latest printing and binding equipment. Every worker confronted with changes due to the arrival of the computer age has been afforded an opportunity for retraining. This successful adaptation to modern technology is good Labor Day news and should be noted by other agencies facing similar challenges.

For fiscal year 1985, the Government Printing Office has developed and authorized the largest, most comprehensive training plan in GPO history. It has established a consolidated, expanded employee counseling service in its Office of Personnel. It also has incorporated its Offices of Personnel, Equal Employment Opportunity, Safety, and Labor-Management under an Assistant Public Printer for Human Resources. Besides providing for more rational management, this reorganization has resulted in lower expenditures and, subsequently, more tax savings—welcome news indeed in this time of concern over Federal spending. Congratulations to the employees and management at the Government Printing Office.●

RESTORATION OF DEMOCRACY IN CHILE

● Mr. KENNEDY. Mr. President, September 11 in the United States has little special historical significance; but, in Chile, it represents the anniversary of the bloody coup which destroyed democracy. Twelve years ago, on September 11, 1973, tanks rolled down the broad boulevards of Santiago, jet fighters sent rockets into the Presidential palace, and troops forced thousands of civilians into makeshift prisons in the sports stadiums of Santiago.

The succeeding years have not seen a return to democracy. They have not seen an end to human rights abuse. They have not seen a restoration of civility in the conduct of political life in that country.

Instead, this year alone, the military dictatorship of General Pinochet has killed peaceful demonstrators. Its security forces and intelligence operatives have tortured political prisoners, kidnaped opponents, and left their bodies along roadsides.

Emergency powers were extended once again only this week, as last week's strike and protest demonstrated the national revulsion against the Pinochet regime and the common consensus demanding a return to democracy.

That consensus has been codified in a democratic opposition accord that unites the Democratic Alliance, the traditional political parties in Chile, and the Catholic Church. Under the moral leadership of Archbishop Fresno of Santiago, the opposition accords calls for a return to democracy.

On this anniversary of the destruction of democracy, I would hope that the United States, through the Department of State, would speak out unequivocably in support of the consensus for a speedy return to full democracy in Chile.

I am hopeful that our new Ambassador in Chile, a distinguished foreign service career diplomat, can help begin to present a different view of United States concerns in that country. There is undeniable support among the people of the United States for an end to the dictatorship in Chile. That view should also be transmitted by our Ambassador in his statements and by his actions.

The people of the United States have another reason for desiring to see a return to democracy. For it was the Pinochet regime which planned and then directed the assassination in 1976, of a Chilean diplomat, Orlando Letelier, on the streets of Washington, DC. That assassination also caused the death of a young American woman, Ronnie Karpen Moffett, who was riding in the Letelier car when it was destroyed by a bomb. Her husband, Michael Moffett also was seriously injured in that bombing.

The U.S. Federal court system found that the Chilean secret police has planned and executed the bombing. Every request for cooperation in bringing those responsible for that bombing to justice has been stonewalled by the Pinochet regime. That is another reason for the United States to emphasize our refusal to associate with the Pinochet regime and our demand for a return to democracy.

The Pinochet regime has not relented on its persecution of the Letelier family. Today's Washington Post reports that the sister of Orlando Letelier, Fabiola Letelier, was detained yesterday along with 30 people who were attempting to hold memorial ceremonies for former President Salvador Allende, who died 12 years ago in the military coup which placed Pinochet in power. I strongly urge the Reagan administration to pressure the Pinochet Government to release Fabiola Letelier, as well as those detained along with her, and to end the brutal repression of the Chilean population.

On this anniversary, I would hope that the Chilean regime would be reminded by the international community that we demand nothing less than a return to full democracy and respect for human rights.

I ask to have printed in the RECORD, articles from the Washington Post.

The articles follow:

[From the Washington Post, Sept. 12, 1985]

PINOCHET HITS OPPOSITION, DOES NOT REJECT ITS PLAN—CHURCH-BACKED PLEA FOR DEMOCRACY AT ISSUE

(By Martin Andersen)

SANTIAGO, CHILE, Sept. 11—In a speech marking the 12th anniversary of the bloody coup that brought him to power, Chilean President Augusto Pinochet took a hard line today on a church-backed plan for a return to democracy.

Gen. Pinochet demanded that opponents show they are interested in more than mere "conquest of power" and that attractive rhetoric be backed by "honest deeds."

In a 90-minute speech before about 2,000 military, diplomatic and governmental guests, the president lashed out at critics, saying, "Their anxiety for reaching power at any price makes them try to destabilize the government."

Pinochet said Chile would achieve "true democracy" only by adhering to the terms of an authoritarian constitution he pushed through in 1980 and seemed to step back from a more conciliatory position offered by officials last week on the opposition parties' proposal.

However, Pinochet, did not reject outright the proposed "national accord," as the 11-party agreement signed last month is known. Worked out under the sponsorship of Roman Catholic Cardinal Juan Francisco Fresno, it united opposition groups from across the political spectrum in a call for elections—although with no date specified.

Fresno is said to have stepped in to promote the agreement among the parties in an effort to head off spiraling street protests and political violence that have taken dozens of lives within the last year. The cardinal did not attend the diplomatic gathering. According to an unofficial church account, he stayed away after being informed of the response Pinochet would deliver.

Pinochet did say that among the signatories were sectors that "might have relevant opinions on the institutional development" of Chile, but only if they could show they were interested in more than "just the mere conquest of power."

It was unclear whether these words reflected a subtle shift by the government toward negotiations with civilians. One theory was that the phrasing was part of a government effort to fragment the opposition by signaling a willingness to deal only with the more conservative parties.

"We cannot accept that behind a supposed democratic objective there is the expression and the advance of totalitarian communism," he said, "Some of those who signed this are responsible for the strategy designed to make Chile a mere satellite of the Soviet Union." The Communists were not a party to the accord, but the Marxist Socialists were.

Pinochet also lashed out at non-Marxist parties that, he said, "abandoned their principles" to make alliances against his government.

The opposition's proposal picked up another supporter last night in retired Air Force general Gustavo Leigh. He was a member of the original junta who stepped down several years ago after differing with Pinochet.

Pinochet said Chile was the only nation in history to liberate itself from "Soviet communism," and that because of this his country was the victim of unremitting attacks by groups "that will not accept defeat."

The general said his government attaches special importance to the U.S.-Chilean relations, which he said were based on "friendship, cooperation and mutual respect." He did not comment on the fact that the State Department recently praised the church-backed proposal for a return to democracy.

Santiago was blacked out twice tonight. A pro-government radio station said two power pylons near Santiago had been blown up. Four persons were reported injured in clashes with police in the poor neighborhood of La Legua and seven in the slum district of La Victoria.

At least 30 persons were detained while attempting to hold memorial ceremonies for Socialist expresident Salvador Allende, who died in the presidential palace during the 1973 coup. Among those arrested was Fabiola Letelier, a sister of Orlando Letelier, a minister in Allende's Cabinet who was assassinated in Washington in a bombing laid to agents of Pinochet's government in 1976.

[From the Washington Post, Sept. 11, 1985]

Gen. Pinochet Faces a Unified Opposition

(By Martin Andersen)

Santiago, Chile, Sept. 10—Chileans mark the 12th anniversary of military rule here Wednesday as the opposition is expressing optimism that a new 11-party accord, encouraged by the Roman Catholic Church, may start a move back to democracy.

In the wake of antigovernment rioting last week that left 10 dead and scores more injured or arrested, opposition leaders await a definitive response to their two-week-old National Accord for the Transition to Full Democracy.

That response is expected during the anniversary speech of President Augusto Pinochet, the leader of the 1973 coup.

The accord, signed by all major opposition parties except the Communist, was announced by Cardinal Juan Francisco Fresno after several months of secret meetings between politicians and church representatives. Parties remain formally suspended or, in the case of those of the left, outlawed.

A political observer said the accord "astounded" members of the Pinochet government with a call for orderly transition to democracy that appears to have put Pinochet on the political defensive.

Although Pinochet has indirectly attacked the agreement—which had one junta member sputtering insults, later retracted, at Fresno—the government has left the door open to further discussion of it.

Nevertheless, the Interior Ministry announced today a six-month renewal of the emergency powers that Pinochet decreed during major protests two years ago. The 11-party accord calls for cancellation of those special police powers.

Foreign political analysts said the confused official signals reflected Fresno's success in setting a new political agenda for the return to civilian rule.

Pinochet's formula precludes any election until 1989, when the sole candidate would be picked by the military chiefs—and could be Pinochet.

By offering the accord as an alternative, the cardinal has gone beyond traditional church mediation efforts. Its terms call for restoration of political rights and general elections at a date to be negotiated. Until that time, Pinochet's authoritarian 1980 constitution would remain in place, subject to amendments.

Diplomats and political observers here agreed that the accord was a departure from previous opposition efforts, which tended to underestimate the strength of the current rule and to present demands it found unacceptable.

This time, under the direction of Fresno, the opposition's emphasis was on compromise, a rarity among Chile's traditionally fractious parties.

Fresno, awaiting a definitive govermental response, criticized a call by leftist groups and opposition labor leaders for what resulted in a bloody day of protest Sept. 4—the day on which elections were held in precoup Chile. Fresno also called off a memorial mass for a French priest killed in demonstrations last year.

According to Sergio Molina, one of three technicians who helped draft the accord, its tone will force Pinochet to negotiate or be seen as offering as an alternative "an institutionalized version of dictatorship.

"If he ignores us, unpredictable dynamics will be set in motion, and nobody will be able to use reasonable means to stop them," said Molina, who served in a Christian Democratic Cabinet in the mid-1960s.

Seven Cabinet ministers in the government of the late Marxist president Salvador Allende, overthrown in 1973, have announced their support of the plan. Among the signatories were two civilian groups that until recently supported Pinochet—the rightist National Party and a conservative union movement.

Some analysts report indications that the document has also created a wait-and-see attitude within the ranks of the armed forces—who are known to be nervously monitoring the human rights trials of former top military men in neighboring Argentina. The parties' accord calls for avoidance of retribution by either side in any future transition.

Fresno did not include the Communists in the negotiating sessions. Pinochet has repeatedly said he wants Marxism excluded from any future Chilean government.

The exclusion of the Communists was the biggest sticking point in the negotiations among the representatives of the other 11 parties, party leaders said.

In an interview, Molina said Communist Party participation in a civilian-run system was not "a priori" ruled out, but all parties would have to swear loyalty to democratic principles.

For the Communists, who adopted a strategy of "popular rebellion" in 1980, the accord may prove a formidable foil. Observers point out that the party, which traditionally was inclined to political alliances and fearful of isolation, is now relegated to the left margin of the political spectrum, along with the Revolutionary Leftist Movement guerrillas.

"The presence of the Communist Party could have disturbed others, and some of its declarations, inciting violence, were incompatible with the call for reconciliation," Molina said.

"The Communists say that in a democratic government they would act differently; we are saying that when we have power these will be the rules of the game." A few other Chilean parties proclaimed Marxism in the past, but they operated within the democratic system when it existed.

"The accord was a message to the military that the democratic opposition is also concerned about Communist activity, and that unlimited revenue will not be unleashed on the armed forces once the civilians take power," said a Western European diplomat.

The diplomat echoed a widely heard view following last week's violence that the outbreak did not overly strain Fresno's delicate efforts.

The observers said both the government and the opposition seem now to be trying to create dissent within the ranks of the other.

"The agreement isolates Pinochet, but it can be dangerous if he can get [the accord's] participants to fall into arguing among themselves, while at the same time the momentum gained by social mobilization through street protests is lost," said Jorge Schaulsohn, a lawyer and activist with the small, center-left Radical Party. "He did it in 1983."

Schaulsohn supports the accord, but said he worries that too much may be given away in order to outflank the government on the right. Exclusion of the Communist Party signals the isolation of the sectors that have been most combative against the military, he added.

ARTS AND THE HANDICAPPED

● Mr. PELL. Mr. President, during the recent Senate recess, I was pleased to see an article in USA Today in which Jean Kennedy Smith was interviewed about her work at the National Committee, Arts for the Handicapped. Mrs. Smith is a founding member of this innovative program and is the sister of our distinguished colleague from Massachusetts.

The National Committee is an educational affiliate of the John F. Kennedy Center for the Performing Arts. It has earned a superb national reputation for its outreach to young people with disabilities. The program effectively demonstrates that the arts can reach individuals who are challenged with handicaps and spark creativity and enthusiasm which may otherwise have gone unnoticed.

As the ranking minority member of the Subcommittee on Education, Arts and Humanities, I have a very special interest in this area and have the highest regard for the professional and compassionate approach that Mrs. Smith and the National Committee embody in their work.

I commend this article to my colleagues and ask that it be printed in the Record.

The article follows:

[From USA Today, Aug. 21, 1985]

(Topic: Arts & Handicapped—Jean Kennedy Smith, 57, is a founding member of The National Committee, Arts with the Handicapped. Long active in helping the handicapped, she is on the national education committee of the John F. Kennedy Center for the Performing Arts and was a recent recipient of the Jefferson Award. She was interviewed by USA Today's Barbara Reynolds)

If You Lose One Sense, You Develop Another

USA Today. You have been working with the handicapped for more than 10 years. How do art programs help them?

Smith. Obviously, the arts are very important in everybody's life. Certainly children with disabilities should have an opportunity to enjoy and appreciate the arts and to create. And art is a very important educational tool. There are children who can learn through the arts—for instance, children with autistic problems. Children who don't speak can learn through puppets. They will talk through puppets.

USA Today. Do you have any specific success stories?

Smith. Jason, a child in our arts festival program in Connecticut, was born blind with cerebral palsy. He can play the piano very well and can actually learn mathematics. It's a way to teaching because he has to learn notes. So it can be used for that. It can also be used to improve self-awareness, the confidence you get from doing your dramatic reading, your memory when you have to do something in a play, or your coordination when you're learning to dance.

USA Today. Haven't you had extraordinary success with ballet?

Smith. One of our programs with the blind is with the Alvin Ailey Ballet Company. When those children first came in, I saw them. They felt they were falling off a ledge all the time. Gradually, they learned very effectively. Some of them are now in the regular dance course. It has a two-fold purpose: It's good educationally and it's good because it's fun.

USA Today. Do handicapped people bring an added dimension to art?

Smith. In some cases, they certainly do. We have a project now in the Goldwater Hospital in New York, where there are adults who are mostly disabled either from a stroke or just being older, and they've been in the hospital for a while. We have a project there with PEN, a professional writers' group, and they had some of the most beautiful poetry. Some of these people who couldn't even speak, who had to tap it out on a machine, wrote beautiful poetry that really came from the depths of emotion—that the rest of us don't really feel.

USA Today. Are you saying that the handicapped, who have often lost a lot, gain sensitivity in other areas?

Smith. That is very possible. I was recently in Ireland, and I saw a boy who was 17 and blind. He was in the pottery class. He made an incredible face from clay. It was absolutely beautiful. I suppose in his hands, his fingers, he has an extra sense that people who see don't understand. They often say you develop one side if you're missing another side. That could be true.

USA Today. What are some of your committee's projects?

Smith. The first thing is our Special Arts Festival, where we have disabled and able-bodied children come together and celebrate the arts. The idea behind that is to have arts programs in the schools for children, and they have a day of festival. We now have one at the Kennedy Center, and have about 600,000 children involved in these festivals nationwide. Beyond that, we have special projects: the Alvin Alley Dance Project for the blind and visually impaired, a project for retired teachers to come back and help with the festival program, a project to teach creative writing in hospitals, a project with Humana Hospital to get the art from the festivals into hospitals, where patients pick the art they would like to hang in their room during their stay there.

USA Today. Have you expanded your programs to other countries?

Smith. We have our international affiliate, which just started. We have 35 countries now affiliated with us. They are organizing festivals and taking on some of these projects. For example, we have the Young Playwrights' Project, which is from the Kennedy Center, where we have able-bodied and disabled students who will write about some form of disability, either together or separately.

USA Today. Although you are committed to mainstreaming the handicapped, how do you counter the perception that policy may be too costly and to bothersome to able-bodied people?

Smith. It's not costly. There really isn't any additional cost involved, and I don't think that's what our sights should be tuned to. The idea is to open up these opportunities to these children who deserve it as much as any other child does. For instance, with the deaf children, Gallaudet is a very good university in Washington. Dance is very appropriate for all children, and the deaf are extremely good at it, as well as acting, and they should be given that chance. It's perhaps a little more work, but it's not a great amount of money.

USA Today. Does the general public understand the potential handicapped people can fulfill?

Smith. Not completely. But more and-more they are. In the last 10 years, it's changed quite dramatically, and people are beginning to understand that these children can, given the chance, do most everything.

USA Today. How did you get involved in this?

Smith. I was the head of the Kennedy Center Education Committee in Washington. They were extremely interested in arts education, and they felt that the Kennedy Center could make a strong appeal in that direction. So when I was the chairman, I wondered what they did for children with handicaps. So we conducted a big, annual investigation with some other members of the board. We found that things were being done, but more or less in isolation throughout the country. We felt we could get these groups to make an impact, and we could increase public awareness that these children could do anything, given the chance. So we formed a committee for that, and there's been a tremendously positive reaction.

USA Today. Your elder sister Rosemary is mentally handicapped. Did that increase your interest in this problem?

Smith. Yes, it definitely did. With Rosemary, it was very difficult for my parents to find many programs for mentally handicapped children. So I realized when she was growing up that this was a problem. It naturally interested me to see if there had been any development in this area. As you know, my sister Eunice has been very active and my brother John was very active in adopting legislation.

USA Today. You have some great examples of untapped talent.

Smith. For instance, William Britt who was 30 years in a state institution. He was retarded, and then came back, lived in a halfway house, and has turned out to be a terrific painter. He now goes to a community college. He gets an A in art. One of his paintings he gave Gov. Cuomo and it's going to be at the mall in Albany. He has real talent there. I think there's a lot that we haven't even touched.

USA Today. Although Nancy Reagan is supportive of the handicapped, does President Reagan undo her good will by cutting the buget for programs for the handicapped?

Smith. Well, we are supported by Congress. We are supported by discretionary funds form the Department of Education. We also raise private funds. The president has been supportive. We had a national festival at the White House a few years ago, where groups came from all over the country into Washington, to the Kennedy Center for three days, and we had a reception at the White House. The group was there and Mrs. Reagan addressed the group. She was very supportive.

USA Today. Do you support abortions when tests show a great potential for a child being born retarded or mentally impaired?

Smith. I certainly don't

USA Today. Why not?

Smith. Because if you talk to parents of children with handicapping conditions, in most cases they are exceptional people in evey way. We all take our chances with children, and you can never call it. You can have a perfectly well child who might turn out to be for you a disaster. I just think that's God's gift, and that everybody has strengths in some direction or another. So they can be a great consolation, really, as my sister has been to me, to all of us.

USA Today. What kinds of changes do you still think are needed to improve conditions for the handicapped?

Smith. I would like to see more integration with the handicapped. I would like to see them brought into the mainstream more. I would like to end their isolation. I would like them to be accepted for what they are, not for stereotyped things, old-fashioned ideas people still have about somebody with a handicapping condition. That's why the arts are very helpful—they really do bring these children into the mainstream.

USA Today. You were recently awarded the Jefferson Award. Did that have special meaning to you?

Smith. I couldn't believe I was going to get an award for something. This work really has been tremendously enjoyable and challenging to me. So I was thrilled to be getting an award for something I love doing. That's the funny part of it.

VERY SPECIAL ARTS

The National Committee, Arts with the Handicapped, an educational affiliate of the John F. Kennedy Center for the Performing Arts in Washington was founded in 1974. Some of the committee projects include:

Artists Unlimited: Works with Humana Hospitals in Louisville and New York City to establish a model for bringing the visual arts to hospitalized and handicapped persons.

Itzhak Perlman Award: Designed to identify artists with disabilities and provide them with recognition and career assistance; open to young people between the ages of 10 and 21.

Pen Creative Writing: Conducts creative writing workshops for patients in hospitals and institutions in conjunction with the PEN American Center, an international association of writers.

REAP: Designed to tap the talents and energies of retired educators and other volunteers to assist in providing arts experiences to persons with disabilities in schools, institutions.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, the following determination has been made by the Select Committee on Ethics pursuant to its responsibilities under paragraph 4 of rule 35.

The Select Committee has received a request for a determination under rule 35 that Mr. Ronald R. Mierzejewski of the staff of Senator Frank Murkowski, be permitted to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute from August 18–31, 1985.

The committee determined that participation by Mr. Mierzejewski in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute, was in the interest of the Senate and the United States.

The Select Committee received a request for a determination under rule 35 that Mr. Jefferson B. Seabright of the staff of Senator John D. Rockefeller IV, be permitted to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs, in conjunction with the United States-Asia Institute, from August 18 to September 1, 1985.

The committee determined that participation by Mr. Seabright in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute, was in the interest of the Senate and the United States.

The Select Committee received a request for a determination under rule 35 that Mr. David Jensen, Deputy Staff Director of the Majority Policy Committee be permitted to participate in a program in Taipei, Taiwan, sponsored by Soochow University, from August 17 to 24, 1985.

The committee determined that participation by Mr. Jensen in the program in Taipei, Taiwan, at the expense of Soochow University, was in the interest of the Senate and the United States.

The Select Committee received a request for a determination under rule 35 that Miss Elizabeth Arens, a member of the staff of the Labor and Human Resources Committee, be permitted to participate in a program in southern Africa, sponsored by the South Africa Foundation, from August 16–29, 1985.

The committee determined that participation by Miss Arens in the program in southern Africa, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 that Ms. Margaret M. Hunt, a member of the staff of Senator Jeremiah Denton, be permitted to participate in a program in southern Africa, sponsored by the South Africa Foundation, from August 17–29, 1985.

The committee determined that participation by Ms. Hunt in the program in southern Africa, at the expense of the South Africa Foundation, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 that Mr. Michael E. Hammond of the staff of Senator James A. McClure be permitted to participate in a program in the Republic of China, sponsored by Soochow University, from August 17–25, 1985.

The committee determined that participation by Mr. Hammond in the program in the Republic of China, at the expense of Soochow University, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 that Ms. June Walton, of the staff of the Subcommittee on Energy, Nuclear Proliferation, and Government Processes, be permitted to participate in a program in Taipei, Taiwan, sponsored by Soochow University, from August 17–25, 1985.

The committee determined that participation by Ms. Walton in the program in Taipei, Taiwan, at the expense of Soochow University, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 that Mr. Robert J. Shapiro of the staff of Senator Daniel P. Moynihan, and Messrs. Douglas L. Miller and Kevin V. Schieffer, of the staff of Senator Larry Pressler, be permitted to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs, in conjunction with the United States-Asia Institute, from August 17–31, 1985.

The committee determined that participation by Mr. Shapiro, Mr. Miller, and Mr. Schieffer, in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs, in conjunction with the United States-Asia Institute, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 that Mr. Joel S. Lisker, of the Subcommittee on Security and Terrorism staff, be permitted to participate in a program in South Africa, Mozambique, and Zimbabwe, sponsored by South Africa Foundation, from August 17–30, 1985.

The committee has determined that participation by Mr. Lisker in the program in southern Africa, at the expense of the South Africa Foundation, to discuss United States-South African relations, was in the interest of the Senate and the United States.

The Select Committee received a request for a determination under rule 35 that Mr. John Ritch of the Senate Foreign Relations Committee staff be permitted to participate in a program in the People's Republic of China, organized by the United States-China Friendship Program, and sponsored by the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute, from August 18 through September 1, 1985.

The committee determined that participation by Mr. Ritch in the program in the People's Republic of China, at the expense of the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute, to discuss United States-Chinese relations, was in the interest of the Senate and the United States.

The Select Committee received a request for a determination under rule 35 that Miss Susan C. Schwab of the staff of Senator John C. Danforth, be permitted to participate in a program in Mexico City, Mexico, sponsored by the American Chamber of Commerce in Mexico, from September 1–3, 1985.

The committee determined that participation by Miss Schwab in the program in Mexico City, Mexico, at the expense of the American Chamber of Commerce in Mexico, was in the interest of the Senate and the United States.

The Select Committee received a request for a determination under rule 35 that Mr. Randolph Collins of the staff of Senator Charles McC. Mathias, Jr., be permitted to participate in a program in Taiwan, sponsored by Soochow University, from August 17–25, 1985.

The Select Committee received a request for a determination under rule 35 that Mr. William D. Phillips of the staff of Senator Ted Stevens, be permitted to participate in a program in South Africa, sponsored by the South Africa Foundation, from August 17–30, 1985.

The committee determined that participation by Mr. Collins in the program in Taiwan, at the expense of Soochow University, and the participation by Mr. Phillips in the program in South Africa, at the expense of the South Africa Foundation, was in the interest of the Senate and the United States.

The Select Committee received a request for a determination under rule 35 that Mr. Alex Echols of the staff of Senator Robert Kasten be permitted to participate in a program in Toronto, Canada, sponsored by the Center for Legislative Exchange, from June 8–9, 1985.

The committee determined that participation by Mr. Echols in the program in Toronto, Canada, at the expense of the Center for Legislative Exchange was in the interest of the Senate and the United States.●

STIRRING THE POT AT CAMPBELL'S

● Mr. LAUTENBERG. Mr. President, corporate America is facing growing competitive challenges. Corporate management cannot assume that yesterday's solutions will work tomorrow.

The Campell Soup Co. is a large, old company led by President R. Gordon McGovern, that, clearly, is taking significant steps to adapt. It has decentralized, trying to marshal the imagination and responsiveness of entrepreneurs within the framework of a giant firm.

I might add, at the same time, Campbell's maintains a laudable commitment to Camden, the hard pressed city in New Jersey that is its home.

I ask that a recent article about the company and its management be printed in the Record.

The article follows:

THE REVENGE OF THE FORTUNE 500

(By Joel Kotkin)

Mark Sherman is a man obsessed by a radical marketing vision. The onetime proprietor of Gathering Winds, a tiny natural-foods company in upstate New York, he set off a year ago to seek a far more lucrative niche among the upscale shoppers of suburban Washington, D.C.

"As an entrepreneur, I go where the opportunities are," said the slender, 35-year-old Sherman as he inspected a supermarket kiosk stocked with prepared gourmet dishes—Sole Véronique, Chicken Salad Jacques—from his Today's Taste line. "There's a huge need for natural-food products for a market segment that isn't being served yet. Eldridge Cleaver used to say that you're either part of the solution or part of the problem. Here I'm effecting a solution in terms of fresh foods and the needs of the market."

Should this unrehabilitated child of the 60's as Sherman calls himself, succeed in his mission, the effect could be revolutionary indeed for the nation's booming $11-billion specialty-foods industry. By offering fresh, low-fat, low-salt prepared foods at the supermarket counter, Sherman would pose a major challenge to the delicatessens, gourmet shops, and restaurants that have been fattening themselves on a market now growing some 20% a year.

The real threat, however, is not Sherman's messianic marketing concept, but the power that stands behind it. For while Sherman considers himself a small-business man at heart and calls Today's Taste "a university for entrepreneurial learning," the people paying the tuition—and Sherman's fat consultant's fee—hail from one of America's most venerable corporate institutions: Campbell Soup Co.

Some executives at the Camden, N.J.-based giant, which had sales of $3.7 billion last year, think its prepared gourmet food experiment might blossom into a $100-million business over the next few years. And Sherman's pilot project is just one part of the company's wide-ranging drive to expand outside its mainstream grocery business—and into product lines hitherto dominated by small companies.

Much of this drive revolves around what Campbell marketing research director Tony Adams calls consumer "hot buttons"—buzzwords like "fresh," "healthful," and "high quality." Fresh Chef, for instance, a project now being test-marketed in the Denver area, offers a line of salads that, like Today's Taste, could end up competing with thousands of specialized food packagers, stores, and restaurants.

"There's a sense of entitlement [among consumers] for top-quality food that entrepreneurs have captured really well," explains Adams. "If we're not participating in this type of business, we could end up competing for only 50% of the food dollar. We cannot stick with our traditional business alone. We must find new directions."

"IT'S LIKE GULLIVER IS GETTING UP"

"New directions" is an innocuous-sounding phrase, but make no mistake: When a company the size of Campbell changes direction, small companies don't want to be in its path. And it isn't only food companies that need to look over their shoulders these days.

What is happening at Campbell reflects a broader trend among Fortune 500 toward a more sophisticated form of giantism. By marrying the inherent advantages of bigness with the customer-oriented marketing savvy characteristic of small organizations, these increasingly intelligent leviathans are threatening the long-range health of literally thousands of small entrepreneurial companies.

"I don't think a company can stay small today and survive," says veteran Florida-based consumer product developer Wilson L. Harrell (see "Profile of a Compulsive Entrepreneur," April, page 78). "Any major company today knows more about the niche business than the entrepreneur running the company. Used to be the major companies had a syndrome: If they didn't think of it, it couldn't be right. But so many new products in the past decade came out of small companies and big companies have found that buying or imitating is easier than developing internally."

Harrell, of course, is overstating the case. Not every large company in America has learned the art of niche-marketing, and many small companies have found ways to survive onslaughts by the giants (see sidebar, page 41). What's more, the much-ballyhood notion of "intrapreneurship"—the attempt to apply entrepreneurial techniques within large organizations—is no more than a fad in many companies and, like most fads, it may fade before it has much lasting effect.

When a major corporation does develop an entrepreneurial intelligence, however—or even an approximation of one—entrepreneurs in the same industry have serious cause for concern. One obvious example is microcomputers. Just a few years ago, Adam Osborne scornfully predicted that IBM Corp. could never adjust to the fast pace of the personal computer business. Yet within three years of setting up its separate Personal Computer business unit in Boca Raton, Fla., IBM established a dominant 40% market share in the $6.6-billion industry, helping to drive many smaller competitors, including Osborne's company, into bankruptcy.

And some innovation-conscious giants are doing more than just attacking markets created by smaller companies. Increasingly, they are introducing new products lines before their entrepreneurial competitors can get out of the starting gate.

Twenty years ago, the conventional wisdom was to ignore niche markets until someone else had proved there was a large business to be had. Former Faberge Inc. executive Bob Berglass, for example, remembers pleading with Faberge management to get into the men's hair-coloring business in the late 1960s. "They told me it wasn't a big enough category," recalls Berglass, now president and chairman of DEP Corp., a Rancho Dominguez, Calif., cosmetics manufacturer with sales last year of $18.7 million. "They said, 'Real men don't color their hair.' So out of the blue comes Grecian Formula, and all of a sudden, there's a $20-million-to-$2.5-billion business, and they own half of it."

Today, Berglass has firsthand evidence that large companies are much more aggressive. Early in 1984, DEP—a company based largely on a line of hair-styling gels—found itself competing with the styling mousse, a product introduced by cosmetics giant L'Oréal and soon followed by similar products from the likes of Revlon Inc. and Alberto-Culver Co. Despite its smaller size, DEP could not beat the giants to the punch.

"The big companies now realize they have to go into *every* possible category that can grow," Berglass says. "It's scary that the sleeping giants have woken up. It's like Gulliver is getting up—and the Lilliputians are getting nervous."

"WE WERE SCARED OF GETTING WIPED OUT"

What woke Gulliver up? What inspired a company like Campbell to move away from almost total reliance on its established product lines and toward a marketing strategy that challenges entrepreneurs for control of the food industry's key growth areas?

"We were scared of getting wiped out," explains Campbell president R. Gordon McGovern, the lanky 58-year-old marketeer who was promoted five years ago from the company's Pepperidge Farm Inc. subsidiary. "We sensed the world was changing. If we didn't pick up what the entrepreneurs were doing, we figured we'd end up like the dinosaurs."

Extinction might seem an unlikely fate for such a large and well-anchored company. Yet when McGovern became president in 1980, there was ample cause for concern.

For decades, Campbell had relied on its superb manufacturing technology, its easy access to domestic and international raw materials, and its marketing and distribution power to dominate the condensed-soup market (in which it accounts for some 80% of U.S. sales). In addition—through in-house development or acquisitions—it had established itself as either the first or second player in such mass-market areas as canned beans, vegetable juice, pickles, and TV dinners.

By the early 1980s, however, many of these categories seemed to be losing consumer appeal. From 1975 to 1981, shipments of Campbell's classic line of "red and white" soups dropped from 55.5 million cases to 49 million; sales of the company's Swanson TV Dinners dropped from 16.4 million cases in 1975 to 10.5 million in 1982. In fact, over the past two years, sales of dry grocery items in general have been steadily decreasing, while other food sectors—notably restaurants and refrigerated items—have expanded. Meanwhile, sales of high-quality specialty foods are up from an estimated $6.8 billion to more than $11 billion since 1980, and—according to Frost & Sullivan, a New York City-based market research firm—they could hit $20 billion by 1990.

These trends helped keep Campbell's annual growth at 8% during the past 10 years, far below the industry average of 12% to 13%. Not surprisingly, the company's stock remained fairly flat throughout the period. "Campbell was very, very conservatively run—kind of like a utility company: low growth, low profitability," says William Leach, an analyst for the New York City-based securities firm Donaldson, Lufkin & Jenrette. "A friend used to say that following Campbell was like sitting and watching the grass grow."

Yet upper management seemed ill-prepared to switch gears. Harold Shaub, McGovern's predecessor, bristles at the suggestion that McGovern was brought in to revitalize a company in trouble, pointing out that Campbell remained dominant in its key markets and maintained exceptionally high bond credit ratings throughout his eight-year reign. "Stodgy? OK, let's accept that," says Shaub, now retired, who was known as a tight-lipped, production-oriented executive. "But the company served its consumers, its employees, and its stockholders very well. . . . I didn't think we needed a change, necessarily."

When McGovern—who was Shaub's personal choice as a successor, and who claims that Shaub did see problems on the horizon—took charge, this defensive attitude began to shift. "Before, our whole world was Camden," recalls Martin B. Buchalski, a 17-year company veteran who now runs the refrigerated-foods business unit. "McGovern changed all that. Our strategy became tied not just to what was happening here, but to what was happening in the outside world."

"When I got here, we were driven by the consumer about 5%," McGovern says bluntly. "We made the tomato soup and you bought it." If the company had not changed, he believes, "We would have lost units; we would have lost market shares, we would have been chasing cost advantages that would have been eroded by reduced volumes.

"I'm a biologist," he continues—he has an A.B. in biology from Brown University to go with his Harvard MBA—"and I think that ultimately, either you're growing or you're dying."

LOOKING FOR THE ENTREPRENEURIAL ITCH

Convinced that Campbell was missing the action in the food business, McGovern began looking for inspiration, not from within his own 116-year-old company, but from entrepreneurs like Murray Lender of Lender's Bagel Bakery and Mo Siegel of Celestial Seasonings Inc. "Both those guys taught me a lot," he says. "They had the right feedback systems. They were quick to act. It takes us too long to get things through management."

To overcome that weakness, McGovern broke Campbell into some 50 independent business units—averaging $50 million in sales—and gave each a charter to develop its own products. Each business unit has its own general manager who, as effective chief executive officer, has under him a marketing director, controller, and product development staff.

"McGovern lets the managers play on their own until he hears the glass break," observes one company insider. "Everyone goes out, comes up with ideas, and competes for resources. Each unit is run like an independent company except that McGovern plays the banker."

This decentralized system represents a dramatic shift from a past in which Campbell's research and development department in Camden worked in splendid isolation from the line managers charged with marketing their creations—a process that, not surprisingly, led to the development of products that were incompatible with actual market conditions. For instance, McGovern recalls the time that the R&D staff approached him at Pepperidge Farm with a frozen cheesecake they had been working on for two years. The cake was good—except that it tasted exactly like the competing Sara Lee products.

Now, innovation seems rampant at Campbell. In 1984 alone, the company introduced 92 new products, bringing its five-year total to 334—far more than such larger competitors at Beatrice, Nestle, and General Foods. And although not all the new products have been clear successes (some, such as Pepperidge Farm's Star War cookies, were notable failures), others have reaped spectacular rewards. Two new products introduced in 1983, Prego Spaghetti and Le Menu Frozen Dinners, already contribute a combined $450 million a year to Campbell's coffers.

From 1980 to 1984, the company's sales rose 43% while earnings climbed 57%. Its 11% sales growth last year was more than twice that of such competitors as General Mills, General Foods, and Nabisco Brands. Campbell's stock price has more than doubled in the past two years, to nearly 40 points above its highest level in the '70s.

These strong results, along with a flood of favorable publicity in the business press, have helped McGovern recruit a new cadre of tough, marketing-oriented executives. These young managers—who McGovern sees as central to the company's drive into new markets—are also the reason why Campbell is currently revising its compensation schemes along more entrepreneurial lines. Eventually, top executives may receive up to 50% of their pay in the form of incentive bonuses.

"We are looking for people who are not so crazy as to sell their house or their mother-in-law to start a business; we are looking for someone who has that kind of [entrepreneurial] itch, but doesn't want to go all the way," McGovern explains. "Can you succeed in these markets with that kind of person? I think you can."

SOUPING UP THE SOUPS

Real entrepreneurs—the kind who do go all the way—might well be skeptical: There are serious questions as to how fast Gordon McGovern, or anyone else, can change the culture of a corporate behemoth, assuming he can do it at all. Even if the changes are slow, however, and even if Campbell can never be truly entrepreneurial, a half-awake giant is more dangerous competition than a sleeping one.

McGovern's new breed of manager is most visible on such trendy projects as Today's Taste. Yet even in the supposedly safe soup area, Campbell's president—concerned about inroads by such specialty companies as Ogden Corp's Progresso Quality Foods and scores of smaller businesses—has brought in younger people with the marketing flair to deal with niche-oriented upstarts.

Larry A. Carpenter, a 29-year-old senior marketing manager in the soup business unit, epitomizes the sort of quasi-entrepreneuer now in ascendance in Camden. Clean-cut and immaculately pin-striped, Carpenter once considered launching his own company. Lured instead to Campbell from Procter & Gamble Co., he now claims that he is enjoying "the best of both worlds"—the autonomy and new-production orientation of a start-up combined with the security that comes from working at a huge, multinational corporation.

"Everybody in this age has that entrepreneurial desire," Carpenter says. "But I like the security of a company that's been around since 1869 and has sound financials."

Equally important, Campbell has given Carpenter major responsibility for the revitalization of a product line that last year accounted for nearly $1 billion in sales. During the past year, he has presided over an array of new product introductions, including several premium lines, such as Creamy Natural Soups. "This place is a marketer's dream," he says. "What mom-and-pop operation could give you these resources to develop new products?"

For Carpenter, it may be a dream—but for small soup companies, it is a nightmare come true. By going after regional, gourmet, and health-food markets, Campbell threatens to annex the few inches of the soup shelf it doesn't already control.

"Things seem to be happening at a frantic pace at Campbell," says a concerned Jody Graves, president of Real Fresh Inc., a Visalia, Calif., food packer that makes a line of specialty soups called Andersen's. "It's affected our business—and not in a positive way. It's getting tougher all the time to get that shelf space."

It is not hard to appreciate Graves's predicament. Campbell still has the same basic size advantage that has long made it the dominant force in soups. Now its new lines are competing for the same upscale customers who have been buying Andersen's Split Pea, Split Pea with Bacon, Tomato, and Cream of Potato soups.

Under such pressure, Real Fresh, whose sales slowed in 1983 and '84, has been forced to beef up its marketing operation, concentrating on its California base. "These days, it seems Campbell wants to be everywhere," observes Real Fresh district sales manager Don Wagner, who projects well under $10 million in sales for the Andersen's line in 1985 despite a recent upturn. "They have the bread-and-butter of condensed soups. They have the chunky soups. They have the

new creamy natural and the summer soups coming up.

"It's clear they want to be Mr. Soup, and they're marching out their specialty soups to do it. What can I say? Good marketing."

IF YOU CAN'T BEAT 'EM, BUY 'EM

In soups, obviously, Campbell has an edge; all it has to do is identify the niches and move in. But what happens when it goes after niches it knows nothing about, where the odds might favor David over Goliath? The easiest thing may be for Goliath to buy David, fatten him up, and turn him loose on any other upstarts in the neighborhood.

Acquisitions have helped increase the percentage of food-industry assets held by the 50 largest players from slightly more than 30% in 1950 to almost 60% today. From 1981 to 1984, there were more than 250 recorded mergers in the industry, with a total price tag of roughly $15 billion. Media attention has focused on the largscale mergers. Yet just as significant, perhaps, has been the giants' increasing interest in small companies. Over the past two years alone, some of the most promising entrepreneurial concerns—including Celestial Seasonings, Hain's Pure Food, Lender's Bagel Bakery, Häagen-Dazs, and ricecake maker Chico-San—have been swallowed up by larger companies eager to cash in on fast-growing niches.

"Companies are getting bought very early in their histories, with sales unually well under $50 million," observes Tomi Simic, vice-president of research for W.T. Grimm & Co., a Chicago firm specializing in mergers and acquisitions. "Will we ever see someone build another Campbell? I don't know. It's terribly hard to build a large company like that anymore."

Gordon McGovern agrees. In fact, given the new marketing acuity of the giants—as well as their long-standing financial and manufacturing leverage—he believes that small growth companies in the food industry now have three basic options: stay small, get acquired, or get crushed.

"We look at them once they come up on our screen," McGovern says." Once they get anywhere, they'll have five people offering them 25 times earnings. If they stay independent, they'll get crushed. Mid-size is the danger point. There won't be any small regional business puffing along on the margins anymore."

Many in the food industry think McGovern is right. If he is, things will get a lot tougher for entrepreneurs like Joseph Unanue.

Unanue is president of Goya Foods Inc., the nation's largest Hispanic-owned food company, based in Secaucus, N.J. Long the dominant player in its niche, with 1984 sales of just under $200 million, the family-owned Goya suddenly found Campbell in its backyard last year when McGovern's company acquired Casera Foods Inc., a longtime Goya competitor with sales of roughly $50 million. "When the news came, we all thought about it," Unanue admits. "When they do whatever they do, they'll come hitting hard—Campbell is a very good company and a very profit-minded company."

Yet despite his respect for Campbell, the Brooklyn-born Unanue radiates an almost eerie confidence. For one thing, he believes Hispanics will remain loyal to "the foods they grew up with." He also suspects that large companies will have trouble penetrating the network of small markets, or bodegas, that account for up to half the food purchases by Spanish speakers in such cities as New York. Finally, Unanue believes that as a public company, Campbell lacks the patience to expand Casera's market presence—now largely concentrated in Puerto Rico—onto the mainland. "Will [Campbell's] stockholders be happy about this," he asks with a shrug, "if it doesn't bring in the money right away?"

Unanue, however, may be living in the past. Under the type of managers who dominated large corporations in previous decades, there may have been a tendency for a company like Campbell to give up at the first sign of trouble. But Gordon McGovern is no green-eyeshade bean counter, unable to see beyond the next quarterly statement. He has shown a remarkable willingness to endure short-term losses for the promise of long-term profits.

Nor is it wise to underestimate the resources Campbell brings to Casera. For one thing, Campbell offers a ready-made national distribution system that can penetrate mainstream supermarkets across the country. In addition, Campbell has year-round access to high-quality raw materials at prices no smaller company can match. And using teams of manufacturing experts, Campbell has cut Casera's production costs by as much as 2% in one year—allowing it to hold the line on prices and appeal to budget-conscious consumers.

"Casera provides the authenticity, and they know the Hispanic market. We provide the new equipment, the operations experience, the industrial engineering," explains Kirk W. Leighton, the group general manager at Campbell with responsibility for the Casera operation. "They have all the markings of a predominant player, and we think we can help get them there."

THE IMPORTANCE OF BEING CAMPBELL

Casera may not get there overnight; it may be years before Goya Foods feels the pressure. But one of the most frightening things about a Campbell-size company is that, unlike a smaller competitor, it doesn't *have* to win in the short run. And it is Campbell's willingness to make mistakes and sustain losses, finally, that makes it such a threat to entrepreneurs.

When the company decided in 1981 to start marketing pure fruit juice, for example, it expected to emerge quickly as a dominant player. The competition consisted largely of small health-food companies and independent packers; none of Campbell's fellow leviathans seemed about to come out with the same product.

Yet Campbell's push into the blended fruit juice business—which grew 25% from September 1983 to September 1984—has been plagued by a series of major marketing mistakes. For one thing, the company rolled out production so cautiously that the Juice Works program has yet to achieve national distribution. And such major competitors as Welch Foods Inc. and Libby, McNeill & Libby Inc. had their own products out before the people in Camden knew what hit them.

"The concept was one of the best ever—to create a product that could compete with Hawaiian Punch and still be good for kids," recalls Gary Hess, general manager of Campbell's beverages business unit. "But we goofed around with it so long that we were no longer the first in the market."

"Doing things with Campbell has been hard," says Terry Simmers, president of Juice Bowl Products Inc.—a Lakeland, Fla., company acquired by Campbell in 1982—who has been involved in the Juice Works project. "Working in a small company, you're used to making quick decisions. But it takes so much trouble to move products through all the layers of decision making that sometimes you forget what you're deciding. I'm still trying to learn about that bureaucracy so I can get around it."

Other problems grew out of the company's inexperience with marketing fruit juices. Distribution was slowed because Campbell—used to being the big boy on the block—refused at first to give direct shipment discounts, and offered supermarkets lower-than-normal price promotions with higher-than-normal volume and advertising requirements. The strategy backfired when stores refused to be bullied: They didn't need Campbell for juice the way they did for soup. "We tried to impose our product without listening," admits Hess, who assumed control of the beverages unit in November 1984. "We shoved it down their throats, and they shoved it right back."

As a result of the delays, marketing blunders, and other problems, JuiceWorks is expected to reach only half the $80 million to $100 million in sales originally projected for 1985. Yet despite losses estimated to be in excess of $4 million, Hess and his team of young managers have been assured of continued corporate support—including a projected $20-million marketing war chest—for the JuiceWorks line.

To a student of large-company behavior, the decision looks like an admirable commitment to a long-term marketing vision. But to a smaller company seeking a sip of the juice business for itself, Campbell's persistence looks like nothing but trouble.

"They have so much money, they can toss those products out in the marketplace without understanding it," says Garry Scaife, vice-president and director of marketing of International Beverage Importers Inc., a tiny Westlake Village, Calif.-based concern that started marketing natural juices in 1980. "Sometimes just throwing money at problems doesn't solve them, but it sure doesn't hurt. Hell, I could probably retire with all the money they've spent learning the business."

Scaife's frustration with Campbell's ability to absorb its blunders is understandable. After selling his previous company, he put together some $300,000 to launch International Beverage. Seeking a marketing ploy to compensate for his limited budget, Scaife called his product Popeye Punch, licensing the trademark from King Features Syndicate. Unable to finance his own manufacturing, he had the new juice supplied by a local packer; as is customary for smaller companies, he sold it through food brokers. But soon his plans began to unravel.

Even as Popeye Punch was being introduced, Libby, Borden, and Campbell entered the same product category. Then came the kind of error a start-up with major competition simply cannot afford. A defect in the punch's blend caused a white ring to form around the edge of each juice bottle. Forced to pull his product off the market, Scaife spent several months looking for another formula, a process that cost him two seasons' worth of orders. Sales for 1984, which he had hoped would hit $2 million, failed to reach the $1-million mark. Losses mounted, and for the time being, Scaife has all but given up trying to penetrate the mass market.

"We have a good product," he complains, "but in many cases we can't even get onto the shelves. I hate hearing the supermarket guy say, 'I'd love to sell your product and I know it will sell, but because Campbell has a million dollars to market JuiceWorks, you don't have a chance.'"

At first glance, Mark Sherman's Today's Taste project appears more misguided than Juice Works ever did—another example of the difficulty giant corporations have breaking into specialized markets. Indeed, Sherman's competitors seem to view it as something of a joke.

"The idea is very creative, but it is not going to work," scoffs Dominique D'Ermo, proprietor of Washington's swank Dominique's Restaurant, who recently branched out into canned gourmet soups. D'Ermo says that Today's Taste dishes—prepared in the early morning hours at a kitchen in Alexandria, Va., and costing as much as $7.95 each—run a high risk of deterioration during their trip to the supermarket. He doesn't believe they will ever achieve the quality demanded by upscale consumers. A *Washington Post* review echoes this concern, panning Sherman's Pasta Primavera as "gummy enough for any child to turn it to Play-Doh," and commenting that Today's Taste's Chicken Salad Jacques "led you to wish you tasted it yesterday."

"You simply can't industrialize the process like that," agrees Jeffrey Cohen, who maintains a kitchen at each of the two Washington, D.C., area locations of his Sutton Place Gourmet. Cohen credits much of the success of his own operation, which last year grossed some $9 million, to his personal involvement as owner-manager. "It has to come right out of your guts," he says. "You have to be the kind of person who would build his own house to get the view he wanted."

Maybe so. Maybe what Cohen calls "the entrepreneur's touch" is still the absolute key to turning opportunity into gold. But it is also true that entrepreneurs can't afford to be complacent anymore—because whatever happens with Today's Taste, Campbell isn't conceding the specialty-food market to anyone.

From one point of view, Sherman's Washington experience has been a financial and artistic disaster. The return rate on some Today's Taste entrees reached 40%, and losses have been severe. "I would not say it's a successful project," says Herbert Baum, president of Campbell's U.S. divisions. "It's a learning experience we can use for the future."

But use it Campbell will: As with JuiceWorks, the company hasn't been deterred by early failures. With the first trial completed, Sherman is leaving Washington, he will continue as project director, reporting to Marty Buchalski of the refrigerated-foods unit. In six months or so, a revised version of Today's Taste should be ready for another test. And smaller competitors have plenty of reason to fear that Campbell's awesome ability to withstand setbacks—and equally important willingness to adjust products to meet consumer preference—will win out in the long run.

"When you go to the casinos in Atlantic City," says Buchalski, "they have a 2% edge over the customer because they have more money. Well, that's the same with us. We have the wherewithal to keep rolling the dice. The entrepreneur has to put up his house."

SCHOOL PRAYER

● Mr. GLENN. Mr. President, I favor prayer in public schools—but let me be clear as to what I mean by prayer. By its nature, prayer is tied to the beliefs of each religious denomination, and the manner and content of prayer is a fundamental aspect of each person's faith. A prayer general enough to be acceptable to everyone would surely trivialize prayer for many students and make it offensive to others. After all, if prayer can be offensive to some for the words it includes, it can also be offensive to others for the words it omits. That is why I favor establishing a period of silence in our schools; a period in which students can reflect, meditate, or pray in the form and language prescribed by their individual consciences. I advocate a moment of silence during which students could engage in prayer that comes from the heart and from beliefs formed in the home, not a prayer selected by the local school board or superintendent.

I have long advocated and voted for a moment of silence for prayer or meditation at the beginning of each school day, but that is not what the resolution before us today calls for. It is a direct attack on the very basis of our constitutional system and the checks and balances our forefathers so wisely and judiciously included in the Constitution of our courts.

Senate bill 47 would deprive the Supreme Court and all other Federal courts of jurisdiction over any case involving voluntary school prayer, Bible reading, or religious meetings in public schools or public buildings. By doing so, this bill would violate the Constitution's supremacy clause which provides the Supreme Court with the authority to determine the constitutionality of Federal and State laws. By stripping the Supreme Court and the Federal courts of the jurisdiction to hear such cases, S. 47 effectively would allow State courts to ignore Supreme Court decisions and thus prevent this Nation from fulfilling its longstanding goal of creating a uniform rule of law.

While Congress does have the authority to regulate the appellate jurisdiction of the Supreme Court as well as the general jurisdiction of other Federal courts, this bill would go beyond to boundaries established by previous court decisions and basic constitutional principles. And I believe it does so intentionally and by design. After all, this bill is being offered because its sponsors know that they cannot muster the two-thirds vote they need in this body to pass a constitutional amendment permitting vocalized prayer in the public schools. So they are trying to get what they want through the back door: Stripping the Supreme Court of its jurisdiction in matters relating to school prayer and claiming that they need only a simple majority of the Senators to do so. But if this measure passes, the flood gates will be open—and we will be inundated by numerous other pieces of legislation seeking to strip the Supreme Court of its jurisdiction over any controversial matter. In short, if a simple majority vote of Congress can overturn decisions arrived at in the courts because lawmakers disagree with those decisions, then any legitimate judicial decision can, and likely will, be imperiled. As one of our leading newspapers put it in closing a recent editorial on this subject: "The Framers of the Constitution provided a perfectly good way to overturn Supreme Court interpretations of the Constitution: the amendment process."

But let's not fool ourselves. Court stripping may be the technical issue behind this legislation, but it is not the real issue. The real issue is whether or not we will impose vocalized prayer on the public schoolchildren of this Nation. And while I have always supported our children's right to pray silently anywhere and any time they choose, I have always opposed the institution of organized and vocalized prayer.

I believe organized prayer would violate America's time-honored tradition of separating church and state. In my view, religion should be fostered in our homes, families and churches—but not in those institutions run by the Government. Indeed, I believe that allowing our Government to intrude into religion is the surest way to jeopardize everyone's religious liberty.

Another reason for my stand on organized and vocalized prayer is that I do not believe that any vocalized group prayer can truly be voluntary. Given the strong peer pressure that exists among our youth, it is inescapable that many children would be placed in the awkward position of having to choose between their religious beliefs and their desire to be accepted by their classmates. An 8-year-old Jewish boy from Pittsburgh put it well in a letter he wrote to President Reagan. Recalling that his family had recently lived in another country, the boy wrote:

> In my school we had to say a prayer. Some of the children stood in the hall instead of saying the prayer. Everybody thought they were bad. One boy told me I was going to hell. Please don't make people hate me because I am Jewish. It made me feel terrible to say the prayer.

Mr. President, I am both a Christian and an elder in the Presbyterian Church. I treasure my faith—and I have always cherished the religious freedom that our Constitution provides. But I know that none of us wants to make our children—or our neighbor's children—feel terrible for remaining true to their religious beliefs. And in my view the way to keep that from happening is to urge our children to take their religion to heart and to protect their religious freedom. Allow our children to pray silently if they wish, but do not coerce them into participating in an organized prayer written by school or Government officials.●

TRIBUTE TO HONOR KEN HOWARD

● Mr. DURENBERGER. Mr. President, on Monday, September 9, 1985, the federalism community lost a good friend and a strong advocate. Ken Howard, former Executive Director of the U.S. Advisory Commission on Intergovernmental Relations, died suddenly and unexpectedly in Madison, WI, after suffering a heart attack. He is survived by his wife, Karen, and their five children, David, Mark, Allison, Marcia, and Rebecca.

Ken Howard had a distinguished career which combined both public and private service. He graduated from Northwestern University and received a master's degree and a doctorate in public administration from Cornell University. Most recently, he had departed as Executive Director of the ACIR to become a principal of Chambers Associates. There, he was directing research on the problem of State and local funding of public infrastructure.

His professional accomplishments do not end there. He has held the positions of president of the National Association of State Budget Office during his service to the State of Wisconsin as budget director. He served as vice president of the American Society of Public Administration and would have become its president in 1986.

We who share the belief that the values of federalism are too often overlooked in the public policy process find the loss of one so knowledgeable on intergovernmental relations all the more untimely; for Ken Howard died, just as he was beginning to contribute the most. We shall miss him.●

GRADUATION ADDRESS OF CAPTAIN JOSEPH R. JOHN

● Mr. GOLDWATER. Mr. President, it gives me great pleasure to submit for the RECORD, and for all to read, a recent speech presented by Capt. Joseph R. John, a resident of San Diego.

The occasion of this address was the 1985 graduating class of Central Falls High School in Rhode Island. Captain John was invited to deliver this graduation speech not only because he attended Central Falls High school but also because as a graduate of Annapolis and Harvard, he distinguished himself in service to his country during war and now peace. A patriotic American, Captain John was there also to honor his mother, in whose name the Mrs. Michael John Fund was established upon her death last year, a scholarship that is awarded top students of Central Falls High School.

Mrs. Michael John, an immigrant, saw the nobility and sweetness of this land and the purity of its ideals. She loved her country and was dedicated to her family and had invincible strength in her faith in God.

Her son, Joe John, is made of the same mold, likewise a symbol of the virtues of honesty, fairness and hard work.

It is my belief that others will benefit from his inspiring and scholarly words, and I ask that his remarks may appear in the RECORD.

The remarks follow:

GRADUATION SPEECH 1985 CENTRAL FALLS HIGH SCHOOL, CENTRAL FALLS, RI

(By Capt. Joseph R. John)

To be asked to address this fine graduating class of 1985 is a great privilege indeed, ... a singular honor.

It is my understanding that one third of the students at Central Falls High School were born in other parts of the world: The Middle East, Europe, Southeast Asia, South America. When I attended Central Falls High School, the parents of more than half of the students were immigrants. This is a country of immigrants. The first immigrants as we all know, landed in the *Mayflower*, millions have followed. This ethnic mixture is the richness that makes our country of America unique, and gives us a special source of strength.

Your mothers and fathers understand and appreciate what our country has to offer. As my mother and father worked hard to help me succeed, your parents are working hard to help you succeed. You graduates, your families, your teachers and friends are what truely represent the character and the spirit of Central Falls: This one square mile city, embodies the richness and, the strength, of this extraordinary country.

The ethnic and religious diversity of Central Falls and its hard-working people, underscores the quality of family life, the belief in God and in country, and most particularly . . . . The vital importance of education . . .; this country's greatest asset . . . . President James Madison stated, "Knowledge will forever govern ignorance," with an education, you can open doors others will never even see.

My remarks this evening will focus on how education, country, and God, play a critical roll in enriching the quality of your life.

This evening, you are completing a stage of life, the commencement is just that; a beginning. You may think you've finished, but all the work behind you, is just the foundation on which to build your future. Whether it be: a job, college, a career, the military service, a family. Why it's enough to make you wish you had missed taking your final exam.

The word "graduation" means "step". This moment in your life is a stepping stone, and for many of you I trust, a step toward more education. These 12 years of education mean more than you realize.

A year before I graduated from CFHS, a guest speaker, Lt. Col. Chappie James, made a lasting impression on me. I shall never forget him, nor his words. Chappie James was a black man, born in Pensacola, Florida in 1920. By persistence and hard work, he earned his college degree in 1942. He then obtained his commission as a second lieutenant in the Army. He flew 101 combat missions in Korea; received the Massachusetts Chamber of Commerce award in 1954. Lt. Col. James spoke to us here in 1955, a year when Dwight D. Eisenhower was President and a year when we in Central Falls were listening to the music of Elvis Presley.

Subsequently he flew 78 combat missions in Vietnam: And was with a flight that shot down 7 Mig 21's, the highest total of any mission in Vietnam. He received the Freedom Foundation Medal on two occasions: in 1967, and again in 1968. In 1969 he was the recipient of the Outstanding Jaycee Award. In 1975 he was the first black to be promoted to four star rank: General Chappie James was given command of the North American Defense Command and of the U.S. and Canadian Defense Force in 1975. He retired and passed away in February 1978.

General James was widely known for his speeches on Americanism and patriotism, for which he was editorialized in numerous national and international publications.

He stated: "My mother used to say: 'Don't stand there banging on the door of opportunity, then when someone opens it, you say, "wait a minute, I've got to get my bags." You be prepared with your bag of knowledge, your patriotism, your honor, and when somebody opens that door, you charge in.'"

During the period when he was growing up, he was often discriminated against, people tried to knock him down, but he would come back fighting.

When others complained—he used to say, "I am, above all else, an American." Chappie James encouraged us to believe strongly in individual initiative and plain, old fashioned hard work.

To better ourselves by getting an education. He told us to shoot for the stars: and I would hope that you graduates would be as impressed as I was, by such determination and grit, nothing in the world can take the place of persistence and hard work.

Talent will not: nothing is more common than men and women with talent who fail to achieve success. I would tell each graduate not to be a quitter, I would tell each graduate to be persistent, to work hard, to believe in yourself.

I'm reminded of the story several years ago about a remarkable baseball pitcher, Bobo Newsom in the third inning of a key game, his manager called for time, and walked out to the pitcher's mound. "Bobo, I've got some sad news," he said. "Your father just died suddenly. I'm taking you out of the game."

There was a pause.

Very slowly, and with determination, Bobo Newsom, who was very close to his father, said: "Please, don't take me out of this game." The manager agreed, and Bobo went on to pitch one of the most remarkable games of his career, all the while, with tears in his eyes.

After the game, the manager asked Bobo how he could pitch under such tragic and sad circumstances. Bobo replied, "If my dad thought for one minute that I was a quitter, he would have died 20 years ago."

In order to better yourself, to excel you must be persistent and hard-working—whether it is to learn a skill like Bobo Newsom's or to use your own initiative to improve your education, like Chappie James.

The challenges that lie ahead for the human race will be met by thousands of bright, stalwart young men and women like youselves in whose minds are locked the ability and the creativeness to astound the world with bold new ideas. As Edison, Lindberg, Einstein, Neil Armstrong, and others have done before you.

America isn't great because of what our Government has done for people. America is great because of what our Government has permitted a free people to do for themselves.

Patriotism is a form of celebration. It is a sign of robust spirit, a sound self confidence, a sure sense of duty, a healthy confidence in doing well.

America is a great power and yet we have read in history that other great powers such as Rome declined and lost their greatness. We have learned that barbarians conquered Rome. The truth is, that Rome fell from an erosion of intelligence, and a decrease in articulate leadership and vision, because the brilliant emperors, senators, and their colleagues, produced increasingly fewer brilliant sons to lead Rome.

Rome fell, from a decrease in available bright, literate leadership. Our nation, our culture, depends upon wise, articulate, literate, sound judgment. We can no more survive with a deficient leadership than Rome did. And our leadership, ultimately is the citizenry.

You, and others like you, are the future of this noble country—what you do now—what you accomplish—will determine our direction in the next century. Think about it—man lives approximately 25,000 days. You have already lived 7,000 days on the average.

Yesterday—is a memory.
Tomorrow—is a dream.
Today—is reality.

Reality is the bridge between yesterday and tomorrow. What contribution will you make in life—in this brief time?

You must make a contribution to mankind. Whether it is the task of raising good, law abiding children, writing a great novel, or walking on the moon. I urge you to strive with persistence and hard work, with moral principles make your mark. Socrates said, "An unexamined life is not worth living."

Have you thought of the purpose of your life? George Bernard Shaw states: "Indifference is the essence of inhumanity."

Do you have; will you show, concern for your fellow man? In the Proverbs, it states: "When there is no dream, the people will perish."

Why settle for simple dreams, shoot for the stars. "Not to decide, is to decide." "How will you examine your life? Will you make a rational contribution?" Are you aware that, in the past, Central Falls has provided us with: U.S. Senators, Congressmen, cardinals, bishops, scholars, military leaders, business leaders, outstanding athletes, and many others who have gone on to achieve greatness?

Achievement is the knowledge that you have studied and worked hard and have done the best that is in you. Success has been defined as earning the praise of others, and . . . that praise is flattering, too. But it is not as important and as satisfying. As achievement . . . Always aim for achievement and forget about success. Success will naturally follow achievement.

Each graduate has a "choice", you have a "free will." You can be a force for good, or you can choose another path: The path of self-interest, the exploitation of others. America needs alert and sober men and women to wrestle with the vexing social and moral problems of our times.

My mother, for whom the "Mrs. Michael John Scholarship" is named, like so many other immigrants—like many of you, and your parents, saw the nobility and the sweetness of this land, the purity of its ideals.

America gave my mother the finest opportunity, the greatest joy of realizing a well-spent life in the glow of her family, in the celebrated freedoms of her adopted country of America, and in the invincible strength of her faith in God. She instilled these virtues in those of us who knew her. She was optimistic and she encouraged us always to work for good.

You graduates have lived these first 7,000 days. They are gone and will never return. What are you going to do with the remaining 18,000 days? Will you use them: Soberly? Productively? Honorably?

In service to your family, to your country, to God? Or will you go another way? You have to choose. You have the power of "free will." The time is upon each of you now at this commencement, this graduation. At this crucial "step" you are taking this evening.

Our nature still contains both good and bad—but the stakes and the risks increase with every generation. So, I'm going to ask a few things of you: study carefully both the benefits and the liabilities of what we pass on to you.

And keep a sharp eye on what your political leaders are doing. Let them hear your views on issues. Your generation will shape the course of our next century. Don't leave anything behind for which you would be hesitant to take credit and give credit for what is right with this country.

Today, despite our problems, we have more food per mouth, more clothes per body, more homes per family, more wages per worker, and more opportunities per dream, than any people that ever lived. But we must continue to work together, to be grateful for what we have. Instead of tearing down, build upon this foundation, of 12 years of education, because its important to the future of our country.

We need the attitude expressed in this closing poem: I saw them tearing a building down, a gang of men in a dusty room, with a yo heave ho and a lusty yell, they swung a beam and the side wall fell.

I asked the foreman if those men were as skilled as the men he'd hire if he were to build. He laughed and said, "Oh no indeed, common labor is all I need for those men can wreck in a day or two what builders had taken years to do."

I asked myself as I went my way, what kind of role am I to play? Am I the builder who builds with care? Measuring life by the rule and square? Or am I the wrecker who walks the town content with the role of tearing down?

And so graduates, march forward with cautious optimism . . . Grasp your diploma tightly, as a symbol of commitment to a goal America needs the type of builders and patriots each of you can be. Your place in this procession confirms that you are on your way.

I salute each one of you, and your families.

Good luck, best wishes, and God bless you.●

EXTENSION OF MEDICARE HOSPICE BENEFITS FOR ANOTHER 3 YEARS

● Mr. D'AMATO. Mr. President, I rise in support of legislation, S. 777, to extend hospice benefits under the Medicare Program for 3 more years. My distinguished colleague, Mr. HEINZ, chairman of the Senate Special Committee on Aging, has proposed this legislation in an effort to accommodate the needs of the most critically ill individuals of this country. I commend him for his efforts, and I lend him my full support in the endeavor.

The Hospice Program began as a grassroots, volunteer movement to compassionately care for terminally ill individuals. Interested and active individuals joined in a collective effort to address an issue that neither Government nor private industry previously had confronted—how to deal with the emotional and physical strains of terminally ill individuals and their families. With little funding and ad hoc administration, their efforts represent the core of charity and activism that has made this country great.

Hospice has grown and developed into a large interdisciplinary network. In some locations, hospice is entirely a volunteer, family and patient support program. In others, hospice has expanded into a larger operation—providing supportive, medical, and home care services. Regardless of what specific services a particular hospice offers, all hospices believe in the importance of meeting the needs of the terminally ill patient. With this goal in mind, hospices work together to provide a quality of service for a specialized group of individuals that is unmatched by any other kind of governmental or private effort.

Hospice also boasts of a significantly cost-effective operation. Major insurance carriers recognized the benefit of hospice a long time ago. The Federal Government was the last organization to recognize the effectiveness and efficiency of hospice services. However, CBO has confirmed what the private sector learned years ago. Hospice not only provides a service that otherwise is not provided, but it also saves a lot of money.

CBO projected that Medicare savings between 1982 and 1987 would amount to close to $100 million. With the huge Federal deficit, it does not make sense to overlook the significant cost savings of this program. While some optional medical services only provide opportunities for compounded medical treatment and, consequently, require additional Federal spending, the Medicare hospice benefit saves money. The nature of the program and the way the program is administered eliminate the possibility of Hospice becoming an extra expense. It serves as a needed worthwhile, and cost-effective approach to dealing with a seriously ill group of people.

Terminally ill individuals and their families deserve the special treatment and support that regular health care services do not provide. It is my belief that our Government was designed to

help individuals who need immediate help. I ask my colleagues to consider this thought and to reaffirm our responsibility to these individuals by supporting this legislation.●

DR. HERBERT SCOVILLE, JR.

● Mr. MOYNIHAN. Mr. President, I note with sorrow the recent passing of a distinguished native of New York, and a distinguished American—Dr. Herbert Scoville, Jr. a graduate of the University of Rochester, Dr. Scoville, was trained as a physical chemist. As such, he devoted much of his life to public service in the area of strategic weapons and arms control. He was the author of two books on nuclear issues: "Missile Madness" and "MX: Prescription for Disaster." For his efforts in increasing awareness of the importance of arms control Dr. Scoville received the Rockefeller Public Service Award in 1981.

As we recognize the 40th anniversary of the first, and hopefully the last, use of nuclear arms, public concern for control of nuclear weapons mounts. Dr. Scoville was concerned on a daily basis. I hope his thoughtful concern shall continue to inform us all, and guide us.

Mr. President, I ask that Dr. Scoville's obituary published in the New York Times be printed in the RECORD so others might learn of this fine American's life and perhaps join in his concern.

The obituary follows:

[From the New York Times, July 31, 1985]

HERBERT SCOVILLE JR., ARMS EXPERT; BECAME A CRITIC OF NUCLEAR POLICY

(By Neil A. Lewis)

WASHINGTON, July 30.—Herbert Scoville Jr., an authority in advanced military technologies who helped develop nuclear weapons and then, in the 1960's, became an articulate advocate of arms control, died today. He was 70 years old.

Dr. Scoville, who died at the Georgetown University Hospital, succumbed to cancer, according to the family.

Since 1979, Herbert (Pete) Scoville served as the president of the Arms Control Association, a private organization he had helped found.

Earlier, in Government service, he helped develop nuclear weapons as technical director of the Defense Department's Armed Forces Special Weapons Project from 1948 to 1955. He served as deputy director for research and technology in the Central Intelligence Agency from 1955 to 1963, and then as assistant director for science and technology in the Arms Control and Disarmament Agency until 1969.

PREPARED ARMS CONTROL PACTS

In the arms control post, he was responsible for developing positions on such matters as the 1963 treaty on a limited nuclear test ban, the 1969 treaty aimed at curbing the spread of nuclear weapons and the strategic arms limitation talks with the Soviet Union.

Since leaving Government service in 1969, he was a ubiquitous figure in the public debate over nuclear disarmament, new technologies in the arms field and United States relations with the Soviet Union concerning nuclear weaponry. A major theme of his work, according to associates, was that the key to nuclear stability lay in negotiations between the superpowers.

A native of New York City and a physical chemist by training, with a Ph.D. from the University of Rochester, Dr. Scoville was responsible for the technical aspects of espionage when he worked for the C.I.A., developing intelligence with satellites and high-flying planes.

CHANGE OF VIEWS IN C.I.A. SERVICE

At the C.I.A., associates said, he became convinced of the need to control nuclear weaponry. In 1958, he attended an international conference to discuss the possibility of a surprise nuclear attack and later wrote of the "oppressive weight" he and many participants felt about the obligation to do something to prevent the use of weapons that could destroy mankind.

After his stint with the Arms Control Agency, he devoted himself entirely to an effort to disseminate information about nuclear weapons, possible strategies for controlling them and the consequences of failing to do so.

In 1981, when he received the Rockefeller Public Service Award that is administered by Princeton University, he was cited for "mobilizing his energies, his scientific knowledge, and his political insight in an effort to create a public awareness of the importance of arms control to American and international security."

Dr. Scoville, who walked with a set of canes because of arthritis, was a familiar figure on Capitol Hill where his expertise was sought on the whole range of nuclear issues.

He was the author of "Missile Madness," a primer on nuclear war, published in 1970, and of "MX: Prescription for Disaster," in 1981.

In recent years, he took up the Reagan Administration on several issues, notably on whether a nuclear freeze could be verified and on the usefulness of the space-based defense program popularly known as "Star Wars." Dr. Scoville argued that it would be destabilizing and could violate the 1972 Antiballistic Missile Treaty.

Dr. Scoville is survived by his wife, the former Ann Curtiss of McLean, Va., and Taconic, Conn.; three sons, Anthony and Thomas, both of Washington, and Nicholas of Los Angeles, and a daughter, Molly Fitzmaurice of Washington.

The funeral will be private, but there will be a memorial service here sometime in September, according to the family.●

TRIBUTE TO A UNION PIONEER: BARBARA J. EASTERLING

● Mr. GLENN. Mr. President, on July 16, Barbara J. Easterling achieved a milestone in American labor history when she was elected as the first female national officer of the Communications Workers of America.

I take special pride in this accomplishment because Ms. Easterling has long been active in organized labor and in public affairs in Ohio. Indeed, she has been a member of the CWA local in Akron for 33 years.

Although Ms. Easterling's most recent attainment is exceptional, it is not the first time she has broken new ground in her career. She was the first woman ever elected to serve as vice president of the Ohio AFL–CIO. Also, she served a 4-year term as the only labor member of the Advisory Board on Education and Training to the Secretary of the Navy, a White House appointment.

Mr. President, earlier, in 1971, Barbara Easterling was appointed by John Gilligan, then Governor of Ohio, to serve as chief of the State's industrial relations labor division. That administrative unit of government is empowered to enforce Ohio's labor laws.

In addition, Ms. Easterling served as administrative assistant to CWA Vice President Marty Hughes in Ohio from 1978 to 1980. In August 1980, she was selected by then CWA President Glenn E. Watts to come to Washington and serve as his assistant.

Mr. President, Barbara Easterling comes from a family of dedicated trade unionists. I extend my congratulations to them in this special moment of celebration, and I wish this outstanding daughter of Ohio all the best as she embarks on what I am sure will be stimulating and challenging duties.●

ORDERS FOR FRIDAY

RECESS UNTIL 10 A.M.

Mr. SIMPSON. Mr. President, having conferred with the Democratic leader, I ask unanimous consent that once the Senate completes its business today, it stand in recess until 10 a.m. on Friday, September 13, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATORS PROXMIRE AND MOYNIHAN

Mr. SIMPSON. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order on tomorrow, there be two special orders in favor of the following Senators for not to exceed 15 minutes each: Senator PROXMIRE and Senator MOYNIHAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond 10:45 a.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President upon completion of routine morning business tomorrow, the Senate will resume consideration of S. 1200, the immigration bill, turning to the pending amendment by Senator HAWKINS.

At the conclusion of that, Senator Kennedy will proceed with his amendments. There are several other identified amendments.

Rollcall votes can be expected throughout the Friday session; but I share with colleagues the belief that we could finish in midafternoon, with some degree of reasonable projection, which may quickly slip away.

That is my review; and if the minority leader has any inquiry to make and I can respond, I will try to do so.

Mr. BYRD. Mr. President, I thank the distinguished Senator. I do not have any questions.

Mr. SIMPSON. Mr. President, I inquire of the Democratic leader if he has further business.

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader. I have no further business.

RECESS UNTIL 10 A.M.

Mr. SIMPSON. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until the hour of 10 a.m., Friday, September 13, 1985.

The motion was agreed to; and at 8:33 p.m., the Senate recessed until Friday, September 13, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 12, 1985:

NATIONAL ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

Esther Kratzer Everett, of New York, to be a member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1987, vice Marie Sheehan Muhler, term expired.

U.S. SENTENCING COMMISSION

The following-named persons to be members of the U.S. Sentencing Commission for the time being and for the terms indicated, subject to the conditions prescribed by Public Law 98-473 of October 12, 1984, as amended, new positions.

For terms of 2 years:

Stephen G. Breyer, of Massachusetts.

Paul H. Robinson, of New Jersey.

For terms of 4 years:

Michael K. Block, of Arizona.

Helen G. Corrothers, of Arkansas.

George E. MacKinnon, of Maryland.

For terms of 6 years:

Ilene H. Nagel, of Indiana.

William W. Wilkins, Jr., of South Carolina.

William W. Wilkins, Jr., of South Carolina, to be chairman of the U.S. Sentencing Commission, new position.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be vice admiral

Vice Adm. Thomas R. Kinnebrew, 254-44-6391/1100, U.S. Navy.

EXTENSIONS OF REMARKS

GREEK INDEPENDENCE DAY: IN CELEBRATION OF DEMOCRACY

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. NEAL. Mr. Speaker, I would like to share with my colleagues a speech by one of my constituents, Miss Eleni Chamis, a first generation American of Greek ancestry. Her speech was inspired by her study of the ancient Greeks and a visit to her forefathers homelands.

The ancient Greeks, of course, are unmatched as an inspiration of song and verse. Their contributions to modern Western thought in philosophy, art, science, religion, and law are renowned. It can truthfully be said that all Americans, whether or not of Greek ancestry, are kinsmen of a kind to the ancient Greeks, in whose age was born the concept of democracy. It is constitutional democracy, after all, which has made possible the American way of life and enabled the United States to emerge as the greatest and most powerful nation of our age.

Mr. Speaker, I would also like to take this opportunity to solicit support for a resolution I recently introduced, House Joint Resolution 381, to mark the anniversary of Greek Independence Day on March 25, 1986, and every March 25 thereafter. The political relationship between our Government and the Greek Government today is somewhat strained. A joint celebration of Greek Independence Day would serve to reaffirm our common commitment to the democratic principles and the struggle for freedom from which our nations sprang. Moreover, it would strengthen our natural ties and reinvigorate the relations between our two nations.

HERITAGE, CULTURE, TRADITION

This is what our ancestors have passed down to us . . . our past, our history. What Greece has given us is the voice of justice ringing loud and strong. Greece has given us

Herodotus, the father of history;

Hippocrates, the father of medicine;

Homer, the insurmountable poet and second-to-none analyst of human emotions;

Socrates, the model of respect for the laws, and the wisest and most unselfish of all teachers;

Plato, the sweetest philosophical personality;

Aristotle, the most profound mind of all time, who bestowed upon us the history of philosophy, botanology, anatomy, the fundamentals of logic, and the definitions of truth and judgement;

Solon, the father of law:

Pericles, the father of democracy;

Pythagoras, who laid the basis for higher mathematics;

Alexander, the great civilizer;

The epic of Marathon;

The Supreme Court, the highest instrument of all human justice possible;

The Rostrum of Pnyx, an unshakeable foundation of free speech;

The Parthenon, the supreme wonder of art. Not even a perfect imitation could have the same impact of this great accomplishment;

The Holy Bible in its absolute perfection;

The Divine Music of the Church which "lifts the fallen and helps him to face the spiritual dawn";

Chrysostom, Christianity's greatest apologist;

and the Grecian Philosophers for whom Jesus, on being informed that they were asking for an audience, proclaimed, "Now hath come the time for the Son of God to be glorified."

Will Durant wrote "All civilized nations in all that concerns the activity of the intellect, are colonies of Hellas" today. Through Greece and her history, our heritage has gained: our handicrafts; the processes of trade, industry, finance, and commerce; the techniques of mining; the essentials of engineering; the monotheistic idea; a democratic government; a trial by jury; civil liberties; our schools and universities; our stadiums; our athletics and Olympic Games; the conceptions of self-containment and self-control; Christian theology and practice; our literature; our alphabet and language; our literary genres: the ode, the novel, the essay, the oration, the history, the biography, and the drama; our chants and music; our sculptures and architecture . . . a whole world of knowledge.

Lord Byron was inspired to write in "Don Juan" when he stood atop the mountain, Marathon, filled with sadness and nostalgia in human history.

"The mountains look on Marathon—
And Marathon looks on the sea;
And musing there an hour alone,
I dream'd that Greece might still be free;
For standing on the Persians' grave.
I could not dream myself a slave."

On my trip to Greece last summer, I *saw* my heritage very much alive. I walked the same soil of Socrates, of Pericles, of Alexander. I sat on the mountain of the Pnyx and watched the "Sound and Light" show, which recreated Pericles' speech to the Athenians, the "marathon" run, the invasion of Greece by the Persians, and the burning of the Parthenon. On the way to Karpenisi to visit my mother's village, which she hadn't seen for forty years, I was sidetracked by a large "pazári." There were lambs skewing, merchants selling, people laughing, talking, and dancing.

In Athens, I watched the Evzones at the Tomb of the Unknown Soldier change guards every hour on the hour. I climbed the magnificent mountain of the Acropolis and gazed at the Parthenon, the most stupendous piece of architecture ever contructed. I strolled up the steep side of Mount Lycavetos to stare down on the most historical city in all the world.

Edith Hamilton writes in The Greek Way, "Of all that the Greeks did only a very small part has come down to us and we have no means of knowing if we have their best. It would be strange if we had . . . no sculpture comparable to theirs; no buildings ever more beautiful; no writings superior. We have only the ruin of what was; the world has had no more than that for well on two thousand years; yet these remains of the mighty structure are among our possessions today which we value as most precious."

"But in that antique world of Egypt and the early Asiatic civilizations, that world where the pendulum was swinging ever farther and farther away from all fact, something completely new happened. The Greeks came into being and the world as we know it, began."

This is my heritage and yours.

H.J. RES. 381

Whereas the ancient Greeks developed the concept of democracy, in which the supreme power to govern was vested in the people;

Whereas the Founding Fathers of the United States of America drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy;

Whereas March 25, 1986, marks the one-hundred-and-sixty-fifth anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire;

Whereas these and other ideals have forged a close bond between our two nations and their peoples; and

Whereas it is proper and desirable to celebrate with the Greek people, and to reaffirm the democratic principles from which our two great nations sprang: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 25, 1986, and each March 25 thereafter, is designated "Greek Independence Day: A National Day of Celebration of Greek and American Democracy", and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the designated day with appropriate ceremonies and activities.

CASE FOR THE RELIEF OF WAYNE GREENFIELD

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. PANETTA. Mr. Speaker, I am reintroducing today a bill for the relief of a constituent of mine, Wayne Greenfield, of Pacific Grove, CA, who I believe is entitled to compensation for losses he has suffered as a result of actions of the Bureau of Land Management in the Department of the Interior.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

On October 25, 1965, Mr. Greenfield purchased 22½ acres of land from a private party. The boundaries of the purchased property were established by a Bureau of Land Management survey in 1963 and were duly recorded in the appropriate county courthouse in California. On October 21, 1974, Mr. Greenfield purchased 42½ acres of land by bid from a superior court sale of private property. Again, the boundaries of the property were based on the 1963 Bureau of Land Management survey. In 1979, the Bureau of Land Management resurveyed the property in question which resulted in the loss of approximately 5 acres of Mr. Greenfield's property. The lost property had a value of about $20,000, including timber and land value, and the value of two active springs. As a result of the same survey, Mr. Greenfield acquired some additional land. However, this land was worth only $5,000, leaving Mr. Greenfield with an unfair loss in land value of about $15,000.

I believe that Mr. Greenfield's loss is due to the results of mistaken actions by the Bureau of Land Management, and that his case warrants the pursuit of private legislation to redress his loss. I urge my colleagues to grant him the necessary relief.

H.R. —

A Bill for the relief of Wayne Greenfield

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to Wayne Greenfield of Pacific Grove, California, the sum of $15,000 in full settlement of all claims of Wayne Greenfield against the United States for damages caused by an incorrect survey by the Bureau of Land Management of the Department of the Interior.

COURAGEOUS BANKERS IN MONTANA

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. MARLENEE. Mr. Speaker, the crisis in agriculture continues to burden America, but through this crisis has come a strengthened alliance between farmer and banker.

We have a tremendous number of banks in Montana and elsewhere that have displayed the fortitude and courage to stick with customers. These bankers—who are suffering through the farm crisis along with agriculture producers—deserve commendations and encouragement and I would hope the Federal Reserve gives these banks the flexibility and incentives necessary to remain steadfast behind agricultural America.

I urge my colleagues to read the following letter from a banker in Terry, MT, who describes with compassion and intelligence the relationship between banker and farmer. It is a relationship built on trust, and I'm gratified to see that trust remains strong even through these current tough times.

It is with great pleasure I enclose this letter from Al Brubaker, president of the State Bank of Terry, and hope other farm banks and bankers will use the sentiment expressed here as role model until profit is restored to agriculture.

The letter follows:

JULY 19, 1985.

Hon. RON MARLENEE,
Congressman from Montana,
Washington, DC.

DEAR RON: This morning in the daily paper headlines were hundreds of millions of money being pumped into the agricultural credit banks to revitalize them after all their agricultural lending problems.

In all the furor and noise about Ag Lendi, and Ag problems there seems to be little thought given to the fact that there are a lot of us small banks scattered over the country who have been spending our lives and what money we have in building and operating institutions where practically our entire business is with agricultural operation or its related businesses. We have been during this time attempting to keep our customers going in adverse as well as good times. Many times we do this against our better judgment but knowing that our customers financial existence may depend on us. The end result that any number of banks are taking tremendous losses, some with complete loss of the bank. This has been accented in our area as well as yours because of continuing drought and insect invasion that no one could foresee or predict.

Now we and there are hundreds of us sit and wonder where in hell it is all going to end up. Other than the media which is like a wolf waiting for a dying steer for news of a bank closing no one pays a hell of a lot of attention to our plight. Our main street customers are going broke and in many cases the banks are taking heavy losses trying to shore them up. Our Ag land is losing its value and we have little if any production to market. A lot of the cattle are going to be sacrificed at a minimal price and it will cost a hell of a lot more to replace them if it ever does get back to normal in the drought area.

Do you sense why I am writing. Who in hell is worring about the banks that are trying to carry thru in the horrible mess.

Thanks for listening.

Sincerely,

AL BRUBAKER, *President.*

THE 100TH BIRTHDAY OF SARASOTA, FL

HON. CONNIE MACK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. MACK. Mr. Speaker, Sarasota, FL, the City of the Arts, part of my congressional district, will celebrate its 100th birthday in a centennial party that will last from November 1985 through April 1986. The timeframe coincides with the November 1885 arrival in the Sarasota area of Scottish, English, and American shareholders of the Florida Mortgage and Investment Co.

Although Sarasota was already sparsely inhabited prior to 1885, the Scots are generally credited with building the town.

Excerpts from early newspapers reveal that the early settlers were industrious. A July 8, 1886, report said:

> Fifty to one hundred men have built since the first part of December 1885 (when they began) one hotel, one large store, one blacksmith shop, three boarding houses, one wharf and wharf house, one fish and oyster house, two new store buildings and twenty-three building houses.

The Scots had their priorities in order, according to this April 1, 1886, newspaper report: "Sarasota has organized a yacht club, and has over $200 subscribed for a boat house."

Commerce was vital to the early settlers. The Main Street dock was one of the first construction projects. It was necessary because all supplies were delivered to Sarasota via barges and boats.

Sarasota's tropical beauty reminded some travel writers of Europe and drew international visitors. It is that international influence that makes Sarasota different from other Southern communities.

In addition to the early Scot settlers, Sarasota was influenced by John Ringling from Europe and Mrs. Potter Palmer from Chicago. The circus people that Ringling brought in came from all over the world, and their influence makes Sarasota unique.

Special events are planned for each month of the formal celebration and include a Scottish parade, a formal Centennial Ball, a Ringling Brothers Circus parade, the re-premiere of "The Greatest Show on Earth," an international folk fair and coordination of the centennial with the annual Medieval Fair.

I would like to thank all the people who are participating in the celebration of Sarasota's 100th birthday. It thrills me to see the way our citizens are honoring their fine city and those who founded her and I am very proud to be their representative here in Washington.

CHARLESTON VIETNAM VET RECALLS HIS HOMECOMING

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. HARTNETT. Mr. Speaker, as you know, this Nation recently observed both the 40th anniversary of the end of World War II and the 10th anniversary of the end of American involvement in the Vietnam war. Much was said about these events and the people whose lives were affected by the wars. During the month of August, when we were all back in our districts, I came across an article in my local paper which greatly impressed me. In this article Mr. W.M. "Buddy" Milligan, a resident of Charleston and a retired Marine aviator, recalled his homecoming as he returned from Vietnam. Below, I have inserted a copy of Buddy's comments for the consideration of my colleagues. I think you will find his comments inspiring.

CHARLESTON VIETNAM VET RECALLS HIS HOMECOMING

As a veteran myself, I have been slowly burning inside to write a letter to our news media concerning the Vietnam War anniversary and the Vietnam veterans. Last night while watching the local evening news on the 40th anniversary of V.J. Day I decided to quit procrastinating and vent my frustrations.

Two men, one a World War II vet and the other a Vietnam War vet, were being interviewed by one of our local news media personalities. The WWII vet explained how he returned to a hero's welcome from a grateful nation. The Vietnam War vet said that he was not even given a warm welcome and that he was made to feel ashamed to wear his uniform. Once again that same old rhetoric that we have been hearing for several years. Nobody thanked us, nobody appreciated what we did, afraid or ashamed to wear the uniform, we wasted our time in S.E. Asia and on and on. Well I don't know where this person returned to when he got back to the state, but I would be willing to bet it wasn't Charleston, S.C.

I would like to relay to the reading public my experiences. It was a warm April day in 1969 when a planeload of Vietnam veterans from all branches of the service touched down at El Toro Marine Corps Air Station, California. I was a young Marine aviator, having flown over 200 combat missions of which 104 were over North Vietnam. I had also spent the last four months of my tour serving as an advisor to the local Vietnamese district chief. I had a squad of Marines who, along with doctors and corpsmen, helped provide medical and dental assistance to the Vietnamese populace, as well as assisting the local government in establishing schools and adult education programs. It was sometimes dangerous but always rewarding work. Since I have been involved in combat many times both in the air and on the ground I feel that I can speak with knowledge and sincerity at least about my experiences and feelings about that unfortunate war. In any case, we had been flying for well over 12 hours with only a brief refueling stop in Hawaii. We were all tired but excited. As we began to exit from the Boeing 707 a tremendous ovation was heard coming from the tarmac. The local Marine and Navy dependents had spread a brief red carpet leading from the ramp and extending several feet. They stood on each side cheering us as we walked down the red carpet. It was absolutely the most gratifying feeling I could ever describe. It may not have been a ticker tape parade down Broadway, but the lump in our throats were there nonetheless. I will always be grateful for that warm American welcome as long as I live.

However, my welcome did not end there. I called my wife from the Long Beach Airport and told her that I would be home at 1:30 the next morning, which was the first flight out. The plane landed on a rainy spring night. I got to the doorway and looked down to see 14 members of my family and close friends at the bottom of the ramp. Of course I was sure that my immediate family would be there, but I had some great friends there also. They all, family and friends, made me feel like a king. It was a real hero's welcome and I've never pretended to be a hero. But my welcome did not stop there either. The next several days my phone was constantly ringing. My good friend Frank Renau gave me the keys to his beach house on the Isle of Palms for as long as my wife and I and our 2-year-old son, who is now a freshman football player at the Citadel, would like to stay. Thanks again Frank. Everywhere I went in Charleston I was given a warm welcome. When I went into the friendly tavern on Grove St. I had to put my money away because I was a Vietnam vet. I would like to say two things to all of my family and friends: Thank you from the bottom of my heart and God bless you all.

It would be fruitless for me to try and analyze the Vietnam War and its aftermath. Experts have tried and failed miserably in their attempts to do so. We constantly hear about the war we lost. I do not know how we can say we lost the war when we won all the major battles. The military certainly did not lose the war. The politicians gave it away at our last major battle—the one at the conference table. I think the news media have exhausted the issue. In fact, after watching that pitiful interview last night, I know they have.

I am also tired of the constantly whining Vietnam vet who is still waiting for the government or somebody to do something for him because the war "messed him up." The majority of us came back to lead productive lives. We are forging ahead to continue to make this nation the greatest in the history of mankind. My heart goes out to those who did not come back and to their families. They were the real heroes; they gave all they had—their lives.

I would like to end this letter by saying I am proud to be a Charlestonian; I am proud of my family and friends. I am proud to have served under Gen. William Westmoreland and last, but certainly not least, I am proud to have been called a United States Marine.

W.M. "BUDDY" MILLIGAN,
Charleston.

FUTURE COURSE OF SMALL BUSINESS ADMINISTRATION

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. DREIER of California. Mr. Speaker, although the budget battle for fiscal year 1986 is over, the debate over the future course of the Small Business Administration and its lending programs is not. In fact, the mere freeze enacted by the House and Senate Small Business Committees is essentially an effort to buy time until Congress decides which direction to lead the SBA into the future.

One thing is certain like the budget in general, Congress must set small business priorities. But that entails an understanding of the needs of the small business sector. If small business is to continue its status as a leader in growth and innovation, greater focus must be given to those businesses which produce a net benefit to the economy. The redistribution of scarce credit had its good intentions 30 years ago. But with today's more competitive and fast-changing market, small business requires less Government interference in credit markets and more sensitivity to the need for startup capital, regulatory relief, and a strong and vibrant economy in which to compete.

As the following article in the September 1985 issue of Dun's Business Month points out, Congress needs to make clearly defined distinctions between nondynamic small businesses and those on the cutting edge of our economy. In particular, it is new business which is the key to economic growth. As the author instinctively points out, "* * * governments looking for growth and innovation would be well advised to reduce the barriers facing the businesses of tomorrow."

SMALL BUSINESS: MYTH AND REALITY

(By Marc Levinson)

In the American pantheon, the small businessman is a major god. Entrepreneurs are our folk heroes, and politicians of all stripes praise the little firm as the source of jobs and innovation. Next August, a White House conference, mandated by Congress in the face of Administration opposition, will give Washington the opportunity to show its concern for small business in an election year. As President Reagan has said, "Historically, small business has provided much of the growth in jobs and innovation as well as being the supplier of services and deliverer of goods to virtually every farm, village, town and city in our nation."

Small business is assuming an increasing important role in the U.S. economy. Nearly 29% of the 2.25 million jobs created this year will be in firms with fewer than twenty employees, and more than half will be in firms with fewer than 100, according to Dun & Bradstreet data. From 1976 to 1983 more than 6.2 million jobs were created in small companies. New business incorporations in 1984 set a record of 634,000—twice the number of a decade earlier.

The dynamic nature of these small companies increases the efficiency of the economy. They promote growth not only by filling new economic needs, but also by going out of business when they can no longer compete. This survival of the fittest ensures that only the most efficient enterprises endure. At the same time, new entrants into markets dominated by corporate giants force the big firms to keep their costs in line and their prices competitve.

Nevertheless, the mythology about small business has far out distanced the reality. Some small businesses are budding large businesses, but the reality is that the overwhelming majority will always be small. And while the mythology correctly points to small business as the great source of innovation and new technology, the fact is that only a handful of small businesses are innovators. Says Marjorie Odle, a consultant to the Small Business Administration, "People tend to lump all small businesses together as if they were the same. But small businesses don't necessarily have much in common. You need to look at individual sectors, not at small business as a whole."

To put the contribution of small companies in perspective, it is important to examine the recent spurt of new small business formations against the background of basic changes in the American economy since the mid-1970s. These include:

The booming service sector. Employment in services has grown twice as fast as overall employment over the last decade, and 97% of service firms have fewer than 100 employees. Some 55% of service workers are in small firms, compared to only one in four manufacturing workers.

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Deregulation. The restrictions, which once kept small firms from entering many industries, are largely gone, and new competitors abound. More than 13,000 trucking companies have started since deregulation in 1980. Since the Airline Deregulation Act of 1978, small commuter carriers have filled the gaps left when the end of government subsidies led larger carriers to abandon services. Deregulation of long-distance telephone service created a new industry of communications consultants who help firms find the cheapest way to call. In broadcasting, regulatory changes have allowed hundreds of low-power television stations to compete with the full-power stations usually controlled by major corporations. "The average low-power TV station has about seven employees," says consultant John Kompas. While the number of businesses started rose 11.1% from 1980 to 1983, the number of starts in deregulated industries grew 24.8%.

Changing economies of scale. The fervor of the past twenty years for mergers and integrated production has been reversed as business has learned that bigger is not necessarily better. Larger manufacturers increasingly subcontract work to smaller firms in order to lower labor costs and overhead and to gain the flexibility to switch suppliers. Greyhound Corp., the country's largest bus operator, is franchising some routes to entrepreneurs who can run them more efficiently. Says Greyhound Senior Vice President William McCracken, "We don't have any benefits from being so large, and there may be some disadvantages."

Technological change. "Mini mills," some with fewer than 100 workers, can underprice major steel manufacturers since the introduction of sophisticated small-scale equipment. Computerized typesetting has eliminated many production steps for periodicals. Word processors increase the efficiency of office workers, enabling small firms to accomplish as much as large ones used to.

High unemployment. Many new businesses are formed by workers who have lost jobs. That is one reason the number of firms with fewer than twenty employees soared from 1980 to 1982, while the number of larger firms declined.

Immigration. Legal immigration, which averaged about 400,000 people a year in the early 1970s, has run close to 600,000 annually since 1976, while uncounted illegal immigrants have entered the country. No statistics are available, but some experts believe the number of new businesses formed in areas such as New York and Los Angeles has increased due to immigration.

There is little doubt that small businesses are important in increasing competition, and they continue to provide a chance for the ambitious entrepreneur to make a mark. They may also reduce the severity of recessions, since they often adjust to hard times by cutting wages and hours rather than by laying off workers, as larger firms tend to. Nevertheless, the contribution of small business in the economy is frequently overstated.

Contrary to popular belief, corporations with more than 500 workers are still the major source of work in America, employing almost half the private-sector workforce. True, small businesses have created the majority of new jobs in recent years, but their relative performance owes less to the achievements of entrepreneurs than to the woes of large manufacturers. The nagging unemployment rate, which has been hanging at 7.3% for six months, reflects the troubles of the big industrial companies, which are operating at 80% of capacity. Observes Marjorie Odle: "Small buisnesses' share of new jobs depends upon how big business is performing. The share of jobs created is a much-touted statistic, but it really isn't very significant."

Since many small businesses have short life spans and are never counted in government statistics, it is difficult to find accurate data on small business employment. To determine employment growth, researchers must track millions of individual firms over time, often using information that cannot be verified. For many new companies there is no information at all available until they are in business for several years. Shell corporations established for legal or tax reasons complicate things further, since their employees are often family members who are not really in the workforce, or people who earn income elsewhere and simply channel it through the company.

A job in a small company on average adds less to the Gross National Product than a job in a large firm. In part, that is true because jobs in small businesses typically offer lower salaries than jobs with large companies, and are less likely to include pension plans and health insurance. Also, small firms are less capital intensive than large ones, so they usually produce less per worker.

The two-employee corner laundromat or the self-employed bookkeeper is a far more typical small enterprise than the fast-growing high-tech firm many politicians conjure up. David L. Birch, director of the Program on Neighborhood and Regional Change at the Massachusetts Institute of Technology, attracted wide attention to the employment gains in small firms in 1979, but he observes that job creation by small business is often misunderstood. "Most small businesses create no new jobs" after they have been in business for a year or two, Birch says. "Most get to three or four or five employees and stay at that level for the rest of their lives. Eighty percent of the growth is created by 12% of the firms." Predicting which small firms will grow and which will not is impossible, Birch adds.

The link between high tech and small business is real, but it is frequently exaggerated. Most high-tech firms start out small, but relatively few small business start-ups are in such cutting edge sectors as software and systems analysis. Leading the job creation parade from 1982 to 1984 were small firms in such prosaic industries as child care, construction and trucking. While 120,000 jobs were created in computer and data processing services, nearly four times that many were added in bars and restaurants.

Nor are those companies with fast employment growth necessarily the leaders in innovation. "Most of the innovation in manufacturing creates new wealth, not new jobs," insists David Birch. And the innovators are not necessarily small. Manufacturers facing competitive pressures are among the leaders in finding ways to increase efficiency. Among younger firms, the most innovative quickly outgrow the ranks of small business. A firm that stays small is probably supplying few jobs or few innovations.

Moreover, many small business jobs do not represent net employment growth. Instead, they are jobs that large corporations chose not to add, notes Joseph W. Duncan, chief economist for The Dun & Bradstreet Corporation. "In this expansion, unlike previous ones, big companies are not adding workers, they're not adding services," Duncan says. "They're outsourcing, buying outside supplies. The result of that is demand for small businesses."

Without a doubt, the increasing numbers of small firms make the economy more efficient. But the small firm's ability to adapt to changes more quickly than larger economic units may have some negative side-effects. Rapid adjustment means more hiring, more firing, more start-ups and closings, all leading to more job changes by workers. As a result, an economy with a larger share of the workforce in small firms may well have a higher underlying rate of unemployment.

New businesses, not small businesses per se, are generally the keys to healthy economic growth. Young companies are the ones most likely to provide the economy with fast job growth and innovation. But these very firms are the ones most neglected by government policy, despite the prevalent mythology that Washington is somehow helping new companies through a wide variety of programs.

If federal programs are any indication, much help to small business is often misplaced. The Reagan Administration unsuccessfully tried to eliminate the SBA's subsidized loan program, which authorized $3 billion for 21,272 small businesses last year. The recipients represent less than 0.5% of all small firms, and many are not really small: under SBA regulations, an appliance manufacturer with 1,000 workers, a watchmaker who employs 500, and a used-car dealer with $11.5 million in sales all qualify. Programs to buy goods and services from such "small" businesses accounted for 29% of federal purchases in fiscal 1983. The largest beneficiaries: building maintenance firms, which provide neither additional jobs nor technical innovations.

Similarly, the tax system, which is supposedly designed to help small firms by giving them lower rates, does not do the job that Congress presumably intended. Most of the tax benefit goes to older small firms rather than fast-growing young companies, because the new companies have a paucity of profits to tax. Observes economist Lawrence J. White of New York University's Graduate School of Business Administration: "If small is synonymous with start-up, then all of the stuff we have put into the tax code over the last twenty years is anti-small business. Most small businesses don't benefit from the investment tax credit or from accelerated depreciation, because you only benefit if you have profits. The only thing start-up businesses don't have is profits."

Even for profitable small companies, the benefit of a lower tax rate may be less than the competitive disadvantage from tax breaks favoring capital investment, which tend to favor big firms.

On the state level as well, politicians are climbing on the bandwagon to encourage small business. With much fanfare, Rhode Island and Pennsylvania, among others, have started small business loan programs, and most cities put together packages of state and federal grants to help local companies. Nearly half the cities responding to one recent survey offer tax reductions or deferrals to small firms.

But these programs often fall short of their ambitious goals. "You go back to these areas two or three years later and say, 'How many businesses have you helped?' and they say fifteen or thirty or forty," comments Frank Swain, chief counsel for advocacy of the SBA. "No doubt it's helped those fifteen or thirty or forty, but it's mostly a symbolic

thing." Cutting red tape and licensing requirements might be far more helpful, he adds.

No one speaks in the state capitols or halls of Congress for the interests of companies not yet formed, or for entrepreneurs so busy being creative they have no time to lobby. Yet it is they, not small companies in general, that offer the keys to the nation's economic future. Rather than handing out money and contracts to the companies that are here now, governments looking for growth and innovation would be well advised to reduce the barriers facing the businesses of tomorrow.

CONGRATULATIONSTOMORTON BAHR, CWA'S NEW PRESIDENT

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. MRAZEK. Mr. Speaker, on July 16, Mr. Morton Bahr was elected president of the Communications Workers of America, the world's largest telecommunications union. I take special pride in this accomplishment because "Morty" Bahr has been a resident of Port Washington and, therefore, one of my constituents.

Most significant, Morty Bahr made it to the top of CWA the old-fashioned way. He earned it! For more than 30 years he has been a dedicated trade unionist, serving as a rank-and-file activist, local president, union organizer, staff representative, assistant to the vice president and, for the past 16 years, a regional vice president and executive board member, before his elevation to the top post.

Mr. Speaker, those of us in New York have long been impressed with the intensity and sophisticated level of political involvement that have characterized Morty's stewardship as head of CWA's District 1. He played an important role in both the elections of New York Governors Hugh Carey and Mario Cuomo, helping to assure their victories in the primary and general elections.

I also want to take this occasion to congratulate Mrs. Florence Bahr and the family's two children and four grandchildren.

I recently became aware of an excellent newspaper article on Morton Bahr by Kenneth C. Crowe that appeared in Newsday.

It gives me great pleasure to share this article with my colleagues.

The article follows:

FROM SEAT OF PANTS TO PRESIDENT'S SEAT

(By Kenneth C. Crowe)

Two weeks ago, in one of rituals of the American dream come of age, Morton Bahr, who will be 59 on Thursday, sent his bank the final payment of the 25-year mortgage on his house in Port Washington.

Tomorrow in San Francisco, Bahr reaches another personal milestone: He is to be elected president of the 650,000-member Communication Workers of America at the union's 47th annual convention.

It is a union that reaches into every city, every hamlet, every cranny of the continental United States. Wherever there is telephone service, there are CWA members.

And Bahr brings to its top office a fervor for action and achievement that promises to transform him into one of the foremost labor leaders in the nation. In assuming the leadership of the CWA, Bahr faces the challenge of negotiating separate labor contracts in 1986 with the eight independent companies formed out of the disintegration of the Bell System.

For the past 10 years, American Telephone & Telegraph Co. bargained a national contract with the CWA, setting the wages and fringe benefits for more than 500,000 union members. The basis for a single national contract disappeared with the breakup of the Bell System, because some of these companies are competing among themselves now, and all are facing competition from nonunion firms.

The CWA also faces the formidable task of organizing those and other union-free companies in the communications field—among them, the giant International Business Machines Inc. IBM is emerging at AT&T's principal rival in the information industry in the United States.

Organizing has been at the core of Bahr's career.

Born in Brooklyn, Bahr grew up working at newsstands managed by his father in New York City and Jersey City. His entrance into the union movement come in 1944 during World War II as an 18-year-old radio operator in the Merchant Marine, a job that required joining the American Communications Association.

In 1947, Bahr went to work for Mackay Radio & Telegraph Co. in Manhattan, covered by the same union. In January, 1948, we went out on strike," Bahr said. "The strike lasted 90 days and the company broke the union."

The company filed a petition for a decertification election during the strike, he said. Since the union's leadership had not signed non-Communist affidavits, federal law blocked it from challenging the decertification—and Bahr and his co-workers found themselves without a union.

"They were difficult times for us," Bahr recalled. Supervisors imposed an immediate speed-up to increase productivity, and raises became meager, while at unionized companies wages were escalating. "That was a turning point in my life," he said, explaining how he was transformed into a union activist.

In 1951, Bahr became a member of a CWA organizing committee at Mackay Radio, but it took until 1954 for the company to be unionized again. Bahr's career as a union official began unexpectedly with that victory. "The national union called a mass membership meeting in Manhattan Center to elect officers," he said. "I wasn't a candidate, but someone nominated me and I was elected by acclamation."

Suddenly the president of the new 1,300-member CWA Local 1172, Bahr recalls saying, "What the hell do I do now?"

"I began to learn by the seat of my pants," he said. The process must have worked. In 1957, Bahr was assigned by the union to run a campaign to organize the 24,000 workers at the New York Telephone Co. into the CWA. Success came in 1961, marking the largest victory for any union in organizing private-sector employees since the 1930s.

Bahr was elected in 1969 to his current post as vice president of CWA District One, which covers 120,000 union members in New York, New Jersey and New England. During his tenure, District One doubled its membership, with organizing efforts that included enlisting into the union 900 nurses in Buffalo and 32,000 workers in New Jersey, who became the CWA's first public employees.

Extending his organizing zeal to the national level, Bahr has designed a strategy to unionize MCI Communications Corp., the country's second-largest long-distance telephone company, as well as the 29 communications equipment manufacturing plants owned by Northern Telecom, a Canadian company. Among the tactics, he said, will be a drive to "organize and energize" CWA members themselves, making them more aware of the union's contributions to the quality of their lives, and to urge them to pass that message along to friends, neighbors and relatives working at MCI.

"Seventy-five percent of our members are from the old Bell System," Bahr said. "They enjoyed relatively good years. Perhaps we got a little lazy. It was perhaps not necessary to have membership participation. Those days are gone. No longer is it acceptable to say that bowling takes precedence over the union meeting."

Bahr, who will be paid $90,000 a year, said he would be searching for methods to make union meetings more interesting. "My intention is to raise the credibility of the union," he said. "It is my objective to make the union an alternative source of information, believable information. We are going to try to reach members in the shops, the offices and the living rooms. We're going to explore the use of closed-circuit TV for membership meetings of the air, regionally and locally."

Interviews with a cross-section of public officials, union leaders and staff members—inside and outside the CWA—and industry executives showed that Bahr is generally admired by those he deals with.

"Morty works quietly. He doesn't make a lot of noise. You wake up one morning and see a tree growing outside your window. Morty planted the seed, nurtured it, and there it is," said Norman Adler, political action director of New York City's largest public employee union, District Council 37 of the American Federation of State, County and Municipal Employees.

Bahr played pivotal roles in winning organized labor's pre-primary endorsement of Gov. Hugh L. Carey in the 1978 election campaign and in the effort that won the Democratic gubernatorial primary for Mario Cuomo in 1982.

Adler said; "Morty going to the presidency of the CWA could open new spheres for the labor movement. To put a guy with his kind of political sophistication in charge of a union with substantial membership in the South has the potential for bringing [them] the kind of politics that the South hasn't seen for a long time—aggressive, innovative tactics."

Bahr said he has been traveling the country during the past six months, delivering his message on the importance of an active role for the CWA in politics. He tells his listeners. "Collective bargaining does not take place in a vacuum. It is impacted by what happens politically. The only way things are changed in this country is through political action.

"In 1981, the PATCO strike took place. For the first time in the history of this republic, a president of the United States broke a union and largely the American movement stood relatively idle while this happened. What this did was to send a telegram to every corporate board room that this is the time to take on the unions, the president of the United States is showing the way. Shortly thereafter, the trend to concessionary bargaining began."

A telecommunications industry executive said that while Bahr, who led the seven-month strike against New York Telephone in 1971, is prepared for confrontations, he prefers to talk out and work out difficulties with management before they become insurmountable. "Not only is he progressive and possessed with the foresight as to where this business is going, but he was one of the first ones to say this is no longer the telephone business, this is the information industry and the CWA is only 40 percent of the action. He sees the structural changes."

Reflecting a view expressed by other union leaders, James Harold, treasurer of Nassau CWA Local 1104, said: "Morty Bahr is one of the premier labor leaders of this country. He is way ahead of his time in his thinking. He is kind of a shining star, and talent will always show."

Last September, Glenn Watts, 65, the CWA president since 1974, announced that he planned to retire a full year before his term expired, to give his successor time to prepare for the 1986 negotiations. The union's 22-member executive board selected Bahr as the consensus candidate for president. No opposition has emerged, assuring his election tomorrow.

Even before his formal election, Bahr has been elevated from New York politics to national politics. For example, he was invited to spend a Saturday in August with Sen. Edward Kennedy at the family compound in Hyannisport. Bahr has been a fervent Kennedy supporter for years, and Paul Kirk, a former Kennedy aide and now the Democratic national chairman, told him facetiously, 'I'd like to be in the room when you get the calls from Kennedy and Cuomo in 1987.'"

NAPLES 100TH BIRTHDAY

HON. CONNIE MACK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. MACK. Mr. Speaker, earlier this year, a group of citizens from the southwest Florida city of Naples, which I am privileged to report, banded together to organize the centennial celebration of their city on the pristine shores of the Gulf of Mexico.

Throughout the year, the centennial foundation has staged events to celebrate Naples' 100th birthday. I would like to do my part here in Washington by congratulating the centennial foundation and other local organizations for honoring their historic city so magnificently. I would also like to relate a brief history of Naples.

In 1876 John and Madison Weeks became the first permanent residents of Naples. For the next 10 years, there was little activity in the Naples area. In 1885 Gen. John S. Williams and Walter N. Haldeman, two Kentucky businessmen, set out on a search for a winter retreat along Florida's west coast. Later that same year they found their retreat and named their discovery "Naples," in memory of Williams' trip to Italy 30 years earlier.

During the next few years, a small settlement began to emerge. In fact, on this day 97 years ago, a local paper reported that 80 people were living in Naples. In the opening years of the 20th century, the population of Naples numbered barely 200. If Naples was to survive and prosper, something had to be done. The answer came in the roaring twenties when two men, Barron G. Collier and Edward Crayton, decided to put an end to Naples' isolation. By the end of the decade, these men had organized the construction of two railroads and a paved highway to the soutwest Florida coast. While this increased the flow of settlers, it wasn't until after World War II that the migration to Naples accelerated, increasing its size to over 5,500 people. Thanks to the strong and brave leaders and citizens of these early growing years, Naples is celebrating its centennial. And I am proud to represent the citizens of Naples today and note how much they love their fine city.

Many local organizations are contributing something to the celebration. The city's Quilter's Guild is making a huge historical quilt to be put on display in the Collier County Museum in September. Local Girl Scout troops did a project on Calusa Indian art and the Collier County Historical Society commissioned a new flag for the city council in July. The Gulf Shore Coin Brokers minted a Naples centennial coin and the Collier County Museum designed an electric historical map of Naples. These and other local organizations and individuals deserve special thanks for taking time to honor the founders of their city.

In addition to private contributions to the celebration, the city centennial foundation has scheduled four huge public events throughout the year, since no one is sure of the exact date Naples was founded. A Centennial Costume Ball was held during the weekend of February 16–18. During Memorial Day weekend, a 100th birthday party was held in downtown Naples. The Labor Day weekend included events celebrating Naples' links to the Gulf of Mexico. And on December 14, Naples will end this centennial year with the Grand Centennial Ball. The theme of the ball has been designated, "Beautiful Naples On-The-Gulf." The proceeds of these events will go toward building a new wing to the Collier County Museum.

Once again, I would like to thank everyone who is participating in the celebration of the 100th birthday. It is a high honor and a personal privilege to represent the fine people of Naples.

NEVADA WILDERNESS PROTECTION ACT OF 1985

HON. HARRY REID

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. REID. Mr. Speaker, Nevada is virtually the only State in the Nation that has not adopted wilderness legislation. The time for such inaction, however, has run out. It is important for us to design and pass legislation to preserve and protect the diverse needs and interests of Nevada and its people.

That's why today I introduced the Nevada Wilderness Protection Act of 1985, a well-balanced compromise that will meet the needs of Nevada and the Nation for generations to come.

In order to explain in detail the issue and my proposed resolution, I am attaching the text of my press release on this wilderness legislation:

REID INTRODUCES NEVADA WILDERNESS PROTECTION ACT OF 1985

WASHINGTON.—Rep. Harry Reid today introduced the Nevada Wilderness Protection Act of 1985—the product of diverse input and thousands of hours of study—to designate approximately 723,000 acres as wilderness.

During a speech to introduce the bill before the House of Representatives, Reid said, "This bill is a carefully balanced compromise in the best interests of the state and the nation; it is not a bill for special interests." Reid, who based his statement on visits to each area included in the bill, said his legislation preserves the crown jewels of Nevada's heritage while, at the same time, releases areas that might be important for mining, oil and gas exploration, powerline corridors, skiing and other development.

Reid participated in a four-day congressional tour of Nevada, organized by Rep. John Seiberling of Ohio, chairman, House Interior and Insular Affairs Public Lands Subcommittee, which started on June 28. Subcommittee members from Pennsylvania, Georgia and Oregon, as well as Nevada Sen. Chic Hecht and Rep. Barbara Vucanovich, joined Seiberling and Reid on the 1,800-mile trip around Nevada.

In introducing his bill, Reid indicated that Nevada has more than 100 national forest roadless areas, totalling 3.6 million acres and spanning 70 percent of the National Forests in the state. Pursuant to a 1980 court decision, such "de facto" roadless areas will remain under a cloud of uncertainty until Congress acts to "release" them or the Forest Service produces court-proof environmental studies.

Until a wilderness bill is passed, Reid said, 3.6 million acres of roadless land "will remain in limbo and development plans could be thwarted by lawsuits and appeals." Many areas and development proposals are currently being appealed or are in court. "My bill will settle the issue," Reid added, "by releasing more than 2.8 million acres of 'de facto' wilderness. That means that four out of every five acres now being treated as wilderness will become available for multipurpose use." Therefore, according to Reid, "pristine areas will be protected and lands will be available for very positive benefits for mining, oil and gas, electric power and other industries."

While other legislation claims to be "conservative," Reid's bill is a truly conservative measure. "My bill will protect and conserve some of Nevada's remaining wild areas so that Nevadans can enjoy them like they always have," Reid stressed, "rather than allowing everything to be changed by future development, exploitation or possible neglect."

It was with "conservation" in mind that Reid has met with representatives of diverse interests, ranging from the Nevada Mining

Association to environmentalists to ranchers, hunters and skiers to seniors to elementary school students and others, to draft a compromise between conflicting and widely divergent wilderness proposals.

Those proposals ranged from the Friends of Nevada Wilderness coalition, 1.4 million acres; the Sierra Club, 1.3 million acres; the Forest Service RARE II wilderness, 810,000 acres, and their current draft proposal, 452,000 acres; the Nevada Mining Association's wilderness/wilderness study submission, approximately 300,000 acres; and other wilderness legislation introduced for Nevada, 137,000 acres.

After careful deliberation, Reid selected 10 areas for his 723,000-acre bill. Those areas are: Arc Dome, 146,000 acres; Boundary Peak, 8,900 acres; East Humboldts, 27,000 acres; Jarbidge Additions, 54,000 acres; Mt. Moriah, 88,000 acres; Mt. Rose, 33,000 acres; Ruby Mountains, 74,000 acres; South Snake (Wheeler Peak), 120,000 acres; Mt. Charleston, 47,000 acres; and Table Mountain, 125,000 acres.

In selecting these areas, Reid said, "It was very important to keep the interests of all Nevadans in mind." For example, Reid stressed, "I was very concerned about seniors." He said that many seniors have told him they're worried that wilderness areas will become prohibitive or inaccessible. "That's a myth," Reid said, "because the areas we're talking about are remote and rugged and do not have roads now. We're not talking about taking away roads from anyone because these areas don't have roads." Reid excluded areas with roads from his proposal. "In fact," Reid said, "my bill will help protect the very beauty of our state that so many seniors have enjoyed throughout their lives."

Finally, Reid emphasized the need to "refute some of the myths that are being circulated by certain wilderness opponents." Specifically, Reid noted:

Grazing will not be discontinued in wilderness. Reid's bill guarantees that livestock grazing can continue in accordance with guidelines worked out in 1980 with the National Cattlemen's Association.

Wilderness designation will not create clean air "buffer zones" around wilderness. The Reid bill prohibits buffer zones and, in any event, new wilderness areas by law are treated the same as nonwilderness national forest lands.

Wilderness will not impair water rights. Indeed, by protecting the headwaters of many streams, wilderness will guarantee that existing water flows and water quality are preserved for municipal and agricultural uses.

Wilderness will not impair national forest revenue-sharing with local governments because the current 75-cent-per-acre payment under the Payment in Lieu of Taxes Act will remain the same after wilderness designation.

Wilderness areas will permit hunting, fishing and trapping just as they are now. In fact, these opportunities may be increased because wilderness protects wildlife and fish habitat from the adverse effects of road-building and other development.

Wilderness will not reduce the private land base in Nevada. The lands in question are National Forest lands and any private inholdings will remain private unless the landowner elects to swap or sell his inholding.

Reid asked the Public Lands Subcommittee to study carefully Table Mountain, Arc, Dome and Mt. Moriah for boundary adjustments relating to mineral exploration. Also, he wants the subcommittee to look closely at Mt. Rose because of various development projects being considered for that area.

THE FUTURE OF AFGHANISTAN

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. DREIER of California. Mr. Speaker, today I am inserting an article from the August 1985 edition of the Reader's Digest about Afghanistan. The article, "Trained as a Terrorist—At Age Nine," presents a very vivid account and confirmation of reports that Afghan children are being spirited to the Soviet Union to undergo training as terrorists. It is very disturbing to read about how these children are indoctrinated to defy their country and even their parents and families.

The article raises the interesting question of what will happen to these children trained as terrorists. Although the Soviets may not be having much luck in suppressing the Afghan rebels, are they now trying to win by poisoning the hearts and minds of a future generation? If so, that bodes ill for the future of a free Afghanistan.

TRAINED AS A TERRORIST—AT AGE NINE

(By John Barron)

While gathering information about the ongoing war in Afghanistan, Reader's Digest Senior Editor John Barron learned of the legions of children who are being transported to the U.S.S.R. and trained as spies and assassins. Through his contacts with the freedom-fighting mojahedin, Barron was able to interview one such boy, who had been captured upon his return to Kandahar. What follows is the chilling account of that youth's corruption.

Naim was a beguiling child whose animated dark eyes and impish smile invited affection. At age nine, he was also a terrorist, intensively trained in the Soviet Union to spy, Sabotage and assassinate.

The transformation of a little boy into a Soviet robot programmed to kill began in late 1981, Naim's father, a communist political instructor and part-time military officer, told him that to be "a good Moslem" he must study under the Russians.

Frightened and fighting tears, Naim joined about 1000 other children rounded up for flights in military transports from Kabul airport to Tashkent in the Soviet Republic of Uzbekistan. The children ranged from bottle-fed infants to boys and girls as old as 15.

Many were orphans whose families had perished in the ongoing Soviet bombardment of Afghan villages. Others had been taken by force from their parents. Some had simply been abducted off the street. A few, like Naim, went with the assent of parents who expected to profit from collaboration with the Soviets.

In Tashkent the 50 or so babies disappeared; they were to be raised in Russia for eventual return to their homeland as Soviet agents or colonial administrators. The rest of the children were lodged in a large camp outside the ancient city. A tall metal fence encircling the complex was guarded by armed sentries.

Soviet instructors in military uniform spoke the children's native languages, Pashto and Farsi. From the beginning, they tried to mold the thought and behavior of the children with four simple themes:

Russia and Afghanistan are now one country and one people.

You are Moslem, and we are Moslem. We will teach you to be better Moslems.

The mojahedin[1] are not true Moslems. They are rebels and traitors who want to destroy your country. We want to defend your country.

If you study, obey us, and help us defend your country, you will have much money and power when you grow up.

Naim had heard the same from his Communist Youth Organization, a front for *Khad*, the Afghan secret police who are puppets of the KGB. So he had no reason to doubt the instructors.

INDOCTRINATION

Naim's first days in the Soviet Union were unhappy. Soviet discipline was harsh and the children were forbidden to talk to anyone but their own classmates. The least infraction brought a stinging slap on the face. And the meals of canned food, often not even warmed up, repelled him. At night he buried his face under his blanket and cried.

While pretending to teach the children to be "good Moslems," the Soviets actually endeavored to strip them of their fundamental Islamic values. Naim was soon to discover, for example, that alcohol—absolutely forbidden to Moslems—was freely available, that the trainees were encouraged to drink vodka and that the Russians applauded them for doing so. It was as if developing a taste for alcohol was a decisive step toward a better, more modern culture than their own.

Naim admits that he, too, drank alcohol, eager to please the Russian tutors, who had made him feel like a man. Eagerness, combined with a natural intelligence, made him one of the most apt pupils, even though he was one of the smallest and the training was demanding. Each day began with rigorous calisthenics followed by grueling runs. The children practiced hand-to-hand combat, including variations of jujitsu and karate. They learned to approach targets stealthily by slithering along the ground. They were taught how to dodge hostile patrols, take shelter in caves and mountain crevices, and survive in open terrain.

Instructions were thorough. The children were told, for example, that if a plane appeared and there was no place to hide, they should stand rigid, pretending to be a little tree. They should also close their eyes and clench their fists so their eyes and fingernails would not reflect sunlight.

ADVANCED TRAINING

Of all the drills, Naim liked firearms training the best. The crawling, fighting, hiding and the rest could have been boyish make-believe. Blindfolded, Naim could disassemble and reassemble an AK-47 assault rifle and TT 7.62-millimeter pistol as he was required to do. He had difficulty handling the rifle, which was almost as long as he was tall. But he shot the pistol well enough at short range.

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[1] Literally, the word *mojahedin* means holy warriors. But more often it is translated as freedom-fighters. The mojahedin are, in fact, devout Moslems. Nearly six years after the Soviet invasion, they still control three-quarters of the Afghan territory and have the allegiance of an even larger proportion of the population.

The basic training at Tashkent lasted three months, ending in early spring 1982. During this time, the Soviets made no attempt to imbue the children with loyalty to the Soviet Union per se. But they influenced them by teaching obedience, fanaticism and a militant nationalism that defined Soviet and Afghan interests as one and the same. And everything was done in the name of Islam.

When the Soviets selected about 650 trainees for more advanced study, Naim was proud to be among them. The chosen flew to Samarkand, another old Uzbek city, about 160 miles away. The school there was in an isolated compound of large white buildings. The instructors treated the children politely and patiently.

The curriculum consisted of five general subjects: disguise and deception, escape methods, clandestine communications, sabotage and assassination. Naim became an excellent actor who could deftly assume the role of a mute or that of a child with deformed limbs. He could convince adults that he was an orphan who wanted to work as a servant or enlist in anti-communist causes to avenge the murder of his parents. By such guise he could ingratiate himself with victims to be assassinated or infiltrate hostile areas to spy or commit sabotage.

Naim was taught signals by which to recognize other child-agents. Capture, he learned, never meant surrender. Always there would be a chance to escape by starting a fire, deflecting the attention of a guard, breaking away while being transferred, or playing sick. All else failing, he could confess, plead for mercy as a child and feign reformation.

TOY BOMBS

The Soviets also made Naim adept at handling and planting explosives, including powerful military mines that he could explode from afar by wire.

After Naim completed his training, he could competently kill by other means as well. He knew enough anatomy to plunge a knife where it would kill most quickly. He learned how to slip up behind a victim with his pistol and fire into the base of the skull or beneath the ear. He learned how to sneak up to buildings and toss grenades through windows.

But to Naim, "toy bombs" constituted the cleverest method of killing. He studied diagrams of a doll, a tambourine, a ballpoint pen and a watch, each loaded with explosives. The Soviets instructed him to make his way into mojahedin areas and sell such "toys" cheaply to other children. If necessary, he would explain that his father was a toy dealer. Later the disguised explosives would detonate, killing or mutilating anybody nearby. Such devices, the instructors said, would be made available back in Afghanistan by the Youth Organization.

The Soviets told Naim that he might be sent abroad to distribute comparably lethal gadgets. For foreign missions, they said, he would be rewarded with high pay and promotions.

The course at Samarkand also lasted three months. As the Russians intended, the training had stripped Naim of all boyish innocence and severed him from the spiritual moorings of his heritage, culture and family. It left him with only one conscious goal—to use everything the Soviets taught him in whatever they told him to do.

LESSONS APPLIED

In the summer of 1982, Naim returned to Afghanistan and was sent to the city of Kandahar. He promptly began working for the Youth Organization.

Reconnoitering the streets one day, he sighted some mojahedin and raced back to headquarters. Immediately, the Afghan military authorities dispatched tanks to attack. Even though the mojahedin destroyed two of the tanks and escaped, the Youth Organization commended Naim and presented him with a new pair of trousers.

On another occasion, he and two other children followed a youth suspected of being a mojahedin informant. In a market, they spotted the informant talking to a "rebel" and opened fire at them with pistols. They missed, but the Communist Party still was pleased.

About three months after his return, Naim went forth hoping to duplicate his earlier successes. Following directions from children on the street, he approached a group of mojahedin. They treated him as a pest and ordered him to go away. Then he heard a youth, who apparently recognized him as a Youth Organization member, shout that he was a spy.

Naim ran, with mojahedin in pursuit. As he tried to cock his pistol, it caught painfully in the flesh of his small hand. A bullet whistled over his head and he instinctively dropped to the ground. Next he felt himself scooped up and thrown over the shoulder of a fierce-looking guerrilla.

After intensive interrogation and verification of those aspects of Naim's story they could check, the mojahedin decided to take him into the mountains and try to rehabilitate him. Twice Naim fled, but the mojahedin soon recaptured him. Once he escaped, hid all night in a tree and remained at large more than three weeks before voluntarily returning to the mojahedin.

Naim is now almost 13. At a hidden mojahedin redoubt I talked to him for two days last March. In May, I interviewed him again for three days.

The story that emerged from intense questioning was consistent with the one Naim had told mojahedin interrogators three years ago. His answers were often accompanied by vivid gestures—sometimes he acted out bodily attacks on the enemy, or showed me how he had avoided a danger. Such graphic details coming from a child were frightening.

I also interrogated Hamim Gul, a recent defector from the Afghan secret police. He told about the training that Afghan children are undergoing in the Soviet Union, describing it much as Naim had.

What will happen to Naim and the hundreds of other children trained as terrorists with him? We do not know. Nor do we know how many more children have been spiritually deformed with the expectation that they will deform lives of people everywhere.

Naim is but a symbol of them all.

GETTING THE BUDGET MESSAGE

HON. FRED J. ECKERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. ECKERT of New York. Mr. Speaker, my constituent questionnaire this year asked the question: To reduce the budget deficit, which approach should Congress stress—raising taxes or cutting spending? Eighty-eight percent of those replying favored cutting spending.

Nationwide polls containing similar questions have brought similar results: Don't increase taxes, but cut spending to reduce the Government's red ink.

Mr. Speaker, the people know what needs to be done to slash our overwhelming budget deficit and head off the serious economic consequences it portends. It is time Congress got the message and gave up playing games with the budget and deficit.

A leading newspaper in western New York, the Batavia Daily News, recently carried an editorial message for Congress, entitled, "Dealing with Reality." I place it in the RECORD and urge that we in Congress prepare to follow its advice:

DEALING WITH REALITY

Are America and its leaders in Washington chasing their tails?

Bill Dunkelberg, Purdue University economist and frequent adviser to businesses and legislative groups, is afraid so and wonders if we really want to deal with the realities.

He observes that just four items—interest on the debt, defense, health and Social Security—make up more than 80 percent of government spending. But to many people they are also the untouchables.

"If we won't control these, we cannot control government spending," he says.

Consider the interest-on-debt factor.

Soon federal debt will amount to $2 trillion, up from less than $1 trillion in 1979. At an average interest of 10 percent, he observes, this debt will cost about $200 billion a year in interest payments, up from $120 billion this year.

Unable to cut spending more than $50 billion or so, he wonders where Congress "will find an extra $50 billion to $80 billion to pay interest to the holders of government bonds."

Well, some people say, we could tax the rich and cut defense. "Neither will work," says Dunkelberg.

"If we taxed every dollar made by those earning $100,000 or more a year we'd collect only $60 billion to $70 billion in revenue, hardly enough to balance the budget much less finance government largesse."

And that amount, he adds, assumes that the rich would still be willing to work. "People who earn big salaries often create jobs for the rest of us," he comments. "Why give them disincentives to work?"

Cut defense spending? "Unfortunately, we haven't learned to live together in peace, and some outlays are necessary." How much? "Alas, the politicians must decide this."

Today, defense spending amounts to about 6.5 percent of gross national product, our total income, up from 4.5 percent in President Carter's last year, but a lot less than we have given to defense over the past 30 years.

Health care now amounts to 11 percent of GNP, and that, Dunkelberg stresses, "is far more than we save or invest in new plant and equipment in a year."

The government pays more than 40 percent of the total, financed through tax revenues and borrowing. "Unless there is some real reform, this will only get worse," he says.

Social Security makes up the final of the four items that together make up four-fifths of government spending.

There is good reason for the difficulty in cutting Social Security, he observes. "It isn't a retirement program—it's a transfer program, taking money from workers and transferring it to retirees," he says.

As most people know, there is an increasing number of Americans in or heading toward those retirement years, and for them the numbers look good.

"If you retire today," Dunkelberg points out, "in about three years you will have received all of your—and your employer's—contributions during your work period, with about 5 percent interest."

After that, he says, "you're on the system," meaning you collect money you never saved and invested. He calculates that "by the year 2000 there will be only a few workers for every retiree." Contrast that with about 15 workers per beneficiary when the system was begun.

Well, you say, perhaps we really can GROW out of the deficit—produce so much and earn so much tax revenue that we'll simply overcome the problem.

Hardly. "It would require five years of growth at rates never achieved in our entire history for such a long period of time."

Unfortunately, he says, some politicians have in effect chosen to ignore the deficit problem by accepting such unrealistic assumptions.

"Congress still hasn't received the message," says Dunkelberg. That message, he says, is that consumers do not want to pay for everything government is doing.

"They want spending cuts. They do not want more borrowing, and they certainly do not want more inflation."

It unfortunately appears that there are too many untouchables in the political and bureaucratic sphere that keep rocking the ship of state.

REMEMBERING INDEPENDENCE DAY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. DORNAN of California. Mr. Speaker, Harry John November, a medical doctor and World War II veteran, and a Californian, wrote to me recently about current events and enclosed a poem he had written on July 4, 1985. The poem captures a love of this country and a recognition of those who have sacrificed so much for it in times of war. I was moved by this poem, and wish I had had it available to me before we went out of session for the Fourth of July.

The poem is entitled simply "Fourth of July, 1985." I am pleased to be able to share it with my colleagues and the American people:

FOURTH OF JULY, 1985

Who says that we should cringe
Before the fetid breath of evil men
Whose chosen prey are those unarmed?

Are we a nation so unhinged by every boastful threat
Of strutting, ranting knaves, we fold before their wind?

Who chants that vapid rune
And whispers in the dark, seducing weakened souls?

Only those obsequious buffoons who, ignorant of history,
Would dare declaim: Melt the iron from your spine
And let it sag, negotiate, adjudicate, equivocate,
Haul down the flag, don't fight!
Just tie a yellow ribbon, the sun will bleach it white.

Are they Americans or gaggles of cackling geese?

Do they equate the dust of those who fell
At Lexington and New Orleans, chickamouga, Gettysburg, in Belleau Wood and Chateau Thierry,
Guadalcanal and Normandy, soldiers, battle wrenched and weary
In the mountains of Korea and the jungles of Viet Nam: Do they equate Their dust
With grime and soot gathered on an empty shelf in some forgotten room,
Is that their querulous tune?
Not for me, that whining rune,
Nor yet the plaintive bleat of those who chant,

We must try to understand.

I understand full well!

Those pirates thirst to do me in,
That's all I need to know,
And I'll have none of it;
They would have me forget that freedom brings the highest price—beyond the reach of shrunken souls who quail before a pirate's threat,
Fearfully unwilling to pay the price of Liberty,
That quintessential rarity
Our forebears bought with blood.

ALFONSIN BETWEEN ROCK AND HARD PLACES

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. LEHMAN of Florida. Mr. Speaker, Argentina is experiencing an extreme economic crisis that may threaten the newly reemerged democracy. For President Raul Alfonsin, domestic and international monetary difficulties have put a drain on popular confidence in his government. Aside from economic problems, the trials of the military junta leadership, under whose command thousands of innocent Argentines were tortured and murdered, has sparked a new round of right-wing violence. A report by James Anderson, a research associate of the Washington-based Council on Hemispheric Affairs, gives a valuable overview of the current situation in Argentina. The report is an abridgement of a longer article on the subject which recently appeared in COHA's biweekly publication, the Washington Report on the Hemisphere. I would encourage all of my colleagues to read Mr. Anderson's informative article.

TOUGH TIMES FOR ARGENTINA'S ALFONSIN

(By James Anderson)

A run on dollars by depositors involving several major Argentine private banks that dwarfed Ohio and Maryland's troubles, confusion over the government's closing of the nation's 11th-largest bank, stalled credit inflows from the International Monetary Fund [IMF] and a general strike by the country's powerful labor confederation have put President Raul Alfonsin between a rock and many hard places, with the popularity of his Radical Civic Union government plummeting as crucial congressional elections approach in November. Without an easing on at least one of these fronts, and given outbreaks of right-wing violence connected to the ongoing trials of former leaders of the military regime, Alfonsin faces a familiar volatile situation that served to bring down the previous civilian governments of Arturo Frondizi, Arturo Illia and Isabel Peron.

Even without the May 23 nationwide strike, called by the General Confederation of Workers [CGT] leadership, Alfonsin has his hands full seeking to bring the domestic economy under control and break a deadlock with Argentina's international creditor institutions. The main stumbling block is inflation, which has risen from 450 percent to 938 percent since the president took office in December 1983. Though committed under the terms of an austerity pact with the IMF to reduce inflation to 150 percent by the end of the year, few expect the government to make any significant inroads, particulary as long as it keeps indexing wages to 90 percent of the previous month's inflation rate.

Alfonsin's economic ministers have been unable or hesitant to initiate tough measures to tackle soaring prices; it was for this reason that former Economic Minister Bernardo Grinspun was sacked last March. But Grinspun's successor, Juan Sourrouille, carries little influence within Radical Party circles, and his austerity-minded messages are bound to gain few sympathetic ears amongst Radical deputies mindful of November's lower chamber elections, in which the party's slim majority is expected to face a difficult test.

The failure to break inflation and curtail public spending prompted the Fund to abrogate its September 1984 $1.4 billion pact with Argentina in March, putting some $500 million in standby credits for debt interest servicing on indefinite hold. Since then, the country has been able to pay only $50 million of an accumulated backlog of $1.43 billion in interest payments alone on the $48 billion foreign debt.

Inconclusive negotiations with IMF officials to restart the agreement—the most recent took place in Washington the week of May 20—have blocked the Fund's acceptance of a five-year economic program that would open the way for creditor banks to proceed with a comprehensive rescheduling of Argentina's servicing of its external obligations, and release some $4.2 billion in all-but-essential new monies. In a speech before Radical supporters in Buenos Aires last month, Alfonsin pledged to initiate a "war economy" to encourage bankers and gain some leverage over the inflation rate. He privately asked his ministers to draft proposals for slashing government spending by at least 12 percent, though many observers see cuts of 20 to 30 percent as a minimum step that could bring results. Layoffs of up to 30,000 state employees and a hiring freeze, as well as new income taxes, were envisioned as measures to trim the public deficit and spur the IMF talks along.

But the government's bungling in its closure of the Banco de Italia y Rio de la Plata—the eighth such institution closed by

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the Central Bank in recent months for holding dangerous debt portfolios—produced an unexpected run on dollar deposits at both private and public institutions across the country that left international financiers skeptical of the soundness of the country's banking system.

Under the sway of impatient international creditors, the government also is continuing to cut defense expenditures; a wholesale reorganization of the armed forces command structure is underway in order to meet government spending targets. To come under the knife is the military's ambitious post-Falklands arms buying spree, as well as operational expenses. Public outlays for the armed forces will amount to an estimated three percent of gross domestic product in 1985, whereas the government's goal is to bring that figure to two percent—which would be a 15-year low.

But a perhaps-partisan report released in January by a team of researchers at England's University of Bradford charges that the real figure for the Argentine military's expenses runs up to eight percent of gross national product, largely owing to the weapon's-acquisition campaign. Argentina's "careful and sophisticated rearmament program," the report alleges, has given that nation's military an offensive capability against British forces arrayed on the tiny Falklands that would have been "impossible two years ago."

While such purchases and modernization may well run counter to austerity-minded economists in Buenos Aires and Washington, Alfonsin's government has given little indication that it is bent on curbing weapons purchases spurred by the perceived continuing British threat. In a lengthy speech before the Organization of American States May 16, Foreign Minister Dante Caputo lodged a highly-charged protest against Great Britain's May 12 inauguration of one of two runways located at its Falklands Mount Pleasant military airport, capable of accommodating large troop transport aircraft as well as advanced fighter craft. Stating that "the United Kingdom is creating a threat," Caputo warned that Argentina "feels obliged to take indispensable measures to protect its own security."

No one is yet declaring that current trends forbode for Alfonsin the fate that befell former Presidents Frondizi (1962), Illia (1966) and Peron (1976), when the armed forces felt obliged to take into its own hands a chaotic domestic economic situation, tattered relations with international creditors and rampant labor agitation. Still, right-wing paramilitary violence directed against government figures and installations, politicians and journalists—which nearly all believe is connected to coup-minded sectors within the armed forces—is emerging with renewed vigor.

THE 100TH ANNIVERSARY OF FORT MYERS, FL

HON. CONNIE MACK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. MACK. Mr. Speaker, from August 12, 1985, to March 23, 1986, the citizens of Fort Myers, a community in my southwest Florida congressional district, are celebrating the 100th anniversary of their city's founding. I would like to take this opportunity to relate a brief history of Fort Myers and describe a few of the events scheduled for the city's centennial celebration.

In 1841 Fort Harvis was constructed along the Caloosahatchee River as a base of operations against the Seminole Indians. A decade later, Fort Harvis went under a period of reconstruction and was renamed Fort Myers, in honor of Col. Abraham C. Myers. But 8 years later, the base was no longer needed, and Fort Myers was abandoned.

It wasn't until the late 1860's that settlers came to Fort Myers. The population slowly increased and in 1876 the citizens incorporated as an official community. That same year, the plot for Fort Myers was recorded in Key West, the county seat of Monroe County, and the name of Fort Myers was changed to just Myers. It was to legally remain Myers until 1901.

"Fort" Myers continued to grow and in 1885 the population numbered 349. It was during this same year that Thomas Edison came to Fort Myers. He fell in love with the city and became its most famous resident. On August 12, 1885, the citizens held an election of public officials, and on March 23, 1886, they obtained their city charter.

With two newspapers and several prospering businesses, Fort Myers grew steadily. By the start of the 20th century, 943 souls inhabited the city. With the aid of a building boom and the new coast railroad, the community flourished. This time of immense growth, the Boom Time, lasted through the roaring twenties. But these prosperous times came to an abrupt halt in 1929. Just like the rest of the Nation, Fort Myers suffered during the Great Depression. However, the citizens didn't give up, and in just a few years, they were back on their feet again. After World War II, Fort Myers began to grow again, and today it is a vibrant and proud community whose citizens haven't forgotten the brave men and women who wouldn't let their community stagnate.

City officials, including Mayor Art Hamel, kicked off the 100 year birthday celebration with a month long beard growing contest earlier this summer. Beginning July 10, 25 hairy contestants were judged August 10.

This month, the Fort Myers' Centennial Committee begins its series of events with a historical lecture at the local museum. October will boast a huge block party in downtown Fort Myers, an antique car show, and a tennis tournament. The Pioneer Dinner, honoring the older Fort Myers families, as well as the Sailing Regatta, will be held in November. An arts and crafts show will be on display throughout November and December.

In January 1986, the Centennial Committee has scheduled a children's poster contest, a golf tournament, and a fishing tournament. In February's annual Edison Pageant of Lights, volunteers will enter a special centennial float. And on March 23, 100 years after Fort Myers received its city charter, the committee will sponsor a huge barbecue at Exhibition Hall culminating in a grand fireworks finale.

I would like to thank the citizens for all they are doing to honor our community and those who founded it. I would also like to say what an honor and personal privilege it is to represent the fine citizens of Fort Myers.

SOUTHERN GOVERNORS, MAINLAND UNIONS AND HISPANIC ATTORNEYS SUPPORT RETENTION OF SECTION 936

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. FUSTER. Mr. Speaker, several very authoritative voices in the mainland have recently expressed their opposition to the proposal to repeal or substantially modify section 936.

There is no doubt that it is becoming increasingly clear to very important sectors of the American electorate that it would be foolhardy to change section 936. The following are some of the significant sectors which have recently expressed support for preserving section 936 as it is now:

The Newpaper Guild, at its recent 52d annual convention held in Pittsburgh, strongly urged both the President and the U.S. Congress to maintain section 936 of the IRS in its 1984 status.

The National Hispanic Bar Association, representing thousands of Hispanic lawyers across the Nation at its annual convention in New York last weekend, agreed to oppose the elimination of section 936.

In the next few days two of the largest unions in the mainland will be expressing their support for section 936.

Finally, the Southern Governors Conference, at its annual meeting in Miami, as reported in the San Juan Star of September 11, 1985, in a strongly worded resolution, supported the retention of section 936, highlighting the jobs and incomes generated in Puerto Rico and in southern States as a result of section 936.

I request that the following excerpts of that news story be printed in the CONGRESSIONAL RECORD:

The Hernández Colón administration had support Tuesday, in Puerto Rico's battle to defend Section 936 before Congress, from the Southern Governor's Conference in Miami.

The support came in the form of a resolution which stated the repeal of the industrial tax exemption would present the U.S. government with the "perplexing problem" of increasing aid to Caribbean nations while reducing benefits to a "part of America" in the same region.

The resolution, presented by Florida Gov. Bob Graham, opposes any changes in the current language of Section 936 of the U.S. Internal Revenue Code.

Section 936 allows local subsidiaries of U.S. firms to remit profits to parent companies without paying federal taxes. A proposal to eliminate the industrial tax exemption is part of President Reagan's huge tax reform package now before Congress.

The resolution says Section 936 has been the foundation for economic development in Puerto Rico and has had its effect on the southern states because of proximity and trade between the two regions.

"There are great parallels between the economic history of Puerto Rico and that of the South as a whole—from rural, labor-intensive agricultural areas into urban and high-technology centers. Because of the proximity, the two-way trade between Puerto Rico and the Southern states has resulted in jobs and income in both locations," the resolution says.

It adds the president's tax plan seeks to change 936 in a way that would discourage new investments in Puerto Rico. It argues that the proposal comes at a time of reductions in federal aid and presents an added economic hardship to the island.

"It would present the perplexing problem of having the federal government extending benefits to Caribbean nations while reducing benefits to a part of America in the same geographic area. Finally, the proposed change would make difficult Puerto Rico's own initiative to use 936 monies as a special loan fund for CBI (Caribbean Basin Initiative) twinplant manufacturing."

THE OHIO ECONOMY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Ms. KAPTUR. Mr. Speaker, with international trade emerging as a priority issue in Congress, all of us benefit from thoughtful research on the subject. I would like to enter into the RECORD just such a piece recently written by one of my constituents. I hope my colleagues find it informative.

GLOBAL COMPETITION WILL SHAPE OHIO INDUSTRY

(By Borge R. Reimer, Executive Vice President, Dana Corp.)

From the 1860s to the 1960s, Ohio's manufacturers paced America's development as the world's industrial leader. Our largest cities and their major products were synonymous around the world: steel from Cleveland and Youngstown, rubber products from Akron, machine tools from Cincinnati, glass products from Toledo, consumer appliances from Dayton—and everywhere the manufacture of motor vehicles and motor vehicle parts. Ohio's industries were the workshop of America; and we had no reason to expect the future to be different.

Since the 1960's, in retrospect, "the future" has been anything but what we expected. In our national economy, imported manufactured goods now have one-third of the market in such key industries as steel, autos, and machine tools. Our overall trade deficit is an astronomical $130 billion, with little chance of improvement. And the impact of international competition on Ohio industry is clearly seen in our above-average unemployment rate, and below-average economic growth.

Certainly our economic base in Ohio goes well beyond traditional manufacturing industries. We have a solid foundation in service industries, and a growing presence in high-technology fields. But it is in manufacturing, which still employs 25% of all Ohioans, that we face the greatest change and greatest challenge. That is because the business environment itself has changed—to competition in global markets using world class technology applied through a global marketing strategy.

"Foreign competition" does not exist in today's world. The word "foreign" once implied something distant, something that need not concern us, something downright unpatriotic. But we've learned the hard way that the Japanese, for example (who export 55% of what their automotive industry produces, compared to our 3%), are not foreign competitors; they are *international* competitors. That reality must reshape our whole way of thinking about business.

As the result of technology, the world is shrinking (in an abstract way) at an ever faster rate. Transportation is just one example: the ocean flight that took Lindbergh 33½ hours in 1927 takes 3½ hours by Concorde today. Even more dramatic is the smaller world that electronics create. Satellites today can transmit information anywhere in the world. In the U.S. alone, tens of thousands of people work to process and link electronically-transmitted data. And through global networks of computers, we can communicate in real time using words, numbers, and graphics.

ANNUAL EXPORTS AND EMPLOYMENT RELATED TO MANUFACTURED EXPORTS

	Manufactured exports (millions)	Manufacturing employments		Total employment, including nonmanufacturing employment	
		Thousands	Percent of manufacturing employment	Thousands	Percent civilian employment
Ohio:[1]					
1976	$5,794	165.7	12.9	242.3	5.6
1977	6,028	153.2	11.5	231.2	5.2
1980	10,200	188.0	15.0	293.4	6.2
1981	10,353	179.6	14.7	284.0	6.2
United States:					
1976	83,098	2,125.4	11.3	3,452.1	4.0
1977	85,796	1,990.2	10.2	3,258.2	3.6
1980	151,216	2,639.3	12.8	4,808.3	4.8
1981	164,283	2,603.8	12.8	4,794.0	4.7

[1] Ohio's export-related manufactures were as follows in million dollars: 1976, 10,576; 1977, 11,047; 1980, 17,394; and 1981, 18,132. About 26 percent of the increase in Ohio's manufacturing production from 1977 to 1981 was generated by growth in export-related manufactures.

Source: U.S. Department of Commerce, International Trade Administration, Ohio Exports, August 1984.

As this technology shrinks the world, we are confronted with a global market. As a practical matter, this global market is really easier to approach than the purely domestic market of just a few years ago. Take the motor vehicle industry as an example. As the world gets "smaller," markets get smaller and the number of competitors shrinks. The survivors are truly international companies—thus, in the truck industry, you find companies like White/Volvo and Mack/Renault.

Faced with international competition in international markets, it is necessary to compare American (and Ohio) industry to our global competitors—whether the competition is in Germany or Brazil or Korea or Japan. The competitive scenario differs in specifics from industry to industry, but it's possible to make some generalizations on where we in American manufacturing stand in four critical areas:

(1) Quality. We were surpassed in some major industrial sectors by our international competition in the mid-1970's. Our quality is still increasing, but—up to now—at a slower rate than in other countries—where such rapid improvement was needed for effective global marketing.

(2) Price. The U.S. has long been the high-price producer, but only recently have we become concerned about the international implications. Price influences sourcing decisions, exports, and the willingness of international companies to set up their own operations here. In each instance, high prices make us a potential loser.

(3) Product Technology. This is our strong point, but the gap between us and the rest of the world is closing—to our disadvantage. The world market now expects technology and quality in any product, from any country, to be high.

(4) Manufacturing Technology. This is also basically a strong point. We have manufacturing technology equal to or better than that of anyone in the world. But some of our deficiencies in applying that technology make the scenario here similar to that in quality: some international competitors passed us in the mid-1970's.

That's our general international competitive position; and it's not in our favor. What can a business in Ohio do about it? I would suggest we realize that leadership in a global market centers on leadership in quality, in technology, and in low cost—in other words, *total quality* in everything we do and make. In the world market, total quality is not just the recipe for success; it's the necessity for survival.

For any company, the resources to achieve total quality are our people and our technology. Let's look at each in turn.

Every company has a personality, a system of shared values—a culture. In some companies this culture as an important ingredient of being a successful competitor is only dimly perceived, or is not perceived at all. Other companies make a real effort at reinforcing a culture. The people of any company will invariably perform up to—or down to—the expectations of their culture. If we stress the pursuit of total quality as a goal in everything we do in our companies, our people will be more than able to perform as their culture demands. If we make the commitment to total quality, the results will invariably follow. This change in mind alone will take us 80% of the way toward being viable, successful global competitors.

To handle the remaining 20% requires a different commitment. It is a truism that people can't outperform their tools. Most of our "tools" in Ohio industry are productive; but some of them are tied and can't meet the needs of today's global competition. Dedication to total quality in itself will not produce the desired results without the support of the latest in world class technology where required—technology such as robotics, CAD/CAM, computers, and flexible machining centers.

At Dana Corporation we have embarked on what we call "Project 90": a major effort to make us number one in technology, quality, and low cost in our global markets by 1990. Our corporate culture, which we call "The Dana Style," gives our people maximum individual responsibility and flexibility to pursue total quality. To provide the tools for that pursuit, we have committed in "Project 90" to over $200 million in new capital spending this year. And our future capital spending levels likely will be comparable. Not every company can spend the same amount; but every company can aspire to the same kind of commitment.

The implications of global competition are far-reaching. We in Ohio industry, and in American industry, have only begun to see where these implications are taking us. But it is clear that we must act now to strengthen our competitive position. The old world in which Ohio industry was built is gone. It's up to every company to make the commitment to survive and prosper in the new one.

Manufactured Exports by State

State	Rank as exporter in 1981	Export value (million dollars) 1969	1972	1977	1981	Percent increase from 1977 to 1981	Estimated exports as percent of State production	Employment related to exports as percent of State employment
United States total		29.210	36,608	85,796	164,283	[illegible]	8.1	7.3
California	1	2,721	[illegible]	9,116	18,775	106	[illegible]	9.7
Texas	2	[illegible]	[illegible]	[illegible]	11,687	117	6.5	7.2
Illinois	3	2,343	[illegible]	6,313	[illegible]	[illegible]	8.2	6.9
Ohio	4	2,338	3,054	[illegible]	10,353	72	8.5	7.9
Michigan	5	2,613	3,522	6,937	10,275	[illegible]	[illegible]	7.6
New York	[illegible]	[illegible]	2,795	5,833	10,155	74	8.5	6.5
Washington	[illegible]	954	1,781	[illegible]	[illegible]	222	24.5	21.9
Pennsylvania	[illegible]	1,902	2,351	4,714	[illegible]	72	7.1	[illegible]
Massachusetts	9	[illegible]	[illegible]	2,310	5,096	121	10.6	[illegible]
Indiana	10	[illegible]	1,404	2,942	[illegible]	70	7.1	7.0
North Carolina	11	739	705	2,291	[illegible]	[illegible]	7.5	5.0
New Jersey	12	1,114	[illegible]	[illegible]	4,469	55	6.1	5.8
Wisconsin	13	785	[illegible]	2,132	4,031	[illegible]	7.4	7.4
Louisiana	14	[illegible]	541	1,494	3,725	[illegible]	6.4	6.6
Florida	15	[illegible]	547	[illegible]	3,352	112	9.1	[illegible]
Virginia	16	[illegible]	716	1,573	3,344	113	9.3	6.7
Tennessee	17	472	679	1,501	3,285	119	[illegible]	5.6
Connecticut	18	[illegible]	[illegible]	1,662	[illegible]	85	10.2	8.2
Missouri	[illegible]	[illegible]	577	[illegible]	3,013	79	7.3	6.2
Minnesota	[illegible]	[illegible]	654	[illegible]	2,730	70	7.7	7.1
Iowa	[illegible]	412	[illegible]	1,578	2,705	71	8.1	[illegible]
Georgia	[illegible]	[illegible]	580	1,419	2,505	76	5.3	4.8
South Carolina	23	[illegible]	312	1,150	[illegible]	94	[illegible]	5.5
Alabama	24	[illegible]	287	[illegible]	1,936	116	[illegible]	5.5
Kentucky	25	345	451	1,354	1,935	[illegible]	[illegible]	5.1
Oregon	26	[illegible]	237	[illegible]	1,724	[illegible]	9.2	9.0
Arizona	27	157	266	[illegible]	[illegible]	141	13.1	15.4
Arkansas	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	8.7	6.1
Kansas	[illegible]	241	[illegible]	[illegible]	1,517	120	5.7	7.6
Oklahoma	[illegible]	[illegible]	252	639	1,515	137	[illegible]	7.3
Colorado	31	157	245	[illegible]	1,283	[illegible]	7.5	[illegible]
Maryland	32	362	314	[illegible]	1,219	92	5.7	5.3
West Virginia	33	235	295	[illegible]	1,199	174	[illegible]	6.1
Mississippi	[illegible]	[illegible]	[illegible]	[illegible]	1,159	[illegible]	5.9	4.6
Nebraska	[illegible]	[illegible]	134	328	945	[illegible]	6.1	6.3
Alaska	[illegible]	[illegible]	(¹)	374	[illegible]	75	33.4	32.5
New Hampshire	37	74	103	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rhode Island	[illegible]	[illegible]	107	[illegible]	586	[illegible]	7.7	[illegible]
Maine	[illegible]	77	[illegible]	232	[illegible]	114	5.5	[illegible]
Idaho	[illegible]	35	27	246	[illegible]	[illegible]	9.2	[illegible]
Utah	41	48	127	173	[illegible]	[illegible]	4.6	[illegible]
Delaware	42	124	[illegible]	155	375	142	4.1	3.7
Vermont	43	52	52	[illegible]	[illegible]	[illegible]	6.3	6.0
South Dakota	[illegible]	13	(¹)	95	[illegible]	[illegible]	6.3	4.5
North Dakota	45	7	14	73	[illegible]	114	6.6	7.9
Nevada	46	10–25	7	31	[illegible]	238	[illegible]	5.1
Hawaii	47	10–25	(¹)	[illegible]	[illegible]	[illegible]	2.7	2.3
New Mexico	[illegible]	[illegible]	18	37	64	73	2.0	[illegible]
Montana	[illegible]	14	(¹)	[illegible]	[illegible]	4	1.4	1.8
Wyoming	[illegible]	1–5	(¹)	[illegible]	[illegible]	[illegible]	.6	…………

¹ U.S. total includes values withheld to avoid disclosure for individual companies or because estimate did not meet publication standards.—Not applicable.

Source: U.S. Department of Commerce, International Trade Administration, Ohio Exports, August 1984.

GENERAL VON STEUBEN—A REVOLUTIONARY WAR HERO

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. ANNUNZIO. Mr. Speaker, September 17 marks the 255th anniversary of the birth of Gen. Friedrich Wilhelm von Steuben, one of the leading patriots and heroes of the American Revolution. As a native German, von Steuben's commitment to the principles of freedom and self-determination were aroused by the American struggle for independence, and he came to our shores to help in our struggle for liberty. Without the help of this valiant soldier, America's fight for independence would have been much more difficult.

Recruited in Paris by American Commissioners Benjamin Franklin and Silas Deane, after having achieved high standing for his military accomplishments with the Prussian Army, von Steuben arrived in Portsmouth, NH, on December 1, 1777. In January 1778, he was received with high honors by the Continental Congress at York, PA, and on February 23, he reported to Gen. George Washington at Valley Forge.

During the bitter cold days at Valley Forge, and at a time when the Colonies were suffering through military setbacks and low morale, von Steuben went to work and sustained the courage of his men, even contributing his private funds for their well-being. General Washington assigned him the task of training the Continental Forces, and the capable drill company which von Steuben formed and commanded was emulated throughout the ranks, enabling the American troops to overcome the strongest and most powerful fighting force in the world. For his efforts, on April 30, 1778, General Washington appointed him Inspector General of the Army with the rank of major general.

In the winter of 1778–79, von Steuben wrote the "Regulations for the Order and Discipline of the Troops of the United States," a monumental manual on the basics of drill and field service regulations, outlining the essentials of military procedure. This "blue book" served as the official Army manual until 1812; and through the use of this handbook and von Steuben's leadership, an Army of irregulars was transformed into a disciplined and organized combat unit.

In 1781, von Steuben continued his distinguished military career in America, by serving in the battle against Cornwallis in Virginia, and at the battle of Yorktown, where he commanded one of the three divisions of the Continental Army. In recognition and in appreciation of his services the State of New York awarded General von Steuben a $16,000 estate, and Congress granted him a pension of $2,500 for the rest of his life.

On Saturday, September 21, the United German-American Societies of Greater Chicago will be sponsoring the 20th annual General von Steuben parade. The parade will step off at noon at Wacker Drive and Dearborn Street in downtown Chicago, and will proceed down Dearborn Street to the reviewing stand located at the Daley Center. Many scores of floats will join in this commemorative tribute to a gallant patriot, along with promoting the many contributions of Americans of German ancestry to the growth and strength of America.

This year, in conjunction with the parade, the United German Societies of Chicago will also sponsor a great 3-day German Festival from Friday, September 20, through Sunday, September 22. The celebration will take place at the Ludwig Mies Van der Rohe Plaza, at Leland and Western Avenues in Chicago, and will include live German music, German food, and many other events to highlight German traditional culture.

The members and officers of the United German American Societies of Greater Chicago have long been vital and creative citizens in their individual communities, helping to make the Chicago land area a better place to live. I congratulate them on their resourceful service to the city of Chicago, and I especially extend my warmest best wishes to Karl C. Laschet, general chairman and grand parade marshal, and all the members of the 20th Annual General von Steuben Parade Committee, who have worked so diligently and energetically to insure that this year's parade and salute to German Americans will be an overwhelming success. The names of the parade leadership and committee membership follow:

Karl C. Laschet, General Chairman & Grand Parade Marshal; Erich Himmel, 1 Vize-Praesident; Michael Bruckner, 2 Vize-Praesident; Betty Center, Korrespondenz Sekretaerin; Klara Winkler, Protokoll Sekretaerin; Helmut Schmidt, Schatzmeister; Helen Meiszner, Steuben-Parade Sekretaerin; Inge Himmel, Kornblumen Vorsitzende; Joseph Zottmann, Karten Schatzmeister; John Ahsmann, Archivar; Horst Seyferth, Rechts-Anwalt.

Directoren: Karl Kurz, Josef Anetsberger, Joseph Zottmann, Olga Tietz, Alfonse Schneeman, Anna Rusdeinsky, Elisabeth Kraus, Joseph Freiburger, Melvin Brandt, John Kraus.

Finanzkomitee: Inge Himmel, Henrietta Balles, Peter Kurtz, Fritz Baumgarth, Richard Guenther.

Mr. Speaker, on the occasion of the commemoration of the birth of the great Revolutionary War hero, General von Steuben, I extend my greetings and best wishes to all participants in this year's parade, along with all German-Americans who reside in the 11th Congressional District of Illinois which I am honored to represent, and Americans of German descent throughout the Nation, who are celebrating this inspiring event.

PARADISE LOST: NADINE GORDIMER TALKS ABOUT SOUTH AFRICA

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. GARCIA. Mr. Speaker, the September 8 edition of the New York Times Magazine had an excellent article by South African novelist Nadine Gordimer. Ms. Gordimer provides some excellent insight on the problems that apartheid has created within the white community of South Africa.

At one point she says, "It is not true that the South African Government is bent on genocide, as some black demagogues have averred (the black man is too useful for that); but it is true that the unconscious will to genocide is there in some whites." Whether apartheid can be called a prescription for genocide or not, Ms. Gordimer shows us the various ways in which it wraps the perspective of those who use it as a protective measure.

I submit Ms. Gordimer's article for the perusal of my colleagues:

[From the New York Times Magazine, Sept. 8, 1985]

GUARDING 'THE GATES OF PARADISE'

(By Nadine Gordimer)

(Nadine Gordimer, the author of many novels and short-story collections, most recently, "Something Out There," has coproduced with Hugo Cassirer the film "Allan Boesak: Choosing for Justice" to be shown this fall on PBS)

We whites in South Africa present an undated version of the tale of the emperor's clothes; we are not aware of our nakedness—ethical, moral, and fatal—clothed as we are in our own skin. This morning on the radio the news of the withdrawal of more foreign diplomats from South Africa, and the continuing threat of the withdrawal by foreign banks, was followed by a burst of pop-music defiance by the state-owned South African Broadcasting Corporation, on behalf of Afrikaners and English-speaking whites. "Allies," yelled a disco idol, "We're allies, with our backs against the w-a-ll. . . ."

There is an old misconception still current abroad: the Afrikaners are the baddies and the English-speakers, the angels among whites in our country. The categories do not fall so neatly into place. Not all Afrikaners support the state of emergency and the sadistic police and army actions that led up to it, and not all English-speakers would implode apartheid tomorrow if it were possible to prevail against the Afrikaner army that mans the Afrikaner fortress.

The misconception surprises me. Anyone who follows the reports of foreign press correspondents in South Africa must be aware that in November 1983, the Prime Minister, Mr. P.W. Botha, received an overwhelming "yes" vote for his new Constitution, with its tricameral parliament for whites, Indians and coloreds (people of mixed race)—and the total exclusion of the black majority. The referendum held was open to whites only, both Afrikaners and English-speakers; Mr. Botha could not have received a mandate if the English-speaking whites had voted "no." "Yes," they said, voting along with supporters of Mr. Botha's National Party. "Yes," they said, 23.5 million black people shall have no say in the central government of South Africa.

And "yes," said the Reagan Government too, entering into constructive engagement with a policy destructive of justice and human dignity, while mumbling obeisance to abhorrence of apartheid like those lapsed believers who cross themselves when entering a church.

There is no special position of non-Afrikaner whites in South Africa, nor has there been for a very long time.

The actual division among whites in our country falls between the majority—Afrikaner and English-speaking—who support the new Constitution, whether directly or circuitously, as a valid move toward "accommodating black aspirations" (let us not invoke justice), and the minority—English-speaking and Afrikaner—who oppose the Constitution as irremediably unjust and unjustifiable. Fewer Afrikaners than English-speakers oppose apartheid, but the English-speakers who uphold the central government of South Africa represent a majority in their language group.

When blacks speak about the "Boer" these days, they're not just referring to Afrikaners; the term has become a generic rather than an ethnic one. It is likely to refer to a mode of behavior, an attitude of mind, a position. The nomenclature encompasses all whites who voluntarily and knowingly collaborate in oppression of blacks. Not all Afrikaners are "Boer," and many English-speakers with pedigrees dating back to the 1820 settlers are. . . . States of mind and ways of life under crisis would be expected more or less to follow the lines of division, and I believe that states of mind do. Everywhere I go, I sense a relaxation of the facial muscles among whites who had appeared to be tasting the ashes of the good life when Soweto was on fire in the week before the state of emergency was declared in July. Approval of the state's action is not often explicit in my company, because it is known that I belong to the minority within the white minority that opposes the Constitution as a new order of oppression in contempt of justice, and sees the state of emergency as an act of desperation: a demonstration of the failure of the Government's atrocious "new deal" only a few months after it was instituted. The general feeling among whites is that fear has been staved off—at least for a while.

The police dogs are guarding the gates of paradise. Keep away from roads that pass where the blacks and the police-army are contained in their vortex of violence, and life can go on as usual. One can turn one's attention to matters that affect one directly and can be dealt with without bloodying one's hands: lobbying all over the world against disinvestment and sports boycotts. These are areas where sophisticated people understand one another in economic and leisure self-interests: for many, the only brotherhood that transcends nation and race.

There is a physical and mental cordoning-off of "areas of unrest." The police and army take care of the first matter, and that extraordinary sense of whiteness, of having always been different, always favored, always shielded from the vulnerabilities of poverty and powerlessness, takes care of the second.

As for the less worldly among the white majority, they express openly their approval of Government violence in the last few months, and there is a group that believes there has not been enough of it. "The Government should shoot the lot." This remark was offered to my friend, the photographer David Goldblatt, in all crazy seriousness; there are whites in whose subconscious the power of the gun in a white man's hand is magical (like his skin?) and could wipe out an entire population more than five times as large as that of the whites.

In bizarre historical twinship, this is the obverse of the teachings of the mid-19th-century prophetess Nongqause, of the Xhosa tribe. Nongqause told her people that by following her instructions they could cause all those who wore trousers—the white men—to be swept away by a whirlwind. . . .

It is not true that the South African Government is bent on genocide, as some black demagogues have averred (the black man is too useful for that); but it is true that the unconscious will to genocide is there in some whites.

So is belief in the old biblical justification for apartheid, that blacks are the descendents of Ham, although even the Dutch Reformed Church has embarrassedly repudiated this. Over lunch on his fathers Transvaal farm recently, I met a handsome young Afrikaner on leave from military service. Grace was said. When the young man lifted his bowed head, he gave an exposition of biblical justification that was all his own, I think; blacks are the descendants of Cain and a curse on humankind. I did not rise to the bait; but my eyes must have betrayed that I could scarcely believe my ears. Later, among the women of the family, I was shown their new acquisition, a pristine white dishwasher that had replaced the black maid. The young Afrikaner took the opportunity to fire at me, "Yes, it's a good white Kaffir girl."

During the weeks that led up to the state of emergency, the Eastern Cape black townships had become ungovernable. Violence was horrific in the vicinity of Grahamstown. The white town of Grahamstown is the English 1820 Settlers' Association showpiece answer to the Afrikaner Voortrekker Monument at Pretoria. Soldiers and armored vehicles had taken the place of cultural festival visitors.

It was only when, closer to home, Soweto became a hell to which Johannesburg's black workers returned each night as best they could (buses would not venture farther than Soweto boundaries) that white faces in Johannesburg became strained. Until then, most whites in South Africa were in a state of anguish over the outcome of the New Zealand Government's determination to stop a rugby team's tour of South Africa.

The minority within the white minority did not have to wait for any declaration to be aware of an emergency beyond the nation's rugby fields. Some leaders had been warning for months that an uprising was inevitable; built into the new Constitution as its own consequence. Outstanding among them were Bishop Desmond M. Tutu; the Rev. Beyers Naudé, general secretary of the South African Council of Churches, and the Rev. Allan Boesak, president of the World Alliance of Reformed Churches and a founder of the United Democratic Front—who was detained in August on the eve of an illegal protest march and the widespread violence that followed.

Also there was Sheena Duncan of the Black Sash—a women's organization that has done more than any other source to expose the appalling forced removals of black rural people. Government policy has meant that in the past 25 years, one in ten blacks has been moved to make way for whites.

The Government was arresting trade union leaders and leaders of the United Democratic Front, an organization which recognizes no racial or color distinctions and stands for a unitary state in South Africa. And just as, abroad, one may mutter abhorrence of apartheid and go on funding it morally and materially, so the Government was busy reiterating a litany of dedication to consultation and change, while arresting almost every black leader with any claim to be consulted about change.

On the minority side of the dividing line between white and white, a new organization had grown in urgent response to the deployment of 7,000 troops against the people of the black township of Sebokeng, 40 miles south of Johannesburg, last October. This force included young army recruits. Resistance to conscription—while still rare—was suddenly no longer some fringe defection on religious grounds by a handful of Seventh-day Adventists, but a wave of revulsion against "defending one's country" by maiming, killing and breaking into the humble homes of black people.

In this horrifying domestic context, a group called the End Conscription Campaign held a three-day gathering in Johannesburg. A large crowd of young men and their families debated the moral issues of conscientious objection and defined their position not as pacifist but as a refusal to defend apartheid.

I gave a reading there of poetry by South African writers, black and white, in whose work, like that of playwrights, lately, resistance to military service has been the theme. The subject has to be handled gingerly, whether in poetry or platform prose; it is a treasonable offense in South Africa to incite anyone to refuse military service. The E.C.C. is not yet a mass movement, and maybe will not become one, but the Government is sufficiently alarmed by it to have detained several members.

Again, there is a strange historical twinship. Even after 1960, when the South African revolution may be said to have begun, the sons of liberal and left-wing families docilely accepted, force majeure, the obligation to do military service, if with a sense of resentment and shame. At the same time, whites who support black liberation have long wondered why blacks have not turned significantly against the informers and collaborators among their own people.

Now, young whites have a last found the courage to fulfill the chief provision blacks demand of them if they are to prove their commitment to the black cause: to refuse to fight to protect racism. Meanwhile, young blacks themselves have reached the stage of desperation that leads them to hunt down and destroy those who are their own people in terms of skin, but not loyalty.

Both developments—the first positive, the second tragic—are the direct result of the new Constitution. The blacks were not consulted about it, rejected it, and are now in a continuous state of rebellion, out of bottomless frustration at finding themselves finally cast out, in civic and even physical terms, from their own country. The Government deals with this rebellion by sending in white soldiers to terrorize blacks into temporary submission; young whites are confronted with the loathsome "duty" it was surely always clear racism eventually would demand.

For years, when one asked blacks why they allowed black policy to raid and arrest them, they would answer: "Our brothers have to do what whites tell them. We are all victims together." Now, black youths are confronted with what surely always was clear would be the ultimate distortion of their lives by apartheid: brothers, co-opted as police informers and city dignitaries by white power, becoming enemies.

Many of us who belong to the minority within the minority already were accustomed, before the state of emergency, to using the telephone for the kind of call not made outside thriller movies in your country.

When the South African Defence Force raided the capital of one of our neighoring countries, Botswana, earlier this year, we feared for the lives of black and white friends living in exile there.

For some days, we could piece together their fate only by exchanging guarded word-of-mouth news. For my fellow writer, Sipho Sepamia, the news was bad. He traveled across the border to Botwsana to the funeral of a relative murdered in the raid. We were nervous about his doing so, since the brutal raid—which resulted in indisciminate killing, so that even children died—was purportedly against African National Congress revolutionaries, and the demonstration of any connection with even random victims could rub off as guilt by association.

With the beginning of the state of emergency came mass arrests, and severe penalties of revealing without authority the identity of any detainee. The names we know are confined to those permitted by the police to be published. Who can say how many others there are? So our ominous kind of morning gossip has increased—and there remains the fear that the individual one calls may not answer because he or she has been taken.

Some of us have friends among those who are the accused in the treason trials in session or about to commence, mainly trade unionists and leaders of the United Democratic Front. I telephone my old friend, Cassim Saloojee, a social worker and an officer in the United Democratic Front. He is at home on bail after many weeks of detention before being formally charged with treason. One discovers, these days, that genuine cheerfulness exists, and it is a byproduct of courage. He has only one complaint, which is expressed in a way that catches me out—"I've been spending my time watching pornographic films," he says.

With my tactfully unshockable laugh, I sudddenly remember that active resistance to apartheid is "political pornography." The films he has been viewing are video cassettes of publc meetings made by the United Democratic Front as records of their activities. They have been seized by the state. For the purposes of their own defense, the accused must study what may now be used as evidence against them. "Ninety hours of viewing. . . ."

The case is sub judice, so I suppose I cannot give here my version of whether the particular meetings I attended (the U.D.F. is a nonracial, nonviolent and legally-constituted movement) could possibly be construed as violent and treasonous, but I hope that among all that footage there is at least recorded the time when the crowd in a Johannesburg hall heard that there was police harassment of some supporters in the foyer, and, from the platform, Cassim Saloojee succeeded in preventing the crowd from streaming out to seek a confrontation that doubtless would have resulted in police violence.

While writing this letter, I have received a call from Colin Coleman, a young white student at the University of the Witwatersrand, down the road, himself a veteran of detention. His brother is now in detention for the second time.

At last, after more than two weeks, Colin Coleman's parents have managed to get permission to visit Neil Coleman in prison. Like well over a thousand others, he has not been charged. The parents are founder members of the well-established Detainees' Parents Support Committee. This title and status indicate the enduring state of mind that prevails among white people like these, stoic but unintimidatedly active on the part of all prisoners of conscience, black and white, whether or not in the family.

Colin called to ask me to take part in a panel discussion on South African culture to be held by the students' Academic Freedom Committee. Irrelevant while we are in a state of emergency? Concurrently with engagement in the political struggle for the end of apartheid, there exists an awareness of the need for a new conception of culture, particularly among whites. Young people like Colin Coleman are aware that a *change of consciousness,* of the white sense of self, has to be achieved along with a change of regime, if, when blacks do sit down to consult with whites, there is to be anything to talk about.

The arts in South Africa sometimes do bear relation to the real entities of South African life in the way that the euphemisms and evasions of white politics do not. This is increasingly evident in the bold themes explored by blacks and whites in South Africa's theater and literature.

These are the states of mind of the majority of white South Africans, and of the minority within the white population. Within the first group, the majority, the preoccupations of the second are no more than newspaper stories you, too, read thousands of miles away: so long as the Caspir armored monsters patrol the black townships and even mass funerals are banned, the majority feel safe, since there is no possibility that they may be imprisoned for a too-active sense of justice, or find any member of their families or their friends in detention, on trial, or in danger of losing a life in right-wing terrorist attacks. There isn't any possibility that one of their lawyers might be gunned down, as was Victoria Mxenge, a member of a treason trial defense team, outside her home near Durban in July.

The conditions of life, for whites, are a different matter. Even those few whites who have members of their families in prison themselves continue to wake up every morning as I do, to the song of weaver birds and the mechanical-sounding whir of crested barbets in a white suburb. Soweto is only eight miles from my house; if I did not have friends living there, I should not be aware of the battles of stones against guns and tear gas that are going on in its streets, for images on a TV screen come by satellite as easily from the other side of the world as from eight miles away, and may be comprehended as equally distanced from the viewer. How is it possible that the winter sun is shining, the randy doves are announcing spring, the domestic workers from the backyards are placing bets on Fah Fee, the numbers game, with the Chinese runner, as usual every afternoon?

In terms of ways of life, conditions of daily living are sinisterly much the same of all whites, those who manage to ignore the crisis in our country, and those of whom it is the determining state of mind. Some go to protest meetings; others play golf. All of us go home to quiet streets, outings to the theater and cinema, good meals and secure shelter for the night. Meanwhile, in the black townships, thousands of children no longer go to school, fathers and sons disappear into police vans or lie shot in the dark streets, social gatherings are around coffins and social intercourse is confined to mourning.

The night the state of emergency was declared, I was at a party held at an alternative education center, the Open School, in the downtown area where banks and the glass palaces of mining companies run down into Indian stores and black bus queues. The school is directed by Colin and Dolphine Smuts (black, despite their Afrikaans surname), for black youths and children who study drama, painting, dance and music there—subjects not offered by Government's "Bantu" education. The occasion was a celebration: the school, which had been in danger of closure for lack of funds, was to receive a Ford Foundation grant. Colin had not known until the evening began whether the new ban gatherings might not be served on the celebration. Dolphine had gone ahead and prepared food.

There were polite speeches, music, drumming and the declamatory performance of poetry that has been part of resistance rhetoric since young people began to compose in prison during the Soweto uprisings in 1976 and which sets such gatherings apart from their counterparts in other countries. Soweto was sealed off by military roadblocks. Yet the black guests had come through somehow, thoroughly frisked in the "elegantly casual" clothes we all, black and white, wear to honor this kind of occasion. I asked a couple I had not met before what it was like to be in Soweto now, looking at them in the inhibited, slightly awed way one tries not to reveal to people who have emerged alive from some unimaginable ordeal. The man took a bite from a leg of chicken and washed it down with his drink. "In your street, one day it's all right. The next day, you can cross the street when a Caspir comes round the corner, and you'll die. It's like Beirut."

Yes, if you want to know what it's like here, it's more like Beirut than he knew. I remember a film I once saw, where the camera moved from destruction and its hateful cacophony in the streets to a villa where people were lunching on a terrace, and there were birds and flowers. That's what it's like. I also remember something said by a character in a novel I wrote ten years ago. "How long can we go on getting away scot free?"

THE EMERGING TRADE ISSUE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 11, 1985, into the CONGRESSIONAL RECORD:

THE EMERGING TRADE ISSUE

Trade is moving to the front rank of congressional issues for the first time since early in this century. Several developments have led to the increased interest. Our trade deficit is nearing $150 billion for 1985, and continues to spiral upward. In fact, the U.S. has become a debtor nation for the first time since 1914. Exporting industries, including agriculture, have been hit especially hard. Foreign governments erect barriers to our goods while flooding the U.S. with their exports. Much of our industrial capacity is being moved overseas. Lack of competitiveness by American industries is emerging as our central economic problem.

The reasons for our trade problems are clear. The high value of the dollar, caused largely by huge budget deficits, makes American goods expensive abroad and foreign imports cheap. Growth in American manufacturing productivity has also declined. Growth in productivity in Japan, France, and Germany greatly exceeded U.S. growth from 1980–83. Only about ⅔ of the manufacturing jobs lost in the last recession have been regained, and another 220,000 manufacturing jobs have been lost in 1985 alone. Our recent economic recovery preceded that of our major trading partners, leading to sluggish export growth for American companies. The cost of capital is about twice as much in the U.S. as in Japan, and our edge in research and development has eroded. Our educational system has lagged in producing high technology graduates and we have failed to pay sufficient attention to production technology, often leading in basic technology but failing to commercialize it. Huge debt levels in developing countries have forced them to cut back on imports, many of which come from the U.S. One study estimated that the drop in U.S. exports to Latin America cost 800,000 jobs in the U.S.

Foreign governments also use a variety of methods to help their industries and handicap U.S. companies in their markets. These range from overt methods, such as national purchasing policies and direct export subsidies, to more subtle means such as complicated customs rules and arbitrary product standards. There has also been a steady shift toward "bilateralism" and "managed trade." Nations now agree to open their markets to limited quantities of one another's products and to exclude those from all other countries.

For many years U.S. trade policy has been based on "comparative advantage," the idea that countries trade best in the goods they make best and cheapest. But this is true only in a competitive system of free trade. It may not work in a world where governments interfere heavily in the market place, internaitonal competition is sharp, currencies are misaligned, and huge debt restricts growth in developing countries.

Congress has traditionally been reluctant to get involved in trade policy. It usually asks the President to make more vigorous use of his powers to negotiate with other countries. There is a growing sense in Congress, however, that the administration does not have an effective trade policy. Congress views the world trade system as biased in favor of foreign competition. It sees trading rules that allow some countries to trade here with relative freedom compared to the way U.S. goods are treated in those ocuntries. As more industries demand that Congress protect them from foreign competition, pressure is growing for direct action to slow imports. About 300 protectionist bills have been introduced in Congress, and at least one of them has a good chance of passage. For the moment, the measures face major obstacles, from the tight congressional schedule to a likely presidential veto.

To forestall passage of protectionist legislation, the President is moving toward a more aggressive international trade policy. It is unclear what specific steps he will take, however. The administration is split between those who want to maintain as free a trade policy as possible and those who feel that years of negotiating have resulted only in record trade deficits and loss of manufacturing competitiveness. Congress will respond to effective leadership. It wants the President to be tougher, but it also knows that it cannot force a trade policy upon him. The President must exercise strong leadership, and he must do it soon or his options will disappear.

The President can take several steps to help in the short term. At the least, ways must be found to open foreign markets to U.S. products. Congress is insisting on greater reciprocity in U.S. foreign trade. The President must invoke our trade laws aggressively to guarantee fair dealings with our trading partners. American trade laws must be modified to make it easier for American industry and workers to get relief. "Adjustment plans" to give companies and workers time to adapt to changed market conditions must be encouraged. Some industries may have to be protected temporarily through the use of import surcharges or quotas to allow them to modernize and become competitive.

In the longer term, we must address the fundamental causes of our trade problems. The best trade policy is a sound econmic policy. We must reduce the federal deficit and bring the dollar back into line with other currencies. We must accelerate our own productivity growth, which is far behind that of our principal competitors. We must also work to improve economic growth in developing countries. It is in our interest, as well as that of other developed countries, for developing countries to be able to purchase goods and services. We also cannot ignore unfair trading practices. We must work to build a fair, efficient sytem of world trade. The President must push hard for a new round of multilateral trade negotiations. We should also work to include under international rules trade in services, which is not now covered. Exchange rate instabilities must be reduced. The time has come to explore much closer coordination of national economic policies. No solution to trade problems is possible without the will of the Western nations to work together towards joint solutions. For that to happen, the U.S. must exercise strong leadership. One thing is certain: a harder U.S. trade policy will emerge in the coming months.

(Please help me update my mailing lists by notifying me of any incorrect or duplicate mailings).

H.R. 2970: EXPLANATION AND ANALYSIS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. GEKAS. Mr. Speaker, prior to the August recess I introduced H.R. 2970, legislation which would amend the Packers and Stockyards Act to extend the jurisdiction of the U.S. Department of Agriculture's Packers and Stockyards Administration to the poultry industry, primarily the broiler industry. The following is an analysis and background review of H.R. 2970, prepared by the Congressional Research Service:

ANALYSIS

INTRODUCTION

The basic intent of H.R. 2970 is to amend the Packers and Stockyards Act of 1921, as amended (7 U.S.C. 181), to extend the jurisdiction of the U.S. Department of Agriculture's (USDA) Packers and Stockyards Administration (P&SA) to the poultry industry, primarily the broiler industry. This report gives a brief legislative history of the P&S Act, discusses the major features of the proposed bill, and presents the views of the various groups that would be affected by the proposal if it became law. A side-by-side comparison of current law and H.R. 2970 is attached.

LEGISLATIVE HISTORY[1]

The Packers and Stockyards Act of 1921 was intended to cover livestock markets, the meat packing industry, and meat packers' poultry operations. The latter constituted the majority of the commercial poultry trade, and tended to be located throughout the country at livestock terminals. The meat packers' role declined, however, as live poultry marketing centralized and shifted to large metropolitan areas. Poultry dealers in those areas were not considered "packers" under the 1921 Act. As their marketing operations grew, metropolitan poultry dealers complained about unfair and deceptive practices in the industry. As a result, Congress amended the Packers and Stockyards Act in 1935 by adding Title V, which was intended to extend the Act's jurisdiction to all persons engaged in marketing live poultry in commerce.

Since the end of World War II, the poultry industry has changed from one of small, independent producers, into a highly integrated industry in which about 95 percent of broiler production occurs under growout contracts, or poultry growing arrangements. Under these arrangements, growers provide buildings, equipment, and labor; contractors, or integrators, provide the birds and the feed, process the birds, and market the end product.

After a P&SA study of the industry showed that the grower's bargaining position with integrators was limited, P&SA issued detailed poultry regulations in 1971. The regulations are designed to prohibit unfair practices in marketing poultry or in acquiring poultry from producers or growers. Currently, P&SA's regulation of the industry involves assuring that there are written contracts between growers and integrators; assuring that integrators provide full and complete accounting on contracts with growers to raise the poultry; assuring that scales have been tested and weigh accurately; assuring that poultry is weighed promptly and that weighing scale tickets are provided to producers; and preventing retroactively reduced contract payment terms and assuring that payments are made in accordance with contract terms.

PROPOSED CHANGES TO PACKERS AND STOCKYARDS ACT

Many industry analysis believe that Congress' intent in adding Title V to the Packers and Stockyards Act in 1935 was to give P&SA the same degree of authority over the poultry industry as it already had over the red meat packing industry. However, subsequent changes to the livestock sections of the Act did not include specific language pertaining to the poultry industry. Furthermore, the total restructuring of the industry that occurred in the 1950's and 1960's left the language of the 1935 amendment open to many different interpretations.

The rationale behind H.R. 2970 is that the poultry industry should be entitled to the same protections that have been extended to producers in other financially hazardous markets—namely, livestock producers under the Packers and Stockyards Act, and fruit and vegetable growers under the Perishable Agricultural Commodities Act (7 U.S.C. 499a-499s).

In essence, H.R. 2970 would add the poultry industry as it is currently structured to the language of the 1921 Act. The major provisions of the bill are prompt payment; a trust to assure payment to growers in the event of poultry firm bankruptcy; and authorization for P&SA to bring disciplinary proceedings against violators through administrative channels within the U.S. Department of Agriculture, not just through the Department of Justice as is currently the case.

Three major groups would be affected by the changes this bill would bring about if passed: the poultry growers, as represented by the National Grange and the American Farm Bureau Federation; the integrated slaughtering/processing firms, as represented by the National Broiler Council and the National Turkey Federation; and the Packers and Stockyards Administration.

With regard to the prompt pay provision, the poultry growers—both independents and those on contract to large vertically integrated firms—claim the need for prompt payment protection under law, especially as a result of recent poultry firm bankruptcies that have caused severe financial losses for some growers. According to both P&SA and the National Broiler Council, most firms pay their growers on time. However, P&SA and the poultry growers strongly believe that protection is necessary in those cases where there are problems.

The National Broiler Council and National Turkey Federation would support a prompt-pay provision only if the law would also clearly limit P&SA's monitoring of processors' contracts with independent growers. P&SA and a second circuit court of appeals panel have interpreted the current law to give the agency authority to review these agreements. The processor/integrator associations disagree with this interpretation.

The Council and the Federation are also opposed to the trust provision of the proposed legislation, claiming that banks and other lending institutions would be less willing to finance poultry processors knowing that some assets would be held in trust for repaying growers in the event of bankruptcy. Livestock producers have had the benefit of such a trust provision since 1976, and according to P&SA, there has been no notable lack of financing in the meat packing industry since the provision has been in effect.

Opinion is also divided on the proposal to give P&SA authority to bring disciplinary actions against violators through administrative proceedings within USDA. The National Grange and the American Farm Bureau Federation say that, although they dislike the idea of expanding Federal regulation, poultry growers should have the same protection that livestock producers do. The benefits they cite are greater recourse in the case of unfair business practices, and speedier action through administrative channels than through the Department of Justice. P&SA says that since many packing firms now handle both red and "white" (poultry) meat, many of their disciplinary actions would be combined, and would not require budget or staff increases for the agency. According to P&SA, being able to handle complaints administratively instead of having to go through the Department of Justice would actually reduce costs. Furthermore, P&SA says that being able to take administrative action to correct small violations would permit the agency to better target the agency resources needed to pursue larger cases through the Department of Justice.

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[1] *Regulation of the Poultry Industry under the Packers and Stockyards Act,* General Accounting Office, Report No. RCED-84-110, April 1984.

The National Broiler Council, representing processors, does not wish to see P&SA's jurisdiction expanded. It interprets the current law as authorizing P&SA to review live-poultry transactions only—sales of old breeding stock or old laying hens to firms for slaughter and processing. This accounts for only a small fraction of all transactions in the broiler and layer industry. The Council believes that the poultry industry is not in need of any additional regulation, and that any disagreements between growers and processors can be worked out under their contracts, without Government intervention.

[Background]

H.R. 2970, LEGISLATION AMENDING THE PACKERS AND STOCKYARDS ACT OF 1921 TO INCLUDE THE POULTRY INDUSTRY

TITLE I—DEFINITIONS

Adds specific definitions for the terms "poultry," "poultry product," "poultry grower," "poultry growing arrangement," and "live poultry dealer" to cover the entire poultry industry as it is currently structured.

TITLE II—PACKERS

Sec. 201—Adds language to provide that poultry slaughterers and poultry product processors, brokers, dealers and distributors would be treated the same as red meat firms under the act.

Sec. 202—Removes references to poultry handlers because the position no longer exists in the poultry industry, and clarifies that poultry dealers would be treated the same as red meat packers if found restraining commerce or creating a monopoly.

Sec. 203—Adds the term "live poultry dealer" to the section, which would make poultry firms subject to the same administrative action that USDA can currently take against red meat packers under this section.

Sec. 204—Adds the term "live poultry dealer" to Sec. 204 and Sec. 205, which clarifies that the provisions of these sections apply to poultry firms as well as to read meat packers.

Sec. 206—Creates a new section (Sec. 207) that gives trust protection to poultry sellers and growers like that provided for livestock sellers in Sec. 206. Also prohibits liens or other security interests on unpaid-for birds.

TITLE III—STOCKYARDS

Sec. 308—Adds language specifically giving poultry growers and sellers the same rights as livestock producers and buyers under this section.

TITLE IV—GENERAL PROVISIONS

Sec. 401-407—No change other than to delete the obsolete term "handlers" where it appears.

Sec. 408—Adds specific language on failure to pay for poultry or poultry products, or failure to pay accounts due under poultry growing contracts. This would provide for court injunctions against poultry firms the same as against red meat firms.

Sec. 409(a)—Creates a new Section 410, of which subsection (a) requires poultry dealers or packers buying live poultry for cash to make payment before the close of the next business day. Also requires live poultry dealers or packers obtaining live birds under a poultry growing contract to make full payment before the close of the seventh business day following the week of slaughter.

Sec. 409(b)—New subsection (b) permits credit extensions only between growers and purchasers engaging in real cash sales. Transactions under poultry growing arrangements and marketing agreements with independent growers would have to be completed within the time limits stipulated under subsection (a).

Sec. 409(c)—New subsection (c) would make any attempt to delay payment to poultry growers or sellers an "unfair practice" in violation of the Act.

TITLE V—LIVE POULTRY DEALERS AND HANDLERS

Title V is deleted because the provisions of H.R. 2970 would render them obsolete.

Adds specific language that would give USDA authority to halt the operations of insolvent poultry processors or allow them to continue only under certain prescribed conditions. Insolvency or processors involved in poultry growing arrangements would be covered by Sec. 206 and Sec. 410 of the Act, as amended by H.R. 2970. Bonding of persons engaged in buying poultry would not be required.

I would urge my colleagues to review the merits of this legislation and consider cosponsorship of H.R. 2970.

IMPORTS AND THE TEXTILE INDUSTRY

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Ms. OAKAR. Mr. Speaker, together with nearly 300 of my colleagues, I am a cosponsor of the Textile and Apparel Trade Enforcement Act of 1985.

I would like to commend a recent article which appeared in the August 31, 1985, Washington Post, to those colleagues and friends who are not cosponsors of this legislation. Perhaps some areas of question might be clarified by this eloquent piece authored by two of our distinguished colleagues, Representatives JENKINS and BROYHILL.

I request that the text of the article be inserted in the RECORD at this point:

IMPORTS ARE KILLING THE TEXTILE INDUSTRY

The American fiber, textile and apparel industry and its 2 million workers face a crisis that not only threatens the industry's survival but dramatizes problems besetting our entire economy. The crisis can be summed up in a single word: "imports"—imports that have doubled in the last five years; imports that account for more than half the clothing consumers buy; imports that have cut industry jobs by 300,000 since 1979; imports that last year accounted for $16 billion of our trade deficit.

So it is difficult to understand the arguments of our colleague, Rep. Ed Zschau (R-Calif.), in opposing legislation to control the flood of imports ["Protection Isn't the Answer for Textiles and Apparel," op-ed, Aug. 13]. Zschau opposes the "Textile and Apparel Trade Enforcement Act of 1985," which we and 289 of our House colleagues plus 54 senators are proud to co-sponsors.

Measured against the severity of the import crisis, this legislation must be judged extremely modest.

First, it permanently concedes nearly 40 percent of the U.S. apparel market to imports. Autos, steel and semiconductors have never approached such import penetration.

Second, it continues to let imports grow faster than U.S. consumption.

Third, while the legislation does cut back on imports from major producing countries such as Japan, Korea, Brazil, Hong Kong and Taiwan, it accelerates import growth from developing countries such as Bangladesh that most need access to our markets.

Zschau asserts that the Multi-Fiber Arrangement (MFA), the multilateral structure for ensuring orderly textile and apparel trade, "has been an effective regulator of bilateral textile trade for years." Such a statement reveals an ignorance of the facts.

Last year imports grew 32 percent; in the last five years they have grown 100 percent. That kind of "effective regulator" will put the U.S. industry out of business by the early 1990s.

The sad litany of import-induced job losses, plant closings and devasted communities contrasts sharply with the industry's efforts to compete. Every year since 1970, the U.S. textile industry has invested at least $1 billion in modernization—$1.7 billion last year alone. Today, the U.S. textile and apparel industry is the most productive in the world.

Zschau says that improved productivity is the reason for rising unemployment in the industry. That is a myth. With imports growing far beyond consumption increases, it's obvious what has caused the loss of jobs.

Modernization of the industry in full cooperation with labor has, so far, allowed it to survive in the face of abysmally low wages and unfair trading practices in many exporting nations. Given the flood of imports, however, it is hard to see how companies can continue this vigorous commitment to capital spending. And it is impossible to see where displaced workers—well over half of whom are women and minorities, many in rural areas—will find alternative job opportunities.

The cruelest hoax of all is Zschau's assertion that consumers will suffer if imports are controlled. How could they suffer if they don't benefit from imports now? In department stores and mail order catalogs identical garments made in several countries—including the United States—often sell at exactly the same price. Where is the consumer benefit?

Zschau's misunderstanding of the basic facts is not surprising. He relied on data from the International Business and Economic Research Corporation, a Washington firm that is a registered foreign agent and lobbyist for at least 14 foreign governments and associations that account for nearly half of the textile and apparel imports into the United States.

The current system of controls on fiber, textile and apparel has collapsed—because of flaws in the system combined with lack of enforcement. We hope Zschau will come to see the wisdom of this legislation as he has seen the wisdom of supporting the Wine Equity Act and the trade actions taken by the semiconductor industry, both aimed at controlling imports. Wine and semiconductors are big business in California, but so are cotton production (the largest cash crop in the state) and the apparel industry (with 110,000 workers and a payroll of $1.1 billion).

THE DANGERS OF MARIJUANA USE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. RANGEL. Mr. Speaker, as Congress reconvenes to take up its legislative agenda, I must take a moment, as chairman of the House Select Committee on Narcotics Abuse and Control, to report on what seems to be increasing convergence of thinking as to the dangers posed by the smoking of marijuana. While the chemistry and metabolism of marijuana are technical subjects they are important bases from which to begin.

Contrary to popular belief, the plant material of cannabis sativa, the marijuana plant, is quite complex, containing at least 421 individual compounds. Sixty-one of the chemicals which have been identified in the plant, cannabinoids, are specific to cannabis. Ten of these are now routinely quantified in identifying cannabis samples. When smoked, some of the chemicals are further transformed by burning into still other compounds.

Cannabis plant material differs widely in the amount of the principal psychoactive ingredient — delta-9-tetrahydrocannabinol, THC for short—contained, as well as in the proportions of other chemicals. Although the effects of cannabinoids other than delta-9-THC have been studied, much remains to be learned about their effects, both singly and in interaction with another. While, for many practical purposes, the percentage of delta-9-THC is a useful guide to the psychoactivity of a drug sample, other chemical ingredients may ultimately prove to be important in modifying THC's effects as well as because of their own impact on the body. A good deal of valuable basic research has been done on THC, but it should be emphasized that it is only one ingredient of the natural material.

However, while many of the questions associated with marijuana abuse remain unanswered, I agree with the conclusions of Dr. Norman H. Edelman, scientific consultant to the American Lung Association and a professor at the University of Medicine and Dentistry of New Jersey-Rutgers University Medical School. He stated in a recent column in USA Today that smoking marijuana is harful to the lungs and has the potential to cause lung disease among other pulmonary ill effects.

Most frightening in light of the recent findings as to the dangers associated with smoking marijuana, is that the select committee estimates that some 25 million people in the United States regularly use marijuana and as many as 40 million may be occasional users. A recent Ladies Home Journal survey reported that of the 86,000 readers contacted, 41 percent of the women under 25 indicated they are regular users of marijuana. Further, availability is at record levels nationwide as is the THC content of both the foreign and domestic product.

Dr. Edelman offers a timely and incisive analysis of the risks undertaken by those who smoke marijuana. I ask that his column be printed in the RECORD.

The column follows:

[From the USA Today, Aug. 9–11, 1985]

MARIJUANA USE POSES DANGER TO YOUR HEALTH

(By Norman H. Edelman)

The American Lung Association has reviewed the body of knowledge about marijuana accumulated over the last 15 years and has concluded that smoking marijuana is harmful to the lungs and has the potential to cause lung disease such as chronic bronchitis, emphysema and lung cancer.

The main psychoactive ingedient of marijuana, delta-9-tetra-hydrocannabinol (THC), which is responsible for the "high" is a fat-soluble substance that is stored in areas of high fat content, such as the lungs, liver, brain and reproductive organs. Five to seven days after smoking marijuana, half the dosage of THC is still present in the body—it can take up to a month for THC to leave the body completely.

Marijuana smoke contains more respiratory irritants than tobacco smoke and a 50 percent higher concentration of cancer-causing agent benzpyrene and benzanthracene.

Marijuana cigarettes have 12 times the "tar" and can generate 10 to 20 times as much carbon monoxide as tobacco cigarettes. Delicate lung tissue receives greater exposure to these harmful chemicals because marijuana smokers inhale more deeply and hold the smoke in their lungs longer.

Chronic marijuana smoking inflames the air passages and may lead to pharyngitis, sinusitis, and bronchitis. Young, heavy smokers of hashish and marijuana develop microscopic abnormalities in the cells lining their larger air passages, ordinarily seen only in older people who have smoked tobacco for 10 to 15 years.

These are the same abnormalities seen in people who develop lung cancer.

Smoking marijuana can impair the function of the special "defense" cells known as aveolar macrophages, which fight off infection in the lungs. Chronic marijuana smokers are more vulnerable to lung infections such as pneumonia, influenza, and the common cold.

Marijuana smoking is particularly hazardous for young people, whose lungs are still growing. The surgeon general has stated that marijuana smoking at this critical stage can also disrupt the normal development and functioning the cardiovascular, central nervous, reproductive, and immune systems.

Much more remains to be learned about the biologic effects of marijuana. It is well known that the progress of lung diseases is insidious, appearing slowly over many years. The full destructive impact of marijuana smoking on health has not yet been fully determined.

CONSUMER AND HOMEMAKING EDUCATION

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. SKELTON. Mr. Speaker, the home and family have been Federal priorities since the birth of our Nation. From early vocational education legislation to the Carl Perkins Vocational Education Act of 1984, Public Law 98–524, funding has been allocated for home economics education which focuses on strengthening of family life. Vocational consumer and homemaking education prepares youth and adults for the work of the home and family—the occupation of homemaking. These programs address the critical needs of persons to be equipped with basic living skills, and need to remain a priority if persons are to be wise consumers, productive workers, and effective family members. One example of the effectiveness of consumer and homemaking education is demonstrated through a recent assessment of student achievement of those competencies deemed necessary to perform effectively in the occupation of homemaker.

Consumer and homemaking education is planned instructional programs, services, and activities which prepare youth and adults for the occupation of homemaking and wage-earning occupations. The areas of instruction include human development and the family, consumer education, nutrition and food, clothing and textiles, housing and home management, and family and individual health. Professionals pride themselves in meeting the special needs of youth in public schools and underserved populations, for example, by offering programs in economically depressed areas, prisons, mental health facilities, and other centers of the disadvantaged and handicapped.

Consumer and homemaking education promotes educational excellence through innovative curriculum development, teacher education, research, and leadership programs of the Future Homemakers of America Vocational Student Organization. Evaluation of student learning as a result of their participation in these programs remains an integral part of consumer and homemaking education.

In Missouri, which I have the privilege of representing, it has been documented that students in consumer and homemaking programs attain competencies needed for the occupation of homemaking. A competency is knowledge, attitudes, and performance skills which enable one to function effectively in a specific occupation. As part of a larger project, a competency based test was developed to ascertain students' knowledge and attitudes related to the tasks performed in the homemaker occupation. This effort was sponsored by the home economics education section of the Missouri Department of Elementary and Secondary Education and conducted by the Southeast Missouri State University.

Last year, students in a sample of the 381 school districts with consumer and homemaking education programs participated in a statewide assessment of their competencies for the roles of the homemaker. I would like to highlight some of the results.

High schools seniors who had 1 year of instruction in consumer and homemaking education scored significantly higher in terms of knowledge about the occupation than students just beginning their first year of instruction in consumer and homemaking education. Students with four or more semesters of instruction had greater knowledge of the tasks of the homemaker than students with less instruction.

In terms of their attitudes toward the occupation of homemaker, seniors with comprehensive consumer and homemaking education instruction held significantly more positive attitudes than those students beginning their coursework. Seniors with no consumer and homemaking education instruction held the least favorable attitudes. Students who had taken four semesters of comprehensive consumer and homemaking education were more favorable toward the occupation than those with less coursework.

Missouri's consumer and homemaking education programs do have an impact in guiding youth to attain competencies for the homemaker occupation. I would like to commend professionals for being on target in promoting economic growth, individual productivity, strengthened home and family life, and community outreach to underserved populations, and wish them future successes in accomplishing consumer and homemaking education program goals.

LITHUANIAN AMERICANS OF CICERO, IL

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. LIPINSKI. Mr. Speaker, today I would like to share with my colleagues a resolution adopted by the Lithuanian Americans of Cicero, Ill, commemorating the Holocaust of the night of June 14, 1941, and the continuing genocide by the Soviet Union since 1940 against the Lithuanian people:

RESOLUTION

We, the Lithuanian Americans of Cicero, Illinois assembled this 9th day of June, 1935 at St. Anthony Parish Hall to commemorate the Holocaust of the night of June 14, 1941 and continuing genocide by the Soviet Union since 1940 against the Lithuanian people.

On the night of June 14, 1941 more than 40,000 Lithuanians were deported to Soviet concentration and labor camps where they perished from hunger and cold. At the end of World War II, more than one quarter of the Lithuanian population was exiled to Soviet concentration camps. Even today many Lithuanians suffer imprisonment and persecution for trying to exercise their human rights.

Now, be it resolved, That we agree with President Ronald Reagan's military program and ask Congress for its support; in particular Nicaraguan and Afghanistan freedom fighters;

We congratulate President Ronald Reagan on his trip to Europe to strengthen the ties between Americans and the free countries of Europe;

We ask the President and Congress to appoint a special commission to investigate the OSI activities as related to the constitutional rights of the accused and the OSI connection and cooperation with the KGB and other Soviet institutions;

We ask the President to make public the secret agreements that were made between the OSI and the Soviet government. We ask all representatives to support the Baltic Freedom Day Resolution that has been passed by the Senate (HJ263).

We request that this resolution be forwarded to the President of the United States, Vice President, Secretary of State, Secretary of Defense, Presidential Council, United States Senators from Illinois, Chairman of Senate Foreign Relations Committee, Congressman from our district, Chairman of the House Foreign Affairs Committee, other appropriate Congressional committees, and the news media.

STANLEY DUBAUSKAS,
Secretary of the Meeting.
ANDRIUS JUSKEVICIUS,
President of the Cicero Chapter of Lithuanian American Council and Chairperson of the Meeting.

THE SOVIETS BLINDSIDE U.S. MONITORING EFFORTS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. BROOMFIELD. Mr. Speaker, once again, the Soviets are playing dirty pool. Rather than complying with both the letter and the spirit of the SALT II accords, they are encrypting valuable transmissions from their missiles. They hope to foil any U.S. monitoring efforts of those important missile test flights. If any real understanding and arms control accords are to be agreed to by our two nations, encryption efforts of this type must be stopped. Using trickery is no way to promote trust and confidence. I want to commend an article on this subject to my colleagues in the Congress so that all of us can see the implications of these unfortunate test coding efforts.

In any international accords dealing with arms control, verification is a key element. While limited data encryption of missile telemetry is allowed under the SALT II accords, the agreement prohibits coding that hinders a nation's ability to verify compliance with certain critical provisions. Equally disturbing are allegations that the Soviet Union is building warheads, bombers and new missiles far in excess of the limits specified in the original treaty.

All in all, many Soviet activities regarding signed agreements generally undermine the fragile trust and confidence that has been building between our two nations in recent years. Soviet violations of the Helsinki Final Act are so blatant that many wonder if the Kremlin is capable of following the spirit and letter of any agreement. This is a serious question which must be asked by any administration intent on reducing the high levels of nuclear arms in the arsenals of our two countries.

With these deep concerns in mind, I recommend the following Washington Times article to my colleagues in the Congress. It is certainly food for thought:

SOVIET TEST CODING STYMIES U.S. MONITORING EFFORTS

(By Bill Gertz)

Soviet coding of missile test data has prevented the United States from identifying the characteristics of new and modernized ballistic missile systems and has created barriers for future arms treaties, a secret 1984 report on Soviet arms control violations says.

Critics opposed to spending enormous sums on U.S. technical spy systems to monitor Soviet missiles charge that the coding—called missile telemetry encryption—is an example of how the Soviet Union exploited U.S.-Soviet cooperation during the 1970s.

The report on "Soviet Non-Compliance with Arms Control Agreements" contains details of U.S.-Soviet diplomatic exchanges on the issue and reveals that the encryption has left U.S. spy systems unprepared to provide adequate verification of past arms control limits on intercontinental ballistic missiles.

The Reagan administration entered arms talks with the Soviet Union last March with public assurances that any agreements would be verifiable. Secretary of State George Shultz, in May 1984, stated that "provisions for effective verification of compliance by all parties" is a basic U.S. objective in the arms talks.

Regarding treaty compliance in Soviet missile tests of new SS–24 and SS–25 ICBMs and SSN-20 submarine-launched ICBMs, the report states that "in none of these cases are there alternative, normally available sources of data, a fact of which we must assume the Soviets are aware."

U.S. diplomats at a Geneva arms control commission warned the Soviets that telemetry encryption presents a "serious obstacle" to reaching any new arms agreements with the Soviets, the report states.

"Such encryption impairs the U.S. capabilities to verify compliance with key provisions of the SALT II Treaty, particularly those parts . . . establishing permissible characteristics of new and modernized ICBMs," the report says.

The SALT II treaty was signed in 1979 but never ratified by Congress. While questions of verification have persisted, both sides have agreed not to undercut the treaty's provisions. The treaty permits some telemetry encryption but prohibits coding that hinders the ability to verify compliance with certain provisions, such as limits on warhead-to-launcher weight ratios.

President Reagan reported to Congress in June that the United States will continue its "no undercut" policy and ordered the Pentagon to prepare a report by November outlining possible U.S. countermeasures to reported Soviet arms violations.

In addition to violating curbs on encryption, the Soviets also have been accused of building warheads, bombers, new missiles and defense systems beyond treaty levels.

Telemetry is data broadcast from computers located in missile nose cones to ground control centers during test flights. If left uncoded, it can provide details on missile size and accuracy.

The report reveals how Soviet negotiators to the Geneva Standing Consultative Commission on arms control dismissed U.S. objections to telemetry encryption. An unnamed Soviet commissioner, when asked why data was concealed on a test of the SS-25, denied the charge but added that both sides "have no strict obligations to act in accordance" with SALT II since it was never ratified.

The Soviet official tried to obtain details of U.S. monitoring capabilities by requesting that U.S. officials provide parameters of what information could not be picked up. The United States turned down the Soviet request since it would have allowed the Soviets to know the limits of U.S. electronic collectors and thus compromise the system's effectiveness, the report states.

Besides compliance-verification data telemetry intercepts from satellite reconnaisance can be used to determine a missile's potential threat and to formulate defensive measures.

Analysts believe U.S. technical intelligence collectors systems have already been compromised by Soviet telemetry encryption since the systems were designed specifically to verify compliance with arms control agreements.

Angelo Codevilla, an intelligence expert with Stanford University's Hoover Institution, said that during the era of detente the United States decided to invest billions of tax dollars in technical spy systems primarily intended for arms control verification.

"Nearly all of the technical systems were built to monitor the world conceived by Robert McNamara in the late '60s and [by] Henry Kissinger in the early '70s," Mr. Codevilla said in an interview. "That is to say, a world of stability and increasing cooperation between the United States and the Soviet Union . . . a largely predictable, peaceful world where space would be a sanctuary from which, by agreement and custom, intelligence systems would be allowed to operate."

Consequently, the U.S. intelligence community was divided among Pentagon planners who prefered conflict-oriented defense intelligence systems and technologists who wanted systems designed to verify arms agreements.

"So the question was to what extent do we take these billions away from the systems conceived according to this world, and devote them to systems built according to a very different perception of the world, systems that would not necessarily give you terribly fine pictures of silos, but systems that would allow you to target forces and increase command and control centers," Mr. Codevilla said.

The problem is that the U.S. systems were built without serious concern for Soviet capabilities to manipulate or frustrate them, Mr. Codevilla said. Technical systems were designed to monitor signal-to-noise ratios, electronic sensitivity, to collect high numbers of channels and for multiplex signal monitoring.

"These are important technical issues, but they never addressed the issue: the Soviets are going to find out something about your system, something about its existence, and given that knowledge, what are they going to do with it?" Mr. Codevilla asked. "How can you check on the extent to which they are using that channel to pass information to you and how do they modify their exposure to your system?"

Relying on intelligence collection to verify arms control agreements will present greater problems in the future as Soviet weapons systems, currently stationary and easily detectable by overhead satellites, become more mobile, Mr. Codevilla said.

"Most forces . . . in the Soviet Union, including missile forces, are terribly mobile," he added.

A CIA estimate released in June shows that by the mid-1990s, mobile land-based ICBMs will account for more than 12 percent of the total Soviet strategic arsenal.

Without adequate counterintelligence on technical systems, the United States will continue to be vulnerable to Soviet concealment practices such as telemetry encryption, Mr. Codevilla said.

SAKHAROV'S STEPSON ENDS HUNGER STRIKE UPON ASSURANCES FROM STATE DEPARTMENT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. GILMAN. Mr. Speaker, earlier today Alexei Semyonov, stepson of Nobel Laureate Andrei Sakharov, who along with his wife Dr. Yelena Bonner has been missing from their apartment in Gorky for quite some time, ended his 14-day hunger strike on their behalf. Having survived these past 2 weeks on only water, with no shelter from the elements in his makeshift living space near the Soviet Embassy here, Alexei Semyonov held a press conference today at which he reiterated his desire to learn of his parents' health and whereabouts. However, he stated that he was ending his hunger strike because he had received assurances from officials in the State Department that a high priority would be given to his parents' case by the administration before and during the Geneva summit meeting in November between President Reagan and Soviet Communist Party leader Mikhail Gorbachev.

His meeting with officials at the State Department is to take place this afternoon; I expect that the support Alexei has received from various Members of Congress over the past weeks has assisted in this effort. He still desires, however, to meet with President Reagan in order to personally convey his feelings about the direction in which his parents' situation should be approached.

Yesterday, Congressman FRANK (Mass.) and I introduced House Concurrent Resolution 186, a resolution requesting the President to make known to the Soviet Government the feelings of all of us on this matter. Expressing our deep concern and moral outrage at the lack of communications between Alexei, his sister Tanya Yankelevich and their parents, all signatory nations to the Helsinki Final Act are urged to express to Soviet authorities their desire for a reopening of familial contact.

I was pleased to learn that this resolution will be similarly introduced by Senator D'AMATO (NY) in the Senate today, with swift consideration anticipated by that body.

At this time, Mr. Speaker, I would like to take this opportunity to insert for my colleagues' review the text of Alexei Semyonov's remarks during today's press conference, as well as a recent Washington Post column by Mary McGrory about his courageous and dedicated efforts on behalf of his parents.

STATEMENT OF ALEXEI SEMYONOV

Today I am breaking my hunger strike which I started fourteen days ago. Yesterday, I was contacted by the State Department. I was informed that they are making it a high priority issue for the U.S. Embassy in Moscow to find the whereabouts of my parents and to reestablish communication with them. I was assured that the State Department will use every opportunity to resolve the case of my parents before the November summit. At this time, I think the continuation of my fast will not serve the purpose of helping my parents. Indeed, it could perhaps hamper the efforts of the State Department. My demands at the outset of my hunger strike were not satisfied. Thus, this is not the end of the struggle. My parents remain completely isolated and their fate is uncertain, governed by the whims of the KGB. We must continue all efforts to save them.

I am convinced that the United States should press the Soviet Government to release the Sakharovs before the November summit. Right now, the Soviet Government is involved in an extensive media campaign to blame the possible failure of the summit on the U.S. No one will be fooled by their rhetoric.

If the Soviet Union is indeed interested in constructive talks, in creating an atmosphere of good will at the summit, they should make improvements in the human rights area which are of grave and immediate concern to the West. Human Rights policy is the one true indicator of the Soviet's intentions; if they are not willing to make a humanitarian gesture of releasing my parents, living symbols of the struggle for human rights in the Soviet Union, then they are not interested in results at the Geneva talks; it will in fact be useless to accommodate them.

I still seek a meeting with President Reagan. I do not doubt his sincere commitment to human rights and to my parents. As the President himself stated on the occasion of my stepfather's sixty-fourth birthday, "Let all who cherish Dr. Sakharov's noble values, both governments and individuals, continue to press the Soviets for information about the Sakharovs and for an end to Soviet persecution of two of its most distinguished citizens." By meeting me, the President would come to understand the seemingly endless anguish of our family; it will also clearly show the lasting U.S. concerns for human rights.

In the continuing struggle for my parents I am grateful that I can count on the support of the United States Congress. I hope that Members of Congress will encourage the administration to vigorously pursue the resolution of the Sakharovs case.

My stepfather, Dr. Sakharov, has always enjoyed widespread support of the world scientific community. I hope that his colleagues will come to the aid of my parents in this tragic hour. The statement released by the National Academy of Science two days ago demonstrates the academy's understanding of the urgency of this situation. I count on their continuing efforts to win the release of my parents.

My parents are in mortal danger. The time to save them is now, before the November summit. Thank you for coming.

GORBACHEV'S OPPORTUNITY

Communist leader Mikhail Gorbachev is getting a fantastic pre-summit press. His interview with Time magazine, his long seance with six U.S. senators have created a picture of astuteness, flair and mastery that has the White House wailing for equal time.

His greatest opportunity for a public-relations triumph, however, is sitting in a beach chair on a Washington street corner. Alexsey Semyonov, the 29-year-old stepson of Andrei Sakharov, is in the second full week of a hunger strike undertaken to force the Soviet government into producing his parents, whom he last saw on a Soviet videotape in July. The stream of postcards from Gorki, the town to which Sakharov and his wife, Yelena Bonner, were exiled in 1980, abruptly ceased in April.

Semyonov decided on his hunger strike on Aug. 18, the birthday of his grandmother. She lives with him in Newton, Mass., and for the first time in his life, no cable came from his parents.

"It's impossible to imagine that somehow they could have forgotten. It never happened in the 29 years I have lived. My grandmother's birthday is the main event in the family."

Semyonov sent a cable to the Soviet Embassy threatening a fast if he could not see his parents. He flew here on Aug. 30 and settled in on the corner that is more than the requisite 500 yards from the embassy. He has been living on Perrier and cigarettes ever since and has lost 21 pounds.

The worst time of the day is when he crosses the street to use a hotel's facilities and has to pass a chocolate store.

He is a tall, mild, wan young mathematician. He says in his accented English, "I don't know if it will work, but I have to do something."

He has a homemade sign beside him: "I am on hunger-strike. Soviets, let me see my parents. Free Sakharovs." He is at his post every day from 8 a.m. to 6 p.m. He took time out yesterday to escort his grandmother to the White House to see Patrick J. Buchanan.

There has been no word from the Soviets, but the response from passers-by has been gratifying. "I was only there 15 minutes when a woman came with mineral water. Another secretary who works near here typed up a petition to the Soviet Embassy. We have hundreds of signatures."

Notables visit: Jason Robards, who played Sakharov in a television film; a deputation of congressmen.

"When I came to Washington before," he observes quizzically, "I used to have to make appointments with people. Now they make appointments with me."

Semyonov thinks it is a "disgrace and a scandal for all the U.S. press" that Time has a two-hour interview with Gorbachev and never raised the question of human rights.

"The media says Gorbachev is a pragmatic, energetic leader, but if he is pragmatic he should try to do something positive by changing at least something of the human rights record in the Soviet Union. It would cost the Soviet Union nothing and would show a desire to negotiate genuinely with the West.

"I agree completely with my stepfather's thinking that the system which disregards human rights and does not allow citizens to discuss problems of the country is a danger of starting a war. It is so when the question of war and peace is decided by a small group of bureaucracy."

Semyonov subscribes to the Reagan theory of the Soviet Union as the "evil empire"—and "if it continues for another 100 years with complete totalitarianism, it will spread."

The resolution of the Sakharov problem ties the Soviets in knots. Semyonov, who emigrated after the authorities warned they would draft him, explains that to the Kremlin, his stepfather is not just a dissident but a traitor to the establishment. Three times proclaimed a hero of the Soviet state, he was a scientist who became politicized by tests of the hydrogen bomb he created.

The Soviets know that their persecution of the saintly scientist costs them in world opinion, but they growl that Sakharov gave away state secrets, that to liberate him would be to bow to President Reagan. Sakharov is to them an agitator who misrepresents the contented Soviet people as yearning for freedom.

"It is racist and fascist to say that the Russians do not want liberty," says Semyonov. "It is in the Russian soul as in every human soul."

Gorbachev, who has demonstrated shrewdness and understanding of Western politics in the interviews, could really knock over the superpower Chessboard if he let the Sakharovs go—or at lesat permitted them to be seen by someone other than official Soviet cameramen.

A CONSERVATIVE CASE FOR SANCTIONS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. RICHARDSON. Mr. Speaker, the case for economic sanctions toward South Africa cannot be more thoughtfully stated than by our colleague Representative VIN WEBER, whose intellectual honesty is most apparent in the attached article I submit for the RECORD.

I ask unanimous consent that Mr. WEBER's piece in USA Today be inserted in the RECORD.

A CONSERVATIVE CASE FOR SANCTIONS

(By Vin Weber)

NEW ULM, MINN.—Conservatives have a responsibility to consistently support freedom, pluralism, and representative government around the world.

We have been able to take the moral high ground in opposing communist governments because their ideology attacks these values.

It is time to realize that supporting the South African government, where freedom, pluralism, and representative government are not recognized, undermines our moral opposition to communism.

Conservatives have supported the South African government because of its anti-communist stance. We have looked at South Africa strictly in East-West terms.

But in an attempt to oppose communism, we have supported a system that is polarizing South Africa, making it more difficult to achieve peace.

Freedom in South Africa does not mean violent revolution and a new totalitarianism. Support for economic pressure on the government of South Africa does not mean support for communist-aided insurgents who wish to destabilize Southern Africa.

The racial discrimination of apartheid denies freedom. Real reform means an end to forced separation of black families, an end to the ban on black property ownership, and basic civil liberties for all.

To the extent that we can effect any change in South Africa, sanctions are one part of a policy of increased pressure. They are more public and demonstrative than "constructive engagement," less damaging to the black economy than a total ban on trade, and substantial enough to exert some economic pressure on Pretoria.

We should not expect the immediate establishment of a Western-style democracy. South Africa is a nation of many minorities, and the rights of all its peoples must be protected.

As conservatives, we have argued we have a moral obligation to support the refuseniks in the Soviet Union, the refugees in Cambodia, the freedom fighters in Nicaragua. Our goal of freedom in South Africa is the same as our goal around the world.

Our foreign poicy success depends upon extending freedom, pluralism, and representative government. It's time to turn our eyes to South Africa.

A TRIBUTE TO ROBERT VOIT

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to an outstanding member of my community, Robert Voit. I ask my colleagues to join me in honoring this tremendous individual. This year on October 4, 1985, the Boys and Girls Club of San Fernando Valley will present its 1985 Founders Award to Robert D. Voit, president, the Voit Co.

A graduate of the University of California at Berkeley, Robert Voit formed the Voit Co. in 1971. The initial project of this fledgling company was a modest two-building, two-story office complex in Woodland Hills. Since that time he has worked hard to see this venture grow into the highly successful property development and management business that it is today. Mr. Voit has been responsible for the development or renovation of more than 2 million square-feet of commercial and industrial properties.

Along with his successful business endeavors he has found the time do donate his abilities to important community organizations. He currently serves as first vice chairman of the San Fernando Valley Cultural Foundation and he is also on the board of the Valley Cultural Center. In ad-

dition, he has served on the board of the Pacific Boys Lodge.

It is my pleasure and honor to join with my colleagues and the Boys and Girls Club of San Fernando Valley to pay tribute to Robert Voit, a successful businessman and outstanding member of his community.

TAX REFORM HARMFUL TO HISTORICAL BUILDINGS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. HUBBARD. Mr. Speaker, I received an excellent letter from one of my constituents, Mrs. Loretta M. Wyatt of Mayfield, KY, which I would like to share with my colleagues. Mrs. Wyatt has written to me about her opposition to the President's tax reform proposal as it relates to tax credits that are presently allowed for the renovation and restoration of old buildings in designated historical areas.

Loretta Wyatt mentions Hall Hotel in my hometown of Mayfield, KY, as a case in point. After its renovation, this hotel will be taxed at many times its present valuation. Loretta Wyatt also understands the long-term disadvantages of repealing these tax incentives.

Her letter follows:

MAYFIELD, KY,
July 10, 1985.

Hon. CARROLL HUBBARD,
House of Representatives,
Washington, DC.

DEAR MR. HUBBARD: One of the proposals which I understand is currently before the House Ways and Means Committee would do away with the tax credit which now makes it feasible to renovate and restore old buildings in designated historical areas. The proposed renovation of the Hall Hotel in Mayfield, KY, is a case in point. When it is completed it will go back on the tax books at many, many times its present valuation.

The same thing is a possibility for many of the currently deteriorating buildings in downtown Mayfield—as well as in thousands of other towns and cities, not only in our area but all over the country.

Instead of letting these buildings stand as empty eyesores until they eventually deteriorate to the point that they are condemned, the continuing tax incentive can help to restore great areas that otherwise would be abandoned. At the same time such restorations will put great sums of money back into their communities in the vast amounts of money used for materials and labor in the restorations.

If the recommendation to remove this tax credit comes out of the Ways and Means Committee, I hope you will see fit to use your influence as a member of the Banking, Finance and Urban Affairs Committee to restore it.

We have too many basically fine old buildings in the United States that we can't afford to have destroyed.

Yours very truly,
MRS. LORETTA M. WYATT.

HOUSE JOINT RESOLUTION 320

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. SCHUMER. Mr. Speaker, I would like to take this opportunity to voice my support for House Joint Resolution 320 designating November 24 through November 30 as "National Adoption Week."

Along with the 83 of my colleagues who are cosponsors of House Joint Resolution 320 I realize that the adoption of a child is a gift for which families are eternally thankful. With this in mind, Thanksgiving seems to be a particularly appropriate time to recognize all those involved in the adoption process—the child, the family, and the facilitating organization.

More than 2 million couples in this country are awaiting the joy of an adopted child. Most will wait an agonizing 5 to 7 years for a healthy, newborn infant. In addition, thousands of minority and "special needs" children are still waiting to be placed in permanent homes. It is a tragedy that so many of these children will be institutionalized or placed in orphanages this year.

Although Congress passed the Adoption Assistance and Child Welfare Act of 1980, which secured permanent homes for many "special needs" children, much still remains to be done. I am urging all of my colleagues to join me in cosponsoring this resolution as an excellent way to raise public awareness and highlight the unique problems of adoption. It could be the first step toward reducing the number of unwanted and unadopted children.

THE GROWING NEED FOR HUNGER RELIEF IN THE UNITED STATES

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. LELAND. Mr. Speaker, over the last two decades, we have developed a network of programs designed to improve the availability of a nutritious diet for people with low incomes. I would be remiss in stating that we have not realized any success in meeting the intent of these programs. However, as chairman of the Select Committee on Hunger, it is my belief that the time has come for us to take a long hard look at current policy and determine how responsive these programs are today. In recent years, the prevalence of hunger in the United States has been documented in numerous reports; yet, to date, the Federal Government has not enacted program modifications which address the seriousness of the hunger problem. We have fallen short in our responsibility to maintain a strong line of defense against hunger.

I would like to share an article, authored by Representative LEON PANETTA, which appeared in "the New York Times" in September 9. Congressman PANETTA, who is chairman of both the House Agriculture Subcommittee on Domestic Marketing, Consumer Relations and Nutrition and the Select Committee's Task Force on Domestic Hunger, clearly presents the magnitude of the hunger in America and offers us a viable means for alleviating this problem. I feel it imperative that we heed his message.

[From the New York Times, Sept. 9, 1985]

HUNGER IS GROWING, BUT RELIEF ISN'T

(By Leon E. Panetta)

WASHINGTON.—The key to the budget debate is knowing where to cut and where to invest in the battle for future savings. One fundamental lesson I've learned is that cutbacks in certain programs, such as those that feed the hungry, save no money at all. Hunger is so fundamental a problem, and has such a far-reaching effect on health and spirit, that even small investments today to combat it are likely to produce substantial long-term savings.

Alarm bells warning of increasing hunger are sounding, but few people seem to be listening. What was discounted a few years ago as shallow and anecdotal evidence about the growth of hunger and poverty is now turning up as cold, hard statistics. The situation is critical, especially for our children.

Recent Public Health Service studies indicate not only that the steady decline since 1965 in the infant mortality rate has virtually halted but that the mortality rate for infants from 1 to 12 months old appears to be increasing. It is in this period that nutritional and health measures play a large role in preventing death.

The Childern's Defense Fund reports that the black infant death rate increased in 1983, for the first time in more than a decade. Compared to white children, black children are twice as likely to die in the first year of life, be born prematurely or suffer low birth weight.

The latest available poverty statistics indicate that nearly one-fourth of all American children under 6 live in poverty—a four-year increase of 45 percent. More than 50 percent of black children under 6 and more than 40 percent of such Hispanic children live in poverty.

Physicians around the nation are reporting an increase in nutrition-related health problems in children, including instances of diseases usually found in third world countries.

Over the past 28 months, I have been involved in 16 hearings on the hunger issue in Washington and around America, visited dozens of soup kitchens and talked with many people involved with the problem. Their message has been so uniform that I have no doubt that it is true: The hunger problem is real and growing. It is a message confirmed by countless studies and surveys.

With all the talk about hunger, in recent years the Federal response has been inadequate.

Private-sector charities and food banks have responded generously to the crisis, but their efforts are falling short. Congress has staved off nutrition cutbacks sought by the Administration in addition to those enacted in 1981 and 1982, but has been largely unsuccessful in restoring funding to vital nutrition programs that serve our poorest citizens. Even President Reagan's conservative Task Force on Food Assistance recommended spending increases that have yet to be enacted.

The House took a positive step by passing the Hunger Relief Act of 1984. Despite the strongly bipartisan 364-39 vote, the Senate took no action and the bill died.

This year, a similar bill pending in the House Agriculture Committee faces an uphill battle for enactment. While not ending hunger, it would make a difference. Restoring some 1981 and 1982 cutbacks, it would mean a few more days a month that millions would not have to go without food or rely on soup kitchens, or a few more days a month that many children might concentrate better in school, or a few more days a month that parents could feed their families and still have utilities function in their homes.

Public and media attention to hunger hit its peak some time ago. If we do not heed the alarm bells now, we will lock in even greater social problems and dollar costs down the road. For our children, further delays could result in irreversible damage to their development.

There should be no place for the shame of hunger in this country.

H.R. 7, THE SCHOOL LUNCH AND CHILD NUTRITION ACT OF 1985, IS CRITICALLY NEEDED

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. TALLON. Mr. Speaker, I rise today in support of H.R. 7, the School Lunch and Child Nutrition Act of 1985, a measure that is critical to both the immediate well-being of America's children and the long-term health of our Nation.

The five child nutrition programs which will be extended through H.R. 7 have been very successful in improving the nutrition of pregnant women and children and are essential components in our national effort to combat hunger. Crucial to the continued success of these programs is the $121 million increase in funding, approved by the congressional budget resolution. This additional funding is vital if the WIC, School Lunch and Child Nutrition Programs are to remain cost effective and successful.

Mr. Speaker, like all of us here today, I am deeply concerned about our enormous and threatening national deficit. However, a real halt in deficit spending can only come about through legislation and spending that is geared toward long-term growth and efficiency. If we deny this modest sum requested, I fear this Nation will pay in the long run; in dollars, in productivity, and in the quality of life for many of our citizens.

The need for funding for WIC and child nutrition programs is tragically clear. In contrast to the administration's optimistic statistics, I contend that hunger is still a very real and devastating threat in my own State of South Carolina and in our Nation. The number of poor children in the United States is growing: there are one-third more poor children today than there were in the late 1970's.

The statistics on infant mortality and birth weight are equally distressing. The United States currently ranks 12th among developed nations in infant mortality, a sensitive indicator of a nation's overall health. In 1982, infant mortality claimed 42,401 victims in the United States, more than breast cancer, leukemia, or diabetes. In addition, in 1982, nearly a quarter of a million babies in the United States were born too small to have the best chance of a healthy survival. Such statistics clearly demonstrate the need for the WIC, school lunch and child nutrition programs, and the importance of congressional support for H.R. 7.

Numerous studies have shown that the WIC Program has been cost-effective. By administering to the immediate nutritional needs of low-income women and children through WIC, the Government is saved from providing long-term food, medical, and educational assistance. For every $1 spent in the WIC Program, $3 is saved in terms of later expenditures for care and treatment health costs.

The school lunch and breakfast programs have also proven to be cost-effective. H.R. 7 maintains the quality of the school lunch program for 3 million low-income children. Poor nutrition in school-age children can lead to poor physical growth, anemia, and poor behavior development, which can, in turn, stunt academic growth and performance.

As a Nation, we pride ourselves on our commitment to human development and economic growth. However, if we fail to provide adequate support and nourishment for America's children, we will forgo opportunities for new successes and continued development. In short, the potential for economic and social development exists. Whether this potential is realized depends, to a great extent, on our ability to focus our leadership, resources, and energy on solving the tragic problem of hunger and malnutrition.

PERSONAL EXPLANATION

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. GUNDERSON. Mr. Speaker, on rollcall 300 today, I was unavoidably absent while addressing the Labor Policy Association and the Employee Relations Committee of the Business Roundtable, on the subject of "Plant Closings" and H.R. 1616. Had I been present, I would have voted "aye."

FATHER GHEORGHE CALCIU

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. SMITH of New Jersey. Mr. Speaker, earlier today I had the privilege of joining Father Gheorghe Calciu at a press conference and later at a luncheon. I take this time this afternoon to welcome to America a true spiritual giant, a courageous defender of human rights, a man of God.

Released on August 4 by Romanian officials, Father Gheorghe Calciu has spent a total of 21 years in Romanian prisons on phony charges. He has endured beatings, deprivation of food and water, solitary confinement, painful separation from his wife Adrianne and son Andre and other forms of torture because of his unswerving commitment to Christ, the Gospel, and the highest moral principles.

Mr. Speaker, while we are all grateful to the Romanian authorities for releasing Father Calciu, his freedom should not be permitted to cloak or conceal the ongoing repression directed against believers in Romania. There are numerous reliable reports of new arrests and convictions of Christians, demolition of orthodox churches, police harassment of believers and other acts of religious persecution.

This past June, Congressmen FRANK WOLF, TONY HALL, and I visited Romania and met with key Government leaders including Stefan Andrei, Minister of Foreign Affairs, Ion Cumpanasu, Minister of Cults, various religious leaders and many others. We came away deeply impressed with the religious fervor of the people, deeply saddened with the harshness of the Government's policies.

Clearly, Father Calciu's emigration to the United States is a source of encouragement. He brings with him a saga of bravery and persistence that inspires. A story that must be told to the American people. He brings with him, the truth about Romania. We do well to listen.

At this point in the RECORD, I insert a brief statement from this morning's press conference by Father Calciu:

REMARKS OF FATHER GHEORGHE CALCIU

Dear friends, a conjunction of events, vastly different in themselves, has at this moment focused interest on me. On one side there is the inhumane communist government of Romania and on the other, the generous Christian action put in motion by people of good will.

But I am only a simple priest, formerly a professor at the Theological Institute of Bucharest. In the sermons given in the church where I was serving God, I did nothing more than protest against the undermining of religion and all human rights as practiced by the totalitarian regime which attacks directly the Christian faith and plots against a nation which has already suffered a lot because of her faith in God.

Of myself I am nothing, God but made me to stay the flow of evil in certain circles. In the Lord's vineyard I am only like that servant in the Gospel of Saint Luke, who was faithful to his Master and to whom the Master did not say: "Come at once and sit down at the table", but, rather said to him "Prepare supper for me first, till I eat and drink, and afterwards you shall eat and drink." (Luke 17:8). For, indeed, we the priests shall say "We are unprofitable servants, we have done that which was our duty to do." (vs.10)

Through all that you did for me, giving up your rightful comforts and peace, you obeyed a divine urge coming from the very depth of yourselves, for God is deeper in us

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than we ourselves are, or in the words of Saint Augustine "interior me ipsum."

Thank you! You are a great and generous nation which has grasped the role the Divine Providence has entrusted you to play in the modern world. Your generosity makes me realize that you have recognized the political mistakes and taken measures to redress them. I am but one small voice issuing from the hearts of thousands which you saved from suffering and the power of the abominable fear in which they lived. Should they all be joined together, they would form a great chorus that should pierce the heart of the world.

I have no idea how to address myself to American hearts. My language is the language of suffering, and I am convinced that you can understand it.

Immigration is an individual solution but not the final answer for oppressed populations. By what you have done you have proven your great personal capacity for sacrifice and generosity. But you must act still more courageously and generously by awakening the conscience of those around you. "Shout from the roof tops" what up to now you have spoken quietly. Your voice in defense of the oppressed makes their suffering smaller. They feel they are not abandoned, somebody is concerned, somebody cares.

You will surprise many by your attitude and they will ask, "By what authority are you doing these things . . ." (Matt. 11:28). You can really do wonders because your voice is the voice of Jesus who calls mankind to freedom and dignity.

We all have one heart and in it we carry Christ, the cornerstone of our redemption and the flag of our victory over evil. I humbly offer you my heart and my love. I have no power and I can boast of no creative genius for by myself I have done nothing. It is you who have given me freedom for no other reason than to do good, and my gratitude is deep.

Nevertheless, it is hard for us to eat our daily bread in peace and rejoice in the quietude of our home as long as millions of oppressed peoples who trust you and believe in your power and generosity continue to suffer, calling for help.

Before your eyes the gates towards Christian endeavor stand wide open. You must sow these fertile fields even if the harvest may appear distant, sow for "One soweth and another reaps." (John 4:37).

May God Bless You All!

A BILL DEALING WITH TAX-EXEMPT ORGANIZATIONS INVESTMENT IN REAL ESTATE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. MATSUI. Mr. Speaker, today, I am introducing a bill to help section 501(c)(3) tax-exempt organizations, pension funds, and Government retirement plans diversify their investment portfolios by enhancing their ability to invest in real estate. This bill will be particularly helpful to private foundations, charities and colleges and universities with relatively small endowments, and it will result in no revenue loss to the Treasury.

Currently, small foundations, charities, and educational institutions are denied opportunities available to larger tax-exempt organizations because they cannot pool their investments with pension funds. An investment in real estate available to a larger university, for example, is foreclosed to smaller entities that do not want to commit all or a large percentage of their endowments to a single investment. Consequently, these smaller organizations are unable to obtain the sound investment mix permitted by diversification.

Foundations, private colleges and universities, and other institutions are currently facing severe financial pressure. Federal budget cuts have diminshed tax incentives for certain contributions, reducing funds available for charities. We need to act to help these groups survive, especially the smaller ones. Facilitating investment diversification is one means of assistance.

Diversification of investment is essential to protect the corpus of tax-exempt organizations. For example, a prudent university or a foundation may prefer to own 10 percent of 10 buildings than to own 100 percent of 1 building. Because of current prohibitions on pooling investment funds with other tax-exempt organizations, smaller tax-exempt institutions are unable to obtain the diversification available to larger institutions and thus must limit their investment alternatives to bonds and securities. Reliance on these investment options alone caused many small tax-exempt institutions to suffer significant losses in the 1970's.

This bill, creating a new section 501(c)(24), erases that inequity. This new provision authorizes the establishment of a corporation or trust in which charities and pension funds may share ownership. The corporation or trust will be organized for the purpose of investing funds of tax-exempt entities in real estate. The tax-exempt shareholders or beneficiaries will retain control over the investment of their funds because the bill limits the total number of investors to 35 and requires that the investment manager be removed if a majority in interest so votes.

In addition, this bill provides that section 501(c)(24) organizations will be eligible for the acquisition indebtedness rules enacted in 1980 for pension plans, thus removing another inconsistency with respect to investment by tax-exempt organizations.

With Government funding of private foundations and other tax institutions decreasing, it is important to remove unfair and unreasonable restrictions on the investment opportunities of these organizations. This bill will facilitate such investments with no revenue loss to the Treasury as a result.

THIRTIETH ANNIVERSARY OF THE CONCEPTION OF THE U.S. ANTARCTIC PROGRAM

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. FUQUA. Mr. Speaker, today marks the 30th anniversary of the first day of planning for the 1957–58 "International Geophysical Year" [IGY] which initiated the U.S. Antarctic Program. Even by today's standards, I believe it is accurate to say that the IGY and the activities it spawned has been the most successful cooperative effort in the history of nations.

In 1983 I was privileged to head a congressional delegation to Antarctica to visit the research stations at McMurdo and South Pole. The group interviewed a number of the scientists from U.S. universities who were conducting research projects at those two stations. In addition, we inspected the logistic support provided by the U.S. Navy, the U.S. Coast Guard and the civilian contractor, Antarctic Services, Inc.

This brief exposure to the challenging and exciting frontiers of science being pursued on the hostile continent of Antarctica by dedicated men of many nations gave me a very deep appreciation for what has been done, and for what lies ahead. I salute all the scientists, technicians, and explorers who have challenged the elements to work to unlock the secrets contained in that frozen wonderland.

The continent known as Antarctica is a complex issue for the nations of the world. It comprises approximately 10 percent of the world's land area, even though most of it is covered with ice up to 2 miles thick. Sovereignty over the continent is an unresolved issue. Seven nations have claimed parts of the continent but, these claims are weak and are unrecognized by most nations. The territorial claims of three of the nations overlap substantially. Prior to the enactment of the Antarctic Treaty this was a source of some friction among the claimants and, in the event the Antarctic Treaty should ever become ineffective, it could lead to future international discord.

The Antarctic Treaty was initially proposed by the United States and it has been longstanding U.S. policy to lend strong support to making the treaty effective. It has also been longstanding U.S. policy that the U.S. presence in Antarctica shall be influential and solidly based on a balanced program of scientific research. For this reason, the conduct of the U.S. Antarctic Program has been assigned to the National Science Foundation to be operated under the general guidance of relevant Presidential directives, the most recent of which was issued by the President on February 5, 1982. Overall administration development of policy with respect to Antarctic issues is assisted by the multiagency Antarctic Policy Group [APG] chaired by the Department of State.

The treaty, proposed by the United States in 1958 entered into force in 1961. The

treaty accomplishes three significant things:

First, defuses tension over the claims issue during the life of the treaty;

Second, effectively demilitarizes the continent; and

Third, provides for free and open access to all parts of the continent for peaceful purposes.

The resources of the continent are largely a matter of speculation at the present time. Some exploitation of marine living resources, primarily whales and seals, has gone on for the past century. Overexploitation eventually led to conservation measures such as the International Whaling Convention [IWC] and the Convention for the Conservation of Antarctic Seals.

More recently, exploratory fishing for Antarctic fin fish and for a tiny crustacean, Euphousia Superba—commonly know as krill—which is a basic food source for fish, seals, whales and penguins—has begun by several nations. In recognition, the nations party to the Antarctic Treaty, concluded in 1981 a Convention for the Conservation of Antarctic Marine Living Resources. In preparation for the time in the distant future when Antarctic mineral resources might become known and economical to exploit, these nations are actively negotiating another agreement to provide for rational decisionmaking and control of such exploitation.

In the long run, however, the primary benefit to be derived by mankind from the continent is apt to be the results of years of painstaking scientific research that, bit-by-bit, pieces together a mosaic of understanding of the role of the polar regions in governing the environment or climate of the world. The major areas of research significant to understanding of the attributes of Antarctica include oceanography, geology, geophysics, marine biology, glaciology, and the atmospheric sciences.

In their influence upon the oceans, the weather, and the world's climate, both polar regions are important. The differences in the geographical configurations of the two regions are such that the Antarctic probably has the more significant impact.

One of the most important milestones outside the establishment of the original station at McMurdo was the dedication of the new Amundsen-Scott South Pole Station on January 9, 1975.

Congressman J.J. (JAKE) PICKLE represented us at that dedication 10 years ago and made the dedicatory remarks at the new research station honoring the first two explorers to reach the geographic South Pole—the Amundsen-Scott South Pole Station. He was a member of our Science and Technology Committee at that time.

This ceremony reinforced the commitment of the United States to carry out research and development by our country and other countries in that vast Antarctic continent. It is vitally important that we do so. For these past 30 years, I believe the United States has kept that pledge and has worked cooperatively with the other nations involved.

TRIBUTE TO RUTH BURGESS YATES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. HUBBARD. Mr. Speaker, I take this opportunity to pay tribute to a longtime friend of mine, Mrs. Ruth Burgess Yates, who died May 18, 1985, at Western Baptist Hospital in Paducah, KY.

Mrs. Yates, age 53, was the wife of Rev. Harry C. Yates, who, for the past 26 years, has been pastor of Farmington Baptist Church at Farmington, KY.

It has been my privilege to serve as State senator (1967–75) and Congressman (since January 1975) for Ruth and Harry Yates, two friends whom I have admired ever since I met them in 1963.

Ruth Yates was a talented, personable, and very attractive lady who loved her family, community, church, country and, yes, life itself. Maybe because my own parents were a Baptist minister and the wife of a Baptist preacher do I notice, more than some others, a husband-and-wife team who lead a church congregation in a specially effective manner. I repeat my admiration for Ruth and Harry Yates.

The life of Ruth Yates will not be remembered for financial or political or history-making accomplishments. However, her dedication to Christianity and her Creator, her influence on the many lives with whom she did come in contact, and her contributions as a citizen, wife, mother, and grandmother will certainly be remembered by all those who knew her.

Ruth Burgess Yates' two children are Alan Yates of Paducah, KY, and Diane Yates of Farmington. Mrs. Yates is survived by two sisters, Mrs. Paul Price of Mayfield, KY, and Mrs. Aylene Stoner of O'Fallon, IL; two brothers, J.T. Burgess and Bob Burgess, both of Collinsville, IL; and two grandchildren, Alana Yates and Colette Yates, both of Paducah.

I extend to Rev. Harry C. Yates and other family members my sympathy upon the untimely death, caused by cancer, of a beloved Kentuckian—Ruth Burgess Yates.

PERIKLIS HALKIAS, 1985 NATIONAL HERITAGE FELLOWSHIP

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. MANTON. Mr. Speaker, I am pleased to inform my colleagues in the Congress, that a constituent of mine, Periklis Halkias, a Greek clarinetist, is one of 12 master traditional artists chosen by the National Endowment of the Arts as a 1985 National Heritage fellowship winner. All the winners were nominated for national honors by the general public and judged by the advisory panel of the Folk Arts Program and the National Council on the Arts.

Mr. Halikias, who lives in Astoria, is recognized as one of the finest musicians of the Oriental style of clarinet playing. Letters of nomination regarding Mr. Halkias referred to his "extraordinary instrumental technique," and called him "a living archive of Greek music."

Mr. Halkias was born in the Epirot region of northern Greece and started playing the clarinet at the age of 10. In pre-World War II Greece, he regularly played in folk music clubs. Mr. Halkias came to the United States in 1964, and was soon established as a familiar figure in the Greek nightclubs in Manhattan and of course, is often seen in Queens. Mr. Halkias has passed along his love for music to his sons, who are both accomplished folk musicians.

Mr. Speaker, I know my colleagues join me and the people of Queens in congratulating Mr. Halkias. Periklis Halkias is an extraordinary man who is not only to be commended for his exceptional musical talent and skill, but for his commitment to his heritage and his community.

A TRIBUTE TO NICK T. POTTS

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. DYSON. Mr. Speaker, I would like to take this opportunity to salute Nick Potts for the 45 years of dedicated and distinguished service he has given to his country. On August 30, Mr. Potts, who hails from Louisville, closes out a most remarkable career in jet engine repair, 43 years of which were undertaken at Patuxent Naval Air Test Center in Maryland's First Congressional District.

In 1940, at the age of 17, Nick joined the Navy and became a flight engineer aboard PBY's and PBM's, flying wartime missions in the both the Atlantic and Pacific. These were challenging times, as Nick and the members of his squadron ushered in the epoch of jet propulsion and radar tracking.

If Nick's responsibilities in wartime were rigorous, his duties in peacetime were immense. For Nick assumed the heavy burden of making sure that newly designed jet aircraft functioned properly.

In 1968, Nick concluded his military career and became the first civilian maintenance officer in the Navy, first at Weapons Systems Test Division, then at South Site Maintenance and most recently at ASW. Upon retirement last month, Mr. Potts was assistant maintenance branch head at the antisubmarine aircraft test directorate.

For his many accomplishments, the Naval Air Station's Commanding Officer designated August 30 as "Potts River Day." Nick shares this well-deserved honor with his wife Florence Marie Zawislak Potts and their six children: Barbara Jo Davis, Nicholas Thomas Potts, Jr., Lynn Marie Kelly, Janet Lee Olson, Judy Ann Potts, and Robert Edward Potts as well as their nine grandchildren: Michael, Nicholas, Steven, Neely Marie, Kevin Lee, MacKenzie Marie, Jennifer Lynn, John Glenn, and Melissa Ann.

I extend my congratulations to Nick Potts on this occasion and wish him well in his future endeavors. His exemplary service to his country will long be remembered by his fellow military and civilian colleagues at Pax River and is greatly appreciated by his fellow Americans.

SEMENOV'S HUNGER STRIKE FOR THE SAKHAROVS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. FASCELL. Mr. Speaker, it is with great sorrow that I have read and heard the accounts of Alexey Semenov, now in his 14th day of a hunger strike to protest the isolation of his mother, Dr. Yelena Bonner and step-father, Dr. Andrei Sakharov. For over 2 months, Alexey has received no communications from his parents. For over 5 years, his parents have been held in exile in the closed city of Gorky, and for the past 6 months, Drs. Sakharov and Bonner have received no communications either by mail or telephone. It is not known whether they are in good health, or even alive.

Faced with this desparate situation, Semenov has resorted to undertaking a hunger strike across the street from the Soviet Embassy here in Washington. His only plea is to see his parents either in the West or in the Soviet Union.

I join Alexey Semenov in his plea. Ten years after the signing of the Helsinki Final Act, it is appalling that the Sakharovs are still denied the most vital of their human rights, the right to live in the country of their choice, to receive the medical attention they deem necessary; and the right to join relatives and friends within the country and be reunited with family outside the Soviet Union.

After years of medical problems and inadequate or no medical treatment, Dr. Sakharov, a recipient of the Nobel Peace Prize, should not be allowed to suffer and made to disappear. He and his wife deserve the care of doctors and of their loved ones.

My heart is with Alexey Semenov in his struggle and my strongest hope is that he might be permitted to see his parents and share a meal with his mother and step-father.

WILLIAM BEAUMONT DAY

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. GEJDENSON. Mr. Speaker, I rise today to propose a commemorative resolution to designate November 21, 1985 as "William Beaumont Day."

As you may know, Dr. William Beaumont is one of the more important figures in the history of medical research. His landmark work in the field of human physiology vastly increased our store of knowledge on the human body. Dr. Beaumont's contributions to science continue to have great significance to the present day.

Born in Lebanon, CT, William Beaumont served in the U.S. Army as assistant-surgeon to the 6th Infantry, having joined at the commencement of the war of 1812. In 1822, serving as post surgeon of Ft. Mackinac, MI, Dr. Beaumont took on Alexis St. Martin as a patient. Under Beaumont's care, St. Martin survived an accidental bullet wound to the abdomen. However, although the would healed, it never completely closed. Taking advantage of this unusual circumstance, Beaumont studied the digestive system of his patient from 1825 to 1833. It is for this work that Dr. Beaumont is known.

This year marks the bicentennial of William Beaumont's birth. The Federation of American Societies for Experimental Biology recently observed the occasion with its "Beaumont Bicentennial Symposium." President Reagan personally congratulated the federation for its efforts. I urge my colleagues to honor the memory of a man who contributed so much to science and humanity be declaring November 21, 1985 "William Beaumont Day."

LOUIS R. VINCENTI, COMMUNITY BENEFACTOR

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. MOORHEAD. Mr. Speaker, Pasadena, CA, has just lost one of its chief benefactors, Mr. Louis R. Vincenti, who died several days ago in the city he loved and served.

Louis Vincenti was one of those rare and gifted men who have time to achieve success in the private sector while serving with equal success the public welfare.

Much of the credit for the current vigor and beauty of downtown Pasadena belongs to Louis Vincenti. Back in the early 1960's when the naysayers were pronouncing the death knell over the decaying center of the city, Mr. Vincenti refused to stand by. He moved to support the downtown in voice and action. As president of Mutual Savings and Loan, he set an example by constructing the first major building on Colorado Boulevard in more than 15 years. He was the first chairman of the Pasadena Redevelopment Agency, taking the controversial entity through its occasionally troubled youth with skill and determination. With Mr. Vincenti at the helm, the PRA established a tradition of excellence and success that has proved one of the city's greatest stories.

Louis Vincenti also served the Tournament of Roses. He was involved with the educational needs of his city and State. He was a community asset of unquestioned merit. I am saddened by his death but grateful for his legacy of service and success.

EVENING TIMES CELEBRATES 100 YEARS OF PUBLICATION

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. ST GERMAIN. Mr. Speaker, as you well know, we can't always be in all of the places where news is happening. But it is important for all of us to know what is going on in the world that surrounds us.

On January 1, 1898, news began to surface out of Germany that the Iron Chancellor Bismarck was dead. Rhode Islanders, thousands of miles of ocean away, could not be at the Chancellor's side during his collapse. Nevertheless, they were kept well informed of every late-breaking detail regarding the fate of the man who once ruled all of Germany. Their source of information was a 10-page newspaper printed in northeast Rhode Island.

On January 1, 1969, U.S. troops were entrenched in a bloody war in Vietnam. Many Rhode Islanders would have to celebrate the new year without their loved ones, two continents away. But thanks to a local newspaper's front page picture of U.S. soldiers in Vietnam welcoming in 1969 with toasts of warm beer in their bunkers, many Rhode Islanders were afforded the opportunity to feel a bit closer to the ones they missed.

I would like to take this opportunity to share with my colleagues a little birthday praise for a newspaper that brought these, and thousands of other news items, to the doorsteps of Rhode Islanders throughout the years. Its name is the Evening Times of Pawtucket, RI, and it is celebrating its 100th anniversary of publication this year.

On April 30, 1885, George O. Willard began printing a small, 4-page, primitive-by-modern-standards newspaper in northeast Rhode Island. He called it the Evening Times. Its object was to inform its readers of the day's news while generating public attention toward pressing areas of social and economic concern.

One hundred years later, George Willard's little newspaper is still going strong.

With a booming circulation of 27,000, the Evening Times of Pawtucket has survived many of the setbacks and headaches responsible for the collapse of other daily newspapers. It stands today as a pillar of creative ideas in New England, anxious to fill any reader's palate with a full plate of local, national, and international news.

Throughout its 100 years of life, the Evening Times has changed ownership and even its name a few times, switching off between the Evening Times and the Times. What has remained, however, is that same ability to print the type of cutting edge stories that have kept residents of Pawtucket, Central Falls, Cumberland, Lincoln, Seekonk, the Attleboro's and most of northeast Rhode Island well-informed for so many years.

Mr. Speaker, throughout my tenure in public office I have been able to spot individuals and organizations that have a true feel for the community around them. The Evening Times is such an organization. It is a professional publication, well-written, well-edited, and well-designed. And, Mr. Speaker, I am sure that the best is yet to come.

THE PRESIDENT ON SOUTH AFRICA: TOO LITTLE, TOO LATE

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mrs. COLLINS. Mr. Speaker, finally the President has determined that American foreign policy needs a single voice to speak out against South African apartheid.

Unfortunately, his single voice is not speaking loud enough to ever be heard by the millions of people suffering daily from the brutality of that racist system. He speaks softly and carries no stick at all. Not only has he been slow in supporting the very idea of economic sanctions against South Africa, but the idea he proposes at this late date is entirely inadequate. As a result, I must urge the Members of the Senate not to delay any further their crucial vote of approval on the compromise sanction bill.

The Congress, in an impressive bipartisan effort, has forged a powerful weapon—one that will cut deep into the heart of the South African economy, and its oppressive economic and social system.

But the President has rejected that weapon. Instead, he has chosen to inflict barely a flesh wound. And his Executive order will not allow any further sanctions—even when it becomes clear his plan will not work.

Furthermore, the President wants to wait for permission from the world trade community before he moves to ban krugerrand sales here.

Not only is this unprecedented, it is unnecessary. There is nothing that requires other countries to sanction our sanctions; to grant permission for this country to advance our ideals around the world.

What is clear from this move is that the President, in an effort to avoid a veto override, has chosen to short circuit the efforts of Congress and the will of a broad cross section of this country. He is out of step on this issue. He has lost credibility. After all, only 2 weeks ago, he told us the people of South Africa had overcome the very oppression that anyone can plainly see is really intensifying every day.

Now it seems that the President is accomplishing his one important goal—to speak to the Government of South Africa with one voice. He surely stands alone on this one. I implore the Senate to let him remain alone by voting to approve the compromise sanction bill.

A MARATHON OF HOPE

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. FEIGHAN. Mr. Speaker, like hundreds of other Americans, Emily Eskra arrived at the Capitol today and was greeted by her Congressman. But unlike most of the citizens who came to see their national government in action, Ms. Eskra arrived on a tandem bicycle after a 450-mile ride and run. Emily Eskra made her marathon journey from Public Square in Cleveland, OH, to Washington in order to educate people about an often misunderstood disease: epilepsy.

More than 2 million Americans, including Ms. Eskra and her almost 2-year-old daughter Abby, suffer from the disease. Often, though, the pain of the seizures caused by the disorder can be a lesser source of discomfort than the frightened reactions the seizures provoke. "People are so afraid of people who have epilepsy," Ms. Eskra said recently, "because having a seizure is not a pretty sight."

Epileptic seizures can be controlled by medication, and most epileptics lead normal lives. Yet doctors estimate that as many as one-third of the epileptics in the country are not receiving treatment because of fear or ignorance.

By dramatically demonstrating that epilepsy need not be a disabling condition, Emily Eskra hopes to make life a little easier for her daughter and the hundreds of thousands of other children who have epilepsy. In her job as a gymnastics teacher at the YWCA in my hometown of Lakewood, OH, Emily Eskra demonstrates that freedom from disability every day. Through her 5-day odyssey, she hopes to reach a wider audience with her message of understanding.

While older views of epilepsy as a curse or as something to be ashamed of have become less common, similar myths about the disease still abound. I hope that by bringing Emily Eskra's story to the attention of my colleagues, I can offer some small assistance in her effort at public education. With as brave and loving teacher as Emily Eskra, I am confident that the effort will ultimately be a success.

I commend to my colleagues' attention the following article from the Cleveland Plain Dealer about Emily Eskra's "marathon of hope:"

A MARATHON OF HOPE—MOM'S OFF FOR DAUGHTER, EPILEPSY

(By Tracey L. Robinson)

It is said that there is no greater love than that between a mother and daughter.

When Emily Eskra, 24, of Lakewood, begins a 450-mile run and bike-a-thon for epilepsy from Public Square to the steps of the Capitol in Washington, D.C., she will be highlighting a special bond between her and her 1-year-old daughter, Abby. She begins her journey today at 8:30 a.m.

Both mother and daughter have epilepsy, a disorder caused by recurring electrical disturbances in the brain. The disorder causes seizures, which can be controlled by medication. Most victims lead normal lives.

More than 2 million Americans, or about 1 percent of the population, have epilepsy. Doctors estimate that one-third of the victims are not being treated out of fear or ignorance, according to the Epilepsy Foundation of Northeast Ohio.

Eskra and a friend, Lynn Brogan, will share a two-seater, 15-speed bike for their journey, which aims to increase public understanding of epilepsy.

Eskra's husband, Richard, will accompany the team in a mobile unit as they pedal to their destination. The children will be flown to Washington to meet their parents when they arrive Sept. 13.

The event is sponsored by the Epilepsy Foundation of Northeast Ohio and the Ciba-Geigy Pharmaceutical Co., which produces Tegretol, a medication for epilepsy.

Eskra said her most important goal was to try to make Abby's life a little easier by tearing down the stereotypes people had about people with epilepsy.

"People are so afraid of people who have epilepsy because having a seizure is not a pretty sight," Eskra said. Eskra, a gymnastics teacher, at the neighborhood YWCA, recalled the reaction of her pupils when a mild seizure overlook her thin-framed body.

"Afterward, the kids treated me so differently, as if I were going to break," she said.

She also spoke of the difficulty of hiring baby sitters for Abby because of their fear of the disorder.

Abby is a cherubic-looking toddler who gets a big bang out of plopping wet kisses on her brother, Brian, 2. She is unaware of her disorder except that she must take medication every day.

Abby inherited epilepsy from her mother. The disease is commonly inherited, although many doctors have observed that head injuries and high fevers might contribute to the disorder.

Eskra began to experience seizures when she was 18, after she suffered a head injury while teaching a gymnastics pupil to perform a back handspring:

Pat Nobili, executive director of the Epilepsy Foundation of Northeast Ohio, explained that people with epilepsy were sometimes denied jobs because employers thought they were a high risk.

In the past, people with epilepsy were commonly committed to institutions and forbidden to marry. In some cases, they were prevented from entering the country.

"It was seen as a curse," Nobili said. "It was something to be felt ashamed of."

That attitude has changed dramatically, she said, as more people became knowledgeable about epilepsy.

"I had a roommate in college who had epilepsy, and I used to laugh," Nobili said. "I was afraid of her. But it is not a laughing matter. I can really relate to her now and see why it is important to do something about it."

Nobili admitted that she was skeptical about Eskra's intentions for a run and bike-a-thon, wondering why one woman would want to take on such an event. But Eskra's convictions changed her mind.

"I know that this woman is very invested in this," Nobili said.

Eskra said, "I am doing what I have intended to do for a long time. Even though it's a year and a half later, I'm doing it."

"I saw the dedication that Emily had," said Brogan, 22, who also works at the Lakewood YWCA. Brogan heard her co-worker talk about her ideas for fund-raisers, and she finally became convinced to join Eskra's effort.

Eskra has been involved in numerous fund-raisers for epilepsy, but decided that a run and bike-a-thon would be one way to get the word out "instead of beating a brass drum," she said.

Brogan and Eskra trained for the upcoming event by lifting weights, swimming and doing aerobics. This will not be a one-time effort, Eskra said. She is already looking forward to another long-distance journey.

"I can't stop," she said. "I cannot keep the public aware if I stop."

The spirited mother plans to keep a diary for her daughter and hopes one day Abby will bike with her.

"I want her to share this with me," she said. "This is for her."

THE RETIREMENT OF MR. DON SAVIO

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. SKELTON. Mr. Speaker, recently, a leading citizen of my hometown of Lexington, MO retired after 35 years in the banking profession. Don Savio last month ended his banking career, the last 9 years of which he served as president of which was originally known as the Commercial Bank and later became the Charter Bank of Lexington, and finally, Boatman's Bank of Lexington.

During those 35 years, Mr. Savio not only served the community well and was active in civic affairs, but he made many friends and was the epitome of what a banker should be. He is a native Lexingtonion, a U.S. Army veteran, and a graduate of the graduate school of banking at the University of Wisconsin. He and his charming wife Annabelle have three daughters and three grandchildren.

I wish Annabelle and Don Savio the very best in the years ahead for a happy and fulfilling retirement.

ISRAELI MEDICINE AS A BRIDGE TO THE ARABS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. BROOMFIELD. Mr. Speaker, while the problems between Israel and her Arab neighbors will not disappear overnight, I am gratified to say that an innovative radio program on Israel's overseas Arabic service has provided medical advice and assistance to thousands of loyal listeners in the Arab world.

Through the medium of international broadcasting, Israel has rendered assistance to neighboring peoples in a way which would be impossible through official governmental channels. While encouraging progress is being made at present in the area of negotiations in the Middle East, a simple yet very effective technique such as this one is to be praised.

Through greater understanding among the peoples of the Middle East, peace will surely come to that turbulent part of the globe.

With these thoughts in mind, I commend the following article from the New York Times to my colleagues in the Congress.

Israeli Broadcast "Doctor" Is a Radio Bridge to Arabs

(By Thomas L. Friedman)

Jerusalem, August 31.—Ilani Basri is not a household name in Israel. In fact, few Israelis have heard of her.

But Mrs. Basri, 54 years old, has become one of the most widely listened-to Israeli voices in the Arab world today. She probably gets more mail from places like Saudi Arabia and Syria than anyone in Israel.

Since 1971 Mrs. Basri has had a program on the Israeli radio's Arabic service called "Doctor Behind the Microphone," and it has become a vehicle for the Arab-Israeli cooperation.

Twice a week Mrs. Basri, an Iraqi Jew who came to Israel in 1950, interviews Jewish and Arab doctors in Israel about the latest advances in treatments and medical technology in Israeli hospitals. After the interviews, Mrs. Basri invites her listeners throughout the Arab world to write to her—at a special post office box in Geneva or by any other route—with their medical problems.

300 LETTERS A MONTH

Each month 300 letters from Arab listeners find their way to Mrs. Basri's office. She translates them into Hebrew and refers them to specialists at Hadassah Hospital in Jerusalem or other Israeli medical centers.

The specialists answer the medical queries with whatever limited advice is possible, which Mrs. Basri translates into Arabic and broadcasts on her 30-minute program, or they ask the listener to send more medical records from a local doctor in order to better diagnose the problem. Those who send their records, and are determined by an Israeli specialist to be treatable, are invited by Mrs. Basri on the air to come to Israel, at their own expense.

Mrs. Basri personally arranges all visas through the Interior Ministry and accompanies everyone who comes to the hospital. Every year dozens of Arabs, including Kuwaitis, Qataris, Saudi Arabians, Libyans and Syrians, are quietly getting treatment in Israeli hospitals as a result of her program.

"Diseases don't know any boundaries," Mrs. Basri said, "and I don't feel that treatments should either."

Her efforts have won praise from Israeli doctors. "She is doing a remarkable job in improving relations between us and the Arabs," said Dr. Yaacov Shanon of Bikur Holim Hospital in Jerusalem, who has treated scores of Arab patients referred by Mrs. Basri.

"There is a new generation of very good young doctors in the Arab world, but not everyone has access to them," he added. "The cases that are coming to us are usually the most difficult ones from both a diagnostic and a therapeutic point of view."

Because of the problems involved for a Kuwaiti or a Syrian in traveling to Israel—a country with which their Governments are technically at war and to which a visit would be punishable by a long prison term—Mrs. Basri is discreet in her responses. Most listeners do not sign their letters to her by name but use their initials or a code name related to their illness.

On the air, Mrs. Basri may reply: "To the bird without wings in Kuwait, the doctor says he thinks he can treat you here. Please send me your passport details." Or: "To A. B. in Saudi Arabia, your visa has been approved by the Interior Ministry. You can pick it up at the Allenby Bridge on the Jordan River between Aug. 15 and Sept. 1. The visa is good for one month. Call me on arrival at Jerusalem, and I will take you to the doctor."

SOME PROMINENT LISTENERS

With its 1.2-million-watt transmitter, one of the most powerful in the Middle East, Israel's Arabic service reaches listeners from Morocco to Iraq. It is an open secret that it is tuned in at coffeehouses and in taxis in every Arab capital and Presidents Hafez al-Assad of Syria and Amin Gemayel of Lebanon are known to be regular listeners.

Edmond Sehayek, the director of the Arabic service, said his station received mail from across the Arab world, including frequent love letters to female newscasters. A Libyan military attaché even telephoned recently from a European embassy to complain about a commentary on the Libyan leader, Col. Muammar el-Qaddafi.

"More than half the mail, though, is for Ilana," Mr. Sehayak said. "Besides our main feature-newsreel, hers is our most popular show."

Every morning Mrs. Basri opens envelopes sent through Geneva or some other European capital or delivered by Arabs who have crossed the bridge from Jordan to the West Bank. There is no mail service between Israel and any Arab country except Egypt.

The letters are often desperate tales of disease, most of them eye, skin and fertility problems. Many writers send electrocardiograms, blood test results, dental charts and X-rays.

"I have medical records from hospitals all over the Arab world," said Mrs. Basri, displaying a sample from Mubaraak al-Kabeer Hospital in Kuwait.

A typical letter this week came from a 48-year-old Syrian woman. The letter, mailed in London, begins: "Dear Doctor Behind the Microphone: Salaam, and good health to you. I am paralyzed in my legs. I have been getting physical therapy, but I still have very bad pains. I heard you speaking about achievements in rehabilitation in Israel, and I want to know if I can be treated in your hospital. Please bring my letter to a doctor in Israel. I am ready to come."

SEEKING VISAS IN EUROPE

Each year, according to Foreign Ministry sources, hundreds of Arabs go to Israeli embassies in Europe and ask for visas to fly to Israel for treatment.

On the wall next to her desk Mrs. Basri has a picture of a Syrian girl and her father in Tel Hashomer Hospital in Tel Aviv. The man went to an Israeli embassy in Europe, got a visa and flew to Tel Aviv with his ailing daughter. Then he called Mrs. Basri.

"He told me his daughter was suffering from pains in the belly and a high fever and he could not get any doctor to get it to go away," Mrs. Basri said. "I told him, 'Stay at the hotel, I will come and pick you up.' In the meantime I called Professor Mordechai Prass, a specialist in internal medicine at Tel Hashomer. He treated her for familial Mediterranean fever. She stayed in the hospital for two weeks and came out fine. Before they left, they insisted that a photographer come and take this picture with the doctor."

The letters go on and on. A woman from Kuwait wants to consult a fertility expert about having a test-tube baby. A Saudi man says he heard Mrs. Basri's program in a taxi from Saudi Arabia to Jordan and wondered if she could do something for his eye problems.

Mrs. Basri got the idea for the program 14 years ago while lying in a heart-care unit in an Israeli hospital and noticing how much of the medical equipment was marked "Made in Israel." At the time she was a secretary at the Arabic service. She eventually convinced officials of the potential for such a program, and the files in her office bulging with handwritten Arabic letters are testimony to her intuition.

"But even I," Mrs. Basri said, "never thought the program would end up being such a live bridge that Arabs would use to cross into Israel."

THOMAS F. KEYES, JR., OUTSTANDING JURIST

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. MORRISON of Connecticut. Mr. Speaker, today I ask my colleagues to join me in honoring Judge Thomas F. Keyes, Jr., who is retiring after 11 years of outstanding service as judge of Probate Court for New Haven and Woodbridge, in Connecticut's Third Congressional District.

During my 10 years as an attorney representing poor and elderly people in the New Haven area, I knew Judge Keyes as a fine jurist with a keen legal mind, who excelled in making fair decisions in difficult cases.

But in my view Judge Keyes' greatest contribution has been in humanizing the judicial process, which so often can be rigid and intimidating to those who find themselves within it.

Often the people who came before Judge Keyes were going through great difficulty, especially in cases involving estates, civil commitments, and contested guardianship. Many were elderly. Many were poor. Many were not represented by an attorney.

Judge Keyes made sure that everyone who came into his court was treated with courtesy and respect. Following his example, his probate court staff was always patient and helpful in assisting unrepresented people with their papers.

In the courtroom, Judge Keyes was unfailingly kind, thorough, and helpful. He listened carefully to everyone. Even people who did not prevail always felt that their viewpoints had been heard.

Judge Keyes has always had a special concern for the poor. Long before Connecticut had a civil fee waiver statute, he regularly waived fees for indigent people.

Judge Keyes has a long history of service to the community. He was the first legal aid director of New Haven, and he served as corporation counsel of New Haven during two city administrations. He is a member of the board of Saint Raphael's Hospital and a devoted communicant of Saint Aidan's Church.

Judge Keyes will be missed, but his probate court will be in good hands—he will be succeeded as probate judge by his son, John Keyes.

This Saturday night Judge Keyes' many friends and colleagues will be honoring him at a testimonial dinner in New Haven. I will be proud to join them on that occasion, and I am very proud to ask my colleagues to join me in honoring him here today.

MIXED CREDITS

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mrs. JOHNSON. Mr. Speaker, among the many new approaches to restoring American competitiveness bursting on the scene in response to rising trade deficits is an initiative whose time has come. It's aggressive, it's nonprotectionist, it promotes exports while leveraging adherence to free trade principles, and it fights for American jobs.

I am talking about taking strong defensive action to counter mixed credits, a practice used extensively by our trading partners to unfairly subsidize exports by mixing regular financing with foreign aid grants. Currently, grant elements of less than 25 percent are prohibited under the OECD arrangement.

Today, I am reintroducing legislation to give teeth to our own defensive mixed credits program, which was established in 1983 but has not been pursued aggressively by either Eximbank or AID. The unfair use, or "abuse," of mixed credits to win export contracts is a major problem and its use by foreign countries is increasing despite our best efforts at negotiating an end to such practices.

In 1983, France offered $1.3 billion in support for her exporters, including $600 million in mixed credits. Britain increased its mixed credit activity to $800 million in 1984. Canada boasted a $900 million mixed credit fund in 1981. It has been estimated that American exporters are losing from $3.5 to $7 billion per year to foreign competitors due to a lack of fully competitive financing.

The Organization for Economic Cooperation and Development [OECD] estimated in 1980 that export subsidies among member countries reached $5.5 billion, including $2.6 billion in mixed credit activity. The OECD estimates that mixed credits offers will top the $6 billion mark this year.

The Coalition for Employment through Exports [CEE], a business, labor, and government group, estimated that its membership lost $7 billion in sales in a 9-month period during 1983–84.

The President's Task Force on International Private Enterprise estimated that the dollar value of mixed credits offered increased from $2 billion in 1982 to $3.5 billion in 1983. In addition to an increase in the amount and number of mixed credits offered, it found that the number of offering countries has also risen. Mexico and South Korea are beginning to use mixed credit financing to win exports. It found France to be the major culprit, with over 50 percent of reported mixed credit offers. While France has cut the size (dollar value) of the mixed credit offers since 1980, the number of offers has tripled.

It's time to fight fire with fire. We can't afford not to. If we are not competitive, we will lose our market share. U.S. mixed credits offers are defensive only and will give our negotiators leverage at the trade talks. But who are we kidding? Competitive financing will help level the playing field for our exporters.

NEW JERSEY BLACK ISSUES CONVENTION

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. RODINO. Mr. Speaker, I am very pleased to pay tribute to an event that will take place in New Jersey this weekend—the New Jersey Black Issues Convention.

The black issues convention was founded in 1983 to establish a network of communication and cooperation among representatives of black organizations in our State. It has sponsored a series of issue area workshops around the State designed to gather, analyze, and disseminate information on topics of concern to the black community. The convention drew 1,620 attendees last year, and this year's convention at the Somerset Hilton in Franklin Township promises to be an equally impressive gathering.

Rev. Jesse Jackson, founder of Operation PUSH and former Presidential candidate, will be the keynote speaker. The title of his September 14 address is the same as the theme of the convention: "Moving Up the Rough Side of the Mountain."

Other highlights will be a debate between the two gubernatorial candidates, Gov. Thomas Kean and Essex County Executive Peter Shapiro; and addresses by Earl Graves, publisher of Black Enterprise magazine and Rev. Tom Skinner of the Martin Luther King Center for Non-Violent Change.

Symposiums and issue panels will be held on the following topics: The movement to free South Africa; national budget, tax reform, and public policy; teenage pregnancy; the labor movement and the black community; minority business development; and equity and excellence in education.

Under the leadership of Newark Councilman-at-Large Donald Tucker, the New Jersey Black Issues Convention has brought together a consortium of statewide organizations, such as the State Conference of NAACP branches, the Council of Urban Leagues, the New Jersey Contingent of Black Local Elected Officials, and New Jersey Section of the National Council of Negro Women to provide informational and educational services to the black community statewide.

Mr. Speaker, I know that all my colleagues join me in saluting the New Jersey Black Issues Convention. I am certain that this year's convention will be a tremendous success and will prove to be beneficial to all the participants.

THE NATIONAL SCHOOLBUS SAFETY ACT OF 1985

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. SMITH of Florida. Mr. Speaker, today I am introducing "The National Schoolbus Safety Act of 1985." My bill would require mandatory installation and use of seat belts in all new schoolbuses. This bill grew out of the need to improve the safety requirements that our children follow while riding back and forth to school each day and the belief that safety belts play an important role in saving lives.

The need for this bill is obvious. According to the U.S. Department of Transportation, motor vehicle accidents are the No. 1 killer of children under the age of 15. In 1983, 390,000 schoolbuses transported 21,500,000 pupils daily and traveled 3 billion miles over the course of the year. The National Safety Council estimated that 3,300 children were injured in schoolbus related accidents in 1983. In the 1984–85 school year, over 8,400 actual injuries to children were reported. It is quite likely that as many as 50,000 actual injuries to schoolchildren went unreported between 1973 and 1983.

Under my proposal, States would be required in 1 year to install seat belts in all new schoolbuses and to inspect all schoolbuses annually to ensure child safety to and from school. My bill will apply to every vehicle that is rented, leased, or owned by a school district and used for the transporting of schoolchildren. If the States do not institute such a program, Federal education funds would be withheld at the rate of 5 percent the first year, 10 percent the second year, and 15 percent the third and subsequent years. By the year 1995, all schoolbuses would be required to have seatbelts as standard equipment, or else all Federal education funding would be withheld.

Critics of this legislation maintain that the "Compartmentalization Theory" protects our children from injury. In 1977, new safety regulations raised the schoolbus seat to 24 inches and called for seat padding. It has been proven in frontal and rear end collisions that on impact this compartmentalization provides somewhat adequate protection. However, the biggest danger to schoolchildren is a rollover accident, when children are thrown around the bus or through its windows. A padded crash barrier would not keep the child in his compartment since the child would just fall off the seat into the aisle.

A group of 70 fourth grade schoolchildren from the University School of Nova University, Fort Lauderdale, FL, devoted their social studies class to the study of seatbelts on schoolbuses. I cannot share every letter with you. However, I would like to share some poignant insights only children could make. Marni Orlove writes, "Who cares about how much they cost. Parents care more about their children than the cost of seat belts." Lauren Levin writes, "When kids put on their seat belts in a car it becomes a habit. So kids should put [on] seat belts on every moving vehicle they ride." Rejoice Hanson writes, "At the head of the bus there's a sign that says 'your operator wears a seat belt for your safety,' but what good will that do for our children riding schoolbuses?" Ronnie Levin writes, "When Tylenol was poisoned they put safety caps on . . . In 1984, 15 people died on schoolbuses. I think the safety cap for schoolbuses would be seat belts."

Installation of seatbelts on schoolbuses is endorsed by many organizations, including: Physicians for Automotive Safety; National Coalition for Seat Belts on Schoolbuses; American College of Emergency Physicians; American Academy of Pediatrics; American Medical Association; and the American College of Preventive Medicine.

Seatbelts save lives. We hear so much about the dangers our children face, and most of those dangers are beyond our control. The lack of safetybelts on our schoolbuses is an unnecessary danger that we can control, and it is time to change that.

Laws for mandatory seatbelts for passenger automobiles have been passed or are now under consideration in every State legislature. Child restraint laws are commonplace in 49 out of 50 States. The mood of the Nation is to protect its citizens, especially its children, against one of the leading causes of death in the United States—automobile accidents.

I hope my colleagues will join me by cosponsoring this important legislation. For your benefit, the text of my bill follows:

H.R. 3305

A bill to establish restrictions on the provision of financial assistance by the Department of Education to educational agencies in States or other political subdivisions that do not impose certain requirements relating to the inspection and equipping with safety belts of schoolbuses

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Schoolbus Safety Act of 1985".

SEC. 2. INITIAL SAFETY BELT AND INSPECTION REQUIREMENTS.

(a) Duties of Secretary of Education.—The Secretary of Education may not obligate or expend, with respect to any amount appropriated to the Department of Education that is allocated for the provision of financial assistance to any State educational agency or local educational agency that operates within a State that is not in compliance with the requirements of subsection (b) (as determined by the Secretary) and a political subdivision that is not in compliance with such requirements—

(1) more than 95 percent of such amount for any fiscal year beginning after the effective date of this Act;

(2) more than 90 percent of such amount for any fiscal year beginning with the second fiscal year beginning after the effective date of this Act; and

(3) more than 85 percent of such amount for any subsequent fiscal year.

(b) Requirements for Compliance.—Any State or political subdivision within which any State educational agency or local educational agency operates shall require—

(1) the equipping with safety belts of each schoolbus first placed in service after the effective date of this Act; and

(2) the safety inspection of all schoolbuses at least annually by the appropriate State or local agency.

(c) Late Compliance.—No additional reduction in funding shall be made under paragraph (2) or (3) of subsection (a) after the date on which the State or political subdivision within which the educational agency operates requires—

(1) the equipping with safety belts of each schoolbus first placed in service after such date; and

(2) the inspection of all schoolbuses at least annually by the appropriate State or local agency.

SEC. 3. FUTURE SAFETY BELT REQUIREMENTS.

The Secretary may not obligate or expend any amount appropriated to the Department of Education that is allocated for the provision of financial assistance to any State educational agency or local educational agency unless the State or political subdivision within which such agency operates has in effect a requirement that was effective on or before January 1, 1995, that—

(1) all schoolbuses shall be equipped with safety belts; and

(2) all schoolbuses shall be inspected at least annually by the appropriate State or local agency.

SEC. 4. PROVISION OF INFORMATION TO SECRETARY OF EDUCATION.

(a) State or Local Highway Safety Program in Effect.—If the State or political subdivision within which any State educational agency or local educational agency operates has in effect a highway safety program for pupil transportation safety approved under section 402 of title 23, United States Code, the Secretary of Transportation, at least annually, shall provide the Secretary of Education with the information necessary to determine whether such State or political subdivision has in effect the requirements referred to in sections 2 and 3.

(b) No State or Local Highway Safety Program in Effect.—Any State educational agency or local educational agency that operates within a State or political subdivision where no highway safety program for pupil transportation safety has been approved under section 402 of title 23, United States Code, shall provide the Secretary of Education with the information necessary to determine whether such State or political subdivision has in effect the requirements referred to in sections 2 and 3.

SEC. 5. DEFINITIONS.

For purpose of this Act:

(1) The term "local educational agency" has the meaning given such term in section 1001(f) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3381(f)).

(2) The term "safety belt" means an occupant restraint system consisting of lap belts.

(3) The term "schoolbus" means a passenger motor vehicle that is owned, operated, leased or otherwise hired by a school system for the purpose of transporting preprimary, primary, or secondary school students to or from such schools or events related to such schools.

(4) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(5) The term "State educational agency" has the meaning given such term in section 1001(k) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3381(k)).

SEC. 6. EFFECTIVE DATE.

This Act shall become effective upon the expiration of the 1-year period beginning on the date of the enactment of this Act.

STUDENT LOAN MATERNITY DEFERRAL ACT OF 1985

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. WYDEN. Mr. Speaker, I am pleased to introduce H.R. 3249, the Student Loan Maternity Deferral Act of 1985.

This legislation will make the Higher Education Act of 1965 more flexible for the special needs of new mothers. It amends the Higher Education Act to allow women, during maternity, to have a 6-month period of deferment on repayment of Federal student financial aid loans.

Current law mandates that a student must begin repayment of Federal education loans 6 months after the end of a term of study, if the student will not be enrolled full time for the following term. In special hardship cases, such as injury or unemployment, an individual can reenroll on a part-time basis and maintain their loan deferral as well as be eligible to receive Federal financial aid.

The Student Loan Maternity Deferral Act will make maternity one of these conditions. Hence, new mothers would be able to take a leave from school, return after 6 months, and be eligible to attend school part time for a period of 6 months so that they can spend more time with their newborn.

A recent case in Wisconsin points out an inequity in current law. A woman took a semester off to have a baby and when she returned to school, she wished to continue as a part-time student. She did not want to take on a full course load because she wanted to spend time with her newborn son.

She hoped her situation would allow her to fall into the hardship category so that her loan would be deferred for a period of time. However, under current law, the physical incapacitation of maternity does not qualify a woman for loan deferral under the hardship definition.

By not extending the hardship definition for maternity, the Federal Government is discouraging women from having children while they are in school. If they do have a child, they feel they must return immediately to full-time education. The alternative: Begin payback on their Federal student loans.

The law was written to discourage students from unnecessarily prolonging their education and their financial debt to the Federal Government by taking too many leaves from full-time education. However, the law does not allow sufficient flexibility for the special circumstances of new mothers.

This change in the law is essential. It provides a new mother the flexibility needed to continue her education while spending important time with her child during the first months of life.

This change will not cost the Federal Government. It merely defers the student loan repayment for 6 months to allow the new mother additional time to balance her many financial and time commitments.

I ask my colleagues for their support for this simple and sensible adjustment in the law.

MSGR. PAUL E. METZGER RETIRES

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. APPLEGATE. Mr. Speaker, this coming Sunday, September 15, 1985, will mark the occasion of the retirement of one of the leading clergymen in my congressional district, as well as a very close personal friend, Msgr. Paul E. Metzger. He will conclude 42 years in the priesthood, including the last 26 years at St. John's Catholic Church in Bellaire, OH.

A native of New Philadelphia, OH, he studied at St. Charles Seminary in Columbus, OH for 8 years, followed by 4 years of theological study at Mt. St. Mary's Seminary in Cincinnati, OH. He was ordained by the late Bishop Joseph Hartley for the Columbus Diocese on April 17, 1943, and served 5 years as pastor of St. Mary's Church in Pine Grove, OH.

When the Diocese of Steubenville, OH was created, Bishop John King Mussion assigned Monsignor Metzger as pastor to Our Lady of Mercy Church at Carrollton, OH and St. Mary's Church in Morges, OH, and in 1953, appointed him as pastor of St. Joseph's Church in Wolfhurst, OH, where he served another 5 years before finally being transferred to St. John's in 1959.

Monsignor Metzger was placed in charge of the building and financing of the $300,000 second addition to St. John's High School and as director of the Diocesan Catholic Charities, a position he held for 18 years, Father Metzger also supervised the construction of St. John's Villa Children's Home. He also played a leading role in several other construction projects of the church over the years.

In addition to his work in the parish, Monsignor Metzger took an active part in civic affairs on the city and county level. A primary example of this is the leadership he provided as the orginator of Bel Capre, a housing project in which St. John's Church and the Bellaire Presbyterian churches cooperated to form the Bellaire Housing Foundation which constructed single homes and apartments to ease the housing shortage in the area. Father Metzger is also very active in many other housing projects designed for the care of the mentally retarded, the aged, and the handicapped.

On a more personal note, Father Metzger has served on my military academy selection committee for several years and has assisted me in the selection of many qualified young men and women for entrance to our military academies.

Mr. Speaker, as Monsignor Metzger begins his retirement, I would like to take this opportunity to congratulate him on this occasion and to thank him on behalf of so many people for the work he has performed over the years, his friendship, and his kindness in ways too numerable to mention here.

God speed, Monsignor Paul Metzger.

OUTSTANDING VA RESEARCH ON ANTI-EPILEPTIC DRUGS CITED

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. COELHO. Mr. Speaker, I would like to commend the Veterans' Administration on the recent completion of a 6-year study of four major anticonvulsant drugs. The VA epilepsy cooperative study reported recently in the New England Journal of Medicine, was the largest long-term cooperative assessment of antiepileptic drug therapy ever undertaken. In the study, investigators compared the efficacy and toxicity of 4 drugs in 622 adults in 10 VA medical centers. Patients were randomly administered one of four drugs usually used to treat seizures in adults: carbamazapine, phenobarbitol, phenytoin, and primidone. They then were followed for 2 years, or until the drug failed to control seizures or caused unacceptable side effects.

As one who has epilepsy, I was very interested in the work being done by the VA, and recently had an opportunity meet with the study chairman, Dr. Richard Mattson, chief of neurology at the West Haven, CT, VA Medical Center and professor of neurology at Yale Medical School, to discuss his findings. Dr. Mattson found that 75 percent of those studied can be "adequately managed" with proper use of a single antiepileptic drug; however, new drugs and other treatments still are needed to treat the disorder. Dr. Mattson said his research team now plans to compare the effectiveness of valproic acid with carbamazapine. Valproic acid had not received Food and Drug Administration approval at the time of the first study. The results of the new study will not be available for about 5 years.

The work being done by Dr. Mattson and his colleagues is just one example of the outstanding research being done by the Veterans' Administration and I believe my colleagues and the public should be aware of the many accomplishments of VA researchers. VA scientists have received awards, including two Nobel prizes, for research on hypertension, discovery of leukemia and cancer-inducing viruses in animals, and development of the CAT scanner. The VA's research program is authorized by Congress to promote high quality health care for our Nation's veterans. However, the Congress and the general public should know that through the efforts of physicians like Dr. Mattson and his colleagues, research conducted at VA medical centers around the country has enriched the quality of life, not only for veterans, but all of us.

HOSPITALS SHOULD PROVIDE AN OPEN DOOR TO PATIENTS REGARDLESS OF ABILITY TO PAY

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. BILIRAKIS. Mr. Speaker, last week, a matter of life and death came to my attention in the person of Gary Pouillon, a 25-year-old constituent in my Florida congressional district. Gary is suffering from sclerosing cholangitis, a fatal liver disease, and had been given only 1 to 4 weeks to live unless he received a liver transplant. After some research, a Boston Hospital, one of two in the country which perform this surgery, was located and a surgeon, bed, and liver were all waiting to save Gary's life. The Boston Hospital, however, refused to admit Gary for the necessary lifesaving procedure. What was the problem you might ask?

The unfortunate problem is that Gary is poor. Gary is on Social Security disability due to his disease. He did not have any private insurance because he and his family could not afford it, and the total cost for the operation and postoperative care was approximately $200,000. Thus, the hospital, without adequate assurance of payment, was unwilling to admit him.

What about Medicare and Medicaid, you might ask? That possibility was also researched by my staff and a hospital social worker and it was determined that Medicare and Medicaid would not provide coverage because the liver transplant operation is considered experimental. Local welfare agencies, similarly, follow the same guidelines as Medicare and Medicaid regarding this procedure. Finally, the Governor's office had no funds for this purpose, nor did any private organization.

I wanted to help Gary receive treatment and a second chance at life so I contacted Congressman MARKEY, who represents the district in which the hospital is located, and Congressman WAXMAN, chairman of the Energy and Commerce Health and Environment Subcommittee. I would like to personally commend both gentlemen for their willingness to help, for without their help Gary would have certainly died.

The intervention of these Congressmen, then, as well as my personal guarantee to raise $40,000, finally convinced the hospital to admit Mr. Pouillon. Gary is now receiving the life-saving treatment he so desperately needed. As a matter of fact, he shed a few tears of happiness as he managed to give me a weak "thank you" when I went to visit him.

This particular story had a happy ending because Gary is now receiving his treatment. However, this is, unfortunately, but one instance where a problem exists. While Gary's case presents a more complicated situation—the access of individuals to the most sophisticated technology—there are many reported cases where routine emergency services have also been denied because of an individual's inability to pay. What of these people who are in such life-threatening situations and do not have Congressmen and Senators intervening in their behalf? Are their lives any less worthy of saving?

Access to medical care should not be reserved for the well-to-do in this or any other society. As a matter of fact, I think it rather unfitting for the society that has been responsible for the greatest medical advances in history to deny some of its citizens access to the technology.

I believe that we should at least ensure that emergency medical services are available to all. For this reason, I have introduced legislation, House Concurrent Resolution 178, which seeks to promote this end. House Concurrent Resolution 178, introduced on July 26, 1985, expresses the sense of Congress on medical emergencies and states that hospitals should "provide an open door to patients regardless of ability to pay." I consider this bill a first step in defining access to our Nation's medical care system, and I urge all my colleagues to think about this resolution and the greater questions it raises. I am certain that you'll agree that there is probably no worthier piece of legislation to lend your name to than one which could help save lives, and I hope all my colleagues will join me in this effort by cosponsoring House Concurrent Resolution 178.

H.R. 2866—AN OPTION FOR FIREFIGHTERS AND LAW OFFICERS

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. FORD of Tennessee. Mr. Speaker, on June 25, 1985, I introduced H.R. 2866, a bill to amend the Fair Labor Standards Act of 1938 to permit employees engaged in law enforcement and fire protection activities to take compensatory time off in lieu of receiving overtime pay.

As you know, earlier this year, the U.S. Supreme Court in Garcia versus San Antonio Metropolitan Transit Authority overruled its decision of 9 years in National League of Cities versus Usery and held that no constitutional limitation exists on the application of the Fair Labor Standards Act [FLSA] to employees of State and local governments. The holding in Garcia potentially subjects the full range of State and local government activities to the Federal minimum wage and overtime law.

There have been several bills introduced in the House that are attempting to erode the rights workers have fought so long to acquire. These bills attempt to "exempt or exclude" all employees of State and local governments from the overtime provision of the act. These attempts to exempt or exclude employees on a wholesale basis from the overtime and the minimum wage provisions of the act would be a step backward. For too long, employers have sought rigorous work schedule adjustments to meet manpower requirements without paying overtime compensation and/or employers have paid workers far below the established minimum wage.

My bill does not attempt to exempt or exclude workers from coverage under the act, but specifically provides an option for employees engaged in fire and law enforcement activities to take "comp" time off in lieu of overtime—only if pursuant to a contractual agreement made between the public agency and such employees individually or an agreement made as a result of collective bargaining by representatives of such employees and the public agency and only at the written request of the respective employee.

H.R. 2866 singles out firefighters and law enforcement officers, because of the nature of their daily hazardous activity. If fire and law enforcement agencies were required to adhere to the provision of the act, as it relates to overtime payments, State and local governments would be faced with vast manpower shortages as a result of employees attempting to use their accumulated overtime within the work period in which it was earned. As a result, public safety would be jeopardized and cities across the Nation could find themselves scurrying to develop innovative safety techniques in order to compensate for the vast manpower shortages. In addition, State and local governments would be faced with substantial overtime expenditures if their respective agencies were unable to schedule employees to take their accumulated compensatory time off within the pay period in which the overtime was earned.

Memphis city officials have advised me that compliance with the act could mean requiring a 15- to 20-percent increase in manpower. To the taxpayers of Memphis this could mean an additional $3 million for training and another $750,000 for overtime pay.

While H.R. 2866 is not a panacea, it will grant some relief to already strained city budgets. In addition the Garcia ruling has generated much confusion and could cause

substantial hardships to many State and local government employees, especially those involved in hazardous activities unless Congress grants relief.

Mr. Speaker I ask my colleagues to join me in support of this legislation so that we may quickly resolve this potentially grave situation.

BILL DOHERTY AND THE AFL-CIO'S FIGHT FOR FREEDOM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. KEMP. Mr. Speaker, bill Doherty and the American Institute for Free Labor have been champions of America and of freedom. Long before public attention in the United States turned to the threat of communism in this hemisphere, Bill Doherty and his AIFLD troops were devoting their hard work—and sometimes risking their lives—to advance and protect free labor movements in our sister American republics. And their work has paid off, in El Salvador, in Honduras, in Ecuador, and in every country where AIFLD has established a presence.

It has been my pleasure to work with Lane Kirkland and Bill Doherty, and to call them friends. Lane and I served together on the Bipartisan Commission on Central America and Bill served as an adviser. Their efforts were instrumental in fashioning bipartisan consensus and the sound policy guidance that came out of the Commission's work. Bill has appeared many times before the Foreign Operations Subcommittee, where I serve as the ranking Republican, to offer valuable testimony, counsel, and advice on U.S. foreign assistance programs throughout the region. His personal dedication to advancing the cause of democracy has been unceasing.

Mr. Speaker, this month's issue of Reader's Digest contains an article by Donald Robinson detailing some of the accomplishments of this remarkable American. I ask that the article be reprinted in the RECORD, as a salute to the freedom fighters of AIFLD and their determined commander, Bill Doherty.

The article follows:

BILL DOHERTY'S BLUE-COLLAR FREEDOM FIGHTERS

(By Donald Robinson)

Hours after U.S. troops landed on Grenada in October 1983, communist propaganda blasted the invasion as an "imperialist assault" on the Grenadan people.

A gutsy U.S. labor leader answered the communists' big lie. William C. Doherty, Jr., executive director of the AFL-CIO's American Institute for Free Labor Development (AIFLD), wangled his way into Grenada before the shooting had stopped and contacted the heads of two unions. Both had fought Grenada's Marxist dictators with Doherty's support. He told them that a resolution condemning the American landing was about to be introduced at an international labor conference in Barbados. The three raced to the meeting.

"What do you mean we were invaded?" the Grenadans declared. "We were rescued." When the resolution was defeated overwhelmingly, democratic unionists everywhere took heart.

A hidden army of Soviet and Cuban agents is seeking control of Latin America's 50-million-member labor movement. Command of the trade unions would give the Kremlin a pivotal weapon against pro-Western governments. AIFLD, a band of brave men and women led by Doherty for 23 years, is spearheading resistance not only to the communists but to right-wing extremists as well.

It's been a savage struggle. More than 50 of Doherty's allies have been murdered, including two of his closest aides, and Doherty has received many death threats himself. But despite the odds, AIFLD has won notable victories.

In Honduras it helped to recapture the fruit workers' union from the communists, who had stolen union elections by casting votes for countless "ghost" workers.

In Ecuador the communists got a stranglehold on the Confederation of Ecuadoran Workers (CFE), the major labor organization. CFE was so strong that no Ecuadoran worker could drive a truck without its approval. AIFLD helped organize the Ecuadoran Confederation of Free Trade Unions (CEOSL) to oppose the Marxists. When CFE called a general strike to topple the democratic government, CEOSL licked it. Today, every major union in Ecuador is led by pro-democratic elements.

The Marxist dictator of Surinam was forced to reorganize his cabinet last year to include labor and business representatives after a series of strikes and international protests spearheaded by AIFLD.

A strapping man of 58, Bill Doherty has white hair, a full beard and bright-blue eyes that make him look like Santa Claus. But he can be tough. One day in 1980, he drove 30 miles through Paraguayan jungle to a barbarous prison in Ypacaray that few, if any, North Americans had ever visited. There he demanded to meet with 19 union leaders incarcerated for advocating democracy. When soldiers pointed machine guns at him, Doherty promptly held a press conference.

"When I see this Hitler-like concentration camp, I think I'm in Havana," he told reporters who had accompanied him. "This is how Fidel Castro treats labor leaders." After the press published Doherty's remarks, rightist dictator Alfredo Stroessner released the labor leaders and later closed the prison.

Doherty is a quick-witted speaker. In 1956, he debated Chilean communist Clotario Blest before 2500 communications workers in Santiago. Doherty wanted the workers to affiliate with the pro-Western Postal, Telephone and Telegraph International (PTTI). Blest was bitterly opposed.

"Why dc these well-dressed gringos come here, stay in first-class hotels, go to our best restaurants and tell us they represent the working class?" Blest sneered.

"Because we will not feel successful, Brother Blest," Doherty responded, "until you and all the workers in Chile dress well, stay in those hotels and eat the best meals. We're not here to destroy the capitalists. We want to live like them." The workers roared approval and voted to affiliate with the PTTI.

Doherty was born into the labor movements. His father was president of the National Association of Letter Carriers for 21 years. After air-combat duty during World War II, young Bill spent two years in a Catholic seminary before going to law school.

Doherty went to work in 1954 as Latin American representative of the PTTI. In those days, collective bargaining was nonexistent for most unions in Latin America; pay raises were obtained through rioting.

Determined to fight this, Doherty founded AIFLD and, with the backing of AFL-CIO president George Meany, built it into an activist organization that now has offices in 16 countries, a staff of 56 trade unionists and an $8-million annual budget. Ninety percent of its funds come from the U.S. Agency for International Development, the remainder from the AFL-CIO. Says Doherty: "Communists target organized labor for one reason—to secure power over foreign governments. We believe in a trade-union movement independent of governments, political parties, employers."

I recently traveled throughout Latin America observing AIFLD close up. Here's what I learned:

In war-torn El Salvador, AIFLD has helped organize 350,000 Salvadoran farmers and urban workers into democratic unions. With AIFLD's help, the farmers have forced cooperatives that buy land and pay workers to cultivate it.

The cost in blood of AIFLD's Salvadoran successes has been high. In January 1981, two AIFLD staffers and the director of the Salvadoran land-reform program were machine-gunned to death while drinking coffee in the Hotel Sheraton in San Salvador. But the AIFLD staff has resolved to say. "We want to make sure the blood of our colleagues was not spilled in vain," says Doherty.

In Guatemala, AIFLD has helped to revive a democratic labor movement enfeebled by repressive dictatorships. Doherty's people had to risk their lives to accomplish it. In 1970, Guatamalan soldiers broke into the house of Jose Estrada, an American citizen who was the AIFLD director, and dragged him off to prison.

The U.S. embassy obtained Estrada's release. But five days later his home was searched; his books and papers were confiscated. This time the U.S. embassy suggested he leave the country.

Estrada left, but returned a month later. By last year, when elections were held in Guatemala for an assembly to draft a constitution, several labor leaders ran for office, and one was elected.

Castro's Cuba is another battlefield. Working closely with Cuban exiles, AIFLD exposes the tyrannies of the regime. Not long ago, AIFLD raised an international furor that saved the lives of farmers sentenced to death for trying to organize a union in the Cuban sugar fields.

AIFLD is also in the vanguard of the struggle against the Marxist-Leninist government of Nicaragua. AIFLD has been working with Nicaraguan exiles in the United States and Latin America to rally international opinion against the Sandinista regime.

AIFLD's greatest effort is in education. To date, 469,067 trade unionists have studied comparative economic systems, union leadership, collective bargaining and theories of democracy under AIFLD teachers in 17 Latin American countries. AIFLD has brought more than 4000 labor leaders to the George Meany Center for Labor Studies in Silver Spring, Md. Many graduates of the six-week course have risen high in the Latin American trade-union movement.

AIFLD has also helped establish hospitals, schools, credit unions and labor centers throughout Latin America. No project is too small. In Guyana, AIFLD representative John Heberle constructed a footbridge over a creek so children could get to school without dodging crocodiles.

Latin America's strong desire for democracy and economic aid and the efforts of AIFLD and similar organizations have had quite an impact. Six years ago, two-thirds of the people in Latin America and the Caribbean lived under dictatorships or military-dominated governments. Today, 90 percent of them live in democracies or under governments strongly leaning toward democracy.

House Majority Leader Jim Wright (D., Texas) and Rep. Jack Kemp (R., N.Y.), among our most knowledgeable legislators on Latin America, have praised AIFLD for its tireless work in fostering a democractic labor movement throughout the hemisphere. "It was the drive and commitment of Bill Doherty that made this possible," says Wright. Adds Kemp, "Freedom-loving people everywhere owe Doherty and his colleagues an eternal debt of gratitude."

INTERNATIONAL TRADE CHALLENGES

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. BROOMFIELD. Mr. Speaker, my colleague, Representative TOBY ROTH, who serves as the ranking Republican member of the prestigious House Foreign Affairs Subcommittee on International Economic Policy and Trade, has emerged as one of the leading analysts in Congress of the international trade challenges confronting this Nation. Today, Congressman ROTH presented a major trade policy address before the Georgetown University Center for Strategic and International Studies. I commend his novel insights to my colleagues and insert in the CONGRESSIONAL RECORD the highlights of his thoughtful remarks.

FOREWORD BY THE HONORABLE MALCOLM BALDRIGE, SECRETARY OF COMMERCE

As the issue of trade grows in importance, so does the need to analyze the many factors contributing to the current crisis. In his address, "Trade Pursuits: the Baby-Boomer Edition," Congressman Toby Roth accomplishes this with real perception. As the ranking member of the House Foreign Affairs Subcommittee on International Economic Policy, Toby Roth is a leader in Congress in the development of United States trade policy. His experience has given him insight into the many ramifications of trade analysis and policy.

In his recent address before the Center for Strategic and Informational Studies, Congressman Roth notes that the strong dollar and international barriers to free trade get most of the blame for the country's current trade dilemma. But he argues that these two factors alone are not the sole source of the problem. Congressman Roth maintains that the U.S. must look beyond the external forces affecting the U.S. trade imbalance and examine the domestic readjustments that are needed as well. He provides a detailed analysis of the steps the nation must take to meet the current challenge to its leadership in world trade.

Congressman Roth urges the leaders of government and industry to recognize the realities of global trade and the importance of upholding international free trade. He sees the review of current business strategy and U.S. trade policy which the Congress, the Administration and U.S. industry now has underway as an oppportunity for developing the longrange planning needed to improve U.S. industrial competitiveness at home and abroad.

I commend Congressman Roth's remarks to anyone looking for a concise, well-balanced review of our trade situation, written by someone who will continue to play a major role in developing U.S. trade policy.

TRADE PURSUITS: THE BABY-BOOM EDITION

(An Address by Congressman Toby Roth)

Today I will address the most important issue before our country—the U.S. trade crisis. Although we are now witnessing a trade wild fire spreading out of control, concerned people in and out of government realize that the problem has been smoldering for a long time.

The red ink trade figures are splashed across the newspaper headlines every month. This year our trade deficit is expected to reach $150 billion—one-third of it with one country, Japan. Members of Congress are starting to panic and draconian stop-gap solutions are being thrown into the hopper.

* * * * *

PINPOINTING THE SOURCE OF THE U.S. TRADE PROBLEM

We have all read many speeches and editorials focusing on the causes of our trade competitiveness crisis. Frequently cited as culprits are the high value of the dollar and Japan's nontariff barriers. Both of these factors are extremely important in the trade equation.

The value of the dollar

The strength of the dollar over the past few years has been extremely costly to many American industries—not only in our overseas markets but right here at home.

Take, for example, Caterpillar Tractor Company. Last week, I had a frank discussion with an industrialist contractor in my district who has purchased Caterpillar tractors for many, many years. But this year, instead of buying a Wisconsin-made tractor, he purchased four Japanese Komatsu tractors made over 5,000 miles away. It was not an easy decision to make given that Caterpillar has been a long-time reliable supplier. Nonetheless, a savings of $60,000 on each Japanese tractor is not easy to pass up. Komatsu is able to price its tractors at about 40 percent below Caterpillar simply because of the value of the dollar.

The correlation between the value of the dollar and Caterpillar's tractor sales is quite clear. Six years ago when the dollar was much weaker than today, Caterpillar's prices were head to head with the competition. Over the last few years as the dollar has soared, tractor sales have nosedived. The human price is very steep. Employment at Caterpillar has dropped to only 55 percent of what it was just six years ago.

This is only one example of many where American companies have been losing sales and workers because of the value of the dollar. For industries that are making price-sensitive products, the past few years have been extremely tough.

Japan's trade barriers

Another important source of our trade problems has been the intransigence of the Japanese in removing trade barriers for U.S. products. In sector after sector, the Japanese have found creative ways to bar American products from entering their market. For example, an American steak that costs $4.00 in Wisconsin costs $18.60 in Japan because of their tariffs and controlled distribution system.

WHAT STEPS NEED TO BE TAKEN?

(1) Downward pressure on the dollar

The burden of the "super dollar" hits businesses and manufacturers alike. The effect is the same as a 25 percent tax on exporters and a 25 percent subsidy for importers, making it extremely difficult for our companies to remain competitive. In my view, three things need to take place over the next two years to bring the dollar safely down to a more reasonable level:

(1) We need to pass a serious federal budget deficit reduction package.

(2) In addition to cutting the U.S. budget, the economies of Europe need to adopt policies more conducive to growth in order to bring the dollar down to a more competitive rate.

(3) And, thirdly, Japan needs not only to reduce its barriers to trade, but also to eliminate barriers to its capital markets. A more realistic dollar-yen alignment could help over the long-run to reduce our trade deficit.

(2) Tough negotiating with Japanese

The Japanese must realize that progress in eliminating nontariff barriers must be swift and not stretched out over the next five years or so. Patience is running very thin in the Congress.

(3) Improvement in the conduct of U.S. trade policy

There is considerable room for improvement in the conduct of U.S. trade policy:

(a) Trade Reorganization

We need a Department of Trade and one Cabinet member in charge. We can't afford to have officials from the State Department, the Commerce Department, the Treasury Department, and the U.S. Trade Representative's Office tripping over each other's luggage at Tokyo International Airport as they attempt to negotiate with the Japanese.

(b) Improving Export Controls

With respect to our export licensing operations, there are no less than seven agencies that review license applications for exporting. One report estimates the delays in export licensing costs more than $12 billion a year in lost exports. Two months ago, the President enacted the new Export Administration Act which mandates significant changes. The National Association of Manufacturers called it the most significant trade legislation of the decade. Key, however, is effective implementation of the new law.

(c) Amend Foreign Corrupt Practices Act

I also anticipate that this may be the year to amend the Foreign Corrupt Practices Act, which as presently written, costs the United States over $1 billion in lost sales each year. The FCPA is a well-intentioned law, but clarifying amendments would better serve U.S. trade interests.

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A MISSING PART OF THE PUZZLE

Understanding the origins and components of the trade crisis is the challenge that we have before us today. The problem is complex and the solutions are varied. But in my judgment a critical part of the puzzle is being overlooked. Even if the value of the dollar declines significantly and Japan eliminates all of its nontariff barriers tomorrow, American consumers will continue to import Japanese products in large quantities. If we are going to understand the nature of our competitiveness problem, we have to look at the unique spending patterns of the American consumers that have emerged within the last decade. We must consider the trade crisis on two fronts: first, what is happening in the U.S. market; and secondly, our competitiveness situation in exporting abroad.

I think that until we separate these two markets analytically, we will continue to miss the fundamental source of America's problem and we will fail in our policy prescriptions. Hidden in the trade deficit figures is a national buyer's strike. In the United States, domestic producers are losing their share of the market because of the "yuppie factor."

WHAT IS HAPPENING IN THE U.S. MARKET?

When you look at spending habits and who has the disposable income, it is the baby-boom generation. And for this segment of the market, price is not the determinant factor in a buying decision. Rather, the consumer makes a subconscious long-term evaluation of price based on how long the product is going to last, its aesthetic and prestige value, and its reliability. In short, quality is the number one determining factor. We see this buying pattern all around us.

Take, for example, automobiles. Last weekend I took a stroll through Georgetown. Only about one in twenty cars was American-made; almost all the rest were Japanese models. Now the residents of Georgetown don't have to be that concerned with price. But the automobile of choice was Japanese. So if price is not a consideration, why are Americans buying Japanese cars? Take note of these reports:

Consumer Reports conducted a survey of repairs made on new cars and found that of the 29 cars with the best results, all were foreign made. Of the 20 cars with the poorest results, all were American made.

Consumer Reports conducted a survey on recalls to correct safety defects for automobiles over a four-year period and found that 96 percent of the recalls were for American-made vehicles.

Let's take a look at another industry—the television and video equipment market:

In the 1960s, there were 25 American color TV manufacturers. By 1981, there were only 10 (five of which are foreign-owned.) And today, only 3 U.S. companies are major companies in the market. Eight Japanese firms account for one-third of U.S. sales.

Wage rates are not the reason for Japan's advances. By 1978, hourly wage rates for television manufacturing were the same in the U.S. and Japan. But because of automation, it costs Japanese firms only about half as much to assemble a T.V. The funds have gone into research and development. According to a report by Northwestern University, Japanese manufacturers spent approximately 3.5 percent of their total sales on R&D while American firms spent only 2.3 percent. Sony devoted almost 6 percent of its sales to R&D!

* * * * *

The characteristic that runs throughout these cases is the Japanese commitment to quality and to effective advertizing campaigns. Baby-boomers don't have time for comparison shopping. They will buy a product based on the experiences of their colleagues and based on glimpses from advertizing campaigns.

If we continue to approach our trade problems with Japan on the premise that our problems are solely due to the value of the dollar and trade barriers, the results will be the same as if we were ostriches with our heads in the sand. Our trade deficit with Japan is not a recent phenomenon. The United States has run a trade deficit with Japan every year since 1966—when our dollar has been strong and when it has been weak.

* * * * *

To solve our competitiveness problem at home, much of the challenge and responsibility lands squarely on the shoulders of American industry. Companies are going to have to pay more attention to the details embodied in a quality product. And, company executives are going to have to devote more of their energies to winning the hearts and dollars of the baby-boom generation.

We are facing a tough challenge of worldwide industrial competition, and we have to mobilize our people to understand that. As Kenneth Butterworth, President of Loctite Corporation put it: "The attitude in this country is too much "thank God it's Friday" and not enough "thank God it's Monday."

If we are going to compete successfully, productivity gains have to be coupled with quality control. Japan has fine-tuned the quality control process in every step of the assembly line. We may think we are winning in a battle of words and promises with Japan, but we are losing on the shop floor. There may be something more to Japan's hesitancy to import American lemons.

The challenge overseas is different from the one confronting our domestic market. The demographics overseas are not the same, the consumers and product needs are much different. Price is *the* most significant factor when 70 percent of the world's consumers are living in developing countries. The value of the dollar is key, as are our government policies that affect export competitiveness and influence market access.

In sum, U.S. international competitiveness is being challenged on two different fronts. The trade deficit with Japan is symptomatic of a failure by American companies to anticipate the preference for quality and performance of the baby-boom generation. Typical knee-jerk responses to attempt to eliminate or curtail Japanese competition by protecting industries cannot in the long-run succeed in maintaining domestic market shares.

* * * * *

Americans have a tremendous capability to meet any challenge. We have all been raised with a strong competitive streak. Several years ago, Ezra Vogel of Harvard University awakened the boardrooms of America with his book, "Japan: No. 1." We will know that we have reached America's competitiveness goal when we look to our bookshelves and find a copy of the nation's new bestseller. Written by a Japanese professsor, the title will be: "America: No. 1."

ON THE ELECTION OF BISHOP BROWNING

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. HEFTEL of Hawaii. Mr. Speaker, on Tuesday, September 10, Bishop Edmund Lee Browning, a resident of Hawaii, was elected presiding bishop of the Episcopal Church of the United States. Bishop Browning has long been noted for his courageous and sometimes controversial positions on social and moral issues. His perception of the role of his church in society is worth reflecting upon in this time when some individuals in America have abandoned fundamental principles of tolerance, benevolence and concern for the fundamental rights of all individuals.

Bishop Browning most recently criticized the system of institutionalized oppression and racism in South Africa. His support for the rights of the black majority of that beleaguered nation reflects his deep belief in the equality of mankind in the sight of God. With this motive in mind, his comments on the situation there carry much more credibility than those of U.S. clergymen and others who attempt to rationalize the diabolical inhumanity of apartheid.

Mr. Speaker, Reverend Bishop Browning has devoted his considerable energies to tearing down the barriers that separate the family of man. He has sought and gained common ground among religious groups whose beliefs differ from those of his church. His unwavering faith in the unity of man has given him the strength to address some of the most persistent and difficult questions facing our modern world community.

The new spiritual leader of the almost 3 million Episcopalians in America believes that religious institutions have a responsibility to observe and comment upon social, moral, and political issues. He brings an enlightened approach to this task to his new ministry. I rise to wish him the best in his new duties. His compassion and faith are an inspiration and source of hope in these times of division and uncertainty.

CONGRESSMAN WILLIAM M. THOMAS SALUTES SUNNY SCOFIELD

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. THOMAS of California. Mr. Speaker and my fellow Representatives, I would like to take a few moments of your time and bring to your attention the endeavors of a very special woman from my district, Mrs. Sunny Scofield.

Sunny Scofield exemplifies, through her hard work, civic activity, and unselfish devotion of her time many of the virtues we

all respect and admire. Winning the Golden Mike Award for her daily television program is only the beginning of a long list of achievements. In addition to her personal achievements, Sunny's community service demonstrates her true devotion to helping spread and promote civic involvement and voluntarism in Kern County.

Sunny has been the driving force behind a special program in Kern County, involving over 1,000 volunteers, to raise over $1 million for charity. She has also played an important role in sponsoring and producing informative television advertisements looking for people willing to help in volunteer programs. These programs include: Volunteers for helping crime victims; Junior Achievement volunteers to help teach young people valuable business skills; Volunteer Tutors to help combat adult illiteracy; and Volunteers to sponsor fine arts programs in Kern County. Sunny has served as the chairperson for Brotherhood Week in Kern County; honorary chairperson for Heart Sunday; and twice chairperson for the March of Dimes Mothers March, to name just a few.

Sunny has shown her community that she cares. Her kind of civic activism is the foundation on which our volunteer programs are built in this country, and I hope that others will learn from her example. Sunny Scofield is not only a pillar in her community, but an important part of the framework of our country, and I feel she deserves the highest praise from this body.

THE 50TH ANNIVERSARY OF OCEAN CITY AIRPORT

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. HUGHES. Mr. Speaker, it is indeed a pleasure to call my colleagues' attention to the 50th anniversary of the Ocean City Airport, which was celebrated on Saturday, September 7, 1985.

The actual history of aviation in Ocean City goes back even beyond 1935. The first flight from the city was also New Jersey's first air mail service. On August 4, 1912, Marshall Reid donned jacket, vest, and tie to operate his biplane for a flight from Ocean City to Stone Harbor. This flight was just 7 years after Orville and Wilbur Wright's historic Kitty Hawk episode which introduced the world to the age of aviation.

The Ocean City Airport, in its present location, is the product of one of President Roosevelt's programs to build up the country's infrastructure during the Depression. Built under the WPA Program, the airport project provided jobs and helped stimulate the economy. Most of south Jersey's airports were built under this program.

Part of what makes the Ocean City Airport so special is its central location. Most airports are built far from the town they serve, while that of Ocean City falls within city limits. Though the airport is largely surrounded by developed property, it has proven a good neighbor and complaints have been minimal.

The airport's 50-year existence has not gone completely uninterrupted. In 1950, political disputes brought about the actual closing of the airport, much to the aviation buffs' dismay. During the same year, however, Ocean City Airport Associates, Inc., was formed. A nonprofit organization founded by Dr. F.B. Lane Haines, its aim was to rally in defense and support of the airport. Without the successful efforts of the group to ensure the existence and operation of the airport, Ocean City would be without one of its finest assets. Ron Reit deserves special commendation for his leadership and commitment throughout the years. He has been involved in the organization since its inception in 1951, and has served as president during his affiliation for a total of nearly 20 years.

This anniversary is a happy occasion because it is a testimony of Ocean City's lasting dedication toward the promotion of aviation. And, as one resident said, the airport "lends class to the community, setting it apart from other similar communities."

NATIONAL CHILD SAFETY WEEK

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Ms. OAKAR. Mr. Speaker, this week is National Child Safety Week. We have our colleague, Representative LEWIS, to thank for introducing this legislation and guiding it through the Congress.

As legislators, we are all aware of the need to heighten awareness to the problem of inadequate child safety. We must see to it that our constituencies are aware of how they can actively reduce the numbers of children which disappear from their homes every year. Americans must know how to promote child safety and how to look for signs that a child is existing in an unsafe environment.

Although much progress has been made in recent years in bringing the incidence of runaways, abused children, and the problems of child safety generally to the attention of the American public, it is essential that we do everything possible to encourage the growing momentum toward improving the safety of every child in this country.

Again, I commend Representative LEWIS for his introduction of this resolution and I look forward to this week being a productive one in educating the American people in this critical area.

TAKING THE SANDINISTAS AT THEIR WORD

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 12, 1985

Mr. LAGOMARSINO. Mr. Speaker, during the debate on U.S. policy in Central America, a lot of attention has been given to the motives of the Sandinista Government of Nicaragua for spreading revolution in the region. As columnist Georgie Anne Geyer writes, there really should be no debate on the subject at all. All you need to do is read what the Sandinistas themselves have said.

I urge my colleagues to read the recent column by Ms. Geyer which appeared in the August 23 edition of the Wall Street Journal.

[From the Wall Street Journal, Aug. 23, 1985]

TAKING THE SANDINISTAS AT THEIR WORD

(By Georgie Anne Geyer)

MANAGUA, NICARAGUA.—In August 1979, only weeks after the Sandinistas took over Nicaragua, I was walking through the lobby of the Intercontinental Hotel at about 10 p.m. when I spotted Tomas Borge in an intense huddle with a group of important Latin American diplomats.

Stopping to overhear, I was amazed at what I was clearly hearing—and what the tough Mr. Borge, already minister of the interior, was making no effort to hide.

"Me," he was saying, "I would shoot all the Somocistas. But we won't because we do not want to turn the rest of the Latin American revolution against us. The fewer problems we have, the more Latin America will be attracted to us. The more problems we have, the less."

I stood there listening for two full hours, and the theme was as unmistakable as it was ungarnished. It was that the Nicaraguan revolution was the beginning of "the Latin American revolution." Indeed, that was the phrase that was repeated over and over and over.

Yet more than six years later, the debate over the Sandinistas' intentions still goes on with incongruous intensity. Conservatives in America, led by President Reagan, insist that the Sandinistas are indeed spreading their revolution by subverting their neighbors. Liberals, most notably in Congress, discover that the Sandinistas apparently never actually did use the phrase revolucion sin fronteras, or a "revolution without frontiers," and point to that as proof that the Sandinista revolution is a self-contained if souring one-party state with yearnings to social democracy, if only we gave them the chance.

What is so remarkable about being in this tumultuous isthmus—with El Salvador's increasingly successful democratization and Nicaragua's increasingly Eastern European kind of national silence—is that virtually no one here questions the Sandinistas' efforts and impassioned intent to spread their revolution.

The other Central American leaders simply "know" that there is Sandinista support for their guerrilla movements. "No, there is no doubt that Nicaragua is exporting revolution," El Salvador's Christian Democrat President Jose Napoleon Duarte told me in an interview in May in the Casa Presidencial. "[Nicaraguan President Daniel] Ortega himself said when he took the presidency, 'I'd talk with Duarte, but I'll continue to support the guerrillas.' "

As early as December 1983, Costa Rican President Luis Alberto Monge, a consummate democrat, told me, "In 40 years of Somocismo, we never had the threat that we have in four years of Sandinismo."

Specifically, he was referring to the Sandinistas' internal moves—within the same Costa Rica whose support had been the crucial factor to the success of the Sandinista revolution—to reconstitute the moderate Costa Rica Communist Party as a radical party designed to overthrow the Costa Rican government. Since then, not only have the Sandinistas been attacking across the border, killing two Costa Rican police officers, but an ominous series of kidnappings and robberies in San Jose bear the stamp of the formative years of other kindred guerrilla movements, such as the Salvadoran Farabundo Marti Liberation Front in the early 1970s and the Uruguayan Tupumaros in the late 1960s.

The amount of "proof" as to Sandinista subversion—proof in terms of documents or confessions or intelligence—is massive. On April 18, the Salvadoran military captured several leading guerrillas as well as highly important documents spelling out even more intimate contacts with Nicaragua, Cuba and Eastern Europe than they believed existed. The intelligence on the numbers of international guerrillas and terrorists living in Managua (groups like the lethal Colombian M-19 have virtual compounds here and even groups as obscure as Indian Sikh militants mysteriously but regularly pass through) is substantial.

But these kinds of "proof" are not, to many Americans, really proof. It is difficult, nay impossible, to photograph intent in its historic moment. It is hard for Americans to grasp the inner whispers of social process, usually so apparently motionless. Conspiracy is something compartmentalized in "Casablanca," not in a place as unlikely sounding as Tegucigalpa.

The struggle to figure out what acutally is happening in this once-simple isthmus—which now resembles the Balkans prior to World War I more than anything else—includes an interview with Nicaraguan Vice President Sergio Ramirez, who earnestly said to me: "This is a democracy." When—if one only studies the structure and the process that have been set up—one sees clearly that it is a totalitarian Marxist structure with all "rights" awarded from above instead of being innate in man, one sees that the process clearly does, and must, move across borders.

The Sandinistas are serious men and women. They have the right to create the kind of state they want; and they have the right to spread revolution, if that is their belief. In the last analysis, one can argue that one should show them the respect of taking them at their word and at their deed—it is somehow patronizing to deny their seriousness.

HOUSE OF REPRESENTATIVES—*Friday, September 13, 1985*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 12, 1985.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Friday, September 13, 1985.

THOMAS P. O'NEILL, JR.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, the world surrounds us with so much activity and there seems to be so little time to reflect and pray. May the noise and pace and rush of daily events not cause us to miss Your presence and to hear Your still, small voice calling us to faithfulness, friendship, service, and peace. Amen.

THE JOURNAL

The **SPEAKER** pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H.J. Res. 128. Joint resolution designating the month of October 1985 as "National High-Tech Month"; and

H.J. Res. 299. Joint resolution recognizing the accomplishments over the past 50 years resulting from the passage of the Historic Sites Act of 1935, one of this Nation's landmark preservation laws.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. MEYERS of Kansas) to revise and extend their remarks and include extraneous material:)

Mr. MOLINARI, for 60 minutes, on September 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. MEYERS of Kansas) and to include extraneous matter:)

Mr. DREIER of California in one instance.

ADJOURNMENT

Mrs. **MEYERS** of Kansas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 3 minutes a.m.), under its previous order, the House adjourned until Tuesday, September 17, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1995. A letter from the Auditor, District of Columbia, transmitting a report entitled: "Review of Transactions Between the University of the District of Columbia and the Office of the Secretary," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

1996. A letter from the Auditor, District of Columbia, transmitting a report entitled: "Outstanding Leins Against Samuel C. Jackson Plaza Project Parcels," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. DE LA GARZA: Committee on Agriculture. H.R. 2100. A bill to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes; with an amendment; referred to the Committee on Merchant Marine and Fisheries for a period ending not later than September 18, 1985, for consideration of such portions of the bill and amendment as fall within its jurisdiction pursuant to clause 1(n) of rule X (Rept. 99-271, pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GONZALEZ:

H.R. 3309. A bill to amend title 10, United States Code, to provide for improved control of excess profits on negotiated defense contracts; to the Committee on Armed Services.

H.R. 3310. A bill to establish the National Commission for Utilization and Expansion of Language Resources; to the Committee on Education and Labor.

H.R. 3311. A bill to establish a program of drug benefits for the aged; to establish a Drug Benefits Council and other appropriate management controls to provide for the efficient administration of such program; and to require the conducting of certain studies and experiments, to enhance the capability of the Secretary of Health and Human Services to administer such program, and for other purposes; to the Committee on Energy and Commerce.

H.R. 3312. A bill to amend the Internal Revenue Code of 1954 to reinstate the deduction for State and local taxes on gasoline and other motor fuels; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GONZALEZ introduced a bill (H.R. 3313) for the relief of Maria Consuelo Reyna; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1759: Mr. BERMAN.

H.R. 2954: Mr. FUSTER, Mr. MITCHELL, Ms. MIKULSKI, and Mr. PENNY.

H.R. 3065: Mr. SMITH of New Hampshire.

H.R. 3186: Mr. BROWN of California, Mr. LEHMAN of Florida, and Mr. GEKAS.

SENATE—*Friday, September 13, 1985*

(Legislative day of Monday, September 9, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

*Thou shalt love the Lord thy God with all thy heart, and with all thy soul, and with all thy mind * * *. Thou shalt love thy neighbor as thyself.*—Matthew 22:37, 39.

* * * *Love is the fulling of the law.*—Romans 13:9.

Father in Heaven, there are so many starved for love and affection: children, youth, wives, husbands, parents, neighbors. There are people who never receive a tender, loving touch, a hug, or a gentle word. There are elderly living alone—widows and widowers—who have been shelved, often by their children. They are lonely, forgotten, untouched, starved for love. There are people on the Hill without affection—alone in a crowded office—untouched, unloved, like a robot on the assembly line of office routine. And, Father, despite all the attention they receive—deference wherever they move: press, cameras, lobbyists, constituents, tourists—there are probably Senators who are starved for affection. God of love, at a time when love has been demeaned, degraded, prostituted and reduced to sex, restore true love and its power and feeling, help us to love Thee and one another. Help us not to be afraid to show affection—to express love. In His name, Who is love incarnate. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order the two leaders have 10 minutes each. I reserve the time of myself and also the time of the distinguished minority leader.

That is to be followed by special orders in favor of the distinguished Senator from Wisconsin [Mr. PROXMIRE] and the distinguished Senator from New York [Mr. MOYNIHAN] for not to exceed 15 minutes each, followed by routine morning business not to extend beyond the hour of 10:45 a.m., with statements therein limited to 5 minutes each.

Following routine morning business, the Senate will resume consideration of S. 1200, the immigration bill. Pending is amendment No. 600, the Hawkins amendment. Rollcall votes can be expected throughout the day's session. It is the intention of the majority leader, and I trust the managers of the bill, to complete action on S. 1200 today.

If that is done, then on Monday, as I have indicated, because of the Jewish holiday, there will be no votes. Votes will be postponed until Tuesday, September 17.

On Monday and Tuesday debate and possibly action on the Superfund legislation, S. 51, hopefully under a time agreement, will be completed, and, if not, will be completed on Wednesday.

Next week we will have before us a number of appropriations bills. I will be conferring with the distinguished chairman of the Appropriations Committee, Senator HATFIELD. It is my understanding we can expect to take up the HUD appropriations bill, the D.C. appropriations bill, and possibly next week another bill, Senate Joint Resolution 77, the Compact of Free Association. There is some need to dispose of that legislation in a timely fashion. There is a September 30 deadline.

It is also my hope that perhaps the following week we can spend time on farm legislation. Hopefully, we will have a bill out of the Senate Agriculture Committee by then.

We also, of course, have a series of other legislative items we need to address before October 10, which includes extending the debt ceiling and other important legislation.

Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. TRIBLE). The Senator will state it.

Mr. KENNEDY. Is the immigration bill now before the Senate?

The PRESIDING OFFICER. No.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

STAR WARS DID NOT BRING THE SOVIETS BACK TO THE TABLE

Mr. PROXMIRE. Mr. President, again and again in talking with fellow Senators and Wisconsin constituents, I run into one consistent argument in favor of SDI or star wars. It is that the President's announcement of the Star Wars Program and his fervent support for it has brought the Soviets back to the bargaining table in Geneva. That is the prime argument in favor of star wars and it is as empty as a hot-air balloon. What connection is there between star wars and the presence of the Soviets at the bargaining table in Geneva? Consider the facts.

The facts are that the President's announcement of SDI was made 22 months, almost 2 long years before the Soviets came back to the table. Now, the Soviets may be slow to react. But are they that slow? In fact the President's announcement of SDI was made 9 months before they left the table at Geneva. Ponder that for a minute or two. The advent of star wars was 9 months, three-quarters of a year before the Soviets left the bargaining table at Geneva. Would it not seem far more logical to argue that the star wars announcement drove the Soviets away from negotiations than that it brought them into negotiations. Were they any significant technological breakthroughs for star wars before the Soviets returned to Geneva? Of course not. The program has barely begun. Breakthroughs, even tests that might document breakthroughs, are years away.

Mr. President, this Senator does not argue that SDI does not play a role at the Geneva talks. It does indeed. The Soviets have a concern about SDI, a very real concern. They have conceded that SDI research as such cannot be verified and therefore cannot affectively be prevented by a negotiated agreement. But they do want an agreement to stop testing, production and deployment of this antimissile defense. In fact, they have made this a cardinal tenet of any agreement to reduce offensive nuclear weapons. If SDI will not work, why are the Soviets so anxious to negotiate an end to it? A White House statement of January 3, 1985, that spells out our own; that is, the U.S. concern about a Soviet SDI reveals why the Soviets are anxious to negotiate an end to the American SDI. That White House statement declares that the Soviet Union could break out

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of the ABM Treaty and develop a nationwide ABM system in the next 10 years, and continues: "Were they to do so, as they could, deterrence would collapse and we should have no choices between surrender and suicide."

Let me repeat that. The White House said:

> Were they to do so, as they could, deterrence would collapse and we should have no choices between surrender and suicide.

Let us take a look in the mirror. That statement drew an interesting picture of the United States psychological reaction to the remote possibility that the Soviets might, just might, sometime develop their own SDI. Is it not logical to expect that the Soviets might suffer the same vision of the collapse of their deterrence and their confrontation with the choice of surrender or suicide? Why not?

Of course, the White House statement is a gross overstatement of the potential threat of a Soviet SDI. The Soviets have a similar gross overestimate of the possibility of an American SDI. Neither side can or will achieve the technological miracle. Either could go broke trying to do so. Meanwhile, the uncertainty and instability, the nightmare threat continues.

Mr. President, I ask unanimous consent that an article entitled "Star Wars: Europe's Polite Waffle," by Wayland Kennet, a former British minister and member of the House of Lords, be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

STAR WARS: EUROPE'S POLITE WAFFLE

(By Wayland Kennet)

Careful reactions in Western Europe to President Reagan's March 1983 "Star Wars" speech began late; there were few in the first year. The idea seemed farfetched; the president had often before been rescued by his staff from off-the-cuff remarks.

At the official level reactions are still not settled, and it is impossible to say what they will be. It would be laborious to catalogue in detail the present official positions: the catalogue would demonstrate, above all, waffle. When governments waffle, other friendly governments should know without being told that they mean: "We don't like and are embarrassed by your idea, but we don't want to say so too loud or too clear." That is what the European NATO goverments are saying to the U.S. administration about the Strategic Defense Initiative—except the French who, as usual, have said exactly what they think.

The Reagan Administration, especially the Pentagon, misinterpreted the polite waffle and has gone on to mistake the reasons for which European governments are against SDI, believing that Europeans are worried about not being protected by SDI and that short-range missile defenses will therefore make them quite happy again, or that all Europe wants is a good helping of gravy from the train. This is a false or at least very partial understanding.

The general European attitude is summed up in the four points agreed upon by President Reagan and Prime Minister Thatcher at Camp David a few days before Christmas last year:

"The United States and Western aim is not to achieve superiority, but to maintain balance, taking account of Soviet developments.

"SDI-related deployment would, in view of treaty obligations, have to be a matter for negotiations.

"The overall aim is to enhance, and not to undermine deterrence.

"East/West negotiations should aim to achieve security with reduced levels of offensive systems on both sides. This will be the purpose of the resumed United States/Soviet negotiations on arms control."

These four points have been accepted de facto by all of European NATO as guidelines for further action. They will not be forgotten; any statement that contradicts them will weaken the Alliance, and any action that infringes them will destroy it.

In these points there is no mention of the present research phase, let alone of any support for it. Europeans may support it in the sense of agreeing that it is allowed by the ABM Treaty and that some response to Soviet research is prudent. But such support will only mean governments will refrain from forbidding firms and laboratories from bidding for U.S.-funded contracts.

It would in any case be a mistake to attribute much importance to these attitudes to the research phase. Europeans are inclined to ask one preliminary question about the SDI: what is our opinion about the end to be served by the means which we are invited to help develop? Not only can the end not justify the means, but the means cannot justify the end, and thus should not be allowed to define it. For if the end is wrong, or not known, then the means are also wrong. There is no point in researching how to do something one ought not to do, or which one cannot describe.

Informed political circles in Britain have been skeptical since learning, sometime in April 1983, that President Reagan's SDI speech had been made before consulting his defense secretary or the Joint Chiefs of Staff. We know this because very senior British defense officials were briefed by very senior U.S. defense officials the day before the speech about its contents, and SDI was not part of it.

There is no military demand for SDI in Europe, and before the president spoke there was no military demand for it in the United States. Nor has any military demand for it been made clear since, though some military men are seen to be obeying their commander in chief's orders. We are entirely against the acquisition of arms for which there is no military demand, and one wonders whether the industrial-bureaucratic complex may be becoming even more dangerous than the military-industrial one.

So there have been in Europe embarrassment, concern not to rock the NATO boat and not to make the negotiations in Geneva more difficult, unwillingness to see scarce money for military budgets sidetracked into fantasies, even a feeling not unlike the despondency with which we watched the United States in Vietnam, fighting a war that by definition could not be won. This was a difficult mixture of perceptions to digest.

To our relief, the Reagan-Thatcher four points were identifiably present in the Shultz-Gromyko joint statement of January 8. But then those in the Administration and the Geneva delegations who were attached to the full vision of SDI began to eat Shultz's words—and indeed the president's—and hopes sank.

On March 15 Sir Geoffrey Howe, the British foreign secretary, made a long and careful speech—at the Royal United Services Institute—setting out 15 questions and statements about SDI which the British government believed should be answered as soon as possible, well before the industrial and employment momentum in the United States built up. His 15 points are now as central to European opinion as Prime Minister Thatcher's four points. Each of them can be answered in several ways, but the following answers would probably not provoke very much dissent among informed West Europeans unconnected with the arms industry.

Could the process of moving towards a greater emphasis on active defenses be managed without generating dangerous uncertainty?

No. Imagine the months when one country is drawing toward the completion of an impermeable ABM system. Once it is achieved, it will be able to launch a first strike with impunity. The incitement to its opponent to launch a preemptive first strike at an optimum moment is much increased. The thought that both sides might reach that moment at the same time, thereby removing the incitement to the slower side to consider a preemptive first strike, is politically absurd. Such a simultaneity could only be arranged through detailed and trusting cooperation, which, if it existed, would be better put to achieving disarmament.

Would the establishment of limited defenses increase the threat to civilian populations by stimulating a return to the targeting policies of the 1950s?

Yes. As the number of ICBMs which each side felt sure would get through become lower, each side would have no choice but to rely more and more on countervalue retaliation. Perhaps there is no obvious reason why such a return should be thought a bad thing; the peace was kept in the 1950s by countervalue deterrence as well as in the 1970s by "flexible response." However that may be, the building of an impermeable ICBM shield would produce, late in this history, a balance analogous to that of the 1950s, and which could be produced now by simply reducing the number of ICBMs held by each side.

Would SDI weaponry be "survivable and cost-effective"?

It could possibly be survivable but only until the counterweapons catch up. We are only dealing with another bit of the arms race. And, as already noted, the cost-effective way to keep ICBMs from getting through is to reduce the number of ICBMs in existence.

What would be its psychological impact on the other side?

President Reagan answered this in the least-quoted part of his March 1983 speech: "I clearly realize that defensive systems have limitations and ambiguities. If paired with offensive systems they can be viewed as fostering an aggressive policy." Both superpowers are indeed currently engaged in massive development of offensive strategic weapons; the United States is developing six such systems.

This same point was made with even greater force in a White House statement of January 3, 1985. It states that the Soviet Union could break out of the ABM Treaty and develop a nationwide ABM system in the next 10 years, and continues: "Were they to do so, as they could, deterrence

would collapse and we should have no choices between surrender and suicide."

This is a very adequate account of the "psychological effect on the other side" from the point of view of an American imagining what an effective Soviet SDI would be like. It is strange how seldom such persons understand that the fear they might feel in the future is the fear the Soviets feel now. This argument is well understood by West Europeans who note—as no doubt the U.S. Administration does—that this is in fact the main argument used by the Soviets. This does not by definition make it a bad argument.

What are the chances that there would be no outright winner in the everlasting marathon of the arms race?

Overwhelmingly high. In the mid-1960s the Soviets were all for ABM defenses to cover their whole country, since it was a moral duty to defend one's people. At that time the United States went to great pains to persuade the Soviet Union that major area BMD would be destabilizing, alarming, and so forth. The effort at persuasion succeeded, and the Soviet Union is now playing the U.S. arguments of those days back to their originators. It is like a chess tournament in which the players change colors after each game.

But a wider section of world opinion is watching the match than 20 years ago, so it seems more likely the argument will come to rest, with the Soviets declaring that they would increase the penetration ability of their ICBMs as U.S. defenses built up. These statements give advance warning of a knight's move—the normal Soviet response; the castle and queen move would be to step up ICBM numbers. If President Reagan later breaks the SALT II restrictions, the Soviets will no doubt do that as well: in the arms race, no one is limited to one move at a time.

On this point, European public opinion is well-developed. No less than 84 percent of the British electorate believe that if the United States develops Star Wars the Soviets will follow suit—meaning a continuing arms race. Moreover, 84 percent also believe that the United States will develop Star Wars, whatever the NATO allies say.

How would protection be extended against the non-ballistic missile nuclear threat . . . aircraft, cruise missiles, battlefield nuclear weapons . . . covert action?

Although the presidential slogan remains "to render nuclear weapons impotent and obsolete," there have been no new proposals for defenses against any delivery systems except medium and long-range ballistic ones. If anything more were done, the system would cost even more. As proposed, the system will remain quite incapable of rendering nuclear weapons impotent and obsolete. Locking only one door of the house will not greatly inconvenience the keen burglar.

If it initially proves feasible to construct only limited defenses . . . would the holes in the dike . . . encourage a nuclear flood?

A major but limited system would encourage an increase in nuclear delivery systems and improvement of their penetration ability. Human nature says, "If you can shoot down two out of three, then I must have three times as many to be safe as I was."

Might it not be better to "protect key military installations" by increasing mobility and by submarine deployment?

Yes. It would be cheaper.

Might we find ourselves in a situation where the peace of the world rested solely upon computers and automatic decision-making?

Obviously so. All accounts agree that the earlier in an incoming missile's trajectory an intercept is attempted, the more it must be automatically controlled. The thought of human frailty is alarming, of electronic frailty even more so. But the thought of preprogramed boost-phase intercepts over Soviet territory (or vice versa) is absolutely terrifying.

A question of international law is concealed in this escalation of political terror. At what point in the trajectory of a ballistic missile rising from the territory or a submarine of one country does its intended destination become apparent to its opponent's computers? Not very early, and therefore the SDI envisages that the intercepts should commence before the intended designation is known: if all missiles whatsoever rising from the soil or submarines of the attacking country can be intercepted immediately, the opponent country's programming would be greatly simplified. But the political and strategic effect would be the same as that of destroying missiles on the ground. This ability puts the intended target-country willy-nilly into a first-strike, counterforce posture; and the effect on the originally attacking country can only be like that of a first-strike, counterforce posture as traditionally conceived. To give the impression of aiming to acquire a first-strike, counterforce capability has been considered a bad plan since the Soviet Union interpreted U.S. Defense Secretary Robert McNamara's doctrines that way in 1961 and 1962. That led directly to the Soviets' attempt to place intermediate-range ballistic missiles in Cuba: the last great superpower confrontation.

We shall have to ask ourselves not only whether the West can afford to have active defenses against nuclear missiles. We must also ask whether the enormous funds to be devoted to such systems might be better employed.

The opportunity cost of the arms race has long been one of the main arguments for ending it. The argument in the case of SDI is the same as usual, but the cost in question is greater than usual.

What would be the effect on all the other elements of our defenses, on which Western security will continue in large part to depend?

Either SDI would draw away a lot of money from existing defense arrangements, or the West would spend a lot more money on defense. Both alternatives are profoundly unwelcome to Europeans, who want to keep conventional defense up, as well as to do more to help poorer countries. "Enough is enough" is the view of European electorates.

Could . . . the vision of effective defenses over the horizon provide new incentives to both sides to start at once on reducing their present levels [of nuclear arms]?

Yes, certainly; the vision of each successive upward turn in the arms race could and should have stopped the arms race when it first began. (The fact that successive visions have not stopped it should now be the central concern of political philosophy.) That is true of the possibility, posed in the abstract. But actual threats never bring on cooperation between the threatener and the threatened.

The use of the words "start at once" reminds us of the claim now being made that the threat of SDI brought the Soviets back to the table in Geneva. It might, or it might not have; we shall not know for some time, if ever. To believe it did is to believe the reaction time in Moscow is even slower than we thought. The president's announcement of SDI was made 22 months before the Soviets came back to the table; it was actually made nine months before they even left it.

We should have to be sure the formidable task could actually be managed on a . . . basis [acceptable to both the United States and the Soviet Union].

Since the United States is richer and bears waste more easily than the Soviet Union, the latter consider higher arms levels automatically threatening. The dream of detente at high arms levels is glaringly incompatible with another dream even now to be found in some corners in Washington: that of spending the Soviet Union into the ground. It is certain that if mutual acceptability of strategic postures can be achieved at all it will be at a lower, not a higher, level of armaments.

Sir Geoffrey made this point in the course of saying how important it is that no one should break the ABM Treaty, and in this he speaks for European NATO as a whole. That treaty and SALT I are the only de jure agreements between the superpowers which do something toward meeting their obligations to the rest of the world under the Non-Proliferation Treaty. It is true that the ABM Treaty is only a piece of paper, and that it can be legally denounced with due warning. But the same applies to the North Atlantic Treaty. West European opinion is already aghast at the Reagan Administration's handling of Nicaragua: the mining of the ports, the flouting of the World Court, the charge that Irish terrorists get support from Nicaragua, and so forth. It is unlikely that the Alliance would survive a U.S. rupture of the ABM Treaty.

We must be sure that the United States guarantee to Europe would indeed be enhanced as a result of defensive deployments. Not only enhanced at the end of the process, but from its very inception.

There is of course no written U.S. guarantee to Europe that one can turn to and ask whether the force of these words would be strengthened or weakened by the proposed course of action. The guarantee is implicit in the presence of U.S. ground forces in Europe, and in the pattern of deployment of U.S. intermediate-range nuclear systems and naval forces.

The argument about whether SDI would make it more or less likely that these conventional and nuclear deployments would remain intact seems closely balanced at the moment. Some say that if SDI worked, the United States would be emboldened to be yet more protective towards Europe than now. Others say the United States would profit by the increased protection it enjoyed to give rein to the tendency, which is always present, to reduce or withdraw its European commitments. The minority which oposes NATO says, as it has said before, that the United States would be able to contemplate limited war in Europe with impunity.

Which assessment is true depends on who the American people elect, and this uncertainty is the price of democracy. Twice this century the United States, Britain, and France have together celebrated victory in world wars of European origin. But in both, Europe had to wait for U.S. assistance until the United States itself was attacked. The first time the British fought alongside France and Italy for two years, the second time quite alone for three years.

These memories are seldom mentioned, because of our self-destructive politeness.

But they are real. We do not, however, demand greater predictability of the United States because of them; we are ourselves inpredictable in our relations with our friends who are weaker, and we would certainly sooner have an unpredictable democracy on our side than a predictable tyranny.

In terms of NATO's policy of forward defense and flexible response, would we lose on the swings whatever might be gained on the roundabouts?

In other words: If the U.S. military presence in and on behalf of Europe were enfeebled, whether by the cost of SDI or by the United States lightening the political and financial burden of its European commitment, would the Soviet Union procure and deploy weapons in such a way as to threaten Europe selectively, and thus blackmail NATO as a whole?

Knowing the Soviet Union from closer than the United States, Europeans must answer yes. We certainly think that the Soviet Union would find it impossible to resist the temptation to increase its ability to browbeat and blackmail Europe.

The wrong way to prevent this happening would be for the United States to press on with SDI while the Europeans made up for the reduced U.S. strength in Europe by new procurements and deployments of their own. That would cost us all even more and mean even more weapons on the face of the earth, as well as in space. The right way would be disarmament.

Instead of helping to answer Sir Geoffrey Howe's questions about the desirability of SDI, U.S. Defense Secretary Caspar Weinberger asked European NATO governments to tell him within 60 days how they proposed to join the research.

The reactions to this request have ranged from the outright French rejection accompanied by a counterproposal, the "Eureka" program, to the German attitude of timid hankering. Britain is between the two. (Reports in the United States that Thatcher favors strategic defenses are mistaken). Norway is pretty much with Britain, tending towards France. The Danish parliament has instructed its government to have nothing to do with it. Italy has suggested that the United States start talking to the Soviet Union right away about where research becomes development. Outside Europe, Japan is close to Germany, Australia is close to France, and of course New Zealand, being in disgrace with the United States, has not been invited at all.

The invitation to Israel presents a special problem, since Israel's repeated flouting of U.N. resolutions and continued illegal occupation of foreign territory, despite European, and indeed U.S. pleas, makes any military association impossible for us. Like Nicaragua, this is a general problem of European-U.S. relations.

The debate on how to answer Weinberger's request (the 60-day ultimatum was withdrawn) is a difficult one. If anyone wants to develop rapid advances in computers, parallel processing, sensors, directed energy beams, cryogenics, and so forth, the cost-effective way to do it is directly, not as a by-product of a military procurement for which there has been no military demand. We clearly reject the proposition that any military activity can properly be undertaken for the civil spinoff it may yield.

It is precisely because of this feeling that France has proposed the Eureka research program, and Britain and Germany have agreed to join in. It would be European and civilian, and would deal with many of the same technologies as SDI. The possibilities of fruitful interfacing with SDI are obvious.

Although the history of European attempts at joint programs in applied research is not encouraging, there have been successes in pure research, particularly CERN (European Center for Nuclear Research). Every opportunity to overcome past shortsightedness must be welcomed.

The SDI crisis could become, if it is not already, the worst in NATO's history. In some ways it resembles the multilateral force crisis of the mid-1960s. That was shortlived, and the waves of ardent U.S. missionaries soon ceased trying to explain our own interests to us. This one has gone on longer already, and the missionaries show no sign of tiring. NATO itself is at stake, and two views of NATO have never been more sharply and dangerously in contrast; the naive view of NATO as a collection of countries with one single interest, equal and equally intense to all, and the realistic view which sees it as a collection of countries with overlapping but distinguishable interests which must be respected and reconciled. We know SDI would be terribly damaging to our interests, and we doubt that anyone can identify our interests better than we can. There is a widespread European opinion that it would also be damaging to U.S. interests, but we do not think we can identify those better than the United States can.

SDI concerns all the world and raises questions which are only now being identified. They are far from being answered in a way which could preserve NATO's unity. The answers, when they do come, will have to reflect the fact that SDI and disarmament are world concerns.

MYTH OF THE DAY: THAT FEDERAL BORROWING IS GOOD FOR THE ECONOMY AND TAXES ARE BAD

Mr. PROXMIRE. Mr. President, some administration officials, blinking at a $2 trillion national debt, are arguing that it is better to borrow than to increase taxes. They believe that raising taxes will retard economic growth while borrowing is neutral.

What a myth! This myth cannot be supported on economic or political grounds. It is a smokescreen, intended to obscure the uncomfortable fact that the national debt has doubled in 5 short years.

Look first at economics. What causes economic growth? That happy situation takes place when we bring new resources into use or when we make more effective use of those already available or some combination of both.

But if taxes are used to improve the technical capabilities of the American worker, that improves one of the fundamental underpinnings of growth. Such taxes would be pro-growth, not anti. The same argument would hold for borrowed money.

What counts then is not so much where the money comes from but how it is used. How has this administration used the enormous sums it has borrowed? It has used this money for two of the least productive types of Government spending—armaments and interest payments.

Somewhere in the neighborhood of 60 percent of the increased debt is directly attributable to the defense buildup and to the costs of carrying the additional debt. Sure, there are some technological spinoffs from defense work, but when compared to the money spent, the productive aspects are negligible. Interest payments do nothing to improve productivity but merely postpone the day of reckoning.

On political grounds, increased taxes are going to be a part of any package which really reduces the deficit. It is so large that even the administration cannot make more than a dent in it by recommending spending cuts. If the taxes imposed come from the right sources, from closing nonproductive loopholes, for example, then we could actually improve the prospects for growth by raising revenue.

To assert that taxes are antigrowth, while borrowing is somehow less dangerous, is myth making at the level of Aesop. Real antigrowth policies take money from productive uses, whether public or private, and put it to nonproductive use. At doing that, this administration is the champion.

TEMPTATION OF MADNESS

Mr. PROXMIRE. Mr. President, recently at the annual meeting of the American Psychiatric Association, Holocaust survivor and noted author Elie Wiesel described his experiences during the Holocaust and said he is trying to determine whether elements of madness exist today similar to those that existed during World War II.

Wiesel delivered his lecture to the American Psychiatric Association on the theme, "Temptation of Madness." Wiesel told the psychiatrists in the audience that he needed them to explain to him how so many people who suffered through the horrors of Nazi concentration camps could keep their sanity in the midst of the madness around them.

Wiesel noted, "Perhaps we discovered that to deny the present we could seek our refuge in the past."

Wiesel's intention in giving the speech was to link his past experiences with the present and warn that the type of madness that characterized events in World War II could arise again.

Wiesel emphasized that there are 41 wars now being waged around the world. He wondered to his audience if humanity is again giving in to the temptation of madness that took over during World War II.

History has shown that such madness surfaces periodically, Wiesel said, and he hoped that with the nuclear threat facing the planet today, this madness was not about to resurface.

The madness that Wiesel so fears is not as removed from today's world as

we would like to think. Wiesel cautioned, "The real enemy is not evil, like some believe, but indifference." It is this indifference that we must always guard against.

Mr. President, the warning of Elie Wiesel is timeless. History, indeed, has a pattern of repeating itself. Indifference to acts of genocide only increases the likelihood that the horrors of the Holocaust will be repeated.

The United States should act swiftly to ratify the Genocide Convention and ensure that the attitude of indifference that Mr. Wiesel rightly fears is never again allowed to develop. A strong international commitment to prevent and punish acts of genocide would guard against the threat of indifference.

Mr. President, the strong international commitment is there. The United States needs only to ratify the Genocide Convention to show that it stands firmly opposed to the type of brutality perpetrated in the Holocaust and that it is committed to prevent it from ever happening again.

Mr. President, I think we should recognize that the Senate, by an overwhelming vote late last year, pledged itself to take up the Genocide Convention early in the 99th Congress. We are no longer early in the 99th Congress. We have not taken it up. It has been recommended by the Foreign Relations Committee by a vote of 10 to 1. The leadership enthusiastically favors it. The President of the United States favors it. It seems to me, Mr. President, that the time to act on the Genocide Convention is certainly here.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR MOYNIHAN

The PRESIDING OFFICER. Under the previous order, the Senator from New York [Mr. MOYNIHAN] is recognized for not to exceed 15 minutes.

DEFECTION OF KGB AGENT

Mr. MOYNIHAN. Mr. President, in this morning's press we learn that the chief of the KGB station in London, a Mr. Oleg A. Gordievski, has defected to the British and has been granted asylum.

In consequence of his early conversations with British authorities, the Government there has ordered the expulsion of 25 Soviet nationals from the United Kingdom on grounds of espionage.

Mr. David Goodall, a civil servant at the Foreign Office, is reported to have told the acting Soviet chargé d'affaires that "the nature and scale" of Soviet intelligence activities was "completely unacceptable." Thus the expulsions.

Mr. Goodall's statement reflects a realistic assessment that there is going to be a certain amount of intelligence activities by any embassy in any country. But when these activities shade over into espionage, and into the violation of law of the host country, the individuals involved become criminals. While diplomatic immunity prevents the prosecution of some of the persons involved, elemental national self-respect, and concern for the rights of citizens against whom such crimes are directed, requires the expulsion of these persons. The British have not hesitated to do this before and they have this week done it again.

With what contrast, Mr. President, we observe the behavior of our own Government with respect to Soviet espionage in this country.

Ten years ago, Vice President Nelson Rockefeller headed a Presidential Commission of Inquiry into the activities of the Central Intelligence Agency directed against—it was alleged—Americans. That Commission, established by President Ford, included among its members the man who is now President, Ronald Reagan.

Among the findings of the Commission which were published in June 1975, was an extraordinary revelation. The Rockefeller Commission determined that the Soviet Union had begun on a massive systematic basis to intercept telephone conversations in and about the New York City area—this from facilities provided them for use of their mission to the United Nations.

About the time the report was issued, I was nominated by President Ford to be the U.S. Permanent Representative at the United Nations. Vice President Rockefeller went out of his way then to see that I called on him in order to tell me, as a matter of great urgency, that I must understand that anything I would say on the telephone from the U.S. Mission on U.N. Plaza or the U.S. residence on the 42d floor of the Waldorf Towers would be listened to by the Soviet Union, by the KGB.

I took that matter with great seriousness; and I took it with great seriousness when, in December 1975, Mr. Arkady Shevchenko, the Deputy Secretary General of the United Nations for Political Affairs, and the highest ranking Soviet in the U.N. system, indicated his interest in defecting to the United States. In matters involving Shevchenko, I was at pains never to say a word on any of our telephones—as a matter of fact, on any telephone whatever—and confined myself very much to personal exchanges—mouth to mouth, you might say—in places where the possibility of being overheard was minimal. Madison Square Garden, incidentally, turned out to be an excellent place.

The reports from London today state that the defection of Mr. Oleg Gordievski is the most important defection since that of Shevchenko 10 years ago.

Mr. Shevchenko has since published a memoir, earlier this year, in which he discusses the events that led to his defection, the highest level Soviet defection in the history of the Soviet Union. Mr. Shevchenko was on anyone's short list of someone who might succeed Mr. Gromyko one day. He was a protege of Mr. Gromyko.

In "Breaking With Moscow," Mr. Shevchenko described how he would go out to Glen Cove, Long Island, in Nassau County, to Killingworth, a kind of summer estate that the Soviets own there—it is sensible to get out of Manhattan on occasion—and find that the attics and garages were stuffed with telephone interception equipment.

The Soviets later built a 22-story building in the Riverdale section of the Bronx, which, it turns out, is just a communications tower. They intercept and record the microwave telephone conversations that pass through in New York City. They do the same on 16th Street here in Washington, four blocks from the White House, in their Embassy, which happened to be the czarist embassy. If any Members of this body would like to see what they do on 16th Street, it is not hard, though one should hurry, however, because they will not be there long. For now, one could go up on the roof of the Washington Post building on 15th Street and look down at the array of atennae and telephone boxes and so on. You also find them in San Francisco atop their consulate there, which sits on a very high point in San Francisco.

Here in the Capital, the Soviets will soon move to Mount Alto, the highest point in Washington, where they have built a large new embassy, which will be one of the most important communications facilities in our country. From there, the Soviets will be listening in to every conversation that can be intercepted in their line of sight, and the line of sight includes the State Department, the Capitol, and U.S. Senate office buildings.

And we allow this. No Soviets are expelled, as the British were so quick to expell 25 Russians home yesterday.

We not only allow their espionage to continue; in a certain sense, we encourage it by letting the Soviets know that we know they are doing it and that we will not do anything about it.

This not only encourages the Soviets, but it encourages in them I expect a measure of contempt for us, contempt you can feel when you talk to people who deal with these matters. When a Soviet Embassy spokesman was asked recently by the Washington

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Post, "What is this business of your taking Mt. Alto and all the things we hear," he replied, rather nicely, I thought, "You know, we didn't capture the site; we were given it."

When I came down to the Senate in 1977, at the start of President Carter's term, I introduced legislation saying that the President, if he has reason to believe that diplomats of foreign nations are engaged in illegal activities such as telephone interception, should ask them to stop. If they do not stop, he should declare them persona non grata and expel them. Mr. Carter would not do that. And I could not even get a hearing in the House and Senate Foreign Relations Committee.

When Mr. Reagan came in, in 1981, I introduced the legislation again. Again, the new administration opposed this.

In January of this year, at the start of Mr. Reagan's second term, I introduced the measure again, as S. 12. The State Department opposed enactment.

There is a very ominous quality to the opposition. Under the Carter administration, the Government began burying its telephone lines to defense contractors and people like that, and said, "We are going to defend the Government." But the public—well, somehow, that is different. They'll have to look out for themselves. Once in a hearing in the Select Committee on Intelligence when I was presiding, I asked the general counsel of the CIA, "Sir, is this activity going on?"

"Obviously, it is going on," he said.

I asked, "Does that not involve a violation of the fourth amendment rights of American citizens?"

"No," he said.

"No," I said, "How so?"

He said, "The fourth amendment only protects you against intrusions on your privacy by your own Government, not by the Soviet Government."

It led me to believe that gentleman went to slightly too good a law school.

In June, I offered the language of S. 12 as a floor amendment to the State Department authorization bill. Our distinguished chairman, the Senator from Indiana [Mr. LUGAR] and his not less distinguished and learned colleague, the Senator from Rhode Island [Mr. PELL], accepted this measure. There was no objection expressed to it. The bill went to conference where representatives of the Department of State and—well, I will just leave it at the Department of State—informed the conferees that it was the desire of the administration that this amendment be dropped, stating that it involves some unspecified risks to the Nation.

Now the language of the amendment, like S. 12 itself, states specifically that the President ought not expel foreign diplomats engaged in electronic eavesdropping if there are any national security reasons. If he does not want to do it, he just does not have to do it. The purpose and the language of the amendment is to indicate that the U.S. Senate thinks the fourth amendment rights of American citizens are violated by the Soviet Union when it listens, no less than they would be by the American Government when it listens.

It is explicitly illegal for the U.S. Government to involve itself in this sort of activity. But when it comes to the Soviet Government, well, the conferees just dropped the matter.

Yesterday's New York Daily News, the largest circulation newspaper in our country, and possessing one of the finest editorial pages, of great thoughtfulness and interest and reliability, ran an editorial which I should like to read into the RECORD. If I have a moment, Mr. President, I am going to read it, not ask that it be printed.

The editorial is entitled "It's for You, Ivan."

> Are Russian agents listening in on your phonecalls? That's neither a joke nor a paranoid fantasy.

Then it says, as I have pointed out, that the Soviets have a batch of buildings on 67th Street in Manhattan, in Glen Cove and in the Bronx.

> Their dishes can suck microwave phone transmissions right out of the air.
>
> Federal agencies have guaranteed the confidentially of their conversations by buying more than $6 billion worth of secure phones—a single unit can go as high as $35,000. Ordinary folks have no such protection. That's why Moynihan is ringing alarm bells.
>
> One issue is the invasion of privacy. If U.S. agents were wiretapping indiscriminately, there'd be a national hullabaloo. Little heads would roll. Yet no one in the State Department or Congress—with the exception of New York's Moynihan—gives a hoot when Soviet spies violate a highly prized constitutional right.
>
> The other issue is national security. There's ample evidence the Russians eavesdrop on Wall Street financial and banking traffic, gathering information that could be used to hurt this nation. They also can listen to personal calls—a client confiding in his lawyer, an executive arranging a love affair—that can be used to blackmail.

Mr. President, we recently learned that our President, our greatly respected President, has issued an Executive order ordering that the car telephones used by high Government executives in this town be protected against eavesdropping by the Soviet.

Concern about this threat to Americans' civil liberties grows. An official of the National Security Agency, Mr. Walter G. Deeley, has raised it publicly. Let me say in 8 years on the Intelligence Committee, I do not remember a public statement of any sort from the NSA nor had we ever any sense that material was being given to the press from the NSA.

Mr. Walter G. Deeley said we are compromising the security of this country. He said we are going to need 500,000 phones at $35,000 each that are "user friendly." But, he said, that is not the point. The point is we are letting the Soviets invade the privacy and the confidentiality of the whole of society. And we do nothing about it.

Mr. President, I do not know where we go from here. I do not know what the world thinks about us. The British throw people out of their country for violating their rules. We will not.

I would like to remind the President, if I may, of the findings of the Commission headed by Vice President Rockefeller, that Mr. Reagan was involved in. The Commission was very clear on the point that possibilities of blackmail that are developing from Soviet espionage are real and immediate and must be attended to.

Ten years have gone by. We have done nothing. To the contrary, the biggest installation of all is about to begin on Mount Alto.

There is, I believe, an explanation why we do nothing. I don't know yet what the reasons are, but it requires an explanation. Blackmail may be one. Pusillanimous dispositions may be another. I ask, Mr. President, are we afraid of these people? Do we dare not tell them to stop? Is there any other reason?

We hear from the highest levels of our Government talk about Evil Empire, spy dust, we will show you.

Well, why do we not just tell Soviet agents in this country to stop violating the laws of the United States, including the Constitution thereof? Just stop.

If they do not, why do we not just tell them to get out, and tell them also to get their KGB agents out of the U.N. Secretariat in New York?

When Shevchenko came over a decade ago we picked up the names of all manner of KGB agents and activities in the U.N. Secretariat that were in clear violation of article 100, section 2 of the U.N. Charter which expressly forbids any member government giving directions to a national of that government who happens to be employed in the Secretariat.

Yet the KGB is all over the place. Mr. Shevchenko names them in his book. When they found out those names, once Mr. Shevchenko came, and the fact that he was involved with us became public, the Carter administration expelled them.

Margaret Thatcher is not afraid to do that. Nor was Edward Heath.

We are. We are beginning to behave like a nation that is afraid of our adversaries, afraid even to insist upon the elemental constitutional rights of Americans in this country.

Nelson Rockefeller 10 years ago told us the Soviets were listening in on our telephone conversations, and that it has taken place at a level increased beyond any imagination. At that time,

they had not opened their 22-story communications tower in Riverdale in the Bronx and at that point they had been given but certainly did not yet have Mount Alto where the new Embassy is going to be.

Today they do. And we do not dare say, "Stop it."

The British, on the other hand, do seem to mind, and the Soviets do not seem to be surprised. If a KGB station chief defects and gives out the names of people involved in illegal activity, and the British expel them, the Soviets do not say, "You can't do that." They got caught. They smile and chuckle, and off they go back to Moscow for a few weeks leave and another new assignment. It is part of their business.

Imagine the contempt on their part when they observe our administration shaking its fist in the face of communism—everywhere save in the People's Republic of China, where communism in apparently considered by our Government to be of a benign nature—while supinely submitting to the subversion of the integrity of the American telephone system by the Soviet Embassy itself.

Mr. President, this Senate and this Congress now, bears a measure of responsibility for complicity in this submission.

We adopted on this floor the measure, S. 12, that I introduced in January. It was taken to conference, and we dropped it.

Are we saying that we are afraid of the Soviets also? I put it this way: I mean, not just afraid of the scandal, the noise, the difficulty, the bad measure. The British with Margaret Thatcher did not hesitate to throw them out for less.

Is it possible that Nelson Rockefeller's forecast of blackmail is showing its effects here in Washington?

Remember, Mr. President, your telephone calls are listened to. Mine are. The distinguished Senator from Colorado [Mr. HART] who knows a very great deal about this matter is here on the floor. Most especially his telephone calls are monitored because they are more interesting—having to do with the future of American politics—than certainly those of this grayed Senator from New York.

Do we have a Government that distinguishes between itself and its people, that protects itself but does not care about its people?

I hope not, Mr. President.

I ask unanimous consent to have printed in the RECORD at this point the editorial from the Daily News, entitled "It's For You, Ivan."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Daily News, Sept. 12, 1985]

IT'S FOR YOU, IVAN

Are Russian agents listening in on your phone calls? That's neither a joke nor a paranoid fantasy. Sen. Pat Moynihan points out that the Soviets have a batch of strategically located buildings—their UN mission on E. 67th St., a compound in Glen Cove, L.I., a tower on high ground in the Bronx, their embassy on a hill in Washington, D.C.—bristling with electronic gear. Their dishes can suck microwave phone transmissions right out of the air.

Federal agencies have guaranteed the confidentially of *their* conversations by buying more than $6 billion worth of secure phones—a single unit can go as high as $35,000. Ordinary folks have no such protection. That's why Moynihan is ringing alarm bells.

One issue is the invasion of privacy. If U.S. agents were wiretapping indiscriminately, there'd be a national hullabaloo. Little heads would roll. Yet no one in the State Department or Congress—with the exception of New York's Moynihan—gives a hoot when Soviet spies violate a highly prized constitutional right.

The other issue is national security. There's ample evidence the Russians eavesdrop on Wall Street financial and banking traffic, gathering information that could be used to hurt this nation. They also can listen to personal calls—a client confiding in his lawyer, an executive arranging a love affair—that can be used to blackmail.

Moynihan is pushing a measure allowing the feds to expose and deport foreign agents—even those with diplomatic immunity—caught at electronic surveillance. The administration rejects the bill, saying it already has the power. If so, why isn't it using it? The Reagan administration should wake up to what is potentially a serious threat to American.

Mr. MOYNIHAN. Thank you, Mr. President.

Mr. HART. Mr. President, will the Senator from New York yield for a question?

Mr. MOYNIHAN. I am happy to yield for a question.

Mr. HART. That is if the time situation permits.

Mr. President, I congratulate the Senator from New York on his, as usual, informative and provocative statement.

I was interested in observing in the press in the last 48 hours, comments on the bill that he was here today remarking upon and the defense of the administration to its failure to support, and resistance of this legislation was that it would give away vital secrets—I think "sources and methods" is the catch phrase.

Without getting into those sources and methods, I would be interested in the response of the Senator from New York to that allegation that we cannot as a government adopt the program that the Senator from New York has been advocating because to do so, to shut down an illegal interference, would give away the methods by which we do so. Is that correct?

Mr. MOYNIHAN. I thank the Senator from Colorado.

Let me tell the whole of the Senate to listen to one of these sources and methods. You can go up to the roof of the Washington Post building and you can look down at the interceptors on the top of the Soviet Embassy.

I revealed a secret perhaps, but I do not know the world was not ready for it.

An agent, a named officer of the FBI, has said that 40 percent of the Soviet Embassy personnel in Washington are involved in interception of telephone conversations. The FBI knows. They do not reveal that sort of thing to the press casually. They know who they are.

It is the same way, I am sorry to say, if you look at a biography of any individual in an embassy, ours or others, you know who the intelligence people are and you know who the technical people are. It is not that hard. We know.

We know and do not dare say. Or we do not dare say that we do not know. Either way it does not speak well of us.

There are constitutional rights of American citizens involved here. We do not take an oath when we come into this body to maintain wheat prices or see that mass transit moneys are appropriated, or whatnot. We take an oath to defend and uphold the Constitution of the United States, and that includes the fourth amendment.

And it is being violated and we are letting the administration tell us we need not worry.

Mr. HART. Mr. President, I thank the Senator from New York. I will just ask one further question along the same line.

Is it the judgment of the Senator from New York, given his years of experience on the Intelligence Committee, that we can in fact adopt the proposal which the Senator from New York is advocating without jeopardizing important sources and methods of our intelligence community?

Mr. MOYNIHAN. I believe it to be so. If I may say to my friend from Colorado, as he well knows, S. 12 provision dropped in conference specifically states that if the President decides that for national security reasons he should not expel persons involved, he does not have to. But the presumption in our policy should be to expel foreign agents engaged in such activity.

Let the President judge, but let the President hear that Congress does not like this, and would prefer a different policy be adopted before this matter becomes a scandal. It bespeaks a fear of confrontation, that of serious confrontation, not symbolic confrontation.

Stop breaking the law in the Nation's Capital, not just violating the law, but violating the Constitution.

I think at this time is not the end of the subject as far as I am concerned, and I hope the Senator from Colorado agrees with me that we should discuss it at greater length at another time.

Mr. HART. Mr. President, I thank the Senator from New York, and I certainly do agree. We would hope that at that time those advocating or defending the administration position would be prepared to do so on the floor of the Senate.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of routine morning business not to extend beyond the hour of 10:45 a.m. with statements limited therein to 5 minutes each. There is now less than 1 minute remaining.

Mr. MOYNIHAN. I ask unanimous consent that the period for the transaction of routine morning business be extended 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ETHNIC AMERICAN DAY

Mr. D'AMATO. Mr. President, I rise today to again draw attention to Ethnic American Day. As a cosponsor of Senate Joint Resolution 32, a resolution proclaiming September 15, 1985, as Ethnic American Day, I believe it is extremely important that we honor all Americans who, like myself, have roots in other countries around the world.

Ethnic American Day serves to remind us, just through its name, of two very important lessons. The world ethnic makes us realize that we are all of varying heritage. This was, and is, a new world that our parents and grandparents came to live in for the love of freedom. Through the symbolism of this day, we are all reminded of our heritage and encouraged never to forget what makes us different and special.

At the same time, it is not just Ethnic Day, but it is Ethnic American Day. The second word reminds us all that, although we were not originally indigenous to this country, we have now become Americans. We have not forgotten our cousins in foreign lands, but we have also found new families and friends in our new home.

America has truly been the land of opportunity, and part of what has truly enriched this country has been the wonderfully different cultures that have blended into this new melting pot. In my own State, representatives from all around the world can be found in Chinatown, Little Italy, Harlem, and elsewhere.

I am proud of both my heritage and my American birthright. All Americans—Asian, European, African, Middle Eastern, Latin American—should share this swelling pride and voice it on Ethnic American Day.

CRACKDOWN ON MARIJUANA

Mrs. HAWKINS. Mr. President, our entire Federal Government recognizes the need to crack down on domestic marijuana cultivation. Not only has the able Drug Enforcement Administration taken steps toward achieving the eradication of U.S. grown marijuana, but the entire Department of Justice has also mobilized its forces in this effort.

In a recent Washington Post editorial, these efforts are discussed, and the point is made that "While this country asks its Latin neighbors to take politically costly steps to stamp out their drug business, it behooves Americans to do something visible and major about their own." I couldn't agree more, and obviously, in light of most recent Federal actions, fellow Government officials agree with this assessment as well.

I was proud to have joined Senator STROM THURMOND recently in calling on the Department of Justice to take the necessary action to curb U.S. grown marijuana, by instituting a nationwide program of cannabis eradication. We took this opportunity to ask the Nation's Governors to form regional air operation task forces with the Federal Government to provide an invaluable deterrent in narcotics trafficking.

I am pleased that both agencies have acted expeditiously. The Department of Justice instituted Operation Delta 9—a 50-State raid on marijuana crops. This quick and effective action is to be commended, as is the bravery exhibited by the Federal law enforcement agents involved. There were, in fact, reports that agents were fired upon by defenders of the marijuana fields.

Mr. President, this is proof indeed that the traffickers in marijuana are no less harmful than the drug itself. The Washington Post editorial cites incontrovertible evidence of the destructiveness of marijuana, and concludes that increasing national awareness of the real dangers of this drug is the reason for declining marijuana consumption. As is stated in the Post:

> Now it seems that the country has reached an equilibrium on marijuana. Americans know it's unhealthy and use it less often. And they insist, properly, on enforcing the law against commercial production and distribution.

Mr. President, this is good news. But there are still unscrupulous drug producers, in our own country, who cultivate this harmful product for profit. It is encouraging that the Federal Government is embarking on this coordinated effort to enforce the laws against marijuana cultivation, sale and possession.

Mr. President, I ask that the Washington Post editorial entitled "The Crackdown on Marijuana," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE CRACKDOWN ON MARIJUANA

> When you see a picture of Attorney General Edwin Meese squinting at marijuana plants seized in a raid in the Ozark National Forest, you may be tempted to conclude, as one critic of the marijuana laws did, that Operation Delta-9—last Monday's 50-state raid of which the Ozark operation was part—was "just good propaganda." Certainly Mr. Meese understands that it is probably impossible to stamp out marijuana entirely. It is easily grown and in considerable demand. Possession and use of marijuana in small amounts is a minor offense now in most states.
>
> Even so, we think Mr. Meese and his 2,200 federal, state and local comrades were not engaged in a quixotic enterprise. For one thing, while this country asks its Latin neighbors to take politically costly steps to stamp out their drug business, it behooves Americans to do something visible and major about their own. And if marijuana use is common, there is good evidence—about as good as is possible, considering that the activity is illegal—that marijuana use is less common in the 15-to-25 age group than it was a few years ago, and it may well be less common in older age groups as well.
>
> So the predictions commonly made by marijuana advocates in the 1970s that the habit would become well-nigh universal have not come to pass. A dozen years ago you could not refute claims that marijuana smoking was harmless, and you had to concede that some of the claims made against it were exaggerated. But now, after a decade in which perhaps 30 million Americans have smoked marijuana, evidence of harm—harm on the order of that caused by tobacco and alcohol—is accumulating. It would not be surprising, then, in a nation where cigarette and liquor consumption is declining, if marijuana consumption were declining too.
>
> In the 1970s it was said that marijuana, like alcohol, could not effectively be prohibited. But it was forgotten that, in the century up to repeal, alcohol use was vastly reduced in the United States, partly by legal prohibition, more by persuasion and the power of ideas. Alcohol use increased after repeal, but to nothing like the early 19th century levels. Now it seems that the country has reached an equilibrium on marijuana. Americans know it's unhealthy and use it less often. And they insist, properly, on enforcing the law against commercial production and distribution. Mr. Meese's raid in the Ozarks and Delta-9 serve a useful purpose not just in making the business of marijuana less secure but in underlining Americans' intention that this law should be enforced.

THE NEW PRESIDENT OF THE COMMUNICATIONS WORKERS OF AMERICA

Mr. RIEGLE. Mr. President, one of the most difficult transitions that any organization can experience is a change in leadership at the top. Unless both the organization and its new chief executive are flexible, the passing of the torch can be a difficult, painful exchange.

With this thought in mind, I want to call to my Senate colleagues' attention that the Communications Workers of America, one of our Nation's pre-eminent labor unions, has recently undergone in a successful manner this rite of passage. On July 16, in San Francisco, CWA elected Morton Bahr to succeed Glenn E. Watts as CWA's president.

Morty Bahr has achieved a national reputation that easily exceeds the geographical jurisdiction over which he presided. Indeed, his compassionate commitment to human causes and his masterful skill as an organizer are qualities that are widespread in appeal.

Mr. President, Morty Bahr has a big challenge ahead of him. The telephone workers who built and maintained the Bell System find themselves in a period of great uncertainty during the time of the telephone divestiture. The breakup of the telephone company has resulted in significant upheaval in the telecommunications workplaces of America, with much dislocation. As CWA prepares to enter next year its first round of post-divestiture collective bargaining, the union faces a major task.

I am hopeful that Morton Bahr will guide CWA to a successful resolution of next year's contract negotiations. Similarly, it is vital that under his guiding hand CWA continue its proud tradition of serving as an active voice for achieving the enactment of responsible public laws.

I am confident that Morton Bahr will provide inspired leadership for CWA during this new era of dynamic change. I wish him well as he embarks upon this challenging endeavor.

CONGRESSIONAL CALL TO CONSCIENCE

Mr. GRASSLEY. Mr. President, as a cosponsor of the International Parliamentary Group for Human Rights in the Soviet Union [IPG], I want to express my strong support for Dr. Andrei Sakharov and Elena Bonner.

The Soviet Union's cynical refusal to provide information on the Sakharov's whereabouts or to allow independent observers to verify Dr. Sakharov's condition is in direct violation of the Helsinki accords and the Universal Declaration on Human Rights.

General Secretary Gorbachev has made great efforts to convince us that he stands for peace. How are we to respond when Mr. Gorbachev treats Dr. Sakharov, a Nobel Peace Laureate, in such a callous manner?

I have pledged to Sakharov's stepson, Alexei Semyonov, that IPG's 700 members in 16 countries will not cease their efforts on Dr. Sakharov's behalf until he and Elena Bonner are allowed to leave the Soviet Union.

I urge President Reagan to meet with Alexei Semyonov to demonstrate that the United States believes that human rights for people like Dr. Sakharov is at the cornerstone of our democracy.

IPG has contacted our colleagues in the French Parliament to ask that President Mitterand also meet with Alexei. We believe that the Sakharov's plight must be raised forcefully during Mr. Gorbachev's visit to France next month.

Agreements between the United States and the Soviet Union prove effective only in proportion to our commitment to enforce them. The Reagan administration must tell Mr. Gorbachev that the United States will not have confidence in Soviet promises until the U.S.S.R. lives up to its human rights commitments to Andrei Sakharov and Elena Bonner.

CWA PRESIDENT MORTON BAHR—INNOVATIVE LEADER FOR CHALLENGING TIMES

Mr. KENNEDY. Mr. President, at its 47th annual convention, the Communications Workers of America recently elected Morton Bahr as its new president. Mr. Bahr is a distinguished labor leader whose qualities of innovation and effectiveness have made an indelible impression on all of us who know him.

Indeed, we in Massachusetts are already aware of Morty Bahr's formidable leadership skills. For the past 16 years, he has served as CWA's vice president for the region of the United States that extends from New Jersey through Maine. During that period, Morty has provided bold, decisive directions for CWA to follow, and the union has benefited greatly from his experience.

In fact, his leadership ignited a period of major growth within CWA, with membership more than doubling during his tenure as head of the union's district 1.

Perhaps the best example of Morty Bahr's aggressive, foresighted tactics is his enduring commitment to organizing the unorganized, whether they work in the telecommunications field or in the public sector. Indeed, Mr. Bahr has been a pioneer within CWA in addressing the needs of State and local employees. He understands that public workers have the same dreams, goals, desires, and aspiration as private sector employees. In that connection, he played an indispensable role on behalf of CWA in enlisting into the union 32,000 public workers in New Jersey.

In addition to organizing, political activity has been at the core of Morty Bahr's career. He has been a delegate to the last three Democratic National Convention, and in 1980 he was a member of the National Democratic Platform Committee.

More than this, Morty Bahr has also been a special friend to me, and I am particularly grateful for the wise, counsel and support he has given to me over the years.

Mr. President, Morty Bahr is not only eminently qualified to be president of CWA, but he and the world's largest telecommunications union are a nearly perfect match.

CWA is a progressive, community-mined union. Its legislative agenda on Capital Hill is one of the most comprehensive of any national organization. It is also an activist union with grassroots rank-and-file members residing in all 50 States and in each of the 435 congressional districts of American.

At this special time for Morty Bahr, I also want to acknowledge his indispensable partner, Florence, and their two children. I know that they are proud of Morty's accomplishment and the success he has achieved.

As CWA approaches its golden anniversary, which will take place in less than 3 years, I am pleased that the leadership of this progressive union is in the capable hands of Morty Bahr. He is a thoughtful executive and a man of bold action. His proven track record is an invaluable asset to CWA and to the entire American labor movement, and I am honored to congratulate him on his extraordinary career and the new honor he has richly earned.

Mr. President, I ask unanimous consent to have printed in the RECORD a biographical profile of Morty Bahr, and the text of his eloquent acceptance speech at the CWA Convention in San Francisco last July.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CWA—A BIOGRAPHICAL PROFILE OF MORTON BAHR, PRESIDENT, COMMUNICATIONS WORKERS OF AMERICA, AFL–CIO

> Morton Bahr, the third president of the Communications Workers of America, brings more than three decades of experience to the task of leading the world's largest communications union. CWA represents more than 650,000 workers throughout the United States.
>
> His election as CWA President on July 16, 1985 represents the latest milestone in a career that has been characterized by achievement and an uncompromising commitment to the trade union cause.
>
> A Record of Accomplishment: Prior to his election to CWA's highest position, Bahr served for 16 years as Vice President of CWA's District 1 which includes New York, New Jersey, and the New England States. First elected, District 1 Vice President in 1969, Bahr's leadership ignited a period of major growth within the District, with membership more than doubling during his tenure.
>
> Bahr has been instrumental in CWA's increased organizing efforts in the public sector. CWA's first major entry into public

sector organizing came in 1955 in District 1 when 5,000 New York City public workers chose CWA as their union. From that starting point, CWA has steadily increased its visibility in the public sector to a point where today the union represents some 80,000 public workers. And much of this public sector growth has come in District 1 under Bahr's guidance.

A Commitment to Organizing: Organizing has always been a top priority with Morton Bahr.

Bahr's first association with CWA came in 1951 when he joined the union's organizing campaign at Mackay Radio & Telegraph Company (now ITT World Communications) where he had been employed as a radio operator since 1947. He was instrumental in CWA's organizing victory at the company, became increasingly active in union affairs, and was elected President of CWA Local 1172 in 1954.

In December, 1957 Bahr joined the national CWA staff as an organizer, and his first assignment was to direct CWA's ambitious effort to bring some 24,000 workers of the New York Telephone Company's plant department into the union. His determination and commitment again paid dividends, the result being a major organizing victory for CWA.

In recognition of his leadership in the New York Telephone organizing drive, Bahr was named CWA's New York Director in 1961. He held that post for two years before being promoted to Assistant to the Vice President of District 1.

Bahr recalls the 1960s as both a time of turmoil and solidarity within CWA. The turmoil came as a result of attempts by the Teamsters to raid established CWA units in New York. Bahr directed the anti-Teamster campaigns for CWA. On every occasion when there was an attempted takeover by the Teamsters, CWA was the overwhelming choice of the workers, with the margin of CWA victories increasing with each election. Hence the solidarity, which grew out of turmoil.

That solidarity was further tested in 1971 when CWA staged an historic 218-day strike against New York Telephone. Some 55,000 workers honored the mammoth strike which Bahr believes finally paved the way for national bargaining with the pre-divestiture Bell System, a long-sought goal of CWA.

"They strike and the unity we showed and the ultimate victory we won, had a profound impact on our union, not just in New York, but nationwide," Bahr recalls. "It showed us what we could accomplish when we're unified, it raised our expectations of ourselves, and it showed the company, as it existed then, that national bargaining was an idea whose time had come."

With the national bargaining concept achieved, Bahr Served on CWA's bargaining committees each of the four times between 1974 and 1983 when coordinated bargaining between CWA and the pre-divestiture AT&T took place. Each of those efforts resulted in record-breaking contract settlements for CWA.

Looking To The Future: As a result of the historic AT&T divestiture, Bahr Says CWA members must "develop a new mindset about our jobs, our companies, and about our union."

An overriding objective of the Bahr presidency is an attempt "to constantly remind our members that the union plays a greater role in their quality of life than any other institution. We want the union to play a major role in the decision-making process of our member's lives, in everything from consumer purchases to political action."

"We must develop a vision for the future for our members that reassures them that they can count on their union through difficult times . . . that their union has the ability to shape events. We must present our members with a vision of what we want to be and what we can be."

Bahr believes CWA's future is filled with growth potential because:

CWA is the established union in the major growth sectors of our economy—white collar and information services.

Workers in the future will want security and advancement in the telecommunications industry, not just with a single job, department or company. They will look to the union to service those needs.

CWA's strength and reputation makes it an attractive union to professionals and women who are looking for improved employment opportunities.

CWA enjoys a strong presence in the fastest growing part of the labor movement—public workers.

Our union enjoys a position of strong political influence at the local, regional and national levels.

Community Service: Morton Bahr typifies CWA's longstanding reputation as the community minded union. He is a trustee of Nassau (N.Y.) Community College, a member of the Board of Governors of the United Way of America, and has served three years as labor chair for the Greater New York Blood Bank.

Bahr has been extremely active in Democratic Party politics at both the national and local levels. He was a delegate to the 1976, 1980, and 1984 Democratic National Conventions, and in 1980 he was a member of the National Democratic Platform Committee. He also chaired the statewide labor committees which played an integral role in the elections of New York Governors Hugh Carey and Mario Cuomo.

Born in Brooklyn, New York on July 18, 1926, Bahr graduated from Samuel J. Tilden High School. During World War II, he served as a radio officer in the U.S. Merchant Marine. He holds a Bachelor of Science Degree in Labor Studies from Empire State College.

He is married to the former Florence Slobodow. They have two children and four grandchildren. The Bahrs reside in Washington, D.C.

ACCEPTANCE SPEECH BY MORTON BAHR, CWA CONVENTION, JULY 16, 1985, SAN FRANCISCO, CA

Brothers and sisters, thank you . . . for your support and the confidence that you have expressed in me. But this recognition and honor could not have been possible without the hard work, trade union dedication and friendship of so many of my colleagues throughout the union.

And I also want to introduce my wife, Florence. I must admit that like the spouses of many elected union officials, she isn't altogether convinced that you've done us a favor.

But she's shared CWA's victories and defeats over many years, and she remains my most important advisor and thoughest critic.

I want to begin my remarks by paraphrasing the feelings Dr. Martin Luther King once expressed on an occasion similar to this:

"With an abiding faith in our union and an audacious faith in the future of the American Labor movement, I accept the awesome responsibilities of serving as your president."

It's said that the test of a great leader is to leave behind in others the same conviction, dedication and will to meet the challenges of the day. Glenn and Louis, you have met that test with flying colors.

On behalf of all of us in CWA and the international labor movement who have benefited so much from your leadership, thank you.

Last night, we paid tribute to your contributions to our union. But I want to offer my personal thoughts to the entire convention as we bid you farewell.

You have led this union through a great struggle. You have prepared us well for the massive challenges generated by divestiture, technological change and Reaganomics. You have shown us that we can stand successfully against unjust concessionary bargaining.

You have put into place the policies from which we build upon as we move from the Watts-Knecht era. And you set a new standard of unselfish union leadership which has led us to this moment. The unity and solidarity that we enjoy here is the single greatest, living memorial that could be erected in your name.

You deserve our gratitude, forever. . . .

Sisters and brothers, today the torch of leadership changes hands for only the third time in the short history of CWA.

And as we confront the challenges of our day, let's take courage from our history:

CWA was born out of the first nationwide telephone strike in 1947 which demonstrated the need for a strong union that could build unity among workers.

Since then, our union has grown from the cradle of struggle.

Our union has matured from our ability to change.

And today, CWA represents more than 650,000 workers. And we have broken new membership ground in the public and service sectors, organizing tens of thousands of public, health care and other workers.

We are poised for the future because CWA is the union of the future the technology union.

And technological change is touching the lives of nearly every worker in nearly every industry.

By 1990, for example, we estimate that more than 30 million jobs will require some level of technical skills.

So, let the past protect our tradition and heritage from which we gather so much strength.

But to reach our goals in the future, we must sail onward . . . sometimes with the wind and sometimes against the wind. But sail we must. We cannot lie at anchor in memories of the past, nor drift with the tides, wishing things were the way they used to be.

These are, indeed, "new times for new leaders."

When Jim and I discussed the objectives of our administration, we both immediately agreed that we must not allow our union to be frozen into inaction by fear of failure.

We intend to try new ideas. We intend to encourage initiative among the staff. We intend to reach out to the locals for experimentation. We intend to involve each individual member in the future of our union.

And where we have problems, I want to know about it so we can take corrective measures. Because I pledge to you that "the buck really does stop here."

Now, we all should know what this union is against:

We are against the politics of insensitivity and selfishness.

We are against the economics of runaway industries and the nonunion/anti-union environment.

We are against the notion that government has no role in the battle for equal opportunity because women and minorities already have too many rights.

So, I want to outline what this union should stand for . . . . our vision of where we want to lead this union and why:

Next year's round of bargaining is our most immediate concern.

Negotiations with AT&T should look very much like it did in the past except that it will involve 200,000 workers instead of half a million. We will retain the national bargaining structure just like before, with negotiations on local contracts.

As most of you know, AT&T has decided to produce residential telephones in Singapore. . . . The first time AT&T has gone offshore to manufacture equipment. This decision is symptomatic of the national problem caused by so many U.S.-based companies which are trying to cut their production costs by going overseas. And it shows once again that we are not immune from the economic and political events which occur around us. As a result, negotiating stronger job security arrangements becomes an even higher priority.

But even though we face difficult circumstances, a sound working relationship exists between management and the union. I'm confident that we can reach a settlement that will be fair to us, and still permit the company to compete effectively in the new environment.

The situation with the seven regional companies is quite different.

They are doing very, very well. We should expect them to share their economic wealth with the workers who make their profits possible. "Take-backs," "give-backs" or any other form of erosion in our contracts are unacceptable.

And we are well aware of the inferior health programs—the so-called "flex benefits"—which have been imposed on management. We recognize that these "cafeteria-style" benefits are nothing more than an attempt to shift the cost of health care to the workers. We reject it out of hand.

The company tried to weaken our health benefits in 1983, and we sent them a message then. And we are going to give the same message to the regional companies . . . or AT&T . . . or general telephone . . . if they bring the same concessionary demands to the bargaining table in 1986.

Two-tiered wage systems pose the same dangers. These divisive pay plans strike at the very heart of the concept of "equal pay for equal work" and drive a wedge between workers. We will not allow our union to be split by two-tiered wage systems, and will not accept them in our contracts.

In our dealings with the regional companies, our priority goal has been to secure region-wide bargaining, where economic matters would be discussed at a single table with local negotiations in each bargaining unit as in the past. Most of the companies have agreed to some form of regional bargaining. They agree with us that State-by-State bargaining will result in leap frogging, delay and unnecessary confrontation.

But some regional companies still are insisting on localized bargaining. We serve notice on them that a return to the kind of charade-type negotiations that existed in the telephone industry before 1974 will be met with the appropriate response by our union.

Of course, many factors will come into play at the table: The shadow of competitors hovers in the background; regulatory bodies may try to interfere in the collective bargaining process: Divestiture will continue to evolve under Judge Greene's review; and our own members must quickly realize that a new day really has come to the telecommunciations industry.

But notwithstanding the fact that the regions are separate companies, this union intends to work hard to keep major benefits, such as pensions and health insurance, from slipping. We fought hard for these benefits over many years and intend to keep them as uniform as possible.

This union will undertake the appropriate strategy if some of the regional companies think they can break our unity at the bargaining table by trying to play off one group of our members against the other.

So, we are ready if management is going to challenge us. This national leadership team has been tested under fire many, many times in the past. And it would be very short-sighted of our employers if they think we are going to bend now.

Our response today to the actions of the regional companies could very well impact on negotiations for thousands of other workers. So, these principles also will guide our strategy in bargaining for all telecommunications units and for our other major contracts, particularly with the State of New Jersey when that agreement covering 34,000 public workers expires next year.

We have much preparation to do . . . research to undertake . . . communication to complete before we begin negotiations in 1986.

Organizing will become a priority activity that involves my personal attention.

Our union faces the future with hope and optimism. But the rest of the labor movement is in a fight for survival. Organized labor today represents less than 18 percent of the work force. Once mighty unions are shells of their former greatness. The same can happen to CWA if we allow ourselves to go into intellectual retirement.

As you know, IBM recently completed a deal where it can acquire up to 30 percent of MCI, the second largest long-distance company. Coupled with their ownership of Rolm and their videotex deal with CBS and Sears, IBM now has put together the pieces which make it a head-to-head competitor with AT&T.

They did it barely 18 months after divestiture.

IBM also is one of the most anti-union companies in the world. And the employees of MCI and Rolm must be having nightmares about being absorbed into the IBM culture.

I had planned to make this announcement later. But the speed of the IBM-MCI deal indicates that we must issue a timely response.

In September, we will be attending a meeting of the postal, telegraph and telephone international. I will at that time propose that a conference be held of union representatives from all the countries around the world where IBM has plants. I would like this meeting to take place as soon as possible after our 1986 bargaining is completed.

The purpose of the conference will be to analyze the global anti-union policies of IBM, set up a permanent clearinghouse of information and develop strategy to begin a worldwide coordinated organizing campaign against IBM.

We will combine the political economic and social strength of organized labor throughout the world in an effort to target specific IBM plants for organizing breakthroughs. We will label IBM as the J.P. Stevens of the international telecommunications industry.

This will be a long-term effort. It will require patience. But IBM—and all of the other non-union companies in the industry—will come to know that we are serious about protecting our union-won wages, fringe benefits and job security.

And, then, IBM's non-union threat will no longer hover over our bargaining table. We'll cast a giant shadow over them when CWA rises as the future of opportunity for IBM workers.

In the short term, we will focus our attention on the unorganized workers in the telephone industry and other telecommunications companies. And we serve notice on the regional companies that cooperation is a two-way street that doesn't just walk in the companies' direction. They cannot expect us to cooperate with them if they insist on a so-called "union free environment" in the operations of their unregulated subsidaries.

I further want to emphasize our commitment to bring the benefits of trade unionism to public workers. We will achieve membership breakthroughs among the hundreds of thousands of other public, health care and service workers in the nation.

Joe Beirne once held the notion that CWA could conduct a nationwide organizing campaign by turning each union member into an organizer because they live in nearly every community in the Nation. We must make his vision a reality if we are to survive the technological revolution.

We must intensify our political involvement, particularly at the local level.

The moral health of a nation is just as important as our economic health. But I fear our Nation's political life is dominated by people who preach about principles rather than living up to them.

As a result, I see a pattern of selfish insensitivity sweeping the country, and which emanates from the leadership of President Reagan and the Republican Party.

It is the kind of selfish insensitivity that asks, "Are you better off?", rather than your country. . . .

The kind of insensitivity that turns the Government agency of the workers—the National Labor Relations Board—into the enemy of the representatives of the workers.

That peace in the world can be achieved by building bigger and costlier nuclear weapons. . . .

That apartheid in South Africa will go away if we just shut our eyes and close our mouths. . . .

But what troubles me most is the growing selfish insensitivity in our country that has led to the unprecedented rise of hate groups committed to violence against anybody who doesn't fit into some twisted version of Aryan perfection.

I believe most Americans prefer Adlai Stevenson's definition of patriotism which is "the steady dedication of a lifetime," not frenzied outbursts of emotion.

That's why I'm convinced that America will return to its traditions of fair play. Justice and compassion for all. Until then, CWA and the rest of the labor movement must stand as a bulwark in the political arena against the conservative tides of selfishness and insensitivity.

We must open the doors of union leadership even wider.

I remember a time in the not too distant past when an invisible sign hung over the employment offices of every telephone company in America that warned, "Jews, blacks and other minorities need not apply."

Inside was another sign that said, "women wanted for cheap wages."

CWA was in the forefront of the battle to rip down both signs from the employment offices of the telephone industry and to open the doors of opportunity to all in every other industry in America.

And we can all take pride in CWA's record of support for human rights, whether at home or in such far away places as in South Africa and the Soviet Union.

Now, we must aggressively reach out to embrace all workers within the ranks of leadership in our union. Encouraging more working women and minorities to join us as full-fledged partners in CWA must rank as a top objective.

CWA will provide additional services and programs which encourage the involvement of all our members and their families in our union. I intend to recommend to the CWA executive board that, beginning in 1986, we offer child care at our national convention if a demonstrated need exists. And we strongly encourage similar programs to be developed in connection with district meetings and local membership meetings.

And the union will do more than offer child care.

We will bargain for the economic and social incentives that make it possible for women and minority workers to become more active in our union. And we must keep that objective in mind as we develop our bargaining demands.

We must close the communications gap that exists between the member and the union.

During my travels of the past 6 months, I've become convinced that we face a monumental communications task.

We will encourage a policy of agressively reaching out from every level of our union to our members and potential members. We must reach them on the shop floor, in the office and in their homes.

We must cultivate an image among our members that strengthens the union's credibility in their eyes. Union leaders at all levels must inspire trust and serve as an alternative source of information that is believed and respected communicating with our members is a year-round effort, not something we engage in during the political season or as bargaining approaches. We must become committed to compete in the arena of public opinion for the hearts of our members as well as their minds.

And our message must be the vision this union sees for the future: that CWA has the confidence to control events which shape the lives of our members and potential members, and that this union has the power to improve the worklife and family life of all Americans.

I've laid out an ambitious agenda.

Obviously, these objectives will not be reached soon . . . and certainly not by any one person or team of national union leaders.

That's why we must emphasize the concept of family within CWA as part of our program to involve all of the members of our union in our union.

We need you. . . .

We need all of you. . . .

We want your immediate family to become a part of your CWA family.

We want your spouses involved. . . .

We want your children involved. . . .

We will need their strength and support to help us revitalize our movement. . . . to help restore some of the idealism and energy that the labor movement used to have in its early days.

So, let us send this message to our employers, the politicians, the anti-union baiters, the news media and the workers who want to join with us in the future:

From this day forth, we are rededicating ourselves to building a stronger CWA and a stronger labor movement.

And whether we face the uncertainties of divestiture or the demands of the telecommunications revolution, CWA will turn today's challenges into the opportunities of tomorrow. . . .

Whether we confront an anti-union environment in the White House or the corporate board room, CWA will defend the right of all workers to enjoy the benefits of trade unionism. . . .

Whether we sail against the wind, or with the wind, CWA will speak out for the trade union principles which have brought so much progress to our Nation. . . .

And while others may write about the demise of the American labor movement, CWA will spark a renaissance of brotherhood and sisterhood within our ranks that proclaims:

We're committed. . . .

We're united. . . .

We're family. . . .

We're union . . . and we're damn proud of it.

Thank you.

ACTION NEEDED NOW ON ANTI-APARTHEID LEGISLATION

Mr. RIEGLE. Mr. President, the decision of the Reagan administration to impose limited sanctions against South Africa, while very late, still represents a positive step forward. This administrative action, however, makes no less critical the urgent need for Senate passage of H.R. 1460, the Anti-Apartheid Act of 1985.

The President's action signifies an important departure from the administration's policy of quiet opposition to apartheid, and likely influenced President Botha's decision to restore citizenship to the millions of South African blacks to whom it has been denied under that country's "homelands" policy.

While this symbolic departure from the ideology underlying apartheid is noteworthy, it is not nearly enough. The United States must insist that Pretoria move more aggressively toward dismantling apartheid.

Earlier this week, our Ambassador to South Africa, Herman Nickel, addressed the need for fundamental reform in South Africa by noting that:

> We have gotten beyond the point where mere statements, or even just statements of intent are adequate. Things have to be seen to be happening. Negotiations have to be seen to be starting. Some of the key features of the apartheid system have to be seen to be abolished.

I strongly agree.

The United States must make clear to the white minority Government of South Africa that normal relations between our two countries cannot continue unless and until apartheid is dismantled and the central issue of political powersharing with the nation's black majority is addressed and resolved. I believe our Government can advance that cause by clearly demonstrating our opposition to apartheid, and by stating forcefully our view that Pretoria must engage in serious reforms and begin serious negotiations with black political leaders.

The President has appealed to Members of Congress to join him in presenting a unified position against apartheid. I believe that Senate passage of H.R. 1460 is the most appropriate way to respond to that call, and, in fact, would strengthen the President's position as an advocate for genuine reform in South Africa.

The close votes which have occurred in the Senate this week on the question of moving to a final vote on the Anti-Apartheid Act, are dramatic proof of the strong desire of this body to take action to address the deteriorating situation in South Africa.

While it is true that the Executive order of the President incorporates certain of the provisions contained in the pending legislation, some important differences exist.

First, H.R. 1460 would immediately impose a ban on the importation of Krugerrands, while the President would seek a ruling from GATT before a ban is imposed.

Second, the President imposes no deadline for making further racial reforms to avoid future sanctions. H.R. 1460, however, offers important incentives for action by calling for more severe sanctions within 1 year if no significant progress is made in eliminating apartheid.

Third, administratively imposed sanctions differ qualitatively from legislatively imposed sanctions. While the former can be put into effect one day and lifted the next, the latter, once signed by the President, has the force of law, and is not so easily undone.

The overwhelming bipartisan support for the pending legislation must be permitted to demonstrate itself in the Senate, just as it was demonstrated in the House. The President should encourage congressional participation on this critical issue in order to demonstrate the strong opposition of the American people to the inhumane policy of apartheid, and to do justice to the outrage felt in this country over the injustices currently being imposed on South Africa's black majority.

It is critically important that the President and the American people, through their elected representatives in the Congress, act as one in opposing apartheid. Prompt Senate passage of H.R. 1460 will cement that partnership, and will place this country more forcefully on the side of ending apartheid in South Africa forever.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER.** Is there further morning business, if not morning business is closed.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

The **PRESIDING OFFICER.** The Senate will now resume consideration of the pending business, S. 1200, which the clerk will now state.

The assistant legislative clerk read as follows:

> A bill (S. 1200) to amend the Immigration and Nationality Act to effectively control the unauthorized immigration to the United States, and for other purposes.

The Senate resumed consideration of the bill.

AMENDMENT NO. 600

Pending:

Hawkins Amendment No. 600, to extend the income and eligibility verification system under section 1137 of the Social Security Act, so as to provide for verification of immigration status in the cases of aliens applying for benefits under specified welfare and other programs.

The **PRESIDING OFFICER.** The pending question is amendment No. 600 of the Senator from Florida [Mrs. HAWKINS].

The Senator from Florida.

Mrs. HAWKINS. Mr. President, the amendment that is at the desk is an effort to strengthen the enforcement provisions in the immigration bill and at the same time allow the States and Federal taxpayers a portion of their hard-earned tax dollars to be put back in their own pockets.

The immigration bill we are considering today establishes the sense of Congress regarding two essential elements necessary to regain control of illegal immigration.

One of these elements is, "an increase in * * * enforcement activities of the Immigration and Naturalizations Service and of other appropriate Federal agencies in order to prevent and deter the illegal entry of aliens into the United States and the violation of the terms of their entry."

The principle that underlies my amendment is simple: a person who has broken U.S. immigration laws and entered this country illegally should not have access to U.S. Government benefits that are paid for by U.S. taxpayers.

People want to come to the United States for many reasons. We have a waiting list. Some are fleeing persecution, and those we accept without reservation, and the Indochinese boat people are a good example, and the Mariel refugees. Others are looking to improve their lives for themselves, for their children, and for their grandchildren. The basis for our laws on legal immigration is family reunification. Only a small percentage of the aliens who want to live in the United States legally can do so without a family member being here before them. The first, second, fourth, and fifth preference categories are reserved for people related to U.S. citizens or permanent residents. This means that up to 80 percent of the people who enter the United States under the preference system are related to someone who is already in the United States in a legal status. Exceptions are sometimes made for people who will make a significant contribution to American society, and so forth. Gone are the days when we can afford to receive people simply because they want to live in the United States. Today, we can only reserve that privilege for people facing persecution or threats to their lives in their homelands.

The result, plain and simple, is that today it is difficult to get a visa to live in the United States for the purpose of becoming a permanent resident or a citizen. In some cases, the wait is months; in others, it is years. For this reason, hundreds of thousands if not millions of people try to enter the United States each year illegally.

These people are looking for a better life for themselves and their children, and who can blame them. The United States is not unsympathetic to these needs. That is one of the reasons why we give billions of dollars each year to foreign countries in foreign aid. And I urge my colleagues to review the foreign aid bill country by country and the amount of money given to each one of those countries by U.S. taxpayers.

But we have an obligation first to the people of the United States, the people who we were elected to represent. People who enter the United States illegally have broken the law, and increasingly we find that when they take jobs, they take them from Americans. The workplace for the illegal alien is no longer limited to the lettuce fields or fruit orchards of the San Joaquin Valley in California. There is evidence of illegals working in factory jobs and other positions that have little relation to the low pay and poor conditions of many of agricultural jobs that have been the mainstay of the illegal work force.

This Senator's view is that even with the recent dip in the unemployment rate, too many Americans, especially young Americans, are out of work, and that it is fundamentally unfair for people who have broken our laws and entered the United States illegally to hold a job at the expense of an American. We have an obligation to Americans first, and that is what this debate over enforcement in the bill is all about.

The debate over enforcement in the bill is a great responsibility for each and every Member to reflect upon as we vote on this bill.

The basis for enforcement in this bill is employer sanctions. I endorse this approach and have done so each of the previous two times the Senate has voted on immigration legislation. The lure that draws so many illegals to the United States is clearly the hope of a job that can provide a source of income for them and their family. Employer sanctions makes it illegal for an employer to hire a person who is in the United States illegally. If the lure that draws illegals here in the first place evaporates then so will the desire to come to the United States.

There is, however, another side to this issue, and that side is welfare and other Federal payments to illegals. Whether they are working or not, many of the illegals who are in the United States qualify for various types of Federal benefits, benefits they are not entitled to, benefits that are paid for by our tax paying constituents, benefits that contribute to the Federal deficit, which we read about on a daily basis.

If it is unfair and unlawful for illegal aliens to receive certain Federal benefits, then why shouldn't the Federal Government take aggressive action to cut down on the number of illegals who get these benefits. That question is all the more relevant when the potential savings for Federal and State governments could be in the billions of dollars and when the ability to do so is readily available.

That is the purpose of my amendment, and it affects such programs as Medicaid, Unemployment Compensation, Food Stamps, and Aid to Families and Dependent Children [AFDC].

First, this provision mandates that States require all recipients for such aid, declare in writing, under penalty of perjury, whether or not the individual is a citizen of the United States, and if not a citizen of the United States, the individual would have to present the appropriate documentation from the INS showing his or her alien admission or alien file number.

Second, if the applicant is not a U.S. citizen, the State is required to use the person's alien file or alien registration number to verify with the Immigration and Naturalization Service the alien's immigration status through a system that first, uses the alien's name, file or admission number to permit efficient verification; and second, protects the alien's privacy to the maximum degree possible.

Third, if the verification check reveals that the alien is ineligible for these benefits, the benefits shall not be reduced or terminated until the alien has had an opportunity to present documents establishing their eligibility.

Fourth, and most fairly, benefits shall be terminated for aliens who are ineligible.

Fifth, the INS is instructed to have the verification system available for use by the States by October 1, 1987—not 1985, 1987.

Last, as an incentive for States to implement this system, the Federal Government would provide 90 percent matching funds to States for the nonlabor costs of implementing and operating this system.

The potential savings from this legislation is incredible. The INS has done some research and conducted several pilot projects on this and has found it to be both doable and worthwhile—worthwhile to the tune of $10.7 billion if a full program of eligibility verification were required for each State. Even if the INS' estimated savings are overly optimistic—by 100 percent or even 200 percent we would still have savings in the range of $2.5 billion to $5 billion. How can anyone blink at that savings when we are talking about the deficit?

In these days of budget consciousness we all need to be looking for ways to save money—and this does it in a big way. And it does it by making sure that people who should not be getting welfare payments do not get them.

The costs of setting up and running this program are minimal especially when compared to the astronomical savings potential.

Mr. President, this is an amendment designed to provide for efficient enforcement of our current laws. It does so while at the same time providing safeguards for the privacy of the individual. And the result could be budget savings in the billions of dollars.

I believe that we need this amendment now and I urge my colleagues to give it their full support.

Mr. SIMPSON address the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, it has been a great and distinct pleasure to work with the Senator from Florida on immigration reform. She has been the most extraordinary helpmate that I have had. She is not just from a State deeply affected. Her State is the most deeply affected, obviously, by the impact of refugees and those we extend our heart and hand to and we should always be available to do that. Her State is affected by the impact of the Cuban-Haitain entrants. There is no one who pays more dogged attention to the difficulties of Florida that I know of. She corners me once in a while and says, "What are you doing about this in Florida? We are the most heavily impacted."

She considers all the issues of immigration, legal or illegal, and the issues of those seeking asylum such as the boat people, a whole array of different definitions applied to human beings that we deal with in the subcommittee. I thank her for that.

I know of the sincerity in all the things she has done on this issue and in the things she has done to assist in immigration reform.

I do know what the SAVE project is, systematic alien verification for entitlements. I think it is a remarkable program. I commend Commissioner Alan Nelson for implementing it. It is going to save this country big bucks.

My problem is, and I share it with you so that there will be no misreading of it, that three States now have demonstration projects. We have California, Colorado, and Illinois. It is making an impact. There are great savings to be accomplished in Illinois, California, and Colorado. They have chosen to do it and their State legislatures have authorized it. They have moved forward. I think that is great. I am very pleased with that.

We know what it does. The Senator has described it well. It allows the State public assistance programs and administering agencies to do a computer search of an alien's immigration status before granting that alien public assistance benefits. It relies on computerized access to the INS records.

I can tell you that those records were in disarray before Commissioner Alan Nelson came to the fore, and now the INS is becoming very adept at computer access, computerized records. It is long overdue, but they are doing a remarkable job.

Indeed, this can be applied to determine State welfare benefits or Federal benefits. The demonstration projects are being successful.

I guess what I am saying in all that laudatory commentary is that it is an important problem and the Senator addresses it skillfully. It is another evidence of our systems being gimmicked.

We know in California that when they said, "You are going to have to file this affidavit, or do this procedure before you gain public assistance," 43 percent of the applicants dropped at that point. That shows something, obviously, especially in California where there is a tremendous network of Federal, State, local, and municipal assistance to almost every kind of human being, legal or illegal. They are paying a heavy price for that. The influx of persons alone who come there solely to seek the benefits of assistance is one problem.

Another is the tremendous dependency that we find, especially among refugees, in California and Florida. That dependency rate is double and triple anything in the rest of the United States.

The potential savings are impressive.

My serious questions about the program are really these: Whether all States need it, whether the technology is actually efficient at this time to avoid mistaken denials of assistance benefits, and whether all the certain privacy issues have been resolved.

A bill similar to this amendment to amend the Social Security Act has been sent to the Finance Committee. That is another aspect: This amendment is not even a Judiciary Committee item.

I guess I am saying that I would prefer, under these circumstances and given my feeling about Federal-State relationships, that we allow the demonstration projects to continue in States that wish to do that. I think when the other States see what California, Colorado, and Illinois are coming up with in the way of just plain savings of bucks, they will be impressed by it. However, I would not want to see it come down as a Federal law at this time as part of this proposal. If we wish to do it, let us proceed with it. I would not resist allowing the States to do it. But let us continue the demonstration projects.

At this point in the debate, on this issue with this project, I will not vote in favor of the amendment and will resist it. But I do know fully what is intended. I just want to wait longer to see how the demonstration projects work in the States.

Mrs. HAWKINS. Mr. President, in working with the chairman of the subcommittee, he has been most helpful to my State and to all States with his expertise on this question. Of course, in Florida, we do have a great deal of experience in this matter.

If we adopt my amendment, however, it requires that each State sign up for the program with Federal funding absorbing 90 percent of the non-labor cost, and then that will help us to stop the movement from State to State. If a State is on a program now and finds out that a person is illegal, the alien can simply move to another State where the State is not on the program and they sign up there.

In the end, however, it is the Federal Government and it is the Federal deficit that we are always having to talk about.

I must say that the incentive is there. I have been following the programs that went into effect in the various States, with the INS asking people to sign on. The INS went into the States asking them to volunteer for an immigration verification program to show how much money could be saved in the welfare system concerning payments to illegal aliens. Some States did and some States did not. Some States may come on shortly.

It is my opinion that if we put it in Florida, that would be wonderful. But nothing prevents the people who will be denied from going to another State.

If we adopt my amendment, it will enable the Federal Government to document whether these people are illegal or not. It puts it into a national computer, a lot like the FBI has for missing children, missing automobiles, and missing whatever else.

I serve on the Agriculture Committee where we are laboring at the present moment, on food stamps. We have a terrible problem on food stamps with American citizens. It is not whether they are eligible but whether they are getting more than they need. They have to fill out all kinds of papers and they now have to say, "I am not lying on the application."

If an American citizen has to do that, I see no reason why an illegal alien should not have to go through a similar process. I hope we will have all States sign up for this program, giving them a method for the first time since I have been a Senator to be able to account for these people and as a result the States can determine whether they should give them the State benefits. It is twofold.

I cannot say enough about how shocked I think American citizens would be if they knew how easy it is for illegal aliens to get benefits, aid for dependent children, unemployment compensation, Medicaid, and food stamps, at a time when we are in rooms all over this Capitol having meetings trying to come within the budget, trying to cut a million here and a million there. I am giving the Senate an opportunity to cut billions, not millions. I think it was Everett Dirksen, a distinguished Senator who served in this body, who said, "A billion here, a billion there, and soon we are talking about real money." We are talking about real money.

I also think we are talking about a companion to employer sanctions. It is simply a reenforcement of the effort to stem the flow of illegal aliens into this country and to save a lot of the taxpayers' money as a result of evaluating an alien's eligibility for these benefits.

I certainly do not want to deny them to anyone who is eligible. We have language in the amendment when, if there is a question, we will allow the applicant to continue to receive the benefits until it can be documented once and for all that they are not. It is not unkind, it is not inhumane. It is doing Government business in a businesslike manner with the technology of the eighties. We have the ability. States have absolutely saved hundreds of millions of dollars. We have our State, Florida, going on the program shortly. We do not need to wait, as custodians of the Federal purse, while State after State finds out that this may or may not work; we better copy Illinois' program which has been fantastically successful and a model for the whole United States.

I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER (Mr. MATTINGLY). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I rise in opposition to the amendment of the Senator from Florida. The Senator from Florida I think is well intentioned for the reasons that she has outlined on the floor this morning. She is, I am sure, very well aware of the pilot project, Project SAVE, which is in place now, developed by the INS to try to address the particular issue which she is addressing with her amendment. But it is entirely premature to take what is I think a useful and constructive idea and carve it into stone, as this amendment would do if it is accepted in this legislation, should the legislation pass, because the jury is out with regard to this proposal.

I would like to ask the Senator from Florida whether this particular amendment is supported by the INS.

Mrs. HAWKINS. I am told by the INS Commissioner that the pilot projects are over. They have tested this since the late seventies in California. Illinois and Colorado have been on the pilots since 1982. Florida, which is going on the program October-November, is the first step toward a permanent program. So there are no more pilots. They have learned enough.

Mr. KENNEDY. That is not exactly the question. The question is: Does the INS support this particular amendment? Does the Department of Justice urge us to accept this amendment? Has the Attorney General indicated so or has the head of the INS indicated support for this particular amendment?

Mrs. HAWKINS. As far as my experience as a U.S. Senator, if you had to get each agency's OK before we introduced legislation on this floor, we would still be talking about missing children, which we did in 1981. It took a long time to bring the Justice Department on board on that, and even longer to get the National Center For Missing Children. I found it my experience as a U.S. Senator to do what I think is the right thing, and tell these agencies what they should be doing, let us get on with it. I do not ask agencies if they want to do this. It has been my experience they do not like to do much other than what they have been doing the last 50 years. But since this experiment has been going on in California since the late seventies, and 1982 in Illinois and Colorado and is over, the pilot is over, the program is on board, this says all States come in, we are ready. I think it is our responsibility to vote for it.

Mr. KENNEDY. I gather the answer is no because if the INS supported this particular program, thought they had sufficient information on these studies, and had the capability to do it, they would have come before the Committee of the Judiciary and indicate that.

Mrs. HAWKINS. The Commissioner of INS supports the program. There is no official administration position, which is not unique on this issue at this point in time. We, therefore, have an opportunity to set position.

Mr. KENNEDY. Is the Senator saying INS supports the amendment of the Senator from Florida? Can we get a yes or no? Because I want to move this whole debate along a little bit. And if so, could the Senator explain it to other Members for their information?

Mrs. HAWKINS. The Commissioner supports the concept.

Mr. KENNEDY. I support the concept.

Mrs. HAWKINS. Commissioner Nelson cannot mandate the program for all 50 States. That is why we are here. In answer to the Senator's question, there is no official administration position as yet on this. I imagine that would come after we see what we are going to do with the immigration bill.

Mr. KENNEDY. I gather then now that the answer is no, there is no——

Mrs. HAWKINS. Not necessarily.

Mr. KENNEDY. If I may have regular order. I am going to inquire of the Senator from Florida and I welcome getting a response to my question. Does the administration support it, the answer is no. Does the INS, which has conducted this particular study? The answer is no. I gather from the response I have just received from the Senator from Florida, that when the INS was before the Judiciary Committee with the very extensive hearings that we had on this bill, the INS was not inquired of this particular proposal. I gather that is the fact as well.

Now, I would like to ask, as a practical fact, how would this particular amendment work? I am a citizen of the United States. I am unemployed. I lost my job. My unemployment has expired. I am an Anglo. And I walk into the regional office in Boston to apply for a certain kind of welfare benefits. They give me a sheet and they ask me whether I am a citizen. I say yes, I am a citizen, and I sign it. Do I get my benefits under this amendment?

Mrs. HAWKINS. Yes.

Mr. KENNEDY. I do?

Mrs. HAWKINS. Yes.

Mr. KENNEDY. All right; now I am an Hispanic, I walk in there and they ask me whether I am a citizen of the United States. I know I am a legal resident alien but I am not a citizen, so I say no. Now what happens? Does that individual, who has children at home and a sick member of their family at home, get the benefits?

Mrs. HAWKINS. If he is legal, yes.

Mr. KENNEDY. If I am an Anglo and I say that I am a citizen and I sign it, does anybody investigate whether I am a citizen or not?

Mrs. HAWKINS. No.

Mr. KENNEDY. And if I am Hispanic and I say I am a legal resident alien, not a citizen—I am a legal resident alien—am I investigated?

Mrs. HAWKINS. If you are Hispanic and a U.S. citizen, you are not.

Mr. KENNEDY. You are not investigated.

Mrs. HAWKINS. That is right. We believe you are telling the truth.

Mr. KENNEDY. Now, if I am a legal alien, do I get investigated? I am Hispanic, I am a legal alien. Do I get investigated? I am not a citizen.

Mrs. HAWKINS. Legal?

Mr. KENNEDY. A legal alien.

Mrs. HAWKINS. Yes; your number is checked.

Mr. KENNEDY. So if you are a legal alien, you are admitted, maybe under the refugee laws, you are admitted under the legal procedures of the Immigration Act because, for example, you have married a foreigner, you are legal, you are unemployed and you are a legal, you get investigated. Is that the result?

Mrs. HAWKINS. Not all legal aliens are eligible for benefits, such as students.

Mr. KENNEDY. I am talking about welfare. I am talking about food stamps.

Mrs. HAWKINS. Neither are all citizens eligible for student loan programs.

Mr. KENNEDY. I am well aware of that. But elaborate procedures have to be followed. We are talking about the essentials of life—food.

Mrs. HAWKINS. That is true.

Mr. KENNEDY. So if I am a legal alien and I happen to be Hispanic and I happened to marry an American and I am here legally and I am unemployed and I am poor—if I am Hispanic, under the Senator's amendment, I am automatically investigated.

Mrs. HAWKINS. I do not care if you are Hispanic or Austrian or whatever. You are an alien.

Mr. KENNEDY. Even though I am here legally?

Mrs. HAWKINS. And not a citizen.

Mr. KENNEDY. But I am here legally, married an American. I am unemployed, and that individual signs the card and says, "I am a legal resident alien," but still you run the numbers through the computer. Is that right?

Mrs. HAWKINS. We check the number. You bet.

Mr. KENNEDY. You do not check the citizens, do you? You do not check an American citizen who comes in, do you?

Mrs. HAWKINS. Check them how?

Mr. KENNEDY. You do not run a computer check on a citizen.

Mrs. HAWKINS. No. There is a Social Security number; and on the application for food stamps—we did it in 1981—they say, "We are not lying. We need the food stamps." We check all their data. My State is computerized for all United States-Florida citizens.

Mr. KENNEDY. So we rely on the computers. Is that correct?

Mrs. HAWKINS. We do.

Mr. KENNEDY. Can the Senator from Florida indicate how many legal resident aliens are not on the computers in this country at this time? Can the Senator answer that for me?

Mrs. HAWKINS. I do not know of anybody who can answer that.

Mr. KENNEDY. So you do not know how many legal resident aliens are not in the INS computers, do you? What is going to happen to those people? I am a legal resident alien. They check the number, and I am not on the computer. I have children at home who are hungry. Do I get the benefit, under the Senator's amendment?

Mrs. HAWKINS. If INS cannot respond within a certain time, under the Illinois pilot project, for example, they are presumed to be legal.

Mr. KENNEDY. To get back to my other question: How many legal resident aliens, according to the INS, are not on those computers? The Senator must know that.

Mrs. HAWKINS. It does not matter, because if INS cannot respond, they are going to be able to get them.

Mr. KENNEDY. If they are not on the computer, they have to be checked by hand, under the Senator's amendment. Is that correct?

Mrs. HAWKINS. No.

Mr. KENNEDY. How are you going to check it?

Mrs. HAWKINS. INS checks to see.

Mr. KENNEDY. How does INS check?

Mrs. HAWKINS. INS checks through computers.

Mr. KENNEDY. What if they are not on the computer?

Mrs. HAWKINS. If they are not on the computer, then they have the opportunity to come down in, get their benefit.

Mr. KENNEDY. Who comes down in?

Mrs. HAWKINS. The alien.

Mr. KENNEDY. Comes down in where?

Mrs. HAWKINS. Gets a chance to come down, prove that it is legal.

Mr. KENNEDY. A chance?

Mrs. HAWKINS. An opportunity. Just like a citizen comes down, after we verify all the data on citizens.

Mr. KENNEDY. The Senator says they check on a citizen——

Mrs. HAWKINS. They check on their data.

Mr. KENNEDY. What is the other data?

Mrs. HAWKINS. If he is unemployed, if he qualifies for AFDC, has 10 children or has 2.

Mr. KENNEDY. How many people go through the system now who fall into that category of not being a citizen and fall into the resident alien category? Clearly, if they are undocumented or are illegal, it is difficult to think that they would go through this process. How many go through it at the present time?

Mrs. HAWKINS. Through what system?

Mr. KENNEDY. Through the welfare system in the country, that we are going to have to prove through the INS that they are not on the computers and INS will have to check by hand.

Mrs. HAWKINS. We do not know, because we do not check it.

Mr. KENNEDY. Can the Senator come back to a response to a question, and that is how many now, according to INS, are resident aliens, legal resident aliens in the United States, who have been let in here as a matter of laws passed in the House and the Senate, signed by the President? They are legal and they are not on those computers. Can the Senator give me any idea of what that number could be?

Mrs. HAWKINS. It does not matter if they can——

Mr. KENNEDY. Can you answer the question? Is the answer that you do not know or do you have a number?

Mrs. HAWKINS. It does not matter.

Mr. KENNEDY. Tell me how many.

Mrs. HAWKINS. We do not know how many.

Mr. KENNEDY. Well, I can help the Senator on that.

Mrs. HAWKINS. This would certainly help.

Mr. KENNEDY. I can help the Senator on that issue, because as of March 25, 1985, Harlin Kiester was the chief of the index systems section, within the Office of Information Systems, Immigration and Naturalization Service, in Washington, DC, and has been an employee for 6 years of the INS. He is chief of the index systems section and is thoroughly knowledgeable about the MIRAC computer system. I will include in the RECORD his entire statement.

He said:

> Even if the Government were to modify the program—

The meaning of that word will become self evident—

> To retrieve this type of information—

The kind of information the Senator from Florida is talking about—

> The data generated by such would be erroneous and misleading. William J. Polli, Chief, Records Operations Section, Records Management Branch, INS, has informed me that there are currently 6.2 million records that have not been entered into the system. This backlog has been increasing steadily since 1979. Even with his personnel attempting to key in the current information, along with a small amount of the backlog, they are unable to keep pace with the current records which are received at a rate of approximately 1.4 million per year. Therefore, even if the program were modified, there is no time frame which contains complete records and any search would yield inaccurate statistics.

If the Senator from Florida wants to offer an amendment to the appropriations bill to ensure that INS can get the funds to get this kind of information, put me on as a cosponsor.

I have worked with the INS over a period of years, and it is absolutely disgraceful the lack of support this body gives to them in terms of modernizing their information systems.

I have fought as a member of the Judiciary Committee and as chairman of the Judiciary Committee to give them adequate resources to do the job. But whenever we come on the floor of the U.S. Senate, the reply is, give them more border patrol but do not give the people working in service programs of the INS the kind of support they need. I would welcome the opportunity to work with the Senator from Florida to develop an informational base within INS to do the job she wants. I shall work with the Senator from Florida, I shall work with the chairman of the subcommittee to have the kind of hearings and fashion the kind of program that can achieve the objective of the Senator from Florida. But, Mr. President, I just fail to see how this amendment can be effective under existing circumstances.

Instead, I think it opens enormous opportunities for incredible abuses. I fail to see, with the people around this country who are interested in defrauding the Government because they are undocumented aliens and they are trying to cheat on the system, why they just would not write on their little card that they are a citizen so they do not get investigated.

The Senator from Florida has indicated that. You walk in, you are an undocumented alien, you are trimming on the system, you walk in there and fill that card out and say, "I am a citizen." So you get your benefits, no questions asked. It just is, I think, an ineffective way and subject to all kinds of abuse.

Mr. President, we can take more time going through this in terms of its particular application and how the procedure will work, but I think on the basis of this debate, it has not the support of the INS at this time, it has not the support of the Department of Justice. The fact remains that those who have the primary responsibility for the computer system say they cannot even keep up with the current backlog, they are well behind on legal and resident aliens. I think the system at this time is unworkable.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Harlin M. Keister, Jr.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DECLARATION OF HARLIN M. KEISTER, JR.

I, Harlin M. Keister, declare and say:

1. My name is Harlin M. Keister, Jr. and I am Chief of the Index System Section, within the Office of Information Systems, Immigration and Naturalization Service [INS], Central Office, 425 I Street, N.W., Washington, D.C. 20536. I have been an employee of INS for 6 years.

2. In my capacity as Chief of the Index Systems Section I am thoroughly knowledgeable about the MIRAC computer system.

3. MIRAC is programmed to retrieve individual files after an A number, or name and date of birth has been entered onto the system. The current program will not permit the user to enter the dates 1967 and up and then receive instructions to search for apprehensions within a set time frame.

4. In order for MIRAC to accomplish a search of this type the program would have to be modified. It would cost approximately $4,500 to modify the program in-house, to monitor the program's execution, and computer resource expenses. It would cost approximately $9,000 if the Government were to hire a contractor for this purpose. Additionally, it is estimated that it would take approximately 1 month to modify the program in-house and produce the requested statistics. It would take much longer than a month for a contractor to produce the statistics.

5. Even if the Government were to modify the program to retrieve this type of information, the data generated by such would be erroneous and misleading. William J. Polli, Chief, Records Operations Section, Records Management Branch, INS, has informed me that there are currently 6.2 million records that have not been entered into the system. This backlog has been increasing steadily since 1979. Even with his personnel attempting to key in the current information, along with a small amount of the backlog, they are unable to keep pace with the current records which are received at a rate of approximately 1.4 million per year. Therefore, even if the program were modified, there is no time frame which contains complete records and any search would yield inaccurate statistics.

I declare and swear under the penalty of perjury that the foregoing is true and correct.

HARLIN M. KEISTER, Jr.,
Chief, Index System Section.

Mr. KENNEDY. Mr. President, I shall welcome the chance to work with the Senator from Florida on a better approach. At this time, Mr. President, I move to lay the amendment of the Senator from Florida on the table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment of the Senator from Florida on the table. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. COCHRAN], the Senator from Maine [Mr. COHEN], the Senator from Minnesota [Mr. DURENBERGER], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Vermont [Mr. STAFFORD], are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Kentucky [Mr. FORD], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 31, nays 59—as follows:

[Rollcall Vote No. 178 Leg.]

YEAS—31

Andrews
Biden
Chafee
Chiles
Cranston
Danforth
Dodd
Eagleton
Evans
Gore
Gorton
Harkin
Hart
Hatfield
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Metzenbaum
Mitchell
Moynihan
Packwood
Pell
Proxmire
Sarbanes
Simon
Simpson
Weicker

NAYS—59

Abdnor
Armstrong
Baucus
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
D'Amato
DeConcini
Denton
Dixon
Dole
Domenici
Exon
Glenn
Goldwater
Gramm
Grassley
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Melcher
Murkowski
Nickles
Nunn
Pressler
Quayle
Riegle
Rockefeller
Roth
Rudman
Sasser
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Zorinsky

NOT VOTING—10

Cochran
Cohen
Durenberger
East
Ford
Garn
Kassebaum
Matsunaga
Pryor
Stafford

So the motion to lay on the table the amendment (No. 600) was rejected.

Mrs. HAWKINS. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. HEINZ. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 602 TO AMENDMENT NO. 600

(Purpose: To express the sense of the Senate regarding the separation of Social Security Trust Funds from the Unified Federal Budget)

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. KENNEDY. Regular order, Mr. President.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ], for himself, Mrs. HAWKINS, Mr. SPECTER, Mr. SASSER, Mr. ABDNOR, Mr. ANDREWS, Mr. DENTON, Mr. RIEGLE, Mr. DECONCINI, and Mr. WILSON, proposes an amendment numbered 602 to amendment numbered 600.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. WARNER. Objection.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue to read the amendment.

The assistant legislative clerk read as follows:

At the end of the amendment, add the following:

SEC. . POLICY TOWARD SOCIAL SECURITY TRUST FUNDS.

(a) FINDINGS.—The Congress finds that—

(1) public confidence in the Social Security system has been undermined by the acrimonious debates over deficit reduction;

(2) including Social Security Trust Funds in the Unified Federal Budget masks the true size of the federal deficit;

(3) Social Security is wholly funded by a separate payroll tax, is running a surplus, and does not contribute to the federal deficit;

(4) it is time to protect the integrity of both the Social Security program and the federal budget process by separating the two; and

(5) removing Social Security Trust Funds from the Unified Federal Budget will enable Congress to proceed with the responsibility of solving our massive budget deficit.

(b) POLICY.—It is the sense of the Senate that Congress should separate the Social Security Trust Funds from the Unified Federal Budget at the earliest possible date.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. DOMENICI. I object.

The PRESIDING OFFICER (Mr. RUDMAN). Objection is heard.

The assistant legislative clerk resumed the call of the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, in an effort to try to expedite matters on this bill, I am going to withdraw my amendment temporarily. I will be offering it later in the day. It is a sense-of-the-Senate amendment that the Social Security Trust Funds be separated from, as President Reagan has requested, the unified Federal budget. I will be offering that amendment later on today. So, Mr. President, the yeas and nays have not been ordered on my amendment, and I therefore withdraw my amendment.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

AMENDMENT NO. 603

(Purpose: To make the effective dates of certain verification procedures subject to findings in a GAO report)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], proposes an amendment numbered 603:

At the end of subsection (c) of the amendment, add the following new paragraph:

(4) Such sums as may be necessary are authorized for the Immigration and Naturalization Service to carry out the purposes of this section.

Mr. KENNEDY. Mr. President, the purpose of this amendment is to provide sufficient authorization so that we can ensure resources are available to make sure that INS computers are adequate to respond to the demands of this amendment. We will have time hopefully in the Judiciary Committee and in the Immigration Subcommittee, working with the Senator from Florida, to provide a figure that is realistic and we will make our efforts with the Appropriations Committee as well. But it does seem, now that the Senate has decided to go forward with this approach, that we ought to provide sufficient resources to obtain accurate statistics to achieve the objectives of the amendment. I have talked with the Senator from Florida. She appears to be agreeable to this proposal, as is the chairman of the Immigration Subcommittee, the Senator from Wyoming. I hope the Senate will accept the amendment.

Mrs. HAWKINS. I agree.

Mr. SIMPSON. Mr. President, that is quite acceptable to this floor manager.

Mr. KENNEDY. Finally, Mr. President, I would like to ask the Senator from Florida whether it is her intention and view that under this program if an alien applicant—a lawful permanent resident alien—is not found to be included in the INS computer, that within 10 days that person should automatically receive the benefits to which he may be entitled.

In other words, simply because his name may not appear in the INS computer, he won't be penalized or denied benefits he is entitled to?

Mrs. HAWKINS. Mr. President, I appreciate the concerns raised by the Senator from Massachusetts. The INS has informed me that it has been their experience in States with which they have agreements to presume that the alien is qualified if after a reasonable period of time the INS is unable, for one reason or another, to respond. I agree that this is a practical and useful approach to ensure that no one is denied a benefit or has their benefits unduly delayed as a result of the shortcomings of INS. It is my view that this is a reasonable precaution, and I hope and fully expect the INS to continue to encourage States to accept these kinds of reasonable precautions to ensure that people are not harmed as a result of a problem with INS or its data base.

Mr. KENNEDY. Mr. President, I would also like to share with the Senate an analysis and comment on project SAVE prepared by the Mexican American Legal Defense and Educational Fund. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEXICAN AMERICAN LEGAL DEFENSE
AND EDUCATION FUND,
Washington, DC, March 13, 1985.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: I am enclosing a copy of a letter sent to INS Commissioner Alan Nelson regarding MALDEF's position on Project SAVE (Systematic Alien Verification for Entitlements). As you may recall, Commissioner Nelson indicated during his testimony on the INS Budget Hearings that MALDEF had participated in a press conference and supported the implementation of Project SAVE in Illinois.

In consulting with our Chicago office, a MALDEF attorney did attend the press conference, but did not participate in it, nor did MALDEF endorse the project. Moreover, it is clear that Project SAVE raises a number of problems and questions which are detailed in our letter to Commissioner Nelson.

Therefore, I would like to request that our letter to the Commissioner be included in the record of INS Budget Oversight Hearings. Any inquiries you could make regarding the questions raised by our letter would also be appreciated.

Thank you for your attention to this matter. If you have any further questions, please feel free to give me a call.

Sincerely,

HELEN C. GONZALES,
Associate Counsel.

MEXICAN AMERICAN LEGAL DEFENSE
AND EDUCATIONAL FUND,
Washington, DC, March 13, 1985.

Commissioner ALAN C. NELSON,
Immigration and Naturalization Service,
Washington, DC.

DEAR COMMISSIONER NELSON: Recently Richard Fajardo, a MALDEF staff attorney, had occasion to hear your presentation during the INS budget oversight hearings before Senator Simpson's Subcommittee on Immigration and Refugee Policy. During your presentation you indicated that MALDEF had participated in a press conference in support of the announced implementation of Project SAVE (Systematic Alien Verification for Entitlements) in Illinois.

I have consulted with our Chicago office and have learned that at no time has MALDEF endorsed Project SAVE. Thus, I am writing to clarify MALDEF's position for the record. First, while we did attend the December, 1984 press conference, MALDEF did not participate in it. Moreover, in a short meeting after the conference, our Chicago attorney indicated to Illinois and INS officials that we would not support Project SAVE since implementation of the program has resulted in the denial of benefits to legal resident aliens fully entitled to such benefits. Finally, the project SAVE program appears to be in violation of an existing court order issued in *Roman-Ramirez* v. *Bernardi*, 82-C-2539 (1982).

Allow me to provide further details. In 1982, the INS began a prototype of Project SAVE in Illinois. The Illinois' Department of Labor (Ill DOL) was requested to refer the names of non-citizen applicants for unemployment compensation benefits to INS for verification of the applicants' immigration status. Aliens whose records could not be found within the INS computers were requested to appear at INS offices to clarify their status. Meanwhile, the Ill DOL denied unemployment benefits to aliens whose status were in question.

As a result of these practices, numerous permanent resident aliens, fully entitled to benefits, were being denied such benefits. MALDEF filed a class action suit in federal court on behalf of such immigrants. Roman-Ramirez, supra. A court order was issued which required:

(1) Benefits will not be denied an alien unless the unemployment claims adjudicator receives written confirmation from the INS that the green card, or other identification presented, is counterfeit or belongs to someone other than the claimant;

(2) If the INS delays in providing a written response, benefits will be issued in the same amount of time as for any other claimant, i.e., U.S. citizen or permanent resident.

(3) Under no circumstances will claimants be required to obtain INS verification on their own, i.e., the burden is on the Ill DOL and the INS to determine whether or not the alien is undocumented, hence ineligible for benefits.

The Court also ordered that Ill DOL provide to INS a list of persons who had been denied unemployment compensation benefits. The INS was required to reverify its records for all persons designated, and such review was to be made "in the best available method and . . . *will not rely exclusively on its computer check without a further manual review of its files in the Chicago District Office, as well as a review of the appropriate INS Office which would have the most accurate information for each applicant.*" *Roman-Ramirez, supra.* Agreed Order, Judgement and Decree (Oct. 1,1982) (emphasis added). A reverification of records for 600 aliens who had been denied unemployment benefits and who failed to appeal their denials indicated sixty two aliens (10 percent) had been improperly classified as undocumented aliens, and so were improperly denied benefits.

A manual search of INS records is especially important because, as a GAO report found, it is not clear whether persons for whom no computer records are found or who fail to appear at INS offices to clarify their immigration status are actually undocumented. A 1979 GAO review of a California Alien Verification Program made the following findings:

The INS offices in California initially identified 24 illegal aliens from local records and 112 aliens who "failed to appear" for a total of 136 who were thus denied benefits by the State of California. INS headquarters personnel, at our request, researched additional records maintained in Washington, D.C. and the following was found.

Of the 24 illegal aliens, 6 were determined to be legal, 3 illegal, and no records were found for 15.

Of the 112 aliens who "failed to appear," 44 were determined to be legal, 2 illegal, and 66 with no record.

In summary, out of a total of 136 aliens who were denied public assistance benefits after a search by INS of local records in California, 50 were later determined by INS to be legal, 5 illegal, and 81 with no records through a search of additional records maintained in Washington, DC.

INS—Records Management Problems: Hearings Before the Subcommittee on Information and Individual Rights of the House Committee on Government Operations, 96th Cong., 1st Sess. 578-79 (1979) (Appendix 25—Correspondence on GAO review of California's Alien Verification Program. Letter dated November 7, 1979 from GAO to the Subcommittee) (emphasis in the original).

The GAO report on the California project indicates that there is a strong likelihood that a substantial number of persons for whom no immigration records can be found are in fact legal residents. Thus, it is wrong to assume that persons whose records fail to appear in the INS computer files and who fail to appear before INS officials to clarify their status are undocumented aliens.

Unlike the Roman-Ramirez Court Order which requires a reverification, including manual searches, of aliens who were misidentified as undocumented aliens, Project SAVE only provides for a search of INS computer records. Where a record of immigration status is not found the alien is asked to appear before INS offices to clarify his or her status. This appears to place the burden on the individual to prove or clarify his or her status. SAVE does not provide for manual searches for records not found in INS computer files, although such searches may locate the records of many individuals and prevent delays or denials of benefits to persons eligible for them.

Let me also restate for the record that MALDEF did not participate in the December, 1984 press conference in which Governor Thompson and INS officials announced the implementation of Project SAVE. MALDEF's Chicago office was invited to attend the press conference and was told that Illinois and INS officials would announce a program to implement the 1982 Roman-Ramirez court order. However, the press conference presentations described a project which did not appear to implement the Roman-Ramirez court order. We informed Illinois and INS officials that we were not satisfied with the presentations made and we would have to investigate the program further.

It is quite apparent that Project SAVE will result in the delay or denial of benefits to many legal resident aliens, including many Hispanics. In addition, to the extent that only a small percentage of persons for whom records could not initially be located are later found to be undocumented aliens, the savings to participating states are overstated or will be a result of withholding benefits to persons who are legally entitled to such benefits.

In addition, the program raises other questions not elaborated above, including privacy issues (i.e., the propriety of gathering information about aliens and allowing state agencies access to such information) and discrimination in implementation (e.g., to what extent are all entitlement applicants required to submit to the immigration status checks, or are status checks limited to aliens and naturalized citizens, aliens only, or only certain ethnic minorities, etc.).

In closing, let me reiterate that MALDEF did not participate in the Chicago press conference, and we have not endorsed Project SAVE.

Sincerely,

HELEN C. GONZALES,
Associate Counsel.

PROJECT SAVE

The INS has initiated a Systematic Alien Verification for Entitlements program (project SAVE) to identify undocumented aliens seeking state and federal entitlements or services. However, a number of problems have surfaced in implementation of various pilot programs, in that some permanent resident aliens and naturalized citizens entitled to benefits were being denied such benefits.

1. What is Project SAVE?

The INS has started a new operation to identify undocumented aliens: Project SAFE. The INS will grant state agencies access to INS computer records. When a person applies for social services, such as unemployment compensation, AFDC, medical care, etc., a persons name is compared with INS computer records to check the applicants' immigration status.

The INS is promoting the program as a way for state governments to save money, since the state will not have to provide benefits to ineligible undocumented aliens.

2. How are undocumented aliens identified?

When a person applies for benefits, state personnel will access INS computer records and check the applicant's immigration status.

If no record of lawful U.S. entry exists in the INS computers, the person is sent a letter asking them to appear at the INS office to clarify their immigration status.

Persons for whom no record is found and who "fail to appear" to clarify their status are assumed to be undocumented and are denied benefits or social services.

3. I understand that because INS records are incomplete, legal residents have been incorrectly identified as undocumented, and so, are denied benefits.

A. You indicate in your testimony, that about 35 million persons are entered into you computer records. What kind of information is kept in these computer records?

Does this include only legal resident aliens? If so, does it include all legal resident aliens? If not, what percentage of aliens are included?

Do these records include aliens and naturalized citizens? If not, how are problems or questions regarding a naturalized citizen's status resolved?

B. What is the earliest date of entry recorded in INS computers?

Apparently, INS computer records do not include data for persons who legally entered the United States prior to 1972 (approximately). In any case, persons who entered in 1960 would not be in the INS data base.

C. What is the most recent date of entry recorded in the INS computers?

The names of persons who legally entered the United States most recently are not in the INS computer. Apparently, it takes about 1 year to enter such data in INS records.

4. As a result of such gaps in INS computer records, weren't a number of legal residents erroneously identified as undocumented and thus disqualified from receiving benefits to which they were entitled?

Yes. For example, in Illinois a pilot SAVE program to identify undocumented aliens who were applying for unemployment compensation benefits resulted in delays or denials of such benefits to legal resident aliens. A manual reverification of records for about 600 aliens who had been denied unemployment benefits and who failed to appeal their denials indicated sixty two aliens (10 percent) had been improperly classified as undocumented aliens, and so were improperly denied benefits.

5. In 1979, a GAO review of a California alien verification program found the following:

That of 24 aliens identified as illegal by INS, a further record search found that 6 were legal, 3 illegal and no records were found for 15.

A similar reverification of records for 112 persons who had "failed to appear" to clear up their immigration status, found that 44 were legal, 2 illegal, and 66 with no record. Unfortunately, all 112 had been denied benefits prior to the additional record search.

Can you assure this subcommittee that INS is conducting the additional record searches necessary to protect legal residents?

Note.—This GAO report suggests that there is a strong likelihood that a substantial number of persons for whom no immigration records can be found are in fact legal residents.

Thus, it appears erroneous for the INS to assume that persons for whom records do not appear in the INS computer files and who fail to appear before INS officials to clarify their status are undocumented.

5. Didn't an Illinois Federal court require the INS to provide for manual searches of records not found in the INS computer files?

Yes. In Roman-Ramirez versus Bernardi, the INS identified a number of persons who applied for unemployment compensation benefits as undocumented. The court required the INS to reverify its records for all persons denied benefits, and the review was to be made "in the best available method and . . . will not rely exclusively on its computer check without further manual review of its files in the Chicago District Office, as well as a review of the appropriate INS Office which would have the most accurate information for each applicant."

After the INS instituted the Federal court-ordered procedure, it was found that about 10 percent of those said to be undocumented were in fact documented aliens (62/600).

6. How did you calculate the cost saving to the country of some $10 billion?

I understand INS estimated cost savings of $58 million in unemployment compensation benefits to the State of Illinois, is that correct? If so, how were these cost savings calculated?

INS probably made estimates as follows:

(1) Did one week survey in an area with heavily concentrated Hispanic population.

(2) Estimated the number of persons identified as undocumented.

(3) Assumed each would receive the maximum amount of benefits.

(4) Extrapolated cost over a 1-year period (unemployed persons only receive 26 weeks of benefits.)

(5) Extrapolated similar savings to all Illinois offices.

Problems with estimates:

(1) Not all communities will have the same number of undocumented aliens.

(2) Not all persons will be entitled to same amount of benefits.

(3) Persons can only receive benefits for 26 weeks.

QUESTIONS ON THE SYSTEMATIC ALIEN VERIFICATION FOR ENTITLEMENTS PROGRAM (SAVE)

(1) Please list all state, local, and federal agencies which are currently participating in systematic alien verification through use of computer matching and cross-indexing, including all cases involving so-called "routine use exceptions" to the Privacy Act.

In verifying eligibility of applicants for entitlements, exactly what information does INS release to state and local agencies?

(2) INS estimates that cost avoidances of $10.708 billion are potentially achievable through nationwide implementation of the SAVE Program.

Please explain estimates used by INS analysts in calculating cost avoidances related to the SAVE Program, specifically with respect to the average dollar amount per unentitled user, assumed rates of entitlement usage by undocumented immigrants, and estimates of the number of undocumented aliens residing in the U.S.

(3) It is our understanding that SAVE verification processes depend entirely on state and local agencies' access to applicants' "A" file numbers.

Please explain in detail the status of INS automated "A" files, and their use in the SAVE Program, specifically with respect to;

Estimated totals of aliens who have "A" numbers which, due to pre-1972 or post-1984 issuance dates, reportedly may not be included in INS' automated files, nationally, and for each District Office.

Numbers of permanent resident aliens whose "A" numbers were not available through computer search, but who have been subsequently determined to be eligible for entitlements after manual searches of files at the National, office, District office, or port-of-entry.

Status of asylees, refugees, and other aliens residing in the United States "under color of law" do not have INS "A" numbers. In these cases, how do SAVE operations in various locales alternatively verify these legally eligible aliens' status?

(4) Reports on SAVE operations indicate that, at least in some instances, non-citizens whose "A" numbers cannot be located through computer checks must, upon appearance at INS District Offices, file a G-641 information request form to verify their eligibility for entitlements.

Please provide information on the use of G-641 forms in SAVE operations, the average duration of G-641 information searches nationally and by District Office, and the District Offices' policies regarding G-641 fee collection related to SAVE verification requests.

(5) INS reports that, in pilot projects testing SAVE operations, approximately 90 percent of applicants referred to INS District Offices because of questionable eligibility status "failed to appear."

Are referred aliens who fail to appear denied entitlements in all cases? Please provide all available information on the rates of such failures of appearance among referred aliens, as well as INS estimates of the number of such aliens who are determined not to be eligible for entitlements. In addition, please provide any and all data on the number of "failed to appear" aliens who may be eligible for such entitlements, but who decide not to follow through with the verification process.

(6) Descriptions of the SAVE program suggest that only those applicants who identify themselves as non-citizens go through the verification procedures.

Are either state or INS officials afforded the discretion to require proof of citizenship of applicants who identify themselves as citizens? Please provide information on the number of citizens, or applicants who identify themselves as citizens, who have gone through the SAVE verification procedures.

The **PRESIDING OFFICER**. Is there further discussion of the amendment submitted by the Senator from Massachusetts? If not, the question is on agreeing to the amendment.

So the amendment (No. 603) was agreed to.

The **PRESIDING OFFICER**. The question before the Senate is on the amendment offered by the distinguished Senator from Florida, as amended by the amendment offered by the distinguished Senator from Massachusetts. The yeas and nays have been ordered.

Mrs. **HAWKINS**. Mr. President, I ask unanimous consent that the order for the yeas and nays be vitiated.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The question is on the amendment offered by the distinguished Senator from Florida, as amended by the amendment offered by the distinguished Senator from Massachusetts.

The amendment (No. 600), as amended, was agreed to.

Mr. **SIMPSON**. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. **KENNEDY**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 604

(Purpose: To terminate provisions relating to the unlawful employment of aliens if the Comptroller General reports that certain adverse conditions have resulted from carrying out such provisions)

Mr. **KENNEDY**. Mr. President, I send an amendment to the desk.

The **PRESIDING OFFICER**. The amendment will be stated.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 604.

Mr. **KENNEDY**. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

On page 118, line 14, strike out "five" and insert in lieu thereof "three".

On page 119, line 11, strike out "five" and insert in lieu thereof "three".

On page 121, between lines 6 and 7, insert the following:

(d) TERMINATION DATE FOR EMPLOYER SANCTIONS.—(1) The provisions of section 274A of the Immigration and Nationality Act shall terminate 30 calendar days after receipt of the last report required to be transmitted under subsection (b), if—

(A) the Comptroller General determines, and so reports in such report, that a widespread pattern of discrimination has resulted against citizens or nationals of the United States or against eligible workers seeking employment, the sole result of the implementation of employer sanctions; and

(B) there is enacted, within such period of 30 calendar days, a joint resolution stating in substance that the Congress approves the findings of the Comptroller General contained in such report.

(2) Any joint resolution referred to in clause (B) of paragraph (1) shall be considered in the Senate in accordance with subsection (f).

(e) EXPEDITED PROCEDURES IN THE HOUSE OF REPRESENTATIVES.—For the purpose of expediting the consideration and adoption of joint resolutions under subsection (d), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

(f) EXPEDITED PROCEDURES IN THE SENATE.—(1) For purposes of subsection (d), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.

(2) Paragraphs (3) and (4) of this subsection are enacted—

(A) as an exercise of the rulemaking power of the Senate and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of joint resolutions referred to in subsection (d), and supersede other rules of the Senate only to the extent that such paragraphs are inconsistent therewith; and

(B) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner as in the case of any other rule of the Senate.

(3)(A) If the committee of the Senate to which has been referred a joint resolution relating to the report described in subsection (d) has not reported such joint resolution at the end of the ten calendar days after its introduction, not counting any day which is excluded under paragraph (1) of this subsection, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other joint resolution introduced with respect to the same report which has been referred to the committee, except that no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same report.

(B) A motion to discharge under subparagraph (A) of this paragraph may be made only by a Senator favoring the joint resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the joint resolution, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(4)(A) A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a joint resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a joint resolution is in order in the Senate.

Mr. **KENNEDY**. Mr. President, one of the central objections that has been raised again and again over this legislation—both during the extensive subcommittee hearings we have conducted over the past 4 years, as well as during the debates in both the Senate and House of Representatives—is the concern that the new employer sanctions authorized in this bill might result in job discrimination against certain American workers.

I stress the word "might," because we really don't know, and it is certainly not intended nor anticipated by the sponsors of this legislation. But the fears are real, and they are based upon bitter experience by many in our society—particularly by our Hispanic and Asian citizens. These are fears that I believe we simply cannot ignore.

The amendment I have sent to the desk is an effort to address these fears and to assure that Congress will act to rectify employer sanctions if a widespread pattern of job discrimination should develop in their implementation.

This amendment simply offers a guarantee, built into the statute, that Congress can act expeditiously to rectify any unintended discrimination. If, contrary to all the protections and intentions contained in the bill, new job discrimination does develop—and not just a few isolated cases of discrimination, but a widespread pattern of discrimination—then Congress can sunset employer sanctions.

If such a pattern of discrimination were to develop, I can't imagine that Congress wouldn't want to act. But unfortunately, Mr. President, the history of immigration laws tells us that once Congress acts on immigration, it is often decades before it acts again. And when there has been the potential for discrimination in our immigration laws, we know that discrimination has developed.

I spelled out the history of that in my opening statement 2 days ago.

So in fairness to those minority members of our society—who will surely be the most directly affected by the provisions of this legislation—we ought to deal with their fears of discrimination now, and not wait until after they develop and without any easy statutory mechanism to deal with them.

My amendment offers this assurance and a statutory guarantee that Congress can easily address the issue of discrimination should it arise.

It simply requires the General Accounting Office to undertake an independent study each year of the implementation of employer sanctions to determine if a pattern of discrimination has resulted. At the end of the third year, if the GAO finds that a widespread pattern of discrimination has developed over that period, it makes that determination to Congress.

Then Congress—both Houses—has the opportunity, through the expedited 30-day procedure, to adopt a joint resolution stating in substance that it approves the findings of the GAO, whereupon employer sanctions are terminated until Congress reenacts them with proper safeguards.

If the GAO does not find a pattern of discrimination, or if Congress disapproves of the GAO findings—or even ignores them—then employer sanctions will continue.

But, Mr. President, it is hard for me to imagine either the Senate or the

House failing to exercise the expedited parliamentary procedures offered in this amendment if the GAO does find a widespread pattern of discrimination. This legislative mechanism is the minimum assurance we should be willing to provide to those in our society who are understandably worried over the implementation of employer sanctions.

We dealt with this issue in the Judiciary Committee during the markup. This type of approach has been offered by me and other members of the Judiciary Committee a number of times. We have modified our approach to consider the various objections to previous amendments.

I have offered this type of amendment on each immigration bill that has been before us. It seems to me that it provides the minimum guarantee we should be willing to make.

I have had a chance to talk this over with the floor manager of the bill. He is very familiar with the approach that has been included in this amendment, and I welcome his observations about it.

Mr. SIMPSON. Mr. President, it is important for me to be able to say succinctly that this is quite acceptable to me, and let me explain why, in this context.

We all know that employer sanctions is the very key to immigration reform. There is no immigration reform, at least on the humane basis that Senator Kennedy and I have tried to do it, without employer sanctions. No one has been more concerned about the possibility of employer sanctions perhaps causing new employment discrimination. Every one of us has been deeply concerned about that. That has been my abiding concern for 6 years. It was the abiding concern of the Select Commission. We all share that view.

We have examined that single issue in more than a dozen hearings which the subcommittee has held in the past 4½ years on that point alone. We examined the record of employment discrimination in the other Western countries of the world which have employer sanctions laws, and most do. We have read the GAO report which says that they do not work, and they do not work when they are just the cost of doing business. They work when they are tough, hard, and serious, and that is what we have in S. 1200; a cease and desist order, civil penalties, and up to $2,000 for the first offense, up to $5,000 for the second offense, up to $10,000 for the third offense. Finally, the egregious person who never wakes up and smells the coffee is faced with possibly a criminal sentence. Criminal sentences do not come in until you get to the repeat pattern or practice offender. That is the key to employer sanctions.

We never did really find substantial evidence that this bill alone would in any way increase employment discrimination; yet, it remains a well-founded concern even in my bosom. Nonetheless, we included in the bill provisions which assure close monitoring.

I hope everyone is aware of how much time we spent on that issue in trying to determine whether there was some kind of new employment discrimination.

By this bill, we involve the Equal Employment Opportunity Commission, the U.S. Commission on Civil Rights, and the Department of Justice in this monitoring process that is in S. 1200, as well as the GAO watchdog agency.

Congress is required to hold hearings within 60 days of the receipt of any report of a pattern of employment discrimination resulting from employer sanctions—and to discuss the legislative remedies. I think that is the essence of this amendment. It is the important part of it. We are looking at discrimination based solely on employer sanctions; and if that is there, we want to do something. It is not even quite a sunset. There is an expedited process which will be carried out, and I think it is important to know that it is a parliamentary process and we will do it.

Senator Kennedy and I have spent a great deal of time trying to assure nondiscrimination. I believe it was full and very adequate protection against new employment discrimination. However—and this is the reason why I support and will accept the amendment—I am fully aware of the fears, rational or irrational, of some, especially in the Hispanic community and the civil rights community, that somehow new discrimination might occur. That is not my desire or my intent or my objective.

Again, we are not talking about discrimination based on alienage. That will be visited at a later part of the day. But I do not believe that immigration reform legislation is a proper vehicle for civil rights legislation, and that is what did occur in the House and the conference committee last year. There were provisions presented then about employment and discrimination in EEOC and a new agency of Government fashioned on the NLRB and those things which I do not think were appropriate because they never even passed when we debated the civil rights laws of 1964 and 1972.

So, I think Senator Kennedy's amendment provides the protections that are sought by all of us concerned about discrimination without inserting a whole new concept of civil rights legislation into the bill. I deeply appreciate that, because I think that would be a tough one to hurdle if it got in there. I think Senator Kennedy shares some of that concern, that we need not go to a new agency of Government. If that happens, I, and I think everyone else in this Chamber, believe that we would want to have a swift and expedited manner to address discrimination problems. I think Senator Kennedy's 30-day expedited procedures for Congress to act is appropriate, and I accept it. In doing so, I assert that civil rights legislation should appear separately from an immigration reform bill, especially when we have tried so desperately to protect minorities in this country, and in this bill.

With that, I thank Senator Kennedy for being a remarkable, positive force throughout. I do not want widespread discrimination to occur. If it does occur through employer sanctions, we shall trigger an expedited procedure instead of a whole new agency of Government that has never survived the legislative process. I thank the Senator very much.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank the chairman of our Immigration Subcommittee for his support of this amendment.

The PRESIDING OFFICER. Is there further discussion? The Senator from Idaho?

Mr. SYMMS. Mr. President, I rise to support the amendment, but I would like to make some further points about the question of sanctions itself. I think that what the Senator from Massachusetts is doing certainly improves the situation of the way the bill is written in its current form. I think what we have to recognize is that what is happening with this legislation is the employer sanctions provisions are an attempt to halt illegal immigration into the United States and try to transfer the responsibility for law enforcement from the Government over to the private sector.

I know that some have sincerely argued that the sanctions in this bill, which include both civil fines up to $10,000, Mr. President, and criminal fines up to $3,000 and 6 months' imprisonment for employers hiring illegal workers, will in no way lead to discrimination based upon the ethnic group, race, or skin color. But I believe such discrimination will increase in two ways should these sanctions be passed.

I realize that the amendment of the Senator from Massachusetts is going to allow for a study. If I understand the bill correctly, and I think the distinguished chairman can correct me if I am wrong, in the first year, there will not be sanctions imposed on employers so there will be an opportunity for people to ease into this. I think that is a plus, and compliment the Senator from Wyoming for having that in the bill. But I think that we have to recognize what is going to

happen, and I shall just quote from the Heritage Foundation Issue Bulletin:

> (1) Efforts to enforce existing antidiscrimination laws would be hindered by giving employers a first line of defense against accusations of discrimination. If a Mexican, for example, were to bring a case against a firm, the employer simply could state that he suspected the Mexican of being an illegal immigrant.

I think that is something we have to look very carefully at.

> (2) Even law-abiding employers would tend to discriminate unwittingly against the foreign born in their "good faith efforts" to comply with the law. Foreigners would be transformed into a suspect class of workers; employers would thus scrutinize their credentials more thoroughly than those of other workers and make summary judgments regarding their legality.

I think that question is one that certainly legal scholars and the judiciary branch are going to have to look at. I personally believe lawyers are going to have a field day in discrimination cases if the sanctions are left in this legislation. I hope we will get them out of the legislation if we expect to have a workable bill.

It is only reasonable to assume that a potential employer will respond in this manner to Federal immigration legislation, particularly legislation such as this which provides for criminal penalties against employers. As the above-mentioned Heritage Bulletin states:

> Time magazine recently reported that merely the prospect of a sanctions bill has "excited something resembling panic among many employers. A few factories in the Los Angeles area are already laying off workers they suspect may be in the U.S. illegally."

Mr. President, that may appeal to some people who read that article, but what it says to me is a Hispanic-born U.S. citizen who gets caught in this suspect situation could have a very difficult time obtaining gainful employment if this discrimination becomes rampant.

Although illegal immigration is a legitimate concern, and an area in which our policy must be reformed, our national immigration policy must not jeopardize the welfare of our own citizens.

I simply cannot condone or agree with the portion of this bill that assumes the employer sanctions can somehow answer this problem.

A second problem arises under such sanctions: employers are forced to become police officers. The sanctions shift onto business the burden of enforcing our immigration laws. We already have a governmental agency, the Immigration and Naturalization Service [INS], which is properly charged with preventing entry of illegal immigrants into the United States. Yet, while retaining that agency and its border patrols, this legislation essentially forces upon employers the responsibility of halting undocumented immigration.

We are asking American business men and women to carry out a responsibility that properly belongs to the Federal Government. By shifting the burden of this responsibility to the private sector, the Government is forsaking its duty to the public.

Sanctions such as these will hamper economic activity and growth because of this shift of responsibility and its resulting stringent requirements. When hiring new workers, businesses must take two steps under this bill: First, examine each job applicant's documents to verify that the applicant is a legal worker; and second, maintain records and documents for up to 5 years on each employee hired if a business hires more than three workers. As the Heritage Bulletin points out:

> The law would apply equally to Wall Street banks hiring Harvard MBAs and to California hotels hiring bellboys and dishwashers. While [the bill] technically would make this optional, in fact, failure to keep employee records would constitute a legal presumption of guilt for businesses discovered to have an illegal alien in their employment.

Not only are we asking employers to become police officers when a Federal agency already exists to enforce our immigration policy, we are also creating for them a set of verification and paperwork requirements which go beyond the onerous. This will have a drastic effect on every part of the business sector.

Additionally, the small businessmen and women of Idaho and the Nation will be harmed disproportionately by these sanctions because, as the Small Business Administration stated in its 1984 report, "The State of Small Business," small business' percentage of Hispanic workers is almost twice that of large businesses: 6.5 percent as compared to 3.5 percent. As the Heritage Bulletin accurately states:

> Because Hispanics are more likely than other workers to arouse INS suspicion, small businesses would be subject to greater harassment. Thus even small businesses with impeccable hiring practices would need to devote a greater proportion of their resources than the typical large firm to protecting themselves against prosecution.

These, Mr. President, are the reasons for which I must strongly oppose the employer sanctions provisions included in S. 1200. I do not mean, however, to detract from the untiring and courageous efforts of the Senator from Wyoming [Mr. Simpson] where he has made a good faith effort to pass needed immigration reform. I commend Senator Simpson for his hard work to improve the Nation's immigration policy, and I look forward to working with him to make sure all issues are addressed fairly in this legislation.

We must ensure, however, that U.S. immigration laws do not encourage discrimination against particular ethnic groups, that the Federal Government carries out its responsibility to enforce these laws, and that we do not hamper economic activity and growth by creating onerous burdens on employers through recordkeeping and verification requirements.

I know what will happen with many small businesses. Simply, in my opinion, I think the research will show what will happen. I know that the distinguished Senator from Massachusetts is making a good faith effort here.

I think it would be better to take these out on the front end right now and look at what we think will happen based on past performances. I think it would be much better to take the sanctions out now.

I can also count votes, and I think the Senator from Wyoming probably has the votes to keep the sanctions in.

But I believe we are going to rue the day that these sanctions are imposed in this bill and it is going to hurt the very people in the United States, some of the people we wish to help with the passage of this legislation.

I know many people personally in the Hispanic group who are U.S. citizens. They will be the ones who will feel the pain of discrimination when some small businesses and large businesses alike have individuals who in order to protect themselves from the threat of $10,000 fine simply will not hire anyone of a Hispanic origin that they have the slightest suspicion of who may be an illegal entrant into the United States.

I think that is most unfortunate. I think we should make serious consideration of still striking this entire sanctions section from the bill. It is not workable. It is totally in conflict with the civil rights legislation that we have put on the books in this great land of ours.

I would hope that before this is over that the least we could do would be to accept the Kennedy amendment, and that is a good start, but I would like to see it even go further than this.

I thank the chairman and I yield the floor.

Mr. SIMPSON. Mr. President, I greatly appreciate the remarks of the Senator from Idaho and this report also, because indeed it will be important to accept this type of procedure in lieu of something that might not be as workable.

I share only, and then I will conclude, that the employers of America indeed are watching. It is a critical thing to the employers of America, and the most pleasing part of the change of position in these last months has been the U.S. Chamber of Commerce who have embraced this bill now. It was not acceptable to them 2 years ago.

We now have an optional system of verification at first. We do not have a mandatory one. It is something that was fashioned for the employers of America—the Business Roundtable, the National Association of Manufacturers, and the National Federation of Independent Businesses—have all been very supportive and helpful, and they represent some of the largest small businesses in America.

I just share that and, of course, the employers under this bill—those who employ four or less—are less subject to some of the conditions. I share that.

I thank the Senator for his participation.

Mr. SYMMS. Mr. President, will the Senator yield for a question on that?

Mr. SIMPSON. I yield.

Mr. SYMMS. How is the amendment envisioned to work and who is going to decide if discrimination is in fact taking place in the workplace?

Mr. SIMPSON. That will be the Congress of the United States.

Mr. SYMMS. But based on what evidence?

Mr. SIMPSON. That will be on the basis of the reports that are in S. 1200 and the GAO report and a task force.

Mr. SYMMS. To go out in the field and try to make a fair determination?

Mr. SIMPSON. That is correct.

Mr. SYMMS. In other words, if I have this understanding correct, the first year this is on the books there will be no fines levied on employer sanctions?

Mr. SIMPSON. No.

Mr. President, as to the first year, the first 6 months will be an education period throughout the United States and the second 6 months will be a warning period, and there will be no fines within that period.

Mr. SYMMS. Then beyond the second violation in this period the employer would be fined, that is, in the warning period.

Mr. SIMPSON. That is correct, after the warning period.

Mr. SYMMS. So once the word gets out on the street, then you would not expect any discrimination the first year, then. But if in fact we get a report back to Congress that there is discrimination taking place, how soon then would the amendment trigger that the employer sanctions section of the bill will be altered or changed, or what will be the response?

Mr. SIMPSON. If we find that employer sanctions alone are responsible for discrimination in the United States?

Mr. SYMMS. Not alone are responsible, but they are making a contribution to it.

Mr. SIMPSON. If there is widespread discrimination caused by employer sanctions, is that what you are saying?

Mr. SYMMS. That is the question.

Mr. SIMPSON. Yes.

Mr. SYMMS. How soon will we get a response?

Mr. SIMPSON. We will have responses from two different ways. We will have the responses under S. 1200 which have to do with monitoring by EEOC, the Civil Rights Commission, that aspect, and then under Senator KENNEDY's amendment here we will have the GAO report and a task force to tell us if this is occurring.

If it is occurring, then there will be an immediate expedited process.

But there will be GAO reports every 18 months and the expedited process under this amendment.

Mr. SYMMS. I thank the Senator.

Mr. SIMPSON. I thank the Senator from Idaho.

The PRESIDING OFFICER. Is there further debate on the amendment offered by the Senator from Massachusetts?

● Mr. DIXON. Mr. President, I support the amendment of the Senator from Massachusetts which requires Congress to vote on sunsetting employer sanctions in 3 years, if the General Accounting Office finds a widespread pattern of discrimination resulting.

A major concern I have had for the past 3 years as the Senate has attempted to enact immigration reform legislation on three separate occasions is discrimination. More precisely, Mr. President, I feel strongly that Congress must be careful to ensure against the prospect that immigration reform be used as a means to discriminate against Hispanics and other minorities.

One persistent objection to employer sanctions has been the possibility that they could lead to increased discrimination against Hispanics and Asians. Senator KENNEDY's amendment is a reasonable, modest, well thoughtout approach to this problem. I urge its adoption.●

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment (No. 604) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 605

(Purpose: To substitute provisions regarding the legalization of aliens)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] for himself and Mr. BINGAMAN proposes amendment numbered 605.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 68 with line 7, strike out all through line 7 on page 93 and insert in lieu thereof the following:

TITLE II—LEGALIZATION

LEGALIZATION

SEC. 201. (a) Chapter 5 of title II is amended by inserting after section 245 (8 U.S.C. 1255) the following new section:

"§ 245A. "Adjustment of status of certain entrants before January 1, 1981, to that of persons admitted for temporary or permanent residence

"SEC. 245A. (a) The Attorney General may, in his discretion and under such regulations as he shall prescribe, adjust the status of an alien to that of an alien lawfully admitted for permanent residence if—

"(1) the alien applies for such adjustment during the twelve-month period beginning on a date (not later than 180 days after the date of enactment of this section) designated by the Attorney General,

"(2)(A) the alien (other than an alien who entered as a nonimmigrant) establishes that he entered the United States prior to January 1, 1977, and has resided continuously in the United States in an unlawful status from January 1, 1977, through the date of enactment of the Immigration Reform and Control Act of 1985, or

"(B) the alien entered the United States as a nonimmigrant before January 1, 1977, the alien's period of authorized stay as a nonimmigrant expired before Januay 1, 1977, through the passage of time or the alien's unlawful status was known to the Government as of January 1, 1977, and the alien has resided continuously in the United States in an unlawful status from January 1, 1977, through the date of enactment of the Immigration Reform and Control Act of 1985, and

"(C) if the alien was at any time a nonimmigrant exchange alien (as defined in section 101(a)(15)(J)), the alien was not subject to the two-year foreign residence requirement of section 212(e) or has fulfilled that requirement or received a waiver thereof;

"(3) the alien was continuously physically present in the United States since the date of the enactment of the Immigration Reform and Control Act of 1985; and

"(4) the alien—

"(A) is admissible to the United States as an immigrant, except as otherwise provided under subsection (c)(3),

"(B) has not been convicted of any felony or of three or more misdemeanors committed in the United States,

"(C) has not assisted in the persecution of any person or persons on account of race, religion, nationality, membership in a particular social group, or political opinion, and

"(D) registers under the Military Selective Service Act, if the alien is required to be so registered under that Act.

Notwithstanding paragraph (1), an alien who (at any time during the one-year period described in paragraph (1) is the subject of an order to show cause issued under section 242, must make application under such paragraph not later than the end of the thirty-day period beginning either on the

first day of such one-year period or on the date of the issuance of such order, whichever day is later. An alien shall not be considered to have failed to maintained continuous physical presence in the United States for purposes of paragraph (3) by virtue of a brief, casual, and innocent absence from the United States.

"(b)(1) The Attorney General may, in his discretion and under such regulations as he shall prescribe, adjust the status of an alien to that of an alien lawfully admitted for temporary residence if—

"(A) the alien applies for such adjustment during the twelve-month period described in subsection (a)(1);

"(B)(i) the alien (other than an alien who entered as a nonimmigrant) establishes that he entered the United States prior to January 1, 1981, and has resided continuously in the United States in an unlawful status from January 1, 1981, through the date of enactment of the Immigration Reform and Control Act of 1985; or

"(ii) the alien entered the United States as a nonimmigrant before January 1, 1981, the alien's period of authorized stay as a nonimmigrant expired before January 1, 1981, through the passage of time or the alien's unlawful status was known to the Government as of January 1, 1981, and the alien has resided continuously in the United States in an unlawful status from January 1, 1981, through the date of enactment of the Immigration Reform and Control Act of 1985; and

"(iii) if the alien was at any time a nonimmigrant exchange alien (as defined in section 101(a)(15)(J)), the alien was not subject to the two-year foreign residence requirement of section 212(e) or has fulfilled that requirement or received a waiver thereof;

"(C) the alien has been continuously physically present in the United States since the date of the enactment of the Immigration Reform and Control Act of 1985; and

"(D) the alien—

"(i) is admissible to the United States as an immigrant, except as otherwise provided under subsection (c)(3),

"(ii) has not been convicted of any felony or three or more misdemeanors committed in the United States,

"(iii) has not assisted in the persecution of any person or persons on account of race, religion, nationality, membership in a particular social group, or political opinion, and

"(iv) registers under the Military Selective Service Act, if the alien is required to be so registered under that Act.

For purposes of this subsection, an alien in the status of a Cuban and Haitian entrant described in paragraph (1) or (2)(A) of section 501(e) of Public Law 96-422 shall be considered to have entered the United States and to be in an unlawful status in the United States. Notwithstanding paragraph (1), an alien who (at any time during the one-year period described in subparagraph (A)) is the subject of an order to show cause issued under section 242, must make application under such paragraph not later than the end of the thirty-day period beginning either on the first day of such one-year period or on the date of the issuance of such order, whichever day is later. An alien shall not be considered to have failed to maintained continuous physical presence in the United States for purposes of subparagraph (C) by virtue of a brief, casual, and innocent absence from the United States.

"(2) During the period an alien is in the lawful temporary resident status granted under paragraph (1)—

"(A) the Attorney General shall, in accordance with regulations, permit the alien to return to the United States after such brief and casual trips abroad as reflect an intention on the part of the alien to adjust to lawful permanent resident status under paragraph (1) and after brief temporary trips abroad occasioned by a family obligation involving an occurrence such as the illness or death of a close relative or other family need, and

"(B) the Attorney General shall grant the alien authorization to engage in employment in the United States and provide to that alien an 'employment authorized' endorsement or other appropriate work permit.

"(3) The Attorney General, in his discretion and under such regulations as he may prescribe, may adjust the status of any alien provided lawful temporary resident status under paragraph (1) to that of an alien lawfully admitted for permanent residence if the alien—

"(A) applies for such adjustment during the 12-month period beginning with the first day of the twenty-fifth month that begins after the date the alien was granted such temporary resident status;

"(B) establishes that he has continuously resided in the United States since the date the alien was granted such temporary resident status;

"(C)(1) is admissible to the United States as an immigrant, except as otherwise provided under subsection (c)(3), and

"(ii) has not been convicted of any felony or three or more misdemeanors committed in the United States; and

"(D) can demonstrate that he either (i) meets the requirements of section 312 (relating to minimal understanding of ordinary English and a knowledge and understanding of the history and government of the United States), or (ii) is satisfactorily pursuing a course of study (recognized by the Attorney General) to achieve such an understanding of English and such a knowledge and understanding of the history and government of the United States. An alien shall not be considered to have lost the continuous residence referred to in subparagraph (B) by reason of an absence from the United States permitted under paragraph (2)(A). The Attorney General may, in his discretion, waive all or part of the requirements of subparagraph (D) in the case of an alien who is 65 years of age or older.

"(4) The Attorney General shall provide for termination of temporary resident status granted an alien under this subsection—

"(A) if it appears to the Attorney General that the alien was in fact not eligible for such status,

"(B) if the alien commits an act that (i) makes the alien inadmissible to the United States as an immigrant, except as otherwise provided under subsection (c)(3), or (ii) is convicted of any felony or three or more misdemeanors committed in the United States, or

"(C) at the end of the thirty-seventh month beginning after the date the alien is granted such status, unless the alien has filed an application for adjustment of such status pursuant to paragraph (3) and such application has not been denied.

"(c)(1)(A) The Attorney General shall provide that applications for adjustment of status under subsection (a) or under subsection (b)(1) may be filed—

"(i) with the Attorney General, or

"(ii) with an organization or person designated under subparagraph (B), but only if the applicant consents to the forwarding of the application to the Attorney General.

"(B) For purposes of assisting in the program of legalization provided under this section, the Attorney General shall designate qualified voluntary organizations and other qualified State, local, and community organizations and may designate such other persons as the Attorney General determines are qualified and have substantial experience, demonstrated competence, and traditional long-term involvement in the preparation and submittal of applications for adjustment of status under Public law 89-732 or under Public Law 94-145.

"(C) Each organization or person designated under subparagraph (B) must agree to forward to the Attorney General applications filed with it in accordance with subparagraph (A)(ii) but not to forward to the Attorney General applications filed with it unless the applicant has consented to such forwarding. No such organization or person may make a determination required by this section to be made by the Attorney General.

"(D) Whoever files an application for adjustment of status under this section and knowingly and willfully falsifies, conceals, or covers up a material fact or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be fined not more then $10,000 or imprisoned not more than five years, or both.

"(E) The Attorney General shall provide for a schedule of fees to be charged for the filing of applications for adjustment under subsection (a) or under subsection (b)(1). The Attorney General shall deposit payments received under the preceding sentence in a separate account and amounts in such account shall be available, without fiscal year limitation, only to cover administrative expenses incurred in connection with the review of applications filed under this section.

"(2) The numerical limitations of section 201 and 202 shall not apply to the adjustment of aliens to lawful permanent resident status under this section.

"(3) The provisions of paragraphs (14), (20), (21), (25), and (32) of section 212(a) shall not be applicable in the determination of an alien's admissibility under subsections (a)(4)(A), (b)(1)(D)(i), (b)(3)(C)(i), and (b)(4)(B)(i), and the Attorney General, in making such determination with respect to a particular alien, may waive any other provision of such section other than paragraph (9), (10), (15) (except as it applies to the adjustment to lawful temporary resident status under subsection (a)), (23) (except for so much of such paragraph as relates to a single offense of simple possession of thirty grams or less of marihuana), (27), (28), (29), or (33), for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest. For purposes of this section, an alien is not ineligible for adjustment of status under this section due to being inadmissible under section 212(a)(15) if the alien demonstrates a history of employment in the United States evidencing self-support without receipt of public cash assistance.

"(4) During the six-month period beginning on the date of the enactment of this section, the Attorney General, in cooperation with qualified organizations and governments designated under paragraph (1) and the Secretary of Labor, shall broadly disseminate information respecting the ben-

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efits which aliens may receive under this section and the requirements to obtain such benefits.

"(5)(A) The Attorney General shall provide that in the case of an alien who is apprehended before the beginning of the application period described in subsection (a)(1) and who can establish a prima facie case of eligibility to have his status adjusted under subsection (a) or subsection (b)(1) (but for the fact that he may not apply for such adjustment until the beginning of such period), until the alien has had the opportunity during the first 30 days of the application period to complete the filing of an application for adjustment, the alien—

"(i) may not be deported, and

"(ii) shall be granted authorization to engage in employment in the United States and be provided an 'employment authorized' endorsement or other appropriate work permit.

"(B) The Attorney General shall provide that in the case of an alien who presents an application for adjustment of status under subsection (a) or subsection (b)(1) during such application period which application establishes a prima facie case of eligibility to have his status adjusted under such subsection, and until a final administrative determination on the application has been made in accordance with this section, the alien—

"(i) may not be deported, and

"(ii) shall be granted authorization to engage in employment in the United States and be provided an 'employment authorized' endorsement or other appropriate work permit.

"(6) Notwithstanding the Federal Property and Administrative Act of 1949 (40 U.S.C. 471 et. seq.), the Attorney General is hereby authorized to expend from the appropriation provided for the administration and enforcement of this Act, such amounts as may be necessary for the leasing or acquisition of property in the fulfillment of this section. This authority shall end two years after the date of the enactment of this Act.

"(d)(1) For purposes of subsection (a), (b)(1), or (b)(3), an alien shall not be considered to have resided continuously in the United States, if, during any period for which continuous residence is required, the alien was outside the United States as a result of a departure under an order of deportation.

"(2) Any period of time during which an alien is outside the United States pursuant to the advance parole procedures of the Service shall not be considered as part of the period of time during which an alien is outside in the United States for purposes of this section.

"(e)(1) During the five-year period beginning on the date an alien is granted lawful temporary resident status granted under subsection (b)(1) and during the three-year period beginning on the date an alien is granted lawful permanent resident status under subsection (a), and notwithstanding any other provision of law—

"(A) except as provided in paragraph (2), the alien is not eligible for—

"(i) any program of financial assistance furnished under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government,

"(ii) medical assistance under a State plan approved under title XIX of the Social Security Act, and

"(iii) assistance under the Food Stamp Act of 1977, and

"(B) a State or political subdivision therein may, to the extent consistent with subparagraph (A), provide that the alien is not eligible for the programs of financial or medical assistance furnished under the law of that State or political subdivision.

Programs authorized under the National School Lunch Act, the Child Nutrition Act of 1966, the Vocational Education Act of 1963, Chapter 1 of the Education Consolidation and Improvement Act of 1981, the Headstate-Follow Through Act, the Job Training Partnership Act, and subparts 4 and 5 of part A of title IV of the Higher Education Act of 1965 shall not be construed to be programs of financial assistance referred to in subparagraph (A)(i). Programs authorized under the Public Health Service Act and title V of the Social Security Act shall not be construed to be programs of financial assistance referred to in subparagraph (A)(i).

"(2) Paragraph (1) shall not apply—

"(A) to a Cuban and Haitian entrant (as defined in paragraph (1) or (2)(A) of section 501(e) of Public Law 96-422, as in effect on April 1, 1983);

"(B) in the case of assistance furnished to an alien who is an aged, blind, or disabled individual (as defined in section 1614(a)(1) of the Social Security Act), or

"(C) in the case of medical assistance (i) for care and services provided to an alien who is under 18 years of age, (ii) for emergency services (as defined for purposes of section 1916(e)(2)(D) of the Social Security Act) or (iii) for services described in section 1916(a)(2)(B) of such Act (relating to services for pregnant women).

The eligibility, comparability, and any other State plan requirements of title XIX of the Social Security Act are superceded to the extent required to restrict the medical assistance in the manner described in subparagraph (C) and paragraph (1)(A)(ii). The Secretary of Health and Human Services, in coordination with the Attorney General, shall promulgate regulations in order to carry out subparagraphs (B) and (C).

"(3) For the purpose of section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96-122), assistance shall be continued under such section with respect to an alien without regard to the alien's adjustment of status under this section.

"(f)(1) The Attorney General, after consultation with the Committees on the Judiciary of the House of Representatives and of the Senate and with organizations and persons designated under subsection (c)(1)(B), shall prescribe—

"(A) regulations establishing a definition of the term 'resided continuously', as used in this section, and the evidence needed to establish that an alien has resided continuously in the United States for purposes of this section, and

"(B) such other regulations as may be necessary to carry out this section.

"(2) In prescribing regulations described in paragraph (1)(A), the Attorney General shall—

"(A) specify individual periods, and aggregate periods, of absence from the United States which will be considered to break a period of continuous residence in the United States and shall take into account absences due merely to brief and casual trips abroad;

"(B) provide for a waiver, in the discretion of the Attorney General, of the periods specified under subparagraph (A) in the case of an absence from the United States due merely to a brief temporary trip abroad required by emergency or extenuating circumstances outside the control of the alien;

"(C) require that continuous residence in the United States must be established through documents, together with independent corroboration of the information contained in such documents; and

"(D) require that the documents provided under subparagraph (C) be employment-related if employment-related documents with respect to the alien are available to the applicant.

"(3) Regulations prescribed under this section may be prescribed to take effect on an interim final basis if the Attorney General determines that this is necessary in order to implement this section in a timely manner.

"(g)(1) There shall be no administrative or judicial review of a determination respecting an application for adjustment of status under this section except in accordance with this subsection.

"(2) The Attorney General shall establish an appellate authority to provide for a single level of administrative appellate review of such a determination. Such administrative appellate review shall be based upon the administrative record established at the time of the determination on the application and upon such additional or newly discovered evidence as may not have been available at the time of the determination.

"(3)(A) There shall be no judicial review of such a determination, unless the applicant has exhausted the administrative review described in paragraph (2).

"(B) There shall be judicial review of such a denial only in the judicial review of an order of deportation under section 106. Such review shall be based solely upon the administrative record established at the time of the review by the appellate authority and the findings of fact and determinations contained in such record shall be conclusive.

"(h) Notwithstanding any other provision of law, the retired or retainer pay of a member or former member of the Armed Forces of the United States or the annuity of a retired employee of the Federal Government shall not be reduced while such individual is temporarily employed by the Service for a period of not to exceed fifteen months to perform duties in connection with the adjustment of status of aliens under this section.".

(b) The table of contents for chapter 5 of title II is amended by inserting after the item relating to section 245 the following new item:

"Sec. 245A. Adjustment of status of certain entrants before January 1, 1981, to that of persons admitted for temporary or permanent residence.".

(c) For reports on the legalization program provided under the amendment made by subsection (a), see section 405 of this Act.

CUBAN-HAITIAN ADJUSTMENT

SEC. 202. (a) The status of any alien described in subsection (b) may be adjusted by the Attorney General, in the Attorney General's discretion and under such regulations as the Attorney General may prescribe, to that of an alien lawfully admitted for permanent residence if—

(1) the alien applies for such adjustment within two years after the date of the enactment of this Act;

(2) the alien is otherwise eligible to receive an immigrant visa and is otherwise admissible to the United States for permanent residence, except in determining such admissibility the grounds for exclusion specified in paragraphs (14), (15), (20), (21), (25), and (32) of section 212(a) of the Immigration and Nationality Act shall not apply;

(3) the alien is not an alien described in section 243(h)(2) of such Act;

(4) the alien is physically present in the United States on the date the application for such adjustment is filed; and

(5) the alien has continuously resided in the United States since January 1, 1982.

(b) The benefits provided by subsection (a) shall apply to any alien—

(1) who has received an immigrant designation as a Cuban/Haitian Entrant (Status Pending) as of the date of the enactment of this Act, or

(2) who is a national of Cuba or Haiti, who arrived in the United States before January 1, 1982, with respect to whom any record was established by the Immigration and Naturalization Service before January 1, 1982, and who (unless the alien filed an application for asylum with the Immigration and Naturalization Service before January 1, 1982) was not admitted to the United States as a nonimmigrant.

(c) An alien who, as of the date of the enactment of this Act, is a Cuban and Haitian entrant for the purpose of section 501 of Public Law 96-422 shall continue to be considered such an entrant for such purpose without regard to any adjustment of status effected under this section.

(d) Upon approval of an alien's application for adjustment of status under subsection (a), the Attorney General shall establish a record of the alien's admission for permanent residence as of January 1, 1982.

(e) When an alien is granted the status of having been lawfully admitted for permanent residence pursuant to this section, the Secretary of State shall not be required to reduce the number of immigrant visas authorized to be issued under this Act and the Attorney General shall not be required to charge the alien any fee.

(f) Except as otherwise specifically provided in this section, the definitions contained in the Immigration and Nationality Act shall apply in the administration of this section. Nothing contained in this section shall be held to repeal, amend, alter, modify, effect, or restrict the powers, duties, functions, or authority of the Attorney General in the administration and enforcement of such Act or any other law relating to immigration, nationality, or naturalization. The fact that an alien may be eligible to be granted the status of having been lawfully admitted for permanent residence under this section shall not preclude the alien from seeking such status under any other provision of law for which the alien may be eligible.

STATE LEGALIZATION IMPACT-ASSISTANCE GRANTS

SEC. 203. (a)(1) There are authorized to be appropriated for grants (and related Federal administrative costs) to carry out this section $1,000,000,000 (less the amount described in paragraph (2)) for fiscal year 1986 and for each of the three succeeding fiscal years.

(2)(A) Subject to subparagraphs (B) and (C), the amount described in this paragraph for a fiscal year is equal to the amount estimated to be expended by the Federal Government in the fiscal year for the programs of financial assistance, medical assistance, and assistance under the Food Stamp Act of 1977 for aliens who would not be eligible for such assistance under paragraph (1)(A) of section 249A(e) of the Immigration and Nationality Act but for the provisions of subparagraphs (B) and (C) of paragraph (2) of such section.

(B) For purposes of subparagraph (A), with respect to—

(i) fiscal year 1986, the amount estimated to be expended is equal to $30,000,000, and

(ii) fiscal year 1987, the amount estimated to be expended is equal to $300,000,000.

For subsequent fiscal years, the amount estimated to be expended shall be such estimate as contained in the annual fiscal budget submitted for that year to the Congress by the President.

Mr. KENNEDY. Mr. President, as I indicated at the outset of this debate, I believe a fundamental deficiency in the pending bill is its weakened provisions on the legalization program.

The bill before us is a retreat from the Humane and Flexible Legalization Program voted twice by the Senate—once by the House of Representatives—and recommended unanimously by the Select Commission on Immigration and Refugee Policy.

It is a retreat from the position that the sponsor of this legislation took himself only a few months ago during last year's conference committee on the previous immigration bill adopted by the Senate in the last session.

And it is a retreat from the fundamental principle upon which this legislation has always been based—the "three-legged stool," some have called it—requiring that we move simultaneously on: First, new enforcement provisions; second, implementation of employer sanctions; and third, the institution of a legalization program. These three actions were intended to go hand-in-hand—to be enacted simultaneously, and implemented together.

Mr. President, legalization is an essential corrollary to the implementation of employer sanctions. As we institute new enforcement policies, legalization allows us to wipe the slate clean, to deal humanely and responsibly with the problems of the past as we begin to deal more effectively with future illegal migration.

Rather than granting outright amnesty as in previous bills, the pending bill creates a nine member "Legalization Commission" to determine whether employer sanctions and the new enforcement provisions are in place and working to curtail illegal alien flow before a legalization program can be implemented. They must report within 1 year.

Even with the clarifying amendments adopted in committee, there are still many procedural questions about just how this Commission would work, and just what it would have to determine, before legalization is authorized—and on what grounds it is supposed to make its decision that employer sanctions are curtailing illegal migration.

It is an awkward procedure at best, with many uncertainties, and clearly walks away from a generous legalization program proposed in the previous bills Congess has passed.

What would happen to an undocumented alien who would otherwise be eligible for legalization, but is caught during the year or more the Commission was deliberating? Should he be deported if he has been for many years and has strong ties to the community, and would have been eligible for legalization? And the Commission's findings are inevitably subjective and judgmental, and subject to lawsuits.

Mr. President, the only sensible way to deal with this issue is to follow the Select Commission's recommendation that we move simultaneously on new enforcement strategies at the same time we also clean up the mess current law has created in a a large population of undocumented aliens. After all, it is the result of current law—the "Texas Proviso"—which has helped create the illegal alien problem—a law that says it is legal for an employer to hire an illegal alien, that has thrown a welcome mat for undocumented aliens to come to this country.

The amendment I am offering simply takes the compromise agreed upon in last year's conference committee, to establish a legalization program with a January 1, 1981, cutoff date, a two-track system, to be implemented at the same time, in a phased fashion, as employer sanctions are implemented.

It was a compromise that didn't go as far as I would have preferred, but it was a compromise reached just a few months ago; if it was good enough as a compromise last October, with Senator SIMPSON's support, it ought to be good enough for us now.

I hope the Senate will accept this amendment, which really reflects what we have supported in the past.

Mr. President, just to briefly sum up—the Members of this body have addressed this particular issue I know on two previous times, so they are familiar with the elements that are involved—and I am prepared to go swiftly to a vote.

Under the enforcement provision, as outlined by the chairman of the subcommittee, we have the date of the enactment of the bill and then 6 months later we have notification to various employers after 6 months, which would be a year before the enforcement mechanism is actually implemented. So we have a 12-month period.

That is the same that has been in previous bills. This was recommended by the Select Commission and that has been in previous bills and that is in the current bill.

On the other side is legalization. Previously, in the other two bills, we have had the date of enactment and 6 months thereafter we have the preparation by the INS. Six months for the implementation of the enforcement provisions, and 6 months for INS on legalization.

Then, after INS does the preparation for the Legalization Program, we have a 12-month period where those individuals who have come here prior to 1981 have the opportunity to adjust their status. You have to have been here prior to 1981 to be able to adjust your status. If this bill is accepted and passed, it will be 1985. We have 1982, 1983, 1984, and 1985, so they would have to have been here at least for those 4 years. And to be able to adjust their status and to go into a permanent resident alien position, they would have to have been here 3 years prior to that.

So we have the 4 years after 1981 and the 3 years prior to 1981 in order to be able to adjust their status to a permanent resident alien. If they have just been here, say, a year before 1981, they are temporary residents and there is a significant reduction in terms of any benefits they will be eligible for. They will be eligible for benefits if they have been here for 3 years before 1981, which would be a total of 8 years in the United States.

We recognize, and I believe it is an important recognition, that they will have to have been here in good standing, a member of the community. We have seen, in the past, where they have obviously paid the local taxes and paid into Social Security, and we have put those figures into the Record in previous debates about the amount they have paid in taxes.

But they will have to have been here for 8 years; otherwise, they would see a significant reduction in terms of benefits.

I do not intend to take the time of the Senate this afternoon to talk about what is happening to those in our society, the undocumented aliens, and the whole subterranean economy and the exploitations which have taken place and all the insidiousness that has been heaped upon these individuals who know if they run into some difficulty and are turned in by their employer they are deported, and what is happening to their children and their attitudes toward the whole process of the system in this country.

There is no question there is a subterranean economy with extraordinary exploitation and all the implications that has for our own society.

We are attempting, with this proposal, to make those individuals who have demonstrated from their past conduct a commitment to this country, a commitment to society, a commitment to their family and their community, and to insure that there will not be a constant sense of fear and to be able to, at that time, adjust their status and move toward citizenship. Then they are at least on the track to be able to make application for citizenship.

So, Mr. President, I hope that we can accept this amendment even though it was altered and changed as we moved through the conference committee process last year. The Commission established in the bill is going to have to make a judgment that the flow of immigrants into the United States has been curtailed. All of us are hopeful, if this is actually enacted into law, that there will be a curtailing of that. But, I, quite frankly, believe, and I think it has been demonstrated by an examination of the flow charts, that if the peso gets devalued 30 or 40 percent, you find a flood of undocumented aliens coming here from neighboring countries, or if there is continued conflict in Central America, that has as much of an effect in terms of flow lines and what is happening in the border areas.

I was talking to a distinguished Congressman who represents the Laredo, TX, area yesterday. He pointed out that last year there was a 125-percent increase in undocumenteds that have actually come across their border. They estimate that 1 out of 3 gets in here. But there has been a dramatic increase and there has almost been a 100-percent increase in the flow, as there has been a 100-percent increase in the Border Patrol.

Mr. President, I yield to the chairman of the committee.

Mr. SIMPSON. Mr. President, again a thoughtful review of a tough part of the bill, legalization; something I am very committed to, very much so, and I have been. It is a key to the operation.

I ought to perhaps refer to it as the four-legged stool. I remember the phrase about the three-legged stool, which is now with the fourth leg, which is employer sanctions, together with the other 3: some kind of verification process, increased and appropriate enforcement at our borders internally, and legalization.

So my problem with this amendment—and I speak against the amendment—is this: If legalization is going to occur before we have effective law enforcement in place and before that is achieved, then it is my feeling—and studies disclose—that the illegal population will immediately begin to grow again.

This will create only additional pressures for additional legalization. That is the problem.

These periodic legalizations then, in effect, would be almost a continuing repeal of the U.S. immigration laws. That is exactly what I see could occur.

Legalization in the absence of more effective enforcement is very likely to increase the illegal flow.

It was interesting as the Select Commission discussed setting a legalization date. We kept that confidential for a time when we picked January 1, 1980, as we did in the Select Commission, because we knew when people heard about a date, there would be a crush, a flow across the border saying, "Wait a minute, when did they set that date? When was that?"

If there are any kind of communications procedures that outdo Ma Bell or drums or smoke signals or anything else, it is what is going on in the United States with immigration. People here are seeking to get their relatives here, especially those who have been standing in line. That is how it works. That is why there are so many illegals in the issue when there are so many legals standing in line. That is why legalization must be done.

Legalization and the absence of effective enforcement is going to increase this flow.

Let me quote one sentence from the select commission report:

> Without more effective enforcement than the United States has had in the past, the legalization could serve as a stimulus to further illegal entry, and the select commission is opposed to any program that could precipitate such movement.

Public opinion rebels against amnesty. That is unfortunate. It became the center of a political campaign in Texas last year. That was unfortunate; 35-percent support versus 55-percent against, according to a November 1984 Gallup poll. That is sad.

An amendment to delete legalization entirely failed by only 38 votes in the U.S. House last year.

If we are going to enact legislation, we must be able to assure our constituents that we have effectively addressed the problem of illegal immigration, and that is the need that led to legalization in the first place. The Commission did set January 1, 1980, because they wanted a date that was before public discussion of the legalization beginning.

Again, the Select Commission stated, "The Commission does not want to reward undocumented, illegal aliens who may have come to the United States in part at least because of recent discussions about legalization."

The full Senate in the 98th Congress and the Senate Judiciary Committee this year rejected an attempt to advance this date beyond January 1, 1980. Moving up that date by 1 year would add hundreds of thousands more to the program. They would be those who had formed the least ties to the United States, who have acquired the fewest equities, and who have entered ahead of those abroad who have waited so long to legally enter.

Increasing the date upward would increase the financial stakes on States and localities. They certainly have an interest in this business.

Under the CBO estimate, the increased cost would be $100 million to $200 million per year.

With that, Mr. President, I would say that there is one dangling thread here. Some critics claim that the triggering of legalization will expose ineligible, illegal aliens to additional exploitation before legalization is triggered. I do respectfully reject those arguments on very brief grounds.

The real exploitation in America will occur if we do nothing. That is what will occur in America. The real exploitation will occur if we do not achieve effective enforcement. If legalization draws in new surges of illegal aliens, then we have a whole new generation of exploited aliens who come here to stay.

The bill does not penalize current employers of illegal aliens, but, rather, those who hire illegals after the bill is enacted. Mr. President, I hope you hear that carefully.

The bill does not penalize current employers of illegal aliens but, rather, those who hire illegals after the bill is enacted, new hires.

The Legalization Commission under S. 1200 is not required in any way to certify that employer sanctions and increased enforcement are somehow actually reducing illegal immigration; only that the enforcement mechanisms are in place, receiving adequate funding from this Congress, and it appearing that legalization will not be a stimulus for new illegal immigration. Thus, legalization will be triggered before the enforcement measures really start clamping down.

With that, Mr. President, I remain totally committed to a legalization program. That is why there was an agreement in the Judiciary Committee to start the legalization within 3 years if the Commission does not report any sooner, or terminate the Legalization Commission, which includes persons appointed by the President pro tempore of the Senate and the Speaker of the House, all of whom must be totally committed to the concept of legalization. I hope it will be much sooner than that. The reason for it is that we must have the enforcement properly in place or we will create a new surge. That is my concern and that is why I speak against the amendment.

MOTION TO RECONSIDER

Mr. KENNEDY. Mr. President, I move to reconsider the Hatch amendment.

Mr. SIMON. Mr. President, I move to lay that motion on the table.

Mr. SIMPSON. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Evans). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I would like to withdraw my motion to lay on the table.

The PRESIDING OFFICER. The motion of the Senator from Massachusetts is not in order while there is another amendment pending, and there is an amendment pending.

Mr. KENNEDY. Mr. President, I have outlined the differences between what is in the pending legislation and the amendment which I offered.

We have accepted, in the last's year bill, the concept of simultaneous enforcement and legalization.

If this legislation is enacted, all we are asking is that we keep both of those parts of the framework in tandem. If the amendment that I offer is accepted, both of those parts will be kept in tandem. I think it is important that we do that rather than referring this whole issue to a commission that is going to be guided by the word "curtail"—as well intentioned as those commisisoners may be. So I hope, Mr. President, that we would move toward accepting this amendment. It represents the compromise between the House and the Senate in the conference committee last October. Last year it was accepted by the Senator from Wyoming. So it seems to me that if it was good enough last fall on the basis of the merits, it ought to be good enough for us to be willing to accept it today.

Mr. SIMON. Will the Senator from Massachusetts yield?

Mr. KENNEDY. I would be glad to yield.

Mr. SIMON. I would just add that when Commissioner Nelson appeared before us, I asked him whether his statement of 2 years ago that they could move immediately on legalization was still valid, he said they could, they are ready to go on it. It just seems to me the Senator's amendment makes eminent good sense. I hope it will be adopted by the Senate.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. If there further debate? If not, the question is on agreeing to the amendment of the Senator from Massachusetts. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. Cochran], the Senator from Maine [Mr. Cohen], the Senator from Kansas [Mr. Dole], the Senator from North Carolina [Mr. East], the Senator from Utah [Mr. Garn], the Senator from Kansas [Mrs. Kassebaum], and the Senator from Vermont [Mr. Stafford] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Kentucky [Mr. Ford], and the Senator from Arkansas [Mr. Pryor] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 26, nays 65, as follows:

[Rollcall Vote No. 179 Leg.]

YEAS—26

Bentsen
Biden
Bingaman
Bradley
Cranston
DeConcini
Dixon
Dodd
Eagleton
Glenn
Gore
Harkin
Hart
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Pell
Rockefeller
Sarbanes
Simon

NAYS—65

Abdnor
Andrews
Armstrong
Baucus
Boren
Boschwitz
Bumpers
Burdick
Byrd
Chafee
Chiles
D'Amato
Danforth
Denton
Domenici
Durenberger
Evans
Exon
Goldwater
Gorton
Gramm
Grassley
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kasten
Laxalt
Long
Lugar
Mathias
Mattingly
McClure
McConnell
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pressler
Proxmire
Quayle
Riegle
Roth
Rudman
Sasser
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Zorinsky

NOT VOTING—9

Cochran
Cohen
Dole
East
Ford
Garn
Kassebaum
Pryor
Stafford

So the amendment (No. 605) was rejected.

Mr. SIMPSON. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HART addressed the Chair.

Mr. SIMPSON. Mr. President, for the benefit of my colleagues—many of them asked about the schedule—let me try to assist or share some information as to what we are attempting to do in proceeding with this measure. I think the number of amendments is decreasing. Some have been taken care of, some have been withdrawn. So I think we can handle the business today—at least, that is still the intent of the minority manager and myself.

At this time, we will go to a colloquy, a very brief colloquy of Senator Hatfield; then to Senator Hart; then to Senator McClure; which is the amendment with regard to search warrants; then to Senator Chiles; and then to Senator Moynihan, which would be very swiftly taken; then a Metzenbaum amendment, a Simon amendment, or perhaps two, two other amendments that will be accepted, and we will proceed on that schedule.

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Mr. LEVIN. Mr. President, as my friend knows there also will be an amendment that I will offer plus a colloquy which I think we are still trying to work up. That amendment may or may not be acceptable. We do not yet know. I do want to be on that list.

Mr. SIMPSON. May I ask my colleague and friend from Michigan if that is the amendment with regard to the northern border activities, or is there to be a colloquy also?

Mr. LEVIN. The colloquy relates to the northern border. The amendment relates to the question of legalization.

Mr. SIMPSON. Which is the subject of a discussion we are now having about a colloquy perhaps to supplant that.

Mr. LEVIN. No, I do not think that will supplant the amendment.

Mr. SIMPSON. I see.

Mr. LEVIN. The Hart amendment which is going to be offered is not a substitute for the amendment that the Senator from Wyoming and I spoke about this morning.

Mr. SIMPSON. I thank the Senator from Michigan.

With that, I recognize the Senator from Oregon for that colloquy or the beginning of it.

Is he prepared to do that or shall I go to Senator Hart first.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. HART. I thank the Chair.

AMENDMENT NO. 606

Mr. HART. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Colorado [Mr. Hart] for himself and Mr. Levin proposes an amendment numbered 606.

Mr. HART. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 13, line 4, before the period insert "and unfair immigration-related employment practices".

Page 13, line 7, strike out "section" and insert in lieu thereof "sections".

Page 33, line 12, strike out all that follows the first period.

Page 33, after line 12, insert the following:

"UNFAIR IMMIGRATION-RELATED EMPLOYMENT PRACTICES

"Sec. 274B. (a) Prohibition of Discrimination Based on National Origin or Immigration Status.—

"(1) General rule.—It is unfair immigration-related employment practice for a person or other entity to engage in a pattern or practice of discrimination against individuals (other than unauthorized aliens, described in section 274A(h)(2)) with respect to the hiring, or recruitment or referral for a fee, of individuals for employment—

"(A) because of such individual's national origin, or

"(B) in the case of a citizen or intending citizen (as defined in paragraph (3)), because of their status as United States citizens, as aliens admitted for permanent residence, as aliens admitted as refugees, as aliens granted asylum, or as aliens with lawful temporary resident status granted under section 202 of the Immigration Reform and Control Act of 1985.

"(2) Exceptions.—Paragraph (1) shall not apply to—

"(A) a person or other entity that employs three or fewer employees,

"(B) a person's or entity's discrimination because of an individual's national origin if the discrimination with respect to that person or entity and that individual is covered under section 703 of the Civil Rights Act of 1964, or

"(C) discrimination under paragraph (1)(B) which is otherwise required in order to comply with law, regulation, or executive order, or required by Federal, State, or local government contract, or which the Attorney General determines to be essential for an employer to do business with an agency or department of the Federal, State, or local government.

"(3) Definition of citizen or intending citizen.—As used in paragraph (1), the term 'citizen or intending citizen' means an individual who—

"(A) is a citizen or national of the United States, or

"(B) is an alien who—

"(i) is lawfully admitted for permanent residence, is admitted as a refugee under section 207, is granted asylum under section 208, or is granted lawful temporary resident status under section 202 of the Immigration Reform and Control Act of 1985, and

"(ii) evidences an intention to become a citizen of the United States through completing a declaration of intention to become a citizen;

but does not include an alien who fails to apply for naturalization within six months of the date the alien first becomes eligible (by virtue of period of lawful permanent residence) to apply for naturalization or, if later, within six months after the date of the enactment of this section.

"(b) Complaints of Violations.—

"(1) In General.—Except as provided in paragraph (2), any person alleging that the person is adversely affected directly by an unfair immigration-related employment practice or an officer of the Service alleging that an unfair immigration-related employment practice has occurred or is occurring may file a charge respecting such practice or violation with the Special Counsel (appointed under subsection (c)). Charges shall be in writing under oath or affirmation and shall contain such information as the Attorney General requires. The person filing a charge shall serve a notice of the charge (including the date, place, and circumstances of the alleged unfair immigration-related employment practice) on the person or entity involved within 10 days. The Special Counsel shall notify each complainant of the notice required under the previous sentence.

"(2) No overlap with EEOC complaints.—No charge may be filed respecting an unfair immigration-related employment practice described in subsection (a)(1)(A) if a charge with respect to that practice based on the same set of facts has been filed with the Equal Employment Opportunity Commission under title VII of the Civil Rights Act of 1964, and no charge respecting an employment practice may be filed with the Equal Employment Opportunity Commission under such title if a charge with respect to such practice based on the same set of facts has been filed under this subsection. The previous sentence shall not apply where a charge has been mistakenly filed and has been withdrawn.

"(c) Special Counsel.—

"(1) Appointment.—The President shall appoint, by and with the advice and consent of the Senate, a Special Counsel for Immigration-Related Unfair Employment Practices (hereinafter in this section referred to as the 'Special Counsel') within the Department of Justice, but outside the Immigration and Naturalization Service, to serve for a term of four years. In the case of a vacancy in the office of the Special Counsel the President may designate the officer or employee who shall act as Special Counsel during such vacancy.

"(2) Duties.—The Special Counsel shall be responsible for investigation of charges and issuance of complaints under this section and in respect of the prosecution of all such complaints before immigration judges and the exercise of certain functions under subsection (i)(1).

"(3) Compensation.—The Special Counsel is entitled to receive compensation at the rate now or hereafter provided for grade GS-17 of the General Schedule, under section 5332 of title 5, United States Code.

"(4) Regional offices.—The Special Counsel, in accordance with regulations of the Attorney General, shall establish such regional offices as may be necessary to carry out his duties.

"(5) Staffing of office of special counsel.—In providing staffing for the Special Counsel, the Attorney General shall take into consideration the volume of charges filed with the Special Counsel under this section, as well as the complexity of those charges and the need for the conduct of investigations under the second sentence of subsection (d)(1).

"(d) Investigation of Complaints.—

"(1) By special counsel.—The Special Counsel shall investigate each charge received and, within 90 days of the date of the receipt of the charge, determine whether or not there is reasonable cause to believe that the charge is true and whether or not to bring a complaint with respect to the charge before an administrative law judge. The Special Counsel may, on his own initiative, conduct investigations respecting unfair immigration-related employment practices and, based on such an investigation and subject to paragraph (3), file a complaint before such a judge.

"(2) Private actions where a pattern or practice violation.—If the Special Counsel, after receiving such a charge respecting an unfair immigration-related employment practice which alleges a pattern or practice of discriminatory activity, has not filed a complaint before an immigration judge with respect to such charge within such 90-day period, the person making the charge may (subject to paragraph (3)) file a complaint directly before such a judge.

"(3) Time limitations on complaints.—No complaint may be filed respecting any unfair immigration-related employment practice occurring more than 180 days prior to the date of the filing of the charge with the Special Counsel and the service of a copy thereof upon the person or entity against whom such charge is made. This subparagraph shall not prevent the subsequent amending of a charge or complaint under subsection (e)(1).

"(e) Hearings.—

"(1) Notice.—Whenever a complaint is made that a person or entity has engaged in or is engaging in any such unfair immigration-related employment practice, an immigration judge shall have power to issue and cause to be served upon such person or entity a copy of the complaint and a notice of hearing before the judge at a place therein fixed, not less than five days after the serving of the complaint. Any such complaint may be amended by the judge conducting the hearing in the judge's discretion at any time prior to the issuance of an order based thereon. The person or entity so complained of shall have the right to file an answer to the original or amended complaint and to appear in person or otherwise and give testimony at the place and time fixed in the complaint.

"(2) Conduct of hearings.—Hearings on complaints under this subsection shall be considered before immigration judges who are specially designated by the Attorney General as having special training respecting employment discrimination and, to the extent practicable, before such judges who only consider cases under this section.

"(3) Complainant as party.—Any person filing a charge with the Special Counsel respecting an unfair immigration-related employment practice shall be considered a full party to any complaint before an immigration judge respecting such practice and any subsequent appeal respecting that complaint. In the discretion of the judge conducting the hearing, any other person may be allowed to intervene in the said proceeding and to present testimony.

"(f) Testimony and Authority of Hearing Officers.—

"(1) Testimony.—The testimony taken by the immigration judge shall be reduced to writing. Thereafter, the judge, in his discretion, upon notice may provide for the taking of further testimony or hear argument.

"(2) Authority of immigration judges.—In conducting investigations and hearings under this subsection and in accordance with regulations of the Attorney General, the Special Counsel and immigration judges shall have reasonable access to examine evidence of any person or entity being investigated. The immigration judges by subpena may compel the attendance of witnesses and the production of evidence at any designated place or hearing. In case of contumacy or refusal to obey a subpena lawfully issued under this paragraph and upon application of the immigration judge, an appropriate district court of the United States may issue an order requiring compliance with such subpena and any failure to obey such order may be punished by such court as a contempt thereof.

"(g) Determinations.—

"(1) Order.—The immigration judge shall issue and cause to be served on the parties to the proceeding an order.

"(2) Orders finding violations.—

"(A) In general.—If, upon the preponderance of the testimony taken, an immigration judge determines that that any person or entity named in the complaint has engaged in or is engaging in any such unfair immigration-related employment practice, then the judge shall state his findings of fact and shall issue and cause to be served on such person or entity an order which requires such person or entity to cease and desist from such unfair immigration-related employment practices.

"(B) Contents of order.—Such an order also may require the person or entity—

"(i) to comply with the requirements of section 274A(b) with respect to individuals hired (or recruited or referred for employment for a fee) during a period of up to three years;

"(ii) to retain for the period referred to in clause (i) and only for purposes consistent with section 274A(b)(6), the name and address of each individual who applies, in person or in writing, for hiring for an existing position, or for recruiting or referring for a fee, for employment in the United States;

"(iii) to hire individuals directly and adversely affected, with or without back pay; and

"(iv)(I) except as provided in subclause (II), to pay a civil penalty of not more than $1,000 for each individual discriminated against, and

"(II) in the case of a person or entity previously subject to such an order, to pay a civil penalty of not more than $2,000 for each individual discriminated against.

"(C) Limitation on back pay remedy.—In providing a remedy under subparagraph (B)(iii), back pay liability shall not accrue from a date more than two years prior to the filing of a charge with an immigration judge. Interim earnings or amounts earnable with reasonable diligence by the individual or individuals aggrieved against shall operate to reduce the back pay otherwise allowable under such paragraph. No order shall require the hiring of an individual as an employee or the payment to him of any back pay, if the individual was refused employment for any reason other than discrimination on account of national origin or citizenship status.

"(D) Treatment of distinct entities.—In applying this subsection in the case of a person or entity composed of distinct, physically separate subdivisions each of which provides separately for the hiring, recruiting, or referring for employment without reference to the practices of, or under the control of, or common control with, another subdivision, each such subdivision shall be considered a separate person or entity.

"(3) Orders not finding violations.—If upon the preponderance of the testimony taken an immigration judge determines that the person or entity named in the complaint has engaged or is engaging in any such unfair immigration-related employment practice, then the judge shall state his findings of fact and shall issue an order dismissing the complaint.

"(h) Awarding of Attorney's Fees.—In amy complaint respecting an unfair immigration-related employment practice, an immigration judge, in the judge's discretion, may allow a prevailing party, other than the United States, a reasonable attorney's fee.

"(i) Judicial Review Procedures.—

"(1) Modification of findings or orders prior to filing record in court.—Until the record in a case is filed in a court under this subsection, an immigration judge may at any time upon reasonable notice and in such manner as the judge deems proper, modify or set aside, in whole or in part, any finding or order made or issued by the judge.

"(2) Petition of court for enforcement of order, proceedings, review of judgment.—The special Counsel may petition any court of appeals of the United States, or if all the courts of appeals to which application may be made are in vacation, any district court of the United States, within any circuit or district, respectively, wherein the unfair immigration-related employment practice in question occurred or wherein such person resides or transacts business, for the enforcement of the order and for appropriate temporary relief or restraining order, and shall file in the court the record in the proceedings, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall cause notice thereof to be served upon such person, and thereupon shall have jurisdiction of the proceedings and of the question determined therein, and shall have power to grant such temporary relief or restraining order as it deems just and proper, and to make and enter a decree enforcing, modifying and enforcing as so modified, or setting aside in whole or in part the order of the immigration judge. No objection that has not been urged before the judge shall be considered by the court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances. The findings of the judge with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the hearing before the judge, the court may order such additional evidence to be taken before the judge and to be made a part of the record. The immigration judge may modify his findings as to the facts, or make new findings by reason of additional evidence so taken and filed, and the judge shall file such modified or new findings, which findings with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive, and shall file his recommendations, if any, for the modification or setting aside of its original order. Upon the filing of the record with it the jurisdiction of the court shall be exclusive and its judgment and decree shall be final, except that the same shall be subject to review by the appropriate United States court of appeals if applications was made to the district court, and by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

"(3) Review of final order on petition to court.—Any person aggrieved by a final order of an immigration judge under this section granting or denying in whole or in part the relief sought may obtain a review of such order in any United States court of appeals in the circuit wherein the unfair immigration-related employment practice in question was alleged to have been engaged in or wherein such person resides or transacts business, or in the United States Court of Appeals for the District of Columbia, by filing in such a court a written petition praying that the order of the immigration judge be modified or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the immigration judge, and thereupon the aggrieved party shall file in the court the record in the proceeding, certified by the judge, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall proceed in the same manner as in the case of an application by the Special Counsel under paragraph (2), and shall have the same jurisdiction to grant to the aggrieved party such temporary relief or restraining order as it deems just and proper, and in like manner to make and enter a decree enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order of the judge, the findings of the judge with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall in like manner be conclusive.

"(4) Institution of court proceedings as stay of judge's order.—The commencement of proceedings under this subsection shall not, unless specifically ordered by the court, operate as a stay of the immigration judge's order.

"(5) Injunctions.—The Special Counsel may, upon issuance of a complaint under this section charging that a person has engaged or is engaging in an unfair immigration-related employment practice, to petition any United States district court, within any district wherein the unfair immigration-related employment practice in question is alleged to have occurred or wherein such person resides or transacts business, for appropriate temporary relief or restraining order. Upon the filing of any such petition the court shall cause notice thereof to be served upon such person, and thereupon such have jurisdiction to grant to the Special Counsel such temporary relief or restraining order as it deems just and proper.

"(6) Awarding of attorney's fees.—In any proceeding under this subsection, the court, in its discretion, may allow a prevailing party, other than the United States, a reasonable attorney's fee as part of costs.".

Mr. HART. Mr. President, I ask unanimous consent that I may yield to the Senator from Oregon for the purposes of offering an amendment or making a statement without losing my right to the floor in the sequence of consideration of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, first, I thank the Senator from Colorado, Senator Hart, for his kindness in yielding to me for the purpose of making a brief statement and in accommodating my particular schedule.

Mr. President, I express very great appreciation to the Senator from Wyoming, the chairman of the subcommittee, Senator Simpson, and also the managers of the bill and other members of that committee, for incorporating a number of changes in the employment verification system in order to assure the citizens of this country that S. 1200 was not going to allow a "back-door" implementation of a national identification system.

Two years ago, I offered an amendment which granted Congress a "legislative veto" power over any Presidential proposal to implement a national ID card.

Section 121 of S. 1200 provides Congress with 2 years notice before any "major change" can be implemented. And it gives Congress a second look by requiring a specific appropriation for any major change in the system of identification established by this bill.

Mr. President, I would like Congress to consider that this is not just some minor point or some peculiar preoccupation on my part about a national ID card, because I think we are heading toward that with the Social Security card as a national identifier, because of the rapid technology that we are experiencing and because we are blindly, I believe, stumbling into a centralized governmental data bank.

Rapid technological change is allowing the power of government to grow silently and subtly, but I think the public is far more aware of this than many in Government realize because a 1984 Gallup poll showed that half of Americans believed that they have little or no privacy because our Government can learn anything it wants to about them.

Eighty-six percent said they feared Government will use confidential information for unauthorized purposes.

I believe those fears of the American public are entirely justified, for let us be mindful of the fact that the Federal Government today stores 4 billion files relating to individuals. HHS and Education have over 1 billion such files. Treasury has almost 1 billion. Justice has 200 million, and the Selective Service has 11 million.

The average American today has 18 to 20 files held on him or her by the Government. His or her name will appear in an estimated 39 governmental databanks.

The Social Security number has become precisely what the system's founders swore it would never be, a national identification card.

Seventy percent of the States use the Social Security number for driver's licensing purposes. Many States use the Social Security number as the identifier for criminal records shared with the FBI, or for even high school recordkeeping purposes.

Depending on where you live, Social Security numbers have been required to give blood, cash a check, obtain a library card, install a telephone, or attend a party at the White House.

In this Congress, I will introduce legislation requiring private industry to inform the individual whether Social Security number disclosure is mandatory or voluntary under the law. Today, not even this minimal protection exists.

There was much ado last year about Orwell's vision in "1984". I think George Orwell missed the mark—Big Brother Government has a twin: Big Business.

Today, people do not realize that there are 150 million credit information files—data on more than half the U.S. population; hundreds of millions of files held by the medical profession, insurance companies, consumer groups, and personnel files of corporations.

More than half of the American labor force is now employed in occupations related in some way to gathering, storing, processing, interpreting, or disseminating information.

We have all heard that the economy is really shifting from an industrial base to an information society.

But let us be mindful that the threat to individuals from technological encroachments by corporate forces is greater because business operates under fewer constitutional restrictions.

What might happen to all of the interconnected databanks of corporations when the Government finds a compelling purpose to access those files?

Let me emphasize that already the Government is arranging to access credit files to find tax evaders. What happens when the Government's request for computer information is wrapped in the flag of national security?

I might also point out that technology is being used here to cover up for the Government's failure to have in place an enforceable tax system.

Mr. President, the relentless march of technology is outpacing our ability to legislate protective safeguards. Again, we must ask ourselves that second question: Are today's technological changes setting the stage for greater governmental power, and, if so, what are we doing about it?

This is really, I think, the fundamental issue and why I think it is so important that the committee under the leadership of Senator Simpson, Senator Kennedy, and others, has really rendered a very important service to our people by incorporating this action in their section of this bill. I commend them for it.

But that does not solve the entire problem, and I will speak more to that at a later date when I introduce specific legislation curtailing the uses of the Social Security number, and improving the privacy protections.

So I shall ask my colleague from Wyoming, the manager of the bill and the chairman of the Subcommittee on Immigration and Refugee Policy, to engage in a colloquy with me on the intentions of Congress with respect to the provisions in S. 1200 pertaining to the employment verification system.

Subsection c of section 121 of the bill involves the regulation of changes in the employment verification system. I am concerned that the language in this subsection could be used to implement a national identification card system, and therefore I have a few questions for my good friend from Wyoming.

First, it is the intention of the committee that the Social Security card, by the enactment of S. 1200, is to be a national ID card? Will the administration be permitted to propose an expanded use of the Social Security card

without complying with the 2-year notice requirement of (A)(ii)?

Mr. SIMPSON. Let me make clear to my esteemed colleague from Oregon that this committee does not intend to institute a national ID card through the enactment of this legislation. The language of S. 1200 does permit the formulation of a counterfeit-resistant Social Security card but it does not authorize any expanded use of the Social Security card other than as specified in the bill in "Documents Evidencing Employment Authorization" section. Numerous experts and committees have concluded that the Social Security card in its present state is easily counterfeitable and needs to be improved. This bill allows that. But this bill does not in any way expand the permissible uses of the Social Security card number other than allowing it to be one of the documents which may be used to evidence employment authorization for purposes of determining employment eligibility.

Mr. HATFIELD. I thank my friend. My second question involves the institution of demonstration projects permitting the use of a telephone verification system. I have read the language of S. 1200 and I am assured that the President may not institute such a system without complying with the 2-year notice clause.

Mr. SIMPSON. The President could only undertake limited demonstration projects relating to such a system. Furthermore, such a demonstration project could last no longer than 3 years.

Mr. HATFIELD. Would my colleague tell me whether the language permitting the institution of demonstration projects allows the President to broadly grant demonstration projects which would in effect institute a telephone verification system, while side-stepping the 2-year notice requirement?

Mr. SIMPSON. No it does not.

Mr. HATFIELD. And the demonstration projects which might institute a temporary telephone verification system, limited in scope and effect, would still be subject to the privacy of information requirements of the bill?

Mr. SIMPSON. My friend from Oregon is absolutely right. In fact, all of the provisions of S. 1200 fall within the protection of the Privacy Act of 1974, as amended.

Mr. HATFIELD. I have one more question for my friend from Wyoming. He was very gracious in the drafting of S. 1200 to accommodate one of my major concerns; namely, that the President could not implement major changes in the system of identification authorized by this bill without those changes being specifically funded through an appropriations measure. I read (C)(ii) of subsection (c) as stating that no major change may be implemented unless Congress specifically provides appropriations for that change. Am I correct in saying that the executive branch of Government could not institute a major change as defined by S. 1200 without a specific line appropriation?

Mr. SIMPSON. Let me respond to the Senator this way: The committee does not intend to allow the executive branch, through the transfer of funds from one account to the next, or through the use of funds appropriated for general administration purposes, to implement a major change. Each appropriations committee will have an opportunity to specifically consider the level of appropriations for any major change proposed by the President.

Mr. HATFIELD. Mr. President, the Senator from Wyoming has satisfied my concerns and I have no further questions. Senator Simpson has been a defender of the individual's liberty and privacy throughout his years as a practicing lawyer and his years in public service, and he has struck a fair balance between those rights and the need for an enforceable worker employment verification system.

Mr. President, I thank the Senator from Colorado again for his kindness in giving me this window in this afternoon's schedule.

Mr. HART. Mr. President, I appreciate the remarks of the Senator from Oregon, and it was indeed my honor to accommodate his very busy schedule.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HART. Is the pending business the amendment laid before the Senate by the Senator from Colorado?

The PRESIDING OFFICER. Yes, it is.

Mr. HART. I thank the Chair.

Mr. CRANSTON. Mr. President, I share very deeply the concerns expressed by the distinguished Senator from Oregon [Mr. Hatfield] and I associate myself with his statement.

I would dissent at only one point.

I know the committee has tried hard to eliminate the risk and fear of a legislative and administrative process leading to national identity cards or internal passports.

This bill is free of imminent danger in that regard, but it is a first step in that direction.

I remain deeply concerned that because I continue to believe that the procedures in this bill will not work, cannot work, and will not solve our immigration problems, Congress will come back and take the next step, and the next, until the threat that the Senator from Oregon and I, and others, fear the most—interference with the personal freedom of our citizens to work and travel freely in our society, will materialize.

The use of employer sanctions as a vehicle to enforce immigration laws is the critical first step.

I hope that the step will never be taken.

The "discretionary" employer sanctions in this bill will inevitably invite employment discrimination, but they will not be effective to deter illegal immigration.

Those employers who depend on them will not, under the sanctions in this bill, stop hiring them.

Employers will be burdened, but the sanctions are not strict enough to be effective.

Only by increasing the burdens on employers can the sanctions be made more effective.

I am not suggesting this.

I am merely pointing out one of the internal problems of this bill.

Without an identity card, it will be impossible for employers to comply with the provisions of the bill. There are, and I have elsewhere suggested, alternative means of discouraging illegal immigration.

Mr. HART. Mr. President, during consideration of the immigration legislation during the 98th Congress, together with Senator Levin I offered an amendment dealing with "alienage discrimination." The amendment is premised upon widespread concern regarding employer sanctions. These sanctions, I am certain, are not included with the intent of producing discrimination against Hispanics, or, indeed, any other minorities, for that matter, and resident aliens.

But a side effect of the sanctions may well be discrimination against individuals qualified by law to work, but who are unjustly prevented from doing so.

How would such discrimination be manifested?

Employers fearful of sanctions will discriminate against individuals by:

Refusing to hire resident aliens authorized to work;

Preferring citizens in the hiring process;

Forcing noncitizens to verify status with INS before considering applications.

Is it inconceivable that such unintended discrimination will occur? Of course not.

First, there is a climate of fear and ignorance in certain sections of this country about noncitizens. There does seem to be a general association of the problem of illegal immigration with resident aliens despite their having arrived in this country legally.

Second, employers do not understand the complexities of immigration law. They have:

Erroneously believed that prior bills became law, they did not. Yet, discrimination against resident aliens occurred;

They have erroneously believed that Simpson-Mazzoli applied to current hires;

They have refused to recognize valid work authorizations of all kinds, from temporary permits to green cards they thought had to be green;

Third, we have the problem of faulty INS recordkeeping. INS records are woefully incomplete for recent and long-term aliens. Worse, INS takes weeks, and sometimes months, to resolve errors which exist.

Now, the sponsors of the pending legislation may argue that recordkeeping provisions providing good faith safeguards on compliance gives the employer an affirmative defense.

That may be true, but this defense helps the employer, not the job applicant.

Employers will discriminate to avoid sanctions altogether rather than trust the workings of the good faith safeguards in the context of litigation.

To avoid these problems, the Senator from Michigan and the Senator from Colorado believe the bill should be amended. Additional language should provide what existing laws and safeguards do not: protection against discrimination on the basis of alienage.

Title VII does not cover alienage discrimination.

Section 1981 of the Civil Rights Act of 1866 is not a trustworthy guardian of alien rights.

The law does not prevent State and local governments from discrimination against aliens under the political community exception to traditional strict scrutiny under equal protection.

I ask unanimous consent that a Congressional Research Service memorandum of law detailing these deficiencies be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, July 15, 1985.

From: American Law Division.

Subject: Comments on Legal Issues Raised by Draft of Staff Report on "Alienage Discrimination in Employment and Age Discrimination Agencies."

Reference is made to the inquiry made relative to the above. Specifically, your staff asked that we review a copy of the aforementioned draft report, prepared by the staff of the Subcommittee on Immigration and Refugee Policy, and provide our written comments on the legal issues raised there. Basically, that report surveys current federal law and court decisions with respect to the prohibition of discrimination based upon an individual's alienage or non-citizenship status, the history of past attempts to include protections against such discrimination in the federal civil rights laws, and the opinions of selected experts as to the prevalence of alienage discrimination in our society. Based on its finding and analysis, the staff report makes the following general conclusions:

(1) "There is significant coverage of alienage discrimination under current law; (2) there is very little evidence that alienage discrimination occurs with any frequency, nor is it commonly held that employer sanctions will cause such discrimination to occur; and (3) there is nearly universal opposition among employment discrimination experts to creating a new anti-discrimination agency."

This memorandum will examine the case law and related legal analysis that form the basis for the staff report's conclusion in (1) above. Because almost wholly founded on opinions revealed by staff interviews with scholars and others working in the employment field, the empirical and policy underpinnings for the conclusion in (2) and (3) above are beyond the scope of these comments.

The draft report correctly observes that under Title VII of the 1964 Civil Rights Act,[1] "alienage" is "not . . . one of the prohibited forms of employment discrimination." It also notes that in *Espinoza* v. *Farah Manufacturing Co.*,[2] the Supreme Court refused to equate "alienage" with "national origin" discrimination, which is covered, except in those circumstances where "discrimination on the basis of citizenship . . . has the purpose or effect of discrimination on the basis of national origin." Consequently, Title VII may be of rather limited utility in combatting alienage discrimination in employment.[3]

The report, however, finds that there is "significant federal statutory and case law" banning alienage discrimination under, among others, the Civil Rights Act of 1866. As currently codified at 42 U.S.C. 1981, that law in relevant part secures to "all persons . . . the same right . . . to make and enforce contracts . . . as white persons." First enacted in 1866 to enforce the anti-slavery ban of the Thirteenth Amendment, only to be re-enacted in 1870 following ratification of the Fourteenth Amendment, § 1981 has most often been applied in modern times as a remedy for racial discrimination in contracts of employment, public and private. In *McDonald Douglas* v. *Santa Fe Trail Transportation Co.*,[4] the U.S. Supreme Court affirmed that § 1981 was intended "to proscribe discrimination in the making and enforcement of contracts against, or in favor of, any race." Less well settled, however, is the extent to which the Act provides a safeguard against discrimination on nonracial grounds.[5]

The staff report cites the Fifth Circuit decision in *Guerra* v. *Manchester Terminal Corp.*[6] for the proposition that "an employment practice which discriminate(s) on the basis of citizenship (is) prohibited by section 1981." and indeed this appears to be the highest court to so hold. While representing a possible majority view, a number of courts have held to the contrary, finding racial animus a necessary predicate to § 1981 action, and the issue would seem unsettled at best. The courts, moreover, have most often sustained challenges to alienage discrimination in state employment.[7] There is less consensus, however, as to the legal status of discrimination against aliens by private parties. In *De Malherbe* v. *International Union of Elevator Constr.*[8] the court, noting that the protection of aliens stems from the 1870 re-enactment of that statute under authority of the Fourteenth Amendment, concluded that state action was required. Similarly in *Ben Yakir* v. *Gaylinn Associated, Inc.*,[9] the district court dismissed a § 1981 alienage discrimination claim by an Israeli citizen, stating that "this court has decided on several occasions that claims under section 1981 that attack private acts must allege racial discrimination." [10]

Schlei & Grossman,[11] on whom the staff report relies for its conclusions as to the adequacy of the § 1981 remedy, do not appear totally sanguine in their views on the subject. "The major drawbacks for plaintiffs if they are required to enforce their rights under § 1981 are the absence of any administrative remedy, the more stringent proof requirements, and possible statute of limitations problems. Furthermore, § 1981 might provide protection only to persons who can claim that the nature of discrimination was based on racial or color characteristics." [12]

Mr. HART. Mr. President, the legislation must be amended to remedy this deficiency in current law.

The Senator from Colorado, along with the Senator from Michigan, offered an amendment regarding alienage discrimination when the immigration bill was considered by the Senate in 1983. Although our proposal was not adopted, a similar amendment was adopted by the House on a 404-to-9 vote. When the conference report died last year, Senator SIMPSON recommended a hearing on alienage discrimination prior to the passage of a new bill in the 99th Congress.

It is the understanding of the Senator from Colorado that such a hearing was scheduled for the upcoming day or the upcoming week or two. It now appears, as the Senator from Colorado understands, that even that hearing may have now been postponed. The problem is this: The hearing to deal with alienage discrimination will occur after the Senate completes action on the bill. This is why the Senator from Michigan and the Senator from Colorado are raising this issue at this time.

An administrative framework should be provided for litigating claims of discrimination on the basis of alienage. This framework would expand the authority of existing immigration judges and attorneys in the Justice Department.

The examples of discrimination against Hispanics, refugees, resident aliens, and others are known and well documented. The continuing problems with INS records are understood. The difficulties which employers have with understanding their obligations under existing imigration laws are legion. With the provision on employer sanctions contained in the pending bill, these problems will only grow worse.

The amendment which we are offering today is designed to focus public attention on this issue. It will offer our colleagues an opportunity to consider some of the issues which should be covered during the hearing next week. And, it will enable the Senator from Wyoming to discuss further how this issue might be handled.

First, the amendment bars unfair immigration related employment practices against individuals on the basis of their national origin or status as a U.S. citizen, permanent resident, refugee, asylee, or legalized temporary resident.

Second, the amendment establishes an Office of Special Counsel to investigate charges of discrimination based on the claimant's immigration status.

Third, the amendment empowers immigration judges to issue cease and desist orders if the judge determines that an employer is engaging in an unfair immigration-related practice.

This amendment does not establish a new bureacracy. The Special Counsel will be located in the Department of Justice.

The process is not open-ended. The amendment provides for a 90-day period for the Special Counsel to take action.

There will be no overlap between the Special Counsel and the EEOC. An individual will have the option of filing a claim with the EEOC or the Special Counsel, but not the ability to file before both, concurrently.

Discrimination against individuals on the basis of national origin does exist. The record is replete with examples, under current law, of firms "playing it safe" by checking only Hispanics for proof of work authorization. Playing it safe by refusing to hire Hispanics or other minorities. Playing it safe by checking Latinos for green cards. That, Mr. President, is not right. And the presence of employer sanctions can only make this situation worse.

Mr. President, this issue is important. It is, in fact, fundamental. And it is, in fact, one of constitutional rights and of civil liberties. It is a question of justice for people who are vulnerable to indignities and discrimination which the majority of Americans will never know.

In earlier debate, the Senator from Wyoming evinced some interest in working this problem out. I would appreciate hearing his reaction to the proposal of the Senator from Colorado and the Senator from Michigan on what we believe and many outside this Chamber believe to be one of the most serious problems that this legislation contains.

Mr. LEVIN. Mr. President, first I wish to commend my friend from Colorado and associate myself with his remarks.

As our friend, the chairman of the Subcommittee on Immigration, knows, I have been concerned about the possibility that employer sanctions will result in discrimination against legal aliens and American citizens. I entered into a brief colloquy with the chairman and the majority leader on Tuesday evening in which they agreed that the issue of discrimination is an important part of the issue of immigration reform and that the issue should be addressed by the Senate before the conference on any immigration bill begins.

Those of us who are concerned about this issue had requested that a hearing be held on employer discrimination. The chairman has agreed to hold a joint hearing with the House on the issue of employment discrimination. The joint hearing will provide a record in debuting this issue and determining the best apparatus for addressing the discrimination problem created by this bill. Senator HART and I and others who requested the hearing had hoped that the hearing would take place before the Senate considered S. 1200. In light of the fact that we are now moving forward on S. 1200, it is important that a legislative record be established in the Senate which reflects the importance of this issue and our intention to further pursue a legislative remedy after the joint hearing.

Mr. President, two types of discrimination may result from employer sanctions. First, employers seeking to avoid the consequences of hiring illegal aliens may simply refuse to hire foreign looking or foreign speaking persons. This type of discrimination—discrimination based really on national origin—is already covered by title VII of the 1964 Civil Rights Act which prohibits discrimination on the basis of national origin. There are, however, a number of major gaps in title VII coverage. As a result of these gaps in coverage, the potential for discrimination against foreign-looking persons which arises under this bill will not often be remediable. This is because title VII does not cover discrimination by employers who hire less than 15 workers and title VII does not cover discrimination for those hired for less than 20 weeks, which excludes most agricultural workers. Thus, title VII does not adequately protect those persons who may be discriminated against as a result of the employer sanctions established in S. 1200.

Second, prospective employees may be discriminated against on the basis of their alienage as a result of the employer sanctions provisions in S. 1200. Because the bill makes it unlawful to knowingly hire illegal aliens, employers may simply refuse to hire persons who are not U.S. citizens, although they are legally in the United States. While the bill establishes an affirmative defense to the charge of unlawfully hiring an illegal alien if the employer verifies that the employee is not an illegal alien, many employers may find it safer and easier to adopt a policy of refusing to hire persons who are nor U.S. citizens, although those persons are legally in the United States.

Mr. President, title VII does not prohibit discrimination based on alienage. In 1983, at Senator HART's request, the American Law Division of the Library of Congress prepared an analysis of the existing protections against discrimination based on alienage. In the analysis, Charles V. Dale stated:

> Another potential limitation on the effectiveness of a title VII remedy in the present context may be the Supreme Court ruling in *Espinoza* v. *Farah Manufacturing Co., Inc.* Although title VII renders national original an unlawful basis of discrimination, the Farah Court declined to find congressional intent to make discrimination against aliens in private employment unlawful. In a suit against an employer for failure to hire a Mexican citizen solely because of her alien status, the court unqualifiedly held that employment discrimination based on non-citizenship is not covered by title VII.

Mr. President, there is a need to provide some mechanism which will allow persons who are discriminated against by employers as a result of employer sanctions to obtain redress. The Senator from Wyoming has said that the issue of discrimination based on alienage is a "vexing, puzzling" one. I agree. The complexity of this issue should not prevent us from finding a legislative solution to any new discrimination which might develop as a result of employer sanctions before final approval of this legislation by the Congress.

The joint hearing to be held on the issue of employment discrimination will provide us with the detailed information we need.

Under an agreement reached Tuesday night between the majority leader and the floor manager, we will be able, as a practical matter, to pursue this matter legislatively after the hearing and before any conference occurs with the House on immigration legislation. That is as it should be, because we cannot, in good conscience, finally approve legislation which imposes sanctions on employers for hiring illegal aliens without also providing remedies for those people we want to protect, who are discriminated against as a result.

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[1] 42 U.S.C. 2000e *et seq.*

[2] 414 U.S. 86 (1973).

[3] One commentator, in discussing EEOC guidelines incorporating the *Espinoza* standards, put the matter thusly:

"A little reflection will indicate that this . . . in practice adds almost nothing to the general rule of nondiscrimination on basis of national origin. If the 'purpose' is national origin discrimination, the case is made with or without the alienage component. Similarly if a case can be made, by statistics or otherwise, that the 'effect' of an employer's citizenship requirement is to exclude a disparate proportion of Mexican-Americans, the same statistics would undoubtedly support a charge based on national origin discrimination as such, quite apart from the citizenship element. Accordingly, it is perhaps not surprising that no cases seem to have appeared since Espinoza and the revision of the guidelines in which a citizenship requirement has been relied upon by a plaintiff, on the theory that it was a pretext for national origin discrimination. Larson, *Employment Discrimination*, vol. 3, § 97.20 (Matthew Bender & Co. 1984)."

[4] 427 U.S. 273 (1976). *Johnson* v. *Railway Express Agency Inc.*, 421 U.S. 454 (1975).

[5] See, e.g., Schlei & Grossman, *Employment Discrimination Law*, pp. 675-8 (1983).

[6] 498 F.2d 641 (5th Cir. 1974).

[7] E.g., *Dougall* b. *Sugarman*, 339 F. Supp. 609 (S.D.N.Y. 1971), aff'd on other grounds, 413 U.S. 634 (1973); *Chavez-Salido* v. *Cabell*, 427 F. Supp. 158 (C.D. Cal. 1977), vacated and remanded on other grounds, 436 U.S. 901 (1978). Contra, *Cabell*, v. *Chavez Salido*, 454 U.S. 432 (1982).

[8] 438 F. Supp. 1121 (N.D. Cal. 1977).

[9] 535 F. Supp. 543 (S.D. N.Y. 1982).

[10] Cf., *Shah* v. *Mt. Zion Hospital & Medical Centers*, 642 F.2d 268, 272 n. 4 (9th Cir. 1981).

[11] *Supra*, note .

[12] *Id.*, at 325.

Again, I congratulate my friend from Colorado for his leadership in this issue, his determination that we find a way of resolving it in a way that will help us do so successfully and effectively and not be counterproductive to our cause. That is what he is about here this afternoon, and I congratulate him on that strategy.

Mr. President, I ask unanimous consent that a letter from the Mexican American Legal Defense and Educational Fund to Senator Simpson regarding employment related discrimination be included in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

MALDEF,
Washington, DC, July 16, 1985.

Hon. Alan K. Simpson,
Chairman, Subcommittee on Immigration and Refugee Policy, Committee on the Judiciary, U.S. Senate, Washington, DC.

Dear Mr. Chairman: Please accept for your consideration this report and analysis on alienage discrimination in employment. This report carefully examines the extent (or lack) of protections to remedy discrimination against persons legally admitted to the U.S. who are eligible to work, but who are not American citizens. It also sets out numerous examples of existing discrimination against legal resident aliens and why we believe employer sanctions will exacerbate this problem.

Not surprisingly, our conclusions differ from those reached by your staff in their report to the Judiciary Committee. The staff report, rather than resolving questions that could be addressed in a hearing, points out the need for a hearing. Let me summarize a few of our findings.

1. Title VII does not protect individuals against discrimination on the basis of alienage, unless it is a pretext for discrimination on the basis of national origin. *Espinoza* v. *Farah Manufacturing* Co., 414 U.S. 86 (1973). On this point we agree with the Staff Report on Title VII's coverage, although we note that national origin discrimination protections will not adequately protect legal resident aliens from discriminatory practices.

2. There is a serious dispute among the federal circuits and legal scholars whether Section 1981 of the Civil Rights Act of 1866 protects persons from discrimination on the basis of alienage.

This findings contradict the findings of the Staff Report. The Staff Report concludes that Section 1981 provides a remedy against alienage discrimination, citing *Guerra* v. *Manchester Terminal Corp.*, 498 F.2d 641 (5th Cir. 1974). To be sure, MALDEF wishes such was the state of the law. Unfortunately, at least two circuits have rejected the *Guerra* analysis and hold § 1981 does not provide a remedy against alienage discrimination, *see DeMalherbe* v. *International Elevator Construction*, 438 F.Supp. 1121 (N.D.Cal. 1977).

However, it is interesting that your staff has concluded that *Guerra* settles the issue and provides a remedy against alienage discrimination, yet does not support codifying the *Guerra* holding to explicitly prohibit alienage discrimination.

In any event, the dispute between circuits and legal scholar makes the law unclear, this should be clarified with language making alienage discrimination unlawful.

3. The problem of alienage discrimination is a real problem and prevents legally admitted resident aliens from many employment opportunities. We present a number of examples in the enclosed report.

4. It is clear from the House debates and from the Conference Committee debates that there is a consensus that any employer sanctions provision must include some form of anti-discrimination measures. The extent of the discrimination problem, and the extent of the measures needed to remedy the problem must be examined fully in a hearing on the issue. You yourself cited the lack of hearings on the issue as the reason for your reluctance to agree to many of the anti-discrimination measures proposed by the House conferees. How can you now proceed to a markup without having held at least one day of hearings on the discrimination issue?

It is important to note the problem of discrimination is not a "Hispanic" problem. While most of the examples delineated in our report involve Hispanics, many other immigrant groups will face discrimination of different sorts as a result of S. 1200: Asians, Haitians, Israelis, Poles, Pakistans and others.

It is also important to note that alienage discrimination also affects persons with different kinds of legal statuses. Refugees legally admitted to the U.S. are eligible, and encouraged to work and support themselves. Persons who apply for legalization may be required to be employed to avoid exclusion under the "public charge" provision. Permanent resident aliens who have waited patiently for legal admittance should also be allowed full opportunities in the work place.

To create a law which will cause employers to scrutinize and reduce the employment of aliens without adequate protections from such discrimination is bad enough, but to proceed with such legislation and not even hold hearings on the discriminatory impact of the legislation and the extent of anti-discrimination protection is unfair.

I, therefore, ask that you carefully consider the analysis and conclusions of the report; and I again respectfully request that hearings or consultations be held on the issue of discrimination.

Respectfully submitted,
Richard P. Fajardo,
Acting Associate Counsel.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER (Mr. Murkowski). The Senator from Wyoming.

Mr. SIMPSON. Mr. President, again that has been a thoughtful review of a tough and puzzling issue. I remember well the Hart-Levin amendment or the Levin-Hart amendment in the last debate on this issue. What we are talking about is a new set of machinery in the Federal Government, a set of machinery that was rejected in previous civil rights legislation. I think that is what people want to remember here. This is in essence, if I am not mistaken, and I ask the sponsors if I could be corrected, the Frank amendment or great parts of the Congressman Barney Frank amendment, my former colleague from Massachusetts. Is that not what is embodied here?

Mr. HART. My recollection of the sponsorship in the House is not quite clear, but it is the amendment passed overwhelmingly by the House.

Mr. SIMPSON. I thank my friend and neighbor from Colorado. It was presented to the House on the basis that it was an antidiscriminatory piece of legislation, and indeed it is. It passed overwhelmingly very late one evening after another significant vote that preceded it. That is the Hart-Levin amendment proposal.

I say to you that the machinery in it, and what it creates, a separate system within the Government, a separate agency, was rejected during the civil rights debates of the past or it would have been part of the civil rights laws of the present.

I have always resisted it on the basis that if we are going to do civil rights legislation, let us do it, but let us not do it on an immigration reform bill where now, especially with what Senator Kennedy has proposed and I have agreed to, there is a remarkable assurance that discrimination will not take place.

Again, I want to be sure that everyone is hearing clearly what we are talking about. We are not talking about discrimination based upon color of skin or national origin. Those things have been covered so magnificently by Congress in the past and will in the future remain covered.

We are talking about the thing called discrimination based on alienage, which is puzzling to scholars, and so, in a sense, vague, that some of the great civil libertarians of both Houses of Congress have not even dealt with it in the past 20 years. That is what makes it such an extraordinary, puzzling issue.

To do it in an example form so that people really do understand what we are talking about is very simple: I am an employer and two people are standing before me for a job. One is a United States citizen and the other a Canadian with a green card allowing him to work in the United States. I pick the U.S. citizen. I am subjected to a suit through the machinery of my Government by the permanent resident alien on the basis that I have discriminated against him or her on the basis of their alienage.

I do not think the American people are ready to favorably consider that and its ramifications.

The other ramification is if you have a colony of permanent resident aliens who like to hire permanent resident aliens, they will no longer be able to do that. They must hire U.S. citizens.

That is why we are going to have a hearing on it—because it is absolutely necessary we have a hearing on it. That is going to be a joint hearing. Congressman Mazzoli and I are going to hold that hearing. It is my understanding it has been set.

I wish it could have been done before we proceeded on this bill, but all of us who have legislated know that as these windows flop open and close in this curious arena, you grab the hook as it goes by. We are going to be on the farm bill and the Superfund, and so on. The immigration window opened and we proceeded.

I have assured my colleague for Michigan and I assure my colleague from Colorado that will have another window for presentation of their concerns after we review the transcript of that hearing—either a resolution, a sense-of-the-Senate resolution, or whatever may be required to address the issue of discrimination based on alienage. The proposed amendment deals with both national origin and alienage discrimination. The bill, especially as amended by Senator Kennedy, offers extensive protection against national origin discrimination:

First, an employee who complies with the verification procedures is afforded an affirmative defense against the penalties.

Second, an employer who wishes to discriminate is still subject to the penalties of the Civil Rights Act of 1964.

Third, the bill requires GAO to monitor the implementation of employer sanctions and report on any discrimination.

Fourth, if a pattern of discrimination arises, an antidiscrimination task force must develop legislative recommendations that are reviewed by the Congress in 60 days.

The ultimate solution is the new antidiscrimination procedure: Special provisions to permit the Congress to act to repeal or amend employer sanctions in a 30-day expedited procedure.

Mr. HART. If the Senator will yield, by way of response, first, I hope and I am sure the Senator from Wyoming did not intend to say that he sensed that the American people were not ready to address this issue, that we as parliamentarians and political leaders should address it, so far as the situation with respect to civil liberties is concerned. We have taken an oath to address issues of that sort to protect even one individual if a constitutional right is in question. In this case, this amendment is designed to address constitutional rights. So I do not think the Senator from Wyoming would want to press hard the argument that he senses that the American people are not willing or prepared for us to face this issue. That is beside the point.

Second, at issue here is not the good will and intention of the Senator from Wyoming and the Senator from Massachusetts. In fact, if we all could be assured that every discrimination question under this bill would be addressed by a forum of Senator Simpson and Senator Kennedy, I think we would be satisfied that questions of discrimination would be fairly judged and liberties would be guaranteed. But we are going to turn this bill over to an administration of nameless and faceless people who may not have the same good intentions as the Senator from Wyoming and the Senator from Massachusetts. So what their intentions are, in the long run, so far as the individual on the street is concerned who is looking for a job, will matter very little.

Finally, to say that this machinery was considered in civil rights legislation in the 1960's and was rejected is irrelevant, with all due respect, to the argument before us. During the civil rights debates, we were not discussing labor relations or employer sanctions. We are discussing them now. All civil rights issues for all time were not resolved in the 1960's. As we legislate the rights and interests of citizens and noncitizens for years to come, we will have to address civil rights problems.

Even though the machinery created by this bill, not a bureaucracy but a limited capability, might not have been accepted in the 1960's, it does not mean that it should not be accepted in the 1980's in conjunction with new legislation affecting civil rights and liberties of citizens and noncitizens in this country.

Mr. SIMPSON. Mr. President, I would only add that we have given to permanent resident aliens the right to work in this country, the right to be employed. That is our promise to them when we give them the card, and we must meet that commitment.

What I say again to the Senator is that the American people would have difficulty understanding why you cannot have the hiring of a U.S. citizen over a permanent resident alien. You may not agree with that, but I submit that that has some bearing out in the real world, which is very simply addressed to the constituents that the Senator and I know from the West. For example: "What do you mean, I can't hire a U.S. citizen over a permanent resident alien if I want to and not have the Government sue me?" That is what I am speaking of.

Mr. HART. This amendment does not prevent that.

Mr. SIMPSON. This amendment indeed leads to that, and I have a problem with that.

The issue is that you do have to hire a permanent resident alien who is entitled to work right next to a citizen, but you do not need an entirely new Special Counsel of the United States of America, an agency-sized bureaucracy, and that is exactly what this amendment proposes. It is a Special Counsel system that has been presented each time during the civil rights debates and has been rejected each time in the civil rights debates. That is what I want to express; that is what I want to make clear.

If we are talking about the civil rights of the United States and the status of civil rights problems, the most grievous one in the United States is having no legislation. The most grievous civil rights violations in the United States in this area are taking place because we have nothing on the books. It is legal to hire an illegal, but it is illegal for an illegal to work. That is the law of the United States.

There are 2 to 12 million human beings wandering around in a never-never land, who are afraid to go to a hospital, except for a birth, afraid to go to an employer because they will be bounced out on their can. They are left out of consideration each time we try to kill this legislation. So do not miss the whole issue on immigration reform.

Mr. HART. I am sure the Senator knows that those sponsoring this amendment are not trying to defeat this bill. If we were, we would be arguing against the bill, and we are not doing that.

We are not trying to prevent a situation in which an employer can hire a citizen in this country and not be sued in the process. We are trying to avoid a situation where an employer gives the sanctions automatically, dismisses a resident alien who is entitled to work, and particularly in situations where that resident alien is brown, black, or Asian.

The Senator has admitted that this is a problem. He does not like our solution, but we have not yet heard anything that is.

Mr. SIMPSON. We have a magnificant solution which was adopted earlier this morning, and I hope we can see the naked truth, and we will follow it closely, which is our job.

Mr. SIMON. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield.

Mr. SIMON. As the Senator knows, I am new to this field, and I have been struggling with it. We are in the unusual situation of voting on a bill now and having hearings on the question of discrimination after we vote on the bill.

Candidly, I do not know whether the Hart-Levin amendment is the right answer or the wrong answer. But if we do not have some kind of tool to deal with this when we go to conference, we will be in an exceedingly awkward situation.

It seems to me that we ought to be putting something on the books here so that when we go to conference, we can deal with this issue. If we fail to do that, we are really ducking what I sense is a very fundamental problem.

I do not have good answers to the questions of the Senator from Wyoming. I do not know whether the Hart-Levin amendment provides good answers. I hope that in the hearing we will come up with some. But I do not want to see us go to conference saying this is not a problem and we are not going to do anything.

Mr. SIMPSON. Mr. President, I have watched the work of the Senator from Illinois, and we are pleased to have him on the subcommittee. What he says is very authentic, and I hear it that way.

I wish it could be handled differently, but in this situation it could not be.

I assure the Senator, and it is obvious, that we are going to have a joint hearing on the issue of discrimination based on alienage. When we have it, it will be the first time in the history of the United States that we have held it. I have culled the records of the House of Representatives and I have culled the subcommittee's activities and the committee activities of a group of Congressmen of both parties, for whom I have the deepest respect, true civil libertarians; and there are about four paragraphs of references in the last 20 years to anything about discrimination based on alienage.

So it needs a full hearing, and it will have one. The House will have it before they proceed with immigration reform, and I know they will, because Representative Rodino has a bill, Representative Lungren has a bill, and Representative Roybal has a bill, and there are other bills they will process. They will deal with it. It will be the subject of conference activity, and it will be the subject of my activity, because I have assured Senator Levin that we will do something with it at the conclusion of the hearing.

Mr. LEVIN. Mr. President, if the Senator will yield, I want to make that point.

I think it is important to all of us that we did get the assurance from the Senator from Wyoming and the majority leader the other night that there would be a legislative window prior to any conference, where we could offer a bill, a resolution, or a sense-of-the-Senate resolution we thought appropriate and which we could debate at that time.

A window has been assured to us, and we can thank the Senator from Wyoming and the majority leader for arranging that window and making it available. That is something. I think it is significant to us.

We all agree that the logic here would have been better served if we had the hearing first and then the debate on the floor. We have accommodated that reality the best we can.

The Senator from Colorado made one critical point: That it is not the question of whether an employer picks a citizen over an alien that is at issue here. The issue is the new element of employer sanctions and whether or not an employer might not hire an alien just because it is safer, rather than because he would rather hire a citizen. It is not the question of two people standing in front of the employer. It is one person standing in front of the employer. It is the legal alien standing alone in front of the employer, not with a citizen at his side and the choices being presented. But the employer, taking the safer route, would say, "I don't want to hire you anyway, because you're not a citizen, even though a citizen is not competing with you for the job."

I agree with the Senator that it is a puzzling situation, and I appreciate the problem as to where the American people would be with regard to the juxtaposition of the two. It is troubling to many of us.

The other point is that I hope the hearing will not only address the alienage issue, so-called, but also the gap in title VII coverage, because here I think there would be unanimity.

We do not want people discriminated against because they look or sound foreign. Title VII prohibits that under national origin discrimination provisions, but it does not prohibit that for part-time workers, and it does not prohibit that for people who are applying to firms that hire less than 15 people.

So there are major gaps in the existing protections, and those protections, we find, will not be applicable; and we are very much concerned about any additional national origin discrimination which might be created as a result of these sanctions which would not have a remedy under title VII. I hope my friend will include that in the hearings which are coming up.

Mr. SIMPSON. Mr. President, I can assure you that that will come into play simply because of the confusion of terms. When we talk about discrimination based on alienage, people think we are talking about discrimination based on national origin. We have a most extraordinarily well-developed record on discrimination based on national origin, ethnicity, and color of skin. That is what we have been up to. That is what I have been up to for 4½ years. I have had 10 hearings or more, held by the subcommittee in the last 4½ years, that deal with discrimination based upon national origin, ethnicity, and color of skin.

It has been part of the civil rights debate for many years before I came here. There is no question about that. Information about a job applicant's alien status is not relevant to employer sanctions; only the employee's illegal alien status is what we are talking about with employer sanctions.

If an applicant can show citizen status, the employer will not be subject to sanctions for hiring the applicant. However, neither will the employer be subject to sanctions if he hires an applicant who can show legal alien status. That is what the bill says. That is what is here.

Therefore, knowledge of an applicant's alienage will not cause an employer who has no desire to discriminate against illegal aliens to begin to do so. But I assure my colleague that I will keep that in mind and embrace that as we go on into the hearing process in future legislation.

I thank the Senator from Michigan.

Mr. KENNEDY. Mr. President. I want to indicate that I fully support the objectives of the amendment offered by Senators Hart and Levin. I also share the view of Senator Simpson that it is an extremely complex issue which came up late in the last Congress and helped to stall the conference committee's consideration of the immigration bill. Its full implications could not be determined.

That's why joint hearings have been scheduled, at my and several Senators' request, next week. I regret we had to begin consideration of this bill before we got the benefit of these hearings—but they are scheduled, and we will have the benefit of their results before final action on this legislation is taken by the House conference committee.

So, Mr. President, I support the objectives of the amendment and I am still hopeful we can work out a compromise.

Mr. BINGAMAN. Mr. President, I would just like to offer a few remarks while we are on the issue of discrimination, which is likely to result from the employer sanctions provisions of this bill.

A major concern of mine regarding S. 1200 deals with the lack of adequate protections to those American citizens who do not "look American," in particular those of Hispanic descent.

I am sure my colleagues are in agreement that we are opposed to discrimination and that we do not want more to occur as a result of this legislation.

However, I am not assured that we have afforded the necessary civil liberty protections to our minority Americans.

S. 1200 relies on the use of employer sanctions as a means to deter the influx of illegal aliens, and I agree that some method of deterrence must be instituted. But I believe that S. 1200 as now written takes this approach in the national interest, at the expense of individual constitutional rights.

Having recognized the possibility of discrimination, I believe we have an obligation to these Americans to take action now to minimize that possibility and to provide a reasonable process for redress of grievances that will surely arise.

Because of this concern I and several of my colleagues requested of the distinguished chairman of the Immigration Subcommittee a hearing on the issue of employer sanctions and discrimination.

I am very pleased that Senator Simpson has agreed to a joint hearing on September 18, next Wednesday, however it appears that we will be voting on final passage of S. 1200 without the benefit of that hearing record.

Therefore, at a minimum we need to improve what is in S. 1200 and I rise in support and am a cosponsor of Senator Hart's amendment to try and achieve some recourse for those who feel a violation of their rights due to employer sanctions.

As a Senator who comes from a State with a 1,950-mile border with Mexico, I am well aware of the opportunities and problems this situation creates. The problems are considerable: Air and water pollution, violence, drug trafficking, depressed economic conditions, and what we are trying to address today; immigration control and access.

I have serious reservations about the workability of employer sanctions and their unintended impacts, and I believe that we are only beginning to hear about the "weeding out" of illegal aliens by employers. I would hope that this body would give serious thought to supporting Senator Hart's amendment.

Mr. HART addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HART. Mr. President, it is certainly not the intention of those offering the amendment to defeat or hinder much-needed reform in the area of immigration legislation. Someday, hopefully soon, legislation will pass which is fair and balanced and the Senator from Wyoming will receive the credit he deserves for the years of long toil he has put into one of the most vexing public policy problems and challenges this country faces.

The sponsors of this amendment simply seek to avoid the situation where, once that day comes, either on an individual case basis or, even worse, or a firestorm basis, unintended consequences of this legislation lead to either wholesale discrimination of legal residents of this country, regardless of what the Senator says, primarily because of the color of their skin or the fact that they come from a nonwhite part of the world or an equally challenging situation of the sole individual who is discriminated against unfairly and unjustly. The Senator from Wyoming does not want that, nor do the sponsors of this amendment.

The sponsors of this amendment also do not want a highly negative vote on an issue we merely wish to preserve for the future. We do not wish to give up on this fight, as the Senator from Michigan said. The Senator from Wyoming very graciously agreed that the near term situation is required to guarantee that right.

I think the Senator from Michigan agrees that putting this question to a vote at this time and perhaps not receiving a majority vote or a strong vote in its favor might jeopardize that case. Therefore, with the agreement of the cosponsor of the Senator from Michigan, I withdraw the amendment.

Mr. SIMPSON. Mr. President, I thank the Senator from Colorado and I shall surely work with him to achieve the goal he speaks of, as I shall with the Senator from Michigan.

The amendment No. 606 was withdrawn.

AMENDMENT NO. 607

(Purpose: To prohibit an officer or employee of the Immigration and Naturalization Service from entering a farm without a properly executed warrant)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. McClure], for himself and Mr. DeConcini, Mr. Gramm, Mr. Symms, Mr. Cranston, and Mr. Bingaman, proposes an amendment numbered 607:

On page 116, between lines 16 and 17, insert the following:

SEC. 304. POWERS OF IMMIGRATION OFFICERS AND EMPLOYEES.

Section 287 of the Immigration and Nationality Act (8 U.S.C. 1357) is amended by adding at the end thereof the following:

"(d) Notwithstanding any other provision of this section (other than paragraph (3) of subsection (a)), in the enforcement of this act an officer or employee or the Service may not enter onto the premises of a farm or other agricultural operation without a properly executed warrant."

Mr. McCLURE. Mr. President, this amendment to the Immigration Reform and Control Act of 1985 (S. 1200) would require the Immigration and Naturalization Service [INS] to obtain a properly executed search warrant prior to entering a farm or other agriculture operation.

Currently, INS agents must obtain a warrant before entering any place of business with the exception of farms and ranches. This exception must not be allowed to continue. Farmers should be afforded the same rights and standards of protection that every other businessman enjoys under the fourth amendment of our Constitution which guarantees protection from unreasonable search and seizure.

Similarly, every farm worker is entitled to the same protection as every other worker in our society against the disruption that occurs when there is unwarranted and sometimes warrantless—without warrant—search of farm premises.

Simply because a farm is an easy mark offering the simplest and most cost efficient means of reaching quota objectives is no reason to apply a different set of rules. The lack of a search warrant requirement allows INS agents to concentrate their enforcement activities on agriculture, where 8 to 15 percent of the illegals in the country are currently employed. Although this small amount of undocumented workers are employed in agriculture, fully 50 percent of undocumented workers picked up by INS agents in the interior of the country are captured while working in agricultural occupations.

These figures show a distinct bias in INS enforcement activities and serve notice that farmers and farm workers are not receiving equal protection as envisioned in our Constitution. The INS contends that farm lands are "open fields" and their agents need not obtain consent or show probable cause that some criminal activity is occurring prior to entering a farmer's fields. Simply because they see a group of people working in a field, they operate under the assumption that those people have gained entry into the United States illegally. It is not until the agents enter the field that an illegal versus legal status can be determined.

Harassment of agricultural employers and employees by the INS has gone on for years. Harvesting operations have been disrupted when time was of the essence merely by the proximity of INS agents.

My amendment does not establish protection or set a precedent for farmers; it just guarantees them the same rights and privileges enjoyed by every other employer in our Nation. Likewise, employees will be protected from the humiliation of impulsive interrogation by the INS.

This legislation is needed, it has been passed by this body before by a vote of 2 to 1. It continues to be needed. Our system has failed in an important civil obligation, and if we are to live under the guaranteed proposition of the fourth amendment we must now take steps to correct this blatant injustice.

Mr. President, I do not intend to take long in the debate of this amendment because I believe all Members of the Senate are aware of the issues that are presented by the amendment and desire to correct it. While I understand that the Senator from Wyoming, the manager of the bill, will oppose the amendment upon the entreaty of the INS, I think it is important if we are going to have civil liberties guaranteed in this country that indeed, we should pass this amendment. This amendment has been cosponsored by original cosponsors DeConcini, Gramm, Symms, Cranston, and Bingaman. It is a bipartisan proposal on the part of those who joined me in this in an effort to guarantee that the civil liberties of those who work in the fields are just as important as the civil liberties of those who work in the factories.

Mr. DeCONCINI. Will the Senator from Idaho yield?

Mr. McCLURE. Mr. President, I am happy to yield.

Mr. DeCONCINI. Mr. President, I am happy to support the amendment offered by Senator McClure to require that our Nation's farms be treated just like other businesses and our Nation's farmworkers be treated just like other workers.

The amendment would require that agents of the Immigration and Naturalization Service and Border Patrol obtain a search warrant before they enter the premises of a farm or other outdoor agricultural operation. This amendment would overturn the so-called open fields doctrine which both agencies currently follow.

Before INS or Border Patrol agents enter a business such as a restaurant or textile mill, they must comply with the fourth amendment to the U.S. Constitution and obtain a search warrant. Search warrants are thus required in all industries other than agriculture. Contrary to common belief, these other industries employ the vast majority of illegal aliens employed in the United States. It is estimated that only 15 percent of employed illegal aliens are employed in agriculture. Yet 50 percent of the apprehensions occur in agriculture. It is obvious that INS and the Border Patrol have singled out agriculture for a much higher proportion of their attention because it is simply easier to apprehend people if you do not have to have a search warrant to enter the property on which they work.

This singling out of agriculture for special treatment is unfair to both the employees and the owners. In my opinion, it is also a violation of their constitutional rights.

Opponents of this amendment will argue that the "open fields" doctrine has been upheld by the Supreme Court. That decision, however, was rendered in a case involving the growing of illegal substances—marijuana—in a field, not the investigation of the presence of illegal aliens.

I contend there is a big difference between entering a field because you have a reasonable suspicion that illegal drugs are being grown there and entering a field simply because the workers on it have brown skin or a national origin from south of our border. The open fields doctrine as currently interpreted by INS and the Border Patrol does not require that agents have any probable cause to believe that illegal activity is taking place. There is no standard or requirement of probable cause.

There have been repeated instances of injuries and even deaths occurring to aliens fleeing these open field searches. These instances could be curtailed if the employer was allowed to participate in the search upon presentation of a search warrant as is the case in other businesses.

Opponents of the search warrant amendment have been unable to show that it will hinder legitimate enforcement activities. Several studies, including a recent one conducted by the National Center for State Courts, have shown that obtaining search warrants is not a deterrent to effective law enforcement.

The INS is busy outside the Chamber trying to buttonhole Members to insist that this amendment is going to curtail their ability to apprehend illegal aliens. The requirement of a search warrant does not hamper their efforts in all other business. The INS does not want to give proper Constitutional rights either to owners or to the potential undocumented aliens in agriculture. I have to conclude that they have accepted, perhaps unwillingly, the constitutional requirement to obtaining a search warrant whenever entering or desiring to enter any other businesses for the purpose of inspecting to see if illegal aliens are present.

Mr. President, I believe that it is important that our agricultural operations be treated equitably with other businesses.

I urge my colleagues to join in support of Senator McClure's amendment and I am pleased that he has offered it once again.

I truly hope that the manager of the bill, the distinguished Senator from Wyoming, could see fit to accept this amendment, I know how strongly he feels about law enforcement and civil rights. I think that this amendment is consistent with his strong civil rights position and I am sure that he does not want a discrepancy as to the use of a warrant.

So I urge my colleagues and the manager of the bill to accept the amendment.

I thank the Senator.

Mr. SIMPSON. Mr. President, it is a harrowing position to rise in opposition to the American Farm Bureau and the American Civil Liberties Union. You really have a difficult time when you get into that particular pair of pliers. I have been there before and may return to the fray somewhat emaciated and decimated after we get through with this amendment, but I am going to speak against it anyway because I feel very strongly that even though I agree with the intensity and the feeling that is expressed, the fourth amendment limitation on unreasonable searches and seizures does not require a warrant to enter open fields.

The fourth amendment of the Constitution protects against unreasonable searches and seizures of "persons, houses, papers, and effects." And the Supreme Court, in April 1984, under the case of Oliver versus United States, ruled that the requirement for a search warrant does not apply to open fields.

There is absolutely no constitutionally protected right of privacy regarding open fields. Extending protection to open fields is not what drafters of the fourth amendment intended, and it would affect many areas of law enforcement.

The INS is not the only agency that is allowed to enter open fields without a warrant. I believe both Senator McClure and Senator DeConcini were prosecutors in their other lives. We have drug enforcement agency people who require searches of open fields without a warrant. We have local police who may enter open fields to look for drugs as was the situation in the Oliver case. We have officers of State, municipal, and local government, and Federal agencies who need to have a warrantless search of open fields, not just for workers and particularly agricultural workers, but to check for drug abuse situations, for burial of corpus delicti, other things such as that, or pursue a landing airplane suspected of carrying illegal substances or illegal aliens which is the norm now.

But let me share with you, as I conclude my arguments against the amendment, the INS does already require a warrant. They require a warrant to enter any factory, any business, or any residence. And this is important: They require a warrant to go into any farm house, any barn, any packing shed, any farmyard, and any other building contained in an outdoor agricultural operation. They require a warrant.

That was recently reaffirmed in a case in the ninth circuit this year, Le Duc versus Nelson.

This amendment would severely hamper the INS's ability to enforce immigration laws, while the American public overwhelmingly supports an end to illegal immigration.

The amendment, I think, sets a dangerous precedent for other law enforcement efforts, particularly for narcotics and controlled substances violations.

I guess the real irony for me is this: Under S. 1200 or under the proposal yesterday, we are trying to do something for agriculture employers. We

are trying to do something important so they can stay in business with perishable crops, not so very important perhaps with regard to the six basic commodities. We all recognize that in the debate.

Agricultural employers here, then, are at the point where they are requesting special Federal assistance. Unless I am missing something, this is what they are requesting, and they are getting—through S. 1200—special Federal assistance in obtaining agricultural labor. That is what we are up to. Then they come conversely and deny the INS and the Federal Government the ability to monitor the special programs which we will give them under this legislaiton. That is the true irony of the situation.

Finally, the civil rights activists apparently are claiming that the INS enters open fields merely at the sight of brown-skinned people working in the field, and that then such a discriminatory practice can be remedied by a search warrant requirement.

It is a very interesting statement, and I believe Senator McClure has stated that every other businessman enjoys protection under the fourth amendment. That statement is only true if the employer conducts his business indoors because if the employer conducts his business out-of-doors, then he does not have the fourth amendment protection as would the owner of a construction firm, as would a person as we showed in the debate last year where two blocks from this Capitol they arrested a construction work force and half of them were illegal, undocumented persons—that is two blocks from the U.S. Capitol—as we failed to deal with immigration reform and those persons continue to be exploited.

So those working in outdoor, unsecured areas—from any industry or business—are not subject to the protection of the fourth amendment.

Remember again that only 8 to 15 percent of illegal, undocumented persons work in agriculture.

So I think it is inaccurate to believe that the INS is simply cruising open fields or roads near open fields. They do not. They act on tips from employees or on evidence the growers have established a pattern or practice of illegal alien employment.

A search warrant requirement will not stop such practices. It will just delay them, merely slow them up because, as the informers' tips are eventually verified, then the warrant is procured. It may take a little longer. And the further terrible irony, if you really are a civil libertarian, we find there are indeed employers who move those persons when they see that occurring, either voluntarily or involuntarily they move those persons. So that will not end it.

Although the amendment will require a warrant only for farms and other agricultural operations, it will be the first step, I think, for law enforcement officials to fear toward requiring of a search warrant for all open areas, and that is why the Justice Department and the Drug Enforcement Agency have opposed the amendment.

I also state to you that the International Association of Chiefs of Police and other law enforcement officers have again restated their opposition to the amendment. I am fully aware of the feeling about that. But I just thought we should share here what may take place; we may well injure some of the important things we have to do regarding drug abuse.

Mr. SYMMS. Mr. President, will the Senator yield?

Mr. SIMPSON. I will indeed yield to the Senator from Idaho.

Mr. SYMMS. Mr. President, I am pleased to support the amendment offered by my distinguished colleague from Idaho, Senator McClure. This amendment simply requires that agents of the INS obtain a search warrant before entering an open field.

For many years, farms have been an easy target for INS agents trying to meet a quota on illegals. Although less than 10 percent of the illegals in the country are employed in agriculture, over 50 percent of those taken into custody work on farms. The lack of a search warrant requirement has produced this unjustified and undesirable harassment of our Nation's farmers and farm employees.

The constitutionally guaranteed protection against unreasonable searches and seizures should not be applied selectively. All citizens have a right to that protection, and this amendment will preserve that right for the Nation's farmers and farmworkers.

Mr. President, there is not only a legal question at issue here but a human question as well. Anyone who has ever witnessed an INS raid can attest to the tremendous human tragedy involved.

When those agents enter a field, people fly in all directions like scared animals. Many flee because they face deportation and the loss of income to support their families. But many who flee are not illegal aliens; rather, they are U.S. citizens of Hispanic descent who simply panic at the sight of so many agents moving toward them. Moreover, many of those same U.S. citizens are frightened at the prospect of having to prove their citizenship.

For these reasons, I agree with my friend and colleague, Senator McClure, that the "open field" doctrine, under which these warrantless searches have been conducted, must be stopped. As the Senator noted in a recent letter:

> The open field doctrine is properly applicable, only to situations in which illegal activity or the "fruit of a crime" is clearly visible to law enforcement officials. The only thing that can be seen on farmland is people working in a field. To assume that they are doing so illegally because of the color of their skin and using this as justification for a warrantless entry onto private property, violates not only the farmer's rights but the farm worker's rights as well.

Mr. President, these warrantless searches are the only type of police-State activity of this nature allowed in the United States, and I commend Senator McClure for his efforts to correct this situation. I wholeheartedly support this amendment and urge its adoption by the Senate.

I thank the Senator from Wyoming.

Mr. WILSON. Mr. President, I rise in support of the amendment.

It strikes me that there is indeed an irony in this debate. Yesterday afternoon we consumed a considerable period of time engaged in lively debate on the subject of whether or not there is an adequate supply of domestic labor for the harvest of perishable commodities, and the critics of an amendment that would provide a seasonal worker program have protested that there is indeed and that such an amendment would threaten the livelihoods of Americans seeking to do stoop labor, apple pickers from Maine to Washington.

Now, is it not interesting that S. 1200, in affording this protection to the American farmer, targets them almost exclusively as a constituency for which the standard protections of the fourth amendment should be waived? And we are told that is justified on the basis of tips to the Immigration and Naturalization Service.

What this amounts to is a statement that those working in the fields can be presumed to be illegal aliens. That is the basis upon which it is deemed unnecessary to afford growers and those who work for them some special status that relieves us of any concern for their constitutional rights. We are to assume, notwithstanding the assurances yesterday afternoon that there is an abundant supply of domestic labor, meaning U.S. citizens, we are asked to assume that there is no need really to investigate, to justify what would otherwise be an illegal search and seizure, because we are, in effect, presuming that those working the fields are illegal aliens.

Mr. President, with friends like the U.S. Congress, farmers need few enemies. The kind of protections we are affording them through this legislation threaten to put them out of business. And without the saving amendment offered by the Senator from Idaho, what they face is continual harassment.

The proponent tells us that we are supposed to simply assume that by virtue of the fact that this activity takes place out of doors that the routine protections afforded other Americans under the fourth amendment are unnecessary. Well, Mr. President, I think we should reject that out of hand.

I think it is clear that a special case is made by S. 1200, one that is not justified by the facts, one that asks us to discriminate against farmers, against those with brown skin. Frankly, I do not think that the U.S. Senate should go on record in support of such a proposition. So I urge my colleagues, if they are concerned with fairness, to vote for fairness by voting for the McClure amendment.

I thank the Chair.

Mr. CRANSTON. Mr. President, I am a cosponsor of the amendment of the Senator from Idaho. I want to associate myself with his remarks. I think we need his amendment. It is a very important amendment to protect all sorts of rights in our society.

I also am delighted to associate myself with the remarks of my colleague from California, Senator Wilson, in regard to this amendment. I urge all of our colleagues to support the amendment.

Mr. DOMENICI. Mr. President, the amendment before us would require that officers of the Immigration and Naturalization Service obtain a search warrant prior to entering open fields to apprehend illegal aliens. It would ensure that farmers, .ranchers, and farm and ranch workers are afforded the same protection against unreasonable and warrantless searches by INS agents as other businessmen and workers now enjoy. I rise in support of this amendment, which will remedy an injustice which results from the current law.

Under a Supreme Court case decided several years ago, agents of the INS are not required to secure search warrants before entering open fields. Currently, therefore, an INS agent must routinely obtain a search warrant before entering any place of business, except that place of business is a ranch or farm. The INS can raid the open fields of a farm or ranch without having probable cause to believe that the workers in those fields are illegal aliens.

This practice is arbitrary and discriminatory. It discriminates against ranches and farms and those people who work on ranches and farms. It severely disrupts farming operations, resulting in thousands of dollars in lost crops and man-hours annually.

The loophole that allows INS agents to enter farms and ranches without search warrants has led the INS to concentrate its enforcement efforts primarily on agriculture. While only 8 to 15 percent of the total number of illegal aliens in this country work on farms and ranches, nearly half of all INS apprehensions take place on farms and ranches. These figures reflect a distinct bias in INS enforcement activities against our ranch and farm industries.

A similar amendment was proposed to the immigration bill that was passed in 1983. I cosponsored that amendment, which was passed by a vote of 62 to 33. I am proud to cosponsor this amendment again. Let me add that this measure has been crafted so that it will not interfere with the ability of law enforcement agenices to enter fields where marijuana is being grown and seize those plants and arrest the growers. I encourage my fellow Senators to join me in voting in favor of this amendment to protect the rights of farmers, ranchers, and agricultural employees.

In closing let me thank the distinguished Senator from Idaho [Mr. McClure] for his tireless efforts on behalf of this amendment. His commitment to remedying the injustice that results from the current law is to be applauded. I am proud to join him in sponsoring this measure.

Mr. McCLURE. Mr. President, I will be very brief. As I said in my opening remarks, I think almost everyone is familiar with the issue. I think most Senators have already made up their minds how they will vote. Indeed, most Senators, the last time it was before this body, voted in favor of the amendment by a margin of 2 to 1, and I hope they will do so again.

But I do wish to respond just this much to the remarks the distinguished Senator from Wyoming made earlier. One is that somehow open fields are open game for law enforcement agencies regardless of what the subject matter may be. And I submit that is not what the law says and that is not what the Supreme Court said. In the Oliver case, they were dealing with the question of growing crops, plants growing in the field, marijuana plants in that particular instance. They were not talking about human beings' presence there and the search of the premises for people. They were talking about the search of the premises for growing plants. And there is a reason to make that distinction.

The reason I make it now is obviously to differentiate between law enforcement activities where they are trying to find growing plants and law enforcement activities when they are trying to determine the presence of illegal aliens.

But there is a similar tie to that. How do drug enforcement agencies find growing marijuana plants? They drive down the road or they fly over the field and they see something different and they immediately enter that field before it can be removed. Growing plants can be cut down and removed, and without a warrant they can do that. Typically, however, they probably discover evidence by a tip or otherwise and could get a search warrant and go there before the plants could be removed.

But we have carefully and narrowly focused this amendment so it does not deal with that question at all. It deals only with the enforcement of the provisions of this act. It does not extend to drug enforcement activities.

The second point that I think is valid in that connection is that indeed, as the Senator from Wyoming indicated, I probably would have said, or other people have said, that INS officials driving down the road see a work crew and stop and enter the field to determine their identity. Mr. President, they do that if the work force in the field does not have white skin. But if they have white skin, they just drive on. There is an invidious discrimination toward people who are not white skinned if they happen to be working in the field.

The Senator from Wyoming indicates, "Well, the same thing will happen. They just will get a warrant first and it will happen a few hours later."

Well, Mr. President, that is not necessarily true. Let me give you some information that has been given to me about some things that happened earlier this year in the State of Washington. And it did happen this year.

INS agents entered a farm in Othello, WA, four times in 1 month to search for what they suspected to be undocumented workers. Their last three trips into the field, without a search warrant, produced no undocumented workers. But, despite the fact it produced no undocumented workers, they did arrest two. And who did they arrest? Two Japanese citizens. Brown skinned, not white. They were arrested. What were they? They were agricultural exchange students from Japan who had a lawful right to be in the country. They entered the field to get to people who were not of white skin. They found some. They arrested them. They happened to be legally present, but they were not illegal aliens.

INS agents entered a field in Pasco, WA, for 29 straight days to search for undocumented workers.

On some occasions, the agents drove their trucks across the bean fields causing substantial damage to the bean crop.

Why should a farmer have to put up with that just because it happens that his workplace and his product is produced in a field rather than in a factory?

And remember that statistic a little earlier, that from 85 to 92 percent of the illegal aliens in this country are not employed in agriculture. They are employed elsewhere, where a search warrant is clearly required, and yet 50 percent of the arrests have been in agriculture because that is easier to do.

You do not have to get a search warrant. You do not have to have any more than a suspicion that somebody is there before you can then enter a field to harass the people who are there working.

Remember, this is not Government land that is being entered by Government agents. It is private land that is being entered without search warrants. If it were any other type of business or land in question, there could not be any entry on to the property. But because the INS believes that they have the right under the open field doctrine, they have the right to come on to the farmers' and ranchers' land as they please, it seems to me that we do have a need to act.

INS agents have used some of the most heavy-handed tactics in pursuit of what they believed to be undocumented workers. Neighbor farmers' fields have been entered by INS agents, again without a warrant, not where they were suspected to be but on the neighbor's land, in order to seal off the land of the farmer in question.

Entrances have been barred; fences and gates have been cut; workers, sometimes legal and sometimes illegal, have been handcuffed together and chained to trees. Why? Not because there is any presumption of guilt based upon anything other than the color of their skin and, upon occasion, because that worker does not speak English well.

I grew up in an area of Idaho where we depended upon seasonal farm labor as the labor demands during the year are uneven and worker demand at some periods of the year exceeds locally available labor.

Where did the workers come from? They came from Eagle Pass, TX. They were Hispanics, American citizens, most of whom did not speak English. Most of those who did speak English spoke with a heavy accent and spoke the English language poorly. Any INS agent would have perhaps been justified in asking whether or not they were illegal aliens. But just the color of their skin alone would make them suspect and, therefore, subject to the harassment that comes from a warrantless search. If INS has reasonable cause to believe, 'if they have a tip, that is sufficient; if they have information that leads them to believe, they can easily go to a magistrate, get a warrant, and enter those premises as they would if it were a packing shed or any other business enterprise.

As to the notion that has been suggested or only hinted at by the distinguished Senator from Wyoming that somehow you have to go get them now without a warrant because they will be moved before you can get to them if you do not, that simply defies reason. No farmer can simply move this crews around every hour on the hour or every half hour on the half hour, or any intermittent or short period of time without so disrupting the farming operation that it would be impossible for him to make any profit at all.

Mr. President, I sincerely believe that this amendment is both justified and necessary. I hope the Senate will once again vote in that manner when we vote on it.

Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficent second? There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I will only take a moment of the Senate's time. I support this amendment. It seems to me that if this bill becomes law, the enforcement strategy of INS ought to be focused on the enforcement mechanisms provided in this legislation—the employer sanctions and in the other enforcement provisions which have been added by this legislation. That is where the focus of INS ought to be. That is the whole point of this legislation, to have employer sanctions as the new and principal enforcement strategy.

We have seen under court opinions in the past that if there are going to be INS sweeps, if they do it in the front office they have to get a search warrant. If they do it in the barn they have to get a search warrant. All the amendment of the Senator from Idaho is saying is if they do it in the fields they also ought to get a search warrant. He has made the case.

INS raids are subject, quite frankly, to the greatest kind of abuse—the most discriminatory kind of incidents. I think those are individuals who ought to be able to have some degree of protection because in so many instances, as the record has demonstrated, so many individuals who are subject to the kinds of actions of the INS are American citizens. They have constitutional rights. They ought to be protected. There ought to be a basic presumption in their favor because the overwhelming majority of those who do work in the fields are American citizens.

I think the case has been well made. I think this amendment will be an addition to the bill. I hope the amendment will be accepted.

The **PRESIDING OFFICER.** Is there further debate? If not, the question is on agreeing to the amendment. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. Cochran], the Senator from Maine [Mr. Cohen], the Senator from North Carolina [Mr. East], the Senator from Utah [Mr. Garn], the Senator from Nevada [Mr. Laxalt], the Senator from Vermont [Mr. Stafford], and the Senator from Wyoming [Mr. Wallop] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Kentucky [Mr. Ford], the Senator from Vermont [Mr. Leahy], and the Senator from Arkansas [Mr. Pryor] are necessarily absent.

The **PRESIDING OFFICER** (Mr. Abdnor). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 39, as follows:

[Rollcall Vote No. 180 Leg.]

YEAS—51

Andrews
Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Bumpers
Burdick
Chiles
Cranston
D'Amato
DeConcini
Dixon
Domenici
Exon
Goldwater
Gramm
Harkin
Hart
Hatch
Hatfield
Hawkins
Hecht
Heflin
Helms
Humphrey
Johnston
Kasten
Kennedy
Levin
Matsunaga
McClure
Melcher
Moynihan
Nickles
Packwood
Pell
Quayle
Riegle
Roth
Sarbanes
Sasser
Simon
Stennis
Stevens
Symms
Warner
Weicker
Wilson
Zorinsky

NAYS—39

Abdnor
Boschwitz
Bradley
Byrd
Chafee
Danforth
Denton
Dodd
Dole
Durenberger
Eagleton
Evans
Glenn
Gore
Gorton
Grassley
Heinz
Hollings
Inouye
Kassebaum
Kerry
Lautenberg
Long
Lugar
Mathias
Mattingly
McConnell
Metzenbaum
Mitchell
Murkowski
Nunn
Pressler
Proxmire
Rockefeller
Rudman
Simpson
Specter
Thurmond
Trible

NOT VOTING—10

Cochran
Cohen
East
Ford
Garn
Laxalt
Leahy
Pryor
Stafford
Wallop

So the amendment (No. 607) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 608

Mr. CRANSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The bill clerk read as follows:

> The Senator from California [Mr. Cranston] proposes an amendment numbered 608:
>
> On page 89, line 15, before the period insert the following: "or, such documents provided under clause (i) may include a rent receipt, bank book, utility bill, or an affidavit from a credible witness (such as a parish priest)."

Mr. CRANSTON. Mr. President, I supported the reasonable approach to legalization offered by the distinguished senior Senator from Massachusetts [Mr. Kennedy] this morning which reflected the considered judgment of the conference committee on this bill.

I regret the outcome of the vote on that. My interest stems from the fact that 50 percent of the undocumented workers in this country are estimated to be in California.

How many? No one knows.

Two million? Six million? Whatever.

It is fair to say that the legalization program in this bill will benefit only a small number of them.

And then, only if they are willing to risk the gamble of coming forward.

But, having made the decision to legalize certain undocumented workers, why impose arbitrary, inflexible standards which prevent somebody who is qualified for permanent resident status from proving continuous residence, in the way that any other individual charged with a burden of proof, is entitled to prove a fact?

S. 1200 now expresses the preference for employment documentation as probably the most reliable kind of proof of continuous residence.

I do not disagree with that.

I just do not want to see that preference lead to the writing of a regulation that would exclude other forms of documentation and proof. I do not disagree with the statement that employment documentation is probably the most reliable.

All this innocuous little amendment will do is provide that in the event such proof is unavailable, a person seeking to be legalized may submit other reliable evidence of their continuous residence: rent receipts, bank books, paid utility bills, and, importantly, affidavits from credible witnesses such as the parish priest, among other possible documentation.

I cannot believe that my good friend from Wyoming [Mr. SIMPSON], who has labored so long and hard over this bill in an effort to be fair, would not accept this amendment.

I am awaiting the acceptance of the amendment.

Mr. SIMPSON. Mr. President, I apologize for not being more attentive. I try always to be attentive when my colleagues are proposing amendments, especially if I am opposed to them. But that may not be so here.

If I understand the purpose of the Senator's amendment, it is to expand the forms of documentation that are permitted to prove residence in the United States. This is rent receipts, bank books, utility bills, individual affidavits——

Mr. CRANSTON. From credible people like the parish priest.

I agree with the statement in the measure that the best and most reliable kind of proof is employment documentation. I do not quarrel with that. But other forms can be reliable.

Let me just add if I may that it may well be that proof of employment is not available to someone who has quite convincing other forms of proof. Part of my concern is that the statement in the measure stressing the importance of employment documentation might lead to regulations that would bar other forms of evidence. I think that would be very unfair and very unfortunate.

Mr. SIMPSON. Mr. President, I started off a bit facetiously and I do wish to correct that. It is a serious amendment, and I think it deserves a serious response.

Let me tell you the problems with it and why. We are already going to have cottage industry in rent receipts and W-2 forms when we get to legalization. There is not any question. Anyone who does not believe that is missing what will happen.

Legalization is a pretty priceless gift we are extending from an extraordinarily generous people. So we are going to have that.

As I see this amendment, it would encourage an absolute hailstorm of funny paper and phony paper and unverified documents, and it would not be that way, of course, with a credible person. When you are talking about staying in the United States of America or legal residence, then indeed that is something that makes people do a lot of things to stretch the law.

Let me just say that I think the incentive for fraud in proving eligibility for legalization is already extraordinary. May we have order, please?

The PRESIDING OFFICER. The Senator is right. There will be order in the Senate. We will not continue until there is order.

The Senator from Wyoming.

Mr. SIMPSON. Mr. President, with regard to Senator CRANSTON's amendment, the incentive for fraud in proving eligibility for legalization is already great. In fact, it is extraordinary.

I think this amendment increases this incentive manyfold because S. 1200 in its present form requires independent corroboration of documents showing evidence of a person's presence in the United States since a certain date and many employment related documents are preferred under S. 1200.

Employment documents then prove a person's existence in a certain place for a certain period of time. Rent receipts and utility receipts and bills merely prove that a certain fee was paid to someone for a certain service or item, and they are not nearly as reliable.

I think a personal affidavit is a means of corroborating evidence on a document but certainly no substitute for the document itself as this amendment would provide.

I think, as we all know and we see in our daily lives the use of receipts, those who wish to gimmick the use of receipts have an excellent opportunity every time they take a cab ride. The cabby will hand you the receipt with the date and his name and the blank left which is an interesting thing. I do not know what it does for the cabby. I know what it does for the rider. He uses it or fills in the term or the amount if he chooses to do so.

Allowing personal affidavits, however, would also create in my opinion an incredible potential for fraud, for individuals could go into the business of being credible witnesses. I can almost imagine a credible affidavit shop for the right fee. We have it in marriage fraud. I just hesitate. I know that does not have a thing to do with what my friend from California has in mind. I see it as something very much like Senator ALAN CRANSTON—compassionate approach to what could be a problem. But I also see it as something that could be terribly, terribly abused. The legalization program is already rather unpopular in the public eye. We had a little more evidence of that.

If it is not to appear thoroughly bankrupt, I think we have to assure that the program does not just die or drown in a blizzard of easy to counterfeit, difficult to verify paper.

I would resist that amendment indeed.

Mr. CRANSTON. I wish to respond briefly just to say it would seem to me that all that the Senator from Wyoming has said about various forms of evidence or nonevidence of residence in the United States would apply to documents indicating employment. An employer would have a particular incentive to cooperate in forging of documents were they desirous of doing so because they would have a motive. They have an employee perhaps they would like to keep in this country even though that person is not here legally.

Mr. SIMPSON. Mr. President, I would emphasize that there is nothing in the bill to prevent the Attorney General from approving rent receipts or utility bills as documentation, if employment documents are not available. That is if they are not available. The bill says that the Attorney General shall decide just what documentation will be acceptable so long as employment documents are used first if they are available. I would think that would handle what I certainly know and I believe is intended.

Under the circumstances, I would certainly reject the amendment. I would be glad to work with the Senator later on it. We can change perhaps some certain language. But at the present time, I just cannot see us going to a blizzard of documents by people who are in extremity, and they are in extremity because they are looking for this extraordinary act of legalization. We want to have appropriate employment documents. If they

are not available, the Attorney General is able to go to these others, but I hate to put that in the law that we actually name a rent receipt, a bank book, a utility bill or individual affidavits which could be nothing more than all sorts of various subjects of abuse.

I hope the Senator might consider withdrawing the amendment. But I do not know how he feels about that.

Mr. CRANSTON. Mr. President, I withheld asking for the yeas and nays hoping that we would be able to find this acceptable. But since we are unable to, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CRANSTON. I would like to just add: I understand the concerns by the Senator from Wyoming. I know he has endeavored to be fair in all that he has sought to get into this bill. But what will be at issue on whether or not someone has been in this country for a time is a question of fact, and it seems to me that we should permit those seeking to establish their right to be in this country to present all the facts that would substantiate their case.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment. On this question the yeas and nays have been ordered.

Mr. SIMPSON. Mr. President, I move to lay on the table the amendment of the Senator from California.

The PRESIDING OFFICER. The question is on the motion to table.

Mr. CRANSTON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming to lay on the table the amendment of the Senator from California.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. MOYNIHAN (after having voted in the affirmative). Mr. President, on this motion to table, I have voted yea. Were he able to be present, although he is necessarily absent, the Senator from Vermont [Mr. LEAHY] would have voted no. I respectfully ask that I might enter a live pair with him in that regard.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. COCHRAN], the Senator from Maine [Mr. COHEN], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], the Senator from Nevada [Mr. LAXALT], the Senator from Vermont [Mr. STAFFORD], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Missouri [Mr. EAGLETON], the Senator from Kentucky [Mr. FORD], the Senator from Vermont [Mr. LEAHY], and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

The PRESIDING OFFICER (Mr. GOLDWATER). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 82, nays 6, as follows:

[Rollcall Vote No. 181 Leg.]

YEAS—82

Abdnor
Andrews
Armstrong
Baucus
Biden
Bingaman
Boren
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
D'Amato
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Glenn
Goldwater
Gore
Gorton
Gramm
Grassley
Harkin
Hart
Hatch
Hatfield
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Long
Lugar
Mathias
Mattingly
McClure
McConnell
Metzenbaum
Mitchell
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Quayle
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simpson
Specter
Stennis
Stevens
Symms
Thurmond
Trible
Warner
Weicker
Wilson
Zorinsky

NAYS—6

Bentsen
Cranston
Levin
Matsunaga
Melcher
Simon

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Moynihan, for.

NOT VOTING—11

Cochran
Cohen
Eagleton
East
Ford
Garn
Laxalt
Leahy
Pryor
Stafford
Wallop

So the motion to lay on the table amendment No. 608 was agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. BYRD. I thank the Chair.

Mr. President, I wish to ask at this time as to what the program for the rest of the day may be, and with particular regard to rollcall votes and amendments, if the distinguished assistant Republican leader is in a position to respond.

Mr. SIMPSON. Mr. President, I say to the minority leader that I appreciate his patience. I very much appreciate his patience as we have dealt with this rather complex legislation.

There is a time agreement being distributed, or at least sought, which might provide that we would have perhaps one additional rollcall vote—we may even be able to avoid that—which would be a time agreement that all amendments which are presently pending at the desk will be processed, either this evening by those who wish to process them, and I hope you would, or certainly perhaps on Monday, which is a day of no votes. No votes will be held on Monday but it will certainly be a day when we will be in business.

With that, we would then proceed to have a rollcall vote on Tuesday on all amendments, together with anything that might be involved with Senator WILSON and Senator HATCH, whatever that may be. No amendments would be available after Monday. The amendments would be stacked until Tuesday at a time certain, beginning at approximately 10 o'clock, with final passage of the bill at a time certain after the conclusion or disposition of the stacked amendments.

That is a time agreement which is being sought. My fellow manager of the bill and I are ready to proceed. There might be, as I say, one more rollcall vote. There may not be. In any event, we are seeking that kind of accommodation so that we would be available for a while more this evening, but those not involved in the amendments could be released, or leave the Chamber, the community, or whatever.

We would be here to process amendments on Monday but that would be it. There would be no amendments to the amendments and the debate would go on. That is being sought.

Mr. BYRD. I am willing to be helpful in any way I can be to work out the matter.

Mr. CRANSTON. In regard to the proposed agreement, I would like to find a way to accommodate a need I may have but may not have. Senator D'AMATO has an amendment on a formula for distribution of funds. If that carries, I will not have an amendment to offer. If it does not carry, I might have an amendment I would like to offer as an alternative. I would like to have that right reserved.

Mr. SIMPSON. I will certainly add that to the time agreement. The Senator says that is significant only as it relates to a pending amendment?

Mr. CRANSTON. That is right.

Mr. SIMPSON. Very well.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized, but I say to the Senator from Florida that the Senator from Nebraska would like to be yielded to.

Mr. HEINZ. I yield to the Senator from Florida.

Mr. CHILES. I am going to present an amendment that will be accepted, but I will wait.

Mr. HEINZ. Mr. President, may I have the attention of the managers of the bill?

I am at a point where I am prepared to offer the amendment that I earlier proposed to offer. I have not yet sent

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it to the desk, and I want to ask the managers of the bill whether they are prepared for this amendment or would prefer that it be offered and considered at another time. I think we will be on the bill long enough for it to be taken up either later today or on Monday and voted on Tuesday.

Mr. BUMPERS. Does the Senator from Pennsylvania intend to offer his amendment today or Monday?

Mr. HEINZ. I want to get a sense from Senator Simpson as to whether he would want the amendment voted on today or on Tuesday. I want to accommodate him, because he has been on the floor for a long time and will be here longer. If he has another amendment that he thinks will be disposed of quickly, I will not offer this amendment now.

I say to the chairman of the committee, the Senator from Wyoming, that I believe this amendment will not draw any serious opposition. I have had lengthy discussions with Senators Chiles and Domenici, so that at least there will be the opportunity, should the Senate so desire, to preserve some aggregate accounting but still separate Social Security from the unified Federal budget.

Mr. SIMPSON. Mr. President, I inquire of the Senator from Pennsylvania: I understand that it has something to do with his committee work, that he feels he requires this type of indication from the Senate as to the sense of the Senate on this issue. Is that correct?

Mr. HEINZ. That is correct. The Finance Committee will be taking up, among other things, budget reconciliation on Tuesday next.

Mr. SIMPSON. Mr. President, that would mean that if we were to obtain a vote on this issue on Tuesday morning, that would be sufficient for the purpose of the Senator from Pennsylvania. Is that correct?

Mr. HEINZ. It would, if the amendment were taken up early on Tuesday.

Mr. SIMPSON. I think that is important as a matter of comity; 88 Senators voted on the last amendment, and from my knowledge at this outpost, I think the number will continue to decline swiftly. I think we are entitled to give our colleagues a vote on serious issues; 88 Senators voted on the last amendment, which is really quite admirable. But I am still fishing for the time agreement.

There are about four more amendments. Senator Moynihan has an amendment which will be accepted. I do not have the complete list. Senator Metzenbaum has one on which I think we can reach an accommodation. I understand that he may press for a rollcall vote on another amendment. There is a Wilson amendment, a Simon amendment which may require a rollcall vote, a Levin amendment which may require a rollcall vote, an Exon amendment. That is it. I think rollcall votes will be required if we cannot reach an accommodation. Is that correct?

Mr. EXON. Mr. President, will the Senator yield?

Mr. HEINZ. Mr. President, does the Senator from Pennsylvania still have the floor?

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mr. HEINZ. Mr. President, I renew my request for some direction from the chairman of the committee. It would be the Senator's preference to offer the amendment right now, but I want to accommodate the chairman of the committee.

Mr. SIMPSON. What is the inquiry?

Mr. HEINZ. It is my preference to offer the amendment now, but I am willing not to offer it at this time but later or on Monday, depending on what suits the preference of the chairman of the committee.

Mr. SIMPSON. We have one more amendment that will require a rollcall vote this evening. As to the rest of them, I will accommodate the sponsors of the amendment to either do it this evening or Monday and stack the votes—and that is what I am seeking to do—for Tuesday morning beginning at 10 o'clock, with no further amendments to be in order, and to have ad seriatim votes, with a certain time limit if that is appropriate. We have done that before with this legislation. There would be final passage thereafter. It would include the various amendments now pending which we will not dispose of this evening, including the amendment by Senator Heinz.

Mr HEINZ. That is, if I offer my amendment tonight, we will get a vote on it tonight. Is that the intention of the Senator?

Mr. SIMPSON. I hope we might be flexible enough to allow the rollcall vote to occur Tuesday morning.

Mr HEINZ. I am flexible. We have to get unanimous consent to do that.

Mr. SIMPSON. We are looking for a unanimous-consent agreement to take the amendment of the Senator from Pennsylvania and other amendments and have a rollcall vote on Tuesday morning on those amendments. I hope his amendment would belong in that category.

I ask Senator Metzenbaum whether he would be averse to having the debate on his amendment, and if he requires a rollcall vote, would he have that on Tuesday morning?

Mr. METZENBAUM. I have no objection, but I hope the Senator will accept my amendment.

Mr. SIMPSON. The Senator is working toward that.

Mr. BUMPERS. Mr. President, will the Senator yield?

Mr. HEINZ. I yield.

Mr. BUMPERS. With respect to the amendment of the Senator from Pennsylvania, so far as the unanimous-consent request which may be propounded along the lines suggested by the chairman is concerned, I want to reserve the right to offer either a perfecting amendment or an amendment in the nature of a substitute to the Heinz amendment. I am not sure that I will offer one, but nothing is at the desk; and I understood that the chairman said a moment ago that he wanted to vote on all the amendments that were at the desk and that no more amendments would be in order. Is the amendment of the Senator from Pennsylvania at the desk?

Mr. HEINZ. No, it is not.

Mr. BUMPERS. I would want to make a continuing objection so far as his amendment is concerned, to this extent: that I reserve the right to offer a perfecting amendment or an amendment in the nature of a substitute. Otherwise, I have no objection to the rest of the request.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. HEINZ. I yield.

Mr. DOMENICI. As I understand it, the Senator's reservation is not really a reservation, because there is no unanimous-consent request pending. Is that correct?

Mr. BUMPERS. I was just making my views known.

Mr. HEINZ. Mr. President, in an effort to accommodate the Senator from Wyoming, I yield the floor.

AMENDMENT NO. 609

(Purpose: To require the Attorney General to conduct a study on the use of a telephone verification system for determining employment eligibility in the United States)

Mr. CHILES. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. Chiles] proposes an amendment numbered 609.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 38, between lines 20 and 21, insert the following:

(g)(1) The Attorney General, in consultation with the Secretary of Labor and the Secretary of Health and Human Services, shall conduct a study for use by the Department of Justice in determining employment eligibility in the United States. Such study shall concentrate on those data bases that are currently available to the federal government which through the use of a telephone and computation capability could be used to verify instantly the employment eligibility status of job applicants.

(2) Such study shall be conducted in conjunction with any existing Federal program which is designed for the purpose of providing information on the resident or employment status of workers for employers. The study shall include an analysis of costs and benefits which shows the differences in costs and efficiency of having the Federal government or a contractor perform this service. Such comparisons should include reference to such technical capabilities as processing techniques and time, verification techniques and time, back up safeguards, and audit trail performance

(3) Such study shall also concentrate on methods of phone verification which demonstrate the best safety and service standards, the least burden for the employer, the best capability for effective enforcement, and procedures which are within the boundaries of the Privacy Act of 1974.

(4) Such study shall be conducted within 12 months of the date of enactment of this act.

(5) The Attorney General shall prepare and transmit to the Congress a report—

(A) not later than six months after the date of enactment of this act, describing the status of such study; and

(B) not later than twelve months after such date, setting forth the findings of such study.

Mr. WILSON. Mr. President, will the Senator yield for a question?

Mr. CHILES. I yield.

Mr. SIMPSON. Mr. President, I ask the Senator from California if he will yield for a moment.

The minority leader is present. If we cannot obtain a time agreement along the general lines I suggested, then it has to be the intent of the managers to pursue this legislation, and there would be additional rollcall votes. That is not in the form of some ghasty threat. It is the reality of the fact that we have other items coming before us—the Superfund and many other things. So if the unanimous-consent request cannot be fashioned along the conceptual lines I discussed, then I guess we will have to plow ahead—I do not know how else to say that—if we are going to proceed and get this measure completed.

Mr. EXON. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield.

Mr. EXON. Mr. President, I have been trying to get the floor to respond to a legitimate request from the managers of the bill.

I hope we will have enough consideration for the Senators who want to leave town to let them leave. Therefore, I hope that before we go ahead with any other amendments, we might at least propound a unanimous-consent request.

As the Senator from Wyoming knows, this Senator has been waiting patiently almost all day to offer an amendment which will not take a lot of time, and I will agree to a time agreement. I would only insist on submitting appropriate remarks and put off the vote to Tuesday. I just want the opportunity to offer the amendment today and make appropriate remarks. I hope we can pursue that and help out the managers of the bill in trying to accommodate those who have to leave.

Maybe we could have one more vote or whatever it is and come back on Monday and have votes on Tuesday.

Mr. SIMPSON. Mr. President, I do appreciate that. That is what we are working toward. I hope to share with my colleagues the minute I have information on that. It should be forthcoming. I understand it is being prepared. Then I shall propound it and we can discuss it further.

Mr. WILSON. Mr. President, pursuant to that time agreement, will the Senator from Wyoming yield so I may have a brief colloquy with him.

He has just stated that there is in process right now a proposal for a time agreement. Does the time agreement include a vote this afternoon on one of the Wilson amendments that relates to seasonal workers? I have another that relates to reimbursement that we could easily deal with on Tuesday.

Mr. SIMPSON. Mr. President, the Senator indicated he has an amendment. Is it Hatch-Wilson revisited?

Mr. WILSON. It is a substantial modification of the kind we had discussed this afternoon.

Mr. SIMPSON. Mr. President, the matter that the Senator and I discussed was not substantial.

Mr. WILSON. The Senator is not abusing the process?

Mr. SIMPSON. No, I am not, but indeed, we have protected the Senator in every instance and this Senator has been responsible for that, so I have no qualm about that.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I wonder if some of this colloquy could take place with the staff. I have a little amendment that is going to be accepted. I have been here 15 or 20 minutes. I would like to get it out of the way and clear the deck a little bit more.

Mr. President, the amendment I offer would require the Attorney General to conduct a study of the use of a phone verification system for determining the employment eligibility of job applications.

Such a study would analyze using existing Federal data in computers that could be accessed by the telephone to instantly verify the employment status of potential workers.

Mr. President, this study does not necessitate a workers identification card.

This study of a phone verification system would only concentrate on existing Federal data banks—that is, only numbers already in Federal computers, such as Social Security, green cards, and tax identification numbers.

My chief purpose of wanting such a study is to allow the Justice Department to carefully analyze a manner in which job applicants' employment eligibility can be verified without placing that burden on the employer. As I see it, the employer would only have to call an 800 number to be connected with the Federal computer, record the necessary identification numbers, and await the transaction code. This process is almost identical to that of a credit card verification. It would only take seconds, but would, most importantly, place the burden of verifying the worker's status on the Federal Government's data in the computer.

Mr. President, I strongly support employer sanctions. However, I am concerned about their potential effectiveness. I believe we must find a system of verifying the worker's status that is secure and efficient.

I feel strongly that we need a system that does not require the employer to be judge and jury in determining the worker's status.

And, we need a system that will establish a updated record that can be easily monitored to enforce employer sanctions.

I believe that phone verification system is such a system. But, I know some Senators have problems with such use of computers. That is why my amendment only authorizes a study. Let us let the Justice Department carefully scrutinize the worth of such a system. With a responsible study, we can then take a careful look at whether a phone verification system should be a viable part of employer sanctions.

Mr. President, I urge the adoption of the amendment.

Mr. SIMPSON. Mr. President, the Senator from Florida has presented that amendment appropriately. I have had problems with the original cost of a universal telephone system. It could be quite enormous. The Department of Labor indicated $333 million a year for the first 5 years and $200 million thereafter. I think Senator Chiles has recognized this by only requesting a study.

I think the telephone call-in system may well be a very effective way of doing things. The select commission looked at it. I think it has an appropriate ring to it, I might say. To implement such a system without knowing whether it would work would be expensive. A study would clarify that.

I appreciate the Senator's thoughtful approach to it. I believe his amendment can be acceptable, and I do accept it on behalf of this manager of the bill. I believe Senator Simon will indicate his agreement.

Mr. SIMON. Mr. President, yes, I can speak for Senator Kennedy. Those of us who serve on the subcommittee think this is an excellent amendment and we shall be happy to support it.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment.

The amendment (No. 609) was agreed to.

Mr. **MOYNIHAN**. I move to reconsider the vote.

Mr. **CHILES**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 610

(Purpose: To require the Comptroller General of the United States to investigate ways to reduce counterfeiting of Social Security account number cards)

Mr. **MOYNIHAN**. Mr. President, I send an amendment on behalf of myself and Mr. D'AMATO to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] for himself and Mr. D'AMATO, proposes an amendment numbered 610:

On page 38, between lines 20 and 21, insert the following:

(g)(1) The Comptroller General of the United States, upon consultation with the Commissioner of Immigration as well as private sector representatives (including representatives of the financial, banking, and manufacturing industries), shall inquire into technological alternatives for producing and issuing social security account number cards that are more resistant to counterfeiting than social security account number cards being issued on the date of enactment of this Act by the Social Security Administration, including the use of encoded magnetic, optical, or active electronic media such as magnetic stripes, holograms, and integrated circuit chips. Such inquiry should focus on technologies that will help ensure the authenticity of the card, rather than the identity of the bearer.

(2) The comptroller general of the United States shall explore additional actions that could be taken to reduce the potential for fraudulently obtaining and using social security account number cards.

(3) Not later than one year after the date of enactment of this Act, the Comptroller General of the United States shall prepare and transmit to the Committee on the Judiciary and the Committee on Ways and Means of the House of Representatives and the Committee on the Judiciary and the Committee on Finance of the Senate a report setting forth his findings and recommendations under this subsection.

Mr. **MOYNIHAN**. Mr. President, in brief, in the 1983 Social Security Amendments, we required that a tamperproof, counterfeit-resistent Social Security card be produced by the Social Security Administration. They did, Mr. President, but I regret to say, and I think most Members that I have talked to agree, that what we have here is the same pasteboard card we have had for the past 50 years. An institutional bias exists in the Social Security Administration. It will not produce a Social Security card which an employer can immediately look at and have confidence in and say this is an authentic document.

The need for such a document is central to this legislation. We are imposing severe sanctions on the use of false documents for purposes of employment. The current Social Security card, easily counterfeitable, is sold in volumes on both sides of our borders. An official Government estimate is that some $15 billion a year in fraud could be involved.

Mr. President, there was a time when the Social Security card simply served the purpose of reserving an account of the individual worker in the Social Security Administration, but we are a long time past that. There was a long period during which the card actually said, "Not to be used for identification." But events have changed that, and in every area of our activities, we find the Social Security number is a convenient reference for individuals.

Persons who join the armed services today have their Social Security card as their official dog tag numbers. Students in college are given it for their bursar number. They are perfectly acceptable and perfectly confidential as long as numbers are not counterfeited and misused.

The technology of the last few years has allowed very rapid development of quite extraordinarily efficient and inexpensive devices for providing a card that can be automatically checked through telephone lines to the banks that issue credit cards. The devices are simple. They involve a magnetic tape, they involve algorithms, they involve holographs, they involve well-established technology. Your average credit card today with a holograph, with a magnetic tape, costs 8 cents apiece. This is not a large sum.

The individual worker, a young man or woman applying for a job can hand an employer a seriously responsible document, which is what a plastic or other form of card can be, with numbers and vast amounts of data that can be put on a magnetic tape on the back. Or with a holograph, if you want to make it more difficult to misrepresent.

It is the most elemental of matters and at any checkout counter in any supermarket in America, any airline counter, they simply take this card and run it through a small device and it is immediately confirmed as valid or invalid with respect to very rapidly updated information on whether the funds or the credit are still available to the card. The purpose of the proposal I have is to say, let us try to break out of past unavailing efforts and get the Social Security Administration to do this on its own. We would ask the Comptroller General, in consultation with the Immigration and Naturalization Commissioner and whomever he wishes to consult to inquire into the technological alternatives for producing and issuing Social Security account number cards that are generally resistant to counterfeit, and which by their nature can be used for a quick check as to their authenticity. This is clearly within the range of the capacity of the private sector—and should be for the Federal Government—in this most basic of insurance systems that relate directly to employment. In the overwhelming number of cases, the Social Security card will be the one bit of identification the young person of whatever age submits to an employer.

I would hope this could be adopted, and I hope that the Comptroller General will take it as a serious opportunity to put in place systems of verification—systems without which this legislation would work serious injustice on a great many young new workers and entering workers.

It is clearly within our technological ability. We only need to make the decision. We have made the decision as a society to use this number for a wide range of purposes, from military identification, as I say, to bursar number when you become a freshman at the State university. The opportunity is here and the need, I think, given the criminal penalties we are necessarily imposing in this law.

Mr. **BENTSEN**. Mr. President, will the Senator yield for a question?

Mr. **MOYNIHAN**. I am happy to yield to my friend from Texas.

Mr. **BENTSEN**. I compliment the Senator in what he is endeavoring to do here. I have supported this effort for a long time. I think it is a major step forward.

I can recall at a time when people reacted negatively to a national identification card; calling it an invasion of their civil rights.

I think that is one of the phoniest arguments I have heard.

Anytime I want to go down and cash a check they say, "Let's see your driver's license," and I have to reach in my pocket and show them my driver's license. I do not mind that at all, except for the photograph, and I must comply.

I recall visiting with the Social Security Administrator regarding implementing a noncounterfeitable Social Security card. He said: "There is no way you can do that. The cost would be horrendous."

Then I said, "Can you explain to me why almost every State has a driver's license; if they can do that, they can make a foolproof of Social Security card!"

I go down to a little country like Costa Rica, a wonderful little democracy. Anyone who comes there votes, has a card with a photograph identifying that person; if Costa Rica is capable of doing it then so can we.

When someone says, "Show me that you are in this country legally, show me that you are a citizen of this country," I do not think it is any invasion of my privacy to pull out a Social Security card and prove it.

You know, if I am trying to support my credit with my driver's license to cash a check, then certainly when it comes to saying that "I want a job to say that I am a citizen of the United States or that I am legally in the United States," I do not understand why I should apologize for that or feel that it is any invasion of my privacy at all.

I congratulate the Senator in what he is trying to do and support him.

Mr. **MOYNIHAN**. I thank the Senator from Texas and reinforce the point that this is the job applicant's opportunity to prove who he is. Most any sizable employer will have a device that just electronically picks up the magnetic signal. If not the employer can go down to the nearest bank and do it or go the nearest shopping center and do it.

It does not involve any invasion of anyone's privacy. It is a document that allows you to establish your legitimacy in our social insurance system.

Mr. President, I have discussed this with our distinguished chairman and I have found him very responsive to it. I think we do accept the fact that is something to be given to the Comptroller General. The ramifications are wider than the Social Security Administration itself and besides, we have tried with the Social Security Administration and it does not work. We have a developed technology, as the Senator from Texas has said, that can work. My amendment asks that a simple study be conducted and that the Comptroller General have his report to us not later than 1 year from the day of enactment of the bill.

When the Social Security amendments were before us in 1983, we approved a provision to require the production of a new tamper-resistant Social Security card. The law, section 345 of Public Law 98-21, stated:

> The social security card shall be made of banknote paper, and (to the maximum extent practicable) shall be a card which cannot be counterfeited.

What a disappointment when late that year, the Social Security Administration began to issue the new card, and it became clear that the agency simply had not understood what Congress intended. The new card looks much like the old, a pasteboard card really much like the first ones produced by Social Security in 1936. It has the same design framing the name, nearly the same colors. It feels the same. An expert examining a card with a magnifying glass can certainly detect whether or not one of the new ones is genuine, but the average employer cannot distinguish a counterfeit card from the real article.

By so doing—or not so doing—the Social Security Administration did not succeed in protecting the integrity of the Social Security System, or American taxpayers from the massive amounts of fraud perpetrated with the help of counterfeit cards. Nor did they help the young Hispanic worker who needs a document that can quickly establish his legal status to an employer's satisfaction.

There is a history here. The Social Security Administration, from its early years, has resisted any use of the Social Security card for identification purposes. At one time, the card actually said it could not be so used.

In 1977, when I first proposed that we produce a new card, the Social Security Administration objected and the proposal was not adopted. I tried again and again, and succeeded only on the fifth try.

Or so I thought.

The use of counterfeit Social Security cards is costly. According to estimates by the Department of Health and Human Services and the Department of Transportation, crimes based on false identification, which frequently include counterfeit and fraudulently obtained Social Security cards, cost Americans more than $15 billion annually.

A new Social Security card—one very difficult to counterfeit and easily verified as genuine—could be manufactured at a very small cost. Today, the average high-technology-credit card with a magnetic stripe costs 8 cents to produce. A Social Security card could be designed along just these lines. The card could be highly tamper-resistant, and its authenticity could be readily discerned by the untrained eye. It must be seen as a special document; one which would be visually and tactilely more difficult to counterfeit than the current paper card.

The magnetic stripe would contain the encoded Social Security number, encoded with an algorithm known only to the Social Security Administration. A so-called watermark stripe could be placed over it, making it nearly impossible to counterfeit without technology that currently costs $10 million. The decoding algorithm could be integrated with the Social Security Administration computers.

Any employer could verify that the card was genuine with the simple hardware now used for credit cards at just about every airline and grocery checkout counter, magnetic card readers. The information is transmitted from the card to the reader, to verify if the card contains a valid coded number to be interpreted by the algorithm, and then, if necessary, the validity of that Social Security number could be verified by phone link with a central Social Security file.

Let me repeat. According to Malco, the largest manufacturer of credit cards with magnetic stripes, these cards cost 8 cents a piece, when purchased in quantities of 1 million or more. For a bit more, each card could include a hologram, which is also very difficult for counterfeiters to reproduce.

The new cards will not eliminate all fraudulent use of Social Security cards. But it will close down the shopfront operations in many border towns that flood America with false Social Security cards. And once implemented, a young worker could bring an employer a document which could be authenticated on the spot, and declare without trepidation, I am legal: I am eligible to work for you in the United States.

That is what the Congress intended in the 1983 legislation. Not a card to be authenticated solely by Immigration and Naturalization Service technicians, but a card to be sized-up by employers with relative ease and certainty.

Let's try again. Let's at least approve a study by the General accounting Office, in consultation with the Immigration and Naturalization Service and experts from business, of the technological alternatives now available to produce a more tamper-resistant Social Security card.

The study will tell us how we can produce a card that will help protect the integrity of the Social Security System, help the Naturalization and Immigration Service in its efforts to identify those living here illegally, and help the young Hispanic worker in his and her efforts to earn the living, and the dignity, to which every hardworking legal resident of this country is entitled.

Mr. **SIMPSON**. Mr. President, I do appreciate the continuing work of the Senator from New York. He and I have worked together on what to do about the integrity of the Social Security card, how to improve it and how to make it work without intrusion. As I understand the amendment, it would require technological alternatives for improving the security of the present Social Security card.

I think that is a very important question with regard to the immigration bill, particularly because so many current forms of identification are so thoroughly gimmicked. S. 1200 protects us against the specter of a national ID card. I know Senator MOYNIHAN has never felt that would be appropriate. I think that we do need to provide for the security of present documents.

This amendment is thoughtful and would allow us to study possible methods to achieve it. I am very pleased to accept the amendment. I believe it is acceptable to the minority.

Mr. MOYNIHAN. I thank the distinguished chairman.

Mr. BENTSEN. Mr President, I would like to comment for about 5 minutes on the bill itself.

Mr. MOYNIHAN. Will the distinguished Senator from Texas allow me to have this amendment disposed of?

Mr. BENTSEN. Of course I would. I thought it had been accepted.

Mr. MOYNIHAN. Mr. President, I believe the Senator from Illinois wishes to indicate his acceptance.

Mr. SIMON. Thank you, Mr. President. I shall be brief.

Mr. President, on behalf of the minority on the subject we think it is an excellent amendment and are pleased to support it.

Mr. MOYNIHAN. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment (No. 610) is agreed to.

Mr. MOYNIHAN. Mr. President, the Chair is being insistently agreeable, and in no way would we have it otherwise. I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEVIN. Will the Senator from Texas yield?

Mr. BENTSEN. I am delighted to yield.

Mr. LEVIN. I thank my friends.

Mr. President, I wish to engage in a brief colloquy with the chairman of the Subcommittee on Immigration relative to the need for more INS inspectors at Michigan ports on the northern border.

S. 1200 includes appropriations for increased border patrol and other inspection and enforcement activities of the INS. While I am all too familiar with the serious demands and needs of the southern border, I am concerned about the shortage of inspection personnel at the northern border as well. The Port of Detroit is the largest port of entry along the northern border. Complaints to my office are constant, from both the traveling public and the business community about the long lines and intolerable wait at the Detroit-Windsor Tunnel, the Ambassador Bridge, and the Blue Water Bridge between Port Huron and Sarnia. One constituent wrote to me on April 26, 1985, that she and her family were "held captive for 2½ hours" on the Ambassador Bridge. According to my constituent, during this period, "* * * cars were boiling over, clutches were smelling, and cars were being towed off * * *." The lines are so long and intolerable that fist fights have broken out in the tunnel. People have become ill while waiting and have not been able to move their cars out of the tunnel for help.

Mr. President, business in the Michigan area is being discouraged and even lost due to the cost of these lengthy waits and inconvenience at the Detroit-Canada border. Michigan's economy cannot tolerate a hardship that can so easily be avoided. I need not tell the chairman that our trade with Canada is vast and vital. It is in the interest of both our nations to restore our mutual border to the effective industrial and international link it once was. A letter I received from St. Clair County, Michigan stated:

> At its meeting of August 28, 1985, the St. Clair County Board of Commissioners entered into considerable discussion on a problem that effects both the United States and Canada. The problem is the increasing amount of time that it takes to clear Customs and/or Immigration at various points of entry and specifically at the Blue Water Bridge between Port Huron and Sarnia. As you would appreciate, any delay has an impact upon the social and economic life of both countries, but as of late, the delay is becoming more and more apparent.

The problem can easily be identified. The volume of car and truck traffic at entry points in Michigan has increased dramatically. For instance, traffic volume at the Ambassador Bridge in Detroit has increased by more than one-half million in the past decade. The increase at the Detroit/Windsor Tunnel has been greater than 300,000 for that same period. Unfortunately, full-time inspection positions have been reduced by more than 33 percent during the past 10 years.

I realize that resources are limited and that a principal goal in authorizing increased funding for inspection and enforcement activities by the INS is the problem of illegal immigration at the southern border. I hope that the northern border will not be ignored because our needs are so great.

Can the chairman give me some assurance that the ports of entry on the northern border and specifically, the Port of Detroit and the Port of Port Huron, will receive some increase in the number of inspection personnel under this legislation?

Mr. SIMPSON. The Senator from Michigan is correct in assuming that most of the additional funds authorized to be appropriated under S. 1200 for inspection personnel will be directed to the southern border, where our shortages are the greatest. However, we recognize that increases in the number of people entering ports on the northern border might well create a need for more inspectors. I will ask the INS to look at the need for more inspectors at the Port of Detroit and the Port of Port Huron and to do everything possible to meet those needs.

Mr. LEVIN. Mr. President, on another point, I wish to briefly bring to the attention of the floor manager, a case which was decided less than 3 weeks ago by a Federal district court in California. It was the case of the International Union of Bricklayers and Allied Craftsmen versus Meese. In this case, the court decided that a B-1 visa is not available to indivduals who temporarily enter this country to install, service, or repair commercial or industrial equipment or machinery purchased from a company outside of the United States. The court found that INS operations instruction 214.2(b)(5) which allowed a B-1 visa to be issued under this circumstance violated sections 101(a)(15)(B) and 101(a)(15)(H)(ii) of the Immigration and Nationality Act.

This INS regulation was promulgated in 1972. I would ask the floor manager if he can give me some assurance that the subcommittee will look into this issue, not to second guess the court, but to see whether this INS regulation which had been in effect for 13 years met a legitimate need which will now go unmet. Further can I have some assurance that in looking at this issue the subcommittee will consider the net impact of this INS regulation on jobs in this country held by Americans.

Mr. SIMPSON. I can understand the Senator's concern, and I assure him that the subcommittee will look into this issue with an eye to seeing whether a modification of the statute itself might be in order, taking into account the relevant employment concerns.

Mr. BENTSEN. Mr. President, this is not the first time we have discussed an immigration bill. I can think back to the time when Ted Kennedy, the Senator from Massachusetts, and the Senator from Mississippi, Jim Eastland, worked on an immigration bill.

I guess this is the third time I will have voted for Senator Simpson's bill.

I could give you probably 20 reasons not to vote for it, but none of them are good enough. I certainly do not like the idea of employer sanctions. I wish we could have come up with a better solution to it than that.

I hear some of my friends say add more border partrolmen. The people who say that, I believe have not traveled the border to the extent I have. There is no way you can put enough border patrolmen on the U.S. borders to stop people from coming into the United States.

I can take you and fly you over ranches in south Texas and I can show you paths across those ranches coming from the border and those are not paths made by cattle; those are paths made by people, moving across this country and moving into the interior of our country.

We have more illegal immigrants into this country than any other nation in the world. The estimate is 5.6 million. I do not know how that number is calculated. The very nature

of the problem makes it very difficult to define but we know it is millions and millions of people and we know we have lost control of our borders.

One of the primary requirements of a country is to have integrity of its borders and we have lost that.

We have the most generous quotas on immigration of any nation in the world and it is time that we stay within those quotas.

This is the third time that Senator Simpson's bill has been before us. I know that there are a variety of interests opposing this bill, each of them with what they consider a legitimate concern.

But what we have to look at is the whole picture, the overall benefit immigration control provides to our Nation. One-fourth of this world goes to bed hungry every night. Another fourth suffers from malnutrition. And half of them would move here tomorrow if they could, and I wish we could handle them. We are a compassionate people and we are a concerned people. I know what is written on the Statue of Liberty, but I also know when that was written. It was at a time when the West was not settled, and we desperately needed immigrants. But that time has passed. The West is settled. We have 8.1 million people in our country who are out of work, people who are looking for jobs.

America has changed. I think it is time that we respond to those who cry out for jobs, those who want a fair shake, those who want a chance to build a home for their families. We look at a trade deficit today that is probably going to be $150 to $160 billion. Last year it was $123 billion, the year before that approximately $70 billion.

That means that we are going to have increasing loss of jobs in this country as we make transitions to other types of occupations. This is no time for a great influx of immigrants to come to this country.

I hope that at this time we will once more pass this bill by an overwhelming majority and that that message will go forth to the House of Representatives and that you will see the same kind of reaction there, and once again we will restore the integrity of the borders of this country.

I congratulate my good friends, Senator Simpson and Senator Kennedy, for the monumental work that they have done on this piece on legislation. I hope that the Members and my colleagues will support it and support it in great numbers.

AMENDMENT NO. 611

(Purpose: To express the sense of the Senate regarding ethanol imports)

Mr. EXON. Mr. President, I send an amendment to the desk in hehalf of myself, Mr. Simon, Mr. Bumpers, and Mr. Harkin, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Nebraska [Mr. Exon], for himself, Mr. Simon, Mr. Bumpers, and Mr. Harkin proposes an amendment numbered 611.
>
> At the appropriate place in the bill, insert the following:
>
> Sec. . (a) The Congress finds and declares that—
>
> (1) The Treasury Department's decision on August 28, 1985 to postpone until November 1, 1985 implementation of a 60-cent-per-gallon tariff on imported Brazilian ethanol would cause significant harm to U.S. agricultural and commercial ethanol industries, a loss of jobs in the ethanol and related industries, further deteriorate the U.S. balance of trade, pressure downward commodity prices even further and heighten the long-term threat of more U.S. dependence on imported oil;
>
> (2) This decision clearly is counter to the explicit dictates of the Congress in the passage of Public Law 96-499 adopted by the Congress in 1980 and signed into law by the President;
>
> (3) The potential amount of ethanol which could be imported under reduced tariffs before November 1, 1985 could equal the total amount of annual domestic ethanol production in the United States;
>
> (b) It is therefore the sense of the Senate that—
>
> (1) The 60-cent per gallon tariff on imported ethanol should be immediately implemented.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. EXON. Yes, without interrupting this part of the proceedings.

Mr. BYRD. Mr. President, I merely want to ask our good friend, the manager of the bill, Mr. Simpson, whether or not we could give our Senators word that there will be no more rollcall votes today. I do not have to leave. Some of our Members on both sides of the aisle have flights out of Washington and, as I understand it, if they do not get away within the next few minutes to make those flights, they will have to stay overnight and will not be able to leave today.

The distinguished Senator knows that I support his bill. I am not one of those who has to leave in this instance.

If we could have that agreement that there will be no more rollcall votes today, we could continue to work on an agreement looking toward Tuesday for final passage. I cannot assure that we will have an agreement, but I cannot assure we can have an agreement if we continue to have rollcalls.

Mr. SIMPSON. Mr. President, I am fully aware, not only in my capacity as manager of the bill, but as a Member of the leadership on this side, that it is hazardous business to become known as an unaccommodating chap. I really am not. I really would love to tell my colleagues right now to head for National Airport and Dulles. I cannot.

But that is not me delaying them. I am ready to stay here and process this bill and process the amendments to this bill, either tonight until 9 o'clock or whatever you have in mind, or all day Monday.

But I know one thing about legislating in this place after 6½ years. Once I make that decision, this Chamber will clear and we will be back in stringing this bill out on Tuesday and Wednesday and Thursday, and that is the way it will be. I am not going to be a part of that. I hate to be hardnosed, as they say in the game, but we are just going to keep processing. If people wish to filibuster or intrude or interfere, I guess we will just keep going, because I do not know any other way. And I will probably be looking forward to the expertise of the minority leader if he has any thoughts to help in the expedition of that process.

What I want to do is this: So there will be no mystery, no mystery at all, let me just share it with you once more. It would be a unanimous-consent agreement to process every amendment that is before us and allow people to leave these Chambers tonight. As soon as this unanimous consent is agreed to, Members may absent themselves and we will then deal—either this evening, or at the accommodation of the amendment proposers—with several amendments and I have them listed here. There is a Metzenbaum amendment, two Simon amendments, a Levin amendment, a Wilson amendment, which is a revisitation of the amendment of yesterday with a "substantial change"; another Wilson amendment; a D'Amato amendment which will be agreed to, perhaps; a Cranston amendment with a distribution formula; a Heinz amendment dealing with Social Security, an Exon amendment dealing with Brazilian ethanol imports; a Bumpers amendment, either perfecting or a substitute to the Heinz amendment; and a Simpson amendment which could be called the all-gunner amendment of some kind.

I then would have asked unanimous consent that any rollcall votes ordered past the hour of 6 this evening or on Monday, September 16 all day, or in relation to any amendments on S. 1200 be postponed to occur in the morning of Tuesday, September 17.

Originally that was proposed for 10 a.m. Senator Kennedy and I have a refugee consultation at 10 a.m. on Tuesday. Since there is not a time agreement yet, I would propose that that would be at 12 noon, then, on Tuesday, the 17th, in the order in which the yeas and nays were ordered.

I would also have asked unanimous consent that there be 5 minutes of debate prior to each sequenced vote on Tuesday, to be equally divided, and that there would be no motion to recommit and that final passage would occur on S. 1200 without intervening action, other than third reading, immediately following the last sequenced rollcall vote on Tuesday, September 17, and that paragraph 4 of rule XII be waived.

I present that. If that is not acceptable, we will plow ahead with all of the hazards that go with that.

Mr. BYRD. Mr. President, reserving the right to object, the agreement has not been cleared on either side, to my knowledge. I have not seen it yet.

Mr. EXON. Mr. President, does the Senator from Nebraska still have the floor? I am happy to yield to the managers of the bill for anything that they want to do.

Mr. SIMPSON. Mr. President, then, at this point, I would suggest the absence of a quorum.

Mr. BYRD. Mr. President, the Senator from Nebraska has the floor.

Mr. EXON. I did not yield for that purpose.

Mr. SIMPSON. Mr. President, let me review, since we are talking again here about order. I submit to the Senator from Nebraska that his amendment that he is speaking on now was presented last evening. Then I put him on the list. The list is one that has other people to appear before the Senator from Nebraska: Senator Metzenbaum with an amendment, Senator Wilson with an amendment, Senator Simon with an amendment, Senator Levin with an amendment, Senator Metzenbaum, Senator D'Amato, and then Senator Exon.

I am only saying that if now we are to proceed with the amendment of Senator Exon—and apparently we are; he presented it—I simply submit that I would be very pleased to accommodate the Senator if I could, but an amendment on the issue of Brazilian ethanol imports is not something I am familiar with in connection with immigration reform. I have read it. The Senator presented it to me. He was very good to present it to me this morning. It is not now out of order procedurally for him to do as he has done. It is perfectly appropriate. But it is certainly not part of the proposal, as people have been waiting in line very patiently on both sides of the aisle to deal with their particular issues.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. EXON. Mr. President, I hope that the remarks that we are making on this subject and the preceding discussion will not fall within the printing of the Record so as to interrupt the introduction of the amendment that I have accomplished a few moments ago.

I was a little bit surprised at the remarks being made by the manager of the bill. I think the manager of the bill should know that, with the possible exception of the Senator from Wyoming, the distinguished Senator from Massachusetts, and the distinguished Senator from Illinois, I believe this Senator has been on the floor more today than any other Member of this body. I suggest that I have been patiently waiting.

I was somewhat disturbed, frankly, when the manager of the bill did not object to the Senator from Pennsylvania standing up and offering an amendment that was out of order. The reason that I stood up, Mr. President, a few moments ago was that, after the Senator from Texas finished his discussion, there was no one on the floor that I could see, no one in their seats, no one standing, and we were wasting time once again. So I thought: What is wrong with the Senator from Nebraska proceeding with the introduction of his amendment?

I have the floor. I am going to do that, despite what might be the objections, legitimate or otherwise, of the Senator from Wyoming.

Mr. President, in 1980 the Congress, in an effort to promote a U.S. ethanol industry and in the interest of long-term energy security, set the import duty on fuel alcohol at roughly 60 cents per gallon. It was a responsible course of action to take. This measure was intended to lead us toward energy self-sufficiency and would provide new markets for our agricultural commodities.

However, in 1984, American importers soon began to capitalize on a loophole of their invention which would allow imported ethanol to be mixed with a small amount of toluene to avoid the U.S. tariff. The phony and devious theory was that a small amount of the chemical toluene added to ethanol made ethanol something other than ethanol, even though the new brew was employed for identical purposes.

On August 2 of this year our Customs Service belatedly closed this loophole and it appeared that this flood of foreign ethanol would be held back at last.

However, the Treasury Department began to intervene on the part of importers. As a compromise, the Customs Service and the Treasury Department agreed to a 90-day grace period before implementing the congressionally mandated tariff for this incoming ethanol until November 1.

Mr. President, a compromise and a sell-out of great proportions occurred. The Treasury Department compromised our integrity. The Treasury Department circumvented the will of Congress. The Treasury Department decided it knew what was best, regardless of the plans this body set out for our own energy independence and the marketing of our own agricultural products.

Exactly 2 years ago, I assisted with the groundbreaking ceremony of Nebraska's first major ethanol production facility in Hastings, NE. At that time all felt an enormous sense of accomplishment. Through the course of my Governorship in Nebraska, and with the help of the Congress, we had overcome obstacle after obstacle in our effort to provide a measure of energy self-sufficiency for America and new markets for American agricultural products.

Today, in light of recent developments, our ambition for developing ethanol is holding steady, but my optimism is challenged.

Ethanol production in the United States is being challenged on several fronts. What continues to amaze me is that challenges to domestic, commercial production of ethanol come not from technical problems or environmental concerns, but from our very own Government.

Recently I communicated my frustration on this matter to the President's Trade Representative, Mr. Clayton Yeutter. In my telegram to Mr. Yeutter I said:

> * * * It is evident that the Reagan administration cares more about the financial health of American international bankers and their insolvent foreign loans than the imminent bankruptcy of thousands of farmers, ranchers, and middlewestern small businessmen * * *.

I asked the Trade Representative to intervene in this matter and help implement the higher tariff immediately.

This tariff delay has severely harmed American ethanol producers. And it has, without a doubt, added insult to injury to America's farmers who face economic problems greater than any they have faced since the Great Depression.

Not only will this horde of Brazilian ethanol at minimal tariff cripple domestic ethanol production—this imported ethanol is actually fueling the steamroller of economic depression which is already crushing farms and small towns on its way to our larger metropolitan areas. These cheap, subsidized imports during this 90 day period could equal 1 whole year's worth of U.S. ethanol production.

With a wink and a nudge, the Treasury Department will allow up to 600 million gallons of ethanol to come into the U.S. almost duty free. This is the equivalent of 240 million bushels of corn and could depress corn prices by 15 cents per bushel.

Not only does this action devastate our domestic ethanol industry, but it will play a major role in our 1985 farm program. It could mean that the Commodity Credit Corporation would incur an additional obligation of perhaps hundreds of millions of dollars in corn loans, not to mention the 30 cents per bushel per year for storage and 25 cents per bushel per year for interest. Furthermore, deficiency payments will increase.

Our great Nation also loses in another, more direct way. Up to $350 milion in import duties will be lost.

The delay in reinstating the tariff is purely, unmistakably, and blatantly a windfall for a limited number of ethanol importers. It should be obvious that this windfall is not going to those who are interested in ethanol as a source of renewable fuels, nor is it going to people who are concerned about utilizing our farm products.

Mr. President, just the other day Vice President Bush declared that the President will get tough with our trading partners. He said, "No more Mr. Nice Guy". Well, here is a place where we can start.

It appears that the centerpiece of the President's forthcoming new trade policy will be aggressive enforcement of existing trade laws. That is exactly what I am asking for in this sense of the Senate resolution. The resolution does not recommend a new trade law. It simply says that the existing 60-cent-per-gallon tariff on imported ethanol should be immediately implemented.

I regret that this resolution has to be placed on this bill. However, we are already halfway through the 90-day grace period allowed by the Treasury Department ruling and that ruling must be reversed now.

It is tough enough to fashion sensible agricultural and energy policies for America without having to fight our Government. We must take a stand today for America's farmer and for energy sufficiency.

Mr. President, I urge adoption of the amendment.

Mr. President, I will be very happy to set over the vote on this until next Tuesday. I am about to ask for a rollcall vote. I want to fully cooperate with the manager of this bill, as I have, to get our colleagues released, those who wish to be released. That is why I have been patient all day long. That is why I took exception to the indication that when the Senator from Nebraska got up under the rightful Rules of the Senate, when no one else sought recognition, the indication was that I should have waited for somebody who was not here to present their amendment. I did not choose to do that.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON. Mr. President, one of the cosponsors desires recognition but I do not have the right to yield to him unless it is for a question.

The PRESIDING OFFICER. Will the Senator yield to the Senator from Illinois?

Mr. EXON. I yield to the Senator from Illinois.

Mr. SIMON. Is it not true as you were going about Nebraska and I was going about Illinois and my colleague, Senator Dixon was going about Illinois, that we found farmers in desperate straits and the last thing we need is the lowering of corn prices by ethanol from Brazil? Is that not correct?

Mr. EXON. The Senator from Illinois is so accurately correct.

Mr. SIMON. I thank the Senator from Nebraska. I commend him for his amendment.

Mr. EXON. Mr. President, I yield the floor.

Mr. ABDNOR. Mr. President, I share the frustration expressed by my distinguished colleague from Nebraska, Mr. Exon, about the current Federal policy as it applied to imported ethanol. This is another glaring example of how our current trade policies work against the American farmer.

I regret that the U.S. Treasury Department seems to be more concerned about the well-being of Brazilian agricultural interests than they are about the American farmer and rural America.

I commend Senator Exon for his continued efforts to assist with this issue and I urge my colleagues to join in this effort to place the Treasury Department on notice that we will not allow these types of stupid policies to continue. They are disastrous for America and for the American farmer.

Mr. SIMPSON. Mr. President, I want to express to the Senator from Nebraska an apology. He has been patient. Indeed, there was no activity on the floor when he determined to take that opportunity to present an amendment which he had been waiting to present for a day—a full day. I do extend that apology to him and thank him for his understanding.

Mr. EXON. If the Senator will yield, I thank him. An apology is not in order. I know the extreme patience that the Senator from Wyoming has. I appreciate his consideration. I just wanted to state my remarks for the record.

Mr. SIMPSON. I thank the Senator from Nebraska.

Let me just state that with regard specifically to the amendment, the finding here is not binding, although it might be considered, I understand, very significant in the litigation. The issue appears to be a very significant one. I think it deserves full consideration through the normal committee proceedings, a hearing and debate by those most deeply involved in it, those on the Agriculture Committee. I appreciate the offer of the Senator from Nebraska to consider that if we are able to stack votes and come to a Tuesday vote. I assure the Senator we will have a vote on the amendment. I will advise the Senator from Nebraska I will move to table the amendment, not to have an up-or-down vote but to table if we are able to take it to the Tuesday stacked votes. That may break down.

Mr. EXON. I would like a little bit of clarification. I had previously talked with the Senator from Wyoming. I discussed this with the Senator from Kansas, the majority leader, who supports it, because what we are doing in this sense-of-the-Senate resolution that I have sent to the desk is essentially the same request that the majority leader, Senator Dole, and the chairman of the Foreign Relations Committee, Senator Lugar, made to the Secretary of the Treasury within the last few days.

I am quite surprised that the Senator would move to table. I assumed there was general agreement on this.

I am certainly not objecting to the Senator's right to move to table, if that is what he wants to do.

We agree, do we not, that the vote will be held on Tuesday? I would rather vote this afternoon, if possible, but I suspect the Senator would rather do it on Tuesday to accommodate other Members, which the Senator and I have been trying to do all day.

Mr. SIMPSON. Will this issue still be topical in several weeks?

Mr. EXON. I would respond to that, with all due respect, it would not be. November 1 is the key date. As I said in my remarks, and perhaps the Senator from Wyoming was momentarily distracted, we are halfway through the grace period authorized by the Treasury Department, and each and every day that goes by without a clear and overwhelming expression from the Senate that something should be done is what makes it timely. We do not have the time to refer it to committee.

Mr. SIMPSON. Mr. President, under those circumstances, and if we are able to pass this bill and go to conference, this would not be a topical issue. Under those circumstances, since it is an expression the Senator wants to make and a clear one, I am willing to accept the sense-of-the-Senate resolution with regard to this particular matter. However, I must clear that with the minority.

Mr. EXON. It has already been cleared on this side.

Mr. SIMPSON. Then it is so accepted.

Mr. EXON. We seem to be in agreement. The yeas and nays have been ordered. Will we stack the yea and nay votes until Tuesday next?

Mr. DOLE. The Senator will take it without a rollcall vote. Is that right?

Mr. EXON. I requested and would like a rollcall vote. In order to accommodate as many Members as possible, I think it would better to put that off until Tuesday. But I am prepared to vote, if that is the will of the leader.

The **PRESIDING OFFICER.** The question is on the amendment of the Senator from Nebraska. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. **SIMPSON.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **SIMPSON.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **SIMPSON.** Mr. President, I indicate to the Senator from Nebraska that a rollcall vote is certainly his prerogative, and I would not move to table and I ask if he will agree to deal with that on Tuesday. If we are able to reach the accommodation to stack votes, it will be handled at that time. If not, of course, he will be protected with a rollcall vote at the time we are voting again.

Mr. **EXON.** I have no objection whatsoever. That is what I have been indicating to the leader all day long. I want a rollcall vote; it has been ordered; it is at the desk. We can have a rollcall vote now or Tuesday. We can stack it. We can do anything we want with it. I am trying to accommodate completely the leaders and the other Members of the body.

I understood the Senator to say that if we can get the stacking of votes on Tuesday, which he does not have yet, we would vote on it on Tuesday. Otherwise, if we plow ahead, as the leader of the bill might unfortunately be forced to do because he could not get the time agreement, I would anticipate that we would vote on it sometime this evening or on Tuesday, either of which is acceptable to this Senator.

Mr. **SIMPSON.** I thank the Senator.

AMENDMENT NO. 612

(Purpose: To improve housing for temporary agricultural workers)

Mr. **METZENBAUM.** Mr. President, I call up an amendment which is at the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The Chair reminds the Senator from Ohio that the other amendment is still pending.

Mr. **METZENBAUM.** I ask unanimous consent that the amendment of the Senator from Nebraska be temporarily laid aside until that matter is resolved and that I be permitted to call up an amendment at this point.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **METZENBAUM.** I call up an amendment which is at the desk, having to do with the subject of housing.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 612:
>
> On page 44, line 19, insert "for a period of not to exceed two years from the date of enactment of this Act" after "permitted".

Mr. **METZENBAUM.** Mr. President, this amendment restores the principle that growers who use temporary foreign workers must provide those foreign workers with housing.

Under the current law, growers are required to do this, and it has not proved to be a major burden; but the bill changes the current standard by allowing housing allowance instead. That creates a number of problems.

Mr. President, I ask unanimous consent that my further remarks in connection with this matter be permitted before the conclusion of the day.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **METZENBAUM.** Mr. President, I ask unanimous consent that this amendment be set-aside and that it be dealt with on Tuesday, with or without a rollcall vote, depending upon whether or not the matter can be resolved with the managers of the bill; that if we cannot resolve it, the rollcall vote occur at such time as the rollcall votes occur on Tuesday, or such later time when other amendments dealing with this amendment are to be considered.

The **PRESIDING OFFICER.** The rollcall vote has not been called for, but, without objection, the request is granted.

Mr. **SIMPSON.** Mr. President, this matter of the growers has been a continuing discussion.

I understand that the amendment is to sunset, after 2 years, the provision permitting employers to provide a housing allowance, rather than housing, provided there is housing available in the area. I must say that I think that is too short a time. I think migrant labor housing in sufficient quantity is not presently available. It is certainly a heavy issue.

We provided in the bill for housing allowances, which would allow growers to pay an allowance so that the workers could rent quarters in town or wherever. The special temporary worker housing is preferable, but it does not exist in adequate amounts at the present time.

I see my two colleagues who are vitally concerned about the migrant temporary worker issue. It will take time to build that kind of housing. I agree with the Senator; I think it is necessary.

There are zoning problems in connection with housing. One of the most vexing public jobs I have held was with the planning and zoning commission.

Two years seems an insufficient amount of time. If the Senator from Ohio would increase the time limit to more appropriate years, I would certainly accept the amendment. Two years is not enough.

Mr. **METZENBAUM.** Mr. President, I point out to my distinguished colleague from Wyoming that at the present time the housing is required. The bill before us eliminates the housing and provides for housing allowances.

I think there is some merit to what the Senator is saying, that if you are going to build housing, it cannot be done overnight. That is the reason why I set the 2-year period. It is my view that it is an adequate time.

However, since I have already indicated that I am prepared to have this matter be set for a vote on Tuesday, I hope that, although I will not be here on Monday, sometime Tuesday morning he and I may be able to get together and resolve this matter on an amicable basis. I am presently prepared to tell him that I am willing to concede and go up as far as 2 years and 2 weeks, but we might go a little further than that if he twisted my arm.

Mr. **SIMPSON.** We might try 6 years and 2 weeks and see where we can go.

Mr. **METZENBAUM.** Mr. President, the bill changes the longstanding requirement that employers must provide housing to temporary foreign workers. This drastic weakening of the current requirement will not result in decent safe housing for foreign workers. The result will be quite the opposite.

First, there is no assurance that the allowance will be adequate. The bill requires only a reasonable allowance. What is reasonable? At the very least, there will be major problems in administering this vague standard and in enforcing compliance.

Second, it is totally unrealistic to assume that decent housing will be available in many rural areas where these workers will be employed. The bill provides that an allowance is permitted only if suitable housing is available in the proximate area of employment, Again, this language creates a vague, unenforceable standard. How far does the worker have to travel?

Finally, we have no assurance that the worker will use the allowance for housing—perhaps he or she will need it for food or medicial care. They may decide to sleep in the fields rather than take the time to find housing, travel to it and spend the allowance.

The result of all those factors is certain to be workers sleeping in ditches and plastic bags.

Why are we abandoning—in 1985—worker protections that have been in existence for many years? We should be going forward not backward in our concern about the working conditions of a group that has been historically exploited.

As I will explain further, this amendment does not reinstate the

housing requirement immediately. Since the H-2 Program will be expanded to some extent, it creates a 2-year delay to allow a realistic period for growers to develop housing to meet the requirement.

Mr. **WILSON** addressed the Chair.

Mr. **METZENBAUM.** Is the Senator from California addressing himself to this issue?

Mr. **WILSON.** Yes.

Mr. President, I simply wanted to confirm what the distinguished manager of the bill has stated. There are a number of States that do require housing.

The **PRESIDING OFFICER.** The Senator from California has not been recognized.

Mr. **WILSON.** I thought the Chair had recognized me.

The **PRESIDING OFFICER.** The Senator from California is recognized.

Mr. **WILSON.** Mr. President, there are several States, typically those with the greatest experience in the use of seasonal workers, which have provided for housing. This subject is addressed in the amendment that we are going to propose. It was addressed in the amendment that was the subject of such discussion.

I say to the Senator from Ohio that the Senator from Wyoming is correct. There are other States which would be required, under the amendment that is to be proposed, to provide housing or a housing allowance, and that was done explicitly with the fact of life in mind that there are some which will have to make provisions.

So I simply observe that the Senator from Wyoming is correct in stating the case.

Mr. **METZENBAUM.** Mr. President, I just want to respond very briefly to my friend from California and point out that a housing allowance does not really solve the problem for a migrant worker. There are not that many Hilton Hotels or Sheraton Hotels or even Days Inns that are located in the rural areas where the migrant workers can use the housing allowance. I am afraid that what will happen is that he or she will get the housing allowance and will wind up sleeping in the ditch.

Before I say I am willing to strike that, I shall say that the law does not now provide for any housing allowance. It does have a requirement that housing be provided so that the legislation we had before—so that if we do not pass any legislation, then the housing has to be provided since this bill eliminates any provision for the housing and permits the housing allowance.

I think providing an extremely long time to provide that housing is totally unreasonable but, since the Senator from Iowa is such a reasonable person, perhaps between now and Tuesday, we can work out some compromise period closer to the 2-year period I have suggested. If the Senator from California and the Senator from Wyoming are their usual reasonable selves, perhaps we can work this matter out.

Mr. President, I say to the Senator from Wyoming that I had asked unanimous consent to set this matter over until Tuesday. I do not think there is anything further on it that I have to state, unless he does. It seems to me we are now back on the Exon amendment.

Mr. **SIMPSON.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **DOLE.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. TRIBLE). Without objection, it is so ordered.

Mr. **DOLE.** Mr. President, based on the conversation we just had with the distinguished minority leader and the manager of the bill on our side, I think it is safe to assume that there will be no more votes this evening. We will have to work out an order for rollcall votes beginning at 10 a.m. on Tuesday. We will try that on Monday.

I understand that those who have offered amendments are prepared to vote now. But there will be no more votes today.

So we will go over until noon on Monday, and after the special orders this will be the pending business.

Mr. **SIMPSON.** Mr. President, I thank the majority leader and the minority leader.

My colleagues have been very patient, and I appreciate that.

I say to the majority leader that with respect to Members who have amendments pending, we will arrange with their staffs to have the issues presented on Monday or Tuesday, at the mutual convenience of the parties.

We hope to arrive at some type of unanimous-consent agreement on Monday by which we would go to a time certain for a vote on Tuesday, and that is what we will strive for. But we will process the amendments on Monday and Tuesday, and the proponents of the amendments have indicated their willingness to do that.

We hope to extricate the Social Security amendment from the action, and that is a necessary thing.

That is a necessary thing. It is the thing that has delayed the progress. I assure those listening that I appreciate their patience and I hope we did not cause too much inconvenience to them on Friday afternoon. To all of those who have been inconvenienced on both sides of the aisle, I regret that.

AMENDMENT NO. 617

(Purpose: Technical amendment)

Mr. **SIMPSON.** Mr. Chairman, I have a technical amendment to require that the majority leader and the minority leader of the U.S. Senate be consulted by the President pro tempore before he appoints or nominates persons to be appointed members to the Commission on Temporary Agricultural Worker Programs and the Legalization Commission.

I submit that amendment and ask for its consideration.

Mr. **BYRD.** Mr. President, reserving the right to object.

Mr. President, I remove my reservation.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Wyoming [Mr. SIMPSON] proposes an amendment numbered 617:
>
> Technical amendment: "To require that the majority leader and the minority leader of the U.S. Senate be consulted by the President pro tempore before he appoints or nominates persons to be appointed members of the Commission on Temporary Agricultural Worker Programs and the Legalization Commission."
>
> 1. On p. 62, line 11, after "Senate", insert: "after consultation with the majority leader and the minority leader of the Senate".
> 2. On p. 69, line 3, after "Senate", insert: "after consultation with the majority leader and the minority leader of the Senate".

The **PRESIDING OFFICER.** Is there further debate?

Mr. **SIMPSON.** Mr. President, after a review of S. 1200 and the intent of the two commissions, I am advised that that is really not a requirement at this time. I shall withdraw the amendment.

The amendment was withdrawn.

AMENDMENT NO. 618

Mr. **SYMMS.** Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Idaho [Mr. SYMMS] for himself, Mr. GOLDWATER, and Mr. TRIBLE, proposes an amendment numbered 618:
>
> At the appropriate place, insert: "Notwithstanding any other provision of law or of this Act, no agency or instrument of the United States, or any corporation or other entity created by act of Congress shall extend any loan or other form of credit of whatever nature to any government or agency thereof, of any country in North America which allows access to its ports to any nuclear weapons delivery-capable Soviet naval vessel (except vessels in extremis) at any time after September 20, 1985."

Mr. **SYMMS.** Mr. President, the amendment is self-explanatory. I might say that it is cosponsored by the distinguished chairman of the Committee on Armed Services, Mr. GOLD-

WATER, and the distinguished occupant of the Chair, Mr. TRIBLE, and myself.

The purpose of the amendment is to address the growing problem within Mexico and Central America of Soviet intervention. I know that the distinguished Senator from Wyoming has worked long and hard on immigration legislation. I just had a discussion with one of the most respected Members of the Senate, Senator LONG of Louisiana, about the importance in the view of many Senators here of immigration legislation.

The significance of the amendment that is now pending before the Senate is that if, in fact, the Soviets continue their reckless expansion, as they have done ever since the end of World War II, of their sphere of influence and their orbit, no matter what kind of legislation this body passes, we are going to have a tremendous influx of more than immigrants but refugees who will be seeking political asylum from our good friends and neighbors south of the border.

I think the amendment significant when one reads in the press today that our friends in Mexico have invited a Soviet naval squadron to make a port call in Vera Cruz on October 4. I only say to my colleagues if an amendment of this nature is not acted on by the Congress and the U.S. Government does not take a firm stand on where we are with respect to our policy in our own hemisphere, in 1, 2, 3, or 4 years from now, it will be far too late because there will be a permanent Soviet squadron in Vera Cruz and it will be too late to act on an amendment such as this. So I offer this amendment.

I know the distinguished majority leader has said there can be no record votes on this amendment, but it is the intention of the author of this amendment to seek a record vote to the amendment on Tuesday. So I say to the manager of the bill that I would be willing to have this amendment set aside as pending business if the floor manager wants to act on the bill.

It is my intention that we should vote on this before this legislation is passed. It is totally, in my opinion, consistent with the efforts of the Senator from Wyoming to gain control of our borders, because without recognition of the international implications of Soviet expansionism into the Western Hemisphere, no immigration reform legislation is going to be able to stop the flood of refugees and immigrants that will come into this country.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, when they associated my name with that, I just trembled and went to pieces there. That is a provocative amendment. It certainly is. I am not a cosponsor of that amendment, I can assure you.

However, I am being humorous. That is my sword and my shield. The Senator from Idaho is quite serious. I know him. And the cosponsors are quite serious.

It would be very regrettable for me to deal with that issue on immigration reform. That would be something I could not do under any circumstances. But it is a very provocative issue. It is the pending business. Without going any further on that, we shall deal with it on Monday.

At this point, I indicate that we have failed to come up with a unanimous consent agreement. We have indicated that to the Members on both sides of the aisle.

We will proceed with the amendment process on Monday as we come in at noon, and we have already arranged for times. The proponents are ready and the managers will be ready to proceed at that time.

AMENDMENT NO. 599

(Purpose: To express the sense of Congress that the English language is the official language of the United States)

Mr. DOMENICI. Mr. President, I oppose this amendment to the immigration bill expressing the sense of the Senate that the English language be the official language of the United States. I wish to take a moment to state why.

My distinguished colleague from Idaho has highlighted some legitimate concerns. It is important that all Americans learn to speak English in order to take full advantage of all the benefits that this country has to offer. No one knows that better than I. My father came to this country as a young man. He never learned to write English because he was 14 when he arrived in Albuquerque, NM, from Italy. He came here to work in a grocery store owned by his uncle. The luxury of not working was never available to him. My father realized that he was at a disadvantage because of that fact, and that is why my father and mother were adamant that I go to school and stay in school and learn English. And I thank them every day of my life for that.

But this amendment won't remedy any of the problems which the Senator from Idaho has pointed out. It won't help anyone learn the English language. It won't improve our society. It won't lead to a more cohesive nation. In fact, it will create a more divided nation. This amendment is an insult to all Americans for whom English is not the first language now at this stage of their life and to all those Americans who would like to learn English but who can't for one reason or another.

You know, I come from a pretty unique State. New Mexico is a land where the Indians, the Hispanics, and the European settlers have come together to create a tricultural society. It's a State where nobody is in the majority, everybody is a minority. So we New Mexicans have had to learn to live together in harmony. It was not always easy, but we did it. We created something special out there through respect and understanding of our differences and by concentrating on our similarities. This amendment will only upset that delicate balance; it concentrates on our differences and ignores our similarities as people.

Do not forget that long before the Pilgrims landed on Plymouth Rock, Spanish was being spoken in New Mexico. The same is true of California, Florida, and Texas. And we don't know how long the Native American languages have been echoing through the mesas of New Mexico and the rest of this land. Far longer than the speakers of English have been here, that's for sure. Let us not insult the proud heritages of these people by assuming a position of linguistic superiority.

I oppose this amendment because it does nothing that it is supposed to do. It won't help a poor Italian grocer to learn how to write English. It won't help a Spanish-speaking person to learn how to speak English. It won't create a better, stronger, more cohesive American society. It will only insult those for whom a language other than English is a major part of their culture and their lives.

THE CALENDAR

Mr. SIMPSON. Mr. President, I inquire of the minority leader if he is in a position to adopt any of the following joint resolutions: Calendar Order No. 288, Senate Joint Resolution 68; Calendar Order No. 289, Senate Joint Resolution 139; Calendar Order No. 290, Senate Joint Resolution 141; Calendar Order No. 293, Senate Joint Resolution 173; and Calendar Order No. 294, Senate Joint Resolution 186.

Mr. BYRD. Mr. President, there is no objection to the items enumerated.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the calendar items just identified en bloc and agreed en bloc and all preambles be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, they are considered en bloc and agreed to en bloc.

WILLIAM BEAUMONT DAY

The joint resolution (S.J. Res. 68) to designate November 21, 1985, as "William Beaumont Day," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 68

Whereas November 21, 1985 marks the two-hundredth anniversary of the birth of William Beaumont;

Whereas Dr. Beaumont was a pioneer in American physiology through his study of the human digestive process;

Whereas Dr. Beaumont typified the prepared mind, the patient observer, and the brilliant investigator, who significantly expanded the peripheries of knowledge;

Whereas Dr. Beaumont embodies the zest for knowledge and devotion to reason which characterized the Nation during his lifetime;

Whereas physicians, scientists and researchers of associations, including the Federation of American Societies for Experimental Biology, the American Academy of Occupational Medicine, and the Association of Military Surgeons, continue in Beaumont's tradition and claim him as the founding father of such organizations;

Whereas several States honor his memory, including Connecticut, where he was born; Vermont, where he was licensed; Michigan, where he conducted his pioneering research; New York, where he practiced medicine and conducted research; and Missouri, where he built a thriving medical practice: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That November 21, 1985 is designated as "William Beaumont Day" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

NATIONAL HOME CARE WEEK

The joint resolution (S.J. Res. 139) to designate the week of December 1, 1985, through December 7, 1985, as "National Home Care Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 139

Whereas organized home health care services to the elderly and disabled have existed in this country since the last quarter of the eighteenth century;

Whereas home health care, including skilled nursing services, physical therapy, speech therapy, social services, occupational therapy, health counseling and education, and home-maker-home health aide services, is recognized as an effective and economical alternative to unnecessary institutionalization;

Whereas caring for the ill and disabled in their homes places emphasis on the dignity and independence of the individual receiving such services;

Whereas the Federal Government has supported home health services since the enactment of the medicare program, with the number of home health agencies providing services increasing from less than five hundred to more than five thousand; and

Whereas many private, public and charitable organizations provide these and similar services to millions of patients each year preventing, postponing, and limiting the need for institutionalization and enabling such patients to remain independent: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of December 1, 1985 through December 7, 1985, is designated as "National Home Care Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

NATIONAL TOURISM WEEK

The joint resolution (S.J. Res. 141) to designate the week beginning on May 18, 1986, as "National Tourism Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 141

Whereas tourism is vital to the United States, contributing to economic prosperity, employment, and international balance of payments;

Whereas travelers from the United States and other countries spent $210,000,000,000 in the United States during 1983, directly producing four million, six hundred thousand jobs, $45,800,000,000 in wages and salaries, and over $25,000,000,000 in Federal, State, and local tax revenues;

Whereas, if viewed as a single retail industry, the travel and tourism sector of the economy constituted the second largest retail industry in the United States in 1983 as measured by business receipts;

Whereas tourism contributes substantially to personal growth, education, and intercultural appreciation of geography, history, and people of the United States;

Whereas tourism enhances international understanding and good will; and

Whereas, as people throughout the world become aware of the outstanding cultural and recreational resources available across the United States, travel and tourism will become an increasingly important aspect of the daily lives of the people of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning May 18, 1986, is hereby designated as "National Tourism Week," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL SEWING MONTH

The joint resolution (S.J. Res. 173), to designate the month of September 1985 as "National Sewing Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 173

Whereas the sewing industry annually honors the approximately fifty million people who sew at home and the approximately forty million people who sew at least part of their wardrobe;

Whereas the home sewing industry generates over $3,500,000,000 annually for the economy of the United States; and

Whereas innumerable careers in fashion, retail merchandising design, patternmaking, and textiles have had their genesis in the home and in elementary school home economics classes; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of September 1985 is designated "National Sewing Month". The President is requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate ceremonies and activities.

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

The joint resolution (S.J. Res. 186) to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 186

Whereas there are one hundred and two historically black colleges and universities in the United States;

Whereas such colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas such institutions have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of historically black colleges are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 23, 1985, through September 29, 1985, is designated as "National Historically Black Colleges Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe such week with appropriate ceremonies, activities, and programs, thereby demonstrating support for historically black colleges and universities in the United States.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolutions were agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Vice Adm. James A. Lyons, Jr.

The PRESIDING OFFICER. Without objection, it is so ordered.

NAVY

The assistant legislative clerk read the nomination of Vice Adm. James A. Lyons, Jr., to be admiral.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the nomination just identified be confirmed.

Mr. BYRD. Mr. President, let the Record show there is no objection from this side.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONDEMNING THE KIDNAPING OF PRESIDENT DUARTE'S DAUGHTER

Mr. BYRD. Mr. President, I call up the resolution which is at the desk which was submitted by Senator Kennedy, Senator Lugar, Senator Biden, Senator Pell, and Senator Boren.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 219) condemning the kidnaping of President Duarte's daughter.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the resolution.

Mr. KENNEDY. Mr. President, I am sure that all Senators as well as all Americans were stunned to learn that President Duarte's daughter had been assaulted and kidnaped. This is an act of terrorism, pure and simple, and it shocks the conscience of civilized peoples throughout the world.

On an issue like this, all Americans are united. Our thoughts are with President Duarte and with the other members of his family—as are our prayers. And whether this is the act of common criminals or of political extremists, it is an outrage.

We join together today to express our anger, to extend our sympathies to President Duarte and his family, and to urge President Reagan to offer whatever assistance may be requested by the Government of El Salvador to locate Ines Guadelupe Duarte Duran, to secure her safe release, and to bring her kidnappers to speedy justice.

Let us pray that Ms. Duarte Duran will soon be released and allowed to return to her family.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 219) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. Res. 219

Resolved,

Whereas the oldest daughter of President Jose Napoleon Duarte of El Salvador, Mrs. Ines Guadelupe Duarte Duran, was assaulted and kidnapped yesterday in her home city of San Salvador;

Whereas the people responsible for the kidnapping are armed terrorists, in the course of the kidnapping, killed a driver and wounded a bodyguard; and

Whereas such acts of terrorism against innocent civilians deserve the condemnation of all civilized peoples throughout the world;

It is the sense of the Senate that:

The kidnapping of President Duarte's daughter is to be deplored in the strongest possible terms;

The individuals responsible for this unconscionable and unwarranted act of terrorism are to be condemned;

The sympathy and prayers of the American people are with the Duarte family and with the people of El Salvador during this ordeal; and

The individuals responsible for this crime should release Ines Guadelupe Duarte Duran immediately and safely.

The President of the United States should provide whatever assistance the government of El Salvador or the Duarte family may request to achieve the safe return of Mrs. Duarte Duran and to bring the kidnappers to justice;

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE HOUSE

At 1:36 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the amendment of the House to the bill (S. 444) to amend the Alaska Native Claims Settlement Act.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 61. A concurrent resolution to commend Pete Rose on becoming the all-time Major League leader in base hits.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, September 13, 1985, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 31. Joint resolution to designate the week of November 24 through November 30, 1985, and the week of November 23 through November 29, 1986, as "National Family Week."

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-374. A resolution adopted by the General Court of the Commonwealth of Massachusetts; to the Committee on Armed Services.

"Resolution

"Whereas, the shipbuilding industry in Massachusetts is part of both the past and present history of the Commonwealth; and

"Whereas, the General Dynamics Quincy Shipyard recently observed its 100th year of operation and credits among its accomplishments more than 350 ships of all classes and types for the Navy; and

"Whereas, the extraordinary production records achieved during two world wars and thereafter include such proud naval vessels as the U.S.S. *Lexington I* and *II*, the *Wasp*, the *Massachusetts*, the *Nevada*, the *North Dakota*, the *Quincy*, the *Boston*, the *Des Moines*, the *San Diego*, the *Northampton*, and the nuclear-powered ships *Bainbridge* and *Long Beach;* and

"Whereas, many of these ships distinguished themselves at Pearl Harbor, Guadalcanal, Iwo Jima, Okinawa, the battles of the Coral Sea, Philippine Sea and Leyte Gulf; and

"Whereas, the last major Navy contract awarded to the Quincy yard is in the process of being completed and no new ship construction contracts have been awarded; and

"Whereas, major layoffs began in May of 1985 from a workforce of 6,200 skilled and unskilled workers; and

"Whereas, the addition of these workers to the ranks of the unemployed will add an undue hardship to their families, to the economy of the South Shore and the Commonwealth of Massachusetts; therefore be it

"*Resolved*, That the Massachusetts House of Representatives strongly supports the International Union of Marine and Shipbuilding Workers of America, locals 5, 90, and 151 and management officials of General Dynamics to secure naval contracts for the Quincy yard and requests the Secretary of the Navy and the Massachusetts congressional delegation to recognize the critical situation presently existing at the Forge River shipyard; and be it further

"*Resolved*, That a copy of these resolutions be forwarded by the Clerk of the House of Representatives to the Secretary of the Navy and the presiding officer of each branch of Congress and to the members thereof from this Commonwealth."

POM-375. A resolution adopted by the General Court of the Commonwealth of Massachusetts; to the Committee on Banking, Housing, and Urban Affairs.

"Resolution

"Whereas, the current standard of living of many poor and elderly Americans is such that they are compelled to live in substandard housing and because of depressed finances are often unable to pay to adequately heat their living quarters; now therefore be it

"*Resolved*, That the Massachusetts General Court respectfully urges the Congress of the United States to enact legislation that would give increased amounts of direct rental assistance to house poor and elderly citizens in the two, three and four-family homes of their communities through local housing and redevelopment authorities; and be it further

"*Resolved*, That a copy of these resolutions be transmitted forthwith by the Clerk of the House of Representatives to the President of the United States, the presiding officer of each branch of Congress and to the members thereof from this Commonwealth."

POM-376. A joint resolution adopted by the Legislature of the State of California; to the Committee on Banking, Housing, and Urban Affairs.

"Senate Joint Resolution No. 18

"Whereas, International trade is an integral and vital part of the California economy, accounting for over one million jobs, 17% of our gross state product, and 25% of our agricultural sales; and

"Whereas, The United States and California have experienced rising and record international trade deficits over the past three years; and

"Whereas, These deficits have been responsible for lower economic growth, higher unemployment, widespread bankruptcies and foreclosures, and a substantial loss of export sales; and

"Whereas, California's agricultural industry has been particularly hard hit by successive declines in export sales of 21% in 1982 and another 8% in 1983; and

"Whereas, These growing trade deficits, unless they are soon reversed, may cause the permanent loss of export markets for California farmers and manufacturers; and

"Whereas, The rising burden of farm sector debt and loss of export markets threaten an increasing wave of farm foreclosures and bankruptcies; and

"Whereas, The economic hardships resulting from the massive trade deficits have brought, and will continue to bring, inordinate pressures on government for protectionist measures; and

"Whereas, Forty years of progress towards freer markets, expanding international trade, and vastly improved standards of living around the world would be jeopardized by increasing protectionism; now, therefore, be it

"*Resolved by the Senate and the Assembly of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President, the Congress, and the Board of Governors of the Federal Reserve System of the United States to provide the strong, prompt, and decisive leadership necessary to reverse the growing U.S. trade deficits; and be it further

"*Resolved*, That the Legislature respectfully memorializes the President, the Congress, and the Board of Governors of the Federal Reserve System of the United States to exercise the monetary and fiscal policies necessary to reduce U.S. interest rates, to discourage foreign exchange market speculation which has contributed to an overvalued U.S. dollar, and to encourage other nations to assist in reducing the current lopsided U.S. trade deficit; and be it further

"*Resolved*, That the Secretary of the Senate transmit a copy of this resolution to the President and Vice President of the United States, to the Chairman of the Board of Governors of the Federal Reserve System, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-377. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"Senate Joint Resolution No. 17

"Whereas, The mix of foreign and domestic shipping at ports on the West Coast of the United States is an important aspect of the economic health and vitality of our nation and its respective states; and

"Whereas, The regulation of vessels and marine affairs which is not achieved by consensus and cooperation among the states and with the federal government causes confusion and conflict to vessel operators and can negatively impact state and federal efforts to increase the use of West Coast ports for foreign trade; and

"Whereas, Air emission standards imposed by various federal, state, and local entities are a complicated and confusing set of policies which affect domestic and foreign vessels differently; and

"Whereas, The Clean Air Act is an example of a law which is unclear as to whether the state and local jurisdictions are preempted from imposing vessel air emission standards; and

"Whereas, Seventy percent of vessel activities on the West Coast and almost 80 percent in California are by foreign flag vessels whose air emissions cannot be successfully regulated by state or local government; and

"Whereas, The practice has been for the United States to deal internationally with foreign governments regarding agreements concerning maritime issues, such as the safety of life at sea; and

"Whereas, Uniformity is desirable in vessel air emission standards so that it is not discriminatory against domestic vessels and their operators; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to undertake or to direct the United States Coast Guard to undertake a study on vessel air emission standards which recognizes the importance of uniformity and its effect on foreign trade; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, the Secretary of Transportation, the Speaker of the House of Representatives, and each Senator and Representative from California in the Congress of the United States."

POM-378. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"Senate Joint Resolution No. 15

"Whereas, The federal Coastal Zone Management Act of 1972, as amended, was enacted to encourage the coastal states to establish and carry out effective and enforceable coastal management programs for the purpose of preserving, protecting, beneficially using, and developing coastal resources in a manner that promotes local, state, and national interests; and

"Whereas, The federal act provides for incentives, including financial assistance through grants to coastal states, and, once a state coastal program has been certified by the Secretary of Commerce as being in conformity with the act, requires all federal agencies conducting or supporting activities which affect the state's coastal zone to carry out those activities in a manner consistent with the approved state coastal program; and

"Whereas, The people of this state adopted Proposition 20 in 1972, and the California Legislature subsequenly enacted the California Coastal Act of 1976, on the understanding that the federal act authorizes states with federally approved coastal management programs to review federal activities which affect the state's coastal zone for consistency with its own coastal program and provides financial assistance to California for the purpose of managing this nation's coastal resources in California; and

"Whereas, The California Legislature enacted the "McAteer-Petris Act" in 1969 creating the San Francisco Bay Conservation and Development Commission, and the Suisun Marsh Preservation Act of 1977, that formed the basis of the San Francisco Bay segment of California's Coastal Management Program for the purpose of managing this nation's coastal resources in San Francisco Bay; and

"Whereas, Nearly thirty million dollars ($30,000,000) of the fifty million dollars ($50,000,000) expended to prepare, adopt, and implement California's coastal program, which was approved by the United States Department of Commerce in 1977, has been provided to the state by the federal government under the authority of the federal act; and

"Whereas, California's coastal program established a unique partnership between state and local governments under which local governments assume much of the state's burden for managing coastal resources after local governments have prepared local coastal programs consistent with the policies of the California Coastal Act of 1976 and local protection programs consistent with the provisions of the Suisun Marsh Preservation Act of 1977 and the Suisun Marsh Protection Plan; and

"Whereas, The California Coastal Act of 1976 requires that not less than 50 percent of the funds received by the state pursuant to the federal act be used for the preparation, review, approval, certification, or implementation of local coastal programs; and

"Whereas, The State of California and its local coastal governments have made good progress in completing the local coastal programs required by the California Coastal Act of 1976 and the State of California and Suisun Marsh local governments have completed the local protection program required by the Suisun Marsh Preservation Act of 1977; and

"Whereas, The California Coastal Commission and the San Francisco Bay Conservation and Development Commission have, in numerous cases, exercised the federal consistency review authority provided pursuant to the federal act, to ensure that federal activities are conducted in a manner which takes into account, and is protective of, state and local government interest and concerns; and

"Whereas, The authority of the federal government to provide financial assistance to California and the other coastal states will terminate in 1985 unless reauthorized by the President and the Congress; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to reauthorize the Coastal Zone Management Act of 1972 so that California and other coastal states can continue to carry out their responsibilities to the citizens of the nation in wisely protecting, managing, and developing coastal resources; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-379. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"SENATE JOINT RESOLUTION No. 4

"Whereas, While the National Academy of Sciences recommends that the 55 miles per hour speed limit be retained on most highways, some members felt that it would be appropriate to raise the speed limit on selected highways; and

"Whereas, Data reported by the State of Californnia to the Federal Highway Administration shows that compliance with the 55 miles per hour National Maximum Speed Limit is deteriorating in California; and

"Whereas, There is a common perception that public support for the 55 miles per hour National Maximum Speed Limit is eroding; and

"Whereas, Speeds are higher on most rural freeways as compared to urban freeways, while fatal and injury accidents are less frequent on rural freeways than urban freeways; and

"Whereas, The State of California can be sanctioned by the federal government when 50 percent or more of the traffic is reported as traveling at speeds greater than 55 miles per hour, resulting in the loss of twenty-eight million dollars ($28,000,000) of federal highway funds; and

"Whereas, The State of California can be sanctioned by the federal government if the state's 55 miles per hour maximum speed law is repealed, and this could result in a substantial loss of federal highway funds; and

"Whereas, There are three states which have been advised they are subject to federal sanctions; and

"Whereas, The Calfornia Highway Patrol has maintained wide-ranging routine and special enforcement programs in an effort to improve highway safety and avoid federal sanctions and approximately 1,000,000 violators are arrested annually, which is more than in any other state and is approximately twice the state total prior to the enactment of the 55 miles per hour speed limit; and

"Whereas, The 55 miles per hour National Maximum Speed Limit had become a dominant focus of the California Highway Patrol law enforcement efforts, with as many as two out of ever five arrests being for maximum speed violations, and although these efforts would be considered by the United States Department of Transportation during sanction negotiations, greater safety benefits may be possible if law enforcement resources were redeployed to driving under the influence or other violation problems; now, therefore, be it

Resolved by the Senate and assembly of the State of California, jointly, That the Legislature of the State of California memorializes the Congress of the United States to enact legislation to allow state legislatures to raise the maximum speed limit on selected freeways; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States"

POM-380. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"SENATE JOINT RESOLUTION No. 34

"Whereas, United Airlines, the largest airline serving California and the employer of some 15,000 persons in the state, and Pan American World Airways have entered into an agreement whereby United Airlines will purchase Pan American's pacific division; and

"Whereas, The traveling public and the shipping public will benefit from direct, single-plane, and on-line connecting service from United Airlines among all 50 states, including 15 cities served in California, and the Far East; and

"Whereas, The acquisition furthers United States aviation policy by ensuring a strong United States flag presence in the Far East, thereby benefiting and expanding trade and commerce between California and the lucrative Far East marketplace; and

"Whereas, The acquisition will benefit both Pan American World Airways and United Airlines, will protect the employees of Pan American, including those employees in California who will be offered employment opportunities with United Airlines, and will expand the United Airlines workforce as additional feeder and international flights are added in California; and

"Whereas, The United Airlines-Pan American World Airways agreement is subject to the approval of the United States Department of Transportation and the President of the United States and delay in granting that approval will adversely affect travelers, shippers, employees, and travel agents; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California urges the United States Secreary of Transportation Elizabeth H. Dole to expedite the application for approval of the United Airlines-Pan American World Airways agreement in order to preserve the competitive position of the United States in the Far East and to ensure a smooth transition, to reduce uncertainty for travelers, and to strengthen the economic and trade opportunities for the United States and, in particular, the State of California on the Pacific Rim, and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President of the United States, to the United States Secretary of Transportation, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-381. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance.

"SENATE JOINT RESOLUTION No. 32

"Whereas, Section 1304 of the Tariff Act of 1930 (19 U.S.C. Sec. 1301 et seq.) requires that imported commodities of foreign origin, or their containers, be legibly and conspicuously marked to show the English name of the country of origin; and

"Whereas, These commodities are exempt from the country of origin markings where the product undergoes a substantial transformation due to further processing resulting in a new and different article of commerce with a different name, character, or use; and

"Whereas, In response to a February 11, 1985, United States Customs Service notice in the Federal Register, and after a request for comments on country of origin marking of imported pistachios, the California Pistachio Commission has presented significant and compelling evidence that imported pistachios are not substantially transformed in the United States; and

"Whereas, The country of origin marking should be required for imported pistachios because the roasting process does not substantially transform the raw product; and

"Whereas, Unmarked Iranian pistachios have been marketed in this country under such deceptive labels as 'Pride of California' and thereby capture 45 percent of the United States market and cost California growers $20 million in earning; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislative respectfully memorializes the Secretary of the Treasury and the Assistant Secretary of the Treasury for Enforcement and Operations to take immediate action to adopt the proposal noticed by the United States Customs Service in the Federal Register on February 11, 1985, as it specifically relates to pistachios; and be it further

"Resolved, That the Secretary of the Treasury and the Assistant Secretary of the Treasury for Enforcement and Operations recognize the urgency of this request and the deceptive marketing of imported Iranian pistachios; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President, to the Secretary of the Treasury, to the Assistant Secretary of the Treasury for Enforcement and Operations, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, and to each Senator and Representative from California in the Congress."

POM-382. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

SENATE JOINT RESOLUTION No. 3

"Whereas, It has been brought to the attention of the California Legislature through correspondence of the Order of St. Andrew the Apostle, a private nonprofit corporation with offices at the Greek Orthodox Archdiocese of North and South America, that the civil liberties of Greeks living in Turkey have been repeatedly threatened and denied; and

"Whereas, The California Legislature is justly proud of its long and unyielding commitment to the pervasive extension of freedom; and

"Whereas, The military junta headed by General Evren in Ankara has decreed that Turkish citizens of Greek descent cannot buy or sell real estate, thus creating the expectation that their homes and businesses will be confiscated; and

"Whereas, Turkish officials recently visited the worldwide center of Orthodox Christianity, known as Ecumenical Patriarchate in Constantinople and called Istanbul by Moslems; and

"Whereas, In this holy place, which corresponds to the Vatican, all sacred items are registered and declared the national property of Turkey; and

"Whereas, The famous Greek Orthodox School of Theology on the island of Halki, from which renowned religious leaders (including His All Holiness, Ecumenical Patriarch Demetrios I, and His Eminence, Archbishop Iakovos, Greek Orthodox Primate of the Americas) have graduated, is now a modest high school with a Turkish principal; and

"Whereas, While Turkish law prohibits any repair work to Christian churches, schools, businesses, or homes exceeding two hundred fifty liras (or less than two dollars) without a permit, such permits are systematically denied to Greek Orthodox residents of the country; and

"Whereas, There are continuous efforts to seize the income-producing properties willed by Greek Orthodox people to the famous hospital in Baluki, Istanbul, which treats all members of the community regardless of religion or nationality; and

"Whereas, At least 300 Greek Orthodox families were forced to flee Turkey last year because of these and other oppressive conditions; and

"Whereas, In addition, the ethnically Greek population of Turkey has dwindled from half a million at the turn of the century to fewer than 5,000, and 92 percent of those who remain are age 65 or older; and

"Whereas, These facts strongly suggest a Turkish policy of retrenchment and, indeed, of active persecution of those of Greek heritage; and

"Whereas, It is the intent of the California Legislature to urge that the United States government investigate these charges and, of substantiated, bring to bear upon the Turkish government appropriate economic and political pressure to correct the suppression of civil liberties; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully memoralizes the President and the Congress of the United States to petition the Turkish government to effect the protection of the civil liberties of Orthodox Christians; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-383. A joint resolution adopted by the Legislature of the State of California; to the Committee on the Judiciary.

SENATE JOINT RESOLUTION No. 19

"Whereas, El Salvador, a small, densely populated country, has close to five million people in an area the size of Massachusetts; and

"Whereas, For decades, the country was run by and for the plantation owners, a small group of people of European descent traditionally referred to as the "Fourteen Families"; and

"Whereas, Popular unrest broke out during the army's massacre of between 10,000 and 30,000 Salvadoran citizens; and

"Whereas, The period between 1945 and 1979 was characterized by military rule, widespread corruption, fraudulent elections, and military repression of all political opposition; and

"Whereas, There occur continual instances of torture, mutilation, disappearances, and the individual and mass extrajudicial execution of men, women, and children from all sectors of Salvadoran society, perpetrated by extremist factions on all sides within and beyond the government; and

"Whereas, There has been a massive increase in the number of both internal and external refugees and displaced persons; and

"Whereas, During the last five years, as a result of the civil war, civilians have been killed in numbers totaling over 40,000, a figure constituting approximately one percent of the population and comparable to 1,750,000 civilian deaths in a country the size of the United States; and

"Whereas, The United States has an honorable tradition of accepting refugees from abroad who have suffered political repression during a period of civil conflict as demonstrated by the fact that the United States has granted extended voluntary departure status 15 times in the past 24 years, and the status currently is granted to Poles, Ethiopians, Afghans, and Ugandans; and

"Whereas, Thousands of refugees have fled El Salvador for fear of being harmed by the repression and hostilities that continue daily in the context of an internal civil strife; and

"Whereas, The United States, to date, has not fully accepted responsibility for its humanitarian obligation toward Salvadoran refugees, refusing to grant them political asylum or even extended voluntary departure status, and has forcibly repatriated over 35,000 people to El Salvador; and

"Whereas, Innocent men, women, and children are presently without a country and live with the realization that their return to El Salvador would once again place their lives in jeopardy in a country ravaged by an ongoing catastrophic civil conflict; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the Congress of the United States to recognize that the refugees from El Salvador are "political refugees" and to grant them asylum or extended voluntary departure status, and to enact, as a temporary measure, the Moakley-DeConcini Bill; and be it further

"*Resolved,* That the Legislature emphasizes that the endorsement of these actions by the Congress of the United States is based upon a humanitarian concern for the refugees of El Salvador, and in no way constitutes support or opposition to any fraction currently involved in conflict within that nation; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-384. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources.

SENATE JOINT RESOLUTION No. 9

"Whereas, The California Legislature has enacted comprehensive laws regulating programs for the delivery of prepaid and reimbursed health care, including health care service plans, nonprofit hospital service plans, and disability insurance; and

"Whereas, California's laws protect the interest of citizens enrolled in these health care programs by requiring financial solvency of the plans and insurers, adequacy of the care provided to our citizens as patients, freedom of choice in selecting the health care provider desired by the patient, and other elements supporting fiscal responsibility and good patient care; and

"Whereas, The federal Employee Retirement Income Security Act (ERISA) has preempted state laws in the regulation of health care plans and programs in order to assure uniform employee benefit plans throughout the United States, but this explicit preemption has precluded the states from mandating additional benefits or protections for employees; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact legislation amending the Employee Retirement Income Security Act to narrow its preemption provisions to permit the states to enact legislation which will provide benefits in addition to the protections required by ERISA and encourage states to achieve parity between insured and self-insured benefits; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and representative from California in the Congress of the United States."

POM-385. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

"SENATE JOINT RESOLUTION No. 19

"Whereas, The United States of America and the People's Republic of China in December 1978 simultaneously issued a joint communique on the establishment of diplomatic relations between the United States of America and the People's Republic of China, wherein the United States of America and the People's Republic of China agreed to recognize each other and to establish diplomatic relations as of January 1, 1979; and

"Whereas, The joint communique expresses that the United States will maintain cultural, commercial, and other unofficial relations with the people of Taiwan; and

"Whereas, The California Legislature recognizes the friendly relations which have mutually existed between the people of California and the people of Taiwan, and therefore in 1983 on behalf of the people of the State of California through Senate Concurrent Resolution No. 40, Resolution Chapter 120, extended to the people of Taiwan an invitation to join California as a sister state and to conduct mutually beneficial social, economic, educational, and cultural programs in order to bring our citizens closer together and to strengthen international understanding and good will; and

"Whereas, The People's Republic of China has expressed great interest in establishing friendship state relationships with states of the union in the United States of America in order to foster greater friendship and understanding between the United States and the People's Republic of China and to facilitate international trade and commerce between the two nations; and

"Whereas, Fourteen such friendship state relationships have been established between a Chinese province and an American state; and

"Whereas, Under the guidance of the principles as embodied in the joint communique on the establishment of diplomatic relations between the United States and China, numerous sister city relationships have been established between American and Chinese cities, among which are the sister city pairings of San Francisco-Shanghai, Los Angeles-Guangzhou, Oakland-Dalien, Sacramento-Jinan, and Long Beach-Qingdao; and

"Whereas, The people of Jiangsu Province of the People's Republic of China are desirous of entering into a friendship state relationship with the State of California in order to promote for mutual benefit the exchange of trade and commerce and the conduct of scientific, technical, agricultural, and educational programs which will enhance the potential for economic activity in California and Jiangsu; and

"Whereas, The Province of Jiangsu and the State of California share much in common in topography, climate, and industry; and

"Whereas, Jiangsu Province presents the opportunity for increased trade markets and the export of ideas, technology, products, and equipment from California, enhancement of international cooperation and communication, and social and cultural interchange which would facilitate understanding and goodwill between the citizens of California and Jiangsu Province; now, therefore, be it

"Resolved by the Senate of the State of California, the Assembly thereof concurring, That the California Legislature, on behalf of the people of California, declares Jiangsu Province as a friendship state, extends to the people of Jiangsu Province of the People's Republic of China an invitation to join California as a friendship state, and commits to the establishment of programs which will further the friendship state relationship; and be it further

"Resolved, That the appropriate state officials are encouraged to immediately contact the government of Jiangsu in order to negotiate a friendship agreement between Jiangsu and California which furthers mutual understanding and strengthening of friendly relations, enhances international trade and commerce, and facilitates the exchange of culture, education, science and technology; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the Governor of Jiangsu Province, the Governor of California, and to each Senator and Representative from California in the Congress of the United States."

POM-386. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to the proposed Bureau of Land Management and Forest Service Land Interchange; to the Committee on Agriculture, Nutrition, and Forestry.

POM-387. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to wetlands land trade; to the Committee on Agriculture, Nutrition, and Forestry.

POM-388. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to Forest Roading; to the Committee on Agriculture, Nutrition, and Forestry.

POM-389. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to the National Fish Hatchery System; to the Committee on Commerce, Science, and Transportation.

POM-390. A resolution adopted by the Western Association of Fish and Wildlife Agencies urging Congress to reauthorize the Central, Western and South Pacific Fisheries Development Act with funding through FY 1988; to the Committee on Commerce, Science, and Transportation.

POM-391. A resolution adopted by the Western Association of Fish and Wildlife Agencies urging Congress to reauthorize the Magnuson Fishery Conservation and Management Act of 1976 with funding at the FY 1983 level of $7.5 million; to the Committee on Commerce, Science, and Transportation.

POM-392. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Commerce, Science, and Transportation.

"LEGISLATIVE RESOLVE No. 17

"Whereas approximately 2,600,000,000 pounds of Alaska pollock is harvested annually, and much of this harvest is either taken by Japanese fishing vessels or purchased by the Japanese fishing industry from the American fishing industry; and

"Whereas Japanese industry utilizes approximately 70 percent of its supply of Alaska pollock for the production of surimi and surimi products, and a significant portion of this production is then exported to the United States, where surimi usage has risen from less than 1,000 tons in 1979 to 30,000 tons in 1984; and

"Whereas the American fishing industry receives approximately $.05 a pound for pollock, while the finished surimi products exported from Japan to the United States sell for approximately $1.75 a pound, aggravating the U.S. trade deficit that was $4,000,000,000 in 1984 for fishery products alone; and

"Whereas the capacity of the U.S. fishing fleet to harvest Alaska pollock has increased tremendously in recent years, with the American fishing industry harvesting almost 500,000 tons of pollock in 1984; and

"Whereas the surimi products presently used in the U.S. can be produced from just 102,000 tons of Alaska pollock; and

"Whereas Alaskan surimi is a wholesome food product, made from fresh-caught North Pacific pollock, and dollar for dollar has as much or more nutritional value than many traditional seafood products; and

"Whereas the U.S. Food and Drug Administration is requiring surimi marketed in the form of crab strips and other seafood analogue products to be inappropriately labeled as 'imitation,' and this labeling requirement would discourage sales of this nutritious product and the development of a new domestic industry; and

"Whereas surimi has great potential as a functional protein ingredient for many products in addition to seafood analogues, and the U.S. market for surimi in all forms continues to grow; and

"Whereas projections indicate that establishing a complete pollock surimi industry, including harvesting, processing, distribution and sales in the U.S., would produce a $6,000,000,000-a-year industry; and

"Whereas Alaska Pacific Seafoods in Kodiak, Alaska, in conjunction with the Alaska Fisheries Development Foundation, has demonstrated that top-quality surimi can be produced commercially in on-shore American facilities; and

"Whereas Alaska Pacific Seafood will produce an initial pack of 860,000 pounds of surimi for use by the Alaska Fisheries Development Foundation to encourage growth of the U.S. market for domestically produced surimi; and

"Whereas funding for this project was provided by the federal government through a Saltonstall-Kennedy grant to the Alaska Fisheries Development Foundation, with matching money and in-kind services provided by industry, fishing groups, and individuals;

"Be it resolved that the Alaska State Legislature expresses its appreciation for this project and gratitude for their support, to the United States Congress, the U.S. Department of Commerce National Marine Fisheries Service, and the many industry organizations, fishery groups, and individuals that contributed to the success of this project; and be it

"Further resolved by the Alaska State Legislature that it respectfully requests the United States Congress, the United States Department of Commerce National Marine Fisheries Service, and other concerned groups to continue their support for this project because it has the potential to encourage the full domestic use of the resources of the United States Fisheries Conservation Zone and to enhance the economic well-being of all persons in Alaska and in the other states of the nation; and be it

"Further resolved by the Alaska State Legislature that it respectfully requests the U.S. Food and Drug Administration in the U.S. Department of Health and Human Services to work with the seafood processing industry to develop a label other than 'imitation' to distinguish, as a consumer service, surimi products from traditional seafood products.

"Copies of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; to the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; to the Honorable Thomas P. O'Neill, Jr., Speaker of the U.S. House of Representatives; to the Honorable John C. Danforth, Chairman, Senate Committee on Commerce, Science and Transportation; to the Honorable Walter B. Jones, Chairman, House Committee on Merchant Marine and Fisheries; to the Honorable John B. Breaux, Chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment, House Committee on Merchant Marine and Fisheries; to the Honorable Malcolm Baldrige, Secretary, U.S. Department of Commerce; to the Honorable Margaret M. Heckler, Secretary, U.S. Department of Health and Human Services; to the Honorable David Stockman, Director, Office of Management and Budget; to the Honorable Frank E. Young, Commissioner, U.S. Food and Drug Administration; to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the

Alaska delegation in Congress; to Chris Mitchell, Executive Director of the Alaska Fisheries Development Foundation; and to William G. Gordon, Assistant Administrator of the National Marine Fisheries Service, NOAA, U.S. Department of Commerce."

POM-393. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to oil and gas leasing in the Teshekpuk Lake special area; to the Committee on Energy and Natural Resources.

POM-394. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to oil and gas leasing in Bristol Bay; to the Committee on Energy and Natural Resources.

POM-395. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Energy and Natural Resources.

"LEGISLATIVE RESOLVE No. 25

"Whereas Congress is now considering legislation that includes provisions concerning the foreign export of Alaskan crude oil; and

"Whereas there are proposals before Congress to change existing federal law that effectively prohibit the foreign export of Alaskan crude oil; and

"Whereas the export of Alaskan crude oil would improve the national security of the United States by strengthening the defensive capabilities of our Pacific Rim allies; and

"Whereas the export of Alaskan crude oil would encourage increased domestic oil exploration and development; and

"Whereas Japan, Korea, and Taiwan have each expressed interest in obtaining Alaskan crude oil to diversify their energy sources; and

"Whereas the export of Alaskan crude oil would decrease the federal trade deficit with these nations; and

"Whereas exporting Alaskan crude oil to these nations would mitigate panic buying in the spot markets, thus moderating the cost of petroleum products for all consumers; and

"Whereas it is far more costly to ship oil from Alaska through the Panama Canal and to the Gulf Coast than to ship directly to the Pacific Rim; and

"Whereas the additional cost of shipping Alaska's oil to the Gulf Coast and Eastern states imposes an unnecessary burden on the consumers of those states; and

"Whereas under the International Energy Agreement, the United States is required to export crude oil to participating nations in the event of a worldwide disruption of oil supplies;

"Be it resolved that the Alaska State Legislature respectfully requests the United States Congress to enact laws providing for the export of all Alaskan crude oil; and be it

"Further resolved that the Alaska congressional delegation is urged to continue using its best efforts to obtain passage of legislation permitting the foreign export of Alaskan crude oil.

"Copies of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; the Honorable Thomas P. O'Neill, Jr., Speaker of the U.S. House of Representatives; the Honorable Robert Dole, Majority Leader of the U.S. Senate; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; the National Conference of State Legislatures; and the Council of State Governments."

POM-396. A resolution adopted by the Council of the City of Santa Clara, California relating to SB 1219, the operations of hydroelectric plants after the expiration of the initial licenses; to the Committee on Energy and Natural Resources.

POM-397. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to the net economic values of fish and wildlife; to the Committee on Environment and Public Works.

POM-398. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to endangered species; to the Committee on Environment and Public Works.

POM-399. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating commercial trafficking of wildlife parts; to the Committee on Environment and Public Works.

POM-400. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to burning toxic substances at sea; to the Committee on Environment and Public Works.

POM-401. A resolution adopted by the Western Association of Fish and Wildlife Agencies supporting the Wallop-Breaux Act (Public Law 98-269); to the Committee on Finance..

POM-402. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to the redefinition of "Sports Fish" as used in the Federal Aid in Sports Fish Restoration (Dingell-Johnson/Wallop-Breaux) Program to the Committee on Finance.

POM-403. A resolution adopted by the House of Representatives of the State of Oklahoma; to the Committee on Finance.

"HOUSE RESOLUTION No. 1031

"Whereas, the petroleum industry is a vital part of this nation's economy; and

"Whereas, fluctuation in the price of petroleum due to worldwide production and market conditions can place the petroleum industry in and unstable position which, in turn, can have a very negative effect on this country's financial status; and

"Whereas, it would be catastrophic for this nation's petroleum producers if the international price of oil and other petroleum products should drop from the current level; and

"Whereas, some type of emergency safeguard to prevent the dire consequences which result from a decrease in the international price of petroleum products should be implemented; and

"Whereas, a proposal has been made by Senator David Boren that an import fee be placed on foreign oil and refined petroleum products imported into the United States; and

"Whereas, imposing such a fee if the international price of oil and other petroleum products declines would ensure that the petroleum industry in this country would not suffer economic disaster.

"Now, therefore, be it resolved by the House of Representatives of the 1st session of the 40th Oklahoma Legislature:

"That the Oklahoma House of Representatives does hereby memorialize the Congress of the United States to enact an import fee on foreign oil and refined petroleum products to be implemented if the international price of these products declines below current levels.

"That copies of this resolution be dispatched to the President of the United States, the President Pro Tempore of the United States Senate, the Speaker of the United States House of Representatives, and members of the Oklahoma Congressional Delegation."

POM-404. A resolution adopted by the South Carolina Forestry Commission relating to the retention of capital gains treatment of timber, current treatment of various timber management expenditures, and reforestation investment credit and amortization; to the Committee on Finance.

POM-405. A resolution adopted by the Senate of the State of Alaska; to the Committee on Foreign Relations.

"SENATE RESOLVE No. 3

"Whereas the Interim Convention on Conservation of North Pacific Fur Seals between the United States, Japan, Canada, and the U.S.S.R. is now before the United States Senate for ratification; and

"Whereas, since the fur seal treaty has been in effect, the fur seal population has increased from 300,000 in 1911 to well over 1.2 million; and

"Whereas the fur seal treaty, the fur seal harvest, and the welfare of the Pribilof Aleut people are inextricably tied together in very complex ways, both culturally and economically; and

"Whereas the fur seal harvest on the Pribilof Islands has been taking place since the late 1700's; and

"Whereas the fur seal harvest remains the main source of income for the residents of the Pribilof Islands while efforts are made to diversify the local economy; and

"Whereas the fur seal harvest is no longer subsidized by the federal government and will be conducted privately on a self-supporting basis; and

"Whereas reputable scientists agree the fur seals are not an endangered species; and

"Whereas the treaty provides for a carefully studied, scientifically controlled harvest of two-year old subadult nonbreeding males only; and

"Whereas there is no scientific evidence to indicate the current level of the commercial harvest of subadult male seals contributes to any decline in the fur seal population, but to the contrary, evidence suggests that culling subadult males contributes to the overall health of the fur seal herd; and

"Whereas cooperative and strengthened research, education, management and enforcement programs are the keys to the conservation of the North Pacific fur seal and these activities can best be carried out through the fur seal treaty; and

"Whereas the National Audubon Society, a respected conservation organization with more than a half-million members, has endorsed the renewal of the fur seal treaty; and

"Whereas a national campaign, featuring misleading and inaccurate information, has been launched by various wildlife groups to convince the United States Senate to reject the treaty; and

"Whereas a hearing before the Foreign Relations Committee will afford the representatives of the Pribilof Islands an opportunity to refute the misleading charges made by the treaty opponents, and to present, under oath, substantiated, scientific information in support of the continuation of the fur seal treaty; and

"Whereas not to provide for a fair hearing on this issue would be disastrous for the

Aleut people and would open the way for special interest groups to attack other essential subsistence activities, such as trapping, whaling, and fishing:

"Be it resolved by the Senate that the United States Senate Committee on Foreign Relations is respectfully requested to hold prompt hearings on the Interim Convention on Conservation of North Pacific Fur Seals; and be it

"Further resolved that the United States Senate is respectfully requested to ratify the Interim Convention on Conservation of North Pacific Fur Seals.

"Copies of this resolution shall be sent to the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; to the Honorable Robert Dole, Majority Leader of the Senate; to the Honorable Richard G. Lugar, Chairman of the Senate Committee on Foreign Relations; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, members of the Alaska delegation in Congress."

POM-406. A resolution adopted by the Western Association of Fish and Wildlife Agencies relating to the Fair Labor Standards Act; to the Committee on Labor and Human Resources.

POM-407. A resolution adopted by the Pennsylvania State Veterans' Commission condemning the efforts to erect a monument honoring anti-Vietnam war protestors; to the Committee on Veterans' Affairs.

POM-408. A resolution adopted by the General Court of the Commonwealth of Massachusetts; to the Committee on Veterans' Affairs.

"Resolutions Memorializing the Congress of the United States To Amend the Veterans Educational Assistance Act of 1984

"Whereas, the recently enacted Veterans Educational Assistance Act of 1984 does not provide for practical on-the-job training, and since 1944 literally hundreds of thousands of Massachusetts veterans have received some form of training under the 'G.I. bills'; and

"Whereas, historically, practical on-the-job training is accepted as the most successful method of preparing quality job recipients and many areas of skill and training are not available in educational institutions; and

"Whereas, some employers require a satisfactory period of on-the-job training and a high percentage of high school graduates do not desire on have aptitude for college; and

"Whereas, the cost of apprenticeship training has historically cost the government less and benefits accruing to American business and industry have been substantial; and

"Whereas, the need is present as pointed out by enactment of the Emergency Veterans Job Training Act of 1983; and

"Whereas, the interests of all those not desiring institutional education would best be served; therefore be it

"*Resolved*, that the Massachusetts House of Representatives hereby urges the Congress of the United States of America to amend the Veterans Educational Assistance Act of 1984 to include apprenticeship and on-the-job training programs; and be it further

"*Resolved*, that a copy of these resolutions be forwarded by the Clerk of the House of Representatives to the President of the United States, the presiding officer of each branch of the Congress, and the Members thereof from this Commonwealth."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Richard Kennon Willard, of Virginia, to be an Assistant Attorney General.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRASSLEY:

S. 1640. A bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare program of services performed by a physician assistant; to the Committee on Finance.

By Mr. WALLOP (by request):

S. 1641. A bill to extend various health research authorities, and for other purposes; to the Committee on Labor and Human Resources.

S. 1642. A bill to amend Health Maintenance Organization authorities; to the Committee on Labor and Human Resources.

S. 1643. A bill to extend various health services authorities, and for other purposes; to the Committee on Labor and Human Resources.

S. 1644. A bill to amend various health professional training authorities, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. STEVENS (for himself, Mr. Murkowski, Mr. Abdnor, Mrs. Hawkins, Mr. D'Amato, Mr. Durenberger, and Mr. Roth):

S. 1645. A bill to delay a postal rate increase for subscription publications; to the Committee on Governmental Affairs.

By Mr. LEVIN:

S. 1646. A bill to amend chapter 34 of title 38, United States Code, to authorize the Administrator of Veterans' Affairs to afford educational assistance under such chapter to certain eligible veterans after the expiration of the 10-year delimiting period; to the Committee on Veterans' Affairs.

By Mr. LAUTENBERG (for himself and Mr. Roth):

S. 1647. A bill to amend the Tariff Act of 1930 to enhance the protection of intellectual property rights; to the Committee on Finance.

By Mr. MURKOWSKI:

S.J. Res. 199. Joint resolution to designate the month of November 1985 as "National Elks Veterans Rememberance Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ABDNOR:

S. Con. Res. 64. Concurrent resolution expressing the sense of the Congress that the President should form a National Commission on the Farm Credit System to make recommendations to the Congress; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY:

S. 1640. A bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare Program of services performed by a physician assistant; to the Committee on Finance.

MEDICARE COVERAGE OF PHYSICIAN ASSISTANT SERVICES

● Mr. GRASSLEY. Mr. President, I am introducing legislation today which will clarify and expand coverage of physician assistant services under the Medicare Part B Program. This piece of legislation will increase access to health care for Medicare beneficiaries without increasing the cost of the Medicare Program.

As my colleagues are aware, physician assistants services are covered under part B of Medicare when PA's render their service in a certified rural health clinic. Reimbursement to the employing clinic was authorized in 1977 by the Rural Health Clinic Services Act, Public Law 95-210. The Medicare Program also covers physician assistant services when provided in health maintenance organizations [HMO's]. Unfortunately, physician assistant services rendered in other settings to Medicare beneficiaries are not covered under part B.

In addition to the problems this creates for Medicare beneficiaries, the Federal Government is failing to reap the full benefit of the health manpower training programs by not covering physician assistant services under Medicare.

For instance, on July 19, the Senate unanimously passed the health manpower amendments of 1985. Included in this bill was an authorization to spend approximately $14 million over the next 3 years on physician assistant training programs, a worthwhile expenditure and one which I supported.

But due to the inconsistency in Federal policy, we are helping to educate health care professionals whose services are of no benefit to millions of Medicare beneficiaries. My legislation seeks to eliminate this problem by providing for the coverage of physician assistant services under part B of Medicare.

Because the States have the responsibility for determining the scope of practice for physician assistants within that State, my bill would cover only physician assistant services to the extent allowable under State law. In other words, my legislation would not usurp State authority to regulate the activities of physician assistants.

I also want to point out, Mr. President, that there is a significant difference between my bill and other pieces of legislation promoted by other health professionals. Specifically, my bill would not create a new provider

because reimbursement would be to the employing physician and not to the physician assistant. As my colleagues are aware, physician assistants are dependent health care practitioners who only practice under the direction and supervision of a physician. My bill maintains that supervisory relationship.

Furthermore, my bill calls for reimbursement for physician assistant services at a rate slightly lower than the reimbursement rate which would have been paid had the physician rendered the services. Because of the slighty lower reimbursement rate, the Congressional Budget Office has determined that the effect of the bill is revenue neutral.

The increased access and the resultant increased cost to Medicare are offset by the lower reimbursement rate of my bill. I want to make it clear that I do not consider physician assistant services to be of lesser value than physician services. However, I recognize that in today's budget climate, it is impossible to recommend legislation that would increase Medicare costs and expect it to be seriously considered.

For the benefit of my colleagues, I ask unanimous consent that a letter from the Congressional Budget Office to Congressman Wyden regarding the budgetary impact of this legislation be included in the Record at the end of my statement. I also ask unanimous consent to insert a copy of an article from the Waterloo Courier on how current Medicare laws hamper the utilization of physician assistant services in rural Iowa.

Mr. President, physician assistants are highly educated, cost-effective members of the health care team. Their role in ensuring quality health care at affordable prices has been clearly demonstrated. Congress acted wisely in expanding the Medicare Program to cover physician assistant services performed in rural health clinics and health maintenance organizations. I trust my colleagues will join me in continuing that process by covering physician assistant services in other settings as well. My bill should serve to increase access of Medicare beneficiaries to quality health care, particularly in highly rural areas where shortages of physicians may exist.

I also wish to thank my distinguished colleague, Congressman Ron Wyden, for introducing identical legislation in the House of Representatives.

I ask unanimous consent that a copy of my bill, and the two documents mentioned earlier, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

(a) Services Covered.—Section 1861(s)(2) of the Social Security Act is amended—

(1) by striking out "and" at the end of subparagraph (H);

(2) by adding "and" at the end of subparagraph (I); and

(3) by adding at the end thereof the following new subparagraph:

"(J)(i) services furnished by a physician assistant (as defined in subsection (aa)(3)) which such physician assistant is legally authorized to perform under the State law or State regulatory mechanism of the State in which the services are performed, if such physician assistant is under the supervision of a physician described in subsection (r)(1), and

"(ii) services and supplies furnished as an incident to the services described in clause (i) which would be covered under subparagraph (A) if furnished by a physician or incident to a physician's professional service;".

(b) Payment Amount.—Section 1833(a)(1) of such Act is amended by striking out "and" before "(F)" and by adding at the end thereof the following: "and (G) with respect to services described in section 1861(s)(2)(J), the amounts paid shall be equal to 90 percent of the amounts which would otherwise be paid if such services were furnished by the physician under whose supervision the physician assistant furnishes such services.".

(c) Payment To Be Made to Employer.—The first sentence of section 1842(b)(6) of such Act is amended—

(1) by striking out "except that payment may be made (A)(i)" and inserting in lieu thereof "except that (A) payment may be made (i)";

(2) by striking out "or (B)" and inserting in lieu thereof "(B) payment may be made"; and

(3) by inserting before the period the following: ", and (C) payment shall be made to the employer of the physician assistant in the case of services described in section 1861(s)(2)(J)".

(d) Effective Date.—The amendments made by this Act shall apply to services furnished in or after the fourth month which begins after the date of the enactment of this Act.

Congressional Budget Office,
U.S. Congress,
Washington, DC, November 5, 1984.

Hon. Ron Wyden,
U.S. House of Representatives,
Washington, DC.

Dear Congressman: In response to your letter of February 17, 1984, we have examined the costs of your draft legislation to extend Medicare coverage to physician assistants working in private practice settings. Under current law Medicare does not reimburse for services performed by a physician assistant (PA) if those services are normally performed by a physician. Under this proposal, PA services could be reimbursed at up to 90 percent of that allowed for the billing physician. In addition, the physician would be required to accept assignment for physician assistant charges.

Based on our review of your draft legislation, it is expected that no significant cost or saving to the government would be incurred as a result of enactment of this legislation. Although encouraging the use of PAs in the treatment of Medicare beneficiaries could foster competition and lead to lower prices in the long run, we expect the magnitude of those changes would be small during this decade. Our findings are based on the following considerations.

By definition, philosophy and state laws, PAs practice only under the supervision of a licensed physician. The proposed change does not encourage, or even allow, PAs to practice independently of physicians. In fact, under the proposed legislation PAs would continue to be employed by, supervised by, and billed under the practice of a licensed physician.

Medicare beneficiaries may prefer treatment from MDs rather than from PAs. Furthermore, the Medicare patient has only a small incentive to seek treatment from the lower priced PA. At the margin the patient pays a coinsurance of only 20 percent. For example, reduction in the charge for an office visit from $30.00 to $27.00 is a savings of only 60 cents to the Medicare patient, and this small difference frequently is paid by Medicaid or private Medi-Gap policies. Therefore, the proposed legislation is unlikely to create new demands by Medicare beneficiaries for PAs.

Many physicians may not enjoy practice styles that involve considerably less patient contact and considerably more personnel management. Therefore, physicians may demand and receive higher salaries for managing practices that involve the use of PAs. Physicians are unlikely to make major changes in their practice styles in response to changes in reimbursement that affect only the use of PAs for their Medicare patients.

Physicians currently employ PAs in their practices even though most private and public insurers do not allow separate billing for PAs.

There are fewer than 10,000 PAs in practice. Even if their use with Medicare patients is encouraged slightly by a change in payment practices, many additional PAs must be trained and licensed before their numbers can have a significant impact on Medicare outlays.

We would be pleased to respond to any questions you might have on this estimate. Your staff may contact Jack Rodgers (226-2820) with detailed questions.

Sincerely,

Rudolph G. Penner,
Director.

[From the Waterloo Courier, June 30, 1985]

Medicare Rules, Fewer Patients Force Clinic To Phase Out Physician's Assistants

(By Yvonne Beeler)

West Union.—The first area medical clinic to incorporate physician's assistants into its daily medical practice has become the first clinic to eliminate them.

Barriers imposed by Medicare regulations and decreased patient flow have forced the West Union Medical Clinic to phase out two PAs employed at its facilities for eight years. One PA will leave Monday and the second will work until new employment is found.

"Regulations within Medicare are too restrictive for our family-type setting," according to Dr. David Freed, head of the West Union clinic.

Medicare will not reimburse a PA who has administered medical services to a Medicare patient. Additionally, Medicare requires a physician to have direct supervision over a PA.

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"We were having two people seeing one patient, when only one was necessary," Freed noted.

Dr. Dennis Oliver, director of the PA training program at the University of Iowa, Iowa City, agrees with Freed in that Medicare payments have put a "damper" on the PA program since its inception.

Still, Oliver said there has been a yearly increase in the number of PA graduates, with 35 to 40 now graduating annually. About 215 are currently employed in Iowa.

West Union was the first community in Northeast Iowa to take advantage of the PA program. The PAs were hired eight years ago to help alleviate the patient load on physicians at the clinic.

But the patient flow has switched in recent years, and is now declining. Coupled with the Medicare barrier, Freed said the clinic was forced to make an economic decision and phase out the PAs. The clinic will still employ a PA at the Fayette satellite office because a "steady need" exists there.

The practice of employing physician's assistants began in the early 1970s as a means to provide medical services in rural Iowa, where communities were unable to recruit resident physicians.

PAs are not licensed doctors, but may perform routine medical tasks, including physicals and examinations. PAs cannot prescribe drugs, perform surgery or other medical services reserved for physicians.

West Union appears to be the only clinic in the area to eliminate its PAs. Oliver said he is not aware of other clinics following suit.

Between one and five PAs are now working in each of 11 area counties—Buchanan, Benton, Tama, Grundy, Butler, Bremer, Chickasaw, Franklin, Hardin, Howard and Mitchell. Between six and 10 PAs are employed in Fayette and Black Hawk counties. There are no PAs employed in Floyd or Winneshiek counties, Oliver reported.

Initially, PAs were finding jobs throughout rural Iowas. PAs are now moving into the metro hospitals, away from the smaller communities and rural health clinics.

"Most obvious, the convenience of medical service is no longer available (when a PA leaves)," Oliver said, referring to the shift in employment locations. "Less (medical) care is provided now with no PAs in the rural areas. Small towns are at a disadvantage because people must travel to a doctor, in spite of weather of other hinderances."

He noted the Medicare regulations have also contributed to the move of PAs into larger hospitals. Oliver said it seems more Medicare patients reside in smaller towns than in larger communities.

From the start, Medicare has always required that a doctor have direct supervision over all employees.

"This doesn't mean the physician must be standing over an employee's shoulder, just be readily available," according to Phil Chiuarelli, of the Health Care Financing Administration in Kansas City, which administers Medicare and Medicaid payments.

Despite the loss of the PAs, Freed is attempting to expand the number of offices operated by the West Union clinic. A satellite clinic in Calmar is scheduled to open this fall, with a doctor being recruited for that site.

"We'll definitely miss our PAs," Freed said. "They've been a big help to us and they leave highly recommended."●

By Mr. WALLOP (by request):

S. 1641. A bill to extend various health research authorities, and for other purposes; to the Committee on Labor and Human Resources.

S. 1642. A bill to amend Health Maintenance Organization authorities; to the Committee on Labor and Human Resources.

S. 1643. A bill to extend various health services authorities, and for other purposes; to the Committee on Labor and Human Resources.

S. 1644. A bill to amend various health professions training authorities, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH CARE LEGISLATION

Mr. WALLOP. Mr. President, today I am introducing a package of health care bills on behalf of Health and Human Services Secretary Heckler and the Reagan administration.

The Health Research Amendments of 1985, the Health Maintenance Amendments of 1985, the Health Services Amendments of 1985, and the Health Professions Amendments of 1985, represent an ongoing effort by the administration to provide a streamlined and cost-effective Federal involvement in national health care policy.

In July of this year, Secretary Heckler announced that the Nation's health spending increased at the slowest rate in 20 years during 1984, with the rate of growth dipping below double digits for the first time since 1965. Total health spending in 1984 was $387 billion, up 9.1 percent from 1983. The increase compares with spending growth of 10.6 percent in 1983 and 15.3 percent in 1980, the highest single-year increase. In addition, Secretary Heckler said, the total spending amount for 1984 represents 10.6 percent of gross national product, down from 10.7 percent in the previous year and the first decrease in health spending as a percentage of GNP since 1978. These bills are the fruits of the administration's procompetitive health policies. This legislation seeks to aim the Federal role in the direction which will continue these accomplishments.

The Health Maintenance Amendments of 1985 would eliminate Federal support for HMO's in an orderly fashion by repealing the authorities for Federal financial support for HMO's. In addition, this measure would eliminate, as of October of 1987, the requirement that each employer offer employees the choice of enrollment in an HMO if the employer offered other health benefits plans to the employees.

The HMO legislation was passed to encourage the development of HMO's both through marketing leverage and financial support. Since enactment of the act in 1973, the industry has grown dramatically. There were 72 plans with 3.5 million members when the act was passed. As of June 1984, the number of HMO's had grown to 311 with 15.2 million members. HMO's are now accepted in many areas as a cost effective means of delivering health care. It is, therefore, the administration's belief that there is little justification for continued Federal intervention in this market.

The Health Professions Amendments of 1985 would authorize the Secretary of Health and Human Services to insure loans under the Health Education Assistance Loans Programs through fiscal 1988. The bill would also enact a number of proposals designed to assist the Department of Health and Human Services in carrying out its health professions training responsibilities as effectively and efficiently as possible. In addition, the bill would eliminate health professions training categorical program authorities, including nursing authorities.

The Health Services Amendments of 1985 consolidates into a single block grant the Community Health Centers and Primary Care, Black Lung Clinics, Family Planning Services, and Migrant Health Services primary care programs. In addition, the measure reauthorizes the Adolescent Family Life Program, repeals the Health Planning authorities, reauthorizes the National Health Service Corps Field Program, and makes a number of other amendments to improve the efficiency of the health services programs.

The Health Research Amendments of 1985 would authorize appropriations for fiscal years 1986 through 1988 for National Research Service Awards and for assistance to medical libraries. The bill legislates only where legislation is needed. The NRSA's and aid to libraries are the only activities of the National Institutes of Health for which funds cannot be appropriated under the broad research mandate of section 301 of the Public Health Service Act. The bill would also enact a number of proposals designed to assist the Department of Health and Human Services in carrying out its health research responsibilities as effectively and efficiently as possible. The administration intends to seek appropriations for cancer, cardiovascular, lung, blood, and other health research activities based on the general research authority in section 301 of the Public Health Services Act.

Mr. President, I wish to commend Secretary Heckler and the administration for their efforts in controlling health care costs and for streamlining the Federal Government's involvement in the health care delivery system. While I support the general approach taken by the administration in those respective bills, each of the policy and program changes that are made do not necessarily reflect my

personal views or the position which I feel are in the best interests of my constituents in the State of Wyoming. I introduce this legislative package so that the administration's proposals in the area of public health can be made part of the debate on funding levels and programmatic structure.

I would ask unanimous consent that the administration's legislative package be printed in the RECORD following my statement.

There being no objection, the package was ordered to be printed in the RECORD as follows:

S.1641

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND REFERENCES IN ACT

SECTION 1. (a) This Act may be cited as the "Health Research Amendments of 1985".

(b) The amendments in this Act apply to the Public Health Service Act, unless otherwise specifically stated.

REPEAL OF REQUIREMENT FOR ONGOING STUDY OF THE HEALTH COSTS OF POLLUTION

SEC. 2. Section 304(d) (42 U.S.C. 242b(d)) is repealed.

AUTHORITY FOR CLINICAL RESEARCH TO EVALUATE THE EFFICACY OF MEDICAL PROCEDURES THROUGH THE NATIONAL CENTER FOR HEALTH SERVICES RESEARCH AND HEALTH CARE TECHNOLOGY ASSESSMENT

SEC. 3. The last sentence of section 305(b) (42 U.S.C. 242c(b)) is amended by striking out "or clinical research that is directly and principally designed to evaluate the efficacy of any therapeutic, diagnostic, or preventive health measure".

ELIMINATION OF REQUIREMENT FOR SUPPORT OF HEALTH SERVICES RESEARCH CENTERS

SEC. 4. Section 305 (42 U.S.C. 242c) is amended—

(1) by striking out subsection (d), and

(2) by redesignating subsections (e) through (i) as (d) through (h).

REPEAL OF REQUIREMENTS FOR DATA COLLECTION ON THE EFFECTS OF THE ENVIRONMENT ON HEALTH

SEC. 5. Section 306(l) (42 U.S.C. 242k(l)) is repealed.

APPROPRIATION AUTHORIZATIONS FOR ASSISTANCE TO MEDICAL LIBRARIES

SEC. 6. Section 390(c) (42 U.S.C. 280b(c)) is amended—

(1) by striking out "and" after "1981,", and

(2) by inserting ", $7,800,000 for the fiscal year ending September 30, 1986, $8,100,000 for the fiscal year ending September 30, 1987, and $8,300,000 for the fiscal year ending September 30, 1988" before the period.

REPEAL OF NATIONAL CANCER INSTITUTE BUDGET BYPASS PROVISION

SEC. 7. Section 404(a)(8) (42 U.S.C. 285(a)(8)) is amended—

(1) by striking out subparagraph (A), and

(2) by striking out the subparagraph designation "(B)".

INCREASED LIMIT ON CANCER AND HEART, LUNG, AND BLOOD GRANTS WITHOUT ADVISORY BOARD OR COUNCIL APPROVAL

SEC. 8. Sections 405(b) (42 U.S.C. 286(b)) and 419A(c) (42 U.S.C. 287h(c)) are each amended by striking out "$35,000" each place it occurs and inserting instead "$50,000".

LONGER SUPPORT PERIOD FOR NATIONAL CANCER RESEARCH AND DEMONSTRATION CENTERS

SEC. 9. The last sentence of section 406(b) (42 U.S.C. 286a(b)) is amended by striking out "three" each place it occurs and inserting instead "five".

ELIMINATION OF TASK FORCE ON ENVIRONMENTAL CANCER AND HEART AND LUNG DISEASE

SEC. 10. Section 402 of the Clean Air Act Amendments of 1977 (42 U.S.C. 4362) and section 9 of the Health Services Research, Health Statistics, and Health Care Technology Act of 1978 (42 U.S.C. 4362a) are each repealed.

REPEAL OF REQUIREMENT FOR SUPPORT OF AT LEAST TEN SICKLE CELL DISEASE CENTERS

SEC. 11. Section 8(w) of the Orphan Drug Act (42 U.S.C. 287i nt.) is repealed.

CHANGES IN CERTAIN TITLES OF OFFICIALS AND A SUBCOMMITTEE OF THE NATIONAL INSTITUTE OF ARTHRITIS, DIABETES, AND DIGESTIVE AND KIDNEY DISEASES

SEC. 12. (a)(1) The matter in section 434(b) (42 U.S.C. 289c-1(b)) preceding paragraph (1) is amended to read as follows:

"(b) In the National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases (hereinafter referred to in this section as the 'Institute') there shall be a Director, Division of Arthritis and Musculoskeletal and Skin Diseases, a Director, Division of Diabetes, Endocrinology, and Metabolic Diseases, a Director, Division of Digestive Diseases and Nutrition, and a Director, Division of Kidney, Urologic, and Hematologic Diseases, who, under the supervision of the Director of the Institute, shall be responsible for—".

(2) Section 434(b) (42 U.S.C. 289c-1(b)) is further amended by striking out "Associate" each place it occurs and inserting instead "Division".

(b) Section 434(c) (42 U.S.C. 289c-1(c)) is amended—

(1) in the first sentence, by inserting "and nutrition" after "digestive diseases",

(2) in the second sentence, by inserting "or in the fields" after "diseases", and

(3) in the third sentence, by inserting "or to the fields" after "diseases".

(c) The matter in section 434(d) (42 U.S.C. 289c-1(d)) preceding paragraph (1) is amended to read as follows:

"(d) The Director of the Institute, acting through the Director, Division of Arthritis and Musculoskeletal and Skin Diseases, the Director, Division of Diabetes, Endocrinology, and Metabolic Diseases, the Director, Division of Digestive Diseases and Nutrition, and the Director, Division of Kidney, Urologic, and Hematologic Diseases, shall—".

(d) Section 435(c)(1) (42 U.S.C. 289c-2(c)(1)) is amended by striking out "Associate Director for" and inserting instead "Director, Division of".

(e) The first sentence of section 436(b) (42 U.S.C. 289c-3(b)) and the first sentence of section 437(b)(2) (42 U.S.C. 289c-4(b)(2)) are each amended by striking out "Associate" and inserting instead "Division".

LIMITATION ON REQUIRED COORDINATION BY DIVISION DIRECTORS OF THE NATIONAL INSTITUTE OF ARTHRITIS, DIABETES, AND DIGESTIVE AND KIDNEY DISEASES

SEC. 13. Section 434(b)(1) (42 U.S.C. 289c-1(b)(1)) (as amended by section 12(a)(2) of this Act) is further amended by striking out "the diseases for which the positions of the Division Directors were created" and inserting instead "arthritis, diabetes, and digestive and kidney diseases".

EXTENSION OF DIABETES, ARTHRITIS, AND DIGESTIVE DISEASES ADVISORY BOARDS

SEC. 14. Section 437(l) (42 U.S.C. 289c-4(l)) is amended by striking out "1983" and inserting instead "1988".

APPROPRIATION AUTHORIZATIONS FOR NATIONAL RESEARCH SERVICE AWARDS

SEC. 15. The first sentence of section 472(d) (42 U.S.C. 289l-1(d)) is amended—

(1) by striking out "and" after "1982,", and

(2) by inserting ", $239,000,000 for the fiscal year ending September 30, 1986, $248,400,000 for the fiscal year ending September 30, 1987, and $257,600,000 for the fiscal year ending September 30, 1988" before the period.

EXEMPTION OF CERTAIN CLINICAL TRIAL DATA FROM DISCLOSURE

SEC. 16. Title IV is amended by adding after section 479 the following section:

"EXEMPTION OF CERTAIN CLINICAL TRIAL DATA FROM DISCLOSURE

"SEC. 480. (a) The Secretary may exempt from disclosure under section 552 of title 5, United States Code, data from a clinical trial conducted or supported by the Secretary if the Secretary determines that—

"(1) observations are still to be collected, recorded, or verified as part of the clinical trial,

"(2) the need for confidentiality of the data has been explicitly stated in an experimental protocol approved by an Institutional Review Board meeting the requirements under section 474,

"(3) the participants in the trial have been informed that an exemption will be sought under which data from the clinical trial will be kept confidential until all observations that are part of the clinical trial have been collected, recorded, and verified, and the participants have agreed to take part in the clinical trial under these conditions,

"(4) there are adequate procedures for analyzing interim data and monitoring safety to provide sufficient protection to the participants in the clinical trial, and

"(5) disclosure would jeopardize the conduct of the clinical trial.

"(b) For purposes of subsection (a), a 'clinical trial' means a study under which a drug or other health intervention is prospectively evaluated by utilizing human participants.".

FEDERAL FUNDING FOR TELEPHONE DATA SERVICE IN PRIVATE HOMES CONNECTED TO COMPUTER CENTERS

SEC. 17. Section 1348 of title 31, United States Code, is amended by adding at the end the following:

"(e) Appropriations are available to install telephones in private residences or for tolls or other charges for telephone service from private residences for dedicated data lines communicating with Government or Government supported computer centers.".

ELIMINATION OF UNNECESSARY REPORTS

SEC. 18. (a) Section 308(a) (42 U.S.C. 242m(a)) is amended—

(1) by striking out paragraph (1),

(2) in paragraph (3), by striking out "or (2)", and

(3) by renumbering paragraphs (2) and (3) as (1) and (2), respectively.

(b) Section 1122 (42 U.S.C. 300c-12) is amended to read as follows:

"SUDDEN INFANT DEATH SYNDROME RESEARCH

"SEC. 1122. From the sums appropriated to the National Institute of Child Health and Human Development under section 441, the Secretary shall assure that there are applied to research which relates specifically to sudden infant death syndrome, and to research which relates generally to sudden infant death syndrome, including high-risk pregnancy and high-risk infancy research which directly relates to sudden infant death syndrome, such amounts each year as will be adequate, given the leads and findings then available from such research, in order to make maximum feasible progress toward identification of infants at risk of sudden infant death syndrome and prevention of sudden infant death syndrome.".

(c) Section 27(c) of the Toxic Substances Control Act (15 U.S.C. 2626(c)) is repealed.

(d) Section 154(e) of the Clean Air Act (42 U.S.C. 7454(e)) is amended by striking out the last sentence.

(e) Section 1200 of the Comprehensive Drug Abuse Prevention and Control Act of 1980 (42 U.S.C. 3509) is repealed.

MODIFICATION OF REQUIREMENTS FOR REPORTS

SEC. 19. (a) Section 301(b)(4) (42 U.S.C. 241(b)(4)) is amended—

(1) in the matter preceding subparagraph (A), by striking out "an annual" and inserting instead "a biennial", and

(2) in subparagraph (D), by striking out "year" and inserting instead "period".

(b) Section 404(a)(9) (42 U.S.C. 285(a)(9)) is amended by striking out ", not later than November 30 of each year,".

(c) Section 434(e) (42 U.S.C. 289c-1(e)) is amended—

(1) in the first sentence, by striking out ", as soon as practicable, but not later than sixty days, after the end of each fiscal year,",

(2) in the first sentence, by striking out "an annual" and inserting instead "a biennial" and

(3) in the matter in the last sentence preceding paragraph (1), by striking out "annual" and inserting instead "biennial".

(d) Section 435(b) (42 U.S.C. 289c-2(b)) is amended by striking out "an annual" and inserting instead "a biennial" and by striking out "(on or before November 30 of each year)".

(e) Section 439(e) (42 U.S.C. 289c-6(e)) is amended by striking out "an annual" and inserting instead "a biennial" and by striking out "on or before November 30 of each year".

(f) Section 22(f) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 671(f) is amended—

(1) by inserting "biennially" after "submit", and

(2) by striking out "an annual report" and inserting instead "a report".

(g) Section 26 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 675) is amended by striking out "Within one hundred and twenty days following the convening of each regular session of each Congress, the Secretary and the Secretary of Health, Education, and Welfare shall each" and inserting instead "The Secretary and the Secretary of Health and Human Services shall each biennially".

(h) Section 5(h) of the International Health Research Act of 1970 (22 U.S.C. 2103(h)) is amended by striking out "regular session" and inserting instead "Congress".

APPLICABILITY OF FEDERAL ASSISTANCE FINANCING SYSTEM TO ADDITIONAL FORMS OF FINANCIAL ASSISTANCE AND CONTRACTS

SEC. 20. Section 6 of the Mental Retardation Facilities and Community Mental Health Centers Construction Act Amendments of 1965 (42 U.S.C. 3514) is amended—

(1) by striking out "grant" the first place it occurs and inserting instead "grant, other form of financial assistance, or contract",

(2) by striking out "grant" every other place it occurs and inserting instead "award",

(3) by striking out "grantee" each place it occurs and inserting instead "recipient",

(4) by striking out "Secretary of Health, Education, and Welfare" and inserting instead "Secretary of Health and Human Services, and

(5) by striking out "Department of Health, Education, and Welfare" and inserting instead "Department of Health and Human Services".

TECHNICAL AMENDMENTS

SEC. 21. (a) Sections 407(b)(4) (42 U.S.C. 286b(b)(4)) and 418(a)(6) (42 U.S.C. 287g(a)(6)) and the first sentence of section 419A(b) (42 U.S.C. 287h(b)) are each amended by striking out "501" and inserting instead "2101".

(b)(1) Section 472(a)(1)(B) (42 U.S.C. 289l-1(a)(1)(B)) is amended by striking out "and the research described in subparagraph (A)(vi)".

(2) Section 472(b)(1)(C) (42 U.S.C. 289l-1(b)(1)(C)) is amended by inserting "or (a)(1)(A)(iv)" after "(a)(1)(A)(iii)".

(c) Section 1202 (42 U.S.C. 300d-1) is amended by striking out "1205" and inserting instead "1201".

(d) Section 2(b)(2) of the Alcohol and Drug Abuse Amendments of 1983 is amended—

(1) in the matter preceding subparagraph (A), by striking out "Section 210" and inserting instead "Section 210", and

(2) by adding "and" at the end of subparagraph (C).

S. 1642

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND REFERENCES IN ACT

SECTION 1. (a) This Act may be cited as the "Health Maintenance Organization Amendments of 1985".

(b) The amendments in this Act apply to the Public Health Service Act, unless otherwise specifically stated.

REPEAL OF AUTHORITIES FOR GRANTS, CONTRACTS, LOANS, AND LOAN GUARANTEES

SEC. 2. (a) Sections 1303, 1304, 1305, 1305A, 1306, 1309, 1313, 1315, and 1317 (42 U.S.C. 300e-2, 300e-3, 300-4, 300e-4a, 300e-5, 300e-8, 300e-12, 30e-14, and 300e-16) are repealed.

(b) Section 1307(b) (42 U.S.C. 300e-6(b)) is amended by striking out the second sentence.

(c) Section 1307(c) (42 U.S.C. 300e-6(c)) is repealed.

(d) Section 1307(d) (42 U.S.C. 300e-6(d)) is amended by striking out "for purposes of receiving assistance under this title" each place it occurs.

(e) Section 1308(a) (42 U.S.C. 300e-7(a)) is amended—

(1) by striking out paragraph (1),

(2) by striking out the paragraph designation "(2)",

(3) in subparagraph (B), by striking out "subparagraph (C)" and "subparagraph (D)" and inserting instead "paragraph (3)" and "paragraph (4)", respectively,

(4) in subparagraph (C), by striking out the clause designations "(i)" and "(ii)" and inserting instead "(A)" and "(B)", respectively, and

(5) by redesignating subparagraphs (A) through (D) as paragraphs (1) through (4).

(f) Section 1308(b) (42 U.S.C. 300e-7(b)) is amended—

(1) by striking out paragraph (1),

(2) in paragraph (2), by striking out the first sentence, and

(3) by renumbering paragraphs (2) and (3) as (1) and (2), respectively.

(g) The first sentence of section 1308(e) (42 U.S.C. 300e-8(e)) is amended by striking out "to make loans under this title and".

ELIMINATION OF DUAL CHOICE REQUIREMENTS

SEC. 3. (a) Sections 1301, 1302, 1307(d), 1310, 1311, 1312, and 1318 (42 U.S.C. 300e, 300e-1, 300e-6(d), 300e-9, 300e-10, 300e-11, and 300e-17) are repealed.

(b) Section 1308(b) (42 U.S.C. 300e-7(b)) (as amended by section 2(f) of this Act) is further amended—

(1) by striking out paragraph (1), and

(2) by striking out the paragraph designation "(2)".

(c) Section 1531(8) (42 U.S.C. 300n(8)) is amended to read as follows:

"(8) The term 'health maintenance organization' means a public or private organization, organized under the laws of any State, which—

"(A) provides or otherwise makes available to enrolled participants health care services, including at least the following basic health care services: usual physician services, hospitalizations, laboratory, X-ray, emergency and preventive services, and out of area coverage,

"(B) is compensated (except for copayments) for the provision of the basic health care services listed in subparagraph (A) to enrolled participants by a payment which is paid on a periodic basis without regard to the date the health care services are provided and which is fixed without regard to the frequency, extent, or kind of health service actually provided, and

"(C) provides physicians' services primarily (i) directly through physicians who are either employees or partners of such organization, or (ii) through arrangements with individual physicians or one or more groups of physicians (organized on a group practice or individual practice basis).".

(d) Section 8902(l) of title 5, United States Code, is repealed.

(e) Section 1101(a) of the Social Security Act (42 U.S.C. 1301(a)) is amended by striking out paragraph (9).

(f) Section 1124(a)(2)(A) of the Social Security Act (42 U.S.C. 1320a-3(a)(2)(A) is amended by striking out "a health maintenance organization (as defined in section 1301(a) of the Public Health Service Act)" and inserting instead "an eligible organization (as defined in section 1876(b)".

(g) Section 1875(b) of the Social Security Act (42 U.S.C. 1395ll(b)) is amended by striking out "the operation and administration of health maintenance organizations authorized by section 226 of the Social Security Amendments of 1972,".

(h) Section 1876(b) of the Social Security Act (42 U.S.C. 1395mm(b)) is amended by striking out everything after "under the laws of any State," and inserting instead the following: "which meets the following requirements:

"(1) The entity provides to enrolled members at least the following health care services:

"(A) Physicians' services performed by physicians (as defined in section 1861(r)(1)).

"(B) Inpatient hospital services.

"(C) Laboratory, X-ray, emergency, and preventive services.

"(D) Out-of-area coverage.

"(2) The entity is compensated (except for deductibles, coinsurance, and copayments) for the provision of health care services to enrolled members by a payment which is paid on a periodic basis without regard to the date the health care services are provided and which is fixed without regard to the frequency, extent, or kind of health care service actually provided to a member.

"(3) The entity provides physicians' services primarily (A) directly through physicians who are either employees or partners of such organization, or (B) through contracts with individual physicians or one or more groups of physicians (organized on a group practice or individual practice basis).

"(4) The entity assumes full financial risk on a prospective basis for the provision of the health care services listed in paragraph (1), except that such entity may—

"(A) obtain insurance or make other arrangements for the cost of providing to any enrolled member health care services listed in paragraph (1) the aggregate value of which exceeds $5,000 in any year,

"(B) obtain insurance or make other arrangements for the cost of health care services listed in paragraph (1) provided to its enrolled members other than the entity because medical necessity required their provision before they could be secured through the entity,

"(C) obtain insurance or make other arrangements for not more than 90 percent of the amount by which its costs for any of its fiscal years exceed 115 percent of its income for such fiscal year, and

"(D) make arrangements with physicians or other health professionals, health care institutions, or any combination of such individuals or institutions to assume all or part of the financial risk on a prospective basis for the provision of basic health services by the physicians or other health professionals or through the institutions.

"(5) The entity has made adequate provision against the risk of insolvency, which provision is satisfactory to the Secretary.

Paragraph (1)(B) shall not apply to an entity which had contracted with a single State agency administering a State plan approved under title XIX for the provision of services (other than inpatient hospital services) to individuals eligible for such services under such State plan on a prepaid risk basis prior to 1970.".

(i) Section 1876(e)(3) of the Social Security Act (42 U.S.C. 1395mm(e)(3)) is amended—

(1) in subparagraph (A), by striking out "section 1302(8) of the Public Health Service act, other than subparagraph (C)" and inserting instead "paragraph (B)",

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively,

(3) by inserting "(A)" after designating "(3)", and

(4) by adding at the end the following:

"(B)(i) For purposes of paragraph (A), the term 'community rating system' means a system of fixing rates of payments for health services under which rates shall be fixed on a per-person or per-family basis and may vary with the number of persons in a family but, except as authorized in clause (ii), the rates must be equivalent for all individuals and for all families of similar composition.

"(ii) The following differentials in rates of payments may be established:

"(I) Nominal differentials in such rates may be established to reflect differences in marketing costs and the different administrative costs of collecting payments from the following categories of members: Individual members (including their families), small groups of members (as determined under regulations of the Secretary), and large groups of members (as determined under regulations of the Secretary).

"(II) Nominal differences in such rates may be established to reflect the compositing of the rates of payment in a systematic manner to accommodate group purchasing practices of various employers.

"(III) Differentials in such rates may be established for members enrolled pursuant to a contract with a government authority under section 1079 or 1086 of title 10, United States Code, or under any other governmental program (other than the health benefits program authorized by chapter 89 of title 5, United States Code) or any health benefits program for employees of States, political subdivisions of States, and other public entities.".

(j) Section 1876(i)(3)(C) of the Social Security Act (42 U.S.C. 1395mm(i)(3)(C)) is amended to read as follows:

"(C) shall require the organization to protect its members from incurring liability for payment of any fees which are the legal obligation of the organization through—

"(i) a contractual arrangement with any hospital that is regularly used by the members of the organization prohibiting the hospital from holding any such member liable for payment of any fees which are the legal obligation of the organization,

"(ii) insolvency insurance, acceptable to the Secretary,

"(iii) adequate financial reserve, acceptable to the Secretary, or

"(iv) other arrangements, acceptable to the Secretary, to protect members,

except that the above requirement shall not apply if applicable State law provides the members of the organization with protection from liability for payment of anv fees which are the legal obligation of the organization; and".

(k) Section 1902(e)(2)(A) of the Social Security Act (42 U.S.C. 1396a(e)(2)(A)) is amended by striking out "a qualified health maintenance organization (as defined in title XIII of the Public Health Service Act)" and inserting instead "an eligible organization (as defined in section 1876(b))".

(l) The first sentence of section 1903(g)(1) of the Social Security Act (42 U.S.C. 1396b(g)(1)) is amended by striking out "a health maintenance organization as defined in section 1876 or which is a qualified health maintenance organization (as defined in section 1310(d) of the Public Health Service Act)" and inserting instead "an eligible organization as defined in section 1876(b)".

(m) Section 1903(m)(1) of the Social Security Act (42 U.S.C. 1396b(m)(1)) is amended—

(1) by striking out subparagraph (B),

(2) by striking out the subparagraph designation "(A)",

(3) by striking out "a qualified health maintenance organization (as defined in section 1310(d) of the Public Health Service Act)" and inserting instead "an eligible organization (as defined in section 1876(b))", and

(4) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively.

(n) Section 1903(m)(2) of the Social Security Act (42 U.S.C. 1396b(m)(2)) is amended—

(1) in subparagraph (E)(ii), by striking out "a qualified health maintenance organization (as defined in section 1310(d) of the Public Health Service Act)" and inserting instead "an eligible organization (as defined in section 1876(b))",

(2) in subparagraph (E)(iv), by striking out "designated as medically underserved under section 1302(7)" and inserting instead "that was designated as medically underserved under former section 1302(7)", and

(3) in subparagraph (F)(ii)(I), by striking out "a qualified health maintenance organization (as defined in section 1310(d) of the Public Health Service Act)" and inserting instead "an eligible organization (as defined in section 1876(b))".

(o) The amendments made by the preceding subsections are effective on October 1, 1987.

S. 1643

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND REFERENCES IN ACT

SECTION 1. (a) This Act may be cited as the "Health Services Amendments of 1985".

(b) The amendments in this Act apply to the Public Health Service Act, unless otherwise specifically stated.

HANSEN'S DISEASE PROGRAM

SEC. 2. Section 320 (42 U.S.C. 255) is amended to read as follows:

"HANSEN'S DISEASE PROGRAM

"SEC. 320. (a) The Secretary—

"(1) shall provide care and treatment without charge at the Public Health Service facility in Carville, Louisiana, to any person suffering from Hansen's disease who needs and requests care and treatment for that disease, and

"(2) may provide for the care and treatment of Hansen's disease without charge for any person who requests such care and treatment.

"(b) The Secretary shall make payments to the Board of Health of Hawaii for the care and treatment in its facilities of persons suffering from Hansen's disease at a per diem rate, determined from time to time by the Secretary, which shall, subject to the availability of appropriations, be approximately equal to the per diem operating cost per patient of those facilities, except that the per diem rate shall not be greater than the comparable per diem operating cost per Hansen's disease patient at the Public Health Service facility in Carville, Louisiana.".

REPEAL OF AUTHORITY FOR MEDICAL EXAMINATIONS OF SEAMEN AND LONGSHOREMEN

SEC. 3. Section 324(a) (42 U.S.C. 251(a)) is amended—

(1) by adding "and" at the end of paragraph (1),

(2) by striking out the semicolon at the end of paragraph (2) and inserting instead a period, and

(3) by striking out paragraphs (3) and (4).

APPROPRIATION AUTHORIZATIONS FOR NATIONAL HEALTH SERVICE CORPS

SEC. 4. Section 338(a) (42 U.S.C. 254k(a)) is amended—

(1) by striking out "and" after "1983;", and

(2) by inserting "; $50,000,000 for the fiscal year ending September 30, 1986; $50,400,000 for the fiscal year ending September 30, 1987; and $50,800,000 for the fiscal year ending September 30, 1988" before the period.

ELIMINATION OF LIMIT ON FEE FOR CLINICAL LABORATORY LICENSES

SEC. 5. Section 353(d)(3) (42 U.S.C. 263a(d)(3)) is amended to read as follows:

"(3) The Secretary may require payment of fees for the issuance and renewal of licenses. Any fees collected shall be credited, to the extent specified in appropriation acts, to the appropriations used for clinical laboratory activities (as determined by the Secretary) and shall remain available until expended.

REPEAL OF HEALTH PLANNING AUTHORITIES

SEC. 6. (a) Title XV (42 U.S.C. 300k-1—300n-6) is repealed.

(b)(1) Section 2(f) (42 U.S.C. 201(f)) is amended by striking out "1531(1),".

(2) Section 314 (42 U.S.C. 246) is repealed.

(3) Section 332 (42 U.S.C. 254(c)) is amended—

(A) by striking out paragraph (1), and

(B) by renumbering paragraphs (2) and (3) as (1) and (2), respectively.

(4) Section 332(f) (42 U.S.C. 254e(f)) is amended—

(A) by adding "and" at the end of paragraph (1),

(B) by striking out paragraph (2), and

(C) by renumbering paragraph (3) as (2).

(5) Section 333(b) (42 U.S.C. 254(b)) is repealed.

(6) Section 1302 (42 U.S.C. 300e-1) is amended—

(A) by striking out paragraph (6),

(B) by striking out the second sentence of paragraph (7), and

(C) by renumbering paragraphs (7) through (9) as (6) through (8).

(7) Section 1306(b) (42 U.S.C. 300e-5(b)) is amended—

(A) by striking out paragraph (5), and

(B) by renumbering paragraphs (6) through (8) as (5) through (7).

(8) Subsections (a)(1)(B) and (g) of section 1310 (42 U.S.C. 300e-9) are each amended by striking out "314(d)," and "1525,".

(9) Section 1621(b) (42 U.S.C. 300s-1(b)) is amended—

(A) in paragraph (1)—

(i) by striking out subparagraph (A), and

(ii) by redesignating subparagraphs (B) through (K) as (A) through (J),

(B) in paragraph (2)(A)(i), by striking out "subparagraph (D)" and inserting instead "subparagraph (C)", and

(C) in paragraph (2)(A)(ii), by striking out "subparagraph (E)" and inserting instead "subparagraph (D)".

(10) Section 1622(a)(1)(B) (42 U.S.C. 300s-1a(a)(1)(B)) is amended to read as follows: "(B) which is disapproved as a transferee by an entity designated by the chief executive officer of the State, or".

(11) Section 1624 (42 U.S.C. 300s-3) is amended—

(A) by striking out paragraph (12), and

(B) by renumbering paragraphs (13) and (14) as (12) and (13), respectively.

(12) The second sentence of section 1627 (42 U.S.C. 300s-6) is amended by striking out "shall report such noncompliance to the health systems agency for the health service area in which such entity is located and the State health planning and development agency of the State in which the entity is located and".

(13) Part D of title XVI (42 U.S.C. 300t) is repealed.

(14) Section 1641 (42 U.S.C. 300t-11) is amended by striking out everything after "under" and inserting instead the following: "which grants and technical assistance may be provided to hospitals in operation on the date of enactment of this part (1) for the discontinuance of unneeded hospital services, and (2) for the conversion of unneeded hospital services to other health service needed by the community.".

(15) Section 1642(b) (42 U.S.C. 300t-12(b)) is amended—

(A) by striking out paragraph (2),

(B) by renumbering paragraph (3) as (2), and

(C) by revising paragraph (2) (as so renumbered) to read as follows:

"(2)(A) The Secretary may not approve an application of a hospital for a grant if the Secretary is unable to determine that the cost of providing inpatient health services in the area in which the applicant is located will be less than if the inpatient health services proposed to be discontinued were not discontinued.

"(B) In considering application of hospitals for grants, the Secretary shall give special consideration to applications which will result in the greatest reduction in hospital costs within an area.".

(16) Section 1643 (42 U.S.C. 300t-13) is repealed.

(17) Section 1644 (42 U.S.C. 300t-14) is amended by striking out "and 1643".

(18) Section 2115(1)(B) (42 U.S.C. 300aa-14(1)(B)) is amended to read as follows: "(B) which is disapproved as a transferee by the State mental health authority or by another entity designated by the chief executive officer of the State, or".

(19) Section 1121(c) of the Social Security Act (42 U.S.C. 1320a(c)) is amended by striking out ", including health systems agencies (designated under section 1515 of the Public Health Service Act) and State health planning and development agencies (designated under section 1521 of such Act),".

(20) Section 1122(b) of the Social Security Act (42 U.S.C. 1320a-1(b)) is amended—

(A) in the matter preceding paragraph (1), by striking out "described in clause (ii) of subsection (d)(1)(B)",

(B) by striking out paragraph (2),

(C) by renumbering paragraph (3) as (2), and

(D) in the matter following paragraph (2) (as so renumbered), by striking out "or any such other agency" and "pursuant to the Public Health Service Act".

(21) Section 1122(d)(1) of the Social Security Act (42 U.S.C. 1320a-1(d)(1)) is amended—

(A) by revising paragraph (A) to read as follows:

"(A) the planning agency designated in the agreement described in subsection (b) had not been given notice of any proposed capital expenditure (in accordance with such procedure or in such detail as may be required by such agency) at least sixty days prior to obligation for such expenditure; or",

(B) in paragraph (B)(i), by striking out "or an agency so described", "or any other agency described in clause (ii)", "or any other agency described in clause (ii)", and "or in the area for which such other agency has responsibility", and

(C) in paragraph (B)(ii), by striking out "subsection (b)" and everything that follows through subclause (II) and inserting instead the following: "subsection (b), granted to the person proposing such capital expenditure an opportunity for a fair hearing with respect to such findings.".

(22) Section 1160(b)(2) of the Social Security Act (42 U.S.C. 1320c-9(b)(2)) is amended by striking out "(including health systems agencies and State health planning and development agencies)".

(23) Section 1861(v)(7)(A) of the Social Security Act (42 U.S.C. 1395x(v)(7)(A)) is amended by striking out "or area-wide".

(24) Section 1861(z)(2)(B) of the Social Security Act (42 U.S.C. 1395x(z)(2)(B)) is amended—

(A) by inserting "(if any)" after "submitted to the agency", and

(B) by striking out ", or if no such agency is designated, to the appropriate health planning agency in the State".

(25) Section 1883(b) of the Social Security Act (42 U.S.C. 1395tt(b)) is amended to read as follows:

"(b) The Secretary may not enter into an agreement under this section with any hospital unless, except as provided under subsection (g), the hospital is located in a rural area and has less than 50 beds.".

(26) Section 1884(b)(1)(C) of the Social Security Act (42 U.S.C. 1395uu(b)(1)(C)) is amended by striking out "with the findings of an appropriate health planning agency and".

(27) The National Health Planning and Resources Development Act of 1974 (42 U.S.C. 217a, nt, 229 nt, 291b nt, 300k, 300k nt, 300-14 nts and 300m nts) is repealed.

APPROPRIATION AUTHORIZATIONS FOR AND EXPANDED SCOPE OF PRIMARY CARE BLOCK GRANT

SEC. 7. (a) Section 1921 (42 U.S.C. 300y) is repealed.

(b) Section 1922 (42 U.S.C. 300y-1) is amended to read as follows:

"APPROPRIATION AUTHORIZATIONS

"SEC. 1922. For allotments under section 1924 there are authorized to be appropriated $550,100,000 for fiscal year 1986, $573,204,000 for fiscal year 1987, and $596,132,000 for fiscal year 1988.".

(c) Section 1923 (42 U.S.C. 300y-2) is repealed.

(d)(1) Section 1924(a) (42 U.S.C. 300y-3(a)) is amended by striking out "the amount granted for fiscal year 1982" and all that follows up to the period and inserting instead "the amounts provided by the Secretary from appropriations for fiscal year 1985 to the State and to entities in the State under section 1925, former sections 329, 330, 1001, 1003, and 1005, and former section 427(a) of the Federal Mine Safety and Health Act of 1977 bore to the amounts provided by the Secretary from appropriations for fiscal year 1985 to all States and to entities in all States under those provisions."

(2) Section 1924(b) (42 U.S.C. 300y-3(b)) is amended by striking out paragraphs (2) through (4) and inserting instead the following:

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved as the total amount provided for fiscal year 1985 by the Secretary to such tribe or tribal organization under the provisions of law referred to in subsection (a) bore to the total amount provided for such fiscal year by the Secretary to the State and entities (including Indian tribes and tribal organizations) in the State under such provisions of law.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"(5) The terms 'Indian tribe' and 'tribal organizations' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.".

(3) Section 1924 (42 U.S.C. 300y-3) is amended by adding at the end the following:

"(c) To the extent that all the funds appropriated under section 1922 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1927 for the fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1928(b)(3);

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subsection.".

(e) Section 1925(a)(2) (42 U.S.C. 300y-4(a)(2)) is amended by striking out "if the Secretary determines that the State acted in accordance with section 1926(a)(1) and there is good cause for funds remaining unobligated".

(f)(1) The heading to section 1926 (42 U.S.C. 300y-5) is amended to read "USE OF ALLOTMENTS".

(2) Section 1926(a) (42 U.S.C. 300y-5(a)) is amended to read as follows:

"SEC. 1926. (a) Except as limited by subsection (b) or as provided by subsection (c), a State may use amounts paid to it under section 1925 (and amounts transferred under other provisions of law for use under this part) for—

"(1) assistance to community health centers that serve medically underserved populations,

"(2) health services for migratory and seasonal agricultural workers and their families,

"(3) voluntary family planning services and training of family planning personnel, and

"(4) health services for respiratory and pulmonary impairments in active and inactive coal miners.

Amounts provided for the activities referred to in the preceding sentence may also be used for related planning, administration, and educational activities.".

(3) Section 1926(b) (42 U.S.C. 300y-5(b)) is amended—

(A) in paragraph (1), by striking out "except in fiscal year 1983 in the case of a community health center which used funds provided under section 330 for fiscal year 1983 to provide such services" and inserting instead "other than inpatient services prescribed by the Secretary",

(B) by adding "or" at the end of paragraph (3),

(C) by substituting a period for ", or" at the end of paragraph (4),

(D) by striking out paragraph (5), and

(E) by striking out the last sentence.

(4) Section 1926 (42 U.S.C. 300y-5) is amended by adding at the end the following:

"(c) From the amounts paid to a State under section 1925 from amounts appropriated for a fiscal year, the State may transfer up to 10 percent for use under other block grants administered by the Secretary."

"(d)(1) Not more than 10 percent of the Federal funds available for a fiscal year for use by a State under subsection (a) may be used for administering those funds or for the planning of health services. The State will pay from non-Federal sources the remaining costs of administering those funds and of the planning of health services.

"(2) For purposes of the preceding paragraph, the term 'Federal funds available for a fiscal year' for use by a State under subsection (a) means the sum of—

"(A) the amounts paid to the State for that fiscal year under section 1925 less any amounts transferred by the State under subsection (c) of this section,

"(B) amounts paid by the Secretary to the State for that fiscal year under any other authority and transferred for use by the State under subsection (a), and

"(C) amounts reserved by the State under section 1925(a)(2) from the amounts paid to it for the preceding fiscal year, to the extent that those amounts were not used in determining the amounts that were used in that preceding fiscal year for administering funds or for the planning of health services.

"(e)(1) A State shall expend in fiscal year 1986 for voluntary family planning services and training of family planning personnel, from the amounts paid to it for fiscal year 1986 under section 1925 or under section 7(p)(2)(A) of the Health Services Amendments of 1985 (and from amounts transferred under other provisions of law for use under this part), a percentage proportion equal to at least 80 percent of the percentage proportion of the amounts provided to the State or to entities in the State under section 1925, former sections 329, 330, 1001, 1003, and 1005, and former section 427(a) of the Federal Mine Safety and Health Act of 1977, from sums appropriated for fiscal year 1985, that were provided under former sections 1001, 1003, and 1005.

"(2) A State shall expend in fiscal year 1987 for voluntary family planning services and training of family planning personnel, from the amounts paid to it for fiscal year 1987 under section 1925 (and from amounts transferred under other provisions of law for use under this part), a percentage proportion equal at least 50 percent of the percentage proportion of the amounts provided to the State or to entities in the State under section 1925, former sections 329, 330, 1001, 1003, and 1005, and former section 427(a) of the Federal Mine Safety and Health Act of 1977, from sums appropriated for fiscal year 1985, that were provided under former sections 1001, 1003, and 1005.

"(f)(1) A State shall expend in fiscal year 1986 for health services for migratory and seasonal agricultural workers and their families, from the amounts paid to it for fiscal year 1986 under section 1925 or under section 7(p)(2)(A) of the Health Services Amendments of 1985 (and from amounts transferred under other provisions of law for use under this part), a percentage proportion equal to at least 80 percent of the percentage proportion of the amounts provided to the State or to entities in the State under section 1925, former sections 329, 330, 1001, 1003, and 1005, and former section 427(a) of the Federal Mine Safety and Health Act of 1977, from sums appropriated for fiscal year 1985, that were provided under former section 329.

"(2) A state shall expend in fiscal year 1987 for health services for migratory and seasonal agricultural workers and their families, from the amounts paid to it for fiscal year 1987 under section 1925 (and from amounts transferred under other provisions of law for use under this part), a percentage proportion equal to at least 50 percent of the percentage proportion of the amounts provided to the State or to entities in the State under section 1925, former sections 329, 330, 1001, 1003, and 1005, and former section 427(a) of the Federal Mine Safety and Health Act of 1977, from sums appropriated for fiscal year 1985, that were provided under former section 329.".

(g)(1) Section 1927(a) (42 U.S.C. 300y-6(a)) is amended—

(A) in the third sentence, by striking out "in such form and", and

(B) in the fourth sentence, by striking out "the legislature of".

(2) Section 1927(b) (42 U.S.C. 300y-6(b)) is amended to read as follows:

"(b) No funds shall be allotted under section 1924 to a State for any fiscal year unless the State affords an opportunity for public comment on the proposed use and distribution of funds to be provided under section 1925 for that fiscal year.".

(3) Section 1927(c) (42 U.S.C. 300y-6(c)) is amended—

(A) in the matter preceding paragraph (1), by striking out "the chief executive officer of",

(B) in paragraph (2), by striking out "fiscal, managerial, and clinical performance of community health centers; and" and inserting instead "effective performance of entities which receive funds from the allotment of the State under this part.",

(C) by striking out paragraph (3), and

(D) in the last sentence, by striking out "services of community health centers by medically underserved populations, and to evaluate the performance of community health centers" and inserting instead "health services, and to evaluate the performance of entities which receive funds from the allotment of the State under this part". (4) Section 1927(d) (42 U.S.C. 300y-6(d)) is amended—

(A) by striking out "chief executive officer of the", "(in accordance with such form as the Secretary shall provide)", and "and the funds the State is required to obligate under section 1926(a)(4) for that fiscal year", and

(B) by inserting ", including a statement of goals and objectives, information on the types of activities to be supported, geographic areas to be served, and categories or characteristics of individuals to be served, and the criteria and method to be used for the distribution of the payments" before the period.

(h)(1) The second sentence of section 1928(a)(1) (42 U.S.C. 300y-7(a)(1)) is amended—

(A) by striking out "the Secretary determines (after consultation with the States and the Comptroller General)" and inserting instead "the State determines",

(B) by striking out "and" at the end of clause (B), and

(C) by inserting ", and (D) to determine how the State has met the goals and objectives previously stated" before the period.

(2) The first sentence of section 1928(b)(2) (42 U.S.C. 300y-7(b)(2)) is amended by striking out "annually" and inserting instead "biennially".

(3) Paragraphs (5) and (6) of section 1928(b) (42 U.S.C. 300y-7 (b)) are repealed.

(i)(1) Section 1929 (a)(1) (42 U.S.C. 300y-8(a)(1)) is amended by striking out the last sentence.

(2) Section 1929(b) (42 U.S.C. 300y-8(b)) is amended—

(A) by striking out paragraph (1), and

(B) by striking out the paragraph designation "(2)".

(3) Section 1929(d)(1) (42 U.S.C. 300y-8(d)(1) is amended by inserting "study or" before "investigation".

(j) Section 1932 (42 U.S.C. 300y-11) is amended—

(1) by striking out subsection (b), and

(2) by striking out the subsection designation "(a)".

(k) Section 427(a) of the Federal Mine Safety and Health Act of 1977, and title X and subparts I and IV of part D of title III (30 U.S.C. 937(a) and 42 U.S.C. 300—300a-6a, 254a-1—254c, and 256a) are repealed.

(l) Section 427(c) of the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 937(c)) is amended by striking out the first sentence.

(m) Subparts II and III of part D of title III are redesignated as subparts I and II, respectively.

(n) Section 931(c) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 300a nt) is repealed.

(o)(1) Sections 3 and 4 of the Family Planning Services and Population Research Act of 1970 (42 U.S.C. 3505a and 3505b) are repealed.

(2) Section 2 of the Act (42 U.S.C. 300 nt) is amended—

(A) by adding "and" at the end of paragraph (6),

(B) by striking out "; and" at the end of paragraph (7) and adding instead a period, and

(3) by striking out paragraph (8).

(p)(1) Except as provided in paragraph (2), the amendments made by the preceding subsections are effective beginning with appropriations for fiscal year 1986.

(2)(A) If any State (as defined in the Public Health Service Act) has not, by thirty days before the beginning of any calendar quarter in fiscal year 1986, submitted an application under section 1927 of the Public Health Service Act for an allotment for fiscal year 1986 under subsection (a) of section 1924 of that Act, the Secretary of Health and Human Services may provide during that quarter all or part of the State's allotment under that subsection to the State or to entities in the State under any of the provisions of law referred to in that subsection as in effect before the date of enactment of this Act.

(B) If the Secretary of Health and Human Services provides amounts to a State or to entities in a State under paragraph (A) and the State subsequently files an application under section 1927 of the Public Health Service Act for an allotment for fiscal year 1986 under section 1924(a) of that Act, the allotment shall be reduced by the amounts the Secretary has provided under paragraph (A).

APPROPRIATION AUTHORIZATIONS FOR ADOLESCENT FAMILY LIFE DEMONSTRATION PROJECTS

Sec. 8. Section 2010(a) (42 U.S.C. 300z-9(a)) is amended—

(1) by striking out "and" after "1984,", and

(2) by inserting ", $14,706,000 for the fiscal year ending September 30, 1986, $15,206,000 for the fiscal year ending September 30, 1987, and $15,784,000 for the fiscal year ending September 30, 1988" before the period.

FISCAL AGENTS

Sec. 9. Title XXI is amended by adding at the end the following:

"FISCAL AGENTS

"Sec. 2116. The Secretary may enter into contracts with public or private entities to determine the amounts payable and make payments to persons who on behalf of the Public Health Service furnish health services to individuals, and to perform related functions as determined by the Secretary. The Secretary may advance funds to the entities to enable them to make such payments. The Secretary may enter into contracts under this section without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any provision of law requiring competition.".

ELIMINATION OF EXPENDITURE TIME LIMITATION UNDER THE MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

Sec. 10. Section 503(b) of the Social Security Act (42 U.S.C. 703(b)) is amended by striking out the second sentence.

LIMITED APPLICABILITY OF CERTAIN ADDITIONAL SPECIAL PAY TO PHYSICIANS IN THE PUBLIC HEALTH SERVICE COMMISSIONED CORPS

Sec. 11. (a) Section 208(a)(2) (42 U.S.C. 210(a)(2)) is amended—

(1) by inserting the subparagraph designation "(A)" after the paragraph designation "(2)",

(2) by inserting ", except as otherwise provided in subparagraph (B)" before the period, and

(3) by adding at the end the following:

"(B) A commissioned medical officer in the Regular or Reserve Corps may not receive additional special pay under paragraph (4) of section 302(a) of title 37, United States Code, for any period during which the officer is providing obligated service under section 338B (42 U.S.C. 254m), (or under former section 225(e) or 752). Such an officer serving during any other period may be provided additional special pay under that paragraph at the discretion of the Secretary up to the amounts described in that paragraph. The Secretary, in exercising his descretion under the preceding sentence, shall take into consideration the recruitment and retention problems of the Public Health Service, the level of performance of the officer concerned, and provisions of law relating to additional pay for Government physicians not in the uniformed services.".

(b) The second sentence of section 302(e) of title 37, United States Code, is amended by striking out "(a)(4) or".

(c) The amendments made by the preceding subsections shall not diminish benefits under an agreement entered into by an officer before the date of enactment of this Act.

CASH AWARDS FOR COMMISSIONED OFFICERS

Sec. 12. (a) Section 221(a) (42 U.S.C. 213a(a)) is amended by adding at the end the following:

"(15) Section 1124, Cash awards for suggestions, inventions, or scientific achievements.".

HEALTH CARE FOR INVOLUNTARILY SEPARATED COMMISSIONED OFFICERS AND DEPENDENTS

Sec. 13. Section 326 (42 U.S.C. 253) is amended by inserting after subsection (a) the following:

"(b) The Secretary may provide for health care for an officer of the Regular or Reserve Corps involuntarily separated from the Service (or for any dependent of the officer) for not more than one year from the date of separation if—

"(1) the officer (or dependent) was receiving health care at the expense of the Service at the time of separation, and

"(2) the Secretary finds that the officer (or dependent) is unable to obtain appropriate insurance for the condition for which he was receiving health care.".

REPEAL OF NARCOTIC ADDICT CIVIL COMMITMENT AND SERVICES AUTHORITIES

Sec. 14. (a)(1) Titles III and IV of the Narcotic Addict Rehabilitation Act of 1966 (42 U.S.C. 3411-3441) are repealed.

(2) Section 2 of Public Law 89-793 (42 U.S.C. 3401) is amended—

(A) in the first sentence, by striking out "charged with or" and "prosecution or", and

(B) by striking out the second sentence.

(3) Section 605 of Public Law 89-793 (42 U.S.C. 3401 nt) is amended by striking out the first and third sentences.

(b)(1) Chapter 175 of title 28, United States Code, is repealed.

(2) The table of contents to part VI of title 28, United States Code, is amended by deleting the matter referring to chapter 175.

(c)(1) Part E of title III (42 U.S.C. 257—261a) is repealed.

(2) Subsections (k) and (q) of section 2 (42 U.S.C. 201) are repealed.

(3) Subsection (j) of section 2 (42 U.S.C. 201) is amended by striking out "'habit-forming narcotic drug' or".

ELIMINATION OF UNNEEDED ADVISORY BODIES AND REPEAL OF OBSOLETE PROVISIONS

Sec. 15 (a) Sections 600 through 608 (42 U.S.C. 291-291h), sections 610 through 643A (42 U.S.C. 291j—291m-1), subsections (b) and (l) of section 645 (42 U.S.C. 291o), and title IX are repealed.

(b) Subsections (a), (d)(1), and (e) of section 609 (42 U.S.C. 291i) are each amended by inserting "former" before "section" each place it occurs.

(c) Section 645(j) (42 U.S.C. 291o(j)) is amended—

(1) by striking out "Surgeon General" each place it occurs and inserting instead "Secretary",

(2) by striking out "is to be" and inserting instead "was", and

(3) by inserting "former" before "section 602(a)(2)".

(d) Section 1602(e)(1) (42 U.S.C. 300q-2(e)(1)) is amended by inserting "former" before "section 626".

FOR-PROFIT ENTITIES AS GRANTEES UNDER VARIOUS PROGRAMS

Sec. 16. (a) Section 318(a) (42 U.S.C. 247c(a)), 318(b) (42 U.S.C. 247c(b)), and the matter in section 2002(a)(3) (42 U.S.C. 300z-1(a)(3)) preceding subparagraphs (A) are each amended by striking out "nonprofit".

(b)(1) The first sentence of section 1904(b) (42 U.S.C. 300w-3(b)) and of section 1915(b) (42 U.S.C. 300x-3(b)) are each amended—

(A) by adding "or" at the end of paragraph (3),

(B) by substituting a period for ", or" at the end of paragraph (4), and

(C) by striking out paragraph (5).

(2) The first sentence of section 504(b) of the Social Security Act (42 U.S.C. 704(b)) is amended—

(A) by adding "or" at the end of paragraph (3),

(B) by substituting a period for "; or" at the end of paragraph (4), and

(C) by striking out paragraph (5).

ELIMINATION OF UNNECESSARY REPORTS

Sec. 17. (a) Section 317(h) (42 U.S.C. 247b(h)) is repealed.

(b) Section 336A (42 U.S.C. 254i) is repealed.

(c)(1) Section 2111 (42 U.S.C. 300aa-10) is repealed.

(2) The first sentence of section 383(b) (42 U.S.C. 277(b)) is amended by striking out ", and the Secretary shall include in his annual report to the Congress a statement covering the recommendations made by the Board and the disposition thereof".

(d) Section 311(c) of title 37, United States Code, is repealed.

(e) Section 26(e)(2) of the Toxic Substances Control Act (15 U.S.C. 2625(e)(2)) is amended to read as follows:

"(2) The Administration and the Secretary shall—

"(A) define the term 'known financial interests' for purposes of paragraph (1), and

"(B) establish the methods by which the requirement to file written statements specified in paragraph (1) will be monitored and enforced, including appropriate provisions for review by the Administrator and the Secretary of such statements.".

TECHNICAL AMENDMENTS

Sec. 18. (a)(1) The first sentence of section 311(c)(1) (42 U.S.C. 243(c)(1)) is amended by striking out "or condition referred to in section 317(f)" and "involving or resulting from disasters or any such disease".

(2) The second sentence of section 311(c)(1) (42 U.S.C. 243(c)(1)) is amended by striking out everything after "health emergencies)" up to the period.

(b) Section 928(b) of the Omnibus Budget Reconciliation Act of 1981 is amended by striking out "(42 U.S.C. 247b(j)(1)(A))" and inserting instead "(42 U.S.C. 247b(j))".

S. 1644

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND REFERENCES IN ACT

Section 1. (a) This Act may be cited as the "Health Professions Amendments of 1985".

(b) The amendments in this Act apply to the Public Health Service Act, unless otherwise specifically stated.

AUTHORITY TO INSURE HEALTH EDUCATION ASSISTANCE LOANS

Sec. 2. (a) The first sentence of section 728(a) (42 U.S.C. 294a(a)) is amended—

(1) by striking out "and" after "1983;", and

(2) by inserting "; $250,000,000 for the fiscal year ending September 30, 1985; and $100,000,000 for the fiscal year ending September 30, 1986, and each of the two succeeding fiscal years" before the period.

(b) The second sentence of section 728(a) (42 U.S.C. 294a(a)) is amended by striking out "1987" and inserting instead "1991".

CHANGES IN THE HEALTH EDUCATION ASSISTANCE LOANS PROGRAM

Sec. 3. (a) Section 729(a) (42 U.S.C. 294(a)) is amended by inserting after the second sentence the following: "The annual and aggregate limits specified in the preceding sentences shall be reduced by any amounts received by the borrower as a scholarship under the National Health Service Corps Scholarship Program or under any program administered by the Department of Defense.".

(b)(1) Section 731(a)(2)(B) (42 U.S.C. 294d(a)(2)(B)) is amended by inserting "(not in excess of four years)" after "residency program".

(2) Section 731(a)(2)(C)(ii) (42 U.S.C. 294d(a)(2)(C)(ii)) is amended by inserting "(including any period in such a program described in subparagraph (B))" after "program".

(c) Section 731(a)(2)(C) (42 U.S.C. 294d(a)(2)(C)) is amended by striking out "or the 33-year period".

(d) Section 731 (42 U.S.C. 294d) is amended—

(1) by striking out subsection (c), and

(2) by redesignating subsection (d) as (c).

(e) The first sentence of section 732(c) (42 U.S.C. 294e(c)) is amended to read as follows: "The Secretary shall, pursuant to regulations, charge a premium for insurance on each loan under this subpart, payable in advance, at such times and in such manner as may be prescribed by the Secretary.".

(f) The first sentence of subsection (a) and of subsection (b) of section 734 (42 U.S.C. 294g) are each amended by inserting "collection or" before "default".

(g) The amendments made by subsections (b) and (c) of this section do not apply to any individual who has entered into a written agreement before the date of enactment of this Act for a loan insured under subpart I of part C of title VII of the Public Health Service Act.

CHANGES IN THE HEALTH PROFESSIONS STUDENT LOANS PROGRAMS

Sec. 4. (a)(1)(A) Section 741(b) (42 U.S.C. 294n(b)) is amended by adding at the end the following: "A student in a school of medicine or osteopathy who will graduate from the school after June 30, 1979, shall be eligible to receive a loan under this section after October 1, 1977, only if the student is of exceptional financial need (as defined by the Secretary in regulations).".

(B) Section 403(f) of the Health Professions Educational Assistance Act of 1976 (42 U.S.C. 294n nt) is repealed.

(2) Section 836(b)(1) (42 U.S.C. 297b(b)(1)) is amended—

(A) by striking out "and" at the end of clause (A), and

(B) by inserting before the semicolon the following: ", and (C) for a loan made after October 1, 1985, if the student will graduate from the school after June 30, 1988, is of exceptional financial need (as defined by the Secretary in regulations)".

(b)(1) Section 741(i) (42 U.S.C. 294n(i)) is amended to read as follows:

"(i) Subject to regulations of the Secretary, a school may assess a charge with respect to loans made under this subpart to cover the costs of insuring aginst cancellation of liability under subsection (d).".

(2) Section 836(c) (42 U.S.C. 297b(c)) is amended to read as follows:

"(c) Subject to regulations of the Secretary, a school may assess a reasonable charge with respect to loans made under this subpart to cover the costs of insuring against cancellation of liability under subsection (b)(4).".

(c) Sections 741(j) (42 U.S.C. 294n(j)) and 836(f) (42 U.S.C. 297b(f)) are each amended—

(1) in the first sentence, by striking out "may" and inserting instead "shall", and

(2) by striking out the second sentence and inserting instead the following: "The amount of any such charge shall be at six percent (calculated on an annual basis) of the outstanding loan amount plus costs of collection.".

(d)(1) Section 741 (42 U.S.C. 294n) is amended by adding at the end the following:

"(m) The Secretary is authorized to attempt to collect any loan which was made under this subpart and which is in default, referred to him by a school with which he has an agreement under this subpart, on behalf of that school under such terms and conditions as the Secretary may prescribe (including reimbursement from the school's student loan fund for expenses he may reasonably incur in attempting collection), but only if the school has met requirements specified by the Secretary in attempting to collect the loan. A loan so referred shall be treated as a debt subject to section 5514 of title 5, United States Code. Amounts collected shall be deposited in the school's student loan fund. Whenever the Secretary desires to bring a civil action regarding any such loan, he shall refer the matter to the Attorney General for appropriate action.".

(2) Section 836 (42 U.S.C. 297b) is amended by adding at the end the following:

"(k) The Secretary is authorized to attempt to collect any loan which was made under this subpart and which is in default, referred to him by a school with which he has an agreement under this subpart, on behalf of that school under such terms and conditions as the Secretary may prescribe (including reimbursement from the school's student loan fund for expenses he may reasonably incur in attempting collection), but only if the school has met requirements specified by the Secretary in attempting to collect the loan. A loan so referred shall be treated as a debt subject to section 5514 of title 5, United States Code. Amounts collected shall be deposited in the school's student loan fund. Whenever the Secretary desires to bring a civil action regarding any such loan, he shall refer the matter to the Attorney General for appropriate action.".

(e) Sections 743 (42 U.S.C. 294p) and 839 (42 U.S.C. 297e) are each amended by striking out "1987" each place it occurs and inserting instead "1990".

(f) Section 841 (42 U.S.C. 297h) is repealed.

(g) The amendments made by subsections (b) and (c) apply to loans made after the date of enactment of this Act.

REPEAL OF HEALTH PROFESSIONS ASSISTANCE AUTHORITIES

Sec. 5. (a)(1) Sections 702 (42 U.S.C. 292b), 720 (42 U.S.C. 293), 721 (42 U.S.C. 293a), 722 (42 U.S.C. 293b), and 725 (42 U.S.C. 293h), subpart V of part C of title VII (42 U.S.C. 294z and 294aa), and parts D, E, F, and G of title VII (42 U.S.C. 295—295h-7) are repealed.

(2) Section 701 (42 U.S.C. 292a) is amended—

(A) by striking out paragraphs (6) through (10), and

(B) by renumbering paragraphs (11) and (12) as (6) and (7), respectively.

(3) Section 705(d) (42 U.S.C. 292e(d)) is amended by striking out "scholarship, traineeship, loan," and inserting instead "loan".

(4) Section 707 (42 U.S.C. 292g) is amended by striking out everything after "Department," and inserting instead the following: "except that the authority to make a grant, enter into a contract, continue a grant or contract, or modify a contract under any program authorized by this title shall not be delegated to any administrator of, or officer in, a regional office or offices of the Department.".

(5) Section 724 (42 U.S.C. 293g) is amended to read as follows:

"REGULATIONS

"Sec. 724. The Secretary may make such regulations as he finds necessary to carry out the provisions of this part.".

(b)(1) Sections 801 (42 U.S.C. 296), 802 (42 U.S.C. 296a), 803 (42 U.S.C. 296b), 805 (42 U.S.C. 296d), 851 (42 U.S.C. 298), 854 (42 U.S.C. 298b-1), 855 (42 U.S.C. 298b-2), and 857 (42 U.S.C. 298b-4), subparts II through IV of part A of title VIII (42 U.S.C. 296e-296m), and subparts I and III of part B of title VIII (42 U.S.C. 297, 297-1, and 297j) are repealed.

(2) Part A of title VII (42 U.S.C. 296-296d) is amended by striking out the heading "Subpart I—Construction Assistance".

(3) Part B of title VIII (42 U.S.C. 297a-297g) is amended—

(A) by striking out the heading "Subpart II—Student Loans", and

(B) by striking out "subpart" each place it occurs and inserting instead "part".

(4) Section 853 (42 U.S.C. 298b) is amended—

(A) in the first sentence of paragraph (6), by striking out ", except that" and everything that follows up to the period,

(B) by striking out paragraphs (8) and (10), and

(C) by renumbering paragraph (9) as (8).

(5) Section 856 (42 U.S.C. 298b-3) is amended by striking out everything after "Services," and inserting instead the following: "except that the authority to make a grant or enter into a contract under any program authorized by this title shall not be further delegated to any administrator of, or officer in, any regional office or offices in the Department.".

(c) Section 501 (42 U.S.C. 290aa) is amended—

(1) by striking out subsection (g), and

(2) by redesignating subsection (h) as (g).

ELIMINATION OF REQUIRED REPORT ON THE NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM

Sec. 6. Section 338A(i) (42 U.S.C. 254l(i)) is repealed.

CLARIFICATION OF OBLIGATION UNDER THE NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM FOR INDIVIDUALS WHO REFUSE SCHOLARSHIP PAYMENTS

Sec. 7. (a) Section 338D(a)(4) (42 U.S.C. 254o(a)(4)) is amended by striking out "in part" and inserting instead "in substantial part (as determined by the Secretary in regulations)".

(b) The amendment made by subsection (a) applies to all individuals who enter or have entered into a contract under section 338A of the Public Health Service Act (42 U.S.C. 254) before, on, or after the date of enactment of this Act.

REPEAL OF FUNDING REQUIREMENTS FOR CERTAIN PROFESSIONS UNDER THE NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM

Sec. 8. Section 338F(b) (42 U.S.C. 254q(b)) is repealed.

ELIMINATION OF UNNEEDED HEALTH PROFESSIONS EDUCATION REPORTING REQUIREMENT

Sec. 9. (a) Subsection (c) of section 708 (42 U.S.C. 292h) is repealed.

(b) Subsections (d) through (g) of that section are redesignated as subsections (c) through (e).

REPEAL OF UNNEEDED AUTHORITIES FOR STANDARDS CONCERNING PERSONS WHO ADMINISTER RADIOLOGIC PROCEDURES AND FOR FEDERAL RADIATION GUIDELINES

Sec. 10. The Consumer-Patient Radiation Health and Safety Act of 1981 (42 U.S.C. 10001-10008 and 10001 nt) is repealed.

IMPROVED ENFORCEMENT OF REQUIREMENTS UNDER CERTAIN CONSTRUCTION PROGRAMS

Sec. 11. (a) Section 723 (42 U.S.C. 293c) is amended to read as follows:

"RECOVERY

"Sec. 723. (a) If at any time within twenty years (or withing such shorter period as the Secretary may prescribe by regulation for an interim facility) after the completion of construction of a facility with respect to which funds have been paid under former section 720(a)—

"(1)(A) in case the facility was an affiliated hospital or outpatient facility with respect to which funds have been paid under former section 720(a)(1), the owner shall cease to be a public or other nonprofit agency that would have been qualified to file an application under former section 605,

"(B) in case the facility was not an affiliated hospital or outpatient facility but was a facility with respect to which funds have been paid under former section 720(a)(1) or (3), the owner shall cease to be a public or nonprofit school, or

"(C) in case the facility was a facility with respect to which funds have been paid under former section 720(a)(2), the owner shall cease to be a public or nonprofit entity,

"(2) the facility shall cease to be used for the teaching or training purposes (or other purposes permitted under former section 722) for which it was constructed, or

"(3) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the owner the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

"(b) The owner of a facility with respect to which an event described in any of the paragraphs of subsection (a) occurs shall provide the Secretary written notice of the event not later than 10 days after the date on which the event occurs.

"(c)(1) The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of the facility as the amount of the Federal participation bore to the cost of construction.

"(2)(A) The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined quarterly) equal to 150 percent of the average bond equivalent rate of the thirteen week Treasury bills auctioned at the end of the preceding calendar quarter.

"(B) The period referred to in subparagraph (A) is the period beginning—

"(i) if notice is provided as prescribed by subsection (b), 191 days after the date of the event, or

"(ii) if notice is not provided as prescribed by subsection (b), 11 days after the event,

and ending on the date the amount the United States is entitled to recover is collected.

"(d) The Secretary may waive the recovery rights of the United States under subsection (a) with respect to a facility (under such conditions as the Secretary may set in regulations) if the Secretary determines that there is good cause for waiving those rights.

"(e) The right of recovery of the United States under subsection (a) shall not prior to judgment constitute a lien on any facility.".

(b) Section 804 (42 U.S.C. 296c) is amended to read as follows:

"RECOVERY

"Sec. 804. (a) If at any time within twenty years (or within such shorter period as the Secretary may prescribe by regulation for an interim facility) after the completion of construction of a facility with respect to which funds have been paid under this part—

"(1) the owner shall cease to be a public or nonprofit school,

"(2) the facility shall cease to be used for the training purposes for which it was constructed, or

"(3) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the owner the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

"(b) The owner of a facility with respect to which an event described in any of the paragraphs of subsection (a) occurs shall provide the Secretary written notice of the event not later than 10 days after the date on which the event occurs.

"(c)(1) The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of the facility as the amount of the Federal participation bore to the cost of the construction.

"(2)(A) The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined quarterly) equal to 150 percent of the average bond equivalent rate of the thirteen week Treasury bills auctioned at the end of the preceding calendar quarter.

"(B) The period referred to in subparagraph (A) is the period beginning—

"(i) if notice is provided as prescribed by subsection (b), 191 days after the date of the event, or

"(ii) if notice is not provided as prescribed by subsection (b), 11 days after the event.

and ending on the date the amount the United States is entitled to recover is collected.

"(d) The Secretary may waive the recovery rights of the United States under subsection (a) with respect to a facility (under such conditions as the Secretary may set in

regulations) if the Secretary determines that there is good cause for waiving those rights.

"(e) The right of recovery of the United States under subsection (a) shall not prior to judgment constitute a lien on any facility.".

(c) Section 2115 (42 U.S.C. 300aa-14) is amended to read as follows:

"RECOVERY

"Sec. 2115. (a) If any facility with respect to which funds have been paid under the former Community Mental Health Centers Act shall, at any time within twenty years after the completion of remodeling, construction, or expansion or after the date of its acquisition—

"(1) be sold or transferred to any entity (A) which would not have been qualified to file an application under section 222 of that former Act or (B) which is disapproved as a transferee by the State mental health authority or by another entity designated by the chief executive officer of the State, or

"(2) cease to used by a community mental health center in the provision of comprehensive mental heatlh services,

the United States shall be entitled to recover from the transferor, transferee, or owner, the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

"(b) The transferor and transferee of a facility that is sold or transferred as described in subsection (a)(1), or the owner of a facility the use of which is changed as described in subsection (a)(2), shall provide the Secretary written notice of the sale, transfer, or change not later than 10 days after the date on which the sale, transfer, or change occurs.

"(c)(1) The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of so much of the facility as constituted an approved project or projects as the amount of the Federal participation bore to the cost of the remodeling, construction, expansion, or acquisition of the project or projects.

"(2)(A) The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined quarterly) equal to 150 percent of the average bond equivalent rate of the thirteen week Treasury bills auctioned at the end of the preceding calendar quarter.

"(B) The period referred to in subparagraph (A) is the period beginning—

"(i) if notice is provided as prescribed by subsection (b), 191 days after the date of the sale, transfer, or cessation, or

"(ii) if notice is not provided as prescribed by subsection (b), 11 days after the sale, transfer, or cessation,

and ending on the date the amount the United States is entitled to recover is collected.

"(d) The Secretary may waive the recovery rights of the United States under subsection (a) with respect to a facility (under such conditions as the Secretary may set in regulations) if the Secretary determines that there is good cause for waiving those rights.

"(e) The right of recovery of the United States under subsection (a) shall not prior to judgment constitute a lien on any facility.".

(d)(1) In the case of any facility that was or is constructed, remodeled, expanded, or acquired on or before the date of enactment of this Act (or within 180 days after the date of enactment of this Act), the period described in subsection (c)(2)(B)(i) of sections 723, 804, and 2115 of the Public Health Service Act (42 U.S.C. 293c, 296c, and 300aa-14) (as amended by the preceding subsections of this section) shall begin no earlier than 181 days after the date of enactment of this Act.

(2) The amendments enacted by the preceding subsections of this section shall not adversely affect other legal rights of the United States.

By Mr. STEVENS (for himself, Mr. MURKOWSKI, Mr. ABDNOR, Mrs. HAWKINS, Mr. D'AMATO, Mr. DURENBERGER, and Mr. ROTH):

S. 1645. A bill to delay a postal rate increase for subscription publications; to the Committee on Governmental Affairs.

DELAY OF POSTAL RATE INCREASE FOR SUBSCRIPTION PUBLICATIONS

Mr. STEVENS. Mr. President, today I am joining my friends in introducing legislation that will delay for 6 months the recently announced postal rate increase as it affects subscription publications. This rate increase for subsidized mailers was agreed upon by the Board of Governors of the U.S. Postal Service during their September Board meeting.

As prudent as the Board decision was, unforunately, it still means that rural and small newspaper as well as school classroom publication publishers will be faced with an increase in the cost of sending out subscriptions by anywhere from 45 to 60 percent in approximately 4 weeks. Mr. President, these publishers simply cannot adjust that quickly to such a major postal rate increase, coming on top of an increase they already adjusted to in February of this year.

This is not a bailout or government largess. It is simply a wise policy of orderly withdrawal of a Federal subsidy in such a fashion so as not to cause the undue collapse in one of this Nation's treasures, the small and rural newspapers, as well as the educational publications of America.

This bill would cost approximately $40 million. The newspaper publishers of this Nation are competent businessmen and women and they understand the essential nature of reducing this national deficit, and they are willing to help, But, let's not reward their willingness by putting them out of business.

Mr. Chairman, I ask unanimous consent to have the text of the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1645

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, There are authorized to be appropriated sufficient sums so that the rates for mail under former section 4358 of title 39, United States Code, shall remain at step 14 on the rate phasing schedule under section 3626 of such title through March 31, 1986.

● **Mr. D'AMATO.** Mr. President, I rise today in support of legislation introduced by my good friend and colleague, Senator STEVENS. I commend him for his leadership on this issue.

This legislation responds to a recent decision by the Postal Service's Board of Governors that will have a tremendous impact on small newspapers and educational publications. The Board recently announced a rate increase, effective October 1, 1985, which will raise the cost of sending out subscriptions by 45 to 60 percent. This is on top of the rate increase which took effect in February of this year.

Mr. President, small newspapers and educational publications cannot adjust to such a rate increase on this short notice. They are locked into subscription rates based on expectations of substantially lower postal rates. Many of these outstanding publications could be forced out of business.

The bill which I am cosponsoring will delay this increase by 6 months. Although this legislation does not prevent this increase from occurring after that 6 month period, it will give small newspapers and education publications a chance to adjust their subscription rates and to budget for the increase.

I urge my colleagues to join in cosponsoring this legislation.●

By Mr. LEVIN:

S. 1646. A bill to amend chapter 34 of title 38, United States Code, to authorize the Administrator of Veterans' Affairs to afford educational assistance under such chapter to certain eligible veterans after the expiration of the 10-year delimiting period; to the Committee on Veterans' Affairs.

VETERANS EDUCATIONAL ASSISTANCE ACT

● **Mr. LEVIN.** Mr. President, today I am introducing legislation to provide for an extension of the eligiblity period for certain veterans to receive educational assistance. This bill addresses a situation faced by some of our veterans who are also married to members of the Armed Forces.

Congress has in the past recognized the sacrifices made by military spouses. The pressures of separation, frequent moves, and difficult living conditions are borne by military personnel and their families together. When military spouses are also former members of the military, they may face the additional problem of not being able to take full advantage of the educational benefits available to them by virtue of their having served in the Armed Forces.

Veterans affected by this legislation are currently given 10 years in which to utilize their educational benefits. This 10-year period takes into account the fact that the restrictions of military life often prevent service men and women from attaining their educational goals during their years in the service. In some cases, however, the 10-year period is not enough. When eligible veterans are also married to a member of the Armed Forces, they continue under the same restrictions that they faced before leaving the military. These spouses may have left the service in the formal sense, but, for all practical purposes, they are still in the military. The military husband or wife may be assigned to a base in a remote area, too far from an institution offering a program appropriate to the veteran's educational objectives. If this situation continues for all or most of the 10-year eligibility period, it is hard to see how these veterans can utilize the educational benefits to which they are entitled.

Current law allows for an extension of the eligibility period only in cases of disability. The bill I am introducing today will allow the VA Administrator to extend the 10-year period for veterans who are also military spouses living with their husbands or wives and who are unable to pursue their chosen educational program because of where they live.

The Congressional Budget Office estimates that the costs of this bill would be insignificant. A relatively small number of people would be eligible for the extension for which the bill provides. But for those who would be affected, this bill will have a very significant impact. These veterans have served their country as members of the armed forces, and, in a sense, they continue to serve their country as military spouses. This legislation would help to ensure that they are not denied the opportunity to achieve their educational goals.

I ask unanimous consent that a copy of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1646

Be it enacted by the Senate and House of Represenatives of the United States of America in Congress assembled, That section 1662 of title 38, United States Code, is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection (e):

"(e)(1) Notwithstanding subsection (a) of this section, if—

"(A) an eligible veteran was last discharged or released from active duty on or after January 1, 1970,

"(B) the Administrator determines that, during the entire 10-year period applicable to the eligible veteran under such subsection—

"(i) the eligible veteran was married to a member of the Armed Forces and resided with the member at or near each permanent duty station to which the member was assigned during such period, and

"(ii) the eligible veteran was unable to pursue a program of education appropriate for the educational, professional, or vocational objective chosen by the eligible veteran because the veteran's residences were not within a reasonable commuting distance of an educational institution or training establishment (approved in accordance with chapter 36 of this title) offering such a program of education, and

"(C) the eligible veteran satisfies the application requirements prescribed in paragraph (2) of this subsection,

educational assistance may be afforded the eligible veteran under this chapter during the 4-year period beginning on the date the Administrator approves an application filed by the veteran as required under paragraph (2) of this subsection.

"(2) An eligible veteran described in paragraph (1) of this subsection shall submit to the Administrator an application under section 1671 of this title within one year after the earlier of—

"(A) the first date the veteran's spouse is assigned to a permanent duty station in the Armed Forces which is within a reasonable commuting distance of an educational institution or training establishment referred to in paragraph (1)(B)(ii) of this subsection;

"(B) the date the veteran's spouse is discharged or released from active duty;

"(C) the date the veteran begins to reside in a location which is within a reasonable commuting distance of an educational institution or training establishment referred to in paragraph (1)(B)(ii) of this subsection; or

"(D) the date the marriage to the veteran's spouse terminates.

An eligible veteran shall include with the application submitted under section 1671 of this title such additional information and documentation as the Administrator requires for the purpose of making determinations under paragraph (1) of this subsection.".

SEC. 2. The first sentence of section 1662(e)(2) of title 38, United States Code (as added by the first section), shall not apply in the case of any eligible veteran (as defined in section 1652(a)(1) of such title) who submits an application to the Administrator of Veterans' Affairs under section 1671 of such title within 1 year after the date of enactment of this Act.●

By Mr. LAUTENBERG (for himself and Mr. ROTH):

S. 1647. A bill to amend the Tariff Act of 1930 to enhance the protection of intellectual property rights; to the Committee on Finance.

INTELLECTUAL PROPERTY RIGHTS ENFORCEMENT AMENDMENTS

● Mr. LAUTENBERG. Mr. President, I rise today to introduce the Intellectual Property Rights Enforcement Amendments of 1985, a bill to strengthen the enforcement of patents, copyrights, and trademarks in international trade. I am pleased to be joined by my distinguished colleague from Delaware [Mr. ROTH].

As the President's Commission on Industrial Competitiveness recently confirmed, America has no greater economic advantage than its technology and innovation. Yet, we will not reap the economic benefits of that technology unless we maintain an effective system for the protection of intellectual property rights, that is, patents, copyrights, and trademarks.

Developing new technology and innovation takes time, money and risk. The inventor needs an opportunity to reap a return, and our economy needs the opportunity to exploit American innovation.

Unfortunately, with increasing frequency, foreign firms are pirating American inventions, and then shipping those products back to the United States. The International Trade Commission estimated, back in 1982, that infringement of U.S. intellectual property cost Americans 131,000 jobs, in just five selected industrial sectors, and cost the Nation's businesses $5.5 billion in annual sales.

Since then, the problem has gotten worse. Piracy occurs in items as diverse as toy gremlins, optical waveguide fiber and amorphous metals.

One remedy is provided by section 337 of the Tariff Act of 1930. It gives the International Trade Commission the general power to exclude imports when the importer engages in "unfair methods of competition or unfair acts." The law has been used to keep out pirated products, but the law needs to be strengthened, and that is what our legislation would do.

Because the law was not designed specifically to protect intellectual property rights, it requires a complaining party to show that the imports threaten an efficient and economically operated domestic industry with destruction or substantial injury. Only then, can relief be granted.

Where trade affects the rights of patent, copyright, or trademark owners in the United States, there ought not be such obstacles to relief. To exclude certain imported goods, it should be enough that the articles infringe a patent, or are made abroad by the unauthorized use of a process that is patented here.

It should be enough that the imported article infringes a copyright, or that a product covered by a trademark was manufactured without the authority of the trademark holder. In other words, the bill covers the case of counterfeit trademarks. Much more controversial, and not addressed here, is the case in which products have bona fide trademarks, but enter through so-called gray market channels.

Intellectual property owners covered by the bill need not prove that a whole industry is threatened with destruction or substantial injury. Infringement is sufficient injury.

Also, an inventor would not have to prove that its industry is efficiently and economically operated. Indeed, some small high technology firms may not have the chance to get started,

and to become economical, before they are challenged by pirates.

The bill would make additional changes in section 337. It would require the ITC to act promptly on requests for relief pending the final resolution of a complaint. In cases where a key shipment of infringing goods is on its way, or a critical selling season is approaching, the failure of the ITC to act promptly inflicts harm on the intellectual property owners that is not easily remedied.

In order to overcome reluctance in the granting of temporary exclusion orders, the ITC is given the discretion to require the party seeking the order to put up a bond.

The bill also confirms the principle of finality of ITC judgments. There are cases, for example, where a party that is subject to an exclusion order for infringing a patent comes forth seeking a determination that it no longer infringes or seeks a modification of the order. The intellectual property owner is faced with additional litigation, to preserve the rights it so recently enforced.

The bill would confirm that the burden of proof in this subsequent proceeding is clearly on the party that was found in violation of the law. That party should be estopped from raising claims that could have been raised in the previous proceeding. It is my understanding that this is the rule today, but, the bill would enact this rule into statute.

The legislation also grants the ITC the power to order the forfeiture of articles. In principle, a general exclusion order is a powerful remedy, blocking the entry of goods, and forcing their return.

In reality, I am afraid, the Customs Service simply cannot and does not catch all infringing goods. When it does stop articles, it orders only that they be returned, and risks that there will be a second effort to import the goods, an effort that may elude detection. Forfeiture would make sure that pirates and counterfeiters do not have a second chance.

The legislation also speeds the granting of limited exclusion orders where a respondent defaults. The ITC may be justified in its current practice of establishing an adequate basis for a general exclusion order, even where respondents default, because of the broad nature of the remedy. However, where a party seeks a limited exclusion order, and a party defaults without good cause, relief should be forthcoming. Of course, securing a limited exclusion order when a party is in default should not preclude the complainant from securing a general exclusion order as well if a prima facie case is made.

Last, the bill increases the penalties for violation of cease and desist orders.

Mr. President, I should note that recently I joined Senator MATHIAS in introducing S. 1543, the Process Patent Amendment of 1985. Senator ROTH is also a cosponsor of that bill. It would make it a violation of domestic patent law to import, use or sell a product that is made abroad through the unauthorized use of a process that is patented here. Process patent reform is needed, to bring our law into line with that of other major industrial powers. It is needed to ensure the protection of our innovations, and the maintenance of incentives to innovate.

The bill we introduce today is a complement, and certainly not a substitute, for process patent law reform. The bill is a reflection of the breadth of the problem posed by the infringement of intellectual property rights, and the need for a variety of solutions.

Indeed, perhaps the greatest policymaking challenge is to increase respect of intellectual property in other nations, and in trade that does not involve the United States. When an American inventor's product is knocked off in one foreign country, and sold in another, U.S. exports are hurt.

We can condition certain trade benefits on adequate and effective intellectual property right protection. That was a provision of my bill last Congress, S. 2549, a provision that also found its way into the Trade and Tariff Act of 1984. But that approach depends on vigorous enforcement by an administration that may, unfortunately, be diverted by the pursuit of competing policy goals as well. In other words, Mr. President, a great deal of work needs to be done to raise international standards of intellectual property right protection.

I am not aware of any Member of this body who is not distressed by the flood of imports that have tipped our balance of trade. The causes of our trade imbalance are complex. Crafting a solution is not easy.

But, when the imports are pirated versions of American inventions, as is too often the case, there is no question that we should act and act firmly.

The legislation we introduce today will take action against unfair trade in counterfeit goods, pirated inventions, and copied works. I urge my colleagues to support this important amendment to our trade law.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intellectual Property Rights Enforcement Amendments of 1985".

SEC. 2. (a) Subsection (a) of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337), is amended—

(1) by striking out "(a) Unfair" and inserting in lieu thereof "(a)(1) Unfair",

(2) by striking out "efficiently and economically operated",

(3) by striking out "prevent" and inserting in lieu thereof "impair or prevent", and

(4) by adding at the end thereof the following new paragraph:

"(2) For purposes of this section, the following acts in the importation of articles into the United States or in their sale are declared to be unfair and to have the effect or tendency to destroy or substantially injure an industry or to impair the establishment of an industry:

"(A) Unauthorized importation of an article which infringes a valid United States patent or the unauthorized sale of such an imported article.

"(B) Unauthorized importation of an article which—

"(i) was made, produced, processed, or mined under, or by means of, a process covered by a valid United States patent, and

"(ii) if made, produced, processed, or mined in the United States, would infringe a valid United States patent,

or the unauthorized sale of such an imported article.

"(C) Unauthorized importation of an article which infringes a valid United States copyright or the unauthorized sale of such an imported article.

"(D) Importation of an article which infringes a valid United States trademark, or the sale of such an imported article, if the manufacture or production of such imported article was unauthorized.".

(b) Section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) is amended—

(1) by striking out "subsection (d) or (e)" in subsection (c) and inserting in lieu thereof "subsection (d), (e), (f), or (g)",

(2) by striking out "subsection (d), (e), or (f)" in subsection (c) and inserting in lieu thereof "subsection (d), (e), (f), (g), or (h)",

(3) by striking out "subsections (d), (e), and (f)" in subsection (c) and inserting in lieu thereof "subsection (d), (e), (f), (g), or (h)",

(4) by striking out "If" in the first sentence of subsection (e) and inserting in lieu thereof "(1) If",

(5) by adding at the end of subsection (e) the following new paragraph:

"(2) Any person may petition the Commission for the issuance of an order under this subsection. The Commission shall make a determination with regard to such petition by no later than the date that is 90 days after the date on which such petition is filed with the Commission. The Commission may require the petitioner to post a bond as a prerequisite to the issuance of an order under this subsection.",

(6) by striking out "In lieu of" in subsection (f)(1) and inserting in lieu thereof "In addition to, or in lieu of,",

(7) by inserting "twice" after "of $10,000 or" in subsection (f)(2),

(8) by redesignating subsections (g), (h), (i), and (j) as subsections (i), (j), (k), and (l), respectively,

(9) by inserting after subsection (f) the following new subsections:

"(g) FORFEITURE.—In addition to taking action under subsection (d) or (e), the Commission may issue an order providing that an article imported in violation of the provisions of this section be seized and forfeited to the United States. The Commission shall notify the Secretary of the Treasury of any order issued under this subsection and, upon receipt of such notice, the Secretary shall enforce such order in accordance with the provisions of this Act.

"(h) DEFAULT.—If—

"(1) a complaint is filed against a person under this section,

"(2) such complaint and a notice of investigation are served on such person,

"(3) such person fails to respond to the complaint and notice or otherwise fails to appear to answer the complaint and notice,

"(4) such person fails to show good cause why such person should not be found in default,

"(5) the facts alleged in the petition establish a violation of the provisions of this section, and

(6) the complainant seeks relief affecting such person,

the Commission shall presume the facts alleged in the complaint and shall, upon request, issue relief under this section affecting solely such person, unless, after considering the effect of such an order of relief upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, the Commission finds that such an order of relief should not be issued.",

(10) by striking out "subsection (d), (e), or (f)" each place it appears in subsection (i), as redesignated by paragraph (8) of this subsection, and inserting in lieu thereof "subsection (d), (e), (f), (g), or (h)",

(11) by inserting "and no seizure shall be made of any article under subsection (g) until such determination becomes final if such bond is posted" after "becomes final" in subsection (i)(3), as so redesignated,

(12) by striking out "and (g)" in subsection (j), as so redesignated, and inserting in lieu thereof "and (i)",

(13) by striking out "notifies" in subsection (j), as so redesignated, and inserting in lieu thereof ", or order to seize, notifies",

(14) by striking out "Except" in subsection (j), as so redesignated, and inserting in lieu thereof "(1) Except",

(15) by adding at the end of subsection (j), as so redesignated, the following new paragraph:

"(2) If any person who has previously been found by the Commission to be in violation of this section petitions the Commission for a determination that the petitioner is no longer in violation of this section or for a modification or recision of an order under subsection (d), (e), (f), (g), or (h)—

"(A) the burden of proof in any proceeding before the Commission regarding such petition shall be on the petitioner, and

"(B) relief may be granted by the Commission with respect to such petition only on the basis of new evidence or evidence that could not have been presented at the prior proceeding.",

(16) by striking out "subsection (d), (e), or (f)" in subsection (k), as so redesignated, and inserting in lieu thereof "subsection (d), (e), (f), (g), or (h)", and

(17) by striking out "patent" each place it appears in subsection (k) and inserting in lieu thereof "patent, copyright, or trademark".

SEC. 3. The Act of July 2, 1940 (54 Stat. 724, chapter 515; 19 U.S.C. 1337a) is hereby repealed.●

● Mr. ROTH. Mr. President, today I join Mr. LAUTENBERG in introducing legislation which is designed to level the playing field with respect to the enforcement of U.S. intellectual property rights. As our economy and the international competitiveness of our industries become increasingly dependent upon U.S. ingenuity and technological innovation, it has become critical to ensure quick, effective, and meaningful protection for U.S. intellectual property, both at home and abroad. While it is becoming increasingly important to seek the recognition and enforcement of intellectual property rights by all nations, all such efforts must begin at home. Currently, it is more difficult for the U.S. owner of a U.S. patent, copyright, or trademark to secure relief against infringing imports than it is to secure relief against infringing products made in the United States. Although the laws were not intended to have this result, that is currently the effect.

Section 337 of the Tariff Act of 1930 has become one of the primary mechanisms for enforcing U.S. intellectual property rights against infringing imports, because it is frequently the only means of securing effective relief against infringing merchandise of foreign origin. However, because section 337 was originally designed to cover a broad range of unfair acts in the importation of goods into the United States, it contains several elements, in addition to an unfair act, which must be proven before relief will be issued. Many of these requirements make no sense in the context of the infringement of intellectual property. Moreover, these elements are not required by our international obligations, as evidenced by the fact that many of our trading partners do not require such showings for the exclusion of infringing imports.

In order to secure relief against infringing imports, the owner of U.S. intellectual property must prove, in addition to infringement: (a) The presence of a U.S. industry, (b) that the U.S. industry is efficiently and economically operated, (c) that the effect or tendency of the infringing imports is to destroy or substantially injure a U.S. industry, and (d) that the beneficial effect of the contemplated relief outweighs certain public interest considerations enumerated in the statute.

The bill which I propose today is designed to require that foreign companies seeking the benefits and profits of the U.S. market play by the same set of rules that our U.S. companies must observe.

The bill provides that injury under section 337 has been shown where a complainant has successfully shown infringement of a U.S. patent, copyright, or trademark—or the importation or sale of products made by a process which would infringe a U.S. process patent, if practiced in the United States.

The bill also contains several other amendments designed to make section 337 relief more meaningful to holders of U.S. intellectual property. First, the U.S. International Trade Commission [ITC], the agency responsible for administering the statute, is authorized to require that a complainant seeking a temporary exclusion order post a bond in the event that the complainant is not successful. This provision is intended to make it easier for the ITC to provide temporary relief when needed.

Second, the bill would require the ITC to act on requests for temporary relief within 90 days after a petition for such relief is filed. In cases involving seasonal markets, or where key shipments of infringing merchandise are pending, temporary relief should be used to prevent harm to the owners of the intellectual property in issue.

Third, the bill provides the ITC with greater flexibility in designing relief. The bill would allow the ITC to issue cease and desist orders in addition to exclusion orders, rather than in lieu of exclusion orders. The bill would also grant the ITC the authority to order forfeiture of merchandise found to be in violation of section 337. This would prevent harm to an intellectual property owner where goods have been imported during an investigation, or during the Presidential review period. The loss of a bond to the U.S. Government penalizes the importer, but provides no relief to the U.S. intellectual property owner if the goods are imported while under bond.

Fourth, the bill underscores the importance of the finality of ITC judgments, by providing that a party that has been found to be in violation of section 337 may seek an advisory opinion or modification of the order, only if the party first shows that it is presenting new evidence or evidence that could not have been presented during the course of the original investigation. It also codifies the requirement that a party seeking such action has the burden of proving that the product or process would not violate section 337.

A complainant that has successfully shown that a patent is valid and infringed should not, in the absence of a showing of good cause, be subject to the expense of additional proceedings to protect the value of the relief secured. This is the approach which the ITC has adopted in the past. This bill would strengthen those principles and enact such requirements into the statute.

Fifth, the bill provides that a complainant need not go to the expense of establishing a prima facie case in an administrative hearing, if the respondent or respondents are in default, and the complainant is seeking relief against only the defaulting parties.

Lastly, the bill increases the penalties for violation of cease and desist orders.

The Intellectual Property Rights Enforcement Amendments of 1985 is intended to be a complement, rather than a substitute for, legislation strengthening U.S. process patent laws.

In today's highly competitive international marketplace, we can no longer afford to pioneer new technology after new technology, while complacently allowing others to profit from the resources and efforts required for developing such innovation. This bill represents an important step in remedying this problem.●

By Mr. MURKOWSKI:

S.J. Res. 199. A joint resolution to designate the month of November 1985 as "National Elks Veterans Remembrance Month"; to the Committee on the Judiciary.

NATIONAL ELKS VETERANS REMEMBRANCE MONTH

● Mr. MURKOWSKI. Mr. President, as chairman of the Veterans' Affairs Committee, I rise to introduce a resolution to designate the month of November as "National Elks Veterans Remembrance Month."

There are over 1,650,000 members of the Benevolent and Protective Order of Elks assembled in 50 State groups. The Elks, founded in 1868, have always demonstrated a strong commitment to this Nation's veterans.

During their 1946 convention, the Elks National Service Commission made a solemn pledge, "So long as there are veterans in our hospitals, the Benevolent and Protective Order of Elks will never forget them." Today, the Elks and their ladies auxiliaries continue to honor that pledge, as they provide many services and programs to hospitalized veterans.

The Elks National Service Commission supervises activities in all 172 Veterans' Administration Medical Centers and nursing homes and domiciliaries. In addition to providing entertainment, occupational therapy assistance, and comfort to hospitalized veterans, the Elks have given financial support to hospital committees. For example, the Elks through hide gathering programs, donate tanned hides to the VA, the market value being in excess of $1 million annually.

In 1919, the Elks funded and built a 700-bed reconstruction hospital in Boston to receive wounded servicemen returning home after World War I. The hospital was donated to the Government and became a veterans' hospital.

During World War II, Elks lodges helped recruit aviation cadets and conducted courses that enabled thousands of men to qualify for flight training. When the Army needed help to recruit 45,000 men for Air Corps ground crews, the Elks recruited 97,000 men. The Elks have also been successful in recruitment drives for the Navy and for enlisting nurses for Veterans' Administration hospitals.

The Elks have recently gone nationwide with their "Adopt a Veteran Program." This program seeks volunteers to tend to hospitalized veterans who are without family or friends nearby. The volunteer makes regular visits, providing personal care items, letter writing, phone calls and in general tending to the veteran's needs in areas where the Government cannot. Last year, Elks "adopted" more than 15,000 veterans.

In recognition of the many services the Elks have rendered to this Nation's veterans, it seems fitting to designate the month of November as "National Elks Veterans Remembrance Month."

Given the spirit of volunteerism that has been sweeping across America in recent years—with much credit to the current Administration's Private Sector Initiatives Program—it is appropriate that we recognize one of this Nation's premier volunteer organizations. I urge my colleagues to join me in this effort, to say thank you to this fine organization, not only for the work they have done for veterans, but for the spirit they infused in America.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was orderd to be printed in the RECORD, as follows:

S.J. RES. 199

Whereas there are one million, six hundred and fifty thousand members of the Benevolent and Protective Order of Elks, assembled in fifty State groups;

Whereas the fraternal and benevolent society, founded in 1868, has demonstrated a strong commitment to the veterans of the Nation;

Whereas the pledge of the Elks National Service Commission first made in 1946, remains, "so long as there are veterans in our hospitals, the Benevolent and Protective Order of Elks will never forget them.";

Whereas the Elks and the Ladies Auxiliaries of the Elks provide many services and programs to hospitalized veterans;

Whereas the Elks National Service Commission provides volunteer services and assistance in all one hundred and seventy-two Veterans' Administration medical centers, and nursing homes and domiciliaries;

Whereas in addition to providing entertainment, occupational therapy assistance, and comfort to hospitalized veterans, the Elks have given financial support to hospital committees and have engaged in recruitment activities for the Armed Services;

Whereas the numerous contributions of the Benevolent and Protective Order of Elks on behalf of the veterans of the National deserve greater public recognition and awareness; and

Whereas recognition of the Elks by the Congress and President through enactment of legislation declaring the month of November 1985 as "National Elks Veterans Remembrance Month", would serve to create greater public recognition and awareness of the contributions of the fraternal society, to express the appreciation of the Nation for the service of the Elks, to inspire more responsive care to veterans of the Nation, and to reinforce that duty to American veterans is the responsibility of all: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1985 is designated as "National Elks Veterans Remembrance Month", and the President is authorized and requested to issue a proclamation calling upon all citizens, community leaders, interested organizations, and Government officials to observe such month with appropriate programs, ceremonies, and activities.●

ADDITIONAL COSPONSORS

S. 274

At the request of Mr. DENTON, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 274, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 418

At the request of Mr. GRASSLEY, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 418, a bill to amend the Internal Revenue Code of 1954 to exclude certain net capital gain of insolvent taxpayers from the alternative minimum tax.

S. 419

At the request of Mr. GRASSLEY, the name of the Senator from North Carolina [Mr. EAST] was added as a cosponsor of S. 419, a bill to amend the Internal Revenue Code of 1954 to allow a deduction for one-half of the expenses paid by a self-employed taxpayer for individual health insurance premiums.

S. 491

At the request of Mr. QUAYLE, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 491, a bill to improve debt-collection activities and default recoveries and to reduce collection costs and program abuse under student loan programs administered by the Department of Education, and for other purposes.

S. 637

At the request of Mr. ZORINSKY, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 637, a bill to amend the Railroad Retirement Act of 1974 to allow a worker to be employed in any nonrailroad employment and still qualify for an annuity, subject to current deductions in the tier 1 benefit on account of work and new deductions in the tier 2 benefit if the employment is for his last nonrailroad employer.

S. 777

At the request of Mr. HEINZ, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 777, a bill to amend the Tax Equity and Fiscal Responsibility Act of 1982 to extend hospice benefits under the Medicare program for an additional 3 years.

S. 779

At the request of Mr. HEINZ, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 779, a bill to amend the Internal Revenue Code of 1954 to allow a credit against tax for expenses incurred in the care of elderly family members.

S. 896

At the request of Mr. GRASSLEY, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 896, a bill to amend the Internal Revenue Code of 1954 to apply rural electric cooperative plans to the provisions relating to cash or deferred arrangements.

S. 980

At the request of Mr. TRIBLE, the name of the Senator from North Carolina [Mr. EAST] was added as a cosponsor of S. 980, a bill to amend title I of the Housing and Community Development Act of 1974.

S. 985

At the request of Mr. GRASSLEY, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 985, a bill to protect the rights of victims of child abuse.

S. 1084

At the request of Mr. GOLDWATER, the name of the Senator from Iowa [Mr. HARKIN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from Missouri [Mr. EAGLETON] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

At the request of Mr. DURENBERGER, his name was added as a cosponsor of S. 1084, supra.

S. 1198

At the request of Mr. MITCHELL, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1198, a bill to establish in the Environmental Protection Agency a program of research on indoor air quality, and for other purposes.

S. 1249

At the request of Mr. HEINZ, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1249, a bill to amend titles XVIII and XIX of the Social Security Act to provide for coverage of respiratory care services for ventilator-dependent individuals under medicare and medicaid.

S. 1381

At the request of Mr. QUAYLE, the names of the Senator from Tennessee (Mr. GORE), the Senator from Mississippi (Mr. COCHRAN), and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 1381, A bill to amend the General Education Provisions Act to improve and expand the Assessment Policy Committee.

S. 1439

At the request of Mr. DODD, the name of the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 1439, A bill to amend title 39, United State Code, to provide that change-of-address order forms submitted to the Postal Service may be furnished to the appropriate State authority for purposes relating to voter registration.

S. 1450

At the request of Mr. HEINZ, the name of the Senator from Maryland [Mr. SARBANES], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 1450, a bill to prohibit the Secretary of Health and Human Services from changing reimbursement levels or methodologies for home health services under the Medicare Program prior to October 1, 1986, or during a freeze period.

S. 1504

At the request of Mr. ROCKEFELLER, the name of the Senator from Michigan [Mr. LEVIN], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 1504, a bill to assure that administrative law judges making determinations under the Black Lung Benefits Act receive compensation at a rate not less than that prescribed for GS-16 under section 5332 of title 5, United States Code.

S. 1540

At the request of Mr. DODD, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1540, a bill providing a statutory basis for a budget that requires that any increase in outlays be financed by an equivalent increase in revenues, and for other purposes.

S. 1570

At the request of Mr. NICKLES, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1570, a bill to amend the Fair Labor Standards Act of 1938 to exclude the employees of States and political subdivisions of States from the provisions of that act relating to maximum hours, to clarify the application of that act to volunteers, and for other purposes.

S. 1600

At the request of Mr. HEINZ, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 1600, a bill to provide that certain of the Social Security trust funds be excluded from the Federal budget process for fiscal years beginning on or after October 1, 1985, and to clarify that specifications and directions with respect to such trust funds may not be included in any concurrent resolution on the budget adopted with respect to fiscal years beginning after such date.

S. 1629

At the request of Mr. GRASSLEY, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 1629, a bill to amend the Tariff Act of 1930 to treat certain agricultural products as like products for purposes of antidumping and countervailing duty investigations.

SENATE JOINT RESOLUTION 3

At the request of Mr. THURMOND, the names of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of Senate Joint Resolution 3, a joint resolution proposing an amendment to the Constitution of the United States relating to voluntary school prayer.

SENATE JOINT RESOLUTION 175

At the request of Mr. PROXMIRE, the names of the Senator from Michigan [Mr. LEVIN], the Senator from New York [Mr. MOYNIHAN], the Senator from Indiana [Mr. LUGAR], and the Senator from New Jersey [Mr. LAUTENBERG] were added as a cosponsors of Senate Joint Resolution 175, a joint resolution to designate the week of August 25, 1985, through August 31, 1985, as "National CPR Awareness Week."

SENATE JOINT RESOLUTION 184

At the request of Mr. DENTON, the names of the Senator from Oklahoma [Mr. NICKLES], the Senator from Georgia [Mr. MATTINGLY], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Hawaii [Mr. INOUYE] were added as a cosponsors of Senate Joint Resolution 184, a joint resolution to authorize the Korean War Memorial, Inc., to erect a memorial in the District of Columbia or its environs.

SENATE JOINT RESOLUTION 188

At the request of Mrs. KASSEBAUM, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. ANDREWS], the Senator from Kansas [Mr. DOLE], the Senator form Hawaii [Mr. MATSUNAGA], the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of Senate Joint Resolution 188, a joint resolution to designate July 6, 1986, as "National Air Traffic Control Day."

SENATE CONCURRENT RESOLUTION 64—RELATING TO A NATIONAL COMMISSION ON THE FARM CREDIT SYSTEM

Mr. ABDNOR submitted the following concurrent resolution; which was referred to the Committee on Governmental Affairs:

S. CON. RES. 64

Whereas American agriculture remains in a severe economic recession;

Whereas this recession has jeopardized the financial condition of both lenders and borrowers of credit;

Whereas the Farm Credit System is a lender of one-third of the credit needs of American agriculture; and

Whereas investor confidence in the Farm Credit System securities is being eroded: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the President should, as soon as possible, form a non-partisan National Commission on the Farm Credit System to recommend reforms which will address the issues of ensuring adequate credit supplies and fair interest rates to farmers and ranchers,

(2) such Commission should transmit its recommendations to the President and the Congress within three weeks from the date of the passage of this resolution and thereafter at such times as the Commission deems appropriate, and

(3) such Commission should be composed of the Chairman or his selected representative of the House Committee on Agriculture, the House Committee on Banking, Finance and Urban Affairs, the Senate Committee on Agriculture, Nutrition, and Forestry, and the Senate Committee on Banking, Housing, and Urban Affairs; the Secretaries of Agriculture and Treasury or their representatives; the Chairman, Board of Governors of the Federal Reserve System or his representatives; the Governor of the Farm Credit Administration or his designee; one representative of each of the American Bankers Association and the Independent Bankers Association; one representative from a local entity within the Farm Credit System, and such other representative in the field of agricultural finance as the President deems appropriate to name. Such Commission shall not exceed twelve (12) persons.

Mr. ABDNOR. Mr. President, I rise to submit a concurrent resolution expressing the sense of the Congress that the President should form a National Commission on the Farm Credit System. This Commission would provide recommendations to the Congress within 3 weeks concerning necessary reforms to the farm credit system to ensure adequate credit supplies and fair interest rates to farmers and ranchers.

It is essential, Mr. President, that we rapidly bring together the best and most informed minds in the country to address this farm credit crisis. Prices are down, exports are down, land values are down, farm income is down, and now the farmers' and ranchers' primary source of financing is on the brink of collapse. Not since the Great Depression have American farmers and ranchers more needed or deserved the attention and understanding of their representative Government.

This is not a partisan issue, Mr. President. Without credit, farmers will simply be unable to put in next year's crop and that will yield an immeasurable tragedy for this Nation and millions of others in foreign countries dependent upon the United States as a supplier of food.

Let's get on with the job—now.

AMENDMENTS SUBMITTED

IMMIGRATION CONTROL ACT

HEINZ (AND OTHERS) AMENDMENT NO. 602

Mr. HEINZ (for himself, Mrs. HAWKINS, Mr. SPECTER, Mr. SASSER, Mr. ADBNOR, Mr. ANDREWS, Mr. DENTON, Mr. RIEGLE, Mr. DECONCINI, and Mr. WILSON) proposed an amendment to amendment No. 600 proposed by Mrs. HAWKINS to the bill (S. 1200) to amend the Immigration and Nationality Act to effectively control unauthorized immigration to the United States, and for other purposes; as follows:

At the end of the amendment, add the following:

SEC. . POLICY TOWARD SOCIAL SECURITY TRUST FUNDS.

(a) FINDINGS.—The Congress finds that—

(1) public confidence in the Social Security system has been undermined by the acrimonious debates over deficit reduction;

(2) including Social Security Trust Funds in the Unified Federal Budget masks the true size of the federal deficit;

(3) Social Security is wholly funded by a separate payroll tax, is running a surplus, and does not contribute to the federal deficit;

(4) it is time to protect the integrity of both the Social Security program and the federal budget process by separating the two; and

(5) removing Social Security Trust Funds from the Unified Federal Budget will enable Congress to proceed with the responsibility of solving our massive budget deficit.

(b) POLICY.—It is the sense of the Senate that Congress should separate the Social Security Trust Funds from the Unified Federal Budget at the earliest possible date.

KENNEDY AMENDMENT NO. 603

Mr. KENNEDY proposed an amendment to amendment No. 600 proposed by Mrs HAWKINS to the bill S. 1200, supra; as follows:

At the end of subsection (c) of the amendment, add the following new paragraph:

(4) Such sums as may be necessary and authorized for the Immigration and Naturalization Services to carry out the purposes of the section.

KENNEDY (AND BINGAMAN) AMENDMENT NO. 604

Mr. KENNEDY (for himself and Mr. BINGAMAN) proposed an amendment to the bill S. 1200, supra; as follows:

On page 118, line 14, strike out "five" and insert in lieu thereof "three".

On page 119, line 11, strike out "five" and insert in lieu thereof "three".

On page 121, between lines 6 and 7, insert the following:

(d) TERMINATION DATE FOR EMPLOYER SANCTIONS.—(1) The provisions of section 274A of the Immigration and Nationality Act shall terminate 30 calendar days after receipt of the last report required to be transmitted under subsection (b), if—

(A) the Comptroller General determines, and so reports in such report, that a widespread pattern of discrimination has resulted against citizens or nationals of the United States or against eligible workers seeking employment, the sole result of the implementation of employer sanctions; and

(B) there is enacted, within such period of 30 calendar days, a joint resolution stating in substance that the Congress approves the findings of the Comptroller General contained in such report.

(2) Any joint resolution referred to in clause (B) of paragraph (1) shall be considered in the Senate in accordance with subsection (f).

(e) EXPEDITED PROCEDURES IN THE HOUSE OF REPRESENTATIVES.—For the purpose of expediting the consideration and adoption of joint resolutions under subsection (d), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

(f) EXPEDITED PROCEDURES IN THE SENATE.—(1) For purposes of subsection (d), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.

(2) Paragraphs (3) and (4) of this subsection are enacted—

(A) as an exercise of the rulemaking power of the Senate and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of joint resolutions referred to in subsection (d), and supersede other rules of the Senate only to the extent that such paragraphs are inconsistent therewith; and

(B) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner as in the case of any other rule of the Senate.

(3)(A) If the committee of the Senate to which has been referred a joint resolution relating to the report described in subsection (d) has not reported such joint resolution at the end of ten calendar days after its introduction, not counting any day which is excluded under paragraph (1) of this subsection, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other joint resolution introduced with respect to the same report which has been referred to the committee, except that no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same report.

(B) A motion to discharge under subparagraph (A) of this paragraph may be made only by a Senator favoring the joint resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the joint resolution, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(4)(A) A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a joint resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a joint resolution is in order in the Senate.

KENNEDY (AND BINGAMAN) AMENDMENT NO. 605

Mr. KENNEDY (for himself and Mr. BINGAMAN) proposed an amendment to the bill S. 1200, supra; as follows:

Beginning on page 68 with line 7, strike out all through line 7 on page 93 and insert in lieu thereof the following:

TITLE II—LEGALIZATION

LEGALIZATION

SEC. 201. (a) Chapter 5 of title II is amended by inserting after section 245 (8 U.S.C. 1255) the following new section:

"ADJUSTMENT OF STATUS OF CERTAIN ENTRANTS BEFORE JANUARY 1, 1981, TO THAT OF PERSONS ADMITTED FOR TEMPORARY OR PERMANENT RESIDENCE

"SEC. 245A. (a) The Attorney General may, in his discretion and under such regulations as he shall prescribe, adjust the status of an alien to that of an alien lawfully admitted for permanent residence if—

"(1) the alien applies for such adjustment during the twelve-month period beginning on a date (not later than 180 days after the date of enactment of this section) designated by the Attorney General,

"(2)(A) the alien (other than an alien who entered as a nonimmigrant) establishes that he entered the United States prior to January 1, 1977, and has resided continuously in the United States in an unlawful status from January 1, 1977, through the date of enactment of the Immigration Reform and Control Act of 1985, or

"(B) the alien entered the United States as a nonimmigrant before January 1, 1977, the alien's period of authorized stay as a nonimmigrant expired before January 1, 1977, through the passage of time or the alien's unlawful status was known to the Government as of January 1, 1977, and the alien has resided continuously in the United States in an unlawful status from January 1, 1977, through the date of enactment of the Immigration Reform and Control Act of 1985, and

"(C) if the alien was at any time a nonimmigrant exchange alien (as defined in section 101(a)(15)(J)), the alien was not subject to the two-year foreign residence requirement of section 212(e) or has fulfilled that requirement or received a waiver thereof;

"(3) the alien was continuously physically present in the United States since the date of the enactment of the Immigration Reform and Control Act of 1985; and

"(4) the alien—

"(A) is admissible to the United States as an immigrant, except as otherwise provided under subsection (c)(3),

"(B) has not been convicted of any felony or of three or more misdemeanors committed in the United States,

"(C) has not assisted in the persecution of any person or persons on account of race, religion, nationality, membership in a particular social group, or political opinion, and

"(D) registers under the Military Selective Service Act, if the alien is required to be so registered under that Act.

Notwithstanding paragraph (1), an alien who (at any time during the one-year period described in paragraph (1)) is the subject of an order to show cause issued under section 242, must make application under such paragraph not later than the end of the thirty-day period beginning either on the first day of such one-year period or on the date of the issuance of such order, whichever day is later. An alien shall not be considered to have failed to maintain continuous physical presence in the United States for purposes of paragraph (3) by virtue of a brief, casual, and innocent absence from the United States.

"(b)(1) The Attorney General may, in his discretion and under such regulations as he shall prescribe, adjust the status of an alien to that of an alien lawfully admitted for temporary residence if—

"(A) the alien applies for such adjustment during the twelve-month period described in subsection (a)(1);

"(B)(i) the alien (other than an alien who entered as a nonimmigrant) establishes that he entered the United States prior to January 1, 1981, and has resided continuously in the United States in an unlawful status from January 1, 1981, through the date of enactment of the Immigration Reform and Control Act of 1985; or

"(ii) the alien entered the United States as a nonimmigrant before January 1, 1981, the alien's period of authorized stay as a nonimmigrant expired before January 1, 1981, through the passage of time or the alien's unlawful status was known to the Government as of January 1, 1981, and the alien has resided continuously in the United States in an unlawful status from January 1, 1981, through the date of enactment of the Immigration Reform and Control Act of 1985; and

"(iii) if the alien was at any time a nonimmigrant exchange alien (as defined in section 101(a)(15)(J)), the alien was not subject to the two-year foreign residence requirement of section 212(e) or has fulfilled that requirement or received a waiver thereof;

"(C) the alien has been continuously physically present in the United States since the date of the enactment of the Immigration Reform and Control Act of 1985; and

"(D) the alien—

"(i) is admissible to the United States as an immigrant, except as otherwise provided under subsection (c)(3),

"(ii) has not been convicted of any felony or three or more misdemeanors committed in the United States,

"(iii) has not assisted in the persecution of any person or persons on account of race, religion, nationality, membership in a particular social group, or political opinion, and

"(iv) registers under the Military Selective Service Act, if the alien is required to be so registered under that Act.

For purposes of this subsection, an alien in the status of a Cuban and Haitian entrant described in paragraph (1) or (2)(A) of section 501(e) of Public Law 96-422 shall be considered to have entered the United States and to be in an unlawful status in the United States. Notwithstanding paragraph (1), an alien who (at any time during the one-year period described in subparagraph (A)) is the subject of an order to show cause issued under section 242, must make application under such paragraph not later than the end of the thirty-day period beginning either on the first day of such one-year period or on the date of the issuance of such order, whichever day is later. An alien shall not be considered to have failed to maintained continuous physical presence in the United States for purposes of subparagraph (C) by virtue of a brief, casual, and innocent absence from the United States.

"(2) During the period an alien is in the lawful temporary resident status granted under paragraph (1)—

"(A) the Attorney General shall, in accordance with regulations, permit the alien to return to the United States after such brief and casual trips abroad as reflect an intention on the part of the alien to adjust to lawful permanent resident status under paragraph (1) and after brief temporary trips abroad occasioned by a family obligation involving an occurrence such as the illness or death of a close relative or other family need, and

"(B) the Attorney General shall grant the alien authorization to engage in employment in the United States and provide to that alien an 'employment authorized' endorsement or other appropriate work permit.

"(3) The Attorney General, in his discretion and under such regulations as he may prescribe, may adjust the status of any alien provided lawful temporary resident status under paragraph (1) to that of an alien lawfully admitted for permanent residence if the alien—

"(A) applies for such adjustment during the 12-month period beginning with the first day of the twenty-fifth month that begins after the date the alien was granted such temporary resident status;

"(B) establishes that he has continuously resided in the United States since the date the alien was granted such temporary resident status;

"(C)(i) is admissible to the United States as an immigrant, except as otherwise provided under subsection (c)(3), and

"(ii) has not been convicted of any felony or three or more misdemeanors committed in the United States; and

"(D) can demonstrate that he either (i) meets the requirements of section 312 (relating to minimal understanding of ordinary English and a knowledge and understanding

of the history and government of the United States), or (ii) is satisfactorily pursuing a course of study (recognized by the Attorney General) to achieve such an understanding of English and such a knowledge and understanding of the history and government of the United States. An alien shall not be considered to have lost the continuous residence referred to in subparagraph (B) by reason of an absence from the United States permitted under paragraph (2)(A). The Attorney General may, in his discretion, waive all or part of the requirements of subparagraph (D) in the case of an alien who is 65 years of age or older.

"(4) The Attorney General shall provide for termination of temporary resident status granted an alien under this subsection—

"(A) if it appears to the Attorney General that the alien was in fact not eligible for such status,

"(B) if the alien commits an act that (i) makes the alien inadmissible to the United States as an immigrant, except as otherwise provided under subsection (c)(3), or (ii) is convicted of any felony or three or more misdemeanors committed in the United States, or

"(C) at the end of the thirty-seventh month beginning after the date the alien is granted such status, unless the alien has filed an application for adjustment of such status pursuant to paragraph (3) and such application has not been denied.

"(c)(1)(A) The Attorney General shall provide that applications for adjustment of status under subsection (a) or under subsection (b)(1) may be filed—

"(i) with the Attorney General, or

"(ii) with an organization or person designated under subparagraph (B), but only if the applicant consents to the forwarding of the application to the Attorney General.

"(B) For purposes of assisting in the program of legalization provided under this section, the Attorney General shall designate qualified voluntary organizations and other qualified State, local, and community organizations and may designate such other persons as the Attorney General determines are qualified and have substantial experience, demonstrated competence, and traditional long-term involvement in the preparation and submittal of applications for adjustment of status under Public law 89-732 or under Public Law 94-145.

"(C) Each organization or person designated under subparagraph (B) must agree to forward to the Attorney General applications filed with it in accordance with subparagraph (A)(ii) but not to forward to the Attorney General applications filed with it unless the applicant has consented to such forwarding. No such organization or person may make a determination required by this section to be made by the Attorney General.

"(D) Whoever files an application for adjustment of status under this section and knowingly and willfully falsifies, conceals, or covers up a material fact or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

"(E) The Attorney General shall provide for a schedule of fees to be charged for the filing of applications for adjustment under subsection (a) or under subsection (b)(1). The Attorney General shall deposit payments received under the preceding sentence in a separate account and amounts in such account shall be available, without fiscal year limitation, only to cover administrative expenses incurred in connection with the review of applications filed under this section.

"(2) The numerical limitations of sections 201 and 202 shall not apply to the adjustment of aliens to lawful permanent resident status under this section.

"(3) The provisions of paragraphs (14), (20), (21), (25), and (32) of section 212(a) shall not be applicable in the determination of an alien's admissibility under subsections (a)(4)(A), (b)(1)(D)(i), (b)(3)(C)(i), and (b)(4)(B)(i), and the Attorney General, in making such determination with respect to a particular alien, may waive any other provision of such section other than paragraph (9), (10), (15) (except as it applies to the adjustment to lawful temporary resident status under subsection (a)), (23) (except for so much of such paragraph as relates to a single offense of simple possession of thirty grams or less of marihuana), (27), (28), (29), or (33), for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest. For purposes of this section, an alien is not ineligible for adjustment of status under this section due to being inadmissible under section 212(a)(15) if the alien demonstrates a history of employment in the United States evidencing self-support without receipt of public cash assistance.

"(4) During the six-month period beginning on the date of the enactment of this section, the Attorney General, in cooperation with qualified organizations and governments designated under paragraph (1) and the Secretary of Labor, shall broadly disseminate information respecting the benefits which aliens may receive under this section and the requirements to obtain such benefits.

"(5)(A) The Attorney General shall provide that in the case of an alien who is apprehended before the beginning of the application period described in subsection (a)(1) and who can establish a prima facie case of eligibility to have his status adjusted under subsection (a) or subsection (b)(1) (but for the fact that he may not apply for such adjustment until the beginning of such period), until the alien has had the opportunity during the first 30 days of the application period to complete the filing of an application for adjustment, the alien—

"(i) may not be deported, and

"(ii) shall be granted authorization to engage in employment in the United States and be provided an 'employment authorized" endorsement or other appropriate work permit.

"(B) The Attorney General shall provide that in the case of an alien who presents an application for adjustment of status under subsection (a) or subsection (b)(1) during such application period which application establishes a prima facie case of eligibility to have his status adjusted under such subsection, and until a final administrative determination on the application has been made in accordance with this section, the alien—

"(i) may not be deported, and

"(ii) shall be granted authorization to engage in employment in the United States and be provided an 'employment authorized' endorsement or other appropriate work permit.

"(6) Notwithstanding the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et. seq.), the Attorney General is hereby authorized to expend from the appropriation provided for the administration and enforcement of this Act, such amounts as may be necessary for the leasing or acquisition of property in the fulfillment of this section. This authority shall end two years after the date of the enactment of this Act.

"(d)(1) For the purposes of subsection (a), (b)(1), or (b)(3), an alien shall not be considered to have resided continuously in the United States, if, during any period for which continuous residence is required, the alien was outside the United States as a result of a departure under an order of deportation.

"(2) Any period of time during which an alien is outside the United States pursuant to the advance parole procedures of the Service shall not be considered as part of the period of time during which an alien is outside the United States for purposes of this section.

"(e)(1) During the five-year period beginning on the date an alien is granted lawful temporary resident status granted under subsection (b)(1) and during the three-year period beginning on the date an alien is granted lawful permanent resident status under subsection (2), and notwithstanding any other provision of law—

"(A) except as provided in paragraph (2), the alien is not eligible for—

"(i) any program of financial assistance furnished under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government,

"(ii) medical assistance under a State plan approved under title XIX of the Social Security Act, and

"(iii) assistance under the Food Stamp Act of 1977, and

"(B) a State or political subdivision therein may, to the extent consistent with subparagraph (A), provide that the alien is not eligible for the programs of financial or medical assistance furnished under the law of that State or political subdivision.

Programs authorized under the National School Lunch Act, the Child Nutrition Act of 1966, the Vocational Education Act of 1963, chapter 1 of the Education Consolidation and Improvement Act of 1981, the Headstart-Follow Through Act, the Job Training Partnership Act, and subparts 4 and 5 of part A of title IV of the Higher Education Act of 1965 shall not be construed to be programs of financial assistance referred to in subparagraph (A)(1). Programs authorized under the Public Health Service Act And title V of the Social Security Act shall not be construed to be programs of financial assistance refered to in subparagraph (A)(i).

"(2) Paragraph (1) shall not apply—

"(A) to a Cuban and Haitian entrant (as defined in paragraph (1) of (2)(A) of section 501(e) of Public Law 96-422, as in effect on April 1, 1983);

"(B) in the case of assistance furnished to an alien who is an aged, blind, or disabled individual (as defined in section 1614(a)(1) of the Social Security Act), or

"(C) in the case of medical assistance (i) for care and services provided to an alien who is under 18 years of age, (ii) for emergency services (as defined for purposes of section 1916(a)(2)(D) of the Social Security Act) or (iii) for services described in section

1916(a)(2)(B) of such Act (relating to services for pregnant women).

The eligibility, comparability, and any other State plan requirements of title XIX of the Social Security Act are superseded to the extent required to restrict the medical assistance in the manner described in subparagraph (C) and paragraph (1)(A)(ii). The Secretary of Health and Human Services, in coordination with the Attorney General, shall promulgate regulations in order to carry out subparagraphs (B) and (C).

"(3) For the purpose of section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96–122), assistance shall be continued under such section with respect to an alien without regard to the alien's adjustment of status under this section.

"(f)(1) The Attorney General, after consultation with the Committees on the Judiciary of the House of Representatives and of the Senate and with organizations and persons designated under subsection (c)(1)(B), shall prescribe—

"(A) regulations establishing a definition of the term 'resided continuously', as used in this section, and the evidence needed to establish that an alien has resided continuously in the United States for purposes of this section, and

"(B) such other regulations as may be necessary to carry out this section.

"(2) In prescribing regulations described in paragraph (1)(A), the Attorney General shall—

"(A) specify individual periods, and aggregate periods, of absence from the United States which will be considered to break a period of continuous residence in the United States and shall take into account absences due merely to brief and casual trips abroad;

"(B) provide for a waiver, in the discretion of the Attorney General, of the periods specified under subparagraph (A) in the case of an absence from the United States due merely to a brief temporary trip abroad required by emergency or extenuating circumstances outside the control of the alien;

"(C) require that continuous residence in the United States must be established through documents, together with independent corroboration of the information contained in such documents; and

"(D) require that the documents provided under subparagraph (C) be employment-related if employment-related documents with respect to the alien are available to the applicant.

"(3) Regulations prescribed under this section may be prescribed to take effect on an interim final basis if the Attorney General determines that this is necessary in order to implement this section in a timely manner.

"(g)(1) There shall be no administrative or judicial review of a determination respecting an application for adjustment of status under this section except in accordance with this subsection.

"(2) The Attorney General shall establish an appellate authority to provide for a single level of administrative appellate review of such a determination. Such administrative appellate review shall be based upon the administrative record established at the time of the determination on the application and upon such additional or newly discovered evidence as may not have been available at the time of the determination.

"(3)(A) There shall be no judicial review of such a determination, unless the applicant has exhausted the administrative review described in paragraph (2).

"(B) There shall be judicial review of such a denial only in the judicial review of an order of deportation under section 106. Such review shall be based solely upon the administrative record established at the time of the review by the appellate authority and the findings of fact and determinations contained in such record shall be conclusive.

"(h) Notwithstanding any other provision of law, the retired or retainer pay of a member or former member of the Army Forces of the United States or the annuity of a retired employee of the Federal Government shall not be reduced while such individual is temporarily employed by the Service for a period of not to exceed fifteen months to perform duties in connection with the adjustment of status of aliens under this section.".

(b) The table of contents for chapter 5 of title II is amended by inserting after the item relating to section 245 the following new item:

"Sec. 245A. Adjustment of status of certain entrants before January 1, 1981, to that of persons admitted for temporary or permanent residence.".

(c) For reports on the legalization program provided under the amendment made by subsection (a), see section 405 of this Act.

CUBAN-HAITIAN ADJUSTMENT

Sec. 202. (a) The status of any alien described in subsection (b) may be adjusted by the Attorney General, in the Attorney General's discretion and under such regulations as the Attorney General may prescribe, to that of an alien lawfully admitted for permanent residence if—

(1) the alien applies for such adjustment within two years after the date of the enactment of this Act;

(2) the alien is otherwise eligible to receive an immigrant visa and is otherwise admissible to the United States for permanent residence, except in determining such admissibility the grounds for exclusion specified in paragraphs (14), (15), (20), (21), (25), and (32) of section 212(a) of the Immigration and Nationality Act shall not apply;

(3) the alien is not an alien described in section 243(h)(2) of such Act;

(4) the alien is physically present in the United States on the date the application for such adjustment is filed; and

(5) the alien has continuously resided in the United States since January 1, 1982.

(b) The benefits provided by subsection (a) shall apply to any alien—

(1) who has received an immigration designation as a Cuban/Haitian Entrant (Status Pending) as of the date of the enactment of this Act, or

(2) who is a national of Cuba or Haiti, who arrived in the United States before January 1, 1982, with respect to whom any record was established by the Immigration and Naturalization Service before January 1, 1982, and who (unless the alien filed an application for asylum with the Immigration and Naturalization Service before January 1, 1982) was not admitted to the United States as a nonimmigrant.

(c) An alien who, as of the date of the enactment of this Act, is a Cuban and Haitian entrant for the purpose of section 501 of Public Law 96–422 shall continue to be considered such an entrant for such purpose without regard to any adjustment of status effected under this section.

(d) Upon approval of an alien's application for adjustment of status under subsection (a), the Attorney General shall establish a record of the alien's admission for permanent residence as of January 1, 1982.

(e) When an alien is granted the status of having been lawfully admitted for permanent residence pursuant to this section, the Secretary of State shall not be required to reduce the number of immigrant visas authorized to be issued under this Act and the Attorney General shall not be required to charge the alien any fee.

(f) Except as otherwise specifically provided in this section, the definitions contained in the Immigration and Nationality Act shall apply in the administration of this section. Nothing contained in this section shall be held to repeal, amend, alter, modify, effect, or restrict the powers, duties, functions, or authority of the Attorney General in the administration and enforcement of such Act or any other law relating to immigration, nationality, or naturalization. The fact that an alien may be eligible to be granted the status of having been lawfully admitted for permanent residence under this section shall not preclude the alien from seeking such status under any other provision of law for which the alien may be eligible.

STATE LEGALIZATION IMPACT-ASSISTANCE GRANTS

Sec. 203. (a)(1) There are authorized to be appropriated for grants (and related Federal administrative costs) to carry out this section $1,000,000,000 (less the amount described in paragraph (2)) for fiscal year 1986 and for each of the three succeeding fiscal years.

(2)(A) Subject to subparagraphs (B) and (C), the amount described in this paragraph for a fiscal year is equal to the amount estimated to be expended by the Federal Government in the fiscal year for the programs of financial assistance, medical assistance, and assistance under the Food Stamp Act of 1977 for aliens who would not be eligible for such assistance under paragraph (1)(A) of section 249A(e) of the Immigration and Nationality Act but for the provisions of subparagraphs (B) and (C) of paragraph (2) of such section.

(B) For purposes of subparagraph (A), with respect to—

(i) fiscal year 1986, the amount estimated to be expended is equal to $30,000,000, and

(ii) fiscal year 1987, the amount estimated to be expended is equal to $300,000,000. For subsequent fiscal years, the amount estimated to be expended shall be such estimate as contained in the annual fiscal budget submitted for that year to the Congress by the President.

HART (AND LEVIN) AMENDMENT NO. 606

Mr. HART (for himself and Mr. LEVIN) proposed an amendment to the bill S. 1200, supra; as follows:

On page 13, line 4, before the period insert "AND UNFAIR IMMIGRATION-RELATED EMPLOYMENT PRACTICES".

On page 13, line 7, strike out "section" and insert in lieu thereof "sections".

On page 33, line 12, strike out all that follows the first period.

On page 33, after line 12, insert the following:

"UNFAIR IMMIGRATION-RELATED EMPLOYMENT PRACTICES

"Sec. 274B. (a) Prohibition of Discrimination Based on National Origin or Immigration Status.—

"(1) General rule.—It is an unfair immigration-related employment practice for a

person or other entity to engage in a pattern or practice of discrimination against individuals (other than unauthorized aliens, described in section 274A(h)(2)) with respect to the hiring, or recruitment or referral for a fee, of individuals for employment—

"(A) because of such individual's national origin, or

"(B) in the case of a citizen or intending citizen (as defined in paragraph (3)), because of their status as United States citizens, as aliens lawfully admitted for permanent residence, as aliens admitted as refugees, as aliens granted asylum, or as aliens with lawful temporary resident status granted under section 202 of the Immigration Reform and Control Act of 1985.

"(2) Exceptions.—Paragraph (1) shall not apply to—

"(A) a person or other entity that employs three or fewer employees,

"(B) a person's or entity's discrimination because of an individual's national origin if the discrimination with respect to that person or entity and that individual is covered under section 703 of the Civil Rights Act of 1964, or

"(C) discrimination under paragraph (1)(B) which is otherwise required in order to comply with law, regulation, or executive order, or required by Federal, State, or local government contract, or which the Attorney General determines to be essential for an employer to do business with an agency or department of the Federal, State, or local government.

"(3) Definition of citizen or intending citizen.—As used in paragraph (1), the term citizen or intending citizen' means an individual who—

"(A) is a citizen or national of the United States, or

"(B) is an alien who—

"(i) is lawfully admitted for permanent residence, is admitted as a refugee under section 207, is granted asylum under section 208, or is granted lawful temporary resident status under section 202 of the Immigration Reform and Control Act of 1985, and

"(ii) evidences an intention to become a citizen of the United States through completing a declaration of intention to become a citizen;

but does not include an alien who fails to apply for naturalization within six months of the date the alien first becomes eligible (by virtue of period of lawful permanent residence) to apply for naturalization or, if later, within six months after the date of the enactment of this section.

"(b) Complaints of Violations.—

(1) In general.—Except as provided in paragraph (2), any person alleging that the person is adversely affected directly by an unfair immigration-related employment practice or an officer of the Service alleging that an unfair immigration-related employment practice has occurred or is occurring may file a charge respecting such practice or violation with the Special Counsel (appointed under subsection (c)). Charges shall be in writing under oath or affirmation and shall contain such information as the Attorney General requires. The person filing a charge shall serve a notice of the charge (including the date, place, and circumstances of the alleged unfair immigration-related employment practice) on the person or entity involved within 10 days. The Special Counsel shall notify each complainant of the notice required under the previous sentence.

"(2) No overlap with EEOC complaints.—No charge may be filed respecting an unfair immigration-related employment practice described in subsection (a)(1)(A) if a charge with respect to that practice based on the same set of facts has been filed with the Equal Employment Opportunity Commission under title VII of the Civil Rights Act of 1964, and no charge respecting an employment practice may be filed with the Equal Employment Opportunity Commission under such title if a charge with respect to such practice based on the same set of facts has been filed under this subsection. The previous sentence shall not apply where a charge has been mistakenly filed and has been withdrawn.

"(C) Special Counsel.—

"(1) Appointment.—The President shall appoint, by and with the advice and consent of the Senate, a Special Counsel for Immigration-Related Unfair Employment Practices (hereinafter in this section referred to as the 'Special Counsel') within the Department of Justice, but outside the Immigration and Naturalization Service, to serve for a term of four years. In the case of a vacancy in the office of the Special Counsel the President may designate the officer or employee who shall act as Special Counsel during such vacancy.

"(2) Duties.—The Special Counsel shall be responsible for investigation of charges and issuance of complaints under this section and in respect of the prosecution of all such complaints before immigration judges and the exercise of certain functions under subsection (i)(1).

"(3) Compensation.—The Special Counsel is entitled to receive compensation at the rate now or hereafter provided for grade GS–17 of the General Schedule, under section 5332 of title 5, United States Code.

"(4) Regional offices.—The Special Counsel, in accordance with regulations of the Attorney General, shall establish such regional offices as may be necessary to carry out his duties.

"(5) Staffing of office of special counsel.—In providing staffing for the Special Counsel, the Attorney General shall take into consideration the volume of charges filed with the special Counsel under this section, as well as the complexity of those charges and the need for the conduct of investigations under the second sentence of subsection (d)(1).

"(d) Investigation of Complaints.—

"(1) By special counsel.—The Special Counsel shall investigate each charge received and, within 90 days of the date of the receipt of the charge, determine whether or not there is reasonable cause to believe that the charge is true and whether or not to bring a complaint with respect to the charge before an administrative law judge. The Special Counsel may, on his own initiative, conduct investigations respecting unfair immigration-related employment practices and, based on such an investigation and subject to paragraph (3), file a compliant before such a judge.

"(2) Private actions where a pattern or practice violation.—If the Special Counsel, after receiving such a charge respecting an unfair immigration-related employment practice which alleges a pattern or practice of discriminatory activity, has not filed a complaint before an immigration judge with respect to such charge within such 90-day period, the person making the charge may (subject to paragraph (3)) file a complaint directly before such a judge.

"(3) Time limitations on complaints.—No complaint may be filed respecting any unfair immigration-related employment practice occurring more than 180 days prior to the date of the filing of the charge with the Special Counsel and the service of a copy thereof upon the person or entity against whom such charge is made. This subparagraph shall not prevent the subsequent amending of a charge or complaint under subsection (e)(1).

"(e)Hearings.—

"(1) Notice.—Whenever a complaint is made that a person or entity has engaged in or is engaging in any such unfair immigration-related employment practice, an immigration judge shall have power to issue and cause to be served upon such person or entity a copy of the complaint and a notice of hearing before the judge at a place therein fixed, not less than five days after the serving of the complaint. Any such complaint may be amended by the judge conducting the hearing in the judge's discretion at any time prior to the issuance of an order based thereon. The person or entity so complained of shall have the right to file an answer to the original or amended complaint and to appear in person or otherwise and give testimony at the place and time fixed in the complaint.

"(2) Conduct of hearings.—Hearings on complaints under this subsection shall be considered before immigration judges who are specially designated by the Attorney General as having special training respecting employment discrimination and, to the extent practicable, before such judges who only consider cases under this seciton.

"(3) Complainant as party.—Any person filing a charge with the Special Counsel respecting an unfair immigration-related employment practice shall be considered a full party to any complaint before an immigration judge respecting such practice and any subsequent appeal respecting that complaint. In the discretion of the judge conducting the hearing, any other person may be allowed to intervene in the said proceeding and to present testimony.

"(f) Testimony and Authority of Hearing Officers.—

"(1) Testimony.—The testimony taken by the immigration judge shall be reduced to writing. Thereafter, the judge, in his discretion, upon notice may provide for the taking of further testimony or hear argument.

"(2) Authority of immigration judges.—In conducting investigations and hearings under this subsection and in accordance with regulations of the Attorney General, the Special Counsel and immigration judges shall have reasonable access to examine evidence of any person or entity being investigated. The immigration judges by subpena may compel the attendance of witnesses and the production of evidence at any designated place or hearing. In case of contumacy or refusal to obey a subpena lawfully issued under this paragraph and upon application of the immigration judge, an appropriate district court of the United States may issue an order requiring compliance with such subpena and any failure to obey such order may be punished by such court as a contempt thereof.

"(g) Determinations.—

"(1) Order.—The immigration judge shall issue and cause to be served on the parties to the proceeding an order.

"(2) Orders finding violations.—

"(A) In general.—If, upon the preponderance of the testimony taken, an immigration judge determines that that any person or entity named in the complaint has engaged in or is engaging in any such unfair immigration-related employment practice,

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then the judge shall state his findings of fact and shall issue and cause to be served on such person or entity an order which requires such person or entity to cease and desist from such unfair immigration-related employment practice.

"(B) Contents of order.—Such an order also may require the person or entity—

"(i) to comply with the requirement of section 274A(b) with respect to individuals hired (or recruited or referred for employment for a fee) during a period of up to three years;

"(ii) to retain for the period referred to in clause (i) and only for purposes consistent with section 274A(b)(6), the name and address of each individual who applies, in person or in writing, for hiring for an existing position, or for recruiting or referring for a fee, for employment in the United States;

"(iii) to hire individuals directly and adversely affected, with or without back pay; and

"(iv)(I) except as provided in subclause (II), to pay a civil penalty of not more than $1,000 for each individual discriminated against, and

"(II) in the case of a person or entity previously subject to such an order, to pay a civil penalty of not more than $2,000 for each individual discriminated against.

"(C) Limitation on back pay remedy.—In providing a remedy under subparagraph (B)(iii), back pay liability shall not accrue from a date more than two years prior to the filing of a charge with an immigration judge. Interim earnings or amounts earnable with reasonable diligence by the individual or individuals aggrieved against shall operate to reduce the back pay otherwise allowable under such paragraph. No order shall require the hiring of an individual as an employee or the payment to him of any back pay, if the individual was refused employment for any reason other than discrimination on account of national origin or citizenship status.

"(D) Treatment of distinct entities.—In applying this subsection in the case of a person or entity composed of distinct, physically separate subdivisions each of which provides separately for the hiring, recruiting, or referring for employment without reference to the practices of, or under the control of, or common control with, another subdivision, each such subdivision shall be considered a separate person or entity.

"(3) Orders not finding violations.—If upon the preponderance of the testimony taken an immigration judge determines that the person or entity named in the complaint has engaged or is engaging in any such unfair immigration-related employment practice, then the judge shall state his findings of fact and shall issue an order dismissing the complaint.

"(h) Awarding of Attorney's Fees.—In any complaint respecting an unfair immigration-related employment practice, an immigration judge, in the judge's discretion, may allow a prevailing party, other than the United States, a reasonable attorney's fee.

"(i) Judicial Review Procedures.—

"(1) Modification of findings or orders prior to filing record in court.—Until the record in a case is filed in a court under this subsection, an immigration judge may at any time upon reasonable notice and in such manner as the judge deems proper, modify or set aside, in whole or in party, any finding or order made or issued by the judge.

"(2) Petition to court for enforcement of order, proceedings, review of judgment.—The Special Counsel may petition any court of appeals of the United States, or if all the courts of appeals to which application may be made are in vacation, any district court of the United States, within any circuit or district, respectively, wherein the unfair immigration-related employment practice in question occurred or wherein such person resides or transacts business, for the enforcement of the order and for appropriate temporary relief or restraining order, and shall file in the court the record in the proceedings, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall cause notice thereof to be served upon such person, and thereupon shall have jurisdiction of the proceedings and of the question determined therein, and shall have power to grant such temporary relief or restraining order as it deems just and proper, and to make and enter a decree enforcing, modifying and enforcing as so modified, or setting aside in whole or in part the order of the immigration judge. No objection that has not been urged before the judge shall be considered by the court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances. The findings of the judge with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the hearing before the judge, the court may order such additional evidence to be taken before the judge and to be made a part of the record. The immigration judge may modify his findings as to the facts, or make new findings by reason of additional evidence so taken and filed, and the judge shall file such modified or new findings, which findings with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive, and shall file his recommendations, if any, for the modification or setting aside of its original order. Upon the filing of the record with it the jurisdiction of the court shall be exclusive and its judgment and decree shall be final, except that the same shall be subject to review by the appropriate United States court of appeals if application was made to the district court, and by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

"(3) Review of final order on petition to court.—Any person aggrieved by a final order of an immigration judge under this section granting or denying in whole or in part the relief sought may obtain a review of such order in any United States court of appeals in the circuit wherein the unfair immigration-related employment practice in question was alleged to have been engaged in or wherein such person resides or transacts business, or in the United States Court of Appeals for the District of Columbia, by filing in such a court a written petition praying that the order of the immigration judge be modified or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the immigration judge, and thereupon the aggrieved party shall file in the court the record in the proceeding, certified by the judge, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall proceed in the same manner as in the case of an application by the Special Counsel under paragraph (2), and shall have the same jurisidiction to grant to the aggrieved party such temporary relief or restraining order as it deems just and proper, and in like manner to make and enter a decree enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order of the judge, the findings of the judge with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall in like manner be conclusive.

"(4) Institution of court proceedings as stay of judge's order.—The commencement of proceedings under this subsection shall not, unless specifically ordered by the court, operate as a stay of the immigration judge's order.

"(5) Injunctions.—The Special Counsel may, upon issuance of a compaint under this section charging that a person has engaged or is engaging in an unfair immigration-related employment practice, to petition any United States district court, within any district wherein the unfair immigration-related employment practice in question is alleged to have occurred or wherein such person resides or transacts business, for appropriate temporary relief or restraining order. Upon the filing of any such petition the court shall cause notice thereof to be served upon such person, and thereupon such have jurisdiction to grant to the Special Counsel such temporary relief or restraining order as it deems just and proper.

"(6) Awarding of attorney's fees.—In any proceeding under this subsection, the court, in its discretion, may allow a prevailing party, other than the United States, a reasonable attorney's fee as part of costs.".

McCLURE (AND OTHERS) AMENDMENT NO. 607

Mr. McCLURE (for himself, Mr. DeConcini, Mr. Gramm, Mr. Symms, Mr. Cranston, and Mr. Bingaman) proposed an amendment to the bill S. 1200, supra; as follows:

On page 116, between lines 16 and 17, insert the following:

SEC. 304. POWERS OF IMMIGRATION OFFICERS AND EMPLOYEES.

Section 287 of the Immigration and Nationality Act (8 U.S.C. 1357) is amended by adding at the end thereof the following:

"(d) Notwithstanding any other provision of this section (other than paragraph (3) of subsection (a)), in the enforcement of this act an officer or employee or the Service may not enter onto the premises of a farm or other agricultural operation without a properly executed warrant."

CRANSTON AMENDMENT NO. 608

Mr. CRANSTON proposed an amendment to the bill S. 1200, supra; as follows:

On page 89, line 15, before the period insert the following: "or, such documents provided under clause (i) may include a rent receipt, bank book, utility bill, or an affidavit from a credible witness (such as a parish priest)".

CHILES AMENDMENT NO. 609

Mr. CHILES proposed an amendment to the bill S. 1200, supra; as follows:

On page 38, between lines 20 and 21, insert the following:

(g)(1) The Attorney General, in consultation with the Secretary of Labor and the Secretary of Health and Human Services, shall conduct a study for use by the Department of Justice in determining employment eligibility in the United States. Such study shall concentrate on those data bases that are currently available to the Federal government which through the use of a telephone and computation capability could be used to verify instantly the employment eligibility status of job applicants.

(2) Such study shall be conducted in conjunction with any existing Federal program which is designed for the purpose of providing information on the resident or employment status of workers for employers. The study shall include an analysis of costs and benefits which shows the differences in costs and efficiency of having the Federal government or a contractor perform this service. Such comparisons should include reference to such technical capabilities as processing techniques and time, verification techniques and time, back up safeguards, and audit trail performance.

(3) Such study shall also concentrate on methods of phone verification which demonstrate the best safety and service standards, the least burden for the employer, the best capability for effective enforcement, and procedures which are within the boundaries of the Privacy Act of 1974.

(4) Such study shall be conducted within 12 months of the date of enactment of this Act.

(5) The Attorney General shall prepare and transmit to the Congress a report—

(A) not later than six months after the date of enactment of this Act, describing the status of such study; and

(B) not later than twelve months after such date, setting forth the findings of such study.

MOYNIHAN (AND D'AMATO) AMENDMENT NO. 610

Mr. MOYNIHAN (for himself and Mr. D'Amato) proposed an amendment to the bill S. 1200, supra; as follows:

On page 38, between lines 20 and 21, insert the following:

(g)(1) The Comptroller General of the United States, upon consultation with the Commissioner of Immigration as well as private sector representatives (including representatives of the financial, banking, and manufacturing industries), shall inquire into technological alternatives for producing and issuing social security account number cards that are more resistant to counterfeiting than social security account number cards being issued on the date of enactment of this Act by the Social Security Administration, including the use of encoded magnetic, optical, or active electronic media such as magnetic stripes, holograms, and integrated circuit chips. Such inquiry should focus on technologies that will help ensure the authenticity of the card, rather than the identity of the bearer.

(2) The Comptroller General of the United States shall explore additional actions that could be taken to reduce the potential for fraudulently obtaining and using social security account number cards.

(3) Not later than one year after the date of enactment of this Act, the Comptroller General of the United States shall prepare and transmit to the Committee on the Judiciary and the Committee on Ways and Means of the House of Representatives and the Committee on the Judiciary and the Committee on Finance of the Senate a report setting forth his findings and recommendations under this subsection.

EXON (AND OTHERS) AMENDMENT NO. 611

Mr. EXON (for himself, Mr. Simon, Mr. Bumpers, Mr. Harkin, Mr. Grassley, and Mr. Durenberger) proposed an amendment to the bill S. 1200, supra; as follows:

At the appropriate place in the bill, insert the following:

Sec. . (a) The Congress finds and declares that—

(1) The Treasury Department's decision on August 28, 1985 to postpone until November 1, 1985 implementation of a 60-cent per gallon tariff on imported Brazilian ethanol would cause significant harm to U.S. agricultural and commercial ethanol industries, a loss of jobs in the ethanol and related industries, further deteriorate the U.S. balance of trade, pressure downward commodity prices even further and heighten the long-term threat of more U.S. dependence on imported oil;

(2) This decision clearly is counter to the explicit dictates of the Congress in the passage of Public Law 96–499 adopted by the Congress in 1980 and signed into law by the President;

(3) The potential amount of ethanol which could be imported under reduced tariffs before November 1, 1985 could equal the total amount of annual domestic ethanol production in the United States;

(b) It is therefore the sense of the Senate that—

(1) The 60-cent per gallon tariff on imported ethanol should be immediately implemented.

METZENBAUM AMENDMENT NO. 612

Mr. METZENBAUM proposed an amendment to the bill S. 1200, supra; as follows:

On page 44, line 19, insert "for a period of not to exceed two years from the date of enactment of this Act" after "permitted."

GORTON AMENDMENT NO. 613

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill S. 1200, supra; as follows:

On page 68, between lines 5 and 6, insert the following new section heading:

SEC. 125. TEMPORARY AGRICULTURAL WORKER PROGRAM.

WILSON AMENDMENT NO. 614

(Ordered to lie on the table.)

Mr. WILSON submitted an amendment intended to be proposed by him to amendment No. 613 intented to be proposed by Mr. Gorton to the bill S. 1200, supra; as follows:

In the proposed amendment, strike out all after "Sec. 125." and insert in lieu thereof the following:

SEASONAL AGRICULTURAL WORKER PROGRAM.

(a) Providing New "o" Nonimmigrant Classification for Seasonal Agricultural Workers.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by this Act, is further amended—

(1) by inserting "and other than seasonal agricultural services in perishable commodities described in section 217(h)(1)" in subparagraph (H)(ii) after "section 216(h)(1)";

(2) by striking out "or" at the end of subparagraph (M);

(3) by striking out the period at the end of subparagraph (N) and inserting in lieu thereof "; or"; and

(4) by adding at the end of the following new subparagraph:

"(O) an alien having a residence in a foreign country which he has no intention of abandoning who is coming to the United States to perform seasonal agricultural services in perishable commodities (as defined in section 217(h)(1).".

(b) Admission of Seasonal Agricultural Workers.—Chapter 2 of title II is amended by adding after section 216 the following new section:

"SEC. 217. ADMISSION OF SEASONAL AGRICULTURAL WORKERS.

(a) Establishment of Seasonal Agricultural Worker Program.—The Attorney General, in consultation with the Secretary of Agriculture and the Secretary of Labor, shall by regulation establish a program (hereafter in this section referred to as 'the program') for the admission into the United States of seasonal agricultural workers (as defined in section 217(h)2).

"(b) Admission of Seasonal Agricultural Workers.—A petition to import an alien as a seasonal agricultural worker (as defined in section 217(h)(2)) may not be approved by the Attorney General unless the petitioner certifies to the Attorney General the following:

"(1) Seasonal agricultural employer in perishable commodities.—

"(A) Nature of petitioner.—The petitioner employs (or contracts for the employment of) individuals in seasonal agricultural services in perishable commodities, or is an association representing such employers or contractors.

"(B) Requirements of petitions.—For each month concerned and for each agricultural employment region (designated under section 217(i)(1)) in which the petitioner is operating, the petition must specify—

"(i) the total number and qualifications of individuals in seasonal agricultural services in perishable commodities required in each month, and

"(ii) the type of agricultural work required to be performed by these workers.

"(2) Will make recruiting effort.—The petitioner will make a good faith effort to recruit (as required by the Attorney General in regulations) in the area of intended employment, including the listing of employment opportunities with the appropriate office of a governmental employment service, and will accept for employment able, willing, and qualified workers referred by such office to perform seasonal agricultural services in perishable commodities until the commencement of the seasonal agricultural services for which the petitioner has recruited.

"(3) Report on recruitment.—In the case of a petitioner that has employed seasonal agricultural workers during the previous 12 months, the petitioner will provide a summary of his efforts to recruit domestic workers to perform seasonal agricultural services in perishable commodities during that period.

"(4) Adequate working conditions.—The petitioner will provide such wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed.

"(5) Housing.—The petitioner will furnish housing for nonimmigrants described in section 101(a)(15)(O) or, at the petitioner's option and instead of arranging for suitable housing accommodations, will substitute payment of a reasonable housing allowance to the provider of the housing, but only if the housing is otherwise available within the approximate area of employment.

"(6) Notice to attorney general of employment.—The petitioner will notify the Attorney General of the entering into, or termination, of an employment relationship with a seasonal agricultural worker not later than 72 hours of the time the relationship is entered into or terminated.

"(7) Employment only in seasonal agricultural employment in perishable commodities.—The petitioner will not employ a seasonal agricultural worker for services other than seasonal agricultural employment in perishable commodities.

"(8) Limitation on the use of "O" workers in perishable commodities.—The petitioner will not employ (or petition for the employment) of a nonimmigrant in any job opportunity under section 101(a)(15)(O) for seasonal agricultural services in perishable commodities when an application for employment in that job opportunity under section 101(a)(15)(N) is pending or approved.

"(9) Job information disclosure to "O" workers.—The petitioner shall, upon request, disclose in writing to seasonal agricultural workers when an offer of employment is made, the place of employment, the wage rates, the employee benefits to be provided, and any costs to be charged for each of them, the crops and kinds of activities for which the worker may be employed, and the anticipated period of employment.

"(c) Suspension of certification.—The Attorney General shall suspend a petitioner's certification under subsection (b) if any of the following conditions exist:

"(1) Labor dispute.—There is a strike or lockout in the course of a labor dispute which, under the regulations, precludes such certification.

"(2) Volation of term of previous certification.—

"(A) In General.—The employer at any time during the previous two-year period employed seasonal agricultural workers and the Attorney General has determined, after notice and opportunity for a hearing, that the employer at any time during that period—

"(i) substantially violated an essential term or condition of the labor certification under subsection (b) with respect to the employment of domestic or nonimmigrant workers, or

"(ii) has not paid any penalty for such violations which have been assessed by the Attorney General.

"(B) Disqualification limited to one year.—No employer may have its certification suspended under clause (A) for more than one year for any violation described in that clause.

"(3) Not providing for workers' compensation.—The employer has not provided the Attorney General with satisfactory assurances that if the employment for which the certification is sought is not covered by State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

"(d) Roles of agricultural associations.—

"(1) Permitting filing by agricultural associations.—A petition to import an alien as a seasonal agricultural worker, and a labor certification with respect to such a worker, may be filed by an association representing seasonal agricultural employers which use agricultural services.

"(2) Treatment of associations acting as employers.—If such an association is a joint or sole employer of seasonal agricultural workers, the certifications obtained under this section by the association may be used for the job opportunities of any of its members requiring such workers to perform agricultural services of a seasonal nature for which the certifications were obtained.

"(3) Treatment of violations.—

"(A) Member's violation does not necessarily disqualify association or other members.—If an individual member of such an association is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the member, the suspension shall apply only to that member and does not apply to the association unless the Attorney General determines that the association or other member participated in, or had knowledge of and derived benefit from, the violation.

"(4) Association's violation does not necessarily disqualify members.—If an association representing agricultural employers as an agent, joint employer, or employer is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the association, the suspension shall apply only to the association and does not apply to any individual member of the association unless the Attorney General determines that the member participated in, or had knowledge of and derived benefit from, the violation.

"(e) Expedited administrative appeal of suspension of certification under subsection (c) (2)—

"(1) Expedited procedures.—The Attorney General shall provide for an expedited procedure for the review of a suspension of certification under subsection (c)(2) or, at the applicant's request, for a de novo administrative hearing respecting the suspension. In the case of a request for such a review or hearing, the Attorney General shall provide that the review or hearing take place not later than 72 hours after the time the request is submitted.

"(f) Hearing de novo before the U.S. district court.—

"(1) Jurisdiction.—On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in the District of Columbia, has jurisdiction to enjoin the Attorney General from suspending the complainant's certification under the program and to order the reinstatement of complainant's certification if it is improperly suspended. In such a case, the court shall determine the matter do move and the burden is on the Attorney General to sustain his suspension.

"(2) Precedence of cases.—Except as to cases the court considers of greater importance, proceedings before the district court, as authorized by this and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

"(g) Miscellaneous Provisions.—

"(1) Authority.—The Attorney General is authorized to take such actions, including imposing appropriate penalties and seeking appropriate injunctive relief and specific performance of contractual obligations, as may be necessary to assure employer compliance with terms and conditions of employment under this section.

"(2) Appropriate documentation.—The Attorney General shall provide for such endorsement of entry and exit documents of seasonal agricultural workers as may be necessary to carryout this section and to provide notice for purposes of section 274A.

"(3) Preemption.—The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.

"(h) Definitions.—For purposes of this section:

"(1) Seasonal agricultural services in perishable commodities.—The term 'seasonal agricultural services in perishable commodities' means services in agricultural employment including planting cultural practices production, cultivation, growing, and harvesting involving perishable commodities (as defined by regulations of the Secretary of Agriculture).

"(2) Seasonal agricultural worker.—The term 'seasonal agricultural worker' means a nonimmigrant described in section 101(a)(15)(O).

"(3) Caribbean basin.—The terms 'Caribbean Basin' and 'Caribbean Basin Countries' include those countries eligible to be designated by the President as 'beneficiary countries' under section 212(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(b)).

"(i) Establishment of Numerical Limitations by Agricultural Employment Region.—

"(1) Establishment of agricultural employment region.— For purposes of the administration of the program the Attorney General shall designate not more than 10 agricultural employment regions within the United States. The entire United States shall be encompassed by the area of all such regions.

"(2) Numerical limitations.—After considering the factors described in paragraph (3), if the Attorney general determines that seasonal agricultural workers are required for a month for an agricultural employment region, the Attorney General shall establish a numerical limitation on the number of nonimmigrant visas that may be issued for such workers for that month for that region, except until the end of the third year after the effective date of this Act, the Attorney General may not establish a numerical limitation on the number of such visas that may be issued at any given time in excess of 350,000.

"(3) Factors in determination.—In making the determination and establishing numerical limitations under paragraph (2), the Attorney General shall—

"(A) base the determinations and limitations on petitions filed under section 217(b)(1),

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A), and

"(D) consult with the Secretary of Agriculture.

"(4) Numerical limitations after three years.—The Attorney General shall establish at the end of the third year after the effective date of this Act, a numerical limit on the total number of seasonal agricultural workers to be admitted into all employment regions in the United States under the program at any given time. In establishing a numerical limit under this paragraph, the Attorney General shall—

"(A) consider petitions filed under section 217(b)(1) during the preceding years of the program,

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts under taken by the Secretary of Labor under section 404(d)(1)(A),

"(D) consult with Secretary of Agriculture, and

"(E) consider the recommendation of the Commission on Agricultural Worker Programs on a numerical limit as provided under section 124(c)(5).

"(5) Changes in numerical limitations in extraordinary circumstances.—

"(A) Inadequate monthly and regional limitations.—If—

"(i) a numerical limitation has been established under paragraphs (2) or (4) for a region for a month, and

"(ii) a petitioner described in section 217(b)(1) establishes that extraordinary and unusual circumstances have resulted in a significant change in the petitioner's need for seasonal agricultural workers specified in the petition or in the availability of domestic workers who are able, willing, and qualified to perform seasonal agricultural employment, the petitioner may apply to the Attorney General (in such form and manner as the Attorney General shall provide) for an increase in the numerical limitations otherwise established under paragraphs (2) and (4) to accommodate the circumstances.

"(B) Determination.—The Attorney General shall make a determination on such an application within 72 hours of the date the application is completed. To the extent the application is approved, the Attorney General shall provide for an appropriate increase in the appropriate monthly and regional numerical limitation. The Attorney General may expand the number of workers admitted into the region for which the application is approved by transferring seasonal agricultural workers from another region with a lesser need or by admitting additional workers from foreign countries. In the event the limit on the admission of seasonal agricultural workers for all regions in the United States established under paragraph (4) has been reached at the time the application alleging extraordinary and unusual circumstances is filed, the Attorney General shall follow the procedures in subparagraph (C).

"(C) Increase in the numerical limitation established by the attorney general.—If—

"(i) a numerical limitation on the admission of seasonal agricultural workers into all employment regions has been established by the Attorney General under paragraph (4) and

"(ii) a petitioner described in section 217(b)(1) establishes under the provisions of subparagraphs (A) and (B) that extraordinary and unusual circumstances require an increase in the numerical limitation, the Attorney General may provide for an increase in the appropriate numerical limitation in an amount not to exceed 20 percent of the total number authorized for admission into all regions. Any such increase authorized by the Attorney General shall terminate upon the end of circumstances requiring it and shall not result in a permanent expansion of the numerical limit established the Attorney General under paragraph (4).

"(j) Entry of Seasonal Agricultural Workers.—

"(1) Annual time limitation.—An alien may not be admitted to the United States as a seasonal agricultural worker under section 101(a)(15)(O) for a period of more than nine months in any calendar year. An alien admitted under section 101(a)(15)(O) during any calendar year will not be eligible for readmission into the United States until he has returned to his country of origin for a period of 3 months.

"(2) Violators disqualified for 5 years.—An alien may not be admitted to the United States as a seasonal agricultural worker if the alien was admitted to the United States as such a worker within the previous five-year period and the alien during that period violated a term or condition of such previous admission.

"(k) Wages and Working Conditions.—The Attorney General, in consultation with the Secretaries of Agriculture and Labor, shall establish through regulation appropriate wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed in the area of intended employment.

"(l) Allocation and use of Visas Under the Program.—

"(1) In general.—Nonimmigrant visas for seasonal agricultural workers, within the numerical limitations established under subsection (i)(2), shall be made available as follows:

"(A) Previous workers.—Visas shall first be made available to qualified nonimmigrants who have previously been admitted as seasonal agricultural workers and who have fully complied with the terms and conditions of any such previous admission, providing priority in consideration among such aliens in the order of the length of time in which they were so employed.

"(B) Others.—Any remaining visas shall be made available to other qualified nonimmigrants.

"(C) Treatment of spouses and children.—A spouse or child of a seasonal agricultural worker is not entitled to a nonimmigrant visa as such a worker by virtue of such relationship, whether or not accompanying or following to join the nonimmigrant, but may be provided a nonimmigrant visa as such a worker if the spouse or child also is qualified as such a worker.

"(D) No individual employer visa petition required.—An alien admitted pursuant to section 101(a)(15) (O) shall not be required to obtain any petition from any prospective employer within the United States in order to obtain a nonimmigrant visa under the program.

"(E) No limitation to particular employer or crop.—A nonimmigrant visa issued under the program shall not limit the geographical area (other than by agricultural employment region) within which a seasonal agricultural worker may be employed or limit the type of seasonal agricultural employment services, in perishable commodities, the worker may perform.

"(F) Disqualification from federal assistance.—A seasonal agricultural worker under the program is not eligible for any program of financial assistance under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government.

"(G) Allocation of visas to caribbean basin countries.—The Attorney General, in consultation with the Secretaries of State and Agriculture, shall establish through regulations the allocation of visas to workers in specific countries under this section. A percentage of the visas issued shall be allocated to qualified workers in countries located in the Caribbean Basin.

"(m) Trust Fund for Program Administration.—

"(1) Establishment.—The Attorney General shall establish by regulation a trust fund the purpose of which is to provide funds for the administration of the program and to provide a monetary incentive for seasonal agricultural workers in the program to return to their country of origin upon expiration of their visas under the program. The Attorney General shall promulgate such other regulations as may be necessary to carry out this subsection.

"(2) Payments into trust fund.—In the case of employment of a seasonal agricultural worker under the program—

"(A) Employer payment.—The employer shall provide for payment into the trust fund established under this subsection of an amount equivalent to 11 percent of the wages of the worker.

"(B) Worker payment.—There shall be deducted from the wages of the nonimmigrant and paid into such trust fund an amount equivalent to 20 percent of the wages of the worker.

"(C) Wages defined.—For purposes of this paragraph, the term 'wages' has the meaning given such term in section 3121(a) of the Internal Revenue Code of 1954, except that for these purposes paragraph (1) of that section shall not apply.

"(3) Use of amounts in trust fund.—

"(A) Employer payments and interest.—Except as provided in paragraph (B), amounts paid into the trust fund, and interest thereon, shall be used for the purpose of administering the program.

"(B) Worker payments.—Amounts described in paragraph (B) paid into the trust fund with respect to a worker and interest thereon shall be paid to the worker if—

"(i) the worker applies for payment within 30 days of the last day of employment under the program (as verified by the Attorney General) at the United States consulate nearest the worker's residence in the country of origin, and

"(ii) the worker complies with the terms and conditions of the program, including the obligation to be continuously employed (or actively seeking employment) in seasonal agricultural employment in perishable commodities.

"(4) Expansion of consulates.—The Secretary of State is authorized to take such steps as may be necessary in order to expand and establish consulates in foreign countries in which aliens are likely to apply for nonimmigrant status under the program.".

(c) Authorization of Appropriations.—Section 404 (8 U.S.C. 1101), as amended by sections 101(b) and 102(b) of this Act, is further amended by adding at the end the following new subsections:

"(d) Authorizations of Appropriations for Secretary of Labor.—(1) There are authorized to be appropriated to the Secretary of Labor for each fiscal year, beginning with fiscal year 1986, $10,000,000 for the purposes—

"(A) of recruiting domestic workers for temporary services which might otherwise be performed by seasonal agricultural workers described in section 217, and

"(B) of monitoring terms and conditions under which such temporary and seasonal agricultural workers (and domestic workers employed by the same employers) are employed in the United States.

"(e) Authorization of Appropriations for Secretary of Agriculture.—There are authorized to be appropriated for each fiscal year, beginning with fiscal year 1986, such sums as may be necessary for the purposes of enabling the Secretary of Agriculture to carry out the Secretary's duties and responsibilities under section 217.".

(d) Prohibiting Adjustment of Status of Temporary Agricultural Workers.—(1) Section 245(c) (8 U.S.C. 1255(c)), as amended by sections 113(a) and 122(e)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(4) An alien (other than an immediate relative specified in section 210(b)) who entered the United States classified as a nonimmigrant under section 101(a)(15)(O).

(2) Section 248(l) (8 U.S.C. 1258(l)), as amended by section 122(e)(2), is further amended by striking out "(K) or (N)" and inserting in lieu thereof "(K), (N), or (O).".

(e) Effective Date.—The amendments made by subsections (a), (b), (c), and (d) of this section apply to petitions and applications filed under section 217 of the Immigration and Nationality Act on or after the first day of the twelfth month beginning after the date of the enactment of this Act (hereafter in this section referred to as the "effective date").

(f) Regulations.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall approve all regulations to be issued implementing sections 101(a)(15)(O) and 217 of the Immigration and Nationality Act. Notwithstanding any other provision of law, final regulations to implement such sections shall first be issued, on an interim or other basis, not later than the effective date.

(g) Deportation of Seasonal Agricultural Workers for Failure To Be Employed or Seek Employment.—Section 241(a) (8 U.S.C. 1251(a)) is amended—

(1) by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or"; and

(2) by adding at the end the following new paragraph:

"(20) entered the United States as nonimmigrants under section 101(a)(15)(O) and failed to be continuously employed or actively seeking employment in seasonal agricultural employment in perishable commodities (as defined in section 217(h)(1) in accordance with the usual and customary employment patterns and practices.".

(h) Sense of Congress Respecting Advisory Commission.—It is the sense of Congress that the President should establish an advisory commission which shall consult with the Government of Mexico and the governments of other appropriate countries and advise the Attorney General regarding the operation of the seasonal agricultural worker program established under section 217 of the Immigration and Nationality Act.

(i) Conforming Amendment to Table of Contents.—The table of contents is amended by inserting after the item relating to section 216, as added by section 122(h), the following new item:

"Sec. 217. Seasonal agricultural worker program.".

LEVIN (AND DeCONCINI) AMENDMENT NO. 615

(Ordered to lie on the table.)

Mr. LEVIN (for himself and Mr. DeConcini) submitted an amendment intended to be proposed by them to the bill S. 1200, supra; as follows:

On page 93, between lines 7 and 8, insert the following:

(k)(1) The Congress finds that because equities exist in a certain group of persons who, while at present in the United States illegally, arrived prior to January 1, 1980, this Act provides the prospect for legislation for such group of persons who meet the eligibility requirements of this Act.

(2) It is not the purpose of this Act to deny employment or to otherwise prevent such group of persons from qualifying for legalization.

(3) Notwithstanding any other provision of law, the Attorney General shall prescribe regulations to permit any person who would be eligible for legalization under section 202 to remain in the United States and to engage in employment until the end of the application period described in subsection (a)(1).

WILSON AMENDMENT NO. 616

(Ordered to lie on the table.)

Mr. WILSON submitted an amendment intended to be proposed by him to the bill S. 1200, supra; as follows:

On page 68, between lines 5 and 6, insert the following new section:

SEC. 125. SEASONAL AGRICULTURAL WORKER PROGRAM.

(a) Providing New "O" Nonimmigrant Classification for Seasonal Agricultural Workers.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by this Act, is further amended—

(1) by inserting "and other than seasonal agricultural services in perishable commodities described in section 217(h)(1)" in subparagraph (H)(ii) after "section 216(h)(1)";

(2) by striking out "or" at the end of subparagraph (M);

(3) by striking out the period at the end of subparagraph (N) and inserting in lieu thereof "; or"; and

(4) by adding at the end the following new subparagraph;

"(O) an alien having a residence in a foreign country which he has no intention of abandoning who is coming to the United States to perform seasonal agricultural services in perishable commodities (as defined in section 217(h)(1)).".

(b) Admission of Seasonal Agricultural Workers.—Chapter 2 of title II is amended by adding after section 216 the following new section:

"SEC. 217. ADMISSION OF SEASONAL AGRICULTURAL WORKERS.

"(a) Establishment of Seasonal Agricultural Worker Program.—The Attorney General, in consultation with the Secretary of Agriculture and the Secretary of Labor, shall by regulation establish a program (hereafter in this section referred to as 'the program') for the admission into the United States of seasonal agricultural workers (as defined in section 217(h)(2).

"(b) Admission of Seasonal Agricultural Workers.—A petition to import an alien as a seasonal agricultural worker (as defined in section 217(h)(2)) may not be approved by the Attorney General unless the petitioner certifies to the Attorney General the following:

"(1) Seasonal agricultural employer in perishable commodities.—

"(A) Nature of petitioner.—The petitioner employs (or contracts for the employment of) individuals in seasonal agricultural services in perishable commodities, or is an association representing such employers or contractors.

"(B) Requirements of petitions.—For each month concerned and for each agricultural employment region (designated under section 217(i)(1)) in which the petitioner is operating, the petition must specify—

"(i) the total number and qualifications of individuals in seasonal agricultural services in perishable commodities required in each month, and

"(ii) the type of agricultural work required to be performed by these workers.

"(2) Will make recruiting effort.—The petitioner will make a good faith effort to recruit (as required by the Attorney General in regulations) in the area of intended employment, including the listing of employment opportunities with the appropriate office of a governmental employment service, and will accept for employment able, willing, and qualified workers referred by such office to perform seasonal agricultural services in perishable commodities until the commencement of the seasonal agricultural services for which the petitioner has recruited.

"(3) Report on recruitment.—In the case of a petitioner that has employed seasonal agricultural workers during the previous 12 months, the petitioner will provide a summary of his efforts to recruit domestic workers to perform seasonal agricultural services in perishable commodities during that period.

"(4) Adequate working conditions.—The petitioner will provide such wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed.

"(5) Housing.—The petitioner will furnish housing for nonimmigrants described in section 101(a)(15)(O) or, at the petitioner's option and instead of arranging for suitable housing accommodations, will substitute payment of a reasonable housing allowance to the provider of the housing, but only if the housing is otherwise available within the approximate area of employment.

"(6) Notice to attorney general of employment.—The petitioner will notify the Attorney General of the entering into, or termination, of an employment relationship with a seasonal agricultural worker not later than 72 hours of the time the relationship is entered into or terminated.

"(7) Employment only in seasonal agricultural empoloyment in perishable commodities.—The petitioner will not employ a seasonal agricultural worker for services

other than seasonal agricultural employment in perishable commodities.

"(8) Limitation on the use of 'o' workers in perishable commodities.—The petitioner will not employ (or petition for the employment) of a nonimmigrant in any job opportunity under section 101(a)(15)(O) for seasonal agricultural services in perishable commodities when an application for employment in that job opportunity under section 101(a)(15)(N) is pending or approved.

"(9) Job information disclosure to 'o' workers.—The petitioner shall, upon request, disclose in writing to seasonal agricultural workers when an offer of employment is made, the place of employment, the wage rates, the employee benefits to be provided, and any costs to be charged for each of them, the crops and kinds of activities for which the worker may be employed, and the anticipated period of employment.

"(c) Suspension of Certification.—The Attorney General shall suspend a petitioner's certification under subsection (b) if any of the following conditions exist:

"(1) Labor dispute.—There is a strike or lockout in the course of a labor dispute which, under the regulations, precludes such certification.

"(2) Violation of term of previous certification.—

"(A) In general.—The employer at any time during the previous two-year period employed seasonal agricultural workers and the Attorney General has determined, after notice and opportunity for a hearing, that the employer at any time during that period—

"(i) substantially violated an essential term or condition of the labor certification under subsection (b) with respect to the employment of domestic or nonimmigrant workers, or

"(ii) has not paid any penalty for such violations which have been assessed by the Attorney General.

"(B) Disqualification limited to one year.—No employer may have its certification suspended under clause (A) for more than one year for any violation described in that clause.

"(3) Not providing for workers' compensation.—The employer has not provided the Attorney General with satisfactory assurances that if the employment for which the certification is sought is not covered by State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

"(d) Roles of Agricultural Associations.—

"(1) Permitting filing by agricultural associations.—A petition to import an alien as a seasonal agricultural worker, and a labor certification with respect to such a worker, may be filed by an association representing seasonal agricultural employers which use agricultural services.

"(2) Treatment of associations acting as employers.—If such an association is a joint or sole employer of seasonal agricultural workers, the certifications obtained under this section by the association may be used for the job opportunities of any of its members requiring such workers to perform agricultural services of a seasonal nature for which the certifications were obtained.

"(3) Treatment of violations.—

"(A) Member's violation does not necessarily disqualify association or other members.—If an individual member of such an association is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the member, the suspension shall apply only to that member and does not apply to the association unless the Attorney General determines that the association or other member participated in, or had knowledge of and derived benefit from, the violation.

"(4) Association's violation does not necessarily disqualify members.—If an association representing agricultural employers as an agent, joint employer, or employer is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the association, the suspension shall apply only to the association and does not apply to any individual member of the association unless the Attorney General determines that the member participated in, or had knowledge of and derived benefit from, the violation.

"(e) Expedited Administrative Appeal of Suspension of Certification Under Subsection (c)(2)—

"(1) Expedited procedures.—The Attorney General shall provide for an expedited procedure for the review of a suspension of certification under subsection (c)(2) or, at the applicant's request, for a de novo administrative hearing respecting the suspension. In the case of a request for such a review or hearing, the Attorney General shall provide that the review or hearing take place not later than 72 hours after the time the request is submitted.

"(f) Hearing De Novo Before the U.S. District Court.—

"(1) Jurisdiction.—On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in the District of Columbia, has jurisdiction to enjoin the Attorney General from suspending the complainant's certification under the program and to order the reinstatement of complainant's certification if it is improperly suspended. In such a case, the court shall determine the matter de novo and the burden is on the Attorney General to sustain his suspension.

"(2) Precedence of cases.—Except as to cases the court considers of greater importance, proceedings before the district court, as authorized by this and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

"(g) Miscellaneous Provisions.—

"(1) Authority.—The Attorney General is authorized to take such actions, including imposing appropriate penalties and seeking appropriate injunctive relief and specific performance of contractual obligations, as may be necessary to assure employer compliance with terms and conditions of employment under this section.

"(2) Appropriate documentation.—The Attorney General shall provide for such endorsement of entry and exit documents of seasonal agricultural workers as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(3) Preemption.—The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.

"(h) Definitions.—For purposes of this section:

"(1) Seasonal agricultural services in perishable commodities.—The term 'seasonal agricultural services in perishable commodities' means services in agricultural employment (as defined in section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)) involving perishable commodities (as defined by regulations of the Secretary of Agriculture).

"(2) Seasonal agricultural worker.—The term 'seasonal agricultural worker' means a nonimmigrant described in section 101(a)(15)(O).

"(3) Caribbean basin.—The terms 'Caribbean Basin' and 'Caribbean Basin Countries' include those countries eligible to be designated by the President as 'beneficiary countries' under section 212(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(b)).

"(i) Establishment of Numerical Limitations by Agricultural Employment Region.—

"(1) Establishment of agricultural employment region.—For purposes of the administration of the program the Attorney General shall designate not more than 10 agricultural employment regions within the United States. The entire United States shall be encompassed by the area of all such regions.

"(2) Numerical limitations.—After considering the factors described in paragraph (3), if the Attorney General determines that seasonal agricultural workers are required for a month for an agricultural employment region, the Attorney General shall establish a numerical limitation on the number of nonimmigrant visas that may be issued for such workers for that month for that region, except until the end of the third year after the effective date of this Act, the Attorney General may not establish a numerical limitation on the number of such visas that may be issued at any given time in excess of 350,000.

"(3) Factors in determination.—In making the determination and establishing numerical limitations under paragraph (2), the Attorney General shall—

"(A) base the determinations and limitations on petitions filed under section 217(b)(1),

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A), and

"(D) consult with the Secretary of Agriculture.

"(4) Numerical limitations after 3 years.—The Attorney General shall establish at the end of the third year after the effective date of this Act, a numerical limit on the total number of seasonal agricultural workers to be admitted into all employment regions in the United States under the program at any given time. In establishing a numerical limit under this paragraph, the Attorney General shall—

"(A) consider petitions filed under section 217(b)(1) during the preceding years of the program,

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts under taken by the Secretary of Labor under section 404(d)(1)(A),

"(D) consult with Secretary of Agriculture, and

"(E) consider the recommendation of the Commission on Agricultural Worker Programs on a numerical limit as provided under section 124(c)(5).

"(5) Changes in numerical limitations in extraordinary circumstances.—

"(A) Inadequate monthly and regional limitations.—If—

"(i) a numerical limitation has been established under paragraphs (2) or (4) for a region for a month, and

"(ii) a petitioner described in section 217(b)(1) established that extraordinary and unusual circumstances have resulted in a significant change in the petitioner's need for seasonal agricultural workers specified in the petition or in the availability of domestic workers who are able, willing, and qualified to perform seasonal agricultural employment, the petitioner may apply to the Attorney General (in such form and manner as the Attorney General shall provide) for an increase in the numerical limitations otherwise established under paragraphs (2) and (4) to accommodate the circumstances.

"(B) Determination.—The Attorney General shall make a determination on such an application within 72 hours of the date the application is completed. To the extent the application is approved, the Attorney General shall provide for an appropriate increase in the appropriate monthly and regional numerical limitation. The Attorney General may expand the number of workers admitted into the region for which the application is approved by transferring seasonal agricultural workers from another region with a lesser need or by admitting additional workers from foreign countries. In the event the limit on the admission of seasonal agricultural workers for all regions in the United States established under paragraph (4) has been reached at the time the application alleging extraordinary and unusual circumstances is filed, the Attorney General shall follow the procedures in subparagraph (C).

"(C) Increase in the numerical limitation established by the Attorney General.—If—

"(i) a numerical limitation on the admission of seasonal agricultural workers into all employment regions has been established by the Attorney General under paragraph (4) and

"(ii) a petitioner described in section 217(b)(1) establishes under the provisions of subparagraphs (A) and (B) that extraordinary and unusual circumstances require an increase in the numerical limitation, the Attorney General may provide for an increase in the appropriate numerical limitation in an amount not to exceed 20 percent of the total number authorized for admission into all regions. Any such increase authorized by the Attorny General shall terminate upon the end of circumstances requiring it and shall not result in a permanent expansion of the numerical limit established the Attorney General under paragraph (4).

"(j) Entry of Seasonal Agricultural Workers.—

"(1) Annual time limitation.—An alien may not be admitted to the United States as a seasonal agricultural worker under section 101(a)(15)(O) for a period of more than nine months in any calendar year. An alien admitted under section 101(a)(15)(O) during any calendar year will not be eligible for readmission into the United States until he has returned to his country of origin for a period of 3 months.

"(2) Violators disqualified for 5 years.—An alien may not be admitted to the United States as a seasonal agricultural worker if the alien was admitted to the United States as such a worker within the previous five-year period and the alien during that period violated a term or condition of such previous admission.

"(k) Wages and Working Conditions.—The Attorney General, in consultation with the Secretaries of Agriculture and Labor, shall establish through regulation appropriate wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed in the area of intended employment.

"(l) Allocation and Use of Visas Under the Program.—

"(1) In general.—Nonimmigrant visas for seasonal agricultural workers, within the numerical limitations established under subsection (i)(2), shall be made available as follows:

"(A) Previous workers.—Visas shall first be made available to qualified nonimmigrants who have previously been admitted as seasonal agricultural workers and who have fully complied with the terms and conditions of any such previous admission, providing priority in consideration among such aliens in the order of the length of time which they were so employed.

"(B) Others.—Any remaining visas shall be made available to other qualified nonimmigrants.

"(C) Treatment of spouses and children.—A spouse or child of a seasonal agricultural worker is not entitled to a nonimmigrant visa as such a worker by virtue of such relationship, whether or not accompanying or following to join the nonimmigrant, but may be provided a nonimmigrant visa as such a worker if the spouse or child also is a qualified as such a worker.

"(D) No individual employer visa petition required.—An alien admitted pursuant to section 101(a)(15)(O) shall not be required to obtain any petition from any prospective employer within the United States in order to obtain a nonimmigrant visa under the program.

"(E) No limitation to particular employer or crop.—A nonimmigrant visa issued under the program shall not limit the geographical area (other than by agricultural employment region) within which a seasonal agricultural worker may be employed or limit the type of seasonal agricultural employment services, in perishable commodities, the worker may perform.

"(F) Disqualification from Federal assistance.—A seasonal agricultural worker under the program is not eligible for any program of financial assistance under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government.

"(G) Allocation of visas to Caribbean Basin countries.—The Attorney General, in consultation with the Secretaries of State and Agriculture, shall establish through regulations the allocation of visas to workers in specific countries under this section. A percentage of the visas issued shall be allocated to qualified workers in countries located in the Caribbean Basin.

"(m) Trust Fund for Program Administration.—

"(1) Establishment.—The Attorney General shall establish by regulation a trust fund the purpose of which is to provide funds for the administration of the program and to provide a monetary incentive for seasonal agricultural workers in the program to return to their country of origin upon expiration of their visas under the program. The Attorney General shall promulgate such other regulations as may be necessary to carry out this subsection.

"(2) Payments into trust fund.—In the case of employment of a seasonal agricultural worker under the program—

"(A) Employer payment.—The employer shall provide for payment into the trust fund established under this subsection of an amount equivalent to 11 percent of the wages of the worker.

"(B) Worker payment.—There shall be deducted from the wages of the nonimmigrant and paid into such trust fund an amount equivalent to 20 percent of the wages of the worker.

"(C) Wages defined.—For purposes of this paragraph, the term 'wages' has the meaning given such term in section 3121(a) of the Internal Revenue Code of 1954, except that for these purposes paragraph (1) of that section shall not apply.

"(3) Use of amounts in trust fund.—

"(A) Employer payments and interest.—Except as provided in paragraph (B), amounts paid into the trust fund, and interest thereon, shall be used for the purpose of administering the program.

"(B) Worker payments.—Amounts described in paragraph (B) paid into the trust fund with respect to a worker and interest thereon shall be paid to the worker if—

"(i) the worker applies for payment within 30 days of the last day of employment under the program (as verified by the Attorney General) at the United States consulate nearest the worker's residence in the country of origin, and

"(ii) the worker complies with the terms and conditions of the program, including the obligation to be continuously employed (or actively seeking employment) in seasonal agricultural employment in perishable commodities.

"((4) Expansion of consulates.—The Secretary of State is authorized to take such steps as may be necessary in order to expand and establish consulates in foreign countries in which aliens are likely to apply for nonimmigrant status under the program.".

(c) Authorization of Appropriations.—Section 404 (8 U.S.C. 1101), as amended by sections 101(b) and 102(b) of this Act, is further amended by adding at the end the following new subsections:

"(d) Authorizations of Appropriations for Secretary of Labor.—(1) There are authorized to be appropriated to the Secretary of Labor for each fiscal year, beginning with fiscal year 1986, $10,000,000 for the purposes—

"(A) of recruiting domestic workers for temporary services which might otherwise be performed by seasonal agricultural workers described in section 217, and

"(B) of monitoring terms and conditions under which such temporary and seasonal agricultural workers (and domestic workers employed by the same employers) are employed in the United States.

"(e) Authorization of Appropriations for Secretary of Agriculture.—There are authorized to be appropriated for each fiscal year, beginning with fiscal year 1986, such sums as may be necessary for the purposes of enabling the Secretary of Agriculture to carry out the Secretary's duties and responsibilities under section 217.".

(d) Prohibiting Adjustment of Status of Temporary Agricultural Workers.—(1) Section 245(c) (8 U.S.C. 1255(c)), as amended by sections 113(a) and 122(e)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(4) An alien (other than an immediate relative specified in section 210(b)) who entered the United States classified as a nonimmigrant under section 101(a)(15)(O).

(2) Section 248(1) (8 U.S.C. 1258(1)), as amended by section 122(e)(2), is further amended by striking out "(K) or (N)" and inserting in lieu thereof "(K), (N), or (O).".

(e) Effective Date.—The amendments made by subsections (a), (b), (c), and (d) of this section apply to petitions and applications filed under section 217 of the Immigration and Nationality Act on or after the first day of the twelfth month beginning after the date of the enactment of this Act (hereafter in this section referred to as the "effective date").

(f) Regulations.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall approve all regulations to be issued implementing sections 101(a)(15)(O) and 217 of the Immigration and Nationality Act. Notwithstanding any other provision of law, final regulations to implement such sections shall first be issued, on an interim or other basis, not later than the effective date.

(g) Deportation of Seasonal Agricultural Workers for Failure to be Employed or Seek Employment.—Section 241(a) (8 U.S.C. 1251(a)) is amended—

(1) by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or"; and

(2) by adding at the end the following new paragraph:

"(20) entered the United States as nonimmigrants under section 101(a)(15)(O) and failed to be continuously employed or actively seeking employment in seasonal agricultural employment in perishable commodities (as defined in section 217(h)(1) in accordance with the usual and customary employment patterns and practices.".

(h) Sense of Congress Respecting Advisory Commission.—It is the sense of Congress that the President should establish an advisory commission which shall consult with the Government of Mexico and the governments of other appropriate countries and advise the Attorney General regarding the operation of the seasonal agricultural worker program established under section 217 of the Immigration and Nationality Act.

(i) Conforming Amendment to Table of Contents.—The table of contents is amended by inserting after the item relating to section 216, as added by section 122(h), the following new item:

"Sec. 217. Seasonal agricultural worker program."

On Page 2, in the table of contents of the bill, insert after the item relating to section 124 the following new item:

"Sec. 125. Seasonal agricultural worker program."

On page 37, line 12, insert ", 101(a)(15)(O)," after "101(a)(15)(N)".

On page 60, line 1, insert "or 217" after "section 216".

On page 60, line 3, strike out "such section" and insert in lieu thereof "section 216 or subsection (b)(4) of section 217, as the case may be,".

On page 63, line 6, insert "and section 217" after "section 216".

On page 64, between lines 14 and 15, insert the following:

"(3) The Commission shall specifically review the following with respect to the seasonal agricultural worker program under section 217 of the Immigration and Nationality Act:

"(A) The standards described in subsections (b) (2), (3), and (4) of that section for the certification respecting seasonal agricultural workers.

"(B) What is the proper length of time and proper mechanism for the recruitment of domestic workers before importation of such foreign workers.

"(C) Whether current labor standards offer adequate protection for domestic and foreign agricultural workers.

"(D) The availability of sufficient able, willing, and qualified domestic workers to meet the needs of agricultural employers.

"(E) The appropriate limit on the number of seasonal agricultural workers who may be imported into all agricultural regions in the United States at any given time, taking into consideration all relevant data, including that resulting from the experience of the Agricultural Labor Transition Program.".

On page 64, line 16, strike out "two years" and insert in lieu thereof "three years".

On page 64, line 19, insert "and seasonal" after "temporary".

On page 64, line 20, strike out "program under section 216" and insert in lieu thereof "programs under sections 216 and 217".

On page 64, line 24, strike out "subsection (b)(2)" and insert in lieu thereof "subsections (b) (2) and (3)".

On page 65, line 2, insert "and seasonal" after "temporary".

On page 65, between lines 12 and 13, insert the following:

"(5) on the appropriate limit on the number of seasonal workers who may be imported into all agricultural regions in the United States at any given time under section 217.

"(6) on the need to continue, improve, or eliminate the seasonal agricultural worker program established under section 217.

On page 66, on lines 11 and 12, strike out "in consultation with the Vice Chairman" and inserting in lieu thereof "in accordance with rules agreed upon by the Commission".

On page 68, line 4, strike out "27 months" and insert in lieu thereof "39 months".

On page 104, lines 20 and 21, strike out "216 (added by section 122(c)" and insert in lieu thereof "217 (added by section 125(b)".

On page 104, line 24, strike out "Sec. 217." and insert in lieu thereof "Sec. 218.".

On page 112, line 22, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 7, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 15, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 18, strike out "section 216 (added by section 122(f)" and insert in lieu thereof "section 217 (added by section 125(i)".

On page 113, between lines 19 and 20, strike out "Sec. 217." and insert in lieu thereof "Sec. 218.".

On page 114, line 9, strike out "paragraph (15)(0)" and insert in lieu thereof "paragraph (15)(P)".

On page 114, lines 22 and 23, strike out "paragraph (15)(0)" and insert in lieu thereof "paragraph (15)(P)".

On page 116, line 6, strike out "section 122(a)" and insert in lieu thereof "sections 122(a) and 125(b)".

On page 116, line 7, strike out "subparagraph (M)" and insert in lieu thereof "subparagraph (N)".

On page 116, line 8, strike out "subparagraph (N)" and insert in lieu thereof "subparagraph (O)".

On page 116, line 11, strike out "(O)(i)" and insert in lieu thereof "(P)(i)".

On page 121, line 10, strike out "section 217" and insert in lieu thereof "section 218".

SIMPSON AMENDMENT NO. 617

Mr. SIMPSON proposed an amendment to the bill S. 1200, supra; as follows:

On page 62, line 11, after "Senate" insert: "after consultation with the majority leader and the minority leader of the Senate".

On page 69, line 3, after "Senate" insert: "after consultation with the majority leader and the minority leader of the Senate".

SYMMS (AND OTHERS) AMENDMENT NO. 618

Mr. SYMMS (for himself, Mr. Goldwater, and Mr. Trible) proposed an amendment to the bill S. 1200, supra; as follows:

At the appropriate place insert:

Notwithstanding any other provision of law or of this Act, no agency or instrument of the United States, or any corporation or other entity created by act of Congress shall extend any loan or other form of credit of whatever nature to any government or agency thereof, of any country in North America which allows access to its ports to any nuclear weapons delivery-capable Soviet naval vessel (except vessels in extremism) at any time after September 20, 1985.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding a hearing on September 18, 1985, along with S. 1298, in Senate Russell Building, room 485, beginning at 9 a.m., on S. 1621, a bill to amend title 25, United States Code, relating to Indian education programs, and for other purposes. Those wishing additional information on this bill should contact Peter Taylor of the committee at 224-2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public that there has been a change in the starting time of the full committee hearing scheduled before the Committee on Energy and Natural Resources, Tuesday, September 17, in room SD-366 in the Dirksen Senate Office Building in Washington, DC. The hearing will begin at 9:30 a.m. instead of 10 a.m.

This hearing will examine the impact of moratoria on Outer Continental Shelf leasing in Federal waters adjacent to the coastline of the State of California. For further information, please contact Jeff Arnold at (202) 224-5205.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources to consider the nomination of Anthony G. Sousa, of Hawaii, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1988, and Donna R. Fitzpatrick, of the District of Columbia, to be an Assistant Secretary of Energy (Conservation and Renewable Energy).

The hearing will take place Thursday, October 3, 1985, 10 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, room SD-358, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact David Doane or Gerry Hardy at (202) 224-5305.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Research and Development of the Committee on Energy and Nataural Resources has postponed the hearing it had scheduled for Wednesday, September 18, 1985, at 9:30 a.m. It will be rescheduled on a future date.

This was a hearing to receive testimony on S. 1517, a bill to amend the Low-Level Radioactive Waste Policy Act of 1980 to authorize continued financial and technical assistance of the Department of Energy to the regional low-level waste compact regions, and to revise the guidelines and procedures for the establishment and use of regional disposal facilities for low-level radioactive waste, and for other purposes. For further information, regarding this hearing, please contact Marilyn Meigs on the subcommittee staff at 202-224-4431.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, the Senate Committee on Governmental Affairs will hold a hearing on the nomination of James C. Miller to be the Director of the Office of Management and Budget on Tuesday, September 24 at 10:30 a.m. in SD-342.

For further information, please contact Carol Fox at 224-4751.

ADDITIONAL STATEMENTS

NEW LEADERSHIP FROM CWA, AN OUTSTANDING "PUBLIC CITIZEN"

● Mr. PACKWOOD. Mr. President, shortly before Congress adjourned in August, the Communications Workers of America, the largest telecommunications union in the world, elected Morton Bahr to serve as its new president.

Although CWA is more than 47 years old, the union has had but three chief executives in its history. Its founding father, the late Joseph Anthony Beirne, served as president for more than 35 years. His successor, Glenn E. Watts, presided over the CWA for the last 11 years, until he retired voluntarily in mid-July.

On July 16, union delegates attending the CWA convention in San Francisco chose "Morty" Bahr to receive the mantle of leadership.

Mr. President, as the ranking member of the Senate Communications Subcommittee, I am well aware of the revolutionary changes that are taking place in the telecommunications industry. CWA members in Oregon and throughout the Nation are on the cutting edge of the dramatic technological breakthroughs that are altering our society.

In these times of change, CWA is fortunate to have chosen as its new leader a man who has the steadfastness and the vision to keep both feet on the ground while reaching for the stars.

Morton Bahr has established a reputation as an effective organizer, a competent administrator, and an astute participant in the political process.

Along a similar line, I am proud to have been allied with CWA during the last Congress in support of legislation to place a moratorium on the imposition of an access charge for telephone service. If that misguided proposal had been implemented, as first put forth by the Federal Communications Commission, it could have forced millions of consumers to give up their telephone.

Thanks in part to CWA's grassroots and Capitol Hill lobbying, the FCC modified its initial proposal. After a groundswell of public opinion, it became clear that Congress would not accept making telephone subscribers pay as much as double-digit amounts each month for the privilege of receiving a dial tone, regardless of the frequency of telephone use.

I am also pleased to have been of assistance in achieving the enactment of pension portability legislation which protected the net credited service rights of telephone company workers who changed employment subsequent to divestiture.

Mr. President, the CWA is a prime example of an outstanding "public citizen" in our pluralistic society, an effective organization that enhances the quality of life of all Americans.

At this time of leadership transition, I want to congratulate Morton Bahr on his election as president and wish him and CWA all the best in the coming years.●

COL. JAY P. SELLICK, 41 YEARS OF SERVICE TO THE U.S. ARMY AND HIS NATION

● Mr. SASSER. Mr. President, I rise today to honor a distinguished citizen from Tennessee who has spent 41 years in service to his country. He is Col. Jay P. Sellick.

On January 21, 1944, at the height of the greatest war in history, Jay Sellick enlisted in the U.S. Army. From that time, Jay Sellick rose through the enlisted ranks serving as an infantry platoon leader, an aviation officer, an aviation platoon leader, an adjutant, provost marshal, an assistant chief of staff, and command and general staff college instructor. Jay Sellick completed his career as commander of the 401st Military Police Camp with the rank of colonel.

On August 31, 1985, the Army lost one of its most selfless leaders when Col. Jay Sellick retired.

Colonel Sellick epitomized the concept of duty and devotion to his country. This is a man who was an active participant in projects even when not assigned to a unit. It is that spirit of duty that made this country great. Colonel Sellick's actions are living testimony to the tradition that made Tennessee the Volunteer State.

During his long career, Colonel Sellick witnessed many changes in the Armed Forces of this country, many were implemented due to his leadership. One of the primary areas where change has occurred due to his initiative is in the function of the military police.

In 1980, Colonel Sellick was the first U.S. Army Reserve-Troop Program unit officer awarded the honorary faculty award by the U.S. Army Military Police School. He is recognized throughout the Army as a leader and developer of doctrine covering military police activities, particularly those relating to enemy prisoner of war operations.

In closing, it is evident that Colonel Sellick's career in the Army can be summed up with the words spoken by General Douglas MacArthur at his farewell address to the cadets at West Point: "duty, honor, country."●

POOR AS DIRT

● Mr. GRASSLEY. Mr. President, I am pleased to bring to your attention

the lyrics and musical composition of Mike Butler, of Waterloo, IA.

For the last 6 years, this young man has made farming the topic of over 60 original songs. He seeks to establish an ever growing collection of compositions which portray farm society and which he refers to as farm music.

Mr. Butler's musical reflection of farm society and the concerns of farmers is perhaps best expressed in a recent lyric entitled "Poor as Dirt" which follows:

The lyrics follow:

"Poor as Dirt"

(By Mike Butler)

Poor as dirt . . . that's how we used to be.
We had horses pullin plows. We had to live dirt cheap.
But now the tractor that I ride has all that horse power deep inside.
The work that I just did today. It used to take the month of May.
Through all those years of livin cheap.
I always thought I'd get to keep my dirt.
Poor as dirt . . . Poor as dirt . . . Poor as dirt.
This land is my land . . . I built this farm with my bare hands.
And to kick me off you're gonna have to find a better man.
Poor as dirt . . . take everything you need.
Just leave me poor as dirt . . . Poor as dirt . . . Poor as dirt.
Poor as dirt . . . that's how we lived our lives.
And as long as there was land to farm. We knew that we'd survive.
But now I'm into high finance. A man like me don't stand a chance.
I beat the floods and shook the drought. And now they come to run me out.
Through all those years of livin cheap.
I always thought I'd get to keep my dirt.
Poor as dirt . . . Poor as dirt . . . Poor as dirt.●

THE 1985 NATIONAL YOUTH OF THE YEAR

● Mr. PRYOR. Mr. President, next week, Elgin Clemons of Little Rock, AR, will compete as one of the five finalists for the 1985 National Youth of the Year Program, sponsored by the Boys Club of America and the Reader's Digest Foundation.

This 18-year-old youth will represent the Little Rock Boys Club, the State of Arkansas, and the southwestern region of Boys Clubs of America.

Recently, the Arkansas State Press News Service published an article about Elgin, which I would like to share with my colleagues, and I ask that it be printed in the Record.

I want to congratulate this outstanding young man and wish him well in the national competition.

The article follows:

LR Teen To Represent Southwest in Boys Club National Youth of the Year Program

Elgin R. Clemons, 18, a member of the William E. Thrasher Boys Club in Little Rock, AR, has been named one of five finalists in the 1985 National Youth of the Year program, sponsored by Boys Club of America and the Reader's Digest Foundation.

A resident of Little Rock, Clemons will represent the Southwest in the national finals in Washington, D.C., September 16-18. The National Youth of the Year will be installed by President Ronald Reagan, Honorary Chairman of Boys Club of America, at a White House ceremony on Wednesday, September 18.

"The Thrasher Boys Club came into my life at a time when I most needed it," Clemons said.●

ACHIEVEMENT IN VOLUNTARISM PROGRAM

● Mr. PRYOR. Mr. President, on September 17, 1985, the U.S. Department of Agriculture, the U.S. Department of Education, the Farmers Home Administration, and the Future Farmers of America will honor its winners in the annual Achievement in Voluntarism Program. One of those recipients is an Arkansas native, Keith Anthony Marshall of Lake City, AR.

Keith was instrumental in securing improvements to the city park in Lake City. He attended city council meetings at which he presented plans and a proposed budget for improvements to the park. Under this young man's supervision, the local FFA chapter constructed a full size basketball court, goals, and bleachers, as well as landscaping the existing park.

Perhaps his accomplishments are best summed up by Arkansas Public Service Commission member and former Lake City mayor Pat Qualls, whose letter I ask to have printed in the Record.

I commend this young man for his hard work and dedication to his community. He is a fine example of the American spirit of voluntarism.

The letter follows:

Arkansas Public Service Commission,
Little Rock, April 30, 1985.

Re Keith Marshall

National Achievement and Voluntarism,
Applicant Review Board,
Lake City, Arkansas.

Gentlemen: Before being appointed to the Arkansas Public Service Commission, I served as the Mayor of Lake City from 1979 to 1984. During 1982 and 1983 I had the opportunity and privilege of working with Keith Marshall on the BOAC Project.

Keith, as BOAC Chairman, attended city council meetings at which he presented the plans and budget for making improvements and additions to the city park. Under Keith's supervision, leadership and motivation the BOAC Team constructed a full size basketball court, goals, bleachers and also did landscaping and repair to the existing park.

While most high school boys were spending their free time after school and on the weekends playing and driving around in an automobile, Keith spent that time working at the park. He contributed hundreds of hours of work toward improving the park.

Keith is a fine outstanding young man. His character and morals are of the utmost quality. He is a gentleman in every sense of the word. I would unequivocally recommend Keith Marshall for the National Achievement and Voluntarism Award.

Cordially,

Patricia S. Qualls.●

ORDERS FOR MONDAY

ADJOURNMENT

Mr. SIMPSON. Mr. President, I ask unanimous consent that on completion of its business today the Senate stand in adjournment until 12 noon on Monday, September 16, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

READING OF THE JOURNAL, RESOLUTIONS, AND CALL OF THE CALENDAR

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that when the Senate convenes on Monday, September 16, 1985, the reading of the Journal be dispensed with, no resolutions come over under the rule, and the call of the calendar be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

Mr. SIMPSON. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order there be a special order in favor of the Senator from Wisconsin [Mr. Proxmire] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, following the special order just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes each and provided further that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, following routine morning business, it will be the intention of the majority leader to resume consideration of S. 1200, the immigration reform issue. There will be no votes during Monday's session due to the Jewish holiday Rosh Hashanah.

Mr. President, I indicate that there will be rollcall votes on Tuesday, September 17, 1985.

ADJOURNMENT UNTIL MONDAY, SEPTEMBER 16, 1985

Mr. SIMPSON. Mr. President, I move, in accordance with the order previously entered, that the Senate stand in adjournment until 12 noon, Monday, September 16, 1985.

The motion was agreed to; and the Senate, at 6:49 p.m., adjourned until Monday, September 16, 1985, at 12 noon.

CONFIRMATION

Executive nomination confirmed by the Senate September 13, 1985:

In the Navy

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Vice Adm. James A. Lyons, Jr., 003-18-9857/1110, U.S. Navy.

EXTENSIONS OF REMARKS

EARLY ASAT TEST: A BAD MISTAKE

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. NEAL. Mr. Speaker, the Reagan administration has announced plans to conduct an antisatellite [Asat] weapons test today against a live target in space. This is being done earlier than previously planned in order, the administration says, to demonstrate American resolve. However, we must ask whether this would be only an action of bravado in defiance of logic and contrary to American security interests.

In a recent article in the Washington Post, Adm. Noel Gayler pointed out that the United States is far more dependent on its military satellites than are the Soviets for keeping track of activities of adversaries and for directing its armed forces, conventional and nuclear. The Soviet Asat system is feeble and does not threaten important U.S. military satellites. A successful Asat test by the United States surely would cause the Soviets to end their unilateral moratorium on Asat testing, scuttling hopes for a bilateral Asat treaty. Moreover, the Soviets would most certainly follow the U.S. lead and develop their own weapons systems to close the only effective window through which to view Soviet activities.

Mr. Speaker, it would be a mistake to brand Admiral Gaylor's criticism of the administration's Asat Program as political sniping. The retired admiral is a distinguished military leader who previously held the position of commander-in-chief of the Pacific forces and was director of the National Security Agency during the Nixon administration.

At this point, I would like to call the admiral's article to the attention of my colleagues and urge them to consider his advice.

[From the Washington Post, Sept. 8, 1985]

Reagan's ASAT Boomerang

(By Noel Gayler)

The Reagan administration appears intent on testing our newest anti-satellite weapon soon. Many observers think this move is part of a new get-tough offensive on the part of the United States, to get a leg up on the Geneva arms-control negotiations and the Reagan-Gorbachev summit. It seems more likely, however, that the timing was determined by the weapon program itself—never mind the consequences.

It's time to take a look at the consequences of making space still another battle area. We are shooting ourselves, not in the foot, but a lot closer to the head. Of course, we are responding to the current Soviet effort, itself a possible response to our own earlier capability. This cycle is a formula for continuing escalation of the arms race indefinitely.

In the past, none of these weapons has had a capability against many of the satellites that are most important to us. But when the Soviets match us again, as they inevitably will, then even in the outermost reaches of space there will be no sanctuary. Few satellites, military or civilian, will be safe. Our own space shuttle will be at risk. So will the Soviet manned space stations.

The crux of the issue for us is that we Americans are far more dependent on the use of space—at least for military purposes—than the Soviets are. We depend greatly on space for military communications, for command and control, for navigation and precise position-finding. The high accuracy we assume for certain missiles systems in our nuclear deterrent is dependent on satellites.

Most important of all, we need satellites to know what is going on. The detailed pictures we can take from space afford an extraordinary overview of every activity within the vast Soviet land mass. Not at all incidentally, satellites can give us a similar overview of other areas of the world—in time, for example, to detect and avert preparations for South Africa's nuclear weapons testing in 1977.

Nor is this all, Satellites can "see" enormous portions of the earth's surface. Equipped with radar, or infrared detectors or listening receivers, they can supplement photographs to fill in the whole picture. From our intelligence perspective, we would be almost helpless without them, in this complex technological world.

From the standpoint of the Soviets, the situation is quite different. We are an open society. Vast amounts of military, political and industrial information are available to anyone—including the Soviets—for the price of subscription to a technical journal. Congressional testimony, official publications, contractors' brochures and newspaper stories are another rich lode of information.

The Soviets hardly need satellites to observe us. We "tell them all about it," so far as our own affairs are concerned. It's even difficult to imagine why they bother with satellite surveillance of us, except, possibly to attempt to track ships at sea—no easy task.

The development of anti-satellite weapons on both sides will, therefore, hurt us far more than it will hurt them.

We are not talking here about the administration's Strategic Defense Initiative (SDI) or "Star Wars" proposal. Although some of the technology is applicable to both ASAT and Star Wars, the problems posed in developing an anti-satellite system are infinitely simpler.

What are these "anti-satellite weapons?" The earliest were nuclear-tipped rockets, fired in the general direction of the target, and killing with a nuclear blast. Some others are simply satellites, maneuvered into a collision with the target satellite. The present Soviet ASAT is of this kind. Some are so-called space mines: companion satellites orbiting in close proximity to the target that can be shown up instantaneously on command, taking the victim with them. And some, far less developed, are laser or energy beams. The beams may be directed in space from one satellite against another, or from the ground to the target via a mirror in space.

The current Soviet anti-satellite weapon, which has been around for a while, is a dog. No doubt the Soviets can and will do better, if we reach no agreement with them. But an agreement that prevented the further development of satellite killers by either side would be so much in our own American interest that, if we can get it, we should grab it. The Soviets' operational capability is minimal. Ours, potentially much better, is not yet fully developed. Now is the time to make a deal.

Can we trust the Russians? How can we verify such an agreement, once it is signed? Here the situation looks pretty good. A treaty stopping anti-satellite development would be readily verifiable. It's hard to hide activity in space. There's a cold black uncluttered background that makes detection easy. Satellite orbits are predictable, and orbital changes characteristic of anti-satellite tests stand out like a sore thumb. The characteristic dependence on specialized ground support is another giveaway.

Thus the very nature of space makes it unlikely that the Soviets would be able to develop a weapon clandestinely and then test it in space without our knowing about it. Moreover, even if they did develop an anti-satellite weapon, they would be unable to take out all our satellites simultaneously. So "breakout" of a significant ASAT capability, after clandestine development—that is, to be able to mount a surprise attack on a whole group of satellites—is totally unlikely.

Even if it made any sense to test our anti-satellite weapon, to do so in advance of the Geneva talks makes no sense when we have so much to lose and so little, relatively, to gain. Testing now won't compel the Soviets to shape up at Geneva to our liking; rather they will raise the ante. Those who have had experience negotiating with the Soviets know this is by far the likeliest outcome of an attempt to twist their arm publicly.

Then there are the civilian uses of space, growing in importance everyday. From exploration of the far universe, to unlocking the secrets of energy and matter, to assessing the resources of earth, space has become indispensable. Weather reporting, television, communications—all are dependent on it.

The practitioners in space from hard-headed administrators like James S. Beggs, administrator of NASA, and Roald Sagdeev of the Soviet Space Institute, dreamers like Isaac Asimov and Carl Sagan, cosmonauts and astronauts alike have spoken eloquently about the future of mankind in the cosmos. Surely we cannot wish to put all this at risk.

Nor is space the exclusive property of the Soviets and ourselves, or of East and West or even of the developed nations. It is the inheritance of all mankind. No one of us has an exclusive right to control it, and no one of us is likely to own the effective means to control it, however hard and recklessly we may try.

But there is a worse concern. Just as atomic weapons, once our sole possession, spread first to the Soviets and then to a

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

dozen nations, so will the capability to shoot down satellites. And with each player the risks will increase exponentially.

If we will look, we can see two roads into the future: one road perilous to ourselves and all others, the other leading to the peaceful use of space for all mankind.

If we will listen, we can hear the voices of sanity here, in Russia and around the world saying, "Put an end to the arms race in space".

And if we will stop—we and the Soviets—we can set an example that will keep space free of threat. Now is the time. Geneva is the place. Leadership is the key.

CONGRESSIONAL SALUTE TO GEORGE SHOICHI OKI

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. MATSUI. Mr. Speaker, I rise today to urge your special recognition of Mr. George Shoichi Oki, one of my most admired and well respected constituents who is being honored on August 23, 1985 as Agribusiness Person of the Year by the Sacramento Metropolitan Chamber of Commerce.

Throughout his life, George Oki has sought to serve the community in which he lives and in which he operates his business. A Sacramento native, he has resided here continuously, except for a 5-year period during World War II when his family was sent to an internment camp as part of the U.S. Government's policy against Americans of Japanese ancestry. After pursuing his education at the University of Oklahoma as a petroleum engineering major and after serving in the U.S. Air Force as a control tower operator, he returned to Sacramento at the end of the war with his brother, Richard, to help run the small family owned nursery business begun in 1907 by his father, Magoichi Oki.

As the result of many years of dedication and hard work, they built the Oki Nursery Company into one of the nation's 12 largest wholesale nursery industries. Today, the firm operates a massive 1-million-square-foot greenhouse complex at its Keifer Boulevard location in Sacramento and has expanded operations to San Jose, CA and to Portland, OR.

A strong community leader, George Oki serves as a board member on an impressive array of public service organizations and groups, including the Camellia Festival Association, the Matsuyama Sister City Corporation, the Sacramento Rotary Club, the Sumitomo Bank of Sacramento, the California Farm Bureau and the Sacramento Tree Foundation. Besides being a leader in the community and in the agricultural industry, George Oki has continued to demonstrate strong family ties. He and his wife, Joan, have been married 37 years and they have three children, George Samuel, Lorence and JoAnn and five grandchildren. The two sons are also executives in the family's nursery business.

On behalf of the people of Sacramento, I would like to take this opportunity to personally congratulate and commend George Oki on his outstanding contributions to our community and to his industry.

CONGRESSIONAL SALUTE TO JAPAN 85: THE PACIFIC CONNECTION

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. MATSUI. Mr. Speaker, Weinstock's department stores in California, Nevada and Utah are conducting an exciting 18-day celebration of Japanese culture that will enrich Americans of all ethnic backgrounds.

The festivity, entitled Japan 85: The Pacific Connection, will include exhibits, speeches, and displays all created to enhance American awareness of Japanese culture. Exciting pre-gala events will consist of a special performance of Madame Butterfly at the Community Center Theatre September 12 followed by a formal party, and Opening Day ceremonies September 13. Japan 85 will run from September 12 through September 29.

Mr. Speaker, Japan 85 is clearly full of fun and entertainment. Even more importantly, it serves to create an understanding and appreciation between different cultures; the crucial first step towards world peace.

Finally, Mr. Speaker, I would like to extend my warmest congratulations to Cheryl Nido Turpin, President and Chief Executive Officer of Weinstock's in Sacramento, California for the magnificent job she has done in organizing this enlightening and educational event.

CONGRESSIONAL SALUTE TO MAJ. GEN. DEWEY K.K. LOWE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. MATSUI. Mr. Speaker, one of the most admired and respected citizens in the Sacramento metropolitan area, Major General Dewey K.K. Lowe, has been named deputy general manager of the Sacramento Municipal Utility District. This is an important event, Mr. Speaker, because it assures us that Dewey Lowe will remain with our community long after 1986, the year he was expected to retire from the military.

General Lowe is commander of McClellan Air Force Base's Air Logistics Center and his tenure has been marked by nothing less than efficiency and accomplishment. Over the past five years, he turned a base that was near closing into one of the top operations in the Air Force. In doing so, he improved the military readiness of our country and secured McClellan as a fixture in Sacramento's economy.

To many this comes as no surprise. Throughout his military career, Dewey Lowe has always demonstrated a high caliber of excellence—a fact clearly borne out by his many military decorations and assignments. He entered the U.S. Army Air Forces in 1943 and received his pilot wings and commission as a second lieutenant in February 1944. During service in World War II, the Korean War and the Vietnam War, Lowe's awards and decorations included the Distinguished Service Medal, the Legion of Merit, the Distinguished Flying Cross with two oak leaf clusters and the Bronze Star.

In short, Mr. Speaker, the directors of SMUD have selected a highly trained individual for this new position. He is a man respected by his colleagues in the military and loved by his friends and family in Sacramento. All of us wish him well.

CONGRESSIONAL SALUTE TO SACRAMENTO HISTORY CENTER

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. MATSUI. Mr. Speaker, I rise in honor of the newly constructed Sacramento History Center. This building not only houses countless artifacts from Sacramento's past, but as a reconstruction in red brick of the original 1854 City Hall and Waterworks Building, it also stands as a monument in its own right.

The grand opening of the Sacramento History Center coincides with the beginning of History Week in California's capital city. This nine-day celebration, sponsored by the County Historical Society, will include a native American exhibit and a special recognition of the California Almond Growers Exchange on their 75th anniversary.

The four galleries of the museum—Topomorphology, Community, Agricultural Technology, and the Eleanor McClatchy—feature a development of Sacramento as a diverse political and agricultural center of California. The creation of this museum will emphasize Sacramento's important place in the history of California and will help make local residents aware of their own history, which is so important in developing a community identity. Among the events scheduled for this opening week are live acts and plays from the early days of Sacramento, a display of classical agricultural machinery and a tribute to the late Eleanor McClatchy, a great Sacramento citizen and philanthropist.

Mr. Speaker, on this day I salute both those individuals who have contributed to the creation and development of the Sacramento History Center as well as those whom the History Center celebrates.

CONGRESSIONAL SALUTE TO MYRTLE OWEN

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. MATSUI. Mr. Speaker, I would like to take this opportunity to offer my congratulations and best wishes to Myrtle Owen, who is being honored on August 30, 1985, as Resident of the Year representing nursing facilities throughout the Sacramento metropolitan area.

Myrtle Owen, a resident of the Somerset Convalescent Hospital, is receiving the award from the Therapeutic Activity Social Coordinators who describe the 95-year-old lady as someone who enjoys each day to its fullest and as a warm, loving person who is growing old graciously.

It is indeed rare to find an individual who lives and enjoys life one day at a time. They exude a bright glow in their thoughts and actions that warms our hearts and makes us feel happy and privileged just to have known them. Myrtle Owen is one such person. Her vitality and spirit are sources of inspiration to all who know her.

As part of her recognition, she will have a long-cherished desire fulfilled with an air trip to San Francisco and a tour of Fisherman's Wharf arranged by the East Yolo Rotary Club.

On behalf of the citizens of our community, I would like to commend Myrtle Owen for her enthusiasm and her love of life and wish her many more years of joy and happiness.

CONGRESSIONAL SALUTE TO PAUL HAGAN

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. MATSUI. Mr. Speaker, I would like to take this opportunity to commend Paul Hagan, an outstanding member of the Rancho Cordova community who is retiring after an exemplary career spanning 25 years as chief administrator of the Cordova Recreation and Park District.

Paul's hard work and cheerful manner has earned him the admiration of friends and the respect of colleagues, associates and residents throughout the Rancho Cordova area.

Paul has a long and impressive history of civic and professional involvement and recognition as well. Among his honors are the Harris Fellowship, which is the Rotary Club's highest award for outstanding community service, a prestigious state fellowship from the California Park and Recreation Society as well as two professional citations from that organization in 1966 and 1973. In addition, he has served the community as president of the Rancho Cordova Area Chamber of Commerce, the Rancho Cordova Rotary Club, the Rancho Cordova chapter of the United Service Organization and as chairman of the Sacramento chapter of the American Red Cross. He also has served as a member of the board of directors of the Cordova Community Council.

Last November, Rancho Cordova demonstrated its deep respect and appreciation for Paul's many years of dedicated service by renaming the 61-acre Cordova Community Park as Hagan Community Park.

The Sacramento and Rancho Cordova areas could never fully acknowledge all of the outstanding contributions Paul Hagan has made to our community. I join with all of Paul's family and friends in saluting him on a job well done and in wishing him a most enjoyable retirement.

PASSING OF CHARLES SANDMAN

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. FLORIO. Mr. Speaker, Charles W. Sandman, Jr., served the people of the State of New Jersey for much of his life, which ended suddenly on August 26.

Our colleagues will recall his service in the House of Representatives from 1967 to 1974, a period just preceding my election to this body. But his record of service also included membership in the State legislature, superior court, and U.S. Army Air Corps in World War II.

A prominent figure in State politics, Mr. Sandman was the 1973 Republican nominee for Governor.

Our State has lost a dedicated and distinguished public servant. His passing was noted in a eulogy by the editors of the Record of Bergen County, and I would like to include it for the benefit of our colleagues.

The editorial follows:

CHARLES W. SANDMAN

The line on Charles Sandman was that you loved him or you hated him, but the truth was a lot more complicated. It was possible to dislike the style and substance of his campaigns for governor, or his blustering defense of President Nixon at congressional Watergate hearings, and still have affection for the cocky man with the broad grin and the gift for bouncing back from defeat. Mr. Sandman died of a stroke this week at the age of 63.

Ten years a state senator and eight years a member of Congress, Mr. Sandman was not one of your milquetoast Republicans. A resident of Cape May County, he spoke the language of rural New Jersey and he spoke it plain, in a raspy, often belligerent voice that could bristle with sarcasm and thunder with scorn. Robert Kennedy was "long-haired Bobby," draft-card burners were "treasonous," and former Gov. William Cahill, a longtime foe who was defeated by Mr. Sandman in the 1973 Republican primary, was nothing that would bear printing in a family newspaper.

The philosophy Mr. Sandman laid down in three campaigns for governor was straightforward. He was anti-abortion, anti-taxes, anti-crime, anti-big-government, anti-regional-zoning, and anti-school-busing. He was in favor of capital punishment and letting local communities do pretty much what they wanted. When he ran against Brendan Byrne in the general election of 1973, he warned that Mr. Byrne and the Democrats would "impose on our state an alien political philosophy and structure . . . allowing our state to fall into the hands of far-out leftists and wild theoreticians." Mr. Sandman lost 2-to-1 to Mr. Byrne, though his defeat had as much to do with Republican scandals in Trenton and Washington as with rejection of his philosophy. "If Abraham Lincoln had been in my place, he wouldn't have done any better," was his characteristically resilient view.

Six months later, more pugnacious than ever, he treated a nationwide television audience to the Sandman style during House Judiciary Committee impeachment hearings against President Nixon. For a time in the summer of 1974, he was one of Mr. Nixon's most visible defenders, a square-faced man with thick dark eyebrows who heaped scorn and ridicule on committee Democrats and accused them of offering no more than innuendo and circumstantial evidence. It didn't bother him that even some Republicans found his defense strident and ill-informed. "I have my disposition, and that's the only way I know how to act," he said. That fall, thanks largely to his defense of Mr. Nixon, he lost the congressional seat he had held since 1966.

So he moved on to the practice of law. "The impeachment was a disaster for me politically. But it was great from a business perspective," he said cheerfully, and he turned to rebuilding his career. When a stroke claimed him this week, he was a Superior Court judge, a job he was given by Governor Kean.

Almost everything about Mr. Sandman seemed larger than life. He had big hands and big shoulders, and he won a boxing scholarship to Temple University on the strength of highschool achievements as a middleweight Golden Gloves boxer. During World War II, after the bomber on which he was navigator was shot down over Pilsen, Czechoslovakia, he escaped from a German prison camp and made his way to Allied lines. He was a fighter, and you don't have to believe in all the things he fought for to mourn his passing.

OUR CONSTITUTION

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. WOLF. Mr. Speaker, Mrs. Mollie G. Pamplin, one of my constituents from Falls Church, VA, has written a patriotic prose selection entitled, "Our Constitution," which I would like to share with my colleagues. As we, as a nation, prepare to celebrate in 1987 the bicentennial of the U.S. Constitution, I hope Mrs. Pamplin's writing will cause each of us to reflect on our Constitution which has served as the foundation of our Nation for nearly 200 years.

OUR CONSTITUTION

(By Mollie G. Pamplin)

I speak for the American people.

I am the Constitution of the United States of America.

I was signed by thirty-nine men from twelve states on September 17, 1787.

My first ten amendments were ratified on December 15, 1791 and are known as the Bill of Rights. I have twenty-six amendments in all.

I have survived many momentous events. They have tested my strength and I have stood firm through them all.

Born of the American Revolution, I have lived through the War of 1812, the Civil War, the Spanish American War, World War I, World War II, the Korean Conflict and the Vietnam War.

I have seen forty Presidents, one who resigned from office, one who was appointed to office, four who were assassinated, four who had attempts made on their lives and three who died on our Independence Day. I have survived the great depression and several recessions. In good times and in bad I have stood strong.

I have given women the right to vote and guaranteed the civil rights of all citizens.

I guarantee your right to freedom of religion, to freedom of speech, freedom of the press, your right to peaceably assemble and the right to keep and bear arms.

How will you respond to your rights which I guarantee? Will you practice your religion but never press it upon others or deny them the right to practice theirs? Will you exercise your right to vote as the sacred privilege it is? Will you always be peaceable when you assemble? Will you keep and bear arms responsibly? Will you regard your right to free speech and a free press as a precious possession to be used and observed with Honor?

For more than two hundred years I have been the guardian of this Republic. Please protect me as you would your very life for I am your freedom.

GOVERNMENT EXCELLENCE

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. RAY. Mr. Speaker, in these days of billion dollar spending, it is rare that we hear of even one instance where the Government has done a good job. It is even more rare to hear that the Government—whether Federal, State or local—worked efficiently or effectively. That is why, when it happens in my district, I want to let you know about it.

Recently, the Department of Agriculture selected the Troup County Parks and Recreation Commission out of all the Southeast region of the United States to make a training film using the commission's ideas and methods of administering the Summer Lunch Program. They were selected because of their overall high quality management and work.

As a little bit of history, this program has been in existence for 14 years in Troup County. But in the years since the Troup County Parks and Recreational Commission took over its service, its organization has been called the best in the Southeast.

This commission is responsible for preparing approximately 800 lunches per day and delivers them to 13 different sites around the county so that low income children will have at least one balanced meal per day. The lunches are free and are critical to the nutritional needs of these children during their summer vacation.

This program—the Summer Food Service Program—is an extension of the School Lunch Program and serves the people of Troup County in an efficient and effective manner.

I want to congratulate and commend the Troup County Parks and Recreation Commisson for doing its part to make our Government a little better.

THE LOUISVILLE REDBIRDS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. MAZZOLI. Mr. Speaker, I bring to the attention of my colleagues the success of my hometown Louisville Redbirds baseball team which captured the American Association championship for the second time in a row.

The Redbirds, who are affiliated with the National League St. Louis Cardinals, moved to Louisville in 1982. Since then, A. Ray Smith, the team's owner as well as "chief cook, bottlewasher, and cheer leader," has made sure that summertime in the River City has never been so much fun.

The leadership, salesmanship, and, I should add, the showmanship of A. Ray Smith have made the Redbirds the biggest attendance draw in minor league baseball—and one of the biggest draws in all professional baseball.

Attendance the first year the Redbirds perched in Redbird stadium was 868,418. The Redbirds then set the all-time minor league attendance record of 1,052,438 in the 1983 season. While the Redbirds haven't broken their 1983 attendance record, the fans of our community—who cut their baseball eyeteeth back in the days when the Louisville Colonels, a Boston Red Sox farm club, were perennial Triple A champs—have come out in throngs to cheer their new "boys of summer."

Despite a rather shaky start, the 1985 Redbirds confounded the critics, won 12 of the last 24 games, and won the division title on the final night of the season. The Birds finished the season with a 74-68 record.

With Manager Jim Fregosi directing the action on the field, the Redbirds beat the Oklahoma 89'ers 4 games to 1 and brought the 1985 American Association pennant back to Louisville.

I speak for all citizens of our community in saying that we are all mighty proud of our Redbirds who are true winners in every sense of the word.

Hats off and a deep bow to Jim Fregosi and the team and to A. Ray Smith, Dan Ulmer, and all in the Redbirds' organization. Thanks for a great year!

HOW INSURED ARE YOUR SAVINGS?

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. LUNDINE. Mr. Speaker, I would like to bring to the attention of my colleagues an article which appeared in yesterday's Washington Post. The article, entitled "How Insured Are Your Savings?" by Hobart Rowen, addresses a serious problem which touches all Americans.

The subject of Mr. Rowen's column is the current system of Federal insurance for commercial and savings banks. The FDIC and FSLIC, which insure commercial institutions and thrifts respectively, are in need of reform. The safety and soundness of banks and thrift institutions is a fundamental principle upon which our banking system is based. But what about the soundness of the system that is designed to insure those institutions? As we are all aware, there have been a large number of bank and thrift failures over the last 2 years. The potential for disaster inherent in unstable banks was brought home earlier this year by the problems with State-insured institutions in Ohio and Maryland. While the Federal insurance funds are in much better shape than those two State funds, there is a lesson for us in these incidents.

While I do not endorse all of the solutions that are outlined in Mr. Rowen's article, I do think that they merit our attention. Action must be taken to strengthen the Federal deposit insurance funds. Mr. Rowen has written an important article, and those of us in Congress would do well to consider it carefully.

The article follows:

[From the Washington Post, Sept. 12, 1985]

HOW INSURED ARE YOUR SAVINGS?

(By Hobart Rowen)

On the radio the other day, a consumer adviser told listeners to invest in insured institutions. But if you can't, the voice said, make sure that the uninsured business is being conducted on a "sound basis."

Never mind the impracticality of the advice. (How could the average investor determine whether a business operation is sound?) The revealing underlying assumption was that if an institution is insured, one needn't question whether it's sound or unsound.

In a deregulated world, that psychology is precisely what encouraged many banks and savings and loan associations, competing for the consumer dollar, to take risks they would otherwise have found unacceptable.

Now there is a time bomb ticking away: the federal deposit insurance system may not be able to cope with potential runs on these institutions. There are hundreds of sick S&Ls shored up by the Federal Savings and Loan Insurance Corp. It provides depositors with federal insurance up to $100,000 in the same way that the Federal Deposit Insurance Corp. insures deposits at commercial banks.

On a realistic accounting basis, many S&Ls would in fact be bankrupt because of their bad investments, notably in real estate. Because the cost of covering all potential losses far exceeds the FSLIC insurance fund of less than $4 billion, regulatory officials are talking of setting up a new agency empowered to borrow as much as $20 billion in private markets to augment the FSLIC's bail-out funds.

Another possible "solution" is a merger of the FSLIC into the FDIC, which would have the practical effect of wiping out the distinction between thrifts and banks. The FDIC is in a stronger position than the FSLIC. Nonetheless, it begins to appear that a merger would be a case of the halt aiding the blind.

A revealing new book, "The Gathering Crisis in Federal Deposit Insurance," by Ohio State University Prof. Edward J. Kane, says we have been lulled into thinking the FDIC and FSLIC provide a cheap, logical way of ensuring that the corner bank or S&L will be stable—or you can get your money back.

Kane has a gift for simple metaphor that brings the problem to life. He likens the fragility of the deposit-insurance system—one of the remaining legacies of the New Deal—to an old car that hasn't been well maintained. While still adequate for "light loads in flat country, it cannot be driven endlessly up and down steep interest-rate mountains without breaking down," he says.

"There is good reason to doubt either that the old car has many more interest-rate mountains left in it, or that it can be steered unharmed through the mine field of contemporary financial services competition."

At present, some 900 of the nation's 14,700 banks are on a "problem" list. That means, according to the FDIC rating system, that they run a significant risk of failure. The FSLIC doesn't even admit that it keeps a list, acknowledging only that 73 S&Ls disappeared last year, while 672 vanished in 1982 and 1983. The last time I mentioned these numbers, an FSLIC official protested to The Post that the public was being unnecessarily frightened by exaggerations.

Writes Kane: "The point that authorities don't want to face is that, however well the deposit-insurance system may have run in the past, it is headed for a bureaucratic breakdown. . . . Unless market discipline is reimposed on deposit institution risk-taking, the deposit-insurance bureaucracy will seize up at a most inopportune time."

Kane argues for dramatic changes—"trading in" the old deposit insurance "jalopy" before it cracks up with its passengers aboard. His "new model" would be one with reduced coverages and increased fees designed to force managers to make safer investments. He would gradually lower the basic insurance limit to $10,000 (then index it for inflation). Larger balances, in successive $10,000 slices, would be available at an increased insurance cost, to be paid for by the institutions or the depositors.

He believes Congress made a big mistake in 1980 when it boosted the insured account limit to $100,000. That was much more than the average householder needed, but in effect it enabled the banks to issue federally guaranteed debt that was in many ways superior to Treasury debt.

To be sure, a congressional resolution has reaffirmed that "the full faith and credit" of the federal government is behind the FDIC and FSLIC. That may guarantee savers against long-term losses, while the taxpayers pick up the check. But the resolution doesn't say just how it would work, or ensure that there won't be some panic while Congress acts to fulfill its promise.

Kane's proposals may be difficult for politicians to swallow. But his diagnosis of the problem rings true, and he makes a compelling case that the existing insurance system has been pushed beyond its capacity.

COMMODORE JOHN BARRY DAY 1985

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. BIAGGI. Mr. Speaker, as chairman of the bipartisan 112-member Ad Hoc Congressional Committee for Irish Affairs, I am pleased to join with the Ancient Order of Hibernians in commemorating a great Irish-American, Commodore John Barry. Under article XXIV of the constitution of the Ancient Order of Hibernians in America, today has been designated as "Commodore John Barry Day" in honor of the father of the American Navy.

While today we honor one distinguished Irish-American for his unique contributions to America—we are in fact honoring the entire Irish-American community for their countless contributions over our Nation's history.

John Barry was born in 1745 in County Wexford in Ireland. John Barry, as would be expected of someone affiliated with the Navy, took a love of the sea at the young age of 10. At the age of 30, he was commissioned as a captain in the Continental Navy of our Original Colonies. In fighting his adopted nation's Revolutionary War at sea, Commodore Barry defeated the British tender, the *Edward*, thus bringing to an American port, its first prize.

John Barry made invaluable contributions to America's successful quest for independence. Most noteworthy among his accomplishments was during the time when he commanded the frigate *Alliance* to victory in the last sea battle of the Revolutionary War. In 1793, George Washington called upon Barry to serve as the new U.S. Navy's first commissioned officer, thus earning him the honor we commemorate today—the father of the American Navy.

Irish-American organizations have been successful in achieving greater recognition for Commodore John Barry and other Irish-Americans who have made our Nation great. The Ancient Order of Hibernians is justifiably proud of the role it played in the 1981 law passed by Congress and signed by President Reagan honoring John Barry as the father of the American Navy.

On September 13, 1985, there are several noted ceremonies scheduled. One is at Constitution Park in Philadelphia, where Secretary of the Navy John Lehman will lay a wreath at the Barry statue there. Here in Washington, Deputy Chief of Naval Operations Thomas J. Hughes will join the AOH Commodore Barry Division of Washington, DC, in a noon wreath-laying ceremony.

I am proud to join in marking this important occasion honoring this important figure in American history. Let me also pay special tribute to two individuals with the Ancient Order of Hibernians who work to make Commodore Barry Day the important occasion it is. The first is the national president of the AOH, Joseph Roche; the second is Frank Duggan, who leads the Washington, DC, chapter of the AQH, and who gives hours of effort to the Barry Day celebration.

AN END TO APARTHEID

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. DREIER of California. Mr. Speaker, I think it's time for the United States to speak with one voice on South Africa. It's easy to stand up and say you're opposed to apartheid. We all are. But it's not so easy to stop apartheid overnight.

The Government of South Africa has made some progress in stopping apartheid. For example, black trade unions are increasing, giving blacks more power to bargain to get fair wages and improved working conditions. An all-white electorate overwhelmingly approved a new South African Constitution giving more political power to other races, including the establishment of a multiracial, tricameral Parliament.

And, just in the past few days, the Botha government has made several new proposals. President Botha has offered to extend citizenship to all blacks. Additionally, it has been proposed to end the repugnant pass laws that require blacks to carry passes to travel around South Africa.

It should also be noted that the black share of national income in South Africa is nearly 50 percent. Black South Africans already constitute the largest black middle class in Africa.

So there has been progress. Clearly, it's not enough, but it is a step in the right direction. The debate within South Africa is no longer whether or not to end apartheid, but how soon and what should be done at what time.

What the U.S. Government should be doing is supporting evolution to prevent a revolution in South Africa. Congress cannot change the laws of South Africa. We've tried before with other countries and failed miserably. Mozambique, Zimbabwe, Angola, and Nicaragua are now all in the Communist or Marxist camp. And, in the case of Iran, our demand for reform led the country into the hands of an extreme religious fanatic.

The measures we adopt about South Africa should express our repugnance with apartheid, but not attempt to topple the South African Government. A strong, growing economy is more helpful to South African blacks than putting a stranglehold on their economy.

I believe the President's Executive order is the right step for the United States to take. But, the Executive order does not have to be the end if progress in South Africa to end apartheid is not continued. Congress can still enact H.R. 1460, the

South African Anti-Apartheid Act, at a later date. Or, Congress could also come up with a totally new bill to respond to the quickly changing conditions in South Africa.

But the Executive order is our chance to act and to act now. Even the leader of the 6-million member Zulu nation, the largest racial group in South Africa, said: "* * * of all the possible types of economic sanctions which could be applied to South Africa, the sanctions announced by President Reagan probably rank among the most responsible that a Western head of state could push for."

We shouldn't pass up this opportunity to speak with one voice on South Africa. President Botha was at least right about one thing when he said that South Africa had become the victim of an internal political dispute over who could impose the toughest sanctions. Let's end this dispute and give the Executive order the chance to work.

SENATE—*Monday, September 16, 1985*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Praise ye the Lord. Praise, O ye servants of the Lord, praise the name of the Lord. Blessed be the name of the Lord from this time forth and for evermore. From the rising of the sun unto the going down of the same the Lord's name is to be praised. The Lord is high above all nations, and his glory above the heavens. Who is like unto the Lord our God, who dwelleth on high * * *.—Psalm 113:1-5.

God of Abraham, Isaac, and Israel, on this first day of the Jewish New Year, we remember with profound gratitude the legacy left us by the Old Testament people of God: the Bible, monotheism, absolute morality in the Ten Commandments, and the messianic hope which guarantees that history is not capricious, but orderly, purposeful, meaningful. History is moving toward a glorious, cosmic consummation. Thank Thee for Jewish values which are a significant part of the foundation upon which our Nation is built. Give us to see, Lord, that we disregard these values to our national peril. As Thou didst call our Nation into existence, grant that we will fulfill its destiny in history to Thy glory. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

THE CHAPLAIN'S PRAYER

Mr. SIMPSON. Mr. President, once again, we have heard a most appropriate prayer from our Chaplain, in view of the significance of this very holy day, the Jewish holiday Rosh Hashanah. As always, his prayers are most appropriate to the needs and exigencies of the day. It was beautifully said.

SCHEDULE

Mr. SIMPSON. Mr. President, there will be time for the two leaders under the standing order of 10 minutes each and a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

There will be routine morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

Following routine morning business, the Senate will resume consideration of S. 1200, the immigration bill. I remind my colleagues that there will be no rollcall votes today during this session due to the Jewish holiday Rosh Hashanah.

At the present time, let me share with my colleagues and with the Democratic leader that we do have an amendment pending at the desk. There are various other amendments. We are presently going to "shop"—I believe that is the phrase we use here—for an agreement that would call for rollcall votes on amendments to begin at 10 a.m. tomorrow, Tuesday, the 17th, with 5 minutes of debate equally divided to precede each vote, and provisions that there be no amendments to amendments that are considered today or were considered Friday for disposition on Tuesday or that might be handled tomorrow.

As other amendments are offered which would require a rollcall vote, there would be a separate agreement entered into whereby we would try to sequence those votes after the other votes, with the same 5 minutes of debate provided for before the amendment is voted upon. It is hoped that we might reach such an agreement. We have done that before on this vexing issue, and the majority leader and the minority leader had worked toward that before I came to this particular post.

I deeply appreciate the efforts of the Democratic leader, who has been most supportive of the legislation in each instance, to see if we could reach that type of arrangement whereby we would stack those votes. As I say, we have done that in the past on this legislation.

The Senator from Illinois [Mr. SIMON] will be the minority floor manager today, and we will deal with his amendments.

I encourage the Members who are within range of the Senate to come forward with their amendments today. This is the pending item of business. We will be here to process those amendments. Some amendments have been scheduled previously.

We have one or two amendments which in my definition would be nongermane, but that is not for me to determine, since there is no time agreement or other restriction here. It is hoped that we can deal with those without a great deal of delay and difficulty.

I hope we can resolve the activities of Senator HEINZ and Senator BUMPERS with regard to a Social Security amendment.

To others out there in the vapors who are thinking about creative and new and dazzling things to do here on the immigration reform bill, my request to you all would be to save it for the debt limit extension. I am sure you can see fit to do that. It will be more fun, your staff can be more creative, you will have more time to think about it, and it will be more diverse and novel as they proceed if they have that extra time.

So, instead of having too many amendments on this measure, I suggest to you and hope that you might heed that.

With that, I reserve the remainder of my time and I yield to the Democratic leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. GORTON). The Democratic leader is recognized.

TELEVISION IN THE SENATE

Mr. BYRD. Mr. President, when the first Senate met in 1789, and continuing through the first 5 years of the Senate's existence, the doors were closed. The public had no opportunity to view or listen to the debates.

So, for a glimpse into the first 5 years of the Senate, we cannot retire to the newspapers of that time.

We can only listen to the words that leap out at us from a reading of the journal that was kept by Pennsylvania Senator Maclay during the first 2 years. He ran for reelection at the end of that time, having been chosen as one of the class that was to have the 2-year term when the Senate first met, and he did not win his race for reelection. But for those 2 years, Maclay's Journal is about the only source to which we can go for a limited account of Senate debate. It would have been so interesting if we could have had television in those first 2 years of the Senate's existence.

It is somewhat amazing to learn how that first Congress took hold of the reins of decision and took action in establishing certain departments and making certain basic fundamental laws, as that Congress did indeed do, in launching the new Government.

Its record of accomplishments would probably outrank those of any other session. I have not taken the time or

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

had the time to personally attempt to compare the workload that was disposed of in those 2 years with the workload of any subsequent Congress. I raise that early Senate situation in order to preface a discussion of the present situation with respect to TV in the Senate.

Tomorrow the Senate Rules Committee under the chairmanship of Mr. Mathias will hold hearings on TV in the Senate, and the next day Mr. Mathias' committee will again have hearings on the subject of TV in the Senate.

Woodrow Wilson said, and I am not sure that I am quoting him accurately, but he said, in essence, that the informing function of the Congress is as important as is the legislative function. He was right about that.

We have only to look to the example of the Soviet Union to see an uninformed public. Public opinion in the Soviet Union is just what the leaders there want public opinion to be. The people in that country do not have unbiased access to factual information as does the American public.

Now, for politicians in this country to attain public office, there must be at least a certain degree of popularity with the voters. For a politician to be elected and reelected in this country he or she must be popular with the people back home, based on the facts as they see those facts and on the record as they can read the record.

A politician in this country has to be popular with the people. There is an informed public out there in the respective States of Senators running for reelection and election.

By contrast, being popular in the Soviet Union politically is to simply be popular with a half-dozen guys who are above you. Mr. Gorbachev suddently burst upon the political scene like a comet, and he is the General Secretary of the Soviet Union today. He did not get there by virtue of the vote of the people—the people in the Ukraine or the people in Moscow, or in the several districts throughout the Soviet Union. He did not get there by virtue of popular opinion or by virtue of the casting of ballots by the people. He got there because he stood in well with the powers above him—Mr. Andropov, Mr. Chernenko, and probably Mr. Brezhnev before them. That was the way of his accession to the top.

There is no such political comet in this country on the tail of which one may be thrust into the very top position in Government so quickly and by so few in whose hands the decision rests.

Here we have the U.S. Senate which is equal to the House of Representatives under the Constitution and vice versa, and the two of which are equal under the Constitution to each of the other branches, the judicial and the executive branch of the Government. But the Senate more and more is becoming again almost what it was in the first 5 years. That is an exaggeration and I mean it to be, but I say it to make a point. We do have the Senate galleries open. We do have the writing press in the galleries. Television correspondents can be there also, but they cannot bring this real live scene to the American people. This body is fast becoming an invisible policymaking force that the people cannot see unless they come to the galleries. The people can read the Congressional Record but it is said that Senators quite often doctor—and, of course, this includes the House Members as well—what was actually said. They go through the Record—and even their staffs do it, I am told—and they will alter it because that Record is going to be there for a million years. If this civilization should perish, somewhere that Record would be found. In the future eons of time, that Record will be be around. So Members want it to be grammatically correct.

The people out there every evening turn on TV and they see the President talking. They see Members of the other body on television. Television is, according to polls I am told, the medium which exceeds all other news media in providing the American people with most of their knowledge of current events.

The greatest problem with putting the Senate on TV is with the Senate rules—at least the problem in this Senator's view.

The toughest question to answer about TV is, how shall we have TV in the Senate, within the context of the Senate rules, and assure the minority of equal time? How can we be sure that, under the Senate rules, a Senator will not hold the floor for a day, thus preventing those on the other side of the question from having an equal opportunity to make their case on television?

That is one of the problems which we have to address. How do we do this? The Senate rules differ greatly from the House rules.

How do we manage this difficulty so that the Senate remains a body in which a Senator from a given State can still stand against the other 99 as long as he has the floor and observes the rules? How would that work on television?

Well, Mr. President, I have been reluctant to support TV in the Senate over the years because of the Senate rules being what they are. It was I who first authorized the only occasion when there was television coverage in the Senate, and that was at the time of the inauguration of the late Nelson Rockefeller to be Vice President of the United States. The majority leader at that time, Mr. Mansfield, was in the Far East and I was the assistant leader.

The first and only occasion when we had radio coverage of the Senate debates was when, as majority leader, I offered a resolution, joined in, I believe, by the then minority leader, Mr. Baker, authorizing radio broadcasting of the Panama Canal Treaty debate.

I wrote to Mr. Mathias some time ago asking for a committee hearing. Both he and Mr. Ford, the ranking Democrat, were agreeable to holding the hearings earlier than tomorrow. I asked that they be delayed until after the August recess. He and Mr. Ford granted the delay, and I thank both Senators.

So let us take the next step and the further step that needs to be taken to lift the curtains that separate the Senate from full public view. They were drawn back after 5 years of closed Senate sessions in the earliest days. Our forefathers did not have television then, but we have it now. And the curtains need to be lifted further; else the people's right to know will be denied.

Mr. SIMPSON. Mr. President, I realize Senator Proxmire is here for his special order, so my remarks will not even be consuming the remaining minutes of the majority leader's time.

But I do want to indicate my support of what Senator Byrd is saying. Indeed, I do remember his particular venture on the floor. My father was in the U.S. Senate at that time and I was in the gallery when he was doing that. It was in 1963 or 1964—I am not certain, but I remember at least one instance when indeed the Senator did have the floor for many hours and it was an educational process indeed.

I would just say, from my standpoint, I have been resistive to televising the Senate not at all because of what it can do—and all the things the Senator says are so real. My resistance comes from the more pragmatic view, and I speak as one who enjoys that medium. I do enjoy television and must say that I have a shred of ham in me and that comes out sometimes; sometimes crossing the line between good humor and smart aleck, but I always learn when I do that, too.

But my problem is a very simple one and I look toward the minority leader to see if we can resolve it. That problem is because of our unique rules—and no one knows them better than the minority leader does. My biggest problem with it all is that I can see, whether you represent the majority or minority, and you are involved in a hearing, or chairing one or sitting as ranking minority member, conducting something here in the Capitol complex in one of our hearing rooms, busy in your work chairing and working, and suddenly a staff member comes in and says, "My Lord, they are dealing

with the public lands right now! Somehow it came up. There is an amendment," or "There is an amendment on low sulfur coal," or "There is an amendment on high sulfur coal, or shoe imports, or textiles—things that affect us deeply in our individual capacities. And I can hear the statement, "You better get over there quick or they will wonder where you were tonight when they see the news."

So we are all going to shuffle our papers, spring from our chairs, and come over here to cover our bases. That is the most destructive part of it. That is the real one I have a problem with, knowing my workload, knowing how some of our colleagues on both sides of the aisle hold down four committee positions, which is absurd in my mind, and which the distinguished minority leader helped to correct. But that is the one concern that leaves me with the greatest puzzle about how properly to do it.

Indeed, if we had television—and I think we will have it—it will keep us from altering the Record.

The Senator from West Virginia mentioned a tad about that. We amend the Record here. People do not realize how we amend the Record here. But it is very real and even a recent court decision has upheld that rather unique practice. I think the American public would have less of that if they saw us here doing what we are doing with the cyclopic eye of television observing. Thank you.

Mr. BYRD. Will the Senator yield?

Mr. SIMPSON. Indeed.

Mr. BYRD. The Senator addresses the problem which has concerned me and which concerns other Senators. But along with legislation which I introduced to provide for television and radio coverage of the Senate, I also offered certain proposed rules changes, one or more of which would deal with the exact dilemma that the Senator has just stated. It would be simply this. The Senate would meet on Mondays, Wednesdays, and Thursdays; and on the days which the Senate did not meet, the committees would meet; so there would be whole days for committee meetings, days that would not be interrupted by rollcalls and quorum calls. There would then be no necessity for committees to meet on days of Senate floor action.

I thank the distinguished Senator.

Mr. President, I apologize for intruding on the time of the Senator from Wisconsin.

Mr. SIMPSON. Mr. President, I apologize.

Mr. PROXMIRE. Mr. President, no apology is necessary. I am delighted to hear this very interesting debate. My problem with television is that television is about the biggest waste of time in America. I think it is a terrible waste of time for people, whether they are young or old or middle aged. There are all kinds of more useful and constructive things we can do than sit in front of that crazy tube watching entertainment which is terribly repetitive, and I think we would find more of that if we watched Senate debate.

THE GENOCIDE TREATY

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. PROXMIRE. I am happy to. But I want to ask the distinguished acting majority leader a question before he leaves the Chamber. This is on another subject. This Senator, as the Senator from Wyoming, I am sure, can easily understand, was greatly disturbed when he saw a list of must legislation—those things we will do before sine die adjournment. The Genocide Treaty was not on it. What disturbs this Senator about that is that it is the only treaty that is listed on the Executive Calendar. It is a treaty, as the Senator knows, that is supported by the President of the United States, is supported by the Democratic leadership and the Republican leadership. We have a Senate resolution which promised and pledged that we would take it up early in the 99th Congress. "Early" has already gone.

Under these circumstances, it seems to me that it is shocking, and a shame that we do not have that schedule to take up just as soon as possible—certainly before we have sine die adjournment this year. I know the Senator from Wyoming is a supporter of the treaty. I appeal to him as a leader of the Republican Party, and hope that he can find a way to get at that schedule.

Mr. SIMPSON. Mr. President, let me respond just briefly.

Indeed, I understand the depth—the total depth—of feeling of the Senator from Wisconsin. I have watched this long before I came to the Senate—with regard to the Genocide Treaty. I feel just as strongly. I think it is important that we deal with it. I will assure the Senator from Wisconsin that I will in leadership—bipartisan leadership—activities, pledge to you my efforts to see that we deal with that indeed before sine die. I promise the Senator that.

Mr. PROXMIRE. Mr. President, I thank the distinguished leader very much. I deeply appreciate it.

Mr. President, may I yield to my good friend, the Democratic leader?

TELEVISION IN THE SENATE

Mr. BYRD. Mr. President, will the Senator repeat what he said about television?

Mr. PROXMIRE. I say that I am sure television is amusing for lots of people. It is a way they pass time. It is appalling that the average person in America spends 4 to 6 hours a day watching television. It is a terrible, terrible waste of time with all of the marvelous, constructive things that human beings can do in the short time we have on this Earth. We spend it sitting before a television set hypnotized somehow by watching a television over and over again. The Senator knows it is junk mostly. It is not always. Once in a while you can get a good program.

Last night my wife tells me that she was watching a program with Dustin Hoffman that was a superb program. Frankly, this Senator has not watched a program since January 1, 1985. I have not missed it.

Mr. BYRD. Well, I say to my friend that that is no plausible argument, in my judgment, I say respectfully, for opposition to televising the Senate. The Senator from Wisconsin has chosen to make politics his career. He is spending the best part of his life in serving the people in this body. So am I and so are others. This is the most important business of any to the American people, because Government impacts upon almost every tiny facet of the lives of the American people—indirectly or directly—every day. Surely, they should be entitled to an opportunity to observe as the issues of the day are being debated in the U.S. Senate. They have a right to be fully informed on developments affecting them here.

I agree with the Senator insofar as just sitting before the television set hour after hour after hour and watching some of the programs that are on. They are pathetic. But I would not use that adjective in describing, let us say, Alistair Cooke's series some years ago.

Mr. PROXMIRE. No, there are many good things. I have to go back years to find anything worthwhile.

Mr. BYRD. Those programs that were on public television some years ago, "Jude the Obscure," "The Gambler," "Elizabeth R.," "The Last of the Mohicans," "The Six Wives of Henry VIII," and so on, were great, great theater, and the parts were played out by the English actors, who were excellent.

Mr. PROXMIRE. I appreciate that. I might also point out, however, that some of the most concerned Americans are sitting in the gallery. They come all the way to Washington from West Virginia, Wisconsin, Wyoming, and elsewhere. They come here to watch the Senate debate. I am sure some of them are disappointed by the fact that there are only two or three Senators on the floor often. But I think they are the people who really make an effort, and probably get the most out of the Senate discussion and debate.

Mr. President, I will proceed, if I might. I thank the leader.

BEST COPY AVAILABLE

Mr. BYRD. Mr. President, I ask unanimous consent that the time which I have been instrumental in taking from the Senator not be charged against him.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

KISSINGER WARNING: THREAT OF NUCLEAR WAR A GROWING DANGER

Mr. PROXMIRE. Mr. President, elder statesman Henry Kissinger offered our country some useful warnings in a recent interview about the future prospects of nuclear war. Secretary Kissinger agreed that the colossal nuclear arsenals of the superpowers provides a potent deterrent. But he warns against the widely accepted assumption that because the world have avoided a general world war in the 40 years of the nuclear age we can expect to continue to avoid nuclear war for the indefinite future. Kissinger contends that the military situation that prevailed in the last 40 years has changed. He offers three reasons for this quite different situation. Reason No. 1 is this: In the first 20 or 30 years of the nuclear age the United States enjoyed "a huge nuclear superiority." Second reason: Most of the crises were in areas where the two superpowers controlled most of the decisionmaking. Third, the weapons of the two sides only recently became very sophisticated.

Mr. President, the Kissinger warning deserves our attention. Why have we avoided nuclear war for 40 years? Not because we have been wise and cautious, not because we have restrained the arms race with strong arms control agreements, not because we have steadily improved our mutual understanding and cooperation with the Soviet Union, not because we have exercised farsighted policies that have stopped the spread of nuclear weapons. Why then have we avoided nuclear war? We have avoided nuclear war because we have been lucky. And as the Kissinger analysis suggests that luck is running out.

If we are to avoid nuclear war in the next 40 years, we will have to be more than lucky. What will it take? For starters it will take an end to the arms race—which as Mr. Kissinger implies is pushing the two superpowers more and more in the direction of—as he put it—"very sophisticated" nuclear arsenals. Why are sophisticated nuclear arsenals necessarily dangerous? First, they are dangerous because their complexity and speed makes the prospect of accidents much more likely such as fake warnings of nuclear attack, computer error, computer misinterpretation. Also the demands on crucial command and control can become overwhelming. Consider that both superpowers have hundreds of land-based missiles throughout their territory and scores of submarines and bombers scattered throughout the world. Each U.S. Trident submarine, for example, has the power to blow every major city in the Soviet Union into oblivion. So we have literally hundreds of separate and immensely destructive sources of overwhelming military power. The Soviet Union has a different but similarly complex, scattered and imperfectly coordinated destructive power.

Second, the nuclear arsenals are about to take another massive leap in destructive capacity—similar to the leap in power represented by the first nuclear bomb itself. This new technology greatly exceeds by many times the destructive power of the fusion and fission that gave the atomic and hydrogen bomb respectively their vast energy. And this brings in a new danger not mentioned by Kissinger. It is this: because the antimatter bomb releases many times more explosive power per pound than its nuclear cousin, it can provide an immense nuclear power in a very small and light warhead. What does this mean? It means it can be delivered very cheaply. The big cost of nuclear weapons has never been in the warheads, it has been in the missile, or submarine, or bomber that carries it. The antimatter bomb will make infinite destruction cheap. For the first time it will be within the economic capability of scores of nations that previously could not afford a nuclear arsenal.

If ever there were a time when antiproliferation policies were absolutely vital to world peace, it is now. Present antiproliferation policies are already too feeble. The recently announced United States agreement with China is just the latest example of the dangerous weakness or our antiproliferation policies. Remember the second Kissinger reason for no nuclear war in the past 40 years was that the two superpowers controlled decisionmaking in the crisis areas. If we permit antimatter nuclear arsenals scattered throughout the world, the two superpowers will, obviously, lose their control over areas of crisis. Sheer good luck has prevented nuclear war for 40 years. We will need rigorous advancement of arms control and antiproliferation in the next 40 years if civilization is to survive.

Mr. President, I ask unanimous consent that the interview with Dr. Henry Kissinger to which I referred be printed at this point in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

WAR GAMES

This interview of Henry Kissinger was conducted by Stephen Rosenfeld, deputy editorial page editor of the Washington Post.

Q. Here it is 40 years after the bomb. What is it that statesmen, practicing politicians who have actual responsibility for power, must know about the bomb?

A. They of course become very conscious of the consequences of a nuclear war. One of the first things you get briefed on when you are appointed to one of the top spots is the general consequences of a nuclear war.

Q. Does it scare you?

A. It awes you. And it shows you that you have a responsibility that no previous statesman has faced. . . . In the past you could always say that the consequences of defeat were worse than the consequences of war. You cannot say that with assurance in the nuclear age.

Q. Can awe become paralysis?

A. It's your duty to prevent paralysis, and yet it is also your duty to recognize that nuclear power is not the same as traditional military power. This is the dilemma. If you permit it to go to paralysis, then you're turning the world over to the most ruthless, to the one who can plausibly threaten.

So this is in the back of your mind. But it has also a contradictory result that in most concrete crises that arise you do not believe that they will turn into general war.

Q. What gives you that hope, that faith that a crisis won't go nuclear?

A. Well, partly because when you're an American, you know that you have the ultimate decision over the actions leading to nuclear war and you know that your nuclear threshold is very high, and you assume that that is equally true on the other side. But it is a curious phenomenon that in the period at least in which I was in office, I did not believe at any time that we were close to nuclear war. And I suspect this has been true throughout the nuclear age, except perhaps the Cuban missile crisis.

Q. Well, now we have an interview of President Nixon (in Time magazine) where he suggests that on at least four occasions he "considered" using nuclear weapons. He's referring to the Vietnam War, to the Soviets' threatening to take out China's nuclear facilities, to the India-Pakistan war and to the Middle East crisis of 1973. "Considered," of course, can mean many different things, but what are we talking about here?

A. I read that interview and frankly I was sufficiently concerned to talk to some of the other key decision makers of that period—Secretary of Defense Melvin Laird, Chairman of the Joint Chiefs of Staff Adm. Thomas Moorer, the two security advisers, Gen. Alexander Haig and Gen. Brent Scowcroft—to see whether their recollection coincided with mine. And so I can safely say that there was never a concrete occasion or crisis in which the use of nuclear weapons was considered by the government.

Q. In the Middle East war of 1973 there was a so-called nuclear alert on the American side. Is that not an aspect of nuclear diplomacy?

A. Technically it is not 100% correct to call it a nuclear alert. What happened was we received a message from [Soviet leader Leonid] Brezhnev inviting joint American-Soviet military action in Egypt, in effect against the Israelis, who had just trapped

the 3rd Egyptian army. Brezhnev added that if we did not agree to joint action, he would undertake unilateral action.

We were determined not to undertake a joint action or to permit a unilateral Soviet action. Those of us who were meeting—and at the point President Nixon chose not to participate—were attempting to convey to the Soviets that we would oppose their move into Egypt. And we wanted to take certain actions that they would pick up through their intelligence before we sent our reply.

There are five stages of readiness for our military forces; most are in defense condition 4 (with 1 the highest condition). In 1973 the Pacific theater, because of the legacy of the Vietnam War, was in defense condition 3.

During the Middle East alert, we went from defense condition 4 to defense condition 3 for the rest of the world. Some of the consequences are that some people on leave get called back to their bases, and some more bombers are put on alert and similar measures.

My guess is the high probability would have been that had the Soviets sent troops to Egypt, we would have responded with the 82nd Airborne Division in Egypt. Our ally was militarily stronger than their ally. And our judgment was that we could get more conventional forces into the area than they could.

Q. But you would not call this a nuclear alert?

A. It was a general alert that also alerted some nuclear forces. The best proof of that is that we did exactly the same thing in 1970 when Syria invaded Jordan and at that point the Soviet Union was not even directly involved. We wanted to generate enough cable traffic, enough alerting of forces to indicate we would do something. But we were far from a decision to go to nuclear war.

Q. Isn't there a sense that it's almost impossible, once you start getting into one of these very messy volatile crises, not to let come into your mind some of these "what if" questions? These ultimate nuclear questions?

A. It is of course true when you confront the Soviet Union, or when you even consider confronting the Soviet Union, you have to recognize that the nuclear threat increases. And, in fact, you cannot act as if you exclude the unclear threat or, paradoxically, you encourage it.

Q. Overall, have nuclear weapons been a help or a hindrance in the conduct of world affairs for great powers?

A. If it were not for nuclear weapons it is likely that there would have been a war between us and the Soviets. So it is almost certainly true that nuclear weapons have preserved the peace.

It is also true that if we continue the strategy that has got us these 40 years of peace, that some catastrophe somewhere along the line is going to happen and that therefore the big problem of our period is to build on this long period of peace so we have a structure that is different from the preceding one.

Q. Aren't you saying something paradoxical? You say the bomb has been an element to keep the peace over 40 years and yet if we go on as we are we risk a catastrophe. What do you mean by that?

A. In the first 40 years, first of all there were 20 years in which we had a huge nuclear superiority, maybe even 30 years. Secondly, most of the crises were in areas where the United States and the Soviet Union controlled most of the decision making. Finally, the weapons of the two sides only recently became very sophisticated.

HUMAN RIGHTS AND THE HELSINKI ACCORDS

Mr. PROXMIRE. Mr. President, last month marked the 10th anniversary of the Helsinki accords. For the West, the first decade brought both frustration and satisfaction.

Almost immediately after the Helsinki conference, Soviet leaders proclaimed that nothing the conferees signed justified criticism of the Soviet system or the Communist Party.

KGB agents cracked down on groups organized to monitor Soviet compliance with the Helsinki accords in Moscow, Lithuania, Armenia, Georgia, and the Ukraine.

The U.S. Helsinki Watch Committee reports that:

> More than 100 people openly became members of the Helsinki groups and their affiliates. Today, 51 are incarcerated in prisons, labor camps, and psychiatric hospitals, or are serving terms in exile. Four have died after years of mistreatment in Soviet labor camps, and one was killed in an automobile accident under suspicious circumstances.
>
> Twenty others have been released after serving sentences but live under the constant threat of a new arrest. Seventeen have emigrated to the West because of the threat of imprisonment.

Unfortunately, arrests of political dissidents represent only a few of the sordid Soviet restrictions on religious, intellectual, and individual liberties.

Clearly, the Soviet Union violates the Helsinki accords. Does this mean the pacts are worthless? No.

Mr. President, the Helsinki accords provide a valuable forum for discussing human rights violations, which even the Soviet Union cannot completely ignore. World opinion is important. The Soviet Union's defense of its behavior before the international community and its own people attests to the strength and success of the Helsinki accords.

Mr. President, the development of human rights protection is a slow and tedious process. Sadly, serious and savage violations still exist throughout the world. The Helsinki accords represent just one step in guaranteeing human rights. Other steps must follow.

The U.S. Senate must ratify the Genocide Treaty making clear to the world that the most fundamental of all human rights is the right to life.

Our ratification can have a profound influence on people all over the world by demonstrating that the United States is unalterably opposed to the heinous crime of genocide.

Mr. President, the United States signed the Helsinki accords. Let us again reaffirm our support for human rights by ratifying the Genocide Treaty.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that the nuclear arms race between the two superpowers—the United States and the Soviet Union—is being conducted in a vacuum and has no effect on the spread of nuclear weapons to other nations.

It is a myth that both superpowers—and I repeat, both the United States and the Soviet Union—enjoy maintaining: That their stockpiling of nuclear weapons does not adversely affect efforts to contain the proliferation of nuclear weapons.

We are seeing the Reagan administration trying to foist that myth on other nations at the third international review conference in Geneva on the 1970 Nonproliferation Treaty.

The Nonproliferation Treaty pledges the 127 nonweapons states that have signed it not to acquire nuclear weapons. In return, the three nuclear weapons states that have signed it—the United States, the Soviet Union, and Great Britain—pledged to halt the nuclear arms race.

Have the nonweapons states lived up to their bargain? So far, yes. Have the weapons states lived up to their bargain? No way.

And now we have the Reagan administration telling the NPT review conference it will not halt the testing of nuclear weapons and trying to convince the other countries at the conference that our testing of nuclear warheads doesn't affect proliferation one way or another.

Are the other countries swallowing that line, Mr. President? No way.

They are angry and they have a right to be angry. The nonweapons states, particularly the nonaligned ones, feel that they have been cheated in this agreement.

Five years ago, in 1980, when we had the last NPT review conference, the nonweapons states were hopping mad that the weapons states had not curbed their appetite for nuclear arms.

Today, 5 years later, with arms control still at a standstill, the nonweapons states are simmering again. And the Soviets have scored a propaganda coup over us by halting the testing of nuclear weapons temporarily.

Mr. President, the NPT reveiw conference demonstrates once again how the superpower arms race undercuts our ability to halt the spread of nuclear weapons.

We seriously erode our credibility in convincing other nations to forgo nuclear weapons as long as we continue to stockpile nuclear arms.

When both superpowers build more sophisticated nuclear arms designed to fight limited nuclear wars, we only signal to nonweapons states that these arms have some attractive military utility.

When we develop smaller nuclear arms and at the same time ship conventional arms such as jet fighters to nonweapons states, we only increase the capability of more nations to deliver nuclear weapons to their targets.

Mr. President, this is one myth we cannot afford to perpetuate—if for no other reason than for the sake of our own national security.

The fact is the superpower nuclear arms race is posing a major hurdle to international efforts to halt the spread of nuclear weapons.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER.** Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes each.

Mr. SIMON addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Illinois.

THE HELSINKI ACCORDS

Mr. SIMON. Mr. President, I wanted to comment on one item that my colleague from Wisconsin talked about—and I agree with him on all three items—the Helsinki agreement signed 10 years ago.

In Moscow, there was a little group called the Helsinki Watch Group, which included Dr. Sakharov, the most distinguished member of the day.

But the one person who is yet in Moscow today is a 74-year-old gentleman by the name of Dr. Naum Meiman. For the record, his last name is spelled M-e-i-m-a-n. Dr. Meiman has stood for freedom there, and has had his home ransacked periodically by the KGB as a result. His wife has just had a fourth cancer operation. They would like to emigrate to Israel. They are being turned down for Soviet reasons and it is so ridiculous. It is these little irritants that get in the way of better relations between nations.

The Senator from Wisconsin joins me in working for a better relationship between the Soviet Union and the United States. It is absolutely imperative if our civilization itself is to survive.

In part, we have to do things: We have to tone down our rhetoric, we have to do constructive things.

It is also imperative that the Soviets do certain things. One of the important things they could do now is let Dr. and Mrs. Meiman, neither one of whom has long to live, emigrate to Israel and live out their few remaining days in freedom there. Why cannot a great, mighty nation like the Soviet Union do that?

I hope that those agencies in the Soviet Union who monitor this Congressional Record would do that.

I compliment the Senator on his statement.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. SIMON. I am happy to yield.

Mr. PROXMIRE. I congratulate my friend. I could not agree with him more. That is exactly the step I hope the Soviet Union would take. As the Senator points out, these are two elderly people. All they are asking is a few years of life in freedom in Israel. As the Senator points out, that is the kind of thing we would like to accomplish.

Mr. SIMON. Mr. President, I thank the Senator.

Mr. President, I yield the floor.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. Wilson). Without objection, it is so orderd.

NATIONAL FARM SAFETY WEEK

Mr. DOLE. Mr. President, the week of September 15-21 has been proclaimed by President Reagan as the 42d annual "National Farm Safety Week," cosponsored by the National Farm Safety Council and the U.S. Department of Agriculture. Farm Safety Week is an attempt to better inform the agricultural community about farm accident problems and to encourage use of effective, appropriate safety measures.

HEALTH + SAFETY = SUCCE$$

The theme for Farm Safety Week this year is "Health + Safety = Succe$$." This theme recognizes that farm-related accidents are still numerous and the severity of many of these accidents can be extremely costly not only to the farm families involved but also to their rural communities and the Nation as well.

The National Farm Safety council estimates that agricultural work related accidents caused approximately 1,700 deaths and 180,000 disabling injuries last year. While no separate figures are available for agriculture, the council also estimates that the direct and indirect costs of an average disabling work injury for all industries is approximately $12,000, and for a work fatality, $410,000. These expenses result from wage losses, medical costs, insurance costs, property damage, substitute labor, productivity losses, and so forth. In total, the council estimates the costs of accidents and fires to farming families approaches $5 billion annually.

Mr. President, although agriculture is the most productive industry in the United States, these statistics point out that it is also one of the most dangerous of occupations. During these difficult economic times affecting many in rural America, it is important to realize that a serious farm accident can cause personal grief for the family involved and mean the difference between financial success or failure of the farm or ranch operation.

WORKING TOGETHER

Mr. President, although National Farm Safety Week was established in 1944 as a safety program to combat accident losses impairing wartime agricultural production, the basic concept of the week has changed little over the years. It is a national effort to inform people in agriculture on the human and economic toll of accidents and measures that can be taken to prevent them. During the week, radios, newspapers, the extension service, 4-H and FFA groups, farm organizations, businesses and many others will be promoting safety and health tips. However, we should remember that safety is a year-round effort and I hope that all Americans will share in this commitment to increase their awareness of risk prevention and act in a safe and informed manner so that they can achieve success in their work and enjoy a better life.

MARY GRIMMEL—A LOYAL FRIEND AND TIRELESS SENATE AIDE

Mr. KENNEDY. Mr. President, the recent untimely death of Mary Grimmel deprived all of us who knew her in the Senate of a cherished friend and loyal colleague.

To know Mary was to admire and respect her as a tireless worker, and to love her as a friend. During her 20 years of outstanding service in my Senate office, she was a daily source of advice and help on countless issues. Her generous spirit and extraordinary dedication made her beloved by all the members of my staff, and she was a true and constant friend to me and to all the members of the Kennedy family.

All of us know that our Senate offices could not function without the skill and leadership of men and women like Mary Grimmel. We will miss her in the days and years ahead, but we will never forget her cheerful smile and her unselfish friendship. We shall always remember her special diligence and warm compassion—and her delightful common touch. To all of us, she was a symbol of the best in public service.

I extend my sympathy at this sad time to Mary's husband and her

family, and I ask unanimous consent that an article on Mary Grimmel from the Washington Post may be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 3, 1985]

Mary Margaret Grimmel, 55, the office manager for *Sen. Edward M. Kennedy (D-Mass)* until she retired in 1982 with 21 years of service on Capitol Hill, died of cancer Aug. 31 at Northampton-Accomack Memorial Hospital in Nasawadox, Va.

Mrs. Grimmel, who lived in Nelsonia, Va., was born in Baltimore. She moved to the Washington area after her marriage in 1949 to Sidney E. Grimmel. The couple lived in Capitol Heights until moving to Nelsonia in 1982.

Mrs. Grimmel began her career as a congressional aide by working for former senator Benjamin Smith (D-Mass.), who was appointed to fill the unexpired term of John F. Kennedy after Kennedy became president in 1961. She joined Edward Kennedy's staff when he was elected to the Senate in 1962 to take the seat from which Smith had resigned.

Mrs. Grimmel was a member of St. Margaret's Catholic Church in Seat Pleasant. She also had been a member of the Congressional Bowling League and a volunteer with the Camp Fire Girls.

In addition to her husband, of Nelsonia, survivors include two daughters, Cheryl Moye of Whaleysville, Md., and Colleen Snyder of Takoma Park; her mother, Catherine Oliver of Baltimore, and three brothers, Cecil Oliver of Denver, Robert Oliver of Hagerstown, Md., and James Oliver of Baltimore.

JEWISH HIGH HOLY DAYS

Mr. DOLE. Mr. President, I want to take this opportunity today to extend my best wishes for a "Happy New Year" to all people of the Jewish faith.

"Rosh Hashannan"—literally the beginning of the year—marks the start of 5746. Along with Yom Kippur, these Jewish High Holy Days, remind everyone, regardless of religious belief, of Judaism's long, rich history and its legacy to the world.

There are many customs associated with the start of the Jewish New Year that reflect the values and dreams most of us hold.

During this season, Jews traditionally confess, and ask forgiveness for sins and pledge to lead better lives. Dipping apples in honey or eating honey cake to symbolize hope for a sweet year.

The traditional greeting during the Jewish New Year is L'Shanah Tovah Tikatevu, which means "May you be inscribed in the book of life."

Mr. President, I would like to offer a special "Shana Tova" to the thousands of Soviet Jews who remain there, despite their very great desire to emigrate. The High Holy Days are a fitting time for those of us who have spoken out and worked to convince the Soviet Government to relax their current restrictive emigration policy, to recommit ourselves to that worthwhile goal.

One of our most precious freedoms in America is the freedom to practice religion, whatever it may be, without fear. It is a freedom we would like the rest of the world to enjoy. And for those Soviet Jews who want to preserve their religion and traditions in Russia, or elsewhere, we offer our heartfelt wishes for continued strength and faith in the months ahead.

NATIONAL INDEPENDENT FREE PAPERS WEEK

Mr. DOLE. Mr. President, I want to join Senator Grassley in paying tribute to the hundreds of independent free papers that serve communities throughout the Nation.

By affording small, local businesses the opportunity to advertise and promote their products and services, these free-circulation newspapers help sustain an essential element of the American economy.

Free-circulation newspapers aid more than just the merchant, however. They give consumers the chance to see all the competition—not just big businesses with big advertising budgets. And they provide an outlet for individuals to sell items or seek services through classified ads.

Mr. President, independent, free-circulation newspapers fulfill an important role in this country's wide-ranging array of media. And I want to wish the Independent Free Papers of America Association, which is celebrating the anniversary of its founding this month, continued and growing success.

POLL RESULTS SHOW U.S. DRUG USE TOPS SIXTIES LEVEL

Mrs. HAWKINS. Mr. President, a very disturbing report was featured recently in the Washington Post's Health Magazine. The title says it all: "Drug Use Tops 60's Level."

In this article, the results of a recent Washington Post-ABC News nationwide survey reveal that young Americans are experimenting with drugs far more than their 1960's counterparts. In the survey, half the individuals between the ages of 18 and 30 said they have tried marijuana and 1 in 5 said they have used cocaine. By contrast, among those aged 31 to 44—people who came of age when drug use first became widespread—only one-third said they had ever used marijuana, and only 1 in 12 reported having tried cocaine.

An additional, and even more troubling, statistic of this poll, is that while drugs started as a big-city problem a generation ago, the survey shows that marijuana and cocaine use have spread, expanding to the suburbs, small towns, and rural communities. Though drug use is still greatest in urban areas, and along the east and west coasts, it has risen sharply everywhere else in the United States as well.

Among those aged 18 to 30, 4 in every 10, whether they use the drug or not, felt that there should be no penalty for possession of small amounts of marijuana for personal use. Among those over 30, only 2 in 10 said it should be legalized. Oddly enough, though cocaine use has experienced the most dramatic increase, virtually no one participating in the survey expressed support for the legalization of cocaine; 9 percent of the younger group, and 5 pecent of the older group, indicated their support.

One positive result of the poll indicated that only 3 percent of the individuals surveyed admitted to current use of illicit narcotics. What it suggests is encouraging: While many people may experiment with drugs, relatively few stay with them.

It is assumed that because responses to the poll questions involving use of an illegal substance were voluntary, the amount of drug use they reveal may be understated. Even so, the increase attested to by the results of this poll is alarming. In general, the survey shows a great many young people involving themselves in an area that is foreign to most of their parents, and almost totally unknown to their grandparents. For example, among those in the survey aged 61 or older, only 2 percent said they have ever used marijuana and 1 percent said they have used cocaine. Only 1 percent in that age group said that they use either drug frequently, and only 3 percent said they have friends who use these narcotics.

Similarly, among those aged 45 to 60, only 8 percent said they have tried marijuana and 3 percent said they have used cocaine. None admit to being frequent drug users; only 3 percent said they use them occasionally. But among this group, 20 percent admitted to having friends who used either marijuana or cocaine.

Among people between 31 and 44 years old, 34 percent said they have used marijuana and 8 percent said they have tried cocaine; 4 percent admitted to being frequent or occasional users, and almost half—44 percent—said they have friends who used one of the drugs.

As for those aged 18 to 30, 49 percent said they have used marijuana, 20 percent said they have used cocaine, and 8 percent said they currently used one of the drugs frequently or occasionally. Two of every three said that they have friends who used one of the two drugs.

Among this last group, men and women reported having experimented with marijuana to about the same degree. Men, though, are most likely to have tried cocaine, and are also more likely to be using either of the drugs today. In the 18- to 30-year-old age bracket, for instance, 53 percent of the men interviewed and 47 percent of the women say that they have used marijuana in the past; 25 percent of the men and 16 percent of the women said that they have used cocaine; 12 percent of the men in that age group but only 5 percent of the women admitted to using marijuana currently; for cocaine the figures are 5 percent among men and 2 percent among women.

These comparisons among generations indicated dramatically how much the drug problem has grown, especially in places that were not the least affected not long ago. We must continue to fight this dangerous trend and remain unrelenting in our efforts to curb the pervasiveness of illicit narcotics in our society. As chairman of both the Senate drug enforcement caucus, and the Senate Subcommittee on Children, Family, Drugs and Alcoholism, I will continue to do whatever I can to make young people aware of the danger and destruction of the use of drugs, until I see that statistics like the ones reported in this survey are decreased to zero use, by every age group.

Mr. President, I ask unanimous consent that the Washington Post-ABC News poll be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

WASHINGTON POST-ABC NEWS POLL

More than one in four Americans admits having experienced with cocaine and almost one in ten admits having tried cocaine, according to a Washington Post-ABC News nationwide survey. And while very few say they use either drug today, substantial numbers of people say they have friends who do use them.

Q. Have you ever used marijuana or hashish . . . cocaine? Are you using marijuana or hashish . . . cocaine these days? Do any of your friends use marijuana or hashish . . . cocaine?

[In percent]

	Have used	Use now	Friends use
Marijuana or hashish	[illegible]	4	37
Cocaine	9	1	17

Q. How would you compare alcohol abuse to drug abuse in the community where you live: Which would you say is more of a problem?

[In percent]

	All people	Age 18 to [illegible]	Age 31 and [illegible]
Alcohol is more of a problem	38	47	34
Drugs are more of a problem	36	37	35
Both equal/no difference	20	15	23
No opinion	6	2	[illegible]

Q. How much trouble have drugs caused in your family? How much trouble has drinking caused in your family?

[In percent]

	Drugs	Drinking
A great deal of trouble	[illegible]	[illegible]
A fair amount of trouble	2	[illegible]
A little trouble	3	7

From a nationwide telephone poll of 1,503 people, May 9–13

[In percent]

	People aged 18 to 30	People over age 30
East	58	21
Midwest	[illegible]	17
South	[illegible]	15
West	67	17
Big cities	57	30
Suburbs of big cities	49	[illegible]
Small towns	[illegible]	[illegible]
Rural areas	[illegible]	14

STURGIS, SD, HONORS SQUIRE BROEL

Mr. PRESSLER. Mr. President, this Saturday, there will be a gathering in Sturgis, SD, to honor one of our State's finest citizens, Squire Broel, for 50 years of service as a fireman.

Squire began his fire-fighting career in 1935, when he was only 17 years old, in his hometown of Lesterville. Even before formally joining the local volunteer fire department, he and several teenage friends used to pitch in to help fight fires in the Lesterville area. On those occasions, Squire performed with so much enthusiasm that he was invited to join the department.

One of his first jobs as a volunteer fireman was squeezing into the trunk of a car, to serve as the "human hitch" for a chemical cart which had to be pulled to all fires. Hanging onto that cart while careening down country roads at 50 miles an hour in all kinds of weather took the kind of dedication and toughness that has marked all of Squire's subsequent career.

In 1951, he moved from Lesterville to Sturgis, to take up a job with the Fort Meade Veteran's Hospital Fire Department. In 1953 he became crew chief at Fort Meade, and in 1961 he was promoted to fire chief, a position he held until his retirement from Federal service in 1978.

Leaving his paid fire-fighting position, though, did not end Squire's fire-fighting career. He continues to serve with the Sturgis volunteer department and to teach fire safety in schools in several States.

Squire is a member of many organizations: the South Dakota Firemen's Association; Black Hills Safety Council; Black Hills Fire District—of which he is a charter member and past president; South Dakota Fire Chiefs' Association; and the International First Aid Association. In 1964 he was named Federal Civil Servant of the Year, and in 1977 was selected by the Keep South Dakota Green Association as Fireman of the Year.

In 1940, Squire married another native South Dakotan, Evelyn Hladky. Squire and Evelyn have three grown children—Larry, Carolyn, and Jean—and five grandchildren.

I know I speak for all South Dakotans in saying "thanks" to Sq̂uire for his five decades of dedicated service and "best wishes" to all the members of his family who have helped and supported him through these years.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

The PRESIDING OFFICER. The Senate will now resume consideration of the pending business, S. 1200, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1200) to amend the Immigration and Nationality Act to effectively control the unauthorized immigration to the United States, and for other purposes.

AMENDMENT NO. 618

Pending: Symms Amendment No. 618, to provide that no agency or instrument of the United States, or any corporation or other entity created by act of Congress shall extend any loan or other form of credit of whatever nature to any government or agency thereof, of any country in North America which allows access to its ports to any nuclear weapons delivery-capable Soviet naval vessel (except vessels in extremis) at any time after September 20, 1985.

The PRESIDING OFFICER. The pending question is on amendment No. 618, by the Senator from Idaho [Mr. Symms].

Mr. SIMPSON. Mr. President, that is the pending business as per the agreement.

I yield to the Senator from Idaho.

Mr. SYMMS. Mr. President, I ask unanimous consent that the name of the distinguished chairman of the Senate Committee on Banking, Housing, and Urban Affairs, the Senator from Utah [Mr. Garn], be added as an original cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I ask unanimous consent that the distinguished chairman of the Agriculture Committee [Mr. Helms] be added as an original cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 619

Mr. SYMMS. Mr. President, I send to the desk a perfecting amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. Symms] proposes an amendment numbered 619 to amendment numbered 618.

Add at the end of the Symms amendment numbered 618 the following additional section:

"Section —. Congress declares that the Monroe Doctrine should be and is the national policy of the United States of America."

Mr. SYMMS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SYMMS. Mr. President, I yield the floor.

Mr. SIMPSON. Mr. President, do I correctly gather that there will be no real debate on that amendment or the perfecting amendment? Is that the intent of the sponsor?

Mr. SYMMS. No. The sponsor would like to debate the amendment at this time; but if the manager of the bill has other amendments, I am willing to temporarily lay aside the amendment so that he can go ahead and process the amendments.

I have a speech on the way over which I can work in at the pleasure of the Senator from Wyoming.

Mr. SIMPSON. I shall make some remarks on the amendment and ask that they appear appropriately in the Record after the argument by Senator Symms.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The following proceedings occurred later in the day and are printed at this point by unanimous consent:)

Mr. SYMMS. Mr. President, at the appropriate place in the Record earlier today, I asked a unanimous-consent request that the distinguished chairman of the Banking Committee, Senator Garn, be added as a cosponsor to my amendment, and I would like to add to that unanimous-consent request that the distinguished chairman of the Agriculture Committee, Senator Helms, be added to the amendment as an original cosponsor. And I would like to have my remarks continue on at that place in the Record right after I had the floor earlier today when I introduced the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, this amendment (No. 619) is sponsored by the chairman of the Armed Services Committee, Senator Goldwater, Senator Trible, Senator Garn, and Senator Helms. If other Senators wish to be a cosponsor, I will be pleased to add their names.

Mr. President, I wish to remind my colleagues what this amendment says. As I commented Friday when I introduced the amendment, it is basically self-explanatory, but I am going to reread the amendment and the perfecting amendment just to set the stage for my very brief remarks which I shall make in support of this amendment.

The amendment No. 618 reads:

At the appropriate place, insert: "Notwithstanding any other provision of law or of this Act, no agency or instrument of the United States, or any corporation or other entity created by act of Congress shall extend any loan or other form of credit of whatever nature to any government or agency thereof, of any country in North America which allows access to its ports to any nuclear weapons delivery-capable Soviet naval vessel (except vessels in extremis) at any time after September 20, 1985."

The perfecting amendment reads:

Add at the end of the Symms amendment numbered 618 the following additional section: "Sec. . Congress declares that the Monroe Doctrine should be and is the national policy of the United States of America."

Mr. President, I know the distinguished Senator from Wyoming, the floor manager of the bill, does not want to discuss this amendment or to debate it. I understand that floor managers and chairmen of committees normally take the position that they do not want to expand the debate to the particular subject on which they are working which would further complicate the passage of the legislation.

But, no matter how well-intended Members of the Congress of the United States are with respect to controlling the U.S. border, if we ignore the implications of the extension of the evil empire of the Soviet Union into the Western Hemisphere, no piece of paper, no law is going to stem the tide of people voting with their feet, seeking freedom in the United States. If most of the Members of this body were in the position of many people just south of the border, or fellow Americans who happen to be Mexican citizens instead of U.S. citizens, we, too, might feel constrained to vote with our feet and come into the promised land, the United States of America.

The purpose of the amendment is to say that we cannot in this hemisphere be a good neighbor to our friends in Mexico and have them think we are going to approve their flirtations with the Soviet Union, because if the Soviet Union makes it a habit of having their naval vessels make ports of call at Vera Cruz or other ports in Mexico, the Soviets will have an ultimate motive which will, of course, be to extend their revolution into Mexico.

Mr. President, I remember well a seminar in 1982 over in the Dirksen Building at which I had the privilege of introducing the dean of the Northwest delegation, the late Senator Scoop Jackson. He said that the Soviets and the Cubans are not interested in just El Salvador; their target is not just Nicaragua; it is not just Honduras or Costa Rica. The main Soviet target is Mexico, because once they can stir up a revolution in Mexico, it will have all kinds of spillover into the United States. I think it directly affects the implications of this legislation.

The purpose of this legislation has been stated very clearly and most eloquently by the authors and by the floor managers of this bill, and it is to help control the U.S. borders, a very noble and necessary cause. But if we ignore the other implications of geopolitical struggles of the Soviets in trying to extend their influence into this hemisphere, we will certainly find that the impact of this legislation, if it is to have any impact on controlling borders, will evaporate rapidly into thin air.

Mr. President, I want Senators to understand that a vote against these two amendments should be interpreted as a vote in favor of Soviet nuclear naval squadrons using Mexican ports and a vote against the Monroe Doctrine. I interpret votes against the amendments in this fashion, and I believe the American people would interpret them this way.

I hope the Senator from Wyoming, the floor manager of the bill, will not move to table this amendment, as he has said. I hope he will choose not to do that. I think it would be much better to vote straight up and down on this amendment and have a resounding, strong clean vote in the U.S. Senate. If the managers of the bill at a later time felt it were necessary to dispose of it in conference, that would be another matter. But for us not to send a strong signal would be a very bad mistake.

I have been advised by my press assistant that he has already received a call from someone from the Mexican press, very concerned, that the Mexicans may be making efforts already in Mexico to disinvite the Soviets. I do not know whether that is true at this point. It has not been confirmed to me yet by written statement. But I think that if it is true, it demonstrates that our friends south of the border, who sometimes on the surface holler about the Yankees in the North, down inside will respect us when we take a very strong stand.

Mr. President, if my two amendments receive a motion to table them, then a vote to table my amendments is a vote in favor of Soviet nuclear naval squadrons using Mexican ports, and a vote against the Monroe Doctrine. The Monroe Doctrine has been the fundamental principle of American foreign policy for almost 162 years. I want Senators to be aware of how I and the American people will interpret their vote on my amendment. They will hear more about the Monroe Doctrine between now and November 4, 1985.

Mr. President, on September 14, 1983, President Reagan stated that the Soviet Union had "abrogated" the 1962 Kennedy-Khrushchev agreement by deploying "offensive weapons," including several types of nuclear delivery-capable vehicles and even probable nuclear storage and handling facilities, to Cuba.

Mr. President, Cuba is within the geographical area covered by the constraints of the Treaty for the Prohibition of Nuclear Weapons in Latin America, and the Soviet Union is a signatory to protocol II of the treaty recognizing those constraints. These Soviet offensive weapon deployments to Cuba raise concerns about whether the Soviets may already have also violated protocol II to the treaty. My distinguished colleague, the Senior Senator from Idaho, Senator McClure, charged the Soviet with violating protocol II to the treaty of Tlatelolco as early as 1983, by their nuclear deployment to Cuba.

Mr. President, the self-avowed Marxist-Leninist Sandinista government of Nicaragua, supported by Communist Cuba and the Soviet Union, has proclaimed a Marxist-Leninist "revolution without borders" throughout Central America.

The Sandinista government of Nicaragua reportedly requested that the Mexican Government invite the Soviet Union to send a Soviet naval squadron to visit Mexican ports as a gesture of Mexican solidarity with the Sandinista Marxist-Leninist "revolution without borders."

All Soviet naval squadrons are escorted by Soviet submarines, and all Soviet submarines are capable of firing from their torpedo tubes the long range, nuclear armed SS-N-21 cruise missile. Moreover, most major Soviet surface combatant naval warships carry nuclear weapons aboard. We have therefore got good reason to suspect that the Soviet naval squadron en route to Mexican ports carries nuclear weapons.

The reported Mexican diplomatic support for Castro's Cuba and evident solidarity with the Sandinista's Marxist-Leninist "revolution without borders" could result in the displacement of 10 million or more innocent refugee "feet people" from Central America, fleeing Marxist-Leninist revolution there across U.S. borders.

These 10 million or more Central American "feet people" refugees could vastly increase the U.S. illegal immigration problem. This bill is intended to deal with this whole problem of Mexican and Central American immigration. This would mean that we would not be discussing people who come here to work, who are only seeking employment to earn money to take back to their country to raise, feed, clothe, and house their families. The Soviet-Cuban-Nicaraguan "revolution without borders" we are talking about concerns people coming here to become permanent residents of the United States, as political refugees, and it could greatly compound our problem. The Mexican Government seems to be sympathizing with the Sandinistas by agreeing to invite the Soviet nuclear delivery capable naval squadron.

The Mexican Government reportedly also sympathizes with the Cuban attempt to create Latin American "debt bomb" by refusing to pay interest on bank loans, which could also add to regional economic and refugee problems.

The Mexican Government also seems to sympathize with the Sandinista in the Contadora negotiating process.

Mr. President, it is my opinion that it would be a wise and prudent move on the part of the President of the United States to request an urgent emergency meeting of the Organization of American States for the purpose of:

First, invoking the verification of violations and compliance enforcement provisions of the Treaty for the Prohibition of Nuclear Weapons in Latin America—the Treaty of Tlatelolco—and;

Second, for the purpose of determining whether Soviet-Cuban-Nicaraguan export of Marxist-Leninist revolution in the Western Hemisphere also constitutes violation of the terms of the 1962 Kennedy-Khrushchev agreement, as explained by President Kennedy on November 20, 1962.

Mr. President, I believe further that the President of the United States should request an "extraordinary consultation" meeting of the General Conference of the Agency for the Prohibition of Nuclear Weapons in Latin America, in order to investigate whether Mexico has violated the treaty or if the Soviet Union has violated Protocol II to the treaty, including a request for a report on a "special inspection" of the Soviet naval vessels visiting any Mexican or Cuban port to ascertain and verify whether nuclear weapons are aboard. I believe that in the event that nuclear weapons are detected aboard vessels of the Soviet naval squadron in either Mexico or in Cuba, that the President of the United States should request an urgent, emergency meeting of the signatory states of the Treaty for the Prohibition of Nuclear Weapons in Latin America, in order to determine if Mexico has violated the Treaty of Tlatelolco, and if the Soviet Union has violated Protocol II of the treaty and to discuss punitive measures resulting from such violations.

Mr. President, I say again, in summary, that the purpose of the amendment is very straightforward. The purpose of the amendment is to let our Mexican friends know that we will not tolerate their invitation of Soviet nuclear naval squadrons and continue then to make loans available and provide other acts of generosity to our friends in Mexico. The Mexican Government has to make up its mind at this point whether they are going to be friends of the United States or friends of the Sandinistas, the Castro Cubans, and the Soviet Bolsheviks. The Sandinistas are certainly no friends of ours. They are self-avowed Marxist-Leninists.

We cannot tolerate and will not tolerate their "revolution without borders" and will at least voice our objection and our appeal to our freinds in Mexico that they are running a high-risk operation by inviting the Soviets in, when the goal of the Soviets has long been, as the late Senator Jackson said, to stir up a revolution in Mexico so that the United States will have to face an Iranian type revolution or a Marxist-Leninist on our border in Mexico, which would create all kinds of severe problems with respect to our security.

In many ways, I believe that a revolution of a Marxist type and Leninist type in Mexico could bring about the situation where NATO could be threatened because American troops might have to be brought home from Europe to protect our own borders along the southern part of the United States.

There are all kinds of problems that would happen, with terrorist training in Nicaragua today, whether they were coming in legally or illegally, working in the United States, but infiltrating the country, and then starting to perform all acts of terrorism. Dangerous drugs of all kinds are being smuggled into the United States by Castro's Cuba and Sandinista Nicaragua.

There are all kinds of implications here.

I hope my colleague from Wyoming will reflect on this amendment. I offer it most sincerely, as a way to make a serious statement on the part of the Senate.

Maybe there could be some accommodation worked out with the distinguished Senator from Wyoming. But I would hope that he would give serious and long thought before offering a motion to table this because a motion to table this amendment certainly if it were tabled would send a very weak message from the U.S. Senate, a message that says it is OK if Soviet ships are making ports of call in Mexico with nuclear weapons on board, it is OK that we are going to table the Monroe Doctrine, the fundamental principle of America Foreign policy.

Mr. President, I ask unanimous consent that the following three newspaper articles related to my amendment be printed in the Record.

First, the Washington Times, September 13, 1985, front page article by Bill Gertz entitled "Nuclear-Capable Soviet Ship Scheduled To Dock in Mexico";

Second, the Washington Times, September 13, 1985, by Fred Hiatt, entitled "Soviet Navy's First Port Visit to Mexico Set; and

Third, The Washington Post, September 16, 1985, by Bill Gertz, entitled "Amendment Would Squeeze Mexico To Bar Soviet Ships."

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Times, Sept. 13, 1985]

NUCLEAR-CAPABLE SOVIET SHIP SCHEDULED TO DOCK IN MEXICO

(By Bill Gertz)

A major Soviet warship capable of carrying nuclear weapons is expected to visit a Mexican port for the first time early next month, administration sources said yesterday.

The warship, which will be escorted by several other vessels, is said to be headed toward Veracruz on the Gulf of Mexico, the intelligence sources said.

The Defense Department declined to comment on the report.

But the Mexican port call will mark the first time a Soviet Navy group would have docked in Mexico, a department spokesman said.

"They've docked in Cuba, but I don't think they've ever gone to Mexico before," Pentagon spokesman Robert Percha said of past Soviet naval groups.

An administration source said the major ship of the group appeared to be a cruiser or Kashin-class guided-missile destroyer. Kashin-class ships run on non-nuclear gas turbine engines and were first deployed during the 1970s.

The source would not say if the warship carried nuclear weapons. But he said the contingent of ships included "a major warship, and major Soviet warships usually carry nuclear weapons."

Another defense expert said the Soviet naval group included a Kirov-class cruiser, the most modern Soviet battle cruiser and one capable of firing nuclear and non-nuclear cruise missiles.

If the Soviet ships carry nuclear arms, the port call would violate the 1967 Treaty of Tlatelolco, which was signed by 14 Latin American nations, including Mexico, the expert said. It outlaws the "any form of possession of any nuclear weapons" by the signatory states.

One of two additional provisions to the agreement that was signed by the United States and the Soviet Union states that the nuclear powers will observe 1967 treaty provisions that create, in effect, Latin Amerian "nuclear-free" zones. Cuba did not sign the agreement.

One defense expert said the Soviet naval group was invited by the Mexican government at the behest of the Sandinista regime in Nicaragua.

Mexican Embassy spokesmen Leonardo French-Iduarte said he had no information about the expected Soviet naval unit.

One congressional defense expert said the naval operation was part of an effort to embarrass the United States prior to the summit meeting between President Reagan and Soviet leader Mikhail Gorbachev in November.

In the past, Mexico has disagreed with U.S. polices in Central America, specifically U.S. efforts to isolate the Sandinista regime, but only recently improved its diplomatic relations with Nicaragua.

"All three nations are doing this in order to thumb their noses at American security concerns," said the congressional source.

The squadron of ships currently is preparing to leave for Mexico from ports in the Soviet Union, he said. It is not known if the Soviet ships will stop in Cuba to join Cuban naval forces.

Another government source, speaking on background, confirmed that the Soviet ships would make their first stop in Mexico at the east coast port of Veracruz, located on the coast about 500 miles south of Brownsville, Texas.

Soviet naval squadrons have sailed to Cuba every year since 1969. The groups normally consist of a sixship contingent, and last year the group included a Cuban submarine in maneuvers held in the Gulf of Mexico near New Orleans and Houston.

In the summer of 1984, a Soviet aviation cruiser, a destroyer and a Cuban frigate held the first joint Soviet-Cuban naval maneuvers in the Gulf of Mexico.

One defense expert said the expected Soviet naval visit to Mexico is the result of a retrenchment of U.S. policy toward the 1962 U.S.-Soviet exchange limiting offensive weapons in Cuba. In 1962, President Kennedy and Soviet leader Nikita Khrushchev agreed that the United States would not invade Cuba if the Soviets pledged not to introduce "offensive weapons" in Cuba. There also was an understanding that Cuba would not attempt to export revolution.

Last month, President Reagan stated that the Kennedy-Khrushchev exchanges "had no legal standing." The issue is expected to come up in the November summit.

But a 1982 State Department legal memorandum on the agreement urged the White House to regard the bilateral pact that grew out of the Cuban missile crisis as "legally binding understandings."

"In sum, it appears that the 1962 agreements recognize that we have the legal right to use reasonable and proportionate force to prevent placement of weapons in Cuba, which we perceive as directly threatening our security," the secret memo states. It was written while Alexander Haig was secretary of state. Mr. Haig had threatened to "go to the source"—a reference to Cuba—in order to curb Latin subversion.

[From the Washington Post, Sept. 16, 1985]

SOVIET NAVY'S FIRST PORT VISIT TO MEXICO SET

(By Fred Hiatt)

Two Soviet warships are expected to pay a port visit to Mexico for the first time next month, U.S. officials said yesterday. The State Department expressed "concern" about the visit in a message to the Mexican government.

The planned visit is "significant," one official said, because until now Soviet naval deployments to the Caribbean Sea have included port calls only in Cuba.

"Obviously, we're concerned about the Soviet ability to move their ships in and out of the Caribbean," a State Department official said. "Mexico is an independent country and they can do what they want, but we have made our concerns known."

A Kashin guided missile destroyer and a Krivak guided missile frigate are expected to visit the eastern Mexican port of Veracruz Oct. 4, U.S. officials said. The vessels are now in the North Atlantic Ocean steaming toward the Caribbean.

A spokesman for the Mexican Embassy here, Ricardo Ramirez, said he had no information about such a visit and that the naval attache here also had not been informed.

"I don't know what the big concern is about," Ramirez said. "I know that American ships have been in Mexico, and European ships, many times."

The Reagan administration has expressed concern in the past about what it calls Soviet efforts to increase the U.S.S.R.'s influence in Central America and the Caribbean region.

"This is a brand-new thing we haven't seen before," the official said "They have a blue-water navy now, and they're using it as you'd expect, for political presence."

Defense Department officials said that the Soviet navy has visited the Caribbean 24 times since it began conducting exercises there in 1969. Last year five ships—three warships, an oiler and a submarine—conducted exercises in the area and the year before that, the Soviets sent a helicopter carrier to the area for the first time.

The Soviet ships ordinarily exercise with Cuban vessels and then steam into the Gulf of Mexico, not far from Texas or Louisiana, on what Navy officials call a "presence mission."

[From the Washington Times, Sept. 16, 1985]

AMENDMENT WOULD SQUEEZE MEXICO TO BAR SOVIET SHIPS

(By Bill Gertz)

Sen. Steve Symms, R-Idaho, has introduced an amendment to an immigration bill that would cut off all new loans to Mexico if the Mexican government permits a squadron of Soviet naval vessels with nuclear weapons to dock at an east coast port next month.

The amendment was designed to pressure Mexico into altering its support for revolutionary Latin American states that indirectly create illegal immigrants to the United States through political refugees, an aide to Sen. Symms said yesterday.

"Sen. Symms believes that the Mexican encouragement of the Sandinista and Cuban Marxist-Leninist revolution without borders can only increase the influx of 'feet people' from the entire region into the United States illegally," said a Symms legislative assistant, who asked not to be identified.

The aide said the amendment was prompted by news reports that Mexico had invited a Soviet naval squadron, including ships capable of carrying nuclear weapons, to make a port call at the Mexican city of Veracruz.

Administration sources said last week the naval squadron would make the first port call by the Soviet navy to Mexico early next month.

The sources said the squadron would include an unspecified "major" Soviet warship and that such ships usually carry nuclear weapons.

There have been conflicting reports as to the type of ships that are expected to go to Mexico. Administration sources said the ships could be a Kashin-class guided-missile destroyer with support ships, Krivak-class frigates or Kirov-class cruisers.

All of these ships can carry nuclear-tipped missiles, according to Pentagon assessments of Soviet naval capabilites.

Mexico and 13 other Latin nations have banned nuclear weapons from their countries since 1967 through the Treaty of Tlatelolco. An additional provision of the treaty was signed by the Soviet Union pledging that the world's nuclear powers would observe the limits of the Latin American "nuclear-free" zones by not introducing nuclear weapons into the region.

The Symms amendment, expected to be discussed in the Senate today, states no loans or credits can be granted by any U.S. government agency or any entity created by an act of Congress to any country "which allows access to its ports to any nuclear-capable Soviet naval vessels" beginning Sept. 20.

On Friday, the Senate approved an amendment to the sweeping bill designed to curtail the flow of illegal immigrants requiring states to check the status of aliens applying for government benefits, including welfare, food stamps and Medicaid.

The proposal, sponsored by Sen. Paula Hawkins, R-Fla., was approved by a voice vote and is estimated would save taxpayers between $3 and $10 billion a year. A move to kill the proposal died on a 58–31 vote.

The Senate also rejected, 62-26, a proposal by Sen. Edward Kennedy, D-Mass., that would expand the number of illegal aliens eligible for amnesty. The bill, as sponsored by Sen. Alan Simpson, R-Wyo., would allow illegal aliens who have been in the United States since before Jan. 1, 1980, to become U.S. citizens.

The Kennedy proposal would have moved the amnesty date to Jan. 1, 1981.

Sen. Symms may introduce additional wording to the immigration bill amendment today that will call for emergency meetings of the Tlatelolco treaty signatories to investigate if the Soviet ship visit will violate the treaty.

The Symms aide said the amendment is part of a conservative political effort to counter the attempted "debt bomb"—a political idea dropped by Cuba's Fidel Castro last month that calls on some 30 Latin nations to renege on their estimated $360 billion debt to international banks.

The Mexican government owes $95 billion to foreign banks, including $27 billion to U.S. banks, and in recent months has been looking for ways to alleviate its debt repayments in the face of mounting domestic economic problems.

Mr. SYMMS. I yield the floor.

Mr. SIMPSON. Mr. President, I think all of us would share Senator SYMMS' concern over the Soviet attempt to project their naval presence in the region. But this proposal, in my mind, is not an appropriate way to deal with the issue and certainly is not appropriate to deal with the issue on this legislation. I know you have heard me say that before. But I could not say it with any greater clarity here than this is not the place for this amendment, just as I felt it was not the place to deal with the English language amendment.

It is a very sensitive issue as we deal with Mexico when we are talking about reform in our own immigration laws, especially when it has to do with illegal immigration.

Senator SYMMS has outlined a scenario of people coming to the great El Norte and it is true, and our job is not to clang shut our doors. Our job is to close the door to illegal immigration and thus we leave open the door to legal immigration—that is our history and heritage and our compassion. That is what we are about.

The United States has a terribly strong interest in Mexico's economic recovery and development. I submit that just this morning there was another article in the Washington Post with regard to difficulties that may arise about new loans to Mexico being in doubt, U.S. bankers saying that the performance is weak and not what they had anticipated.

That makes it even more difficult for a country running a deficit of some—I believe it was $96 billion—they have postponed repaying $96 billion and have indicated that they need another $2 or $3 billion and I think their quest for credit will be a very, very difficult one which puts pressure on Mexico and puts a lot of pressure on us.

I think we have a strong interest in Mexico's economic recovery and development, and under this proposal cutting off of United States loans or credits to Mexico on a government basis, or on a United States bank and financial institution basis, would certainly not at this time be in our national interest, even though I understand fully what is being attempted here.

I am also advised it has been suggested that the Soviet naval visit to a Mexican port would violate the Treaty of Tlatelolco, which established a nuclear-free zone in the Americas. I do not think that is fully correct. The negotiating history of that treaty apparently shows clearly that the treaty does not apply to port calls by ships that are capable of carrying nuclear weapons.

But in any event I do know this: It is a very tough issue. It is a very substantive issue. It is a very complex issue.

I wish the chairman of the Committee on Foreign Relations, Senator LUGAR, were here to add to the dimension of the debate. I am sure it has very serious consequences and I do not doubt that you have had a response from the Mexican Embassy today.

Indeed, it is going to require hearings. It is going to require debate in committee and markups by those Senators with the expertise in this area and particularly those Members on both sides of the aisle who are on the Foreign Relations Committee.

Mr. SYMMS. Mr. President, will the Senator yield for a question?

Mr. SIMPSON. I certainly yield for a question.

Mr. SYMMS. I thank the Senator for yielding. I want to say I do not know—I think the Senator may have been off the floor, but among the distinguished sponsors of this amendment include both the chairman of the Armed Services Committee and the chairman of the Banking Committee. So there has been in both of those committees—of course, we will have a jurisdiction—some keen interest in it with the Banking having the responsibility of looking into the loaning institutions, and there is nothing about this amendment that would in any way jeopardize continued American loans for economic development in Mexico, as long as the Mexicans would not invite nor have the Soviet Navy making ports of call in Mexico with nuclear weapons. There is a way out of it that certainly could be arranged, I am sure. That is for the Mexicans to cancel the Soviet nuclear naval squadron visit.

I thank the Senator for yielding. I just wanted to make that observation.

Mr. SIMPSON. I appreciate, Mr. President, those comments, as further explanation.

After we deal with this issue and the yeas and nays have been asked for, at the appropriate time in the debate and at the time the issue is considered I will move to table not on the basis of any kind of debate of substance of the issue, because I am not prepared to deal with the Treaty of Tlatelolco, which is something I am not familiar with. But the Foreign Relations Committee needs to take this up. Those with expertise in this area need to take it up. It is obviously a critical, critical national issue with our most sensitive neighbor, and I mean that Mexico is a sensitive neighbor and one that we must deal with in a very sensitive way, and certainly with the Contadora process we must have their help. In fact, we will never solve anything in Central America unless Mexico is aboard.

In many ways in many countries in Central America we are still known as the gringos, and without the support and help of our marvelous neighbors to the south those issues will never be resolved. Unless we keep a very sensitive relationship with them, I really fear what could come. I say that without high drama. I just know that is the case.

I know the spirit and the intent of this because I know the way the Senator from Idaho follows the foreign policies of this country and especially as it relates to an area very close to home and that is Central America and Mexico, and I just feel that this is not

the time nor the place for this amendment.

Mr. SIMON. Mr. President, I join my colleague from Wyoming in suggesting this is not desirable.

Candidly, on the nuclear-free zone I do not know enough about it to know whether this violates that agreement or not. But it is certainly something that we should check out.

I think, however, the resolution is counterproductive. I think in general we, the United States, are trying to run our Government as effectively and as well as we can. We should hold to a minimum any attempts to try and dictate to other countries what they should be doing.

Rightly or wrongly, the United States is viewed in Latin America as a bully and an exploiter to a great extent.

Mr. SYMMS. Mr. President, will the Senator yield for a question?

Mr. SIMON. Just 3 minutes and I will be pleased to yield to the Senator. Let me just finish my remarks.

Partially, that reputation as a bully and an exploiter is deserved, and partially is not deserved, but it is the reality, it is the perception.

If there is objection on the part of this administration for that Soviet ship visiting there, then what we should do is have at the ambassadorial level a quiet message given to the Government of Mexico. But what would be clearly counterproductive is for us to reinforce the bully image and say, "We do not want you to accept a Soviet ship into your harbors."

If one came into the United States, we would not let Mexico tell us what we could or should do.

I remember some years ago our family drove down the Pan American Highway to San Jose, Costa Rica, a trip I would not recommend to anyone today. But in San Jose, we visited with Jose Figueres, who was then the President of Costa Rica, who I had known slightly before. And in his living room was one autographed picture. It was an autographed picture of Hubert Humphrey. This was before I was ever in the U.S. Congress. It was right after Richard Nixon became President of the United States. I said, "I am curious, Mr. President, why do you have this autographed picture of Hubert Humphrey there?" He said, "We sense that Hubert Humphrey cares about us."

I think what we have to portray to Latin America today is that we care, not that we are trying to use them and manipulate them as some kind of pawn in an East-West struggle.

I am afraid, with all due respect to my friend from Idaho—and I respect his sincerity on this, and I certainly have no objection to the addendum on his original amendment—but I think it is counterproductive. I think Scoop Jackson was right in what he told you; that our former colleague was correct in saying this is an area of difficulty.

But Senator SIMPSON is also correct. If we cut back on loans and other programs of assistance to Mexico, inevitably you are going to encourage not discourage extremism. I think we have to recognize that Mexico and other countries in this hemisphere are going to do their own thing. Sometimes they are going to do things that we do not like. And we have to let them do that. I would just as soon that Soviet ship was not entering a Mexican port. But I think we have to let Mexico do her own thing.

If this administration feels strongly, let the message be conveyed quietly, not by a resolution from Congress. That kind of public display, an independent nation is going to resist and they are not going to want to look like they are buckling under to the United States.

So, I hope that we will reject this amendment. I know it is well-intentioned. I think it is counterproductive for what the Senator wishes to do.

I yield the floor.

Mr. SYMMS. Mr. President, I have known my good friend from Illinois, the distinguished junior Senator from Illinois, for many years now. We served together in the other body. But it just absolutely amazes me, the vision somehow of the establishment viewpoint here in Washington, DC, that has dictated our foreign policy, whether it be Republican or Democratic Presidents in the White House. But we seem to have a consistent foreign policy, and I think the distinguished Senator from Illinois in many ways gave the typical establishment argument—let us just leave everybody alone.

Now that is not the argument we heard around here last week when we were talking about South Africa. Then we were going to get in there and dictate to them. We are going to tell South Africa how to run their affairs. That is a different matter.

I have a foreign policy I think that I pretty consistently stay with. It is very simply: You support your friends and you oppose your enemies. I hope that Mexico will always be our friend. But I think if we start allowing their flirtations with a nation which is, obviously, the adversary of freedom in the world, the Soviet Union—they have averaged killing 500 people a day since the inception of their evil empire, averaged 500 people a day since 1917—then we are asking for trouble. We are asking for a Soviet supported Mexican Marxist—Leninist revolution; which would send into the United States precisely the huge influx of "Peet People" which we are presently trying to cope with in this bill.

Now, I do not know what it takes to have this Congress not have a double standard. It was only a few years ago that we were talking about how bad Mr. Somoza was. He is terrible. So this Congress voted aid to the Sandinistas. If I remember it correctly, $170 million of taxpayers' dollars of the United States went to finance the Communist Government of Nicaragua. Oh, General Somoza the dictator, he was terrible. That is what we heard all the liberals say, "He is terrible." They had three old World War II tanks in the Nicaraguan Army and 12,000 not too well-trained soldiers in the national police of the Nicaraguan Army. What do they have down there today? One hundred sixty modern Russian tanks, 12 Hind helicopters, over 120,000 armed men. There is some evidence there has been some chemical warfare—yellow rain—used in Nicaragua. They have massacred the Miskito Indians; they have persecuted the Nicaraguan Jews. Yet somehow we turn our back on that.

I would also like to point out to my colleagues that may be naive as to the leftist viewpoint that is carried out time part of the leadership, not all of the leadership put part of the leadership, of the Mexican Government. Foreign Minister Sepulveda is reported reliably to be a member of the board of trustees of an extreme left wing foreign policy institute in Mexico City which was orginally founded by Comintern. This left wing international institute may still be funded by the KGB, this institute of foreign policy in Mexico City. I do not have proof of that, but I have been reliably informed of this fact.

I simply say to my colleagues that it is about time that this Congress and this Senate take a stand for what it is we are for and what it is we are against. We are for enforcing the Monroe Doctrine, which means keeping our Bolshevik enemies out of the Western Hemisphere. That was what the October 1983 Grenada operation was all about.

I, for one Member of this Senate, am not in favor of having Soviet ships start making ports of call in Mexico if we are going to continue to finance, through our taxpayers' dollars, all kinds of loans to the Mexican Government and have our banks in this country financing business activities in the Mexican Government which we the taxpayers may end up having to eat someday if they do decide not to pay back those loans. I think there is a good case.

I just say that the double standard of this Congress applies to the very eloquent remarks that my friend, the Senator from Illinois, made. He made a very eloquent statement. That certainly was not what he was saying when the South Africa bill was on the floor. That was a different matter at that time. There was a totally different situation.

South Africa has opposed the extension of the Soviet empire into the African Continent. They have fought on our side in the two world wars and have been an ally of the United States, and yet it is OK to dictate to them by economic sanctions or other actions, to stop bank loans, to stop doing business with them, to do anything you can to kick them around, to make them do what we think—we, the moral policemen of the world think—should be done. But it is not all right to try to stand up to resist expansion of the Soviets' evil empire into the Western Hemisphere. That is what this is about. I am not in favor of a double standard of dictating sanctions to our anti-Communist allies, but not sanctioning the leftist Mexican Government when it attempts to flirt with the Soviets and Castro and Ortega.

If we are going to have an immigration bill that is going to work, we had better not disavow our history of the Monroe Doctrine. We had better not disavow and ignore the history of what happens when there are Communist revolutions taking place, because there are 120 million people that live between the southern borders of the United States and the Panama Canal.

What happened when South Vietnam fell? You know, that was at a time when the liberal establishment in the United States was condemning the evil Government of South Vietnam and praising Ho Chi Minh as though he was some kind of a wonderful patriot and a nationalist and he only had to use those things that he used in order to achieve his goals. And I see a very similar parallel to that in some of the same arguments we hear today of whether or not we should support the anti-Communists in Central America. But in South Vietnam, the Communists finally did achieve a victory. The U.S. Congress pulled the plug and refused to support the South Vietnamese army who had actually had a victory in the spring of 1972. They had defeated the North Vietnamese army on the field of battle, they were well underway toward winning that war. They had already won the war. But they were well on their way to having security within their own borders, and the U.S. Congress pulled the plug. Of course, after that happened, over 10 percent of those people left that country. Millions of people had to walk out through neighboring Cambodia, Laos, or flee on leaky boats in the South China Sea. It was very difficult to get on leaky boats, and sail off into the South China Sea hoping that they might be rescued. But still about 10 percent of them got out. The same thing has been true in every single case where the Communists have taken over a country. There are 120 million people, Madam President, between here and the Panama Canal. If that Marxist-Leninist revolution expands into Mexico, anybody that stands here in this Congress that has any idea, or thinks we will not have huge refugee camps all along the border from Texas through Arizona and California, New Mexico, are just simply ignoring reality.

People are voting with their feet right now, not illegal aliens that come in to work—undocumented workers I am speaking of now—but people who are coming in to stay, to escape what they think is less of an opportunity for them to enjoy the fruits of their labors that they might get here in the United States.

Madam President, I ask unanimous consent to add Senator HECHT, from Nevada, and Senator D'AMATO of New York to the list of distinguished cosponsors of both my amendments. List of cosponsors is as follows: GOLDWATER, GARN, TRIBLE, HELMS, HECHT, and D'AMATO.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

Mr. SYMMS. I think it always boggles my mind. It stretches the imagination that somehow we have a double standard. If a country is an anti-Communist country, it seems like it is very easy for the United States and the establishment type thinking in this country to somehow think it is OK to be holier than thou, be the moral policemen, put sanctions on them, but if we are turning around talking about the threat of an expansion of a Marxist revolution, then, no, no, we just want to leave them alone, let them do exactly what they want to do and hope that problem will go away.

I hope this amendment will not be tabled. I will discuss this more before tomorrow with the Senator from Wyoming. But I think it would be a mistake to table this amendment. I think it would send a poor signal to table this amendment. I think it could be worked out. I am sure there might be some way that we can work this out so we can have a clean vote on this amendment, I say to the Senator from Wyoming, and still not have it interfere with what he wants to do with respect to this legislation. But this amendment is more important. The implication of it is that the United States of America is not going to stand by idly with absolutely no resistance to the extension of the Soviet empire into the Western Hemisphere. That is what the amendment is all about. I am saying, Madam President, that the immigration reform package itself, when and if it is passed, signed by the President, and put into law will not be worth the paper it is written on if our foreign policy has no definitive purpose with respect to our Central American and our North American policy here in this hemisphere. We must not ignore the reason why the Monroe Doctrine was passed in the first place. It was valid then. Those reasons are valid today.

I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Madam President, because my name was used here, let me take 2 minutes to respond to my good friend. I do not think we have a dual standard here. No. 1, in South Africa we have been working quietly, diplomatically for years and years and years with institutional racism. We have asked for change. That change has not come. Now we are saying for the reasons the Senator from Idaho—even though we differ on the conclusions—one of the reasons we are asking for changes is not only do we abhor institutional racism, but inevitably change is going to come. It is going to come peacefully or violently. If it comes violently, the extremist forces in South Africa are going to take over just as sure as you and I are sitting in this Senate Chamber today.

The second thing that has not been mentioned in the discussion here is while I would much prefer for symbolic reasons that those Soviet ships not visit Mexican ports, the reality is there are Soviet ships a lot closer than Mexican ports in international waters right now with nuclear weapons, much closer than those Mexican ports. So as far as an immediate security threat to the United States, that is not posed by that visit. But symbolically, I would sooner not see it happen. I would like to see our friends in Mexico not permit it. But that is a decision they have to make. I think we would be wise to work diplomatically. I would finally ask my good friend from Idaho whether he has talked to the State Department about this, and whether quiet diplomatic initiatives have been taken.

Mr. SYMMS. I have not discussed it with the State Department today. I was back in my State since I offered the amendment on Friday. No, I have not currently, although the State Department in the past did support similar language which was supportive of the principles that are implied in this amendment with respect to the Monroe Doctrine. The State Department does support the Treaty of Tlatelolco.

Mr. SIMON. There is no question they support the treaty. I have a question, and I do not know whether this violates the treaty or not.

Mr. SYMMS. I do not know what their position would be, but I would be shocked if the State Department would not support anything as simple or straightforward as this amendment. I hope they will. They have, in the past, supported the Monroe Doctrine and the Treaty of Tlatelolco. But consistent with State Department diplomacy in the past, they probably would start telling me all the reasons why this set of amendments at this particular time might add complications to their diplomacy. The Senator and I do not argue that it would, if they cannot get a good understanding with our friends in Mexico, and I quite agree with my colleague when he says there are Soviet nuclear-capable vessels much closer to the United States. That is the case. It is unfortunate that it is the case. But I also say that I think it is more than symbolism to have Soviet ships and nuclear weapons in Vera Cruz. Everywhere the Soviets go there is constant effort on their part to politicize the situation, and to extend KGB efforts and operations. I think if they start making a habit of having Soviet ships call on Vera Cruz, in a few years they will be well ensconced in Vera Cruz as a naval base, if it is consistent with what they have done in the past.

As the Senator knows, back to the question about the support of the State Department, I hope they would support it, but they might support it in its text standing on its own; whether they would with respect to the immigration bill, I do not know. But the State Department can not disavow the Monroe Doctrine. But the speech which I gave just a few moments ago urges the OAS to find out if the Mexicans and the Soviets are violating that treaty, and also the Kennedy-Khrushchev agreements. The President has earlier stated that the Soviets are violating the Kennedy-Khrushchev agreements, as I said earlier. I think that the Soviets are clearly violating those agreements, just as they violate every agreement they make. They are very untrustworthy people to make agreements with, because they simply have a different set of ethics and standards than we have, and a different set of moral values. Their idea of an agreement is to stall off their opposition while they can keep on achieving their goals. Finally, they use these agreements to further their aims, and to further their goals and aspirations. So I would like to find out the question of whether or not the Soviets are violating the treaty. If the Mexicans are inviting them in, maybe the Mexicans are violating the treaty. If that is the case, maybe we can enforce the treaty, and not need language here. But I think we need to focus on this. It is a very serious concern.

Mr. SIMON. Madam President, I agree with my colleague. We ought to find out whether in fact there is a treaty violation here. My guess is the general counsel of the State Department can tell us. We do not need to go to the OAS for that. But I concur with my colleague from Idaho in saying he would be amazed if the State Department favored this amendment. I would be amazed, too. I do not always agree with the State Department. But I think in this instance they would be correct.

I yield back my time.

Mr. SYMMS. I think I should say to my colleague, if he will yield further, that the State Department is firmly on record of being in favor of the Monroe Doctrine, and being in favor of the Treaty of Tlatelolco. The State Department supported my Symms Cuba resolution, which finally passed the Senate on August 11, 1982, and which reaffirmed the Monroe Doctrine. Of course, the State Department had to be reminded that the Monroe Doctrine is the fundamental principle of U.S. foreign policy.

So we do know that. They are firmly on the record on that. They are firmly on the record for supporting the treaty. I did not know what their viewpoint on these specific amendments would be, but I challenge the State Department to oppose these amendments.

Mr. SIMON. If my colleague will yield, I am in favor of that treaty. I am in favor of motherhood and apple pie. But that is really not the question.

The question is, is this resolution wise? As the Senator from Idaho states, the State Department probably would be against it, and I think for good cause.

Mr. SYMMS. The State Department should support the amendments. If the effect of these amendments is right and in the interests of the United States and our friends from Mexico, then they should be incorporated into the system of U.S. foreign policy. These amendments are already fully consistent with fundamental American foreign policy. Then there should be no problem to have them as part of this legislation. They are also consistent with the goals of the author of this legislation, the Senator from Wyoming, the Senator from Illinois, and others, who have worked long and hard to bring this bill to the floor.

The purpose of this bill is to help control the U.S. border. Is that not correct?

Mr. SIMON. That is correct.

Mr. SYMMS. But would the Senator allow the Soviets to become habitual visitors to the ports in Mexico and the Mexican Government to come closer to the Soviet Government? That will only hasten the day when we will have major problems within Mexico, and once that kind of a Marxist-Leninist revolution should break out it will have serious implications on the security of the U.S. borders. They will be right here. There will be thousands upon thousands and millions upon millions of people voting with their feet coming into the United States, no matter what we pass.

We all know that we as Americans are not going to sit at the border with machine guns and shoot down people who are seeking political asylum, trying to get into the United States. I cannot conceive of that ever happening. These people will be our friends, our fellow Americans, who will be walking over here with all their belongings and clothes on their backs, whatever they can carry with them, saying they are seeking political asylum to escape Marxist tyranny. Where have the Russians ever gone where they subsequently left? I have not seen them ever do that.

The United States has not tried to stay in a foreign country or tried to tell other countries how to run their affairs anyplace that we have been in combat. We have settled the issues and then left them to live in peace and harmony and mind their own business. We gave back Okinawa, the Philippines, Micronesia, where much American blood was spilled in World War II.

But that is not the case with the Soviet Union because their system is a failure. The only way communism can survive is to consume someone else's productivity. They cannot produce enough for their own Russian population.

Mr. SIMON. The Senator and I are in agreement that we do not want tyranny in Mexico. The question is whether this amendment furthers that cause or harms that cause that the Senator and I both agree on. Here there is a difference of opinion between the Senator from Idaho and the Senator from Wyoming and myself. The Senator from Wyoming and I feel this amendment would not be wise.

Mr. SIMPSON. Madam President, that concludes the debate on that amendment, which we will act upon tomorrow.

Madam President, let me clarify where we are. The majority leader has announced there will be no votes today out of respect for the Jewish holiday. There is no way to guarantee no procedural votes, but it certainly is the hope of the leadership there would be no votes. Indeed, that was the promise made. It was not part of a unanimous-consent agreement.

With that, we will deal with the amendment of Senator SYMMS on tomorrow when other votes are sequenced. At that time, tomorrow, with regard to that amendment, I will move to the appropriate time to table the amendment.

(Conclusion of later proceedings.)

Mr. SIMPSON. Mr. President, after consultation with the Senator from Idaho, I ask unanimous consent that his amendment and the perfecting amendment be temporarily set aside, and I shall reserve my remarks with regard to that amendment and the perfecting amendment until the Senator from Idaho has presented his argument and his remarks on the amendment and the perfecting amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. With that, Mr. President, I yield to the comanager of the bill this morning, the Senator from Illinois [Mr. Simon], a member of the Subcommittee on Immigration and Refugee Policy.

I indicate to him that it is a distinct pleasure to work with him. As a new member of the subcommittee, he has given a great deal of earnest effort and thought to it, and I appreciate that.

I believe the Senator has an amendment to propose.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 620

Mr. SIMON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Illinois [Mr. Simon] proposes an amendment numbered 620.

Mr. SIMON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 123, after line 19, insert the following:

"SEC. 406. PRESIDENTIAL AUTHORITY TO DELAY PORTIONS OF ACT AFTER CONSULTATION WITH PRESIDENT OF MEXICO."

(a) The President, after consultation with the President of the Republic of Mexico, may suspend any or all portions of this Act for not longer than 90 days, if the President believes it would be in the interest of either or both countries to postpone enactment of such provisions.

Mr. SIMON. Mr. President, this is a very simple amendment. It simply says that the President of the United States would have the authority to postpone the effective date of any portion or all portions of this act by 90 days. There are two reasons for offering this amendment.

The first and I think the less important is that we may have some complications either with the Immigration and Naturalization Service or some other complications internally that would make it desirable to postpone the effective date temporarily.

The second and more substantial reason is that we have to deal with our sister nation to the south of us, Mexico. We are taking a unilateral action that is going to have very substantial economic consequences with Mexico.

The amendment says the President, after consultation with the President of the Republic of Mexico, may suspend any or all portions of this act for not longer than 90 days if the President believes it would be in the interest of either or both countries to postpone enactment of such provisions.

It just seems to me that we have to recognize there may be some severe consequences particularly along the border—not far from your home, Mr. President, in southern California—that we ought to permit Mexico and the President of the United States to work out. Maybe they are not going to be those kinds of problems. If that is the case, this particular amendment can do no harm. It may also be that there are other problems, some of the problems that were proposed, Mr. President, by you when you offered your amendment the other day, that a 90-day delay would give both the administration and Congress a chance to take care of whatever details may need changing as a result of the passage and the enactment of this particular legislation.

It just seems to me it is prudent to do this. The President is not President of my political party but he is my President, and I think we should give this additional authority to the President of the United States. It can do no harm. It may do substantial good.

So I urge the adoption of this amendment.

The PRESIDING OFFICER (Mr. Symms). The Senator from Wyoming.

Mr. SIMPSON. Mr. President, as I understand the amendment now the Senator has amended that to read suspension for not longer than 90 days. Is that correct?

Mr. SIMON. That is correct.

Mr. SIMPSON. I believe originally the Senator sought 180 days on that measure.

In either event, Mr. President, this can best be described as an extraordinary amendment. As I read it, merely because the President—after consulting with the President of Mexico—determines that it would be in the interest of Mexico and not necessarily the United States of America, he could suspend for 90 days all of the improvements in enforcement capability provided in this bill and that could then be accomplished totally independent of Congress. That is indeed extraordinary in every sense.

And that is what this amendment says. That is what it does, that if it would be in the interest of Mexico and not necessarily in the interest of the United States the suspension could take place.

I think to me our responsibility in this body is to serve the interest of the United States of America and to recognize always the interest of other countries. But I think to signify that if this were not in the interest of Mexico that it would be suspended is a real departure from everything that we do as a sovereign nation. Once we get into that particular concept of things where Congress has made its decision by law and put the law on the books with an effective date and then 90 days or 180 days or whatever period after that time it could be suspended, then that is very difficult to comprehend.

That does not mean we do not take the views of Mexico into our consideration, or that we do not listen to them, or that we do not hear them.

I have been to Mexico City. I have visited with former President Jose Lopez Portillo. I have visited with President Miguel de la Madrid Hurtado. I visited with my fine friend, the foreign minister, Bernardo Sepulveda. It is always accompanied by a most gracious and warm and delightful discussion and when it is concluded it is always the same ending of the discussion, whether it be with the President of Mexico or with, I would add, Jorge Bustamonte a fine academician, an interesting man who resists most forms of immigration reform.

And the issue is very simple. When you say to them, "What is it that you want us to do with regard to our internal policies on immigration reform as a sovereign nation," they say, without exception, "We would not interfere with you in any way. That is your business. That is not for us to decide. You are a sovereign nation. It would be wrong for us to enter that decision."

So, then you visit with them some more and say, "Yes, but if that were not the case, what would you have us do in the United States of America?"

"Well, we just do not want to be part of that. We would not want you to be making those decisions for us as to what we are doing in Mexico."

And they are doing some things in Mexico because one of their plagues in Mexico is an illegal, undocumented population from the south. How ironical. From Honduras, El Salvador, Nicaragua, Costa Rica, and all the world they come to Mexico first and then through Mexico to our country.

So, they are discussing some internal indentifiers. They have some very restrictive laws against legal documented workers—not illegal, but legal documented workers.

That is their affair. If we were to intrude in that in any way we would bring chaos to this hemisphere. It is the same when we believe that this could take place here.

When I conclude my remarks with those fine Mexican officials, I always say to them, "But what are we going to do about your people who are there illegally?" They say, "Well, just be sure that they are not exploited and that they are treated fairly."

I say, "How do we do that when they are there illegally?"

Then there is always a rather whimsical reference to the fact that that is a problem, is it not? And indeed it is, and it is a problem of dimension of 1.2 million coming across our southern border last year from 92 different nations who are exploited people in many senses, and that is reality.

But I can conceive of no reason whatever why the people of the United States should wish their present tattered immigration laws to be enforced less effectively and if we get some kind of immigration reform why that measure should be treated any less effectively.

I have absolutely no doubt that that is what the American people would believe could have happened if this amendment were to pass.

I think, finally, Mr. President, if circumstances would make a change in the immigration law desirable here, that should be accomplished in the normal constitutionally described fashion, and that is through the enactment of legislation and the involvement of both Congress and the President. That is the way to do that, in a normally, constitutionally prescribed fashion, and not through this means of suspension of a portion of the act, if, in the interest of either country, it were not in their best interest.

So I hoped that perhaps this amendment would not confront us today, but I understand the personal depth of feeling of the Senator from Illinois. He does wish to request the yeas and nays, and, at the appropriate time, let the record show, I will respectfully move to table this amendment and hope that it will be rejected as an extraordinary departure from the usual legislative activity.

Mr. WILSON. Will the Senator from Wyoming yield?

Mr. SIMPSON. Indeed.

Mr. WILSON. Mr. President, I ask my friend from Wyoming whether, in the course of these warm and gracious conversations he shared with us, he has had the occasion to ask of those with whom he visited in Mexico City what plan they have to address this monumental problem to the United States, which he has so courageously and steadfastly addressed in his legislative effort?

Mr. SIMPSON. Mr. President, there are no plans that the United States of Mexico has expressed to me, other than the continual discussion of things that never seem to get resolved. We are told that the Secretary of State and Foreign Minister are to have a consultation and discussion on things like water, trade zones, petroleum, and border areas, finance, and immigration, and they meet together and nothing ever is addressed in those areas.

I think it is quite obvious, if the population is to double in the next 17 years, to take care of just that population with jobs will require more jobs than there are in the industrialized world today. So I can only assume that they might feel that it is to their best interests that the United States is here and that their people will come here and that they hope that they might come here and do that.

I am one who says that does not really cause me a great deal of pain, if you really want to know that. However, what does cause me pain is that I believe that those people who come here should come here and be legal, instead of illegal. I am always rather fascinated at the editorial responses and cartooning and heart-tugging that goes on that our border was simply to be an open border for people who need to come here because they are seeking a better life. That will be the way it will always be in this country.

But we might be about our business and assure that those who do come here are in legal status rather than illegal status. That is the key to the entire legislation.

Mr. WILSON. Mr. President, I quite agree with the observations that have been made by the distinguished manager of this legislation with respect to the amendment that is proffered now by our friend from Illinois. As the Senator from Illinois has pointed out, my home is in southern California. And, because of that, we have enjoyed a special relationship with our neighbors to the south. Our traditions and our heritage are very largely Hispanic, not just in streat and place names, but Mexican holidays are celebrated, not officially, in California, but with the sympathy and good humor that exists between people who have had close ties.

So it is with some warmth that we respond to many of the initiatives that emanate from below the border. In particular, in my capacity as the mayor of San Diego, I had occasion to work very closely with Mexican officials on common problems. They are, in fact, good friends and good neighbors, in many instances.

Having said that, I reluctantly observed that the Senator from Wyoming is correct in his observation. I am aware of no plan to address this problem by the Government of Mexico, and we have, in fact, an open border now. It is not officially open, it is factually open, which is why the Senator from Wyoming has spent so much of his time and energy trying to perfect immigration reform legislation that would bring to the United States not just those of Mexican ancestry, but, as he pointed out, Salvadorans, Nicaraguans, Guatemalans, Costa Ricans, and Hondurans, those who are refugees from the turmoil that apparently exists in Central America.

I might, by way of observation, add this fact: While an official U.S. observer of the Salvadoran election of President Jose Napoleon Duarte in El Salvador, one of the interesting sidelights of that trip was to learn, in a nation presumably of 5 million population, three-quarters of a million are no longer there. We learned this in the course of inquiries that were made into the elaborate electoral practices that were devised to conduct a free and honest election. Not quite 20 percent of the population has fled the country and most of them have fled to the United States through Mexico. And this was confirmed by repeated conversations with those standing in those long lines to vote. I would ask if they had any family in the United States, and the response was, "Si, hermana en Houston; hermano en San Diego."

Mr. President, the Senator from Wyoming is correct in the rather gentle way he stated it when he says that he has inferred that the Government of Mexico believes it to be in their interest that the current situation exists. It is, to put it in the plainest terms, a safety valve for the Government of Mexico to see the kind of massive illegal immigration that has become a fact of life continue; a safety valve to allow those whom the Mexican economy evidently cannot employ to find their way to perhaps employment but almost decidedly a better way of life, except in the instances that the Senator from Wyoming has pointed out. Their illegal status makes them vulnerable and many of them are subject to the cruelest exploitation. Almost all of them are subjected to exploitation in the first instance by the smugglers who smuggled them into the country at a high cost, not just in pesos and dollars, which amounts to between $500 and $1,500 per head, but also in terms of what they are required to endure in the way of indignity and danger. Indeed, no one should have to live like that; no one should have to live in the constant fear of detection or in constant fear of abuse. And it does not necessarily end when they have been successfully smuggled into the country.

Recently, Congressman Daniel Lungren made headlines in southern California when he visited the living places of illegal immigrants, those who are afraid to live in quarters provided for migrant farm workers and who, instead, set up hidden not-even shacks but holes in the ground where they live in conditions that would appall you and me, and should; where they live in less-in-human conditions because they are, in fact, required by their constant apprehension to do so. They fear detection. They fear deportation.

So when the Senator from Wyoming says that he wishes those who come would come legally rather than illegally, his sentiment is one that decent people must share with him.

I raised the question to my friend from Wyoming not entirely as a rhetorical question, though I knew, or at least felt I knew, what his answer would be because he and I have the same information.

I think that it is a problem that we share with our friends in Mexico City. It is a source of embarrassement to many of my Mexican friends that this situation exists. Indeed, they are aware their nation may very well be experiencing a brain drain, that some of their best people, certainly those with tremendous gumption, have risked a great deal to come and to bring their families in the dead of night under the threat of the kind of exploitation and abuse that I have described.

They know that is not right and yet they seem helpless to do very much about it. At the very least, not much has been done about it. That remains true since the discovery of huge oil and gas reserves in Mexico which presumably cast them in a new economic light.

My friend from Illinois offers an amendment today, I am quite sure, because this is ambitious legislation, it is complex, it is far-reaching, and it will have great impacts. I gather that what the Senator is trying to say to us is that not all those impacts are yet known, and that we should exercise some caution in taking a step to bring about immigration reform on a broad and comprehensive a basis as is proposed in S. 1200.

No one could disagree with that observation. It is one I share, and it is one the Senator from Wyoming shares. Yet, although the Senator from Wyoming and I have disagreed, I hope with good humor and with a common spirit of trying to redress a major problem. I think the Senator from Wyoming in his expressed opposition to the amendment offered by the Senator from Illinois makes a valid point. Whether I agree with his legislation or not, it is legislation that should not depend upon whether or not it causes difficulty to the Government of Mexico. I will tell you that if this legislation is passed, it will be seen in Mexico City as causing difficulty because it will be seen as at least a partial closing of that safety valve. The plain fact of the matter, to put it as simply as possible, is that it is in the interest of the United States to control its borders. It certainly is in the interest of the United States to bring about immigration reform. Whether I agree with the exact method that is being proposed by the Senator from Wyoming, there can be no disagreement with the requirement, nor the need for action to bring about immigration reform.

I do not know what direction there may be for the kind of unilateral executive suspension of a law passed by the Congress that is proposed in the amendment by the Senator from Illinois. I will simply say to the Senator that while caution is required in dealing with legislation as far reaching as this the basic thrust of this legislation cannot help but cause discomfiture to the Republic of Mexico because it is an instance where I think we are compelled to recognize that the interests of the United States are not the same as those of the interests of Mexico. They do not coincide. The first duty that is owed by the Members of this body is to advance the interest of the United States. However much I may question the effectiveness in this legislation in achieving it, there can be no question as to that fundamental fact and that fundamental duty.

I thank the Chair.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, if I may respond briefly to my two friends and colleagues from Wyoming and California, it may very well be without precedent. Frankly, I do not know, but if it is precedent shattering, it is a good new precedent that we set here giving the President a little authority when we are dealing with something that has a strong relationship with another country. I think the Senator from California hit it right on the head when he said this illegal immigration is at the present time a safety valve, and we are going to be partially closing that safety valve. That is going to present problems for Mexico particularly at the border. I see no harm in asking the President of the United States to consult Mexico. We are not turning this decision over to the President of Mexico. We are turning this decision over to the President of the United States, and simply asking that he consult with Mexico.

There has been on the part of Mexican officials a reluctance to discuss candidly the problem for the very reason the Senator from California pointed out so ably. There is embarrassment. There is an awkwardness about the whole thing. There is no question about it. But once a bill is passed, we are past the point of awkwardness or embarrassment. We have to deal with realities.

I think the President of the United States ought to have a chance to work with Mexico on this.

If I may ask my colleague from Wyoming, if we were to change this to a sense of the Senate, a sense of the Congress that within 30 days after the enactment of this the President should consult with the President of Mexico, and then if the President of the United States feels some additional legislation or modification of anything is desirable, that he report that to Congress. It in effect does the same thing, not quite the same, but it moves away from what I want to avoid; that is, simply unilateral action that does not take into consideration Mexico's concerns at all here. I think they are very well taken. Will the Senator from Wyoming have any reaction to that kind of a modification?

(At this point Mr. Wilson assumed the chair.)

Mr. SIMPSON. Mr. President, if the Senator from Illinois is saying that if this measure passes there be a consultation, that we direct a sense-of-the-Senate conditional language, a sense of the Senate that there be a consultation of the President of the United States and the President of Mexico within 30 days after final passage of this proposal or this legislation, I would not have any qualm about that. If it goes on to say that as a result of that consultation something must be postponed until something is corrected, I have a great deal of difficulty with that. If you are saying that the recommendations or things that come from that consultation are to be expressed to Congress for their consideration, I can accept that. But I cannot accept the suspension of portions of the act. It just says portions, you can suspend employer sanctions, and go ahead with another portion of it. It is just that the legislation does not work that way. If it is felt that consultation is important, I concur. If recommendations are important to the Congress, I concur in that, but nothing that would be in the form of a suspension or direction can I concur with.

Mr. SIMON. Mr. President, I learned a long time ago in this business if you cannot get a whole loaf, take a half a loaf. I think we can work something out along this line. I will work with the Senator from Wyoming on the language.

I would like to withdraw the amendment that I just offered.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

Mr. SIMPSON. Mr. President, I want to assure the Senator from Illinois that I will work with him on that. I think we can resolve that. We might also schedule it at the next meeting of Secretary Shultz and Foreign Minister Sepulveda. They meet together every year and maybe we can work it in with that. Let us work on some language.

Mr. President, I assure the Senator I will certainly try to do that. There are many things, and we can work on those during the course of the day. I am pleased that the Senator has withdrawn the amendment. Let us see if we can work toward a common result of consultation.

Mr. SIMON. Mr. President, I thank the Senator from Wyoming.

AMENDMENT NO. 621

Mr. SIMON. Mr. President, I send another amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. Simon] proposes an amendment numbered 621.

Mr. SIMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

TITLE VI—IMMIGRATION EXCLUSION AMENDMENTS ACT OF 1985

SHORT TITLE

Sec. 601. This title may be cited as the "Immigration Exclusion Amendments Act of 1985".

REVISION OF GROUNDS FOR EXCLUSION

Sec. 602. (a) Section 212 of the Immigration and Nationality Act (8 U.S.C. 1182) is amended by adding at the end thereof the following:

"(m) Any alien who is seeking to be issued a visa as a nonimmigrant alien described in section 101(a)(15) and who a consular officer or the Attorney General knows, or has reasonable grounds to believe, is likely to engage after entry into the United States in—

"(A) any activity which is prohibited by the laws of the United States relating to espionage or sabotage,

"(B) any other criminal activity which endangers public safety or national security, including any activity that has as a purpose of forceful, violent, or unconstitutional opposition to, or overthrow of, the Government of the United States, or

"(C) any terrorist activity,

shall be ineligible to receive such a visa and shall be excluded from admission into the United States.".

(b) Section 101(a) of such Act (8 U.S.C. 1101) is amended by adding at the end thereof the following new paragraph:

"(43) The term 'terrorist activity' means organizing, abetting, or participating in a wanton or indiscriminate act of violence with indifference to the risk of causing death or serious bodily injury to individuals not taking part in armed hostilities.".

(c) Section 212 as amended by subsection (a) is further amended by the following:

"(n) Notwithstanding any other provision of this Act, no one shall be denied a nonimmigrant visa because of his or her lawful political beliefs, activities, or associations."

On page 2, at the end of the table of contents, add the following:

TITLE VI—IMMIGRATION EXCLUSION AMENDMENTS ACT OF 1985

Sec. 601. Short title.
Sec. 602. Revision of grounds for exclusion.

Mr. SIMON. Mr. President, this is a matter of controversy. I do not want to mislead anyone. This changes our temporary visa laws so that we avoid the embarrassment that we have inflicted upon ourselves unnecessarily. It says that basically people are not going to be denied temporary visas because of their political views.

I would add, Mr. President, that it also adds an additional cause for exclusion—terrorist activities.

When we passed the original McCarran Act, terrorist activities were not part of the international scene. So it does have that provision, which I think everyone would agree with.

It says notwithstanding any other provision of this act, no one shall be denied a nonimmigrant visa because of his or her lawful political beliefs, activities, or associations.

Mr. President, let me give you a small list of the names of people who have been denied temporarily at least, or would have been deemed excludable, under the McCarran Act:

Pierre Trudeau, former Prime Minister of Canada; Graham Greene, English novelist; Carlos Fuentes, former Ambassador of Mexico to France and noted novelist; Farley Mowat, Canadian writer who wrote the book "Never Cry Wolf." He protested 20 years ago because B-52's were flying over his nature preserve and 20 years later he was going to come down and give a lecture in the United States about wolves. He found he was on the excluded list because he had protested those B-52's.

When Canada protested because we would not let him in, we relented. But the distinguished writer refused to come to the United States and has not been here since.

Gabriel Garcia Marquez, Nobel laureat author; Czeslaw Milosz, Nobel laureate poet.

Here is one that happens to involve my State of Illinois. Leszek Kolakowski. He teaches at the University of Chicago and at Oxford University. On the list it says, "Are you or have you ever been" and so forth "a member of the Communist Party?" He writes down, "Yes." He is a former Communist. But he also helped to create the Solidarity Union. Yet he goes through needless delays every time he has to go from Oxford to the University of Chicago.

Jorge Amado, Brazilian novelist; Nino Pasti, former NATO general and Italian senator; Dario Fo, Franca Rama, Italian playwrights; Dennis Brutus, South African poet, who now lives in Illinois; Hortensia de Allende, widow of Salvador Allende Gossens, former President of Chile.

Mr. President, the list goes on. All we have done is cause ourselves needless embarrassment.

I remember back when I was in the Army and stationed in Germany. I went over to London. When I was in London, I visited Hyde Park where people get up on little soap boxes and give speeches about whatever they want to give speeches about. Someone was literally on his box giving his speech. He was the head of the Communist Party in London. He was giving a speech about the virtues of communism.

Mr. President, I remember this little lady with a cockney accent shouted at him, "How come we cannot make a speech in Moscow like you are making in London?"

Or course, what she was getting at was the basic difference between our systems, that we do have freedom. We should not follow the Soviet example when it comes to these visas. It just does not make sense.

In the Soviet Union, there is suppression of ideas, as there is in a lot of other dictatorships. The real difference between the United States and other countries is not the geography that we have, not our standard of living.

Once in a while I read in a magazine that we have 1½ bathtubs per person and they only have two-thirds of a bathtub per person, or whatever the statistics are.

But that is not the real difference. If you were to give Steve Symms or Pete Wilson or the distinguished Senator from Wyoming three bathtubs, three times as many bathtubs per person as our system provides, we would choose our system because of freedom. That is what the whole thing is about.

For us to needlessly deny people a chance to come into the United States I just think is an embarrassment. If anyone is involved in criminal activity, exclude them. If they are involved in terrorist activities, exclude them. We do add terrorist activities to the list.

But if someone has criticized the United States, such as B-52's flying over his land, or someone has political views contrary to ours, or if in the case of Mrs. Allende when the Roman Catholic diocese invited her to come and speak to the United States and we said no, she could not come, that is ridiculous. That is not what we stand for.

I stress, Mr. President, that my amendment applies only to nonpermanent visas, not the permanent visas. In the nonpermanent visa, let us not deny people the right to come and visit the United States because they happen to have views that are contrary to the usual policies of the United States.

Mr. President, I think this amendent makes sense.

Mr. President, I ask for the yeas and nays at this time.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMON. I yield the floor.

Mr. SIMPSON. Mr. President, certainly what Senator Simon says has a great deal of importance. There is not anyone here, perhaps not in the Chamber at present, who would not feel that we should go back and redirect our attention to a very important section of the Immigration and Nationality Act. That is what the Senator was quoting from. That is section 212 of the INA, the Immigration and Nationality Act.

That section has to do with general classes of aliens ineligible to receive visas and excluded from admission and waivers of inadmissibility.

All I can tell you is when the Select Committee on Immigration and Refugee Policy, which consisted of 16 spirited people who were not known for their lack of attention toward civil rights and civil liberties, got to the issues that are contained in section 212, we just stopped dead in our tracks.

We said there could not be anything which could divert us more from dealing with illegal immigration and trying to correct that situation if we get into the problems with the INA which have to do with legal immigration. I can assure you that debate did not last long because all you have to do is look at the first few categories of aliens who are ineligible to receive visas and be excluded from admission to the United States under any circumstances, but always legally—we are talking about legally—and we have the definitions of aliens who are mentally retarded, aliens who are insane, aliens who have had one or more attacks of insanity.

What is that in this day and age? It is difficult to know an attack of insanity.

Aliens inflicted with psychopathic personality or sexual deviation or a mental defect.

What is that under current parlance? Where does that fit with homosexuality? Where does that fit? We find if you are going to be expelled from this country or excluded from admission on sexual deviation, I doubt that you are going to tell that to the admitting officer.

So, then, you take that issue of sexual preference into the area of mental defect. Where will that go? I have not the slightest idea where that goes, but I have enough problems with illegal immigration in this bill to know that I do not need to handle that one here.

Then go on to aliens who are narcotic drug addicts or chronic alcoholics, those inflicted with any dangerous or contagious diseases—that will command a debate in this place that will bring us to a halt as we deal with AIDS and various forms of sexually contracted diseases, the whole thing.

Then you come on down through it and then have a response, but there are 33 exclusions in there. We have the Nazi Party, the Communist Party, paupers or professional beggars or vagrants—aliens convicted of crimes of moral turpitude. I could never figure that out when I was city attorney of Cody, WY, but I do know it sounded very interesting. I do know that.

It includes aliens who have been subject to deportation, arrest, or stowaways. The Senator is proposing to change only one exclusion and I understand that. That is section 28. That is aliens who are at any time or have been members of any of the following classes—who are anarchists, who advocate or teach or are members or affiliated with any organization that advocates or teachers opposition to all organized government, aliens who are members or affiliated with the Communist Party of the United States—or any other totalitarian party of the United States, the Communist Political Association, the Communist or any other totalitarian party of any State of the United States—on into any further definition within that.

I think that this amendment—and I know the spirit in which it is intended—is something that strikes at the feelings of justice of the Senator from Illinois. But this amendment on this bill will greatly complicate it. I am going to put legislation regarding legal immigration into the hopper as soon as we finish this exercise of illegal immigration—win, lose, or draw—because I did not come here for the purpose of dabbling in illegal immigration for 6 years of my life. It was not an issue I sought. But in getting into it and trying to keep illegal immigration separate from legal immigration, I had a man spend 2 months on rewriting the INA. When I put that in, you will hear a response, I can assure you, because that is the most larded act, the most exceedingly complex and gimmicked piece of legislation on the books of the United States—more complex than the Internal Revenue Code.

There are types of visas called 1-B, C, D, E, F, J, (A)—all coming from the creative minds of immigration counsel down through the decades. And they are a skilled lot, I can tell you that. Representative Mazzoli and I found that out. There are no bounds to what they seek in the way of rather extraordinary definition within the INA.

But let me say this: We purposely omitted any substantial changes in the system of legal immigration in the bill, principally at the request of Chairman Rodino who was a member of the Select Commission on Immigration and Refugee Policy. That amendment, in truth, has been on that understanding. That is not to say that the bill will fail or it is a "killer amendment". I have not used that phrase in the bill and will not. But the select commission determined not to deal with the issue, any issue within the exclusionary area, knowing that it would only make much more complex and difficult the task of producing any kind of workable legislation to address illegal immigration. If some provisions need revision, the question of how to revise those will be extremely difficult, as I have already expressed, as I quote to you some of what they are, working on those proposals for the consideration of the new big bill, which is a complete rewrite of the INA.

I do want to have the Senator hear that I think that when we use the term "freedom of speech," sometimes this is a misleading description of this area of exclusion, because even those who are held excludable under this section can have their views published or broadcast or televised in the United States. I think it is very important that the Senator hear this. The aliens are being excluded not for what they have said or will say but for their membership in organizations which are a threat to the national security of the United States as expressed in a law we ought to be changing at some point and which we shall address ourselves to. But this is the key. This is an issue which is going to require a complete hearing record, which is not now present but which we should develop.

But then please know what happened with the so-called McGovern amendment of 1978. That already acts as a significant constraint on the United States' excluding someone based on his or her membership in one of those organizations. Because it says, and this is the McGovern amendment:

> The Secretary of State should, within 30 days after receiving an application for nonimmigrant visa by any alien who is excludable by reason of membership or affiliation with a proscribed organization but who otherwise is admissible to the United States, recommend that the Attorney General grant the approval necessary for the issuance of a visa to such alien.

That is a waiver there and that is used and used quite often. The Secretary of State, under the McGovern amendment, must favorably recommend a visa for someone who is subject to an ideological exclusion unless he finds the admission would be "contrary to the security interests of the United States." Then the Secretary must send a certified finding to the Speaker of the House, the Foreign Relations Committee of the Senate, and the burden is clearly upon the Secretary of State to prove that the alien is dangerous.

I think we want to be certain also that we are aware that last year, 26,000 people came forward under these provisions and only 600 were excluded. The exclusions were waived for over 25,000 of them. Six hundred of them were excluded and remained excluded, were not able to receive the waiver under the McGovern amendment. Under our present system, 25,400 received the waiver and visitor visas and came to the United States.

To me, that seems like a very generous thing. That did happen in the United States and when we get to some of the famous excluded aliens, such as Carlos Fuentes and Gabriel Garcia Marquez and Farley Mowat, they are sometimes allowed to enter—most of them are allowed to enter under the McGovern amendment. What they choose to do by their action is criticize the United States, receive another forum, and enter in the hope of making an ever larger market for whatever their views are and their books that they intend to write about this country.

I think we want to keep that in mind and, like the other general questions about legal immigration, I hope we might consider this after disposal of S. 1200 and after a fuller record has been developed through the usual processes of committee hearings and markups and that type of activity. Since this amendment does so much and deal only with legal immigration and not illegal immigration, I think it appropriate that I move to table the amendment at the appropriate time, but without limiting in any way further debate on this issue.

Mr. SIMON. Mr. President, just briefly, in response to my distinguished colleague from Wyoming, again, and I have said this before, I have great respect for what he has been doing. He has been working in this area where, candidly, there are no votes for him in Wyoming for all his work on this immigration issue. It is a service to the country that he is performing, and he has done an exceptional job.

I disagree with his conclusions. First of all, when he separates the legal and illegal, that this bill deals only with the illegal, the reality is that it also deals with legal immigration. The Hong Kong quota, for example, is dealt with in this legislation. That is legal immigration. And when he talks about all the other problems that we have in the exclusion area—mental defects, sexual preference, alcoholism, drug use, moral turpitude, and so forth—it is complicated and I do not want to at this point complicate this bill, but the reality is precisely as he has said, just about everyone who applies for that waiver eventually gets it anyway and all we cause ourselves is needless embarrassment, and the delay is significant.

I remember a group of Japanese in 1978 who were opposed to nuclear weapons. They wanted to come to the United States to appear at the U.N. special session on disarmament, they wanted to come over and protest against any use of nuclear weapons by the two superpowers or anyone else, and they were excluded. They probably could have received a waiver, but by that time the special conference of the United Nations was over. What did we gain? Nothing.

Now, I do disagree fundamentally with my good friend when he says this is not a restriction of freedom of speech. It is not enough to say someone's views can be printed in a pamphlet or he could appear on television or be heard on radio or have his article appear in the newspaper. If you were to tell me that a meeting is going to be held in Cheyenne, WY, and my views could be permitted there by television or radio or something like that but the law would not permit me to attend personally to express my views, that is a restriction on freedom of speech, no question about it. And it is a needless restriction on freedom of speech.

Sometimes we talk about the melting pot strength of America, and I heard it the other day as we were debating this bill. I think there are people who think the melting pot strength of America refers to some kind of a breeding process where the Poles, the Italians, the Mexicans, the Germans, and Africans, and others come here and this polyglot nation becomes one nation. The melting pot strength of America is not a breeding process. It is people coming here, giving their ideas and in this cross-fertilization of ideas we have the ablity to select what is good and what is sound. That is what Jefferson, Madison, and the others had in mind. Whenever anyone restricts that freedom of speech, restricts that ferment of ideas, they are attacking something that is very fundamental in this country. And our law now in this area attacks it.

The select commission, even if it were to be the final arbiter here—obviously it is not—voted on the question "Should the present grounds be retained?" The yeas were 3 and the nays were 13. "Should Congress reexamine grounds for exclusion presently set forth in the Immigration and Naturalization Act?" The yeas were 13, no one in opposition. There was, as I am advised, a separate subcommittee formed of the Attorney General and Elizabeth Holzman, former Member of the House of Representatives, and they finally decided not to include anything because of its complications. I understand why you do not want to get into some of these very complex questions, but when it comes to basic freedom of speech, there I think we ought to be able to act. This is an immigration bill. We ought to be able to move.

Again, so there is no misunderstanding of what my amendment does, it does not touch on mental defects, sexual preference, alcoholism, dope addiction, moral turpitude, or all the other things that are categorized in the law. It does not apply to permanent visas. We are only talking about nonimmigrant visas, temporary visas. And my amendment in addition to the terrorist provisions, with which I think everyone would agree, says,

> Notwithstanding any other provisions of this Act, no one shall be denied a nonimmigrant visa because of his or her lawful beliefs, activities, or associations.

It has been my observation, Mr. President through the years that freedom is easier to give away than to retain, and we ought to do everything we can to retain that freedom. Any time we unnecessarily restrict that freedom we do something that is wrong. I remember—and this goes back some years ago when I was a very young journalist—a fellow—and I do not remember the name—who represented Gerald L.K. Smith's outfit out in Kansas teaching anti-Semitism, antiblack, you know, all kinds of things I do not believe in, the sheriff of our county announced that he was not going to be able to speak in our county. What the sheriff said was very popular.

But I contacted the sheriff—and I wrote a little editorial about it, too, I have to confess—and I said,

> It is not up to you, Sheriff, to decide who speaks and who does not speak. In this free country we let everyone speak.

And so finally they let the gentleman come in, and I think 10 or 12 people showed up and we survived. With all the poison that that person wanted to perpetuate and promote, no harm was done. We would have done much more harm trying to prevent that person from speaking.

Does it make sense for us to prevent an author who protests B-52's going over his land from speaking down here? Of course not. Does it make sense for us to say that Pierre Trudeau is excluded? Of course not. Does it make sense to say Graham Greene cannot speak in our country? Of course not. That is what my amendment says. My amendment says let us live up to freedom of speech. Let us protect it. I hope it will receive a favorable vote from this body.

The PRESIDING OFFICER (Mr. Symms). The Senator from Wyoming.

Mr. SIMPSON. Mr. President, that was a very important and moving series of remarks, and I agree with them. I voted not to address the exclusionary proceedings on this bill, but I voted to readdress the exclusionary conditions in some subsequent form when we deal with the INA reauthorization. There is not any question about that. I am just saying not here, not at this time. The Senator is absolutely right saying that we should reexamine—I believe that was the phrase—the exclusions under the INA. I voted for that. But reexamination means all of them, not just number 28. And some of them are goofy. So let us go into them, which I agree to do.

The Senator and I have an interesting role here. I will be here for 5 more years, God willing, and the Senator for 4——

Mr. SIMON. Five.

Mr. SIMPSON. Five. And whether I am in the majority or minority, I pledge to work with the Senator to revise the exclusionary rules, all 33 of them, which are really off the wall in some cases, but not here because the only way to reexamine this issue and the exclusions of INA is when we have all the hearings. We have not "reexamined the issue" until we do that. I think it is very important that that be done.

What the Senator says is true, but what he says is also pungent, to the effect that you can cross-fertilize your ideas in the United States without ever being physically present here. We know that works, or we would not have various parties and factions within the United States. Certainly, it is more important to be here.

As an old journalist—and the Senator indicates that, and I recall that—and a fellow legislator at the State level, to hear the debate always on the first amendment is always one that kind of stimulates my juices. I believe in it deeply and will fight for it, even though we happen to be a peculiar category of human beings, created by the New York Times versus Sullivan decision, which is known as "raw meat." Those are public officials who must prove all sorts of activity to fend ourselves away from the unknown source unless we prove actual malice.

To think that the first amendment of the United States was spread upon the Constitution to protect some guy sitting in a basement in Philadelphia who was cranking out seditious literature. That is what the first amendment of the United States was. Now we use it to protect panderers and child porn and politicians who can expend their own personal wealth to get here. That is a first amendment right. If you are wealthy, you can blow your whole bank roll to get to Congress, and that is somehow protected under the first amendment.

I do not believe those two items had very much to do with one another back in the days of the Founding Fathers.

Those are the alarums and diversions and the excitement we get into which would make Thurber proud, to see what we put into the first amendment, and which would make Mencken giggle, and it makes me wonder.

The first amendment is a critical and vital thing to this Nation and always will be, but not if we dilute it to cover some of the absurdities we see covered by creative lawyers and dazzled defendants and pained plaintiffs.

I assure the Senator that we will deal with this. There are things within those 33 exclusions that appall me, but they are on the books and nobody has taken them off.

I am sure there are many civil libertarians like my colleague from Illinois and like me, but I do not want to deal with it here. I believe we have had enough debate on extraneous issues.

The present occupant of the chair [Mr. SYMMS] has a fascinating issue to be presented to me soon. He will do that in a moment. The Senator from Pennsylvania has an issue with regard to Social Security to be dealt with here.

There is nothing I can do to prevent that activity, because we do not have a time agreement on the bill.

Any time you open the box of 33 exclusions, even for the marvelously bright and thoughtful, compassionate, and interesting ways the Senator suggests, this is not the place, without having had the hearings and debate.

Mr. SIMON. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield.

Mr. SIMON. I appreciate the Senator's pledge to get into all these exclusions.

The difficulty is that I sense that when we get into all these exclusions, we are really getting into all kinds of land mines, and my experience in the Senate is that what may emerge is nothing. I may be wrong.

In this area, where we are talking about free speech—and it has nothing to do with child pornography and all these other issues—we are talking about people who would be excluded because they have said or done something or associated with a group that takes a position contrary to our national policy.

I think it is a very fundamental question, and I believe that the majority of the Members of this body and the other body would think it should be changed. It is a needless embarrassment to our company. I hope we can move on it now, but I respect the opinion of the Senator from Wyoming and I appreciate his willingness to take it up at some point in the future.

Mr. SIMPSON. I thank the Senator. I appreciate the tenor of the debate.

Mr. President, I move to table this amendment by Senator SIMON and ask that it be set aside for a vote at a time certain.

The PRESIDING OFFICER. The Senator would have to withhold the tabling motion unless he wishes action on the amendment at this time.

Mr. SIMPSON. Mr. President, is the Chair indicating that the tabling motion could be renewed at the time of the presentation of the amendment for rollcall vote?

The PRESIDING OFFICER. The Senator is correct.

Mr. SIMPSON. Then, let the record disclose that at that time the Senator from Wyoming will move to table the amendment.

The PRESIDING OFFICER. The record will so show.

Mr. HEINZ. Mr. President, as I understand the situation, the Simon amendment will be voted on tomorrow, and it is now in order to offer another amendment.

The PRESIDING OFFICER. The Simon amendment is still pending.

Mr. HEINZ. Mr. President, I ask unanimous consent to temporarily lay aside the pending amendment to the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Pennsylvania.

AMENDMENT NO. 622

Mr. HEINZ. Mr. President, I send an amendment to the desk for Mrs. HAWKINS and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ], for Mrs. HAWKINS, proposes an amendment numbered 622:

On page 125, after line 23, add the following:

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. POLICY AND FINDINGS.

Mr. HEINZ. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 623

(Purpose: To express the sense of the Senate regarding the separation of Social Security Trust Funds from the Unified Federal Budget)

Mr. HEINZ. Mr. President, I send a second amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] on behalf of himself and Mrs. HAWKINS, MR. SPECTER, Mr. SASSER, Mr. ABDNOR, Mr. ANDREWS, Mr. DENTON, Mr. RIEGLE, Mr. DECONCINI, and Mr. WILSON, proposes an amendment numbered 623 to amendment numbered 622.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment, strike the words:

"SEC. 601. POLICY AND FINDINGS"

and add in lieu thereof the following:

SEC. 601. POLICY TOWARD SOCIAL SECURITY TRUST FUNDS.

(A) FINDINGS.—The Congress finds that—

(1) public confidence in the Social Security system has been undermined by the acrimonious debates over deficit reduction;

(2) including Social Seurity Trust Funds in the Unified Federal Budget masks the true size of the federal deficit;

(3) Social Security is wholly funded by a separate payroll tax, is running a surplus, and does not contribute to the federal deficit;

(4) it is time to protect the integrity of both the Social Security program and the federal budget process by separating the two; and

(5) removing Social Security Trust Funds from the Unified Federal Budget will enable Congress to proceed with the responsibility of solving our massive budget deficit.

(B) POLICY.—It is the sense of the Senate that the Congress should separate the Social Security Trust Fund from the Unified Federal Budget at the earliest possible date.

Further, it is the sense of the Senate that regardless of the budgetary treatment of any Federal program, to address fiscal policy, Congressional and Presidential budget documents may, in addition to Unified Federal Budget totals, include total national levels of taxation, spending, and indebtedness.

Mr. HEINZ. Mr. President, this is the amendment that I announced on Friday I would offer.

It has to do with taking the Social Security Program as we know it—the Old Age and Survivors Program, the Disability Insurance Program, those three trust-funded elements of the Social Security Act—and separating them from the unified Federal budget.

Let me explain briefly to my colleagues why I believe this is an important thing for us to do.

Several weeks ago, we ruled that the Social Security Program was out of balance with the fiscal year 1986 budget; and we ruled it out of balance because we came very near to wrecking our entire deficit reduction effort over the COLA freeze. This is not by any means the first year we nearly lost deficit reduction in an attempt to consider Social Security in the budget process. In 3 of the last 5 years we have had a stormy time considering Social Security in the budget.

Finally, this year we have, by our actions, separated it once again from the budget process There is no COLA freeze in the budget resolution that the House and Senate acted on. So we have separated Social Security in fact, but we have not separated it by law, at least not until 1992 when, as we decided in 1983, we would then separate the Social Security trust funds from the unified budget.

Mr. President, 15 years ago back in 1967-68, when people knew that Social Security was not a part of the budget and when Social Security policy reflected the needs of the Social Security Program, that and that alone, public confidence in Social Security as a program for both the present and for the future was very high indeed.

And we ignore at great peril to this body and most important to the Social Security system and all who either depend upon it or who contribute into it in the expectation of receiving Social Security benefits at some future point—we ignore at our peril how important public confidence is to this program.

Why is that? It is because each younger generation must believe, indeed they must sincerely and deeply believe, because roughly 7 percent of their paycheck is being taken week in and week out to support the Social Security system, that they are in fact going to receive benefits someday. If they do not believe that, they are not going to be willing to contribute to continue to support a program that gives their parents and their grandparents an essential measure of independence and dignity.

We are 1 day short of 1 month after the 50th anniversary of the actual signing into law of the Social Security Program. For 50 years this program has kept its promises, and when you think about all the other Government programs that we have had and all the promises that people, not just in Congress but outside of Congress, have made for all of those programs, it is a pretty rare thing when one Government program has kept its promises for five decades in a row.

Very few other programs, if any, that I know of, Mr. President, have so well performed the mission that they have been charged to accomplish.

But at the same time, over the last 15 years, since the time that Lyndon Johnson took Social Security and put it into the so-called unified Federal budget, during those 15 years Social Security has been rather badly tossed around in the annual budget debate and, as illustrated by every public opinion poll since then, public confidence has steadily drained away from this program, in spite of the fact that the program is meeting its performance goals. It is a guaranteed source of a portion of retirement income. It is a program that meets a need. It is a program that is broadly supported by the American people. But when you ask, "Do you have confidence that that program is going to be there when you retire?" The answer is far too many of the American people say it is just not going to be there when they retire. Far too many doubt that they will ever receive a penny of what they have put into it.

So, that precious public confidence is something that we have to work hard to restore, and it is my view that we have an opportunity right now to help restore it. The first task in that restoration is to separate the Social Security trust funds, the three programs, health insurance, disability insurance, and old age and surviviors, from the unified Federal budget as they were back in 1967, so that those trust funds will not get us caught up in the annual Federal budget debate and, in addition, in undermining the confidence in the Social Security system, run us to the edge of undermining our ability to do a job on the Federal budget and the huge deficits that we face.

As I said, we know that as a practical matter Social Security is no longer in the budget, but I really wonder if anyone else, besides the Members of the House and the Senate and the President, the people inside the beltway, I wonder if anyone outside the beltway really know that we are doing with Social Security. We still have not separated it out of the President's annual submission. We still have not subtracted its income and outlays from the totals in the budget resolution, and we still have not clarified that we are not going to discuss it in the reconciliation instructions.

So the truth is, Mr. President, that for all intents and purposes, Social Security is still in the budget even though we pledged by our action not to touch it, and, frankly, this is a secret we do not need to keep any longer, it is a secret we should not keep any longer.

I think it is time to let that particular cat out of the bag and take Social Security out of the budget.

And so the resolution I have sent to the desk would declare our intent to do that at the first opportunity, and it sets the record straight that the Senate wants to separate the Social Security from the unified budgets and will act to do so not only as soon as practical from a legislative standpoint, but as soon as practicable from the standpoint of whether we choose October 1, 1985 or October 1, 1986, in any event, as soon as we can possibly do so.

I would only add, Mr. President, that this is not only a bipartisan Senate initiative, there are people on both sides of the aisle who support this, but I can also announce that it is a Presidential initiative.

When just before the end of July a number of us were down at the White House discussing the budget resolution—indeed, I think the Senator from Wyoming was present at the time—the President declared that the Social Security old age and survivors program should not be touched as part of the budget process, and since a number of us had at that point been looking for an across-the-board approach to controlling Government spending, I raised the issue with him:

"Mr. President," I said, "does that mean that in addition just to keeping Social Security from being in any respect reduced, its growth slowed, or any other effect modified in the course of the budget process, that you would favor taking Social Security out of the unified Federal budget and treating it separately the way we did prior to 1968?"

He said, "Yes." He said, "I believe that, and I believe we should do it as soon as possible."

So this is an initiative that Republicans support, Democrats support, and the President supports.

I think since the time is short, it is time to get down to business. I believe we must act soon to separate the Social Security trust funds from the unified Federal budget while it still only conceals a small portion of the Federal deficit.

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We must move quickly before we become so reliant on the surpluses that we now are growing annually in the Social Security trust funds that we become inured to having the Social Security system obscure the true deficit pictures, to make the deficit look smaller than it is when we are unable to wean ourselves away from fiscal flamboyance.

Next year, in fiscal 1986, Social Security will earn a $16.8 billion profit or surplus, and that means that the deficit will look $16.8 billion smaller than it actually is. By the time it is scheduled to be separated from the unified budget in 1992, Social Security will be masking nearly $100 billion a year in deficits. That is $100 billion of excess spending that we will not pay for with the income tax and addiction of spending, and, given the difficulties Congress has had dealing with the budget deficit so far, I would think an additional $100 billion worth of spending on top of that would be increasingly hard as an addiction to overcome.

Mr. President, some of my colleagues may wonder specifically what is the purpose of my amendment. Since it is a sense-of-the-Senate resolution, it will not actually change the law if we adopt it, as I expect we will.

I might explain to my colleagues that I did consider a substantive amendment. I considered offering an amendment that would separate Social Security either this October 1, 1985 or next October 1, 1986, but I decided against it largely for tactical reasons. This is a Judiciary Committee bill. This amendment is nongermane to Senator SIMPSON's bill which, in the Senate, is no barrier to its consideration, even though Senator SIMPSON, I suspect, wishes it was.

Nonetheless, when he goes to conference with the House, the fact of the matter is that he will be going to conference with the House Judiciary Committee. They do have rules of germaneness in the House and there is no likely or practical process that substantive legislation could ever be adopted in the House as a result of a measure adopted on this bill passed by the Senate and sent to them.

So I have opted for a sense of the Senate resolution because it will allow us to express our desires and it will also not raise falsely the hopes of Members of the Senate.

I also believe that there will be an opportunity, perhaps as early as this week, for the committee of jurisdiction in the Senate, that is the Finance Committee, to address this issue substantively as a part of the reconciliation bill. And indeed it is my intention to press hard in the Finance Committee, of which I am a member, to actually incorporate, if we can, legislation dealing with the substance of this issue so that we may move those Social Security funds from the unified trust fund at the earliest practical date. So I urge my colleagues, Mr. President, to join me in a vote to declare that it is the intent of the Senate to separate Social Security from the unified Federal budget and restore the integrity of both the Social Security Program and the Federal budget process.

Mr. President, there are a number of cosponsors of this amendment: Mrs. HAWKINS, Mr. SPECTER, Mr. SASSER, Mr. ABDNOR, Mr. ANDREWS, Mr. DENTON, Mr. RIEGLE, Mr. DECONCINI, and Mr. WILSON, among others. That may not be an inclusive list.

Mr. President, I ask unanimous consent that an extremely incisive article from the New England Economic Review, published by the Federal Reserve Bank of Boston, and authored by Alicia H. Munnell, entitled "Social Security and the Budget," which analyzes in great depth quite briefly and succinctly the reasons in favor of separating Social Security from the unified budget, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New England Economic Review, July/August 1985]

SOCIAL SECURITY AND THE BUDGET

(By Alicia H. Munnell)

Recent comments about the impact of potential social security cuts on the federal budget deficit reveal considerable confusion over the role played by the trust funds in federal finance. This confusion may reflect not only the somewhat complicated interaction between social security and the rest of the federal government, but also the changes over time in the budgetary status of the social security trust funds. Until fiscal 1969, the financial activity of social security and other trust funds was reported separately from the administrative budget; after fiscal 1969, trust fund activity was integrated with other federal functions and the total reported as the unified budget. Beginning in fiscal 1993, the social security trust funds are scheduled once again to be removed from the unified budget accounting and reported separately.

This article will explore the issue of the appropriate budgetary treatment of the social security trust funds and the relevant role for the social security program in the current deficit debates. To provide some background, section one describes the interaction between social security and the rest of the federal government and summarizes the history of the changing accounting treatment of the social security trust funds. The second section measures the contribution of social security trust fund activity to the net financial status of the federal government. The third section reviews the traditional arguments for and against reporting social security separately from other federal transactions and explores the implications for this debate of the projected accumulation of substantial reserves in the social security trust funds.

Two major conclusions emerge from this analysis. First, the traditional way of measuring the impact of the social security trust funds on the unified budget deficit has significantly understated the amount by which these programs have reduced the Treasury's required borrowing from the private sector. Second, the projected unprecedented buildup of trust fund reserves adds a new and compelling argument to the arsenal of reasons for reporting the activities of the social security trust funds separately from the rest of the budget as is scheduled to occur after 1992 under current law. Moreover, the date at which this separation is slated to occur should be accelerated so that these assets, which are designed to pay for future social security benefits as the baby boom generation retires, do not distort decisions about social security or the rest of the budget.

I. THE SOCIAL SECURITY TRUST FUNDS

The first social security trust fund was created for old-age and survivors insurance (OASI) by the 1939 amendments to the Social Security Act.[1] Additional trust funds were subsequently established when disability insurance (DI) was added to the system in 1956 and when the medicare programs were enacted in 1965.[2] Because social security has been financed on approximately a pay-as-you-go basis, the trust funds have been used to provide a buffer against brief unanticipated economic fluctuations, rather than to build up large earnings reserves to pay a substantial portion of future benefits. The dedicated payroll taxes, which finance social security's retirement, disability and hospital insurance (HI) programs, are transferred from the Treasury's general fund, where they are received, to the respective social security trust funds, where they are used to pay benefits and cover administrative expenses.[3] To the extent that social security income exceeds outgo, trust fund surpluses are invested in debt obligations of the federal government, and the interest earned on accumulated assets provides an additional source of income to the trust funds.

From the inception of the social security program until 1969, the most commonly used concept of federal government finances, the administrative budget, did not include the operations of the federal trust funds such as OASI, DI, medicare, highway, unemployment and others. Historically, these funds were shown separately because they had their own dedicated revenues. A consolidated cash statement, which included trust fund transactions, was published but received little attention. A third measure of government finances, the federal sector of the national income accounts published by the Department of Commerce, also included trust fund activity but was not the focus of annual budget deliberations.[4]

The turning point came in 1967 when for the first time the President emphasized the spending and deficit figures from the consolidated cash budget and the national income accounts as well as the traditional administrative budget. The Administration particularly highlighted the national income accounts, arguing that economists preferred this measure to gauge the impact of government spending on the economy. Republicans charged, however, that the President's enthusiasm for the national income accounts figures sprang less from their relevance for economic analysis than from the fact that they showed the lowest deficit of the three budget concepts (table 1).[5]

TABLE 1.—RECEIPTS, OUTLAYS, AND DEFICITS UNDER ALTERNATIVE BUDGET CONCEPTS, FISCAL YEAR 1967

[Billions of dollars]

Budget concept	Receipts	Outlays	Deficit
National income accounts	167.1	169.2	2.1
Consolidated cash budget	168.1	172.4	4.3
Administrative budget	126.9	135.0	8.1

Source: "Shaping a Simpler Budget," reprinted from Business Week, Aug. 5, 1967, in James W. Davis, Jr., ed., Politics, Programs, and Budgets (Prentice-Hall, 1969), pp. 18–21

With newspapers and wire services having three sets of budget totals to pick from, all published in the budget document and all discussed and explained during extensive news conferences, the result was a rash of conflicting headlines. The New York Times and The Washington Post featured the national income accounts figures, following the Administration's lead. United Press International led its story with the consoldiated cash budget. The Associated Press stressed the administrative budget.

In an attempt to avoid such confusion in the future, President Johnson created the President's Commission on Budget Concepts in March 1967. The Commission issued its report in the fall of that year recommending that a unified summary statement be used to replace the three competing and confusing budget concepts.[6] This approach meant that the financial operations of the various federal trust funds would be shown together with those of other government programs in a single budget. Since the recommendations were unanimous and no legislation was required to implement the change, the first so-called unified budget was presented for fiscal year 1969. The effect in that year of including the social security trust funds was to transform a $1 billion deficit into a $3 billion surplus.

The Congress subsequently gave its implicit approval to the unified budget in the Congressional Budget and Impoundment Control Act of 1974. This legislation established procedures for the Congress to develop federal budgets independently of the President. By including the activities of the federally administered trust funds in the scope of the programs to be covered by the new procedures, the Congress implicitly endorsed a comprehensive budget concept.[7]

Debate over the budget concepts subsided until February 1981 when the Administration proposed several cuts in social security benefits as part of its first budget proposal. Most of these proposals were subsequently included as part of the Omnibus Budget Reconciliation Act of 1981, which was signed into law on August 13, 1981. The social security minimum benefit, student benefit, lump-sum death benefit, as well as a number of other existing benefit provisions, were eliminated or severely restricted by the passage of that legislation.

In May 1981, the Administration announced a significantly more dramatic package of benefit reductions for the OASDI programs. The proposals were wide-ranging, but the ones that would have had the largest and most immediate effect included: reducing the early retirement benefit from 80 percent to 55 percent of the full benefit beginning in 1982; adjusting the benefit formula for only one-half the wage growth during the period 1982–87 so that benefits would decline as a percent of preretirement earnings; and making disability determinations solely on the basis of medical considerations, rather than on a combination of medical and vocational factors. The fact that these proposals were projected to reduce long-run costs by 88 percent more than the Social Security Trustees' estimate of the long-run deficit fueled suspicion that OASDI financing problems were being used as an excuse to cut back on social security as a means of restoring balance to the unified budget.[8]

In response to the perceived dangers to the social security program, numerous attempts were made in the Congress either to make social security and medicare more visible within the unified budget or to remove them altogether from the budgetary process. Senators Eagleton and Stennis introduced and amendment to the Economic Recovery Tax Act of 1981 that would have required the financial projections and assumptions for OASDI and medicare to be displayed more prominently in the unified budet. The amendment was passed by the Senate, but dropped in conference. Senator Eagleton reintroduced the proposal in connection with legislation that culminated in the Social Security Amendments of 1981.[9] Again the amendment was passed by the Senate, but dropped in conference.

Members of the Congress continued to worry that the large deficits in the unified budget would spark further efforts to cut back on social security. The tension reached a peak in May 1982 when the Senate Budget Committee included $40 billion of "unspecified" changes in social security as part of a plan to reduce the budget deficit over the next three years. The Committee did not specify whether the reduction would come from benefit cuts or tax increases, but did say that it was the expected outcome of recommendations due later in the year from the National Commission on Social Security Reform, the group that had been appointed by the President and the Congress to resolve social security's immediate and long-term financing problems. This effort to force further social security changes in order to reduce the budget deficit was met with such strong opposition that the proposal was promptly dropped and the matter never came to a vote in the Senate.

Finally, the National Commission on Social Security Reform considered the issue of the appropriate relationship between social security and the rest of the government's financial activities. The Commission concluded in its 1983 report that the trust funds should be removed from the unified budget and this proposal was included in the Social Security Amendments of 1983.[10]

As the law now stands, social security and medicare are to be displayed more prominently in the budget until fiscal 1992—that is, shown as a separate numbered account rather than as subcategories of income security and health—and then social security and hospital insurance are to be removed completely from the budget beginning in fiscal 1993. (Supplementary medical insurance, which is financed by premiums and general revenues rather than by earmarked payroll taxes, would remain part of the budget but would be shown as a separate major category.)

II. EFFECT OF SOCIAL SECURITY TRUST FUNDS ON THE BUDGET

Regardless of how the social security trust funds are reported, their receipts and outlays have a significant impact on the overall financial status of the federal government and on the demands of the Treasury in the private credit markets. Measuring the impact would be a straightforward and noncontroversial exercise if trust fund revenues consisted only of payroll tax receipts and outlays consisted only of benefit payments and administrative expenses; then federal fiscal activities could be summarized by two separate and distinct accounts—one presenting the receipts and outlays of the social security trust funds and one showing the financial transactions for the rest of the government. In this setting, the excess of social security tax receipts over benefit payments and administrative expenses would be the appropriate measure of the trust funds' contribution to the rest of the federal budget.

In reality, however, interpreting the impact of social security on the federal budget is complicated by numerous intragovernmental transactions between the trust funds and the Treasury. A picture of the federal government's financial activities for fiscal 1986 is presented in table 2, which shows that in addition to $256 billion of earmarked payroll taxes and other contributions, the OASDHI trust funds will receive $18 billion in intragovernmental transfers from the Treasury. These transfers consist primarily of interest paid on the trust funds' holdings of outstanding government debt and contributions paid by the federal government in its role as an employer. During the same period, the trust funds will transfer $1 billion to the Treasury to cover interest on "normalized" or advance tax transfers from the Treasury.

TABLE 2.—SOCIAL SECURITY, OTHER FEDERAL PROGRAMS, AND THE UNIFIED BUDGET, FISCAL YEAR 1986 [1]

[In billions of dollars]

Item	Social Security	Other Federal programs	Unified budget
Receipts	274	539	
Direct	256	538	794
Intergovernmental	18	1	
Outlays	251	742	
Direct	250	724	974
Intergovernmental	1	18	
Surplus or Deficit	+23	−203	−180

[1] Social security includes the old-age and survivors insurance (OASI), disability insurance (DI), and hospital insurance (HI) trust funds.

Source: 1985 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds; 1985 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund; Historical Tables and Appendix of The Budget of the United States Government, Fiscal Year 1986 (GPO, 1985).

Since most of the intragovernmental transfers are netted out when the trust fund accounts and other federal accounts are consolidated into the unified budget, most analysts evaluate the contribution of the social security trust funds to federal finances as simply the difference between the direct receipts and outlays of the trust funds. For example, both the Social Security Administration and the Congressional Research Service calculate social security's fiscal 1986 contribution to the unified budget as the difference between receipts of $256 billion and outlays of $250 billion.[11] Thus, according to the conventional analysis, in 1986 OASDHI trust funds are projected to reduce the unified budget deficit by $6 billion.

While direct receipts and outlays are the relevant numbers for constructing the unified budget, they do not provide the correct answer to the question whether the deficit in the rest of the federal budget would have been larger or smaller without the activity of the social security trust funds.

The clearest example of why the intragovernmental revenues and outlays should be included along with the direct activities of the trust funds is the case of interest pay-

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Charts not reproduced in the Record; footnotes at end of article.

ments from the Treasury to social security on the trust funds' holdings of government debt, which will amount to $7 billion in fiscal 1986 (table 3). The crux of the issue is whether this payment is simply a transfer among different sectors of the federal government that would not occur in the absence of social security or an outlay that would have to be paid to the public if it were not paid to the trust funds.

TABLE 3.—SOCIAL SECURITY RECEIPTS AND OUTLAYS, FISCAL YEAR 1986

[In billions of dollars]

Item	OASI	DI	HI	Total
Receipts	197.8	[illegible]	[illegible]	273.7
Direct	[illegible]	17.8	51.5	255.6
Payroll taxes	182.5	17.5	51.5	251.5
Income from taxation of benefits	3.8	0.3	([1])	4.1
Intragovernmental	11.5	1.2	5.4	18.1
Interest	[illegible]	[illegible]	2.9	7.2
Employer contributions made by the Federal Government	2.5	0.2	1.3	[illegible]
Contributions for military wage credits	3.5	0.3	0.1	3.9
Other [2]	1.7	0.2	1.1	3.0
Outlays	182.4	[illegible]	48.1	251.0
Direct	181.7	20.4	47.8	249.9
Benefit payments	177.9	19.5	47.1	244.5
Administrative expenses	1.7	[illegible]	0.7	3.2
Payments to railroad retirement account [3]	[4]2.1	0.1	([4])	2.2
Intragovernmental [5]	0.7	0.1	0.3	1.1
Surplus or deficit	+15.4	−1.5	+8.8	+22.7

[1] Not applicable.

[2] Includes reimbursements for uninsured persons receiving OASDHI benefits and income tax credits allowed against payroll tax contributions. These credits will be eliminated after [illegible]

[3] Although payments from OASDI to the Railroad Retirement Account are technically intragovernmental transfers, they are traditionally included as direct outlays of the federal government because they represent reimbursement for benefits paid by the Railroad Retirement Board to private citizens.

[4] The HI trust fund received a payment of $0.3 billion from the Railroad Retirement Account in 1986. This amount is netted out of OASI transfers to the Railroad Retirement Account.

[5] Intragovernmental outlays consist primarily of interest on normalized tax transfers.

Source: 1985 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds; 1985 Annual Report of the Board of Trustees of the Federal Hospital Insurance Fund; Historical Tables and Appendix of The Budget of the United States Government, Fiscal Year 1986 (GPO, 1985).

In resolving this issue, it is important to remember that the assets in the trust fund reflect past trust fund surpluses. When in earlier years trust fund revenues exceeded the amount needed to pay benefits and administrative expenses, this excess was loaned to the Treasury in order to cover expenses in the rest of the budget. If it is assumed that these deficits in the general fund would have occurred without the surplus in the trust funds, then the government would have had to look to the private sector rather than to the social security system to cover the shortfall.[12] Under this scenario, the Treasury would have to pay the interest to the private holders of the government debt rather than to the trust funds. In other words, interest payments from the general fund to the OASDHI trust funds are an inescapable financial commitment that directly reflects previous deficits in the non-social security portion of the federal budget; the fact that some of the debt is held by the social security system reduces the size of the unified budget deficit and the financial demands of the federal government on the private economy. Therefore, the social security trust funds' effect on federal finances should be calculated including interest received on trust fund assets and not just on the basis of the direct sources of revenue. The rationale for including the other components of the intergovernmental transactions in the same manner is summarized in appendix A. With these amounts included, the surplus or deficit in the trust funds becomes the relevant measure of the social security system's contribution to the unified budget deficit. Hence, in fiscal 1986 the social security system will reduce the unified budget deficit by $23 billion.

Chart 1 shows, from the beginning of the program in 1937 to the present, the net financial position of the combined OASDHI trust funds using the alternative definitions of revenues and outlays discussed above. The preferred measure, which includes intra-governmental transactions, indicates that the social security system has run annual surpluses in 39 of the last 49 years. Over the same period, the non-social security portion of the federal budget ran deficits in 43 years; in 31 of the 43 deficit years social security surpluses reduced the size of the shortfall and in two of the 43 years, 1949 and 1969, the excess of revenues over outlays in the social security trust funds more than offset the deficit in the rest of the budget to produce an overall surplus in the unified accounts. In total, the social security trust funds have reduced the deficit or increased the surplus in the general fund in all but 10 of the last 49 years (chart 2 and the underlying budget data presented in appendix B). Stated another way, over the entire 49-year span, total social security revenues of $2,238 billion have exceeded outlays of $2,180 billion, to produce $58 billion of OASDHI assets at the end of fiscal 1985.

III. ARGUMENTS FOR AND AGAINST INCLUSION IN A UNIFIED BUDGET

Since social security trust fund transactions can alter the budget picture, it is important to consider whether the Congress and the public should be provided with a single unified budget or with a presentation that separates the transactions of these trust funds from the rest of government activity.[13] This question is more than just an issue of accounting. For while it is true that the impact on the economy of any given level of trust fund and other government activity will be the same regardless of how the numbers are reported, policymakers may well be affected by the form of the reporting and hence the reporting itself may ultimately influence the level of government activity.

Since the 1967 President's Commission on Budget Concepts is responsible for the current system of comprehensive accounting, it is an obvious place to look for the arguments in favor of including the social security trust funds in a unified budget. The main arguments for comprehensiveness, which permeate all the Commission documents, are the desire to eliminate the confusion associated with three competing budget concepts and to construct a budget that provides an aggregate measure of the impact of the federal sector on the economy. In addition, the staff paper on budget coverage cited four specific reasons why the trust funds should be included in the budget concept.[14] First, even though the social security programs do not require annual appropriations, the Congress is responsible for legislating tax rates and benefit formulas and changes in these provisions are made almost every year. Second, the government is ultimately responsible for assuring the financial solvency of these programs. Third, excluding the trust funds will distort priorities, since these programs receive more generous financing and less year-to-year scrutiny than programs included in the administrative budget. Finally, allowing emphasis to be placed on a budget that excludes the trust funds creates an incentive to invent new trust funds in order to reduce totals in the administrative budget.

The Commission's most convincing point is that policymakers need some aggregate measure of federal budget activity in order to assess the potential impact of total government spending and taxing on the economy. Excluding social security from this measure makes no sense, since the retirement, disability, and hospital insurance programs currently account for 25 percent of annual federal outlays and 34 percent of federal tax revenues.

Satisfying the need for a comprehensive budget figure for economic analysis does not mean, however, that the social security trust funds must be included in the annual budget considered by the Congress. The federal sector national income and product accounts are published quarterly and offer a very comprehensive picture of federal government transactions. Moreover, because this concept presents government fiscal transactions on an accrual rather than a cash basis, it offers the most useful measure of the impact of the federal sector on the economy. Economists and others will continue to use this concept in their efforts to assess alternative fiscal scenarios, regardless of whether or not the social security trust funds are included in the totals of the annual budget document.

The argument that social security must be in the budget document because the Congress is required to adjust the benefit and tax schedules on almost an annual basis is no longer relevant. The nature of the cash benefits programs has changed dramatically since the time of the Commission's report, when frequent adjustments were required on both the tax and benefit sides of the program in order to keep the provisions up to date with increases in prices and real wages. The 1972 Social Security Amendments introduced automatic cost-of-living adjustments for social security benefits and automatic increases in the maximum amount of earnings counted for benefit and contribution purposes to reflect rising average wages. These automatic adjustments combined with provisions in the 1977 Amendments produced a system under which benefits as a percentage of preretirement earnings will remain constant over time. On the financing side, as a result of the 1983 Amendments, revenues are projected to be sufficient to cover outlays well into the next century under the intermediate economic and demographic assumptions of the Social Security Trustees. In short, in the absence of unforeseen events, the Congress should have no need to adjust either OASDI benefit or tax schedules for a long time.

The case for excluding social security from the unified budget rests on the nature of the retirement, disability, and hospital insurance programs. These programs are self-supporting, financed by dedicated payroll taxes and other contributions, and hence, should not be pitted against other programs that must compete for scarce general revenues. The annual budget process is designed to force policymakers to make choices among alternative expenditures, giving preference in the budget period to one type of program over another, and to decide how these expenditures are to financed. Since social security outlays are based on past earnings histories and benefit promises stretch into the distant future, this program is not an appropriate part of the competitive budget process.

Moreover, the social security program embodies a moral, if not a legal, commitment to maintain the level of promised benefit.[15] Firms design supplementary pension plan provisions and individuals make irreversible lifetime decisions on the basis of an expected level of social security protection. Any changes in these promised benefit levels should be made gradually over a long period of time in order to give businesses and individuals an opportunity to revise their plans. Proponents of separate reporting conclude that the temptation to change social security benefits abruptly to accommodate other federal tax or spending decisions is significantly reduced if social security is not part of the unified budget.

In addition to these conventional arguments, the projected emergence of large surpluses in the social security trust funds provides new reasons to report the financial status of the social security system separately from the rest of federal receipts and expenditures. According to the Office of the Actuary of the Social Security Administration, the surpluses in the three social security trust funds should total $483 billion over the next 10 years (table 4). In the longer run, the current OASDI financing scheme calls for the buildup of trust fund reserves to continue for the next 35 years, which will produce trust fund balances equal to nearly 27 percent of GNP by 2020.[16] These accumulated reserves are then scheduled to be drawn down to cover annual deficits after 2020. As shown in chart 3, the projected annual surpluses are considerably larger and more persistent than anything experienced in the past, and the way in which they are reported could have a significant impact on the level of government taxing and spending in coming years.

TABLE 4.—PROJECTED SOCIAL SECURITY SURPLUSES, FISCAL YEARS 1985–1994 [1]

[In billions of dollars]

	OASDI			HI	Total
	OASI	DI	Total		
Fiscal year:					
1985	4.2	.5	4.7	3.9	8.7
1986	3.9	1.0	5.0	12.9	17.8
1987	9.3	−1.0	8.4	15.0	23.3
1988	29.6	.3	[illegible]	9.3	39.2
1989	37.9	1.0	[illegible]	[illegible]	[illegible]
1990	46.6	4.0	50.6	6.7	57.3
1991	54.4	5.8	[illegible]	4.3	[illegible]
1992	59.7	6.5	[illegible]	1.2	67.4
1993	69.8	7.5	77.3	−1.5	75.8
1994	78.8	8.3	87.1	−5.2	[illegible]
1985–94	394.2	33.9	428.4	54.6	483.0

Note: Totals may not add due to rounding.

[1] These projections are based on the intermediate (Alternative II–B) set of economic and demographic assumptions in the 1985 Trustees' Report. This alternative assumes that the average annual unemployment rate will decline steadily from 6.9 percent to 5.9 percent between 1985 and 1994 and that the real earnings differential will average 1.2 percent during this period.

Source: U.S. Social Security Administration, Office of the Actuary, Steven F. McKay, "Estimated Short-Range Operations of the OASI, DI and HI Trust Funds on the Basis of the 1985 Trustees' Report Assumptions," April 8, 1985, [illegible]

The first issue associated with the enormous trust fund buildup is one of fiscal discipline. If the social security trust funds remain part of the unified budget, so that the large surpluses projected for the next 35 years are reported in a manner that makes them appear available to finance general expenditures, they could reduce incentives to constrain costs in the non-social security portion of the federal budget. That is, by taking the pressure off the Congress to carefully scrutinize the merits of alternative spending proposals, the social security surpluses could encourage the financing of marginal projects and produce a higher level of total government spending than would have otherwise occurred.

The second issue is related to the foregoing question of fiscal discipline but involves some longer run considerations. These pertain to the OASDI financing arrangements over the next 75 years, which call for the accumulation of large reserves that are scheduled to be drawn down to finance annual social security deficits as the baby boom generation retires.[17] This is not the place to discuss the merits of the proposed funding plan, but simply to point out that for the social security surpluses to produce a net positive accumulation of resources at the federal level, they must not be offset by deficits in the non-social security portion of the budget.[18]

If the payroll taxes earmarked to pay future retirement and disability benefits are used to cover current outlays from the general fund, then the government debt held by the trust funds will be nothing more than paper claims. When the baby boom generation retires after the turn of the century, the trust funds will redeem their claims on the Treasury in order to pay promised benefits. The Treasury, however, will not have accumulated resources to meet its obligations, but rather will be forced to raise taxes at that time to pay off its debts. Thus, the full burden of supporting the beneficiaries will come from the future taxpayers—just as if the system had been financed on a pay-as-you-go basis all along. In this event, the only accomplishment of the proposed OASDI funding plan would be to shift the composition of federal revenues over time—with payroll tax receipts financing general government expenditures during the period of social security accumulation and general revenues financing social security benefits when trust fund assets are redeemed during the period of decumulation. Reporting social security trust fund activity separately from the rest of the federal budget, so that OASDI taxes do not appear available for general spending purposes, will give the best chance for the buildup of reserves in the trust funds.[19] This increase will produce real government saving that can then be used to finance future benefits.

IV. CONCLUSION

The financial activities of the social security trust funds have had a significant impact on the federal budget. Indeed, conventional analyses have consistently understated the extent to which trust fund surpluses have reduced the amount the Treasury has had to borrow in the private credit markets. A comprehensive appraisal of OASDHI receipts and outlays reveals that the social security system has, since its inception in 1935, provided a net contribution of $58 billion to the general fund of the Treasury. Moreover, over the next ten years, the surpluses in the trust funds are projected to equal almost $500 billion.

The possible distorting effects of the large projected trust fund surpluses, the fact that the programs are self-financed with earmarked taxes and represent a moral commitment to continue to pay the benefits upon which people have made irreversible lifetime decisions, constitute compelling arguments for treating social security differently from other government programs. Social security should not be subject to annual Congressional review where changes are proposed merely to accommodate other non-social security budgetary decisions, nor should social security's projected buildup of reserves be appropriated for current non-social security expenditures.

Removing social security from the unified budget does not mean that the Congress relinquishes control over the program. Instead, it should merely reduce the likelihood that changes are proposed solely in response to short-run budgetary pressures, rather than in the interests of sustaining the nation's retirement income system. In short, reporting social security separately from other federal programs should lead to more rational decisionmaking, and, with the advent of large trust fund surpluses, the sooner the separation occurs the less chance for social security to distort other federal fiscal decisions or for other federal decisions to thwart social security's long-run financing plan.

APPENDIX A. RATIONALE FOR TREATING INTRAGOVERNMENTAL TRANSACTIONS BETWEEN THE SOCIAL SECURITY TRUST FUNDS AND THE TREASURY AS DIRECT RECEIPTS AND OUTLAYS OF THE FEDERAL GOVERNMENT

In addition to interest on their holdings of government debt, the social security trust funds receive transfers from the Treasury to cover payroll tax contributions from the federal government in its role as an employer, noncontributory wage credits for military service, and a few miscellaneous items. On the expenditure side, the trust funds transfer to the Treasury payments to the Railroad Retirement Account and interest on normalized tax transfers. This appendix provides the rationale for treating these intragovernmental transactions as receipts and outlays of the federal government when assessing the contribution of the OASDHI trust funds to the unified budget.

I. Intragovernmental Receipts

(a) Employer contributions made by the federal government: All temporary federal employees have been covered under OASDHI since 1951, and all military personnel have been similarly covered since 1957. In 1982, HI coverage was extended to all federal employees. As a result of the Social Security Amendments of 1983, all federal workers hired after 1983 will be covered by OASDI in addition to HI. These federal workers and their employer pay OASDHI taxes at the same rate as private sector participants in order to qualify for future social security benefits. Hence, the government must make periodic transfers to the OASDHI trust funds in an amount equal to the employer's share of the payroll taxes owned on its employees' covered wages.

As a result of the extension of social security coverage to newly hired federal employees, Congress is currently exploring options for redesigning the Civil Service Retirement System (CSRS) to incorporate the costs and benefits of this coverage. In response to a Congressional request, the Congressional Research Service developed five alternative designs for the new plan, each structured to maintain the total employer normal cost of the entire retirement program (including the cost of social security coverage) at its current level.[20] All five of the proposals require lower CSRS contributions and benefits for the newly covered workers than those provided for federal employees not covered by social security. Thus, payroll taxes paid by the federal government to the OASDHI trust funds represent an inescapable portion of the cost of employing federal workers. Since the Treasury would have had to finance accruing benefit obligations through the CSRS in the absence of social security coverage, these transfers should be

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included with the direct activities of the trust funds when assessing the impact of OASDHI on federal finances.

(b) Contributions for military wage credits: Members of the armed forces have been regular contributing members of the social security since 1957; before that time, various special provisions provided for gratuitous wage credits that entitled military personnel to benefits and, in particular cases, entitled their survivors to survivors' benefits. Current members of the armed forces pay regular payroll taxes on earnings and, in addition, are given noncontributory wage credits for each quarter of military employment after 1956. These credits, in effect, raise the average monthly earnings used in the computation of monthly and lump-sum retirement payments by taking into account up to $300 per quarter of remuneration in kind.

Until 1983, payments from the Treasury to the trust funds to finance noncontributory military wage credits were made as the benefits became due. The Treasury transferred annual level payments, amortized to 2015, to the trust funds to finance current benefit obligations arising from noncontributory credits for service before 1957. In addition, the Treasury made annual variable payments to cover the current cost of benefits and administrative expenses arising from such credits granted after 1956.

The 1983 Social Security Amendments changed the financing basis of all noncontributory wage credits for military service. In May 1983, the existing amortized payment schedule for credits resulting from service before 1957 was replaced by immediate, full payment by the Treasury to the OASDHI trust funds of the present value of all future benefits arising from these credits. The Treasury also transferred to OASDHI an amount equivalent to the combined employer-employee OASDHI taxes, plus interest, on the noncontributory credits for the period 1957–83. Since the amount of the former payment was determined on an estimated basis, periodic adjustments will be required to assure that the Treasury accurately reimburses the trust funds for the cost of providing these benefits; the adjustments will be made in fiscal 1986 and every fifth year thereafter. The trust funds are now reimbursed annually for the OASDHI employer-employee taxes on all noncontributory wage credits for military service.

Transfers from the general fund for military-service wage credits represent contributions from the federal government, made as employer of miltary personnel, to finance future benefit obligations that arise from that employment. Since such a large portion of military pay is provided by remuneration in kind, these wage credits are necessary in order for the federal government to provide military service personnel with an adequate level of social security benefits. Thus, these transfers are analogous to payroll taxes paid by employers and therefore should be included along with the direct activities of OASDHI when evaluating the impact of social security on federal finances.

(c) Other intergovernmental receipts: The Social Security Amendments of 1983 contained a provision designed to treat the self-employed in much the same manner as employees and employers are treated for payroll and income tax purposes. Before 1984, the total OASDHI contribution rate faced by the self-employed was approximately 75 percent of the combined employer-employee rate. The 1983 Amendments raised the self-employed payroll tax rate to the combined employer-employee rate beginning in 1984, and provided self-employed individuals with an income tax deduction equal to one-half of their total payroll tax contribution beginning in 1989. This deduction parallels the present provision which allows employers to deduct as a business expense the payroll taxes they pay on their employees' wages. During the transition period between 1984 and 1989 when the deduction becomes available, the self-employed will contribute payroll taxes at a rate lower than the combined employer-employee rate.

In 1984, self-employed persons were allowed a payroll tax credit of 2.7 percent of covered wages and thus contributed 11.3 percent instead of the scheduled 14.0 percent. They will receive similar credits of 2.3 percent for 1985 and 2.0 percent for 1986–89. From 1984 to 1989, however, appropriations from the Treasury to the OASDHI trust funds are based on the full employer-emplyee tax rates that apply in each year. As a result, in fiscal 1986 the Treasury will transfer approximately $2 billion to the OASDHI trust fund to compensate for the revenue loss to the trust funds associated with the difference between payroll tax rates applicable to the self-employed and the combined employer-employee rate.

OASDHI earnings credits will accrue in each year between 1984 and 1989 as if payroll taxes had been contributed according to the full scheduled employer-employee contribution rate. Hence, these transfers should be included with the direct activities of the trust funds when assessing the impact of OASDHI on federal finances.

Intragovernmental Outlays

(a) Payments to the Railroad Retirement Account: The Railroad Retirement Act of 1974 provides for a system of coordination and financial interchange between the Railroad Retirement program and the OASDHI programs. Under provisions of this Act, transfers between the Railroad Retirement Account and the trust funds are made annually in order to place each trust fund in the same position in which it would have been if railroad employment had always been covered under social security. In 1986, OASDI will transfer approximately $2.3 billion to the Railroad Retirement Account and the Railroad Retirement Account will transfer $300 million to HI, resulting in a net payment by OASDHI of approximately $2.0 billion. Since these funds represent reimbursement for benefits paid by the Railroad Retirement Account to private citizens, they are traditionally treated as direct expenditures of the OASDHI trust funds when assessing the contribution of OASDHI to the federal budget.

(b) Interest on normalized transfers: Before 1983, payroll taxes collected by the federal government were transferred to the trust funds immediately upon receipt. Beginning in May 1983, estimated total collections for each month are credited to the trust funds on the first day of the month.[21] As the actual collections are received during the month, they are deposited in the general fund of the Treasury. The trust funds reimburse the Treasury for the interest costs attributable to these advance transfers.

OASDI will pay approximately $1 billion in interest costs attributable to advance tax transfers in 1986. Without advance transfers from the Treasury, the social security trust funds might be required to look elsewhere for a source of advance revenues if trust fund balances were too low to meet benefit payments, which are generally made in the early part of each month. Similarly, the Treasury would be free to use the money involved in the advance transfer for other purposes. Thus, the interest costs associated with this transaction represent a legitimate expense of OASDI and should be included with direct OASDHI expenditures when assessing the impact of the social security trust funds on the federal budget.

APPENDIX B.—DEFICITS AND SURPLUS OF THE SOCIAL SECURITY TRUST FUNDS, OTHER FEDERAL PROGRAMS, AND THE UNIFIED BUDGET, FISCAL YEARS 1937–86 [1]

[In billions of dollars]

Fiscal year	Social Security		Other Federal programs		Unified budget
	Without intragovernmental transactions	With intragovernmental transactions	Without intragovernmental transactions	With intragovernmental transactions	
1937	0.3	0.3	−3.0	−3.0	−2.8
1938	.4	[illegible]	−1.6	−1.6	−1.2
1939	.5	[illegible]	−4.4	−4.4	−3.9
1940	.5	.6	−3.4	−3.5	−2.9
1941	[illegible]	[illegible]	−5.5	−5.6	−4.9
1942	[illegible]	.8	−21.3	−21.3	−2.5
1943	1.0	1.0	−55.5	−55.6	−54.6
1944	1.1	1.2	−48.6	−48.7	−47.6
1945	1.0	1.2	−48.3	−48.4	−47.3
1946	.9	1.0	−16.8	−17.0	−15.9
1947	1.0	1.2	2.6	2.4	3.6
1948	1.1	1.2	10.7	10.5	11.8
1949	1.0	1.3	−.4	−.7	[illegible]
1950	1.3	1.6	−4.3	−4.6	−3.0
1951	1.6	1.8	4.6	4.3	6.1
1952	1.5	1.9	−3.0	−3.4	−1.5
1953	1.4	1.8	−7.9	−8.3	−6.5
1954	1.2	1.7	−2.4	−2.8	−1.2
1955	.6	1.1	−3.6	−4.1	−3.0
1956	.9	1.5	3.0	2.5	3.9
1957	[illegible]	[illegible]	3.3	2.6	3.4
1958	−.2	[illegible]	−2.6	−3.3	−2.8
1959	−1.4	−.7	−11.4	−12.1	−12.8
1960	−1.0	−.2	1.3	.5	[illegible]
1961	−.4	.4	−2.9	−3.8	−3.3
1962	−2.1	−1.3	−5.1	−5.9	−7.1
1963	−1.6	−.8	−3.1	−4.0	−4.8
1964	−.3	[illegible]	−5.6	−6.5	−5.9
1965	−.7	[illegible]	−.7	−1.6	−1.4
1966	−.8	.2	−2.9	−3.9	−3.7
1967	2.7	4.5	−11.4	−13.1	−8.6
1968	[illegible]	2.7	−25.9	−27.8	−25.2
1969	1.3	4.3	1.9	−1.1	3.2
1970	3.0	6.5	−5.8	−9.4	−2.8
1971	−.7	3.4	−22.3	−26.5	−23.0
1972	−1.3	2.8	−22.1	−26.2	−23.4
1973	−2.2	2.0	−12.7	−16.9	−14.9
1974	.6	5.4	−6.7	−11.5	−6.1
1975	−1.5	4.0	−51.8	−57.2	−53.2
1976	−8.0	−2.3	−65.7	−71.5	−73.7
1977	−9.9	−3.7	−43.8	−49.9	−53.6
1978	−9.6	−3.6	−49.4	−55.4	−59.0
1979	−6.4	−.4	−33.7	−39.7	40.2
1980	−6.3	0	−67.5	−73.8	73.8
1981	−8.3	−1.4	−70.6	−77.5	−78.9
1982	−13.0	−5.2	−115.0	−122.8	−127.9
1983	−27.9	8.0	−179.9	−213.8	−207.8
1984	−11.6	3.7	−173.7	−189.0	−185.3
1985	−5.3	8.7	−217.0	−231.0	−222.2
1986	5.4	22.7	−185.4	−202.7	−180.0

[1] Social security includes the old-age and survivors insurance (OASI), disability insurance (DI), and hospital insurance (HI) trust funds.

Note: Totals may not add due to rounding.

Source: 1985 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, 1985 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund, Historical Tables, Budget of the United States Government, Fiscal Year 1986 (GPO, 1985), and author's calculations.

FOOTNOTES

[1] Before 1940, social security was financed through a special "Old-Age Reserve Account" in the Treasury. Appropriations were made to this account from payroll tax revenues received by the Treasury net of administrative expenses. After the social security program was declared constitutional in 1937, it was no longer necessary to maintain an implicit separation between the tax and benefits activities. As a result, the 1938 Advisory Council advocated the establishment of a trust fund for the OSAI program, which would receive automatic appropriations from the Treasury. This recommendation was adopted in the 1939 Amendments.

[2] Medicare is composed of two parts—hospital insurance (HI), which pays for inpatient hospital care, limited stays in skilled nursing facilities, and home health services, and supplementary medical insurance (SMI), which pays for physicians' and hospital outpatient services. The programs are financed through separate trust funds, each with a distinct source or revenue. Hospital insurance is financed by earmarked payroll taxes in a manner similar to the OASI and DI programs. SMI derives its income from premiums paid by participants and from general revenues. Hence, SMI will be excluded from the definitions of medicare and social security as they are used throughout this article.

[3] As a result of the 1983 Amendments to the Social Security Act, the Treasury began transferring the estimated amount of each month's payroll tax receipts to the OASI, DI and HI trust funds at the beginning of the month. Before this legislation, payroll tax receipts were transferred to the trust funds as they were received. The Deficit Reduction Act of 1984 reinstated the traditional practice for the HI trust fund, although OASI and DI will continue to receive transfers on the first day of the month.

[4] For more detail about these alternative budget concepts, see the Budget of the United States Government, Fiscal Year 1969 (Government Printing Office, 1968), Special Analysis A, pp. 464–472.

[5] See "Shaping a Simpler Budget," reprinted from Business Week, August 5, 1967, and Eileen Shanahan, "Major Revisions in Budget Asked to End Confusion," reprinted from The New York Times, October 8, 1967, both in James W. Davis, Jr., ed., Politics, Programs, and Budgets (Prentice-Hall, 1969), pp. 18–27.

[6] Report of the President's Commission on Budget Concepts (GPO, 1967).

[7] For a complete legislative history of the budgetary treatment of the social security trust funds, see David Koitz, "Social Security and the Unified Budget" (Congressional Research Service, March 1984), mimeo, pp. CRS–5 to CRS–10. The following discussion draws very heavily on Koitz' study.

[8] The Administration's May 1981 proposals would have reduced long-run costs by 2.86 percent of taxable payrolls, based on the central "Alternative II" economic and demographic assumptions underlying the 1980 Trustees' *Report*. The long-run deficit as reported by the system's Trustees under these same assumptions amounted to only 1.52 percent of taxable payrolls. Hence, the proposed reductions of 2.86 percent exceeded the projected deficit of 1.52 percent by 1.34 percent of taxable payrolls or 88 percent. The 1981 Trustees' *Report*, issued on July 2, 1981, revealed a somewhat larger long-run deficit, equal to 1.82 percent of taxable payrolls. The Administration's proposed reductions exceeded even this updated estimate of the long-run deficit by 57 percent.

[9] The major provisions of the 1981 Amendments were the introduction of interfund borrowing among the social security and hospital insurance trust funds and the restoration of the minimum benefit for current beneficiaries.

[10] A majority of the members of the National Commission recommended that the OASI, DI, HI, and SMI trust funds be removed totally from the budget. A modified version of this recommendation, which called for the OASI, DI, HI and SMI trust funds to be displayed more prominently in the unified budget until fiscal 1988 and then for the OASI, DI, and HI trust funds to be removed totally from the budget process thereafter, was incorporated into the social security legislation that passed the House in March 1983. The final version of the bill, which delayed the date for taking social security out of the budget until fiscal 1993, represented a compromise between the House and the Senate. For further information, see *Report of the National Commission on Social Security Reform* (GPO, January 1983), pp. 2–24 and 2–25; and John A. Svahn and Mary Ross, "Social Security Amendments of 1983: Legislative History and Summary of Provisions," *Social Security Bulletin*, Vol. 46, July 1983, pp. 3–48.

[11] See Koitz, "Social Security and the Unified Budget," pp. CRS–19 to CRS–21 and U.S. Social Security Administration, Office of the Actuary, Steven F. McKay, "Comparison of Trust-Fund Accounting Versus Unified-Budget Accounting," February 7, 1985, Memorandum.

[12] David Koitz of the Congressional Research Service argues that the weakness with the proposed approach is the assumption that other federal spending and income decisions were developed in isolation from the financial operations of the social security programs. He questions whether the New Deal spending policies in the late 1930's ignored the receipts flowing into the social security program or whether World War II taxation policy would have been the same without the surpluses in the social security trust funds. Koitz concludes that the social security program has had a three-fold effect on government finances; the surpluses have not only reduced government borrowing in the private sector as argued in this article, but they have also allowed non-social security taxes to be somewhat lower and permitted spending to be somewhat higher than they otherwise would have been. Since it is impossible to know the relative magnitude of each of these effects, Koitz believes that focusing on the direct activites of the trust funds provides a more reliable indicator of the program's impact on the unified budget. These views were expressed in a detailed response to an earlier draft of this article.

[13] The main arguments for and against including social security in the federal budget are summarized in Koitz, "Social Security and the Unified Budget." For further discussion, see Robert M. Ball, *Social Security Today and Tomorrow* (Columbia University Press, 1978), pp. 308–310; *Social Security in America's Future: Final Report, National Commission on Social Security* (GPO, March 1981), pp. 306–307 and 356–358; Robert J. Myers, "Inclusion of Operations of Social Security and Medicare Trust Funds in the Unified Budget" Memorandum No. 53, National Commission on Social Security Reform, September 1982, mimeo; and *Report of the National Commission on Social Security Reform*, pp. 2–24 and 2–25.

[14] Staff paper, "Coverage of the Budget," in President's Commission on Budget Concepts, *Staff Papers and Other Materials Reviewed by the President's Commission* (GPO, 1967), pp. 161–169.

[15] The United States Supreme Court in 1960 (Flemming V Nestor, 363 US 603, 1960) said that "The social security system may be accurately described as a form of social insurance, enacted pursuant to Congress' power to spend money in aid of the 'general welfare.'" However, the Court went on to say that the rights of a beneficiary "cannot be soundly analogized to that of a holder of an annuity whose right to benefits is bottomed on his contractual premium payments."

[16] The precise date at which the accumulation ceases and the drawing down of assets begins can be defined in three ways. In nominal terms, even though outlays exceed tax income after 2015, fund assets continue to grow until 2030 as a result of interest income and the drawing down of trust fund assets occurs after 2030. If income and outlays are expressed in constant dollars or as a percent of GNP, then interest enables the fund to continue growing for only five years after outlays exceed tax income and the value of fund assets declines after 2020. Since the size of the trust fund relative to GNP offers the most relevant indicator of the impact of trust fund behavior on the economy, this measure will be used in the following discussion. For the data underlying these figures, see U.S. Social Security Administration, Office of the Actuary, Harry C. Ballantyne, A.S.A., *Long-Range Estimates of Social Security Trust Fund Operations in Dollars*, Acutarial Note 125, May 1985.

[17] It seems fair to say that the Congress did not deliberately seek to have the system accumulate reserves, but rather this development was the largely inadvertent product of a 1977 plan to restore financial solvency to the program over a 75-year period and a minor modification of that plan contained in the 1983 Amendments. These amendments produced the accumulation by accelerating a scheduled 2011 tax rate increase to 1988 and 1990, so that taxes are raised just as social security costs relative to taxable payroll are slated to decline.

[18] For a detailed discussion of the possible implications of accumulating large social security surpluses, see Alicia H. Munnell and Lynn E. Blais, "Do We Want Large Social Security Surpluses?" *New England Economic Review*, September/October 1984, pp. 5–21.

[19] A bill (S. 724) that would accelerate the removal of the OASDHI trust funds from the federal budget process was introduced on March 20, 1985 by Senators Paula Hawkins, Daniel Moynihan and Donald Riegle. Under this legislation, which is currently pending before the Committee on the Budget and the Committee on Governmental Affairs of the United States Senate, the social security trust funds would be reported separately from the rest of the federal budget beginning in fiscal 1987.

[20] *Designing a Retirement System for Federal Workers Covered by Social Security*, prepared by the Congressional Research Service for the Committee on Post Office and Civil Service of the U.S. House of Representatives (GPO, 1985).

[21] Beginning in August 1984, advance transfers of HI tax receipts were discontinued.

Mr. ANDREWS. Mr. President, I rise today to express my support of my colleague's sense of the Senate resolution. As a long-time advocate of Social Security, and as a cosponsor of S. 1600, I would strongly urge Members of the Senate to vote for this measure.

Removal of Social Security from the unified budget is a necessary and proper step if the Congress is to avoid transforming this issue into a political football during future debates over the budget and the Federal deficit. It is a necessary step and one that is based on sound logic. In addition, it is a concept which has the support of the Administration. For these reasons, I urge my colleagues to support Senator Heinz in his effort.

● **Mr. ABDNOR.** Mr. President, I am pleased to join my colleague from Pennsylvania, Senator Heinz, in recognizing the need for this body to address the inequities which are brought about as a result of the political wrangling over Social Security as a budget issue. I commend my colleague for taking the lead in eliminating once and for all the tendency of Congress to play politics with our elderly's hard-earned Social Security benefits.

There are good reasons for shielding Social Security from the vagaries of the budget process. Social Security, after all, is based on the notion of an intergenerational compact in which workers pay taxes on their wages to cover benefits for current retirees in return for a promise that they and their families will be protected now and in the future.

The compact is the only thing that justifies financing the system by a tax that falls relatively heavily on low- and moderate-income workers. Clearly, Social Security is a system which should not be tampered with lightly.

Shifting Social Security out of the unified budget now rather than in 1993 is the surest way of guaranteeing that Congress will not arbitrarily raid the trust funds to cover long-term shortfalls elsewhere in the budget. I, for one, am committed to protecting, not only the financial security, but also the peace of mind that Social Security provides for the elderly citizens of my State of South Dakota.●

Mrs. HAWKINS. Mr. President, I am pleased to join my distinguished colleague from Pennsylvania in this effort to remove Social Security from the unified budget.

Mr. President, I think that it is important to remind my colleagues that under current law, Social Security is already scheduled to be separated from the unified budget effective fiscal year 1993. So, Congress has already spoken on this issue. But the senior citizens of this country need it to be separated now. In March of this year, I introduced legislation to accelerate the separation so that it would be effective for the next budget process. We must stop terrifying Social Security recipients year after year during the budget process by kicking Social Security around like a political football.

Prior to 1969, Social Security was not part of the unified budget. Since its inclusion, we have witnessed numerous proposals to reduce some types of Social Security benefits primarily for the purpose of meeting short-term budgetary goals. Social Security is self-supporting since the trust funds are financed through the system's own tax, and benefits are provided only through the resources of the trust funds. Therefore, Social Security should not be weighed against other Federal programs which compete for scarce general funds.

Once we remove Social Security from the unified budget, our elderly citizens, the majority of which are on fixed incomes, would no longer have to live with the fear that payment of Social Security benefits or the cost-of-living increase is conditional upon the status of the overall Federal budget rather than solely upon the financial condition of the trust funds.

Mr. President, I urge my colleagues to join us in this effort so that the elderly of this Nation will be assured that Social Security is not only an independent program, but is also solvent.

(Mr. HELMS assumed the chair.)

Mr. SIMON. Mr. President, just briefly, I wish to say I support the amendment by the Senator from Pennsylvania. The history of this, I think if we are candid, goes back to the Korean war—and I regret to say those of us on the floor all remember that very vividly—when Harry Truman, to his credit said, "Let's tax ourselves," and we went through the Korean war without an increase in the deficit or an increase in inflation. When we got involved in the war in Vietnam, President Johnson, for reasons I think we understand but which were not in the national interest as we look back on it, saw that that deficit did not look good being in the Vietnam war. There were some substantial surpluses in Social Security and he wanted that bottom line to look better, so we ended up with a unified budget that, in fact, was taking Social Security funds not directly into the Vietnam war, but to make that total budget look better. And we were in fact creating some long-range problems.

I think we would be much better off with the Social Security trust funds off separately. I would have one question for my friend from Pennsylvania if he would yield, if I may have his attention. I see by the smile on his face he has heard another Simpson witticism here and my colleague from Wyoming is loaded with them.

But I know that Senator Bumpers has been interested in actually doing this by statute and not simply kind of a hortatory resolution that does not have any solid impact even though it is the sense of this body. If, in fact, there is agreement by everyone and if, after consulting with the Senator from Arkansas, and the chairman and the ranking member of the Senate Finance Committee would agree, why do we not go to enacting this? It seems to me the sooner the better.

Mr. HEINZ. Well, the Senator makes an excellent point. First, it is my view that the easiest, quickest, and most effective way for Congress to act on the substantive legislation of removing Social Security well prior to 1992 from the unified budget is for that legislation to be a part of the reconciliation bill. The reconciliation bill ultimately is privileged.

For the changes to be made, they need to be made in committee. It is very difficult, as I know the Senator knows, to amend a reconciliation bill on the floor. It is subject to a variety of points of order. The Senate Finance Committee in going to start the markup of its reconciliation bill at 9:30 tomorrow morning.

And it seems to me since there are some people who believe sincerely that the Social Security trust fund should always be a part of the unified Federal budget, and who will speak in opposition to either this resolution or substantive law, that while I do not in any sense attempt or want to foreclose debate on the issue, we have debated it on many occasions, that the chances of moving either with a substantive amendment on this kind of legislation or with a free-standing bill which could be subject at least to extended debate—I am confident we have votes to shut off filibuster—would preempt any opportunity to act to take the Social Security trust fund off budget or separate it from the unified budget effective this October 1985.

I would like to preclude that possibility.

Mr. SIMON. If the Senator will yield further, and I thank him for it. If, for some reason, it does not end up on the part of a reconciliation resolution, would the Senator from Pennsylvania get together with my colleague from Arkansas—and I want to be a cosponsor—so that we can move on this thing and not delay it further? It seems to me it is clearly in the interests of the senior citizens, of Social Security, and of a sound fiscal system that we take an honest look where we are. Once Social Security is there, we are getting a distorted view of what the budget is.

Mr. HEINZ. To respond to my friend from Illinois, the day after the President announced his support of taking Social Security out of the unified budget, I introduced substantive legislation—I think it was S. 1600—to do so. If, for some reason, we are unsuccessful in reconciliation, I will certainly press ahead with the substantive legislation which was cosponsored by a significant number of Members of this body, and which I believe tracks similar House legislation.

Mr. SIMON. I thank the Senator.

Mr. HEINZ. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. HEINZ. Mr. President, I renew my request for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMPSON. Mr. President, I know we have additional business to come to in a moment. But let me just say I must share with you that I wish this could have come up on some other measure. But I am also a realist enough to know that when we bring up Social Security in this Chamber, we want to be careful, protect our arms and legs, get out of the way, and yet see if we can crush more Democrats or more Republicans on either side of the issue. It is a fascinating adventure to watch.

It is not always clean, and so we are going to do another one of those. Far be it from me to stand in the way of a 100-to-0 vote. I guess I can salvage something knowing at least it will be a sense-of-the-Senate resolution instead of a piece of the statute that could just gum up in some way or another something when we get to conference—if we are ever able to get there—but it is fascinating to watch this come up. I really think it can be summarized in about one sentence: We want the Social Security money but we just do not want to count it. I guess that is the essence of the debate. I guess we will have that debate. There was a reason to do it in a unified budget. It involves so darned much money to omit it, it misrepresents the Federal budget activity and results in irrational economic planning. That happens to be my view. But as I say, we will go ahead to a final vote and I will be right there scrambling with the rest of them to get out of the way.

These trust funds are one of the largest and fastest growing components of our entire Federal budget. Excluding them, I think, undermines the value of the budget as a comprehensive financial plan. I think removing it might lower the projected deficit figures in the next few years. But we will not have to worry about that. There will be plenty of it there for us because we do not do any of the heavy lifting around here because the heavy

lifting is in Social Security, the defense budget, Medicare, Medicaid, military retirement, civilian retirement, and veterans' benefits. That is where the heavy lifting is.

We do not do any heavy lifting in here. We slap Amtrak around, UDAG, and SBA. But we do not do the heavy lifting because when we try to do that, the mailroom breaks down. Then people write us about the deficit, accuse us, and say, you know, "What are you up to?" Yet when we try to do anything at all constructive in these areas, the mailroom breaks down. That is the way it is.

I just happen to believe that Social Security and Medicare are so out of whack they ought to be constantly subject to budgetary review to identify unnecessary duplicative activities in the same way that every other Federal program is. But I see in the final product here we have a fine ending on it. It says it is the sense of the Senate that regardless of the budgetary treatment of any Federal program addressing fiscal policy, congressional and Presidential budget documents may in addition to unified Federal budget totals include total national levels of taxation, spending, and indebtedness.

I see the fine hand there of Chairman Peter "Pete" Domenici. I appreciate what Senator Heinz, and Senator Domenici, and Senator Chiles have all done and hopefully Senator Bumpers has been involved in this as well. I am not privy to all of the activities which led to this thing that will pass by 100 to nothing—if we are all here. But I do appreciate the work of Senator Heinz, Senator Domenici, Senator Chiles, and Senator Bumpers, and only wish it could have been dealt with on the extension of the debt limit where we can deal with about 400 other things.

Mr. HEINZ. Mr. President, will my friend from Wyoming yield?

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I will not take much time. I think the Senator from Wyoming, as always, has raised some pertinent points. I would just like to introduce into the Record my thoughts on those points. One thing that the Senator from Wyoming may not have meant to say was that removing Social Security and separating it from the unified Federal budget would make the Federal budget deficits look lower than they would otherwise be.

Since it is a fact that the Social Security trust funds are running a surplus, in fact removing Social Security from the Federal unified budget will state the deficit as larger as we now state it. To my view that is an unbalanced, positive development. It means that we will not be obscuring the truth with the rest of the Federal budget, and we knew it was bad to begin with but the fact is it is worse than we thought.

I think, therefore, separating Social Security from the unified budget gives a truer picture. I will not go quite so far as to call it truth in budgeting. But it does help in that regard.

One of the other arguments—and I have had long discussions with the chairman of the Budget Committee, Senator Domenici, and others on this point—is what does having Social Security separate from the unified budget mean in terms of our ability to review the programs that are part of the Social Security Trust Fund? The answer is by separating Social Security from the unified Federal budget we do not give up in any way, shape, or form our ability as a Congress to review the effective functioning of Medicare or disability insurance, or of the old age and survivor program.

To the contrary, those programs will remain part of the jurisdiction of the appropriate committee. Given, for example, the tremendous amount of funds change in the Medicare program, with the diagnostic related prospective payment system being in the process of being fully implemented, I feel confident that programmatic review will continue on a national basis.

What will be different about that programmatic review are the changes in Social Security, Medicare, and the disability program in those trust funds will not be driven for so-called budget or fiscal policy reasons.

Some may say, "Senator, we do have a budget program. Why would it not be good to be able to help solve that budget problem by addressing the Social Security trust funds?"

My most abbreviated answer to that question is that anybody who believes that we will ever taken money out of the Social Security Trust Fund and permanently apply it as spending for welfare, spending for the defense budget, paying interest on the national debt, paying for some of the discretionary programs, I think is deluding themselves. Nobody is ever going to support this taking money out of the Social Security trust funds to pay for some other program. I do not know of a single person in this body who would support that.

Therefore, when anyone says that the budgetary impact of Social Security on the budget is somehow important and is real, the fact is that it is illusory unless you actually can take the savings and apply them, either to reducing taxes, reducing the deficit, or reducing spending, and no one is ever going to do that.

What is likely if we do not separate the Social Security trust funds is that we will continue to mask the size of the deficit; we will continue to make very little progress in addressing other spending accounts in the Federal budget; and we will be 5 years from now exactly where we are today, which is facing $200 billion deficits.

But even if that were not to be the case, and I hope it is not the case, the fact is that while you may have some short-run apparent mitigation of the Federal budget deficits, as long as Social Security moneys are trust funded—and they always will be—then any saving in the Social Security trust funds will only ultimately, as a surplus develops, be disposed of in one of three ways: either Social Security tax rates will be cut, Social Security benefits will be increased, or Social Security trust fund surpluses will be saved, as many of us would like to anticipate but we are somewhat skeptical of, until the year 2015 or 2020, at which point the baby-boom generation starts retiring and we start paying out of this surplus that we hope will be there.

I would like to believe, as one of the members of the Social Security Commission, that indeed Congress will find that a $1 trillion or $2 trillion—that is trillion, not billion—surplus built up in the 1990's and the early turn of the century is going to be off limits. That is like believing that a troop of first-graders, given free run of the candy store for a week, will not touch any of the sweets in it. I wish I could trust all of those first-graders to go on a hunger strike for a week in a candy store, but somehow I do not believe that is likely to happen, anymore than I believe the best intentions of Congress over the next 20 years will ignore that surplus.

I just want to emphasize there may be some very short-term argument for keeping the status quo, but over the long term, it is all smoke, and status quo, as the President has often suggested, is leading to more difficulties.

Mr. SASSER. Mr. President, I am pleased to join my distinguished colleague from Pennsylvania, Mr. Heinz, in cosponsoring legislation which will once and for all remove the Social Security trust funds from the unified budget.

For one-half of a century, the Social Security System has been the hallmark of this Government's commitment to a safe and secure retirement for our elderly citizens. Yet, in the past 5 years, the program has witnessed an assault on its coffers by those seeking to rectify the misguided fiscal policies of an administration which has plunged this Nation into debtor status.

In the name of budget deficit reduction, the Social Security trust funds have proved to be fertile ground for those seeking to justify failed economic policies and a distorted social agenda.

Indeed, genuine confusion within the highest ranks of this administration over whether or not to include

Social Security benefit cuts in a deficit reduction strategy earlier this year nearly killed sensitive negotiations over a first concurrent budget resolution for the upcoming fiscal year.

All in all, the atmosphere of fear and uncertainty which has been created over the past 5 years has worked to seriously undermine the psychology of security and permanence which characterized the Social Security System for nearly five decades. By involving Social Security in deficit reduction negotiations, we have effectively diminished the perceived viability of the system.

Today, millions of younger working Americans have serious doubts over Social Security being there when they retire. Today, millions of elderly citizens worry about reductions in benefits which represent their sole source of income.

It is time that we take this issue out of the politically volatile budget arena. The Social Security trust funds are comprised of payroll taxes contributed by employers and employees alike. These funds are used to pay out benefits to those who are eligible through years of hard work. It is truly a social insurance scheme.

Social Security neither contributes to nor is responsible for the budget deficit. They are separate trust funds, and in fact within the confines of the unified budget, they actually make the deficit appear smaller than it is.

But the volatility of the issue demands that we treat the Social Security Program on strict financial accountability terms. The congressional budget is a political document. Thus, it seems essential to this Senator that we separate the two. For these reasons, I rise to endorse the resolution before us today. I encourage my colleagues to support this effort.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I will not speak to the amendment today. I compliment the distinguished floor manager for his comments. I say to my good friend from Pennsylvania that while I certainly do not favor what the sense-of-the-Senate resolution indicates should be the unified budget for the budget for the treatment of various accounts, I will not address that today at all. I just would like to know where we stand in terms of the bill and the amendment since I was not here late Friday afternoon—I guess I left about 5:30—and the proposals centering around the unanimous consent for Tuesday and all of these amendments apparently that did not get finalized.

I just have a couple of questions. Mr. President, the pending Heinz amendment in the second degree has had the yeas and nays ordered on it. My first inquiry is: Will there be any votes today on that amendment or any amendments pertaining to the pending bill?

Mr. SIMPSON. Mr. President, in accordance with the previous order, there are no votes today on any subject because of the Jewish holiday.

The PRESIDING OFFICER (Mr. NICKLES). That unanimous-consent agreement was reached with respect to votes today.

Mr. DOMENICI. Second, are there any unanimous-consent agreements that have any effect on the length of debate on this amendment today, or, if it is not voted on today and will still be the pending business tomorrow, are there any unanimous-consent agreements with respect to the debate tomorrow?

The PRESIDING OFFICER. There has been no unanimous-consent request agreed to.

Mr. DOMENICI. I thank the Chair.

Mr. SIMPSON. Mr. President, are we now going to the amendment of the Senator from Idaho?

Mr. SYMMS. I just wanted to inquire if it would be appropriate at this time.

DESIGNATION OF THE ROSE AS THE NATIONAL FLORAL EMBLEM

Mr. SIMPSON. I might say, Mr. President, I have two proponents under a unanimous-consent request to turn to a calendar item designating the rose as the national floral emblem. That should not take but a moment, I certainly hope.

If I may, I will ask my colleagues from Louisiana and Alabama if we can proceed with a 12-minute debate limitation on that. Since they are here in the Chamber, I would like to accommodate them.

Mr. SYMMS. I am happy to accommodate the distinguished floor manager. I might say that some of his constituents as well as some of my own, the Northwest Florist Association, met yesterday in Sun Valley. I am sure they would like to have the rose in its proper place.

Mr. SIMPSON. I thank the Senator.

Mr. President, I ask unanimous consent that the Senate now turn to the consideration of calendar item 292, Senate Joint Resolution 159. I have not yet conferred with the minority leader. I want to be certain we have his agreement to proceed.

Mr. President, that item is to designate the rose as the national floral emblem. I ask that it be considered under an overall 12-minute debate limitation and that no amendments be in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will state the resolution by title.

The legislative clerk read as follows:

> A Senate joint resolution (S.J. Res. 159) to designate the rose as the national floral emblem.

Mr. JOHNSTON. Mr. President, as the Senate begins consideration of Senate Joint Resolution 159, a resolution to designate the rose as our national floral emblem, I wish to share with my colleagues the thoughts of an anonymous author which I find especially appropriate to this occasion:

> In spite of centuries of disturbances, upheavals and turmoils, the rose has persisted and improved to become an ever-living symbol. That come what may, beauty shall not perish from the earth, and that of all the works of men, none is greater. That in the trials and tribulations, through which he has passed, he has still found time—nay made time—to produce the modern rose as a permanent memorial to all that is good and beautiful in life. For while the rose lives, so will men's thoughts turn from horrors, fears, devices and stratagems, to return to the beauty which abides in the mind, and urges him to produce that which is better and more beautiful.

Mr. President, I believe we may gain inspiration to address the more complex and difficult issues facing this body by turning briefly to one of simplicity and grace, a resolution to acknowledge the position of honor that the rose has long enjoyed in our culture.

America's infatuation with the rose is at least as old as our Republic itself. In fact, George Washington, our first President, was also our first rose breeder. One of the varieties he developed, the Mary Washington rose, is still enjoyed today in gardens across the Nation. Furthermore, the rose has been selected to decorate the White House and innumerable other American landmarks and memorials. Three First Ladies, Nancy Reagan, Betty Ford, and Pat Nixon, have all had roses named in their honor and today these roses flourish in the Rose Garden of the White House.

Fifty-two Senators have cosponsored this resolution, demonstrating that the designation of the rose as our national flower has a wide bipartisan and geographical support. And this is rightly so. I have no doubt that it is time to make the rose our national flower.

Finally, Mr. President, I would like to take a minute to express my appreciation to the distinguished Senator from South Carolina [Mr. THURMOND] and, I might say, to his lovely wife, Nancy, who, in tandem with my wife, Mary, has been very instrumental in getting this bill to the point where it is.

The Senator has lent his support to this resolution and has been of invaluable support in seeing that this matter was expeditiously considered by the full Judiciary Committee. I sincerely hope we will have similar cooperation in obtaining full Senate and House support.

I might add, Mr. President, that my hometown of Shreveport, LA, is the headquarters of the American Rose Society. I would like to think it is the capital of the rose itself.

Mr. President, it is with a great deal of pleasure that I thank my colleagues for their approval of this matter. I know, I am confident, that the rose is an appropriate and a great national symbol.

Mr. HEINZ. Mr. President, will the Senator from Louisiana yield for a question?

Mr. JOHNSTON. Mr. President, I should be glad to yield, but I think we are under a 12-minute time limitation agreement.

Mr. HEINZ. Will he yield 30 seconds?

Mr. JOHNSTON. If my colleague will permit.

Mr. HEFLIN. I will, Mr. President.

Mr. HEINZ. I commend the Senator from Louisiana for recognizing that both Louisiana and Pennsylvania roses, along with roses from the 48 other States, are most prized. My home State, the Commonwealth of Pennsylvania, takes great pride in the amount of roses produced and shipped throughout the United States. I ask that my name be added as a cosponsor.

Mr. JOHNSTON. I would be delighted to and I so ask unanimous consent, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama.

A NATIONAL FLORAL EMBLEM

Mr. HEFLIN. Mr. President, today we are considering a resolution which would designate the rose as our national floral emblem.

This resolution came before the Judiciary Committee last week, and I freely admit that I questioned it a bit. After all, our Nation can boast of a veritable cornucopia of beautiful flowers. For instance, my home State, Alabama, has chosen the camellia as its State flower. Also among the ranks of State flowers are the carnation, the flowering dogwood, the magnolia, the violet, the sunflower, and even mistletoe, among many others.

In fact, we have so many beautiful flowers that I even thought of suggesting to my colleagues on the Judiciary Committee, somewhat tongue in cheek, that, instead of a single national floral emblem, we designate a different flower for each day of the week. In that way, we could recognize at least seven different flowers for their unique qualities, by, for instance, designating the rose as the national flower of Sunday, the camellia as the national flower of Monday, and so on. Of course, in my heart, I knew this was an unworkable solution, even though one of my distinguished colleagues on the committee suggested that I was really looking for a national bouquet.

In the United States, we are blessed with a wide variety of flowers which could each have strong arguments made on their behalf as our "National Flower."

In fact, it was just a little more than 3 years ago, on September 1, 1982, that I was awarded life membership in the Alabama Marigold Society. At that time, the members of that society requested that we designate the marigold as the national flower, so, as a member, I am sure my colleagues can see that I do have conflicting feelings about this matter. Still, there is no question that the rose has universal support, for it is bountiful in all States.

We deal with a myriad commemorative designations in the Senate, and I do not, for a moment, even want to suggest that we should not do so. Many of these place needed attention on problems or focus our efforts on issues that deserve heightened visibility. Nor do I desire to impugn the resolution in question, for, after all, flowers are an important part of many of our national traditions.

I do believe, however, that we should also look at these commemorative designations in a way that is congruent with our dealings concerning major substantive issues before this body. In this light, I have done some checking and found that a very large proportion of the commercial roses available in this country are imported roses. South America, and particularly Colombia, are, I am told, very large suppliers of our roses. I believe it would be fitting, if we designate the rose as our "National Flower," that we urge our florists and nursery companies to act to bring about more domestic commercial production of roses.

All in all, Mr. President, I have decided that the rose is an appropriate flower to designate as our "national floral emblem." It is a beautiful flower, a symbol of fragrance, loveliness, and romance. Whether the particular rose in question is the traditional red, or if it is white, pink, or yellow, or one of the more modern varieties, such as lavender or orange, it is one of the more widespread symbols of beauty in our society. The rose is, indeed, a living work of art, a masterpiece fashioned by our Creator which should make us, as the saying goes, "stop and smell the roses," and, in so doing, make us stop and admire God's production of beauty.

Mr. President, as you can see, during my consideration of this resolution, I have gone through a variety of thought processes. To symbolize this, and to tell the story of this resolution, along with Peck Fox of my staff and I have drafted a short poem.

Roses are red,
Violets are blue,
Why must I choose
Between these two?

Marigolds and dogwood,
Camellias and more,
All flowers are beautiful
And made to adore.

But today there are deficits,
And farm bills and trade,
Aren't these the subjects
On which decisions should be made?

Still, if on a Nation's flower
A few moments we spend,
We might be refreshed and
Come down to Earth again.

Besides, to select a flower
As America's might not be bad,
Because we sure don't want
To make the garden clubs mad.

But all flowers are delicate
Each can refresh and amuse,
And that is the reason
I feel no flower should lose.

Still the rose is universal,
Its support has a strong voice,
So there should be no question
That the rose is the choice.

So let us raise our voices, and
Proclaim with all our power
That the rose is more than beautiful—
It is "America's Flower."

Mr. JOHNSTON. Mr. President, roses are red, violets are blue, HEFLIN should be a coauthor of this bill, too. And with his permission, I ask unanimous consent that his name be added as a coauthor.

Mr. HEFLIN. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I especially appreciate the very eloquent words of my distinguished colleague from Alabama. They do in fact in Alabama, as well as in Pennsylvania, raise some beautiful roses. I am sure, after the speech of my friend from Alabama today, there will be a resurgence of raising roses all around this land.

Mr. SYMMS. Will the Senator yield?

Mr. JOHNSTON. Yes, indeed.

Mr. SYMMS. Mr. President, I came to the floor determined to amend this bill to have the Idaho State flower, the syringa, be the national flower, but after the eloquent speeches of my two distinguished friends, I have decided to withhold my amendment and compliment them both. I think the Senator from Alabama was absolutely outstanding.

Mr. JOHNSTON. Mr. President, I thank my colleague. I move the question.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and to be read a third time.

The joint resolution (S.J. Res. 159) was read the third time and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 159), together with its preamble, is as follows:

S.J. Res. 159

Whereas the study of fossils has shown that the rose has been a native wild flower in America for over thirty-five million years;

Whereas the rose is grown today in every State;

Whereas the rose has long represented love, friendship, peace, and the devotion of the American people to their country;

Whereas the rose has been cultivated and grown in gardens for over five thousand years and is referred to in both the Old and New Testaments;

Whereas the rose has for many years been the favorite flower of the American people, has captivated the affection of human kind, and has been revered and renowned in art, music, and literature;

Whereas our first President was also our first rose breeder, one of his varieties being named after his mother and still being grown today; and

Whereas the United States is without a national flower: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the flower commonly known as the rose is designated and adopted as the national floral emblem of the United States of America, and the President of the United States is authorized and requested to declare such fact by proclamation.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. I thank my colleagues. I am pleased to dispose of that thorny issue.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

The Senate resumed consideration of the bill.

Mr. SIMPSON. Mr. President, I believe there is a pending motion of the Senator from Idaho.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER (Mrs. Kassebaum). The Senator from Idaho.

(The remarks of Mr. Symms and Mr. Simpson at this point relating to amendment No. 619 are printed earlier in the Record.)

AMENDMENT NO. 624

(Purpose: To require the Federal Government to reimburse State governments for the cost of incarcerating in State prisons illegal aliens and Marielito Cubans who commit felonies)

Mr. D'AMATO. Madam President. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

First, is there any objection to temporarily setting aside the pending amendment? Hearing none, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'Amato], for himself, Mr. Hatch, Mrs. Hawkins, Mr. Chiles, Mr. Moynihan, Mr. Wilson, Mr. Johnston, Mr. Bentsen, Mr. Cranston, Mr. Lautenberg, Mr. Murkowski, Mr. Pressler, Mr. Specter, Mr. Inouye, Mr. Boren, and Mr. Simon, proposes an amendment numbered 624.

Mr. D'AMATO. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert:

Sec. .(a) The Attorney General shall reimburse a State for the costs incurred by such State for the imprisonment of any illegal alien or Marielito Cuban who is convicted of a felony by such State.

(b) An illegal alien referred to in subsection (a) is any alien convicted of a felony who is in the United States unlawfully and—

(i) whose most recent entry into the United States was without inspection, or

(ii) whose most recent admission to the United States was a nonimmigrant but—

(A) whose period of unauthorized stay as a nonimmigrant expired, or

(B) whose unlawful status was known to the Government,

before the date of the commission of the crime for which the imprisonment was imposed.

(c) A Marielito Cuban convicted of a felony referred to in subsection (a) is a national of Cuba who—

(i) was allowed by the Attorney General to enter the United States in 1980,

(ii) after such entry committed any violation of State law for which a term of imprisonment was imposed, and

(iii) at the time of such entry and such violation was not an alien lawfully admitted to the United States—

(A) for permanent residence, or

(B) under the terms of an immigrant visa or a nonimmigrant visa issued, under the laws of the United States.

(d) There are authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

(e) This amendment shall become effective on October 1, 1985.

Mr. D'AMATO. Madam President, our amendment is essentially the same amendment that I offered, and that the Senate passed by vote of 55 to 40, the last time we considered immigration reform.

Our amendment reimburses the States for the cost of incarcerating the 5,000 or more illegal aliens and Marielito criminals, convicted of felonies and now in State prison. It offers us the opportunity to provide desperately needed assistance to our seriously overcrowded State prisons.

More than that, it recognizes that these alien felons are a Federal, not a State, responsibility. If we had a truly effective immigration policy, these individuals would never have been let into the country in the first place. If the Immigration Service had enough detention space, the States could parole such individuals to the INS pending deportation. But we have no effective control of our borders, and INS detention centers are filled to bursting.

While I appreciate Senator Simpson's commendable and good faith efforts to address this problem, S. 1200 offers our overcrowded prisons only the possibility of assistance and relief, and postpones the granting of any assistance at all for at least 3 years.

Madam President, the prisons do not need promises and possibilities. They need action, they need help, and they need it now. Today, we learned from the Justice Department that the population of our Nation's overcrowded State prisons increased by nearly 23,000 inmates, or almost 1,000 inmates a week in the first half of this year. The increase for the first half of 1985 is so great that it nearly equals the total for all of 1984.

No one can say that the States are not doing their share to respond to this crisis. Expenditures on State prisons are at an all-time high of $7.2 billion per year. But despite their best efforts, the States are losing ground. Last year, 17,365 convicted criminals were released from State prisons, not because they were rehabilitated or had served their sentences, but simply because of prison overcrowding.

In virtually every State, the illegal alien felon problem, brought about by Federal immigration policies, only makes the States' problems worse. It is time that we accept our responsibility for adding to the States' burden. More than 3,000 illegal aliens, and more than 1,700 Marielito Cuban felons released from Castro's prisons in 1980, have been convicted of felonies and are now adding to the overcrowding in our State prisons.

The States did not create this situation. The Federal Government did.

S. 1200 does not adequately deal with this issue:

First, at a time when prison overcrowding is at its worst, S. 1200 would delay even the possibility of help reaching our State prisons for 3 more years; and

Second, by including prisons in a social welfare block grant, S. 1200 forces prisons to compete for funds that may or may not be adequate, and creates the serious possibility that our overcrowded prisons will not receive any assistance at all.

The amendment I offer today, with the cosponsorship of so many of my colleagues, simply takes the language concerning reimbursement for prisons out of the block grant. Doing this accomplishes four important objectives:

First, our amendment guarantees that prisons will receive assistance;

Second, it provides assistance immediately, not, as S. 1200 does, after a 3 year delay;

Third, our amendment continues assistance as long as there is an illegal alien felon problem. It does not terminate, as in S. 1200, after only 3 years; and

Fourth, it provides reimbursement not only for the 3,000 illegal alien felons, but for the more than 1,700 Marielito Cuban felons, who are among the most violent criminals in prison today.

Madam President, I thank the many Senators who have agreed to cosponsor this amendment. I thank them because supporting this amendment guarantees our States much-needed help in their fight to make our communities safe, and to deal with the epidemic of crime. Supporting this amendment recognizes the Federal responsibility for causing the illegal alien felon problem in the first place, and our responsibility to do something about this problem now, and not 3 or more years from now.

The language of S. 1200 supports the possibility of providing help to our States. Why not then simply guarantee that this promise of help is kept? That is what our amendment seeks to do.

This immigration bill is going to have a tremendous impact on our States. For us not to help the States now with that part of their prison overcrowding that the Federal Government brought about would be a tragedy.

Madam President, I urge my colleagues to vote in favor of this amendment, and I ask for the yeas and nays on my amendment. Thank you, Madam President.

Madam President, I will conclude by saying that I believe this is a proper role for the Government to assume, and its proper responsibility. The Federal Government cannot leave to States to do alone that which they are being burdened with today. Some States are facing a greater burden than others. This amendment will give the States their proper recompense for the large sums of money they are presently expending on those criminals whose entry the Federal Government failed to stop. It will very dramatically help them with the problems they face in providing proper law enforcement protection.

Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMPSON. Madam President, we are revisiting an issue here through the activities of the Senator from New York. I think it is good to do that, but I want to indicate that we already have reimbursement of State incarceration costs for felon illegal aliens and felon Marielitos in our bill. That is in S. 1200, please understand that. It comes directly from the conference language of the conference which failed. That conference committee has provided the subject of much that we have been dealing with here, and much that will be dealt with in the House.

Senator D'Amato's concern is because our provision is included in the general reimbursement provisions for reimbursement of legalized alien benefit costs, and public assistance. I believe he is indicating that this will not be available for 3 years and actually, legalization could be triggered in a year or less under the bill, under the conditions of the legalization commission.

I think he is indicating that the States need their money now. I understand that. Please understand that if this bill does not float, does not go through both bodies, there will not be anything in there for incarceration or anything else.

I am opposing the amendment for one reason only: Not, certainly, because of his definition of those who are covered—I think that is important, what he has done with his definition of covered criminals—but simply because we have already provided for it in S. 1200. If the amendment is passed to authorize additional immediate funding, it will add $50 million to $70 million to the cost of the bill. I have discussed that with the Senator from New York and, in his vigorous and spirited way, which I have come to know and admire, he still feels that this is a necessary procedure to go through.

There are funds in S. 1200 for reimbusing State costs. They exist within the capped entitlement grant. There are enough funds there for both State public assistance costs and State incarceration costs; at least that is what CBO told us in June when they testified before us. I do not think we should have reimbursement funds capped for all other items except incarceration costs.

A figure of $600 million was calculated to include prison costs. I would say if the amendment is successful when we do vote on it, it would be my intention at the conclusion of this debate to insert a separate amendment at the appropriate time to ensure that there is not a twice-paid reimbursement here, to delete certain sums from the authorization bill. I shall handle that separately. Double reimbursement is my principal concern.

Let me say also, to correct the record, that Marielito felons are not covered in S. 1200. The Marielito felons are reimbursed in the Refugee Act authorization. That is now pending here and has passed in the House, but we do reimburse for illegal alien felons in S. 1200. I do want to clarify that.

I thank the Senator from New York.

Mr. SIMON. Madam President, let me say in behalf of Senator Kennedy, who is ranking member of the subcommittee, and myself on this side of the aisle, we do not find the amendment objectionable and we can support it.

Mr. D'AMATO. Madam President, I would like to say, first of all, that I thank the distinguished Republican whip, my colleague from Wyoming, for his graciousness in attempting to work out an accommodation to this very vexing problem. I am very mindful of the constraints with respect to cost. He has worked so diligently over the years to bring this to the point where, hopefully, we will have an immigration bill. Notwithstanding that, I cannot believe that OMB would seek to oppose this bill, which takes so many important considerations and aspects, to urge a Presidential veto, because we are seeking what I know to be correct and what my colleague from Wyoming, I am sure, finds no objection to—the reimbursement for actual expenditures made by the States for the incarceration of illegal aliens and Marielitos, who have been committed to State facilities for the commission of serious crimes, felonies.

Many of these, the Marielitos in particular, are the worst of criminals. They give to the State systems the greatest problems. You can ask warden after warden, in State after State, about the way they exacerbate their problems.

Having said all that, I hope that we can include this amendment, that it will be passed overwhelmingly, and that we will not reduce the cap, because I think all of those dollars are going to be absolutely essential, the dollars in the cap, plus this direct reimbursement proposal. It is one of the ways in which we can be truly responsive to the crisis that our States, which have been heavily impacted by illegal aliens, will face. New York has estimated we will have about 600,000 illegal aliens in the city of New York alone. That is a population far greater than some of my colleagues have in their States. But this is a problem that many States face, not just New York. I thank my colleague for his graciousness in undertaking a review of the proposed legislation that we submit today.

Mr. SIMPSON. Madam President, this amendment also will be sequenced in a time certain yet to be determined.

I believe that Senator Wilson had indicated that he was ready to proceed. I see no other of my colleagues ready to present an amendment so, at this time, I suggest the absence of a quorum.

Before doing that, let me urge my colleagues to come forward with amendments. We are processing them and some have been modified and will be accepted. The yeas and nays have been asked on more than several and we shall proceed here as the managers of the bill to consider the amendments. I urge my colleagues that today would be an excellent time to proceed because tomorrow we get back into the crush of legislative business—and the leader has indicated that we will proceed with Superfund and Superfund comes in quite a package this time. I think there are 39 amendments to Superfund. So we are building toward a remarkable record of amending in this place.

I say if you feel so disposed, build toward the extension of the debt limit as you think carefully about amending anything other than the Immigration Reform and Control Act. And tell your friends, and thank you very much.

With that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 625

Mr. SIMON. Madam President, I have an amendment which I send to the desk and ask its immediate consideration.

The PRESIDING OFFICER. The clerk will report, if there is no objection to setting aside the pending amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 625.

On page 123, after line 19, insert the following:

"SEC. 406. SENSE OF THE CONGRESS—

It is the sense of the Congress that the President of the United States should consult with the President of the Republic of Mexico within 90 days after enactment of this act regarding the implementation of this Act and its possible effect on the United States or Mexico. After the consultation, it is the sense of the Congress that the President should report to the Congress any legislation or administrative changes that may be necessary as a result of the enactment of this legislation."

Mr. SIMON. Madam President, this amendment is self-explanatory. I am offering it in place of the amendment I offered earlier which I withdrew. My distinguished colleague from Wyoming opposed that amendment. We have worked out language that I believe is agreeable. It does call for consultation between the United States and Mexico on the ramifications of this amendment and a report to Congress from the President. I think it avoids some of the harshness of unilateral action on our part.

Mr. SIMPSON. Madam President, again I appreciate the skills of the Senator from Illinois in pursuing something that he deeply believes necessary. We have reached accommodation, but I would ask if the Senator might modify his amendment to include on the last line where he states "as a result of" to inset the words "the consultation and". Then it would read, "the enactment of this legislation." So it would read, "After the consultation, it is the sense of the Congress that the President should report to the Congress any legislative or administrative changes that may be necessary as a result of the consultation and of the enactment of this legislation."

Mr. SIMON. That is certainly the intent of our language, anyway, and I have no objection to that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Will the Senator send a modification to the desk?

The modified amendment reads as follows:

On page 123, after line 19, insert the following:

"SEC. 406. SENSE OF THE CONGRESS—

It is the sense of the Congress that the President of the United States should consult with the President of the Republic of Mexico within 90 days after enactment of this act regarding the implementation of this Act and its possible effect on the United States or Mexico. After the consultation, it is the sense of the Congress that the President should report to the Congress any legislative or administration changes that may be necessary as a result of the consultation and the enactment of this legislation."

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (No. 625), as amended, was agreed to.

Mr. SIMPSON. Madam President, let me just add that I do hope that the time limit is appropriate for both Chief Executives. It may be a crush to do that. We shall deal with the reality of it, at that time. I am sure that the message will be conveyed. I worry about the time being appropriate enough, to have 90 days to consider such legislation. That is my only concern.

Mr. SIMON. Madam President, there is nothing mandated here. My instinct is that 90 days is adequate; but if they consult in 91 days, or 92, or 96, obviously they are not violating any statute. I think this is a workable and flexible enough arrangement.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ANDREWS). Without objection, it is so ordered.

AMENDMENT NO. 616

Mr. WILSON. Mr. President, I call up amendment No. 616 to S. 1200 and send a modification to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mr. WILSON] proposes an amendment No. 616:

(The text of the amendment is printed in the RECORD of Friday, September 13, 1985, at page S11488.)

Mr. WILSON. Mr. President, the modification is a simple one. It affects the definition of those covered as seasonal agricultural workers as that term is defined in page 11 of the amendment at line 22 after the word "harvesting." The other words that follow would be deleted so that the definition of someone engaged in the services in connection with perishable commodities would include services in agricultural employment including planting cultural practices, production, cultivation, growing, and harvesting.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 68, between lines 5 and 6, insert the following new section:

SEC. 125. SEASONAL AGRICULTURAL WORKER PROGRAM.

(a) PROVIDING NEW "O" NONIMMIGRANT CLASSIFICATION FOR SEASONAL AGRICULTURAL WORKERS.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by this Act, is further amended—

(1) by inserting "and other than seasonal agricultural services in perishable commodities described in section 217(h)(1)" in subparagraph (H)(ii) after "section 216(h)(1)";

(2) by striking out "or" at the end of subparagraph (M);

(3) by striking out the period at the end of subparagraph (N) and inserting in lieu thereof "; or"; and

(4) by adding at the end the following new subparagraph:

"(O) an alien having a residence in a foreign country which he has no intention of abandoning who is coming to the United States to perform seasonal agricultural services in perishable commodities (as defined in section 217(h)(1)).".

(b) ADMISSION OF SEASONAL AGRICULTURAL WORKERS.—Chapter 2 of title II is amended by adding after section 216 the following new section:

"SEC. 217. ADMISSION OF SEASONAL AGRICULTURAL WORKERS.

"(a) ESTABLISHMENT OF SEASONAL AGRICULTURAL WORKER PROGRAM.—The Attorney General, in consultation with the Secretary of Agriculture and the Secretary of Labor, shall by regulation establish a program (hereafter in this section referred to as 'the program') for the admission into the United States of seasonal agricultural workers (as defined in section 217(h)(2).

"(b) ADMISSION OF SEASONAL AGRICULTURAL WORKERS.—A petition to import an alien as

a seasonal agricultural worker (as defined in section 217(h)(2)) may not be approved by the Attorney General unless the petitioner certifies to the Attorney General the following:

"(1) SEASONAL AGRICULTURAL EMPLOYER IN PERISHABLE COMMODITIES.—

"(A) NATURE OF PETITIONER.—The petitioner employs (or contracts for the employment of) individuals in seasonal agricultural services in perishable commodities, or is an association representing such employers or contractors.

"(B) REQUIREMENTS OF PETITIONS.—For each month concerned and for each agricultural employment region (designated under section 217(i)(1)) in which the petitioner is operating, the petition must specify—

"(i) the total number and qualifications of individuals in seasonal agricultural services in perishable commodities required in each month, and

"(ii) the type of agricultural work required to be performed by these workers.

"(2) WILL MAKE RECRUITING EFFORT.—The petitioner will make a good faith effort to recruit (as required by the Attorney General in regulations) in the area of intended employment, including the listing of employment opportunities with the appropriate office of a governmental employment service, and will accept for employment able, willing, and qualified workers referred by such office to perform seasonal agricultural services in perishable commodities until the commencement of the seasonal agricultural services for which the petitioner has recruited.

"(3) REPORT ON RECRUITMENT.—In the case of a petitioner that has employed seasonal agricultural workers during the previous 12 months, the petitioner will provide a summary of his efforts to recruit domestic workers to perform seasonal agricultural services in perishable commodities during that period.

"(4) ADEQUATE WORKING CONDITIONS.—The petitioner will provide such wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed.

"(5) HOUSING.—The petitioner will furnish housing for nonimmigrants described in section 101(a)(15)(O) or, at the petitioner's option and instead of arranging for suitable housing accommodations, will substitute payment of a reasonable housing allowance to the provider of the housing, but only if the housing is otherwise available within the approximate area of employment.

"(6) NOTICE TO ATTORNEY GENERAL OF EMPLOYMENT.—The petitioner will notify the Attorney General of the entering into, or termination, of an employment relationship with a seasonal agricultural worker not later than 72 hours of the time the relationship is entered into or terminated.

"(7) EMPLOYMENT ONLY IN SEASONAL AGRICULTURAL EMPOLOYMENT IN PERISHABLE COMMODITIES.—The petitioner will not employ a seasonal agricultural worker for services other than seasonal agricultural employment in perishable commodities.

"(8) LIMITATION ON THE USE OF 'O' WORKERS IN PERISHABLE COMMODITIES.—The petitioner will not employ (or petition for the employment) of a nonimmigrant in any job opportunity under section 101(a)(15)(O) for seasonal agricultural services in perishable commodities when an application for employment in that job opportunity under section 101(a)(15)(N) is pending or approved.

"(9) JOB INFORMATION DISCLOSURE TO 'O' WORKERS.—The petitioner shall, upon request, disclose in writing to seasonal agricultural workers when an offer of employment is made, the place of employment, the wage rates, the employee benefits to be provided, and any costs to be charged for each of them, the crops and kinds of activities for which the worker may be employed, and the anticipated period of employment.

"(c) SUSPENSION OF CERTIFICATION.—The Attorney General shall suspend a petitioner's certification under subsection (b) if any of the following conditions exist:

"(1) LABOR DISPUTE.—There is a strike or lockout in the course of a labor dispute which, under the regulations, precludes such certification.

"(2) VIOLATION OF TERM OF PREVIOUS CERTIFICATION.—

"(A) IN GENERAL.—The employer at any time during the previous two-year period employed seasonal agricultural workers and the Attorney General has determined, after notice and opportunity for a hearing, that the employer at any time during that period—

"(i) substantially violated an essential term or condition of the labor certification under subsection (b) with respect to the employment of domestic or nonimmigrant workers, or

"(ii) has not paid any penalty for such violations which have been assessed by the Attorney General.

"(B) DISQUALIFICATION LIMITED TO ONE YEAR.—No employer may have its certification suspended under clause (A) for more than one year for any violation described in that clause.

"(3) NOT PROVIDING FOR WORKERS' COMPENSATION.—The employer has not provided the Attorney General with satisfactory assurances that if the employment for which the certification is sought is not covered by State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

"(d) ROLES OF AGRICULTURAL ASSOCIATIONS.—

"(1) PERMITTING FILING BY AGRICULTURAL ASSOCIATIONS.—A petition to import an alien as a seasonal agricultural worker, and a labor certification with respect to such a worker, may be filed by an association representing seasonal agricultural employers which use agricultural services.

"(2) TREATMENT OF ASSOCIATIONS ACTING AS EMPLOYERS.—If such an association is a joint or sole employer of seasonal agricultural workers, the certifications obtained under this section by the association may be used for the job opportunities of any of its members requiring such workers to perform agricultural services of a seasonal nature for which the certifications were obtained.

"(3) TREATMENT OF VIOLATIONS.—

"(A) MEMBER'S VIOLATION DOES NOT NECESSARILY DISQUALIFY ASSOCIATION OR OTHER MEMBERS.—If an individual member of such an association is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the member, the suspension shall apply only to that member and does not apply to the association unless the Attorney General determines that the association or other member participated in, or had knowledge of and derived benefit from, the violation.

"(4) ASSOCIATION'S VIOLATION DOES NOT NECESSARILY DISQUALIFY MEMBERS.—If an association representing agricultural employers as an agent, joint employer, or employer is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the association, the suspension shall apply only to the association and does not apply to any individual member of the association unless the Attorney General determines that the member participated in, or had knowledge of and derived benefit from, the violation.

"(e) EXPEDITED ADMINISTRATIVE APPEAL OF SUSPENSION OF CERTIFICATION UNDER SUBSECTION (c)(2)—

"(1) EXPEDITED PROCEDURES.—The Attorney General shall provide for an expedited procedure for the review of a suspension of certification under subsection (c)(2) or, at the applicant's request, for a de novo administrative hearing respecting the suspension. In the case of a request for such a review or hearing, the Attorney General shall provide that the review or hearing take place not later than 72 hours after the time the request is submitted.

"(f) HEARING DE NOVO BEFORE THE U.S. DISTRICT COURT.—

"(1) JURISDICTION.—On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in the District of Columbia, has jurisdiction to enjoin the Attorney General from suspending the complainant's certification under the program and to order the reinstatement of complainant's certification if it is improperly suspended. In such a case, the court shall determine the matter de novo and the burden is on the Attorney General to sustain his suspension.

"(2) PRECEDENCE OF CASES.—Except as to cases the court considers of greater importance, proceedings before the district court, as authorized by this and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

"(g) MISCELLANEOUS PROVISIONS.—

"(1) AUTHORITY.—The Attorney General is authorized to take such actions, including imposing appropriate penalties and seeking appropriate injunctive relief and specific performance of contractual obligations, as may be necessary to assure employer compliance with terms and conditions of employment under this section.

"(2) APPROPRIATE DOCUMENTATION.—The Attorney General shall provide for such endorsement of entry and exit documents of seasonal agricultural workers as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(3) PREEMPTION.—The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.

"(h) DEFINITIONS.—For purposes of this section:

"(1) SEASONAL AGRICULTURAL SERVICES IN PERISHABLE COMMODITIES.—The term 'seasonal agricultural services in perishable commodities' means services in agricultural employment including planting, cultural practices, production, cultivation, growing, and harvesting involving perishable commodities (as defined by regulations of the Secretary of Agriculture).

"(2) SEASONAL AGRICULTURAL WORKER.—The term 'seasonal agricultural worker' means a nonimmigrant described in section 101(a)(15)(O).

"(3) Caribbean basin.—The terms 'Caribbean Basin' and 'Caribbean Basin Countries' include those countries eligible to be designated by the President as 'beneficiary countries' under section 212(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(b)).

"(i) Establishment of Numerical Limitations by Agricultural Employment Region.—

"(1) Establishment of agricultural employment region.—For purposes of the administration of the program the Attorney General shall designate not more than 10 agricultural employment regions within the United States. The entire United States shall be encompassed by the area of all such regions.

"(2) Numerical limitations.—After considering the factors described in paragraph (3), if the Attorney General determines that seasonal agricultural workers are required for a month for an agricultural employment region, the Attorney General shall establish a numerical limitation on the number of nonimmigrant visas that may be issued for such workers for that month for that region, except until the end of the third year after the effective date of this Act, the Attorney General may not establish a numerical limitation on the number of such visas that may be issued at any given time in excess of 350,000.

"(3) Factors in determination.—In making the determination and establishing numerical limitations under paragraph (2), the Attorney General shall—

"(A) base the determinations and limitations on petitions filed under section 217(b)(1),

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A), and

"(D) consult with the Secretary of Agriculture.

"(4) Numerical limitations after 3 years.—The Attorney General shall establish at the end of the third year after the effective date of this Act, a numerical limit on the total number of seasonal agricultural workers to be admitted into all employment regions in the United States under the program at any given time. In establishing a numerical limit under this paragraph, the Attorney General shall—

"(A) consider petitions filed under section 217(b)(1) during the preceding years of the program,

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A),

"(D) consult with Secretary of Agriculture, and

"(E) consider the recommendation of the Commission on Agricultural Worker Programs on a numerical limit as provided under section 124(c)(5).

"(5) Changes in numerical limitations in extraordinary circumstances.—

"(A) Inadequate monthly and regional limitations.—If—

"(i) a numerical limitation has been established under paragraphs (2) or (4) for a region for a month, and

"(ii) a petitioner described in section 217(b)(1) established that extraordinary and unusual circumstances have resulted in a significant change in the petitioner's need for seasonal agricultural workers specified in the petition or in the availability of domestic workers who are able, willing, and qualified to perform seasonal agricultural employment, the petitioner may apply to the Attorney General (in such form and manner as the Attorney General shall provide) for an increase in the numerical limitations otherwise established under paragraphs (2) and (4) to accommodate the circumstances.

"(B) Determination.—The Attorney General shall make a determination on such an application within 72 hours of the date the application is completed. To the extent the application is approved, the Attorney General shall provide for an appropriate increase in the appropriate monthly and regional numerical limitation. The Attorney General may expand the number of workers admitted into the region for which the application is approved by transferring seasonal agricultural workers from another region with a lesser need or by admitting additional workers from foreign countries. In the event the limit on the admission of seasonal agricultural workers for all regions in the United States established under paragraph (4) has been reached at the time the application alleging extraordinary and unusual circumstances is filed, the Attorney General shall follow the procedures in subparagraph (C).

"(C) Increase in the numerical limitation established by the attorney general.—If—

"(i) a numerical limitation on the admission of seasonal agricultural workers into all employment regions has been established by the Attorney General under paragraph (4) and

"(ii) a petitioner described in section 217(b)(1) establishes under the provisions of subparagraphs (A) and (B) that extraordinary and unusual circumstances require an increase in the numerical limitation, the Attorney General may provide for an increase in the appropriate numerical limitation in an amount not to exceed 20 percent of the total number authorized for admission into all regions. Any such increase authorized by the Attorney General shall terminate upon the end of circumstances requiring it and shall not result in a permanent expansion of the numerical limit established the Attorney General under paragraph (4).

"(j) Entry of Seasonal Agricultural Workers.—

"(1) Annual time limitation.—An alien may not be admitted to the United States as a seasonal agricultural worker under section 101(a)(15)(O) for a period of more than nine months in any calendar year. An alien admitted under section 101(a)(15)(O) during any calendar year will not be eligible for readmission into the United States until he has returned to his country of origin for a period of 3 months.

"(2) Violators disqualified for 5 years.—An alien may not be admitted to the United States as a seasonal agricultural worker if the alien was admitted to the United States as such a worker within the previous five-year period and the alien during that period violated a term or condition of such previous admission.

"(k) Wages and Working Conditions.—The Attorney General, in consultation with the Secretaries of Agriculture and Labor, shall establish through regulation appropriate wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed in the area of intended employment.

"(l) Allocation and Use of Visas Under the Program.—

"(1) In general.—Nonimmigrant visas for seasonal agricultural workers, within the numerical limitations established under subsection (i)(2), shall be made available as follows:

"(A) Previous workers.—Visas shall first be made available to qualified nonimmigrants who have previously been admitted as seasonal agricultural workers and who have fully complied with the terms and conditions of any such previous admission, providing priority in consideration among such aliens in the order of the length of time which they were so employed.

"(B) Others.—Any remaining visas shall be made available to other qualified nonimmigrants.

"(C) Treatment of spouses and children.—A spouse or child of a seasonal agricultural worker is not entitled to a nonimmigrant visa as such a worker by virtue of such relationship, whether or not accompanying or following to join the nonimmigrant, but may be provided a nonimmigrant visa as such a worker if the spouse or child also is a qualified as such a worker.

"(D) No individual employer visa petition required.—An alien admitted pursuant to section 101(a)(15)(O) shall not be required to obtain any petition from any prospective employer within the United States in order to obtain a nonimmigrant visa under the program.

"(E) No limitation to particular employer or crop.—A nonimmigrant visa issued under the program shall not limit the geographical area (other than by agricultural employment region) within which a seasonal agricultural worker may be employed or limit the type of seasonal agricultural employment services, in perishable commodities, the worker may perform.

"(F) Disqualification from federal assistance.—A seasonal agricultural worker under the program is not eligible for any program of financial assistance under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government.

"(G) Allocation of visas to caribbean basin countries.—The Attorney General, in consultation with the Secretaries of State and Agriculture, shall establish through regulations the allocation of visas to workers in specific countries under this section. A percentage of the visas issued shall be allocated to qualified workers in countries located in the Caribbean Basin.

"(m) Trust Fund for Program Administration.—

"(1) Establishment.—The Attorney General shall establish by regulation a trust fund the purpose of which is to provide funds for the administration of the program and to provide a monetary incentive for seasonal agricultural workers in the program to return to their country of origin upon expiration of their visas under the program. The Attorney General shall promulgate such other regulations as may be necessary to carry out this subsection.

"(2) Payments into trust fund.—In the case of employment of a seasonal agricultural worker under the program—

"(A) Employer payment.—The employer shall provide for payment into the trust fund established under this subsection of an amount equivalent to 11 percent of the wages of the worker.

"(B) Worker payment.—There shall be deducted from the wages of the nonimmigrant and paid into such trust fund an amount equivalent to 20 percent of the wages of the worker.

"(C) Wages defined.—For purposes of this paragraph, the term 'wages' has the meaning given such term in section 3121(a) of the Internal Revenue Code of 1954, except that for these purposes paragraph (1) of that section shall not apply.

"(3) Use of amounts in trust fund.—

"(A) Employer payments and interest.—Except as provided in paragraph (B), amounts paid into the trust fund, and interest thereon, shall be used for the purpose of administering the program.

"(B) Worker payments.—Amounts described in paragraph (B) paid into the trust fund with respect to a worker and interest thereon shall be paid to the worker if—

"(i) the worker applies for payment within 30 days of the last day of employment under the program (as verified by the Attorney General) at the United States consulate nearest the worker's residence in the country of origin, and

"(ii) the worker complies with the terms and conditions of the program, including the obligation to be continuously employed (or actively seeking employment) in seasonal agricultural employment in perishable commodities.

"(4) Expansion of consulates.—The Secretary of State is authorized to take such steps as may be necessary in order to expand and establish consulates in foreign countries in which aliens are likely to apply for nonimmigrant status under the program.".

(c) Authorization of Appropriations.—Section 404 (8 U.S.C. 1101), as amended by sections 101(b) and 102(b) of this Act, is further amended by adding at the end the following new subsections:

"(d) Authorizations of Appropriations for Secretary of Labor.—(1) There are authorized to be appropriated to the Secretary of Labor for each fiscal year, beginning with fiscal year 1986, $10,000,000 for the purposes—

"(A) of recruiting domestic workers for temporary services which might otherwise be performed by seasonal agricultural workers described in section 217, and

"(B) of monitoring terms and conditions under which such temporary and seasonal agricultural workers (and domestic workers employed by the same employers) are employed in the United States.

"(e) Authorization of Appropriations for Secretary of Agriculture.—There are authorized to be appropriated for each fiscal year, beginning with fiscal year 1986, such sums as may be necessary for the purposes of enabling the Secretary of Agriculture to carry out the Secretary's duties and responsibilities under section 217.".

(d) Prohibiting Adjustment of Status of Temporary Agricultural Workers.—(1) Section 245(c) (8 U.S.C. 1255(c)), as amended by sections 113(a) and 122(e)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(4) An alien (other than an immediate relative specified in section 210(b)) who entered the United States classified as a nonimmigrant under section 101(a)(15)(O).

(2) Section 248(1) (8 U.S.C. 1258(1)), as amended by section 122(e)(2), is further amended by striking out "(K) or (N)" and inserting in lieu thereof "(K), (N), or (O).".

(e) Effective Date.—The amendments made by subsections (a), (b), (c), and (d) of this section apply to petitions and applications filed under section 217 of the Immigration and Nationality Act on or after the first day of the twelfth month beginning after the date of the enactment of this Act (hereafter in this section referred to as the "effective date").

(f) Regulations.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall approve all regulations to be issued implementing sections 101(a)(15)(O) and 217 of the Immigration and Nationality Act. Notwithstanding any other provision of law, final regulations to implement such sections shall first be issued, on an interim or other basis, not later than the effective date.

(g) Deportation of Seasonal Agricultural Workers for Failure to be Employed or Seek Employment.—Section 241(a) (8 U.S.C. 1251(a)) is amended—

(1) by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or"; and

(2) by adding at the end the following new paragraph:

"(20) entered the United States as nonimmigrants under section 101(a)(15)(O) and failed to be continuously employed or actively seeking employment in seasonal agricultural employment in perishable commodities (as defined in section 217(h)(1) in accordance with the usual and customary employment patterns and practices.".

(h) Sense of Congress Respecting Advisory Commission.—It is the sense of Congress that the President should establish an advisory commission which shall consult with the Government of Mexico and the governments of other appropriate countries and advise the Attorney General regarding the operation of the seasonal agricultural worker program established under section 217 of the Immigration and Nationality Act.

(i) Conforming Amendment to Table of Contents.—The table of contents is amended by inserting after the item relating to section 216, as added by section 122(h), the following new item:

"Sec. 217. Seasonal agricultural worker program."

On Page 2, in the table of contents of the bill, insert after the item relating to section 124 the following new item:

"Sec. 125. Seasonal agricultural worker program."

On page 37, line 12, insert ", 101(a)(15)(O)," after "101(a)(15)(N)".

On page 60, line 1, insert "or 217" after "section 216".

On page 60, line 3, strike out "such section" and insert in lieu thereof "section 216 or subsection (b)(4) of section 217, as the case may be,".

On page 63, line 6, insert "and section 217" after "section 216".

On page 64, between lines 14 and 15, insert the following:

"(3) The Commission shall specifically review the following with respect to the seasonal agricultural worker program under section 217 of the Immigration and Nationality Act:

"(A) The standards described in subsections (b) (2), (3), and (4) of that section for the certification respecting seasonal agricultural workers.

"(B) What is the proper length of time and proper mechanism for the recruitment of domestic workers before importation of such foreign workers.

"(C) Whether current labor standards offer adequate protection for domestic and foreign agricultural workers.

"(D) The availability of sufficient able, willing, and qualified domestic workers to meet the needs of agricultural employers.

"(E) The appropriate limit on the number of seasonal agricultural workers who may be imported into all agricultural regions in the United States at any given time, taking into consideration all relevant data, including that resulting from the experience of the Agricultural Labor Transition Program.".

On page 64, line 16, strike out "two years" and insert in lieu thereof "three years".

On page 64, line 19, insert "and seasonal" after "temporary".

On page 64, line 20, strike out "program under section 216" and insert in lieu thereof "programs under sections 216 and 217".

On page 64, line 24, strike out "subsection (b)(2)" and insert in lieu thereof "subsections (b) (2) and (3)".

On page 65, line 2, insert "and seasonal" after "temporary".

On page 65, between lines 12 and 13, insert the following:

"(5) on the appropriate limit on the number of seasonal workers who may be imported into all agricultural regions in the United States at any given time under section 217.

"(6) on the need to continue, improve, or eliminate the seasonal agricultural worker program established under section 217.

On page 66, on lines 11 and 12, strike out "in consultation with the Vice Chairman" and inserting in lieu thereof "in accordance with rules agreed upon by the Commission".

On page 68, line 4, strike out "27 months" and insert in lieu thereof "39 months".

On page 104, lines 20 and 21, strike out "216 (added by section 122(c)" and insert in lieu thereof "217 (added by section 125(b)".

On page 104, line 24, strike out "Sec. 217." and insert in lieu thereof "Sec. 218.".

On page 112, line 22, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 7, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 15, strike out "section 217" and insert in lieu thereof "section 218".

On page 113, line 18, strike out "section 216 (added by section 122(f)" and insert in lieu thereof "section 217 (added by section 125(i)".

On page 113, between lines 19 and 20, strike out "Sec. 217." and insert in lieu thereof "Sec. 218.".

On page 114, line 9, strike out "paragraph (15)(0)" and insert in lieu thereof "paragraph (15)(P)".

On page 114, lines 22 and 23, strike out "paragraph (15)(0)" and insert in lieu thereof "paragraph (15)(P)".

On page 116, line 6, strike out "section 122(a)" and insert in lieu thereof "sections 122(a) and 125(b)".

On page 116, line 7, strike out "subparagraph (M)" and insert in lieu thereof "subparagraph (N)".

On page 116, line 8, strike out "subparagraph (N)" and insert in lieu thereof "subparagraph (O)".

On page 116, line 11, strike out "(O)(i)" and insert in lieu thereof "(P)(i)".

On page 121, line 10, strike out "section 217" and insert in lieu thereof "section 218".

Mr. WILSON. The modification makes amendment 616 conform to the definition that was agreed to the other day by the sponsor of the amendment.

That definition is agreeable to the manager of S. 1200.

Mr. President, having made that modification, let me address briefly the amendment itself. It will not take a great amount of time to do so because we have dealt at length with the amendment; it sought to bring about the creation of a new program for seasonal workers employed in perishable agriculture. With the exception of one major substantive change, the amendment that we debated Thursday will be the amendment that I ask support for when we vote tomorrow. That single major change, that substantive change is in response to fully half the debate I heard in criticism of my proposal on Thursday. The charge was made that the amendment was open-ended, that it provided for an unlimited number of seasonal workers coming into the United States.

The criticism was that without a cap, this limitless horde would threaten the employment of American workers. We have dealt more than adequately, I think, with the charge of a threat to the American workers. There is a threat to the worker and to the employer; but in the case of the worker, if he seeks to work outside the field of perishable agriculture, he is prohibited from participating in the seasonal worker program for 5 years and loses escrowed wages. The penalty is severe. I think it will be persuasive.

Perhaps even more basic is the escrow provision itself, by which I refer to the withholding of 20 percent of the seasonal worker's wages, which are returned to him only upon personal application in the country of origin from which he was recruited, within 30 days after his leaving perishable agricultural employment in the United States.

Mr. President, I spoke of responding to the stated complaint that there was no cap, no numerical limit, upon the number of workers who could enter the United States under a seasonal worker program. The amendment I have called up contains such an amendment. There is a cap. It sets an explicit limit of 350,000 temporary visas at any one time to bring seasonal workers for the harvest of perishable commodities within the United States.

I am not at all confident that that number will prove adequate. Yet, those who are in the business of growing perishable commodities are so desperate for assurance that they will have timely harvest assistance that they make this concession, knowing that it may prove to be an inadequate number—one considerably below for the harvest of all the different perishable commodities, the 200-plus perishable commodities that are grown in the many States of the United States.

I think this cap goes to the basic complaint that there is no cap. What is more, it takes effect immediately. In that respect, it goes far beyond even the statement of principles that the administration sent along with their statement of support for the creation of a seasonal worker program.

It will be recalled that in the statement of principles accompanying the letter of Attorney General Ed Meese, dated September 12, there was a requirement that a cap be set by the Attorney General after some 2 years of experience with this legislation.

This amendment goes far beyond that requirement, Mr. President. It sets the cap right now, at the time of enactment. From the first day of the legal seasonal worker program, there will be a numerical limit upon workers entering the United States for the harvesting of perishable commodities. It will be possible to alter that cap after 3 years only by reducing it or by adjusting it upward only 20 percent. But if the Attorney General wishes to do so, he may reduce the number, reduce that numerical cap, after considering the 3-year history of the program, after considering the efforts by the Department of Labor to recruit domestic workers, and after revealing the recommendations of the Immigration Commission that is set up by S. 1200.

Mr. President, I hope that tomorrow, when they vote, those who either voiced a criticism or were persuaded by the criticism that this amendment should be rejected and a seasonal worker program not created because there was no numerical cap will recognize that with this cap in place they have the assurance they sought, and that it is only fair now to the growers, to the consumers of perishable commodities, and to all those who intervene in the chain of distribution between the two, to enact a program that will create the assurance of timely harvest help for those in the risky business of growing perishable commodities.

Mr. President, I will say only this much more: There has been a great deal of concern expressed on the floor in debate on this measure about the economic requirements of this industry, and rightfully so. There has been a certain amount of debate about the degree to which seasonal workers might constitute some threat to the employment of other Americans, and rightly so. But I do not think enough attention has been paid to the humanitarian aspects that are clearly implicit in legalizing work which has been done in this country illegally by those who are willing to risk being illegal to do it.

Earlier today, I heard the distinguished manager of this measure, its sponsor, the Senator from Wyoming, again make the point he has made on many occasions, that in response to conversations with American officials, he said, "We wish to bring your citizens to our country, but legally, not illegally."

The reason he feels keenly about this, I know, is in no small part prompted by a concern which I share, by knowledge I share with him, that those who come illegally are vulnerable. They are prey to coyotes, the smugglers, who, having extracted extortionate sums as their fee for smuggling these people into the United States, threaten to disclose their whereabouts to la migra, to the Immigration authorities from whom these poor, work-seeking emigrants flee, with the terror of those who know they are about to lose their livelihood and be deported not to a country they do not wish to return to but at a time they do not wish to return.

So this cap is offered, yes, to secure a program that will provide assistance which is desperately needed to assure the survival of an industry, but also to give the kind of assurance that men and women who are willing to work, and work hard, in the sun and in the weather, will at least have the peace of mind to know that their hard work will not be interrupted by a raid, that there will be no swooping down upon them in the fields, that they will not be compelled to live in holes, like animals, fleeing from other animals hunting. This is a situation we should not tolerate in the United States.

For that reason, as well as the reasons that relate to the employment of the tens of thousands of people not included in the definition of a seasonal worker but whose livelihood is derived from the harvest—those in the packing sheds, those in the trucking yards, and those in the wholesale and retail markets—I will ask tomorrow, and I ask now, the very earnest consideration which calls out for the enactment of this amendment as part of any humane immigration reform act.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **SIMPSON**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **SIMPSON**. Mr. President, again the Senator from California has been very thoughtful, as he always is in this arena.

Let me ask a question, for my own clarification. I recall that the term "seasonal agricultural services in perishable commodities" was limited in the first amendment, the Hatch-Wilson amendment, and somehow it was omitted. Now there has been a modification to the Wilson amendment, which has been presented, which now says that the "Term 'seasonal agricultural services in perishable commodities' means services in agricultural employment, including planting, cultural practices, production, cultivation, growing, and harvesting involving perishable commodities—as defined by regulations of the Secretary of Agriculture."

Now, I inquire of the Senator if it is his understanding, as it is mine, that this amended definition includes only field workers?

Mr. **WILSON**. Yes; that is my understanding.

Mr. **SIMPSON**. That is correct.

Mr. **WILSON**. And that is my intention.

Mr. **SIMPSON**. Therefore, then, those who we had in there originally, those involved in drying, packing, packaging, freezing, that was back to the language, I believe, that was from the Fair Labor Standards Act. So those persons other than as indicated in the amendment are not included here. Is that correct?

Mr. **WILSON**. That is correct, with this slight exception. As the Senator knows, in certain perishable commodities there are certain amounts of drying and packing in the field, just as a matter of getting the fruits or vegetables from the field or orchard into the packing shed. Beyond that, no.

What we are saying is that it is field workers, as the Senator has indicated. We are not talking about those whose work begins in the packing shed and takes the chain of distribution forward from there.

Mr. **SIMPSON**. That is important to me to at least have that for my own information. Is the term cultural practice a term of use or art within the area of perishable commodities or seasonal agricultural surpluses?

Mr. **WILSON**. Yes; I think what we are talking about there is an effort to not say cultivation alone but, for example, such things as irrigation, the collateral agricultural field efforts.

Mr. **SIMPSON**. Let me say, Mr. President, that we have had really quite a spirited debate on this issue, and even though I asked for that clarification as if I were supportive, that is not so.

This change or this alteration to the previous Hatch-Wilson amendment, I think, does prove one point and indeed I know that the phrase open-ended has caused concern to my colleague from California and I understand that, and I have used that, and this is to remedy that, I am well aware.

But I think it does prove the point that the amendment has heavy numbers because here is the first time we have been presented with the amount of human beings that we are talking about, and this amendment is to cap these numbers at 350,000.

Let me ask the sponsor of the amendment, the amendment imposes a cap of 350,000 workers at any time. I think it says "at any given time." Does this mean that more than 350,000 workers could be admitted during the calendar year? Does that mean that?

Mr. **WILSON**. Yes; it means 350,000 at any one time. We are contemplating occurrence of harvest needs in different parts of the country.

Mr. **SIMPSON**. The cap is imposed for a 3-year period, as I read the amendment. Does that mean that the number of seasonal agricultural workers admitted could increase after the first 3 years? Is that possible or likely?

Mr. **WILSON**. The only way it could be increased is if under emergency provisions the Attorney General, considering all factors, were to try to give emergency relief. He could increase it in a very limited way. But other than that, it cannot be increased.

Mr. **SIMPSON**. That increase in a limited way would be in accordance with the amendment with the growers petitioning and the Attorney General responding. Is that correct?

Mr. **WILSON**. That is correct.

Mr. **SIMPSON**. I have some trouble with the specific part of that amendment in that area. But I guess more importantly I have trouble with the entire amendment. I am not trying to be a sharpshooter. But in page 13 of the amendment, it says that the Attorney General shall establish at the end of the third year after the effective date a numerical limit on the total number of seasonal agricultural workers to be admitted to all employment regions in the United States under the program in any given time. Then it tells what he should take into consideration to assess that limit, and that limit could be higher or lower, as I see that, without question. I ask that. It seems obvious to me that that could be higher or lower than 350,000. That concerns me, I think, under the language.

But in any event, without prolonging the debate, we are now looking at an extraordinarily large number, and recall that it would only become the limit after really 3 years. There would be unlimited growth for a time, heavy numbers. We had several discussions and consultations with agricultural economists, with Phil Martin, for whom I have the greatest respect, at the University of California, at Davis. He estimates that there are 300,000 farm workers in California, and in a recent survey found 30 percent of them to be illegal. California then would appear to need, under those figures, only 90,000 temporary workers if employer sanctions are passed.

It is indeed true, and I hope all recognize that, the other Western States, Oregon, Washington, Arizona, Idaho, also, would need foreign labor, but their demand together would not equal that of California.

I think that this 350,000 person limit could likely even perhaps increase the number of foreign workers in perishable commodities.

It has been said recently in this debate, in and out, how many would come and how many would be involved? Some have said that there would only be 200,000 to 300,000 workers.

I still have the deepest problems with a grower certification, and I will not use the phrase open ended any more, except I believe that it will go beyond that limit in accordance with the review of the proposed amendment, but the problems of grower certification, instead of a government adjudication of the grower's need, are there still. There is no labor certification or adverse effect wage tests before the Wilson worker is admitted and no method to decrease the size of the Wilson program.

Mr. **WILSON**. Mr. President, will the Senator yield on that point?

Mr. **SIMPSON**. I yield.

Mr. **WILSON**. Let me make clear, as I obviously have failed to do so, that the only change between this amendment and the one we debated at length on Thursday is the numerical cap. All of the protections that are contained in the Thursday amendment are repeated. This is virtually the same amendment but with the numerical cap. So there is the same protection against the employer-grower of a perishable commodity of an adverse wage. There is the same protection in terms of housing, of workers' compensation. All of those things apply with respect to the number, and I hope I did not misstate this. I thought the Senator's question dealt with the 3-year period.

There is a cap during that 3-year period. After that, the Attorney General does have discretion. But in every instance, the first thing that he has to consider in deciding what the new numbers will be is the availability of domestic workers.

(Mr. **HEINZ** assumed the chair.)

TIME-LIMITATION AGREEMENT

Mr. **SIMPSON**. Mr. President, may I come back and give further time to the Senator from California? I see the Democratic leader is present. I would like to inquire as to whether it might be possible to get to the consideration of a time agreement for at least portions of the amendments that have been worked on today and would ask the minority leader if he has any comment about the proposed unanimous-consent agreement.

Mr. **BYRD**. Mr. President, I have carefully looked over the proposed agreement. If the distinguished assistant Republican leader would feel disposed to remove the references to rollcalls made in the agreement, I would have no objection to it, rather than to order rollcall votes by unanimous consent.

Mr. SIMPSON. Mr. President, on each of those amendments as proposed in the unanimous-consent agreement, the yeas and nays were specifically called for.

Mr. BYRD. In that event, then, Mr. President, I have no objection to the request as it reads.

Mr. SIMPSON. May I propound the proposed agreement?

Mr. BYRD. Yes, I have no objection.

UNANIMOUS-CONSENT AGREEMENT—S. 1200

Mr. SIMPSON. Mr. President, I ask unanimous consent that at the hour of 2 p.m., Tuesday, September 17, 1985, the Senate proceed to 5 minutes of debate only, to be equally divided on amendment No. 611, offered by Senator Exon to S. 1200, to be followed by a rollcall vote in relation to the Exon amendment.

I further ask unanimous consent that, immediately following the disposition of the Exon amendment, the Senate proceed to 5 minutes of debate only, to be equally divided on amendment No. 618, offered by Senator Symms, to be followed by a rollcall vote in relation to the Symms amendment.

I ask unanimous consent that following the vote in relation to the Symms amendment No. 618, if amendment 618 is not tabled, the Senate proceed to 5 minutes of debate only, to be equally divided, to amendment No. 619 offered by Senator Symms on S. 1200, to be followed by a rollcall vote on or in relation to the Symms amendment No. 619.

I also ask unanimous consent that, immediately following the disposition of the Symms amendment, as amended, if amended, the Senate proceed to 5 minutes of debate only, to be equally divided on amendment No. 621, offered by Senator Simon, to be followed by a rollcall vote in relation to the Simon amendment.

I ask unanimous consent that, immediately following the disposition of the Simon amendment, the Senate proceed to 5 minutes of debate only, to be equally divided on amendment No. 624 offered by Senator D'Amato, to be followed by a rollcall vote in relation to the D'Amato amendment.

I ask unanimous consent that, following the disposition of the D'Amato amendment, Senator Simpson be recognized to offer an amendment deleting funding from another section of the bill.

Finally, I ask unanimous consent that no amendment to the amendments or in relation to these amendments be in order.

Mr. WILSON. Mr. President, reserving the right to object, let me direct a question to the distinguished manager. The Senator is seeking now a time agreement for the balance of the amendments on the immigration bill?

Mr. SIMPSON. No, Mr. President, I am seeking only unanimous consent to vote on the issues that have already been debated fully as of this date. There will be no time agreement on the amendment the Senator is speaking on at this present time or the reimbursement of funding. They will all be open ended and will be dealt with tomorrow.

Mr. WILSON. Open ended?

Mr. SIMPSON. I am using up the phrase. But that would be only specifically these that have rollcall votes requested without further debate, other than what is provided for, being required.

The PRESIDING OFFICER. Is there objection? The Chair hears none, it is so ordered.

The text of the agreement follows:

Ordered, That on Tuesday, September 17, 1985, at the hour of 2:00 p.m., the Senate proceed to the consideration of the Exon amendment, No. 611, to S. 1200, on which there shall be 5 minutes of debate only, to be equally divided and controlled, to be followed by a rollcall vote in relation thereto.

Ordered further, That immediately following the disposition of the Exon amendment, the Senate proceed to the consideration of the Symms amendment, No. 618, on which there shall be 5 minutes of debate only, to be equally divided and controlled, to be followed by a rollcall vote in relation thereto.

Ordered further, That following the vote in relation to the Symms amendment No. 618, if the amendment is not tabled, the Senate proceed to the consideration of the Symms amendment, No. 619, on which there shall be 5 minutes of debate only, to be equally divided and controlled, to be followed by a rollcall vote in relation thereto.

Ordered further, That immediately following the disposition of the Symms amendment, as amended, if amended the Senate proceed to the consideration of the Simon amendment, No. 621, on which there shall be 5 minutes of debate only, to be equally divided and controlled, to be followed by a rollcall vote in relation thereto.

Ordered further, That immediately following the disposition of the D'Amato amendment, No. 624, on which there shall be 5 minutes of debate only, to be equally divided and controlled, to be followed by a rollcall vote in relation thereto.

Ordered further, That following the disposition of the D'Amato amendment, the Senator from Wyoming [Mr. Simpson] be recognized to offer an amendment deleting funding from another section of the bill.

Ordered further, That no amendments to, or in relation to, the aforementioned amendments shall be in order.

(At this point procedure orders for Tuesday were entered, which are printed at the conclusion of today's proceedings.)

Mr. SIMPSON. Mr. President, if I may return to the colloquy with my friend from California. I thank the Senator from California for allowing me to accommodate the leader and get that unanimous consent. The Senator had a question.

Mr. WILSON. My question had to do with the time agreement.

AMENDMENT NO. 616, AS MODIFIED

Mr. SIMPSON. With regard to the amendment, I believe I had largely concluded my remarks, but I would emphasize once again that even though it is certainly a good faith effort at getting to some of the arguments that came up, indeed, I feel that it is a step that should not be taken for many reasons which were emphasized in the original debate. However, I appreciate the patience and the persistence of the Senator from California.

But I certainly will speak against the amendment as being something that we do not need to return to if we properly use the terms in S. 1200 as they are drafted.

I thank the Senator.

Mr. SIMON. Mr. President, I shall be very brief.

I join my colleague from Wyoming in opposing the amendment offered by my friend from California, Senator Wilson. It is an accurate portrayal to say this is no longer open ended. It is also an accurate portrayal as my colleague from Wyoming has said when he calls it massive. Since it will only be 350,000 at one time, potentially this could be 500,000, 700,000 total. It is very interesting when we had the Bracero Program. The total number admitted during 1964 under the Bracero Program was 200,022. So you are talking about a number that is significantly larger than under the Bracero Program. Two things have changed since the Bracero Program went out of business in 1964.

One is there has been a lot of mechanization in agricultural production. You now can pick tomatoes with machines, for example, so that the demand ought to be down.

Second, we have increased unemployment in this country. Agricultural unemployment is up. I do not have the figure for 1985. But the figure for 1984 is 13½ percent annual average unemployment in the agricultural sector.

So we are talking about an amendment that is massive. If we were talking about an amendment that had a cap of 100,000 total per year, something like that, while I would not favor even that kind of an amendment, that would be understandable. But to say 350,000 at any one time, or maybe 500,000 or 700,000 for the year or way more than double the amount that we had in the last year of the Bracero Program, that is virtually open ended. Technically, it is not. Technically, my friend from California is correct. But he is stretching things for the growers in California. Illinois, and elsewhere. I understand it. I understand where he is coming from on this. But I think it is not in the national interest to do this. I will join Senator Simpson in opposing this amendment.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, let me simply point out to my good friends from Wyoming and Illinois whatever number of Americans are daily employed in the United States, however many tens of millions that may be, in calculating that figure, the Department of Labor has not, to my knowledge, added up. In betting a cumulative total, they do not multiply by 365 to determine the total number of people employed in the country. So I really do not understand why 350,000 at one time is such a revelation.

It is a relevant measure. I must say it is a tiny, tiny fraction not only of the total number of jobs in this country, but even the total number of jobs in agriculture. Indeed, of those that are involved in the harvest of perishable commodities, it is by the USDA calculation a good deal less than half.

So I can only say that this legislation is necessary. The objection of my colleagues that it was open ended, they have conceded it is no longer true. It is not open ended. It is capped. It is capped at perhaps something less than needed. But at the very least it will provide us for the basis in experience so that a workable program can exist.

Mr. President, if I may now, I wish to address a second amendment, one that has depth, and to make a brief statement in support of that. That too will be voted upon tomorrow.

Mr. President, the amendment that I address now is one that I am offering that provides States and localities guarantees similar to those provided the Federal Government in S. 1200, the Immigration Reform and Control Act of 1985.

You will recall that in an effort to reduce the costs of the legalization program to the Federal Government, S. 1200—that is the cost to the Federal Government—specifically precludes those granted temporary status from federally funded public assistance for 6 years. While the Federal Government gets 6 years protection from increases in Federal public assistance resulting from legalization, State and local governments are only protected for 3 years.

S. 1200 provides Federal payment to States of up to $600 million, per year for 3 years to reimburse States for the costs of public assistance and the costs of imprisonment of illegal aliens convicted of a felony.

At first blush, it would appear that States could pass legislation similar to Federal legislation excluding those seeking legalization from State public assistance. However, as stated in an article by Carolyn Waller, "Unequal Protection: Public Benefits, Public Policy and Aliens," the Supreme Court tends to allow Congress to limit benefits to discourage immigration but finds unconstitutional "State laws that restrict the eligibility of aliens from welfare benefits merely because of their alienage."

Therefore, my amendment resolves the "double standard" that allows the Federal Government 6 years protection from new public assistance costs resulting from legalization and protects State governments for only 3 years.

To resolve this double standard, my amendment extends the reimbursement program from 3 to 6 years—allowing excess funds to be carried over throughout the 6-year period. The amendment also provides an additional $600 million for each of the 3 new years of coverage. Finally, this amendment stipulates that reimbursement is only for actual expenses and any surplus funds after 6 years will never leave the Federal Treasury.

Mr. President, I am told that the 3-year reimbursement program to States was provided in S. 1200 because this is similar to the provision of the Refugee Assistance Act. Additionally, that 3 years should allow for assimilation and that while refugees came for refuge, typically the unauthorized individuals came to work and typically have been working.

Mr. President, I sincerely wish that this hopeful prognosis will prove true; however, despite these assertions the Federal Government will be protected from new public assistance costs for 6 years. Additionally, the CBO report used to determine the number of aliens that will be legalized indicates that State and local costs will peak during years 4, 5, and 6.

Mr. President, this amendment extends the $600 million annual reimbursement program contained in S. 1200 for 3 years. I do this despite the fact that based on the Congressional Budget Office estimate, the total cost for 6 years is estimated to be $1.645 billion and the bill presently includes $1.8 billion.

These additional funds will be expended only if costs incurred by States exceed CBO projections. Otherwise, the funds will never leave the Treasury. However, Mr. President, if there is one certainty that has clearly emerged from efforts to produce immigration legislation, it is the complete uncertainty as to just how many illegal aliens actually reside in the United States.

In fact, the same CBO report that projects the number of illegal aliens in the United States eligible for legalization under S. 1200 at 570,000 states that: "The estimates presented here are very uncertain." If the Budget Office is incorrect in the many assumptions it used, such as ages, sex, and number of illegal aliens in the country, "actual costs of the alternatives costed here could be well above or below CBO's estimates."

For this reason and because State costs will peak during years 4, 5, and 6, it is important to include extra funds. Thus, if the actual numbers are double the CBO projection of 570,000, our States and localities will have a guarantee that the Federal Government will help bear the burden of the costs during the 6-year period these individuals are ineligible for Federal public assistance. Similarly, if the CBO numbers prove correct, then aside from allowing Federal reimbursement for 6 years instead of 3 this amendment will cost the Federal Government not one penny more than the $1.8 billion contained in S. 1200.

In sum, while I commend the distinguished chairman, Mr. Simpson, for his efforts to provide appropriate reimbursement to States, I am offering his amendment to eliminate the clear and unjustifiable double standard in S. 1200 by allowing protection for Federal, State, and local governments for 6 years. Additionally, because of the high levels of uncertainty in the projected number of aliens, this amendment offers a guarantee of $600 million for each of the 6 years. It is important to remember that should the CBO numbers be accurate, this amendment will cost nothing as adequate funds are presently in S. 1200 and the money authorized by this amendment would, if not expended never leave the Federal Treasury.

For these reasons, I urge your "yes" vote on this amendment.

Mr. President, we do not want double standards and we certainly do not wish to afford the Federal Government a protection that is not afforded to State and local governments who, with a different and less elastic tax base, will face the necessity to participate in the cost of legalizing what is at present illegal immigrant population.

I thank the Chair.

Mr. GORTON. Mr. President, I rise once again to join my colleague from California, Senator Wilson, in sponsoring an amendment which would establish a seasonal agricultural worker program for the perishable commodity industry.

This amendment has been revised further to alleviate concerns that the seasonal agricultural worker program would be an open-ended guest worker program. Further, to guarantee that this would not be the case, this new amendment would place a national cap of 350,000 on the number of temporary foreign workers that can be allowed in our country at any one time for the first 3 years after enactment of S. 1200. You will recall that under the terms of the previous seasonal agricultural workers amendment, which was tabled by a very narrow margin last Thursday, the numerical limit to be set on the total number of seasonal agricultural workers to be admitted into the United States under the program

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would have been left up to the Attorney General's discretion.

It is important to keep in mind that, under this amendment, if the Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, determines that there is an adequate number of able, willing, and qualified domestic workers to meet the needs of the perishable commodity industry, than no foreign workers would be admitted. The Department of Labor would be appropriated $10 million a year to assist in the recruitment of domestic workers willing to work in the perishable commodities industry. This amendment requires the systematic recruitment of domestic workers right up until the time foreign workers are hired and permitted to come into the country. The statutory language of this amendment is clear that admission of the workers is discretionary, not mandatory. This amendment explicitly sets forth factors that the Attorney General must consider in deciding whether to admit any workers, including the availability of domestic agricultural labor, the historical employment needs of agricultural labor, and the recruitment efforts undertaken by the Secretary of Labor to seek out available domestic workers.

It the Attorney General determines that workers are needed, he would then establish a numerical limitation on the number of visas to be issued on a monthly basis for each of the 10 regions established throughout the United States. Only if the Attorney General determined that extraordinary and unusual circumstances have resulted in a significant change in a grower's need for workers or in the availability of domestic workers who are able, could the numerical limitation of workers be increased. This increase would be limited to an amount not to exceed 20 percent of the total number authorized for admission into all regions.

It is clear that this seasonal agricultural worker program would not take jobs away from American workers, nor will it create a new Bracero Program. Under the program established by this amendment, workers would receive temporary legal status, workmen's compensation, housing, adverse effect wage rates, and all Federal and State labor standard protections. That was not the case under the Bracero Program. In addition, workers would be able to move freely from grower to grower within the designated region without the restriction of a contract. The lack of a contract not only would enable them to move in response to crop emergencies but also in response to higher wages dictated by the emergency demand for workers. The workers would benefit from higher wages allowed by a free market system.

Opponents of this amendment also argue that it would result in a vast influx of foreign workers who would never return to their homeland. This amendment, however, contains several measures to limit the number of workers admitted and to ensure the return of those workers to their homeland. Workers would be given visas that would, in most instances, admit them to work for a period not to exceed 9 months. As I previously mentioned, during the first 3 years after enactment of this bill, the total number of workers admitted under this program at any given time could not exceed 350,000. Strong incentives are provided to encourage workers to return to their countries of origin by withholding 20 percent of their wages which would be returned to them through the U.S. consulate in their country of origin upon their return and proof of compliance with terms of the visa, including the requirement of continuous employment in perishable agriculture. If workers are not continuously employed, they must leave the United States. Failure to do so within 30 days of their last verifiable employment could result in forfeiture of their withheld wages. Growers would be required to assist the Attorney General in tracking and monitoring the movements of workers admitted under the program by notifying the Attorney General within 72 hours of hiring or terminating the employment of any seasonal worker under the program.

Mr. President, the adoption of this amendment is vital not only to the perishable commodities industry, but to the entire Nation. Perishable crops are grown in every State and represent nearly $23 billion in value to farmers, workers, and consumers. This new seasonal agricultural workers program would preserve a vital sector of American agriculture and tens of thousands of related jobs—jobs held by American workers, such as truck drivers, processing plant workers, and retail and wholesale grocers.

In order to establish a truly comprehensive and successful immigration policy, we must address the unique and legitimate needs of a significant segment of American agriculture. The perishable commodities industry would be seriously harmed by S. 1200. The H-2 Program contained in this bill is simply not flexible enough to meet the unique needs of perishable crops, which are labor-intensive and highly sensitive to changing weather conditions. This amendment would establish a complementary seasonal worker program which would be a safety valve available only to those in the perishable commodity industry. It does not undermine or restrict the H-2 Program; it does meet the specific needs of an important element of our agricultural community.

Growers of perishable crops throughout the Nation have traditionally relied heavily on foreign labor. We must face the reality that a large percentage of these workers are in the United States illegally and there is no guarantee that enough domestic workers will step forward to fill these jobs once illegal immigration is under control.

Unlike producers of field grains who use mechanical harvesters, the perishable crop industry, which is comprised largely of small family farms, is labor intensive and a large number of workers is required to harvest the crops. Fruit and vegetable harvesting is physically demanding, unpleasant work, and even at reasonably high wages, the industry has not attracted sufficient number of domestic workers. If the Immigration Reform and Control Act of 1985 is to establish a realistic and workable immigration policy, it must not force farmers to choose between hiring illegal workers and losing their crops. The choice should be between hiring domestic workers if available and, if not, hiring legalized foreign workers in a program that meets the needs of the perishable grower and provides protections for both foreign and domestic workers.

The H-2 worker program included in S. 1200 is simply not usable for the thousands of farmers involved in many kinds of perishable agricultural production. The H-2 Program would still tie the worker to a particular grower, thus preventing the movement from grower to grower that is essential when perishable producers face changing climatic conditions. The H-2 Program also continues the requirement that the grower predict, weeks in advance, when and how many workers will be needed. This is unrealistic considering the harvest volatility of perishable crops.

In addition, the H-2 Program's 72-hour emergency provisions would be unworkable because the size of the program would prevent the Department of Labor from making fast decisions. Because the emergency provisions are triggered at key periods of need, the Department of Labor could not process petitions, make decisions and recruit workers from a foreign country in 72 hours. In most instances, additional workers would have to be obtained in a lesser period of time.

To give you an example of just how susceptible perishable crops are to the vagaries of weather, last fall an unexpected cold spell occurred toward the end of the apple harvest in central Washington. Within 2 hours the apples were frozen on the trees and could not be harvested. In Brewster, WA, two growers alone lost 200,000 boxes of apples valued at approximately $2 million.

Cherry growers in Washington State's Yakima Valley fared better last year and they provide a perfect illustration of fruit growers' fluctuating labor needs. As I mentioned last Thursday, the growers were faced with an impending rainstorm during the cherry harvest and had to triple their work force in a matter of hours. They were able to do so, and the crop was saved. This undoubtedly would not have been the outcome if the growers had attempted to use the H-2 Program in S. 1200. Only a seasonal agricultural worker program that allows workers to move freely from grower to grower during the harvest period can insure the availability of an adequate workforce in a timely manner if a critical need exits.

Frankly, the same number of workers will be needed no matter what we do. If domestic workers are not available and the new seasonal agricultural worker program is not enacted, H-2 workers will be brought in. If, as I believe, H-2 is not workable in the perishable commodity industry because of its time and mobility constraints, the danger is that, in order to stay in business, farmers will resort to the present practice of hiring illegal workers—precisely the problem we are trying to avoid.

Mr. President, what we wish to do is change a present system which has the United States filled with illegal workers. We can only do that and preserve an important part of our economy if we recognize the perishable commodity industry's special needs and take men and women who are now working illegally and give them an opportunity to work legally.

This amendment is in the best interests of consumers, domestic workers, and the foreign workers themselves. In my view, this amendment is consistent with the goals of the Immigration Reform and Control Act of 1985. It will help ensure that the thousands of farmers who are involved in the multibillion dollar perishable commodity industry are not forced out of business. I urge my colleagues to give this amendment their full support.

Mr. SIMPSON. Mr. President, the Senator from California is obviously as anxious as I am to leave. I have just a few comments.

This amendment is eminently more reasonable than 100 percent Federal reimbursement. I appreciate that very much. That will come up again in the House. It did come up here once in the Senate, and I believe that amendment failed by a vote of about 57 to 37 on 100 percent Federal reimbursement. Indeed, this is more reasonable than that.

Why we put in the 3-year period, and I helped to choose that, is because it was chosen to mirror the period we chose for reimbursement of refugees. But realizing that aliens and refugees are so separate and apart, with legalized aliens we should have less public assistance since they come here specifically for the purpose of work. They are not fleeing persecution based on race, religion, national origin, or membership in the social or political organization. There is a lot of difference.

Furthermore, they will not be legalized if they are likely to become a public charge. I think that is important.

I think S. 1200 contains more funds, obviously more than the CBO estimated was necessary for the reimbursement in our hearing in June with CBO, so our bill provided that the unused funds in one fiscal year might be used in the following fiscal year. I gather the Senator has no problem about that.

If funds are unexpended in year 1, if the need is not there, then they will be held over and used in the subsequent fiscal year.

Mr. WILSON. The Senator is correct.

Mr. SIMPSON. That is the understanding of the Senator as to the method by which he proposes the amendment.

Mr. WILSON. Yes, that is correct.

Mr. SIMPSON. The concern of the sponsor that the 6-year period of ineligibility for Federal benefits might be reflected in the State cost of reimbursement can be, I think, accommodated. In year 1 the CBO estimated no cost to the States so S. 1200 did not start reimbursement until the year 2, and then the 3 years of reimbursement lasting over the years 2, 3, and 4, according to the unused funds likely to be left over, and the year 5 will also see reimbursement funds available.

I have a proposal in this area that perhaps we can review tomorrow. I ask the accommodation of the Senator, since we are not going to get a vote on this anyway until tomorrow, hopefully—and one never knows in this game. I will visit with him and see perhaps if we cannot reach something which does assure the counties, municipalities, and communities of the United States.

Please be assured in S. 1200 we have an allocation formula that really gets the money to where the problem is, to States with the high ratio of illegals, with the high number of illegals. States like California, Florida, and Texas will receive the greater part of the moneys. I worked toward that.

I do not want to see anything that overreimburses the States.

Adding an additional year on the $600 million might, when we see what part of the reimbursement funds is involved, be worked out.

In any event, I appreciate the good faith of the Senator with regard to a critically important thing to his State and to the other States which are most heavily impacted by illegal immigration.

Mr. WILSON. I thank the Senator.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON EVALUATION OF FEDERAL JUVENILE DELINQUENCY PROGRAMS—MESSAGE FROM THE PRESIDENT—PM 79

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which we referred to the Committee on the Judiciary:

To the Congress of the United States:

The Administrator of the Office of Juvenile Justice and Delinquency Prevention has recently submitted to me a copy of the *Eighth Analysis and Evaluation of Federal Juvenile Delinquency Programs* as required by Section 204(b)(5) of the Juvenile Justice and Delinquency Prevention Act of 1974 (P.L. 93-415), as amended. This letter fulfills the statutory requirement to respond to the Congress concerning this document and its recommendations.

The report makes four recommendations for improving Federal juvenile delinquency prevention policy. As you know, I have proposed that the Juvenile Justice and Delinquency Prevention Program be terminated at the conclusion of fiscal year 1985. Nonetheless, each of the recommendations will be implemented to the extent possible with respect to funds appropriated in fiscal year 1985 and before.

Ronald Reagan.

The White House, *September 16, 1985.*

ANNUAL REPORT OF THE NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION—MESSAGE FROM THE PRESIDENT—PM 80

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources.

To the Congress of the United States:

In accordance with the provisions of Public Law 91-230, as amended (20 U.S.C. 1209(d)), I herewith transmit the 1984 annual report of the National Advisory Council on Adult Education.

Ronald Reagan.

The White House, *September 16, 1985.*

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-409. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Agriculture, Nutrition, and Forestry.

Senate Concurrent Resolution No. 31

"Whereas, imported red fire ants, accidentally brought to the United States from South America through the port of Mobile in the 1930s, have since spread to eleven southern states and Puerto Rico; and

"Whereas, their travel path and climatic tolerance portend eventual invasion, if unchecked, of all of the warmer regions of this continent; and

"Whereas, being carnivorous insects, the ants prey on poultry and small livestock; and in human beings, their fiery, swarming stings can cause allergic reactions or can result in the infection of the characteristic pustules that form on the skin of victims; and

"Whereas, agriculture losses in affected southern states have resulted from reductions in useable grazing acreage, the spoilage of fodder for livestock, the destruction of selected field crops such as soybeans, the destruction of citrus trees and predation on insects beneficial to the citrus industry, damage to farm and mowing machinery, the discouragement of field labor, and the impairment of agricultural commerce due to periodic quarantines; and

"Whereas, recreational activities have been disrupted by the invasion by red fire ants of rural and urban parklands, school playgrounds, and athletic fields; and

"Whereas, the potential economic benefits of red fire ant control or eradication would far outweigh the expense of such efforts; of note is the case of soybeans, where 107 million acres are infested nationwide at a loss of up to nine bushels per acre and six dollars or more per bushel, a staggering figure which illustrates the magnitude of the economic drain that is occurring in the absence of adequate combative measures; and

"Whereas, federal actions in response to imported red fire ants have been more negative in effect than positive; the U.S. Environmental Protection Agency [EPA] banned the application of one insecticide, Mirex, in 1978, and the application of another, Chlordane, in 1979, and federal courts have since halted the use of Ferriamicide; and

"Whereas, corresponding to this series of prohibitions, parallel affirmative efforts aimed at identifying effective and acceptable means of control or eradication have been sorely deficient; and

"Whereas, increased research, particularly in the border region of Brazil, Argentina, and Paraguay where the red fire ants originated, has the potential for significant payoffs; expansion of the ants' habitat beyond this range is inhibited by unknown natural factors, and yet entomologists eager to study the phenomenon are thwarted by the unavailability of federal grants with which to pursue this promising line of scientific investigation; and

"Whereas, the states of Texas and Florida have joined in cooperative South American research on natural checks to red fire ant infestation; and

"Whereas, ample federal funding for this and other types of research would speed the solution of measures to suppress the proliferation of imported red fire ants in the United States; and

"Whereas, the United States Department of Agriculture has proposed a decrease in expenditures in this area from five million dollars to three hundred thousands dollars.

"Therefore, be it resolved that the Legislature of Louisiana memorializes the Congress of the United States to pursue the acceleration of research efforts of the United States Environmental Protection Agency, the United States Department of Agriculture, and other federal agencies relating to the control and eradication of imported red fire ants.

"Be it further resolved, that a copy of this Resolution shall be transmitted to the Secretary of the United States and the Clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-410. A resolution adopted by the Reformed Church in America relating to the economic condition of the farmer; to the Committee on Agriculture, Nutrition, and Forestry.

POM-411. A resolution adopted by the American Legion, Department of Illinois, relating to retaining the Great Lakes Naval Center and the O' Hare Reserve Forces Facility; to the Committee on Armed Services.

POM-412. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on Appropriations.

"Resolution No. 165 (LS)

"Be it resolved by the legislature of the territory of Guam:

"Whereas, the Guam Department of Education since its inception in the early 1950's has been authorized to participate in the Federal Impact Assistance Program under United States Public Law 81-874; and

"Whereas, since fiscal year 1970 up to and including fiscal year 1984, payments to Guam have continually left unpaid balances yearly, according to the records of the Guam Department of Education, which balances now total Seventeen Million Eight Hundred Three Thousand, Three Hundred Seventy-two Dollars and Ninety-eight cents ($17,803,372.98); and

"Whereas, it was the intent of the United States Congress in creating the Impact Aid Program to reimburse the participating school districts of the states and territories for expenditures of school districts in the renderning of educational services to eligible federally connected students in elementary and secondary education programs, according to amounts set by the United States Congress; and

"Whereas, the territory of Guam has consistently incurred per pupil expenditures above and beyond the per pupil reimbursement received from the Federal Government; and

"Whereas, Since the early 1970's Guam has continually experienced economically depressed conditions: the cost of living continues to be one of the highest in the nation while the per capita income of its inhabitants is among the lowest nation wide; the government of Guam revenue has not been adequate to meet expansion and improvement needs of its school system; and significant standardized results in student achievement as measured by the Science Research Associates Test in 1984 indicate a tremendous need to improve the educational service provided the students of Guam; now, therefore be it

"Resolved, that the eighteenth Guam Legislature, on behalf of the people of Guam, respectfully request Congressman Ben Blaz, Guam's Delegate to the United States Congress, to submit on behalf of the people of Guam an appropriation request of Seventeen Million Eight Hundred Thousand Dollars ($17,800,000) to pay the Guam Department of Education the current outstanding balance due from the Federal Government; and be it further

"Resolved, that the United States House of Representatives and the Senate be respectfully petitioned to grant the Government of Guam the funds requested herein so that the quality of the educational program for the young people in Guam can be properly enhanced; and be it further

"Resolved, that the Speaker certify to, and the Legislative Secretary attest the adoption hereof, and the copies of the same be thereafter transmitted to the Vice-President of the United States and President of the Senate, Mr. George Bush; to Speaker of the U.S. House of Representatives Thomas P. O'Neill, Jr.; to Mr. William J. Bennett, Secretary of Education; to Mr. Richard Montoya, Assistant Undersecretary of the Interior; to Senator Mark O. Hatfield, Chairperson of Senate Appropriations Committee; to Congressman Jamie L. Whitten, Chairperson of House Appropriations Committee; to Senator Daniel K. Inouye, Member of Senate Appropriations Committee; to Senator James A. McClure, Chairperson of Senate Subcommittee on Interior of the Appropriations Committee; to Congressman Sidney R. Yates, Chairperson of the House Subcommittee on Interior of the Appropriations Committee; to Congressman Augustus F. Hawkins, Chairperson of House Education and Labor Committee; to Congressman Ben Blaz, Guam's Delegate to the U.S. House of Representatives; to Mrs. Gloria B. Nelson, Director, Department of Education; Mr. Vicente T. Pangelinan, Chairman, Board of Education; and to the Governor of Guam."

POM-413. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Banking, Housing, and Urban Affairs.

"Senate Concurrent Resolution No. 132

"Whereas, many communities are still under the Federal Emergency Insurance Rating System and are having difficulty in qualifying for regular Federal Flood Insurance Rates prior to September 1, 1985.

"Therefore, be it resolved that the Legislature of Louisiana memorializes the Congress of the United States of America to extend the Federal Emergency Flood Insurance Program for an additional three years through 1988.

"Be it further resolved that a copy of this Resolution shall be transmitted to the Secretary of the United States Senate and the Clerk of the United States House of Representatives, to each member of the Louisiana congressional delegation, and to the Plaquemines Parish Commission Council."

POM-414. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Environment and Public Works.

"Senate Concurrent Resolution No. 112

"Whereas, the only hazardous waste burn site presently approved by the federal government is that off the coast of Louisiana in the Gulf of Mexico; and

"Whereas, under a proposed plan subsidized by the federal government, ships loaded with industrial toxic waste would be allowed to burn PCB's, chlordane, and other toxic chemicals at this site in the Gulf of Mexico off our coast; and

"Whereas, burning toxic waste in shipboard incinerators may release an array of toxic chemicals into the marine environment which may pose dangers to human health and the marine environment; and

"Whereas, according to the United States Coast Guard, if a chemical spill from an incinerator ship occurred, the toxic chemicals spilled at sea would be impossible to retrieve or isolate from the marine environment.

"Therefore, be it resolved that the Legislature of Louisiana memorializes the Congress of the United States expressing support of H.R. 1295 which would impose up to a three year moratorium on ocean incineration of hazardous waste during which time it is hereby requested that a comprehensive analysis of the impact of at sea incineration on human health and the marine environment be completed.

"Be it further resolved that a copy of this Resolution be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-415. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Environment and Public Works.

"Senate Concurrent Resolution No. 131

"Whereas, Congressional Act of 1928 recognized the need to provide flood protection, bank stabilization, channel stabilization, and protection of navigable waters for areas along the lower Mississippi River; and

"Whereas, the Mississippi River and Tributaries Project under this Act has effectively reduced the devastation of both lives and property along the Mississippi River and has maintained an effective system of navigable waters which greatly benefits the commerce and industries of the entire United States; and

"Whereas, there is a gap in this massive protection system in the most vital area of the entire Mississippi River and that is near the mouth of the Mississippi River from the vicinity of Bohemia, Louisiana to the Baptiste Collette Bayou resulting in this area not being part of the federal flood control area under the Mississippi River and Tributaries Project; and

"Whereas, it is important that flood protection, flood control, and protection of navigable waters be extended in this area to redue loss of lives and to prevent property damage and to protect the navigable waters of the area and a most vital artery near the mouth of the Mississippi River, the Gulf of Mexico; and

"Whereas, the creation of comprehensive flood protection and protection of navigable waters is supported by the Mississippi River Commission, the United States Corps of Engineers, the Louisiana Department of Transportation and Development and the Plaquemines Parish Commission Council, governing authority of the parish of Plaquemines, wherein is located the above mentioned gap in the protection system in the vicinity of Bohemia, Louisiana to Baptiste Collette Bayou.

"*Therefore, be it resolved* that the Legislature of Louisiana memorializes the Congress of the United States to amend the National Flood Act of 1928 for flood control and improvement of the lower Mississippi River by amending said Act to add the following language:

"The project for flood control and improvement of the lower Mississippi River adopted by Act of Congress approved May 15, 1928 and as amended by subsequent Acts is hereby modified and expanded to provide protection, bank stabilization, channel stabilization and protection of navigable waters for the area on the east bank of the Mississippi River from the vicinity of Bohemia, Louisiana, to Baptiste Collette Bayou and incuding the levees of the Orleans Levee Distirct and the Grand Prairie Levee District.

"*Be it further resolved* that a copy of this Resolution shall be transmitted to the Secretary of the United States Senate and the Clerk of the United States House of Representatives, to each member of the Louisiana congressional delegation, and to the Plaquemines Parish Commission Council."

POM-416. A resolution adopted by the Federated States of Micronesia; to Committee on Energy and Natural Resources.

Congressional Resolution No 4-32, C.D.1, Fourth Congress of the Federated States of Micronesia, First Special Session, July 8–July 27, 1985

A resolution respectfully requesting the Congress of the United States, in approving the compact of free association between the United States and the Federated States of Micronesia, to carefully consider the freely expressed wishes of the people of the federated states of Micronesia, and disapprove or revise any proposed amendments, such as those approved by the United States House of Representatives Committee on ways and means, which materially change important substantive provisions in the compact of free association as negotiated; expressing the sense of Congress that it could not reapprove the compact with any such amendments; and expressing gratitude to those Members of the United States Congress who have devoted time and effort to try to have the compact approved in a form consistent with the originally negotiated principles of the compact and Unted States trusteeship obligations.

Offered by Senator Bethwel Henry et al.
Date: July 24, 1985.
Adopted: July 24, 1985.

Henry C. Asugar,
Chief Clerk, FSM Congress.

Fourth Congress of the Federated States of Micronesia, First Special Session, 1985, Congressional Resolution No. 4-32, CDI

A resolution respectfully requesting the Congress of the United States, in approving the Compact of Free Association between the United States and the Federated States of Micronesia, to carefully consider the freely expressed wishes of the people of the federated States of Micronesia, and disapprove or revise any proposed amendments, such as those approved by the United States House of Representatives Committee on Ways and Means, which materially change important substantive provisions in the Compact of Free Association as negotiated; expressing the sense of Congress that it could not reapprove the Compact with any such amendments; and expressing gratitude to those Members of the United States Congress who have devoted time and effort to try to have the Compact approved in a form consistent with the originally negotiated principles of the Compact and United States Trusteeship obligations.

Whereas, under article 6 of the Trusteeship Agreeement for the Former Japanese Mandated Islands, the United States pledged that it would promote the development of the inhabitants of the Trust Territory toward self-government or independence in accordance with the freely expressed wishes of the Territory's people, and that it would promote the economic, social, and educational advancement of the Territory and its people; and

Whereas, in acts of self-determination, the people of the Federated States of Micronesia freely expressed their desire to enter into the Free Association with the United States through a plebiscite and approval of the Compact of Free Association by their State and National legislatures; and

Whereas, the people of the Federated States of Micronesia approved the Compact in the belief that the United States would not attempt to unilaterally, materially, and detrimentally alter terms which were the product of nearly 20 years of hard negotiations conducted on the basis of good faith and mutual respect; and

Whereas, while having many concerns with respect to the Compact provisions, the Congress of the Federated States of Micronesia nevertheless unanimously approved the Compact of Free Association without any effort to unilaterally amend it because the Congress recognized the Compact was the carefully balanced result of arduous negotiations; and

Whereas, major amendments to the Compact of Free Association which drastically impacted upon the sovereignty and potential progress and economic development of the Federated States of Micronesia had been proposed by the United States House of Representatives Committees on Interior and Insular Affairs and Foreign Affairs; and

Whereas, it is the understanding of the Congress of the Federated States of Micronesia that the Committee on Foreign Affairs and the Committee on Interior and Insular Affairs of the United States House of Representatives have achieved a consensus on these proposed amendments to present to the full House; and

Whereas, while the Congress of the Federated States of Micronesia has not had the opportunity to review the actual consensus amendments, it is the understanding of the Congress that in arriving at the consensus the two committees carefully considered the serious concerns of the people of the Federated States of Micronesia and either eliminated or favorably revised deleterious amendments; and

Whereas, it is the understanding of the Congress of the Federated States of Micronesia that at the same time the Interior and Foreign Affairs Committees were arriving at this consensus, the Committee on Ways and Means of the United States House of Representatives approved proposed amendments to the Compact which would eliminate the tax and tariff benefits contained within the Compact; and

Whereas, the Ways and Means amendments would remove benefits necessary for the development of our Nation's economy and destroy a careful balance between grants and development incentives which was one of the keystones of the Compact and the result of years of planning and negotiation; and

Whereas, the Ways and Means amendments appear to have been based solely on short-term provincial objectives, with little if any thought given to the long-term economic viability or political stability of emerging governments in the Trust Territory; and

Whereas, the Ways and Means amendments would be fundamental and destructive changes to the Compact which would frustrate our people's hope for future progress and development; and

Whereas, the Ways and Means amendments would conflict with not only the freely expressed wishes of the people of the Federated States of Micronesia, but also with the United States Trusteeship Agreement obligations to promote economic advancement in Micronesia; and

Whereas, the amendments reportedly approved by the United States House of Representatives' Committee on Ways and Means, and other amendments materially changing substantive provisions of the Compact as negotiated, would require a new plebiscite and resubmission of the Compact to the State and National legislatures in the Federated States of Micronesia, and very probably result in the rejection of the Compact of Free Association by the Federated States of Micronesia; now, therefore,

Be it resolved by the Fourth Congress of the Federated States of Micronesia, First Special Session, 1985, That the Congress respectfully requests the Congress of the United States, in approving the Compact of Free Association, to carefully consider the freely expressed wishes of the people of the Federated States of Micronesia, the concerns and comments voiced by our people's democratically chosen representatives, and their own Nation's obligations under the Trusteeship Agreement, and then disapprove or revise any proposed amendments, such as those approved by the United States House of Representatives' Committee on Ways and Means, which materially change important substantive provisions in the Compact of Free Association as negotiated; and

Be it further resolved, That the Congress of the Federated States of Micronesia hereby expresses the sense of the Congress that it could not, in good conscience and in view of its responsibilities to the people of the Federated States of Micronesia, reapprove the Compact with the deleterious proposed amendments described above; and

Be it further resolved, That the Congress hereby expresses its gratitude to those Members of the United States Congress who have devoted time and effort to try to have the Compact approved by their Congress in a form consistent with the originally negotiated principles of the Compact and United States Trustreeship obligations; and

Be it further resolved, That certified copies of this resolution be transmitted to the Speaker of the United States House of Representatives, the Chairmen of the United States House of Representatives' Committees on Foreign Affairs, Interior and Insular Affairs and Ways and Means, the President Pro Tempore of the United States Senate, and the President of the Federated States of Micronesia."

POM-417. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Energy and Natural Resources.

"Senate Concurrent Resolution No. 89

"Whereas, Louisiana has more waterfowl refuge areas than any other state in the Mississippi flyway; and

"Whereas, Louisiana is noted for its wildlife management programs and the interest that the sportsmen of the state exhibit with respect to this natural resource; and

"Whereas, Louisiana, in cooperation with the United States Fish and Wildlife Service, has worked diligently to properly manage this resource and has spent millions of dollars in the research, development, and enhancement of waterfowl in this state; and

"Whereas, Louisiana sportsmen have requested an extended waterfowl season to coincide with the experimental season recently concluded in the state of Mississippi.

"*Therefore Be It resolved* that the Legislature of Louisiana memorializes the Congress of the United States to urge the United States Fish and Wildlife Service to grant Louisiana permission to extend the waterfowl season to January 31 of each year.

"*Be it further resolved* that a copy of this resolution be transmitted to the Secretary of the United States Senate and the Clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-418. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on Energy and Natural Resources.

"Resolution No. 106 (LS)

"Be it resolved by the legislature of the Territory of Guam:

"Whereas, the main source of water supply for the island of Guam is located in the Northern end of the island; and

"Whereas, during the dry season or droughts the distribution system becomes severely taxed by attempting to pump water to the Southern communities; and

"Whereas, the need for surface water sources has been proven to be a much needed facility to adequately serve the Southern communities; and

"Whereas, the Fena Reservoir is the prime location for a surface water source which is controlled by the United States Navy; and

"Whereas, the Navy sells water to the Public Utility Agency of Guam for distribution to the villages of Agat and Santa Rita and for other villages where the civilian water system is unable to deliver adequate supply; and when the civilian water system is unable to deliver adequate supply; and

"Whereas, the land upon which the Fena Reservoir is located was seized by the Federal Government from the people of Guam strictly for military use; and

"Whereas, the military seized the Fena Reservoir area because this is the best area to collect ground water on Guam; and

"Whereas, a sound water supply system is necessary to support the continued growth of the Territory; and

"Whereas, the absence of a sound water supply system severely restricts the economics growth of the Territory; and

"Whereas, the land surrounding the Fena Reservoir is prime agricultural land which, if developed, would greatly lessen the Territory's dependence on agricultural imports; and

"Whereas, the Federal Government had, in the past, released assets of a utility such as the power generation facility to the Government of Guam; and

"Whereas, the Federal Government has been consistent in demanding that the Territory be economically independent; and

"Whereas, Undersecretary Richard Montoya has been publicly stating that the Territory of Guam should make every effort to "do things for itself before asking for handouts"; and

"Whereas, water is a necessary resource for such economic development; and

"Whereas, Guam cannot become economically independent for so long as Navy continues to control the only significant ground water supply on the island; and

"Whereas, there is no reason the United States Navy should not become a customer of the Public Utility Agency of Guam; now, therefore, be it

"Resolved, that the members of the Eighteenth Guam Legislature, recognizing that the natural resources of the Territory of Guam rightfully belong to the people, hereby request that the Federal Government release the Fena Reservoir and the lands surrounding it, not actually used for ammunition storage, to the Government of Guam so that the people of Guam will not have to pay for water which is rightfully theirs; and be it further

"Resolved, that the members of the Eighteenth Guam Legislature request that Guam's Washington Representative, Congressman Ben Blaz, introduce legislation to accomplish the following by amendment using essentially the following language:

"That Subsection (f) of Section 2409a of Title 28, United States Code, is amended by inserting, 'except for an action commenced by the Government of Guam' after 'section' and by inserting after the first sentence the following: 'Any civil action under this section by the Government of Guam may be commenced regardless of when such action accreed.' Such subsection is further amended by striking out 'Such' and inserting in lieu therefore 'For purposes of this subsection, an' "; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Secretary of Interior; to the Secretary of the Department of Defense; to the President of the United States; to the Secretary of the Navy; to Congressman Ben Blaz; to the Speaker of the United States House of Representatives; to the President of the United States Senate; to the Commander Naval Forces Marianas and to the Governor of Guam."

POM-419. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Energy and Natural Resources.

"Senate Concurrent Resolution No. 100
By Mr. Nunez and Representative Patti

"Whereas, the world crude oil refining industry is changing dramatically as several foreign nations, traditionally exporters of crude oil, subsidize refinery construction and operation, and become exporters of vast quantities of refined oil products, much of which is expected to be imported to this country; and

"Whereas, the U.S. crude oil refining industry is supplying a depressed market and has recently made substantial investments ranging to the hundreds of millions of dollars to modernize, meet federal and state environmental mandates, and handle the

changing quality of crude oil to be refined; and

"Whereas, this nation's crude oil refining capacity has decreased twenty-two per cent in the last five years, one hundred and ten refineries have closed in the United States over that same period, and refineries that have remained open are operating at an average of only seventy-seven per cent capacity; and

"Whereas, projections show that fifty more U.S. refineries will close between now and 1990, reflecting a loss of over one-half of our domestic refineries in one decade; and

"Whereas, Louisiana, the nation's third largest refining state, has felt the impact of these world and national trends, as the state's refineries close and those that continue to operate do so at reduced capacities as low as forty per cent, causing major employee lay-offs throughout the state; and

"Whereas, Louisiana's refineries have directly represented payrolls of over two hundred million dollars annually in the state, and every one dollar of earnings in this industry has created three dollars of additional earnings elsewhere in our state; and

"Whereas, Louisiana's refineries have employed over twelve thousand Louisianians directly, and studies show that for every new job created or lost in the state's refining industry almost six 'indirect' jobs are created or lost throughout our state; and

"Whereas, Louisiana and the nation have a strong economic, as well as national defense interest, in maintaining a healthy domestic crude oil refining industry; and

"Whereas, the import of great quantities of foreign-subsidized refined crude oil products will have a tremendous and lasting impact on this nation's and Louisiana's refining industry, and OPEC nations are now placing two million barrels of petroleum products per day on the world market; much of it for sale in the United States.

"Therefore, be it resolved that the Legislature of Louisiana memorializes the Congress of the United States to request a thorough study, utilizing the appropriate congressional and executive agencies, on factors affecting the world oil-refining industry, the extent of national subsidies of foreign refining operations, and the impact of dramatic increases in foreign-subsidized refined products imports on this nation's refining industry and possible legislative options to encourage a healthy domestic crude oil refining industry.

"Be it further resolved that the Congress of the United States is memorialized to distribute the report to each member of Congress as well as to the President of the United States, and appropriate executive branch officials.

"Be it further resolved that a copy of this Resolution be transmitted to the Secretary of the United States Senate and Clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-420. A resolution adopted by the Council of the City of Shelby, OH, proclaiming Wednesday August 14, 1985, as "Social Security Day"; to the Committee on Finance.

POM-421. A resolution adopted by the Council of the City of Denton, TX, requesting Congress to continue the General Revenue Sharing Program under the Local Government Fiscal Assistance Act as the Senate has proposed to do; to the Committee on Finance.

POM-422. A resolution adopted by the Cumberland County Board of Commissioners of Fayetteville, NC, relating to the Textile and Apparel Trade Enforcement Act of 1985; to the Committee on Finance.

POM-423. A concurrent resolution adopted by the legislature of the State of Louisiana; to the Committee on Finance.

"Senate Concurrent Resolution No. 61

"Whereas, redevelopment of historic properties in Louisiana has been greatly encouraged by the availability of the twenty-five percent investment tax credit which is available for renovation of historic properties; and

"Whereas, renovations in Louisiana which were eligible for the tax credit have exceeded two hundred eighty million dollars in value since 1981; and

"Whereas, these renovations create construction and permanent jobs in the estate, while preserving architecturally buildings and enhancing the quality of life; and

"Whereas, the tax credit program enables the private investor to participate in the revitalization of the inner city, and therefore is a cost-efficient method of renewing vital areas of our downtown areas; and

"Whereas, the twenty-five percent investment tax credit is one of the few tax benefits available for renovation of residential rental units in historic properties, and it is therefore important in the creation of additional housing stock; and

"Whereas, there are approximately thirty thousand structures in Louisiana's forty-seven historic districts which may be eligible for the twenty-five percent investment tax credit; and

"Whereas, the economic stimulation and jobs created by these renovations is badly needed in Louisiana; and

"Whereas, the federal government has proposed eliminating the twenty-five percent investment tax credit as part of the effort to control the federal deficit; and

"Whereas, renovators, civic officials, developers, and preservationists are joining together to support the continuation of the twenty-five percent investment tax credit.

"*Therefore, be it resolved,* That the legislature of Louisiana memorializes the Congress of the United States to support enthusiastically the continuation of the twenty-five percent investment tax credit for renovation of historic properties.

Be it further resolved, That a copy of this Resolution be transmitted to the secretary of the United States Senate and to the clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-424. A resolution adopted by the legislature of the Territory of Guam; to the Committee on Finance.

"Resolution No. 167 (LS)

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, U.S. Public Law 92-603, amending Title XIV of the Social Security Act, did not and still does not extend the benefits of the Supplemental Security Income (SSI) Program for the Aged, Blind and Disabled to qualified residents of Guam; and

"Whereas, there are approximately 930 residents of Guam who are receiving public assistance under Programs for the Aged, Blind and Disabled, and there are many other potentially eligible residents who deserve fuller and more expanded benefits under the Supplemental Security Income (SSI) Program; and

"Whereas, residents of the fifty (50) states of the United States and Guam's neighboring islands of the Commonwealth of the Northern Marianas, who are eligible and have applied for assistance under the SSI Program, are now enjoying the Program's full benefits; and

"Whereas, in the same manner, the benefits of the Federal Supplemental Unemployment Benefits Program under U.S. Public Law 98-21, are now being enjoyed by all the fifty (50) states of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands, except the Territory of Guam which is excluded under Section 3306(j) (1) and (2) of the Federal Unemployment Tax Act, as amended; and

"Whereas, the people of Guam firmly believe in the right to equal treatment and entitlement of any and all citizens or residents of the United States, to the benefits available to them from the United States Federal Government without regard to race, color, creed, economic situation, or geographical location or remoteness from the United States mainland; now, therefore, be it

"Resolved, that the Eighteenth Guam Legislature respectfully request the Honorable Ben Blaz to introduce the appropriate remedial or amendatory legislation, or provision in the Omnibus Bill of 1985, to extend the benefits of the Supplemental Security Income (SSI) Program and the Federal Supplemental Unemployment Benefits Program to the Territory of Guam; and be it further

"Resolved, that the Eighteenth Guam Legislative request the Governor and Lieutenant Governor of Guam, through their Washington, D.C. Office, the Department of Public Health and Social Services, the Department of Labor, and the Department of Revenue and Taxation, to seek the support of the Federal Government, specifically the U.S. Department of Health and Human Resources, U.S. Department of Labor, the Internal Revenue Service, and the U.S. Department of Interior, in the speedy passage and enactment of these needed remedial or amendatory legislations; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Ben Blaz, Guam's Delegate to the U.S. Congress; to the Speaker of the U.S. House of Representatives; to the President of the U.S. Senate; to the Secretary of Health and Human Resources; to the Secretary of Labor; to the Secretary of Interior; to the Commissioner of Internal Revenue Service; to the Lieutenant Governor of Guam; to the Governor's Special Assistant in Washington, D.C.; to the Director of Public Health and Social Services; to the Director of Labor; to the Director of Revenue and Taxation; to the President of the United States and to the Governor of Guam."

POM-425. A joint resolution adopted by the General Assembly of the State of Colorado; to the Committee on Finance.

"House Joint Resolution No. 1030

"Whereas, on July 25, 1985, the Ways and Means Committee of the United States House of Representatives approved H.R. 3128, known as the "Deficit Reduction Amendments of 1985"; and

"Whereas, H.R. 3128 contains provisions that would require all states to extend Aid to Families with Dependent Children—Unemployed Parent Program (AFDC-U) benefits to the categorically eligible, an option currently left to the discretion of each state; and

"Whereas, the Fifty-fourth General Assembly of the State of Colorado enacted House Bill No. 1436, 1984 Session (L. 84, Ch. 218), which eliminated eligiblity for public assistance payments for the AFDC-U Program; and

"Whereas, The purpose of H.R. 3128 is to effect a reduction in the federal deficit; and

"Whereas, The staff of the House Ways and Means Committee estimates that requiring states to provide benefits to needy two-parent families where the principal wage earner is unemployed will cost the federal government some $400 million over three years; and

"Whereas, The states should retain the option of providing AFDC-U benefits depending upon the circumstances present in a given state rather than having such a decision mandated at the federal level without regard to issues and concerns which are better evaluated at the state level; and

"Whereas, The provisions of H.R. 3128 dealing with the AFDC-U Program fail to achieve a true reduction in the federal deficit while unjustifiably infringing upon state authority over public assistance; now, therefore,

"Be it resolved by the House of Representatives of the Fifty-fifth General Assembly of the State of Colorado, the Senate concurring herein:

"That we, the members of the Fifty-fifth General Assembly of the State of Colorado, urge the House of Representatives and Senate of the United States to reject the provisions of H.R. 3128 recently approved by the House Ways and Means Committee requiring states to pay assistance moneys to eligible persons under the AFDC-U Program.

"*Be it further resolved*, That copies of this Resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives of the United States and to the members of Congress from the State of Colorado."

POM-426. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Foreign Relations.

"Senate Concurrent Resolution No. 101

"Whereas, the Consortium for Service to Latin America has been formed by representatives of the private and public sectors in Latin America and the United States to meet the education, training, and employment needs of participating Latin America countries; and

"Whereas, the consortium provides a full cycle of services including needs assessment, specifically tailored education and training courses at educational institutions in the United States, on-the-job training and observation in U.S. businesses, leadership and re-entry training, assistance with job placement in Latin America, and assistance to Latin America governments and/or training institutions; and

"Whereas, a number of Louisiana educational instititions and Louisiana businesses will participate in the consortium's program.

"*Therefore, be it resolved* that the Louisiana Legislature commends the efforts of the consortium for Service to Latin America to the United States Congress for the consortium's important contribution to improve educational and business relations between this country and Latin America, and memorializes Congress, and particularly the Louisiana delegation, to support and assist the activities of the consortium whenever possible.

"*Be it further resolved* that a copy of this Resolution be transmited to the Secretary of the United States Senate and the Clerk of the United States House of Representatives, and to each member of the Louisiana Congressional delegation, as well as to Dr. William Arceneaux, Commissioner of Higher Education for the Louisiana Board of Regents, and President and Chairman of the Board of Consortium for Service to Latin America."

POM-427. A resolution adopted by the Council of the City of Macon, GA, supporting efforts to bring about a peaceful solution to the South African problem; to the Committee on Foreign Relations.

POM-428. A resolution adopted by the Council of the City of Eden Prairie, County of Hennepin, MN, urging Congress to continue their efforts to halt the persecution of the Baha' minority in Iran; to the Committee on Foreign Relations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HEINZ:

S. 1648. A bill to amend title XVIII of the Social Security Act to make permanent the hospice benefit, to increase the payment amount for hospice care, and to make hospice care an optional service under the Medicaid program; to the Committee on Finance.

By Mr. THURMOND (for himself and Mr. GOLDWATER):

S.J. Res. 200. A joint resolution to provide for the erection of an appropriate statue or other memorial in or near the Arlington National Cemetery to honor individuals who were combat glider pilots during World War II; to the Committee on Veterans' Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mrs. HAWKINS:

S. Res. 221. A resolution expressing the sense of the Senate that the President should establish a National Commission on International Trade Policy to study and make recommendations for redressing the current imbalance in international trade; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEINZ:

S. 1648. A bill to amend title XVIII of the Social Security Act to make permanent the hospice benefit, to increase the payment amount for hospice care, and to make hospice care an optional service under the Medicaid Program; to the Committee on Finance.

HOSPICE IMPROVEMENT AND EXTENSION ACT

● Mr. HEINZ. Mr. President, today, I am introducing a bill, entitled the Hospice Improvement and Extension Act of 1985, that will substantially strengthen the Medicare hospice benefit. This new legislation will make hospice care a permanent, more accessible option for those in need through three fundamental changes.

First, this legislation will strike the sunset provision, thereby making the hospice benefit a permanent feature of Medicare. Currently, the hospice benefit can be continued only until October 1, 1986. The permanent extension of this sunset provision has prevented the full implementation of this benefit, as many hospice programs choose not to apply for Medicare certification for fear that the benefit will disappear in the near future.

Second, this bill will increase reimbursement rates for hospice care by $15 a day, bringing Medicare reimbursement closer to the actual cost of providing hospice care than it is today.

Third, this bill will make hospice care a permanent option under Medicaid. Congress' intent in including the sunset language in the original hospice authorizing legislation was to let hospice prove itself, giving us a chance to evaluate whether hospice care would actually live up to its promises of compassion and cost efficiency.

In order to properly evaluate the cost effectiveness of the hospice benefit, Congress required the Secretary of Health and Human Services to study the issue and report back to the Congress with its findings by September 30, 1983. While the Secretary has yet to conduct this important study, hospice care has proven itself through the experience of Medicare beneficiaries. The facts just haven't waited for departmental findings.

The experience of the Medicare Program and the testimony of dozens of families who experienced the aid of hospice care first hand make it crystal clear that, indeed, hospice care is cost effective, it is compassionate, and it aids families and patients in more ways than legislators on Capitol Hill or personnel at the Department of Health and Human Services or at OMB can ever fully know second hand.

I think it's time that we accept the overwhelming evidence of the need and importance of hospice care and that we consider hospice the permanent Medicare benefit it should be, rather than extending the benefit in bits and pieces while waiting for an HHS study that we may never see.

The second part of this bill, which increases reimbursement rates for hospice, is just as critical as the first to the success of the hospice benefit. Unless Medicare payment rates are

raised to a more realistic level, the availability of Medicare hospice care will always fall far short of the need for this care. When the Congress enacted the original hospice legislation, we anticipated that the new benefit would serve over 31,000 individuals in just the first year of implementation. But we learned at a Senate Finance Committee hearing last fall—nearly 1 year after the program's implementation date—that fewer than 1,000 terminally ill beneficiaries actually had received the hospice benefit. Six months later, the number of Medicare hospice patients had increased fivefold to over 5,100—still far below the expected beneficiary level.

No inflation adjustments have been made to the rates for hospice care since they were first published in 1983. The Health Care Financing Administration has estimated that the home health market basket index will increase by 15 percent from 1984 to 1986. The reimbursement increase that I am advocating will barely meet this increase in the cost for services that make up hospice care—including routine home care and inpatient care.

And to make matters even worse, reliable cost reports just aren't available—and probably won't be available for some time—on which HCFA can base any cost increases.

Hospice care is unique and costs much less than does hospital care for the same patients. If we continue to pinch pennies for these services, we will only have to pay more for hospital care, since hospice will not be available for all those who need it.

Currently, 21 percent of Medicare Program outlays are spent on reimbursement for health care services used in the last 6 months of life. Cancer is the second most frequent cause of death of persons age 65 and older. Hospice care, which provides services to terminally ill beneficiaries whose life expectancy is 6 months or less, can care for many of these individuals at much less than the cost of hospital care. These two facts alone should tell us that we need to fully utilize the most cost-effective ways of meeting the health care needs of those in the last few months of life. But there's another reason, too, why reimbursement rates for hospice care should be increased.

While Medicare has long paid for many services, like laboratory procedures and pacemaker implants, at higher rates than they cost to provide, Medicare pays an average of $20 less a day for hospice care than it costs to actually deliver that care. In some areas of the country, as in Missouri, the Medicare payment rates actually fall short by an average of $50 a day.

Last, the absence of authority to add hospice care as a comprehensive Medicaid-covered service has prevented States from maximizing the cost effectiveness of hospice and has caused problems for many hospice providers. I believe many States would be willing to provide expanded home coverage to terminally ill patients, but are unable to do so without extending this coverage to the entire State. This bill enables States to provide this service more easily and with greater flexibility than in the past.

As a longstanding advocate of hospice care, and one of the principal sponsors of the original authorizing legislation, I firmly believe that we should be hesitant no longer about going full forward with hospice care, including making hospice care a permanent Medicare benefit, increasing the reimbursement rates under Medicare, and including hospice as a Medicaid option.

We must continue to seek creative, cost-effective ways of delivering needed health care to Medicare beneficiaries. Hospice care works for the Federal Government because it costs less than hospital care for the same patients. It works for beneficiaries and their families, as my colleagues can see by the tesitmony I am including with this bill to be printed in the RECORD.

This is a combination that doesn't come along too often. Repealing the sunset, increasing the reimbursement rates, and including hospice care as a Medicaid option will allow the Federal Government, hospice providers, and families and their loved ones in need of hospice care to commit themselves to the promise of this care without fear that it will be unavailable tomorrow.

Mr. President, I ask unanimous consent that a copy of this legislation be printed in the RECORD, accompanied by testimony I received in 1982 by the husband of a young woman who spent her final weeks in hospice care. I believe this testimony more clearly describes the way hospice care provides for the needs of cancer patients and their families than any formal reports or findings ever could.

I hope my colleagues will join me in this effort to make hospice care a real option for those in need.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1648

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(a) ELIMINATION OF SUNSET.—Section 122(h)(1) of the Tax Equity and Fiscal Responsibility Act of 1982 is amended—

(1) in subparagraph (A)—

(A) by striking out "(h)(1)(A) Subject to subparagraph (B), the" and inserting in lieu thereof "(h)(1) The", and

(B) by striking out ", and before October 1, 1986"; and

(2) by striking out subparagraph (B).

(b) INCREASE IN PAYMENT OF DAILY RATES FOR HOSPICE CARE FOR FISCAL YEAR 1986.—(1) Section 1814(i)(1)((B) of the Social Security Act is amended to read as follows:

"(B) Notwithstanding subparagraph (A), for hospice care furnished during fiscal year 1986—

"(i) the daily rate of payment per day for routine home care shall be $68.17, and

"(ii) the daily rate of payment for other services included in hospice care shall be the daily rate of payment recognized under subparagraph (A) as of July 1, 1985, increased by $15.".

(2) Section 1814(i)(1)(C) of such Act is amended by striking out "1985" and inserting in lieu thereof "1986".

(c) MEDICAID OPTIONAL SERVICE.—(1) Section 1905(a) of such Act is amended—

(A) by striking out "and" at the end of paragraph (17);

(B) by redesignating paragraph (18) as paragraph (19); and

(C) by inserting after paragraph (17) the following new paragraph:

"(18) hospice care (defined in section 1861(dd)(1)) provided by a hospice program (as defined in section 1861(dd)(2)); and ".

(2) The amendments made by paragraph (1) shall be effective with respect to services furnished in calendar quarters beginning on or after the date of the enactment of this Act.

TESTIMONY OF BILL LUCKOCK

When my wife Nancy first got sick in the Winter of 1979, it was thought to be a bronchial condition, but later on it was determined (July '80) to be oat cell lung cancer. She first went to Dr. Jacobs for treatment and had chemotherapy, radiation therapy and was in the hospital for two weeks; then, she went through outpatient chemo clear through that first year with moderate success. It looked pretty good at first. Towards the end of her illness, in August of '81, she was sent to Montefiore Hospital and it was determined there that she would never live more than a month. After a week in Montefiore, Dr. Jacobs suggested that we look for other places to be, either at home or elsewhere because there was no more treatment for her. It would have been extremely difficult at home; there is just too much of medication and shots, constant care that she needed. It just couldn't have been done at home. At that point, he suggested the Hospice. My wife was aware of what the Hospice was, I wasn't. It was her decision to come to the Hospice, so we talked it over and everyone was quite satisfied, and here we came.

While she was in the Hospice, she was quite content. For the first two weeks, she was able to get up and move about—she wasn't confined to her bed, which she really enjoyed—she could go outside in the wheelchair, go throughout the building. The last week, she was confined to her bed, and there the care was just magnificent—there isn't anymore I can say about the care—the nurses were just fantastic. Everyone on the staff were just very caring people, and they would do anything at all day or night, any problems that came up, they were right there to make things easier for Nancy, which made things easier for me.

Nancy and I talked from the beginning of her illness; about how sick she really was. The only thing she didn't know was that in the last few months, exactly how sick she was and how long she would live. By the time she came to the Hospice, she knew that she only had a few weeks left. When she was in the hospital at Montefiore, she was extremely despondent—fits of depression, crying—and when she arrived at the

Forbes Hospice, just the attention that people gave her—that they actually cared and thought of her—changed her attitude entirely.

The depression ceased, rarely did she cry—but she didn't want to go home either—she knew she was dying, and said here is the best place. At one time, she said that she didn't think that it would be a healthy environment for our daughter in the house in the future—how would she feel if her Mother had died in the house and she thought she would have tears later on about that. So, being away from the house and yet in an environment where we could come to see her and be with her—that seemed to satisfy Nancy's needs and our nine year old daughter Kirstin's needs.

Kirstin knew her mother was sick all along, but not to the extent of her illness. There was some reading material that I was given about death of a parent. I began to talk to her and I think she started to understand what was really happening. We sat down and talked about it one night; I told her that her mother would probably not be coming back home to live with us—that she was extremely ill and she accepted it as much as a child could accept it. I really don't think she became aware of the fact that her mother was actually dead, until quite a while later. We were doing something that normally the three of us would do—I believe we were going to the mountains, and she started crying. We talked about why she was crying, and she told me that she missed her mom, and that was one of the first times that she actually explained to me why she missed her mom, that she was dead, and she was "stuck" with me. She has grown quite a bit since then; she has matured a lot; she accepted the fact that her mother is dead; she goes to the grave site with me—she is a little bit upset, but not extremely so.

Nancy's father lost his wife to cancer, and he still can't accept Nancy's death through cancer; he still takes it very very hard. We call each other every two weeks, and write letters back and forth. We have been down to see him at least a half dozen times—he is retiring this year, and can spend a lot more time with his granddaughter.

I think I would be in serious financial difficulty if it were not for the Hospice. The charge at the Hospice was about three fifths (3/5) the price of the hospital. She was there for 22 days. There is no way that I could have financially handled the hospital bill. My Blue Cross plan paid for the time in the Hospice. If it weren't for the Hospice, I would have had to take my wife back to the hospital—there was no other option—towards the end of her life, when she had to be on the oxygen continuously and the shots were coming so close together—the pain was bad—every hour/15 minutes to an hour. There is no way that I could have done this at home, or anywhere else. In the hospital, one of the biggest complaints she had was—when she was in pain, she pushed the buzzer for the nurse, they wouldn't come down—I kept a chart of all her shots—at one time, they were lagging well by a half an hour over the time period—and the shots were spaced pretty well apart—one hour/two hours, three hours, but I got the impression because she was dying, that they actually didn't want to associate—it's not one of the most pleasant things to be in a room with someone who is dying; the apprehensions, or whatever you feel. I do believe that one of the reasons why her medication was not always on time was because of this.

I know that Nancy thought a great deal of this place . . . she talked a lot about it. On her 32d birthday, she thought just of having her parents in. But her brothers and sisters, uncles and all of her family and the nurses brought a cake in and ice cream, a little wine and had a party for her. She was extremely pleased; she was even more pleased when everyone left except the staff, and she had some wine with them—she had a pretty good birthday—she really appreciated that.

I know that Nancy thought a great deal of this place . . . she talked a lot about it. The last thing she said was (it was her birthday) that she wanted a TNS unit donated to the Hospice—she told me to make sure I do that. She cared for this place . . . the Hospice did so much for her, she wanted to do something in return."●

By Mr. THURMOND (for himself and Mr. Goldwater):

Senate Joint Resolution 200. Joint resolution for the erection of an appropriate statue or other memorial in or near the Arlington National Cemetery to honor individuals who were combat glider pilots during World War II; to the Committee on Veterans' Affairs.

COMBAT GLIDER PILOT MEMORIAL

Mr. THURMOND. Mr. President, I rise to introduce a joint resolution to provide for the erection of an appropriate statue or other memorial in Arlington National Cemetery, or along the approach to Arlington National Cemetery, to honor individuals who were combat glider pilots during World War II. I am pleased that Senator Goldwater has joined me in sponsoring this legislation.

Mr. President, today there are approximately 1,500 survivors of the 6,000 combat glider pilots trained for action during World War II. Gliders were used to land men and material behind enemy lines during the airborne invasions of Sicily, Burma, Normandy, southern France, Holland, Luzon, and Wessel, Germany. Gliders were also used to resupply the surrounded 101st Airborne Division during that division's gallant defense of Bastogne. The casualty rate among these glider pilots was approximately 35 percent. The use of gliders in the Bastogne operation was one of the best kept secrets of World War II.

I think it is appropriate, therefore, that a memorial of some type be established in or along the approach to Arlington National Cemetery. The memorial need not be an expensive one, but merely one which pays proper tribute to these pilots and to the contributions and sacrifices they made for our Nation.

Under the provisions of this bill, the design, plans, and location of the statue or other memorial authorized shall be subject to the approval of the American Battle Monuments Commission, the National Capital Planning Commission, and the National Commission on Fine Arts.

Mr. President, I urge that the Senate give this resolution early consideration.

ADDITIONAL COSPONSORS

S. 274

At the request of Mr. Denton, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 274, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 434

At the request of Mr. D'Amato, the name of the Senator from Utah [Mr. Hatch] was added as a cosponsor of S. 434, a bill to extend the authorization of the Robert A. Taft Institute Assistance Act.

S. 1325

At the request of Mr. Glenn, the name of the Senator from North Dakota [Mr. Andrews] was added as a cosponsor of S. 1325, a bill to amend titles XVIII and XIX of the Social Security Act to require second opinions with respect to certain surgical procedures as a condition of payment under the Medicare and Medicaid programs.

S. 1393

At the request of Mr. Abdnor, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of S. 1393, a bill to provide for study of the use of unleaded fuel in agricultural machinery, and for other purposes.

S. 1451

At the request of Mr. Chafee, the names of the Senator from California [Mr. Cranston], the Senator from Maryland [Mr. Mathias], and the Senator from Oklahoma [Mr. Boren] were added as cosponsors of S. 1451, a bill to allocate funds appropriated to carry out section 103 of the Foreign Assistance Act of 1961 for nutrition programs which reduce vitamin A deficiency.

S. 1470

At the request of Mr. Humphrey, the names of the Senator from South Carolina [Mr. Thurmond], the Senator from North Dakota [Mr. Andrews], the Senator from Minnesota [Mr. Boschwitz], and the Senator from Oklahoma [Mr. Nickles] were added as cosponsors of S. 1470, a bill to require the Secretary of Health and Human Services to establish the National Adoption Information Clearinghouse.

S. 1478

At the request of Mr. Grassley, the names of the Senator from Mississippi [Mr. Stennis] and the Senator from Louisiana [Mr. Long] were added as cosponsors of S. 1478, a bill to amend section 2316 of the Deficit Reduction Act of 1984 to make the application of the revised wage index developed under that section prospective and to provide for periodic updating of that index.

S. 1489

At the request of Mr. Durenberger, the name of the Senator from Wisconsin [Mr. Proxmire] was added as a cosponsor of S. 1489, a bill to amend title XVIII of the Social Security Act with respect to the payment amount for ambulatory surgical procedures, and for other purposes.

S. 1513

At the request of Mr. Baucus, the name of the Senator from Texas [Mr. Bentsen] was added as a cosponsor of S. 1513, a bill to amend the Internal Revenue Code of 1954 to allow monthly deposits of payroll taxes for employers with monthly payroll tax payments under $5,000, and for other purposes.

S. 1565

At the request of Mr. Nickles, the name of the Senator from Kentucky [Mr. Ford] was added as a cosponsor of S. 1565, a bill to require the Secretary of Agriculture to conduct a study of alternatives for providing agricultural credit during the 1986 through 1989 fiscal years.

S. 1585

At the request of Mr. Mattingly, the names of the Senator from Illinois [Mr. Dixon] and the Senator from California [Mr. Wilson] were added as cosponsors of S. 1585, a bill to amend the Internal Revenue Code in order to clarify the right of cooperatives to net earnings and losses among patronage allocation units, and for other purposes.

SENATE JOINT RESOLUTION 34

At the request of Mr. Quayle, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of Senate Joint Resolution 34, a joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "National Children's Week."

SENATE JOINT RESOLUTION 132

At the request of Mr. Danforth, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of Senate Joint Resolution 132, a joint resolution designating October 1985, as "National Head Injury Awareness Month."

SENATE JOINT RESOLUTION 141

At the request of Mr. Sasser, the names of the Senator from Louisiana [Mr. Johnston], the Senator from Michigan [Mr. Levin], and the Senator from Mississippi [Mr. Cochran] were added as cosponsors of Senate Joint Resolution 141, a joint resolution to designate the week beginning May 18, 1986, as "National Tourism Week."

SENATE JOINT RESOLUTION 158

At the request of Mr. Murkowski, the names of the Senator from Maryland [Mr. Sarbanes], the Senator from Florida [Mrs. Hawkins], and the Senator from Alabama [Mr. Heflin] were added as cosponsors of Senate Joint Resolution 158, a joint resolution designating October 1985 as "National Community College Month."

SENATE JOINT RESOLUTION 159

At the request of Mr. Johnston, the names of the Senator from Pennsylvania [Mr. Heinz] and the Senator from Alabama [Mr. Heflin] were added as cosponsors of Senate Joint Resolution 159, a joint resolution to designate the rose as the national floral emblem.

SENATE JOINT RESOLUTION 181

At the request of Mrs. Hawkins, the names of the Senator from California [Mr. Cranston] and the Senator from Oregon [Mr. Packwood] were added as cosponsors of Senate Joint Resolution 181, a joint resolution to designate the week beginning September 1, 1985, as "National School-Age Child Care Awareness Week."

SENATE JOINT RESOLUTION 191

At the request of Mr. Bumpers, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of Senate Joint Resolution 191, a resolution to designate the month of October 1985 as "Learning Disabilities Awareness Month."

AMENDMENT NO. 577

At the request of Mr. Cranston, the names of the Senator from Massachusetts [Mr. Kerry] and the Senator from Rhode Island [Mr. Pell] were added as cosponsors of Amendment No. 577 intended to be proposed to S. 51, a bill to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act of 1980, and for other purposes.

AMENDMENT NO. 607

At the request of Mr. McClure, the name of the Senator from New Mexico [Mr. Domenici] was added as a cosponsor of Amendment No. 607 proposed to S. 1200, a bill to amend the Immigration and Nationality Act to effectively control unauthorized immigration into the United States, and for other purposes.

AMENDMENT NO. 618

At the request of Mr. Symms, the names of the Senator from Utah [Mr. Garn] and the Senator from North Carolina [Mr. Helms] were added as cosponsors of Amendment No. 618 proposed to S. 1200, a bill to amend the Immigration and Nationality Act to effectively control unauthorized immigration into the United States, and for other purposes.

SENATE RESOLUTION 221—RELATING TO TRADE DEFICITS OF THE UNITED STATES

Mrs. HAWKINS submitted the following resolution; which was referred to the Committee on Finance:

S. Res. 221

Whereas billions of dollars in market opportunities for United States businesses are lost because of the unfair and unreasonable trading practices of other trading Nations;

Whereas unfair trade practices have significant impact on domestic employment and growth;

Whereas throughout the world countless subsidies and nontariff barriers to trade undermine the efforts of our most competitive companies in agriculture, steel, high-technology goods, communications, services, pharmaceuticals, and numerous other markets to sell abroad, although foreign Nations have access to our markets;

Whereas numerous efforts to achieve both multilateral and bilateral agreements to open foreign markets to American products and services have not produced adequate remedies to our trade problems;

Whereas current trends in our balance of trade indicate that our trade deficit will continue to increase in the future over the current record levels;

Whereas an effective trade policy can be established only through the achievement of consensus on the relevant issues, a consensus which does not currently exist on the issue of international trade; and

Whereas the President needs to take immediate action to rebuild the consensus on the issue of international trade: Now, therefore, be it

Resolved, That (a) it is the sense of the Senate that—

(1) the President of the United States should establish a National Commission on International Trade Policy to study the scope and impact of the trade imbalance and to make recommendations for establishing a new consensus for our long-term trade policy;

(2) the membership of the Commission should be chosen by the President from members of the private sector and government who are experts on the issues of international trade;

(3) the President should establish the National Commission on International Trade Policy not later than January 1, 1986; and

(4) the Commission should report its findings and recommendations to the President not later than January 1, 1987.

(b) The Secretary of the Senate shall transmit a copy of this resolution to the President.

Mrs. HAWKINS. Mr. President, every Member of this body is aware of the current crisis facing our economy in the form of the unprecedented trade deficits that we have been running in recent years. Last year's trade deficit amounted to $130 billion. In individual sectors of the economy the trade deficit has created dislocation and unemployment. For example, the shoe industry, the textile industry, the timber industry, the automobile industry, and the wine industry have all asked for relief from imports during the last few years.

The pressures the unprecedented foreign trade deficit has brought upon our domestic economy have resulted in the destruction of the consensus that use to exist on issues related to international trade. Criticisms have been expressed about many aspects of our trade policy. These criticisms include complaints about the system for resolving trade grievances, our negotiating tactics with foreign nations, and of the international trade structure under the General Agreement on Tariffs and Trade [GATT]. I am sure that my colleagues are familiar with these complaints because they have heard them from their constituents just as I have during the recess in August.

The cumulative effect of these complaints about the trade deficit have resulted in a determination in the Congress that we should address the problems facing us in international trade. The President has expressed his willingness to address these pressing questions, as well. I hope that the immediate effort to resolve the current balance-of-trade deficit will prove successful without undermining our goals for developing a long-term trade policy that will have universal support. This long-term policy should not allow the events of recent years to recur.

Thus, Mr. President, I am introducing a sense-of-the-Senate resolution urging the President to establish a National Commission on International Trade Policy. My resolution leaves considerable discretion to the President to determine the design and membership of the Commission. I hope that the President would announce the formation of the Commission before the end of this year and that the Commission would report its findings and recommendations to the President before the end of next year. I believe that this is the shortest possible time that we can expect to have such a commission study and report on such a complex subject as international trade. The goal of the Commission should be to submit a proposal that will rebuild the consensus that used to exist on the issue of international trade. The recommendation should be forward looking and take into account the interests of all sectors of our economy. It is only through this kind of long-term, consensus-building approach that we can develop a trade policy that will serve us well in the years to come after we resolve the immediate crisis and prevent the recurrence of this imbalance in our trade accounts. I hope that President Reagan and my colleagues in the Senate will give this resolution their highest consideration as we move forward with our discussions on the questions of international trade.

AMENDMENTS SUBMITTED

IMMIGRATION CONTROL ACT

SYMMS AMENDMENT NO. 619

Mr. SYMMS (for himself, Mr. Garn, Mr. Helms, Mr. Hecht, Mr. Trible, and Mr. Goldwater) proposed an amendment to amendment No. 618 proposed by him to the bill (S. 1200) to amend the Immigration and Nationality Act to effectively control unauthorized immigration to the United States, and for other purposes; as follows:

Add at the end of the Symms amendment numbered 618 the following additional section:

"Sec. . Congress declares that the Monroe Doctrine should be and is the national policy of the United States of America."

SIMON AMENDMENT NO. 620

Mr. SIMON proposed an amendment to the bill S. 1200, supra; as follows:

On page 123, after line 19, insert the following:

"Sec. 406. Presidential Authority To Delay Portions of Act After Consultation With President of Mexico.—(a) The President, after consultation with the President of the Republic of Mexico, may suspend any or all portions of this Act for not longer than 90 days, if the President believes it would be in the interest of either or both countries to postpone enactment of such provisions."

SIMON AMENDMENT NO. 621

Mr. SIMON proposed an amendment to the bill S. 1200, supra; as follows:

At the end of the bill, add the following:

TITLE IV—IMMIGRATION EXCLUSION AMENDMENTS ACT OF 1985

SHORT TITLE

Sec. 601. This title may be cited as the "Immigration Exclusion Amendments Act of 1985".

REVISION OF GROUNDS FOR EXCLUSION

Sec. 602. (a) Section 212 of the Immigration and Nationality Act (8 U.S.C. 1182) is amended by adding at the end thereof the following:

"(m) Any alien who is seeking to be issued a visa as a nonimmigrant alien described in section 101(a)(15) and who a consular officer or the Attorney General knows, or has reasonable grounds to believe, is likely to engage after entry into the United States in—

"(A) any activity which is prohibited by the laws of the United States relating to espionage or sabotage,

"(B) any other criminal activity which endangers public safety or national security, including any activity that has as a purpose of forceful, violent, or unconstitutional opposition to, or overthrow of, the Government of the United States, or

"(C) any terrorist activity, shall be ineligible to receive such a visa and shall be excluded from admission into the United States.".

(b) Section 101(a) of such Act (8 U.S.C. 1101) is amended by adding at the end thereof the following new paragraph:

"(43 The term 'terrorist activity' means organizing, abetting, or participating in a wanton or indiscriminate act of violence with indifference to the risk of causing death or serious bodily injury to individuals not taking part in armed hostilities.".

(c) Section 212 as amended by subsection (a) is further amended by the following:

"(n) Notwithstanding any other provision of this Act, no one shall be denied a nonimmigrant visa because of his or her lawful political beliefs, activities, or associations."

On page 2, at the end of the table of contents, add the following:

TITLE VI—IMMIGRATION EXCLUSION AMENDMENTS ACT OF 1985

Sec. 601. Short title.
Sec. 602. Revision of grounds for exclusion.

HAWKINS AMENDMENT NO. 622

Mr. HEINZ (for Mrs. Hawkins) proposed an amendment to the bill S. 1200, supra; as follows:

On page 125, after line 23, add the following:

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. POLICY AND FINDINGS.

HEINZ (AND OTHERS) AMENDMENT NO. 623

Mr. HEINZ (for himself, Mrs. Hawkins, Mr. Specter, Mr. Sasser, Mr. Abdnor, Mr. Andrews, Mr. Denton, Mr. Riegle, Mr. DeConcini, and Mr. Wilson) proposed an amendment to amendment No. 622 proposed by Mr. Heinz (for Mrs. Hawkins) to the bill S. 1200, supra; as follows:

In the pending amendment, strike the words

"SEC. 601. POLICY AND FINDINGS"

and add in lieu thereof the following:

SEC. 601. POLICY TOWARD SOCIAL SECURITY TRUST FUNDS.

(A) Findings.—The Congress finds that—

(1) public confidence in the Social Security system has been undermined by the acrimonious debates over deficit reduction;

(2) including Social Security Trust Funds in the Unified Federal Budget masks the true size of the federal deficit;

(3) Social Security is wholly funded by a separate payroll tax, is running a surplus, and does not contribute to the federal deficit;

(4) it is time to protect the integrity of both the Social Security program and the federal budget process by separating the two; and

(5) removing Social Security Trust Funds from the Unified Federal Budget will enable Congress to proceed with the responsibility of solving our massive budget deficit.

(B) Policy.—It is the sense of the Senate that the Congress should separate the Social Security Trust Fund from the Unified Federal Budget at the earliest possible date.

Further, it is the sense of the Senate that regardless of the budgetary treatment of any Federal program, to address fiscal policy, Congressional and Presidential budget documents may, in addition to Unified Federal Budget totals, include total national levels of taxation, spending, and indebtedness.

D'AMATO (AND OTHERS) AMENDMENT NO. 624

Mr. D'AMATO (for himself, Mr. Hatch, Mrs. Hawkins, Mr. Chiles, Mr. Moynihan, Mr. Wilson, Mr. Johnston, Mr. Bentsen, Mr. Lautenberg, Mr. Murkowski, Mr. Pressler, Mr. Specter, Mr. Inouye, Mr. Boren, Mr. Cranston, and Mr. Simon) proposed an amendment to the bill S. 1200, supra; as follows:

At the appropriate place insert:

Sec. . (a) The Attorney General shall reimburse a State for the costs incurred by such State for the imprisonment of any illegal alien or Marielito Cuban who is convicted of a felony by such State.

(b) An illegal alien referred to in subsection (a) is any alien convicted of a felony who is in the United States unlawfully and—

(i) whose most recent entry into the United States was without inspection, or

(ii) whose most recent admission to the United States was a nonimmigrant but—

(A) whose period of unauthorized stay as a nonimmigrant expired, or

(B) whose unlawful status was known to the Government,

before the date of the commission of the crime for which the imprisonment was imposed.

(c) A Marielito Cuban convicted of a felony referred to in subsection (a) is a national of Cuba who—

(i) was allowed by the Attorney General to enter the United States in 1980,

(ii) after such entry committed any violation of State law for which a term of imprisonment was imposed, and

(iii) at the time of such entry and such violation was not an alien lawfully admitted to the United States—

(A) for permanent residence, or

(B) under the terms of an immigrant visa or a nonimmigrant visa issued,

under the laws of the United States.

(d) There are authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

(e) This amendment shall become effective on October 1, 1985.

SIMON AMENDMENT NO. 625

Mr. SIMON proposed an amendment to the bill S. 1200, supra; as follows:

On page 123, after line 19, insert the following:

"SEC. 406. SENSE OF THE CONGRESS.

"It is the sense of the Congress that the President of the United States should consult with the President of the Republic of Mexico within 90 days after enactment of this act regarding the implementation of this Act and its possible effect on the United States or Mexico. After the consultation, it is the sense of the Congress that the President should report to the Congress any legislative or administrative changes that may be necessary as a result of the consultation and the enactment of this legislation."

WILSON AMENDMENT NO. 626

(Ordered to lie on the table.)

Mr. WILSON submitted an amendment intended to be proposed by him to the bill S. 1200, supra; as follows:

On page 93, line 12, strike out "three" and insert in lieu thereof "six".

On page 95, line 9, strike out "three" and insert in lieu thereof "six".

Beginning on page 96, line 5, strike out "Any" and all that follows through "made." on line 8 and insert in lieu thereof the following: "Any amount paid to a State for any of the following fiscal years and remaining unobligated at the end of such year shall remain available to such State for the purposes for which it was made, as follows: Amounts appropriated for the first, second, third, fourth, and fifth fiscal years, as described in subsection (a), shall remain available for the next five, four, three, two, and one fiscal years thereafter, respectively.".

ADDITIONAL STATEMENTS

WEEKLY BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for the week of September 9, 1985, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act.

The material follows:

U.S. Congress,
Congressional Budget Office,
Washington, DC., September 16, 1985.

Hon. Pete V. Domenici,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The attached report shows the effects of Congressional action on the budget for fiscal years 1985 and 1986. The estimated total of budget authority, outlays, and revenues for each fiscal year are also compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current though September 13, 1985. The report is submitted under section 308(b) and in aid of Section 311(b) of the Congressional Budget Act.

No changes have occurred since my last report.

With best wishes,
Sincerely,

James Blum
(For Rudolph G. Penner).

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONG., 1st SESS. AS OF SEPT. 13, 1985

[In billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
FISCAL YEAR 1985				
Current level [1]	1,062.2	946.4	736.5	1,823.8
Budget resolution S. Con. Res. 32	1,062.1	946.3	736.5	[2] 1,847.8
Current level is:				
Over resolution by	.1	.1		
Under resolution by			([3])	24.0
FISCAL YEAR 1986				
Current level [1]	618.9	719.4	792.8	1,823.8
Budget resolution S. Con. Res. 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by				
Under resolution by	450.8	248.2	2.9	255.0

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[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlements or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. Thus, savings from reconciliation action assumed in S. Con. Res. 32 will not be included until Congress sends the legislation to the President for his approval. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $1,823,800,000,000.

[3] Less than $50,000,000

SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONG., 1ST SESS., AS OF SEPT. 13, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
FISCAL YEAR 1985			
I. Enacted in previous sessions:			
Revenues			736,650
Permanent appropriations and trust funds	686,253	607,885	
Other appropriations	542,981	516,642	
Offsetting receipts	−182,025	−182,025	
Total, enacted in previous sessions	1,047,209	942,502	736,650
II. Enacted this session:			
Famine relief and recovery in Africa (Public Law 99–10)	784	[illegible]	
Appropriations for the MX missile (Public Law 99–18)		79	
Agriculture supplemental appropriation (Public Law 99–71)	[illegible]		
Federal supplemental compensation phaseout (Public Law 99–15)	[illegible]	[illegible]	
Statue of Liberty—Ellis Island Coin Act (Public Law 99–61)	18	16	
Contemporaneous recordkeeping repeal bill (Public Law 99–44)			−150
United States-Israel Free Trade Act (Public Law 99–47)			([1])
State Department authorization (Public Law 99–93)			−1
Supplemental appropriations bill (Public Law 99–88)	(13,029)	(3,369)	
Offsetting receipts	(−48)	(−48)	
Bill total	12,981	3,321	
Total, enacted this session	14,943	[illegible]	−151
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action			
Total, current level as of Sept. 13, 1985	1,062,152	946,368	736,499
1985 budget resolution (S. Con. Res. 32)	1,062,100	946,300	736,500
Current level is:			
Over budget resolution	52	68	
Under budget resolution			1
FISCAL YEAR 1986			
I. Enacted in previous sessions:			
Revenues			792,800
Permanent appropriations and trust funds	717,652	631,009	
Other appropriations		185,348	
Offsetting receipts	−162,006	−162,006	
Total, enacted in previous sessions	555,645	654,351	792,800
II. Enacted this session:			
Appropriations for the MX missile (Public Law 99–18)		368	
Famine relief and recovery in Africa (Public Law 99–10)		421	
Statue of Liberty—Ellis Island Coin Act (Public Law 99–61)	−15	31	
Contemporaneous recordkeeping repeal bill (Public Law 99–44)			13
United States-Israel Free Trade Act (Public Law 99–47)			−8
State Department authorization (Public Law 99–93)			2
Supplement appropriations bill (Public Law 99–88)	36	3,138	
International Security and Development Cooperation Act (Public Law 99–83)	−25	−25	
Federal supplemental compensation phaseout (Public Law 99–15)			10
Total, enacted this session	−4	3,932	17
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			

SUPPORTING DETAILS FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONG., 1ST SESS., AS OF SEPT. 13, 1985—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Payment to the [illegible] retirement fund	110	110	
Claims, Defense	165	161	
Payment to the Foreign Service retirement trust fund [2]	(161)	(161)	
National forest system	64	52	
Range improvements	10	7	
BLM Miscellaneous trust fund	([1])	([1])	
Payments to air carriers, DOT	54	50	
Retired pay—Coast Guard	352	318	
Maritime, operating-differential subsidies		303	
BIA Miscellaneous trust funds	4	4	
Social services block grant	2,700	2,700	
Family social services	550	550	
Guaranteed student loans	3,267	2,606	
Higher education facilities loans and insurance	18		
Government payment for annuitants	1,606	1,448	
Retirement pay for PHS officers	84	78	
Medicaid	17,910	17,579	
Medical facilities guarantee and loan fund	25		
Payments to health care trust funds [2]	(19,761)	(19,761)	
Special Milk Program	12	7	
Child nutrition programs	4,059	4,030	
Federal unemployment benefits and allowances	75	74	
Advances to the unemployment trust fund [2]	(516)	(516)	
Special benefits (general retirement and Federal employee retirement)	260	250	
Black lung disability trust fund	1,035	1,035	
Supplemental security income	7,587	7,587	
Special benefits for disabled coal miners	752	752	
Assistance payments	6,783	6,783	
Child support enforcement	436	436	
Payments to social security trust funds [2]	(497)	(497)	
Veterans insurance and indemnities	10	9	
Veterans readjustment benefits	1,006	963	
Veterans compensation	10,076	9,260	
Veterans pensions	3,951	3,631	
Veterans burial benefits	144	144	
Salaries of judges	82	81	
Fees and expenses of witnesses	42	32	
Compensation of the President	([1])	([1])	
Payment to the civil service retirement trust fund [2]	(4,621)	(4,621)	
National wildlife refuge fund	6	6	
General revenue sharing [2]	(4,567)	(4,567)	
Total, entitlements	63,235	61,070	
Total, current level as of Sept. 13, 1985	618,877	719,353	792,817
1986 budget resolution (S. Con. Res. 32)	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution			
Under budget resolution	450,823	248,247	2,883

[1] Less than $500,000

[2] Interfund transactions do not add to budget totals.

Note: Numbers may not add due to rounding.●

ACID RAIN

● Mr. CHAFEE. Mr. President, the September 14, 1985, edition of the Washington Post gave us another grim reminder of the damage caused by acid rain. In an op-ed article entitled "The Continuing Scourge of Acid Rain" the author, Mr. Coleman McCarthy, pointed out the devastating effects this pollution has had on the waters of my State of Rhode Island. For the last two Congresses the Environment and Public Works Committee, on which I serve, has reported legislation that drastically cuts emissions of sulfur dioxide which causes acid rain. Both bills have been stopped on the Senate floor by those who believe these sulfur dioxide controls will cause massive unemployment in the high-sulfur coal fields and increased electricity rates in the Midwest where much of the SO_2 is emitted.

Mr. President, the acid rain problem is only getting worse. When our committee again considers the reauthorization of the Clean Air Act later in this session we must redouble our efforts to develop legislation that will put a stop to this most serious environmental problem. At this point I ask to insert the article in the RECORD.

The article follows:

THE CONTINUING SCOURGE OF ACID RAIN

(By Colman McCarthy)

CHARLESTOWN, RI.—For Kenneth Borst, waterways like the Perry Healy Brook are where he would rather fish for trout than for facts. The brook courses through a viridescent woodland about a mile north of the Atlantic coast in an area of beauty that has been home to the Narragansett tribe for centuries. Acid rain is destroying Perry Healy Brook.

Late the other afternoon, Borst, a professor of chemistry at Rhode Island College for the past 22 years, took a visitor a hundred yards off a backwoods road to a bend in the brook. A fallen log extended across the five feet of water. In his hand, Borst held a chartbook in which one page was devoted to the acidification findings of a citizen who monitors the brook.

For the past year, Borst has been the leader of an environmental project that regularly samples water from 38 streams and ponds in Rhode Island. Two of the 38 are acid dead. Eleven, including Perry Healy, are critical. Nineteen are endangered.

Borst, a fisherman who throws back his trout "because they are too valuable to be caught only once," lingers in the woods to talk about the scourge of acid rain: "Looking at this from a Rhode Island point of view, we're being dumped on, in plain language. Ohio is the principal culprit. Its plants are the biggest supplier of acid rain here. It would be nice if we could say, 'Ohio, clean up your dirt,' but it won't happen. The utilities and lobbies will cry that it's too costly."

The cry has been heard for years. So has another one: More study is needed. Borst and his volunteers took that to heart by taking to the woods. They learned locally what has been well documented nationally—that acid rain, which is mostly oxides of sulfur and nitrogen, is a threat that is getting worse each year.

It isn't only waterways and forests. A new study from the Environmental Protection Agency and the Army Corps of Engineers reports that acid rain is corroding buildings. It found that about $5 billion worth of structural damage in 17 states occurs annually.

Last October President Reagan promised to "continue as fast as we can with research" on acid rain. Speediness isn't needed. The research was on hand when Reagan came to office. It was in 1980 that the public began learning about acid rain from the studies done in the 1970s. Five years ago, the Adirondacks of New York were a disaster area of lakes turned sterile by acid rain. Part of the reaction then was: what's the uproar? It's only a few fish. That echoed the line from the oil spills of the 1970s: it's only birds.

The devastation of acid rain begins with the killing of algae and plankton, natural fish foods. The fish are food for such wildlife as otter, mink and waterfowl. While the fish die and the animals starve, tree and crop growth are slowed. And now, with buildings being damaged, the question is, what's next?

Clean air, once thought to be free like the moon and stars, is now known to be costly beyond anyone's earlier estimates. In 1980, the Audubon Society of Rhode Island pledged to "insist that the controls on acid-emitting industries be tightened, and understand that there will be continuing economic price for this. It is not, and will not be, easy to convince most people that anything is happening when they can't see it and the industrial and job market is immediately affected by controls."

Congress is among the unconvinced. In this session, two acid-rain control bills were introduced in the Senate and House. One required that sulfur-dioxide emissions be reduced by 10 million tons over a 10-year period, the other by 8 million. Both bills were defeated. Enough acid can be found in streams of Rhode Island to load batteries of every limousine on Capitol Hill, but the political power of the utilities remains greater than that of the environmentalists.

In the courts, six northeastern states brought suit against EPA to require polluting states to reduce their emissions. The Clean Air Act taken lightly by EPA, provides relief for states wanting to protect themselves from pollution that floats in crosswind. In late July, a Federal judge ordered the agency to obey the law.

The news this summer is the confirmation that acid rain isn't only a curse on New England. Lakes in the Rockies, Sierras and Cascades have been declared vulnerable to poisonous emissions from smelters up to 600 miles away. Florida's lakes were found to have high acidity.

None of that surprises Prof. Borst. He has been saying all along that the expenses of stopping acid rain must be shared by the whole nation. Tiny Rhode Island, the worst hit, ought to be among the first to get relief.●

ORDER OF PROCEDURE ON TUESDAY

Mr. SIMPSON. Mr. President, having conferred previously with the Democratic leader, I ask unanimous consent that, at the hour of 10 a.m., on Tuesday, September 17, the Senate begin consideration of S. 51, Superfund, for the purpose of debate only. I further ask unanimous consent that the Senate then stand in recess between the hours of 12 noon and 2 p.m. on Tuesday, September 17, 1985.

Mr. BYRD. Mr. President, reserving the right to object, and I will not object, the control of the time on the amendments specificated would be in accordance with the usual form, I would assume.

Mr. SIMPSON. Mr. President, the control, is the Senator referring to the manager's control of the amendment in the discussion?

Mr. BYRD. The authors of the amendments and the manager, if the manager is opposed.

Mr. SIMPSON. Mr. President, yes.

The PRESIDING OFFICER. Is there further reservation?

Mr. BYRD. I remove my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that once the Senate completes its business today, it stand in recess until the hour of 9 a.m., on Tuesday, September 17, 1985.

I further ask unanimous consent that, following the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senator PROXMIRE and Senator HART.

Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m., with statements limited therein to 5 minutes each.

By unanimous consent, at 10 a.m., the Senate will begin 2 hours of debate on S. 51, Superfund. The Senate will stand in recess between the hours of 12 noon and 2 p.m. on Tuesday for the weekly party caucus and luncheon.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, it is understood that the last two sentences are not a part of the request.

Mr. SIMPSON. I have not propounded those, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. For purposes of information, under the previous unanimous-consent order, we will go into the debate with the five rollcall votes in relation to S. 1200, the immigration bill, to occur in the sequence ordered. Additional rollcall votes can be expected throughout Tuesday's session.

I wish to thank very much the Democratic leader for his help and assistance in reaching this accommodation. A little bit of acceleration is deeply appreciated by the managers on both sides of the aisle. I thank the Senator very much.

Mr. BYRD. Mr. President, the distinguished Senator is welcome. I am happy to be able to cooperate.

RECESS UNTIL 9 A.M. TOMORROW

Mr. SIMPSON. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 9 a.m. tomorrow.

The motion was agreed to, and at 6:39 p.m., the Senate recessed until tomorrow, Tuesday, September 17, 1985, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate September 16, 1985:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

William Robert Graham, of California, to be Deputy Administrator of the National Aeronautics and Space Administration, vice Hans Michael Mark, resigned.

COMMUNICATIONS SATELLITE CORPORATION

Michael A. McManus, Jr., of New York, to be a Member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1987, vice Robert M. Garrick, term expired.

IN THE COAST GUARD

The following Reserve officers of the U.S. Coast Guard to be permanent commissioned officers in the grade of lieutenant:

Thomas P. Vieten
David L. Maxson
Ronald V. Blake
Thomas A. Messeder, Jr.
Charles W. Holman
Gary E. Dahmen
Debra K. McCulloch

The following Regular officers to be members of the permanent commissioned teaching staff of the Coast Guard Academy as instructors in the grades indicated:

To be lieutenant commander

Leonard J. Kelly
Joseph B. Egan

To be lieutenant

Robert J. Fuller

The following-named officer to be a permanent commissioned officer in the Coast Guard in the grade of chief warrant officer, W3, having been found fit for duty while on the temporary disability retired list:

Neal D. Shadix

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, section 624:

CHAPLAIN

To be lieutenant colonel

Abramowitz, Marc A., 125-36-3547
Adams, Richard L., 560-56-4711
Axelrod, Harold, 092-34-1284
Colbert, Douglass C., 472-36-9227
Cottingham, John G., 244-74-5810
Davis, Charles J., 097-24-7418
Davis, Kenneth K., 244-58-5380
Flaska, John A., Jr., 585-10-3896
Gleaton, Cal D., 248-66-4027
Goodwillie, David H., 044-32-4494
Guerra, Joseph L., 549-54-2074
Hanson, Eugene R., 390-34-6203
Hufham, William L., 243-64-8695
Imberi, Anthony M., 474-44-9590
Jagielski, James J., 385-42-6940
Kohn, Homer L., 321-34-2297
Lincoln, John F., 027-22-2065
Malley, John C., 185-16-0615
McRoberts, Marvin A., 289-30-3243
Mumper, Edward J., 360-26-3002
Naughton, Thomas J, 019-26-9601
Parker, Wilbur D., 428-66-2708
Saddler, Jesse G., 414-64-2620
Samsa, Bertin L., 384-28-8285
Sanford, Gary T., 476-48-9321
Seifried, Kenneth A., 482-44-0210
Simeone, Francis P., 207-44-6794
Sirotko, Theodore F., 377-34-8205
Smith, Frederick C., 268-38-9153
Smith, Gerald H., 428-78-9635
Spiegel, Robert H., 479-44-7521
Stevens, Raburn L., 450-50-4388
Sydnor, Calvin H., III, 153-30-7697
Tarbet, Robert M., Jr., 456-58-5077
Wedel, Larry R., 446-40-8662
Wiens, Curtis J., 503-48-6556
Wilkins, Lafayette T., Jr., 224-44-8401

JUDGE ADVOCATE GENERAL'S CORPS

To be lieutenant colonel

Altenburg, John D., Jr., 268-40-6387
Byler, Charles A., 562-60-1192
Canner, Demmon F., 572-68-9080
Casida, Gary V., 524-56-7735
Dean, Larry R., 425-92-2167
Denny, Michael C., 547-64-5909
Edlefsen, Gregory L., 470-48-2279
Elliott, Harold W., 247-84-9060
Gasperini, Richard H., 523-66-7057
Gonzales, Robert F., 467-84-4340
Greenhaugh, John C., 222-32-2872
Hansen, Donald L., 508-60-6612
Hennessey, David L., Jr., 020-36-3038
Hiltbrand, Lance K., 302-38-3229
Hough, Richard J., 469-52-7227
Jackson, Robert H., Jr., 425-92-7850
Jackson, Robert T., Jr., 367-50-1664
Kirk, William C., 288-42-7649
Meixell, John T., 447-48-5923
Murphy, James J., 263-82-6223
Newberry, Robert D., 483-54-3417
Norton, James M., 352-40-1112
OBrien, Kevin E., 036-30-0119
Osgard, James L., 224-70-1209
Ott, Robert M., 224-70-8764
Porter, Steven M., 461-60-3278
Ramsey, William B., 452-84-9583
Rosenblatt, James H., 426-96-1433
Shull, David A., 266-76-9767
Smith, James J., 507-52-8345
Smith, Paul C., 176-38-0909
Tyrrell, John P., 045-38-9163
Ward, Lawrence M., 205-38-9931
Williams, Larry D., 430-80-3788
Youmans, Robert A., 449-88-8220

MEDICAL CORPS

To be lieutenant colonel

Adnot, John, 266-96-5161
Allen, Robert C., 436-68-1314
Atkins, James L., 172-40-8161
Baens, Hector S., 084-32-7993
Baldwin, Phillip E., 248-86-9300
Bantz, Eric W., 133-42-2212
Barnhill, Danny R., 258-82-4447
Baskin, Toney W., 433-76-4856
Brown, Carl D., 441-48-9363
Broyles, Richard L., 481-64-6015
Byrne, William R., 226-72-7064
Chaffin, Jack C., Jr., 378-60-7161
Condos, William R., Jr., 240-72-9619
Copeland, Randolph L., 509-52-5462
Cragun, William H., 570-72-1676
Davila, Ricardo, 455-68-8196
Dean, Ward, 566-60-2485
Dempsey, Glenn B., 149-40-1881
Derderian, Sarkis S., 386-50-6540
Dice, William H., 297-42-8506
Donnerstein, Richard L., 265-62-4309
Douglas, Benjamin, 239-84-6053
Engler, Renata J., 557-84-1441
Faleski, Edward J., 158-34-7423
Fallon, William F., Jr., 031-40-9130
Fitzpatrick, James E., 216-54-6603
Frumkin, Kenneth, 193-36-1538
Galang, Juliana I., 055-52-0648
Gatrell, Cloyd B., 521-62-9254
Geer, Michael R., 237-76-8388
George, Christopher B., 267-86-6624
Gordon, Richard E., 577-62-7861

Griffith, James C., 219-40-4591
Guzman, Hector R., 223-92-1534
Harper, Michael G., 433-70-6451
Harrison, Shannon M., 459-74-5695
Harris, Albin W., 215-52-0815
Hayslip, Clifford C., Jr., 251-94-4266
Heffess, Clara S., 224-96-6385
Holland, John C., 522-66-1757
Hollis, Harris W., Jr., 250-86-3602
Hollsten, Donald A., Jr., 469-64-6151
Hoover, David L., 577-64-6466
Ibrahim, Nadia M., 367-64-3643
Jackson, Michael H., 509-48-4062
Jenkin, Frederick D., 359-38-4250
Jennings, Stephen A., 234-74-4064
Johnson, James F., III, 579-56-2333
Johson, Robert M., 386-42-1615
Jones, Gary C., 527-78-6041
Jones, Robert E., 529-72-9664
Kaup, Danny P., 511-56-8511
Keeling, James H., III, 411-86-2416
Kirkwood, Alfred J., 550-76-0203
Knight, James A., 139-38-0454
Koo, Cha O., 143-54-8061
Kunath, Arthur M., 292-48-9587
Lane, Richard J., 261-76-9021
LaPorta, Anthony J., 399-50-6687
Law, Eleanor S., 258-86-7180
Lee, Kenneth A., 184-42-0885
Lin, Ernie E., 122-52-0266
Madan, Shireen A., 041-64-4815
Maroldo, Thomas V., 130-40-9566
Marsella, Richard C., 020-30-0421
McBride, Dane C., 238-78-1994
McCarty, Joseph P., 429-96-7424
McGuinness, John P., 065-42-5659
McMurdo, Strathmore K., Jr., 225-64-7201
Mena, Hernando, 219-76-4363
Mendenhall, Milton T., 212-58-4383
Miller, Ivan L., Jr., 210-40-2011
Mobley, William C., 508-60-3903
Moffett, Paul M., 305-48-9497
Mohr, Lawrence C., Jr., 050-38-7535
Moody, Joe M., Jr., 464-76-2881
Moore, David W., 307-44-4921
Moore, John J., Jr., 065-38-4254
Moritz, Dennis M., 333-36-4119
Mork, Thomas J., 469-56-9986
Morton, Berry E., II, 312-44-8780
Mueller, Edward, J., 275-44-1125
Nash, William C., 494-50-3463
Nguyen, Duong, 586-40-7806
Oleshansky, Marvin, 367-46-5717
Orourke, Timothy J., 383-54-9882
Owens, Brian D., 173-36-0179
Parker, Allan L., 519-56-8620
Parker, James W., 461-86-6693
Patterson, Harlan S., 254-80-1039
Patterson, John H., Jr., 257-68-5769
Powers, John M., 093-44-8223
Rahman, Muhammad S., 220-80-8042
Raible, Steven J., 296-44-7530
Rajagopal, Krishnan R., 151-60-7202
Rajashekara, Sulukunte N., 012-54-4047
Ramirez, Manuel F., 583-42-3397
Ranlett, Robert D., 115-42-1488
Redd, Richard A., 543-60-9764
Reyna, Troy M., 457-94-5084
Rosavazquez, Cesar, Jr., 583-44-9235
Russell, Henry P., 430-90-1864
Sanders, Leonard R., 572-72-9194
Schoomaker, Eric B., 444-50-8284
Schoonover, Edwin D., 351-36-0352
Shanahan, Dennis F., 547-88-6620
Shemonsky, Natalie K., 040-26-6988
Skoog, Steven J., 544-60-4015
Smith, Kathleen J., 484-58-7353
Snyder, Bruce A., 246-74-1760
Stallings, Roosevelt J., 248-86-6525
Stanton, Robert P., 452-82-0421
Strampel, William D., 366-46-7411
Strand, Jens A., 501-48-8373
Sweet, Brian R., 567-60-7144
Taylor, Richard J., 006-44-8695
Thomassen, Thom S., 377-52-0010
Thompson, Andrew M., 430-92-8593
Traylor, Michael T., 454-88-9720
Vandam, Bruce E., 550-78-3392
Weber, Patricia L., 562-46-0584
Weisbrod, Howard G., 189-40-1648
Weisman, Idelle M., 116-40-7484
West, Sterling G., 266-92-7120
Whitehead, Myron E., 544-66-8167
Woodford, Carroll S., 218-48-4039
Wynder, Steven G., 304-58-9991
Zaloznik, Arlene J., 163-38-2851
Zarinczuk, James, 276-74-5009
Zielinski, Henry J., 145-42-9671

DENTAL CORPS

To be lieutenant colonel

Austin, Melvin J., 223-54-8055
Bondra, Daniel L., 274-46-6624
Bryant, Arthur W., 271-48-0763
Cheek, Dalmer D., Jr., 575-54-2288
Deleon, Eladio, Jr., 403-76-8595
Donnelly, Jerome C., 522-54-5986
Evans, John R., 215-50-5106
Holt, Craig W., 355-34-6096
Klos, Chester P., 336-40-6469
Linguiti, Wayne M., 184-40-9264
Oneal, John R., 214-52-5937
Robinson, Davis S., 001-40-1233
Rudd, Jimmie G., 401-62-4794
Slominski, Martin W., 120-38-7288
Smith, David W., 540-52-3813
Thaler, Melvin N., 504-54-0879
Thompson, James R., 403-54-3358
Whigham, Rebecca E., 414-86-4893
Whitsitt, John A., 464-70-4674
Woodard, Thomas, 223-58-7658

EXTENSIONS OF REMARKS

LET'S STOP THE FLOOD OF HI-TECH TO THE COMMUNISTS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 13, 1985

Mr. BROOMFIELD. Mr. Speaker, for many years, America has been telling our European allies that sensitive Western technology was routinely being diverted to the Eastern bloc. Finally, our friends are waking up to this reality. A series of spy scandals in Europe convinced them that the bloc was actively collecting Western technology. As the following article reveals, our allies are now deeply concerned about the hemorrhage of sensitive military relevant technology that is flowing to the East.

Over the years, America has applied pressure on our allies regarding this technology problem. We have urged stricter controls and limitation of technology transfer to the East.

We urged our allies to help us retain the West's edge over the East in research and innovation. We must never forget that technology has both civil and military purposes. We must always remember that economic relations with the East must be compatible with the security interests of the alliance.

Sad but true, commercial greed and negligence, in dealing with the security interests of the West, have been the stimulus for some of this illegal technology transfer.

While Cocom is doing a good job in restricting technology transfer, we must always do more. Already, the KGB and East bloc intelligence services are more aggressively collecting technology.

We must work together with our allies to tighten the control of sensitive technologies which could strengthen the Eastern industrial base and benefit the Soviet military efforts. Let's be sure we are not selling the rope to the East on which the West will someday be hung.

With these concerns in mind, I commend the following article from the West German newspaper, the German Tribune, to my colleagues in the House.

TECHNOLOGY: THE EAST BLOC STEPS UP ITS INDUSTRIAL ESPIONAGE

Industrial espionage is increasing. And it is expected to increase even more now that Cocom, the body which controls technology exports to the East Bloc, has imposed tighter restrictions.

The importance of industrial espionage to the East Bloc is shown in East Berlin's merger of four groups into a new department of science and technology.

This new section is staffed by a new breed of scientists, technicians and engineers—a new generation of intelligence gatherers.

Willy Wimmer, defence policy specialist of the CDU/CSU parliamentary party in Bonn, says German firms are simply cutting themselves out of the market by allowing sensitive research data to be "shipped East by the suitcase."

The IFS security research institute in Munich has acquired a check list used by Soviet agents in the early stages of sounding out company data of Western manufacturers.

It seems to indicate there is no such thing as a detail too minute to be considered significant in industrial espionage.

Details range from the firm's product range to managerial biodata, energy consumption and planned output on a war footing.

The Bavarian Industrial Security Association (BVSW) has handled one caller after another since interest was prompted by the KGB spy case at Messerschmitt-Bölkow-Blohm in Munich.

Manfred Rotsch, 60, worked as an engineer for nearly 20 years at MBB, where as a head of department he had access to technical data of the NATO multi-role combat aircraft Tornado.

What Rotsch related to Moscow has already exceeded the worst fears, and investigations are still in progress.

BVSW business manager Hans-Joachim Lange says the affair has been extremely useful from his point of view. Cases of this kind generate widespread awareness of the full extent of the problem.

Herr Wimmer attributes to departmental failures and undermanning the fact that well over 20,0000 people in private enterprise whose work involves sensitive information have not been adequately screened.

Shortcomings of this kind even appear to have occurred at firms that manufacture sensitive equipment under contract for the Bundeswehr or other government departments.

Rotsch was certainly not the only top agent who slipped through the screening procedures of West German security clearance.

For three years Gerhard Prager, a GDR computer spy, supplied East Berlin with tapes full of production, planning and manpower data from IBM in Stuttgart until his cover was blown in 1968.

Engineer Jürgen Reichwald, who plied East Bloc intelligence with engine construction and testbed data for six years from Mortoren- und Turbinen-Union in Munich, seems not to have had much difficulty either.

GDR agent Reiner Paul Fülle worked under cover for years as a cost accountant for the GWK, the state-owned nuclear fuel reprocessing agency.

He sold information for which he was paid at least DM132,000 by the Ministry of State Security in East Berlin.

His cover was only blown when East Berlin agent Werner Stiller defected to the West in 1979 and spiked his former colleague's guns.

Since Stiller's defection it has been clear the Eastern intelligence activity is concentrated on industry, science and technology.

The East Berlin Ministry has merged four departments into a science and technology section manned by highly qualified scientists, technicians and engineers.

They represent a new breed of intelligence gatherers: men and women who have taken over from the old guard of apparatchiks and military men.

West German security authorities have no doubt there will be a massive increase in industrial espionage, due in part to the restrictions on legal technology transfer to the East, increasingly imposed under U.S. pressure by Cocom in Paris.

Cocom's main role may be to prevent leakage of militarily relevant technology, but what is militarily relevant is often a matter of interpretation.

US Defence Secretary Caspar Weinberger feels even kiddies' electronic toys ought to be blacklisted. As one insider puts it: "You can use a chess computer to control missiles."

Yet despite the Cocom list East Bloc procurement specialists constantly find ways of obtaining what they want. It's the packaging that does it: sensitive equipment bought via Western figure-heads and nominee companies and exported via other countries.

Industrial espionage is the alternative. Now East Bloc industrial planners are going all-out for nationalisation and the use of robots along Western lines they are keenly interested in microelectronics and computers.

In a 32-page report the BVWS has outlined in detail further favourite targets for industrial espionage. They include "effective methods of motor fuel production," "organizational development models" and even "improved shift capacity utilisation."

East Bloc intelligence agencies take a long, hard look at potential agents before recruiting them to gain access to the information required, says ex-CID officer Georg Pohl.

As business manager of the ASW, which represents seven German industrial security agencies, he knows what he is talking about.

"Before *they* enlist people," he says, "they screen them much more thoroughly than we do."

They are particularly interested in personal details of the potential agent's private life, such as debts, expensive hobbies, girlfriends, upsets about not being promoted and arguments with superiors.

Recruiting officers seldom immediately say who they are and what they want.

Building up an agent who may take 10 or 12 years to reach the job envisaged (and access to sensitive information) may take time but is more effective in the long run.

Herr Pohl feels there is a wide range of people who are liable to be subjected to pressure: "Every manufacturing or service company that can hold its own and run at a profit these days is a target for industrial espionage."

Munich lawyer Peter Kragler, a leading legal specialist, says it is a dangerous mistake to assume the risk of industrial espionage is limited to managerial staffs.

Problems start well below the executive level: among sales staff, in the marketing

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

department, at trade fairs, in the mailing department, in accounts and, of course, the computer department.

Industrial espionage, says Daimler-Benz chief executive Werner Breitschwerdt, "is a problem we are going to have to devote more attention to in future.

"There is probably much more leakage from our research and development units than we imagine."

AUGUST RAUBINGER.

BONN, MAY 4, 1985.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, September 17, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 18

9:00 a.m.
Select on Indian Affairs
To hold hearings on S. 1298, to coordinate and expand services for the prevention, identification, and treatment of alcohol and drug abuse among Indian youth, and S. 1621, to revise the Indian Education Act Amendments of 1978 by defining the eligibility of children who attend the Bureau of Indian Affairs funded schools.
SR-485

9:30 a.m.
Rules and Administration
To continue hearings on S. Res. 29 and S. Res. 81, measures to set forth regulations to implement television and radio coverage of Senate Chamber proceedings.
SR-301

Select on Intelligence
Closed briefing on intelligence matters.
SH-219

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Foreign Relations
To resume hearings on the Supplementary Extradition Treaty Between the United States of America and the United Kingdom of Great Britain and Northern Ireland, with Annex (Treaty Doc. 99-8), signed at Washington on June 25, 1985.
SD-419

Judiciary
To hold hearings on S. 1437, Designer Drug Enforcement Act.
SD-226

Judiciary
Juvenile Justice Subcommittee
To hold hearings on S. 985, to protect the rights of victims of child abuse.
SD-G50

Joint Economic
Economic Goals and Intergovernmental Policy Subcommittee
To hold hearings on the economic effects of certain trade measures.
SD-342

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on environmental concerns in multilateral development bank projects.
SD-192

Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings on the implementation of section 404 of the Clean Water Act, relating to the wetlands dredge and fill permit program.
SD-406

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on enumeration of undocumented aliens in the decennial census.
SD-342

Judiciary
To hold hearings on pending nominations.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
Business meeting, to consider certain reconciliation expenditures as imposed by S. Con. Res. 32, First Budget Resolution for Fiscal Year 1986, focusing on the guaranteed student loan program.
SR-428A

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

SEPTEMBER 19

9:00 a.m.
Foreign Relations
European Affairs Subcommittee
To resume hearings to review the North Atlantic Treaty Alliance.
SD-419

9:30 a.m.
Armed Service.
Manpower and Personnel Subcommittee
To hold open and closed hearings to review wartime medical readiness.
SR-232A

Banking, Housing, and Urban Affairs
To hold hearings on the nomination of L. William Seidman, of Arizona, to be a Member of the Board of Directors of the Federal Deposit Insurance Corporation.
SD-538

Commerce, Science, and Transportation
To hold hearings on record labeling.
SR-253

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold oversight hearings to review the Federal Energy Regulatory Commission notice of proposed rulemaking on Regulation of Natural Gas Pipelines after Partial Wellhead Decontrol.
SD-366

Finance
To resume hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

1:30 p.m.
Foreign Relations
European Affairs Subcommittee
To continue hearings to review the North Atlantic Treaty Alliance.
SD-419

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
Business meeting, to mark up H.R. 3011, appropriating funds for fiscal year 1986 for the Department of the Interior and related agencies.
SD-192

Armed Services
To hold hearings on H.R. 664, to amend the Panama Canal Act of 1979 with respect to the payment of interest on the investment of the United States.
SR-222

Finance
To hold hearings to review the state of the U.S. forest products industry.
SD-215

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income

protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

4:00 p.m.
Select on Intelligence
Closed briefing on the Gorbachev succession.
SH-219

SEPTEMBER 20

9:00 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on the economic deregulation of the trucking industry.
SR-253

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider certain reconciliation expenditures as imposed by S. Con. Res. 32, setting forth recommended levels of total budget outlays, Federal revenues, and new budget authority for fiscal years 1986, 1987, and 1988, and revising the congressional budget for fiscal year ending September 30, 1985.
SD-366

Labor and Human Resources
To hold hearings on the impact of Grove City legislation on private education.
SD-430

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on proposed legislation authorizing funds for wildlife refuge programs.
SD-406

Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings on Middle East arms.
SD-419

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

SEPTEMBER 23

9:30 a.m.
Finance
International Trade Subcommittee
To resume hearings on S. 680, to limit imports of textile products into the United States to a one-percent growth rate for exporting countries.
SD-215

SEPTEMBER 24

9:00 a.m.
Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold oversight hearings on innovative approaches in industrial energy efficiency.
SD-366

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, on pending calendar business.
SR-253

Finance
To resume hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Environment and Public Works
Business meeting, to consider certain reconciliation expenditures as imposed by S. Con. Res. 32, setting forth recommended levels of total budget outlays, Federal revenues, and new budget authority for fiscal years 1986, 1987, and 1988, and revising the congressional budget for fiscal year ending September 30, 1985.
SD-406

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on child fitness and health programs.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:30 a.m.
Environment and Public Works
To hold hearings on the nominations of Orson G. Swindle III, of Georgia, to be Assistant Secretary of Commerce for Economic Development, and Jennifer J. Manson, of Virginia, and Lawrence J. Jensen, of Virginia, both to be Assistant Administrators of the Environmental Protection Agency.
SD-406

Governmental Affairs
To hold hearings on the nomination of James C. Miller III, of the District of Columbia, to be Director of the Office of Management and Budget.
SD-342

11:00 a.m.
Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

SEPTEMBER 25

9:30 a.m.
Labor and Human Resources
To hold hearings on private sector initiatives to feed the world's hungry.
SD-430

SEPTEMBER 26

9:00 a.m.
Veterans' Affairs
Business meeting, to consider proposed legislation to meet reconciliation expenditures as imposed by S. Con. Res. 32, setting forth recommended levels of total budget outlays, Federal revenues, and new budget authority for fiscal years 1986, 1987, and 1988, and revising the congressional budget for fiscal year ending September 30, 1985.
SR-418

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 812, to authorize the President to control loans and other transfers of capital to any or all of the Soviet bloc countries.
SD-538

Commerce, Science, and Transportation
Aviation Subcommittee
To hold closed hearings on international airport security and terrorism.
SR-253

Finance
To hold hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
International Economic Policy, Oceans, and Environment Subcommittee
To hold hearings on the General Agreement on Tariffs and Trade (GATT).
SD-419

2:00 p.m.
Foreign Relations
To hold hearings on financing of foreign military sales.
SD-419

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 209, the Federal Debt Recovery Act.
SD-342

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on intelligence
Closed briefing on international terrorism.
SH-219

SEPTEMBER 27

9:00 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume hearings on the economic deregulation of the trucking industry.
SR-253

SEPTEMBER 30

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on proposed revisions in subchapter C of the Internal Revenue Code relating to corporate taxation.
SD-215

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

OCTOBER 1

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on airport safety, focusing on windshear, aircraft inspection, and air traffic control safety.
SR-253

Finance
To resume hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on pension policy implications of the President's tax proposals of fringe benefits and retirement savings.
SD-430

10:00 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To continue hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.
2175 Rayburn Building

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the exploitation of runaway children.
SD-628

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

OCTOBER 2

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
To hold hearings on the nomination of Edward A. Curran, of Maryland, to be Chairman of the National Endowment for the Humanities.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy.
SH-219

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Select on Indian Affairs
To hold hearings on S. 1558, to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada.
SD-485

OCTOBER 3

9:00 a.m.
Foreign Relations
European Affairs Subcommittee
To resume hearings to review the North Atlantic Treaty Alliance.
SD-419

Office of Technology Assessment
The Board, to hold a general business meeting.
EF-100, Capitol

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215

Veterans' Affairs
To hold hearings on proposed legislation to provide a cost-of-living increase for fiscal year 1986 in the rates of veterans disability compensation and dependency and indemnity compensation for surviving spouses and children.
SR-418

10:00 a.m.
Energy and Natural Resources
To hold hearings on the nominations of Anthony G. Sousa, of Hawaii, to be a Member of the Federal Energy Regulatory Commission, and Donna R. Fitzpatrick, of the District of Columbia, to be an Assistant Secretary of Energy (Conservation and Renewable Energy).
SD-366

Governmental Affairs
To hold hearings on the President's management initiatives and related measures.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.
2175 Rayburn Building

1:30 p.m.
Foreign Relations
European Affairs Subcommittee
To continue hearings to review the North Atlantic Treaty Alliance.
SD-419

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 8

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. 1310, the Clean Campaign Act.
SR-253

OCTOBER 9

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on Robert Elsner, of Alaska, and Karen Pryor, of Washington, each to be a Member of the Marine Mammal Commission.
SR-253

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:00 a.m.
Commerce, Science, and Transportation
To hold oversight hearings in conjunction with the National Ocean Policy Study on Pelagic driftnets.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

OCTOBER 10

10:00 a.m.
Commerce, Science and Transportation
Merchant Marine Subcommittee
To hold hearings on fishing vessel safety and insurance.
SD-562

Labor and Human Resources
To hold hearings on mandatory nutritional labeling.
SD-430

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SR-385

10:30 a.m
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on the promotion of domestic tourism.
SR-253

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on the Philippines.
SH-219

OCTOBER 16

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 17

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings to examine measures to discourage students from dropping out of high school.
SD-430

Labor and Human Resources
Aging Subcommittee
To hold hearings on pension accrual and the older worker.
SD-628

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 22

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445 and S. 1225, bills to revise certain provisions of the

Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406

OCTOBER 23

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 445 and S. 1225, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 24

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 29

9:30 a.m.
Labor and Human Resources
Handicapped Subcommittee
To hold hearings on the Tenth Anniversary of the Education for All Handicapped Children Act (P.L. 94-142).
SD-430

OCTOBER 30

9:30 a.m.
Labor and Human Resources
To resume hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the effects of domestic violence.
SD-628

OCTOBER 31

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

NOVEMBER 6

9:30 a.m.
Labor and Human Resources
To hold hearings on nutrition and fitness in public health.
SD-430

CANCELLATIONS

SEPTEMBER 17

11:00 a.m.
Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

SEPTEMBER 18

9:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold joint hearings with the House Committee on the Judiciary's Subcommittee on Immigration, Refugees and International Law on anti-discrimination provisions of S. 1200 and H.R. 3080, Immigration Reform and Control Act of 1985.
2237 Rayburn Building

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on S. 1517, Low-Level Radioactive Waste Policy Act Amendments.
SD-366

OCTOBER 3

9:30 a.m.
Veterans' Affairs
Business meeting, to mark up proposed legislation to provide a cost-of-living increase for fiscal year 1986 in the rates of veterans disability compensation and dependency and indemnity compensation for surviving spouses and children.
SR-418

BEST COPY AVAILABLE

HOUSE OF REPRESENTATIVES—*Tuesday, September 17, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O sing unto the Lord a new song, for he has done marvelous things!—Psalm 98:1.

Gracious God, as the morning comes new every day, so are Your blessings new to us. We are grateful for the gifts that brighten the day, that restore our faith, that make satisfying our lives. We are grateful for friends who support us and whose love encourages and sustains. We are thankful for families who nurture and forgive and with whom we can share the bonds of love. For Your wonderful gifts, O God, we offer this our prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate has passed joint resolutions and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S.J. Res. 68. Joint resolution to designate November 21, 1985, as "William Beaumont Day";

S.J. Res. 139. Joint resolution to designate the week of December 1, 1985, through December 7, 1985, as "National Home Care Week";

S.J. Res. 159. Joint resolution to designate the rose as the national floral emblem;

S.J. Res. 173. Joint resolution to designate the month of September 1985 as "National Sewing Month";

S.J. Res. 186. Joint resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week"; and

S. Con. Res. 62. Concurrent resolution expressing solidarity with the Sakharov family in their efforts to exercise their rights of freedom of expression, of travel, and of communication, as guaranteed them under the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Final Act of the Conference on Security and Cooperation in Europe.

REPORT ON HOUSE JOINT RESOLUTION 388, CONTINUING APPROPRIATIONS, 1986

Mr. NATCHER, from the Committee on Appropriations, submitted a privileged report (Rept. No. 99-272) on the joint resolution (H.J. Res. 388) making continuing appropriations for fiscal year 1986, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

LET'S MOVE ON SUPERFUND

(Mr. ANDREWS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, among the most pressing tasks before the House is the reauthorization of the Superfund Program. On September 30, the authority for our abandoned hazardous waste cleanup law will expire. EPA has already begun scaling back its cleanup efforts. If we fail to reauthorize the 5-year program soon, we face the prospect of some of these projects coming to a halt altogether. Stop-gap funding will cripple the momentum we have worked so hard to establish over the past 2½ years.

We need a tough, responsible Superfund reauthorization bill that this Congress and the American people can support, and we need it now. H.R. 2817, the bill reported by the Energy and Commerce Committee and now before the Public Works and Transportation Committee, is such a bill. It would strengthen current law considerably, increasing the program's funding sixfold to $10 billion. It is a good compromise bill and our best vehicle for moving forward expeditiously on the Superfund issue.

Mr. Speaker, this program has already seen its share of politics. Let's move on Superfund.

AN AMERICAN HELD HOSTAGE IN LEBANON 18 MONTHS: ANOTHER MARKS 6 MONTHS IN CAPTIVITY

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, yesterday marked the 18th month William Buckley, a U.S. Foreign Service officer, has been held hostage in Lebanon.

September 16 also marked the sixth month of captivity for Terry Anderson, the Associated Press bureau chief in Beirut.

Last Saturday was the 250th day Father Lawrence Jenco, head of Catholic Relief Services in Beirut, has been held hostage in Lebanon.

Rev. Benjamin Weir, a Presbyterian minister, will mark 500 days of captivity on Friday, September 20.

Tomorrow will be the 100th day Thomas Sutherland, dean of the American University Agriculture School, has been held hostage in Lebanon.

Today is the 112th day of captivity for David Jacobsen, director of the American University Hospital in Beirut.

Peter Kilburn, the American University librarian, disappeared 287 days ago today.

Lest we forget, the hostage crisis in Lebanon is now in its 550th day, more than 100 days longer than the Iran hostage crisis 5 years ago. Suppose, just suppose, Mr. Speaker, you and I were among the seven. Would we be wondering if our friends were doing enough to rescue us?

SUSAN AKIN OF MISSISSIPPI CROWNED MISS AMERICA

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I am pleased to announce that the new Miss America, crowned Saturday night in Atlantic City, is from my hometown of Meridian, MS. Susan Akin has become the fourth Mississippian to win the title. She has all the qualities and talents to be an outstanding representative of the young women in America.

I hope to be able to host a reception for Susan here on Capitol Hill in the next few weeks. Mr. Speaker, if my colleagues are nice to me in the meantime, I might let them meet Miss America.

AMERICA SLOW TO RESPOND TO SOVIET VIOLATIONS

(Mr. ECKERT of New York asked and was given permission to address the House for 1 minute.)

Mr. ECKERT of New York. Mr. Speaker, Sunday, under questioning by CBS News correspondent Leslie Stahl on "Face the Nation," Secretary of Defense Casper Weinberger admitted that 8 days earlier the Soviets had once again violated a 1947 accord providing for onsite military inspection in Germany by detaining and harassing American military personnel at gunpoint.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

In light of the Soviets' brutal murder of Major Nicholson on March 24 and the subsequent additional violations of that agreement—and the absence of any strong American response—it may not be surprising that the Soviets continue to demonstrate utter contempt for their treaty obligations, but are we going to adopt a policy of not taking Soviet abuses seriously simply because contemptible behavior is their norm? That is what we seem to be doing. The Defense Department and the White House stood silent when faced with this latest Soviet outrage. Not a word until forced to speak. That raises serious questions about American honor.

Mr. Speaker, on May 9 the House of Representatives voted by a margin of 322 to 93 to call upon the President to expel the Soviet Ambassador unless the Soviets apologized for the brutal murder of Major Nicholson. They have not apologized. Nor have they made amends to the family of Major Nicholson. They continue to violate the agreement. They continue to be arrogant and abusive. They continue to harass American military personnel.

The President hasn't expelled the Soviet Ambassador. Nor has he taken any comparable action. It is time to ask the President: "When are we going to take effective action that will demonstrate to the Soviets that America will not tolerate such conduct?"

CONGRESS MOVES TO ADDRESS TRADE IMBALANCE PROBLEMS

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, this is not the first nor will it be the last speech given in this body protesting the lack of a fair and effective trade policy for the United States of America. In fact, I believe our mounting trade deficit will become the front-burning issue for months to come, and well it should be. Certainly, our concern over the national debt and our efforts to achieve a balanced budget should remain issues of grave importance to this Nation, and especially to its future generations; but the realistic fact is that the possibility of serious deficit reduction has passed for this session of Congress. What remains is the opportunity for the administration, as well as the 99th Congress, to pass constructive legislation that will address our trade deficit. Mr. Speaker, I am afraid that anything less will mean the loss of literally millions of American jobs and the continued erosion of our Nation's industrial base.

As one who is not willing to sit idly by and watch our national security be threatened by the loss of those industries that become even more important in times of national crisis, I pledge my support for a trade policy that is both fair for America and its allies, and more importantly, for the men and women whose only voice in the Federal bureaucracy is their elected Congressmen and Senators. It is the American people who have the most to lose if no action is taken. In this trade issue, they are the only special interest, and it is the obligation, and I might add the duty, of this Congress to keep their interest at heart.

The administration advocates the practice of "free trade," but I question whether our Nation's current trade policy is really one of free trade. When the markets of America are open to goods made in other countries, yet the markets in those countries are closed to American-made products, is that free trade? Or when a foreign nation subsidizes its products so they can be sold at a lower price than American products, is that free trade? Or better yet, is it even fair trade? The answer is "no," and yet, that is the policy the administration continues to accept in dealings without trading partners. Maybe I should say the nations who continue to flood our American markets, because like true free trade, partnership is a two-way street, but currently the traffic is only going one way, and the cost is plain and simple—American jobs.

Mr. Speaker, let me commend my colleagues in this body who have recognized the serious threat being posed by the current trade imbalance. The House and Senate are answering the call of the American people for immediate action on this problem, but with no help from the administration, which continues to be led blindly down the one-way street of free trade. Many of the measures currently pending before Congress are essential to the livelihood of America's industrial base and for the jobs of millions of Americans throughout the 50 States. I trust the administration will see the real necessity for a constructive policy on trade and will join with Members of Congress to pass needed legislation before more Americans lose their jobs, and industry in America is a thing of the past.

DEFICITS LEAD TO A NEW ANOMALY—THE -ILLION IMMUNITY

(Mr. PETRI asked and was given permission to address the House for 1 minute.)

Mr. PETRI. Mr. Speaker, this Government is only days away from borrowing our second trillionth dollar. Two trillion dollars of debt!

Now, the word "trillion" doesn't seem to mean anything to anybody. Trillion sounds like billion which sounds like million. We've been talking in -illions around here for so long that everybody has developed -illion immunity.

Well, big deficits may not mean much to this spend-happy Congress. But they mean a lot to America's children. Thanks to the decisions of this Congress and of recent Congresses, every child born in America next year will start his or her life almost $9,000 in debt.

And it doesn't end there! Thanks to the toothless budget resolution approved here in August, this Congress has decided to add another $1,000 to each child's debt for every year that passes.

This is a sad legacy this Congress is leaving our Nation's youth.

INTRODUCTION OF THE FREEDOM OF INFORMATION PUBLIC IMPROVEMENTS ACT OF 1985

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, I am pleased to announce that today I am introducing the Freedom of Information Public Improvements Act of 1985. Developed with the guidance of the Society of Professional Journalists, the bill sets a bold agenda for strenthening the Freedom of Information Act.

First enacted in 1966, the Freedom of Information Act was a landmark in the struggle for a more open government. Since that time, the public has benefited from the act in countless ways, including exposures of wasteful Defense expenditures, consumer health risks, and abuses of power by the CIA and FBI.

As we approach the act's 20th anniversary, it seems only appropriate that we address problems that have arisen—problems which prevent the act from achieving its full potential for public good.

My bill would make a number of substantive changes by tightening exemptions for national security, internal personnel, and financial institution information. The bill also makes procedural changes to ensure that requesters get their information in a timely fashion and at a fair price. Specifically, the bill establishes penalties for agency delay in FOIA compliance, expands sanctions against employees who deliberately obstruct the law, and mandates a uniform system of fee waivers for those requesters benefiting the public.

There has been a lot of talk, especially from the administration, that the Freedom of Information Act needs to be curtailed. Mr. Speaker, let's remember the value of the act and work to strengthen it. I urge my colleagues to cosponsor this legislation.

FLAWED WHITE HOUSE ECONOMICS MAKES UNITED STATES A DEBTOR NATION

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, for the first time in more than 70 years, America has tragically become a debtor nation.

The trade deficit has occurred, in large measure, because of two reasons: First, a weak trade policy on the part of our trade negotiators; and second, a flawed economic policy. Our trade negotiators sell wheat for less than it is worth and buy foreign cars for more than they are worth, and they call it "Yankee ingenuity."

Our economic policy, comprised of a half-baked, failed notion called trickle-down economics, has forced up real interest rates to a point where they are higher than they have been in half a century, and that in turn has, of course, resulted in an inflated dollar which has wreched our trade policy.

Mr. Speaker, White House economic policy has made America a debtor nation.

NATIONAL HISPANIC HERITAGE WEEK CELEBRATION

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, I rise today to salute Hispanics across the country for their significant contributions to the history of our Nation as we celebrate National Hispanic Heritage Week.

This week is a celebration of the diversity of the Hispanic community in the United States and a recognition of its achievements in the fields of science and technology, education and scholarship, public service and leadership, military service and valor, arts and culture, and sports and entertainment. It is a tribute to the Hispanic community's full, equal, and dynamic participation in American society.

I join Mexican-Americans in my district in commemorating their legacy and traditions. The League of United Latin American Citizens' annual Fiesta de las Flores in El Paso, the University of Texas at El Paso, and El Paso Community College's Hispanic Heritage Week activities, and the fiestas patrias in Pecos, El Paso, and neighboring Ciudad Juarez, Chihuahua, all add to the ambiente of this time. More importantly, they affirm a strong spirit of independence, demonstrate pride and unity, and reflect a strong commitment to the future of the Hispanic community.

Nowhere is this spirit so evident as in the works of the great El Paso artist, Manuel Gregorio Acosta, whose exhibition I am hosting this week in commemoration of National Hispanic Heritage Week. El Paso, TX, is the largest city on the United States-Mexico border, and its largely Hispanic population has a major influence on the community's cultural, social, and economic life. The Acosta exhibit is part of a national tour of the paintings funded by the city of El Paso and the Burlington Northern Foundation. This exhibit depicts the rich diversity of the Hispanic culture of the Southwest, and I urge all of my colleagues to view it.

Mr. Speaker, I hope all of my colleagues will join me in honoring Hispanics across the land.

THE REPUBLICAN AGENDA FOR WORKING WOMEN—A PR ROAD SHOW

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the Republicans are very, very good at having PR events, especially when it comes to women, because they have nothing legislatively that they can say to working women, so today they announced another massive PR event. They are going on the road with a great road show, with all sorts of speakers talking about the wonderful things they have done for working women outside the home.

I have just looked at this agenda, and I am amazed at some of their oversights. I am sure they are going to want to correct it. First of all, they forgot to tell working women that this administration has in the President's tax reform bill a proposal where they can pay more taxes for the privilege of working outside the home. Yes, they are bringing back the marriage penalty, and I do not think that is the idea that most women would have when they think of opportunity. Nevertheless, they are giving them this opportunity of paying more.

They are giving them lots of other opportunities to work for less than they are worth. In fact, one of their star speakers is Linda Chavez. She is speaking on pay equity, and even though her salary is set on a comparable scale in the Federal Government, she does not approve of it for anybody else, thank you very much; she is going to give them the opportunity to go to work at the minimum wage.

So I really find this whole thing quite amazing. With the money they have, I guess they figure they can buy support one way or the other. I find it shocking, and I think the women of America who are working are much smarter than to be buying into this little PR road show.

PRESIDENT SERVES FRENCH WINE AS WE BECOME A DEBTOR NATION

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, last week, almost 5 years into his Presidency, President Reagan announced a "get tough" policy on trade. He finally seemed to acknowledge that many of our trading partners are taking unfair advantage of America's free trade philosophy; but just yesterday, at a White House luncheon for regional broadcasters, the President served his guests a very expensive wine, a very expensive French wine. How expensive? About $50 a bottle in your average restaurant. It was so expensive, I cannot even pronounce its name.

Now, Mr. Speaker, this might seem trivial to some, but of course not to those who make a big deal out of South African baseball caps; and it is not trivial to the grape growers in Ronald Reagan's home State of California or in my home district in the central valley, either.

In fact, there is currently action pending before the ITC to deal with the unfair trading practices of foreign wine producers, and we need the administration's support.

It is particularly interesting that the President would serve this very expensive French wine on the very day that the United States became for the first time in 70 years a debtor nation.

Mr. Speaker, the Presidency, as we all know, is a very symbolic office, and I hope in the future the President of the United States will support America's wine industry, not the French wine industry.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The **SPEAKER** laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *September 14, 1985.*

Hon. THOMAS P. O'NEILL, Jr.,
House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in clause 5, rule III of the rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House at 12:20 p.m. on Monday, September 16, 1985 as follows:

(1) Said to contain a message from the President wherein he transmits a report on the recommendations of the Office of Juvenile Justice and Delinquency Prevention; and

(2) Said to contain a message from the President wherein he transmits the 1984 Annual Report of the National Advisory Council on Adult Education.

With kind regards, I am,
Sincerely,
BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

EIGHTH ANALYSIS AND EVALUATION OF FEDERAL JUVENILE DELINQUENCY PROGRAMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER** laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, referred to the Committee on Education and Labor.

(For message, see proceedings of the Senate of Monday, September 16, 1985, at page 23843.)

1984 ANNUAL REPORT OF THE NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER** laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, referred to the Committee on Education and Labor.

(For message, see proceedings of the Senate of Monday, September 16, 1985, at page 23843.)

ADMINISTRATION'S TRADE POLICY TEARING APART FABRIC OF AMERICAN INDUSTRY

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, the men and women in America's work places are, in increasing numbers, understanding that this administration's unyielding, stubborn free trade policies are tearing the very fabric of American industry apart, from steel to glass, to high tech, and from textiles to shoes, the American worker stands on shaky ground.

Mr. President, in the battle of international trade, your free trade stance has stacked the deck in favor of foreign competition. That is hard to understand, but what is unbelievable is the fact that your administration, through the Export-Import Bank, is currently financing the development of coal projects around the world.

In the last 5 years, America's Export-Import Bank has provided almost a billion dollars in loan and loan guarantee aid to develop coal mines in Australia, Turkey, Mexico, Yugoslavia, Zimbabwe, and most principally, Colombia, along with other foreign countries.

The bottom line is lost jobs, more lost jobs, in America's coal fields.

Is it not time, Mr. President, that our trade laws and trade policies stand up for America? We need fair trade now.

SYNFUELS CORPORATION RUSHES THROUGH NEW CONTRACTS

(Mr. SHARP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHARP. Mr. Speaker, in July the House decisively voted to take away the remaining funds available to be spent by the Synthetic Fuels Corporation, but very quickly that corporation made clear to the public and to the Congress that it intended to go ahead and make several major financial commitments the taxpayers will have to honor if they go forward.

Several of us immediately wrote the President of the United States asking him to have his appointees stop such action and stop what we believe would be a waste of the taxpayers' dollars. The response so far has been a deafening silence.

Therefore, tomorrow the Energy and Commerce Committee will take steps to further discourage the signing of those contracts and those financial commitments.

In our deficit reduction package, we will include an effort to block the 11th-hour contracts that might be rushed through in defiance of the will of the House of Representatives. Although there is a constitutional question about the Government's ability to abrogate its contracts, we can and will take away the Government's consent to be sued. This is a fine legal distinction and an extraordinary step, one which we ordinarily would not take, but that corporation, that Government agency, simply has not gotten the message.

Potential award recipients are hereby warned, signing these last-minute contracts carries a large risk. We are determined to stop spending and to reduce the deficit.

MR. PRESIDENT, FREEZE ALL SPENDING

(Mr. AuCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AuCOIN. Mr. Speaker, for 5 years the Reagan administration has been telling us that less government is better government, and that the Government can't continue to spend more than it takes in.

Many of us in Congress couldn't agree with you more, Mr. President. But every time we try to clamp a freeze on Government spending—which affects all the sacred cow's, including your own—your administration has always objected. And you've gotten your way.

And so, the Government is borrowing much more money today than it did when your administration took over. Our country has just established itself as a debtor nation for the first time in 71 years. The Federal debt has reached $2 trillion and is expanding at a rate of $200 billion a year.

Meanwhile, I read with amazement a news report that your administration has just approved a loan guarantee of $72 million to a Saudi billionaire to produce an oil substitute that will be far more expensive than the oil it is suppose to replace. And Mr. President, you've just appointed a new head for a million-dollar-a-year Government agency that's in charge of managing the Government's paperclips and paperwork.

Mr. President, you tell us that we must trim Federal fat. Meanwhile, you're contributing to some of the biggest spending boondoggles ever.

What's wrong, Mr. President? I'm hoping you'll give us some straight answers at your press conference tonight. I'm hoping you'll say, "Let's freeze all spending."

REQUEST FOR PERMISSION FOR COMMITTEE ON RULES TO FILE REPORT ON H.R. 3128

Mr. DERRICK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight, September 17, 1985, to file a report on H.R. 3128.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. FRENZEL. Mr. Speaker, I reserve the right to object.

Mr. Speaker, under my reservation, I will yield to the gentleman from South Carolina to tell us what kind of a rule the committee has in mind, whether the Republican members of the committee have been advised of his request and are aware of the rule that is going to be passed and what amendments are going to be made in order under the rule.

I yield to the distinguished gentleman.

Mr. DERRICK. Mr. Speaker, I thank the gentleman.

We are still hearing testimony on the rule up there now, so I cannot tell the gentleman what kind of a rule it will be. I have spoken with one Member of the Republicans on the Rules Committee, the gentleman from Mississippi [Mr. LOTT], who has no objection. I have not spoken with the rest of them.

As to be able to give the gentleman the particulars of it, we are still hearing testimony on it, so I cannot tell the gentleman.

I would suggest, although I cannot speak for the Rules Committee, that there probably will be some amendments made in order.

Mr. FRENZEL. Further reserving the right to object, Mr. Speaker, I thank the gentleman.

I am advised that the Republican leadership has a very strong interest in making certain amendments in order, particularly one by the gentleman from Ohio, and without the assurances that those might be granted, my inclination would be to object to the gentleman's request.

I yield to the distinguished gentleman.

Mr. DERRICK. Well, I regret that I cannot give the gentleman those assurances. I can tell the gentleman that we are hearing testimony. I am sure that it will receive fair consideration, but I cannot give assurances what the rule will be. I do not know.

Mr. FRENZEL. I thank the gentleman.

Further reserving the right to object, Mr. Speaker, under these conditions, until the minority has a little clearer fix on what is happening——

Mr. DERRICK. Mr. Speaker, will the gentleman yield further?

Mr. FRENZEL. I yield to the gentleman.

Mr. DERRICK. Mr. Speaker, if I can go back up and ask the other Members of the minority if they agree, would the gentleman withdraw his objection?

Mr. FRENZEL. I would at that time; but now, Mr. Speaker, I object.

The SPEAKER. Objection is heard.

AN UPDATE ON THE CABELL COUNTY DROPOUT PREVENTION PROGRAM

(Mr. RAHALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAHALL. Mr. Speaker, not too long ago, I introduced my colleagues to a dropout prevention program that is in effect in Cabell County, WV.

In March 1982 a task force committee was established to review the problem of students leaving school prior to the completion of their school program. The results indicated that approximately 21 percent of students in Cabell County were leaving school before the completion of their school program.

Therefore, a county educational decision was reached to address this particular problem through the utilization of ECIA chapter 2 funds for the 1982–83 school year. A preventive program was established.

The Dropout Prevention Program, initiated by Cabell County Schools in 1982, involves teachers, students, parents, and other citizens in its quest to reduce the dropout rate and even to bring dropouts back into school.

The program targets potential student dropouts as early as the elementary level and attempts to instill into these students the proper habits which make school a turnon rather than a turnoff.

It reaches out to junior high students with low grades and/or low interest in school activities by offering alternate courses of study such as prevocational courses.

The Cabell County Public School's Dropout Prevention Program zeroes in on those students who have reached the legal age, 16, to leave school. JROTC, alternative vocational programs, tutor/advisers, the opening of school libraries after school hours, and an overall concern from teachers, fellow students, and others show the potential dropout that there are those who do care and want that student to get an education.

Each school has a parent advisory committee which offers suggestions and help in providing alternatives and added interests to students. At one school, a successful experiment was conducted with an automatic calling machine to contact homes of students who were habitually absent or tardy.

The tutor/adviser at each school is particularly helpful in getting low achievers back on track with their studies and involved with extra curricular school activities.

All teachers have been asked to join the dropout prevention team by offering suggestions or passing on information to the tutor/adviser on students they feel are leaning toward leaving school before graduation.

The overall project is funded through ECIA chapter 2 and includes staff members with assignments directly connected with the program. They include the project coordinator, tutor/advisers, and educational ombudsman and part-time tutors in libraries.

But, the success of the program also signifies the community support it receives and the overall awareness that the school system in Cabell County does care about its students and wants to go the extra mile for a student in providing a strong educational foundation.

I believe that the statistics show the success of the Cabell County Dropout Prevention Program. Tracking the number of high school and junior high school dropouts chronologically, the records show that the number of dropouts has declined from 276, 20.13 percent in 1980–81, 307, 21.19 percent in 1981–82, 197, 15.15 percent in 1982–83, and 235, 19.37 percent in 1983–84, to 192, 15.14 percent in 1984–85. Furthermore, one aspect of the program is designed to encourage dropouts to return to school. This, accompanied by the above declining dropout rate, exemplifies the effort put into and the progress made by my fellow West Virginians in Cabell County.

These people care, and with the help of Federal funding, they are able to work together to do something about the dropout problem. We in Congress must not ignore this problem or the success that this type of program can achieve. We have to face the fact that 85 percent of all jobs in the next decade will require vocational or technical training. Furthermore, we must face the realization that a teen droput has little to no chance of success in the complex world of the 1990's. As representatives of the people of this Nation, we have a responsibility to address this problem. We must not shirk this responsibility. I urge my colleagues to review any legislative measures which would address this national dilemma.

PERSONAL EXPLANATION

(Mr. DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIEL. Mr. Speaker, in recent days, questions have been raised in the press about my flying in corporate aircraft. As I have stated from the first time this issue was raised and I was made aware of the rules governing this matter, I have made restitution to the company and amended my financial disclosure forms to reflect the receipt of transportation from my district.

On Friday, September 13, 1985, I filed my amended disclosure forms and also remitted to the Corporation a check in the amount of $1,127.00 for the cost of the flights.

I deeply regret this error on my part, due to a misunderstanding of the relevant House rules, and I believe I have now acted in a forthright and expeditious manner to correct the error.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2904

Mr. FRENZEL. Mr. Speaker, I ask unanimous consent that my name may be removed as a cosponsor of H.R. 2904.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Wednesday, September 18, 1985.

□ 1230

EARTHQUAKE HAZARDS REDUCTION ACT AUTHORIZATIONS, FISCAL YEARS 1986 AND 1987

Mr. FUQUA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 817)

to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes; with Senate amendments to the House amendments thereto, and concur in the Senate amendments to the House amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments to the House amendments, as follows:

> In lieu of the matter proposed to be inserted by the amendment of the House numbered 3, insert "35,578,000".
>
> In lieu of the matter proposed to be inserted by the amendment of the House numbered 4, insert "$37,179,000".
>
> Page 2, line 20, of the House Amendment, strike out "and" and insert "and".".
>
> Sec. 7. Section 2(b)(3) of the National Bureau of Standards Authorization Act for Fiscal Year 1986 (Public Law 99-73) is amended by striking "(7), and (8)" and inserting in lieu thereof "and (7)".

Mr. FUQUA (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments to the House amendments be considered as read and printed in the Record.

The SPEAKER pro tempore (Mr. Daniel). Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FUQUA. Mr. Speaker, I urge passage of S. 817, the Earthquake Hazards Reduction Act of fiscal year 1986 and fiscal year 1987 as amended by the other body.

This bill first passed the Senate on April 17, was amended by the House on June 24, and sent back to the Senate.

The bill as amended on July 31, represents an agreement reached by both the House Committees on Science and Technology, and Interior and Insular Affairs and the Senate Committee on Commerce, Science and Transportation. In particular, the bill would authorize the earthquake prediction and monitoring program at U.S. Geological Survey at a level of about $500,000 more than the House-passed bill, to a level of $35,578 million. Also, the Earthquake Program at the Federal Emergency Management Agency is reduced slightly below the fiscal year 1985 appropriation level. Other earthquake research programs conducted at the National Science foundation and the National Bureau of Standards would be maintained at the fiscal year 1985 appropriation level

Finally, this bill would authorize the written plan for the National Earthquake Hazards Reduction Program to be updated every 3 years.

Mr. Speaker, since the bill before us allots a total authorization level of $69,433 million, which is slightly below the fiscal year 1985 appropriation level, and since all other matters of controversy within the legislation have been resolved, I urge adoption of this bill.

S. 817 EARTHQUAKE ACT

	House passed version June 24, 1985 [1]	Senate passed version April 17, 1985 [1]	President's request 1986 [2]	Senate passed version July 31, 1985 [1]
FEMA	$5 596	$5 705	$5 596	$5 596
USGS	35 044	35 578	34 603	[illegible]
NSF	27 760	[illegible]	[illegible]	27 760
NBS	[illegible]	499	[illegible]	[illegible]
Total	[illegible]	70.482	[2] [illegible]	69.433

[1] 4 5-percent increase for fiscal year 1987

[2] Such sums as may be necessary for fiscal year 1987

Note.—Additional provision in bill—update of the 5-yr plan: Senate-passed version July 31, 1985 would update the plan every 3 yrs.

Mr. LUJAN. Mr. Speaker, I also urge passage of S. 817, the Earthquake Hazards Reduction Act of fiscal year 1986 and fiscal year 1987 as amended by the Senate.

This bill is the result of work by both Houses which dates back to April 17, It is the result of a compromise position between the House versions, which supported the fiscal year 1986 request, and the Senate version, which is slightly below the fiscal year 1985 level. I feel this bill balances the need for the program with the very real concerns over Federal spending.

Mr. Speaker, the committees have negotiated this position and all matters of controversy have been resolved. I join the distinguished chairman of our committee in urging adoption of this bill.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Florida?

There was no objection

A motion to reconsider was laid on the table.

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION

Mr. FUQUA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 818), an act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974, with a Senate amendment to the House amendment thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the Senate bill

The Clerk read the Senate amendment to the House amendment, as follows:

> Page 1, line 2, of the House engrossed amendment, strike out "$22,953,000" and insert "$22,037,000".

Mr. FUQUA (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment to the House amendment be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. LUJAN. Mr. Speaker, reserving the right to object, I do so for the purpose of asking the gentleman from Florida [Mr. Fuqua] to explain the bill.

Mr. FUQUA. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from Florida.

Mr. FUQUA. Mr. Speaker, I urge passage of S. 818, the Federal Fire Prevention and Control Act for fiscal year 1986, as amended by the other body. The bill first passed the Senate on April 17, was amended by the House on June 24 and sent back to the other body.

This bill, as amended on July 31, represents an agreement reached by both the House Committee on Science and Technology and the Senate Committee on Commerce, Science and Transportation. In particular, the bill would restore full funding for the Travel Stipend Program. The Stipend Program pays for a firefighter's travel expenses to the National Fire Academy. Other programs at the National Fire Academy would be authorized at slightly below the fiscal year 1985 freeze level. Programs at the U.S. Fire Administration would be authorized at a level of $9 million, about $700,000 less than the fiscal year 1985 freeze.

Mr. Speaker, since this bill before us allots a total authorization level, that would be slightly less than the fiscal year 1985 freeze level and since all other matters of controversy within the legislation have been resolved, I urge adoption of this legislation.

S. 818 FIRE ACT

	House passed version June 24, 1985	Senate passed version Apr. 17, 1985	President's request 1986	Senate passed version July 31, 1985
USFA	$9.736	$9.236	$7.685	$9.0
NFA	13.217	12.800	11.637	13.037
Total	[1] 22.953	22.036	19.322	[2] 22.037

[1] Same as fiscal year 1985 appropriations.

[2] With full funding of travel stipend program.

Mr. LUJAN. Mr. Speaker, I join the chairman of our committee in urging passage of S. 818, the Federal Fire Prevention and Control Act. As you have heard, this legislation is slightly more than the fiscal year 1986 request, but only because the full funding for the Travel Stipend Program has been restored. Mr. Speaker, we agree with the unanimous-consent request for this bill. This recognizes the overall national role of the Fire Prevention Program and the National Fire Academy.

The other authorizations of this program represent a savings to the taxpayers and I urge its approval.

Mr. BOEHLERT. Mr. Speaker, I rise in strong support of the request made by the gentleman from Florida [Mr. Fuqua] to accept S. 818, as amended by the Senate. This bill does represent an agreement between both the House and Senate authorizing committees. I am very pleased to say

that it also fully supports the Travel Stipend Program for volunteer and professional firefighters to attend courses at the National Fire Academy in Emmitsburg, MD. I wish to express my appreciation to Senator GORTON and Senator RIEGLE for their leadership within the Senate Subcommittee on Science, Technology and Space. They have been particularly akin to priorities of the House Subcommittee on Science, Research and Technology, and very amiable in negotiating a strong position expressing the support of Congress for the Federal role in fire prevention and control.

I urge the immediate adoption of S. 818, as amended.

Mr. LUJAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Florida?

There was no objection.

A motion to reconsider was laid on the table.

GOVERNMENT SECURITIES ACT OF 1985

Mr. WIRTH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2032), to amend the Securities Exchange Act of 1934 to provide improved protection for investors in the government securities market, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2032

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the "Government Securities Act of 1985".

(b) FINDINGS.—The Congress finds that transactions in government securities, as commonly conducted, are affected with a public interest which makes it necessary—

(1) to provide for the integrity, stability, and efficiency of such transactions and of matters and practices related thereto;

(2) to impose limited regulation of government securities brokers and government securities dealers generally;

(3) to require appropriate financial responsibility, recordkeeping, and reporting requirements;

(4) to impose requirements necessary to make such regulation effective; and

(5) to achieve effective coordination of the issuers and regulators interested in the government securities markets,

in order to protect investors and the national credit and to insure the maintenance of fair, honest, and liquid markets in such securities.

SEC. 2. ESTABLISHMENT OF THE GOVERNMENT SECURITIES RULEMAKING BOARD.

The Securities Exchange Act of 1934, hereafter in this Act referred to as "the Act", is amended by inserting after section 15B thereof (15 U.S.C. 78o–4) the following new section:

"GOVERNMENT SECURITIES

"SEC. 15C. (a)(1) It shall be unlawful for any government securities broker or government securities dealer (other than a registered broker or dealer) to make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any government security unless such government securities broker or government securities dealer is registered in accordance with this subsection.

"(2)(A) A government securities broker or government securities dealer may be registered by filing with the Commission an application for registration in such form and containing such information and documents concerning such government securities broker or government securities dealer and any persons associated with such government securities broker or government securities dealer as the Commission, by rule, may prescribe as necessary or appropriate in the public interest or for the protection of investors. Within 45 days of the date of the filing of such application (or within such longer period as to which the applicant consents), the Commission shall—

"(i) by order grant registration, or

"(ii) institute proceedings to determine whether registration should be denied.

"(B) Proceedings instituted pursuant to subparagraph (A)(ii) shall include notice of the grounds for denial under consideration and opportunity for hearing and shall be concluded within 120 days of the date of the filing of the application for registration. At the conclusion of such proceedings the Commission, by order, shall grant or deny such registration. The Commission may extend the time for the conclusion of such proceedings for up to 90 days if it finds good cause for such extension and publishes its reasons for so finding or for such longer period as to which the applicant consents.

"(C) The Commission shall grant the registration of a government securities broker or government securities dealer if the Commission finds that the requirements of this section are satisfied. The Commission shall deny such registration if it does not make such a finding or if it finds that if the applicant were so registered, its registration would be subject to suspension or revocation under subsection (c) of this section.

"(3) Any provision of this title (other than section 5 or paragraph (1) of this subsection) which prohibits any act, practice, or course of business if the mails or any means or instrumentality of interstate commerce is used in connection therewith shall also prohibit any such act, practice, or course of business by any registered government securities broker or registered government securities dealer or any person acting on behalf of such government securities broker or government securities dealer, irrespective of any use of the mails or any means or instrumentality of interstate commerce in connection therewith.

"(4) The Board of Governors of the Federal Reserve System, by rule or order, upon its own motion or upon application, may conditionally or unconditionally exempt any government securities broker or government securities dealer, or class of government securities brokers or government securities dealers, from any provision of this section or the rules thereunder, including the rules of the Government Securities Rulemaking Board, if the Board of Governors of the Federal Reserve System finds that such exemption is consistent with the public interest, the protection of investors, and the purposes of this title.

"(5) Any registered government securities broker or government securities dealer may, upon such terms and conditions as the Commission may deem necessary in the public interest or for the protection of investors, withdraw from registration by filing a written notice of withdrawal with the Commission.

"(6) If the Commission finds that any registered government securities broker or government securities dealer is no longer in existence or has ceased to do business as a government securities broker or government securities dealer, the Commission, by order, shall cancel the registration of such government securities broker or government securities dealer.

"(b)(1)(A) Not later than 120 days after the date of enactment of the Government Securities Act of 1985, the Board of Governors of the Federal Reserve System shall establish a Government Securities Rulemaking Board (hereinafter in this section referred to as the 'Board'), which shall perform the duties set forth in this section.

"(B) The Board shall be composed initially of nine members appointed by the Board of Governors of the Federal Reserve System. The initial members of the Board shall serve as members for a term of two years, and shall consist of—

"(i) three individuals who are not associated with any government securities broker or any government securities dealer (other than by reason of being under common control with, or indirectly controlling, any broker or dealer which is not a government securities broker or government securities dealer), hereafter in this subsection referred to as 'public representatives', at least two of whom are representative of investors in government securities;

"(ii) three individuals who are associated with and representative of government securities dealers that are monitored by and report daily to the Federal Reserve Bank of New York; and

"(iii) three individuals who are associated with and representative of government securities brokers and of government securities dealers other than those described in clause (ii).

"(C) Prior to the expiration of the terms of office of the initial members of the Board, an election shall be held, under rules adopted by the Board (pursuant to paragraph (2)(A) of this subsection), of the members to succeed such initial members.

"(2) The Board shall propose and adopt rules to administer the Board and to effect the purposes of this title with respect to transactions in government securities effected by government securities brokers and government securities dealers as follows:

"(A) Such rules shall establish fair procedures for the nomination and election of members of the Board and assure fair representation in such nominations and elections of government securities brokers and government securities dealers. Such rules shall provide (i) that the membership of the Board shall at all times be equally divided among representatives of the classes of persons set forth in clauses (i), (ii), and (iii) of paragraph (1)(B) of this subsection; and (ii) that at least two of the public representatives on the Board are representative of investors in government securities. Such rules shall also specify the term members shall serve.

"(B) Such rules shall provide for the operation and administration of the Board, including the selection of a Chairman from among the members of the Board, the compensation of the members of the Board, and the appointment and compensation of such employees, attorneys, and consultants as may be necessary or appropriate to carry out the Board's functions under this section.

"(C) Such rules shall provide that each government securities broker and government securities dealer shall pay to the Board such reasonable fees and charges as may be necessary or appropriate to defray the costs and expenses of operating and administering the Board. Such rules shall specify the amount of such fees and charges.

"(D) Such rules shall establish standards providing safeguards with respect to the financial responsibility and related practices of government securities brokers and government securities dealers including, but not limited to, the acceptance of custody and use of customers' securities, the carrying and use of customers' deposits or credit balances, and the transfer and control of government securities in repurchase agreements and similar transactions.

"(E) Such rules shall prescribe records to be made and kept by government securities brokers and government securities dealers and the periods for which such records shall be preserved.

"(F) Such rules shall require government securities brokers and government securities dealers to make and disseminate reports, furnish copies of records, and file financial statements (which may be required to be certified by an independent public accountant) and other information concerning their financial condition. Such rules may prescribe the form and content of such financial statements and the accounting principles and accounting standards used in their preparation.

"(G) Such rules shall define the term 'separately identifiable department or division', as that term is used in section 3(a)(44) of this title, in accordance with specified and appropriate standards to assure that a bank is not deemed to be engaged in the business of buying and selling government securities through a separately identifiable department or division unless such department or division is organized and administered so as to permit independent examination and enforcement of applicable provisions of this title and the rules thereunder, including the rules of the Board. A separately identifiable department or division of a bank may be engaged in activities other than those relating to government securities.

"(H) Rules under subparagraphs (A) through (G) of this paragraph shall be proposed and adopted by the Board within 180 days after the establishment of the Board. Such rules shall thereafter be published for public comment by the Board of Governors of the Federal Reserve System and the Board of Governors of the Federal Reserve System shall take final action upon such rules within one year after such establishment.

"(3) If the Board determines, based upon its experience with rules adopted under paragraph (2) of this subsection, that the rules which are authorized to be proposed and adopted under paragraph (2) of this subsection are not sufficient to effect the purposes of this title, the Board may propose and adopt rules establishing standards relating to the operational capability of government securities brokers and government securities dealers and to the training, experience, competence, and other qualifications of natural persons associated with government securities brokers and government securities dealers.

"(4) If the Board of Governors of the Federal Reserve System determines that the rules which are authorized to be proposed and adopted under paragraph (2) of this subsection are not sufficient to effect the purposes of this title, the Board of Governors of the Federal Reserve System may, by rule, with respect to transactions in government securities effected by government securities brokers and government securities dealers—

"(A) regulate the amount of deposit that shall be initially required and subsequently maintained in connection with the purchase, sale, or carrying of any government security; and

"(B) after consultation with the Secretary of the Treasury, establish requirements relating to when-issued trading in government securities by government securities brokers and government securities dealers.

"(5)(A) Rules proposed and adopted under paragraphs (2), (3), and (4) of this subsection shall be designed to prevent fraudulent and manipulative acts and practices and to protect the integrity, liquidity, and efficiency of the market for government securities, investors, and the public interest.

"(B) Rules proposed and adopted under paragraphs (2) and (3) of this subsection shall not be designed to permit unfair discrimination between customers, issuers, government securities brokers, or government securities dealers, to fix minimum profits, to impose any schedule or fix rates of commissions, allowances, discounts, or other fees to be charged by government securities brokers or government securities dealers, to regulate by virtue of any authority conferred by this title matters not related to the purposes of this title or the administration of the Board, or to impose any burden on competition not necessary or appropriate in furtherance of the purposes of this title.

"(C) In proposing and adopting rules under this section, the Commission, the Board, and the Board of Governors of the Federal Reserve System—

"(i) shall consider the sufficiency and appropriateness of then existing laws and rules applicable to government securities brokers, government securities dealers, and persons associated with government securities brokers and government securities dealers; and

"(ii) may determine, to the extent consistent with the public interest, the protection of investors, and the purposes of this title, not to apply, in whole or in part, certain rules under this section, or to apply greater, lesser, or different standards, to certain classes of government securities brokers, government securities dealers, or persons associated with government securities brokers or government securities dealers.

"(6) The Board of Governors of the Federal Reserve System shall have the same functions, powers, and duties with respect to the Board as the Commission has with respect to the Municipal Securities Rulemaking Board under sections 17(a)(1), 17(b), 19(b), and 19(c) of this title, and the Board shall have the same duties and responsibilities as the Municipal Securities Rulemaking Board has under such sections.

"(7) If the Commission or the Secretary of the Treasury comments in writing on a proposed rule or proposed rule change of the Board that has been published for comment, the Board of Governors of the Federal Reserve System shall respond in writing to such written comment before approving the proposed rule or proposed rule change.

"(c)(1) No government securities broker or government securities dealer shall make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any government security in contravention of any rule of the Board.

"(2) The Commission, by order, shall censure, place limitations on the activities, functions, or operations, suspend for a period not exceeding 12 months, or revoke the registration of any government securities broker or government securities dealer, if it finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or revocation, is in the public interest and that such government securities broker or government securities dealer, or any person associated with such government securities broker or government securities dealer (whether prior or subsequent to becoming so associated), has committed or omitted any act or omission enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within 10 years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4).

"(3) Pending final determination whether any registration under this section shall be revoked, the Commission, by order, may suspend such registration, if such suspension appears to the Commission, after notice and opportunity for hearing, to be necessary or appropriate in the public interest or for the protection of investors.

"(4)(A) The Commission, by order, shall censure or place limitations on the activities or functions of any person associated, or seeking to become associated, with a government securities broker or government securities dealer, or suspend for a period not exceeding twelve months or bar any such person from being associated with a government securities broker or government securities dealer, if the Commission finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or bar is in the public interest and that such person has committed or omitted any act or omission enumerated in subparagraph (A), (D), or (E) or paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4).

"(B) It shall be unlawful for any person as to whom an order entered pursuant to subparagraph (A) of this paragraph or paragraph (5) of this subsection suspending or barring him from being associated with a government securities broker or government securities dealer is in effect willfully to become, or to be, associated with a government securities broker or government securities dealer without the consent of the Commission. It shall be unlawful for any government securities broker or government securities dealer to permit such a person to become, or remain, a person associated with him without the consent of the Commission, if such government securities broker or government securities dealer knew, or, in the exercise of reasonable care should have known, of such order.

"(5) With respect to any government securities dealer for which the Commission is not the appropriate regulatory agency, the appropriate regulatory agency for such gov-

ernment securities dealer may sanction any such government securities dealer in the manner and for the reasons specified in paragraph (2) of this subsection and any person associated with such government securities dealer in the manner and for the reasons specified in paragraph (4) of this subsection. In addition, such appropriate regulatory agency may, in accordance with section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), enforce compliance by such government securities dealer or any person associated with such government securities dealer with the provisions of this section and the rules thereunder, including the rules of the Board. For purposes of the preceding sentence, any violation of any such provision or rule shall constitute adequate basis for the issuance of any order under section 8(b) or 8(c) of the Federal Deposit Insurance Act, and the customers of any such government securities dealer shall be deemed to be 'depositors' as that term is used in section 8(c) of that Act. Nothing in this paragraph shall be construed to affect in any way the powers of such appropriate regulatory agency to proceed against such government securities dealer under any other provision of law.

"(6)(A) The Commission, prior to the entry of an order of investigation, or commencement of any proceedings, against any government securities dealer or person associated with any government securities dealer for which the Commission is not the appropriate regulatory agency for violation of any provision of this section, and the rules thereunder including any rule of the Board, shall—

"(i) give notice to the appropriate regulatory agency for such government securities dealer of the identity of such government securities dealer or person associated with such government securities dealer and the nature of and basis for such proposed action; and

"(ii) consult with such appropriate regulatory agency concerning the effect of such proposed action on sound banking practices and the feasibility and desirability of coordinating such action with any proceeding or proposed proceeding by such appropriate regulatory agency against such government securities dealer or associated person.

"(B) The appropriate regulatory agency for a government securities dealer (if other than the Commission), prior to the entry of an order of investigation, or commencement of any proceedings, against such government securities dealer or person associated with such government securities dealer, for violation of any provision of this section or the rules thereunder including the rules of the Board, shall—

"(i) give notice to the Commission of the identity of such government securities dealer or person associated with such government securities dealer and the nature of and basis for such proposed action; and

"(ii) consult with the Commission concerning the effect of such proposed action on the protection of investors and the feasibility and desirability of coordinating such action with any proceeding or proposed proceeding by the Commission against such government securities dealer or associated person.

"(C) Nothing in this paragraph shall be construed to impair or limit (other than by the requirement of prior consultation) the power of the Commission or the appropriate regulatory agency for a government securities dealer to initiate any action of a class described in this paragraph or to affect in any way the power of the Commission or such appropriate regulatory agency to initiate any other action pursuant to this title or any other provision of law.

"(7) The Board of Governors of the Federal Reserve System is authorized, by order, if in its opinion such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise, in furtherance of the purposes of this title, to remove from office or censure any member or employee of the Board who, the Board of Governors of the Federal Reserve System finds, on the record after notice and opportunity for hearing, has willfully (A) violated any provision of this title or the rules and regulations thereunder, including the rules of the Board, or (B) abused his authority.

"(d)(1) Periodic examinations of government securities brokers and government securities dealers to assess compliance with this title and the rules thereunder shall be conducted by—

"(A) a registered securities association or a registered national securities exchange, in the case of government securities brokers and government securities dealers who are members of such association or exchange; and

"(B) the appropriate regulatory agency for any government securities dealer, in the case of all other government securities dealers.

"(2) An appropriate regulatory agency, registered securities association, or a registered national securities exchange shall make a report of any examination conducted and, on request, furnish the Commission or the Board of Governors of the Federal Reserve System a copy thereof and any data supplied to it in connection with such examination. Subject to such limitations as the Board of Governors of the Federal Reserve System, by rule, determines to be necessary or appropriate in the public interest or for the protection of investors, the Commission and each appropriate regulatory agency, registered securities association, and registered securities exchange, shall make available to the Board, on request, a copy of any report concerning examinations of government securities brokers or government securities dealers made pursuant to this paragraph or section 17(c)(3) of this title.

"(e) Nothing in this section shall be construed to impair or limit the power of the Commission or the Board of Governors of the Federal Reserve System.".

SEC. 3. STUDY OF TRADING SYSTEM FOR GOVERNMENT SECURITIES.

(a) REQUIREMENTS FOR STUDY.—The Comptroller General, in coordination and consultation with the Board of Governors of the Federal Reserve, the Secretary of the Treasury, and the Commission, shall study the nature of the current trading system in the secondary market for government securities, including—

(1) the extent and form of availability of bids and asks for government securities transactions on a real time basis;

(2) the extent and form of the availability of government securities brokers' services in the secondary market; and

(3) whether quotations for government securities and the services of government securities brokers are available on terms which are consistent with the public interest, the protection of investors, and the purposes of this title.

(b) PUBLIC HEARINGS.—In addition to the collection of information through surveys, public document review, interviews, and other information-gathering methods, at least one joint public hearing shall be held during the course of conducting the study.

(c) REPORT AND RECOMMENDATIONS.—The report of the Comptroller General shall be submitted to the Congress no later than six months after the date of enactment of this Act.

SEC. 4. CONFORMING AMENDMENTS.

(a) DEFINITION OF EXEMPTED SECURITY.—Paragraph (12) of section 3(a) of the Act (15 U.S.C. 78c(a)(12)) is amended to read as follows:

"(12)(A) The term 'exempted security' or 'exempted securities' includes—

"(i) government securities, as defined in paragraph (42) of this subsection;

"(ii) municipal securities, as defined in paragraph (29) of this subsection;

"(iii) any interest or participation in any common trust fund or similar fund maintained by a bank exclusively for the collective investment and reinvestment of assets contributed thereto by such bank in its capacity as trustee, executor, administrator, or guardian;

"(iv) any interest or participation in a single trust fund, or a collective trust fund maintained by a bank, or any security arising out of a contract issued by an insurance company, which interest, participation, or security is issued in connection with a qualified plan as defined in subparagraph (C) of this paragraph; and

"(v) such other securities (which may include, among others, unregistered securities, the market in which is predominantly intrastate) as the Commission may, by such rules and regulations as it deems consistent with the public interest and the protection of investors, either unconditionally or upon specified terms and conditions or for stated periods, exempt from the operation of any one or more provisions of this title which by their terms do not apply to an 'exempted security' or to 'exempted securities'.

"(B)(i) Notwithstanding subparagraph (A)(i) of this paragraph, government securities shall not be deemed to be 'exempted securities' for the purposes of sections 15A and 17A of this title.

"(ii) Notwithstanding subparagraph (A)(ii) of this paragraph, municipal securities shall not be deemed to be 'exempted securities' for the purposes of sections 15, 15A, and 17A of this title.

"(C) For purposes of subparagraph (A)(iv) of this paragraph, the term 'qualified plan' means (i) a stock bonus, pension, or profit-sharing plan which meets the requirements for qualification under section 401 of the Internal Revenue Code of 1954, (ii) an annuity plan which meets the requirements for the deduction of the employer's contribution under section 404(a)(2) of such Code, or (iii) a governmental plan as defined in section 414(d) of such Code which has been established by an employer for the exclusive benefit of its employees or their beneficiaries for the purpose of distributing to such employees or their beneficiaries the corpus and income of the funds accumulated under such plan, if under such plan it is impossible, prior to the satisfaction of all liabilities with respect to such employees and their beneficiaries, for any part of the corpus or income to be used for, or diverted to, purposes other than the exclusive benefit of such employees or their beneficiaries, other than any plan described in clause (i), (ii), or (iii) of this subparagraph which (I) covers employees some or all of whom are employees within the meaning of section 401(c) of such Code, or (II) is a plan funded by an annuity contract described in section 403(b) of such Code.".

(b) DEFINITION OF "SELF-REGULATORY ORGANIZATION".—Section 3(a)(26) of the Act (15 U.S.C. 78c(a)(26)) is amended—

(1) by striking out "or (solely" and inserting in lieu thereof "(solely"; and

(2) by inserting before the period at the end thereof ", or (solely for purposes of section 23(b) of this title) the Government Securities Rulemaking Board established by section 15C of this title".

(c) DEFINITIONS OF APPROPRIATE REGULATORY AGENCY.—Section 3(a)(34) of the Act (15 U.S.C. 78c(a)(34)) is amended—

(1) by inserting "or a government securities dealer" after "municipal securities dealer" in subparagraph (A);

(2) by inserting "and government securities dealers" after "municipal securities dealers" in subparagraph (A)(iv); and

(3) by redesignating subparagraph (F) as subparagraph (G) and inserting after subparagraph (E) the following new subparagraph:

"(F) When used with respect to the Government Securities Rulemaking Board, the Board of Governors of the Federal Reserve System.".

(d) DEFINITION OF STATUTORY DISQUALIFICATION.—Section 3(a)(39) of the Act (15 U.S.C. 78c(a)(39)) is amended—

(1) in subparagraph (B)—

(A) by inserting "or other appropriate regulatory agency" after "Commission"; and

(B) by striking out "or municipal securities dealer" and inserting in lieu thereof "municipal securities dealer, government securities broker, or government securities dealer", and

(2) in subparagraph (C)—

(A) by striking out "or municipal securities dealer" and inserting in lieu thereof "municipal securities dealer, government securities broker, or government securities dealer"; and

(B) by inserting ", an appropriate regulatory agency," after "Commission".

(e) ADDITIONAL DEFINITIONS.—Section 3(a) of the Act is further amended by adding at the end thereof the following new paragraphs:

"(42) The term 'government securities' means—

"(A) securities which are direct obligations of, or obligations guaranteed as to principal or interest by, the United States;

"(B) securities which are issued or guaranteed by corporations in which the United States has a direct or indirect interest and which are designated by the Secretary of the Treasury for exemption as necessary or appropriate in the public interest or for the protection of investors;

"(C) securities issued or guaranteed as to principal or interest by any corporation the securities of which are designated, by statute specifically naming such corporation, to constitute exempt securities within the meaning of the laws administered by the Commission; or

"(D) for purposes of section 15C, any put, call, straddle, option, or privilege on a government security other than a put, call, straddle, option, or privilege—

"(i) that is traded on one or more national securities exchanges; or

"(ii) for which quotations are disseminated through an automated quotation system operated by a registered securities association.

"(43) The term 'government securities broker' means a broker engaged in the business of effecting transactions in government securities for the account of others, but does not include any corporation the securities of which are government securities under subparagraph (B) or (C) of paragraph (42) of this subsection.

"(44) The term 'government securities dealer' means any person (including a separately identifiable department or division of a bank) engaged in the business of buying and selling government securities for his own account, through a broker or otherwise, but does not include—

"(A) any person insofar as he buys or sells such securities for his own account, either individually or in some fiduciary capacity, but not as a part of a regular business;

"(B) any corporation the securities of which are government securities under subparagraph (B) or (C) of paragraph (42) of this subsection; or

"(C) a bank, unless the bank is engaged in the business of buying and selling government securities for its own account other than in a fiduciary capacity, through a broker or otherwise.

If the bank is engaged in such business through a separately identifiable department or division (as defined pursuant to section 15C(b)(2)(H) of this title) the department or division and not the bank itself shall be deemed to be the government securities dealer.

"(45) The term 'person associated with a government securities broker or government securities dealer' or 'associated person of a government securities broker or government securities dealer' means—

"(A) when used with respect to a broker or dealer, any partner, officer, director, or branch manager of such government securities broker or government securities dealer (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with such government securities broker or government securities dealer, or any employee of such government securities broker or government securities dealer; and

"(B) when used with respect to a government securities dealer which is a bank or a separately identifiable department or division of a bank, any person directly engaged in the management, direction, supervision, or performance of any of the government securities dealer's activities with respect to government securities, and any person directly or indirectly controlling such activities or controlled by the government securities dealer in connection with such activities.

"(46) The term 'registered broker or dealer' means a broker or dealer registered or required to register pursuant to section 15 or 15B of this title, except that in paragraph (3) of this subsection and sections 6 and 15A the term means such a broker or dealer and a government securities broker or government securities dealer (other than a bank or a separately identifiable department or division of a bank) registered or required to register pursuant to section 15C of this title.".

(f) ENFORCEMENT BY NATIONAL SECURITIES EXCHANGES.—Subsections (b)(1), (b)(6), and (d)(1)(B) of section 6 of the Act (15 U.S.C. 78f(b)(1), (b)(6), (d)(1)(B)) are each amended by inserting "including the rules of the Government Securities Rulemaking Board," after "regulations thereunder," each place it appears.

(g) SRO MEMBERSHIP.—Section 15(b)(8) of the Act (15 U.S.C. 78o(b)(8)) is amended—

(1) by inserting "registered or" after "any broker or dealer";

(2) by inserting "section 15, 15B, or 15C of" after "register pursuant to"; and

(3) by striking out "an exempted security or".

(h) RULEMAKING BY REGISTERED SECURITIES ASSOCIATIONS.—Section 15A(f) of the Act (15 U.S.C. 78o-3(f)) is amended—

(1) by inserting "(1)" after "(f)"; and

(2) by adding at the end thereof the following new paragraphs:

"(2) Nothing in subsection (b)(6), (b)(11), or (g)(3) shall be construed to permit a registered securities association to make rules concerning any transaction by a broker or dealer in a municipal security or a government security.

"(3) Nothing in subsection (e) shall be construed to apply to any transaction in a government security.".

(i) EXAMINATIONS.—Section 17(b) of the Act (15 U.S.C. 78q(b)) is amended—

(1) by inserting "registered government securities brokers, registered government securities dealers, and" after "All records of"; and

(2) by striking out "or registered municipal securities dealer" and inserting in lieu thereof "registered municipal securities dealer, registered government securities broker, or registered securities dealer".

(j) FILING OF AND ACCESS TO DOCUMENTS.—Section 17(c) of the Act (15 U.S.C. 78q(c)) is amended—

(1) by striking out "and municipal securities dealer" in paragraph (1) and inserting in lieu thereof "municipal securities dealer, government securities broker, and government securities dealer";

(2) by adding at the end of such paragraph the following new sentences: "The Government Securities Rulemaking Board shall file with each agency enumerated in section 3(a)(34)(A) of this title and with the Secretary of the Treasury copies of every proposed rule change filed with the Board of Governors pursuant to section 15C(b)(6) and 19(b) of this title.";

(3) by striking out "or municipal securities dealer" each place it appears in paragraphs (1), (2), and (3) and inserting in lieu thereof "municipal securities dealer, government securities broker, or government securities dealer"; and

(4) by adding at the end thereof the following new paragraph:

"(4) The Commission or the appropriate regulatory agency may specify that documents required to be filed with the Commission or such agency pursuant to this subsection may be retained by the originating clearing agency, transfer agent, municipal securities dealer, or government securities dealer or filed with another appropriate regulatory agency. The Commission or the appropriate regulatory agency (as the case may be) making such a specification shall continue to have access to the document on request.".

(k) BURDENS ON COMPETITION.—Section 23(a) of the Act (15 U.S.C. 78w(a)) is amended—

(1) by inserting "and the Board of Governors of the Federal Reserve System" after "Commission" each place it appears in paragraph (2);

(2) by inserting "or the Board's" after "Commission's" in paragraph (2);

(3) by inserting "and the Board of Governors of the Federal Reserve System" after "Commission" the first, second, and fourth place it appears in paragraph (3);

(4) by inserting "(including review pursuant to section 15C(b)(6) of this title)" after

"section 19(b) of this title" in paragraph (3); and

(5) by inserting "or the Board of Governors of the Federal Reserve System" after "Commission" the third place it appears in paragraph (3).

(l) COURT REVIEW OF FEDERAL RESERVE BOARD RULES.—Section 25(b)(1) of the Act (15 U.S.C. 78y(b)(1)) is amended by inserting "or a rule of the Board of Governors of the Federal Reserve System promulgated pursuant to section 15C of this title" after "17A, or 19 of this title".

(m) ADDITIONAL AMENDMENTS ADDING REFERENCES TO GOVERNMENT SECURITIES AND GOVERNMENT SECURITIES BROKERS AND DEALERS.—(1) Sections 15(b)(4)(B) and 17(f)(1) of the Act (15 U.S.C. 78o(b)(4)(B) and 78q(f)(1)) are each amended by inserting "government securities broker, government securities dealer," after "municipal securities dealer," each place it appears.

(2) Section 15(b)(4)(C) of the Act of (15 U.S.C. 780(b)(4)(C)) is amended by striking out "or municipal securities dealer," and inserting in lieu thereof "municipal securities dealer, government securities broker, or government securities dealer,".

(3) Section 23(b)(3) of the Act (15 U.S.C. 78w(b)(3)) is amended—

(A) by inserting ", government securities brokers and government securities dealers" after "municipal securities dealers" each place it appears; and

(B) by inserting ", government securities broker, or government securities dealer" after "municipal securities dealer".

(n) ADDITIONAL AMENDMENTS ADDING REFERENCES TO THE GOVERNMENT SECURITIES RULEMAKING BOARD.—(1) Section 15(b)(4) of the Act (15 U.S.C. 78o(b)(4)) is amended by striking out "or the rules of the Municipal Securities Rulemaking Board," each place it appears in subparagraphs (D) and (E) and inserting in lieu thereof "including the rules of the Municipal Securities Rulemaking Board and the rules of the Government Securities Rulemaking Board,".

(2) Section 15A of the Act (15 U.S.C. 78o-3) is amended by striking out "the rules of the Municipal Securities Rulemaking Board," each place it appears in subsections (b)(2), (b)(7), and (h)(1)(B) and inserting in lieu thereof "including the rules of the Municipal Securities Rulemaking Board and the rules of the Government Securities Rulemaking Board,".

(3) Section 19(e)(1)(A) of the Act (15 U.S.C. 78s(e)(1)(A)) is amended by striking out "thereunder, the rules of the self-regulatory organization, or, in the case of a registered securities association, the rules of the Municipal Securities Rulemaking Board" and inserting in lieu thereof "thereunder (including the rules of the Government Securities Rulemaking Board and, in the case of a registered securities association, the rules of the Municipal Securities Rulemaking Board), or the rules of the self-regulatory organization".

(4) Section 19(g)(1) of the Act (15 U.S.C. 78s(g)(1)) is amended—

(A) by inserting "(including the rules of the Government Securities Rulemaking Board)" after "regulations thereunder"; and

(B) by striking out "and the provisions of the rules of the Municipal Securities Rulemaking Board" and inserting in lieu thereof "(including the rules of the Municipal Securities Rulemaking Board)".

(5) Paragraphs (1) and (4) of section 19(h) of the Act (15 U.S.C. 78s(h)(1), (4)) are each amended—

(A) by inserting "(including the rules of the Government Securities Rulemaking Board)" after "rules or regulations thereunder"; and

(B) by striking out "or any provision of the rules of the Municipal Securities Rulemaking Board" in subparagraph (B) and insert in lieu thereof "(including any provision of the rules of the Municipal Securities Rulemaking Board)".

(6) Paragraphs (2) and (3) of section 19(h) of the Act (15 U.S.C. 78s(h)(2), (3)) are each amended—

(A) by inserting before the semicolon at the end of subparagraph (A) the following: "including the rules of the Government Securities Rulemaking Board)";

(B) by inserting "or" after "this title," in subparagraph (B); and

(C) by striking out "or the rules of the Municipal Securities Rulemaking Board" in subparagraph (B) and inserting in lieu thereof "(including the rules of the Municipal Securities Rulemaking Board or the rules of the Government Securities Rulemaking Board)".

(7) Subsections (a) and (d)(1) of section 21 of the Act (15 U.S.C. 78u(a), (d)(1)) are each amended—

(A) by inserting "(including the rules of the Municipal Securities Rulemaking Board and the rules of the Government Securities Rulemaking Board)" after "rules or regulations thereunder";

(B) by inserting "or" after "with a member,"; and

(C) by striking out "or the rules of the Municipal Securities Rulemaking Board,".

(8) Section 21(e)(1) of the Act (15 U.S.C. 78u(e)(1)) is amended—

(A) by inserting "(including the rules of the Municipal Securities Rulemaking Board and the rules of the Government Securities Rulemaking Board)" after "rules, regulations, and orders thereunder";

(B) by inserting "and" after "with a member,"; and

(C) by striking out "the rules of the Municipal Securities Rulemaking Board,".

SEC. 5. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect 180 days after the date of enactment of this Act.

(b) EXCEPTIONS.—Notwithstanding subsection (a), effective on the date of enactment of this Act—

(1) the Securities and Exchange Commission may prescribe rules pursuant to section 15C(a)(2) of the Securities Exchange Act of 1934 (as amended by section 2 of this Act), relating to the registration of government securities dealers;

(2) the Board of Governors of the Federal Reserve System may establish the Government Securities Rulemaking Board pursuant to section 15C(b)(1) of the Securities Exchange Act of 1934 (as so amended); and

(3) the Government Securities Rulemaking Board may propose and adopt rules pursuant to section 15C(b) of the Securities Exchange Act of 1934 (as so amended).

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Colorado [Mr. WIRTH] will be recognized for 20 minutes and the gentleman from New Jersey [Mr. RINALDO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. WIRTH].

Mr. WIRTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2032, as amended, the Government Securities Act of 1985. This bill was ordered reported by the Committee on Energy and Commerce on July 31, 1985, by a voice vote, without opposition. It was developed by a bipartisan group of Members, under the leadership of the distinguished chairman of the Energy and Commerce Committee, Mr. DINGELL, and the ranking minority member of the committee, Mr. BROYHILL.

I want to acknowledge at the outset the extraordinary efforts of members of the Subcommittee on Telecommunications, Consumer Protection and Finance who worked to develop the legislation: The gentleman from New Jersey, Mr. RINALDO, the gentleman from Washington, Mr. SWIFT, and the two gentlemen from Ohio, Mr. LUKEN and Mr. OXLEY.

We believe this legislation is necessary to protect investors and restore confidence in our markets. It addresses a serious deficiency in the supervision of our financial markets—a deficiency that has resulted in losses of over $900 million to investors since 1977 and has shaken confidence in our financial system as a whole.

I am sure your are aware of the most recent examples. In March of this year, the failure of ESM Government Securities, a small, unregulated Government securities dealer, resulted in more than $300 million in losses to savings and loan institutions and other investors.

Ohio's largest State-chartered savings and loan, Home State Savings Bank, lost $150 million in transactions with ESM. When it became known that Ohio's $130 million State insurance fund could be wiped out by Home State's losses alone, depositors with funds at other State-chartered thrifts panicked. We saw a run by depositors in that State—something we have not witnessed since the 1930's. Few thrifts had sufficient funds on hand to meet large-scale withdrawals, and the Governor of Ohio ordered the closure of all 71 State-chartered thrifts until the panic subsided. Ohio is still sorting through the fallout.

The savings and loan industry was not the only group hard hit by ESM's failure. Cities and local governments throughout the country that had invested taxpayers' funds with ESM were also losers. The cities of Beaumont, TX, and Toledo, OH, each lost $20 million, and three counties in the State of Washington lost a total of $17 million.

ESM failure set off a reaction in the Government securities market that soon led to the bankruptcy of another unregulated Government securities firm in New Jersey—Bevill, Bresler and Schulman Asset Management Corp.—which cost 9 banks and 45 thrifts more than $240 million.

The losses from ESM and Bevill, Bresler occurred because of a serious gap in the supervision of our capital markets. While most securities broker-dealers must register with the Securities and Exchange Commission, dealers who trade only Government securities (Treasury securities and Government agency securities such as Fannie Mae's) are totally outside the bounds of Federal supervision. Consequently, a firm like ESM was able to engage in fraudulent practices for years. In fact, the evidence shows that ESM thwarted SEC investigators for more than 7 years before its collapse.

The lack of supervision in the Government securities market is even more disturbing in view of the fact that it is the largest securities market in the world. The Federal Reserve Board reports that the monthly trading volume for the largest Government securities dealers is more than $1.5 trillion—about 15 times the total volume of transactions in corporate securities on the stock exchanges and over-the-counter markets. It is also the most important market to our national economy. Through this market, the U.S. Government raised an average of $4 billion a day in 1984.

As we saw this spring, failures in this market can have international consequences. On March 19, 1985, just after ESM's failure and the crisis in Ohio, the dollar had its biggest drop in 15 years, and the price of gold jumped $35. The Financial Times of London titled an article on the U.S. financial system, "The Fear That More Dominoes May Fall." Confidence in the U.S. financial system was shaken around the world.

During consideration of these issues by the Subcommittee on Telecommunications Consumer Protection and Finance, there were some who lobbied against adding any safeguards to this market. One Government securities dealer testified that the problems at ESM and Bevill, Bresler resulted from the failure of investors (thrifts and municipalities) to take steps to protect themselves and, therefore, regulation of dealers was not necessary. Others argued that we should not legislate because no system can prevent fraud.

While fraud may be impossible to eliminate completely, there are certain minimum steps we can and must take to prevent unscrupulous dealers from placing investors, depositors, our financial institutions and our taxpayers' money at risk. We can register these dealers so we know who they are. We can require dealers to keep accurate books and records and submit to audits and inspections, making it more difficult for them to conceal fraud. We can require them to have adequate capital so they have some cushion against volatile interest rates. And we can require them to take steps to assure the safekeeping of investors' securities. All of these are standards with which other securities broker-dealers comply, and there is no reason why dealers in the world's biggest market should be free from these minimum responsibilities.

This bill would put these safeguards in place by creating a new industry self-regulatory organization called the Government Securities Rulemaking Board under the oversight of the Federal Reserve Board which would write rules to protect the integrity of the market. It requires that all Government securities dealers register with the SEC and gives the SEC and bank regulatory agencies power to enforce the rules.

Mr. Speaker, I noted at the outset that this bill is the product of a bipartisan partnership of members of the committee who believe it is a critical step toward restoring confidence in our financial markets. I also want to acknowledge the cooperation we have had in this effort from Members outside the committee. The gentleman from Illinois, Mr. ROSTENKOWSKI, and the gentleman from Mississippi, Mr. WHITTEN, worked closely with us in our deliberations on the legislation.

I would also note that the gentleman from the District of Columbia, Mr. FAUNTROY, and the Subcommittee on Domestic Monetary Policy have played a key role in educating Congress on the Government securities market. We have worked with the Committee on Banking and have welcomed the support of many of its members for the steps we are taking in the legislation.

We have also worked closely with the gentleman from Georgia, Mr. BARNARD, whose Subcommittee on Commerce, Consumer and Monetary Affairs of the Committee on Government Operations held extensive hearings on the recent failures of ESM and Bevill, Bresler. Those hearings further demonstrated the need for increased supervision of Government securities dealers and other participants in the market.

This bill will provide safeguards for investors. It will go a long way toward restoring confidence in a market that is critical to our economic health. It will help to maintain the liquidity and efficiency of this important market, which is of paramount importance to the effective, low-cost financing of the national debt. I strongly urge its passage.

Mr. RINALDO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to support this legislation and join with the gentleman from Colorado [Mr. WIRTH], chairman of the Telecommunications, Consumer Protection and Finance Subcommittee in moving this matter forward. He has done an excellent job.

I think everyone here is aware of the recent failure of ESM Securities in Florida and Bevill, Bresler, Shulman in my home State of New Jersey. These failures have underscored the fact that changes are needed in the largely unregulated Government securities market.

This legislation seeks to close this regulatory gap and prevent another Government securities failure by establishing a new Government Securities Rulemaking Board under the supervision of the Federal Reserve. Mandatory rulemaking by the new board would focus upon recordkeeping, registration, and financial responsibility.

Mr. Speaker, the Subcommittee on Telecommunications, Consumer Protection and Finance spent an extensive amount of time in an attempt to accommodate the concerns of the Federal Reserve Board, the SEC, and primary and secondary dealers. So we did our homework and we examined all facets of this problem.

I believe that the Members and staff, particulary Members like the gentleman from North Carolina [Mr. BROYHILL], the ranking minority member of the full Committee on Energy and Commerce, and the gentleman from Michigan [Mr. DINGELL], chairman of the full Committee on Energy and Commerce, and everyone else involved should be commended for their efforts and the manner in which they approached an extremely serious problem. The bill that we are considering today is drafted so as to provide a fair and sound regulatory framework. At the same time, it does not impose excess rigidity or needless duplicative requirements. It is drafted to protect the integrity and efficiency and the liquidity of the Government securities market.

Any costs to the system should be minimal. In fact, no one can come up with any accurate estimate of costs, because they are going to be practically nothing.

We also have to bear in mind that doing nothing, after the market weaknesses we have experienced, adds tremendous costs to the marketing of securities. So everyone on this subcommittee felt that it was an accepted fact that something had to be done, and something should be done, before another failure occurs.

I urge my colleagues to join me and the chairman of the subcommittee, the gentleman from Colorado [Mr. WIRTH], and the gentleman from North Carolina [Mr. BROYHILL], and the gentleman from Michigan, [Mr. DINGELL], chairman of the full committee, in supporting this very important and needed piece of legislation.

Mr. OXLEY. Mr. Speaker, will the gentleman yield?

Mr. RINALDO. I yield to the gentleman from Ohio.

Mr. OXLEY. I thank the gentleman for yielding and would simply add my voice in support of this legislation.

Those of us in Ohio I think particularly are very familiar with what has happened and the publicity that has resulted from the closing of savings and loans throughout Ohio because of the ESM collapse. This legislation, it seems to me, is a response to that very difficult situation that we face in the State of Ohio and that the State of Maryland is now facing.

We came through it relatively well, but there is clearly an indication from the strength of the dollar throughout the entire world that a seemingly small problem that developed in the State of Florida, spread to Ohio, could have an effect on worldwide markets, and that is why this legislation is so important.

I have to congratulate the chairman of the subcommittee as well as the full committee for what I consider to be a classic example of the legislative process at work. We had testimony from experts in the area, including Chairman Volcker from the Federal Reserve and Chairman Shad of the SEC, and testimony from different commercial dealers, during the drafting of this legislation. This is a very positive move in trying to see to it that this kind of situation does not happen again.

I think we can all be proud of our committee for the product that we have on the floor today. I am pleased to be a cosponsor and ask all of my colleagues to support this very meaningful and worthwhile legislation.

I yield back to the gentleman from New Jersey.

Mr. MATSUI. Mr. Speaker, will the gentleman yield?

Mr. RINALDO. I am pleased to yield to the gentleman from California.

Mr. MATSUI. Mr. Speaker, I want to congratulate Chairman DINGELL, Congressman WIRTH, and the Energy and Commerce Committee on their timely response to a serious problem. The market for U.S. Government securities has not been operating in a manner that adequately protects the interests of investors. The failure of securities dealers has led to financial panics not experienced in this country since the 1930's. Action is clearly called for.

The Committee on Ways and Means has an interest in the efficient operation of the market for U.S. Government securities that extends beyond mere jurisdictional concern. The policies of this administration and this Congress result in unprecedented peacetime deficits. These $200 billion deficits must be financed by selling new securities and huge amounts of existing debt must be refinanced on a continuing basis.

This House, by approving the budget resolution for fiscal year 1986, has passed and sent to the other body a resolution to increase the debt ceiling to over $2 trillion. The efficiency of the U.S. Government securities market has an impact on the cost to the American public of paying interest on this debt. Any development affecting the marketing of U.S. Government securities falls within the scope of our committee's responsibilities for debt management under the Second Liberty Bond Act.

There is no reason to believe that the regulatory framework developed in the Energy and Commerce Committee's bill before us will adversely impact the U.S. Government securities market. Indeed, the influence could be positive if investor confidence is enhanced. However, the Committee on Ways and Means would be concerned if a new regulatory apparatus hindered the development of new and innovative methods the Treasury Department might use to market its securities. The Committee on Ways and Means will want to monitor the evolution of a new regulatory process from this perspective.

The Committee on Ways and Means did not request sequential referral of H.R. 2032 because of our heavy schedule of tax and trade legislation and because of the need to solve expeditiously many of the problems in securities markets. We will nonetheless have a continuing interest in this matter so that we can retain the most efficient debt management system possible for the Government, and one that protects the interests of investors in that market.

□ 1245

Mr. RINALDO. Mr. Speaker, I yield such time as he may consume to the ranking minority member of the full committee, the gentleman from North Carolina [Mr. BROYHILL].

Mr. BROYHILL. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this bill. This is a bill that I originally cosponsored, and I support it now here in its amended form. It is an important measure. It does address a major problem.

The markets in U.S. Government and Federal agency securities are the largest and most efficient securities markets in the world, and it is important that we maintain the efficiency, soundness, liquidity, and depth of the Government securities market. This is crucial to the viability of our economy since transactions in Government securities are the principal means of financing our national debt.

Mr. Speaker, we have already heard in the debate today where the failure of certain securities firms have had a profound and negative effect on financial institutions in other parts of the country. The fact is that our committee found that these failures were usually precipitated by fraudulent activity, by misleading financial statements, failure to maintain adequate books and records, lack of net capital requirements, and customer ignorance of the type and effect of the transactions in which they were engaging.

This legislation establishes a minimal regulatory framework to address the problem, and I maintain that it is necessary, it is essential, it is needed, and I urge the quick passage of this legislation.

Mr. WIRTH. Mr. Speaker, I yield 5 minutes to the distinguished delegate from the District of Columbia [Mr. FAUNTROY] who will speak on behalf of the Committee on Banking, Finance and Urban Affairs.

Mr. FAUNTROY. Mr. Speaker, I am pleased to join with my colleagues from the Committee on Energy and Commerce in support of H.R. 2032, a bill which responds to the need for effective regulation of the Government securities market. This bill will restore confidence. It is cost effective. More importantly, it represents the combined judgment of a very large number of overseers, regulators and participants in the Government securities market as the best way of assuring that the most efficient market in the world remain safe, sound and able to support the needs in Government finance and the Federal Reserve's conduct of monetary policy.

The Committee on Banking, Finance and Urban Affairs, through its Subcommittee on Domestic Monetary Policy, has long had an interest in the Government securities market because of its impact on credit availability, interest rates, and potential effects on the Federal Reserve's ability to conduct monetary policy. As early as March 1982, the Subcommittee on Domestic Monetary Policy began an inquiry into problems associated with Federal debt management which was shortly followed by additional hearings that resulted in a request to the General Accounting Office for a comprehensive study of the Government securities market.

Much of the work done by the GAO in response to that request is incorporated into both this bill and its report. I am pleased that our committee and the Committee on Energy and Commerce have been able to develop a bill which reflects so much of these efforts. Our cooperative spirit is a sign of the capacity of Congress to respond in a deliberate and thoughtful fashion to a potentially devastating financial crisis long before it occurs. While we have had several untoward events over the past few years whose portents warn of much greater tragedies were we to fail to act, I think it is fair to state that our combined committees have acted with reasonable dispatch and consideration in assuring protection for participants in these markets.

For all of this, however, I must nonetheless state that investors in every market must continue to use prudence and common sense. Much of what we saw in the losses by failures of unregulated, undercapitalized, and unscrupulous dealers was carelessness, greed, and misplaced trust by investors. This bill does not substitute for prudence and common sense. It does, however, provide additional safeguards that prudent investors can use. I would hope that investors will take full advantage of them.

The shock waves that went through all financial markets and which ultimately resulted in the failure of a statewide private insurance fund for depository institutions is a statement of the importance of the Government securities market. It is also a statement of the need for expeditious consideration of this bill. While the Government securities themselves are absolutely free of default risks, we have learned that their use as the underlying security in a derivative product, like a repurchase or reverse repurchase agreement, may not be so riskless. Thus, there is a need to develop a standard for evaluating the financial position of a dealer and for the handling of records and customer securities, as well as to establish both standards and a registration process for determining who is a dealer.

H.R. 2032, as reported, accomplishes these goals through a new, but limited, self-regulatory organization under the oversight of the Federal Reserve. Aside from some details which deal primarily with housekeeping-type matters, this approach is almost identical to that which was proposed by myself to my own subcommittee.

Were we to not act, potential investor fear and uncertainty might very well lead to higher interest rates and difficulties in debt financing. It is my own hope, however, that the approach which was adopted in this bill will enhance market confidence and thus offset any costs which a regulatory scheme must necessarily impose, even if they are as small as they are expected to be.

Thus, it is with a great deal of pleasure that I join in supporting this bill. I also want to thank Chairman DINGELL and Chairman WIRTH for agreeing to reserve time for the Banking Committee and for their splendid cooperation with all of the members of my subcommittee and the full committee.

Mr. WIRTH. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Ohio [Mr. LUKEN] who has been so helpful in the development of this important legislation.

Mr. LUKEN. Mr. Speaker, I rise today in support of H.R. 2032, the Public Securities Act of 1985.

The markets in U.S. Government and Federal agency securities are the largest and most efficient securities markets in the world. Our national debt is financed through the Government securities market and Government securities are an essential weapon in the implementation of monetary policy by the Federal Reserve Board.

But there are serious weaknesses in the regulatory framework that governs the Government securities markets. For example, brokers and dealers who effect transactions exculsively in Government securities are exempt from the broker-dealer registration provisions of the securities laws and are not required to become members of a self-regulatory organization under the oversight of the Securities and Exchange Commission.

Moreover, the Federal Reserve Bank of New York, to whom the 36 primary dealers in Government securities report voluntarily, has no statutory authority or other basis on which to conduct onsite inspections of nonbank secondary dealers.

These gaps in regulation have been a contributing factor in the failures of a number of unregistered Government securities dealers. These failures include, during the past 8 years, Winters Government Securities in 1977, Hibbard & O'Connor Government Securities in 1979, Drysdale Government Securities and Lombard-Wall in 1982, as well as ESM Government Securities, Inc. and Bevill, Bresler & Shulman Asset Management Corp. during 1985.

Most Government securities are purchased by institutional investors, including financial institutions, municipalities, corporations, and pension funds. Individual investors hold only 9 percent of outstanding Government securities.

Why should the general public be concerned about the failure of a few Government securities dealers? Here's why.

It has now been more than 6 months since the collapse of an obscure Government securities dealer in Fort Lauderdale, FL, ESM, forced the temporary closing of 71 thrift institutions in the State of Ohio, left millions of innocent depositors without access to their savings for more than 3 months, and brought about a major restructuring of Ohio savings and loans.

But these failures reach far beyond the immediate victims, by threatening our Nation's financial system and undermining investor confidence. For example, the ESM financial crisis sent the price of gold soaring and the value of the dollar crashing on international markets.

We have an opportunity to act decisively today to prevent future ESM's and future Bevill Breslers by bringing brokers in Government securities under mandatory Federal regulatory supervision for the first time.

The bill, as reported by the Energy and Commerce Committee, would provide for the creation of a new nine member Government Securities Rulemaking Board comprised of representatives of Government securities dealers and investors in Government securities.

The Board would be supervised by the Federal Reserve Board, which would have the power to approve or disapprove its rules. Fed Chairman Paul Volcker advocated this regulatory framework in testimony before the Telecommunications Subcommittee last June.

The legislation directs the rulemaking board to issue mandatory regulations in critical areas identified by numerous witnesses before the subcommittee. These include: Registration of all dealers, recordkeeping requirements, and financial responsibility.

For the first time, all Government securities dealers would be required to register with the SEC, although the Federal Reserve and the SEC would have the authority to exempt certain dealers. In addition, and most importantly, the SEC would be given authority to enforce the rules of the Board and the Federal Reserve.

In practical effect, this means that the SEC would have authority to inspect the financial records of any Government securities dealer at any time.

If the Commission had possessed such authority in 1977, the SEC's enforcement agents, who were hot on the trail of ESM, would have uncovered the massive fraud that ESM was able to perpetrate on the American public for so long and would have corrected the problems that existed or shut the firm down. And the financial crisis that resulted would have been avoided.

Instead, because they lacked the authority, they spent 4 years in court in an unsuccessful attempt to gain access to ESM's books. Then, in 1981, the Commission incredibly called off its investigators and dropped pursuit of the matter entirely.

The legislation we have before us today addresses major shortcomings in Federal supervision of the Government securities market and goes a long way toward assuring the kind of protection that investors and the American public have a right to expect but have not received from the Federal Government.

I ask my colleagues to support this important measure.

Mr. WIRTH. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Speaker, as a cosponsor of the Government Securities Act of 1985, I urge my colleagues to support this important legislation. Prompt action on this bill is needed to restore investor confidence in the Government securities market and to provide for the efficiency and integrity of the market in U.S. Treasury securities. The successful operation of this market is especially essential to the conduct of fiscal and monetary policy, due to our ongoing need to finance the Federal debt.

The recent failures of two small unregulated dealers, ESM Government Securities and Bevill, Bresler & Schulman have provided dramatic evidence of the inability of the SEC and other Federal and State regulators to prevent serious failures in the Government securities market. These were not isolated incidents; we have witnessed a pattern of bankruptcies caused by unsupervised, speculative trading practices and the failure to conform to strong financial standards.

Smooth trading in Federal securities is absolutely essential, as the national debt multiplies. There is an explosive risk in leaving this portion of the securities market unmonitored. I urge my colleagues to join me in supporting this legislation.

Mr. Speaker, I commend the chairman of the subcommittee, the gentleman from Colorado [Mr. Wirth] and the ranking minority member, the gentleman from New Jersey [Mr. Rinaldo] for their leadership on this issue.

Mr. RINALDO. Mr. Speaker, I yield 3½ minutes to the gentleman from Minnesota [Mr. Frenzel].

Mr. FRENZEL. Mr. Speaker, it is not my intention to rain on what is obviously a very popular and attractive picnic that has been presented to us today. In fact, I must give my congratulations to the committee and all of the capable and distinguished people who have worked on this bill.

Clearly, there was a problem; the committee reacted in the best way that it could.

It is also fair to say, Mr. Speaker, that the committee received little or no cooperation from the Department of the Treasury whose case I now raise. Faced with that lack of cooperation, the committee did what it had to do on a bipartisan and unanimous basis.

However, the Treasury, I am informed, has seen the error of its ways and wishes to present legislation that it thinks can remedy the problem that the committee perceived and that the public has perceived in such a way that it does not interfere with their responsibility of managing the public debt and in such a way that it does not increase the cost to the taxpayers of that public debt.

One of the problems that Treasury sees is this new Government securities marketing board with extra authority, a brand new commission; Treasury believes that the controversial bill could add billions of dollars to the deficit by increasing the cost of financing the public debt.

Earlier in the year the Congress asked the SEC to study the problem and did so in consultation with the Federal Reserve and Treasury.

Those three agencies agreed that an acceptable approach would be to have Treasury and not the Federal Reserve Board make the rules to provide for more effective regulation of the Government securities market. It has already been stated by another participant in this debate that the SEC Chairman, of course, has that feeling.

The Treasury's market is the largest market in the world. We wish it were not so. We wish we did not have to borrow and roll our debt as frequently as we do. As long as we have to, it is our obligation both to make it a safe market and to make it an efficient one at the very least possible cost for the taxpayers.

I believe that the Treasury has seen the error of its ways, that it will present to the Congress within a few weeks a bill which will do, I think, what the committee wishes to do but do it in a way that does not inhibit or add extra cost to the Treasury's management of the problem.

Therefore, Mr. Speaker, I felt compelled to raise the Treasury's cause and its ideas before this body.

I shall not ask for a vote on this.

□ 1300

Mr. Speaker, I believe that the committee has done a good job; it is proceeding in good faith and there is nothing wrong with the bill that cannot be straightened out elsewhere, and for that reason, I will not request a recorded vote.

I should like to invite the Members' attention to the problem that this may cost the taxpayers an awful lot of money, and that therefore we should look for perhaps an enhancement of the bill as it moves through the legislative process.

The letter referred to earlier follows:

The Secretary of the Treasury,
Washington, DC, September 16, 1985.

Hon. Thomas P. O'Neill, Jr.,
Speaker of the House of Representatives,
Washington, DC.

Dear Mr. Speaker: This letter is to inform you of the Administration's strong opposition to H.R. 2032, the "Government Securities Act of 1985." H.R. 2032 would establish a new regulatory agency and a new system of regulation for the government securities market. We plan to submit legislation in the next few weeks that will meet the essential regulatory objectives of H.R. 2032 in a manner less disruptive of the market for United States Treasury obligations and therefore less likely to lead to increased debt financing costs to the United States taxpayer and larger budget deficits.

H.R. 2032 is designed to respond to problems that have arisen as a result of recent failures of a few small unregulated dealers in the government securities market. As a result of these failures some institutional investors have suffered financial loss. A careful study of the Governments securities market has led us, and others, to conclude that additional regulatory oversight is necessary. We have reached this conclusion because we believe that the maintenance of unquestioned integrity of the market in United States Treasury obligations is essential to management of the public debt.

However, H.R. 2032 goes far beyond what is needed to maintain the integrity of the market for Treasury securities, establishing a new regulatory system for government securities and a new quasi-governmental regulatory body, the "Government Securities Rulemaking Board." The broad powers of that Board and of the Board of Governors of the Federal Reserve System, which would have oversight responsibility over it, would duplicate the Treasury's debt management responsibilities and impose unnecessary and burdensome regulation on the government securities market. Furthermore, we are concerned that this legislation, which impacts severely on an essential financial function of the federal government, has not been the subject of any consideration by those in Congress with expertise in that area, in particular the House Ways and Means Committee.

The Treasury has been charged by Congress with the efficient management of the public debt. Under the public debt statutes, the Treasury currently issues regulations and imposes certain restrictions on government securities dealers to assure the integrity and efficiency of the market. However, because of recent events, there is a need to broaden the Secretary's authority in order to assure effective compliance with standards that should be met by all dealers in Treasury securities. Treasury believes a legislative proposal along these lines and consistent with the regulatory proposal agreed to by the Treasury, the Federal Reserve, and the Securities and Exchange Commission earlier this year would be the most effective means of securing the integrity of the government securities market.

The market for Treasury securities is largely an institutional one for which the extensive regulatory regimes currently in place for other securities are not appropriate. Passage and implementation of H.R. 2032 would establish duplicative jurisdiction over this market, with resulting confusion and uncertainty. Higher financing costs to the United States taxpayer and higher budget deficits would inevitably follow. Because of the serious problems this legislation would pose, I would not recommend that the President sign the bill if enacted in its present form.

We urge the House to postpone further consideration of H.R. 2032 until these issues, and Treasury's proposed response, can be given full consideration.

Sincerely,

James A. Baker III.

Mr. WIRTH. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the full committee, the gentleman from Michigan [Mr. Dingell].

Mr. DINGELL. Mr. Speaker, the bill H.R. 2032 responds to a string of spectacular disasters in the Nation's Government securities market. Because small, thinly capitalized, unregulated Government securities dealers currently may engage in transactions with other regulated institutions, as well as with local governments and other public and private investors, unsound and fraudulent practices can send, and indeed have sent, shock waves throughout the financial community and the economy. Although the fraud provisions of the Federal securities laws apply to exempted Government securities, the ability of the SEC to prosecute fraudulent activities of Government securities dealers after the fact has done little to prevent losses or restore confidence lost as a result of failures in this important market.

In May 1982, shock waves, like those triggered by the March 1980 silver market collapse, reverberated through Wall Street after it was announced that Drysdale Government Securities, Inc., was unable to pay $270 million in interest accrued on Government bonds that it had borrowed in repo transactions with Chase Manhattan Bank. Initially, Chase Manhattan refused to pay that interest to its 30-odd securities firm customers, thereby placing them in jeopardy. Had Chase Manhattan finally not agreed to pay, there would have been widespread disruption in the market.

In hearings before a House Banking Subcommittee, Federal regulators described the Drysdale collapse as an "aberration." They said that the market was capable of healing its own wounds and that no regulatory cure was needed.

In 1984, however, a staggering $155 million pretax loss from a $2 billion speculative position in Treasury bonds was disclosed by the Nation's largest insurance broker, Marsh & McLennan Cos. Before we could piece together what happened there, Lion Capital Group taught a bitter lesson to an impressive roster of stunned school districts by filing for chapter 11 and leaving them unable to touch millions of dollars in Treasury securities they lent to Lion because of its promise of above-average returns.

This year ESM Government Securities, Inc., and Bevill, Bresler & Schulman failed within weeks of one another for a total combined loss to investors, local governments and savings and loans of over $500 million. All of Bevill, Bresler's affiliated securities concerns were put into receivership and losses greatly exceeded early estimates of $198 million. The list of its creditors includes 45 savings and loans and 9 banks, including three Maryland thrifts and the D.C. government. ESM's failure resulted in losses of over $300 million and triggered a run by depositors that forced the temporary closing of 71 Ohio thrift institutions and saw our citizens once again standing in depression-type lines outside financial institutions.

We cannot allow fraud and proven bad business practices in our financial markets.

We have been exploring solutions to these market failures over the past 2 years. We have talked with the Committee on Banking and the Committee on Ways and Means, the Federal regulators, market professionals and investors. The Government Securities Act represents our best judgment as to the least intrusive, most coordinated, and most cost-efficient way to restore confidence in the government securities market and protect our citizens from further instances of fraud and rascality.

H.R. 2032 is cosponsored by 36 Members of the House from both parties.

Mr. Speaker, I want to commend my distinguished colleague, the chairman of the subcommittee, the gentleman from Colorado [Mr. Wirth]; the gentleman from New Jersey [Mr. Rinaldo] and the distinguished gentleman from North Carolina [Mr. Broyhill] for the outstanding work that they have done in bringing this legislation to the floor.

Mr. Speaker, the Treasury Department alleges that H.R. 2032 represents congressional overreaction to "recent failures of a few small unregulated dealers" and that only "some institutional investors have suffered financial loss. I want to observe that the distinguished gentleman from Minnesota [Mr. Frenzel] has behaved in a most gentlemanly and appropriate fashion here, and I commend him for the fashion in which he has discussed this legislation.

I would observe that the Treasury has not been so afflicted with the factual approach.

Failures of Government securities dealers have been going on under Treasury's nose since 1977 and have cost investors approximately $1 billion in losses.

These failures included:

Winters Government Securities, Inc. (1977).

Hibbard & O'Connor Government Securities, Inc. (1982).

Drysdale Government Securities, Inc. (1982).

Comark, Inc. (1982).

Lombard-Wall, Inc. (1982).

Lion Capital Group, Inc. (1984).

RTD Securities, Inc. (1984).

ESM Government Securities, Inc. (1985).

Bevill Bresler Schulman Asset Management Corp. (1985).

Parr Securities Corp. (1985).

Among the more prominent of these failures were Drysdale, Lion, ESM, and Bevill Bressler.

Drysdale's customers incurred over $300 million in losses. This firm was bankrupt on the day it opened its doors.

The failure of Lion in 1984 resulted in losses of $40 million to about 60 institutions.

ESM, an unregistered Government securities dealer located in Fort Lauderdale, FL, failed in March 1985, with losses of over $300 million to investors. About $200 million of the $300 million of ESM losses were incurred by two Ohio savings and loan associations, triggering a run on Ohio's thrift institutions.

Bevill Bressler, an unregistered Government securities dealer located in New Jersey, failed in April 1985, with customer losses of as much as $235 million to a list of creditors including 45 savings and loans and 9 banks, including three Maryland thrifts and the D.C. government. As a result of their dealing with Bevill Bressler, three Government securities dealers, Brokers Capital, Ltd., Midwest Government Securities, and Collins Securities Corp., incurred aggregate losses of over $9.7 million and failed or were liquidated.

These comments do not include the misery that has been occasioned to depositors and the savings and loan systems in Ohio and in Maryland, where the losses have been directly attributable to failures in the regulatory systems with regard to Government securities dealers.

It is very clear, Mr. Speaker, that such customer losses are not something that can lightly be tolerated.

The Treasury Department's efforts to trivialize these losses and failures is an insult to the American public and to the intelligence of this body.

The Treasury Department also says that this legislation has not been the subject of any consideration by those in Congress with the relevant expertise. I find this an odd statement for them to make. Securities and exchanges have been under the jurisdiction of the Committee on Energy and Commerce since 1935. The Banking Committee, which has jurisdiction over the Federal Reserve and the conduct of monetary policy, has been working with us and is on the floor today supporting H.R. 2032. The Ways and Means Committee has also reviewed the bill and the House Report 99-258 and were consulted by committee staff and the Office of the Parliamentarian. I have talked personally with Chairman Rostenkowski. A member of that committee, Mr. Matsui, has expressed the support of the Ways and Means Committee for H.R. 2032. The Treasury Department's representations vis-a-vis Ways and Means are just plain false.

Treasury likewise says that we should stop the train and wait for them to develop their own legislation. My response is: "Where have they been?"

We have been working on this for over 2 years and this particular bill was introduced in April. All the while, Treasury has been naysaying legislation and now expects us to accept their newly found beliefs. What they propose strikes me as too little, too late. One of the cosponsors of H.R. 2032, Mr. Swift, the gentleman from Washington, wrote an op-ed article for the August 4, 1985, New York Times, "Fed, Not Treasury, Should Take the Lead," handily putting the Treasury's arguments to rest. The article will be included in the RECORD at the close of my remarks.

The Treasury also says this is going to adversely affect the financing of the national debt, a statement which is factually incorrect, as rebutted by the testimony of the chairman of the Federal Reserve Board in his appearance before our committee.

I would observe that this is one of the few areas where freebooters may enter, do business to suit themselves, extort large sums of money from the public, fly the town by night, and leave behind them calamity in their wake.

Interestingly enough, the Federal Government years ago found it necessary to regulate securities dealers. There is literally no difference in the behavior and the functioning of a securities dealer dealing with government bonds and one dealing with State bonds or local obligations, but one is regulated and one is not. Guess which one is not? The ones which this bill would regulate and the ones which are bringing about serious economic disasters in the wake of their misbehavior.

Let it be clear: It is not simply undercapitalization; it is not simply misfortune which has brought these events about. It is fraud, criminal misbehavior as well as diligent application of simple incompetence.

We all agree that it is high time that the Congress do something about this. The Treasury says, however, for us to wait and to allow them to develop their own legislation. The Committee has sought to have them bring forth some recommendations; instead, they sat in their tent, and sulked, and have refused to assist and cooperate. We have had to seek elsewhere for the advice which was necessary.

I say with collapses bringing down savings and loan systems, causing losses to local governments, causing untold hardship to citizens across the country, it is time that something be done without waiting for the lackadaisical Treasury Department, which apparently is concerned more with its in-house concerns than it is with the protection of the American investing public. The Congress is simply compelled to do something.

Business Week has had some extraordinarily interesting remarks on its May 28, 1984, editorial page, which I think merit quoting at this particular time. Their comments were really very simple. They said:

> The public and the firms themselves cannot tolerate the kind of lax financial practices that have caused a string of failures since the Drysdale Government Securities collapse two years ago. The Marsh & McLennan fiasco indicates that the market is still too freewheeling for its own good. The market needs minimum capital requirements for all dealers, tougher reporting rules, and stricter control over repurchase agreements. If the dealers do not police themselves, the government will.

They also went on to say in the rest of the editorial, that the Government should. Now, this is not a voice of the far left; it is a voice out of the financial mainstream; this is Business Week.

I would urge my colleagues to recognize that the time for tolerating misbehavior in this market; the time for permitting folks to bring disaster and misfortune upon innocent citizens everywhere, to cause collapse of financial institutions because of misbehavior, to escape the ordinary regulatory process and to behave in a fashion which is generally accepted as intolerable for this group is now passed.

The Treasury's importuning of us to delay while they come forth with some sort of program whose character and nature is unknown to us and whose purposes are unclear is, I think, irresponsible.

I would urge my colleagues to support this bill.

FED, NOT TREASURY, SHOULD TAKE THE LEAD

(By Al Swift)

Financial failure can be a powerful educational tool. Bank failures in the early 1930's taught us something about bank investment policies that had been missed by contemporary economics. In the same way, the failures this spring of E.S.M. Government Securities Inc. and Bevill, Bresler & Schulman Inc., both unregulated Government securities dealers, have shown us the regulatory gaps in the marketplace.

This trillion-dollar market is vital to the Treasury for financing the Federal debt, to the Federal Reserve Board for carrying out monetary policy and as a primary arena for institutional investors. Yet, we have no consistent Federal oversight, no uniform standards of conduct or capitalization, no accurate idea even of how many firms are dealing in Government securities.

We do know that when things go wrong in this marketplace, they go wrong in a big way. The failure of E.S.M. alone resulted in losses of more than $300 million for small institutional investors and many municipalities. This, in turn, scared international markets, leading to the biggest drop in the dollar in 15 years.

Unfortunately, E.S.M. and Bevill, Bresler are only the latest in a series of scandals in Government securities that includes—in just the last three years—the failures of Lombard Wall, Lion Capital Group and Drysdale Government Securities. After each collapse, we were told by Government experts that the failure was an aberration, that investors would now beware and that no regulatory corrections were needed.

Testifying before the House Telecommunications and Finance subcommittee last month, an acting Assistant Secretary of the Treasury, John Neihenke, said that the Treasury was "opposed to additional legislation . . . We are, of course, concerned about losses stemming from the [recent] failures. However, there has been no perceptible impact on the Government securities market from these failures."

Thus, while investors and financial institutions have lost close to $1 billion in this market since 1982, the Treasury—as an issuer of the securities—has found no cause for complaint. Mr. Neihenke went on to state that if Congress insists upon reforms, "any legislation which is enacted should recognize Treasury's responsibility for regulating and monitoring this market, and continue to vest such regulatory oversight responsibility with the department."

Some oversight! If the Treasury was indeed policing the beat, what went wrong? According to Mr. Neihenke, it was the fault of the deputies: "The victims of E.S.M. were institutional investors, thrifts and municipalities, which are subject to regulation at the Federal or state level."

It seems the Treasury wants to have it both ways. It does not want legislation, but should there be any, it wants to be in charge. It claims jurisdictional responsibility for the Government securities marketplace, but should anything go wrong, somebody else should have been more vigilant.

In contrast, the Federal Reserve chairman, Paul A. Volcker, has recommended, constructively, that the Federal Reserve be given lead responsibility for the market, and that it be aided by a self-regulatory organization (of Government securities brokers, dealers and investors) with rule-making authority over financial standards and market practices—subject to a Fed veto.

This approach makes sense, and is reflected in legislation passed this past week by the Energy and Commerce Committee. The Fed has the greatest hand-on expertise in Government securities and wields a great deal of acknowledged authority over the 36 primary dealers that handle the vast majority of the business. A self-regulatory organization would allow for continuous oversight by a responsible peer group.

It is also important to bring into play the Securities and Exchange Commission's experience in combating securities fraud. When E.S.M. and Bevill, Bresler collapsed, the S.E.C. was first on the scene. But the S.E.C. should be required to institute minimal registration for all dealers and be granted audit and investigatory powers, all of which should help head off fraud before it occurs.

The S.E.C. chairman, John Shad, and others have asserted that regulation of Government securities could add as much as $2 billion a year to the cost of financing the nation's debt. Let me reassure the chairman that neither his own staff nor market participants believe this figure. The true amount would be a tiny fraction of $2 billion, and would be in line with the costs of other financial regulatory agencies.

The subcommittee has worked closely with the primary dealers and other market participants in developing a consensus for legislation. It has also received technical advice from the New York Fed and the S.E.C. Any rule making should also have the benefit of the treasury's views, and a formal consultative process with both the Treasury and the S.E.C. should be followed before the Federal Reserve passes on any rules promulgated by the self-regulatory organization.

To many investors, the Government securities market today is still an unmapped territory of confused jurisdiction and regulatory gaps. In westerns, the bad men always flocked to towns with a weak sheriff. It's time we brought some prudent oversight to these financial badlands, where the writ of law still does not run.

Mr. WIRTH. Mr. Speaker, I yield one-half minute to the gentleman from Oregon [Mr. WEAVER].

Mr. WEAVER. First, Mr. Speaker, let me commend the chairmen of the committees that have brought this bill to the floor. I want to say that, not just the smaller players in this business are the culprits; the major, most prestigious institutions manipulate the Treasury bond market, and as a member of the Committee on Agriculture, I believe that we should also deal with the U.S. Treasury bond futures market which is closely related to the cash market, and is heavily manipulated as well.

Mr. WIRTH. Mr. Speaker, I yield myself the remaining minute.

Mr. Speaker, I will be placing into the RECORD a response to the comments made by the Department of the Treasury. I appreciate the statements made earlier by the gentleman from Minnesota [Mr. FRENZEL] and his understanding of the Treasury being Johnny-come-lately to this issue. We had asked them for months and months for their assistance; it was not forthcoming.

They have now gotten into this; they say they have a plan. I would also urge Treasury to please not be a Johnny-come-lately to the facts. They continue to emphasize what they say are cost figures which are specious and untrue. They have been quoted as talking about billions of dollars—cost figures which have been totally disabused in testimony before the subcommittee in response to questioning by the gentleman from Washington [Mr. SWIFT].

So the cost issue raised is specious. The argument that the bill would interfere with their responsibilities is also specious. The Treasury has no experience, no responsibility in regulating securities dealers; no experience in registering and checking on their past histories; no experience in inspecting books and records of dealers and conducting investigations for fraud and other securities laws violations; no experience in setting minimum capital requirements nor in setting requirements for customer protection. Treasury is an issuer, not equipped to do what the gentleman from Michigan suggests that this legislation is supposed to do.

I thank all of my colleagues for the great help on this legislation.

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Mr. RINALDO. Mr. Speaker, I yield myself 1 minute, to say that it should be pointed out on the record that this is not an omnibus and instrusive regulatory scheme, that it is a regulatory scheme that was dictated by the testimony at the hearings, a regulatory scheme that establishes specific and narrow requirements of registration, recordkeeping and reporting and net capital requirements, something that for those who attended the hearings, people recognize something that was very, very definitely needed.

When we talk about costs, I do not think that the gentleman from Minnesota, my good friend, actually in his statement came up with any indication or scintilla of evidence whatsoever to indicate that there would be the kinds of costs that he mentioned occur as a result of this legislation getting enacted into law.

I think, above all else, we have to recognize that these responsibilities are responsibilities that investors and the public expect, that they need, deserve, and are entitled to.

Mr. RODINO. Mr. Speaker, as an original cosponsor of the Government Securities Act of 1985, I am pleased to rise in support of this much needed legislation.

The market for the securities of the U.S. Government is the largest in the world. Record setting levels of Federal deficits have increased its size even more. The efficient functioning of this market requires a high level of investor confidence—confidence that we can retain only if Government securities dealers maintain the highest standards of accurate disclosure, performance, and financial soundness and accountability.

In the 98th Congress, the Committee on the Judiciary became aware of the regulatory vacuum in this area. The Subcommittee on Monopolies and Commercial Law held bankruptcy hearings relating to certain issues involved in Government securities dealer's bankruptcy cases which revealed the lax, and in some instances fraudulent, business practices that had developed in this industry. These hearings heightened my concerns about the lack of regulation in this area and the need for greater financial and investor protection requirements.

Unfortunately, we have seen the demise of two government securities dealers in recent months—one in my home State of New Jersey, the other in Florida. These cases have added to a lack of investor confidence in the market.

At a time when all of us are anxious to minimize unncessary and costly Government regulation, the approach taken by this bill is a sound one. It creates an industry self-regulatory organization—the Government Securities Rulemaking Board—as the primary rulemaking body. The Board of Governors of the Federal Reserve System is responsible for overseeing these rulemaking activities. Enforcement responsibilities are shared by a number of existing government agencies—in particular the Securities and Exchange Commission—that will maintain a list of all registered firms. Another very much needed change is the imposition of minimal recordkeeping requirements that will permit better surveillance of the industry.

I am very pleased to add my voice in support of this very important legislation. I want to commend the gentleman from Michigan and the gentleman from Colorado for their efforts in bringing this matter to a vote in a timely fashion.

Mr. BARNARD. Mr. Speaker, I rise in strong support of H.R. 2032, the Government Securities Act of 1985.

This past spring, the Commerce, Consumer and Monetary Affairs Subcommittee of Government Operations, which I chair, conducted a comprehensive investigation and held oversight hearings into the failures of two Government securities dealers: ESM Government Securities of Fort Lauderdale, FL, and Bevill, Bresler & Schulman of Livingston, NJ. Between our ESM hearing on April 3 and our BB&S hearing on May 15, the country witnessed the collapse of four other Government securities dealers. Unless H.R. 2032 is enacted, I am convinced that there will be many such failures.

Mr. Speaker, the Commerce, Consumer and Monetary Affairs Subcommittee's investigation and hearings did, of course, examine the adequacy of current supervision of the Government bond markets. But because the subcommittee has oversight jurisdiction for our banking system, we also focused heavily on the impact of Government securities fraud on the Nation's financial institutions.

A subcommittee report on our investigation is currently in preparation and will be considered next month. But in view of today's vote on H.R. 2032, I thought it would be useful to describe a few of our central findings:

First, at the present time, governmental and private sector supervision of Government securities transactions is grossly inadequate. A principal cause of this inadequacy is that under current law, Government securities transactions are generally exempt from day-to-day scrutiny of the SEC and the NASD. While these agencies can investigate Government securities trades if evidence of fraud is present, they have insufficient authority to examine these transactions on a day-to-day basis. Systematic examination authority is essential if fraud and wrongdoing are going to be detected at a sufficiently early stage to premit corrective action;

Second, although recent cases of Government securities fraud involved smaller, so-called secondary dealers, even the transactions of primary dealers require more effective scrutiny. While the Federal Reserve receives regular reports from and exercises oversight of these primary dealers, their cooperation is voluntary. It must be made mandatory.

Finally, and this is the key point I wish to make, billions of dollars in Government securities are purchased each year by the Nation's federally insured financial institutions. Many thrift institutions and commercial banks suffered extensive losses in the failures of ESM and Bevill Bresler. We all know that the ESM failure precipitated the crisis among Ohio's 71 privately insured thrift institutions. What is not so commonly known is that the Maryland privately insured thrift industry was an indirect casualty, as well. Moreover, all of the Nation's

private deposit insurance systems have suffered major defections because of the domino effect of the fraud at ESM.

In the Bevill Bresler collapse, the Commerce, Consumer and Monetary Affairs Subcommittee's investigation discovered that 80 savings and loans, 14 national banks, 14 federally insured nonmember banks, and 4 Fed member banks are likely to suffer combined losses of $353 million.

Accordingly, enactment of H.R. 2032 is essential not just to protect the integrity of Government securities markets, but to protect the safety and soundness of the thousands of banks and thrifts that trade in these instruments.

I strongly urge support for the legislation.

Mr. LEVIN of Michigan. Mr. Speaker, I rise to express my strong support of H.R. 148, the Michigan Wilderness Heritage Act of 1985. I am proud to be a cosponsor of this important legislation, and I extend my thanks to my colleague from Michigan, Mr. KILDEE, for his tireless efforts in helping to preserve what is left of Michigan's wilderness lands.

My support for this bill is rooted in my belief that there is a clear and growing danger to wilderness lands throughout the United States. Of late, we have heard more and more of the ravages of reckless industrialization and deforestation. Rarely valued monetarily, the loss of the ecosystem services provided freely by these areas entail real social and economic costs. In my own State of Michigan, which possesses more Forest Service land than any other State east of the Mississippi, I have myself witnessed the gradual despoilment of the land. H.R. 148 provides us with an opportunity to stem the tide of this despoilment. In sum, H.R. 148 would designate 90,000 acres of northern Michigan as wilderness. Wilderness status means no construction of roads or buildings, no mining, logging, or other activities which would alter the land's natural conditions.

The proposed wilderness areas, grouped by national forest, are: Huron-Manistee National Forest the Nordhouse Dunes, 3,000 acres; Ottawa National Forest, Sylvania, 19,200 acres, Sturgeon River Gorge, 14,700 acres and McCormick Experimental Forest, 17,000 acres; Hiawatha National Forest, Rock River Canyon, 5,000 acres, Big Island Lakes, 5,000 acres, Delirium, 11,000 acres, Carp River, 11,000 acres, Horseshoe Bay, 3,900 acres, Government Island, 210 acres, and Round Island, 380 acres.

I also want to add that while H.R. 148 protects these 90,000 acres, at the same time it reiterates the rights of sportsmen, hikers, and researchers, to name a few, to enjoy and study the land. Indeed, this is the whole purpose of the legislation; to maintain these last strands of virgin forest for the present and future generations to enjoy.

Again, I wish to thank my colleague for championing this legislation, and I urge support for H.R. 148.

Mr. RINALDO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado [Mr. WIRTH] that the House suspend the rules and pass the bill, H.R. 2032, as amended.

The question was taken.

Mr. LUNGREN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WIRTH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

EXPRESSING SENSE OF CONGRESS IN SUPPORT OF EFFORTS OF ORGANIZERS AND PARTICIPANTS IN FARMAID CONCERT IN CHAMPAIGN, IL

Mr. WEAVER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 185) expressing the sense of the Congress in support of the efforts of the organizers of and participants in the FarmAid Concert to be held in Champaign, IL, to bring the current crisis in American agriculture to the attention of the American people.

The Clerk read as follows:

H. CON. RES. 185

Whereas family farms have played a critical role in the history and development of the United States;

Whereas, during the first 6 months of 1985, more than 43,000 mortgages on farms in the United States have been foreclosed;

Whereas over 200,000 jobs have disappeared due to the decline in the farm economy;

Whereas it is paramount that the contribution of agriculture to the United States economy be recognized and protected; and

Whereas the FarmAid Concert will focus national attention on the plight of the American farmer: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the efforts of the organizers of and participants in the Farmaid Concert to be held in Champaign, Illinois, to bring the current crisis in American agriculture to the attention of the American people should be supported.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Oregon [Mr. WEAVER] will be recognized for 20 minutes and the gentleman from Kansas [Mr. ROBERTS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Oregon [Mr. WEAVER].

Mr. WEAVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the terrible plight of American agriculture is unprecedented in modern history. House Concurrent Resolution 185, simply expresses the sense of Congress in support of the efforts made by the organizers of the FarmAid Concert. This concert will be held in Champaign, IL, on September 22. The purpose of this event is to bring to the attention of the American people the impact of the current farm depression on rural America.

Senator TOM HARKIN has introduced companion legislation, Senate Concurrent Resolution 63 in the other body.

Mr. Speaker, we owe special thanks to performer Willie Nelson. The deep concern he and other performers share for the family farmer brought about this concert. Another performer, Neil Young, agreed to assist in coordinating talent for the concert. The timing will afford the American people the opportunity to understand more fully the plight of the family farmer.

Mr. Speaker, my aide, Bill Sparks, has written a song recorded by Neil Young, and I believe it will be performed at this concert. The title of the song is "Going, Going, Gone." Those are the words of the auctioneer, auctioning off the farms of our Nation. The plight of hard-working, efficient farmers is heard in the sad but loving lyrics of this fine song.

Nashville Network, along with a group of commercial TV stations, will broadcast the concert live. Ninety-five percent of all homes in America will be able to see all or part of the concert.

The depth and extent of the current crisis in American agriculture is common knowledge to many of my colleagues and to those living in rural America. FarmAid will make urban America more aware of the current agricultural depression. Mr. Speaker, I, therefore, urge passage of House Concurrent Resolution 185.

Mr. ROBERTS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 185, expressing the sense of the Congress in support of the efforts of the organizers and participants in the FarmAid Concert to be held in Champaign, IL, to bring the current crisis in American agriculture to the attention of the American people.

I have the privilege of representing 58 counties in Kansas. My congressional district produces more wheat than any other State. Beef cattle, grain sorghum, and corn are also vital cornerstones of the economy in my district. We have harvested a near record crop of wheat and we will be harvesting a huge crop of feed grain this fall. Yet,

even with these good crops, income is still too low for farmers to make ends meet. Our exports continue to decline and the U.S. Government continues to build inventories of grain that will depress prices for years to come.

During the August recess, I visited all 58 counties that I represent. Repeatedly, I was asked by farmers, "Do they really know how bad it is out here in farm country?" To that end, spreading the word about the seriousness of economic conditions in farm country, the FarmAid Concert will be very beneficial and the organizers of that effort should be commended for their efforts to bring the problems of the farmer to the attention of the general public.

One of the serious questions concerning the concert is what to do with the money raised at the concert. It has been pointed out that agriculture's debt is so large that if we raise $40 million it will barely pay the interest for 1 day on the farmer's debt. As the ranking Republican on the Department Operations Research and Foreign Agriculture Subcommittee, it was recently called to my attention that the U.S. Department of Agriculture has a program through the USDA Extension Service that provides financial counseling, crisis management, and general support to distressed farmers. The program is currently only operational in 12 States. It would be of great service to the American farmer if this program could be extended to all 50 States and expanded in scope. However, because of limited budget, the Agriculture Committee was unable to expand funding for this program.

I can think of no better use for the money raised by the FarmAid Concert than to put it to use providing counseling to distressed farmers. And I can think of no better organization than the Federal Extension Service in our fine land-grant schools who have been serving American farmers since 1914 to implement and use the FarmAid money wisely. I urge the organizers of the concert to take a look at the extension program as possible use for the money raised.

Mr. DE LA GARZA. Mr. Speaker, I rise in support of House Concurrent Resolution 185, expressing the sense of the Congress in support of the efforts of the organizers of and participants in the FarmAid Concert to be held in Champaign, IL, to bring the current crisis in American agriculture to the attention of the American people.

Agriculture is our Nation's largest and most basic industry. America's farmers have given our people the world's best diet at cost which—in comparison with the average consumer's earnings—really constitute a farmer subsidy to the general public. One of the chief reasons this country has been able to grow and make progress in many areas has been the growing efficiency of its farmers and the other segments of agriculture. When agriculture is depressed, the farmer and his family suffer—but they do not suffer alone. There is distress in the agricultural supply industries and in businesses on hundreds of main streets around the Nation. And in the long run, a depressed and demoralized agriculture would be very bad economic news for the entire Nation.

Much of the agriculture today is in trouble today because of a combination of factors and forces that lie largely outside the areas that farmers themselves can control. The causes of today's problems include the general worldwide recession of the early 1980's, which depressed markets for American products, the strength of the dollar in recent years, the practices of some competing nations in world markets, and continuing surpluses of some commodities.

Perhaps the most glaring sign of the problems facing many segments of American agriculture today is the drastic decline which has taken place in farmland values. Losses in land values in recent years—beginning in 1981—have been the most severe since the Great Depression.

Behind the gloomy statistics lies a story of stark tragedy for thousands of families and hundreds of rural communities.

I congratulate the organizers and the participants in this FarmAid Concert because their efforts will certainly help to raise the consciousness of the American people about the plight of our Nation's farm families and about the way this economic adversity not only affects their health, happiness, and well-being, but also sends waves of unrest into various other sectors of our society.

Mr. Speaker, I urge the Members to join me in support of House Concurrent Resolution 185.

Mr. GROTBERG. Mr. Speaker, many of the Nation's farmers are in trouble. They're suffering from years and years of temporary first-aid measures in places where major surgery actually should have been performed.

But we're hopefully headed for the road to recovery, as Congress prepares to debate a new farm bill.

In the meantime, however, farmers will be getting some additional help through the Nation's first FarmAid Concert to be held September 22 at the University of Illinois—Champaign-Urbana, IL.

This FarmAid benefit concert is being produced by country music legend Willie Nelson to not only raise funds to aid distressed farmers, but also to put the spotlight on the plight of the American farmer. Willie Nelson and Illinois Gov. James Thompson, who've been spearheading the effort, deserve much credit.

Besides Willie Nelson, there is a list of 48 other performers who have pledged their time to perform at this worthwhile benefit. More than 77,000 tickets for the 12-hour event were sold within 72 hours, showing the grassroots support for this benefit, which organizers hope will raise $40 million for debt-ridden American farmers.

Agriculture, Mr. Speaker, is the Nation's largest industry and biggest employer in my district. Some 2.5 million people in the United States work in some area of Agriculture or Agribusiness. Agriculture is not just a rural issue, it's also an urban issue. When farmers are facing tough times, it also affects other businesses dependent on farm family patronage.

The plight of our farmers is a crisis that should concern all Americans.

Today we have a measure before us expressing congressional support for efforts by organizers and participants of the FarmAaid Concert to heighten the public's awareness of the trouble many of our farm communities face. I urge the support of House Concurrent Resolution 185.

Mr. WEAVER Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon [Mr. WEAVER] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 185.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection .

MICHIGAN WILDERNESS HERITAGE ACT OF 1985

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 148) to designate certain public lands in the State of Michigan as wilderness, and for other purposes, as amended.

The Clerk read as follows:

H.R. 148

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Michigan Wilderness Heritage Act of 1985".

SEC. 2. In furtherance of the purposes of the Wilderness Act of 1964 (16 U.S.C. 1131), the following lands in the State of Michigan are hereby designated as wilderness, and therefore as components of the National Wilderness Preservation System—

(a) "subject to valid existing rights and reasonable access to exercise such rights" certain lands in the Manistee National Forest, comprising approximately three thousand acres as generally depicted on a map entitled "Nordhouse Dunes Wilderness—Proposed", dated July 1985, and which shall be known as the Nordhouse Dunes Wilderness;

(b) certain lands in the Ottawa National Forest, comprising approximately eighteen thousand three hundred twenty five acres

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as generally depicted on a map entitled "Sylvania Wilderness—Proposed", dated July 1985, and which shall be known as the Sylvania Wilderness;

(c) certain lands in the Ottawa National Forest, comprising approximately fourteen thousand eight hundred and fifty acres as generally depicted on a map entitled "Sturgeon River Gorge Wilderness—Proposed", dated July 1985, and which shall be known as the Sturgeon River Gorge Wilderness;

(d) certain lands in the Hiawatha National Forest, comprising approximately five thousand acres as generally depicted on a map entitled "Rock River Canyon Wilderness—Proposed", dated July 1985, and which shall be known as the Rock River Canyon Wilderness;

(e) certain lands in the Hiawatha National Forest, comprising approximately five thousand five hundred acres as generally depicted on a map entitled "Big Island Lake Wilderness—Proposed", dated July 1985, and which shall be known as the Big Island Lake Wilderness;

(f) certain lands in the Hiawatha National Forest, comprising approximately twelve thousand four hundred acres as generally depicted on a map entitled "Mackinac Wilderness—Proposed", dated July 1985, and which shall be known as the Mackinac Wilderness;

(g) certain land in the Hiawatha National Forest, comprising approximately three thousand nine hundred acres as generally depicted on a map entitled "Horseshoe Bay Wilderness—Proposed", dated July 1985, and shall be known as the Horseshoe Bay Wilderness;

(h) certain lands in the Hiawatha National Forest, comprising approximately twelve thousand acres as generally depicted on a map entitled "Delirium Wilderness—Proposed", dated July 1985, and which shall be known as the Delirium Wilderness;

(i) certain lands in the Hiawatha National Forest, comprising approximately two hundred and fourteen acres as generally depicted on a map entitled "Les Cheneaux Wilderness—Proposed", dated July 1985, and which shall be known as the Les Cheneaux Wilderness;

(j) certain lands in the Hiawatha National Forest, comprising approximately three hundred and seventy-seven acres as generally depicted on a map entitled "Round Island Wilderness—Proposed", dated July 1985, and which shall be known as the Round Island Wilderness;

(k) certain lands in the Ottawa National Forest, comprising approximately sixteen thousand eight hundred and fifty acres as generally depicted on a map entitled "McCormick Wilderness—Proposed", dated July 1985, and which shall be known as the McCormick Wilderness.

SEC. 3. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file maps and legal descriptions of each wilderness area designated by this Act with the Committee on Energy and Natural Resources, United States Senate, and the Committee on Interior and Insular Affairs, House of Representatives, and each such map and legal description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal descriptions and maps may be made. Each such map and legal description shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture.

SEC. 4. Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act of 1964 governing areas designated by that Act as wilderness areas except that with respect to any area designated in this Act, any reference in such provisions to the effective date of the Wilderness Act of 1964 shall be deemed to be a reference to the effective date of this Act.

SEC. 5. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II); and

(2) the Congress has made its own review and examination of National Forest System roadless areas in the State of Michigan and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to National Forest System lands in the State of Michigan; such statement shall not be subject to judicial review with respect to National Forest System lands in the State of Michigan;

(2) with respect to the National Forest System lands in the State of Michigan which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time, the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Michigan reviewed in such final environmental statement or referenced in subsection (d) and not designated wilderness upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided,* That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Michigan are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest System lands in the State of Michigan for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to National Forest System roadless lands in the State of Michigan which are less than five thousand acres in size.

SEC. 6. Congress does not intend that designation of wilderness areas in the State of Michigan lead to the creation of protective perimeters or buffer zones around each wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness.

SEC. 7. As provided in section 4(d)(7) of the Wilderness Act, nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Michigan with respect to wildlife and fish in the national forests in Michigan.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Ohio [Mr. SEIBERLING] will be recognized for 20 minutes and the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina [Mr. WHITLEY], and I would like to thank the gentleman and his committee for their excellent cooperation with the Committee on the Interior and Insular Affairs in bringing this bill to the floor.

Mr. WHITLEY. Mr. Speaker, the bill, H.R. 148, to designate certain public lands in the State of Michigan as wilderness was referred to the Agriculture Committee on Tuesday, September 10, 1985, for the period ending Tuesday, September 24, 1985. Following my remarks I am including for the RECORD a copy of the letter written on September 5, 1985, asking for referral of the bill to the Agriculture Committee.

Mr. Speaker, speaking on behalf of the Agriculture Committee, we have no objection to the House now considering H.R. 148. However, in the event there is a conference with the Senate concerning the matters acted upon in this bill, the Agriculture Committee will request to be represented.

Mr. Speaker, I thank the gentleman from Ohio [Mr. SEIBERLING] for his cooperation and the cooperation of the full Interior and Insular Affairs Committee with our committee.

COMMITTEE ON AGRICULTURE,
Washington, DC, September 5, 1985.

Hon. THOMAS P. O'NEILL,
Speaker, House of Representatives, H-204, The Capitol, Washington, DC.

DEAR MR. SPEAKER: I respectfully request referral to the Committee on Agriculture of the bill H.R. 148, to designate certain public lands in the State of Michigan as wilderness, and for other purposes. Unfortunately, the bill was not referred to this Committee when it was introduced on January 3, 1985.

H.R. 148 proposes the designation of certain wilderness areas within the National Forests located in the State of Michigan. This Committee's jurisdictional interest in the Nation's forests is established under clause 1(a)(13) of House Rule X, which specifically includes forestry in general and forest reserves other than those created from the public domain in the Committee's jurisdiction. I understand that roughly 90% of the National Forest land involved in H.R. 148 is acquired land, not public domain land. Thus, the jurisdiction of this Committee in the proposed legislation is clear.

If H.R. 148, or comparable legislation, should be reported by the Committee on Interior and Insular Affairs, I request that it be referred to the Committee on Agriculture.

Sincerely,

E (KIKA) DE LA GARZA,
Chairman.

Mr. SEIBERLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 148, the Michigan Wilderness Heritage Act of 1985. As reported by our committee, the bill would designate approximately 92,416 acres of national forest land as wilderness, most of which is located in Michigan's Upper Peninsula.

Mr. Speaker, in discussing this bill I believe it should first be pointed out that the wilderness proposals of H.R. 148 are very modest. Although Members may not be aware of it, Michigan has more national forest land—2.7 million acres to be exact—than any State east of the Mississippi River. And yet to date, not a single acre has been designated as wilderness. H.R. 148 attempts to balance the wilderness/nonwilderness ledger somewhat by designating 3.3 percent of the national forests in Michigan as wilderness. And while that acreage may seem meager in comparison with the wilderness in other States, the wilderness proposals of the bill are significant because they are truly representative of the broad range of ecosystems which exist in the State.

For example, the proposals include two scenic islands in Lake Huron; a dunes ecosystem on the Lake Michigan shoreline and a lovely 7-mile stretch of the Lake Huron shoreline.

And let me digress, Mr. Speaker. I spent many of my boyhood summers on an island off the southern shore of Lake Huron, and at that time, and even after World War II, one could travel most of the shore of the Upper Peninsula on the Lake Huron side, and everywhere were beautiful, pristine beaches, with fir trees and conifers in the background and the beautiful blue of Lake Huron before. Today, with the exception of these stretches that we are dealing with here, practically all of them are now developed and subdivided and allotted up into summer homes. And that is fine. I think that is something that is part of our heritage. But I think it is also part of our heritage that we should preserve some of these pristine areas. And, fortunately, because they were in the national forest, we have been able to do so, and that certainly applies to the 7-mile stretch of Lake Huron that I have just mentioned.

It also includes a lowland river/swamp ecosystem that provides excellent boating; the Hiawatha National Forest's largest and most productive great blue heron rookery; two scenic river canyons bounded by towering cliffs and several areas containing lake chains which afford outstanding canoeing. As such, the bill protects a microcosm of the landforms which exist in north and central Michigan and will ensure that those areas are available for future generations to enjoy in their natural state. The wilderness proposals also preserve important habitat for bear, moose, bobcat, otter, bald eagles, great blue herons, and other wildlife species that thrive in roadless and undeveloped land.

Mr. Speaker, like others in this Chamber, this bill has a special meaning for me because as I just mentioned, I was fortunate to be able to spend a portion of my youth in the Upper Peninsula. Many of my summers were spent at our family's home on an island in Lake Huron near Hessel, MI, just a short distance from the proposed Les Cheneaux Wilderness. I also know Round Island and have gone by the Horseshoe Bay area many times. It is therefore especially gratifying to me that this bill will preserve the two small islands and a magnificent stretch of the Lake Huron shoreline. I am also familiar with the types of Upper Peninsula terrain that are contained in many of the other wilderness proposals of H.R. 148, and am delighted that we still have an opportunity to protect some virgin stands of timber and representative landforms.

☐ 1325

Again, when I was a boy, there were magnificent virgin stands of hemlock so large that they gave the impression that one usually only associates now with the redwood forests in California, and they are all gone, having fallen beneath the logger's ax, except for the very small fragments that would be preserved by this legislation.

Such preservation is especially appropriate at a time when the Michigan Forest Products Industry Development Council, which by the way supports this legislation, is engaging in efforts to revive the timber industry in the Upper Peninsula and increase logging activities. The industry's planned expansion will bring needed jobs to the area and assist in revitalizing the local economy, but, if logging is to increase, it is also important to set aside representative areas for protection in their natural state.

Finally, in discussing this legislation, I think it is important to dispel some of the myths about wilderness which have been circulated in the Upper Peninsula and which may have generated unwarranted opposition to H.R. 148.

For example:

Wilderness will not result in any private land being confiscated or condemned by the Federal Government. To begin with, most of the lands in H.R. 148 are already owned by the Forest Service and the Wilderness Act specifically prohibits condemnation. The rights of any private inholders are further protected pursuant to section 1323 of Public Law 96-487 and by the Wilderness Act.

Hunting, fishing and trapping are not prohibited in wilderness. Indeed, the protection of habitat for game species is one of the prime reasons why we designate wilderness areas, and both section 7 of H.R. 148 and our committee report so note.

Wilderness designation will not lead to the creation of protective buffer zones around wilderness areas, and section 6 of H.R. 148 specifically underscores that point. Nonwilderness activities can occur right up to the boundaries of the wilderness, and, indeed, many of the wilderness boundaries of the areas designated by the bill are formed by roads, powerlines or other nonwilderness features.

The wilderness proposals of H.R. 148 will not significantly impact the timber supply in the Upper Peninsula. The 11 areas contained in the bill represent less than 3 percent of the commercial forest land base in the Ottawa and Hiawatha National Forests and less than one-half of 1 percent of the total commercial forestland. In fact, the Michigan Forest Products Industry Council has endorsed the bill.

Wilderness will not impose stricter air quality standards. The national forest lands and most other lands in Michigan are currently designated class II for purposes of the Clean Air Act and will remain class II after wilderness designation unless the State of Michigan upgrades them. I should note that no State has ever upgraded an area from class II to class I.

In summary, Mr. Speaker, I believe H.R. 148 is highly meritorious legislation, which deserves our unqualified support. I would like particularly to commend our colleague, Dale Kildee for the excellent job he has done in putting this legislation together and for refining it to meet some of the concerns which surfaced at our hearings. Michigan wilderness legislation has been pending in the House since 1980, and I am happy that we are finally moving it forward. I urge my colleagues to join me in supporting the bill.

Mr. Speaker, before I conclude, I want to say one other thing. Tomorrow is the last day for a very fine member of the staff of the House Interior Committee, and a member of the staff of my subcommittee, Andy Wiessner, who is moving to Colorado with his family.

He has had an absolutely unequaled record as a staff member in working on wilderness legislation, not to mention many other important pieces of legislation such as grazing legislation, and the Federal Land Policy and Management Act in the 1970's. I regret very, very deeply that he is leaving our subcommittee as do, I am sure, all the other members of the staff. He has been invaluable to me. His knowledge is encyclopedic; his legal mind is sharp, and he is an indefatigable worker, and I just thought the record ought to so indicate.

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. Davis] whose district contains 10 of the 11 areas in the bill.

Mr. DAVIS. I thank the gentlewoman for yielding me this time.

Mr. Speaker, I rise in opposition to H.R. 148, the Michigan Wilderness Heritage Act. As has been said, there are 92,000 acres that are being set aside as wilderness areas in this particular bill, of which approximately 89,000 acres are in my congressional district, the Upper Penninsula of Michigan.

Ten of the 11 tracts are in this area. We depend, in my congressional district, upon our natural resources for our very survival, whether we are talking about the forest products industry; the only iron ore mines in Michigan are in my district; the only copper mine, which is now closed, is in my district; tourism, which is very dependent upon natural resources. These things are so important to the economy of our area, that I must oppose this bill. For if we take away the 89,000 acres as possible multiple-use from those industries in my district, I do not think we have served the people of my district nor the people of the State or of the Nation well.

Some of the acres that are proposed in this particular legislation were not even part of the RARE II study. We have gone beyond some of those areas that have been designated, and they are incorporated in this particular bill. When you look at the area that I represent with an unemployment rate right now that is approximately 15 percent, and in many instances it runs much higher than that, and when you do depend on your natural resources, I think that it is important that we preserve these natural resources so that we can use them for economic development.

In my particular district, 42 percent of all the land is either owned by the Federal Government, the State government or local government. I understand that when you go out West there are States that have much more acreage that is under control of the Government, but in our particular area, we consider that 42 percent of the area is much too much. So I will urge my colleagues to oppose this bill. Again, I do not think it is in the best interest of the constitutents that I represent, and I guess I would have to say that beyond this particular bill, the 92,000 acres, I am very concerned about possibly the next go around. I recognize that 92,000 acres in the total context of the acreage that I represent is not a large amount. but I want to serve notice on the Congress that we must be very, very careful should there be any further attempt to designate any more acres in the area that I represent.

I recognize that this bill will probably pass the House handily, as most wilderness bills have, but I must continue to oppose it because the economy of our area is such that we do not want to lose any of these areas to wilderness areas.

I would now like to engage the chairman of the subcommittee, Mr. Seiberling, in a colloquy on one particular issue.

Mr. Speaker, is it the understanding of the gentleman from Michigan that you have language in the bill now that takes care of a particular problem of a constituent of mine, a Mr. Macke, who did have access to and a hunting camp on private property that was sold to the Forest Service, and subsequent to that the Forest Service has taken away that right for him to use this camp and that this particular language now will allow him to be able to use that? Is that correct, Mr. Chairman?

I yield to the gentleman for his response.

Mr. SEIBERLING. Yes, the committee has excluded the land in question from the Rock River Canyon Wilderness, and we have asked the Forest Service to issue Mr. Macke a special use permit so that he can continue to use his hunting camp, and that is set forth in the committee report as being the intent of the committee.

Mr. DAVIS. I would further ask of the gentleman from Michigan will the committee or committee staff follow up with the Forest Service to see that the committee's intentions in the language are followed up?

I yield to the gentleman for his response.

Mr. SEIBERLING. We will certainly do everything we can to see that that is the case. I would like to say one more thing. First of all, I want to say that I commend the gentleman for his assiduousness in devoting his efforts to the needs of his constituents as he used them, and it was in response to that that we did have the committee go up there and have a field inspection and listen to some of the local people give us their thoughts.

□ 1335

I would also say that we have no thought or plans for another round of wilderness designations in the State of Michigan, and as far as I know, nobody else does. I just want to give the gentleman that assurance.

Mr. DAVIS. I appreciate that, and I only hope that future Congresses will feel the same way.

Mr. SEIBERLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. Kildee].

Let me say, Mr. Speaker, that I want to again commend him for the outstanding role he has had in putting together this legislation.

Mr. KILDEE. I thank the gentleman for yielding this time to me.

Mr. Speaker, I am pleased to be the sponsor of H.R. 148, the Michigan Wilderness Heritage Act of 1985.

H.R. 148 designates as national forest wilderness some 92,000 acres, about 3.3 percent of Michigan's three national forests.

Michigan has more Forest Service land than any other State east of the Mississipi, but currently has no national forest wilderness.

The 11 areas to be designated wilderness include unique examples of Michigan's varied flora, fauna, and geography.

Some of the last remaining stands of virgin forest in Michigan and the many rare and threatened plant species found in these areas provide habitat for bald eagles, moose, black bear, white-tailed deer, sandhill cranes, great blue herons, and many other varieties of wildlife,

The areas contain river canyons hundreds of feet deep filled with wild rivers, waterfalls and wetlands; Lakeshore sand dunes and beaches; winter ice caves of magnificent beauty and chains of granite-rimmed lakes.

I, too, have enjoyed the beauty of the Upper Peninsula, and I, too, with the gentleman from Michigan [Mr. Davis] want to make sure that we have a balance in this bill.

From the very beginning we tried to strike a balance with this legislation between the development and the reservation of Michigan's majestic forests.

Proof that we have achieved that balance is the endorsement of H.R. 148 by a bipartisan group of 12 of Michigan's congressional representatives, and by

Michigan Gov. James Blanchard, a former Member of this body, by

The Sierra Club and Wilderness Society

And the Michigan forest products industry development council.

The Forest Products Council, composed of representatives of the major timber-producing and using companies in Michigan, advises Governor Blanchard in his drive to expand Michigan's timber industry.

The council's 14 to 1 vote to endorse H.R. 148 demonstrates an understanding by the timber industry that the designation of these small wilderness areas will not adversely affect the continued growth of the timber industry in Michigan.

The 92,000 acres in H.R. 148 comprise less than two-tenths of 1 percent of Michigan's commercial timber land.

Public hearings on the Michigan Wilderness Heritage Act were held by the Subcommittee on Public Lands both here in Washington and in Michigan's Upper Peninsula, where the majority of the land to be designated wilderness is located.

I want to reiterate that while the gentleman from Michigan [Mr. Davis] and I do disagree on this bill, it was through his efforts that we did take the subcommittee to the Upper Peninsula to hear the considerations of those people, and we did find that there were certain concerns that we could be more sensitive to, and the bill addresses those concerns.

In addition to the strong support for the bill expressed by the majority of witnesses, several witnesses raised concerns regarding the establishment of buffer zones around the proposed wilderness areas.

Some worried about the continued access of hunters, fishermen, and other sportsmen to the areas.

Others questioned the ability of owners of valid existing rights, such as oil and gas leases, to exercise those rights inside the wilderness areas.

We added several amendments during the subcommittee markup to address the concerns raised at the public hearings.

Section 6 of the bill precludes the establishment of buffer zones around the proposed wilderness areas.

Section 7 makes reference to the pertinent section of the Wilderness Act of 1964 which retains the jurisdiction of the Michigan Department of Natural Resources over the wildlife management of these areas assuring sportsmen continued access to hunt, fish, trap, hike, and enjoy other outdoor activities in the wilderness.

I would like to express my deep appreciation to my good friend and colleague from Michigan, Guy Vander Jagt, for his close cooperation in addressing the concerns of some of his constitutents who are owners of the subsurface rights underlying the Nordhouse Dunes area in his district.

Working with Mr. Vander Jagt, in addition to language in the bill, the Interior Committee staff drafted an excellent committee report which provides the Forest Service with some broad direction in how it can undertake the delicate balance of protecting the wilderness values of the Nordhouse Dunes while allowing the subsurface owners reasonable access to exercise their right to develop the oil and gas deposits, should it prove economically viable.

The Forest Products Council endorsed H.R. 148 with the condition that standard release language be added to the bill.

Such language will release for future timber harvest some 22,000 acres currently in wilderness study areas.

Section 5 of H.R. 148 contains the standard release language requested by the Michigan timber industry.

Mr. Speaker, we have no intention of doing anything to these areas. We want to keep them just the way they are now—much as they were when they came from the hand of God.

Unlike many other pieces of legislation that we consider, H.R. 148 will not have any visible human effect.

But it will have an invaluable effect of preserving these last vestiges of wilderness in Michigan for the benefit and enjoyment of future generations.

Mr. Speaker, I feel happy to have worked with all the people involved in this bill, even those who were opposed to it, because in every instance they were honorable in addressing their concerns on this bill. I personally believe that we have a very well-balanced bill.

Mr. SEIBERLING. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Michigan [Mr. Pursell].

Mr. PURSELL. I thank the gentlewoman for yielding this time to me.

Mr. Speaker, I want first personally to congratulate the chairman of the committee, who has provided many years of outstanding work toward the preservation of our lands and the concerns of balance between the environment and industry, and I have been very honored to have supported his legislation over the years, and to the gentleman from Michigan [Mr. Kildee], the sponsor, who is a former State senator. We served together with Mr. Davis, and the Congressman following me, Mr. Henry. We are all four former State senators here today who helped lead a movement on the environmental concerns and quality of Michigan on water and clean air and clean water. I sponsored a resource recovery act myself in Michigan, and led in some work in cleaning up some lakes.

Mr. Speaker, I rise in support of H.R. 148, the Michigan Wilderness Heritage Act of 1985.

This is an important piece of legislation for Michigan, especially as there is not a single acre of Michigan's vast national forest tracts which is part of the National Wilderness Preservation System, a system that gives the necessary strong protection to wilderness areas. Areas in the bill which now are outside the National Forest System are overused.

We are not talking here about a lot of land. It's under one-third of 1 percent of Michigan's total land base. It's less than 1 percent of the Michigan Upper Peninsula's land base, where the great majority of the proposed wilderness areas are located. The land proposed for wilderness designation in the bill is just under 3 percent of the State's national forest land. It's just one-fifth of 1 percent of all of Michigan's commercial forest land.

Michigan's economy clearly will benefit from the designation of additional wilderness areas through enhanced tourist business.

I also would like to point out that, as much as possible, private property within the proposed areas has been excluded.

The Michigan wilderness bill would establish a wilderness component of a land use program that is a balance of environmental protection and sensible development. Many people enjoy Michigan's natural resources through autos, snowmobiles, powerboats, and other vehicles, and extensive efforts are made to assure such opportunities. But there also should be areas where the canoe, showshoe, and hiking boot prevail as the primary means of travel, thus safeguarding significant natural areas and wildlife habitats.

Mr. Speaker, I have long been a proponent of sound environmental policy throughout my public career. While a member of the Michigan Senate, I authored the State's resource recovery act and led a cleanup of Michigan's dying recreational lakes. In that same vein, I would like to urge my colleagues to support the Michigan wilderness bill.

The Roman lawyer and satirist, Juvenal, once said: "Nature and wisdom always say the same." Mr. Speaker, I consider approval of the Michigan wilderness bill a wise investment in our future.

□ 1345

Mrs. VUCANOVICH. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. HENRY].

Mr. HENRY. Mr. Speaker, I, too, would like to express special thanks and commendations to my colleague, the gentleman from Michigan [Mr. KILDEE], who for years has sought to reach this point on this very critical measure. I think, as can be determined from the various comments we have heard, there is great and broad and deep support for this measure in our delegation, and I think the gentleman deserves a special commendation for the years of effort he has given to bring us to this point.

I would also like to express appreciation to the chairman of the subcommittee, who made a special effort to ensure that the subcommittee went to the areas affected and went to extra great lengths to ensure that the peculiar concerns of the people most directly affected, as opposed to those who perhaps might be less directly affected, were given equal attention.

Mr. Speaker, I rise in support of H.R. 148, the Michigan wilderness bill. One of the great blessings which we who live in Michigan enjoy, and encourage our friends from other States to come and enjoy, is the abundance and beauty of our natural resources—our beautiful lakeshores, precious wetlands, and awesome forests. It is of critical importance that as we move to improve our State's economic diversity by developing our forestry and mineral industries, that a portion of these lands remain preserved and undeveloped.

H.R. 148 strikes an appropriate balance of the variety of demands on our State's national forest lands:

The bill involves about 3 percent of Michigan's total national forest lands; planned use of the remaining 97 percent can and should go forward in a way that balances the competing uses of the resources of our national forest lands.

The particular concerns about the management of wildlife and the potential of closing these lands to Michigan's many hunters, trappers, and fishers are addressed by reemphasizing provisions of the Wilderness Act that leave wildlife management in the hands of the Michigan Department of Natural Resources.

Undoubtedly, the most difficult issue surrounding this bill involves the rights of the mineral owners in the Nordhouse Dunes area. Those rights—and the right to exercise them—have been specifically protected in the bill. The language of the report addresses specific recommendations to the Forest Service as to how this should be done.

Finally, concerns have been raised by the Forest Service and others about the necessary maintenance of an earthen dam in the Delirium Wilderness area. The dam provides sufficient water levels in Sylvester Pond to protect the habitat rich with wildlife. Language has been included in the report, specifically directed at the Forest Service, to permit necessary maintenance of the dam, including use of mechanized equipment.

Each of these provisions has been carefully crafted. Obviously, they must be as carefully followed in the implementation. But the bill represents a fine balance of difficult and important interests, and a tremendously worthwhile endeavor to protect and preserve our State's natural heritage.

Mr. Speaker, I join my colleagues from Michigan in urging adoption of H.R. 148, the Michigan wilderness bill.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am opposed to H.R. 148, the Michigan wilderness bill. The bill exceeds the Forest Service's RARE II recommendations by more than 40 percent and exceeds the more recent recommendations being made as a result of the very comprehensive forest management planning process.

The Member in whose district 10 of the 11 areas are located is also opposed to the excessive acreage in the bill. As one who is also attempting to work out a statewide wilderness bill, I am opposed to any process which does not fully consider the views of the Member elected to represent the area.

I am also greatly concerned over the way in which the bill addresses the privately owned mineral rights underlying the Nordhouse Dunes area. While I am aware of the language added to the bill expressly recognizing "valid existing rights," this is an area of law which is not yet fully tested or defined. My State of Nevada is blanketed with similar mining and mineral interests which may or may not be compatible with true wilderness protection and I am concerned over the way we are addressing these areas.

It will be argued that the Nordhouse Dunes is a very small area, particularly by our Western standards. It is only 3,000 acres but I believe it is no less important to the overall question of what is a valid existing right, and what must the owners do to develop their claims or mineral interests.

There are over 1,900 acres of privately owned reserved mineral rights underlying the area, in addition to 675 acres of State-owned mineral rights—over 86 percent of the area. Oil and gas deposits have been found near the area, and recent seismic surveys indicate a good possibility of such underlying deposits. The owners of these minerals have testified in our committee that they wish to exercise their rights to develop the oil and gas potential of the area—an action which is not compatible with wilderness particularly due to the area's very small size and the extent of the private ownership.

Our committee has made a modest attempt at guaranteeing their rights to extract the oil and gas by including an amendment making the area subject to "valid existing rights" and the right to "reasonable access to exercise those rights."

I believe it is important to note for the record that the committee report also addresses this issue starting on page 4 and explains the quandary we have placed the Forest Service and the mineral owners in.

The report reads;

> What rights may constitute "valid existing rights" is a question of law which the Committee does not attempt to define. The extent of the nonfederally-owned mineral rights are determined in part by the terms of the deeds by which the owners acquired the rights, and by federal, state and local laws and regulations. By protecting valid existing rights, the Committee makes no express or implied determination regarding the nature or extent of the title to such rights.

The report refers directly to the amendment in section 2(a) of the bill and outlines some recommendations on what steps the Forest Service might follow. It is important to emphasize that these are only recommendations which do not blind the Forest Service or impose any additional constraints on the owners of the mineral rights. In fact, I believe the designation of the area as wilderness should not change the process the owners should go through or make it any more or less difficult for them to drill in the area, As I understand it, the terms of their original deeds are the prevailing requirements.

With these unanswered questions, one might ask why the committee designated the area as wilderness in the first place? The issue was raised in committee and many of us opposed the designation. It was also pointed out that the ultimate solution may be to purchase the mineral rights—the cost of which could be considerable.

I personally believe the best solution would have been not to designate the area. There are many other management alternatives which the Forest Service could use to protect the beauty of the area without so directly infringing on the rights of the mineral owners.

I urge my colleagues to oppose the bill for all the reasons I have stated. There is no great urgency to pass the legislation and more time should be spent drafting a more acceptable bill.

Mr. BONIOR of Michigan. Mr. Speaker, it is my pleasure to rise before the House today in support of H.R. 148, the Michigan wilderness bill. I would first like to commend the leadership of my colleague DALE

KILDEE for his diligence in delivering congressional action on the wilderness bill.

This bill is consistent with past congressional actions for preserving wilderness areas from certain development activities. The Wilderness Act of 1964, and the Forest Management Act of 1976, initiated systems by which forest lands would be reviewed and their usage designated.

During the process of land designation outlined by these two acts, controversy ensued over the management of lands not specifically designated as wilderness. These lands were considered ripe for harvest by the timber industry, but vital to the maintenance of local econsystems and wildlife habitats by environmentalists.

After 7 years of stalemate, Members of the 98th Congress drafted release language which outlined for the Forest Service how it was to manage remaining defacto wilderness lands. As a result of this release language, new State wilderness bills began to be passed. The passage of the Michigan wilderness bill is a continuation of a process Congress first started in 1964, and refined in the early 1980's. This bill would allow Michigan to join the ranks of 21 other States that have already asked Congress to set aside land in their States as wilderness.

H.R. 148 includes approximately 90,000 acres of national forest land in Michigan. This represents 3 percent of the 2.7 million acres of national forest land in the State, and a very small fraction of the Michigan Department of Natural Resources' estimate of 17.5 million acres of forested land in the State.

While this may be a small percentage of Michigan's vast land resources, it includes some of the State's finest remaining wildlands. Sylvania, a popular vacation spot for urban recreationalists from Milwaukee and Chicago, is teaming with eagles and waterfowl, otters, and within it stands Michigan's largest red pine.

The McCormick tract, a recent addition to the National Forest System, warrants the specific protection of H.R. 148 as this area contains one of the few remaining stands of virgin Hemlock and white pine in the State. It is also the site of ongoing integrative forest studies research by many of the State's acclaimed ecologists.

The Nordhouse Dunes are set aside under this bill for the protection of threatened plant species, as are the breathtaking precipices bordering Sturgeon River Gorge.

This bill has gained the support of both environmentalists and forest industrialists. I think this is important because although wilderness designations prohibit road construction, off-road vehicles, and logging, the wilderness designation is still a multiuse philosophy which restricts as little as possible, while maintaining a primary goal to preserve a unique ecosystem intact.

Critics of this legislation say these lands do not warrant special protection. But, it was Congress itself which first acted to guarantee preservation of these national treasures of nature. The unique areas included in this bill will add to the already diverse ecosystems contained in the national wilderness system.

One should not think these lands are locked up, however. Hunting, fishing, trapping, backpacking, and other nonmotorized recreational activities are allowed. U.S. Forest Service fire control, insect and disease control and medical evacuations; mineral and oil and gas exploration will be allowed to companies with subsurface rights, if they agree to proceed in a manner compatible with the preservation of the wilderness areas.

This bill does not seek to lock up these lands. Rather, it aims to ensure their availability for generations to come.

Wilderness is a part of our heritage. Our forefathers plunged into the depths of the wilderness at Jamestown. They tamed it to give them sustenance in their quest to establish a new home on this wild continent. We must preserve wilderness areas so that we can be reminded of the challenges that were overcome by our predecessors to make our country great. As Thoreau said, "In wilderness is the preservation of the world." So it is that we should find in the wilderness the preservation of our heritage.

Man, being of nature, needs to go back to nature from time to time to be reminded of the simplicity and beauty from which he arose. We must recognize that our roots as a species lie in wilderness lands. H.R. 184 seeks to preserve those roots which nourish us, for without them, we cannot survive.

Mr. FORD of Michigan. Mr. Speaker, I rise in support of H.R. 148, the Michigan Wilderness Heritage Act of 1985. I am a cosponsor of this important legislation which designates as national forest wilderness some 92,000 acres. Although Michigan has more Forest Service land than any other State east of the Mississippi, it has no national forest wilderness.

There are 11 areas to be designated as wilderness under H.R. 148. These areas provide habitat for some of the last remaining stands of virgin forests in Michigan. Many rare and threatened plant species found in these areas provide habitat for bald eagles, moose, black bear, white-tailed deer, sandhill cranes, Great Blue herons, and many other varieties of wildlife. The areas also contain river canyons hundreds of feet deep, wild rivers, waterfalls and wetlands, lakeshore sand dunes and beaches, winter ice caves, and chains of granite-rimmed lakes.

Mr. Speaker, I feel that H.R. 148 presents a balance between the development and conservation of Michigan's forest. This is demonstrated by the endorsement of this measure by a bipartisan group of 12 Michigan representatives. In addition, this important legislation has been endorsed by Michigan Governor James Blanchard, the Sierra Club and Wilderness Society, and the Michigan Forest Products Industry Development Council.

Earlier this year the Interior Committee held hearings on H.R. 148 in Washington and Michigan's Upper Peninsula. Following the hearings the committee added amendments to the bill which reiterate sportsmen's right to hunt, fish, and trap in the proposed areas, preclude the establishment of buffer zones around the areas, and emphasize the ability of owners of valid existing rights, such as oil and gas leases, to exercise those rights. Language was also added to the bill for the release of 22,000 acres for future timber harvest which are currently in wilderness study areas that will not be designated as wilderness by this legislation. The boundaries of the proposed wilderness areas have been carefully drawn to exclude private property wherever possible while improving the Forest Service's ability to protect the fragile and varied ecosystems found in these areas.

I urge my colleagues to support passage of H.R. 148, the Michigan Wilderness Heritage Act of 1985. I enjoy the beauty the State of Michigan offers and hope it can be preserved for future generations.

Mrs. VUCANOVICH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio [Mr. SEIBERLING] that the House suspend the rules and pass the bill, H.R. 148, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERMISSION FOR CERTAIN SUBCOMMITTEES OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT DURING THE 5-MINUTE RULE ON WEDNESDAY NEXT AND THURSDAY NEXT

Mr. YOUNG of Missouri. Mr. Speaker, I ask unanimous consent that the following subcommittees of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule of the House.

The Subcommittee on Public Buildings and Grounds on Wednesday, September 18, 1985; and

The Subcommittee on Aviation on Thursday, September 19, 1985.

Mr. Speaker, this request has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

FEDERAL TRADE COMMISSION AUTHORIZATION ACT OF 1985

Mr. FLORIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2385) to amend the Federal Trade Commission Act to extend the authorization of appropriations contained in such act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2385

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND REFERENCE TO ACT.

(a) Short Title.—This Act may be cited as the "Federal Trade Commission Authorization Act of 1985".

(b) Reference.—Whenever in this Act an amendment or repeal in expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be a reference to a section or other provision of the Federal Trade Commission Act.

SEC. 2. UNFAIR ACTS OR PRACTICES.

Section 5(a)(1) (15 U.S.C. 45(a)(1)) is amended (1) by inserting "(A)" after "(1)", and (2) by adding at the end thereof the following:

"(B) An act or practice in or affecting commerce shall be considered to be an unfair act or practice under subparagraph (A) if—

"(i) such act or practice causes or is likely to cause substantial injury to consumers; and

"(ii) such substantial injury (I) is not reasonably avoidable by consumers; and (II) is not outweighed by countervailing benefits to consumers or to competition which result from such act or practice.

Any determination under the preceding sentence regarding whether an act or practice is an unfair act or practice shall take into account, in addition to other relevant factors, whether such act or private violates any public policy as established by Federal or State statutes, common law, practices in business or industry, or otherwise. This subparagraph shall not have any force or effect, and shall not be taken into account, in connection with the enforcement of any State law which prevents persons, partnerships, or corporations subject to the jurisdiction of the State from engaging in unfair acts or practices.".

SEC. 3. REVIEW OF CERTAIN CEASE AND DESIST ORDERS.

Section 5(m)(2) (15 U.S.C. 45(m)(2)) is amended by adding at the end thereof the following new sentence: "The court in such action against such defendant also shall review, if requested by any party to the action, the determination of law made by the Commission in the proceeding under subsection (b) that the act or practice of the respondent which was the subject of such proceeding constituted a violation of subsection (a).".

SEC. 4. PREVALENCE OF UNFAIR OR DECEPTIVE ACTS OR PRACTICES OR FALSE ADVERTISEMENTS.

Section 18(a) (15 U.S.C. 57a(a)) is amended by adding at the end thereof the following new paragraph:

"(3) The Commission may issue a notice of proposed rulemaking with respect to any unfair or deceptive act or practice or any false advertisement (as defined in section 15(a)(1)) only if—

"(A) the Commission has issued two or more cease and desist orders regarding such unfair or deceptive act or practice or such false advertisement; or

"(B) any other information available to the Commission provides the Commission with reason to believe that a pattern of such unfair or deceptive acts or practices or such false advertisements exists.".

SEC. 5. CIVIL INVESTIGATIVE DEMANDS.

Section 20 (15 U.S.C. 57b-1) is amended—

(1) in subsection (a)(2), by striking out "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "act or practice or method of competition declared unlawful by this Act or any other Federal law administered by the Commission";

(2) in subsection (a)(3), by striking out "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "any act or practice or method of competition declared unlawful by this Act or any other Federal law administered by the Commission";

(3) in subsection (a)(7), by striking out "unfair or deceptive act or practice in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "act or practice or method of competition declared unlawful by this Act or any other Federal law administered by the Commission";

(4) in subsection (b), by striking out "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "any act or practice or method of competition declared unlawful by this Act or any other Federal law administered by the Commission"; and

(5) in subsection (c)(1), by striking out "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "any act or practice or method of competition declared unlawful by this Act or any other Federal law administered by the Commission".

SEC. 6. RESTRICTION OF COMMISSION AUTHORITY RELATING TO AGRICULTURAL COOPERATIVES.

The Federal Trade Commission Act is amended by redesignating sections 24 and 25 as sections 26 and 27, respectively, and by inserting after section 23 the following new section:

"Sec. 24. (a) The Commission shall not have any authority to conduct any study, investigation, or prosecution of any agricultural cooperative for any conduct which, because of the provisions of the Act entitled 'An Act to authorize association of producers of agricultural products', approved February 18, 1922 (7 U.S.C. 291 et seq., commonly known as the Capper-Volstead Act), is not a violation of any of the antitrust Acts or this Act.

"(b) The Commission shall not have any authority to conduct any study or investigation of any agricultural marketing orders.".

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

Section 26, as so redesignated in section 6, is amended to read as follows:

"Sec. 26. To carry out the functions, powers, and duties of the Commission there are authorized to be appropriated $63,900,000 for fiscal year 1986, $64,200,000 for fiscal year 1987, and $64,300,000 for fiscal year 1988.".

SEC. 8. DISAPPROVAL OF FTC RULES.

(a) Amendment.—The Federal Trade Commission Act is amended by inserting after section 24, added by section 6, the following:

"Sec. 25. (a) The Commission, after promulgating a final rule, shall submit such final rule to the Congress for review in accordance with this section. Such final rule shall be delivered to each House of the Congress on the same day and to each House of Congress while it is in session.

"(b) Any final rule of the Commission shall become effective in accordance with its terms unless before the end of the period of 90 days of continuous session of Congress after the date such final rule is submitted to the Congress a joint resolution disapproving such final rule is enacted into law.

"(c)(1) If a final rule of the Commission is disapproved in accordance with this section, the Commission may promulgate another final rule which relates to the same acts or practices as the rule which was disapproved. Such other final rule—

"(A) shall be based upon—

"(i) the rulemaking record of the disapproved final rule; or

"(ii) such rulemaking record and any record established in supplemental rulemaking proceedings conducted by the Commission; and

"(B) may contain such changes as the Commission considers necessary or appropriate.

Supplemental rulemaking proceedings referred to in subparagraph (A)(ii) may be conducted in accordance with section 553 of title 5, United States Code, if the Commission determines that it is necessary to supplement the existing rulemaking record.

"(2) The Commission, after promulgating a final rule under this subsection, shall submit the final rule to Congress in accordance with subsection (a).

"(d) Congressional inaction on a joint resolution disapproving a final rule of the Commission shall not be construed—

"(1) as an expression of approval of such rule, or

"(2) as creating any presumption of validity with respect to such rule.

"(e)(1)(A) For purposes of subsection (b), continuity of session is broken only by an adjournment sine die at the end of the second regular session of a Congress.

"(B) The days on which either House of Congress is not in session because of an adjournment of more than five days to a day certain are excluded in the computation of the period specified in subsection (b).

"(2)(A) In any case in which a final rule of the Commission is prevented from becoming effective by an adjournment sine die at the end of the second regular session of the Congress before the expiration of the period specified in subsection (b), the Commission shall resubmit such rule at the beginning of the first regular session of the next Congress.

"(B) The period specified in subsection (b) shall begin on the date of a resubmission under subparagraph (A).

"(f) For purposes of this section:

"(1) The term 'joint resolution' means a joint resolution the matter after the resolving clause of which is as follows: 'That the final rule promulgated by the Federal Trade Commission dealing with the matter of   , which final rule was submitted to Congress on   is disapproved.', the first blank being filled with the subject of the rule and such further description as may be necessary to identify it, and the

second blank being filled with the date of submittal of the rule to the Congress.

"(2) The term 'rule' means any rule promulgated by the Commission pursuant to this Act other than a rule promulgated under section 19(a)(1)(A).".

(b) Conforming Amendment.—Section 21 of the Federal Trade Commission Improvements Act of 1980 (15 U.S.C. 57A-1) is repealed.

SEC. 9. INTERVENTION BY COMMISSION IN CERTAIN PROCEEDINGS.

(a) General Rule.—The Federal Trade Commission shall not have any authority to use any funds which are authorized to be appropriated to carry out the Federal Trade Commisison Act (15 U.S.C. 41 et seq.) for fiscal year 1986, 1987, or 1988, for the purpose of submitting statements to, appearing before, or intervening in the proceedings of, any Federal or State agency unless the Commission advises the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives, at least sixty days before any such proposed action, or, if such advance notice is not practicable, as far in advance of such proposed action as is practicable.

(b) Notice.—The notice required in subsection (a) shall include the name of the agency involved, the date upon which the Federal Trade Commission will first appear, intervene, or submit comments, a concise statement regarding the nature and purpose of the proposed action of the Commission, and, in any case in which advance notice of sixty days is not practicable, a concise statement of the reasons such notice is not practicable.

SEC. 10. NATIVE AMERICAN ARTS AND CRAFTS.

The Federal Trade Commission shall investigate the marketing of imitation Native American arts, crafts, and jewelry. The Commission shall, upon the expiration of eighteen months after the date of the enactment of this Act, report to the Congress on the investigation made under the preceding sentence. The Commission shall develop and distribute a consumer information brochure designed to assist consumers in identifying imitation Native American arts, crafts, and jewelry. The brochure shall be completed and distribution begun not later than six months after the date of the enactment of this Act.

SEC. 11. LIFE CARE HOME STUDY.

(a) Study.—The Federal Trade Commission shall conduct a study of unfair and deceptive practices in the life care home industry, including practices engaged in by life care homes. Within 2 years of the date of the enactment of this section, the Commission shall report the findings and conclusions of the study to Congress. If the Commission finds a rulemaking is warranted under section 18 of the Federal Trade Commission Act, the Commission shall, promptly after completion of the study, initiate a trade regulation rule proceeding under such section 18 respecting unfair and deceptive acts or practices in the life care home industry. If the Commission determines a rulemaking is not warranted, the Commission shall include in the report to Congress the reasons for such determination.

(b) Definitions.—For purposes of subsection (a):

(1) The term "life care home" includes the facility or facilities occupied, or planned to be occupied, by residents or prospective residents where a provider undertakes to provide living accommodations and services pursuant to a life care contract.

(2) The term "life care contract" includes a contract between a resident and a provider to provide the resident, for the duration of such resident's life, living accommodations and related services in a life care home, including nursing care services, medical services, and other health-related services, which is conditioned upon the transfer of an entrance fee to the provider and which may be further conditioned upon the payment of periodic service fees.

SEC. 12. NURSING HOME STUDY.

(a) General Rule.—The Federal Trade Commission shall continue studying unfair and deceptive acts and practices in the nursing home industry, including practices engaged in by nursing homes. Within one year of the date of the enactment of this section, the Commission shall report to the Congress the findings and conclusions of the study. If the Commission finds a rulemaking is warranted under section 18 of the Federal Trade Commission Act, the Commission shall, promptly after the completion of the study, initiate a trade regulation rule proceeding under such section 18 respecting unfair and deceptive acts or practices in the nursing home industry. If the Commission determines a rulemaking is not warranted, the Commission shall include in the report to Congress the reasons for such determination.

(b) Definition.—For purposes of subsection (a), the term "nursing home" includes a residential facility that provides convalescent or chronic nursing care, or both, for persons unable to care for themselves.

SEC. 13. PREDATORY PRICING.

(a) The Federal Trade Commission shall submit to the Commission on Energy and Commerce of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate the information specified in subsection (b) of this section every 6 months during each of the fiscal years 1986 and 1987. A report containing such information shall be submitted when the Commission submits its annual report to the Congress during each of such fiscal years and such report may be included in the annual report. A separate report containing such information shall be submitted 6 months after the date of submission of any such annual report. Each such report shall contain such information for the period since the last submission under this section.

(b) Each report shall list and describe, with respect to instances in which predatory pricing practices have been suspected or alleged—

(1) each complaint made, orally or in writing, to the offices of the Commission;

(2) each preliminary investigation opened or closed at the Commission;

(3) each formal investigation opened or closed at the Commission;

(4) each recommendation for the issuance of a complaint forwarded by the staff to the Commission;

(5) each complaint issued by the Commission;

(6) each opinion and order entered by the Commission;

(7) each consent agreement accepted provisionally or finally by the Commission;

(8) each request for modification of an outstanding Commission order filed with the Commission;

(9) each recommendation by staff pertaining to a request for modification of an outstanding Commission order; and

(10) each disposition by the Commission of a request for modification of an outstanding Commission order.

Such report shall include copies of all consent agreements and complaints executed by the Commission referred to in the report. Where a matter has been closed or terminated, the report shall include a statement of the reasons for that disposition. The descriptions required under this subsection shall be as complete as possible. The report shall include any evaluation given to the potential impacts of predatory pricing upon businesses (including small businesses). The report shall not reveal the identity of persons or companies complained about or those subject to investigation that have not otherwise been made public.

SEC. 14. EFFECTIVE DATES, APPLICABILITY OF AMENDMENTS.

(a) General Rule.—Except as otherwise provided in this section, the provisions of this Act, and the amendments made by this Act, shall take effect on October 1, 1985.

(b) Section 2.—

(1) The amendments made in section 2 shall apply only to—

(A) cease and desist orders issued by the Federal Trade Commission under section 5 of the Federal Trade Commission Act (15 U.S.C. 45) on or after October 1, 1985; and

(B) rules for which advance notices of proposed rulemaking are published in the Federal Register by the Commission under section 18(b)(2)(A) of such Act (15 U.S.C. 57a(b)(2)(A)) on or after October 1, 1985.

(2) The amendments referred to in paragraph (1) shall not be construed to affect in any manner any cease and desist order issued on or after October 1, 1985, if such order is issued in accordance with a remand, from a court of appeals of the United States or the Supreme Court of the United States, of any cease and desist order issued by the Commission before such date.

(c) Section 4.—

(1) The amendment made in section 4 shall apply only to rules of the Federal Trade Commission for which advance notices of proposed rulemaking are published in the Federal Register by the Commission under section 18(b)(2)(A) of the Federal Trade Commission Act (15 U.S.C. 57a(b)(2)(A)) on or after October 1, 1985.

(2) In the case of any rule of the Commission which has not become final before October 1, 1985, but for which such advance notice has been published before such date, the Commission shall include with its submission of such rule to the Congress under section 25 of the Federal Trade Commission Act a statement describing the extent of the prevalence of occurrences of the unfair or deceptive act or practice, or the false advertisement, which is the subject of such rule.

(d) Section 8.—Section 25 of the Federal Trade Commission Act, as added by section (8), shall apply with respect to final rules of the Commission promulgated after October 1, 1985.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. Florio] will be recognized for 20 minutes and the gentleman from New York [Mr. Lent] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. Florio].

Mr. FLORIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2385 would reauthorize the Federal Trade Commission for 3 years.

In the recent past, the FTC has been a controversial agency. Fortunately, the controversy has diminished and a consensus has emerged regarding FTC reauthorization. This bill is designed to reflect that consensus and renew support for the Commission so it can devote full time to the job of protecting consumers and free markets.

To establish a consensus in support of the FTC, our committee carefully sifted all the views of a wide range of business and consumer groups.

As Members of the House undoubtedly recall, in 1980 we enacted the FTC Improvements Act, which refined the procedures and protections contained in the FTC Act. Over the last 3 years, because of the number of controversial proposals regarding the FTC, Chairman Dingell and myself, and the distinguished ranking minority members of the full committee and my subcommittee, Mr. Broyhill and Mr. Lent, have worked to achieve a bipartisan consensus.

The formula for a consensus in support of the FTC was simply this—to embody in law both fairness for business and fairness for consumers, both fair Government procedures and protection for free and fair markets.

For example, we found that a consensus has emerged among major business groups and the Commission itself on the kinds of conduct that should be subject to the FTC's unfairness jurisdiction. By codifying this understanding in the law, we will enhance the predictability of Commission enforcement.

Likewise, we have included provisions that would enhance the protections afforded private parties subject to investigations or accused of knowing violations of law as established by prior FTC orders. And we have insured that Commission rulemaking will not be directed at isolated or insignificant conduct. Also, we have included a constitutional legislative veto provision.

Let me emphasize, however, that in perfecting the procedures of the FTC, we rejected suggestions that we should create an array of special exemptions for various groups. Fairness and predictability are one thing. Crippling the ability of the FTC to protect the free market and consumers is something else, and something entirely unacceptable.

This bill strikes a judicious balance between enhancing the rights of all parties while not impairing the crucial role of the Commission. This represents a consensus position that the House and the entire Congress can and should readily adopt.

With fair procedures and fair laws, no one has a right to stand above the law.

In a 1969 study of the FTC, the American Bar Association said there is "a general conviction that marketing frauds against consumers are widespread in this country." The ABA noted that "the public is increasingly unwilling to tolerate exploitation."

Our committee was offered no evidence that the need for vigorous protection of competition and of consumer rights has diminished. On the contrary, our hearing record is filled with indications from consumers, business, labor, and State attorneys general, of the need for continued vigorous FTC enforcement. The continued support for vigorous Commission activity is reflected in the several provisions of H.R. 2385 calling upon the Commission to address specific issues, such as abuses in the nursing home industry and predatory pricing.

As we seek to prevent inflation, this is no time to weaken the check of competition on prices.

When we are facing increasingly fierce competition abroad and an influx of quality foreign made products at home, this is no time to weaken the impulse of free enterprise to innovate and improve quality.

When we face a real possibility of renewed recession, this is no time to weaken protections against fraud and deception. On the contrary, we should reassure the American consumer that the FTC will continue to help the consumer make every dollar count.

For all of these reasons, H.R. 2385 is not just an ordinary reauthorization bill. It is vital to reestablishing a consensus in support of the Federal Trade Commission. It is vital to preserving the principles of free and fair markets.

There is much talk these days about the need to relieve the public of burdensome taxation. The high price of goods or services fixed by a monopoly or a conspiracy is simply a tax imposed by private organizations. The extra money consumers pay when they are hoodwinked into buying products that are not as advertised is likewise a tax imposed by private organizations. These are taxes that should be cut to zero. To do that, we need a vigorous as well as judicious Federal Trade Commission.

This moderate compromise legislation insures the attainment of that goal.

At this point, there are two aspects of FTC reauthorization upon which I would like to comment in more detail. First, I would like to note that section 2 of H.R. 2385 makes clear that the addition to the FTC Act of the provision in the bill regarding the Commission's unfairness authority should not be read as intended to restrict a State's own interpretation of State laws regarding unfairness.

Section 2 of H.R 2385 adds a new provision to the FTC Act concerning the authority of the Commission to remedy unfair acts or practices.

In recent years there has been controversy over the appropriate scope of FTC jurisdiction under the broad term, "unfairness." In 1980 the Commission issued a policy statement summarizing past cases and setting forth the principles that would guide its exercise of authority under the unfairness power. A consensus has now developed among business groups and the Commission on the soundness of the principles in the 1980 statement. Accordingly, H.R. 2385 would codify these principles, thereby enhancing certainty and predictability for business.

This improvement is among those in the bill that I have said should establish a consensus supporting the FTC. With this assurance of predictability and fair procedures, the FTC should be encouraged to vigorously carry out its role as the consumers' watchdog.

While I was originally apprehensive regarding the need for and utility of codifying the FTC's policy regarding unfairness, I have been persuaded by examination of the 1980 policy statement that the codification will retain the desired flexibility for the Commission. Accordingly, under section 2 of H.R. 2385, consumer injury need not necessarily be subject to quantification, or be limited to monetary harm. For example, unwarranted health and safety risks may support a finding of unfairness. Additionally, the Commission need not necessarily conduct a quantitative cost-benefit analysis, but should only have to carefully consider and assess, to the extent reasonable, the costs of prohibiting particular practices. Another illustration of flexibility under the 1980 statement and therefore embodied in our bill is the fact that public policy considerations may, under some circumstances, constitute an independent basis for a Commission finding of unfairness.

With respect to the question of State laws modeled on the FTC Act and other State consumer protection laws of general application, it should be noted that such laws do not require a finding of the elements set out in the standard of H.R. 2385, particularly substantial consumer injury. In addition, by virtue of State statutes and cases, including those developed by reference to Commission case law, most State laws provide that a finding of unethical or unscrupulous conduct is sufficient in itself to support a finding of unfairness. Because the broad scope of unfair practices as set forth in many State statutes and in State case law does not require the findings set out in H.R. 2385, and the purpose for the enactment of section 2 is not applicable to these State laws, the amendment to the FTC Act added by section 2 will not restrict a State's interpretation of its own standards of unfairness. To the extent that prior unfairness cases, for example, establish a finding of unfairness can be based upon unethical or unscrupulous conduct alone, this codification will leave unchanged this standard of unfairness for purposes of State law and apply only to the Commission the standards of unfairness articulated in the Commission's 1980 policy statement.

A second aspect of FTC reauthorization that deserves more detailed comment is the question of the FTC's jurisdiction and activities relating to professionals. This is a subject which occasioned considerable controversy in several Congresses, particularly during the 97th Congress, when some professional groups advocated a complete exemption for professionals from FTC jurisdiction. The Energy and Commerce Committee never adopted such a provision. Although proposals delineating the Commission's authority regarding professionals were considered in the 98th Congress, advocacy of an exemption was abandoned even by most of its original supporters and H.R. 2385 contains no special professions provision. The committee's reasons for this are explained in our committee report, House Report 99-162.

As the report indicates, continued debate and deliberation demonstrated that no special restriction on FTC authority regarding professionals is warranted because existing law affords appropriate safeguards to ensure that the Commission's powers are judiciously employed.

The Commission's basic authority rests on two different statutory prohibitions—the prohibition on "unfair methods of competition" and the prohibition on "unfair and deceptive acts or practices" contained in section 5 of the FTC Act. In a proceeding challenging unfair methods of competition and applying antitrust precedents, restraints on competition could not be justified by considerations extraneous to competitive effect. By contrast, in a proceeding alleging unfair acts or practices, the inquiry extends far beyond the net competitive effect to include a wide range of public policy considerations. The committee also took note of the fact that the Commission applies the Sherman Act principles of the State action doctrine to its exercise of authority to prohibit unfair methods of competition. Therefore, in cases addressing unfair methods of competition and impinging on State regulation, the State action defense may be available under certain circumstances.

Surveying the authority available to the Commission and the defenses available to challenged parties, it was concluded that the Commission's authority is well suited to the task of addressing the conduct of individual professionals and professional associations and State regulatory provisions. Where, under its power to prohibit unfair methods of competition, the Commission's authority is analagous to that of the Sherman Act, the State action doctrine of the Sherman Act is also applied by the Commission. On the other hand, under the Commission's authority to challenge unfair or deceptive acts or practices, different considerations are relevant, and while the State action defense does not apply, other defenses are available. With respect to unfair acts or practices, these include the argument that challenged regulatory restraints are justified as promoting public health, safety and welfare in a way that outweighs any adverse effect on consumers. With respect to deceptive acts or practices, still other considerations apply.

Given all of these safeguards, the committee declined to adopt proposals to delineate or limit the Commission's authority. The availability to all parties of the defenses codified by section 2 of H.R. 2385, including the argument that regulatory and other restrictions are justified because their benefits outweigh their costs, was deemed a sufficient limitation on the Commission's authority to prohibit unfair acts of practices. Likewise, the existing defenses available to counter a charge of unfair methods of competition were deemed sufficient. The Federal Trade Commission should pursue its mandate with vigor.

Mr. LENT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Federal Trade Commission Authorization Act of 1985 authorizes the Commission for 3 years and makes several amendments to its procedural and substantive authority. This is an important piece of legislation and I urge my colleagues to lend it their support.

The Federal Trade Commission has operated without an authorization in law since October of 1982. Considerable controversy surrounding the Commission's role over the activities of professionals has been a stumbling block to achieving a successful reauthorization.

I am quite pleased that this issue has been resolved in a manner which preserves the FTC's existing authority. It was quite evident in testimony received that the Commission currently possesses the authority it needs to police behavior engaged in by professionals which is anticompetitive and injurious to consumers. It is critical to maintain the Commission's authority to prevent fraudulent practices, deceptive marketing, and collusive activities which restrain trade, including price fixing and boycotts.

The FTC also recognizes the important role of the States in this area. As articulated by FTC Chairman James Miller in a letter reprinted in the House report for H.R. 2385 (H. Rept. 99-162):

> The Commission's activities in this area have not sought to interfere either [with] the legitimate self-regulation or with the authority of the States to assure the quality of services to their citizens. Instead, the record shows that the Commission has concerned itself only with specific barriers to competition and restrictions that demonstrably harm consumers.

This recognition of the States' role, together with the continued ability of the courts to review FTC activities, makes any statutory language in this area unnecessary.

Section 2 of H.R. 2385 would define the Commission's authority over unfair acts or practices. This term is the linchpin of the FTC's consumer protection authority, yet it has never been defined by statute. Section 2 would codify several elements of unfairness as they have been articulated and applied by the Commission. These elements require a finding of substantial consumer injury and that the injury cannot be reasonably avoided. Any countervailing benefits to consumers or competition resulting from the activity in question must be weighed by the FTC before they can find it to be unfair. This codification will help to lend consistency and predictability to FTC enforcement activities.

Section 3 of the bill seeks to protect the due process rights of persons who are subject to enforcement of a cease and desist order, which was originally issued against another defendant. Section 5(m)(1)(B) of the Federal Trade Commission Act permits the Commission to enforce a cease and desist order against another person who was not an original defendant or litigant to the order. This authority is, in effect, a way to issue industrywide restrictions, without going through a formal rulemaking proceeding. Some members of the business community have advocated repeal of this back door rulemaking authority. Section 3 does not alter this authority, but simply insures that the legal basis of the original order can be contested in subsequent enforcement proceedings.

Other procedural and substantive reforms are included in the bill. Section 5, for example, would enable the FTC to use civil investigative demands [CID's] in their antitrust investigations, as well as in investigations under other statutes enforced by the Commission. Currently, this type of compulsory process is limited to investigations falling under the FTC's consumer protection authority. Section 6 of the bill would make permanent the limitation presently contained in law restricting the FTC's authority over agricultural cooperatives and marketing orders. The bill also directs the Commission to undertake numerous studies and reports to Congress on enforcement efforts. While I question the need for some of these requests, especially where in the nursing home instance, the study has been independently initiated by the FTC and is already ongoing. They do signal congressional concern over potential illegal conduct and seek to encourage Commission involvement in these areas, within its current jurisdiction and subject to its enforcement discretion.

Finally, I would like to associate myself with the concern of the gentleman from North Carolina, the ranking Republican of the committee, with respect to legislative review and veto of Commission rules. Although a provision is included in the bill providing for review of FTC rules, the provision as currently written is not effective because it does not contain expedited procedures. These procedures are necessary in order for the Congress to successfully disapprove a rule, if the circumstances so dictate. In other words, this provision has no bite to its bark.

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Mr. Speaker, I want to take just a moment to commend and thank the outgoing Federal Trade Commission Chairman, James Miller, for the leadership and direction he brought to the Commission. Under his stewardship the FTC has regained the trust and confidence of Congress. I wish him every success as Director of the Office of Management and Budget.

Mr. Speaker, while I am somewhat disappointed that a request to include expedited legislative review procedures in the bill was not favorably acted upon, I remain hopeful that something can be worked out in conference.

I urge passage of the bill.

Mr. LOTT. Mr. Speaker, will the gentleman yield?

Mr. LENT. I am happy to yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Speaker, at the outset I want to commend the chairman and ranking Republican of the Energy and Commerce Committee on bringing us a noncontroversial and bipartisan FTC bill. It's long overdue. The FTC has been without an authorization since 1982 for a variety of reasons, including the professions and legislative veto issues.

Mr. Speaker, I also want to take this opportunity to commend the Chairman of the FTC, James Miller, on his outstanding stewardship at the Agency and his persistence in pushing for an authorization before he goes on to head the Office of Management and Budget. The administration is fortunate to have a person of his intelligence and abilities.

Having said all that, let me say that I regret this is coming to us under suspension instead of the open rule requested by the Chairman of the Energy and Commerce Committee. I think it's a little ironic that this bill fell victim to a one-member veto in the Rules Committee over the issue of whether there should be a congressional veto of FTC regulations. And it's even more ironic that this bill was held up not because its provisions were particularly objectionable, but because the other body had included some special rules provisions with its legislative veto.

Mr. Speaker, all this fuss might be justified if the other body were attempting to foist some new procedures on the House, but the fact is that this House has previously agreed to nearly identical expedited procedures when it enacted the 1980 FTC Act. The other body also has a provision in its bill permitting limitation amendments on appropriations bills to block regulations which both Houses may have previously disapproved. But that's something this House had been doing for its first 194 years before the Democratic caucus decided to restrict us in 1983.

Mr. Speaker, I would suggest that if the Rules Committee were really concerned about these expedited procedures that will give teeth to the legislative veto for FTC rules, then it would have granted a rule that made in order the amendment of the gentleman from North Carolina [Mr. Broyhill]. He had a legislative veto amendment that had been fashioned in consultation with Rules Committee staff that should have been acceptable.

That's the way to deal with provisions in the other body's bill: Give the House a chance to work its will on this issue before we go to conference. But, I suspect there are those who fear what the result would be. Two years ago the Rules Committee attempted to delete the FTC legislative veto from the bill, and that amendment was overwhelmingly rejected by a voice vote. I hope our conferees will agree to some form of expedited procedures for these joint resolutions of disapproval so that the legislative veto will have real teeth and be a credible deterrent against arbitrary and capricious agency regulatory actions.

Mr. LENT. Mr. Speaker, I want to thank the gentleman for his contribution and say that I heartily agree with the sentiments the gentleman has expressed here this afternoon.

Mr. FLORIO. Mr. Speaker, I would just like to publicly express my appreciation to the gentleman from New York [Mr. Lent], the gentleman from North Carolina [Mr. Broyhill] and the gentleman from Michigan [Mr. Dingell] for their cooperation in putting together this consensus piece of legislation. It is long overdue and I hope it passes very quickly.

Mr. BROYHILL. Mr. Speaker, today the House will have the opportunity to consider legislation reauthorizing the Federal Trade Commission.

Since 1982, the Commission has functioned without an authorization, without congressional guidance and statutory direction. For almost 3 years those who are subject to the Commission's expansive jurisdiction to police "unfair or deceptive acts or practices" and "unfair methods of competition" have had to operate hampered by the uncertainty of the Commission's authority.

During this time, the Congress has struggled with numerous issues affecting the Commission's jurisdiction and ability to pursue certain activities. The debate over the proper role of the Commission to regulate the activities of professionals is a case in point.

Today, with the passage of this legislation, the Congress will be able to remove that "cloud" of uncertainty and will reaffirm and direct the Commission's authority and function in several areas. I have repeatedly urged this step and welcome it today.

The Federal Trade Commission Authorization Act of 1985, H.R. 2385, contains several provisions which help to delineate the rulemaking and adjudicative authority of the Commission.

Section 2, for example, would clarify the Commission's authority over "unfair acts or practices." This term is the basis of the Commission's consumer protection jurisdiction, and since its inclusion in law in 1938 with enactment of the Wheeler-Lea Act (52 Stat. 111) has never been defined.

Section 2 of the bill sets out several criteria the Commission must use in determining that a particular act or practice is "unfair." First, the FTC must find that the activity in question causes, or is likely to cause, substantial injury to consumers. Once injury is found, the FTC must assess whether it is outweighed by countervailing benefits to consumers and competition. A final determination must also be made that the injury is not reasonably avoidable by consumers.

This definition will lend predictability and certainty to the Commission's "unfairness" authority to the benefit of not only those who fall within the FTC's jurisdiction, but to consumers as well.

The bill also contains a provision which will help to delineate the rulemaking authority of the Commission. Section 4 would incorporate a requirement that a showing of "prevalence" be made before the FTC could embark on an industrywide rulemaking proceeding. Specifically, the Commission would be required to find that an activity to be regulated must be a prevalent one within the industry. Such a finding could be made if several cease-and-desist orders prohibiting the practice had been issued or sufficient information is available to the FTC to demonstrate that a pattern of such practice exists.

This provision will help to ensure that the Commission will regulate only in those areas where substantial abuse exists, not in instances where isolated or insignificant violations have occurred. In effect, the prevalence requirement will discourage the FTC from issuing rules where no demonstrated need to regulate exists.

Another rulemaking reform which I believe should be included in this bill is a legislative review procedure for FTC rules. Since the Supreme Court's decision in Immigration and Naturalization Service Versus Chadha held legislative veto unconstitutional, rules issued by the Commission have not been subject to legislative review and veto. Given the breadth of the Commission's jurisdiction to regulate, I believe it imperative that an effective and workable legislative review devise be incorporated in law.

While section 8 of the bill would provide for a 90-day congressional review and, when appropriate, disapproval of FTC rules through the passage of a joint resolution, the provision is a paper tiger. The mechanism set out in section 8 is ineffective because it has no expedited procedures to ensure that a rule will be considered in a timely manner. Without these procedures, it will be practically impossible for Congress to disapprove a rule.

Although a request was made to the Rules Committee to include expedited procedures in section 8, this request was not acted upon. I do hope that we can achieve a workable legislative review procedure in conference.

Despite the fact that this issue remains unresolved, I am pleased that the House will act on an authorization bill today.

I should mention that the bill before us contains no provision delineating the Commission's authority over professionals. A consensus has been reached on the proper role of the Commission in this area and specific statutory language appears unnecessary.

This consensus confirms the FTC's existing authority to protect consumers and competition from certain practices engaged in by professionals. This consensus also recognizes the proper role of the States in licensing and setting the appropriate functions or tasks of professionals.

The debate over this issue has been a lengthy and difficult one since strong competing issues are involved. I am pleased that it has been resolved in a way which will protect consumers against potentially harmful, anticompetitive restraints, which, if unchecked, could lead to higher prices, reduced choice in professional services, and restricted access to important information.

Mr. Speaker, in closing, I would like to commend FTC Chairman James Miller, for his dedication and unwavering commitment to the Commission's goal of protecting consumers and competition. His effort has directed the FTC along a sensible and astute path. His endless work and perseverance is appreciated and he will be certainly missed. We wish him well in his new endeavor as the Director of the Office of Management and Budget.

Thank you, Mr. Speaker.

Mr. LENT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FLORIO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. Florio] that the House suspend the rules and pass the bill, H.R. 2385, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. FLORIO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1078) to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1078

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Trade Commission Act Amendments of 1985".

UNFAIR METHODS OF COMPETITION

Sec. 2. Section 5 of the Federal Trade Commission Act (15 U.S.C. 45) is amended by adding at the end thereof the following:

"(n) The Commission shall not have any authority to find a method of competition to be an unfair method of competition under subsection (a)(1) if, in any action under the Sherman Act, such methods of competition would be held to constitute State action.".

AGRICULTURAL COOPERATIVES

Sec. 3. The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by redesignating section 24 and section 25 as section 26 and section 27, respectively, and by inserting after section 23 the following new section:

"Sec. 24. (a) For purposes of this section, the term 'Capper-Volstead Act' means the Act entitled 'An Act to authorize association of producers of agricultural products', approved February 18, 1922 (7 U.S.C. 291 et seq.).

"(b) The Commission shall not have any authority to conduct any study, investigation, or prosecution of any agricultural cooperative for any conduct which, because of the provisions of the Capper-Volstead Act, is not a violation of any of the antitrust Acts or this Act.

"(c)(1) Before issuing a complaint under section 5 against any agricultural cooperative on the basis that such cooperative has violated any of the antitrust Acts or has used an unfair method of competition in or affecting commerce, the Commission shall—

"(A) provide the Secretary of Agriculture with a copy of the proposed complaint not less than fifteen days before the complaint is issued; and

"(B) consult with the Secretrary of Agriculture regarding the possible applicability of the Capper-Volstead Act to the conduct of the cooperative.

"(2) The Commission shall not issue any such complaint unless—

"(A) it has considered any comments regarding such complaint which have been submitted by the Secretary of Agriculture under this subsection; and

"(B) it has reason to believe that the Capper-Volstead Act does not provide an exemption for the conduct which is the basis of such complaint.

"(3) If the Commission makes a modification to any such complaint after it has provided the Secretary of Agriculture with a copy of the complaint pursuant to (1)(A) of this subsection, the Commission shall not, with respect to such modification, be required to comply with the provisions of paragraphs (1) and (2) of this subsection unless such modification substantially expands the original basis for the issuance of the complaint.

"(4) The Secretary of Agriculture shall designate those officials and employees of the Department of Agriculture who may have access to documents or information received from the Commission under this subsection. Officials and employees of the Department of Agriculture shall be subject to the same requirements and penalties regarding confidentiality of such documents and information and disclosure of the existence of an investigation or consideration of a complaint as apply to officials and employees of the Commission.

"(5) Unless specifically authorized in writing by the Commission (or by any official or employee of the Commission designated by the Commission), no official or employee of the Department of Agriculture may request information relating to such complaint from any proposed respondent or any third party before the issuance of such complaint.

"(6) After any such complaint is issued, the Secretary of Agriculture may file with the Commission a written statement regarding the applicability of the Capper-Volstead Act to the action or method which is the basis of such complaint. The Commission shall include such statement in the record of the proceeding regarding such complaint.

"(7) No decision of the Commission to consult with the Secretary of Agriculture in accordance with the provisions of this subsection shall be construed to imply that the Commission has made a determination that it has reason to believe that any agricultural cooperative has violated or is violating any of the antitrust Acts or has used an unfair method of competition in or affecting commerce.

"(8) The provisions of this subsection shall not create any new basis for direct or collateral challenge to any complaint issued by the Commission.

"(d) The Commission shall not have any authority to conduct any study or investigation of any agricultural marketing orders.".

COMPENSATION IN PROCEEDINGS

Sec. 4. (a) Section 18(h) of the Federal Trade Commission Act (15 U.S.C. 57a(h)) is repealed, and subsections (i), (j), and (k) of section 18 are redesignated as subsections (h), (i), and (j), respectively.

(b) Section 18(a)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)) is amended by striking "subsection (i)" and inserting in lieu thereof "subsection (h)".

KNOWING VIOLATIONS OF ORDERS

SEC. 5. (a) Section 5(m)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 45(m)(1)(B)) is amended by inserting ", other than a consent order," immediately after "order" the first time it appears therein.

(b) Section 5(m)(2) of the Federal Trade Commission Act (15 U.S.C. 45(m)(2)) is amended by adding at the end thereof the following: "Upon request of any party to such an action against such defendant, the court shall also review the determination of law made by the Commission in the proceeding under subsection (b) that the act or practice which was the subject of such proceeding constituted an unfair or deceptive act or practice in violation of subsection (a).".

PREVALENCE OF UNLAWFUL ACTS OR PRACTICES

SEC. 6. Section 18(b) of the Federal Trade Commission Act (15 U.S.C. 57a(b)) is amended by adding at the end thereof the following:

"(3) The Commission shall issue a notice of proposed rulemaking pursuant to paragraph (1)(A) only where it has reason to believe that the unfair or deceptive acts or practices which are the subject of the proposed rulemaking are prevalent. The Commission shall make a determination that unfair or deceptive acts or practices are prevalent under this paragraph only if it has issued cease and desist orders regarding such acts or practices, or any other information available to the Commission indicates a pattern of unfair or deceptive acts or practices.".

EFFECTIVE DATE OF ORDERS

SEC. 7. (a) Section 5(g)(2) of the Federal Trade Commission Act (15 U.S.C. 45(g)(2)) is amended to read as follows:

"(2) Upon the sixtieth day after such order is served, if a petition for review has been duly filed, except that any such order may be stayed, in whole or in part and subject to such conditions as may be appropriate, by—

"(A) the Commission;

"(B) an appropriate court of appeals of the United States, if (i) a petition for review of such order is pending in such court, and (ii) an application for such a stay was previously submitted to the Commission and the Commission, within the thirty-day period beginning on the date the application was received by the Commission, either denied the application or did not grant or deny the application; or

"(C) the Supreme Court, if an applicable petition for certiorari is pending; or".

(b) Section 5(g)(3) of the Federal Trade Commission Act (15 U.S.C. 45(g)(3)) is amended to read as follows:

"(3) For purposes of section 19(a)(2) and section 5(m)(1)(B), if a petition for review of the order of the Commission has been filed—

"(A) upon the expiration of the time allowed for filing a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals and no petition for certiorari has been duly filed;

"(B) upon the denial of a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals; or

"(C) upon the expiration of thirty days from the date of issuance of a mandate of the Supreme Court directing that the order of the Commission be affirmed or the petition for review be dismissed; or".

(c) Section 5(g)(4) of the Federal Trade Commission Act (15 U.S.C. 45(g)(4)) is amended to read as follows:

"(4) In the case of an order requiring a person, partnership, or corporation to divest itself of stock, other share capital, or assets, if a petition for review of such order of the Commission has been filed—

"(A) upon the expiration of the time allowed for filing a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals and no petition for certiorari has been duly filed;

"(B) upon the denial of a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals; or

"(C) upon the expiration of thirty days from the date of issuance of a mandate of the Supreme Court directing the order of the Commission be affirmed or the petition for review be dismissed.".

CIVIL INVESTIGATIVE DEMANDS

SEC. 8. (a) Section 20(a) of the Federal Trade Commission Act (15 U.S.C. 57b-1(a)) is amended—

(1) in paragraph (2), by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "act or practice or method of competition declared unlawful by a law administered by the Commission";

(2) in paragraph (3), by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "acts or practices or methods of competition declared unlawful by a law administered by the Commission"; and

(3) in paragraph (7), by striking "unfair or deceptive act or practice in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "act or practice or method of competition declared unlawful by a law administered by the Commission".

(b) Section 20(b) of the Federal Trade Commission Act (15 U.S.C. 57b-1(b)) is amended by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "any act or practice or method of competition declared unlawful by a law administered by the Commission".

(c) Section 20(c)(1) of the Federal Trade Commission Act (15 U.S.C. 57b-1(c)) is amended by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "any act or practice or method of competition declared unlawful by a law administered by the Commission".

DEFINITION OF UNFAIR ACTS OR PRACTICES

SEC. 9. Section 5 of the Federal Trade Commission Act (15 U.S.C. 45), as amended by section 2 of this Act, is further amended by adding at the end thereof the following:

"(o) The Commission shall have no authority under this section or section 18 to declare unlawful an act or practice on the grounds that such act or practice is unfair unless the act or practice causes or is likely to cause substantial injury to consumers which is not reasonably avoidable by consumers themselves and not outweighted by countervailing benefits to consumers or to competition.".

TRADEMARKS

SEC. 10. The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by inserting after section 24, as added by section 3 of this Act, the following new section:

"SEC. 25. The Commission shall not have any authority to take any action under section 14 of the Act entitled 'An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes' (15 U.S.C. 1064), commonly referred to as the Lanham Act, with respect to the cancellation of the registration of any mark on the ground that such mark has become the common descriptive name of an article or substance.".

CREDIT UNIONS

SEC. 11. (a) Sections 5(a)(2), 6(a) and 6(b) of the Federal Trade Commission Act (15 U.S.C. 45(a)(2), 46(a) and 46(b)) are amended by inserting immediately after "section 18(f)(3)," the following: "Federal credit unions described in section 18(f)(4),".

(b) The second proviso in section 6 of the Federal Trade Commission Act (15 U.S.C. 46) is amended—

(1) by inserting immediately after "section 18(f)(3)," the following: "Federal credit unions described in section 18(f)(4),"; and

(2) by inserting immediately after "in business as a savings and loan institution," the following: ", in business as a Federal credit union,".

(c)(1) The second sentence of section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended by inserting immediately after "paragraph (3))" the following: "and the National Credit Union Administration Board (with respect to Federal credit unions described in paragraph (4))".

(2) The last sentence of section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended—

(A) by striking "either such" and inserting in lieu thereof "any such";

(B) by inserting "or Federal credit unions described in paragraph (4)," immediately after "paragraph (3)," each place it appears therein; and

(C) by inserting immediately after "with respect to banks" the following: ", savings and loan institutions or Federal credit unions".

(3) Section 18(f) of the Federal Trade Commission Act (15 U.S.C. 57a(f)) is amended by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively, and by inserting immediately after paragraph (3) the following:

"(4) Compliance with regulations prescribed under this subsection shall be enforced with respect to Federal credit unions under sections 120 and 206 of the Federal Credit Union Act (12 U.S.C. 1766 and 1786).".

COMMERICAL ADVERTISING

SEC. 12. Section 18(h) of the Federal Trade Commission Act (15 U.S.C. 57a(h)), as so redesignated in section 4(a) of this Act, is amended by adding at the end thereof the following: "The Commission shall have no authority under this section to initiate any new rulemaking proceeding which is intended to or may result in the promulgation of any rule by the Commission which prohibits or otherwise regulates any commercial advertising on the basis of a determination by the Commission that such commercial advertising constitutes an unfair act or practice in or affecting commerce.".

REPORT

SEC. 13. (a) The Federal Trade Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Energy and Commerce of the House of Representatives the information specified in subsection (b) of this section every 6 months during each of the fiscal years 1986, 1987, and 1988. A report containing such information shall be submitted when the Commission submits its annual report to the Congress during each of such fiscal years, and such report may be included in the annual report. A separate report containing such information shall be submitted six months after the date of submission of any such annual report. Each such report shall contain such information for the period since the last submission under this section.

(b) Each such report shall list and describe, with respect to instances in which resale price maintenance has been suspected or alleged—

(1) each complaint made, orally or in writing, to the offices of the Commission;

(2) each preliminary investigation opened or closed at the Commission;

(3) each formal investigation opened or closed at the Commission;

(4) each recommendation for the issuance of a complaint forwarded by the staff to the Commission;

(5) each complaint issued by the Commission pursuant to section 5 of the Federal Trade Commission Act (15 U.S.C. 45);

(6) each opinion and order entered by the Commission;

(7) each consent agreement accepted provisionally or finally by the Commission;

(8) each request for modification of an outstanding Commission order filed with the Commission;

(9) each recommendation by staff pertaining to a request for modification of an outstanding Commission order; and

(10) each disposition by the Commission of a request for modification of an outstanding Commission order.

Such report shall include the sum total of matters in each category specified in paragraphs (1) through (10) of this subsection, and copies of all such consent agreements and complaints executed by the Commission. Where a matter has been closed or terminated, the report shall include a statement of the reasons for that disposition. The description required under this subsection shall be as complete as possible but shall not reveal the identity of persons or companies complained about or those subject to investigation that have not otherwise been made public.

AUTHORIZATION OF APPROPRIATIONS

SEC. 14. Section 26 of the Federal Trade Commission Act, as so redesignated by section 3 of this Act, is amended—

(1) by striking "and" after "1981,"; and

(2) by inserting immediately before the period at the end thereof the following: "; not to exceed $65,800,000 for the fiscal year ending September 30, 1986; not to exceed $66,800,000 for the fiscal year ending September 30, 1987; and not to exceed $67,800,000 for the fiscal year ending September 30, 1988, and such additional sums for the fiscal years ending September 30, 1987 and September 30, 1988, as may be necessary for increases in salary, pay, and other employee benefits as authorized by law".

BUILDING CONSOLIDATION

SEC. 15. Section 26 of the Federal Trade Commission Act, as so redesignated by section 3 of this Act and as amended by section 14 of this Act, is further amended by adding at the end thereof the following: "In addition, there is authorized to be appropriated during the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988, a total amount not to exceed $3,811,000, to carry out the consolidation into not more than three buildings of the Headquarters Offices of the Commission in Washington, District of Columbia.".

CONGRESSIONAL REVIEW OF RULES

SEC. 16. (a) The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by inserting after section 25, as added by section 10 of this Act, the following new section:

"SEC. 26. (a) For purposes of this section, the term—

"(1) 'appropriate committee' means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

"(2) 'joint resolution' means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: 'That the Senate and the House of Representatives disapprove the rule entitled   , transmitted to the Congress by the Federal Trade Commission on   , 19 .', the blank spaces being filled with the appropriate title of the rule and the date of transmittal of the rule to the Congress, respectively; and

"(3) 'rule' means any rule promulgated by the Commission pursuant to this Act, other than any rule promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural rule.

"(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended rule, the Commission shall transmit a copy of such rule to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended rule under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

"(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended rule the Secretary and the Clerk shall transmit a copy of such rule to the appropriate committees.

"(c)(1) Notwithstanding any other provision of law, no recommended rule may become effective until the expiration of a period of ninety days after the date on which such rule is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such rule may not become effective under this paragraph if within such ninety-day period a joint resolution with respect to such rule has become law.

"(2) For purposes of this subsection—

"(A) the term 'days' means only days of continuous session of Congress;

"(B) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

"(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

"(d) Notwithstanding any other provision of law, any rule subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a rule unless such rule has become effective in accordance with this section.

"(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

"(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the rule involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

"(g)(1) If a recommended rule of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended rule at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such rule may only become effective in accordance with this section. The Commission shall not be required to forward such rule to the Federal Register for publication, if such rule is identical to the rule transmitted during the previous session of Congress.

"(2) If a recommended rule of the Commission is disapproved under this section, the Commission may issue a recommended rule which relates to the same acts or practices as the disapproved rule. Such recommended rule—

"(A) shall be based upon—

"(i) the rulemaking record of the recommended rule disapproved by the Congress; or

"(ii) such rulemaking record and the record established in supplemental rulemaking proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing rulemaking record; and

"(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the rule.

"(3) After issuing a recommended rule under this subsection, the Commission shall transmit such rule to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such rule shall only become effective in accordance with this section.

"(h) The provisions of this subsection, subsection (a) (1) and (2), subsection (e), and subsections (i) through (l) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

“(i) Except as provided in subsection (1) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

“(j)(1)(A) Except as provided in subparagraph (B) of this paragraph if the committee to which a joint resolution has been referred does not report such resolution within thirty days of continuous session of Congress after the date of transmittal to the Congress of the recommended rule to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

“(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within thirty days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

“(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the majority leader supported by the minority leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same rule); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

“(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

“(2) When a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

“(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

“(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same rule from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same rule from the other House, the vote in the first House shall occur on the joint resolution of the other House.”.

(b) Section 36 of the Consumer Product Safety Act (15 U.S.C. 2083) is amended to read as follows:

“CONGRESSIONAL REVIEW OF RULES

“Sec. 36. (a) For purposes of this section, the term—

“(1) ‘appropriate committee’ means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

“(2) ‘joint resolution’ means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: ‘That the Senate and the House of Representatives disapprove the rule entitled , transmitted to the Congress by the Federal Trade Commission on , 19 .’, the blank spaces being filled with the appropriate title of the rule and the date of transmittal of the rule to the Congress, respectively; and

“(3) ‘rule’ means any rule promulgated by the Commission pursuant to this Act, other than any rule promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural rule.

“(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended rule, the Commission shall transmit a copy of such rule to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended rule under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

“(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended rule, the Secretary and the Clerk shall transmit a copy of such rule to the appropriate committees.

“(c)(1) Notwithstanding any other provision of law, no recommended rule may become effective until the expiration of a period of ninety days after the date on which such rule is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such rule may not become effective under this paragraph if within such ninety-day period a joint resolution with respect to such rule has become law.

“(2) For purposes of this subsection—

“(A) the term ‘days’ means only days of continuous session of Congress;

“(B) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

“(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

“(d) Notwithstanding any other provision of law, any rule subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a rule unless such rule has become effective in accordance with this section.

“(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

“(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the rule involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

“(g)(1) If a recommended rule of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended rule at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such rule may only become effective in accordance with this section. The Commission shall not be required to forward such rule to the Federal Register for publication, if such rule is identical to the rule transmitted during the previous session of Congress.

“(2) If a recommended rule of the Commission is disapproved under this section, the Commission may issue a recommended rule which relates to the same acts or practices as the disapproved rule. Such recommended rule—

“(A) shall be based upon—

“(i) the rulemaking record of the recommended rule disapproved by the Congress; or

“(ii) such rulemaking record and the record established in supplemental rulemaking proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing rulemaking record; and

“(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the rule.

“(3) After issuing a recommended rule under this subsection, the Commission shall transmit such rule to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such rule shall only become effective in accordance with this section.

“(h) The provisions of this subsection, subsection (a) (1) and (2), subsection (e), and subsections (i) through (l) of this section are enacted by Congress—

“(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only

to the extent that they are inconsistent therewith; and

“(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

“(i) Except as provided in subsection (l) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

“(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within thirty days of continuous session of Congress after the date of transmittal to the Congress of the recommended rule to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

“(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within thirty days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

“(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the majority leader supported by the minority leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same rule); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

“(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

“(2) when a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

“(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same rule from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same rule from the other House, the vote in the first House shall occur on the joint resolution of the other House.”.

(c) Section 17 of the Flammable Fabrics Act (15 U.S.C. 1204) is amended to read as follows:

“CONGRESSIONAL REVIEW OF RULES

“Sec. 17. (a) For purposes of this section, the term—

“(1) ‘appropriate committee’ means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

“(2) ‘joint resolution’ means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: ‘That the Senate and the House of Representatives disapprove the regulation entitled , transmitted to the Congress by the Federal Trade Commission on , 19 .’, the blank spaces being filled with the appropriate title of the regulation and the date of transmittal of the regulation to the Congress, respectively; and

“(3) ‘regulation’ means any regulation promulgated by the Commission pursuant to this Act, other than any regulation promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural regulation.

“(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended regulation, the Commission shall transmit a copy of such regulation to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended regulation under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

“(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended regulation, the Secretary of the Clerk shall transmit a copy of such regulation to the appropriate committees.

“(c)(1) Notwithstanding any other provision of law, no recommended regulation may become effective until the expiration of a period of ninety days after the date on which such regulation is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such regulation may not become effective under this paragraph if within such ninety-day period a joint resolution with respect to such regulation has become law.

“(2) For purposes of this subsection—

“(A) the term ‘days’ means only days of continuous session of Congress;

“(B) continuity of session is broken only an an adjournment sine die at the end of a Congress; and

“(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

“(d) Notwithstanding any other provision of law, any regulation subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a regulation unless such regulation has become effective in accordance with this section.

“(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

“(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the regulation involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

“(g)(1) If a recommended regulation of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended regulation at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such regulation may only become effective in accordance with this section. The Commission shall not be required to forward such regulation to the Federal Register for publication, if such regulation is identical to the regulation transmitted during the previous session of Congress.

“(2) If a recommended regulation of the Commission is disapproved under this section, the Commission may issue a recommended regulation which relates to the same acts or practices as the disapproved regulation. Such recommended regulation—

“(A) shall be based upon—

“(i) the regulation-making record of the recommended regulation disapproved by the Congress; or

“(ii) such regulation-making record and the record established in supplemental regulation-making proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing regulation-making record; and

“(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the regulation.

“(3) After issuing a recommended regulation under this subsection, the Commission shall transmit such regulation to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such regulation shall only become effective in accordance with this section.

“(h) The provisions of this subsection, subsection (a) (1) and (2), subsection (e), and subsections (i) through (l) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(i) Except as provided in subsection (l) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within thirty days of continuous session of Congress after the date of transmittal to the Congress of the recommended regulation to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within thirty days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the majority leader supported by the minority leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same regulation); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

"(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

"(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

"(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same regulation from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same regulation from the other House, the vote in the first House shall occur on the joint resolution of the other House.".

(d) Section 21 of the Federal Hazardous Substances Act (15 U.S.C. 1276) is amended to read as follows:

"CONGRESSIONAL REVIEW OF RULES

"Sec. 21. (a) For purposes of this section, the term—

"(1) 'appropriate committee' means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

"(2) 'joint resolution' means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: 'That the Senate and the House of Representatives disapprove the regulation entitled   , transmitted to the Congress by the Federal Trade Commission on   , 19 .', the blank spaces being filled with the appropriate title of the regulation and the date of transmittal of the regulation to the Congress, respectively; and

"(3) 'regulation' means any regulation promulgated by the Commission pursuant to this Act, other than any regulation promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural regulation.

"(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended regulation, the Commission shall transmit a copy of such regulation to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended regulation under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

"(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended regulation, the Secretary and the Clerk shall transmit a copy of such regulation to the appropriate committees.

"(c)(1) Notwithstanding any other provision of law, no recommended regulation may become effective until the expiration of a period of ninety days after the date on which such regulation is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such regulation may not become effective under this paragraph if within such ninety-day period a joint resolution with respect to such regulation has become law.

"(2) For purposes of this subsection—

"(A) the term 'days' means only days of continuous session of Congress;

"(B) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

"(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

"(d) Nothwithstanding any other provision of law, any regulation subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a regulation unless such regulation has become effective in accordance with this section.

"(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

"(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the regulation involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

"(g)(1) If a recommended regulation of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended regulation at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such regulation may only become effective in accordance with this section. The Commission shall not be required to forward such regulation to the Federal Register for publication, if such regulation is identical to the regulation transmitted during the previous session of Congress.

"(2) If a recommended regulation of the Commission is disapproved under this section, the Commission may issue a recommended regulation which relates to the same acts or practices as the disapproved regulation. Such recommended regulation—

"(A) shall be based upon—

"(i) the regulation-making record of the recommended regulation disapproved by the Congress; or

"(ii) such regulation-making record and the record established in supplemental regulation-making proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing regulation-making record; and

"(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the regulation.

"(3) After issuing a recommended regulation under this subsection, the Commission shall transmit such regulation to the Secretary of the Senate and the Clerk of the

House of Representatives, in accordance with subsection (b)(1) of this section, and such regulation shall only become effective in accordance with this section.

"(h) The provisions of this subsection, subsection (a) (1) and (2), subsection (e), and subsections (i) through (l) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(i) Except as provided in subsection (l) of this section, joint resolutions shall, upon introduction of receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within thirty days of continuous session of Congress after the date of transmittal to the Congress of the recommended regulation to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within thirty days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the majority leader supported by the minority leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same regulation); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

"(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

"(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

"(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same regulation from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of the one House, that House receives a joint resolution with respect to the same regulation from the other House, the vote in the first House shall occur on the joint resolution of the other House.".

(e) The amendments made by this section shall cease to have any force and effect on or after the date which is five years after the date of enactment of this Act.

ENFORCEMENT OF CONGRESSIONAL REVIEW OF RULES

Sec. 17. (a) This section is adopted as an exercise of the power of each House of Congress to determine the rules of its proceedings. The Congress specifically finds that the provisions of this subsection are essential to the Congress in exercising its constitutional responsibility to monitor and to review exercises by the Executive of delegated powers of a legislative character.

(b)(1) After the Senate and the House of Representatives adopt a joint resolution with respect to a rule pursuant to section 16 of this Act, it shall be in order in the Senate or the House of Representatives, notwithstanding any provision of the Standing Rules of the Senate (except Rule XXII) or the Rules of the House of Representatives, to consider an amendment described in subparagraph (2) to a bill or resolution making appropriations for the Federal Trade Commission or the Consumer Product Safety Commission.

(2) An amendment referred to in subparagraph (1) is an amendment which only contains provisions to prohibit the use of funds appropriated in the bill or resolution described in such subparagraph for the issuing, promulgating, enforcing, or otherwise carrying out the rule with respect to which a joint resolution has been adopted pursuant to this section.

(c) Debate on an amendment described in paragraph (b)(2) shall be limited to not more than four hours, which shall be divided in the House of Representatives equally between those favoring and those opposing the amendment and which shall be divided in the Senate equally between, and controlled, by the majority leader and the minority leader or their designees. An amendment to, or motion to recommit, the amendment is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

REPORT ON PREDATORY PRICING PRACTICES

Sec. 18. (a) The Federal Trade Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Energy and Commerce of the House of Representatives the information specified in subsection (b) of this section every six months during each of the fiscal years 1986 and 1987. A report containing such information shall be submitted when the Commission submits its annual report to the Congress during each of such fiscal years, and such report may be included in the annual report. A separate report containing such information shall be submitted six months after the date of submission of any such annual report. Each such report shall contain such information for the period since the last submission under this section.

(b) Each such report shall list and describe, with respect to instances in which predatory pricing practices have been suspected or alleged—

(1) each complaint made, orally or in writing, to the offices of the Commission;

(2) each preliminary investigation opened or closed at the Commission;

(3) each formal investigation opened or closed at the Commission;

(4) each recommendation for the issuance of a complaint forwarded by the staff to the Commission;

(5) each complaint issued by the Commission;

(6) each opinion and order entered by the Commission;

(7) each consent agreement accepted provisionally or finally by the Commission;

(8) each request for modification of an outstanding Commission order filed with the Commission;

(9) each recommendation by staff pertaining to a request for modification of an outstanding Commission order; and

(10) each disposition by the Commission of a request for modification of an outstanding Commission order.

such report shall include copies of all such consent agreements and complaints executed by the Commission referred to in such report. Where a matter has been closed or terminated, the report shall include a statement of the reasons for that disposition. The descriptions required under this subsection shall be as complete as possible but shall not reveal the identity of persons or companies complained about or those subject to investigation that have not otherwise been made public. The report shall include any evaluation by the Commission of the potential impacts of predatory pricing upon businesses (including small businesses).

EFFECTIVE DATE

Sec. 19. (a) Except as provided in subsections (b), (c), and (d) of this section, the provisions of this Act shall take effect on the date of enactment of this Act.

(b) The amendments made by sections 2, 7, and 9 of this Act shall apply only with respect to cease and desist orders issued under section 5 of the Federal Trade Commission Act (15 U.S.C. 45), or to rules promulgated under section 18 of the Federal Trade Commission Act (15 U.S.C. 57a), after the date of enactment of this Act. These amendments shall not be construed to affect in any manner a cease and desist order which was issued, or a rule which was promulgated, before the date of enactment of this Act. These amendments shall not be construed to affect in any manner a cease-and-desist order issued after the date of enactment of this Act, if such order was issued pursuant to remand from a court of appeals or the Supreme Court of an order issued by the Commission before the date of enactment of this Act.

(c) The provisions of section 24(c) of the Federal Trade Commission Act, as added by section 3 of this Act, shall apply only to complaints issued by the Federal Trade Commission under section 5 of the Federal Trade Commission Act (15 U.S.C. 45) on or after the date of enactment of this Act.

(d) The amendments made by sections 6 and 12 of this Act shall apply only to rulemaking proceedings initiated after the date of enactment of this Act. These amendments shall not be construed to affect in any manner a rulemaking proceeding which was initiated before the date of enactment of this Act.

MOTION OFFERED BY MR. FLORIO

Mr. FLORIO. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Florio moves to strike out all after the enacting clause of the Senate bill, S. 1078, and to insert in lieu thereof the provisions of H.R. 2385, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An act to amend the Federal Trade Commission Act to extend the authorization of appropriations contained in such Act, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill, H.R. 2385, was laid on the table.

GENERAL LEAVE

Mr. FLORIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AMTRAK REAUTHORIZATION

The **SPEAKER** pro tempore. Pursuant to House Resolution 263 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2266.

The Chair designates the gentleman from Michigan [Mr. Kildee] as Chairman of the Committee of the Whole and requests the gentleman from California [Mr. Mineta] to assume the chair temporarily.

□ 1410

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2266) authorizing appropriations for Amtrak for fiscal years 1986 and 1987, establishing a Commission to study the financial status of Amtrak, and for other purposes, with Mr. Mineta (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN** pro tempore. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New Jersey [Mr. Florio] will be recognized for 30 minutes and the gentleman from New York [Mr. Lent] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. Florio].

Mr. FLORIO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 2266, legislation that would reauthorize Amtrak, our nation's passenger railroad.

This is an important piece of legislation for it allows Amtrak to maintain its existing level of service while encouraging the railroad to continue to improve its efficiency.

The administration initially proposed to eliminate all Federal funding for Amtrak. The practical effect of this proposal would be the elimination of all rail passenger service in the United States on October 1. The administration has argued that States and localities, or the private sector, would take over Amtrak's profitable lines.

There is no evidence to justify support for the administration's claim. The President of the Association of American Railroads has stated that he knows of "no interest expressed by any freight railroad" and that it would be "hard to believe that any freight railroad would be interested in getting back into that service."

Similarly, the Northeast Corridor Commuter Rail Authorities Committee announced that its members have neither the physical assets nor the financial resources to pick up any service on the Northeast Corridor.

Fortunately, the administration recognized the need to continue rail passenger service in the agreement it reached with the Senate on the budget. That agreement assumes a funding level for Amtrak adequate to maintain all existing routes.

It is important to understand why we need Amtrak. Twenty million passengers ride the railroad.

In the Northeast, for instance, the loss of Amtrak will result in unmitigated disaster in the region. Amtrak carries 17,500 people a day between Washington and New York. All the airlines combined carry only 12,000 people daily. The highways and airports of the Northeast are already packed, and 17,500 additional passengers a day would make a bad situation impossible to bear.

Additionally, the commuter authorities of the Northeast would have to assume tremendous costs to cover maintenance previously shared with Amtrak. For example, New Jersey Transit would have to pay an additional $47 million a year to maintain the portion of the Northeast Corridor that it uses.

Outside the Northeast, about half of all Amtrak passengers earn a family income of less than $20,000 annually and more than one-third of all non-Northeast passengers are over 55 years of age. Without Amtrak, these citizens would be forced to take either more costly, more frightening or less comfortable modes of transportation. Moreover, Amtrak is often the only mode of transportation that can operate during huge snowstorms, saving many communities, particularly in the West, from being isolated.

By all standards, Amtrak's financial performance has improved greatly in recent years—ridership is up and the railroad's subsidy, in constant dollars, is 26.6 percent less this year than that for fiscal year 1981. Furthermore, Amtrak's revenue to cost ratio has increased from 48 percent to 56 percent in the last few years. This legislation requires Amtrak to improve its revenue to cost ratio to 61 percent by the end of fiscal year 1986.

This bill reauthorizes Amtrak at a level 10 percent below Amtrak's fiscal year 1985 funding level.

To ensure continued levels of service and safety, the bill includes an important provision. Unless funds are otherwise available to operate the Amtrak system at present levels of service, maintenance, and equipment overhauls, Amtrak is required to use funds designated for nonoperational capital projects to maintain the system. Maintaining safe and efficient service is obviously the backbone of Amtrak's continued success. Taking too large a bite out of Amtrak will force the railroad to defer maintenance on many of its facilities, such as its track and equipment. The result of this deferral will mean greater safety hazards and less efficient service for Amtrak's passengers. If we allow this to happen, the railroad will be paralyzed and the long term effects will be devastating. This provision is designed to prevent this vicious cycle of deferred maintenance from occurring.

Furthermore, there is another provision which makes clear that this bill should not result in reduction of frequency of service on those lines which have three or fewer trains running in either direction each week, as long as

the trains meet the statutory criteria for continuation.

I should note that the bill had strong bipartisan support in the committee.

Amtrak is a critical part of our national transportation system. If Amtrak were eliminated, the disastrous effects would be felt throughout the United States. This is a good bill for it allows Amtrak to provide its important service yet it also recognizes the need to reduce the deficit by reducing Amtrak's authorization.

I urge my colleagues to vote in support of this bill.

□ 1415

Mr. LENT. Mr. Chairman, I yield myself such time as I shall consume.

Mr. Chairman, I rise in support of H.R. 2266 which reauthorizes Amtrak for fiscal year 1986 and commend the gentleman from New Jersey, the chairman of the Subcommittee on Commerce, Transportation, and Tourism.

This bill authorizes $616 million for Amtrak for fiscal year 1986. This level of authorization represents a 10-percent reduction from the level of Federal funding Amtrak received in fiscal year 1985. On Wednesday of last week, the House passed the Department of Transportation fiscal year 1986 appropriations bill. That bill reduced Amtrak's appropriation by 11.4 percent of the appropriations which Amtrak received in 1985. It is my understanding that an amendment will be offered to bring H.R. 2266 in line with the appropriations bill.

This year, when the Federal deficit is of such major importance and concern, Congress has been carefully scrutinizing all federally funded programs, looking for ways to improve their efficiency, reduce their expenditures and, thereby, save the taxpayers' money. For this reason, Amtrak must shoulder its fair share in our effort to reduce the deficit.

During hearings before the Subcommittee on Commerce, Transportation, and Tourism, the Secretary of Transportation, Mrs. Dole, outlined a number of steps that could be taken to further increase Amtrak's efficiency and to reduce its reliance on Federal funding. Suggestions to increase Amtrak's efficiency were also put forward by Graham Claytor, the President of Amtrak, in Amtrak's 1985 legislative report.

H.R. 2266 includes some of the suggestions which were made for increasing Amtrak's revenues. For example, section 4 of the bill allows Amtrak to compete for preferred contract carrier status in the Federal Government's discount program for Federal employees traveling on official business. Amtrak's inclusion in this program should result in additional revenues for Amtrak and considerable savings to the Government.

A number of other suggestions have also been made which would make savings in Amtrak's operational costs. I feel that some of these suggestions have great benefit. One example, which was submitted to the subcommittee as a method by which Amtrak could reduce its costs, would be for Amtrak to employ all of its own workers.

Presently, Amtrak directly employs workers only on the Northeast Corridor and on its auto train service. These workers are paid on an hourly basis. On Amtrak's other routes, it contracts with private carriers, utilizing selected maintenance and crew services of those private carriers. Amtrak reimburses the carriers for the costs of providing these services. Most of the private carriers' crews are paid according to the miles they travel, instead of the hours they work. If Amtrak directly employed these crews, it could save $30 million per year.

This is just one of many examples of changes which could be made to further improve Amtrak's financial performance. I hope that Amtrak and members of the appropriate rail labor organizations will give this change serious consideration.

Finally this bill establishes a Commission to study—

First, the ability of Amtrak to continue to improve, or accelerate the improvement of its financial performance;

Second, the short-term and long-term needs of Amtrak; and

Third, alternative methods of funding Amtrak.

The study commission is required to report back to Congress on March 30, 1986. This report is to contain a detailed statement of the findings and conclusions of the commission, together with the commission's recommendations for such legislation as it considers appropriate. This study should help Congress to work with Amtrak in order to provide legislation so that Amtrak can become less reliant on Federal taxpayers' dollars.

The record of Amtrak shows that Graham Claytor, President of Amtrak, is doing a truly outstanding job in running this Nation's passenger railroad. In the last few years, Amtrak has consistently improved its revenue to cost ratio. That ratio improved from 48 to 56 percent in 1984 and is anticipated to improve to 58 percent this year and 60 percent in 1986. This performance should be commended and encouraged to continue. Yet, given the huge Federal deficit the United States is presently facing, it is essential for Amtrak to have tools needed to become an even more efficient operation.

In conclusion, Mr. Chairman, I support H.R. 2266 because I believe that it achieves our goal of reducing the Federal deficit while at the same time maintaining the most efficient nationwide rail passenger service possible.

Thank you, Mr. Chairman.

Mr. FLORIO. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Maryland [Mr. Mitchell].

Mr. MITCHELL. Mr. Chairman, I thank the chairman of the committee for yielding time to me and I rise in very firm support of H.R. 2226.

The original plan which would have called for just dropping Amtrak altogether, hoping that somebody would buy it, would have been a disaster because it would have meant that America would have been the only developed country in the world with no intercity rail passenger transportation. It would have been a disaster simply because of the heavy impact on low-income and elderly passengers.

Forty-seven percent of long-distance commuters have family incomes of under $20,000, and 36 percent of long-distance commuters are 55 years old or older.

Had this plan gone through—and I thank the members of the committee for their perseverance in getting us this authorization—had it gone through, we would have eliminated the sole mode of transportation for 22 million passengers in 500 communities in this Nation.

Those who proposed just dismantling Amtrak by offering it out for sale with no bidders evidently did not take into account that it would have placed excessive burdens on the airports had this kind of proposition gone through.

And most importantly, if it were not for Amtrak, we would have 25,000 more people joining 8½ million people who are unemployed.

I am in strong support of this legislation. I would not have supported the cuts to the extent that they are made, but nevertheless we are preserving a very effective system.

I have two interesting comments from constituents that I wanted to put into the Record. One says "Government officials may not ride Amtrak, but many Americans do, not only in the Northeast Corridor but throughout this land."

Then another says, "To destroy Amtrak, a going concern that has taken 14 years to build, once dismantled it probably can never be replaced."

There is a big difference between holding down expenses and liquidating a program concerned with over $3 billion in capital investments and over 30,000 skilled employees. I commend the members of the committee for getting this authorization bill through.

Let me just end up with this one quote that I thought was simply fascinating because it begins to put our priorities in order:

BEST COPY AVAILABLE

Bear in mind in your decision, if the Pentagon would sacrifice only one MX missile while the U.S. citizens would continue to enjoy a thriving national passenger railroad corporation, if Amtrak was funded only at $684 million, the cost of approximately one MX missile, it would be worth it.

I thank you very much and again I congratulate you. I know many, many of my constituents use Amtrak daily and I thank you on their behalf and thank you for passing this authorization bill that makes good sense.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the bill, both because of its excessive cost and because it almost guarantees that Amtrak will be unable to operate efficiently and competitively.

The bill before us authorizes a Federal Amtrak subsidy of $616 million, which fails to come within 5 percent of the budget resolution's overly generous provisions. Should we pass this bill, it will be a sure sign that Congress has yet to appreciate the necessity of cutting spending to attack the deficit.

This bill also has several unnecessary and anticompetitive measures. It establishes a Commission to study Amtrak's possible alternative financing. We don't need another commission. We need some reasonable legislation that will allow for responsible management of Amtrak, free of congressional restrictions.

We already have all the information we need. What is called for is not another study, but adoption of management procedures that will give Amtrak some hope of becoming cost effective.

Sadly, the bill before us provides that Amtrak will not be governed by sensible management principles. It insists that Amtrak maintain service levels on its least used and most costly routes, and it even forces the system to drain its nonoperational capital projects budget to keep all its routes in service.

Mr. Chairman, this bill is too costly, and it proves once again that at least one branch of the Federal Government just doesn't know how to run a railroad. I urge my colleagues to join me in opposing it.

☐ 1430

Mr. LENT. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. FLORIO. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Mitchell], having assumed the chair, Mr. Kildee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2266) authorizing appropriations for Amtrak for fiscal years 1986 and 1987, establishing a Commission to study the financial status of Amtrak, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. MONSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the special order taken today by the gentleman from Texas [Mr. Armey].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

SDI—WHO BEARS THE COST?

(Mr. VENTO asked and was given permission to address the House for 1 minute, and to revise and extend his remarks, and include extraneous matter.)

Mr. VENTO. Mr. Speaker, press accounts report that the United States has likely made a breakthrough winning NATO political support for star wars, the strategic defense initative research.

My question is what price is victory?

With the first agreements to be signed sometime this fall, my question is how much money, how many dollars, pounds, marks, yen, lira, or fancs are our allies going to tax their constitutents to help the U.S. taxpayer fund the $1 trillion star wars program?

British R&D firms are seeking $1.5 to $2 billion in contracts and Lieutenant General Abrahamson, Chief of the Space Defense Agency, in negotiating, has made multiple visits to eight foreign governments.

However, the details of these visits as reported have been devoid of any suggestions concerning foreign dollar commitment.

Star wars is one of the most expensive weapon systems undertaken by mankind. It rivals the Great Wall of China and the debate on its future is far from concluded.

One important benefit anticipated by U.S. taxpayers, $1 trillion investment would be U.S. domestic research development, and technology benefits to our human and physical captial that constitute our defense industrial base. Indeed, this would lead us into the 21st century; in fact with this type of investment, it must. No nation can afford to invest this significant amount of capital with little or no return.

The 1985 balance of trade deficit is at the $150 to $160 billion level, with little prospect for quick improvement. Now, against this backdrop, the economic and competitive benefits from a $1 trillion U.S. taxpayer commitment to SDI are about to be bartered away. The United States would give away this technology and jobs advantage to foreign nations, apparently in exchange for political support of the program.

The research and development technology spin off will be the offset benefit to foreign nations who are not even being reportedly asked to provide financial support. Rather U.S. tax payers end up paying the bills while U.S. foreign policy experts negotiate away the industrial base and technology spin offs for dubious political support.

The following article illustrates the progress of strategic defense initative negotiations from today's Washington Post.

[From the Washington Post, Sept. 17, 1985]

Agreements Near With Bonn and London on SDI Research

(By David B. Ottaway)

The United States is very close to signing agreements with the British and West German governments that would pave the way for European companies to participate in research on the administration's Strategic Defense Initiative, according to Defense Department and European diplomatic sources.

The two agreements represent a major breakthrough for the Reagan administration's campaign to gain allied backing for its controversial plans to try to develop a space-based system for defense against nuclear missiles, popularly known authorization bill, pending in the House, would provide $2.75 billion of the $3.7 billion requested by the administration.

The proposed agreements are the first fruits of an intensive SDI sales effort led by Lt. Gen. James A. Abrahamson, chief of the strategic defense agency, who has held talks with eight foreign governments and traveled to Europe "four or five times" in the past six months, according to an aide.

A senior West German official, during a recent visit to the United States, said Bonn's backing for SDI could be "decisive" in persuading other NATO allies to follow suit and in undermining Soviet attempts to discredit the project.

It is unclear when the first agreements will be signed, but a Pentagon official predicted "it should all happen during the fall." The British and West Germans are now involved in intense negotiations with the Pentagon on details of an agreement that may take the form of a "memorandum of understanding."

Not all U.S. allies have responded as "Star Wars" here and in Western Europe. The accords would also represent a setback for the Soviet Union, which has campaigned strenuously against Europen support for the U.S. research project.

U.S. defense industry sources believe that the administration is eager for European participation in order to claim the controversial project as an important part of U.S. NATO relations. That would make it harder for SDI opponents to derail the program, the industry sources added.

Congress has been reluctant to approve all of the Reagan administration's plans for SDI research. The conference report on a defense as favorably as the British and West Germans, France, Denmark, Norway and Canada have formally refused to play any role, and Japan has shown reluctance, but Italy has signaled definite interest.

Despite the tepid response from some allies, Pentagon officials are quick to emphasize that foreign contractors can nevertheless participate without an overarching agreement between governments that is intended to resolve many of the technical details, such as access to top-secret data. French and Canadian companies are being encouraged by SDI officials to join the effort even without official sanction from their governments.

A 28-member West German delegation, led by national security adviser Horst Teltschik, last Friday completed a 10-day tour that included visits to research laboratories and defense contractors throughout the United States.

"They came with 218 questions altogether and they got the answers on all the subjects included in the list," a West German official said. "They have a good basis for a decision to be taken."

In Bonn, government officials said West German participation in SDI research was now likely following assurances from the Reagan administration that German firms would be able to exploit the technological spinoffs from their involvement, Washington Post correspondent William Drozdiak reported yesterday.

The West Germans are particularly eager to retain some influence over future developments in the antimissile defense system, as well as its impact on arms control negotiations, Drozdiak reported.

By displaying loyalty to President Reagan in endorsing SDI research, Chancellor Helmut Kohl would "feel more comfortable" in urging U.S. limits on SDI testing and development. Kohl, who is scheduled to see Reagan here next month, could also use his role as a moderator to seek Soviet cooperation in cutting superpower missile forces, especially the intermediate-range Soviet missiles threatening Western Europe, the Bonn officials added.

A member of the West German delegation here stressed that Bonn's involvement will be limited to research. Any U.S. decision on either testing or deploying a new defensive system is not expected for years. However, the Pentagon would like to begin testing prototypes of potential SDI components in the near future.

European press reports indicate that the British and West German governments have been pressured by their respective defense contractors to accelerate negotiations with Washington on topics ranging from patent rights to technology sharing to access to top-secret information.

The British government reportedly asked increasingly impatient British firms in August to delay signing any contracts until the government-to-government agreement was completed.

A team of Pentagon lawyers visited London earlier this month to hammer out final details of a bilateral accord. A source close to these negotiations said the question for the British was no longer "whether to participate" but the "procedures and modalities" of this involvement.

"There is a lot of political will in London and Washington to have Britain the first to sign," he said.

Among the still-unresolved questions for the British government, according to this source, is "some kind of U.S. commitment" that British firms will be given a "substantial and significant" share of the research contracts.

Reports in London said that British Defense Minister Michael Heseltine, during talks here July 22 with Defense Secretary Caspar W. Weinberger, asked for a U.S. pledge of at least $1.5 billion in contracts for British firms.

Pentagon officials refused to comment on these reports. The source close to the U.S.-British negotiations noted that figures varying from $1 billion to $2 billion had appeared in the British press but said there was "no magic number" so long as it was "a serious, substantial thing."

Pentagon officials deny that Abrahamson has deliberately used the lure of lucrative contracts to "stampede" nervous or internally divided European governments into participating. But it is clear that the Pentagon is delighted with the positive response from many European private firms.

"There are many, many European companies that have expressed great interest in the program," remarked one SDI official.

Among the French firms showing strong interest is the state-controlled defense consortium Matra, whose chairman, Jean-Luc Lagardere, issued a statement in June favoring participation and proposing that interested European companies form a "club" to discuss the issue with the Pentagon.

Matra, which does research on optic microelectronics and software, is reported to have gone ahead and cultivated its own contacts with the SDI organization here, as have several major West German defense concerns.

UNITED STATES BECOMES DEBTOR NATION

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute to revise and extend his remarks and to include extraneous material.)

Mr. ALEXANDER. Mr. Speaker, what is it that the United States has in common with Bangladesh, Nigeria, Peru, and the Philippines? The answer is that we are all debtor nations.

For the first time in 71 years, the United States has become a debtor nation. According to figures released yesterday by the Department of Commerce, the balance-of-trade deficit for the second quarter of this year reached a staggering $31.8 billion—for a total of $62 billion for the first half of this year.

What do these figures mean? They mean that the United States now owes more to foreigners than foreigners owe to us.

It means a continued overvalued dollar, that prices Americans out of world trade competition.

It means that more foreign imports will flood our markets, threatening American jobs.

Mr. Speaker, what our Nation needs most is strong, coherent and effective national leadership on trade, not a policy of protectionism, not a policy of public relations. What we need is a policy designed to create fair competition for Americans to compete in foreign markets.

Mr. Speaker, I include an article from the Washington Post of today, as follows:

UNITED STATES Now Debtor Nation as Trade Deficit Rises

(By Stuart Auerbach)

The United States ran up a near-record balance-of-payments deficit of $31.8 billion in the second quarter, clearly establishing the country's status as a debtor nation for the first time in 71 years, the government announced yesterday.

The balance-of-payments deficit, the broadest measure of foreign trade in goods, services and investments, jumpted 4.9 percent over the first quarter deficit of $30.3 million, the Commerce Department reported. The current account deficit was the second largest on record, coming in just under the $32.5 billion mark set in the third quarter of 1984.

While most attention has been focused on the rising merchandise trade deficit, expected to reach a record $150 billion this year, the balance of payments is considered a better measure of the country's international economic standing.

What it showed was the United States speeding into foreign debt at a rate that could push it past Brazil, which currently owes more than any other country, about $100 billion, economists said.

The deficit has been of bipartisan concern on Capitol Hill, where Democrats view the worsening trade picture as an opportunity to gain seats in the 1986 elections and Republicans fear it could cost them control of the Senate.

"We have a trade hemorrhage", Rep. Richard Gephardt (D.-Mo.) declared. "We are not getting beaten in world trade. We are getting creamed." Gephardt is cosponsoring one of the major trade bills introduced in Congress.

Congressional concern over the merchandise trade deficit, which reached brushfire proportions over the summer, forced President Reagan to take a more aggressive stance on the U.S. trade imbalance. He is expected to unveil his new program in a major speech next week and trade is expected to come up as a major issue in the president's press conference today.

The burgeoning trade deficit, fueled by a flood of imports, has been blamed for the nation's sluggish economic performance, cutting as much as two percentage points off the gross national product. The effects showed up yesterday as the Federal Reserve reported that American industry worked at 80.5 percent of its capacity last month—essentially unchanged over the past five months and about 5 percent lower than the rate most industries prefer.

Capacity utilization has remained below 81 percent since March, an indication of how low-cost imports have swamped American manufacturers. It is, moreover, below the 81.7 percent average for the past 18 years and far below the 86.9 percent peak in the 1978–1980 period.

In a third economic report released yesterday, inventories remained essentially static in July, indicating that buyers are keeping up with factory production. The inventories increased just 0.02 percent while sales increased 0.9 percent, the Census Bureau reported.

The only bright side of the balance-of-payments report was a doubling of receipts for services such as banking, tourism, engineering and investments—mainly because of the continued fall in the value of the dollar.

This left the service sector $4.5 billion in the black, an improvement of $2.2 billion over the first-quarter performance, but hardly enough to make a dent in the soaring merchandise trade deficit, which rose $3.5 billion in the second quarter to a record $33 billion.

For years, the service sector has been able to carry larger merchandise trade deficits, but this year's record imbalance is far too high to be offset by the service sector.

Last year's current account deficit was $101.5 billion, while the figure for 1985 is expected to reach $120 billion. It has already reached $62.1 billion in the first six months of the year.

With the heavy debt to foreigners, the United States can no longer look to the inflow of interest payments from America's overseas investments to cover the trade balances. Instead, economists are concerned that U.S. interest payments to overseas investors will make it as hard to bring down the balance-of-payments deficit as it is to lower the merchandise trade deficit.

Commerce Secretary Malcolm Baldrige said in June that it appeared the United States had become a debtor nation for the first time since 1914, and yesterday's figures confirmed that. But the Commerce Department said no official confirmation will be available until the end of the year.

THE FREEDOM OF INFORMATION PUBLIC IMPROVEMENTS ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. English] is recognized for 5 minutes.

Mr. ENGLISH. Mr. Speaker, I am pleased to join my colleague, Jerry Kleczka, in sponsoring the Freedom of Information Public Improvements Act of 1985, a set of FOIA amendments drafted by the Society of Professional Journalists.

As chairman of the Subcommittee on Government Information, Justice, and Agriculture, I have been actively involved with proposals to amend the FOIA. The history of FOIA legislation during the last two Congresses shows that there is tremendous controversy surrounding the FOIA. The subcommittee's hearings last year demonstrated that there is little agreement on the nature of the problems with the act. Despite this lack of agreement, I think there is some common ground and that compromise is possible.

This bill, prepared by the Society of Professional Journalists, fills an important gap in the debates over the FOIA. None of the current bills deals adequately with the problems faced by those who use the FOIA to request documents. Proposals from the Reagan administration are principally designed to allow agencies to limit the availability of government information. The business community has presented useful amendments, but these only address the procedural problems faced by submitters of confidential business information.

Some existing bills—including my own bill (H.R. 1882)—do contain provisions that would make it easier for requesters to use the FOIA. But no comprehensive package of changes to help requesters has been offered. Now with the Freedom of Information Public Improvements Act of 1985, we have a set of amendments designed to address the shortcomings of the act as viewed from the perspective of active users of the law.

I do not mean to suggest that this bill is perfect. It needs study and review as do other bills. But this proposal will provide some balance to the legislative debates and will help us to fashion a workable compromise.

I intend to begin more active consideration of FOIA legislation immediately. I will work with all interested parties to develop compromise legislation that will be acceptable to all. Hearings will be held on proposed legislation before any formal subcommittee action, but no hearings are scheduled at this time.

CODIFICATION OF TITLE 8, UNITED STATES CODE, "ALIENS AND NATIONALITY"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. Rodino] is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I am today introducing a bill to revise, codify, and enact without substantive change certain general and permanent laws, related to aliens and nationality, as title 8, United States Code. This bill has been prepared by the Office of the Law Revision Counsel as a part of the program of the office to prepare and submit to the Judiciary Committee of the House of Representatives, for enactment into positive law, all titles of the United States Code.

This bill makes no change in the substance of existing law.

Anyone interested in obtaining a copy of the bill and a copy of the draft report to accompany the bill should contact: Edward F. Willett, Jr., Law Revision Counsel, House of Representatives, H2-304, House Annex No. 2, Washington, DC 20515.

Persons wishing to comment on the bill should submit those comments to the Office of the Law Revision Counsel not later than October 31, 1985.

THE ARMENIAN GENOCIDE AND AMERICA'S OUTCRY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Mrs. Johnson] is recognized for 60 minutes.

Mrs. JOHNSON. Mr. Speaker, there have been few events in history that have evoked American sympathy and concern as did the Armenian genocide in Ottoman Turkey 70 years ago. But what is generally not known by our citizens or indeed by our colleagues in the Congress is the extent of American involvement in this tragedy as early as 35 years prior to the most brutal massacres of 1915–23.

It is for the purpose of reacquainting ourselves with this forgotten period of American history that I have requested this time on the House floor. The theme of this special order—the Armenian Genocide and America's outcry—stresses the efforts of the Congress over a period of 24 years to bring about an end to the killings and offer relief to the suffering.

House Joint Resolution 192, a resolution still pending before us, would commemorate the deaths of some 1.5 million Armenians during this period. To the dismay of many of us in the Congress, there has been a concerted attempt by the present Government of Turkey to see to it that the Armenian genocide be unremembered and that this commemorative resolution be defeated.

It goes without saying that the present Republic of Turkey is a valued NATO ally and that our two countries enjoy good relations with one another. This resolution is not in any way intended to slight Turkey or even to imply that modern Turkey had any involvement whatsoever in the tragic events under the Ottoman regime. For this very reason, it is unfortunate that modern Turkey has chosen to read into the resolution that which is not there.

Those who oppose the resolution claim that it is not the role of U.S. Congress to involve itself in writing history. Mr. Speaker, our Government has a proud record of speaking out repeatedly against the crimes committed under the Ottoman regime. Dating back at least to 1880, U.S. State Department officials in the Ottoman empire witnessed the excesses visited upon the Armenian population and cabled this information back to Washington. Our own ambassadors pleaded with Ottoman officials to stop the massacres. Our Secretaries of State were constantly expressing concern about these events. Seven U.S. Presidents during three decades offered America's sympathy to the Armenian sufferers. A U.S. Federal agency—Near East Relief—was formed to channel American humanitarian relief into this troubled region.

Most importantly for our purposes, the 54th and 66th Congresses adopted resolutions expressing outrage at the atrocities and calling for relief to the stricken. The rediscovery of these resolutions is extremely important to all of us in the Congress. A vote in favor of House Joint Resolution 192 this year can now be based on precedent—the historical precedent set by those of our antecedents in this body who lived during this tragic period and were made aware on a daily basis of the events unfolding in Asia Minor.

At the time these events were taking place, it would have been unthinkable to suggest that the Armenian population of Ottoman Turkey had not been specifically targeted for mass slaughter. Yet, there are those presently in the U.S. Government who are substituting their own judgment for that of eyewitnesses and contemporaneous officials and who now declare that the history of these events is ambiguous. In 1982, the U.S. State Department issued this statement: "Because the historical record of the 1915 events in Asia Minor is ambiguous, the Department of State does not endorse allegations that the Turkish Government committed a genocide against the Armenian people." After 9 months of pressure, the Department finally said that the statement was not intended as a statement of policy, and that U.S. policy on the matter had not changed. The problem we still face is that we are left guessing as to what the U.S. policy is on this matter.

Just 2 weeks ago a U.N. Human Rights Subcommission accepted a new study which recognized the Armenian genocide. The study, entitled "Revised and Updated Report on the Question of the Prevention and Punishment of the Crime of Genocide," was opposed by the Government of Turkey because of the Armenian reference. Nonetheless, by a vote of 14 to 1 with 4 abstentions, the report was received with the Armenian genocide reference intact. The most significant aspect of the U.N. subcommittee vote was that the delegate from the United States voted in favor of accepting the report. I am encouraged that the United States gave its endorsement and I interpret this as a departure from previous attempts to cloud the history of the Armenian genocide.

There is nothing ambiguous about the Armenian genocide. The issue here is simply one of fact, and we in the Congress are seeking to affirm that which was established by prior Congresses in 1896 and 1920. We are trying to remember a very important period for all Americans. As I stated on June 4 prior to a suspension vote on House Joint Resolution 192, our ally relationship with modern Turkey must not require us to deny what is very real in the lives of our own people as a fact. We have a duty to maintain the integrity of our history and to shape U.S. policy according to that record.

Earlier this year we were shaken by the visit to the Bitburg Cemetery and its implications regarding the rewriting of history at the request of a NATO ally. We should be equally troubled by the revisionism taking place surrounding the Armenian genocide. The Congress can ill afford to be viewed as willing to denigrate the judgment of two prior Congresses and to deny American history. On the contrary, we should take great pride in the unprecedented outpouring of sympathy and material support for those Armenians who suffered, just as we have embraced the causes of the African famine and the Cambodian tragedy in recent years.

Above all, we have an obligation to remember events such as the Armenian genocide, so that future perpetrators do not read our unremembering as a willingness to turn a blind eye toward mass human destruction.

Mr. Speaker, at this time I yield to my colleague from California [Mr. Pashayan].

Mr. PASHAYAN. I thank the gentlewoman for yielding and for her remarks on this whole subject. Mr. Speaker, I thank Congresswoman Johnson for reserving the time for this special order today. I think it is critical that our colleagues be made aware of the level of congressional involvement in the issue of the Armenian genocide prior to and at the time the atrocities were taking place. In order for us to vote responsibly on the resolution before us in this Congress, we must take into account the actions taken by the Congresses in place then.

I am struck by the revelation today that the 54th Congress adopted a resolution in 1896 deploring what it referred to as the Armenian outrages by Ottoman Turkey. The rediscovery of this resolution is historic. It proves what many of us have been saying all along—that the U.S. Congress recognized the atrocities committed against the Armenian people at the time they were taking place. This recognition is underscored by the clause in the resolution that reads: "Whereas the American people, in common with all Christian people everywhere, have beheld with horror the recent appalling outrages and massacres of which the Christian population of Turkey have been made victims". The 54th Congress went even further by calling for decisive measures to be taken "to stay the hand of fanaticism and lawless violence."

Twenty-four years later, the Congress was still profoundly concerned about the fate of the Armenians in Ottoman Turkey. The 5 years from 1915 to 1920, during which the greatest destruction of the Armenian population took place, moved the Senate to adopt Senate Resolution 359, introduced by then-Senator Warren G. Harding. While the resolved clause of the resolution extends congratulations to the newly formed independent Armenian republic that had been formed after the war, the first two whereas clauses demonstrate recognition by the Senate of the atrocities that had taken place. Those clauses read:

> Whereas the testimony adduced at the hearings conducted by the subcommittee of the Senate Committee on Foreign Relations have clearly established the truth of the reported massacres and other atrocities from which Armenian people have suffered; and
>
> Whereas the people of the United States are deeply impressed by the deplorable conditions of insecurity, starvation, and misery now prevalent in Armenia; and
>
> Whereas the independence of the Republic of Armenia has been duly recognized by the Supreme Council of the Peace Conference and by the Government of the United States of America: Therefore be it
>
> *Resolved*, That the sincere congratulations of the Senate of the United States are hereby extended to the people of Armenia on the recognition of the independence of the Republic of Armenia, without prejudice respecting the territorial boundaries involved; and be it further
>
> *Resolved*, That the Senate of the United States hereby expresses the hope that stable government, proper protection of individual liberties and rights, and the full realization of nationalistic aspirations may soon be attained by the Armenian people; and be it further
>
> *Resolved*, That in order to afford necessary protection for the lives and property of citizens of the United States at the port of Batum and along the line of the railroad leading to Baku, the President is hereby requested, if not incompatible with the public interest, to cause a United States warship and force of Marines to be dispatched to such port with instructions to such Marines to disembark and to protect American lives and property.

This year, some 89 years after Congress first recognized the destruction of the Armenians, we are asked simply to commemorate this event by passing House Joint Resolution 192. Amazingly, there are a few individuals in the Congress who say we should defeat this resolution because these events did not take place. There are some in Congress who say we should defeat this resolution because Congress should not write history. We say to those Members that passage of House Joint Resolution 192 would in fact be an affirmation by the Congress of its own record of 89 years. A call for the defeat of House Joint Resolution 192 is in fact a rewriting of our history, the kind we normally associate only with the most undesirable of motivations.

A very important point that needs to be stressed is that House Joint Resolution 192 deals only with a fact of Armenian history. It is not an attempt to change history in any way. Nor is it an attempt to allocate blame. The amendment I introduced to clarify that the Armenian genocide took place during the Ottoman regime was an effort to make clear that the present Government of Turkey had nothing to do with the atrocities.

We have an obligation to listen to the voices of our predecessors in the 54th and 66th Congresses. We are obligated to respect their contemporaneous judgment and to remember with pride and gratitude their attempts to raise national consciousness about the atrocities against the Armenian people. If we are to maintain our credibility as a body of fair-minded individuals we must not turn our backs on our own congressional history. We must approve House Joint Resolution 192 when it returns to the floor for a vote.

Mr. Speaker, I would ask the gentlewoman whether, in her opinion, the resolution in any way would damage the defense structure of NATO?

Mrs. JOHNSON. In my opinion, it would not. The purpose of the resolution is to do precisely what we have discussed on that day and on this, to recognize the reality of history, and the tragedies, and injustices of the past.

Mr. PASHAYAN. Well, the gentlewoman would feel that it is an issue that is historical in meaning and significance, and it is something that the United States has already taken a position on, and it is a matter of historical reaffirmation.

Mrs. KENNELLY. Mr. Speaker, on January 24 and 27, 1896, the Senate and House passed a concurrent resolution expressing American protest and outrage at the atrocities being committed against the Armenian population of Ottoman Turkey. The resolution calls upon the signatories to the 1878 Treaty of Berlin to fulfill their promise to guarantee the security of the Armenians there.

This resolution is striking for a number of reasons. It establishes the fact that there were atrocities being committed against the Armenians long before the 1915 period traditionally associated with the Armenian Genocide. The atrocities of the 1890's are stark proof of a concerted attempt to eliminate the Armenians as early as 20 years before the final genocidal period. The resolution demonstrates the extent of Congressional awareness of the crimes being perpetrated against the Armenians and the sense of frustration experienced by all Americans.

The level of concern among Members of Congress is discernible from statements made on the floor at that time. Some Members believed that the resolution did not convey American protests strongly enough. Others wanted to amend the resolution so that it would do more than just express American sentiment. Congressional involvement went as far as to appropriate money to establish two consulates in the interior as a deterrent to the ongoing human destruction. Unfortunately, the Ottoman Empire withheld permission to establish these consulates until after the human devastation of 1894–96 had largely been carried out.

What is perhaps most telling about this resolution is the fact that it implores the western nations to undertake the enforcement of a treaty provision agreed upon as far back as 1878 which sought to guarantee the security of the Armenians. The persecution of the Armenians began well before 1878, and all of the nations of the West knew about it and were concerned about it.

What begins to emerge here is the fact that for more than 45 years, the leading nations of the world focused a great deal of attention upon the constant oppression of the Armenian population of Ottoman Turkey. The later Armenian atrocities of 1915–23 are really in fact a final chapter in a protracted period of human suffering and destruction.

To its great credit, the 54th Congress of the United States took up the cause of the Armenian atrocities. As Mr. McCreary of Kentucky said in his January 27, 1896 floor statement, "the cause of Armenia seems to me to be the cause of humanity and justice." Mr. McCreary's statement reflects the sentiment of both houses of Congress in 1896.

As one reads the Congressional Record statements made on January 27, 1896, one cannot help but notice the statement by Congressman Morse, which reads in part:

> I desire to call the attention to the Congress and the country to the weekly bulletins issued by the Turkish minister in this city, denying these cruelties and butcheries, or saying that they are greatly exaggerated. Such denials are utterly idle in the face of thousands of private letters now being received in this country by our Armenian citizens giving minute details as to time and place of these horrid crimes and butcheries that have shocked the civilized world, many of them too revolting to record or narrate in a public speech.

Denial. Denial then, and continued denial now. What we as Members of Congress must concern ourselves with, however, is the specter of our own denial. In the face of the emotional plea made by both houses in 1896 to save Armenian lives, can we in good conscience now turn our backs on our own predecessors and defeat the resolution before us? I would not like to have been charged with the duty of that poor minister to deny, distort and downplay the mass slaughter of Armenians. Similarly we cannot as members of this body adopt the untenable position that the genocidal destruction of the Armenian population of Ottoman Turkey did not take place.

We must pass House Joint Resolution 192 when it comes up for a vote again this year. Passage of this resolution will be a vote for the consistency of the Congress regarding its own record and a reaffirmation of the history documented by our Government at the time.

Mr. HOWARD. Mr. Speaker, the rediscovery of congressional resolutions from 1896 and 1920 denouncing the atrocities against the Armenian population in Ottoman Turkey is an extremely important development in the attempt to establish the American historical record on this tragic period in history. I commend Mrs. Johnson of Connecticut for her efforts to remind each of us about the actions taken by our predecessors in the 54th and 66th Congress to bring about an end to the attempted genocide.

What strikes me most about these resolutions is that they represent decades of awareness by the U.S. Congress that the Armenian population had been targeted for persecution and destruction by the Ottoman government. The fact that as early as 1896 both Houses of Congress passed a resolution entitled "Armenian Outrages" is clear indication that fully 20 years before the final genocide of 1915 the Armenian people had already been subjected to widespread massacre.

The Government of Turkey has tried to convince the Congress that the Armenian genocide of 1915–23 was in fact only a wartime relocation effort to move the Armenian population out of the war zone for its own protection. In 1896, there was no war and there were no war zones. Members of the 54th Congress knew that. A large portion of the Armenian population was simply massacred. Similarly, Members of the 66th Congress in 1920 knew that the Armenians had again been targeted.

It is against this backdrop of congressional history that I re-read a letter I received last month from Col. Ralph E. Ropp (USA retired), the president of a group calling itself the American Friends of Turkey. In his letter, Colonel Ropp criticizes the clear majority of House Members that voted in favor of House Joint Resolution 192, which would designate a day of remembrance for victims of the Armenian genocide. He dismisses the Armenian genocide as "never documented" and asserts that those who support House Joint Resolution 192 are responding to "tribal, ethnic hatred." I ask that the full text of Colonel Ropp's letter and my response to him be printed in the Record.

American Friends of Turkey,
Merrifield, VA, August 9, 1985.

Congressman James J. Howard,
Rayburn House Office Building,
Washington, DC.

Dear Congressman Howard: The 7,000 members of the American Friends of Turkey—an organization of former United States Military and State Department personnel who were once stationed in Turkey and understand the strategic importance of Turks and Turkey to U.S. interests—are terribly disappointed that you supported House Joint Resolution 192 on June 4 of this year.

This resolution which you supported, was unfortunately veiled in a title we could all have endorsed—"Man's Inhumanity to Man"—but instead, was one callously aimed at discrediting a loyal NATO ally and embarrassing a proud and noble people. Modern Turks consider the very insinuation that a genocide occurred some 75 years ago as the "ultimate insult"; and insult we do not need to be hurling at good and faithful friends.

The American Friends of Turkey fear, and rightly so, that continued mistreatment and mistrust of modern Turkey over incidents never documented during times of intense international turmoil could seriously damage relationships for the rest of our lifetime with a country that is vitally important to our national security. We don't have so many friends in this world that we can nonchalantly cast aside a good one over an ancient tribal, ethnic hatred that, in the long term, has absolutely no bearing whatsoever on U.S. foreign policy. The condemnation of Turkey, or any country for that matter, over an ethnic quarrel occurring generations ago in their native land, hurts rather than furthers U.S. interests abroad.

We know this resolution will come up again as the enemies of Turkey and the continued good relations between our two countries will see to it. We urge you to support what is in the best interests of the United States in this issue and not condemn the Turks, or Turkey, or the Ottoman Empire for something that cannot but hurt our strategic interests in the Middle East.

We know, too, you are under intense pressure from those who dislike Turkey but, God knows, America is not a tribal society. We must think in terms of our own interests. To allow a minority to "win its day" in the halls of Congress can haunt us forever.

Sincerely,

Ralph E. Ropp,
Colonel, U.S. Army (retired), President.

House of Representatives,
Washington, DC, August 14, 1985.

Ralph E. Ropp,
Col. U.S. Army (retired), President, American Friends of Turkey, Merrifield, VA.

Dear Colonel Ropp: Your August 9, 1985 letter concerning my support for House Joint Resolution 192 has been received.

The final paragraph of your letter was fascinating. Is it actually possible that a retired officer of the United States Army could have served, throughout his career, with no awareness of the Constitution, wherein all (yes, even those minorities you speak of) are entitled to be heard in the "halls of Congress"?

I would suggest you consider that many echos in those "halls of Congress" permanently serve to remind us all of the great consequences in store for those who dismiss history as inconsequential, and selectively forget.

It may interest you to know that I am neither "nonchalant" nor am I under "intense pressure"—as indicated in your letter. Very simply, I believe it is essential to acknowledge and remember the horrors of yesterday so that future generations may avoid them.

Sincerly,

James J. Howard,
Member of Congress.

We in the Congress must resist attempts such as the Ropp letter to repackage history to suit current needs. I urge other Members to defer to the judgment of our predecessors in this Chamber regarding the treatment of the American population in Ottoman Turkey. We must pass House Joint Resolution 192 when it returns to the floor for a vote this year.

Mr. LEHMAN of California. Mr. Speaker, the Armenian-American community and Armenians around the world have fought for nearly 70 years to correct a fact purposely omitted from historical archives because of sensitive international political relations. Now, seven decades later, Armenians have overcome one in a series of hurdles which has prevented the Armenian genocide of 1915–23 from taking its correct place in history.

The question of what occurred in Ottoman Turkey between 1915 and 1923 has been studied and reviewed thoughout this century. Because of delicate relations with Turkey, members of the United States Government and the Department of State have concluded that the deportation and murder of Armenians was a tragic event of which they see no value in characterizing. However, the United Nations has decided to take a different approach to the issue. In late August, a United Nations Subcommission on Prevention of Discrimination and Protection of Minorities accepted for consideration a report on the crimes of genocide. Until this time, the Government of Turkey had successfully kept out of the report any reference to the Armenian massacre. Yet, this United Nations subcommission report included the Armenian reference alongside the Nazi aberration, and the Khmer Rouge massacre in Kampuchea between 1975–78. It is my hope that the Armenian genocide will finally be properly characterized.

Yesterday, we heard two distinguished Members of this body read from the Congressional Record of 1896 on the subject of the Armenian genocide. The excerpts came from Members of this House who were expressing their anger over the atrocities being committed in Armenia at that time. During the 54th and 66th Congresses, resolutions were adopted in both Houses expressing the sense of Congress that the United States condemns this "lawless violence" and urges its end. This recognition by our predecessors offers this body an invaluable historical precedent.

As House Joint Resolution 192 comes to this floor for a vote, I urge my colleagues to vote for its passage and give the massacre in Ottoman Turkey its appropriate recognition.

□ 1445

Mrs. JOHNSON. Yes, I do, and that is what we are trying to make clear here today; the references to our own record as an historic body to the actions that we took when these events were fresh in the minds of American observers.

I yield to my colleague from Arizona [Mr. Rudd].

Mr. RUDD. I thank the gentlewoman for yielding to me, and I ask unanimous consent to speak for 2 minutes on a different subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

PRESIDENT REAGAN'S MEETING WITH MOZAMBIQUE'S MACHEL

Mr. RUDD. Mr. Speaker, later this week the President plans to meet with the Marxist-Leninist ruler of Mozambique, Samora Machel. The State Department hopes the meeting will help "wean" Mozambique from its close ties with the Soviet Union.

President Reagan ought to recognize such hopes for what they are; wishful thinking, and nothing more. Mozambique is a one-party, Communist dictatorship. The media is tightly controlled. There is no right of assembly; foreign travel is available only to a select few; arbitrary arrests and detention are common; prisoners can languish in jail for months or years without being charged.

Machel has been outspoken in support of the Palestine Liberation Organization, the Soviet domination of Afghanistan, and the Sandinistas in Nicaragua. Please note the flag of Mozambique says it all, its emblem displays the hammer and sickle and the machinegun.

Any appearance of movement by Machel toward closer relations with the United States is merely a ploy to milk us out of more aid. That is for money purposes only, playing into the hands of the Soviet Union by being another wedge to try to bankrupt our Nation in this manner.

This is but another example of the State Department's failed policy of appeasement toward our enemies, and it will be the United States that is the ultimate loser.

Mr. President, I urge you to reconsider your intention to meet with Mr. Machel.

GENERAL LEAVE

Mrs. JOHNSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my special order on Armenia.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

Mrs. JOHNSON. Mr. Speaker, I yield back the balance of my time.

SALMONELLA POISONING IN THE DALLES, WASCO COUNTY, OR

Mr. SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. Weaver] is recognized for 60 minutes.

Mr. WEAVER. Mr. Speaker, last March, I took the time of the House of Representatives to stand in this well and make a speech about a situation that occurred in Oregon that I thought was frought with peril, that I thought was one of the most horrendous acts in the history of our Nation, and I thought it deserved the time of the House.

I take the floor today to tell some of the results of what has happened. The incident I speak of was the poisoning by salmonella bacteria of an entire town in Oregon.

The town was The Dalles, county seat of Wasco County. It is a town of approximately 10,000 people, and in September of last year, 715 of those 10,000 people came down with salmonella. Fortunately, no one died, although several may have come close to death.

One man had several operations; an unborn baby came down with salmonella and its life hung in the balance.

The salmonella poisoning emanated from the salad bars of eight restaurants in The Dalles. Now it is clear, after an intensive, careful investigation that I made, and I followed this situation daily for months discussing it with health authorities, both Federal and State, that this salmonella outbreak—the largest outbreak in the history of this Nation per capita population—that this salmonella outbreak was an act of deliberate sabotage, that some people obviously mad, obviously insane, attempted to poison that whole town.

The implications of this are horrendous. Obviously, a salad bar is a place where anyone can approach the food that other people are going to eat, very easily and without suspicion. If you went into a restaurant kitchen and tried to poison the food in the kitchen, you might be caught and certainly be seen.

Any person can pass through a salad bar, getting their own food, and it would not be difficult to sprinkle salmonella bacteria in the dressing or on the lettuce; and this is obviously what happened.

I asked the FBI for an investigation; I alerted the authorities in the State, and of course the health authorities had done an intensive investigation of it, but had come to no conclusion. As a matter of fact, they thought it was the food handlers. Well, the food handlers, that is nonsense. Salmonella is not passed around by people; it is ingested in food.

I tried to wake the Nation and my State to this terrible situation, because somebody was out there, somebody was out there who was willing to take the lives of an entire town; 10,000 population in their hands and threaten them. Can you imagine?

Can you imagine the poisoning of a city's water supply? Well, this was the same thing. The poisoning of in effect the city's food supply.

Now at the same time that I made that speech on the floor of the House, describing this deliberate poisoning of The Dalles, I put also some paragraphs about a religious cult that has established itself in the southern part of Wasco County in a ranch there, a large ranch called the Big Muddy Ranch. This religious cult is called the Rajneesh, after its guru called the Bagwan Shree Rajneesh, about 3,000 people adherence to the cult live there now.

At the time of the poisoning of The Dalles, the Rajneeshis were bringing in from all over the Nation street people; the poor unfortunates who were here in Washington, DC, for example, living on the streets, nor busing them into Rajneeshpuram—that is the city that they established in the Big Muddy Ranch.

We thought they were bringing them there to vote them in the election; because the Rajneeshis has said they would like to take over the county of Wasco because they were in some arguments and conflicts with the county over building permits and other things; and indeed we think they were going to try to vote these street people, although when it came down to it, such an uproar occurred in Oregon that they ended up not voting the street people, and things quieted down.

There was really warfare between the people of Wasco County and the Rajneeshis at the time. Ma Anand Sheela, their leader, the personal secretary to the Bhagwan, said on the very weekend of the major outbreak of salmonella in The Dalles, was quoted in the press—I have actually seen her on television making these statements—she said: "If one of us goes, we will kill 15 Oregonians." She said: "We will have the heads of 15 Oregonians," and this was repeated.

So there was war between the Rajneeshis and the people of Oregon and the people of Wasco County, and so I thought that was certainly a motive that they would have for poisoning this entire town, as horrendous an act as that was.

I had no concrete evidence, although my investigation led me to believe that it was likely the Rajneeshis had done it; I had no evidence, but I just put in a speech that day last March: "The Goings On in Rajneeshpuram," with the street people and the statements of Ma Anand Sheela, so that the authorities would be alerted.

Can you imagine if this would happen in other towns of our country, if mad people of any stripe decided to do the same thing? It could disrupt our entire society.

□ 1455

So I thought that we should act swiftly. I felt that the information I had I could not live with unless I related it, so I made that speech.

I continued my investigation. I had never had a doubt in my mind that the town of The Dalles was poisoned by salmonella, and I never really had a doubt in my mind that the Rajneeshees or some of them, did it. It would have taken 8, 10, or 12 people to conduct this salmonella poisoning in that week in The Dalles, and I assumed it was probably the leaders of the Rajneesh cult.

So the authorities told me that it was difficult to solve something like this without an informer. I called a press conference shortly after my speech and I said that it would require a stool pigeon to really solve this, what I believe to be, a crime.

Last night, at a press conference in Rajneeshpuram, the leader of the sect—I would never have guessed this—the Bhagwan Shree Rajneesh himself, the guru, accused his followers, some of his followers, who have absconded to Europe just this weekend, with committing the act of salmonella poisoning in The Dalles. He should know. I do not know whether he was a party to it or not, but he should certainly know, and he has accused his followers. So although I never had a doubt in my mind that it was done and that they did it, I can tell you that it is good to be vindicated. I was accused in Oregon of being too rash. I am very careful. I make thorough investigations before I take on anything, particularly of this nature, and I am pretty sure of myself. And now the Bhagwan Shree Rajneesh has accused certain of his cult associates not only of the salmonella poisoning in The Dalles but the bombing in the Hotel Portland that they own, an act that I figured they had done, as well, the burning of an office in the courthouse at The Dalles, an act that we thought they had done as well.

Now, what happened was that this weekend, Ma Anand Sheela, a 35-year-old women, who was a spokesperson for the Rajneeshees, and has been for several years and personal secretary to the Bhagwan, she left, and hurriedly. Her husband and children are already in Europe. And the Bhagwan thinks that she took around $55 million with her or has salted it away in Swiss bank accounts already. That kind of money this cult has. They have invested almost $110 million in the Rajneeshpuram establishment now. So I would not doubt that we are talking about that kind of money. Some people may think that stealing $55 million is a worse crime. And I agree that it is a pretty rough crime. But I have to emphasize that the poisoning of an entire town, think of that vicious act, that horrendous act, how vulnerable we are to people like this. And so I believe it is the salmonella poisoning of The Dalles that we should find the evidence from the Bhagwan, indict, these people who have absconded to Europe, extradite them, prosecute them and, if proven guilty in a court of law, give them severe punishment.

The people who left with Ma Anand Sheela include the Rajneeshpuram Mayor, Swami Krishna Deva. He is a young man who first attracted my attention to this cult. I saw him on television a couple years ago, and he was looking into the camera and he said, "We don't want to take over Oregon, but if we have to, we will take over Oregon." I did not like that statement at all. And instead of just being bemused by this cult that wore red robes and a picture of the Bhagwan around their necks and danced around and threw flowers, I began to see these people as dangerous people.

I wrote the mayor, Swami Krishna Deva, who is one of those who has now absconded to Europe, and I asked him what he meant by, "We don't want to take over Oregon, but we will take over Oregon."

He said, "We already have taken over Oregon. We have done it with joy and love."

Yes, Mayor Krishna Deva, you certainly did. You took over Oregon for a while, with hatred and crime. That is

what you did. And the people of Oregon, who were accused of being bigots and intolerant, have been vindicated, as well, because the people of Oregon saw these people as dangerous and evil, and they were right, they were right. I do not want to see religious intolerance, and I will oppose it at any time. I am one of the most tolerant people that you can find. But when good men refuse to act when they see evil, then we are all in trouble. And I saw evil in this religious cult.

So, among the others who absconded to Europe was the Rajneesh Foundation International treasuer, Ma Shanti Bhadra. I wrote Ma Shanti Bhadra in April and I asked her if she knew anything about the salmonella poisoning in The Dalles. I though I was being fair. I had asked everyone else if they knew anything about it. I did not want to select out the Rajneeshees as if they were already proven quilty, and I said, "If you know anything about it, I would like to know. Help us in our investigation."

I received this letter in return. It is on stationery called Rajneesh Medical Corp.

One of the things I had said in my investigation was that anybody can produce salmonella, just set a couple chickens out in the back yard for a couple of days in the Sun, you will probably get salmonella in them. But it is very helpful to have a medical laboratory and careful measuring devices in order to get just the right amounts and easily transport them and put them in salad bars, to bring down illness upon an entire town.

So I said the Rajneeshees had a medical laboratory, and was it not an interesting coincidence and convenience.

Well, this letter, under the stationery letterhead "Rajneesh Medical Corp., P.O. Box 8, Rajneeshpuram, OR" it says:

> Jim Weaver,
> *Congressman, Fourth District.*
>
> Beloved Mr. Weaver: Love.
>
> Your letter abounds with the same kind of stupidities as all your other statements on this issue up until now. After accusing persons in this community and this corporation in particular of deliberately poisoning hundreds of people, you have the nerve to write to ask our assistance in uncovering a mystery which has already been investigated by every appropriate county, State and Federal agency. They found no evidence of sabotage.

Well, they should have. I certainly did.

Good for Ma Shanti Bhadra.

> Beloved Mr. Weaver. Love. Your letter abounds with . . . stupidities . . .

As I say, Ma Shanti Bhadra is one of those who has absconded to Europe, apparently with the guru's $55 million.

Others have gone, too. Ma Anand Puja, Ma Prem Savita, Ma Deva Rika, Ma Prem Patipada, Ma Anand Durga, Ma Prem Homa. They are called the dowager duchesses of Rajneeshland. They are "wonderful" people. They are just "wonderful" people.

□ 1505

Now, the truth is out. The truth is out. The Bhagwan has had his top cadres, his top people, those who led this frightening organization down their path of crime; it has made him angry, and so now he has accused these, Ma Anand Sheela, Ma Shanti Bhadra, the very ones who called the people of Oregon bigots. They denied any knowledge of these crimes and called us bigots for even thinking they might have done it. Their guru, the top boy has turned stool pidgeon on them, and has accused them of the salmonella poisoning in The Dalles, and he should know; he should know. He has accused them as well of arson, wire tapping, and bombing and taking the money and putting it in Swiss bank accounts. It was their money I guess; I do not know how they got it.

The Bhagwan you know has 80 Rolls Royces. I flew over the Rolls Royces in a helicopter, or rather Rajneeshpuram in a helicopter. I saw them. A real nice place. It is nice to have 80 Rolls Royces. I am not quite sure why he would want that many.

The reason I was over there flying over Rajneeshpuram in a helicopter, a Bureau of Land Management helicopter, is that I was investigating the land swap that was proposed between the Bureau of Land Management and the Rajneeshies. I find absolutely nothing wrong with the actions of the Bureau of Land Management. They have been trying to make this land swap for a number of years, well before the Rajneeshies came and settled at the Big Muddy Ranch.

They continued, the BLM, to see it in the public interest, and from their point of view, it still was. What they did not see and what I had not seen until I got over there to make my investigation was that the whole complexion of the land had changed. Now we had a city there of thousands of people. These are huge, rolling hills. There are ravines and canyons. The country is magnificient but very difficult to live in and ranch. They had built this city there.

The real estate values had changed, and the land that the Rajneeshies would have received for the land that they would give up to the BLM in the checkerboard configurations of land in those areas, was the critical land along the John Day River. One of the great rivers of Oregon. Land that gave them access to other developable areas, and had they been able to get this land from the BLM, they would have been able to develop a much larger city; put huge developments along the John Day River.

Now, some people have pointed out that Oregon has land use laws to prohibit that kind of thing; indeed we do. But you have got to remember, if an individual owned the Big Muddy Ranch, sure, he would be bound by those land-use laws. But the city, an official city of Oregon, Rajneeshpuram, owned that land in effect. And a city creates its own zoning laws. It must win a lawsuit, which they probably will, first, but that lawsuit they tell me is almost certainly to go the way of the Rajneeshies.

If that is the case, the Rajneeshies could have developed that land without many problems, and they could have put tens of thousands of housing units there along the John Day River. I suddenly saw that, flying over in a helicopter and boating the John Day and walking along it. Climbing the mountains there and looking down on it. I said, my gosh, this is a huge real estate development. It is not just swapping bare land, arid desert land, for more arid desert land. It is now swapping arid desert land for prime real estate development land.

Most importantly, it could threaten the environmental quality of the John Day River, one of the great rivers. Deep canyons; we are making wildernesses out of some of the areas. The State of Oregon had condemned the ranches across the river from Rajneeshpuram just because they were afraid it would be developed and detract from the John Day River horrendously.

So I called up the Bureau of Land Management and I said, "Look, this land swap, I did support it earlier, but I do not any more. It is a terrible thing. I will hold a hearing, I am chairman of the General Oversight Committee of the Interior Committee. I will hold a hearing and show that this land is worth tens of millions of dollars more than you are getting." The BLM saw the light immediately, and immediately canceled the proposed land swap and I commend the BLM for this. They went into this honestly, and when they saw the implications, they immediately canceled the proposed land swap.

I wonder, this is just pure speculation, but I wonder if these dowager duchesses, Ma Anand Sheela and Ma Shanti Bhadra and others who absconded to Europe with all those millions of dollars, I wonder if perhaps if they were waiting for that land swap and, because they saw the tens of millions of dollars they could make from that real estate development, and when it was blown up, when I blew up that land swap, they said, "OK, nothing here for us anymore, we are going to take off." Because it was just what? Ten days after the land swap was withdrawn that these Rajneesh leaders decided to leave for Europe. They just did so this weekend.

Now, the Bhagwan is still there, and so are apparently around 3,000 of the cult members. Most of these cult members are young women from Europe, Germany, the United States, other places in the world, who are, I would have guess from their actions and what I know of them, pretty much lost children. They kind of flounder in the world and they need something and they have come to this cult and the Bhagwan to get whatever it is that they get from him. I believe they are innocent. As a matter of fact, it is pretty much forced labor. They work 12, 14, 16 hours a day, 7 days a week and get no pay. They say they enjoy it; fine. But I cannot see that they have derived much from this; that is up to them, of course. But at least I do not think they are guilty of any of these crimes. I do not think so at all.

☐ 1515

Then there is another group of kind of 40-year-old males generally, some females, who are going through their midlife crisis or some such thing who need something, perhaps the young women, perhaps the feeling of the cult. I do not know. Somebody else would be better at explaining that than me. I doubt that many of them are connected with these crimes either, if any, and they are apparently still there in Rajneeshpuram, as is the Bhagwan, and for all I know, the Bhagwan is not connnected with any of these crimes either. I have no idea about that.

I always felt it was these top cadres, these vicious, fascistic, terrible-type people, Ma Anand Sheela, who sneered and snarled at people, wore a gun at her hip and accused individuals in general population of Oregon of the worst kinds of motives and acts. It is her and her group, her small cadre of people, some of whom I have mentioned, who were responsible for these crimes, the ones who have gone and absconded to Europe. They are the bad ones. There may be some left. I do not know.

I do know that I think the Bhagwan is in trouble and so is the cult. I have called on and talked to today the Federal Bureau of Investigation and demanded an immediate and intensive investigation. I am sure the State Police authorities are going to do the same. Federal laws have obviously been violated. Federal crimes have been committed, crimes of the most horrendous nature, the poisoning of an entire town, a precedent that simply cannot be ignored.

Swift justice must be meted. These people who have absconded must be indicted, extradited, prosecuted and, if found guilty, given severe punishment.

So the investigation just begins. The problems with the Bhagwan are just beginning. We will not be unhappy to see them go.

Mr. RUDD. Mr. Speaker, I ask unanimous consent to vacate the special order requested by me for 5 minutes and to change that to 12 minutes.

The SPEAKER pro tempore [Mr. Kildee]. Is there objection to the request of the gentleman from Arizona?

There was no objection.

SEPARATION OF CHURCH AND STATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. Rudd] is recognized for 12 minutes.

Mr. RUDD. Mr. Speaker, today, according to the National Archives, is Constitution Day, a day to remember and respect that historic document which is the subject of admiration by freedom-loving peoples around the world. I want to speak for just a moment about the 11th amendment to the Constitution, our Constitution of the United States of America.

The Constitution of the United States of America specifically, expressly calls for the separation of church and state? That is a question. Right? No, that is wrong.

The Supreme Court is faithful to the Constitution when it prohibits prayer in public schools. Is that right? No, that is wrong.

The Supreme Court, since the days of Chief Justice Earl Warren, has become a third legislative branch of Government. Is that wrong? No, that is right.

When you read in the press that a certain decision of the Supreme Court is based on the constitutional separation of church and state, you accept this as the truth. So many decisions have been based on this premise that most Americans really believe the Constitution specifically and explicitly calls for separation of church and state. That is in the first amendment, is it not? No, it is not in the first amendment.

The first 10 amendments to the Constitution, commonly referred to as the Bill of Rights, were proposed to the several States by a resolution of Congress on September 25, 1789. They were ratified by 11 of the 14 States. The Commonwealth of Virginia, being the last to sign, did so on December 15, 1791. The legislatures of Massachusetts, Georgia, and Connecticut did not get around to ratifying the Bill of Rights until 1939.

Here is exactly what article XI, more commonly referred to as the first amendment, says:

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.

The rest of the language in that first amendment has to do with freedom of speech, freedom of the press, freedom of assembly, and freedom of petition.

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.

Does this call for separation of church and state? That is a quote from the Constitution. If the Congress cannot prohibit the free exercise of religion, how can the Supreme Court deny a schoolteacher the right to say a prayer out loud at the beginning of the day?

This common misconception that the Constitution calls for the separation of church and state is a fraudulent distortion. I know that the Judges of the Supreme Court are learned lawyers and wiser than any of the rest of us, but I think any eighth-grade grammar student could diagram that clause and demonstrate that there is no reference to separation of church and state therein.

We speak reverentially of the Bill of Rights. We say that they were written to protect the individual, to limit the power of Government.

If position is any indication of where it is placed, or of importance, please note that these 16 words constitute the first statement of the Bill of Rights.

Did the framers of that language intend, as the Supreme Court maintains, to build a wall of separation between church and state? Of course, the language really does not say that. But then, the framers, who lived so long ago, just failed to say what they really intended to say.

Consider the circumstances of the time in which the Constitution was framed and adopted. Most Americans were recently from Europe. Many of them had come to avoid religious persecution from a state-established church.

Now look back at the amendment:

> Congress shall make no law respecting an establishment of religion.

Clearly, they said what they intended to say. Congress should not be permitted to establish a State-sponsored church. At the same time, Congress should not be able to legislate against the establishment of a church of anyone's persuasion.

And then the second phrase, quoting: "* * * or prohibiting the free exercise thereof."

The writers of these words and the people who represented and the citizens who ratified that first amendment were all religious people. They believed in God, or a Supreme Being, or a God of Nature, and they did not want the Government telling them which God they had to worship or how they should go about that worship.

The Madalyn O'Hairs of the world, and the Supreme Court to the contrary notwithstanding, the founders

expected religion to, in the words of George Washington, our first President, "become the indispensable support of free democratic government."

Is it not ironical that at the opening of the Senate session and the opening of the House session each day, a duly appointed chaplain says a prayer? How can the Supreme Court permit this unconstitutional action to continue?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Bevill (at the request of Mr. Wright), for the week of September 17, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the the request of Mr. Monson) to revise and extend their remarks and include extraneous material:)

Mr. Weber, for 30 minutes, on September 19.

Mr. Rudd, for 5 minutes, today.

(The following Members (at the request of Mr. Florio) to revise and extend their remarks and include extraneous material:)

Mr. English, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Rodino, for 5 minutes, today.

Mr. Weaver, for 60 minutes, today.

Mr. Ray, for 5 minutes, on September 18.

Mr. Eckart of Ohio, for 60 minutes, on September 19.

Mr. Gaydos, for 30 minutes, on September 19.

Mr. Martinez, for 60 minutes, on October 16.

(The following Members (at the request of Mr. Weaver) to revise and extend their remarks and include extraneous material:

Mr. Eckart of Ohio, for 5 minutes, on September 18.

Mr. Pepper, for 5 minutes, on September 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Monson) and to include extraneous matter:)

Mr. McGrath.
Mr. Young of Alaska.
Mr. Gingrich in three instances.
Mr. Goodling.
Mr. Lent.
Mr. Lewis of California.
Mr. Lagomarsino.
Mr. Roth.
Mr. Gunderson.
Mr. Pursell in three instances.

(The following Members (at the request of Mr. Florio) and to include extraneous matter:)

Mr. Mazzoli.
Mrs. Collins.
Mr. Lundine.
Mr. Coelho.
Mr. Stark in two instances.
Mr. Levin of Michigan.
Mr. Borski.
Mr. Dwyer of New Jersey.
Mr. Vento in two instances.
Mr. Guarini.
Mr. Boland.
Mr. Leland.
Mr. Applegate.
Mr. Moakley.
Mr. Ackerman in two instances.
Mr. Obey.
Mr. Garcia in two instances.
Mr. Torres in two instances.
Mr. Rangel.
Mr. Schumer.
Mr. Tauke.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 68. Joint Resolution to designate November 21, 1985, as "William Beaumont Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 139. Joint Resolution to designate the week of December 1, 1985 through December 7, 1985, as "National Home Care Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 159. Joint Resolution to designate the rose as the national floral emblem; to the Committee on Post Office and Civil Service.

S.J. Res. 173. Joint Resolution to designate the Month of September 1985 as "National Sewing Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 186. Joint Resolution to designate the week of September 23, 1985, through September 29, 1985, as "National Historically Black Colleges Week"; to the Committee on Post Office and Civil Service.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.J. Res. 128. Joint resolution designating the month of October 1985 as "National High-Tech Month," and

H.J. Res. 299. Joint resolution recognizing the accomplishments over the past 50 years resulting from the passage of the Historic Sites Act of 1935, one of this Nation's landmark preservation laws.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 444. An act to amend the Alaska Native Claims Settlement Act.

ADJOURNMENT

Mr. WEAVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 25 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, September 18, 1985, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1997. A letter from the Deputy Secretary of Defense, transmitting certification that the Phoenix (AIM-54C) which has increased by more than 25 percent, is essential to the national security, has no alternative that would cost less, its new estimates are reasonable and its management structure is adequate, pursuant to 10 U.S.C. 139b(e)(1); to the Committee on Armed Services.

1998. A letter from the Secretary of Education, transmitting a copy of the final regulations with invitation to comment for the audit requirements for State and Local Governments, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1999. A letter from the Secretary of Education, transmitting a copy of the final regulations for chapter 2 of the Education Consolidation and Improvement Act of 1981, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

2000. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of intent to issue commercial export license for sale of certain major defense equipment, articles, or services (Transmittal No. MC-23-85), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

2001. A letter from the Director of Legislative Affairs, Agency for International Development, transmitting justification of proposed modifications in allocations of foreign assistance for Mauritus for fiscal year 1985, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

2002. A letter from the Director, Defense Security Assistance Agency, transmitting a report of commercial and governmental military exports, together with a listing of all defense requirement surveys authorized for foreign countries during the third quarter of fiscal year 1985 pursuant to AECA, section 36(a) (90 Stat. 740; 94 Stat. 3134) and section 26(b) (92 Stat. 740) (E.O. 11958); to the Committee on Foreign Affairs.

2003. A letter from the Director, Defense Security Assistance Agency, transmitting a report of commercial and governmental military exports, together with a list of all defense requirement surveys authorized for foreign countries during preceding quarter,

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pursuant to AECA, section 36(a) (90 Stat. 740; 94 Stat. 3134) and section 26(b) (92 Stat. 740) (E.O. 11958); to the Committee on Foreign Affairs.

2004. A letter from the Administrator of the General Services Administration, transmitting a draft of proposed legislation to revise certain provisions of chapter 57, title 5, United States Code, relating to the subsistence allowances of Government civilian employees while performing official travel, and for other purposes; to the Committee on Government Operations.

2005. A letter from the Assistant Secretary, Department of the Interior, transmitting a draft of proposed legislation to authorize an increase in the appropriation ceiling for the North Loup Division, Pick Sloan Missouri Basin Program, NE; to the Committee on Interior and Insular Affairs.

2006. A letter from the Deputy Administrator, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting notice of the proposed final rules under the Coastal Zone Management Act, pursuant to Public Law 96-464, section 12; to the Committee on Merchant Marine and Fisheries.

2007. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to amend section 3109 of title 5, United States Code, to clarify and improve the Government-wide authority for the appointment and compensation of experts and consultants as Federal employees, and for other purposes; to the Committee on Post Office and Civil Service.

2008. A letter from the Secretary of Transportation, transmitting a draft of three legislative proposals: To amend subtitle IV of title 49, United States Code, to reduce regulation of motor carriers of property, and for other purposes; to amend subtitle IV of title 49, United States Code, to reduce regulation of surface freight forwarders and brokers, and for other purposes; to amend subtitle IV of title 49, United States Code, to reduce regulation of interstate water carriers, and for other purposes; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Submitted September 16, 1985]

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 6. A bill to provide for the conservation and development of water and related resources and the improvement and rehabilitation of the Nation's water resources infrastructure; with amendments (Rept. 98-251, Pt. 2). Ordered to be printed.

[Submitted September 17, 1985]

Mr. WHITTEN: Committee on Appropriations. House Joint Resolution 388. Joint resolution making continuing appropriations for the fiscal year 1986, and for other purposes. (Report 99-272). Referred to the Committee of the Whole House on the State of the Union.

Mr. de la GARZA: Committee on Agriculture. House Concurrent Resolution 185. Concurrent resolution expressing the sense of the Congress in support of the efforts of the organizers of and participants in the Farm Aid Concert to be held in Champaign, IL, to bring the current crisis in American agriculture to the attention of the American people. (Rept. No. 99-273). Referred to the House Calendar.

SUBSEQUENT ACTION ON A REPORTED BILL

Under clause 5 of rule X the following action was taken by the Speaker:

Referral of H.R. 6 to the Committee on Merchant Marine and Fisheries extended for a period ending not later than Sept. 23, 1985.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BREAUX (for himself, and Mr. Huckaby):

H.R. 3314. A bill to provide for a fair and equitable disposition to certain coastal States of certain Federal Outer Continental Shelf revenues; to the Committee on Interior and Insular Affairs.

By Mr. CLINGER:

H.R. 3315. A bill amending the Powerplant and Industrial Fuel Use Act of 1978 with respect to the conversion of Federal facilities to coal; to the Committee on Energy and Commerce.

By Mr. GUARINI (for himself, and Mr. Weiss):

H.R. 3316. A bill to amend title 23, United States Code, to make special provision for withdrawal of approval of the Westway highway project and for approval of substitute highway and transit projects; to the Committee on Public Works and Transportation.

By Mr. IRELAND:

H.R. 3317. A bill to amend the False Claims Act, and title 18 of the United States Code regarding penalties for false claims, and for other purposes; to the Committee on the Judiciary.

By Mr. KANJORSKI:

H.R. 3318. A bill to direct the Administrator of General Services to construct a Federal office building for the Social Security Administration and other Federal agencies in Wilkes-Barre, PA; to the Committee on Public Works and Transportation.

By Mr. KLECZKA (for himself, and Mr. English):

H.R. 3319. A bill to amend the Freedom of Information Act, and for other purposes; to the Committee on Government Operations.

By Mr. ROBINSON:

H.R. 3320. A bill to provide for procedures for approval of congressional committee foreign travel, and for other purposes; to the Committee on House Administration.

By Mr. RODINO:

H.R. 3321. A bill to revise, codify, and enact without substantive change certain general and permanent laws, related to aliens and nationality, as title 8, United States Code, "Aliens and Nationality"; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.J. Res. 389. Joint resolution to designate the week of October 7 through October 13, as "National Trout Week"; to the Committee on Post Office and Civil Service.

By Mr. ROTH:

H. Con. Res. 191. Concurrent resolution expressing the support of the Congress for a peaceful return of democratic rule in Chile; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. OXLEY:

H.R. 3322. A bill for the relief of the estate of Commodore Perry Miller; to the Committee on the Judiciary.

By Mr. RUSSO:

H.R. 3323. A bill for the relief of Alexander Lockwood; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 3324. A bill for the relief of Angel Maldonado-Valverde, Lusila Delgado de Maldonado, Francisco Maldonado-Delgado, Dora Luz Maldonado-Delgado, and Jose Luis Maldonado-Delgado; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 370: Mr. Gonzalez.

H.R. 604: Mr. Packard.

H.R. 776: Mr. Rodino.

H.R. 822: Mr. Obey, Mr. McCurdy, Mr. Gunderson, Mr. Clinger, and Mr. Hammerschmidt.

H.R. 1021: Mr. Sunia.

H.R. 1059: Mr. Andrews.

H.R. 1207: Mr. Lantos.

H.R. 1318: Mr. Hammerschmidt and Mr. Hunter.

H.R. 1356: Mr. Fawell, Mr. Daub, Mr. Morrison of Washington, Mr. Tauke, Mrs. Burton of California, Mr. Hertel of Michigan, Mr. DeWine, Mr. Badham, Mr. Weiss, Mr. Towns, Mr. Brown of California, Mr. Dyson, Mr. Conyers, Mr. Kindness, Mr. Valentine, Mr. Olin, Mr. Rodino, Mr. Carr, Mr. Weber, Mr. Bonior of Michigan, Mr. Markey, Mr. Armey, and Mrs. Bentley.

H.R. 1538: Mr. McEwen.

H.R. 1619: Mr. Dorgan of North Dakota.

H.R. 1875: Mr. Bevill, Mr. Akaka, Mr. Siljander, Mr. Dymally, Mr. DioGuardi, Mr. Bateman, and Mr. Hubbard.

H.R. 1991: Mr. Courter and Mr. Fawell.

H.R. 1992: Mrs. Schneider and Mr. Fawell.

H.R. 2157: Mr. Oxley, Mr. Mitchell, and Mr. Evans of Iowa.

H.R. 2451: Mr. Skeen, Mr. Horton, Mr. Fish, Mr. Moore, Mr. Torricelli, Mr. Craig, and Mr. Dowdy of Mississippi.

H.R. 2583: Mr. Lightfoot, Ms. Kaptur, Mr. Chappie, Mr. Kolter, Mr. Shaw, Mr. Ritter, Mr. Stenholm, and Mr. Anderson.

H.R. 2683: Mr. LaFalce.

H.R. 2854: Ms. Oakar, Mr. Leland, Mr. Boner of Tennessee, and Mr. Bryant.

H.R. 2861: Mr. Yates, Mr. Lipinski, Mr. Mitchell, Mrs. Collins, Mr. Stark, Mr. Mrazek, Mr. Seiberling, Mr. Dellums, Mrs. Boxer, Mr. Whitehurst, Mr. Foglietta, Mr. Rangel, Mr. Schumer, Mr. Torricelli, Ms. Mikulski, Mrs. Burton of California, Mr. Morrison of Connecticut, and Mr. Weiss.

H.R. 2879: Mr. Lehman of California.

H.R. 3006: Mr. Daub, Mr. Rose, and Mr. Young of Florida.

H.R. 3035: Mr. Martinez, Mr. Ackerman, Mr. Andrews, and Mr. Traficant.

H.R. 3040: Mr. Bryant.

H.R. 3041: Mr. Thomas of California, Mr. Dixon, Mrs. Collins, Mr. Fuster, Mr. Levine of California, Ms. Oakar, Mr. Bevill, Mr. Matsui, and Mr. Lagomarsino.

H.R. 3043: Mr. Robert F. Smith, Mr. Fish, Mr. Daschle, Mrs. Bentley, Mr. Archer, Mr. Gingrich, Mr. Armey, Mr. Borski, Mr. Valentine, and Mr. Barton of Texas.

H.R. 3087: Mr. Rahall, Mr. Bates, Mr. Levine of California, Mr. Leland, Mr. Gray of Illinois, Mr. Lehman of Florida, Mr. Markey, Mr. Hayes, Mr. Mrazek, Mr. Green, Mr. Weber, Mrs. Burton of California, Mrs. Collins, Mr. Frost, Ms. Oakar, Mr. Fauntroy, Mr. Boner of Tennessee, and Mr. Andrews.

H.R. 3098: Mr. Biaggi.

H.R. 3099: Mr. Frost, Mr. Crockett, Mr. Hoyer, and Mr. Berman.

H.R. 3127: Ms. Oakar and Mr. Weaver.

H.R. 3132: Mr. Russo, Mr. Howard, Mrs. Collins, Mr. Fazio, Mr. Stratton, Ms. Kaptur, and Mr. Torricelli.

H.R. 3190: Mr. Ackerman, Mr. Frost, Ms. Kaptur, Mr. Smith of Florida, Mr. Crockett, and Mr. Berman.

H.R. 3263: Mr. de Lugo, Mr. Rodino, and Ms. Oakar.

H.J. Res. 178: Mr. McEwen.

H.J. Res. 200: Mrs. Boxer, Mrs. Kennelly, Mr. Dreier of California, Mr. McCain, Mr. Boucher, Mr. Levine of California, Mr. Volkmer, Mr. Gregg, Mr. Andrews, Mrs. Meyers of Kansas, Mr. Emerson, Mr. Spence, Mr. Brown of California, Mr. Brooks, Mr. Frank, Mr. Walgren, Mr. Gejdenson, Mr. Young of Missouri, Mr. Chandler, Mr. Tauzin, Mr. Stenholm, Mr. Campbell, Mr. Reid, Mr. Foley, Mr. Sisisky, Mr. Pickle, Mr. Stump, Mr. Wheat, Mr. Rudd, Mr. Skelton, and Mr. Torres.

H.J. Res. 218: Mr. Lowry of Washington, Mr. Quillen, Mr. Studds, Mr. Horton, Mr. DioGuardi, Mr. Robinson, Mr. Fauntroy, Mr. Hansen, Mr. Hartnett, Mr. Nowak, Mr. Smith of New Hampshire, Mr. Latta, Mr. Lehman of Florida, Mr. Jeffords, Mr. Tauzin, Mr. Bedell, Mr. Fuster, Mr. Staggers, Mr. Craig, Mr. Lungren, Mr. Livingston, Mr. Jones of North Carolina, Mr. Kemp, Mr. Lipinski, Mr. Taylor, Mr. Traficant, Mr. Donnelly, Mr. Traxler, Mr. Mack, Mr. Hyde, Mr. Lehman of California, Mrs. Bentley, Mr. Spratt, Mr. Carper, Mr. Sundquist, and Mr. Barnes.

H.J. Res. 244: Mr. Wortley, Mr. Gilman, Mrs. Kennelly, Mr. Hammerschmidt, Mr. Rodino, Mr. Roberts, Mr. Mitchell, Mr. Rahall, Mrs. Collins, Mr. Rose, Mr. Fuster, Mr. Hughes, Mr. Fazio, Mr. Fauntroy, Mr. Oberstar, Mr. Weber, Mr. Dwyer of New Jersey, Mr. Crockett, Mr. Weiss, Mr. Williams Mr. Markey, and Mr. Owens.

H.J. Res. 266: Mr. McKernan, Mr. Hall of Texas, Mr. Chandler, Mrs. Boxer, Mr. Foley, Mrs. Burton of California, Mr. Miller of Washington, Mr. Kastenmeier, Mr. Nelson of Florida, Mr. Burton of Indiana, Mrs. Smith of Nebraska, and Mr. Wirth.

H.J. Res. 288: Mr. Leland, Mr. Bosco, Mr. Smith of New Jersey, Mr. Matsui, Ms. Oakar, Mr. Hoyer, Mr. Boner of Tennessee, Mr. Oberstar, Mr. Coble, Mr. Fish, Mr. Weber, Mr. Howard, Mr. Mazzoli, Mr. McEwen, Mr. Hendon, Mr. Gordon, Mr. Fascell, Mr. Strang, Mr. Blaz, Mrs. Bentley, Mr. Ortiz, Mr. Stallings, Mr. Perkins, Mr. Wheat, Mr. Bennett, Mrs. Lloyd, Mr. Siljander, Mr. Porter, Mr. Livingston, Mr. Pursell, Mr. Breaux, Mr. Mineta, Mr. Yatron, Mr. Murphy, Mr. Jeffords, Mr. Bereuter, Mr. Young of Florida, Mr. Carney, Mr. Anthony, Mr. Lipinski, Mr. Rowland of Georgia, Mr. Clinger, Mr. Udall, Mr. Robert F. Smith, Mr. Schumer, Mr. Martin of New York, Mr. Anderson, Mr. Archer, Mr. Roybal, Mr. Sisisky, Mr. Spratt, Mr. Schuette, Mr. Atkins, Mr. Hertel of Michigan, Mr. Lott, Mr. Bryant, and Mr. Pickle.

H.J. Res. 296: Mr. Kolbe, Mr. Coughlin, Mr. Lott, Mr. Mollohan, and Mr. Wolpe.

H.J. Res. 313: Mr. Wortley, Mr. Barnard, Mr. Slaughter, Mr. Chandler, Mr. Gallo, Mr. Sundquist, Mr. Campbell, Mrs. Holt, Mr. Michel, Mr. Lujan, Mr. Fields, Mr. Hall of Texas, Mr. Watkins, Mrs. Lloyd, Mr. Whitley, and Mr. DeLay.

H.J. Res. 347: Mr. Pashayan, Mr. Pursell, Mr. Lewis of Florida, Mr. Kanjorski, Mr. Horton, Mr. Volkmer, Mr. Daub, Mr. Lagomarsino, Mr. O'Brien, Mr. Bliley, Mr. Gray of Illinois, Mr. Yates, Mr. Fuster, Mr. Dornan of California, Mr. Roe, Mr. Solomon, Mr. Dyson, Mr. Bonior of Michigan, Mr. Frost, Mr. Hughes, Mr. Fuqua, Mr. Smith of Florida, Mr. Jeffords, Mrs. Burton of California, Mr. Livingston, and Mr. Bereuter.

H.J. Res. 350: Mr. Bedell, Mr. Bryant, Mr. Chappell, Mr. Clinger, Mr. Conyers, Mr. Cooper, Mr. Crockett, Mr. de la Garza, Mr. Dixon, Mr. Dornan of California, Mr. Fazio, Mr. Fuqua, Mr. Garcia, Mr. Gordon, Mr. Guarini, Mr. Hatcher, Mr. Hayes, Mr. Jones of Tennessee, Mr. Martinez, Mr. Mavroules, Mr. McKernan, Mr. McMillan, Ms. Mikulski, Mr. Murphy, Mr. Neal, Mr. O'Brien, Mr. Ortiz, Mr. Packard, Mr. Rodino, Mr. Roe, Mr. Roth, Mr. Stump, Mr. Sunia, Mr. Synar, Mr. Towns, Mr. Traxler, Mr. Valentine, Mr. Vento, Mr. Wilson, and Mr. Young of Missouri.

H. Con. Res. 41: Mr. Hunter, Mr. Yatron, Mr. Coyne, and Mr. Emerson.

H. Res. 165: Mr. Jones of Oklahoma.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2904: Mr. Frenzel.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

204. By the SPEAKER: Petition of Dr. Aminul I. Chowdhury, a citizen of Bangladesh, relative to the matter of Export Link versus The World Bank; to the Committee on Banking, Finance and Urban Affairs.

205. Also, petition of Mayor, city of Fallon, NV, relative to safe drinking water; to the Committee on Energy and Commerce.

206. Also, petition of Peter J. Cojanis, Washington, DC, relative to divorce; to the Committee on the Judiciary.

207. Also, petition of Fraternal Order of Border Agents, Mission, TX, relative to Customs and Drug Enforcement Administration officers; jointly, to the Committees on the Judiciary and Ways and Means.

208. Also, petition of Massachusetts Highway Users Conference, Boston, MA, relative to extending the Superfund law; jointly, to the Committees on Energy and Commerce, Public Works and Transportation and Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3128

By Mr. QUILLEN:

—On page 115 of H.R. 3128 as reported on September 11, 1985, delete lines 7 through 13.

By Mr. SMITH of New Jersey:

—Immediately after section 149, insert the following new section (and conform the table of contents):

SECTION 150. MEDICARE PAYMENT FOR THERAPEUTIC SHOES FOR INDIVIDUALS WITH SEVERE DIABETIC FOOT DISEASE.

(a) Coverage Under Part B.—Section 1861(s) of the Social Security Act (42 U.S.C. 139,x(s)) is amended—

(1) by redesignating paragraphs (11) through (14) as paragraphs (12) through (15), respectively,

(2) by striking out "and" at the end of paragraph (9),

(3) by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; and", and

(4) by inserting after paragraph (10) the following new paragraph:

"(11) therapeutic shoes for individuals with severe diabetic foot disease, if—

"(A) the shoes are prescribed by a physician who certifies that the individual is under a comprehensive plan of care related to the individual's diabetic condition, and

"(B) the shoes are fitted and furnished by a certified pedorthist, a certified orthotist, or other qualified individual (as established by the Secretary), and

"(C) the shoes have been subjected to a review by a peer review organization to determine whether of not the qualifying criteria have been met.".

(b) Limitation on Benefit.—Section 1833 of such Act (42 U.S.C. 1395) is amended by inserting after subsection (e) the following new subsection:

"(f) In the case of therapeutic shoes described in section 1861(s)(11)—

"(1) no payment may be made under this part for the furnishing of more than one pair of shoes for any individual for any calendar year, and

"(2) with respect to expenses incurred in any calendar year, no more than $375 shall be considered as incurred expenses for purposes of subsections (a) and (b).".

(c) Modification of Exclusion.—Section 1862(a)(8) of such Act (42 U.S.C. 1395y(a)(8)) is amended by inserting ", other than therapeutic shoes furnished pursuant to section 1861(s)(11))" before the semicolon.

(d) Conforming Amendments.—Sections 1864(a), 1965(a), 1902(a)(9)(C), and 1915 (a)(1)(B)(ii)(I) of such Act (42 U.S.C. 1395aa(a), 1395bb(a), 1396a(a)(9)(C), 1396n(a)(1)(B)(ii)(I)) are each amended by striking out "paragraphs (11) and (12)" and inserting in lieu thereof "paragraphs (12) and (13)".

(e) Effective Date.—The amendments made by this section shall apply to therapeutic shoes furnished on or after January 1, 1986.

By Mr. SWINDALL:

—Page 38, strike out lines 11-19 and insert the following new subsection:

(3) Report.—The Secretary of Health and Human Services shall report to Congress, no later than 16 months after the date of the enactment of this Act, on the effect of the

implementation of the amendments made by this section, including the adequacy of remedies provided therein and the need for civil enforcement and criminal penalties in order to carry out the purposes of this section.

—Page 48, strike out lines 1-11 and insert the following new subsection:

(3) Report.—The Secretary of Health and Human Services shall report to Congress, no later than 16 months after the date of the enactment of this Act, on the effect of the implementation of the amendments made by this section, including the adequacy of remedies provided therein and the need for civil enforcement and criminal penalties in order to carry out the purposes of this section.

SENATE—*Tuesday, September 17, 1985*

(*Legislative day of Monday, September 16, 1985*)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. Thurmond].

The PRESIDENT pro tempore. Our prayer this morning will be offered by the Reverend Thomas A. Kuhn, principal of the Elder High School, Cincinnati, OH. He is sponsored by the Vice President.

PRAYER

The Reverend Father Thomas A. Kuhn, principal, Elder High School, Cincinnati, OH, offered the following prayer:

Let us pray.

Lord, we are so aware of Your love and care for us that we call ourselves not merely a nation, but "one nation, under God."

You have blessed us richly. May we generously share with Your children who are poor.

You have given us true freedom. May we work so that all our brothers and sisters, enslaved by prejudice, may be free.

You have made us a powerful people. May we always be gentle enough to lift up the fallen, and prepared enough to protect the weak and defenseless.

You have given us a beautiful land. May we preserve it, and nurture it, so that those who follow us may see what Your hand has made.

We see how You have given to us. Give us also the strength that we might give in the same way to others.

Much of what we as a people are called to be, is entrusted to our Senators. Give them a world vision so that they may work for the good of all Your children. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each. That will be followed by special orders not to exceed 15 minutes each for Senators Proxmire and Hart, and routine morning business not to extend beyond the hour of 10 a.m., with statements therein limited to 5 minutes each.

By unanimous consent, at 10 a.m., the Senate will begin 2 hours of debate on S. 51, Superfund. The Senate will stand in recess, as it normally does on Tuesday, between the hours of 12 noon and 2 p.m. for policy luncheons by members of each party.

At 2 o'clock, by unanimous consent, there will be 5 minutes of debate before each of five rollcall votes on S. 1200, the immigration bill, to occur in sequence. I guess we can expect rollcall votes throughout today's session. It is my intention to complete action on the immigration bill today.

I also indicate to my colleagues that we hope to complete action on Superfund this week. That is S. 51. My latest indication is that there are 25 or 30 amendments floating around. Also, there will probably be some extended debate on the funding of S. 51, whether it should be done with a new tax, a value-added tax, or however it may be characterized. So we hope to complete action on Superfund—maybe optimistically—by tomorrow evening.

Then there is a series of appropriations bills that I am advised by the chairman of the Appropriations Committee, Mr. Hatfield, are now ready: the housing and urban development appropriations bill, the Treasury and Postal Service bill, the District of Columbia appropriations bill. In addition, there is the Compact of Free Association legislation that must be passed by the end of this month.

I would guess there is no question about a Friday session. It seems to me that we will be in session on Friday. We have a number of appropriations bills to dispose of and I do not know of any way to avoid a Friday session. So I indicate to my colleagues now that unless something unusual should develop, there will be a Friday session. We will come in early on Friday and complete action by midafternoon on whatever may be pending.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. Murkowski). The minority leader is recognized.

Mr. BYRD. Mr. President, I reserve the remainder of my time for use throughout the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. Proxmire] is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. I thank the Chair.

THE 1985 TRAGEDY OF THE AMERICAN FARMER

Mr. PROXMIRE. Mr. President, sometimes a single statistic tells a more vivid story than the most impassioned rhetoric. All informed Americans have heard about the plight of America's farmers this year. How bad is it? Last Friday, the U.S. Department of Labor issued its index of producer prices for August. All the attention in the media, as usual, focused on the final figure of finished goods and the change between July and August. The statistic for overall wholesale prices as represented by producer finished goods was a decline between July and August of three-tenths of 1 percent. But no newspaper this Senator could find reported the biggest news in that release. What was that biggest news? It was the drop off in the price of foodstuffs and feedstuffs in August alone of 3.8 percent. And here was the big figure—that August decline meant a drop of an astounding 13.7 percent in foodstuff and feedstuff prices since August of 1984.

Let me repeat that, Mr. President: The American farmer suffered a drop in the price he received for the foodstuffs and feedstuffs he produced in August of this year of a whopping 13.7 percent! No wonder farms are falling under the hammer of the auctioneer. The cost of living in this country for farmers as well as for the rest of us increased last year by 3.6 percent, so the farmer got 13.7 less. He paid 3.6 percent more. That means that in real terms, the farmer lost a whopping 17 percent of his gross income, and far, far more of his net.

A few years ago this country was up in arms about double-digit inflation. Inflation was bad, but most Americans enjoyed nominal increases in their pay or pensions that compensated for all or part of that painful increase in the late 1970's in the cost of living. But this year, the farmers have suffered a savage slash in what they receive, a slash that is larger than the inflation of the late seventies, and on top of that they find the diminished income they do get still buys less per dollar.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Think of the gross injustice of that collapse in farm prices of the past year. A year ago, farmers were in the fourth year of netting literally nothing on their invested capital. In 1981, for the first time in 50 years, that is since 1931, the net return on farm investment was negative. That is, it was actually less than nothing. It was a loss. The year 1982 was worse, another loss. The year 1983, again, the farmer suffered through no return at all on his capital. In 1984, the American farmer on the average suffered his fourth straight year of no return. And what happened since 1984? The prices farmers receive today for the foodstuffs and feed they produce have fallen by a shocking 13.7 percent in one year.

Mr. President, in the view of this Senator, this represents the most blatant example of economic injustice in our country, ever.

Here we have farmers who have complied with every requirement necessary to make a living in a free enterprise, capitalistic society. They have met every standard with flying colors. But what do they get for this sterling performance? Answer: A true, full fledged, depression. And mark my words, this time there are very few incompetent, inefficient farmers left. The farmers losing their farms are among the most efficient in the world.

After all, what should it take in our free economic system to earn a living? First, it should take hard work. Does a farmer work hard? The University of Wisconsin has estimated that the dairy farmers in my State work an average of 10 to 12 hours per day, 7 days a week, 52 weeks a year. And, it is hard work. They milk their cows twice a day. They plant and harvest their feed. They repair and maintain their equipment. They keep extensive books, Many of them use computers. And it is not always pleasant work, unless you have a yen to shovel and spread cow manure.

Of course, hard work is not enough. Many people work hard and earn very little. To justify substantial income in our free enterprise society takes a capital investment. Does the farmer make a capital investment? He does and a big one. The average Wisconsin farmer, for instance, invests well over $200,000. In many States, the average farm investment is considerably higher.

So, I agree that hard work and invested capital should be no guarantee of success in our system. The hardworking investor has to be smart. He has to be productive and efficient. Is the American farmer productive? Is he efficient? Mr. President, here is where the American farmer really shines. There is literally no significant group in American society that has improved their productivity more than the American farmer. None. How do we measure productivity and efficieny? There is a simple and objective test. You measure productivity by how much a worker produces in a man-hour. Today, one American farmer produces more than three American farmers produced 30 short years ago. This country used to be a nation of farmers. In the last century, most of the people in this country lived and worked on farms. Today, less than 3 percent of the American people work on farms. And yet, that tiny percentage of our people produce so much food that we export 20 percent of our food. Our food is so abundant that the average American family today spends less on food than the American family has ever spent in our history, and far less than persons spend on food in any country in the world, ever, in all recorded history. Americans have the most bountiful and abundant diets on Earth. And yet we spend only about 15 percent of our income on food. In Europe, the typical family spends about 25 percent of their income on food. In Asia, more than 50 percent. Consider: What makes America the world's great economic juggernaut? Why is America far and away the world's No. 1 economic power? The great advantage the United States has in economic competition with other countries is not in industry or commerce or finance, or high technology. It is in agriculture. Our prime economic advantage over our superpower rival, the Soviet Union, is right down on the farm. Listen to this—the Soviets require more than 30 percent of their people to work on farms. We require less than 3 percent. Any yet we produce 20 percent more food than they do.

So there you have it. Our farmers work hard. They make a big investment. They are extraordinarily productive and efficient. And what do they get for it? For four successive years they have enjoyed literally no return at all on the average on their invested capital. Their hard, efficient labor brings them less—far less than the minimum wage. And in the past year they have suffered a catastrophic double-digit drop of more than 13 percent in the miserly price they receive for their work.

As sockless Joe Simpson said about 100 years ago, "It's time the farmers should raise less corn and more hell."

DO AMERICAN SCIENTISTS CHOOSE DEATH OVER LIFE?

Mr. **PROXMIRE**. Mr. President, why do American scientists agree to devote their genius to the nuclear arms race? A big part of the answer was disclosed in a fascinating article in the Sunday magazine of the New York Times on August 11. William Broad a science reporter for the Times wrote the article. It tells the story of a 30-year-old scientific genius named Peter Hagelstein. Hagelstein zipped through the Massachusetts Institute of Technology [MIT] undergraduate and graduate school with great distinction. At the tender age of 24 in 1979 he joined a group of young hot-shot scientists at the Government's supersecret nuclear weapons lab at Livermore, CA. Hagelstein had an aversion to nuclear weapons. Why then did he zoom from Boston and MIT to California and the most advanced nuclear weapons lab in the world? Science reporter Broad says it was because Hagelstein wanted to use those marvelous facilities not for any military use, but for biomedical purpose. Hagelstein dreamed of discoveries that would apply x rays and lasers to curing cancer and prolonging life. The Livermore lab had uniquely powerful lasers that in the words of William Broad "would allow the holographic imaging of tiny molecules from the human body, providing clues to the riddle of cancer." Along the way, however, Hagelstein got caught up in a very different quest—and ended up inventing not a medical, but a military laser. Hagelstein found that if he was to use this costly Livermore equipment, he would, of course, have to use it for the purpose for which the Government provided it: and that was to develop more advanced nuclear weapons. How was Hagelstein hooked? He simply saw the challenge the Government wanted him to work on as an interesting physics problem. And so at the age of 24, in 1979 Peter Hagelstein came up with an inspired idea for a laser device which became a key component in the Nation's Star Wars Program and which has been heralded as the most innovative idea in nuclear weaponry since the hydrogen bomb. Hagelstein developed a nuclear-pumped x-ray laser designed to fire beams thousands of miles at the speed of light to destroy adversary missiles. The idea was tested in 1980. Broad reports that it helped inspire President Reagan's star wars speech.

Mr. President, what irony and tragedy we see here. One of the country's most brilliant young scientists dreams of saving life and curing cancer. He has the genius to make such a lifesaving breakthrough. This Congress in its appropriations for the Livermore lab has created the equipment and the facilities necessary to achieve this lifesaving objective. But the talent of the scientific genius and the purpose of the equipment is twisted to aim it in exactly the opposite direction. Instead of saving life, the dazzling scientific achievement advances the nuclear arms race. What a pathetic tragedy.

Of course, if we all saw it the way I have described it, there would be no problem. Peter Hagelstein and his fellow scientists are decent, sensitive human beings. Some of them have few doubts that their star wars mission will save lives by protecting this country's citizens against nuclear attack. Some including Hagelstein are not so sure. For those of us who see the strategic defense initiative or star wars as an impossible dream and a mischievous acceleration of nuclear war it is a special tragedy. Think of it—the marvelous scientific genius of this country on the very brink of breakthroughs in the medical field that could prevent the agony, heartbreak and death from cancer and other diseases. And what do we do with this marvelous scientific genius? We divert it to lethal military purposes. We squander it. If ever in human history there has been a cosmic struggle between life and death, it is here and now. It is in the struggle for the genius and the soul of such as Peter Hagelstein. So far death is winning.

Mr. President, I ask unanimous consent that the article to which I have referred by William Broad in the Sunday magazine section of the New York Times be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The Secret Behind Star Wars

(By William J. Broad)

Peter Hagelstein sought a biomedical use for X-rays and lasers. But, in a top-secret Government lab, weaponry became the aim.

In the military, they are known as "skunk works"—an elite band of scientists and engineers laboring in secrecy on important projects. At the Lawrence Livermore National Laboratory, a Federal site for the design of nuclear weapons and other advanced technologies, about 45 miles east of San Francisco, they are known variously as "O Group" or "Lowell's group" (after Lowell Wood, the founder). They are "eccentric and extraordinarily bright," says a high Livermore official. To a critic within Livermore who opposes the contruction of new weapons, they are "bright young hotshots who are socially maladjusted. All their time and energy is spent on science."

I am at the Livermore laboratory to find out about O Group: young scientists, mostly in their 20's, at the forefront of the Pentagon's five-year, $26 billion search for an antimissile shield, known officially as the Strategic Defense Initiative and popularly as "Star Wars." The "Star Wars" venture is one of the biggest research programs in the history of Western civilization, an effort rivaling the Manhattan Project, which gave birth to the first nuclear weapon, and the Apollo moon program.

Unlike the Manhattan Project, which was shrouded in secrecy, the controversial "Star Wars" theory has been subjected to detailed public scrutiny. Yet, prior to May 1984, the time of my visit to Livermore, little was known about O Group, the creative heart of the weapons lab, or about its legendary Peter Hagelstein, who in 1979, when he was 24, came up with an inspired idea for a laser device which became a key component in the nation's "Star Wars" program and which has been heralded as the most innovative idea in nuclear weaponry since the hydrogen bomb.

Hagelstein's nuclear-pumped X-ray laser, the group's most dazzling success in the world of nuclear design, is meant to fire deadly beams across the heavens at the speed of light to destroy enemy missiles. First tested in a secret underground explosion in 1980, it helped inspire President Reagan's "Star Wars" speech of March 23, 1983, and has also helped to bring the Russians back to the negotiating table in Geneva.

As it turns out, Livermore's two dozen or so Star Warriors are anything but humorless scientists. They seem addicted to soft drinks and ice cream, and delight in black humor and pranks. Taking off on a greeting-card commercial, they like to say the bombs of Livermore are the way to "send the very best." They also like to tell the story of the time some of the lab's scientists slipped a 20-pound lead brick into Lowell Wood's briefcase. Wood unknowingly lugged it around the country for months until they let him in on the joke. A big, powerfully built man in his early 40's with a full beard and a crease in his nose, Wood is a protégé of Edward Teller, principal developer of the H-bomb. He founded O Group in the early 1970's.

Most of the members of "Lowell's group" are proud to lend their talents to the design of a new generation of nuclear arms. Their common goal is to use their technical skills to protect the nation from the horrors of nuclear war. They argue not only with critics who say that a switch to defense will touch off an expensive round of new offensive weaponry to penetrate the shields, but also with those who say that a nation with a good shield might be tempted to launch a first strike against an enemy's missiles. They do not see themselves as atomic scientists doomed to repeat the mistakes of the past. "We're working on weapons of life, ones that will save people from the weapons of death," says Larry West, who designs both supercomputers and nuclear weapons.

To West and his fellow researchers, Hagelstein's story is a saga of epic proportions. Hagelstein's name is often on the lips of O Group members. It is clear that unlike many of his peers, Hagelstein is a scientist for whom music and literature, as well as the ironies and ambiguities of life, are not mere distractions from the all-consuming goal of uncovering the powerful abstractions of science. He ran marathons in college and was on the swim team. He played the piano. He played violin in a string quartet during his freshman year at the Massachusetts Institute of Technology, joining its symphony orchestra. He loves French literature, not in translation but in the original French.

He appears to be the group's resident mystic and genius—elusive, brooding, like a character out of a Dostoyevsky novel. In fact, at his lowest moments after breaking up with his girlfriend, who was opposed to his working on nuclear weapons, his stereo played nothing but requiems by Brahms, Verdi and Mozart. Lowell Wood remembers that Hagelstein's office sounded like a funeral parlor.

"He's an insomniac in general, but especially before important meetings," says Andy Weisberg, a close friend at the lab who designs nuclear war games to try to see if the Russians can outwit a defensive shield. "He works incredible hours the day before and then can't sleep, and shows up looking like a dead fish."

Larry West, a jovial extrovert, recalls with awe how Hagelstein in the 1970's had "millions of things . . . to do, all of which were very exotic and relied on the most advanced physical theory. He didn't even have a physics background. He learned the most advanced quantum physics by simply reading the technical literature, which was amazing. He worked that way for about seven or eight years."

Hagelstein, I am told, never wanted to work on weapons—not in the beginning at least. He wanted to win the Nobel Prize by creating the world's first laboratory X-ray laser, a device that would have no use in war but wide application in biology and medicine.

Regular light is made up of electromagnetic waves of many different frequencies and phases that often interfere with one another, just as waves on the ocean surface often cancel each other out. In contrast, waves of laser light have exactly the same frequency and direction and are perfectly in step with one another. They are a pounding rhythm of powerful light.

For decades the quest in laser making has been to construct devices of ever shorter wavelength. Whereas wavelengths of visible light range from about 7000 to 4000 angstroms (an angstrom is about 4 billionths of an inch), X-rays—which are not visible—are thought to measure less than 100 angstroms. A brilliant success in the X-ray region would be the achievement of a laser with a wavelength of 1 angstrom. Shorter wavelengths pack more punch. X-rays have 100 to 10,000 times more energy than visible light and react with matter in a different way. Light, for instance, does not penetrate human flesh while X-rays do.

Hagelstein's challenge was to use Livermore's powerful laboratory lasers, such as the Novette, to produce a laser in the neighborhood of 1 angstrom. His idea when he arrived at Livermore was that radiation of this extremely short wavelength would allow the holographic imaging of tiny molecules from the human body, providing clues to the riddle of cancer. Along the way, however, he got caught in a very different quest—and ended up inventing not a medical but a military laser.

For days, I try to track down Hagelstein at his many haunts, but with no success. Instead, I talk to his peers and learn something of the weapons lab, and atomic metropolis of 8,000 people in a dry California valley of gentle hills and country roads. It was cofounded in the 1950's by Edward Teller and is today made up of hundreds of buildings and laboratories—a square mile of concrete, glass and asphalt surrounded by barbed wire and armed guards.

One the fourth day of my visit, Hagelstein suddenly appears at the door of the small library in the Livermore complex that has become my "office."

He is taller than I expected (just over six feet), and not the painfully thin, ascetic man I imagined him to be. But his complexion is pale and his manner withdrawn. His shyness is unmistakable. He apologizes for not stopping by sooner.

Hesitantly at first, he tells his story. Peter Hagelstein grew up in Los Angeles and showed an early talent for mathematics, which his father, a mechanical engineer, encouraged. His parents broke up when he was about 10, and he eventually went to live with his mother.

At Canoga Park High School, he excelled in math, history and the humanities, playing violin and viola and starting to write music. "I came to the conclusion that the interesting compositions were too hard to play and the ones I could play were too dull," Hagelstein recalls. "So I started writing my own. That started in 1971 and continues to this day."

Graduating in 1972 with a National Merit Scholarship, Hagelstein went to M.I.T. to pursue an emerging interest in the physical sciences. There he took a double load and, after two years, was ready to graduate from the department of electrical engineering and computer science. In the spring of 1974, he was admitted to M.I.T.'s graduate school. Rather belatedly, he began to look for a graduate fellowship. The one from the Fannie and John Hertz Foundation stood out as having one of the highest annual stipends of all: $5,000 plus full tuition. John D. Hertz—a poor immigrant's son made rich by his many business ventures, including Yellow Cab and Hertz rental cars—started the foundation in the 1940's as a way to challenge what he saw as threatening technical advances by the Soviet Union.

An interviewer for the foundation, Lowell Wood recommended Hagelstein not only for a Hertz fellowship but also for an internship at Livermore for the summer of 1975. Did Wood explain the nature of the laboratory? "He said that in some ways it was like anyplace else," Hagelstein replies. "He said they were working on lasers and laser fusion, which I had never heard of before, and he said there were computer codes out there that were like playing a Wurlitzer organ. It all sounded kind of dreamy."

At the age of 20, Hagelstein drove through the Livermore valley toward the lab. "The lab itself made quite an impression," he recalls, "especially the guards and barbed wire. When I got to the personnel department, it dawned on me that they worked on weapons here, and that's about the first I knew about it. I came pretty close to leaving. I didn't want to have anything to do with it. Anyway, I met nice people, so I stayed. The people were extremely interesting."

In 1976, Hagelstein graduated from M.I.T. with B.S. and M.S. degrees and proceeded to take up full-time work at Livermore. He also maintained his academic status, working toward a Ph.D. and receiving a yearly stipend from the Hertz Foundation.

In pursuing his goal at the lab to build the world's first laboratory X-ray laser for biomedical uses and thus win a Nobel Prize, Hagelstein hoped to have the use of Livermore's huge, multimillion-dollar lasers that generated powerful beams of visible light. But the laser group had no time for the shy graduate student, who was barred from using the lab's powerful machines.

So he pursued his X-ray project by learning physics, developing ideas and writing computer codes later into the night. He mastered the intricacies of quantum mechanics, which, as an electrical engineer, he had passed over superficially at M.I.T. With the help of his trusty computer terminal, Hagelstein began to simulate the experiments he was denied in real life.

Hagelstein, however, was not the only person at Livermore to dream of X-ray lasers. For decades, the weapons enthusiasts at Livermore had envisioned using bombs to dig ditches, blast asteroids, create black holes and "pump" all kinds of exotic beam weapons, including X-ray lasers.

Any electron (the negatively charged particles that form a part of all atoms), if properly jostled, will emit a particle of electromagnetic radiation, such as a photon of light or an X-ray. In a laser device, trillions of electrons are jostled all at once. The powerful Novette laser at Livermore jostles, or pumps, all its electrons with an intense burse of regular light.

In 1977, a senior Livermore physicist named George Chapline came up with a novel (and still highly classified) idea for building an X-ray laser pumped by a nuclear bomb. In one of those odd coincidences, that year also marked the release of the movie "Star Wars."

The explosives test of Chapline's idea took place the next year at the Nevada Test Site, the Government's tract for the underground detonation of nuclear weapons. Chapline's bomb went off, but the elaborate apparatus of detectors and sensors for measuring the output of the X-ray experiment broke down. No one knew whether Chapline's innovative idea worked.

Months passed and plans were made for a second attempt, Chapline and the laboratory's senior bomb builders holding regular meetings throughout 1979 to discuss the impending test and to tie up any loose ends. Wood and Hagelstein were present at some of the discussions. Hagelstein's input was especially welcome, for he had worked for several years on laboratory X-ray lasers and knew the general theoretics of X-ray lasers better than anyone else. But Hagelstein's impulse was to resist. He hated bombs. He didn't want to be associated with anything nuclear. This feeling, moreover, was strongly reinforced by the woman he dated at the time, Josephine Stein.

They had met at M.I.T. in the early 1970's while they were both in the symphony. She was a mechanical engineer who could talk about stress values or Schubert. He was a high achiever who excelled in sports, school and music.

During the summer of 1978, Josie Stein moved from Cambridge to Berkeley to begin work on a master's degree at the University of California. She looked up Hagelstein in nearby Livermore and the two were soon seeing much of each other.

As Miss Stein learned about the lab and what it did, she became vocal in her opposition. She said bombs were bombs, and would always be agents of death and destruction. She encouraged Hagelstein to quit. She became militant, at one point marching with protestors outside Livermore's gates.

Hagelstein was sympathetic, but one day he accidentally started down a fateful path. It was during the summer of 1979 at one of Chapline's meetings. There Hagelstein let slip a suggestion (still highly classified) that changed forever the focus of the nation's nuclear X-ray laser program.

Typically, the day before the meeting Hagelstein had been on an around-the-clock work binge. Now, zonked from too much work and not enough sleep, his subconscious seemed to take over. He viewed himself from a distance, as if through the wrong end of a telescope. And there he was, saying something that had not been said before, something new in the arcane world of nuclear X-ray lasers.

"Then," Hagelstein continues, "I got my arm twisted to do a detailed calculation. I resisted doing it. There were political pressures like you wouldn't believe." He was asked to sit at his computer terminal day after day, pouring his special expertise into the calculation of what might happen when a certain set of hardware was pumped by a nuclear explosion. But he felt he had better things to do. His work on laboratory X-ray lasers was picking up speed. He was struggling to finish his Ph.D. Couldn't the mad bombers see was busy?

Despite the protests of Josie Stein and his own apprehensions, Hagelstein went ahead and worked on the calculations for the nuclear-pumped X-ray laser. Why?

During this period, Hagelstein read "The Gulag Archipelago," Aleksandr Solzhenitsyn's three-volume portrait of the nightmares of Soviet concentration camps. His peers have suggested to me that it turned him against the Russians and toward work on nuclear weaponry. But Hagelstein pooh-poohs this explanation, saying he was in no way naive about the Russians, having read much Russian literature and history in high school and college. "I've got a fairly moody and depressive personality," he muses. "I read the 'Gulag.' I'm afraid I like reading that kind of thing. I was depressed and it lifted my spirits."

As we talk, the factor Hagelstein emphasizes is his desire to build an X-ray laser, be it pumped by a laboratory laser or a nuclear bomb. And Chapline was threatening to become the first person in the world to create the innovative X-ray device. (For graduate students, says Wood, it's a "win-or-die situation . . . There's no graceful second place. If somebody else publishes the definitive results in the area, they go back to zero and start over.")

Another factor was probably friendship. If he refused, his relationship with the Livermore lab might never be the same. Subtle changes might make him feel uncomfortable and compel him to leave. This would mean giving up his friends, his home and one of the few places in the world where his special talents had been appreciated.

The young scientists of the group were close friends. They were smart and sassy. Being with them was fun. One day, they talked about buying Wood a costume of Darth Vader, the looming dark side of The Force in "Star Wars." But they scrapped the idea, afraid Wood would actually wear it as he wandered the halls urging them to work harder.

The fabric of friendship extended even to the language they spoke. Classified projects led to classified jokes. After a while, the young scientists began to be cut off from the spontaneity of the outside world. A visitor could engage them in polite conversation, but so much of their world revolved around secret research that free-ranging discussions could take place only with those who had the proper security clearances. It was like the Gulag. Stalin's concentration camps were the only place in Russia where people could criticize the state. Freedom came only in captivity.

So Hagelstein sat at his teriminal and worked on the calculations for the design of the bomb-pumped weapon. Lab officials quickly decided to include a test of Hagelstein's idea in the next underground experiment of Chapline's approach.

At this time, Hagelstein's relationship with Josie Stein started to fall apart. "At first I tended to agree with her," Hagelstein recalls, his voice edged with bitterness. "But she was terribly adamant." Although a parting of the ways was probably inevitable, he became very depressed.

The underground detonation itself occurred on Nov. 14, 1980. Wood and Chapline were at the Nevada Test Site, worrying and fussing and sweating over the details. Hagelstein stayed behind in Livermore.

The test was a success for both Hagelstein and Chapline, but Hagelstein's results were vastly superior. To celebrate, Wood took Hagelstein and several other members of the group to the nearby town of Livermore and they all had ice cream at Baskin-Robbins.

For Hagelstein and the world, the successful X-ray test had huge implications. The

name bestowed upon Hagelstein's creation was "Excalibur," referring to the Arthurian legend in which the young king-to-be pulls a magic sword from a stone.

Allusions to the nature of the top-secret device eventually appeared in the press. At its core is an H-bomb. A telescope tracks distant targets, feeding information to the device's computer which then aims the device at a target or targets. When detonated, the bomb emits radiation that speeds out spherically and strikes a series of long, thin metal rods—lasing wires. The radiation's impact causes these rods to emit powerful bursts of X-rays capable of striking one or multiple targets—such as oncoming missiles—before the whole device is consumed in a nuclear fireball.

This device is a third-generation nuclear weapon, much more precise than the previous two generations, the atomic and hydrogen bombs. Powered by A-bombs and H-bombs, third-generation weapons *channel* the explosive energy at their core toward targets rather than letting it escape in all directions.

After the successful underground test, many doors opened for Hagelstein. Most importantly, he gained access to the laboratory's big lasers. But, ironically, his original reason for pursuing research on X-ray lasers was vanishing. He felt that scientists working with electron microscopes and other devices had improved their techniques to the point where these tools were better suited to achieving the long-sought biomedical goals.

Hints of this turnaround were contained in Hagelstein's Ph.D. thesis, which he submitted to M.I.T. in 1981 under the title "Physics of Short Wavelength Laser Design." Its 451 pages were thick with equations and scholarly references, but at one point the document broke from its esoteric pace to suggest "future applications" found in three works of science fiction.

In one of them, "Ringworld" by Larry Niven, a spaceship is hit by beam weapons as it approaches a foreign world.

"We have been fired upon," cries a crew member. "We are still being fired upon, probably by X-ray lasers. This ship is now in a state of war."

"An X-ray laser is invariably a weapon of war," says another crew member. "Were it not for our invulnerable hull, we would be dead."

For Hagelstein, the reference to death rays bespoke a deep change of attitude. "Writers of science fiction are supposed to look into the future," he says. "So I started looking to see what they had in mind for X-ray lasers. It turns out all the science-fiction references are to blowing things up. . . . It's fairly discouraging."

The science-fiction references are an ironic comment on the seeming futility of his loftier ambitions for the laboratory X-ray laser. His work is certainly the source of some pride, but Hagelstein appears to feel a deep ambivalence about his brainchild.

"My view of weapons has changed," he says with dry understatement. "Until 1980 or so, I didn't want to have anything to do with nuclear anything. Back in those days, I thought there was something fundamentally evil about weapons. Now I see it as an interesting physics problem." It is hardly the way a king-to-be should talk about his magic sword.

He shifts back and forth on the issue of whether a shield is feasible. His manner does not evoke visions of a high-tech warrior who believes that all problems can be solved with hardware. It suggests a troubled young man who prefers to ignore the military uses of his creation and, when he is asked to contemplate them, tends to see the limitations. As we talk, he stresses not technical solutions to the arms race but political ones, such as cultural exchanges between the superpowers.

"Defense is clearly interesting and feasible—I suppose if I say something like that they'll want to classify it," he says, with a trace of a smile. "With respect to whether it will make war less likely, I doubt that—I mean in terms of man's drives. You're not going to stop war. It would be very nice if we could develop a defense network that would blow away all Soviet ICBM's, but I don't think we can do that. We could take out some, but I don't think we could take out all of them. Even if we could, that would not stop war or get rid of the nuclear threat, people being what they are.

"I'm more or less convinced that one of these days we'll have World War III or whatever," he continues, looking grim. "It'll be pretty ugly. A lot of cities will get busted up. I don't really understand how in the world to defuse the situation or get rid of it. I tend to blame the Soviet Government for a lot of it. But as these things go, our own Government is sometimes more earthy than its voters realize or would like to know. When all is said and done, the Russians are not as flaky as we are in a lot of respects.

"I bear no grudges, at least with respect to the Soviet people. In terms of making the situation better, I think something that would make a big difference is if there were large-scale cultural exchanges between the Soviets and us—so we could at least get to know one another. Maybe that would help. We're in a bad situation, though. And getting up a defensive system might help things somewhat. But it wouldn't keep cities from being obliterated."

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, as Congress and the administration grapple with a number of contentious issues over the next several months, we will likely hear administration officials speak of their mandate from the last election. We carried 49 States, they will say, and that means you must vote for this particular piece of legislation.

That raises a question: Is there such a thing as an election mandate or is it a myth? Recent history answers that mandates are mythical.

In 1936, President Franklin Roosevelt won a smashing reelection victory. Other recent administrations which won big include Eisenhower in 1956, Johnson in 1964, and Nixon in 1972.

But look at what happened to these mandates. The Roosevelt administration suffered a stinging setback in the 1938 election as did Eisenhower in 1958, Johnson in 1966, and Nixon-Ford in 1974. These mandates had a half life of about 1 year.

Why has this happened to both Democratic and Republican administrations? If the economy is doing well, or even improving, if the country is not in an unpopular war, then any administration is likely to win a big reelection victory. "It's morning again in America" was a brillant campaign theme for the Reagan administration because it captured this truth.

But administration officials always want to read more into their victory. They see it as an endorsement of an ideology or a particular policy, whether it be court packing or support of guerillas in Central America.

History demonstrates that this reading of the election results is mythical. The true believers will be brought back to reality by the next election.

JUSTICE DEPARTMENT OFFICIALLY CLOSES FILE ON MENGELE

Mr. PROXMIRE. Mr. President, on August 3 the Washington Post reported that the U.S. Justice Department has officially closed the case of Josef Mengele, the Nazi war criminal. It accepts the conclusion of Brazilian investigators that Mengele died in 1979.

The Justice Department's Office of Special Investigations and the U.S. Marshall's Service told the Senate Judiciary Committee on August 2 that they concur with the findings of the Brazilian authorities.

Thus the American part of the hunt for Mengele officially ends.

The search for Mengele spanned decades. Although he was one of the most publicized of Nazi-hunters targets, he was never apprehended and made to stand trial for his crimes.

Mr. President, thousands of Nazi war criminals still remain at large. With the end of the hunt of Mengele, we must not withdraw from our pursuit of these less famous faces.

That is why we must ratify the Genocide Treaty.

The 96 nations that have already signed the treaty must question our desire to see these men brought to justice. We must sign this treaty to demonstrate that we intend to punish anyone who commits genocide.

By ratifying the treaty, we will silence those who have criticized the United States human rights position by pointing to our absence from the list of signatories.

There is still time to make Hitler's henchmen accountable for their genocidal crimes. Just because the most glamorous manhunt has ended, we should not waver in our resolve to bring to justice other men just as guilty as the "Angel of Death."

Ratifying the Genocide Treaty would be a timely symbol of our determination to bring the perpetrators of genocide to justice. It also affords us another mechanism to prosecute those who would commit genocide.

During the time the Senate has avoided ratification of the Genocide Treaty, some of the most awful perpetrators of genocide have escaped prosecution. We should be ashamed of that record.

Now that the Genocide Treaty is on the Senate Calendar we ought to correct that record by ratifying the treaty as soon as possible.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR HART

The PRESIDING OFFICER. Under the previous order, the Senator from Colorado is recognized for not to exceed 15 minutes.

THE TRADE CRISIS: A STRATEGY FOR AMERICAN COMPETITIVENESS

Mr. **HART**. Mr. President, our Nation is in the worst trade crisis in more than half a century. America enjoyed an unbroken string of trade surpluses from 1891 to 1970. But last year we suffered a record trade deficit of $123 billion. Without comprehensive action, that figure will expand in 1985 and beyond.

The costs of this crisis to our workers and businesses are unacceptable. By some estimates, our Nation has already lost 3 million trade-related jobs. Nearly every kind of business—whether steel, soybeans, or software—has lost trade-related markets and profits.

Our precipitous decline in trade assaults America's self-esteem. From the assembly lines in Illinois, to the farms of Iowa, to the laboratories of New England, Americans feel that our ability to compete has disappeared. Managers no longer feel they can expand markets through better marketing. Workers no longer feel they can compete with their foreign counterparts. Americans sense they are losing in a competition with rules stacked against them and an outcome rigged by invisible forces. The result is an outpouring of frustration and anger that is justified and compelling.

What should we do? Fundamentally, it is a question about our vision of America's future. If we allow the trade crisis to continue, we will surely condemn our Nation to a future of fewer jobs, smaller markets, lower incomes, and shrinking expectations. Yet, if we simply accept the 300 protectionist bills submitted this year, we will be treating only symptoms and not causes. We will be hiding from the economic realities of today instead of investing in the innovations, workers, businesses, and profits of the future.

Unfortunately, the debate over trade has polarized in precisely these terms. One side would do nothing; the other would settle for anything. Both are driven by old, rigid ideologies. Both ignore the root causes of the crisis.

At one extreme—represented by the President's actions or lack of actions of the past 4 years—we hear assurances that no policy is the best policy. Driven by "laisses faire" dogmatism, the White House insists it is in our best interest to surrender to global market forces and unfair foreign practices. Only extreme political pressure in recent weeks has forced the President to reconsider his passive and indifferent stance.

The administration has consistently refused to take action to strengthen our trade performance. It tried to eliminate assistance to trade-dislocated workers. It slashed export promotion programs. It rejected existing authority to fight unfair trade practices. The President ignored his own commission's recommendations for a national competitiveness strategy. His budgets have requested $686 billion in deficit spending, and boosted the price of our dollar—and thus the price of our exports—by 40 percent. The President insists this over-valued dollar—the single largest cause of our trade collapse—is good for America. While it may be good for the wealthy few who do their shopping overseas, the high dollar means joblessness and bankruptcy for families and businesses here at home.

By refusing to take action, this unilateral free trade position has left us with an economy increasingly driven by foreign trade strategies and foreign industrial policies.

Faces with the vacuum created by this administration's record of willful inaction, many well-meaning legislators of both political parties have, understandably, focused on the symptoms of the crisis—the trade imbalances, the silent factories, the chronic unemployment, the migration of families looking for a decent income, the flood of foreign products. Their concern shows a genuine commitment to the economic security and personal well-being of their constituents.

Unfortunately, most of these approaches ignore the disease itself. They recommend import restrictions and tariffs—some of which exceed those in the disastrous Smoot-Hawley bill of the 1930's. They limit their attack to unfair foreign practices, ignoring the estimates of some economists that these practices account for only about 10 percent of our trade deficit. And instead of tapping America's strengths—our ingenuity, energy, and leadership—these legislative approaches seek merely to match unfair foreign restrictions.

But, restricting trade is costly to Americans. Our Nation has achieved our high standard of living, in part, through a high consumption of imports. Taxing those imports guarantees higher prices, renewed inflation, and lower prosperity for American consumers. Trade restrictions overvalue the dollar even further, and make our exports even less competitive. And unconditional trade relief for specific American industries guarantees retaliation from competitors that will hurt our farmers and cost jobs in other industries.

But there is a better vision for our future. By addressing the true causes of our trade problems, we can maintain low inflation and win back American jobs. By taking comprehensive action, we can shape America's future rather than hide from it. Most of all, we can return control over America's economic destiny to our workers and businesses.

Today I would like to suggest the outlines of a comprehensive trade policy designed as a frontal assault against the real forces now crippling our ability to compete, and as a means for the United States to reclaim its traditional leadership in international economic relations.

The legislation representing this policy will attack the major factors contributing to our trade crisis:

The overvalued dollar;

The collapse of Third World demand for our products;

Unfair trading practices by other nations and weak enforcement of American trading rights;

Declining competitiveness of U.S. industries; and

The absence of an effective program to assist American firms and workers in adjusting to changing economic forces.

The Omnibus bill's first goal will be to correct the current imbalance between our dollar and other currencies. The overvalued dollar bars us from competitively pricing our exports and subsidizes foreign imports. According to many economists, this overvaluation is the single largest cause of our trade deficit.

Our record $200 billion budget deficit is the primary reason for the dollar's high value. But there are other causes. The dollar's status as the world currency means foreign nations must buy dollars to repay their internaitonal loans; as they do, the price of our currency increases. In addition, many nations—such as Japan—restrict entry to their capital markets, which artificially weakens their currencies.

Forty years ago, the world's currency markets faced even greater turmoil. But with strong Presidential leadership, the United States led the way at the Bretton Woods conference to a more stable monetary arrangement. This legislation proposes a New Bretton Woods, under the auspices of the International Monetary Fund, to bring currencies back into line while preserving a flexible exchange rate system. It also directs the President to adopt strategies for intervention in foreign exchange markets and for achieving more stable relationships among the world's major currencies.

The bill's second objective is to help remedy the debt and recession crises in the world's lesser developed and newly industralized countries. These nations have historically absorbed 40 percent of our exports. But the ability of these nations to purchase our products has fallen dramatically. Latin America provides a prime example.

Today Latin America owes international banks over $350 billion. Much of that debt has been refinanced by the IMF on the condition of strict austerity measures. These agreements have been reached at a considerable cost. The debtor nations must constrict domestic spending and promote their exports. As a result, their purchases of American exports have dropped, and their goods are increasingly competing with American products here at home and around the world.

The result is a dramatic decline in our trade balance with these nations. Between 1981 and 1984, the U.S. trade balance with Japan deteriorated by slightly more than $18 billion. But during the same period, our trade balance with Latin America deteriorated by $23 billion. In all, the Overseas Development Council estimates the United States has lost nearly 1.4 million jobs due to economic decline within the lesser developed and newly industrialized nations.

Protectionism would only exacerbate the plight of the debtor nations—many of which are fledgling democracies—by shutting down U.S. markets to their exports. My legislation will help these nations expand their economies and make debt payments without adding to internal political instability. This policy recognizes that Third World nations represent the strongest potential market for expanding U.S. exports.

The bill links expanded aid—through investment and debt recycling assistance—to increased American access to Third World markets. The bill would create a program similar to the Cooley Loan Program of the 1950's. It would recommend selling surplus agricultural products for foreign local currencies; it would then recycle those currencies by giving the developing nations grants that help expand U.S. investment. The bill expands the powers of the Overseas Private Investment Corporation, and extends trade privileges—like those in the Caribbean Basin Initiative—to other nations. It also calls for a new, multilateral ageement to prevent the IMF from imposing austerity measures that threaten new democracies.

The bill's third section calls for stronger multilateral and bilateral sanctions against blatantly unfair foreign trading practices.

First, the bill will direct the U.S. Trade Representative to seek the extension of GATT to world trade in services, high technology, and intellectual property—areas largely ignored by the current GATT. Under GATT, these industries and products will then be entitled to national treatment, which requires each nation to treat our products as if they were produced and marketed under the rules that govern their own industries.

Second, this legislation takes a new approach to defending our trading rights abroad. The bill provides strong sanctions against nations that fail to agree to expanded trade rules. This legislation withholds or revokes trade concessions—such as most favored nation status—until trading partners abandon practices that restrict competitive trade.

Unlike current law, which requires Presidential action before sanctions take effect, my legislation would automatically invoke sanctions upon a finding by the International Trade Commission that a trade competitor is engaging in an unfair practice. The President could only suspend these sanctions by certifying that negotiations to remedy the situation were underway. Yet unlike some protectionist measures currently in Congress, the sanctions could only be triggered by specific unfair trade practices—not by arbitrarily determined trade balances between nations.

Conditions under which these sanctions will be imposed include: Failure to adhere to existing GATT rules or bilateral agreements; failure to extend GATT to key economic sectors; and failure to act against counterfeitors and pirates of intellectual property.

Third, the bill requires the International Trade Commission to clarify which practices actually constitute injury or unfairness to American industries. Once these thresholds are crossed, trading partners will face a choice: negotiate an end to their practices, or suffer sanctions.

The bill's fourth goal is to close the trade deficit by improving the productivity and competitiveness of American workers and industry. Such a competitiveness strategy is indispensable to a sound trade policy.

The bill would establish a National Commission on International Competitiveness, which would include representatives from both the public and private sector, and from all trade-related agencies of the Federal Government. The Commission would monitor and report annually on the competitive posture of our trade-related industries. It would propose reforms in our antitrust laws to allow for research and development consortia. And it would recommend national goals and means for reducing capital costs, training workers, and improving productivity. These and other provisions will help American industries focus on products and services that exploit our natural advantages in technology and know-how.

Ultimately, our Nation must establish industry-wide modernization agreements—compacts brokered by the President among labor, management, and private capital. Under such compacts, labor would condition wage demands on profitability or productivity. In return, workers would receive long-term job guarantees. Management would agree to such guarantees in exchange for commitments to work force stability. Management would also commit to direct investment in plant, equipment, and training in long-term lines of private credit. If necessary, the Federal Government could guarantee such loans, but only on the condition that the guaranteed capital be productively invested.

Export promotion is another key to improving our trade competitiveness. This omnibus legislation will expand and reform current promotion programs. It will shift more resources to countering predatory export financing by our trade competitors. And it will promote small business exports through State and regional assistance programs.

The final goal of the bill is to ensure that our workers will not be held hostage to changes in the global market that are beyond their control. Absent such action, public pressure for protectionsim will be irresistible, and an expanding world trade system will be unsustainable.

This legislation will increase funding for the Trade Adjustment Assistance Program while requiring that affected industries develop realistic adjustment plans. These adjustment contracts would be developed in conjunction with the Department of Labor, financed with a small, universal tariff, and phased out over a 3- to 5-year period.

History and common sense make certain truths self-evident.

Our prosperity is inextricably linked to global prosperity, which depends on expanding trade. When trade shrinks, so does America's standard of living.

Expansion of American exports is within our control—by curing the overvaluation of the dollar; by strengthening those who consume our products, as with the Marshall plan; by making our industries more competitive; and by ensuring competitors treat our products as openly as we treat theirs.

We can lead and sustain an expanding system of world trade only so long as our workers are cushioned from the costly vicissitudes of a dynamic world economy.

Today's trade crisis is so severe that inaction is inexcusable and mere palliatives are inadequate.

There is no quick fix. Those who insist otherwise run the risk of deceiving American men and women who are in pain and looking for answers. The

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measures I am recommending today—directed at treating the symptoms by curing the causes of this trade crisis—will require a dedicated effort. But the rewards will be enormous: A future of jobs, industrial competitiveness, leadership, and prosperity.

This is the way America will recapture control of its own destiny and our own future.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 10 a.m., with statements therein limited to 5 minutes each.

VOLUNTARY REFUND POLICY FOR SPARE PART PURCHASES

Mr. GOLDWATER. Mr. President, earlier this year on the 20th of June, I made a floor statement commending the Boeing Co. for its announcement of an unprecedented spare parts refund policy for its dealing with the Pentagon. In that statement, I called on all members of the defense industry to join Boeing and make a similar commitment.

Today I am pleased to report that several major defense contractors have now agreed to a similar, voluntary refund policy for spare parts purchased by the Government. I would like to give public recognition to those companies and also recognize Dr. James P. Wade, the new Assistant Secretary of Defense for Acquisition and Logistics for his efforts in promoting this policy throughout the defense industry.

The Boeing policy, which was directly aimed at putting an end to the so-called spare parts horror stories, guarantees the Government a full refund of the purchase price of any spare part bought from Boeing for a price less than $100,000 which the Defense Department later determines to have been overpriced—subject to a reasonable time limitation. This is a "no questions asked" policy—if the Government says the price was too high, the money is refunded and that's the end of it. No arguments—just a complete refund.

Not long after Boeing announced their policy, other major contractors made similar commitments. General Electric, McDonnell Douglas, Grumman, Raytheon, General Dynamics, and Martin Marietta all voluntarily offered the Government similar refund policies.

The Defense Department, through the efforts of Dr. Wade, combined the best aspects of each of these unsolicited proposals into a single comprehensive refund policy which was then sent out to our top 30 defense contractors. As of today, I am advised that the following companies have signed up to this new policy: Martin Marietta, Raytheon, Sperry, Rockwell, Westinghouse, United Technologies, RCA, Boeing, Lockheed, GTE, Allied, and General Dynamics.

Mr. President, I wish to publicly commend each of these companies for making this voluntary commitment. In my opinion, this confirms what I have always believed about the vast majority of those who make up our defense industry—that they are honest, patriotic citizens doing their very best for their country. And they want to put an end to these horror stories just as quickly as you and I do.

I would also like to commend Dr. Wade for his personal efforts in promoting this very favorable agreement between industry and the Pentagon. Dr. Wade is the first person to hold the Office of Assistant Secretary of Defense for Acquisition and Logistics, and in my opinion, he is off to an excellent start. Having served very ably as the Assistant Secretary of Defense for Development and Support and the Principal Deputy Under Secretary of Defense for Research and Engineering, Dr. Wade brings a wealth of ability and experience to his new post. I congratulate him on his promotion and wish him every success in what is bound to be a very challenging and important position.

DEAN PHILLIPS

Mr. HATCH. Mr. President, although I did not have the opportunity to get to know Dean Phillips as well as I would have liked, I was fortunate to have worked with him on several legislative matters. Dean was a courageous individual, courageous in his military achievements, courageous in his leadership in difficult public policy issues, and courageous in his fight against the disease that recently took his life. It was my privilege to have known and worked with Dean Phillips, a genuine American hero and patriot. I ask unanimous consent to place in the RECORD an outstanding article that recently appeared in the Washington Post on Dean Phillips.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BONDING OF WAR

On Monday morning the Army, which he had served so valiantly, buried Dean K. Phillips with the full panoply of military honors that was his due. This much-decorated citizen soldier and fellow Vietnam veteran was laid to rest in his uniform, the ribbons on his chest a solemn testament to the professionalism he had brought to his calling in the now distant rice paddies of an earlier and more troubled era. In the end the ravages of cancer were able to effect that which another formidable, though less insidious, enemy had been unable to accomplish almost 20 years previously. Throughout it all, Dean's courage served as a beacon to all of us who loved and admired him.

As his friends and family gathered at the grave site in a stand of pines beneath a slate gray August sky in Arlington National Cemetery to pay their last respects, I reflected on what his passing meant to me and on the special covenant that binds men who have experienced the horrors of war. I had been to see him one last time shortly before he died, not because we were particularly close, but because ours was a kinship forged in the bloody crucible of Vietnam, and because I felt an urgent need to honor him for what he had endured. He had by then become a shell of his former robust self, the cataclysmic virulence of the cancer having almost run its course, but his handshake remained firm and his thinking clear.

He had been to see "Rambo" several weeks earlier, which he disliked for a number of reasons, among them the facile way the picture treated death and the distortedly romantic gloss it placed on combat. Dean knew better, and we discussed the new patriotism and the so-called revisionist view of Vietnam at length. He had enlisted in the Army in the mid-'60s despite having been granted a student deferment to attend law school, and he had refused a commission out of a desire to serve in the ranks. Often at odds with the Army as an institution, he nevertheless passionately loved its soldiers, and his service in Vietnam earned him two Silver Stars, two Bronze Stars and a Purple Heart. He told me that he did not understand the cyclical view of patriotism, and he was realistic enough to know that no amount of revisionism could erase the obloquy returning veterans faced as they attempted to enter the mainstream of society in the late '60s and early '70s. He had devoted the remainder of his professional life to easing that transition by his tireless work as an attorney on issues affecting veterans.

I spent several hours with Dean that sultry summer afternoon, and I watched him mask his pain as he acted the good host and tended to the needs of his company. I could see also by his conversation and demeanor that he was putting his house in order and preparing himself for the final battle. As I readied myself to leave, he took my hand in both of his and told me that he hoped he had been able to do some good for mankind in the time he had been given. I do not know if his final words to me were a question or a declaration, but I was only able to squeeze his hands by way of affirmation in what I now regard as a woefully inadequate response.

Dean Phillips died at home with his family a month later, beaten but not bowed by an enemy whose onslaughts he was powerless ultimately to turn aside. He was 42 years old and left behind grieving parents, a loving wife and daughter, and a 2-year-old son who will develop at best only a vicarious insight into his father's enormous stature.

He is gone now, joined at last with his beloved brothers whose names appear on the Vietnam Memorial, most of whom died themselves in their teens and early twenties well before their time, like Dean, and I am as yet unable to derive any meaning or take any solace from his death. I know only that he touched my heart, and I am richer for having shared his life.

DAVID BRODY

Mr. HATCH. Mr. President, it has been one of my pleasures in Washing-

ton to have worked closely with many outstanding individuals of varying interests and perspectives. There is none, however, whom I admire more than Dave Brody, Washington Representative for the B'nai B'rith Anti-Defamation League. Dave is a consummate professional, the paragon of effective Washington lobbyist. He is honest and forthright and the sort of individual in whom a Member can rely for sound information and counsel regardless of their agreement or disagreement on any given issue. It was thus with great satisfaction that I recently read an outstanding thumbnail sketch about Dave in the September 14, 1985, issue of the National Journal. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the National Journal, Sept. 14, 1985]

MAKING MATCHES MEANS ACCESS

(By Dick Kirschten)

Most Washington lobbyists boast about having connections. David A. Brody takes pride in making them.

The veteran Washington representative of the B'nai B'rith Anti-Defamation League is an inveterate matchmaker who wends his way through the capital's power circles on the lookout for people who ought to know one another.

No sooner do his antennae pick up a nugget of conversational information about somebody's past or present interests than the next words out of his mouth are invariably, "I'd like to put you together with. . . ."

The very next day, if not later the same day, Brody will be on the telephone proposing a luncheon involving himself and the two people he wants to bring together. Invariably, they are people who would have gotten together on their own at some point but, as Brody said in an interview, he finds that it advances his long-term interests if he can be the "facilitator or catalytic force."

"I do it so that the two people will know each other, so they will not be strangers when they need to deal with one another. Both parties usually welcome it," he explained. Those involved may run the gamut from Members of Congress, White House aides and ambassadors to reporters, fund raisers and constituents.

Twenty years at his job has taught Brody that at some point, his gestures of good will are likely to be returned in some form. "It's not so much that people are beholden to me, as it's a matter of providing greater access for me," he said, stressing the golden word of the lobbyist's trade—access.

The autographed pictures on the wall of Brody's office attest to his success in gaining access at the very highest levels. They also attest to his skill at hearing what people say and sensing what makes them tick and what their current concerns are.

"In this town, so many people talk rather than listen," explained Brody, giving away a major secret of his success. It also helps to be quick-witted enough to put information to immediate use. "If I happen to be in a Member's office and a name comes up, we'll often set up a lunch right then."

Brody is constantly on the lookout for likely connections, two Members of Congress who haven't met each other yet, a reporter who is starting out on a project involving principals he hasn't met, new arrivals at the Israeli Embassy who need to meet the people they will be dealing with in Washington.

'It's just a matter of having almost an intuitive sense about people's needs," Brody said. "I guess it is just a matter of knowing how to relate to people. I will occasionally bring Members of Congress together whose views may be divergent. In bringing them together, they find that they are able to work together on other issues."

Those other issues, with luck, may turn out at some point to be the very ones upon which Brody is lobbying. And even if their votes do not always go his way, Brody at least gets a chance to have his say. In 1981, when Congress approved the sale of military aricraft to Saudi Arabia, Brody recalled, "a number of good friends of mine voted for the sale, but I still had the opportunity to sit down and talk to the principal—to the man who cast the vote."

That statement is also revealing. In lobbying, as in match-making, the permanence of relationships is important. Accordingly, significance attaches to Brody's reference to "good friends" who voted against his position. They still are his good friends, and maybe next time they will be with him.

Besides putting his lunch hour to regular use, Brody and his wife, Bea, entertain at their home, throwing dinner parties that may bring anywhere from a dozen to three dozen Washington notables together to trade information and get to know one another better.

"From time to time, press people are invited to my parties at home as friends," Brody explained. What goes on is not intended for publication, Brody noted, but it is recognized "a reporter may pick something up at a party." But, he added, "the story won't be that I had that group of people to dinner."

Brody added that he has never hesitated to bring politicans and journalists together in a social setting. "I don't draw any lines," he said. "When I find it useful to play that catalytic role, I do it." With reference to the politicians, he observed, "I think they welcome the opportunity too, otherwise they wouldn't agree to it."

To the best of his recollection, Brody over the years has never become a matchmaker in the romantic sense. He says that he knows of no marriages that have resulted between people he has brought together and quickly adds in a businesslike tone that "if it has happened that would not be the purpose that the meeting started out with."

There is more than a bit of a Horatio Alger aspect to Brody's career. The man who now wines, dines and facilitates friendships among the high and mighty started out in life as the son of an immigrant garment worker who entered this country through Ellis Island. He grew up in Brooklyn, attended public schools and ended up studying law at Columbia University on a scholarship. He came to Washington in 1940 to work as a lawyer for the government and has been with the Anti-Defamation League since 1949.

Brody said he has developed his skills as a lobbyist-social connecter as he has gone along. "I like to say that the things I do, I never learned in law school." Nonetheless, the 69-year-old lobbyist makes it clear that he enjoys what he does. "I have no plans to retire," he said.

The matchmaker is obviously well matched to his calling.

CONGRESSIONAL CALL TO CONSCIENCE

Mr. NICKLES. Mr. President, I would like to take a few minutes to address the continued harassment of the Soviet Jews by the Soviet Government. The congressional call to conscience has been going on for 9 years and it seems like a long time. However, this does not even begin to compare with the years of waiting that many of the Soviet Jews have endured in the hopes of one day being able to leave the Soviet Union and join relatives in another country.

I remember when Mikhail Gorbachev became the new leader in the Soviet Union. It was thought at that time that he would be more sympathetic to the rights of the Soviet Jews. If he is sympathetic, we have not seen evidence of it. The statistics show that based on the first half of 1985, there has not been much change in emigration levels from that of last year. As many of us remember, last year produced the lowest level of Jewish emigration since the movement began almost 20 years ago.

Because of the great role that Mikhail Gorbachev plays in the lives of the Soviet Jews, a letter was circulated by one of my colleagues. This letter, which I signed, was sent to President Reagan asking him to discuss the issue of human rights when he meets with Mr. Gorbachev in November. It is my sincere hope that the President will be able to heed this request and include this vital issue on the agenda for the upcoming talks.

Three months have elapsed since I spoke before this body regarding the Vainerman family. I am sad to report that during this time the Vainermans have waited without any further word regarding their request. Three months is a very long time to wait for something when you have already waited for 5 years.

It appears as though more and more attention is being focused on the human rights violations throughout the world. Although the news is disturbing, I am glad that it is being reported. It is important that we do not forget those individuals who are struggling for their rights, while we as Americans are freely enjoying ours. One of the rights that we do enjoy is being able to speak out against such abuses. It is not only a freedom, but I believe it is also a duty that should not be taken lightly. At this point, the most that we can do is continue to speak out, and to continue to educate others regarding the violations in other countries.

I would encourage my colleagues to continue to remember not only the Soviet Jews, but individuals all over the world who are struggling to survive in countries that do not grant them the freedoms they deserve. We must continue to voice our concern in the hope that one day we will see an end to these abuses.

U.S. FOCUSES DRUG BATTLE ON PRE-TEENS

Mrs. HAWKINS. Mr. President, in the Miami Herald recently there was a particular informative article on the recent focus of drug control efforts at grade school students.

Mr. President, as unbelievable as it is, it is a fact that directing drug education efforts at children younger than 12 years old is necessary. As Dr. Carlton Turner, chief of the administration's drug prevention and education programs is quoted as saying:

> We're going down to a very early age. Twelve is too old. If you're going to try to educate them at 12 and above—forget it. You've lost the war.

Numerous agencies and individuals of the Federal Government have been involved in this effort. The Department of Education has sent education supplies to more than 50,000 elementary schools across the country, introducing an estimated 3 million fourth, fifth, and sixth graders to the dangers of drug abuse. The National Institute on Drug Abuse recently issued findings indicating that many children begin experimenting with drugs at 11, and that most are exposed to adult drug users years earlier. The First Lady has been extraordinary in her commitment to ensuring adequate drug abuse information to grade schoolchildren, as she has already logged 60,000 miles visiting schools and drug rehabilitation centers in 44 cities. She remains determined in her goal to protect children from the horrors of drug abuse. As she is quoted as saying:

> It strikes me as odd to see little boys in Cub Scout uniforms and little girls in jumpers learning about drugs that many adults haven't even heard of * * * the scene was both terrifying and encouraging.

Individuals and groups in the private sector are also joining in this effort, among them numerous celebrities. Their influence can be enormous. As Rev. Jesse Jackson pointed out during a speech before a junior high school group, movie stars, athletes, and rock 'n' roll singers should be urged to join in the antidrug campaign. "If Mr. Prince and Mr. Stevie Wonder and Mr. Boy George go a certain way, they're going to take a lot of people with them," said Reverend Jackson.

Mr. President, I commend these individuals, these groups, and all those who continue to try to prevent the destruction of our children by illicit narcotics.

In the universal war against drug abuse, it has become necessary to form a new frontline—to educate grade schoolchildren to the dangers of drugs. As chairman of the U.S. Senate Subcommittee on Children, Family, Drugs and Alcoholism, I, too, will continue in efforts to eradicate drug abuse in our Nation.

THE ROSE AS THE NATIONAL FLOWER

Mr. KENNEDY. Mr. President, I want to take this opportunity to say how pleased I am with the action by the Senate yesterday in approving legislation to designate the rose as America's national flower.

The rose is the name of a beautiful flower, and it is also the name of a beautiful mother. I called my mother last evening to tell her the news. She celebrated her 95th birthday in July, and let me just say that yesterday's action by the Senate has made her extremely happy.

We may well ask, what has all this to do with immigration? Well, my mother's grandmother, my great-grandmother, was also named Rose. She was born in County Wexford, and she made that grim trip to America during the Irish potato famine of the 1840's. In a sense, they were the boat people of their era, and those who survived that perilous crossing called the Atlantic Ocean the "Bowl of Tears."

And so my ancestor, that 19th century Rose of Ireland, found her way to Boston, where she met another Irish immigrant, named Thomas Fitzgerald. And they had a son named John Fitzgerald, who became a customs clerk, a State senator, a Congressman, and then mayor of Boston. And he had a daughter whom he named Rose, and whom he called his Irish Rose.

We, all of us, are a nation of immigrants, and I hope that all of us, as we vote on this legislation, are mindful of that great heritage.

The 198TH ANNIVERSARY OF THE CONSTITUTION

Mr. SIMON. Mr. President, I rise today to recognize the anniversary of the U.S. Constitution. One-hundred and ninety-eight years ago today, 55 men emerged from the summer heat of Philadelphia with the final version of a document that would change the world. That summer of 1787 the Constitution of the United States was born. I am pleased to join my colleagues in honoring the work of these men and in celebrating the anniversary of our Constitution.

Our Constitution has been successful for so many years because of two fundamental principles—flexibility and limitations of power. The framers of this unprecedented document realized that while they could not anticipate the changes of the modern world, they had to provide a flexibility for the future. Today, we each admire, as James Michener wrote, its "constant ability to change with a changing world."

But while the framers realized that they could not foretell the future, they were all too familiar with the specter of the past. The Founding Fathers knew the corruption that accompanies absolute power and, therefore, they developed a careful system of checks and balances on the power of their new government.

This summer, several students battled the summer heat of Illinois and other States, to write an essay on the Constitution. The topic for this contest was "The Powers and Limitations of Congress." I received many fine papers from students throughout Illinois. I would like to share some of the thoughts of the finalists of this contest.

There were many thoughtful examples of the separation of powers among these papers. Debra Dowell of Chicago discussed the differences between House Members and Senators.

> The founders protected rights with checks on majority rule by setting up limitations in Congress. Representatives are directly responsible to their constituents. The Senate's longer term, higher qualifications for office in both age and length of citizenship, and larger constituency indicate the founder's idea of the Senator's role as enlightened statesmen. We have kept the principle of some differences between the Houses to protect ourselves from the political winds of short-lived zeal.

Susan Matt of Downers Grove, IL, explains the historical rationale for these checks and balances:

> To twentieth century Americans, scenes of governmental chaos seem a little fantastic. However, the authors of the Constitution knew that in the not too remote past, governmenal disorder abounded. Therefore, their desire for stability was both an expression of ideals in harmony with the ideals of the Age of Enlightenment and also the expression of ideas in opposition to the historical realities familiar to the framers. In the past century, for instance, kings had been replaced by Cromwell and Cromwell by kings . . .

Another finalist, Mark Strong of Arlington Heights, IL, discussed how the powers of Congress and the President have expanded and changed with the use of checks and balances over time.

> Due to the changing needs of a growing nation and influence by key people in the early years, the power of Congress has grown immeasurably. As the power of Congress has grown, so has its dependence upon the executive for leadership.

Other essays such as the one by James Nucci of Hanover Park, IL, illuminated our duties as citizens to understand the Constitution.

> Continued and informed acquaintance with its granting and limiting language then is an obligation of that greater number of us as citizens . . . (for) the powers of Congress can be very great. They must be handled with care, and this is why the United States of America is where it is today. With Congress' continued success the United States will continue to grow and prosper.

Maureen Mooney of Harvard, IL, continues the argument for the public's need for studying the Constitution. "The U.S. Constitution provides a backbone for our Government and for our country. Only when we consider how important this paper is will we realize its value to us individually, as well as a nation. We, as citizens, should strive to learn more about our Government and use this knowledge in a positive way."

But, as I read the words of these young people, I see the best of example of what makes our Constitution so unique—its special ability to pass the blessings of liberty, and a sense of freedom and hope, from one generation to the next.

The essays by these students are filled with hope for the future, and a feeling that each writer will have the freedom to pursue these dreams. These feelings of hope and freedom are the same feelings our Founding Fathers must have felt as they traveled home from Philadelphia with their new Constitution 198 years ago.

In the summer heat of Philadelphia in 1787 the flame of liberty was preserved forever by this new Constitution and each new generation basks in the warmth of this freedom and hope.

EFFECTIVE WORK OF SENATOR BOSCHWITZ ON FARM LEGISLATION

Mr. COCHRAN. Mr. President, it was a pleasure to read such a complimentary article about my friend, Senator RUDY BOSCHWITZ, and his effective work in our Committee on Agriculture in a recent edition of the Minneapolis Star and Tribune.

As we have considered and debated the issues involved in the writing of a new farm bill, Senator BOSCHWITZ has been a very thoughtful and hard working participant.

I need to correct, however, one inaccurate statement in this article. It is suggested that strains have grown between Senator BOSCHWITZ and me, and other southern committee members, because of differences over cuts in the costs of commodity programs. We surely have disagreed on some matters, and we probably will in the future; but, there is no strain on our friendship nor is there any diminution in the feeling of respect that I and others on the committee have for the distinguished Senator from Minnesota.

I ask that a copy of this fine article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star and Tribune, Aug. 4, 1985]

BOSCHWITZ EMERGES AS MAJOR FIGURE IN DRAFTING OF 1985 FARM LEGISLATION

(By Finlay Lewis)

WASHINGTON, DC.—During his early years on the Senate Agriculture Committee, few accused Rudy Boschwitz of being a heavyweight.

That has changed—to the surprise of many and the irritation of some.

Echoing the common assessment of those with an interest in the 1985 farm bill, Carl Schwensen, executive vice president of the National Association of Wheat Growers, said of Boschwitz late this week, "I think he has devoted more study to the subject—and to the various programs and situations in which those programs would operate—than any other senator."

Boschwitz has emerged as a major figure in drafting the farm bill, which despite his efforts remains stalled in both the Senate and House Agriculture committees.

Entering the Senate as a freshman Republican from Minnesota in early 1979, Boschwitz was regarded as something of a joke when he took his committee seat.

What could a city slicker know about such things? Moreover, no one had to stick him with the assignment to this sleepy backwater of a committee. He asked for it, of all things. Observers chalked it up to the naive exuberance of a neophyte. He would learn, they said.

Indeed, he has. No one is laughing now at Boschwitz, who once sent giggles through the agricultural community when out of curiosity he grabbed an electrified prod used to train cows.

As Boschwitz acknowledged later, that was a shocking experience. But it was no more shocking than the praise that was unexpectedly heaped on him during a Senate debate last week by one of the most liberal and fiercely partisan Democrats in that chamber, Tom Harkin of Iowa.

No two members of the Senate Agriculture Committee disagree more on the 1985 farm bill than Harkin and Boschwitz. Yet Harkin said that Boschwitz possesses "more knowledge of the intricacies of what the tradeoffs are and what the impacts are of various options . . . that we can make than anybody on the committee, including myself."

Not everyone shares Harkin's admiration Boschwitz has not hidden his determination to protect or promote Minnesota's agricultural interests. Several times that has meant attacking proposals or existing programs that he says he believes give undue advantage to other regions.

There reportedly are growing strains between Boschwitz and Sen. Thad Cochran, R-Miss., and other southern committee members who dispute Boschwitz's claims that crops such as rice and cotton are being insulated from budget cuts in comparison with wheat and feed grains.

Boschwitz's overall impact on the farm bill is uncertain, in part because of his willingness to take up losing causes, such as his dairy amendments, and in part because the contents of the legislation remain unsettled.

Nonetheless, Boschwitz's attention to detail, his understanding of the interaction of different aspects of federal farm programs and the resulting effect on the budget, and his diligence on a committee noted for absenteeism have paid off.

Last month, for example, the committee appeared headed toward opening a loophole in an important provision written to penalize farmers who persist in plowing erodible land. With several questions, Boschwitz stopped the drift toward the weaker language sought by Sen. John Melcher, D-Mont. Eventually, the committee wound up taking a somewhat tougher stand than originally proposed.

More recently, Sen. Robert Dole of Kansas, the Republican majority leader, offered a compromise plan on one of the most controversial farm bill issues—income subsidies for wheat and feed grain farmers.

Boschwitz said that he would insist those growers be treated on an equal footing with cotton and rice producers. Dole, possibly aware that the committee had become badly polarized over the issue, withdrew his compromise, but he acknowledged to reporters later that cotton and rice "have so many advantages."

Then, last week, Boschwitz won a modified victory on another issue, which, if it becomes law, could pave the way eventually to a major change in the current system of supporting wheat and feed grain prices through relatively high, rigid loan rates.

On a 14-1 vote, the committee agreed to include in the bill a provision for flexible loan rates that would rise and fall with world market prices. However, the language for implementing the provision was so hedged with conditions that its immediate impact on federal policy would be uncertain.

Again, it was a question of equity, since an identical "marketing loan" provision had been adopted by the committee for cotton and rice.

The marketing loan principle is central to Boschwitz's approach to the farm bill, since he sees it as the key to restoring U.S. farmers' competitiveness in world commerce. Harkin and some other farm state senators would seek that goal by maintaining high U.S. prices and then using export subsidies in competition with other grain-selling countries for foreign markets. Their approach also would entail mandatory production controls to make sure that farmers, spurred by the high price, would not overproduce.

But, for Boschwitz, the only approach that makes practical sense involves cutting U.S. prices, confident in the notion that U.S. farmers can out-produce and out-sell competitors. Production controls also would have no place in a ideal Boschwitz world governed by the law, of supply and demand.

Boschwitz chafes over the committee's reluctance to embrace his approach but stops far short of accusing his colleagues of political gutlessness. Clear to him, but apparently not to the others is what he describes as the "tremendous upside" of his vision of a farm economy moving in harmony with a free marketplace. By that, Boschwitz means that the potential loss of farm income owing to lower loan rates could be more than offset by increased demand.

In view, that together with his confidence in an imminent decline in the dollar's value, offers the prospect of a "great bonus" for U.S. exporters. And with that statement, Boschwitz underscored his dual role as a member of both the Agriculture and Budget committees.

As a budget Committee conferee in negotiations with the House, Boschwitz helped shape last week's compromise. In the view of some analysts, the budget agreement is significant because it will help slow federal borrowing to finance the deficit and thus serve to weaken the dollar, the strength of which is said to have crippled farm exports by making U.S. commodities relatively more expensive on world markets.

However, Boschwitz said recently that the interrelationship between cutting farm prices and reducing the deficit has not been well understood by others on the Agriculture Committee.

"Senators really aren't very entrepreneurial," said Boschwitz, who also suggested that his colleagues undervalue that ability of farmers to grasp the logic behind a market approach to agricultural policy. "I'm willing to take chances. I'm a gambler and I think most farmers are too. Give me an upside, I like that," he said.

Indeed, Boschwitz still draws lessons from the days when he founded his home improvement business, Plywood Minnesota. Struggling in the beginning, he recalls lowering his prices so much that he became an industry pariah.

That experience, he added, led him to an important realization: "When the price came down, there was a market for it."

William Lesher, an economist on the Agriculture Committee staff when Boschwitz arrived, remembered that Boschwitz was relatively ignorant about farming or agricultural policy issues then.

Said Lesher, who now is a consultant, "I think he has progressed remarkably well. He has worked harder than most to the point that now he has a better grasp of the issues than most on the committee. The way he did it was by asking questions."

Lesher also credited Boschwitz with "bringing a new dimension to the debate" by coauthoring with Sen. David Boren, D-Okla., a farm bill built around the addition of lowering U.S. farm prices while protecting farm income through transition payments, designed to phase out about the time exports would be expected to start booming.

For the time being, at least, Boschwitz has abandoned the transition payment idea, while continuing to insist on the dual principle of lowering farm prices and maintaining an interim income safety net.

Indeed, Boschwitz seems little fazed by occasional indications that others on the committee may have tired by now of his proselytizing.

During one contentious committee meeting, Sen. Edward Zorinsky of Nebraska, the panel's ranking Democrat, interrupted Boschwitz. "Let's vote," said Zorinsky.

Snapped Boschwitz, "I will continue, Senator. That's not for you to say, Let's vote.' "

THE RETIREMENT OF GEN. JOHN W. VESSEY, U.S.A., CHAIRMAN OF THE JOINT CHIEFS OF STAFF

Mr. DURENBERGER. Mr. President, on the 30th of this month, a great American, a great patriot, and a great soldier will retire from active service. In 46 years in the Army, Jack Vessey has seen it all. From World War II, through the cold war, through Korea and Vietnam to the age bounded by nuclear deterrence and low intensity conflict. He has kept his vigil through thousands of national crises and contributed his wisdom to thousands of critical decisions. Warrior—statesman—leader. He is a soldier's soldier—a general's general—and a Minnesotan's Minnesotan. His career is the epitome of the standard, duty, honor, country.

General Vessey will receive a shower of well-deserved accolades in the coming weeks. To those I wish but to add the simplest—yet most powerful praise of one soldier to another, "well done." Steve Berg's piece in the Minneapolis Star and Tribune is an excellent tribute to this great man and I ask unanimous consent that the column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star and Tribune, Aug. 25, 1985]

NATION'S TOP SOLDIER PREPARES FOR ASSAULT ON WALLEYES

(By Steve Berg)

WASHINGTON, DC.—On the last day of September, Gen. John W. Vessey Jr. will cease to be the nation's most powerful soldier, closer perhaps to the president than any of his predecessors and, thus, closer to the nuclear button than any U.S. general in history.

He will become, instead, Jack Vessey of Crow Wing County, Minn., fisher for walleyes.

"I'm looking forward to getting back up there," Vessey said during a rare interview in his Pentagon office last week. He confessed a special affection for his native state and reflected on his three years as chairman of the Joint Chiefs of Staff and his 46 years in the Army.

Among his sentiments are sadness and regret over the deaths two years ago of 241 Americans in the bombing of a marine barracks in Lebanon, and acknowledgment that sending troops to the Beirut airport may have been a mistake, that the chiefs "knew that in advance."

Vessey, 63, is retiring more than eight months early. He had wanted to depart last June to keep a promise to his wife, Avis, who long has hoped for a retreat from official Washington to a full-time retirement at their lakeside home.

But the TWA hostage crisis intervened. Now, by the time the bags are unpacked, the leaves will have begun to change and the winds will be chilly off Little Whitefish Lake. Still there will be fish to catch and grass to cut and a future to ponder.

Vessey leaves Washington with high marks, even from some of the Pentagon's stiffest critics. He's viewed with "very high respect," said Rep. Les Aspin, D-Wis., one of Congress' top military experts.

But Vessey also departs in near anonymity. Few outside the military's top circle know his name or know the tale of his remarkable rise from private to four stars and beyond.

Few realize that he began the rise to the military's highest office with a commission on a bloody Italian beach, not on the parade ground at West Point. Few recall that Vessey fibbed about his age to enlist at 16, and has been in the Army longer than anyone now serving. Or that he will be the last chairman to have fought in World War II.

Few know about the dark morning in South Vietnam when Vessey rallied a demoralized battalion, one that responded to his personal demonstration of bravery by repelling—at some points hand-to-hand—a massive surprise attack, killing 423 enemy soldiers.

"He's been dirty and bloody . . . and he's worked his way up," said Lt. Col. Tony Palermo, a Marine and former aide who finds it hard to disguise his loyalty. "There won't be anymore like him."

Vessey never has flaunted his storybook career. Rather, he has sought to hide it, to seek shelter from any hint of celebrity.

Despite his closeness to President Reagan, Vessey has resolutely avoided partisan politics. His speeches nearly always to friendly audiences, make few headlines. His testimony to Congress has been bland. He has granted few interviews to the press and, even then, has added little meat to the bones of his spare but intriguing one-page Pentagon biography.

"I don't think the American people, particularly in peacetime, want to see their generals splashed around on the front page," he said, smiling broadly, his uniform shirt open at the collar, his blue eyes darting toward the portrait of Gen. Omar Bradley, the "GI's general," that hangs near his desk.

Friends say that Vessey, too, likes to consider himself a soldier's soldier. "He's the most honest, real, down-to-earth person I've ever met," said Gen. Charles Gabriel, the Air Force chief of staff. "That's one of the beauties of Jack Vessey. From the time he was a sergeant, I'm sure he has been the same Jack."

Another friend compared Vessey's classic Minnesota stoicism and subtle humor to that of Bud Grant, the Vikings football coach. "He's like Bud, only with a better team."

Although entitled to wear nine rows of ribbons, including the Distinguished Service Cross, the military's second-highest award, Vessey often wears only one. Once, when a kid asked where he got his medals, Vessey replied, "In a Crackerjack box."

Vessey described his attitude with a chuckle: "If by the time we leave, we've built our defensive wall a little higher and stronger, then we will have done our thing, and we should just do it and shut up."

Vessey has needed his humor and his cool attitude over the past few years and, associates say, has displayed them at tense moments. There have been many.

He oversaw a massive infusion of money aimed at restoring muscle and pride to the military. He fought for the MX missile and "Star Wars." He insisted that the Pentagon, not the White House, direct the Grenada invasion. Despite criticism that the operation lacked coordination, he is gratified, given the haste of the venture.

During Vessey's tenure, terrorists bombed U.S. troops in Lebanon and West Germany. The Soviets shot down a Korean airliner and killed a U.S. Army observer in East Germany. Spies were discovered in the Navy. The Pentagon was found to be paying hundreds of dollars for toilet seats and ashtrays, which, in turn, exposed wider scandals involving wasteful and fraudulent defense contracts. Critics grumbled about Vessey's cautiousness and lack of innovation.

Vessey appears stoic about all that. "We don't learn new lessons," he said. "We relearn old lessons that we haven't paid attention to."

His head bows and his voice quiets when he is questioned further about Lebanon. It was the low point of his tenure.

Most often it's a mistake to use superpower troops as part of a peacekeeping force, he said. "As a general rule, we knew that in advance . . . and this is not the first time that lesson has been learned."

But the administration had "great expectations" for peace in Lebanon, he said. And the Marines represented an investment, a deposit of "earnest" in hopes of fostering confidence within the Lebanese army and government.

In the end, however, "We had a peacekeeping force where there was no peace . . . and we were caught in the middle of it," he said.

Did he advise Reagan against sending U.S. troops? He won't say. It wouldn't be professional to disclose his private advice. Highly placed associates, however, confirmed that Vessey advised against the Lebanon venture.

Indeed, much of his counsel has been for restraint. Often during the Reagan years, traditional roles have been reversed, military advisers arguing for caution against more adventuresome views from civilians on the right.

Vessey and the chiefs, for example, also argued against scrapping the SALT II treaty, or expanding the U.S. role in Central America beyond maneuvers or against any imprudent deployment of U.S. forces in the Persian Gulf.

"I am absolutely, unalterably opposed to risking American lives for some phony sort of military and political objectives that we don't understand," he said two years ago.

Vessey was born June 29, 1922. His mother, Katherine Roche, came from an old Irish family in St. Paul. His father, Jack, was of English and Scottish stock, and worked as an agent for the Minneapolis, Northfield and Southern railway.

Young Jack, as he was called, was the first of seven children. The family lived in Lakeville until he was 13, then moved into a two-story stucco house on Weenonah Place, a small, tidy street just off 50th St. and 34th Av. in south Minneapolis.

"It was the nicest little street in the country," said Vessey's mother, 83, who since has moved into a retirement home not far away. "It was only one long block, and so quiet. The kids played ball in the street. It was just like the kids were growing up in a small town."

Friends remember Vessey as a Tom Sawyer figure—entertaining younger kids by pretending to swallow goldfish, holding the rope while older boys hoisted a cow onto the roof of the Lakeville school, playing "America" on the harmonica while standing on his head.

A few at Roosevelt High School thought Jack Vessey had "too much vinegar." But he was popular and had a serious side, too. "He didn't waste time hanging around street corners," recalled Howard Olson, a longtime friend. "Most of the time he was a no-nonsense guy."

He worked on the yearbook and in student government, was captain of the swim team and manager of the stage crew. He took keen interest in Boy Scouts and in the activities at nearby Lake Nokomis Lutheran Church. His mother recalls giving up serving Sunday night dinner to her family because the house was mobbed with teen-agers stopping over on the way to church youth meetings.

He also took a keen interest in Avis Funk, a striking blond girl with a bent toward art. He would correspond with her throughout the coming war and marry her afterward.

Vessey adored his father. They shared the same dead-pan humor and repeated the same corny jokes nearly every night at dinner. By the late 1930s, however, his father's health began to fail. His kidneys had not been right since the damp and muddy trenches of France in World War I. He was developing diabetes.

Together, they took a car trip to Oregon, along the way sharing what fathers and sons share. The father showed his boy the Army post where he had signed up to become a Doughboy in 1917.

He thought it was fine that Young Jack had joined the Minnesota National Guard, despite lying about his age. No one quite knows what motivated Young Jack to sign up, although one could envision him in 1939, a kid off the Wheaties box, hair slicked down, a giant gold R on his maroon letter sweater, sipping a chocalate malted at the Nickle Nook and telling his buddies, "Gosh, wouldn't it be swell to give those Nazis what they deserve?"

Eventually, on a cold February morning in 1941, Vessey marched off to prepare for war. He was home on leave when Pearl Harbor was attacked, and had to depart again, quickly.

"We were all out in the front yard saying goodbye," said his sister, Pat Vessey. "I looked around and my Dad was missing. I went into the house and he was sitting in a chair, tears rolling down his face. I'd never seen him cry before. He told my Mom, 'I'll never see that boy again.' "

He died as Young Jack headed toward the fighting in North Africa. The 34th Division, made up largely of Minnesota and Iowa boys, helped push the retreating Germans out of the desert and into Italy.

By the time their "Red Bull" division reached the beaches at Anzio, just south of Rome, Vessey had risen to first sergeant. "He was fair and firm and always stood up for his men," recalled Jim Gregg, mess sergeant in Vessey's artillery outfit.

"Once he came and told us that the captain was worried that the men would climb out of the foxholes and start running when the shelling got bad again. He said we should stay in our foxholes, but if anyone looked nervous, he could get them sent farther back. Then he said to me, 'If anybody says we're not *all* scared, he's a damn liar.' "

Days later, the Germans launched a counterattack. Hitler instructed his generals that "The men will fight with a solemn hatred . . . The battle must be hard and without pity (and Anzio) will drown in the blood of the Anglo-Saxon soldiers."

Bodies piled up. The U.S. 5th Army suffered 70,000 casualties in the first four months of 1944. Vessey's mother received word that "Of the 14 or 18 men closest to Jack, only six were left."

Suffering attrition, the Army commissioned Vessey a lieutenant and sent him to the front lines to direct artillery fire. An Army doctor sent Vessey's mother a photo. Jack was dancing a jig. "Later," she said, "I asked the doctor if that's how Jack got his commission, and he got real upset. He said Jack was just so happy after what he had been through."

After the war, Vessey considered entering the seminary. He remains a devout Lutheran, reading the Bible daily and occasionally attending Bible study sessions in the Pentagon.

He admits that it's a struggle to reconcile his religious beliefs and his job. Killing and starting wars are probably immoral, he has said, but there's probably no immorality in hoping to deter war by preparing for it.

Indeed, he has championed Reagan's military buildup.

As for assigning a special immorality to nuclear weapons, Vessey says that nations cannot uninvent them. "God invented golf to teach us something about life," he has said. "The ball is where it lies."

One of his toughest moments as a soldier came on an early March morning in 1967, when he rallied his battalion against an attack by 2,000 enemy troops against his force of 300 in Vietnam. Despite his wounds, he assisted as a cannoneer as the six-hour battle raged, lowering the barrels of the howitzers and firing point blank into the onrushing attackers, sometimes as they clung to the guns.

Vessey, of course, doesn't talk of the incident. Even close friends and relatives never have heard the details. According to Army records, Vessey finally spotted a group of enemy rocket launchers that were inflicting severe damage. "He seized a grenade launcher, moved into an open area and knocked out three of the insurgents' weapons," the citation states.

"He told me that that was the first time he thought it was time to get out of the Army," his mother recalled. "It was probably his closet call."

Ten years after the war's end, Vessey concedes mixed feelings over Vietnam. Those who consider the war a tragic misadventure might be "a little bit right," he said. But so might those who believe that politicians kept the U.S. from a victory that could have—and should have—been won.

He told of a recent trip to Thailand, knowing he would meet some of the Thai troops that fought with him in the futile battle for Laos. "I went there with a little fear and trepidation," he said. "One of the ones I saw was a lieutenant. I remembered when he lost his leg. He came out on his peg leg and greeted me and put his arms around me and talked about the war in Laos, 'Laos was Communist now (he told me), but I wasn't fighting for Laos, I was fighting for Thailand.'

'So, it wasn't all a failure," Vessey said, "it wasn't all in vain."

He has risen through the ranks by blending his experience as a mud soldier with his obvious savvy for command and his subtle talent for military politics. He became a lieutenant colonel without a college degree, then got a diploma from the University of Maryland when he was 41 and a master's from George Washington University at 45. He was 49 when he decided to become a helicopter pilot.

He's 5–9 and a trim 160 pounds. He runs nearly every morning, plays a solid game of handball despite two game knees, has a passion for golf and talks expertly about the migration of walleyes between Mille Lacs and Little Whitefish.

He learned to speak and write Korean when he commanded U.S. forces in South Korea in the 1970s and retains a keen interest in Korea. When President Carter proposed to remove U.S. troops from South Korea in 1977, Vessey warned that war could result. One of his deputies used harsher words. Carter fired him, but eventually changed his mind on pulling out the troops.

Vessey's career suffered its first real setback in 1979. Carter passed him over, selecting one of Vessey's former deputies as Army chief of staff. The military establishment was stunned. But the young officer, Gen. Edward Meyer, named Vessey as his assistant, and Vessey got his first taste of high level Pentagon duty.

By 1982, his lake home was finished and he and Avis were eager to retire. But Defense Secretary Caspar Weinberger met him as he returned from a trip to South America, telling him that the president wanted to see him right away. Vessey wondered what had gone wrong in South America. He was shocked when Reagan, after a 15-minute chat, asked him to be chairman of the joint chiefs.

A reluctant Vessey told the president of his wife's wish to return to Minnesota. Reagan asked him to change her mind. With a tear in her eye, Avis Vessey told her husband that God finally was punishing him for lying about his age. The Vesseys moved into Quarters Six at Fort Myer, Va. The stately chairman's residence comes with three servants and a chauffeur-driven staff car. This was the top.

The top, however, can be grueling, particularly after 46 years of soldiering. Avis Vessey has worried about her husband's stamina, friends say, and about the crazies who roam the world looking for targets. Many in Washington worry about that.

"You look at the flash points on a map and it looks like the world has chicken pox," she said. "There are no easy days for him . . . The family has been so neglected for the last 10 years. Maybe now we'll have a private life."

The Vesseys have two sons and a daughter and two grandchildren. They have been gone from their home state for more than four decades, but say they still feel like Minnesotans. The general confesses a special affection for a place he considers unique because of its climate, heritage and culture. He's a faithful listener to Garrison Keillor's radio show, "A Prairie Home Companion," and an unrepentant teller of Ole and Sven jokes.

At the Pentagon, Vessey will be remembered as a chairman who elevated the staff to a high level of influence with an administration, admittedly, inclined to seek advice from military leaders.

He also has used his low-key personality to soothe interservice jealousies, rather than to push for reorganizing the Pentagon's top structure.

"Any time you want something to work in a relationship between human beings, you have to work at the relationship," he said. "You can't legislate it. The president can get his military advice from reading 'Beetle Bailey,' and I suspect maybe some presidents have, and I suspect that sometimes it might not be a bad place to look. But you can't legislate confidence."

Vessey has been quiet about his plans for the future. The Minnesota National Guard has reserved an office for him at Camp Ripley, a short drive from his home. And there'll be a modest museum filled with the memorabilia of Minnesota's most significant military figure.

Friends say Vessey might like to teach. Once he joked to an aide, however, asking him to find two spots on corporate boards, one on the East Coast and one on the West, each with golf privileges. Perhaps it wasn't a joke.

The **PRESIDING OFFICER**. The Chair, in his capacity as Senator from Alaska, suggests the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **STAFFORD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. KASTEN). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER**. Is there further morning business? If not, morning business is closed.

SUPERFUND IMPROVEMENT ACT OF 1985

The **PRESIDING OFFICER**. Under the previous order, the hour of 10 a.m. having arrived, the Senate will now proceed to the consideration of S. 51 for purposes of debate only.

The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Environment and Public Works, with an amendment to strike out all after the enacting clause, and insert the following, and from the Committee on Finance, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in roman type.)

That this Act may be referred to as the "Superfund Improvement Act of 1985".

TITLE I

INDIAN TRIBES

Sec. 101. (a) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by striking "and" at the end of paragraph (31), striking the period at the end of paragraph (32), and adding a new paragraph as follows:

"(33) 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village but not including any Alaska Native regional or village corporation, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; and";

(2) in paragraph (16) by striking "or" the last time it appears and by inserting before the semicolon at the end thereof the following: ", any Indian tribe, or, if such resources are subject to a trust restriction on alienation, any member of an Indian tribe".

(b) Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by section 109 of this Act, is amended by adding at the end thereof the following: "In the case of remedial action to be taken on land or water held by an Indian tribe, held by the United States in trust for Indians, held by a member of an Indian tribe (if such land or water is subject to a trust restriction on alienation), or otherwise within the borders of an Indian reservation, the requirements of this paragraph for assurances regarding future maintenance and cost-sharing shall not apply, and the President shall provide the assurance required by this paragraph regarding the availability of a hazardous waste disposal facility.".

(c) Section 104(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by section 114 of this Act, is amended by inserting "or Indian tribe" after the phrase "political subdivision" each time that phrase occurs.

(d) Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) in subsection (a) by inserting "or an Indian tribe" after "State";

(2) in subsection (f) by inserting after "State" the third time that word appears the following: "and to any Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation:"; by inserting "or Indian tribe" after "State" the fourth time that word appears; by adding before the period at the end of the first sentence the following: ", so long as, in the case of damages to an Indian tribe occurring pursuant to a Federal permit or license, the issuance of that permit or license was not inconsistent with the fiduciary duty of the United States with respect to such Indian tribe"; and by inserting "or the Indian tribe" after "State government";

(3) in subsection (i) by inserting "or Indian tribe" after "State" the first time it appears; and

(4) in subsection (j) by inserting "or Indian tribe" after "State" the first time it appears.

(e) Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) in subsection (b) by inserting before the period at the end thereof the following: ", or by any Indian tribe or by the United States acting on behalf of any Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation";

(2) in subsection (c)(2) by inserting "or Indian tribe" after "State";

(3) in subsection (f) by inserting "or Indian tribe" after "State"; and

(4) in subsection (i) by inserting after "State," the following: "and by the governing body of any Indian tribe having sustained damage to natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation,".

(f) Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new section:

"INDIAN TRIBES

"Sec. 116. The governing body of an Indian tribe shall be afforded substantially the same treatment as a State with respect to the provisions of section 103(a) (regarding notification of releases), section 104(c)(2) (regarding consultation on remedial actions), section 104(e) (regarding access to information), section 104(i) (regarding cooperation in establishing and maintaining national registries), and section 105 (regarding roles and responsibilities under the national contingency plan and submittal of priorities for remedial action, but not including the provision regarding the inclusion of at least one facility per State on the national priority list).".

COMMUNITY RELOCATION

Sec. 102. (a) The second sentence of paragraph (23) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting after "not otherwise provided for," the phrase "costs of permanent relocation of residents where it is determined that such permanent relocation is cost effective or may be necessary to protect health or welfare," and by striking out the semicolon at the end thereof and inserting in lieu thereof a period and the following: "In the case of a business located in an area of evacuation or relocation, the term may also include the payment of those installments of principal and interest on business debt which accrue between the date of evacuation or temporary relocation and thirty days following the date that permanent relocation is actually accomplished or, if permanent relocation is formally rejected as the appropriate response, the date on which evacuation or temporary relocation ceases. In the case of an individual unemployed as a result of such evacuation or relocation, it may also include the provision of assistance identical to that authorized by sections 407, 408, and 409 of the Disaster Relief Act of 1974: Provided, That the costs of such assistance shall be paid from the Trust Fund;".

(b) Section 104(c)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting before "authorized by subsection (b) of this section," the phrase "for permanent relocation or".

OFFSITE REMEDIAL ACTION

Sec. 103. Section 101(24) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking the last sentence of the paragraph; striking the period after "welfare" the third time that word appears, and inserting a semicolon in lieu thereof, striking "or" before "contaminated materials" and inserting "and associated" in lieu thereof; and inserting before the period after "environment" the third time that word appears, the following: ", as well as the offsite transport and offsite storage, treatment, destruction, or secure disposition of hazardous substances and associated contaminated materials.".

ALTERNATIVE WATER SUPPLIES

Sec. 104. Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, is amended by striking the period at the end of paragraph (30) and inserting in lieu thereof a semicolon; and by adding after new paragraph (33) the following new paragraph:

"(34) 'alternative water supplies' includes, but is not limited to, drinking water and household water supplies.".

IMPROVEMENTS IN NOTIFICATION AND PENALTIES

Sec. 105. (a) Section 103(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by—

(1) inserting "(1)" after "immediately notify"; and

(2) inserting after "of such release" the following: ", and (2), in the case of any such release of a hazardous substance with a reportable quantity of one pound or less or any release of any other hazardous substance in a quantity determined by the President by regulation to potentially require emergency response, all State and local emergency response officials identified under any local contingency plan or otherwise likely to be affected by the release".

(b) Section 103(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by—

(1) inserting after "appropriate agency of the United States Government" the following: "(or, in the case of a release to which subsection (a)(2) applies, any appropriate State or local emergency response official)"; and

(2) striking "$10,000 or imprisoned for not more than one year, or both." and inserting in lieu thereof "$25,000 or imprisoned for not more than two years, or both (or in the case of a second or subsequent conviction, shall be fined not more than $50,000 or imprisoned for not more than five years, or both).".

(c) Section 103 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(g)(1) In addition to any other relief provided, whenever on the basis of any information available to the President the President finds that any person is in violation of subsection (a) or (b) of this section the President may assess a civil penalty of not more than $10,000 for each failure to notify the appropriate agency. The penalty under this subsection shall increase to not more than $25,000 for a second violation by the same person, not more than $50,000 for a third violation by the same person, and not more than $75,000 for a fourth or subsequent violation by the same person.

"(2) No civil penalty may be assessed under this subsection unless the person accused of the violation is given notice and opportunity for a hearing with respect to the violation.

"(3) In determining the amount of any penalty assessed pursuant to this subsection, the President shall take into account the nature, circumstances, extent and gravity of the violation or violations and, with respect to the violator, ability to pay, any prior history of such violations, the degree of culpability, economic benefit or savings (if any) resulting from the violation, and such other matters as justice may require.

"(4) Any person against whom a civil penalty is assessed under this subsection may obtain review thereof in the appropriate district court of the United States by filing a notice of appeal in such court within thirty days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the President. The President shall promptly file in such court a certified copy of the record upon which such violation was found or such penalty imposed. If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order or after the appropriate court has entered final judgment in favor of the United States, the President may request the Attorney General of the United States to institute a civil action in an appropriate district court of the United States to collect the penalty, and such court shall have jurisdiction to hear and decide any such action. In hearing such action, the court shall have authority to review the violation and the assessment of the civil penalty on the record.

"(5) The President may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, or documents in connection with hearings under this subsection. In case of contumacy or refusal to obey a subpoena issued pursuant to this paragraph and served upon any person, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the administrative law judge or to appear and produce documents before the administrative law judge, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(6) Action taken by the President pursuant to this subsection shall not affect or limit the President's authority to enforce any provision of this Act: Provided, however, That a failure to notify the appropriate agency which is penalized administratively under this subsection shall not be the subject of a criminal penalty under subsection (b) of this section.".

(d)(1) Section 103(d)(2) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is amended by striking "$20,000" and inserting "$25,000" in lieu thereof.

(2) Section 106(b) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is amended by striking "$5,000" and inserting "$10,000" in lieu thereof.

HAZARDOUS SUBSTANCES INVENTORY

Sec. 106. Section 103 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by this Act, is further amended by adding after "Notice, Penalties" in the title to section 103: ", and Inventory". Section 103 is further amended by adding at the end thereof the following new subsections:

"(h)(1) Each facility owner or operator that (A)(i) manufactures a hazardous substance (as defined in section 101(14) of this Act), or (ii) stores six thousand kilograms or more of such hazardous substance, and (B) has ten or more full-time employees, shall complete and distribute a Hazardous Substances Inventory form as published under paragraph (2) of this subsection within 180 days after the enactment of the Superfund Improvement Act of 1985 and every twenty-four months thereafter, or more often as changed circumstances require. For the purposes of this subsection, a mixture containing more than 1 per centum of any hazardous substance covered by this section shall be considered a hazardous substance.

"(2) The President shall publish the Hazardous Substances Inventory form in the Federal Register within sixty days after the date of enactment of the Superfund Improvement Act of 1985. Publication of such form shall be exempt from the requirements of the Paperwork Reduction Act and Office of Management and Budget Circular A-40 (title 5 of the Code of Federal Regulations, part 1320).

"(3) The Hazardous Substances Inventory form shall provide for submission of the following information for each hazardous substance:

"(A) the description of the use of the hazardous substance at the facility, including, but not limited to, the quantity of the hazardous substance produced or consumed at such facility;

"(B) the maximum inventory of the hazardous substance stored at the facility, the method of storage, and the frequency and methods of transfer;

"(C) for each of the following, the annual and monthly total emissions or discharge of

each hazardous substance for the calendar year immediately preceding the submission of the Hazardous Substances Inventory form:

"(i) the stack or point-source emissions;

"(ii) the estimated fugitive or non point-source emissions of the hazardous substances;

"(iii) the discharge into the surface water or groundwater, the treatment methods, and the raw wastewater volumes and loadings; and

"(iv) the discharge into publicly-owned treatment works;

"(D) the quantity and methods of disposal of any wastes containing the hazardous substance, the method of onsite storage of such wastes, the location or locations of the final disposal site of such wastes, and the identity of the transporter of such wastes;

"(E) the month and year that the information on the Hazardous Substances Inventory was compiled and the name, address, and emergency telephone number of the person responsible for preparing the information.

For the purposes of this paragraph, facility owners and operators may utilize readily available data collected pursuant to other State and Federal environmental laws.

"(4) Each person who submits a form pursuant to the requirements of this subsection shall attach thereto a copy of the Material Safety Data Sheet, required pursuant to the Occupational Safety and Health Act, pertaining to the hazardous substance that is reported in the form.

"(5) The Hazardous Substances Inventory shall be distributed by the facility owner or operator to, at a minimum, the President; State and local emergency and medical response personnel; the State police, health and environmental departments; area police and fire departments; area emergency medical services; area hospitals; and area libraries.

"(6) The President, for the purposes of this subsection, shall establish a toll-free telephone number, operating twenty-four hours per day, that is computer accessible, to respond to telephone inquiries concerning the Hazardous Substances Inventory and the information contained therein. Within sixty days of establishment of such a telephone line, the President shall inform appropriate State and local officials.

"(7)(A) The President may verify the data contained in the Hazardous Substances Inventory form using the authority of section 104(e) of this Act.

"(B) Information submitted under this subsection shall be treated as information submitted under section 104(e) and shall be subject to the provisions of section 104(e)(2).

"(8) Any person who knowingly omits material information or makes any false material statement or representation in the Hazardous Substances Inventory, shall, upon conviction, be fined not more than $25,000 or imprisoned for not more than one year, or both.

"(9) Nothing in this subsection shall be construed to limit the ability of any State to require submission of information related to hazardous substances, or to require additional distribution of the Hazardous Substances Inventory form from facilities operating within its borders.

"(i)(1) Every two years after the date of enactment of the Superfund Improvement Act of 1985, the National Toxicology Program, in consultation with appropriate Federal agencies, shall review new and existing chemicals and compile a list of substances to supplement those referred to in subsection (h), taking into account, at a minimum, the reactivity, toxicity, volatility, carcinogenicity, mutagenicity, teratogenicity, neurotoxicity, and production levels of the chemical.

"(2) Within one hundred and eighty days after publication of the list compiled by the National Toxicology Program, the President shall promulgate such list of substances as those requiring preparation and distribution of the Hazardous Substances Inventory under this Act, unless the President demonstrates that a particular hazardous substance does not present a risk equal to or greater than those substances referred to in subsection (h)(1). In the event that the President decides not to list a hazardous substance, the President shall, with opportunity for public notice and comment, state the basis on which the hazardous substance was not considered to present a risk sufficient to warrant preparation and distribution of the Hazardous Substances Inventory.".

SCOPE OF PROGRAM

SEC. 107. (a) Section 104(a)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking that language between the word "environment" the third time it appears and the period and inserting in lieu thereof a period and the following: "The President shall give primary attention to those releases which may present a public health threat. The President may authorize the owner or operator of the vessel or facility from which the release or threat of release emanates, or any other responsible party, to perform the removal or remedial action if the President determines that such action will be done properly by the owner, operator, or responsible party".

(b) Section 104(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraphs:

"(3) The President shall not provide for a removal or remedial action under this section in response to a release or threat of release—

"(A) of a naturally occurring substance in its unaltered form, or altered solely through naturally occurring processes or phenomena, from a location where it is naturally found;

"(B) from products which are part of the structure of, and result in exposure within, a facility; or

"(C) into public or private drinking water supplies due to deterioration of the system through ordinary use.

"(4) Notwithstanding paragraph (3) of this subsection, to the extent authorized by this section the President may respond to any release or threat of release if in the President's discretion it constitutes a public health or environmental emergency and no other person with the authority and capability to respond to the emergency will do so in a timely manner.".

STATUTORY LIMITS ON REMOVALS

SEC. 108. Section 104(c)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "six months" and inserting "one year" in lieu thereof and inserting before "obligations" the following: "or (C) continued response action is otherwise appropriate and consistent with permanent remedy,".

STATE CREDIT

SEC. 109. (a) Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "The President shall grant the State a credit against the share" and all that follows down through the end of such section 104(c)(3) and inserting in lieu thereof the following: "In determining the portion of the costs referred to in this section which is required to be paid by a participating State, the President shall grant the State a credit for amounts expended or obligated by such State or by a political subdivision thereof after January 1, 1978, and before December 11, 1980, for any response action costs which are covered by section 111(a) (1) or (2) and which are incurred at a facility or release listed pursuant to section 105(8). Such credit shall have the effect of reducing the amount which the State would otherwise be required to pay in connection with assistance under this section.".

(b)(1) Section 104(d)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new sentence: "For the purposes of the last sentence of subsection (c)(3) of this section, the President may enter into a contract or cooperative agreement with a State under this paragraph under which such State will take response actions in connection with releases listed pursuant to section 105(8)(B), using non-Federal funds for such response actions, in advance of and without any obligation by the President of amounts from the Fund for such response actions.".

(2) Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following sentence: "The President shall grant the State a credit against the share of costs for which it is responsible under this paragraph for any reasonable, documented, direct out-of-pocket non-Federal funds expended or obligated by the State under a contract or cooperative agreement under the last sentence of subsection (d)(1).".

FUNDING OF REMEDIAL ACTION AT FACILITY OPERATED BY A STATE OR POLITICAL SUBDIVISION

SEC. 110. Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by amending section 104(c)(3)(C)(ii) to read as follows:

"(ii) 50 per centum (or such greater amount as the President may determine appropriate, taking into account the degree of responsibility of the State or political subdivision for the release) of any sums expended in response to a release at a facility, that was operated by the State or a political subdivision thereof, either directly or through a contractual relationship or otherwise, at the time of any disposal of hazardous substances therein. For the purpose of subparagraph (C)(ii) of this paragraph, the term 'facility' does not include navigable waters or the beds underlying those waters."; and

(2) by adding at the end thereof the following: "In the case of any State which has paid, at any time after the date of the enactment of the Superfund Improvement Act of 1985, in excess of 10 per centum of the costs of remedial action at a facility owned but not operated by such State or by a political subdivision thereof, the President shall use money in the Fund to provide reimbursement to such State for the amount of such excess.".

SELECTION OF REMEDIAL ACTIONS

SEC. 111. Section 104(c)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"(4)(A) The President shall select appropriate remedial actions determined to be necessary to carry out this section which, to the extent practicable, are in accordance with the national contingency plan and which provide for cost-effective response. In evaluating the cost-effectiveness of proposed alternative remedial actions, the President shall take into account the total short- and long-term costs of such actions, including the costs of operation and maintenance for the entire period during which such activities will be required.

"(B) Remedial actions in which treatment which significantly reduces the volume, toxicity or mobility of the hazardous substances is a principal element, are to be preferred over remedial actions not involving such treatment. The offsite transport and disposal of hazardous substances or contaminated materials without such treatment should be the least favored alternative remedial action, where practicable treatment technologies are available.

"(C) Remedial actions selected under this paragraph or otherwise required or agreed to by the President under this Act shall attain a degree of cleanup of hazardous substances, pollutants, and contaminants from the environment and of control of further release at a minimum which assures protection of human health and the environment. Such remedial actions shall be relevant and appropriate under the circumstances presented by the release or threatened release of such substance, pollutant, or contaminant.

"(D) No permit shall be required under subtitle C of the Solid Waste Disposal Act, section 402 or 404 of the Clean Water Act, or section 10 of the Rivers and Harbors Act of 1899, for the portion of any removal or remedial action conducted pursuant to this Act entirely onsite: Provided, That any onsite treatment, storage, or disposal of hazardous substances, pollutants, or contaminants shall comply with the requirements of subparagraph (C).

"(E) Subject to the requirements of this paragraph, the President shall select the appropriate remedial action which provides a balance between the need for protection of public health and welfare and the environment at the facility under consideration, and the availability of amounts from the Fund to respond to other sites which present or may present a threat to public health or welfare or the environment, taking into consideration the relative immediacy of such threats.".

STATE AND FEDERAL CONTRIBUTIONS TO OPERATION AND MAINTENANCE

SEC. 112. Section 104(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraphs:

"(5) For the purposes of paragraph (3) of this subsection, in the case of ground or surface water contamination, completed remedial action includes the completion of treatment or other measures, whether taken onsite or offsite, necessary to restore ground and surface water quality to a level that assures protection of human health and the environment. With respect to such measures, the operation of such measures for a period up to five years after the construction or installation and commencement of operation shall be considered remedial action. Activities required to maintain the effectiveness of such measures following such period or the completion of remedial action, whichever is earlier, shall be considered operation or maintenance.

"(6) During any period after the availability of funds received by the Trust Fund under sections 4611 and 4661 of the Internal Revenue Code of 1954 or section 221(b)(2) or section 303(b) of this Act, the Federal share of the payment of costs for operation and maintenance pursuant to paragraph (3)(C)(i) or paragraph (5) of this subsection shall be from funds received by the Trust Fund under section 221(b)(1)(B).".

SITING OF HAZARDOUS WASTE FACILITIES

SEC. 113. Section 104(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraph:

"(7) Effective three years after the date of enactment of the Superfund Improvement Act of 1985, the President shall not provide any remedial actions pursuant to this section unless the State in which the release occurs first enters into a contract or cooperative agreement with the President providing assurances deemed adequate by the President that the State will assure the availability of hazardous waste treatment or disposal facilities acceptable to the President and in compliance with the requirements of subtitle C of the Solid Waste Disposal Act with adequate capacity for the destruction, treatment, or secure disposition of all hazardous wastes that are reasonably expected to be generated within the State during the twenty-year period following the date of such contract or cooperative agreement and to be disposed of, treated, or destroyed.".

COOPERATIVE AGREEMENTS

SEC. 114. Section 104(d)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking all of the existing paragraph (other than that added by this Act) and substituting the following:

"(d)(1) Where the President determines that a State or political subdivision has the capability to carry out any or all of the actions authorized in this section, the President may, in the discretion of the President and subject to such terms as the President may prescribe, enter into a contract or cooperative agreement and combine any existing cooperative agreements with such State or political subdivision (which may cover a specific facility or facilities) to take such actions in accordance with criteria and priorities established pursuant to section 105(8) of this title and to be reimbursed from the Fund for the reasonable response costs and related activities associated with the overall implementation, coordination, enforcement, training, community relations, site inventory and assessment efforts, and administration of remedial activities authorized by this Act. Any contract made hereunder shall be subject to the cost-sharing provisions of subsection (c) of this section.".

ACCESS AND INFORMATION GATHERING

SEC. 115. Section 104(e) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is amended by striking "(2)" and inserting "(5)" in lieu thereof and by striking all of existing paragraph (1) and inserting in lieu thereof the following:

"(1) For the purposes of determining the need for response, or choosing or taking any response action under this title, or otherwise enforcing the provisions of this title, any officer, employee, or representative of the President, duly designated by the President, or any duly designated officer, employee, or representative of a State, is authorized where there is a reasonable basis to believe there may be a release or threat of release of a hazardous substance—

"(A) to require any person who has or may have information relevant to (i) the identification or nature of materials generated, treated, stored, transported to, or disposed of at a facility, or (ii) the nature or extent of a release or threatened release of a hazardous substance at or from a facility, to furnish, upon reasonable notice, information or documents relating to such matters. In addition, upon reasonable notice, such person either shall grant to appropriate representatives access at all reasonable times to inspect all documents or records relating to such matters or shall copy and furnish to the representatives all such documents or records, at the option of such person;

"(B) to enter at reasonable times any establishment or other place or property (i) where hazardous substances are, may be, or have been generated, stored, treated, disposed of, or transported from, (ii) from which or to which hazardous substances have been or may have been released, (iii) where such release is or may be threatened, or (iv) where entry is needed to determine the need for response or the appropriate response or to effectuate a response action under this title; and

"(C) to inspect and obtain samples from such establishment or other place or property or location of any suspected hazardous substance and to inspect and obtain samples of any containers or labeling for suspected hazardous substances. Each such inspection shall be completed with reasonable promptness. If the officer, employee, or representative obtains any samples, prior to leaving the premises, he shall give to the owner, operator, tenant, or other person in charge of the place from which the samples were obtained a receipt describing the sample obtained and, if requested, a portion of each such sample. If any analysis is made of such samples, a copy of the results of the analysis shall be furnished promptly to the owner, operator, tenant, or other person in charge, if such person can be located.

"(2)(A) If consent is not granted regarding a request made by a duly designated officer, employee, or representative under paragraph (1), the President, upon such notice and an opportunity for consultation as is reasonably appropriate under the circumstances, may issue an order to such person directing compliance with the request, and the President may ask the Attorney Genera to commence a civil action to compel compliance.

"(B) In any civil action brought to obtain compliance with the order, the court shall where there is a reasonable basis to believe there may be a release or threat of a releas of a hazardous substance: (i) in the case o interference with entry or inspection, enjoi such interference or direct compliance with orders to prohibit interference with entry o inspection, unless under the circumstance of the case the demand for entry or inspection is arbitrary and capricious, an abuse o discretion, or not in accordance with law and (ii) in the case of information or document requests, enjoin interference with such information or document requests or direc compliance with orders to provide such information or documents, unless under th circumstances of the case the demand for information or documents is arbitrary and capricious, an abuse of discretion, or not in accordance with law. The court may asses a civil penalty not to exceed $10,000 agains any person who unreasonably fails t comply with the provisions of paragraph (1 or an order issued pursuant to paragrap (2).

"(3) Nothing in this subsection shall preclude the President from securing access or obtaining information in any other lawful manner.

"(4) Notwithstanding this subsection, entry to locations and access to information properly classified to protect the national security may be granted only to any officer, employee, or representative of the President who is properly cleared.".

HEALTH-RELATED AUTHORITIES

SEC. 116. (a) Section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(1)" after "(i)", by redesignating paragraphs (1), (2), (3), (4), and (5) as subparagraphs (A), (B), (C), (D), and (E), and by adding the following new paragraphs:

"(2) The Agency for Toxic Substances and Disease Registry shall provide consultations upon request on health issues relating to exposure to hazardous or toxic substances, on the basis of available information, to the Environmental Protection Agency, State officials, and local officials. Such consultations to individuals may be provided by States under cooperative agreements established under this Act.

"(3)(A) The Administrator shall perform a health assessment for each release, threatened release or facility on the National Priority List established under section 105. Such health assessment shall be completed not later than two years after the date of enactment of the Superfund Improvement Act of 1985 for each release, threatened release or facility proposed for inclusion on such list prior to such date of enactment or not later than one year after the date of proposal for inclusion on such list for each release, threatened release or facility proposed for inclusion on such list after such date of enactment. The Administrator shall also perform a health assessment for each facility for which one is required under section 3019 of the Solid Waste Disposal Act and, upon request of the Administrator of the Environmental Protection Agency or a State, for each facility subject to this Act or subtitle C of the Solid Waste Disposal Act, where there is sufficient data as to what hazardous substances are present in such facility.

"(B) The Administrator may perform health assessments for releases or facilities where individual persons or licensed physicians provide information that individuals have been exposed to a hazardous substance, for which the probable source of such exposure is a release. In addition to other methods (formal or informal) of providing such information, such individual persons or licensed physicians may submit a petition to the Administrator providing such information and requesting a health assessment. If such a petition is submitted and the Administrator does not initiate a health assessment, the Administrator shall provide a written explanation of why a health assessment is not appropriate.

"(C) In determining sites at which to conduct health assessments under this paragraph, the Administrator of the Agency for Toxic Substances and Disease Registry shall give priority to those facilities or sites at which there is documented evidence of release of hazardous substances, at which the potential risk to human health appears highest, and for which in the judgment of the Administrator of such Agency existing health assessment data is inadequate to assess the potential risk to human health as provided in subparagraph (E).

"(D) Any State or political subdivision carrying out an assessment shall report the results of the assessment to the Administrator of such Agency, and shall include recommendations with respect to further activities which need to be carried out under this section. The Administrator of such Agency shall include the same recommendation in a report on the results of any assessment carried out directly by the Agency, and shall issue periodic reports which include the results of all the assessments carried out under this paragraph.

"(E) For the purposes of this subsection and section 111(c)(4), the term 'health assessments' shall include preliminary assessments of the potential risk to human health posed by individual sites and facilities, based on such factors as the nature and extent of contamination, the existence of potential for pathways of human exposure (including ground or surface water contamination, air emissions, and food chain contamination), the size and potential susceptibility of the community within the likely pathways of exposure, the comparison of expected human exposure levels to the short-term and long-term health effects associated with identified contaminants and any available recommended exposure or tolerance limits for such contaminants, and the comparison of existing morbidity and mortality data on diseases that may be associated with the observed levels of exposure. The assessment shall include an evaluation of the risks to the potentially affected population from all sources of such contaminants, including known point or nonpoint sources other than the site or facility in question. A purpose of such preliminary assessments shall be to help determine whether full-scale health or epidemiological studies and medical evaluations of exposed populations shall be undertaken.

"(F) At the completion of each health assessment the Administrator shall provide the Administrator of the Environmental Protection Agency and each affected State with the results of such assessment, together with any recommendations for further action under this subsection or otherwise under this Act.

"(G) In any case in which a health assessment performed under this paragraph (including one required by section 3019 of the Solid Waste Disposal Act) discloses the exposure of a population to the release of a hazardous substance, the costs of such health assessment may be recovered as a cost of response under section 107 of this Act from persons causing or contributing to such release of such hazardous substance or, in the case of multiple releases contributing to such exposure, to all such releases.

"(4) Whenever, in the judgment of the Administrator, it is appropriate on the basis of the results of a health assessment, the Administrator shall conduct a pilot study of health effects for selected groups of exposed individuals, in order to determine the desirability of conducting full scale epidemiological or other health studies of the entire exposed population. Whenever in the judgment of the Administrator it is appropriate on the basis of the results of such pilot study, the Administrator shall conduct such full scale epidemiological or other health studies as may be necessary to determine the health effects for the population exposed to hazardous substances in a release or suspected release.

"(5) In any case in which the results of a health assessment indicate a potential significant risk to human health, the Administrator shall consider whether the establishment of a registry of exposed persons would contribute to accomplishing the purposes of this subsection, taking into account circumstances bearing on the usefulness of such a registry, including the seriousness or unique character of identified diseases or the likelihood of population migration from the affected area.

"(6) The Administrator shall conduct a study, and report to the Congress within two years after the date of enactment of the Superfund Improvement Act of 1985, on the usefulness, costs, and potential implications of medical surveillance programs as a part of the health studies authorized by this section. Such study shall include, at a minimum, programs which identify diseases for which an exposed population is at excess risk, provide periodic medical testing to screen for such diseases in subgroups of the exposed population at highest risk, and provide for a mechanism to refer for treatment individuals who are diagnosed as having such diseases.

"(7) If a health assessment or other study carried out under this subsection contains a finding that the exposure concerned presents a significant risk to human health, the President shall take such steps as may be necessary to reduce such exposure and eliminate or substantially mitigate the significant risk to human health. Such steps may include the use of any authority under this Act, including, but not limited to—

"(1) provision of alternative water supplies, and

"(2) permanent or temporary relocation of individuals.

"(8) In any case which is the subject of a petition, a health assessment or study, or a research program under this subsection, nothing in this subsection shall be construed to delay or otherwise affect or impair the authority of the President or the Administrator of the Environmental Protection Agency to exercise any authority vested in the President or such Administrator under any other provision of law (including, but not limited to, the imminent hazard authority of section 7003 of the Solid Waste Disposal Act) or the response and abatement authorities of this Act.

"(9)(A) The Administrator shall, within six months after the date of enactment of the Superfund Improvement Act of 1985, prepare a list of at least one hundred hazardous substances which the Administrator, in his sole discretion, determines are those posing the most significant potential threat to human health due to their common presence at the location of responses under section 104 or at facilities on the National Priority List or in releases to which a response under section 104 is under consideration. Within twenty-four months after enactment, the Administrator shall prepare a list of an additional one hundred or more such hazardous substances. The Administrator shall not less often than once every year thereafter add to such list other substances which are frequently so found or otherwise pose a potentially significant threat to human health by reason of their physical, chemical, or biological nature.

"(B) For each such hazardous substance listed pursuant to subparagraph (A), the Administrator (in consultation with other agencies and programs of the Public Health Service) shall assess whether adequate information on the health effects of such substance is available. For any such substance for which adequate information is not available (or under development), the Administrator, in cooperation with the Director of the National Toxicology Program, shall assure the initiation of a program of research designed to determine the health effects (and techniques for development of methods to determine such health effects) of such substance. Where feasible, such program shall seek to develop methods to determine the health effects of such substance in combination with other substances with which it is commonly found. Such program shall include, but not be limited to—

"(i) laboratory and other studies to determine short, intermediate, and long-term health effects;

"(ii) laboratory and other studies to determine organ-specific, site-specific, and system-specific acute and chronic toxicity;

"(iii) laboratory and other studies to determine the manner in which such substances are metabolized or to otherwise develop an understanding of the biokinetics of such substances; and

"(iv) where there is a possibility of obtaining human data, the collection of such information.

"(C) In assessing the need to perform laboratory and other studies, as required by subparagraph (B), the Administrator shall consider—

"(i) the availability and quality of existing test data concerning the substance on the suspected health effect in question;

"(ii) the extent to which testing already in progress will, in a timely fashion, provide data that will be adequate to support the preparation of toxicological profiles as required by subparagraph (F) of this paragraph; and

"(iii) such other scientific and technical factors as the Administrator may determine are necessary for the effective implementation of this subsection.

"(D) In the development and implementation of any research program under this paragraph, the Administrator of the Agency for Toxic Substances and Disease Registry and the Administrator of the Environmental Protection Agency shall coordinate such research program implemented under this paragraph with the National Toxicology Program and with programs of toxicological testing established under the Toxic Substances Control Act and the Federal Insecticide, Fungicide and Rodenticide Act. The purpose of such coordination shall be to avoid duplication of effort and to assure that the hazardous substances listed pursuant to this subsection are tested thoroughly at the earliest practicable date. Where appropriate, in the discretion of the Administrator and consistent with such purpose, a research program under this paragraph may be carried out using such programs of toxicological testing.

"(E) It is the sense of the Congress that the costs of research programs under this paragraph be borne by the manufacturers and processors of the hazardous substance in question, as required in programs of toxicological testing under the Toxic Substances Control Act. Where this is not practical, the costs of such research programs should be borne by parties responsible for the release of the hazardous substance in question. To carry out such intention, the costs of conducting such a research program under this paragraph shall be deemed a cost of response for the purposes of recovery under section 107 of such costs from a party responsible for a release of such hazardous substance.

"(F) Based on all available information, including data developed and collected on the health effects of hazardous substances under this paragraph, the Administrator shall prepare toxicological profiles sufficient to establish the likely effect on human health of each of the substances listed pursuant to subparagraph (A). Such profiles shall be revised and republished as necessary, but no less often than once every five years. Such profiles shall be provided to the States and made available to other interested parties.

"(10) All studies and results of research conducted under this subsection (other than health assessments) shall be reported or adopted only after appropriate peer review. In the case of research conducted under the National Toxicology Program, such peer review may be conducted by the Board of Scientific Counselors. In the case of other research, such peer review shall be conducted by panels consisting of no less than three nor more than seven members, who shall be disinterested scientific experts selected for such purpose by the Administrator on the basis of their reputation for scientific objectivity and the lack of institutional ties with any person involved in the conduct of the study or research under review. Support services for such panels shall be provided by the Agency for Toxic Substances and Disease Registry.

"(11) In the implementation of this subsection and other health-related authorities of this Act, the Administrator is authorized to establish a program for the education of physicians and other health professionals on methods of diagnosis and treatment of injury or disease related to exposure to toxic substances, through such means as the Administrator deems appropriate. Not later than two years after the date of enactment of the Superfund Improvement Act of 1985, the Administrator shall report to the Congress on the implementation of this paragraph.

"(12) For the purpose of implementing this subsection and other health-related authorities of this Act, the President shall provide adequate personnel to the Agency for Toxic Substances and Disease Registry, which shall be no fewer than one hundred full time equivalent employees.

"(13) The activities described in this subsection and section 111(c)(4) shall be carried out by the Agency for Toxic Substances and Disease Registry established by paragraph (1), either directly, or through cooperative agreements with States (or political subdivisions thereof) in the case of States (or political subdivisions) which the Administrator of such Agency determines are capable of carrying out such activities. Such activities shall include the provision of consultations on health information, and the conduct of health assessments, including those required under section 3019 of the Solid Waste Disposal Act, health studies and registries.".

(b) Section 111(c)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by inserting "in accordance with subsection (n) of this section and section 104(i)," after "(4)"; and

(2) by striking "epidemiologic studies" and inserting in lieu thereof "epidemiologic and laboratory studies and health assessments".

(c) Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(n) For fiscal year 1986 and for each fiscal year thereafter, not less than 5 per centum of all sums appropriated from the Trust Fund or $50,000,000, whichever is less, shall be directly available to the Agency for Toxic Substances and Disease Registry and used for the purpose of carrying out activities described in subsection (c)(4) and section 104(i), including any such activities related to hazardous waste stored, treated, or disposed of at a facility having a permit under section 3005 of the Solid Waste Disposal Act. Any funds so made available which are not committed by the beginning of the fourth quarter of the fiscal year in which made available shall be made available in the Trust Fund for other purposes.".

(d) The last sentence of section 3019(b)(2) of the Solid Waste Disposal Act is amended to read as follows: "If so requested, the Administrator of such Agency shall conduct such health assessment.".

(e) Section 104(i)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by—

(1) striking "the Surgeon General of the United States" and inserting in lieu thereof "the Secretary of Health and Human Services";

(2) inserting in the second sentence thereof after "of said Agency" the following: "(hereinafter in this subsection referred to as 'the Administrator')";

(3) striking "chromosomal testing" in subparagraph (D) and inserting in lieu thereof "appropriate testing".

PUBLIC PARTICIPATION

SEC. 117. Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(j) Before selection of appropriate remedial action to be undertaken by the United States or a State or before entering into a covenant not to sue or to forebear from suit or otherwise settle or dispose of a claim arising under this Act, notice of such proposed action and an opportunity for a public meeting in the affected area, as well as a reasonable opportunity to comment, shall be afforded to the public prior to final adoption or entry. Notice shall be accompanied by a discussion and analysis sufficient to provide a reasonable explanation of the proposal and alternative proposals considered.".

LOVE CANAL PROPERTY ACQUISITION

SEC. 118. Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding a new subsection as follows:

"(k) In determining priorities among releases and threatened releases under the National Contingency Plan and in carrying out remedial action under this section, the Administrator shall establish a high priority for the acquisition of all properties (including nonowner occupied residential, commercial, public, religious, and vacant properties) in the area in which, before May 22, 1980, the President determined an emergency to exist because of the release of hazardous substances and in which owner occupied residences have been acquired pursuant to such determination.".

ADMINISTRATIVE ORDERS FOR SECTION 104(B) ACTIONS

SEC. 119. Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding a new subsection as follows:

"(l)(1) If the President determines that one or more responsible parties will properly carry out action under subsection (b) of this section, the President may enter into a consent administrative order with such party or parties for that purpose.

"(2) The United States district court for the district in which the release has occurred or threatens to occur shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $10,000 for each day in which such violation occurs or such failure to comply continues.".

NATIONAL CONTINGENCY PLAN—HAZARD RANKING SYSTEM

SEC. 120. Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(a)" immedately following "105." and by adding the following at the end thereof:

"(b) Not later than twelve months after the date of enactment of the Superfund Improvement Act of 1985, the President shall revise the National Contingency Plan to reflect the requirements of such amendments. The portion of such Plan known as 'the National Hazardous Substance Response Plan' shall be revised to provide procedures and standards for remedial actions undertaken pursuant to this Act which are consistent with amendments made by the Superfund Improvement Act of 1985 relating to the selection of remedial action.

"(c) Not later than twelve months after the date of enactment of the Superfund Improvement Act of 1985 and after publication of notice and opportunity for submission of comments in accordance with section 553 of title 5, United States Code, the President shall by rule promulgate amendments to the hazard ranking system in effect on September 1, 1984. Such amendments shall assure, to the maximum extent feasible, that the hazard ranking system accurately assesses the relative degree of risk to human health and the environment posed by sites and facilities subject to review. The President shall establish an effective date for the amended hazard ranking system which is not later than eighteen months after the date of enactment of the Superfund Improvement Act of 1985 and such amended hazard ranking system shall be applied to any site or facility to be newly listed on the National Priority List after the effective date established by the President. Until such effective date of the regulations, the hazard ranking system in effect on September 1, 1984, shall continue to full force and effect.".

NATIONAL CONTINGENCY PLAN

SEC. 121. (a) Section 105(a)(8)(B) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as redesignated by this Act, is amended by striking "at least four hundred of" when it appears.

(b) Section 105(8)(B) is further amended by striking the phrase "at least" following the word "facilities" the second time it appears and by inserting "A State shall be allowed to designate its highest priority facility only once." after the third full sentence thereof.

FOREIGN VESSELS

SEC. 122. Section 107(a)(1) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 is amended by striking "(otherwise subject to the jurisdiction of the United States)".

STATE AND LOCAL GOVERNMENT LIABILITY

SEC. 123. Section 107(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(1)" after "(d)" and adding the following new language:

"(2) No State or local government shall be liable under this title for costs or damages as a result of non-negligent actions taken in response to an emergency created by the release of a hazardous substance, pollutant, or contaminant generated by or from a facility owned by another person.".

CONTRACTOR INDEMNIFICATION

SEC. 124. Section 107(e) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting after paragraph (1) the following new paragraph and redesignating the succeeding paragraph accordingly:

"(2) The Administrator may, in contracting or arranging for response action to be undertaken under this Act, agree to hold harmless and indemnify a contracting party against claims, including the expenses of litigation or settlement, by third persons for death, bodily injury or loss of or damage to property arising out of performance of a cleanup agreement to the extent that such claim does not arise out of the negligence of the contracting party.".

NATURAL RESOURCE DAMAGE CLAIMS

SEC. 125. (a) Section 107(f) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(1)" after "(f)" and by adding at the end thereof the following new paragraphs:

"(2)(A) The President shall designate in the National Contingency Plan published under section 105 of this Act the Federal officials who shall act on behalf of the public as trustees for natural resources under this Act and section 311 of the Clean Water Act. Such officials shall assess damages to natural resources for the purposes of this Act and section 311 of the Clean Water Act for those resources under their trusteeship, and may upon request of and reimbursement from a State and at the Federal officials' discretion, assess damages for those natural resources under a State's trusteeship.

"(B) The Governor of each State shall designate the State officials who may act on behalf of the public as trustees for natural resources under this Act and section 311 of the Clean Water Act and shall notify the President of such designations. Such State officials shall assess damages to natural resources for the purposes of this Act and section 311 of the Clean Water Act for those resources under their trusteeship.

"(C) Any determination or assessment of damages to natural resources for the purposes of this Act and section 311 of the Clean Water Act made by a Federal or State trustee in accordance with the regulations promulgated under section 301(c) of this Act shall have the force and effect of a rebuttable presumption on behalf of the trustee in any judicial proceeding under this Act or section 311 of the Clean Water Act.

"(D) The President shall promulgate the regulations required under section 301 of this Act not later than six months after the enactment of the Superfund Improvement Act of 1985.".

(b) Section 111(e)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following: "No money in the Fund may be used for the payment of any claim under subsection (a)(3) or subsection (b) of this section in any fiscal year for which the President determines that all of the Fund is needed for response to threats to public health from releases or threatened releases of hazardous substances.".

(c) Section 111(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is repealed.

CONTRIBUTION AND PARTIES TO LITIGATION

SEC. 126. Section 107, of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding a new subsection to read as follows:

"(l)(1) In any civil or administrative action under this section or section 106, no claim for contribution or indemnification may be brought until after entry of judgment or date of settlement in good faith. Nothing in this subsection shall diminish the right of any person to bring an action for contribution or indemnification in the absence of a civil or administrative action under this section or section 106.

"(2) After judgment in any civil action under section 106 or under subsection (a) of this section, any defendant held liable in the action may bring a separate action for contribution against any other person liable or potentially liable under subsection (a). Such an action shall be brought in accordance with section 113. Except as provided in paragraph (4) of the subsection, this subsection shall not impair any right of indemnity under existing law.

"(3) When a person has resolved its liability to the United States or a State in a judicially approved good faith settlement, such person shall not be liable for claims for contribution under paragraph (2) of this subsection regarding matters addressed in the settlement. Such settlement does not discharge any of the other potentially liable persons unless its terms so provide, but it reduces the potential liability of the others to the extent of any amount stipulated by the settlement.

"(4) Where the United States or a State has obtained less than complete relief from a person who has resolved its liability to the United States or the State in a good faith settlement, the United States or the State may bring an action for the remainder of the relief sought against any person who has not so resolved its liability. A person that has resolved its liability to the United States or a State in a good faith settlement may, where appropriate, maintain an action for contribution or indemnification against any person that was not a party to the settlement. In any action under this paragraph, the rights of a State or any person that has resolved its liability to the United States or a State shall be subordinate to the rights of the United States. Any contribution action brought under this paragraph shall be brought in accordance with section 113.".

FEDERAL LIEN

SEC. 127. Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(m)(1) All costs and damages for which a person is liable to the United States under subsection (a) of this section shall constitute a lien in favor of the United States upon all real property and rights to such property belonging to such person that are subject to or affected by a removal or remedial action.

"(2) The lien imposed by this subsection shall arise at the time costs are first incurred by the United States with respect to a response action under this Act and shall continue until the liability for the costs (or a judgment against the person arising out of such liability) is satisfied or becomes unenforceable through operation of the statute of limitations provided in section 113(e).

"(3) The lien imposed by this subsection shall not be valid as against any purchaser, holder of a security interest, or judgment

lien creditor until notice of the lien has been filed in the appropriate office within the State (or county or other governmental subdivision), as designated by State law, in which the real property subject to the lien is physically located. If the State has not by law designated one office for the receipt of such notices of liens, the notice shall be filed in the office of the clerk of the United States district court for the district in which the real property is physically located. For purposes of this subsection, the terms "purchaser" and "security interest" shall have the definitions provided in section 6323(h) of title 26, United States Code. This paragraph does not apply with respect to any person who has or reasonably should have actual notice or knowledge that the United States has incurred costs giving rise to a lien under paragraph (1) of this subsection.

"(4) The costs constituting the lien may be recovered in an action in rem in the United States district court for the district in which the removal or remedial action is occurring or has occurred. Nothing in this subsection shall affect the right of the United States to bring an action against any person to recover all costs and damages for which such person is liable under subsection (a) of this section.".

DIRECT ACTION

SEC. 128. (a) Section 108 (c) and (d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"(c) In any case where the owner or operator is in bankruptcy, reorganization, or arrangement pursuant to the Federal Bankruptcy Code or where with reasonable diligence jurisdiction in the Federal courts cannot be obtained over an owner or operator likely to be solvent at the time of judgment, any claim authorized by section 107 or 111 may be asserted directly against the guarantor providing evidence of financial responsibility. In the case of any action pursuant to this subsection, such guarantor shall be entitled to invoke all rights and defenses which would have been available to the owner or operator if any action had been brought against the owner or operator by the claimant and which would have been available to the guarantor if an action had been brought against the guarantor by the owner or operator.

"(d) The total liability under this Act of any guarantor shall be limited to the aggregate amount which the guarantor has provided as evidence of financial responsibility to the owner or operator under this Act: Provided, That nothing in this subsection shall be construed to limit any other State or Federal statutory, contractual or common law liability of a guarantor to its owner or operator including, but not limited to, the liability of such guarantor for bad faith either in negotiating or in failing to negotiate the settlement of any claim: Provided further, That nothing in this subsection shall be construed, interpreted or applied to diminish the liability of any person under section 107 or 111 of this Act or other applicable law.".

(b) Section 108(b)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following: "Financial responsibility may be established by any one, or any combination, of the following: insurance, guarantee, surety bond, letter of credit, or qualification as a self-insurer. In promulgating requirements under this section, the President is authorized to specify policy or other contractual terms, conditions, or defenses which are necessary or are unacceptable in establishing such evidence of financial responsibility in order to effectuate the purposes of this Act.".

VICTIM ASSISTANCE DEMONSTRATION PROGRAM

SEC. 129. (a) Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "and" at the end of the paragraph (5); by striking the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and by adding the following new paragraph:

"(7) the costs of grants under subsection (m), not to exceed a total of $30,000,000 per fiscal year, to be provided out of funds received by the Trust Fund under section 303(b).".

(b) Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(m)(1) In the case of any geographic area (as identified by the Agency for Toxic Substances and Disease Registry) for which a health assessment or other health study performed under section 104(i) indicates that—

"(A) there is a disease or injury for which the population of such area is placed at significantly increased risk as a result of a release of a hazardous substance;

"(B) such disease or injury has been demonstrated by peer reviewed studies to be associated (using sound scientific and medical criteria) with exposure to a hazardous substance; and

"(C) the geographical area contains individuals within the population who have been exposed to a hazardous substance in a release,

the State in which such area is located may apply to the Administrator of the Environmental Protection Agency to operate an experimental demonstration assistance program under this subsection.

"(2) From areas nominated under paragraph (1) the President shall select, during each of fiscal years 1986 and 1987, no less than five or more than ten areas for demonstration assistance programs under this subsection. Such selections shall be made in the discretion of the President, taking into account—

"(A) the experience of State and local governments in administering programs which deal with the regulation of toxic chemicals and hazardous substances; and

"(B) the representative nature of the hazardous substance releases and exposures in terms of the identities and toxic characteristics of the substances found, the manner and degree of exposure, the scientific and medical method used to determine such exposure, and the seriousness and duration of the diseases or illnesses caused.

"(3) For each area selected under paragraph (2) the State shall establish and operate for a period of not less than three years or more than five years a program of medical assistance to individuals who, according to health assessments or other studies done under section 104(i) have been placed at significantly increased risk of disease or injury due to exposure to a hazardous substance from a release. The President shall make a grant for each such area in an amount of not less than $1,000,000 nor more than $10,000,000 per fiscal year (and a total for all such grants of not more than $30,000,000 per fiscal year), but in no event shall grants be made in fewer than five States.

"(4) Programs funded pursuant to this subsection shall not provide assistance in the case of any area or class of individuals in which a solvent responsible party who may be liable under section 107 is paying compensation for claims or otherwise providing medical assistance, comparable (though not necessarily identical in scope or duration) to assistance under this subsection. If a party has accepted liability for such claims or assistance, no assistance shall be available under this subsection even though the party may not have commenced assistance at the time of an application by a State.

"(5) A program established and operated under this subsection shall provide the following assistance:

"(A) appropriate medical screening, examination and testing (in accordance with sound medical procedures) as necessary to determine the presence in individuals of the disease or injury for which the population of the geographic area is at significantly increased risk;

"(B) for individuals with no present symptoms of such disease or injury, a group medical benefits policy providing the reasonable costs of periodic medical screening, testing or examination (in accordance with sound medical procedures), as necessary to determine the presence of such symptoms; and

"(C) for individuals with present symptoms of such disease or injury (or who develop such symptoms)—

"(i) reimbursement of the out-of-pocket costs of related medical expenses in connection with such disease or injury previously incurred and not recovered from any other public or private source, and

"(ii) a group medical benefits insurance policy providing the reasonable costs of sound medical and surgical treatment and hospitalization resulting from such disease or injury (which according to health assessments or other health studies under section 104(i), is associated with exposure to a hazardous substance in a release in the geographical area). Such a policy shall be subject to an annual deductible of $500, with no copayment requirement or annual or lifetime limitation on expenditures other than those referred to in paragraph (3).

"(D) Such policies provided under subparagraphs (B) and (C) shall be secondary to, and provide for nonduplication of benefits with, any other policy or coverage, public or private, for which such individual is eligible. The benefits or coverage of such other policy shall be those determined to be in force as of thirty days prior to the date the State applies for area designation.

"(E) Assistance under this subsection shall be provided on the condition that the costs thereof in connection with any individual pursuing a claim against a potentially responsible party shall be repaid to the Fund out of the proceeds of any award (including punitive damages) or settlement of such claim.

"(6)(A) The President, with the assistance of the Agency for Toxic Substances and Disease Registry, beginning January 1, 1987, shall submit annual reports to the Congress on the implementation and effectiveness of this victim assistance demonstration program, including an evaluation of the effectiveness of each of the State programs established under the subsection. The final report shall also address the relationship of this demonstration program to other public and private mechanisms that may exist to carry out the same or similar functions.

"(B) Each State selected to operate a demonstration program under this subsection shall submit to the President and the Congress, not later than January 1, 1990, a report on the implementation and effectiveness of its program.".

FUND USE OUTSIDE FEDERAL PROPERTY BOUNDARIES

SEC. 130. Section 111(e)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting before the period a colon and the following: "Provided, That money in the Fund shall be available for the provision of alternative water supplies (including the reimbursement of costs incurred by a municipality) in any case involving groundwater contamination outside the boundaries of a federally owned facility in which the federally owned facility is not the only potentially responsible party.".

STATUTE OF LIMITATIONS

SEC. 131. (a) Section 112 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking subsection (d) and relettering the following subsection.

(b) Section 113 of the of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(e)(1) No claim may be presented, nor may any action be commenced under this title—

"(A) for the cost of response, unless that claim is presented or action commenced within six years after the date of completion of the response action: Provided, however, That within the limitation period set out herein a State or the United States may commence an action under this title for recovery of any cost or costs at any time after such cost or costs have been incurred;

"(B) for damages under subparagraph (C) of section 107(a), unless that claim is presented or action commenced within six years after the date on which final regulations are promulgated under section 301(c) or within three years after the date of the discovery of the loss and its connection with the release in question or the date of enactment of this Act, whichever is later; or

"(C) for any other damages, unless that claim is presented or action commenced within three years after the date of discovery of the loss and its connection with the release in question or the date of enactment of this Act, whichever is later: Provided, however, That the time limitations contained in this paragraph shall not begin to run against a minor until he reaches eighteen years of age or a legal representative is duly appointed for him, nor against an incompetent person until his incompetency ends or a legal representative is duly appointed for him nor against an Indian tribe until the United States, in its capacity as trustee for the tribe, gives written notice to the governing body of the tribe that it will not present a claim or commence an action on behalf of the tribe or fails to present a claim or commence an action within the time limitations specified in this subsection. No claim may be presented or action be commenced under this subparagraph for any damages, if prior to the date of enactment of the Superfund Improvement Act of 1985, the statute of limitations which would otherwise apply under this paragraph has expired.".

"(2) No action for contribution may be commenced under section 107 more than three years after the date of entry of judgment or the date of the good-faith settlement.

"(3) No action based on rights subrogated pursuant to section 112 by reason of payment of a claim may be commenced under this title more than three years after the date of payment of such claim.".

JUDICIAL REVIEW

SEC. 132. Section 113(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"SEC. 113. (a)(1) Review of any regulation promulgated under this Act may be had upon application by any interested person in the Circuit Court of Appeals of the United States for the District of Columbia or in any United States court of appeals for a circuit in which the applicant resides or transacts business which is directly affected by such regulation. Any such application shall be made within one hundred and twenty days from the date of promulgation of such regulation, or after such date only if such application is based solely on grounds which arose after such one hundred and twentieth day. Any matter with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or to obtain damages or recovery of response costs.

"(2)(A) If applications for review of the same agency action have been filed in two or more United States courts of appeals and the President has received written notice of the filing of the first such application more than thirty days before receiving written notice of the filing of the second application, then the record shall be filed in that court in which the first application was filed. If applications for review of the same agency action have been filed in two or more United States courts of appeals and the President has received written notice of the filing of one or more applications within thirty days or less after receiving written notice of the filing of the first application, then the President shall promptly advise in writing the Administrative Office of the United States courts that applications have been filed in two or more United States courts of appeals, and shall identify each court for which he has written notice that such applications have been filed within thirty days or less of receiving written notice of the filing of the first such application. Pursuant to a system of random selection devised for this purpose, and within three business days after receiving such notice from the President, the Administrative Office thereupon shall select the court in which the record shall be filed from among those identified by the President. Upon notification of such selection, the President shall promptly file the record in such court. For the purpose of review of agency action which has previously been remanded to the President, the record shall be filed in the United States court of appeals which remanded such action.

"(B) Where applications have been filed in two or more United States courts of appeals with respect to the same agency action and the record has been filed in one of such courts pursuant to subparagraph (A), the other courts in which such applications have been filed shall promptly transfer such applications to the United States court of appeals in which the record has been filed. Pending selection of a court pursuant to subparagraph (A), any court in which an application has been filed may postpone the effective date of the agency action until fifteen days after the Administrative Office has selected the court in which the record shall be filed.

"(C) Any court in which an application with respect to any agency action has been filed, including any court selected pursuant to subparagraph (A), may transfer such application to any other United States court of appeals for the convenience of the parties or otherwise in the interest of justice.".

PRE-ENFORCEMENT REVIEW

SEC. 133. (a) Section 113(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking the word "subsection" and inserting in lieu thereof the words "subsections," and inserting "and (f)" after "(a)".

(b) Section 113 is further amended by adding at the end thereof the following new subsections:

"(f) No court shall have jurisdiction to review any challenges to response action selected under section 104 or any order issued under section 104, or to review any order issued under section 106(a), in any action other than (1) an action under section 107 to recover response costs or damages or for contribution or indemnification; (2) an action to enforce an order issued under sections 104 or 106(a) or to recover a penalty for violation of such order; or (3) an action for reimbursement under section 106(b)(2).

"(g) In any judicial action under section 106 or 107, judicial review of any issues concerning the adequacy of any response action taken or ordered by the President shall be limited to the administrative record. The only objection which may be raised in any such judicial action under section 106 or 107 is an objection to the response action which was raised with reasonable specificity to the President during the applicable period for public comment. In considering such objections, the court shall uphold the President's decision in selecting the response action unless the decision was arbitrary and capricious or otherwise not in accordance with law. If the court finds that the President's decision in selecting the response action was arbitrary and capricious or otherwise not in accordance with law, the court shall award the response costs or damages or other relief being sought to the extent that such relief is not inconsistent with the national contingency plan. In reviewing alleged procedural errors, the court may disallow costs or damages only if the errors were so serious and related to matters of such central relevance to the action that the action would have been significantly changed had such errors not been made.".

(c) Section 106(b) of such Act is amended by inserting "(1)" after "(b)" and adding a new paragraph at the end thereof to read as follows:

"(2)(A) Any person who receives and complies with the terms of any order issued under subsection (a) may, within sixty days of completion of the required action, petition the President for reimbursement from the Fund for the reasonable costs of such action, plus interest. Any interest payable under this paragraph shall accrue on the amounts expended from the date of expenditure at the same rate that applies to investments of the Fund under section 223(b) of this Act.

"(B) If the President refuses to grant all or part of a petition made under this paragraph, the petitioner may within thirty days of receipt of such refusal file an action against the President in the appropriate United States district court seeking reimbursement from the Fund.

"(C) To obtain reimbursement, the petitioner must establish by a preponderance of the evidence that it is not liable for response costs under section 107(a) and that costs for which it seeks reimbursement are reasonable in light of the action required by the relevant order: Provided, however, That a petitioner who is liable for response costs under section 107(a) may recover its reasonable costs of response to the extent that it can demonstrate, on the administrative record, that the President's decision in issuing the order was arbitrary and capricious or otherwise not in accordance with law. In any such case, the petitioner may be awarded all reasonable response costs incurred by the petitioner pursuant to the portions of the order found to be arbitrary and capricious or otherwise not in accordance with law.".

NATIONWIDE SERVICE OF PROCESS

SEC. 134. Section 113 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by this Act, is amended by adding the following new subsection:

"(h) In any action by the United States under section 104, 106, or 107, process may be served in any district where the defendant is found, or resides, or transacts business, or has appointed an agent for the service of process.".

PREEMPTION

SEC. 135. Section 114 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking subsection (c) and relettering the following subsection accordingly.

FEDERAL FACILITIES CONCURRENCE

SEC. 136. Section 115 of the Comprehensive Environmental, Compensation, and Liability Act of 1980 is amended by inserting before the period at the end thereof a colon and the following: "Provided, That with respect to a Federal facility or activity for which such duties or powers are delegated to an officer, employee or representative of the department, agency or instrumentality which owns or operates such facility or conducts such activity, the concurrence of the Administrator (and the responsible State official where a cooperative agreement has been entered into) shall be required for the selection of appropriate remedial action and the administrative order authorities of section 106(a) are hereby delegated to the Administrator".

FEDERAL FACILITIES COMPLIANCE

SEC. 137. Title I of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Public Law 96-510) is amended by adding at the end thereof the following new section:

"FEDERAL FACILITIES

"SEC. 117. (a) FEDERAL AGENCY HAZARDOUS WASTE COMPLIANCE DOCKET.—The Administrator shall establish a special Federal Agency Hazardous Waste Compliance Docket which shall contain all information submitted under section 3016 of the Solid Waste Disposal Act regarding any Federal facility and notice of each subsequent action taken under this Act with respect to the facility. Such docket shall be available for public inspection at reasonable times. Three months after establishment of the docket and every three months thereafter, the Administrator shall publish in the Federal Register a list of the Federal facilities which have been included in the docket during the immediately preceding three-month period. Such publication shall also indicate where in the appropriate regional office of the Environmental Protection Agency additional information may be obtained with respect to any facility on the docket. The Administrator shall establish a program to provide information to the public with respect to facilities which are included in the Docket under this subsection.

"(b) ASSESSMENT AND EVALUATION.—Not later than eighteen months after the date of enactment of the Superfund Improvement Act of 1985, the Administrator shall take steps to assure that a preliminary assessment is conducted for each facility for which information is required under section 3016 of the Solid Waste Disposal Act. Following such preliminary assessment, the Administrator shall where appropriate—

"(1) evaluate such facilities in accordance with the criteria established in accordance with section 105 under the National Contingency Plan for determining priorities among releases.

"(2) include such facilities on the National Priorities List maintained under such plan. Such evaluation and listing shall be completed not later than twenty months after such date of enactment.

"(c) RIFS AND INTERAGENCY AGREEMENT.—

"(1) RIFS.—Within one year after the inclusion of any facility on the National Priority List, the department, agency, or instrumentality which owns or operates such facility shall, in consultation with the Administrator, commence a remedial investigation and feasibility study for such facility.

"(2) INTERAGENCY AGREEMENT.—(A) Within six months after completion of each such remedial investigation and feasibility study, the Administrator shall review the results of such investigation and study and shall enter into an interagency agreement with the head of the department, agency, or instrumentality concerned for the expeditious completion by such department, agency, or instrumentality of all necessary remedial action at such facility. All such intergency agreements shall comply with the public participation requirements of section 104(j). Such agreement shall require that substantial continuous physical onsite remedial action is commenced at each facility which is the subject of such an agreement within twelve months after the agreement is entered into.

"(B) Each interagency agreement under this paragraph shall include, but shall not be limited to—

"(i) a review of alternative remedial actions and selection of construction design by the Administrator;

"(ii) a schedule for the completion of each such remedial action; and

"(iii) arrangements for long term operation and maintenance of the facility.

"(3) COMPLETION OF REMEDIAL ACTIONS.—Remedial actions at facilities subject to interagency agreements under this section shall be completed as expeditiously as practicable from the date the interagency agreement was entered into. Each agency shall include in its annual budget submissions to the Congress a request for funding adequate to complete remedial action, and a review of alternative agency funding which could be used to provide for the costs of remedial action. The request shall also include a statement of the hazard posed by the facility to human health, welfare and the environment and identify the specific consequences of failure to begin and complete remedial action.

"(4) ANNUAL REPORT.—Each department, agency, or instrumentality responsible for compliance with this section shall furnish an annual report to the Congress concerning its progress in implementing the requirements of this section. Such reports shall include, but shall not be limited to—

"(A) a report on the progress in reaching interagency agreements under this section;

"(B) the specific cost estimates and budgetary proposals involved in each interagency agreement;

"(C) a brief summary of the public comments regarding each proposed interagency agreement; and

"(D) a description of the instances in which no agreement was reached.

With respect to instances in which no agreement was reached within the required time period, the department, agency, or instrumentality filing the report under this paragraph shall include in such report an explanation of the reasons why no agreement was reached.

"(d) TRANSFER OF AUTHORITIES.—Except for authorities which are delegated by the Administrator to an officer or employee of the Environmental Protection Agency, no authority vested in the Administrator under this section may be transferred, by Executive order of the President or otherwise, to any other office or employee of the United States or to any other person.

"(e) APPLICATION OF REQUIREMENTS TO FEDERAL FACILITIES.—All guidelines, rules, regulations, procedures, and criteria which are applicable to preliminary assessments carried out under this Act for facilities at which hazardous substances are located, applicable to evaluations of such facilities under the National Contingency Plan, applicable to inclusion on the National Priority List, or applicable to remedial actions at such facilities shall also be applicable to facilities which are owned and operated by a department, agency, or instrumentality of the United States in the same manner and to the extent as such guidelines, rules, regulations, and criteria are applicable to other facilities, except for any requirements relating to bonding, insurance, or financial responsibility. No department, agency, or instrumentality of the United States may adopt or utilize any such guidelines, rules, regulations, procedures, or criteria which are inconsistent with the guidelines, rules, regulations, and criteria established by the Administrator under this Act.".

CITIZEN SUITS

SEC. 138. Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new section:

"CITIZEN SUITS

"SEC. 118. (a) Except as provided in subsection (b) of this section, any person may commence a civil action on such person's behalf—

"(1) against any person, including the United States and any other governmental instrumentality or agency, to the extent permitted by the Eleventh Amendment to the Constitution, who is alleged to be in violation of any standard, regulation, condition, requirement, or order which has become effective pursuant to this Act; or

"(2) against the President for failure to perform any act or duty under this Act which is not discretionary with the President.

Any action under this subsection shall be brought in the district court for the district in which the alleged violation occurred. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such requirement, to order the President to perform such act or duty, as the case may be, or to order such person in violation, of any standard, regulation, condition, require-

ment, or order to take such action as may be necessary to correct the violation or to apply appropriate civil penalties under this Act: Provided, however, That no district court shall have jurisdiction under this section to review any challenges to response action selected under section 104 or any order issued under section 104, or to review any order issued under section 106(a).

"(b) No action may be commenced under subsection (a) of this section (1) prior to ninety days after the plaintiff has given notice of the violation or disposal (A) to the President; or (B) to the State in which the alleged violation or disposal occurs; and (C) to any alleged violator of a standard, regulation, condition, requirement, or order; or (2) if the President or State has commenced and is diligently prosecuting an action under this Act or the Solid Waste Disposal Act to require compliance with such standard, regulation, condition, requirement, or order.

"(c) In any action commenced by the President or a State, under this Act or under the Solid Waste Disposal Act, in a court of the United States, any person may intervene as a matter of right when the applicant claims an interest relating to the subject of the action and such applicant is so situated that the disposition of the action may, as a practical matter, impair or impede such applicant's ability to protect that interest, unless the President or the State shows that the applicant's interest is adequately represented by existing parties.

"(d) In any action under this section, the United States or the State may intervene as a matter of right.

"(e) The court, in issuing any final order in any action brought pursuant to this section, may award costs of litigation (including reasonable attorney and expert witness fees) to the prevailing or the substantially prevailing party whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

"(f) Nothing in this Act shall restrict or expand any right which any person (or class of persons) may have under any Federal or State statute or common law to seek enforcement of any standard or requirement relating to hazardous substances or to seek any other relief (including relief against the President or a State agency).".

ADMINISTRATIVE CONFERENCE RECOMMENDATION

SEC. 139. The Congress finds that recommendation 84-4 of the Administrative Conference of the United States (adopted June 29, 1984) is generally consistent with the goals and purposes of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and that the Administrator should consider such recommendation and implement it to the extent that the Administrator determines that such implementation will expedite the cleanup of hazardous substances which have been released into the environment.

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 140. (a) Section 221 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "as provided in this section" in subsection (a); striking paragraphs (2) and (3) of subsection (b); and by striking subsection (c).

[(b) Section 303 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

["AUTHORIZATION OF APPROPRIATIONS

["SEC. 303. (a) The authority to collect taxes under chapter 38 of the Internal Revenue Code of 1954, together with the sums authorized to be appropriated under subsection (b), shall total $7,500,000,000 during the five-fiscal-year period beginning October 1, 1985.

["(b) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the Response Trust Fund for fiscal year—

["(A) 1981, $44,000,000,
["(B) 1982, $44,000,000,
["(C) 1983, $44,000,000,
["(D) 1984, $44,000,000,
["(E) 1985, $44,000,000,
["(F) 1986, $206,000,000,
["(G) 1987, $206,000,000,
["(H) 1988, $206,000,000,
["(I) 1989, $206,000,000, and
["(J) 1990, $206,000,000,

plus for each fiscal year an amount equal to so much of the aggregate amount authorized to be appropriated under subparagraphs (A) through (I) as has not been appropriated before the beginning of the fiscal year involved.".

["(b) TRANSFER OF FUNDS.—There shall be transferred to the Response Trust Fund—

["(1) one-half of the unobligated balance remaining before the date of the enactment of this Act under the Fund in section 311 of the Clean Water Act, and

["(2) the amounts appropriated under section 504(b) of the Clean Water Act during any fiscal year.

["(c) EXPENDITURES FROM RESPONSE TRUST FUND.—

["(1) IN GENERAL.—Amounts in the Response Trust Fund shall be available in connection with releases or threats of releases of hazardous substances into the environment only for purposes of making expenditures which are described in section 111 (other than subsection (j) thereof of this Act) as in effect on the date of the enactment of the Superfund Improvement Act of 1985, including—

["(A) response costs,

["(B) claims asserted and compensable but unsatisfied under section 311 of the Clean Water Act,

["(C) claims for injury to, or destruction or loss of, natural resources, and

["(D) related costs described in section 111(c) of this Act.

["(2) LIMITATIONS ON EXPENDITURES.—At least 85 per centum of the amounts appropriated to the Response Trust Fund shall be reserved—

["(A) for the purposes specified in paragraphs (1), (2), and (4) of section 111(a) of this Act, and

["(B) for the repayment of advances made under section 223(c), other than advances subject to the limitation of section 223(c)(2)(C).".]

TITLE II

[TAX EXEMPTION FOR ANIMAL FEED SUBSTANCES

[SEC. 201. (a) EXEMPTION FOR SUBSTANCES USED IN THE PRODUCTION OF ANIMAL FEED.—Subsection (b) of section 4662 of the Internal Revenue Code of 1954 (relating to definitions and special rules with respect to the tax on certain chemicals) is amended by adding at the end thereof the following paragraph:

["(5) SUBSTANCES USED IN THE PRODUCTION OF ANIMAL FEED.—

["(A) IN GENERAL.—In the case of nitric acid, sulfuric acid, phosphoric acid, ammonia, or methane used to produce ammonia, which is a qualified animal feed substance, no tax shall be imposed under section 4661(a).

["(B) QUALIFIED ANIMAL FEED SUBSTANCE.—For purposes of this section, the term 'qualified animal feed substance' means any substance—

["(i) used in a qualified animal feed use by the manufacturer, producer or importer,

["(ii) sold for use by any purchaser in a qualified animal feed use, or

["(iii) sold for resale by any purchaser for use, or resale for ultimate use, in a qualified animal feed use.

["(C) QUALIFIED ANIMAL FEED USE.—The term 'qualified animal feed use' means any use in the manufacture or production of animal feed or animal feed supplements, or of ingredients used in animal feed or animal feed supplements.

["(D) TAXATION OF NONQUALIFIED SALE OR USE.—For purposes of section 4661(a), if no tax was imposed by such section on the sale or use of any chemical by reason of subparagraph (A), the first person who sells or uses such chemical other than in a sale or use described in subparagraph (A) shall be treated as the manufacturer of such chemical.".

[(b) REFUND OR CREDIT FOR SUBSTANCES USED IN THE PRODUCTION OF ANIMAL FEED.—Subsection (d) of section 4662 (relating to refunds and credits with respect to the tax on certain chemicals) is amended by adding at the end thereof the following new paragraph:

["(3) USE IN THE PRODUCTION OF ANIMAL FEED.—Under regulations prescribed by the Secretary, if—

["(A) a tax under section 4661 was paid with respect to nitric acid, sulfuric acid, phosphoric acid, ammonia, or methane used to produce ammonia, without regard to subsection (b)(5), and

["(B) any person uses such substance as a qualified animal feed substance,

then an amount equal to the excess of the tax so paid over the tax determined with regard to subsection (b)(5) shall be allowed as a credit or refund (without interest) to such person in the same manner as if it were an overpayment of tax imposed by this section.".

[(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) of this section shall take effect upon the date of enactment of this Act.]

AMENDMENTS OF THE INTERNAL REVENUE CODE OF 1954

SEC. 201. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This title may be cited as the "Superfund Revenue Act of 1985".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 202. 5-YEAR EXTENSION OF TAX ON PETROLEUM AND CERTAIN CHEMICALS; CERTAIN EXEMPTIONS.

(a) 5-YEAR EXTENSION; TERMINATION IF FUNDS UNSPENT OR $7,500,000,000 COLLECTED.—

(1) IN GENERAL.—Subsection (d) of section 4611 (relating to termination) is amended to read as follows:

"(d) TERMINATION.—

"(1) IN GENERAL.—Except as otherwise provided in this section, the tax imposed by this subsection shall not apply after September 30, 1990.

"(2) NO TAX IF UNOBLIGATED BALANCE IN FUND IS MORE THAN $1,500,000,000.—If, on September 30, 1988, or September 30, 1989—

"(A) the unobligated balance in the Hazardous Substance Superfund exceeds $1,500,000,000, and

"(B) the Secretary, after consultation with the Administrator of the Environmental Protection Agency, determines that such unobligated balance will exceed $1,500,000,000 on September 30, 1989, or September 30, 1990, respectively, if no tax is imposed under section 4001, 4611, or 4661 during calendar year 1989 or 1990, respectively,

then no tax shall be imposed under this section during calendar year 1989 or 1990, as the case may be.

"(3) NO TAX IF AMOUNTS COLLECTED EXCEED $7,500,000,000.—

"(A) ESTIMATES BY SECRETARY.—The Secretary as of the close of each calendar quarter (and at such other times as the Secretary determines appropriate) shall make an estimate of—

"(i) the amount of taxes which will be collected under sections 4001, 4611, and 4661 and credited to the Hazardous Substance Superfund, and

"(ii) the amount of interest which will be credited to such Fund under section 9602(b)(3),

during the period beginning October 1, 1985, and ending September 30, 1990.

"(B) TERMINATION IF $7,500,000,000 CREDITED BEFORE SEPTEMBER 30, 1990.—If the Secretary estimates under subparagraph (A) that more than $7,500,000,000 will be credited to the Fund before September 30, 1990, no tax shall be imposed under this section after the date on which the Secretary estimates $7,500,000,000 will be so credited to the Fund.

"(4) PROCEDURES FOR TERMINATION.—The Secretary shall by regulation provide procedures for the termination under paragraph (2) or (3) of the tax under this section and section 4661.".

(2) CONFORMING AMENDMENT.—Section 303 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (relating to expiration of revenue provisions) is repealed.

(b) EXEMPTION FOR EXPORTS OF TAXABLE CHEMICALS.—

(1) IN GENERAL.—Section 4662 (relating to definitions and special rules) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) EXEMPTION FOR EXPORTS OF TAXABLE CHEMICALS.—

"(1) TAX-FREE SALES.—

"(A) IN GENERAL.—No tax shall be imposed under section 4661 on the sale by the manufacturer or producer of any taxable chemical for export, or for resale by the purchaser to a second purchaser for export.

"(B) PROOF OF EXPORT REQUIRED.—Rules similar to the rules of section 4221(b) shall apply for purposes of subparagraph (A).

"(2) CREDIT OR REFUND WHERE TAX PAID.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), if—

"(i) a tax under section 4661 was paid with respect to any taxable chemical, and

"(ii) such chemical was exported by any person,

credit or refund (without interest) of such tax shall be allowed or made to the person who paid such tax.

"(B) CONDITION TO ALLOWANCE.—No credit or refund shall be allowed or made under subparagraph (A) unless the person who paid the tax establishes that such person—

"(i) has repaid or agreed to repay the amount of the tax to the person who exported the taxable chemical, or

"(ii) has obtained the written consent of such exporter to the allowance of the credit or the making of the refund.

"(3) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection.".

(2) REFUND OR CREDIT.—Paragraph (1) of section 4662(d) (relating to refund or credit for certain uses) is amended—

(A) by striking out "the sale of which by such person would be taxable under such section" in subparagraph (B) and inserting in lieu thereof "which is a taxable chemical", and

(B) by striking out "imposed by such section on the other substance manufactured or produced" in the last sentence and inserting in lieu thereof "imposed by such section on the other substance manufactured or produced (or which would have been imposed by such section on such other substance but for subsection (e) of this section)".

(c) EXEMPTION FOR CERTAIN RECYCLED CHEMICALS.—

(1) IN GENERAL.—Section 4662(b) (relating to exceptions and other special rules) is amended by adding at the end thereof the following new paragraph:

"(7) RECYCLED CHROMIUM, COBALT, AND NICKEL.—

"(A) IN GENERAL.—No tax shall be imposed under section 4661(a) on any chromium, cobalt, or nickel which is diverted or recovered from any solid waste as part of a recycling process (and not as part of the original manufacturing or production process).

"(B) EXCEPTION FOR IMPORTS.—This paragraph shall not apply to the sale of any chromium, cobalt, or nickel which is diverted or recovered outside the United States and then imported into the United States.

"(C) CERTAIN PERSONS NOT ELIGIBLE.—

"(i) IN GENERAL.—This paragraph shall not apply to any taxpayer during any period during which the taxpayer is a potentially responsible party for a site which is listed on the National Priorities List published by the Environmental Protection Agency under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, except that such period shall not begin until the Administrator of the Environmental Protection Agency notifies the taxpayer that the taxpayer is such a party.

"(ii) EXCEPTION WHERE TAXPAYER IS IN COMPLIANCE.—Clause (i) shall not apply to any portion of the period during which the taxpayer is in compliance with each order, decree, or judgment issued against the taxpayer with respect to the site in any action or proceeding under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Solid Waste Disposal Act, or both.

"(D) SOLID WASTE.—For purposes of this paragraph, the term 'solid waste' has the meaning given such term by section 1004 of the Solid Waste Disposal Act, except that such term shall not include any byproduct, coproduct, or other waste from any process of smelting, refining, or otherwise extracting any metal.".

(2) CREDIT OR REFUND.—Paragraph (1) of section 4662(d), as amended by subsection (b)(2), is amended by inserting "(b)(7) or" before "(e)" in the last sentence thereof.

(d) TAX EXEMPTION FOR ANIMAL FEED SUBSTANCES.—

(1) IN GENERAL.—Subsection (b) of section 4662 (relating to definitions and special rules with respect to the tax on certain chemicals), as amended by subsection (c)(1), is amended by adding at the end thereof the following paragraph:

"(8) SUBSTANCES USED IN THE PRODUCTION OF ANIMAL FEED.—

"(A) IN GENERAL.—In the case of nitric acid, sulfuric acid, ammonia, or methane used to produce ammonia, which is a qualified animal feed substance, no tax shall be imposed under section 4661(a).

"(B) QUALIFIED ANIMAL FEED SUBSTANCE.—For purposes of this section, the term 'qualified animal feed substance' means any substance—

"(i) used in a qualified animal feed use by the manufacturer, producer or importer,

"(ii) sold for use by any purchaser in a qualified animal feed use, or

"(iii) sold for resale by any purchaser for use, or resale for ultimate use, in a qualified animal feed use.

"(C) QUALIFIED ANIMAL FEED USE.—The term 'qualified animal feed use' means any use in the manufacture or production of animal feed or animal feed supplements, or of ingredients used in animal feed or animal feed supplements.

"(D) TAXATION OF NONQUALIFIED SALE OR USE.—For purposes of section 4661(a), if no tax was imposed by such section on the sale or use of any chemical by reason of subparagraph (A), the first person who sells or uses such chemical other than in a sale or use described in subparagraph (A) shall be treated as the manufacturer of such chemical.".

(2) REFUND OR CREDIT FOR SUBSTANCES USED IN THE PRODUCTION OF ANIMAL FEED.—Subsection (d) of section 4662 (relating to refunds and credits with respect to the tax on certain chemicals) is amended by adding at the end thereof the following new paragraph:

"(3) USE IN THE PRODUCTION OF ANIMAL FEED.—Under regulations prescribed by the Secretary, if—

"(A) a tax under section 4661 was paid with respect to nitric acid, sulfuric acid, ammonia, or methane used to produce ammonia, without regard to subsection (b)(5), and

"(B) any person uses such substance as a qualified animal feed substance,

then an amount equal to the excess of the tax so paid over the tax determined with regard to subsection (b)(5) shall be allowed as a credit or refund (without interest) to such person in the same manner as if it were an overpayment of tax imposed by this section.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 203. IMPOSITION OF SUPERFUND EXCISE TAX.

(a) IN GENERAL.—Subtitle D (relating to miscellaneous excise taxes) is amended by inserting before chapter 31 the following new chapter:

"CHAPTER 30—SUPERFUND EXCISE TAX

"Subchapter A. Imposition of tax.
"Subchapter B. Taxable transaction.
"Subchapter C. Taxable amount; exempt transactions; credit against tax.
"Subchapter D. Administration.
"Subchapter E. Definitions; special rules.

"SUBCHAPTER A—IMPOSITION OF TAX

"Sec. 4001. Imposition of tax.
"Sec. 4002. Termination.

"SEC. 4001. IMPOSITION OF TAX.

"(a) General Rule.—A tax is hereby imposed on each taxable transaction.

"(b) Amount of Tax.—Except as otherwise provided in this chapter, the amount of the tax shall be .08 percent of the taxable amount.

"SEC. 4002. TERMINATION.

"(a) In General.—No tax shall be imposed under this section after December 31, 1990.

"(b) No Tax if Funds Unspent or $7,500,000,000 Collected.—No tax shall be imposed under subsection (a) during any period during which no tax is imposed under section 4611(a) by reason of paragraph (2) or (3) of section 4611(d), except that section 4611(d)(3) shall, for purposes of this subsection, be applied by substituting 'December 31, 1990' for 'September 30, 1990' each place it appears.

"(c) Procedures for Termination.—

"(1) Proration over taxable period.—In the case of any taxable period which begins before and ends after the date of any termination under this section, the tax imposed by section 4001 (and the credit allowable under section 4013) for such taxable period shall be equal to an amount which bears the same ratio to the amount of such tax (and credit) for such taxable period (determined without regard to the termination) as—

"(A) the number of days in such taxable period up to and including the date of termination, bears to

"(B) the number of days in such taxable period.

"(2) Other procedures.—The Secretary shall by regulation provide such procedures for a termination under this section as the Secretary determines necessary.

"Subchapter B—Taxable Transaction

"Sec. 4003. Taxable transaction.
"Sec. 4004. Taxable person.

"SEC. 4003. TAXABLE TRANSACTION.

"(a) In General.—For purposes of this chapter, the term 'taxable transaction' means—

"(1) the sale or leasing of tangible personal property in the United States by a taxable person in connection with a trade or business, or

"(2) the importing of tangible personal property into the customs territory of the United States by a taxable person.

"(b) Exempt Transactions.—For exempt transactions, see section 4012.

"SEC. 4004. TAXABLE PERSON.

"Except as otherwise provided in this chapter, for purposes of this chapter, the term 'taxable person' means—

"(1) in the case of a taxable transaction described in paragraph (1) of section 4003(a), the manufacturer of the tangible personal property, and

"(2) in the case of a taxable transaction described in paragraph (2) of section 4003(a), the importer of the tangible personal property.

"Subchapter C—Taxable Amount; Exempt Transactions; Credit Against Tax

"Sec. 4011. Taxable amount.
"Sec. 4012. Exempt transactions.
"Sec. 4013. Credit against tax on sales and leases.

"SEC. 4011. TAXABLE AMOUNT.

"(a) Sale.—For purposes of this chapter, the taxable amount for any sale shall be the price (in money or fair market value of other consideration) charged the purchaser of the property by the seller thereof—

"(1) including items payable to the seller with respect to such transaction, but

"(2) excluding the tax imposed by section 4001 with respect to such transaction.

"(b) Imports.—For purposes of this chapter, the taxable amount in the case of any import shall be—

"(1) the customs value plus customs duties and any other duties which may be imposed, or

"(2) if there is no such customs value, the fair market value (determined as if the importer had sold the property).

"(c) Leases.—For purposes of this chapter, the taxable amount in the case of any lease shall be the gross payments under the lease.

"(d) Containers, Packing and Transportation Charges; Constructive Sales Price.—Under regulations, rules similar to the rules of subsections (a) and (b) of section 4216 (relating to containers, packing and transportation charges, etc., and constructive sales price) shall apply in computing the taxable amount.

"(e) Special Rule Where Sale or Lease Payments Received In More Than 1 Taxable Period.—

"(1) Sales.—In the case of a sale where the consideration is received by the seller in more than 1 taxable period, the taxable amount for each such taxable period shall include that portion of the taxable amount which is includible in the gross income of the taxable person for purposes of chapter 1 for taxable years ending with or within such taxable period (or would be so includible if it were not excludable from gross income).

"(2) Leases.—In the case of a lease with a term which includes more than 1 taxable period, the taxable amount for each such taxable period shall include the gross lease payments received by the taxable person during such taxable period.

"SEC. 4012. EXEMPT TRANSACTIONS.

"(a) Imports of $10,000 or Less.—No tax shall be imposed under section 4001 on any tangible personal property imported into the customs territory of the United States as part of a shipment (within the meaning of section 498(1) of the Tariff Act of 1930; 19 U.S.C. 1498(1)) the aggregate taxable amount of which is $10,000 or less.

"(b) Exports.—Under regulations, no tax shall be imposed under section 4001 on the sale of any property which is to be exported outside the United States.

"(c) Governmental Entities and Exempt Organizations Exempt From Tax on Sales and Leases.—

"(1) Governmental entities.—No tax shall be imposed under section 4001 on the sale or leasing of any tangible personal property by the United States, any State or political subdivision, the District of Columbia, a Commonwealth or possession of the United States, or any agency or instrumentality of any of the foregoing.

"(2) Exempt organizations.—No tax shall be imposed under section 4001 on the sale or leasing of any tangible personal property by any organization which is exempt from tax under chapter 1, unless the taxable transaction is part of an unrelated trade or business (within the meaning of section 513).

"SEC. 4013. CREDIT AGAINST TAX ON SALES AND LEASES.

"(a) General Rule.—There shall be allowed as a credit against the tax imposed by section 4001 for any taxable period on taxable transactions described in paragraph (1) of section 4003(a) an amount equal to the greater of—

"(1) .08 percent of the qualified inventory costs of the taxable person for the taxable period, or

"(2) the amount of the tax imposed by section 4001 on such taxable transactions, to the extent such amount does not exceed $4,000.

"(b) Limitation Based on Tax Liability; Carryforward of Excess Credit.—

"(1) Limitation based on amount of tax.—The amount of the credit allowed by subsection (a) for any taxable period shall not exceed the liability for tax imposed by section 4001 for such period.

"(2) Carryforward of excess credit.—If the credit allowable under subsection (a) for any taxable period exceeds the limitation imposed by paragraph (1), such credit shall be carried to the succeeding taxable period and added to the credit allowable under subsection (a) for such succeeding taxable period.

"(c) Qualified Inventory Costs.—For purposes of this chapter—

"(1) In general.—The term 'qualified inventory costs' means the costs of tangible personal property included in the inventory of tangible personal property manufactured by the taxable person.

"(2) Computation of costs.—For purposes of this subsection—

"(A) In general.—Except as provided in this paragraph, qualified inventory costs shall be computed in the same manner as costs are computed for purposes of determining the inventory of a manufacturer under section 471.

"(B) Expensing rather than depreciation or amortization.—Qualified inventory costs for any taxable period shall not include the amount of any allowance for depreciation or amortization but shall include any amount paid or incurred during such taxable period for tangible personal property acquired or leased incident to, and necessary for, production or manufacturing operations or processes.

"(C) Special rule for long-term contracts, etc.—If, under a taxable person's method of accounting for purposes of chapter 1, qualified inventory costs (other than costs to which subparagraph (B) applies) are computed in a manner other than the manner described in subparagraph (A), such costs shall be computed under such taxable person's method of accounting unless the Secretary by regulation provides otherwise.

"(d) Special Rule for Taxpayers Under Common Control.—

"(1) In general.—All persons which are—

"(A) members of the same controlled group of corporations (within the meaning of section 52(a)), or

"(B) under common control (within the meaning of section 52(b)),

shall be treated as 1 person for purposes of applying the $4,000 amount under subsection (a)(2).

"(2) Allocation of $4,000.—The $4,000 amount under subsection (a)(2) shall be allocated among persons described in paragraph (1) in such manner as the Secretary may prescribe by regulations.

"Subchapter D—Administration

"Sec. 4021. Liability for tax.
"Sec. 4022. Return requirement; taxable period; depositary requirements.
"Sec. 4023. Regulations.

"SEC. 4021. LIABILITY FOR TAX.

"The taxable person shall be liable for the tax imposed by section 4001.

"SEC. 4022. RETURN REQUIREMENT; TAXABLE PERIOD; DEPOSITARY REQUIREMENTS.

"(a) Return Requirement.—

"(1) In general.—Except as provided in this subsection, each taxable person shall

file a return of the tax imposed by section 4001 for any taxable period not later than—

"(A) the due date (including extensions) for filing the taxpayer's return of tax under chapter 1, or

"(B) if there is no return of tax under chapter 1, the due date (including extensions) under chapter 1 for a taxable year which is the calendar year.

"(2) Exception for sales or leases of $5,000,000 or less.—A taxable person shall not be required to file a return for any taxable period for taxable transactions described in paragraph (1) of section 4003(a) if the aggregate taxable amount for such transactions is $5,000,000 or less (determined on an annual basis).

"(3) Other exceptions.—The Secretary may by regulation exempt any taxable person from the requirement of paragraph (1).

"(b) Taxable Period.—For purposes of this chapter, the term 'taxable period' means—

"(1) the taxable person's taxable year for purposes of chapter 1, or

"(2) if there is no taxable year for purposes of chapter 1, the calendar year.

"(c) Depositary Requirements.—

"(1) In general.—In the case of any person with respect to whom a tax is imposed under section 4001 for any taxable period on any taxable transaction described in paragraph (1) of section 4003(a), such person shall make quarterly deposits of the estimated amount of such tax for the succeeding taxable period.

"(2) Special rule for 1st taxable period.—Notwithstanding paragraph (1), a deposit shall be required for the first taxable period of any taxable person to which this chapter applies if the gross receipts of such person during the first taxable year ending before such taxable period from the sale or leasing of tangible personal property manufactured by such person exceed $50,000,000.

"SEC. 4023. REGULATIONS.

"The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this chapter.

"Subchapter E—Definitions; Special Rules

"Sec. 4031. Definitions; special rules.

"SEC. 4031. DEFINITIONS; SPECIAL RULES.

"(a) Manufacturing.—For purposes of this chapter—

"(1) Production included.—The term 'manufacturing' includes the production of tangible personal property, including raw materials.

"(2) Certain activities not included in manufacturing.—The term 'manufacturing' does not include—

"(A) the furnishing of services incidental to storage or transportation of property,

"(B) the preparation of food in a restaurant or other retail food establishment, or

"(C) the incidental preparation of property by a retailer or wholesaler (including routine assemblage).

"(b) Manufacturer.—The term 'manufacturer' includes any producer of tangible personal property (including raw materials), but does not include any person conducting an activity described in subsection (a)(2).

"(c) Person.—For purposes of this chapter, the term 'person' includes any governmental entity.

"(d) United States.—For purposes of this chapter, the term 'United States', when used in a geographical sense, includes a Commonwealth and any possession of the United States.

"(e) Tangible Personal Property.—For purposes of this chapter, the term 'tangible personal property' does not include unprocessed agricultural products or unprocessed food products.

"(f) Unprocessed Agricultural Products.—The term 'unprocessed agricultural product' includes timber and fish.

"(g) Customs Territory of the United States.—The term 'customs territory of the United States' has the meaning given such term by headnote 2 of the General Headnotes and Rules of Interpretation of the Tariff Schedules of the United States (19 U.S.C. 1202).

"(h) Tax on Import in Addition to Duty.—The tax imposed by section 4001 on the importing of any tangible personal property shall be in addition to any duty imposed on such importation.

"(i) Disposition of Revenues From Puerto Rico and the Virgin Islands.—The provisions of subsections (a)(3) and (b)(3) of section 7652 and any similar provision of law which requires an internal revenue tax collected by the United States to be paid to a Commonwealth or possession of the United States shall not apply to any tax imposed by section 4001.".

(b) Application of Certain Penalties.—

(1) Failure to file return or pay tax.—Paragraph (1) of section 6651(a) (relating to addition to tax) is amended by inserting "section 4022 (relating to Superfund excise tax)," before "subchapter A of chapter 51".

(2) Negligence penalty.—Section 6653(a) (relating to negligence or intentional disregard of rules and regulations) is amended—

(A) by inserting ", by chapter 30 (relating to Superfund excise tax)," after "subtitle B" in paragraph (1) thereof, and

(B) by striking out "Windfall Profit" in the heading thereof and inserting in lieu thereof "Certain Excise".

(3) Failure to make deposits.—Section 6656 (relating to failure to make deposit of taxes or overstatement of deposits) is amended by adding at the end thereof the following new subsection:

"(c) Special Rule for Superfund Excise Tax.—For purposes of subsection (a), in the case of the tax imposed by section 4001, the tax required to be deposited shall be equal to the lesser of—

"(1) 90 percent of the tax imposed by section 4001 during the taxable period on taxable transactions described in paragraph (1) of section 4003(a), or

"(2) the amount of such tax imposed during the preceding taxable period (determined on an annual basis).

Paragraph (2) shall not apply if no tax was imposed during the preceding taxable period.".

(c) Clerical Amendment.—The table of chapters for subtitle D is amended by inserting before the item relating to chapter 31 the following new item:

"Chapter 30. Superfund excise tax.".

(d) Effective Dates.—

(1) In general.—Except as provided in this subsection, the amendments made by this section shall apply with respect to taxable amounts received in taxable periods beginning after December 31, 1985.

(2) Special rule for imports.—In the case of imports, the amendments made by this section shall apply to articles entered, or withdrawn from warehouse, for consumption after December 31, 1985.

(3) Special rule for taxable period including January 1, 1985.—In the case of any taxable period which begins before January 1, 1985, and ends after January 1, 1985, the tax imposed by section 4001 of the Internal Revenue Code of 1954 (and the credit allowable under section 4013 of such Code) for such taxable period shall be equal to an amount which bears the same ratio to the amount of such tax (and credit) for such taxable period (determined as if such tax and credit had been in effect for the entire taxable period) as—

(A) the number of days in such taxable period after December 31, 1985, bears to

(B) the number of days in such taxable period.

SEC. 204. HAZARDOUS SUBSTANCE SUPERFUND.

(a) In General.—Subchapter A of chapter 98 (relating to establishment of trust funds) is amended by adding at the end thereof the following new section:

"SEC. 9505. HAZARDOUS SUBSTANCE SUPERFUND.

"(a) Creation of Trust Fund.—There is established in the Treasury of the United States a trust fund to be known as the 'Hazardous Substance Superfund' (hereinafter in this section referred to as the 'Superfund'), consisting of such amounts as may be—

"(1) appropriated to the Superfund as provided in this section, or

"(2) credited to the Superfund as provided in section 9602(b).

"(b) Transfers to Superfund.—

"(1) In general.—There are hereby appropriated to the Superfund amounts equivalent to—

"(A) the taxes received in the Treasury under section 4001 (relating to Superfund excise tax),

"(B) the taxes received in the Treasury under section 4611 or 4661 (relating to taxes on petroleum and certain chemicals),

"(C) amounts recovered on behalf of the Superfund under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (hereinafter in this section referred to as 'CERCLA'),

"(D) all moneys recovered or collected under section 311(b)(6)(B) of the Clean Water Act,

"(E) penalties assessed under title I of CERCLA, and

"(F) punitive damages under section 107(c)(3) of CERCLA.

"(2) Transfer of certain other funds.—There shall be transferred to the Superfund—

"(A) the amounts appropriated under section 504(b) of the Clean Water Act during any fiscal year, and

"(B) the unobligated balance in the Post-closure Liability Trust Fund as of October 1, 1985.

"(c) Expenditures From the Superfund.—

"(1) In general.—Amounts in the Superfund shall be available in connection with releases or threats of releases of hazardous substances into the environment only for purposes of making expenditures which are described in section 111 of CERCLA (other than subsection (j) thereof) as in effect on the date of the enactment of the Superfund Improvement Act of 1985, including—

"(A) response costs,

"(B) claims asserted and compensable but unsatisfied under section 311 of the Clean Water Act,

"(C) claims for injury to, or destruction or loss of, natural resources, and

"(D) related costs described in section 111(c) of CERCLA (other than paragraph (7) thereof).

"(2) Limitations on expenditures.—At least 85 per centum of the amounts appro-

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priated to the Response Trust Fund shall be reserved—

"(A) for the purposes specified in paragraphs (1), (2), and (4) of section 111(a) of CERCLA, and

"(B) for the repayment of advances made under subsection (d), other than advances subject to the limitation of subsection (d)(2)(B).

"(d) Authority to Borrow.—

"(1) In general.—There are authorized to be appropriated to the Superfund, as repayable advances, such sums as may be necessary to carry out the purposes of the Superfund.

"(2) Limitations on advances to Superfund.—

"(A) Aggregate advances.—The maximum aggregate amount of repayable advances to the Superfund which is outstanding at any one time shall not exceed an amount which the Secretary estimates will be equal to the sum of the amounts described in paragraph (1) of subsection (b) which will be transferred to the Superfund during the following 12 months.

"(B) Advances for certain costs.—The maximum aggregate amount advanced to the Superfund which is outstanding at any one time for purposes of paying costs other than costs described in section 111 (a)(1), (2), or (4) of CERCLA shall not exceed 15 percent of the amount of the estimate made under subparagraph (A).

"(C) Final repayment.—No advance shall be made to the Superfund after September 30, 1990, and all advances to such Fund shall be repaid on or before December 31, 1990.

"(3) Repayment of advances.—

"(A) In general.—Advances made pursuant to this subsection shall be repaid, and interest on such advances shall be paid, to the general fund of the Treasury when the Secretary determines that moneys are available for such purposes in the Superfund (or when required by paragraph (2)(C)).

"(B) Rate of interest.—Interest on advances made pursuant to this subsection shall be at a rate determined by the Secretary of the Treasury (as of the close of the calendar month preceding the month in which the advance is made) to be equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the anticipated period during which the advance will be outstanding and shall be compounded annually.

"(e) Liability of United States Limited to Amount in Trust Fund.—

"(1) General rule.—Any claim filed against the Superfund may be paid only out of the Superfund.

"(2) Coordination with other provisions.—Nothing in CERCLA or the Superfund Improvement Act of 1985 (or in any amendment made by either of such Acts) shall authorize the payment by the United States Government of any amount with respect to any such claim out of any source other than the Superfund.

"(3) Order in which unpaid claims are to be paid.—If at any time the Superfund is unable (by reason of paragraph (1)) to pay all of the claims payable out of the Superfund at such time, such claims shall, to the extent permitted under paragraph (1), be paid in full in the order in which they were finally determined.".

(b) Conforming Amendments.—

(1) Subtitle B of the Hazardous Substance Response Revenue Act of 1980 (relating to establishment of Hazardous Substance Response Trust Fund) is hereby repealed.

(2) Paragraph (11) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"(11) 'Fund' or 'Trust Fund' means the Hazardous Substance Superfund established by section 9505 of the Internal Revenue Code of 1954;".

(c) Clerical Amendment.—The table of sections for subchapter A of chapter 98 is amended by adding at the end thereof the following new item:

"Sec. 9505. Hazardous Substance Superfund."

(d) Effective Date.—

(1) In general.—The amendments made by this section shall take effect on October 1, 1985.

(2) Superfund treated as continuation of old trust fund.—The Hazardous Substance Superfund established by the amendments made by this section shall be treated for all purposes of law as a continuation of the Hazardous Substance Response Trust Fund established by section 221 of the Hazardous Substance Response Revenue Act of 1980. Any reference in any law to the Hazardous Substance Response Trust Fund established by such section 221 shall be deemed to include (wherever appropriate) a reference to the Hazardous Substance Superfund established by the amendments made by this section.

SEC. 205. REPEAL OF POST-CLOSURE TAX AND TRUST FUND.

(a) Repeal of Tax.—

(1) Subchapter C of chapter 38 (relating to tax on hazardous wastes) is hereby repealed.

(2) The table of subchapters for such chapter 38 is amended by striking out the item relating to subchapter C.

(b) Repeal of Trust Fund.—Section 232 of the Hazardous Substance Response Revenue Act of 1980 is hereby repealed.

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 206. INDUSTRIAL DEVELOPMENT BONDS FOR HAZARDOUS WASTE TREATMENT FACILITIES.

(a) In General.—Paragraph (4) of section 103(b) (relating to certain exempt activities) is amended—

(1) by inserting ", facilities subject to final permit requirements under subtitle C of title II of the Solid Waste Disposal Act for the treatment of hazardous waste," after "solid waste disposal facilities" in subparagraph (E), and

(2) by adding at the end thereof the following new sentence: "For purposes of subparagraph (E), the terms 'treatment' and 'hazardous waste' have the meanings given to such terms by section 1004 of the Solid Waste Disposal Act.".

SEC. 207. REPORT ON METHODS OF FUNDING SUPERFUND.

Not later than January 1, 1988, the Comptroller General of the United States or his delegate shall study and report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives with respect to various methods of funding the Hazardous Substances Superfund, including a study of the effect of taxes on the generation and disposal of hazardous wastes.

Mr. STAFFORD. Mr. President, the bill now before the Senate has been considered by three committees: The Committee on Environment and Public Works, which I am privileged to chair; the Committee on Finance; and, the Committee on Judiciary. I am pleased to say that S. 51 was discharged from one of those committees and reported favorably from each of the other two with only one dissenting vote.

This bill enjoys broad support among both Members of the Senate and outside groups with an interest in the Superfund Program. One reason this bill enjoys such support is because it is a moderate proposal which makes only modest changes in a vitally necessary law.

The reason we are proposing only modest changes is because Superfund is a fundamentally sound law which now is working well. What it needs most is more money and more time. Those are the two essential elements of S. 51.

PURPOSE AND SUMMARY

S. 51, as amended, amends the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide $7.5 billion in additional funding over a 5-year period.

The overriding purpose of S. 51 is to expand and accelerate the Federal Government's program to clean up and otherwise protect the public health and environment from releases of hazardous substances and wastes. To this end, S. 51 not only provides additional money and time, but makes changes in the law which improve the pace and direction of those cleanup efforts.

I hope additional improvements can be made on the floor through a series of amendments I intend to offer. Title I of the bill establishes cleanup standards to be applied so that human health and the environment is protected in every circumstance; a health program to assure that at each Superfund site a thorough review and assessment is made of the threats posed to human health; a chemicals testing program to develop adequate information on frequently encountered hazardous substances; and a grant program to assist States that wish to establish demonstration systems of assistance for victims of hazardous substances and wastes.

BACKGROUND AND NEED

The modern chemicals technology which has contributed so greatly to this Nation's standard of living has also left a legacy of hazardous substances and wastes which pose a serious threat to human health and the environment. By some estimates, there are over 20,000 abandoned hazardous waste sites in the United States. In large areas, drinking water supplies are contaminated by synthetic organic chemicals, including a large number of supplies which rely upon groundwater, a resource generally thought to be safe from contamination. Unfortunately, the Environmental Protection Agency estimates that for ground water systems serving less than 10,000 persons, 1 of every 6 supplies is contaminated by volatile organic chemicals and nearly 1 of every 3 of the larger systems.

It was to deal with such problems that the Congress enacted the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which quickly came to be known as the "Superfund." The law authorized a 5-year, $1.6-billion program to clean up releases of hazardous substances, pollutants and contaminants. It also created a new health agency, the Agency for Toxic Substances and Disease Registry, located within the Department of Health and Human Services. The bulk of the cleanup program, however, was delegated to the Environmental Protection Agency.

During the 5 years which have passed since enactment of the Superfund law, public concern has intensified. In some areas and States, public opinion polls show that the public is more concerned over the problem of hazardous substances and wastes than any other domestic issue.

The Environmental Protection Agency has now embarked on a program to clean up 115 Superfund sites per year and estimates that it will be called upon to react to up to 200 emergencies annually. The Assistant Administrator has testified that a 5-year extension of this program would require an additional $5.3 billion. But this estimate fails to take into account other important and substantial demands on the fund. It does not, for example, allow leeway for the payment of any claims for natural resource damages, one of the law's most important, but still unimplemented, components. The estimate also does not allow any room for increase in the cost of cleanup per site beyond the current estimate, even though the Agency's previous projections have climbed in the past 4 years from $2.5 million per site to $6.5 million in 1984 and, most recently, $8.3 million. Finally, the estimate assumes that between now and 1990, which is the expiration date of the 5-year extension, there will be no inflation. Based on this, it seems clear that even a simple extension of the current program will require substantially more than $5.2 billion. With the addition of new responsibilities in this bill (estimated by the Agency to cost $1 to $1.5 billion over 5 years), the committee concluded that an appropriate 5-year funding level was $7.5 billion, as contained in the reported bill.

STATEMENT OF PRINCIPLES

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 was designed to help address many of the problems faced by our country as a result of toxic chemical contamination. The statute does not and is not intended to replace other laws which provide the regulatory foundations to address a variety of these toxic chemical concerns or provide victims with the rights to recover for damages, or obtain other relief. The existing statute and this reauthorization are structured to complement these laws and add to the remedies available to injured parties and other citizens.

The Superfund is founded on certain fundamental objectives. These are:

First, it is to provide ample Federal, State and citizen authority for cleaning up and preventing releases of hazardous substances, pollutants and contaminants.

Second, it is to assure that those responsible for any damage, contamination, environmental harm or injury from hazardous substances bear the costs of their actions and do not transfer them to others, whether through contract, sale, transportation, disposal, or otherwise;

Third, it provides a fund to finance response actions where a responsible party does not clean up, cannot be found or cannot pay. This fund has been based primarily on contributions from those who have been generally associated with such problems in the past and who today profit from products and services associated with such substances; and

Fourth, to provide adequate compensation to those who have suffered economic, health, natural resource, and other damages.

If these objectives can be and are realized through administration of the law, both by the executive branch and the judicial branch, the major objective of the statute will be accomplished: To provide an incentive to those who manage hazardous substances or are responsible for contaminating sites to avoid releases and to make maximum effort to clean up or to mitigate the effects of any such release.

Both the President and the courts should constantily bear in mind that this is a law directed at all toxic threats, whether air, water, or waste, and without regard to the specific use if any, to which the chemical or organism was to be used; pesticides are covered as well as PCB's, mining wastes as well as spent solvents, and organisms as well as chemicals. Individuals and society are to be protected from all of these and made whole when protection has failed.

FUNDING LEVEL

A great deal of the debate over Superfund's eventual cost has centered on the number of sites that will, upon inspection, exceed the EPA threshold score and, as a result, be listed on the National Priorities List. As of April 10, 1985, a total of 540 sites had been listed and an additional 276 had been proposed for listing. The EPA estimates that a total of 1,800 sites will eventually be listed on the NPL, but concedes in its recent report to Congress (the "301" studies) that "if EPA were to undertake a targeted, systematic discovery and investigation effort * * * the size of the program could increase substantially." After identifying several categories of sites that have not been targeted (such as municipal landfills, mining waste sites, and leaking underground storage tanks), the report concludes that "if even a small fraction of these sites requires Superfund response, then funding needed to address them would overwhelm the central estimates currently projected for the Superfund program."

The administration requested, but the Committee on Environment and Public Works rejected, a request that the law be extended for 5 years at a cost of only $5.3 billion. Several related factors were cited by the administration in support of a relatively slower pace of spending. First, it asserted that if the program were expanded too quickly, money would be wasted because of inability to manage the quality of the work performed. Second, according to EPA Administrator Lee Thomas, "the inability of the analytical laboratory industry to further increase its capacity for organic sample analysis and high hazard sample analysis constitutes another major limitation on more expansion * * *." Third, according to EPA's "301" studies, "there is concern about the extent to which fully permitted treatment, storage and disposal facilities will be available to dispose of Superfund waste * * *." Fourth, the Administrator said it has encountered a shortage of experienced personnel with specialized skills. Finally, the Administrator asserted that the capacity of the States to provide funds for their share of Superfund activities would constrain.

The committee examined these assertions and concluded that while they did not justify restraining Superfund to a $5.3 billion level, they did warrant a more cautious increase. Thus, the Committee on Environment and Public Works reported S. 51, as did the Committee on Finance, with a 5-year level of $7.5 billion.

Mr. President, before commenting on some of the specific provisions of S. 51 as reported, I would like to make an observation regarding the law's liability standard.

Superfund imposes a standard of strict, joint, and several liability for those who manufacture, transport, dispose of, apply or in any other way engage in activity which results in the release of hazardous substances. Such individuals are engaged in abnormally dangerous activities and should be held to the standard of care which assures that they exercise the highest degree of care which is possible.

During the reauthorization of Superfund, many individuals and organizations sought to be excepted from this standard of liability. Each of them made a good case. Cleanup contractors believe they should be held to a lesser standard because they are engaged in a societally beneficial activity. Methane operators say the same, as do those individuals who neutralize or otherwise treat hazardous waste.

But the truth of the matter is that we all believe that we are engaged in societally beneficial behavior. Those who manufactured electronic components which were cleansed with solvents that contaminated groundwater and still later caused the deaths of children from juvenile leukemia believed they were engaged in societally beneficial behavior, I am sure. So did chemical manufacturers who produced and sold the pesticide which now contaminates the ground waters of Long Island and Wisconsin, I expect. Similarly, the companies which owned and operated the smelters whose emissions poisoned the nervous systems of nearby children probably thought that they were contributing to the national security of the United States. And in each case they may be correct.

The issue is not whether the activity is societally beneficial. The issue is whether it is abnormally dangerous. What the Congress declared in enacting the Comprehensive Environmental Response, Compensation and Liability Act of 1980 was that conduct which results in the release of hazardous substances into the environment is an abnormally dangerous activity for which a person should be held strictly, jointly, and severally liable.

In some instances this had led to a result which appears harsh. But the alternative is even harsher. It may be unfair, from a cleanup contractor's perspective, for him to be held to the CERCLA standard of liability and forced to pay for personal injuries. But it is even less fair to say that those costs should be borne by the victims, whose only connection with the enterprise is their injury.

Is it more fair for the child stricken with leukemia to pay for his medical bills or for the person who released the solvents to do so?

Is it more fair for the taxpayers to pay to cleanse a contaminated aquifer or the companies which deposited the waste to do so?

My answer to these questions is simple. The person who caused the damage should bear the cost of cleaning it up, including the cost of making its victims whole.

There is one specific area where this subject has recurred time and time again. That is when an individual is in compliance with a permit. Polluters contend that because they were doing what the law did not prohibit or what the law allowed, they should not be liable.

It is a bitter irony to this Senator that the thousands of enterprises who have sought—sometimes with great success, almost always with limited success—to weaken environmental laws now constantly contend that they should be protected from liability by compliance with the softened regulations. Mining companies who sought and won an exemption from the hazardous waste requirements now seek to be immunized from liability as well. Chemical companies who sought to make the best available technology requirements of the Clean water Act only those which are "economically achievable" now say that this weakened requirement justifies a lesser standard of liability. Companies which won relaxation of statutory and regulatory requirements for manufacturing, transporting, storing, and disposing of poisonous wastes because these would cost too much money now seek immunity from damages which result from these relaxations.

This is understandable. These firms are in the business of making a profit, which is as it should be. But they are also in the business of handling materials which can and do have lethal consequences when released into the environment. The costs of such releases should be borne by them, so they have an incentive to avert and minimize releases and harm.

These were the principles in 1980, and they are embodied in S. 51 as well. The only change has been with respect to State and local governments. Even that change is very narrow and justifiable because of the special duties and obligations which fall on government. Governments acquire title or possession of property involuntarily; banks and other businesses do not. Governments are obliged to respond to toxic chemical emergencies to protect the public health and safety; chemical and other companies are not. Governments could, if they so choose, confer absolute immunity on themselves through the exercise of the sovereign's prerogative; individuals cannot.

For these reasons and others, the reported bill alters the law's liability standards for units of State and local government. But for all others, the standard remains, as it should, unchanged.

Mr. President, I would now like to explain a few technical provisions of S. 51 as reported from the Finance Committee, from my committee, and after review by the Senate Judiciary Committee.

ACCESS AND INFORMATION GATHERING

Section 115 of the bill clarifies and strengthens the President's authority under section 104(e) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 to gain access at Superfund sites and to obtain information regarding hazardous substances, pollutants, and contaminants associated with those sites. It is of critical importance because the existing statute provides access and information gathering authority, but no explicit means to enforce such authority. Therefore, to enforce the authority the President must rely on other laws, which do not necessarily apply to Superfund substances, or on other provisions of CERCLA which provide implicit enforcement authority. This section of S. 51 will provide the President with clear enforcement mechanisms for CERCLA access and information gathering authorities that are similar to the authorities in other laws, such as the Resource Conservation and Recovery Act.

Access sometimes is necessary for sampling to determine the nature and extent of the contamination or to undertake the response action itself. Many times response actions have been severely hampered because parties refused EPA access to, or adjacent to, the facility. Some examples include Western Processing in Seattle, WA; Stringfellow in Glen Avon, CA; OMC in Waukegan, IL; Pepper Steel, in Medley, FL; and many others. Fund response action at the New Lyme site in Ashtabula County, OH, was also delayed because certain responsible parties refused to provide the Environmental Protection Agency with information regarding the materials sent to the site.

The section contains several important changes to the existing authority, including:

Subsection (1) makes explicit what has been implicit: The authority for the President to gain access or obtain information for the purposes of choosing or undertaking a response action.

Subsection (1)(A) clarifies and expands the kinds of information that the President may obtain and the parties from whom it may be obtained.

Subsection (1)(B) makes explicit the authority for the President to gain access not just to the Superfund site itself, but also adjacent to the site or to any "other place or property" associated with the hazardous substances, or where there is a release or threatened release or where entry is needed to properly determine or undertake a response action.

Subsection (1)(C) explicitly authorizes the President to inspect and obtain samples from the site itself or other places or locations where hazardous substances are suspected or are located. Subsection (1)(B) and this subsection are especially important because at many sites both soil and groundwater contamination extend beyond the actual property boundaries of the site. It is necessary to determine

the extent of the contamination before the proper remedy can be chosen.

Subsection (2) is the enforcement authority previously mentioned. Subsection (2)(A) provides EPA with the authority to issue administrative orders directing compliance with a request for access or information. Additionally, it authorizes EPA to ask that the Department of Justice commence a lawsuit to compel compliance. Subsection (2)(B) provides that in such a lawsuit the court, in appropriate circumstances, shall issue an injunction prohibiting interference with the exercise of EPA's authority or directing compliance with an administrative order. It also provides that the court may assess a civil penalty against any person failing to comply with a request or an administrative order.

These important changes will strengthen EPA's ability to obtain consensual compliance with access or information requests and to obtain compliance through administrative or judicial means when consent is not forthcoming. Moreover, when forced to compel compliance, EPA's statutory authority will be clear.

ADMINISTRATIVE ORDERS

Section 104(b) of the Comprehensive Environmental Response, compensation and Liability Act of 1980 currently authorizes the President to conduct a variety of investigations, studies, and information gathering activities. Remedial investigations and feasibility studies [RI/FS], are performed to serve as the basis for choosing the appropriate extent of remedy.

In many circumstances it may be appropriate for potentially responsible parties to conduct the RI/FS. They are more likely to conduct cleanup if they are involved in the decision concerning the appropriate remedy.

This amendment authorizes the President to issue section 104(b) administrative orders on consent to these parties for conduct of RI/FS.

Current law authorizes the President to issue administrative orders under section 106 if there is a finding of "imminent and substantial endangerment".

Because section 104(b) orders would not require findings of imminent and substantial endangerment, their use could speed up the issuance of orders by avoiding delay due to debate over the existence of endangerment. Thus, new 104(b) will increase the likelihood that private parties will agree to conduct the RI/FS.

Also, the Government's oversight can be most effectively conducted when parties conducting the RI/FS are subject to an administrative order.

Finally, private party conduct of the RI/FS and cleanup will free up Government resources to address other sites.

FEDERAL LIEN PROVISIONS

The provisions of S. 51 as reported would impose a Federal lien for Government response costs on real property subject to a Superfund cleanup. A statutory lien would allow the Federal Government to recover the enhanced value of the property and thus prevent the owner of the property from realizing a windfall from fund cleanup and restoration activities. The lien would be perfected as of the date security interest holders learned, or should have learned, of the commencement of a Government response action at a Superfund site.

New section 107(m) does not specify what priority a Superfund lien would have with respect to other liens or security interests. This will allow the courts to decide the relative priority of a Superfund lien.

Mr. President, the bill now before the Senate is the product of 18 months of concerted effort by the Committee on Environment and Public Works, together with 5 years of oversight of the Superfund Program. There has not been any period of time since the date of Superfund's enactment on December 11, 1980, to today that the committee has not devoted attention to the important and new undertaking by the Environmental Protection Agency. After a difficult and at times controversial beginning, the program has gathered momentum and is soundly managed. This bill will help increase that momentum and cure the few flaws which the committee has uncovered since 1980. This bill deserves the full support of every Member, regardless of philosophy or party, and I hope and believe each of you will agree.

Mr. President, I yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I am very pleased to rise in support of S. 51, the Superfund Improvement Act of 1985. It is a special pleasure for me to stand in the well today, as the Senate turns to consideration of this bill. Since joining the committee, I have had no higher priority than seeing the Senate strengthen and extend the Superfund Program.

Funding for the Superfund Program will expire in just 14 days. Superfund revenues are virtually depleted and the Environmental Protection Agency has essentially shut down the program. It will obligate no new funds for cleanup at our toxic waste sites until the Congress reauthorizes Superfund. We are at the 11th hour and we must act promptly to minimize disruption to the Superfund Program.

Anticipating this potential situation, the senior Senator from Vermont brought a Superfund extension bill up in the Environment and Public Works Committee in 1984. With his leadership, the committee reported a bill to the full Senate for consideration last year, before we adjourned. Unfortunately, that bill was never scheduled for Senate action.

Mr. President, Senator STAFFORD introduced S. 51 on January 3, 1985, the very first day of the 99th Congress, to try and ensure that the clock would not run out on Superfund. I was proud to join him as an original cosponsor.

The Senate Environment and public Works Committee approved this bill on March 1. But it has taken almost 7 months for S. 51 to make its way through the Senate Finance and Judiciary Committees, and to the Senate floor. This delay in consideration of S. 51, and the failure of the House of Representatives to approve a Superfund authorization bill, makes it certain that we will have to take some temporary action to keep the program alive, until we can finalize a bill and send it to the President for his signature.

However, Mr. President, we would not be here today, considering this bill, if it were not for the diligence, concern, and persistent efforts of my colleague from Vermont, Senator STAFFORD, chairman of the Environment and Public Works Committee.

I want to take this opportunity to express my appreciation to the Senator from Vermont, my esteemed chairman, for his unwavering support for bringing this bill before the Senate. I commend him for his efforts.

In this, Mr. President, Senator STAFFORD was joined by the distinguished ranking minority member of the Environment and Public Works Committee, the Senator from Texas, Senator BENTSEN, who has played a critical role in shaping the bill before us in both the Environment and Public Works and Finance Committees. I would also like to commend the chairman and ranking minority member of the Environmental Pollution Subcommittee, Senators CHAFEE and MITCHELL, and other members of the committee anxious to see Senate action on this bill, for their support of the committee leadership in moving this bill through committee. Many of these members would be here this morning were it not for a very important markup which is taking place in the Finance Committee, on which they also serve.

The strong support S. 51 enjoys in the Senate is evidenced by the fact that 63 of my colleagues joined me in a letter, which I authored earlier this year to Senator DOLE, the majority leader, urging him to schedule the Superfund Improvement Act for full Senate action.

Mr. President, the cleanup of abandoned toxic waste sites is a pressing national need and it is a top priority for New Jersey. In no other State is the Superfund Program more important. Fully 99 of the 850 sites on the National Priority List for Superfund cleanup are in New Jersey. The most dangerous site in the country, the Lipari landfill, is located in the suburbs of Camden. There is not one county in New Jersey free of abandoned toxic waste sites which threaten human health and the surrounding environment.

Not one site in New Jersey has been totally cleaned up. Cleanup work has begun on only 20 of the 99 sites on the Superfund list in New Jersey. New Jersey needs a bigger, faster paced Superfund Program. So do many other States around the country. By way of example, States like New York have a total of final and proposed sites of 59; California has 60; Ohio has 29; Pennsylvania has 59; Texas has 26; Minnesota has 39; and the total of just these few States is more than 280 sites that need prompt and immediate action.

In my State, and around the Nation, the Government is losing its credibility and the public is understandably frustrated and angry. There is just not enough money at current funding levels to make a dent in the problem.

In addition, in the 5 years we have had experience with the Superfund Program, as well as the Defense Department's toxic waste cleanup program, we have identified areas in which they must be strengthened and improved.

It is time to move faster, to rid our environment of the toxics that are poisoning our land and water, and threatening our citizens. That is why extension and improvement of the Superfund Program is so important to New Jersey and the Nation.

Mr. President, S. 51 provides funding over the next 5 years for the Superfund Program of $7.5 billion, more than four times as much as the current Superfund Program. Funding will be derived from two sources. An excise tax is levied on manufacturers that have sales receipts of more than $5 million per year in manufactured goods or raw materials. This broad-based tax would raise approximately $6 billion of the $7.5 billion of the expanded fund. I supported the efforts of Senators Bentsen, Mitchell, Chafee, Bradley, and others, on the Finance Committee, to develop a broader based tax to help pay for an expanded Superfund.

The remaining $1.5 billion would be raised through an extended tax on feedstocks and petroleum. Additional moneys would be added to the fund through cost recovery from parties responsible for cleanup, from interest collected on the fund, and from the postclosure liability fund.

Mr. President, S. 51 clearly addresses an issue that has hindered State efforts to set up their own superfunds. Because of a suit filed in New Jersey, which questioned the right of a State to tax the same sources taxed by the Federal Superfund, State Superfund programs have had a cloud over them. This has certainly been the case in New Jersey, where the State was extremely reluctant to spend funds out of our spillfund without this litigation being settled. S. 51 strikes the so-called preemption language in existing law which created this legal ambiguity. Approval of the bill will end years of litigation and free States to conduct aggressive cleanup programs with their own funds.

Mr. President, beyond increasing the size of the Superfund, S. 51 also makes important improvements to the current program.

S. 51 includes new health provisions that direct and authorize funds for the testing of toxic chemicals most commonly found at Superfund sites. It requires that health assessments be done at every site listed on the National Priority List, and that a more effective program be established for providing information to citizens who are worried about the health ramifications of exposure to nearby Superfund sites.

Mr. President, S. 51 also contains provisions to speed cleanup at Federal facilities. The extent of the contamination at hundreds of Federal facilities is just now coming to light.

The Federal facility amendments in S. 51 would require an expanded oversight role by the EPA. Inclusion of a Federal facility site on the national priority list would trigger schedules for cleanup at the site. These schedules would be implemented through interagency agreements, and accompanied by reports to Congress on the status and budgetary needs for completing cleanup and assuring long term operation and maintenance at sites at which interagency agreements are to be made.

Under S. 51, EPA would be required to concur in the selection of cleanup actions to be taken at Federal facilities. S. 51 also empowers EPA to issue corrective action orders at Federal facilities. Finally, this section of the bill reaffirms the original language of statute: That all provisions applicable to private parties are applicable to Federal facilities.

When the Senate begins its consideration of amendments, I intend to offer an amendment that will expand the Federal facility reporting requirements under this provision.

Mr. President, the bill also contains citizen suit provisions that provide citizens with the right to sue in Federal court to enforce nondiscretionary duties and to enforce standards, regulations, orders, and other requirements under the act. This provision is an important step in improving the tools that citizens have to ensure that the Superfund is implemented fairly and effectively.

Mr. President, I deeply appreciate the willingness of the members of the Environment and Public Works Committee to work in crafting an improved Superfund program, and one which is responsive to New Jersey's needs, as well as other States across the Nation. During the committee's markup of a Superfund extension bill in 1984, I offered a number of amendments, which were adopted at that time, and are carried over into this year's bill.

Key among those amendments are two designed to address ground-water contamination problems, prevalent in New Jersey and elsewhere around the country. Fully 60 percent of New Jersey's drinking water comes from ground water, and in the southern part of the State upward of 90 percent does. Contaminants leaching out of toxic waste sites threaten to contaminate our ground water, a precious resource in our drought plagued State.

My amendments requires EPA to clean up contaminated ground water and surface water as part of remedial action at Superfund sites, and mandate that EPA provide household replacement water, as well as drinking water, when contaminated water supplies or water supply systems are replaced by the agency.

S. 51 also contains several other amendments I sponsored in 1984 which refine Federal-State relationships under Superfund. The first of these provisions allows a State to spend its own money to conduct early cleanup at a Superfund site, with the assurance that it will be reimbursed by the fund for authorized expenditures. This amendment encourages States to use their own funds to move faster than the Federal program might permit, without being penalized for doing so.

The second of these provisions extends the statute of limitations for natural resources damage claims, which expired last December, before EPA issued regulations to inform State applications for reimbursement. The absence of these regulations made it impossible for States to submit acceptable applications for the money to which they are entitled under Superfund. However, this year, in recognition that public health risks must take priority in securing cleanup funds, S. 51 was amended to include a limitation on funds for natural resources damage claims.

Mr. President, I also want to express my appreciation to the chairman and other members of the committee for their cooperation in working with me this year on amendments to S. 51 to improve emergency planning and access by the public to information about chemicals in their communities.

These amendments stem from a hearing held by the Senate Environment and Public Works Committee in

February in the wake of a spate of chemical releases in New Jersey and the tragedy in Bhopal, India. I requested that this hearing be held in New Jersey to investigate what could be done to minimize the risks associated with chemical releases into the atmosphere. New Jersey poses a great challenge in this regard, because it is the most densely populated State in the Nation and is the third largest producer of chemicals in the United States. In addition to these emergency response issues, data collected by the Library of Congress for the committee indicated that daily exposure to chemicals emitted by chemical facilities was of sufficient magnitude and regularity, that these releases should be reported to the public.

Based on this hearing, the committee adopted two amendments that I sponsored to S. 51 in February.

These provisions would improve the notification and penalties provisions of the existing Superfund program by requiring immediate notification of State and local officials in the event of a release of a "reportable quantity" of a hazardous substance covered by Superfund. S. 51 strengthens the penalties for failure to notify by establishing civil penalties of up to $75,000 per day and increasing criminal penalties to up to 5 years in jail.

The lessons of the past year have underscored the importance of effective reporting requirements, and tough penalties for failure to report releases. Nowhere was this clearer than in West Virginia this summer when a toxic cloud of aldicarb oxime from a Union Carbide facility hung over the plant for 20 minutes before response officials were notified. It was another 20 minutes before the local community was notified, at which time the cloud had moved through the community, sending more than 130 workers and residents to area hospitals.

I intend to offer an amendment with Senators Humphrey, Heinz, and Moynihan to supplement these provisions and the emergency response provisions in Superfund when the Senate takes up amendments to the bill.

The second provision adopted by the committee establishes a hazardous substance inventory, to help assess the extent to which the public is exposed to chemicals which may have long-term, adverse impacts on the public health. The committee will be refining this provision, section 106, during consideration of S. 51. I very much appreciate the chairman's support for these provisions.

Finally, Mr. President, I want to thank the chairman for working with me and Senator Mitchell on legislation to establish a viable indoor air pollution and radon detection and mitigation program within EPA.

Mr. President, the committee has produced a sound bill which should enjoy the support of the Senate. During consideration of the bill, several amendments may be offered to increase the size of the Superfund Program and improve other aspects of the program. These amendments pose a difficult choice for those of us who serve on the committee, and have worked so closely together to fashion S. 51. However, Mr. President, I intend to support amendments to further strengthen the bill, including amendments to increase the size of the fund.

In closing, Mr. President, I want to express my personal appreciation for the evenhanded and nonpartisan manner in which the Senator from Vermont conducted committee consideration of this bill and, in fact, the equitable and considerate manner in which he conducts all committee business. The Senator from Vermont has always gone out of his way to encourage me to participate in committee consideration of this bill and all committee work. For this I extend my deepest appreciation.

Mr. STAFFORD. Mr. President, will the Senator yield to me very briefly?

Mr. LAUTENBERG. Indeed I will, Mr. President.

Mr. STAFFORD. I simply wish to express my appreciation to the able Senator from New Jersey for his very kind words and my deep appreciation for all of the effort that he has made in helping us conduct committee business in the Environment and Public Works Committee this year. It has been a special pleasure for me personally to work with the Senator from New Jersey and I want him to know that.

Mr. LAUTENBERG. I thank the Chair.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, the Superfund Improvement Act of 1985 is the embodiment of a national commitment to achieve a large and very important national goal.

The Superfund legislation passed in 1980 was this Nation's mechanism to begin the work of cleaning up the hazardous substances releases and toxic waste sites which endanger the lives of American citizens.

From that beginning, we developed the means to consider the scope of the problems ahead, and we began the early stages of correcting them. With the legislation we consider today, this Nation will get down to business. We are resolved to rid ourselves and future generations of dangers that have been ignored for too long—tragedies that are waiting to happen unless we respond firmly to this national priority.

Before I discuss some of the important provisions of this bill, I want to acknowledge a number of our colleagues for the long hours and hard work they have devoted in getting us to this critical point of progress:

First, I recognize our chairman, the distinguished Senator from Vermont [Mr. Stafford] and the work he has done there. It has been a pleasure to work with him. There has been a virtual absence of partisanship in that committee. You do not really have a Republican or a Democratic position, you have a bipartisan position as to what we think is best for our country.

I recognize, too, the chairman of the Finance Committee [Mr. Packwood] and the majority leader [Mr. Dole] and the minority member of the Finance Committee [Mr. Long] and my friend from New Jersey who has just finished speaking here [Mr. Lautenberg].

The bill before us today, S. 51, reauthorizes Superfund for another 5 years for a total of $7.5 billion. This is an increase in the authorized funding, which is justified by the increased cost of cleanup and the fact that the problem of uncontrolled releases of hazardous substances is greater than we envisioned 5 years ago when Superfund was first enacted.

In order to raise this sum of money, the Finance Committee voted to put in place an excise tax on manufactured goods. The Superfund excise tax we are talking about applies to goods either made in this country or imported into the country. Exports are exempt from the tax.

In other words, if this product is going to be shipped overseas, the tax is taken off it. If the product is being shipped into the country, the tax is placed on it.

The Superfund excise tax is both fair and simple. It is fair because hazardous waste dumps are a problem caused by manufacturers of every stripe. Chemical companies may produce chemicals; but other manufacturers use them and dispose of them. For example, there are estimates that, of the top 25 companies identified as parties responsible for the Stringfellow site in California, one of the worst dumps, there is not a chemical company among them—not one.

Even manufacturers that have not directly contributed to hazardous waste sites benefit from hazardous waste. I should like to find one manufacturer that does not use chemicals in any form. The Superfund excise tax seeks to recognize the national nature of the Superfund problem and spread the funding burden to manufacturers across the country.

As I said, the Superfund excise tax is also simple. It has been designed to keep additional paperwork to an absolute minimum. By and large, companies will be able to compute this tax with the same information that they use to figure their income tax. We have also minimized the number of taxpayers by providing a generous exemption for small companies.

Finally, the Superfund excise tax has the significant advantage of what trade experts term "border neutrality." Since imports would be taxed and exports exempted, American companies will not be put at a competitive disadvantage against foreign companies as a result of this tax.

On balance, our choices are harsh and limited. A major role for general revenue is impossible in my opinion. Increases in the feedstock tax are inequitable and unwise. Waste taxes can play a role but not a pivotal role.

I must say when we started out trying to find a way to pay for this, that is where we hit, on a waste tax. We found it had a diminishing return and we found it inadequate in order to raise sufficient money for this purpose. The only real option is the one we have chosen—the development of this broad-based revenue source.

The amendments reported by the Committee on Environment and Public Works clarify the uses for the Superfund so that the funds are properly directed to reduce the hazards of abandoned waste sites. The proper scope of the program, remedial action selection, and other amendments will produce a more focused and effective Superfund Program.

An amendment to section 104 response authorities is of particular interest to me and to the State of Texas. This remedial action alternative language helps resolve a difficult problem for those involved in cleanup of hazardous substances. Under Superfund as originally written, it is unclear how clean a Superfund site must be before remedial action can be considered complete. S. 51 clarifies that, at a minimum, all remedial actions must assure protection of human health and the environment. This is the same performance standard required under the Solid Waste Disposal Act for hazardous waste disposal facilities.

S. 51 also clarifies that the design standards contained in section 3004 of the Solid Waste Disposal Act do not have to be applied to all Superfund sites. The size, topography, geology, hydrology, and mix of wastes at Superfund sites all vary considerably and a uniform remedy may not be the best solution for each of these sites. The most effective use of Superfund is for remedial actions to be relevant and appropriate to the circumstances of a specific site. This amendment to section 104 provides needed flexibility while assuring that human health and the environment will be adequately protected.

S. 51 also addresses the problems faced by remedial action contractors, who are finding it increasingly difficult to buy insurance for their Superfund activities. Without this insurance some of these contractors may choose not to seek Superfund contracts to clean up sites and the pace of cleanup could decline.

S. 51 provides that the EPA may include an indemnification provision in these remedial action contracts so that the EPA would act as an insurer of the contractors' actions. During a hearing held by the Committee on Environment and Public Works on the insurance issue, the contractors expressed their view that this discretionary authority would not be sufficient to keep them interested in Superfund contracts nor would it provide enough assurances to insurance companies so they would continue to issue insurance policies covering Superfund cleanup activities.

In response to these concerns, I introduced an amendment, cosponsored by the chairman of the committee, that would make such indemnification provisions mandatory in remedial action contracts. In this way, the contractors are assured that they will be indemnified for their nonnegligent actions and remedial actions at Superfund sites can continue apace.

S. 51 contains many other important provisions that will greatly enhance our ability to bring this critical national problem under control. Passage of this measure will be one of the most effective acts we could take to protect ourselves, our environment, and future generations from the threat of toxic contamination.

Mr. STAFFORD. Mr. President, before the most able Senator yields the floor will he yield to me for a second?

Mr. BENTSEN. I am delighted to yield at this point to the chairman.

Mr. STAFFORD. Mr. President, I want the RECORD at this point to show how much I have enjoyed working with the very able Senator from Texas over the years. One of the reasons our committee has been a bipartisan or nonpartisan committee and able to work together is the way the Senator from Texas has conducted himself as the ranking member and, before that, as the chairman of the Transportation Subcommittee when I served on it as the ranking member under his leadership. I want him to know how much I have enjoyed the years we have been able to serve together and how much I think the Senator from Texas has contributed over the years to the work of this subcommittee.

Mr. BENTSEN. Mr. President, I am very pleased at those comments. I must say as the years have passed, I have become more convinced of the advantages and values of seniority.

The PRESIDING OFFICER (Mr. RUDMAN). The Senator from South Carolina.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from Vermont [Mr. STAFFORD], chairman of the Environment and Public Works Committee, for the work he has done on Superfund. We had some differences on amendments and we were able to work them out with him. I think we improved the bill. He was very cooperative, as he always is on matters of public interest. I commend him for the fine leadership he has shown on this important matter.

Mr. STAFFORD. Will the Senator yield briefly?

Mr. THURMOND. I am happy to yield.

Mr. STAFFORD. Mr. President. I want to express my appreciation for the cooperation the most able Senator from South Carolina [Mr. THURMOND], chairman of the Committee on the Judiciary and President pro tem of the Senate, has extended to us in working out mutually agreeable amendments which, for the Senator from South Carolina, myself, and the members of the committee, I shall be offering at the earliest opportunity as noncontroversial amendments. It has been a joy to work with the Senator.

Mr. THURMOND. I thank the Senator very much.

Mr. BENTSEN. Mr. President, I wish to say to the Senator that if we had that kind of cooperation we get from the Senator from South Carolina in working out our amendments, this democratic process would work much better and faster.

Mr. THURMOND. I thank the Senator. That is the way we ought to work for the good of the general public and that is what we have done here.

Mr. CHAFEE. Mr. President, the bill we are considering today, the Superfund Improvement Act of 1985, addresses one of the most important issues facing us today: How to speed up and improve the Federal program that is dedicated to cleaning up the thousands of sites that are contaminated with hazardous substances and toxic chemicals. Many of these sites present immediate threats to the health and safety of citizens all across the country. Too many of these sites present an equally dangerous, though less obvious, threat to the environment and the ground water that many of us use for drinking water.

Most Superfund sites are a tragic legacy of improper management and disposal of toxic wastes. Last year it became clear that the Resource Conservation and Recovery Act (RCRA), the Federal law governing the handling and disposal of such wastes, needed to be strengthened. Bold action was needed to prevent the creation of a new generation of Superfund sites. As author and floor manager of the 1984 RCRA amendments, it was reassuring to see that this body recognized the need and unanimously approved that legislation. Similarly, earlier this year, we unanimously approved amendments to the Clean Water Act that will, among other things, institute new controls on toxic chemicals that have been finding their way into our precious rivers, lakes, bays, and oceans.

As we take bold steps regarding the future, we must take equally bold steps to address the errors of the past. That is what today's bill, S. 51, is all about.

Many of us recognized in 1980, when we first created Superfund, that the $1.6 billion, 5-year program was woefully inadequate. However, those figures were agreed to as part of a compromise that was necessary to even begin the program. Today, no one disputes the need to continue the program nor the need to greatly expand it. Although we are focusing on a new 5-year bill, it is widely acknowledged that the job of cleaning up these sites and protecting the public health will take much more than 5 additional years. Many of us believe that the ultimate cost will be even greater than the $10 billion or $13.5 billion fund that is being urged by some.

The Committee on Environment and Public Works, in agreeing to a $7.5-billion figure for the next 5 years, considered how to get the maximum cleanup progress. If EPA receives too much money in too short a period of time, I am uncertain that agency personnel could manage all the contracting work efficiently and money meant for cleanup could be squandered. At a $7.5-billion level, we will be expanding the current program almost five-fold and spending an average of $1.5 billion each year for the next 5 years. The Committee on Environment and Public Works and the Committee on Finance rejected the administration figure of $5.3 billion as too low to get the job done.

Expanding the program from $1.6 billion to $7.5 billion is a significant step and should provide for a more aggressive program when compared to the last 5 years. Such an increase will also set the stage for continued growth of the program.

Unlike the situation that existed when Superfund was first created in 1980, in the face of heavy opposition, the program now enjoys broad support. What is controversial is how Congress will raise billions of dollars in additional money needed to clean thousands of sites contaminated with toxic chemicals.

The controversy really boils down to two choices: Impose a broad-based tax that spreads the burden evenly through society, or impose a tax on those who generate hazardous waste.

The Senate is likely to take the broad-based approach; the House of Representatives appears ready to support some form of a "waste-end" tax on toxic material itself.

While a waste-end tax on toxic material is appealing on the surface—after all, why should not those who produce toxic substances foot the bill for cleaning up the mess that comes from its disposal?—further consideration shows such a levy is unworkable and counterproductive, for these reasons:

A waste-end tax creates incentives for unscrupulous producers of toxic material to avoid the levy by illegal dumping. Through RCRA, Congress has imposed severe restrictions on disposal of hazardous waste. Since waste-end taxes would be collected when toxic material is delivered to a RCRA-approved site, some producers would seek to avoid the tax by improper disposal.

Because a waste-end tax would encourage producers of toxic waste to seek ways of avoiding the levy, it is difficult to predict with certainty that the needed revenue could be raised; indeed, such a tax could prove insufficient to meet the needs of Superfund. The likelihood of a revenue shortfall is the most troublesome aspect of pending proposals to use waste-end taxes to finance all or part of the Superfund. If we want a $7.5 or $10 billion fund and plan on $1.5 billion or more of that coming from waste and taxes, we will undoubtedly be disappointed and will end up with a much smaller fund than predicted and needed.

A waste-end tax could well play havoc with regulation by the Environmental Protection Agency of hazardous waste generation and disposal. For valid reasons, all pending waste-end tax proposals would assign duties of collection to the Internal Revenue Service. But having a second Federal agency, the IRS, involved in decisions affecting the disposal of toxic waste would certainly lead to new confusion, making the EPA's job that much more difficult. Similarly, the constant changes in, and challenges to, EPA regulations would make it difficult for the IRS to administer the tax and issue its own regulations.

It is for these reasons that the Senate Finance Committee overwhelmingly rejected a waste-end tax when it recently considered extension and expansion of Superfund. Instead, the committee voted to raise $7.5 billion over the next 5 years by imposing a small excise tax on manufactured goods.

A broad-based tax on industry leaves no incentive for producers of toxic substances to avoid the law or resort to methods of disposal which could further damage the environment. Because such a tax is collected generally, the revenue base is assured. Finally, a broad-based tax would not force the IRS and the EPA to work at cross-purposes.

Existing law was enacted to put a stop to past practices of midnight dumping and unsafe disposal of hazardous waste. As appealing as a waste-end tax is at first blush, it could, in the end, encourage a new round of illegal dumping. As such, Congress should reject it.

The importance of Superfund is twofold. First, it provides a fund to finance direct action by the Government to clean up dangerous sites. Second, and perhaps even ore importantly, it establishes a legal system of liability and enforcement tools to make sure that those who produced the hazardous substances and those who created the threats to our health and environment must pay for cleanup of these sites. Fund-financed cleanups are intended to be a supplement to cleanups by private, responsible parties. Aggressive enforcement of the law will assure adherence to the oft-cited principle that "polluters must pay."

Mr. President, most of the Superfund comes from special taxes that were created specifically for the fund. Unless the Senate, the House, and the President act quickly, the authority to collect those taxes will expire on September 30 of this year and fund-financed cleanups will grind to a halt. Fortunately, the Senate is acting in a timely manner and the liability and enforcement provisions of the law will continue to be in effect.

If, as appears likely, the House of Representatives fails to pass a bill before September 30, and the Congress doesn't send a bill to the President by that date, the EPA and the Department of Justice should use their continuing authority to force cleanups by private responsible parties.

A simple 1-year extension of the law would be a mistake. The existing program needs to be expanded and strengthened. The need is now, not next year.

The overriding purpose of S. 51 is to expand and accelerate the Federal Government's program to clean up and otherwise protect the public health and environment from releases of hazardous substances and wastes. To this end, S. 51 not only provides additional money and time, but makes changes in the law which improve the pace and direction of cleanup efforts. Title I of the bill will establish cleanup standards to be applied so that human health and the environment is protected in every circumstance; a health program to assure that at each Superfund site, a thorough review and assessment is made of the threats posed to human health; a chemicals testing program to develop adequate information on frequently encountered hazardous substances; and a grant program to assist States that wish to establish demonstration systems of assistance for victims of hazardous substances and wastes.

The bill also includes an amendment that I offered on the siting of hazardous waste facilities.

A critical step in the implementation of a rational, safe hazardous waste program is the creation of new facilities employing the most advanced waste management technologies. But to establish newer, improved facilities, sites on which these facilities can operate must be found and made available. Although most States have enacted or have pending some forms of siting legislation, few, if any, have developed policies and siting programs that will assure continued facility capacity in the long term. Recognizing that, as a general rule, States are not moving aggressively to avoid the creation of future Superfund sites, an amendment on siting of hazardous waste facitities was adopted by the Committee on Environment and Public Works.

This section of the bill provides that, effective 3 years after enactment, a State shall not receive Superfund money for remedial actions unless the State provides assurances that there will be adequate capacity and access to RCRA-approved facilities for the treatment or disposal of all of that State's hazardous wastes for the next 20 years.

The availability of funds for removal actions is not affected. The short-term, emergency cleanup of, for example, a roadside spill or a stack of drums that are about to explode could proceed. What will be withheld are funds for "remedial actions," the long-term, permanent cleanup of sites on the National Priority List.

To avoid a cutoff of funds, each State is required to develop State policies and siting programs that will make the best use of existing facilities in the short term and will assure continued facility capacity in the long term. The details of the siting process will differ depending on the circumstances of each State.

A site in every State is not required. In some cases, multistate efforts may be appropriate. Use of binding agreements through interstate compacts guaranteeing access to a facility is only one example of how a State may provide the requisite assurances. State or local ownership and operation of facilities or contracts with private facilities may also suffice.

The rationale for this requirement is straightforward: Superfund money should not be spent in States that are taking insufficient steps to avoid the creation of future Superfund sites. Pressures from local citizens place the political system in an extremely vulnerable position. Local officials have to respond to the fears of local citizens. The broader social need for safe hazardous waste management facilities often has not been strongly represented in the siting process. A common result has been that facilities have not been sited, and there has been no significant increase in hazardous waste capacity over the past several years. While everyone wants hazardous waste managed safely, hardly anyone wishes it managed near them. This is the NIMBY syndrome (not in my backyard). Yet if the RCRA and Superfund Programs are to work—if public health and the environment are to be protected—the necessary sites must be available.

Mr. President, in conclusion, S. 51 is a good bill. It is a bill that deserves to be enacted into law. As a member of both the Committee on Environment and Public Works and the Committee on Finance, the two committees that have written and recommended passage of this bill, I urge my colleagues to support it. Time is of the essence. The issues of public health and environmental protection are too important to ignore. We have an opportunity to enact a fivefold expansion of the current Superfund and to correct many of the problems that have plagued EPA's management of the program. It is an opportunity we must not squander.

Mr. MITCHELL. Mr. President, we bring to the Senate today the Superfund Improvement Act of 1985. This bill is significant in several respects.

First, and most important, it embodies a continued commitment by the Federal Government to the protection of the health and welfare of the people of this country from the dangers of uncontrolled hazardous substances in the environment. The Superfund law enacted in 1980 is a public health statute. We have made a judgment with the bill before us today that the current law is fundamentally sound, its purposes worthy, and its provisions workable.

Second, this bill represents a judgment that the principle of liability upon which the law is based, that those responsible for harm to health and the environment should be held accountable for that harm, continues to be appropriate.

Third, this bill represents a continued commitment to dealing with uncontrolled hazardous substances in the environment even when a responsible party cannot be found, by providing an expanded fund to finance such cleanups.

Fourth, this bill makes improvements in the Superfund Program based on our first 5 years of experience with its implementation.

In 1980, the Superfund bill faced many obstacles to its passage. As we stand here today in 1985, much of the opposition to the basic concept of the establishment of a liability regime and a fund has dissipated. The continuation of both aspects of the law is no longer an issue. This is gratifying, in a sense, to those of us who stood before this body in 1980 and warned that the legacy of past haphazard waste disposal represented perhaps the most serious public health and environmental threat in our modern history. There is, however, no consolation in having been correct in our assessment of the need for the Superfund Program. We did not in fact understand 5 years ago the true dimension of the threat of uncontrolled toxic substances in the environment.

Since the passage of Superfund we have learned that the current estimate of abandoned waste sites across this country is at least 22,000 and growing. EPA anticipates that the national priorities list of the worst sites in the country, thus eligible for Superfund money, will grow to 1,500 or 2,500 over the next several years. According to EPA, "depending on assumptions about the size of the national priorities list, the average cost of a remedial action, and the level of responsible party contributions to cleanup actions, future funding needs could range from $7.6 billion to $22.7 billion, in 1983 dollars." This estimate of needs is based only on the more traditional waste sites and the more obvious hazardous releases into the environment. There are, however, a number of emerging problem areas which could expand dramatically the needs of the program, according to EPA. These include currently operating hazardous waste facilities which are expected to close soon, municipal landfills, industrial landfills, mining waste sites, leaking underground storage tanks, contamination from agricultural uses of pesticides and radioactive sites.

It is clear by any estimate that is used that the problem is even more of a health threat than the Congress thought, and that even this reauthorization of the law for an additional 5 years will be only another step in addressing it, not a complete solution. Indeed, until our modern technology advances to a point that we minimize dramatically the hazardous byproducts of our industrialized society, we can reduce but not eliminate the risk posed by hazardous waste.

Nevertheless, this is a strong piece of legislation which continues what we set in motion in 1980, at an accelerated pace, but one which is in fact realistic.

I would like to discuss in greater detail the aspects of this bill which are most significant in my view.

STRICT LIABILITY

One of the integral parts of the Superfund law is the standard of care, strict liability, which is imposed on those who generate, transport, store or dispose of hazardous substances. S. 51 retains that high standard of care. Under the standard of strict liability, the Federal Government does not dictate how a business must act, what it should make, how it should transport its products, or what means of disposal it should use. It does, however, determine in advance what the legal consequences of such activities may be if they result in harm.

When the members of the Committee on Environment and Public Works first looked at the problem of uncontrolled releases of hazardous substances into the environment in 1980, we were confronted with a basic policy consideration: Who should be held liable and under what standard of liability? It was clear even 5 years ago that the Federal Government was not in a position to simply fund 100 percent of the remedial action required to make thousands of abandoned chemical dumpsites safe for surrounding communities. It was also clear then that waste sites were only part of the problem. An equally alarming problem was the devastating effect of ongoing releases of toxic chemicals into the environment through spills, discharges and intentional dumping.

Not only did we feel that the Federal Government could not fund by itself the necessary cleanup, we also felt that the Federal Government should not remedy by itself the consequences of dangerous activities by private parties.

We adopted the concept of strict liability for a number of reasons, the principal ones being fairness and equity. By imposing strict liability on the person creating a hazard, the Superfund law assures that those who caused the harm bear the cost of that harm, and encourages the elimination of as many risks as possible to avoid liability.

This standard of care is a concept well-recognized and accepted in courts of law for over 100 years. The leading case from which strict liability was developed, Rylands against Fletcher, articulated the theory in this way in 1868:

> We think that the true rule of law is that the person who for his own purposes brings on his land and collects and keeps there anything likely to do mischief if it escapes, must keep it at his peril, and if he does not do so is prima facie answerable for all the damage which is the natural consequence of its escape.

Since that decision was handed down, the concept of strict liability has been adopted in every State in this country. Even the few jurisdictions which reject Rylands against Fletcher by name have accepted the principle of the case under the guise of other theories; most frequently, those courts impose the same strict liability rule under the theory of nuisance.

The acceptance of the strict liability concept as the majority rule in this country is reflected in the adoption of strict liability by the American Law Institute as early as 1936. A second restatement was adopted in 1976. I would like to quote it, and remind this body that this was written before the Superfund law was even envisioned.

The second restatement says:

> One who carries on an abnormally dangerous activity is subject to liability for harm to the person, land or chattels of another resulting from the activity, although he has exercised the utmost care to prevent the harm.
>
> The liability stated in this section is not based upon any intent of the defendant to do harm to the plaintiff or to affect his interests, nor is it based upon any negligence, either in attempting to carry on the activity itself in the first instance, or in the manner in which it is carried on. The defendant is held liable although he has exercised the utmost care to prevent the harm to the plaintiff that has ensued. The liability arises out of the abnormal danger of the activity itself, and the risk that it creates, of harm to those in the vicinity. It is founded upon a policy of the law that imposes upon anyone who for his own purposes creates an abnormal risk of harm to his neighbor, the responsibility of relieving against that harm when it does in fact occur. The defendant't enterprise, in other words, is required to pay its way by compensating for the harm it causes, because of its special, abnormal and dangerous character.

This principle was not created in 1980 in the first Superfund law. It existed before 1980 in every State in the Union. The Congress simply made the judgment in 1980 that the principle of strict liability should be extended uniformly to activities involving hazardous substances. This standard of care has been effective in the past 5 years in securing numerous judgments and settlements with private parties at hazardous waste sites across the country, a result which could not have been achieved under a less demanding standard of liability such as negligence.

The standard of liability impsed under Superfund is derived from the standard of liability imposed under section 311 of the Clean Water Act, which is strict, joint and several. Courts have held that where appropriate, liability under Superfund may be joint and several, as a matter of Federal common law. This principle has been applied by courts on a case-by-case basis where the harm caused by hazardous substances is indivisible. When a responsible party can establish to the court's satisfaction that its contribution to a site, and therefore, its cleanup, is divisible, joint and several liability will not be impsed. This application is consistent with the restatement second of torts that:

> (1) Damages for harm are to be apportioned among two or more causes where
>
> (a) there are distinct harms, or
>
> (b) there is a reasonable basis for determining the contribution of each cause to a single harm.
>
> (2) Damages for any other harm cannot be apportioned among two or more causes.

It has been suggested by some that the use of joint and several liability is an extraordinary tool which is unfair in concept and punitive in its implementation. However, as the Administrator of the EPA, Lee Thomas, has stated, it is an extraordinary tool for an extraordinary problem. I believe that the Government has used this tool with restraint, and that its continued use is important to the enforcement program.

One proposed change to the law is a mandatory apportionment scheme under which the burden of proof would fall on the Government to establish the portion of the harm for which each party is responsible, and apportion the cleanup costs accordingly. While this may have a surface appeal, the impacts of such a change on the Superfund Enforcement Program would be far-reaching.

The Department of Justice as well as the Environmental Protection Agency have testified on this issue. According to the EPA, "a mandatory apportionment scheme would severely impair the effectiveness of the Superfund Enforcement Program. Substituting an apportionment scheme for the strict, joint and several liability regime established under the existing statute would delay cleanups and increase costs, without providing substantially increased fairness in cost apportionment among responsible parties."

I ask unanimous consent that a detailed description of the negative impacts of apportionment written by the Environmental Protection Agency be printed in the Record following my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 1.)

VICTIM COMPENSATION

Mr. MITCHELL. Mr. President, as many of the Members of the Senate recall, a provision of the 1980 bill approved by the Committee on Environment and Public Works provided compensation for medical expenses to persons injured by exposure to hazardous substances in the environment. Two alternative remedies were provided, an administrative system for reimbursement of out-of-pocket medical expenses and burial benefits, and a Federal cause of action in district court to recover the same expenses, as well as compensation for pain and suffering.

Under threat of a filibuster in the waning days of the 96th Congress, the proponents of our committee bill dropped that provision for compensation of human victims, and retained only compensation for damage to publically-owned natural resources.

Thus, for the past 5 years, we have had the incredible and unjustifiable standard that says that if certain property is damaged by hazardous waste release, there can be compensation; but if a human being is damaged by the same release, there can be no compensation from this fund.

We authorized instead of that a study of the adequacy of existing remedies to compensate persons injured through exposure to toxic substances in the environment.

The group which conducted the study was composed of representatives of four major legal organizations, the American Bar Association, the American Law Institute, the American Trial Lawyers Association, and the National Association of Attorneys General. Their report concluded:

> This review of existing causes of action and barriers to recovery has shown that although causes of action do exist for some plaintiffs under some circumstances, a private litigant faces substantial substantive and procedural barriers in an action to recover damages for personal injury or property damage due to hazardous wastes, particularly where the individual claims are relatively small.

The study group made 10 recommendations, one of which was an administrative system of compensation. The bill before us does not fully implement that recommendation. Rather, it establishes a demonstration program of administrative victim assistance. I personally believe that such a program could be and should be operated in every State of the Nation, because no State is immune from the human health threat of hazardous substances in the environment.

However, this demonstration program would make available only $30 million per year up to ten areas of the country selected by the Environmental Protection Agency. Several limitations have been incorporated into this provision to address concerns raised by Members of this body and by other interested parties. The most obvious is, of course, the limited demonstration nature of the program, and the dollar limitation. This program can last no longer than 5 years and can spend no more than $30 million a year. The Congress must make an affirmative judgment to continue this program during the next authorization of the Superfund law. Otherwise, it will expire.

Other limitations include: A requirement that any fund expenditure under this program be repaid from a judgment or settlement received by a person for medical expenses; a requirement that this remedy be used only when a solvent responsible party is not available; a requirement that the benefits of this program are available only to those who have no other form of health insurance, either public or private; and the use of private insurance companies, not a new Federal bureaucracy, to administer the assistance programs.

I do not want to mislead anyone as to the adequacy of this provision as an ultimate solution. It is a bare minimum, designed to provide a safety net for those who are truly without recourse when injured by a toxic chemical in the environment. It is a pilot program designated to determine whether a mechanism for victim assistance can work without the drastic impacts predicted by its detractors.

I ask unanimous consent that a description of the provision be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

Summary of Victim Assistance Demonstration Program—(Section 129 of S. 51)

FUNDING

Funding of $30 million per year is authorized from the general revenue contribution to the Trust Fund for five years, a total of $150 million of the $7.5 billion Fund.

ELIGIBILITY

A geographic area for which a health assessment has been performed which reaches specified conclusions may be nominated by the State in which it is located for participation in a victim assistance demonstration program.

Section 116 of S. 51 already requires the Agency for Toxic Substances and Disease Registry to perform a health assessment at each site on the National Priorities List within two years and at sites nominated by individuals and doctors.

A health assessment is defined in S. 51 as an assessment of the potential risk to human health posed by an individual waste site. This determination is based on factors such as the nature and extent of contamination, the pathways of human exposure, the size and susceptibility of the community which is exposed, and identification of health effects assocated with the substances at a site. This information will be used to make a determination as to whether a hazardous substance at a site is associated with an illness in the surrounding community.

Section 129 specifies that in order for an area to be eligible, its health assessment must indicate that:

(1) There is a disease or injury for which the population of that area is at significantly increased risk as a result of the release of a hazardous substance;

(2) Such disease or injury has been demonstrated to be associated with exposure to a hazardous substance; and

(3) The area contains indiviudals who have been exposed to a hazardous substance in the environment.

SELECTION

From the areas nominated, the President will select no less than five and no more than ten areas for demonstration programs. The selection must take into account the extent of the problem at a given site and the experience of the State and local government in administering hazardous waste programs.

VICTIM ASSISTANCE

A State selected to operate an assistance program for a particular site will provide medical testing and certain health insurance benefits to members of the exposed population who have no other source of health insurance. The mechanism for providing assistance will be insurance policies which are secondary to all other coverage carried by an individual.

Persons who have a disease or injury identified in the health assessment document as being associated with the substance to which the individual has been exposed are eligible for past out-of-pocket medical expenses relating to that illness, and a secondary insurance policy for future out-of-pocket expenses relating to that illness.

Persons who have been exposed but have no present symptoms of an identified illness are eligible for a secondary insurance policy for periodic medical screening to determine the presence of the illness in the future.

LIMITATIONS

All insurance benefits are secondary to all other coverage available to a person in the exposed population. It is estimated that approximately 90% of the U.S. population has some form of medical benefits from a private or public source.

For private insurance policies, the determination as to whether a person has primary health insurance will be made as of thirty days prior to the date a State nominates an area for participation. This will guard against the modification or cancellation of an existing policy in expectation of benefits from this program.

No double recovery is allowed. The proceeds of any claim against a responsible party must be repaid to the Fund by any individual who has received assistance under this program.

Assistance under this provision is not available where a solvent responsible party is paying compensation or has accepted liability for medical assistance.

EVALUATION

The President is directed to submit annual reports, starting in FY 1987, on the implementation of this program, including an evaluation of each of the State programs.

Each participating State is directed to submit a report to the President and the Congress by January 1, 1990 on the implementation of its program.

Mr. MITCHELL. Mr. President, there are several additional modifications that we have made to improve the implementation of the program based on our experience. Most notable is the increased funding for the cleanup of those sites for which no responsible party can be found. Other significant changes in the law include an explicit directive to EPA to clean up all sites to levels that are protective of human health and the environment, and mandated health studies at all national priorities list sites.

Mr. President, I cannot emphasize strongly enough that this is a public health statute. A delay in the reauthorization of this law could mean literally continued harm to persons exposed to these toxic chemicals in the environment. This result can be avoided, and I am confident that we will act expeditiously to avoid it.

Exhibit 1

What are the enforcement program concerns related to eliminating joint and several liability? What will elimination of this standard of liability do to our present enforcement program? How would mandatory apportionment schemes be implemented?

ANSWER

As described in detail in the answer to question number 4, below, a mandatory apportionment scheme would severely impair the effectiveness of the CERCLA enforcement program. Substituting an apportionment scheme for the strict, joint and several

liability regime established under the existing statute would delay cleanups and increase costs, without providing substantially increased fairness in cost apportionment among responsible parties.

Under the theory of joint and several liability as currently interpreted by the courts, responsible parties have the task of apportioning costs among themselves, unless they can demonstrate to the court's satisfaction that the costs are divisible. An apportionment scheme would instead require courts or the Federal government to apportion the cost of cleanup among parties, or between responsible parties and the Fund, based on largely subjective factors and on evidence presented by the parties and the government.

Apportionment schemes would be most detrimental to the enforcement program if they authorized apportionment in advance of the government's action to compel responsible parties to undertake a cleanup. Under the existing system, courts may apportion costs following an adjudication of liability and a determination that parties are jointly and severally liable.

The specific drawbacks of a mandatory apportionment scheme are:

Delayed cleanups;

Reduced incentives for collective action and negotiation and an increased chance of litigation;

Complex administration; and

Inadequate consideration of fairness among different types of responsible parties.

The following sections discuss these drawbacks.

DELAY OF CLEANUP

EPA would have to determine the appropriate share of cleanup costs for each responsible party at a site before it could negotiate with responsible parties or litigate for cleanup. The government would then have to negotiate with each party individually. Even Fund cleanup would be more costly and slower because of the need to obtain the additional evidence during the Fund cleanup that would be needed for cost recovery actions. Evidence preservation may require, for example, the EPA's contractor perform a complete sampling and analyses of every drum during a removal action.

The government would be required to make a number of additional factual showings. For example, it would be under a much more difficult burden to show who put what substances where, whether particular substances migrated and to where they migrated, the cost of cleaning up particular substances, and the toxicities of particular substances both alone and in conjunction with other substances at the site. In many cases, EPA could not sustain this burden at all, because of the destruction or loss of responsible party records or because the waste management practices used at the site caused an indivisible harm. Thus, Section 106 actions would be made impracticable or impossible in many cases by the high costs of obtaining evidence and the increased time that it would take to get it. The unavailability of private party actions under Section 106 would in turn increase the burden on the Fund and on EPA's ability to undertake and manage response actions.

IMPACT ON NEGOTIATIONS

Apportionment discourages cooperation among responsible parties. Under joint and several liability, the government negotiates with PRPs as a group. Joint and several liability provides the incentive necessary to reach a collective settlement. This incentive would be destroyed if each party could be held liable for no more than a specific share.

Rather than assuming the responsibility for cleanup and negotiating costs among themselves, responsible parties would litigate with the government concerning the fairness of the apportionment scheme and of the scheme's application to them. Responsible parties are thus encouraged by apportionment to wait and fight the government's case against each of them.

Complexities of Administration

No single factor is likely to be adequate for apportioning costs among responsible parties. Apportionment schemes suggested for CERCLA have generally involved a mix of factors.

The following are typical of the factors suggested in apportionment schemes:

Ability of the parties to demonstrate that their contribution to a discharge, release or disposal of a hazardous waste could be distinguished;

The amount of hazardous waste involved;

The degree of toxicity of the hazardous waste involved;

The degree of involvement by the parties in the generation, transportation, treatment, storage or disposal of the wastes;

The degree of care exercised by the parties with respect to the hazardous waste concerned, taking into account the characteristics of such hazardous wastes; and

The degree of cooperation by the parties with Federal, State or local officials to prevent any harm to public health or the environment.

Application of the criteria would involve, for each party, answering complex factual questions and making subjective judgments on each criterion. Responsible parties are likely to seek administrative or judicial review of administrative decisions made by the government even if the government's determinations are entitled to some persumption of validity.

The standards used for assessing the degree of toxicity or hazardousness under an apportionment scheme would likely be subject to intense criticisms from responsible parties. For example, EPA received objections from commenters in developing the toxicity standards for use in listing sites on the NPL, because of the broad range of substances and effects that might be considered. Comparisons between different types of hazards may be viewed as subjective. The objections were the basis for criticisms of the NPL, which simply helps to identify priorities for cleanup. If the factors will be used to determine the extent of cleanup costs, they are likely to be a more intensive focus of criticism, disagreement, and, ultimately, litigation.

In any case, EPA resources would be diverted from identifying the appropriate remedy and overseeing cleanup to performing economic allocations among responsible parties and carrying out investigations designed for litigation needs.

Moreover, a mandatory apportionment scheme would require the government to sue all PRPs at a site, including de minimis parties, to get a complete cleanup or complete recovery of costs. This would present significant logistical problems at larger sites that have large number of PRPs and would lead to further unaffordable delay.

In addition, as a result of mandatory apportionment the government might be forced to develop or review response plans from each party that are tailored to its individual obligations. This could lead to insurmountable coordination problems with multiple parties working at the same site.

FAIRNESS AMONG RESPONSIBLE PARTIES

Our experience with responsible parties apportioning costs among themselves at sites has been good. Initially they disagree as to what methods are fair. Eventually, however, they negotiate a consensus. There is no reason to believe that an apportionment scheme imposed by the government will be viewed as any more fair than one which they develop themselves.

Determination of fairness are highly subjective, and no single government scheme is likely to be acceptable to all parties. For example, contributors of low-volume, high-toxicity wastes are likely to favor a volumetric approach, while contributors of high volumes of comparatively innocuous wastes are more likely to object to it.

In sum, although the concept of apportionment is attractive, the practical difficulties of a mandatory apportionment scheme would substantially interfere with attainment of the goals of CERCLA. Incentives for private party cleanup before litigation would be reduced, and the government would not be able to implement an apportionment scheme that is markedly more reasonable, fair, or efficient than apportionment as currently practiced by the parties and the courts. Apportionment before judgment would necessarily be based on inadequate base of information.

Mr. STAFFORD. Mr. President, I thank the able and distinguished Senator from Maine for his contribution to the development of the legislation we have before us and for his contribution over the years to the Committee on Environment and Public Works in many ways, especially in environmental fields. His understanding of the judiciary and the legal problems is probably the best of anyone on our committee and has been especially valuable to the committee and its work over the years since he has become a Member.

Mr. President, we hope that we may be in a position before 12 o'clock, when we understand the Senate will recess for 2 hours, to act on the committee amendments by unanimous consent. That has not yet been cleared, but it will be the chairman's intention to move, with the proper phraseology, that we do that before 12 o'clock, if clearance occurs.

In the meantime, for the committee, the chairman points out to Senators or members of their staffs who may be listening to the proceedings this morning that there are a number of amendments to this measure which have been worked out and can be dealt with promptly by the committee.

It is this Senator's understanding that we will revert to this measure when we have concluded work on the immigration bill this afternoon. I am unable to say what time that may occur; but in the hope and with the reasonable expectation that that may occur before it is time to close business for the day, I urge Senators and staff who may be listening to these proceedings for them that if they have amendments which we believe we can deal with on a prompt basis, they be available late this afternoon so that we can dispose of as many amendments as possible.

Mr. President, in view of the time we still have available, let me touch on some of the amendments which we hope we can dispose of today, in order to save the time of the Senate tomorrow.

There are the amendments agreed to between this Senator and members of the Committee on Environment and Public Works and Senator THURMOND and member of the Committee on the Judiciary with respect to some modest changes in S. 51 which the Judiciary Committee has suggested, as individual members, and which Senator THURMOND and I have agreed to, which I propose to offer on his behalf and mine this afternoon.

There are State standards, and amendments affecting them possibly to be offered by Senator HART. I should say parenthetically that things change so fast on a matter like this that I may recount some amendments which actually will not be put forward. But these as we understand it at the moment are likely amendments. There may be an amendment with respect to Government inheritance of sites. This amendment would exempt State and local governments from liability claims and cases where they unknowingly acquired property containing existing hazardous waste sites. That may be offered either by the committee or by Senator BENTSEN. There may be an amendment offered by the committee or Senator HEINZ with respect to post-closure liability fund.

This amendment would either repeal the post-closure fund or require modification that it be studied. The Senator from Vermont, chairman of the committee, may offer an amendment with respect to trigger overincrease. This amendment would increase the ceiling level within the fund at which point taxation would temporarily cease until obligations increased—in other words, not to impose tax when the money was not necessary.

We understand in the committee that Senator KASTEN may have a possible amendment. We also understand that Senator BENTSEN, who may be joined by the committee or the committee acting jointly, will offer an amendment with respect to methane recovery operators. We further understand that Senator WEICKER may offer an amendment with respect to lead studies. There may be an amendment offered by the committee with respect to hazardous substances inventory.

There may be an amendment offered by this Senator, Senator BENTSEN, and others with respect to risk retention programs. This amendment would enable companies to organize or pool together to provide self-insurance. The intent is to address the unwillingness of insurers to underwrite environmental pollution policies. There likely will be an amendment offered by Senator BRADLEY with respect to the use of lead solder. The committee, Senator BENTSEN, or all of us may jointly offer an amendment with respect to State and local responsibility.

There likely will be an amendment offered by Senators MITCHELL and LAUTENBERG with respect to requiring EPA to study effects of indoor air pollutants with emphasis on radon gas, a matter on which I believe the able Senator from Maine has held a hearing. These are some of the amendments which may be offered, and they are all relatively noncontroversial and in the opinion of this Senator as chairman of the committee will require very little time for disposition.

Mr. GORE. Mr. President, today we begin debate on S. 51, the Superfund Improvements Act of 1985. In my opinion, this is one of the most important pieces of legislation that this Senate will consider.

As my colleagues are all aware, the original Superfund law—the Comprehensive Environmental Response, Compensation and Liability Act [CERCLA]—was passed in 1980 in the final days of the 96th Congress. The legislation was the product of a long and deliberative process, during which the Congress and the Nation as a whole had become painfully aware of the great threat posed to our health and safety by abandoned hazardous waste sites.

It doesn't seem that long ago that the tragedy of Love Canal was first brought to the attention of the American public. Indeed, as a freshman Member of the House of Representatives in 1977, I participated in one of the first congressional hearings on Love Canal. Although we were somewhat new to the issue, it did not take long for those of us in Congress at that time to realize that Love Canal was only a small manifestation of a much, much larger problem.

Numerous hearings in the Congress soon revealed that for decades the Earth had been utilized as a garbage can for all the hazardous and toxic wastes that American industry could produce. Because no accurate records had been kept of the sites and the wastes that went in them, it was difficult to gauge exactly how large the problem was. Nonetheless, we knew that the thousands of sites of which we were aware were simply ticking time bombs waiting to explode. Something had to be done.

The answer that we came up with was the Superfund. To be sure, it was not a perfect solution; but it was a start. And more than anything else, it represented a commitment on the part of the Congress to make certain that the many dangerous hazardous waste sites located throuhout this country would in fact be cleaned up.

I was one of the principal authors of the Superfund law in 1980, and I take a special point of pride in it. I believe that it is a good law and one that has worked remarkably well over the last 5 years despite all the troubles that have plagued its administration. It has helped us begin to come to grips with the realities of our national hazardous waste problem and to rectify the tragedies that the indiscriminate disposal of waste can cause.

Today, as we being our debate on this legislation, the question is not whether we should reauthorize the Superfund, but what improvements must be made to the law to ensure that it is as effective as it can be. I believe that we have an obligation to the people of this country to make the Superfund as strong as it possibly can be.

The original Superfund plan was designed to raise a total of $1.6 billion over a 5-year period. Our experience with the program since its creation, however, has demonstrated beyond doubt that much, much more is needed. Indeed, it was clear very soon after the fund's establishment that $1.6 billion was not enough even to begin to clean up the 410 hazardous waste sites that were included on the original national priorities list. Today, that list exceeds 800 sites—and it is growing.

The broad dimensions of our hazardous waste problem were starkly illustrated by a report issued last December by the Environmental Protection Agency pursuant to section 301 of CERCLA. The purpose of that report was to review the effectiveness of the Superfund and to evaluate the future needs of the fund.

The findings of that report were incredible. EPA estimated that the national priorities list will eventually contain between 1,500 and 2,500 sites. EPA's baseline estimates, using its current program experience, was that the list will actually increase to approximately 1,800 sites. And remember these are only the very worst sites in the country. There are tens of thousands of other sites out there that are not on the list. The national priorities list is just the tip of the iceberg.

As disturbing as the number of priority sites was EPA's estimate of the cost to clean these sites up. EPA concluded that the future funding needs of the Superfund Program could range from $7.6 billion to $22.7 billion in fiscal year 1983 dollars. Specifically, EPA estimated that $11.7 billion would be needed to address the 1,800 sites that the agency anticipates will eventually comprise the national priorities list. Clearly, this is a far cry from the $1.6 billion raised by the present program.

Even more frightening are the estimates produced by the Congressional Office of Technology Assessment. In a report released in April of this year, OTA stated that the national priorities list could reach as many as 10,000 sites. The cost to clean up these sites would be staggering: $100 billion in OTA's opinion.

Regardless of which figures you believe, one thing is indisputable: The size of the Superfund will have to be increased—and it must be increased dramatically. I intend to support a greatly expanded Superfund, and I urge my colleagues to do the same.

In addition to increasing the amount of money in the Superfund itself, we must make sure that the law is as strong as it can be with regard to its liability and enforcement provisions. During the course of the deliberations on S. 51 there will likely be several attempts to weaken the provisions of the law. We must not let these attempts succeed. Indeed, if anything, we should seek to strengthen the law. We must make sure the EPA is equipped with every tool it needs to persuade those parties responsible for the waste to clean up the sites or to force them to pay for any cleanups that EPA must conduct itself. To do otherwise would be foolhardy.

Mr. President, I think that the duty of this body to enact the strongest possible Superfund bill is very clear. We know the size of the problem that confronts us. And we know what we must do about it. It is now time for us to do it.

FEDERAL FACILITIES

Mr. PROXMIRE. Mr. President, the Environment and Public Works Committee included almost all of S. 517 as the new Federal facilities section of Superfund.

I introduced S. 517 on February 27 with Senators HART, DIXON, SIMON, and GORE, and with the support of the National Wildlife Federation & Environmental Policy Institute.

Senator HART offered S. 517 during committee markup.

With my language, Superfund for the first time treats Federal wastesites, civilian and military, in the same way as private ones.

Under its terms, EPA is put on a schedule for assessing and ranking Federal sites. Affected Federal agencies are required to begin remedial actions for those sites so seriously polluted that they are included on the national priority list.

EPA enters into interagency agreements with those Federal agencies with priority sites, insuring cleanup as expeditiously as practicable.

I also favored inclusion in Superfund of my provision which authorized legal actions by EPA against Federal agencies which fail or refuse to comply with site cleanup requirements. Although this was omitted by committee, the newly added citizen suit section should provide an adequate substitute for enforcing agency compliance.

Mr. President, existing law requires Federal cleanup but almost none takes place because a series of Executive orders effectively nullify Defense Department compliance.

Unfortunately over 450 military installations contain seriously contaminated sites. Although the exact number of federally owned or operated toxic wastesites is still unknown, estimates by the National Wildlife Federation put the total as high as 1,400.

Even worse, the entire Defense Department completed only 11 remedial actions against toxic wastesites in an almost 10-year period. Civilian agencies performed no better.

The new Federal facilities section should change this dismal record and convert Uncle Sam into Mr. Clean.

I thank my colleagues once again for including it in the bill.

Mr. STAFFORD. Mr. President, unless there is someone else who wishes to speak, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I wish to remind Members and staff who may be listening that it is the hope and expectation of the chairman of the Committee on Environment and Public Works that we will have an opportunity late in the afternoon to dispose of noncontroversial amendments. We would appreciate the cooperation of Senators who have such amendments in accomplishing that desire.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the hour of 12 noon having arrived, the Senate will now stand in recess until 2 p.m.

Thereupon, at 12 noon, the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. EVANS].

IMMIGRATION REFORM AND CONTROL ACT OF 1985

The Senate resumed the consideration of S. 1200, to amend the Immigration and Nationality Act to effectively control the unauthorized immigration to the United States, and for other purposes.

AMENDMENT NO. 611

(Purpose: To express the sense of the Senate that the 60-cent per gallon tariff on imported ethanol should be immediately implemented)

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, the Senate will now proceed to the consideration of the Exon amendment, No. 611 to S. 1200, to be equally divided and controlled by a rollcall vote in relation thereto. Who yields time?

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum, with the time of the quorum to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, What is the matter presently before the Senate and what time agreements have been entered into? And is time now running?

The PRESIDING OFFICER. The Exon amendment, No. 611, is before the Senate. There will be 5 minutes of debate divided equally. The quorum call was divided equally between sides.

Mr. EXON. I yield myself that portion of the 2½ minutes that might be necessary.

Mr. President, since the time is extremely limited, let me say that the sense-of-the Senate amendment that we are about to vote on simply and directly tells the Department of the Treasury that the Senate wants Treasury to implement past tariff restrictions on imported ethanol to be instituted forthwith. The bottom line on this situation is that on or about October 4 of last year, Treasury granted an 80-day waiver to Brazil, which they have been taking advantage of, that is currently allowing them to dump nearly a year's supply of ethanol into this country between August and November 1. This action must be reversed by executive action now, as each day's delay is devastating to the domestic ethanol interests, and also to the related agricultural interests that are suffering terribly now with the declining prices.

Mr. President, I reserve the remainder of my time.

Mr. SIMPSON. Mr. President, in response to the sponsor of the amendment, I agreed during the previous debate to accept this amendment. I do so once again. If the sponsor requests a rollcall vote, there is really nothing I can add except that the issue will be moot by the time we get to any kind of conference and get to that point. So, unless someone else wishes to speak, I would say that we vote in favor of the amendment ringingly—I believe that is what the sponsor is seeking—and it will not become part of anything that will be conferenceable because it will not be timely.

Mr. EXON. Mr. President, I thank my friend and colleague, the distinguished leader of the overriding bill on which this amendment is placed. I agree with him. I simply say that I know this bill is not likely to become law by November 1. We are using this vehicle only to send a message that I think is the overwhelming opinion of the U.S. Senate that something must be done.

I am following up on a letter of a similar nature that was sent to the Secretary of the Treasury by the distinguished majority leader and the distinguished chairman of the Committee on Foreign Relations sometime ago. I hope that we have an overwhelming vote in favor. Let me say that there are Members of the body who are delayed from coming to the floor from other meetings. I simply would ask that the statements by those people be printed in the Record.

Mr. GRASSLEY. Mr. President, I wholeheartedly join in cosponsoring this amendment offered by Senator Exon and I urge my colleagues to vote in favor of it. We need to send a strong signal to the administration that congressional efforts and intent to improve farm income by developing new markets through a growing ethanol industry and to encourage our own energy self-sufficiency must not be circumvented.

As you know, Federal as well as State governments have invested considerable time and money toward encouraging the growth of the ethanol industry. Foremost in my support for these efforts were the benefits that farmers could reap through larger markets. Another primary concern was the need to set the United States on a course toward energy self-sufficiency. This Government assistance has consisted of tax exemptions for the sale of ethanol/gasoline blends, as well as loan guarantees for ethanol projects.

Congress then took steps to impose a special duty on imported fuel ethanol in order to offset these tax exemptions. Presently, this duty equals 60 cents per gallon plus a 3-percent ad valorem tax.

Subsequent Customs Service letter rulings greatly undermined congressional intent. These rulings created a huge loophole which would allow massive imports of ethanol if it were mixed with as little as 7 percent toulene or other additives.

I joined a number of my colleagues in protesting these rulings, and on August 2, 1985, Customs announced that they were reversing its earlier ruling and that the 60-cent-per-gallon duty will be applied to ethanol imports mixed with other additives.

The problem, however, is that this mixed ethanol can continue to be imported duty free into the United States until November 1, 1985. This will result in a flood of ethanol imports.

Estimates vary, but I have seen estimates as high as 1 billion gallons as to the amount of ethanol that could enter the United States if all the reliance claims that have been filed go through unchecked. This could cost American farmers 25 cents per bushel of corn and deal a severe blow to the ethanol industry. It would also undermine the administration's goal of controlling Government spending and reducing Federal deficits. The cost of the Government farm programs would skyrocket and hundreds of millions in import duties would be lost.

These duties must be imposed immediately, and I urge my colleagues to join us in sending this strong signal.

Mr. WILSON. Mr. President, I am a member of the Senate Agriculture Committee who has worked long and hard to ensure that American farmers are given the opportunity to develop needed outlets for their production and to compete fairly in the world market. Nevertheless, I rise in opposition to the resolution introduced by my colleague from Nebraska, Mr. Exon, urging that the 60-cent tariff per gallon on renewably derived ethanol imported for use as fuel be imposed immediately. The fuel ethanol issue is an extremely complex one, and the outcome could have extremely important implications for the citizens of California and other States where domestic fuel ethanol supplies are not now available and will not be available for the foreseeable future.

I do not wish to dwell on the specifics of the controversy surrounding the recent customs rulings concerning the dutiable status of certain fuel ethanol/petrochemical blends. I understand that these rulings date back to early January 1984, and that Customs' attorneys had the opportunity to evaluate at least six different requests during that period. The Commissioner of the Customs Service specifically stated back in December of last year that he was administratively unable to close the blends loophole, and S. 575 was introduced early this year to address that fact. However, as a result of an outcry by certain domestic fuel ethanol interests, the Customs Service revoked its rulings on August 2. Since then, the Court on International Trade has made two separate rulings, the most recent being handed down yesterday, on the propriety of the Customs grandfather decision which gave certain firms, with letter rulings and contracts based on good faith reliance on those rulings, until November 1 to bring product in subject to the 5-percent ad valorem duty, as opposed to the 60-percent duty under TSUS 901.50. It is my understanding that the court denied a preliminary injunction which was sought by certain domestic ethanol producers to prohibit the importation of ethanol. I believe that Congress should let the courts decide the merits of Customs' decision.

The resolution before us is important because it raises some questions about the proper approach to fuel ethanol imports, in light of some very recent regulatory developments regarding gasoline lead content. These new regulations, promulgated by the EPA early this year, require a 90-percent reduction in gasoline lead content by next January—from 1.1 grams per leaded gallon to 0.1 grams per leaded gallon. This massive reduction in lead levels has caused many gasoline refiners and blenders—especially the independents who must compete with the major petroleum companies—to seek out cost competitive, environmentally acceptable, and efficient new sources of octane. The success of these independent gasoline marketers in obtaining such sources of octane could very well determine their economic survival, and will certainly have an impact on the price motorists pay for their gasoline, and on the type of emissions that are spewed into their air. These issues are of great concern to the citizens of my home State of California.

It has been asserted that the impact of Customs' August 28 ruling will be to allow 600 million gallons of Brazilian ethanol to enter the United States almost duty free, which is the equivalent of 240 million bushels of U.S. corn and could depress corn prices by 15 cents per bushel. If I had evidence that this in fact were the case, I would be one of this resolution's strongest supporters. However, my review of the situation reveals not only that the volume of imported ethanol likely to come into the United States by November 1 will be far less than 600 million gallons, but also that the vast majority of these imports will flow into areas of the country where the U.S. fuel ethanol industry is not able to market.

The reality of this situation is that California, New York, Pennsylvania, and other high population areas on both coasts are clearly outside the marketing zone of the fledgling U.S. ethanol industry. U.S. ethanol producers currently require not only the Federal tax exemption to be competitive, but also depend on roughly 30 State tax exemptions. Because California, New York, and Pennsylvania and many other States do not have such tax exemptions and because the additional cost of transporting the ethanol from the midwest to these markets is substantial, imported ethanol coming

into these areas will not displace domestically produced ethanol. In fact, imports brought into States such as California can help reduce the huge octane gap created by the EPA lead phaseout decision—roughly 60 billion gallons of alcohol equivalent will be needed over the next decade, while the domestic industry's capacity stands at only 60 million gallons. Such imports could actually benefit the U.S. ethanol industry by ensuring that petroleum refiners and blenders do not commit to other forms of octane enhancers which would then prevent them from accepting ethanol several years from now when they have succeeded in expanding domestic production.

I am a strong believer in finding new domestic outlets for our farmers. I know the fuel ethanol industry is an important part of this strategy. Furthermore, I am committed to finding environmentally acceptable ways to enable our gasoline marketers to meet the octane gap created by the EPA's lead phaseout directive. Finally, it is critical to provide motorists with an efficient, competitively priced octane enhancing component.

I am painfully aware that we must be always alert to other countries attempting to take advantage of our open trading system, and harming our domestic industries in the process. However, in this particular instance, I believe that the interests of U.S. farmers, the ethanol industry, motorists, and our environment are advanced by allowing the responsible importation of fuel ethanol, particularly in areas of the United States where domestic ethanol supplies cannot reach.

It is my understanding that the current duty on imported fuel ethanol was imposed in the 96th Congress in the Omnibus Reconciliation Act of 1980. I know that I, and many of my colleagues, have not had the opportunity to review the appropriateness of the duty on imported ethanol in the hearing process or through debate on the floor. I hope that we have the opportunity at a later date to give this important issue the careful deliberation it deserves. Nevertheless, in the meantime, I would respectfully urge my colleagues to oppose this particular resolution.

Mr. DURENBERGER. Mr. President, I rise in support of the amendment of my colleague from Nebraska, Senator Exon, which expresses the sense of the Senate that the 60-cent-per-gallon tariff on imported ethanol should be immediately implemented.

Customs has allowed imports of ethanol/toluene blends to enter this country duty free for the past 6 months and will continue to enter duty free until November 1. The amendment before us today directs the Customs Service to immediately restore the congressionally mandated tariff on ethanol imports. I was astounded to learn of this indiscretion from farmers while I was at the Minnesota State Fair. And once the facts became clear, I was outraged.

Let me provide the Senate with a chronology of the events leading to this situation. In 1980, Congress, as part of an effort to promote a decentralized U.S. ethanol industry to provide for long term national energy security, imposed a 50-cent-per-gallon duty on ethanol imports. This was reaffirmed in 1984 as a part of the Deficit Reduction Act when we increased the exemption from 5 cents per gallon to 6 cents and raised the tariff accordingly to 60 cents.

On July 5, 1984, a letter was sent to the U.S. Customs Service from the U.S. Ambassador to Brazil, Diego Ascencio, requesting a letter ruling of dutiable status of anhydrous ethanol with additives to be used as gasoline additives. Mr. Ascenio wrote, "What the Brazilians are interested in is finding some formula to export a product of alcohol, but which is different enough to qualify for a lower tariff."

Later that month, it was reported that Brazil was considering exporting ethanol to the United States mixed with gasoline additives in order to circumvent the ethanol tariff.

On September 12, 1984, a letter was sent by Arthur P. Schifflin, Chief of the Central Classification Branch of the U.S. Customs Service, allowing 80 to 90 percent ethanol blended with benzene, toluene, and xylene to qualify for a duty of 5 percent ad valorem, rather than the fuel ethanol duty of 3 percent ad valorem plus 60 cents per gallon.

From January through June 1985, private letter rulings were issued by the Area Director of the Port of New York John J. Martuge interpreting the Tariff Schedule of the United States [TSUS] and the September 1984 letter to allow 92 to 93 percent ethanol mixed with 7 to 8 percent toluene to be imported subject only to the 5 percent ad valorem duty.

From the time these letter rulings were issued through August 2, 1985, 20 million gallons of ethanol blended with toluene entered the United States from Brazil duty free.

On August 2, 1985, the U.S. Customs Service, under pressure from the U.S. ethanol industry, reversed its earlier interpretation of the two items of the TSUS and revoked the letter rulings permitting ethanol-petrochemical blends to qualify for the lower, 5 percent ad valorem duty. Customs also stated that "with respect to any entries made after the effective date of the instant ruling, Customs would consider all facts and evidence in connection with claims of reliance on the ruling previously issued." The question that remained unanswered was how much of this blended ethanol would enter the United States free of the 60-cent duty.

Then on August 27, 1985, the Customs and U.S. Treasury compromised on the August 2 decision. Customs announced it will allow a 90-day grace period (until November 1) for entry of imported ethanol blend at the lower duty. It is estimated that anywhere from 30 million to 600 million gallons of ethanol blend, contracted prior to August 2, could enter the country at the lower duty under this restricted grandfather clause.

The effect of the higher estimate is staggering to a federal government with a deficit the size of ours and to the American agricultural economy that is in as bad a shape as ours is in.

Corn and feedgrains. 600 million gallons of ethanol is the equivalent of 240 million bushels of corn. This loss of consumption would depress corn prices by at least 15 cents per bushel and reduce farm income by $1 billion.

Farm program. The CCC would acquire this quantity of grain at an initial outlay of about $1 billion—plus 30 cents per bushel per year for storage and 25 cents per year per bushel for interest. Furthermore, deficiency payments would increase.

Lost revenues. Up to $350 million in import duties would be lost to the general treasury. Because imported ethanol is eligible for State as well as Federal subsidies established to benefit the domestic industry, State treasuries would also suffer.

Domestic ethanol industry. The domestic industry would be virtually shut down under the onslaught of ethanol imports.

In Minnesota, we have two small plants operating at 4.5 million gallons capacity. But we also have 11 proposed plants totaling over 40 million gallons. Record corn crops are projected this fall. Minnesota's projected harvest is a record 750 million bushels. It is essential for Minnesota farmers to have markets for their products. Customs has jeopardized the establishment of a strong ethanol industry in Minnesota.

We in this body are all to aware of the problems in the farm sector of this Nation. I urge my colleagues to support the Exon amendment and send a clear, strong signal to the American farmer, and an equally strong signal to the Treasury Department to immediately impose the 60-cent duty on ethanol imports.

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. All time has expired on the amendment.

Mr. BOSCHWITZ. Will the Senator yield?

Mr. SIMPSON. Mr. President, I shall yield to the Senator from Minnesota 30 seconds if he wishes.

The PRESIDING OFFICER. All time has expired.

Since all time has expired, the question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] and the Senator from Oregon [Mr. HATFIELD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. INOUYE] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 82, nays 15—as follows:

[Rollcall Vote No. 182 Leg.]

YEAS—82

Abdnor
Andrews
Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Cranston
Danforth
DeConcini
Denton
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
Exon
Ford
Garn
Glenn
Goldwater
Gore
Grassley
Harkin
Hart
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Laxalt
Leahy
Levin
Long
Lugar
Matsunaga
McClure
McConnell
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Warner
Zorinsky

NAYS—15

Bradley
Cochran
D'Amato
Evans
Gorton
Gramm
Hatch
Humphrey
Mathias
Mattingly
Roth
Rudman
Wallop
Weicker
Wilson

NOT VOTING—3

East
Hatfield
Inouye

So the amendment (No. 611) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 618

(Purpose: To provide that no agency or instrument of the United States, or any corporation or other entity created by act of Congress shall extend any loan or other form of credit of whatever nature to any government or agency thereof, of any country in North America which allows access to its ports to any nuclear weapons delivery-capable Soviet naval vessel (except vessels in extremis) at any time after September 20, 1985)

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the Symms amendment, No. 618, on which there will be 5 minutes of debate, to be equally divided and controlled, to be followed by a rollcall vote on or in relation thereto.

Mr. SYMMS. Mr. President, I ask the distinguished manager whether it is his intention to move to table both amendments.

Mr. SIMPSON. No.

Mr. SYMMS. We do not need two votes on this. It is really one amendment.

Mr. SIMPSON. It will be my intention to move to table the first-degree amendment.

Mr. SYMMS. So the vote will be on that.

Mr. President, I say to my colleagues that what this amendment does to this: It is totally consistent with the purpose of the authors of the bill, and that is to help control the borders of the United States. I think that we in this body are most naive if we think that this legislation is going to help control our borders if Soviet expansionism continues in the North American Continent and in Central America.

It is a very clear effort on the part of the Mexican Government to cozy up to the Sandinistas by inviting the Soviet fleet to make ports of call in Vera Cruz.

I would like to have this issue aired separately, as the distinguished chairman has discussed. I believe it is consistent with the legislation, however.

I also think it is important that we vote on it now, that we send a strong signal now that we do not take kindly to the flirtation between the Mexican Government and the Soviets, that we have a clear-cut foreign policy to support our friends and to encourage our friends in Mexico not to support our enemies.

● Mr. PELL. Mr. President, I oppose and urge that we table this amendment which, if adopted, would damage our always sensitive relationship with Mexico and our other neighbors in North America. Furthermore, it could backfire and result in the banning of our nuclear capable vessels from these very same ports.

Mexico is a sovereign and independent nation, very much aware of the important role it plays in the world, especially in the Western Hemisphere. The days of the Big Stick are over. Mexico has the right to conduct its own affairs and a visit by Soviet naval ships does not constitute a threat to the United States. It is a quantum leap from a visit by naval ships to the establishment of a permanent naval squadron in Vera Cruz. Mexico has nothing to gain from that other than the wrath of the United States, its most important partner.

Under the Treaty of Tlatelolco, which established a nuclear-free zone in the Western Hemisphere, a permanent nuclear capability would surely be out of the question. The nuclear powers, including the Soviet Union and the United States, are pledged under additional protocol II to the treaty to respect the treaty in all of its express aims and provisions. It would be a violation of a solemn commitment for the Soviets to introduce nuclear weapons into the region. We and the other parties would be correct to object strenuously. I would expect the Mexicans, who took the lead in development of the treaty, to be among the strongest in refusals to allow the development of nuclear weapons by an outside power.

However, there is another aspect to this matter. The United States has steadfastly maintained the right of the nuclear nations to the transit through the region of ships and aircraft which may or may not be carrying nuclear weapons. This right includes port visits, and the United States has consistently rejected previous Soviet attempts to have transit and transport rights on port visits considered inconsistent with the treaty. Thus, for us to try to penalize Mexicans in the event of visits by Soviet ships would be to undermine our own well-considered position and could, indeed, cause us to be hoisted with our own petard.

Finally, we should be careful not to exaggerate the importance of the naval visit. A consequence of high-profile rhetoric and a stern rebuke like this could very well result in consequences far more damaging to United States-Mexican relations than a visit by Soviet naval vessels.●

A DANGEROUSLY PRECIPITOUS ACTION

● Mr. BIDEN. Mr. President, the possibility that the Soviet Union might obtain porting privileges in Mexican harbors would be a matter of grave concern. Thus it is that a rumor to this effect has moved the Reagan administration to address the Mexican Government with a firm declaration of United States interests, delivered through bilateral diplomatic channels. It is as yet, however, entirely unclear whether this rumor has any foundation. Possibly the rumor is only that; possibly Soviet porting privileges are under discussion inside the Mexican Government.

What we can know at this point, however, is that if the issue is indeed under consideration at this point, efforts by the Congress to intimidate the Mexican Government would be likely to have only one effect; and that is to back the Mexicans into a corner and move them toward approving such a decision as a way of affirming their independence from the United States.

The amendment under consideration would cut off United States loans to Mexico if porting privilege were granted to Soviet nuclear-capable vessels. Such a cutoff would have three effects. First, it would terminate some $1 billion in yearly agricultural sales to

Mexico, financed by CCC credits. Second, it would prevent some $200 to $300 in annual Eximbank credits that finance United States-Mexican trade. Third, it would end a $10 million a year narcotics program designed to stem the flow of drugs into the United States.

It requires no great analytic skill to discern that each of these cutoffs would directly damage American interests. They would also, of course, damage the Mexican economy. But even that represents indirect damage to American interests, for the Mexican Government's ability to repay some $30 to $40 billion in bank loans to the United States and its ability to stem the tide of economic refugees into the United States are dependent upon improved strength in the Mexican economy.

No one in this body would deal lightly with the issue of Soviet porting privileges in Mexico. And no one in this body should deal lightly with the overall importance of Mexico to the United States. For both of these reasons, the Senate should not today act hastily on the basis of an unsubstantiated rumor, when such action might well have the effect of moving Mexico in the very direction we wish to avoid and thus toward a period of difficulty in United States-Mexican relations that neither nation can afford.

Let us allow the administration and the Mexican Government time to handle this matter on a discreet diplomatic level, recognizing that Congressional action should be contemplated in the light of substantiated facts rather than provocative rumors. If such action is called for, there will be ample time.●

Mr. SYMMS. Mr. President, I would like to restate the issues in my amendments. A vote to table my amendments is a vote in favor of Soviet nuclear naval squardrons in Mexico and a vote against

The Monroe Doctrine, the most fundamental principle of American foreign policy.

Mr. President, the Washington Post has blacked out all reporting for the last 5 days on my amendments, but the American people know which way to vote on this issue, and the American people will be informed about how Senators voted.

Mr. President, I ask unanimous consent that some excerpts from an excellent book related to my amendment be printed in the RECORD. The exerpts are from the book entitled "James Monroe: An Appreciation—Highlights of His Life and the Monroe Doctrine," by Miles P. DuVal, Jr., captain, U.S. Navy, retired.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JAMES MONROE: AN APPRECIATION—HIGHLIGHTS OF HIS LIFE AND THE MONROE DOCTRINE

(By Miles P. DuVal, Jr., Captain, U.S. Navy, Retired)

(The opinions or assertions of the writer contained herein are those of a private individual and are not to be construed as official expressions or as reflecting the views of the Department of the Navy or of the James Monroe Memorial Foundation.)

To: Our Early Statemen Who Made the United States Great

This book has been published by The James Monroe Memorial Foundation from the Jessie Ball DuPont Fund and the Helen Marie and Jaquelin E. Taylor Fund.

FOREWARD

The unauthorized surrender to Panama in 1978 by the United States of its sovereign control over the strategic Panama Canal and its indispensable protective frame of the Canal Zone, in spite of the overwhelming opposition by the American people, was one of the gravest errors in American history.

Quickly followed in 1979 by the overthrow by subversive forces, with Cuban and Panamanian support, of the constitutionally elected government of Nicaragua, violence has developed into an alarming series of planned events, which include the deep humiliation of the United States in Iran, Soviet occupation of Afghanistan, terroristic violence in El Salvador, and ominous threats to other countries of the Americas.

These lawless occurrences have served to attract attention to early American history, especially the Monroe Doctrine, for the protection of the entire Western Hemisphere, particularly in the Caribbean danger zone.

Fortunately, Capitan DuVal, a recognized historian of the Panama Canal, has presented in brief form the highlights of the remarkable career of President James Monroe and the essential features of the Monroe Doctrine for the protection of the entire Western Hemisphere.

I join in the timely appeal for the "universalization" of the Monroe Doctrine as the "doctrine of the world."—Jesse Helms, United States Senator, Washington, DC., April 28, 1980.

AUTHOR'S PREFACE

The published works on James Monroe are voluminous but few tell the story of his life and the Monroe Doctrine in brief and simple terms.

The preparation of this study has been a truly thrilling experience enabling me, in a way, to re-live some of the episodes in Monroe's eventful life.

For their helpful cooperation, I am indebted to:

Mrs. Helen Marie Taylor, President of the James Monroe Memorial Foundation, "Meadowfarm", Orange, Virginia;

Mrs. Mamie Vest, Roanoke, Virginia, who designed this publication in association with Mrs. Helen Marie Taylor;

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Dr. James P. Lucier of the Institute of American Relations, Washington, D.C., who first suggested undertaking this study;

Professor Joseph E. Jeffs, Librarian of Georgetown University;

Mrs. Alis Loehr of Fredericksburg, Virginia; and the staff of the James Monroe Law Office Museum and Memorial Library of Fredericksburg, Virginia;

Honorable Lucas D. Phillips, of Leesburg, Virginia; and Captain Frank A. Manson, U.S. Navy, Retired, eminent naval historian; and Colonel Samuel T. Dickens, U.S. Air Force, Retired.

I wish to express my special appreciation to Dr. Harry Ammon of Southern Illinois University at Carbondale, Illinois, for his 1971 monumental volume: *James Monroe: The Quest for National Identity.*—Miles O. DuVal, Jr., Washington, DC, April 28, 1981.

National honor is national property of the highest value. The sentiment in the mind of every citizen is national strength.—James Monroe,[1] First Inaugural Address, March 4, 1817.

. . . the Monroe Doctrine centers around the Isthmus of Panama. . . . Alfred Thayer Mahan,[2] Naval Historian and Strategist.

The Monroe Doctrine is not a policy of aggression: it is a policy of self defense. . . . It still remains an assertion of the principle of national security.—Charles Evans Hughes,[3] Secretary of State.

PROLOGUE

When the War for American Independence started in 1775, the thirteen English colonies were located in the narrow strip between the Atlantic Ocean and Appalachian highlands from Massachusetts to Georgia, but our far-visioned leaders at that time were already thinking continentally. At the end of the Revolutionary War in 1783 the territory of the United States extended westward to the Mississippi River, northward to Canada, and southward to the Spanish Floridas. With the Louisiana Purchase of 1803, the young republic was well on the way toward its further westward expansion.

Following the example of the United States, Latin American colonies, taking advantage of wars in Europe, declared their independence and by 1822 some had been recognized by the United States.

After the downfall of Napoleon in 1814, certain European nations began considering intervening in Central and South American revolutions to restore control over the liberated colonies to Spain. In addition, Czarist imperialism was extending its influence southward from Alaska, reaching as far as Fort Ross, which is about 50 miles north of San Francisco.

Concerned about the proposals of European powers and Czarist expansions, President James Monroe, following the warning in the Farewell Address of George Washington and after the most careful consideration, boldly proclaimed in his annual message to the U.S. Congress on December 2, 1823, three major principles governing the foreign relations of the United States, initially known as the "principles of President Monroe" but later as the Monroe Doctrine.

Those principles were:

(1) "No further European colonization in the New World;"

(2) "Abstention" by the United States from European "political affairs"; and

(3) Opposition by the United States to European intervention in the governments of the Western Hemisphere.[4]

What are the highlights of Monroe's life and the story of how he attained great fame by becoming the architect of the famous Monroe Doctrine?

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[1] *Inaugural Addresses*, p. 32.

[2] *Seager*, p. 488.

[3] *Clark*, p. 179.

[4] *Encyclopaedia Britannica*, 1974, Vol. 12, p. 388.

VII: PRESIDENT OF THE UNITED STATES, LAST 2 YEARS, 1823–1825, AND THE MONROE DOCTRINE

In mid 1823, President Monroe, deeply concerned about the extension of Czarist imperialism southward from Alaska and diplomatic reports of proposed intervention by European powers of the Holy Alliance to restore the former Spanish colonies to their mother country, saw a solution in dispatches received from Richard Rush, U.S. Minister in London. In these, Rush outlined an offer by British Foreign Minister, George Canning for a British-United States joint declaration.

When Secretary Adams returned from New England in October, Monroe showed him the Rush dispatches and the next day left Washington for his home, "Oak Hill, in Loudoun County, to reflect on a matter that he instinctively recognized as "momentous," and without discussing it with Adams. He saw the underlying question involved as one of despotism versus liberty for the Western Hemisphere and felt that the time for proper action had come.

On October 17, he forwarded the diplomatic reports on these matters to both former Presidents Jefferson and Madison stating that his own impression was that the United States "ought to meet the proposal of the British govt., and to make it known, that we would view an interference on the part of the European powers, and especially an attack on the Colonies (in Latin America), by them, as an attack on ourselves, presuming that if they succeeded with them, they would extend it to us." [27]

In a most thoughtful letter, Jefferson replied on October 24, stating that the question presented by the reports sent him represented "the most momentous which has ever been offered to my contemplation since that of independence. That made us a nation, this sets our compass and points the course which we are to steer through the ocean of time opening on us." [28]

Emphasizing the timeliness of such action, Jefferson continued: "Our first and fundamental maxim should be, never to entangle ourselves in the broils of Europe, our second, never to suffer Europe to intermeddle with cis-Atlantic affairs. America, North and South, has a set of interests distinct from those of Europe, and particularly her own. She should therefore have a system of her own, separate and apart from that of Europe. While the last is laboring to become the domicile of despotism, our endeavor should surely be, to make our hemisphere that of freedom." [29]

Madison replied on October 30 approving Monroe's main ideas and stating that with British co-operation the United States "have nothing to fear from the rest of Europe." [30]

Fortified by the support of his two immediate predecessors, President Monroe then drafted, at his palatial home, "Oak Hill," the principles designed to meet the situation for inclusion in his seventh annual message to the Congress.

After extensive discussions in his cabinet starting on November 7, President Monroe, on December 2, 1823, in that message to the Congress, promulgated his policy for Hemispheric protection in what was initially known as the "principles of President Monroe" but by 1852 became known as the Monroe Doctrine. Significant parts of the message follow:

"In the discussions to which this interest has given rise, . . . the occasion has been judged proper for asserting, as a principle in which the rights and interests of the United States are involved, that the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European Power." [31]

"We owe it, therefore to candor and to the amicable relations existing between the United States and those Powers, to declare, that we should consider any attempt on their part to extend their system to any portion of this hemisphere, as dangerous our peace and safety. With the existing colonies or dependencies of any European Power, we have not interfered, and shall not interfere. But, with the Governments who have declared their independence, and maintained it, and whose independence we have, on great consideration, and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing, them, or controlling, in any other manner, their destiny, by any European Power in any other light than as the manifestation of an unfriendly disposition towards the United States." [32]

"Our policy, in regard to Europe, which was adopted at an early stage of the wars which have so long agitated that quarter of the globe, . . . is, not to interfere in the internal concerns of any of its Powers; to consider the Government *de facto* as the legitimate Government for us; to cultivate friendly relations with it, and to preserve those relations by a frank, firm, and manly policy; meeting, in all instances, the just claims of every Power; submitting to injuries of none." [33]

Much has been published as to who was or was not the author of the principles promulgated by Monroe. Their major features trace back to American experience in colonial wars, Jefferson's forecast [34] in 1793, Washington's Farewell Address in 1797, and John Quincy Adams' development of the non-colonization principle.[35] But it was President Monroe who had the vision, ability, initiative and courage to make the declaration at a crucial period in history.

To make clear the importance of the Monroe declaration as a measure of self-defense for U.S. foreign policy, its seven major points for the Western Hemisphere are reiterated:

1. The *"American continents,"* which include North, South and Central America, are not subject to future colonization by any European powers;
2. Any attempt by the *"allied powers"* to extend their system to "any part" of this hemisphere would be *"dangerous to our peace and safety;"*
3. "With the existing colonies or dependencies of any European power we have not interfered and shall not interfere;"
4. As to Spanish colonies that had declared and maintained their independence and had been recognized, the United States "could not view any interposition for the purpose of oppressing them or of controlling in any manner their destiny, *by any European power*, in any light other than as the manifestation of an *unfriendly disposition towards the United States;"*
5. The United States declared that it was "impossible that the *allied powers* should extend their political *system to any part of either continent* without *endangering our peace and happiness"* and that the United States would not "behold such interposition by the allied powers in any form with indifference;"
6. It was "the true policy of the United States" to leave the revolted colonies and Spain to themselves to resolve their own problems;[36] and
7. In regard to Europe, the crucial point was that the United States should not interfere in the internal concerns of any of its Powers.[37]

In 1823, the "allied powers" were Austria, France, Russia and Prussia, known as the Holy Alliance. Spain and her former colonies were not included.

Strongly supported in the Congress, enthusiastically received by the People of the United States, understood in the newly liberated countries of the Americas, hailed in Great Britain and discussed in the chancelleries of Europe, the doctrine became a cornerstone of United States foreign policy for generations. Daniel Webster described it as "a bright page in our history" that "did honor to the sagacity of the Government, . . . elevated the hopes, and gratified the patriotism of the People." [38]

But Monroe was not satisfied with only one pronouncement of his "principles." In his eighth and last annual message to the Congress on December 7, 1824, he included a strong followup. In this he stressed that the new Latin American states are "settling down under Governments elective and representative in every branch, similar to our own," that we have "no concern in the wars of European Governments," that it is to the interest of the United States to "preserve the most friendly relations with every power," and that in regard to our Latin American neighbors "it is impossible for the European Governments to interfere in their concerns."[39]

Viewed in perspective, the Monroe Doctrine was a "diplomatic declaration of independence" [40] for the United States as well as an "absolute guarantee" [41] of the "security and future independence" of Latin American countries and policy for Hemispheric defense.

In the midst of his work on his "principles" and concern over the election of his successor, President Monroe found relief during the late summer of 1824 by the first visit to America after the Revolution of General Lafayette, who was universally welcomed as the "Guest of the Nation." He entertained the general first in the White House and later at "Oak Hill."

One of the vital matters in which Monroe, along with Jefferson, had for many years been interested was suppression of the slave trade and the repatriation in Africa of free negroes by the American Colonization Society. In appreciation of President Monroe's support, the society's director named its first settlement Monrovia, which city remains as the capital of Liberia.

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[27] *Clark*, p. 97.
[28] *Ibid.*
[29] *Ibid.*
[30] *Ibid.*, p. 99.
[31] *Annals*, p. 14.
[32] *Ibid.*, p. 22; also *Clark*, pp. 102-3; and *Ammon*, pp. 487-88.
[33] *Ibid.*, p. 23.
[34] *Clark*, p. 12.
[35] *Perkins*, p. 8.
[36] *Clark*, pp. 4-5.
[37] *Annals*, p. 23.
[38] *Clark*, p. 110.
[39] *Richardson*, Vol. 28, p. 829.
[40] *Ammon*, p. 491.
[41] *Ibid.*, p. 478.

Recognizing that the end of his administration was not far distant, in his last annual message to the Congress he also expressed his feelings at the approaching departure which he welcomed: "having commenced my service in early youth, and continued it since with few and short intervals, I have witnessed the great difficulties to which our Union has been exposed, and admired the virtue and intelligence with which they have been surmounted. From the present prosperous and happy state I derive a gratification which I cannot express. That these blessings may be preserved and perpetuated will be the object of my fervent and unceasing prayers to the Supreme Ruler of the Universe." [43]

When on March 4, 1825, he was succeeded by his Secretary of State, John Quincy Adams, ex-President Monroe could retire to "Oak Hill" and occupy himself with his farm, his papers, his books and his friends.

IX: SELECTED APPLICATIONS OF MONROE DOCTRINE 1824–1979

During the Monroe Administration starting in 1824 with Colombia there have been numerous situations between Latin American and European or other countries involving the principles of the Monroe Doctrine. The most frequent though not most crucial cases were those relating to Cuba, Mexico, Venzuela and Haiti.

A great U.S. naval leader who, in his early manhood, saw the Monroe Doctrine promulgated was Commodore Matthew C. Perry (1794–1858). After return from his historic voyage to open Japan, he made a most significant address in New York on March 6, 1856, foreseeing that the United States in time would take over the islands of the vast Pacific and place the Saxon race on the eastern shores of Asia and that her "great rival in future aggrandizement (Russia)" would extend "her power to the coasts of China and Siam." Then, obviously referring to the earlier Czarist southward movement from Alaska, he predicted that the "Saxon and the Cossack will meet once more, . . . on another field" in a struggle that would determine the "freedom or the slavery of the world."

Reflecting and extending the vision of Monroe beyond Europe and the Americas, he stated that "despotism or rational liberty must be the fate of civilized man." [44]

One of the most serious challenges the Monroe Doctrine ever faced was that in Mexico in 1863 when France, taking advantage of the U.S. Civil War, actively supported the establishment of Archduke Maximilian of Austria as the Emperor of Mexico.

After Lee's surrender at Appomatox on April 9, 1865, the United States sent an army of some 50,000 to the Rio Grande under General Sheridan. Other measures that followed finally persuaded Emperor Napoleon III of France to withdraw his troops in the spring of 1867 with the result that Maximilian was overthrown by Mexican forces and on June 19 executed.

Another major case was an 1895 dispute between Great Britain and Venezuela concerning the latter's boundary with British Guiana. In a note for the British Government on July 20, Secretary of State Olney discussed the Monroe Doctrine extensively in relation to the Guiana question urging arbitration, which evoked a lengthy response. President Cleveland, fully realizing the "responsibility incurred" and the "consequences" that could follow, in a special message to the Congress on December 17, transmitted significant parts of the correspondence and called for an appropriation to cover the expenses of a Presidential Commission to ascertain the facts and expressed his determination to "resist by every means" [45] British aggression over Venezuelan territory. Result: a peaceful solution was resolved.

The eminent diplomatic historian, Samuel Flagg Bemis, described the Spanish-American War as the "Great Aberration of 1899."[46] Among its consequences was the predominance of the United States in the Caribbean and Central America coupled with assurance of U.S. control over the Isthmian Canal.

In 1903–04, the same period when Panama gained its independence from Colombia and ceded the Canal Zone to the United States, difficulties developed between Venezuela and European countries over monetary claims, resulting in a pacific naval blockade by Great Britain, Germany and Italy against Venezuela.

In his annual message to the Congress on December 6, 1904, President Theodore Roosevelt asserted that "chronic wrongdoing, or an impotence which results in general loosening of the ties of civilized society, may in America, as elsewhere, ultimately require intervention by some civilized nation, and in the Western Hemisphere the adherence of the United States to the Monroe Doctrine may force [it] . . . to the exercise of an international police power."[47]

It was only natural after the default in 1904 of Dominican Republic bonds that this event threatened to bring about another Venezuelan type of crisis. To meet that situation, President Theodore Roosevelt in 1905 announced what was known as the "Roosevelt Corollary"[48] to the Monroe Doctrine by the United States accepting the responsibility for supervising customs receipts and the payment of debts—a policy that made possible the eventual abandonment of the policy of intervention and rescission of the "Corollary."[49]

After reports that a Japanese fishing company proposed to lease a large tract of land from Mexico facing Magdalena Bay in lower California well located for constructing a naval base, the U.S. Senate in 1912 adopted the Lodge Resolution stating that the "United States could not see without grave concern the possession of such harbor or other place by any corporation or association which has such a relation to another Government, not American, as to give that Government practical power of control for national purposes." Thus this policy application to an Asiatic country as well as European became "part and parcel of the Monroe Doctrine."[50]

In 1938, President Franklin D. Roosevelt described his policy in regards to Latin American countries as that of the "good neighbor."[51] That action meant the ending of protectorates and, eventually, a weakening of the United States in its position in exclusive sovereign control over the U.S. Canal Zone and Panama Canal.

In 1935, the governments of the American Republics at Buenos Aires, in the interest of Hemispheric solidarity, agreed to what amounted to the Pan Americanization of the Monroe Doctrine and started upon a 12 year search for a "security umbrella." The result was the adoption in 1947 of the Inter-American Treaty of Reciprocal Assistance, generally known as the Rio Treaty. It condemned war, agreed that the threat of or use of force is inconsistent with the UN Charter, and that an armed attack against an American state was considered an attack on "all the American States."[52]

This met the problems of direct aggression but not those of infiltration and subversion that characterize the operations of the international revolutionary movement.

In an effort to meet such threats, the Tenth Inter-American Conference at Caracas, Venezuela, March 1–28, 1954, adopted a "Declaration of Solidarity for the Preservation of the Political Integrity of the American States against International Communist Intervention."[53]

That measure condemned the international communist movement as constituting intervention in American affairs, expressed the determination of American states to protect their independence against such intervention, and declared that the "domination or control of the political institutions of any American State" by that movement "would constitute a threat" to their sovereignty and independence, calling for a meeting of consultation to consider appropriate action under existing treaties. The declaration proved insufficient but did lay the foundation for a wider support of the Monroe Doctrine.

Starting in 1959 with the establishment of a Marxist-Leninist regime in Cuba, followed by the Cuban Missile crisis [54] in 1962, Panamanian mob attacks on the U.S. Canal Zone in January 1964, and a military overthrow of a socialistic government of Brazil later that year, Congressional leaders became increasingly concerned about indirect "subversive aggression" against countries of the Western Hemisphere.

To meet those challenges, the House of Representatives, following the aim of the 1947 Rio Treaty and the words of President Franklin D. Roosevelt in 1935 to make the Monroe Doctrine a "joint concern of all the American republics," on September 20, 1965, adopted by a decisive vote a most significant resolution. It expressed the sense of the House (1) that any "subversive domination or threat of it violates the principles of the Monroe Doctrine, and of collective security" as set forth in the acts and resolutions of the American Republics; and (2) that any one or more of the contracting parties to the Rio Treaty may, "in the exercise of the individual or collective self-defense" resort to the use of "armed force under the declarations and principles" established by the American Republics to "forestall or combat intervention, domination, control, and colonization in whatever form, by the subversive forces known as international communism and its agencies in the Western Hemisphere." [55]

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[43] *Richardson*, Vol. 2, p. 832.
[44] *Perry*, p. 28, contains full text of this prophecy: also in *Morison*, p. 429.
[45] *Clark*, p. 170.
[46] *Bemis*, p. 463.
[47] *Clark*, p. 174.
[48] *Bemis*, p. 528.
[49] *Dozer*, p. 20.
[50] *Bemis*, p. 535.
[51] *Ibid.*, p. 774.
[52] Department of State Publication 3380. Inter-American Treaty of Reciprocal Assistance, proclaimed December 9, 1948, p. 23.
[53] Department of State *Bulletin*, Vol. XXX, No. 774 (April 26, 1954), p. 638.
[54] *Lazo*, pp. 335-417 contains extensive discussion.
[55] *Congressional Record* (89th Congress), Vol III, Pt. 18 (Sept. 20, 1965), pp. 24347-64.

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In spite of this action by the House of Representatives, situations in the strategic Caribbean continued to develop with covert support from the communist beachhead in Cuba, the first overthrow after the Panama Canal giveaway being that in 1979 in Nicaragua.

EPILOGUE

The influence of Monroe can now be evaluated objectively. It transcends the boundaries of Virginia and, indeed, of the United States, Europe and the Western Hemisphere.

Were it possible for him to return to earth, he would see his labors far more enduring than he probably realize, that they would be.

As to his 1823 "principles," he would find them a major element in U.S. diplomatic history, universally known as the Monroe Doctrine, with his name thus immortalized.

In regard to the Louisiana Purchase, he would see that vast area extended to the Pacific and subdivided into states on the "same footing" as the thirteen original states.

As to the Florida Acquisition, he would find it as vital parts of our union of States retaining many evidences of its Spanish origin.

In regard to the United States, he would see it extended westward into the vast Pacific with control over "multitudes" of its islands and northward to include Alaska.

As to the entire world, he would find it divided along the lines that he foresaw into two antagonistic camps with the United States as the leader of the Free World and the U.S.S.R. of its socialist empire, and engaged in a gigantic struggle the outcome of which could determine the freedom or the slavery of the world.

It was the Declaration of Independence prepared by Jefferson that made the United States a nation; the U.S. Constitution, largely the contribution of Washington and Madison, that provided a government to implement its objectives; and the Monroe Doctrine that set the course to follow through the "ocean of time" then opening.

Indispensable in properly meeting the challenges as grave domestic and foreign crisis continue to mount, especially in the strategic Caribbean and the Middle East, is a return to the study of basic American history and the fundamental principles that made the United States the greatest power the world has ever seen. This includes the re-assertion by the President and the Congress in clear and forceful terms of the principles of the Monroe Doctrine in a call for its universalization to make it the "doctrine of the world."[58]

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. SYMMS. I yield.

Mr. KENNEDY. Would the effect of the amendment be that it would also eliminate the guest worker program from Mexico as well, so that that would be terminated?

Mr. SYMMS. I am not certain. The effect of the amendment is aimed at credit.

Mr. KENNEDY. The Senator wants to cut off credits. Why not cut out the whole guest worker program and really put the pressure on?

Mr. SYMMS. The effect of the amendment would be that the Soviet fleet would not be calling at Vera Cruz if this amendment were adopted, because it would send a strong signal that the Mexican Government would understand, that the United States will not be tolerant and stand idly by while Soviet vessels steam into ports in Mexico. I think that the Mexican Government, under those circumstances, would see the wisdom of not having the Soviet fleet come into their ports.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SIMPSON. Mr. President, how much time do I have in opposition?

The PRESIDING OFFICER. Two and a half minutes.

Mr. SIMPSON. Let me take 30 seconds.

This is a critically important foreign policy issue. There is no question about that. I think it needs hearings in the Foreign Relations Committee. Senator Lugar would agree. This is an inappropriate vehicle at this time—sending all of the wrong messages—as we deal with the critical issue of illegal immigration.

I yield to the Senator from Virginia, my friend, Mr. Warner.

Mr. WARNER. Mr. President, I rise in strong opposition to the Symms amendment for several reasons. First and foremost, this amendment has implications on the operation of our U.S. Navy; that is, it could be so interpreted. Right now we are encountering difficulties with our own ships, which are nuclear capable, making port calls in New Zealand. It is a very sensitive issue elsewhere throughout the world. It is important for our ships to be able to make these port calls. This amendment, if it were adopted, would be used as a precedent, I think, to complicate the operation of our own fleet.

Second, the President, in a speech to the European Parliament in Strasbourg, France on May 8, 1985, spoke of the need to increase military-to-military contact between the United States and the Soviet Union. As I read the spirit of this amendment, it could preclude a Soviet ship calling at a U.S. port as a part of an exchange visit between the United States and a Soviet naval unit. Such a result would be inconsistent with the President's objective to enhance the military-to-military link between the two superpowers.

Last, Mr. President, this amendment would ban U.S. agricultural and Exim-Bank credits to Mexico. I am informed that we export to Mexico over $1 billion in agricultural products and hundreds of millions of dollars of industrial equipment. It appears that this amendment would have an adverse effect on that trade by barring the necessary financing arrangements.

Mr. SYMMS. Mr. President, will the Senator yield?

Mr. WARNER. I yield.

Mr. SYMMS. Mr. President, only if the Soviet Navy makes ports of call. It does not have anything to do with New Zealand. The Senator should not confuse this issue. There is a big difference between the Soviet Navy and the U.S. Navy, and the values of these two systems. I think it also reinforces our dedication to the Monroe Doctrine and another great Virginian as is the Senator from Virginia.

Mr. WARNER. I believe we should refer to the language of the amendment. It says, "* * * allows access to its ports to any nuclear weapons delivery-capable Soviet Naval vessel." This is a very sensitive issue which could have an adverse impact on our own fleet operations. This amendment could establish a precedent that would impede those operations.

The PRESIDING OFFICER. All time has expired.

Mr. SIMPSON. Mr. President, I move to table the first degree amendment of Senator Symms, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming to lay on the table the amendment of the Senator from Idaho. On this question, the yeas and nays have been ordered, and the clerk will call the roll. The Chair would observe that it would be helpful for the reading clerk if all Members voted from their seats.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. East] and the Senator from Oregon [Mr. Hatfield] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. Inouye] and the Senator from Mississippi [Mr. Stennis] are necessarily absent.

The PRESIDING OFFICER (Mr. Evans). Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 66, nays 30, as follows:

[Rollcall Vote No. 183 Leg.]

YEAS—66

Andrews
Baucus
Bentsen
Biden
Bingaman
Boschwitz
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cranston
Danforth
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Eagleton
Evans
Exon
Glenn
Goldwater
Gore
Gorton
Harkin
Hart
Heinz
Hollings
Johnston
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Murkowski
Nunn

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[58] *Van Alstyne*, p. 594, quoting the words of Woodrow Wilson.

Packwood
Pell
Pressler
Proxmire
Quayle
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stevens
Warner
Weicker

NAYS—30

Abdnor
Armstrong
Boren
Cohen
D'Amato
Denton
Ford
Garn
Gramm
Grassley
Hatch
Hawkins
Hecht
Heflin
Helms
Humphrey
Kasten
Laxalt
Long
Mattingly
McClure
McConnell
Nickles
Pryor
Symms
Thurmond
Trible
Wallop
Wilson
Zorinsky

NOT VOTING—4

East
Hatfield
Inouye
Stennis

So the motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. KENNEDY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 621

(Purpose: To provide exclusionary language to deal with certain undesirable aliens)

The PRESIDING OFFICER. The next amendment to be voted upon is amendment No. 621 offered by the Senator from Illinois [Mr. Simon]. There will be 5 minutes of debate to be equally divided, to be followed immediately by a vote.

The Senator from Illinois.

Mr. SIMON. Mr. President, this is a simple amendment which says that notwithstanding any other provision of the act, the nonimmigrant visa for a visitor should not be denied to anyone because of their political beliefs.

I remember when I was in the Army stationed in Germany. I visited Hyde Park in London. There on the square, along with every kind of religious and political belief, a Communist leader was standing giving his speech.

A little lady with a cockney accent asked, "Why can't we speak in Moscow like you are speaking in London?"

That is the essence of what we stand for. We stand for freedom. Yet in our nonimmigrant visas, we shoot ourselves in the foot and embarrass ourselves over and over and over again.

Who has been on the list of people ineligible to come to our country? There have been people like Pierre Trudeau; Graham Greene, the British novelist; the Mexican Ambassador to France; a Canadian author, Farley Mowat, who wrote the book, "Never Cry Wolf." He wrote the book because B-52's were flying over his timbered land and he was going to come to the United States to lecture and we would not let him in.

Back in the sixties, a group of Japanese citizens wanted to come to the United States to protest U.S. policy on nuclear weapons and we would not let them in. All we are doing is embarrassing ourselves.

The one thing we stand for is freedom. We should not be moving in the opposite direction with our visas. I am pleased to say I have cosponsors on this amendment from both sides of the aisle.

I yield whatever time may be left to the ranking member of the minority on the Immigration Committee, Mr. Kennedy.

Mr. KENNEDY. Mr. President, I welcome the opportunity to join as a cosponsor of the Simon amendment. I want to give assurance to the Members of this body that this proposal was reviewed in the Select Commission. There was a total review of our immigration exclusion policies. Although this does not go as far as the Select Commission recommended, it is completely consistent with the spirit of the Select Commission; so there has been a thorough review.

Second, we are considering provisions in this legislation that deal with visa waivers, G-4 visa cases, Hong Kong quotas, so it is appropriate that we consider this on this bill.

We voted on gasohol, we are going to vote on Social Security, we have voted on the parts of call of the Soviet Navy. In comparison, this amendment is a related question. It reaches, again, I think, at the heart of what this country is all about.

We complain about the Soviet system because of its monolithic teaching in terms of its political ideology. We want to show that a democratic society and system is open and flexible in comparison. The Simon amendment deals with any of the cases which can be realistically thought of as a threat to our country or terrorists. We are talking about the exchanges of ideas and speech which are enshrined in our Constitution. I hope this amendment will not be defeated.

Mr. SIMPSON. Mr. President, as you know, I have the same concerns about the exclusions in the Immigration and Nationality Act as does my friend from Illinois. I say this is not the place to examine this issue which has solely to do with legal immigration. There are 33 exclusions in the law as to how we prohibit people coming to the United States—psychopathic personalities, sexual deviants, mental defects, terms that we do not even know the meaning of in the present day. It is time to revisit that, but not here. I have promised hearings, and we will have hearings.

The Select Commission promised only to reexamine the issue. I pledge we will do that. We will do that. We will have hearings, produce a bill, we will have a rewriting of the INA. I have that bill ready to go when we finish our work on the issue of illegal immigration.

The issue is the McGovern amendment, providing for a waiver of exclusion, is already in force to take care of these people. The waiver works. I shall tell you how it works. Last year, there were 26,000 people covered under these exclusionary provisions and 25,400 of them were admitted with a waiver. So only 600 people were ultimately excluded from the United States out of the 26,000 originally excluded because the McGovern amendment does work. Therefore, I pledge we will have hearings later.

It is not an issue of free speech; it is an issue of archaic and arcane exclusions in the law and I hope we can deal with it at some other place and time, but not here.

Mr. DeCONCINI. Will the Senator yield?

Mr. SIMPSON. I am happy to yield.

Mr. DeCONCINI. I am not sure how many applications were made and how many were approved. Does the Senator from Wyoming have any estimate of the average time for those to be filed?

My point is that the Senator from Wyoming makes a good case to revisit this, but I wonder if it has not been used, perhaps, by INS as a philosophical reason not to let some people in, which ought not to be the primary purpose, in my judgment. I wonder if the Senator can enlighten us on that.

Mr. SIMPSON. Mr. President, the Secretary of State makes the recommendation for waiver. As far as I know, it is done rather swiftly. Oftentimes, we will find the people seeking the notoriety that goes along with their feelings about the United States, and their objections to this country, and their attempts to gain notoriety and perhaps fame for their cause. That is an important part of it.

The PRESIDING OFFICER (Mr. Mathias). All time for debate has expired.

Mr. SIMPSON. Mr. President, I move to lay on the table the Simon amendment.

Mr. KENNEDY. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the Simon amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. East] and the Senator from Oregon [Mr. Hatfield] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. Hatfield] would vote "nay."

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. Inouye] and the Senator from Mississippi [Mr. Stennis] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 66, nays 30—as follows:

[Rollcall Vote No. 184 Leg.]

YEAS—66

Abdnor
Andrews
Armstrong
Bentsen
Boschwitz
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
D'Amato
Danforth
DeConcini
Denton
Dixon
Dole
Domenici
Durenberger
Evans
Ford
Garn
Glenn
Goldwater
Gorton
Gramm
Grassley
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Kassebaum
Kasten
Laxalt
Long
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Pryor
Quayle
Rockefeller
Roth
Rudman
Sasser
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NAYS—30

Baucus
Biden
Bingaman
Boren
Bradley
Cranston
Dodd
Eagleton
Exon
Gore
Harkin
Hart
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Moynihan
Pell
Proxmire
Riegle
Sarbanes
Simon
Zorinsky

NOT VOTING—4

East
Hatfield
Inouye
Stennis

So the motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 624

(Purpose: To require the Federal Government to reimburse State governments for the cost of incarcerating in State prisons illegal aliens and Marielito Cubans who commit felonies)

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the D'Amato amendment, No. 624, on which there will be 5 minutes of debate, to be equally divided and controlled, to be followed by a rollcall vote in relation thereto.

Mr. METZENBAUM. Mr. President, I wonder if the Senator from New York would be kind enough to permit me to call up an amendment out of order which has been worked out with the sponsor. There will not be any lengthy debate. I will not do it if the Senator objects to it.

Mr. D'AMATO. I would like to comply if there will be no rollcall vote.

Mr. METZENBAUM. There will not be a rollcall vote.

Mr. D'AMATO. I have no objection.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senator from Ohio may be permitted to call up an amendment at this point, notwithstanding the unanimous-consent agreement. I wish to call up an amendment pending at the desk and offer an amendment thereto and to act in connection therewith, and it is my anticipation that there will be no rollcall vote.

Mr. WALLOP. Mr. President, reserving the right to object, can the Senator give us any idea how long this will take? Some of us have scheduled the rest of the afternoon on the basis of the coming vote.

Mr. METZENBAUM. Three minutes.

Mr. WALLOP. I have no objection.

The PRESIDING OFFICER. Does the Senator from Ohio intend that this time shall be taken from the time of the Senator from New York—from the 5 minutes allotted for debate on the amendment of the Senator from New York?

Mr. METZENBAUM. No; I am not really even asking for 3 minutes. I am asking that I may go forward at this point, and in response to the Senator from Wyoming, I indicated that it would take about 3 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Mr. President, reserving the right to object——

Mr. METZENBAUM. Mr. President, the Senator from Wyoming [Mr. Simpson] has indicated to me that it is his preference to go forward with the D'Amato amendment at this point, and under those circumstances I withdraw my unanimous-consent request.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, we have debated this issue not only this week but also 2 weeks ago. It calls for the Federal Government to reimburse States for the actual cost incurred for the incarceration of illegal aliens who have committed felonies, who are in State custody, as well as Marielitos. It is simple and straightforward. It is what should be the law.

There is a block grant, but, notwithstanding that, that may not go into operation for 3 years. It is the responsibility of the Federal Government with respect to immigration. It is not the responsibility within the domain of the States, and therefore the issue is clear-cut. There is no need for further debate.

I yield back the remainder of my time.

Mr. SIMPSON. Mr. President, I appreciate very much what Senator D'Amato has done with the language regarding for whom we are to reimburse the States, and that is the illegal alien felons. I have no problem with that, and I appreciate working with him on that redefinition.

The only problem with the amendment is that if we take away the issue of the changed language, with which I agree totally, we find here that Senator D'Amato is asking for $50 million now, and I think that eventually we should reduce the figures of reimbursement. At a future time, I will do that. That is my objection to the amendment.

I am fully aware that the amendment probably had a charmed life before and may have again. We must revisit that issue. You cannot be paid twice out of the kitty, and we will revisit that later.

The PRESIDING OFFICER. Is there further discussion? Is all time yielded back? If all time is yielded back, the question is on agreeing to the amendment. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON I announce that the Senator from North Carolina [Mr. East] and the Senator from Oregon [Mr. Hatfield], are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. Hatfield] would vote "nay."

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. Inouye] and the Senator from Mississippi [Mr. Stennis], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 74, nays 22, as follows:

[Rollcall Vote No. 185 Leg.]

YEAS—74

Abdnor
Andrews
Armstrong
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bumpers
Burdick
Byrd
Chiles
Cochran
Cranston
D'Amato
DeConcini
Denton
Dole
Domenici
Durenberger
Eagleton
Evans
Exon
Ford
Garn
Gore
Gorton
Gramm
Harkin
Hart
Hatch
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Laxalt
Levin
Long
Mathias
Matsunaga
Mattingly
McClure
McConnell
Melcher
Metzenbaum
Moynihan
Murkowski
Nickles
Nunn
Pressler
Pryor
Quayle
Riegle
Rudman
Sarbanes
Sasser
Simon
Stafford
Stevens
Symms
Thurmond
Trible
Warner
Weicker
Wilson

NAYS—22

Baucus
Bradley
Chafee
Cohen
Danforth
Dixon
Dodd
Glenn
Goldwater
Grassley
Leahy
Lugar
Mitchell
Packwood
Pell
Proxmire
Rockefeller
Roth
Simpson
Specter
Wallop
Zorinsky

NOT VOTING—4

East
Hatfield
Inouye
Stennis

So the amendment (No. 624) was agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMPSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. BYRD. Mr. President, at this time I would like to ask the distinguished majority leader what the schedule is for the rest of the day with respect to rollcall votes.

Mr. DOLE. Mr. President, I am advised by the manager of the bill on this side that he may be completed with all except the Heinz-Bumpers amendments maybe by 5:30 this afternoon. Then we will attempt to figure out some way to resolve those issues. If not, I am advised that if it was satisfactory to the managers of the immigration bill, who would like to complete this bill this evening, that we could bring up the Superfund bill between 6 and 8 o'clock this evening. A number of Senators have engagements off the Hill. Superfund amendments, I am told, could be handled without votes during this period by Senators Stafford and Bentsen. Then if we resolve the one remaining issue on immigration, we could complete that by 8 o'clock or shortly thereafter.

Mr. STAFFORD. I assume we have at least five or six amendments. When we get the floor again on Superfund we could call up amendments which were not controversial and which would only require voice votes.

Mr. BYRD. Mr. President, would the distinguished majority leader make an estimate as to whether we would be finished between 6 and 9 o'clock?

Mr. SIMPSON. Mr. President, the best I can inform the leaders is that we have a Cranston amendment which will be resolved, a Metzenbaum amendment, and a Heinz amendment, which is very difficult for me to deal with on immigration reform. I hope we can do something with that. It does not fit here in any sense.

We have Senator Levin with a colloquy and perhaps an amendment.

I do feel, having talked to Senator, Wilson and Senator Levin, if a rollcall vote is required, we can finish those items before 7 o'clock, I think without question. I do not see further spirited debate. We had debate yesterday and for several days previous to that.

We can be ready, I think, for a final passage vote by 7 o'clock, again depending on the dispositon of the Heinz Social Security proposal.

Mr. DOLE. Mr. President, in looking over my little card, there are a number of meetings this evening between 6 and 8. I am fearful that there might be some Members who have several meetings to attend who have to leave at 6 or maybe shortly thereafter. Maybe between 6 and 8:30 would be of help to Members.

Mr. BYRD. Good.

Mr. DOLE. I would be willing to assure Members at this time that there would be no rollcall votes between 6 and 8:30. I understand there will be no problem with voice votes. Hopefully by 6:30 we may have finished the immigration bill. If that is the case and final passage should be ordered, we can do that when we come back.

Mr. BYRD. I thank the distinguished majority leader.

Mr. BAUCUS. Does that mean that there will be votes after 8:30 this evening, Mr. President?

Mr. DOLE. If we dispose of the immigration bill prior to 6:30 I would advocate no votes after 8:30, but go ahead and dispose of all the Superfund amendments we can by voice vote and come back in the morning and start over. If that is an incentive, I would indicate again that if we can complete action on the immigration bill by 6:30, including final passage, that would be the last vote this evening. We could then still handle amendments to the Superfund by voice vote.

The PRESIDING OFFICER. Under the previous order, the Senator from Wyoming is recognized to offer an amendment.

Mr. SIMPSON. Mr. President, I am not going to offer that amendment. It is an amendment that would have come after Senator D'Amato's amendment. I admire what he has done, and it is helpful. I still feel there is a question about double reimbursement for the States on those kinds of criminals within State institutions. I believe we will work that out in conference. We have reached an accord on the reimbursement of legalization and the funding of the bill in another subsequent amendment which will be accepted.

The PRESIDING OFFICER. The Senator from Wyoming does not have to offer his amendment as provided by the previous order.

The question now recurs on the amendment of the Senator from California [Mr. Wilson].

Mr. SIMPSON. Mr. President, if I may, I will ask the Senator from California to defer to the Senator from Ohio who has an amendment which will be acceptable.

Mr. WILSON. Mr. President, I am happy to defer.

Mr. METZENBAUM. I thank the Senator from California and the Senator from Wyoming.

AMENDMENT NO. 612

(Purpose: To improve housing for temporary agricultural workers)

Mr. METZENBAUM. Mr. President, I call up my amendment which is at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that the Wilson amendment be temporarily laid aside?

Mr. METZENBAUM. Mr. President, I do.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. METZENBAUM. Now, Mr. President, I ask that the amendment of the Senator from Ohio be called up at this time for immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. Metzenbaum] proposes an amendment numbered 612.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 44, line 19, insert "for a period of not to exceed two years from the date of enactment of this Act" after "permitted".

Mr. METZENBAUM. Mr. President, this is an amendment that was debated last week. It has to do with the temporary housing provisions of the bill. I have the feeling that the temporary housing provisions should be limited in time. My amendment limits that to a 2-year period. The managers of the bill have indicated that there may be a reason for a longer period. We have come to an agreement for a period of 3½ years plus an additional year to be granted by the Attorney General in the case of specific employers.

AMENDMENT NO. 612, AS MODIFIED

Mr. METZENBAUM. Mr. President, I send the amendment, as modified, to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. Metzenbaum] proposes an amendment numbered 612, as modified.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment, as modified, be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordred.

The amendment, as modified, is as follows:

On page 44, line 19, insert "for a period of not to exceed three and one-half years from the date of enactment of this Act" after "permitted".

On page 44, line 23, delete the period and add the following after "employment": "; *provided, however,* That the period specified in this paragraph may be extended for a particular employer by not more than one year by the Attorney General if the employer demonstrates that, despite all reasonable good faith efforts, initiated as soon as practicable after the enactment of this Act, furnishing of housing has been delayed due to failure to receive regulatory approval from State or local governmental entities."

Mr. METZENBAUM. Mr. President, this is an amendment that has been worked out but I would like the assurance by the Parliamentarian that the language is correct and the modification is appropriate before I ask for action on the amendment.

The PRESIDING OFFICER. The Senator from Ohio may modify his amendment as long as the yeas and nays have not been ordered.

Mr. METZENBAUM. The Senator from Ohio is aware of that rule. I therefore ask unanimous consent that I may modify the amendment. My amendment is a modification. I ask that my amendment be so modified.

The PRESIDING OFFICER. It is so modified.

Mr. METZENBAUM. Mr. President, I think we are ready to act in connection with this amendment. It is my understanding that the managers of the bill are ready to accept the amendment as modified.

Mr. SIMPSON. Mr. President, Senator METZENBAUM has amended his original proposal to sunset the right of employers of temporary agricultural workers to provide a housing allowance rather than the actual housing. He has amended from 2 years to 3.5 years, with a possibility of a 1-year extension beyond that, with the approval of the Attorney General if there are particular difficulties with zoning or other governmental regulations. That is the proposal. Is that correct?

Mr. METZENBAUM. That is correct. The 1-year extension applies to individual employers, not an across-the-board extension.

Mr. SIMPSON. And the Attorney General is involved with that decision instead of the Department of Labor. That would give the employers 4½ years, if necessary, to get the housing built. With that improvement mechanism, I can accept the amendment.

Mr. METZENBAUM. I thank my friend from Wyoming.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 612, as modified) was agreed to.

Mr. METZENBAUM. I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 616

The PRESIDING OFFICER. The question now recurs on the amendment of the Senator from California.

Mr. WILSON. I thank the Chair.

Let me first inquire whether or not the unanimous-consent agreement that was propounded can be acted on. I do not know whether either side has yet completed the check.

Mr. SIMPSON. Mr. President, let me advise the Senator from California that it will take about another 5 minutes to determine whether we are able to obtain that unanimous-consent agreement, which will be 1 hour of debate on the Wilson amendment to be equally divided and that no amendment be in order to that amendment. The time, of course, could be yielded back. Then we would proceed to a vote on the Wilson amendment.

That is being presented to our colleagues. Therefore, at this time, with his concurrence, I shall suggest the absence of a quorum. We should have a response.

Mr. WILSON. I would suggest the absence of a quorum, Mr. President——

Mr. METZENBAUM. Mr. President, I shall object to that only that I may make some arguments against the Wilson amendment and not be limited by the time limitation.

The PRESIDING OFFICER. The Senator from California still holds the floor. If he does not yield for the purpose and he has suggested the absence of a quorum, the clerk will call the roll.

Mr. WILSON. I yield to the Senator from Ohio for a question.

Mr. METZENBAUM. Would the Senator from California have any objection to the Senator from Ohio debating this issue at this point while the Senator from California and the Senator from Wyoming are seeking unanimous consent for a time limit?

Mr. WILSON. No, Mr. President, none whatever. I would be happy to allow the Senator from Ohio to do that. It is only I hope, for our purposes to give time to secure unanimous consent.

I also observe that what we are seeking to do is to afford each side a half hour under the unanimous-consent agreement. But I have no objection to using the time for the debate of the bill in the interval.

Mr. METZENBAUM. Will the Senator from California yield for another question?

Mr. WILSON. Yes, Mr. President.

Mr. METZENBAUM. Am I correct in my understanding that this is the same amendment he previously offered, although in this case, the 350,000 cap is on the number of temporary workers?

Mr. WILSON. The amendment offered is virtually the same as that which was debated Thursday, with the exception that a single major substantive amendment has been made, or a change has been made. The change is the one that was the subject of a great deal of discussion and debate on Thursday. It had to do with the statement or the charge that the amendment contained an open-ended authorization for seasonal workers to enter the United States.

The change is to place a numerical cap for a period of 3 years upon the number of workers admitted for the harvesting of perishable agricultural products. That number is 350,000.

At the conclusion of the 3-year period, the Attorney General would then have a requirement placed upon him by the legislation that he determine what actual need is. That means he would, by consideration of the number of stated criteria in the law, beginning with the consideration of the availability of domestic workers, determine whether that number of 350,000 exceeds the need or is less than the need. He would then proceed to set a new cap.

The only variation from that would be for purposes of emergency, and again, that emergency is determined in the law by stated criteria.

Mr. METZENBAUM. Is this Senator correct that the 350,000 cap is at any one time; that during that period, we could have several million migrant workers come in, but provided that at no one time is there more than 350,000 in the United States?

Mr. WILSON. It is true that the figure of 350,000 is the limit at any one time just as, when we quote the Bureau of Labor statistics on employment or unemployment figures, it is the number of actual jobs involved or the people employed or unemployed at that one time. We do not multiply by 365 days the number of people who are employed.

To the other part of the Senator's question, is it conceivable that we could have several million people come in during a period of a year under this amendment, that is inconceivable. In fact, the number 350,000 is substantially less than half of the total workers which the Department of Agriculture estimates to be the minimum requirement for picking and harvesting of perishable commodities.

Mr. METZENBAUM. The fact is that we could have 350,000 workers, some of them go back, and we could have a continual turnover and we might have as many as 1 million or 1½ million during that 3-year period. That is entirely conceivable, is it not?

Mr. WILSON. What is conceivable is that we would have as many as 350,000 at a single time and over the 3-year period, it would be very difficult to say what the total number of different individuals comprising that limit would be.

Mr. METZENBAUM. I thank the Senator from California.

Does the Senator from California yield the floor so the Senator from Ohio may proceed?

Mr. WILSON. Yes, Mr. President, with the understanding that if we have news of the agreement, we shall be pleased to have the Senator from Ohio yield back.

Mr. METZENBAUM. I have no objection to doing that, Mr. President, but I do want to say that the Senator from Ohio does wish to be heard on this matter and does not wish to be placed in the position of objecting to the unanimous-consent agreement which limits the amount of debate, which would preclude my having adequate time to debate.

Mr. WILSON. Mr. President, may I inquire of the Senator from Ohio how much time he wishes to debate?

Mr. METZENBAUM. I do not know. I do not have a filibuster or anything of that kind in mind, but I do have a few things on my mind that I would like to share with my colleagues and the Senator from California.

Mr. WILSON. That is fine. I have no objection to that. I simply want to make clear the reason that the manager and I have agreed to have an hour is to afford Members of the body, who have indicated a desire to vote on this measure, an opportunity to do so, so that they can be available for other obligations. I yield to the Senator from Ohio.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER (Mr. QUAYLE). The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I did not speak to this issue the other day, and afterwards I had some concerns as to why I did not; pressure from obligations kept me from doing so, but this amendment is sort of in tandem with some of the trade legislation we have pending around the Senate, only in the trade legislation we are trying to keep foreign workers from stealing American jobs in foreign countries. This amendment makes it possible for foreign workers to come in and take jobs that Americans could otherwise hold.

The argument is made that American workers do not want those jobs, will not take those jobs. I reject that argument. I question how hard an effort has been made to obtain workers to do those jobs. I think it is a bad amendment. The purpose is simply to legalize the current system by enacting a massive migrant foreign worker program. The workers will be allowed to stay in the United States not a month, not 2 months, not 3 months, no, 9 months each year, 9 months a year, wandering from one employer to the next, taking jobs from American workers, working at low wages and in poor working conditions. That is precisely the current system, and that is what I thought we were trying to change in this law.

Examine what is in this bill now. There is a transitional program that allows growers to retain a total illegal workforce for 1 year, then to decrease it by a third for each of 2 years. And the legalization program provides that it will occur as soon as the Commission acts but not longer than 3 years. During that period the workers will be available to provide agricultural work. There is an expanded H-2 program, and that on its own without anything more in this bill would allow an enormous expansion of workers. So what we have is that the growers have come to the Congress and said, "We want a seasonal worker program to allow 350,000 more workers into the country."

Oh, yes, I should point out the seasonal worker that we are talking about is going to be here for up to 9 months. That is a pretty long season. If you travel across the country, I suppose you catch all the different seasons of the year. This amendment makes it possible for American workers to be deprived of the opportunity to have a job and earn a living. Why? What is there about the corporate farmer, the large agricultural farmers who say they have the right to import this labor? What efforts have they made? What evidence is there that they have gone out of their way to try to hire people from other parts of the country who would like to work on those farms? How can we face the American worker and tell him or her, "Congress has just authorized hundreds of thousands of foreign workers coming into the country each year and take his or her job? What kind of Senate is willing to sit by and not only permit imports to take away American workers' jobs but permit imported workers to take away the jobs of Americans? Why? Why is this necessary?"

It is not necessary, as a matter of fact. It is the wrong thing to do. This bill ought to have a preface to it. The preface ought to extol the power of big agriculture in this country. They have lived for years by knowingly employing hundreds of thousands of illegal workers and now they have the audacity to insist that the price of this bill is to make it possible for them to bring in up to 350,000 illegal workers at any one time for a period of 3 years, and then the number that the Attorney General sets at the end of that 3-year period.

Think about it. This amendment is nothing more than putting into the law a system which is based upon massive flaunting of our immigration laws, only now the Congress of the United States is being called upon to make all of that legal. Listen to what the Secretary of Labor had to say recently. Said he:

> I must express strong concerns about the potential adverse effect that a new large-scale flow of unskilled alien workers would have on our most disadvantaged workers, unskilled youths, especially blacks and Hispanics whose unemployment is a continuing cause of serious concern.

Unemployment has been high in agriculture—13½ percent in 1984, 14.3 percent currently. With the expanded temporary worker program, it will only go higher. Not only the Secretary of Labor has spoken to this suject, but there was a Select Commission on Immigration which reported to the Congress in 1981. It said at that time, "Most commissioners have concluded that the commission should not recommend the introduction of a large-scale temporary worker program." At another point the commission stated, "The commission believes that any slight expansion in the number of temporary workers admitted should be within the existing H-2 Program."

This is no slight expansion. It is a massive one.

Now, it is interesting that in the Senate, when we have a problem and we do not want to bite the bullet, we appoint a Commission; we figure that Commission will be fair, unbiased and judicial, it will hear all sides, and it will come in with its recommendation.

Well, the Commission has come in with its recommendation, and instead of abiding by the Commission's report the amendment of the Senator from California would totally flaunt that Commission report and go to exactly the opposite extreme.

Now, the growers say "Well, the Americans won't take the jobs in the field." I say nonsense. Unemployment in agriculture is high. Massive employment of illegal aliens only keeps working conditions bad and wages low.

American agricultural workers will accept the jobs that are available, provided they pay a decent wage and provided there are decent working conditions. Growers say that legalization will not make any difference. That is nonsense, too.

Will people flock to the cities because they are suddenly legal? Of course not. Will they uproot their families and change their lives totally? Of course not. The growers say that they need a massive pool of foreign workers or the crops cannot be picked. Let us take a look at the figures at the present time.

The currrent H-2 Program in this country uses 20,000 temporary agricultural workers each year. Let me read the numbers from various States. Total jobs certified under the program in 1984, 20,071; Arizona, 319; California, 443; Maryland, 146; West Virginia, 686; and so on, right down the list.

It is a small program now that is being expanded, and this provision that is already in the bill will expand it greatly. The fact is that the new program could expand the current H-2 Program 10 times over.

Only if you are totally willing to ignore the interests of American workers, and only if you are willing to guarantee that there will be a huge work force of exploited, poorly treated foreign labor, can you provide any basis to vote for this amendment. But if you believe that the American worker is entitled to protection from foreign imports—only in this case, imports of foreign workers who will work for subminimum wages—you have to vote against this amendment. There is not any logical reason under the Sun to be for the Wilson amendment.

I am aware of the close vote the other day. That does not not make it right. I am not sure that my colleagues are aware of the fact that what we are doing is taking jobs away from American workers by importing foreign workers. I do not find that much less distasteful than I find foreign workers taking away the jobs of American workers if they are located in some far distant country.

I hope this body will see fit to again reject the amendment of my distinguished colleague from California.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the Members of this body know we have debated this issue at considerable length on an earlier amendment offered by the Senator from California last week. I believe the chairman of the committee has made the case against it, along with other Members of the Senate.

Last week, we went into some detail as to exactly what this particular amendment would do. First of all, we explained to the Senate the provisions included in this legislation that deal with the issues which have been raised by the Senator from California dealing with perishable crops. That issue was considered for a great deal of time by the subcommittee and by the full Judiciary Committee. It appears to me that the recommendations which have been included in the pending legislation, which already provide for a fast track consideration of H-2 requests for perishable crops.

I believe that the steps that have been recommended in this legislation will deal with any of the types of emergencies that are being used as a justification for the Wilson amendment. I commend the chairman of the subcommittee for incorporating these in this legislation.

There is also a provision in here to establish a transition period, so that those in the past who have employed illegal aliens, there would at least be a phasing down or an adjustment period, which I think is extremely generous.

Mr. President, I think that the steps that have been taken by the members of the committee and that have been included in this legislation really deal with the challenge which has been put to the Senate by the Senator from California.

Mr. President, the amendment offered by Senator WILSON is really the same amendment that the Senate rejected last week, but this time with a cap of 350,000. He says that is to counter the argument that his foreign temporary worker program was open ended. Well, 350,000 is as close to throwing the doors wide open as its possible to do—especially when we consider that even during the last years of the Bracero Program, the number was only slightly higher than 200,000, and labor needs have been substantially reduced since then through technology.

The sponsors say this amendment isn't a new Bracero Program, and in one sense they are right: It doesn't even have the minimal proctections that the Bracero Program had. They simply throw the door open, making a foreign worker look for any job he can find in the geographical areas in which he is allowed, and fend for himself.

But in another far more important respect, this amendment creates precisely the fundamental flaw of the Bracero Program: Namely, contrary to the so-called protections in the amendment, it will have the same impact upon American wages and labor conditions that the Bracero Program had.

This fundamental flaw was succinctly reviewed last year by Monsignor Higgins of the U.S. Catholic Conference—and he should know, because he served as one of the members of the panel commissioned by President Eisenhower's Secretary of Labor, James Mitchell, whose recommendations finally led to the end of that program.

I ask unanimous consent that excerpts of this statement be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT OF MSGR. GEORGE HIGGINS, CONSULTANT, U.S. CATHOLIC CONFERENCE

To put the present situation in the proper perspective, a brief review of the Bracero Program is, I think, in order. In enacting Public Law 78, Congress intended to accomplish two basic objectives—to obtain agricultural workers from Mexico to meet seasonal, temporary labor shortages and to ensure that our own domestic farmworkers would not be adversely affected by the employment of these workers.

The first objective was achieved for at its peak nearly 500,000 Mexican temporary workers were brought in. The second objective protecting the domestic work force from the effects of the Mexican importation was not achieved.

Ostensibly, adequate safeguards were provided. The law prohibited the importation of workers unless the Secretary could certify that, (A) sufficient domestic workers who were able, willing, and qualified were not available at the time and place needed to perform the work for which such workers were being recruited, (B) the employment of such workers would not adversely affect the wages and working conditions of domestic agricultural workers, (C) reasonable efforts had been made to attract domestic workers at wages and standard hours of work comparable to those offered foreign workers. However, the Secretary of Labor found it extremely difficult to administer these provisions.

Experience under the Bracero Program clearly demonstrates that the requirement that the importation of foreign workers not have an adverse effect on the wages and working conditions of the domestic work force is a meaningless condition. The record shows that under that program the importation of foreign workers had a seriously adverse effect on domestic labor standards. The Mitchell committee found that the Bracero Program which guaranteed growers at no administrative expense to themselves, an unlimited supply of cheap and docile labor was having a disastrous effect on the American labor force.

The report of the Mitchell committee made it abundantly clear that the Bracero Program had seriously hurt American citizens. The injury to domestic farmworkers was evident from no matter what angle the committee viewed the situation. Despite the efforts of the Department of Labor to require employers to recruit qualified U.S. workers, Mitchell consultants found many indications that domestic farmworkers were losing out to foreign labor. So strong were the preferences of some growers for a captive labor force that in some areas almost all of the seasonal work in certain occupations was performed by foreign workers. Even those domestic workers who were employed found the duration of their jobs shortened because the availability of foreign workers, particularly at peak harvest times, had compressed the work season.

Where foreign workers were used in large numbers, wage rates were prevented from rising to levels they would have attained if no foreign workers had been admitted. The very knowledge on the part of growers and workers that foreign workers were available weakened the domestic workers' bargaining position. Statistics compiled by the Mitchell consultants showed that wage rates in occupations and areas employing foreign workers had lagged behind the rising wage level for domestic farmworkers generally. They also showed that users of foreign workers often paid their domestic workers less than employers who did not use foreign workers.

Faced with these considerations, the Mitchell consultants concluded that renewing the program would postpone the adoption of necessary reforms and tend to increase rather than diminish domestic labor shortages. Accordingly, they recommended that the program be phased out as quickly as possible.

Mr. KENNEDY. Mr. President, today's problems are not much different. Wages and labor standards of those engaged in perishable crops are still low. We know what the unemployment rate is. It is virtually double the national average, and in the off-season it doubles once again.

These are Americans, Mr. President; these are individuals with families, who are attempting to provide for their families, and who are unemployed.

I was talking last week to a distinguished Representative from Laredo, TX, who pointed out that they had 34 percent unemployment in his congressional district. These are American citizens or they would not be considered to be on the unemployment list.

What we are being asked to do here this afternoon by the Senator from California is to provide 350,000 foreign guest workers, when during the last year of the Bracero Program we only had 200,000. He is asking for 350,000 guest workers.

Mr. President, if this body accepts this amendment, 350,000 Americans will lose their jobs. We hear a great deal in this body about the problems of jobs and unemployment. We have heard a great deal, as we should, about the problems we are facing in our trade deficit and what that has meant in terms of losing jobs in the United States. But here we are taking jobs from Americans.

Finally, make no mistake about it: The Wilson amendment, if it is accepted, will sound the death knell for any immigration reform because of the position which has been taken by the chairman of the House Judiciary Committee and one, quite frankly, that I find makes a good deal of sense, is that this will really make a sham of this whole piece of legislation.

On the one hand, we are supposedly enacting employers' sanctions, to deal with the problems of undocumented aliens coming into the United States and taking American jobs, perhaps being exploited, and working for inadequate wages. We are trying to say that that is what this entire legislation is about; and, on the other hand, we say that we are going to take 350,000 guest workers in here also to take American jobs. Anybody who can tie together the logic of those two positions will have an extraordinary sense of logic.

But, Mr. President, that will be the effect of this amendment, the loss of American jobs, the loss to American families, and depressed wages.

As I said, we have already had a pilot program, so to speak, about what will happen under this amendment, and that was the bracero program, and the bracero program had some protections included in it that aren't even in this amendment. And we saw the exploitation that took place, what the impact it had on American workers and wages.

That record has been laid out in committee hearings, but that was a few years ago, and the memory of this body is short.

So, Mr. President, I would hope that this amendment would not be accepted. I believe that it is effectively a killer amendment. I think any of those Members of the Senate who have followed this issue over a long and difficult period of time know how complex the issues are in trying to fashion a balanced bill.

This effectively turns this bill on its head.

I know that there are perhaps those who want to kill the bill and, therefore, will vote in favor of this amendment.

I do not question in my own mind that that will be the effect—it will sound the death knell for this bill. I have my own concerns about the bill for entirely different reasons, which I have outlined at the outset of the debate, and I will speak to briefly to those at the conclusion of the debate.

So, Mr. President, I hope we will move to an early vote and that the amendment will be defeated.

Mr. WILSON. Mr. President, I call up amendment 616.

The PRESIDING OFFICER. That amendment is pending.

AMENDMENT NO. 616, AS MODIFIED

Mr. WILSON. All right.

Mr. President, then I send a modification to the desk. The modification is at the desk. It is 613.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

On page 68, between lines 5 and 6, insert the following new section heading:

SEC. 125. TEMPORARY AGRICULTURAL WORKER PROGRAM.

Mr. WILSON. Mr. President, I now send to the desk an amendment in the second degree.

Mr. SIMPSON. Mr. President, may I ask for the yeas and nays? There is one amendment presented to us. I do not have a desire at this time to present any other amendment. But we do know what the pending amendment is, and I do not believe there is any requirement for further proceedings.

Mr. President, if I were to ask for the yeas and nays on the Wilson amendment, would that not foreclose the issue?

The PRESIDING OFFICER. The Senator certainly has the right to ask for the yeas and nays.

Does the Senator make that request?

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, if I may ask the Senator from California to yield for the purpose of withdrawing my request for the yeas and nays, I shall leave that to the sponsor of the amendment and then if the sponsor will explain where we are procedurally, as he has just done so to me privately we can proceed.

Mr. WILSON. I thank the Senator from Wyoming.

Mr. President, what we are seeking to do here very simply is to fill the tree.

I have offered with the modification the first-degree amendment. I now ask for the yeas and nays on the amendment, after which it will be my intention to offer a second amendment and ask for the yeas and nays on that as well.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 614

(Purpose: To provide a seasonal agricultural worker program for employment in perishable commodities)

Mr. WILSON. Mr. President, I now send an amendment to the desk in the second degree, amendment No. 614.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California [Mr. WILSON] proposes an amendment numbered 614 to amendment No. 616.

Mr. WILSON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the proposed amendment, strike out all after "SEC. 125." and insert in lieu thereof the following: SEASONAL AGRICULTURAL WORKER PROGRAM.

(a) PROVIDING NEW "O" NONIMMIGRANT CLASSIFICATION FOR SEASONAL AGRICULTURAL WORKERS.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by this Act, is further amended—

(1) by inserting "and other than seasonal agricultural services in perishable commodities described in section 217(h)(1)" in subparagraph (H)(ii) after "section 216(h)(1)";

(2) by striking out "or" at the end of subparagraph (M);

(3) by striking out the period at the end of subparagraph (N) and inserting in lieu thereof "; or"; and

(4) by adding at the end the following new subparagraph:

"(O) an alien having a residence in a foreign country which he has no intention of abandoning who is coming to the United States to perform seasonal agriculural services in perishable commodities (as defined in section 217(h)(1)).".

(b) Admission of Seasonal Agricultural Workers.—Chapter 2 of title II is amended by adding after section 216 the following new section:

"Sec. 217. ADMISSION OF SEASONAL AGRICULTURAL WORKERS.

(a) Establishment of Seasonal Agricultural Worker Program.—The Attorney General, in consultation with the Secretary of Agriculture and the Secretary of Labor, shall by regulation establish a program (hereafter in this section referred to as 'the program') for the admission into the United States of seasonal agricultural workers (as defined in section 217(h)(2).

"(b) Admission of Seasonal Agricultural Workers.—A petition to import an alien as a seasonal agricultural worker (as defined in section 217(h)(2)) may not be approved by the Attorney General unless the petitioner certifies to the Attorney General the following:

"(1) Seasonal agricultural employer in perishable commodities.—

"(A) Nature of petitioner.—The petitioner employs (or contracts for the employment of) individuals in seasonal agricultural services in perishable commodities, or is an association representing such employers or contractors.

"(B) Requirements of petitions.—For each month concerned and for each agricultural employment region (designated under section 217(i)(1)) in which the petitioner is operating, the petition must specify—

"(i) the total number and qualifications of individuals in seasonal agricultural services in perishable commodities required in each month, and

"(ii) the type of agricultural work required to be performed by these workers.

"(2) Will make recruiting effort.—The petitioner will make a good faith effort to recruit (as required by the Attorney General in regulations) in the area of intended employment, including the listing of employment opportunities with the appropriate office of a governmental employment service, and will accept for employment able, willing, and qualified workers referred by such office to perform seasonal agricultural services in perishable commodities until the commencement of the seasonal agricultural services for which the petitioner has recruited.

"(3) Report on recruitment.—In the case of a petitioner that has employed seasonal agricultural workers during the previous 12 months, the petitioner will provide a summary of his efforts to recruit domestic workers to perform seasonal agricultural services in perishable commodities during that period.

"(4) Adequate working conditions.—The petitioner will provide such wages and working conditions as will not adversely effect the wages and working conditions of United States workers similarly employed

"(5) Housing.—The petitioner will furnish housing for nonimmigrants described in section 101(a)(15)(O) or, at the petitioner's option and instead of arranging for suitable housing accomodations, will substitute payment of a reasonable housing allowance tc the provider of the housing, but only if the housing is otherwise available within the approximate area of employment.

"(6) Notice to Attorney General of employment.—The petitioner will notify the Attorney General of the entering into, or termination, of an employment relationship with a seasonal agricultural worker not later than 72 hours of the time the relationship is entered into or terminated.

"(7) Employment only in seasonal agricultural employment in perishable commodities.—The petitioner will not employ a seasonal agricultural worker for services other than seasonal agricultural employment in perishable commodities.

"(8) Limitation on the use of "o" workers in perishable commodities.—The petitioner will not employ (or petition for the employment) of a nonimmigrant in any job opportunity under section 101(a)(15)(O) for seasonal agricultural services in perishable commodities when an application for employment in that job opportunity under section 101(a)(15)(N) is pending or approved.

"(9) Job information disclosure to "o" workers.—The petitioner shall, upon request, disclose in writing to seasonal agricultural workers when an offer of employment is made, the place of employment, the wage rates, the employee benefits to be provided, and any costs to be charged for each of them, the crops and kinds of activities for which the worker may be employed, and the anticipated period of employment.

"(c) Suspension of Certification.—The Attorney General shall suspend a petitioner's certification under subsection (b) if any of the following conditions exist:

"(1) Labor dispute.—There is a strike or lockout in the course of a labor dispute which, under the regulations, precludes such certification.

"(2) Violation of term of previous certification.—

"(A) In general.—The employer at any time during the previous two-year period employed seasonal agricultural workers and the Attorney General has determined, after notice and opportunity for a hearing, that the employer at any time during that period—

"(i) substantially violated an essential term or condition of the labor certification under subsection (b) with respect to the employment of domestic or nonimmigrant workers, or

"(ii) has not paid any penalty for such violations which have been assessed by the Attorney General.

"(B) Disqualification limited to one year.—No employer may have its certification suspended under clause (A) for more than one year for any violation described in that clause.

"(3) Not providing for workers' compensation.—The employer has not provided the Attorney General with satisfactory assurances that if the employment for which the certification is sought is not covered by State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

"(d) Roles of Agricultural Associations.—

"(1) Permitting filing by agricultural associations.—A petition to import an alien as a seasonal agricultural worker, and a labor certification with respect to such a worker, may be filed by an association representing seasonal agricultural employers which use agricultural services.

"(2) Treatment of associations acting as employers.—If such an association is a joint or sole employer of seasonal agricultural workers, the certifications obtained under this section by the association may be used for the job opportunities of any of its members requiring such workers to perform agricultural services of a seasonal nature for which the certifications were obtained.

"(3) Treatment of violations.—

"(A) Member's violation does not necessarily disqualify association or other members.—If an individual member of such an association is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the member, the suspension shall apply only to that member and does not apply to the association unless the Attorney General determines that the association or other member participated in, or had knowledge of and derived benefit from, the violation.

"(4) Association's violation does not necessarily disqualify members.—If an association representing agricultural employers as an agent, joint employer, or employer is determined to have committed an act that under subsection (c)(2) results in the suspension of certification with respect to the association, the suspension shall apply only to the asociation and does not apply to any individual member of the association unless the Attorney General determines that the member participated in, or had knowledge of and derived benefit from, the violation.

"(e) Expedited Administrative Appeal of Suspension of Certification Under Subsection (c)(2)—

"(1) Expedited procedures.—The Attorney General shall provide for an expedited procedure for the review of a suspension of certification under subsection (c)(2) or, at the applicant's request, for a de novo administrative hearing respecting the suspension. In the case of a request for such a review or hearing, the Attorney General shall provide that the review or hearing take place not later than 72 hours after the time the request is submitted.

"(f) Hearing De Novo Before the U.S. District Court.—

"(1) Jurisdiction.—On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in the District of Columbia, has jurisdiction to enjoin the Attorney General from suspending the complainant's certification under the program and to order the reinstatement of complainant's certification if it is improperly suspended. In such a case, the court shall determine the matter de novo and the burden is on the Attorney General to sustain his suspension.

"(2) Precedence of cases.—Except as to cases the court considers of greater importance, proceedings before the district court, as authorized by this and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

"(g) Miscellaneous Provisions.—

"(1) Authority.—The Attorney General is authorized to take such actions, including imposing appropriate penalties and seeking appropriate injunctive relief and specific performance of contractual obligations, as may be necessary to assure employer compliance with terms and conditions of employment under this section.

"(2) Appropriate documentation.—The Attorney General shall provide for such endorsement of entry and exit documents of seasonal agricultural workers as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(3) Preemption.—The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State

or local law regulating admissibility of nonimmigrant workers.

"(h) Definitions.—For purposes of this section:

"(1) Seasonal agricultural services in perishable commodities.—The term "seasonal agricultural services in perishable commodities' means services in agricultural employment including planting, cultural practices, production, cultivation, growing, and harvesting involving perishable commodities (as defined by regulations of the Secretary of Agriculture).

"(2) Seasonal agricultural worker.—The term 'seasonal agricultural worker' means a nonimmigrant described in section 101(a)(15)(O).

"(3) Caribbean Basin.—The terms 'Caribbean Basin' and 'Caribbean Basin Countries' include those countries eligible to be designated by the President as 'beneficiary countries' under section 212(b) of the Caribbean Basin Economic Rocovery Act (19 U.S.C. 2702(b)).

"(i) Establishment of Numerical Limitations by Agricultural Employment Region.—

"(1) Establishment of agricultural employment region.—For purposes of the administration of the program the Attorney General shall designate not more than 10 agricultural employment regions within the United States. The entire United States shall be encompassed by the area of all such regions.

"(2) Numerical limitations.—After considering the factors described in paragraph (3), if the Attorney General determines that seasonal agricultural workers are required for a month for an agricultural employment region, the Attorney General shall establish a numerical limitation on the number of nonimmigrant visas that may be issued for such workers for that month for that region, except until the end of the third year after the effective date of this Act, the Attorney General may not establish a numerical limitation on the number of such visas that may be issued at any given time in excess of 350,000.

"(3) Factors in determination.—In making the determination and establishing numerical limitations under paragraph (2), the Attorney General shall—

"(A) base the determinations and limitations on petitions filed under section 217(b)(1),

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A), and

"(D) consult with the Secretary of Agriculture.

"(4) Numerical limitations after three years.—The Attorney General shall establish at the end of the third year after the effective date of this Act, a numerical limit on the total number of seasonal agricultural workers to be admitted into all employment regions in the United States under the program at any given time. In establishing a numerical limit under this paragraph, the Attorney General shall—

"(A) consider petitions filed under section 217(b)(1) during the preceding years of the program,

"(B) take into consideration the historical employment needs of agricultural employers and the availability of able, willing, and qualified domestic labor,

"(C) take into consideration the recruitment efforts undertaken by the Secretary of Labor under section 404(d)(1)(A),

"(D) consult with Secretary of Agriculture, and

"(E) consider the recommendation of the Commission on Agricultural Worker Programs on a numerical limit as provided under section 124(c)(5).

"(5) Changes in numerical limitations in extraordinary circumstances.—

"(A) Inadequate monthly and regional limitations.—If—

"(i) a numerical limitation has been established under paragraphs (2) or (4) for a region for a month, and

"(ii) a petitioner described in section 217(b)(1) establishes that extraordinary and unusual circumstances have resulted in a significant change in the petitioner's need for seasonal agricultural workers specified in the petition or in the availability of domestic workers who are able, willing, and qualified to perform seasonal agricultural employment, the petitioner may apply to the Attorney General (in such form and manner as the Attorney General shall provide) for an increase in the numerical limitations otherwise established under paragraphs (2) and (4) to accommodate the circumstances.

"(B) Determination.—The Attorney General shall make a determination on such an application within 72 hours of the date the application is completed. To the extent the application is approved, the Attorney General shall provide for an appropriate increase in the appropriate monthly and regional numerical limitation. The Attorney General may expand the number of workers admitted into the region for which the application is approved by transferring seasonal agricultural workers from another region with a lesser need or by admitting additional workers from foreign countries. In the event the limit on the admission of seasonal agricultural workers for all regions in the United States established under paragraph (4) has been reached at the time the application alleging extraordinary and unusual circumstances is filed, the Attorney General shall follow the procedures in subparagraph (C).

"(C) Increase in the numerical limitation established by the Attorney General.—If—

"(i) a numerical limitation on the admission of seasonal agricultural workers into all employment regions has been established by the Attorney General under paragraph (4) and

"(ii) a petitioner described in section 217(b)(1) establishes under the provisions of subparagraphs (A) and (B) that extraordinary and unusual circumstances require an increase in the numerical limitation, the Attorney General may provide for an increase in the appropriate numerical limitation in an amount not to exceed 20 percent of the total number authorized for admission into all regions. Any such increase authorized by the Attorney General shall terminate upon the end of circumstances requiring it and shall not result in a permanent expansion of the numerical limit established by the Attorney General under paragraph (4).

"(j) Entry of Seasonal Agricultural Workers.—

"(1) Annual time limitation.—An alien may not be admitted to the United States as a seasonal agricultural worker under section 101(a)(15)(O) for a period of more than nine months in any calendar year. An alien admitted under section 101(a)(15)(O) during any calendar year will not be eligible for readmission into the United States until he has returned to his country of origin for a period of 3 months.

"(2) Violators disqualified for 5 years.—An alien may not be admitted to the United States as a seasonal agricultural worker if the alien was admitted to the United States as such a worker within the previous five-year period and the alien during that period violated a term of condition of such previous admission.

"(k) Wages and Working Conditions.—The Attorney General, in consultation with the Secretaries of Agriculture and Labor, shall establish through regulation appropriate wages and working conditions as will not adversely affect the wages and working conditions of United States workers similarly employed in the area of intended employment.

"(l) Allocation and use of visas under the program.—

"(1) In general.—Nonimmigrant visas for seasonal agricultural workers, within the numerical limitations established under subsection (i)(2), shall be made available as follows:

"(A) Previous workers.—Visas shall first be made available to qualified nonimmigrants who have previously been admitted as seasonal agricultural workers and who have fully complied with the terms and conditions of any such previous admission, providing priority in consideration among such aliens in the order of the length of time in which they were so employed.

"(B) Others.—Any remaining visas shall be made available to other qualified nonimmigrants.

"(C) Treatment of spouses and children.—A spouse or child of a seasonal agricultural worker is not entitled to a nonimmigrant visa as such a worker by virtue of such relationship, whether or not accompanying or following to join the nonimmigrant, but may be provided a nonimmigrant visa as such a worker if the spouse or child also is a qualified as such a worker.

"(D) No individual employer visa petition required.—An alien admitted pursuant to section 101(a)(15)(o) shall not be required to obtain any petition from any prospective employer within the United States in order to obtain a nonimmigrant visa under the program.

"(E) No limitation to particular employer or crop.—A nonimmigrant visa issued under the program shall not limit the geographical area (other than by agricultural employment region) within which a seasonal agricultural worker may be employed or limit the type of seasonal agricultural employment services, in perishable commodities, the worker may perform.

"(F) Disqualification from Federal assistance.—A seasonal agricultural worker under the program is not eligible for any program of financial assistance under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Attorney General in consultation with other appropriate heads of the various departments and agencies of Government.

"(G) Allocation of visas to Caribbean Basin countries.—The Attorney General, in consultation with the Secretaries of State and Agriculture, shall establish through regulations the allocation of visas to workers in specific countries under this section. A percentage of the visas issued shall be allocated to qualified workers in countries located in the Caribbean Basin.

"(m) Trust Fund for Program Administration.—

"(1) Establishment.—The Attorney General shall establish by regulation a trust fund the purpose of which is to provide funds for the administration of the program and to provide a monetary incentive for seasonal agricultural workers in the program to return to their country of origin upon expiration of their visas under the program. The Attorney General shall promulgate such other regulations as may be necessary to carry out this subsection.

"(2) Payments into trust fund.—In the case of employment of a seasonal agricultural worker under the program—

"(A) Employer payment.—The employer shall provide for payment into the trust fund established under this subsection of an amount equivalent to 11 percent of the wages of the worker.

"(B) Worker payment.—There shall be deducted from the wages of the nonimmigrant and paid into such trust fund an amount equivalent to 20 percent of the wages of the worker.

"(C) Wages defined.—For purposes of this paragraph, the term 'wages' has the meaning given such term in section 3121(a) of the Internal Revenue Code of 1954, except that for these purposes paragraph (1) of that section shall not apply.

"(3) Use of amounts in trust fund.—

"(A) Employer payments and interest.—Except as provided in paragraph (B), amounts paid into the trust fund, and interest thereon, shall be used for the purpose of administering the program.

"(B) Worker payments.—Amounts described in paragraph (B) paid into the trust fund with respect to a worker and interest thereon shall be paid to the worker if—

"(i) the worker applies for payment within 30 days of the last day of employment under the program (as verified by the Attorney General) at the United States consulate nearest the worker's residence in the country of origin, and

"(ii) the worker complies with the terms and conditions of the program, including the obligation to be continuously employed (or actively seeking employment) in seasonal agricultural employment in perishable commodities.

"(4) Expansion of consulates.—The Secretary of State is authorized to take such steps as may be necessary in order to expand and establish consulates in foreign countries in which aliens are likely to apply for nonimmigrant status under the program.".

(c) Authorization of Appropriations.—Section 404 (8 U.S.C. 1101), as amended by sections 101(b) and 102(b) of this Act, is further amended by adding at the end the following new subsections:

"(d) Authorizations of Appropriations for Secretary of Labor.—(1) There are authorized to be appropriated to the Secretary of Labor for each fiscal year, beginning with fiscal year 1986, $10,000,000 for the purposes—

"(A) of recruiting domestic workers for temporary services which might otherwise be performed by seasonal agricultural workers described in section 217, and

"(B) of monitoring terms and conditions under which such temporary and seasonal agricultural workers (and domestic workers employed by the same employers) are employed in the United States.

"(e) Authorization of Appropriations for Secretary of Agriculture.—There are authorized to be appropriated for each fiscal year, beginning with fiscal year 1986, such sums as may be necessary for the purposes of enabling the Secretary of Agriculture to carry out the Secretary's duties and responsibilities under section 217.".

(d) Prohibiting Adjustment of Status of Temporary Agricultural Workers.—(1) Section 245(c) (8 U.S.C. 1255(c)), as amended by sections 113(a) and 122(e)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(4) An alien (other than an immediate relative specified in section 210(b)) who entered the United States classified as a nonimmigrant under section 101(a)(15)(O).

(2) Section 248(1) (8 U.S.C. 1258(1)), as amended by section 122(e)(2), is further amended by striking out "(K) or (N)" and inserting in lieu thereof "(K), (N), or (O).".

(e) Effective Date.—The amendments made by subsections (a), (b), (c), and (d) of this section apply to petitions and applications filed under section 217 of the Immigration and Nationality Act on or after the first day of the twelfth month beginning after the date of the enactment of this Act (hereafter in this section referred to as the "effective date").

(f) Regulations.—The Attorney General, in consultation with the Secretary of Labor and the Secretary of Agriculture, shall approve all regulations to be issued implementing sections 101(a)(15)(O) and 217 of the Immigration and Nationality Act. Notwithstanding any other provision of law, final regulations to implement such sections shall first be issued, on an interim or other basis, not later than the effective date.

(g) Deportation of Seasonal Agricultural Workers for Failure To Be Employed or Seek Employment.—Section 241(a) (8 U.S.C. 1251(a)) is amended—

(1) by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or "; and

(2) by adding at the end the following new paragraph:

"(2) entered the United States as nonimmigrants under section 101(a)(15)(O) and failed to be continuously employed or actively seeking employment in seasonal agricultural employment in perishable commodities (as defined in section 217 (h)(1) in accordance with the usual and customary employment patterns and practices.".

(h) Sense of Congress Respecting Advisory Commission.—It is the sense of Congress that the President should establish an advisory commission which shall consult with the Government of Mexico and the governments of other appropriate countries and advise the Attorney General regarding the operation of the seasonal agricultural worker program established under section 217 of the Immigration and Nationality Act.

(1) Conforming Amendment to Table of Contents.—The table of contents is amended by inserting after the item relating to section 216, as added by section 122(h), the following new item.

"Sec. 217. Seasonal agricultural worker program.".

Mr. WILSON. Thank you, Mr. President.

Mr. President, I rise this afternoon on behalf of an amendment that will sound familiar to Members of this body. It is virtually identical to what was debated at length on Thursday of last week with one single major substantive change, and that change is in response to what occupied perhaps half of the debate or at least half of the criticism leveled by the proponents of the amendment against it and has to do with the charge that in an effort to create a seasonal worker program, this amendment would leave virtually open-ended, virtually without limitation the number of workers that could be brought into the United States as temporary workers who harvest perishable commodities.

Mr. President, the single change, the major substantive change of which I speak is that there is in this amendment offered this afternoon a cap, a numerical cap limiting to 350,000 the number of workers who may be in the United States at one time as legal temporary workers for the harvest of perishable commodities.

Mr. President, as I say fully half of the debate last week was concerned with that.

Let us dispense with that. This is not open ended. For the first 3 years of its existence this new program will have that limit, 350,000. At the conclusion of the 3-year period, the Attorney General is directed by the amendment to determine whether that number of 350,000 is adequate, whether it exceeds need or whether it is less than need. But in determining what the new cap shall be, he is required to set a cap, considering stated objective criteria in the law, the first of which is the availability of domestic workers.

Mr. President, growers of perishable commodities are in a very risky business. They would prefer hiring domestic workers for reasons that are obvious. Indeed, they do hire those domestic workers who are available. The fact, Mr. President, is that the Senator from Ohio, a nice man, is flatly misinformed on this point. There is simply an inadequacy and has historically been inadequacy of domestic workers who were willing to do this kind of work. It is difficult work. It is hard work. Often it is done in hot weather. It is for that reason that those who receive rather handsome wages are entitled to do so. We make no pretense that they do not earn the money.

I see my colleague from the State of Washington wincing slightly. Perhaps he thinks I should not have emphasized that this is hard, manual labor. It is. These are not machine-picked crops. They are perishable commodities. They cannot be mechanically harvested as can wheat or other crops with which my colleagues are familiar. There are some 200-plus perishable commodities that must be picked by hand. When we say perishable, we are not talking about those that can ripen on a tree and remain there for perhaps a month without injury. We are talking about those that must be harvested immediately when ripe as a function of weather, not the certification by the Secretary of Labor, or the crop risks being lost.

Those who are concerned with this amendment in terms of its being a killer amendment, the thrust of the remarks of my colleague from Massachusetts I think should review a little history. They should consider what happened in the House of Representatives last year because we were being told that with this amendment this bill cannot become law because it will not pass the House of Representatives.

Mr. President, history teaches us that this bill passed last year by five votes in the House of Representatives, but the amendment, virtually the same amendment before us this afternoon without the cap, passed by 56 votes. It is entirely arguable that this measure would not have passed in the House of Representatives last year without the perfecting amendment that created or sought to create a seasonal worker program.

Mr. President, I rise on behalf of 53,000 small farm families—farms—who grow perishable commodities in this country.

These are not large corporate operations. They are small. In many cases, they are 20 or 30 acres. Virtually all are under 200 acres. But let me just say to those in the audience, those of my colleagues who last week voted against this measure because some of those family farmers had been misinformed and had expressed to them the fear that this legislation would take away the H-2 provisions upon which they depend: That is simply not the case. This legislation leaves untouched the existing H-2 provisions.

It is true that Senator Simpson's bill makes changes, and there is a need to streamline that unwieldly and from the standpoint of perishable commodities it is unworkable legislation. But for those who wish the H-2 process to continue, it continues to exist because this amendment makes no change in it. What it does is afford to those farm families a choice. They can either continue with H-2 if it has worked for them, or if they are dealing with truly perishable commodities, those which need to be picked immediately if they are not to be lost, then they have the choice of this seasonal worker program.

Mr. President, let me add one point here that I think has received inadequate response. The fact of the matter is this is a humanitarian change. I listened with almost wry amusement as those of good heart but little information seek to paint this in terms of a new bracero program. It is anything but that. Recently Congressman Lungren made headlines in southern California by visiting in southern California holes in the Earth that were the living places of seasonal workers who because they are illegal fail to take advantage of housing that is afforded them. They are afraid to go to housing that is provided for them by growers because they fear a raid by the INS.

Mr. President, no one should have to live that way. No one should have to live in that fashion seeking to make a decent living in constant fear of apprehension. Let me say that the differences between this and the Bracero Program of many years ago are numerous, obligations are imposed upon the employer, and rights are given to the workers that simply did not exist under the old Bracero Program. Housing or housing allowance is provided. That was never true under the Bracero Program, or at least if so, it was volunteered by the grower. This is mandated by law. Workers Compensation or other insurance is mandated by this amendment. None was mandated by the Bracero Program. Workers may not under this legislation receive an adverse-effect wage which is to say that they may not be paid any less than the prevailing wage which has to be above the minimum wage, so the charge that these workers will contribute to a worsening of economic conditions and worsening conditions for American counterparts is flat nonsense.

Mr. President, in the interest of time and because others wish to be heard on this measure, let me simply say it leaves intact the H-2 provisions and offers a new choice to growers. It affords decent working conditions to foreign workers who no longer will have to be smuggled into the country by coyotes who extract $1,500 per person, and then continue to extort more from them. It will allow the survival of an industry, and if Mr. Metzenbaum is concerned as indeed we all should be with the loss of jobs overseas, let me tell the Senator that the effect of the failure of this amendment will be that not only will growers move their operations out of the country, but what we will lose as well are the tens of thousands of jobs in the packing sheds, in the truck yards, in the wholesale and retail grocery markets all between the fields and the ultimate consumer—whose livelihoods depend upon the timely adequate harvest of perishable commodities—will depend on the success of this amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, the distinguished Senator from Wyoming has struggled and campaigned through at least three Congresses with skill, care, thoughtfulness, and wit to deal with a terrible and depressing national problem. The present system of immigration and naturalization has broken down almost completely. It is without effective control. It has resulted in the presence in the United States of millions of illegal aliens here to seek employment, and often as a result of being badly exploited, and living hand to mouth in an underground existence.

The cure which has been proposed by the distinguished Senator from Wyoming is a new law which offers better and more effective controls over our borders, deals with the problem of seeking of employment by illegal aliens by providing for sanctions against employers who knowingly hire and utilize them, and which also provides for amnesty for people who have effectively become Americans by being here for an extended period of time and by having contributed to our society.

The problem which the Senator from Wyoming and his bill have given to a number of Members in this body, myself and the Senator from California include, is that we represent a number of basic, distinguished, and hard-working American farmers who grow crops which are highly labor intensive and which cannot be harvested by the use of machinery.

At the present time, they are forced to use large numbers of these illegal aliens, some of whom are clearly mistreated, in order to keep their businesses literally in operation because of an immense lack of interest in this kind of occupation on the part of many citizens. And so the solution is this amendment.

Had the Senator from Ohio studied the issue more carefully, he would have recognized how eloquent were the statements he made a moment ago on behalf of this amendment. He spoke of the way the present system, the use of vast numbers of aliens, depresses working conditions not only for those aliens but for many citizens as well. He stated that our amendment seeks to allow 350,000 illegal aliens to work in the United States.

It does exactly the opposite. It seeks to allow 350,000 legal workers in the United States, subject to the protection of all of the laws of the United States and the various States if, and only if, it is determined by the Attorney General that citizens are unavailable for these jobs.

He speaks of the benefits provided by the present system, the huge corporate farms. He certainly is not speaking of the farms in my State or in the State of the distinguished Senator from California, where, almost without exception, these farms are small, very, very modest in size, and run by individual families.

The solution to the problems which the Senator from Wyoming seeks to solve is, of course, to encourage a better system, to prefer the hiring of citizens, and to permit the hiring of aliens for this kind of work only when citizens are not available, and subject to all of the protections of the laws of the United States with maximum encouragement for these noncitizens to return to their countries of origin when their work has been completed.

That is precisely what this amendment does. It prefers citizens. It limits the number of aliens in any event. It provides for the protection of those aliens while they are at work. It is the only guarantee that the family farms which we represent will be able to harvest their crops and provide them for the good, for the betterment, of the American people.

I am disappointed or puzzled, Mr. President, in only one respect in this connection. The Senator from Wyoming is so thoughtful and has worked so hard on this proposal that I fail to understand why it is that he continues to oppose an amendment which is such a vital necessity to a measurable number of Senators from States represented in this body. Almost without exception our colleagues accept the statements of Senators about conditions and needs in their own States. We are thoroughly and 100 percent convinced that the system proposed in this bill will not work for our States. It will result in one of two undesirable consequences: either we will continue to have employers who violate the law, or we will have a large number of farms which simply have to go out of business. They simply will be unable to plant, to grow, and to market the kind of products they do at the present time.

The amendment is thoughtful. It is limited. It is full of protections. It prefers citizens. And, Mr. President, it should be accepted by the sponsors of this bill and by the vast majority of the Members of this body.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Mr. President, I rise in support of the amendment offered by my colleague from California and associate myself with the remarks of my senior colleague from the State of Washington. This amendment, which would establish a seasonal agricultural worker program for the perishable commodities industry, is vital for our States and a number of others.

As Governor of the State of Washington, I had many occasions to attempt to better the conditions of those who worked in the perishable commodities industry. We worked hard and with some considerable success at improving the housing, the sanitation, and the availability of workmen's compensation to those migrant workers, both American and aliens, guestworkers, who came to help harvest Washington's crops.

I visited those camps on a number of occasions and have for many years visited, talked with, and I think understand something of the problems of our orchardists, most of whom, as pointed out by my colleagues, are small farmers, small businessmen.

My colleague from Massachusetts suggested that somehow this would have the effect of throwing American workers out of an opportunity to have a job; that it would be an amendment that would in the worst interest of unemployed American workers.

Let me suggest to my colleague from Massachusetts that many of the unemployed in the State of Washington are in the timber industry and in the timber counties of our State. Those are located in the northwest corner of Washington, basically on the Olympic Peninsula.

In order for one of those unemployed workers to take advantage of 2 or 3 days of emergency harvest, they would have to travel over one toll bridge, one toll ferryboat ride, and 9 hours on the highway to get from their homes to this orchard for harvest.

You may not quite understand the distances in the West, but that is the equivalent of starting from Boston and going through Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, and Maryland and arriving in Washington, DC, for 2 days of work. Hardly a practical idea.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. EVANS. Yes.

Mr. KENNEDY. Is the Senator suggesting that it is a shorter ride to come from Central America than to make that trip? I fail to follow the logic of the Senator's argument, saying that it is going to be a long trip for unemployed timberworkers. Is the Senator trying to suggest that it will not be a long trip to come from Central or South America to go up there for those 2 days of work as well?

Mr. EVANS. Many of these workers follow on from one crop to another. But it is not very practical for that man who has worked in the timber industry, who has lived all his life on the Olympic Peninsula, to start going from one crop to the next. If he chooses to do so, then I think this amendment does not do damage at all to that American worker. With the amendment adopted, the work would first go to American workers. It does not displace but it only augments the H-2 Program. It handles the problem. The legislation simply does not handle that emergency crop necessity when you get into a weather situation or another situation where even 72 hours is too long a period of time.

Mr. KENNEDY. Will the Senator yield?

Mr. EVANS. Yes.

Mr. KENNEDY. How is the worker in Mexico going to know what the weather is going to be in northern Washington? I have listened to the arguments out here that under the procedures which have been outlined in this bill, which is a 72-hour certification in the program, that that is not going to be capable of dealing with the problem because the weather is going to change, change in a matter of hours or days. How in the world is some agricultural worker going to know down in Mexico what the weather is going to be so he will know to go up there? This provision, unlike the H-2 provision, makes no survey about what the job needs are in those particular areas.

I know everyone wants to conclude on this, but I do want to mention that the figures I put in on unemployment rates were the unemployment figures for the agricultural workers in those areas and not the total State figures. They were supplied to us by the Department of Labor and the Department of Agriculture.

Mr. EVANS. Many of those who are classified as unemployed, of course, are unemployed for a portion of the year and are employed for a portion of the year. The portions of the year they are employed for are exactly those times of harvest. They are unemployed for the rest of the year.

I think the figures do not add up.

Mr. President, I think it is time to vote. I would suggest that those workers do not, as the Senator has stated, all come from Mexico.

They are on a migrant trail and are available at much quicker times and at much shorter distances than he suggests.

Mr. President, once again, I support the amendment offered by my colleague from California [Mr. WILSON] which would establish a seasonal agricultural worker program for the perishable commodities industry.

The amendment has been revised to address the key issue raised during the debate concerning the open-endedness of the proposal. The major criticism levied against the amendment was that without some sort of cap, a limitless number of guest workers would displace or domestic supply of labor.

The revision establishes a national cap of 350,000 on the number of temporary foreign workers allowed in the country at any one time for the next 3 years.

Adoption of the amendment is essential to the well-being of the perishable commodities industry. It is a unique industry and highly volatile to changing weather conditions.

The perishable commodities industry has relied heavily on foreign workers for approximately 50 years. Once the flow of illegal immigration has been stemmed there is no guarantee that adequate numbers of domestic workers will fill such jobs.

The amendment would supplement the H-2 Program. It would not replace it. It is available only to those involved in the production of perishable commodities.

Time requirements of S. 1200 are unrealistic and unresponsive to the perishable commodities industry. Under the legislation, growers are required to predict weeks in advance how many workers they will need and when they will need them.

In the State of Washington, cherries represent a significant part of the perishable commodities industry. They can be harvested in less then 2 weeks. However, they can become unharvestable after a day of rainfall. Other examples include peaches, plums, and apricots. An unexpected hot spell can ripen these perishables in a matter of days.

H-2's existing 72-hour emergency provisions intended to resolve the need for workers earlier than anticipated is simply inadequate in light of the nature of the industry. This emergency provision is only available when the Department of Labor determines that a critical need exists. There is always the possibility that the Department of Labor couldn't render a decision within 72 hours.

Even if the Department of Labor made a decision within 72 hours the necessary paperwork, such as visas, documentation, and the employment contract would have to be approved. Foreign workers would also have to be recruited. It is highly unlikely that all this could be done within 1 week.

As I have mentioned, cherries are highly susceptible to rain. Last June in Washington State, farmers in the Yakima Valley had to triple their work force in a matter of hours because an impending rainstorm threatened the harvest. The crop would never have been harvested if the farmers used H-2.

The amendment has numerous safeguards: to participate in program, growers have to make a good faith effort to recruit domestic workers. They must also provide wages and working conditions comparable to those given domestic workers. They would not be able to depress wages and working conditions for domestic workers. Growers would also have to provide housing or a housing allowance to foreign workers as well as workmen's compensation or its equivalent.

The amendment has strong incentives to encourage foreign workers to return to their home countries by withholding a portion of their wages which would be returned to them through the U.S. Consulate upon their departure from the United States.

In conclusion, I must highlight that the revision to the Wilson amendment which caps the number of temporary foreign workers in the United States at 350,000 further clarifies that this is not an open-ended guest worker program. This cap should also be viewed together with the amendment's other safeguards. The Attorney General still has the authority to determine, in consultation with the Secretary of Labor, that there is an adequate number of able domestic workers to meet the needs of the perishable crops industry and thus no foreign workers will be admitted.

The pending amendment is essential to the well-being of the perishable commodities industry. I strongly believe it is equally essential to the interests of consumers and both foreign and domestic workers. It is consistent with our objective of immigration reform because it would provide both foreign and domestic workers with adequate protections and guaranteed rights.

I urge my colleagues to support this amendment as revised to the existing H-2 provisions of S. 1200.

The PRESIDING OFFICER (Mr. WALLOP). The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I have not participated in the debate today, so my remarks will be very short, because I think I have said what I intended to say as we dealt with this on the first go-round. Let me just state that we are told that this is a change, and it certainly is. The change is one that I think proves the point, that the amendment is a very large guest worker program.

Yesterday, there was discussion in the debate that many of you were not privy to because of the holiday we were recognizing. Nevertheless, it was a good debate.

We were told that the 350,000-person limit would only apply to a particular point in time in any month. The number of actual admissions in any calendar year could be much higher, particularly because not one of the workers under the Wilson amendment may remain in the country for longer than 9 months. I think it is important that we recognize the number of actual admissions in any calendar year will be much higher.

In addition, the cap of 350,000 only applies to the first 3 years of the Wilson program. After that, a section of the amendment kicks in and allows the Attorney General to set any limit he finds necessary—any limit he finds necessary—on the program.

When I asked that question, I was told, yes, the limit could be higher than 350,000 after 3 years. I believe that. That is the reason I have always resisted this amendment.

The amendment is directed allegedly to the perishable fruit industry, yet the irony of it is that there are people who have listened to this debate who somehow think that it has something to do with agriculture in their States, yet they come from States that use solely the H-2 Program, States that have never had any desire to use illegal, undocumented persons—or anybody illegal—are involved here, in this debate, as if this were critical to their State.

I could run through the list of States. I need not do that. I do not want to make any attempt to say that someone is not hearing correctly what we are saying. Let me say to my colleagues that there are 20 States that use the existing H-2 Program and have no desire to get into any other kind of program and they deal with perishable fruit. That is apples in the Northeast and apples in the Midwest. There is no requirement whatsoever to use illegal, undocumented workers in those areas because they use the H-2 Program. They have used it for years and it works. I have never had any problem trying to recognize California and their special needs or Washington and their special needs. What I have a lot of problem recognizing is why that should apply to the entire United States of America.

Again, without question, and we can get into semantics all we want to, but we are talking about an open-ended and broad-based program when we are told, as we were in the debate yesterday, yes, the limit could be higher and certainly will be higher after 3 years. And, indeed, it will. It is an extraordinary number. Please recall that in hearings we were told that there were 300,000 farm workers in California. A recent survey found 30 percent of them to be illegal.

All right, that is the case, and no one challenges that. Then California appears to need only 90,000 temporary workers if employer sanctions are passed.

Then please remember, as you hear other States enter the debate—Oregon, Washington, Arizona, Idaho—that they would also need foreign labor, and that is true. But their demand altogether would not equal California's. I think it is important that we remember that. There are many growers in that State that use the H-2 Program and have found that a very workable program.

So, here we are with the fact that the reason this Senator from Wyoming resists, in response to an inquiry, and opposes this amendment, and I appreciate the remarks of the Senator from Washington because I have had a deep admiration and respect for him—he has been a remarkable addition—both of the Senators from Washington have; both of them are an extraordinary addition to this place.

The reason I continue to resist the amendment is what we put into S. 1200. What we put into S. 1200 was, in essence, Panetta-Morrison revisited. If you will, go back and look at the original Panetta-Morrison amendment as it passed the House by a substantial vote—45 or 56-vote margin, something like that—and then find out what happened in conference. We came back from conference and passed what had failed after 10 days, a Panetta-Morrison-Simpson amendment. That was voted on by Mr. PANETTA and Mr. MORRISON and Mr. SIMPSON. And that is exactly what is in S. 1200 word for word. It matches what I have always said.

I could never satisfy the perishable fruit growers. "There ain't no way." Anything I would do, they would vote against. Anything I would propose, they would reject, and they have. I hate to get down into that kind of attitude. It is not one of petulance, because to me, this is not a killer amendment. I do not perceive it as that. I perceive it as a difficult thing to deal with in conference; you betcha. It is going to be that. Especially when the chairman of the House Judiciary Committee has already made his statements about foreign guest worker temporary programs. It is going to be tough to deal with. Anybody who is in favor of immigration reform had best see that.

But it is not a killer amendment. I do not spend my time legislating with high drama; I try to use facts. But I can tell you, Mr. President, that the amendment will make it extremely difficult to deal with. The irony of it is, should it pass, that we have then disregarded exactly what we did in S. 1200, which is Panetta-Morrison-Simpson, which came out of the conference that failed. So we are going to find out that we have gone to a grower certification instead of a Government adjudication of the growers' needs.

We have no labor certification or adverse-effect wage test before the Wilson worker is admitted. We have no method to decrease the size of the Wilson program, and that is a feature specifically suggested by most thoughtful people on the issue.

Then the final curiosity is that what we provided in S. 1200 was all done for the perishable fruit people. And what did we do for the perishable fruit people? I can tell you what we did for them. Let us just review that so we see it.

We gave them a seasonal worker program, and it was limited. So what does it do? It was designed specifically to address the express concerns of the growers of perishable commodities. What we did for them was this: We gave them a 72-hour labor certification of U.S. workers. If the U.S. workers show up and are not qualified, they have a 72-hour labor certification.

We gave them a 72-hour admission procedure if the promised U.S. workers do not show up at all. And we gave them a certification in the case of changed climatic circumstances.

Then we gave them a procedure to allow those H-2 workers to remain in the country for a brief period of time after the expiration of their contract in order to respond to emergency situations. That is what we did in S. 1200.

It was not enough, and whatever we would do would not be enough.

Let me conclude my remarks: It was said, and I know you all heard—at least, if not, I would refresh your memory—that indeed we are going to find higher numbers than 350,000 per year. We are going to find in the event that this amendment is going to allow an increase in the cap or the Attorney General's cap in the event of extraordinary or unusual circumstances. The elbowroom in this bill to provide for that is very real. The amendment is a continual squeeze on the Attorney General. If one were wearing such a cap as has been described as an item of apparel, it would be mashed, to say the least. That is exactly what will happen to it.

A final comment. Some say, as it was said about the H-2 Program—and magnificently expanded and streamlined as we did in the conference and then in S. 1200—that "no perishable commodities grower can predict his date of need 65 days in advance." That has been a rather significant theme. This is true for some commodities. That is why even the current H-2 Program, regardless of this bill, allows a grower to slow down the arrival of H-2 workers 9 days or earlier before his date of need. Even the most extraordinarily active perishable grower starts to have an excellent idea about when the harvest will start. The current users of the H-2 Program commonly predict their date of need early and then they slow down the arrival of workers if necessary.

And so in S. 1200 the H-2 Program would retain all of that flexibility and allow for improvement. What is does not obtain apparently is the willingness of those in the perishable food industry to use the H-2 Program, and I do not blame some of them; they have had to deal with Departments of Labor in all administrations that tried to drive them goofy; they put it on them and took it away from them and dangled it at them. But that was previous Secretaries of Labor in all sorts of administrations with all sorts of philosophies. They managed to scotch it, to make it tough, make them sue and put them through the hoops. And that is why we have this flexibility, to allow for improvement. And again the cap on the Wilson program is less firm than it appears, I can assure you, Mr. President. That has already come out in the debate. And yet the flexibility of the H-2 Program, the streamlined, new H-2 Program under S. 1200 is much more significant than ever characterized by its critics.

So with that, I think Senators want to pay careful attention to the fact that they are going toward, in my mind, huge numbers of foreign workers in the United States. I am not going to call it a return to the bracero program, but I am going to say that it is a return to something we have not had since the late fifties and sixties. That is the peril of the amendment. Forget what we do with it. I assure Senators that the reasons I resist it are very clear to me. But where does it all stop?

Of all the constituent groups that grapple—and there are plenty of them and I have grappled with all of them. I feel like Hercules with the multiheaded Hydra. I have grappled with them all—there is no way to satisfy the perishable fruit growers. I can accommodate American Hispanics, I can accommodate the American AFL-CIO, I can accommodate the American Farm Bureau, I can accommodate even the ACLU. I can accommodate employer groups, Chambers of Commerce, I can accommodate and work with almost everybody in the whole spectrum of immigration reform, but there is one group that will never ever, ever be satisfied and will wait in the wings. If this passes, it will not be enough; they will do a number on the House one more time. That is the stuff Senators are dealing with when they get to this crew. They are heavy hitters; they spend big bucks, and they are quite effective, thank you.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, I will take 30 seconds.

I hope they are effective. I hope they are as effective as the Senator from Wyoming. I think he has earned their respect. I will only tell him that survival makes people try very hard to win, and that is hanging in the balance, survival. I join with those asking for the vote.

Mr. SIMPSON. Mr. President, I agree with that totally—survival does activate the glands, but let me tell you what activates it more—greed. That is exactly what we have, because I tell you what is going to happen when you do not get immigration reform and it all gets hung up in the shoals. You are not going to find anything acceptable to the perishable fruit growers. You are going to find exploitation deluxe. You are going to find the status quo. At least that is one thing they deal with in their midnight chambers, the status quo. And I know because I have talked with them and shared some time with them, Democrat and Republican alike. They say, "SIMPSON, this just can't go on, but this we need, and that we need. Oh, yes, you are right, it cannot go on."

Well, that is what is going to go on. Then I will be here. And I assure you, Mr. President, as we gear up for whatever it is—I did not seek this job, but

whatever it is we gear up for in future years, if we do nothing, then at least I want them to know that I will be glad to listen again to whatever they have to propose and see where it is that eventually they may be willing to deal with the realities of the game. It is not survival but greed.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from California. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ZORINSKY (when his name was called). Mr. President, on this vote I have a pair with the distinguished Senator from North Carolina [Mr. EAST]. If he were present and voting, he would vote "yea." If I were voting, I would vote "nay." I therefore withhold my vote.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] and the Senator from Oregon [Mr. HATFIELD] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. INOUYE] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 51, nays 44, as follows:

[Rollcall Vote No. 186 Leg.]

YEAS—51

Abdnor
Armstrong
Baucus
Bentsen
Boren
Boschwitz
Bumpers
Cochran
D'Amato
DeConcini
Denton
Dole
Domenici
Evans
Exon
Garn
Goldwater
Gore
Gorton
Gramm
Hatch
Hawkins
Hecht
Heflin
Helms
Hollings
Humphrey
Kassebaum
Laxalt
Leahy
Lugar
Mattingly
McClure
McConnell
Mitchell
Murkowski
Nickles
Nunn
Pryor
Quayle
Riegle
Rudman
Sasser
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—44

Andrews
Biden
Bingaman
Bradley
Burdick
Byrd
Chafee
Chiles
Cohen
Cranston
Danforth
Dixon
Dodd
Durenberger
Eagleton
Ford
Glenn
Grassley
Harkin
Hart
Heinz
Johnston
Kasten
Kennedy
Kerry
Lautenberg
Levin
Long
Mathias
Matsunaga
Melcher
Metzenbaum
Moynihan
Packwood
Pell
Pressler
Proxmire
Rockefeller
Roth
Sarbanes
Simon
Simpson
Stafford
Weicker

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mr. Zorinsky, against.

NOT VOTING—4

East
Hatfield
Inouye
Stennis

So the amendment (No. 614) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER TO VITIATE YEAS AND NAYS

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The question is on the first-degree amendment.

Mr. SIMPSON. Mr. President, I believe there was a motion to accept the yeas and nays on an underlying amendment, which I believe the Senator wishes to vitiate.

The PRESIDING OFFICER. The yeas and nays have been ordered on the underlying amendment.

Mr. WILSON. Mr. President, the Senator from Wyoming is correct. I ask unanimous consent to vitiate the request of the yeas and nays.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

The question recurs on the amendment. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from California (No. 616).

The amendment (No. 616), as modified, was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, for the benefit of my colleagues, it would appear that we have perhaps one other amendment that would require a rollcall vote. That is the amendment of the Senator from Michigan [Mr. LEVIN]. We will know shortly on that. Then there will be an amendment of the Senator from California on reimbursement on which we have reached an accord. That will be accepted. Then there will be an amendment of Senator HEINZ which is still pending with regard to Social Security. I still await some disposition of that which may yet come. We shall see.

Mr. MOYNIHAN. Mr. President, will the distinguished assistant majority leader yield for a question in way of an observation? If the amendment of the Senator from Pennsylvania is called up and is made a rollcall vote, there will be an amendment offered in the same area from this side by the Senator from New York.

Mr. SIMPSON. Mr. President, at this time I am not certain as to whether the amendment of the Senator from Pennsylvania will be presented.

Perhaps I should yield to the majority leader, my colleague. It is obviously something that does not have very much to do with immigration reform. Yet it is something that the Senator is deeply desirous of having a rollcall vote on in a timely fashion. But as far as the immigration bill is concerned there is an amendment by the Senator from Michigan [Mr. LEVIN]. I believe we can then move on to final passage. We have already outlined a window from 6:30 to 8:30 this evening. So I yield to the majority leader. That is the status of the immigration bill.

Mr. DOLE. Mr. President, it is my understanding that there would be a lengthy discussion if in fact either side offered Social Security amendments. I am not certain whether that is the case or not. Obviously, it would be my hope that we could set aside Social Security amendments on the immigration bill, and maybe agree to have some freestanding debate on this issue. But if that is not the case, then I think I am not certain what the distinguished senior Senator from Louisiana has in mind. But he indicated earlier today that he would like to be heard. So if we can complete action on the bill by 6:30, including final passage, then we would go to the Superfund legislation for a couple of hours with no rollcall votes.

There would be no additional rollcall votes after we complete the immigration bill. But if we do not complete the immigration bill by 6:30 then we have a 2-hour window where we can take up amendments on Superfund. That can be dealt with, without a rollcall. And then we can come back at 8:30, go back on the immigration bill which essentially at that time I guess would be the Social Security amendments unless something else is offered such as South Africa, trade, debt ceiling, prayer, abortion, or some of the other areas that are germane to immigration. [Laughter.] Maybe just a package deal would be all right.

So hopefully we can dispose of the immigration bill by 6:30, if that is of any comfort. It probably is not.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HECHT). Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, for the purpose of the proceeding, I ask unanimous consent that the pending amendment be temporarily laid aside for the Levin amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 628

(Purpose: To provide for the status of aliens before legalization)

Mr. LEVIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

> The Senator from Michigan [Mr. LEVIN], for himself, Mr. DECONCINI, and Mr. BENTSEN, proposes an amendment numbered 628.

Mr. LEVIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 93, between lines 7 and 8, insert the following:
>
> (k)(1) The Congress finds that because equities exist in a certain group of persons who, while at present in the United States illegally, arrived prior to January 1, 1980, this Act provides the prospect for legalization for such group of persons who meet the eligibility requirements of this Act.
>
> (2) It is not the purpose of this Act to deny employment or to otherwise prevent such group of persons from qualifying for legalization.
>
> (3) Notwithstanding any other provision of law, the Attorney General shall prescribe regulations to permit any person who would be eligible for legalization under section 202 to remain in the United States and to engage in employment until the end of the application period described in subsection (a)(1).

Mr. LEVIN. Mr. President, in addition to Senators DECONCINI and BENTSEN, I ask unanimous consent that the name of Senator BINGAMAN be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, we have basically reached a conclusion in this bill, although we have not finally adopted it yet, that we are going to delay the legalization process for 3 years. We have a fairly narrow identified group of people who are here illegally, who have been here since before 1980, and we have said in the bill as it now stands that we believe that these people should be eligible for legalization. They have to wait 3 years. We have decided not to speed up that process. We decided, by defeat of the Kennedy amendment, that the legalization process should begin in 3 years. But the sanctions that are in this bill for hiring people who are here illegally begin in 6 months.

So we have a very unusual anomaly in this bill. We have a situation in which people who are going to be eligible for legalization, in this bill, rightly or wrongly, who are going to be eligible for legalization because they have been here long enough, are still not going to be hireable, cannot be hired legally, during this 3-year interim period.

The anomaly is this: What is going to happen to people who are eligible for legalization while they are waiting? Can they be hired legally? Are they going to be deported, although they are eligible for legalization 3 years down the road?

I cannot believe that it is the intention of this bill that we are going to make it illegal to hire somebody whom we are going to legalize a few years down the road. I cannot believe that we want to hold out the promise of legalization to people and then—that promise for many who cannot be hired.

This bill has reached a balanced compromise position. We have told a group of people who are here long enough to establish roots and have some equities, "You are going to be eligible for legalization. Wait 3 years."

In the name of common sense, we cannot then make it illegal to hire those people in this interim period. Common sense dictates that once we have reached the conclusion that they are going to be eligible for legalization, we not then take back what we already have given by saying, "But you can't work while you're waiting."

Mr. CRANSTON. Mr. President, will the Senator yield for a question?

Mr. LEVIN. I yield.

Mr. CRANSTON. Mr. President, I think the Senator has made a very eloquent and compelling case for the amendment. The bill, in its present form, would put people in limbo, where they are promised legalization and cannot work, and it would work a great injustice upon them, and upon their present and prospective employers, who might face new sanctions for hiring them.

My question is this: Would it not also work an injustice on taxpayers, because without being able to maintain employment those people would then probably go on welfare, and those costs for the public would be created?

Mr. LEVIN. That possibility is a very real one, and I thank the Senator for pointing it out.

There are many reasons not to put these people, this limited specific group of people we have identified, who have equities, into a never-never land, into a limbo world, where we say, "You are going to be eligible, but you can't be legally hired." We should not do it. In the name of common sense, we should not do it. In the name of consistency in the bill, we should not do it. In the name of fairness, we should not do it.

I am delighted, by the way, that a number of groups, including the Bar Association, have indicated support for this amendment.

One other word about this group of people: The Commissioner of Immigration and Naturalization has said, according to the New York Times of September 10, that "persons with more than 5 years of illegal residence in the United States would appear to have demonstrated a type of commitment" to this country needed to qualify for legal resident status.

That is the compromise we have reached. We have said:

> If you have been here long enough to put down roots and to have this kind of contact with this country; if you have been here before 1980; if you have been here consistently since, we are going to make you eligible for legalization.

In the name of common sense, we should not create this state of limbo, this never-never land, where people whom we have decided are eligible for legalization are not legally hired.

This amendment does not seek to set forth the black-letter law as to how we should solve this anomaly. Instead, it directs the INS, by regulation, to provide that people who are going to be eligible for legalization should also be legally hired and not be subject to deportation.

Mr. President, I do not know that we have a time agreement, except informally. I indicated to the majority leader that I thought we could utilize 15 minutes, and I believe that the Senator from Arizona wants to use part of the time. Unless Senator SIMPSON wants to speak now, I yield to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. I thank the distinguished Senator from Michigan.

Mr. President, I urge support for the Levin-DeConcini amendment to the Immigration Reform and Control Act of 1985. The amendment is necessary in order to achieve the stated purpose of the bill—to provide a humane approach to immigration reform.

I am as uncomfortable as anyone else in the United States with legalizing those who came to the United States illegally. I do not believe in rewarding lawbreakers or ignoring violations of our immigration law. It is my firm conviction that if this legalization is enacted, it will never be repeated. Let those who would seek to take unfair advantage of our generosity and humanity be forewarned. We will not repeat this extraordinary gesture.

But, Mr. President, in taking this step of legalizing those illegal aliens with the most equity and roots in the United States, we must be both fair and thorough. I believe we must admit that in the past we have done a very poor job of enforcing our immigration laws. Our failures in this regard have occurred for many reasons. Our policy of enforcement at our borders and our ports of entry has been lax and capricious. We have failed to enforce the terms of our visas for students and tourists. We have allowed several industries in the United States to become dependent on the employment of illegal aliens. All of these factors have contributed to the present situation of an estimated 5 to 12 million people being in the United States illegally. We cannot and should not attempt to deport all of these people. I do not believe we have the resources or the will to implement massive national enforcement sweeps and deportations.

This legislation attempts to attack the illegal immigration problem in a new way. We would remove the economic magnet that draws people to the United States by denying them jobs. Although, I believe that this approach will increase discrimination against Hispanics and others of recent foreign ancestry, I think that if we are going to try this approach we should couple it with an inclusive legalization program to start the sanctions with a clean slate.

I support Senator LEVIN's efforts to see to it that those with reasonable expectations of being eligible for the legalization program are not subject to arbitrary and capricious apprehensions and deportations. I believe it is unfair to subject individuals who have already been continuously in the United States for at least 6 years to what amounts to the luck of the draw. A chance encounter with a Federal immigration official or State or local law enforcement officer would lead to denial of eligibility for a program that would have already been passed by Congress and that would appear in the laws and statutes of the United States.

The circumstances would also change under this bill for those with reasonable expectations of being eligible for the legislation program. Not only would the sanctions be in effect denying them the opportunity to work, but now to be eligible they should have to avoid detection of 9 years rather than 6.

Mr. President, the Levin amendment is an integral part of a human immigration reform policy. I urge all of my colleagues to resist the temptation to punish and penalize those who have come here illegally. I urge them to start the sanctions, if that is their decision, with a fresh start of immigration policy. Let us not implement a program of round-ups and deportations simply to deny those with the firmest roots in the United States the opportunity to become Americans.

Mr. President, I hope the Levin amendment can be adopted because it makes eminent sense. It is a fair approach. It really is granting voluntary status to those who can show that they have been here since 1980. I know it is the intent of the sponsor of the bill, Senator SIMPSON, that the Commission will in fact legalize these people some period of time during that 3 years. It seems to me a reasonable approach to adopt this amendment.

Mr. SIMPSON. Mr. President, let me quickly state the position of this manager. The Senator from Michigan, in his most extraordinary and unique way, has riveted upon a tough situation. I wish that perfection were part of immigration reform legislation. It is not. It reflects the human condition. We know more about our imperfections than we do our perfections. I know what he is trying to do, but let me tell you, Mr. President, that this amendment will greatly weaken the concept of triggered legalization. There is no question it cannot do anything else.

And that is what the Senate accepted on Friday by a vote of 65 to 26, the concept of triggered legalization. What it would do is effectively begin legalization immediately. There is no other way do describe it. It would begin legalization immediately by giving certain apprehended aliens the right to stay in the country and legally engage in employment. That is why we have appointed a legalization commission. That is why we have strived toward a triggered legalization.

This amendment also obviously requires some kind of entire adjudication by the INS on every apprehended alien who claims to qualify for legalization. The INS should provide nothing less to those people if they are to receive a benefit of legal stay and work authorization that could last for up to 3 years.

The potential for abuse in this provision is tremendous, and that statement, ironically, is as well intentioned by this Senator as anything I would do that would appear to be mean spirited. There is not any question about the potential for abuse. If every alien apprehended claims eligibility, the INS would not have sufficient facilities to detain them while their claim was being adjudicated. We would have to parole aliens out of detention while adjudicating their claims. It would be effectively releasing the people you just apprehended. If an illegal alien is released, you may be assured that it is unlikely you will see that illegal person again.

Mr. DECONCINI. Will the Senator yield for a question?

Mr. SIMPSON. So we have the legalization commission designed so that the legalization will start once the new enforcement starts to take effect. Thus, if the enforcement is effective, the legalization will be triggered and these folks will be protected. If the enforcement continues to be ineffective, these folks will not be at risk because of the ineffectiveness of enforcement.

Mr. DECONCINI. Will the Senator yield for a question?

Mr. SIMPSON. Yes.

Mr. DECONCINI. Is it the position of the Senator from Wyoming that because of our very lax enforcement now, if this bill is adopted and becomes law with the Commission without the Levin amendment, these people do not have to worry about it because they are not being picked up now and they will not be picked up then? Is that the defense for not trying to do something for them?

Mr. SIMPSON. Mr. President, that is a likely possibility.

Mr. DECONCINI. So we are at risk that we will continue the lax enforcement policies. Does it not make sense to the Senator from Wyoming to try to not have the pressure on any greater enforcement but to grant some kind of a direction to INS on how they ought to proceed? I think that is all the Senator from Michigan is suggesting.

Mr. SIMPSON. Mr. President, I know what the Senator from Michigan is seeking, and it comes from the spirit of the man. But we are dealing with people who are here illegally. They came to the United States illegally. They knew the risks, and they are here, and that is where we are in the United States. That is never going to change. I wish it were not that way but it is that way. We are dealing with an illegal population and we are saying to them—and I can pledge and have—we hope that enforcement does get up to speed because the minute it does, we are going to trigger legalization. That seems to be a concept embraced in this Chamber. That is what I am for. That is what the Senator from Arizona is for. That is what we all are for—when enforcement is in place and working and functioning, that we will trigger legalization. At that point, these people will no longer be at risk. That is what I am up to. And there are going to be persons who are here illegally, who knew the risks, who are not going to receive the extraordinary benefits of U.S. citizenship. That is just the way it is. I wish it were not that way. They will not even receive the extraordinary benefits now of permanent resident alien status. I wish that were not the case but that is the way it is.

Mr. SYMMS. Will the Senator yield for a question? Does the Senator care to speculate from what areas of employment most of these people will be deported if he prevails and the Senator from Michigan loses?

Mr. SIMPSON. Mr. President, I can show you where we find illegal undocumented persons in employment in the United States, and remember that the vast majority of persons who are apprehended as being illegals are in a procedure called voluntary departure. Ninety to 95 percent of them leave the United States voluntarily.

Mr. SYMMS. It appears that without the Levin amendment, what will happen is the INS will go out and round up a few people, they will get thrown out and the others that they do not find will be fortunate enough to eventually become legal residents of the United States. It is highly discriminatory, it appears to this Senator, without the Levin amendment.

Mr. SIMPSON. Mr. President, on the border of the United States is where a great number of apprehensions take place, and the voluntary departures take place in the border area of the United States. But if the Senator from Idaho is speaking about the use of illegal undocumented persons or where they are or what industries, I can tell him that they are in assembly lines and agriculture and service industries, and they are in the internal part of the United States. The largest interior population is in Chicago, IL. A great number of El Salvadorans and Mexican illegals are in that area. The greatest majority of apprehended aliens have been in the United States less than 2 years; 70 to 90 percent of them have been here less than 2 years. Most are apprehended coming into this country.

The INS has told us—and I think shared it with Senator Levin—that they are not going to be conducting sweeps or roundups in residential areas in the interior of the United States. That is not their policy. They are not doing that now, nor are the resources available to them to do that. That is the situation with regard to this issue. When legalization is triggered, protections are provided for those who may apply. That is what this bill says. However, legalization is not triggered until the effective enforcement is in place; otherwise, the legalization will simply draw in untold numbers of additional persons and illegal aliens. So until there is effective enforcement, there will be much risk to these people who have been here for more than 5 years, have equity, have U.S. citizen children. We are not really doing much deporting of illegal undocumented persons who have U.S. citizen children.

We do not do that. We are not that kind of country. That is why we are gummed up in illegal immigration as we are. We do not like to do those things. But after there is effective enforcement, the legalization will be triggered.

We have loaded the Commission. You could not have a more loaded Legalization Commission, all of them committed to the issue. All of them must be from the ranks of those who favor legalization. And those people will be, then, protected.

I wish there were some other way to describe that, but there is no other way to describe it and it is sad. That is the way it is.

Mr. LEVIN. Mr. President, first, I thank my friend from Wyoming for his kind words.

The issue here is indeed a question of whether it makes sense to say that people are eligible for legalization tomorrow but that they cannot be hired today. That is the question. The tomorrow happens to be 3 years, but sanctions kick in 6 months. So during that 2½-year period, that maximum 2½-year period, between the time sanctions kick into place and the last time that we can begin the legalization process, we have a never-never land. We have employers who cannot hire people, although they are going to be eligible for legalization. We do not want sanctions to apply to employers, for heaven's sake, for hiring people who are going to be legal a month or a year, no more than 2½ years out. It does not make sense to do that.

My friend says we cannot be perfect, and he is right. And he has tried hard, and I know this, in taking on an enormous load, to make the effort to be as perfect as we can be. But we can improve the bill, even though we cannot achieve perfection. We surely did improve the bill. We can make it consistent internally.

Two new things have been added to the bottom line point the Senator adds. He says the bottom line is these people are here illegally. That is true. But the bill has decided that people who have been here since before 1980 are going to be eligible for legalization. That is a new, critical fact. And it makes no sense to tell people who are eligible for legalization, who the chief sponsor of the bill says should be eligible for legalization, it makes no sense to tell employers and employees alike that it is going to be illegal to hire those people that this bill says are going to be eligible for legalization. That is the new fact, that plus the sanctions going into effect. We have a new fact here.

It seems to me that the only logical way to avoid this terrible never-never world that we are going to create for that 2½-year period would be to tell the INS that they provide a means so that people who are going to be eligible for legalization should also be eligible to be hired.

I thank Senator DeConcini for his support, Senator Bentsen, and Senator Bingaman. And I also again commend my friend from Wyoming. He has taken on an extraordinarily difficult burden and I do not know of too many Senators who would be willing to carry the burden he has carried on this bill. I think he has done an extraordinary job in a very difficult area. I do think we can improve it by the adoption of this pending amendment.

Mr. KENNEDY. Mr. President, I shall take just a moment to urge the Senate to accept the amendment of the Senator from Michigan. I think the best way to deal with this particular problem is to put on the same track employer sanctions and the legalization program. We have debated that issue earlier. The Senate has made a decision on it. But for some reason, we have a skewed situation so that employer sanctions go in at one time and legalization at a different time. The amendment of the Senator from Michigan is just saying, let us not do an injustice to those individuals who are eligible for the legalization program.

I think the case for this amendment has been effectively made the voluntary agencies deeply concerned over the status of these undocumented aliens, and I ask unanimous consent that their statement in support of the amendment be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 1.)

Mr. KENNEDY. Mr. President, I do think it makes sense and does not provide too much of an administrative burden. I think it is an important correction if this amendment is accepted and I hope that we accept it.

EXHIBIT 1

NATIONAL OFFICE
MIGRATION AND REFUGEE SERVICES,
Washington, DC, September 16, 1985.

DEAR SENATOR: We write to you as organizations involved in immigration affairs to urge your support for an amendment sponsored by Senator Carl Levin to S. 1200, the pending Immigration Reform and Control Act, as well as an amendment potentially to be offered by Senator Howard Metzenbaum to reduce the period of time between enactment and the start of a legalization program.

These amendments are of fundamental importance to our constituencies. Under S. 1200, there will be a legalization program three years after enactment, or sooner if "triggered" by the Legalization Commission established in the bill. The Levin amendment in particular provides for an essential protection from deportation to undocumented persons who would clearly qualify for legalization, and who are apprehended prior to the official start of this program.

This amendment is required for the following reasons:

(1) Without it, qualified potential legalization applicants, if apprehended, will be deported before they even get a chance to apply for legalization. As the Committee Report on S. 1200 states, such qualified individuals would be offered by INS only "the choice of immediately leaving the United States or being placed in deportation proceedings." (p. 49) In fact, absent legislation to the contrary, INS has little choice but to deport legalization-qualified individuals before the legalization program begins.

(2) The amendment eliminates unnecessary disruption in employment. Without the amendment, legalization-eligible undocumented persons long employed in the U.S. can be removed from their jobs in the service industry, in agriculture, or in whatever sector they may be employed, and can then be deported. To uproot such individuals at this time would cause tremendous disruption in the lives of many, many people.

(3) The amendment avoids the waste of limited INS resources in the deportation of individuals who are going to qualify for legalization anyway. As the Committee Report notes, one of the reasons for the legalization program in the first place is that the U.S. is "unlikely to obtain as much enforcement for its dollar if the Immigration and Naturalization Service attempts to locate and deport those who have become well settled in this country, rather than to prevent new illegal entry." (p. 16)

It has been argued that to continue such deportation after enactment would simply be "business as usual." This ignores the fact that the whole purpose of S. 1200 is to alter significantly the conduct of immigration affairs. Upon enactment of S. 1200, *at least* two major new additions will be added to the immigration landscape: employer sanctions and legalization. The individuals who might benefit from Senator Levin's amendment, contrary to the status quo, would feel the additional enforcement pinch of emloyer sanctions should they lose or wish to change their jobs. But, in addition, the existence of an impending legalization should govern the treatment of those who would likely qualify for it.

The Levin amendment is not an early acceptance program for legalization. Its beneficiaries are conferred no permanent status by the measure. Once the legalization program formally begins, they will be subject to the same scrutiny and requirements as any other legalization applicant.

We urge your strongest support for these vital amendments.

Sincerely,

United States Catholic Conference, Church World Service of the National Council of Churches, Hebrew Immigrant Aid Society, American Civil Liberties Union, National Hispanic Bar Association, National Conference of Black Lawyers, Arizona Farmworkers Union, Mexican American Legal Defense and Educational Fund, National Council of La Raza, American Immigration Lawyers Association, Lutheran Immigration and Refugee Service, League of United Latin American Citizens, World Relief of the National Association of Evangelicals.

Mr. SIMPSON. Mr. President, I think we can go to a vote. I really appreciate the comments of my friend from Michigan as he speaks about things that do not make sense in immigration reform. I can tell him they really do not.

It does not make sense to leave 2 to 12 million people in an illegal status in the United States and we do that every time we duck this issue. Who is helping out there? Two to twelve million people and the conflict is heavy. Two to twelve million people are holding the sack and they have been holding it for 4 years in the United States of America. That does not make sense at all. It sure does not to me. That is really never-never land.

It is a wretched, tough situation, but immediate legislation is not going to solve the problem in this instance. I respectfully urge that we reject the amendment.

I shall move to table when the Senator has concluded.

Mr. LEVIN. Mr. President, let us make sure that we understand this does not provide for immediate legalization, it does not change the status of those people in any way. It just provides that the INS should, by regulation, make sure that we do not do something inconsistent with the left hand that we decided to do with the right hand when we decided that folks should be eligible for legalization in 3 years.

I thank my friend from Wyoming and I thank also the Senator from Massachusetts for his support.

I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LEVIN. Mr. President, I ask unanimous consent that Senator Hatfield be added as a cosponsor.

The PRESIDING OFFICER. Withoug objection, it is so ordered.

Mr. SIMPSON. I move to lay the amendment on the table. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Michigan. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. East] and the Senator from Oregon [Mr. Hatfield] are necessarily absent.

I further announce that if present and voting, the Senator from Oregon [Mr. Hatfield] would vote "nay."

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. Inouye], the Senator from Arkansas [Mr. Pryor], and the Senator from Mississippi [Mr. Stennis] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced yeas 54, nays 41—as follows:

[Rollcall Vote No. 187 Leg.]

YEAS—54

Abdnor
Andrews
Armstrong
Boschwitz
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
D'Amato
Danforth
Denton
Dole
Durenberger
Evans
Ford
Garn
Goldwater
Gorton
Grassley
Hawkins
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Kasten
Laxalt
Long
Lugar
Mathias
Mattingly
McConnell
Murkowski
Nickles
Nunn
Pressler
Proxmire
Quayle
Roth
Rudman
Simpson
Specter
Stafford
Stevens
Thurmond
Trible
Wallop
Warner
Weicker
Zorinsky

NAYS—41

Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bumpers
Cranston
DeConcini
Dixon
Dodd
Domenici
Eagleton
Exon
Glenn
Gore
Gramm
Harkin
Hart
Hatch
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McClure
Melcher
Metzenbaum
Mitchell
Moynihan
Packwood
Pell
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Symms
Wilson

NOT VOTING—5

East
Hatfield
Inouye
Pryor
Stennis

So the motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. KENNEDY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I have consulted with a number of Senators on both sides of the aisle and I think the program for the rest of the evening is that there will not be much of a program. There will be no more rollcall votes. It is my hope that the distinguished manager of the bill might be able to complete action on immigration amendments. Then we could go on to the Superfund for 20 or 25 minutes as there are four or five amendments that can be agreed to rather quickly. Then we could go out until 9:30 a.m. tomorrow morning. That would leave pending the amendment by Senator Heinz, a sense-of-the-Senate resolution on taking Social Security off budget.

It would be my hope that we could save the Social Security amendments until we get to the debt ceiling, which will not be but another 10 days. I understand the distinguished chairman of the Finance Committee is not excited about that possibility but he would not be surprised if he had an amendment or two on the debt ceiling.

Hopefully, both Senator Heinz and Senator Bumpers might be willing to hold their fire on Social Security for another day and permit the managers, who have done an outstanding job on the immigration bill, to go to third reading tomorrow morning. We will set a time for the vote on final passage of the immigration bill and then go back to the Superfund.

There will be no more rollcall votes on anything this evening.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I was wondering if I could make an inquiry of the distinguished floor manager of the bill on the subject of rebuttal presumption.

I would like to ask the distinguished manager a question. That is if he can explain how the affirmative defense and rebuttal presumption are sup-

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posed to work. If he could make that explanation, I would appreciate it. I yield for that purpose.

Mr. SIMPSON. Mr. President——

Mr. SYMMS. I have two questions to ask.

Mr. SIMPSON. If the Senator wishes to ask the questions, I will certainly try to respond.

Mr. SYMMS. I want to know in the employer verification system if it eliminates documents where the employer will have to determine the status, how that is going to work?

Mr. SIMPSON. Mr. President, the employment verification system under the bill outlines the documents that an employer must check to determine the immigration status of his employees if he wants the benefit of the affirmative defense. Employers who follow the verification procedures then will have an affirmative defense if undocumented aliens are found in their employ.

The employers of four or more who fail to follow the verification procedures for all employees are then presumed to have knowingly hired any undocumented aliens found in their employ.

The presumption then can be rebutted if the employer presents clear and convincing evidence to the contrary. That is in the statute.

Mr. SYMMS. I thank the distinguished Senator very much.

How does this clear and convincing evidence standard in the presumption compare to the standard of the Government having to prove a violation of the employer sanction provisions?

Mr. SIMPSON. Mr. President, the employer sanction civil penalty may be assessed if a judge determines by a preponderance of the evidence that a violation has occurred. That is the normal standard for a civil penalty. This is a lesser standard than employers must meet to rebut the presumption.

The applicable language from the committee report is on page 32. I would refer the Senator to that. It says:

> These presumptions may be rebutted by presentation of "clear and convincing" evidence that such an employer . . . did not knowingly hire . . . an unauthorized alien. An employer who has not complied with the verification procedure may, for example, rebut the presumption if it can demonstrate that its employment procedure as applied are reasonably likely to avoid the employment of unauthorized aliens. An employer may not merely plead ignorance—wilful or unwilful—in order to overcome the presumption.

We felt that was very necessary. Various employer groups in the United States seemed to accept that.

Mr. SYMMS. Well, I thank the distinguished floor manager very much. If the employer then fails to check the records of all employees and that employer does not have the affirmative defense available for him for the employer sanctions violation—in other words, if they check them all and then they have those defenses, otherwise what would the situation be?

Mr. SIMPSON. That is designed to discourage discriminatory practices. With Senator Kennedy's amendment—which I agreed to and supported—nondiscrimination practices and reports on discrimination are things that were done to discourage discrimination.

Mr. SYMMS. So, in other words, if an employer only asks Hispanic employees for documentation, he would then lose part of his defense?

Mr. SIMPSON. That is correct.

Mr. SYMMS. Thus, an employer who only checks the documents of Hispanic employees would be presumed to have knowingly hired an undocumented alien if such alien is later found to be in his employ?

Mr. SIMPSON. Mr. President, I want to hear that question again to be sure I respond properly.

Mr. SYMMS. The Senator responded yes to the previous question, in which I said an employer, who asks only Hispanic employees for documentation to verify the legal immigrant status and records that status, does not have an affirmative defense if one of his employees later turns out to be an undocumented alien, whether or not the person's documents were checked. And the Senator said that is correct.

Mr. SIMPSON. That is correct.

Mr. SYMMS. Thus, what I am saying, then, is that the employer who only checks Hispanic would be presumed to have knowingly hired undocumented aliens if such an alien is found in his employ. So, in other words, the Senator's purpose is protection of a discrimination.

Mr. SIMPSON. That is correct. Again, that is to discourage discrimination.

Mr. SYMMS. However, if an undocumented alien was one of the Hispanic workers whose records were checked and recorded and the employer produces these records to the immigration judge in a proceeding with the employer sanctions violations, would not such records be clear and convicing evidence to rebut the presumption the undocumented aliens were knowingly hired?

Mr. SIMPSON. I think it, indeed, would be very much that case.

Mr. SYMMS. If this is so, is not the purpose of a rebuttable presumption defeated and do not these provisions encourage discrimination verification of job applicants?

Mr. SIMPSON. Mr. President, the purpose of the rebuttable presumption is to encourage employers to check the documents of all employees. That is the purpose. The fact that an employer will not receive the benefit of an affirmative defense if he fails to follow the verification procedures with respect to all employees will discourage a selective checking and discrimination.

Mr. SYMMS. So what the Senator is saying, then, is that it is the intent of the authors of the legislation that if, in fact, an employer makes a good faith effort consistently and checks all the records of each applicant for a job, it would be presumed, then, that they did not knowingly hire an undocumented, illegal worker?

Mr. SIMPSON. Mr. President, under those circumstances, there would be no presumption against him and he would have an affirmative defense.

Mr. SYMMS. I thank the Senator very much for his time.

Mr. SIMPSON. I thank the Senator from Idaho for his thoughtful work throughout.

The Senator from California, I believe, has an amendment.

AMENDMENT NO. 629

(Purpose: To provide State legalization impact-assistance grants for six fiscal years, and for other purposes)

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Gramm). The Senator is advised there are two amendments that would have to be set aside by unanimous consent before the consideration of his amendment would be in order.

Mr. WILSON. Mr. President, I ask unanimous consent that the pending amendments be set aside temporarily.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report the amendment.

The legislative clerk read as follows:

> The Senator from California [Mr. Wilson], for himself, Mr. Durenberger, Mr. Moynihan, and Mr. Cranston, proposes an amendment numbered 629.

Mr. WILSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

> On page 93, line 12, strike out "$600,000,000 for each of three" and insert in lieu thereof "$300,000,000 for each of the first two".
>
> On page 93, line 14, before the period insert a comma and the following: "and $600,000,000 for each of the next four fiscal years".
>
> On page 95, line 9, strike out "$600,000,000 for each of the three fiscal years" and insert in lieu thereof "$300,000,000 for each of the first two fiscal years and "$600,000,000 for each of the next four fiscal years".
>
> Beginning on page 96, line 5, strike out "Any" and all that follows through "made." on line 8 and insert in lieu thereof the following: "Any amount paid to a State for any of the following fiscal years and remaining unobligated at the end of such year shall remain available to such State for the purposes for which it was made, as follows: Amounts appropriated for the first, second, third, fourth, and fifth fiscal years, as described in subsection (a), shall remain available for the next five, four, three, two, and one fiscal years thereafter, respectively.".
>
> Beginning on page 94 with line 13, strike out all through line 7 on page 95 and insert in lieu thereof the following:
>
> (2)(A) The amount of the allotment to a State under this section for a fiscal year shall bear the same proportion to the total allotments to States under this section for such fiscal year as the number of eligible legalized aliens (as defined in subsection (i)(3)) in such State that are applying for public programs of assistance (for which such aliens were not disqualified under section 202(h) at the time of such assistance) bears to the total number of such aliens that are applying for such assistance in all States.

Mr. WILSON. Mr. President, having discussed this yesterday with the distinguished manager of the bill, I will not take the time to repeat what is in the Record. I will only say that the mechanics of this amendment is to provide reimbursement to State and local governments for costs that they incur through meting out public assistance to those who become legalized citizens through the passage of S. 1200.

The mechanics are, simply, in the first year, $300 million is made available for that purpose, and in the second year $300 million, and in each of the ensuing 4 years—that is, years 3, 4, 5, and 6—following legalization there would be $600 million provided.

Let me hasten to add that only money actually expended will be reimbursed. Otherwise, funds authorized will not leave the U.S. Treasury. This is to afford protection to State and local taxpayers for the cost of public assistance that are meted out to the recipients of that public assistance who become legalized during the first 6 years after legalization. In this respect, it parallels the provisions of S. 1200, which hold the Federal Government harmless from application for public assistance during that same 6-year period.

Mr. President, I really do not need to take more time, other than I do wish to say I am offering this amendment on behalf of myself, Senator Cranston, Senator Durenberger, and Senator Moynihan.

Additionally, there is a provision which Senator Cranston had crafted which we are folding into this measure with the concurrence of the manager. It is one that relates to the formula for distribution and would give the major share of that reimbursement as it should follow in accordance with the number of those legalized under S. 1200. I thank Senator Cranston for that.

Mr. CRANSTON. I am delighted that we have been able to agree on language which, in my judgment, substantially improves the fairness of the funding formula for reimbursement to States and their subsidiary governments for some of the costs they will incur under this bill.

Given the 6-year prohibition on Federal assistance to those legalized, the entire burden of public assistance—if needed—will fall on States and their subsidiaries.

While the D'Amato amendment, which I supported, addressed any costs resulting from imprisonment in prisons or jails, this amendment covers direct public assistance and health care subsidies, primarily furnished through services, rendered by county hospitals.

I know Los Angeles County is very concerned about that.

The amendment replaces a more complex formula that could have caused serious problems with one that allocates the available funds to States, based on their proportionate share of those legalized.

This new formula will help a great deal, and I am very grateful to the managers for accepting it.

Mr. SIMPSON. Mr. President, the amendment of the Senator from California is a thoughtful one. We have worked together in trying to resolve it. We want to see that reimbursement is made and that money is available to take care of the legalization costs.

I just wish to add, as I accept this amendment, that the expenses of welfare benefits to legalized aliens are a shared expense. Because the States receive sales taxes and property taxes and income taxes and other benefits from these "illegal taxpayers," the States should therefore share some cost of the benefits distributed to the legalized aliens. This amendment provides a reasonable Federal contribution for the 6 years during which legalized aliens are prohibited from receiving Federal welfare benefits. The total sum to be made available, $3 billion, is within the limit accepted by OMB on a previous bill. I can accept the amount.

Mr. President, I wish to clarify the position of those Members who have accepted the amended language to section 203(b)(2)(A) of S. 1200, which alters the formula for distributing the legalization reimbursement funds to the States. While the new formula is based on the actual payments that States make to eligible legalized aliens participating in programs of public assistance, we are in no way suggesting that the Federal Government should be responsible for all costs incurred by States in providing public assistance to eligible legalized aliens. This formula seems the most equitable under the circumstances, but it is not an endorsement of the concept of 100 percent Federal reimbursement.

Mr. WILSON. Mr. President, the amendment provides that the maximum reimbursement to State and local governments will not exceed the funds authorized by the amendment, even if the actual costs of such State and local public assistance should exceed the funding authorized by the amendment.

Mr. CRANSTON. Mr. President, that is also my understanding. The amendment substantially improves the distribution formula.

Mr. WILSON. Mr. President, I thank the distinguished manager. I really have nothing more to add.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment (No. 629) was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I feel like the old bailiff in the court having called three times for additional activity. I do not believe there are any more amendments to the immigration bill, except the two that are pending, and those are the Heinz amendment and the Hatch amendment. I feel quite certain there will be other amendments in that particular area, as it deals with Social Security.

Mr. President, for the edification of colleagues, we will likely have another amendment or two on immigration, depending on what will take place. There is no time agreement. Of course, the bill is open. There will be a colloquy, with Senator Levin, some technical amendments, and perhaps one or two other amendments. But at this point, from the standpoint of the managers of the bill, I think we have grappled with the tough issues. The toughest one of all, however, is getting to final passage. The Senate will work its will on whether to dabble further with Social Security on the immigration bill. I hope we will resolve that and I will certainly work to do that.

I believe that concludes the activity on the immigration bill at this time from this corner.

SUPERFUND IMPROVEMENT ACT OF 1985

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. 51, Superfund, not to exceed 8:30 p.m. this evening for the purpose of considering amendments to be disposed of without rollcall votes.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

The Senate continued with the consideration of the bill.

AMENDMENT NO. 630

Mr. STAFFORD. Mr. President, I have a series of eight purely technical amendments to S. 51, seven of which have been requested by the Environmental Protection Agency to assure that the language in the bill not create any unnecessary complications or undesirable results. The eighth corrects a minor problem in the existing law.

Mr. President, the managing minority member of the committee has asked me to go ahead. He is temporarily engaged elsewhere, but he joins me in offering these amendments, which I send to the desk.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], for himself and Mr. BENTSEN, proposes amendments numbered 630.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 59, lines 19 and 20, strike out the phrase, "a facility" and insert in lieu thereof: "residential buildings or business or community structures".

On page 116, lines 23 and 24, strike out the phrase, "or disposal" each time it appears, and on line 24, strike "or" before "(B)".

On page 109, following line 14, insert the following new section 135 and renumber the following sections accordingly:

"NOTICE OF CERLCA ACTIONS

"SEC. . Section 113 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(l) NOTICE OF ACTIONS.—Whenever any action is brought under this Act in a court of the United States by a plaintiff other than the United States, the plaintiff shall provide a copy of the complaint to the Attorney General of the United States and to the Administrator.".

On page 71, after line 8, insert the following:

"(5) No person required to provide information or documents under this Act may claim that the information is entitled to protection under this section unless such claimant shows that:

"(A) the claimant has not disclosed the information to any other person, other than to an employee of the claimant or a person who is bound by a confidentiality agreement or to a person to whom the data has been supplied on a confidential basis in compliance with this Act, and the claimant has taken reasonable measures to protect the confidentiality of such information and intends to continue to take such measures;

"(B) the information could not reasonably be discovered by anyone other than such persons in the absence of disclosure; and

"(C) knowledge of such information gives the claimant an opportunity to obtain a signficant advantage over competitors who do not know such information and disclosure of the information is likely to cause substantial harm to the claimant's competitive position.

"(6) The following information with respect to any hazardous substance as defined in section 101(14) shall not be entitled to protection under this section:

"(A) The chemical name, CAS number, trade name, and common name of the hazardous substances;

"(B) The physical properties of the substance, including its boiling point, melting point, flash point, specific gravity, vapor density, solubility in water, and vapor pressure at 20 degrees celsius;

"(C) The hazards to health and the environment posed by the substance, including physical hazards (such as explosion) and potential acute and chronic health hazards;

"(D) The potential routes of human exposure to the substance at the facility, establishment, place, or property being investigated, entered, or inspected under this subsection.

"(E) The location of disposal of any waste stream;

"(F) The identity and quantity of any waste stream;

"(G) Any monitoring data or analysis of monitoring data pertaining to disposal activities;

"(H) Any hydrogeologic or geologic data; and

"(I) Any groundwater monitoring data.".

On page 118, following line 19, insert the following new section:

PROCUREMENT PROCEDURES

SEC. . Title 1 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section at the end thereof:

"PROCUREMENT PROCEDURES

"SEC. . Notwithstanding any other provision of law, any executive agency may use competitive procedures or procedures other than competitive procedures to procure the services of experts for use in preparing or prosecuting a civil or criminal action under this Act, whether or not the expert is expected to testify at trial. The executive agency need not provide any written justification for the use of procedures other than competitive procedures when procuring such expert services under this Act and need not furnish for publication in the Commerce Business Daily or otherwise any notice of solitictation or synopsis with respect to such procurement.".

On page 94, strike lines 14–25, and on page 95, strike lines 1–15, and substitute the following:

"(c) In any case where a person liable under section 107 is in bankruptcy, reorganization, or arrangement pursuant to the Federal Bankruptcy Code, or where with reasonable diligence jurisdiction in the Federal Courts cannot be obtained over a person liable under section 107 likely to be solvent at the time of judgment, any claim authorized by section 107 or 111 may be asserted directly against the guarantor providing evidence of financial responsibility for that person. In the case of any action pursuant to this subsection, such guarantor shall be entitled to invoke all rights and defenses which would have been available to the person liable under section 107 if any action had been brought against such person by the claimant and which would have been available to the guarantor if an action had been brought against the guarantor by such person.

"(d) The total liability under this Act of any guarantor shall be limited to the aggregate amount of the monetary limits of the policy of insurance, guarantee, surety bond, letter of credit, or similar instrument provided by the guarantor to the person liable under section 107: *Provided*, That nothing in the subsection shall be construed to limit any other State or Federal statutory, contractual or common law liability of a guarantor to the person liable under section 107 including, but not limited to, the liability of such guarantor for bad faith either in negotiating or in failing to negotiate the settlement of any claim: *Provided further*, That nothing in this subsection shall be construed, interpreted or applied to diminish the liability of any person under section 107 or 111 of the Act or other applicable law."

On page 161, after line 14, insert the following new section:

"HAZARDOUS MATERIALS TRANSPORTATION

"SEC. . (a) Section 306(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "within ninety days after the date of enactment of this Act" in the first sentence and inserting in lieu thereof "by June 1, 1986,"; and by inserting the words "and regulate" before the words "as a hazardous material".

"(b) Section 306(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting the words "and regulation" after "prior to the effective date of the listing".

On page 71, line 8, after the first period insert the following: "Notwithstanding any other provision of law, all requirements of the Atomic Energy Act and all executive orders concerning the handling of restricted data and national security information, including "need to know" requirements, shall be applicable any grant of access to properly classified information under any provision of this Act, including section 103.".

Mr. STAFFORD. Mr. President, as I said earlier, these are purely technical amendments which have been agreed to by the committee. They are offered by the Senator from Vermont for himself and the Senator from Texas [Mr. BENTSEN], as ranking minority member of the committee. I urge their adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the amendments be considered and voted en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the amendment (No. 630) was agreed to.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 631

(Purpose: To clarify the liability of the United States for releases from facilities in which munitions-producing equipment is owned by the Department of Defense)

Mr. STAFFORD. Mr. President, I send an amendment to the desk in behalf of the Senator from Wisconsin [Mr. KASTEN]. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], for Mr. KASTEN, proposes an amendment numbered 631.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 47, after line 19, insert the following new section and renumber succeeding sections accordingly:

"DEDICATED DEFENSE PRODUCTION

"SEC. . Section 101(20) of the Comprehensive, Environmental, Response, Compensation, and Liability Act of 1980 is amended by adding the following subparagraph:

"( ) in the case of a facility containing any hazardous substance resulting from manufacturing operations dedicated to the production of munitions or ordnance parts for the Department of Defense (or any subdivision thereof) using equipment owned by such Department or subdivision, the term "owner or operator" shall include the United States Government;".

Mr. STAFFORD. Mr. President, the amendment that I have sent to the desk in behalf of Senator KASTEN has as its purpose to assign responsibility and liability to the Federal Government for the cost of cleanup of hazardous substances and other remedial actions at various sites. This responsibility should not apply exclusively to a private party who may have operated a Federal plant that is largely owned by the Government and operated in compliance with Federal guidelines.

● Mr. KASTEN. Mr. President, I have an amendment to S. 51 which I believe is not controversial. It has been cleared on both sides of the isle.

Under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, commonly known as Superfund, Congress charged the Environmental Protection Agency with the responsibility of identifying and cleaning up hazardous waste dumps around the Nation.

The overriding concern of this legislation is to protect public health and safety. This means not only cleaning up surface contamination, but also subsurface and off site damage that may be caused by the improper disposal of toxic wastes.

It has become apparent since Congress enacted this legislation that far greater resources are required to adequately protect the public and the resources we all depend on.

Unfortunately, progress has been very slow in cleaning up existing sites. The reasons for this delay are varied, but I believe we will address three of the key reasons as the Senate reauthorizes this key legislation.

First, the funds available to cleanup abandoned sites must be greatly increased. Second, we must shorten the time that responsible parties can spend delaying action to cleanup contamination that they are responsible. And third, the Federal Government must begin to take responsibility for those sites that it is responsible for.

It is this third category that my amendment will address today. I believe that it is time for the Federal Government to begin to live up to the same obligations to protect public health that other producers are expected to comply with.

Specifically, this amendment addresses the cleanup of hazardous wastes that were produced by a partnership between the Government and private industry.

The purpose of my amendment is to assign responsibility and liability to the Federal Government for the costs of cleanup of hazardous substances and other remedial actions at such sites. This responsibility should not apply exclusively to the private party who may have operated a plant that is largely owned by the Government, and operated it in compliance with Federal guidelines.

Under this amendment, responsibility and liability is assigned to the Government on the basis of its ownership of the facility, property, and equipment used in producing a product and the resulting hazardous wastes.●

Mr. STAFFORD. Mr. President, on this side of the aisle, we are prepared to accept the Kasten amendment.

Mr. BENTSEN. Mr. President, I have worked on this amendment with the chairman of the committee and the staff. We think it is an appropriate amendment and we are prepared to accept it. We have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 631) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 632

Mr. STAFFORD. Mr. President, I send an amendment to the desk on behalf of myself and Senator BENTSEN and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Vermont [Mr. STAFFORD], for himself and Mr. BENTSEN, proposes an amendment numbered 632.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

STATE AND LOCAL GOVERNMENT LIABILITY

S. 51 is amended by—

(1) On page 88, line 14, inserting after "release" the following: "or threatened release"; and

(2) On page 88, line 7 inserting "(a)" immediately before "Section";

(3) On page 87, line 21, inserting the following:

"(b) Section 101(20) is amended by inserting immediately before the semicolon at the end of clause (A) the following: 'nor does such term include a unit of state or local government which acquired ownership or control involuntarily through bankruptcy, foreclosure, tax delinquency, abandonment, or similar means of alienation;'.".

"(c) Section 101(20) is further amended by deleting clause (iii) and substituting the following: '(iii) in the case of any facility, title or control of which was conveyed due to abandonment, bankruptcy, foreclosure, tax delinquency or similar means to a unit of state or local government, any person who owned, operated or otherwise controlled activities at such facility immediately beforehand.'."

SITES INHERITED BY STATE AND LOCAL GOVERNMENTS

Mr. STAFFORD. Mr. President, there are circumstances when State and local governments find themselves as the owners or operators of sites which are the subject of Superfund responses against their own volition. In some cases this may be due to the automatic shifting of title to real property due to nonpayment of taxes. In others, it may be that a facility has been abandoned and the responsibility shifted away from the original owner or operator to the State or local government. These are not cases where the law intended that governments bear the liability burdens of Superfund, even though they are technically "owners or operators" under the current definition of the law.

I am offering an amendment which would change that definition in recognition of the unique position which units of State and local governments occupy with respect to these facilities. My amendment would exempt units of State and local governments in cases where title or control has shifted to them by virtue of abandonment, bankruptcy, tax delinquency, foreclosure or similar means. The amendment does not diminish the liability of these governments with respect to sites which they might have owned or operated in their own right. But it does not recognize the unique status of governments in terms of their obligation to protect the public, health, welfare and safety, during the course of which they sometimes acquire ownership or control for reasons unrelated to the disposal of hazardous substances.

In addition, my amendment would make one technical amendment to S. 51. The bill as reported holds State and local governments to a fault-based standard of care when they are responding to actual releases of hazardous substances. My amendment extends this same standard to cases where the release was merely threatened, thus allowing government to act to avert danger to the public before it has the opportunity to materialize.

I know of no opposition to or controversy associated with this amendment and hope that it can be adopted.

Mr. President, I know of no opposition or controversy associated with this amendment and on this side of the aisle we are prepared to accept it.

Mr. BENTSEN. Mr. President, this covers the situation, as the chairman said, where local governments inherit property, so to speak, through foreclosure or whatever route it might be, and develop a toxic waste site, and they would not be determined owner-operators under the provision of this law.

We have no objection to that amendment at all. It is a good amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Vermont.

The amendment (No. 632) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 633

Mr. STAFFORD. Mr. President, on behalf of myself and Senator Bentsen, I send an amendment to the desk and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Vermont [Mr. Stafford], for himself and Mr. Bentsen, proposes an amendment numbered 633.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without obligation, it is so ordered.

The amendment is as follows:

POLLUTION LIABILITY INSURANCE

Add the following at the end thereof:

"TITLE III

"AMENDMENTS RELATED TO THE INSURANCE OF POLLUTION LIABILITY

"Sec. 301. The Comprehensive Environmental Compensation and Liability Act of 1980 is amended by adding the following at the end thereof:

'TITLE IV—POLLUTION INSURANCE

"Section 401. This Title may be cited as the "Pollution Liability Insurance and Risk Retention Act".

DEFINITIONS

'Sec. 402. (a) As used in this Title—

'(1) "insurance" means primary insurance, excess insurance, reinsurance, surplus lines insurance, and any other arrangement for shifting and distributing risk which is determined to be insurance under applicable State or Federal law;

'(2) "pollution liability" means liability for injuries arising from the release of hazardous substances, pollutants or contaminants;

'(3) "risk retention group" means any corporation or other limited liability association taxable as a corporation, or as an insurance company, formed under the laws of any state

'(A) whose primary activity consists of assuming and spreading all, or any portion, of the pollution liability or of its group members;

'(B) which is organized for the primary purpose of conducting the activity described under subparagraph (A);

'(C) which is chartered or licensed as an insurance company and authorized to engage in the business of insurance under the laws of any State; and

'(D) which does not exclude any person from membership in the group solely to provide for members of such a group a competitive advantage over such a person.

'(4) "purchasing group" means any group of persons which has as one of its purposes the purchase of pollution liability insurance on a group basis; and

'(5) "State" means any State of the United States or the District of Columbia.

'(b) Nothing in this Title shall be construed to affect either the tort law or the law governing the interpretation of insurance contracts of any State, and the definitions of pollution liability and pollution liability insurance under any State law shall not be applied for the purposes of this Act, including recognition or qualification of risk retention groups or purchasing groups.

'Sec. 403. (a) Except as provided in this section, a risk retention group is exempt from any State law, rule, regulation, or order to the extent that such law, rule, regulation, or order would—

'(1) make unlawful, or regulate, directly or indirectly, the operation of a risk retention group except that the jurisdiction in which it is chartered may regulate the formation and operation of such a group and any State may require such a group to—

'(A) comply with the unfair claim settlement practices law of the State;

'(B) pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on admitted insurers and surplus line insurers, brokers, or policyholders under the laws of the State;

'(C) participate, on a nondiscriminatory basis, in any mechanism established or authorized under the law of the State for the equitable apportionment among insurers of pollution liability insurance losses and expenses incurred on policies written through such mechanism;

'(D) submit to the appropriate authority reports and other information required of licensed insurers under the laws of a State relating solely to pollution liability insurance losses and expenses;

'(E) register with and designate the State insurance commissioner as its agent solely for the purpose of receiving service of legal documents or process, and, upon request, furnish such commissioner a copy of any financial report submitted by the risk retention group to the commissioner of the chartering or licensing jurisdiction;

'(F) submit to an examination by the State insurance commissioner in any State in which the group is doing business to determine the group's financial condition, if—

'(i) the commissioner has reason to believe the risk retention group is in a financially impaired condition; and

'(ii) the commissioner of the jurisdiction in which the group is chartered has not begun or has refused to initiate an examination of the group; and

'(G) comply with a lawful order issued in a delinquency proceeding commenced by the State insurance commissioner if the commissioner of the jurisdiction in which the group is chartered has failed to initiate such a proceeding after notice of a finding of financial impairment under subparagraph (F) of this paragraph;

'(2) require or permit a risk retention group to participate in any insurance insolvency guaranty association to which an insurer licensed in the State is required to belong;

'(3) require any insurance policy issued to a risk retention group or any member of the group to be countersigned by an insurance agent or broker residing in that State; or

'(4) otherwise discriminate against a risk retention group or any of its members, except that nothing in this section shall be construed to affect the applicability of State laws generally applicable to persons or corporations.

'(c) The exemptions specified in subsection (a) apply to—

'(1) pollution liability insurance coverage provided by a risk retention group for—

'(A) such group; or

'(B) any person who is a member of such group;

'(2) the sale of pollution liability insurance coverage for a risk retention group; and

'(3) the provision of insurance related services or management services for a risk retention group or any member of such a group.

'(d) A State may require that a person acting, or offering to act, as an agent or broker for a risk retention group obtain a license from that State, except that a State may not impose any qualification or requirement which discriminates against a nonresident agent or broker.

PURCHASING GROUPS

Sec. 404. (a) Except as provided in this section, a purchasing group is exempt from any State law, rule, regulation, or order to

the extent that such law, rule, regulation, or order would—

'(1) prohibit the establishment of a purchasing group;

'(2) make it unlawful for an insurer to provide or offer to provide insurance on a basis providing, to a purchasing group or its member, advantages, based on their loss and expense experience, not afforded to other persons with respect to rates, policy forms, coverages, or other matters;

'(3) prohibit a purchasing group or its members from purchasing insurance on the group basis described in paragraph (2) of this subsection;

'(4) prohibit a purchasing group from obtaining insurance on a group basis because that group has not been in existence for a minimum period of time or because any member has not belonged to the group for a minimum period of time;

'(5) require that a purchasing group must have a minimum number of members, common ownership or affiliation, or a certain legal form;

'(6) require that a certain percentage of a purchasing group must obtain insurance on a group basis;

'(7) require that any insurance policy issued to a purchasing group or any members of the group be countersigned by an insurance agent or broker residing in that State; or

'(8) otherwise discriminate against a purchasing group or any of its members.

'(b) The exemptions specified in subsection (a) apply to—

'(1) pollution liability insurance, and comprehensive general liability insurance which includes this coverage, provided to—

'(A) a purchasing group; or

'(B) any person who is a member of a purchasing group; and

'(2) the sale of—

'(A) pollution liability insurance, and comprehensive general liability coverage;

'(B) insurance related services; or

'(C) management services;

to a purchasing group or member of the group.

'(c) A State may require that a person acting, or offering to act, as an agent or broker for a purchasing group obtain a license from that State, except that a State may not impose any qualification or requirement which discriminates against a nonresident agent or broker.

'APPLICABILITY OF SECURITIES LAWS

'Sec. 405. (a) The ownership interests of members in a risk retention group shall be—

'(1) considered to be exempted securities for purposes of section 5 of the Securities Act of 1933 and for purposes of section 12 of the Securities Exchange Act of 1934; and

'(2) considered to be securities for purposes of the provisions of section 17 of the Securities Act of 1933 and the provisions of section 10 of the Securities Exchange Act of 1934.

'(b) A risk retention group shall not be considered to be an investment company for purposes of the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.).

'(c) The ownership interests of members in a risk retention group shall not be considered securities for purposes of any State blue sky law.' "

Mr. STAFFORD. Mr. President, I am pleased to offer an amendment with Senator Bentsen to the pending legislation to reauthorize the Superfund Program that will facilitate the ability of companies engaged in the generation, treatment, disposal, and storage of hazardous substances and hazardous wastes to obtain pollution liability insurance coverage. I am pleased to have as a cosponsor of this amendment, as I said, the ranking minority member of the committee, the distinguished Senator from Texas [Mr. Bentsen].

As testimony before the Committee on Environment and Public Works graphically demonstrated, pollution liability insurance is becoming increasingly difficult to obtain. This is posing difficulty for all companies, and particular difficulty for the many firms who must meet the insurance requirements of the Resource Conservation and Recovery Act as well as other firms who participate as contractors, architects, and engineers in the cleanup of Superfund sites. Many of the reasons for the unavailability of pollution liability insurance have nothing to do with the Superfund law. However, the unavailability of insurance is frustrating the goals not only of the Superfund law, but other environmental statutes as well. I urge the Senate to adopt this amendment because it will provide an alternative way through which companies may obtain pollution liability insurance.

Amendment No. 225 would authorize the creation of risk retention programs for insuring environmental impairment liability. The effect of this amendment would be to allow groups of individuals or firms to share liability for damages caused by pollution of the environment. If private insurance is available or the commercial insurance market revives, individuals would still be free to purchase that coverage, and many would undoubtedly choose to do so. But, if commercial insurance is not available, they would be able to band together to provide their own pollution liability insurance coverage.

The authority to establish pollution liability risk retention groups authorized by this amendment is virtually identical to the authority to insure product liability risks granted under the Product Liability Risk Retention Act of 1981, 15 U.S.C. 3901, et seq. So we are not proposing an entirely new insurance scheme under this amendment; rather we are extending the concept of group self-insurance to a new category of risk—pollution liability. Congress passed the Risk Retention Act of 1981 because at that time product liability insurance was unavailable, or was offered at prices which were not reasonable and affordable, particularly to small businesses. Today, we face a similar, if not more acute, problem with regard to the availability of commercial pollution liability insurance. Therefore, it seems to us that authorizing self-insurance programs for pollution liability risks represents a modest but important step to facilitate the ability of firms to insure these risks.

This amendment is not a panacea for all problems created by the lack of pollution liability insurance. It simply creates the authority for companies to establish group self-insurance programs. Thus, while this amendment does not provide any quick solution to the lack of commercial pollution liability insurance markets, it provides a mechanism under which companies can take steps to insure these risks.

This amendment establishes no Federal regulatory authority and requires no expenditure of Federal funds. It will have no effect upon the Federal deficit. While this amendment establishes no Federal regulatory authority to license insurance companies, it does not effect the liability insurance requirements established under the Resource Conservation and Recovery Act. Any person or firm which is required to obtain pollution liability insurance under that act will still be required to maintain pollution liability coverage in the amount specified under regulations issued pursuant to that act.

It is important to note that a pollution liability risk retention group is authorized to sell only pollution liability insurance and may offer that insurance only to its own members. It may not sell insurance to the public and it may not offer automobile, life or health insurance either to its own members or the public. Thus, the insurance authority granted under this amendment is limited to insuring the pollution liability risks of firms who join together to establish a risk retention group.

One other feature of the bill deserves mention. In addition to authorizing risk retention groups, the amendment also authorizes establishing pollution liability "purchasing groups." A purchasing group is a group of firms who join together to purchase pollution liability insurance on a group basis. If their experience, safety standards, or technology demonstrate that they are a preferred risk, the group may be able to obtain pollution liability insurance coverage on a favorable basis. The amendment provides that a pollution liability purchasing group is exempt from all regulations which prohibit or restrict the sale of insurance on a group basis.

Finally, it should be noted that pollution liability is defined in the amendment as "liability for injuries arising from the release of hazardous substances, pollutants or contaminants." We intend that this definition be broadly construed to cover all liability arising out of pollution or contamination of the environment. This amendment authorizes coverage for sudden and accidental, as well as gradual pollution claims.

Mr. BENTSEN. Mr. President, I have been advised that we have had an inquiry concerning this particular amendment and a possible objection to it by one of the Members.

Mr. President, I ask unanimous consent that it be laid aside at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STAFFORD. It would be the belief of the Senator from Vermont that the pending business in the Senate when we return to Superfund would be the amendment which I offered a few minutes ago with Senator BENTSEN.

The PRESIDING OFFICER. The Senator is correct.

Mr. STAFFORD. I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

AMENDMENT NO. 634

(Purpose: To prohibit the use of lead pipes, lead solder, and lead flux in drinking water system)

Mr. BRADLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRADLEY. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. BRADLEY], for himself and Mr. LAUTENBERG, proposes an amendment numbered 634.

Mr. BRADLEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new title:

TITLE III—LEAD FREE DRINKING WATER

SHORT TITLE

SEC. 301. This title may be cited as the "Lead Free Drinking Water Act".

SAFE DRINKING WATER ACT AMENDMENTS

SEC. 302. (a) IN GENERAL.—Part B of Title XIX of the Public Health Service Act is amended by adding ats the end thereof the following new section:

"PROHIBITION ON USE OF LEAD PIPES, SOLDER, AND FLUX

SEC. 1417. (a) IN GENERAL.—

"(1) PROHIBITION.—Any pipe, solder, or flux, which is used after the date of enactment of the SDWA of 1985, in the installation or repair of—

"(A) any public water system, or

"(B) any plumbing in a residential or nonresidential facility providing water for human consumption which is connected to a public water system,

must be lead free (as defined in subsection (d)). This paragraph shall not apply to leaded joints necessary for the repair of cast iron pipes.

"(2) PUBLIC NOTICE OF ADVERSE EFFECTS.—Each community public water system shall provide notice, developed in consultation with the Administrator, to all users of the system with respect to—

"(A) the adverse health effects of exposure to lead, including a description of those populations which may be particularly sensitive to such exposure; and

"(B) any means reasonably available to such users for mitigating lead exposure from drinking water, taking into consideration the need to conserve water.

"(b) STATE ENFORCEMENT.—

"(1) ENFORCEMENT OF PROHIBITION.—The requirements of subsection (a)(1) shall apply to all States effective 24 months after the date of the enactment of this section. States shall enforce such requirements through State or local plumbing codes, or such other means of enforcement as the State may determine to be appropriate.

"(2) ENFORCEMENT OF PUBLIC NOTICE REQUIREMENTS.—The requirements of subsection (a)(2) shall apply to all States effective 24 months after the date of the enactment of this section.

"(c) PENALTIES.—If the Administrator determines that a State is not enforcing the requirements of subsection (a) as required pursuant to subsection (b), the Administrator may commence a civil action under section 1414(b).

"(d) DEFINITION OF LEAD FREE.—For purposes of this section, 'lead free' means solders and flux containing not more than 0.2 percent lead, and pipes and pipe fittings containing not more than 6.0 percent lead.".

(b) CIVIL ACTION.—Section 1414(b) of the Public Health Service Act is amended—

(1) in the matter preceding paragraph (1), by inserting ", or with section 1417," after "or 1416"; and

(2) in paragraph (1), by inserting ", or under section 1417" after "subsection (a)".

(c) NOTIFICATION TO STATES.—The Administrator of the Environmental Protection Agency shall notify all States with respect to the requirements of section 1417 of the Public Health Service Act within 90 days after the date of the enactment of this Act.

BAN ON LEAD WATER PIPES, SOLDER, AND FLUX IN VA AND HUD INSURED OR ASSISTED PROPERTY

SEC. 303. (a) PROHIBITION.—(1) The Secretary of Housing and Urban Development and the Administrator of Veterans' Affairs may not insure or guarantee a mortgage or furnish assistance with respect to newly constructed residential property which contains a potable water system unless such system uses only lead free pipe, solder, and flux.

(2) For purposes of paragraph (1), "lead free" means solders and flux containing not more than 0.2 percent lead, and pipes and pipe fittings containing not more than 6.0 percent lead.

(b) EFFECTIVE DATE.—Subsection (a) shall become effective 24 months after the date of the enactment of this Act.

LEAD SOLDER AS A HAZARDOUS SUBSTANCE

SEC. 304. (a) IN GENERAL.—Section 2(f)(1) of the Federal Hazardous Substances Act is amended by adding at the end thereof the following:

"(E) Any solder which has a lead content in excess of 0.2 percent.".

(b) LABELING.—Section 4 of the Federal Hazardous Substances Act is amended by adding at the end thereof the following:

"(k) The introduction or delivery for introduction into interstate commerce of any lead solder which has a lead content in excess of 0.2 percent which does not prominently display a warning label stating the lead content of the solder and warning that the use of such solder in the making of joints or fittings in any private or public potable water supply system is prohibited.".

"(c) EFFECTIVE DATE.—The amendments made by this section shall become effective 24 months after the date of the enactment of this Act.

Mr. BRADLEY. Mr. President, the amendment I send to the desk is on behalf of myself and my colleague from New Jersey, Mr. LAUTENBERG. The purpose of the amendment is to prevent further lead contamination of our Nation's drinking water.

Mr. President, we have long been aware that lead is a dangerous substance which seriously threatens public health. But we are only beginning to learn of the full health hazards associated with elevated lead levels in the blood. The risk of high blood pressure in adults, impairment of the central nervous system, retardation of learning ability in children, and birth defects all argue for prompt action to reduce the level of lead in our environment; and, that is precisely what this amendment will accomplish.

Most of the recent public attention has focused on the lead content in gasoline as a source of environmental contamination. I have spoken many times on the Senate floor on the most efficient manner in which to address this issue. But another source of lead merits our attention as well—that of lead in our drinking water. In fact, a 1983 EPA report entitled "The Health Hazards Associated With the Use of Lead To Transmit Drinking Water" clearly describes a "correlation between high concentrations of lead in drinking water and high blood levels." The report goes on to state that lead ingested from water can be a significant source of lead in humans.

Therefore, Mr. President, we know that lead is a health hazard. We also know that if lead is in drinking water it will end up in our bloodstream. But how does it get into our water and what can we do to stop this? The EPA has concluded that lead enters drinking water primarily as a result of the corrosive action of water on pipes, fittings, and solder. Several factors come into play. Two of the most important being the age of the plumbing system and the corrosiveness of the water. The highest levels are found in new systems with corrosive water that is allowed to stand for several hours. For example, the first several draws of water in the morning would be most contaminated. However, levels in excess of the maximum contaminant level are not restricted to such circumstances.

How widespread is this problem? Mr. President, I first learned of this problem because in my home State of New Jersey we have confirmed cases of lead leaching into drinking water in Ocean County in amounts exceeding the EPA standard. However, it is important to note that this is truly a national problem. An informal survey performed by members of my staff revealed that 22 out of 29 States contacted have experienced difficulties with lead leaching into drinking water. The States not reporting any problems also admitted to not having performed extensive sampling. We questioned States from Maine to Texas to California. Leading the way in combating this problem are the States of Oregon, Wisconsin, Minnesota, New York, Massachusetts, and Delaware who have already banned the use of lead solder and pipes in potable water systems. The States of California and Virginia are considering similar legislation; and, I add, they have confidently predicted passage of such legislation. If EPA follows the recommendation of the National Academy of Sciences and reduces the level of lead acceptable in drinking water, as they are expected to do, the number of States which have contamination problems is sure to increase. In fact, the scope of this problem is international in nature with Denmark, West Germany, Great Britain, and the Netherlands all prohibiting the use of lead in drinking water systems.

Mr. President, now we return to the critical question, What can be done to rectify this problem? My amendment is a simple and effective vehicle for dealing with this problem. It attacks the issue from four vantage points, that of public water systems, private wells, new home construction, and plumbing repairs. First, it requires that States ban the use of lead solder and pipes in any new construction or repair of public water systems. Failure to implement such a ban could result in civil action by the Administrator against the State. Second, it prohibits the issuance of FHA mortgages to any newly constructed home which utilizes lead pipes or solder in its water delivery lines. Third, it mandates the Consumer Product Safety Commission to require a warning label on all packages of lead solder in order to protect unsuspecting homeowners who opt to perform some plumbing tasks on their own. Fourth, it requires that community public water systems carry out an information campaign to make people aware of the potential hazards associated with lead in drinking water and the steps being taken to avoid further problems.

Mr. President, alternatives to lead solder exist. They are distinguishable from lead solder; and are equally if not better able to provide an effective seal without adverse health consequences. Cost is not an issue since using alternate solders and pipes will result in a mere $10 increase in the price of a new home. This is a negligable amount when considering the health benefits to be gained. The logic is overwhelming to pursue the course of action I have outlined. Actually, there is no reason to retain lead as an acceptable material to be used in the transmission of potable water.

Mr. President, we place great emphasis, as a nation, on safe drinking water. In fact, we have recently passed legislation to amend the Safe Drinking Water Act which authorized $130 million for fiscal year 1986. Often, safe drinking water requires the use of expensive measures such as the addition of anti-corrosive chemicals or fancy purification methods. What I am proposing are simple, inexpensive, preventative steps we can take to avoid further contamination of our drinking water supplies. We are not asking anyone to rip up old plumbing systems. Rather, we focus on arresting the problem before it progresses further by limiting ourselves to new construction and repair. The choice is clear cut; do we take action, as a nation, to avoid further lead contamination or do we wait and run the risk of increased health hazards?

Mr. President, let me emphasize that three important questions were answered at hearings conducted by the Committee on Environment and Public Works on the Safe Drinking Water Act amendments and our Lead-Free Drinking Water Act. Is lead in drinking water a health hazard? Is lead contamination of drinking water widespread? What can be done to avoid the leaching of lead into drinking water? The witnesses were State public health officials, scientists, and engineering consultants. It is both accurate and fair to say that these witnesses spoke as one; each was against the use of lead pipes and lead solder in potable water systems. One witness went so far as to recommend a fivefold decrease in the EPA lead standard. Mr. President, as I have mentioned, we are virtually assured that EPA will continue to lower the drinking water lead standard. Again, this begs for us to act now to avoid future problems by eliminating sources of lead in drinking water.

Let me remind you, Mr. President, that often the biggest problems are encountered in new homes. These homes are usually owned by young couples with young children—children who are particularly susceptible to the adverse effects of lead. I hope my colleagues will join me in supporting this effort to protect our drinking water from further lead contamination.

Mr. President, that is the amendment. I thank the distinguished chairman of the committee for his interest. I know this was originally due to be offered several months ago and the Senator suggested that I pause, not offer it, and we would hold a hearing in the committee. A hearing was held. I think the bill has been improved as a result of that process.

Mr. LAUTENBERG. Mr. President, I am pleased to join my distinguished colleague from New Jersey, Senator BRADLEY, in offering this amendment to ban the future use of lead in water supply systems. This amendment is a revised version of our bill, S. 1197, and is intended to complement the Safe Drinking Water Act Amendments of 1985 approved in May by the Senate.

The Safe Drinking Water Act serves to protect the public against contaminants in drinking water. Our amendment seeks to assure that water cleansed of lead and other contaminants is not despoiled by lead while being transported to water taps.

Two and a half years ago, EPA determined that the largest source of lead in drinking water comes from the corrosion of pipes that carry water supplies. What this means is that no matter how much lead is taken out of drinking water by water supply companies, tap water will be contaminated as lead from lead pipes and lead solder connecting pipes is dissolved in drinking water on its way to the tap.

This problem may be exacerbated by acidified sources of drinking water. The low PH of the water—its acidity—makes the water more "aggressive" and thus more likely to corrode lead from pipes. New York, Minnesota and parts of eastern Canada already warn residents to run their water before using it, and advise pregnant women against its use altogether.

Numerous studies have demonstrated that infants and young children are especially susceptible to lead. Lead causes nervous disorders, learning disabilities, and weakens tolerance to disease. In addition, exposure to high levels of lead can cause cancer and birth defects.

It is clear that we must do everything possible to cut back on human exposure to lead, whether it is in drinking water, automobile exhausts or in paint and other products.

Our amendment is a positive step forward in accomplishing that goal. It prohibits the use of lead pipes, solder, and fluxes in repairs and installation of public drinking water systems. The amendment would require States to enforce the ban through State or local plumbing codes or other appropriate means. Any State which fails to implement the ban within 2 years will risk civil action by the EPA Administrator.

In addition, no new construction will be eligible for guaranteed or insured mortgages from the Veterans Administration or the Department of Housing and Urban Development unless the water system uses lead free piping, solder, and flux. Lead free is defined as materials containing not more than 0.2 percent lead.

The bill also requires that public water supply systems, in consultation with the EPA, conduct an information campaign to notify users of their systems of the adverse health effects of lead and the means by which users can reduce the lead in their water supplies. The bill further requires notification through the use of labeling on lead pipes or lead solder sold in retail establishments. The intent of these labels is to inform the public that the use of lead in drinking water systems is prohibited under Federal law. The consumer product safety commission will enforce this provision through its network of field inspectors.

Mr. President, this amendment does not call for the retroactive removal of lead pipes or pipes containing lead. It simply requires that new pipes or pipes that are repaired do not contain lead. It is supported by a number of organizations and associations concerned about lead regulation, including the National Association of Full Service Plumbing, Heating, Cooling and Piping Product Wholesalers, which has members whose businesses will be impacted by this amendment. However, it recognizes that there are alternatives to lead and those alternatives should be used.

Mr. President, in my home State of New Jersey, lead from solder in drinking water pipes has been identified as a major source of exposure to lead. In one study, exposure to lead in drinking water was greater than exposure to lead from automobile emissions along major highways. The preliminary findings of a report by the New Jersey Department of Environmental Protection indicate that the problem is extensive: of 590 wells tested in Beachwood, NJ, 220 showed lead above the 50 ug/l maximum contaminant level set under the Safe Drinking Water Act. This pattern is repeated in many other areas of the Northeast and the Northwest.

Action has been taken to ban lead solder in Oregon, Wisconsin, Washington, Delaware, and New York, as well as in Denmark, West Germany, Great Britain and the Netherlands. Given the national and international character of our economy, we should protect citizens across the country by adding the United States to the list.

Mr. President, the problem of lead contamination in our Nation's drinking water is not new, and it will not simply disappear. If anything, it will get worse. As time passes, deterioration of lead pipes will continue to pose a serious health problem. This subject deserves our immediate attention. It is my hope that the Senate will approve this important amendment.

Mr. STAFFORD. Mr. President, on behalf of the majority, and especially in view of what the Senator from New Jersey has said, and the hearings which the committee held in respect to this matter, we are prepared to accept the Senator's amendment.

Mr. BENTSEN. Mr. President, on behalf of the minority, I think the Senator from New Jersey offered a very excellent amendment, and I am pleased to support it.

Mr. BRADLEY. Mr. President, I move the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New Jersey.

The amendment (No. 634) was agreed to.

Mr. BRADLEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the appropriate committees.

(The nominations and withdrawal received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:01 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3244. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 187. Concurrent resolution condemning the kidnaping of Ines Guadelupe Duarte Duran, daughter of President Jose Napoleon Duarte of El Salvador.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 444. An act to amend the Alaska Native Claims Settlement Act;

H.J. Res. 128. Joint resolution designating the month of October 1985 as "National High-Tech Month"; and

H.J. Res. 299. Joint resolution recognizing the accomplishments over the past 50 years resulting from the passage of the Historic Sites Act of 1935, one of this Nation's landmark preservation laws.

The enrolled bill, S. 444, was subsequently signed by the President pro tempore [Mr. THURMOND].

At 3:48 p.m., a message from the House or Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the amendments of the House to the bill (S. 817) to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes.

The message also announced that the House agrees to the amendment of the Senate to the amendment of the House to the bill (S. 818) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3244. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1986, and for other purposes; to the Committee on Appropriations.

MEASURES PLACED ON THE CALENDAR

The following concurrent resolution was read and placed on the calendar:

H. Con. Res. 187. Concurrent resolution comdemning the kidnaping of Ines Guadelupe Duarte Duran, daughter of President Jose Napoleon Duarte of El Salvador.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, September 17, 1985, she has presented to the President of the United States the following enrolled bill:

S. 444. An act to amend the Alaska Native Claims Settlement Act.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1754. A communication from the Chairman of the D.C. Council, transmitting, pursuant to law, a copy of D.C. Act 6-73; to the Committee on Governmental Affairs.

EC-1755. A communication from the Secretary of Defense, transmitting, pursuant to law, notice of his intention to activate the new U.S. Space Command on September 23, 1985, in Colorado Springs, Colorado; to the Committee on Armed Services.

EC-1756. A communication from the Director of the Office of Personnel Management transmitting a draft of proposed legislation to improve government-wide authority to appoint and compensate experts and consultants as Federal employees; to the Committee on Governmental Affairs.

EC-1757. A communication from the Acting U.S. Postal Service Records Officer, transmitting, pursuant to law, notice of the Postal Service's participation in three computer records matching programs; to the Committee on Governmental Affairs.

EC-1758. A communication from the Deputy Secretary of Defense transmitting, pursuant to law, certification that the Phoenix weapons system is essential to the national security and a current unit cost increase of 44 percent; to the Committee on Armed Services.

EC-1759. A communication from the Administrator of GSA transmitting a draft of proposed legislation to change the methods of reimbursement and remove the statutory ceilings for traveler's subsistence expenses for Government civilian employees; to the Committee on Governmental Affairs.

EC-1760. A communication from the Assistant Secretary of the Interior transmitting a draft of proposed legislation to increase the appropriation ceiling for the North Loup Division, Pick-Sloan Missouri Basin Program, Nebraska; to the Committee on Energy and Natural Resources.

EC-1761. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for audit requirements for State and local governments; to the Committee on Labor and Human Resources.

EC-1762. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for Chapter 2 of the Education Consolidation and Improvement Act of 1981; to the Committee on Labor and Human Resources.

EC-1763. A communication from the Acting Assistant Secretary of Defense, transmitting, pursuant to law, a report on the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter ended June 30, 1985; to the Committee on Armed Services.

EC-1764. A communication from the Chairman of the Board of the U.S. Synthetic Fuels Corporation, transmitting, pursuant to law, Appendices to the Comprehensive Strategy Report; to the Committee on Energy and Natural Resources.

EC-1765. A communication from the Director of the Office of Legislative Affairs, AID, transmitting, pursuant to law, a justification for an increase in foreign assistance for Mauritius for fiscal year 1985; to the Committee on Foreign Relations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MURKOWSKI (by request):

S. 1649. A bill to amend title 38, United States Code, to authorize the Veterans' Administration to make temporary and part-time appointments of certain health care personnel for periods in excess of 1 year; to the Committee on Veterans Affairs.

S. 1650. A bill to amend title 38, United States Code, to clarify the authority of the Chief Medical Director or designee regarding disciplinary actions on certain probationary title 38 health care employees; to the Committee on Veterans Affairs.

By Mr. GORTON (for himself and Mr. HEINZ):

S. 1651. A bill to extend for an additional 3 years the existing suspension of duty on p-hydroxybenzoic acid; to the Committee on Finance.

By Mr. HEINZ:

S. 1652. A bill to amend the Internal Revenue Code of 1954 to make permanent the exclusion for amounts received under qualified group legal services plans; to the Committee on Finance.

By Mr. JOHNSTON (for himself and Mr. MURKOWSKI):

S. 1653. A bill to provide for a fair and equitable disposition to certain coastal States of certain Federal Outer Continental Shelf revenues; to the Committee on Energy and Natural Resources.

By Mr. STEVENS (for himself, Mr. DENTON, Mr. DURENBERGER, Mr. LEAHY, Mr. MURKOWSKI, Mr. GARN, Mr. DOMENICI, Mr. BUMPERS, Mr. HEINZ, and Mr. BYRD):

S. 1654. A bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases; to the Committee on the Judiciary.

By Mr. COHEN (for himself, Mr. BURDICK, Mr. DECONCINI, Mr. DODD, Mr. STENNIS, Mr. DOLE, Mr. EAST, Mr. FORD, Mr. HATCH, Mr. HOLLINGS, Mr. HEINZ, Mr. MCCLURE, Mr. MITCHELL, Mr. NICKLES, Mr. PRYOR, Mr. THURMOND, Mr. DENTON, Mr. D'AMATO, Mr. MATTINGLY, Mr. COCHRAN, Mr. MCCONNELL, Mr. LEVIN, Mr. DIXON, Mr. LAUTENBERG, and Mr. EAGLETON):

S.J. Res. 201. A joint resolution to designate the week beginning September 22, 1985, as "National Needlework Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DODD:

S. Res. 222. A resolution expressing the support of the Senate for the agreement by opposition political parties in Chile calling for a transition to full democracy in that country, and for other purposes; to the Committee on Foreign Relations.

By Mr. QUAYLE:

S. Con. Res. 65. A concurrent resolution establishing procedures for expedited consideration by the Congress of certain bills and joint resolutions submitted by the President; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI (by request):

S. 1649. A bill to amend title 38, United States Code, to authorize the Veterans' Administration to make temporary and part-time appointments of certain health-care personnel for periods in excess of 1 year; to the Committee on Veterans' Affairs.

TEMPORARY AND PART-TIME APPOINTMENTS OF CERTAIN HEALTH-CARE PERSONNEL

● Mr. MURKOWSKI. Mr. President, S. 1649, a bill to amend title 38, United States Code, to authorize the Veterans' Administration to make temporary and part-time appointments of certain health-care personnel for periods in excess of 1 year.

Mr. President, I rise to introduce, by request, a bill which would authorize the Veterans' Administration to make temporary and part-time appointments of certified or registered respiratory therapists, licensed physical therapists, and licensed practical or vocational nurses for periods in excess of 1 year.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1649

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That (a) section 4114(a)(1) of title 38, United States Code, is amended by inserting "certified or registered respiratory therapists, licensed physical therapists, licensed practical or vocational nurses," after "dental auxiliaries," in clause (A), and by inserting ", certified or registered respiratory therapists, licensed physical therapists, licensed practical or vocational nurses" after "dental auxiliaries" in clause (B);

(b) Section 4114(a)(2) of title 38, United States Code, is amended by striking out "paragraph (1) of section 4104" and inserting in lieu thereof "paragraphs (1) and (3) of section 4104";

(c) Section 4114(a)(3)(A) of title 38, United States Code, is amended—

(1) by striking out "and" after "physician assistants,";

(2) by inserting after "dental auxiliaries" the following: ", certified or registered respiratory therapists, licensed physical therapists, and licensed practical or vocational nurses"; and

(3) by striking out "paragraph (1)" and inserting in lieu thereof "paragraphs (1) and (3)"; and

(d) Section 4114(a)(3)(B) is amended by inserting after "dental auxiliaries," the following: "certified or registered respiratory therapists, licensed physical therapists, and licensed practical or vocational nurses,".●

By Mr. MURKOWSKI (by request):

S. 1650. A bill to amend title 38, United States Code, to clarify the authority of the Chief Medical Director or designee regarding disciplinary actions on certain probationary title 38 health care employees; to the Committee on Veterans' Affairs.

AUTHORIZATION OF CERTAIN DISCIPLINARY ACTIONS ON CERTAIN PROBATIONARY HEALTH CARE EMPLOYEES

● Mr. MURKOWSKI. Mr. President, S. 1650, a bill to amend title 38, United States Code, to clarify the authority of the Chief Medical Director of the Veterans' Administration or designee regarding disciplinary actions on certain probationary title 38 health care employees.

Mr. President, I rise to introduce, by request, a bill which would clarify the authority of the Chief Medical Director or designee to accept, reject, or modify recommendations made by professional standards boards as a result of their reviews of the performance of probationary medical professionals.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1650

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 4106(b) of title 38, United States Code, is amended to read as follows:

"(b) Appointments under section 4104(1) of this title shall be subject to a probationary period of two years. The record of performance of each person serving under such appointment may be reviewed at any time during that period by a board or boards appointed in accordance with regulations issued by the Administrator. Procedures governing the review of employee performance during the probationary period shall be established in regulations issued by the Administrator. The board(s) shall recommend to the Chief Medical Director, or designee, action consistent with the ability of the employee, as determined by the board(s), to perform efficiently. The Chief Medical Director, or designee, may accept, reject, or modify the recommendation of the board(s). If the Chief Medical Director, or designee, takes action not recommended by the board(s), a statement of the reasons therefor shall be prepared and made part of the record."●

By Mr. HEINZ:

S. 1652. A bill to amend the Internal Revenue Code of 1954 to make permanent the exclusion for amounts received under qualified group legal services plans; to the Committee on Finance.

EXCLUSION OF AMOUNTS UNDER QUALIFIED GROUP LEGAL SERVICES PLANS

● Mr. HEINZ. Mr. President, today I am introducing legislation to extend the tax exclusion for employer-provided prepaid group legal services which under current law will expire on December 31, 1985. Section 120 of the Internal Revenue Code excludes from the gross income of employees the amount of employer contributions and the value of benefits associated with employer-provided prepaid group legal services plans. This provision was originally enacted in 1976 for 5 years, and has been extended on two previous occasions.

The President's tax reform proposal, so-called Treasury II, calls for the permanent extension of the tax exclusion for employer-provided prepaid group legal services. I rise today to introduce a bill which continues this exclusion. I know I speak for my colleagues in both Houses when I say that we all seek legislation to create a simpler, fairer, and more efficient tax system. However, given the enormity of the task, the Congress most likely will not be able to enact tax reform legislation before this exemption expires at the end of this year. As evidenced by its inclusion in Treasury II, employer-provided group legal services has gained wide support. Therefore, I introduce this bill to ensure that those employees who benefit from these plans may continue to rely on them while the Congress considers broad-based reform.

Employer-provided group legal service plans serve a valuable social purpose by providing working people with access to service they might otherwise not be able to afford. The benefits provided vary by plan, but most are relatively simple and routine legal services: General legal advice, assistance with real estate matters, wills, family problems, consumer and debt problems, personal bankruptcies, and representation for misdemeanors and traffic matters. Employer provision through a prepaid plan can save employees lost time, expense, and uncertainty in seeking their own legal counsel, and provide them with information which may actually reduce the need for litigation later to settle disputes.

Mr. President, more than 13 million people: Employees, their spouses and dependents, are covered under group legal service plans according to the National Resources Center for Consumers of Legal Services. Yet, the revenue loss associated with this tax benefit remains relatively small, only $40 million in 1985 according to OMB estimates. This is largely because of the low cost and limited benefits associated with these plans.

In recognition of the growing number of people who have come to rely on this important employee benefit, I urge my colleagues to join me in supporting the tax exclusion for group legal services.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1652

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 120 of the Internal Revenue Code of 1954 (relating to exclusion for amounts received under qualified group legal services plans) is amended by striking out subsection (e) and by redesignating subsection (f) as subsection (e).●

By Mr. STEVENS (for himself, Mr. Denton, Mr. Durenberger, Mr. Leahy, Mr. Murkowski, Mr. Garn, Mr. Domenici, Mr. Bumpers, Mr. Heinz, and Mr. Byrd):

S. 1654. A bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases; to the Committee on the Judiciary.

PENALTIES TO BE IMPOSED ON CONVICTED SPIES

● Mr. DURENBERGER. Mr. President, I am most pleased to cosponsor this bill, introduced by my good friend and colleague from Alaska, Senator Stevens. You might call this bill the Take the Fun Out of Spying Act of 1985. Its intent is to make spying less likely to succeed and less profitable once a person is caught.

We are faced with a new breed of spies, ones who will sell their country down the river for money and kicks. They have no ideology, no beliefs, no goals beyond life in the fast lane. Where spying may once have been a crime of politics, now it attracts the same people as drug smuggling.

We need new approaches to the detection and apprehension of these new spies. The Senate Select Committee on Intelligence is currently reviewing the whole range of U.S. counterintelligence and security programs to see what improvements are needed in those areas. The Stilwell Commission in the Defense Department is doing the same thing for that part of the Government. And the Intelligence Committee is meeting with cooperation and encouragement from all the officials with whom we have consulted, from the NSC to the FBI, CIA, and the military services. I have high hopes that before this year is out, we will see real progress on several fronts.

The bill we are introducing today is part of that progress. The reward system that it sets up will encourage people to come forward to the authorities when a person with classified information starts offering it to our enemies. We have seen in recent espionage cases that it is often the friends and relatives of a spy who understand what really is happening when that person takes vacations in Eastern Europe or spends hours riding aimlessly around on back roads or brings stacks of papers home from work. Providing that information to the authorities can put some more spies behind bars, or help our counterintelligence units to frustrate those espionage activities.

Once a spy is caught and convicted, the rest of this bill will take away any pot of gold that a spy might think would still be at the end of the rainbow. All the proceeds and paraphernalia of spying will be the subject to forfeit. So will the proceeds of notoriety be forfeited under this bill. There will be no spies getting rich on magazine or television interviews, or movie contracts. Not that many do now, but we must make it clear to the foolish and desperate people who may see spying as a road to solvency or riches that this is really the road to nowhere. This bill will help send that message.

One important aspect of this bill to note is that it applies strictly to spies for foreign countries. This is not a "leak" statute; it is no threat to the civil liberties of whistle blowers. This bill is designed to apprehend and punish spies, the people to whom our country is of so little concern that they will sell defense secrets to the KGB, or the GRU, or the Polish intelligence service, or East Germany, or China. The bill is properly limited to the most important threat.

I look forward to passage of this bill as soon as possible. Senator Leahy and I have both cosponsored this bill, as has our Intelligence Committee colleague Senator Murkowski. My guess is that our committee as a whole would be happy to endorse this legislation, and I hope that the Judiciary Committee will find it similarly laudable.

We cannot undo overnight the changes of a generation that have eroded love of country and given too many Americans no higher ideal than "looking out for No. 1." But passage of legislation like this may at least make the point that, to paraphrase William Jennings Bryan, "thou shalt not crucify our country upon a cross of gold."●

Mr. BYRD. Mr. President, I am pleased to join with Senator Stevens today in introducing legislation which would stiffen the penalties which may be imposed on convicted spies.

I have often said that there is no more heinous crime than that which is committed by individuals who would sell out and betray this country. Enactment of this legislation would create a further deterrent to such despicable activities.

Articles which have appeared in the press concerning the so-called Walker espionage case have alleged that the primary motivating factor in that case was pure and simple greed, a desire to make money from the sale of sensitive U.S. defense information. The bill which I am cosponsoring today would simply seek to attack that motive by requiring that convicted spies would have to forfeit anything of value that they receive as a result of their espionage activities. And if any potential spy believes he might also be able to profit even further from his activities by writing a book or selling a television story about what he has done, this legislation would deal with that kind of exploitation as well: The proceeds from the sale of such publication or broadcast rights may also have to be forfeited by the convicted spy.

Finally, this legislation would establish a reward fund to encourage people who know about espionage activities by others to bring that information to the attention of the proper authorities: The U.S. Government would be authorized to pay up to a half million dollars for information leading to the arrest and conviction of spies.

We simply cannot stand idly by and witness the slow hemorrhaging of our most vital national secrets to our adversaries. This bill would constitute a major step forward in our effort to stop these crimes.

I applaud the continuing interest of my colleague from Alaska [Mr. Stevens] in this urgent national problem, and I urge the prompt processing and enactment of this legislation.

ADDITIONAL COSPONSORS

S. 653

At the request of Mr. Abdnor, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of S. 653, a bill to name the Federal Building located at 1200 Pennsylvania Avenue, NW., Washington, DC, as the "Ariel Rios Memorial Federal Building."

S. 670

At the request of Mr. Pell, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 887

At the request of Mr. Dole, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 887, a bill to amend the Internal Revenue Code of 1954 to extend the deduction for expenses incurred in connection with the elimination of architectural and transportation barriers for the handicapped and elderly.

S. 1084

At the request of Mr. Goldwater, the names of the Senator from Alabama [Mr. Heflin], the Senator from Rhode Island [Mr. Chafee], the Senator from Montana [Mr. Baucus], and the Senator from Louisiana [Mr. Johnston] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1223

At the request of Mr. Armstrong, the names of the Senator from Massachusetts [Mr. Kerry], the Senator from Indiana [Mr. Quayle], the Senator from Tennessee [Mr. Gore], the Senator from Vermont [Mr. Leahy] the Senator from Alaska [Mr. Murkowski], and the Senator from New Mexico [Mr. Domenici] were added as cosponsors of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean war.

S. 1305

At the request of Mr. Trible, the name of the Senator from Oklahoma [Mr. Boren], was added as a cosponsor of S. 1305, a bill to amend title 18, United States Code, to establish criminal penalties for the transmission by computer of obscene matter, or by computer or other means, of matter pertaining to the sexual exploitation of children, and for other purposes.

S. 1440

At the request of Mr. Stevens, the name of the Senator from New Mexico [Mr. Bingaman], was added as a cosponsor of S. 1440, a bill to restrict smoking to designated areas in all U.S. Government buildings.

S. 1448

At the request of Mr. Chiles, the name of the Senator from California [Mr. Cranston] was added as cosponsor of S. 1448, a bill to authorize appropriations for construction of certain highways in accordance with title 23 of the United States Code, for highway safety and for other purposes.

S. 1537

At the request of Mr. Nickles, the name of the Senator from Vermont [Mr. Leahy] was added as cosponsor of S. 1537, a bill to amend title IV of the Higher Education Act of 1965 to provide standards for students for maintaining satisfactory progress as a condition for assistance under that title.

S. 1544

At the request of Mr. Roth, the name of the Senator from Montana [Mr. Baucus] was added as cosponsor of S. 1544, a bill to extend the Trade Adjustment Assistance Program to place such program on a sound financial basis and to reform such program to emphasize the retraining of workers.

S. 1601

At the request of Mr. Leahy, the name of the Senator from Vermont [Mr. Stafford] was added as a cosponsor of S. 1601, a bill entitled the "Rural Transportation Equity Act of 1985."

SENATE JOINT RESOLUTION 74

At the request of Mr. Thurmond, the name of the Senator from Georgia [Mr. Nunn] was added as a cosponsor of Senate Joint Resolution 74, a joint resolution to provide for the designation of the month of February 1986, as "National Black (Afro-American) History Month."

SENATE JOINT RESOLUTION 117

At the request of Mr. Levin, the names of the Senator from Connecticut [Mr. Weicker], the Senator from Iowa [Mr. Grassley], the Senator from Ohio [Mr. Glenn], and the Senator from Virginia [Mr. Trible] were added as cosponsors of Senate Joint Resolution 117, a joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 139

At the request of Mr. Hatch, the names of the Senator from Tennessee [Mr. Gore], the Senator from Alabama [Mr. Denton], and the Senator from Louisiana [Mr. Johnston] were added as cosponsors of Senate Joint Resolution 139, a joint resolution to designate the week of December 1, 1985 through December 7, 1985, as "National Home Care Week."

SENATE JOINT RESOLUTION 149

At the request of Mr. Dixon, the names of the Senator from Ohio [Mr. Glenn], the Senator from Virginia [Mr. Warner], the Senator from Florida [Mrs. Hawkins], the Senator from New Jersey [Mr. Bradley], the Senator from Michigan [Mr. Riegle], and the Senator from Illinois [Mr. Simon] were added as cosponsors of Senate Joint Resolution 149, a joint resolution to designate the week of September 15, 1985 through September 21, 1985, as "National Dental Hygiene Week."

SENATE JOINT RESOLUTION 152

At the request of Mr. Dodd, the names of the Senator from Rhode Island [Mr. Pell] the Senator from Massachusetts [Mr. Kennedy], the Senator from Arkansas [Mr. Bumpers], the Senator from Indiana [Mr. Lugar], the Senator from Mississippi [Mr. Cochran], the Senator from Oklahoma [Mr. Boren], the Senator from Alaska [Mr. Murkowski], the Senator from Missouri [Mr. Eagleton], the Senator from Texas [Mr. Bentsen], the Senator from Mississippi [Mr. Stennis], the Senator from Delaware [Mr. Biden], the Senator from Illinois [Mr. Simon], the Senator from Maryland [Mr. Sarbanes], the Senator from West Virginia [Mr. Rockefeller], the Senator from Louisiana [Mr. Johnston], the Senator from New Mexico [Mr. Domenici], the Senator from Missouri [Mr. Danforth], the Senator from Kansas [Mrs. Kassebaum], the Senator from Texas [Mr. Gramm], the Senator from Alaska [Mr. Stevens], and the Senator from Oregon [Mr. Hatfield] were added as cosponsors of Senate Joint Resolution 152, a joint resolution to recognize both Peace Corps Volunteers and Peace Corps on the agency's 25th anniversary, 1985–86.

SENATE JOINT RESOLUTION 171

At the request of Mr. Thurmond, the name of the Senator from Wyoming [Mr. Simpson] was added as a cosponsor of Senate Joint Resolution 171, a joint resolution proposing an amendment to the Constitution of the United States with respect to the length of the term of office of the President and Vice President and the number of terms a President may serve.

SENATE JOINT RESOLUTION 178

At the request of Mr. Thurmond, his name was added as a cosponsor of Senate Joint Resolution 178, a joint resolution to designate the week of April 13, 1986, through April 19, 1986, as "Hemochromatosis Awareness Week."

SENATE JOINT RESOLUTION 189

At the request of Mr. Hatch, the name of the Senator from Nebraska [Mr. Exon], the Senator from Alabama [Mr. Denton], the Senator from California [Mr. Cranston], the Senator from Massachusetts [Mr. Kerry], and the Senator from Ohio [Mr. Metzenbaum] were added as cosponsors of Senate Joint Resolution 189, a joint resolution designating the week beginning January 12, 1986 as "National Fetal Alcohol Syndrome Awareness Week."

SENATE JOINT RESOLUTION 194

At the request of Mr. Thurmond, his name was added as a cosponsor of Senate Joint Resolution 194, a joint resolution to designate the week beginning October 1, 1985, as "National Buy American Week."

SENATE CONCURRENT RESOLUTION 51

At the request of Mr. Dixon, the name of the Senator from Alaska [Mr. Murkowski] was added as a cosponsor of Senate Concurrent Resolution 51, a concurrent resolution to congratulate the Society of Real Estate Appraisers on the 50th anniversary of its founding.

AMENDMENT NO. 611

At the request of Mr. Dixon, his name was added as a cosponsor of amendment No. 611 proposed to S. 1200, a bill to amend the Immigration and Nationality Act to effectively control unauthorized immigration into the United States, and for other purposes.

AMENDMENT NO. 621

At the request of Mr. Simon, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of amendment No. 621 proposed to S. 1200, a bill to amend the Immigration and Nationality Act to effectively control unauthorized immigration into the United States, and for other purposes.

AMENDMENT NO. 624

At the request of Mr. D'Amato, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of amendment No. 624 proposed to S. 1200, a bill to amend the Immigration and Nationality Act to effectively control unauthorized immigration into the United States, and for other purposes.

SENATE CONCURRENT RESOLUTION 65—PROVIDING FOR EXPEDITED CONSIDERATION OF CERTAIN BILLS AND JOINT RESOLUTIONS SUBMITTED BY THE PRESIDENT

Mr. QUAYLE submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. Con. Res. 65

Resolved by the Senate (the House of Representatives concurring), That (a) if the President, at the time the President approves any appropriations bill, transmits to both Houses of the Congress, one or more special messages in accordance with subsection (b) proposing to rescind all or part of any item of appropriation provided in the appropriation bill, such special messages shall be considered in accordance with the provisions of this resolution.

(b)(1) Each special message transmitted under subsection (a) shall specify, with respect to each item of appropriation (or part thereof) proposed by the message to be rescinded, the matters referred to in paragraphs (1) through (5) of section 1012(a) of the Impoundment Control Act of 1974 (2 U.S.C. 683(a)).

(2) Each special message transmitted under subsection (a) shall be accompanied by a draft bill or joint resolution that would, if enacted, rescind each item of appropriation (or part thereof) proposed by the message to be rescinded.

(c)(1)(A) On the day on which a special message proposing to rescind an item of appropriation is transmitted to the House of Representatives and the Senate under subsection (a), the draft bill or joint resolution accompanying such special message shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by the Members of the House designated by the majority leader and the minority leader of the House, and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by the Members of the Senate designated by the majority leader and the minority leader of the Senate. If either House is not in session on the day on which a special message is transmitted, the draft bill or joint resolution shall be introduced in that House, as

provided in the preceding sentence, on the first day thereafter on which such House is in session.

(B) A bill or joint resolution introduced in the House of Representatives or the Senate pursuant to subparagraph (A) shall be referred on the date of introduction to the Committee on Appropriations of such House. The committee shall report the bill or joint resolution without substantive revision (and with or without recommendation) not later than 5 calendar days of continuous session of the Congress after the date on which the bill or joint resolution is introduced. A committee failing to report a bill or joint resolution within the 5-day period referred to in the preceding sentence shall be automatically discharged from consideration of the bill or joint resolution, and the bill or joint resolution shall be placed on the appropriate calendar.

(C) A vote on final passage of a bill or joint resolution introduced in a House of the Congress pursuant to subparagraph (A) shall be taken on or before the close of the 10th calendar day of continuous session of the Congress after the date of the introduction of the bill or joint resolution in such House. If the bill or joint resolution is agreed to, the Clerk of the House of Representatives (in the case of a bill or joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a bill or joint resolution agreed to in the Senate) shall cause the bill or joint resolution to be engrossed, certified, and transmitted to the other House of the Congress on the same calendar day on which the bill or joint resolution is agreed to by such House.

(2) If prior to the passage by one House of a bill or joint resolution introduced in that House under this section, that House receives a bill or joint resolution containing the same provisions from the other House pursuant to subparagraph (C) of paragraph (1), then—

(A) the procedure in the House receiving the bill or joint resolution with respect to the bill or joint resolution introduced in that House shall be the same as if the bill or joint resolution had not been received from the other House; but

(B) the vote on final passage shall be on the bill or joint resolution of the other House.

(3)(A) A motion in the House of Representatives to proceed to the consideration of a bill or joint resolution under this section shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the House of Representatives on a bill or joint resolution under this section shall be limited to not more than 4 hours, which shall be divided equally between those favoring and those opposing the bill or joint resolution. A motion to postpone, made in the House of Representatives with respect to the consideration of a bill or joint resolution under this section, and a motion to proceed to the consideration of other business, shall not be in order. A motion further to limit debate shall not be debatable. It shall not be in order to move to table or to recommit a bill or joint resolution under this section or to move to reconsider the vote by which the bill or joint resolution is agreed to or disagreed to.

(C) All appeals from the decision of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a bill or joint resolution under this section shall be decided without debate.

(D) Except to the extent specifically provided in the preceding provisions of this paragraph, consideration of a bill or joint resolution under this section shall be governed by the Rules of the House of Representatives applicable to other bills and joint resolutions in similar circumstances.

(4)(A) a motion in the Senate to proceed to the consideration of a bill or joint resolution under this section shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on a bill or joint resolution under this section, and all debatable motions and appeals in connection therewith, shall be limited to not more than 4 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a bill or joint resolution under this section shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill or joint resolution, expect that in the event the manager of the bill or joint resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a bill or joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a bill or joint resolution under this section is not debatable. A motion to table or to recommit a bill or joint resolution under this section is not in order.

(d) No amendment to a bill or joint resolution considered under this section shall be in order in either the House of Representatives or the Senate. No motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this subsection by unanimous consent.

(e) For purposes of this section—

(1) "item of appropriation" means any numerically expressed amount of budget authority set forth in an appropriation bill;

(2) "appropriation bill" means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations;

(3) "appropriation Act" means any appropriation bill that has been approved by the President and become law;

(4) "budget authority" has the meaning given to such term in section 3(2) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(2)); and

(5) continuity of a session of the Congress shall be considered as broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of the 5-day and 10-day periods referred to in subsection (c) of this section. If a special message is transmitted under this section during any Congress and the last session of the Congress adjourns sine die before the expiration of 10 calendar days of continuous session (or a special message is transmitted after the last session of the Congress adjourns sine die), the message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the 5-day and 10-day periods referred to in subsection (c) of this section shall commence on the day after such first day.

(f) The provisions of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

● Mr. QUAYLE. Mr. President, it would be easy but not productive to dwell at length on the fiscal crisis threatening our Nation, to expound further on the staggering deficits of the past or to emphasize once again that, even with the overoptimistic assumptions built into the last budget resolution, future deficits are even more frightening than those of the past. Those of us concerned with the prospect—or should I say the reality—of a $2 trillion national debt and worried about the not so distant future when it will be $3 trillion, must do more than curse the fates or command the tide to recede. We must not only vote for fiscally prudent options, whether on budget resolutions, appropriations, or entitlement bills, but we must also examine our congressional procedures to determine how we may counteract the drift toward extravagance that seems to afflict our processes.

I am today introducing, for appropriate referal, a concurrent resolution that, if adopted, could make a significant contribution toward congressional fiscal responsibility without encountering the difficult constitutional and passionate political objections that seem to surround line-item veto proposals. Let me make clear, however, that this proposal does not diminish my enthusiasm for Senator Mattingly's line-item veto proposal.

My proposal is a simple one. Using the rulemaking powers of each House, it guarantees an up-down vote on rescission bills submitted by the President under specified conditions. More specifically, my concurrent resolution provides that, if the President signs an appropriations bill containing one or more items of which he disapproves, he may send a special message to Congress proposing the rescission of all or any part of an item of appropriation contained in that bill. A bill, or bills, implementing the President's message would be introduced in both Houses and referred to the Appropriations Committees. These committees would be limited to determining whether the President's message met the conditions for expedited consideration in the resolution and would then report the bill to the floor without amendment. The bill would be guaranteed consideration on the floor with no amendments in order. I invite my colleagues attention to the text of the concurrent resolution which deals with the many technical points required to carry out such a procedure.

Let me take a few minutes to explain why I think such a procedure is necessary as one important approach to dealing with our deficit problem. I want to emphasize immediately that I recognize that my proposal is no cure-all for our deficit problems, but it will have some restraining effect on the amounts we spend—and in our current situation of staggering deficits, we must utilize every available mechanism that will promote fiscal responsibility.

Historically, the pressures for spending came from the executive branch, and the legislature served as the mechanism for restraint. In those early days of our Republic, the legislature had the painful and difficult task of raising taxes in order to finance expenditures, and they did that with great reluctance. In fact, we know that our representative form of government is derived from the ability of Parliament to refuse to vote funds for the King's use unless he agreed to redress popular grievances.

But the growth of democracy has changed that old relationship between executive and legislature, and expenditure of money has become a popular function for the legislature—especially when unconstrained by the need to raise equivalent revenues. Nowdays, the pressure for restraint more often comes from the executive than the legislature so that over the last few decades we have been searching for ways to prune out the extravagances that seem to get included in the congressional appropriations process where the opportunities for what is euphemistically called logrolling frequently overwhelm the cries for economy.

President Nixon tried to prune the budget through an expansion of the impoundment process that was rejected by both the courts and the Congress. The Congress tried a different approach in title X of the Congressional Budget and Impoundment Control Act of 1974, through a system of deferrals and rescissions, but that system has not served the desired function. While that statute authorizes the President to submit rescission proposals, it does not ensure that such proposals receive congressional consideration—and in fact they do not. Though President Reagan submitted 242 rescission proposals as a part of his fiscal year 1986 budget, not one has had a record vote in the Senate. It is, of course, true that many rescission proposals are incorporated into regular or supplemental appropriations bills, but it remains a fact that such proposals have no guarantee of separate consideration by the House or the Senate as a body.

The special procedures of section 1017 of the Budget Act have not worked to bring rescissions to the floor for consideration and that weakness must be corrected. The purpose of my proposal is to ensure serious congressional reconsideration of those items of appropriations that the President considers excessive or unnecessary. We have all voted for appropriation bills without being committed to every item that is included. My proposal will require Congress to give careful consideration to those items in an appropriations bill of which the President disapprove. If the President believes that an appropriation is unnecessary or excessive, it does not seem unreasonable to require Senators and Congressmen to vote publicly on the need for that item.

It is my belief that this process will make it easier to eliminate unnecessary spending without making any change in our constitutional balance of powers. I invite all my colleagues, both supporters and opponents of the line-item veto, to support this concurrent resolution as one means of promoting fiscal responsibility.●

SENATE RESOLUTION 222—CALLING FOR A TRANSITION TO FULL DEMOCRACY IN THE GOVERNMENT OF CHILE

Mr. DODD submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 222

Whereas a military government headed by General Augusto Pinochet has ruled Chile since 1973, denying Chileans their civil liberties and outlawing or suspending all Chilean political parties;

Whereas violence has repeatedly broken out in Chile in protest of the military rule;

Whereas the Government of Chile has made no commitment for an early return to civilian rule, and Geneal Pinochet has relied in the past on the divisions within the anti-Government opposition to continue in power;

Whereas eleven political parties representing 80 percent of the electorate have recently reached an agreement which moderates their demands on the Pinochet government and provides for a return to civilian government;

Whereas the agreement, known as the National Accord for the Transition to Full Democracy, proposes the legalization of political parties, the return of exiles, the restoration of full civil liberties, and the holding of generl elections at a date to be negotiated; and

Whereas the Government of Chile has made no definitive response to the agreement: Now, therefore, be it

Resolved, That the Senate hereby expresses its support for the agreement reached by opposition political parties in Chile calling for a transition to full democracy and urges the Government of Chile to take steps to begin to carry out this transition.

● Mr. DODD. Mr. President, the bad new from Chile is that the Pinochet Government still holds sway and continues to rule with an iron hand. Indeed, just a few short days ago, September 11 to be exact, the people of that politically beleaguered land marked the 12th anniversary of the demise of the Allende government at the hands of their military leaders.

The good news from Chile is that its military rulers are now under increasing internal pressure to restore democratic procedures and respect for civil liberties. That pressure comes from across the political spectrum—left to right and right to left—and from the Catholic Church which has been instrumental in securing agreement among Chile's democratic opposition.

Mr. President, as a result of this effort, the Pinochet regime now confronts a unified democratic opposition, encompassing some 11 political parties and representing approximately 80 percent of the electorate. This is the significance of the recently announced national accord for the transition to full democracy. According to Lydia Chavez, the New York Times correspondent in Santiago, this is "* * * the first time such a broad spectrum of the opposition had agreed on the rules for a return to civilian government."

Some of the principal features of the national accord include a call for the creation of an electoral register, the legalization of political parties, the direct election of the President and the Congress; and for a mixed economy and respect for private property. Moreover, in a bow to the military, the accord "rules out collective trials for human rights abuses," but at the same time it demands the full restoration of civil rights and political freedoms.

Mr. President, because of the importance of this political development in Chile, I am introducing today a resolution which will put the Senate on record in support of the national accord and in urging the Pinochet government to implement it without further delay.

The democratic opposition in Chile has taken a major step forward in its efforts to return Chile to the democratic column. It needs and deserves our help and support. And I know from recent conversations with a variety of Chilean political spokesmen that a resolution along the lines which

I am introducing today will be both beneficial and constructive.

I hope my colleagues will give this resolution the urgent consideration it deserves.●

AMENDMENTS SUBMITTED

SUPERFUND IMPROVEMENT LEGISLATION

DeCONCINI AMENDMENT NO. 627

(Ordered to lie on the table.)

Mr. DeConcini submitted an amendment intended to be proposed by him to the bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; as follows:

On pages 88-89, strike out section 124 of the bill. On page 118, following the line 8, insert the following:

CONTRACTOR LIABILITY AND INDEMNIFICATION

Sec. . Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new section:

"CONTRACTOR LIABILITY AND INDEMNIFICATION

"Sec. 119. (a) Notwithstanding the provisions of section 114 of this title, no response action contractor shall be liable under this title or under any other Federal or State law or under common law to any person for injuries, costs, damages, expenses, or other liability (including but not limited to claims for indemnification or contribution and claims by third parties for death, personal injury, illness, loss of or damage to property, or economic loss) which result from any release or threatened release of a hazardous substance or pollutant or contaminant from a facility.

"(b) The exemption from liability provided under subsection (a) of this section shall not apply where—

"(1) a release or threatened release was caused by conduct of the response action contractor which was negligent or reckless or constituted intentional misconduct; or

"(2) the response action contractor is also a person against whom an action could be brought under section 106 with respect to any release or a person who would be liable under section 107(a) with respect to any release or threatened release.

"(c)(1) The Administrator may agree to hold harmless and indemnify any response action contractor meeting the requirements of this subsection against any liability (including the expenses of litigation or settlement) arising out of the contractor's performance in carrying out a response action under this title, but only to the extent that—

"(A) the contractor has made reasonable efforts to obtain liability insurance coverage;

"(B) any liability arising out of the contractor's performance exceeds the available insurance coverage; and

"(C) such liability was not caused by conduct of the contractor which was grossly negligent or reckless or constituted intentional misconduct.

"(2) The provisions of this subsection shall apply only with respect to a response action carried out under a written contract or agreement with—

"(A) the Administrator;

"(B) another Federal agency; or

"(C) a State or political subdivision which has entered into a contract or cooperative agreement in accordance with section 104(d)(1) of this title.

"(3) The provisions of this subsection shall not be subject to sections 1301 or 1341 of title 31 or section 11 of title 41 of the United States Code.

"(d) Nothing in this section shall affect the liability under this title or under any other Federal or State law of any person other than a response action contractor.

"(e)(1) A person is a 'response action contractor' under this section if such person is carrying out any response action under this title (including any evaluation, planning, design, engineering, construction, equipment, or ancillary services in connection with such response action) with respect to any release or threatened release of a hazardous substance or pollutant or contaminant from a facility, under a written contract or agreement with—

"(A) the Administrator;

"(B) another Federal agency;

"(C) a State or political subdivision which has entered into a contract or cooperative agreement in accordance with section 104(d)(1) of this title; or

"(D) any person against whom an action could be brought under section 106 with respect to such release, or any person who would be liable under section 107(a) with respect to such release or threatened release.

"(2) For purposes of this section, the term 'response action contractor' includes any person retained or hired by a response action contractor to provide any services relating to a response action.".

IMMIGRATION CONTROL ACT

LEVIN (AND OTHERS) AMENDMENT NO. 628

Mr. LEVIN (for himself, Mr. DeConcini, Mr. Bentsen, Mr. Bingaman, and Mr. Hatfield) proposed an amendment to the bill (S. 1200) to amend the Immigration and Nationality Act to effectively control unauthorized immigration to the United States, and for other purposes; as follows:

On page 93, between lines 7 and 8, insert the following:

(k)(1) The Congress finds that because equities exist in a certain group of persons who, while at present in the United States illegally, arrived prior to January 1, 1980, this Act provides the prospect for legalization for such group of persons who meet the eligibility requirements of this Act.

(2) It is not the purpose of this Act to deny employment or to otherwise prevent such group of persons from qualifying for legalization.

(3) Notwithstanding any other provision of law, the Attorney General shall prescribe regulations to permit any person who would be eligible for legalization under section 202 to remain in the United States and to engage in employment until the end of the application period described in subsection (a)(1).

WILSON (AND OTHERS) AMENDMENT NO. 629

Mr. WILSON (for himself, Mr. Durenberger, Mr. Moynihan, and Mr. Cranston) proposed an amendment to the bill S. 1200, supra; as follows:

On page 93, line 12, strike out "$600,000,000 for each of three" and insert in lieu thereof "$300,000,000 for each of the first two".

On page 93, line 14, before the period insert a comma and the following: "and $600,000,000 for each of the next four fiscal years".

On page 95, line 9, strike out "$600,000,000 for each of the three fiscal years" and insert in lieu thereof "$300,000,000 for each of the first two fiscal years and $600,000,000 for each of the next four fiscal years".

Beginning on page 96, line 5, strike out "Any" and all that follows through "made." on line 8 and insert in lieu thereof the following: "Any amount paid to a State for any of the following fiscal years and remaining unobligated at the end of such year shall remain available to such State for the purposes for which it was made, as follows: Amounts appropriated for the first, second, third, fourth, and fifth fiscal years, as described in subsection (a), shall remain available for the next five, four, three, two, and one fiscal years thereafter, respectively.".

Beginning on page 94 with line 13, strike out all through line 7 on page 95 and insert in lieu thereof the following:

(2)(A) The amount of the allotment to a State under this section for a fiscal year shall bear the same proportion to the total allotments to States under this section for such fiscal year as the number of eligible legalized aliens (as defined in subsection (i)(3)) in such State that are applying for public programs of assistance (for which such aliens were not disqualified under section 202(h) at the time of such assistance) bears to the total number of such aliens that are applying for such assistance in all States.

SUPERFUND IMPROVEMENT ACT

STAFFORD (AND BENTSEN) AMENDMENT NO. 630

Mr. STAFFORD (for himself and Mr. Bentsen) proposed an amendment to the bill S. 51, supra; as follows:

On page 59, lines 19 and 20, strike out the phrase, "a facility", and insert in lieu thereof "residential buildings or business or community structures".

On page 116, lines 23 and 24, strike the phrase, "or disposal" each time it appears, and on line 24, strike "or" before "(B)".

On page 109, following line 14, insert the following new section 135 and renumber the following sections accordingly:

"NOTICE OF CERLCA ACTIONS

"Sec. . Section 113 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(i) Notice of actions.—Whenever any action is brought under this Act in a court of the United States by a plaintiff other than the United States, the plaintiff shall provide a copy of the complaint to the Attorney General of the United States and to the Administrator.".

On page 71, after line 8, insert the following:

"(5) No person required to provide information or documents under this Act may claim that the information is entitled to protection under this section unless such claimant shows that:

"(A) the claimant has not disclosed the information to any other person, other than to an employee of the claimant or a person who is bound by a confidentiality agreement or to a person to whom the data has been supplied on a confidential basis in compliance with this Act, and the claimant has taken reasonable measures to protect the confidentiality of such information and intends to continue to take such measures;

"(B) the information could not reasonably be discovered by anyone other than such persons in the absence of disclosure; and

"(C) knowledge of such information gives the claimant an opportunity to obtain a significant advantage over competitors who do not know such information and disclosure of the information is likely to cause substantial harm to the claimant's competitive position.

"(6) The following information with respect to any hazardous substance as defined in section 101(14) shall not be entitled to protection under this section:

"(A) The chemical name, CAS number, trade name, and common name of the hazardous substances;

"(B) The physical properties of the substance, including its boiling point, melting point, flash point, specific gravity, vapor density, solubility in water, and vapor pressure at 20 degrees celsius;

"(C) The hazards to health and the environment posed by the substance, including physical hazards (such as explosion) and potential acute and chronic health hazards;

"(D) The potential routes of human exposure to the substance at the facility, establishment, place, or property being investigated, entered, or inspected under this subsection.

"(E) The location of disposal of any waste stream;

"(F) The identity and quantity of any waste stream;

"(G) Any monitoring data or analysis of monitoring data pertaining to disposal activities;

"(H) Any hydrogeologic or geologic data; and

"(I) Any groundwater monitoring data.".

On page 118, following line 19, insert the following new section:

PROCUREMENT PROCEDURES

Sec. . Title 1 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section at the end thereof:

"PROCUREMENT PROCEDURES

"Sec. . Notwithstanding any other provision of law, any executive agency may use competitive procedures or procedures other than competitive procedures to procure the services of experts for use in preparing or prosecuting a civil or criminal action under this Act, whether or not the expert is expected to testify at trial. The executive agency need not provide any written justification for the use of procedures other than competitive procedures when procuring such expert services under this Act and need not furnish for publication in the Commerce Business Daily or otherwise any notice of solicitation or synopsis with respect to such procurement.".

On page 94, strike lines 14-25, and on page 95, strike lines 1-15, and substitute the following:

"(c) In any case where a person liable under section 107 is in bankruptcy, reorganization, or arrangement pursuant to the Federal Bankruptcy Code, or where with reasonable diligence jurisdiction in the Federal Courts cannot be obtained over a person liable under section 107 likely to be solvent at the time of judgment, any claim authorized by section 107 or 111 may be asserted directly against the guarantor providing evidence of financial responsibility for that person. In the case of any action pursuant to this subsection, such guarantor shall be entitled to invoke all rights and defenses which would have been available to the person liable under section 107 if any action had been brought against such person by the claimant and which would have been available to the guarantor if an action had been brought against the guarantor by such person.

"(d) The total liability under this Act of any guarantor shall be limited to the aggregate amount of the monetary limits of the policy of insurance, guarantee, surety bond, letter of credit, or similar instrument provided by the guarantor to the person liable under section 107: *Provided*, That nothing in the subsection shall be construed to limit any other State or Federal statutory, contractual or common law liability of a guarantor to the person liable under section 107 including, but not limited to, the liability of such guarantor for bad faith either in negotiating or in failing to negotiate the settlement of any claim: Provided further, That nothing in this subsection shall be construed, interpreted or applied to diminish the liability of any person under section 107 or 111 of the Act or other applicable law.".

On page 161, after line 14, insert the following new section:

"HAZARDOUS MATERIALS TRANSPORTATION

"Sec. . (a) Section 306(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking 'within ninety days after the date of enactment of this Act' in the first sentence and inserting in lieu thereof 'by June 1, 1986,'; and by inserting the words 'and regulate' before the words 'as a hazardous material'.

"(b) Section 306(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting the words 'and regulation' after 'prior to the effective date of the listing'.".

On page 71, line 8, after the first period insert the following: "Notwithstanding any other provision of law, all requirements of the Atomic Energy Act and all executive orders concerning the handling of restricted data and national security information, including 'need to know' requirements, shall be applicable any grant of access to properly classified information under any provision of this Act, including section 103.".

KASTEN AMENDMENT NO. 631

Mr. STAFFORD (for Mr. Kasten) proposed an amendment to the bill S. 51, supra; as follows:

On page 47, after line 19, insert the following new section and renumber succeeding sections accordingly:

"DEDICATED DEFENSE PRODUCTION

"Sec. . Section 101(20) of the Comprehensive, Environmental, Response, Compensation, and Liability Act of 1980 is amended by adding the following subparagraph:

"( ) in the case of a facility containing any hazardous substance resulting from manufacturing operations dedicated to the production of munitions or ordnance parts for the Department of Defense (or any subdivision thereof) using equipment owned by such Department or subdivision, the term "owner or operator" shall include the United States Government;".

STAFFORD (AND BENTSEN) AMENDMENT NO. 632

Mr. STAFFORD (for himself and Mr. Bentsen) proposed and amendment to the bill S. 51, supra; as follows:

STATE AND LOCAL GOVERNMENT LIABILITY

S. 51 is amended by—

(1) On page 88, line 14, inserting after "release" the following: "or threatened release"; and

(2) On page 88, line 7 inserting "(a)" immediately before "Section";

(3) On page 87, line 21, inserting the following:

"(b) Section 101(20) is amended by inserting immediately before the semicolon at the end of clause (A) the following: 'nor does such term include a unit of state or local government which acquired ownership or control involuntarily through bankruptcy, foreclosure, tax deliquency, abandonment, or similar means of alienation;'.".

"(c) Section 101(20) is further amended by deleting clause (iii) and substituting the following: '(iii) in the case of any facility, title or control of which was conveyed due to abandonment, bankruptcy, foreclosure, tax delinquency of similar means to a unit of state or local government, any person who owned, operated or otherwise controlled activities at such facility immediately beforehand.'."

STAFFORD (AND BENTSEN) AMENDMENT NO. 633

Mr. STAFFORD (for himself and Mr. Bentsen) proposed an amendment to the bill S. 51, supra; as follows:

POLLUTION LIABILITY INSURANCE

Add the following at the end thereof:

"TITLE III

"AMENDMENTS RELATED TO THE INSURANCE OF POLLUTION LIABILITY

"Sec. 301. The Comprehensive Environmental Compensation and Liability Act of 1980 is amended by adding the following at the end thereof:

'TITLE IV—POLLUTION INSURANCE

'Section 401. This Title may be cited as the "Pollution Liability Insurance and Risk Retention Act".

DEFINITIONS

'Sec. 402. (a) As used in this Title—

'(1) "insurance" means primary insurance, excess insurance, reinsurance, surplus lines insurance, and any other arrangement for shifting and distributing risk which is determined to be insurance under applicable State or Federal law;

'(2) "pollution liability" means liability for injuries arising from the release of hazardous substances, pollutants or contaminants;

'(3) "risk retention group" means any corporation or other limited liability association taxable as a corporation, or as an insur-

ance company, formed under the laws of any state

'(A) whose primary activity consists of assuming and spreading all, or any portion, of the pollution liability or of its group members;

'(B) which is organized for the primary purpose of conducting the activity described under subparagraph (A);

'(C) which is chartered or licensed as an insurance company and authorized to engage in the business of insurance under the laws of any State; and

'(D) which does not exclude any person from membership in the group solely to provide for members of such a group a competitive advantage over such a person.

'(4) "purchasing group" means any group of persons which has as one of its purposes the purchase of pollution liability insurance on a group basis; and

'(5) "State" means any State of the United States or the District of Columbia.

'(b) Nothing in this Title shall be construed to affect either the tort law or the law governing the interpretation of insurance contracts of any State, and the definitions of pollution liability and pollution liability insurance under any State law shall not be applied for the purposes of this Act, including recognition or qualification of risk retention groups or purchasing groups.

'Sec. 403. (a) Except as provided in this section, a risk retention group is exempt from any State law, rule, regulation, or order to the extent that such law, rule, regulation, or order would—

'(1) make unlawful, or regulate, directly or indirectly, the operation of a risk retention group except that the jurisdiction in which it is chartered may regulate the formation and operation of such a group and any State may require such a group to—

'(A) comply with the unfair claim settlement practices law of the State;

'(B) pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on admitted insurers and surplus line insurers, brokers, or policyholders under the laws of the State;

'(C) participate, on a nondiscrimatory basis, in any mechanism established or authorized under the law of the State for the equitable apportionment among insurers of pollution liability insurance losses and expenses incurred on policies written through such mechanism;

'(D) submit to the appropriate authority reports and other information required of licensed insurers under the laws of a State relating solely to pollution liability insurance losses and expenses;

'(E) register with and designate the State insurance commissioner as its agent solely for the purpose of receiving service of legal documents or process, and, upon request, furnish such commissioner a copy of any financial report submitted by the risk retention group to the commissioner of the chartering or licensing jurisdiction;

'(F) submit to an examination by the State insurance commissioner in any State in which the group is doing business to determine the group's financial condition, if—

'(i) the commissioner has reason to believe the risk retention group is in a financially impaired condition; and

'(ii) the commissioner of the jurisdiction in which the group is chartered has not begun or has refused to initiate an examination of the group; and

'(G) comply with a lawful order issued in a delinquency proceeding commenced by the State insurance commissioner if the commissioner of the jurisdiction in which the group is chartered has failed to initiate such a proceeding after notice of a finding of financial impairment under subparagraph (F) of this paragraph;

'(2) require or permit a risk retention group to participate in any insurance insolvency guaranty association to which an insurer licensed in the State is required to belong;

'(3) require any insurance policy issued to a risk retention group or any member of the group to be countersigned by an insurance agent or broker residing in that State; or

'(4) otherwise discriminate against a risk retention group or any of its members, except that nothing in this section shall be construed to affect the applicability of State laws generally applicable to persons or corporations.

'(c) The exemptions specified in subsection (a) apply to—

'(1) pollution liability insurance coverage provided by a risk retention group for—

'(A) such group; or

'(B) any person who is a member of such group;

'(2) the sale of pollution liability insurance coverage for a risk retention group; and

'(3) the provision of insurance related services or management services for a risk retention group or any member of such a group.

'(d) A State may require that a person acting, or offering to act, as an agent or broker for a risk retention group obtain a license from that State, except that a State may not impose any qualification or requirement which discriminates against a nonresident agent or broker.

PURCHASING GROUPS

'Sec. 404. (a) Except as provided in this section, a purchasing group is exempt from any State law, rule, regulation, or order to the extent that such law, rule, regulation, or order would—

'(1) prohibit the establishment of a purchasing group;

'(2) make it unlawful for an insurer to provide or offer to provide insurance on a basis providing, to a purchasing group or its member, advantages, based on their loss and expense experience, not afforded to other persons with respect to rates, policy forms, coverages, or other matters;

'(3) prohibit a purchasing group or its members from purchasing insurance on the group basis described in paragraph (2) of this subsection;

'(4) prohibit a purchasing group from obtaining insurance on a group basis because the group has not been in existence for a minimum period of time or because any member has not belonged to the group for a minimum period of time;

'(5) require that a purchasing group must have a minimum number of members, common ownership or affiliation, or a certain legal form;

'(6) require that a certain percentage of a purchasing group must obtain insurance on a group basis;

'(7) require that any insurance policy issued to a purchasing group or any members of the group be countersigned by an insurance agent or broker residing in that State; or

'(8) otherwise discriminate against a purchasing group or any of its members.

'(b) The exemptions specified in subsection (a) apply to—

'(1) pollution liability insurance, and comprehensive general liability insurance which includes this coverage, provided to—

'(A) a purchasing group; or

'(B) any person who is a member of a purchasing group; and

'(2) the sale of—

'(A) pollution liability insurance, and comprehensive general liability coverage;

'(B) insurance related services; or

'(C) management services;

to a purchasing group or member of the group.

'(c) A State may require that a person acting, or offering to act, as an agent or broker for a purchasing group obtain a license from that State, except that a State may not impose any qualification or requirement which discriminates against a nonresident agent or broker.

'APPLICABILITY OF SECURITIES LAWS

'Sec. 405. (a) The ownership interests of members in a risk retention group shall be—

'(1) considered to be exempted securities for purposes of section 5 of the Securities Act of 1933 and for purposes of section 12 of the Securities Exchange Act of 1934; and

'(2) considered to be securities for purposes of the provisions of section 17 of the Securities Act of 1933 and the provisions of section 10 of the Securities Exchange Act of 1934.

'(b) A risk retention group shall not be considered to be an investment company for purposes of the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.).

'(c) The ownership interests of members in a risk retention group shall not be considered securities for purposes of any State blue sky law.'."

BRADLEY (AND LAUTENBERG) AMENDMENT NO. 634

Mr. BRADLEY (for himself and Mr. Lautenberg) proposed an amendment to the bill S. 51, supra; as follows:

At the end of the bill add the following new title:

TITLE III—LEAD FREE DRINKING WATER

SHORT TITLE

"Sec. 301. This title may be cited as the "Lead Free Drinking Water Act".

SAFE DRINKING WATER ACT AMENDMENTS

"Sec. 302. (a) In General.—Part B of title XIV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"PROHIBITION ON USE OF LEAD PIPES, SOLDER, AND FLUX

"Sec. 1417. (a) In General.—

"(1) Prohibition.—Any pipe, solder, or flux, which is used after date of Enactment of the SDWA of 1985, in the installation or repair of—

"(A) any public water system, or

"(B) any plumbing in a residential or nonresidential facility providing water for human consumption which is connected to a public water system.

must be lead free (as defined in subsection (d)). This paragraph shall not apply to leaded joints necessary for the repair of cast iron pipes.

"(2) Public notice of adverse effects.—Each community public water system shall provide notice, developed in consultation with the Administrator, to all users of the system with repect to—

"(A) the adverse health effects of exposure to lead, including a description of those populations which may be particularly sensitive to such exposure; and

"(B) any means reasonably available to such users for mitigating lead exposure from drinking water, taking into consideration the need to conserve water.

"(b) STATE ENFORCEMENT.—

"(1) ENFORCEMENT OF PROHIBITION.—The requirements of subsection (a)(1) shall apply to all States effective 24 months after the date of the enactment of this section. States shall enforce such requirements through State or local plumbing codes, or such other means of enforcement as the State may determine to be appropriate.

"(2) ENFORCEMENT OF PUBLIC NOTICE REQUIREMENTS.—The requirements of subsection (a)(2) shall apply to all States effective 24 months after the date of the enactment of this section.

"(c) PENALTIES.—If the Administrator determines that a State is not enforcing the requirements of subsection (a) as required pursuant to subsection (b), the Administrator may commence a civil action under section 1414(b).

"(d) DEFINITION OF LEAD FREE.—For purposes of this section, 'lead free' means soldiers and flux containing not more than 0.2 percent lead, and pipes and pipe fittings containing not more than 6.0 percent lead.".

"(b) CIVIL ACTION.—Section 1414(b) of the Public Health Service Act is amended—

(1) in the matter preceding paragraph (1), by inserting ", or with section 1417," after "or 1416"; and

(2) in paragraph (1), by inserting ", or under section 1417" after "subsection (a)".

"(c) NOTIFICATION TO STATES.—The Administrator of the Environmental Protection Agency shall notify all States with respect to the requirements of section 1417 of the Public Health Service Act within 90 days after the date of the enactment of this Act.

BAN ON LEAD WATER PIPES, SOLDER, AND FLUX IN VA AND HUD INSURED OR ASSISTED PROPERTY

SEC. 303. (a) PROHIBITION.—(1) The Secretary of Housing and Urban Development and the Administrator of Veterans' Affairs may not insure or guarantee a mortgage or furnish assistance with respect to newly constructed residential property which contains a potable water system unless such system uses only lead free pipe, solder, and flux.

(2) For purposes of paragraph (1), "lead free" means solders and flux containing not more than 0.2 percent lead, and pipes and pipe fittings containing not more than 6.0 percent lead.

"(b) EFFECTIVE DATE.—Subsection (a) shall become effective 24 months after the date of the enactment of this Act.

LEAD SOLDER AS A HAZARDOUS SUBSTANCE

SEC. 304. (a) IN GENERAL.—Section 2(f)(1) of the Federal Hazardous Substances Act is amended by adding at the end thereof the following:

(E) Any solder which has a lead content in excess of 0.2 percent.".

"(b) LABELING.—Section 4 of the Federal Hazardous Substances Act is amended by adding at the end thereof the following:

"(k) The introduction or delivery for introduction into interstate commerce of any lead solder which has a lead content in excess of 0.2 percent which does not prominently display a warning label stating the lead content of the solder and warning that the use of such solder in the making of joints or fittings in any private or public potable water supply system is prohibited.".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective 24 months after the date of the enactment of this Act.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Tuesday, September 17, in executive session to mark up legislation to reduce the deficit for fiscal years 1986, 1987, 1988, and House Joint Resolution 372, to increase the statutory limit on the public debt; as well as other pending legislation and to consider and act on pending nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Armed Services and the Defense Committee of the Bundestag of the Federal Republic of Germany be authorized to meet in executive session during the session of the Senate on Tuesday, September 17, to hold a meeting to discuss security issues of mutual concern.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during this session of the Senate on Tuesday, September 17, between the hours of 11 a.m. and 12 p.m., to mark up S. 616, the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, September 17, to hold an oversight hearing on the moratoria on OCS leasing in Federal waters adjacent to the coastline of the State of California.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SECURITIES

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, September 17, to hold a hearing on S. 727, a bill to clarify the application of the Public Utility Holding Company Act of 1935 to encourage cogeneration activities by gas utility holding company systems.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and Humanities, of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Tuesday, September 17, 1985, in order to conduct a hearing on the reauthorization of the Higher Education Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE KIDNAPING OF INES GUADALUPE DUARTE DURAN

● Mr. DODD. Mr. President, I want to take this opportunity to express my profound personal dismay over the brutal and senseless kidnaping of Ines Guadalupe Duarte Duran, eldest daughter of President Duarte of El Salvador. At the same time, I want to commend my colleagues in both the House and Senate for the prompt passage of resolutions condemning this criminal act and offering the full support of the United States in helping to secure Mrs. Duarte Duran's safe return.

These expressions of deep congressional concern are very real. Just as real is the sense of relief in learning that the President's daughter is still alive and that she has spoken to her father.

Mr. President, the kidnaping of Mrs. Duarte Duran, which resulted in the loss of two innocent lives, serves as yet another tragic testimony to the fact that, despite President Duarte's efforts to bring peace and democracy to this nation, it is violence and terrorism which still govern in El Salvador. And if we have learned anything from the recent history of El Salvador, it is that all factions, whether they be of the left or of the right, consistently demonstrate a propensity to employ violence as a preferred method of imposing their will upon others. The result is a continuous pattern of terrorism from which no one is spared.

Mr. President, I recently telephoned President Duarte to convey my deepest concerns for the safety of his daughter. He knows my prayers are with him and his family.●

CITIZENSHIP DAY, CONSTITUTION WEEK, AND INTERNATIONAL DAY OF PEACE

● Mr. D'AMATO. Mr. President, I rise today in honor of three separate, yet intertwined, days, September 17, 1985, marks Citizenship Day, the beginning

of Constitution Week, and the International Day of Peace. These events occur simultaneously because each one supports the other—without the order imposed by the Constitution, citizenship would become worthless. Without the support of a citizenry, the Constitution would never reach out beyond its own philosophical boundaries into the realm of practical application. Without the hope of peace in our world, we have nothing to offer our citizens or their children.

On September 27, 1787, 39 delegates to the Constitutional Convention signed the Constitution. Now, 198 years later, we celebrate a strong Federal system and a healthy system of checks and balances that protect the rights of the States of our citizens. This makes it very appropriate that we should also celebrate Citizenship Day at the same time. When so many in this world are denied such basic freedoms as individual expression, self-determination, and freedom to practice their own religion, we should be proud to stop and reflect upon our fortunes as citizens of this great Nation, and we should salute the great framework that so forcefully protects those rights we cherish so much.

However, it would prove most detrimental if we stopped there and presumed that we were an isolated island. This day, the third Tuesday of September as declared by the U.N. General Assembly, also serves as International Day of Peace. At this time, we are reminded that though we endjoy many privileges—we still have a long way to go toward establishing tranquility worldwide.

Days like this are meant to heighten our awareness of our rights and the integrity of our Federal Government's respect for those rights.●

WHISTLEBLOWERS

● Mr. SIMON. Mr. President, the American Legion magazine had an editorial on whistleblowers that makes a great deal of sense.

I believe we have to encourage those who are Federal employees who see abuses to stand up instead of discouraging them, as we now do.

I have been impressed time and again with Ernest Fitzgerald and the good work he is doing, but I am concerned that there are so few Ernest Fitzgeralds that come forward.

As I am inserting into the RECORD the American Legion editorial, let me note at the same time that that magazine is much improved over when I first started receiving it many years ago.

I ask that the editorial be printed in the CONGRESSIONAL RECORD.

The editorial follows:

FEAR OF REPRISAL

Despite the federal government's system of protection for "whistleblowers" against fraud and waste over the past two and a half years, there's been no rush to report the abuses.

The latest investigation by the U.S. Merit Systems Protection Board discovered that only 25 percent of the government workers who claimed knowledge of illegal or wasteful action even bothered to report the incident. The two major reasons for such apathy were the belief that nothing corrective would happen anyway, and that the loyal employees calling the foul balls would experience reprisal rather than reward.

Of those federal employees who had the courage to blow the whistle in 1983, the study noted, 23 percent said they were victims of reprisal or threats of reprisal. The study concluded that federal laws are not enough to encourage "whistleblowing," and urged federal agencies to develop their own programs to halt waste and fraud, while finding ways to protect the finger-pointers.●

SQUIRE BROEL HONORED FOR COMMUNITY SERVICE

● Mr. ABDNOR. Mr. President, this weekend one of my constituents, Squire Broel of Sturgis, will be honored for 50 years of service as a fireman in South Dakota.

Squire started his fire-fighting career at the precocious age of 17, in his hometown of Lesterville, a small community in the southeastern part of our State. Apparently thinking that the town's volunteer fire crew was a bit too slow in getting to a fire, Squire and a teenage friend joined in to help push the fire wagon. In fact, they pushed with so much vigor that, when one of the older volunteers slipped and fell, they pushed the wagon right over him. Fortunately, the man wasn't hurt, and the fire was put out. And Squire's enthusiasm was noted and rewarded, with an invitation to join as a full-fledged member of the volunteer crew.

Fifty years later and he's still going strong, with the same spirit and enthusiasm he showed on that day in Lesterville.

In the interim, Squire married Evelyn Hladky—the 50th anniversary of that event will be coming up in just 5 years—and had three children: Larry, married and with two children of his own in Walla Walla, WA; Caroyln, who lives with her husband, Tom McDonald, and two children in Rapid City; and Jean, who lives with her husband, Al Lehn, and their daughter here in the Washington area.

He also moved from Lesterville to Sturgis, at the other end of South Dakota, where the Broels have lived since 1951.

But one thing never changed. Squire has been a firefighter, and one of the best, for all these 50 years. In 1978 he retired after 27 years of service with the Fort Meade Veterans Administration hospital fire department, the last 17 of those years as fire chief. And he remains a volunteer fireman with the Sturgis department, as he has been since moving there.

Squire's service to his community and State have been noted on many past occasions. In 1964, he was named Federal Civil Servant of the year, and in 1967 he was selected as "Boss of the Year" in Sturgis. The Keep South Dakota Green Association picked him as Fireman of the Year in 1977.

But I suspect that Squire feels the same way I do about one thing—there is no honor as great as being respected and loved by the people of your own community. That respect and love is being shown this weekend in the town of Sturgis where Squire is getting some much-deserved recognition.

My congratulations to Squire and to Evelyn, for 50 years of a job well done.●

DOCTOR BEHIND THE MICROPHONE

● Mr. SIMON. Mr. President, much of the news from the Middle East is not good, but a story by Thomas L. Friedman in the New York Times on September 1, tells about Mrs. Ilana Basri who has a radio program that reaches into the Arab world that builds bridges between the Arab-Israeli community.

I thought it was a moving, heartwarming story.

We need more examples like this in both the Arab and Israeli communities.

I urge my colleagues to read it, if they have not and ask that the article be printed in the RECORD.

The article follows:

[From the New York Times, Sept. 1, 1985]

ISRAELI MEDICAL ADVISER IS RADIO ENVOY TO ARABS

(By Thomas L. Friedman)

JERUSALEM, Aug. 31—Ilana Basri is not a household name in Israel. In fact, few Israelis have heard of her.

But Mrs. Basri, 54 years old, has become one of the most widely listened-to-Israeli voices in the Arab world today. She probably gets more mail from places like Saudi Arabia and Syria than anyone in Israel.

Since 1971 Mrs. Basri has had a program on the Israeli radio's Arabic service called "Doctor Behind the Microphone," and it has become a vehicle for Arab-Israeli cooperation.

Twice a week Mrs. Basri, an Iraqi Jew who came to Israel in 1950, interviews Jewish and Arab doctors in Israel about the latest advances in treatments and Medical technology in Israeli hospitals. After the interviews, Mrs. Basri invites her listeners throughout the Arab world to write to her—at a special post office box in Geneva or by any other route—with their medical problems.

300 LETTERS A MONTH

Each month 300 letters from Arab listeners find their way to Mrs. Basri's office. She translates them into Hebrew and refers them to specialists at Hadassah Hospital in Jerusalem or other Israeli medical centers.

The specialists answer the medical queries with whatever limited advice is possible, which Mrs. Basri translates into Arabic and

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broadcasts on her 30-minute program, or they ask the listener to send more medical records from a local doctor in order to better diagnose the problem. Those who send their records, and are determined by a Israeli specialist to be treatable, are invited by Mrs. Basri on the air to come to Israel, at their own expense.

Mrs. Basri personally arranges all visas through the Interior Ministry and accompanies everyone who comes to the hospital. Every year dozens of Arabs, including Kuwaitis, Qataris, Saudi Arabians, Libyans and Syrians, are quietly getting treatment in Israeli hospitals as a result of her program.

"Diseases don't know any boundaries," Mrs. Basri said, "and I don't feel that treatments should either."

PRAISE FROM DOCTORS

Her efforts have won praise from Israeli doctors. "She is doing a remarkable job in improving relations between us and the Arabs," said Dr. Yaacov Shanon of Bikur Holim Hospital in Jerusalem, who has treated scores of Arab patients referred by Mrs. Basri.

"There is a new generation of very good young doctors in the Arab world, but not everyone has access to them," he added. "The cases that are coming to us are usually the most difficult ones from both a diagnostic and a therapeutic point of view."

Because of the problems involved for a Kuwaiti or a Syrian in traveling to Israel—a country with which their Governments are technically at war and to which a visit would be punishable by a long prison term—Mrs. Basri is discreet in her responses. Most listeners do not sign their letter to her by name but use their initials or a code name related to their illness.

On the air, Mrs. Basri may reply: "To the bird without wings in Kuwait, the doctor says he thinks he can treat you here. Please send me your passport details." Or: "To A. B. in Saudi Arabia, your visa has been approved by the Interior Ministry. you can pick it up at the Allenby Bridge on the Jordan River between Aug. 15 and Sept. 1. The visa is good for one month. Call me on arrival in Jerusalem, and I will take you to the doctor."

SOME PROMINENT LISTENERS

With its 1.2-million-watt transmitter, one of the most powerful in the Middle East, Israel's Arabic service reaches listeners from Morocco to Iraq. It is an open secret that it is tuned in at coffeehouses and in taxis in every Arab capital, and Presidents Hafez al-Assad of Syria and Amin Gemayel of Lebanon are known to be regular listeners.

Edmond Sehayek, the director of the Arabic service, said his station received mail from across the Arab world, including frequent love letters to female newscasters. A Libyan military attaché even telephoned recently from a European embassy to complain about a commentary on the Libyan leader, Col. Muammar el-Qaddafi.

"More than half the mail, though, is for Ilana," Mr. Sehayak said. "Besides our main feature-newsreel, hers is our most popular show."

Every morning Mrs. Basri opens envelopes sent through Geneva or some other European capital or delivered by Arabs who have crossed the bridge from Jordan to the West Bank. There is no mail service between Israel and any Arab country except Egypt.

The letters are often desperate tales of disease, most of them eye, skin and fertility problems. Many writers send electrocardiograms, blood test results, dental charts and X-rays.

"I have medical records from hospitals all over the Arab world," said Mrs. Basri, displaying a sample from Mubaraak al-Kabeer Hospital in Kuwait.

A typical letter this week came from a 48-year-old Syrain woman. The letter, mailed in London, begins: "Dear Doctor Behind the Microphone: Salaam, and good health to you. I am paralyzed in my legs. I have been getting physical therapy, but I still have very bad pains. I heard you speaking about achievements in rehabilitation in Israel, and I want to know if I can be treated in your hospital. Please bring my letter to a doctor in Israel. I am ready to come."

SEEKING VISAS IN EUROPE

Each year, according to Foreign Ministry sources, hundreds of Arabs go to Israeli embassies in Europe and ask for visas to fly to Israel for treatment.

On the wall next to her desk Mrs. Basri has a picture of a Syrain girl and her father in Tel Hashomer Hospital in Tel Aviv. The man went to an Israeli embassy in Europe, got a visa and flew to Tel Aviv with his aling daughter. Then he called Mrs. Basri.

"He told me his daughter was suffering from pains in the belly and high fever and he could not get any doctor to get it to go away," Mrs. Basri said. "I told him, 'Stay at the hotel. I will come and pick you up.' In the meantime I called Professor Mordechai Prass, a specialist in internal medicine at Tel Hashomer. He treated her for familial Mediterranean fever. She stayed in the hospital for two weeks and came out fine. Before they left, they insisted that a photographer come and take this picture with the doctor."

The letters go on and on. A woman from Kuwait wants to consult a fertility expert about having a test-tube baby. A Saudi man says he heard Mrs. Basri's program in a taxi from Saudi Arabia to Jordan and wondered it she could do something for his eye problems.

Mrs. Basri got the idea for the program 14 years ago while lying in a heart-care unit in an Israeli hospital and noticing how much of the medical equipment was marked "Made in Israel." At the time she was a secretary at the Arabic service. She eventually convinced officials of the potential for such a program, and the files in her office bulging with handwritten Arabic letters are testimony to her intuition.

"But even I," Mrs. Basri said, "never thought the program would end up being such a live bridge that Arabs would use to cross into Israel."

HISTORY CORRUPTED: THE MYTH OF SMOOT-HAWLEY

● Mr. HEINZ. Mr. President, it gravely concerns me that every time someone in the administration or the Congress gives a speech about a more aggressive trade policy or the need to confront our trade partners with their subsidies, barriers to imports and other unfair practices, others, in the Congress immediately react with speeches on the return of the Smoot-Hawley Tariff Act of 1930, and the dark days of blatant protectionism and depression.

Take, for example, a statement by the Senator from Rhode Island [Mr. Chafee] which appeared in the Record on June 17. Senator Chafee first asserts that an overvalued dollar is primarily responsible for the current trade deficits. Second, he expresses his concern that Congress might enact legislation, like Smoot-Hawley, in order to alleviate our trade problems. Third, he adds that this would have a devastating effect on the U.S. economy, because Smoot-Hawley had a devastating effect on the economy in the 1930's. In fact, Senator Chafee goes so far as to state that "the Smoot-Hawley Tariff Act * * *, without question, led to the Great Depression."

Mr. President, despite my admiration for the Senator from Rhode Island, I find myself unable to agree with him on this issue. First, while Senator Chafee is correct in citing the excessive value of the dollar as the main contributing factor to our trade deficit, he fails to mention that underlying the dollar's strength and high interest rates is an enormous budget deficit. Nor does he mention the way market access barriers affect U.S. exports abroad.

This question aside, it seems that for many of us that Smoot-Hawley has become a code word for protectionism and, in turn, a code word for the depression. Yet when one recalls that Smoot-Hawley was not enacted until more than 8 months after the October 1929 economic collapse, it is hard to conceive how it could have "led to the Great Depression." Indeed, for those of us who sometimes wonder about the ability of Congress to make any changes in our economy, the changes supposedly wrought by this single bill in 1930 appear fantastic.

Historians and economists, who usually view these things objectively, realize that the truth is a good deal more complicated, that the causes of the depression were far deeper, and that the link between high tariffs and economic disaster is much more tenuous than the article Senator Chafee placed in the Record implies. A 1983 study by Donald Bedell publicly explodes the myth of Smoot-Hawley through an economic analysis of the actual tariff increases in the act and their effects in the early years of the depression. The study points out that the increases in question affected only $231 million worth of products in the second half of 1930, significantly less than 1 percent of world trade; that in 1930–32 duty-free imports into the United States fell at almost the same percentage rate as dutiable imports; and that a 13.5-percent drop in GNP in 1930 can hardly be blamed on a single piece of legislation that was not even enacted until midyear.

This, of course, is not to suggest that high tariffs are good or that Smoot-Hawley was a wise piece of legislation. It was not. It made a bad situation worse. But it was also clearly not responsible for all the ills of the 1930's that are habitually blamed on it by those who fancy themselves defenders of free trade. Mr. President, I have placed this study in the Record previously. Indeed, the Senator from South Carolina [Mr. Hollings] cited it in his recent appearance before the Finance Committee on textile legislation. However, the continuing appearance of these articles erroneously blaming Smoot-Hawley for everything bad that has happened since 1930 dictates bringing it to Senators' attention once again. Sort of a refresher course, if you will. Hopefully, this study will help us to clean up the rhetoric so often associated with Smoot-Hawley and provide for a more sophisticated and accurate view of economic history.

Mr. President, I ask that the study, by Don Bedell of Bedell Associates, be printed in the Record.

The study follows:

Tariffs Miscast as Villain in Bearing Blame for Great Depression—Smoot/Hawley Exonerated

(By Donald W. Bedell)

SMOOT/HAWLEY, DEPRESSION AND WORLD REVOLUTION

It has recently become fashionable for media reporters, editorial writers here and abroad, economists, Members of Congress, members of foreign governments, UN organizations and a wide variety of scholars to express the conviction that the United States, by the single act of causing the Tariff Act of 1930 to become law (Public Law 361 of the 71st Congress) plunged the world into an eonomic depression, may well have prolonged it, led to Hitler and World War II.

Smoot/Hawley lifted import tariffs into the U.S. for a cross section of products beginning mid-year 1930, or more than 8 months following the 1929 financial collapse. Many observers are tempted simply to repeat "free trade" economic doctrine by claiming that this relatively insignificant statute contained an inherent trigger mechanism which upset a neatly functioning world trading system based squarely on the theory of comparative economics, and which propelled the world into a cataclysm of unmeasurable proportions.

We believe that sound policy development in international trade must be based solidly on facts as opposed to suspicions, political or national bias, or "off-the-cuff" impressions 50 to 60 years later of how certain events may have occurred.

When pertinent economic, statistical and trade data are carefully examined will they show, on the basis of preponderance of fact, that passsage of the Act did in fact trigger or prolong the Great Depression of the Thirties, that it had nothing to do with the Great Depression, or that it represented a minor response of a desperate nation to a giant world-wide economic collapse already underway?

It should be recalled that by the time Smoot/Hawley was passed 6 months had elapsed of 1930 and 8 months had gone by since the economic collapse in October, 1929. Manufacturing plants were already absorbing losses, agriculture surpluses began to accumulate, the spectre of homes being foreclosed appeared, and unemployment showed ominous signs of a precipitous rise.

The country was stunned, as was the rest of the world. All nations sought very elusive solutions. Even by 1932, and the Roosevelt election, improvisation and experiment described government response and the technique of the New Deal, in the words of Arthur Schlesinger, Jr. in a New York Times article on April 10, 1983. President Roosevelt himself is quoted in the article as saying in the 1932 campaign, "It is common sense to take a method and try it. If it fails, admit it frankly and try another. But above all, try something."

The facts are that, rightly or wrongly, there were no major Roosevelt Administration initiatives regarding foreign trade until well into his Administration; thus clearly suggesting that initiatives in that sector were not thought to be any more important than the Hoover Administration thought them. However, when all the numbers are examined we believe neither President Hoover nor President Roosevelt can be faulted for placing international trade's role in world economy near the end of a long list of sectors of the economy that had caused chaos and suffering and therefore needed major corrective legislation.

How important was international trade to the U.S.? How important was U.S. trade to its partners in the Twenties and Thirties?

In 1919, 66 percent of U.S. imports were duty free, or $2.9 Billion of a total of $4.3 Billion. Exports amounted to $5.2 Billion in that year making a total trade number of $9.6 Billion or about 14 percent of the world's total. See Chart I below.

CHART I.—U.S. GROSS NATIONAL PRODUCT, 1929–33

[Dollar amounts in billions]

	1929	1930	1931	1932	1933
GNP	$103.4	$89.5	$76.3	$56.8	$55.4
U.S. international trade	$9.6	$6.8	$4.5	$2.9	$3.2
U.S. international trade percent of GNP	9.3	7.6	5.9	5.1	[1] 5.6

[1] Series U., Department of Commerce of the United States, Bureau of Economic Analysis.

Using the numbers in that same Chart I it can be seen that U.S. imports amounted to $4.3 Billion or just slightly above 12 percent of total world trade. When account is taken of the fact that only 33 percent, or $1.5 Billion, of U.S. imports was in the Dutiable category, the entire impact of Smoot/Hawley has to be focused on the $1.5 Billion number which is barely 1.5 percent of U.S. GNP and 4 percent of world imports.

What was the impact? In dollars Dutiable imports fell by $462 Million, or from $1.5 Billion to $1.0 Billion, during 1930. It's difficult to determine how much of that small number occurred in the second half of 1930 but the probability is that it was less than 50 percent. In any case, the total impact of Smoot/Hawley in 1930 was limited to a "damage" number of $231 Million; spread over several hundred products and several hundred countries!

A further analysis of imports into the U.S. discloses that all European countries accounted for 30 percent or $1.3 Billion in 1929 divided as follows: U.K. at $330 Million or 7½ percent, France at $171 Million or 3.9 percent, Germany at $255 Million or 5.9 percent, and some 15 other nations accounting for $578 Million or 13.1 percent for an average of 1 percent.

These numbers suggest that U.S. imports were spread broadly over a great array of products and countries, so that any tariff action would by definition have only a quite modest impact in any given year or could be projected to have any important cumulative effect.

This same phenomenon is apparent for Asian countries which accounted for 29 percent of U.S. imports divided as follows: China at 3.8 percent, Japan at $432 Million and 9.8 percent, and with some 20 other countries sharing in 15 percent or less than 1 percent on average.

Australia's share was 1.3 percent and all African countries sold 2.5 percent of U.S. imports.

Western Hemisphere countries provided some 37 percent of U.S. imports with Canada at 11.4 percent, Cuba at 4.7 percent, Mexico at 2.7 percent, Brazil at 4.7 percent and all others accounting for 13.3 percent or about 1 percent each.

The conclusion appears inescapable on the basis of these numbers; a potential adverse impact of $231 Million spread over the great array of imported products which were Dutiable in 1929 could not realistically have had any measurable impact on America's trading partners.

Meanwhile, the Gross National Product (GNP) in the United States had dropped an unprecedented 13.5 percent in 1930 alone, from $103.4 Billion in 1929 to $89 Billion by the end of 1930. It is unrealistic to expect that a shift in U.S. international imports of just 0.2 percent of U.S. GNP in 1930 for example ($231 Million on $14.4 Billion) could be viewed as establishing a "precedent" for America's trading partners to follow, or represented a "model" to follow.

Even more to the point an impact of just 0.2 percent could not reasonably be expected to have any measurable effect on the economic health of America's trading partners.

Note should be taken of the claim by those who repeat the Smoot/Hawley "villain" theory that it set off a "chain" reaction around the world. While there is some evidence that certain of America's trading partners retaliated against the U.S. there can be no reliance placed on the assertion that those same trading partners retaliated against each other by way of showing anger and frustration with the U.S. Self-interest alone would dictate otherwise, common sense would intercede on the side of avoidance of "shooting oneself in the foot," and the facts disclose that world trade declined by 18 percent by the end of 1930 while U.S. trade declined by some 10 percent more or 28 percent. U.S. foreign trade continued to decline by 10 percent more through 1931, or 53 percent versus 43 percent for world-wide trade, but U.S. share of world trade declined by only 18 percent from 14 percent to 11.3 percent by the end of 1931.

Reference was made earlier to the Duty Free category of U.S. imports. What is especially significant about those import numbers is the fact that they dropped in dollars by an almost identical percentage as did Dutiable goods through 1931 and beyond: Duty Free imports declined by 29 percent in 1930 versus 27 percent for Dutiable goods, and by the end of 1931 the numbers were 52 percent versus 51 percent respectively.

The only rational explanation for this phenomenon is that Americans were buying less and prices were falling. No basis exists for any claim that Smoot/Hawley had a distinctively devastating effect on imports beyond and separate from the economic impact of the economic collapse in 1929.

Based on the numbers examined so far, Smoot/Hawley is clearly a mis-cast villain. Further, the numbers suggest the clear possibility that when compared to the enormity of the developing international economic crisis Smoot/Hawley had only a minimal impact and and international trade was a victim of the Great Depression.

This possibility will become clear when the course of the Gross National Product (GNP) during 1929–1933 is examined and when price behaviour world-wide is reviewed, and when particular Tariff Schedules of Manufacturers outline in the legislation are analyzed.

Before getting to that point another curious aspect of the "villian" theory is worthy of note. Without careful recollection it is tempting to view a period of our history some 50–60 years ago in terms of our present world. Such a superficial view not only makes no contribution to constructive policy-making. It overlooks several vital considerations which characterized the Twenties and Thirties:

1. The international trading system of the Twenties bears no relation to the interdependent world of the Eighties commercially, industrially and financially in size or complexity.

2. No effective international organization existed, similar to the General Agreement for Tariffs and Trade (GATT) for example for resolution of disputes. There were no trade "leaders" among the world's nations in part because most mercantile nations felt more comfortable without dispute settlement bodies.

3. Except for a few critical products foreign trade was not generally viewed in the "economy-critical" context as currently in the U.S. As indicated earlier neither President Hoover nor President Roosevelt viewed foreign trade as crucial to the economy in general or recovery in particular.

4. U.S. foreign trade was relatively an amorphous phenomenon quite unlike the highly structured system of the Eighties; characterized largely then by "caveat emptor" and a broadly laissez-faire philosophy generally unacceptable presently.

These characteristics, together with the fact that 66 percent of U.S. imports were Duty Free in 1929 and beyond, placed overall international trade for Americans in the Twenties and Thirties on a very low level of priority especially against the backdrop of world-wide depression. Americans in the Twenties and Thirties could no more visualize the world of the Eighties than we in the Eighties can legitimately hold them responsible for failure by viewing their world in other than the most pragmatic and realistic way given those circumstances.

For those Americans then, and for us now, the numbers remain the same. On the basis of sheer order of magnitude of the numbers illustrated so far, the "villian" theory often attributed to Smoot/Hawley is an incorrect reading of history and a mis-understanding of the basic and incontrovertible law of cause and effect.

It should also now be recalled that, despite heroic efforts by U.S. policy-makers its GNP continued to slump year-by-year and reached a total of just $55.4 billion in 1933 for a total decline from 1929 levels of 46 percent. The financial collapse of October, 1929 had indeed left its mark.

By 1933 the 1929 collapse had prompted formation in the U.S. of the Reconstruction Finance Corporation, Federal Home Loan Bank Board, brought in a Democrat President with a program to take control of banking, provide credit to property owners and corporations in financial difficulties, relief to farmers, regulation a stimulation of business, new labor laws and social security legislation.[1]

So concerned were American citizens about domestic economic affairs, including the Roosevelt Administration and the Congress, that scant attention was paid to the solitary figure of Secretary of State Cordell Hull. He, alone among the Cabinet, was conviced that international tade had material relevance to lifting the country back from depression. His efforts to liberalize trade in general and to find markets abroad for U.S. products in particular from among representatives of economically stricken Europe, Asia and Latin America were abruptly ended by the President and the 1933 London Economic Conference collapsed without result.

The Secretary did manage to make modest contributions to eventual trade recovery through the Most Favored Nation (MFN) concept. But it would be left for the United States at the end of World War II to undertake an economic and political role of leadership in the world; a role which in the Twenties and Thirties Americans in and out of government felt no need to assume, and did not assume. Evidence that conditions in the trade world would have been better, or even different, had the U.S. attempted some leadership role can not responsibly be assembled. Changing the course of past history has always been less fruitful than applying perceptively history's lessons.

The most frequently used members thrown out about Smoot/Hawley's impact by those who believe in the "villain" theory are those which clearly establish that U.S. dollar decline in foreign trade plummeted by 66 percent by the end of 1933 from 1929 levels, $9.6 billion to $3.2 billion annually.

Much is made of the co-incidence that world-wide trade also sank about 66 percent for the period. Chart II summarizes the numbers.

CHART II.—UNITED STATES AND WORLD TRADE, 1929–33

[In billions of U.S. dollars]

	1929	1930	1931	1932	1933
United States					
Exports	5.2	3.8	2.4	1.6	1.7
Imports	4.4	3.0	2.1	1.3	1.5
Worldwide					
Exports	33.0	26.5	[illegible]	12.9	11.7
Imports	35.6	29.1	[illegible]	14.0	[1] 12.5

[1] Series U. Department of Commerce of the United States, League of Nations, and International Monetary Fund.

The inference is that since Smoot/Hawley was the first "protectionist" legislation of the Twenties, and the end of 1933 saw an equal drop in trade that Smoot/Hawley must have caused it. Even the data already presented suggest the relative irrelevance of the tariff-raising Act on a strictly trade numbers basis. When we examine the role of a world-wide price decline in the trade figures for almost every product made or commodity grown the "villain" Smoot/Hawley's impact will not be measurable.

It may be relevant to note here that the world's trading "system" paid as little attention to America's revival of foreign trade beginning in 1934 as it did to American trade policy in the early Thirties. From 1934 through 1939 U.S. foreign trade rose in dollars by 80% compared to world-wide growth of 15%. Imports grew by 68% and exports climbed by a stunning 93%. U.S. GNP by 1939 had developed to $91 Billion, to within 88% of its 1929 level.

Perhaps this suggests that America's trading partners were more vulnerable to an economic collapse and thus much less resilient than was the U.S. In any case the international trade decline beginning as a result of the 1929 economic collapse, and the subsequent return by the U.S. beginning in 1934 appear clearly to have been wholly unrelated to Smoot/Hawley.

As we begin to analyze certain specific Schedules appearing in the Tariff Act of 1930 it should be noted that sharp erosion of prices world-wide caused dollar volumes in trade statistics to drop rather more than unit volume thus emphasizing the decline value. In addition, it must be remembered that as the Great Depression wore on, people simply bought less of everything increasing further price pressure downward. All this wholly apart from Smoot/Hawley.

When considering specific Schedules, No. 5 which includes Sugar, Molasses, and Manufactures of, maple sugar cane, sirups, adonite, dulcite, galactose, inulin, lactose and sugar candy. Between 1929 and 1933 import volume into the U.S. declined by about 40% in dollars. In price on a world basis producers suffered a stunning 60% drop. Volume of sugar imports declined by only 42% into the U.S. in tons. All these changes lend no credibility to the "villain" theory unless one assumes, erroneously, that the world price of sugar was so delicately balanced that a 28% drop in sugar imports by tons into the U.S. in 1930 destroyed the price structure and that the decline was caused by tariffs and not at least shared by decreased purchases by consumers in the U.S. and around the world.

Schedule 4 describes Wood and Manufactures of, timber hewn, maple, brier root, cedar from Spain, wood veneer, hubs for wheels, casks, boxes, reed and rattan, toothpicks, porch furniture, blinds and clothespins among a great variety of product categories. Dollar imports into the U.S. slipped by 52% from 1929 to 1933. By applying our own GNP as a reasonable index of prices both at home and overseas, unit volume decreased only 6% since GNP had dropped by 46% in 1933. The world-wide price decline did not help profitability of wood product makers, but to tie that modest decline in volume to a law affecting only 6½% of U.S. imports in 1929 puts great stress on credibility, in terms of harm done to any one country or group of countries.

Schedule 9, Cotton Manufactures, a decline of 54% in dollars is registered for the period, against a drop of 46% in price as reflected in the GNP number. On the assumption that U.S. GNP constituted a rough comparison to world prices, and the fact that U.S. imports of these products was infinitesimal. Smoot/Hawley was irrelevant. Further, the price of raw cotton in the world plunged 50% from 1929 to 1933. U.S. growers had to suffer the consequences of that low price but the price itself was set by world market prices, and was totally unaffected by any tariff action by the U.S.

Schedule 12 deals with Silk Manufactures, a category which decreased by some 60% in dollars. While the decrease amounted to 14% more than the GNP drop, volume of product remained nearly the same during the period. Assigning responsibility to Smoot/Hawley for this very large decrease in price beginning in 1930 stretches credibility beyond the breaking point.

Several additional examples of price behaviour are relevant.

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[1] Beard, Charles and Mary. New Basic History of the United States.

One is Schedule 2 products which include brick and tile. Another is Schedule 3 iron and steel products. One outstanding casualty of the financial collapse in October, 1929 was the Gross Private Investment number. From $16.2 Billion annually in 1929 by 1933 it has fallen by 91% to just $1.4 Billion. No tariff policy, in all candor, could have so devastated an industry as did the economic collapse of 1929. For all intents and purposes construction came to a halt and markets for glass, brick and steel products with it.

Another example of price degradation world-wide completely unrelated to tariff policy is Petroleum products. By 1933 these products had decreased in world price by 82% but Smott/Hawley had no Petroleum Schedule. The world market place set the price.

Another example of price erosion in world market is contained in the history of exported cotton goods from the United States. Between 1929 and 1933 the volume of exported goods actually increased by 13.5% while the dollar value dropped 48%. This result was wholly unrelated to the tariff policy of any country.

While these examples do not include all Schedules of Smoot/Hawley they clearly suggest that overwhelming economic and financial forces were at work affecting supply and demand and hence on prices of all products and commodities and that these forces simply obscured and measurable impact the Tariff Act of 1930 might possibly have had under conditions of several years earlier.

To assert otherwise puts on those proponents of the Smoot/Hawley "villian" theory a formidable challenge to explain the following questions:

1. What was the nature of the "trigger" mechanism in the Act that set off the alleged domino phenomenon in 1930 that began or prolonged the Great Depression when implementation of the Act did not begin until mid-year?

2. In what ways was the size and nature of U.S. foreign trade in 1929 so significant and critical to the world economy's health that a less than 4% swing in U.S. imports could be termed a crushing and devastating blow?

3. On the basis of what economic theory can the Act be said to have caused a GNP drop of an astounding drop of 13.5% in 1930 when the Act was only passed in mid-1930? Did the entire decline take place in the second half of 1930? Did world-wide trade begin its decline of some $13 Billion only in the second half of 1930?

4. Does the fact that duty free imports into the U.S. dropped in 1930 and 1931 and in 1932 at the same percentage rate as dutiable imports support the view that Smoot/Hawley was the cause of the decline in U.S. imports?

5. Is the fact that world-wide trade declined less rapidly than did U.S. foreign trade prove the assertion that American trading partners retaliated against each other as well as against the U.S. because and subsequently held the U.S. accountable for starting an international trade war?

6. Was the international trading system of the Twenties so delicately balanced that a single hastily drawn tariff increase bill affecting just $231 Million of dutiable products in the second half of 1930 began a chain reaction that scuttled the entire system? Percentage-wise $231 Million is but 0.65% of all of 1929 world-wide trade and just half that of world-wide imports:

The preponderance of history and facts of economic life in the international area make an affirmative response by the "villain" proponents an intolerable burden.

It must be said that the U.S. does offer a tempting target for Americans who incessantly cry "mea culpa" over all the world's problems, and for many among our trading partners to explain their problems in terms of perceived American inability to solve those problems.

In the world of the Eighties U.S. has indeed very serious and perhaps grave responsibility to assume leadership in international trade and finance, and in politics as well.

On the record, the United States has met that challenge beginning shortly after World War II.

The U.S. role in structuring the United Nations, the General Agreement on Tariffs and Trade (GATT), the International Monetary Fund, the Bretton Woods and Dumbarton Oaks Conferences on monetary policy, the World Bank and various Regional Development Banks, for example, is a record unparalleled in the history of mankind.

But in the Twenties and Thirties there was no acknowledged leader in international affairs. On the contrary, evidence abounds that most nations preferred the centuries-old patterns of international trade which emphasized pure competition free from interference by any effective international supervisory body such as GATT.

Even in the Eighties examples abound of trading nations succumbing to nationalistic tendencies and ignoring signed trade agreements. Yet the United States continues as the bulwark in trade liberalization proposals within the GATT. It does so not because it could not defend itself against any kind of retaliation in a worst case scenario but because no other nation is strong enough to support them successfully without the United States.

The basic rules of GATT are primarily for all those countries who can't protect themselves in the world of the Eighties and beyond without rule of conduct and discipline.

The attempt to assign responsibility to the U.S. in the Thirties for passing the Smoot/Hawley tariff act and thus set off a chain reaction of international depression and war is, on the basis of a preponderance of fact, a serious mis-reading of history, a repeal of the basic concept of cause and effect and a disregard for the principle of proportion of numbers.

It may constitute a fascinating theory for political mischief-making but it is a cruel hoax on all those responsible for developing new and imaginative measures designed to liberalize international trade.

Such constructive development and growth is severely impeded by perpetuating what is no more than a symbolic economic myth.

Nothing is less worthwhile than attempting to re-write history, not learning from it. Nothing is more worthwhile than making careful and perceptive and objective analysis in the hope that it may lead to an improved and liberalized international trading system.●

CORPORATION FOR PUBLIC BROADCASTING AUTHORIZATION ACT

● Mr. CHAFEE. Mr. President, I am pleased to join with Senator GOLDWATER as a cosponsor of S. 1084, legislation authorizing funding for the Corporation for Public Broadcasting.

The Corporation for Public Broadcasting provides funds for production and programming to America's public radio and television stations. These independent, noncommercial broadcasting stations provide educational and cultural enrichment for a growing audience. Nearly 100 million people use public television every week. This legislation ensures that public television continues the development and production of such outstanding programs as "Sesame Street," "Nova," "Macneil/Lehrer Newshour," the "American Playhouse Series," and "Congress: We the People."

Public television plays an important role in the education of our children. Children's programs account for 60 percent of all programming. Children in 32 million households view public television on a regular basis. Public television also plays a valuable role in classroom instruction, supplementing formal study in reading, math, and science for 10 million students each week. In addition, public television provides worthwhile programming dealing with teenage alcohol and drug abuse.

Federal support accounts for less than 18 percent of the total annual funding for public broadcasting. Through the advance authorization process, public broadcasting stations are able to conduct planning and develop programming in a stable environment. Funds for the Corporation for Public Broadcasting are currently authorized through fiscal year 1986 at $130 million. S. 1084 authorizes appropriations of $200 million in 1987, $214 million in 1988, $228 million in 1989, and $244 million in 1990. Over the 4-year period, this level of funding is $43 million less the President's budget proposal. In addition, S. 1084 authorizes funding for the Public Telecommunications Facilities Program [PTFP] at $24 million for each of the fiscal years 1986 through 1988.

This legislation will help to assure the availability of quality educational and cultural television programming in our Nation. I hope my colleagues will join in supporting its passage.●

NATIONAL CHILD CARE WEEK

● Mr. D'AMATO. Mr. President, I wish to call attention to the fact that this is National Child Care Week. There are no resources in this world that are more precious than our children. The future of our Nation rests in the hopes and dreams of our young people, and we must take major steps to ensure that these dreams reach fruition. In order to achieve this goal, I would like to focus on two aspects—the physical care of our children in child care centers and the safety of our children.

Why? It is estimated that as many as 3 million children a year are either physically, emotionally, or sexually abused. Additionally, 1.8 million children are reported missing each year and 150,000 may never return home—never. Among teenagers, 5,000 American youths can be expected to take their lives this year and almost 2 million will make the attempt. Thousands of children come home every day from school to lock themselves in an empty house and await the return of their parent or parents who have to work to make ends meet.

When I take a look at these statistics, I am dumfounded. We have wiped out polio, controlled whooping cough, made leaps and bounds in the early detection and prevention of birth defects, and yet we have virtually ignored the safety of our children.

Child abuse crosses social, economic, racial, cultural, and occupational boundaries. As many as 80 percent of abused children may in turn abuse their children. The nightmare is self-perpetuating. Studies have linked child abuse to juvenile delinquency and adult criminal behavior. This link is costly as well as tragic. The average cost to retain a juvenile delinquent in a public detention facility averages $16,500 per year, and $14,000 for an adult in a State penal facility. Studies have tied over half of the cases of teenage prostitution to family sexual abuse and subsequent running away.

Once these children run away, things do not get better. Furthermore, many of these children are not actual runaways—they are snatched off of playgrounds, backyards, and neighborhood streets. Sometimes they are taken by absolute strangers; sometimes they are taken by a parent. Figures are hard to come by, but it is believed that each year as many as 20,000 to 50,000 are taken by a divorced or separated parent, 20,000 to 50,000 are believed to be taken by complete strangers. About 5,000 are later found murdered and sexually abused.

It is astounding that we have allowed hundreds of thousands of children to slip through society's fingers to abuse and neglect, or even worse. To help combat this national epidemic, I have introduced the National Child Protection Act, S. 142. This legislation would establish child care center guidelines and a national information center on child abusers, so they cannot move from State to State to continue preying on the innocent and helpless. Also, I cosponsored the Missing Children's Act to facilitate FBI assistance in pursuing missing children, and I supported the Child Pornography Act of 1984 to strike back at those depraved individuals who defile our children.

As we pass tougher laws, we must also bring about better and more available child care supervision. Since the percentage of women in the work force has grown from 24 percent in 1970 to 44 percent in 1984, the number of children with working mothers has soared into the millions. However, the availability of affordable child care has not increased as rapidly. Only 400 employers nationwide provide onsite child care, which is one of the most productive and cost-effective means to bring about lower turnover rates, reduce absenteeism, and improve morale. Dr. Deanne Tate of the University of Texas esimates that for every $1 invested in onsite child care the employer reaps a $3 to $6 profit. That is why I introduced S. 1125, the Onsite Day Care Privatization Act. My bill is designed to use tax credits to induce businesses to establish onsite child care facilities to help working mothers and their children. It is my hope that this would allow more women to work and at the same time know that their children are safe and nearby.

Realizing that this may not provide immediate results for all those who are in need of such services, I also introduced S. 756, legislation to increase the dependent care tax credit. This bill increases the maximum credit from 30 to 40 percent for those making $10,000 or less in annual adjusted gross income—those least able to afford child care.

All of these efforts are designed to upgrade the care we provide our children. When one considers the numbers involved here it becomes heartbreaking. When one child is molested, one child beaten, one child placed on the street for prostitution, if one child commits suicide from the abuse he or she could no longer stand, then we have failed as responsible adults and have dashed the hopes and joys of our future generation.

We must never forget that the innocence of a child is one of the world's few, true miracles, and we must not let it be defiled no matter what the cost.●

TRIBUTE TO TED WEBB

● Mr. SYMMS. Mr. President, every once in a while a person comes along whose tenacious desire to succeed in the face of real competition inspires us all. I would like to bring such a person to the attention of my colleagues.

Ted Webb of Marsing, ID is a small, hometown druggist who runs the classic small town drugstore. Sixteen miles away is a large mall with two drugstore competitors. Ted is in a very competitive business, but he succeeds because he gives first-class service: the kind that tells the customers that they come first. Ted has learned the secret to a successful business.

More amazing is the fact that Ted is rearing 13 children. As a widower with seven children he married his present wife with six children of her own. Last year Ted and his wife had seven children in college. They had to succeed in their business. In addition, Ted serves on the local school board and the housing committee as well as on the board of directors of the community health clinic.

I salute Ted Webb as a great American and as a person that I am proud to recommend to my colleagues in this body.

I submit for the RECORD an article from Idaho Business Review relating to Ted Webb.

The article follows:

SMALL TOWN DRUGGIST FOLLOWS TRADITION

(By Patricia R. McCoy)

MARSING.—City dwellers with a doctor's prescription to be filled must usually head for one of the major chain stores, but Marsing still has a traditional, privately-owned drugstore.

Ted Webb has operated that drugstore since December, 1966.

"About half my sales are from prescriptions, and the rest from the cosmetics, gifts, jewelry, toys, candy, greeting cards, magazines and other items I stock," the pharmacist said.

"We're on the main highway to California, which brings a lot of people through this area," he said. "That really helps business.

"Marsing has a large migrant population, which keeps my monthly business pretty even during the year," he said. "Most merchants do most of their business in the winter, but not me."

Operating a small town business requires community involvement, Webb said. He is on the Marsing School Board and the housing committee, and serves on the board of directors of the community health clinic. In addition, he's rearing 13 children.

"My first wife died several years ago, and I remarried," he said. "I had seven children, and my present wife had six. Between the two of us, we had seven children in college last year. That really kept our noses to the grindstone."

Marsing is only 16 miles from Karcher Mall, where there are two drugstores.

"This is a very competitive business, and 16 miles isn't far," he said. "Even so, a lot of Marsing residents find me more convenient. I serve a lot of people from Jordan Valley, Ore., and those enrolled in the Marsing Job Corps program."

A druggist in a small town such as Marsing knows almost everyone in town, said Webb. He places a lot of importance on personal friendships and customer services.

"I do a lot of after-hours and Sunday prescription work," he said. "I carry accounts for good customers.

"I've never let anyone without medication they really need," said Webb. "I've gotten a lot of bad debts that way. If I were just in this for the money, I could do a lot, but I have to live with myself, too, so I've done things to help people."

Webb is the son of longtime Melba pharmacist Ed Webb, who used to substitute for his son after retirement and before his death last year. The son counts close to 51

years in the business for himself, including his childhood.

"Pharmacists didn't use to discuss prescriptions with patients, but today we're a primary source of information," he said. "Some years ago I called a doctor to ask if he was aware that a certain patient was allergic to penicillin when the patient was given a prescription based on that drug. I got a scolding for asking questions, but the man could have died if I hadn't.

"Today we're expected to be able to warn patients about possible side effects, including those that come from taking the medication with other drugs they may be on, and tell them how to take the medication," Webb said. "A pharmacist may be more aware than the doctor is of what other drugs the patient is taking, since there may be more than one physician treating that person but we fill all the prescriptions.

"We have reference books to look all this information up in, and the State of Idaho requires 15 hours of continuing education each year," he said. "You also have to read a lot of journals to keep up with it all."

He notes that he sells more vitamins and health foods than in past years.

"I'm also having constant visits from salesmen trying to interest me in a computerized prescription-dispensing system," he said. "Bigger stores in the larger cities are using them, and we'll probably all have them in the future."

Webb keeps his store well-stocked with common drugs, and has a computerized telephone link with his Boise supplier. He can order in more unusual prescriptions with only a one day's delay.

"Perishable drugs are kept in a refrigerator," he said. "All drugs are dated. The drug companies will take expired medications back if they're returned within a certain time limit."

The building on Marsing's main street which Webb occupies has been a drug store since the late 1940s. Prior to that time, it was a variety store.

"There was a soda fountain here when I first took over, but I took that out," he said.●

BUD McCALL

● Mr. SYMMS. Mr. President, I wish to bring to the attention of my colleagues in the Senate a great American entrepreneur and friend from northern Idaho, Bud McCall. Bud mines garnets which he pulverizes into a very much sought after sand because of its hardness. The garnet sand is used in emery boards, sophisticated water filtration devices, and modern extra-high pressure sandblasting units used in cutting thick steel.

The amazing thing about Bud's operation is its success when conventional wisdom says that such enterprises should fail. But Bud hasn't heard the conventional wisdom and goes ahead with lots of hard work and good management. About 20 percent of his sales are to foreign countries. In 1984 he sold about 14,400 tons of garnet sand and the demand just keeps increasing.

Mr. President, I commend Bud McCall to you as an American who knows what makes the American dream come true and sets out with hard work to make it succeed. I ask that an article pertaining to Bud McCall's garnet sand business be printed in the RECORD.

The article follows:

GARNET SAND BUSINESS GLITTERS—DEMAND FOR PRODUCT GROWS

(By Bill London)

Bud McCall is in an enviable business position. He owns Emerald Creek Garnet Milling Co. of Fernwood, Idaho. His product, garnet sand, is increasingly in demand as more uses are found—in abrasives and filtration—for this pulverized gemstone rock. Most importantly, his mining and milling company is the only one of its kind in the Western U.S.

"We're at full capacity now," McCall said. "We're selling all we can make."

McCall began in the garnet business in 1971 when he bought the Emerald Creek Mine, four miles east of Fernwood in rural Benewah County Eight years later, he purchased the only other garnet mine in Idaho (just a few miles away) and consolidated both into one corporation.

The corporation (of which McCall owns 99 percent of the stock) operates four dredging operations and two mills. Only one of the dredge mines is working land owned by the family corporation. The others are on private land and in the National Forest, and so a royalty of about 10 percent of the value of the finished sand is paid to the landowners.

To remove the garnets from the creekbed locations, workers first strip the dirt and plants from the site. Using a huge bucket on a drag line, they dump everything above bedrock—the rocks, sand, dirt, and garnets—into a washer that separates the sand and small garnets from the larger garnets (half inch in diameter or more) and the rocks. The dirt is later replaced and the land replanted.

Garnets are beautiful clear purple gemstones, much heavier than the surrounding sand. Some of the garnets are Star Garnets, valuable crystals often mounted in rings and found in only two locations worldwide: India and North Idaho. The star effect is the result of light being reflected from minute imperfections in the stone. When held to sunlight, polished Star Garnets reveal four, or rarely, six-pointed stars shining inside.

The largest raw garnets, mixed with rock and dirt, are hauled to two nearby sites where rockhounds, for a small daily fee, can search them out. The larger garnets are the most easily cut and polished, and so are in demand for jewelry-making.

The small garnets, mixed in the creekbed sand, are hauled to the company's jig plant, where the two are separated by weight. The raw small garnets are then trucked to one of the company's two milling plants. There the raw purple stones are crushed to various uniform sizes, then bagged and shipped worldwide.

McCall reported that about 20 percent of their sales are to foreign countries. In 1984, they sold 14,400 tons of garnet sand, with an average price of $40 per ton. The demand for garnet sand has been rising steadily since the first Idaho mine opened in the 1940s, McCall said, "but the demand has really grown in the last ten years."

"They keep thinking of new uses for it," continued McCall, a 49-year-old Benewah County native. The traditional use for garnet sand, mounting on sandpaper and emery boards, has remained. But now the heavy sand is added to sophisticated water filtration devices and sandblasters, including the modern extra-high pressure units that can cut thick steel with water and garnet sand.

McCall works alongside his employees driving trucks and repairing the heavy machinery. His 35 employees are granted lots of independence to oversee their own work, and that has resulted in high worker morale, he reported.

"I put a lot of faith in these employees," McCall said. "I don't fight with the people who work here." He must be doing something right, since the worker turnover rate (less than one person per year resigns) is impressively low.

For the future, McCall is content to keep mining garnets. "We'll keep going as long as we can," he said. "I think there's enough garnet here for a generation or two."●

PIPE AND TUBE IMPORTS

● Mr. BENTSEN. Mr. President, I would like to bring to the attention of my colleagues an international trade matter of great concern to me.

As we are all aware, our trade deficit reached $123 billion last year and is estimated to exceed that figure this year. The deficit represents a hemorrhage of our national wealth, an erosion of our manufacturing base, and a gradual decline in our standard of living. Along with 11 of my colleagues, I have introduced legislation designed to prevent foreign countries from running trade surpluses with our country and to gradually bring our trade account back into balance.

Although new legislation will help close the trade deficit, it is also crucial that the Government continue to make every effort to maintain and improve the effectiveness of existing trade laws, agreements, and programs. An important example is the U.S./EC pipe and tube arrangement.

Mr. President, the original U.S./EC pipe and tube arrangement was concluded in October 1982. It was designed to prevent the importation of unfairly traded pipes and tubes from the EC by establishing import levels for those products. But it proved to be unforceable by our country. As a result, with my former colleague, Senator Tower, I proposed legislation specifically granting the necessary enforcement authority to the Government. That legislation was enacted as part of last year's trade bill.

In December of last year this law was used to prevent EC violations of the arrangement, first, through a temporary embargo of steel pipes and tubes from the European Community, and then, early this year, through negotiation of a new pipe and tube arrangement incorporating strict enforcement capability. However, our negotiators agreed to higher import levels in the new arrangement than under the 1982 arrangement.

The new pipe and tube arrangement is scheduled to expire at the end of 1986. It is expected that negotiations to extend it will begin late this year in conjunction with the renegotiation of the carbon steel arrangement with the EC, which expires at the end of this year.

In these renegotiations, Mr. President, the EC probably will seek to renegotiate specific terms of the pipe and tube arrangement. I am concerned that our negotiators may agree to new terms that will further undermine the arrangement. In my opinion, we should avoid further weakening of the arrangement in order to prevent unfair and serious damage to our pipe and tube industry.

In fact, it appears that the Government is continuing to have difficulty maintaining the effectiveness of the pipe and tube arrangement. The Commerce Department's recent decision to grant a "short-supply exception" to the arrangement is one example. Another is the Department's decision in January of this year to release embargoed pipe and tube products outside the limits of the new arrangement. In view of these developments, I am concerned about the strategy the Government is following to prevent unfair trade practices from injuring the domestic pipe and tube industry.

It is of the utmost importance that the United States ensure that the pipe and tube arrangement remains effective. I urge the Commerce Department and our Special Trade Representative, Ambassador Yeutter, to hold the line on the terms of the arrangement and to seek its extension at the same time as the carbon steel arrangement is extended.

Mr. President, I shall be watching the progress of these talks, and I urge my colleagues to join me in expressing concern to the administration with regard to this matter.●

LET THEM GO TO SOUTH AFRICA

● Mr. **METZENBAUM**. Mr. President, in its edition of September 17, 1985, the Washington Post published an excellent article entitled "South Africa: The Reality of Its Law." The author of that article, Judge Nathaniel R. Jones of the U.S. Court of Appeals for the Sixth Circuit, is an old and valued friend of mine who recently visited South Africa under the auspices of the Lawyers' Committee for Civil Rights Under Law.

Judge Jones, a distinguished American jurist, was clearly shocked by what he found in that tragic country. "The picture I saw," he wrote, "is a disgrace to a civilized society. I am amazed that it has taken the United States and the other civilized nations wedded to the rule of law this long to call South Africa to account."

What did Judge Jones witness?

"I talked to clergymen who were taken from their homes in the middle of the night by authorities, jailed and beaten. While in jail, they were forced to review their recent sermons and to explain why they conducted funeral services for various persons in the townships. At the end of their detention, they were warned by police to make no further references to President Botha or the Nelson Mandela."

And that's not all—far from it.

"Mothers," Judge Jones wrote, "related the events surrounding the detention of their sons and husbands, whose whereabouts they still don't know. Homes were broken into and searched by police, occupants terrified and brutalized in the process of being detained."

Mr. President, we have spent many hours on this floor debating in great detail the strategic, economic, and political issues with regard to South Africa. But to understand the reality of what it is to live as a black South African, it is necessary to understand what Judge Jones is telling us. "What must be understood," he pointed out, "is that the system of apartheid is more than a word. It is a cruel system of life enforced by whips, police dogs, guns, detentions, arson, torture, disappearances, and death. It is a system of life that distorts human nature, as did American slavery. To those who quarrel with this conclusion, I say, let them go to South Africa."

Mr. President, I commend the article by Judge Jones to the attention of my colleagues and ask that it be printed in its entirety in the Record.

The article follows:

[From the Washington Post, Sept. 17, 1985]

South Africa: The Reality of Its Law

It has become a ritual for some persons to preface their views on apartheid by noting an abhorrence of it. They then proceed to argue for measures that will ensure its continuation. That scenario rang in my ears during the eight days I recently spent in South Africa as a legal observer for the Lawyers' Committee for Civil Rights Under Law at proceedings held in connection with the treason trial of 16 members of the United Democratic Front.

As I thought about those disclaimers I also recalled President John F. Kennedy's famous Berlin Wall exhortation: "Let them come to Berlin." To those who view apartheid as merely a word, I kept thinking, "Let them come to South Africa."

I saw the apartheid laws applied in the raw, as well as the effects of their long-term enforcement. It is more than a word. The picture I saw is a disgrace to a civilized society. I am amazed that it has taken the United States and other "civilized" nations wedded to the rule of law this long to call South Africa to account.

Included among the network of apartheid laws are the Population Influx Act and the Internal Security Act of 1982. The latter sanctions official conduct which deeply offends the American notion of fairness and due process by controlling movement by blacks, and it prohibits freedom of association and speech.

Under our Constitution the majority may rule, but the rights of minorities are protected. It is under the power the minority arrogates unto itself in South Africa that blacks are detained, tortured, banned and convicted in the courts for acts that our Constitution and Bill of Rights clearly protect. In the enforcement of the Internal Security Act, 16 officials of the United Democratic Front, a nonracial political umbrella organization, have been indicted for treason and terrorism. The indictment, consisting of 600 pages, accuses the defendants, of among other things:

Attending the Albert Luthuli Memorial Service, where Nelson Mandela was praised as being "the new symbol of hope for a better South Africa" and a prqyer was offered in which Mandela, Luthuli and others were referred to as "our heroes."

Attending various meetings where songs and slogans were sung and uttered, pamphlets distributed which are characterized as "revolutionary," "inflammatory" and "bellicose."

Issuing publications and pamphlets that are critical of the government and call for an end to apartheid.

Engaging in other forms of conduct that "embarrassed" the state.

Allowing themselves to be "used" knowingly or unknowingly, by organizations that have been outlawed.

For these actions the defendants are on trial for treason and terrorism, which could result in long terms or death.

The United Democratic Front publicly opposed a new constitution for a government that had no black participation and gave blacks no power or rights to participate. This opposition by the UDF was straightforward and open. But it brought that organization into conflict with the Internal Security Law enacted by a parliament in which the black majority population had no voice, and which was enforced by a government wedded to the notion of minority white domination.

The indictment has been attacked by the defendants' brilliant legal team. A highly regarded jurist, President Judge John Milne of the Supreme court of the Province of Natal, is presiding over this case. What must be borne in mind are the limited options available to a judge in the South African system. The contrast with the American system of justice is most striking. No judicial review of legislative enactments as unconstitutional. Parliament is supreme. No matter how unwise or offensive judges may find the laws to be, they are powerless to strike them down. Thus, they operate in a virtual straitjacket.

In the treason cases, the options open to Milne are to declare that the indictment is too vague, that the defendants have been impermissibly joined in the single conspiracy count or that the various counts of the indictment lack sufficient particulars to put the defendants on notice as to the charges against which they must defend. The judge can order the indictment dismissed or amended, and has since my visit issued his ruling; on balance it upholds the claims of the defendants. But none of his options has anything to do with the policy of the law or the merits of the charges.

Considering all of this, one is forced to again look at the laws enacted by parliament and their enforcement. The arbitrariness inherent in the laws becomes all the more offensive. For example, Section 28 of the Internal Security Act permits preventive detention if it is suspected that a person is likely to endanger "the maintenance of law and order." Section 29 authorizes detention for interrogation for unlimited periods of time.

I talked to clergymen who were taken from their homes in the middle of the night by authorities, jailed and beaten. While in jail they were forced to review their recent sermons and to explain why they conducted funeral services for various persons in the townships. At the end of their detention they were warned by police to make no further references to President Botha or to Nelson Mandela. Mothers related the events surrounding the detention of their sons and husbands, whose whereabouts they still do not know. Homes were broken into, searched by police, occupants terrified and brutalized in the process of being detained.

I was one of a five-person party arrested by the South African police and charged with violating the Emergency Order by visiting a black township in Fort Beaufort. The brandishing of weapons by a dozen or more riot police was menacing enough, but clearly the most distressing event was the search the police conducted of the automobile in which we were traveling. They carefully examined the luggage and briefcases of my South African hosts for outlawed documents and literature. Had they possessed any, my friends would have faced serious charges and long prison terms.

The march is on in those townships for uprooting of the network of repressive apartheid laws and the installation of procedures that will build a legal framework more in keeping with norms of due process and equality.

Those in this country who, for "practical" reasons, argue against application of external pressures against South Africa need to consider the reality of apartheid. There is more involved than jobs and something much more fundamental than the economic security of a relative handful of blacks. What must be understood is that the system of apartheid is more than a word. It is a cruel system of life enforced by whips, police dogs, guns, detentions, arson, torture, disappearances and death. It is a system of life that distorts human nature, as did American slavery. To those who quarrel with this conclusion, I say, let them go to South Africa.●

NOTING H.L. MENCKEN WRITING AWARD TO MR. TIM GIAGO

● Mr. **ABDNOR**. Mr. President. I am proud to bring to the attention of my colleagues the very special honor which has been bestowed upon Mr. Tim Giago, publisher of the Lakota Times, by the H.L. Mencken Foundation. Tim publishes the largest weekly Indian Newspaper in the Nation and since its inception has dedicated his energies to the betterment of native Americans. He was also one of the founding forces of the Native American Press Association and has won numerous awards from the National Press Association and the South Dakota Press Association.

Tomorrow, Mr. Giago will be presented the H.L. Mencken Writing Award for 1985 in special ceremonies at the National Press Club. In announcing the award the foundation stated that: "His columns demonstrate compelling emotion and compassion. The writer conveys some of the pain and unfairness that Indians on reservations live with, without being oversentimental."

As a member of the Oglala Sioux Tribe, Tim has always exhibited the courage of his forebearers in addressing in his direct way the trials and tribulations of native Americans in South Dakota and our Nation. We in South Dakota are proud of our native son and the important role that he plays in South Dakota and our Nation. I know that he would like to share this important moment with his dedicated wife and partner, Doris. I would like to extend my warmest congratulations to both Tim and Doris for the magnificent job that they do in bringing to the forefront the views and concerns of native Americans. There could be no worthier a recipient of the H.L. Mencken Award than Mr. Tim Giago and I am pleased that he has been accorded this honor.●

ORDERS FOR WEDNESDAY

ORDER FOR RECESS UNTIL 10 A.M.

Mr. **STAFFORD**. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stand in recess until the hour of 10 a.m., Wednesday, September 18, 1985.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. **STAFFORD**. Mr. President, I ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senator Specter and Senator Proxmire.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. **STAFFORD**. Mr. President, I ask unanimous consent that, following the special orders just identified, there be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m. with statements therein limited to 5 minutes each.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

PROGRAM

Mr. **STAFFORD**. Following routine morning business, the Senate will resume consideration of S. 1200, the immigration bill.

Following the final disposition of S. 1200, the Senate will resume consideration of S. 51, the Superfund bill. Votes may be expected during the day's session.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. **STAFFORD**. Mr. President, I move, in accordance with the order previously entered, that the Senate now stand in recess until Wednesday, September 18, 1985, at 10 a.m.

The motion was agreed to; and the Senate, at 7:49 p.m., recessed until Wednesday, September 18, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 17, 1985:

Department of Defense

The following-named persons to be members of the Board of Regents of the Uniformed Services University of the Health Sciences for terms expiring June 20, 1991:

Carol Johnson Johns, of Maryland, vice Lauro F. Cavazos, term expired.

Mario Efrain Ramirez, of Texas, vice William R. Roy, term expired.

Department of Commerce

Paul Freedenberg, of Maryland, to be an Assistant Secretary of Commerce, vice Lawrence J. Brady, resigned.

Department of Labor

Roger Dale Semerad, of Maryland, to be an Assistant Secretary of Labor, vice Frank C. Casillas, resigned.

National Advisory Council on Women's Educational Programs

Hazel M. Richardson, of California, to be a member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1988, vice Eleanor Thomas Elliott, term expired.

African Development Foundation

Mark L. Edelman, an Assistant Administrator of the Agency for International Development, to be a member of the Board of Directors of the African Development Foundation for a term expiring September 22, 1991, reappointment.

Communications Satellite Corporation

Neal B. Freeman, of Virginia, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1988, reappointment.

Equal Employment Opportunity Commission

Jeffrey I. Zuckerman, of Maryland, to be general counsel of the Equal Employment Opportunity Commission for a term of 4 years, vice David L. Slate, resigned.

Federal Mine Safety and Health Review Commission

Ford Barney Ford, of Virginia, to be a member of the Federal Mine Safety and Health Review Commission for a term of 6 years expiring August 30, 1990, vice Frank F. Jestrab, term expired.

National Commission on Libraries and Information Science

Barbara J. H. Taylor, of Maryland, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1990, vice Gordon M. Ambach, term expired.

National Credit Union Administration

Roger William Jepsen, of Iowa, to be a member of the National Credit Union Administration Board for the remainder of the term expiring August 2, 1987, vice Edgar F. Callahan, resigned.

NATIONAL LABOR RELATIONS BOARD

James M. Stephens, of Virginia, to be a member of the National Labor Relations Board for the term of 5 years expiring August 27, 1990, vice Robert P. Hunter, term expired.

NATIONAL SCIENCE FOUNDATION

William J. Merrell, Jr., of Texas, to be an assistant director of the National Science Foundation, vice Floyd James Rutherford.

SECURITIES AND EXCHANGE COMMISSION

Joseph A. Grundfest, of the District of Columbia, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1990, vice Charles L. Marinaccio, term expired.

UNITED NATIONS

The following-named persons to be representatives and alternate representatives of the United States of America to the 40th Session of the General Assembly of the United Nations:

Representatives:

Vernon A. Walters, of Florida.

Herbert Stuart, Okun, of the District of Columbia.

Daniel A. Mica, U.S. representative from the State of Florida.

Gerald B. H. Solomon, U.S. representative from the State of New York.

John Davis Lodge, of Connecticut.

Alternate representatives:

Patricia Mary Byrne, of Ohio.

Hugh Montgomery, of Virginia.

Joseph Verner Reed, of New York.

Robinson Risner, of Texas.

IN THE ARMY

The following-named officer for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3366:

ARMY PROMOTION LIST

To be lieutenant colonel

Reade, William F., 016-28-4160

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3370:

ARMY PROMOTION LIST

To be colonel

Ackerman, Kenneth, G., 049-30-7821
Adams, Gary L., 528-54-4868
Adams, Henry W., 204-28-1216
Adkison, Donald L., 261-50-2381
Agee, Damon W., 414-54-7307
Agrafiotis, Chrys C., 002-24-2638
Ahola, Leo A., 046-28-7050
Alewel, Roger L., 488-36-6246
Alford, Paul D., 433-64-2618
Allen, Gordon K., 447-32-1062
Allen, Gregory S., 572-46-4208
Allen, Herbert R., 247-66-6538
Alton, Jack E., 374-26-7784
Alvarez, Abraham P., 130-28-4281
Ambrose, William P., 022-26-6351
Amendolare, Joseph, 027-26-5027
Amoroso, Francis J., 007-34-6783
Anaya, Gabriel, 525-70-0164
Andersen, Karl K., 102-26-9388
Andersen, Robert D., 501-46-5686
Anderson, Grieg L., 540-48-9609
Anderson, Harold J., 204-28-2809
Anderson, Richard K., 310-34-3332
Andrew, Michael A., 155-26-4076
Andryczyk, Roman W., 197-32-2393
Appleby, John, 439-44-3846
Applegate, William, 547-52-7343
Argo, Ulon C., 412-52-1041
Arico, Eugene F., 150-34-0602
Armer, Walter D., 526-58-2189
Armistead, Bobby H., 429-60-0508
Armstrong, Arthur R., 430-56-1724
Armstrong, Jack R., 479-40-0145
Armstrong, Robert C., 444-34-9719
Arnett, Jack D., 275-32-9671
Arnold, Jonathan A., 205-26-2973
Artman, Robert H., 312-30-0818
Asay, Wayne W., 528-42-9675
Atkins, Summer W., 049-26-5448
Aubrey, John E., 407-50-2411
Bacon, Roger A., 436-48-2681
Baiden, Hugh G., 247-58-3907
Bailey, Robert T., 252-58-2958
Baird, Carl D., 263-56-6099
Baker, Darrel P., 462-64-3645
Baker, Milton L., 246-46-7953
Banks, Randolph C., 549-60-7327
Barker, Larry C., 404-46-9291
Barlow, Gregory P., 531-38-7763
Barnett, William O., 425-66-6276
Barnhart, David S., 542-38-1476
Bartlett, General T., 234-58-5041
Barton, Kenneth P., 466-48-9469
Batchelor, Thomas J., 395-40-5415
Bauerle, James L., 312-48-2159
Beane, Melton E., 231-40-2461
Beauchamp, Gordon L., 196-28-1493
Becker, John B., 213-34-1035
Becker, Philip M., 331-32-9049
Beckham, Clarence L., 428-66-9945
Beckman, William P., 247-64-3283
Beedle, Donald R., 345-24-5161
Begick, Paul, Jr., 380-38-7547
Belcher, Charles R., 407-52-0561
Belveal, Charles E., 572-48-1588
Bennett, Robert W., 514-28-7233
Benson, James W., 415-62-3694
Beretta, Ronald J., 312-36-7973
Berger, Baruch M., 095-30-3870
Berner, Robert A., 211-30-3296
Best, Paul R., 354-34-5395
Bester, Douglas B., 531-36-1399
Bicanovsky, John E., 173-28-5706
Bielot, Richard J., 046-32-3122
Biles, Derwood C., 430-80-6546
Bingham, Bruce B., 050-38-6793
Blair, Jimmy S., 247-64-6068
Blanchette, Joel G., 005-38-9014
Blaney, James G., 399-32-3984
Blankenship, Robert, 242-52-6342
Blocklinger, Hans F., 454-54-6571
Bobek, Stanley E., 068-26-5864
Bodine, Thomas B., 314-32-6966
Boitel, Earl C., 371-32-8197
Boleware, Garland W., 427-76-0923
Bonanno, Frank C., 018-30-1693
Bonar, James S., 233-62-8855
Bonner, Joseph C., 437-58-9013
Boone, Daniel R., 234-58-0840
Boozer, Ted L., 248-42-8686
Borcher, Dale H., 505-36-5439
Borden, Charles A., 271-36-8987
Bosch, Hans A., 048-30-8078
Bourassa, Jerry D., 443-36-9140
Bowen, Crayton M., 416-48-9309
Boyd, Lonnie G., 427-66-2752
Boyle, John F., 091-30-2002
Bradley, David K., 501-44-6229
Bradley, Paul R., 369-34-4770
Bradshaw, Philip L., 220-32-8515
Brancazio, John A., 236-64-2376
Brandt, Robert J., 562-48-6792
Brantley, Shelby K., 426-76-1940
Broadway, Buddy S., 426-66-0462
Brock, Robert F., 525-72-9241
Browder, James G., 230-58-1364
Brown, Elbert L., Jr., 463-48-4568
Brown, Gerald V., 556-44-6209
Brown, James M., 226-44-9576
Brown, James O., 516-36-7709
Brown, Joel A., 453-56-1913
Brown, John R., 363-38-9530
Brown, Maynard, Jr., 257-52-3323
Brown, Willard G., 220-32-7704
Bruh, Brian M., 059-34-2319
Bryan, Alan J., 459-48-5142
Buch, Floyd H., 172-32-2119
Buchanan, Gale A., 261-62-2288
Buckman, Donald K., 466-64-9449
Bultman, Roger C., 387-44-1140
Bunker, Edward A., Jr., 561-52-3550
Bunn, Gary L., 234-54-6430
Burch, Earl B., Jr., 560-64-7086
Burdo, Anthony J., 043-32-9636
Burgess, Howard J., 008-26-4818
Burgoyne, C., 074-32-8950
Burner, Melvin T., 279-28-2287
Burnette, George W., 418-42-0460
Burnhope, Kenneth D., 528-46-3261
Burnstein, Clifford, 332-36-6059
Burr, Ronald P., 570-46-7997
Butler, Leroy N., 046-28-9661
Byrd, Floyd E., 435-50-7100
Byrd, William L., 455-54-6675
Byrne, Michael E., 561-50-7236
Bystrowski, Stanley, 044-26-7037
Cahill, Bernard J., 469-48-7147
Calagaz, Frank J., Jr., 418-46-1146
Calhoun, Clarence A., 251-66-0759
Call, Sidney B., 519-28-7994
Calt, Eugene F., 358-32-3668
Camacho, Salvador, 521-44-5702
Campbell, Dean J., 008-26-1887
Campbell, Donald F., 085-36-1491
Cantrell, Clifford, 441-34-0783
Capps, Richard G., 261-52-1242
Caputo, Brian R., 034-26-3586
Carlyle, Robert L., 323-28-4773
Carter, Billie C., 422-48-4573
Carter, Donald R., 490-42-8410
Carter, Merrill R., 528-46-3743
Carter, Raymond J., 460-56-5549
Carter, Richard O., 518-38-7503
Casellasjovet, Rafa, 580-68-2175
Cates, Johnny E., 449-48-8846
Caton, Douglas E., 228-56-3994
Caughman, James K., 251-70-3140
Caulkins, Lawrence, 526-40-7437
Chain, Bela J., Jr., 409-50-3445
Chase, Neil W., 423-44-2497
Chavanne, John E., 158-28-9899
Cheeves, Charles L., 258-48-8112
Chin, James R., 275-34-9840
Chiodini, Louis J., 493-34-3189
Chitwood, Michael R., 492-36-2085
Christy, Donald E., 307-38-4807
Chun, Howard H., 084-30-1122
Claggett, Michael B., 279-34-5382
Clary, John F., 361-26-9899
Clegg, Peter W., 116-34-4585
Clements, William J., 192-28-7942
Clifton, Charles E., 554-56-7030
Clifton, Claude E., 463-56-6226
Cochrane, Stephen T., 086-32-9902
Colonosorio, Pedro, 581-66-4423
Combest, Ronald R., 550-52-7716
Combs, Paul H., 323-28-5626
Conlon, Joseph F., 073-34-9870
Contos, Spiro J., 520-30-5139
Cooper, Carl B., 425-78-0443
Cooper, Donald A., 393-30-5200
Cordero, Miguel A., 582-68-4138
Couture, Roland W., 002-28-9132
Covino, Robert P., 100-34-0156
Cox, Thomas F., 031-28-7958
Coyne, Henry F., 172-30-6406
Cross, Charles H., 243-44-9559
Cross, Ronald W., 566-56-7070
Crutcher, Donald R., 422-40-6109
Cunningham, John D., 413-54-2374
Curell, John D., 382-36-2071
Curry, Truman A., 425-44-6586
Cuschieri, Joseph M., 377-44-4465
Daddona, Richard A., 186-32-9929
Darbyshire, David W., 483-42-6359

Dattilo, Anthony D., 108-28-9278
Daugherty, Kenneth, 196-30-0729
Davis, Alec C., 126-32-0147
Davis, Homer E., 409-44-7855
Davis, Jack L., 216-32-6060
Davis, John C., 505-42-5411
Davis, John E., 441-34-7713
Dean, William J., 142-32-5982
Decker, Dale H., 541-38-8783
Defrieze, Harold R., 320-26-9613
Degroat, Arthur B., 157-26-5874
Deleissegues, R., 550-44-0818
Delong, Alvin R., 235-48-0711
Demarco, Richard M., 111-28-2533
Denbraven, Donald, 383-36-8948
Derdeyn, Conrad J., 463-52-1130
Dixon, Albert D., 263-50-1730
Dixon, James H., 311-30-2448
Dodge, Ira D., III, 489-40-9883
Dolan, Robert, 020-24-2086
Donald, Carroll D., 425-78-0771
Douglas, John W., 467-68-1876
Drew, Garland A., 002-30-5525
Drolla, John C.D., 457-60-8598
Duffie, John B., 251-50-3862
Dupre, Charles C., 039-26-0469
Durst, Wesley N., 505-42-0252
Eagerton, John D., Jr., 250-54-0907
Eagon, Herbert B., Jr., 274-36-3676
Eckstrom, Ivan P., 468-40-7355
Ecuyer, Richard J., 429-56-6082
Edgar, Walter B., 421-60-0996
Eidson, David E., 244-50-1128
Eisenman, Theodore, 284-34-2035
Ellis, Howard W., 274-32-7190
Elmore, James L., 428-74-5446
Encarnacao, John B., 010-28-2131
Ence, Randy J., 528-52-1332
Engstrand, Raymond, 515-30-0066
Epperson, Thomas J., 430-62-9436
Eskijian, Gregory, 002-30-1163
Etheredge, Roy F., 423-48-0626
Fagone, Joseph S., 034-28-8612
Faircloth, Joseph S., 417-48-1518
Faneilli, Nicholas A., 049-28-4547
Farmer, Arthur J., 427-64-3569
Faust, Ramon B., 468-32-6739
Ferris, James J., 115-32-9474
Fidurski, Richard S., 064-28-2657
Filek, Robert L., 353-28-3684
Finlayson, John D., 505-46-2412
Fioretti, Ray E., 443-34-3679
Fisher, Harold G., 130-30-0477
Fisher, Ronald R., 520-36-7753
Fleenor, Paul M., 230-32-9115
Flint, Fred R., 725-10-6621
Flores, Manuel R., 458-60-1970
Fox, Neal D., 002-26-2018
Francis, William G., 440-38-7176
Franke, George E., 494-42-8333
Franke, Loren W., 542-42-0202
Fraser, Howard D., 009-26-6814
Fray, William C., 071-40-0261
Frederick, Carrol J., 436-56-4936
Fredrick, Kent L., 315-32-4450
Frost, John W., 248-74-2089
Furman, Leroy F., 011-28-2377
Gaeta, Joseph J., 051-32-7119
Gailitis, Vilnis, 017-28-1425
Galanti, Philip J., 053-34-1579
Gallego, Gibert A., 526-58-0796
Garrett, William A., 250-46-0550
Gault, Billy F., 431-62-2014
Gay, Robert W., 263-72-5011
George, Chalmer D., 424-48-3909
Gerhardt, Edward H., 515-42-1845
Gershner, Leon, 430-66-9089
Gerstenberg, Richard, 157-28-1637
Ghiglio, David J., 017-28-7529
Ghormley, James C., 552-56-5511
Gibbs, Jay N., 308-32-6521
Gilbertz, Thomas E., 518-38-6796
Glick, Barry H., 105-32-1883
Gomez, Stephen A., 503-20-7991
Gonzales, Reynaldo, 566-48-6380
Gonzalez, Manuel, 582-72-9805
Goodrich, Roger L., 563-62-1600
Goodsell, Robert L., 471-36-0932
Goodwin, Ray C., 229-44-9592
Gormley, William, 011-30-1259
Graton, Austin S., 002-28-9949
Greenspan, Jack M., 083-28-9179
Greger, Gerald J., 044-28-2594
Gresko, Charles N., 036-22-3029
Griffis, Louis R., 441-38-1630
Gunn, David W., 428-64-8440
Gwin, Charles T., 454-46-5715
Gwynne, Harry S., 561-44-9593
Habersberger, Albert, 054-36-8484
Haddox, Hayes P., 236-64-5712
Hall, Gaines B., 424-40-9546
Hamilton, William G., 571-44-5119
Hannula, Rodney R., 389-38-0002
Hanson, David L., 477-32-3312
Haralson, John W., 497-38-2175
Harkins, John F., 200-24-1577
Harrington, James C., 526-42-3334
Hart, Bennett R., 348-36-5490
Hartman, William G., 232-60-0647
Hathaway, Benjamin, 432-56-7681
Hawbaker, Stuart D., 323-32-3041
Hawkins, Lawrence W., 538-36-9981
Hayes, Don L., 448-34-0065
Hayuk, Hlib S., 105-30-8944
Hess, Harlan L., 512-42-5309
Hill, James N., 242-56-2212
Himmel, Roger A., 341-28-9535
Hindman, Robert F., 188-26-9864
Hindman, William J., 249-68-4855
Hiner, Leroy H., 518-34-0401
Hirabayashi, Yoshito, 560-60-1500
Holen, Harold R., 306-44-1376
Hollabaugh, James T., 462-56-3684
Holmes, James W., 390-36-0114
Holt, Kenneth A., 455-56-4933
Holt, Ronald W., 445-38-3691
Honeycutt, Ronald G., 441-40-0659
Hoppes, Ronald A., 495-36-6104
Horton, Willard C., Jr., 260-50-7608
Houston, Charles D., 440-36-6357
Hovda, Clayton A., 728-07-3917
Howard, Thomas E., 520-36-9415
Hudson, Horace E., 251-66-4424
Hunsaker, Orvil G., 528-50-1010
Huntley, Guy S., 001-28-9619
Hurley, James M., 214-32-0756
Hymovitz, Allen, 022-32-1601
Ibanez, Armando R., 465-66-1096
Isham, Virgil B., 411-50-3481
Jackson, Gary W., 444-40-1450
Jackson, John, 527-44-5584
Jacobs, Wesley V., 432-56-2276
James, Hal D., 227-46-1908
Janco, Peter R., 152-26-8223
Jenkins, John A., 211-28-2821
Jennette, David L., 246-50-8390
Jester, Billy F., 429-74-3553
Jewett, Harlan E., 279-28-9722
Johnson, Conrad A., 476-38-1381
Johnson, Paul H., 543-36-2747
Johnson, Peter L., 004-50-4581
Jones, Alan D., 216-34-3492
Jones, Sonny D., 428-78-4378
Jones, Willie F., 251-50-1889
Kaplan, Lawrence, 394-40-0163
Kawashige, Chester, 575-34-2335
Keathley, James O., 413-56-4863
Keenan, Thomas, M., 204-32-8425
Kelsey, Darrel A., 509-34-7415
Kephart, Robert L., 424-34-4829
Kessler, James, S., 396-34-3881
Kieffer, Allen J., 468-40-4680
Kiger, Louis, S., 231-46-0832
Kilpatrick, Robert, 377-34-9377
Kindley, Douglas G., 227-42-5094
Kinslow, George A, 406-44-0728
Kirk, Charles R., 418-46-5037
Kline, Ronald A., 232-58-8486
Knudsen, George K., 325-28-7943
Kondi, Albert J., 046-26-9457
Kough, Harold R., 557-48-3182
Krach, Donald F., 219-32-9971
Kramer, Charles J., 551-52-5292
Krug, Karl W., 104-28-3071
Labollita, Francis, 028-28-6545
Lally, John E., Jr., 016-26-6752
Lamb, Norman A., 446-32-7436
Lancaster, John D., 247-46-8456
Landaaio, Dennis M., 136-34-9460
Langston, Donald R., 429-72-4146
Laprise, William A., 284-40-9960
Laurino, Thomas P., 022-26-0653
Layton, Donald, 249-44-4958
Lesesne, Joab M., Jr., 251-56-4100
Lindsay, Roscoe, Jr., 248-60-4745
Link, Gerald F., 466-66-3780
Lipscomb, Dolores, 210-30-3059
Loesch, James A., 316-40-3503
Long, James H., 431-54-8903
Loudenslager, George, 504-32-7033
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WITHDRAWAL

Executive nomination withdrawn from the Senate by the President September 17, 1985:

NATIONAL ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

Peter Douglas Keisler, of Connecticut, to be a member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1987, vice Maria Pornaby Shuhi, term expired, to which position he was appointed during the last recess of the Senate, which was sent to the Senate on January 3, 1985.

EXTENSIONS OF REMARKS

OPPOSITION TO JOB CREATION: A CONSERVATIVE IDEOLOGY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. LEVIN of Michigan. Mr. Speaker, for the past 6 months I have had the privilege of chairing the House Democratic Caucus Task Force on Job Training. This task force was constituted to take a hard look at the need for job training and retraining across America, how we are currently meeting that need, and what changes must be made to face the economic challenges of the future. As part of this effort, we have held a series of meetings with recognized experts in the employment field. Today, I would like to share with my colleagues some particularly pointed remarks made by Dr. Sar Levitan to our task force this past June. Dr. Levitan is the founder and director of the Center for Social Policy Studies at the George Washington University. At this time I would ask for unanimous consent to insert Dr. Levitan's remarks into the RECORD:

OPPOSITION TO JOB CREATION: A CONSERVATIVE IDEOLOGY

(By Dr. Sar A. Levitan)

An underlying vision of the American welfare system as it evolved over the past half century is an abiding belief that the nation is not condemned to passive acceptance of inequality of opportunity, forced idleness, and poverty. The designers of the welfare system have assumed that our future is not predetermined, but can be molded by our energies, resources, and faith in the American future.

In contrast, applied to job creation and economic opportunity, the conservative ideological vision of the welfare system can be reduced to three simple propositions:

1. The poor and the unemployed are not trying hard enough;
2. Help to the unemployed and the poor encourages indolence, and is therefore an obstacle to self-sufficiency; and
3. Given poverty and unemployment is the fault of individuals, federal intervention is counterproductive. Society would presumably gain a great deal more by allowing the haves to keep most of their income and wealth because they would, of course, invest in productive enterprises rather than spending their resources boosting the consumption of the indolent. The added investment will create more jobs, and as we all know, rising tides lift all ships (or is it yachts?). Anyway, poverty and unemployment are inevitable and there isn't much that we can do for the poor.

THE POOR ARE NOT TRYING

At the heart of the conservative opposition to federal job creation initiatives lies the suspicion that the poor and unemployed are morally different from the rest of Americans—that they do not share the values and aspirations of working Americans, that they do not respond to the incentives and opportunities of the market in the same way as the more prosperous. Although a very old idea, the association of poverty and unemployment with deviance seems to acquire new life with every generation.

Conservatives seldom question whether deviant lifestyles are of the poor's own choosing or simply reflect the harsh realities of deprivation. They are content to believe that the poor are unmotivated and unwilling to work unless coerced to do so. It follows, therefore, that even an affluent and compassionate society should limit assistance only to the truly needy poor, those who cannot work and support themselves. The rest can fend for themselves because according to the Reagan-Murray vision of the world, there are plenty of jobs available for anyone seeking work.

The most vivid examples of the conservatives' refusal to acknowledge labor market realities can be found in President Reagan's faith in job availability amidst postwar record unemployment. During the worst recession since the Great Depression, he clung to the theme that opportunities for work abound:

> Pick up the Sunday paper and look at the number of help wanted ads. Here are employers begging for employees, taking ads out for them at a time of the highest unemployment that we've known since the war. (Ronald Reagan, December 18, 1982)
>
> In the great metropolitan centers . . . you count as many as 65 pages of help wanted ads. . . . These newspapers ads convinced us that there are jobs waiting and people not trained for those jobs. (Ronald Reagan, October 4, 1982)

The administration's only concession to widespread joblessness lay in the acknowledgment that workers with a record of sustained unemployment may lack the skills to obtain available jobs.

Charles Murray, whose views have received widespread acclaim in conservative circles, seems to hold similar views. According to Murray, in the good old days before society developed programs to aid the unemployed and the poor, any physically able person could find a job to support himself and his family. George Gilder, whose star has recently been overshadowed by Charles Murray, carried this belief in the availability of jobs even further. Following an old economic theorem that supply creates its own demand, Gilder contended that individuals can "create their own jobs" because "the supplies of work and human capital can engender their own demand."

During the past 15 years our economy has generated an unprecedented number of jobs, but not enough for all those who seek work. The pious declarations of the 1946 Employment Act and the 1978 Full Employment and Balanced Growth Act notwithstanding, public policy has not been directed toward providing jobs for all. On the contrary, during the past two decades a number of factors have contributed to creeping unemployment. The unemployment rate during each of the succeeding peaks of the business cycle has registered a higher unemployment rate than the preceding peak. The rate of unemployment declined to 3.4 percent in the late 1960s, rose by about a percentage point during the peak of recovery from the 1974-75 recession, and now, 30 months into the recovery from the 1981-82 recession, unemployment still hovers between 7 and 7½ percent.

In May 1985, the Bureau of Labor Statistics reported that 8.4 million persons, accounting for 7.3 percent of the labor force, were seeking but could not find jobs. In addition, 5.9 million persons sought full-time work but had to settle for half-rations because there was not any full-time work available. There were some 2 million more people in this category in May 1985 than there were 31 months after the recovery started in 1975. Similarly, the 1.1 million discouraged workers exceeded the comparable number in 1977 by about 300,000. All this tells us a story of loose labor markets where millions of people cannot find full-time work. Clearly unemployment is not due to the failure of the idle to seek work, as President Reagan asserts, but because jobs are not available for all those who desire work.

In mid-1983 when more than 10 million Americans were actively looking for work, President Reagan focused on the Horatio Alger dream of unlimited opportunities for self-advancement rather than on the problems of those who were seeking work. One could hardly disagree with President Reagan's hope that "this remains a country where someone could always get rich."

Dreams are fine, but we should not lose sight of reality. Regrettably, opportunities to get rich are limited only to the very few. On the other hand, there are millions of people who labor, some full-time year-round and still remain poor. In 1983, the latest year for which such data are available, more than 9 million Americans were in the labor force, including 2 million who worked full-time year-round remained poor. The image of the lazy and unmotivated choosing poverty in order to avoid work is irrelevant to this large body of improverished Americans, whose devotion to the work ethic is tested to a far greater degree than that of more affluent workers.

The persistence of secondary labor markets, barriers to entry in selected occupations, and discriminatroy employment practices all limit opportunities for advancement and self-sufficiency through work. Current labor market conditions strongly support the hypothesis that the labor market is segmented, offering relatively high wages, good working conditions, job security, and chances for advancement to the majority of American workers while providing the rest with low pay, poor working conditions, unstable jobs, and few promotion opportunities. Because workers in secondary markets are often forced to accept intermittent employment their incomes tend to fall short of their fulltime earnings capacity and thus below the poverty line. Moreover, since the working poor frequently hold unskilled jobs, they are unlikely to upgrade their skills in their current jobs that would assist them in

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.
Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the transition from secondary to primary labor markets. The existence of primary and secondary markets side by side leaves unskilled workers trapped in dead-end jobs in which their motivation and effort have no appreciable impact on future advancement or capacity for self-support.

Patterns of labor market segmentation are strengthened and influenced by racial discrimination and barriers to occupational entry that hinder the advancement of disadvantaged minorities. Some progress has been made as direct result of federal mandates and interventions, towards reducing the prevalence of discriminatory employment practices. Nonetheless with rising levels of educational attainment and aggregate unemployment, the use of credentials or licensing requirements as barriers to entry into the primary labor market probably has increased in recent years. Both factors continue to frustrate the efforts of the disadvantaged to pull themselves out of poverty.

Perhaps the most frequently cited example of how government limits opportunity and creates poverty and idleness is that favorite conservative whipping boy, the minimum wage. Critics of federal minimum wage legislation contend that recent increases have priced many low-skilled workers, particularly minority and teenage jobseekers, out of the labor market. Whereas the federal minimum wage remains too low to lift many employed persons out of poverty even when full-time work is available, its opponents believe that a sizable number of the unemployed in poor households would gain access to earned income in the absence of a statutory minimum wage.

Attempts to measure accurately the relationship between a statutory wage floor and aggregate employment levels have been inconclusive and often contradictory. The implications of lowering or eliminating the minimum wage are particularly difficult to assess because this wage protection has become inextricably intertwined with the nation's social welfar system. While continuing to fulfill its original function of preventing rampant wage exploitation, the minimum wage also remains the most direct and comprehensive policy tool to improve the lot of the working poor. An excessively narrow focus on the probable elimination of some jobs obscures these broader benefits of a federal minimum wage.

Few jobs in the secondary labor market, where most low-wage workers are concentrated, are stable enough to ensure full-time, full-year employment. For these workers the federal minimum wage remains the last line of defense before slipping into abject poverty. Elimination of the wage floor, favored by many conservatives, would undoubtedly save a few jobs, but at the expense of swelling the ranks of the impoverished. Required to pay a minimum wage, some employers may be encouraged to invest more in the training of their workers, thus raising productivity and enhancing the employability and self-sufficiency of these workers.

For prospective workers, the federal minimum wage provides an incentive to rely on earnings rather than on welfare. Torn between the known benefits of dependency and the risks of an unstable job market, these workers are more likely to choose the latter if the monetary reward is sufficiently high. Lowering it to an ineffective level—since January 1981 the real minimum wage, adjusted for inflation has declined by 2.3 percent—could have reduced work incentive and made welfare the more attractive alternative. A society that places a high value on the work ethic should also be willing to pay a price for inducing the poor to work.

The potential benefits of the current administration's proposals to lower the minimum wage to increase job prospects among unemployed youth are similarly limited. In loose labor markets such action may have the effect of displacing older workers to fill newly created jobs. Attempts to combat youth unemployment by lowering the minimum wage provides a mixed blessing for the poor; any advantages for the young may be gained at the expense of their elders.

HELPING THE POOR AND THE UNEMPLOYED ENCOURAGES INDOLENCE

Having made the claim that the poor suffer deprivation by choice, or at least by virtue of their own inadequacies, opponents of government assistance in aid for the poor and the unemployed also develop what they view as a logical corollary—federal efforts to help the poor are counterproductive. The result is: we cannot assist the poor and the unemployed even if they need our aid, because federal interventions inevitably constitute a hinderance instead of a help.

According to President Reagan, welfare is one of our major problems because it destroys "self-reliance, dignity and self-respect . . . the very substance of moral fibre." The alternative has been term "earned dignity" or "dignity of achievement"—the dignity that is obtained when one achieves "that modest well-being presumed within the grasp of honest effort" and that is meaningful only if accompanied by censure of failure and "a strong sense of the shameful."

Charles Murray makes this a point a central theme of his Losing Ground. He tells the story of Harold and Phyllis (who may replace Romeo and Juliet in conservative literature). Both are unskilled and deficiently educate. In the good old days, if Phyllis made a "mistake" and became pregnant, Harold would marry her, take a menial and low-paying job, and presumably, the couple woud live happily ever after. His assumption is that jobs were available and that all able-bodied persons could find work. As long as the choice for able-bodied persons was between work and starvation, presumably they all worked. the social fabric began to unravel when the welfare system moved beyond aiding the truly needy to providing assistance to the working poor. This view encourages indolence and condemns the welfare system to failure.

HELPING THE POOR AND THE UNEMPLOYED IS COUNTERPRODUCTIVE

Convinced that the poor and unemployed are responsible for their situation and that government aid exacerbates their plight, true believers in laissez faire arrive at the inevitable conclusion that poverty is an unavoidable natural state of affairs, accepting the notion that some individuals must fail even in the most affluent society. The penalties of failure cannot be softened, they contend, because government intervention to alter market outcomes would diminish the rewards for achievement and undermine the motivation and moral character of those it sought to help.

Implicit in this view is the belief that government programs have merely displaced prior private efforts and that the withdrawal of federal aid would result in no net loss, and possibly a net gain, of resources available to combat the nation's social problems.

The conservative thesis of private initiative and charitable giving appears more clearly at odds with the record. Prior to government intervention, private voluntary activities managed to provide only the most modest relief and assistance to portions of the poor population. These efforts were the least effective in areas with high concentrations of low-income households and seldom moved beyond the provision of minimal temporary aid to improve the poor's prospects for self-support. The inadequacy of private help, if not its complete breakdown, generated the need for government intervention under the New Deal. As government responded to unmet basic needs, there is no convincing evidence that charitable contributions suffered a corresponding decline.

The 1983 Economic Report of the President, prepared while joblessness reached its postwar peak, reflects the strength of the philosophical bias against federal programs to expand employment and broaden economic opportunity. Although it voiced support for training to assist the structurally unemployed, the report implicitly rejected the job creation proposals of "well-meaning" members of Congress with the statement that "only a balanced and lasting recovery can achieve a substantial reduction in unemployment." (Ronald Reagan, September 9, 1982)

Throughout his political career President Reagan has opposed federal job creation programs, arguing that they generate unproductive work and weaken the national economy. With a litany of references to "make-work jobs" and "quick fix" responses to recession, his administration has portrayed public employment initiatives as dismal failures that led to long-term economic decline. Even when the unemployment rate reached double-digit figures in September 1982, the president offered the following assessment of jobs programs:

Actually, what we're talking about is building a solid base for the economy as the method of providing the jobs the unemployed need, and providing them on a more or less permanent basis instead of just a quick flurry that does no real good but leaves us closer to the brink of disaster than we were before.

The presumption that the poor shirk work responsibilities is most explicit in workfare initiatives that require welfare recipients to work off the support they receive. Workfare programs could be both successful and beneficial if they offered the dignity or the experience of constructive employment to the AFDC population which realistically may be capable of self-support. Given careful screening, pre-employment counseling and sufficient incentives, welfare recipients could go far toward developing positive work habits and escape poverty. The provision of meaningful jobs at their existing wage scale could induce welfare recipients to voluntarily opt for workfare, eliminating some of the more distasteful associations of the programs with punishment for perceived moral deviance.

The existing welfare system gives partial recognition to the interrelationships between work and welfare, helping many Americans and allowing some flexibility for movement in and out of the labor market. Yet sharp restrictions on aid to the working poor, exacerbated by the Omnibus Budget Reconciliation Act of 1981, still confine some recipients to dependency and threaten to create a permanent underclass. A public policy that expects low-income Americans to make rational calculations regarding the costs and rewards of work as compared to welfare must ensure that work is more remunerative than welfare. Past federal approaches to combat poverty have fallen far short of this fundamental goal.

To minimize conflicts between work and welfare, federal programs in aid of the poor must recognize the limitations of private labor markets in offering employment opportunities that permit the unemployed and the working poor to escape poverty. The world of opportunity, upward mobility, and adequate wages envisioned by conservatives does not exist for large segments of the low-income population.

A LESSON WE SHOULD HAVE LEARNED

One of the clearest lessons arising out of America's experience with the welfare system is that poverty cannot be eliminated solely through a reliance upon income transfers. Income maintenance certainly is an essential component of any comprehensive antipoverty effort, but a strategy relying upon transfers alone can neither enhance self-sufficiency nor avoid conflicts in labor markets.

In a society in which the wages of millions of workers are too low to lift them out of poverty, the provision of adequate cash assistance to the nonworking poor, if unaccompanied by incentives to supplement assistance with earnings, inevitably raises serious questions of equity and generates strong political opposition among taxpayers. In addition, income transfers large enough to lift low-income households above the poverty threshold, if not tied to work effort, would trigger large drops in labor force participation or force massive public expenditures to the nonpoor in order to preserve acceptable work incentives. Political and economic realities have contributed to the demise of successive guaranteed income schemes during the past two decades and demonstrate the need for federal strategies that assist both the working and dependent poor.

While the rhetoric of the Great Society and subsequent initiatives have often placed heavy emphasis on the expansion of economic opportunity for the less fortunate, this promise has never been fulfilled through a sustained and adequate commitment of societal resources. Many of the dilemmas posed by the welfare system—perverse incentives discouraging work by welfare recipients, neglect of the needs of the working poor, high youth and minority unemployment, and burgeoning costs of universal entitlements—arise from an inadequate emphasis on the extension of employment opportunities. Beyond fundamental guarantees of equal access and civil rights, the welfare system's attempts to broaden opportunity have relied upon relatively small and often sporadic investments in job training, public employment, compensatory education, and meaningful work incentives. These initiatives, despite yielding promising results, have fallen far short of their necessary role as equal partners with income maintenance in advancing the goals of the welfare system. To help the millions of the unskilled and deficiently educated, it is necessary to recognize that work and welfare go together as an appropriate public policy.

The difficulties associated with the expansion of economic opportunity through the welfare system are substantial, ranging from the technical and economic to the cultural and political. Certainly the heavy reliance upon transfer programs in recent years reflects the fact that assurances of income security tend to be less threatening to established interests and therefore easier to adopt than broader efforts to open avenues to self-support and economic advancement. Yet if the nation is to avoid the debilitating effects of its emphasis on income maintenance, there is no alternative to reviving the promise of opportunity and the creation of jobs. When the nation discards today's prevailing negativism it should turn to this urgent task of broadening access to opportunities for work and self-advancement for all Americans.

THE TRADE CRISIS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. SEIBERLING. Mr. Speaker, the huge trade deficits which have accumulated under the Reagan administration have become a "front burner" issue on both sides of the aisle in the Congress. Even the Reagan administration, which has long turned a deaf ear to calls for constructive action on the trade crisis, is at last readying a trade package for consideration.

The President and the Congress have available to them a wide range of responses to the trade crisis. Clearly, there are strong pressures for enactment of "protectionist" legislation. Under limited circumstances, temporary quotas or tariffs may be a useful short-term solution to import competition for specific industries. It would be catastrophic if our key industries, such as auto, steel, rubber, textiles, electronics, footwear, and so on, were to collapse because of the flood of imports. Congress cannot sit idly by and let this happen. Limited import restrictions can and have bought time to enable domestic industries to retool to maximize production efficiency and quality to enable them to compete on an equal footing with their foreign counterparts.

But broad-brush legislation designed essentially to punish foreign countries for their trade practices in general, rather than dealing with specific industries and specific trade problems, seems to me to run a substantial risk of being counterproductive. At a minimum, enactment of such legislation could well provoke sharply retaliatory responses from the affected countries, prompting them to shut their doors even tighter to American exports. That would be in nobody's best interests.

It's evident that the key contributor to the trade problem we face is the adverse impact of the imbalance between the dollar and foreign currencies. Our strong dollar acts as an export "tax" on American products shipped overseas, making them less competitive in foreign markets. And the strong dollar acts as an import "subsidy" for underpriced foreign products, giving them a strong price advantage in American markets.

Since the strong dollar is being fueled by our huge Federal deficits, our first course of action must be to reduce the deficit. That is going to take fair and balanced action to stem the hemorrhage of Federal revenue which began with the ill-planned 1981 Reagan "supplyside" tax fiasco. It is also going to take further reductions in Federal spending, and we are going to have to begin with the out-of-control Reagan defense budgets.

Next, we need to promote efforts to find jobs for, and retrain workers who have lost their jobs because of import competition. The administration's position in this respect has been one of callous indifference, seeking large cuts in the Job Training Partnership Act, and the termination of the Trade Adjustment Assistance Program, both of which provide assistance to dislocated workers. We have simply got to recognize that our workers are a resource of enormous value and potential, but that the job of retraining and relocating dislocated workers cannot be left solely to the private sector, as the Reagan administration apparently wants to do. The House Democratic caucus task force on employment and training, on which I serve, is in the process of putting together a comprehensive recommendation for employment and training programs, and I hope the Congress will translate those recommendations into legislation.

Unfortunately, the Reagan deficits have left the Congress severely limited in its ability to fund new programs to deal with the dislocations caused by the trade crisis. In an August 22, 1985, column in the Arkon Beacon Journal, David Broder notes that many respected economists are increasingly concerned that the economy is beginning to stagnate. As Border points out, the "standard Keynesian prescription for dealing with a recession is to cut taxes and/or increase Government spending and thereby stimulate demand, in hopes of bringing the economy out of its nose dive." But the huge deficits which have occurred as a result of 5 years of Reaganomics have left the Government with no room to apply such remedies.

At a July meeting of Senator GARY HART'S Center for a New Democracy, discussions centered on alternatives to such traditional Federal pump priming, with the consensus being that, absent governmental flexibility to deal with a recession, the Government should encourage increased flexibility in the labor market.

One solution, advocated by Pat Choate of TRW, is to upgrade the existing U.S. Employment Service in order to better match dislocated workers with existing jobs. Choate noted that the matching system "is barely functioning. Only 7 percent of jobseekers receive counseling, only 2 percent receive training and less than 25 percent are eventually placed in jobs." Choate also argued for better retraining programs, including tax stimuli for employer retraining and job creation.

According to the Broder article, another solution, advocated by Prof. Martin Weitzman of MIT, is "shifting the basic compensation system so that less of a worker's income comes as wages and more as profit-sharing. That way, he said, fewer people would be laid off in the next recession and more firms would survive."

I agree with Professor Weitzman's assessment. In fact, I have reintroduced legis-

lation to encourage the implementation of just such a gain sharing system. Under my bill, the Productivity Improvement Act of 1985 (H.R. 1183), employers would be offered a tax credit of up to 10 percent of the bonus wage in the first year of operation. The advantages of such a system are clear. Employees would be encouraged to maximize their productivity on the assembly line, since the bonus would reflect such productivity growth. Over the past decade, American productivity has grown only 23 percent, while Japanese productivity has grown over 100 percent. By giving workers a vested interest in productivity growth, American manufacturers can close the gap.

Such a bonus wage can also promote job security. In times of economic decline, manufacturers would have an opportunity to reduce the bonus wage—without cutting the base pay itself—and keep workers on line, instead of laying them off to maintain profits. The resulting job security cannot help but to produce greater employee loyalty and a vast improvement in employer-employee relations.

An article in the August Dun's Business Month provides further substantiation of the potential benefits of this kind of bonus wage system. Although acknowledging resistance to these plans, many companies have found them extremely useful. A GAO study of some 1,000 companies with compensation tied in part to productivity growth, found a 30-percent savings in labor cost; 81 percent of the respondents reported improved labor-management relations, nearly 50 percent had fewer grievances, and nearly 40 percent reported lower absenteeism and turnover.

Mr. Speaker, the breath and depth of our trade imbalance demands action from the Congress. We cannot ignore the problem, but we should not, in our haste to alleviate it, take action which we will come to regret. We should vigorously explore constructive ways of retraining and relocating dislocated workers. We should improve the services offered by our employment service. And we should be willing to offer incentives to improve productivity in the workforce and improve labor-management relations.

The full text of the David Broder and Dun's Business Month articles follow:

[From the Beacon Journal, Aug. 22, 1985]

Desirable Goal: More Flexibility for Labor

Washington.—In 1981, the year the last recession began, the federal government had a deficit of $78 billion. Two years later, when that recession had run its course, the deficit had almost tripled to $207 billion.

This year, according to the latest Congressional Budget Office estimate, the deficit will be $210 billion. If another recession hits and the pattern of the past holds, one can imagine annual deficits ballooning by the end of the Reagan administration to the staggering level of more than one-third of a trillion dollars a year.

That nightmare possibility has entered the discussion in Washington because of the recent spate of nervous economic indicators.

On successive days last week, you could read that business sales dropped, inventories rose, factor output and capacity utilization stagnated and home construction slumped. While few economists were predicting a recession, the head of Chase Econometrics said, "There is no reason to expect a major improvement."

Rudolph Penner, the head of CBO, said, "The economic outlook remains very uncertain," and he warned that with deficits in this time of general "prosperity" running at more than $200 billion a year, they "don't allow any margin for safety if the economy performs worse than expected."

All this makes it pertinent to ask just what this country would do if the economy staggers into another slump under the burden of the incredible debt accumulated during the Reagan years.

The standard Keynesian prescription for dealing with a recession is to cut taxes and/or increase government spending and thereby stimulate demand, in hopes of bringing the economy out of its nose dive. That is what Reagan did in 1982 and eventually it worked—but at terrible cost to the budget.

At a session last month of his personal think tank, the Center for a New Democracy, Sen. Gary Hart, D-Colo., assembled a group of people to see if they had any ideas other than traditional "pump-priming" remedies. When I read the transcript of that session, I realized that there are other options. But all of them would require more courage and imagination than either Congress or this administration has shown.

The main point that emerged was that—lacking flexibility to apply traditionally fiscal stimulus—the government should try to promote increased flexibility in the labor market.

That point was stressed by economic consultant and author Pat Choate of TRW, economics writer Robert Kuttner and Professor Martin Weitzman of the Massachusetts Institute of Technology. It was that point to which Hart, eyeing a second bid for the presidency in 1988, seemed most responsive.

How do you get more flexibility in the job market?

Choate offered several practical answers. Improving the existing U.S. employment service is one way to get a better match of people and jobs. Today, he said, "that system is barely functional. Only 7 percent of job-seekers receive counseling, only 2 percent receive training and less than 25 percent are eventually placed in jobs."

The problem, he said, is miserliness. "For example, fewer than half of all, states have computerized offices. The Department of Labor still exchanges information about job vacancies between states by mailing it to Albany, N.Y., where it's sorted by hand and then mailed out again to the individual states."

Choate estimated the cost of computerizing the system—as presidents as far back as Richard Nixon have talked of doing—at $60 million. The time to make that investment is now, not after the next recession has begun.

Both Choate and Kuttner argued persuasively that, whether there is a recession or not, retraining of today's workers for tomorrow's jobs has to be given higher priority. One way to do it is to shift some unemployment compensation funds into training programs and even subsidized re-employment. Another is to change the tax law so that employers get the same write-offs for improving their employees' skills as they do for modernizing their plant and equipment.

Weitzman offered a more far-out notion: shifting the basic compensation system so that less of a worker's income comes as wages and more as profit-sharing. That way, he said, fewer people would be laid off in the next recession and more firms would survive.

Hart provided a public service by launching the discussion on steps now that would ease the pain of the next recession. But it will take more than discussion. We better recognize that the familiar medicine of counter-cyclical deficit spending has been squandered by the foolish fiscal policies of the past five years. If we don't find new medicine, we may not recover next time.

[From Business Month, August 1985]

Spreading the Bonus Bucks

(By Daniel Forbes)

A change is occurring in the compensation of hourly employees. Bonuses—once reserved for top executives, salesman and occasionally for middle managers—are now for everyone.

With a few exceptions, such as Chrysler's award of $500 to all employees in celebration of its record 1984 sales, companies are paying bonuses to workers in lieu of raises or as their share of productivity improvements. Gain-sharing bonuses have been around for decades, but new industries such as airlines and banks have started using them. "The next horizon for gain sharing is formerly regulated companies such as utilities," says James Lagges of consultants A. T. Kearney, Inc., and "beyond that come large financial service organizations—anything with a lot of paper pushing."

Bonuses in the form of lump sum payments (LSPs) instead of permanent raises are a product of the worst recession in postwar history and soaring unemployment. Don Hirsch, vice president of corporate labor relations for Kroger Food Stores maintains, "This is the time for management to strive to be competitive. We've got to make the most of it while the pendulum is swinging our way. Because it will swing back eventually."

And LSPs are a relatively painless way for companies to save money and for unions to save face. As Audrey Freedman, labor market specialist for The Conference Board points out, "The LSPs look like they are more than they are. They look good for both management and the union leadership—they are noticeable and you get a bigger bang for the buck."

Starting in October 1983, with a groundbreaking three-year agreement between Boeing Co. and the International Association of Machinists, a wide-ranging array of unions have agreed to LSPs. According to the Bureau of Labor Statistics, auto workers, paper workers, government employees, meatpackers and truckers are among the major unions that accepted LSPs with meager or no raises in the past eighteen months.

Often bonuses are in lieu of wage increases in the first year or more of a multiyear contract. General Electric recently settled with the UE and the IUE for LSPs of 3% in the first year of the contract and a 3% wage increase in the last two years.

McDonnell Douglas Corp., after a bitter seventeen-week strike, settled with the UAW for bonuses of 3% a year, period. Boeing gave LSPs of 3% a year and COLAs of 3% a year. Kroger agreed on LSPs with the United Food and Commercial Workers in various sites. One in rural Georgia—to cite the least generous—called for sums of as little as $1,000 spread over three years with wages remaining steady.

The primary savings for employers in LSPs come from eliminating the compounding of wage gains in the next year. Tom Baker, district president of the IAM unit that negotiates with Boeing, notes that an LSP would have to be 3% in the first year, 6% in the second and 9% in the third to match annual raises of 3%. The IAM calculates that one major aerospace company saved an average of $2,665 per employee a year by giving bonuses in the first two years and a raise in the third year instead of a raise each year. On top of that the next contract talks begin at an hourly wage base that does not include the bonus.

Another major savings is in overtime and fringe benefit costs, otherwise known as "flow-through" increases. With no raise in the base rate, overtime, vacation and holiday pay, military and jury duty and pension contributions are all proportionally less. Kroger's Hirsch reports that the supermarket chain's bonus bargain saved 15%-to-18% a year of the wage increase by eliminating flow-through increases. Similarly, economist John Zalusky of the AFL-CIO estimates that GM is saving 18%-to-20% a year on the wage increase with the LSPs instead of a dollar equivalent permanent wage increase. Kroger's Hirsch has bought concessions from unions on overtime, night premiums and holiday pay by using bonuses as a sweetener. In Columbus, Ohio, Kroger scaled back Sunday pay to time and a half from double time, got other contract concessions and no wage increases in exchange for bonuses of roughly $1,000 each in the first two years and under $500 in the third. "It speeds up the whole negotiating process," Kroger's Hirsch contends.

In many cases, union members find bonuses hard to resist. The LSP is a nice hunk of change that workers do not otherwise find easy to accumulate, with the flow-through losses paling in significance. As Alan Lee, director of collective bargaining for the UFWC says, "We didn't necessarily recommend ratification [of the Kroger contract], but it may be a case of the membership being short-sighted." Tom Baker, district president of the IAM unit that negotiates with Boeing, adds, "It's no coincidence that that $745 comes right before Christmas."

Baker also points out that at the time of the settlement, District 751 had 8,000 members on lay off, tahe State of Washington had the third highest unemployment in the nation, and the Seattle area the highest in the state. Boeing spokesman Jim Morrison says simply that, "With wage increases and uncapped COLAs over the prior 15 years, by 1983 a janitor was making $23,000 a year. We had to ask how long we could have these without pricing ourselves out of the market."

The UAW local at McDonnell Douglas's Long Beach, California plant accepted a bonus only as a last resort. The company had no new orders in early 1984, and the UAW membership had lost some $7,000-to-$10,000 in wages in the longest strike in aerospace history (the union struck primarily to avoid the bonus arrangement). When some 1,200 members returned to work under the threat of dismissal, says local president Bob Berghoff, "We had to go back, otherwise the company might have had so many people cross [the picket line], they could have voted the union out. But we'd do it again if we had to."

The unions obviously prefer wage hikes. Reggie Newell, an IAM economist says, "We oppose bonuses as a matter of principle, but we've had to accept them. The only alternative was to strike." In May, the Transport Workers Union membership narrowly rejected a tentative pact with American Airlines that offered an LSP of $750 in the first year, $1,000 in the second and $1,500 in the third in lieu of increases. As one member put it, "After taxes you don't get much, and once the bonuses end, you're still making the original wage."

A separate but related development is a renewed emphasis on gain sharing (GS) plans. Gain sharing is moving from manufacturing to such paper intensive environments as bank back offices and repetitive labor environments as hospital laboratories. Security Pacific Corp., Maryland National Bank and a major Canadian insurance company among others, have instituted GS for its word processors. And GS has spread from department to department at St. Lukes Hospital, Kansas City, Missouri, starting in the production-type departments and now encompassing top executives.

Typically, GS plans are based on improvements over historical productivity levels, with awards paid in cash to groups of employees according to a predetermined formula. Most plans cover either all employees or a large group to avoid the appearance of pitting employees against each other.

The most popular are: Improshare, invented by consultant Mitchell Fein, which measures output per man hour of labor; Scanlon plans that base bonuses on the ratio of payroll costs to sales; and Rucker plans, which are marketed by the Eddy-Rucker-Nickels Co., based on the ratio of payroll costs to sales, minus the cost of materials and supplies—a rough approximation of net operating income. Improshare's Fein reports that in its first year at a New Jersey hospital, a GS plan gained both the workers and the hospital $1.1 million each.

Whether or not GS improves productivity is debatable. A 1985 Conference Board survey of 1,000 large industrial firms found that of the roughly 25% of them that had GS programs in effect, no significant productivity gains were reported. But the author of the study, economist Audrey Freedman, thinks the result may be due to survey design. A General Accounting Office study of some 1,000 GS plans found that those in operation more than five years averaged almost 29% savings in work force cost and those with under five years averaged savings of 8.5%. The GAO also cites improved labor relations among 81% of respondents, 47% had fewer grievances and 36% had less absenteeism and turnover.

Obiviously, peer pressure to perform is one of the central tenets of GS programs. And while it is certainly a factor, says Improshare's Fein, "Peer pressure won't run the shop; it's exaggerated. You can't escape the unpleasant duties of management."

And GS plans are remarkably popular with employees. Firestone Tire & Rubber Co. proposed dropping its GS plan when workers at its Hamilton, Ontario plant received no GS bonuses for a considerable time due to a depressed tire market and a jumbled product line. But the rubber workers insisted on keeping it, citing improved morale and smoother labor relations.

Indeed, if the McDonnell Douglas Long Beach plant workers are any indication of future trends, GS plans may in the end supplant LSPs. After the bitter strike at the plant over LSPs in lieu of raises (where workers now clock out in different lines depending on whether they crossed picket lines or not and fist fights are not unknown), an investigation of gain sharing is on the agenda for the next round of talks, at the union's insistence. Says UAW local president Berghoff, "Any form of gain sharing would be better than the status quo. If the company is sincere, it will bring people together. We"ll make them rich if they treat us right!"

HILLSDALE HAY, INC.—A RESOURCEFUL MARKET FOR HAY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. PURSELL. Mr. Speaker, recently, when I was home during the August recess, I met with some farmers in my district in order to better understand the issues facing them. I am pleased to return to Washington and relate to the Congress how one group in Michigan is trying to improve the farmers' economic situation. These men have formed the Hillsdale Hay, Inc. This organization will allow farmers to buy stock in the company which will hold weekly hay auctions beginning in November. I am submitting an article on this project printed in the Michigan Farmer and hope it will be an inspiration for other hay farmers in the Nation:

[From the Michigan Farmer, Aug. 17, 1985]

A New Way To Market Hay

(By Dick Lehnert)

What started as a project to provide more opportunity to farmers in Hillsdale County has blossomed into what might be a bonanza for all of Michigan.

It's a market. A market for hay.

The next two weeks may be critical ones. By Sept. 1, the organizers of Hillsdale Hay, Inc., need to know who wants to sell how much hay and when. They plan to hold weekly auctions, in Litchfield, during the strong part of hay sales season, mid-November to mid-March.

To participate in the hay sales, you must become a member of Hillsdale Hay, Inc., and that costs $100. It's a one-time investment in stock.

In addition, a sales commission of 10% will be charged, but that can be returned to members as dividends if the corporation does well. The board of directors met Aug. 1 and decided that all who sign up before Sept. 1 will pay a 9% sales commission instead of 10%.

If you want to be part of the action, you should contact Max Drake, 77 N. Broad St., Hillsdale, MI 49242. The office phone is (517) 437-3735.

Drake is Hillsdale Hay's "ag resource person." He's been involved in the project since its inception a year ago. He explained the project's history and his role in it.

Originally from Ohio, where he was manager of the Northern Ohio Breeders Association for 35 years, he retired and moved to Reading.

About a year ago, Hillsdale County's Industrial Development Commission, realizing that agriculture was the leading industry in the county, sought a federal grant to research ways to develop that industry more fully.

A committee was formed, chaired by County Extension Director Jim Pelham, to take a hard look at agriculture. Members included Bob Sloane, Jonesville, owner of the Granery; Charles Zieler, Hillsdale poultryman; Jerry Raker, Litchfield vegetable and bedding plant grower; Keith Brown, Jonesville dairyman; Randall Wigen, Reading corn grower; Ron Newton from Reading elevator; and Rex Smith, a Waldron banker.

Their mission: "They were to look at the total agriculture of Hillsdale County and try to find opportunities for further development."

Drake was "recalled from retirement" to work half-time on the project.

Hay became a leading candidate early. "It had excellent potential as a cash crop," Drake said. "It does better than corn and soybeans now."

In addition, 50% of the farmers in the county are part-timers. This was seen as a plus for hay, since these may be candidates for a summer labor-intensive crop.

Then there was the nature of the county itself. Named Hillsdale for its hills and dales, the land is erodible when under a heavy row crop regimen.

"High corn and bean prices have led to the plowing of land that never should have been plowed," Drake said. "Some is losing 30 tons and more of soil a year. It's to steep even to no-till."

Not surprisingly, the county Soil Conservation Service, the Soil Conservation District, and the Agricultural Conservation and Stabilization Service are enthusiastic about the hay idea.

The project encountered some problems. A meeting held last November drew only 100 people, a disappointing turnout. Drake theorizes now that perhaps local farmers may be unequipped to handle hay, or that cash rents are still high enough to encourage them to rent out their ground instead of farming it themselves.

But there was one big plus. Those who attended the meeting came not just from Hillsdale County but from eight others.

Hillsdale is not the first county to target hay as a desirable crop. In the Thumb, hay would be a good addition to soil-damaging rotations heavy on sugar beets and navy beans. The Cooperative Extension Service and Soil Conservation Districts there have tried to encourage more alfalfa because of its benefits to the soil.

But usually the efforts fail. Not only does hay require its own complement of equipment, there is another big problem: How does one market this bulky stuff in a non-livestock area?

What Hillsdale Hay is doing may be the answer. Drake expects this auction could draw hay from a wide area. "There is no good hay market in the tri-state area," he says. Still, a lot of hay moves through that area into forage-deficit dairy areas in the South and to horses in Kentucky.

Drake says farmers wanting to sell cash hay should think in those terms. With hay possibly in short supply in Michigan this year because of dry weather, a lot of hay may find a local market.

But hay-sellers should think in the long term as well. Drakes hopes they'll support this market now—when it needs support to get going—and that they'll plan on it when growing hay in future years.

Those looking to a Southern hay market should grow alfalfa with some timothy in it. That satisfies the horse market. They should bale in heavy bales—55 pounds and bigger—to make shipping easier.

It should be green in color and free from dust and mold.

Perhaps in the future, some enterprising person may choose to start a hay compacting business in association with the Litchfield auction.

Right now, one service will be offered that will allow those with top quality hay to prove it and get paid for it.

Hillsdale Hay, Inc., is working with Litchfield Analytical Services, a private laboratory that, for $10, provides near-infrared analysis (NIR). The service is fast, Drake said.

NIR tells what the feeding value of hay is—how much protein it has, how digestible it is, etc. In the future, Drake said, perhaps a scale will be used to label hay according to relative feeding value (RFV). "Good hay, tested is worth $10 to $20 a ton more," he says.

The board of directors of Hillsdale Hay is made up of the following people:

President Raymond Oates, Waldron, a hay grower and hay dealer; vice-president Joe Griner, Horton (Jackson County); Secretary-treasurer Paul Birdsall, Hillsdale, a school teacher who makes 300 acres of hay during the summer; and directors Rex Ryan, Hillsdale; Gary Miller, Eden Ohio; Don Hoopes, Quincy (Branch County); John Ellingson, Britton (Lenawee County); Bob Sloane, Jonesville; and Jim Emens, Waldron.

As the list of directors shows, this project is bigger than Hillsdale County.

From a purely local standpoint, Hillsdale promoters hope that Hillsdale County will be a big winner from this project. Hillsdale Hay's slogan is "Don't wash away; go to hay!"

For the first time this year, the county fair will have a hay judging. Exhibitors show a bale plus a wafer, and Litchfield Analytical Service tests samples free.

But right now, Drake is seeking support from wherever he can find it. The key is making the hay market work, getting enough tonnage consigned so 400 or 500 tons can be auctioned weekly. Minimum consignment is one ton.

Once established, the market may do something no other force has been able to do:

Get farmers, in Hillsdale County and elsewhere, to grow alfalfa on the land that should be protected from the debilitating effects of row crops. Clearly, the land needs it. Maybe the lack of price for corn, plus the benefit of a sales point for hay, will turn the picture.

A REPUBLICAN WAR ON POVERTY

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. GINGRICH. Mr. Speaker, a few weeks ago the Washington Post printed an editorial by Mr. Frank Gregorsky entitled "A Plan for a Republican War on Poverty." I urge my colleagues to review this article.

[From the Washington Post, Sept. 2, 1985]

A PLAN FOR A REPUBLICAN WAR ON POVERTY

(By Frank Gregorsky)

Item: On June 3, a study by the Children's Defense Fund sketched a crisis for black children. The CDF called for more jobs for teens, more subsidized housing, and more birth-control clinics. A CDF staffer priced the desired agenda at $14 billion.

Item: Last week the Commerce Department confirmed the sharpest one-year drop in poverty in 16 years. It was tied to last year's 6.8 percent surge in real GNP growth, which was induced by tax reduction rather than by make-work or social welfare programs.

Is the glass half empty or half full? Those taking the half-full view could cite additional indicators: infant mortality rates below their 1980 levels; stepped-up collections of child support from delinquent fathers; one of every five new jobs since 1982 going to a black person.

Then again, some of what the CDF said should shake us up: Only 67% of America's black children have an employed parent, compared to 86% of white children . . . In 1982, over 55% of all births to black women were out of wedlock . . . Among black women under age 20 the proportion was 86% . . . Eight out of every 10 white children live in two-parent families; only 4 out of 10 black children do . . . Black children are . . . four times as likely to be murdered . . ."

High GNP growth will not be enough. To judge from new data on the ineffectiveness of much welfare spending, neither will ambitious federal programs. What we will have is an irresistible force—economic growth—eventually meeting an immovable object—hard-core poverty, and a culture of dependency that Franklin Roosevelt called "a narcotic, a subtle destroyer of the human spirit."

When it comes to poverty, conservatives and administration supporters say the glass is half full, while CDF and its liberal allies blame the president for a glass half empty. What should be discussed is whose agenda is more likely to fill the glass.

The glass could be filled by an agenda that promotes individual enterprise, public safety and traditional values. Indeed, 20 years after the launching of the Great Society, it is surprisingly easy to envision a Republican war on poverty. It might consist of:

Tax Relief: The president's tax-simplification package would drastically reduce the federal tax burden on the under-$15,000 group. For helping low-income working families, it was the only tax plan to earn a perfect rating from the House Select Committee on Children, Youth and Families. It helps to make work more rewarding than welfare.

Enterprise Zones: Owning a small business is one of the greatest work incentives and family-strengtheners in history. Enterprise zones have twice passed the Senate and even won Walter Mondale's blessing. But the House blocks them.

Job Training: The administration, with the Job Training Partnership Act, replaced leaf-raking with skill-making. Over half the trainees find permanent jobs in the private sector. This approach can be expanded: Bob Woodson of the National Center for Neighborhood Enterprise suggests making relief payments available in lump sums for training programs or as risk capital for starting a business.

Youth Opportunity Wage: Willing workers age 16–21 should not be subject to regular minimum-wage laws when looking for temporary summer jobs. The National Conference of Black Mayors agrees, recognizing that the chance to begin learning the skills and attitudes of job-holding means more in the early period than how much one gets paid.

Public Housing: The most responsible tenants should get to manage the properties, with the chance to buy them over time. In experimental cases, drugs, vandalism and vacancies have dropped sharply. Look to England: Margaret Thatcher's Tories have a housing strategy that has created anti-property tax and pro-free market political support among lower-income former Laborite voters.

Stopping Crime: Serious crime was falling even before the effects of the anti-crime legislation pushed through Congress in 1984 were felt. But it will always be worst in poor neighborhoods. No group that speaks out "for the poor" is too credible if it lacks a plan to further cut crime rates. Yet how many Republicans think to market their tough stance on crime as real concern for poor America?

There would be universal support for a crackdown on violent juveniles. Their offenses at present do not count toward a "police record." That means hardened criminals don't technically start their hardening until age 18. But stiff sentences early prevent crimes later. This is called "targeted sentencing," and innocent poor children would be alive today if there were more of it.

When it comes to welfare-state approaches to poverty, the liberals are intellectually bankrupt. The government is just plain bankrupt. Fighting poverty these days means accommodating both fiscal reality and human nature. The new poverty numbers should be the foundation from which Republicans innovate—using approaches they already happen to be comfortable with.

WHY AMERICA CAN'T COMPETE

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. YOUNG of Alaska. Mr. Speaker, sometimes when Congress yells the loudest about something, it's our own fault. Right now, when everyone is clamoring for trade barriers because our goods can't compete abroad, small businesses are being shut down by bureaucracies established and charged with carrying out laws by Congress and the States. Instead of embracing entrepreneurship and the creation of new wealth through new ideas, the legacy of an overzealous legislating spree is killing opportunity in the land of opportunity. The following story, if it fails to do anything else, should make the blood boil in any red-blooded American. The article, entitled "A Lot Abalone" appeared in the August 23, 1985 National Review, and I ask that it be inserted in the RECORD in its entirety.

The article follows:

[From the National Review, Aug. 23, 1985]

A LOT ABALONE

(By Harrison L. Moore)

The middle of August, 1984. The roar from the beat-up orange International Harvester forklift drowns out other sounds of new construction on Monterey's Cannery Row. Sitting straight up at the controls of the forklift, his curly white hair contrasting with a deep tan, George Lockwood, 49, shouts orders as he loads abalone tanks aboard a two-section flatbed tractor-trailer. His sweating crew watches the boss intently, quickly responding to each command to align the grey fiber-glass tanks piled one on top of the other in the wood-framed shipping crates. At each movement, the old forklift belches another blue cloud into the air.

The truck Lockwood is loading will haul the 24 tanks in this shipment north to Oakland. There another giant forklift will transfer the entire platform onto a sea-going barge. Lockwood is leaving Monterey. A decade before he had set out to create a new industry. He would raise abalone, one of the world's most expensive shellfish, on a mass scale "like chickens and turkeys." It was a risky proposition, but he succeeded, at least with abalone. But the state of California and the 55 different government agencies that claimed the right to interfer in some critical way in Lockwood's business proved too much of a challenge. So today he is heading for the Kona coast of Hawaii, where he has been promised a more hospitable reception.

An abalone is a mollusk, similar to a clam but with only half a shell, that thrives in the waters off California. If takes eight years to grow to maturity, then measures about eight inches across the length of its oval shell and weighs about four pounds. Abalone meat rates as a delicacy, particularly appeciated by the Japanese, and only the fanciest restaurants in California serve it. It is customarily deep-fried in bread crumbs, like Wiener schnitzel, and in fact tastes a bit like veal. The abalone catch today, however, is only 10 per cent of what it was twenty years ago. The meat can cost more than $25 per pound, and restaurant patrons rarely pay less than $20 for a very thin slice.

In the early Seventies, the continuing decline in the abalone harvest inspired Lockwood to consult with a poultry geneticist about the possibility of breeding the things and raising them commercially. They speculated about a process of highly controlled nutritional, environmental, and genetic conditions. With $250,000 in seed money from a handful of investors, Monterey Abalone Farms was born.

Lockwood assumed that his time would be spent on research and business development. By 1975, he had perfected novel techniques for spawning and raising abalone in his lab, and he now stood ready to enter the production stage. After raising an additional $1 million, he remodeled an old sardine cannery on Monterey's Cannery Row. Then, "as soon as it became obvious that we were a business," the government got involved.

First, Lockwood had to get a business license from the city of Monterey, then a kelp harvester's license, a wholesale fish dealer and preserver's license, and an oyster grower's permit. But the California Coastal Commission (CCC) wouldn't approve the necessary land-use permits without the consent of the California Regional Water Quality Control Board (WQCB). The WQCB wouldn't consent.

Since its start in 1974, Monterey Abalone Farms had discharged sea water containing the abalone's natural eliminations into the ocean. Because of the multi-stage filtering and treatment process used by Lockwood, the discharged water was cleaner than when drawn from the bay. That didn't matter. The WQCB's position was that the abalone could not do on land what they did in the ocean without a waste-discharge permit. The WQCB dealt with Monterey Abalone Farms as if it were a sewage-treatment facility and required Lockwood to fill out the same thirty-page form as the city of Los Angeles.

Next came the Monterey County Health Department, which is charged with enforcing regulations on the taking of oysters, mussels, clams, and scallops—but not abalone. Those other shellfish take bacteria out of the water and store it in their guts. The abalone doesn't. Moreover, you don't eat the abalone gut. Health Department officials overlooked these points and decided to investigate Lockwood's operation. He spent the better part of a month proving to them that abalone was biologically different from the other shellfish and convincing them that the omission of abalone from their mandate was not merely an oversight. "When you do something new," says Lockwood, "bureaucracies don't know how to handle you."

Lockwood's system required a supply of undenatured alcohol, as well as some drugs and antibiotics for testing and treating the abalone. To get them he had to apply for permits and face inspections from the U.S. Treasury Department, the Food and Drug Administration, the Justice Department's Drug Enforcement Administration, and California's Board of Pharmacy.

In ths spirng of 1975, the National Marine Fisheries Service, a federal agency, advised Lockwood that the most effective way to sterilize water is to bubble ozone through it at a low-concentration level. At the concentration involved, ozone is harmless to people, though it can make them lightheaded, in which case they should leave the area. The feeling quickly disappears. Monterey Abalone Farms bought a small ozone generator, and though neither Lockwood nor anyone else had ever felt any effects from the ozone, he allowed only two employees into the room in which it was used.

Early one morning a few months later, inspectors from the California Division of Industrial Safety (CAL-OSHA) showed up at the abalone farm and said they had been tipped off to a severe ozone hazard inside. Once the CAL-OSHA men had gotten in, Lockwood realized they didn't have any ozone-monitoring equipment. The chief inspector revealed that they intended to conduct a wall-to-wall safety inspection of all aspects of his business. Lockwood replied that since that was neither the expressed purpose of their visit nor the reason he'd allowed them in, they would have to leave. They refused and quickly cited Lockwood for 13 violations. Lockwood appealed all thirteen.

One violation cited was a standard conveyor belt hauling crates from the first to the second floor. It didn't have enough protective covering. An employee might catch a finger in the pulleys or the belt drives. The conveyor belt wasn't worth the cost of rebuilding it, so Lockwood removed it. A month later, an employee developed a hernia from lugging a heavy carton upstairs.

Eventually, two inspectors showed up with ozone-monitoring equipment. They found lower levels of ozone than in the air of Los Angeles. Lockwood won ten of the 13 appeals.

Next Lockwood found that the same government that was regulating him planned to become his biggest competitor. The California Department of Fish and Game wanted to cultivate shellfish. In 1976, it hired away Monterey Abalone's chief biologist, who had been privy to Lockwood's proprietary secrets about growing abalone. Should the state—with its great resources—exploit those secrets, Monterey Abalone Farms would be finished.

Lockwood sought from Fish and Game a promise that its new employee would not be involved in raising abalone. Fish and Game refused. Lockwood filed suit. Fish and Game backed down.

But the government still wanted to compete with Monterey Abalone Farms. The California Sea Grant Program, administered by the National Oceanic and Atmospheric Administration, started out as a good idea—a congressionally funded bridge between academia and industry for the practical application of oceanographic knowledge. Toward the end of 1976, however, Lockwood got wind of Sea Grant-funded abalone research being done at the University of California at Santa Barbara. The purpose of Sea Grant, he'd been assured by the director, was not to duplicate our compete with private-sector work but to open new areas.

Nevertheless, when the university refused to reveal the nature of its Sea Grant research, Lockwood got suspicious. He filed a formal demand under the California Freedom of Information Act for the relevant papers on the Santa Barbara project. He had been right. The Sea Grant people had in fact targeted taxpayers' dollars to create competition with Monterey Abalone Farms. The people running Sea Grant maintained that abalone was too valuable a resource for its cultivation to be left in the hands of private individuals.

Lockwood protested to Louisiana Congressman John Breaux, who had sponsored the Sea Grant legislation. Early in 1978, more than a year after Lockwood had first heard about the Santa Barbara project, Breaux called a meeting in his Washington office with Lockwood and the national director of Sea Grant. After several hours of questioning, Breaux pointed his finger at the national Sea Grant boss and fulminated, "We're not giving you money to compete with private enterprise." Sea Grant backed down.

Despite spending 60 per cent of his time throughout the last half of the 1970s dealing with the regulators, by 1980 Lockwood actually had his business running. Among his best customers were French restaurants that preferred tender, young two-inch abalone. But as soon as he started shipping the two-inchers in quantity, the Fish and Game Department pounced. By selling undersized abalone Lockwood was violating wildlife protection laws. But they aren't wildlife, he protested, they're farm-grown stock.

Doesn't matter, said the Fish and Game folks, we can't tell cultivated from wild ones, and if we permitted you to sell two-inchers other people would slip wild ones by us. They claimed "administrative convenience"—judicious enforcement is more trouble than a blanket prohibition. So Lockwood headed to Sacramento. There the staff attorneys for the state legislature declared that they never intended for the Fish and Game Department to regulate farmed marine stock. Lockwood later negotiated this point into the 1982 Aguaculture Development Act.

As excessive regulation eroded economic growth in California, demands for relief shook Sacramento. In 1979, the legislature enacted a bill creating the Office of Administrative Law (OAL) charged with screening every regulation for compliance with seven criteria. The seven points stipulated in part that the regulation be consistent with the agency's authority, that it be necessary, that it be written in clear English that it not adversely affect small business. With prospects for an improved regulatory environment, Lockwood believed his problems were behind him. In 1980 he went searching for coastal property to grow kelp to feed his creatures.

He found some down the coast, south of Monterey. Since the California Coastal Commission had zoned this piece of land for agriculture, he assumed his project would qualify. The Coastal Commission, however, maintained that aquaculture was an industrial use and rejected his petition. A few months later, the state legislature passed the Aquaculture Development Act of 1982, which defined aquaculture as agriculture. It didn't help. Sure, said the CCC, Lockwood could go ahead with his abalone farming. But he couldn't put up any buildings to house his breeding tanks or production facilities because that would constitute a "commercial" use of the land zoned only for agriculture.

Lockwood could have fought and won. But he felt that, given the CCC's attitude, it would have been a Pyrrhic victory. "We could beat them here and there," he says now, "but they have the final word. When the system says 'No,' you go elsewhere."

In July 1984, Hawaiian Abalone Farms, George Lockwood president, broke ground at its new Kona coast facility, featuring newly perfected technology. Governor George Ariyoshi was there to welcome Hawaii's newest industry.

THE FINANCIAL STATEMENT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. MAZZOLI. Mr. Speaker, it has been my custom to submit a statement of financial disclosure every year that I have served in the House of Representatives. While the law now dictates that Members of Congress submit financial statements in May of each year, I continue to file this more detailed family financial report. In this way, my constituents are kept fully and completely informed concerning my financial status.

Romano L. and Helen D. Mazzoli

STATEMENT OF FINANCIAL WORTH AS OF DECEMBER 31, 1984

Cash on deposit:	
Lincoln Federal Savings & Loan, account 10373390	$3,923.53
Northern Virginia Savings & Loan, account 5-99-76	1,360.44
Northern Virginia Savings & Loan, account 05-18-00241	811.67
Northern Virginia Savings & Loan, M.M. account 05-96-1906	2,578.24
Government Services S&L, Money Fund account 80-450336-2	2,642.70
Sergeant At Arms, U.S. House of Representatives 5348	2,521.73
Total	13,838.31
Individual retirement accounts:	
Liberty National Bank & Trust Co. IRA account 01-527329	7,308.80
Lincoln Federal Savings & Loan, IRA account 1-01-205323	2,379.55
Lincoln Federal Savings & Loan, IRA account 1-01-205694	2,156.84
Total	11,845.19
Bonds and Treasury bills:	
U.S. Government Bonds, series E	1,671.96
U.S. Treasury bill, account GS7-2-400-40-3938-01	10,000.00
U.S. Treasury bill, account GT5-1-400-40-3938-01	10,000.00
Total	21,671.96
Real property:	
939 Ardmore Dr., Louisville, KY:	
Assessed Value	42,000.00
Less: Mortgage, The Cumberland S&L Association	7,319.75
Total	34,680.25
1030 Anderson St., Alexandria, VA:	
Assessed Value	109,200.00
Less: Mortgage, Cowger & Miller Co	44,750.27
Total	64,449.73
Cash surrender value of life insurance policies:	
American United Life Insurance Co., policy 1011729	4,432.70
American United Life Insurance Co., policy 1116312	520.14
Total	4,952.84
Federal employees retirement system: Accumulated contributions	$59,775.70
Automobiles (assessed value):	
1965 Rambler	200.00
1973 Chevrolet	1,199.00
Total	1,399.00
Household goods and miscellaneous personal property	8,000.00
Total assets	220,612.98
Miscellaneous liabilities	1,000.00
Net assets	219,612.98

INCOME AND EXPENSES FOR CALENDAR YEAR 1984

Income:	
U.S. Teasury bills (EP5-2-400-40-3938-01; EY6-2-400-40-3938-01; FRO-2-400-40-3938-01; GA6-2-400-40-3938-01)	1,921.10
Liberty National Bank & Trust Co. IRA account 01-527329	665.81
Lincoln Federal Savings & Loan, account 37339-5	213.36
Lincoln Federal Savings & Loan, IRA account 1-01-205323	223.43
Lincoln Federal Savings & Loan, IRA account 1-01-205694	156.84
American United Life Insurance Co., policy 1116312	22.73
American United Life Insurance Co., policy 1011729	17.59
Northern Virginia Savings & Loan, account 5-99-76	66.24
Northern Virginia Savings & Loan, account 5-18-241	77.30
Northern Virginia Savings & Loan, account 05-96-1906	78.24
Government Services Savings & Loan, account 80-450336-2	396.34
Government Services Savings & Loan, account 01-112091-0	7.93
Total interest and dividends	3,846.91
Honorariums:	
Agricultural Producers, Inc	1,000.00
National Grocer's Association	250.00
Brookings Institution	250.00
National Association of Broadcasters	1,500.00
Northern Ky. Chamber of Commerce	300.00
American Committee on Intl. Personnel	1,000.00
Pfizer Chemical Co	1,000.00
Tobacco Institute	1,000.00
California Farm Bureau Federation	1,500.00
Agricultural Producers, Inc	1,000.00
Motion Picture Association of America	2,000.00
Total honorariums	10,800.00
Salary:	
U.S. House of Representatives (R.L. Mazzoli)	73,366.68
V.V.K.R., Inc. Architects (Helen Mazzoli)	25,361.10
Total salaries	98,727.78
Gross income	113,374.69

1985 INCOME TAX RECAPITULATION (FEDERAL, STATE, AND LOCAL)

Federal:	
Gross income	112,012.00
Adjustments to income	9,348.00
Adjusted gross income	102,664.00
Deductions and exemptions	15,816.00
Taxable income	86,848.00
Tax withheld	26,915.00
Tax due	26,469.00
Refund	446.00
Kentucky:	
Tax withheld and tax credit	3,682.00
Tax due	3,317.00
Refund	265.00
Virginia:	
Tax withheld	1,171.00
Tax due	671.00
Refund	500.00
Louisville & Jefferson County:	
Tax due	396.00

REMARKS BY W. CLARK DURANT III

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. PURSELL. Mr. Speaker, I would like to submit for the RECORD a speech delivered by Legal Services Corporation Board Chairman, W. Clark Durant III, when the LSC Board was sworn in on June 24. In reading Mr. Durant's speech, I was inspired and encouraged that LSC will be headed in a positive direction that will truly help the needy in this Nation.

REMARKS BY W. CLARK DURANT III

What is it that we do here today? We celebrate a moment, a moment and an opportunity pregnant with possibilities. It is a significant moment, but not for the generally reported reason. It is not because this is the first confirmed Board of Directors for the Legal Services Corporation in four years. There have been confirmed Boards in the past and there will be confirmed Boards in the future (although given the lengthy process, perhaps not again in my lifetime). So what then is the significance of this moment? It lies, as do so many things these days, in the vision of Ronald Reagan.

In his usual fashion President Reagan makes possible new hopes and new directions for all of us, yes even all of us concerned about legal services, if we will but stand back, pause a moment, and dream. For our dream is grounded in a profound sense of justice and love for the least of our brethren. And like the dream of Martin Luther King it is rooted in a sense of what is good about America. And what is good is that our creativity combined with a special kind of courage can bring about a more abundant, efficient, compassionate and effective delivery of dispute resolution services to individual poor people than now exists. If we are to meet the challenge of maximizing access to justice for the poor, we must tap into the abundant resources of the human spirit and but discover the rich viens of generoisity, innovation, creativity, and giving, so characteristic of the traditional American entrepreneur.

How can we dare to dream such things when the Legal Services Corporation always hovers under a seemingly dark cloud? We dream it because Ronald Reagan has encouraged us all, by the example of his courage, to ask basic questions about the purpose and effects of government programs. He asks such questions, as do we, not in a mean spirited way, but in a generous way, in a way that allows us to maximize the potential within each of us. They are radical questions but they are fundaments. We must ask them if we are serious about equal access to justice for poor people.

The works of Charles Murray, George Gilder, and others should give us pause about the effectiveness and compassion of many of the social programs of the sixties, including legal services. Do these programs really liberate and empower people to lead lives of upward mobility, dignity and opportunity? Are we really any closer to equal access to justice? Have we unleashed or shackled the entrepreneurial energies of our free, diverse, beneficient, selfless and prosperous people to help us insure that justice comes to all our brothers and sisters.

Murray and Gilder are not alone. Senator Edward Kennedy at Hofstra University this past March noted: "The mere existence of a program is no excuse for its perpetuation . . . whether it is a welfare plan or a weapons system, the unexamined program is not worth keeping . . . and good intentions cannot redeem bad results. Too many of our public service jobs and public assistance programs have done too little to break the cycle of poverty and dependence . . . and too often they have proved to be counterproductive."

What is important in any examination of a program is the spirit of the inquiry. For this Board and me it is a benevolent spirit; it is a spirit embodied with an open heart and an open soul. Our public policy will change only because generous people care, care enough to ask honest questions, care enough to be open to a broad vision of the delivery of legal services.

Edgar and Jean Cahn, the former Deans of the Antioch School of Law, noted once that poverty lawyers can unwittingly become part of the vast bureaucracy charged with the care and tending of the poor and thereby lack accountability to the poor. In some instances legal service programs have been gravely unresponsive to major needs, concerns, and grievances of the client population—as unresponsive as the very institutions that have been a source of injustice to the poor. The Cahn's go on to note that legal advocacy can be emancipating; it can compel accountability in a manner which enhances the capacity of individuals to cope on their own, to secure justice, and to avoid injury. But we will not bring justice to the poor by a wholesale importation of attorneys to swell the ranks of those care-taking officials who presently help to perpetuate dependency. The key guarantee that legal representation will not be used as a form of manipulation to generate dependency is to be found in the time-honored nature of the lawyer-client relationship—a relationship which makes the lawyer the employee of the client, accountable to the client and retained to use his professional skills as an advocate on behalf of his client's best interest. But the client retains the ultimate power to determine what that best interest is.

Inexplicably, lawyers for the poor seem to feel freer to discard this fundamental relationship—perhaps because they are not paid by the client, perhaps because they perceive the client as powerless to do anything about it. Thus in the case of the poor, the lawyer may feel that he can, with impunity, impose his own will and his own convictions as to what is "best for his client." And in some instances—where law reform units, research centers, or academic institutions have become involved—there is no identifiable client, present or prospective, to whom one need feel accountable. That accountability is imperative. That accountability can bring growth and opportunity to the delivery of legal services. That accountability affirms the intrinsic value of every client as a child of the Lord.

I strongly support the provision of legal assistance in civil matters to those individuals unable to afford them. Likewise, I strongly support reauthorization of the Legal Services Corporation, something that has not occurred since 1979. But it saddens me that in recent mark-up proceedings on our Act, the House Judiciary Committee so completely ignored the Republican minority in crafting a bill. For the first time in the history of the Legal Services Corporation there has been a total absence of bi-partisan support in the House Judiciary Committee. The reason is clear. All earlier bills were designed to establish a consensus and to insure the political and operating independence of the Corporation. This bill does not do this. I hope action on the floor of the House, in the Senate, and in the conference committee will bring a different result. I hope this Board will see a bill that we can ask the President to sign. And I thank with great affection all those in the House and Senate who are working to bring this to pass. We are all available to help.

Two final notes. Last March the President spoke at St. John's University. He called this the age of the entrepreneur. Indeed, we should at every turn encourage the ability of entrepreneurs to be a part of the delivery of legal services. I have seen imagination and dedication in existing LSC programs. I reach out to ask people in the field how can we stimulate private sector initiatives to expand our service to the poor. How can we

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open the doors of our own profession to allow a broader participation in the delivery of justice? How can we allow the principles of the opportunity society to expand our resources for the poor for the resolution of disputes? Last February I was privileged for the first time in my life to sit in the House Chamber to hear our President give his State of Union Address. He called upon the nation, upon us, to untake a Second American Revolution of hope and opportunity, to be "an America of compassion that opens its heart to those who cry out for help. We accept the challenge to participate in a revolution creating and maintaining an opportunity society for all, a society that does not ignore the plight of the less fortunate.

I think Gavin Miller, the former President of the Los Angeles County Bar Association is quite right when he says that we must end the "Holy War" over legal services. There is much good that needs to be done and can be done when there is a shared vision of the good that can be attained. As we search always for ways to do what we do better, let us not be afraid of the new and untried. For only with such can there be growth and opportunity. Let us be humble in the debate to define the good and, as the President suggested in the closing line of his address, let us go forward with unity, justice and love.

AIR SAFETY AND THE FEDERAL AVIATION ADMINISTRATION

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. GINGRICH. Mr. Speaker, while we need to reform much of the Federal Aviation Administration [FAA], the central points made by Adm. Donald Engen, Administrator of the FAA, in the article below from the September 16 Washington Post, are correct. It is an injustice to scare people off of safe airplanes and onto the less safe highway. This article is well worth my colleagues' attention.

THE SKIES ARE NOT UNSAFE

(By Donald D. Engen)

In his recent column ["The Unsafe Skies," op-ed, Sept. 3] Carl Rowan expressed understandable concern about aviation safety today. But many of his specific statements were so inaccurate and unfounded that some clarification is in order.

There have been a number of unfortunate and unrelated international aviation disasters this year. Because no common set of causes has been established, corrective action taken in one case will probably have little bearing on other cases.

Nevertheless, aviation safety demands continuing attention to even the smallest details. It seems that some vital details have difficulty fitting into Carl Rowan's vision of the world.

Rowan claims that because of airline deregulation and reduced fares, airlines may have cut safety expenses to make financial ends meet.

The possibility of this occurring is something the Federal Aviation Administration has followed very closely since deregulation. And for that reason, we inspect airlines having financial or managerial difficulties with particular vigor, and have an ongoing program to help identify these airlines at an early stage.

During the past year, for example, FAA safety-related inspections have resulted in the suspension or revocation of the operating certificates of 17 airlines. I will not hesitate to ground an airline if its safety performance does not meet our standards.

By every measure, aviation safety has improved in the years since deregulation. Comparing the five-year periods before and after deregulation, the total flight hours increased by 15 percent after deregulation, to over 55 million, while the total accident rate declined by 18 percent, and the fatality rate declined by 34 percent.

Rowan alleges that ""a lot of controllers are overworked, some are incompetent and some are drinking and using drugs on the job. . . ." He provides no evidence to support these charges.

The FAA is vigilant about these serious problems. We are implementing the best available rehabilitation programs where appropriate, and we have strong disciplinary programs wherever we confront such problems. Our penalties affecting safety-related positions are more stringent than those affecting other groups of employees.

We will work with our people, but we will not knowingly allow any impaired performance to endanger the flying public.

Rowan notes that some air traffic controllers are "management people who went into airport towers during the air traffic controllers strike of 1981." The implication is that these managers aren't qualified to direct air traffic. On the contrary, they were seasoned air traffic controllers who rose through the ranks; in fact, they are among the most qualified controllers in the world.

Rowan concluded that "we just demand that our government act, setting a safety standard for the world." The plain fact is that the United States does set the aviation safety standard for the world. Air transportation has become so safe, thanks in great part to the leadership of our nation, that we are shocked any time an aviation accident occurs.

SERVICE TO OTHERS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues an outstanding act of public service performed by one of my constituents, Linda Wiezeorek. Ms. Wiezorek went above and beyond the call of duty in assisting a couple of stranded motorists. Her actions reflect her excellent character and the good Samaritan attitude that is so much a part of America. We should commend her.

[From the Lompac (CA) Record, Sept. 11, 1985]

SERVICE TO OTHERS

Twice this month, Valley residents learned of good deeds performed by its citizens. Both examples speak highly of us all.

In the first instance, two San Francisco motorists cited the action of an unnamed Lompoc teacher who stopped to aid a family stricken with misfortune. The family, stranded with a failing car, was penniless, hungry and desperate enough to post a sign at a roadside stop asking for aid. They waited until 10 p.m. to no avail.

The San Francisco couple who related the story noted with amazement the fact that a Lompoc woman stopped at that hour to offer her assistance. The couple watched as the local woman rescued the family, paid for needed gasoline, wrote them a check for traveling money and left them the fried chicken she had been taking home to her son.

It was an act so astonishing the couple wrote the Record in thanks. They never named the good samaritan but her actions spoke so clearly that several people called the newspaper to supply the name. Los Berros teacher Linda Wiezorek was characteristically humble when asked if it was her.

"Personally I didn't do anything that anyone else wouldn't have done," she said. "Sure, it might have been a sham," she continued, "but I felt it was authentic." An observation borne out by the fact the family kept the check instead of immediately cashing it, said Wiezorek.

"If this is the kind of citizens you have in your town," wrote Mr. and Mrs. Turner of San Francisco, "the next time we drive south we will go out of our way to see and stay overnight in your city."

IAFPE TO HOLD CONGRESSIONAL RECEPTION ON GANDHI DAY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. GARCIA. Mr. Speaker, I would like to include in the RECORD a press release from my friends and the Indian American Forum for Political Education. The Forum's president, Dr. Joy Cherian, and a member of its board of directors, Dr. Oliver Wilson, have worked closely with my office on a number of activities concerning the Indian American community.

This year in particular, the United States has placed an increased emphasis on its relationship with India. There have been a variety of events from cultural—the festival of India—to political—Prime Minister Rajiv Gandhi's visit to the United States—that have helped us gain a better understanding of India's people and culture.

The IAFPE has been active in promoting a greater understanding between India and the United States for a number of years. I hope my colleagues have the opportunity to get to know more about the IAFPE and the excellent work it does on behalf of India, the United States, and the Indian American community.

IAFPE TO HOLD A CONGRESSIONAL RECEPTION ON GANDHI DAY

The Indian American Forum for Political Education (IAFPE) will hold a Congressional luncheon reception on Capitol Hill in Washington, DC on October 2, Mahatma Gandhi's birthday.

According to an IAFPE press release, this program, "A Salute to the U.S. Congress," is designed to show the appreciation of Indian-Americans for the efforts of the U.S. Congress which helped to preserve family reunification rights, higher educational

grants, small business programs, and equal employment opportunities. IAFPE is also impressed with the recent Congressional efforts to improve India-U.S. relations.

The reason for selecting October 2 to hold this function is to emphasize the values of Gandhian principles in the modern world and to promote an increasing awareness among U.S. legislators about the contributions of Indian-Americans to the American society. For details of this program, contact Dr. Shailendra Kumar, 3726 Rhode Island Ave., Brentwood, MD 20722 (Telephone: 301/864-6556) (day) or 301/299-3503 (evening))

A FEW WORDS ABOUT THE INDIAN-AMERICAN FORUM FOR POLITICAL EDUCATION

Introduction

As Indian-American develop long-term interests in the U.S. political system, it becomes necessary for them to educate themselves in order to make intelligent decisions. The Indian-American Forum for Political Education (IAFPE), which was established on October 11, 1982, will serve as an instrument for such an education process. This non-partisan educational organization has chapters in several states around the country and is the only national association for political education of American citizens and residents of Asian-Indian origin.

Purposes and Functions

The major purposes of the Forum are to function as a catalyst in promoting political awareness and developing civic consciousness and to provide opportunities for learning various aspects of issues affecting the lives of individuals of Indian origin residing in the United States of America. This learning process is to take place through discussion sessions on contemporary civic, economic, and political developments.

Although no political activities are planned, the Forum will attempt to influence and encourage participants toward appropriate political initiatives when the necessity arises. Therefore, the educational activities will be result-oriented. The meetings of the Forum may attract political leaders who are interested in educating Forum participants about various local, national, and international issues and in hearing the concerns and opinions of the participants. Eventually these two-way informal exchanges of ideas among the active participants of the Forum and political leaders will develop an atmosphere of mutual respect and understanding. The good will and political awareness emerging from these contacts can be utilized for the benefit of all participants whenever they face problems either as individuals or as members of the community. Political leaders, conversely can receive support and advice from Forum participants whenever the need community support in activities such as election and passage of legislative proposals.

TEACHING THE STORY OF THE HOLOCAUST

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. OBEY. Mr. Speaker, I am inserting in the RECORD an excellent article by Anthony Podesta which appeared in the Wisconsin Jewish Chronicle on September 13.

This article puts in correct perspective the obligation we have as a society to make certain our children are constructively exposed in the classroom to important lessons of history, one of which is the history of the Holocaust.

I commend this article to my colleagues.

NO, MRS. SCHLAFLY, HOLOCAUST EDUCATION ISN'T CHILD ABUSE

(By Anthony T. Podesta)

In commemoration of the 40th anniversary of the end of World War II, President Reagan presented Nazi death camp survivor Elie Wiesel with the Congressional Gold Medal of Achievement.

In his remarks at the White House ceremony, Reagan praised Wiesel's life-long dedication to preserving the memory of the six million Jews who perished in that war—and underscored this nation's pledge to teach "every new generation of Americans the story of the Holocaust."

But there is a growing number of people in this country who don't want Reagan to carry out that pledge. The controversy going on in our schools right now is not how to teach the story of the Holocaust, but whether to teach it at all.

The object of this debate is a course for eighth and ninth graders called "Facing History and Ourselves: The Holocaust and Human Behavior." Developed with federal funds, and taught in both private and public schools around the country, it explores the history of antisemitism and the events and conditions leading up to the Third Reich's reign of terror. The course also covers another—but less well-known—atrocity, the massacre of almost a million Armenians 30 years earlier in Turkey.

EXTREMIST ATTACKS

Recently, "Facing History" has come under increasing attack by extremists. Some, like the hate group Liberty Lobby, argue that the Holocaust is a "myth," and that those who speak about it are "liars." The Liberty Lobbyists are mounting a campaign that urges the governor of New Jersey to withdraw his endorsement of the course, calling it "Anti-Defamation League propaganda" and "filth."

Much more troubling however, is a broad-based effort by national organizations on the right, such as Phyllis Schlafly's Eagle Forum, and the Pro-Family Forum. These groups also want the course cancelled, but for very different reasons.

In her new book "Child Abuse in the Classroom," Schlafly singles out "Facing History" as too controversial and deceitfully designed to change students' attitudes on political and social issues. In a recent issue of Pro-Family Forum's newsletter, a former school board member from Camden, Maine, claims that teaching such a course is a form of "child abuse."

These critics object to students being asked to write personal journals about what they have thought about or learned in the course. Those opposed to the course say it's a violation of the Hatch Amendment, a federal law which prohibits "psychological testing" without parental permission.

The amendment, whose regulations were issued by the Department of Education last year, is being misused by groups on the right to censor classroom discussions of any subject they don't like. Sex education, drug and alcohol prevention courses, the problem of teenage suicide, even evolutionary biology, are all targets of their censorship campaign.

ATTACKING THINKING

Apparently, Schlafly and other self/supported censors believe that independent thinking—and grappling with moral questions—is a form of "psychological testing." They're using the diary of a student who took the course to explain why "Facing History" should not be taught.

"Life used to be easy," writes the student, "there always seemed to be an answer to everything . . . In these past four months, however, I have been forced to think. It hasn't been easy."

No one has ever said that learning about the tragedies of history is "easy." But teaching students about these troubling events is not "child abuse" in the classroom. It's an integral part of education—and the purpose of education is to teach the students how to make up their own minds, and form their own sense of judgment and morality.

Sheltering students from controversial issues, or troubling historical events, leaves them less prepared to face the difficult questions of citizenship in a democratic society. Not teaching them about the Armenian massacre, or the Holocaust, or the more recent genocide in Cambodia, deprives them of knowledge they need to prevent such atrocities in the future.

We must not allow Schlafly and her fellow extremists to erase the memory of the Holocaust. It is too important a lesson for all of us.

SUPERFUND BILL MUST BE STRENGTHENED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. FLORIO. Mr. Speaker, as my colleagues know, several House committees are now in the process of considering legislation to reauthorize the Superfund Program. The Energy and Commerce Committee recently reported a bill (H.R. 2817) which many have criticized because it includes provisions which are substantially weaker than the reauthorization legislation (H.R. 5640) adopted overwhelmingly by the House last year, 323 to 33.

I voted against the Commerce Committee's bill because I believe it will not result in satisfactory cleanup of toxic waste sites. The bill fails to incorporate several crucial and fundamental reforms of the Superfund Program. Such provisions as the establishment of a strict, mandatory schedule for cleanup and strong uniform national cleanup standards are vital if we are to rescue this troubled program and make it an effective cleanup effort. These provisions were included in last year's House Superfund bill but were fatally weakened in the bill approved by the Commerce Committee.

I bring to my colleagues' attention a recent editorial published in the Los Angeles Times which urges the House to remedy the significant weaknesses in the legislation:

[From the Los Angeles Times, Sept. 4, 1985]

CLEANING UP THE CLEANUP

Congress has less than a month to clean up the complex issues that stand in the way of a proper cleanup of toxic dumps whose chemicals threaten the nation's health and water supplies.

The federal Superfund law, which will expire Sept. 30, sorely needs tougher standards and deadlines and far more money for a job far bigger than it looked five years ago when the fund was created.

But legislation now before Congress is not the answer, partly because it would give too much discretion to the Environmental Protection Agency to decide when cleanups should begin, how soon they would have to be completed, and how clean is clean.

And it may well be that the country would be better off in the long run if Congress gave itself more time to write a strong bill instead of rushing to get a weak bill into law.

The House Energy and Commerce Committee has approved a bill co-sponsored by its chairman, Rep. John D. Dingell (D-Mich.), and Rep. James T. Broyhill (R-N.C.). The bill is not as bad as environmentalists portray it, but neither is it as tough as one sponsored by Rep. James J. Florio (D-N.J.). Florio's bill is far more precise about what the EPA would have to do, and when. The House Public Works Committee, which shares jurisdiction on the issue, could help get the better legislation back on the track by approving Florio's bill.

Even if the questions of deadlines and standards are resolved, two would remain: How much will the cleanup cost, and who will pay?

At present the Superfund is financed partly out of general revenues, but largely from a tax on chemicals. The chemical industry raises the legitimate point that it has not created all the toxic waste by itself, and that industrial users of chemicals should share the costs by paying a tax of their own.

The Senate Finance Committee version of the Superfund bill relies heavily on an excise tax on manufacturing—an approach opposed by the White House. The House is considering a variety of approaches—the manufacturing tax, an increased contribution from the general fund and a waste-end tax on toxic products brought to a dump. The waste-end tax has the advantage of encouraging a search for better, safer ways than landfills to dispose of toxic wastes. In one sense the tax would conflict with itself. It might prevent future problems, but it would mean less money for correcting mistakes of the past. The conflict could be cured with a mix of revenue sources. The federal government could also do a far better job of recovering cleanup costs from corporations that have contributed to the dumping.

No one dreamed when the present $1.6-billion Superfund was created in 1980 that it would have to cover 22,000 dumps. The Senate measure calls for spending $7.5 billion over the next five years; the House figure is $10.1 billion. The Environmental Protection Agency says that it could not spend more than $5 billion even if Congress appropriated more. Florio says that it could if Congress ordered it to.

The most serious problem for the Superfund now is time. In a matter of days the measure must go through three House committees, the full House and the full Senate. That is hardly enough time to clear up such side questions as how many sites have been cleaned up, let alone the more pressing question of tighter deadlines under which the EPA would be required to clean up the thousands of sites that still have not been touched.

Haste, in this case, can leave a lot of waste. It would be far more prudent for Congress to extend the existing Superfund for one year and take the time that it should have taken this year to concentrate on passing the toughest possible bill. The fact that next year will be a congressional election year should help raise its environmental consciousness.

FIRST PRESBYTERIAN CHURCH CELEBRATES 150TH ANNIVERSARY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. PURSELL. Mr. Speaker, 1985 marks the 150th anniversary of the First Presbyterian Church of Plymouth, MI, my home town. During those years the church has been regarded as one of the mainstays of the community providing both moral guidance and social consciousness. In addition, it's history is rich with several anecdotes about the church.

In 1836 the church was destroyed by fire. But curiously, the church Bible and pulpit were untouched by the flames. Church members state that the items were saved when they fell to the basement when the sanctuary floor collapsed. While some called this a miracle, Mr. Ripley at least thought it deserved recognition in Ripley's "Believe it or Not."

In the early years the church wielded a strong moral influence over its members and the community. Records show that in the 1800's members were chastized for drunkenness and dancing. In 1922, the church opposed a local theater showing Sunday movies. The leaders complained that the theater was enticing children from Sunday vespers. During the late 1920's and early 1930's the church provided more social and educational activities including box socials and "penny suppers" for those hurt by the Depression.

I congratulate the church and its members on its 150th anniversary and its rich history. The church has an important place in Plymouth's history and should not be forgotten.

TERRORIST PLANS IN EL SALVADOR REVEALED

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. LAGOMARSINO. Mr. Speaker, further terrorist plans in El Salvador have been revealed following the capture of a leading Communist Party figure. The captured leftist, Americo Mauro Araujo Ramirez, is reported to be a member of one of the groups making up the FMLN, the Salvadoran guerrilla front. According to Araujo, the guerrilla organizations plan to increase military actions and acts of sabotage to damage the Salvadoran economy. He also reportedly told authorities of plans to use Communists infiltrated in such groups as the Committee of Mothers of Political Prisoners and Missing and in the nongovernmental Salvadoran Human Rights Commission [CDHES].

I urge my colleagues to read the following report taken from the September 5 issue of the Salvadoran newspaper La Prensa Grafica.

PCES LEADER CAPTURED, REVEALS "TERRORIST PLANS"

[San Salvador La Prensa Grafica in Spanish, Sept. 5, 1985]

A leader of the Communist Party of El Salvador [PCES] and second in command after Jose Shafick Handal has been captured by the national Police and has revealed terrorist plans.

A police spokesman yesterday identified him as Americo Mauro Araujo Ramirez, who was known in the Armed Forces of Liberation [PCES-FAL] as Commander Hugo. He also used the false names of Americo Duran Flamenco, Mario Americo Duran Ordonez, and Francisco Lopez Santos. He is a sociologist and he confessed that he is an active member of the PCES. He is second in command after Jorge Shafick Handal in the Secretariat of the Central Committee.

He added that he is a member of the political commission and coordinator of political-military chiefs of that clandestine organization which is part of the FMLN. He said that he is an adviser in the implementation of strategic plans, in charge of information and documentation of the intelligence commission, and PCES-FAL representative in the FMLN.

He confessed that the subversive organizations are currently planning: (1) an increase of military actions and sabotage to further harm the national economy; (2) the reactivation and consolidation of professional and trade union cadres by using the Coordinating Board of Solidarity With Workers (CST), the Committee for 1 May, and the National Association of Salvadoran Teachers 21 June as means of propaganda, and by using communists infiltrated in the Independent Movement of Salvadoran Professionals, in solidarity and support groups such as the Committee of Mothers of Political Prisoners and Missing, and in the nongovernmental Salvadoran Human rights Commission (CDHES), and by infiltrating some agricultural cooperatives, the national university, and other front organizations.

He said that in December 1984, the FMLN appointed him political-military official of the metropolitan area. He said that in addition to the previous tasks, one of his main tasks was to obtain logistics aid for the various war fronts and to recruit new members to join the clandestine activity.

He added that he joined the PCES in 1960 as a member of the so-called Vanguard of the Salvadoran Youth, which in 1972–1973 became the Union of Patriotic Youths and later the Salvadorn Communist Youth under PCES leadership.

In 1962 he received a scholarship to attend the famous Patrice Lumumba University in Moscow, where he received extensive Marxist political-ideological training. He returned to El Salvador in 1967. He has gone to Cuba twice and has also gone to Nicaragua carrying out missions of the PCES-FAL and the FMLN-FDR to coordinate political-diplomatic work and economic aid from the various international solidarity committees.

Regarding the Zona Rosa case, Araujo Ramirez said that in March 1985, he, as representative of the PCES-FAL, attended a meeting of the Unified Revolutionary Directorate (DRU) that was also attended by Mario Gonzalez from the Revolutionary Party of Central American Workers [PRTC], chief of the "Mardoqueo Cruz," Urban Commandos, and "Tomas" of the National Resistance—Armed Forces of National Resistance in a restaurant of the Zona Rosa of San Benito. When they noticed that U.S. citizens were eating there, they decided to carry out an attack against them. They informally "drew straws" among themselves as to which of the terrorist organizations would carry out the action, and the action fell on the PRTC.

The prisoner gave extensive information of future terrorist plans that involve the PCES-FMLN. He said that in the new reorganization of the direction of the FMLN-FDR, the PCES-FAL has hegemony due to ideological disagreements within the other subversive organizations.

It has been reported that Commander Hugo and the respective initial investigations have been turned over to a military investigative court.

SLOUCHING TOWARD DEMOCRACY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. GARCIA. Mr. Speaker, Peter Bell of the Carnegie Endowment for International Peace, the former president of the Inter-American Foundation, has written a poignant article on United States-Chilean relations. I am submitting it for the RECORD for my colleagues perusal.

[From the Los Angeles Times, Sept. 11, 1985]

CHILE'S DEMOCRATIC STIRRINGS NEED A BOOST

(By Peter D. Bell)

Twelve years ago today the Chilean military overthrew the elected government of Socialist President Salvador Allende in a bloody coup. Gen. Augusto Pinochet, who led the coup, is still in power, and his intransigence has become the central fact of political life in Chile. The Chilean people are now confronting that reality. The time is ripe for the United States to confront it as well.

Many politically moderate Chileans had hoped that the military regime would be an interim, caretaker government. They soon realized that Pinochet's commitment to a "protected" democracy—one from which the left was eliminated—was in fact a formula for perpetuating his dictatorship. His belief that Christian Democrats are stalking horses for communists and socialists has led to the harassment, detention, torture and exile of thousands of Chileans, not only of the left but also of the center.

Through most of the past 12 years (the Carter Administration being the exception) the United States has supported Pinochet. The argument for doing so usually favored the general's presumed ability to keep order over the uncertainty about who would succeed him—sticking with the devil we know. A recent Reagan Administration review of relations with Pinochet, however, has resulted in a subtle adjustment, a shift from easy to uneasy friendship. Some policymakers are looking at Pinochet and seeing Anastasio Somoza. They fear that Pinochet's rabid anti-communism may actually advance communism by driving moderates into the left or out of the political equation altogether.

Pinochet, 69, and apparently in good health, seems determined to stay in office for life. Pinochet's constitution, approved five years ago in a questionable plebiscite, calls for a presidential referendum in 1989, but also provides for only one nominee—one chosen by the military junta. If Pinochet has his way, he will be "elected" president until 1997, which would put his rule now at the halfway point.

Within the last month, however, there have been signs that the military is not as untouchable as analysts have portrayed it, and even more encouraging signs that the political opposition is closing ranks and becoming more pragmatic.

In early August there was a purge of the National Police, supposedly for death-squad activities. It revived Air Force commander Fernando Matthei's warning of a year ago: If a transition to democracy does not begin soon, "we will end up destroying the armed forces more efficiently than any Marxist infiltration can."

Then, two weeks ago, the democratic opposition showed that it is ready to put the national good above partisan differences. With the blessing of Cardinal Juan Francisco Fresno, the leader of 11 parties, from conservative to left-of-center, agreed to work for direct presidential and congressional elections in 1989. Tens of thousands of ordinary Chileans are now adding their signatures to this "National Accord," which the State Department has hailed as "positive, pragmatic and forward-looking."

One hopes that State's response reflects a serious rethinking of Administration policy toward Chile. For five years the Reagan Administration has pursued a course of "quite diplomacy." That meant showing friendliness toward Pinochet (for example, through joint naval maneuvers and renewed U.S. support for multilateral bank loans) and keeping silent in public about human-rights abuses, while trying discreetly to persuade him to reduce the repression. Pinochet, of course, got the better part of the bargain. He treated Reagan's policy as a display of U.S. support and turned a deaf ear to any U.S. criticism made in private.

The Administration is still unwilling to risk an open break with Pinochet, but it is no longer comfortable with being viewed as giving him unqualified support. Pinochet, who is not a subtle man, remains convinced that, when push comes to shove, the White House will stand by him. In mid-June he again showed his disrespect for Reagan's softness on repression: He lifted a seven-month state of siege in return for U.S. support of a crucial loan package, then immediately decreed a state of emergency that reinstated most of his repressive powers.

If the United States is serious about promoting democracy in Chile, it must make a decisive, effective change in its policy, which so far has been ambivalent and unproductive. It can no longer presume that Pinochet will agree to a political opening of his own accord. Nor should the United States try to force him out. It is the Chileans' responsibility to forge a democratic transition; the "National Accord" is an attempt to do this. What the United States can do is use its leverage to prevent further repression.

The Administration's good words for the accord should mark the beginning of a policy that strongly, consistently and publicly demonstrates the U.S. commitment to democracy in Chile. We should make it clear to Pinochet that we support this new opportunity for free and public political expression, and that we will not be silent if he attempts to suppress it. Such a policy would increasingly distance the United States from Pinochet, and put us on the side of the overwhelming majority of Chileans, who see free and fair elections as the way out of their national tragedy.

NATIONAL UNICEF DAY

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. BATES. Mr. Speaker, this year, Halloween is National UNICEF Day. UNICEF [the United Nations Children Fund] will help children in 115 developing countries around the world. They will provide food, medicine, education, and immunization from such preventable diseases as measles, tuberculosis, and polio. These diseases are now killing millions of young children around the world each year.

UNICEF will be beginning its annual fundraising drive in nearly every congressional district during the week of Halloween. In my district, San Diego children will be participating in the "Coins for Kids" program, sponsored by the county board of education.

The San Diego activities will be kicked off with our first annual black-tie gala Bal Masque at the Hotel del Coronado on October 26.

The children of the world need and deserve our support. By becoming involved in these activities throughout the United States, you can help improve their lives.

THE CONSUMER BANKING ACT OF 1985

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. SCHUMER. Mr. Speaker, earlier this year I introduced an omnibus banking bill called the Consumer Banking Act of 1985. This legislation is intended to ensure that as deregulation, legislative, and regulatory changes, and technological developments radically transform our banking system, financial institutions remain responsive to the needs of consumers.

One of the key provisions of the legislation would establish State-based Financial Consumers' Boards. These organizations would act as an institutional watchdog for consumers' interests; representing citizens in financial services matters before regulatory agencies, legislatures, and the courts, and informing bank customers of these actions. The organizations would also con-

duct surveys on a variety of banking issues, and disseminate information such as shoppers' guides to financial services, as well as assist citizens in resolving consumer complaints.

At a press conference held the day the legislation was introduced, Ralph Nader eloquently explained the urgent need for this legislation and the philosophy underlying it. His remarks focus particularly on financial consumer boards and the role they can play in the modern financial world, detailing experience in several States with consumer boards active in public utility issues. I urge my colleagues to read Mr. Nader's remarks and I ask that they be inserted in the RECORD at this time.

STATEMENT BY RALPH NADER, PRESS CONFERENCE, THE CONSUMER BANKING ACT OF 1985, JUNE 4, 1985, WASHINGTON, D.C.

The Consumer Banking Act of 1985 is landmark legislation that addresses the major citizen, neighborhood, civil rights, and small business concerns raised by the current restructuring of banking institutions and the dramatic changes in banking industry practices. Although banking deregulation has increased competition, it has also had adverse impacts—confusion over increasingly complex deposit and loan instruments, greater risks for borrowers with variable rate loans, and reduced access to both deposit and credit services for certain bank customers, especially persons of modest means and residents and small businesses located in less affluent neighborhoods or slow growth areas. The legislation introduced today by Congressman Schumer contains carefully crafted reforms that would curb these adverse impacts, yet still allow banks plenty of room to adopt new technologies and compete among themselves and against non-bank competitors.

The philosophy underlying the Consumer Banking Act of 1985 has four premises. First, banks should be prohibited from overreaching. Hence, the need for limits on check holds and safeguards on adjustable rate mortgages. Second, full disclosure is necessary for effective marketplace competition. Thus the need for comprehensive disclosure on deposit services. Third, banking institutions should be subject to public benefit requirements that are commensurate with the advantages that such institutions receive. These requirements should be structured to maximize the productive impact that banks can have on local communities and advance the goal of equity for persons of modest means. Fourth, whenever possible, citizen empowerment mechanisms should be established to enable citizens to inform and protect themselves. Hence, the need to establish state-based Financial Consumers' Boards (FICUBs).

There is mounting citizen concern that financial institutions are not being run in a responsible manner and are not adequately serving citizen and local community needs. During the last several years the collapse and bailout of financial institutions has occurred at an accelerating pace. Front page stories include the LDC debt crisis, the dramatic collapse of savings and loans in Ohio and Maryland, the record number of banking failures in 1984, the Continental Bank bailout, the Baldwin-United debacle, and the recent bankruptcy of several securities dealers. The recent collapse of non-federally insured savings and loans in Ohio and Maryland and the Continental Bank bailout have demonstrated in dramatic fashion that depository institutions are critically dependent on government backing. The key government props are federal deposit insurance and the Federal Reserve's lender of last resort facility. Two recurring themes in these failures are insider dealing and speculative investments far removed from local community credit needs.

Citizens have drawn two fundamental lessons from this experience. First, depository institutions are not subject to normal market discipline and therefore must be regulated for safety and soundness purposes. Second, federally insured depository institutions, given the government props they receive, are the proper subject for public benefit requirements. The broad range of citizens organizations that support this legislation believe that public benefits should be defined in terms of local community investment and access to banking services for persons of modest means.

Perhaps the most important section of the Consumer Banking Act is Title VI, which would authorize the chartering within each state of a citizens' association with a mandate to inform and represent citizens in financial service matters. These proposed associations, which have been termed "Financial Consumers' Boards" (FICUBs), would be analogous to the Citizens' Utility Boards (CUBs) which have been established in Wisconsin, Illinois, Oregon, and California to represent citizen interests in utility matters. FICUBs, like CUBs, would be democratically controlled membership organizations funded by membership contributions.

A FICUB would be given the right to insert enclosures encouraging citizens to join the association in the deposit account statements that federally insured depository institutions mail to their customers. As the CUB experience has shown, this insert privilege is a crucial, cost-effective means to build a membership base. Although a FICUB's insert privilege would be limited to banks, its mandate to represent citizen interests would cover the full spectrum of financial services providers, including finance companies, mortgage companies, insurance companies, retailers, check cashiers, and securities firms.

A charter mandate of a FICUB would have the following three elements:

No. 1, to disseminate information and advice to citizens on specific financial services offered in their local market. FICUB would publish shoppers' guides for specific financial services, including mortgage loans, consumer loans, deposit accounts, home owners' insurance, auto insurance, and life insurance. These guides would contain not just rate and term data, but also advice to educate citizens, and warnings concerning hidden charges and other sharp practices.

No. 2, to represent citizen and local community interests before agencies, the legislature, and the courts; and in negotiations with individual financial service providers. FICUB would be an advocate for stronger consumer protection, community reinvestment, and civil rights laws in the financial area and more effective agency enforcement of such laws. FICUB would have the resources and technical expertise needed to be an effective citizens advocate on such complex and diverse financial issues as: (1) insurance rate-making proceedings (consumer intervention is virtually non-existent); (2) monitoring mortgage loan data to determine patterns of discrimination; (3) monitoring finance companies and mortgage companies that take advantage of low income, high risk persons who need credits; (4) legislative remedies for lower income persons denied access to the deposit and payment system by virtue of high fees and non-price barriers; (5) unfair or deceptive deposit or credit practices that are not prohibited by existing regulation; (6) challenging the lending records of depository institutions that fail to reinvest in their local communities: (7) crafting cogent public interest positions on the fundamental questions raised by financial deregulation.

No. 3, to assist citizens in the resolution of consumer complaints. FICUB would become a focal point for the handling of consumer complaints related to financial service matters. This will directly benefit citizens, since the efforts of finanical regulators to resolve consumer complaints are at best lethargic. Equally important, review of consumer complaints would place FICUB in close contact with new problems which citizens encounter in a rapidly evolving financial services environment. This continuous feedback concerning citizens problems will make FICUB more effective both as an advocate and as a source of information.

FICUB is a concept whose time has arrived for two basic reasons. First, there is a growing demand for information and advice on financial services. Financial deregulation and technological change have unleashed a growing array of new and increasingly complex financial services. This has brought consumer confusion and marketplace inefficiency, just the opposite of the intended goal of deregulation. Moreover, consumers have deeply rooted concerns about the manner in which their credit applications are handled and information on their credit histories is disseminated. Just last week Federal Trade Commission Chairman James Miller reported that credit problems are the number one source of consumer complaints to the FTC.

Citizens need precise facts to facilitate comparison shopping and avoid hidden fees, but also unbiased advice so that they can understand such complex products as adjustable rate mortgages, whole life insurance, or split rate money market accounts. FICUB would meet this need by publishing shoppers' guides for various financial services. Unlike most financial institutions which increasing market their services to "upscale consumer," FICUB would tailor its information and advice to citizens of modest or average means.

Second, there is growing recognition that financial regulators have only a limited capacity to represent citizen and local community interests. As financial deregulation has increased the volatility of financial institutions and reduced the margin for error, financial regulators, both state and federal, have of necessity channeled more and more of their agency resources to safety and soundness (solvency) regulation. Given the constraints on agency budgets, the financial regulators have been forced to divert resources away from consumer protection and community reinvestment efforts. Under the Reagan Administration the effect of resource constraints has been reinforced by ideological hostility or apathy towards consumer protection and community reinvestment action.

Against this background of dwindling regulator commitment to consumer protection and community reinvestment, the self-education, self-representation, and self-sufficient features of FICUB are very compelling. Moreover, even if financial regulators were to devote more resources to consumer protection and community reinvestment,

they would find it increasingly difficult to adjust their regulations fast enough to keep pace with the rapid rate of innovation in financial service markets. Another great value of FICUB in an era of financial deregulation is its flexibility and ability to respond quickly.

FICUB represents a fundamental structural reform from the perspective of banking accountability. It creates a citizens empowerment mechanism that can: (1) resolve many citizen concerns with financial services by self-help methods, without resorting to unsympathetic financial regulators; and (2) provide a stronger advocate for regulation in cases where legislation or agency action is required.

KERMAN, CA, AND KANNAMI, JAPAN—SISTER CITIES

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. COELHO. Mr. Speaker, on October 12, 1985, Mayor Harry Pedersen of Kerman, CA, and Mayor Hiro Nakamura of Kannami, Japan, will participate in a ceremony establishing Kerman and Kannami as sister cities.

Last year, a delegation of city officials and citizens from Kannami visited Kerman. During their stay, they were able to experience American culture and learn firsthand about the prolific agricultural industry in the Kerman area. After returning home, Mayor Nakamura invited a similar delegation from Kerman to visit his city. Over 30 city officials and citizens of Kerman have accepted the invitation, and will arrive in Japan in early October. The highlight of their trip will be a ceremony in the Kannami Worker's Gymnasium at which the two cities will sign documents cementing their official relationship as sister cities.

I would like to commend the citizens of Kerman and Kannami for bridging the 6,000 miles of ocean that separates their two cities with a bond of friendship that undoubtedly will last for many years to come. The leaders of our world can learn a valuable lesson in international relations from these citizens: People, regardless of where they come from, can overcome national and cultural boundaries and become good friends—thus furthering the cause of world peace.

As Kerman's representative in the U.S. Congress, I would like to extend my best wishes to Mayor Nakamura and all the citizens of Kannami, and commend them, along with the citizens of Kerman, for their important grassroots effort aimed at furthering international friendship and understanding. I know that both Kerman and Kannami will benefit in many ways from this undertaking.

ATTORNEY GENERAL MEESE TARGETS DOMESTIC MARIJUANA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. RANGEL. Mr. Speaker, the issue of domestically cultivated marijuana has been a priority of the Select Committee on Narcotics Abuse and Control which I chair and will continue as such throughout the 99th Congress. Increased production estimates, the violence of the growers, and the increased availability of domestic marijuana has necessitated ongoing scrutiny by the select committee. While the most recent report of the National Narcotics Intelligence Consumer Center [NNICC] indicates that domestic marijuana accounts for 11 percent of the marijuana consumed by Americans, down from last year's statistic of 15 percent, the select committee and I continue to consider the issue of domestic marijuana as a serious threat to the well-being of Americans regarding both health and law enforcement.

In the course of the 98th Congress I visited the marijuana producing regions of California and Hawaii to ascertain the severity of the marijuana problem and to obtain a local perspective on the issue. During select committee field hearings in Redding, CA, in July 1983 and during a briefing in Honolulu, HI, in January 1984, two centers for the trade, I heard firsthand how the increase in marijuana production was creating unprecedented law enforcement problems, and how violence by and among growers had increased, particularly as growers sought to protect valuable high potency sinsemilla marijuana plants.

The report which issued and detailed the Redding and Honolulu data concluded that.

There appears to be little doubt that the illicit cultivation of marijuana in the United States is a problem of great magnitude. There is equally little doubt that the efforts to stop such enterprises leaves much to be desired.

I stressed at that time the need for the Federal commitment to domestic marijuana eradication to increase, specifically to providing States with more DEA funding for their eradication efforts.

This call for greater Federal involvement did not go unheeded. Attorney General Meese in a recent column in USA Today outlined the administration's most recent crackdown on domestic marijuana cultivation and some of the arguments advanced for making the eradication of domestically grown marijuana a top law enforcement priority.

Whether the eradication blitz, as it was called by Mr. Meese, can or will be sustained for any meaningful period of time is a matter for speculation. However, if it be for but 1 week out of the year, results similar to those of this summer's campaign surely send the message to the growers and those along the chain of distribution that our laws will be enforced and that this illegal enterprise will not be tolerated.

The Attorney General in his column offers a timely and incisive analysis of the eradication blitz and several of the public health and law enforcement concerns which prompted it. The numbers concerning how many plants to date have been confiscated and destroyed are impressive. I will hope that in the future, prior notification of operations such as this will be dispensed with in order to maximize the yield of the confiscated crop while minimizing the dangers to our law enforcement personnel.

The column follows:

[From USA Today, August 9-11, 1985]

THESE GROWERS ARE CRIMINALS

(BY EDWIN MEESE III)

This week Federal agents joined more than 300 State and local law enforcement agencies in searching out, uprooting, and destroying marijuana plants that had been growing in hidden plots in every State.

As of Thursday, our eradication blitz had resulted in the destruction of 342,635 plants.

This effort will continue, because the Reagan administration is very serious indeed about the war on drugs, and particularly on marijuana production.

That is the message we want to send, as emphatically as possible, to criminal growers within our own borders and to governments abroad.

Marijuana is too often regarded as a harmless drug. Actually, recent medical studies show it has a very serious impact on health. Consider.

Its active ingredient, THC, causes disease-fighting cells in the body to grow more slowly, move more slowly, and respond poorly to invading disease.

Reaction time for motor skills, such as driving drops an average of 42 percent after smoking one marijuana cigarette.

Smoking 5 marijuana cigarette a week has the same effect on the respiratory system as smoking 112 tobacco cigarettes.

Harmless? Hardly.

What's more, the criminal cultivation of marijuana is invariably accompanied by other serious crimes, including crimes of violence, as growers and their associates go to any lengths to protect their efforts to harvest, transport, and market their crop.

Those involved don't care who gets hurt in the process, thus innocent citizens can become victims of this criminal activity without any warning.

A significant fraction of the domestic crop is grown on Federal lands, where people on backpacking trips, picnics, fishing, or hunting expeditions can stumble onto a plot rigged with booby traps, or where growers use guns to injure those who get too close.

Trip-wired explosive devices, bear traps, punji stakes, fish hooks dangling at eye level—these are weapons of the criminal grower. We cannot permit it.

We will continue to tear up and destroy the plants wherever we encounter them. The growers should know we consider them criminals and together with State and local law enforcement agencies we will do everything in our power to send them to prison.

HONORING JOHN HUERTA FOR CONTRIBUTIONS TO THE COMMUNITY AND THE MEXICAN AMERICAN LEGAL DEFENSE AND EDUCATION FUND

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. TORRES. Mr. Speaker, I ask my colleagues to join with me in honoring Mr. John Huerta for his commitment to justice and civil rights.

I have had the pleasure of knowing John for many years during which time he has distinguished himself as an advocate for civil rights. He has done an admirable job serving the Mexican American Legal Defense and Education Fund [MALDEF] as an associate counsel since 1980. On September 18, 1985, MALDEF will host a farewell reception for John as he leaves to pursue other interests.

Previous to joining MALDEF he served as a Deputy Assistant Attorney General in the Civil Rights Division for the U.S. Department of Justice. He is a former professor of law at the University of California, Davis from 1973 to 1977.

John is a graduate of California State University at Los Angeles and earned his law degree from the University of California, School of Law (Boalt Hall), Berkeley in June 1968. He is a member of the State Bar of California, the District of Columbia Bar, American Bar Association, Hispanic Bar Association, and the Los Angeles County Bar Association. He has been admitted to practice before the California Supreme Court and the U.S. Supreme Court.

He has lectured extensively on civil and human rights to professional, civil rights and university groups throughout the United States and Latin America.

Mr. Speaker, I rise here in the House today to recognize the contributions John Huerta has made to the community. His services will be missed by MALDEF, but I have no doubt that John will continue to work vigorously for civil rights and justice. I wish him all the best in his new endeavors.

THE 90TH ANNIVERSARY OF CHIROPRACTIC HEALTH CARE

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. BORSKI. Mr. Speaker, I wish to invite my colleagues to join me in recognizing a significant event in the American tradition of maintaining sound health habits: the 90th anniversary of the origin of chiropractic health care.

Ninety years ago this week, September 18, 1895, the first chiropractic patient was examined and treated. On that date Daniel David Palmer, the father of chiropractic, conducted a spinal examination and administered a chiropractic manual adjustment to Harvey Lillard, a janitor by trade, of Davenport, Iowa.

From that singular beginning until today, chiropractic health care has made an invaluable contribution to the public well being. Like other specialists in the health care field—such as dermatologists, dentists, and podiatrists—doctors of chiropractic specialize in the care of the spine. The spine is certainly one of the most sensitive, complex, and important parts of the human anatomy. Who has not experienced the discomfort of back pain? It is estimated that 8 of 10 Americans suffer a back problem at some time during their lives.

Without the trained body of experts that make up the chiropractic community, the spinal health of this Nation would be severely undermined. For example, time lost from work due to back problems contributes immeasurably to a lower industrial productivity.

I commend the thousands of chiropractors in the United States and abroad for their determination and desire to serve the health needs of all people. Probably no single segment of the health care profession has fought such a persistent battle over the years against adversaries in medicine, hospitals, legislatures of the land, and even the Government of the United States. In the face of opposition ranging from harassment to outright illegal boycotts, doctors of chiropractic have stood firmly to protect their right to serve the millions of people who seek their care and expertise.

I would like to recognize the chiropractic profession for its steadfast defense of these principles and for its continued adherence to strengthening the education and training of new chiropractors. Today, chiropractors are licensed to practice in all 50 States. Their education must consist of a total of six academic years following high school graduation. Two of these years must be in a preprofessional college curriculum followed by 4 years in residence in a chiropractic college. The Council on Chiropractic Education is recognized as the national accrediting agency by the U.S. Department of Education.

Chiropractic health care fits well in a time when people are more concerned than ever with maintaining good health, practicing prevention through moderation of lifestyles and observing stricter discipline in nutrition and exercise. With medical and hospital costs soaring, observing and practicing a sound health care maintenance program is a rational and prudent philosophy for all to consider.

Please join me in wishing all doctors of chiropractic and their professional associations—the International Chiropractors Association and the American Chiropractic Association—many more successful years in serving the health needs of the public.

A FARM BILL CRITERION

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. GRADISON. Mr. Speaker, I take this opportunity to call my colleagues' attention to the thought-provoking editorial from Saturday's Washington Post.

Soon, the House will consider the farm bill. Without question, much of American agriculture is in bad shape. As we approach the farm bill debate, we should recognize that much of the current problem stems from our Rube Golberg agriculture policies, so aptly illustrated by this editorial, and it is not likely to be lessened by more of the same.

The Post's editorial should serve as a stark reminder that we have a significant opportunity to redirect U.S. agricultural policy. We can set Federal agricultural policy on a clear path away from Government subsidies and toward the marketplace, which is the criterion against which I plan to evaluate the new farm legislation.

The best way to solve America's chronic farm problem—overcapacity—is a gradual, compassionate transition to a market-based farm sector.

[From the Washington Post, Sept. 14, 1985]

COWPATH

There are, give or take a few moos, 11 million dairy cows in this country. That's at least a million more than are needed to produce the dairy products that consumers are prepared to buy. As science continues to produce new feed additives, growth hormones and breeding techniques, fewer and fewer cows will be needed. Congress recognizes that it has to curb the cost of keeping all these surplus cows in clover. But the farm bill approved this week by the House Agriculture Committee suggests that the road to reform is likely to be as crooked as a cowpath.

The most straightforward way to reduce dairy production would be to continue reducing gradually the dairy price supports that, when they were sharply increased in the late '70s, gave rise to the current surpluses. That approach has strong bipartisan support in the Senate. But letting market forces work, even gradually, requires Congress to admit it cannot foresee every contingency and ease every adjustment—an admission that the House committee is apparently reluctant to make.

The House bill, drafted with help from the National Milk Producers Federation, starts from the presumption that the most humane way to lead a cow to slaughter is to pay its owner for doing so. Such a diversion program did succeeed in temporarily slowing surplus accumulations last year, although not without disruptive effects in some localities. Paying farmers to cut herds, however, costs money, and farm programs already cost billions. So the bill levies an assessment—essentially a producertax—on all milk still produced.

Why would dairy farmers want to pay themselves to cut their own production? One reason is that not all farmers would be equally affected. Relatively efficient farmers would end up paying most of the tax, while those on the verge of going out of business would tend to benefit. But the committee has also thoughtfully provided higher price-support levels to reimburse producers for their contributions to the diversion program.

Higher price supports, however, also mean that consumers end up paying much more for milk. That would add billions to family grocery bills as well as to the cost of government food programs for the needy. It would also cause consumers to buy fewer dairy products, and that means bigger surpluses. To keep that from happening, the bill set up a dairy product research and promotion effort—to be financed by another increase in the producer tax.

Of course, sending thousands of dairy cows to slaughter is likely to drive down red-meat prices. To deal with that, the bill requires the federal government to cut purchases of other surplus commodities for donation to local school programs and buy red meat instead. Of course, you'd still have to worry that, since school lunches are already loaded with red meat, localities would then cut back their own purchases of red meat. Maybe you could require school kids to eat more. Or make them take doggy bags home to their parents. Of course, then the parents might buy less, but maybe you could add another requirement . . . Or maybe you could junk the committee bill and start over.

NATIONAL ACCORD FOR THE TRANSITION TO FULL DEMOCRACY

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. ROTH. Mr. Speaker, on August 25, 11 of the principal political parties of Chile signed a National Accord for the Transition to Full Democracy. The accord is significant for a number of reasons: First, it rejects violence as a means of political action. By so doing, the accord signatories reject the participation of the Communist Party in the political process. Second, previous demands by the Democratic Alliance for the immediate removal of President Pinochet and the institution of a provisional government are dropped. Third, the emphasis in the document is to provide for an effective democratic transition process.

Chilean political opposition leaders have criticized the procedures now set up by the 1980 constitution for the election of the President and representatives. The principal items of the accord include: a call for legalizing political parties, construction of electoral registers, and electoral laws that will permit direct elections of the President, senators, and deputies.

In a September 2 statement, the Government of Chile viewed the accord process as a positive contribution by its signatories.

On September 12, Representative MICHAEL BARNES introduced House Concurrent Resolution 188 which commends the accord. However, I believe that as presently worded, the resolution is counterproductive to a peaceful transition process in Chile. While commending the signatories of the accord, it is unnecessarily inflamatory.

If the intent of a congressional resolution is to serve as a positive element in Chile's democratic transition process, I see no useful purpose in making derogatory remarks. The accord is a very positive development as is its reception by the Pinochet government. The U.S. Congress should use this opportunity to also serve as a positive catalyst and not detract from recent developments.

Consequently, I am today introducing a resolution which not only commends the signatories of the accord for their efforts to achieve a peaceful return to democracy, but also encourages the Government of Chile and the accord signatories to engage in direct dialog on the measures contained in the accord.

H. CON. RES. —

Concurrent resolution expressing the support of the Congress for a peaceful return of democratic rule in Chile

Whereas on August 25, 1985, Cardinal Juan Francisco Fresno brought together 11 political parties to sign a National Accord for the Transition to Full Democracy in Chile;

Whereas the Accord signatories repudiate violence as a method of political action;

Whereas the measures prescribed by the Accord call for free and fair elections and a political process that will ensure a return to democratic rule; and

Whereas the Government of Chile views the Accord as a positive contribution by its signatories: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress supports the efforts of democratic forces in Chile to achieve a peaceful return to democratic government, and expresses its view that the National Accord for the Transition to Full Democracy in Chile is an important first step toward that goal. Furthermore, the Congress encourages the Government of Chile and the signatories of the Accord to engage in direct dialogue and discussions as an important second step toward democratic rule.

CONSIDER THE REALITIES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. LAGOMARSINO. Mr. Speaker, I wish to call to the attention of my colleagues, the following editorial from the Lompoc Record (Wednesday, August 28, 1985), regarding the need for American testing of an antisatellite weapon. Given the facts in this instance (including the knowledge that the Soviets currently possess the world's only operational ASAT system, and have moved closer to attaining a highly capable ground-based laser ASAT system), I concur with the analysis provided by the Lompoc Record when it states, "Failing to develop an American counter wou[illegible]ly mean that, in a crisis, the Soviets could strike at the eyes, ears, and communications voice of American intelligence and the U.S. Armed Forces while the United States would be unable to respond in kind."

I support the President's decision regarding the need for ASAT testing, as approved by the Congress in the fiscal year 1985 and 1986 DOD authorization bills, and recommend the following editorial to my colleagues.

[From the Lompoc Record, Aug. 28, 1985]

CONSIDER THE REALITIES

The Reagan administration is proceeding with plans for a third test of an anti-satellite missile, overriding in the process objections from domestic critics and the Soviets alike. The debate offers some instructive insights into the mindset of everyone involved.

The Soviets rationale for opposing development of an American anti-satellite missile is, of course, rather obvious. For the record, the Soviets keep talking about preventing the "militarization of space," as if about 80 percent of their own activities in space dating back to the early 1960s were not conducted chiefly for military purposes. Their actual, immediate objective is to preserve their present monopoly on operational anti-satellite weapons.

An even more urgent motivation was suggested on Sunday by Georgi Arbatov, member of the Soviet Communist Party's Central Committee and frequent spokesman for the Kremlin. Mr. Arbatov described the scheduled test of a U.S. anti-satellite missile as a "new, very dangerous step in the arms race . . . endanger(ing) the arms control process because it is a part of the 'Star Wars' concept."

The germ of truth in this propagandistic rhetoric is the link between anti-satellite systems and the technology that could one day protect Americans from a Soviet missile attack. As one Defense Department official put it recently, "Virtually any anti-ballistic missile system is going to have a capability against satellites as well. So if you actually did ban means of attacking satellites, you would be banning the SDI (Strategic Defense Initiative)."

Some domestic critics of the Reagan administration's strategic programs share (for different reasons, of course) the Soviets' opposition to development of an American ASAT weapon and U.S. defenses against ballistic missile attack. Rep. George E. Brown Jr., D-Calif., who led opposition in the House to more testing of the anti-satellite missile, would prefer a U.S.-Soviet agreement banning testing, production, and deployment of anti-satellite weapons. That happens to be the official Soviet position as well.

Unfortunately, there is virtually no way that compliance with such an agreement could be monitored with sufficient certainty to prevent Soviet cheating. The existing Soviet system for attacking American satellites employs easily concealable warheads lifted into space by ordinary rocket boosters of the sort used routinely for Soviet space launches. Hundreds of these warheads could be manufactured in secret while the rocket boosters were produced openly without betraying any violation of a ban on anti-satellite weapons.

In addition, the Soviets are working on laser and particle-beam weapons that could destroy satellites from ground stations. None of the arms-control enthusiasts nipping at Mr. Reagan's heels have suggested ways to identify such ground facilities as indisputable violations of an anti-ASAT treaty.

As against the obviously hostile intent of the Soviet Union and the wishful thinking of Rep. Brown and others who would put their faith in arms control, the Reagan administration had to consider hard realities in deciding whether to order more tests of the anti-satellite missile. First, the Soviets already had an operational system. Granted its technology is a bit crude but the system nevertheless succeeded in at least 18 of 27 known tests from 1969 to 1983.

Failing to develop an American counter would only mean that, in a crisis, the Soviets could strike at the eyes, ears, and communications voice of American intelligence and the U.S. armed forces while the United States would be unable to respond in kind. Secondly, no treaty banning such weapons could be adequately verified. And, as Mr. Arbatov and his superiors so obviously recognize, stopping the American anti-satellite weapons program would likely cripple research into a future defense against nuclear ballistic missiles.

Viewed from these perspectives, the Reagan administration would have been grossly negligent in not proceeding with additional tests of an anti-satellite missile system. Experience during the last decade and a half has shown conclusively that neither unilateral restraint nor unenforceable treaties protect America's security.

TECHNOLOGY AND THE HANDICAPPED

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. BROWN of California. Mr. Speaker, today I would like to bring to the attention of my colleagues contributions made by the National Aeronautics and Space Administration to the ever expanding technology base in this country and how it impacts on the handicapped. The American space program utilizes the finest materials, talent, and information. The constant searching for breakthroughs has led to outstanding discoveries which spill over into many areas of society.

NASA plays more than a passive role in fostering civilian applications for their evolving technologies. To the contrary, NASA has an aggressive program to apply space technology to help the handicapped. Unfortunately, industry is slow to pick up on NASA's lead. For example, there exists a wheelchair, designed by NASA, made out of composite materials which is half the weight of an ordinary wheelchair. Clearly, a lightweight wheelchair would lessen the burden on millions of handicapped, as well offer greater mobility. Yet technology transfer to the private sector is stunted by corporate hesitancy to improve on a wheelchair they consider already good enough.

I believe that the employability of the handicapped will increase in direct proportion with the number, and availability, of handicapped assistance devices. And technology, coupled with an aggressive public awareness campaign to dispel myths about the handicapped, is the formula which will turn the tide of centuries of discrimination.

Over the last few years, programs have proliferated to meet the call of employing the handicapped. For one, the National Challenge Committee of the Disabled, founded and spearheaded by Mary Doremus, was organized to promote handicapped awareness, acceptance, integration, and independence. Mrs. Doremus is determined to make individuals with disabilities full working partners in the Nation's economic system. The administration has also launched the National Initiative on Technology and the Disabled. This initiative, being promoted by Margeret Heckler, Secretary of the Department of Health and Human Services, will seek to draw on the technological expertise of the aerospace industry to voluntarily develop devices for specific handicapped needs.

This week we celebrate the abilities of the handicapped with Inspire 85, a festival being held in Washington, DC, designed to exhibit and showcase the accomplishments of disabled Americans in sports, recreation, cultural arts and employment. Inspire 85 is an event sponsored by the President's Committee on the Employment of the Handicapped. These programs, and many others like them, are part of a groundswell of support for the Nation's handicapped.

Naturally, the Federal Government will continue to play a role in transferring practical technology to aid the handicapped. But if a significant transfer is to take place, and thereby greater employment, it will require the concerted efforts of government, special interest groups, and private industry. An effort on this scale would improve the lives of the disabled, as well as the lives of those they depend on. Rather than just another Federal expense, investing in the disabled will prove financially beneficial in the long run.

Below are three more examples of technology that were developed with space technology. While these devices represent great hope for the handicapped, they are of little use if they remain on NASA's shelves:

A device developed from research conducted by the Man-Machine Integration Branch of NASA, is the versatile portable speech prosthesis [VPSP]. There are an estimated 2 million people in the United States with speech impairments. The VPSP is the first communication aid to rely on synthesized speech. Its versatility allows it to accommodate a variety of input devices including single-switch, multiple-switch, joystick, or other keyboard controls which physically limited people have the ability to use. The VPSP uses a microcomputer with a phoneme speech synthesizer and a specially designed television screen. It can be used to transmit up to 10 words a minute with single-finger typing. It has been successfully tested as a proof-of-concept system and is currently available for commercial development.

For the approximately 1.8 million deaf people in the United States, a new pair of eye-glasses, developed at Gallaudet College in conjunction with NASA, allows deaf people to understand and converse with people who don't know sign language. The eye-glasses, called a Speech Autocuer, primarily enhances a deaf person's lip-reading abilities. By sending automatically derived visual cues in real-time to a wearable eyeglass display, it allows deaf people to distinguish between sounds which appear alike. This device is commercially available, but its cost is quite high. Presently, Medicare/Medicaid will not cover it.

Finally, by instituting the maneuvering system used by astronauts to drive the Lunar Rover during the Apollo missions, NASA, along with Johnson Engineering Corp. and the Veterans' Administration, has developed the unistik. It allows the severely handicapped the ability to drive an automobile. In most instances transportation is a great barrier to leading a normally productive life as a handicapped person. The unistik controls electric motors of a standard vehicle with a two-axis joystick and a fly-by-wire type of control used in spacecraft. By moving the joystick in various ways, one can carry out such activities as steering, braking, and accelerating with just the movement of a hand.

Mr. Speaker, each of these devices, and many others, are capable of tapping the hidden resources of the handicapped. I urge my colleagues to pay closer attention to the true potential of the handicapped, and through their achievement, the value to our society. The Federal Government should never halt its assistance to the disabled, yet if we are ever to reduce the handicapped's dependency we must aggressively seek ways of utilizing one of America's greatest untapped resource—the handicapped.

HONORING MR. ROBERTO GRACIA FOR OUTSTANDING SERVICE TO THE COMMUNITY AND THE STATE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. TORRES. Mr. Speaker, I would like to bring to the attention of my colleagues an individual who has distinguished himself in his community and State.

Mr. Roberto Gracia of Sacramento, CA, has served as chief of equal employment office, for the State employment development department, since 1981, following a progressive career in State service that began in 1969 as a job agent in southern California.

An outstanding employee, Mr. Gracia has always found the time and the energy to work with various community groups involved with increasing educational and employment opportunities for young Californians.

As chairman of the State planning committee for the 1984 and 1985 Chicano and Latino Youth Leadership Conferences, Mr. Gracia has once again demonstrated his commitment and leadership in coordinating the weeklong conference held in Sacramento. His example serves as a positive role model to the participating high school

students and to the many volunteers and supporters of the conference.

Several of my constituents have participated in this annual conference and I am pleased to note that the positive experience and support that students receive under leadership of Mr. Gracia is very encouraging to the parents in my district.

On September 18, 1985, members of the communtiy from throughout California will convene in Sacramento to honor the dedication and outstanding job that Mr. Gracia has performed as chairman of the conference for the past 2 years.

Mr. Speaker, I ask that my colleagues join me in congratulating Mr. Roberto Gracia for the honors being presented to him by grateful parents, students, and the numerous community leaders and organizers for his contributions and support for the development and education of our young people.

THE BILL COSBY SHOW

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. GRAY of Pennsylvania. Mr. Speaker, the State of Pennsylvania and the city of Philadelphia have both had a long tradition of producing men and women of distinction—people who have left their mark on the pages of American history.

Today I wish to pay homage to a man whose name has become synonymous with fatherhood in this country—Dr. William Henry Cosby, Jr.

Every Thursday night an estimated 40 million Americans tune in to "The Bill Cosby Show" to follow the ups and downs, and joys of the "Huxtables"—a family of four daughters and one son patterned after Cosby's own children. Many families across this Nation have come to identify with Heathcliff, Clair, Theo, Rudy, Denise, and Vanessa. Indeed, the show has been called therapy for some.

Bill Cosby has come a long way from the days in 1962 when he took a leave of absence from Temple University to earn $5 a night as a standup comic at the Cellar, a coffeehouse in Philadelphia. Just recently, Newsweek magazine described him as "a one man multimedia phenomenon." He can claim credit for 22 albums, 10 films, scores of nightclub appearances and concerts.

Mr. Cosby, who holds a doctorate in education from the University of Massachusetts, has not forgotten his roots or the friends he grew up with in Philadelphia's Germantown neighborhood. For the past several years, he has been an integral part of Temple University's public relations program, making commercials which highlight the excellent programs and curricula at this outstanding Philadelphia institution of higher education.

And there are other examples of Cosby's unselfish commitment to his hometown. Recently, he emceed a benefit concert for the victims of a disastrous fire which wiped out 60 homes and left hundreds homeless.

On Tuesday, September 24, the city of Philadelphia will salute this fine American and native son at the Academy of Music. I know my colleagues will join me in paying tribute to a man who has not only entertained millions, but has served as an inspiration and positive role model for our Nation's young people.

MACALESTER COLLEGE CELEBRATES 100 YEARS OF SERVICE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. VENTO. Mr. Speaker, 100 years ago this month, a new liberal arts college opened its doors to its first class of freshman students. Since that day a century ago, Macalester College of St. Paul, MN, has graduated thousands of students who have gone on to achieve distinction in every walk of life; from the ministry to medicine, from art to science, and from education to government and public service. The college's orginal benefactor, Charles Macalester, envisioned the establishment of a liberal arts college which would train young men for the ministry. Thirty-six students were enrolled under the guidance of an original faculty of six professors in 1885. Today, Macalester's student body stands at 1,700 men and women, 10 percent of whom come from 1 of 72 foreign countries. This represents one of the largest percentages of foreign students on any American campus of comparable size. Additionally, over one-third of Macalester's students go abroad to study at some point in their academic careers. Macalester College also has a sizable contingent of National Merit Scholars from across the country. Many of Macalester's graduates later go to graduate schools in medicine, law, and various other professions. Last year, one of these students, Walter Mondale, even ran for President.

While many of Macalester's students have gone on to achieve notoriety, so too have many of Macalester's fine faculty members. Before being elected to public office, young Hubert Humphrey spent several years teaching political science at Macalester where he instilled a commitment to public service in countless students. Another Macalester professor, Dr. G. Theodore Mitau, who also served as chancellor of the Minnesota State College system inspired three generations of Macalester students during an illustrious teaching career.

Macalester College could not have survived and thrived over these past 100 years had it not been for the steady guidance of outstanding leadership. Former presidents of the college, such as Dr. James Wallace, Dr. Arthur Flemming, Dr. John B. Davis, Jr., and others laid the groundwork that insured that Macalester College would be in the ranks of the finest small liberal arts colleges in the Nation. Macalester's new president, Dr. Robert M. Gavin, Jr., has continued the college's commitment to the liberal arts.

During the early 1980's, as enrollments in private colleges across the country have leveled off and in some cases even declined, Macalester has planned for the future. This planning has been made possible through the generous support of the college's alumni as well as private foundations and corporations from Minnesota and throughout the country. Minnesota, and indeed the Nation, have been enriched because of Macalester College. While Macalester celebrates its 100th birthday this month and a century of service, we look forward to many future years of achievements and contributions from this outstanding institution.

WESTWAY TRADE-IN LEGISLATION

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. GUARINI. Mr. Speaker, together with my colleague TED WEISS, I'm pleased to introduce legislation which will guarantee that New York can build a new highway on the west side of Manhattan and provide aid to its crippled mass transit system at the same time.

Under my bill, if Mayor Koch and Governor Cuomo choose to trade in Westway, Federal funding for alternate highway and mass transit projects would be guaranteed. Specifically, New York would receive a $220 million annual appropriation from the highway trust fund for these substitute highway and mass transit projects. This annual appropriation would continue until the estimated Federal share of the cost of building Westway, as specified in the 1983 interstate cost estimate, has been expended. Since the 1983 cost estimate put that amount at approximately $1.71 billion, all of the funds for a Westway trade in would be paid out in 8 years.

Many Westway supporters have said they would consider a trade in if Federal funding for substitute projects was certain.

Just yesterday in the New York Times it was reported that Governor Cuomo said: "If funds for a trade-in were made as certain and as reliable as funds for regular highway projects" he could "find better purposes than this particular Westway project" for the funds.

My bill will make it very clear to Westway supporters that trade in is a reliable option and it's time to find those "better purposes."

Westway supporters also claim that New York is not assured the same level of Federal support which Congress has already authorized for Westway. With my bill, New York would receive the full trade-in value for Westway. Moreover, the State would receive its 85 percent Federal financing for substitute highway and transit projects without another congressional appropriation. Therefore, there would no basis for the additional assertion that obtaining trade-in funds would be hindered by anti-New York sentiment in Congress.

Ensuring Federal funding for these substitute highway and mass transit projects will not only benefit New York residents, it will benefit residents of the region and city residents throughout the Nation as well. Under current law substitute highway projects are funded from the highway trust fund, whereas substitute transit project funding comes from general revenues. By funding both substitute highway and mass transit projects from the highway trust fund, mass transit improvements in New York would not require an increase in our general revenues. Furthermore, mass transit projects in other States would not be competing with Westway trade-in projects for Federal funding.

As the trade-in deadline nears we must do all we can to enhance this option. New York must know that our commitment to trade in and sound transportation planning is real. By supporting this legislation we will be making a real commitment to New York which will benefit the entire Nation. It will be evident that last week's overwhelming vote against Westway was not a vote against New York but a vote against a boondoggle. On these grounds, I urge your support for this necessary and timely legislation.

CENTENNIAL OF AMERICAN INTERNATIONAL COLLEGE

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. BOLAND. Mr. Speaker, my congressional district is fortunate to be the home of many exceptional institutions of higher education. One of these, American International College [AIC] of Springfield, MA, is in the midst of a celebration of its centennial. I want to join with the many friends of AIC in offering my congratulations on a century of achievement in the field of education.

AIC was founded in Lowell, MA, in 1885 by a group of ministers concerned with the education of French Canadian individuals in the area. The college moved to Springfield in 1888, and with that move came a broadening of the authority contained in the college's charter. Although AIC's origins are in another city, its roots are in Springfield. The relationship between the college and the community in which it resides has been a mutually beneficial one and the citizens of Springfield regard AIC's success as a source of considerable civic pride.

From its inception, AIC has had what I consider to be a unique ability to tailor its programs to meet the needs of its students. In so doing, it has performed a valuable service not only to the city of Springfield and the Commonwealth of Massachusetts, but to the entire Nation as well. In its early years, AIC specialized in providing the training necessary for citizenship to persons new to the United States. Immigrants from 42 nations received the instruction in English, U.S. history, civics and associated cultural skills they needed to become effective citizens in communities throughout the country. After World War II, the college took the steps necessary to accommodate the influx of veterans seeking higher education and added a program designed to expand the training opportunities available to teachers. Countless children of the baby boom generation have been taught by individuals prepared by AIC. Recognizing the special needs of servicemen, AIC set up programs of instruction available to active duty military personnel in Massachusetts and at bases around the globe. Today, thousands of AIC graduates throughout the world are productive members of their communities because of the opportunities made available to them by the college.

Mr. Speaker, AIC's centennial reminds us of the integral place that educational institutions have in our communities. Institutions like AIC serve so consistently and effectively that we may be at times tempted to take them for granted. I want to assure President Harry Courniotes and the faculty, staff, and students of this great institution that AIC's 100th birthday will also serve to remind us to resist that temptation. The enterprise in which they are engaged is among the most important in our society. I want to wish them continued success as they inaugurate the college's second 100 years.

H.O. "SONNY" DAVIS RETIRES AS POLICE CHIEF

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. LEWIS of California. Mr. Speaker, it is with great pride that I rise today to recognize a gentleman who, through his remarkable career, has had a great impact on the citizens of Barstow, CA: Mr. H.O. "Sonny" Davis.

For 34 years, Sonny Davis has served the city of Barstow as a member of its police force and, since May 1970, as its chief of police. This year, Sonny will retire from the force and Barstow will be loosing one of its most dedicated officers.

I could recite the many citations and awards bestowed upon this man, for they are numerous. I could tell you of Chief Davis' extensive training, for his knowledge goes far beyond expertise. I could describe Sonny's dedication to his family, his community and his Nation, for he has truly committed himself to guarding the safety and well-being of his fellow man. All this I could do, as many others have and will, for Sonny Davis has been an inspiration to colleagues, friends, and family.

However, Mr. Speaker, I would just like to take this time to join with the citizens of Barstow in saying thank you to Chief Sonny Davis for having the courage and the dedication to be one of the finest members of his community, and to wish him all the best for a healthy and happy retirement.

SICKLE CELL POSTER CHILD LaTOYA WILLIAMS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. BROWN of California. Mr. Speaker, I would like to bring to the attention of my colleagues an exceptional young lady in my home district. Her name is LaToya Williams, and she has been selected as this year's Sickle Cell Anemia Poster Child of the Inland Counties. This young woman has shown great courage in dealing with this genetic disorder.

As you are aware, sickle cell anemia is a serious blood disorder which often results in intense pain. One in six hundred black Americans suffers from this disease, and sickle cell anemia accounts for over 80,000 deaths annually throughout the world. Great strides are being made in the prevention of and supportive care for those with sickle cell anemia, but we are a long way from finding a practical cure.

While medical science is still far from a satisfactory solution to sickle cell anemia, two recent breakthroughs show promise. The first, sustained blood transfusions with compatible red blood cells suppresses the symptoms of sickle cell anemia. Unfortunately, this form of treatment is reserved for extreme cases, because transfusions cause progressive iron overload and blood volume overload. These conditions invariably result in a number of internal complications.

The second approach, bone-marrow transplantation, has been very successful, but carries with it the risk of failure in a substantial percentage of patients and the possibility of graft-versus-host disease in others. There is a chilling 30 percent chance that a patient undergoing a transplant will not survive. We in Congress have a responsibility to help even these odds for LaToya and the some 70,000 Americans inflicted with sickle cell diseases.

Mr. Speaker, LaToya, the daughter of Essie Williams, is like most children of 7. She attends the third grade at Mountain View School in San Bernardino. When she is not in school, LaToya loves to ride her bike and play with her dolls. She's active, outgoing, and friendly. Fortunately, LaToya has not had any serious problems because of her condition.

I commend the Sickle Cell Organization of the Inland Counties for their efforts in helping to comfort and aid those afflicted with sickle cell anemia. They have also been instrumental in bringing this issue public attention. Let us joint the Sickle Cell Organization, and groups like them, to work toward a final end to this dreaded disease.

CONFUSING SCHOOL WITH EDUCATION

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. GINGRICH. Mr. Speaker, a recent article in Newsweek by Robert J. Samuelson accurately describes the real dilemma we face in our education system today.

I urge my colleagues to take this essay to heart. It's essential that we reduce the bureaucracy which is stifling our education system.

BACK-TO-SCHOOL ECONOMICS

(By Robert J. Samuelson)

It's the start of a new school year: 57 millon Americans—one out of every four of us—are trooping back to the classroom. Perhaps no other people place so much faith in schools. But our illusion is that we deeply value education when actually we often don't. Education confers understanding, knowledge and competence; schools confer degrees. If you grasp that distinction, you may understand why so much of today's education debate is sterile.

Ever since the gloomy conclusions of the National Commission on Excellence in Education in 1983, we've been bombarded with reports exhorting us to improve our schools. Fine. But none of these studies has examined how we already spend our edcuational investment. Since World War II education spending has roughly doubled; in 1984 it was 6.7 percent of the gross national product. Much of our spending has been and is wasted. Unless we confront this waste—and I'm skeptical we will—our education debate is mostly a fraud.

We often invest in schooling, not education. Specifically, we subsidize too many students to try college. The money would be better spent on preschool, primary- and high-school education, where student skills and self-esteem are shaped. Moreover, the ease of going to college undermines our high schools; it reduces pressures for students to do well. And our bureaucratic public schools compound the waste; in the past decade they've spent more without significantly improving educational quality.

The result is a society that produces more and more degrees that mean less and less. Some high-school graduates today are barely literate. I am not saying (as some would) that better schools can solve all our social problems. Most of these are not of the school's making. Roughly one in five children is now, by the government's measure, poor. And, in a competitive world, our economic vitality increasingly depends on the competence of our work force. But if schools did not create these problems, good schools will help us handle them—and bad schools will make them worse.

Our infatuation with quantity schooling subverts the requirements of quality education: competent teachers and motivated students. If the picture of mismanagement seems overdrawn, consider these facts:

Higher education now accounts for about two-fifths of all education spending. Before World War II the proportion was about one-fifth. By one estimate, two-thirds of high-school graduates try some post-high-school education, including community colleges. But many drop out, and colleges increasingly are attempting to make up for earlier learning deficiencies. At many colleges, one-quarter to one-third of freshmen take remedial-reading, writing or mathematics courses. Meanwhile, 59 percent of 11th graders report they typically do less than an hour of daily homework.

In the 1970s public-school spending per student (adjusted for inflation) rose 25 percent. But student test results didn't improve significantly, and the money wasn't used to attract better teachers by raising salaries. Adjusted for inflation, the average salary ($22,000 in 1984) is lower than in 1970. No one really knows where the extra money went or why it didn't help. Typical explanations are: more special education and bilingual teachers, more curriculum coordinators, more assistant principals or, more simply, more administrators.

The education debate largely ignores these realities because they're inconvenient. They call into question many of our basic ideas about education policy. The whole point of the postwar expansion of state-university systems was to make college accessible to everyone. In 1950 college studens were split between private and public institutions; now nearly four-fifths go to state schools, where the cost to students covers only about a quarter of total costs. Spread over four years, tuition, room and board fees (about $3,200 annually) slightly exceed the price of the average new car.

Our education system is not universally rotting; its diversity reflects society's strengths and weaknesses. But it is much less than it could be, and unless we face the basic problems, it won't get much better. For example, we can't raise teacher quality simply by stiffening academic requirements, although that's needed. Schools can hire only teachers who are available. Getting better teachers means paying them more. A 25 percent compensation increase (thought inadequate by many experts) would cost $15 billion, 10 percent of today's public-school spending. Where's the money to come from?

Even if we could afford massive new government spending—and we can't—it would be undesirable. Mostly, we need to make better use of what we're already spending. States need to raise their university standards and focus subsidies on the neediest students. Bluntly, this means shutting down some campuses and passing the savings backward to preschool, elementary- and secondary-school programs. And, somehow, public schools need to be jolted out of their lethargic ways. They're inefficient little monopolies, with students as their captive customers.

Poor Prospects: Is any of this likely? I doubt it. When the Reagan administration proposed modest cutbacks in college-student assistance, there were howls of protest. In Minnesota, Gov. Rudy Perpich asked his legislature to permit public-school students to transfer to schools outside their home districts. The idea was to have school districts compete with each other—to prod them to educate more effectively. Otherwise, they might lose students and state aid. School boards, administrators and teachers' unions mobilized against the proposal; most of the plan was rejected.

Our education debate is vapid because it avoids the issues that threaten the vested interests of educators and challenge popular wisdom. But, in the end, we will get the schools we deserve. Students react to the cues society sends. If society doesn't value teachers, why should students value learning? If getting to the next level of schooling is made easier, than why work harder? Somehow we got hooked on the idea that more schooling would bring us, as individuals and a society, more economic security and higher status. It's a charade. In this case, a little less schooling might produce a lot more education.

A TRIBUTE TO DR. FRED BROCKMAN, SUPERINTENDENT OF FARMINGDALE SCHOOLS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. LENT. Mr. Speaker, in today's rapidly changing society, America's educational system faces great challenges in preparing our children to become the leaders of tomorrow. Proficiency in the basics of reading, writing and arithmetic is essential; however, it has become increasingly apparent that students must have a solid background in computers, communications, and technology in order to prepare them for today's modern world.

At this time, I would like to take the opportunity to recognize the contributions of an individual who has taken bold, innovative strides toward progress in education. That individual is Dr. Fred Brockman, superintendent of the Farmingdale, NY, School District. On September 26, Dr. Brockman will be honored by his family, friends, and colleagues at a testimonial dinner on the occasion of his retirement.

During his 8 years as superintendent, Dr. Brockman has served as an articulate spokesman for education at county and State levels, and he has made outstanding achievements toward better education, especially in the areas of curriculum development.

Widely recognized as a leader in his field, Dr. Brockman broadened the depth and scope of the school district's curriculum to include a new computer literacy program for grades kindergarten through 12, improved elementary sciences classes, and an introduction to foreign languages program for grade 7.

He also established the alcohol awareness program for grades kindergarten through 12, the district-wide composition program, and the elementary summer remedial program.

An innovator in new ideas, Dr. Brockman sought to modernize the school district's administrative and managerial functions as well. In that effort, he initiated the planned program budgeting system, as well as a revised, updated business administration computer system.

Dr. Brockman is credited with developing a legislative liaison program to provide regular communication with State and Federal legislators, as well as dedicating considerable time and effort to improving the partnership with business and industry in order to strengthen the educational bond within the community.

Dr. Brockman is a shining example of how one individual can make a difference in our society. His commitment and devotion to excellence in education is worthy of the highest commendation, and I extend to him my deepest gratitude and appreciation for his many years of hard work and achievement as superintendent of the Farmingdale School District. I'd like to join his many friends and colleagues in congratulating Dr. Brockman on this memorable occasion and in wishing him continued health and happiness in the years ahead.

JACQUES LesSTRANG: GREAT LAKES MAN OF THE YEAR

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. PURSELL. Mr. Speaker, I rise to pay tribute to my very good friend, Jacques LesStrang who has been named "Great Lakes Man of the Year" by the eight Great Lakes States and the Canadian Provinces of Ontario and Quebec.

It is a great pleasure for me to call the attention of my colleagues to this tremendously talented individual.

Jacques LesStrang is recognized worldwide as one of the Nation's outstanding and most widely quoted authors on the Great Lakes-St. Lawrence Seaway system. He is senior editor and publisher of the highly respected maritime journal, Seaway Review. For over 15 years, 1952–69, he served as president and creative director of an international marketing firm which carried his name, with offices in Michigan and London, England, and with clients in seven foreign countries. His work has been published in 16 languages and includes subjects on marketing—both domestic and international—government and economics/transportation. He is listed in the Marquis' "World Who's Who."

Jacques LesStrang is the first American to receive the "Great Lakes Man of the Year" award. This extraordinary man who deserves to be known as the "conscience of the Great Lakes" is the first person ever to be honored with both the "Writer of the Year" and "Man of the Year" in the same year.

His contributions to the development of better understanding between the United States and Canada on common issues and objectives for the Great Lakes and the St. Lawrence Seaway cannot be equaled.

It is with great admiration of Jacques LesStrang that I insert an article from the Charlevoix County Press, Boyne City, MI, describing his accomplishments in the RECORD:

LesStrang Named Great Lakes Man of Year

Author and Publisher Jacques LesStrang has been named Great Lakes Man of the Year by the eight Great Lakes states and the Canadian Provinces of Ontario and Quebec.

Functioning through the Great Lakes/St. Lawrence Maritime Forum, those governments recognized LesStrang's editorial and personal contributions to the region's maritime industry by identifying him as the first American to receive this bi-national honor. LesStrang, publisher of Seaway Review, the transportation business magazine of the Great Lakes/St. Lawrence region and the author of several books on the Great Lakes maritime industry, was also named "Maritime Writer of the Year" for 1985 by the American merchant marine industry at Portland, Oregon. That award was presented by the Propeller Club of the United States at its annual conference late last year.

The citation to LesStrang, which was presented in Toledo, Ohio, called him "a driving force in creating the awareness, both in North America and abroad, of the Great Lakes/St. Lawrence Seaway System, influencing decision makers and the public on matters relating to Great Lakes shipping while at the same time being one of the most widely quoted authors on maritime matters in North America."

The citation indicated that in 1980 he was chosen by the Ontario government "as the only American citizen to sit on Ontario's Great Lakes/Seaway Task Force chaired by Ralph Misener."

In Great Lakes maritime affairs, the citation stated, "where most are government officials or association executives, we sometimes forget that Jacques LesStrang is a private businessman, an independent entrepreneur who must make ends meet each month and each issue of his magazine. (Nonetheless) he freely shares his ideas, his information, and most important, his time to the benefit of the System.

"As the water of the Seaway flows steadily to the sea, the written words of Jacques LesStrang flow far past the borders of our two great countries and have been a marvelous modifier of opinion and outlook toward our mutual waterway.

"When Seaway folk heroes are created and ballads are written, if they are not from the hand of Jacques LesStrang, I am sure they will be from the thoughts and the words of this man who deserves to be known as 'the conscience of the Great Lakes'."

LesStrang is the author of Seaway, Book-of-the-Month Club non-fiction selection, 1978, originally published by Superior Publishing Company, Seattle, as a Salisbury Press book. Seaway was subsequently released in full-size softcover by Harbor House Publishers and is being reissued later this year.

He is also the author of Lake Carriers which was published as a slip-cased companion to Seaway also by Superior Publishing. Lake Carriers was reprinted under the title Cargo Carriers by Crown Publishers and has since been reissued as a full-size softcover by Harbor House Publishers.

LesStrang has also authored many Congressional reports on Great Lakes matters and is frequently read into the CONGRESSIONAL RECORD. LesStrang has been published in sixteen languages on subjects of international marketing, government and transportation economics.

Seaway Review maintains offices in its own building at 221 Water Street, Boyne City, Michigan. LesStrang, a 1949 graduate of George Washington University and a 1951 University of Michigan graduate, maintains a residence on Harbor Island, Glen Arbor, Michigan.

PRESIDENT'S COMPROMISE POSITION ON SOUTH AFRICA

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. GOODLING. Mr. Speaker, I would like to go on record today as commending President Reagan for his compromise position on the issue of sanctions against the South African policy of apartheid. I feel that the President has sent a clear message to President Botha and his government that continuation of this policy is unacceptable.

Mr. Reagan has implemented nearly all of the sanctions proposed by Congress. It is my hope that we have not pushed too far, too fast. Perhaps we should remember our own humbling experience, in the not too distant past.

In conclusion, I would like to voice my sincere desire that the President's Executive order sends the desired message to the South African Government, without destroying the economic base upon which it and all its citizens, black and white, depend.

THE SANCTUARY MOVEMENT ON TRIAL

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. MOAKLEY. Mr. Speaker, ever since the outbreak of civil war in El Salvador, I have been very concerned about the plight of the Salvadoran refugees who have fled the violence and danger that exists in their homeland. Some 500,000 Salvadorans are currently displaced in their own country, many living in displaced persons camps. Nearly 300,000 have fled to seek refuge in neighboring countries such as Honduras, Costa Rica, and Mexico. And nearly 500,000 have come to the United States to wait out the storm.

If apprehended in this country, Salvadorans usually face detention and deportation. I believe that it is wrong and inhumane at this time to deport these people back into the heat of battle.

In response to the current levels of violence and civil unrest in El Salvador, I have introduced legislation (H.R. 822) which would temporarily suspend the detention and deportation of Salvadorans now in the United States for approximately 2 years. The suspension will allow time for the General Accounting Office to conduct a study concerning the general conditions that face the Salvadoran refugees and the overall conditions in El Salvador. Senator DENNIS DECONCINI has introduced identical legislation in the U.S. Senate.

Mr. Speaker, I would like to share with my colleagues an excellent article, written by my former colleague from Massachusetts, Robert F. Drinan, S.J., on the issue of Salvadoran refugees. Father Drinan is currently a professor of law at the Georgetown University Law Center in Washington, DC. While serving in the Congress, Father Drinan was a courageous advocate for human rights. He continues in that role today. I would like to submit for the RECORD Father Drinan's article which appeared in America magazine:

[From America, Aug. 24, 1985]

The Sanctuary Movement on Trial

(By Robert F. Drinan)

On Oct. 15, 1985, 12 church-related officials, including three Catholic nuns and two Catholic priests, will go on trial in a Federal court in Phoenix for harboring aliens from El Salvador. The trial and the verdict will reflect the jury's reactions to the Government's clandestine surveillance of religious sanctuary groups in Arizona, the sincerity of the religious feelings of those accused of crime and the fairness of the policy of the Immigration and Naturalization Service (I.N.S.), which denies asylum or refugee status to almost all Salvadorans.

The estimated number of Salvadorans now in the United States ranges from 300,000 to 500,000. The I.N.S., understandably anxious to stop this vast migration, deports thousands of Salvadorans each year. But the sympathy for these people is increasing in the United States, as the opposition to U.S. military intervention in El Salvador intensifies. On March 24, 1982, the second anniversary of the murder of Archbishop Oscar Romero, the sanctuary movement was officially born in Tucson, Ariz. It is now a part of the life of 200 congregations in 12 denominations in 30 states. Although the term "sanctuary" suggests some legal or historical validity for the concept, sanctuary as a legal doctrine was terminated by Henry VIII and has never held any real place in American law. But offering sanctuary, at least symbolically, is mandated in Leviticus and is recommended in the Letter to the Hebrews: "Be not forgetful to entertain strangers, for thereby some have entertained angels unawares."

The proponents of sanctuary insist that many, perhaps most, Salvadorans now in the United States desire asylum because they are refugees, as defined in international law and by the 1980 Refugee Act passed by Congress. That law gives refugees status to every alien in the United States who can claim a "well-founded fear" of persecution or death if he or she returns to his or her own country. The I.N.S. and the State Department claim, on the contrary, that there is little evidence that the Salvadorans who are returned to that country are persecuted or even treated badly. The evidence on this last point is in dispute, although the overall situation in El Salvador continues to be unbelievably bad.

By mid-1984, close to one-fourth of the 4.9 million people of El Salvador were either refugees outside their borders or were internally displaced, and the International Commission of the Red Cross was providing services to 105,000 displaced persons in conflict zones in El Salvador. Seven hundred and fifty thousand fled the country in the 1980-84 period. An additional 500,000 fled their homes but not their borders. Another 200,000 displaced persons are not even registered with the Government. In El Salvador at the present time almost 25 percent of the people have been displaced. In Afghanistan that figure is only 16 percent. During the worst days of the Vietnam War the number of internal refugees never exceeded 8 percent of the population.

In addition, Tutela Legal, an agency associated with the Archdiocese of San Salvador, reported that 2,024 civilans were killed in 1984. This is a decrease from the 5,142 killed in 1983, but the likelihood of injury to civilians by the army or the guerrillas is still very high. Nor is there much hope for prosecution of those who have committed the crimes. The conviction of the murderers of the four American churchwomen is the only successful prosecution in recent times. Even President Jose Napoleon Duarte recently spoke of the "culture of terror" in his country.

The I.N.S. nonetheless feels that the appalling conditions in El Salvador do not warrant the granting of asylum or even a period of Extended Voluntary Departure (E.V.D.). In 1984, the I.N.S. processed 13,373 asylum applications from Salvadorans; only 328 (2.5 percent) were granted. The proponents of asylum for the Salvadorans claim that the I.N.S. is acting contrary to a protocol on refugees agreed to by the United States. In 1984, for example, 40,621 petitions for asylum were considered from all countries; 8,277 or 20.4 percent were granted.

Through a Freedom of Information Act request, the political asylum project of the American Civil Liberties Union (A.C.L.U.) obtained the list of 8,500 Salvadorans who were sent back to their country. This list was compared with a listing of 15,000 known victims of violence in El Salvador. Dozens, even hundreds, of cases of harm coming to returnees where discovered. But this evidence is not free from doubt and is not entirely reconcilable with some conclusions reached by the State Department.

The sanctuary movement feels that E.V.D. should be granted for two years, as provided for in the bills proposed by Senator Dennis DeConcini (D., Ariz.) and Representative J. Joseph Moakley (D., Mass.). Virtually every religious denomination in the nation, including the U.S. Catholic Conference, favors the enactment of this measure. Legal experts can point to 15 groups with a status comparable to the Salvadorans who have been given E.V.D. over the past 25 years. The United States allowed 25 percent of Filipinos requesting asylum to remain, 61 percent from Iran, 51 percent from the Soviet Union, 33 percent from Poland, 39 percent from Rumania but only 2.5 percent from El Salvador and 0.4 percent from Guatemala.

The implications of what Congress intended by enacting the 1980 Refugee Act are not free from doubt or controversy. Federal court judges are wrestling with this question. at least one Federal court in California has ruled that a former right-wing military official from El Salvador, who feels that he would be killed or injured if he returned, is entitled to asylum. But there is still no clear consensus on what the law should mean for the thousands of peasants who have fled from El Salvador, somehow got across Mexico and who now, residing in all of the major cities of the United States, are begging for some relief from uncertainty and fear generated by their existence in a legal no man's land.

There is credible evidence that the I.N.S. and the Reagan Administration could be more generous at least in granting E.V.D. The United Nations High Commission for Refugees in 1982 seems to have said that those fleeing El Salvador are bona fide political refugees. The Administration insists, however, that Salvadorans come to the United States only for economic gain and not to escape political oppression. The proponents of asylum counter that the Administraion is denying asylum because to grant it would be to contradict its constant boast that things have improved greatly in El Salvador and that the citizens of that democracy should return there. The Reagan Administration can plainly be faulted for disregarding a clear mandate placed by Congress in the 1984-85 State Department Authorization Act that Salvadorans be granted E.V.D.

The already complex moral and legal issues involved in asylum, E.V.D. and the religious motivation of those helping aliens will be further complicated in the trial in Phoenix by the secret infiltration of the Government into the religious groups allegedly harboring aliens in a manner contrary to Federal law.

I saw the ominous implications of this infiltration when I participated in a day-long forum on this topic in Phoenix in June. The forum attracted 600 spellbound persons who for over four hours listened to speakers reflect on the fact that the Federal Government had spied on several church groups in Arizona.

The facts are unbelievable. Without a warrant and in all probability in violation of regulations of the Justice Department, the I.N.S. hired two paid informants, Jesús Cruz and José Morales, to infiltrate the sanctuary movement. Pretending to be men of faith and believers in asylum for refugees, these two men tape-recorded Bible-study meetings and a wide variety of activities carried on in Protestant and Catholic churches in Arizona. With hidden microphones the Government, through its two informants, collected and produced 40,000 pages of secretly taped conversations of church workers.

On the basis of the evidence clandestinely obtained by the informants, the Government on Jan. 14, 1984, indicted 16 persons (now reduced to 12) on 91 counts. Sixty refugees, mostly campesinos now scattered throughout the United States, were named as unindicted co-conspirators. The special U.S. Attorney in charge of the case, Donald Reno, conceded in a pretrial hearing that the information obtained from the concealed recording devices is "asbolutely essential" for the prosecution of the cases.

Those involved in the sanctuary movement are understandably outraged at what was done to them. Some of them will concede that they have engaged in civil disobedience but claim nonetheless that clandestine wiretapping without a warrant violates their rights under the Fourth and possibly under the First Amendments. In a protest against the warrantless surveillance, the A.C.L.U. said in a brief that "pastors and parishoners are entitled to at least as much First Amendment due process as pornographers."

If the evidence were suppressed because of its tainted origin, the case would probably collapse. It seems unlikely, however, that Judge Earl Carroll will stop the case by throwing out the fruits of the warrantless search. But such a search has never in all of American history been carried out against religious groups. No cases can be found where the Government clandestinely infiltrated the Mormons or the "Moonies" in order to get an indictment and a conviction. Some clergy were probably wiretapped during the Vietnam War and during the early years of the civil rights movement. But the 21 lawyers and the 12 sanctuary defendants have discovered no case where the Federal Government employed informers without a warrant to infiltrate a religious movement over an extended period of time and, on the basis of the information obtained by these "spies," produced indictments.

The closest case is probably the Camden 28. In that case in 1973, 28 religiously motivated persons invaded a Federal draft board. Because of an informant working within the group, the Federal officials knew of the projected break-in and immediately arrested all of those who trespassed on Federal property. The jury acquitted all of the defendants because the jury apparently felt that the Government had infiltrated a religious organization to an intolerable degree.

That the warrantless infiltration is unprecedented does not yield many answers as to its constitutionality or propriety. Everyone at the Phoenix meeting was still stunned that the Government did it. There is enormous sympathy for Sister Darlene Nicgorski, who has been indicted, and for the Rev. John Fife, a distinguished Protestant minister, also indicted. But is the Government prevented by law or by the Constitution from investigating a group of churches if it feels that some church members are clearly in violation of a precise Federal statute that makes it a crime to "harbor" certain kinds of aliens?

Lawyers for the defendants in Phoenix have been searching for evidence that the framers of the First and Fourth Amendments must have intended to ban surreptitious searches of churches by the Government. After all, the founding fathers would have wanted to prevent any repetition of the searches and seizures carried out by the officers of the crown in Tudor England designed to suppress and destroy the literature of both Catholics and Puritans. The authors of the Constitution must have intended that the separation of church and state must mean that the churches can carry out their works of mercy for refugees without having their words and deeds recorded by clandestine informants. But history and law are silent as to whether the intrusive tactics of the I.N.S. are so shocking to one's sense of fairness that the suit should be dropped.

The I.N.S. responds, of course, by stating that it is investigating only the nonreligious aspects and activities of the churches and that no entrance into anything sacred was attempted. But the participants in the sanctuary movement do not find this explanation satisifactory. All of their words and deeds, whether sacred or secular, merit privacy because they were done in a church-related context and by people who have a right to be free from betrayal by a Government agent who receives their trust and then abuses it.

Theologians and jurists who are following the Phoenix case fear that if even one item of evidence derived from the clandestine surveillance is used against the 12 defendants, a terrible precedent will have been established in American law.

No one can predict very confidently how the Phoenix sanctuary trial will play out. The trial, with a predicted length of six weeks, will involve tangle elements of U.S. policy in Central America, a misguided pattern of law enforcement and a parade of witnesses who will testify, if allowed, to their strong opposition to the war that the United States is waging in El Salvador. Many of the critics of the sanctuary movement assert that the movement is just another way for the actors involved to articulate their opposition to what the United States is doing in Central America. That allegation has some truth, but many of the courageous persons involved in sanctuary are obviously helping the refugees because of their sincere religious commitment to the poor and to the powerless.

It is not clear that the trial in Phoenix will resolve many of the questions involved in the Refugee Act of 1980. Those issues are being litigated in cases involving Haitians, Cubans and others. Eventually only Congress can bring into existence a clear, comprehensive and credible policy on how the United States should handle the many categories of refugees and aliens.

Until that day occurs, the nation should be grateful to those people who extended hospitality and love to refugees from El Salvador. They are like the laity and clergy in Finland, Denmark, Bulgaria and Norway who hid the Jews. They can be compared to those who defied the fugitive slave law of 1850 and eventually persuaded Congress to change it. They are the ones who remind us that the very existence of the United States required the kind of protest against Government for which 12 brave people in Phoenix will soon go on trial.

SI SE PUEDE Y SI PODEMOS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. STARK. Mr. Speaker, it is my great pleasure to rise today and recognize a local organization of volunteers in Hayward, CA, who provide essential services to the Hispanic community. The name of this distinguished organization is La Familia Counseling Service.

September 21 marks the 10th anniversary of the founding of La Familia Counseling Service. This group was formed as the result of a grassroots community organizing effort to provide bilingual/bicultural mental health services for Hispanics. Since its inception, La Familia Counseling Service has expanded its role in the community and now provides programs in the areas of counseling and community services, community education and information, specialized youth counseling, case management services for the developmentally disabled, and children's day treatment services. For its excellent service to various ethnic groups who traditionally have lacked access to more traditional services, La Familia Counseling Service has been recognized by Alameda County, the city of Hayward, regional center of the East Bay, United Way of the Bay Area, and many private foundations.

I applaud the fine job La Familia Counseling Service has performed in providing fundamental services to local communities. I believe groups such as La Familia Counseling Service provide leadership and services at the level where they are most effective and visible—at the community level. La Familia Counseling Service has certainly shown, and Congress should certainly recognize, that it lives up to its motto—"Yes, we can do it!"

WALTER KANER OF NEW YORK IS HONORED FOR 33 YEARS OF SERVICE TO NEEDY, HANDICAPPED, AND HOMELESS CHILDREN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to Walter Kaner, who is being honored at a gala dinner at the Swan Club in Glenwood Landing, NY, on September 22, for his 33 years of loving service to the children of New York.

Walter Kaner writes a colorful, informative, and well-read column about the people and happenings of Queens, Brooklyn, and Long Island. His words have captured our interest and imagination since 1977, in the pages of the New York Daily News; before that, his column graced the Long Island Press.

But Mr. Kaner's involvement in his community goes far beyond his fine writing. Over the past 33 years, he has brought love and joy into the lives of more than 85,000 handicapped, homeless, and needy children. Last month alone, the Walter Kaner Children's Foundation made it possible for 2,000 kids to spend some time at the Rockaway's Playland amusement park. A day of fun, rides, hot dogs, and cotton candy is more than a treat for these youngsters. Mr. Kaner's Fun In The Sun Outing was a first for many of these kids—a time of joy, a time to be like every other child in the neighborhood, a moment to be remembered and treasured.

Mr. Speaker and my distinguished colleagues, holidays are not always warm and loving celebrations in the lives of homeless or underprivileged children. Want and loneliness do not abate simply because of the date on the calendar. But every year, Walter Kaner hosts a Thanksgiving/Christmas party, where children can experience the laughter and the fun that should be a part of every childhood, and where every one of them receives a special gift. Last year, as in the past, the gala was held at Antun's in Queens Village, and children came from 55 hospitals, orphanages, children's shelters, and health and welfare centers to share in this festive celebration.

Mr. Speaker, Walter Kaner's list of awards and accomplishments is a long and distinguished one. He has informed and served his community for many years. He is a recipient of the Long Island Distinguished Leadership Award, and his invaluable contributions to New York children have been publicly praised by Presidents Nixon, Carter, and Reagan. He is respected, admired, and loved by the city of New York, and by millions of people across this country.

But the jewel in Mr. Kaner's crown is surely his love for children in need. And for three decades, he has set about alleviating that need. Through his efforts, more than 85,000 children have received perhaps

the only gift they will get that year; tasted some of the joy and hope every child should know; and had a special day of fun, freely given to them by a very special person.

Mr. Speaker, I would like to take this moment to ask all of my distinguished colleagues in the U.S. House of Representatives to join with me now in commending Walter Kaner, for his outstanding contributions to the needy, homeless, and handicapped children of New York.

THE DAIRY SANITY PLAN: OLIN-MICHEL SUBSTITUTE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. BROWN of California. Mr. Speaker, in a few days we will be debating the 1985 farm bill. In this debate, we will be asked to fashion a policy which assures and vital farm sector, insures a steady supply of affordable food to consumers, and minimizes Federal outlays. This is a difficult task, given the dire conditions which beset the farm community and the large surpluses in many areas which will require large Federal outlays, at least under current farm programs.

In no other sector is this task as difficult as in the dairy sector. We have seen Federal inventories of dairy products grow in recent years as a result of purchases made to keep dairy prices artificially high. Current surpluses owned by the Government are excessive and total 114 million pounds of butter, 551 million pounds of cheese, and 868 million pounds of nonfat dry milk. Federal outlays to purchase and store these surpluses have risen from $224 million in 1979 to an estimated $2 billion in 1985. In the process, the Federal Government has become the largest single dairy market, purchasing nearly 10 percent of the dairy production over the last 4 years. Consumers have paid as well; retail prices are held artificially high, costing us about $2 billion a year in higher dairy prices.

We have a dairy sector in transition, and Congress has added to this instability with five pieces of legislation in the last 5 years. The most recent approach to a "permanent" solution to bring dairy production into line with dairy consumption was passed about 2 years ago. Since that program expired on April Fools' Day of this year, dairy production has crept upward again, and we are faced with the need to find yet another "permanent" solution.

The permanent solution being proposed this year is called the Dairy Unity Plan. This plan would charge dairy producers for the cost of paying dairy farmers not to produce or to pay them to go out of business. Dairy producers would also pay for the costs of Government dairy purchases, the cost of a marketing research program, and the cost of a dairy product promotion plan. To pay for this, dairy farmers would be assessed between 63 cents and $1.82 for every 100 pounds of milk—hundredweight—produced.

Having dairy farmers pay their way out of the problem seems logical and fair—until we examine who actually pays the bill for these programs.

First, the dairy unity plan would increase the dairy support price from its current level of $11.60 to $13.09 per hundredweight by fiscal year 1990. Then, the dairy unity plan increases the cost of the fluid milk in most of the country by between 7 cents and $1.03 per hundredweight.

These increases will raise consumer prices, and commercial sales will decrease. This will most directly affect low-income consumers dependent upon Federal food and nutrition programs such as the Food Stamp Program and the Women, Infants, and Children [WIC] Feeding Program. With little likelihood that these programs will get more funding, an increase in consumer prices will squeeze the low-income consumer more than any other part of the consuming public. But in the end, all consumers will pay for the cost of the dairy unity plan with an estimated $10 billion in increased dairy prices over the next 5 years.

Will the House approve a plan that, in the midst of an expensive dairy surplus, increases the cost of dairy products and decreases commercial sales? Will the House approve a plan that places a greater burden on food stamp and WIC recipients? Will the House approve a plan that increases the cost of fluid milk by $1 in Florida, $1 in Louisiana, 80 cents in Tennessee, 47 cents in Indiana, 40 cents in Kentucky and Illinois, 34 cents in Ohio, 30 cents in New York, and so on?

Or will the House take a direct approach and enact a genuine, permanent approach to lower support prices until the surplus is at manageable levels, increasing commercial sales and paying back the consumer for the years of excess that the consumer has financed? I plan to support such an approach, contained in the Olin-Michel substitute, when we debate dairy policy in a few days.

Let's replace the dairy unity plan with the dairy sanity plan.

GRASS-ROOT PLEAS STIR LAWMAKERS

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. LELAND. Mr. Speaker, I would like to share with my colleagues two insightful articles regarding South Africa which appeared in the Washington Post yesterday.

The first article, "Grass-Root Pleas Stir Lawmakers," deals with how interest in the South African policy of apartheid has grown in the United States and how this increased interest spurred organizations, Congress, and the President into action.

The second article, "Apartheid Dims Success," describes how the highest ranking black executive at Rank Xerox's South African corporate headquarters views apartheid and its effects. While Mr. Wellington Mnikati enjoys more economic wealth than most blacks in South Africa, he is not isolated from apartheid.34

You may be a senior manager at Rand Xerox," Wellington Mnikati said, "but no matter how successful you may appear, at the end of the day you're black, and they don't miss a chance to tell you you're black."

I urge my colleagues to read the following articles.

[From the Washington Post, Sept. 16, 1985]

GRASS-ROOT PLEAS STIR LAWMAKERS

GOP CONSERVATIVES DEMANDED REAGAN SHIFT ON SOUTH AFRICA

(By Edward Walsh)

Last March, flying home to Kentucky, Sen. Mitch McConnell, a conservative Republican in his second month in the Senate, read a national news magazine account of the growing violence in South Africa.

McConnell, who graduated from the University of Louisville in 1964 just as the civil rights movement reached its peak with enactment of the Voting Rights Act, says he was struck by the basic justice of the cause of South African blacks in their struggle against apartheid.

Back in Washington, the new senator asked his staff to explore the issue. Within a month a bill to impose economic sanctions against the white-minority government of South Africa was introduced by McConnell and Sen. William V. Roth (R-Del.). This legislation was among numerous sanctions bills from which were forged the measure that forced President Reagan to reverse his longstanding opposition to sanctions.

McConnell's decision to seize on South Africa for his first major foreign policy foray was among the many small signs that the Reagan administration's policy of "constructive engagement" in South Africa was being swamped in a rising tide of public and political dissatisfaction.

Long an issue of deep concern to U.S. blacks and Democratic liberals, the plight of South Africa's black majority began to draw the attention of lawmakers like McConnell and some of his equally conservative Republican colleagues in the House.

"Bipartisan" became the watchword to describe the rising tide, and by the time it crested late this summer, Reagan and the other architects of constructive engagement had been forced into a politically untenable position. Faced with certain defeat in the Senate, Reagan, in McConnell's words, "completely caved," abandoning his longstanding policy by signing an executive order imposing a milder form of sanctions than those contained in the sactions legislation that had been headed for overwhelming approval despite a veto threat.

Democrats, who charge that the Reagan executive order is riddled with loopholes, would disagree sharply with McConnell's description of the presidential about-face. But whether Reagan's limited sanctions are seen as a genuine new policy initiative or a ploy to buy time for a failed policy, there is widespread agreement that a fundamental shift has taken place in public and congressional sentiment and in the terms of the debate over U.S. policy toward South Africa.

"The executive order transformed the issue from whether to apply sanctions to which sanctions are the most effective," said Rep. Stephen J. Solarz (D-N.Y.).

How this came about—how South Africa, apartheid and sanctions moved to the forefront of the American political stage in the summer of 1985—is a case study in the rise of political forces in the age of global media coverage.

Widely scattered events in Washington and Pretoria converged over a relatively short time and were linked in U.S. living rooms by simultaneous media coverage. Prominent politicians such as Sen. Edward M. Kennedy (D-Mass.), who made a highly publicized trip to South Africa in January, played important roles, but so did protesters who were arrested outside the South African Embassy in Washington, and anonymous black youths who were killed by security forces during violent demonstrations in South Africa.

Finally, a new generation of conservative Republicans, arguing that there was no future for themselves or their party in being seen as defending the South African government, joined the liberal Democrats in demanding something more than constructive government.

Whether Reagan, vacationing at his California ranch in August, was aware of the forces closing in on his policy is not known, but by the time he returned to Washington in early September he had been isolated from all but the most extreme elements of his party in Congress. The executive order followed a short time later.

Nothing was particularly new about the issues, and for years liberal Democrats, such as Solarz, a former chairman of the House subcommittee on Africa, had been trying to get the public to pay attention. Still, South Africa and the proper U.S. response to apartheid remained for in the political background.

Several factors contributed to the rise in public awareness of the issues, Solarz said, beginning with the award of the Nobel Peace Prize last October to Bishop Desmond Tutu, a moderate spokesman for South Africa's black majority who suddenly found himself with a vastly enlarged audience.

A month later, a group of U.S. black leaders launched a movement that had an even larger impact on the political debate surrounding the South Africa issue. Alarmed by the deteriorating situation in that country, they formed the Free South Africa Movement and began a daily series of demonstrations and acts of civil disobedience outside the South African Embassy here. Over the next nine months, more than 3,000 antiapartheid demonstrators—including 22 members of Congress—were arrested in the peaceful protests, which were usually recorded by televison camera crews. The demonstrations spread to other cities.

From the beginning, said Randall Robinson, executive director of TransAfrica and national coordinator of the Free South Africa Movement, the protests were part of a two-track strategy aimed at forcing a shift in U.S. policy. While the protests and daily arrests generated growing public awareness of the issues, antiapartheid leaders in Congress pushed sanctions legislation.

The Reagan administration was pursuing its constructive engagement policy as quietly as possible, Robinson said, and they key was to bring the issues to public awareness. "We never doubted from the beginning what the public's response would be," he said.

The direction of this strategy was not immediately clear to even a veteran of the antiapartheid movement such as Solarz.

"When they first embarked on this, it wasn't clear to me how violating the laws of the District of Columbia was going to bring about changes in South Africa," Solarz said. "In retrospect, they were far more effective than all my speaches on the floor of the House."

The parallels between the tactics of the Free South Africa Movement and the U.S. civil rights movement in the 1960s were obvious and did not go unnoticed by a group of young conservative House Republicans, among them Rep. Vin Weber (R-Minn.), chairman of the Conservative Opportunity Society and Solarz's ideological opposite.

"We talked a lot about the South Africa issues," Weber said. "A majority felt that if this going to be a high-profile issue, we don't want to be in the position of defending South Africa in a knee-jerk fashion.

In December, Weber and other members of the Conservative Opportunity Society sent a letter to the South African ambassador warning that they would support a tougher U.S. line unless more progress was made toward dismantling apartheid.

The conservatives' letter, Robinson said, was "extremely important" not only in broadening support for action on the issue but also in "projecting a message to the nation that this is not a squabble between parties for political gain but people saying together that apartheid is wrong."

Weber and the other young Republican conservatives were motivated not only by strong personal opposition to apartheid but by the stakes for their party if it were to achieve majority status. They were particularly concerned about the impact on young voters if Republicans were seen as clinging to an increasingly discredited policy.

In the Senate, McConnell argued to colleagues that he owed his election to younger voters, many of them supporting a Republican for the first time, and that there was no question about where these voters stood on the apartheid issue.

"The issue is of symbolic importance to the younger generation, black and white, and has the most potential to radicalize the campuses again," McConnell said.

Weber, 33, and McConnell, 43, recalled living through the civil rights struggles of the 1960s in explaining how they read the political landscape surrounding the South Africa issue, particularly as it would be seen by younger voters.

"All of us under the age of 40 were politicized during that time we had the great civil rights struggles of the 20th century," Weber said. "There is a consensus among the under-40 voters that that struggle was justified and significant. No serious person in our generation argues about civil rights and the role of government."

Said McConnell:

"In the 1960s, when I was in college, civil rights issues were clear. After that, it became complicated with questions of quota and other matters that split people of goodwill. When the apartheid issue came along, it made civil rights black and white again. It was not complicated."

That is precisely the calculation that Robinson and other leaders of the Free South Africa Movement made in November—that once the issue moved to the political forefront there was no question about the public's response.

According to Ann Welch, research director of the Conference on Issues and Media, a private organization based in Alexandria that monitors national news coverage of political issues, South Africa—events there and related political developments in the United States—has dominated the national news agenda since mid-July. In the two weeks ending Sept. 8, which was the day before Reagan signed the executive order, South Africa accounted for 11.5 percent of national news coverage, more than double the attention paid to the second-ranking issue, U.S.-Soviet relations, Welch said.

"The American audience has to be primed to really look at another place in the world," she said. "It's the tying of issues overseas to events in this country. The fact that black leaders started the protests last November got the public's attention, and quickly a lot more people were willing to look at South Africa beyond the violence they saw on television. Even before the violence escalated, you had a lot of people saying we have to make a decision on this issue."

According to Robinson, the "priming" of the American public on South Africa has only begun. The protests and the pressure for additional change in U.S. policy will continue, he said.

But although sharply critical of Reagan's response to the events of the last 10 months, Robinson said he sees in the broad support generated by the antiapartheid movement even among conservative Republicans such as Weber and McConnell evidence of eventual success.

"I think we can measure progress made and not made over the last 20 years by the behavior of the nation on this issue," he said. "National values were improved by the civil rights movement, a beachhead was erected. I think the nation does not want to go back to what we were. This is a clear measure of how little we want to go back."

Apartheid Dims Success

BLACK MUST SHRINK DREAMS TO GHETTO-SIZE

(By Glenn Frankel)

Soweto, South Africa.—For now it is just a vacant lot in one of the more affluent sections of this black city, but in a few months Wellington Mnikati hopes to build a new house here.

The house should have been the fulfillment of a dream—Mnikati designed it himself, and it will have a two-car garage, a bedroom for him and each of his three children and a study. But Mnikati's dreams are too big to fit into the confined world of Soweto and the small slot fashioned for blacks like him by South Africa's system of racial segregation called apartheid.

He wants the freedom to escape the ghetto and live wherever he can afford to on the substantial income he earns as the highest ranking black executive at Rank Xerox's South African corporate headquarters. He wants to send his children to integrated public schools. And he wants to be able to vote for those who determine his taxes and his future.

Most of all, he wants to escape the enforced inferiority of being a black man in a world where whites wield virtually total control.

"You may be a senior manager at Rank Xerox," Mnikati said, "but no matter how successful you may appear, at the end of the day you're black, and they don't miss a chance to tell you you're black."

Mnikati is one of a small but growing number of blacks to have made it in the white man's world. Middle-class, politically moderate and sophisticated, he is among those whose support South Africa's white-ruled government must capture if it is ever

to fashion a workable deal over the country's future with its black majority.

Although he is proud of his personal achievements, Mnikati is far, from satisfied with the pace of change in this country. He is deeply angry over the injustices he and his family suffer daily, is deeply worried about the future, and fears that his own position will grow worse as time passes.

That anger and fear, which he shares with the vast majority of his fellow urban blacks, help explain why the government's new proposals this week on restoring citizenship for blacks and abolishing restrictions on urban movement have done little to narrow the yawning gap between white "reforms" and black aspirations.

"As far as I can see, it means I get to have a passport, and that's where it ends," Mnikati said. "We still won't really be South African citizens. Citizenship means certain responsibilities and rights. But [South African President Pieter W.] Botha has made it clear we are not going to have any say in the administration of this country."

He said he fears that the end of "influx control" will only create more slumps because the government will not construct the new housing needed for the flood of black migrants from rural areas. "There will be too many people chasing too few houses," he said. "Then the whites will turn around and say, 'I told you so.' "

In many ways Mnikati could pass for a successful executive anywhere in the world. He wears dark business suits to the office and on weekends switches to jeans and sometimes a "Team Xerox" sweatshirt. There are two cars in the driveway, a Toyota Cressida supplied by the company and an Audi for his wife. A video cassette player dominates the living room.

But there are crucial differences between Mnikati, 41, and the white world within which he operates. He is required by law to reside in segregated townships such as Soweto. Although he has lived in urban areas all his life, he must carry at all times his "passbook" entitling him to live here and to work in "white" Johannesburg or face jail and a fine.

The most important differences concern his children, aged 12, 9 and 6. By law they must attend the segregated public schools where much of their education is in a tribal language rather than the English they will need to advance in the increasingly sophisticated business world they will face after graduation.

Even the government concedes that the education in these schools is inferior to that of whites. To try to close the gap, Mnikati takes his oldest daughter Dipuo to Johannesburg each Saturday for private English and math lessons. He could send the children to integrated private schools, but tuition is high, he said, and the schools are too far away for the children to live at home.

Disruptions caused by a year of political violence have compounded the problem. None of the children wears the uniform to school these days for fear of being assaulted on the street by young activists enforcing school boycotts.

Tear gas was lobbed into Dipuo's schoolyard a few weeks back, by soldiers enforcing regulations against students "loitering" out doors. Some days the schools are closed without notice, and the children have to make their way home unescorted. Mnikati lives in fear that they will be picked up by police and arrested, as more than 1,600 students have been in recent weeks.

"From day to day you're never too sure," he says. "When you get home at night and they're all there, you heave a sigh of relief."

The only whites his children see regularly are the soldiers patrolling Soweto in armored vehicles, and Mnikati said he worries that his children will grow up hating whites and fearing them. He tries to teach them that whites are people like they are and that they should not hate nor feel inferior. At the same time, however, he knows whites can hurt his children, stifle their future or wreck their self-esteem. "Sometimes I wonder if I am making a mistake in teaching my kids that everyone is the same," he said.

Mostly he has tried to prepare his children for what he knows will be a rough career road ahead. "Blacks have to be 50 percent better, if not twice as good as whites to get the same position," he said. "So I have to guide my kids."

Mnikati's own attitudes toward whites are an ambivalent mixture of resentment, envy and, always, suspicion. There are few friendships among his coworkers, and only one white has invited him to her home.

"A lot of white people make the right noises," he said. "The question is when it comes to the crunch, when you're faced with the prospect of having a black neighbor, will you still make the same noise?"

Wellington Mnikati pulled himself up from poverty with less than a high school education. He drove himself through a series of low-level jobs, starting as a janitor in a cigarette factory and working up to senior wages clerk in a construction firm.

He left for Rank Xerox when it was clear that he never would rise to an accountant's position even though he was doing an accountant's work because that classification is reserved for whites.

"I could only give instructions to white women in the form of suggestion," he recalls.

He managed to get his high school diploma at night and is now one course away from a bachelor's degree in business.

At Rank Xerox he is personnel manager, and he is proud of his company's record on equal employment opportunities. But he always feels the tension between being black and being a corporate manager.

"It would be easier for my white counterpart to make an economic decision to fire blacks because at the end of the day he goes home in the opposite direction, while I would go home in the same direction with the same people I just fired," he added.

As political unrest continues, Mnikati fears that the tension between the two worlds in which he lives—the corporate world and Soweto—will only worsen. He feels trapped between young black radicals whose cry for freedom he sympathizes with but who see him as a capitalist enemy, and a system he despises yet is increasingly identified with.

"I am an outsider in both worlds," he said. "You understand the situation and you sympathize with the kids, but at the same time you feel like a piece of meat in a sandwich."

That was one of the main reasons Mnikati had decided to sell his old house in the township of Moroka and build a new one in Diepkloof Extension, a wealthier new area a few miles closer to Johannesburg and more removed from Soweto's turbulent center.

But even the new area is not sealed off from the reality of Soweto. Most of the schools in Diepkloof have been closed much of this year due to boycotts and violence. A few blocks away from Mnikati's lot stands the burned shell of the once-grand house of a community councilman. It was destroyed by a mob that branded him a collaborator with white rule.

Down in a valley a few minutes away is a collection of squalid, all-male barracks, mounds of garbage piled against the walls, where blacks from rural areas are housed while they work on annual contracts. The men who reside there, cut off from families and friends, prowl the streets at night.

On his way home from taking his daughter to her Saturday lessons, Mnikati always buys a Johannesburg Star so he can glance at the real estate ads for whites. He and his wife Cannie often take a Sunday drive to view open house displays in newly developed white suburbs.

There, among freshly painted, two-story houses with balconies and trim yards, is where Wellington Mnikati's real dreams reside.

Other blacks go too, he said, despite the fact they cannot buy. "A lot of us just go there to drool," he said.

Sipping tea in his living room, Mnikati paused briefly to glance at his children. Then he reiterated his impatience: "We are the people feeling the pinch, so we don't have the luxury of waiting until whites see the light," he said. "All I'm asking for is to untie the one hand from behind my back."

REMEMBERING COMMODORE BARRY, FATHER OF THE U.S. NAVY

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. McGRATH. Mr. Speaker, it is with great pride that today we remember Commodore John Barry, who on September 13, 1981, was proclaimed "Father of the U.S. Navy" by a joint resolution of Congress.

Born in Ireland in 1745, John Barry came to the Colonies as a young man who had a great love and skill of the sea. In December 1775, Barry was commissioned as a captain in the Continental Navy and given command of the brig *Lexington*. It was not long afterwards that Barry defeated a slew of British frigates in America's war for independence. Hence, Barry was hailed as a hero throughout the Colonies.

In 1783, following the end of hostilities, Barry was appointed to oversee the building of the frigate *United States*, a sister ship of the *Constitution*. He commanded the frigate for several years and in 1793 was appointed by George Washington to be the U.S. Navy's senior and first commissioned officer. It was at this time that Barry gained the unofficial title as the "Father of the American Navy." Having been instrumental in the establishment of the Navy Department, the opening of many shipyards and starting training programs for new officers, Barry earned the title of commodore shortly before his retirement in 1801.

Mr. Speaker, in his time, Commodore Barry was often denied meaningful education and appointments because of his

Catholic beliefs. His title of "Father of the American Navy" was often taught to school children as belonging to other individuals because of his religion. However, through thorough research and dedication of groups such as the Ancient Order of Hibernians in America, Commodore Barry is now rightfully recognized as the true "Father of the U.S. Navy."

DEPARTMENT OF DEFENSE WASTE IS INTOLERABLE

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. APPLEGATE. Mr. Speaker, reports in the media last week indicate that the Department of Defense is continuing their blatant and total disregard of the outrage and criticism of the American people and this Congress by continuing their past policy of purchasing spare parts at prices that are obscene.

It never ceases to amaze me how DOD seems to think they are a sanctimonious and separate branch of the Government, not answerable to anyone.

It has been over 1 year now since it was discovered the American taxpayer was paying for coffee pots costing $7,622 and toilet seats that were over $600. In spite of all the debate on this subject since then, the 1985 Air Force parts catalog still lists these excessively priced items.

Let met cite a few examples: A copilot's seat, $26,937; windshield wiper motor, $2,212; the stationary pane of a pilot's window, $3,755; the sliding portion of the same window, $2,607; a "no smoking" light, $382; and the coffee pot, still $7,622.

The waste here is incredible, obscene, and intolerable. These tax dollars should be stretched, not squandered. I am again asking DOD to cease this practice immediately or else face the prospect of legislation subjecting all parts purchases to congressional approval. This may be ridiculous and time delaying, but the taxpayers must be protected and if not by Congress, then by who.

BULGARIAN REPRESSION OF TURKS AND MOSLEMS

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. DIOGUARDI. Mr. Speaker, I rise today to condemn the systematic repression of Turkish-Bulgarians by the Government of Bulgaria. As is the case in virtually all Communist nations, human rights have been ignored and widespread repression exists for the good of the state.

Bulgarian repression of Turks and Moslems is not new, however, it has greatly intensified over the last 20 months. The Helsinki Watch issued a report in August of this year and while it is difficult for foreigners to have access to information in Bulgaria—the Bulgarian authorities deny Western reporters access to scenes of transgressions—it is clear that tragic and often fatal injustices are occurring.

According to the report, troubles began when the Bulgarian Government aggressively pursued a policy of destroying Turkish ethnicity in Bulgaria and assimilating them into the totalitarian state. According to the Helsinki Watch, "* * * the Bulgarian Government conducted a gun-point assimilation campaign to force ethnic Turks to change their Turkish/Moslem names to Slavic/Christian names." Turks were presented with census forms with new names that bore no resemblance to their own.

Moslem names are essential to the Turks' religious practices. Efforts to be Bulgarized were resisted. Unfortunately, this resistance often ended in tragedy. Demonstrations by Turks were met with army troops, tanks, and bulldozers. According to reports Turkish men were beaten and killed; women were raped.

The Turkish minority in Bulgaria consists of over one million people. The Christian Science Monitor has estimated that more than 5,000 have been killed and that over 10,000 are held in a special prison in Belene.

On the eve of the new session of the United Nations General Assembly, let us call for an end to this repression. The Congress of the United States has rightfully pronounced its disgust and anger against the South African Government's policy of apartheid. Let us not forget that there are similarly oppressive governments around the world, and that we as a Nation will not tolerate their repugnant regimes. I call upon the Bulgarian Government to show us that they support peace and better relations and they can do so by ending the ethnic liquidation of Turkish-Bulgarians.

THE OLDEST TRUCKING FIRM IN AMERICA

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 17, 1985

Mr. DWYER of New Jersey. Mr. Speaker, the Sixth Congressional District of the State of New Jersey has many reasons to be proud. It is an outstanding area, leading the Nation in many fields. It is the home of Rutgers University, corporate headquarters to many pharmaceutical and high tech businesses, and home to 526,000 hardworking and dedicated persons.

But, what my colleagues might not know is that the Sixth District also is home to the oldest active trucking firm in the United States.

Van Brunt & Son, Inc. of Old Bridge, NJ, has been operating in the central New Jersey area since 1837. Now, after 148 years, it is still going strong. The company has an interesting history, which I would like to share with my colleagues today.

Originally called the Matawan Stage Line, it was a stagecoach line which met steamboats that operated between New York City and Keyport, NJ. In 1887 it was bought by William Van Brunt and assumed its current name. Around the turn of the century, the line was operated to haul cargo and provide taxi service.

Then, in 1912, Van Brunt bought his first truck, a 1912 Federal, which was followed by a series of Pierce Arrows and Packards. The business grew rapidly, and was principally involved in hauling farm products from central New Jersey to New York and westward to Pennsylvania.

Following William Van Brunt's death in 1937, the business was run by his son, Harvey. In 1963, Harvey Van Brunt retired and sold the business to Fred Hermann, who continues to operate it today. Hermann conducted a modernization program, replacing the firm's old facility in Matawan with the current terminal in Old Bridge and has continously updated his trucking equipment.

Today, Van Brunt & Son continues to operate as a successful trucking firm, running a modern and efficient business. But, it is careful never to forget the long and proud history it enjoys as the oldest trucking firm in the Nation.

SENATE—*Wednesday, September 18, 1985*

(Legislative day of Monday, September 16, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of truth and justice, in grace and mercy infuse the heart of each Senator, cleansing every motive which contradicts public trust and implanting the desire and the will to selfless leadership. Save them from political rationalization which justifies anything less than the finest statesmanship. Move them to attitudes and actions which will prove cynical critics false and nurture confidence in government. Sovereign Lord, imbue the Senate with pervasive dedication and determination to honor and fulfill public stewardship. Remind them that faithfulness is far more virtuous than success. In His name whose selfless love includes all. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each. I ask that the minority leader's time be reserved as well as any time I do not use.

That will be followed by special orders in favor of the distinguished Senator from Pennsylvania [Mr. SPECTER] and the distinguished Senator from Wisconsin [Mr. PROXMIRE].

There will then be a period for the transaction of routine morning business, not to extend beyond the hour of 11 a.m. with statements limited therein to 5 minutes each.

Following morning business, the Senate will resume consideration of S. 1200, the immigration bill.

I understand that we have finished all the immigration amendments. We can go to final passage, except there is sort of a contest about who can offer a Social Security amendment to the immigration bill. It is not germane at all. It has no place on this bill. I would hope that all Members who want to demonstrate they are the strongest on Social Security can save that amendment until the debt ceiling bill. If that can be accomplished, we can have final passage of the immigration bill any time today. We will try to set a time for the vote on final passage when all Members who can be present are present. I know at least two Members are attending a funeral this morning. We will try to accommodate those two Members and other Members as well.

If we are unable to finish the immigration bill immediately, we could set it aside temporarily and do some work on the Superfund. There are still 25 or 30 amendments pending on Superfund, some being highly controversial. I would like to finish Superfund today. However, I doubt that that will happen, because we will not be in session much beyond 6 o'clock because each side of the aisle has important functions tonight. So it will be an early evening.

We also hope to take up the D.C. appropriations bill sometime today. As I understand, that is going to take about 45 minutes. There will be a rollcall vote.

Mr. President, there may be other little things which we can fill in the schedule with.

Mr. President, later today I will be meeting Senator BYRD and with the House leadership; the Speaker, and the Republican leader of the House, Congressman MICHEL, to discuss the agenda for the remainder of the year. In other words, when do we adjourn?

Hopefully, we can give some information to our colleagues in the next few days on what we were able to accomplish.

Frankly, Mr. President, there are not too many bills that must be passed before adjournment can take place. Obviously, there are some that Members would like to have passed, and maybe they can be passed, but maybe they would not get action on the House side this year.

The tax reform bill, of course, is the one big question. The President would still very much like us to complete our work on that measure this year. I do not quarrel with that. In fact, I would like to accommodate the President.

But if, in fact, we can conclude action on nearly everything else, the question then becomes whether we should wait 30 days for the House to take action on the House bill or whether we should adjourn and take the tax bill up early next year.

No judgment has been reached. The President would still like us to act. If the House would act and get it to us earlier than November—in fact, I am advised by the chairman of the Finance Committee if it can reach us by October 15—Senator PACKWOOD then indicates we could possibly complete action before Thanksgiving.

In any event, Mr. President, as everyone knows, adjournment dates are always later than expected. We will have a meeting, as I said earlier, on that subject this afternoon.

Again, I see no way to avoid a session on Friday at this point.

Mr. President, I reserve the remainder of my time.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination on the Executive Calendar of Adm. Ronald J. Hays.

Let me indicate, before anything transpires, that I have cleared this with the distinguished minority leader and he has no objection to proceeding on this nomination.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will report the nomination.

NAVY

The assistant legislative clerk read the nomination of Adm. Ronald J. Hays, to be admiral.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. SPECTER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDENT pro tempore. Without objection, it is so ordered.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

BEST COPY AVAILABLE

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Specter). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Wilson). Without objection, it is so ordered.

RECOGNITION OF SENATOR SPECTER

The PRESIDING OFFICER. Under the previous order, the Senator from Pennsylvania is recognized for not to exceed 15 minutes.

S. 1655—UNFAIR FOREIGN COMPETITION ACT OF 1985

Mr. SPECTER. Mr. President, I am today introducing legislation to expand even further the ambit of S. 236, the Unfair Foreign Competition Act of 1985. When Senators Heinz, Byrd, Kennedy, and others joined me in introducing S. 236 earlier this session, we sought to give American industries direct access to Federal courts to promptly halt the injurious import of dumped and subsidized products, and to deter future dumping and subsidy.

The present bill makes several improvements upon S. 236 to accommodate concerns which have been voiced about venue, standing, and preferred remedies. More significantly, the bill would now extend the central component of S. 236's approach—a private right of action and the availability of swift injunctive relief—to include not only dumping and subsidy but to Customs fraud as well.

Mr. President, this is that rarity among trade bills: A bill which is cosponsored by both Majority Leader Dole and Minority Leader Byrd, and toward which the President is favorably disposed. Although no final commitment was given to me, I had an opportunity to discuss this bill with the President on July 31, 1985.

When I discussed this bill with President Reagan, he was very interested in it as a nonprotectionist means of responding to our trade crisis.

When advised that this bill did not enact any new limitations on imports but sought only to give an effective means of enforcing existing remedies, the President expressed the tentative opinion that it sounded like an appropriate measure.

Given the President's favorable attitude toward vigorous enforcement of existing trade laws—which is the very heart of my bill—I think it is safe to say that this bill—if, as, and when enacted—would not face the Presidential veto that the President has virtually promised to exercise in the event Congress passes a protectionist bill. That is the beauty and the practicality of this bill: tangible, significant, and effective relief for the hardest hit American industries, by virtue of vigorous private enforcement in Federal court, not resort to protectionism.

The evidence is plain that enormous quantities of dumped and subsidized products, and goods which violate the Customs laws, are entering this country every year. Equally clear is that the current laws prohibiting such imports are—for various reasons—not being effectively enforced.

Illegal dumping, subsidy, and Customs fraud have cost hundreds of thousands of Americans their jobs in recent years. Yet present laws prohibiting dumping, subsidy, and Customs fraud have been little if any help to the critically injured American industries. Proceedings brought before the International Trade Commission typically consume months or even years, by which time dumpers have captured new markets and gathered huge ill-gotten profits. Indeed, even when the ITC last year recommended that new tariffs and quotas be imposed on foreign steel because of clear evidence of widespread dumping, the President rejected the recommendation in favor of voluntary restraints.

By the Government's own admission, Customs fraud is rampant with regard to textiles, apparel, computer software, hand tools, sugar, electronics, automotive products, chemicals, petrochemicals, agricultural products, pharmaceutical products, and other industries. Illegal dumping is severely injuring American steel, chemical, glass, textile, electronics, agriculture, rubber and cement industries, among others. Foreign subsidies injure American manufacturers of footwear, steel, textiles, apparel, glass, wool, leather, tires, cement, sugar, iron, railway cars, and other products.

When interested Members of the U.S. Senate and the House of Representatives take a look at this list of egregious violations of law currently unremedied, it is my thought that there will be an overwhelming majority in both Houses that will come forth and support this kind of reasonable targeted, and directed remedy.

The bill I introduce today would in no way interfere with the administration's pursuit of voluntary import restraints. It would offer no new tariffs or quotas or protectionist barriers. It would not displace any existing remedies through the ITC or otherwise. Rather, it would reduce the pressures for resort to such disfavored measures, by allowing vigorous enforcement of laws already on the books.

Mr. President, there is nothing like the vigor of private plaintiffs when it comes to enforcement of trade laws or other means of self-help which have long been demonstrated to be the most effective way to get enforcement and action by those who are most directly affected and injured. We have many decades of evidence of this with regard to private enforcement of our antitrust laws. The theory that private plaintiffs would find strong incentive to bring such antitrust suits—and in so doing would both recoup deserved compensation for their injuries and advance strong national public policy interests—certainly has proved correct. There is no reason that the same would not be true of private suits to enforce our international trade laws.

The reality is that many interest groups have received appropriate enforcement and justice when resort could be made to the courts. It is vital to take the enforcement of such trade laws out of the realm of politics, be it the political considerations which engulf the executive or legislative branches—as, for example, the President's overruling of the findings of the ITC. Blacks and women have received justice when they could take their cases to the courts. So, too, will American industry receive justice when laws can be enforced through the judicial process and there is not a situation where American industry is sacrificed on the altar of foreign policy.

As noted, the bill broadens the approach of S. 236 in an extremely important way, by providing for private suits to enforce not only the existing dumping and subsidy laws but the Customs laws as well. Violations of the Customs law are flagrant, widespread, and extremely debilitating to some of our most basic domestic industries: textiles, apparel, footwear, and many others.

Customs violations are rampant in several pernicious forms. Massive country of origin fraud occurs, whereby a country which has reached its permissible quota for a given item or product circumvents the quota by transshipping the continued imports through another country which has not yet reached its quota. Most commonly—indeed, in hundreds of thousands of cases—imports are fraudulently mislabelled. Given the sheer volume of imports and the limited resources of the Customs Service, many imported textiles, apparel and footwear simply are declared to be something which they are not, or are immensely underdisclosed in number—again, in order to evade quotas fixed by the administration.

Domestic textile, apparel and footwear manufacturers and their employees pay a very heavy toll for these illegal imports. Beyond the individual injury, our national goals and policies are thwarted. In my State alone, more than 15,000 textile jobs were lost in the last year.

Mr. President, we should not be surprised by recent protectionist calls for new tariffs against goods from countries with large trade surpluses with the United States. I sympathize with the frustrations which lead to such efforts, even as I question their appropriateness. The way to avert such counterproductive measures is to enforce the trade laws which already are in place. This bill will greatly increase the enforcement of those laws, by letting injured American businesses go directly to Federal court—just as they can for violations of the antitrust laws—and seek quick injunctions against continued illegal importation.

The legal process is well attuned to this kind of an effective remedy. The case of Marathon versus Mobil Oil is an illustration of a case which involved a complex, factual legal situation which was decided by the U.S. district court in Cleveland in the course of some 6 weeks. It is important to emphasize that once such injunctions are issued they stay in effect and no goods can be shipped in violation of those prohibitions while any appeal is pending. That is so because the order of the district court remains in effect unless and until a supersedeas is ordered, which is not a practical reality given the requirement of posting a bond and the substantial sums of money involved in these matters. Similarly, the Federal discovery procedures lend an excellent avenue for injured U.S. interests to seek discovery from any importer who wants to utilize our markets. If importers wish to do business in the United States, they ought to be subject to the jurisdiction of our courts for equitable relief. They ought to be subject to telling specifically what has happened in terms of subsidies or dumping or in terms of the circuity and violations of the Customs laws which are applicable in so many situations.

This is an effective remedy because it does not address the problem after the fact. It stops goods from coming into this country before they can displace American products and American jobs.

We desperately need the vigorous private enforcement this bill would spur if we are to successfully chart a course between the grave dangers of increased protectionism and the certain peril which would result from unabated illegal foreign imports. Accordingly, I urge my colleagues to join Senator Dole, Senator Byrd, and others in supporting this bill.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1655

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Unfair Foreign Competition Act of 1985".

Sec. 2. Section 1 of the Clayton Act (15 U.S.C. 12) is amended by inserting after the words "nineteen hundred and thirteen;" the words "section 801 of the Act of September 8, 1916, entitled 'An Act to raise revenue, and for other purposes' (39 Stat. 798; 15 U.S.C. 72);".

Sec. 3. (a) Section 801 of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72) is amended to read as follows:

"Sec. 801.

"(A) No person shall import or sell within the United States any article manufactured or produced in a foreign country if:

(1) such article is imported or sold within the United States at a United States price which is less than the foreign market value or constructed value of such article; and

(2) such importation or sale—

"(i) causes or threatens material injury to industry or labor in the United States, or

"(ii) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(B) any interested party who shall be injured in his business or property by reason of an importation or sale in violation of this section, may bring a civil action in the district court of the District of Columbia or in the Court of International Trade against any manufacturer or exporter of such article or any importer of such article into the United States who is related to such manufacturer or exporter.

"(C) In any action brought under subsection (B), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by such defendant of the articles in question; or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained; and

"(3) recover the costs of the action, including reasonable attorney's fees.

"(D) The standard of proof in any action filed under this section is a preponderance of the evidence. Upon a prima facie showing of the elements set forth in subsection (A), or upon a final determination adverse to the defendant by the Department of Commerce or the International Trade Commission under section 735 of the Tariff Act of 1930 (19 U.S.C. 1673d) relating to imports of the article in question for the country in which the manufacturer of the article is located, which final determination shall be considered a prima facie case for purposes of this Act, the burden of rebutting such prima facie case thus made shall be upon the defendant.

"(E) Whenever it shall appear to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any district of the United States.

"(F) The acceptance by any foreign manufacturer, producer or exporter of any right or privilege conferred upon him to sell his products or have his products sold by another party in the United States shall be deemed equivalent to an appointment by the foreign manufacturer, producer, or exporter of the District Director of the United States Customs Service of the Department of the Treasury for the port through which the article is commonly imported to be the true and lawful agent upon whom may be served all lawful process in any action brought under this section.

"(G)(1) An action may be brought under this section only if such action is commenced within four years after the date on which the cause of action accrued.

"(2) The running of the statute of limitations provided in paragraph (1) shall be suspended while any administrative proceedings under section 731, 732, 733, 734, or 735 of the Tariff Act of 1930 (19 U.S.C. 1673-1673d) relating to the importation in question, or any appeal of a final determination in such proceeding, is pending and for one year thereafter.

"(H) If a defendant in any action brought under subsection (B) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by such defendant of articles which are the same as, or similar to, those articles which are alleged in such action to have been sold or imported under the conditions described in subsection (B) until such time as the defendant complies with such order or decree, or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(I)(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action under this section.

"(2) The court in any action brought under this section may—

"(A) examine, in camera, any confidential or privileged material,

"(B) accept depositions, documents, affidavits, or other evidence under seal, and

"(C) disclose such material under such terms and conditions as the court may order.

"(J) Any action brought under this section shall be advanced on the docket and expedited in every way possible.

"(K) For purposes of this section—

"(1) The terms 'United States price', 'foreign market value', 'constructed value', 'subsidy', and 'material injury', shall have the respective meaning given such terms by title VII of the Tariff Act of 1930.

"(2) If—

"(A) a subsidy is provided to the manufacturer, producer, or exporter of any article, and

"(B) such subsidy is not included in the foreign market value or constructed value of such article (but for this paragraph), the foreign market value of such article or the constructed value of such article shall be increased by the amount of such subsidy."

"(L) The court shall permit the United States to intervene in any action, suit or proceeding under this section, as a matter of right. The United States shall have all the rights of a party.

"(M) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International

Emergency Economic Powers Act (50 U.S.C. 1702).".

Sec. 4. It is the sense of the Congress that the provisions of this section are consistent with, and in accord with, the General Agreement on Tariffs and Trade (GATT).

Sec. 5. Chapter 95 of Title 28 of the United States Code is amended by adding at the end thereof the following new section:

"§ 1586. Private Enforcement Action

"(a) Any interested party who shall be injured in his business or property by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592) may bring a civil action in the district court of the District of Columbia or in the Court of International Trade, without respect to the amount in controversy.

"(b) Upon proof by an interested party that he has been damaged by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, such interested party shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the articles or products in question; or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained; and

"(3) recover the costs of suit, including reasonable attorney's fees.

"(c) For purposes of this section—

"(1) The term 'interested party' means—

"(A) a manufacturer, producer, or wholesaler in the United States of a like or competing product, or

"(B) a trade or business association a majority of whose members manufacture, produce, or wholesale a like product or a competing product in the United States;

"(2) The term 'like product' means a product which is like, or in the absence of like, most similar in characteristics and uses with products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930; and

"(3) The term 'competing product' means a product which competes with or is a substitute for products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(d) The court shall permit the United States to intervene in any action, suit or proceeding under this section, as a matter of right. The United States shall have all the rights of a party.

"(e) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).

RECOGNITION OF SENATOR PROXMIRE

The **PRESIDING OFFICER**. The Senator from Wisconsin is recognized for not to exceed 15 minutes.

FEEBLE ADMINISTRATION POLICIES IN PREVENTING NUCLEAR PROLIFERATION

Mr. **PROXMIRE**. Mr. President, what constitutes the least likely threat of nuclear war? An attack by the Soviet Union on the United States. Such an attack is very unlikely. It would be a sure act of suicide. The Soviets know that. How much of our multibillion dollars of annual nuclear weapons spending do we pour into preventing such an attack? Very nearly 100 percent. Almost all of it. Then, what constitutes the most likely threat of nuclear war? The spread of nuclear weapons over the next 20 or 30 years to more and more countries. Some of the newly nuclear armed countries are the fiefdoms of aggressive, irresponsible dictators who have frequently used terrorists as instruments of military policy. How much of our resources have we devoted to preventing this most likely threat of nuclear war? Practically none.

It is a shocking but irrefutable fact that two recent actions by this country have been especially dangerous in making nuclear proliferation more likely. The first action is the abysmal lack of antiproliferation safeguards in the agreement President Reagan has signed with the biggest Communist country in the world, the Peoples Republic of China. When we transfer our dangerous nuclear technology knowhow to another nation, we should insist on the strongest possible assurance that the nation which receives this nuclear technology will not make it available to other countries. But is that always the case? Is it true in this instance? After all, are we not selling this nuclear technology for peaceful purposes? Are we not transferring it to a nuclear weapons state? The Chinese already have a nuclear arsenal. So where is the danger? Well, there is a danger and a big one. The danger is because China is, indeed, a nuclear weapons state. It has already proliferated nuclear technology. It has assisted Pakistan, South Africa, and Brazil in developing nuclear weapons in the past, the technology we provide to China is technology she does not have. Sure, it is intended for the peaceful purpose of producing electricity. But what is the byproduct of that peaceful production? Weapons grade plutonium. Why is that significant? It is significant because the one ingredient most Third World countries need to produce nuclear weapons is weapons grade plutonium. So China can sell this peaceful U.S. technology with the weapons grade plutonium byproduct to Libya, to Iran, to Syria, to North Korea, or elsewhere. Would we sell weapons grade plutonium to this murderer's row? Not in a million years.

Well, how do we prevent that? The best way is not to sell the technology. But, if we are to sell it to China, we should insist that we have a firm promise by the Chinese not to pass the technology on to other nations—not to proliferate. Do we have such a promise? The administration's Ambassador is reported to have said he does have this promise from the Chinese, orally. That, I submit, is worth absolutely nothing Do we have a public promise by a Chinese leader? No, we do not. Do we have a written affirmation by a Chinese leader? No. All we have is the privately conveyed word of an American Ambassador. With all due respect to the Ambassador and with complete belief in his sincerity, his word is not enough. Why not? It is not enough for one simple reason. He cannot deliver on it. Only the Chinese, not an American Ambassador, can make a firm promise for China. But if that promise is not made publicly and in writing, it is worth absolutely nothing.

Is there a court of law in America that would hold any buyer responsible for safeguarding a product in accordance with a seller's desires when the only pledge from the buyer to safeguard the product is conveyed by an agent of the seller? Of course not. If there is no public commitment from the buyer, no signed statement by the buyer, the seller has no recourse at all—none.

The second action by the administration that makes nuclear proliferation more likely is its refusal to negotiate a comprehensive test ban treaty. Former Secretary of Defense and Attorney General Elliot Richardson has written recently that most nonweapon states see negotiation as the key to the good faith arms control negotiations which represent the super powers' part of the world's efforts to restrain the spread of nuclear weapons. We have made the promise in two treaties the United States has signed. By refusing to keep the promise, we torpedo the U.S. side of the nonproliferation program.

Mr. President, I ask unanimous consent that the article to which I have referred by Elliot Richardson in the Los Angeles Times be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Time to Strengthen Efforts to Hinder Nuclear Proliferation

(By Elliot L. Richardson)

On August 27, the 126 nations that are party to the Treaty on the Non-Proliferation of Nuclear Weapons will gather in Geneva to review what arms control has, or more pointedly has not, acheived to date.

At stake will be the future of multilateral efforts to constrain nuclear weapons and to keep local wars from becoming global confrontations.

The review conference is likely to be a contentious affair. The 1970 treaty is an inherently lopsided document, under which only the United States, the Soviet Union, Great Britain, France and China are permitted to possess nuclear weapons.

In return for this restraint by the non-nuclear parties, the nuclear weapons states have pledged under Article VI to pursue good-faith negotiations leading to disarmament. Nothing could be more damaging to the non-proliferation regime than for the

nuclear weapons states to assume an air of complacency, as if their pale efforts to reduce nuclear arms should satisfy the rest of the world that they had lived up to their end of the bargain.

At the second of the five-year treaty review conferences, in 1980, the failure of the weapons states to live up to their disarmament pledge made agreement on a final document impossible. Since then the United States has broken off negotiations with the Soviet Union and Britain on a comprehensive test-ban treaty, which most non-weapons state see as the key step to fulfilling Article VI obligations.

The Soviets walked away from both strategic and theater nuclear arms negotiations, then returned with a prickly attitude and no new proposals. And the Reagan administation's emphasis on the Strategic Defense Initiative has added fuel to an already intense Soviet-American arms competition in outer space.

If these trends are not reversed soon, the non-proliferation treaty may well not survive beyond 1995, when its signatories must decide whether to renew it.

The alternatives are downright frightening. Experts estimate that by the year 2000 more than 30 countries will have the capability to build nuclear weapons if they so choose. The detonation of a single nuclear weapon in a volatile region, such as the Middle East or South Asia, could spark a global nuclear holocaust.

Even short of this, the development of nuclear capabilities by more and more countries clouds the international climate, raises the stakes in regional disputes and further unravels the postwar system of norms and institutions that has prevented small conflicts from escalating into World War III.

A report that was issued last June by the United Nations Association of the USA provides a series of specific recommendations for US policy that would help reassure the world that we are serious about arms control.

The report, "Nuclear Proliferation: Toward Global Restraint," was the end product of a nationwide study that for the first time involved a broad cross-section of American society in a detailed examination of the policy questions that are involved in trying to control the spread of nuclear weapons.

The study urges the United States to resume and seriously pursue test-ban treaty negotiations with the Soviet Union and Britain, drawing in the other nuclear weapons states if possible. After quiet consultation with the Soviet Union, Japan and other European allies, the United States should propose a moratorium on nuclear-weapons testing while test-ban treaty negotiations are in progress.

Finally, if it proves impossible to reach agreement on a moratorium on testing, the United States should discuss with the Soviet Union the possibility of parallel unilateral moratoriums and should be prepared to stop testing first. Once achieved, a test ban treaty should be opened for signature by all countries.

At the same time, major new efforts should be made to reach an agreement to halt the production of fissionable material for weapon purposes. This would comply with the arms control requirements of the treaty and directly affect the availability of nuclear weapons material for other nations. If production is stopped, the United States and the Soviet Union should try to induce the other nuclear weapons states to do likewise.

Cooperative international efforts have been remarkably successful in slowing the growth in the number of countries that choose to build nuclear weapons. An edifice of international institutions, treaties and export agreements has been constructed, and has helped make the acquisition of nuclear weapons technically more difficult and politically more risky. But we must avoid complacency or a false sense of security.

It is time to redouble multilateral efforts to inhibit further proliferation before it is too late, and the first step is to rekindle public concern here in the United States.

RAUL HILBERG'S "THE DESTRUCTION OF THE EUROPEAN JEWS"

Mr. **PROXMIRE**. Mr. President, the New York Times Book Review on August 11 reported the extraordinary achievement of Raul Hilberg, a historian who has devoted his life to studying the Holocaust.

Mr. Hilberg has revised his classic work, "The Destruction of the European Jews," which first appeared in 1961. The book now stands at three volumes and over 1,200 pages.

"The Destruction of the European Jews" is described by its publisher as the definitive work on the Holocaust. The Times reviewed the book as "thorough and careful" scholarship and calls the writing "clear, readable, and often graceful."

Hilberg systematically analyzes the Holocaust, beginning with a history of Western anti-Semitism. He charts the formation of a bureaucracy and a mechanism for killing the Jews. He explains how that mechanism worked. Hilberg is especially interested in the psychology of the perpetrator. He examines the savagery and moral corruption of the Nazis. He analyzes the irrational hatred behind the "Final Solution," the violent scheme to annihilate the entire Jewish race.

The sheer number of archival facts and eyewitness accounts Hilberg marshalls makes this book one of the great works in the field.

Today there is strong interest in the Holocaust. When Hilberg's first edition appeared in 1961 it went virtually unnoticed.

I applaud the accomplishment of Mr. Hilberg. The history of the Holocaust has been his career and his consuming passion. "A lifetime is not sufficient to do it justice," he once said.

Raul Hilberg's interest in the Holocaust stems from his fortunate escape from Vienna with his parents in 1939. He is determined that the Holocaust not be forgotten. As early as the late 1940's when he was in college, Hilberg has been driven to refute those who would downplay or deny the significance of Hilter's genocide against the Jews.

Mr. President, the memory of the Holocaust has not died and interest in the subject is stronger than ever.

For this reason it is inexplicable that the Genocide Treaty has not yet been ratified.

Other nations wonder why the United States, with it long tradition of protecting human rights, will not sign this basic human rights treaty.

The time has come to remedy this error. The Genocide Treaty will be taken up soon by the Senate. I urge my colleagues to consider that 96 nations have already signed this treaty.

If the United States has truly learned the lessons of the Holocaust we will ratify the Genocide Treaty this year. Millions have died in this country at the hands of bigoted fanatics. We who love justice have no right or reason not to ratify this treaty.

MYTH OF THE DAY

Mr. **PROXMIRE**. Mr. President, one of the myths which seems to be clinging for dear life around here is that President Reagan is committed to arm control.

Well, let's take a look at the facts behind this myth.

I defy any Member to show me a single arms control treaty Ronald Reagan has publicly supported. There may be one, but I have not found it.

Did he support the 1963 Limited Test Ban Treaty President Kennedy signed, which banned above-ground nuclear testing? No. He opposed that.

Did he support the 1968 Nonproliferation Treaty President Johnson signed, which has tried to halt the spread of nuclear weapons? No. He opposed that. During the 1980 campaign, he said that nuclear proliferation isn't "any of our business."

Did he support the 1972 SALT I Agreement and the ABM Treaty President Nixon signed? No.

Did he support the 1974 SALT understanding President Ford reached with the Soviets at Vladivostok? No; not that one.

What about the Peaceful Nuclear Explosions Treaty President Ford also signed in 1976? No. He opposed that one also.

Did he support the SALT II Treaty President Carter signed. No. He promised to "ship that thing back to the Soviets in Moscow." Actually, that boat never left the harbor. Once in office, Mr. Reagan realized the value of SALT II and decided to abide by it even though he continued to oppose it publicly.

So what has happened since Mr. Reagan took office? Well, during his first term we had practically a total collapse in arms control negotiations with the Soviets. We have not seen anything that bad since the cold war days.

By the time the 1984 campaign rolled around, Mr. Reagan decided to try to patch things up and at least get the arms control talks back on track. But in the meantime he has proposed a program that will surely sound the death knell for arms control. It is called star wars.

Star wars and arms control do not mix. Plain and simple. The star wars missiles defense scheme President Reagan wants this country to plunge into will kill arms control.

And we are beginning to discover that fact in Geneva, where the arms control talks are going nowhere fast.

Is President Reagan committed to arms control? The record shows that is a myth.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 11 a.m., with statements therein limited to 5 minutes each.

THE PRESIDENT'S TRADE MISUNDERSTANDING

Mr. BAUCUS. Mr. President, last night the President of the United States demonstrated a disturbing lack of knowledge and concern about our international trade situation. His apparent failure to understand the basic facts and his unwillingness to recognize their implications should make all of us very concerned.

DEBTOR NATION

When he was asked last night for his opinion on the status of the United States as a net debtor nation, he seemed not to even understand the question, understand the concept of a net debtor nation. Consequently, he certainly missed the significance of the question.

A nation is a net international debtor if it owes more to foreign countries than they owe to it. This is not the same as having a trade deficit. In previous years, we filled the gap between exports and imports with interest and dividends earned on investment abroad. We had a trade deficit, but we still owed less to others than they owed to us. The President missed this distinction.

Throughout the 19th century, the United States was a debtor nation. We drew heavily on foreign capital to finance our industrial development. Factories and railroads were all built with capital from abroad.

But by the end of World War I, the United States had become a net creditor, and with very few exceptions, our creditor position grew larger every year—until 1983.

It has taken less than 4 years for the Reagan administration to squander the credit built up over more than 60 years.

In 1983, the United States was still a net creditor of some $106 billion. In 1985, we will owe the rest of the world nearly $100 billion!

I repeat, Mr. President: Up to 1983, over a period of 60 years, the United States had been a net creditor nation, and at that time we still were a net creditor nation of some $106 billion. But this year, 1985, we will owe the rest of the world nearly $100 billion. We will be the world's largest debtor nation. I repeat: The United States will be the world's largest debtor nation.

That, Mr. President, is not supposition. Those are real numbers.

Does it matter? Not if you believe that foreign investors will be willing to pour ever-larger amounts of money into the United States; not if you believe that foreign investors will lend us the money to pay them the interest on our debt to them. I do not believe that. I do not believe we can forever borrow to pay interest on our debt.

TRADE DEFICIT

The President not only thought the phrase "debtor nation" referred to the trade deficit; he did not think the trade deficit was much of a problem.

He said we should not worry about losing jobs in manufacturing or mining because we were gaining jobs in the travel industry! I am happy to have us gain jobs in the travel industry—but why must they make up for jobs in American basic industries? The President did not mention that we are losing jobs in high-tech. He did not mention that farmers are losing export markets.

The President also tried to change the subject to the budget deficit. But he did not mention that his budget policies have made us the all-time champion international borrower. He did not mention that our need to suck in capital from abroad has driven the dollar to an artifically high level.

To President Reagan, there seems to be no such thing as an "overvalued dollar." There is only a "strong" dollar—a dollar that is a source of pride. I have said before and I will say again, the high dollar may be a source of pride to the President, but it is a source of pain to America's farmers and to her working men and women.

In summary, I believe that international trade is a means to expanding the wealth of all nations—the United States and our trading partners. I represent an agricultural State. The wheat farmers of Montana recognize their dependence on the health of the international trading system.

But they also recognize that all of us are dependent on a healthy domestic economy. The farmer will not survive if we lose our industries. The farmer cannot survive if he is forever shut out of foreign markets.

Free trade cannot be a one-way street. If our wheat, logs, tobacco, computers, aircraft cannot get into other markets, then our Government must fight. We need an administration that will fight for fair treatment of U.S. products.

Mr. President, the Constitution gives the power to regulate commerce to Congress. We, in turn, have delegated great power to the President. We do so because we believe a single leader can take faster and better targeted action than can a body of 535 people. But, Mr. President, we do not abdicate. If the President of the United States sees no problems, Congress will act to remedy those Congress sees.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McConnell). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Hatfield). Without objection, it is so ordered.

DEFENSE AND THE NATIONAL WELFARE

Mr. DENTON. Mr. President, I rise to address an article that appeared on the front page of the Washington Post dated September 17, 1985, and the implications of that article. It was headlined "5-Year Pentagon Budget Plan Facing $300 Billion in Trims."

The subheadline is, "Sea Change in Rearmament Underway."

The article goes from page 1 to page 8, and indicates we are going to have a sea change in defense policy.

It contains the statement that an unidentified Department of Defense aide said, "Cap has seen the writing on the wall," and that there would be no Weinberger versus OMB rematch fight.

Secretary Weinberger assured me personally late yesterday that that statement misrepresents his position, and that as Secretary of Defense he does not, as is charged, "appear to be resigned to seeing his budget slashed."

The article, however, does mark a phase in the U.S. state of affairs on which I want to remark. If there is a sea change affecting the security of the United States, such as an interruption in the buildup required by the United States to provide for the common defense to protect its interests in the security sense, I believe that we should not let the moment pass without remarking upon it. Indeed, Mr. President, in my opinion such a moment is at hand.

For the past 6 or 7 years, we have seen a defense budget with real growth of over 5 percent from year to year. It is the first time in many years we have seen such a growth. I believe that objective opinion would indicate that that growth has not offset the buildup of the Soviet Union, nor has it eliminated the dangerous disparity that had developed. That growth did, however, hold out the promise of real progress, not only progress in our own rebuilding of our security, but progress in the estimates of other governments as to the sincerity of the United States as a leader for the protection of freedom around the world.

There is some truth in the article's implication that much reluctance is encountered on the part of the Congress in continuing to build up our defense spending. Many Members of the House are now unwilling to abide by the DOD authorization bill conference report, and they have threatened to pass a requirement that appropriations be reduced by $10 billion to $292 billion, rather than the $302 billion agreed to by the conference. That threat and that effort may well be successfully quashed. I hope so.

The press is reporting that in general DOD and OMB are giving in to political reality and media pressure, and not fighting to continue the essential program of strengthening America's defense. The article I quoted is one case in point.

Mr. President, I ask unanimous consent that the article to which I referred be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

5-Year Pentagon Budget Plan Facing $300 Billion in Trims

SEA CHANGE IN REARMAMENT UNDER WAY

(By George C. Wilson)

President Reagan's rearmament program is undergoing a fundamental restructuring as White House and Defense Department leaders scramble to adjust to what they estimate will be a slash of at least $300 billion in the next five-year defense plan, administration officials said yesterday.

"We're in a sea change," said one veteran of the Pentagon budget battles.

Despite the new austerity, Pentagon officials said, the military services are trying to cut their budgets for fiscal 1986 through 1990 without canceling prized hardware programs. The result, critics in the Pentagon predicted, will be less money devoted to preparing the armed services to fight, particularly a long war.

To cope with the new budget reality, the Army will buy less ammunition, the Navy will buy fewer ships, the Air Force will cancel marginal programs and the Marine Corps will reassess its modernization program.

The White House's Office of Management and Budget, in its recently published "Mid-Session Review of the 1986 Budget," projected $291 billion less for defense in fiscal 1986 through 1990 than Reagan had earmarked for his rearmament effort as recently as April.

White House officials said that Defense Secretary Caspar W. Weinberger this year, in contrast to the past when he appealed to Reagan for more money, appears to be resigned to seeing his budget slashed. "Cap has seen the writing on the wall," said an aide in agreeing there would be no Weinberger versus OMB rematch fight.

Pentagon officials who have been involved in the feast-and-famine cycles of defense funding through several administrations predicted that the real cut for that five-year period will be more than $400 billion.

Weinberger and his deputy, William H. Taft IV, rather than dictate cuts, have directed the armed services to slash their budgets for the next five years in proportion to what they have received in the past, Pentagon officials said.

Critics said changes in the rearmament program are so extensive that civilian rather than military leaders should reassess current strategy and make the necessary reductions. Weinberger in his 4½ years of running the Pentagon has concentrated on raising record amounts of money rather than directing how the services spend it.

The White House, in making its projections, assumed the Defense Department would receive annual increases of 3 percent above inflation from Congress, and even that is an overly optimistic assumption in the view of many congressional leaders. Congress' funding cuts have been brought on by the increasing federal deficit and fears that the Pentagon was not spending its money wisely.

Taft, in one directive issued on a recent Thursday, urged the armed services to find savings of $228 billion by the following Monday for the five-year, fiscal 1986–90 period, Pentagon officials said.

The Army, Pentagon sources said, will not say so publicly, but to save billions it has virtually abandoned Reagan's objective to buy and stockpile enough ammunition to fight in Europe for 60 days.

In doing so, officials said, the Army is using an argument Congress made in questioning the stockpiling. U.S. allies have only enough ammunition to fight about 20 days, goes the argument, so why should the Army spend billions to fight alone for 60 days?

As for the Navy, said one Pentagon critic, "it will get its 600 ships by 1990, but they will be carriers and rowboats because of budget constraints." The Congressional Research Service has issued a report by Ronald O'Rourke that said the Navy will not be able to afford the 137 cruisers and destroyers Navy leaders said they needed to protect carriers and other ships.

The publication Defense Week said yesterday that the Navy is proposing to buy three rather than five DDG51 class destroyers a year as part of its response to the budget crunch. Stretchouts in other ship programs are in prospect, Pentagon officials said, including submarines.

The Air Force already has agreed to cancel two aircraft procurement programs, the Fairchild T46 trainer and the Sikorsky HH60, a Blackhawk helicopter modified for special operations, such as landings behind enemy lines.

And, according to Pentagon officials, the Air Force is looking for more cuts. Deploying the small, mobile Midgetman missile would cost more than deploying more giant, silo-busting MX rockets, Air Force officials said, in acknowledging that retrenchment is throwing a different light on strategic choices.

The Marines want to buy a new fleet of assault aircraft, designated the JVX, but the price tag of $40 billion to $50 billion for 550 of the "tilt-rotor" planes is giving Pentagon officials second thoughts as they look ahead at years of relative austerity when they had counted on years of plenty, sources said.

In April, the OMB predicted annual increases in defense money would range from 8.8 percent 13.4 percent from fiscal 1986 through 1990, not allowing for inflation. In its Aug. 30 mid-session review, OMB forecast annual increases between 3.9 percent and 7.2 percent. Under White House inflation assumptions, this would provide for a real growth of about 3 percent for fiscal 1987 through fiscal 1990.

Mr. DENTON. I consider the article an example of misinformation, perhaps disinformation, which tends to influence public perception. Since many in this body and in the House read the Washington Post it does tend, fortunately or unfortunately, to influence the Congress.

I am sorry to report that such efforts by the leading media in the country, including the New York Times, the Washington Post, the LA Times, and the three networks, have been extremely successful in leading the Congress around by the nose with a ring, in identifying what issues are important at any given moment. Indeed, in my view, Mr. President, they make the news and they create the issues of the moment here in the minds of too many of our colleagues.

I am afraid that Mr. Gorbachev gets better press than Mr. Weinberger. The Soviets get much better press than the Government of South Africa.

President Reagan is portrayed as the head of a superpower very much like that of the Soviet Union. Too many cartoons portray two hands pushing missiles in the middle of the table, one differentiated from the other simply by the symbol of the hammer and sickle on the one and the American flag on the other, as if the parties involved are identical in merit.

Such a portrayal is at the base of the fundamental misportrayal.

Regarding the Federal budget and the share being given to defense, I must say that it should be noted by the media that when President Kennedy came to office we were spending roughly twice as much on defense as we were on human resources, on social and welfare programs. Specifically, in 1960 we spent 52.2 percent of the Federal budget on defense and 28.4 percent on social and welfare programs.

Today, under President Reagan, we are spending the reverse, 49.6 percent of the Federal budget on social programs and only 26.5 percent on defense.

I wonder if there is a responsible member of the media who really believes that today there are that many fewer threats to our security or to our economic interests related to our security position around the world than these were 25 years ago.

I find it difficult to believe that I could find such a person.

Nonetheless, the portrayal, or misportrayal, goes on, and with evident success. We have vastly decreased our emphasis on defense and increased it on social and welfare programs. Many people would have us balance the budget on the back of defense.

Our spending on social and welfare programs has not only been ineffective in eliminating poverty and hardship in our country, but it has bred dependence on the Federal dole. The dole is characterized by waste and inefficiencies as great as, if not greater than, those so highly publicized in defense spending.

A famous economist, Dr. Thomas Sowell, who happens to be a black gentleman, out at the Hoover Institution, has stated repeatedly, regarding the inefficiencies of the welfare program, that if one-third of the money appropriated to help the poor were to reach the poor, we would have no one left in poverty. That is a true statement, I have learned from my experience in this body.

I have also learned, in dealing with our welfare programs, that there is tremendous unaccountability. We do not know who gets what from what source. We have an escalating slope of spending in the social field and nothing like that in the defense field; indeed a slowly decreasing slope in defense spending is projected for the future.

The slope of the increase in social spending has been increasing so that the figure on the charts chronologically is asymptotic. It is a tremendously increasing slope, like going backward up a ski slope.

That increasing social spending is not principally money going to the poor; much of it goes to people who are not poor. For example, 40 percent of Government benefits goes to households with incomes under $10,000. Twenty-eight percent of Government benefits goes to households with incomes $10,000 to $20,000. The remaining 32 percent of Government benefits goes to households with incomes above $20,000, most of it to the $20,000 to $40,000 range. Thus nearly 60 percent of all benefits goes to people who are not poor.

Many of those programs are good, but we cannot do all good things from the Federal pot. We must, however, do one good thing from the Federal pot: that is to permit our people to survive, to permit our freedoms to survive.

If I were to deliver a junior Senator of the State of Alabama state of the Union message, I would have to say that things are chaotic and dangerous, and getting worse. We have gone from a real growth in defense spending, overdue, to a freeze after inflation and the rumored House action would mean an actual reduction after inflation.

That indication for the future comes just before a summit meeting between the President and the Soviet leader, in the midst of arms talks with the Soviets. It reflects a beguilement with Gorbachev's charms that is both erroneous and dangerous, not justified, as the British experience of recent days demonstrates.

I simply want to note, as one Member of this body, that I hope we do not follow the Post, the New York Times, the three networks, as we followed them in some other well-intended but doomed policies with respect to how bad the Government of South Vietnam was, how bad the Government in Iran was, how bad the Governments in Cuba and in China and in Nicaragua in the old days were. In each of those cases, and in many others not accounted for here, with no apologies and with many of the Members of this body and the House having been on board, we went over the cliff on those bad policies.

I hope that we do not do the same in the case of the South African sanctions. I hope that we do not replace an imperfect and flawed regime with an unspeakably bad one.

I hope that we do not follow the trend in defense spending that the press that I mentioned seems so in favor of. I wish my colleages would stop paying so much attention to what those parts of the media are saying. Many of my colleagues do not seem to realize that the people of our country are not listening to those networks and those newspapers. If they were, Mondale would be President rather than Reagan.

I hope that my colleagues will remember that there are people back home who do not agree with balancing the budget on the back of defense, who do believe that the key to balancing the budget is a compassionate and efficient and realistic overhaul of our welfare programs.

Thank you, Mr. President.

DEATH OF CURTIS MARSHALL HUTCHINS

Mr. COHEN. Mr. President, one of Maine's most well-known business and civic leaders died this week, and I want to take a moment to bring his accomplishments to the attention of my colleagues.

Curtis Marshall Hutchins had a unique combination of diverse elements which set him apart from the crowd. He was a man of action and passion, an energetic and innovative business leader who used his energy and talents to improve the Maine pulp and paper industry.

Curtis was also a man of thought and reflection, a committed outdoorsman who never outgrew his love for the beauty and solitude of the Maine woods. His eclectic range of interests included the arts, salmon fishing, community improvement, public service, and many different kinds of philanthropy.

Curtis' gave his guidance and counsel generously to me when I decided to run for Congress in 1972, and he has been a valued friend for the years since. Most recently, I worked closely with Curtis on one his major interests in recent years, the Roosevelt Campobello Island Commission, a group dedicated to preserving the beauty and historical significance of President Franklin D. Roosevelt's former home on Campobello Island, a structure now jointly preserved by the United States and Canada.

The Maine forestry industry, as well as the lives of countless individuals, were greatly enriched by Curtis, and I extend my sympathetic regards to his three children who survive him.

I would ask that an article from the Bangor Daily News be included describing Curtis' career in greater detail.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Bangor (ME) Daily News, Sept. 14-15, 1985]

CURTIS M. HUTCHINS, CIVIC LEADER, DIES

Curtis Marshall Hutchins, a dynamic figure in Bangor business and cultural circles for more than a half century, died Sunday at the Eastern Maine Medical Center after a brief illness. He was 78.

At the time of his death, he was chairman of the board of the Dead River Group of Companies, a business concern with which he had been associated during most of his adult life.

He was born in Boston in 1907, the same year in which his father founded the Dead River Co. in Maine. After graduating from Williams College in 1928, he studied forestry at the University of Maine while working in the Maine woods.

He became president of Dead River Co. in 1935 and held that post until 1957.

During that same period, he served as president of the Bangor and Aroostook Railroad Co. from 1943 through 1957 and chairman of the railroad's board of directors from 1952 through 1957.

He was president of the St. Croix Paper Co. at Woodland from 1959 through 1963.

It was typical of Hutchins that he always found time for community service. He was a member of the Bangor City Council in 1941 though 1943 and served as chairman or mayor during his third year on the council. Also in 1943, he served a term in the Maine Legislature.

He served with the U.S. Navy during World War II.

Generous with his his time and talents, he was for years a prominent fixture with countless civic and charitable organizations, contributing not only his prestige but valuable business acumen.

His personal interests were as varied and widespread as his business enterprises. He was supportive of the arts and the owner of an extensive art collection, which he enjoyed sharing with various institutions.

He never outgrew his fascination for the Maine woods and spent time whenever his schedule allowed at this favorite sport of salmon fishing. Only Friday evening he had attended a supper of the Mirimachi Salmon Club at Boestown, New Brunswick, at which

he was publicly recognized for his life-long contributions to the sport.

He spent part of Saturday picnicking with former baseball great Ted Williams, a friend of many years.

His wife of 53 years, Ruth Rich Hutchins, died in December 1984.

Survivors include a son, Christopher Hutchins, Bangor; and two daughters, Hope Hutchins Blackburn, New York, and Hilda Hutchins McCollom, Chevy Chase, Md.

Funeral arrangements will be announced by Brookings-Smith Funeral Home, Bangor.

[From the Bangor (ME) Daily News, Sept. 17, 1985]

FRIENDS, ASSOCIATES REMEMBER DEEDS AND FRIENDSHIP OF CURTIS HUTCHINS

(By Nancy Remsen)

Curtis Hutchins was a man of great stature, measured not in inches but in deeds, leadership and respect.

His death on Sunday left a void in many places in Bangor, in eastern Maine, in the state, in New England and in neighboring Canada, according to his many friends and associates.

At 78, Hutchins was still active in business, in charitable efforts and in sporting activities. He was chairman of the Board of Dead River Group of Companies, commissioner for the Roosevelt Campobello International Park, a trustee of the College of the Atlantic at Bar Harbor, a member of the University of Maine Pulp and Paper Foundation, and a trustee for the Bangor Theological Seminary.

In death, he left people abruptly, one with a letter half written to him, an organization about to bestow an award on him, others with seats on committees they will have to fill.

Most will miss his industrious efforts on their behalf—be it in influencing the direction of Merrill Bank, persuading fellow leaders of paper companies to go along with clean-up regulations or serving as the catalyst for revitalization in downtown Bangor.

But all who spoke of Hutchins Monday also said they will miss a warm and generous friend.

His adult children, Christopher, Hilda and Hope, Monday recalled a Christmas in their childhood when their father read in a newspaper about a woman of little means and many children who had all the presents she had purchased stolen on the eve of the holiday.

"He got all the kids to contribute," recalled Hilda McCollum. "He made sure the lady got all the money," she said.

Generosity came naturally to Hutchins, and he didn't need public thanks. His son of Bangor stressed that "he really did care about Maine and Bangor. He wasn't just doing what he thought was appropriate" for a man of his means and position, his son said.

Benefactor is the word that Arthur Johnson, president of the University of Maine at Orono, used to describe Hutchins. His gifts to that institution were substantial Johnson said, listing professorships that he endowed, scholarship funds he provided, gifts of art and major contributions to support the performing arts center, the College of Forest Resources and the Pulp and Paper Foundation.

It wasn't just money. It was time. Time to have lunch with Greg Brown and other professors at Forest Resources and give advice on programs and research. It was time after to send a thank-you note.

And it was friendship. "I always appreciated Curtis' warmth. He was a great guy. He came to trust me. That moved me personally," said Stanley Marshall of the Pulp and Paper Foundation.

"I'm really going to miss him personally," concluded UMO President Johnson.

"I thought the world of him," said Wayne Glick, head of the Bangor Theological Seminary which also benefited from Hutchins' time and money. He made the "leadership gift" for the new student center under construction at the seminary which will be named for his wife, Ruth.

But that isn't all he gave to the seminary, Glick said. There were other gifts, given when needs arose. He demanded only excellence, not recognition, Glick said.

"He always did what he urged others to do," said Fred Scribner, a Portland attorney who was associated with Hutchins on business, political and charitable matters. "He was never one just looking out for his own interest."

He felt people in business "had an obligation" to serve in government, Scribner said. He took his own advice, serving on the Bangor City Council and in the Maine Legislature. He was urged to accept a position in the Eisenhower administration, Scribner said, but it wasn't the right time for him to leave Maine.

"In all of his endeavors . . . he soon reached a place of leadership," Scribner also said.

He was well respected as president of the New England Council, an organization established to provide the region with a unified voice on economic and business issues, recalled Gardner Caverly, a fellow council member. "He was highly regarded and highly respected."

Donaldson Koons, who served as chairman for the Environmental Improvement Board, the predecessor to the Board of Environmental Protection, recalls Hutchins as "the strongest, most thoughtful, carefully reasoning member of the commission."

And he credits Hutchins, before becoming a board member, with quietly persuading representatives of the paper industry to go along with an accelerated timetable for cleaning up rivers.

"I never asked him about it," Koons said, but the change in the attitude of the major paper companies came shortly after Hutchins, then of Scott Paper Co., visited with Koons.

Hutchins was on the Environmental Improvement Board when the licenses for Maine Yankee were considered. Although he was an industry representative, Hutchins "had the interest of the state uppermost in his mind," Koons said.

Hutchins also was one of the most influential members of the board of directors of Merrill Bank during his 40 years as a board member, according to William Bullock, chairman and president of Merrill Bankshares. He has a key role in shaping the bank into what it is today, Bullock said.

"He was a unique individual" who made contributions to his community while developing a national reputation, Bullock said.

He also was well-known in eastern Canada. Hedard Robichaud of the Roosevelt Campobello International Park Commission said he knew well of Hutchins before he was appointed as a commissioner. "He contributed to the development of the lumber industry in our province," said the New Brunswick resident.

Hutchins brought with him to the commission his "long experience in business," Robichaud said. And, "he was a great friend to all of us."

Over the years, Hutchins has received a number of honors and was scheduled to get another on Oct. 2—the Vernon P. McFadden Award from the Eastern Maine Development Corp. This award recognizes an "outstanding contribution toward improving the quality of life for citizens and communities in eastern Maine."

Michael Obey of EMDC said Monday that "Curtis Hutchins gave more, perhaps than any other single individual, towards improving life in eastern Maine. He was a great business and civic leader. His loss to the region and the state is great."

SENATOR QUAYLE'S FIGHT AGAINST DRUG AND ALCOHOL ABUSE

Mrs. HAWKINS. Mr. President, Senator Dan Quayle of Indiana is a valued member of my Subcommittee on Children, Family, Drugs and Alcoholism, and has joined other concerned colleagues in the Senate in efforts to combat alcohol and drug abuse.

Recently, Senator Quayle appeared as a guest newspaper columnist, and I would like to request unanimous consent that his comments on substance abuse be inserted in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

JOIN FIGHT AGAINST DRUG, ALCOHOL ABUSE

(Editor's Note: The youngest U.S. Senator ever elected to represent Indiana, Dan Quayle at midterm already has a major piece of enacted legislation to his credit, and he has been in the forefront of Congressional efforts to reduce the federal deficit, simplify the U.S. tax code and contain spiraling health care costs. He has also worked to win Indiana a fairer portion of the federal dollar. Quayle is the third-ranking Republican on the Labor Committee and chairs its Subcommittee on Employment and Productivity. He also served on the Labor Subcommittee on Alcoholism and Drug Abuse and has sponsored the VOLS program in Indianapolis—for Voluntarism: Opportunities for Leadership and Service. As a member of the Labor Subcommittee on Education, Arts and Humanities, Quayle has sponsored legislation to reauthorize the Adult Education Act, a major weapon in the fight against illiteracy. He serves on the Armed Services Subcommittees on Military Construction, on Sea Power and Force Projection and on Strategic and Theater Nuclear Forces. Quayle and his wife, the former Marilyn Tucker of Indianapolis, have three children.)

Today the number one killer of 16- to 24-year olds is drunk driving. Each year thousands of young lives are lost needlessly to alcohol and drugs, and those numbers are growing. It is a national tragedy that requires immediate action, and here in Indiana, we are confronting the problem head on.

As chairman of the Senate Labor and Human Resources Subcommittee on Employment and Productivity and as a member of the Subcommittee on Family, Children, Drugs and Alcoholism, I am painfully aware of the severity of this growing problem. Alcohol and drug abuse poses serious, often permanent risk to an individual's mental and physical health. It also alters and impairs one's ability to function in a productive capacity in the workplace. That's not to mention the tragic effect it has on families and friends.

There is a grave need for increased public awareness of the risks and effects of substance abuse and, as importantly, where to get help for alcohol and drug problems.

In response, for the last four school years in a row, I have sponsored the VOLS Conference (for Voluntarism Opportunities for Leadership and Service) for Indiana's high school students. The goal of my VOLS Conference is to show students from all across our State how they too can get involved in efforts to help rid their communities and schools of alcohol and drug abuse.

The only way we can effectively fight against alcohol and drug abuse is if all of us pitch in to do our part. More public awareness and greater involvement is the key to prevention.* * * Many individuals, companies and organizations in Indiana donate their time, expertise, resources and facilities for my VOLS Conferences each year. This spirit of voluntarism on behalf of their fellow citizens in order to make their communities better places in which to live, have made my VOLS Conferences possible and successful.

Since I held my first VOLS Conference in 1981, other worthwhile community organizations and projects have been developed to address these needs. In 1982, students at Center Grove High School in Johnson County launched the first Students Against Drunk Driving (SADD) chapter in Indiana, and since then, they have sponsored substance abuse awareness programs involving other high schools in our State. The Governor's Task Force to Reduce Drunk Driving was also formed in 1982, and last summer I was proud to join with them in sponsoring the first annual Hoosier's Against Drunk Driving (HADD) Conference for Indiana high school students.

Ultimately, the success of these initiatives depends on the diligence of our high school students who must put the knowledge and perspective gained at these Conferences to good use by working with their peers in anti-substance abuse volunteer programs in their local communities.

My VOLS Conference and other related programs are steps in the right direction, but more still needs to be done. I am cosponsor of legislation which would designate the week of December 15 through 21, 1985, as "National Drunk and Drugged Driving Awareness Week." For the past three years during this week, hundreds of individuals throughout this country have participated in programs and activities aimed at increasing public awareness to the dangers of driving while under the influence of alcohol and/or drugs. They have included proclamations by state and local officials, improved drunk driving laws, implementation of dial-a-ride programs, establishment of task forces and anti-substance abuse campaigns and increased enforcement efforts. In addition, we have seen recently more attention being aid to alcohol and drug abuse in television and radio public service announcements and newspaper and magazine advertisements. All of these contributions to greater public awareness will help to make the difference.

The young people today represent the leaders of tomorrow. We cannot risk the future of America by ignoring the alarming and persistent problem of alcoholism and drug abuse. We must all pitch in the fight against substance abuse—for their sakes and ours.

S. 1654—PENALTIES TO BE IMPOSED ON CONVICTED SPIES

Mr. STEVENS. Mr. President, several measures have been introduced in Congress which respond to the serious problem of treasonous espionage. Today I am introducing an additional proposal which is aimed at the prime motivation for the majority of these crimes. It would force the forfeiture of the proceeds from acts of espionage. In addition, it would offer a reward for providing information to stop espionage.

The recent rash of cases in which individuals were apprehended for selling secrets has brought this problem before the public eye. This focus of attention has helped us to address the problem and to look for ways to bring it under control. The systems which provide security for our Nation, however, are very complex. Therefore, plugging the holes which let information slip out requires a response on several levels. What I am proposing today responds to the most basic motivation for this crime. By denying perpetrators the profits of their infamy we can knock the legs out from under espionage.

There are three parts to this legislation. The first requires the forfeiture of all proceeds resulting from commission of any espionage felony. Existing law allows the same treatment for the proceeds resulting from illegal activity by drug dealers and other racketeers. The second extends forfeiture to any proceeds resulting from publication of the stories of convicted spies, or productions based upon their crimes. Existing law provides the same for Federal felonies involving physical harm to victims. The final provision establishes rewards for information leading to the arrest and conviction of spies. The maximum award is $100,000; any amount over $10,000 must be approved at the highest level of the Justice Department.

It is my hope that we may move quickly on this proposal. The language of this legislation has already been reviewed and approved by the Justice Department. It is drafted to conform with similar provisions of existing statutes. I am happy to say that several of my colleagues have joined me in sponsoring this bill. There can be no more appropriate step in our effort to combat espionage. It is the logical response to the sale of our national security. If we can take away the lure of profit, we strike at the heart of the problem.

Mr. President, I ask unanimous consent that the name of Mr. Zorinsky be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

S. 1654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 794 of title 18, United States Code, is amended by inserting at the end thereof the following:

"(d)(1) Any person convicted of a violation of this section or of any other felony in violation of the provisions of this chapter shall forfeit to the United States any money or other property involved in or obtained as a result of such a violation, any money or other property, real or personal, which represents the proceeds of or which is traceable to such money or property, and any of the person's property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of such violation.

"(2) In any case in which money or property subject to forfeiture under this subsection, as a result of any act or omission of the defendant—

"(A) cannot be located upon the exercise of due diligence;

"(B) has been transferred or sold to, or deposited with a third party;

"(C) has been placed beyond the jurisdiction of the court;

"(D) has been substantially diminished in value; or

"(E) has been commingled with other property which cannot be divided without difficulty;

the person shall forfeit to the United States any other property up to the value of the property described in this subsection.

"(3) The court, in imposing sentence on a person for a conviction of a violation of this section or of any other felony in violation of this chapter, shall order that the person forfeit to the United States all property described in paragraph (1) or (2) of this subsection.

"(4) The provisions of subsections 413 (c) and (e) through (o) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 [21 U.S.C. 853 (c) and (e)—(o)] shall apply to property subject to forfeiture under this subsection, to any seizure or disposition thereof, and to any administrative or judicial proceeding in relation thereto, if not inconsistent with this subsection.

"(e)(1) Upon motion of the United States Attorney made at any time after conviction of a person for an offense under this section or for any other felony in violation of this chapter, and after notice to any interested party, the court shall, if the court determines that the interest of justice so requires, order such person to forfeit to the United States all or any part of proceeds received or to be received by the person, or by a transferee of that person, from a contract relating to the depiction of such offense in a movie, book, newspaper, magazine, radio or television production, or live entertainment or presentation of any kind, or an expression of the person's thoughts opinions, or emotions regarding such offense.

"(2) An order issued under this subsection shall require that any other person with whom the person convicted of such an offense contracts pay to the Attorney General any proceeds due under such a contract to the person so convicted.

"(3) Proceeds paid to the Attorney General under this subsection shall be paid into the general fund of the Treasury of the United States.

"(4) As used in this subsection, the term "interested party" includes the defendant, any transferee of proceeds due to the defendant under the contract referred to in paragraph (1), and any person with whom the defendant has so contracted.

"(f)(1) The Attorney General of the United States, at his discretion, is authorized to pay an amount not to exceed $100,000 as a reward for information—

"(A) leading to the arrest or conviction of any person for the commission of a felony in violation of this chapter or for a conspiracy or attempt to commit a felony; or

"(B) leading to the prevention, frustration, or mitigation of the effect of a felony in violation of this chapter.

"(2) The Attorney General or his delegate shall determine whether an individual furnishing information described in paragraph (1) is entitled to a reward under this section and the amount to be paid, except that the authority to pay a reward of $10,000 or more shall not be delegated to any person other than the Deputy Attorney General, the Associate Attorney General, or the Director of the Federal Bureau of Investigation. A determination made by the Attorney General or his delegate under this subsection shall be final and conclusive, and no court shall have jurisdiction or power to review it.

"(3) No officer or employee of the United States or of any State or local government who, while in the performance of his or her official duties, furnishes the information described in paragraph (1) shall be eligible for a reward under this subsection.

"(4) There are authorized to be appropriated such sums as are necessary for the payment of rewards under this subsection."

COUNTERESPIONAGE LEGISLATION

Mr. MURKOWSKI. Mr. President, the satisfaction I feel today in joining with my colleague from Alaska, Senator Ted Stevens, as a cosponsor of this counterespionage legislation is bittersweet indeed.

It is, of course, a pleasure to work in concert with Senator Stevens on an issue of critical importance to our national security. As chairman of the Defense Appropriations Subcommittee, Senator Stevens is well aware of the costly consequences of espionage activities conducted against the United States. For my part, I have viewed the damage resulting from spying from my vantage point as a member of the Select Committee on Intelligence.

The step we are taking today is bitter because it reflects the fact that there continues to exist a small element of American citizens who are willing and prepared to spy for foreign governments and compromise the security of our country. The existence of such individuals is severely compounded by the espionage-related activities of foreign agents—particularly those from the Soviet Union—operating within the United States.

As has been pointed out by Senator Stevens in his introductory remarks, the legislation we are introducing today is intended to deny to the perpetrators of espionage the financial benefits they might otherwise expect to gain. The legislation includes three specific proposals:

First, it requires that convicted spies forfeit all proceeds from their espionage activities; second, it also requires that any proceeds from publication or television rights to the story or interviews of convicted spies be forfeited; and third, it provides for the establishment of a new fund to reward those whose information leads to the arrest and conviction of spies.

The attention of the American people to the problem of espionage has been heightened greatly in the wake of the Walker case involving charges that several members of this family had spied for the Soviet Union for some 20 years. The recent action of Great Britain in expelling 25 Russian citizens on the charge that they had engaged in espionage activity has served to underscore the real and present threat posed by foreign agents.

The Reagan administration and the Congress have taken this challenge to heart, and have begun to address the problem in the tough, no-nonsense fashion it deserves. The Senate Intelligence Committee, for example, is conducting a comprehensive review of the Soviet intelligence threat and United States counterintelligence and security programs. The committee has been responsible for promoting legislation that calls for numerical equivalence between United States and Soviet Embassy personnel—Cohen-Leahy amendment—and imposes travel restrictions on certain U.N. Secretariat employees—Roth amendment.

In addition, I was cosponsor of a proposal by Senators Durenberger and Leahy to add funds to enhance security countermeasures at U.S. Embassies and other facilities abroad. A number of other initiatives affecting security clearances, and an expanded polygraph program for Defense Department personnel working on highly sensitive programs have been enacted by Congress.

The proposal that is made here today by Senator Stevens adds a useful and necessary component to this package of counterespionage legislation. I strongly support its adoption, and I am confident that it will receive the bipartisan endorsement of the Senate that it deserves.

Mr. DOMENICI. Mr. President, the recent revelations of major spy rings operating in this country has given pause to everyone who is concerned about the security of the United States. These spies have made this country more vulnerable to the menace of foreign powers who are opposed to our way of life and the principles for which we stand. They have endangered the safety of every person in this country. While not expressing any personal opinion about the merits of any pending criminal cases, I hope that our judicial system deals severely with any individual who is found to have violated the antiespionage laws of this country.

The question that pops up in every one of these cases is "Why did they betray their country?" Many of the individuals involved are people who appeared to have a distinguished record of service to this Nation or who expressed a deep sense of patriotism to the United States. These people are not inspired by ideology to betray their country. Mr. President, I would suggest to my colleagues that greed, pure and simple, is the motive. These people are driven by their desire for money to commit treason against the United States. To counter this desire, we must take the profit out of espionage.

In order to ensure that spies are prevented from enjoying the benefits of their ill-gotten proceeds of espionage activities, I am joining the distinguished Senator from Alaska [Mr. Stevens] in introducing a bill to force convicted spies to forfeit all proceeds from their espionage activities to the Federal Government. Any of the spy's property that was used to commit espionage also would be forfeited. Similar statutes apply to drug dealers and other racketeers. It seems logical, therefore, that we would subject spies, who represent just as serious a threat to our Nation, to the same penalty.

This bill also would permit a court to order that any money paid to a convicted spy for the rights to his story or speaking engagements be forfeited to the Government. This would prevent a convicted spy from getting rich by selling the book rights or television rights to his story or by charging a fee for interviews. A similar Federal law applies to other Federal felonies involving physical harm to victims. Many States also have laws which prevent persons convicted of violent crimes from profiting from the sale of the rights to their story. Not only will this provision help remove the profit from espionage, it also will take some of the "celebrity" out of spying.

Finally, this bill will assist law enforcement agencies in identifying and locating persons involved in espionage by authorizing the Attorney General of the United States to pay a reward of up to $100,000 to private citizens who provide information which leads to the arrest or conviction of spies or to the thwarting of espionage activities. The Customs Service has a similar provision to combat smugglers, and many States and localities have followed the lead provided by Albuquerque, NM, in establishing crime stoppers programs, which offer rewards for information leading to the apprehension of a wide variety of criminals. The rewards that this program would offer are certainly far less than the cost of espionage activity to the United States.

We must put a stop to espionage activity in this country. The first step in that effort must be to take away the motive for spying. We must ensure that spying doesn't pay. The Senate now has a bill before it that does exactly that. I hope that we can act on this bill quickly, and I encourage all of my colleagues to support this bill.

DAVE BRODY: MAKING MATCHES MEANS ACCESS

Mr. MATHIAS. Mr. President, over the years many Senators have benefited from the advice and counsel of David Brody, the Washington representative of the Anti-Defamation League of B'nai B'rith. I know that many of my colleagues share the respect and affection I feel for this knowledgeable and experienced advocate, not only for American Jewish concerns, but also for civil rights, civil liberties, and the other qualities that characterize the highest values in American life.

An article in the September 14 edition of the National Journal spotlights one of the reasons why Dave Brody has been such an effective legislative representative for more than three decades. Entitled "Making Matches Means Access," the article by Dick Kirschten discusses Dave's role as a facilitator or catalytic force, bringing together people who ought to know one another. Long before network became a verb, Dave Brody was networking, and he continues to do so even today.

Mr. President, in order to share with my colleagues this short essay on one of Washington's remarkable men, I ask unanimous consent that the article "Making Matches Means Access" be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAKING MATCHES MEANS ACCESS

Most Washington lobbyists boast about having connections. David A. Brody takes pride in making them.

The veteran Washington representative of the B'nai B'rith Anti-Defamation League is an inveterate matchmaker who wends his way through the capital's power circles on the lookout for people who ought to know one another.

No sooner do his antennae pick up a nugget of conversational information about somebody's past or present interests than the next words out of his mouth are invariably, "I'd like to put you together with. . . ."

The very next day, if not later the same day, Brody will be on the telephone proposing a luncheon involving himself and the two people he wants to bring together. Invariably, they are people who would have gotten together on their own at some point but, as Brody said in an interview, he finds that it advances his long-term interests if he can be the "facilitator or catalytic force."

"I do it so that the two people will know each other, so they will not be strangers when they need to deal with one another. Both parties usually welcome it," he explained. Those involved may run the gamut from Members of Congress, White House aides and ambassadors to reporters, fund raisers and constituents.

Twenty years at his job has taught Brody that at some point, his gestures of good will are likely to be returned in some form. "It's not so much that people are beholden to me, as it's a matter of providing greater access for me," he said, stressing the golden word of the lobbyist's trade—access.

The autographed pictures on the wall of Brody's office attest to his success in gaining access at the very highest levels. They also attest to his skill at hearing what people say and sensing what makes them tick and what their current concerns are.

"In this town, so many peole talk rather than listen," explained Brody, giving away a major secret of his success. It also helps to be quick-witted enough to put information to immediate use. "If I happen to be in a Member's office and a name comes up, we'll often set up a lunch right then."

Brody is constantly on the lookout for likely connections, two Members of Congress who haven't met each other yet, a reporter who is starting out on a project involving principals he hasn't met, new arrivals at the Israeli Embassy who need to meet the people they will be dealing with in Washington.

"It's just a matter of having almost an intuitive sense about people's needs," Brody said. "I guess it is just a matter of knowing how to relate to people. I will occasionally bring Members of Congress together whose views may be divergent. In bringing them together, they find that they are able to work together on other issues."

Those other issues, with luck, may turn out at some point to be the very ones upon which Brody is lobbying. And, even if their votes do not always go his way, Brody at least gets a chance to have his say. In 1981, when Congress approved the sale of military aircraft to Saudi Arabia, Brody recalled, "a number of good friends of mine voted for the sale, but I still had the opportunity to sit down and talk to the principal—to the man who cast the vote."

That statement is also revealing. In lobbying, as in matchmaking, the permanence of relationships is important. Accordingly, significance attaches to Brody's reference to "good friends" who voted against his position. They still are his good friends, and maybe next time they will be with him.

Besides putting his lunch hour to regular use, Brody and his wife, Bea, entertain at their home, throwing dinner parties that may bring anywhere from a dozen to three dozen Washington notables together to trade information and get to know one another better.

"From time to time, press people are invited to my parties at home as friends," Brody explained. What goes on is not intended for publication, Body noted, but it is recognized "a reporter may pick something up at a party." But, he added, "the story won't be that I had that group of people to dinner."

Brody added that he has never hesitated to bring politicians and journalists together in a social setting. "I don't draw any lines," he said. "When I find it useful to play that catalytic role, I do it." With reference to the politicians, he observed, "I think they welcome the opportunity too, otherwise they wouldn't agree to it."

To the best of his recollection, Brody over the years has never become a matchmaker in the romantic sense. He says that he knows of no marriages that have resulted between people he has brought together and quickly adds in a businesslike tone that "if it has happened, that would not be the purpose that the meeting started out with."

There is more than a bit of a Horatio Alger aspect to Brody's career. The man who now wines, dines and facilitates friendships among the high and mighty started out in life as the son of an immigrant garment worker who entered this country through Ellis Island. He grew up in Brooklyn, attended public schools and ended up studying law at Columbia University on a scholarship. He came to Washington in 1940 to work as a lawyer for the government and has been with the Anti-Defamation League since 1949.

Brody said he has developed his skills as a lobbyist-social connecter as he has gone along. "I like to say that the things I do, I never learned in law school." Nonetheless, the 69-year-old lobbyist makes it clear that he enjoys what he does. "I have no plans to retire," he said.

The matchmaker is obviously well matched to his calling.—Dick Kirschten

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, it is my hope that we can move ahead with the immigration bill. As I understand, the distinguished Senator from Illinois has an amendment that deals with immigration. He is on his way to the floor. I hope we can dispose of that.

Hopefully, the distinguished Senator from Pennsylvania [Mr. HEINZ], will agree to postpone consideration of his amendment until some future time. It would not in any way jeopardize his right to pursue it on the debt ceiling bill or anywhere else. We could finish action on the immigration bill in the early afternoon and then turn back to the Superfund legislation. Perhaps we can do the D.C. appropriations bill this evening. Keep in mind that we will recess early in the evening, probably around 6 o'clock.

As I understand, that is the only other immigration amendment outstanding. We will be in contact with Senator HEINZ to see if he will postpone consideration of his Social Security amendment, which does not belong on the immigration bill in the first instance. If he will do that, I think those on the other side might be willing to postpone their amendments until some future time.

Mr. SIMPSON. Mr. President, I thank the leader. He has accommodated me in every instance, as well as the Democratic leader, with regard to immigration reform. Anyone who follows the legislative process knows that after a 4½-day debate of a bill, especially with some amendments which have been well fought and well thought and controversial, that if we

leave a bill like that without any time limits or without any further attempts at adept and adroit dabbling, we will pay a dear price for it. It is tenuous enough as it is.

I have suggested to Senator HEINZ that he place his amendment on a separate piece of legislation with a certainty that it will be offered on that piece of legislation and not on the Immigration Reform and Control Act. As a reasonable person, I hope he will consider that.

I see there is one more amendment, as I gather, and then some technical amendments with another colloquy. That would be about the extent of the Immigration Reform and Control Act and, in one way or another, we can get to some type of vote on final passage.

There is no question but what the stumbling block is the Heinz amendment. We ought to put it where it ought to be and not somewhere else.

The PRESIDING OFFICER. Does the Senator wish to have the bill brought before the Senate and have the clerk report at this time?

Mr. SIMPSON. Mr. President, I think for purposes of meeting the order of yesterday, we should put the bill before the body.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

The PRESIDING OFFICER. The Senate will now resume consideration of the unfinished business, S. 1200, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1200) to amend the Immigration and Nationality Act to effectively control the unauthorized immigration to the United States, and for other purposes.

The Senate resumed consideration of the bill.

Pending: Heinz Amendment No. 623 (to Hawkins Amendment No. 622), of a perfecting nature, to express the sense of the Senate regarding the separation of Social Security Trust Funds from the Unified Federal Budget.

Mr. KENNEDY. Mr. President, I have just listened to the majority leader, who has now left the Chamber, and also my friend, the floor manager of the bill.

I know that the Senator from Illinois [Mr. SIMON], was prepared to offer this amendment earlier in the day. When we came back, we were supposed to address the immigration bill at 11 o'clock. There had to be some understanding to set aside the pending amendment, some understanding with the principle sponsor of that amendment, the Senator from Pennsylvania.

At this point, I want to indicate, however, both to the majority leader and the floor manager, that I would not be prepared to entertain any consent agreement that the amendment of the Senator from Illinois is going to be the final amendment on the immigration bill. We did see a very dramatic alteration and change in this legislation late yesterday afternoon.

I spelled out during the debate on the amendment of the Senator from California my concerns about the amendment and what it would do to the thrust of this legislative proposal.

I want to make the record very clear that this may very well not be the end of the discussion concerning the amendment of the Senator from California. I did not, by my silence, want to indicate my accord with the observation of the majority leader or the floor manager.

I am quite prepared to see the beginning of debate on the Simon amendment. I have been here now for about 1½ hours waiting to go ahead. I just want to have it understood by the Membership that the Senator from Illinois was prepared much earlier to address this issue. It is not delay on his part that we are addressing it well after the hour we were supposed to be debating the immigration bill.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. STAFFORD). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that notwithstanding the Pastore rule, I be permitted to speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. TRADE POLICY

Mr. BYRD. Mr. President, last night, I listened to the President's remarks about the trade crisis. Of course, the President did not describe it as a crisis. It is easy to understand that no President wants to describe the whole of international economic policy under his administration as being in a state of crisis. What did concern me was his description of the current situation. He said that there was "a false impression that a trade imbalance means we are a debtor nation."

He went on to echo comments made in an interview yesterday by Labor Secretary Brock. The Secretary and the President both seemed to praise the fact that for the first time since 1918, we are now a debtor nation. They said this was a healthy sign of foreign confidence in the American economy.

The President began to describe the statistical "errors" that lead some people to fret about the trade deficit, but he quickly concluded that there were "a lot of technical things" that we need not go into that obscured the picture. In fact, he pointed out that the United States had been running a trade deficit from 1790 to 1875 and that positive trade balances and American surpluses were something of a recent fluke.

Well, these are alarming assertions. I have great respect for the President and I believe that he is unquestionably sincere, but I must say that I was shocked at the extent to which his remarks on trade betray a failure to appreciate the fundamental challenge that we face in the international market. I am concerned that the President does not appear to appreciate some of the guiding precepts that determine that market.

The trade deficit and the balance of payments are necessarily related. Why are foreigners investing in the United States at record rates to the extent that they now own more assets in this country than we own abroad? Very simply, they are attracted by high interest rates caused in part by the Federal deficit and they have plenty of dollars to spend in buying American obligations precisely because of that trade deficit.

The President is fond of reminiscing, and I would encourage him to remember back just 10 years ago, when the price of oil was putting billions of American dollars into the hands of foreign oil barons. What did they do with that money? The best place for them to spend dollars was where they got them, so they bought American debt and invested their money here. Now everyone else has benefited from our $123 billion trade deficit and many foreigners hold dollars, so they come back to this country with dollars that they earned by selling us their goods, and they loan us our own dollars to pay the debts we have incurred.

Mr. President, let us see if we can clarify this situation, as to why this is different from the early years of our republic. In the period the President mentioned, before the industrial revolution, we were like any developing nation—we were spending more than we earned to grow. We borrowed and bought foreign goods and services because we were growing—because we were building the great industrial nation we have today. But the trade deficit now is structurally different. Today, we buy foreign goods because American products are made too costly by an overvalued dollar, and we borrow foreign captial—not to build new factories and create new jobs—but to pay off the record deficits that have accumulated under this administration.

In fact, President Reagan, the trade numbers and the balance of payments do give an accurate picture. For the past 5 years President Reagan has not made a major address on trade policy. Some of us have been concerned that the administration did not have a trade policy. But last night I learned that the truth is even worse—this administration and this President do not even believe there is a problem.

The President used the term "protectionism" any number of times last night. But there was another phrase he totally omitted. That was the phrase, "national security." Despite repeated questions about trade policy, he never once associated international economic security with national security. He said absolutely nothing that would indicate that he sees a necessary connection between our strength in the international market and our strength and security as a nation. He did say that he would avoid a "mindless stampede toward protectionism." And he did say he supported a new round of trade talks.

Is that all there is? Is that all the administration's policy amounts to? What does that mean for America's basic industry? At a time when the trade deficit could exceed $150 billion this year, is this the administration's program for assuring a world-class American economy?

Last year I warned that this administration's policies were doing what two world wars and a depression could not do—they were making America into a debtor nation. Now we have achieved that dubious status—the administration's own economists tell us that we are in hock to the rest of the world. We are exporting jobs at the rate of 25,000 for every $1 billion of the trade deficit. The President feels that these problems are completely unrelated, and he says nothing about how these developments threaten our economic security.

Last week, when rumors flew about the administration's belated efforts to develop a trade policy, I was glad, and I am sure we all were, to welcome the President to this vital issue. He has been absent from the trade policy debate for 5 years, and I was hopeful that we could begin to work together in a bipartisan way—traditional in the formation of trade and international policy in this country—to do what was best.

But last night's statement leave me no doubt that the administration has not yet come to the trade debate. They do not seem even to understand the terms of that debate, and they do not seem to understand that we neither have free trade nor fair trade. We keep hearing all of this business about "protectionist" legislation, and "protectionism." Well, Mr. President, if being protectionist means that we are trying to protect American jobs, American workers, and American industries, to keep those jobs from being exported abroad and also to keep this Nation secure from the standpoint of its military security, then "protectionism" is not too bad a word.

I am concerned about American jobs, I am concerned about the national security of this country, and I am concerned about the economic security. But if fighting to protect American jobs from unfair trade practices that are already and have long been in vogue in some of our other trading countries is "protectionism," then, good, call me a protectionist. That is fine. That is not a bad word in my lexicon. So, some may say that I am a protectionist. I am interested in free trade, I am interested in fair trade and we are not getting either—neither free trade nor fair trade.

And as to the shiboleth that, if we do this or we do that to protect certain American industries from extinction we will initiate a trade war and there will be retaliation, leaves me cold, just dead cold. We are already in a trade war. We have been in such a war for a long time. We are told that if we act to protect American workers in our heavy industries there will be retaliation and a trade war. Well, if we are going to listen to that argument and believe it, then we are blind to the fact that our trading partners have already been bleeding us to death.

That is exactly what is wrong now in part. Certain other countries are engaging in trade practices that are unfair, and that is a major reason why we are going to have a $150-billion trade deficit this year, and why we had a $123-billion trade deficit last year. The war has been going on. Cannon have already been firing to the right and to the left of us and we have been riding into the valley, not with "the 600" but with losses of millions of jobs of American workers.

I think we have to consider defending ourselves, defending our own workers, defending our own industries. Look at what has happened to the steel industry, the ferroalloy industry, the glass industry, the leather goods industry. Oh, I know we are selling more hamburgers than ever before, and we are gaining in service jobs. That is fine and I hope we can continue to gain in the service sector. I want us to continue to export goods, but we cannot build battleships and aircraft carriers and M-1 tanks and missiles and armored vehicles with hamburgers. We have to have steel. We must not let ourselves become dependent on other countries for the steel that this country might need in an emergency of general mobilization.

So I do not cast aspersions upon the service industries. We want all U.S. industries to grow, but this country under this administration has put at the fore of its interests and concerns that which we call national security, national defense. And there are several first lines of national defense. One is the education of our young people. Another is "protection"—I will use that bad word. I will not attempt to clean up the record to remove it, however—protection of our basic heavy industries if we are going to continue to be a superpower. We are just kidding ourselves; we are not having fair trade, and we are not having free trade. Perhaps it is a one-way street. Perhaps some of the other countries are enjoying free trade but they are also engaging in unfair trade practices toward the United States.

Apparently nobody can get the ear of this administration on this matter. I have said these things to the President when sitting right across the table from him at the same time the distinguished Senator from South Carolina raised the question of textile imports and what is happening to our textile industry.

I brought up the subject of ferroalloys, for example. Nobody at the White House seems to know what I am talking about. The Secretary of the Treasury does know; he listened very carefully to my concerns one day in my office. I know that my message got through to him and he has also expressed concern.

I close by saying again I was very disappointed in what the President said last night. I want fair trade. I want free trade. I want all of these things, but we are not getting them. If we do not hear the cannon shots that are whistling over our heads and landing in the Waterloo field of bankruptcy and destruction of our basic industries in this country, then we are very hard of hearing. We all should get hearing aids. That might help just a little bit—especially if the administration will also do so.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Hatch). Without objection, it is so ordered.

ORDER OF PROCEDURE

SUPERFUND IMPROVEMENT ACT OF 1985

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. 51, Superfund, for a period not to extend beyond the hour of 2:30 today.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

Mr. STAFFORD. I further ask unanimous consent that at the hour of 2:30, the Senate resume consideration of S. 1200, the immigration bill, that there be 1 hour of debate on the Simon amendment sunsetting the Wilson agricultural provisions, that it be equally divided, and that no amendments be in order to the Simon amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Finally, Mr. President, I ask unanimous consent that following the conclusion or yielding back of time on the Simon amendment the Senate proceed to a vote in relation to the Simon amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DENTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Symms). Without objection, it is so ordered.

SUPERFUND IMPROVEMENT ACT OF 1985

The Senate resumed consideration of the bill, S. 51.

Pending: Amendment No. 633 by Mr. Stafford and Mr. Bentsen to provide an alternative way through which companies may obtain pollution liability insurance.

Mr. STAFFORD. Mr. President, it is the recollection of the Senator from Vermont that the last item of business in front of the Senate in connection with the so-called Superfund legislation yesterday was an amendment to the pending bill which had been offered by the Senator from Vermont for himself and the Senator from Texas [Mr. Bentsen], the ranking member of the committee.

The PRESIDING OFFICER (Mr. Cohen). The Senator is correct.

Mr. STAFFORD. My recollection is that that amendment had been stated and is the pending business.

The PRESIDING OFFICER. The Senator is correct.

Mr. STAFFORD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STAFFORD. It is the understanding of the Senator from Vermont that by unanimous consent he could, for Mr. Kasten and others, offer a second-degree amendment to the pending amendment. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO 635

(Purpose: To clarify that the activities of pollution liability risk retention groups are limited to coverage of pollution liability risks)

Mr. STAFFORD. In that event, Mr. President, I send an amendment to the desk that I am offering for Mr. Kasten, Mr. Danforth, and Mr. Hollings as a second-degree amendment to the pending amendment. I ask unanimous consent that it be stated and that it be considered at this time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Vermont [Mr. Stafford] for Mr. Kasten, Mr. Danforth, and Mr. Hollings, proposes an amendment numbered 635 to amendment numbered 633.

Further amend by inserting "(c)" at the end of Section 402 and adding a new subsection as follows:

"(c) The authority to offer or to provide insurance under this title shall be limited to coverage of pollution liability risks and this title does not authorize a risk retention group or purchasing group to provide coverage of any other line of insurance."

Mr. STAFFORD. Mr. President, the amendment that has been offered by me for the Senator from Wisconsin [Mr. Kasten] and others involves insurance matters traditionally within the jurisdiction of the Senate Commerce Committee. That is the reason why, in this instance, I have offered that amendment on behalf of Senator Kasten and his colleagues.

● Mr. KASTEN. Mr. President, the amendment offered by the distinquished Senator from Vermont [Mr. Stafford] and cosponsored by the distinguished Senator from Texas [Mr. Bentsen] authorizes the establishment of pollution liability risk retention groups. This amendment involves insurance matters traditionally within the jurisdiction of the Senate Commerce Committee. It utilizes the principles of the Product Liability Risk Retention Act, which I introduced with Senator Packwood, and which was enacted into law in 1981, after being reported by the Commerce Committee.

As a consequence, I have reviewed this amendment, along with other members of the Commerce Committee, and I rise today to support this proposal, as well as to express the support of my colleagues, Senator Danforth, the chairman of the Commerce Committee, and Senator Hollings, the ranking minority member of the committee. While recognizing this as a matter of Commerce Committee jurisdiction, we think this amendment makes sense. We recognize that pollution liability insurance is becoming increasingly difficult to obtain, and we think that utilization of the principles of the Product Liability Risk Retention Act is a sound approach to this problem.

However, during our review of this proposal, the concern was expressed to us that the authority granted under the amendment could be abused and that groups might attempt to offer automobile, life, or other lines of insurance not related to insuring pollution liability risks. Although we are sure that the sponsors of this amendment did not intend any such loophole, and we do not think the language of amendment No. 225 would permit offering other lines of insurance Senator Danforth, Senator Hollings, and I would like to propose a perfecting amendment to avoid any ambiguity regarding the scope of the authority granted under this amendment.

This clarifying amendment simply provides:

> The authority to offer or to provide insurance under this title shall be limited to coverage of pollution liability risks and this title does not authorize a risk retention group or a purchasing group to provide coverage of any other line of insurance.

The purpose of this amendment is only to reenforce the intent of this proposal: that the activities of a pollution liability risk retention group are to be limited to coverage of pollution liability risks. This amendment will assure that this authority is not used to avoid State regulation of the sale of automobile, life, accident and health, or other lines of insurance to group members or to the public.●

Mr. STAFFORD. Mr. President, I am pleased to accept the clarifying amendment offered by the Senator from Wisconsin.

He is correct in stating that our intent regarding this amendment was to limit its authority to the coverage of pollution liability risks. I think the text and structure of the amendment already limits the authority of a pollution liability risk retention group to coverage of only pollution liability risks, but I am pleased to accept this clarifying amendment so that its scope is unambiguous. It is clearly not intended to authorize anyone to offer automobile, life, or health insurance to the public; it is limited solely to the coverage of pollution liability risks. The clarifying language will make its scope crystal clear.

Mr. President, for the majority, I am prepared to accept the Kasten amendment which I have offered to the amendment which Senator Bentsen and I have proposed to the Senate.

Mr. BENTSEN. Mr. President, for the minority, I think the Senator's amendment is a good one. What it does in effect is help protect the jurisdiction of the Commerce Committee and limit the liability here to pollution liability risks. We have no objection to the amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

Mr. SYMMS. Mr. President, will the Senator yield for a question?

Mr. STAFFORD. Yes.

Mr. SYMMS. Does this amendment speak anything to the problem of what happens after the fact? In other words, let us say that somebody goes and takes over and cleans up a site. Then it passes specifications.

Mr. STAFFORD. Maybe I could explain briefly what the amendment does.

Mr. SYMMS. That would be great.

Mr. STAFFORD. What the amendment proposes to do, because it is getting to be so difficult for those who are engaged in the business of cleaning up dump sites to get insurance, is allow those who are engaged in dump site cleanup as contractors to coinsure themselves if they want to and if there are enough of them to band together to do that. It does not allow them to get into the business of insurance in any way or to go beyond their own operations. What it is designed to do is give them some protection against lawsuits against themselves by banding together in a group to coinsure each other.

Mr. SYMMS. It does not have any liability limitation?

Mr. STAFFORD. No, Mr. President.

Mr. SYMMS. That will be addressed in another amendment.

Mr. STAFFORD. That is true.

Mr. BENTSEN. Mr. President, all it does is allow banding together to insure in a business that cannot buy insurance.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 635) was agreed to.

Mr. STAFFORD. I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I know of no further desire on the part of Members to debate the main amendment (No. 633).

I am prepared to have the Chair put the main amendment before the Senate.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 633) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 636

(Purpose: To require a study of and report on the sources and extent of lead poisoning in children from environmental sources)

Mr. WEICKER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is S. 51.

Mr. WEICKER. Mr. President, I send an amendment to the desk and ask that it be immediately considered.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Connecticut [Mr. WEICKER] proposes an amendment numbered 636.

Mr. WEICKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

S. 51 is amended by adding on page 84, before line 15, a new subsection as follows:

"(f) The Administrator of the Agency for Toxic Substances and Disease Registry shall, in consultation with the Administrator of the Environmental Protection Agency and other officials as appropriate, not later than March 1, 1986, submit to the Committee on Environment and Public Works of the U.S. Senate and the Committee on Energy and Commerce of the U.S. House of Representatives, a report on the nature and extent of lead poisoning in children from environmental sources. Such report shall include, at a minimum, the following information:

(1) An estimate of the total number of children, arrayed according to Standard Metropolitan Statistical Area or other appropriate geographic unit, exposed to environmental sources of lead at concentrations sufficient to cause adverse health effects;

(2) An estimate of the total number of children exposed to environmental sources of lead arrayed according to source or source types;

(3) A statement of the long term consequences for public health of unabated exposures to environmental sources of lead and including but not limited to, diminution in intelligence, increases in morbidity and mortality; and

(4) Methods and alternatives available for reducing exposures of children to environmental sources of lead.

Such report shall also score and evaluate specific sites at which children are known to be exposed to environmental sources of lead due to releases, utilizing the Hazard Ranking System of the National Priorities List.

The costs of preparing and submitting the report required by this section shall be borne by the Hazardous Substances Response Fund."

Mr. WEICKER. Mr. President, I rise today to offer this amendment to S. 51, the reauthorization of the Environmental Protection Agency's Superfund Program.

Lead poisoning of children has been recognized as a threat to the Nation's health for decades. Yet exposure to lead is still the most prevalent and preventable of childhood health problems. A survey conducted between 1976 and 1980 found that 675,000 children between the ages of 6 months and 5 years have concentrations of lead in their bodies in excess of toxic levels defined by the Centers for Diseases Control.

Scenes of comatose and physically impaired children poisoned by lead after eating paint chipped from the walls of inner-city housing has been replaced by a more insidious poisoning—that from long-term exposure to low levels of lead. This exposure exhibits no immediate symptoms but results in eventual mental impairment, loss of physical ability and the development of behavioral and emotional problems that endure for life.

Exposure to lead from gasoline and paint is being addressed. But residual exposure to environmental sources of lead continues and the health effects are considered devastating. Health authorities across the Nation have repeatedly seen the same children poisoned by lead from contaminated soil around the children's homes.

A single source of lead-contaminated soil in a playground or around a row house has been known to poison not only the same child repeatedly, but also successive generations of children who play or live within the contaminated area.

My staff has investigated and found dangerously high levels of lead in the soil throughout the city of Hartford, CT. A day care center's playground in Hartford was identified this summer with lead contaminated soil as a result of chipped paint accumulating in the soil. The city of Boston, MA, finds 300 to 400 lead poisoned children each year in the city. Up to 200 of these children were so badly poisoned they were hospitalized.

In one case, during the last 8 years, 14 children, residing as part of an extended family in a large house, have been poisoned by lead. The children, ranging in age from 1 to 3 years, have been hospitalized more than 2 weeks at a time for treatment of lead poisoning. Today, the family lives in a lead-free home but is surrounded by a yard polluted with lead. Thus, the health and the lives of the children remain threatened and hospital bills continues to mount.

Mr. President, the welfare of the Nation's children is a concern we all share. The continuing problem of childhood environmental lead poisoning should be an active component of the Nation's effort to clean the environment and insure the health of future generations of Americans. It is with these concerns that I ask the EPA to focus on this problem, beginning with a comprehensive report on the scope of the lead problem.

This amendment directs EPA and the Agency for Toxic Substances and Disease Registry to report to Congress the following information by March 1, 1986:

First, the number of children exposed to environmental sources of lead in high enough concentrations to cause adverse health effects;

Second, an estimate of the number of children exposed to lead according to the source of lead;

Third, a statement of the long-term consequences for public health of unabated exposures to environmental sources of lead which includes mental and physical impairments and death; and

Fourth, methods and alternatives for reducing the exposure of lead to children.

This report will be funded from within the existing hazardous substances response fund since its subject is so clearly under the authority of the EPA.

Mr. President, I want to thank my colleague from Vermont, Senator STAFFORD, my colleague from Texas, Senator BENTSEN, and the members of the Environment and Public Works Committee for their recognition of the continuing need to eliminate threats to the Nation's health from environmental pollution. I urge my colleagues to support this amendment.

Mr. STAFFORD. Mr. President, I support this amendment and find it an important step in continuing to reduce the threat to the children of this Nation from lead poisoning. Such a report from EPA I believe will aid in controlling an important environmental hazard to this Nation's health. I urge its adoption and, for the majority, I am prepared to accept it.

Mr. BENTSEN. Mr. President, the Senator from Connecticut has a longstanding record in the health, education, and welfare of children. This is just one more example of that concern. I think it is helpful. I think the study is necessary so that we better understand the dimensions of the problem and what we can do to prevent it. I am delighted to support it.

Mr. WEICKER. Mr. President, I thank my colleagues.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from Connecticut.

The amendment (No. 636) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 637

(Purpose: To terminate taxes allocated to the Superfund at such time as $5,700,000,000 has been credited to the Superfund and to limit the amount which may be expended from the Superfund during any fiscal year)

Mr. SYMMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Idaho [Mr. SYMMS] proposes an amendment numbered 637.

Mr. SYMMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 124, line 16, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 125, line 20, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 126, line 10, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 126, line 13, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 126, line 18, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 135, line 21, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 155, between lines 14 and 15, insert the following:

"(3) LIMITATION ON AMOUNTS EXPENDED DURING ANY FISCAL YEAR.—The amounts expended from the Superfund shall not exceed—

"(A) $600,000,000 during fiscal year 1986,

"(B) $900,000,000 during fiscal year 1987,

"(C) $1,200,000,000 during fiscal year 1988,

"(D) $1,500,000,000 during fiscal year 1989, and

"(E) $1,500,000,000 during fiscal year 1990.

Mr. SYMMS. Mr. President, this amendment is very simple. I have some comments I should like to make about the bill in general. However, first I would like to explain what the amendment does. It is an amendment I offered earlier in the Senate Finance Committee. It simply reduces the amount of money that will be spent in this legislation. I call it the 6–9–12–15 amendment. What is being proposed in the legislation before the Senate is that the EPA go from a $300 million program, which we now have in effect, instantaneously to a $1.5 billion program. I think the problem we face is very simple. If we in fact go to a $1.5 billion program, we should know whether or not we are going to spend the money effectively.

Mr. President, I support the idea and the effort of cleaning up hazardous waste sites, but I do not support going from a $300 million program to a $1.5 billion program in the first year. We have not yet established that we have answered some of the questions within this legislation.

Mr. President, without losing my right to the floor, I ask to withdraw the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, it was just brought to my attention by the distinguished chairman of the Committee on Environment and Public Works, the Senator from Vermont, that we are not going to discuss the Finance Committee's side of this, or amendments on that point, today, and we will discuss that later. But I should like to make some comments in general about the bill, if it suits the chairman.

Mr. STAFFORD. Mr. President, will the Senator yield?

Mr. SYMMS. I yield.

Mr. STAFFORD. First, I appreciate the Senator's understanding of the position in which I have found myself and his withdrawing the amendment for the time being. Certainly, this would be an appropriate time for general comments on the bill.

Mr. SYMMS. I thank the Senator very much. My apologies. I did not understand that we are under that agreement.

As to my amendment, I am happy to have my colleagues aware of it. I am just taking a very basic approach to say, with the amendment I have withdrawn, that if the Federal Government and the Congress of the United States deem that it is important to spend taxpayers' money to clean up toxic waste dumps—most of us support that general concept—that if we spent $300 million in fiscal year 1985, and if $600 million is enough to spend in 1986, and if $900 million is enough to spend in 1987, and if $1.2 billion is enough to spend in 1988, and if $1.5 billion is enough to spend in 1989, I think we will get more done in terms of cleanup if we ease our way into it rather than going in whole hog. This is the kind of thing that causes us a great deal of problems with the total Federal budget.

First of all, Mr. President, I think S. 51 makes too much money available, especially under the present circumstances. This is a time we need to reduce and hold the line on spending, and it does not make sense to have more money available than can be used prudently. By their own estimates, EPA cannot use effectively more than $1 billion per year. If that is what they think they can use effectively, they should not have more than that.

I propose a more modest funding schedule that would eventually end up where the committee has tried to get Congress. I am going to propose that we work our way up to $1.5 billion, and I hope that by that time we will have some of the bugs worked out on this so that it will not be such a terrible boondoggle and waste of money to the taxpayers of this country.

To date, the record indicates that Superfund has not been managed too well. It has cost $1.6 billion to clean up six sites—$1.6 billion to clean up six sites.

By attempting to bury our waste disposal problems under a blizzard of deficit dollars, we are guaranteeing waste, inefficiency, and probably corruption. Superfund is a classic pork barrel opportunity, and overfunding improves that opportunity.

I do not think we yet know the scope of the Superfund problem. EPA estimates that there are 22,000 sites, and GAO estimates 300,000 sites. I have not worked that out; but at the rate we have gone so far in cleaning up the first six sites for $1.6 billion, that sounds like a tremendous amount of money and a tremendous undertaking.

We do not have a satisfactory funding mechanism in place as yet. The current feedstock tax would probably eventually drive a significant share of our manufacturing capacity, and the jobs it provides, offshore. That is why the distinguished Senator from Texas and the distinguished Senator from Wyoming came up with the plan that is within this bill and which has raised a great deal of controversy. It has opposition from the administration. It has substantial opposition from other Members of the Senate, because people do not want to start a new kind of tax. All I am saying is that we do not have a satisfactory method in place as yet for funding.

The proposed new financing schemes leave something to be desired. They provide the opportunity for off-budget taxes which, if the experience of other countries is any indication, will become wealth-consuming monsters.

It is no secret that many people with a great deal of respect and credibility believe that the value added tax has been the driving force that has enabled Europeans to go Socialist, because of the power of the value added tax and its hidden nature.

The other problem I see in this legislation is that strict joint and several liability is not working.

Transaction costs exceed actual costs of cleanup work. For example, in the Conservation Chemical case, pretrial attorneys' fees have been estimated at $5 to $11 million and actual cleanup costs at $6 million.

I do not know whether that bothers my colleagues, but I assume that it does bother them. I know that it would bother the people in America if they focused on this Superfund question, to find out that 50 percent of the money to clean up hazardous waste sites is being spent to pay attorneys to litigate.

I am bothered by the fact that our Government collects for the cost of hazardous waste site cleanup solely on the basis of availability, without regard to actual contribution to the problem. Whatever happened to the idea of fairness?

In my own State of Idaho, the specter of liability for environmental problems caused long ago is hampering negotiations to reopen at least one mine that would produce an important strategic mineral. Reopening this mine would give us an assured domestic supply and put people to work in my State. The people who want to purchase the property will not do so unless they can be guaranteed that they are only responsible and liable for any future damage they might do to the environment. They do not want to take on the liability of what has happened in the past. I think that is an issue we will have to address before this legislation should pass the Senate.

I have been urged to offer an amendment to Superfund that would free a new purchaser from liability for hazardous wastes created by a predecessor. This, it seems to me, is a simple, straightforward, fair amendment. However, I have been told by colleagues around here who are more experienced than I am that there is no way that kind of amendment can be adopted. If we cannot adopt that, how do we think we are ever going to get to the bottom of this problem?

The insurance industry testified before the Committee on Environment and Public Works that they foresee liability from Superfund cleanup greater than the industry's assets. If the liabilities are greater than the industry's assets, I think those of us here have to limit that liability in some way. A compromise has to be worked out so that if people use prudent judgment—and the prudent man rule would apply—we could work out some agreement, so that a company could take the risk and engage in the effort to clean up toxic waste sites.

If people cannot insure it, how are the contractors going to be able to do the job? No responsible contractor will attempt a Superfund cleanup job without adequate insurance. They cannot take that kind of risk.

It seems to me that Superfund cleanup is going to be stalled until the insurance issued is resolved. So until we resolve the insurance issue, why should we try to raise and spend $1.5 billion a year, if it is going to be tied up in litigation and attorneys' fees?

I do not think the duty of the U.S. Senate or the U.S. Congress in general is to provide some kind of giant fund to pay attorneys to sue each other, to provide the Lawyers' Relief Act.

The provision for victims' compensation is another open-ended invitation to litigation. While the present law provides wonderful opportunities for litigation and waste, it really does not provide much incentive for effective cleanup of our hazardous waste sites.

This thing is a lawyer's dream as it is now, with the $300 million. Give them $1.5 billion and do not answer the liability question, and I think it is an open invitation. In fact, I say to my colleagues that the attorneys were salivating in the Public Works Committee at the thought that we might pass this. The room was jammed with people thinking about the new accounts they would have and how much money they would be able to make with litigation from this $1.5 billion fund. We would be paying half of that to lawyers to sue each other.

I am afraid that in the present form Superfund should not be called Superfund. We probably should call it the lawyers slush fund. We need to clean up our environment, and I agree with that, including hazardous waste sites. First we need to clean up the Superfund legislation and get this in the situation where we can actually take the taxpayers' money, take the money, whether we settle on the current proposal of the small, very, very broad-based tax, whether we settle on that, or whether we make some amendment that is satisfactory with the administration or satisfactory with the other Members of the body.

I do not have the answer to that right now, but I am saying that before this is over we have to solve some of those questions or those people who believe that somehow we are going to get much done with respect to the cleaning up of toxic waste dumps are going to be sadly disappointed because there are too many roadblocks here, and this provides the mechanism for an awful lot of lawsuits and for tremendous litigation expenses to the public and very little will be done toward actually cleaning up the waste sites that some of my colleagues are so concerned about and there is so much interest in taking care of.

Mr. President, I yield the floor.

Mr. **STAFFORD**. Mr. President, it is the understanding of the Senator from Vermont that we will have until 2:30 p.m. to proceed on amendments affecting S. 51, the Superfund bill.

I believe that the able Senator from New Jersey [Mr. LAUTENBERG] has an amendment, and we would like to dispose of that if we can by 2:30 p.m. and if time allows also an amendment by Mr. BAUCUS of Montana.

AMENDMENT NO. 638

(Purpose: To improve Community Emergency Preparedness and Response)

Mr. **LAUTENBERG**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER** (Mr. MATTINGLY). The amendment will be stated.

The bill clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] for himself, Mr. HUMPHREY, Mr. HEINZ, Mr. MOYNIHAN, and Mr. BRADLEY, proposes an amendment numbered 638.

Mr. **LAUTENBERG**. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

On page 87, after line 16, insert the following and renumber succeeding sections accordingly:

SEC. . Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(d) EMERGENCY PLANNING.—(1)(A) The President shall publish a list of extremely hazardous substances, taking into account the toxicity, reactivity, volatility, flammability, and usage of such substances. For the purposes of the preceding sentence, the term "toxicity" shall include any acute or chronic health effect which may result from an acute exposure to the substance. The President shall review, and modify as necessary, such list not less often than every two years. Such list shall identify each extremely hazardous substance and shall establish a quantity of each such substance which, if released at a facility, would likely pose an imminent and substantial endangerment to the public health or to the environment. Facilities that have present such a quantity of such a substance shall notify the Governor in accordance with paragraph (2)(A).

"(B) Within 30 days after enactment of the Superfund Improvement Act of 1985, the President shall publish an initial list of substances and quantities as described in subparagraph (A), which shall be the same as substances and quantities listed by the Council of the European Communities in its "Council Directive of June 24, 1982, on the Major Accident Hazards of Certain Industrial Activities, Annex III", published in the Official Journal of the European Communities, August 5, 1982.

"(2)(A) Not later than 90 days after the date of enactment of the Superfund Improvement Act of 1985, or not later than 60 days after any revision of the list, each owner or operator of a facility (other than motor vehicles, rolling stock, or aircraft) that has present a quantity of a substance that requires notification under paragraph (1) shall notify the Governor of the State in which such facility is located that such facility is subject to the requirements of this subsection. The Governor may designate additional facilities that shall be subject to the provisions of this subsection.

"(B) Not later than 180 days after the date of enactment of the Superfund Improvement Act of 1985, the Governor of each State shall designate emergency planning districts in order to facilitate preparation and implementation of emergency plans. Where appropriate, the Governor may designate existing political subdivisions or multijurisdictional planning organizations as such districts. In emergency planning areas that involve more than one State, the Governors of each potentially affected State may designate emergency planning districts and emergency planning committees by agreement. Im making such designation, the Governor shall indicate which facilities designated under subparagraph (A) are within such emergency planning district.

"(C) Not later than 210 days after such date of enactment, the Governor shall appoint members of an emergency planning committee for each emergency planning district. Each Committee shall include representatives of the public, appropriate State and local organizations, and owners and operators of facilities designated under subparagraph (A). In making such appointments, the Governor shall consider persons who would be expected to play a major role in the event of a release of an extremely hazardous substance, such as elected officials, law enforcement and firefighting personnel, public health, medical, hospital, and environmental protection personnel, civil defense personnel, transportation officials, and representitives of broadcast and print media. Interested persons may petition the Governor to modify the membership of such committee. Such committee shall appoint a chairperson and shall establish rules by which the committee shall function. Such rules shall include provisions for public notification of committee activities, public meetings to discuss the emergency plan, public comments, response to such comments by the committee, and distribution of the emergency plan.

"(D) Each emergency planning committee shall complete preparation of emergency plans in accordance with the subsection not later than two years after such date of enactment. The committee shall review such plan at least annually, or as changed circumstances in the community or at any facility may require.

"(E) Each emergency planning committee shall evaluate the need for resources necessary to develop, implement, and exercise the emergency plan, and shall make recommendations with respect to additional resources that may be required, and the means for providing such additional resources.

"(F) Each emergency plan shall include (but is not limited to)—

"(i) identification of facilities designated pursuant to subparagraph (A) that are within the emergency planning district, and identification of routes likely to be used for the transportation of substances listed pursuant to subparagraph (A);

"(ii) methods and procedures to be followed by facility owners and operators and local emergency and medical personnel to respond to any release of such substances;

"(iii) designation of a community emergency coordinator and a facility emergency coordinator, who shall make determinations necessary to implement the plan;

"(iv) procedures providing reliable, effective, and timely notification by the facility emergency coordinator and the community emergency coordinator to persons designated in the emegency plan, and to the public, that a release has occurred (consistent with the emergency notification requirements under section 103 (j),;

"(v) methods for determining the occurrence of a release, and the area or population likely to be affected by such release;

"(vi) evacuation plans, including provisions for a precautionary evacuation and alternative traffic routes;

"(vii) training programs, including schedules for training of local emergency response and medical personnel; and

"(viii) methods and schedules for exercising such plan.

"(G) The owner or operator of each facility designated pursuant to subparagraph (A) shall—

"(i) within 210 days after such date of enactment, notify the emergency planning committee for the emergency planning district in which such facility is located that a facility representative will participate in the emergency planning process;

"(ii) promptly inform the emergency planning committee of any relevant changes occurring at such facility as such changes occur or are expected to occur; and

"(iii) upon request from the emergency planning committee, promptly provide information to such committee necessary for developing and implementing the emergency plan.

"(H) The National Response Team shall publish guidance documents for preparation and implementation of emergency plans. Such documents shall be published not later than 150 days after such date of enactment.

"(I) The Regional Response Teams shall review and comment upon such emergency plans or other issues related to preparation, implementation, or exercise of such plan upon request of the emergency planning committee. Such review shall not delay implementation of such plans.

"(3) The President may order a facility owner or operator to comply with paragraph (2)(A) and (G) of this subsection. The United States district court for the district in which the facility is located shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $25,000 for each day in which such violation occurs or such failure to comply continues.".

On page 58, after line 20, insert the following and renumber succeeding sections accordingly:

SEC. (a) Section 103 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting the following new subsections:

(l) MATERIAL SAFETY DATA SHEETS AND EMERGENCY INVENTORY.—(1) Each owner or operator of a facility at which a hazardous chemical is produced, used, or stored shall file a Material Safety Data Sheet and Emergency Inventory form, as published under paragraph (3) of this subsection, not later than 180 days after enactment of the Superfund Improvement Act of 1985 for such hazardous chemical with the emergency planning committee established under section 105(d), for the area in which such facility is located and the Governor of the State in which the facility is located. In addition, the Emergency Inventory form shall be filed with the Environmental Protection Agency. If no emergency planning committee exists for the area in which a facility is located, the Governor of the State in which the facility is located shall designate appropriate area officials to receive the Material Safety Data Sheet and Emergency Inventory form. The Governor of the State in which a facility is located shall notify owners and operators of facilities required to comply with the provisions of this subsection.

"(2) Whenever a Material Safety Data Sheet is revised (as required under regulations under the Occupational Safety and Health Act of 1970) each such facility owner or operator shall file, as promptly as practicable, but not later than 90 days after such revision, the revised material safety data sheet. On an annual basis, or whenever a significant change occurs in the amount or presence of the hazardous chemical located at the facility, such owner or operator shall file a new Emergency Inventory form with the recipients designated in paragraph (1).

"(3) The President shall publish the Emergency Inventory form in the Federal Register within 90 days of the enactment of the Superfund Improvement Act of 1985. The Emergency Inventory Form shall provide for an estimate of the maximum amounts of the hazardous chemical present at the facility at any time during the preceding calendar year (in ranges), a brief description of the use or storage of the hazardous chemical at such facility, and the location of the hazardous chemical at such facility.

"(4) The Material Safety Data Sheets and Emergency Inventory forms shall be made available by the emergency planning committee to the public upon request. If no emergency planning committee exists for the area in which the facility is located, the Material Safety Data Sheets and Emergency Inventory forms shall be made available to the public by the Governor of the State in which the facility is located upon request.

"(5) Nothing in this subsection shall be construed to limit the ability of any State or locality to require submission or distribution of information related to hazardous substances.

"(6) The President may establish quantities for hazardous chemicals below which no facility at which a hazardous chemical is produced, used, or stored shall be subject to the provisions of this subsection.

"(7) The President may order a facility owner or operator to comply with this subsection. The United States district court for the district in which the facility is located shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $25,000 for each day in which such violation occurs or such failure to comply continues.

"(j) EMERGENCY NOTIFICATION.—(1) The owner or operator of any facility at which a release occurs in an amount requiring a report under subsection (a) shall immediately provide notice of such release to the community emergency coordinator for the emergency planning committees, established pursuant to subsection 105(d), for any area likely to be affected by the release and to the Governor of any State likely to be affected by the release. If an emergency plan prepared pursuant to section 105(d) does not exist, an operator shall instead provide notice to the emergency response authority of the affected jurisdictions.

"(2) Notice under paragraph (1) shall include (to the extent known at the time of the notice)—

"(A) the chemical name or identity of any hazardous substance involved in the release;

"(B) an estimate of the quantity of any such hazardous substance that was released into the environment;

"(C) the time and duration of the release;

"(D) the medium or media into which the release occurred;

"(E) the nature of the health or safety hazard posed by any substance released to the population as a whole and to sensitive populations, and the likely symptoms of exposure at different levels and types of exposure (unless such information is readily available to the emergency coordinator pursuant to the emergency plan);

"(F) proper precautions to take as a result of the release, including evacuation (unless such information is readily available to the emergency coordinator pursuant to the emergency plan); and

"(G) the name and telephone number of the person or persons to be contacted for further information.

"(3) As soon as practicable after a release to which this subsection applies, such owner or operator shall provide a follow-up notice (or notices, as more information becomes available) updating the information required under paragraph (2), and including additional information with respect to—

"(A) actions taken to respond to and contain the release;

"(B) any known or anticipated acute or chronic health risks associated with the release, and

"(C) where appropriate, advice regarding medical attention necessary for exposed individuals.".

(b) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding at the end thereof the following new paragraphs:

"(35) 'hazardous chemical' means, for purposes of section 103(i), any substance which is treated as a 'hazardous chemical' pursuant to the Occupational Safety and Health Administration's hazard communication standard (codified in July 1985 in 29 CFR 1910.1200), except that the following substances shall not be treated as a 'hazardous chemical' for such purposes:

"(A) any food, food additive, color additive, drug, or cosmetic regulated by the Food and Drug Administration;

"(B) any manufactured item that contains a hazardous chemical present as a solid which does not result in exposure to the hazardous chemical under normal conditions of use;

"(C) any substance to the extent it is used for personal, family, or household purposes, or is present in the same form and concentration as a product packaged for distribution and use by the general public;

"(D) any substance to the extent it is used in a laboratory, hospital, or medical facility under the direct supervision of a technically qualified individual;

"(E) any substance to the extent it is used in routine agricultural operations; and;

"(F) any substance to the extent it is regulated under the Hazardous Liquid Pipeline Safety Act of 1979 or the Natural Gas Pipeline Safety Act of 1968:

"(36) 'Material Safety Data Sheet' means a material safety data sheet developed for a hazardous chemical pursuant to the hazard communication regulations promulgated under the Occupational Safety and Health Act of 1970 (codified in July 1985 at 29 CFR 1910.1200).".

Mr. LAUTENBERG. Mr. President, I am offering this amendment on behalf of myself, and Senators MOYNIHAN, HUMPHREY, HEINZ, and BRADLEY. The amendment is designed to improve community emergency planning around facilities handling hazardous chemicals. The amendment is modeled on S. 1531, the Community Emergency Preparedness and Response Act of 1985, which I introduced on July 30.

Mr. President, our amendment builds upon the emergency response provisions in Superfund. It provides a framework for improving and integrating facility and community planning and emergency response efforts, establishing training programs for emergency response officials, and for educating the public about what to do in the event of a toxic release into the environment. The amendment recognizes that the responsibility for emergency preparedness and response planning and implementation rests with the States and affected localities, but provides Federal technical assistance when appropriate.

The amendment stems from a hearing held by the Senate Environment and Public Works Committee in February, 1985 in the wake of the tragedy in Bhopal, India, and a number of serious releases in this country. Testimony before the committee, from firemen, State and local emergency response personnel, Federal officials and industry representatives confirmed the need to improve local notification, planning and response capabilities for dealing with releases of hazardous substances that are dangerous to the public and environment.

Mr. President, 1 year ago, Bhopal, India was unknown. Now it is a name and a place known to people all over the world. It is a name that strikes terror in the hearts of millions who live or work near a chemical plant.

Since the Bhopal incident, there have been a series of less serious, but significant, releases in the United States that suggest that we are far from immune from such dangers. Clearly, we must take every step to prevent such occurrences. But, in the event of a chemical release, we should be better prepared to respond.

Hundreds of the victims in Bhopal could have been spared their lives or injuries if they had known of the hazard around them and known how to respond. Many more lives could have been saved it a communication system had been in place to alert residents of Bhopal about the release. That is true of chemical releases in our country as well.

Our amendment is designed to improve our ability to respond to these incidents. To improve local emergency preparedness planning, the bill requires that the Environmental Protection Agency prepared a list of extremely hazardous substances.

The foundation of this list will be the "Seveso list" developed by the European Economic Community as part of its directive on major accident hazards. The directive was approved by EEC members in 1982, following a major dioxin accident in Seveso, Italy.

Facilities which handle substances on this list of specified amounts would be required to participate in community emergency response planning. The Seveso list is considered to be an initial list for purposes of emergency planning, and can be modified by EPA, to add or delete substances.

Shortly after the Seveso list is published in the Federal Register and facilities have notified the Governors in the States in which they are located, Governors are to designate planning districts within their States for areas

likely to be affected by releases from such facilities and appoint local emergency planning committees to prepare emergency response plans and establish or improve training programs for local emergency response and medical personnel.

The Federal role is primarily technical; in developing the list of extremely hazardous substances and providing guidance and technical assistance to emergency planning committees, and review and comment on local emergency response plans upon request.

In addition, the amendment would require immediate notification upon the release of a reportable quantity under Superfund. Facilities experiencing such a release would be required to notify the National Response Center, as provided under current law, but also would have to notify the appropriate emergency planning committees, their Governor, and in the absence of planning committees, State and local emergency response officials. Unlike EPA's existing notification regulations, notification must be immediate. This notification shall be accompanied by specific information pertaining to the substances released and appropriate response measures. Follow up notification of actions taken to respond to and contain a release would be required as soon as practicable after the release.

This notification requirement simply expands upon a provision I authored in S. 51. The SE requirements are expected to provide a means for the local planning committees, the Governor, and the National Response Center to track facilities that may have a record of releases, and should serve as an aid in designating additional facilities to participate in community emergency planning. These notification requirements are effective immediately upon enactment of the Superfund Improvement Act of 1985.

Finally, Mr. President, the facilities that handle substances covered by OSHA's hazard communication standard would be required to submit the material safety data sheets required under that standard, and an annual estimate of their inventories of the substances covered by the OSHA standard, and location, and basic uses and storage information about such substances, to local emergency planning committees, the State, and EPA, which shall make this information available to the public.

This provision will make information about hazardous substances present in a community available to emergency response personnel and the public through the MSDS and emergency inventory. This provision is vital to our first responders—the firefighters, police, and emergency personnel—who must put their lives on the line to respond to chemical emergencies.

Mr. President, there are a number of additional points that I would like to make for purposes of legislative history. This amendment provides no specific authorization from the Superfund for expenditures related to carrying out its provisions. However, it is expected that funding for emergency response and training will continue to come from the fund, and be sufficient to support the additional activities of the national response teams and regional response teams under this provision.

The amendment is structured to allow existing planning areas and plans to be incorporated into the district and committee planning process. To the extent that a State or a locality has an effective plan, the committees and communities can use this plan.

The substances covered by the material safety data sheet and emergency inventory requirements in the community right-to-know provisions of the amendment are more numerous than the substances on the Seveso list. The reason for this is straight forward. What our workers are entitled to know in handling hazardous substances, our firefighters should know. They are essentially workers who work under the worst conditions—fires, spills, and other releases involving hazardous chemicals and other materials. The list of extremely hazardous substances, on the other hand, which trigger facilities for emergency planning, can be shorter and more focused on the risks to the larger community.

The Seveso list was chosen as an appropriate starting point for triggering emergency planning because of its widespread acceptance as a list of substances that pose an extreme threat to the public and environment. In a report from the Congressional Research Service, the Seveso list is described as a list "composed of chemicals generally recognized as being of significance in the event of an uncontrolled or sudden release. Experts from several countries generated and agreed to the list. The chemicals are not restricted to those of acute toxicity, but include many of those of possible long-term toxicity, e.g. dioxin. Finally, the experts collectively decided upon quantities of concern for each chemical." I request that the remainder of the report from the CRS and the accompanying Seveso directive be printed in the RECORD at the conclusion of my remarks.

Mr. President, I shall request that additional material be printed in the RECORD at the conclusion of my remarks.

In crafting the amendment, it was brought to our attention that biannual exercise of plans keeps a community prepared and attentive to changes in the community and turnover among emergency response personnel. While we did not believe it was appropriate to dictate how often different communities should practice their plans, the emphasis should be upon keeping these plans, people plans and not paper plans, which requires practice and continual public education.

The role of the community is critical in the planning process. The amendment provides that the public be represented on the planning committees, be given opportunity to participate in meetings on the plan, and have opportunity for comment. The committees are expected to play an active role in reaching out and bringing the public into the process.

In an Environment and Public Works Committee field hearing in Newark, NJ this winter, several residents of the industrial area of Linden expressed surprise about emergency response procedures in the city. They were unsure where to go, whom to call, and what to do in the event of a chemical release. It is imperative that residents learn of hazards in their midst and be able to respond in the case of a mishap.

Mr. President, I ask unanimous consent that the following material be printed in the RECORD: The New Jersey emergency services form for consideration in developing the "right-to-know" provisions of the amendment are an important element in this process. These provisions provide for distribution of material safety data sheets and emergency inventory forms to the planning committees and the State EPA is to receive the emergency inventory. The information submitted is to be made available to the public by the planning committee or State uniform emergency inventory form, also the excellent series by Stuart Diamond of the New York Times on the tragedy in Bhopal. The New York Times series provides a persuasive argument that releases of hazardous substances are widespread, and that the elements that lead up to catastrophic release and failed response are common to the manufacture and use of these substances throughout the world.

Today we recognize that we cannot afford to play Russian roulette with hazardous chemicals, and bank on being able to respond without coordinated emergency response efforts. The Environment and Public Works Committee has already taken steps to respond to emergency planning and response needs. The amendments in S. 51 improve notification requirements under Superfund and stiffen penalties for noncompliance.

Mr. President, this amendment complements those provisions.

This amendment is supported by our firefighters, labor, public health, environmental, religious, and consumer groups. These include the 170,000 members of the International Association of Firefighters, the National Lung

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Association, AFSCME, the AFL-CIO, the U.S. Conference of Mayors, and a large coalition of environmental groups. This morning, the International Association of Fire Chiefs passed a unanimous resolution on behalf of their 9,000 members which is consistent with this amendment.

Mr. President, I ask unanimous consent that a letter written on behalf of this amendment by this coalition, a letter by Mr. Ed Hennessy, chairman of the Allied Corp., one of New Jersey's largest companies and the fire chiefs' resolution, be printed in the Record, along with other materials at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LAUTENBERG. Mr. President, I understand that this amendment is acceptable to the managers of the bill. I urge my colleagues to adopt this amendment.

Exhibit 1

Firefighting, Labor, Health, Environmental, Agricultural, Religious, Citizen and Consumer Organizations Strongly Support Superfund Hazardous Substance Inventory and Emergency Preparedness and Response Provisions

Dear Senator: On December 3, 1984, more than 2,000 citizens were killed and 200,000 injured in Bhopal, India, when the toxic cloud of methyl isocyanate from a Union Carbide manufacturing facility spread over the sleeping city. Following the Bhopal tragedy, the worst industrial accident in history, the American public asked, "Could it happen here?"

Today, we know it can. According to the Congressional Research Service, approximately 75 percent of all Americans live in the vicinity of facilities which handle, treat, or store hazardous chemicals. Recent chemical releases in this country, especially in the release on August 11 from another Union Carbide facility in Institute, West Virginia, have underscored the lack of adequate public information about hazardous substances and the health hazards associated with exposure to them. In addition, life-threatening inadequacies in emergency response capabilities also have become apparent.

In response to these chemical disasters, the Senate Environment and Public Works Committee incorporated a provision establishing a Hazardous Substances Inventory in S. 51, the Superfund Improvement Act of 1985.

The Hazardous Substances Inventory would provide information about chemical use, storage, and releases into the air and environment from facilities handling hazardous substances. Covered facilities also would attach Material Safety Data Sheets, required by the OSHA Hazard Communication Standard, to the inventory form in order to provide information about the health hazards and safe handling of these substances.

The inventory is to be used by local, state, and federal agencies to improve toxic chemical management by monitoring location and use, as well as tracking regular environmental releases of these substances. It is to be made widely available to the public, including emergency response officials, who sorely need this information to plan for and respond to toxic chemical releases.

In addition, in late July, Senators Lautenberg, Moynihan, and Humphrey introduced S. 1531, the Community Emergency Preparedness and Response Act of 1985. They intend to offer an amendment similar to S. 1531 when the full Senate takes up the Superfund reauthorization this fall. This legislation builds upon the emergency response provisions of Superfund by providing a framework for improved community preparedness and notification around facilities that handle hazardous substances.

S. 1531 mandates that a priority list of hazardous substances be developed by the Environmental Protection Agency and that designated facilities, which store, handle or manufacture these substances, participate in emergency response planning. The Governors of each state are responsible for designating planning districts in areas where releases from such facilities might endanger public health of the environment. Local emergency planning committees subsequently would be established to prepare emergency response plans and ensure that local emergency response personnel are trained to carry out the plans successfully. This legislation provides federal technical assistance where appropriate, but relies upon the states and localities to take primary responsibility for developing plans for protecting their citizens.

The undersigned firefighting, labor, health, environmental, agricultural, religious, citizens, and consumer organizations strongly support the Hazardous Substance Inventory in S. 51, and the emergency preparedness amendment to be offered when the full Senate takes up S. 51. The events of recent months have illustrated dramatically the need for strengthening the information requirements and emergency response capabilities under Superfund. The adoption of these provisions could literally mean the difference between life and death for the citizens of this country and for those who must respond to chemical releases.

We urge you to support these important provisions when S. 51 is brought to the Senate floor.

Sincerely,

Mike Kerr, American Federation of State, County and Municipal Employees; Richard Duffy, International Association of Firefighters; Fran Dumelle, American Lung Association; Greg Humphrey, American Federation of Teachers; Mary Lou Licwirko, Association of Schools of Public Health; Len Simon, U.S. Conference of Mayors.

Julia A. Holmes, League of Women Voters; Linda Tarr-Whelan, National Education Association; Lori Rogovin, American Association of University Women; Janet Hathaway, Public Citizen's Congress Watch; Diane VanDe Hie, National Association of Local Governments on Hazardous Waste; Robert Alpern, Washington Office, Unitarian Universalist Association of Congregations in North America; Allen Spalt, Rural Advancement Fund; Haviland C. Houston, General Board of Church and Society, United Methodist Church; Rick Hind, U.S. PIRG; Eric Jansson, National Network to Prevent Birth Defects.

Linda Golodner, National Consumers League; David Mallino Industrial Union Department, AFL-CIO; Jeff Tryens, Conference on Alternative State and Local Policies; Gene Kimmelman, Consumer Federation of America; Leslie Dach, National Audubon Society; Jay Feldman, National Coalition Against the Misuse of Pesticides; Shirley Briggs, Rachel Carson Council; Charles Lee, United Church of Christ Commission for Racial Justice; Bill Klinefelter, United Steel Workers of America; Victoria Leonard, National Women's Health Network.

Ken Kamlett, National Wildlife Federation; Martha Broad, Natural Resources Defense Council; Anthony Guarisco, International Alliance of Atomic Veterans; Geoff Webb, Friends of the Earth; John O'Connor, National Campaign Against Toxic Hazards; Norman Solomon, Fellowship of Reconciliation; Ann F. Lewis, Americans for Democratic Action; Cathy Hurwit, Citizens Action; Blaise Lupo, Clergy and Laity Concerned.

Fred Millar, Environmental Policy Institute; Scott Martin, League of Conservation Voters; Joseph R. Hacala, S.J., Jesuit Social Ministries, National Office; Kathleen Tucker, Health and Energy Institute; David Zwick, Clean Water Action Project; Dan Becker, Environmental Action; Sally Timmel, Church Women United; Ralph Watkins, Church of the Brethren.

Resolution

Whereas: The IAFC recognizes the need that emergency service personnel have a right-to-know the known or potentially hazardous and toxic materials to be encountered in response to emergency incidents, and

Whereas: The IAFC recognizes the need for industry handling known or suspected hazardous or toxic materials to make a positive effort to assist and support fire departments with training and education programs for fire and rescue personnel responding to incidents involving their products, and

Whereas: The IAFC recognizes that potential or known hazardous chemicals can lead to health hazards, and should be regulated, and

Whereas: The IAFC recognizes that even small amounts of potential or known hazardous chemicals can lead to health hazards, and

Whereas: The IAFC recognizes that hazardous or toxic substances which may present acute and/or chronic adverse health hazards to fire and rescue personnel must be identified and reported, and

Whereas: The failure of the Federal Hazardous Communication Law to adequately address this subject has caused many of our states and localities to adopt stringent right-to-know legislation,

Therefore be it Resolved: That the IAFC supports the enactment of Federal fire service right-to-know legislation in order to establish a more uniform means of planning and/or responding to emergencies dealing with potential releases of hazardous substances which, may present an imminent or substantial danger to fire and rescue personnel, and be it further

Resolved: That the IAFC supports Federal legislation that recognizes the need for the fire department to have concise, relevant, manageable information that will be of practical use by emergency response agencies, and be it further

Resolved: That industry, including users and suppliers provide a regularly updated inventory to allow for adequate preplan for emergency responses, and be it further

Resolved: That any Federal legislation will establish minimum standards and that no state or local government shall be prohibited from the enactment of more stringent right-to-know legislation, and be it further

Resolved: That any and all right-to-know legislation shall cover at least those hazards and toxic substances which are now regulated and defined under OSHA's hazardous communication standards, and be it further

Resolved: That this Resolution will provide guidance to the IAFC Board of Directors.

Allied Corp.,
Morristown, NJ, September 12, 1985.

Hon. Frank R. Lautenberg,
U.S. Senate, Hart Senate Office Building, Washington, DC.

Dear Frank: I appreciate the opportunity Allied representatives had to share their experience and comments with your staff as the Community Emergency Preparedness and Response Act, S. 1531, was being drafted.

Allied supports the enactment of S. 1531. It is consistent with our long-standing endorsement of the concept of making community officials and residents aware of potentially dangerous materials in nearby facilities and having in place carefully devised procedures to be followed in the event of an emergency.

Those provisions complement the "hazardous materials inventory" requirement which you added to S. 51 in the Environment and Public Works Committee. We hope you will modify that provision so that, as in S. 1531, it is targeted to facilities handling extremely hazardous substances. Finally we urge that the language make it clear that estimates can be used to satisfy emissions reporting requirements when exact data are unavailable.

We look forward to working further with you and your staff on this important legislation.

With best wishes,

Sincerely,

Edward L. Hennessy, Jr.,
Chairman of the Board.

Congressional Research Service,
The Library of Congress,
Washington, DC, July 30, 1985.

To: Senate Committee on Environment and Public Works, Attention: Liz Barratt-Brown.

From: Michael M. Simpson, Analyst in Life Sciences, Science Policy Research Division.

Subject: A list of chemicals of concern.

Based upon our previous conversations, my understanding is that you are interested in a preliminary list of chemicals generally recognized as being of significance in the event of an uncontrolled and sudden release. It is understood that, as with many specific components of proposed legislation, this list would not be construed as final and unchangeable, but would serve as the starting point for discussion. While any components of a list (by being either on or off it) could engender debate, the chemicals on this list would be limited to those which are generally recognized by experts and bodies of experts as significant in the event of an uncontrolled and sudden release. Finally, because generally there is more uncertainty and controversy associated with the specification of chemicals of long-term toxicity (e.g., are carcinogenic, mutagenic, or teratogenic), the list would be composed mostly of chemicals of acute toxicity.

There are millions of known chemicals, and tens of thousands in commerce. Further, as pointed out in the National Academy of Sciences' (NAS) report of 1984, Toxicity Testing—Strategies to Determine Needs and Priorities, there are large gaps of knowledge about the health effects of most of these chemicals. Finally, the assigned time constraint and finite research resources of the Cogressional Research Service necessarily would have resulted in a limited invetigation.

Both the National Institute for Occupational Saftey and Health, and the American Chemical Society, maintain extensive computerized data bases of chemicals and their observed health effects. These organizations can be contacted to provide a list of chemicals of specified toxicity. An extensive search with scores of specified toxicities would probably require a significant allocation of time and other resources. Specifying the toxicities could be controversial. And the health effects data gaps noted by the NAS would prevent the list from being complete and final.

Rather than attempt to generate a list of specific chemicals of specified toxicities, my approach was to review lists of chemicals of concern compiled by experts and bodies of experts. There are several of such lists, including that compiled by the United Nations Environment Program, and by the Office of Environmental and Scientific Affairs of the World Bank. Following a review of several of these lists, the enclosed list was selected as being most suited to your perceived needs.

The enclosed Council of the European Communities list is composed of chemicals generally recognized as being of significance in the event of an uncontrolled and sudden release. Experts from several countries generated and agreed to the list. The chemicals are not restricted to those of acute toxicity, but include many of those of possible long-term toxicity, e.g., dioxin. Finally, the experts collectively decided upon quantities of concern for each chemical.

I trust this information will be useful to you in starting and focusing discussion about legislation to prevent injuries and damage from chemical accidents. Please call me at 287-7010 when I can be of further assistance.

Council Directive on Major Accident Hazards of Certain Industrial Activities

The Council of the European Communities:

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 100 and 235 thereof,

Having regard to the proposal from the Commission,[1]

Having regard to the opinion of the European Parliament,[2]

Having regard to the opinion of the Economic and Social Committee,[3]

Whereas the objectives and principles of the Community environment policy were fixed by the action programmes of the European Communities on the environment of 22 November 1973,[4] and 17 May 1977,[5] and having regard in particular to the principle that the best policy consists in preventing the creation of pollution or nuisances at source; whereas to this end technical progress should be conceived and directed so as to meet the concern for the protection of the environment;

Whereas the objectives of the Community policy of health and safety at work were fixed by the Council resolution of 29 June 1978 on an action programme of the European Communities on safety and health at work,[6] and having regard in particular to the principle that the best policy consists in obviating possible accidents at source by the integration of safety at the various stages of design, construction and operation;

Whereas the Advisory Committee on Safety, Hygiene and Health Protection at Work, set up by Decision 74/325/EEC,[7] has been consulted;

Whereas, the protection of the public and the environment and safety and health protection at work call for particular attention to be given to certain industrial activities capable of causing major accidents; whereas such accidents have already occurred in the Community and have had serious consequences for workers and, more generally, for the public and the environment;

Whereas, for every industrial activity which involves, or may involve, dangerous substances and which, in the event of a major accident, may have serious consequences for man and the environment, the manufacturer must take all necessary measures to prevent such accident and to limit the consequences thereof;

Whereas the training and information of persons working on an industrial site can play a particularly important part in preventing major accidents and bringing the situation under control in the event of such accidents;

Whereas, in the case of industrial activities which involve or may involve substances that are particularly dangerous in certain quantities, it is necessary for the manufacturer to provide the competent authorities with information including details of the substances in question and high-risk installations and situations, with a view to reducing the hazards of major accidents and enabling the necessary steps to be taken to reduce their consequences;

Whereas it is necessary to lay down that any person outside the establishment liable to be affected by a major accident should be appropriately informed of the safety measures to be taken and of the correct behaviour to be adopted in the event of an accident;

Whereas, if a major accident occurs, the manufacturer must immediately inform the competent authorities and communicate the information necessary for assessing the impact of that accident;

Whereas Member States should forward information to the Commission regarding major accidents occurring on their territory, so that the Commission can analyze the hazards from major accidents;

Whereas this Directive does not preclude the conclusion by a Member State of agreements with third countries concerning the exchange of information to which it is privy at internal level other than that obtained through the Community arrangements for the exchange of information set up by this Directive;

Whereas disparity between provisions already applicable or being prepared in the various Member States on measures to prevent major accidents and limit their consequences for man and the environment may create unequal conditions of competition and hence directly affect the functioning of the common market; whereas the approximation of laws provided for in Article 100 of the Treaty should therefore be carried out in this field;

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[1] OJ No C 212, 24.8.1979, p. 4.

[2] OJ No C 175, 14.7.1980, p. 48.

[3] OJ No C 182, 21.7.1980, p. 25.

[4] OJ No C 112, 20.12.1973, p. 1.

[5] OJ No C 139, 13.6.1977, p. 1.

[6] OJ No C 165, 11.7.1978, p. 1.

[7] OJ No L 185, 9.7.1974, p. 15.

Whereas it seems necessary to combine this approximation of laws with action by the Community aimed at attaining one of the Community objectives in the field of environmental protection and health and safety at work; whereas, in pursuance of this aim, certain specific provisions should therefore be laid down; whereas, since the necessary powers have not been provided by the Treaty, Article 235 of the Treaty should be invoked,

Had adopted this directive:

Article 1

1. This Directive is concerned with the prevention of major accidents which might result from certain industrial activities and with the limitation of their consequences for man and the environment. It is directed in particular toward the approximation of the measures taken by Member States in this field.

2. For the purposes of this directive:

(a) *Industrial activity* means:

Any operation carried out in an industrial installation referred to in Annex I involving, or possibly involving, one or more dangerous substances and capable of presenting major-accidents hazards and also transport carried out within the establishment for internal reasons and the storage associated with this operation within the establishment,

Any other storage in accordance with the conditions specified in Annex II;

(b) *Manufacturer* means: Any person in charge of an industrial activity;

(c) *Major accident* means: An occurrence such as a major emission, fire or explosion resulting from uncontrolled developments in the course of an industrial activity, leading to a serious danger to man, immediate or delayed, inside or outside the establishment, and/or to the environment, and involving one or more dangerous substances;

(d) *Dangerous substances* means: For the purposes of Articles 3 and 4, substances generally considered to fulfill the criteria laid down in Annex IV; for the purposes of Article 5, substances in the lists in Annex III and Annex II in the quantities referred to in the second column.

Article 2

This Directive does not apply to the following:

1. Nuclear installations and plant for the processing of radioactive substances and material;
2. Military installations;
3. The manufacture and separate storage of explosives, gunpowder and munitions;
4. Extraction and other mining operations;
5. Installations for the disposal of toxic and dangerous waste which are covered by Community Acts in so far as the purpose of those Acts is the prevention of major accidents.

Article 3

Member States shall adopt the provisions necessary to ensure that, in the case of any of the industrial activities specified in Article 1, the manufacturer is obliged to take all the measures necessary to prevent major accidents and to limit their consequences for man and the environment.

Article 4

Member States shall take the measures necessary to ensure that all manufacturers are required to prove to the competent authority at any time, for the purposes of the controls referred to in Article 7 (2), that they have identified existing major-accident hazards, adopted the appropriate safety measures, and provided the persons working on the site with information, training and equipment in order to ensure their safety.

Article 5

1. Without prejudice to Article 4, Member States shall introduce the necessary measures to require the manufacturer to notify the competent authorities specified in Article 7: If, in an industrial activity as defined in Article 1 (2)(a), first indent, one or more of the dangerous substances listed in Annex III are involved, or it is recognized that they must be involved, in the quantities laid down in the said Annex, such as: Substances stored or used in connection with the industrial activity concerned; products of manufacture; by-products; or residues; or if, in an industrial activity as defined in Article 1 (2)(a), second indent, one or more of the dangerous substances listed in Annex II are stored in the quantities laid down in the second column of the same Annex.

The notification shall contain the following:

(a) information relating to substances listed, respectively, in Annex II and Annex III, that is to say: The data and information listed in Annex V; the stage of the activity in which the substances are involved or may be involved; the quantity (order of magnitude); the chemical and/or physical behaviour under normal conditions of use during the process; the forms in which the substances may occur or into which they may be transformed in the case of abnormal conditions which can be foreseen; if necessary, other dangerous substances whose presence could have an effect on the potential hazard presented by the relevant industrial activity.

(b) information relating to the installations, that is to say: The geographical location of the installations and predominant meteorological conditions and sources of danger arising from the location of the site; the maximum number of persons working on the site of the establishment and particularly of those persons exposed to the hazard; a general desciption of the technological processes; a description of the sections of the establishment which are important from the safety point of view, the sources of hazard and the conditions under which a major accident could occur, together with a description of the preventive measures planned; the arrangements made to ensure that the technical means necessary for the safe operation of plant and to deal with any malfunctions that arise are available at all times.

(c) information relating to possible major-accident situations, that is to say: Emergency plans, including safety equipment, alarm systems and resources available for use inside the establishments in dealing with a major accident; any information necessary to the competent authorities to enable them to prepare emergency plans for use outside the establishment in accordance with Article 7 (1); the names of the person and his deputies or the qualified body responsible for safety and authorized to set the emergency plans in motion and to alert the competent authorities specified in Article 7.

2. In the case of new installations, the notification referred to in paragraph 1 must reach the competent authorities a reasonable length of time before the industrial activity commences.

3. The notification specified in paragraph 1 shall be updated periodically to take account on new technical knowledge relative to safety and of developments in knowledge concerning the assessment of hazards.

4. In the case of industrial activities for which the quantities, by substance, laid down in Annex II or III, as appropriate, are exceeded in a group of installations belonging to the same manufacturer which are less than 500 metres apart, the Member States shall take the necessary steps to ensure that the manufacturer supplies the amount of information required for the notification referred to in paragraph 1, without prejudice to Article 7, having regard to the fact that the installations are a short distance apart and that any major-accident hazards may therefore be aggravated.

Article 6

In the event of modification of an industrial activity which could have significant consequences as regards major-accident hazards, the Member States shall take appropriate measures to ensure that the manufacturer: revises the measures specified in Articles 3 and 4, informs the competent authorities referred to in Article 7 in advance, if necessary, of such modification in so far as it affects the information contained in the notification specified in Article 5.

Article 7

1. The Member States shall set up or appoint the competent authority or authorities who, account being taken of the responsibility of the manufacturer, are responsible for: Receiving the notification referred to in Article 5 and the information referred to in the second indent of Article 6; examining the information provided; ensuring that an emergency plan is drawn up for action outside the establishment in respect of whose industrial activity notification has been given; and, if necessary, requesting supplementary information; ascertaining that the manufacturer takes the most appropriate measures, in connection with the various operations involved in the industrial activity for which notification has been given, to prevent major accidents and to provide the means for limiting the consequences thereof.

2. The competent authorities shall organise inspections or other measures of control proper to the type of activity concerned, in accordance with national regulations.

Article 8

1. Member States shall ensure that persons liable to be affected by a major accident originating in a notified industrial activity within the meaning of Article 5 are informed in an appropriate manner of the safety measures and of the correct behavior to adopt in the event of an accident.

2. The Member States concerned shall at the same time make available to the other Member States concerned, as a basis for all necessary consultation within the framework of their bilateral relations, the same information as that which is disseminated to their own nationals.

Article 9

1. This Directive shall apply to both new and existing industrial activities.

2. "New industrial activity" shall also include any modification to an existing industrial activity likely to have important implications for major-accident hazards.

In the case of existing industrial activities, this Directive shall apply at the latest on 8 January 1985.

However, as regards the application of Article 5 to an existing industrial activity, the Member States shall ensure that the manufacturer shall submit to the competent authority, at the latest on 8 January 1985, a declaration comprising: Name or trade name and complete address; registered place of business of the establishment and complete address; name of the director in charge; type of activity; type of production or storage; an indication of the substances or category of substances involved, as listed in Annexes II or III.

4. Moreover, Member States shall ensure that the manufacturer shall, at the latest on 8 July 1989, supplement the declaration provided for in paragraph 3, second, subparagraph, with the data and information specified in Article 5. Manufacturers shall normally be obliged to forward such supplementary declaration to the competent authority; however, Member States may waive the obligation on manufacturers to submit the supplementary declaration; in that event such declaration shall be submitted to the competent authority at the explicit request of the latter.

Article 10

1. Member States shall take the necessary measures to ensure that, as soon as a major accident occurs, the manufacturer shall be required:

(a) To inform the competent authorities specified in Article 7 immediately;

(b) To provide them with the following information as soon as it becomes available: The circumstances of the accident; the dangerous substances involved within the meaning of Article 1 (2)(d); the date available for assessing the effects of the accident on man and the environment; the emergency measures taken.

(c) To inform them of the steps envisaged: To alleviate the medium and long-term effects of the accident; to prevent any recurrence of such an accident.

2. The Member States shall require the competent authorities:

(a) To ensure that any emergency and medium and long-term measures which may prove necessary are taken;

(b) To collect, where possible, the information necessary for a full analysis of the major accident and possibly to make recommendations.

Article 11

1. Member States shall inform the Commission as soon as possible of major accidents which have occurred within their territory and shall provide it with the information specified in Annex VI as soon as it becomes available.

2. Member States shall inform the Commission of the name of the organization which might have relevant information on major accidents and which is able to advise the competent authorities of the other Member States which have to intervene in the event of such an accident.

3. Member States may notify the Commission of any substance which in their view should be added to Annexes II and III and of any measures they may have taken concerning such substances. The Commission shall forward this information to the other Member States.

Article 12

The Commission shall set up and keep at the disposal of the Member States a register containing a summary of the major accidents which have occurred within the territory of the Member States, including an analysis of the causes of such accidents, experience gained and measures taken, to enable the Member States to use this information for prevention purposes.

Article 13

1. Information obtained by the competent authorities in pursuance of Articles 5, 6, 7, 9, 10 and 12 and by the Commission in pursuance of Article 11 may not be used for any purpose other than that for which it was requested.

2. However this Directive shall not preclude the conclusion by a Member State of agreements with third countries concerning the exchange of information to which it is privy at internal level other than that obtained through the Community machinery for the exchange of information set up by the Directive.

3. The Commission and its officials and employees shall not divulge the information obtained in pursuance of this Directive. The same requirements shall apply to officials and employees of the competent authorities of the Member States as regards any information they obtain from the Commission.

Nevertheless, such information may be supplied: In the case of Articles 12 and 18; when a Member State carries out or authorizes the publication of information concerning that Member State itself.

4. Paragraphs 1, 2 and 3 shall not preclude the publication by the Commission of general statistical data or information on matters of safety containing no specific details regarding particular undertakings or groups of undertakings and not jeopardizing industrial secrecy.

Article 14

The amendments necessary for adapting Annex V to technical progress shall be adopted in accordance with the procedure specified in Article 16.

Article 15

1. For the purposes of applying Article 14, a Committee responsible for adapting this Directive to technical progress (hereinafter referred to as 'the Committee') is hereby set up. It shall consist of representatives of the Member States and be chaired by a representative of the Commission.

2. The Committee shall draw up its own rules of procedure.

Article 16

1. Where the procedure laid down in this Article is to be followed, matters shall be referred to the Committee by the chairman, either on his own initiative or at the request of the representative of a Member State.

2. The representative of the Commission shall submit to the Committee a draft of the measures to be adopted. The Committee shall deliver its opinion on the draft within a time limit which may be determined by the chairman according to the urgency of the matter. It shall decide by a majority of 45 votes, the votes of the Member States being weighted as provided for in Article 148 (2) of the Treaty. The chairman shall not vote.

3. (a) The Commission shall adopt the measures envisaged where these are in accordance with the opinion of the Committee.

(b) Where the measures envisaged are not in accordance with the opinion of the Committee, or in the absence of an opinion, the Commission shall forthwith submit a proposal to the Council on the measures to be adopted. The Council shall act by a qualified majority.

(c) If the Council does not act within three months of the proposal being submitted to it, the measures proposed shall be adopted by the Commission.

Article 17

This Directive shall not restrict the right of the Member States to apply or to adopt administrative or legislative measures ensuring greater protection of man and the environment than that which derives from the provisions of this Directive.

Article 18

Member States and the Commission shall exchange information on the experience acquired with regard to the prevention of major accidents and the limitation of their consequences; this information shall concern, in particular, the functioning of the measures provided for in this Directive. Five years after notification of this Directive, the Commission shall forward to the Council and the European Parliament a report on its application which it shall draw up on the basis of this exchange of information.

Article 19

At the latest on 8 January 1986 the Council shall, on a proposal from the Commission, review Annexes I, II and III.

Article 20

1. Member States shall take the measures necessary to comply with this Directive at the latest on 8 January 1984. They shall forthwith inform the Commission thereof.

2. Member States shall communicate to the Commission the provisions of national law which they adopt in the field covered by this Directive.

Article 21

This Directive is addressed to the Member States.

Done at Luxembourg, 24 June 1982.

F. Aerts, *For the Council The President.*

[Annex I]

INDUSTRIAL INSTALLATIONS WITHIN THE MEANING OF ARTICLE 1

1. Installations for the production or processing of organic or inorganic chemicals using for this purpose, in particular: alkylation, amination by ammonolysis, carbonylation, condensation, dehydrogenation, esterification, halogenation and manufacture of halogens, hydrogenation, hydrolysis, oxidation, polymerization, sulphonation, desulphurization, manufacture and transformation of sulphur-containing compounds, nitration and manufacture of nitrogen-containing compounds, manufacture of phosphorus-containing compounds, formulation of pesticides and of pharmaceutical products.

Installations for the processing of organic and inorganic chemical substances, using for this purpose, in particular: distillation, extraction, solvation, mixing.

2. Installations for distillation, refining or other processing of petroleum or petroleum products.

3. Installations for the total or partial disposal of solid or liquid substances by incineration or chemical decomposition.

4. Installations for the production or processing of energy gases, for example, LPG, LNG, SNG.

5. Installations for the dry distillation of coal or lignite.

6. Installations for the production of metals or non-metals by the wet process or by means of electrical energy.

[Annex II]

STORAGE AT INSTALLATIONS OTHER THAN THOSE COVERED BY ANNEX I

("Isolated Storage")

The quantities set out below relate to each installation or group of installations belonging to the same manufacturer where the distance between the installations is not sufficient to avoid, in foreseeable circumstances, any aggravation of major-accident hazards. These quantities apply in any case to each group of installations belonging to the same manufacturer where the distance between the installations is less than approximately 500 m.

Substances or groups of substances	Quantities (tonnes) > For application of articles 3 and 4	For application of article 5
1. Flammable gases as defined in Annex IV(c)(i)	50	200
2. Highly flammable liquids as defined in Annex IV(c)(ii)	10,000	100,000
3. Acrylonitrile	350	5,000
4. Ammonia	60	600
5. Chlorine	10	200
6. Sulphur dioxide	20	500
7. Ammonium nitrate	500	[1] 5,000
8. Sodium chlorate	25	[2] 250
9. Liquid oxygen	200	[2] 2,000

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[1] Member States may provisionally apply Article 5 to quantities of at least 500 tonnes until the revision of Annex II mentioned in Article 19.

[2] Where the substance is in a state which gives it properties capable of creating a major-accident hazard.

[Annex III]

LIST OF SUBSTANCES FOR THE APPLICATION OF ARTICLE 5

The quantities set out below relate to each installation or group of installations belonging to the same manufacturer where the distance between the installations is not sufficient to avoid, in foreseeable circumstances, any aggravation of major-accident hazards. These quantities apply in any case to each group of installations belonging to the same manufacturer where the distance between the installations is less than approximately 500 m.

Name	Quantity (>)	CAS No.	EEC No.
1. 4-Aminodiphenyl	1 kg	92-67-1	
2. Benzidine	1 kg	92-87-5	612-042-00-2
3. Benzidine salts	1 kg		
4. Dimethylnitrosamine	1 kg	62-75-9	
5. 2-Naphthylamine	1 kg	91-59-8	612-022-00-3
6. Beryllium (powders, compounds)	10 kg		
7. Bis(chloromethyl) ether	1 kg	542-88-1	603-046-00-5
8. 1,3-Propanesultone	1 kg	1120-71-4	
9. 2,3,7,8-Tetrachlorodibenzo-p-dioxin (TCDD)	1 kg	1746-01-6	
10. Arsenic pentoxide, Arsenic (V) acid and salts	500 kg		
11. Arsenic trioxide, Arsenious (III) acid and salts	100 kg		
12. Arsenic hydride (Arsine)	10 kg	7784-42-1	
13. Dimethylcarbamoyl chloride	1 kg	79-44-7	
14. 4-(Chloroformyl) morpholine	1 kg	15159-40-7	
15. Carbonyl chloride (Phosgene)	20 t	75-44-5	006-002-00-8
16. Chlorine	50 t	7782-50-5	017-001-00-7
17. Hydrogen sulphide	50 t	7783-06-04	016-001-00-4
18. Acrylonitrile	200 t	107-13-1	608-003-00-4
19. Hydrogen cyanide	20 t	74-90-8	006-006-00-X
20. Carbon disulphide	200 t	75-15-0	006-003-00-3
21. Bromine	500 t	7726-95-6	035-001-00-5
22. Ammonia	500 t	7664-41-7	007-001-00-5
23. Acetylene (Ethyne)	50 t	74-86-2	601-015-00-0
24. Hydrogen	50 t	1333-74-0	001-001-00-9
25. Ethylene oxide	50 t	75-21-8	603-023-00-X
26. Propylene oxide	50 t	75-56-9	603-055-00-4
27. 2-Cyanopropan-2-ol (Acetone cyanohydrin)	200 t	75-86-5	608-004-00-X
28. 2-Propenal (Acrolein)	200 t	107-02-8	605-008-00-3
29. 2-Propen-1-ol (Allyl alcohol)	200 t	107-18-6	603-015-00-6
30. Allylamine	200 t	107-11-9	612-046-00-4
31. Antimony hydride (Stibine)	100 kg	7803-52-3	
32. Ethyleneimine	50 t	151-56-4	613-001-00-1
33. Formaldehyde (concentration > 90%)	50 t	50-00-0	605-001-01-2
34. Hydrogen phosphide (Phosphine)	100 kg	7803-51-2	
35. Bromomethane (Methyl bromide)	200 t	74-83-9	602-002-00-3
36. Methyl isocyanate	1 t	624-83-9	615-001-00-7
37. Nitrogen oxides	50 t	11104-93-1	
38. Sodium selenite	100 kg	10102-18-8	
39. Bis(2-chloroethyl) sulphide	1 kg	505-60-2	
40. Phosacetim	100 kg	4104-14-7	015-092-00-8
41. Tetraethyl lead	50 t	78-00-2	
42. Tetramethyl lead	50 t	75-74-1	
43. Promurit (1-(3,4-Dichlorophenyl)-3-triazenethiocarboxamide)	100 kg	5836-73-7	
44. Chlorfenvinphos	100 kg	470-90-6	015-071-00-3
45. Crimidine	100 kg	535-89-7	613-004-00-8
46. Chloromethyl methyl ether	1 kg	107-30-2	
47. Dimethyl phosphoramidocyanidic acid	1 t	63917-41-9	
48. Carbophenothion	100 kg	786-19-6	015-044-00-6
49. Dialifos	100 kg	10311-84-9	015-088-00-6
50. Cyanthoate	100 kg	3734-95-0	015-070-00-8
51. Amitron	1 kg	78-53-5	
52. Oxydisulfoton	100 kg	2497-07-6	015-096-00-4
53. OO-Diethyl S-ethylsulphinylmethyl phosphorothioate	100 kg	2588-05-8	
54. OO-Diethyl S-ethylsulphonylmethyl phosphorothioate	100 kg	2588-06-9	
55. Disulfoton	100 kg	298-04-4	015-060-00-3
56. Demeton	100 kg	8065-48-3	
57. Phorate	100 kg	298-02-2	015-033-00-6
58. OO-Diethyl S-ethylthiomethyl phosphorothioate	100 kg	2600-69-3	
59. OO-Diethyl S-isopropylthiomethyl phosphorodithioate	100 kg	78-52-4	
60. Pyrazoxon	100 kg	108-34-9	015-023-00-1
61. Pensulfothion	100 kg	115-90-2	015-090-00-7
62. Paraoxon (Diethyl 4-nitrophenyl phosphate)	100 kg	311-45-5	
63. Parathion	100 kg	56-38-2	015-034-00-1
64. Azinphos-ethyl	100 kg	2642-71-9	015-056-00-1
65. OO-Diethyl S-propylthiomethyl phosphorodithioate	100 kg	3309-68-0	
66. Thionazin	100 kg	297-97-2	
67. Carbofuran	100 kg	1563-66-2	006-026-00-9
68. Phosphamidon	100 kg	13171-21-6	015-022-00-6
69. Tirpate (2,4-Dimethyl-1,3-dithiolane-2-carboxaldehyde O-methylcarbamoyloxime)	100 kg	26419-73-8	
70. Mevinphos	100 kg	7786-34-7	015-020-00-5
71. Parathion-methyl	100 kg	298-00-0	015-035-00-7
72. Azinphos-methyl	100 kg	86-50-0	015-039-00-9
73. Cycloheximide	100 kg	66-81-9	
74. Diphacinone	100 kg	82-66-6	
75. Tetramethylenedisulphotetramine	1 kg	80-12-6	
76. EPN	100 kg	2104-64-5	015-036-00-2
77. 4-Fluorobutyric acid	1 kg	462-23-7	
78. 4-Fluorobutyric acid, salts	1 kg		
79. 4-Fluorobutyric acid, esters	1 kg		
80. 4-Fluorobutyric acid, amides	1 kg		
81. 4-Fluorocrotonic acid	1 kg	37759-72-1	
82. 4-Fluorocrotonic acid, salts	1 kg		
83. 4-Fluorocrotonic acid, esters	1 kg		
84. 4-Fluorocrotonic acid, amides	1 kg		
85. Fluoroacetic acid	1 kg	144-49-0	607-081-00-7
86. Fluoroacetic acid, salts	1 kg		
87. Fluoroacetic acid, esters	1 kg		
88. Fluoroacetic acid, amides	1 kg		
89. Fluenetil	100 kg	4301-50-2	607-078-00-0
90. 4-Fluoro-2-hydroxybutyric acid	1 kg		
91. 4-Fluoro-2-hydroxybutyric acid, salts	1 kg		
92. 4-Fluoro-2-hydroxybutyric acid, esters	1 kg		
93. 4-Fluoro-2-hydroxybutyric acid, amides	1 kg		
94. Hydrogen fluoride	50 t	7664-39-3	009-002-00-6
95. Hydroxyacetonitrile (Glycolonitrile)	100 kg	107-16-4	
96. 1,2,3,7,8,9-Hexachlorodibenzo-p-dioxin	100 kg	19408-74-3	
97. Isodrin	100 kg	465-73-6	602-050-00-4
98. Hexamethylphosphoramide	1 kg	680-31-9	
99. Juglone (5-Hydroxynaphthalene-1,4-dione)	100 kg	481-39-0	
100. Warfarin	100 kg	81-81-2	607-056-00-0
101. 4,4'-Methylenebis (2-chloroaniline)	10 kg	101-14-4	
102. Ethion	100 kg	563-12-2	015-047-00-2
103. Aldicarb	100 kg	116-06-3	006-017-00-X
104. Nickel tetracarbonyl	10 kg	13463-39-3	028-001-00-1
105. Isobenzan	100 kg	297-78-9	602-053-00-0
106. Pentaborane	100 kg	19624-22-7	
107. 1-Propen-2-chloro-1,3-diol-diacetate	10 kg	10118-72-6	
108. Propyleneimine	50 t	75-55-8	
109. Oxygen difluoride	10 kg	7783-41-7	
110. Sulphur dichloride	1 t	10545-99-0	016-013-00-X
111. Selenium hexafluoride	10 kg	7783-79-1	
112. Hydrogen selenide	10 kg	7783-07-5	
113. TEPP	100 kg	107-49-3	015-025-00-2
114. Sulfotep	100 kg	3689-24-5	015-027-00-3
115. Dimefox	100 kg	115-26-4	015-061-00-9
116. 1-Tri(cyclohexyl) stannyl-1H-1,2,4-triazole	100 kg	41083-11-8	
117. Triethylenemelamine	10 kg	51-18-3	
118. Cobalt (powders, compounds)	100 kg		
119. Nickel (powders, compounds)	100 kg		
120. Anabasine	100 kg	494-52-0	
121. Tellurium hexafluoride	100 kg	7783-80-4	
122. Trichloromethanesulphenyl chloride	100 kg	594-42-3	
123. 1,2-Dibromoethane (Ethylene dibromide)	50 t	106-93-4	602-010-00-6
124. Flammable substances as defined in Annex IV (c) (i)	200 t		
125. Flammable substances as defined in Annex IV (c) (ii)	50,000 t		
126. Diazodinitrophenol	10 t	7008-81-3	
127. Diethylene glycol dinitrate	10 t	693-21-0	603-033-00-4
128. Dinitrophenol, salts	50 t		609-017-00-3
129. 1-Guanyl-4-nitrosaminoguanyl-1-tetrazene	10 t	109-27-3	
130. Bis (2,4,6-trinitrophenyl) amine	50 t	131-73-7	612-018-00-1
131. Hydrazine nitrate	50 t	13464-97-6	
132. Nitroglycerine	10 t	55-63-0	603-034-00-X
133. Pentaerythritol tetranitrate	50 t	78-11-5	603-035-00-5
134. Cyclotrimethylene trinitramine	50 t	121-82-4	
135. Trinitroaniline	50 t	26952-42-1	
136. 2,4,6-Trinitroanisole	50 t	606-35-9	609-011-00-0
137. Trinitrobenzene	50 t	25377-32-6	609-005-00-8
138. Trinitrobenzoic acid	50 t	35860-50-5 129-66-8	
139. Chlorotrinitrobenzene	50 t	28260-61-9	610-004-00-X
140. N-Methyl-N,2,4,6-N-tetranitroaniline	50 t	479-45-8	612-017-00-6
141. 2,4,6-Trinitrophenol (Picric acid)	50 t	88-89-1	609-009-00-X
142. Trinitrocresol	50 t	28905-71-7	609-012-00-6
143. 2,4,6-Trinitrophenetole	50 t	4732-14-3	
144. 2,4,6-Trinitroresorcinol (Styphnic acid)	50 t	82-71-3	609-018-00-9
145. 2,4,6-Trinitrotoluene	50 t	118-96-7	609-008-00-4
146. Ammonium nitrate (1)	5000 t	6484-52-2	
147. Cellulose nitrate (containing > 12.6% nitrogen)	100 t	9004-70-0	603-037-00-6
148. Sulphur dioxide	1000 t	7446-09-05	016-011-00-9
149. Hydrogen chloride (liquefied gas)	250 t	7647-01-0	017-002-00-2
150. Flammable substances as defined in Annex IV(c) (iii)	200 t		
151. Sodium chlorate (1)	250 t	7775-09-9	017-005-00-9
152. tert-Butyl peroxyacetate (concentration > 70%)	50 t	107-71-1	
153. tert-Butyl peroxyisobutyrate (concentration > 80%)	50 t	109-13-7	
154. tert-Butyl peroxymaleate (concentration > 80%)	50 t	1931-62-0	
155. tert-Butyl peroxy isopropyl carbonate (concentration > 80%)	50 t	2372-21-6	
156. Dibenzyl peroxydicarbonate (concentration > 90%)	50 t	2144-45-8	
157. 2,2-Bis (tert-butylperoxy) butane (concentration > 70%)	50 t	2167-23-9	
158. 1,1-Bis (tert-butylperoxy) cyclohexane (concentration > 80%)	50 t	3006-86-8	
159. Di-sec-butyl peroxydicarbonate (concentration > 80%)	50 t	19910-65-7	
160. 2,2-Dihydroperoxypropane (concentration > 30%)	50 t	2614-76-8	
161. Di-n-propyl peroxydicarbonate (concentration > 80%)	50 t	16066-38-9	
162. 3,3,6,6,9,9-Hexamethyl-1,2,4,5-tetroxacyclononane (concentration > 75%)	50 t	22397-33-7	
163. Methyl ethyl ketone peroxide (concentration > 60%)	50 t	1338-23-4	
164. Methyl isobutyl ketone peroxide (concentration > 60%)	50 t	37206-20-5	
165. Peracetic acid (concentration > 60%)	50 t	79-21-0	607-094-00-8
166. Lead azide	50 t	13424-46-9	082-003-00-7
167. Lead 2,4,6-trinitroresorcinoxide (Lead styphnate)	50 t	15245-44-0	609-019-00-4
168. Mercury fulminate	50 t	20820-45-5 628-86-4	080-005-00-2
169. Cyclotetramethylenetetranitramine	50 t	2691-41-0	
170. 2,2',4,4',6,6'-Hexanitrostilbene	50 t	20062-22-0	
171. 1,3,5-Triamino-2,4,6-trinitrobenzene	50 t	3058-38-6	
172. Ethylene glycol dinitrate	50 t	628-96-6	603-032-00-9
173. Ethyl nitrate	50 t	625-58-1	007-007-00-8
174. Sodium picramate	50 t	831-52-7	
175. Barium azide	50 t	18810-58-7	
176. Di-isobutyryl peroxide (concentration > 50%)	50 t	3437-84-1	
177. Diethyl peroxydicarbonate (concentration > 30%)	50 t	14666-78-5	
178. tert-Butyl peroxypivalate (concentration > 77%)	50 t	927-07-1	

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[1] Where this substance is in a state which gives it properties capable of creating a major accident hazard.

NB. The EEC numbers correspond to those in Directive 67/548/EEC and its amendments.

[Annex IV]

INDICATIVE CRITERIA

(a) Very toxic substances: Substances which correspond to the first line of the table below; substances which correspond to the second line of the table below and which, owing to their physical and chemical properties, are capable of entailing major-accident hazards similar to those caused by the substance mentioned in the first line:

LD 50 (oral) (1) mg/kg body weight	LD 50 (cutaneous) (2) mg/kg/body weight	LC 50 (3) mg/l (inhalation)
LD 50 < 5	LD 50 < 10	LC 50 < 0.1
5 < LD 50 < 25	10 < LD 50 < 50	0.1 < LC 50 < 0.5

(1) LD 50 oral in rats.
(2) LD 50 cutaneous in rats or rabbits.
(3) LD 50 by inhalation (four hours) in rats.

(b) Other toxic substances: The substances showing the following values of acute toxicity and having physical and chemical properties capable of entailing major-accident hazards:

LD 50 (oral) (1) mg/kg body weight	LD 50 (cutaneous) (2) mg/kg/body weight	LC 50 (3) mg/l (inhalation)
25 < LD 50 < 200	50 < 50 < 400	0.5 < LC 50 < 2

(1) LD 50 oral in rats.
(2) LD 50 cutaneous in rats or rabbits.
(3) LD 50 by inhalation (four hours) in rats.

(c) Flammable substances:

(i) *flammable gases:* Substances which in the gaseous state at normal pressure and mixed with air become flammable and the boiling point of which at normal pressure is 20 °C or below:

(ii) *highly flammable liquids:* Substances which have a flash point lower than 21 °C and the boiling point of which at normal pressure is above 20 °C;

(iii) *flammable liquids:* Substances which have a flash point lower than 55 °C and which remain liquid under pressure, where particular processing conditions, such as high pressure and high temperature, may create major-accident hazards.

(d) Explosive substances: Substances which may explode under the effect of flame or which are more sensitive to shocks or friction than dinitrobenzene.

[Annex V]

DATA AND INFORMATION TO BE SUPPLIED IN CONNECTION WITH THE NOTIFICATION PROVIDED FOR IN ARTICLE 5

If it not possible or if it seems unnecessary to provide the following information, reasons must be given.

1. Identity of the substance

Chemical name

CAS number

Name according to the IUFAC nomenclature

Other names

Empirical formula

Composition of the substance

Degree of purity

Main impurities and relative percentages

Detection and determination methods available to the installation

Description of the methods used or references to scientific literature

Methods and precautions laid down by the manufacturer in connection with handling, storage and fire

Emergency measures laid down by the manufacturer in the event of accidential dispersion

Methods available to the manufacturer for rendering the substance harmless

2. Brief indication of hazards

—For man:
—Immediate.
—Delayed.
—For the environment:
—Immediate.
—Delayed.

[Annex VI]

INFORMATION TO BE SUPPLIED TO THE COMMISSION BY THE MEMBER STATES PURSUANT TO ARTICLE II

Report of Major Accident:
Member State:
Authority responsible for report:
Address:

1. General data:

Date and time of the major accident:
Country, administrative region, etc.:
Address:
Type of industrial activity:

2. Type of major accident: Explosion—— Fire—— Emission of dangerous substances——.

Substance(s) emitted:

3. Description of the circumstances of the major accident:

4. Emergency measures taken:

5. Cause(s) of major accident:

Known: (to be specified)——.

Not known: Information will be supplied as soon as possible——.

6. Nature and extent of damage:

(a) *Within the establishment:*

Casualties: ——killed; ——injured; ——poisoned.

Persons exposed to the major accident ——.

Material damage ——.
The danger is still present ——.
The danger no longer exists ——.

(b) *Outside the establishment:*

Casualties: ——killed; ——injured; ——poisoned.

Persons exposed to the major accident ——.

Material damage ——.
Damage to the environment ——.
The danger is still present ——.
The danger no longer exists ——.

7. Medium and long-term measures, particularly those aimed at preventing the recurrence of similar major accidents (to be submitted as the information becomes available).

[Annex VII]

STATEMENT RE ARTICLE 8

The Member States shall consult one another in the framework of their bilateral relations on the measures required to avert major accidents originating in a notified industrial activity within the meaning of Article 5 and to limit the consequences for man and the environment. In the case of new installations, this consultation shall take place within the time limits laid down in Article 5(2).

[From the New York Times, Jan. 28, 1985]

THE BHOPAL DISASTER: HOW IT HAPPENED

(By Stuart Diamond)

NEW DELHI, Jan. 27.—The gas leak at a chemical plant in central India on Dec. 3 that killed at least 2,000 people was the result of operating errors, design flaws, maintenance failures and training deficiencies, according to present and former employees, company technical documents and the Indian Government's chief scientist.

Those are among the findings of a seven-week inquiry begun by reporters of The New York Times after the leak of toxic methyl isocyanate gas at a Union Carbide plant in Bhopal, India, produced history's worst industrial disaster, stunning India and the world. Among the questions the tragedy raised were how it could have happened and who was responsible.

The inquiry involved more than 100 interviews in Bhopal, New Delhi, Bombay, New York, Washington, Danbury, Conn., and Institute, W. Va. It unearthed information not available even to the Union Carbide Corporation, the majority owner of the plant where the leak occurred, because the Indian authorities have denied corporate representatives access to some documents, equipment and personnel.

EVIDENCE OF VIOLATIONS

The Times investigation produced evidence of at least 10 violations of the standard procedures of both the parent corporation and its Indian-run subsidiary.

Executives of Union Carbide India Ltd., which operated the plant, are reluctant to address the question of responsibility for the tragedy, in which about 200,000 people were injured. The plant's manager has declined to discuss the irregularities. The managing director of the Indian company refused to talk about details of the accident or the conditions that produced it, although he did say that the enforcement of safety regulations was the responsibility of executives at the Bhopal plant.

When questioned in recent days about the shortcomings disclosed in the inquiry by The Times, a spokesman at Union Carbide corporate headquarters in Danbury charactertized any suggestion of the accident's causes as speculation and emphasized that Union Carbide would not "contribute" to that speculation.

SUMMARY OF IRREGULARITIES

A review by The Times of some company documents and interviews with chemical experts, plant workers, company officials and former officials disclosed these and other irregularities at Bhopal:

When employees discovered the initial leak of methyl isocyanate at 11:30 p.m. on Dec. 2, a supervisor—believing, he said later, that it was a water leak—decided to deal with it only after the next tea break, several workers said. In the next hour or more, the reaction taking place in a storge tank went out of control. "Internal leaks never bothered us," said one employee. Indeed, workers said that the reasons for leaks were rarely investigated. The problems were either fixed without further examination or ignored, they said.

Several months before the accident, plant employees say, managers shut down a refrigeration unit designed to keep the methyl isocyanate cool and inhibit chemical reactions. The shutdown was a violation of plant procedures.

The leak began, according to several employees, about two hours after a worker whose training did not meet the plant's original standards was ordered by a novice supervisor to wash out a pipe that had not been properly sealed. That procedure is prohibited by plant rules. Workers think the most likely source of the contamination that started the reaction leading to the accident was water from this process.

The three main safety systems, at least two of which, technical experts said, were built according to specifications drawn for a Union Carbide plant at Institute, W. Va., were unable to cope with conditions that existed on the night of the accident. Moreover, one of the systems had been inoperable for several days, and a second had been out of service for maintenance for several weeks.

Plant operators failed to move some of the methyl isocyanate in the problem tank to a spare tank as required because, they said, the spare was not empty as it should have been. Workers said it was a common practice to leave methyl isocyanate in the spare tank, though standard procedures required that it be empty.

Instruments at the plant were unreliable, according to Shakil Qureshi, the methyl isocyanate supervisor on duty at the time of the accident. For that reason, he said, he ignored the initial warning of the accident, a gauge's indication that pressure in one of three methyl isocyanate storage tanks had risen fivefold in an hour.

The Bhopal plant does not have the computer system that more sophisticated operations, including the West Virginia plant, use to monitor their functions and quickly alert the staff to leaks, employees said. The management, they added, relied on workers to sense escaping methyl isocyanate as their eyes started to water. That practice violated specific orders in the parent corporation's technical manual, titled "Methyl Isocyante," which sets out the basic policies for the manufacture, storage and transportation of the chemical. The manual says: "Although the tear gas effects of the vapor are extremely unpleasant, this property cannot be used as a means to alert personnel."

Training levels and requirements for experience and education had been sharply reduced, according to many plant employees, who said the cutbacks were the result, at least in part, of budget reductions.

The staff at the methyl isocyanate plant, which had little automated equipment, was cut from 12 operators on a shift to 6 in 1983, according to several employees. The plant "cannot be run safely with six people," said Kamal K. Pareek, a chemical engineer who began working at the Bhopal plant in 1971 and was senior project engineer during the building of the methyl isocyanate facility there eight years ago.

There were no effective public warnings of the disaster. The alarm that sounded on the night of the accident was similar or identical to those sounded for various purposes, including practice drills, about 20 times in a typical week, according to employees. No brochures or other materials had been distributed in the area around the plant warning of the hazards it presented, and there was no public education program about what to do in an emergency, local officials said.

Most workers, according to many employees, panicked as the gas escaped, running away to save their own lives and ignoring buses that sat idle on the plant grounds, ready to evacuate nearby residents.

A TOP PRIORITY

At its headquarters in Danbury, the parent corporation said last month: "Union Carbide regards safety as a top priority. We take great steps to insure that the plants of our affiliates, as well as our own plants, are properly equipped with safeguards and the employees are properly trained."

Over the weekend in response to questions from The Times, a corporate spokesman described the managers of the Indian affiliate as "well qualified" and cited their "excellent record," adding that because of the possibility of litigation in India "judicial and ethical rules and practices inhibit them from answering questions."

However, the spokesman said: "Responsibility for plant maintenance, hiring and training of employees, establishing levels of training and determining proper staffing levels rests with plant management.

RESPONSIBILITY FOR SAFETY

V.P. Gokhale, the chief operating officer of Union Carbide India Ltd., in his first detailed interview since Dec. 3, would not comment on specific violations or the cause of the accident, but he said the Bhopal plant was responsible for its own safety, with little scrutiny from outside experts.

The Indian company has one safety officer at its headquarters in Bombay, Mr. Gokhale said, but that officer is chiefly responsible for keeping up to date the safety manuals used at the company's plants.

Despite the Bhopal plant's autonomy on matters of safety, it was inspected in 1982 by experts from the parent company in the United States, and they filed a critical report.

In the interview, however, Mr. Gokhale contended that the many problems cited in the 1982 report had been corrected. "There were no indications of problems," he said. "We had no reason to believe there were any grounds for such an accident."

Mr. Gokhale, who became managing director of Union Carbide India in December 1982 and has been with the company 25 years added: "There is no way with 14 factories and 28 sales branches all over the country and 9,000 employees that I could personally supervise any plant on a week-to-week basis."

At perhaps a dozen points during a two-hour interview, he spoke his answers into a tape recorder, saying he would inform the parent corporation's Danbury headquarters of what he had said. He also made notes of some of his comments and said he would send them to Danbury for approval by Union Carbide lawyers.

RELATIONSHIP OF THE COMPANIES

The precise relationship between Union Carbide's American headquarters and its Indian affiliate is a subject that Mr. Gokhale and other company officials have refused to discuss in detail. But an understanding of that relationship is a key element in pinpointing responsibility for the disaster at Bhopal. Lawyers from both the United States and India say it is also central to the lawsuits brought by Bhopal residents damaged by the accident.

Although the situation remains unclear, some evidence of the relationship between the Indian and American companies has begun to emerge. The United States corporation has direct representation on the Indian company's board. J. M. Rehfield, an executive vice president in Danbury, sits on that board, Mr. Gokhale acknowledged, as do four representatives of Union Carbide Eastern Inc., a division based in Hong Kong. Mr. Gokhale said the board of directors reviews reports on the Indian affiliate's operations.

Moreover, some key safety decisions affecting Bhopal were reportedly made or reviewed at the corporate headquarters in Danbury.

Srinivasan Varadarajan, the Indian Government's chief scientist, said his staff had been told by managers of the Bhopal plant that the refrigeration unit designed to chill the methyl isocyanate, which he said was very small and had never worked satisfactorily, had been disconnected because the

managers had concluded after discussions with American headquarters that the device was not necessary.

A spokesman at corporate headquarters in Danbury, Thomas Failla, said: "As far as we have been able to establish, the question of turning off the refrigeration unit was not discussed with anyone at Union Carbide Corporation."

The methyl isocyanate operating manual in use at Bhopal, which was adapted by five Indian engineers from a similar document written for the West Virginia plant, according to a former senior official at Bhopal, says: "Keep circulation of storage tank contents continuously 'ON' through the refrigeration unit."

And a senior official of Union Carbide India said few if any people would have died Dec. 3 had the unit been running because it would have slowed the chemical reaction that took place during the accident and increased the warning time from two hours to perhaps two days.

Workers said that when the 30-ton refrigeration unit was shut down, electricity was saved and the Freon in the coils of the cooling unit was pumped out to be used elsewhere in the plant.

Mr. Gokhale specifically declined to answer questions about the refrigeration unit.

EMPLOYEES CRITICIZE MORALE

Many employees at the Bhopal plant described a factory that was once a showpiece but that, in the face of persistent sales deficits since 1982, had lost much of its highly trained staff, its morale and its attention to the details that insure safe operation.

"The whole industrial culture of Union Carbide at Bhopal went down the drain," said Mr. Pareek, the former project engineer. "The plant was losing money, and top management decided that saving money was more important than safety. Maintenance practices became poor, and things generally got sloppy. The plant didn't seem to have a future, and a lot of skilled people became depressed and left as a result."

Mr. Pareek said he resigned in December 1983 because he was disheartened about developments at the plant and because he was offered a better job with Goodyear India Ltd. as a divisional production manager.

Mr. Gokhale termed the company's cost-cutting campaign simply an effort to reduce "avoidable and wasteful expenditures."

The corporate spokesman in Danbury said Union Carbide has "an ongoing operations improvement program which involves, among other things, a regular review of ways to reduce costs." He said Union Carbide India was involved in such programs, "but the details of those programs at the Bhopal plant are not known to us."

The spokesman added: "Financial information supplied to us indicated that the Bhopal plant was not profitable."

In the absence of official company accounts, details of the accident and its causes have been provided by technical experts such as Dr. Varadarajan and Mr. Pareek and by three dozen plant workers, past and present company officials and other people with direct knowledge of the factory's operations. Many of them agreed to be interviewed only on condition that they not be identified. Most of the workers knew little English and spoke in Hindi through an interpreter.

They provided some documents but often relied upon their recollections because many plant files and even public records have been impounded by the Indian authorities investigating the accident.

POTENTIAL FOR SERIOUS ACCIDENT

Nearly all those interviewed contended that the company had been neither technically nor managerially prepared for the accident. The 1982 inspection report seemed to support that view, saying the Bhopal plant's safety problems represented "a higher potential for a serious accident or more serious consequences if an accident should occur."

That report "strongly" recommended, among other things, the installation of a larger system that would supplement or replace one of the plant's main safety devices, a water spray designed to contain a chemical leak. That change was never made, plant employees said, and on Dec. 3 the spray was not high enough to reach the escaping gas.

The spokesman in Danbury said the corporation had been informed that Union Carbide India had taken "all the action it considered necessary to respond effectively" to the 1982 report.

Another of the safety devices, a gas scrubber or neutralizer, one of the systems said to have been built according to the specifications used at the West Virginia plant, was unable to cope with the accident because it has a maximum design pressure one-quarter that of the leaking gas, according to plant documents and employees.

The third safety system, a flare tower that is supposed to burn off escaping gases, would theoretically have been capable of handling about a quarter of the volume of the leaking gas were it not under such pressure, according to Mr. Pareek. The pressure, he said, was high enough to burst a tank through which gases must flow before being channeled up the flare tower. The tower was the second system described by technical experts as conforming to the specifications used in West Virginia.

In any case, the pressure limitations of the flare tower were immaterial because it was not operating at the time of the accident.

GUIDELINES FOR DESIGN

A former executive at the Bhopal plant said the parent corporation had provided guidelines for the design of the scrubber, the flare tower and the spray system. But detailed design work for those systems and the entire plant, he said, was performed by Humphreys & Glasgow Pvt. Ltd. of Bombay, a subsidiary of Humphreys & Glasgow Ltd. of London, a consulting company based in London. The London company in turn is owned by the Enserch Corporation of Dallas.

The spokesman in Danbury said the Union Carbide Corporation had provided its Indian affiliate with "a process design package containing information necessary and sufficient" for the affiliate to arrange the design and construction of the plant and its equipment.

The spokesman said the corporation had only incomplete information on the scrubber, flare tower and other pieces of equipment, and he declined to comment on their possible relationship to the accident.

It was unclear whether the limitations of the safety systems resulted from the guidelines provided by the Union Carbide Corporation or from the detailed designs.

Employees at the plant recalled after the accident that during the evening of Dec. 2 they did not realize how high the pressures were in the system. Suman Dey, the senior operator on duty, said he was in the control room at about 11 p.m. and noticed that the pressure gauge in one tank read 10 pounds a square inch, about five times normal. He said he had thought nothing of it.

Mr. Qureshi, an organic chemist who had been a methyl isocyanate supervisor at the plant for two years, had the same reaction half an hour later. The readings were probably inaccurate, he thought. "There was a continual problem with instruments," he said later. "Instruments often didn't work."

LEAK FOUND BUT TEA IS FIRST

About 11:30 P.M., workers in the methyl isocyanate structure, about 100 feet from the control room, detected a leak. Their eyes started to water.

V. N. Singh, an operator, spotted a drip of liquid about 50 feet off the ground, and some yellowish-white gas in the same area. He said he went to the control room about 11:45 and told Mr. Qureshi of a methyl isocyanate leak. He quoted Mr. Qureshi as responding that he would see to the leak after tea.

Mr. Qureshi contended in an interview that he had been told of a water leak, not an escape of methyl isocyanate.

No one investigated the leak until after tea ended, about 12:40 a.m., according to the employees on duty.

Such inattention merely compounded an already dangerous situation according to Dr. Varadarajan, the Government scientist.

He is a 56-year-old organic and biological chemist who holds doctoral degrees from Cambridge and Delhi universities and was a visiting lecturer in biological chemistry at the Massachusetts Institute of Technology. He heads the Council of Scientific and Industrial Research, the Government's central research organization, which operates 42 national laboratories.

In the two weeks after the accident, Dr. Varadarajan said, he and a staff gathered from the research council questioned factory managers at Bhopal, directed experiments conducted by the plant's research staff and analyzed the results of those tests. Some of the experiments were conducted on methyl isocyanate that remained at the Bhopal plant after the accident, he said, and some were designed to measure the reliability of testing procedures used at the factory.

Dr. Varadarajan said in a long interview that routine tests conducted at the Bhopal factory used a faulty method, so the substance may have been more reactive than the company believed.

For example, he said, the Bhopal staff did not adequately measure the incidence in methyl isocyanate or the possible effects of chloride ions, which are highly reactive in the presence of small amounts of water. Chlorine, of which chloride is an ion, is used in the manufacture of methyl isocyanate.

Dr. Varadarajan argued that the testing procedure used at Bhopal assumed that all of the chloride ions present resulted from the breakdown of phosgene and therefore the tests measured phosgene, not chloride ions. Phosgene is used in the manufacture of methyl isocyanate, and some of it is left in the compound to inhibit certain chemical reactions.

When his staff secretly added chloride ions to methyl isocyanate to be tested by the factory staff, Dr. Varadarajan said, the tests concluded that 23 percent of the chloride was phosgene.

"As yet," the scientist said, "Union Carbide has been unable to provide an unequivocal method of distinguishing between phosgene and chloride" in methyl isocyanate.

The Union Carbide spokesman in Danbury said: "Tests for chloride-containing materials, including chloride ions in the tank are made routinely."

Dr. Varadarajan said his staff had produced its own hypotheses of the accident's causes after Union Carbide failed to provide any, even on request.

The spokesman in Danbury said that a team of "exceptionally well qualified" Chemists and engineers from Union Carbide had been studying the accident for seven weeks "and still has not been able to determine the cause." He added:

"Anyone who attempts to state what caused the accident would be only speculating unless he has more facts than we have and has done more analysis, tests and experiments than we have. Anyone who speculates about the cause of the accident should conspicuously label it as speculation."

Dr. Varadarajan's analysis, along with internal Union Carbide documents and conversations with workers, offers circumstantial evidence for at least one explanation of what triggered the accident.

There were 45 metric tons, or about 13,000 gallons, of methyl isocyanate in the tank that leaked, according to plant workers. That would mean the tank was 87 percent full.

Union Carbide's spokesman in Danbury said the tank contained only 11,000 gallons of the chemical, "which was well below the recommended maximum working capacity of the 15,000-gallon tank."

However, even that lower level—73 percent of capacity—exceeds the limit set in the Bhopal operating manual, which says: "Do not fill MIC storage tanks beyond 60 percent level." And the parent corporation's technical manual suggests an even lower limit, 50 percent.

The reason for the restrictions, according to technical experts formerly employed at the plant, was that in case of a large reaction pressure in the storage tank would rise less quickly, allowing more time for corrective action before a possible escape of toxic gas.

For 13,000 gallons of the chemical, the amount reported by the plant staff, to have reacted with water, at least 1.5 tons or 420 gallons of water would have been required, according to Union Carbide technical experts.

But those experts said that an analysis of the tank's contents had not disclosed water-soluble urea, or biuret, the normal product of a reaction between water and methyl isocyanate.

Furthermore, all of those interviewed agreed that it was highly unlikely that 420 gallons of water could have entered the storage tank.

HYPOTHESIS ON THE CAUSE

Those observations led Dr. Varadarajan and his staff to suggest that there may have been another reaction: water and phosgene.

Phosgene, which was used as a chemical weapon during World War I, inhibits reactions between water and methyl isocyanate because water selectively reacts first with phosgene.

But Dr. Varadarajan said his study had found that the water-phosgene reaction produced something not suggested in the Union Carbide technical manual: highly corrosive chloride ions, which can react with the stainless steel walls of a tank, liberating metal corrosion products—chiefly iron—and a great deal of heat.

The heat, the action of the chloride ions on methyl isocyanate, which releases more heat, and the chloride ions' liberation of the metals could combine to start a runaway reaction, he said.

"Only a very small amount of water would be needed to start a chain reaction," he said, estimating the amount at between one pint and one quart.

Beyond its routine checks for the presence of chloride, the corporate spokesman said in Danbury, Union Carbide specifies that tanks be built of certain types of stainless steel that do not react with methyl isocyanate.

He did not say whether the specified types of stainless steel react with chloride ions.

Dr. Varadarajan said his hypothesis had been confirmed by laboratory experiments in which the methyl isocyanate polymerized, or turned into a kind of plastic, about 15 tons of which was found in the tank that leaked.

OTHER CONTAMINANTS POSSIBLE

But that is not the only possible explanation of the disaster at Bhopal. Although water breaks down methyl isocyanate in the open air, it can react explosively with the liquid chemical in a closed tank. Lye can also react with it in a closed tank, but in the gas naturalizer, or scrubber, a solution of water and lye neutralizes escaping gas. Beyond water and lye, methyl isocyanate reacts strongly, often violently, with a variety of contaminants, including acids, bases and metals such as iron.

Most of those contaminants are present at the plant under certain conditions. Water is used for washing and condenses on pipes, tanks, and other equipment colder than the surrounding air. Lye, or sodium hydroxide, a base, is sometimes used to clean equipment. Metals are the corrosion products of the stainless steel tanks used to store methyl isocyanate.

Union Carbide Corporation's technical manual on methyl isocyanate, published in 1976, recognizes the dangers. It says that metals in contact with methyl isocyanate can cause a "dangerously rapid" reaction. "The heat evolved," it adds, "can generate a reaction of explosive violence." When the chemical is not refrigerated, the manual say, its reaction with water "rapidly increases to the point of violent boiling." The presence of acids or bases, it adds, "greatly increases the rate of the reaction."

SOURCES OF CONTAMINANTS

Investigators from both Union Carbide, India and its parent corporation have found evidence of at least five contaminants in the tank that leaked, according to nuclear magnetic resonance spectrographs that were obtained by The New York Times and analyzed by two Indian technical experts at the request of The Times. Among the contaminants, a senior official of the Indian company said, were water, iron, and lye.

The water came from the improperly sealed pipe that had been washed, workers speculated, or perhaps was carried into the system after it had condensed in nitrogen that is used to replace air in tanks and pipes to reduce the chance of fire.

In the days before the accident, workers said, they used nitrogen in an unsuccessful attempt to pressurize the tank that leaked on Dec. 3. The nitrogen is supposed to be sampled for traces of moisture, but "we didn't check the moisture all the time," Mr. Qureshi said.

During the same period, the workers said, they added lye to the scrubber, which is connected to the storage tanks by an intricate set of pipes and valves that are supposed to be closed in normal working conditions but that workers said were sometimes open or leaking.

Dr. Varadarajan said he was particularly troubled that, in the absence of what he considered sufficient basic research on the stability of commercial methyl isocyanate, it was stored in such large quantities. "I might keep a small amount of kerosene in my room for my stove," he said, "but I don't keep a large tank in the room."

The Union Carbide Corporation decided that it would be more efficient to store the chemical in large quantities, former officials of the Indian affiliate said, so that a delay in the production of methyl isocyanate would not disrupt production of the pesticides of which it is a component.

Many plants store methyl isocyanate in 52-gallon drums which are considered safer than large tanks because the quantity in each storage vessel is smaller. The chemical was stored in drums at Bhopal when it was imported from the United States. Tank storage began in 1980, when Bhopal started producing its own methyl isocyanate.

The Union Carbide technical manual for methyl isocyante suggests that drum storage is safer. With large tank storage, it says contamination—and, therefore, accidents—are more likely. The drums do not typically require refrigeration, the manual says. But it cautions that refrigeration is necessary for bulk storage.

TRAINING WAS LIMITED

Although the storage system increased the risk of trouble at Bhopal, the plant's operating manual for methyl isocyanate offered little guidance in the event of a large leak.

After telling operators to dump the gas into a spare tank if a leak in a storage tank cannot be stopped or isolated, the manual says: "There may be other situations not covered above. The situation will determine the appropriate action. We will learn more and more as we gain actual experience."

Some of the operators at the plant expressed disatisfaction with their own understanding of the equipment for which they were responsible.

M.K. Jain, an operator on duty on the night of the accident, said he did not understand large parts of the plant. His three months of instrument training and two weeks of theoretical work taught him to operate only one of several methyl isocyanate systems, he said. "If there was a problem in another MIC system, I don't know how to deal with it," said Mr. Jain, a high school graduate.

Rahaman Khan, the operator who washed the improperly sealed pipe a few hours before the accident, said: "I was trained for one particular area and one particular job. I don't know about other jobs. During training they just said, 'These are the valves you are supposed to turn, this is the system in which you work, here are the instruments and what they indicate. That's it.' "

IT WAS NOT MY JOB

As to the incident on the day of the accident, Mr. Khan said he knew the pipe was unsealed but "it was not my job" to do anything about it.

Previously, operators say, they were trained to handle all five systems involved in the manufacture and storage of methyl isocyanate. But at the time of the accident, they said, only a few of about 20 operators

at Bhopal knew the whole methyl isocyanate plant.

The first page of the Bhopal operating manual says: "To operate a plant one should have an adequate knowledge of the process and the necessary skill to carry out the different operations under any circumstances."

Part of the preparatory process was "what it" training, which is designed to help technicians react to emergencies C.S. Tyson, a Union Carbide inspector from the United States who studied the Bhopal plant in 1982, said recently that inadequate "what if" training was one of the major shortcomings of that facility.

Beyond training, workers raised questions about lower employment qualifications. Methyl isocyanate operators' jobs, which once required college science degrees, were filled by high school graduates, they said, and managers experienced in dealing with methyl isocyanate were often replaced by less qualified personnel, sometimes transfers from Union Carbide battery factories, which are less complex and potentially dangerous than methyl isocyanate operations.

MAINTENANCE TEAM REDUCED

The workers also complained about the maintenance of the Bhopal plant. Starting in 1984, they said, nearly all major maintenance was performed on the day shift, and there was a backlog of jobs. This situation was compounded, the methyl isocyanate operators said, because since 1983 there had been 6 rather than 13 operators on a shift, so there were fewer people to prepare equipment for maintenance.

As a result of the backlog, the flare tower, one of the plant's major safety systems, had been out of operation for six days at the time of the accident, workers said. It was awaiting the replacement of a four-foot pipe section, they said, a job they estimated would take four hours.

The vent gas scrubber, the employees said, had been down for maintenance since Oct. 22, although the plant procedures specify that it be "continuously operated," until the plant is "free of toxic chemicals."

The plant procedures specify that the chiller must be operating whenever there is methyl isocyanate in the system. The Bhopal operating manual says the chemical must be maintained at a temperature no higher than 5 degrees centigrade or 41 degrees Fahrenheit. It specifies that a high temperature alarm is to sound if the methyl isocyanate reaches 11 degrees centigrade or 52 degrees Fahrenheit.

But the chiller had been turned off, the workers said, and the chemical was usually kept at nearly 20 degrees centigrade, or 68 degrees Fahrenheit. They said plant officials had adjusted the temperature alarms to sound not at 11 degrees but at 20 degrees centigrade.

That temperature, they maintained, is well on the way to methyl isocyanate's boiling point, 39.1 degrees centigrade, or 102.4 degrees Fahrenheit. Moreover, Union Carbide's 1976 technical manual warns specifically that if methyl isocyanate is kept at 20 degrees centigrade a contaminant can spur a runaway reaction. The manual says the preferred temperature is 0 degrees centigrade, or 32 degrees Fahrenheit.

If the refrigeration unit had been operating, a senior official of the Indian company said, it would have taken as long as two days, rather than two hours, for the methyl isocyanate reaction to produce the conditions that caused the leak. This would have given plant personnel sufficient time to deal with the mishap and prevent most, if not all, loss of life, he said.

The methyl isocyanate operating manual directs workers unable to contain a leak in a storage tank to dump some of the escaping gas into a 15,000-gallon tank that was to remain empty for that purpose. But the workers on duty said that during the accident they never opened the valve to the spare tank, and their supervisors never ordered them to do so. The workers said they had not tried to use the spare tank because its level indicator said it was 22 percent full and they feared that hot gas from the leaking tank might spark another reaction in the spare vessel.

The level indicator, according to the operators on duty that night, was wrong. The spare tank contained only 437 gallons of methyl isocyanate, not the 3,300 gallons indicated by the gauge.

Nonetheless, standard procedures had been violated. The operating manual says, "Always keep one of the storage tanks empty. This is to be used as dump tank during emergency." It provides that any tank less than 20 percent full be emptied completely.

The spokesman in Danbury said, "Our investigators did find some MIC in a spare tank," adding: "We do not know when and how the MIC got into the spare tank."

[From the New York Times, Jan. 30, 1985]

THE DISASTER IN BHOPAL: WORKERS RECALL HORROR

(By Stuart Diamond)

BHOPAL, INDIA, Jan. 24.—About 12:40 a.m. on Dec. 3, a worker at the Union Carbide pesticide plant here went to investigate a growing leak of methyl isocyanate. As he stood on a concrete slab above three large, partly buried storage tanks holding the chemical, the slab suddenly began to shake beneath him.

"There was a tremendous sound, a messy boiling sound, underneath the slab like a caldron," the worker, Mr. Dey, later recalled, "The whole area was vibrating."

He said he started to run away, heard a loud noise behind him, turned to look and saw 60 feet of concrete at least 6 inches thick crack. "The heat was like a blast furnace," he said. "I couldn't get within six feet of it."

GAS HEADS FOR THOUSANDS

He then heard a loud hissing sound, he said, and saw gas shoot out of a tall stack connected to the tank and form a white cloud that drifted over the plant and toward nearby neighborhoods where thousands of residents slept.

"I panicked," he said. "Everybody panicked."

Mr. Dey, a tall, soft-spoken man who has worked at the plant for five years, was among about a dozen workers and supervisors interviewed who were at the plant in the hours before and after a leak of methyl isocyanate, a chemical more toxic than cyanide that was used at the plant to make pesticide. The leak went out of control and caused the worst industrial accident in history, killing at least 2,000 people and injuring 200,000 in this central Indian city.

TOXICITY WAS UNDERESTIMATED

Nearly all the workers interviewed were making their first public statements since the disaster. They gave their accounts in Hindi through an interpreter; some declined to be identified.

Virtually all the workers said they knew methyl isocyanate was dangerous and some said they knew it could be fatal, but the dozen workers said they underestamated its toxicty. No one said he knew it could kill many people quickly.

The Union Carbide Corporation technical manual for methyl isocyanate is pointed on the hazards of the chemical and states that it "may cause fatal pulmonary edema," which is an accumulation of fluid in the lungs. But although the manual was distributed to managers that handle methyl isocyanate at the Bhopal plant and was seen by some of the workers there, most of the factory's employees had not read or understood it, according to former technical officials at the factory.

WORKERS EXPECTED SLOW DAY

The hours before the accident, the workers said, unfolded this way:

About 100 workers reported for duty on the eight-hour shift beginning at 2:45 p.m. on Sunday, Dec. 2.

The production plant to make methyl isocyanate had been shut down since Oct. 22, the workers recalled, and they were not particularly busy. In addition, they said, most major maintenance was now being done on the day shift during the week.

Outside the walled factory, it was a typical Sunday afternoon in the teeming old city of Bhopal, local residents later recalled. The open-air market was bustling; some of the vendors, as usual, were calling out their items for sale from carts and small booths on narrow streets.

Across the street from the factory, children played in the dirt outside the slum huts crammed together in a community called Jai Prakash Nagar.

Inside the factory, workers said, the pesticide Sevin was being produced. The Sevin plant, after having been shut down for some time, had been started up again about a week before but was still running at far below normal capacity, the workers said.

To make the pesticide, carbon tetrachloride is mixed with methyl isocyanate and alpha-naphthol, a coffee-colored powder that smells like mothballs.

The methyl isocyanate, or MIC, was stored in the three partly buried tanks, each with a 15,000-gallon capacity.

NITROGEN LEAKED OUT

Workers had not been able to use the methyl isocyanate in one of the tanks, No. 610, to make the pesticide for more than a week, they said, because they could not get the chemical out of the tank. Every time they tried to push it out and into the Sevin plant by pumping in nitrogen, they said, the nitrogen leaked out somewhere; they did not know where.

The methyl isocyanate supervisor on duty during the second shift of Dec. 2, the workers said, was Gori Shankar, who had arrived two months before from a Calcutta battery factory owned by Union Carbide India Ltd., which also owns the Bhopal plant. The company is owned 50.9 percent by the Union Carbide Corporation of Danbury, Conn.

About 9:15 p.m. Mr. Shankar telephoned one of the methyl isocyanate operators, Rahaman Khan, who was in the plant's canteen having tea, Mr. Khan recalled. Mr. Shankar could not be reached for comment on the workers' accounts, and plant officials declined to put The New York Times in touch with specific employees.

Mr. Khan said Mr. Shankar asked him to come to the MIC area of the plant and clean a pipe.

The pipe, about 25 feet long and 8 feet off the ground, led from a device that filtered crude methyl isocyanate before it went into the storage tanks, Mr. Khan said. Inside the pipe was a valve that had been closed.

VALVE HAD NOT BEEN SEALED

Mr. Khan and several other workers said Mr. Shankar told him to open a nozzle on the pipe and put a water hose in to clean the inside.

"He came along with me and stayed there while I did the procedure," Mr. Khan said. "I connected a hose to the pipe to be cleaned and opened a drain."

It was about 9:30 p.m., he recalled.

Mr. Khan said he noticed that the closed valve had not been sealed with a slip blind, a metal disc that is inserted into pipes to make sure that water does not leak through the valve. Valves were notorious for leaking at Bhopal, the workers said.

They knew, they said, that water reacted violently with methyl isocyanate. Page 67 of the MIC operating manual for Bhopal says: "Isolate the equipment positively by inserting suitable blinds. Isolation by valve or valves is not to be relied upon."

Mr. Khan said he and Mr. Shankar left the area while the pipe was being cleaned.

Unattended, water flowed into the pipe, out pipe drains and onto the floor, where it entered a floor drain, Mr. Khan and other workers recalled. The water was to continue to flow, the workers said, for about three hours.

According to Mr. Khan, it was the only pipe in the methyl isocyanate unit being washed during the second shift that day.

"I DIDN'T CHECK TO SEE"

"I knew that valves leaked," said Mr. Khan, who has a high school education and less training than the amount orginally established for methyl isocyanate plant operators.

"I didn't check to see if that one was leaking," he said. "It was not my job."

Many workers said they believed water from the unsealed valve was the most likely trigger for the accident that came hours later.

Shakil Qureshi, the methyl isocyanate supervisor on duty at the time of the accident, said later: "If water caused this accident, it is the fault of the management of Union Carbide. In fact, it is all our faults."

He said it would have been extremely difficult to check whether the valve was leaking; the plant, he said, did not have the proper instruments.

He said he found out later that there was no indication in notes on the daily maintenance log to insert a slip blind, although there was a note to wash the pipe.

"But the daily notes are always vague," he said.

PRESSURE OF GAS RISES BUT CAUSES NO ALARM

About 10:30 p.m., the workers on duty prepared for the change in shifts that was to occur about 15 minutes later, some of them recalled. Among other things, they said, they logged the pressure indicated on the gauge in the control room for MIC tank No. 610.

It was two pounds per square inch—normal, they said.

Operators said they did not record the temperature of the tank. "For a very long time we have not watched the temperature," one worker said. "There was no column to record it in the log books."

Operators said the temperature of the methyl isocyanate was usually nearly 20 degrees centigrade, or 68 degrees Fahrenheit, although the plant's operating manual specifies that it be kept below 5 degrees centigrade, or 41 degrees Fahrenheit. Sometimes in the summer, operators said, the methyl isocyanate storage tank temperature indicator went off the scale, which was 25 degrees centigrade at the maximum, or 77 degrees Fahrenheit.

About 11 p.m., Mr. Dey later recalled, he noticed that the pressure gauge for Tank 610 read 10 pounds per square inch—five times what it had been half an hour earlier.

Mr. Dey, who was in the control room and was the senior operator on duty, said he had thought nothing of it; it was still a relatively normal pressure.

Half an hour later, Mr. Qureshi, whose office is across the hall from the control room, had the same reaction, he later recalled—he thought one of the two readings was faulty. "Instruments often didn't work," he said. "They got corroded. Crystals would form on them."

About 11:30 p.m., workers in the methyl isocyanate area said, they realized that there was a methyl isocyanate leak somewhere: Their eyes began to tear. Detecting leaks by the effect of the gas on the eyes was standard procedure at the plant, and at least one leak a month was detected this way at the plant, they said.

"We were human leak detectors," Mr. Dey said. The practice violated procedures laid out in the technical manual.

The workers began to look for the source of the leak, they recalled.

V.N. Singh, one of the workers, said he and the others walked around the MIC structure, which looks like a small refinery, and spotted a drip of liquid about 50 feet off the ground and some yellowish-white gas accompanying the drip.

"It was a small but continuous drip," he said.

While the other workers kept looking at it—they later said they thought they had found the source but were not certain—Mr. Singh said he went by himself to inform Mr. Qureshi.

He said it was about 11:45 p.m.

According to Mr. Singh, he told Mr. Qureshi of a leak of methyl isocyanate, although this is in dispute: Mr. Qureshi later said he had been told only of a water leak.

Mr. Singh recalled that Mr. Qureshi told him he would deal with the leak after the next tea break, scheduled about 12:15 a.m.

Until tea time, the workers said, they continued to inspect the area. Then all of the MIC workers had tea together in the control room about 100 feet away from the storage tanks. The workers said they talked about the leak, among other things, over tea.

WORKERS REALIZE IN PANIC LEAK IS OUT OF CONTROL

It was in the five minutes after the tea break ended at 12:40 a.m., the workers said, that the enormity of the accident became known. They began to panic both because of the choking fumes, they said, and because of their realization that things were out of control.

"Things were happening very fast," Mr. Dey said.

First, Mr. Dey said, he glanced at the temperature gauge for Tank 610 in the control room and noticed that it had risen above 25 degrees centigrade, or 77 degrees Fahrenheit, the top of the scale.

The pressure gauge for the tank, meanwhile, was rapidly moving toward 40 pounds per square inch, the point at which an emergency relief valve on the MIC tank bursts open, according to the workers.

Within seconds, Mr. Dey said, he went to Mr. Qureshi's office and told him that the pressure in Tank 610 was rising rapidly.

He then rushed to the storage tanks to investigate, he said, and saw the concrete over the tanks crack as MIC turned from liquid to gas and shot out the stack, forming a white cloud. Part of it hung over the factory, the rest began to drift toward the sleeping neighborhoods nearby.

Mr. Dey raced back to tell Mr. Qureshi in the control room, he said, "I told Qureshi there was a massive MIC leak that could not be controlled."

Mr. Dey said he looked at the pressure gauge in the control room for Tank 610 again; the indicator was off the scale, above 55 pounds per square inch, he said.

It was about 12:45 a.m., he said.

At that time, Mr. Qureshi later recalled, he ordered all water sources in the area shut off and ordered water sprayed on the leak to break down the MIC. It was at this point, the workers said, that the water used to clean the pipe on the previous shift was, after about three hours, turned off.

But the leak did not stop, Mr. Qureshi recalled, and the effect of the MIC became more pronounced by the minute—workers eyes began to hurt and tear more excessively; some began to cough, they said.

Someone sounded an alarm by breaking its glass, workers said. Mr. Dey said he made an announcement on the factory loudspeaker that there was a large MIC leak and that people should leave.

Workers were running around in panic, shouting "massive MIC leak," Mr. Dey recalled.

Within a minute or so, the fire brigade arrived on trucks and turned on several hydrants to put a water curtain around the escaping gas, the workers said. But the curtain, they said, reached only about 100 feet high while the gas was escaping from the top of a stack 120 feet high and was shooting another 10 feet into the air.

It was about 12:50 a.m.

Mr. Dey said he then turned on the vent gas scrubber, a device designed to neutralize escaping toxic gas. The scrubber had been under maintenance; the flow meter indicated there was no caustic soda flowing into the device, Mr. Dey said.

He said it was not clear to him whether there was actually no caustic soda in the system or whether the meter was broken. Broken gauges were not unusual at the factory, workers said.

In fact, the gas was not being neutralized but was shooting out the vent scrubber stack and settling over the plant.

One reason the scrubber was not working, technical experts later said, was that the temperature and pressure of the gas far exceeded the design limits of the scrubber. The temperature of the escaping gas was at least 121 degrees centigrade, or 250 degrees Fahrenheit, according to the plant's technical specifications for the valve that burst on the storage tank. The MIC operating manual for the Bhopal plant says the scrubber should not be operated above 70 degrees centigrade, or 158 degrees Fahrenheit, for extended periods.

Meanwhile, K. V. Shetty, the plant superintendent for the shift, had come racing over from the main gate on a bicycle, workers said.

"He came in pretty much in a panic," Mr. Dey said. "He said, 'What should we do?'"

Mr. Shetty, who declined to be interviewed, was on the administrative and not

the technical side of the factory, the workers said.

Inside the factory, the white cloud of methyl isocyanate engulfed the production plant and started wafting toward the control room.

Nearly all members of the plant staff began to leave—everyone but Mr. Qureshi, Mr. Shetty and the six MIC plant operators working that shift, the workers said. Those fleeing looked at the wind direction indicator, a large sock on a pole, and ran into the wind, the workers later recalled.

Four buses were parked by the road on which workers ran to escape, the workers recalled. There was a provision for drivers to man the vehicles and drive them to the nearby neighborhood, loading some residents aboard and having the rest follow, workers said. But the buses stood idle, the workers said.

"Everybody was busy running away," one operator said.

CONTROL ROOM ENGULFED AS ALL EFFORTS FAIL

About 1 a.m., Mr. Qureshi said, he telephoned S. P. Choudhary, the assistant factory manager. The workers said Mr. Choudhary said to turn on the flare tower, which is designed to burn off escaping gas.

Mr. Qureshi gave the instruction to workers, they recalled, and Mr. Dey said he told Mr. Qureshi that turning on the flare with all that gas in the air would cause a huge explosion.

Mr. Dey said Mr. Qureshi then remembered that a four-foot, elbow-shaped piece of pipe was missing from the flare anyway. It had corroded and was to be replaced.

The workers said they considered other alternatives, such as dumping the escaping gas into a spare storage tank. One of the three tanks, No. 619, was supposed to be empty, but it was not; it also contained MIC, as did No. 611, the workers said.

The workers said they then grabbed their oxygen masks and tanks.

About 1:30 a.m., MIC began to engulf the control room and the adjoining offices, Mr. Qureshi recalled. He said he could not find an oxygen mask and cylinder in his office. Someone had taken his, he said, so he ran out of the control room and ran off.

"I thought I was going to die," he said.

Mr. Dey put on his oxygen gear and went to look for Mr. Qureshi in the MIC cloud but could not find him.

"I couldn't see two feet in front of me, the cloud was so thick," he said.

In the meantime, Mr. Qureshi recalled, he had found a clear area, scaled a six-foot fence topped by barbed wire and had broken his leg as he landed. He was taken to a hospital later that morning.

Mr. Dey said he went upwind and waited, periodically putting on his oxygen gear to go back to the control room and check the instruments.

At 2 a.m., he said, the pressure and temperature gauges were still off the top of their scales. He continued to go back and forth, and when he checked the area at 2:30 A.M., he said, the gas that had begun shooting out of the stack nearly two hours earlier had stopped coming out.

Jagannathan Mukund, the factory manager, arrived at the plant about 3 A.M. and sent a man to tell the police about the accident because the phones were out of order, the workers said. They said the police were not told earlier because, they said, the company management had an informal policy of not involving the local authorities in gas leaks.

Meanwhile, people were dying by the hundreds outside the factory. Some died in their sleep. Others ran into the cloud, breathing in more and more gas and dropping dead in their tracks. Thousands of animals also died. By dawn, doctors at nearby hospitals would be piling bodies in spare rooms for lack of space.

By 3:30 A.M., the gas had dispersed from the MIC plant.

Mr. Dey said he went back into the control room and watched it continue to float out over nearby communities .

He sat there, he said, until the middle of the next afternoon.

"There was," he said, "nothing else to do."

A STAGE SET FOR A DISASTER

BHOPAL, India, Jan. 24.—The dozen workers interviewed after the Bhopal accident later maintained that the stage for disaster had already been set when they reported for duty at the sprawling chemical plant on Dec. 2, a mild and relaxed Sunday afternoon in the central Indian city.

A refrigeration unit designed to keep the methyl isocyanate cool and nonreactive had been shut off and chemical was warmer than allowed by the plant's operating manual, they said. The staff and its training, they said had been reduced, and important instruments, including pressure gages, were unreliable.

At the same time, the workers said, maintenance at the plant had been curtailed and new supervisors and operators were in key positions. A cost-cutting program at the money-losing plant, they contended, was jeopardizing safety.

Two of the plant's major safety systems to handle escaping gas—a gas neutralizer and a flare tower to burn it off—were not designed to withstand pressure anywhere near that of the methyl isocyanate in this accident, technical experts said. A water spray system was not high enough to reach and contain the escaping methyl isocyanate, the workers said.

The ill-fated methyl isocyanate storage tank had been overfilled, with the consequence that the pressure would rise faster in an accident, the experts added.

In all, there were already more than half a dozen violations of plant procedures by the day of the accident; more were to occur during the accident itself, according to workers, technical experts and former Union Carbide officials.

Company and plant officials and managers in the United States and in India generally declined to comment on such actions and allegations. They characterized any suggestion of the causes as speculation.

[From the New York Times, Jan. 31, 1985]

DISASTER IN BHOPAL: WHERE DOES BLAME LIE?

(By Robert Reinhold)

BHOPAL, INDIA, Jan. 24—A few weeks before the gas leak at the Union Carbide factory, it had been granted an "environmental clearance certificate" by the state pollution control board.

It was a routine clearance required by the central Government of India, and it was readily granted since, in the words of a board official, "only slight modifications were needed" in the plant's emission controls.

In fact, the plant was soon to suffer a chemical reaction that spewed lethal methyl isocyanate gas across this central Indian city in the early hours of Dec. 3, leaving more than 2,000 dead and 200,000 others injured.

The aftermath has brought much soul-searching and finger-pointing over who was ultimately responsible for the tragedy. Plant workers, technical experts and former Union Carbide officials have described a deterioration of safety standards at the plant that, they say, helped provoke a disaster.

The tragedy has also led many to accuse the state pollution board—as well as many other agencies of the state and central Government responsible for monitoring industry—for not having adequately monitored the plant.

Their failure, many have said, has raised questions about the ability of India, which is already an industrial power, and its fast-developing states to regulate the new industry they seek. And it has led many to say that the responsibility for the deaths must be shared by the Government.

ENFORCEMENT LEFT TO STATES

Under Indian law, industrial licenses are issued by the Ministry of Industry of the Government in New Delhi. But enforcement of worker safety, environmental and other rules is left largely to the state governments.

The department of labor in Madhya Pradesh, the state of which Bhopal is the capital, employs 15 factory inspectors to monitor more than 8,000 plants spread over the vast state, the largest in India.

According to an official of the inspector's office, they lack the most basic instruments, even typewriters and telephones in some regional offices, and must travel by public bus and train on their rounds.

The Bhopal office, which is reponsible for monitoring the Union Carbide plant, has only two inspectors, both mechanical engineers with little knowledge of chemical hazards.

Inspection records show that they made many visits to the plant after internal leaks and other mishaps, but recommended only minor remedial recommendations, generally urging the company to follow its own operating procedures more closely.

Similarly, the Madhya Pradesh air and water pollution control board has acquired not a single instrument to measure air pollution, nor has it hired any new staff, since the central Government passed its first air-pollution law more than two years ago.

Almost all government officials interviewed maintained that they were not responsible for looking after the methyl isocyanate tank that leaked, and they pointed the finger elsewhere.

An official of the state labor department's division of industrial health and safety said the factory inspectors' job was limited to looking after safety devices to protect workers.

"We do not design, maintain and operate plants," he said. "We only check to see there are enough protective masks and safety guards."

Similarly, U.K. Tiwari, chairman of the pollution-control board, said his agency lacked responsibility because methyl isocyanate, called MIC, was not a normal emission of the factory and therefore was not monitored at all. Indeed, he said, the factory's regular noxious emissions were "almost nothing."

"This was an accident," he said. "In the normal working of the factory there was almost no emission of this gas. Normal monitoring would not have foreseen this at all. This was a failure of safety equipment."

The top official of the Madhya Pradesh government is the Chief Minister, Arjun Singh, a politician who has held the job since 1980. That is when Union Carbide started manufacturing MIC, which is used to make all the pesticides produced at the factory, a few miles from Mr. Singh's house.

Mr. Singh was himself affected by the gas at his large home in the new part of Bhopal. In an interview there, he contended that the burden rested with the company to inform the local authorities about potential hazards.

"It is the basic responsibility of the company to make the community aware of it," he said. "I have not seen anything so far to show this was done."

SOME COMPANY OFFICIALS FACE CRIMINAL CHARGES

So far, Mr. Singh's Government has brought criminal charges against several officials of Union Carbide, including Warren M. Anderson, chairman of the Union Carbide Corporation of Danbury, Conn., and Keshub Mahindra and V. P. Gokhale, chairman and managing director respectively of Union Carbide India Ltd. The Union Carbide Corporation owns 50.9 percent of Union Carbide India, which owns the Bhopal plant.

In addition, charges have been brought against Jaganathan Mukund, the factory manager, and S. P. Choudhary, the assistant factory manager. All have been released on bail.

Mr. Singh has also accepted the resignation of his labor minister, Sunder Patidar, and dismissed the chief inspector of factories, C. P. Tyagi, who Mr. Singh said had renewed the factory's license annually without acting on reports of safety lapses from the labor department.

Did the Chief Minister accept any personal responsibility?

"In a way I am responsible for everything," he replied. "But there must be some level at which the persons most closely concerned have to have greater responsibility than me."

He agreed that Madhya Pradesh's industrial and environmental safeguards were deficient.

"Most of these rules were framed quite a long way back," he said. "They certainly need updating in view of new processes."

If it was the plant management's duty to inform the public about the nature of their plant, they clearly failed to discharge it.

Not even Dr. M. N. Nagu, director of public health for the state, knew anything about the poison gas that was to leave thousands of Bhopal residents, including himself, choking, gasping for breath and half blinded.

Indeed, even with the first bodies piling up at Hamidia Hospital, he said, a factory doctor told him that the gas was not lethal and that it caused only eye and lung irritation.

"They said it's not so toxic to create any problem," Dr. Nagu said.

"I said, 'What are you talking about—people are coming in dying.' "

MANY OFFICIALS KNEW LITTLE OF THE CHEMICAL

Nor did Bhopal's part-time Mayor, Dr. R. K. Bisarya, also a physician, know much about MIC. Neither did Ranjit Singh, the chief administrative officer of the Bhopal district and the man chiefly responsible for contingency plans in case of disasters. There was none in case of a leak from Carbide.

"I had no idea," he said. "I knew they made pesticides, but I did not know what the ingredients were, and I have never heard of a compound called MIC."

The police superintendent, Swaraj Puri, said he first learned of MIC, with his eyes and lungs burning, at about 3:30 A.M. on Dec. 3, when he was informed of it by K. V. Shetty, the plant superintendent for the shift four hours after the leak began.

"We made him spell it," Mr. Puri said.

These officials said nobody at the company suggested a simple antidote of covering the face with a wet cloth. Had that been known in advance, they said, many lives might have been saved.

The seeds of the accident were planted in 1972 when, under Government pressure to reduce imports and loss of foreign exchange, the company proposed to manufacture and store MIC at the plant.

What the company told the central and state Governments about the potential hazards of this process is unclear, since all records have been impounded by an official inquiry.

The New Delhi Government's Ministry of Industry granted the MIC license, No. C/11/409/75, on Oct. 31, 1975.

This was just two months after the issuance of the Bhopal development plan on Aug. 25, 1985. That plan, which had the force of law, required that "obnoxious industries," including manufacture of pesticides and insecticides, be relocated to an industrial zone 15 miles away.

"Obnoxious industries which are likely to pollute the atmosphere are often located on the leeward side, so as to save habitated areas from harmful effects of such industries," the 1975 report stated, adding that at the proposed new industrial area, "the prevailing winds will carry obnoxious gases away from the city area."

The plan was not followed. The factory stayed, and soon slum dwellings and even middle-income housing were being built nearby.

The development plan was devised under M. N. Buch, then commissioner and director of town and country planning for the state and a former secretary of environment and administrator of the Bhopal municipal corporation.

In an interview, Mr. Buch, who recently resigned from the Indian administrative service, said he ordered the Carbide plant to relocate in 1975.

"The risks of a pesticide formulation plant are very different from a plant that manufacturers the basic material for pesticides," he said. "with such a plant, it no longer becomes a question of whether people should live across the street. It becomes a question of whether people should live within many miles of the plant.

"I would not have permitted the plant to locate there," Mr. Buch said, adding that the plant was responsible for the deaths. But he also charged that the Government carried an "equivalent vicarious responsibility" for what he called its failure to monitor the plant and to follow the master plan.

The plan called for the Carbide site to be converted to housing and light commercial use. It also called for 2,560 hectares, or 6,325 acres, of new housing by 1994, so as to eliminate the shanty slums that crop up everywhere.

So far, he went on, only a few hundred hectares of housing have been built. "Therefore, they allowed these slums to come up," he said.

Mr. Buch said he did not know why his order to relocate the plant was ignored; he said that soon after, he took another job for unrelated reasons.

N. V. Patwardhan, the current director of the town-country planning commission, declined to comment, saying the matter was under judicial inquiry.

HOUSING SPRANG UP AROUND THE NEW PLANT

In any case, as Carbide built its MIC unit, the population in the shadow of its plant grew rapidly.

The local government granted construction permits on June 5, 1976, seven months after the MIC license was granted, to Sant Kanwar Ram Nagar, a housing development near the plant, and construction loans were given by the Madhya Pradesh housing finance corporation a year later. Some individual building permits were granted in the neighborhood as recently as 1983.

Other housing sprang up, all with government sanction. At the same time, unauthorized slums inched closed to the Carbide factory. One, Jai Prakash Nagar, spread out right in front of the main gate of the factory, giving leaky shelter to about 700 families and 3,000 people at the time of the accident.

If the nontechnical political and civil authorities in Bhopal were unaware of the latent volcano in their midst, why did the technical and industrial agencies involved in licensing and monitoring the plant also suspect nothing?

And why was so little action taken in the face of several signs, including one fatal accident at the plant in 1981, that all was not well inside the plant?

Industrial licenses are issued by the Ministry of Industry in New Delhi, after consultation with several other agencies, such as in this case the Ministry of Chemicals and Fertilizers, the directorate a general of technical development, the Ministry of Agriculture and its Central Pesticides Board, as well as the Madhya Pradesh state government.

Just what Union Carbide disclosed about the hazards of MIC production when it applied a dozen years ago is unclear. The application predated India's air and water pollution laws. Also unclear is how much scrutiny the central Government gave the application.

"This is a big weakness in the process," said a former official of the Department of Industry in New Delhi. "The depth of scrutiny is so shallow and so superficial. I would not be at all surprised if they did not realize what it was about, and just said it would generate employment in Madhya Pradesh."

Even so, an official of the Madhya Pradesh department of industries said there were some in the department who objected to the plant location. But, be added, they were overruled by nontechnical people and the plant applications were recommended to the central Government.

"It is not carbide's fault," he said "We did not tell them what to do. They never refused to install what we asked. They were never advised what was needed."

Under current central Government rules, all letters of intent to issue an industrial license to a company with foreign collaboration require the company to take "adequate steps" to prevent air, water and solid pollution, as well as "adequate industrial safety measures" to the satisfaction of the state government involved.

The letter also stipulates that no new or expanded industrial activity should take place within the urban limits of cities of over one million or within the municipal limits of cities over 500,000 population. Bhopal's population today is estimated at 800,000.

Only last June 21, less than six months before the accident, the Ministry of Industry in New Delhi ordered that no license should be granted unless the state director of industries confirmed that the site has been "approved from the environmental angle."

But none of this was in place in 1975, when the plant got its license.

Once licensed by the central Government, the Carbide factory was theoretically monitored by the state government under four main national laws: the Factories Act of 1948, the Insecticides Act of 1968, the Water Act of 1974 and the Air Act of 1982.

Thus far, the Madhya Pradesh government has placed the burden of blame on its labor department, which enforces the Factories Act, aimed mainly at providing safe working conditions for plant workers, rather than protecting the general public.

The dismissal of the chief factory inspector, Mr. Tyagi, has incensed the factory inspectors' office, based in Indore, 120 miles southwest of Bhopal.

Mr. Tyagi declined to comment, but another member of the inspectors' office described the conditons under which factory inspectors must operate in Madhya Pradesh with the proviso that he not be identifed.

Each inspector, he said, has responsibility for more than 150 factories, triple the standard recommended by the International Labor Organization.

Each is given a quota of 400 inspections a year, to be done in only 200 or so working days. Moreover, he added, they are expected to travel about this large state by public transportation.

"Factories are almost always located outside of cities," he said. "Often we must ask for a car from the factory owner to get there. We go in his vehicle, and then sometimes we must prosecute him."

Frequent requests or better support from the state government have gone unheeded, the staff member said. They have no hygiene laboratory and few instruments.

"We don't even have instruments to collect samples," he said. "All we can say is there is dust and you stop it. It is very difficult to prove in a court of law because we don't know what the normal level is."

Moreover, inspectors have little authority to order that unsafe conditions be remedied, apart from going to court. That process often takes years and then the fines are minimal. The official recalled a recent case in which factory managers were fined 2.50 rupees each, or 20 cents, for each infraction.

Much of the machinery purchased by textile, cement and other factories in the state is antiquated and cheaply made, he said, and management usually tries to get away with whatever it can. The inspector comes into the picture only after production has begun.

The Indian Factories Act explicitly authorizes the individual states to make rules requiring written previous permission from the chief inspector of factories before a factory site is chosen and construction begun. More than 36 years after the act was passed, the Madhya Pradesh government has still not written such rules.

"The industries department never tells the factories they must get a license from us," the staff member of the inspectors' office said. "We must tell them."

As for Union Carbide, he said that by comparison to the safety violations committed by other plants in the state, Carbide was considered almost a model citizen. It had only one fatal accident in recent years, while one steel plant had 25 in one year and deaths were common in other plants, he said.

Carbide was never prosecuted for its lapses.

Since the MIC unit opened in 1980, the factory inspectors did periodically check the three MIC storage tanks.

But they did not have the proper equipment, so they relied on ultrasonic tests performed by the company itself. The inspectors also checked to determine that the safety valves on the tanks would open to release gas in case of a pressure buildup.

The official noted with an ironic smile that they worked all too well Dec. 3.

After the fatal accident on Dec. 24, 1981, in which an illiterate worker died after taking off his face mask when splashed with phosgene, the Central Labor Institute in Bombay, operated by the New Delhi Government, sent an investigator.

The director of the institute, the official said, concluded that the plant's safety equipment was of international standards and that the plant posed no significant problem.

Nonetheless, the death of the worker, Ashraf Mohammad Kahn, prompted an investigation by the state labor department. It appointed Dr. S. Siddiqui, a professor at the local science college, Vigyan Mahavidyalaya, on Feb. 10, 1982.

He delivered his report on March 5, 1984, and it concluded that the worker died from his own mistake, but also that there was poor coordination between the production and the maintenance staff, which allowed him to open a pipe that was not cleared of deadly phosgene.

The Siddiqui report went unattended by the state labor department for seven months. Even a reminder from the Chief Minister on Dec. 11, more than one week after the Dec. 3 leak, brought no immediate response, according to his office, and the matter remained "inert" for more than a week more.

For that, several officials of the labor department, including its secretary, Arun Kumar, were suspended.

The current secretary of both the state labor and industries departments is Manish Bahal. He declined substantive comment on allegations of lapses in his departments, saying he did not want to pre-empt the judicial inquiry.

But he said the manufacturing process was left to companies. "We are not there to check manufacturing," he said. "We are not there to run the factory."

An inquiry into Mr. Khan's death was also undertaken by the state agriculture department in 1982 at the request of his brother. The inquiry was completed last summer and reached conclusions similar to those of Professor Siddiqui. But no action was taken until after the disaster in December.

The spokesman for Chief Minister Singh, Sudeep Banerjee, said the state planned soon to prosecute Union Carbide under the Pesticides Act, which gives the states authority to protect workers involved in the manufacture, formulation, transportation, distribution and application of pesticides.

Neither did the environmental authorities pay close attention to the plant. When the MIC unit was added in 1980, the plant was required to build a 22-acre solar evaporation pond for its toxic waste, so that its toxic effluent was theoretically nil.

In fact, since the factory was running at only 30 percent of capacity, its production of waste was much less than expected.

PLANT'S POLLUTION NOT CONSIDERED MAJOR

But the state pollution control board did raise objections about the discharge from Carbide's storm drain, which emptied into a drainage ditch outside the plant.

Monthly samples, tested for biological oxygen demand, pH relative acidity and other indicators, showed it to be polluted, though the board never tested it for toxicity, a board worker said.

The worker said the plant was "given one or two reminders, but they never did anything about it." He said the plant's own data almost always was below the acceptable levels.

Compared with the extensive pollution caused by other industries, the drain was "not considered a major problem," he said, and no court action was taken.

Still, a few years ago, several animals died near the Carbide drain. The company paid the owners, and there was little further worry about it.

"After that it became routine that if an animal died of old age the owner would throw it in the effluent and ask Carbide for money," the pollution worker said.

The state air and water pollution control board operates with a staff of 262 in five regional offices, with a laboratory here in Bhopal. It is charged with monitoring "outlets for sewage of trade effluent" into streams and wells.

This means it must regularly cover not only 200 major and medium-sized industries but also 90,000 smaller ones, as well as municipal waste discharge.

Moreover, unlike environmental agencies in the United States, the board has no authority to order a polluter to desist. It must, like the factory inspectors, go through a long court procedure.

A Bhopal journalist, Raajkumar Keswani, had been warning of potential disaster at the plant in his now defunct Hindi weekly, Rapat.

These warnings, along with complaints from unions representing Carbide workers, resulted in a debate in the Madhya Pradesh legislative Assembly on Dec. 21, 1982.

One member suggested that the plant should be moved to a "safer place."

With Chief Minister Singh present, the then state labor minister, Tara Singh Viyogi, gave this response:

"Mr. Speaker, this plant was established here in 1969 with an investment of 250 million rupees [$20 million at current rates]. It is not a small piece of a stone that I can shift from one place to another."

He added, "There is no danger to the city, nor do I find any symptoms of it."

Mr. Viyogi, now a textile labor union leader in Gwalior, about 200 miles north of Bhopal, denied in an interview any responsibility for the accident.

"I never imagined it," he said. "It was beyond my thinking that it could happen."

He said he had personally visited the plant three times and was satisfied with its safety measures, feeling that any leak could be stopped—if the measures, he said, were used properly.

"My information was not wrong," he said. "What I said at the time was that if the instruments worked properly and they used them properly, it would have stopped the leak."

[From the New York Times, Feb. 3, 1985]

THE DISASTER IN BHOPAL: LESSONS FOR THE FUTURE

(By Stuart Diamond)

BHOPAL, INDIA.—In this teeming central Indian city where an industrial gas leak in December killed more than 2,000 people, the problems and dilemmas faced by multinational companies in developing countries come into sharp focus.

Vendors sell, dried cow-dung for fuel while nearby factories install automated solar-energy devices. A business executive does financial statements on a computer while outside his window two men clothed in little more than rags try to push a rice-laden wooden cart out of a drainage ditch.

At the airport on the edge of town, a jet lands on a wavy asphalt runway; the luggage is sometimes carried away on a cart pulled by a bullock. A new television transmission tower looms over the countryside; in front of it, a woman in a sari carries gravel for construction in a basket on her head.

OLD WAYS NOT REPLACED

The advances that have made India an industrial power have, in most areas, not replaced previous methods. Instead, the new technology forms a veneer on a continuum of life styles and perceptions that stretch into the past.

In this setting, the Union Carbide Corporation and its Indian affiliate, Union Carbide India Ltd., built in Bhopal a complex pesticide factory where, on Dec. 3, a leak of methyl isocyanate caused the worst industrial accident in history. In addition to those killed, 200,000 people were injured.

The accident, many Indian technological experts and others say, has raised questions about doing business in the third world—not only for the multinational companies but for the host countries as well.

'A LOT OF RISKS'

"Western technology came to this country but not the infrastructure for that technology," said Dr. S.R. Kamat, a prominent Bombay expert on industrial health and the hazards of development.

"A lot of risks have been taken here," he said. "Machinery is outdated. Spare parts are not included. Maintenance is inadequate. Bhopal is the tip of an iceberg, an example of lapses not only in India but by the United States and many other countries."

Since the accident, scientists, Government officials, policy makers, medical experts, cultural specialists and business leaders—including officials from Union Carbide—have converged on the city to glean the lessons of Bhopal. The city, they say, has become a laboratory for the study of how industrial companies can better conduct business in the third world—and what steps might be taken to avoid a repetition of what happened here.

Interviews with more than a hundred specialists, officials, residents of Bhopal and others suggest that several lessons have already begun to emerge. These are some of the issues being discussed:

Hazardous facilities often pose added risks in developing nations, where skilled labor and public understanding are often lacking. Special training is needed to compensate for these extra risks.

Public education is critical in developing countries, where people often do not understand the hazards of toxic substances. Repeated drills and clear warning signals are needed.

The more rural areas of the developing world should not be used to test complex new technology.

A sense of urgency about all safety problems and attention to worst-case possibilities—routine in industrial countries but often not transferred to developing countries—should be part of worker training, especially in plants with a high turnover of personnel.

The company headquarters should audit its plants in developing countries frequently, perhaps more often than it audits plants at home.

Sophisticated backup safety systems, often installed in industrial nations, are needed to compensate for lapses in training and staff in developing nations, where they are needed more.

Company executives should be technically—not just administratively—trained in businesses that use toxic materials; such training can compensate for a lack of technical know-how in the local plant staff.

Many areas of the developing world are growing rapidly and without zoning laws. Suitable buffers should be placed around the factory to prevent the dangers of crowding.

Cultural differences between foreign and host countries should be considered. If preventive maintenance is a new concept it, should be more thoroughly taught.

Host governments should closely and continually inspect hazardous factories and their managements, enforcing strict and quick sanctions for safety lapses.

In making agreements with multinational companies, the governments of developing countries should consider only those technologies that can be safely handled in the long run. It may be necessary to change laws that mandate turning factories over to local control completely.

INDIA IS STILL EAGER TO INCREASE TECHNOLOGY

Many technological experts note that India has tried to use new technology to solve its problems of food and medical care and that companies such as Union Carbide have been well-regarded as helping India to achieve those goals.

Thus, despite the anger generated by the Bhopal accident, it is clear, they say, that multinationals do not face wholesale expulsion from India—although there is talk among state and central Government officials of nationalizing the Bhopal plant, which is on Government-leased land.

And while there have been official statements that the Bhopal plant will not again make hazardous materials, many here believe that the plant will reopen. The jobs are needed in a country where unemployment is high and there is no welfare system; those without jobs often must beg or face starvation.

"People here say: 'We have already lost 2,000 lives. Must we lose 2,000 jobs too?'" said Paul Shrivastava, a native of Bhopal and an associate professor of management at the New York University Graduate School of Business Administration, who returned home to study the accident.

Officials in India note that multinational companies provide the country with technology, skill, capital and equipment that might otherwise take years to develop indigenously. The Government, they say, is keen to continue joint ventures between Indian interests and foreign companies.

India and other countries provide multinational companies with benefits in return, according to a wide variety of studies in the United States. The companies have gained large new markets and have often been able to produce products inexpensively because of a cheap labor force and fewer requirements to install expensive environmental and worker-protection equipment, those studies said.

In December, the Government approved 194 projects between Indian and foreign companies, according to the Indian Investment Center, a Government-sponsored group that tries to encourage investment.

Those included, it said, 47 from the United States, the most of any country. The projects involved production of batteries, computer parts, steam turbines, oil-drilling tools and even a plant to make phosgene, a poison that is used in making methyl isocyanate, or MIC.

In the last two years, agreements have been reached for four new Union Carbide plants: a battery plant; one to produce calcium carbide, which is used in making battery materials; one to bottle specialty gases such as helium and argon, and one to make equipment that separates oxygen from the atmosphere for bottling.

TECHNOLOGY SPREAD THIN ON AN ANCIENT CULTURE

There are many success stories of advanced technology in India, many specialists say. The country's airlines run a busy and virtually accident-free schedule, nuclear reactors supply electricity, Indian scientists and engineers do advanced research in chemistry, physics and biotechnology.

The country has the third-largest number of technical students in college in the world, after the United States and the Soviet Union, according to a United Nations study two years ago.

But the country has 750 million people and many technological industries to support, the Indian experts say. The considerable technical skill, they say, is spread thin.

A recent study, "Multinationals and Self-Reliance," by the Indian Institute of Public Administration in New Delhi found that of 1,695 top employees at seven leading foreign drug companies here, more than a quarter were only high school graduates.

The new Prime Minister, Rajiv Gandhi, has said that he wants more technology to help his country develop. Last month a study by the Birla Institute of Scientific Research, a respected private research unit, concluded that the growth of India's technological progress was much less than that in many other countries. It said India had the financial resources to grow faster.

Dr. Shrivastava, the New York University professor, said the ability to handle new technology here is more a question of training and management than basic ability and discipline.

"Much more attention must be paid to the support systems for new technology and the culture in which it exists before the technology is located here," he said.

Bhopal has grown swiftly since it was made the capital of the state of Madhya Pradesh in 1956. But there is only one telephone for every thousand people, according to state officials; most of the population has running water for only a few hours a day, and there are few street signs, traffic lights, washing machines, hair dryers, computers or automated equipment of any kind.

On the narrow, crowded streets of Bhopal's old city, 2,000 years of civilization fight for space. Cows, goats, scooters, buses, cars, carts, bicycles, water buffalo, three-wheeled taxis, horse-drawn carriages, men in business suits and women in tribal dress travel

in both directions on 12-foot-wide thoroughfares hemmed in by shops with wares in the line of traffic.

When Union Carbide decided to build a factory in Bhopal, many people familiar with its development say, the city was a technological ingenue.

"When we set up this plant, we used workers just out of the agricultural age," said Kamal K. Pareek, the senior project engineer during the building of the factory's MIC facility in the late 1970's. "You just can't afford to do anything wrong in a factory like this. There are safety devices, but a high level of skill and understanding is needed to use them properly.

"What we needed," he continued, "were people who had grown up with technology, not workers who have had technology imposed on them by economic circumstances."

He and other technology experts said there was a big difference between someone educated in sciences and someone who has grown up understanding technology.

"People here have the ability to operate by rote, and the capacity for providing rote skills exists," Dr. Shrivastava said. "But that is not the same as saying that new technology can be handled in all its dimensions."

Key among the problems is the lack of emphasis on preventive maintenance, the Indian technological experts said. "The idea of spending money now to save money later is a concept completely alien in what is basically a subsistence economy," said Kiran Rana, a chemical engineer and native of Kashmir in northern India who now lives and works in the United States.

"We Indians start very well," Mr. Pareek said, "but we are not meticulous enough to follow up adequately."

ACCIDENT MAY CHANGE GOALS FOR TECHNOLOGY

Officials here say that because of the accident they will more closely match what multinationals have to offer with the needs of the country. And particularly for toxic industries, they say, there will be much more examination of each plan from both the supply and the operational veiwpoints.

"Concern about hazards will be a major part of the scrutiny of new proposals from now on, particularly when chemical processors are involved," said L.K. Jha, a Government economist and former industrial adviser to the Prime Minister.

"We have the technical capability to handle any kind of technology," he said, "but we must insure that the more hazardous kinds are handled only by the most competent people and not in a routine fashion."

He added that training levels for complex industrial plants had been inadequate, particularly for low-level employees. Government inspections, he said, will be increased.

Such vigilance, many Indian officials and experts say, is long overdue. India has adequate environmental protection laws on the books, they say, but the laws have often not been enforced.

Since the accident, many experts here have begun to question whether the Bhopal pesticide plant and other enterprises like it really perform the service that was specified under agreements with the Government allowing them to operate here: to transfer technological know-how to India.

"An unfortunate assumption has been made—that when technology arrives here, it is transferred," said S.K. Goyal, head of the Corporate Studies Group, a Government-sponsored New Delhi University unit that studies corporate responsibility.

"We are finding that the technology often just gets transferred to the premises of the subsidiary, not into the society as a whole," he said. "It stays within the walls of the factory."

Moreover, Indian experts are now saying, most of India is still rural and thus requires a different kind of technology than that which multinational corporations have provided in the past. What is needed, they say, is smaller-scale technology that is appropriate to small rural businesses and does not disrupt the social and cultural norms.

This idea, called "appropriate technology," is a subject of dispute among specialists who are trying to help developing countries progress. On the one side are those who argue that the smaller, less-efficient technologies are less disruptive to local values; the other group says that such a path is too slow and will not appreciably raise the standard of living of the people as much as is possible with industrialization and high technology.

Some Indian technology officials contend that there is too much emphasis on high-powered goods and services while much of the country needs simple conveniences of life, such as a pulley to draw water from wells and a simple stove made from metal drums. Millions of people with such needs, they say, live in places like Bhopal, where new technology has not yet been integrated into the existing culture.

Some also question whether the issues raised by the disaster will bring effective action.

"This was a tragic accident," said K.L. Sahu, who collects official statistics on births, deaths, diseases and other aspects of life in Bhopal and the surrounding districts from a small government office in the city.

"But industrial countries like yours," he said, "may be more upset than people here. Two thousand people died in one place, but many more people die in smaller accidents.

"It will take a year or so," he added, "for this tragedy to be washed from the minds of the people. After that, many of the things we talk about now may be forgotten."

Mr. BYRD. Mr. President, I want to express my support for the amendment offered by the distinguished Senator from New Jersey and I am pleased to join him in cosponsoring this amendment. This amendment addresses the fundamental issue of improving community planning and emergency response efforts in the event of a toxic release into the environment.

The need to improve community planning and emergency response procedures has been underscored by the Bhopal disaster and the recent chemical releases in this country, such as the August 11, 1985 aldicarb oxime release in Institute, WV. While the responsibility for emergency preparedness and response planning and implementation rests primarily with the States and local governments, this amendment provides for improved integration of planning and emergency response efforts between a facility and a community and for appropriate Federal technical assistance through the national response team. Through such improvement we can insure increased public health and safety.

In addition, this amendment requires immediate notification to the National Response Center of toxic releases and followup notification of actions taken to respond to and contain a release to all appropriate authorities. The delays in emergency response procedures constitute a major public health threat. Such a requirement as contained in this amendment is essential to the protection of the general public.

There are over 11,000 chemical plants in this country. Many of these plants are in or near major population centers. While the prevention of toxic chemical releases must remain a primary concern, without a well-prepared emergency response system, the health and lives of large segments of the public may be endangered. This amendment will improve the development of community emergency plans and the ability to implement such emergency response procedures in the event of a toxic release.

I wish to commend my distinguished colleague from New Jersey for his fine efforts on this issue. I am pleased to support this amendment.

Mr. STAFFORD. Mr. President, I congratulate the most able and distinguished Senator from New Jersey for his amendment, which I am pleased to support, and I ask unanimous consent that I be added as a cosponsor for the amendment, as well as Senators BYRD and ROCKEFELLER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, this amendment would require facilities that handle certain extremely hazardous chemicals to notify local emergency response officials that they do so, and to inform these officials of the health hazards posed by the chemical and of appropriate response actions in the event of an accident. It also requires these facilities to let local officials know when they do have an accident.

The amendment places corresponding duties on local officials to develop emergency response plans.

Mr. President, these requirements are not unduly burdensome, and they will help protect the public from serious chemical accidents.

I urge my colleagues to support this amendment and, Mr. President, for the majority I am prepared to accept it.

Mr. LAUTENBERG. I thank the manager of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 638) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I believe we are now prepared if the Senator from Montana wishes to offer an amendment that we understand he has.

AMENDMENT NO. 639

Mr. BAUCUS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. Baucus], for himself, Mr. Stafford, Mr. Bentsen, and Mr. Glenn, proposes an amendment numbered 639.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Tha amendment reads as follows:

Page 87, line 16, delete the closed quotations.

Page 87, after 16, insert the following:

"(d)(1) This subsection applies to facilities—

"(A) which as of July 1, 1985, were not included on, or proposed for inclusion on, the National Priorities List; and

"(B) at which special study wastes described in sections 3001(b)(2)(B) or (3)(A) of the Solid Waste Disposal Act or any leachate from abandoned mine sites are present, including any such facility from which there has been a release of a special study waste or leachate, except that this subsection shall not apply to a facility which does not involve the presence of any such waste or leachate in any significant quantity.

"(2) Pending revision of the hazard ranking system under subsection (c), no facility to which this subsection applies may be added to the National Priorities List unless the Administrator makes the following specific findings, based on facility-specific data:

"(A) as to the status of studies by the Environmental Protection Agency on such waste under the Solid Waste Disposal Act and of regulation of such waste under subtitle C thereof;

"(B) as to the extent to which the hazard ranking system score for the facility is affected by the presence of any special study waste at, or any release from, such facility;

"(C) as to the quantity, toxicity, and concentration of hazardous substances that are constitutents of any speical study waste at, or release from, such facility, the extent of or potential for release of such hazardous constituents, and degree of risk to human health or the environment posed by the release of such hazardous constituents at such facility: *Provided*, That the findings in this subparagraph shall be based on actual concentrations of hazardous substances and not on the total quantity of special study waste at such facility; and,

"(D) that based on the findings in subparagraph (C), the degree of risk to human health or the environment posed by such facility is equal to or greater than the risk posed by facilities at which no special study waste is present and which are proposed for inclusion on the National Priorities List. A person may be subject to liability under sections 106 or 107 under this Act for any waste or release referred to in paragraph (1) of this subsection at any facility to which this subsection applies only if the specific findings required under this paragraph with respect to that facility have been made and such suit against such person supports each specific finding with appropriate facility-specific data. This paragraph shall not apply to any facility that is included on the National Priorities List pursuant to a hazard ranking system revised in accordance with subsection (c) so as to incorporate the factors identified in subparagraphs (C) and (D) of this paragraph.

"(3) Following the Administrator's completion of the applicable special waste study required under section 8002 (f), (m), (n), (o), or (p) of the Solid Waste Disposal Act, and the determination required under section 3001(b)(3)(C) or, in the case of a special study waste described in section 3001(b)(2)(B), the authorization of regulations by Congress pursuant to section 3001(b)(2)(B)), of such Act, if a special study waste is not hazardous waste listed under section 3001 of the Solid Waste Disposal Act, the waste stream, or one of the constituents thereof, may not be deemed to be a hazardous substance unless such waste, at the facility in question, has one of the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act.

"(4) Nothing in this subsection shall be construed to limit the authority of the Administrator to remove any facility which as of July 1, 1985, is included on the National Priorities List from such List, or not to list any facility which as of such date is proposed for inclusion on such list.

"(5) Nothing in this subsection shall be construed to limit the authority of the Administrator or the Attorney General from seeking abatement of an imminent and substantial endangerment under section 106(a).".

Mr. BAUCUS. Mr. President, I rise today to offer an amendment with my distinguished colleagues from Vermont [Mr. Stafford], Texas [Mr. Bentsen], and Utah [Mr. Garn] in cosponsoring this amendment to S. 51, the Superfund Improvement Act of 1985. This amendment adds a new subsection (d) to section 105 of CERCLA, and builds upon a provision already contained in section 120 of S. 51.

As one of the cosponsors of the amendment which was adopted by the Environment and Public Works Committee and is now contained in section 120 of the bill, I want to clarify its background and intent. I also want to acknowledge the support of my cosponsor, Senator Domenici, with whom I offered the amendment in the committee. In addition, I want to explain in some detail the intent and purpose behind the related "Special Waste Findings" amendment that is being offered by Senators Stafford and Bentsen and on behalf of myself and other members of the Environment and Public Works Committee.

SECTION 120—NATIONAL CONTINGENCY PLAN (HAZARD RANKING SYSTEM)

The purpose of section 120 of the bill is to assure that the Environmental Protection Agency undertakes a systematic, unbiased, and open reassessment of the hazard ranking system [HRS] which it currently uses to determine the sites that should be included on the national priorities list. I am concerned that the current hazard ranking system may not accurately assess the relative degree of risk to human health and the environment posed by sites and facilities subject to review. I do not prejudge that question, but I do think EPA needs to take a very hard look at the HRS in a formal review process, and the committee has agreed.

My concern arose initially after learning of a report by TRC consultants that had challenged the technical validity of the EPA hazard ranking system—the so-called MITRE model. While I cannot say whether the TRC consultants' specific critique is or is not technically valid, I do think it raises a significant number of potentially important questions about the adequacy of the present hazard ranking system need to be examined carefully in an open process that takes into account public comment.

My concern has deepened upon learning that EPA has asked MITRE—and apparently only MITRE—to review and critique the TRC report which had criticized the MITRE model. This hardly seems like the kind of independent, open-minded review and assessment for which I had hoped.

Thus, I think more than ever section 120 needs to be enacted. There are several related points about this provision that I want to underscore.

First, this provision creates a nondiscretionary duty for the Administrator to act within 12 months. Likewise, the amendments of the hazard ranking system required by this provision must be effective within 18 months. Both of these requirements are mandatory, not merely directive; if ignored by EPA, the requirements may be enforced by citizen suit.

Second, the provision requires that amendments to the hazard ranking system be adopted in accordance with a specified informal rulemaking procedure. The purpose of this requirement is to assure that EPA will solicit, seriously consider, and respond thoughtfully to public comment on the inadequacies of hazard ranking system and how the model can be improved to accurately assess the relative risks posed by hazardous waste sites and facilities.

Third, the provision requires the revised hazard ranking system to go into effect no later than 18 months after this bill is enacted. This means that after the effective date of the revised hazard ranking system, newly listed sites can be added to the NPL only in accordance with the revised system. In other words, once it is in effect EPA may not disregard the new HRS or

give it only limited weight in NPL listing decisions. The Agency must list higher ranked sites in preference to lower ranked sites under the amended system.

Fourth, the existing hazard ranking system would continue in effect until the revised system is in place. Thus, the provision should not disrupt progress to clean up existing NPL sites or preclude EPA from listing new sites in the interim until the HRS is revised as required by section 120 of the bill.

"SPECIAL WASTE FINDINGS" AMENDMENT

Since the committee reported out its "Superfund Improvement Act of 1985," several concerns have been raised that have convinced me and my colleagues on the committee that additional amendments are needed.

First, some of those who reviewed section 120 of the bill expressed dismay that the final sentence of new section 105(c) of the act might be construed to require EPA to continue to use the present HRS without any revision for 18 months. This was not the intent at all. The intent was only to allow EPA to continue to use that system—or to modify it if the Agency chooses—until the required revision goes into effect in 18 months.

Second, it was also maintained by some that section 120 provides no standard for EPA to use in deciding how to revise the HRS. I do not entirely agree with this concern, since section 120 specifically states that amendments to the HRS—

> shall assure, to the maximum extent feasible, that the [HRS] accurately assesses the relative degree of risk to human health and the environment posed by sites and facilities subject to review.

I believe this is the standard that must guide EPA in revising the HRS under section 120 of the bill, as reported from the committee. However, in order to further clarify the intent of this provision, the "Special Waste Findings" amendment makes clear that:

Quantity, toxicity, and concentration of hazardous constituents, not merely total volume of waste must be considered to accurately assess risk; and release, exposure, and risk data are to be evaluated on a site-specific basis without reliance on inappropriate assumptions or general theories.

Thus, the final sentence of paragraph (2) of new subsection 105(d) indicates that the HRS should be revised, as provided in subsection 105(c), to incorporate these factors.

The third concern that was raised about section 120 of the committee bill related specifically to the so-called "special wastes" that are described in sections 3001 of the Solid Waste Disposal Act. It was argued that until the HRS is revised to assure that the foregoing factors are weighed accurately, some high volume, low toxicity waste sites posing low risk might be listed on the NPL in preference to other, potentially more serious sites. This concern was underscored by the subsequent decisions by the U.S. Court of Appeals for the District of Columbia in the companion Eagle-Picher cases (No. 83-2259, et. seq.).

The Eagle-Picher decisions presented the Congress with a difficult problem. On the one hand, we did not want to prevent EPA from listing and achieving expedited cleanup of sites posing a genuine and substantial threat to human health or environment, regardless of whether they involve special study wastes. That is the very function of Superfund, and in my State of Montana, there appear to be a number of waste sites—including special study wastes that pose just such a concern. The Silver Bow Creek site is just such an example where I have actually pushed to have the site expanded downstream. I have supported and continue to support these cleanup efforts.

On the other hand, Congress has recognized that these special study wastes warrant separate attention and evaluation, and as of this date, EPA has not completed its long overdue mandated studies on these wastes. Given scarce funds, we need to concentrate on the sites of greatest concern, and the committee was not convinced that the present MITRE model would produce that result. For these reasons, we felt we could not simply ratify the Eagle-Picher decisions for the future.

Thus, in the "Special Waste Findings" amendment that is offered on behalf of the committee, a balance has been struck. Until the HRS is properly revised, special study waste sites—including abandoned mine site leachate may be listed on the NPL only if the Administrator of EPA makes the required specific findings based on facility-specific data. Liability for costs, damages, or penalities may be imposed for the sites which are so listed, but only if the requisite specific findings have been made and only if the Administrator in court supports each of these specific findings with appropriate facility-specific data. The Administrator's authority to seek emergency abatement orders under section 106(a) has been preserved, as well as his authority under section 104 to spend fund moneys to clean up pollutants and contaminants.

By establishing this balance, the amendment will assure that: no delay occurs in cleaning up sites presently listed on the NPL; the MITRE model will be revised to accurately reflect comparative risk on a site-specific basis; in the interim, special study waste sites—or abandoned mine drainage areas—could be listed on the NPL if they present a genuine and substantial risk, but certain safeguards would be put into place to assure that proper site-by-site assessment of risk is undertaken before this is done and that higher priority sites are listed first; and EPA's emergency authorities under section 104 and 106(a) of CERCLA would remain available to deal with these sites, when appropriate. However, liability for costs, damages, and penalties for special study wastes and releases at such sites and areas not listed as of July 1, 1985, would be imposed under sections of 106 and 107 of the act only after EPA makes the necessary specific findings and offers the necessary site-specific data to support these findings in court.

Finally, the amendment makes clear that once EPA completes its special studies on these wastes—and determines whether or not to list them as hazardous wastes under section 3001 of the Solid Waste Disposal Act, the waste streams which are not found to be hazardous—and the constituents of these waste streams—will not be treated as hazardous substances under CERCLA. The only exception is for those wastes which flunk the characteristic tests listed or identified under section 3001 of the Solid Waste Disposal Act.

Mr. President, this amendment is very simple. Essentially, under present law, the hazard ranking system that the EPA utilizes under Superfund is set up so that if a certain hazardous waste material is found in any degree, essentially, at a site, the system assumes that that same waste material is found proportionately throughout the entire site. This causes some practical problems at some mine sites because, even though a hazardous waste is found at a certain location, it is confined to that location; that is, it is not spread throughout the entire site.

So this amendment would direct the EPA, utilizing this hazard ranking system, to first engage in an examination to determine the extent to which the hazardous waste is throughout the entire site so that we have a more accurate representation and a more accurate picture of the degree to which the material is actually in the site.

It is my understanding that this amendment has been cleared. In fact, I am very proud to have as cosponsors of my amendment the distinguished chairman of the committee, Mr. Stafford, as well as the ranking member of the committee, Mr. Bentsen.

Mr. BENTSEN. Mr. President, the current hazard ranking system does not always work to give the highest ranking score to the most dangerous site. For this reason the bill requires EPA to revise the model and use the more accurate formulation in the future.

The sponsors of this provision are also aware, however, that there are a number of sites which may be "caught in the middle" between the old and new rules—sites which have been proposed for listing but which have not yet been listed as of the date of passage of this bill will still be judged under the existing criteria. Indeed, under the reported bill, the new rules, whenever they may be finalized, will not apply to sites already on the proposed list.

This is not to say, however, that the Administrator should not exercise prudent discretion in determining when to order the commencement of an RIFS for a mining site proposed for listing but not yet listed, or what the content of an order would be. The Administrator may choose, for instance, in the example of a mine tailings pond for which he believes the hazard ranking system score is much higher than the actual degree of risk to the public health, to await the outcome of the HRS revision before proceeding with an RIFS.

Mr. STAFFORD. Mr. President, the chairman of the committee seldom opposes an amendment which he cosponsors. We have examined this amendment in the course of its production and had a part in it. We believe it is a meritorious amendment. For the majority, we are prepared to accept it.

Mr. LAUTENBERG. Mr. President, on the minority side, I agree with the chairman.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 639) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 640

Mr. LAUTENBERG. Mr. President, I am pleased to offer an amendment for my colleagues, Senator Mitchell and Senator Bradley, which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. Lautenberg], on behalf of Mr. Mitchell, Mr. Lautenberg, Mr. Bradley, Mr. Baucus, Mr. Leahy, Mr. Moynihan, Mr. Specter, and Mr. Heinz, proposes an amendment numbered 640.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 161, after line 14, add the following new title:

TITLE IV—INDOOR AIR QUALITY RESEARCH

Sec. 401. Short Title.—This title may be cided as the "Indoor Air Quality Research Act of 1985".

Sec. 402. Findings.—The Congress finds that—

(1) indoor air exposures account for a significant portion of total human exposures to hazardous pollutants and contaminants in the environment;

(2) various scientific studies have suggested that indoor air pollution, including exposure to naturally occurring chemical elements such as radon, poses a significant public health and environmental risk;

(3) high levels of radon have been measured within structures throughout the country and within the Reading Prong;

(4) existing Federal indoor air quality research programs are fragmented and underfunded;

(5) the Environmental Protection Agency's programs on indoor air quality and radon have been hindered by a lack of clear statutory authority for conducting research on indoor air quality; and

(6) an adequate information base concerning potential indoor air quality problems, including exposure to radon, does not currently exist and should be developed by the Federal Government.

Sec. 403. Indoor Air Quality Research Program.—

(a) Design of Program.—The Administrator of the Environmental Protection Agency shall establish a research program with respect to indoor air quality, including radon. Such program shall be designed to—

(1) gather data and information on all aspects of indoor air quality in order to contribute to the understanding of health problems associated with the existence of air pollutants in the indoor environment;

(2) coordinating Federal, State, local, and private research and development efforts relating to the improvement of indoor air quality; and

(3) access appropriate Federal government actions to mitigate the environmental and health risks associated with indoor air quality problems.

(b) Program Requirements.—The research program required under this section shall include—

(1) research and development concerning the identification, characterization, and monitoring of the sources and levels of indoor air pollution, including radon, which includes research and development relating to——

(A) the measurement of various pollutant concentrations and their strengths and sources,

(B) high-risk building types, and

(C) instruments for indoor air quality data collection;

(2) research relating to the effects of indoor air pollution and radon on human health;

(3) research and development relating to control technologies of other mitigation measures to prevent or abate indoor air pollution (including the development, evaulation, and testing of individual and generic control devices and systems);

(4) demonstration of methods for reducing or eliminating indoor air pollution and radon, including sealing, venting, and other methods that the Administrator determines may be effective;

(5) research, to be carried out in conjunction with the Secretary of Housing and Urban Development, for the purpose of developing—

(A) methods for assessing the potential for randon contamination of new construction, including (but not limited to) consideration of the moisture content of soil, porosity of soil, and the radon content of soil; and

"(B) design measures to avoid indoor air pollution; and

(6) the dissemination of information to assure the public availability of the findings of the activities under this section.

(c) Advisory Committees.—The Administrator shall establish a committee comprised of individuals representing Federal agencies concerned with various aspects of indoor air quality and an advisory group comprised of individuals representing the States, the scientific community, industry, and public interest organizations to assist him in carrying out the research program for indoor air quality.

(d) Implementation Plan.—Not later than ninety days after the date of the enactment of this Act, the Administrator shall submit to the Congress a plan for implementation of the research program under this section. Such plan shall also be submitted to the EPA Science Advisory Board, which shall, within a reasonable period of time, submit its comments on such plan to Congress.

(e) Interim Report.—No later than one year after the date of this Act, the Administrator shall prepare an interim report providing—

(A) a preliminary identification of the locations and amounts of radon in structures across the United States, and

(B) guidance and information materials based on the findings of research of methods for mitigating radon.

(f) REPORT.—

(1) Not later than two years after the date of enactment of this Act, the Administrator shall, in consultation with advisory committees and groups identified in subsection (c), submit to the Congress a report assessing—

(A) the state of knowledge concerning the risks to human health associated with indoor air pollution, including naturally occurring chemical elements such as radon;

(B) the locations and amounts of indoor air pollutants, including radon, in residential, commercial, and other structures throughout the country;

(C) the existing standards for indoor air pollutants, including radon, suggested by Federal or State governments or scientific organizations and the risk to human health associated with such standards;

(D) the research needs and relative priority of these needs;

(E) the potential effectiveness of possible government actions necessary to mitigate the environmental and health risks associated with indoor air quality problems, including radon, in existing and in future structures,

and making such recommendations as may be appropriate.

(2) In developing such report, the Administrator shall consult with the National Academy of Sciences on the scientific issues regarding the quality of indoor air and the risks to human health associated with indoor air pollution.

(g) Construction of Section.—Nothing in this section shall be construed to authorize the Administrator to carry out any regulatory program or any activity other than research, development, and the related reporting, information dissemination, and coordination activities specified in this section.

Nothing in this section shall be construed to limit the authority of the Administrator or of any other agency or instrumentality of the United States under any other authority of law.

(h) Authorizations.—There are authorized to be appropriated to carry out the activities under this section not to exceed $3,000,000 for each of the fiscal years 1986 and 1987.

Mr. LAUTENBERG. Mr. President, I am pleased to offer this amendment with my colleagues, Senator Mitchell and Senator Bradley, to provide for an indoor air quality research program within the EPA. Our amendment combines elements of two bills, S. 1198, the Indoor Air Quality Research Act, which I sponsored with Senators Mitchell and Stafford, and S. 1593, the Radon Assessment and Reduction Act, which I introduced with Senator Bradley in July.

Our amendment addresses an issue of growing concern in New Jersey and the Nation, indoor air pollution and radon exposure. We have made great strides in monitoring and protecting the air we breathe outdoors through the Clean Air Act. While this work is far from complete, and we need to strengthen and more fully implement the Clean Air Act to regulate emissions into the atmosphere, we have barely begun to address indoor air pollution.

Almost no work has been done to assess the quality of the air we breathe indoors, in our homes and at work. The limited amount of study conducted on specific contaminants indicates that indoor air pollution may present health hazards previously unimagined. There is a tremendous amount that we need to learn about the sources, health effects, and means of mitigating indoor air pollutants.

An indoor air pollutant of immediate and serious concern is radon. Naturally occurring radon gas is released into the atmosphere from rocks and soils, and dissipates without resulting in health hazards. However, when radon enters buildings through basements and spaces in foundations, with restricted ventilation, it concentrates, reaching levels which can have dire health consequences for those exposed.

The colorless, odorless, radioactive decay products, known as radon daughters, can be inhaled directly, or adhere to other particles we inhale, such as dust and smoke. Once in the lungs, radioactive particles are emitted and damage lung tissues. The health effects of exposure to radon are well documented. We know that long-term, high-level radon exposure causes lung cancer.

The Environmental Protection Agency has estimated that 5,000 to 20,000 lung cancer deaths per year in the United States may be attributable to radon exposure. There are approximately 100,000 annual lung cancer deaths. This means that up to a fifth of the Nation's lung cancer deaths annually may be precipitated by radon exposure. Because of the long latency period of radon-induced lung cancer, and because emphasis on increased insulation of homes heightened only in the 1970's, an increase in the incidence of lung cancer due to radon exposure can be expected in the next 5 to 10 years. Yet no comprehensive effort is underway to assess the extent of the radon problem, and how to deal with it.

Mr. President, accidentally, we have recently discovered that an extensive radon belt exists in the mid-Atlantic region, crossing through eastern Pennsylvania and parts of New Jersey and New York. It is frightening how this radon belt came to light. A worker at a nuclear powerplant in eastern Pennsylvania set off a radiation monitor when he was entering the plant. Investigators, seeking to determine the source of his exposure, detected radon levels in his home that were far higher than any ever found in the United States. Because of high radon levels in his home, this man and his family were receiving radiation equivalent to having 455,000 chest x rays in a single year.

While this may be a unique situation, the number of homes that may be contaminated with radon is too large to continue to ignore. New Jersey environmental officials have estimated that 250,000 homes and businesses may be affected in New Jersey alone.

Indoor air pollution is not a local or regional concern. Radon contamination is a serious problem throughout our country, from Maine to Colorado. The Congress should act to address this health hazard and other health hazards posed by indoor air pollutants.

Despite concern at EPA, it has yet to establish an adequate program of research on indoor air pollution, citing a lack of statutory authority to conduct such studies. Our amendment would provide that authority, and direct the Agency to implement work in this important area.

The amendment mandates that the EPA Administrator establish a comprehensive research program to assess and collect data on health risks associated with indoor air pollutants, methods for measuring indoor air pollutants, and control technologies and mitigation measures. The EPA is also charged with demonstrating mitigation measures, a task it has already undertaken in 18 homes in Pennsylvania. Together with the Secretary of Housing and Urban Development, EPA would research new construction methods for preventing indoor air and radon contamination.

In addition, the Administration of EPA is to serve as the coordinating member of interagency efforts in this area, and establish a blue ribbon advisory committee, composed of members of the scientific community, the States, and other parties.

The Administrator, after consultation with the advisory committee, is required to report within 2 years to Congress a summary of the state of knowledge of the indoor air pollution and radon problem, the need for further study, and possible mitigation measures. Also included in this report would be an assessment of the extent of the hazard on a national basis.

The Administrator is also charged with issuing an interim report within 1 year to provide a preliminary identification of locations and amounts of radon in structures across the United States. The Agency must also issue guidance and information materials based on methods for mitigating radon.

Mr. President, our amendment provides $3 million in fiscal years 1986 and 1987 for EPA to conduct this research. This complements recent action by the Senate Committee on Appropriations, which recently adopted an amendment I offered to the fiscal year 1986 HUD-independent agencies bill providing $2 million to EPA for this purpose.

The very serious nature of the hazards of indoor air pollution demand that we embark on a comprehensive, national program to research the hazards of indoor air pollution.

In the meantime, citizens should take all available steps to check for radon in their homes, and reduce their exposure to it if unhealthy concentrations are detected. Mitigation measures include sealing of cracks and spaces in foundations, installation of ventilation devices, and installation of an impermeable layer between the foundation and the soil. Currently, no Federal assistance is available to help mitigate radon hazard. However, in response to my inquiries, the Federal Emergency Management Agency has indicated that States can apply for disaster relief assistance through the Disaster Relief Act if the eligibility criteria of the act are met. FEMA assistance can include grants and loans for temporary housing and installation of venting and sealing measures.

Mr. President, I ask unanimous consent that a letter from the general counsel of FEMA to me addressing these issues be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LAUTENBERG. Mr. President, this letter confirms that radon can be addressed by the Agency through the Disaster Relief Act. It is my hope that States and localities will, with the aid of the interim report issued by EPA, be aggressive in identifying and miti-

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gating radon exposure in radon hotspots, and applying for disaster assistance if they are unable to meet the needs of their citizens.

Mr. President, I urge my colleagues to support this amendment.

The letter follows:

Exhibit 1

Federal Emergency
Management Agency,
Washington, DC, September 12, 1985.

Hon. Frank R. Lautenberg,
U.S. Senate,
Washington, DC.

Dear Senator Lautenberg: Your staff has requested our legal interpretation as to whether the Disaster Relief Act of 1974, as amended, included authority which would be applicable in responding to the release of radon gases.

The Disaster Relief Act could be used by the President to respond to a disaster caused by radon. It could constitute a disaster or emergency under our legal interpretation of "other catastrophe" in Section 102 of the Act.

The Governor of the affected state would have to determine that the disaster or emergency was beyond local and State capabilities and that Federal assistance under the authority of the Disaster Relief Act (Public Law 93-288) was needed. For an "emergency" declaration, the President would have to determine that Federal emergency assistance was necessary ". . . to *supplement* State and local efforts to save lives and protect property, public health and safety or to avert or lessen the threat of a disaster." For a "major disaster" declaration there would have to be ". . . *damage* of sufficient severity and magnitude to warrant major disaster assistance under the Act." (emphasis added) A Governor requesting major disaster assistance under PL 93-288 would have to take appropriate action under State law and direct execution of the State emergency plan. The Governor also would have to make a commitment of State and local obligations and expenditures for alleviating the damage, loss, hardship or suffering resulting from the disaster.

At this point we do not have a sufficient body of knowledge as to the nature of the health threat, the extent of the problem and a recommended solution, to determine if response under the Disaster Relief Act would be an appropriate Federal action.

Sincerely,

George Jett,
General Counsel.

Mr. MITCHELL. Mr. President, Senators Lautenberg, Bradley, Baucus, Leahy, Moynihan, Specter, Heinz, and I are pleased to offer an amendment to establish in the Environmental Protection Agency a program of research on hazardous contaminants in the indoor air and exposure to radon gas.

I have discussed this amendment with the distinguished Senator from Vermont [Senator Stafford]. Senator Stafford, Senator Lautenberg, and I introduced this important legislation as S. 1198 in May of this year.

Since enactment of the Clean Air Act 15 years ago, we have made great progress in the protection of air quality and the control of air pollution. The Clean Air Act has focused on the quality of air outdoors. The majority of Americans, however, spend most of the day indoors. We have done little to assess the kinds of pollutants that may exist indoors or to determine the health effects of exposure to such pollutants.

The limited information we have today results from research into specific pollutants such as formaldehyde, asbestos, and radon gas. EPA has identified a range of health effects from these and other pollutants, including lung cancer, respiratory illness, and skin and eye irritation. A recent report by the EPA Science Advisory Board concluded that exposure to toxic air pollutants may be as great indoors as it is outdoors.

Among the most serious indoor air pollutants is radon gas. Radon is a naturally occurring element found in soils and granite rock. The EPA estimates that exposure to radon may result in between 5,000 to 20,000 lung cancer deaths per year throughout the country. Radon gas is a serious problem in Maine, as well as other parts of the country.

Despite clear evidence of the serious health effects of indoor air pollution, the EPA has done little to develop a comprehensive and coordinated program of research to address the problem. In testimony to the Environment and Public Works Committee this spring, the Agency proposed to discontinue in fiscal year 1986 work on indoor air quality and radon which is currently underway. EPA termed this work a "low budget priority."

EPA announced last week tentative plans to conduct a national survey of radon. I am pleased that EPA has, at last, acknowledged the seriousness of the radon problem. This proposed survey, however, falls far short of the balanced and complete program of research on indoor air and radon which is needed. Further, we have no assurance that EPA will not slide back to its old position that radon and indoor air pollution is a low priority.

The amendment before us today has three major objectives. First, the EPA Administrator is to establish a research program to analyze data, coordinate the related activities of other agencies, and assess possible approaches to control indoor air pollution and radon problems.

Second, EPA is to submit to Congress within 2 years a report summarizing knowledge about this problem, needed further research, and potential actions to mitigate health effects. An interim report, focusing specifically on radon, is required within 1 year.

Finally, funding of $3 million is authorized to be appropriated for the EPA for the 1986 and 1987 fiscal years.

I want to stress that this legislation does not authorize the EPA Administrator to carry out any regulatory program or any activity other than research and development.

A comprehensive approach to assessing the nature of the problem, such as my amendment proposes, is a modest but important first step in dealing with the problem before it reaches unmanageable proportions.

Mr. President, I am very pleased to report that this legislation has received substantial support since its introduction earlier this year.

Last month, the Committee on Environment and Public Works held a field hearing on this important issue in my home State of Maine. Witnesses testifying at this hearing encouraged prompt action to adopt this legislation.

In addition, 14 of my colleagues have cosponsored S. 1198. And, several national organizations, including the National Lung Association, have endorsed this legislation.

Finally, the Senate Appropriations Committee has provided $2 million for research on indoor air quality in the fiscal year 1986 budget for the Environmental Protection Agency. The amendment before us will provide the EPA with clear legislative authority and direction for use of these funds.

Mr. President, I hope my colleagues will join me in supporting this important legislation.

Mr. BAUCUS. Mr. President, this amendment would authorize EPA to conduct research into ongoing problems dealing with indoor air quality, and in particular, radon pollution.

We have not been doing enough in this area to develop control technologies or other mitigation measures to prevent or abate radon pollution.

This amendment will clearly set forth EPA's responsibilities in this area.

In 1979, hazardous radiation was discovered in Butte, MT. At that time, I asked the General Accounting Office to prepare a report concerning the Butte situation.

The GAO report indicated that there was a lack of coordination among Federal agencies working on these problems. There was no central depository of information showing how similar problems had been approached in the past and what techniques have been successful in alleviating hazardous substance problems.

Since the Butte situation arose, EPA has conducted research into naturally occurring radon gas hazards in Butte and other areas throughout the country. But, this approach has not been coordinated. This amendment will require EPA to identify the scope of the problem. Then EPA will be charged with finding ways to reduce the risk to people with houses located in potentially hazardous areas.

This amendment is long overdue. The threat of hazardous radon gas is

not unique to Butte, MT. It occurs all over the United States.

This amendment would take a critically important step toward ending this threat to public health.

I commend my colleagues, Senators Mitchell, Lautenberg, and Bradley for their leadership on this important issue. I ask for its concurrence and adoption as part of the reauthorization of Superfund.

Mr. BRADLEY. Mr. President, it is with great pleasure that I rise in support of this amendment which will establish a clear statutory authority for EPA to conduct a research program on indoor air quality. This amendment has been developed jointly by Senator Mitchell, Senator Lautenberg, and me to meet serious environmental problems by my State which may soon become apparent in many other areas.

A problem of particular concern in my home State of New Jersey has been that of radon gas contamination of indoor air. Radon is a naturally occuring, radioactive gas which is produced from the decay of radium. Radon in the outdoor environment does not usually exist at high enough concentrations to be a health hazard. However, it has been known to enter into homes by first, diffusing through the soil and then seeping through cracks, drains, or other openings in the basement, A serious situation exists if the radon then accumulates in the home thereby increasing the risk to residents of lung cancer due to long-term exposure.

EPA has performed studies which show that areas of the country with high radium levels in the soil are particularly prone to elevated indoor radon levels. The Reading Prong, which extends from Pennsylvania, through New Jersey and into New York is such an area. Unfortunately, we don't yet know now many of these regions exist throughout the country. One measure of the severity of the problem is that between 5,000 and 20,000 out of the 120,000 annual lung cancer deaths in the United States are caused by radon.

Mr. President, It is important to note that a targeted research program will be highly effective in mitigating many existing problems and avoiding future ones. As I have described the manner in which radon can enter a home it is obvious that the rate of such entry is influenced by many factors. Some of these are the radon content of the soil, the porosity and moisture content of the soil, as well as the construction of the home itself. Technologies for reducing indoor radon levels exist and include methods ranging from soil removal to increased venting of the home. Let me emphasize that it is much more expensive to correct an existing radon problem than it is to build a house or office building in such a way as to avoid possible future problems. I am extremely pleased that our amendment directs, EPA, in cooperation with the Department of Housing and Urban Development, to develop preventative measures.

EPA will develop with HUD techniques to assess whether land with radon present is likely to contaminate new construction on that site. In addition, the agencies will work together to develop building design measures to avoid indoor pollution in general. Such action will be valuable both to builders and future homeowners to ensure a safe living environment at the lowest possible cost.

Mr. President, it is absurd that we as a nation pride ourselves in reducing to the greatest extent possible potential health hazards and yet have no coherent research program to deal with this deadly, yet manageable contaminant. Each year that we delay an additional 5,000 to 20,000 Americans die needlessly. I ask my colleagues to join with us and support this most worthwhile endeavor which will result in immediate, cost-effective relief for the many Americans presently suffering the consequences of radon contamination.

Mr. STAFFORD. Mr. President, we know of the concern of the able Senator from New Jersey, Mr. Lautenberg, in the matter of radon gas in households. We know of the concern of our colleague, Senator Mitchell, who has conducted a hearing for the committee in Maine on this same subject, and we know of Mr. Bradley's concern, the other able Senator from New Jersey. We have examined the amendment offered by Mr. Lautenberg for himself, Mr. Mitchell, and Mr. Bradley, and we believe it to be a meritorious amendment. For the majority, we are prepared to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 640) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I am pleased that the Senate is taking up the Superfund bill today. This year the Senate has already approved a reauthorization of the Safe Drinking Water Act and the Clean Water Act. With the passage of Superfund, the Senate will have acted on three critically important pieces of environmental legislation.

The Superfund Program—while faced with early difficulties—has become an ever improving cleanup program. Successful implementation of the Superfund Program is one of EPA's highest priorities—and Lee Thomas deserves much credit for the progress that has been made to date. Lee Thomas has led the way in stabilizing imminent threats of uncontrolled hazardous waste sites through Superfund removal actions and by using Superfund remedial authorities to effect longer term site cleanups.

EPA has initiated the cleanup process at hundreds of national priority list sites. It should be noted that the U.S. Army Corps of Engineers is involved in Superfund through managing remedial site design, the U.S. Geological Survey is involved through their provision of technical expertise on ground water and the Federal Emergency Management Administration is involved through its relocation activities. While EPA and other agencies have done a good job in getting the Superfund Program off the ground, certain improvements are needed to enhance future cleanup actions.

There are possibly 20,000 hazardous waste sites located in the United States. Many of these sites are small but some are large enough to be significant environmental problems. The Superfund Program must be geared up in a responsible manner in order that cleanups can proceed at a faster pace with less cost to the Government and to the private sector. While the pace of cleanup actions needs to be increased—accelerating the program pace too much, too soon, could also reduce drastically the level of State participation in the Superfund Program. Congress and EPA must not push the fund beyond its limits.

One area of the Superfund effort that could be improved is the current settlement policy. I strongly feel that EPA and the private sector could be doing more to bring about settlements in a more timely and equitable manner. I do not believe that we need to have Superfund forever, but it seems reasonable to believe that Superfund will be with us through the end of this century. In that case, now is our chance to provide some leadership and direction to EPA.

Many observers have noted that it is unfair for Congress to leave entirely to EPA the task of creating a sensible policy out of the conflicting themes that exist in Superfund and out of very confused and skimpy legislative direction. Congress now has a new opportunity for formulating legislative language that would allow EPA to move in new and different directions. One of the most important things we can do in that regard is to streamline the settlement process. I trust we can accomplish this task.

I look forward to completing the floor debate on Superfund and I trust that the House and Senate can conference this bill in a timely manner so we can get right on with the problem at hand—cleaning up waste sites in the United States. That is our only and real goal.

Mr. STAFFORD. Mr. President, while I still have the floor, noting that at 2:30, in 3 minutes, the Senate, I believe, is going back on the immigration bill, I would say that we have no more amendments which we can dispose of in the 3-minute period. But I hope that Senators and staff members who may be listening could anticipate, assuming the immigration bill is finally disposed of this afternoon, that whatever time exists between the end of consideration of the immigration bill and about 6 o'clock will be available to us for Superfund, and there are other amendments which would not involve lengthy debate that we would like to dispose of during the remainder of the afternoon whenever we get back on this bill.

With that, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMMIGRATION REFORM AND CONTROL ACT OF 1985

The PRESIDING OFFICER. The Senate will now resume consideration of S. 1200, which the clerk will state.

The assistant legislative clerk read as follows:

> A bill (S. 1200) to amend the Immigration and Nationality Act to effectively control the unauthorized immigration to the United States, and for other purposes.

The Senate continued with the consideration of the bill.

AMENDMENT NO. 641

Mr. SIMON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Illinois [Mr. Simon] proposes an amendment numbered 641.

Mr. SIMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 125, after line 23, add the following new title:
>
> TITLE VI—MISCELLANEOUS PROVISIONS
>
> Sec. 601. Termination Date for Certain Agricultural Provisions.—
>
> (a)(1) The provisions of section 125 of this Act and amendments made by such section shall terminate 90 calendar days after receipt of the report described in Sec. 124(c) of this Act unless there is enacted within 90 calendar days a joint resolution stating in substance that Congress approves the continued applicability of the provisions of section 125 and amendments made by such section.
>
> (2) Any joint resolution referred to in paragraph (1) of this subsection shall be considered in the Senate in accordance with subsection (c).
>
> (b) Expedited Procedures in the House of Representatives.—For the purpose of expediting the consideration and adoption of joint resolutions under subsection (a), a motion to proceed to the consideration of any such joint resolution after it has been reported appropriate committee shall be treated as highly privileged in the House of Representatives.
>
> (c) Expedited Procedures in the Senate.—For purposes of subsection (a), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.
>
> (2) Paragraphs (3) and (4) of this subsection are enacted—
>
> (A) as an exercise of the rulemaking power of the Senate and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of joint resolutions referred to in subsection (a), and supersede other rules of the Senate only to the extent that such paragraphs are inconsistent therewith and;
>
> (B) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner as in the case of any other rule of the Senate.
>
> (3)(A) If the committee of the Senate to which has been referred a joint resolution relating to the report described in subsection (a) has not reported such joint resolution at the end of ten calendar days after its introduction, not counting any day which is excluded under paragraph (1) of this subsection, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other joint resolution introduced with respect to the same report which has been referred to the committee, except that no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same report.
>
> (B) A motion to discharge under subparagraph (A) of this paragraph may be made only by a Senator favoring the joint resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the joint resolution, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.
>
> (4)(A) A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.
>
> (B) Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.
>
> (C) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.
>
> (D) A motion in the Senate to further limit debate on a joint resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a joint resolution is in order in the Senate.

Mr. SIMON. Mr. President, this is a fairly simple amendment which sunsets the amendment of our friend and colleague from California after 3 years. At the end of 3 years, this bill right now calls for the end of employer sanctions; it calls for the Commission to report; and it makes sense to me that we sunset these provisions along with the report of the Commission like we do at the end of employer sanctions.

Frankly, what is involved here for decision, one which has been a close decision for this body, is where we go on this whole question of agricultural workers.

Senator Kennedy and I and many others have fears about what we are doing. My colleague from California believes that it is in the best interest of this country and it will not suggest the problems that we suggest.

But no one knows. So it makes sense that we say if we are going to go ahead, let us put a 3-year time limit on the Wilson agricultural provisions, let us take a look at the program then. Then, at the end of this 3-year time limit, we call for a privilege congressional motion. We have a 90-day window in which this legislative body can act. We at least will not indefinitely put in jeopardy American agricultural workers and those who come in from other countries as guestworkers.

I would simply remind you, Mr. President, that what the amendment of the Senator from California now provides is 350,000 workers at any one time may come in to the United States. We do not know whether that means 500,000, 600,000, 700,000. The bracero program in 1964, the last year of its operation, had a total of 200,000.

So we are talking about a significant expansion of our agriculture program which will be even greater than bracero program.

That program was terminated because of the abuses.

I would point out that Secretary of Labor James Mitchell, serving under a Republican administration, in 1959 had a study of the bracero program which said this:

> Studies of the Department of Labor have shown the wage rates paid to domestic workers by farmers who use Mexicans are generally lower than those paid by nonusers for comparable work in the same area. This indicates that employers of foreign labor frequently do not make the same effort as other employers in competing for domestic farm workers.

Mr. President, I think it is fairly clear that we are going to face a problem here. My friend from California, for whom I have great respect, does not agree with that. Why not, then, do the same thing we do with employer sanctions? Why not have a termination at the end of 3 years? Congress can then look at it.

That is also the time, as I indicated earlier, when the commission will report. I think it is a logical step. I would urge my colleagues in this body to accept this amendment.

Mr. KENNEDY. Mr. President, as I understand it, we have a time limitation agreement, do we not?

The PRESIDING OFFICER. The Senator is correct. There is 1 hour's time, equally divided.

Mr. KENNEDY. Will the Senator from Illinois yield me 7 minutes?

Mr. SIMON. Yes, Mr. President.

Mr. KENNEDY. Mr. President, I support the Simon amendment. It seems to me it would be a wise policy decision to accept the Simon amendment. A great deal of thought and attention went into the fashioning and the shaping of this legislation. The issue of foreign temporary workers has been debated over the period of the last 5½ days. The thrust of this legislation deals with legalization and employer sanctions, and already provides for generous H-2 provisions for agricultural growers.

There have been a number of issues and questions raised during the course of the hearings on this bill, during the markup in the full committee, and here, on the floor, about the impact of employer sanctions, whether they could be used in a discriminatory way. As one who has followed immigration legislation over a long period of time, I pointed out to the Senate that whenever we have had provisions in the law that could be used in a discriminatory way in the area of immigration, they have been. That is the history of the American statutes on immigration. It is tragic, but it is true, and we have learned that from history.

So, after a good deal of consideration, the chairman of the Subcommittee on Immigration and the floor manager of the bill was finally prepared to accept the sunsetting of employer sanctions should there be a discovery by the General Accounting Office that there was widespread discrimination because of their implementation. We would revisit that particular issue after a 3-year period. That has been accepted now by the Senate.

There were those who believed that it would not be used in a discriminatory way; there were others who believed it had the potential. So I think the Senate wisely made the decision to say, well, we shall revisit that issue after a 3-year period; we shall understand from the actual implementation whether the worst fears had been realized or whether they were exaggerated.

That, I think, was a very responsible position. Now we have had a very heated debate and discussion on what the impact would be of providing 350,000 additional foreign farm workers to come in and work on 3 percent of the farms of this country. We have all the attendant fears of, one, displacing American workers with the unemployment that we have at the present time among agricultural workers—agricultural workers who work in the perishable food industry. I, quite frankly, think, that given the past record on the bracero issue, that is going to happen under this Wilson amendment. I fear that it will.

There are those who say that it will not because of the protections that are included in the Wilson amendment. But that amendment will have a profound impact, Mr. President, could have a profound impact on hundreds of thousands of Americans who are working today and their families. But the Simon amendment says, why not follow the same approach we used in the area of employer sanctions to determine whether or not the worst fears of creating a new bracero program will be realized as the result of a 3-year experimentation.

It seems to me, Mr. President, to be a responsible, sound position, which those who are concerned about the whole question of undocumented aliens coming into this country and threatening the marketplace for American jobs think that we ought to consider and act favorably on.

The distinguished chairman of the Subcommittee on Immigration has outlined in very considerable detail the steps which are included in this legislation to respond to what I think are the legitimate concerns of growers—the expedited procedures that have been outlined and the other steps which have been included earlier in the Record.

I certainly hope and urge that this body would accept the Simon amendment. We are all reminded today of the very important communication that we have received, all of us, from the National Committee for S. 1200, which includes former President Jerry Ford and a very distinguished group of Republicans and Democrats alike, who have been concerned with this issue for some period of time. I ask unanimous consent that that be printed in the Record.

There being no objection, the communication was ordered to be printed in the Record, as follows:

Hon. Edward M. Kennedy,
Senate Office Building, Washington, DC.

Dear Senator: Senator Alan K. Simpson is again sponsoring an immigration reform bill in the Senate. S. 1200 would substantially overhaul and strengthen our country's outdated immigration law. S. 1200 has the support of the President and incorporates the recommendations of the three preceding administrations.

You know that immigration into the United States is an urgent issue; poll after poll shows that it is high on the list of things Americans care about. Most polls also show Americans opposed to unlimited immigration and in favor of permitting only legal immigrants to work here. S. 1200 responds to this desire by making it against the law to knowingly hire illegal aliens.

Once again, however, an array of special interest organizations will be trying to obstruct this urgently needed reform. We urge you to listen instead to our newly-unemployed, our poor, our youth, our own disadvantaged minorities—people who can't get work because the jobs are taken—and give your full support to Senator Simpson and this effort to reform immigration law.

NATIONAL COMMITTEE FOR S. 1200—(THE IMMIGRATION REFORM AND CONTROL ACT OF 1985)

Gov. Richard D. Lamm, chairman.

President Gerald R. Ford, cochairman.

The Honorable Leonard S. Woodcock, cochairman.

The Reverend Theodore Hesburgh, cochairman.

The Honorable Shirley Temple Black, former U.S. Ambassador.

Walter D. Huddleston, former U.S. Senator.

The Honorable Robert L. Yost, former U.S. Ambassador.

Robert C. McNamara, former Secretary of Defense and president of World Bank.

The Honorable Thomas C. Mann, former U.S. Ambassador.

Frederic C. Hamilton, chairman, Hamilton Bros. Oil Co.

John K. Waters, general, U.S. Army (Ret.).

Richard W. Hanselman, chairman, Genesco, Inc.

Maxwell D. Taylor, general, U.S. Army (Ret.)

The Honorable Marshall Green, former U.S. Ambassador.

The Honorable Adolph W. Schmidt, former U.S. Ambassador.

Kingsley Davis, senior research fellow, Hoover Institution.

T. Willard Fair, the Urban League, Miami, Florida.

John H. Tanton, chairman, Federation for American Immigration Reform.

Theodore H. White, author.

James E. Davis, chairman, Winn Dixie Stores.

Dr. Sidney Hook, senior fellow, Hoover Institution and emeritus, professor of philosophy, New York University.

William E. Colby, former Director, C.I.A.

Gen. Leonard F. Chapman, Jr., former Commissioner, I.N.S.

Anna G. Chennault, author, Asian scholar.

Richard C. Brockert, president, United Telegraph Workers, AFL–CIO.

John V. Lindsay, former mayor, New York City.

Warren E. Buffett, chairman of the board and CEO, Bershire Hathaway Inc.

Lester R. Brown, president, Worldwatch Institute.

A.C. Wedemeyer, general, United States Army (Ret.).

Malcolm R. Lovell, Jr., the Hudson Institute and George Washington University.

W.D. Best, Brotherhood of Railroad Signalmen.

Helen W. Milliken, former first lady of Michigan.

William French Smith, former attorney General of the U.S.

The Honorable Joseph V. Corcoran, State senator, Indiana.

Richard Salvatierra, columnist, retired U.S. Foreign Service officer.

Fred L. Hartley, chairman, Unocal Corp.

Griffin B. Bell, former Attorney General of the U.S.

Frank Drozak, president, Seafarers International Union of North America, AFL–CIO.

Cyrus Vance, former Secretary of State.

Charlton Heston, actor.

Paul Ehrlich, bing professor of population study, Standford University.

The Honorable Robert McClory, former U.S. Congressman and ranking member of the Judiciary Committee.

Francis G. Knight, Director, U.S. Passport Office (Ret.).

The Honorable Shelby Cullom Davis, former U.S. Ambassador and chairman, Heritage Foundation.

Russel W Peterson, chairman, Global Tomorrow Coalition.

Stuart Northrup, chairman, Huffy Corp.

Clifton C. Garvin, Jr., chairman, Exxon Corp.

Mr. KENNEDY. The basic thrust of their mailgram is that we ought to resist special interest amendments on this bill. Quite frankly, no matter how you skin it, with the acceptance of the Wilson amendment, we are accepting a special interest amendment. And that is for the growers.

This body has been charged with trying to do something about illegal immigration and the flood of migrants coming to this country in ways which threaten the jobs of Americans and we ought to be about that and not, I believe, be accepting a pig in a poke, so to speak. That is the opportunity to add 350,000 more foreign workers in agricultural America when we have the significant unemployment that we have at the present time.

I hope that this body will be willing to accept this amendment that is being proposed by the Senator from Illinois. We shall be back again in 3 years addressing immigration issues. This is consistent with that. It will be the responsibility of the Judiciary Committee and other interested Senators to address both the findings of the agricultural commission which has been included in this legislation, as well as the GAO reports on the question of discrimination. So it is entirely appropriate that this body address that issue again.

Under the procedures included in the Simon amendment, we will give the assurance that we will get an up-or-down vote so the majority of the Members can exercise their will.

There will be an opportunity for protracted delay or for unreasonable action on the floor of the Senate. This is a sensible amendment, it is responsible, and I believe it is absolutely essential if we are going to insure that this bill is truly an immigration bill and not just a welfare bill for growers.

I reserve the remainder of my time.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. WILSON. Mr. President, I yield myself such time as I shall require.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from California.

Mr. WILSON. Mr. President, what is being offered now is a deliberate attempt to scuttle a new program literally within hours after Congress has enacted it. It is offered in the guise of a fair revisitation after a fair period of time. The analogy has been made, Mr. President, to another provision of S. 1200, the Kennedy provision, that requires not a sunset but a reexamination of employer sanctions after a 3-year trial period to determine whether or not, in the experience of the General Accounting Office after their examination, there has been discrimination against U.S. citizens as a result of the application of employer sanctions.

Mr. President, let me say not at all parenthetically that that is a wise provision, because I fear there may well be discrimination. But that serious reservation about the Immigration Reform Act has nothing whatever to do with the seasonal worker program—nothing—and no one can pretend that it does. But if you are in fact trying to make that analogy, the analogy then should be to a provision which Mr. Simon has not offered. It would be one which does not sunset the seasonal worker program, but, rather, requires that it be considered again after a 3-year period. Then as in the case of the Kennedy provision, it would require affirmative action to end the program, if that be the wisdom of Congress at that time.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. WILSON. The Senator will yield on the Senator's time at the conclusion of his remarks.

Now, Mr. President, let me respond to the rhetorical question offered by my friend from Illinois in his effort to try to tie this to, and make the false analogy of, employer sanctions. What he is saying is, since there will not be employer sanctions, why should there be a seasonal worker program?

Why? I should think it would be obvious after so many days, so many hours of debate, that the reason it is necessary is precisely to avoid the very situation we now have. We do not have employer sanctions at the present time. We do have foreign workers, in the fields and orchards of the United States, but they are there illegally.

Mr. President, nothing is going to change the need that growers have for the harvest of perishable commodities, not in 3 years, not in 300. But the fact is what we are talking about is another need that will not change. Nothing is going to change the need for these workers, who are willing to risk a great deal to come in, in the dead of night, fearing danger, as wisely they should, fearing the extortionate practices of the "coyotes," as experience has taught them they must, in order to work.

Now, is it right or is it fair, Mr. President, that these people, who are simply seeking to earn an honest living, should be compelled to do so illegally?

Should they be so frightened of their apprehension by the Immigration and Naturalization Service that they refuse even to use the housing provided for them by growers for fear of being raided by the INS? Should they be compelled instead, to avoid that, to literally go to earth, to live in holes in the earth like animals in order to avoid being caught and deported?

Mr. President, nothing in 3-years' time will change the need of growers to supplement domestic labor, nothing in 3-years' time will change the need of workers for protections they never had under the bracero program and that they do not have now.

Mr. Simon speaks of the report of George Mitchell, Secretary of Labor in a Republican administration, commenting on the bracero program. This amendment was designed to remedy the deficiencies of the bracero program. There were no worker protections under the bracero program. There were no employer obligations. Is that where we wish to return?

This is not a bracero program—that much is clear. And since the specific point in the Mitchell report that has excited my friend from Illinois was a finding that braceros tended to contribute to an adverse-effect wage, well, let me remind him that this legislation strictly prohibits an adverse-effect wage. Or to take it out of the jargon and put it in understandable English, it means that growers cannot pay a wage to any worker, foreign seasonal worker, under this program which would tend to depress wages below the prevailing wage rate being paid to domestic workers, and that clearly is above the minimum wage. How far above the minimum wage? Well, one example I have learned recently is that date harvesters in the Coachella Valley are making $26,000 to $27,000 a

year. They earn it. No one begrudges it to them. Nor do they begrude them the status of being legal.

Now, if my friend from Illinois had offered something similar, if he had said that 3 years after receiving the report that is required by S. 1200 from the Temporary Agricultural Worker Commission, I say to him we do not really need his reminder because the law specifically provides exactly what is going to happen. Not only in S. 1200 relating to H-2 and relating to the transitional program, but in the amendment which I offered, which the Senate enacted yesterday, there is a similar requirement for seasonal workers, and specifically the Commission is required to consider and report to the Congress whether or not they have established a proper length of time and proper mechanism for the recruitment of domestic workers before importation of such foreign workers. I am quoting from the language of the amendment. They are further, quoting from the language of the amendment, required to report to us whether current labor standards offer adequate protection for domestic and foreign agricultural workers, whether or not the availability of sufficient, able, willing, and qualified domestic workers will meet the needs of agricultural employers.

That is what the amendment provides, that amendment which this amendment would seek to undo. Congress is going to get a report. Congress can then, on the basis of the information adduced by the Commission and laid before us, make a reasoned judgment. Incidentally, although I do not think this was the intention of the proponent of the amendment, what he is asking us to do is not after 3 years but after 2, when, as a practical matter, the basis for our experience would be a single year's experience.

Now, I can think of no greater travesty than to automatically sunset a program for which clear need has been demonstrated after 1-year's experience, not on the basis of a review of adequate experience but automatically; not in the way that Congress is being asked to review employer sanctions for evidence of discrimination and then take affirmative action to correct the program if necessary, but automatically without thought, without care, for the fact that it will return those workers, once again made illegal, to their holes, reduce them to the status of animals, hiding from the INS.

My God Almighty, is that what the Senate of the United States calls a deliberate process? I would call it a disgrace.

Mr. President, good intentions are not enough. We have taken a great deal of time, and quite properly so, to consider complex legislation. There has been a great deal of misinformation offered. If not deliberately to confuse, at least it has been offered all through the debate on this legislation. We have been told that this program will end the H-2 program, and of course it clearly offers only an alternative, a choice for growers. We have been told that the cap on seasonal workers, which apparently will never be sufficient to satisfy those who fear this provision and want no program, is also a cap on H-2, and that is also untrue.

Mr. President, there will be no change in the need for these workers. There will be no change in the need for protections that workers are not now afforded. There will be no change in the requirement that the Senate act deliberately if it is to act responsibly. But what we are asked to do instead is to now approve an automatic sunset that could be overturned only by a joint resolution of this body. Do not tell me that an expedited motion is a great protection. It is not. We are asking for a procedure that will involve the affirmative action of both Houses of Congress and the President's signature be required to overturn an automatic sunset of this provision after inadequate experience when all the evidence at the present time points to the need and to the continued need.

Mr. President, I think we have given this subject not too much time but the time that it requires. I think we should give this well-intentioned, perhaps, amendment what it deserves, and that is flat rejection.

(Mr. DANFORTH assumed the chair.)

Mr. GORTON. Will the Senator yield some of his time to me?

Mr. WILSON. The Senator will be delighted to yield to my distinguished colleague from the State of Washington such time as he desires.

Mr. GORTON. Mr. President, I rise to oppose this amendment by the distinguished Senator from Illinois and join with my friend and colleague, the Senator from California.

On Thursday last, the merits of the policy embodied in the amendment which this amendment seeks to limit were debated at length and defeated by a very narrow margin.

Those of us who felt that we were right from the point of view of policy and in dealing with an urgent need of a number of our productive constituents were not satisfied with that vote. We made certain changes in the amendment and brought it up again on Monday and yesterday. For that reason, I suppose it would be appropriate for us to complain about the Senator from Illinois asking for another revisiting to this particular issue about which he feels strongly.

I do feel, however, that the dynamics and the changes which took place between Thursday and Tuesday did so because Members more carefully considered the merits of our proposal and that as consideration has lengthened, more and more of them will come to our views on it.

Therefore, I urge my colleagues to defeat this amendment by an even larger number than they approved yesterday's proposal by the Senator from California. We are still dealing with precisely the same problem.

Three years from now, the need for harvest labor in fruits and other fresh produce will not be any less than it is today. I suppose it is possible that some magic, new machine might be invested which would do the job automatically and easily and without any significant amount of labor, but it is unlikely that that will take place.

This amendment does not seek to sunset the entire Immigration Reform and Control Act in 3 years, which would of course result in a reconsideration of this issue, but only one part of it, with considerably less than 3 years of experience, as the Senator from California has pointed out.

I believe that the political process has worked well in this debate. It is quite clear that if the growers had their way, the amendment with which we were dealing yesterday and are dealing with today would have been written quite differently—without a cap, perhaps without a number of the other limitations it contains. But the objections of the Senator from Illinois and the Senator from California, not to mention the Senator from Wyoming, have been met to the maximum possible extent in a numerical employment which is relatively low, much lower than the number of illegal immigrants now engaged in this kind of business, and in a series of protections for people who will be permitted to come into the United States and engage in these harvest activities when that permission is granted— a set of requirements or restrictions which will greatly increase the quality of their working conditions and the method of their treatment, and, of even greater importance, the requirement that this program is subsidiary to the rights and opportunities of citizens of the United States who may wish to engage in this activity, either permanently or on a temporary basis.

It seems to me that we have crafted a thoughtful and reasonable approach to a very real problem.

Mr. President, it does continue to puzzle me, I must say, that Members of this body from States unaffected directly by this amendment are so adamant: why it is that a relatively large group of highly productive American farmers should be documented as special interest, by implication an illegitimate special interest, whose needs, necessities, and contributions to their country not only can safely be ignored but also ought to be ignored. We have not normally characterized the other groups which have shown interests in this, on one side or another, to represent illegitimate special interests, whatever interests they represent.

In one sense, of course, they are all special. They are particular groups of Americans who are not the whole of all Americans. So, in that sense, is the group of growers we represent. They are, however, an admirable group of people who work hard, most of whom are small farmers, most of whom own their own farms, who grow crops which are greatly appreciated by Americans and often are exported to other countries to help our balance of payments, who offer employment opportunities, who are willing to do so under far more severe controls than are effectively applied today. They are a constructive group of people. They have made a reasonable request.

Their needs will not dissappear in the course of the next 3 years, and there is no justification for changing yesterday's vote and for limiting them to a period of time vastly inadequate for them to change their way of life, vastly inadequate for them to deal with the very real problems they have.

This bill, the primary author of which is the distinguished Senator from Wyoming, contains very important American policies of immigration, of naturalization, of who shall live here, of who shall work in the United States.

It is vital that we proceed with the debate. I wish we could conclude that debate and pass this bill without the consideration of any extraneous amendments whatsoever. We may or may not succeed in doing that. But the issue raised here is one that is vitally and intimately connected with the substance of the bill itself.

In adopting the amendment yesterday, we have already accomplished something which I am firmly convinced improves the scope and the justice of the entire bill. I believe firmly that it is needed. It is moderate in its programmatic aspects. It should be a part of an immigration bill, and we should reject this attempt simply to reverse yesterday's decision and get on with the final passage of legislation, which is greatly needed by the people of the United States.

Mr. WILSON and **Mr. KENNEDY** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I appreciate the chance to comment on the amendment of the Senator from California. I tried to engage in a debate on this amendment on three different occasions and was unable to do so.

I want to ask the Senator——

Mr. WILSON. I will be happy to yield.

Mr. KENNEDY. I understand that I have the floor.

Mr. WILSON. I merely wish to make the offer.

Mr. KENNEDY. I ask, on my time, for a brief response from the Senator from California.

Before asking the question, I make this point: When it came to employer's sanctions, I tried to persuade the chairman of the Immigration Subcommittee to completely sunset employers' sanctions and then revisit that issue on the floor of the Senate, under expedited produced. On that issue I would have been delighted if we had followed the same procedure for dealing with employers' sanctions because of the danger of discrimination that has been included in the Simon proposal. But that was not acceptable, and so we had to settle on a modified sunset provision.

I ask the Senator if he would be willing to accept an approach on this issue the way we did it with regard to employers' sanctions, so that we would definitely revisit this issue in a 3-year period.

Mr. WILSON. I would be happy to do so. In fact, I was going to ask the Senator from Illinios whether or not he would be interested in offering a substitute to that effect, because what we are talking about is nothing more than what the amendment now provides.

Mr. KENNEDY. We will have an opportunity if the Senator wants to visit with the Senator from Illinois on some form of a substitute. Does the Senator want to describe briefly, if he could do so on his time so the manager will have a reasonable period to comment on it, to say what the Senator would be prepared to offer?

Mr. WILSON. To do essentially what my amendment requires now which is to respond to the stated requests for a report and if in fact on the basis of the report there is need for elimination, need for revision, then Congress has that basis before it and can act but not an automatic sunset.

Mr. KENNEDY. I do not have the Senator's amendment in front of me but as I recall that judgment or determination was going to be made by the Attorney General. Am I not correct?

Mr. WILSON. No; the report by the Commission on Temporary Workers is made to Congress.

Mr. KENNEDY. That is correct. But under the Senator's amendment there are no expedited parliamentary procedures and after the report comes in the Attorney General makes the decision whereby that number will be increased or decreased, if I remember the amendment correctly. Am I not correct?

Mr. WILSON. With respect to the cap, that is the sole discretion of the Attorney General. But let me answer the Senator's question because the Commission that is created by S. 1200 is one whose duties were added to by the amendment that we enacted yesterday, and it enacts virtually parallel provisions so that those requirements which are now visited with respect to the H-2 Program would apply to the Seasonal Worker Program as well. That makes some sense because in fact they are parallel; they are at least alternatives with respect to temporary agricultural workers.

Mr. KENNEDY. If the Senator would respond, is he saying now that rather than giving that particular authority to the Attorney General he would give that authority to an expedited procedure and for the Congress to make that judgment?

Mr. WILSON. The report——

Mr. KENNEDY. If he will answer that question, I will be glad to state it again. It could be answered yes or no.

Mr. WILSON. Go ahead, state it again, and I will try to begin again in response.

Mr. KENNEDY. Let me ask the question. Under the amendment which was accepted with regard to employer sanctions, the ultimate judgment and decision, if a pattern of discrimination developed, would be made by Congress under an expedited procedure. That was my amendment with regard to employer sanctions. Is the Senator from California willing to follow that same procedure with regard to the Wilson amendment? Yes or no.

Mr. WILSON. No.

Mr. KENNEDY. Then I wish I saved myself the time. That answers the question. That is why it is essential that we have the Simon amendment.

Mr. President, the fact of the matter remains, in response to my good friend from Washington about these being small family farmers and they should not be discriminated against, well, they are not being discriminated against under the existing provisions of the bill as drafted by the Senator from Wyoming. He has included in this bill an expedited H-2 procedure, a fast track for applications in terms of perishable agricultural products. They are all in there. They are all in here after a long series of hearings and examination of this issue. They are being provided for.

Let me just make a final comment about whether this is a Bracero Program or not. It is a Bracero Program and the Senators from California and Washington may not want to admit it and say that it is not but, it is. If it looks like a duck, walks like a duck, and quacks like a duck, it is a duck.

Mr. President, under the Bracero Program—which was bad enough—there was nonetheless the requirement for domestic recruitment as a prerequisite to approval of application for farmworkers. They had to go on out and find if there are American

workers before they go and contract for foreign workers. Under bracero they did. But not under WILSON's amendment.

Two, must the Department of Labor certify there is a shortage of U.S. workers; that is, there is a shortage of U.S. workers to perform that job? Was there such a requirement under bracero? Yes. Is there a requirement under Wilson, no.

Under the Bracero Program was the Department of Labor asked to certify that there will be no adverse effects on U.S. working conditions?

Make no mistake abut it, we are talking about American jobs for American families. You can try to talk about it another way but that is what we are talking about.

That is why this protection was put in the Bracero Program, and even with that requirement, it did not work. But is that kind of provision under Wilson, no.

The Wilson program provides generally that employee wages and working conditions shall not adversely affect U.S. working conditions, but no requirements are set out and no certification requirement is mandated and effectively no enforcement of that particular provision. I will include the rest of the comparisons in the RECORD.

I ask unanimous consent that an analysis prepared by the Farmworker Justice Fund be printed at this point in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

COMPARISON OF THE LABOR PROTECTIONS UNDER THE BRACERO PROGRAM AND THE WILSON GUESTWORKER PROPOSAL

[Note.—Even the infamous Bracero program provided substantial protections for workers (on paper). These protections were included in the authorizing legislation, Public Law 82-78 ("P.L. 78"), the United States-Mexico Migrant Labor Agreement of 1951 ("MLA") or in the Standard Work Contract ("SWC")]

Protection	Bracero	Wilson	Comment
Domestic Recruitment			
1. Is domestic recruitment a prerequisite to approval of an application for foreign workers?	Yes (§ 503(3), PL-78)	No	Under the Wilson proprosal the grower is not required to attempt to recruit U.S. workers until after his application for foreign workers is approved.
2. Must the Department of Labor certify that there is a shortage of U.S. workers?	Yes (§ 503(1), PL-78)	No	There is not provision for certification by DOL or any other government agency as to availability of U.S. workers.
3. Must DOL be asked to certify that there will be no adverse effect on U.S. working conditions?	Yes (§ 503(2), PL-78)	No	The Wilson program provides generally that employers offer wages and working conditions that will not adversely affect U.S. working conditions. But no specific requirements are set out and no certification requirement is mandated.
4. Are U.S. workers guaranteed terms at least comparable to those provided to foreign workers?	Yes (§ 503(3), PL-78)	No	There is no provision ensuring that growers will not offer better terms to favored foreign workers.
5. Must available U.S. workers be hired after the season has begun?	Yes (Art. 9, MLA)	No	There is no provision giving preference to U.S. workers.
6. Is there a prohibition against the use of foreign workers as strike breakers?	Yes (Art. 22, MLA)	Yes	
7. Is there a prohibition against the use of foreign workers by growers who also employ undocumented workers?.	Yes (§ 505, PL-78)	No	
Foreign Recruitment			
8. Is foreign recuritment governed by an intergovernmental agreement?	Yes (§ 501, PL-78)	No	
9. Are foreign workers guaranteed subsistence expenses while traveling to worksite?	Yes (§ 501(4), PL-78)	No	
10. Are foreign workers free to accept employment with any grower who has obtained approval to use foreign labor?.	Yes (§ 501(5), PL-78)	Yes	Under the Bracero program, the workers signed contracts with the employer of their choice at the border. Thereafter they are obligated to work for that employer. Under the Wilson proposal the workers would enter without any employment contract or commitment.
Employment Standards			
11. Are the foreign workers guaranteed a written contract?	Yes (SWC)	No	As noted, the Standard Work Contract (incorporated by reference into the United States-Mexico Agreement) was required of all employers.
12. Are the foreign workers guaranteed employment for a minimum period?	Yes (Art. 16, MLA)	No	
13. Is the grower's compliance with the employment contract guaranteed by the U.S. government?	Yes (Art. 32, MLA)	No	
14. Is DOL authorized to set a special minimum wage, above the prevailing rate, if necessary to avoid adverse wage effects?	Yes(Art. 15, MLA)	Yes	
15. Are the foreign workers guaranteed employer-provided housing?	Yes (Art. 2, SWC)	No	Under the Wilson proposal the grower may give the workers a daily housing allowance, with which they would have to try to locate their own housing.
16. Are foreign workers guaranteed occupational injury insurance?	Yes (Art. 3, SWC)	Yes	
17. Are foreign workers guaranteed that tools and equipment will be provided without charge?	Yes (Art. 5, SWC)	No	
18. Are foreign workers guaranteed that meals will be provided at cost?	Yes (Art. 6, SWC)	No	
19. Does the program include specified enforcement procedures to prosecute violations?	Yes (Art. 30, MLA)	Yes	All enforement is through the Attorney General. Wilson workers are ineligible for federal legal services.
20. Are employer required to pay the costs associated with obtaining the documents necessary for the aliens' admission?	Yes (Art. 20, SWC)	Maybe	Employers must pay a percentage of wages into a trust fund for administration of the program.
21. Is there express recognition of the aliens' right to organize and bargain?	Yes (Art. 21, MLA)	No	
22. Does the government representing the foreign workers have a right to refuse to let workers labor in regions where there may be discrimination against foreign nationals?.	Yes (Art. 8, MLA)	No	

CONCLUSION

The Wilson amendment differs from the old Bracero program chiefly in the legal protections it does not offer to the workers involved. The sponsor would have us believe that these protections are unnecessary. But, many of the same farm enterprises which were involved in scandalous exploitation of workers under the Bracero program will be eligible to participate in the Wilson program. Absent these legal protections, the workers will have to rely on the good will and honest business practices of their employers.

Evidence presented to Congress two years ago to support passage of the Migrant and Seasonal Agricultural Worker Protection Act ("AWPA"), shows that such reliance will be misplaced when it comes to many farm employers. The Farmworker Justice Fund, Texas Rural Legal Aid and the Migrant Legal Action Program presented more than 100 recent examples of serious labor violations by growers, associations and large agribusiness operations. The Committee on Education and Labor, which reported the AWPA, concluded that: "Evidence received by the Committee confirms that many migrant and seasonal agricultural workers remain today, as in the past, the most abused of all workers in the United States." [H. Rep. No. 97-885, at 2.]

In such circumstances, adoption of the Wilson program would be irresponsible and unconscionable.

Mr. KENNEDY. Mr. President, that is what we are talking about. It can have a serious impact on the employment hundreds of thousands of American workers who in most instances are in the poorest sector of our economy, where you have significant unemployment already, and depressed wages. Americans are the ones who are going to lose jobs.

And with regard to the needs of the growers, the Senator from Wyoming has spelled out in this legislation how their interests have already been protected, rather generously I think.

So I think this amendment is essential. I think it is necessary. I think it is reasonable, and I would hope that it would be accepted.

I withhold the remainder of my time.

Mr. SIMON. Mr. President, how much time do we have remaining on our side?

The PRESIDING OFFICER. The Senator from Illinois has 11 minutes; the opposition has 8 minutes.

Mr. SIMON. Mr. President, I yield 7 minutes to the Senator from Wyoming.

Mr. METZENBAUM. Mr. President, would the Senator from Illinois be good enough to reserve the Senator from Ohio some time? We have 11 minutes; take 7.

Mr. SIMPSON. Mr. President, I would require less than 7 minutes. If I will be notified by the opponents of the amendment when I use 5 minutes, I will yield back the remainder.

Mr. SIMON. All right.

Mr. SIMPSON. Mr. President, I knew we would revisit that issue with some spirit and I have been sitting it out because there comes a point in all legislating when you take your lumps; you take your lumps and move on to something new. That is the way it is and should be. But in the U.S. Senate I have to change all my former ideas with 13 years of legislating in Wyoming because in this place nothing ever dies.

There is a form of eternal life here with every amendment and every bill and it is eternal because downtown are eternal people and they will always be with us in whatever administration and whatever role. They are known as special interests, and they will never change and they are good and they are bad and they are ugly. They are like human beings. In fact they are human beings, and so enough of that.

But I say to you that this amendment I believe strikes a reasonable balance. I support the amendment. It strikes a reasonable balance between the interests of producers of perishable commodities and those concerned with a large-scale guest worker program which has always been my concern. I have shared that with the Senator from California. There is no question about that.

The Simon amendment does allow these persons to be here at any given time and provides for extraordinary or unusual circumstances, and leads us back to a point where we use the agricultural commission under S. 1200 which is good. Do not miss what that is. That is an excellent proposal of 12 persons appointed by the Speaker of the House, the President pro tempore, the Secretary of Agriculture, and the Secretary of Labor. They are going to recommend things, and among the things they will recommend are what we do with temporary workers in the United States.

The composition of the Commission will be fair and let me quote from S. 1200:

SEC. 124. COMMISSION ON *TEMPORARY* AGRICULTURAL WORKER PROGRAMS.

(a) ESTABLISHMENT AND COMPOSITION OF COMMISSION.—(1) There is established a commission (hereinafter in this section referred to as the "Commission") to be composed of 12 members—

(A) two to be appointed by the Attorney General,

(B) two to be appointed by the Secretary of Labor,

(C) two to be appointed by the Secretary of Agriculture,

(D) three to be appointed by the Speaker of the House of Representatives, and

(E) three members to be appointed by the President pro tempore of the Senate.

(2) In appointing individuals as members, the Attorney General, the Secretaries of Labor and Agriculture, the Speaker, and the President pro tempore shall assure that members include some individuals who are representative of represent labor organizations for agricultural workers and some individuals who are representative of represent agricultural employers of nondomestic workers. Appointments to the Commission shall be made in a manner that provides for balanced representation of the various interests in the matters considered by the Commission.

I expect to have some influence in the members appointed by the President pro tempore. It will be a balanced Commission.

So, here we are with this proposal and please understand and see what it is that has attended the immigration reform bill since its first attempts. This bill will not pass the Senate by the margin it did in the past because of the various persons who seek some kind of perfection. It is interesting how we expect perfection in our legislation but we do not expect perfection in our lives, and it is more interesting when it is Congress that should be perfecting itself. It is a good way to get it off yourself and just say, "I am in turmoil here; something should be perfect, so why should not something be perfect if 535 guys get to mess around in it?" It will never be that way. I can assure you.

Because the extraordinary thing you will watch on the final rollcall vote is that those who have amended and amended and amended will vote against the measure. That will become very evident to you as you come to see the final rollcall vote. They are saying, "We want to help you perfect your bill." And I can say that that kind of assistance is about like having the Boston Strangler massage your neck.

(Laughter.)

Now, that is where we are with this particular measure right now. I think the Senator from California will vote for this bill if this proposal of his stays in it. That may cause 10 others to jump ship. Someone will say, "I liked your bill until they put that amendment on and now I cannot support it any more." That is the way this works. That is where we are with regard to this.

And, as the Heinz amendment remains the pending business, people will get more creative and more skilled and more innovative, as they think of ways to do this or that to be assured that they can finally vote for it, and they regretfully then decide that they they cannot. I have been there in 20 years of legislating and that is where this one is slowly going.

The PRESIDING OFFICER. The Senator has used his 5 minutes.

Mr. SIMPSON. I yield myself 1 more minute.

The Senate of the United States does have a responsibility. It is a very clear one and we have met it twice. And it is to do something about illegal immigration and try to preserve our heritage of legal immigration, and that is what the bill is about. That responsibility will be met only when you address the issue because, by doing nothing in these times with this issue, you will find that this country will pay a dear price. It does not have anything to do with xenophobia or racism or ill-spiritedness or mean-spiritedness. The first duty of a sovereign nation is to control its borders. We do not. We ought to be about our business.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM. I ask that the Senator from Illinois yield me 2½ minutes.

Mr. SIMON. I yeild 2½ minutes to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, the Wilson amendment does exactly what everyone of us in this body says publicly we will not do. It deprives Americans of an opportunity to work.

There has been a lot of talk around here about importing products. And when we import products we say we are taking jobs away from Americans and, indeed, that is true. But the Wilson amendment makes it possible to import people to take away the jobs of Americans.

I have only one description for the amendment: I think it is un-American; I think it is anti-American.

I have difficulty in comprehending how anybody can stand on the floor of the Senate—I do not understand how 51 people voted for this amendment—to make it possible for jobs of Americans to be taken away from them so that somebody may come from another country to take those positions so they could earn a living to support their family.

I think the Wilson amendment has taken a reasonable bill and has done exactly what the Senator from Wyoming has indicated, and that is it has changed it in such a way that many of us who had supported it up until this point find it impossible to support with the Wilson amendment. In fact, I believe, with the Wilson amendment in it, it should be defeated.

Now, the Senator from Illinois has come along with a proposal. His proposal would say, "Let it only last for a period of 3 years until the Commission report." I think that is in the area of compromise. I think it does have a reasonable approach to it. With it, I could see myself voting for the bill; without it, I think I and others would find this bill goes beyond the point of where it can merit our support.

I would just like to address myself to one other item, and that is the argument is made that this is needed in order to harvest the crops. I would point out that the bill provides that the definition of seasonal agricultural services includes planting as well as production. That goes a long way beyond the question of harvesting of the crops.

I believe that the Simon amendment provides a reasonable solution. It does not make a bad amendment a good amendment, but it makes it tolerable, and we know that it would come to a conclusion at a point certain in time.

The PRESIDING OFFICER. The Senator's 2½ minutes have expired.

Mr. METZENBAUM. I yield the floor.

Mr. WILSON. Mr. President, how much time remains?

The PRESIDING OFFICER. Two and a half minutes for the Senator from Illinois and 8 minutes for the Senator from California.

Mr. WILSON. Mr. President, I yield myself 4 minutes.

Mr. President, first of all, Senator KENNEDY is, to be charitable, flatly inaccurate in his characterization of this bill. He has ignored not only the history but the plain text of the amendment. The protections that are afforded workers in this include housing or a housing allowance. They include insurance. They include a legal requirement that no adverse wage be paid and, indeed, adverse wages are not.

I am not going to spend more time on it because he is just wrong. I do not understand how anyone can stand on this floor and make bald misstatements.

Now, to my friend from Illinois, I said I was going to make him an offer, and I intend to do so. I certainly was not prepared to accept what the Senator from Massachusetts was offering as presumably equal treatment. But what I will say is that if the Senator from Illinois is interested in an action that would provide for the report that comes back to Congress under the amendment from the Commission on Temporary Agricultural Workers, and if that Commission recommends change and he wishes an expedited procedure on that, then I would be delighted to work with him on that.

What I am not willing to do, for obvious reasons—reasons that relate to fairness and that relate to the kind of misstatements that I have heard on this floor—I am not willing to say we will have either an automatic sunset or that we will put the question with the burden of proof on the proponents of this program when, in fact, my expectation is that the recommendations that come back with the report from the Commission will be for some minor adjustment, but for continuation of a seasonal worker program.

Now, if the Senator from Illinois wishes to engage in a substitute that would promote fairness and take cognizance of the fact that the need for this legislation will continue to exist—whether the number is right or wrong, we will not know until we have had some experience; or if it is determined by the Commission in its report a need for some change, we will not know until then—but if he wants to say that there shall be an expedited procedure for congressional review and action upon recommendations of the Commission, then I have no problem accepting that. But that is a very, very different matter from what is being offered here.

Mr. SIMON. Will the Senator yield.

Mr. WILSON. Yes; within our 4 minutes.

Mr. SIMON. I appreciate the offer, but, frankly, it is pretty weak soup. I am going to take a lot of water in that soup, but I do not want soup that is almost all water.

The reality is that the Commission is going to be stacked 9 to 3 against our position, as I read the legislation and look at that Commission. So that I am unwilling to accept that.

It just seems to me that a 3-year sunset, waiting for that Commission, and a commission that is stacked in your favor, is still weighing things in your direction. I think the minimum we ought to be asking for is a 3-year sunset.

If that goes down, if this body thinks that is not desirable, I will abide by the judgment of this body. But I am not willing to dilute the soup more than it already is.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. WILSON. Mr. President, I yield myself an additional 2 minutes.

Mr. President, the Commission is not one of my making. It was the work of the sponsor of the legislation, the Senator from Wyoming. I have not made the same analysis of the composition of the Commission as has the Senator from Illinois. I do not reach the same conclusion.

I will simply say that what the Senator from Illinois has offered is patently unfair. It is not based on evidence, nor is it intended that in 3 years that action shall be based on evidence. The sunset is automatic. This is not a process of deliberation. It is a process of execution.

And all that the Senator will achieve from it I am sure he will not wish to achieve when it happens. If in fact it were to happen because he will be asking those workers so desperate for work who are willing to come and risk danger to themselves and their families to continue to live in the night, to go back to the holes, to be denied the dignity of living out in the open doing honest work however hard that work is. That is all that the Senator will achieve. The Senator will have a reversion to the status quo that we have today. We do not have employer sanctions. We do have illegal workers. It is a sick situation, one that is within the power of Congress to cure. But the Senator's automatic sunset would return us to that dismal state of affairs.

Mr. President, I move to table the pending amendment of the Senator from Illinois, or I will at the conclusion of his time.

Mr. HATCH. I ask for the yeas and nays.

The PRESIDING OFFICER. Until all time has been yielded back or the time has expired, the tabling motion is not in order.

The Senator from Illinois.

Mr. SIMON. Mr. President, I will be brief. No. 1, on the commission, to the credit of my colleague from Wyoming, he has put in there that members of the commission shall represent labor organizations for agricultural workers, two appointed by the Attorney General, two by the Secretary of Labor, two by the Secretary of Agriculture, three by the Speaker of the House, and three by the President of the Senate. That, my friends, I think stack that commission in favor of what the Senator from California wants.

Second, the reality is that while the Senator can talk about people earning $26,000 as farm workers from other countries, that is not typical. We have 13.5 percent unemployment among agricultural workers in this program. When we get to this point 3 years from now—it is 3 years, not 2 years—if we get to that point 3 years from now and the program is working well, it is clear that the growers of this country have enough political clout that they are not going to have any trouble getting that program extended. What we do call for is an automatic review. That is not asking too much on a program that comes in here and is going to say 350,000 foreign workers at any one time which can mean 500,000, 700,000. We do not know.

The PRESIDING OFFICER. All time of the Senator from Illinois has expired.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Two minutes.

Mr. WILSON. Mr. President, the concern I have heard expressed for jobs is one that I share. I will tell you that if we are to have no legal seasonal worker program, it will not only eliminate many of their jobs, but it will make it impossible for the growers of perishable commodities to harvest in a timely fashion. We will see tens of thousands of jobs disappear in my State alone—I suspect hundreds of thousands is a correct figure across the Nation—not just in the fields but in the entire chain of this distribution from the fields to the ultimate consumer, in the packing sheds, in the freezing plants, in the truck yards, in the retail and the wholesale markets. All of those in the entire chain of distribution and marketing will see their jobs disappear as in fact these farms can no longer make it such as it can will probably go offshore. That should be of concern to the Senator from Ohio.

But let me say the Senator from Illinois I think means well but is guilty of a misstatement when he says all it requires is an automatic review. It requires an automatic review without consideration. It is an automatic sunset unless there is a stay of execution and the burden of proof to stop this is upon the action of both Houses of Congress and the President of the United States.

Mr. President, need will continue, the need for the workers will continue, the workers' need for protection will continue, and the jobs of those who depend upon timely harvest will continue to need to be protected. American consumers will continue to want fresh fruits and vegetables. One of the ways we are affecting the balance of payments favorably is by the export of perishable commodities. The basic merits of this legislation I think have been abundantly debated in the preceding days. For that reason, I move to table the pending amendment of the Senator from Illinois.

The PRESIDING OFFICER. All time of the Senator from California has expired.

Mr. WILSON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the amendment of the Senator from Illinois. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. East] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from New York [Mr. Moynihan], the Senator from Arkansas [Mr. Pryor], and the Senator from Mississippi [Mr. Stennis] are necessarily absent.

I further announce that, if present and voting, the Senator from New York [Mr. Moynihan] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 40, nays 56, as follows:

Rollcall Vote No. 188 Leg.]

YEAS—40

Abdnor
Armstrong
Boren
Boschwitz
Cochran
D'Amato
DeConcini
Denton
Dole
Domenici
Evans
Garn
Goldwater
Gore
Gorton
Gramm
Hatch
Hatfield
Hawkins
Hecht
Heflin
Helms
Hollings
Humphrey
Laxalt
Lugar
Mattingly
McClure
McConnell
Murkowski
Nickles
Quayle
Rudman
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—56

Andrews
Baucus
Bentsen
Biden
Bingaman
Bradley
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Cranston
Danforth
Dixon
Dodd
Durenberger
Eagleton
Exon
Ford
Glenn
Grassley
Harkin
Hart
Heinz
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Long
Mathias
Matsunaga
Melcher
Metzenbaum
Mitchell
Nunn
Packwood
Pell
Pressler
Proxmire
Riegle
Rockefeller
Roth
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Weicker
Zorinsky

NOT VOTING—4

East
Moynihan
Pryor
Stennis

So the motion to lay on the table was rejected.

(Later the following occurred:)

Mr. PACKWOOD. Mr. President, I am going to propound a unanimous-consent request to have my vote rerecorded on the last vote. I have checked it with the minority leader and majority leader. I have just come back from the White House. It had been my intention to vote for the amendment. I did not realize it was a motion to table. So I voted, indicating that I wished to table it. I did not know. Had I known it was a motion to table, I would have voted no. I ask unanimous consent to have my vote recorded that way.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. It will not change the outcome. I have just checked with the minority leader and he had said just make sure to mention that I had checked with him.

(The above tally has been corrected to reflect the foregoing order.)

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. SYMMS. Mr. President, I suggest the absence of a quorum.

Mr. SIMPSON. Mr. President, I move to lay that motion on the table.

Mr. SYMMS. I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator has suggested the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I make the point of order that a quorum is present, based on the previous vote.

The PRESIDING OFFICER. The Chair has no authority to count.

Mr. KENNEDY. Based upon the previous vote.

The PRESIDING OFFICER. The Chair has no authority.

The assistant legislative clerk continued the call of the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is to ordered.

The question is on agreeing to the motion to table the motion to reconsider.

The motion to table agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 641) was agreed to.

AMENDMENT NO. 623

(Purpose: Heinz Amendment No. 623 (to Amendment No. 622), of a perfecting nature, to express the sense of the Senate regarding the separation of Social Security Trust Funds from the Unified Federal Budget)

The PRESIDING OFFICER. The question recurs on amendment No. 623, offered by the Senator from Pennsylvania [Mr. Heinz]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the role to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. Weicker]. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I ask the Chair if we are now on the Heinz Social Security amendment. Is that the pending business?

The PRESIDING OFFICER. That is correct. That is the pending business.

Mr. RIEGLE. Mr. President, I rise as a cosponsor of the amendment that is offered by the Senator from Pennsylvania. I want to comment briefly on it because I feel very strongly that it is

important for us to move ahead and take the Social Security items out of the unified budget and do so in advance of 1993 when otherwise this would occur.

I want to address a question, if I may, to my colleague from Pennsylvania, because I think we are really not taking quite the step here we should by having this in the form of a sense-of-the-Senate resolution. Because a sense-of-the-Senate resolution really does not change anything, as he well knows, and so I am wondering if he would be of a mind to modify his amendment to give it the force of law rather than to offer it as a sense-of-the-Senate resolution which basically really does not do the job for us. I am happy to yield for a response.

Mr. HEINZ. I thank the Senator for yielding.

Mr. President, as I pointed out to my colleagues on Monday, there was a very specific reason that I offered this as a sense-of-the-Senate resolution. As I pointed out on Monday, and I recognize that only a few of our colleagues were present on Monday, with no votes having been scheduled, we had before us a bill that is neither a Finance Committee bill nor a Ways and Means Committee bill. It is a Judiciary Committee bill in both bodies, and I had seriously considered offering a legislative amendment to this legislation.

I felt that nothing would be gained by that in terms of being able to actually change the law.

I am under no illusions that a Finance Committee amendment has ever prevailed in the House Judiciary Committee in the history of the relationships between our two bodies.

Second, I am under no illusions, while I hope and expect we will once again pass this bill, that there is going to be anything other than a very lengthy consideration, if indeed the House passes a companion measure of the Simpson bill in conference between the House and Senate should they ever get there. As we all know, they had probably the world's longest conference last year.

So I, as a practical matter, did not view this as a really legitimate legislative opportunity to achieve a legislative goal.

The second reason that I felt it would be advisable to have a sense-of-the Senate resolution, which I have offered, is that there are a number of ways which we have never debated on how to handle not just the jurisdiction of the Finance Committee—that is protected no matter what we do—but how it will be handled vis-a-vis consideration or not by the Budget Committee.

Frankly, there is a big turf war right behind this amendment between the Budget Committee and everybody else, and since there are a number of options that I have not had a chance to talk to other similarly minded colleagues about in terms of the best way to handle it, such as, for example, if we were to pass legislation effective in 1985, there would be under certain circumstances a $16.8-billion hole in the Finance Committee and in the congressional reconciliation process that I am not sure we all fully considered how to deal with.

So, as a first step, seeing that we could accomplish as a practical matter no more than we will be able to accomplish on this vote, and, second, seeing some other issues that I think the supporters and cosponsors of this approach need to consider jointly, I felt that this was the best alternative.

Mr. RIEGLE. I thank my colleague and, as he knows, I am supportive in this effort in that I am a cosponsor of the amendment. I just want to take it a step further. It would be my feeling that the House, I think, is supporting, by a very substantial bipartisan majority at this stage of the game, taking the step. I do not think the jurisdictional problem will necessarily get in our way. Any vehicle that we choose to try to attach something to later on down the line—debt limit, or whatever—I think presents hazards unique to that particular vehicle, as there are hazards to this one, as he mentioned.

But it seems to me that we ought to track S. 1600 and we ought to put it right straight on the table. If we are going to vote on it, it seems to me we ought to vote on the real thing and not something that really is much less than that.

So I would like to—if we are going to debate it now, bring the issue forward, and have an up-or-down vote—I would like to strongly urge that we vote on this in a legislative form. See if we have the votes. If we do, send it to conference. If there is a conference report that comes back, I think this probably would be acceptable to the House. I would like to try and see. If it is not, there is no guarantee it might be on another bill.

If my recollection is right, when S. 1600 was referred, it was not referred to the Finance Committee. I think it was referred to Budget and to Governmental Affairs, if I am not mistaken.

Mr. HEINZ. The Senator is correct.

Mr. RIEGLE. So it seems to me, the Senator is protected in the sense that a second-degree amendment is in place, so no one else can offer a perfecting amendment. But I would like to urge, as a person who is a cosponsor with him and wants to accomplish the same purpose, to modify his amendment. The Senator has the freedom that none of the rest of us have and that is, he could ask unanimous consent to modify the amendment and give it legislative force. And I would like to strongly urge that he do that. Because I think that is what people are waiting for, an awful lot of the people in the country that support this effort, that you and I and others want to move ahead. I think as long as we are going to go through the exercise and take the time, we ought to make it real rather than a sense-of-the-Senate resolution which is, when people look at it, not real. The purpose is good, but the substance is missing.

Mr. HEINZ. Will the Senator yield?

Mr. RIEGLE. Yes, I am happy to yield.

Mr. HEINZ. I think the Senator makes a lot of cogent points. As I say, I carefully considered that alternative. It seems to me—and this is the conclusion I had come to earlier in my thinking on the way to handle this amendment—that the appropriate vehicle for this entire issue is reconciliation, because reconciliation goes to the Budget Committee. Indeed, the House of Representatives is, as I understand it, amending through the reconciliation process in the Ways and Means Committee the moving up of the date at which we will take Social Security and set it aside from the unified budget.

In terms of the practicality of the situation, let me suggest this: I think there are a lot of our colleagues who want to either express themselves or vote on the issue. I would really like to hurry up and vote on the issue.

Let me say, it will take 15 or 20 minutes to vote on this issue. It has been debated on Monday and it will be debated some today. The sooner we vote on it, the sooner it will be in order for the Senator from Michigan or me, or any other of our colleagues, if they want, to offer S. 1600 or some other version of it. I certainly would support S. 1600. It is my bill. I am not going to back off from that or some similar version of it.

But I think we could really move the business of the Senate ahead if we first voted on this and then we can vote on S. 1600 or some similar version of that, if that is the Senator's or anybody else's desire.

Mr. RIEGLE. I hear what the Senator is saying. If the second-degree slot were open, I would offer S. 1600 as an amendment, because I think that is what we ought to vote on.

But let me tell you what my concern is. My concern is, I do not want to mislead anybody. And I think there is some danger here that, if we act on a sense-of-the-Senate resolution, there is likely to be the impression created that we have really done something and done something that has the force of law or that, in fact, is going to change things. And a sense-of-the-Senate resolution will not do that.

So I guess I am a little concerned. I do not want to send a false signal out to people, who really are concerned about this issue, that we have taken a step when, in fact, we can use the same amount of time, simply change the language, put it in statutory form, and let us see where the Senate stands.

I hope the Senate would decide by a majority vote to support that. But that is real. That has teeth in it. It has meaning and it does not mislead anybody.

Mr. HEINZ. As the Senator knows, there is no intent on my part to mislead anybody on this. I made it very clear what the intent of this is. I also believe that it is advantageous for us all to get the Senate on record as quickly as possible. I do not know what would happen with our colleagues in terms of allowing us to proceed to a vote if we were to take up a substantive amendment. I know some of the Budget Committee people are going to be very upset about it. And they are going to be upset one of these days when we are going to do this.

But I think the sooner we get on record here as to what the will of the Senate is, frankly, the more realistic those people who, for one reason or the other, do not believe that Social Security should be separated as it used to be from the unified budget, the sooner those people are going to be realistic.

As the Chinese proverb says, "The journey of a thousand miles begins with a single step." What I am really proposing to all of us is, let us take the step and maybe right after that, we can take a leap. Well, let us take that first step.

Mr. RIEGLE. I will just conclude as follows. I have drafted the language that would be required if we were to put this in legislative form. I would urge you to think about this. We are not at the point yet where we are about to vote. But I would like to ask the Senator to consider, before this vote comes, the possibility of making that change which no one else could make. It has to be the sponsor of the amendment to make that change.

Mr. HEINZ. Let me say, I really want to get a vote on this the way it is written. I think the Senator makes a fine suggestion, but one I am not able to accommodate at this time. My view is, let us vote on this. If we want to move to substantive legislation, then let us have another vote.

Mr. RIEGLE. Well, I wish I could persuade the Senator and it is my view, he is certainly, at the moment, unpersuaded.

But I would hope that we would do this with the force of law. I think it is too easy for people to think if you just take the step with a sense-of-the-Senate resolution that we have really done something concrete when, in fact, that will not be the case.

I would much rather this issue not become more confused and the Senators who may be ambivalent about it not have a chance to appear to vote for something that is corrective when in fact it is not. I think I would rather put the hard vote out right at the beginning, that is direct, forthright, changes the law, and let everybody bite into that vote with their eyes open, yes or no. I hope that there are sufficient votes to pass it to take it out of the budget. But to go down any kind of side road or indirect effort here that will not have that effect, I think really is not the best route. So I hope at least the Senator would think about it before we conclude the debate.

Mr. HEINZ. If the Senator will yield, let me respond to him in this way: I would be perfectly willing to do as the Senator suggests, but with one further stipulation, and that is that it be linked to a unanimous-consent request to limit debate.

Mr. RIEGLE. The Senator has no problem with me on that. I am not interested in any debate of any more than a reasonable minimum so that those that want to be heard could be heard. But I certainly would be quite prepared to enter into that kind of an agreement with the Senator.

I would hope, within a relatively short period of time, we could settle the issue. But I would be supportive of the suggestion he has made.

Mr. HEINZ. I thank the Senator.

Mr. LONG. Will the Senator yield for a question?

Mr. HEINZ. The Senator from Michigan has the floor.

Mr. RIEGLE. I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. LONG. Mr. President, I wish to address myself to the subject. I first would like to ask a question of the Senator from Pennsylvania about his amendment. Does this amendment seek to separate from the unified budget disability insurance as well as the Social Security insurance?

Mr. HEINZ. The Senator is correct.

Mr. LONG. Would the amendment separate out Medicare as well?

Mr. HEINZ. The Senator is correct.

Mr. LONG. So my understanding is the amendment would cover about $270 billion of Government spending.

Mr. HEINZ. Very possibly.

Mr. LONG. In the current fiscal year, about $174 billion Social Security old-age and survivor benefits, $20 billion of disability, $49 billion of Medicare, about $23 billion of supplemental benefits.

Mr. HEINZ. It would not cover every element of the Social Security Act. It would cover the trust fund, what we in the vernacular refer to as the trust fund, DI, SSI, and OASI. It would not cover supplemental medical insurance. The Senator is correct.

Mr. LONG. I thank the Senator. That is what I wanted to know—how far the amendment goes. I will address myself to the amendment.

Mr. President, it seems to me that if the Senator favors this type of approach, it really ought to start with consideration in the Finance Committee, of which the Senator is a very valued member, because that committee does have responsibility over Social Security. I think that the Finance Committee ought to be accorded the opportunity to recommend to the Senate whatever it thinks about this measure. It might want to hold hearings.

But in any event, the committee should recommend to the Senate what its thinking is and what the answer should be. Furthermore, this is an important matter as far as the Budget Committee is concerned, and I think the Budget Committee should be entitled to consider the matter and make its recommendation before we decide.

The thought that concerns me about this, Mr. President, is that it is a serious matter when we separate this much from the budget. My understanding is that in the current fiscal year, about $270 billion of spending is involved out of a total budget of almost a $1 trillion of spending. That amounts to more than 27 percent of Government spending. If the Budget Committee is not to consider this in arriving at its recommendations for spending and tax totals and for changes in spending and taxes, then the Budget Committee will not be performing what was supposed to be its responsibility; that is, to consider the overall levels of Federal spending, its impact on public and private debt and the impact on the economy in general.

If the Budget Committee is not to consider the sum total of our fiscal situation, then I see no real point in having the Budget Committee or the budget process. What is the point of it if it is not going to try to recommend to us a level of taxing and a level of spending which would be fiscally responsible and would meet fiscal and monetary problems generally? To separate the Social Security funds out, which represent more than a quarter of this Government's overall spending, and an even higher portion of taxing, in my judgment would mean that the budget process would be an act in frustration from that point forward.

I have not been a great enthusiast of the budget process. I have many times expressed my frustration that the budget process has not been able to achieve its objective; that is, to move us toward a balanced budget, and to bring fiscal responsibility to this Government. But if it is not able to do what we intended for it when it does have the right to look at all expenditures and all taxes and other sources of revenue, then I see no hope of it doing the job if we are going to separate out what amounts to roughly one-quarter of all the taxing and one-quarter of all the spending, including some of the things that we are trying diligently to control and bring within reason. For example, we on the Finance Committee had no desire to cut back on spending for Medicare. Yet as a matter of responsibility because the Budget Committee called upon us to do that, the Senate Finance Committee has met, and as of last night, we recommended, an $11.8 billion reduction in spending in Medicare over the next 3-year period seeking to carry out our part of our responsibility toward bringing spending more into line with the revenue that we raise.

I have been disappointed that the Budget Committee did not see fit to join me. I feel they should lead the charge against divesting themselves of this responsibility, because in my judgment if that committee cannot look at all Government spending and all Government revenues, then the task of trying to recommend what we ought to do with regard to what is left would, I believe, be a very frustrating one, and it sets the stage for separating out other things—such things as Superfund, the airport and highway trust funds, or Railroad Retirement. Following the same principle, they could be separated from the budget.

Either we have a process which has the potential of controlling spending and bringing spending into line with revenues, or else we do not. In my judgment, Mr. President, if this amendment is agreed to, it will commit the Senate to do the kind of thing which the Senator would seek to do only as a sense-of-the-Senate proposal. The Senator has made it clear to us that he does not mean to sell it just as some idle wish or hope—he expects that the Senate would seek to follow through and to make the Senate keep the commitment that the Senator would initiate in this instance.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I was only able to hear the conclusion of the remarks of my colleague from Louisiana. But I want to commend him for the remarks which he has just made. There is no more serious problem facing us in the country today than the budget deficits. I have had the feeling throughout this week as I listened to the discussion not only of this matter but of many others that we are in this city living in a dream world. We seem to believe that we can continue to run huge budgetary deficits without ultimately having to pay the price in terms of devastation to the entire economy.

Mr. President, I will vote against the proposal believing that insofar as we had hoped to achieve something by the budget process and have not been able to do it up to this point, that the potential of doing it hereafter will be so greatly reduced that from my point of view those working in the budget field will be engaging in an act of frustration. Therefore, Mr. President, when the vote comes I expect to vote against the proposed sense-of-the-Senate resolution.

We are soon, and within the same 30-day period, going to be celebrating two milestones in this country: One we have already crossed, we have become a net debtor nation in terms of our trade balance for the first time in many, many years. We will shortly be reaching the $2 trillion national debt mark. I have just been trying to figure out what that means in terms of its impact on the economy. I can tell you, for example, that it means that in my State all of the individual income taxes paid by all the citizens of my State will only pay the interest on the national debt for probably a little over a week. I think that is a figure some people can understand. I just have had an opportunity to go across my State talking with business leaders, talking with farmers, talking with small business people, and talking with those who worked in our factories or who have previously worked in our factories.

I can tell you that the economic conditions are grave indeed. We have concerned ourselves in the past in this body with the possible default on the debt of the underdeveloped nations to our banking institutions and what that would mean. Yet we have not awakened to what will happen if we have a collapse of the credit system for agricultural credit in this country. There is over $214 billion now owed by our farmers.

Some $71 billion is owed by those leveraged at 70 percent and more. An equal amount is owed by those who are leveraged between 40 and 70 percent.

There are deep economic problems in the export sector of this country, which, if allowed to continue, will sap the economic strength of this country forever. We are losing great export industries, basic production industries of this country, every week because of the failure to export our products. As long as the dollar is overvalued to the extent that it is, of course, all of us in this body understand that relationship to the size of the national deficit.

Those who think we can simply bring those great businesses back into existence once the value of the dollar falls back to its rightful place are dreaming. We cannot destroy those companies that go away and then 10 years later recreate them in terms of the research that will have to go on, in terms of product development, in terms of keeping the skilled labor, tools, capital, machinery, and the rest. They will be forever gone.

Yet it seems to me that too many in this city are going along under the false impression that we have some sort of recovery in the country, that there is not an illness in our economy that is daily sapping more and more of our strength.

It is a frustrating experience to see lack of action. We had high hopes before the August recess that something could have been done. A very responsible proposal came from this particular body, the leadership of this body. I would say that I want to commend the majority leader in particular for making that attempt, the deficit reduction package that would have had more than $70 billion in savings, which would have enabled us to not hold any hearings on the budget, even entitlements being off limits. It had additional benefits in it that would not burden the American taxpayer, the import fee on oil, for example. It would have been a great help to the economy and would have stimulated economic activity.

I am very distressed that while many of us hoped that the Speaker of the House and the President of the United States would sometime get together on economic policy, the first time they came together with unanimity was to kill a very responsible proposal.

So I am concerned, Mr. President. I wonder how long are we going to wait. Do any of us seriously believe that we can continue to run the kind of budget deficits we have now without sapping the strength of this economy? Do any of us really believe that? Yet, what have we done when it comes down to taking real action that will do something about it, that will get our income and our outflow back in balance?

Do any of in this body seriously believe that the standard of living and the economic opportunity for our children and our grandchildren can be maintained when we allow this country to fall into debtor nation status in terms of our trade balance?

Yet we really go on as if nothing has happened.

Now we have a proposal in the midst of what should be our grappling to do something about the budget deficits. We are going to have to soon vote on this floor on a $2 trillion national debt limit. Let me say right now that is something this Senator will not vote for, not until we have enacted significant additional reductions in deficits, at least along the lines of those previously presented by the Senate itself, very responsible proposals that have been presented in the past and which were rejected both at the White House and on the other side of the Capitol, or until we can find some mechanism that will force us to ratchet down the spending and bring it in line with the revenues that are available.

In the midst of all of that discussion and what should be our first priority in this body, getting the economy back in line, somehow removing that cancer that is eating away at the heart of the American economy, we have a proposal to take off budget something like one-third of all expenditures, potentially, in this country, to take it off budget, to pretend that it does not exist, that we will no longer be able to scrutinize all levels of spending. I realize there is a gray area in the language of this proposal. It does not exactly spell out whether or not Medicare and Social Security could be included in reconciliation any more. It leaves that up in the air. It leaves that question to be resolved in the future.

But by saying that we should remove from the unified budget all of these programs—Social Security, Medicare, and the rest—to sort of take them off the table and hide them under the tablecloth someplace where we cannot really see what is going on with them, so that they will not be in the headlines anymore, so that there will not be scrutiny focused upon them anymore, is clearly an attempt to reduce the financial scrutiny by Congress and the American people of almost one-third of the spending of this Government.

I do not think that even those who think at this moment that they are for this proposal would be for it if they would think of the long-term consequences.

I believe in the integrity of the Social Security trust fund. Things have been done in the past that should not have been done that overburdened that trust fund and have at times interfered with health and security.

It is because I am concerned about its security and its soundness and the need for it to be there when those who are working now reach retirement age, and those who depend upon it already should be able to continue to be able to depend upon it, that I oppose this proposal.

I heard someone the other day say this proposal could have some popularity because the senior citizens of the country might be misled into thinking that if Congress were to take it out of the budget, take it off the table, sweep it under the tablecloth where it will not be looked at so much in the future, that it might somehow benefit them. I do not believe that is true. I think in the long run, it is not going to be in the interest of the senior citizens, not be in the interest of the security and soundness of the Social Security fund itself. It is going to be contrary to those long-range interests.

What is its impact upon budgetary responsibilities which we must bear in this Chamber? How in the world can we say that we have enhanced the scrutiny of the budget, that we have enhanced financial restraint by removing from the unified budget approximately one-third of all the spending?

Someone said to me the other day that this is a train that is moving that has great political appeal. All I can say is that it is an irresponsible train. This Senator does not want to be on board when irresponsibility is the goal and the aim.

If we are going to remove from the reconciliation process and the budgetary process one-third of all the spending, then let us finish the job. I have doubts that this amendment will be brought to a vote. I think we should talk about it for a few days. If we are irresponsible enough to bring it to a vote, we ought to finish the job.

I have an amendment drawn to remove defense, remove education, and remove agriculture. Let us just dismantle all of it. Let us take all the spending and all the budget off the table and hide it under the tablecloth so the American people will not know what is going on. If we are going to be irresponsible, let us not be halfway irresponsible. Let us be so irresponsible that everybody will know that the U.S. Senate is not serious about this budget process. Let us take one-third of all the spending and hide it from the scrutiny of the committees appropriately designated in this Congress to look at it.

I urge my colleagues to do a lot of thinking before they get on board this irresponsible train that will head us in the wrong direction at the very time that we need to be taking responsible action to deal with the budgetary financial crisis of this country and the cancer that is eating away at the health of our economy.

I hope that this will not be brought to a vote. I hope that my colleagues will do a lot more thinking about it before they ever cast a vote to remove from the unified budget any significant portion of spending in this country.

I say that again while renewing my commitment to the security of the Social Security system, to the sanctity of it as a separate trust fund, to protect it against any improper use or draining of any of its funds away from those who paid into it and those who are entitled to its benefits. But let us not take off the table, let us not take away from scrutiny, an important part of the budget of this country at the very time in which the entire Nation is still waiting for us to take responsible action to get the budget deficits under control.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Oklahoma for permitting me to have the floor.

VISIT TO SENATE BY DELEGATION FROM THE NATIONAL PEOPLE'S CONGRESS OF THE PEOPLE'S REPUBLIC OF CHINA

Mr. DOLE. Mr. President, we have with us today some very special guests, that I would like to introduce to the Senate—a delegation of six Members of the National People's Congress of the People's Republic of China.

The leader of the delegation is the distinguished vice chairman of the standing committee of the National People's Congress, His Excellency Wang Renzhong.

It is a double pleasure for me to introduce this distinguished group to the Senate. I am always pleased, of course, to welcome parliamentary visitors from friendly and important nations, and certainly the People's Republic of China ranks among our most important friends.

But there is a second, more personal, reason I am pleased to welcome Vice Chairman Wang and his colleagues. As the Members of the Senate know, I led a delegation of seven Senators to China last month, at the invitation of the National People's Congress. Vice Chairman Wang served as our official host on that occasion. So it is fitting that I begin today, and over the next several days, to repay a part of the hospitality that the Vice Chairman and all the other Chinese leaders we met showed to us during our trip.

I believe the distinguished minority leader wishes to say a few words, after which we will recess for a few minutes so that the Members of the Senate may have a chance to greet our guests personally.

Mr. BYRD. Mr. President, I join with the distinguished majority leader in welcoming as our guests these visitors from the People's Republic of China. I, as Senator Dole, had the occasion to visit the People's Republic of China in 1980, when I was majority leader. At that time, I went as an invitee of these gentlemen. We are happy today to have them visit the U.S. Senate and we look forward to our continuing visits and discussions with them throughout the rest of the day and tomorrow.

I thank the distinguished majority leader for yielding and I yield the floor back to him.

Mr. DOLE. Mr. President, I ask unanimous consent to have printed in the Record at this point the names and the official titles of each of our distinguished guests and, in addition, members of the supporting staff. There are probably about 10 to 11 members of supporting staff.

Again let me indicate our personal pleasure and our thanks to our distinguished visitors for the many courtesies extended to us when we were in the People's Republic of China just 3 weeks ago.

There being no objection, the material was ordered to be printed in the Record, as follows:

Delegation From the National People's Congress of the People's Republic of China

Head of delegation: H.E. Mr. Wang Renzhong, Vice Chairman, Standing Committee, National People's Congress, People's Republic of China and Chairman, Financial and Economic Committee, N.P.C.

Deputy heads: Mr. Wang Habin, Secretary-General, Standing Committee N.P.C.; Chairman, Commission of Legislative Affairs, Standing Committee N.P.C.; and Mr. Huan Xiang, Member of the Standing Committee, N.P.C.; Vice Chairman, Foreign Affairs Committee, N.P.C.

Members: Mr. K.H. Ting, Member of the Standing Committee, N.P.C., President of China Christian Council; Mr. Liu Nianzhi, Member of the Standing Committee, N.P.C., Vice-Chairman, All-China Federation of Industry and Commerce; and Dr. Lin Lanying (Ms) Deputy to the National People's Congress Vice-Chairman, China Association for Science and Technology.

Supporting staff; Mr. Shi Guobo, Director, Foreign Affairs Department, General Office, Standing Committee, N.P.C.; Mr. Cao Zhiqing, Secretary to H.E. Mr. Wang Renzhong; Mr. Zhao Xixin, Counsellor, American and Oceanian Affairs Department, Foreign Ministry; Mr. Yin Zuojin, Deputy Director, Foreign Affairs Department, General Office, Standing Committee, N.P.C.; Mr. Zhang Xiaobu, Deputy Division Chief, Foreign Affairs Department, General Office, Standing Committee, N.P.C.; Mr. Zhang Zai, Minister, Embassy of P.R.C. in U.S.A.: Mr. Jiang Chenzong Counselor of Embassy of P.R.C. in U.S.A.; Mr. Zhang Yuanyuan, Deputy Division Chief, Translation Department, Foreign Ministry English Interpreter; Mr. Zen Zhanshen, Medical Doctor; and Mr. Wang Fuqing, Security Officer.

Senate staff; Ms. Jan Paulk, Director of Interparliamentary Services and Ms. Yvonne Hopkins, Assistant Director of Interparliamentary Services.

Department of State: John Linn, Interpreter.

Department of Defense: LTC Robert S. Bludworth, U.S. Army Senate Liaison Office; LTC Morris Boyd, U.S. Army Senate Liaison Office; SSG Bartolome Vigo, U.S. Army; SSG Peter McBride, U.S. Army; and Sgt. Douglas Meyer, U.S. Army.

RECESS

Mr. DOLE. I ask unanimous consent that we may stand in recess for 3 minutes so we may properly greet our guests.

[Applause, Senators rising.]

There being no objection, the Senate, at 5:13 p.m., recessed until 5:16 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Denton].

IMMIGRATION REFORM AND CONTROL ACT OF 1985

The Senate continued with consideration of the bill.

Mr. BUMPERS. Mr. President, first, I want to echo what some of my colleagues, especially Senator Riegle, have said about the pending amendment. I regret that we are bringing up a sense-of-the-Senate resolution and not allowing the Senate to vote on a substantive provision. What we have here is a nonbinding resolution. I have been guilty of it, but I sometimes wonder why we debate nonbinding Senate resolutions here.

If the Members of this body really believe that the Social Security trust fund, at least the OASI fund or maybe the OASDI fund, should be removed from the unified budget, that is what we ought to vote on. What we are doing with this resolution is saying that our hearts are in the right place but we are not going to do anything real about it.

I think almost everybody in America, elderly and young alike, would like to see the Social Security trust fund taken out of the unified budget. But this resolution that we are about to vote on—and I intend to vote for it—does nothing.

Why are we not offering a legislative amendment that accomplishes what we all say we want to accomplish? Why was an amendment in the second degree offered simultaneously with the amendment in the first degree to prevent another Senator from offering an amendment to legislatively mandate the removal of the Social Security trust fund from the unified budget? I frankly do not understand why this parliamentary maneuver was used. I certainly am not impugning anybody's motives, but I do not understand why we had to carefully fill up the amendment tree with two nonbinding resolutions that would prevent either Senator Riegle or me or some other Senator from offering a legislative mandate on this issue.

This Social Security issue is not germane to the immigration bill. I do not like the idea of burdening the immigration bill with an amendment dealing with Social Security, but I do know one thing; this nonbinding resolution was not offered in lieu of a legislative mandate for lack of support in this body. In my opinion, if a legislative mandate is offered, it will pass unless the leadership takes strong exception to it. The President has now announced his support for removing the Social Security trust fund from the unified budget.

It was a tragedy when Lyndon Johnson tried to tell the American people that we could fight the Vietnam war and not pay for it. He said, "Yes, you can have both guns and butter." He could make this appear to be true by putting Social Security in the unified budget. And so what did that do? At that time, the Social Security trust fund was taking in a lot more money than it was paying out. It was running a healthy surplus. By putting the Social Security trust fund—with its surplus—in the unified budget, he made it appear that we were financing the Vietnam war. The people of this country were confused about this then and they may still be confused about it. Of course, the trust fund couldn't be tapped to finance the war but including these surpluses in the unified budget made it look like we were really paying for the war, rather than borrowing the trust fund surpluses to do so.

Now, Lyndon Johnson was from this side of the aisle: I say this to point out that even though he was a good Democrat, he made a mistake in my opinion in putting Social Security into the unified budget.

The second reason he did it is because he promised the American people a balanced budget and there was no earthly way to make the budget appear to be balanced except by putting a healthy Social Security trust fund, with its surpluses, in the unified budget. In 1967, it looked well, we had a balanced budget, and that is the last "balanced budget" we have had in this country.

The Social Security Act is very broad. It is more than just OSI. It is more than just monthly checks to 35 million people on Social Security. It is more than Medicare. There are all kinds of programs covered by the Social Security Act. I personally would prefer just taking the OASI and perhaps OASDI out of the unified budget.

Why should we do this? Why is the American Association of Retired People, the largest organization of elderly Americans in America, in support of doing this? Why do they want the Social Security trust fund removed from the unified budget? Well, my guess is that they do not want the funds people are paying into the Social Security trust fund to appear like it is available for any other purpose. It isn't available to fund anything else. But every time the Social Security fund runs a surplus, it looks to some people like these funds might be used for other purposes than Social Security. This undermines confidence in the sanctity of these trust funds.

I have paid the maximum Social Security contribution all my life and hope there will be something left in the fund when I reach retirement age. I have never paid a dime into the Social Security trust fund to be used for any other purpose and no one else does either. I paid into it because I thought it was a good program that requires people to save for their old age.

It is a travesty, it is deceitful, and it is misleading to leave that trust fund hidden in a unified budget so that young people can't see that it's running a healthy surplus. President Reagan has told young people that they may receive full benefits when they turn 65. They have believed this and worried about it. If we were not going to take Social Security out of the unified budget for any other reason, we ought to take it out so that young people, who are just now entering the work force, can see the fund standing on its own, self-supporting, on a daily basis and see whether or not it is healthy.

I am going to tell you a deep-seated suspicion I have and it is only a suspicion. But the suspicion is that there are some Members of this body who do not want to take Social Security out of the unified budget because instead of having roughly a $215 billion deficit this year, we would have closer to a $225 billion deficit. They do not want the American people to know what the real budget deficit is—a deficit that is disguised by the surpluses being run by the Social Security trust fund. Everybody knows we are, in effect, using whatever surplus there is in the Social Security Trust Fund to cut the deficit figure.

In addition, there are Senators who say that if you take the Social Security trust fund out of the budget and you drive the deficit figure up to its true level, there will be more pressure in the Senate to cut spending or raise taxes. I do know that it will force the public to face up to the true nature of the deficit.

So you have a coalition supporting these two positions in the Senate. Collectively, there may be enough Senators to keep this amendment from passing. I think it will pass. But what we should do here is do something real, not just pass a resolution. Unfortunately, we are prevented from doing so by a first- and second-degree amendment being offered simultaneously.

Mr. BOREN. Will the Senator yield?

Mr. BUMPERS. I will be happy to yield.

Mr. BOREN. The Senator from Arkansas just talked about the pressures to make cuts in some of these social programs. If we were to move these items off budget, including Medicare—it is my understanding we would not include Medicare in this proposal to move if off budget?

Mr. BUMPERS. Well, since there is no amendment before us which makes clear what would be taken out of the budget and what would be left in, I can't answer the Senator. As the Senator knows, you have hospital insurance, you have disability insurance, and you have unemployment compensation covered by the Social Security Act.

Mr. BOREN. If we were to take all of those off, not just retirement benefits, I presume that they would no longer be able to be a part of the budget reconciliation process?

Mr. BUMPERS. That is a question to which I do not know the answer. Insofar as I know, that is one of the $64 questions here. In my opinion, the Social Security trust fund certainly should be taken out and maybe the disability insurance fund as well. None of those things ought to be subjected to the reconciliation process.

Mr. BOREN. So it would make it impossible then for us. We made some savings in the area of Medicare, and of course we face the potential problems down the road if we do not make some additional adjustments in the Medicare Program, as we both know.

I just do not understand—I ask the Senator from Arkansas to explain—how in the world it is going to encourage us to take the action needed in order to make the Medicare Program sound and get the budget deficits down if we take that off the table. I presume that if we took defense out of the unified budget, it would lessen our ability to cut defense spending or if we took agriculture, education—I mentioned the possibility that I might finish the job. If we take a third of the items off budget, that I might finish the job and take the other two-thirds off. I just wonder how this is going to help us. I am completely in agreement with the Senator from Arkansas that I support the sanctity of the trust fund. I do not want to see us unfairly on the backs of the retired balance the budget in that fashion. But I am concerned that we remove from scrutiny in the budget process, the reconciliation process, everything that might go along with it, including Medicare, because I think that might make it more difficult for us to have the political courage to take some of the steps necessary to get that system in sound shape.

Mr. BUMPERS. Mr. President, let me answer that this way. There is an old saying "that truth will set you free." Truth will also sometimes get you in a lot of trouble. But in this particular case it seems to me that if we want to be honest with the American people and with ourselves, we can set those trust funds aside and there would be nothing in that action that would keep us from legislating whatever we have to legislate to improve the soundness of any of those funds.

For example, Medicare is subject to the reconciliation process. As a matter of practical politics, OASI is not. Is that a fair statement?

Mr. BOREN. I think that is correct.

Mr. BUMPERS. That is my own judgment of the political realities.

In the reconciliation process for Medicare, we are doing a number of things, not the least of which is freezing physicians' fees. I ask the Senator from Oklahoma: If Medicare were a separate trust fund, not a part of the unified budget, what would prohibit Congress from taking this very same action regarding physicians' fees and therefore improving the fiscal health of the Medicare system?

Mr. BOREN. I should think it would be much less likely that we would do that, because you would not get credit for reducing the deficit—and there is great pressure to reduce the deficit—and then I think it is the same thing. If we were to take defense out of the budget and would say we are going to save money wherever we can, and we get no credit for reducing the deficit when we did it, I think the driving force for getting the deficit down in the example cited—I think it is much more likely in our taking that action which has the end benefit of helping the Medicare system.

This is why I said earlier that before we go beyond the retirement funds themselves, we should consider this carefully, because I am concerned about the soundness of Medicare. I am concerned because I have compassion and sympathy for those who must depend upon their Medicare benefits. I am not sure that they are going to be benefited in the long run if we do not have as much pressure exerted on us to make that system sound.

Mr. BUMPERS. How many people does the Senator think know that the surplus funds of the Social Security System make the deficit look smaller than it is?

Second, how many people does the Senator think would approve of this?

Mr. BOREN. I do not think that portion of it is a very advisable thing. I think the budget deficit should be given publicly as the current budget. Current services should not be able to include the help from the Social Security fund to unrealistically reduce the deficit. On the other hand, I am concerned that we not go off limits in the process of reducing spending in part of the budget.

As the Senator knows, we have revolving funds to pay back on agricultural loans, when a loan is made. Yet, that is part of the unified budget process. I worry that we might be exempting from scrutiny areas where we could have saving. Perhaps there is a sincere difference of opinion.

Mr. BUMPERS. I appreciate the Senator's candor and his concern about this issue. But is there not an element of deceitfulness about including the Social Security trust fund surpluses in the budget? Would it really be more difficult to deal with the viability of the Medicare system if we keep it hidden in the unified budget?

Mr. BOREN. I say to the Senator that I guess we have a different view of when we hide something. I think we are much more likely to hide something from public view and hide its problems when we take something out of the unified budget. I think that all elements of spending should be in the unified budget. Then the American people get a clear idea.

I am concerned about taking almost a third of what we commonly refer to as the entitlement programs out of the unified budget. I think that comes close to hiding it from the scrutiny of the American people, and I am concerned about that.

I will do everything possible to strengthen the sanctity of the Social Security System and of those trust funds and to keep them from being dipped into for purposes for which they are not intended. I think the citizens have legitimate concerns.

I am disappointed that this administration has yet to appoint a permanent director and custodian for those funds. That is something about which they should be concerned. But I think there are other things we should be considering; and I hope that before any Member of this body introduces a legislative approach on this matter, we might think through very carefully the manner in which that legislation should apply.

Mr. BUMPERS. I would like to ask another question of the Senator: The chief actuary for the Social Security Administration says that there can be a surplus in the Social Security trust fund by 1994 of $639 billion. My question is this: If that turns out to be correct, does the Senator think we should use that money in any way to balance the budget? Does he think we should use the money to make the Social Security trust fund more sound and leave it where it is to meet future obligations? Or, No. 3, does he think we should cut the payroll tax to the Social Security trust fund to reduce these surpluses?

Mr. BOREN. I say to the Senator that I do not think it should be raided to provide for other elements of the budget, for spending for other programs.

When I was Governor of Oklahoma, I faced—as I am sure the Senator did when he was Governor of Arkansas—the temptation on the part of those who wanted to increase current spending and wanted to raid funds that had helthy balances at that time. They were shortsighted, because they did not look down the road 15 or 20 years to the ultimate obligations those funds would have to meet.

So, of course, I would oppose any dipping into of those funds for any purposes other than the purposes for which the payments were made originally.

Mr. BUMPERS. I do not mind telling the Senator that I think that those surplus funds in 1994 should never be used to balance the budget or to reduce the deficits. Those funds come from Social Security payroll taxes, paid for the exclusive use of funding the program. They are not and should not be used, directly or indirectly, for any other purpose.

The Social Security law says that this money is going to be paid into the fund for a specific purpose and that is to take care of our elderly. But, if we had a $639 billion surplus in the trust fund now, it would appear that we have a $430 billion surplus instead of a $220 billion deficit. That is what is deceptive about keeping Social Security in the budget.

I respectfully disagree with the Senator from Oklahoma on this issue, because I think including Social Security in the unified budget conceals the true size of the mammoth Government deficits and undermines confidence in the Social Security system itself.

One of the most exhilarating events of my life was when I spent an hour with Harry Truman. I was Governor of my State at the time. He said:

> Don't ever hesitate to tell the people the truth. They can handle it.

Thomas Jefferson said the same thing a long time before Harry Truman said it. The truth is that we are using surpluses in the Social Security trust fund to hide the true size of the deficits.

We can't use these funds to pay for any program other than Social Security, and we shouldn't make it appear in any way that we can.

Mr. BOREN. Mr. President, will the Senator yield?

Mr. BUMPERS. I yield.

Mr. BOREN. Surely, the Senator does not mean to imply that we are taking money out of the Social Security trust fund and using that money to, say, fund the defense program or something else. We are not actually transferring any funds out of the Social Security trust fund.

Mr. BUMPERS. I understand that. But it is all in a gigantic pot in the budget document. It is all in the budget. I understand that we keep a separate account of the Social Security trust fund, but it is not clear in the budget that we do.

Mr. BOREN. We have not moved any of that money out of that trust fund. It is all there.

Mr. BUMPERS. If the Social Security trust fund takes in $10 billion more in 1936 than it pays out, that $10 billion will be reflected in the bottom line on the deficit. If the deficit really is $220 billion, $220 billion will never show up anyplace in the budget; $210 billion will be the deficit figure because, in reaching the bottom line total, the surplus in the Social Security is included.

Mr. BOREN. I agree with what the Senator from Arkansas has just said on that point. So far as the bookkeeping is concerned, in terms of shielding the public from the full amount of the deficit, I am in agreement with him. I think we should say the real deficit, which is minus, setting aside the amount in surplus in trust funds, and it would be an add-on of so much. When we report in the press what the real deficit is, it should be done in that way.

But I am concerned about us taking Medicare and others and not making them subject to any kind of a budgetary process and full scrutiny. I still think, though, it is one thing to say that it changes the amount of the total reflected deficits. It is another thing to say that the integrity of the fund is being violated anyway by, say, taking $10 billion and transferring that out of the Social Security trust fund and moving it over here to pay for the defense program or to pay for mass transit or something else.

I do not think that is happening. I certainly do not think we should ever allow that to happen.

Mr. BUMPERS. What happens to that money?

Mr. BOREN. It is in the trust fund. It is accounted for.

Mr. BUMPERS. But it is a bookkeeping entry. The money looks like it is being used to reduce the deficit. Would the Senator not agree with that?

Mr. BOREN. The money is not being used. I think you would say that the figures are being moved on a page of paper but the trust fund and the accounting of the trust fund is separately maintained. It is there. That is the reason you say the trust fund is so much of the surplus. If indeed taking all the current operating surplus out of the trust fund this year and using it to fund something else, there would not be any surplus left.

Mr. BUMPERS. That is the effect of what we are doing here. It is true that there is a separate accounting of the Social Security Program. We know exactly how much is coming into the trust fund and how much is going out. But anytime there is more coming in than going out, we show that as credit on the deficit and it reduces the deficit figure by that amount. Does the Senator agree with that?

Mr. BOREN. It reduces the deficit as popularly reported. I do not think it should be popularly reported that way. I think it should be clear that is in the trust fund and that money has not been transferred to reduce our current account shortfall. It is there. It is in the trust fund. Because it is in the trust fund and has not been moved or spent to reduce the cost of any other program, it is very reasonable. I think the Senator is right on his one statement, that it should not be then used to mislead the public into underestimating the actual size of the current services deficit.

Mr. BUMPERS. Let me make one other point. We are always debating here the financial health of this fund. The American people do not understand this debate. I mentioned a moment ago the young workers in this country believe that the financing of Social Security is questionable and that benefits may not be paid fully when they turn 65.

If you had a trust fund separated from the budget for all the world to see, and you could see that the trust fund was in some difficulty I am sure we'll take prompt action to fix it. If someone came before the Senate, and moved that we give Social Security recipients a 10-percent cost-of-living increase, we'd say, "Look, you do that and you are going to run the Social Security trust fund into the red." Do you think that would be a legitimate point? I think it would be. Yet now Social Security is hidden in the budget. When you increase benefits, you do not have a clear idea how that will affect the fund. The Finance Committee may know. But 230 million Americans do not know.

I just think this is like truth in lending. You should have the interest rate right out there hitting you in the face so you know exactly what interest rate you are going to pay. I think we must prove that the Social Security trust fund is a sacred trust fund. Including it in the budget deceives and confuses the American people.

To summarize my argument, I ask why did we put Social Security in the trust fund? Why was it put in the budget in the first place? Why was it put in the budget? To balance the budget? No one said that he was putting the Social Security trust funds in the budget so it would be easier to keep track of the program or so it would be easier for the American people to understand it. We know why it was put in the unified budget. Historians know why it was put in. It is no secret. It was put in to make it appear that we were financing the Vietnam war, so it would appear that we would not have to raise taxes to finance the war, so people would not turn against the war. Incidentally, if we had financed the war, maybe there would have been less delay in reaching a remarkable consensus in this country about that war.

That is a separate historical vignette. But I have never known anyone to say they thought anything good ever came out of this trust fund being hidden in the unified budget.

I do not want to do something precipitous here. None of the amendments I have seen would mandate that this action be taken tomorrow.

I believe that Alcoholics Anonymous has a good idea, that is if you are going to join you have to admit you are an alcoholic. I think the Catholics have a good idea in saying you should go to confession. I think it is therapeutic.

I think it also is therapeutic for the Senate to stand on its feet and face up to the deficits. We can do this by taking Social Security out of the unified budget.

So, Mr. President, returning to whence I came, I intend to vote for this amendment for the same reason that I voted for the budget resolution. It is the only thing here to vote on, but it is certainly not what I want to vote on. I am hoping the House of Representatives will send us legislation on this subject. I am hoping the House of Representatives will send us a bill that does what we all say we want to do here. Then we will have a real debate here about whether we are going to honor what is the overwhelming sentiment in this country about Social Security and the deficit. Then we can resolve this once and for all.

Mr. President, I yield the floor.

Mr. BOREN. Mr. President, I have great respect for the Senator from Arkansas, as he well knows, and I can count on one hand the number of times in which I found myself in disagreement with him on any major issue because I think he is one of the most able Members of this body, certainly one of the most sincere, and I have very, very great regard for him. But I must disagree with him at least in part in this matter.

I think it is misleading to think that or to allow anyone in this country to think that we have been in the process of transferring funds out of the Social Security Trust Funds to pay for other items in Government. The fact is that by law, by law, any surplus in the Social Security trust fund must be invested in interest-earning Government securities. That is the law. That is the statute. You can check and find the cite. The law is not being violated, money is not being transferred out of the Social Security trust fund instead of being invested in Government securities and being spent for other purposes. It just is not happening and if anyone started to try to do it this Senator would be one of the very first on this floor to oppose it to try to protect the sanctity of the Social Security trust fund from being raided in that manner. It would be absolutely wrong.

I also would have no objection whatsoever if the amount of the deficit as popularly reported in the press would reflect the greater number so that the surplus in the Social Security trust fund could not be used to mask in any way or reduce the magnitude of the current services deficit.

I think the Senator from Arkansas is right on that point that we should look at the full amount of the deficit, that we should not fool ourselves into thinking that the current services deficit is any lower than it really is.

But I think we are in a situation in this country in which we have an economic emergency in which we must confront the actions that we take on the floor of the Senate with one thought in mind and that is we are making any kind of procedural change, and this is a procedural change. It is a bookkeeping change. It could ultimately result in the change in the Budget Act in the reconciliation process. It is the kind of technical change that is not going to be widely understood one way or another out across the countryside in this country.

But we should ask ourselves this question because we know the forces at work within this body, within the Senate, and within the House of Representatives. We know the forces that are at work with this administration or any administration, the pressures that are applied to the White House and to the executive branch. There are obviously tremendous pressures at work within our system that bring us and pull us toward greater and greater budgetary deficits. There are pressures to spend more and tax less.

There is not a Member of this body who has been in politics long enough to work his or her way up the ladder to be elected to the Senate that does not know that it is certainly always more popular to say, yes, when someone comes with some worthy idea or project that they want funded than it is to say, no. By the same token there is no one here that does not understand that when it comes to making someone pay the taxes to pay the bill that it is much more popular to say, "No, I am not going to tax you and make you pay the bill."

The road to political success in many ways is paved with actions that add up to fiscal irresponsibility and budgetary irresponsibility. That is well known by all of us, but sadly it is wrecking the country.

I talked to an economist the other day and I gave him my hypothesis that this country could not go on with the kind of deficits we have now very much longer without a serious crack developing in some key sector of this economy that might impact the banking system to the point that it would cause a national economic crisis. I do not know how much longer we can go on. I mentioned agriculture as one sector, I could mention energy as another, basic manufacturing as another. How long can we go on with a severe economic depression in the basic commodities of this country, the basic productive commodities, without it spilling over to the rest of the economy?

I asked this very eminent economist whether or not he thought we could have a debacle, if we could go over a cliff, if we could have a basic disruption of our financial system. He said:

> No, Senator, I don't think that is going to happen. I think the more likely scenario is that 25 years from now, after a process of slow erosion in our standard of living, we are going to wake up much like the British and find that we are no longer one of the preeminent nations of the world economically in terms of our own standard of living. We will have had a trade imbalance for so long, we will have lived beyond our means for so long that ultimately our children and grandchildren will have that kind of reduced economic opportunity and we will no longer have that place among the role of nations that we enjoy today.

I have thought about that a lot. And maybe he is right. Maybe that is the more likely scenario. But the question is not are we going to have some kind of chaotic problem that reaches a crisis proportion because of our failure to deal with the underlying budget deficits, trade deficits, the other structural problems in our economy—the lack of improvement in our educational system to improve levels for economic productivity, our low rate of savings—the question is not are we going to have problems as a result, the question is are we going to experience the kind of slow erosion that he described, will 25 years from now lead us into second-class nationhood in terms of our economic strength or are we going to have a more serious crisis sooner?

Either way, it is not a very acceptable or reassuring alternative. In some ways, I am not sure that the scenario spelled out by the economist is not worse for this country. The kind of slow erosion that takes place is the kind of problem that eats away at the fiber of this country that we do not really deal with. It is the kind of thing we push off until the next day.

This Congress and our Government and our system are notorious for acting only when a crisis comes. And if it is a slow erosion that eats away the strength of this country rather than a crisis, we are less likely to deal with it. And perhaps it is that kind of decline in the standard of living and strength in the security of our country that our children and grandchildren will have to live with because it is more of a certainty if it is a day-by-day erosion that we will have to deal with rather than some sort of cataclysmic crisis that we are forced to face as a democratic institution.

Now I say that in all seriousness, because I think that, since the problem confronting us is of such a great magnitude and since we have been so irresponsible in both political parties and in both the Congress and the executive branch, not only in this administration but previously as well, in dealing with the financial problems of this country and shoving things under the rug and putting off solving the problem until tomorrow, we must weigh any action we take on this proposal or any other by asking the question: Is it going to set in motion forces and pressures which make it more likely or less likely that we will take the action we need to take to bring spending under control, to bring financial soundness back to our country and to get the deficit reduced?

In my mind, I think back to the question I was asked, for example, about the physician fees and other actions we have taken—several billion dollars has been saved out of the Medicare Program—some of those changes I voted for and some I have not. I tried to be sensitive. I tried to be compassionate to those that are dependent upon the system. At the same time, I have to save them. The only way it is going to help anyone is to have it and have it financially sound enough that it survives.

As to the question of whether or not we should take this sort of action, will it enhance the likelihood that we will make the changes and make the savings to shore up the system and further reduce the overall budgetary deficits of this country to take all of these programs out of the reconciliation process, to take them out of the budget process as we know it? My assessment of that is that it will not. That it will make it less likely that we deal in a responsible way with the problems in those systems, will make it less likely that we will make the savings that are necessary to shore up the financial soundness of those programs on which so many of our fellow citizens depend, and on which those who are now drawing them someday hope that they will have the opportunity to place some degree of reliance.

So I think we have to think long and hard about how we take this action. If this were a sense-of-the-Senate resolution that simply said, "in reporting what the actual current services deficit is, we should no longer be able to subtract the surplus in the Social Security trust fund in order to report to the American people the true amount of the deficit," I would support that. But if it is to be interpreted as a proposal to remove from scrutiny, to remove from the budget process, to take approximately one-third of all the spending in this country out of the budget, sweep it under the table, hide it away, no longer have it out where it can be seen by everyone on the part of the budgetary process, treat it in a way which will make it less likely for us to take the actions that we need to shore up the system, then I do not think that is a very responsible thing for us to do.

I know it is politically popular in the short term. I know there may be some people that would misunderstand why I am going to vote even against this sense-of-the-Senate resolution. I agree with the Senator from Arkansas, it has no impact. It is not binding. It is not going to change one thing. It is not going to change the bookkeeping system. It is simply an expression and has the same weight as the speeches just made by the Senator from Arkansas and Senator from Oklahoma. Neither one of our speeches, or the speeches made earlier by the Senator from Pennsylvania and the Senator from Louisiana, none of them have the force of law. Neither will this expression of the sense-of-the-Senate.

So I suppose you could say that perhaps I should not be so alarmed about it since it is not going to have any effect one way or the other. I am alarmed because I think it might set in motion forces that would eventually bring us to statutorily take action that might be unwise.

I hope that those who feel so strongly about the sanctity of the Social Security trust fund, as does the Senator from Arkansas and as does this Senator from Oklahoma, and those who also feel very strongly about truth in budgeting, who want to alert the people of this country to the grave dangers posed by the deficit—I certainly am one of those Senators and I think the Senator from Arkansas as well—I hope that those who share in common those two beliefs would think long and hard about the proper mechanism for making any changes in the way in which we now approach the budget. And I hope, sincerely, the principle by which we will make these judgments and by which we would draft any latter legislative proposal, the goal would be for us to take an action which will not only preserve the sanctity of the truth fund, but one which will also set in motion the maximum amount of political force possible to cause us to take those actions that will be responsible to hold down total Government spending and to protect the security and economic soundness of those trust funds in the long range. Only then will we truly be doing a favor to our senior citizens. Only then will we be truly meeting our responsibilities, our very grave responsibilities, at this particular time in terms of the condition of the American economy, to the fellow citizens who sent us here.

Mr. BUMPERS. Mr. President, I do not want to belabor this issue. I assume that we are ready to vote unless there are other Senators who wish to speak on this.

I want to make two or three final observations. No. 1, when there is a surplus in the trust fund—and the Senator from Oklahoma is absolutely correct about this—it is a separate fund and a separate accounting is made of it. But if there is a $10 billion surplus in the Social Security fund, do you know what happens to it? The U.S. Government borrows it to finance the deficits.

The Treasury Department does not go out and sell evidence of indebtedness to the public. Nobody else has a shot at that money. The Federal Government borrows it, issues an evidence of indebtedness to the Social Security trust fund, it takes that money and finances general Government programs. If the Government is paying a 10-percent interest rate—incidentally the U.S. Government gets a bargain-base-

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ment rate on money it borrows from the Social Security trust fund—the Government pays that interest to the Social Security fund. Assuming the interest rate is 10 percent on that $10 billion, the $1 billion in interest it pays to the Social Security trust fund is just transferred from the Federal Treasury over to the Social Security trust fund. Yet, in the budget process, it looks like this transaction is a wash. But, we have two figures: gross interest payment on the national debt, and net interest payments by the Government. Gross interest payments this year are $181 billion. Net interest payments are only about $130 billion. There is roughly a $50 billion difference between gross and net interest on payments.

Do you know why there is a difference? The gross interest payments include the total amount the Federal Government pays in interest, which includes the billions of dollars in interest payments to trust funds I just mentioned. Net interest is the amount the Federal Government takes in from the Farmers Home Administration loans, Small Business Administration loans, and other kinds of loans that the Government is collecting interest on. This includes interest payments the Social Security fund is being paid by the Treasury. We collect $50 billion. We pay out $120 billion. So the net interest that we are paying is $130 billion but we are really paying much more than this to finance the deficits.

So we are not only making it appear that the surplus trust funds are available to reduce the deficit, we are taking interest payments out of one pocket, and putting it in another, making it look like we are paying less in interest to finance the deficit. You talk about robbing Peter to pay Paul. The public is not deciding what the interest rates paid to borrow surplus Social Security funds ought to be. Uncle Sugar decides and they pay the Social Security trust fund whatever the T-bill rate is.

Finally, the Social Security tax is about 8 percent on employers and 8 percent on employees. It is a regressive tax. There is no one on the Finance Committee who does not understand the difference between progressive and regressive tax rates. In this country even President Reagan has said he believes in a progressive tax rate. We ought to have a progressive tax system to finance the operations of the Government, but here we are relying, in effect, on a regressive tax system to avoid using our progressive tax system.

So I think we ought to remove Social Security from the budget, so I will not belabor all the points I have already made.

Are we ready to vote or are we holding the floor for some reason? Are we ready to vote?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HAWKINS. Mr. President, I have listened with interest and understanding to the concerns of my colleagues expressed today that this resolution, while admirable, carries no legislative authority. I would like to address those concerns by announcing that I plan to offer substantive language to the debt limit legislation which will change the law and remove Social Security from the unified budget immediately.

I introduced the first bill in the Senate this year to separate Social Security and I am convinced that this matter should now be voted on by the full Senate. Let me remind my colleagues that the Senate has already approved the separation when we passed the Social Security Amendments of 1983. It is already in the law to be removed. My amendment will simply make the separation effective immediately.

I appreciate the efforts of my distinguished colleague from Pennsylvania and his resolve on this important and timely issue. I invite all of my colleagues to join with me in offering an amendment to the debt ceiling to remove Social Security from the unified budget—which will send a message to Americans that the Social Security trust funds are independent, solvent, and not subject to the budgetary whims of Congress.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 4:58 p.m., a message from the House Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 1078. An act to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 148. An act to designate certain public lands in the State of Michigan was wilderness, and for other purposes; and

H.R. 2032. An act to amend the Securities Exchange Act of 1934 to provide improved protection for investors in the government securities market, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 185. Concurrent resolution expressing the sense of the Congress in support of the efforts of the organizers of and participants in the Farm Aid Concert to be held in Champaign, Illinois, to bring the current crisis in American agriculture to the attention of the American people.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 148. An act to designate certain public lands in the State of Michigan as wilderness, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 2032. An act to amend the Securities Exchange Act of 1934 to provide improved protection for investors in the government securities market, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 185. Concurrent resolution expressing the sense of the Congress in support of the efforts of the organizers of and participants in the Farm Aid Concert to be held in Champaign, Illinois, to bring the current crisis in American agriculture to the attention of the American people; to the Committee on Agriculture, Nutrition, and Forestry.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Finance:

George D. Gould, of New York, to be Under Secertary of the Treasury; and

Charles O. Sethness, of Massachusetts, to be an Assistant Secretary of the Treasury.

(The above nominations were reported from the Committee on Finance with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SPECTER (for himself, Mr. Dole, Mr. Cohen, Mr. Dixon, Mr. Heflin, Mr. Heinz, Mr. Kennedy, Mr. Murkowski, Mr. Byrd, and Mr. D'Amato):

S. 1655. A bill to amend the Unfair Competition Act of 1916 and Clayton Act to provide for private enforcement of the unfair competition statute in the event of unfair foreign competition, and to amend title 28 of the United States Code to provide for private enforcement of the Customs fraud statute; to the Committee on the Judiciary.

By Mr. SYMMS:

S. 1656. A bill to amend the Internal Revenue Code of 1954 to allow an amortization deduction for bus operating rights based on a 60-month period; to the Committee on Finance.

By Mr. ROTH (by request):

S. 1657. A bill to extend and revise the authority of the President under chapter 9 of title 5, United States Code, to transmit to the Congress plans for the reorganization of the agencies of the executive branch of the Government; to the Committee on Governmental Affairs.

By Mr. ROTH (for himself and Mr. Cochran) (by request):

S. 1658. A bill to amend the Debt Collection Act to permit the Attorney General to retain private counsel for the litigation of select debt collection cases; to the Committee on Governmental Affairs.

By Mr. ROTH (for himself and Mr. Biden):

S. 1659. A bill to provide for the termination of ocean dumping of sewage sludge, to establish user fees under the Ocean Dumping Permit Program, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DENTON (for himself, Mr. Thurmond, Mr. Abdnor, Mr. Boren, Mr. Cochran, Mr. DeConcini, Mr. East, Mr. Ford, Mr. Gramm, Mrs. Hawkins, Mr. Heflin, Mr. Helms, Mr. Laxalt, Mr. Mattingly, Mr. McClure, Mr. Nickles, Mr. Symms, and Mr. Exon):

S. 1660. A bill to grant a Federal charter to the Confederate Memorial Association; to the Committee on the Judiciary.

By Mr. HATCH:

S.J. Res. 202. Joint resolution designating November 1985 as "American Liver Foundation National Liver Awareness Month"; to the Committee on the Judiciary.

By Mr. MURKOWSKI (for himself, Mr. Inouye, and Mr. Cochran):

S.J. Res. 203. Joint resolution designating November 6, 1985, as "Ignacy Jan Paderewski Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MURKOWSKI:

S. Res. 223. A resolution to express the sense of the Senate regarding automobile carriers; to the Committee on Finance.

By Mr. GORE:

S. Con. Res. 66. A concurrent resolution expressing the sense of the Congress that procurement of the new U.S. weather radar system, NEXRAD, continue on schedule and according to the established minimum requirements agreed to by the National Weather Service, the Federal Aviation Administration, and the Department of Defense; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER (for himself, Mr. Dole, Mr. Cohen, Mr. Dixon, Mr. Heflin, Mr. Heinz, Mr. Kennedy, Mr. Murkowski, Mr. Byrd, and Mr. D'Amato):

S. 1655. A bill to amend the Unfair Competition Act of 1916 and Clayton Act to provide for private enforcement of the unfair competition statute in the event of unfair foreign competition, and to amend title 28 of the United States Code to provide for private enforcement of the Customs fraud statute; to the Committee on the Judiciary.

(The remarks of Mr. Specter and the text of the legislation appear earlier in today's Record.)

By Mr. SYMMS:

S. 1656. A bill to amend the Internal Revenue Code of 1954 to allow an amortization deduction for bus operating rights based on a 60-month period; to the Committee on Finance.

AMORTIZATION OF BUS OPERATING RIGHTS

● Mr. SYMMS. Mr. President, today I am introducing legislation to provide tax treatment for bus route operating rights comparable to rules enacted in 1981 for truck route operating rights. This change is needed because of deregulation of intercity buses, enacted in 1982.

Identical legislation was introduced in the House and Senate during the 98th Congress. Hearings were held on the bill in both the House Ways and Means Committee and the Senate Finance Committee. Unfortunately there was not sufficient time to act on the legislation prior to adjournment in spite of its merits.

The issue for buses is identical to that facing the trucking industry following trucking deregulation in 1980. From 1935 to 1980 the Interstate Commerce Commission granted a limited number of certificates of operating authority to motor carriers. Persons wishing to enter the motor carrier business or expand the motor carrier business often would purchase operating authorities from an existing trucking company. Substantial amounts were paid. The operating rights provided a substantial part of a carrier's asset structure, and a source of loan collateral.

Because of trucking deregulation, provided by the Motor Carrier Act of 1980, truck route operating rights issued by the ICC became virtually worthless. The tax rules applicable to loss of value of a Government license because of deregulation were not entirely clear in 1981. As a result, in 1981 Congress approved legislation allowing trucking companies to deduct over a 5-year period their basis in the operating rights.

The bill I am introducing today provides the same treatment for bus operating rights. In 1982, the President signed into law the Bus Regulatory Reform Act of 1982, which deregulated intercity buses. This important deregulation bill allows intercity bus companies to enter routes, expand routes, drop routes, and change routes without Federal barriers. Prior to bus deregulation, bus operators were required to acquire route operating rights prior to providing service on a particular route. Issuance of bus operating authorities was highly restricted. As with motor carrier operating rights, bus operating rights were bought and sold for significant sums, used as collateral for loans, and constituted an important part of the capital costs of the company.

The Bus Regulatory Reform Act changed that. By allowing virtually free entry of bus companies into routes of their choice, the existing route operating rights became virtually worthless.

The bill I am introducing today applies to owners of bus operating rights as of November 19, 1982—or persons who acquired the rights after that date as a result of a binding contract in effect on November 19, 1982—the date bus deregulation was signed into law by the president. It allows the owner of the operating rights to deduct ratably over 60 months its adjusted basis in the bus operating authority. The bill requires proper adjustment to the carrier's basis in the operating authority. The bill also contains provisions assuring comparable treatment for noncorporate carriers, comparable to provisions applicable to motor carriers contained in the Technical Corrections Act of 1982.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1656

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEDUCTION FOR BUS OPERATING AUTHORITY.

(a) General Rule.—For purposes of chapter 1 of the Internal Revenue Code of 1954, in computing the taxable income of a taxpayer who, on November 19, 1982, held one or more bus operating authorities, an amount equal to the aggregate adjusted basis of all bus operating authorities held by the taxpayer on November 19, 1982, or acquired subsequent thereto pursuant to a binding contract in effect on November 19, 1982, shall be allowed as a deduction ratably over a period of 60 months. Such 60-month period shall begin with the later of the month of November 1982 or the month in which acquired, or, if later, at the election of the taxpayer, the first month of the taxpayer's first taxable year beginning after November 19, 1982.

(b) DEFINITION OF BUS OPERATING AUTHORITY.—For purposes of this section, the term "bus operating authority" means—

(1) a certificate or permit held by a motor common or contract carrier of passengers and issued pursuant to subchapter II of chapter 109 of title 49 of the United States Code, and

(2) a certificate or permit held by a motor carrier authorizing the transportation of passengers, as a common carrier, over regular routes in intrastate commerce, and issued by the appropriate State agency.

* * * * *

(d) SPECIAL RULES.—

(1) ADJUSTED BASIS.—For purposes of the Internal Revenue Code of 1954, proper adjustments shall be made in the adjusted basis of any bus operating authority for the amounts allowable as a deduction under this section.

(2) CERTAIN STOCK ACQUISITIONS.—

(A) IN GENERAL.—Under regulations prescribed by the Secretary of the Treasury or his delegate, and at the election of the holder of the authority, in any case in which a corporation—

(i) on or before November 19, 1982 (or after such date pursuant to a binding contract in effect on such date), acquired stock in a corporation which held, directly or indirectly, any bus operating authority at the time of such acquisition, and

(ii) would have been able to allocate to the basis of such authority that portion of the acquiring corporation's cost basis in such stock attributable to such authority if the acquiring corporation had received such authority in the liquidation of the acquired corporation immediately following such acquisition and such allocation would have been proper under section 334(b)(2) of such Code,

the holder of the authority may, for purposes of this section, allocate a portion of the basis of the acquiring corporation in the stock of the acquired corporation to the basis of such authority in such manner as the Secretary may prescribe in such regulations. The preceding sentence shall not apply if an election under section 338 of such Code is in effect with respect to the corporation described in clause (i):

(B) TREATMENT OF CERTAIN NONCORPORATE TAXPAYERS.—Under regulations prescribed by the Secretary of the Treasury or his delegate, and at the election of the holder of the authority, in any case in which—

(i) a noncorporate taxpayer or group of noncorporate taxpayers on or before November 19, 1982, acquired in one purchase stock in a corporation which held, directly or indirectly, any bus operating authority at the time of such acquisition, and

(ii) the acquisition referred to in clause (i) would have satisfied the requirements of subparagraph (A) if the stock had been acquired by a corporation,

then, for purposes of subparagraphs (A) and (C), the noncorporate taxpayer or group of noncorporate taxpayers referred to in clause (i) shall be treated as a corporation. The preceding sentence shall apply only if such noncorporate taxpayer (or group of noncorportate taxpayers) on November 19, 1982, held stock constituting control (within the meaning of section 368(c) of the Internal Revenue Code of 1954) of the corporation holding (directly or indirectly) the bus operating authority.

(C) ADJUSTMENT TO BASIS.—Under regulations prescribed by the Secretary of the Treasury or his delegate, proper adjustment shall be made to the basis of the stock or other assets in the manner provided by such regulations to take into account any allocation under subparagraph (A).

(3) SECTION 381 OF THE INTERNAL REVENUE CODE OF 1954 TO APPLY.—For purposes of section 381 of the Internal Revenue Code of 1954, any item described in this section shall be treated as an item described in subsection (c) of such section 381.

(e) EFFECTIVE DATE.—The provisions of this section shall apply to taxable years ending after November 18, 1982.●

By Mr. ROTH (by request):

S. 1657. A bill to extend and revise the authority of the President under chapter 9 of title 5, United States Code, to transmit to the Congress plans for the reorganization of the agencies of the executive branch of the Government; to the Committee on Governmental Affairs.

REORGANIZATION ACT AMENDMENTS

● Mr. ROTH. Mr. President, I am introducing, by request, proposed legislation entitled the "Reorganization Act Amendments of 1985." This bill extends through December 31, 1988, the President's authority to submit to Congress reorganization plans making organization changes in the executive branch. The authority, which expired in April 1981, was renewed last year for only 2 months and expired again on December 31, 1984.

Since 1939, every President except one has been authorized to submit reorganization plans to Congress for review and approval. This reorganization authority provides an expedited process for consideration by the Congress of reorganization plans submitted by the President. During periods when this reorganization authority is not in effect, the President is required to follow the traditional legislative process in order to make even minor changes in entities or functions which have been established by legislation.

The last time a President had reorganization authority for an extended time was the 3-year period provided by the Reorganization Act of 1977, which was later extended a year but finally expired in April 1981. Under this authority, President Carter submitted 10 reorganization plans, all of which were accepted by Congress. Late last year the Congress amended the 1977 act to grant the President a 2-month extension of the reorganization authority until December 31, 1984. The President submitted no new reorganization plans during this brief period.

The 1984 amendments, however, made several changes to the congressional process established by the 1977 act, the most notable being the requirement for a joint resolution of approval in order for a plan to go into effect. The 1977 act provided for a one-House veto of proposed plans, a procedure invalidated by the Chadha decision.

The 1984 amendments also extended the time allowed for consideration of a reorganization plan from 60 to 90 days and prohibited the President, through a reorganization plan, from either renaming an executive department or creating a new agency outside of an already existing executive department or independent agency. In addition, the President was required to include in the message accompanying each plan a section providing the Congress essential information on when and how the plan would be implemented.

Thus, the Congress has set the stage for enactment of a simple extension of the reorganization authority provided by the bill I am introducing today. The legislation is part of the administration's management legislation initiatives that the President submitted to the Congress on July 31, 1985.

President Reagan, like his predecessors, recognizes the importance of this time-tested management tool in bringing about desirable organization change in the executive branch. Extending the reorganization authority for 4 years will facilitate this administration's ongoing effort to reduce cost and improve the efficiency of the Federal Government.

I urge that the Senate give this proposal its prompt and favorable consideration.●

By Mr. ROTH (for himself and Mr. COCHRAN) (by request):

S. 1658. A bill to amend the Debt Collection Act to permit the Attorney General to retain private counsel for the litigation of select debt collection cases; to the Committee on Governmental Affairs.

DEBT COLLECTION ACT AMENDMENTS

● Mr. ROTH. Mr. President, today Senator COCHRAN and I are introducing, by request, legislation entitled the Debt Collection Act Amendments of 1985. This legislation is part of a package of eight bills which comprise the administration's antifraud enforcement initiative, designed to greatly strengthen the Federal Government's ability to detect and prosecute fraud.

An important element in the Government's campaign to prevent waste, fraud, and abuse in Federal programs is the ability to recover debts owed to the United States. The Debt Collection Act Amendments of 1985 are designed to enhance the Federal Government's efforts to collect these debts by permitting the Attorney General to retain private sector counsel to aid in the prosecution of such cases.

The amount of delinquent debt owed to the United States is staggering. The Office of Management and Budget has reported that $19.9 billion in nontax delinquent debts are owed to the United States; $6.2 billion of this amount is more than 6 years overdue. Our failure to recover these amounts on a timely basis seriously impairs the Government's chances of ever collecting. We cannot continue to permit these debts to go uncollected with annual deficits of $200 billion and a national debt of $2 trillion. We must recover every cent that is owed to the United States from those who have the ability to pay those debts.

The Congress took a major step to strengthen debt collection when it enacted the Debt Collection Act of 1982, legislation reported by the Government Affairs Committee which I chair. This legislation permitted the Federal Government to charge interest and penalties on delinquent debt, to offset the wages of Federal employees having delinquent debt, to report delinquent debtors to credit bureaus to affect credit ratings, and to contract with private collection agencies to pursue recovery. Now the administration has called for further action to enhance our ability to litigate these delinquent debt cases when all other recovery efforts have failed.

The Department of Justice is generally responsible for conducting the Government's litigation, and agencies are required to refer litigable claims of $600 or more to the Department of Justice for legal action, including Federal debt collection cases. The Department, through its U.S. attorney offices around the country, now must respond to the substantial debt caseload, but its staff and resources are limited and must be committed to the more important civil, violent criminal and narcotics trafficking cases also pending. In September 1984, more than 124,000 debt cases were pending at the Department.

The bill I am introducing today would provide outside assistance to aggressively litigate these unpaid debt cases. It would extend the resources of the Department of Justice by permitting the Attorney General to retain private sector counsel to aid in the prosecution of these cases and to contract for such services under the terms and conditions he deems necessary and appropriate, including the amount of or method for calculating the fee to be paid. It is anticipated, however, that such fee will be paid as a percentage of the amount successfully collected. Thus no appropriations are required for implementation.

To facilitate prompt implementation of the act, the Attorney General's decisions on the law firms to be retained would not be subject to judicial review in any court; and the ordinary statutes and regulations governing contract awards, including the Contract Disputes Act, would not apply to such decisions. This is intended to assure that the choice of counsel is not delayed by litigation brought by disappointed bidders.

To ensure that cases are promptly referred to private sector counsel, the Federal creditor agency would be permitted to refer cases directly to the law firm approved by the Department of Justice without having to route the case through the Department. Further, so that the Federal Government retains ultimate control and supervision over the litigation of these cases, provision is made for the withdrawal of a claim from private counsel or the termination of a contract with private counsel if the Attorney General finds such action to be in the public interest.

Finally, private counsel retained under the act would be required to report to the Department of Justice periodically on their progress and be subject to the Fair Debt Collection Practices Act. I would add that the use of private sector counsel is intended to supplement, not supplant other agency collection efforts on using private collection agencies.

Similar legislation was sponsored in the last Congress by Senator ALFONSE D'AMATO. When the Governmental Affairs Subcommittee on Energy, Nuclear Proliferation, and Government Processes considered this issue in the 98th Congress, testimony indicated that it was critical to effective debt collection that debtors know that ultimately they will be sued if they do not repay their loans. Unfortunately, many debtors today refuse to meet their debt obligations, confident that they will never be legally pursued by the Government.

This legislation, S. 1668, passed the Senate in July 1984 but no further action was taken. Senator D'AMATO introduced the same bill (S. 209) earlier this year. The Subcommittee on Energy, Nuclear Proliferation, and Government Processes will be holding a hearing on the D'Amato bill late this month at which time the bill I am introducing today will also be considered.

Mr. President, the efficient and effective management of Government is one of the primary concerns of the members of the Governmental Affairs Committee. Therefore, we welcome the administration's initiative and look forward to working together to further improve the debt collection process. I ask unanimous consent that the bill and a section-by-section analysis of it be printed in the RECORD in its entirety.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1658

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Debt Collection Act Amendments of 1985."

SEC. 101. Section 3718 of Title 31, United States Code, is amended—

(1) in subsection (b), by inserting "or (e)" after "subsection (a)";

(2) by inserting the following new subsection:

"(e)(1) The Attorney General may make contracts retaining private counsel to furnish collection services, including representation in negotiation, compromise, settlement, and litigation, in the case of any claim of indebtedness owed the United States. Each such contract shall include such terms and conditions as the Attorney General considers necessary and appropriate, including a provision specifying the amount of the fee to be paid to the private counsel under such contract or the method for calculating that fee. The provisions of the Federal Property and Administrative Services Act of 1949 (FPASA), 40 U.S.C. § 471 *et seq.*, the Contract Disputes Act of 1978 (CDA), 41 U.S.C. § 601 *et seq.*, and the Federal Acquisition Regulations (FAR) shall not apply to contracts entered into between the Attorney General and private counsel pursuant to this section. In entering into such contracts retaining private counsel to furnish collection services, the Attorney General shall have discretion to determine with whom he wishes to contract. The Attorney General's decision to contract with any individual shall be unreviewable in any court or administrative body, state or federal.

"(2) The head of an executive or legislative agency may refer to a private counsel retained under paragraph (1) of this subsection claims of indebtedness owed the United States arising out of activities of that agency.

"(3) Notwithstanding sections 516, 518(b), 519, and 547(2) of Title 28, a private counsel retained under paragraph (1) of this subsection may represent the United States in litigation in connection with collection services furnished pursuant to the contract entered into with that counsel under paragraph (1) of this subsection.

"(4) A contract made with a private counsel under paragraph (1) of this subsection shall include—

"(A) a provision permitting the Attorney General to terminate the contract at any time and for any reason whatsoever, such decision to terminate being placed within the discretion of the Attorney General. The Attorney General's decision to terminate a contract with a private counsel shall not be subject to review by any court or administrative agency, state or federal;

"(B) a provision permitting the Attorney General to have any claim referred under the contract returned to the Attorney General if the Attorney General finds such action to be in the public interest;

"(C) a provision requiring the private counsel to transmit periodically to the Attorney General and the head of the executive of legislative agency referring a claim under the contract a report on the services relating to the claim rendered under the contract during the reporting period and the progress made during the reporting period in collecting the claim under the contract; and

"(D) a provision allowing the Attorney General, or his delegate, to resolve any dispute between the agency and the private counsel arising out of such contract. The Attorney General's decision with respect to such dispute shall not be subject to review by any court or administrative body, state or federal.

"(5) Notwithstanding the fourth sentence of section 803(6) of the Fair Debt Collection Practices Act (15 U.S.C. 1692a(6)), a private counsel performing collection services pursuant to a contract made under paragraph (1) of this subsection shall be considered a debt collector for the purposes of such Act."

Sec. 102. Section 3719 of Title 31, United States Codes, is amended by adding after (a)(1)(F) the following new subsection:

"(G) the number and total amount of claims referred to private lawyers under contract to furnish collection services and the total number of claims and the total amount collected."

DEBT COLLECTION ACT AMENDMENTS—SECTION-BY-SECTION ANALYSIS

This title amends the Debt Collection Act, 31 U.S.C. 3718, to permit the Attorney General to retain private counsel for the litigation of select debt collection cases.

Section 101 grants the Attorney General this new authority by adding a new subsection (e) to section 3718. Subparagraph (A) of that subsection vests the Attorney General with the authority to make contracts with private counsel to litigate debt collection cases. Such contracts shall contain such terms as the Attorney General feels are necessary, including provision for the payment of a fee. It is envisioned that the private counsel will be paid a percentage of the amount it succeeds in collecting.

The Attorney General's decision as to which law firm, or firms, to retain shall not be subject to judicial review in any court and the ordinary statutes and regulations governing contract awards, including the Contract Disputes Act, shall not apply to such decisions. This will facilitate the prompt implementation of this new authority, ensuring that the choice of counsel is not delayed by litigation brought by disappointed bidders.

Subparagraph (2) provides that the head of any agency may refer cases directly to such private counsel as the Attorney General has retained. It is envisioned that once the Attorney General has retained a particular law firm to litigate a particular class of debt cases in a certain district, the client agency may refer such cases directly to such law firm and need not route the cases through the Department of Justice.

Subparagraph (3) simply provides that notwithstanding the current statute giving the Attorney General plenary authority to represent the United States in litigation, 28 U.S.C. 516, 518(b) and 519, a private counsel may represent the United States these types of debt collection cases.

Subparagraph (4) sets forth the terms which the Attorney General may include in any such contract. Subparagraph (4)(A) permits the Attorney General to terminate a contract with any private counsel at any time and for any reason whatsoever. This decision shall not be subject to judicial review. Subparagraph (4)(B) permits the Attorney General to withdraw a claim from private counsel and litigate it directly when he finds such action to be in the public interest.

Under subparagraph (4)(C), the Attorney General may require periodic reporting by the private counsel. Finally, under subparagraph (4)(D), the Attorney General shall be authorized to resolve any dispute which may arise between the client agency and the private counsel.

Subparagraph (5) provides that a private counsel retained pursuant to this authority shall be considered a debt collector for purposes of the Fair Debt Collection Practices Act, 15 U.S.C. 1692a(6), and so shall provide the procedural protections and safeguards which that law requires.

Section 102 of the bill amends the existing reporting requirement in the Debt Collection Act to require agencies that utilize private counsel to report on the number of claims referred and the total amount collected.●

By Mr. ROTH (for himself and Mr. BIDEN):

S. 1659. A bill to provide for the termination of ocean dumping of sewage sludge, to establish user fees under the ocean dumping permit program, and for other purposes; to the Committee on Environment and Public Works.

OCEAN DUMPING AMENDMENTS

● Mr. ROTH. Mr. President, today I am introducing legislation for myself and as a cosponsor my distinguished colleague from Delaware [Mr. BIDEN]. The legislation would amend title I of the Marine Protection, Research, and Sanctuaries Act of 1972 as amended.

I feel that we must end the use of our Nation's coastal and ocean waters as sewage waste dumpsite. Even though many communities have made as serious effort to develop safe and efficient land-based disposal alternatives, I am disgusted that I must continue to argue against ocean dumping. I am here because several municipalities are still dumping sewage sludge at the 12-mile sewage sludge dumpsite in the North Atlantic.

Mr. President, on April 1, 1985, the EPA announced the denial of petitions filed by the nine municipal sludge dumpers for redesignation of the 12-mile site. The EPA requested that all municipal sludge dumpers submit schedules for achieving 100 percent phaseout of the 12-mile site, and to begin shifting their dumping operations from the 12-mile site to the deepwater municipal sewage sludge site [DMSDS], also known as the 106-mile site. All communities have complied with these EPA requests.

Mr. President, we in Delaware believe that the ocean disposal of harmful wastes should end once and for all. We must insure the preservation of our valuable marine resources. Although the intent of EPA's action is a good one and I support it wholeheartedly, I feel it does not go quick and far enough. The EPA allows communities to continue dumping of sludge until an alternative can be found to accommodate these wastes. What have these communities been doing since 1981 when we believed all dumping would cease? The EPA was sued by a dumper, lost the case, and failed to appeal a decision that was considered erroneous by many, and now, the phaseout of ocean dumping has been extended until 1987, to allow the communities time to construct ocean-dumping barges.

Mr. President, this whole issue keeps dragging out and dragging out. I do not want to see any slipping, there should be no need for that.

I urge all communities to work together and to develop policies and practices that can solve this problem, as our neighbors to the North in Pennsylvania and some parts of New Jersey have developed alternative uses for this practice. Worldwide, we are assisting developing nations to adopt technologies which exploit wastes for use as a fuel in rural areas, but nationally, we are still dumping sewage sludge in the ocean. Mr. President, we must develop initiatives that will allow these alternatives to become common practice in our Nation. My bill provides for these initiatives.

The Ocean Dumping Amendments of 1985 would prohibit the dumping of harmful sewage sludge after 18 months after the date of the enactment of the bill. In addition, no sewage sludge may be dumped after December 31, 1990, nor may any municipality that at the present time does not participate in the ocean dumping of sewage sludge be permitted to do so. The act would also establish a user fee system under the ocean-dumping law, and would prevent the use of funds authorized under any provision of Federal law to be used to finance the construction or operation of an incineration ship.

Mr. President, my bill is not a complicated or unreasonable measure. It provides an incentive to all communities to take a serious look at responsible land disposal alternatives, and to make good-faith efforts at cleaning up sewage sludges and elimination of the ocean-dumping option. We must change our ways of disposing of these wastes. We cannot continue to use the ocean as a waste dumpsite.●

● Mr. BIDEN. Mr. President, I am pleased to join my distinguished senior colleague from Delaware [Senator ROTH] in introducing a bill addressing the problem of the dumping of municipal and other wastes into the ocean for disposal.

We have been fighting this practice for several years and, quite frankly, thought we had it under control when, in 1977, Congress passed an amendment to the Marine Protection, Research and Sanctuaries Act, more commonly and easily called the Ocean Dumping Act. The amendment was supposed to halt the dumping of sewage sludge which degrades the environment or endangers human or marine life by the end of 1981.

At the time of the passage of the amendment, more than 250 communities disposed of their sewage wastes by hauling them out to sea and pushing them overboard. By 1981, over 240 of the towns and cities which used this means had switched to other practices. Unfortunately, the ones that remained were big dumpers; in fact, during the expected phaseout period, the total amount of sludge that was dumped in the ocean actually increased from 4.6 million wet tons to 7.6 million wet tons.

With the deadline to end ocean dumping approaching, the remaining communities went to court to keep the barges sailing. Unfortunately, the dumpers won the first round in court, and the Environmental Protection Agency, dropping its longstanding commitment to end ocean dumping, failed to appeal the decision. In effect, the EPA ran away from the clear congressional intention on ocean dumping, and instead allowed continued dumping and even went so far as to look for additional sites to designate for the dumpers. That is where we stand today, and why I have joined Senator ROTH in introducing this bill.

Mr. President, you will notice that the bill itself is very short and to the point. I believe it makes clear what Congress intended to see achieved by passing the 1977 amendment—the end to harmful ocean dumping.

As my senior colleague has stated, the bill addresses five issues. First, the dumping of harmful sewage sludge in the ocean would be prohibited 18 months after enactment of the bill.

Second, all sewage sludge dumping will be banned after 1990. The 4-year phase out period provides current ocean dumpers with the opportunity to carefully review their options in using other disposal methods and develop them to the extent that when the 1990 deadline approaches they will not be forced to turn to the courts again for emergency relief action.

Third, user fees would be imposed on ocean-dumping operations to recover the Federal costs related to their activities, such as the designation of sites, ensuring the compliance with permit terms, and environmental monitoring of the dumpsite.

Fourth, new ocean-dumping permits cannot be issued. Communities that do not now use ocean dumping as a means of disposal would not be allowed to start operations in the interim, before the bans on harmful sludge dumping or all sewage sludge dumping, take effect.

Finally, funds authorized under the Ocean Dumping Act cannot be used to pay for the costs of ocean-dumping operations.

I would also like to point out an additional clause which bans the use of Federal funds for the construction or operation of incinerator vessels until final rules regulating their activities are adopted. Although this would seem to make sense to my colleagues, the Maritime Administration has extended loan guarantees to a company for the construction of two ocean incineration vessels, even though there is no assurance that the designs the vessels used will prove to be acceptable under the final ocean incineration rules adopted by the EPA. This amendment makes sure that additional vessels will not be built at taxpayer expense until it becomes clearer what standards these vessels are expected to meet, or if there will be a market for their services.

Mr. President, I must make clear my disappointment that we even have a need for this bill at this time. I believe alternatives to the dumping of wastes in the vulnerable waters of our oceans should have been given serious consideration by current dumpers years ago. All but 8 of the 250 municipalities which were dumping in 1977, found practical alternatives by the end of 1981.

I find the argument that the oceans are the only place for the disposal of municipal wastes to be shortsighted and irresponsible. Shortsighted, because there should be no doubt that the oceans are not a bottomless pit which can absorb everything thrown into it. Irresponsible, because it would be impossible to correct damage that would result from continued ocean dumping.

Mr. President, near the end of the 98th Congress, I considered offering the Ocean Dumping Act Amendments of 1984, as approved unanimously by the House, as an amendment to legislation pending at that time. However, I recognized that in the crunch at the end of the session, opponents would have been able to effectively kill it by discussing its provisions at length, and instead accepted the assurances of the chairman of the Environmental Protection Subcommittee that this issue would receive a high priority during the 99th Congress.

The House appears ready, once again, to pass its version of the Ocean Dumping Act reauthorization. I am pleased by the increased attention the Senate Environment and Public Works Committee has given to this issue during this session, and I look forward to further progress toward reporting a bill to the Senate.

I hope the committee will take the bill my colleague and I have introduced into consideration as the reauthorization bill is developed, and we can move closer to the day in which the intention of Congress expressed by the 1977 amendment actually comes about.

Mr. President, I do not wish to repeat all the statements made by my colleague from Delaware. Suffice it to say that we find—all Delawareans find unacceptable, and vehemently oppose the EPA's acquiescence to the sludge dumpers over the last 3 years. We will continue to work together to get harmful sludges out of the oceans and to stop the EPA's practice for looking for the most convenient out-of-sight-out-of-mind solution to difficult problems.●

By Mr. DENTON (for himself, Mr. THURMOND, Mr. ABDNOR, Mr. BOREN, Mr. COCHRAN, Mr. DECONCINI, Mr. FORD, Mr. GRAMM, Mrs. HAWKINS, Mr. HEFLIN, Mr. HELMS, Mr. LAXALT, Mr. MATTINGLY, Mr. MCCLURE, Mr. NICKLES, Mr. SYMMS, and Mr. EXON):

S. 1660. A bill to grant a Federal charter to the Confederate Memorial Association; to the Committee on the Judiciary.

FEDERAL CHARTER TO THE CONFEDERATE MEMORIAL ASSOCIATION

● Mr. DENTON. Mr. President, I rise today to introduce legislation to grant the Confederate Memorial Association a Federal charter, thereby providing the organization with the congressional recognition it so well deserves.

Mr. President, the War Between the States represents a part of our rich heritage which should be remembered by all Americans. One organization which has worked to preserve this part of our national heritage is the Confederate Memorial Association.

The association was organized and incorporated under the laws of the District of Columbia in 1907, and functions as the umbrella organization representing all manner of Confederate historical and curatorial organizations. Organizational support comes from, among others, the Sons of Confederate Veterans, the United Daughters of the Confederacy and the Children of the Confederacy. Membership of the United Daughters of the Confederacy is 27,829 members, with 783 chapters in 31 States, and members in all 50 States; the membership of the Sons of Confederate Veterans is 8,157, with 171 camps in 22 States, and members in all 50 States; and the membership of the Children of the Confederacy is 24,311 members, with 237 chapters in 14 States, and members in all 50 States. The association is open to membership without regard to race, color, religion, regional or national origin.

The noble objectives of the association include a continuing commitment, on a national basis, to:

First, perpetuate southern culture and history, including the memory of the patriotic deeds of the men and women of the Southern States (soldiers and civilians) during the War Between the States from 1861 to 1865;

Second, maintain the Confederate Memorial Hall, the centerpiece of the association's public purpose, and the only shrine to the Confederacy in the Nation's Capital;

Third, preserve and maintain the Confederate Memorial Hall as a public historical library and a museum gallery of historical relics and memorabilia commemorating southern history and culture;

Fourth, encourage the preservation of historic sites and the construction and preservation of buildings, halls, and monuments commemorating southern culture and history;

Fifth, preserve and promote the education of the history of the war and of southern culture and history generally;

Sixth, participate, in a spirit of cooperation and reciprocity, in programs with other societies devoted to American history, veterans' affairs, or community interest.

The Confederate Memorial Association is an organization that merits the recognition of the Congress, recognition which has previously been extended to five War Between the States era organizations recognizing individuals of northern heritage—that is, the Grand Army of the Republic; the Ladies of the Grand Army of the Republic; the Legion of Valor of the United States of America, Inc.; the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic; and the Sons of Union Veterans of the Civil War.

Mr. President, I believe that it would be appropriate for the Congress to grant a Federal charter to this organization. Recognition of the Confederate Memorial Association will represent an important step forward in the preservation of our common American heritage and history. The bill is currently cosponsored by Members of this body and I urge my remaining colleagues to support the legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1660

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

SECTION 1. The Confederate Memorial Association, organized and incorporated under the laws of the District of Columbia in 1907 is hereby recognized as such and is granted a charter.

POWERS

SEC. 2. The Confederate Memorial Association (hereinafter referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes for which the corporation is organized shall be those provided in its articles of incorporation and, more broadly, shall include a continuing commitment, on a national basis, to—

(1) perpetuate southern culture and history, including the memory of the patriotic deeds of the men and women of the Southern States (soldiers and civilians) during the War between the States from 1861 to 1865;

(2) maintain the Confederate Memorial Hall, the centerpiece of the corporation's public purpose, and the only shrine to the Confederacy in the Nation's Capitol;

(3) preserve and maintain the Confederate Memorial Hall as a public historical library and a museum gallery of historical relics and memorabilia commemorating southern history and culture;

(4) encourage the preservation of historic sites and the construction and preservation of buildings, halls, and monuments commemorating southern culture, and history;

(5) preserve and promote the education of the history of the war and of southern culture and history generally;

(6) participate, in a spirit of cooperation and reciprocity, in programs with other societies devoted to American history, veterans' affairs, or community interests.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members shall, except as provided in this Act, be as provided in the constitution and bylaws of the corporation, and terms of membership and requirements for holding office within the corporation shall not be discriminatory on the basis of race, color, religion, or national origin.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation or bylaws of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

SEC. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation or bylaws of the corporation and in conformity with the laws of the State or States wherein it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support, or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

(f) The corporation shall retain and maintain its status as a corporation organized and incorporated under the laws of the State or States wherein it is incorporated.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right to vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(71) The Confederate Memorial Association".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit required by section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1954. If the corporation fails to maintain such status, the charter granted hereby shall expire.

TERMINATION

SEC. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act, the charter granted hereby shall expire.●

By Mr. HATCH:

S.J. Res. 202. A joint resolution designating November 1985 as "American Liver Foundation National Liver Awareness Month"; to the Committee on the Judiciary.

AMERICAN LIVER FOUNDATION NATIONAL LIVER AWARENESS MONTH

Mr. HATCH. Mr. President, today I introduce the American Liver Foundation National Liver Awareness Month resolution.

Liver diseases are the fourth national leading cause of death in the United States between the ages of 15 and 65. Over 100 known liver diseases affect 25 million Americans and claim 50,000 lives each year. Many of the most serious liver diseases could be prevented if the public were better informed about the importance of the liver, its functions and the serious damage that can be caused by virus, environmental pollutants, drugs, alcohol, and inborn abnormalities.

Liver transplants are the only known treatment for many liver diseases, yet the lack of organ donors, especially for babies and small children, will mean that more children will die than will receive liver transplants. Generating public support for increased research to supplement funding by the National Institutes of Health can only be accomplished if the public is informed of the needs. The American Liver Foundation is the major national voluntary organization dedicated to educating the public about liver diseases, their prevention, and finding cures for the full array of these diseases that attack the young and old alike.

Congressional enactment of this resolution and a Presidential proclamation declaring November 1985 as the American Liver Foundation National Liver Awareness Month, will focus national attention on these insidious diseases that put untold suffering and an estimated $10 billion economic burden to our Nation. I am hopeful that all of my colleagues in the Senate will join me in supporting this awareness resolution.

By Mr. MURKOWSKI (for himself, Mr. INOUYE, and Mr. COCHRAN):

S.J. Res. 203. Joint resolution designating November 6, 1985, as "Ignacy Jan Paderewski Day"; to the Committee on the Judiciary.

IGNACY JAN PADEREWSKI DAY

● Mr. MURKOWSKI. Mr. President, today I am introducing a joint resolution to designate November 6, 1985 as "Ignacy Jan Paderewski Day." I join with Representative SIKORSKI in offering this joint resolution to honor the great musician and Polish patriot, Ignacy Jan Paderewski on the 125th anniversary of his birth.

Paderewski's life was marked by extraordinary success in both the arts of music and diplomacy. He first rose to international acclaim as a concert pianist, and was noted for his stirring performances. Paderewski toured throughout Europe and the United States and was considered the world's foremost pianist of his time.

The artist's accomplishments did not end with his musical career, however. He was also an active statesman whose diplomacy led to the creation of a geographic Poland after World War I. During that war he helped raise an army of 27,000 Polish citizens to fight alongside U.S. forces. Through his skillful diplomacy, Paderewski gained the support of President Woodrow Wilson who included the establishment of an independent Poland with access to the sea in his famous Fourteen Points. When the war ended, Paderewski was asked by the allies to head up Poland's first sovereign government.

Upon Paderewski's death in 1941, President Franklin Roosevelt recognized his accomplishments by allowing his remains to be temporarily buried in Arlington cemetery until Poland is once again free. He was named an honorary member of the American Legion, and was the only foreign civilian ever to receive that distinction. I urge my colleagues to join with Representative SIKORSKI, Senator COCHRAN, Senator INOUYE and me in cosponsoring this joint resolution to honor a truly exceptional man in the history of art and diplomacy.●

ADDITIONAL COSPONSORS

S. 259

At the request of Mr. DANFORTH, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 259, a bill to protect the public interest in stable relationships among communities, professional sports teams and leagues and in the successful operation of such teams in communities throughout the Nation, and for other purposes.

S. 274

At the request of Mr. DENTON, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 274, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 727

At the request of Mr. HEINZ, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 727, a bill to clarify the application of the Public Utility Holding Company Act of 1935 to encourage cogeneration activities by gas utility holding company systems.

S. 827

At the request of Mrs. HAWKINS, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 827, a bill to amend the Public Health Service Act to provide for the compensation of children and others who have sustained vaccine-related injuries, and for other purposes.

S. 1033

At the request of Mr. KERRY, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1033, a bill to amend the Emergency Veterans' Job Training Act of 1983 to establish a veterans' career development and training program; to amend title 38, United States Code, to establish a veterans' computerized job bank program, to enhance readjustment appointments of veterans to positions of employment in the Federal Government, and for other purposes.

S. 1062

At the request of Mr. PRESSLER, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1062, a bill to amend chapter 73 of title 38, United States Code, to establish a program to require comprehensive research on, studies of, and a review of the professional literature on potential physiological and psychological health problems affecting Vietnam veterans, and to require training for Veterans' Administration personnel in counseling, screening, testing, evaluation, treatment, therapy, readjustment, and rehabilitation relating to the unique medical and psychosocial needs of Vietnam veterans, and for other purposes.

S. 1084

At the request of Mr. GOLDWATER, the names of the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1296

At the request of Mr. MATHIAS, the names of the Senator from New Mexico [Mr. DOMENICI], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 1296, a bill to amend the Immigration and Nationality Act to modify the requirement for naturalization of an understanding of the English language.

S. 1509

At the request of Mr. CRANSTON, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1509, a bill to amend chapter 30 of title 38, United States Code, to provide for educational assistance under the All-Volunteer Force Educational Assistance Program for pursuit of a program of education by correspondence.

S. 1569

At the request of Mr. MITCHELL, his name was added as a cosponsor of S. 1569, a bill to amend title XVIII of the Public Health Service Act to encourage health promotion and disease prevention through the implementation of a coordinated national nutrition monitoring system.

S. 1629

At the request of Mr. Grassley, the name of the Senator from South Dakota [Mr. Pressler] was added as a cosponsor of S. 1629, a bill to amend the Tariff Act of 1930 to treat certain agricultural products as like products for purposes of antidumping and countervailing duty investigations.

S. 1654

At the request of Mr. Stevens, the name of the Senator from Nebraska [Mr. Zorinsky] was added as a cosponsor of S. 1654, a bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.

SENATE JOINT RESOLUTION 149

At the request of Mr. Dixon, the names of the Senator from Connecticut [Mr. Weicker], and the Senator from Indiana [Mr. Quayle] were added as cosponsors of Senate Joint Resolution 149, a joint resolution to designate the week of September 15, 1985 through September 21, 1985, as "National Dental Hygiene Week."

SENATE JOINT RESOLUTION 158

At the request of Mr. Murkowski, the names of the Senator from North Dakota [Mr. Andrews], and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Joint Resolution 158, a joint resolution designating October 1985 as "National Community College Month."

SENATE JOINT RESOLUTION 181

At the request of Mrs. Hawkins, the names of the Senator from Idaho [Mr. McClure] and the Senator from Alaska [Mr. Murkowski] were added as cosponsors of Senate Joint Resolution 181, a joint resolution to designate the week beginning September 1, 1985, as "National School-Age Child Care Awareness Week."

SENATE JOINT RESOLUTION 183

At the request of Mr. Byrd, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of Senate Joint Resolution 183, a joint resolution to provide for the designation of the week of October 6 through October 12, 1985, as "Myasthenia Gravis Awareness Week."

SENATE JOINT RESOLUTION 194

At the request of Mr. Metzenbaum, the names of the Senator from Arkansas [Mr. Bumpers], the Senator from Pennsylvania [Mr. Heinz], the Senator from Wisconsin [Mr. Proxmire], the Senator from South Dakota [Mr. Abdnor], the Senator from Wisconsin [Mr. Kasten], the Senator from South Carolina [Mr. Hollings], the Senator from North Carolina [Mr. East], the Senator from North Carolina [Mr. Helms], the Senator from Kansas [Mrs. Kassebaum], the Senator from Alabama [Mr. Heflin], the Senator from Illinois [Mr. Simon], the Senator from Illinois [Mr. Dixon], the Senator from Michigan [Mr. Levin], the Senator from Montana [Mr. Melcher], the Senator from North Dakota [Mr. Burdick], the Senator from West Virginia [Mr. Byrd], the Senator from Montana [Mr. Baucus], the Senator from Nebraska [Mr. Exon], the Senator from Kentucky [Mr. Ford], the Senator from Massachusetts [Mr. Kerry], the Senator from Louisiana [Mr. Long], the Senator from West Virginia [Mr. Rockefeller], the Senator from Lousiiana [Mr. Johnston], the Senator from North Dakota [Mr. Andrews], and the Senator from Pennsylvania [Mr. Specter] were added as cosponsors of Senate Joint Resolution 194, a joint resolution to designate the week beginning October 1, 1985, as "National Buy American Week."

SENATE JOINT RESOLUTION 198

At the request of Mr. Mathias, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of Senate Joint Resolution 198, a joint resolution to designate the year of 1986 as the "Sesquicentennial Year of the National Library of Medicine."

SENATE CONCURRENT RESOLUTION 24

At the request of Mr. Mattingly, the name of the Senator from Virginia [Mr. Warner] was added as a cosponsor of Senate Concurrent Resolution 24, a concurrent resolution to direct the Commissioner of Social Security and the Secretary of Health and Human Services to develop a plan outlining the steps which might be taken to correct the social security benefit disparity known as the notch problem.

SENATE CONCURRENT RESOLUTION 66—REGARDING PROCUREMENT OF THE NEW U.S. WEATHER RADAR SYSTEM

Mr. GORE submitted the following concurrent resolution; which was referred to the Committee on Commerce, Science, and Transportation.

S. CON. RES. 66

Whereas weather radar systems currently operated by civil and military agencies are based on 1950's technology, are rapidly deteriorating, are increasingly costly to maintain, are man-intensive, and do not provide an adequate level of warning;

Whereas severe weather disturbances in the United States disrupt the economy through serious impacts on transportation, agriculture, defense, and industry, and cause an average annual economic loss of $20,000,000,000 and an average annual loss of life approaching one thousand;

Whereas experimental weather radar systems using new technology have proven exceptionally valuable in detecting, monitoring, and giving early warning of severe storms, flash floods, and other life-threatening natural hazards, on a local, statewide, and national basis;

Whereas an advanced weather radar system is now being developed, using the new technology, which will reduce significantly the loss of life and properly associated with severe weather;

Whereas the Nexrad requirements of the involved Federal agencies represent a hard-won consensus of the system capabilities required to protect public safety and national security;

Whereas these requirements have formed the basis over the past five years for development of integrated prototype Nexrad radar systems by the United States private sector;

Whereas Nexrad technologies have demonstrated the capability to detect windshear, a major cause of aviation fatalities, and the deployment of Nexrad would greatly increase the safety of the flying public;

Whereas since 1979 the Nexrad procurement has been guided by the Office of Management and Budget's circular A-109, which is aimed at maximizing private sector competition and minimizing waste in large Federal procurements;

Whereas the A-109 process has led to free and open competition for Nexrad development by any company capable of meeting the system requirements at the lowest cost;

Whereas the Nexrad program to date has kept on schedule, led to enhanced interagency cooperation, and decreased estimated lifecycle costs;

Whereas further delays in procuring this next-generation weather radar system [Nexrad] will increase both costs and risks to the public safety: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that procurement of the new United States weather radar system, Nexrad, continue on schedule and according to the established minimum requirements agreed to by the National Weather Service, the Federal Aviation Administration, and the Department of Defense.

SENATE RESOLUTION 223—REGARDING AUTOMOBILE CARRIERS

Mr. MURKOWSKI submitted the following resolution; which was referred to the Committee on Finance.

S. Res. 223

Whereas United States vehicle imports from Japan, which had previously been limited by the revised voluntary restraint program, were running at 1.85 million units a year;

Whereas with the lifting of the automobile quota, these imports are now projected to increase to at least 2.3 million units this year, or 21.5 percent of the entire United States automobile market;

Whereas the United States is by far the largest single vehicle market for Japan;

Whereas Japanese commercial interests currently control over two-thirds of the world's car carrier fleet and account for more than two-thirds of all worldwide vehicular movements;

Whereas of the total number of ships carrying vehicles from Japan to the United States, one-third are Japanese flag vessels, two-thirds are flag of convenience vessles either owned or controlled by Japanese firms, and none are United States flag vessels;

Whereas United States flag vessel operating costs are competitive with Japanese flag vessel operating costs on a voyage-by-voyage or any other comparative basis;

Whereas Japanese flag vessel costs are actually greater than those of flag of convenience ship operators;

Whereas Japan's dominance of seaborne vehicle transportation is thus not a result of a competitive advantage but is a direct result of commercial cargo preference practiced between Japanese vehicle manufacturers and the Japanese ship owners;

Whereas the Japanese Government has indicated that while all vehicle exports to the United States are transported on Japanese controlled ships, there is little the Government of Japan is willing to do to enable United States participation;

Whereas it is apparent that commercial considerations in the Japan/United States vehicle trade are secondary to the interests and policies which the Japanese Government has chosen to condone;

Whereas it is only fair that United States flag carriers be permitted to participate in this vehicle transportation industry since it is the billions of dollars paid by United States consumers that make this trade possible;

Whereas participation by United States flag carriers in this trade should be on the same terms as participation by Japanese flag carriers;

Whereas United States shipping companies stand willing to build their additional vehicle carriers in Japan so as to make their carrier operations cost competitive;

Whereas United States participation in the vehicle carrier trade would create additional jobs for United States merchant seamen;

Whereas the preference of a reasonable number of United States flag vehicle carriers and the maintenance of United States seafaring jobs is an important national security matter; and

Whereas participation by United States carriers in this vehicle trade would help to reduce the growing and troublesome trade deficit between the United States and Japan: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the President should immediately take action to initiate bilateral negotiations with the Japanese Government to open up the vehicle carrier trade between the United States and Japan to include participation by United States shipping firms in long-term, core vehicle transportation contracts; and

(2) the President should report to the Congress on the progress of such negotiations within 90 days after the date on which the Senate agrees to this resolution.

AMENDMENTS SUBMITTED

SUPERFUND IMPROVEMENT ACT

KASTEN (AND OTHERS) AMENDMENT NO. 635

Mr. STAFFORD (for Mr. Kasten, for himself, Mr. Danforth, and Mr. Hollings) proposed an amendment to amendment No. 633 proposed by Mr. Stafford (and Mr. Bentsen) to the bill (S. 51) to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; as follows:

Inserting "(c)" at the end of Section 402 and adding a new subsection as follows:

"(c) The authority to offer or to provide insurance under this title shall be limited to coverage of pollution liability risks and this title does not authorize a risk retention group or purchasing group to provide coverage of any other line of insurance."

WEICKER AMENDMENT NO. 636

Mr. WEICKER proposed an amendment to the bill S. 51, supra; as follows:

S. 51 is amended by adding on page 84, before line 15, a new subsection as follows:

"(f) The Administrator of the Agency for Toxic Substances and Disease Registry shall, in consultation with the Administrator of the Environmental Protection Agency and other officials as appropriate, not later than March 1, 1986, submit to the Committee on Environmental and Public Works of the U.S. Senate and the Committee on Energy and Commerce of the U.S. House of Representatives, a report on the nature and extent of lead poisoning in children from environmental sources. Such report shall include, at a minimum, the following information:

(1) An estimate of the total number of children, arrayed according to Standard Metropolitan Statistical Area or other appropriate geographic unit, exposed to environmental sources of lead at concentrations sufficient to cause adverse health effects;

(2) An estimate of the total number of children exposed to environmental sources of lead arrayed according to source or source types;

(3) A statement of the long term consequences for public health of unabated exposures to environmental sources of lead and including but not limited to, diminution in intelligence, increases in morbidity and mortality; and

(4) Methods and alternatives available for reducing exposures of children to environmental sources of lead.

Such report shall also score and evaluate specific sites at which children are known to be exposed to environmental sources of lead due to releases, utilizing the Hazard Ranking System of the National Priorities List.

The costs of preparing and submitting the report required by this section shall be borne by the Hazardous Substances Response Fund."

SYMMS AMENDMENT NO. 637

Mr. SYMMS proposed an amendment to the bill S. 51, supra; as follows:

On page 124, line 18, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 125, line 20, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 126, line 10, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 126, line 13, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 126, line 18, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 135, line 21, strike out "$7,500,000,000" and insert in lieu thereof "$5,700,000,000".

On page 155, between lines 14 and 15, insert the following:

"(3) Limitation on amounts expended during any fiscal year.—The amounts expended from the Superfund shall not exceed—

"(A) $600,000,000 during fiscal year 1986,

"(B) $900,000,000 during fiscal year 1987,

"(C) $1,200,000,000 during fiscal year 1988,

"(D) $1,500,000,000 during fiscal year 1989, and

"(E) $1,500,000,000 during fiscal year 1990.

LAUTENBERG (AND OTHERS) AMENDMENT NO. 638

Mr. LAUTENBERG (for himself, Mr. Humphery, Mr. Heinz, Mr. Moynihan, Mr. Bradley, Mr. Byrd, Mr. Rockefeller, and Mr. Stafford) proposed an amendment to the bill S. 51, supra; as follows:

On page 87, after line 16, insert the following and renumber succeeding sections accordingly:

Sec. . Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(d) Emergency Planning.—(1)(A) The President shall publish a list of extremely hazardous substances, taking into account the toxicity, reactivity, volatility, flammability, and usage of such substances. For the purposes of the preceding sentence, the term "toxicity" shall include any acute or chronic health effect which may result from an acute exposure to the substance. The President shall review, and modify as necessary, such list not less often than every two years. Such list shall identify each extremely hazardous substance and shall establish a quantity of each such substance which, if released at a facility, would likely pose an imminent and substantial endangerment to the public health or to the environment. Facilities that have present such a quantity of such a substance shall notify the Governor in accordance with paragraph (2)(A).

"(B) Within 30 days after enactment of the Superfund Improvement Act of 1985, the President shall publish an initial list of substances and quantities as described in subparagraph (A), which shall be the same as substances and quantities listed by the Council of the European Communities in its "Council Directive of June 24, 1982, on the Major Accident Hazards of Certain Industrial Activities, Annex III", published in the Offical Journal of the European Communities, August 5, 1982.

"(2)(A) Not later than 90 days after the date of enactment of the Superfund Improvement Act of 1985, or not later than 60 days after any revision of the list, each owner or operator of a facility (other than motor vehicles, rolling stock, or aircraft) that has present a quantity of a substance that requires notification under paragraph (1) shall notify the Governor of the State in which such facility is located that such facility is subject to the requirements of this subsection. The Governor may designate additional facilities that shall be subject to the provisions of this subsection.

"(B) Not later than 180 days after the date of enactment of the Superfund Improvement Act of 1985, the Governor of each State shall designate emergency planning districts in order to facilitate preparation and implementation of emergency plans. Where appropriate, the Governor may designate existing political subdivisions or multijurisdictional planning organizations as such districts. In emergency planning areas that involve more than one State, the Governors of each potentially affected State may designate emergency planning districts and emergency planning committees by agreement. In making such designation, the Governor shall indicate which facilities designated under subparagraph (A) are within such emergency planning district.

"(C) Not later than 210 days after such date of enactment, the Governor shall appoint members of an emergency planning committee for each emergency planning district. Each Committee shall include representatives of the public, appropriate State and local organizations, and owners and operators of facilities designated under subparagraph (A). In making such appointments, the Governor shall consider persons who would be expected to play a major role in the event of a release of an extremely hazardous substance, such as elected officials, law enforcement and firefighting personnel, public health, medical, hospital, and environmental protection personnel, civil defense personnel, transportation officials, and representatives of broadcast and print media. Interested persons may petition the Governor to modify the membership of such committee. Such committee shall appoint a chairperson and shall establish rules by which the committee shall function. Such rules shall include provisions for public notification of committee activities, public meetings to discuss the emergency plan, public comments, response to such comments by the committee, and distribution of the emergency plan.

"(D) Each emergency planning committee shall complete preparation of emergency plans in accordance with this subsection not later than two years after such date of enactment. The committee shall review such plan at least annually, or as changed circumstances in the community or at any facility may require.

"(E) Each emergency planning committee shall evaluate the need for resources necessary to develop, implement, and exercise the emergency plan, and shall make recommendations with respect to additional resources that may be required, and the means for providing such additional resources.

"(F) Each emergency plan shall include (but is not limited to)—

"(i) identification of facilities designated pursuant to subparagraph (A) that are within the emergency planning district, and identification of routes likely to be used for the transportation of substances listed pursuant to subparagraph (A);

"(ii) methods and procedures to be followed by facility owners and operators and local emergency and medical personnel to respond to any release of such substances;

"(iii) designation of a community emergency coordinator and a facility emergency coordinator, who shall make determinations necessary to implement the plan;

"(iv) procedures providing reliable, effective, and timely notification by the facility emergency coordinator and the community emergency coordinator to persons designated in the emergency plan, and to the public, that a release has occurred (consistent with the emergency notification requirements under section 103(j).;

"(v) methods for determining the occurrence of a release, and the area or population likely to be affected by such release;

"(vi) evacuation plans, including provisions for a precautionary evacuation and alternative traffic routes;

"(vii) training programs, including schedules for training of local emergency response and medical personnel; and

"(viii) methods and schedules for exercising such plan. "(G) The owner or operator of each facility designated pursuant to subparagraph (A) shall—

"(1) within 210 days after such date of enactment, notify the emergency planning committee for the emergency planning district in which such facility is located that a facility representative will participate in the emergency planning process;

"(ii) promptly inform the emergency planning committee of any relevant changes occurring at such facility as such changes occur or are expected to occur; and

"(iii) upon request from the emergency planning committee, promptly provide information to such committee necessary for developing and implementing the emergency plan.

"(H) The National Response Team shall publish guidance documents for preparation and implementation of emergency plans. Such documents shall be published not later than 150 days after such date of enactment.

"(I) The Regional Response Teams shall review and comment upon such emergency plans or other issues related to preparation, implementation, or excercise of such plan upon request of the emergency planning committee. Such review shall not delay implementation of such plans.

"(3) The President may order a facility owner or operator to comply with paragraph (2)(A) and (G) of this subsection. The United States district court for the district in which the facility is located shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $25,000 for each day in which such violation occurs or such failure to comply continues.".

On age 58, after line 20, insert the following and renumber succeeding sections accordingly:

Sec. (a) Section 103 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting the following new subsections:

(i) Material Safety Data Sheets and Emergency Inventory.—(1) Each owner or operator of a facility at which a hazardous chemical is produced, used, or stored shall file a Material Safety Data Sheet and Emergency Inventory form, as published under paragraph (3) of ths subsection, not later than 180 days after enactment of the Superfund Improvement Act of 1985 for such hazardous chemical with the emergency planning committee established under section 105(d), for the area in which such facility is located and the Governor of the State in which the facility is located. In addition, the Emergency Inventory form shall be filed with the Environmental Protection Agency. If no emergency planning committee exists for the area in which a facility is located, the Governor of the State in which the facility is located shall designate appropriate area officials to receive the Material Safety Data Sheet and Emergency Inventory form. The Governor of the State in which a facility is located shall notify owners and operators of facilities required to comply with the provisions of this subsection.

"(2) Whenever a Material Safety Data Sheet is revised (as required under regulations under the Occupational Safety and Health Act of 1970) each such facility owner or operator shall file, as promptly as practicable, but not later than 90 days after such revision, the revised material safety data sheet. On an annual basis, or whenever a significant change occurs in the amount or presence of the hazardous chemical located at the facility, such owner or operator shall file a new Emergency Inventory form with the recipients designated in paragraph (1).

"(3) The President shall publish the Emergency Inventory form in the Federal Register within 90 days of the enactment of the Superfund Improvement Act of 1985. The Emergency Inventory form shall provide for an estimate of the maximum amounts of the hazardous chemical present at the facility at any time during the preceding calendar year (in ranges), a brief description of the use or storage of the hazardous chemical at such facility, and the location of the hazardous chemical at such facility.

"(4) The Material Safety Data Sheets and Emergency Inventory forms shall be made available by the emergency planning committee to the public upon request. If no emergency planning committee exists for the area in which the facility is located, the Material Safety Data Sheets and Emergency Inventory forms shall be made available to the public by the Governor of the State in which the facility is located upon request.

"(5) Nothing in this subsection shall be construed to limit the ability of any State or locality to require submission or distribution of information related to hazardous substances.

"(6) The President may establish quantities for hazardous chemicals below which no facility at which a hazardous chemical is produced, used, or stored shall be subject to the provisions of this subsection.

"(7) The President may order a facility owner or operator to comply with this subsection. The United States district court for the district in which the facility is located shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $25,000 for each day in which such violation occurs or such failure to comply continues.

"(j) Emergency Notification.—(1) The owner or operator of any facility at which a release occurs in an amount requiring a report under subsection (a) shall immediately provide notice of such release to the community emergency coordinator for the emergency planning committees, established pursuant to subsection 105(d), for any area likely to be affected by the release and to the Governor of any State likely to be affected by the release. If an emergency plan prepared pursuant to section 105(d) does not exist, an operator shall instead provide notice to the emergency response authority of the affected jurisdictions.

"(2) Notice under paragraph (1) shall include (to the extent known at the time of the notice)—

"(A) the chemical name or identity of any hazardous substance involved in the release;

"(B) an estimate of the quantity of any such hazardous substance that was released into the environment;

"(C) the time and duration of the release;

"(D) the medium or media into which the release occurred;

"(E) the nature of the health or safety hazard posed by any substance released to the population as a whole and to sensitive populations, and the likely symptoms of exposure at different levels and types of exposure (unless such information is readily available to the emergency coordinator pursuant to the emergency plan);

"(F) proper precautions to take as a result of the release, including evacuation (unless such information is readily available to the emergency coordinator pursuant to the emergency plan); and

"(G) the name and telephone number of the person or persons to be contacted for further information.

"(3) As soon as practicable after a release to which this subsection applies, such owner or operator shall provide a followup notice (or notices, as more information becomes available) updating the information required under paragraph (2), and including additional information with respect to—

"(A) actions taken to respond to and contain the release;

"(B) any known or anticipated acute or chronic health risks associated with the release, and

"(C) where appropriate, advice regarding medical attention necessary for exposed individuals.".

"(b) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding at the end thereof the following new paragraphs:

"(35) 'hazardous chemical' means, for purposes of section 103(i), any substance which is treated as a 'hazardous chemical' pursuant to the Occupational Safety and Health Administration's hazard communication standard (codified in July 1985 to 29 CFR 1910.1200), except that the following substances shall not be treated as a 'hazardous chemical' for such purposes:

"(A) any food, food additive, color additive, drug, or cosmetic regulated by the Food and Drug Administration;

"(P) any manufactured item that contains a hazardous chemical present as a solid which does not result in exposure to the hazardous chemical under normal conditions of use;

"(C) any substance to the extent it is used for personal, family, or household purposes, or is present in the same form and concentration as a product packaged for distribution and use by the general public;

"(D) any substance to the extent it is used in a laboratory, hospital, or medical facility under the direct supervision of a technically qualified individual;

"(E) any substance to the extent it is used in routine agricultural operations; and;

"(F) any substance to the extent it is regulated under the Hazardous Liquid Pipeline Safety Act of 1979 or the Natural Gas Pipeline Safety Act of 1968:

"(36) 'Material Safety Data Sheet' means a material safety data sheet developed for a hazardous chemical pursuant to the hazard communication regulations promulgated under the Occupational Safety and Health Act of 1940 (codified in July 1985 at 29 CFR 1910.1200).".

BAUCUS (AND OTHERS) AMENDMENT NO. 639

Mr. BAUCUS (for himself, Mr. Stafford, Mr. Bentsen, and Mr. Glenn) proposed and amendment to the bill S. 51, supra; as follows:

Page 87, line 16, delete the closed quotations.

Page 87, after line 16, insert the following:

"(d)(1) This subsection applies to facilities—

"(A) which as of July 1, 1985, were not included on, or proposed for inclusion on, the National Priorities List; and

"(B) at which special study wastes described in sections 3001(b) (2)(B) or (3)(A) of the Solid Waste Disposal Act or any leachate from abandoned mine sites are present, including any such facility from which there has been a release of a special study waste or leachate, except that this subsection shall not apply to a facility which does not involve the presence of any such waste or leachate in any significant quantity.

"(2) Pending revision of the hazard ranking system under subsection (c), no facility to which this subsection applies may be added to the National Priorities List unless the Administrator makes the following specific findings, based on facility-specific data:

"(A) as to the status of studies by the Environmental Protection Agency on such waste under the Solid Waste Disposal Act and of regulation of such waste under subtitle C thereof;

"(B) as to the extent to which the hazard ranking system score for the facility is affected by the presence of any special study waste at, or any release from, such facility;

"(C) as to the quantity, toxicity, and concentration of hazardous substances that are constituents of any special study waste at, or release from, such facility, the extent of or potential for release of such hazardous constitutents, and the degree of risk to human health or the environment posed by the release of such hazardous constituents at such facility; *provided that*, the findings in this subparagraph shall be based on actual concentrations of hazardous substances and not on the total quantity of special study waste at such facility; and,

"(D) that based on the findings in subparagraph (C), the degree of risk to human health or the environment posed by such facility is equal to or greater than the risk posed by facilities at which no special study waste is present and which are proposed for inclusion on the National Priorities List.

A person may be subject to liability under sections 106 or 107 under this Act for any waste or release referred to in paragraph (1) of this subsection at any facility to which this subsection applies only if the specific findings required under this paragraph with respect to that facility have been made and such suit against such person supports each specific finding with appropriate facility-specific data. This paragraph shall not apply to any facility that is included on the National Priorities List pursuant to a hazard ranking system revised in accordance with subsection (c) so as to incorporate the factors identified in subparagraphs (C) and (D) of this paragraph.

"(3) Following the Administrator's completion of the applicable special waste study required under section 8002(f), (m), (n), (o), or (p) of the Solid Waste Disposal Act, and the determination required under section 3001(b)(3)(C), or, in the case of a special study described in section 3001(b)(2)(B), the authorization or regulations by Congress pursuant to section 3001(b)(2)(B)), of such Act, if a special study waste is not a hazardous waste listed under section 3001 of the Solid Waste Disposal Act, the waste stream, or one of the constituents thereof, may not be deemed to be a hazardous substance unless such waste, at the facility in question, has one of the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act.

"(4) Nothing in this subsection shall be construed to limit the authority of the Administrator to remove any facility which as of July 1, 1985, is included on the National Priorities List from such list, or not to list any facility which as of such date is proposed for inclusion on such list.

"(5) Nothing in this subsection shall be construed to limit the authority of the Administrator or the Attorney General from seeking abatement of an imminent and substantial endangerment under section 106(a).".

MITCHELL (AND OTHERS) AMENDMENT NO. 640

Mr. LAUTENBERG (for Mr. Mitchell, for himself, Mr. Lautenberg, Mr. Bradley, Mr. Baucus, Mr. Leahy, Mr. Moynihan, Mr. Specter, and Mr. Heinz) proposed an amendment to the bill S. 51, supra; as follows:

On page 161, after line 14, add the following new title:

TITLE IV—INDOOR AIR QUALITY RESEARCH

Sec. 401. Short Title.—This title may be cited as the "Indoor Air Quality Research Act of 1985".

Sec. 402. Findings.—The Congress finds that—

(1) indoor air exposures account for a significant portion of total human exposures to hazardous pollutants and contaminants in the environment;

(2) various scientific studies have suggested that indoor air pollution, including exposure to naturally occurring chemical elements such as radon, poses a significant public health and environmental risk;

(3) high levels of radon have been measured within structures throughout the country and within the Reading Prong;

(4) existing Federal indoor air quality research programs are fragmented and underfunded;

(5) the Environmental Protection Agency's programs on indoor air quality and radon have been hindered by a lack of clear statutory authority for conducting research on indoor air quality; and

(6) an adequate information base concerning potential indoor air quality problems, including exposure to radon, does not currently exist and should be developed by the Federal Government.

SEC. 403. INDOOR AIR QUALITY RESEARCH PROGRAM.

(a) Design of Program.—The Administrator of the Environmental Protection Agency shall establish a research program with respect to indoor air quality, including radon. Such program shall be designed to—

(1) gather data and information on all aspects of indoor air quality in order to contribute to the understanding of health problems associated with the existence of air pollutants in the indoor environment;

(2) coordinate Federal, State, local, and private research and development efforts relating to the improvement of indoor air quality; and

(3) assess appropriate Federal government actions to mitigate the environmental and health risks associated with indoor air quality problems.

(b) Program Requirements.—The research program required under this section shall include—

(1) research and development concerning the identification, characterization, and monitoring of the sources and levels of indoor air pollution, including radon, which includes research and development relating to—

(A) the measurement of various pollutant concentrations and their strengths and sources,

(B) high-risk building types, and

(C) instruments for indoor air quality data collection;

(2) research relating to the effects of indoor air pollution and radon on human health;

(3) research and development relating to control technologies or other mitigation measures to prevent or abate indoor air pollution (including the development, evaluation, and testing of individual and generic control devices and systems);

(4) demonstration of methods for reducing or eliminating indoor air pollution and radon, including sealing, venting, and other methods that the Administrator determines may be effective;

(5) research, to be carried out in conjunction with the Secretary of Housing and Urban Development, for the purpose of developing—

(A) methods for assessing the potential for radon contamination of new construction, including (but not limited to) consideration of the moisture content of soil, porosity of soil, and the radon content of soil; and

"(B) design measures to avoid indoor air pollution; and

(6) the dissemination of information to assure the public availability of the findings of the activities under this section.

(c) Advisory Committees.—The Administrator shall establish a committee comprised of individuals representing Federal agencies concerned with various aspects of indoor air quality and an advisory group comprised of individuals representing the States, the scientific community, industry, and public interest organizations to assist him in carrying out the research program for indoor air quality.

(d) Implementation Plan.—Not later than ninety days after the date of the enactment of this Act, the Administrator shall submit to the Congress a plan for implementation of the research program under this section. Such plan shall also be submitted to the EPA Science Advisory Board, which shall, within a reasonable period of time, submit its comments on such plan to Congress.

(e) Interim Report.—No later than one year after the date of this Act, the Administrator shall prepare an interim report providing—

(A) a preliminary identification of the locations and amounts of radon in structures across the United States, and

(B) guidance and information materials based on the findings of research of methods for mitigating radon.

(f) Report.—

(1) Not later than two years after the date of enactment of this Act, the Administrator shall, in consultation with advisory committees and groups identified in subsection (c), submit to the Congress a report assessing—

(A) the state of knowledge concerning the risks to human health associated with indoor air pollution, including naturally occurring chemical elements such as randon;

(B) the locations and amounts of indoor air pollutants, including randon, in residential, commercial, and other structures throughout the country;

(C) the existing standards for indoor air pollutants, including radon, suggested by Federal or State governments or scientific organizations and the risk to human health associated with such standards;

(D) the research needs and relative priority of these needs;

(E) the potential effectiveness of possible government actions necessary to mitigate the environmental and health risks associated with indoor air quality problems, including radon, in existing and in future structures,

and making such recommendations as may be appropriate.

(2) In developing such report, the Administrator shall consult with the National Academy of Sciences on the scientific issues regarding the quality of indoor air and the risks to human health associated with indoor air pollution.

(g) Construction of Section.—Nothing in this section shall be construed to authorize the Administrator to carry out any regulatory program or any activity other than research, development, and the related reporting, information dissemination, and coordination activities specified in this section. Nothing in this section shall be construed to limit the authority of the Administrator or of any other agency or instrumentality of the United States under any other authority of law.

(h) Authorizations.—There are authorized to be appropriated to carry out the activities under this section not to exceed $3,000,000 for each of the fiscal years 1986 and 1987.

IMMIGRATION CONTROL

SIMON AMENDMENT NO. 641

Mr. SIMON proposed an amendment to the bill (S. 1200) to amend the Immigration and Nationality Act to effectively control unauthorized immigration to the United States, and for other purposes; as follows:

On page 125, after line 23, add the following new title:

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Termination Date for Certain Agricultural Provisions.—

(a)(1) The provisions of section 125 of this Act and amendments made by such section shall terminate 90 calendar days after receipt of the report described in section 124(c) of this Act unless there is enacted within 90 calendar days a joint resolution stating in substance that Congress approves the continued applicability of the provisions of section 125 and amendments made by such section.

(2) Any joint resolution referred to in paragraph (1) of this subsection shall be considered in the Senate in accordance with subsection (c).

(b) Expedited Procedures in the House of Representatives.—For the purpose of expediting the consideration and adoption of joint resolutions under subsection (a), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

(c) Expedited Procedures in the Senate.—(1) For purposes of subsection (a), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.

(2) Paragraphs (3) and (4) of this subsection are enacted—

(A) as an exercise of the rulemaking power of the Senate and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of joint resolutions referred to in subsection (a), and supersede other rules of the Senate only to the extent that such paragraphs are inconsistent therewith and;

(B) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner as in the case of any other rule of the Senate.

(3)(A) If the committee of the Senate to which has been referred a joint resolution relating to the report described in subsection (a) has not reported such joint resolution at the end of ten calendar days after its introduction, not counting any day which is excluded under paragraph (1) of this subsection, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other joint resolution introduced with respect to the same report which has been referred to the committee, except that no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same report.

(B) A motion to discharge subparagraph (A) of this paragraph may be made only by a Senator favoring the joint resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the joint resolution, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(4)(A) A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resoltuion is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a joint resoluion, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a joint resolution is in order in the Senate.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding a hearing on October 2, 1985, in Senate Russell 485, beginning at 10 a.m., on S. 1558, a bill to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada, and for other purposes. Those wishing additional information on this bill should contact Peter Taylor, staff director, John Vance, staff attorney, or Patricia Zell, staff attorney, of the committee at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. WILSON. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, September 18, between the hours of 10 a.m., and 12:30 p.m., and 3 p.m., and 5 p.m., to mark up S. 616, the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. WILSON. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, September 18, 1985, in closed session, to receive a briefing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. WILSON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, September 18, 1985, in order to receive testimony concerning S. 1437, a bill to amend the Controlled Substances Act relating to "Designer Drugs."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. WILSON. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Wednesday, September 18, 1985, in executive session, in order to consider legislation to reduce the Federal deficit, for the fiscal years of 1986, 1987, and 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. WILSON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, September 18, 1985, in order to receive testimony on the attached nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION, AND GOVERNMENT PROCESSES

Mr. WILSON. Mr. President, I ask unanimous consent that the Subcommittee on Energy, Nuclear Proliferation, and Government Processes, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, September 18, 1985, at 2 p.m., to hold a hearing on enumeration of undocumented aliens in the decennial census.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE SALT II TREATY

● Mr. CHAFEE. Mr. President, today I joined with my colleagues, Senators Bumpers, Leahy, and Heinz in sending a bipartisan letter to President Reagan urging continuation of the policy of interim restraint and continued support of the unratified SALT II treaty.

Today the U.S.S. *Alaska* goes to sea trials. This means that unless the United States dismantles the launchers of a Poseidon submarine or 14 minuteman III's we would surpass the SALT II subceiling of 1,200 MIRV'ed. In June of this year, the Senate by a vote of 90 to 5, passed a sense of the Senate resolution reiterating its determination to abide by the SALT limits and our policy of interim restraint.

I am, therefore, pleased to announce that as the *Alaska* readies for her trials, the U.S.S. *Sam Rayburn*—a Poseidon submarine—is in the final stages of dismantlement, assuming that the United States will not exceed existing SALT II limits.

This important decision by the President to take compensating action for the deployment of the *Alaska* is in the best interest of U.S. security and will heighten the prospect for renewed arms control negotiations in Geneva. I believe that common ground between the United States and the Soviet Union exists and must be pursued on the subject of interim restraint. Both countries have functioned within the SALT II limits with only minor infractions; we must now seek to strengthen this interim framework until a new arms agreement is achieved, a process that may well take several years.

I ask that the text of our letter to the President be printed in the Record.

The letter follows:

U.S. Senate,
Committee on Appropriations,
Washington, DC, September 18, 1985.

President Ronald W. Reagan,
The White House,
Washington, DC.

Dear Mr. President: We are writing to express our strong support for your decision to meet with Secretary Gorbachev in Geneva in November and to urge that arms control have a high priority in your agenda for the talks. This meeting provides an important opportunity for both sides to overcome the stalemate in the Geneva negotiations, discuss fundamental U.S. concerns about Soviet compliance with arms control obligations, and consider ways to halt the erosion in existing restraints.

You and your advisers have counseled caution about expectations for the outcome of this meeting. We believe, however, that there is the potential for agreement on at least one important aspect of arms control: interim restraint policy.

We firmly agree with your declaration on June 10 that "despite the Soviet record over the last years, it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva". Your June decision to dismantle a Poseidon submarine when the USS Alaska goes to sea trials was an important initiative that enhances U.S. security interests and forms the basis to strengthen the interim restraint regime at the summit. It is clearly in our interest to keep the Soviets from exceeding the SALT II MIRV ceilings and SALT I submarine limits, which they currently are observing.

While we all remain hopeful for a new arms agreement soon, we agree with your assessment that it could well be several years before a new agreement is reached. Accordingly, it is important that the existing interim framework be strengthened to last until such an agreement can be reached. A breakdown of these limits would only accelerate the arms competition and damage U.S. security interests.

While both the U.S. and the Soviet Union have made unilateral statements at different times regarding their interim restraint policy, there has been no joint agreement on this vitally important issue. Given the similarity in the public statements made by both sides, agreement on a common position should be possible. This could also be joined by language dealing with avenues for resolving concerns about compliance with specific aspects of existing agreements.

We encourage you to pursue and seek agreement on the issue of interim restraint policy with Secretary Gorbachev in your upcoming meeting in Geneva. We wish you all the best for a successful summit.

Sincerely,

John H. Chafee.
Patrick Leahy.
Dale Bumpers.
John Heinz.●

MISSILE DEFENSES FOR NATO?

● Mr. QUAYLE. Mr. President, one of the issues in the current debate over the President's strategic defense initiative [SDI] is what it can contribute to our defense and that of our allies in the near-term. The program's critics argue that the program has nothing to offer for our allies and that in the near-term there are no programs of interest for our security.

Such criticisms, though, are short-sighted. As former Under Secretary of the Navy and Packard Commission member R. James Woolsey argues in a recent article in Armed Forces Journal International, SDI could be critical in our efforts to prevent the worst in Europe.

Currently, the Soviet trump card in any European crisis will be to use SS-20's, SS-21's, SS-22's and SS-23's in precise, discriminate attacks against NATO's airfields, depots, and command and control centers. Many of these missiles, Woolsey points out, now are or soon will be accurate enough to destroy their targets with conventional or chemical warheads alone. Thus, the Soviets will be able to threaten NATO's key military assets without going nuclear and do so even after NATO's recent efforts to improve its active and passive defenses.

SDI could help but only if a portion of its funding is devoted to a serious effort to develop antitactical ballistic missile [ATBM] defenses. Such defenses would not violate the ABM Treaty. Indeed, the Soviets are fielding such systems in their SA-10 system and are close to deploying another in their SA-X-12.

Mr. President, as the Senate considers the value of SDI, it is critical that it understand what near-term pay-offs are possible. In the hopes that wider distribution of Mr. Woolsey's article will clarify the true opportunities SDI offers, I ask that the full text of his article be printed in the Record.

The article follows:.

Memo for: SDI Supporters and Critics
Recommendation: Try Collective Security

(By R. James Woolsey)

The debate over the Strategic Defense Initiative—Star Wars, if you like—has deteriorated into a national and indeed an Alliance-wide version of a grouchy old married couple's favorite spat—their pastime on evenings when there's nothing on television. The first time an outsider witnesses it, such a spat may seem mildly interesting, if only for its vigor—in spite of the well-worn and oft-stated positions of the adversaries. But if such an observer, through boredom or otherwise, should chance to offer a suggestion—a compromise perhaps—he runs the severe risk that both the husband and wife will turn angrily on him. To tell the truth, they are really very comfortable with their spat. Indeed, if you must know, they often have it even on evenings when there is something on television. It's their favorite thing to do.

Such a couple may, indeed should, be left alone to their pursuit of happiness. But—in spite of the hazards of intervention—the more hot-tempered critics of, and the more exotic dreamers about, strategic defense deserve no such deference. Their current spat is about the number of hypothetical satellites carrying boost-phase interceptors that can, or should, dance on the head of a constellation. In general, this is all getting tedious; it has created the impression that only physicists and metaphysicians have a role in the SDI debate.

In deciding how to deal with the SDI issues, the rest of us would be well advised to start from the proposition, well explicated by Albert Wohlstetter in the current issue of *Foreign Affairs*, that the Soviets would far prefer to advance their cause with the least possible risk to themselves. Thus it is far less likely that we will be hit by a bolt-from-the-blue attack by zillions of Soviet ICBMs than by militarily-backed political blackmail, terrorism, chemical warfare, conventional attack against a NATO flank, or—if nuclear weapons should be used—limited regional use of a few such weapons against military targets. Being able to defeat, and hence to deter, these sorts of threats should have a high priority. It is important, then, that parts of the technology now being investigated for the Strategic Defense Initiative could be quite relevant to blocking some of these Soviet moves.

For example, in Europe today the Soviets are deploying a new generation of tactical ballistic missiles with ranges up to around 500 miles—all of shorter range than the famous SS-20. They can be equipped not only with nuclear but also with chemical warheads; they also either have, or in the near future will have, the accuracy to carry effective sophisticated conventional warheads—e.g., those designed to destroy runways. Thus, these tactical ballistic missiles are an important Soviet trump card in any crisis in Europe. Within minutes they can strike NATO's airfields, depots, and command and control centers even in a *non*-nuclear war, and they make possible an effective end-run around NATO's recent hard-won and long-overdue improvements in air defenses.

The Soviets are quite far along in their own work on defense against tactical ballistic missiles—their new SA-X-12 defensive missile can be so used. Tests of defensive systems against tactical ballistic missiles, if conducted properly, do not violate the ABM treaty; the latter deals explicitly with systems tested against *strategic* missiles.

This year the White House, the Department of State, and the Secretary of Defense in his *Annual Report* have all stressed that defense against non-nuclear tactical ballistic missiles is an important aspect of strategic defense. But virtually no funds have been committed to such a program. It would seem that—at a time when Western European and Congressional support for some of the more ambitious goals and exotic approaches of SDI is reluctant, at best—there would be real utility in using the SDI program to solve an important and immediate military problem for the Alliance.

European fears about SDI leading to a Fortress America could be assuaged if the US and its Allies were to make a serious effort, together, to develop tactical ballistic missile defenses for NATO. Politically, it would seem useful to try to bring under the SDI umbrella those Members of Congress and Europeans who would favor enhancing NATO's conventional defenses and who might favor defensive deployments consistent with the current provisions of the ABM treaty, but who remain skeptical about space-based leak-proof defenses of population.

An effort to develop antitactical ballistic missile defense would not make it necessary for those who are particularly keen for, and hopeful about, SDI's more ambitious and long-range objectives to renounce such hopes. Indeed, some of the same technology that would be relevant to an effective defense against the longer-range Soviet tactical ballistic missiles, particularly the SS-23s, could also be applicable in a more ambitious form to defend against SLBMs and ICBMs—e.g., airborne optical sensors and fast kinetic-energy interceptors.

Cohesion within NATO and bipartisan support for the defense program in Congress are essential for either successful modernization of our military forces or successful arms negotiations with the Soviets. Why can't those SDI supporters and critics who at least agree on this, and on the importance of improving NATO's conventional defenses, also agree on making *anti-tactical* ballistic missile defense an important part of the SDI program?

These groups may still disagree about the likely cost and feasibility, even the desirability, or more ambitious SDI deployments, but there is time enough for research, arms negotiations, or both to resolve those disputes.

In the meantime, SDI supporters need to ask themselves whether it would really compromise their ideals to use their program to deal with a serious threat to NATO that provides somewhat less technical challenge than does building a perfect space-based defense. And critics need to examine whether they are so opposed to SDI that they can't even stand to have it associated with an objective that most of them support strongly—improving NATO's conventional defenses. Both sides in the debate now have an important choice to make—they can solve a real and immediate military problem, or they can join the spat.

HENDERSONVILLE FREE PRESS

● Mr. GORE. Mr. President, 10 years ago this week, the Hendersonville Free Press published its first edition.

The Free Press was founded on the principle that a free newspaper reaching every home would best serve the needs of a growing community. For the first time, it offered businesses a way to promote their goods and services to all. Such advertising, in turn, has enabled the Free Press to continue weekly delivery for a decade.

This is Constitution Week as well as National Newspaper Week, so it seems especially fitting to salute the Hendersonville Free Press. Since the days of Benjamin Franklin and Poor Richard's Almanac, small community newspapers have formed the core of journalistic freedom in America.

Under the guidance of its founder, Norma Condra, the Hendersonville Free Press has exemplified the commitment to truth, fairness, and professionalism that makes the American newspaper such a remarkable institution.

On behalf of Tennessee and the Congress, I commend the Free Press and its entire staff for their continuing contribution to our society.●

PRIVATE ENFORCEMENT OF UNFAIR COMPETITION STATUTE

● Mr. D'AMATO. Mr. President, I am pleased to be an original cosponsor of a bill, S. 1655, which provides for private enforcement of the Unfair Competition Statute in the event of unfair foreign competition. This needed legislation has been introduced by my distinguished colleague from Pennsylvania. This bill will create a private right of action for victims of unfair trade practices.

Mr. President, I was dismayed and shocked as I heard witnesses describe to me the illegal and unfair practices of our trading partners at the recent Joint Economic Committee hearings I chaired in New York on international trade relations. These practices include foreign nations subsidizing targeted industries, dumping their products into the U.S. marketplace, and using fraudulent methods to circumvent U.S. customs laws. The use of these methods is to the detriment of U.S. businesses as these foreign nations increasingly capture an even larger share of our market.

U.S. companies neither discourage, nor are afraid of, competition, but they must not be forced to compete against those who insist upon using illegal methods of competition. It is for these reasons that we need to strengthen our present laws. U.S. companies need a swift and viable remedy to correct these injustices.

Mr. President, I believe that this legislation will be a significant step to correct these unfair trade practices. The creation of a private right of action will allow private parties to immediate file a suit in Federal district court or the Court of International Trade and seek a speedy remedy, namely an injunction.

Mr. President, a look at our trade deficit is a constant reminder that we need the type of action that this legislation offers. I urge my colleagues to expeditiously act on this important legislation.●

MULTIFAMILY MORTGAGE PASSTHROUGH SECURITY

● Mr. D'AMATO. Mr. President, I am pleased to rise in recognition of a significant development in the secondary mortgage market. The Federal Home Loan Mortgage Corporation, Freddie Mac, recently introduced the first mortgage-backed security backed exclusively by newly originated multifamily loans.

Freddie Mac was the pioneer in the secondary market for conventional multifamily loans in 1972. Since that time, Freddie Mac has purchased almost $3 billion in multifamily loans. This latest security, however, creates the first on-going program to finance exclusively the purchase of newly originated multifamily mortgages. This approach involves no Federal subsidy, but merely taps the capital markets more effectively.

I believe most of my colleagues would agree that there is a shortage of rental housing units in this country. Freddie Mac's unique program is a major step toward alleviating this shortage and providing a greater flow of funds into the multifamily sector of the housing market at potentially lower interest rates. The mortgages backing the new multifamily security will represent a variety of multifamily dwellings, including high-rise and low-rise buildings, garden apartments, and townhouse apartments with a minimum of five units.

The first offering of the multifamily security will represent approximately $800 million in multifamily mortgages. I was especially pleased to learn that 21 percent of the $800 million represent multifamily properties in my State of New York. I also was pleased to learn that Freddie Mac contemplates marketing $100 million of this first security issuance to European investors. This will be the first time any secondary market participant has taken an entire deal of mortgage pass-through securities to be sold internationally and tapped a new source of additional mortgage funds.

Freddie Mac's new multifamily mortgage security is one more item on a long list of accomplishments that represent its continuing commitment to providing affordable housing for all Americans. Freddie Mac should be commended for another fine effort.●

INTERIM RESTRAINT

● Mr. LEAHY. Mr. President, on June 10, 1985, President Reagan made an historic decision. After years of criticizing the SALT II treaty, he announced his intention to continue to abide by the provisions of the unratified treaty. Specifically, the President directed the Department of Defense to "deactivate and disassemble" the missile launchers on an existing Poseidon submarine as the seventh *Ohio* class missile-firing submarine, the U.S.S. *Alaska*, puts to sea. By this action, the United States will remain within established SALT MIRV'd launcher ceilings. His decision came after a 90-5 vote of the Senate for an amendment my friends, Senators Bumpers, Chafee, Heinz, and I introduced supporting that policy.

Today, as the *Alaska* begins her sea trials, the launchers on an older Poseidon submarine, the U.S.S. *Sam Rayburn* are in fact being dismantled. I am as convinced now as I was 2 years ago when Senator Bumpers and I began building a bipartisan coalition to save existing arms limits, that preserving the SALT regime is in the national security interest of the United States.

Yet Mr. President, there are many within the administration and even in Congress who believe the President's June decision was a bad one. These same people would like to see this Nation unilaterally break through the SALT limits at the earliest available opportunity.

Indeed, in the spring of 1986, they will have two such opportunities to try to destroy interim restraint. The United States will be in a position to surpass the SALT ceilings at that time, either by exceeding the subceiling of 120 bombers armed with cruise missiles or by failing to undertake further dismantling when the eighth Trident submarine, the U.S.S. *Nevada*, begins sea trials.

It is time that President Reagan separate the arms control process from ideological and bureaucratic struggles within his administration. He can do so, while strengthening the current mutual observance of SALT, by seeking Mr. Gorbachev's agreement in Geneva to preserve the existing arms control limits.

That is why I, along with my distinguished colleagues, Senators Bumpers, Chafee, and Heinz, have today written President Reagan urging him to seek an unambiguous understanding at the summit to continue observing the SALT treaties pending the conclusion of a new arms agreement.

As we state in our letter: "While both the United States and the Soviet Union have made unilateral statements at different times regarding their interim restraint policy, there has been no joint agreement on this vitally important issue. Given the similarity in the public statements made by both sides, agreement on a common position should be possible. This could also be joined by language dealing with avenues for resolving concerns about compliance with specific aspects of existing agreements."

By this act alone, the President can at the very least insure that the efforts of our negotiators will not be overtaken by the acceleration of a new arms race—an arms race that will not strengthen the security of the United States.

It is time for President Reagan to take the arms control initiative away from the Soviet leader. Agreement between the superpowers to continue interim restraint may well be the vital ingredient to gain time for meaningful progress at the negotiating table. It is certainly worth trying for in Geneva.●

ANNIVERSARY OF AIR FORCE

● Mr. D'AMATO. Mr. President, I rise today in honor of the 38th birthday of the U.S. Air Force. I salute this youngest branch of the military that has become one of our most strategically important services. The development of the Air Force has been both rapid and astounding.

In 1907, only 4 years after the Wright brothers flew the first plane, the aeronautical division of the Army was established. It was not the first time the American military had used aviation. In the Civil War, the Union Army had used balloons to detect troop movement, and in the Spanish-American War, the U.S. Army used balloons on San Juan Hill to track artillery fire. Two years after the aeronautical division was established, the Wright brothers delivered the first army plane at a cost of $30,000. It set a record with a flight that lasted 1 hour 12 minutes 40 seconds and flew 42.5 miles per hour. Today, the F-111 can fly as high as 59,000 feet and as far as 2,925 miles, all at 1,850 miles per hour. We've come a long way, but that advancement took time.

It was not until World War I that the aircraft really became a weapon. At the beginning of that war, fliers were still scouts, but when Anthony H. G. Fokker perfected a machine gun that could fire between the revolving propeller blades the friendly relationship between fliers soon ended. Enemy pilots began to seek one another out for dogfights in the sky.

Due to this competition, planes developed rapidly during World War I. At the beginning of the war, an aircraft could fly 90 miles per hour; by the end they could fly more than 150 miles per hour. The United States had entered the war with almost no air power, but Congress moved swiftly and appropriated $640,000,000 for military aviation.

By World War II, it had become clear that one would need to rule the sky if one were to maneuver quickly and safely on the gound and at sea. At the height of the Army Air Force's strength during the war there were 2,411,000 members and 80,000 planes. These planes dropped 2 million short tons of bombs and destroyed 40,000 enemy planes.

The United States realized just how significant the role of air power had become. In 1947, the United States created the U.S. Air Force as a separate department. Today, the USAF includes missiles as well as planes. Particularlly with the inclusion of ICBM's in our arsenal, the USAF represents an amazingly sophisticated and lethal fighting force. We honor it today, we respect it, and I, as a father of four, pray that its great power can be used, but only as a deterrent—a deterrent to preserve peace for our world and our children. Only through our strength can our future be ensured.●

DEFENSE SPENDING PRIORITIES

● Mr. **BUMPERS**. Mr. President, yesterday's Washington Post carried a disturbing news story on this administration's defense spending plans that illustrates its dangerously misplaced defense priorities. It indicates that once again, the Pentagon will overemphasize glamorous high-tech weapons of little value and short-change our real defense needs: readiness items, such as ammunition, trucks, and spare parts; increased training; and new but less glamorous weapons. Coming in the light of the President's claim that the military strength of the United States is inferior to the U.S.S.R. shows there is real cause for concern about the fundamental management of U.S. forces at the highest levels in this country.

According to the Post article, which echoes stories from other sources in recent weeks, the Defense Department recognizes that their overoptimistic spending plans for the next 5 years are unrealistic in this era of mega-deficits, and they are restructuring their spending plans. I applaud their recognition of these fiscal realities, and I recognize that the cuts will not be easy for them to make. If it is any consolation to them, they are experiencing a milder version of the same disease that has ravaged their sister agencies in the civilian side of Government for the last several years.

To quote from the story, the Pentagon is;

> Trying to cut their budgets for fiscal 1986 through 1990 without canceling prized hardware programs. The result, critics in the Pentagon predicted, will be less money devoted to preparing the services to fight, particularly a long war.

I might point out that a long war in this case means one that will last longer than 3 weeks.

According to the story, the Army will abandon its plans to buy and stockpile enough ammunition to fight in Europe for 60 days. Now everyone recognizes that we are short on ammunition. Giving up on trying to increase our current stocks is the same as conceding right now that we intend to lose if a conventional war breaks out in Europe We'll either have to surrender or we'll have to go nuclear—and either of those choices I call losing.

How are we supposed to get our allies to do more in the reserve ammunition area if we give up on our own plans? This undercuts the very important initiatives that our esteemed Senator Sam Nunn has launched to get our allies to stockpile more ammunition.

I ask that a copy of the Post article be placed in the Record.

Yet at the same time these cuts in ammunition, in spares, in training, and other areas will take place, the President will still spend billions on high-tech glamor weapons that either are useless, dangerous, or won't work. The administration will ask for $1.8 billion for 12 MX missiles, that will be vulnerable to a Soviet first strike. The administration will ask for almost $5 billion for star wars, which is the most ill-conceived program this country has ever embarked upon. Even if star wars worked perfectly, it wouldn't do a thing to stop Soviet bombers and cruise missiles.

Why are we funding such systems at the same time we are starving essential needs?

Well, as Harry Truman's little wooden sign that sits on President Reagan's desk says, "The Buck Stops Here." These decisions are the responsibility of the President and his people, who have a distorted view of basic military realities. The President showed last evening, his fundamental misunderstanding of military realities when he said:

> I have to say that the United States, in spite of some of the misinformation, that has been spread around, the United States is still well behind the Soviet Union in literally every kind of offensive weapon, both conventional and in the strategic weapons.

Where does the President get this information? Perhaps, disturbingly, he gets it from his National Security Adviser, Robert "Bud" McFarlane, who just the day before told the Air Force Association that:

> The Soviet Union has established an offensive building program which has placed us at a disadvantage at every measure in strategic nuclear power.

The President and his chief military adviser are just plain wrong, and I don't understand how we were "back and standing tall" a short time ago, and now, after $500 billion more has been spent, we're behind.

What is probably most worrisome is that they are probably making their decisions on defense spending, defense policy, and arms control on the basis of these assertions. It certainly appears evident in the Post story about how this administration will trim its defense spending plans.

It's just not true that we are behind the Soviets in every category as the President asserts, and I wish that he and his advisers would get their facts right and quit putting America down. We're strong. We have defense problems, and we need to work on them, but we're not behind the Soviets across the board.

For example:

We lead the Soviets in the most important measure of strategic capability, the total number of strategic warheads, by about 11,500 to 9,500.

We lead the Soviets in submarine missile warheads, 6,100 to 2,500. We lead the Soviets in Mirved SLBMS, 648 to about 300. Our sub-based missiles are much more accurate than their Soviet counterparts. And our subs are much quieter.

We lead the Soviets in bomber weapons, 3,500 to less than 1,000. We lead the Soviets in cruise missiles, both quantitatively and qualitatively.

We lead the Soviets in strategic technology. We have far more solid-propellant missiles, our accuracies are generally better, our subs are quieter, we keep more of our forces on alert.

Even in conventional forces, where I think we should be putting more emphasis, there are areas where we have important leads, such as:

In tankers, which are crucial for extending the reach of all our air capabilities, we outnumber the Soviets 645 to 50. And each of those 645 is significantly more capable than the Soviets. What's more, we are putting new engines on a lot of our tankers, making them even more capable.

In airlift, we have far more airlift capability than the Soviets, both quantitatively and qualitatively. The Soviets have just build their first jumbo transport plane, which we have had for 15 years.

The Soviets have nothing comparable to our MLRS system, which I am proud to say is made with pride in Arkansas.

The Soviets are behind us in overall naval capabilities. We still outspend them in this area. We have more carriers than they do, they are larger, and they are far more effective. What's more, the Soviets aren't even in the same league as we are in naval air capabilities.

Every Chairman of the Joint Chiefs has for over 10 years, has stated that they wouldn't consider trading our defense posture for the Russians.

Mr. President, I could go on and on, but I think the point is clear. The President and his advisers are seriously mistaken when they claim the Soviets are ahead of us everywhere. That kind of attitude is affecting our defense planning priorities, having us spend too much on MX and star wars and enough on ammunition and trucks. We do have defense problems, but not the ones the President describes.

The article follows:

5-Year Pentagon Budget Plan Facing $300 Billion in Trims

SEA CHANGE IN REARMAMENT UNDER WAY

(By George C. Wilson)

President Reagan's rearmament program is undergoing a fundamental restructuring as White House and Defense Department leaders scramble to adjust to what they estimate will be a slash of at least $300 billion in the next five-year defense plan, administration officials said yesterday.

"We're in a sea change," said one veteran of the Pentagon budget battles.

Despite the new austerity, Pentagon officials said, the military services are trying to cut their budgets for fiscal 1986 through 1990 without canceling prized hardware programs. The result, critics in the Pentagon predicted, will be less money devoted to preparing the armed services to fight, particularly a long war.

To cope with the new budget reality, the Army will buy less ammunition, the Navy will buy fewer ships, the Air Force will cancel marginal programs and the Marine Corps will reassess its modernization program.

The White House's Office of Management and Budget, in its recently published "Mid-Session Review of the 1986 Budget," projected $291 billion less for defense in fiscal 1986 through 1990 than Reagan had earmarked for his rearmament effort as recently as April.

White House officials said that Defense Secretary Caspar W. Weinberger this year, in contrast to the past when he appealed to Reagan for more money, appears to be resigned to seeing his budget slashed. "Cap has seen the writing on the wall," said an aide in agreeing there would be no Weinberger versus OMB rematch fight.

Pentagon officials who have been involved in the feast-and-famine cycles of defense funding through several administrations predicted that the real cut for that five-year period will be more than $400 billion.

Weinberger and his deputy, William H. Taft IV, rather than dictate cuts, have directed the armed services to slash their budgets for the next five years in proportion to what they have received in the past, Pentagon officials said.

Critics said changes in the rearmament program are so extensive that civilian rather than military leaders should reassess current strategy and make the necessary reductions. Weinberger in his 4½ years of running the Pentagon has concentrated on raising record amounts of money rather than directing how the services spend it.

The White House, in making its projections, assumed the Defense Department would receive annual increases of 3 percent above inflation from Congress, and even that is an overly optimistic assumption in the view of many congressional leaders. Congress' funding cuts have been brought on by the increasing federal deficit and fears that the Pentagon was not spending its money wisely.

Taft, in one directive issued on a recent Thursday, urged the armed services to find savings of $228 billion by the following Monday for the five-year, fiscal 1986–90 period, Pentagon officials said.

The Army, Pentagon sources said, will not say so publicly, but to save billions it has virtually abandoned Reagan's objective to buy and stockpile enough ammunition to fight in Europe for 60 days.

In doing so, officials said, the Army is using an argument Congress made in questioning the stockpiling. U.S. allies have only enough ammunition to fight about 20 days, goes the argument, so why should the Army spend billions to fight alone for 60 days?

As for the Navy, said one Pentagon critic, it "will get its 600 ships by 1990, but they will be carriers and rowboats because of budget constraints." The Congressional Research Service has issued a report by Ronald O'Rourke that said the Navy will not be able to afford the 137 cruisers and destroyers Navy leaders said they needed to protect carriers and other ships.

The publication Defense Week said yesterday that the Navy is proposing to buy three rather than five DDG51 class destroyers a year as part of its response to the budget crunch. Stretchouts in other ship programs are in prospect, Pentagon officials said, including submarines.

The Air Force already has agreed to cancel two aircraft procurement programs, the Fairchild T46 trainer and the Sikorsky HH60, a Blackhawk helicopter modified for special operations, such as landings behind enemy lines.

And, according to Pentagon officials, the Air Force is looking for more cuts. Deploying the small, mobile Midgetman missile would cost more than deploying more giant, silo-busting MX rockets, Air Force officials said, in acknowledging that retrenchment is throwing a different light on strategic choices.

The Marines want to buy a new fleet of assault aircraft designated the JVX, but the price tag of $40 billion to $50 billion for 550 of the "tilt-rotor" planes is giving Pentagon officials second thoughts as they look ahead at years of relative austerity when they had counted on years of plenty, sources said.

In April, the OMB predicted annual increases in defense money would range from 8.8 percent 13.4 percent from fiscal 1986 through 1990, not allowing for inflation. In its Aug. 30 mid-session review, OMB forecast annual increases between 3.9 percent and 7.2 percent. Under White House inflation assumptions, this would provide for a real growth of about 3 percent for fiscal 1987 through fiscal 1990.

ORDERS FOR THURSDAY

Mr. **HEINZ**. Mr. President, I believe that concludes the business of the Senate for today. Therefore, I will propound a series of unanimous-consent requests which have been cleared with the leadership on the other side.

RECESS UNTIL 10 A.M.

Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 a.m. on Thursday, September 19, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

Mr. **HEINZ**. Further, Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. Proxmire] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. **HEINZ**. Mr. President, following the execution of the special order just identified, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond the hour of 10:30 a.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUME CONSIDERATION OF S. 1200

Mr. **HEINZ**. Following the conclusion of routine morning business, the Senate will resume consideration of S. 1200, the immigration bill.

Mr. President, the majority leader advises that rollcall votes are expected throughout the day.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. HEINZ. Finally, Mr. President, I ask unanimous consent that the Senate now stand in recess in accordance with the previous order.

There being no objection, the Senate, at 6:12 p.m., recessed until Thursday, September 19, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 18, 1985:

U.S. INSTITUTE OF PEACE

The following-named persons to be Members of the Board of Directors of the United States Institute of Peace for terms of 4 years expiring January 19, 1989, new positions.

Dennis L. Bark, of California.

Evron M. Kirkpatrick, of Maryland.

DEPARTMENT OF AGRICULTURE

Vance L. Clark, of California, to be Administrator of the Farmers Home Administration, to which position he was appointed during the last recess of the Senate, vice Charles Wilson Shuman, resigned.

FEDERAL ELECTION COMMISSION

Thomas John Josefiak, of Virginia, to be a member of the Federal Election Commission for a term expiring April 30, 1991, to which position he was appointed during the last recess of the Senate, vice Frank P. Reiche, term expired.

DEPARTMENT OF STATE

Hugh Montgomery, of Virginia, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador, to which position he was appointed during the last recess of the Senate.

Herbert Stuart Okun, of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be the Deputy Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary, to which position he was appointed during the last recess of the Senate.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

Robert E. Rader, Jr., of Texas, to be a member of the Occupational Safety and Health Review Commission for the term expiring April 27, 1991, to which position he was appointed during the last recess of the Senate, vice Timothy F. Cleary, term expired.

John R. Wall, of Ohio, to be a member of the Occupational Safety and Health Review Commission for the term expiring April 27, 1987, to which position he was appointed during the last recess of the Senate, vice Robert A. Rowland.

CONFIRMATION

Executive nomination confirmed by the Senate September 18, 1985:

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Adm. Ronald J. Hays, 438-38-4391/1310, U.S. Navy.

HOUSE OF REPRESENTATIVES—*Wednesday, September 18, 1985*

The House met at 11 a.m.

The Reverend Robert L. Tate, rector, Christ Episcopal Church on Capitol Hill, Washington, DC, offered the following prayer:

Almighty God, source of all goodness and love, so guide the leaders of the nations of the Earth, and especially the elected Representatives of the United States of America gathered here today, that the words they speak may echo Your Holy Word, and the laws which they enact may correspond to Your Holy Law. Inspire, we pray, the Members of this House with the spirit of wisdom and truth, that they may be worthy of their high calling as servants of the American public, and may work diligently to establish peace and justice for all Your people, through Jesus Christ our Lord, who lives and reigns with You, in the unity of the Holy Spirit, one God, for ever and ever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REV. ROBERT L. TATE

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute.)

Mr. GONZALEZ. Mr. Speaker, I wish to express my profound gratitude to you and to our Chaplain, Reverend Ford, for having given the opportunity today to say the official prayer as the chaplain of the day to Rector Robert L. Tate of the Christ Episcopal Church here in Washington on the Hill.

As my colleagues could see, he is a mere 34 years of age, but one of the most inspiring figures I have seen in the ministry. I think that we are most privileged today in the House to have had the prayer offered in behalf of the Congress and the country by this inspired, young minister, so imbued with his calling that anyone within his area of influence cannot help but be susceptible to it.

He has an illustrious record of preparation. He graduated summa cum laude from Princeton and the Yale School of Divinity. He is married to a graduate of Brown University who is teaching at the Cathedral here in Washington.

So it is most inspiring to see this young minister, a man of God truly speaking, so dedicated, because I think it is the greatest insurance we have in our country for our own continued and ultimate well being and ultimate salvation.

Christ Episcopal Church is the most historic church in Washington. It was the first congregation established around 1794 in an old tobacco warehouse. I invite my colleagues to visit the present Christ Episcopal Church. It is here on the Hill near the Marine Barracks. You will be inspired and hopefully will establish some communication and friendship with Rector Robert Tate.

THE 40TH ANNIVERSARY OF FOUNDING OF UNITED NATIONS

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUDD. Mr. Speaker, this year marks the 40th anniversary of the founding of the United Nations. Dozens of laudatory speeches and celebrations will be held this week to hail the occasion.

But I wonder why everyone is celebrating?

In truth, what the record of the past four decades shows is that the United Nations is a far different organization today then when it was founded with 50 nations in 1945.

In the beginning, the United Nations dared to stand up to Communist aggression and even go to battle to preserve freedom for a small, helpless nation, South Korea.

Today, with its membership swelled to 159 nations, the United Nations does not possess the strength or unity to chastise global adventurism anywhere and, instead, has become a platform for some of the most virulent anti-Americanism seen anywhere on this Earth.

If the United Nations were to be graded on its success in its founding goals of promoting freedom, fostering international peace and aiding in the development of ties between diverse countries in the world, it would receive an "F" for failure on all counts.

We should not be celebrating but instead calling for reform or, possibly, the dismantlement of this organization which has failed in 40 years to accomplish what it set out to do.

LET US REOPEN THE BUDGET DEBATE

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, last night President Reagan spoke again about foreign trade, but again he offered nothing to reduce $200 billion deficits, nothing to lower interest rates, and nothing to bring down the value of the dollar.

These deficits have turned our country, for the first time in 71 years, into a debtor nation. They cause the dollar to be overvalued by as much as 40 percent, which means a 40-percent advantage for Japan and other foreign competitors.

Mr. Speaker, it is a copout, a delusion, to pretend we can solve our trade problem without addressing our budget problems. I say to my colleagues, Democrats and Republicans, free traders and protectionists, let us deal honestly and courageously with these deficits.

I would propose that we reopen the budget debate and make a bold, honest and bipartisan attempt to deal with deficits. Otherwise, we are only kidding ourselves about trade, imposing hardship on farmers and workers, and leaving the cost and even greater pain to our children.

REVOLUTION BEYOND OUR BORDERS

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, recently there have been a number of unsubstantiated charges made by the Government of Nicaragua that the U.S. Government has participated in state-sponsored terrorism against the Marxist Sandinista regime currently in power in Nicaragua. Nothing could be further from the truth, and in fact it is the Sandinistas who have supported terrorist acts against their neighbors in an attempt to destabilize the entire region.

The true extent of the Sandinistas' lies and hypocrisy is revealed in a recent publication by the Department of State entitled "Revolution Beyond Our Borders—Sandinista Intervention in Central America," which has been sent to every Member's office. I recommend this publication as required reading for every Member of Congress

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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who is truly interested in understanding the situation in Central America.

This report refutes claims by the Sandinistas that they never engaged in aggression against their neighbors by detailing Sandinista efforts to unify guerrilla groups in El Salvador, Honduras, and Guatemala; provision, train, direct and advise guerrillas in El Salvador; insert guerrilla groups into Honduras, and sustain radical antidemocratic parties and associated armed elements in Costa Rica.

This demonstrates why the United States was forced to end its previously friendly relations with the Government of Nicaragua and instead support the freedom fighters in order to halt the Sandinista policies of aggression against their neighbors.

☐ 1110

THE NEED FOR A SENSIBLE TRADE POLICY AND THE WILL TO IMPLEMENT IT

(Mr. LUNDINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNDINE. Mr. Speaker, in his news conference last night, President Reagan said:

> For almost two years now, I have been begging our allies and trading partners in the GATT to join with us in another round of trade talks to again eliminate whatever holdovers there are of discrimination against someone else's products getting into their country or subsidizing the sale at less than production cost in other countries.

Do not beg, Mr. President. You should insist that we and our trading partners level the international trade playing field. The United States has the largest market in the world and the strongest military on the globe. This is a President who is willing to commit troops to Central America and to put nuclear weapons in space, yet he refuses to take trade actions to force our trading partners to open their markets to U.S. goods, stop their unfair trading practices, and come to some reasonable accommodation on the grossly inflated value of the U.S. dollar.

We cannot rely on begging our partners to get things done. Nor should we. Our trading partners need our market more than we need theirs. We need leadership. We need a sensible trade policy and the tough commitment from our President to implement it. Since the President refuses to do so, Congress must now take the leadership to develop a trade strategy that can reduce the disastrous $150 billion Reagan trade deficit in the years to come.

THE LESSON OF THE CITRUS-PASTA WAR

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, the United States fought a trade war this summer, and we won it.

In response to unfair European Economic Community tariffs on U.S. citrus products, the President raised the U.S. tariff on European pasta which is subsidized for export to this country.

After some angry rhetoric and high level discussions, a truce was declared. The pasta tariff was suspended until October 31 and the EEC has agreed to eliminate the pasta subsidy and give fair tariff treatment to U.S. citrus.

Mr. Speaker, the citrus-pasta war serves as a small example of how this country can achieve fair trade without resorting to legislated protectionism. The lesson learned this summer will now be applied to Japanese restrictions on United States leather and tobacco and on EEC restrictions of canned fruit imports. We must put our trading partners on notice: unfair trade practices will be met by a swift U.S. response.

Mr. Speaker, in considering trade legislation, let us work to strengthen the hand of our U.S. Trade Representative so he may negotiate for market access and an end to unfair foreign trade practices. But let's not enact mindless protectionist measures that simply allow American companies to avoid the pressures of foreign competition.

CONFUSION WITHIN THE ADMINISTRATION ON TRADE ISSUES

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, last week the Vice President said, regarding the administration's position on trade, "We have made it clear that we are not kidding. No more Mr. Nice Guy." Last night the President warned, in terms of trade, against starting down a slippery slope of impulsive acts and imprudent judgment.

Well, which one is the administration's position? There is confusion here. But there is worse than confusion within the administration, there is insensitivity.

The President last night also talked about a mindless stampede toward protectionism.

Mr. Speaker, there has been another mindless stampede going on in this country—the loss of several million industrial jobs and losses on the farmlands of America. We have to worry about them as well as not repeating the mistakes of Smoot-Hawley. Mr. President, I say, in response to your talk of last night and your comments at your press conference, that to protect America is not protectionism.

THE THREAT OF A REPEAT OF SMOOT-HAWLEY

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, last night the President was right when he warned the American people of a mindless stampede toward protectionism which will lead to a reenactment of the Great Depression. As the President stated, the Depression of the 1930's was brought on by snowballing protectionist legislation, symbolized by the highly restrictive Smoot-Hawley tariff.

No one meant to write Smoot-Hawley in the 1930's, and after learning the lessons of the Depression in the 1930's, I believe no one intends to write another, but pressure is building in the Congress to reconstruct Smoot-Hawley piece by piece. The first piece may be a textile and apparel bailout. The next piece may be a footwear bill or possibly a 25-percent surcharge. Bit by bit we will find ourselves slipping down the slope of Smoot-Hawley protectionism right into a depression.

Our economy is the healthiest in the world. That is why the world wants to invest its money here. We have created over 8 million jobs since 1980 while Europe has lost jobs.

Mr. Speaker, let us not ruin this fine economic performance by reconstructing Smoot-Hawley protectionism.

Mr. Speaker, the President understands that you cannot compensate for the long-term loss of international markets by our most productive industries by giving the false promise of short-run gains for our less productive and less competitive industries.

THE NATIONAL DEBT—MORE THAN AN ACCOUNTING PROBLEM

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, unlike my colleague, the gentleman from Texas, I saw the President's news conference last night as an attempt to dismiss our Nation's new status as a debtor nation as little more than an accounting problem. My concern is that Mr. Reagan does not understand the problem nor does he understand the dangers we now face as a debtor nation.

Our new debtor status is something that has been confirmed, not by

economists and politicians, but by the President's own Secretary of Commerce in his report this week which shows that America now owes more than is owed to us.

If Mr. Reagan would travel to my hometown of Osceola, AR, and stand at the gates of its closed textile mills, where over 900 citizens lost their jobs last year because of current economic policy, and talk to those citizens who are without work because of it, he would know the severity of this problem.

Mr. Speaker, what we need is Presidential leadership, not rhetoric and excuses about accounting errors.

CONGRESS SEEKS HELP FROM THE PRESIDENT ON TRADE PROBLEMS, NOT JUST INTEREST

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. President, I was concerned in reading the statement made by the President last night. It does seem quite apparent that he seeks to dismiss a very serious problem, the fact that for the first time in 72 years we have become a debtor nation, as some kind of bookkeeping error.

We should welcome the President's newly apparent interest in the trade deficit. We would welcome his help in redressing it. Instead of saying what he is for, however, he seems to content himself with warning against what he calls a "mindless stampede toward protectionism."

None of us wants to engage in protectionism or to start trade wars. However, there is a bill pending, the Gephardt-Bentsen bill, which is not protectionist. It is antiprotectionist. It deserves our support, and that of Mr. Reagan.

This bill provides an effective remedy to discourage foreign protectionism against U.S. exports. That is the kind of legislation on which we need help. It would provide a standby tariff which we hope never would have to be applied. The tariff would be applicable only against those countries which export a disproportionate share into our markets and systematically discriminate against U.S. products in their markets.

We would give any such country due official notice and 1 year of grace, during which time we would ask that they would level the playing field and allow our imports in their markets on exactly the same terms we give theirs. If during that time they did so, no tariff would apply; only if they persisted in face of our entreaties would it apply. That is antiprotectionism.

The President said last night that he asks Congress to work with him, not against him. I am glad he is working on the problem at all, but I would just turn it around. We in the Congress ask the President to work with us, not against us, as we try to make our own free trade policies truly reciprocal and halt our slide down this "slippery slope" of the loss of American jobs.

BAD ADVICE ON MOZAMBIQUE FROM THE STATE DEPARTMENT

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, I think we have a great President, but I think he is getting some very bad advice from the State Department.

Tomorrow at the White House President Reagan will visit with Mr. Machel, who is the Communist dictator of Mozambique. In Mozambique there is a bunch of people who are freedom fighters. They are called the Renamo forces. They are doing everything in their power to regain their country in the name of freedom.

Mr. Machel is a Communist dictator who is putting people in dungeons, who is violating all kinds of human rights, and who is deeply in bed with the Soviet Union. He received over $1 billion in direct military aid from the Soviet Union, and most recently, on August 27, he signed another agreement with the Soviet Union. Yet this House was asked in the foreign aid bill, by the State Department, to give military and economic assistance to Mr. Machel, even though he is tied very closely to the Soviet Union.

Mr. Speaker, I think this is a terrible policy our State Department is asking our President to follow. We should be suporting the Renamo forces, people who are fighting and dying for freedom. They have been doing very, very well. They control about 70 percent of the country right now, and the only areas they do not control are the urban areas. With just a little help from the free world, they could topple that Communist government and put Mozambique back in the free world column. But instead of helping them, we are bringing the Communist dictator to the White House tomorrow. It is a very bad precedent. Those people who have a chance to regain their country should be supported, like our friends, the Contras, are supported in Nicaragua and in Central America. We have a double standard that is being applied here, one that we should change.

Mr. Speaker, the Renamo forces, according to the CIA, have a chance to win, and we should support them.

PRESIDENT'S SELF-SATISFACTION IN AIDS EPIDEMIC TERMED AS INAPPROPRIATE

(Mr. WEISS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, last night in response to a reporter's question, the President for the very first time spoke publicly about the AIDS epidemic. He seemed inappropriately self-satisfied with the role of the administration in funding research efforts to find answers to this dread disease.

The sad fact, Mr. Speaker, is that the funding increases over the past 3 years have resulted solely from congressional action in the face of opposition from the administration.

Mr. President, the AIDS epidemic is exploding all over this country. Thirteen thousand cases have been diagnosed. Half of those people have died. It is beginning to cut across the entire fabric of American society—heterosexuals as well as homosexuals. It is doubling at the rate of once every 10 months. By the end of next year, according to the Office of Technology Assessment of the Congress, there will be 40,000 Americans diagnosed as having AIDS.

Mr. President, this is not the time for self-satisfaction. Now is the time for Presidential leadership for more funds for research, for care and treatment, and for public education.

CRS ISSUES BRIEF ON SEVEN AMERICANS HELD HOSTAGE; 551ST DAY OF CRISIS

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, I wish to commend to the attention of my colleagues a new issues brief from the Congressional Research Service concerning the Americans held hostage in Lebanon.

The brief is a thorough and concise record of the circumstances surrounding the kidnaping of seven Americans off the streets of Beirut beginning March 16, 1984, with the seizing of William Buckley, a U.S. Foreign Service officer.

Today marks the 551st day William Buckley has been held hostage in Lebanon.

Rev. Benjamin Weir was kidnaped 498 days ago.

Father Lawrence Jenco has been held hostage for 254 days as of today.

Terry Anderson, the Associated Press bureau chief in Beirut, was kidnaped March 16, 186 days ago.

Today is the 113th day of captivity for David Jacobsen, the director of the American University Hospital.

One hundred days ago today, Thomas Sutherland, dean of the American University Agriculture School was taken hostage.

Today also marks the 288th day since the disappearance of Peter Kilburn, the American University librarian.

Mr. Speaker, the hostage crisis in Lebanon is now in its 551st day, 4 months longer than the Iran hostage crisis 5 years ago. If I thought they could hear me, I would cry out: "Hang in there Yanks. We will not forget you not a solitary single one of you. Hang in!"

REVEREND WEIR RELEASED, BUT SIX AMERICANS STILL HELD IN LEBANON

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, we have reports today confirming that the Reverend Benjamin Weir, who has family living in my district, has been freed by his kidnapers in Lebanon.

At this point, the details are sketchy, but I have been told by the Presbyterian Church that Reverend Weir is already in this country, and will appear at a press conference tomorrow.

Reverend Weir has been a captive since May 8, 1984. I know that during that time his family has stood by him, never losing their faith in God, and Ben Weir. I am happy today for Reverend Weir, and for his family.

At the same time, we must not forget that six Americans remain in captivity. Six Americans who should be free. Now that Ben Weir is out, we must redouble our efforts to get the remaining six out of their unwarranted captivity. Our colleague, the gentleman from Illinois [Mr. O'Brien], has led this effort with determination and I wish to commend and thank him for that leadership.

I send my good wishes to the Weirs; and my prayers and hopes to the other families.

□ 1125

DEFICIT REDUCTION

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, we all know that the success or failure of our efforts to cut the deficit rests on reconciliation, the enforcement arm of the budget.

The Democratic majority in the House will make or break deficit reduction by what you do with reconciliation. It looks to me like you're going to break it, turn it into cosmetic jewelry with no worth, no value at all.

When we want to cut spending. You want to tinker with it. We want to freeze spending. You want to add to it.

The deficit reduction bill that the Rules Committee walked away from yesterday had to few spending reductions, but it had over $1 billion in spending increases. You just can't resist pulling out the Government credit card whenever you get the chance, but doing it on a bill called the deficit reduction amendments is a bit too much.

Democrats have been down here in the well day after day slamming the President for not tackling tough issues. Yet what we have in this House is a clear failure to face the most difficult problem before us: Deficit reduction. Let's exercise the jaws a little less and legislate a lot more.

JOY AND SADNESS OVER OUR HOSTAGES IN LEBANON

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I also come to the well today to commend my colleague, the gentleman from Illinois, George O'Brien, for the excellent work he has done to keep before us in this Chamber and before the other body and the American people the plight of our seven hostages cruelly imprisoned somewhere in Lebanon. If the call of Reverend Weir's wife to the news media saying that he has finally been released in Lebanon is true, then it is a moment of great joy for his family, but at the same time a painful moment of wrenching sadness for William Buckley's family. Our diplomat Mr. Buckley was taken several months before Benjamin Weir. He has been a hostage now for over a year and a half, 551 days.

As the gentleman from Illinois, George O'Brien, has carefully pointed out to us again and again the exact count of days all of the seven have been held; 551 days for William Buckley stands in vivid comparison to the 444 days that our U.S. Embassy hostages were held in Teheran.

There is substantiated evidence that William Buckley, during the early months of his captivity, was treated quite viciously by his captors. I hope that has changed. I hope they will show mercy to the AP newsman, Terry Anderson, held for 186 days so that Terry can come home and then use his news reporting skills to keep before the world the plight of the other five. He may have no knowledge of them until he is released.

There is the Catholic priest, Father Larry Jenco from Illinois held 254 days. He went to Beirut as the head of the Catholic Relief Services, a good samaritan as is Benjamin Weir. Reverend Weir has given his all or 32 years to minister the men and women and children of all faiths in Lebanon. Peter Kilburn, 288 days of suffering. David Jocobson from my county of Orange 113 days, and Tom Sutherland now 100 days of captivity this day. All three serving at American University when taken by force as hostages.

We appeal as a Congress to the mercy of those in Lebanon who worship the same one God we do, to release our six other hostages so that we can get on with the peace process in the Middle East and so that we can continue the humanitarian aid that we as Americans extend to all people throughout the world.

Again I thank the gentleman from Illinois, George O'Brien, for his leadership.

PERVASIVE DOUBLE STANDARD USED TO JUDGE UNITED STATES POLICY ON NICARAGUA

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, first of all, let me just mention that Mr. David Jacobsen of my district is one of those being held. I join with the gentleman from Illinois [Mr. O'Brien] and others in hoping that those who are holding them will hear our words and heed our request.

Mr. Speaker, we are clearly faced with a threat to our international system; that is the existence of a pervasive double standard that is being used to judge the United States' policy with respect to Nicaragua. Although we have long debated the matter on Nicaragua. I would encourage my colleagues to review the State Department's September 1985 "Revolution Beyond Our Borders." The paper is without question, an excellent reference source.

Contrary to what the opponents have characterized as "President Reagan's misguided crusade to save the world from tiny Nicaragua," the evidence is quite clear that Nicaragua is thoroughly involved in supporting efforts to destabilize Central America. An amendment to the Intelligence Act of 1983, suggests "that activities of the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central America Region and that the Governments of Cuba and Nicaragua refuse to cease those activities." The latter part of the statement even seems to be a plea by the Congress for change by those governments.

The strange notion is that both the United States and Nicaragua and Cuba are playing the same game; that we

are all somehow engaged in trying to alter governments by the use of force and that we are all committing a form of state-sanctioned terrorism. Those who hold out the fallacy that America is the principal problem in Central America are simply denying the permissibility or obligatory right to come to the defense of nations whose peoples are struggling for freedom. Unfortunately, these same critics of U.S. actions will probably never acknowledge the aggression which prompted such a response in the first place.

Mr. Speaker, such criticism is without balanced judgment in understanding what the real threat is to peace and freedom for the people of Central America. United States policy toward Nicaragua must be viewed in the overall Central America context, where we have an interest in the development and preservation of stable societies able to sustain social, economic, and political change.

PRESIDENT REAGAN HAS CHANGED HIS TUNE ON TRADE POLICIES

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. In 1980, when the trade deficit was a whopping $35 billion, here's what candidate Ronald Reagan had to say about the issue:

> For too long our trade policies have been geared toward helping our foreign trading partners. Now we have to put the United States back on the world export map. We helped to pull other countries out of the post-World War Two chaos—it is time to remedy our own crisis. Trade, especially exporting, must be high on the list of our Nation's priorities. The Republicans will put it there to insure the long-term health of the economy.

Wait, there's more—

> We should have more free trade but trade must be a two-way street. Free trade should be reciprocal, and we should not be expected to stand idly by while other countries impose barriers to our manufacturers' and farmers' exports.

Mr. Speaker, judging from the President's statements last night, he sure has changed his tune in the last 5 years.

SENSE OF CONGRESS RESOLUTION FOR NEW GATT CONFERENCE

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Connecticut. Mr. Speaker, last night in his press conference, the President stated that he has been pleading with American trading partners for several years to hold a new round of multilateral trade negotiations, known as the GATT talks.

Today I am introducing a sense of the Congress resolution calling on the President to promptly take whatever actions are needed to bring about a new GATT conference. Such a meeting has not taken place since 1979, despite the disastrous state of world trade in recent years.

Before the House and the Senate begin consideration of some possible self-destructive legislation, the President must have the opportunity to try to make corrections in the conference room and not on the trade battlefield. A new GATT conference would not tie the hands of the President to any specific action, but instead permit him to address all different areas of trade at the same time. Presently there are some 300 different pieces of protectionist legislation in the Congress.

By adopting this resolution, we can demonstrate the resolve of Congress for a world trade conference. We can give the President the ammunition he needs to force our own trading partners to come to the bargaining table.

THE PRESIDENT TALKS ABOUT GENEVA

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, I commend the President for his candor, at last evening's press conference. I believe he openly shared with us some of his personal thoughts on the upcoming meeting in Geneva with Mr. Gorbachev.

While I hope that progress will be made at the talks, I know that arms control is only one of many issues which divide our two nations. The continuing violation of the human rights of Soviet Jewry is of major concern to our Government. We have differences with the Soviets over chemical warfare matters along with the question of East and West troop levels in Europe.

Who can forget the murder of Major Nicholson and the ongoing incidents directed against United States observers in East Germany?

What can we do about regaining the freedom of the Afghan people?

The activities of Soviet intelligence agents in the United States are of great concern to Americans. Soviet spying efforts in London were widespread enough for the British Government to send a pack of KGB agents back to Moscow.

I would hope that the upcoming talks will be a serious forum for addressing these continuing problems of which arms control is only one of many issues. I hope that the meeting is more than a forum for Mr. Gorbachev to display his public relations skills for the media. As former Foreign Minister Gromyko one said, "Mr. Gorbachev has a nice smile, but iron teeth." While he may smile a lot, Soviet policy continues to be as aggressive as ever.

I firmly believe that actions speak louder than words. I am looking for a real shift in Soviet attitudes if better relations are to develop.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON BILL MAKING APPROPRIATIONS FOR MILITARY CONSTRUCTION, 1986

Mr. HEFNER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes.

Mr. EDWARDS of Oklahoma reserved all points of order on the bill.

The SPEAKER pro tempore (Mr. Dellums). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CONTINUING APPROPRIATIONS, 1986

Mr. WHITTEN. Mr. Speaker, pursuant to the order of the House of Thursday, September 12, 1985, I call up the joint resolution (H.J. Res. 388) making continuing appropriations for the fiscal year 1986, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The text of the joint resolution is as follows:

H.J. Res. 388

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government for the fiscal year 1986, and for other purposes, namely:

Sec. 101. (a)(1) Such amounts as may be necessary for projects or activities, not otherwise specifically provided for in this joint resolution, for which appropriations, funds, or other authority would be available in the following appropriation Acts:

Agriculture, Rural Development, and Related Agencies Appropriation Act, 1986;

Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1986;

District of Columbia Appropriation Act, 1986;

Energy and Water Development Appropriation Act, 1986;

Department of Housing and Urban Development—Independent Agencies Appropriation Act, 1986;

Department of the Interior and Related Agencies Appropriation Act, 1986;

Legislative Branch Appropriation Act, 1986;

Department of Transportation and Related Agencies Appropriation Act, 1986; and

Treasury, Postal Service, and General Government Appropriation Act, 1986.

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided by the pertinent appropriation Act.

(3) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed by the House as of October 1, 1985, is different from that which would be available or granted under such Act as passed by the Senate as of October 1, 1985, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority: *Provided*, That where an item is included in only one version of an Act as passed by both Houses as of October 1, 1985, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in applicable appropriation Acts for the fiscal year 1985.

(4) Whenever an Act listed in this subsection has been passed by only the House as of October 1, 1985, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the House, at a rate for operations not exceeding the current rate or the rate permitted by the action of the House, whichever is lower, and under the authority and conditions provided in applicable appropriation Acts for the fiscal year 1985.

(5) No provision which is included in an appropriation Act enumerated in this subsection but which was not included in the applicable appropriation Act of 1985, and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in the joint resolution unless such provision shall have been included in identical form in such bill as enacted by both the House and the Senate.

(6) No appropriation or fund made available or authority granted pursuant to this subsection shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1985.

(b)(1) Such amounts as may be necessary for projects or activities, not otherwise provided for in this joint resolution, which were conducted in the fiscal year 1985, under the current terms and conditions and at a rate for operations not in excess of the current rate, for which provision was made in the following appropriation Acts:

Foreign Assistance and Related Programs Appropriation Act, 1985;

Military Construction Appropriation Act, 1985; and

Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Act, 1985 and section 101(k) of Public Law 98-473.

(2) No appropriation or fund made available or authority granted pursuant to this subsection shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1985.

(c) Such amounts as may be necessary for continuing activities, not otherwise specifically provided for in this joint resolution, which were conducted in the fiscal year 1985, for which provision was made in the Department of Defense Appropriation Act, 1985, under the current terms and conditions and at a rate for operations not in excess of the current rate: *Provided*, That no appropriation or funds made available or authority granted pursuant to this subsection shall be used for new production of items not funded for production in fiscal year 1985 or prior years, for the increase in production rates above those sustained with fiscal year 1985 funds or to initiate, resume or continue any project, activity, operation or organization which are defined as any project, subproject, activity, budget activity, program element, and subprogram within a program element and for investment items are further defined as a P-1 line item in a budget activity within an appropriation account and an R-1 line item which includes a program element and subprogram element within an appropriation account, for which appropriations, funds, or other authority were not available during the fiscal year 1985: *Provided further*, That no appropriation or funds made available or authority granted pursuant to this subsection shall be used to initiate multi-year procurements utilizing advance procurement funding for economic order quantity procurement unless specifically appropriated later: *Provided further*, That the appropriations or funds made available or authority granted pursuant to this subsection for procurement of MX missiles shall be in accordance with and subject to all the limitations, restrictions, and conditions set forth in the Department of Defense Authorization Act, 1986 (S. 1160) conference agreement and provided for in the conference report (H. Rept. 99-235) filed in the House of Representatives on July 29, 1985.

SEC. 102. Unless otherwise provided for in this joint resolution or in the applicable appropriation Act, appropriations and funds made available and authority granted pursuant to this joint resolution shall be available from October 1, 1985, and shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable appropriation Act by both Houses without any provision for such project or activity, or (c) November 14, 1985, whichever first occurs.

SEC. 103. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

SEC. 104. Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 105. No provision in any appropriation Act for the fiscal year 1986 referred to in section 101 of this joint resolution that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorization or other legislation shall be effective before the date set forth in section 102(c) of this joint resolution.

SEC. 106. Appropriations and funds made available or authority granted pursuant to this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 1 hour.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution (H.J. Res. 388) and that I may include extraneous and tabular matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. CONTE] for the purpose of debate only. Pending that, I yield myself such time as I may require.

Mr. Speaker, I wish to express my thanks to my colleague, the gentleman from Massachusetts [Mr. CONTE], the ranking Republican on the Appropriations Committee, and to the leadership on both sides for their cooperation in letting us bring up this continuing resolution.

Mr. Speaker, the continuing resolution that we bring before you today continues what is essential. It is necessary to continue the orderly operations of the Government into the new fiscal year—which begins October 1, 1985. While this date is 12 calendar days away, there are only 5 legislative days between now and October 1 on which votes have been scheduled in the House.

It is essential that this resolution be passed. As this day nine bills have passed the House, but only two bills have passed the Senate. Given the current situation, it seems unlikely that any regular appropriation bills will be signed into law by October 1.

This is a very straightforward continuing resolution. There are no special provisions and no special funding levels for any programs. The resolution simply carries forward the Government until November 14 or until appropriation bills are enacted.

The philosophy of the resolution before you is as follows:

Provides the lowest reasonable level of interim funding to allow for continued operation of Government programs until final decisions about bills are made.

Is of relatively short duration—6 weeks.

Automatically disengages when regular annual bills are enacted.

Contains no extraneous provisions which more properly should be considered with regular bills.

Under the resolution funding levels are as follows:

For bills which have passed both House and Senate, the funding level for activities is the lower of the two bills. These bills are energy and water development and legislative branch.

For bills which have passed the House only, the funding level for activities is the House bill or the current rate, whichever is lower. These bills include the following:

First, Agriculture; second, Commerce, Justice, State, and the Judiciary; third, District of Columbia; fourth, Housing and Urban Development-Independent Agencies; fifth, Interior; sixth, Treasury-Postal Service; and seventh, Transportation.

For bills which have not passed the House, the funding level for activities is the current rate. At the present time those bills include the following:

First, foreign assistance which has been reported to the House. Second, military construction which was ordered reported today and will be filed today. Third, Labor, Health and Human Services and Education which has been marked up in subcommittee and is likely to be reported next week. Fourth, defense which is likely to be marked up in subcommittee next week.

Mr. Speaker, the resolution provides for the continuation of the existing provisions of law regarding the prohibition of federally funded abortions and the prohibition against preventing the implementation of programs of voluntary school prayer and meditation in the public schools. These provisions would remain in effect during the duration of the continuing resolution.

Timely enactment of this resolution allows more time to work on the regular annual 1986 appropriations bills. We hope to clear as many of the regular bills as possible during the effective dates of this resolution.

I urge the adoption of the resolution.

Mr. BONIOR of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague.

Mr. BONIOR of Michigan. Mr. Speaker, I thank the gentleman for yielding. I rise to enter into a brief colloquy with the chairman of the Appropriations Committee.

Mr. Chairman, the continuing resolution extends the so-called Boland amendment, section 8066(a) of Public Law 98-473, is that correct?

Mr. WHITTEN. That is correct. The continuing resolution does not specifically address the Contra issue. Its effect is to continue the Boland provision contained in the 1985 defense appropriation bill, just as the other restrictions and limitations in the 1985 Defense Act are continued.

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I go further, however, and say the reason we held up the supplemental appropriation bill was trying to give the two sides a chance to agree on language, and it was agreed on.

So the supplemental appropriation bill provided $27 million for humanitarian assistance to the Contras to remain available for obligation until March 31, 1986, and modified the Boland provision to allow humanitarian assistance and the exchange of intelligence information for the Contras. The funds and the language in the supplemental bill remain in effect. The continuing resolution does not change in any manner the enacted supplemental.

Mr. BONIOR of Michigan. I thank the chairman. Through the extension of the Boland amendment, accordingly, the House prohibits any new funding, over and beyond that which we specifically made available in the fiscal year 1985 supplemental, except as such money would subsequently specifically be sought by the administration and specifically approved by congressional action. And in essence, what we are saying through the Boland amendment is simply that United States policy with respect to Nicaragua is too important to be funded through any reprogramming or any other avenues except a clear and specific vote by this Congress.

I thank the chairman.

Mr. WHITTEN. May I say the purpose of all of this is for a period of 6 weeks. There is no increase involved and no changes other than the modification which I mentioned, which the Congress approved in the supplemental.

Mr. BONIOR of Michigan. I thank the chairman.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we are considering the first continuing resolution for fiscal 1986.

The Chairman and the members of the committee are to be commended for presenting the House with the cleanest continuing resolution that I have ever seen.

In the past, we have sometimes based our continuing resolution rates on such questionable standards as reported bills and the President's budget estimates.

There are no such provisions in the resolution before us today.

Accordingly, the resolution has my support, and no objection from the administration.

The resolution continues appropriations for projects and activities until November 14, 1985, or until an appropriation is enacted, whichever occurs first.

Nine appropriation bills for fiscal year 1986 have passed the House: Agriculture, Commerce-Justice-State-Judiciary, District of Columbia, Energy and Water Development, Housing and Urban Development, Interior, Legislative, Transportation, and Treasury-Postal Service.

Projects and activities in these bills are continued at rates which are determined by the status of the bill on the first day of the fiscal year.

Where a bill has passed the House and the Senate as of October 1, a project or activity is continued at the lesser amount and under the more restrictive authority.

A project or activity included in only the House or the Senate bill is continued at the rate provided in that bill or the current rate, whichever is lower, and under the current terms and conditions.

No new general provision shall take effect unless it is included in identical form in the House and Senate bills.

Where a bill has passed only the House as of October 1, a project or activity is continued at the House rate or the current rate, whichever is lower, and under the current authority and conditions.

Appropriations are not available to initiate or resume any project or activity not funded in fiscal 1985.

Projects and activities in three of the fiscal year 1985 appropriation bills are continued at the current rate, and under the current terms and conditions. Those bills are: foreign assistance; Labor-HHS-Education; and military construction.

The Labor-HHS rate also includes the following activities for which provision was made in the continuing resolution for fiscal 1985;

Activities under the Public Health Service, Act;

Refugee and entrant assistance activities;

Foster care and adoption assistance activities;

Emergency immigrant education activities; and

Activities under the Follow Through Act.

Projects and activities in the Department of Defense which were conducted in fiscal 1985, and for which provision was made in the Defense Appropriation Act for fiscal 1985, are continued at the current rate and under the current terms and conditions, which include the so-called Boland amendment.

Funds for procurement of MX missiles are subject to all of the limitations, restrictions, and conditions set forth in the 1986 Defense authorization conference agreement and conference report as filed in the House.

No provision which makes a 1986 appropriation contingent upon the enactment of authorizing or other legislation shall be effective during the period covered by the continuing resolution.

Mr. Speaker, I will vote for the resolution, and I can recommend that my colleagues do likewise.

AGRICULTURE, RURAL DEVELOPMENT AND RELATED AGENCIES

The fiscal year 1986 appropriation bill for the Department of Agriculture, Rural Development and Related Agencies, H.R. 3037, passed the House on July 24. As of today, the other body has not yet taken action on this measure.

In light of this situation, our committee is recommending that the Department of Agriculture and related agencies receive funding after September 30 in accordance with section 101(a) of the continuing resolution. This section provides levels of funding at the current fiscal year 1985 rate, or at the rate provided for in levels contained within the fiscal year 1986 House-passed bill, whichever is lower.

Though we are some $5 billion below 1985-enacted levels overall in the 1986 bill, in most accounts we are at or slightly over 1985 levels. And so, in general, USDA and its related agencies will receive continued funding at the current rates.

I join the distinguished chairman of our committee in expressing my hope that we will soon see final action on the regular fiscal year 1986 appropriation bill before this joint resolution expires on November 14.

The House has passed the fiscal year 1986 bill, H.R. 2965. The Senate subcommittee has not yet marked up the bill.

Programs are funded at the House-passed level or the current rate, whichever is lower, and under the fiscal year 1985 conditions.

No new programs or new general provisions are allowed.

The House-passed ban on participation in abortion litigation by the Legal Services Corporation is not included. It could be restored to the resolution if the Senate passes the fiscal year 1986 bill with identical language.

All current restrictions on the Legal Services Corporation and the Federal Trade Commission would be continued. The Corporation restrictions include bans on assistance to illegal aliens, participation in class action suits, and lobbying. The resolution would continue 1980 FTC Authorization Act provisions dealing with agricultural cooperatives and marketing orders and trademarks.

CR—DEFENSE

Defense Rate: Same as 1985—$277.2 billion.

Section 101(c) continues appropriations at the current rate, and under the current terms and conditions, for projects and activities which were conducted in fiscal 1985, and for which provision was made in the Defense Appropriations Act for fiscal 1985.

Funds for procurement of MX missiles shall be subject to all of the limitations, restrictions, and conditions set forth in the 1986 Defense authorization conference agreement and conference report as filed in the House.

Funds for National Guard and Reserve equipment are available at the current rate until the 1986 Defense Appropriations Act is passed by the House.

Funds for SDI or star wars are at the $1.4 billion level as against the $2.7 billion authorized for 1986.

Asat limitations in the 1985 bill remain in force but since no tests are scheduled before the expiration of the continuing resolution, the language becomes moot. The language, however, is in place, and funds are limited to the 1985 level of $37.4 million rather than the $200 million requested in 1986 for research and development.

No funds were provided for procurement or facilities for binary gas in 1985 and none would be available under this resolution. The 1985 level for research—$18.4 million—would be available.

ENERGY AND WATER DEVELOPMENT

The energy and water development appropriations bill for fiscal year 1986 passed the House of Representatives on July 16, and passed the Senate on August 1.

Under the terms of the continuing resolution, programs and activities funded in the Energy and Water Development measure would continue at the lower of the House-passed or Senate-passed rate.

Neither House has passed the fiscal year 1986 bill.

Programs included in the fiscal year 1985 Foreign Assistance Act are continued at the current rate and under the current terms and conditions.

No new programs or projects are allowed.

Israel will get $1.2 billion in economic support funds, which will be obligated in its entirety by the end of October under the terms of Public Law 99-83, the International Security and Development Cooperation Act of 1985. Foreign military credit sales in the amount of $1.4 billion for Israel would be apportioned according to the duration of the continuing resolution. Two billion dollars in economic and military assistance to Egypt would also be apportioned.

Current restrictions on population programs and abortion are continued, including restrictions in the Supplemental Appropriations Act [Public Law 99-88]. These include bans on aid to programs involving coercive abortion or involuntary sterilization.

All country restrictions are continued, including bans on aid to Angola, Cambodia, Cuba, Iraq, Libya, Laos, Vietnam, South Yemen, and Syria.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES

As my colleagues are aware, the fiscal year 1986 appropriation bill for the Department of Housing and Urban Development and independent agencies, H.R. 3038, passed the House on July 25. As of today, the other body has not yet scheduled floor action on this measure although the Appropriations Committee has completed action on the bill and filed its report 3 weeks ago.

In light of this situation, our committee is recommending that the Department of Housing and Urban Development and 16 independent agencies receive funding after September 30 in accordance with section 101(a) of House Joint Resolution 388. This section provides levels of funding at the current fiscal year 1985 rate or at the rate provided for in the fiscal year 1986 House-passed bill, whichever is lower. And in the $56.3 billion 1986 bill, I would like to point out that we are below fiscal year 1985-enacted levels in most accounts.

I am hopeful that we will soon see final action on the regular fiscal year 1986 appropriation bill, and that the funding provision for these important agencies will disengage from the continuing resolution before it expires on November 14.

Our committee has taken every possible and responsible action to ensure that the essential programs, projects, and activities at HUD, EPA, NASA, NSF, FEMA, the Veterans' Administration, and each of the independent agencies continue at a reasonable and operable rate until such time as we have reached agreement with the other body and have a separate 1986 bill signed into law by the President.

However, I would like to point out to my colleagues that there are still a number of unresolved programmatic issues on which our committee has deferred funding decisions pending action by the appropriate authorizing committees. These include EPA's Superfund and construction grants programs.

I urge my colleagues on the authorizing committees to join us in taking swift and responsible action to ensure the continuation of these essential environmental activities in fiscal year 1986.

H.J. RES. 388 CONTINUING RESOLUTION, FISCAL YEAR 1986: INTERIOR SECTION

The Interior appropriations bill passed the House on July 31, 1985. To date, the Senate has taken no action on the bill. The Interior Appropriations Subcommittee could act on the fiscal year 1986 bill this week.

This continuing resolution mandates that programs and activities in the Interior bill will be funded in these 45 days at the fiscal year 1985-enacted level or at the House-passed level; whichever amount is lower.

As far as funding programs in the Interior bill, this continuing resolution is fairly straightforward. However,

there is one general provision carried forward in this continuing resolution that may be of concern to several Members. As provided in the fiscal year 1985 continuing resolution, the ban on leasing in the Outer Continental Shelf off the California coast and Georges Bank in the North Atlantic is continued in force. Based on a preliminary agreement, the House-passed Interior bill did not include the OCS leasing ban.

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION

Mr. Speaker, as the Members know, we have not yet considered the fiscal year 1986 Labor/HHS bill here in the House. Therefore, for the Departments of Labor, Health and Human Services, and Education, this bill provides for all programs at the rate provided for in the fiscal year 1985 Labor/HHS bill, public law 98-619. This continuing resolution also provides at the current rate for several programs carried in last year's continuing resolution: Health planning programs, refugee and entrant assistance, emergency immigrant education, and the Follow Through Program.

Mr. Speaker, this is as clean a continuing resolution as we've ever seen. I want the Members to know that I am sure it is the intention of the distinguished gentleman from Kentucky, Bill Natcher, and it is certainly my own, to bring the Members a separate Labor/HHS bill as soon as possible, and this resolution, that carries us forward into November, in no way affects our ability to make decisions for fiscal year 1986.

LEGISLATIVE

House and Senate have passed fiscal year 1986 bills. Conference not yet scheduled.

House or Senate items contained only in that respective House's version of the fiscal year 1986 bill are continued at the current rate or the rate in the 1986 bill. Whichever is lower, and under the fiscal year 1985 authority and conditions.

Joint items are continued at the lower of the House or Senate 1986 bills, and under the more restrictive authority.

No new programs or projects are allowed.

TRANSPORTATION

The Transportation appropriations bill for fiscal year 1986 passed the House of Representatives on September. No action on this measure has yet been taken by the Senate.

Under the terms of the continuing resolution, programs and activities funded in the transportation measure would continue at the lower of the House-passed or current rate, and under such conditions and restrictions as are in effect during fiscal year 1985.

Because in most cases the funding levels contained in the House-passed Transportation appropriations bill for fiscal year 1986 are the same as, or lower than, the levels enacted for fiscal year 1985, most programs would be continued at the level in the fiscal year 1986 bill. In those few areas where the current rate is lower, such as FAA operations, this continuing resolution will not be in effect a sufficiently long time as to create a problem. In any case, current FAA personnel levels would be maintained.

HOUSE JOINT RESOLUTION 388 CONTINUING RESOLUTION, FISCAL YEAR 1986: TREASURY SECTION

The Treasury-Postal Service appropriation bill passed the House on July 30, 1985, and has been reported by the Senate committee. Action on the floor is expected soon.

This continuing resolution mandates that programs and activities in the Treasury bill will be funded in these 45 days at the fiscal year 1985-enacted level or at the House-passed level; whichever amount is lower.

This formula has an unusual application for the Treasury bill because of actions taken by the House. During markup of the regular fiscal year 1986 bill, the subcommittee did not add back the 5-percent pay cut assumed in the budget estimates. At the time of the markup, the President had not submitted the budget amendment which in effect withdrew the pay cut proposal. Therefore, several programs and activities in this bill will operate on the House-passed levels even though conference action later on is expected to rectify the situation.

However, most law enforcement agencies will not be affected and will operate on the fiscal year 1985-enacted levels with no curtailment of services. Even without the 5-percent salary increase, the Internal Revenue Service, the Customs Service, and the Bureau of Alcohol, Tobacco and Firearms have been allocated higher funding levels in the fiscal year 1986 bill.

As for the general provisions, the bill would carry the standard abortion rider for Federal health benefits and the prohibition against Customs Service closings or consolidation. And pursuant to an agreement reached in the fiscal year 1985 supplemental appropriations bill, the ban on Office of Personnel Management "RIF" regulations will not be in effect.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I would just like to clarify a point with the gentleman, if I could.

The limitation that is in the bill with regard to MX missiles that refers to the Department of Defense Authorization Act of 1986, now it is my understanding that there are severe problems within the Democratic caucus about getting that bill out here to the floor, and that the reason why we do not have the authorization enacted is because we have not been able to overcome those problems within the majority caucus.

My question is why was that one section taken out to the exclusion of all others? There were a number of provisions in there. For instance, cleaning up procurement practices at the Department of Defense. Why did we single out only the MX missile portion of the bill and not look at some other provisions in there that may be of equal importance to many of the Members of this body?

Mr. CONTE. That was a very controversial matter, as the gentleman will recall, and it was debated at great length here in the House, and finally an agreement was reached between the House and the other body in the authorization bill. As the gentleman mentioned, we are awaiting action now on that conference report here on the floor.

Mr. WALKER. If the gentleman will yield further, my concern is not necessarily as it relates to the continuing resolution, but that we will set a pattern here. If, for example, the majority never does resolve their differences so that we can get that authorization bill to the floor, I am not certain that I am wholly comfortable with having had this one provision singled out, and maybe set a precedent that that is the only thing from the defense authorization that we are going to deal with in the appropriation process at a later date.

Is that a valid concern, or are we, in fact, going to go through a scenario of having appropriation bills at a later date which, in fact, will not follow the authorization of the House?

Mr. CONTE. I hope not. But the provision does support the position of the House. There has been precedent for such provisions in the past.

The continuing resolution is only for 45 days, and hopefully within that time the defense appropriation bill will be on the floor of the House.

We have had a problem in that the chairman of that subcommittee has been very ill, and hopefuly he will be back by then and we will be acting.

But I hope that authorization conference report will pass.

Mr. WALKER. If the gentleman will yield further, let me say my problem is with the authorizaton process, because I think we do have a conference report. It seems to me that the House should act on that conference report.

The fact is that as a result of a disagreement within the majority caucus, we have been unable to act upon that authorization report. I am somewhat concerned about the fact that we are now going to single out pieces of it and begin to bring those out as a part of the appropriation process, not having had an opportunity to deal with the authorization conference report that I think should have been brought to the floor several weeks ago.

I appreciate the gentleman's comments.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield to me?

Mr. CONTE. I am glad to yield to the chairman of the committee.

Mr. WHITTEN. My colleague, Mr. CONTE, is absolutely correct. We try to honor agreements that have been reached already by the Congress in the supplemental bill and in certain other actions of Congress. The current rate for the MX is much higher than agreed upon in the authorization conference on the MX, and we have followed that action by holding the procurement of MX missiles to 12 in fiscal year 1986. It is my understanding this is presently agreeable to the administration.

In this we try to accede to the places where the Congress has acted.

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I am happy to yield to the gentleman from California.

Mr. LUNGREN. I thank the gentleman for yielding. I have just one question.

In California right now, we have a rather controversial question of offshore drilling. Some of us have always opposed moratoria and have, in fact, opposed the tentative agreement that was reached between the Secretary and some Members of our delegation prior to the time that the Secretary then discovered that he could not continue to support it.

It is my understanding that this 45-day continuing resolution continues the moratoria language that was contained in the last year's continuing resolution which in effect means that it only will be in law unless further action is taken for another 45 days.

It is also further my understanding that the Department of Interior has no intention of attempting to go out to lease on any of these tracts, and cannot because of previous legislation for a period extending past the 45 days.

Can the gentleman tell me whether my statement is correct as far as he understands it?

Mr. CONTE. Yes, I think the gentleman from California is correct.

If the Interior bill has only passed the House as of October 1, then the moratorium in current law would be extended until November 14.

If the bill has passed the House and the Senate as of October 1, then current law no longer applies, and the terms and conditions are the more restrictive provision in the House or Senate bill.

However, no new general provisions in the House or Senate bills shall take effect unless they are in identical form in both bills.

Mr. LUNGREN. I understand that, and I would just like to say for the record that some of us who have never supported the moratorium in the past, if we do not object to this bill or vote against it do not want to be interpreted as supporting a moratorium for the first time. We understand the decisions that your committee had to go through in trying to keep this as clean a bill as possible, and the best way to do that was to extend current law.

So I would like to congratulate the committee for as clean a bill as I think I have seen around here. I know that the gentleman shares with me the sad feeling that this is not the way we ought to do legislation around here. The gentleman has commented on that many times and the chairman has commented on that many times. It seems unfortunately that continuing resolutions are becoming the rule rather than the exception, and I hope that at some point in time the Congress can get its act together and not go through this episode on a 45-day schedule or a biyearly schedule.

But I understand the bind the committee is in and I appreciate the gentleman for at least outlining what the situation is with respect to that provision in the Interior section of the bill.

Mr. CONTE. I want to thank the gentleman.

I might say, if there are no further speakers, if this passes right now we may go down in the "Guiness Book of Records" for the shortest period of time in passing a continuing resolution.

Mr. FRENZEL. Mr. Speaker, however neutral this continuing resolution is intended to be, or said to be, it is, by its nature, deserving of a negative note.

Continuing resolutions are nothing but a copout. They are required because we didn't do our job, as required by law, in the time allowed. In addition, even in the unlikely event that they contain no new boondoggles, nor new Members' pet but unwarranted projects, they preserve all the old boondoggles and old Members' pet, but unwarranted, projects.

It is also true that this resolution accepts provisions of appropriations bills that have passed the House, but have not been enacted, which not only shatter the President's budget, and the limits of good sense, but also exceed the House's own budget when supplemental appropriations are figured.

In all respects, House Joint Resolution 388 deserves a resounding "no" vote.

Mr. SMITH of Iowa. Mr. Speaker, the continuing resolution for fiscal year 1986 (H.J. Res. 388), which we are considering today is for 6 weeks and terminates on November 14, 1985. There are departments, agencies and programs under the sections of the resolution that I am responsible for (the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies) that will be held to a lower level of funding than is advisable and that most Members of the House and Senate would want for fiscal year 1986. Although it would be better if these departments and agencies knew exactly how much money they will have, it was not possible to go through each of these programs one at a time. Also the levels of funding might be changed as a result of negotiations with the administration. However, the continuing resolution is for only a 6 weeks period and hopefully before it expires, there will be final action on the fiscal year 1986 Appropriations Bill for the Department of Commerce, Justice, and State, the Judiciary and Related Agencies (H.R. 2965) that will eject those programs from the resolution. H.R. 2965 passed the House July 17 and is pending in the Senate. Hopefully the Senate will consider the bill and pass it soon and thus remedy the whole situation.

One such problem area is the Legal Services Corporation where the level of funding under all bills is the same as last year's level. This situation leaves no room for cost of living increases for personnel or inflation increases for individual programs. That means that there will not be such increases or that there must be reductions in other areas of the Legal Services Program. There is a considerable difference of opinion as to how this problem should be handled. The best remedy would be for the House and Senate to pass an authorization for the Legal Services Corporation for fiscal year 1986 which would deal with these kinds of questions. The last authorization for appropriations for the Legal Services Corporation expired at the end of fiscal year 1980, and enactment of a new authorization would be a way for all Members of the House and Senate to express their views on this and other matters. Although the administration is opposed to any federally funded legal services program, at least we would know how a majority of the House and Senate feel about the components and priorities of the whole program even if such a bill are vetoed. However, since action on such a bill appears to be uncertain at this time, it would be advisable that Congress proceed with the regular appropriations bill for fiscal year 1986 as fast as possible to settle this matter and that the Legal Services Corporation take no action until we have had an opportunity to deal with this issue in a definitive manner.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the joint resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 272, nays 156, not voting 6, as follows:

[Roll No. 308]

YEAS—272

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnes
Bateman
Bedell
Beilenson
Bennett
Berman
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Bryant
Burton (CA)
Bustamante
Carper
Carr
Chandler
Chappell
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
Daniel
Darden
Daschle
Davis
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Edgar
Edwards (CA)
Emerson
Erdreich
Evans (IL)
Fascell
Fazio

Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hillis
Horton
Howard
Hoyer
Huckaby
Hutto
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lipinski
Livingston
Lloyd
Lowery (CA)
Lowry (WA)
Lujan
Lundine
MacKay
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey

McCurdy
McDade
McHugh
McKinney
Meyers
Mica
Mikulski
Miller (CA)
Miller (OH)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Parris
Pashayan
Pease
Pepper
Perkins
Pickle
Price
Pursell
Quillen
Rahall
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Rudd
Sabo
Savage
Schneider
Schumer
Seiberling
Sharp
Siljander
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Solarz
Spratt

St Germain
Stangeland
Stark
Stokes
Stratton
Studds
Sundquist
Swift
Tallon
Taylor
Thomas (GA)
Torres
Torricelli
Towns

Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitehurst

Whitley
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wright
Yates
Yatron
Young (AK)
Young (MO)

NAYS—156

Archer
Armey
Badham
Barnard
Bartlett
Barton
Bates
Bentley
Bereuter
Bilirakis
Boulter
Brown (CO)
Broyhill
Bruce
Burton (IN)
Byron
Callahan
Campbell
Carney
Chapman
Chappie
Cheney
Coats
Cobey
Coble
Coleman (MO)
Combest
Courter
Craig
Crane
Dannemeyer
Daub
DeLay
DeWine
Dickinson
Dorgan (ND)
Dornan (CA)
Dreier
Eckart (OH)
Eckert (NY)
Edwards (OK)
English
Evans (IA)
Fawell
Feighan
Fiedler
Fields
Franklin
Frenzel
Gallo
Gekas
Gingrich

Glickman
Gregg
Grotberg
Gunderson
Hall, Ralph
Hansen
Hartnett
Hendon
Henry
Hertel
Hiler
Holt
Hopkins
Hubbard
Hughes
Hunter
Hyde
Ireland
Jacobs
Kasich
Kastenmeier
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (FL)
Lightfoot
Loeffler
Lott
Luken
Lungren
Mack
Madigan
Martin (IL)
McCain
McCandless
McCollum
McEwen
McGrath
McKernan
McMillan
Michel
Miller (WA)
Monson
Moorhead
Murphy
Nielson

Oxley
Packard
Penny
Petri
Porter
Ritter
Roberts
Roemer
Roth
Rowland (CT)
Russo
Saxton
Schaefer
Scheuer
Schroeder
Schuette
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Sikorski
Slaughter
Smith (NH)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Staggers
Stallings
Stenholm
Strang
Stump
Sweeney
Swindall
Synar
Tauke
Tauzin
Thomas (CA)
Vucanovich
Walker
Weaver
Weber
Whittaker
Wirth
Wyden
Wylie
Young (FL)
Zschau

NOT VOTING—6

Addabbo
Bevill

de la Garza
Long

Rangel
Robinson

□ 1210

Messrs. RUSSO, DEWINE, DORGAN of North Dakota, FRANKLIN, OXLEY, and KEMP changed their votes from "yea" to "nay."

Mr. MARKEY changed his vote from "nay" to "yea."

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. KASTENMEIER. Mr. Speaker, due to death in the family, I was absent for the following rollcall votes. Had I been present, I would have voted: "aye" on rollcall No. 297; "no" on rollcall No. 298; "no" on rollcall No. 299; "aye" on rollcall No. 300; "aye" on rollcall No. 301; "aye" on rollcall No. 302; "no" on rollcall No. 304; "aye" on rollcall No. 305; "no" on rollcall No. 307.

SCHOOL LUNCH AND CHILD NUTRITION AMENDMENTS OF 1985

The SPEAKER pro tempore. Pursuant to House Resolution 262 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 7.

□ 1215

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7) to extend and improve the National School Lunch Act and the Child Nutrition Act of 1966, with Mr. SLATTERY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, September 12, 1985, section 4 was open to amendment at any point.

Are there any further amendments to section 4 of H.R. 7?

The Clerk will designate section 5.

The text of section 5 is as follows:

SEC. 5. INCLUSION OF WHOLE MILK AS A SCHOOL-LUNCH BEVERAGE

Section 9(a) of the National School Lunch Act is amended by inserting after the first sentence the following: "In addition to such other forms of milk as the Secretary may determine, such lunches shall offer whole milk as a beverage.".

The CHAIRMAN. Are there any amendments to section 5?

The Clerk will designate section 6.

The text of section 6 is as follows:

SEC. 6. ELIMINATION OF REFERENCE TO FOOD STAMP PROGRAM ELIGIBILITY STANDARDS.

Section 9(b)(1)(A) of the National School Lunch Act is amended—

(1) by striking out in the second sentence "For the school years ending June 30, 1982, and June 30, 1983, the" and inserting in lieu thereof "The"; and

(2) by striking out the third sentence.

The CHAIRMAN. Are there any amendments to section 6?

The Clerk will designate section 7.

The text of section 7 is as follows:

SEC. 7. AUTOMATIC ELIGIBILITY FOR CERTAIN PROGRAMS

Section 9(b) of the National School Lunch Act is amended by inserting after paragraph (5) the following new paragraph:

"(6) Any child who is a member of a household under the food stamp program or a member of an AFDC assistance unit (under the aid to families with dependent children program under part A of title IV of the Social Security Act), in a State where the standard of eligibility for such assistance does not exceed 130 per centum of the income poverty guidelines, shall be served a free lunch and breakfast without further application or eligibility determinations. For the purposes of any verification under paragraph (2)(C), proof of receipt of food stamps or AFDC shall be sufficient.".

The **CHAIRMAN**. Are there any amendments to section 7?

The Clerk will designate section 8.

The text of section 8 is as follows:

SEC. 8. LIMITATION ON MEAL CONTRACTING.

Section 9 of the National School Lunch Act is amended by inserting at the end thereof the following new subsection:

"(e) A school or school food authority participating in a program under this Act may not contract with a food service company to provide a la carte food service unless such company agrees to offer free, reduced-price, and full-price reimbursable meals to all eligible children.".

The **CHAIRMAN**. Are there any amendments to section 8?

AMENDMENT OFFERED BY MR. BARTLETT

Mr. **BARTLETT**. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARTLETT: Page 5, after line 22, insert the following new section (and redesignate the subsequent sections accordingly):

SEC. 9. ELIMINATION OF 1986 ADJUSTMENT TO REIMBURSEMENT RATES IN THE SCHOOL LUNCH AND CHILD NUTRITION PROGRAMS.

(a) SPECIAL ASSISTANCE.—Section 11(a) of the National School Lunch Act is amended in paragraph (3)(A) by striking out "July 1, 1982" and inserting in lieu thereof "July 1, 1987".

(b) CHILD CARE FOOD PROGRAM.—Section 17 of the National School Lunch Act is amended—

(1) in subsection (f)(3)(A) by striking out "July 1 of each year" and inserting in lieu thereof "July 1, 1987 and each subsequent July 1"; and

(2) in subsection (f)(3)(B), by striking out "July 1 of each year" and inserting "July 1, 1987 and each subsequent July 1".

(c) SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.—Section 13(b) of the National School Lunch Act is amended—

(1) in paragraph (1) by striking out "each January 1" and inserting in lieu thereof "on January 1, 1987 and each subsequent January 1"; and

(2) by inserting at the end of paragraph (4)(B) the following sentence: "Such rates should not be adjusted to reflect changes in costs or prices during the period January 1, 1985 through January 1, 1986.".

(d) SCHOOL BREAKFAST PROGRAM AUTHORIZATION.— Section 4(b)(2)(B)(ii) of the Child Nutrition Act of 1966 is amended by adding a new sentence at the end thereof as follows: "No such annual adjustment shall be made July 1, 1986.".

Mr. **BARTLETT** (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Texas?

Mr. **HAWKINS**. Mr. Chairman, reserving the right to object, we have not been furnished with copies of the amendment on this side. I request that we be provided with this amendment and the ones which follow. Otherwise, we would have to object to taking them up without reading them.

Will the gentleman comply with that request, please?

Mr. **BARTLETT**. Mr. Chairman, if the gentleman will yield, I believe that the committee chairman has received a copy. It is entitled, "COLA Freeze." I do apologize to the chairman. We had provided copies of all of these amendments last week. I think both the majority and the minority of the committee had expected this bill not to come up until later today or tomorrow, and so I would inquire of the chairman of the committee as to whether he now has a copy of the amendment.

Mr. **HAWKINS**. We have received copies, and I appreciate that. I thank the gentleman.

Mr. **BARTLETT**. I thank the gentleman.

Mr. **HAWKINS**. Mr. Chairman, I withdraw my reservation of objection.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. **BARTLETT**. Mr. Chairman, let me first put this amendment in the context of H.R. 7 and of the entirety of the school lunch programs. Last week during the debate, the House I think began to understand that a combination of the changes in H.R. 7 and these programs plus current law would cause the entirety of the national school lunch programs and the other programs that are amended by H.R. 7, would cause these entitlement programs to increase over the next 5 years beginning in fiscal year 1986 at the rate of approximately 6 to 7 percent a year.

Now, that 6 to 7 percent a year assumes the same number of recipients. So if the number of recipients were to increase, the increases would be greater.

Mr. Chairman, the result of that is that at the end of 5 years, if the House passes H.R. 7 today, and makes none of the modifications that will be proposed in this amendment and others, the result of that will be at the end of 5 years an unintended, I think, 36-percent increase of some $2 billion.

This, Mr. Chairman, is the first entitlement program that I can recall this House has considered this session, either to amend or to reauthorize.

□ 1220

The largest entitlement program in this section, the National School Lunch Program, is a permanently authorized program and, therefore, it is very seldom the House gets an opportunity to examine that program and determine if there are some ways to improve it so as to limit the rate of increases.

Mr. Chairman, the entitlement programs in the aggregate, as this House so well knows, are the single largest cause of the increases in the Federal deficit, constituting some 52 percent of Federal spending, and I think the House would prefer to deal with all of the entitlement programs in the aggregate, but that is not one of our options. All we can do today is to consider this program and then to hope that in many ways, as it will, modifications in this entitlement program will lead to modifications in others.

Mr. Chairman, in the context of this amendment, even if combined with all the other amendments, this amendment will not reduce spending at all. It will not reduce payments, it will not reduce spending. This amendment is a 1-year freeze on the automatic COLA's that otherwise would to into effect on July 1, 1986. Nor does this amendment eliminate COLA's. It only provides for a 1-year freeze or a respite from those COLA's that have increased the cost of these programs year after year.

Mr. Chairman, this would not lower expenditures. It would merely lower the rate of increases.

Now, school meal costs or reimbursements have been increased every year on July 1, at a calculated rate based on various indices. Between 1979 and 1983, school meal costs actually rose 7 percent, but the Consumer Price Index adjustment for the COLA was increased 32 percent. Between 1979 and 1983, total subsidies for free meals, if you include the producer's index and the commodity index, total subsidies increased 21 percent, but the cost only increased 7 percent.

So in many ways, Mr. Chairman, this change, this 1-year COLA freeze, a modest proposal, would really allow only a 1-year catch-up of some of the increases in cost.

These COLA's do not apply specifically to the students or to the recipients themselves but they are institutional programs, institutional reimbursements that are made to the school district. All that we are saying in this COLA freeze for 1 year is that for 1 year the Government woud recoup some of the overreimbursement that has been made in past years.

Let me repeat the numbers again. A 21-percent average increase in the reimbursements, versus a 7-percent increase in cost between 1979 and 1983. This amendment would not recoup those costs but would merely provide for a 1-year freeze.

Now, it is too early to——

The **CHAIRMAN**. The time of the gentleman from Texas [Mr. BARTLETT] has expired.

Mr. **HAWKINS**. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment would bar the adjustment for inflation which is made in the reimbursement rates for the child nutrition programs. It would amount to a cut of $38 million in funding for fiscal year 1986, $250 million for fiscal year 1987, and $273 million for fiscal 1988.

May I, first, place the amendment in focus with respect to the overall budget problem?

H.R. 7 only attempts to reauthorize five expiring programs. It does not include all of the programs indicated by the gentleman from Texas on his now famous chart, which I think gives a false impression, an impression of busting the budget.

Unfortunately, this does not attempt to do that. We have scaled it down twice before this, in previous sessions, in 1983 and again in 1984. We have constantly reduced the amount for these programs. And the current proposal again reduces the amount.

After having documented the need for this program before the Budget Committee, the Budget Committee has indicated to us that H.R. 7 is completely within the limits of the Budget Committee and also the budget conference report, as reported by both the House and the Senate. So we are not doing anything fantastic. We are simply complying with the budget resolution as to the amounts.

Now, as to the merit of the amendment itself, 87 percent of the funds for child nutrition is earmarked to provide meals for poor children; therefore, the burden of this amendment is not on those who come from wealthy families but on the poor and the most needy among the children of this Nation.

These programs, despite what has been said, have already been cut. They were cut by one-third in 1981 and since that time, for a cumulative total of over $5 billion over this period of time. Now, that is a very disproportionate amount. No other program has been cut as much.

So with this amendment the gentleman is again picking upon a program that has constantly been cut since 1981. If that is a contribution to budget deficit reduction, this program has already suffered I think disproportionately more than any other.

The gentleman from Texas seems to be inconsistent in his desire to reduce the deficit. He has himself supported as much as $10 billion increase, in defense, in spite of busting the limits of the budget resolution in that instance, and in this instance he has a great fidelity for reducing the deficit. That inconsistency, it seems to me, is unwarranted in this instance.

There is a practical situation involved, as well, in the amendment. The school year has already begun. Contracts have been signed. Cafeteria workers have been hired on the basis of existing contracts. Food suppliers have already been contracted with, on the basis of the continuation of the current law, making allowance for the inflation factor.

This amendment would upset these contracts. It would simply mean that before the school year has been completed, they would have to take recognition of the fact that they have not made adjustments for inflation and try to readjust those contracts.

Mr. **BARTLETT**. Mr. Chairman, will the gentleman yield?

Mr. **HAWKINS**. I will be glad to yield to the gentleman, just briefly, however.

Mr. **BARTLETT**. I thank the gentleman for yielding, and not for the purpose of debating our differences but to clarify that this amendment does not affect the current school year. It would affect the COLA scheduled for July 1, 1986. So it would take effect in the 1986-87 school year, and school districts would then have almost a full 12-month notice that there would not be that increase built into their budget. I wanted the gentleman to understand that.

The **CHAIRMAN**. The time of the gentleman from California [Mr. HAWKINS] has expired.

Mr. **BIAGGI**. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was here and heard the gentleman offer his amendment. We serve together on the Education and Labor Committee and I know of his deep concern for education. We have our differences. But I never thought we would have a difference in this area. I respect and share the gentleman's concern for education. The subject of this proposal is child nutrition. We as a nation are concerned with nutrition of people all over the world, and have responded in generous fashion—and properly so. However, when it comes to dealing with the young folks of our own country, we sometimes find a penurious attitude, as reflected in this amendment.

Clearly this amendment would only exacerbate an already diminished situation. We have lost some $5 billion to date since 1981. This amendment would only further the cuts and reduce the program.

We look at the young folks today, and we know that the nutrition program is working and so we witness their nutrition improving. An see it in their well being. It is this very effort by our country over the years that has helped develop a better mind and body for our young folks.

The gentleman argues—and I understand his concern—the budget deficit which is clearly an important concern to all of us. If we are to cut, certainly do not pick on a nutrition program for the children. It is a miserly attitude. It is something that should be rejected out of hand. The argument cannot be made that the budget resolution is constrictive. The fact is, the budget resolution permits adjustments for inflation.

The gentleman, if he is concerned about budget deficits should look to the time he voted for $10 billion more for defense. And I have no quarrel with defense expenditures, but here we are, in the process of emasculating a program that has served our Nation well and has kind of taken the sting our of the pocket of poverty that existed in our Nation over the years.

I am not saying that every program functions in perfection. But no program in Government operates in perfect fashion. Let us not, as a matter of policy, cut in a cruel fashion the way this amendment suggests. We should not be cutting. We should be increasing. And I sincerely hope and pray that the Members of this august body will reject the gentleman's amendment, and I sincerely hope that the gentleman would, upon reflection, recognize the error of his ways and perhaps withdraw his amendment.

Mr. **GOODLING**. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, a strange thing happened on the way to something. I am not sure what it was. But when we started this year, there was a great deal of talk in the Congress that, as a matter of fact, the least we were going to do was freeze across the board; and then we were going to go beyond that. So in my first service on the Budget Committee, we passed a budget on the House side, which did not do that at all. The Senate passed a budget that did not do that at all. And then they got together in conference, and that was the most amazing thing I have ever seen, because in conference the President got what he wanted, no new taxes, no freeze on Social Security, the House got what they wanted, increases in domestics, the Senate got what they wanted, increases in defense, and they came back and told us:

> We are not only going to save as much as we said we were when it left the Budget Committee originally but, as a matter of fact, we are going to save more, even though all three sides got what they wanted.

That is an amazing thing.

Well, at that time I suggested some things, including what is being offered now, to the Budget Committee and the Finance Committee, that if you are truly going to freeze the entire budget, I want you to know the areas where you will be least devastating in the nutrition area. But as I indicated, they did not decide to do that at all. As a matter of fact, they said some areas get COLA's, they said you must have COLA's in defense, you must have 3 percent in the out years, and so forth. So now we are saying defense and everything else can have increases, but when it comes to cost-of-living increases for nutrition programs, the answer is "no," you take a freeze.

I am not here to defend that kind of budgeting. I would not want to go out and tell the public that somehow or other I voted for a budget that increased in many areas but in one of the most important areas, which is nutrition, we decided a freeze would be all right.

Well, let us look at the COLA situation in relationship to what we have done in the last several years. Every COLA that has been given, every program that has a COLA, you can make the same argument that the gentleman from Texas has made now. You can do that in Social Security. You can say it far outstripped what we gave in relationship to what the figures should have been. But look at it in this context: With the reconciliation of 1981, the Child Nutrition Program, which represents less than one-half of 1 percent of the entire Federal budget, took 4 percent of the cut. One-half of 1 percent of the entire budget took 4 percent of the total cut. In short, the nutrition program enacted in 1981 was approximately 10 times greater in cuts than an across-the-board freeze.

□ 1235

So do not look at what may have happened as far as COLA's are concerned; put it in the proper context, and look what has happened in reductions that took place in the whole nutrition program. Then you will discover as a matter of fact that you are spending less than what those so-called inflated COLA's would have given you.

Second, if you make this cut, and I am assuming it is across-the-board, except milk; I say that for the dairy producers—if you make this cut and you are talking about a school breakfast program, and you are talking about a summer feeding program, who makes that up? You are not talking about some school district that may go out and increase taxes, et cetera. You are talking about some programs that are carried on differently.

Let me just wind it up by indicating that the inflation adjustment will be in the range of 4 to 5 percent we are told in 1986. Again, keep in mind in 1981, even though it represented one-half of 1 percent of the total budget, nutrition took 4 percent of the cuts.

Mr. ALEXANDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I thank the Chair.

Mr. Chairman, I take this time to address the suggestion so often raised among some of our colleagues that no one goes hungry in America.

About a week ago, coincidentially, on the same day this bill was scheduled for consideration. I was going to the place where I live here in Washington, five blocks from the Capitol, about 9 o'clock. There was a little child who lives two doors from me named Tony. He was crying. I approached him, asked how he was doing, and he told me that earlier in the day someone jumped him in his words, beat him up, and stolen his bicycle.

I was trying to comfort him in neighborly terms, during which time I learned that he was hungry. I asked Tony when he ate last, and he said yesterday at noon. I learned that his last meal he had was the day before at school, and that he had not eaten on this particular day because he had missed because his bicycle had been stolen.

There are many children today, maybe even thousands within the shadow of this Capitol where we sit in comfort during the debate on this bill, who only get one meal a day and it is provided to them at school by the program that we are debating this day. I expect that that figure is multiplied thousands of times across our land in numerous situations in every town in America.

Some of the people who are crying loudest about the budget have concern about the budget as all of us do who are here debating it. But we should not lose sight of the fact that in this great land where we are debating a budget of almost $900 billion that we should not lose sight of the fact that many of our citizens; namely, young children, only get one balanced meal a day which is provided to them by the School Lunch Program through the school that they attend. I urge all of my colleagues to take this fact into consideration and not lose sight of the fact that while we must attend and give consideration to the needs of the budget, that we should also give consideration to the needs of our citizens.

Mr. KILDEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the hungry and needy schoolchildren in this country are not the real cause of the deficits. Very often when we come to programs for the needy we raise the specter of the deficit. Now, I recognize that consistency is not a strong virtue in this House, but it is something that we should strive for, at least. A certain sensitive consistency.

I have enormous respect for the gentleman from Texas [Mr. Bartlett]. He and I worked together last year on a bill that no one said could pass. We worked well together on that, and I appreciate that work. But as all of us at times are inconsistent, so can he be. Just on June 18 of this year, he voted for $10 billion extra for the Defense Department; really beyond that which the budget resolution called for. He was not for a freeze there.

I recognize that he feels defense is a very high priority, but Mr. Weinberger's extra dollars in the last 5 years did not come from revenue, they came from filching dollars from other programs. They came from filching dollars from schoolchildren, from pregnant women, and from the poor. That is where he got the dollars. I can figure that. There is no extra revenue; he had to get the money from other programs. That is where he got those dollars. By supporting an amendment like this, we are telling him, "Here is our blessing on that; get some more of your dollars from this program." That is where the dollars will go; we know that. That is the record of the last 5 years.

In real life I was a schoolteacher. I taught school, and I can recall one incident in my life that really made me a strong supporter of this program. I was raised in a family where stealing was considered a very, very terrible offense. I found out that in my home room there in high school that my students were having their lunches stolen. Every day someone's lunch was being stolen, and that really outraged my sense of justice. So I really went to work on that and I found the culprit. I nailed the culprit. I called him in. And while his stealing was wrong, let me tell you this: He never got a breakfast in the morning. His first task when he came to school in the morning was to get something to eat. But he had a certain honor. He said, "Mr. Kildee, I never steal from the same person in the same week."

Do not take this food away from kids. For gosh sake, there are other ways to save money.

Mr. TAUKE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it is very difficult to support any amendments that affect the child nutrition programs. But I am compelled to come to the floor in support of this amendment because I believe it is imperative that we only provide increases in spending in those areas where we have strong need to do so.

I think that the opponents of this amendment have made some good points. But they have also been guilty of using some very faulty arguments in opposing the amendment offered by the gentleman from Texas. What we have done on defense may or may not be relevant, but it does appear to me that it is misleading and wrong for those who are arguing in opposition to this amendment to solely base the argument on the assertion that if we do not spend the money for this, we will spend it for defense. You voted for an increase for defense, they say, and

now we ought to vote for an increase for this. I did not vote for any increase for defense, and I do not think I have voted for an increase for any program this year. But whether or not the rest of my colleagues have voted for an increase in those programs is not particularly relevant here. What is relevant is this: When we do not have any money in the Treasury, can we justify increases in this program? Will the program fail in its mission if we do not provide more money?

I have heard nobody in opposition to this amendment stand up and explain why we have to have a cost-of-living adjustment in this program in order to maintain the program, provide food for starving children, provide food for children who are not starving but maybe want a lunch. Nobody has bothered to do that.

Nor have they bothered to look at what has happened to the program during the past several years.

□ 1245

In fact, what has happened is that we have given cost-of-living adjustments in this program that have far exceeded the cost of food purchased for the program. The cost of meals under this program have increased very slightly. Between 1979 and 1983, for example, there was a 7-percent increase in the cost of providing a meal, while the index under which this program got increases went up 21 percent.

So we have increased the money for the program far faster than the cost of food has gone up. If one looks at what has happened during the last year, and if one projects what is going to happen for the next year, the cost of food is not going up, ladies and gentlemen, the cost of food is going down.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

Mr. Chairman, could the gentleman also tell me that the cost of equipment is going down, not up, and the cost of labor is going down, not up?

Mr. TAUKE. I would be happy to respond to the gentleman.

First, we are not talking about equipment in this particular portion of the program.

Mr. GOODLING. We are talking about cost-of-living increases.

Mr. TAUKE. I have not yielded to the gentleman.

The second point that I am trying to make is that we have here limited dollars. Of course, I would love and I am sure the gentleman would love to not just give a cost-of-living adjustment for the program but to double it, give everybody free meals. But the point is that we have limited dollars within which to work.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. No, I will not.

We have limited dollars within which to work, and when we have limited dollars within which to work, we have to make tough decisions. There has not been any case made for increasing the expenditures, except to say that if we do not increase the expenditures, we are going to be taking food from starving children. Not true.

The fact is that the program will be maintained.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I would be happy to yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman's response because no matter how you slice it, the fact is that it is between those years of 1979 to 1983, which is the last time for which we have the figures, total school meal costs have only increased 7 percent, but the reimbursement by the Federal Government to the school districts in institutional entitlement has been increased by 21 percent.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. Tauke] has expired.

(On request of Mr. Bartlett and by unanimous consent, Mr. Tauke was allowed to proceed for 1 additional minute.)

Mr. BARTLETT. Mr. Chairman, will the gentleman continue to yield?

Mr. TAUKE. I would be happy to yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, we are not going to emasculate the program or even reduce the program, but only reduce the rate of increase. This amendment would still permit a rate of increase, with a 1-year breather for the COLA, not even to catch up completely to that disparity, but just a 1-year breather.

Mr. TAUKE. I thank the gentleman for his point.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Michigan.

Mr. PURSELL. I thank the gentleman for yielding.

Mr. Chairman, I want to congratulate the gentleman from Iowa. He has put his finger right on the basic issue that we are talking about, the discipline of the House. If we are going to begin to increase this program, housing, Customs, IRS collectors, water projects, defense then increased and spendings continue to dominate this House. We are losing our discipline in respect to the deficit. We as a nation are borrowing 20 percent of our revenue. Our general fund will pay out $130 billion on the interest alone in 1986 on the national debt.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. Tauke] has again expired.

(On request of Mr. Pursell and by unanimous consent, Mr. Tauke was allowed to proceed for 3 additional minutes.)

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Michigan.

Mr. PURSELL. I thank the gentleman for yielding.

Mr. Chairman, I suggest that yes, it is a great program. I have been a former teacher and I have been on the Committee on Education and Labor, and I can name a hundred great programs and so could you and so could all of us. We have 435 Members here. But if discipline breaks down here, I think what it's suggesting is that all bets are off on the Defense bill, which is yet to come. When that Defense bill comes up, what are we going to do? Are we going to allow the $10 billion increase in defense over 1985? We must be consistent an say "no" to increased spending.

Mr. PANETTA. Mr. Chairman will the gentleman yield?

Mr. TAUKE. I would be happy to yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding.

Mr. Chairman, sometimes I am never quite sure whether we are in the House of Representatives or in an Alice-in-Wonderland situation. We are operating under a budget resolution which provides exactly for the growth that is involved here. That is the budget resolution. We either stand by that budget resolution or we do not. We cannot pick and choose and say, "Oh, in this area I am going to support the budget resolution, and in this area I am not."

This bill meets the budget resolution, period. Now, we either stand with that or we do not.

Mr. PURSELL. Mr. Chairman, will the gentleman yield further?

Mr. TAUKE. I yield to the gentleman from Michigan.

Mr. PURSELL. I thank the gentleman for yielding.

Mr. Chairman, I do not happen to support the budget resolution because we are only talking about $39 billion savings in the budget.

We are talking about a freeze at 1985 levels. That is a different figure than the House budget resolution.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, I do not know that it is all that crystal clear that there is some page of the budget resolution that contemplates an increase in these programs at the rate that they are being increased. In fact, there is no such one single page. The fact of the matter is that the budget resolution in many ways becomes very, very vague, as it does in this area.

The fact is that there is nothing in the budget resolution which would suggest that we control these costs. Nowhere, when the budget was voted on, and I do not support that budget either, did anyone say, "That means a 36-percent increase in the cost of these programs." I do not believe there is a Member of this House who believes that.

Mr. TAUKE. I thank the gentleman for his point.

Mr. Chairman, I want to conclude by saying, ladies and gentlemen, that regardless of what we do in other programs, when we look at this program, we must apply rigorous standards, as we do to every program, and say, "Is it absolutely necessary to have increases in spending?"

In view of the fact that we have more than overcompensated for increases in food costs in the immediate past, in view of the fact that food costs are going down, and in view of the fact that we have heard nothing suggesting that the removal of the cost-of-living adjustment for 1 year would in any way stymie this program, I think we should accept the Bartlett amendment.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the particular amendment that is being offered today on the House floor for a variety of reasons.

First of all, I have to say that when we are talking about spending money of any sort on the Federal level, we are obviously dealing with prioritization, of how important an individual issue to an individual Member. It so happens that in my particular case the priority of feeding children and giving them a decent meal so that they do not go hungry is pretty high up there.

What are we talking about in terms of the specifics of the legislation? We are talking about 87 percent of the money that we are voting on going to poor, to hungry children, to children that I go up and down the hollows and see go around a lot of times in rag tails, without a decent meal except what they get when they go to school. This is the kind of thing we are talking about.

What are we talking about when we deal with where the cuts are going to come from? The distinguished gentleman from Iowa, I know, has a great concern on this issue. What we are talking about is cutting one of two things. We are talking about cutting either the number of people who are getting the food, or the quality of the food.

All right. If those are the two things that we are talking about cutting, in what type of situation are we? What type of situation are we in to cut?

In 1981, one-third of this program was cut out in that particular type of legislation we had back then. We absorbed a heavy cut at that particular time period. Now they talk about how much increase these programs have gotten.

I ask the distinguished gentleman if he would please take a look and see that, in fact, this legislation ties the price of food. If the price of food goes up, then the COLA goes up. So when we talk about a 21-percent increase over the past several years that we have had, if it has gone up by 21 percent it is because the food has gone by 21 percent.

□ 1255

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding, and I have asked him to yield not for the purpose of debate but for clarification.

In fact, the COLA under this program is adjusted according to the CPI, not according to the cost of food. The difficulty with this is that the meal costs have gone up only slightly, but the CPI has gone up a dramatic amount, and thus we have the disparity.

Mr. PERKINS. Mr. Chairman, I have just a further point for clarification. It is my understanding that it is the CPI based upon how you provide food costs away from home; is that not correct?

Mr. BARTLETT. Mr. Chairman, will the gentleman yield further?

Mr. PERKINS. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, the gentleman is correct. That includes restaurants, both expensive and inexpensive. It is the CPI, under the food-away-from-home, that is the adjustment. That has increased by 32 percent for those years, and the reimbursement under this program has increased by 21 percent. But school meal cost have only increased 7 percent in that time. That is the disparity we are discussing.

I am not seeking to recapture that entire disparity but only to provide for a 1-year freeze or a 1-year breather to perhaps recapture 3 percent or 3½ or perhaps some much smaller amount than that.

Mr. Chairman, I thank the gentleman for yielding.

Mr. PERKINS. Mr. Chairman, reclaiming my time, I would say that it is my understanding that it is a weighted balance from the variety of the different away-from-home costs, so it is not just restaurant costs. And what we are talking about here is in fact a program that is tied with this away-from-home cost to the price of that away-from-home food. That is all it is, purely and simply.

What are we talking about in these terms? When you are away from home, what is it going to cost you if you are going to get some sort of meal? What we say here is that we are providing at that particular price, the most lean price that we can get in essence, some sort of increase to keep up with that increase in the cost because of inflation. That is all we are talking about.

We are not talking about a new program. We are not talking about any sort of massive new aid for children. We want to keep the children who are out there eating the same food, with the same number of children, and not have a reduction in the number of children or the kind of food they eat. Purely and simply, you can slice it any way you want to, what we are talking about here today is children. Children are the issue that is before the House and the Congress of the United States of America.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. Perkins] has expired.

(On request of Mr. Goodling, and by unanimous consent, Mr. Perkins was allowed to proceed for 3 additional minutes.)

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, first of all, the discussion is very, very misleading. Someone is throwing around the figure of 7 percent. There is no justification whatsoever for it. Those figures are not available anywhere. You cannot go to the Agriculture Department or you cannot go anywhere and get a figure, as a matter of fact, that the cost-of-living increase over that period of years was 7 percent. It does not exist.

Second, I would tell my friend, the gentleman from Iowa [Mr. Tauke], as a matter of fact that I am not for a universal free meals program and I am not for 25-cent reduced-price meals. If he would have been here earlier in my career, he would have found out that I was the Member, as a matter of fact, who fought against both.

But let me point out also that the important thing is that the best figure we have at the present time is $1.50. That is the average cost of these meals. That figure, I say to my dear colleagues, is going up every year, every year, and every year. Just go and

get the statistics. And that figure includes about 70 cents for labor.

So let us not look at percentages here and percentages there. The cost to produce a meal, the average meal in the United States, has consistently gone up, and now the average cost as of last year was a buck and a half. That has gone up since that time, and as a matter of fact, that is an average cost. In some places it costs much more.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I am pleased to yield to my friend, the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I want to congratulate the gentleman from Pennsylvania [Mr. Goodling] for a very important and impressive statement, and I want to underline what he said when he talked about labor.

We are talking here about some of the most underpaid people in this country. People who know what the wage schedule is and people who prepare and serve food in these school kitchens ought to understand that that is part of what we are talking about. It is not simply the cost of food. We do not buy it and throw it at the kids. People have to cook it, people have to serve it, and people have to clean up after it, and we are talking about a very underpaid group of people to begin with.

So when you deny a cost-of-living increase, you are saying to the school district, I assume, "Don't give those people who work in that food preparation, in the cleaning up, and in the serving an increase that year, because they are just not going to get one."

So, Mr. Chairman, I thank the gentleman from Pennsylvania because I believe he has provided real leadership on this.

Mr. OWENS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I have great respect for my colleague, the gentleman from Texas, and I have been very impressed with this thorough work on the charts that he presents to us. But if I may be allowed to scramble a little Shakespeare, I would like to say that the expense of his scholarship and thoroughness is a "waste of shame."

It is a waste of shame because he expends it in the wrong place. We never see him bring the charts and the diagrams forward when we are talking about waste where there should be cuts made, and that is in the defense area. Even in circumstances where we were discussing inordinate costs for nuts and bolts purchased by the defense contractors, or ashtrays, toilet seats, and coffee pots, our colleague, the gentleman from Texas, never came forward with his charts.

It is a waste of shame because he never bothered to come forward and discuss the facts concerning the MX missile, which most experts have agreed is not vital to our defense. It is a closing of the window of vulnerability in one case, or it is a bargaining chip in another, but they have never really said that it was vital to our defense. Our colleague did not come forward to challenge the expenditure of $74 million for each MX missile or talk about the fact that each one of those MX missiles requires a superhardened silo which will cost another $150 million per missile. So each MX missile costs $74 million, plus $150 million, and the charts and the graphs never came forward to point out the absurdity of that expenditure for a weapon which we do not really need in our defense arsenal to begin with.

It is also a waste of shame because of the fact that he has chosen to do a very thorough job on attacking programs which are primarily aimed at children. It has been documented recently that of all the people who receive entitlement programs, our children are the ones who are now getting the least amount from our Government and who have the greatest needs. These are programs to feed hungry children.

I will not pretend that the children of my district are like those in Ethiopia, but it is 1 of the 10 poorest districts in the country. I think, in terms of family income, my district ranks 10th among the poorest. In New York City we have 3 other districts which are among the 10 poorest, so we have 4 congressional districts in New York City which are among the 10 poorest districts in the country with respect to family median income. These are children who are hungry. I am not going to say it is like Ethiopia, that they are starving and they will not survive. But they are hungry, and a consensus was reached in the country that the nutritionally starved, those who are getting enough in their bellies but who are still not getting the proper nutrition, should be made a priority, that if we do not feed children properly when they are young if they do not get the right nutrition, then their ability to learn and their capacity for learning is diminished. Other types of problems psychologically and physically arise as a result, and problems arise medically which later on we pay for through Medicaid. I think the attempt to lower the cost of Medicaid was one of the motivating factors which led to an increased emphasis on programs which provide sound nutrition for young children. So we will pay now or we will pay more later.

It is a waste of scholarship because we cannot afford to pay for what would happen if we did not provide or if we do not continue to provide adequate nutrition programs.

Finally, I would like to thank again our colleague, the gentleman from Pennsylvania, for setting the record straight about the credibility and reliability of statistics that are being thrown at us. We really do not have sound statistics to show that the increases are that great, but more important than that is the fact that when we talk about increases, we must ask, what is the base? The base is 1981-82 when the cuts were made, when these programs took a disproportionate amount of the cut to begin with. We have cut a program drastically, and now we are talking about the percentages of increases from year to year, which really means that with these increases we are trying to get back to a reasonable state of appropriation that existed in 1980.

So what is at stake is the provision of a program for those who have been deemed to be those most in need in our society right now, the children of America, the children who are under attack. And they are under attack in order for us to sort of balance the budget and reduce the deficit when there is no sincerity among those who argue that the children must wait until the deficit is taken care of or the budget is balanced.

There is no sincerity there, Mr. Chairman, because those same people refuse to recognize the fact that the real waste is in defense.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. GUNDERSON. Mr. Chairman, I beg, as I guess we all do, the indulgence and the attention of the Members because I think there are a number of things that need to be said on this bill. And there are a lot of things that need to be said about this particular amendment.

This, make no mistake about it, is the key amendment that will be considered in H.R. 7. If any of the amendments are going to pass, this is the one that ought to pass. And, it is the only amendment left in front of us that I am going to support. Other amendments will suggest that what we ought to do means tests, and that we ought to cut the cash commodities and all that sort of thing. I do not happen to agree with those amendments.

And my position has been significantly misrepresented over the weekend. Let me make it very clear that I do not agree with the other amendments that are going to be offered and I am not going to support them, but I think this amendment has merit. I think it ought to be considered, and I call it to the attention of the Members.

A lot of Members are getting up here in debate and saying that because somebody votes to increase defense, they cannot vote to have a freeze in child nutrition. In all due respect, we all have different priorities. I happen to have different priorities than the gentleman from Texas, but let's respect his.

Many of us in this body, Democrat and Republican alike, who believe that the budget we passed in this Congress was inadequate, and that what we ought to do in terms of a justifiable, consistent public policy is begin with a freeze on everything. Then, above and beyond that, make cuts. I challenge anybody in this House to take a look at my voting record thus far, because they will find that consistency in my record. I have voted for a freeze on defense, I will consistently vote for a freeze on defense in fiscal year 1986, and I will vote for that freeze in other programs as well.

Now, the fact that this Congress is making a mistake in increasing defense authorizations does not justify that we then abandon any effort at fiscal responsibility in this Congress and let every program increase carte blanche, whatever we want the cost of living to be.

Let us understand as well that the amendment before us at this point in time does not freeze the child nutrition programs and does not freeze the School Lunch Program. This particular amendment simply freezes the rates.

If you have a small school in your district of, say, 300 students and next year the enrollment goes up to 325, you are going to get reimbursement for all 325 children if they participate in the School Lunch Program. We do not freeze the program at the present level. We freeze the rate. So each School Lunch or Child Nutrition Program will be able to respond. They will simply have to, in 1986–87, respond at the same level they are doing in 1985–86, because on July 1 of this year they received a 4½-percent increase in rates.

Now, I would also suggest to the Members that if they look at the facts on the adjustment in rates that occurred on July 1 of this ycar, they will find that something very interesting happened. In terms of the cash subsidy, we actually had an increase of from 12 to 12½ cents. In terms of the commodity subsidy, we actually had a decrease from 12 to 11¾ cents. Why? Because the cost of food in this country has gone down.

So to suggest that the cost of food is going up and, therefore, we have to have a cost-of-living increase in the rates because, if we do not have that, the programs are going to be decimated simply does not stand up to the facts that are before us.

What we are talking about, if we have a one-time freeze in rates, 1986 to 1987, would be a savings, according to the Congressional Budget Office, of $26 million the first year, $199 million the second year, and $236 million the third year. That is the calculation from the Congressional Budget Office.

Now, I would suggest this when you listen to the arguments that are put up against this:

First, that you cannot freeze this because you are not freezing defense, I would suggest that we freeze all of them.

Second, people are going to suggest that food prices are going up, and I think I have indicated that that is not the case.

□ 1310

Third, a number of my colleagues have tried to make the allegation, "Well, Mr. GUNDERSON, in committee you offered an amendment that provided for funding for the School Milk Program, a restoration that cost $15 million.

"Now, we agreed to that, but we are going to eliminate that if you talk about a freeze, because you are being hypocritical."

First of all, I think that is poor politics and poor policy if that game is going to be played. That amendment was being done from a public policy perspective, and let me talk about that. The special School Milk Program will cost $15 million. That was added back in committee because everyone on both sides of the aisle recognized that an oversight and a mistake in Gramm-Latta in 1981, where the policy decision was made on milk in school programs.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. GUNDERSON] has expired.

(By unanimous consent, Mr. Gunderson was allowed to proceed for an additional 3 minutes.)

Mr. GUNDERSON. Mr. Chairman, the policy argument in 1981 was that we would include the milk in the total school lunch reimbursement. I support that. For the most part, we ought not to have a special fund for milk. What we ought to have, however, and recognize, is that those young people, preschool, kindergarten children, who go half days and do not participate in the School Lunch Program, were thereby eliminated from participation in school milk because they did not participate in the school lunch. All we were saying in that amendment, a corrective amendment, is that every student ought to be allowed to participate in school milk, either through the school lunch, or if not the school lunch, the School Milk Program.

Now, I would suggest, everyone take a look at what I am supporting here in the freeze. Then take a look at that other special milk amendment, and we are more than living at a freeze in terms of overall cost outlays. I would suggest that consistency is on my side.

I would invite my colleagues on both sides of the aisle to recognize this is the key amendment. This is the time Democrats and Republicans alike will determine whether or not we believe the budget resolution that passed this House is inadequate and whether or not the fairest way to deal with the issue of the deficit is to start with an across-the-board freeze and then deal with cuts above and beyond that if we so choose.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. Now that I have completed that statement, I am happy to yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I appreciate the gentleman's explanation of why he had to vote for extra money for milk. Those of us who did not vote for Gramm-Latta I guess are not compelled to try to undo its mistakes.

Mr. GUNDERSON. Incidentally, I would reject that, because every argument that has been made on your side of the aisle is that we are trying to correct all the cuts that were made in Gramm-Latta on the school lunch. So I do not think your side agrees with the argument the gentleman just made.

Mr. FRANK. Well, if the gentleman will yield further to me, having given me 14 seconds, which I deeply appreciate before the gentleman interrupted me, if he would yield further, I would just say that we do not feel any great compulsion to single out particular things on the basis of something similar that was stated before when we started; but since the gentleman has brought up milk and he talked about his consistency in voting for defense and keeping it down, in my judgment since I have gotten here, the gentleman and I have often debated the dairy program, the dairy program as I understand it is not a nonmeans test of entitlement, it has been an antimeans test of entitlement; the bigger you are, the more money you get.

I wonder if the gentleman would describe to us his cost-cutting record with regard to the dairy program since the gentleman came here in 1981, which is a program which in sheer fiscal terms blinds the School Lunch Program in terms of its impact on the budget.

Mr. GUNDERSON. Mr. Chairman, I cannot believe the gentleman would give me the opportunity to answer that question.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

(By unanimous consent, Mr. GUNDERSON was allowed to proceed for an additional 3 minutes.)

Mr. GUNDERSON. Mr. Chairman, I welcome the additional 3 minutes to talk about one of my favorite subjects

and to indicate to my colleague, the gentleman from Massachusetts, exactly what has happened in the dairy program.

We are going to get into the farm bill debate a little bit earlier than I expected. But let us talk about what happened in 1983. At that point in time, we had a $2.5-billion annual expenditure for the Dairy Price Support Program in this country. I did not justify that. I do not think anyone else does.

Mr. FRANK. Mr Chairman, will the gentleman yield?

Mr. GUNDERSON. Yes.

Mr. FRANK. That was 1983 the gentleman was talking about?

Mr. GUNDERSON. That was $2.5 billion.

Mr. FRANK. As a result of the legislation the gentleman voted for in 1981 when we had a chance to vote the other way, the gentleman has picked a convenient starting point.

Mr. GUNDERSON. Well, let me explain the program to the gentleman. The fact is that if you take a look at dairy price supports, and the gentleman very well knows they have gone down from $13.10 in 1981 to $11.60 at the present time. There has been no increase in support to the dairy farmers of this country.

Second, above and beyond that, we passed a diversion program which saved the American taxpayers over a billion dollars in the first year alone of that program.

Third, we are going to have a farm bill appear next week that is going to have a dairy provision which is going to bring the taxpayer cost of the dairy support program down to $800 million. I think the dairy farmer will consistently tell you that he has more than done his job to support the efforts of budget reduction and deficit reduction in this country and it is a record I can be very, very proud of in that regard.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to my colleague, the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding.

I have sat here while three or four or perhaps more Members have talked about consistency vis-a-vis the defense program or milk or other things. It seems to me that there are decisions and priorities that this House has to make. It seems to me the inconsistency is on the other side for those who have, and I believe probably will when we get another chance, vote to reduce the increases in the defense program and it seems to me that for the sake of consistency they should be willing not to reduce the School Lunch Program, but at least to limit the rate of increase.

As the gentleman has said during his debate, in fact we are debating one amendment, that single solitary amendment that would improve and reduce the rate of increase by limiting at 1 year's worth of COLA on this one program. There is no other item before this House. It is only that attempt to begin to try to put the Federal increase in the deficit into some sort of perspective and to try to put some limits on it. That is the only bill that is before us.

For those who want to cut defense, leaving aside the argument on national security, I would hope they would also find some ways to at least limit the rate of increase in other programs.

I thank the gentleman for yielding.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to my colleague, the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, I thank the gentleman for yielding.

I think here we should not mix apples and oranges. There is only one issue here. The cost of producing a meal is going up. If you get your statistics, you will see that. The average cost is now a buck and a half. That was last year. It has gone up since that time.

Why does it go up? Well, there are many reasons it goes up. Food is just one of the smaller ones probably, but it goes up because labor goes up, repairs go up, everything they do goes up and that price is going up, too.

Mr. PANETTA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of H.R. 7 and in opposition to this amendment. Let me try to bring this issue back to what we are talking about in terms of the program that is involved here in terms of nutrition benefits for children, but also the budget question as well. All of these have been raised during this debate. I think they need to be addressed.

Let us talk about the budget issue first of all. Now, I realize that every Member can have their own particular budget. Four hundred thirty-five Members can have their own particular agenda and this may or may not fit into their particular guidelines. I recognize that; but as an institution, we adopted a budget resolution. It was adopted by the House. It was adopted by the Senate. That budget resolution provided additional funds for nutrition purposes, because both the House and the Senate recognized the importance of dealing with this issue. So from a budget resolution perspective and from the perspective of the Budget Committee, this bill meets those targets, period.

Now, you can all argue your own particular agenda, but from the point of view of the budget resolution that passed the House, that passed the Senate, and that we are now abiding by as an institution, this bill meets that target.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I am pleased to yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, is the gentleman suggesting that the House-Senate conference report that saves only $39 billion is really going to address the deficit that we face in 1987 and 1998?

Mr. PANETTA. I am not going to debate that issue.

Mr. PURSELL. I am just asking the gentleman the question.

Mr. PANETTA. I have made the point that this fits the budget resolution. If the gentleman wants to make a different point that somehow it does not fit the budget resolution, I am pleased to hear it; otherwise, I am not going to yield.

Now, second, with regard to nutrition programs, make no mistake about it, these programs have taken their cuts. If you want to cut programs, we have cut these programs. In 1981 we cut $12 billion over 4 years from nutrition programs. We cut it from the food stamp program, about $7 billion and $5 billion from these particular programs.

So there is no question that these programs have taken their share of the cuts. As a matter of fact, 3 million children go without school lunches today as a result of those cuts, 1 million of whom are poor children.

Third, with regard to the budget question, we are talking about the cost of living formula. This amendment does not guarantee any savings. It essentially says you are not going to have a cost of living formula.

Now, as we all know in a cost of living formula, if the price, if the cost of food services goes down, you do not get a cost-of-living increase because it has gone down. If it goes up, then you do.

So it seems to me to leave the formula in place merely reflects what in fact the cost of food services will be. That is a legitimate formula.

Now, yes, I know that there have been efforts to cut COLA's across the board and there is a lot of debate on that, but we did not do it. We did not do it on defense. We did not do it with regard to retirees. We do not do it with regard to indexing in the tax structure. We have not done it on highways.

So the argument now is that this is the place to start with children in School Lunch Programs. Children today in our society in this country are the new poverty class. One out of four children is below the poverty line. We are talking about a transition in our society that we had better be aware of. One out of four children is in poverty. We are going to pay for that.

You are talking about saving money. Let me tell you what the cost will be if we continue a society in which we do not meet those nutrition needs. We already know from the WIC Program what the results are. Every dollar we spend on the Women's, Infants' and Children's Feeding Program, we save $3 in health care costs.

Do not kid yourselves. You are going to pay one way or the other and it makes much more sense to invest in good nutrition programs than to have to pay in Medicaid costs to take care of a low-weight birth baby or to take care of a child that is born disabled or to pay for compensatory education in schools or to pay for disabled children in schools. That is the cost.

Mr. MITCHELL. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I am pleased to yield to the gentleman from Maryland.

Mr. MITCHELL. Mr. Chairman, I want to thank my colleague for making, I think, one of the most significant statements that could be made on this program.

I was a little lost when I first came in. I did not know whether we were talking about frozen milk——

The CHAIRMAN. The time of the gentleman from California [Mr. PANETTA] has expired.

(At the request of Mr. MITCHELL, and by unanimous consent, Mr. PANETTA was allowed to proceed for 3 additional minutes.)

Mr. MITCHELL. Mr. Chairman, I said that I was a little confused when I came in. I did not know whether we were talking about frozen milk, which is not bad, ice milk, or freezing children literally, or whether we were talking about freezing them psychologically in terms of stunting their growth physically.

I have asked the gentleman to yield to me, and without ascribing motives to anyone, certainly not to the maker of the amendment, but I think this is a time when we ought to really understand what is going on. All the cuts that we have talked about and imposed throughout this session of Congress on the part of many Members of this House are not designed to tackle the deficit. They are designed to end programs.

I say to the gentleman from California [Mr. PANETTA], I do not care what the gentleman says, how assiduously he and his Budget Committee members have worked to come up with cuts, certain people in this House just are not going to be satisfied. They are ideologically opposed to our Government meeting its responsibilities to certain of our citizens. That is the bottom line.

I am not impugning any motives to the gentleman. I deliberately said that I would not do that. I said that some Members have that as their objective. If we go along with this, we are going to cut and cut and cut until they have achieved their objective; no programs for the poor, no programs for children, no programs for senior citizens, but monstrous programs for a military that is designed to maim and kill.

I thank the gentleman for yielding

Mr. Chairman, I rise in support of H.R. 7, which would extend through fiscal 1988 five expiring School Lunch and Child Nutrition Programs and also targets new funding for fiscal 1986 for the expansion of proven programs.

It is argued that current law provides generous nutrition benefits to children. It is said that the commitment to child nutrition can be kept through a maintenance of overall fiscal year 1985 funding levels and that there are flaws that need to be corrected. This administration is correct in saying that there are flaws in the program. The flaws arose because of the budget cuts in the Child Nutrition Programs enacted in 1981 that are still having an impact and that we have yet to correct. H.R. 7 proposes to correct these flaws.

After the 1981 cuts, there was a drop of 3 million children in the School Lunch Program with a great many being from low-income families. Some 2,700 schools had to discontinue participation in the School Lunch Program and some 400,000 children and 800 schools stopped participating in the School Breakfast Program.

In February of this year, a physicians' task force found that the problem of hunger in the United States is now more widespread and serious than at any time in the last 10 to 15 years. According to the U.S. Bureau of the Census, there are 1 million more children eligible for free and reduced-price meals than there were in 1981, but there has been no increase in the number of free and reduced-price meals served.

In the 98th Congress, we tried to correct the inequities brought about from the 1981 cutbacks. We tried to combat the rising problem of hunger in the United States. The effort was said to be excessive, containing inadequacies, crippling, budget busting. And now, at this very moment, H.R. 7 asks for an increase in funding of $121 million—a much smaller increase as compared to the $370 million increase passed by the House last year that the Senate failed to act on. Yet, it is still excessive, inadequate, crippling in the eyes of some.

How long will we continue to play these games at the expense of our children? There are those that need to be honest with themselves instead of pretending to be in support of these programs and the intent of the legislation while introducing weakening amendments that chip away at the very infrastructure of the program.

How long will we, in support of this legislation, have to fight to feed our children? It is time to rectify this situation. H.R. 7 is the way.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I would be pleased to yield. I would like some time to conclude my remarks, but I will be pleased to yield.

Mr. TAUKE. Mr. Chairman, I will get the gentleman more time if I can. I thank the genteman for yielding.

The gentleman raised several important points in relation to the WIC Program and others which I think it should be noted are not affected by this amendment.

I agree with the gentleman that we need to maintain and support those programs.

My question to the gentleman is this: What is the practical impact of not giving a cost-of-living adjustment in this particular program, or what is the practical impact on the program if we adopt the Bartlett amendment?

Mr. PANETTA. The practical impact is a cut if food service costs go up.

Mr. TAUKE. Mr. Chairman, will the gentleman yield further?

Mr. PANETTA. I am pleased to yield.

Mr. TAUKE. I contend that is not correct. My contention is that because the cost of food has in fact been declining and because the cost-of-living adjustments have been greater than the cost of food purchases, have gone up faster than the cost of food purchases, that the program will be maintained at current levels without the cost-of-living adjustment for 1 year.

I guess that is the argument which I do not think has been focused on very well this morning.

Mr. PANETTA. The gentleman wins either way. I mean, if seems to me you should support this kind of amendment if the argument is that the costs are going to do down, then the gentleman has absolutely nothing to fear. My concern is that the cost may go up.

Mr. TAUKE. Mr. Chairman, will the gentleman yield further on that point?

Mr. CHAIRMAN. The time of the gentleman from California [Mr. PANETTA] has expired.

(At the request of Mr. TAUKE, and by unanimous consent, Mr. PANETTA was allowed to proceed for 3 additional minutes.)

□ 1325

Mr. TAUKE. That is just the point. The cost-of-living adjustment is not based on what the cost of food is. The cost-of-living adjustment by which this program is indexed is based on an index that does not have anything to do with the costs in the programs.

It seems to me that we can maintain the program.

Mr. PANETTA. My understanding is that it maintains the cost of providing food services, and that, it seems to me, that has everything to do with this program.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from Massachusetts.

Mr. FRANK. I thank the gentleman for yielding. Maybe the gentleman is an expert. Members over there talk about food only.

Is this a program in which the food is prepared by volunteers out in the open? Do the kids come to tents in the field, and nice ladies in the neighborhood make it for free so that we don't have any maintenance costs, and we don't have any heating costs, or any food preparation costs? Because I get the sense that Members over there think somehow that the food is automatically prepared, automatically prepares itself, and the kids just eat it, and there is not anybody else involved, because all we hear about is the cost of food, not anything about the cost of labor or any other costs.

Do we have a lot of volunteers making this food for nothing?

Mr. PANETTA. As the gentleman well knows, this is all done by school employees who are trying to prepare this food within a school situation, and struggling for equipment and costs within that kind of situation.

So that is the purpose of having this cost increase, to try to meet that additional cost that one can anticipate. If it goes down, then admittedly we will not have to worry about the cost increase. But that is the purpose.

If I could take the remaining time to complete my remarks, I have taken much more time than I anticipated, but let me just say this: We are seeing serious statistics around the country in terms of the shameful hunger that is taking place. Let us recognize that it is happening in soup kitchens, it is happening in food pantries, and we see it in the statistics impacting on infants throughout the country.

We do a lot of talking about dealing with hunger in this institution. I do not think there is a Member here that is not concerned about the hunger problem. We do a lot of talking and we form select committees. We pass resolutions. But it is time to do something and this does something.

We do not just talk about it here. We need time to take action. This is the right thing to do from a budget point of view. It is the right thing to do from a human point of view, and it certainly is the right thing to do from a national point of view.

I yield back the balance of my time.

Mr. PURSELL. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. PURSELL. I will be happy to yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding just briefly because I think it is important for everyone to understand the facts.

The 7-percent increase in school meal costs is based on the total cost of a meal, representing food, labor, and other inputs. It was an analysis that has been done, that is available to all Members by the U.S. Department of Agriculture and it is based on all inputs.

On the other hand, the adjustment that has been made has been the 21-percent adjustment based on the cost at commercial food outlets, and that is where the disparity is.

I thank the gentleman.

Mr. PURSELL. I thank the gentleman and I rise in support of the amendment.

I just wanted to read into the RECORD the appropriation level since the so-called Gramm-Latta fight happened in 1981. At that time, the appropriation was $2,045 million. Since that time, the increase in this program during the same period when enrollments in schools went down—in 1982, the appropriation was $2 billion. In 1983, it went to $2.2 billion, and the appropriation in 1984 went to $2.3 billion. The 1986 budget which we are discussing today, the appropriation is $2.7 billion. Hardly any reductions.

So if you look at the increases that we have provided in this program, we are talking about $670 million additional money. All we are trying to do is maintain a reasonable level of appropriations for a very important program.

I think that has to be balanced off in the context of the deficit including 1986, 1987, and 1988.

So somewhere there has to be a common denominator, and if every subcommittee starts coming in here and adding money to housing, adding money to clean water, and water projects, and defense budgets, and so forth, I just think we have lost our sense of consistency and fiscal discipline. This freeze amendment is a fair and responsible fiscal position. Let's control our spending. Let's keep our eye on the staggering deficit.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words and I rise to oppose the amendment.

Mr. Chairman, I would hope that we would reject this amendment to freeze the reimbursement level for the School Lunch Program. I would hope that we would do it because we ought not to engage in misleading people who are listening to this debate, and we ought not to engage in misleading ourselves, because this is not a free freeze. This is not a freeze that you can impose without doing harm to the children who participate in this program, because the simple fact that we freeze the Federal reimbursement rate to the schools does not mean that that is the end of the decisions that must be made.

All of us come from areas where school districts are tugged and pulled between the decisions they must be making and declining revenue and what kinds of programs to offer. And the School Lunch Program goes into that equation.

As we withdraw our support, we have already seen around this country that schools have made a determination that they are better off not offering a program at all, or raising the cost to the paying children.

But more importantly, what we are seeing is the very children who need this program the most have dropped out, and they have not returned in the same numbers that we have seen the paying children start to come into this program.

For the poor children enrolled in this program, for many of them, this program provides one-third to one-half of their dietary requirement. This is where they get their nutrition.

For those of you who were not here or who have not read the studies, one of the reasons we have this program is to try to allow those children to fully develop their intellectual capabilities. Study after study after study told us what happens to hungry children in the schoolroom. It is not just that they do not learn, but they become restive, they become unsettled, and they spill over into the time of the other children in the program and they make teaching much more difficult. And when we looked at why that happened, clearly it was a lack of proper nutrition for so many of those children who were being sent to school hungry or were not receiving any kind of nourishment throughout the school day.

This is a crucial program. It is a crucial program at a time when this country is becoming more awakened to not only the problems of hunger in Ethiopia, but the problems of hunger in the United States. As the gentleman from California pointed out, children are the fastest-growing class of poor people in this country today. Through no fault of their own, they find out that they are poor. The most desperate group of people we find are the working poor who are trying to find and meet their food consumption needs throughout the month. So many of them are out of food.

What happens to their children? The School Lunch Program is the support system for that group. To suggest that somehow you can vote for this and it is free, it is not. The impact is direct, and the impact is immediate upon those school districts that must then determine what is the allocation that they are prepared to make at the local level.

So I would hope that Members of the House would understand that, and that they would reject this amend-

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ment, because it is a devastating amendment.

We were told that the cuts of 1981 would have no impact. In fact, what we know is they have driven millions of children out of the program.

I suggest to you that this freeze translates to a cut in this program, and again we will see the very children that so many people say they want to help, the ones who are called truly needy by the President, they were called truly poor, the poorest of the poor, the desperately poor, those are the children that are enrolled in this program. The question is whether or not we are going to serve them or whether or not we are going to engage in some kind of political doubletalk where we tell our constituents we are really concerned about them, but in fact we vote against them.

So I would hope we would reject the amendment.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I think it is important to try and remember where we have come from since 1981.

We have been asked, and this committee has made significant, and some would say substantial cuts in the child nutrition programs over that period of time. But they were done very skillfully, and they were done in a way to keep this program as a meaningful one for the children of this country.

Notwithstanding that, there has been a large number of children who have been dropped from the program because their schools have dropped the program. The question is, How much more can we cut back in the child nutrition programs without doing even more drastic harm?

First I think it is important to keep in mind what we are talking about when we talk about the cost-of-living increase. We are not talking about the normal CPI. We are talking about the cost-of-living increase which is hued toward what the actual costs are in the School Lunch Program. There is no debate that there will be an increased cost in that program. The CBO estimates it will be 4.6 percent. The administration estimate, using cost-of-living increase data, is a 5.2-percent increase for fiscal 1986.

With this in mind, we ought to ask ourselves what will happen if we do freeze the child nutrition programs and do not allow that modest increase to take place. I think it is important to understand how the School Lunch Program works.

The School Lunch Program reimburses the cities and towns for the free lunches, the reduced lunches, and the paid lunches. If we were to reduce the amount of money going to the communities, the school districts would have an option. They either heap the increased costs to them onto the paid lunches, or else they ask for tax increases.

We must all speak from our own experience in our own States and communities. In Vermont, due to the cutbacks already made, we have a number of schools dropping out of the School Lunch Program, leaving many children without that option. Others are staggering on. An estimated 60 percent of the schools in Vermont are either breaking even or losing money. We are having problems throughout Vermont in raising additional revenues for our schools. Already they are being forced to make choices between important components of their school program. The freeze being considered here could force even more of these schools to drop out of these valuable programs.

If we continue to cut back we are likely to lose a large number of our School Lunch Programs. The arguments have been very forcefully made by the Members who have talked before me about the problems we are having nationwide with nutrition. The budget resolution reflects that concern and that priority by allowing increases in these programs to try to ameliorate the serious nutrition problem in this country.

The question then is what will we do if we continue to scale back on these programs, modest as these changes may appear to be. Once you put all these proposals together, you end up with serious problems which we are beginning to see in the rural areas now.

As modest as this amendment may seem to be, it could be the most critical and cruel amendment that we have facing the School Lunch Program today.

□ 1340

Mr. ARMEY. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, I had not intended to participate in this discussion. Indeed, in all due respect to the gentleman from Wisconsin and the gentleman from Massachusetts, I really believe perhaps we have milked this discussion enough. Nevertheless, there were some comments made during the discussion that I felt compelled to respond to. Earlier there were some comments made about sincerity, more explicitly, no sincerity.

I am not quite sure what was intended, but from where I was sitting it seemed that the implication was that the framers of the amendment were lacking in sincerity. I felt that that was perhaps a little inaccurate.

I listened to the gentleman from Kentucky talking about the children in the hollows of Kentucky, and I felt the compassion, the understanding, and the sincerity. Indeed, I believe there is sincerity on both sides. Quite, I think, commendable sincerity.

Before I comment on the gentleman from Texas' amendment I would like to also respond to another point, a point which was made that perhaps there were people on this side of the aisle that were ideologically opposed to the Government's fulfilling of its responsibility to some of its citizens. I would suggest that perhaps everybody that has been involved in this discussion is ideologically committed to the Government fulfilling its responsibility to all the American citizens. The question is really more a matter of not ideological commitment or lack of commitment but a question of the understanding of where the responsibility lies.

In that regard, I was gratified and encouraged by the discussion that focused so much of the attention, I think, so rightly, on the poor in America and the need to feed the poor and to do so with compassion and to concentrate scarce resources, as we have here a case of scarce resources, to be allocated among the competing ends, both within this appropriation bill or in others; to concentrate on the youngsters.

Having made these comments, I would like to also commend the gentleman from Texas. He gives us all a lesson in how to frame and how to defend an amendment.

I appreciate the fine work of the gentleman and his sincerity, and I am happy to yield to him the rest of my time.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman's kind words. As the debate winds down, I would like to bring the debate back to some of the crucial points. Point No. 1, this Child Nutrition Program is an entitlement program that is permanently authorized.

So as to the argument that we should not be making amendments today, there are no other opportunities to amend permanently authorized entitlement programs. That is one of the difficulties with the perpetual growth of these programs.

No. 2 is that this amendment does not emasculate or cut the program at all but merely reduces the rate of increase of COLA's for 1 year.

But, No. 3, there has been a great deal of speaking out for the rights of low-income citizens, low-income children. I think it is time that someone on this House floor spoke for those low-income children, because those low-income children have parents who, if we continue the $200 billion deficits, Federal deficits, will be out of a job

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next year. And those low-income children have parents who cannot afford to buy a house because interest rates go up because this Congress cannot get its house in order. And those low-income children will be subject to the ravages of inflation again until this Congress begins to look at the programs one program at a time and to reduce the $1.5 trillion debt that is hanging over the heads of those children. And it is time that someone speak up for those low-income children and give them a chance, give them a chance to get a job when they graduate, and to buy a home when they want to buy a home, and to be saved from inflation when they become senior citizens.

I thank the gentleman for yielding.

Mr. ATKINS. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I would be happy to yield to the gentleman from Massachusetts.

Mr. ATKINS. I thank the gentleman for yielding.

Mr. Chairman, the issue really is not the question of the sincerity of the framers of the amendments but, rather, the intent. They would have us believe that this is an amendment, by freezing the School Lunch Program, that would not hurt anybody, would not cause any pain or suffering, that simply because of the fact that food prices have been going down slightly or have been stable that therefore there will not be a cost-of-living increase in this program.

In fact, that is wrong. Food prices and commodities are a small part of the program, and clearly the cost of preparing meals is another factor.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Armey] has expired.

(By unanimous consent, Mr. Armey was allowed to proceed for 2½ additional minutes.)

Mr. ATKINS. Mr. Chairman, will the gentleman yield further?

Mr. ARMEY. I yield to the gentleman.

Mr. ATKINS. I thank the gentleman for yielding further.

Mr. Chairman, the issue is not whether those meal prices are going down, because they are not. No meal prices in this country are going down. But even assuming some kind of precipitous drop in the cost of food in this country, what would then happen is that the food, that the local school districts would be reimbursed less and the money would go back to the Treasury. But what would happen is, as GAO has predicted and everybody else who has looked at this, if you put a freeze on and the price goes up, as everybody knows, the price of meals will go up, and this amendment is accepted, we will see hundreds of thousands of poor children denied adequate nutrition because one of two things will happen. Either they will reduce the number of children in the program, they will reduce the amount or the quality of the food.

So let us not pretend that this is an amendment that is harmless, that because of some stability in the price of food, would not cause any pain and suffering. Let us understand this amendment for what it is: It is an effort and a very deliberate effort to deny adequate nutrition to poor children in the School Lunch Program. We have already done that with Gramm-Latta in 1981.

Mr. ARMEY. Mr. Chairman, reclaiming my time, because I do believe we have gone on very long here, I would like to reclaim my time and close up.

I just wanted to thank the gentleman for correcting the record and making clear to me that he was talking about intent instead of sincerity on this side, because indeed it was the word "sincerity" or lack of sincerity that was stated several times over, and I am sure that nobody there intended to question the sincerity of Members on this side, nor to call into question any ideological commitment that we may not have regarding the responsibility of this Congress to the American people.

Mr. Chairman, I yield back the balance of my time.

Mr. FORD of Tennessee. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, back in 1981 our President promised the very poor of the poorest of this Nation a safety net. I think we all would agree that in 1981 during the Gramm-Latta debate on the budget cuts there were some on this side of the aisle, and I was one, who reluctantly said that the Gramm-Latta amendment would be adopted by the House. We accepted those severe cuts, and as one who chaired the Subcommittee on Public Assistance and Unemployment Compensation, we have had the opportunity since 1981 to go out to the different States and to the different cities and to see and evaluate the real impact that these 1981 severe budget cuts have had on the poor.

For us to be here today and talk about the school lunch and nutrition programs for the poor, I would just like to ask the chairman of the committee: When we talk about this freeze under this amendment offered by Mr. Bartlett, is it not true that we are talking about 87 percent of the children that we are talking about are the poorest of the poor, some $1.30 per day per meal goes directly to those who are not paying any funds at all, who are the poorest of the children of this Nation, and only 24 cents comes from paying students.

I strongly oppose this amendment and support the School Lunch and Child Nutrition Amendments of 1985.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. FORD of Tennessee. I yield to the chairman of the committee.

Mr. HAWKINS. I thank the gentleman for yielding.

Mr. Chairman, the documentation in the committee was that 87 percent of the money goes to poor children.

That is not, in my opinion, debatable. Surely every member on the committee knew about it. This is not just a matter of whether or not there is an increase being advocated by the committee.

The Bartlett amendment is an actual cut. Regardless of the question of inflation, it is pretty obvious that if inflation goes up, this cut will be much deeper; and if the cost of living does not go up or down, as has been implied, then this reimbursement would go down.

So that is clear. That is not debatable.

Mr. FORD of Tennessee. In other words, this amendment today would not be even-handed if you are talking about the people that President Reagan talked about in 1981 in trying to protect. We do not want those to slip through the safety net.

I would urge my colleagues not only to think in terms of that safety net that our President promised.

Mr. HAWKINS. Mr. Chairman will the gentleman yield further?

Mr. FORD of Tennessee. I yield to the chairman of the committee, the gentleman from California.

Mr. HAWKINS. I thank the gentleman for yielding.

Mr. Chairman, may I put to rest one point which I think has been incorrectly raised, and that is the pitting of this type of program against defense items.

No one on this side, as far as I know, certainly not the sponsors of this particular proposal, are suggesting that somehow the money that might be saved in this program would be used in defense or that the defense money which might be escalated would be taken away from this program. We are simply suggesting, and I think we should end this dichotomy, that we are pitting one program against another. We are simply suggesting on the basis of the testimony before the committee that we should deal with these programs on the basis of the individual merit of each of the programs.

If there is an item in the defense program that is meritorious, that is warranted, then that should be the merit upon which we would deal with that item. In the same way, we ask you to deal with this on the basis of its merit and not to pit it one against the other.

I think this has gone on too long. I think it is to the detriment of those of us, some of us, who vote for the increase in many defense items. Some of us are the biggest spenders because we not only vote in the defense bill for certain increases, and I am guilty of some of those increases, but we also look at the humane aspects of some of the domestic programs. We dealt with the amendment of the gentleman from Wisconsin [Mr. Gunderson] who actually increased an amount in this bill. But he definitely documented a need for that increase in the milk program to kindergarten children.

We dealt with that on the basis of merit. I am a little surprised today that others will not be as consistent in dealing with these issues on the basis of merit and not whether it is domestic versus the Defense appropriations.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. Ford] has again expired.

(By unanimous consent, Mr. Ford of Tennessee was allowed to proceed for 3 additional minutes.)

Mr. FORD of Tennessee. Hopefully, my colleagues on this side of the aisle will protect the safety net that the President has talked so much about. But as I close, I would like to point out that many of my colleagues have already discussed today the governmental agencies that have released reports within the last 2 or 3 years addressing the real impact on the nutrition program and the impact it has had upon the children of this Nation. We heard from the physicians' task force which was headed up by Dr. Larry Brown at Harvard University which indicated to us that somewhere between 15 and 20 million people in this country every month go hungry for some 2 days out of a month.

Also, we were able to back that information up with the Congressional Research Service as well as the Congressional Budget Office, that showed us that the trend of poverty among children in this Nation has doubled between the years 1972 and 1984. We are talking about more than 14 million children or 22.2 percent of all children in this Nation today who are living below proverty. If we look closely at this amendment, Mr. Chairman, which is before us today, we will see that poor children of this Nation will be impacted the greatest. Passing this amendment up would not protect the safety net that the President told the American people and promised the poor of the poor. The children of this Nation who are not here with us today, who do not have those lobbyists, who can't talk to their Representatives, ought to be protected through the voices of this House of Representatives.

Mr. Chairman, I urge my colleagues on both sides of the aisle to support the bill offered by the chairman of the committee and to reject this amendment which is before us now.

☐ 1355

Mr. BARTLETT. Will the gentleman yield?

Mr. FORD of Tennessee. I yield to the gentleman.

Mr. BARTLETT. If the gentleman would yield briefly, and I respect what the gentleman has said and respect the gentleman from Tennessee a great deal; we have worked on a lot of legislation together. On the issue of the safety net, so that the record will be clear, this amendment would not affect that. There is no low-income child that would be denied a free lunch; every low-income child below 130 percent of poverty would continue to be entitled to a free lunch and any child below 185 percent of poverty would continue to be provided with a reduced-price lunch. This amendment would make no change in that whatsoever.

Mr. VENTO. Will the gentleman yield?

Mr. FORD of Tennessee. I would be happy to yield to my colleague.

Mr. VENTO. I thank my friend from Tennessee for his statement, and I want to point out that he is precisely right in pointing out this does affect low-income students much more adversely.

A freeze means a projected cut of a half a cent for regular students in the lunch program, but it means a cut of 4½ cents for poor children because the Federal Government pays more for low-income individuals.

So notwithstanding the comments of our friend from Texas, this I think focuses in on what the actual effect of his amendment is in terms of low-income students, and those are precisely the students that need that type of support and deserve the support of Members of this body.

Mr. MOLINARI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened very intently to the debate, and I think there have been some very good points made on both sides of the aisle. I think the gentleman from California [Mr. Hawkins] has made a very important point.

I think it is sad and not in keeping with the principles of good debate when we have an issue like this and we start comparing it to the military budget. I think it should be based on its own merits, and I think the gentleman from Tennessee [Mr. Ford] makes a very serious, serious point when he says that the President assured us that we did not want to shred the safety net.

I called the superintendent of schools for my district during the course of the debate, because I probably know less about this subject than anybody that has talked here today. I asked him what the impact would be in my district and would there be a chance that some children would be missing a meal? He assured me that yes, indeed, there would be some.

So in keeping with the President's promise that we do not want to shred the safety net, this is one Republican that is saying, I am in doubt. Because I am in doubt, I am going to vote in favor of the children.

We have found ourselves, this Congress, very generous in helping the starving of the world; and I played an active role in some of those bills, and I was proud of that; but for God's sake, we have a similar responsibility to those in this country, and I applaud those on both sides of the aisle for the way the debate has been handled. For myself, I am going to go with the President and his promise that we do not want to shred that safety net; I am going to vote against the amendment.

Mr. GILMAN. Will the gentleman yield?

Mr. MOLINARI. I yield to the gentleman.

Mr. GILMAN. Mr. Chairman, I want to speak out to you today in opposition to this freeze amendment. We cannot afford to reduce the scope of the child nutrition programs if we are to maintain a strong commitment to the health and welfare of this Nation's most valuable resource, its children.

Last year, the House passed reauthorizing legislation for these programs by an overwhelming vote of 343 to 72. This year's bill, at one-third of the cost of last year's, is a fiscally responsible bipartisan initiative providing for modest program growth targeted to individuals who are most in need. As others have mentioned, the recently approved House/Senate budget package specifically makes available the authority and outlays for the program restorations included in H.R. 7.

Eliminating the cost-of-living adjustment for the child nutrition programs for even one year will have a detrimental impact. It will result in a significant weakening of the health and nutrition benefits of these programs. We have to remember that 22-percent of the children in this country are poor.

Accordingly, I encourage my colleagues to vote against any amendment that would prevent needy children from receiving adequate nutrition.

Mr. MOLINARI. Mr. Chairman, I yield back the balance of my time.

Mr. STENHOLM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, after listening to the speeches and certainly the intent of the gentleman from Tennessee [Mr. Ford], it is with some mixed emotion that I rise in support of the Bartlett amendment, but I do just that.

Later this week, we will have a farm bill on the floor that will reduce from the baseline—not a freeze, but reduce from the baseline some $7.9 billion from the agricultural programs that are involved in the production of the food.

It is tough to do that at a time when the agricultural economy is in its lowest depths since the Depression, but we are going to do that.

What is even tougher for me to do is to make those reductions and still have $150 billion deficits as far as the eye can see after we do it. Looking out into my colleagues' eyes today, I know that much of what I am saying has substantial agreement.

A lot of people are concerned about the deficit today; each of us, as we have come back from our districts, have suddenly become concerned because of what we see the deficit doing to all of the American people, from the poorest of the poor to those in the middle classes that are not able to take care of themselves.

The issue today is a freeze; not an increase, not a cut, but a freeze. I would never come before my colleagues if I believed that this amendment or any of these amendments was going to do that which has been suggested it will do. If I am doing that, then I will be judged wrong by the acts that come afterwards.

I would never support taking food from the mouths of starving children, but I think what we are talking about today is kids whose families earn $26,000 and more. What about the 65 percent of the family day care home participants who are over 185 percent of the poverty level and yet receive the equivalent of a free meal? What about approving Federal increases under the name of cost of living in amounts greater than the costs have actually increased, which I believe is at least partially true in this amendment.

Now, the bottom line is deficit reduction, and if in fact this package does not take care of feeding the poorest of the poor and the hungry, let us address that. I believe, not intentionally, but at least from the standpoint of trying to approach fairness and equity, the point is stretched, Mr. Chairman, when you suggest that cost-of-living adjustments straight across the board for the programs in question are taking food and money from the mouths of starving children.

That is why I support these amendments; I think they are fair; I think that we have got to do it in defense and this Member has owned up to that; we have got to do it in agriculture; and if in fact we are doing it to the least among us, then it is going to be up to us to design programs to do something about a fairer program for the poor.

Today, I believe the Bartlett amendment makes eminent good sense. It is fair; it is equitable, and will give us that impetus for some of the rest of us to do that which we are going to be asked to do where we can really make some major changes in the budget.

For these reasons, I do support the Bartlett amendment and hope my colleagues will also.

Mr. HAWKINS. Will the gentleman yield?

Mr. STENHOLM. I will be happy to yield to the chairman.

Mr. HAWKINS. If the cost of a meal goes up and there is no adjustment for inflation, does the gentleman agree that it is necessary for the money to come from someplace because of the cost-of-living adjustment? The gentleman said that a freeze is exactly a freeze.

If the cost of living goes up, the cost of furnishing that meal in the school district also goes up: Where does the gentleman suggest that those expenditures will come from?

Mr. STENHOLM. By making changes in the fundamental approach to the School Lunch Program to see that those who truly need it get it.

Mr. Chairman, I am speaking from the mouths of the women, the ladies, the men who work in the school lunch rooms in the 17th District of Texas who say we are putting too much money into the program feeding people that do not need it.

Mr. HAWKINS. Does the gentleman know this, that 87 percent of the money in these programs goes to the poor?

Now let us say that 13 percent go to those other groups. The gentleman is talking about 87 percent; you said that you are supporting this on the theory that you are not taking food from the mouths of poor children.

(By unanimous consent, Mr. Stenholm was allowed to proceed for 1 additional minute.)

Mr. HAWKINS. If the gentleman will continue to yield, does the gentleman honestly, and I certainly have full confidence in the gentleman's integrity, but does the gentleman really believe that you are supporting this amendment on the basis that no poor child will be deprived of a meal?

Mr. STENHOLM. Yes, sir.

Mr. HAWKINS. You do?

Mr. STENHOLM. Yes, sir. I do.

Mr. HAWKINS. Well, I am afraid that the gentleman just has not listened to the debate; and I regret that the gentleman was not present in the Committee on Education and Labor where the superintendent of schools in the State of Texas had written to this committee indicating that such a freeze would deprive children in the State of Texas.

Now, apparently the gentleman disagrees with that.

☐ 1405

Mr. STENHOLM. I certainly do, because I pay more attention to those who work in school lunchrooms and the schoolteachers who teach our children over what in fact is happening in the School Lunch Program than I do to anyone else who may lobby, or what have you. I believe, in all sincerity, that we can meet their needs.

Mr. HAWKINS. Well, we can thank those who have been testifying before the committee on this program; those who are supporting these nutrition programs.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from Pennsylvania [Mr. Goodling] is recognized.

There was no objection.

Mr. GOODLING. I just want to make sure, as we close the debate on this issue, that we are focusing properly on what we should be focusing on because we have had a lot of discussion on things that really are not too relevant.

The issue is simply this: The cost of producing a meal each year is going up. The White House is telling us it will probably be about 5.2 percent this year. CBO says probably about 4.6. But the statistics show that the cost of producing a meal is going up. Whether food is cheaper in your area has no concern to this debate. It may be cheaper in your area, it may be more expensive in other areas. It depends totally on the cost of labor to get it to you. But we are not talking strictly about the cost of food. We are talking about how much it costs to produce a meal. Each year it goes up. CBO and the administration is saying it will go up again this year.

Second, if you believe the safety net version, if you believe that we have a responsibility to feed the free and reduced price people, I would say to the gentleman who just spoke, you cannot talk about a reimbursement to paying customers. We do not reimburse paying customers. What we do, we offer reimbursement to try to keep the School Lunch Program going. If we do not, with the exception of three States, nobody has to feed free and reduced price youngsters. Nobody.

Let me tell you our experience in 1981. We found a drop of about 3 million people, many of those, most, probably, were free and reduced price youngsters because the person with the money could pay any amount he wanted to pay for a la carte. We reimbursed each meal simply to keep the program going because we have said that we have a responsibility to feed the free and reduced price meal.

Let me give you two examples which I have given over and over again in my district. After 1981, one district dropped the National School Lunch Program. No big deal. It is a very affluent district. I do not have many, but that one is. And so they were not feeding any free and reduced price. Nobody got hurt. Well, they did get hurt, nutritionally, because I know what many of them bought in lieu of the National School Lunch Program. But very close by, a district that had 1,300 free and reduced price youngsters dropped the National School Lunch Program because of our cuts. They could not afford to keep it going. And so the end result was, 1,300 youngsters not only not nothing at breakfast at home, or anything perhaps in the evening, they got nothing at lunch either, or they did not get a school breakfast program, because they dropped out of the program.

I want you to understand we reimburse to keep the National School Lunch Program going, not reimburse students who are not needy. We decided that we should feed the free and reduced. The cheapest way we know is to keep a national school lunch program going. I do not know of a cheaper way than that, because if you single out those 1,300 students among 7,000 or 8,000 students and you say we are going to set up some kind of a program to take care of them, how do you do it as cheaply as we now do it? Reimbursement is to keep the program going, not to feed nonneedy children. If we do not keep the programs going, then, please, do not talk about safety nets, because except three States there is no safety net. Free and reduced price youngsters just do not get a nutritious meal.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BARTLETT].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BARTLETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 143, noes 284, not voting 7, as follows:

[Roll No. 309]

AYES—143

Archer
Armey
AuCoin
Badham
Barnard
Bartlett
Barton
Bateman
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Callahan
Carney
Chandler
Cheney
Coats
Cobey
Coble
Combest
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dreier
Eckert (NY)
Edwards (OK)
Fawell
Fiedler
Fields
Franklin
Gallo
Gekas
Gingrich
Gradison
Gregg
Grotberg
Gunderson
Hansen
Hartnett
Henry
Hiler
Hillis
Holt
Hunter
Hyde
Ireland
Kasich
Kindness
Kolbe
Kramer
Latta
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Martin (IL)
McCandless
McCollum
McEwen
McGrath
McMillan
Meyers
Michel
Miller (OH)
Miller (WA)
Monson
Montgomery
Moore
Moorhead
Nichols
Nielson
Oxley
Packard
Parris
Pashayan
Penny
Petri
Porter
Pursell
Ray
Ridge
Ritter
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Rudd
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NE)
Smith (NH)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Stenholm
Strang
Stump
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Vander Jagt
Walker
Weber
Whittaker
Wolf
Wortley
Young (FL)
Zschau

NOES—284

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnes
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Campbell
Carper
Carr
Chapman
Chappell
Chappie
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Daschle
Davis
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Green
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Hertel
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kemp
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Lloyd
Lowry (WA)
Luken
Lundine
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCurdy
McDade
McHugh
McKernan
McKinney
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Pepper
Perkins
Pickle
Price
Quillen
Rahall
Regula
Reid
Richardson
Rinaldo
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sharp
Shelby
Sikorski
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolpe
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)

NOT VOTING—7

Addabbo
Bevill
Frenzel
Gray (PA)
Long
Rangel
Young (MO)

□ 1420

Mr. DORNAN of California changed his vote from "aye" to "no."

Mr. DICKINSON changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Clerk will designate section 9.

The text of section 9 is as follows:

SEC. 9. CHANGE IN TUITION LIMITATION FOR PRIVATE SCHOOLS.

(a) SCHOOL LUNCH PROGRAMS.—Section 12(d)(5) of the National School Lunch Act is amended—

(1) in the first sentence by striking out "$1,500" and inserting in lieu thereof "$2,500"; and

(2) by inserting at the end thereof the following new sentence: "On July 1, 1986, and on each subsequent July 1, the Secretary shall prescribe and annual adjustment in the tuition limitation amount in the first sentence of this paragraph to reflect changes in the Consumer Price Index for All Urban Consumers during the most recent twelve-month period for which such data is available.".

(b) CHILD NUTRITION PROGRAMS.—Section 15(c) of the Child Nutrition Act of 1966 is amended—

(1) in paragraph (A) by striking out "$1,500" and inserting in lieu thereof "$2,500"; and

(2) by inserting at the end thereof the following new sentence: "On July 1, 1986, and on each subsequent July 1, the Secretary shall prescribe an annual adjustment in the tuition limitation amount in the first sentence of this paragraph to reflect changes in the Consumer Price Index for All Urban Consumers during the most recent twelve-month period for which such data is available.".

The CHAIRMAN pro tempore. Are there any amendments to section 9?

Hearing none, the Clerk will designate section 10.

The text of section 10 is as follows:

SEC. 10. USE OF SCHOOL LUNCH FACILITIES FOR ELDERLY PROGRAMS.

Section 12 of the National School Lunch Act is amended by inserting at the end thereof the following new subsection:

"(l) Facilities, equipment, and personnel provided to school food authorities for programs under this Act and under the Child Nutrition Act of 1966 may be used, as determined by the local educational agency, to support nonprofit nutrition programs for the elderly (including programs funded under the Older Americans Act).".

The CHAIRMAN pro tempore. Are there any amendments to section 10?

Hearing none, the Clerk will designate section 11.

The text of section 11 is as follows:

SEC. 11. STUDY OF A UNIVERSAL SCHOOL LUNCH PROGRAM.

The National School Lunch Act is amended by inserting at the end thereof the following new section:

"STUDY OF A UNIVERSAL SCHOOL LUNCH PROGRAM

"SEC. 24. The Secretary shall conduct a study to consider the feasibility of making the school lunch program a universal program for all children and to consider various methods of operating a self-financing school lunch program for all children, including reserving a separate source of revenue for any such program. The Secretary shall submit a report of such study to the Congress, together with any recommendations or proposals for legislation, by January 1, 1988.".

The CHAIRMAN pro tempore. Are there any amendments to section 11?

Mr. BARTLETT. Mr. Chairman, I have an amendment after line 24 to create a section 12. Is that in order at this time?

The CHAIRMAN pro tempore. Yes, it is.

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARTLETT: Page 7, after line 24, insert the following new section (and redesignate the subsequent sections accordingly):

SEC. 12. SIMPLIFICATION OF PROGRAM ADMINISTRATION.

The National School Lunch Act is amended by inserting at the end thereof the following new section:

"SIMPLIFICATION OF PROGRAM OPERATIONS

"SEC. 25. The Secretary shall conduct an analysis of program requirements under this Act and the Child Nutrition Act of 1966 to identify program changes that would simplify program operation at the local level. Within one year after the date of the enactment of this Act, the Secretary shall report the results of such analysis, together with any recommendations or proposals for legislation, to the appropriate committees of the Congress.".

The CHAIRMAN pro tempore. The gentleman from Texas [Mr. BARTLETT] is recognized for 5 minutes in support of his amendment.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I would be happy to yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

Mr. Chairman, we have looked at the amendment on this side and have no objections to the amendment.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from California.

Mr. HAWKINS. I thank the gentleman for yielding.

Mr. Chairman, we also have studied this amendment. I wish to commend the gentleman from Texas for offering this amendment. I think it is an excellent one, and we accept it.

Mr. BARTLETT. I thank the chairman for this support of this amendment.

Mr. Chairman, I will not take very much time, but would just say that one of the problems, again and again, that school districts tell us they have in administering this program is the enormous cost of the complications and the paperwork and the requirements that are sent to the school districts in a rather detailed manner.

This would require the Secretary to conduct an analysis of those detailed program requirements and report back to the Congress what program changes can be made to simplify the program from the perspective of the local government level.

That is, I think, the nexus of the amendment and what is important to focus on. It is not the purpose of this amendment to simplify the program from the perspective of the local government level.

That is, I think, the nexus of the amendment and what is important to focus on. It is not the purpose of this amendment to simplify the program from the perspective of the Federal Government, although that may be a result, but to simplify the implementation of the program at the school district level.

I thank the chairman and the ranking member for accepting the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Texas [Mr. BARTLETT].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there any further amendments to section 12?

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARTLETT: Page 7, after line 24, insert the following new section (and redesignate the subsequent sections accordingly):

SEC. 12. ELIMINATION OF ASSISTANCE FOR NON-NEEDY CHILDREN UNDER THE NATIONAL SCHOOL LUNCH ACT AND THE CHILD NUTRITION ACT OF 1966.

(a) ELIMINATION OF CASH ASSISTANCE FOR NON-NEEDY CHILDREN IN THE NATIONAL SCHOOL LUNCH AND SCHOOL BREAKFAST PROGRAMS.—

(1) Section 11(a) of the National School Lunch Act is amended—

(A) in paragraph (2) to read as follows:

"(2)(A) The special assistance factor prescribed by the Secretary for free lunches shall be 132.50 cents. The special assistance factor for reduced-price lunches shall be 40 cents less than the special assistance factor for free lunches.

"(B) A two-cent supplemental payment shall be made for each free and reduced price lunch served in a school food authority which, in school year 1984-1985 received a two-cent supplemental payment under this section for each free and reduced price lunch served in the program.";

(B) in paragraph (3) (A) by—

(i) striking clause (i); and

(ii) redesignating clauses (ii), (iii), and (iv) as (i), (ii), and (iii), respectively.

(2) The first sentence of section 14(f) of the National School Lunch Act is amended by striking "national average payment" and inserting in lieu thereof "special assistance factor".

(3)(A) Section 11 of the National School Lunch Act is amended by striking out the heading and inserting in lieu thereof "APPORTIONMENT TO STATES".

(B) Section 4 of the National School Lunch Act is repealed and section 11 of the National School Lunch Act (as amended by this section) is redesignated as section 4.

(4) Section 6(a)(2) of the National School Lunch Act is amended by striking "section 4 of this Act and the amount appropriated pursuant to sections 11" and inserting in lieu thereof "section 4".

(5) Section 7 of the National School Lunch Act is amended in the first sentence of subsection (a)(1) by striking out "agricultural commodities and other foods" and inserting in lieu thereof "food and providing meals".

(6) Section 4 of the Child Nutrition Act of 1966 is amended—

(A) in subsection (b)(1)(A)—

(i) by inserting in clause (i) "free or at a reduced price" after "breakfasts served";

(ii) in clause (ii) by striking out ", for reduced-price breakfasts, or for breakfasts served to children not eligible for free or reduced-price meals," and inserting in lieu thereof "or for reduced-price breakfasts,"; and

(B) in subsection (b)(1)(B), by striking out the last sentence thereof.

(7) Section 8 of the National School Lunch Act is amended—

(A) in the second sentence by striking out "agricultural commodities and other foods" and inserting in lieu thereof "foods and provide meals";

(B) in the next to the last sentence, by striking out "national average" and inserting "special assistance"; and

(C) in the last sentence, by striking out "section 11" and inserting in lieu thereof "section 4".

(8) Section 4(d) of the National School Lunch Act, (as redesignated by this section) is amended by striking out "including those applicable to funds apportioned or paid pursuant to section 4 but excluding the provisions of section 7 relating to matching.".

(9) Section 12(f) of the National School Lunch Act is amended by striking out "national average payment rates prescribed under sections 4 and 11" and inserting in lieu thereof "payments prescribed under section 4".

(b) ELIMINATION OF CASH ASSISTANCE FOR NON-NEEDY CHILDREN IN THE CHILD CARE FOOD PROGRAM.—

(1) Section 17 of the National School Lunch Act is amended—

(A) by amending subsections (c) (1), (2), and (3) to read as follows:

"(c)(1) For purposes of this section, the payment rate for free lunches and suppers and the payment rate for reduced-price lunches and suppers shall be the same as the payment rates for free lunches and reduced-price lunches under section 4 of this Act (as adjusted pursuant to section 4(a) of this Act).

"(2) For purposes of this section, the payment rate for free breakfasts and the payment rate for reduced-price breakfasts shall be the same as the national average payment rates for free breakfasts and reduced-price breakfasts respectively, under section 4(b) of the Child Nutrition Act of 1966 (adjusted pursuant to section 4(a) of this Act).

"(3) For purposes of this section, the payment rate for free supplements shall be that in effect on September 30, 1985, and the payment rate for reduced-price supplements shall be one-half the rate for free supplements (adjusted pursuant to section 4(a) of this Act)."; and

(B) in subsection (f)(3)(A) by striking out ", except that reimbursement shall not be provided under this subparagraph for meals or supplements served to the children of a person acting as a family or group day care home provider unless such children" and inserting in lieu thereof ". Reimbursements shall be provided under this subparagraph only for meals and supplements served to children who".

Mr. BARTLETT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BARTLETT. Mr. Chairman, the purpose of this amendment, and this amendment is likely to be substantially more controversial than the amendment that was just accepted, is to eliminate what is called in the vernacular the middle-class subsidies of the School Lunch Program.

Mr. Chairman, let me take a minute to explain how the School Lunch Program works and how it reimburses lunches for children.

First, there are those school lunches that are reimbursed for children who are poor; that is, their families earn less than 130 percent of the poverty level. That reimbursement would not be affected one whit by this amendment.

Second, there is that program that is called the reduced-price lunch in which children whose families earn between 130 percent and 185 percent receive a reduced-price lunch. Those children are also in the poor or the near-poor category, and their subsidies and their lunches would not be affected one whit.

But 50 percent of the children who are served school lunches under the Federal School Lunch Program fall into a different category.

Since the incomes or the salaries of the Members of the House of Representatives are a matter of public record, those are the children of every Member of this body. Those are the children whose parents have no means test at all. They earn over 185 percent of the poverty level, with no outside limit, so those are the children whose parents may earn $20,000 a year or $50,000 a year or $100,000 a year or $200,000 a year.

□ 1440

Mr. Chairman, the tragedy of the present program is that those children or those parents are being reimbursed by the Federal taxpayers at the rate of 25 cents per meal for every meal that they eat. So when Members of this body reach into their pockets and give their children 75 cents or 90 cents for a meal, either here or in their home districts, the Federal taxpayers add another 25 cents to it.

There has been a great deal of debate today about the needs of low-income families and children who would otherwise be hungry. This amendment would reduce or eliminate the cash subsidy for the children who are not low-income and who would not otherwise go hungry.

Mr. Chairman, the program is divided into two parts. Half of it, or 12½ cents, is paid in the form of commodities, and 12½ cents is paid in the form of cash, straight out of tax dollars. My amendment would not affect the commodities or the commodity reimbursement to school districts. It would only eliminate the cash subsidy. It is an amendment that in days of scarce resources, I think this Congress ought to accept. We ought to say for the first time that the purpose of the school lunch program is to provide free or reduced-price lunches to low-income students and not to middle-income students and not to upper-income students.

Let me give the Members some statistics just from last year, Mr. Chairman. Last year 42.4 percent of the School Lunch Program was provided for free lunches for low-income students, 6.8 percent was provided for reduced-price lunches for near-poor students, but a majority of the lunches served, 50.8 percent, was provided for non-needy students.

Mr. Chairman, that is over 2 billion full-priced lunches every year that the taxpayers reimbursed at the rate of 12½ cents in cash and 12½ cents in commodity subsidies.

Mr. Chairman, this is also offered in the context of the other amendments that were for reductions. I would just urge the House to consider the enormous increases that are built into these entitlement programs in light of the deficit. We understand that the House has rejected other amendments, so now we come down to one that does not bring the program back to neutral, that does not bring the program back to a freeze, but all it does is to reduce $287 million for the first year out of the cost of these programs. And it does not take that money out of any low-income student. It does not reduce any proverty level child or any child who is less than 185 percent of proverty. This merely will eliminate the 12½ cents cash subsidy that is paid for every child and for every paid lunch, no matter the income.

Mr. Chairman, this amendment provides a change in the school lunch program whose time has come.

Mr. HAWKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the consequences of this amendment would be even more devastating than any of the other amendments that have been presented so far and have been rejected. The implication, first of all, that only children from high-income families would be affected if the high-income subsidy is eliminated is not really correct.

First of all, the money or the reimbursement does not go to the individual; it goes to the school district. This money goes to support the basic infrastructure of the program. So we are talking now about the very heart of the school lunch program.

Let me deal in just very simple arithmetic. Let us assume that a school in a school district had 80 percent paying students and 20 percent of the so-called poor students, those who have reduced-price lunches or those who do not pay for their meals at all. Now, under this amendment, that school would lose that 80 percent because they are paying students. They would lose the 80 percent, and that would be devastating to that School Lunch Program. They would find it uneconomical to operate, so the 20 percent who are needy would then be deprived of the school lunch.

We have a great number of schools obviously in this category, and it does not have to be 80 percent. It could be much lower; it could be 40 percent or 50 percent. If they lost these paying students, then obviously the program would be crippled. That is the consequence of this amendment.

We tried it in 1981. That was really the mandate of the Gramm-Latta proposal in 1981. It was adopted. It was tried, and as a result of that, 3 million children dropped out of the program. That was the actual experience under this amendment, as tried in 1981. There is no reason why it would be any different now.

But even in addition to this, in my opinion, this is a very serious attack on American education because this is the beginning of saying that families should contribute to education based strictly on their income, that there are individuals that should pay for these services within a school. So we begin to stratify the students and stigmatize them. If parents should pay for the meals, why would the parents not also be asked to pay for the textbooks? Why would they not also be asked to pay for the transportation that is furnished? We can get all sorts of logical consequences as a result of this type of reasoning?

But, Mr. Chairman, I think the immediate impact, and the seriousness of this amendment, is that while it seems to indicate that you can make certain students pay and this will help defray the cost it is quite the contrary; it simply cripples the School Lunch Program and it will deprive all of the children, rich and poor alike, of the School Lunch Program.

Mr. Chairman, I think this is a serious amendment to consider, and I think the consequences indicate that it should be rejected.

Mr. GOODLING. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I think the chairman of the committee was very kind when he said that this would have a more devastating effect than any other amendments on the program. This would destroy the National School Lunch Program. That is how devastating it would be.

Let us keep in mind that in 1981 we only cut 5½ cents in the basic cash support and we lost 3 million students. That was only 5½ cents. Now, just figure what will happen when we are talking about 12½ cents.

Let us make sure that we understand, first of all, that at the present time we have 12½ cents in cash, we have 11.7 cents in entitlement commodities, and then we have another 10 cents in bonus commodities. You could make the same argument, I suppose, for commodities that you are making now if you want to do away with the cash payment. But you say, "Oh, no, they are surplus," et cetera. Let me tell the Members that they go out as an Agriculture Department and buy those commodities in order to distribute them. So you are looking at a situation where, if you truly believe that the National School Lunch Program is important, you have to find a way to subsidize that program in order to keep it going.

As I said the other day, this all started back when we decided that it was necessary to recruit for World War II, and, lo and behold, we found that that was a difficult thing to do because the nutrition of those we were trying to recruit was so bad that, as a matter of fact, we had a difficult time getting a standing army, in the true sense of the word. That was true not only of those who came from poor backgrounds but those who came from middle and higher income backgrounds also. So the Congress decided at that time that we thought a National School Lunch Program was necessary.

We said it was necessary also through the years to have a National School Lunch Program so we could insist that youngsters who cannot purchase a meal would have an opportunity for a nutritious meal. We made that decision as a Congress.

If we were to adopt this amendment, we would say to the local school district that we are giving them an out; we are giving them an opportunity not to feed free and reduced-price lunches to people because there is no way under the Sun they are going to be able to raise local taxes to do just that. Those low-income folks are not the people who would scream. It would be the other people who would do the screaming, and the free and reduced-price youngsters would be left by the wayside.

We have to understand that we do not reimburse for paying customers. We reimburse to keep a program going that we happen to think is a very, very important program.

Let me say again that we reduced by 5½ cents in 1981 and we lost 3 million students. Let me also remind the Members that in many areas those who dropped out of the National School Lunch Program were those who were feeding 20, 30, 40, and 50 percent free and reduced-price lunches. If you are feeding all free and reduced-price lunches, this amendment does not bother you at all. If you do not feed any, you probably are from an affluent school district that is so affluent that it could probably make up the difference. But, let me say, that if you are feeding 20, 30, 40, 50, or 60 percent free and reduced-price lunches, your school district is in real trouble if you decide to adopt this amendment at this particular time.

Again let me say that in Pennsylvania, if we were to adopt this amendment, we are talking about a reduction of $12 million to the State of Pennsylvania. This is not Texas. We are not growing in Pennsylvania. We are an old industrial State. We are having a tough time making ends meet. Our Secretary of Labor and Ambassador Yeutter tell us to tell our people to go and get other jobs, but we do not know where to send them. Things are filling up in Texas, too. But it is also true in Texas. This hurts not just in Pennsylvania.

The gentleman who is in charge of the food service in Texas says this in a letter to me:

> The purpose of this letter is to express my concern about the proposed 12¢ cut in section 4 funds for the National School Lunch Program. The elimination of section 4 would cause local school districts to increase the price charged to paying students, which would have a negative effect on participation. In 1981-82, after a 5½¢ reduction in reimbursement for paid lunches from the previous year, statewide participation decreased by more than 4,000,000 paid lunches. This represented a loss in average daily participation of 23,700 students. Of course, a 12¢ cut would cause an even greater loss in participation.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. GOODLING] has expired.

(By unanimous consent, Mr. GOODLING was allowed to proceed for 3 additional minutes.)

Mr. GOODLING. Mr. Chairman, the gentleman goes on to say in his letter:

> My real concern with the elimination of section 4 is the affect it would have on the many schools in Texas and throughout the nation that serve a small percent of free and reduced-price meals. These schools would have no incentive to participate in the National School Lunch Program if section 4 were eliminated. Once these schools have dropped the program, the nutritional integrity of their food service operation would be severely hampered, since they would no longer be required to offer lunches which meet certain nutritional standards.

More importantly, Mr. Chairman, free and reduced-price youngsters would not have to be fed except in three States in this Nation.

I hope that every Member will look very, very seriously at what this amendment would do to their local school districts. I have statistics for all of our States. I do not have statistics broken down for school districts.

Again let me remind the Members that it will be devastating if you are caught in that area that feeds 20, 30, 40, 50, or maybe 60 percent free and reduced-price youngsters, because that 12 cents is going to take away all of that infrastructure support. Again, let me remind the Members that the cost of meals and the cost to produce and serve meals is going up, not down.

So, Mr. Chairman, we have a serious problem with this amendment, and I would certainly hope that the Members will look carefully before making this leap because it will adversely affect their school districts. It will affect all school districts in this country; I do not care which school district it is.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I am happy to yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I wish to associate myself with the gentleman's remarks.

I feel very strongly that this is probably the worst amendment as far as the destruction of the School Lunch Program. I know that in my own State it is going to have serious ramifications on our schools and school districts and could lead to many of them closing if this amendment should pass. So I want to say that I agree wholeheartedly with the proposition that the gentleman has made.

□ 1455

Mr. BIAGGI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am somewhat confounded over what is happening today. The gentleman from Texas [Mr. BARTLETT], who is a valued member of the Education and Labor Committee, seems to persist in his efforts to dismantle a program that has worked very effectively over the years.

I would suggest that we go to the origin of the legislation. It did not develop easily nor did it occur overnight. The problem was carefully looked at. It existed for a long time. There was a ground swell, slow, but eventually enveloping the mentality of our Nation and the Congress. As a result of it, the Congress developed this program that has been in effect for some number of years and working very effectively.

Why attempt to emasculate it now? The fact is the problem still exists. It will continue to exist as the result of successive generations going to school. Our concern for the nutrition and well-being of the young children of our Nation has not diminished. Our concern for the young children of the world has not diminished. It is manifested in so many ways by the things that we do for people throughout the world.

So it kind of boggles my mind when I see amendment after amendment being offered that would have the net effect of destroying or diminishing this valued program.

Of course, there are statistics. It has been said by the gentleman from Pennsylvania [Mr. GOODLING] that there was a loss of some 3 million lunches when we cut the program by 5 cents. If we eliminated all the payments now it would result in some 6 million less lunches, and 18,000 schools dropping out of the program, so in a true sense you are dismantling the program. I simply just do not understand it.

Is the gentleman suggesting that we go back to where we were, even though in piecemeal fashion? In any event I think we have done enough damage to these programs since 1981. Why should we continue to erode whatever benefits there are today?

As far as the needy question is concerned, let me tell you an experience that I have had. I was a young man during the Depression in our Nation. We know who was on welfare. We called it home relief in those days and those folks, the recipients of home relief, were psychologically burdened and they were looked upon in a disdainful manner. Happily, my folks never did get to that state, although my mother worked as a charwoman for $8 a week to keep body and soul together and I shined shoes to produce another couple dollars a week. My father had not worked in 4 successive years; but really, the notion of being on home relief was abhorrent, and so be it in this matter—imagine the feelings of the children if only the needy were singled out for free lunches.

Imagine the psychological trauma that would be inflicted on the young folks. These concerns were considered and discussed time and time again in the formulation of the program.

Once again we find a constant effort to diminish the funding. I just do not understand it.

Mr. GOODLING. Mr. Chairman, will the gentleman yield,

Mr. BIAGGI. I am delighted to yield to the gentleman.

Mr. GOODLING. This amendment would cost the gentleman's State almost $11 million.

Mr. BIAGGI. Pardon me?

Mr. GOODLING. This amendment would cost the gentleman's State almost $11 million.

Mr. BIAGGI. I appreciate that, but irrespective, I am talking about philosophy, policy, and that is what should be the determination.

Of course, if you cut funding in a fashion which the gentleman's amendment proposes, I think most States will suffer very grievous injury.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield,

Mr. BIAGGI. I am delighted to yield to the gentleman.

Mr. BARTLETT. Mr. Chairman, I respect the gentleman a great deal. We have worked on a lot of amendments together, but I think it does come down to philosophy. Should the Federal taxpayers pay a subsidy for the lunches of children who are not poor? We have agreed that we should pay a subsidy and a free lunch for children who are poor. This amendment would eliminate the subsidy for children who are not poor, with no means test at all. Perhaps later there will be amendments to provide a means test for the middle-income subsidies; but I think the gentleman is correct. It does come down to philosophy as to what Federal tax money should be used to pay for, poor kids or not poor kids.

Mr. BIAGGI. I understand the difference of opinion and I respect the gentleman's perspective.

The CHAIRMAN pro tempore (Mr. SWIFT). The time of the gentleman from New York has expired.

(By unanimous consent, Mr. BIAGGI was allowed to proceed for 1 additional minute.)

Mr. BIAGGI. But clearly, the question is simple. We have a program that has been in place for a long time. It works. We have seen the product. Go to schools today and you see the young folks nourished. They look it. You see it on their faces.

I can tell you, it was not always that way. So clearly I would urge the defeat of this amendment.

Mr. FORD of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I am delighted to yield to the gentleman from Tennessee.

Mr. FORD of Tennessee. Mr. Chairman, I would just like to say to the author of the amendment that we are talking about, it was mentioned earlier that this will not impact the poor students, that we have already dealt with that with the last amendment.

I do not know what the elimination of the 12-cent cash payment, what effect that would have, but the total elimination of the 24 cents would mean about 5.8 million children in 18,000 school districts, and we are talking about maybe over half a million poor children who would suffer from this amendment that is before the House today.

The CHAIRMAN pro tempore. The time of the gentleman from New York has again expired.

(At the request of Mr. BARTLETT, and by unanimous consent, Mr. BIAGGI was allowed to proceed for 1 additional minute.)

Mr. BARTLETT. Mr. Chairman, if the gentleman will yield, it is really a difference as to whether we should provide this 12-cent subsidy in cash and 12 cents in commodities, whether we should provide that subsidy to low-income children or to all children, the gentleman's children, mine, all children, without regard to income.

I would suggest, I do not know what the 5 million is that the gentleman suggests, but the fact is that perhaps school lunch prices would increase for middle-income students and upper income students, but it would not increase by one whit for low-income students.

Mr. FORD of Tennessee. Mr. Chairman, if the gentleman will yield further, I can appreciate what the gentleman is trying to accomplish in this amendment, but I think we are coming to the table with a strong appetite, but that appetite is also going to spread and we are going to reach out and pick up some additional poor children that we are trying to protect under the bill that is being offered by the committee.

AMENDMENT OFFERED BY MR. ARMEY AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. BARTLETT

Mr. ARMEY. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. ARMEY as a substitute for the amendment offered by Mr. BARTLETT: Page 7, after line 24, insert the following new section (and redesignate the subsequent sections accordingly):

SEC. 12. ESTABLISHING INCOME GUIDELINES FOR SUBSIDIZED MEALS UNDER THE SCHOOL LUNCH AND BREAKFAST PROGRAMS.

(a) APPORTIONMENTS TO STATES.—Section 4(b) of the National School Lunch Act is amended—

(1) in subparagraph (1)(A) by inserting "free, reduced-price, or subsidized" after "number of"; and

(2) in paragraph (2) by inserting "free, reduced-price, or subsidized" after "for each" both places it appears.

(b) DIRECT FEDERAL EXPENDITURES.—Section 6 of the National School Lunch Act is amended—

(1) in the third sentence of subsection (b) by inserting "free, reduced-price, and subsidized" after "lunches" both places it appears; and

(2) in subsection (e) by inserting "for free, reduced-price, and subsidized lunches" after "in lieu thereof,".

(c) INCOME GUIDELINES.—Section 9(b) of the National School Lunch Act is amended—

(1) in the first sentence of subparagraph (1)(A) by striking out "free and reduced-price" and inserting in lieu thereof "free, reduced, price, and subsidized"; and

(2) by inserting after the fourth sentence of subparagraph (1)(A) the following new sentence: "The income guidelines for determining the eligibility for subsidized lunches for any school year shall be 250 percent of the applicable family-size income levels contained in the nonfarm income poverty guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with subparagraph (B)."; and

(3) in subparagraphs (2)(A) and (B) by striking out "free and reduced-price" each place it appears and inserting in lieu thereof "free, reduced-price, and subsidized"; and

(4) in subparagraph (2)(B)—

(A) by striking out "reduced-price meal eligibility" and inserting in lieu thereof "subsidized meal eligibility"; and

(B) by inserting "or reduced-price" after "free" in the last sentence; and

(5) in paragraph (4) by striking out "free lunch or a reduced-price" and inserting in lieu thereof "free, reduced-price, or subsidized".

(d) ELIGIBILITY REQUIREMENTS.—Section 9(d) of the National School Lunch Act is amended by striking out "free or reduced-price" both places it appears and inserting in lieu thereof "free, reduced-price, or subsidized."

(e) SPECIAL ASSISTANCE.—Section 11(e) of the National School Lunch Act is amended—

(1) by striking out "and" both places it appears after "free lunches" and inserting in lieu thereof a comma; and

(2) by inserting "and the average number of children who received subsidized lunches" after "reduced-price lunches" both places it appears.

(f) COMMODITY ASSISTANCE.—Section 11(f) of the National School Lunch Act is amended by striking out "free or reduced-priced" and inserting in lieu thereof "free, reduced-price, or subsidized."

(g) APPORTIONMENT TO STATES.—Section 4(b) of the Child Nutrition Act of 1966 is amended—

(1) in clause (1)(A)(ii) by striking out "breakfasts served to children not eligible for free or reduced-price meals" and inserting in lieu thereof "subsidized breakfast"; and

(2) in the last sentence of subparagraph (1)(b) by striking out "breakfast served to a child not eligible for free or reduced-price meals" and inserting in lieu thereof "subsidized breakfast."

(h) This section shall take effect July 1, 1986.

Mr. ARMEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARMEY. Mr. Chairman, I think this is an appropriate time for me to offer this as a substitute, because we are talking here about a philosophy and perhaps a question of equity and fairness. I applaud the efforts of the gentleman from Texas [Mr. BARTLETT]. I think the gentleman is moving in the right direction.

I have offered an amendment, though, that might modify that effort and perhaps be a little less controversial than the Bartlett amendment.

I think a big part of the question that we have seen debated today and we saw debated earlier on an amendment was a tremendous amount of understanding and compassion and concern and, yes, sincerity, to what extent should we take these very, very scarce Federal dollars that are in so much competition with so many other competing programs and find a way to make them most available and first available to the poor children of America in this program.

Unfortunately, there are not enough dollars so that we can do everything.

If I can review just a little bit of the work that the gentleman from Texas [Mr. BARTLETT] did in his dialog, there really are three steps in this program; the first step being for those families who make below 130 percent of the poverty line, where their children do in fact get a free lunch, totally free to the individual family. These, I imagine, are the children that we see in the rural areas of Kentucky.

I have had the opportunity to drive through the wonderful State of Kentucky and I have seen some wonderful horse ranches and suspect that perhaps the families there live above the 130 percent of the poverty line. I suspect they can probably very likely afford to pay for their own children's lunches.

So while we want to leave intact the availability of lunches for these poor youngsters, there is again the reduced-price lunches for those families who make between 130 and 185 percent of the poverty line and they get a reduced price.

Then there are the students whose families make 185 percent of the poverty line who are classified as paid, but still receive 25 cents subsidy and 10 cents commodity subsidy.

I do not even want to take the opportunity away from these youngsters. But where can we draw the line? How high should a family income be while they still qualify for some subsidies for their youngsters' school lunch?

Obviously, we can take a look at the Members of this House. We all make a rather substantial income. When this bill first came into our committee, I was shocked to realize something I did not know, both as a professor making around $45,000 a year and then now as a Member of Congress making over $70,000 a year. My four schoolchildren each receive a 35-cent subsidy for their lunch. I do not need that subsidy for my youngsters. I do not want that subsidy for my youngsters. I would prefer not to have the poor wage earner in America paying higher taxes to support a higher budget and higher spending levels so that mine can have what they do not need and what I am perfectly capable of providing them and others as well.

So we are talking here really about a situation that exists in the form of a negative income transfer from the poor to the rich. I do not think anybody in this House wants the continuation of that kind of transfer.

When we see those youngster walking through the hollows, we have to remember their mothers and their fathers are earning incomes and they are paying taxes and those taxes do indeed support the entire budget and support my youngsters' school lunches. I do not think that is fair and I think that point has been eloquently made.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. Yes.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding.

I want to understand the gentleman's substitute. It would be to means test this extra cash subsidy, is it 250 percent of the poverty level, is that the gentleman's intent?

Mr. ARMEY. Right.

Mr. BARTLETT. If the cash subsidy would be paid, it would be only for those persons who earn less than 250 percent of the poverty level?

Mr. ARMEY. Right.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman.

Mr. ARMEY. If indeed a family makes 250 percent or more of the poverty level, the school would still get its 10 cents commodity bonus, but the individual student would not receive the 25 cents subsidy.

I think that is a fair place in which to draw the line, a place that concentrates the revenues, scarce as they are, in support of the youngsters who really need it the most and whose parents are least able to provide for them a paid lunch in part or in whole.

I would suspect that perhaps members of the committee on the other side might find this a good compromise between the Bartlett position and their own and I would hope they would accept it.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose the substitute and the amendment.

Mr. Chairman, as Alice observed somewhere during the proceedings after she went through the looking glass, "It gets curiouser and curiouser."

The gentleman said that he was going to give us an amendment that was less controversial. How an amendment that would require the parents of every public school child in the country to make a disclosure of their family income to the school if it operated a school lunch program could be less controversial than anything else that has been suggested on this floor is beyond me.

Now, it is apparent from the gentleman's plaintive cry for redirecting resources from "the rich to the poor" that he woefully lacks a knowledge of how the program works and how it is supported at the local school district level. When we talk about school children leaving the program, that will not be done because they or their parents will voluntarily leave. We talk about programs that will close up if you put these kinds of limitations on and turn this into a poverty program.

It really startles me that the gentleman from Texas persists in his efforts after all of these years of this program to turn this into a poverty program.

The gentleman from Pennsylvania has explained the history of it. The gentleman from California, the chairman of the committee, has explained it.

This was not a poverty program. It was adopted in 1946 and it said in that bill that it was a program to safeguard the health and well-being of the Nation's children. It did not say poor children, rich children, middle class, it said children.

Now, why did they do something that strange? The why is very simple. Epidemiologists became fascinated with where and what numbers of people were disclosed during the period of the maximum draft during World War II who could not pass a basic physical to serve in any of our armed services for conditions that clearly were being identified by medical authorities as being the fault of bad nutrition during their formative years.

Congress said we might have to fight another war. They were prophetic, because just 5 years later we were back in another war with the draft going again and they said:

We are not going to let this happen to this country again. At least we are going to try to interrupt the problem of bad nutrition for the children in these schools by intercepting then and use the school system as a device for that and provide at least some basic nutrition for all these children and see what happens.

□ 1510

Since 1946, the program has worked very well.

In 1962, one of my liberal colleagues, in 1962, a gentleman who then was characterized as a very liberal person for this side, instead of treating all of the children the same said let us now have a reduced-price lunch program, and that is when the reduced price came in.

I get the impression from some people who talk about this legislation that they think it was something they did during the poverty program that got expanded to the middle class. It got concentrated within the program in terms of how much they paid to the school for their lunch, but never in how much was paid to the school to operate the program. Never at any time since 1946, except for a short period of time when the unfortunate result of Gramm-Latta was to produce a short period of reduction in this money, have we ever had in the program a time when we attacked the money that goes to the school to maintain the program.

Here is where the lack of understanding of the program comes in. You can stand on this floor and plead for the poor people all you want, and how you want to help the poor kids. But if you give them a chit or a token for a meal, and there is no lunch program at the school they attend to spend it, you have given them nothing. They cannot take it to McDonald's. They cannot take it down to the local greasy spoon. They cannot cash it in. It has no value to them.

If you want to offer a free or reduced priced lunch to the low-income children, there has to be a lunch provided in that school, that day, that they can stand in line to get and pay the free or reduced price for.

That is what it all comes down to. Crassly put, if the nonpoor children are not involved in the program, commonsense tells you that what happened in the short period of Gramm-Latta repeats itself, that school districts faced with finding other resources in times of great scarcity at the local school district level will not be able to find money to keep the lunchroom open. So the people, as the gentleman from Pennsylvania [Mr. GOODLING] referred to in his school, that has only 20 percent poor children, those 20 percent get zilch. The children who can afford it will find an alternative way to get meals.

I urge we reject both the amendment and the substitute.

Mr. MITCHELL. Mr. Chairman, I rise in opposition to the Armey amendment which would target assistance to the students from the lower and middle class and end the cash subsidy to those families which make over 250 percent of the poverty level.

I have seen the face of hunger in this country. Many Members have seen the face of hunger. I have seen children in the last several years still suffering from diseases resulting from malnutrition. There is deep, biting, searing hunger in this Nation for many, and we do not meet our responsibility to promote the general welfare unless we address that problem. The problem has grown more acute, despite opposing contentions, and it is time to rededicate ourselves to rectifying this situation.

The Armey amendment proposes to add, a much-needed component of fairness to the School Lunch Program. Is it fair to end a cash subsidy for targeted groups and, therefore, cut millions of poor and middle-income children from the program? For every penny cut, there is a 1-percent decline in those that participate in the program. Without these paying students participating, the basic infrastructure of the School Lunch Program is lost. If cuts are made, many lunch programs will cease and all children in the community, including poor children, lose access to the National School Lunch Program.

H.R. 7, as it now stands, is fiscally responsible. It is in full conformity with the House budget resolution. There is no argument with the contention that good health is essential for the well-being of our families. Our children presently in the School Lunch Program have benefited because we have recognized the need for the continued Federal role in addressing hunger and food assistance. Those of us in the Congress must take the lead in insuring that the needs of our citizens are met. Let us not retreat from this commitment. Accordingly, let us show a strong support for this commitment and vote against the Armey amendment.

AMENDMENT OFFERED BY MR. PETRI TO THE AMENDMENT OFFERED BY MR. ARMEY AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. BARTLETT

Mr. PETRI. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. PETRI to the amendment offered by Mr. ARMEY as a substitute for the amendment offered by Mr. BARTLETT: Page 1, line 14, strike out "and".

Page 1 line 17, strike out the period and insert in lieu thereof "; and".

Page 1, after line 17, insert the following: (3) at the end of subsection (e) by inserting the following new sentence: "Commodity assistance shall be available for all lunches served in schools participating in the school lunch program.".

Mr. PETRI. Mr. Chairman, this really just splits the cake in half so far as this amendment is concerned by restoring to the program in the case of all meals offered through the School Lunch Program participation in the Commodity Program.

Some of these commodities, of course, are purchased in the commercial market. Others are available because they are surplus commodities such as are in Government warehouses. In any event, those commodities, if they were not distributed to school children, would end up being wasted.

It seems to me that that, as a result, would not be a savings. It would simply move the cost in a different direction, and we can help young people by distributing this food. And it seems to me as a result that we should continue to allow the Commodity Program purchases and the distributions to continue for all people regardless of whether they are above or below the poverty line.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from Texas.

Mr. ARMEY. By your amendment, do I understand then we would keep in the commodity subsidy for all students, irrespective of the income level, and that indeed the school lunch program itself would then have a 22½-cent commodity subsidy for even the students who pay for their own lunch?

Mr. PETRI. That is correct. That subsidy of 21¾ cents or what ever the amount would be of the subsidy would apply for the rich student and the poor student. So long as they ate in that cafeteria, the school would get that money.

Mr. ARMEY. I think the gentleman has crafted a very good amendment here, and if I might comment on it, that subsidy to the school program should, I think, in that case alleviate some of the concerns about the extent to which the programs may be jeopardized by those students who may choose to drop out. And indeed, if I could comment on that, in the experience that we had from 1981 to 1985, I do not believe the dropout experience was all that much. Indeed, it was not so totally related to the increased costs. We had an enrollment decline and that had a big impact on the dropout. We had high-tuition school exclusion, and we had the net effect of verification.

The fact of the matter is many, many higher-income Americans, middle- and higher-income American, when asked to verify that they need it, simply say no, I do not need it, I will not fill out the verification and decide that instead certainly they will pay for their youngster's lunch, because indeed they do not need it. They do not choose it.

So, in fact, the projections were for a decline and indeed we had a greater enrollment than what was projected. So we really have not experienced, in fact, that much of a decline, jeopardizing programs.

The gentleman would certainly add insurance to the stability of the program and to the youngsters' ability to have the program in place so they could have their lunch. I would be more than happy to accept the gentleman's amendment in light of your further observation that indeed through other programs we buy the commodities anyway, and it is a question of warehousing them or distributing them to school programs. I think it is a good amendment and I commend you for offering it.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this issue is getting more and more confused. I am not quite sure where to start.

We are now being told that it is all right to accept the tax dollars to go out and buy commodities to distribute it to the paying customers. But it is not all right to give them cash, because that is just what we would do if we were to accept this amendment.

Keep in mind, the 10-cent bonus commodities are truly surplus. But I will guarantee that an awful lot of the 11 cent plus are not surplus. We go out and purchase them because we think it enhances—I am not sure why we do it. The gentleman from Michigan [Mr. FORD] and I have been trying to get away from this purchase of commodities and give them the cash, and let them do it back in their own District. But that is what we do.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I think the gentleman is talking me out of accepting the amendment to my amendment.

Mr. GOODLING. Well I think I should. I think you should be consistent. I think if you are saying that somehow or other we should not try to keep the program going because we are giving tax dollars to people who can afford to pay for the lunch themselves, then you should not accept the gentleman's amendment, because his amendment does take tax dollars and gives those tax dollars to those who could afford to pay for their lunch, according to you, because we go out and buy, not necessarily surplus commodities, but we go out and buy what we think we should be distributing. It may be a lot of hamburger and that is good for your State.

Mr. ARMEY. If the gentleman again will yield, I might make the point though, the distinction is that it is the commodity subsidy to the program as opposed to the cash subsidy.

Mr. GOODLING. Yes, and all I am saying is what is the difference.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I am happy to yield to the gentleman from Wisconsin.

Mr. GUNDERSON. I appreciate the gentleman yielding because I want to help clarify this issue. First of all, I tend to agree with the gentleman from Pennsylvania's general philosophy that if we are going to cut out 12½ cent cash commodities, 12½ cent cash subsidies, either way you are frankly going to decimate the program. I think the amendment is simply too strong and devastating from that perspective.

But there is a justification for commodity subsidy as opposed to cash subsidy, and if you talk to any of your school administrators about your school lunch programs they will tell you, as mine have consistently told me, please do not cut out the commodities subsidies because frankly, the Federal Government buying in essence surplus commodities at high-volume rates can provide a heck of a lot more commodity for the dollar than we in our local school districts can taking that same amount of dollar and going out and then purchasing it.

Mr. GOODLING. I will take back my time. It is not often that we disagree, but that is not correct.

In the bonus commodities, you get butter, cheese, cheese mozzarella, cheese processed, honey, milk, nonfat dry, rice, milk, all surpluses, and that is a bonus.

Mr. GUNDERSON. Exactly.

Mr. GOODLING. However, what the gentleman is talking about in his amendment, he is not touching bonuses.

Mr. GUNDERSON. I did not say that.

Mr. GOODLING. He is talking about those that we go out and purchase, that are not necessarily surpluses, in most cases are not surpluses. And we go out and buy those commodities.

But let me tell you what your school food services people, and they are beginning to have a change of heart on this whole thing, say. Originally, they thought that it was the best to get all and, of course, they wanted all. But let me tell you what happens.

When we go out and we buy the commodity, it means first of all they do not buy that commodity in their local district or where they are probably going to get better quality. The cost involved is on the Federal level. We buy it, we store it, we ship it, we then ship it to the State. The State then stores it. The State then pays the freight to get it onto the school district. The school district then, lo and behold, in many instances, has to send it back out and have it processed.

Now if you can show me how anything can be more expensive than that whole thing, I do not know. But that is not the point that I am arguing.

The point I am arguing, if you have a philosophy, which I understand the two gentleman from Texas have, a philosophy that says you do not try to save the school lunch program, that that is not important because we know that you have to make sure that the paying customer is participating in order to keep that national school lunch program, then you have to be consistent. Then you do not take tax dollars in cash, or you do not take tax dollars in commodities. Give them their bonus commodities, but, you see, then we will get those who make $70,000 and above. They seem to know how, the group who is a family of four, and I know some lovely families of four. I have one of my own and my whip has one. But let me tell you, a family of four, when you are talking about $18,000, is a little bit different than a family of four when you are talking about $70,000.

I get into this argument all of the time.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. Goodling] has expired.

(By unanimous consent, Mr. Goodling was allowed to proceed for 3 additional minutes.)

Mr. GOODLING. All I am trying to point out to you in relationship to your accepting this amendment is that it is not consistent with your philosophy, because we use tax dollars to buy those commodities in order to distribute them, many of which are not surplus commodities. All bonuses are surpluses, but those other commodities are not.

But let me get back to some of the other issues in relation to the gentleman's amendment. It is difficult to stand up and argue that hey, somehow or other there should not be any tax dollars going to $27,000 families of four and above. That is difficult to argue.

But let me point out several things in relationship to the gentleman's amendment. First of all, in your "Dear Colleague," I guess the thing that scares me most about your amendment is that we really do not have any statistics. We really have no way of knowing. In your "Dear Colleague," you say that there will be people who will get up and say that you are going to devastate the program in relationship to free and reduced-price youngsters, and that is not so. That is the way you say in your amendment.

All I say is I do not have any statistics. You may be right. We never had this before. I have no statistics to prove whether you are right or whether you are wrong.

I do know that every time you reduce your reimbursement by 1 cent to the paying customer, you lose 1 percent of the participants in the school lunch program. I do know that after reconciliation in 1981 we lost 3 million students. Why? In most instances because the schools dropped the national school lunch program. That eliminated them from having to worry about free- and reduced-priced meals.

One other question and concern that I have. I am not quite sure how this works. You now added a fourth tier.

□ 1525

I am assuming now that everyone in your school district, in my case it will be most everyone with one or two school districts excepted, will have to bring in some kind of verification. In other words, in order for the school district to get the reimbursement, they will have to prove to the Secretary that, as a matter of fact, those people are not making more than $27,000.

I assume that is what the gentleman is saying.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania has expired.

(By request of Mr. Armey and by unanimous consent, Mr. Goodling was allowed to proceed for 3 additional minutes.)

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I would be happy to yield to the gentleman from Texas.

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Chairman, first of all I would like to address the question of my philosophy. My philosophy is very simple in this case: Yes, I want to see the School Lunch Program for the youngsters who need it; yes, I understand we have to have a program in place; yes, I see a difference between commodities that are purchased and moved even if they are bought, purchased, and moved, the incremental cost for that is rather nominal for these few additional students; yes, I understand we do not want the poor families to be paying higher taxes to support a program that feeds the children of relatively wealthy families, at least upper and middle income families.

As far as the dropoff figures are concerned, and I do not know where the gentleman got these figures, but I do not find figures that say, from the Department of Agriculture, that there were 3 million. I find 2 million. We can quibble about these figures.

Mr. GOODLING. Taking back my time, I read from the gentleman from Texas' school lunch and child nutrition director, in 1981–82, after a 5½-cent reduction in reimbursement for paid lunches from the previous year:

> Statewide participation decreased by 4 million paid lunches. This represented a loss in average daily participation of over 23,000 students. Can you imagine then what a 12-cent cut would do?

I think I can document those figures. In fact, I have them here and can show them to the gentleman. They are not my figures.

You know, we get figures from OMB, we get figures from the Agriculture Department. Those are usually tough to get.

Mr. ARMEY. If the gentleman will yield, obviously we are going to have a conflict in figures. I think we need to go then to the principle. I again lay the principle on the table: Should the children and the parents of the children of the poor families in America be asked to pay taxes so that we can provide free lunch to the children of families who are making 250 percent or more of the poverty level? It is that kind of regressive transfer that is satisfactory to the gentleman?

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. Goodling] has again expired.

(By unanimous consent, Mr. Goodling was allowed to proceed for 1 additional minute.)

Mr. GOODLING. Again, I want to make it clear that we do not have a subsidy for paying customers. That has been something that has been thrown around here year, after year, after year. The Congress of the United States, as was pointed out by Mr. Ford, never talked about poor children; we never talked about free and reduced when they introduced the legislation. They talked about poor nutrition. They said it ought to do something about poor nutrition. We had to have a hammer over the heads of the local districts. They said that hammer was that if you are going to get reimbursement, you must participate in the national School Lunch Program. If you do not participate, you do not have to feed anybody. Many school districts after 1981 did just exactly that. So there are an awful lot of people.

My statistics that I was reciting come from the Congressional Research Service, the Library of Congress. They might even be more legitimate than from the Agriculture Department.

They indicated that in 1981 there were 26 million. They indicated that in 1982 there were 23 million. Now, if my arithmetic is correct, that is 3 million.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendments.

Mr. Chairman, again, I would hope that we would oppose the amendment and the substitute and the amendment thereto, I think Mr. Goodling has pointed out the inconsistencies in the amendment to the substitute. But let me suggest to you that the substitute and the previous amendment, the underlying amendment, are simply here

to gut the program. It is as if we have learned nothing since 1981. The evidence is clear and the evidence is convincing that when we cut the cash subsidy to the paid lunch programs under some notion that somehow we were providing an unjustified subsidy, both paid and poor children dropped out of the program. The paying children have started to come back, but the poor children have stayed away. Then when you take in the substitute, it is not the notion that somehow this is fairness and equity. We know about this kind of documentation. The Reagan administration ran a pilot program among poor children, among the free lunch programs. And they found out that the vast majority of their savings did not come from waste, fraud, and abuse but came from the legitimately qualified poor children who dropped out because their parents were intimidated or would not send the verification and the documentation to those school districts, and about 7 percent of the children dropped out of that program.

If you extrapolate that nationwide, you are talking about almost 1 million children who would continue to drop out because of that kind of intimidation. This amendment is designed for one purpose and one purpose only, and that is to gut this program.

That is what the substitute does. The amendment, the underlying amendment that deals with taking away the paid meal, I will tell you what else it does. It is a foolish amendment, because if you have so much concern for poor children, I assume you would be back here suggesting that if the local districts did not feed these poor children that we should. But I have not seen anybody suggest that in an amendment to cushion those districts or to cushion those poor children. The fact of the matter is, as Mr. Goodling pointed out, numerous districts simply made the decision to close down the lunch program for poor children; rich or poor, they closed down the program and poor children had nowhere else to go.

Let us also understand something, that in many instances not only are the poor children a minority within the power structure of the school district, they happen to be minority children with a minority in the power structure of the school districts. And a good number of school districts around this country have decided they are not going to feed poor children, or black children, or Hispanic children, or other minorities. They simply decided politically they will take their money and they will do something else with it.

That is why we keep paying children in the School Meals Program. I had an amendment several years ago to do exactly what you wanted to do. But what became clear was that, if those children fled the program, school districts would make a political decision which would disenfranchise poor children from the right to have nutrition, from the right to have an equal opportunity to learn and a nutritional balance so they could do that.

That is the history of this program, and we ought not to deny it. We ought not to deny that that is the decision that local districts have made each and every time. They did not make the decision, "Oh, we will run a little program over here for the poor children, we will run a nice program, we will make sure that happens." They dropped them. They dropped them like a hot potato. Why? Because we cut 5 cents.

Now we are talking about cutting 12 cents. And when we get done cutting the 12 cents, we are taking the program where Mr. Bartlett just had an amendment to ask for a simplification study, and we are going to make it more complicated. So we are not just going to punish the poor children, we are not just going to punish the rich children, we are going to punish the school districts now, because they are going to have to go through a program that this administration has already repudiated.

Do you start to get the drift of my conversation here? These amendments to the substitute are just flawed on their face. They have been tried the entire 10 years I have been in the committee. We have been over this ground, and each and every time the detriment has run to the poor children of this Nation, the very children that this administration tried to suggest that they cared about in terms of the safety net. This is the untying of the safety net, this is the one that is going to allow an awful lot of children who have nowhere else to go for half of their daily requirements in terms of nutrition, they are going to go right through this net and hit the ground. And I've got news for you, not one of you is going to come forward and suggest that we augment the budget to pick those children up and to feed them. The school districts that have 10 or 20 percent of these children in their school districts are not going to do it, because the politics of this Nation at the moment are elsewhere. So you can join up and throw these children to the ground or you can stick with the committee bill and understand that this is how we pay the overhead.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. Miller] has expired.

(By unanimous consent, Mr. Miller of California was allowed to proceed for 1 additional minute.)

Mr. MILLER of California. Let me tell you that these paying children contribute $1 billion to this program. It would be far more expensive for you to make the decision that we should feed poor children and only poor children because in fact the paying children are helping with the overhead and the totality of the costs of this program. So we have an amendment that, if you look at it from the bottom, the top, or sideways, it makes no sense, and the Congress ought to reject it.

We have been over this ground, we have tried these test programs, we have had them from the Senate and the House. All of them, all of them have been a flop, except for one thing that they have done.

So open up your eyes, they have punished poor children. That has been the end result every time we have approached this subject.

Mr. PENNY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Minnesota.

Mr. PENNY. I thank the gentleman for yielding.

Mr. Chairman, the bottom line here is, whatever approach you take, these kinds of amendments get at the infrastructure that is necessary to be sure that a school lunch program is offered.

Mr. MILLER of California. Exactly.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. Miller] has again expired.

(On request of Mr. Boland and by unanimous consent, Mr. Miller of California was allowed to proceed for 1 additional minute.)

Mr. MILLER of California. That is exactly the point. There is a certain cost for a district to maintain the overhead and the integrity of the program, and if we rip out part of that cost there is no evidence that it is being made up elsewhere.

Mr. PENNY. Mr. Chairman, would the gentleman further yield?

Mr. MILLER of California. I yield to the gentleman from Minnesota.

Mr. PENNY. I thank the gentleman for yielding.

Mr. Chairman, I say to the gentleman this is the mechanism that we have used over time to ensure that the School Lunch Program is in place.

Mr. MILLER of California. Exactly.

Mr. PENNY. Any dismantling of this funding is going to make it less likely that school lunch programs will be in existence. So it is not fair to make an argument that somehow we are only affecting wealthy students or wealthy families by making this kind of a reduction, but you are in fact voting to eliminate programs, and when you eliminate programs you are denying eligibility to a decent lunch to poor children across America. I oppose the amendment and speak in support of the committee provisions.

Mr. MILLER of California. Let me just say to my colleague that he is absolutely on point. You know, the difference between rich and poor is that the rich people have a lot of alternatives. If my son does not get a school lunch, he can go to Burger King or McDonalds, or we can pack him a lunch, or I can take him out to lunch. He has a zillion alternatives.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. Miller] has again expired.

(By unanimous consent, Mr. Miller of California was allowed to proceed for 1 additional minute.)

Mr. MILLER of California. Poor children do not have alternatives. Because the majority of the poor people, working poor people who are trying to stay in the marketplace, they run out of food at the end of the month, they run out of food at the end of the week. They do not have the alternative that the Miller boys have. So the people who are being punished, as you point out, each and every time we have done this, the program has been eliminated and the poor children have suffered because there is no alternative.

You know, we are going to have the agriculture bill up here, and not everyone in that program is going to be a poor, bankrupt farmer. You have to put together the coalition. In this case, this is the only way we can maintain the program. To do less than this is to be more expensive.

Mr. FORD of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Tennessee.

Mr. FORD of Tennessee. I thank the gentleman for yielding.

Mr. Chairman, I want to associate myself with the remarks of the gentleman from California.

Mr. Chairman, I would like to say that when we look at the trends among children in this Nation and if we look at the information and data provided by Mr. Miller earlier, when we talk about 14 million or 22.4 percent of all the children in this Nation who are living below the poverty level, we know we are addressing the nutrition program today. But we ought to even be about the business of addressing the real problem that children are faced with, and this just happens to be one of them. If we cut this nutrition program or cut the cash payments to the nutrition program, we will be doing nothing but adding on to the additional 1 million or 1.5 million children who would be suffering below the poverty level.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in favor of the amendments.

Mr. Chairman, the House has struggled with this section of the bill. I think we have struggled with it, with three different proposals, any one of which would have an improvement over the way and the philosophy that the program is run now. I have listened carefully to the debate. Some have said that somehow the School Lunch Program is not or should not be a poverty program. I would contend that the American people I do not think agree with that, that the School Lunch Program should provide for school lunches and in some cases school breakfasts for low-income children who otherwise would be hungry. Others have said that either my original amendment passes, or if the gentleman's substitute passes, somehow that would mean a price increase for schoolchildren in paying for their lunch. Mr. Chairman, it would mean a price increase for schoolchildren who are not poor perhaps; perhaps it would mean that your children and mine would be required to pay $1 for a school lunch that costs $1. It has been said that the paid lunches, that is of the nonneedy students, contribute $1 billion a year to the cost of running the program.

The fact is that is not precisely so. Those children pay $1 billion approximately to purchase their lunches. The only difficulty is, the Federal taxpayers pay another $250 million for those same lunches for those same schoolchildren who are not needy.

□ 1540

It comes down to a question of philosophy; whether the Armey amendment is accepted, or my amendment is accepted, it comes down to the question of, do we want to continue to pay 12 cents in cash, collected from all of the taxpayers, rich and poor alike, to subsidize lunches for children who are not poor.

Now, there are a lot of ways to eliminate that. We can eliminate it, as my amendment does; or we can, as the gentleman from Texas has suggested, we could say, OK, we will subsidize that 12 cents per lunch only for those children who are from families of 250 percent over the poverty level.

Now, would that require everyone to fill out a form? No. Or an application or statement of income? It would only say that those children who are eligible for that subsidy simply be required to do what all the other children do who are eligible for a subsidy; and to say and to state their income; no additional paperwork other than what is in the program right now.

Now, there are a lot of ways to control costs in the School Lunch Program. I have offered five amendments, many of which came from the committee and many of which came originally from the ranking Republican member of the committee; either at the budget committee or in the full committee.

In all of them there is an objection to it on this basis or an objection to it on that basis. The bottom line comes down to, the program is, I think, unintentionally, by this Congress, including current law and H.R. 7, the program will increase in its cost at approximately 6 to 7 percent a year assuming the same number of recipients. That is feeding no additional low-income children.

So somehow, whether it is the committee or the Congress or the full House, or at some point in the program, if we are going to save the School Lunch Program for the entire Nation, we are going to have to make some modest reforms so we can control its cost.

Now, someone has said from time to time that somehow all of these amendments, all they do is gut the program or eliminate the program. In fact, amendments like this may well be the savior of the program, because of House of Representatives passed a bill last year that also went nowhere, and perhaps if we continue to pass unrealistic legislation that makes changes such as in the 6-cents School Breakfast Program that need to be made, but if we do not adjust the cost, and, Mr. Chairman, the School Lunch Program will continue to become an anachronism; we will not get any changes made either here or in the other body, or finally into law.

So I would suggest that in many ways, it is those of us who are trying to make some reforms to turn the focus of the School Lunch Program to assisting low incomes students that will ultimately save the program.

Mr. LOTT. Will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman.

Mr. LOTT. Mr. Chairman, I would like to join the gentleman from Texas [Mr. Bartlett] in supporting the Armey amendment. I do not know the details of the School Lunch-Child Nutrition Program that those gentlemen that serve on the committee know; I have got a lot of questions about it, and I have been listening to some of the debate here.

I am certainly very interested in what the gentleman from Pennsylvania [Mr. Goodling] has to say, but the fact remains.

(By unanimous consent, Mr. Bartlett was allowed to proceed for 2 additional minutes.)

Mr. LOTT. Will the gentleman continue to yield?

Mr. BARTLETT. I yield to the gentleman.

Mr. LOTT. Mr. Chairman, under this program clearly the cost is going to go up year after year. I do not think there is any doubt about that, and I cannot support that type of increase with the questions I have about the way some of the program is run.

The second part is, clearly there are some people that are entitled or eligible for the school lunch program that are not in the poverty level. That is what the gentleman from Texas is trying to get at.

I cannot defend to my constituents how the majority of the children in my hometown, a blue collar town, shipyard workers, that type of person; the majority of their children would be eligible for the School Lunch Program even though they could pay for those lunches unless there is some limitation.

Maybe this is not the best way to do it, but I do know this; there is general dissatisfaction with the fact that the School Lunch Program is supposed to be targeted, I thought, for poor children, is as a matter of fact also going to children in the moderate-income level almost.

Certainly, at 250 percent of poverty level is not too much to ask for. There must be some restrictions. Let us make sure the program is aimed at the children that are genuinely in need of the school lunch program, and that are generally poor children and not allow it to continue to go to those that are not needy.

Mr. HAWKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thought we had just accepted, 30 minutes ago now, the amendment of the gentleman from Texas to simplify the program.

If there has been any confusion and chaos introduced, it seems to me that it has been in the last 30 minutes. The situation is, we have an attempt to try to correct or to sanitize one amendment after the other.

Mr. Armey attempted to sanitize Mr. Bartlett's amendment, which is devastating and flawed; then Mr. Petri comes in and tries to purify Mr. Armey's amendment.

So we have a series of attempts to rewrite this bill based on ad hoc reasoning on the floor of the House, which I submit is not the way we should be legislating. Our legislation should be based on testimony by expert witnesses, committee deliberations, analyzing and reviewing for the purposes of improvement legislation within the committee is jurisdiction and then by the Members from the various committees that have had some experience in this field, and understand the devastating effect that the original amendment would have on this program. Certainly Mr. Armey, in trying to correct it commits, in my opinion, the same mistake; to say that $27,000 income of a family today is a high income bracket does not square with the facts of life.

Now, obviously, it sounds good; we might attempt to give it some consideration, but it has been stated over and over again that when you do away with the paying students, you affect the infrastructure of the program. You destroy the program because you make it less economical; it is much harder to operate; and once you destroy the program, you destroy it not only for the wealthy, the so-called wealthy who have other alternatives, but you also destroy it for the poor people; for the poor children, children who come from the lower socio-economic level of our society.

Now, we already have three classes that we deal with, which is unfortunate. As the gentleman from Michigan [Mr. Ford] said, this program originated in 1946; it was not originated as a welfare program; even the students who pay reduced amounts or do not pay at all was an issue that came up in the 1960's and we went in that direction.

We now have three classes: The poor, those who are half-rich and then those who are supposed to be rich. Now this amendment would introduce those who are richer than the rich.

So we are beginning to stratify the program and to tell children who come to American schools that you are now going to be identified in terms of the homes from which you come.

The gentleman from Texas [Mr. Bartlett] says: Well, it is easy; just eliminate those $27,000 and over. How do you eliminate them? You have to have some verification, and in doing so, you have to ask everybody, What is your income? You cannot eliminate them unless you can identify them. Nobody is going to come forward and volunteer.

So it introduces a system of documentation, of verification in which you have to find someway in this system to require some documentation of verification from everybody.

Now, are you going to ask the wealthy to turn their tax forms over? How can their financial status be verified? Are you going to simply accept the fact that everybody is truthful and everybody is going to come forward and volunteer.

So it introduces more confusion, chaos, and in my opinion, a very un-American system into American education.

I am sure that if I had introduced the Armey amendment to begin with, Mr. Armey might have looked at me and said, "You are introducing an element of socialization. You are going to take from the rich and you are going to give to the poor. You are going to redistribute the wealth in America."

Well, I do not think that is what he intended to do, but it sounds like he is attempting to do that in this program, and this creates a very confusing, chaotic situation, when it really is not.

So the Basic issue is this: Do the Members really support the program? We know that there are some reforms that could be made; and some have been made, but this is not the way to do it.

□ 1550

Those of us, let us say, in this House who have children in public schools, are we to say that our children are not, in a sense, adequately supported by us? Those who have high incomes certainly are going to pay much more toward public education. So it is not true that they are getting a free ride. None of us will be getting a free ride. Those of us who are perhaps fortunate to have high incomes certainly are paying much more of our income proportionately than are the poor who get the reduced-price or free lunches. So we are paying. We are paying more in State taxes, we are paying more in property taxes, and so forth. So it is not true that there is a free ride even for those in the so-called high-income brackets.

So I think that we should look upon this program as it was looked upon when it was originated in 1946, as a national policy. It is a national policy of this Nation to provide nutrition, to provide a healthy body for an individual who has a capacity for learning. That is a national policy. If a person is hungry, there is not much motivation to do anything else. We are not going to gut these nutrition programs by introducing these novel ideas that mean well but unfortunately have a very disastrous consequence. I ask the body to reject all three amendments because it is merely an attempt to rearrange the decks on the Titanic. Neither one adds anything that has not been thought of before. I think the overall effect of them, even as they are attempting to amend them, would be devastating to the program.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, again we are at one of those places where it appears as though there is no length to which this House will not go to spend money, because literally what we are talking about here in the Armey amendment and the Petri amendment that is attached to it is the question of whether or not the poor should pay taxes to fund a subsidy to the rich. That is what this is all about. The Armey amendment says that people making more than $27,000 a year should not receive a subsidy from the taxpayer, and the Petri amendment says, yes, and particularly it should not be a cash subsidy. In other words, the poor should not have to pay taxes in order to give additional cash through the Government to the rich.

And what do we hear argued here on the House floor? "Well, of course they should. Why, the rich pay a lot of additional in taxes. There are all kinds of reasons why the poor ought to give some of this to the rich. And forget about the deficit, my friends. Forget about the fact that we have got $200 billion worth of deficit. Of course, in that deficit year, we ought to fund the rich. We ought to be giving as much as possible to the rich in this program."

I just heard arguments here a little while ago talking about the poor, how this program ought to be directed toward the poor. I agree with that. But how you can come 180 degrees now and oppose the Armey amendment that suggests all the money ought to go toward the poor and we ought to stop subsidizing the rich is beyond me. But that is exactly what we are doing. If you do not accept the Armey amendment, what you are suggesting is that the taxpayers of this country ought to subsidize the children of the $50,000 a year lawyer who sends his kids to the public schools, that they ought to be subsidizing the children of the $75,000 a year Congressman who sends his kids to public school, that they ought to be subsidizing the $100,000 a year doctor who sends his kids to the public school, that they ought to be subsidizing David Rockefeller's kids, or whoever is out there; if they are going to the public schools, by golly, the $17,000 a year working family in this country ought to subsidize them.

That is just terrible. That is rotten government. And it is particularly rotten government at a time when you have got multibillion dollar deficits. And I think it is high time that we understand that that is indeed a real problem. The deficit problem is real. Here is a chance to save $188 million and do so by saying we are not going to subsidize the rich out of taxpayer's money. That is precisely what you are able to do if you vote for the Armey amendment and the Petri amendment. We will stop subsidizing the rich with taxpayers' money, we will save a little money on the deficit, and we will reserve the program for the poor. If you vote differently, then all I have got to say is, we will find any way here to spend the money, because that is precisely what we are going to be doing, we are going to be spending $188 million to give the rich additional subsidies.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the substitute and the amendment.

There is an old saying, "Don't let your mouth write a check that your butt can't cash."

I think there is one particular thing we should all be discussing here. I have never seen so many emotional speakers on the floor of the House when we start talking about children, nutrition, poverty, educational opportunity, hunger, rights. But when we start talking about foreign aid and when we start talking about the defense areas, I never hear anybody rise and discuss the deficit and busting the bank, the Treasury.

Now, if you listened to the last impassioned speaker—and I certainly respect his ability to orate and articulate—I would like to say this: If you were not apprised of the issue, you might be dissuaded from a position of common sense. Here is the position we are dealing with: At bottom here and at stake is the fact that somewhere in the Halls of this Congress the Members here took at issue educational opportunity and that it be fair and equal for all. What happened in 1981 is they emasculated this particular program, and if this particular bill goes without any amendments, it will restore less than 25 percent of those cuts made in 1981.

Now, let us look at $188 million. And let us look to maybe next week, when you will be on the floor with $10 billion additional for those $700 toilet seats.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I will not yield at this time. I would like to maintain my time to make my point. I believe there has been an adequate time to discuss the particular amendment that has been offered and the substitutes.

My position is strictly this: This committee has taken an endless amount of time in deliberating the issues, and since 1946 this particular Congress has steadfastly offered and insured educational opportunity and to make sure that hungry kids just do not learn, that that would be stricken, perhaps, in the greatest nation of all. They have risen to a point when in 1981 we took a big step backward.

Now, two wrongs are not going to make a right. I believe the gentleman here is well qualified. He understands the educational position. But there is a bottom at the core of this, a philosophical difference. I am not so sure we are really hearing the truthful messages here, that we are now being fragmented on issues that are not really at the core.

So let us not be confusing poverty with the positions that are so-called manifest at this point on the other side.

My position is right to the point. I think that the chairman of this committee, the members of this committee, has reviewed all of these factors. They have taken on probably the best measure they possibly can to ensure an equal educational opportunity for all and no demagoguery is going to infringe upon that.

And, finally, to maybe restore the very dangerous acts that were taken in 1981.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment to my substitute amendment.

Mr. Chairman, I will not take 5 minutes. I believe this debate has gone on long enough. I think the point is clearly made. I think my friend from Pennsylvania, Mr. WALKER, made it very well. The question is: At what point do we draw the line?

Now, I did not define the poverty line. I understand that $27,000 a year is not wealthy. But the poverty line is drawn, and I have said if you are going to 250 percent of that, then you ought to be able to pay that additional 12 cents on your youngster's lunch. I am not establishing a fourth category. I am putting a lid on the third category. I am saying there has got to be a place where we can draw a line in this country on spending, because if we cannot do that and if we cannot do it at 12 cents a day for the youngsters of the family that is making 250 percent of poverty, we cannot draw the line, then inflation goes out of control, spending is out of control, taxes are out of control, and those families out in the hollows of Kentucky who are having so much difficulty right now will be so far in debt trying to pay their taxes that they will not be able to buy the other two meals a day that their youngsters need.

We have to be very careful about that. When you substitute a paternalistic redistribution of income in America from the poor to the rich, then the victim is the truly needy in America, and I say that is not fair. I am asking the Members of this House, with me, to find a place where you can draw a line on spending, where you can draw a line on taxing, give the American wage-earner the right to keep the income they earn. That is a far better thing than taking it away from the poor and transferring it to the rich, as this program would do.

PARLIAMENTARY INQUIRY

With those statements, Mr. Chairman, I would like to ask a parliamentary inquiry, because, quite frankly, I am not sure where we are on this. But I suspect that where we are now is at a point where I might appropriately call for a vote on the Petri amendment to my substitute amendment.

The CHAIRMAN pro tempore. That is the first vote. The Committee will vote first on the Petri amendment to the Armey substitute for the Bartlett amendment.

Mr. ARMEY. If it is in order at this time, Mr. Chairman, I would like to yield back the remainder of my time and ask for that vote.

Mr. DARDEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to this amendment.

Mr. Chairman, I rise today in opposition to the this substitute amendment or any amendment which would eliminate or reduce the cost subsidy for nonneedy students. As originally enacted in 1946, a major purpose of the National School Lunch Program was to enhance the nutrition of the Nation's children. The program was developed as a public health and educational service and not as a welfare or income transfer program. The elimination or reduction of the current case subsidy for all school lunches would change this 40-year-old success story into another welfare program stratified by class and income. The cash subsidy is paid to the schools to support the basic infrastructure of the program for all students. If the subsidy is eliminated, the Congressional Budget Office estimates that 17,900 schools will be forced to end participation in the School Lunch Program. As a result over 5 million students will not have access to any type of School Lunch Program. On behalf of all children in the Seventh Congressional District of Georgia, where in the 1983–84 school year over 9 million meals were served under the National School Lunch Program, I urge my colleagues to defeat this amendment and retain this important nutrition service.

Even J.R. Ewing, a constitutent of the author of the amendment, would vote against this.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

My colleagues, this amendment, in large measure, and particularly the arguments of some in support of it, indicate to me a real—and I do not say this lightly—lack of understanding of how this program works, number 1, and, beyond that, how taxing policy in America works.

There has been some objection expressed in the well to a tax policy that appears to tax the poor so that rich kids can get reduced-price lunches. Well, to begin with, we do not tax the poor in this country, because the poor do not have enough income to tax. But let us say that the question is, Should we tax lower-middle-income kids in order that rich children have access to reasonably priced nutrition? The answer is yes, oh, sure, we should, because our taxing system is universal and it taxes the lower-middle-income family and the rich family, and under the genius of our tax system the rich family pays a lot more for lunch for lower-middle-income kids than the lower-middle-income family has to pay in taxes to feed the rich kids. You see, it is simple. And I think most Americans understand that. They understand that, of course, rich and lower-middle income should be taxed alike and that we should take money out of the Treasury to help pay for reasonably priced nutritional lunches for all kids, rich and poor alike.

So one needs to understand the genius of the American tax system.

And then another point I might offer my colleagues is this: This is a good business practice. Many of our colleagues on the other side of the aisle have convinced many colleagues on my side of the aisle that we ought to run this Government more like a business. Well, in this program we do. We use the reduced prices for the upper-middle-income kids as what American business calls a loss-leader item. We use it to get the other kids in the door. Without it, the other kids cannot get in the door because the program shuts down. Unless you have all of the kids coming in, many of them buying the lunches, even at a slightly reduced price for the well-off kids, you cannot keep the doors open. The best businesses in America use that theory. So we want to continue to use it for this program, which has become one of the shining examples of how our schools can do more than simply educate our children. They can check for their good health, they can provide them with good nutrition. And, yes, they can even provide us with our star center fielders or quarterbacks for our favorite sports teams. The schools can do a great deal. And one of the reasons they can do it, my friends, is because the American people have understood the genius of having our children well fed and the genius of a tax system that takes from lower middle, upper middle, and the rich alike, puts it in a pool and then takes the money and shares it with all of our children.

□ 1605

These amendments would begin to rupture that system, so I urge my colleagues to look very, very closely at these amendments. When you do, I hope you will join us in voting "no."

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Wisconsin [Mr. PETRI] to the amendment offered by the gentleman from Texas [Mr. ARMEY] as a substitute for the amendment offered by the gentleman from Texas [Mr. BARTLETT].

The question was taken; and the Chairman pro tempore announced that the noes apeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 174, noes 254, not voting 6, as follows:

[Roll No. 310]

AYES—174

Archer
Armey
Badham
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bilirakis
Bliley
Boulter
Breaux
Broomfield
Broyhill
Burton (IN)
Callahan
Campbell
Carney
Carper
Chandler
Chappell
Chappie
Cheney
Clinger
Coats
Cobey
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Eckert (NY)
Edwards (OK)
Emerson
Fawell
Fiedler
Fields
Franklin
Frenzel
Gallo
Gekas
Gingrich
Goodling
Gradison
Gregg
Gunderson
Hansen
Hartnett
Hiler
Hillis
Holt
Hopkins
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jeffords
Johnson
Kasich
Kemp
Kindness
Kolbe
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Martin (IL)
Martin (NY)
McCain
McCandless
McCollum
McEwen
McGrath
McKernan
McMillan
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Monson
Montgomery
Moore
Moorhead
Morrison (WA)
Myers
Nelson
Nichols
Nielson
O'Brien
Oxley
Packard
Parris
Pashayan
Petri
Porter
Ray
Regula
Ritter
Roberts
Roemer
Rogers
Roth
Rowland (CT)
Rudd
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Skelton
Slaughter
Smith (NE)
Smith (NH)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solomon
Spence
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Wolf
Wortley
Wylie
Young (FL)
Zschau

NOES—254

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnes
Bates
Bedell
Beilenson
Berman
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Brown (CO)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carr
Chapman
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Grotberg
Guarini
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Horton
Howard
Hoyer
Hubbard
Jacobs
Jenkins
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Kramer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade

McHugh
McKinney
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Penny
Pepper
Perkins
Pickle
Price
Pursell
Quillen
Reid
Richardson

Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Scheuer
Schroeder
Schumer
Seiberling
Sharp
Shelby
Sikorski
Sisisky
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds

Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (AK)
Young (MO)

NOT VOTING—6

Addabbo
Bevill
Green
Long
Rahall
Rangel

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore [Mr. WILLIAMS]. The Chair will advise the membership that their votes are being recorded. However, the device on the wall behind the Chair is currently inoperative.

The Chair will further inform the membership that if they wish to check for a certainty that their votes are being recorded, they may do so at the teminals on the floor. Their votes are being shown on those terminals.

☐ 1625

Mr. EVANS of Iowa changed his vote from "aye" to "no."

Messrs. LEACH of Iowa, HUTTO, and CHAPPELL changed their votes from "no" to "aye."

So the amendment to the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRY

Mr. LOTT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. LOTT. Mr. Chairman, I would like to inquire as to what will be the procedure from now on as far as taking the votes is concerned. Obviously, there was a lot of confusion on the last vote. As we proceed to what we understand will be another recorded vote right after this vote, what will be the procedure for taking that vote and others behind it?

The CHAIRMAN pro tempore. The Chair will be happy to answer the gentleman.

The question has been raised as to what the intention of the Chair is with regard to any further votes.

The vote tallying system is working; the displays on both sides in the Chamber and above the Speaker are not. However, Members can verify their votes either by putting their cards in any of the slots and seeing it reported back to them or by verifying their votes at any of the television screens on the computers in the back of the Chamber or at the various leadership desks.

It is the intention of the Chair to proceed with any further votes, and the Chair is informed that everything is being done to restore the display portion of the votes. The Chair would point out that on the last vote only six Members did not vote, which indicates that the membership has a clear idea of what the procedure is.

The second question asked by the gentleman from Mississippi is: Where are we in the parliamentary situation?

We have just defeated the Petri amendment to the Armey substitute for the Bartlett amendment. The next vote in order will be on the Armey substitute for the Bartlett amendment,

Mr. LOTT. I thank the Chair for that clarification, and, Mr. Chairman, I move to strike the last word for the purpose of learning the schedule for the balance of this week and for next week. There has been a lot of interest and concern about when recorded votes would occur on Monday of next week or other days of next week, and I believe the distinguished majority whip is ready now to make an official announcement on that.

The CHAIRMAN pro tempore. The gentleman from Mississippi [Mr. LOTT] has moved to strike the last word and is recognized for that purpose.

LEGISLATIVE PROGRAM

Mr. LOTT. Mr. Chairman, I am glad to yield to the distinguished majority whip, the gentleman from Washington [Mr. FOLEY], so we can learn the schedule for the balance of this week and also for next week, with particular reference to the handling of the agriculture bill on Friday, Monday, and/or Thursday of next week.

Mr. FOLEY. Mr. Chairman, I thank the distinguished Republican whip for yielding.

Mr. Chairman, it has been recently decided to amend the schedule for next week. First, let me say that we will continue with this bill tomorrow if it is not completed this evening, and we will then take up the Amtrak authorization legislation.

On Friday, it is our intention, subject to a rule being granted, to consider the rules on the Agriculture Act of 1985 and on the Arts and Humanities legislation. So there will be two rules on Friday. In addition to that, general debate on the farm bill will be taken on Friday.

On Monday, the House will meet to have general debate only on the Arts and Humanities legislation. There will be no substantive votes on Monday.

Mr. Chairman, we will also undertake suspensions on Tuesday, and votes will be postponed on suspensions, if any votes are ordered, until Thursday. So votes on suspensions considered on Tuesday will be taken on Thursday, and there will be amendments to the farm bill which will begin on Thursday. Members should be advised that we may be in rather late on Thursday.

Mr. LOTT. Mr. Chairman, if I may ask a couple of questions to magnify a couple of points the gentleman made, we do expect to take up amendments and go perhaps late on Thursday, taking up amendments on the farm bill, although it may not even then be possible to complete the bill on Thursday; it will depend on how the debate goes and how the amendments go, is that correct?

Mr. FOLEY. The gentleman is correct. There will be a rule requested, I believe, that will place some limitation on the time for amendments.

Mr. LOTT. But the gentleman expects no votes whatsoever on Monday?

Mr. FOLEY. With the usual reservation that a procedural vote could be ordered, but no legislative votes would be taken on Monday, the gentleman is correct.

Mr. LOTT. Backing up further, Mr. Chairman, let me ask the distinguished majority whip this question: On Friday there could conceivably be a couple of votes on those rules?

Mr. FOLEY. Yes. There will be two rules considered on Friday subject to Rules Committee action, and those could result in two rollcall votes, one on each rule. No other amendments will be considered on Friday. General debate only on the farm bill will follow the consideration of the rules, and the House will adjourn at 3 o'clock.

Mr. LOTT. Finally, does the gentleman have any idea about the intentions of the Chair as to how late we will go tonight on this legislation?

Mr. FOLEY. The hope is to conclude the legislation tonight, and we are not yet in a position to advise the House on how late that might be. I would hope it would be earlier rather than later.

Mr. LOTT. I thank the gentleman for that information, and I am glad we finally have it clarified. I think we have taken a week to reach this point.

Mr. FOLEY. Let me say to the gentleman that I do not think we would be going beyond 6 o'clock tonight.

Mr. LOTT. That would be very fine for tonight.

I am sorry that we could not make this announcement last Thursday, but that is the way things go. At least now

we know that we will not be having votes on Monday.

Mr. Chairman, I thank the gentleman for that information.

The CHAIRMAN pro tempore (Mr. SWIFT). The question is on the amendment offered by the gentleman from Texas [Mr. ARMEY] as a substitute for the amendment offered by the gentleman from Texas [Mr. BARTLETT].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 146, noes 279, not voting 9, as follows:

[Roll No. 311]

AYES—146

Archer
Armey
Badham
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Callahan
Campbell
Carney
Chandler
Chappie
Cheney
Coats
Cobey
Coble
Combest
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Eckert (NY)
Edwards (OK)
Emerson
Fawell
Fiedler
Fields
Franklin
Frenzel

Gallo
Gibbons
Gingrich
Gradison
Green
Gregg
Grotberg
Hall, Ralph
Hansen
Hartnett
Hiler
Hillis
Holt
Hopkins
Hunter
Hyde
Ireland
Johnson
Jones (OK)
Kasich
Kemp
Kindness
Kolbe
Kramer
Lagomarsino
Latta
Leath (TX)
Lewis (CA)
Lewis (FL)
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Martin (IL)
McCain
McCandless
McCollum
McEwen
McMillan
Meyers
Miller (OH)
Miller (WA)
Molinari
Monson
Montgomery
Moore

Moorhead
Myers
Nielson
O'Brien
Olin
Oxley
Packard
Porter
Ray
Regula
Ritter
Roberts
Roemer
Rogers
Roth
Rowland (CT)
Rudd
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NE)
Smith (NH)
Smith, Denny
Snyder
Solomon
Spence
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Tauzin
Taylor
Thomas (CA)
Vander Jagt
Walker
Whitehurst
Whittaker
Wylie
Zschau

NOES—279

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bates
Bedell

Beilenson
Berman
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks

Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Carper
Carr
Chapman
Chappell
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins

Conte
Conyers
Cooper
Coyne
Crockett
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords

Jenkins
Jones (NC)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lightfoot
Lipinski
Lowry (WA)
Luken
Lundine
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
Mica
Mikulski
Miller (CA)
Mineta
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Price
Pursell
Quillen
Reid
Richardson

Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schuette
Schumer
Seiberling
Sharp
Shelby
Sikorski
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauke
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NOT VOTING—9

Addabbo
Bevill
Lehman (CA)
Lloyd
Long
Michel
Rahall
Rangel
Wright

☐ 1640

Mr. JACOBS changed his vote from "aye" to "no."

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Texas [Mr. BARTLETT].

The amendment was rejected.

☐ 1655

Mr. HAWKINS. Mr. Chairman, I ask unanimous consent that the remaining sections of the bill be open to amendment at any point, and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute is as follows:

SEC. 12. RESTORATION OF CERTAIN KINDERGARTENS TO SPECIAL MILK PROGRAM.

Section 3(a) of the Child Nutrition Act of 1966 is amended in the first sentence immediately before ", and (2)" by inserting "(except that the preceding limitation shall not apply to kindergarten programs in such schools)".

SEC. 13. ADDITIONAL FUNDING TO IMPROVE SCHOOL BREAKFAST PROGRAM MEAL PATTERN.

(a) ADDITIONAL FUNDING.—Section 4(b) of the Child Nutrition Act of 1966 is amended by inserting at the end thereof the following paragraph:

"(3) The Secretary shall increase by 6 cents the annually adjusted payment for each breakfast served under this Act and section 17 of the National School Lunch Act to assist States in improving the nutritional quality of such breakfasts, to the extent feasible.".

(b) NUTRITION REQUIREMENTS.—The Secretary of Agriculture shall review and revise the nutrition requirements for meals served under the school breakfast program to improve the nutritional quality of such meals, taking into consideration both the findings of the National Evaluation of School Nutrition Programs and the need to provide increased flexibility in meal planning to local school food service authorities. Not later than one hundred and eighty days after the date of enactment of this Act, the Secretary of Agriculture shall promulgate regulations to implement such revisions.

SEC. 14. EXTENSION OF OFFER VERSUS SERVE PROVISION TO THE SCHOOL BREAKFAST PROGRAM.

Section 4(e) of the Child Nutrition Act of 1966 is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by inserting at the end thereof the following new paragraph:

"(2) At the option of the local school food authority, students in schools that participate in the school breakfast program under this Act may be allowed to refuse not more than one item of such breakfast which they do not intend to consume, and any such refusal of such offered food item shall not affect the full charge to the student for a breakfast meeting the requirements of this section or the amount of payments made under this Act to any such school for such breakfast.".

SEC. 15. STATE ADMINISTRATIVE EXPENSES STUDY.

Section 7 of the Child Nutrition Act of 1966 is amended by inserting after subsection (i) the following new subsection:

"(j) The Secretary shall conduct a study of the allocation formula and procedures

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under section 7 of the Child Nutrition Act of 1966. Such study shall provide information on State costs and contributions for administrative expenses, as well as the merits of a State matching requirement. The Secretary shall submit a report of such study to the Congress, together with any recommendations, by January 31, 1986.".

SEC. 16. COSTS FOR NUTRITION SERVICES AND ADMINISTRATION.

(a) Definition.—Section 17(b) of the Child Nutrition Act of 1966 is amended—

(1) by striking out paragraph (1),

(2) by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively; and

(3) by inserting after paragraph (3), as so redesignated, the following new paragraph:

"(4) 'Costs for nutrition services and administration' means costs that shall include, but not be limited to, costs for certification of eligibility of persons for participation in the program (including centrifuges, measuring boards, spectrophotometers, and scales used for such certification), food delivery, monitoring, nutrition education, outreach, startup costs, and general administration applicable to implementation of the program under this section, such as the cost of staff, warehouse facilities, transportation, insurance, developing and printing food instruments, and administration of State and local agency offices.".

(b) Conforming Changes.—Section 17 of the Child Nutrition Act of 1966 is amended—

(1) by striking out "administrative funds" each place it appears in subsections (f)(11), (h)(2), (h)(3), and (h)(4), and inserting in lieu thereof "funds for nutrition services and administration"; and

(2) by striking out "administrative costs" each place in appears in subsection (h) and inserting in lieu thereof "costs for nutrition services and administration".

SEC. 17. STATE ELIGIBILITY FOR WIC FUNDS.

Section 17 of the Child Nutrition Act of 1966 is amended in subsection (c) by inserting after paragraph (3) the following new paragraph:

"(4) A State shall be ineligible to participate in programs under this section if the Secretary determines that State or local sales taxes are collected within that State on purchases of food pursuant to this section.".

SEC. 18. COORDINATION WITH AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM.

Section 17(f)(1)(K) of the Child Nutrition Act of 1966 is amended by inserting "the aid to families with dependent children program," after "child abuse counseling,".

SEC. 19. IMPROVING STATE AGENCY ADMINISTRATIVE SYSTEMS.

Section 17(g) of the Child Nutrition Act of 1966 is amended in the second sentence by inserting "providing technical assistance to improve State agency administrative systems," after "health benefits,".

SEC. 20. PRIORITY FUNDS FOR WIC MIGRANT PROGRAMS.

(a) Priority Funding.—Section 17(g) of the Child Nutrition Act of 1966 is amended by inserting at the end thereof the following: "Of the sums appropriated for any fiscal year for programs under this section not less than nine-tenths of one percent shall be first available for services to eligible members of migrant populations. Such migrant services shall be provided in a manner consistent with a State's priority system for program participation.".

(b) Accountability. —To the extent possible, accountability for migrant services under section 17(g) of the Child Nutrition Act of 1966 (as amended by subsection (a) of this section) shall be conducted under regulations in effect on the date of the enactment of this Act.

SEC. 21. PAPERWORK REDUCTION.

Section 17(h)(1) of the Child Nutrition Act of 1966 is amended by inserting at the end thereof "The Secretary shall limit any such documentation required under the preceding sentence to a minimal level.".

SEC. 22. APPORTIONMENT OF FUNDS.

Section 17(i) of the Child Nutrition Act of 1966 is amended—

(a) by inserting "(1)" after "(i)"; and

(b) by inserting after paragraph (1) (as so designated) the following new paragraph:

"(2) Notwithstanding any other provision of law, funds appropriated for a full fiscal year under this section shall be apportioned in such manner as shall ensure that not less than 70 per centum of the total funds appropriated for such fiscal year are obligated or expended by July 1 of such fiscal year, except that such requirement shall not apply to any supplemental appropriations enacted after January 1 of such fiscal year or to any funds reallocated pursuant to paragraph (1).".

SEC. 23. EXPENDITURE OF FUNDS FOR THE SPECIAL SUPPLEMENTAL FOOD PROGRAM.

(a) Expenditure of Funds.—Section 17(i) of the Child Nutrition Act of 1966 is amended by inserting after paragraph (2) (as so designated in section 22 of this Act) the following new paragraph:

"(3) Notwithstanding any other provisions of law, not more than 2.5 per centum of an, State's allocation under this section for supplemental foods for any fiscal year may be expended by such State for expenses incurred under this section for supplemental foods during the fiscal year preceding the fiscal year for which the sums were appropriated.".

(b) Application.—The amendments made by subsection (a) shall not apply to appropriations made before the date of enactment of this Act.

SEC. 24. NATIONAL ADVISORY COUNCIL.

(a) Vacancies.—Section 17(k)(1) of the Child Nutrition Act of 1966 is amended by inserting at the end thereof "The Secretary shall fill any vacancy in the Council within ninety days.".

(b) Meetings.—Section 17(k)(3) of the Child Nutrition Act of 1966 is amended—

(1) in the first sentence by inserting immediately before the period "and shall ensure that the Council meets at least once every twelve months"; and

(2) by striking out the second sentence.

SEC. 25. STUDY OF CHILD NUTRITION PROGRAMS.

The Child Nutrition Act of 1966 is amended by inserting at the end thereof the following new section:

"STUDY OF CHILD NUTRITION PROGRAMS

"Sec. 21. The Secretary shall conduct a study of the effect on families of the school breakfast program, the child care food program, and other programs under this Act. Such study shall consider whether alternative nutrition delivery programs would strengthen families. The Secretary shall submit a report of such study to the Congress, together with any recommendations or proposals for legislation, by January 1, 1987.".

SEC. 26. LIMITATION ON CHANGES IN INCOME FOR PROGRAM ELIGIBILITY.

The Secretary may not make any change in the method of calculating income, as in effect on January 1, 1985, used to determine eligibility for free or reduced-price meals, food supplements, or other assistance under the National School Lunch Act or the Child Nutrition Act of 1966, which would result in any reduction in, or denial of, such assistance, except as specifically directed in an enactment of law. The limitation under this section shall take effect on the date of the enactment of this Act and shall be effective through fiscal year 1986.

SEC. 27. EXTENSION OF ALTERNATIVE MEANS OF ASSISTANCE.

(a) Extension.—Upon request to the Secretary of Agriculture, any school district receiving all cash or all letters of credit in lieu of commodities under the school lunch program on January 1, 1985, shall continue to receive all cash in lieu of commodities or all letters of credit in lieu of commodities through the school year ending June 30, 1987. Such school districts shall receive bonus commodities in the same manner as such commodities are made available to any other school district participating in the school lunch program.

(b) Compensation.—

(1) Upon request of a participating school district (and after consultation with the Comptroller General of the United States with respect to accounting procedures used to determine any losses), the Secretary of Agricullture shall provide cash compensation, subject to the availability of funds, to a school district which was participating in the school lunch pilot project study on or before the date of the enactment of this Act for losses sustained by the district as a result of the alteration of the methodology used to conduct the study during the school year ending June 30, 1983.

(2) For purposes of this subsection the term "school lunch pilot project study" means the study provided for in the last proviso of the matter under the heading "CHILD NUTRITION PROGRAMS" in title III of the Act entitled "An Act making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1981, and for other purposes", approved December 15, 1980 (94 Stat. 3113).

(3) There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

SEC. 28. NATIONAL DONATED COMMODITY PROCESSING PROGRAMS.

(a) Reprocessing Agreements.—Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary of Agriculture, the Secretary shall encourage consumption of such commodities through agreements with private companies under which the commodity is reprocessed into end food products for use by eligible recipient agencies. The expense of such reprocessing shall be paid by such eligible recipient agencies.

(b) Settlement of Accounts.—To be eligible to enter into any agreement with the Secretary of Agriculture under subsection (a), a private company shall annually settle all accounts with the Secretary and any appropriate State agency regarding commodities processed under such an agreement.

SEC. 29. TECHNICAL AND CONFORMING AMENDMENTS.

(a) School Lunch Programs.—The National School Lunch Act is amended—

(1) in section 12(d) by inserting at the end thereof the following new paragraph:

"(9) 'Secretary' means the Secretary of Agriculture."; and

(2) by redesignating the second section 22 as "Sec. 23.".

(b) Child Nutrition Programs.—The Child Nutrition Act of 1966 is amended—

(1) in section 4(a) by striking out "Health, Education, and Welfare" and inserting in lieu thereof "Health and Human Services";

(2) in section 17(e)(2) by striking out "Health, Education, and Welfare" and inserting in lieu thereof "Health and Human Services";

(3) in section 17(k) (1) and (2) by striking out "Health, Education, and Welfare" each place it appears and inserting in lieu thereof "Health and Human Services"; and

(4) in section 19(d) (2) and (3) by striking out "Health, Education, and Welfare" each place it appears and inserting in lieu thereof "Health and Human Services".

SEC. 30. EFFECTIVE DATES.

(a) General Provision.—Except as otherwise provided, the provisions of this Act shall take effect on the date of the enactment of this Act.

(b) Exceptions.—

(1) The provisions of sections 4, 5, 7, 11, 15, 16, 18, 19, 20, 21, 22, 23, and 25 shall take effect on October 1, 1985.

(2) The provisions of sections 9, 12, and 13 shall take effect July 1, 1985.

(3) The provisions of section 17 shall apply to a State beginning with the fiscal year which commences after the end of the first regular session of the State legislature following the date of the enactment of this Act.

(4) The provisions of section 28 shall take effect July 1, 1985 and shall not have effect after October 15, 1987.

AMENDMENT OFFERED BY MR. HAWKINS

Mr. HAWKINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Hawkins: Page 18, strike out lines 17 through 21, and insert in lieu thereof the following (and redesignate the subsequent paragraphs accordingly):

(2) The provisions of sections 4, 5, 7, 9, 11, 12, 13, 15, 16, 18, 19, 20, 21, 22, 23, and 25 shall take effect on October 1, 1985.

Mr. HAWKINS. Mr. Chairman, this is only a technical amendment. It changes the effective date of the bill to October 1 rather than July 1 as some of the provisions did require.

I am offering this amendment at the request of the Budget Committee inasmuch as the budget resolution was adopted later than what we had anticipated. This brings the bill into complete compliance with the budget resolution.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I commend the gentleman for his amendment.

Mr. Chairman, I want to say how much I respect the chairman of the committee and have enjoyed the opportunity to work with him on this and on other issues, and I support the gentleman's amendment.

Mr. HAWKINS. I appreciate the generous remarks of the gentleman from Texas.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. Hawkins].

The amendment was agreed to.

Mr. LEHMAN of Florida. Mr. Chairman, as chairman of the Prevention Strategies Task Force of the Select Committee on Children, Youth, and Families, I am pleased to join with my colleagues in support of H.R. 7, to extend and improve our Federal child nutrition programs.

Passage of this bill is an important step in addressing the continuing, serious problems of hunger, malnutrition, and inadequate nutrition faced by millions of needy children and their families. We know that these problems have not gone away. If left unattended or treated casually, the problems only increase, creating greater jeopardy for the healthy development of children and their families, and requiring more costly intervention later on.

The several programs included in H.R. 7 have made important contributions to the good nutrition and healthy development of the women and children lucky enough to participate in the program.

For example, we know that, without the School Breakfast Program, most of the children served by the program—the vast majority of whom are poor—would not eat breakfast. We also know that, because of the School Lunch Program, poor children have gotten one third of their recommended daily allowance of nutrients every school day. At the same time, the School Lunch Program has allowed for the provision of nutritional benefits to all students in participating schools.

My colleagues and I on the select committee have also had the opportunity to learn a great deal about the program benefits and cost effectiveness of the Special Supplemental Food Program for Women, Infants and Children [WIC]. Recently, the select committee reviewed the program for its staff report, "Opportunities for Success: Cost Effective Programs for Children," which cites the major research findings concerning WIC along with seven other children's programs.

WIC program participation has shown dramatic effects: It is consistently associated with reductions in the incidence of neonatal mortality, low birthweight and prematurity, and can result in savings of as much as $3 in immediate hospital costs for every $1 expended in the prenatal component of the program.

H.R. 7 continues and enhances these valuable child nutrition programs. The bill provides for a modest increase in funding, and we included the H.R. 7 funding levels in the budget resolution approved only a few weeks ago. The added small investment will allow us to maintain services and make much needed improvements in the School Breakfast Program, as well as some limited expansion of WIC, which now serves only about one-third of those potentially eligible.

The importance of the array of nutritional services offered under H.R. 7 cannot be overstated. I urge my colleagues to join me in supporting this legislation.

Mr. EDGAR. Mr. Chairman, I rise in support of H.R. 7 which reauthorizes many important child nutrition programs including the universally applauded Women, Infants and Children [WIC] Program. It also includes a modest increase in funds for WIC and the School Breakfast Program. All funding levels included in this legislation fall within the guidelines of the first budget resolution.

The Women's Agenda of Pennsylvania has reported that "improved health care for expectant mothers would cut in half the mental retardation rate." More specifically, there is good evidence that babies born to mothers in the WIC program were 16 to 20 percent less likely to have below-normal birthweights. The House Select Committee on Children, Youth and Families issued a report recently that found that for every $1 invested in prenatal nutrition, the Government saves $3 that would have been spent in correcting the health problems associated with low birthweight.

We should not forget that the growth level included in H.R. 7 is still not sufficient to meet demand. Even with its current record of success, the WIC Program is serving only one-third to a half of the people who qualify. In the present political climate, however, this bill is the best option.

If we do not invest in the future by nurturing our children, our society will inevitably suffer. Unfortunately, Government policies on all levels have allowed our children to fall behind all other age groups. The Congressional Budget Office recently reported that children make up the largest block of poor people in the country. Their poverty rate in 1983 was 22.2 percent, as compared to the 12.7 percent rate for the rest of the population. We must do all we can to reverse this trend by bolstering effective programs for children. The programs included in H.R. 7 begin to do just that.

Mr. PENNY. Mr. Chairman, the five programs reauthorized by H.R. 7 are vital to a healthy America. Schoolchildren, pregnant women, infants, and preschool children rely on these programs to provide a minimum nutritional level to maintain health, growth, and well-being.

It is obvious that these important nutrition programs have improved the nutrition and the health of millions of Americans. As a farm State legislator, I would like to share another perspective as we move forward with the reauthorization of H.R. 7.

Farmers in America are involved in the noble endeavor of trying to feed a hungry world. It seems to me that there is something a bit inconsistent in a public policy that would allow us to build up tremendous surpluses of milk and grain when we have nutrition needs in America. Farmers want to meet the needs of the hungry here at home and around the globe and it is for that reason that there is strong support for this proposal in our farm areas.

H.R. 7 will help us see to it that in America we do take care of the nutritional needs of our citizens.

Mr. COATS. Mr. Chairman, H.R. 7, which would reauthorize five expiring child nutrition programs, including the WIC Program, is a bill worthy of our support. WIC provides vital nutrition and health services to low-income pregnant women, and to postpartum women, infants, and children through age 4 who are at nutritional risk. Let me say that the budget resolution that we adopted in August permits the enactment of H.R. 7 with the $121 million increase over the current services level for fiscal 1986, $60 million of which will be directed toward the WIC Program. This new money will extend eligibility to those pregnant women who are not financially able to obtain proper nutrition, and to infants and children under age four. It is clear to me that the reason the budget resolution permitted this modest increase is due to the fact that: First, these programs are targeted to the poor; and second, these programs have been shown to be cost-effective.

There is overwhelming empirical evidence available to document that WIC participation is associated with a decreased incidence of low birthweight babies and neonatal mortality. There is no question that WIC participation by pregnant mothers can mean a real difference in the lives of their infants. The hidden costs for failing to provide WIC services include: the expense of neonatal intensive care, which could cost as much as $100,000 per infant; the difficulty that mothers have in forming attachments to sick infants, which can lead to a decrease in the critical bonding between mother and child; increased incidences of child abuse among low-birthweight babies; delayed speech development has been observed in these babies; learning disabilities are common. In short, the failure to provide needed nutritional and health services to pregnant women has serious implications for the infant's potential in terms of education and future employment.

As the ranking Republican member of the Select Committee on Children, Youth, and Families, may I recommend to my colleagues a recent bipartisan staff report entitled: "Opportunities for Success: Cost Effective Programs for Children." This report cites the cost benefit analyses done on the WIC Program and also presents data that shows the relationship between participation and positive pregnancy outcomes.

In short, WIC is one Federal program that is effective, on target, cost-effective, and deserving of reauthorization. I believe that WIC represents a critical strand of the family's social safety net. Clearly, an investment in children's nutrition is a solid investment with a high yield in terms of enhancing children's overall quality of life, improving educational readiness and positively affecting future employability.

Mr. KLECZKA. Mr. Chairman, I rise today in strong support of H.R. 7, the School Lunch and Child Nutrition Amendments of 1985 as reported by the House Education and Labor Committee.

This bill extends five child nutrition programs through fiscal 1988 which are of great importance to our Nation's children. These reauthorized programs have proven to be extremely important in eliminating hunger and improving nutrition among children. Furthermore, these programs are cost-effective. Unfortunately, however, they have borne more than their share of the budget cuts in recent years.

In addition to the simple reauthorization, H.R. 7 provides $121 million in additional funds for WIC and child nutrition programs. I share the concern of my constituents and my colleagues about the Federal budget deficit. However, we would be foolish to seek short-term savings which will result in long-term cost increases. For example, for every $1 invested in the WIC Program, $3 are saved in terms of later expenditures for health costs.

Let me also reemphasize that the funding levels authorized by H.R. 7 are within the spending limits in the first budget resolution for fiscal year 1986. I feel that the $121 million increase is a fiscally responsible and important to the effective operation of these programs. It is a small step toward restoring the funding which was cut in 1981.

I am concerned by several amendments which have been proposed which would weaken this bill. Our overriding concern in considering this legislation should be the welfare of our Nation's children. We must do all we can to assure they receive nutritionally balanced meals, and studies have shown that the school lunch and child nutrition programs are nutritionally important to children of all income levels. Reducing cash subsidies for some students threatens to shut down nearly half of the school lunch programs throughout the country. This is a sacrifice that I do not feel we can afford to make.

I commend the Education and Labor Committee for their fine work on this measure, and I urge my colleagues to support H.R. 7 as reported by the committee.

Thank you.

Mr. RICHARDSON. Mr. Chairman, I rise today in strong support of the School Lunch and Child Nutrition Act. While this program reauthorizes five expiring child nutrition programs, I would like to focus here on one of these—the WIC Program. In my home State of New Mexico we have over 63,000 individuals eligible for the WIC Program—of these 63,000 eligible participants less than one-third are currently receiving the help they need. The need for the WIC Program clearly exists. We need to not only keep this program alive—but also to expand it as much as possible within our fiscal constraints.

The bipartisan support for this bill is evident. H.R. 7's funding levels have been approved in the House/Senate budget resolution. I believe that it is significant that the conferees, even with their deep concern over the deficit, felt that this program should not only be continued at current levels, but should also receive a modest increase in funding. WIC is acclaimed as one of the Federal Governments most successful programs. For every $1 we invest in this program we get $3 back. Not only is this program a wise investment in our children's future, but it also saves a great deal of money. The average cost for a hospital stay of an infant suffering from low-birthweight is $60,000. The average cost of WIC is $400 per year. WIC helps to prevent low-birthweight and neonatal problems requiring hospitalization.

I would like to strongly urge all of my colleagues to support the School Lunch and Child Nutrition Amendments of 1985. These programs have clearly shown that they deserve our support as sound investments in our children's future. This is what President John F. Kennedy had to say on the issue over 20 years ago:

> The prevention of future adult poverty and dependency must begin with the care of dependent children—those who must receive public welfare by virtue of a parent's death, disability, desertion or unemployment. Our society not only refuses to leave such children hungry, cold, and devoid of opportunity—we are insistent that such children not be community liabilities throughout their lives. Yet children who grow up in deprivation, with adequate protection, may be poorly equipped to meet adult responsibilities.

The School Lunch and Child Nutrition Amendments of 1985 address this societal obligation—a small amount of money spent now helps to solve future problems and to prevent a need for larger future expenditures.

Mr. FORD of Michigan. Mr. Chairman, I rise today on behalf of H.R. 7, the School Lunch and Child Nutrition Amendments of 1985, providing for the reauthorization of five expiring programs. These programs are: the Supplemental Food Program for Women, Infants and Children, popularly called WIC; the Summer Food Service Program, serving low-income children; the Commodity Distribution Program providing support for both children and older Americans; the State Administrative Expenses Program [SAE]; and the Nutrition Education and Training [NET] program.

Although the House passed legislation reauthorizing these five programs last year by a vote of 343 to 72, the Senate failed to act on similar bills. Thus, the programs were temporarily authorized under the continuing resolution which expires at the end of this month—only a few days from now.

The bill passed by the House last year contained increases in funding amounting to $378 million over current services. Although H.R. 7, which was reintroduced this year, included identical provisions, the chairman and members of the Education and Labor, during subcommittee markup, adopted a substitute which cut the $378 million in increases to the absolute minimum of $121 million. This $121 million is provided for and assumed in the first

budget resolution for fiscal year 1986 recently approved by the Congress.

Last Thursday, September 12, there was much rhetoric on the floor of the House when it began consideration of H.R. 7. A few of our colleagues were using dollar figures that, if held up to the light of day, could not withstand our scrutiny if we are to be honest with ourselves and the public. The real reason those dollar figures won't hold up is because those figures were accompanied by claims that H.R. 7 contains NEW Program authority.

There were claims also that H.R. 7 contains NEW entitlements, and large increases in existing programs. None of those statements are true. There are only five programs being reauthorized—not authorized as new programs. There are no new programs in the bill. There are not any entitlements in the bill. There are no single large increases in the bill. In fact, current policy spending for these five programs now stands at $5.640 billion, and H.R. 7 spending stands at $5.761 billion—a level representing the modest $121 million in increases recommended in H.R. 7 and, I repeat, a sum that is provided for and assumed by the first budget resolution recently adopted for fiscal year 1986.

Last week, some of my colleagues were heard to say that since the National School Lunch Act is a permanent program which requires no reauthorization, they have to take every opportunity that presents itself to bring up the subject, and that this bill presents such opportunity. They claim it is necessary to mention that permanent status of the School Lunch Act as though there is some criminal element in a program that is permanent. Permanent programs, they complain, are ongoing, continuous funding mechanisms that eat up the Federal budget, and the American taxpayer needs to hear about it.

Regrettably, some of my colleagues last week presented dollar figures that assumed a reauthorization of these 5 programs for 5 years. H.R. 7, however, is a 3-year bill—through 1988, not through 1990—and so the dollar figures were too high in terms of cumulative Federal costs over the life of the bill. They say the cost of feeding hungry children in the United States is too high. The 1981 reconciliation of the budget cut these programs by $1.5 billion which was effective immediately, and since that time, the cumulative total of funding losses for child nutrition amounts to a whopping $5.2 billion. Three million children have been cut from school lunch programs, and 1 million of those children were from low-income homes.

H.R. 7, obviously, is not attempting to restore the programs to their full, pre-1981 funding levels. But we are trying to add a modest sum of $121 million to provide for the essential nutritional needs of poor children.

The largest increase in H.R. 7 is $60 million for the WIC Program. The WIC Program is proven to be successful, assisting poor, pregnant women give birth to healthier, full-term babies. For those women who breast feed, postnatal nutritional needs are met so that the babies remain healthy. We know that among poor pregnant women, premature births occur more frequently, and the result is low birth weight, birth defects, and developmental problems. Such problems require hospitalization of these babies for up to 30 days or more after birth, and the cost for such babies is $2,000 a day. Poor parents obviously cannot pay $2,000 a day for 30 days or more—and so the costs are borne by the American taxpayer through Federal support for health care and other welfare programs for the poor. The overall costs of the WIC Program is a wise investment that pays off on a three-for-one basis—for every $1 invested, $3 are saved in later medical costs. The modest $60 million increase will bring approximately 120,000 additional women and children into the program next year.

The second largest increase in H.R. 7 is for school breakfasts, which will be increased by 6 cents per meal served, at a cost of $42 million. The 6-cent increase in subsidy payments will go to improve the nutritional quality of breakfasts served. Recent USDA and GAO studies reveal that breakfasts now served are lacking in vitamins A, B_6, and iron. Breakfast programs are cost effective and highly targeted to the poor, and are found in predominantly low-income areas. Recent studies show that 90 percent of participants in the breakfast programs—3.3 million children—are from low-income homes.

The third largest increase in H.R. 7 is the Special Milk Program, at a cost of $15 million. In 1981—again during the omnibus budget reconciliation—certain kindergarten children were eliminated from participation in the Special Milk Program because they attended schools that participated in the regular school lunch program which includes milk. Yet kindergarten children attend school in split sessions and thus are not in school during the time school lunches are served. They have no access to milk at all during their brief school day. The $15 million in H.R. 7 would restore special milk to kindergarten children. The 1981 restriction cut 1 million children out of the program—and since 1981 the fastest growing segment of our population has been in the under-5-years-of-age group. These children are now ready for kindergarten, and should be able to have at least one milk break during school hours. Milk is an essential daily requirement for growing children's teeth and bones.

Finally, H.R. 7 contains a small increase of $3 million that would assist in raising the tuition ceiling of private schools from $1,500 to $2,500 annually, allowing them to participate in the School Lunch Program. In 1981, when the $1,500 tuition ceiling was imposed, 212 Catholic secondary schools were barred from the program, affecting 144,533 children. Another 288 private, non-church-related schools were also affected. If the tuition ceiling is not raised, the U.S. Catholic Conference predicts that an additional 241 Catholic schools, affecting 207,414 children, will be barred from the School Lunch Program by September 1986 when tuitions are expected to increase.

Mr. Chairman, I will conclude my remarks by reminding my colleagues that the National School Lunch Program was enacted in 1946 in order to safeguard the health and well-being of all our children, regardless of income. These child nutrition programs contained in H.R. 7 are as vital to our national security as the defense spending bill, because hungry children cannot learn, and a nation of high technology, particularly the military and defense demands for intellectual skills, cannot afford an uneducated society.

I know there are other amendments pending, and I will conclude my opening remarks at this time.

I urge my colleagues to vote for H.R. 7 without substantive amendments that would reduce funding below that assumed in the first budget resolution through elimination of the paid lunch subsidy, or the delay of the COLA for family day care providers, or the imposition of a means test for child care programs, or a reduction in the reimbursement rate for free and reduced price meals.

Mr. CONYERS. Mr. Chairman, I rise in support of H.R. 7, the School Lunch and Child Nutrition Amendments of 1985. This bill extends five expiring child nutrition programs which are vitally important to the health of our Nation's young children.

We are seeing an ever-increasing hunger crisis in our Nation. It is directly related to the realities of poverty, and the stark facts regarding who is poor in America. Currently at least two out of every three adults who are poor in this country are women. Therefore, poverty and its accompanying problems of obtaining food, overwhelmingly affect women who are raising small children.

The largest budgetary portion of the School Lunch and Child Nutrition Amendments targets an increase in spending for the Supplemental Feeding Program for Women, Infants and Children [WIC], which would allow for extended services to 120,000 more pregnant women and small children. The administration wants to reduce funding for the WIC Program at a level that in no way maintains its present caseload. With the high rates of infant mortality among the children born to teenage women, we can hardly afford to reduce programs that have helped to prevent nutritional deficiencies during and after pregnancy.

In addition, H.R. 7 allows for continued budgetary strength in the school lunch programs, which presently serve some 24 million children in our Nation's schools. Again the administration seeks drastic cuts in this area. Somehow it believes that restricting support for school lunches to only low-income children will eliminate much needed Federal dollars. This kind of thinking shows no consideration for the overall effect these cuts will have on our schools' ability to even deliver current programs.

The majority of the lunches served in 21 percent of the schools fall in the category of paid lunches. If funding for this category is eliminated, these schools lose up to 80 percent of the Federal support for their entire lunch program. This involves 11.6 million, or nearly half of the 24 million children currently receiving federally subsidized school lunches. Again, we are sacrificing our responsibility to provide for the welfare of all of our children.

As a cosponsor of H.R. 7, I strongly urge my colleagues to pass this important legislation. We are simply reauthorizing a continuation of five programs already established to provide for child nutrition. If we continue to allow the administration to make budget cuts in areas that improve the quality of life, then high risk pregnant women and small children with considerable health needs will continue to suffer.

Mr. BRUCE. Mr. Chairman, I rise today in support of H.R. 7, the Naitonal School Lunch and Child Nutrition Act.

This bill extends five important child nutrition programs, including school breakfast, the special milk program for kindergarten children, and WIC, the Women, Infants, and Children supplemental feeding program.

Together, these programs plus the national school lunch program, provide well-balanced, nutritious meals to over 1.1 million Illinois school children each day. In addition to being good for children, these programs are good for the Illinois economy. Last year the school lunch program alone purchased $41 million in school commodities from Illinois farmers.

As a member of the Education and Labor Committee, I strongly supported the continuation of these programs. I believe their benefits are well documented. Time and again, proven studies have indicated that these programs provide the vital nutrients to ensure healthy growth; and we know that healthy, well-fed children are better prepared to learn in school. In addition, numerous studies have shown that these programs more than pay for themselves. Studies on the WIC program have shown that for every $1 spent in the program, $3 is saved in later medical costs.

Mr. Chairman, even though the benefits of this program are evident, there are some who would propose changes—changes which will threaten to cut millions of children from these important services.

Specifically, I strongly oppose an amendment which would cut the 12.5-cent cash subsidy under the National School Lunch Program. There is no doubt that these changes are complex, but the effect of this amendment is far more reaching than some would have us believe.

Currently, the program reimburses schools, through a combination of cash and commodities, for all full-paying students participating in the program. Additional funds are given so that low-income students can participate in either a free or reduced priced meals. The subsidy proposed to be reduced is not a cash subsidy to paying students, but is used by schools to run the basic operations of the school lunch program for all children.

What is a little more difficult to understand, is that for many schools across the country which do not serve large numbers of free or reduced priced lunches, the program is no longer cost-effective to operate without this subsidy. The effect of this amendment, therefore would be not only to close out paying students to a USDA nutritionally balanced meal as some would have us believe, but to deny those nutritional standards to many poor and middle-income students as well.

If this amendment were to pass, it would put school lunch programs in 390 Illinois schools in jeopardy. These are schools where 20 percent or less of the feeding program serves subsidized lunches to low-income children. This could mean that almost one-third of the sponsors currently operating in the State of Illinois would be forced to drop out of the program. Schools in Crawford, Champaign, Effingham, Douglas counties would be forced to close their programs, and throughout the State, over 140,000 students would no longer receive a nutritionally balanced meal.

Mr. Chairman, like my other distinguished colleagues, I am concerned about the budget deficit, and in fact have voted to cut over $9 billion in unnecessary spending this year. But we should not be misled about H.R. 7. This bill is within the budget targets passed by both this House and our colleagues in the Senate. We should all be concerned about balancing the budget, but I would suggest we look to other areas where billions of dollars in waste and fraud are well documented, and not to areas that provided food for all our children.

Mr. Chairman, when the National School Lunch Program was first passed by Congress in 1946, its purpose was to safeguard the health and well-being of this country's most precious commodity—our children. I'm afraid that proposed amendments will undo what every Congress since that time has reaffirmed. I ask my colleagues to join me in keeping these programs in place and to pass H.R. 7.

Mr. WIRTH. Mr. Chairman, I want to express my strong support for H.R. 7, a bill to reauthorize and provide modest increases for five important child nutrition programs which have absorbed major reductions over the past 4 years.

Child nutrition programs are among the most important services provided by the Federal Government, but they are often misunderstood. These programs reimburse schools and child care providers for the meals they serve to eligible children, and by requiring that balanced, nutritious meals be served, they offer the dual benefits of providing sound nutrition while teaching good eating habits.

We talk about these programs in terms of subsidies, means tests and reimbursements, but they are more like insurance than welfare—insurance against hungry and malnourished kids who cannot concentrate in school because they are in poor health.

The School Lunch Program was created when we discovered that many of our young men were unfit for military service in World War II because of medical problems directly traceable to poor nutrition. At that time, we made a national policy decision to feed our poor children because our national security demands that our adults be well-nourished and physically fit.

Since 1981, the administration has repeatedly attempted to renege on that commitment, slashing funding for all nutrition programs with a particularly sharp blade reserved for those that feed our disadvantaged children. The Child Care Food Program, for example, which feeds children in day care centers and family care homes, has been cut by more than 30 percent. Other programs have fared only slightly better.

While I am sensitive to the need to contain Federal spending, I must emphasize that the House budget resolution assumed full funding of the child nutrition programs contained in H.R. 7. Our colleagues on the Budget Committee took this action because they share my conviction that we have gone far enough in cutting funds for these programs. They agree that we must restore and maintain our child nutrition insurance programs for the well-being of our children and our country.

I am strongly opposed to any amendments to H.R. 7 which would freeze or further reduce funding for the important and highly cost-effective child nutrition programs. In particular, I would like to speak against the amendment to extend the means test to the family day care portion of the Child Care Food Program, because I know that this form of child care is extremely valuable to working parents of very young children.

To fully understand the devastating effect of a means test, it is important to understand the difference between a family day care home and day care center.

Although a means test has been proposed every year since 1981, it has not been required for the family day care program because of the very nature of this type of day care. Family day care providers are essentially neighborhood operations, and the imposition of this burden would surely reduce participation on the part of both providers and parents. People are usually quite reluctant to share sensitive information on their income with their neighbors, and the administrative requirements of a means test would be virtually impossible to meet.

Child Care Food Program reimbursement is not paid to children nor is it paid to their families. It goes to the family day care provider—who typically earns, in my own State of Colorado, less than $1 per hour per child for 10 hour days.

Although family day care providers earn very little for their hard work, working parents cannot afford to give them a raise to cover the additional cost of food. If two children are in full-time care at the rate of $1 per hour per child, the day care bill for that family would exceed $400 per month.

If we reduce participation in this program and cause an increase in the price of child care for those working families who are already barely making it, those families will not be able to afford to work and we

may inadvertently drive them onto the welfare rolls.

Family day care, because it operates out of the home, is very difficult to regulate or monitor. Providers who participate in the Child Care Food Program receive training and actual home visits from sponsoring organizations. In many States, this is the only time these facilities are observed in operation. Given our national concern for the rise in child abuse, it would not be wise to eliminate this already minimal supervision.

More than half of all the children in this country who are cared for outside of their family home during the day are cared for in family day care homes.

Mr. Chairman, the child nutrition programs that these amendments would dramatically weaken represent a tiny fraction of the Federal budget and yet are extremely effective in eliminating hunger among our children. These programs have already made a major contribution to deficit reduction by absorbing large budget cuts. By cutting still deeper, we gain very little, but our children lose a lot.

Mr. RICHARDSON. Mr. Chairman, I rise today in strong support of the School Lunch and Child Nutrition Act. While this program reauthorizes five expiring child nutrition programs, I would like to focus here on one of these—the WIC Program. In my home State of New Mexico, we have over 63,000 individuals eligible for the WIC Program—of these, 63,000 eligible participants, less than one-third are currently receiving the help they need. The need for the WIC Program clearly exists. We need to not only keep this program alive, but also to expand it as much as possible within our fiscal constraints.

The bipartisan support for this bill is evident. H.R. 7's funding levels have been approved in the House/Senate budget resolution. I believe that it is significant that the conferees, even with their deep concern over the deficit, felt that this program should not only be continued at current levels, but should also receive a modest increase in funding. WIC is acclaimed as one of the Federal Government's most successful programs. For every dollar we invest in this program, we get three back. Not only is this program a wise investment in our children's future, but it also saves a great deal of money. The average cost for a hospital stay of an infant suffering from low birth weight is $60,000; the average cost of WIC is $400 per year. WIC helps to prevent low birth weight and neonatal problems requiring hospitalization.

I would like to strongly urge all of my colleagues to support the School Lunch and Child Nutrition Amendments of 1985—these programs have clearly shown that they deserve our support as sound investments in our children's future. This is what President John F. Kennedy had to say on the issue over 20 years ago:

> The prevention of future adult poverty and dependency must begin with the care of dependent children—those who must receive public welfare by virtue of a parent's death, disability, desertion or unemployment. Our society not only refuses to leave such children hungry, cold, and devoid of opportunity—we are insistent that such children not be community liabilities throughout their lives. Yet children who grow up in deprivation, with adequate protection, may be poorly equipped to meet adult responsibilities.

The School Lunch and Child Nutrition Amendments of 1985 address this societal obligation; a small amount of money spent now helps to solve future problems and to prevent a need for larger future expenditures.

The CHAIRMAN pro tempore. Are there further amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. SMITH of Iowa] having assumed the chair, Mr. SWIFT, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H.R. 7), to extend and improve the National School Lunch Act and the Child Nutrition Act of 1966, pursuant to House Resolution 262, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. BARTLETT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device and there were—yeas 367, nays 59, not voting 8, as follows:

[Roll No. 312]

YEAS—367

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Bilirakis
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Broyhill
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Campbell
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Daniel
Darden
Daschle
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Leach (IA)
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lowry (WA)
Lujan
Luken
Lundine
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Price
Pursell
Quillen
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sharp
Shaw
Shelby
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins

Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NAYS—59

Archer
Armey
Badham
Bartlett
Barton
Bliley
Boulter
Brown (CO)
Burton (IN)
Callahan
Carney
Cheney
Combest
Craig
Crane
Dannemeyer
Daub
DeLay
Dreier
Eckert (NY)
Fiedler
Fields
Hansen
Hartnett
Hiler
Hunter
Kramer
Latta
Loeffler
Lott
Lowery (CA)
Lungren
Mack
Martin (IL)
McCandless
Monson
Moorhead
Nielson
Oxley
Packard
Porter
Roberts
Roth
Rudd
Schaefer
Sensenbrenner
Shumway
Shuster
Smith (NH)
Smith, Denny
Stenholm
Strang
Stump
Sweeney
Swindall
Vander Jagt
Walker
Whittaker
Zschau

NOT VOTING—8

Addabbo
Bevill
Frost
Lehman (CA)
Long
Rahall
Rangel
Waxman

□ 1710

Mr. ROBERT F. SMITH changed his vote from "yea" to "nay."

Mr. ANDERSON changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 7, SCHOOL LUNCH AND CHILD NUTRITION AMENDMENTS OF 1985

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill just passed, the Clerk be authorized to correct section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill, H.R. 7.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1725

GENERAL LEAVE

Mr. PENNY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include therein extraneous material, on the subject of the special order today by the gentleman from Indiana [Mr. SHARP].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

THE ROMANIAN GOVERNMENT SHOULD ALLOW CERTAIN CITIZENS TO EMIGRATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. RUDD] is recognized for 5 minutes.

Mr. RUDD. Mr. Speaker, throughout my years in Congress, I have heard from a number of constituents concerned about citizens of Communist countries who have been approved for immigrant visas to the United States by our Department of State, but were denied permission by their own governments to leave.

Yesterday, a lady who lives in District 4 in the State of Arizona, who fled Romania 16 years ago and is now a citizen of the United States telephoned my office in desperation, requesting assistance. She asked that our Government use its influence to encourage the Romanian authorities to allow her 52-year old brother and his wife, Vasile and Evdochia Preda, permission to emigrate to the United States.

Mr. Preda has already lost his job because of his attempts to leave Romania. He is now on the third day of a hunger strike protesting the Romanian Government's refusal to give him and so many others permission to emigrate from that country.

The State Department periodically presents to Communist authorities the names of those who have repeatedly been denied permission to emigrate in an effort to emphasize the deeply felt belief that persons should not be held in a country against their will.

I am contacting the Department of State to ask that they include Mr. Preda and his wife's names on the list and to do all possible to help them. With this statement, I am calling on the Romanian Government to exercise compassion and allow the Predas and others like them to emigrate from the country.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 5 minutes.

Mr. PEPPER. Mr. Speaker, on Thursday, September 12, 1985, I was unavoidably absent for roll No. 302, the resolution providing for the consideration of H.R. 2266. This bill authorizes appropriations for Amtrak for fiscal years 1986 and 1987, and establishes a commission to study the financial status of Amtrak. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, due to official duties in my district on Thursday, September 12, I missed rollcall votes numbered 302 through 307.

Had I been present, I would have voted: "yes" on No. 302; "present" on No. 303; "yes" on No. 304; "yes" on No. 305; "present" on No. 306; and "no" No. 307.

TO CREATE A NATIONAL COMMISSION TO PREVENT INFANT MORTALITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. ROSE] is recognized for 5 minutes.

Mr. ROSE. Mr. Speaker, today, I am introducing legislation to create a National Commission to Prevent Infant Mortality.

A baby born in Western Europe, Japan, Australia, Singapore, or Hong Kong has a better chance of celebrating its first birthday than does an American baby. This is a great tragedy, particulary in the light of the fact that we live in one of the wealthiest and most technically advanced nations in the world.

In my State of North Carolina, there is an infant mortality rate of 13.7 per thousand births; 1,175 babies died in 1982 before turning 1 year old.

Low birthweight is the main cause of infant mortality. Low birthweight is 2 pounds or less. Even though the United States has made great strides in reducing infant mortality since 1965, the decrease in deaths is mainly due to medical and technological advances in keeping low birthweight babies alive. So, if we are to solve the problem of infant mortality, we must fight against low birthweight.

The effects of infant mortality are far-reaching in our society. It is impossible to measure the trauma a family suffers when a baby dies. This is the human cost. There are also the economic costs. Over $1.5 billion is spent every year to keep low birthweight babies alive. If the low birthweight child is permanently handicapped, the later cost of addressing that child's needs will even greater. Clearly, it is much more cost effective to deal with the problem of low birthweight, than to have to deal with its consequences.

The National Commission to Prevent Infant Mortality will provide a well-

thought out and well-organized national policy to prevent infant deaths. It will review present governmental and private efforts to prevent infant mortality and then come up with a national policy that the Federal Government, States, localities, and private groups could adopt to prevent infant deaths. This Commission will make legislative recommendations directly to Congress as to the most effective ways to fight infant mortality. In short, this Commission will set up a comprehensive plan of action to fight infant mortality.

I urge my colleagues to join me in cosponsoring this important legislation.

EDUCATION TECHNOLOGY ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. WIRTH] is recognized for 5 minutes.

Mr. WIRTH. Mr. Speaker, today I am introducing the Education Technology Act of 1985, a bill designed to help our elementary and secondary schools use computers more effectively as learning tools in the classroom. This legislation will help ensure that our next generation of graduates is adequately prepared to meet the challenges of tomorrow's technologically advanced workplace.

In January of this year, the President's Commission on Industrial Competitiveness completed a year-long study of our nation's ability to compete. The Commission's report, entitled "Global Competition, The New Reality," is a thoughtful but resounding indictment of the extent to which we, as a nation, have neglected those aspects of our economy which determine how well we compete in world markets.

In the area of human resource development, one of the primary findings of the study was that "this nation has not effectively used technology to enhance its educational offerings. Interactive computers can be powerful learning tools, yet little educational software has been developed that makes full use of their capabilities. 'Computer literacy' has become the focus of computer use in schools, yet it is the use of computers as a new and more productive way of learning that offers the greatest potential of educational technology."

To remedy this situation, the Commission calls for "sustained Federal support" for a program of research in educational software, to be funded through the National Science Foundation and the U.S. Department of Education. In addition, the report recommends that teachers be trained in the use of computers as well as in the capabilities of quality software. States should be encouraged to provide such training and the Federal Government should aid in these efforts by disseminating information on available software.

Two years ago, I first introduced the Computer Literacy Act to address these very issues. In 1984, that legislation was reported by both the Education and Labor Committee and the Science and Technology Committee. Unfortunately, it was never considered by the full House of Representatives. Yet the need for the legislation has not diminished, and in many ways the arguments for its passage have grown more compelling.

In the past 5 years, the number of computers in schools across the country has risen dramatically. More than 1 million are now estimated to be in use and that figure is expected to double in the next 4 years. While the sheer number of computers has expanded, however, the success with which they have been integrated into our education system remains doubtful. Great technical progress has been made by those teachers and students who have computer access, but as the President's Commission report emphasizes, teachers are still not adequately equipped to tap the vast educational potential of computer technology. If "computer literacy" is no longer adequate to ensure that America has a technologically prepared workforce to carry us into the 21st century, then we must strive for the complete and interactive integration of advanced technology into educational curricula.

Finally, recent studies indicate that schools with the highest proportion of low-income children are still losing ground in the effort to reduce student-to-computer ratios. Students in school districts with the lowest proverty levels are estimated to average one computer for every 57 students while those schools with the highest poverty levels tend to have one computer for every 83 students. Educators across the country express concern about the fate of these "computer have-nots" whose school districts lack funds for sufficient computer equipment and whose parents cannot afford to buy home computers.

In short, without some type of corrective intervention, tomorrow's workers may not be prepared to enter a workplace where technological change has become the rule rather than the exception.

For these reasons, I have introduced the Education Technology Act of 1985, an updated version of the Computer Literacy Act of the 98th Congress. The bill has three purposes. Section I would encourage the development of model educational software and call upon the National Institute of Education and the National Science Foundation, through grants or contracts, to evaluate existing software and make that information readily available to our nation's school districts. The second section would establish teacher training institutes to improve the integration of education technology into the classroom and would extend technological training to adults through model programs to be offered during nonschool hours. The last section of the bill would provide schools still without access to computers with the funds to purchase computer hardware.

Mr. Speaker, I encourage our colleagues in the House to give this bill their strong support so that we can begin, as a nation, to regain our competitive edge at home and abroad.

METHANOL, FUEL OF THE FUTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. SHARP] is recognized for 60 minutes.

Mr. SHARP. Mr. Speaker, every Memorial Day, in Indianapolis, the premier event in auto racing—the Indy 500—is run. These Indy vehicles run on methanol, a clean, safe, efficient alcohol fuel.

Today, my colleagues and I are introducing a bill which will help methanol become a common consumer fuel as well. Methanol is an alcohol fuel which can be made from a variety of domestic resources—most importantly, coal and natural gas.

It is a liquid fuel; it is safe; it is clean; and it is efficient.

The widespread substitution of methanol for gasoline and diesel fuel in our cars, trucks, and buses will achieve four important national goals: reduction of the trade deficit, improved energy security, better air quality, and more jobs.

BALANCE OF TRADE

Our national bill for imported oil last year was almost $60 billion, over half of our trade deficit. Methanol has the potential to be made entirely from domestic resources. Conversion of 20 percent of U.S. cars to a domestically produced fuel would reduce oil imports by approximately 470 million barrels per year and might reduce the balance of payment deficit by well over $10 billion annually.

ENERGY SECURITY

By the end of the century OPEC may again be able to control the price of crude oil because demand will approach the world's production capacity and they will become the world's marginal producers. They will never be the marginal producer of methanol, however, and we should take steps now to substitute methanol for the 40 percent of our oil that is used for transportation. To the extent we can reduce our demand for petroleum-based transportation fuel we will reduce OPEC's ability to control the market and our vulnerability to their actions.

CLEAN AIR

There are also major environmental benefits of methanol. Methanol buses may forever eliminate the stench and pollution currently associated with intracity buses. If widely adopted, methanol in cars also has the potential to be the single largest contributor to reduction of smog in our cities.

JOBS

A 1984 report by the staff of the Fossil and Synthetic Fuels Subcommittee estimates that conversion of 20 percent of U.S. cars to methanol could create a market for an additional 300 million tons of coal per year if the methanol is produced from domestic coal. This increase in demand for coal would translate directly into 10,000 jobs in the coal mining industry and an undertermined number of other jobs in methanol production.

PROBLEMS OF INTRODUCTION

In short, methanol is a nearly perfect substitute for gasoline. What then prevents methanol from rapidly capturing the transportation fuel market? Two related factors: the lack of vehicles designed to run on methanol, and the lack of readily available retail sales outlets.

The problem is that methanol won't be distributed as a consumer fuel until there are sufficient vehicles able to run on this fuel. Conversely, the vehicle manufacturers will not manufacture methanol-compatible vehicles until the fuel is widely available. This circular problem is commonly called the chicken and egg dilemma.

This bill is designed to stimulate a solution to this problem through a low-cost Federal demonstration program. It continues the work already underway by the Department of Energy, Department of Defense, California Energy Commission, Bank of America, and others. The Federal demonstration fleet will be relatively inexpensive since it will replace conventionally fueled with methanol-fueled vehicles that the Federal Government would have purchased in any case.

COST

Methanol vehicles are not greatly different from those fueled by conventional fuels. Only a few components need to be made compatible with methanol, and manufacturers have testified that methanol cars will be no more expensive than similar gasoline cars when manufactured in similar quantity.

Nor is methanol more costly. Currently, most of the world's methanol is made from natural gas and sells for about $0.45 per gallon in bulk quantities. Because methanol has a lower energy content per gallon than gasoline, and nearly 2 gallons of methanol are required to take a car as far as 1 gallon of gasoline, this price would make methanol very competitive with gasoline if both were equally available to the consumer.

In the long term, methanol may have a cost advantage over gasoline. The United States has abundant coal reserves which can be utilized to manufacture methanol. Estimates vary widely on the cost of manufacturing it from coal, but they tend to be in the $0.80 to $1.20 per gallon range. At these prices, methanol from coal is not economic today.

Generally, however, the price of coal is expected to rise more slowly than the price of oil and natural gas. Sometime early in the next century, methanol from coal will be competitive with gasoline made from imported crude oil. In the meantime, methanol made from natural gas is likely to be available and competitive in price.

PROMOTING COMPETITION

For all of these reasons, methanol is likely to be the fuel of the future. But to capture its benefits more quickly, we need to overcome the chicken and egg problem—to help methanol reach the threshold level of use at which consumers have a choice and methanol can compete.

In order to hasten the day when methanol is competitively viable, this bill proposes an action plan that requires:

Five thousand methanol cars purchased annually by the Government starting in fiscal year 1987;

A long haul, 18-wheel methanol truck demonstration;

A methanol bus demonstration;

That, if the methanol bus demonstration provides satisfactory results, all buses purchased in Clean Air Act nonattainment areas with Federal assistance after 1991 will be required to be methanol buses;

Establishment of an interagency commission to coordinate all the methanol work underway within the Government;

A requirement that all vehicles purchased by the Federal Government be guaranteed by the manufacturer for use on all EPA approved nonstandard fuels; and

An incentive for auto manufacturers to produce methanol compatible vehicles by calculating miles per gallon for purposes of CAFE standards on the basis of the petroleum content of the fuel. Vehicles capable of running on both methanol and gasoline will be counted for CAFE calculations as if the vehicle only ran on methanol. This concept is more fully explained in my 1984 letter to the EPA, which I ask permission to insert in the RECORD at the conclusion of my remarks, along with a copy of the text of the bill itself.

This bill is a follow-on to legislation introduced last Congress—H.R. 4855 and H.R. 5075. It is based on 4 days of public hearings, a 1984 subcommittee staff report, and hundreds of hours of discussion with industry representatives.

Last year the methanol legislation, parts of which were enacted, had over 50 cosponsors. DOE is proceeding with a preliminary vehicle fleet. This bill is the next logical step in the Government's role to prove the potential and accelerate the adoption of melthanol as an alternative to gasoline.

The current surplus in crude oil supplies gives this Nation the opportunity to develop its alternative fuels. Methanol is one of the best of these alternative fuels, and this bill is necessary to advance its development.

H.R. 3355

A bill to develop a national methanol energy policy and to coordinate efforts to implement such policy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This act may be cited as the "Methanol Energy Policy Act of 1985".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds and declares that—

(1) the achievement of long-term energy security for the United States is essential to the health of the national economy, the well-being of our citizens, and the maintenance of national security;

(2) the protection and improvement of the Nation's air quality is essential to our citizens' physical health;

(3) the displacement of energy derived from imported oil with domestically produced energy will contribute to an improved international trade balance for the United States and increased employment opportunities for our citizens;

(4) the Nation's security, environmental, and economic interests require that the Federal Government should assist a clean-burning domestically produced transportation fuel to reach a threshold level of use at which it can successfully compete with petroleum-based fuels;

(5) methanol is the alternative liquid fuel with the best technological and economic prospect of displacing significant quantities of petroleum-based transportation fuel;

(6) there are proven coal reserves in the United States sufficient to provide methanol for transportation use for at least the next four hundred years;

(7) the use of methanol to displace gasoline and diesel fuel in the Nation's automobiles, trucks, and buses will significantly reduce emission of regulated pollutants, reduce reliance on imported oil, and enhance the Nation's security; and

(8) the United States Department of Energy and the California Energy Commission have already established a base of information about methanol as a transportation fuel which this Act will further develop.

(b) PURPOSES.—The purposes of this Act are to provide—

(1) that the Federal Government shall—

(A) continue the development of a methanol demonstration program by increasing the purchases and use of methanol-powered passenger automobiles, light duty trucks, and buses;

(B) in cooperation with a commercial operator, establish a demonstration program for the operation of methanol-fueled diesel trucks;

(C) establish a pilot program for the operation of methanol-powered buses in urban areas;

(D) Assist State and local entities in purchasing methanol-powered buses;

(E) study the feasibility of a small, packaged, relocatable methane to methanol plant;

(F) study the air quality and human health effects associated with the use of significant amounts of methanol;

(G) remove disincentives to the use of methanol fuel;

(H) promote the availability and use of methanol fuel; and

(I) promote the manufacture and purchase of methanol-powered vehicles, and

(2) for the establishment of an Interagency Commission on Methanol to develop and coordinate the implementation of a national methanol energy policy.

SEC. 3. AMENDMENT OF ENERGY POLICY AND CONSERVATION ACT.

Title III of the Energy Policy and Conservation Act is amended by adding at the end the following new part:

"PART J—ENCOURAGING THE USE OF METHANOL

"SEC. 400AA. METHANOL DEMONSTRATION PROGRAM FOR FEDERAL VEHICLES.

"(a) DEPARTMENT OF ENERGY PROGRAM.—The Secretary shall ensure that of the total number of passenger automobiles and light duty trucks acquired for use by the Federal Government during the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990, at least 5,000 each year shall be methanol-powered vehicles.

"(b) STUDIES.—The Secretary, in cooperation with the Administrator of the Environmental Protection Agency (hereafter in this part referred to as the "Administrator") shall conduct studies related to the methanol-powered vehicles acquired under subsection (a), including—

"(1) projects to demonstrate the performance of such vehicles,

"(2) an evaluation of the performance of such vehicles in cold weather,

"(3) a study of the fuel economy, safety, and emissions of such vehicles, and

"(4) a comparison of the operation and maintenance costs of such vehicles to the operation and maintenance costs of other passenger automobiles and light duty trucks.

"(c) METHANOL MADE AVAILABLE TO THE PUBLIC.—(1) At locations where vehicles acquired under subsection (a) are supplied with methanol, methanol shall be offered for sale to the public for use in other vehicles, except in cases where security considerations require otherwise.

"(2) The requirement under paragraph (1) shall not apply after September 30, 1990.

"(d) FEDERAL AGENCY USE OF DEMONSTRATION VEHICLES.—(1) Upon the request of the head of any agency of the Federal Government, the Secretary shall ensure that such Federal agency be provided with vehicles acquired under subsection (a) to the maximum extent practicable.

"(2) The Secretary shall ensure that the cost to any Federal agency receiving a vehicle under paragraph (1) shall not exceed the cost to such agency of a comparable gasoline-powered vehicle.

"(3) Only one-half of the vehicles obtained under this section by an agency of the Federal Government shall be counted against any limitation under law, Executive order, or executive or agency policy on the number of vehicles which may be obtained by such agency.

"(4) Any Federal agency receiving a vehicle under paragraph (1) shall cooperate with the study undertaken by the Secretary under subsection (b).

"(e) DETAIL OF PERSONNEL.—Upon the request of the Secretary, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Department of Energy, to assist the Secretary in carrying out his duties under this section.

"(f) REPORTS.—(1) The Secretary shall submit semiannual reports of the actions taken and findings made under this section to the Congress. The first such report shall be submitted no later than the last day of the second quarter beginning after the date of the enactment of this part. The last such report shall be submitted no later than September 30, 1990.

"(2) The Secretary shall submit a final report summarizing all actions taken and findings made under this section to the Congress no later than October 15, 1990.

"(g) EXEMPTIONS.—Methanol vehicles obtained under this section or with funds appropriated by the joint resolution entitled "A Joint Resolution making continuing appropriations for the fiscal year 1985, and for other purposes." (P.L. 98-473)—

"(1) shall not be counted in any calculation of Fleet Average Fuel Economy under section 510 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2010) or Executive Order 12375; and

"(2) shall not be subject to any limitation under law on the maximum cost of individual vehicles which may be obtained by the United States.

"(h) DEFINITIONS.—For purposes of this section—

"(1) the term 'methanol-powered vehicle' means passenger automobiles and light duty trucks designed to operate using a fuel composed of at least 85 percent methanol; and

"(2) the term 'acquired' means leased for a period of sixty continuous days or more, or purchased.

"(i) FUNDING.—(1) There is authorized to be appropriated for the fiscal year ending September 30, 1987, $10,000,000, for the fiscal year ending September 30, 1988, $8,000,000, for the fiscal year ending September 30, 1989, $5,000,000, and for the fiscal year ending September 30, 1990, $5,000,000, to carry out the purposes of this section.

"(2) The authority of the Secretary to obligate amounts to be expended under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.

"SEC. 400BB. METHANOL LONG-HAUL TRUCK DEMONSTRATION PROGRAM.

"(a) ESTABLISHMENT.—The Secretary, in cooperation with a commercial operator or operators of long-haul diesel trucks, shall establish a demonstration program for the operation of methanol fueled diesel trucks on a long-haul, high density interstate truck route.

"(b) AVAILABILITY OF METHANOL.—(1) The Secretary shall make necessary arrangements to ensure the availability of methanol along the interstate truck route selected for the demonstration program established under subsection (a).

"(2) At locations where trucks operating under the demonstration program established under subsection (a) are supplied with methanol, methanol shall be offered for sale to the public for use in other vehicles, except in cases where security considerations require otherwise.

"(c) REPORTS.—(1) The Secretary shall submit semiannual reports of the actions taken and findings made under this section to the Congress. The first such report shall be submitted no later than the last day of the second quarter beginning after the date of the enactment of this part. The last such report shall be submitted no later than September 30, 1990.

"(2) The Secretary shall submit a final report summarizing all actions taken and findings made under this section to the Congress no later than October 15, 1990.

"(d) FUNDING.—(1) There is authorized to be appropriated for the period encompassing the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990, a total of $2,000,000 to carry out the purposes of this session.

"(2) The authority of the Secretary to obligate amounts to be expanded under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.

"SEC. 400CC. METHANOL-POWERED BUS PILOT PROGRAM.

"(a) IN GENERAL.—The Administrator shall, during the fiscal year ending September 30, 1987, purchase at least five methanol-powered buses and shall use such buses in urban settings for purposes of emissions and fuel economy testing.

"(b) TESTING AND REPORTS.—(1) The Administrator shall test the emissions levels and fuel economy of buses purchased under subsection (a), shall study the potential for problems described in section 400DD(c), and shall submit semi-annual reports of the actions taken and findings made under this section to the Congress.

"(2) The Administrator shall submit a final report summarizing all actions taken and findings made under this section to the Congress no later than December 31, 1989.

"(c) FUNDING.—There is authorized to be appropriated for the period encompassing the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990, a total of $4,000,000 to carry out the purposes of this section.

"SEC. 400DD. REQUIREMENT THAT BUSES PURCHASED WITH FEDERAL FUNDS BE METHANOL-POWERED.

"(a) REQUIREMENT.—Notwithstanding any other provision of law, any State or political subdivision thereof which receives, after January 1, 1991, any Federal assistance to provide mass transportation to acquire motor vehicles designed to transport thirty individuals or more for operation in a nonattainment area, as such term is defined in section 171(2) of the Clean Air Act, shall acquire methanol-powered buses with such assistance.

"(b) IMPLEMENTATION.—(1) The Secretary shall provide to each State or political subdivision thereof which acquires any methanol-powered bus a supplemental grant equal to 100 percent of the amount, if any, by which the acquisition, operation, and maintenance costs of such methanol-powered bus exceed the acquisition, operation, and maintenance costs of a comparable diesel-powered bus.

"(2) The Secretary shall promulgate regulations no later than January 1, 1990, to carry out the purposes of this subsection.

"(c) EXCEPTION.—The Secretary shall implement this section unless, as a result of the study under section 400CC(b), the Administrator finds by rule, either on a nationwide or a case by case basis, after an opportunity for oral presentation is afforded interested persons, evidence of substantial—

"(1) operating and maintenance problems with vehicles studied under such section;

"(2) increases in exhaust emissions from such vehicles that are regulated under the Clean Air Act as compared to gasoline and diesel-powered vehicles;

"(3) increases in the cost, excluding all one-time startup, training, and conversion costs, of operation and maintenance of such vehicles as compared to gasoline and diesel-powered vehicles; or

"(4) increases in human health risks associated with exhaust emissions not regulated under the Clean Air Act.

"(d) DEFINITIONS.—For purposes of this section—

"(1) the term 'methanol-powered bus' means a methanol-powered vehicle which is designed to transport thirty individuals or more, and

"(2) the term 'mass transportation' means transportation which provides to the public general or special service (but not including schoolbuses or charter or sightseeing service) on a regular and continuing basis.

"(e) FUNDING.—There is authorized to be appropriated to carry out the purposes of this section such sums as may be necessary for each of the fiscal years ending September 30, 1991, September 30, 1992, and September 30, 1993.

"SEC. 400EE. INTERAGENCY COMMISSION ON METHANOL.

"(a) ESTABLISHMENT.—There is established a commission to be known as the Interagency Commission on Methanol, which shall develop a national methanol energy policy and coordinate efforts to implement such policy.

"(b) Membership.—The Commission shall be composed of members as follows:

"(1) The Secretary of Energy, or the designee of the Secretary, who shall be the chairperson of the Commission;

"(2) the Secretary of Defense or the designee of such Secretary;

"(3) the Secretary of the Interior or the designee of such Secretary;

"(4) the Administrator of the Environmental Protection Agency or the designee of such Administrator;

"(5) the Secretary of Transportation or the designee of such Secretary;

"(6) the Postmaster General or the designee of the Postmaster General;

"(7) the Administrator of the General Services Administration or the designee of such Administrator;

"(8) the Administrator of the Occupational Safety and Health Administration or the designee of such Administrator; and

"(9) such other officers and employees of the Federal Government as may be appointed to the Commission by the Secretary.

"(c) Operations.—(1) The Commission shall meet as necessary to carry out the purposes of this section, at the call of the chairperson of the Commission.

"(2) One-third of the Commission shall constitute a quorum.

"(3) No member of the Commission shall receive additional pay, allowances, or benefits by reason of the service of such member on the Commission.

"(4) The Secretary shall provide the Commission with such staff and office facilities as the Secretary, following consultation with the Commission, considers necessary to permit the Commission to carry out its duties under this section.

"(d) Duties.—(1) The Commission shall study the following issues or ensure that such issues are studied:

"(A) The economics of the production and use of methanol as a transportation, boiler, and turbine fuel and the production, sale, and marketing of methanol-powered vehicles.

"(B) The production of methanol from domestic sources such as coal.

"(C) Suggestions submitted to the Commission, by individuals in the private sector, for promoting the use of methanol as a fuel for buses and other motor vehicles.

"(D) The ability of methanol to meet the military and nonmilitary transportation fuel needs of the United States during a time of general military mobilization.

"(E) The use of methanol for overfiring stationary boilers and peaking turbines, and for fuel cells.

"(F) Environmental, health, and safety issues relating to methanol and its combustion products and methanol-powered vehicles.

"(2) The Commission shall develop a long-term plan for the commercialization of methanol as an alternative fuel.

"(3) The Commission shall coordinate all Federal efforts with respect to methanol research and commercialization.

"(4)(A) The Commission shall ensure communication between representatives of all Federal agencies that are involved in methanol demonstration projects or that have an interest in such projects.

"(B) The Commission shall establish a clearinghouse for the exchange of information between parties working with or interested in working with methanol and related products.

"(e) Private Sector Advisory Panel.—(1) The chairperson of the Commission shall establish a private sector advisory panel to inform the Commission about methanol-related matters. Such chairperson shall appoint the members of the panel.

"(2) The members of the panel shall be persons employed in the private sector or by State or local government who are knowledgeable about methanol and its possible uses and the production of methanol and methanol-powered vehicles. Such members may not be full-time officers or employees of the Federal Government.

"(3) The panel shall meet at the call of the chairperson of the Commission.

"(4) The members of the panel may be compensated at a rate, to be fixed by the Secretary, that does not exceed the daily equivalent of the maximum annual rate of basic pay payable under the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) when engaged in the actual duties of the panel and when not otherwise compensated as officers or employees of the Federal Government, except that such compensation for any year may not exceed compensation for 20 days of engagement in the actual duties of the panel. All such members, while away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons in the Federal Government service employed intermittently. Payments under this section shall not render members of the panel officers or employees of the Federal Government for any purpose.

"(5) The Secretary shall provide the panel with such staff and facilities as the Secretary, following consultation with the Commission and the panel, considers necessary to permit the panel to carry out its duties under this subsection. Any such staff and facilities shall be provided from the existing staff and facilities of the Department of Energy.

"(f) Detail of Federal Personnel.—Upon request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this section.

"(g) Reports.—(1) The Commission shall, not later than September 30 of each of the years 1978, 1988, and 1989, submit an interim report to the Congress setting forth the actions taken and findings made by the Commission under subsection (d).

"(2) The Commission shall, not later than September 30, 1990, submit a final report to the Congress setting forth the actions taken and findings made by the Commission under subsection (d).

"(3) The results of any study or studies undertaken under subsection (d) shall be made available to the public at such times and in such manner as determined appropriate by the Secretary.

"(h) Termination.—The Commission and the panel shall terminate upon submission of the final report of the Commission under subsection (g)(2).

"(i) Definitions.—For purposes of this section:

"(1) The term 'Commission' means the Interagency Commission on Methanol established in subsection (a).

"(2) The term 'methanol-powered vehicle' means a motor vehicle designed to operate using a fuel composed of not less than 85 percent methanol.

"(3) The term 'panel' means the private sector advisory panel established in subsection (e)(1).

"SEC. 400FF. STUDIES.

"(a) Methanol Studies.—(1) The Secretary shall undertake a study of the comparative costs of methanol based on natural gas, methanol based on coal, and methanol based on other resources. Such study shall include a study of various sizes of facilities for each resource, and shall—

"(A) identify the optimum size for obtaining maximum economies of scale;

"(B) identify the largest size feasible consistent with current and projected near-term demand for methanol; and

"(C) consider and quantify 'learning curve' benefits associated with the sequential construction of additional facilities.

"(2) In conducting studies under paragraph (1), the Secretary shall include a study of a packaged, nominally, 100 to 300 ton per day, relocatable natural gas to methanol plant that is capable of utilizing current domestic supplies of unutilized natural gas.

"(3) For purposes of this subsection, the term 'unutilized natural gas' means gas that is available in small remote fields and cannot be economically utilized in existing conventional natural gas pipelines, or gas the quality of which is so poor that extensive and uneconomic pretreatment is required prior to its introduction into the natural gas distrubution system.

"(4) The Secretary shall submit a report containing the results of the studies undertaken under paragraph (1) to the Congress within one year after the date of the enactment of this part.

"(b) Air Quality and Health Study.—(1) The Administrator shall prepare a comprehensive analysis with respect to the air pollutant emission, air quality impact, and human health risks, including toxicity to consumers at self-service fuel pumps, associcated with the storage, distribution, and use of significant amounts of methanol as transportation fuel as compared to existing diesel and gasoline fuels.

"(2) The Administrator shall complete the comprehensive analysis required by paragraph (1) within two years after the date of the enactment of this part unless the Administrator explains in writing to the Congress why more time is necessary for its completion.

"(c) Funding.—There is authorized to be appropriated to carry out the purposes of this section $975,000 for the fiscal year ending September 30, 1987.".

SEC. 4. FUEL EFFICIENCY STANDARDS.

The Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.) is amended—

(1) in section 501 (15 U.S.C. 2001) by adding at the end thereof the following new paragraphs:

"(15) The term 'methanol mixture' means the mixture of methanol with other fuel, if any, used to operate a methanol powered automobile.

"(16) The term 'methanol powered automobile' means an automobile capable of operating, and marketed and sold with the intention of its being primarily operated, on not less than 85 percent methanol."; and

(2) in section 503(d) (15 U.S.C. 2003(d)) by adding at the end thereof the following new paragraph:

"(4) If a manufacturer manufactures methanol powered automobiles, the fuel economy of such vehicles as determined

under this title shall be based on the non-methanol fuel content of the methanol mixture used to operate such automobiles. For purposes of this section, a gallon of the methanol mixture used to operate such automobiles shall be considered to contain 15 one-hundredths of a gallon of non-methanol fuel.".

SEC. 5. USE OF NON-STANDARD FUELS.

All passenger automobiles and light-duty trucks acquired by the United States after October 1, 1986, shall be guaranteed or warranted as suitable for operation on all fuels for which waivers issued by the Administrator of the Environmental Protection Agency under section 211(f) of the Clean Air Act (42 U.S.C. 7545(f)) are then currently in effect.

Section-by-Section Analysis

Section 1: title—Methanol Energy Policy Act of 1985.

Section 2: findings and purposes.

Section 3: amends Title III of the Energy Policy and Conservation Act of 1975 by adding a new part, Part J—Encouraging the Use of Methanol, with the following sections:

Section 400AA: requires the Secretary of Energy to ensure the purchase of at least 5,000 methanol-powered passenger cars and light duty trucks per year between FY87 and FY90.

The Secretary must submit semi-annual reports to Congress on the performance, fuel economy, safety, emissions and comparative costs of these vehicles to others.

Methanol must be made available to the public at the same locations where the government-acquired vehicles are supplied with methanol.

Any government agency participating in the demonstration program shall not be required to pay more than the cost of a similar gasoline-powered vehicle.

As an inducement to acquire these vehicles, one-half of the methanol vehicles acquired by an agency shall not be counted against any numerical limitations imposed on that agency.

These vehicles acquired are exempt from meeting the federal fleet average fuel economy standards pursuant to the Motor Vehicle Information and Cost Savings Act and also from any limitation on the cost allowed for the purchasing of government vehicles.

Section 400AA: authorizes appropriations of $10 million in FY87; $8 million in FY88; $5 million in FY89; $5 milion in FY90 to carry out these provisions.

Section 400BB: authorizes appropriations of $2 million to establish a demonstration program for the operation of methanol-fueled diesel trucks on a long-haul, high density interstate truck route. This demonstration is to be done by the Secretary of Energy in coordination with commercial operators.

Methanol fuel facilities established to provide fuel for those vehicles shall also be available to the public for use in other vehicles, except in cases where security considerations require otherwise.

Section 400CC: authorizes appropriations of $4 million for the Environmental Protection Agency [EPA] to establish a four year pilot program of at least 5 methanol-powered buses. The buses are to be used in urban areas and tested for emissions and fuel economy.

Section 400DD: requires that areas defined as nonattainment areas in the Clean Air Act must purchase methanol buses with UMPTA funding starting in January 1, 1991. Sec. of Energy can decide if not feasible.

Such sums as necessary for fiscal years 91, 92, 93 are authorized to cover the incremental costs of methanol buses over conventional buses. It is expected that the committee will determine the appropriate funding level subsequent to the hearing process.

Section 400EE: establishes an Interagency Commission on Methanol to assist in the development of a national methanol policy and to coordinate efforts to implement such policy. The Commission shall be comprised of representatives from the Departments of Energy, Defense, Interior and Transportation, the Environmental Protection Agency, Postmaster General, General Services Administration, Occupational Safety and Health Administration, and any others appointed to the Commission by the Secretary of Energy.

The Commission shall review a variety of issues including the economics of the production and use of methanol as an alternative fuel, the promotion of methanol-powered vehicles, the environmental and safety aspects of methanol, and long-term planning for commercialization.

Section 400EE also requires the Chairperson of the Commission to establish a Private Sector Advisory Panel to coordinate efforts of the industry with the Federal program.

The Commission must submit annual reports to Congress on the actions taken and findings made by the Commission. All studies undertaken by the Commission are to be made available to the public at an appropriate time determined by the Secretary.

Section 400FF: requires the Secretary of Energy to submit a cost comparison study of natural gas-based methanol, coal-based methanol, and methanol from other resources, to include an evaluation of the various sizes of production facilities.

A study shall also be undertaken by the Secretary to determine the feasibility of a relocatable natural gas to methanol plant which is capable of using domestic supplies of unutilized natural gas.

This section also requires the EPA to prepare a comprehensive analysis on methanol versus gasoline or diesel fuel, with respect to emissions, air quality impact, and health risks associated with a significant amount of use of methanol as a transportation fuel.

A sum of $975,000 is authorized to be appropriated to conduct the studies required in this section.

Section 4: amends the Motor Vehicle Information and Cost Savings Act by adding a new subparagraph to address fuel economy standards for vehicles capable of running on methanol. Calculations of fuel economy standards for methanol are to be based on the non-methanol fuel content of the methanol mixture.

Section 5: requires that any vehicles purchased by the Federal Government after Oct. 1, 1986, be guaranteed or warranted to operate on all fuels approved by the Environmental Protection Agency.

May 25, 1984.

Hon. William D. Ruckelshaus,
Administrator, Environmental Protection Agency, Washington, DC.

Dear Mr. Ruckelshaus: I understand that the Office of Mobile Resources is working on a Corporate Average Fuel Economy [CAFE] standard equivalency factor for methanol.

During consideration of the Energy Policy and Conservation Act in 1975, I was the author of the amendment which established the CAFE standards. The real danger to the U.S. was then and still is dependence on imported oil. The primary goal of enacting CAFE standards was to reduce oil imports. Consequently I believe any vehicle which does not use petroleum as fuel would help to achieve the Congress' original objective regardless of its rated miles per gallon.

In order to advance the use of methanol as an automotive fuel, the government must help overcome what a witness at one of our hearings called "everyone's desire to go second." The CAFE standards provide an ideal opportunity to give the auto manufacturers an incentive to go first, i.e., to want to lead rather than follow in the development of an automotive methanol market.

I strongly urge the EPA to provide a major incentive to the auto manufacturers by altering the CAFE formula in the alternative manner suggested in your notice of proposed rulemaking. Rather than establishing an equivalency factor based on the relative amounts of energy in methanol and gasoline, which would merely prevent creation of a disincentive to methanol use, a positive incentive should be created by calculating fuel economy on the basis of miles per gallon of petroleum derived fuel.

This policy would be consistent with the reason for the adoption of the CAFE standards as well as help achieve the air quality and energy security benefits of increased methanol use.

Sincerely,

Philip R. Sharp,
Chairman.

Mr. WISE. Mr. Speaker, I am joining with my colleague from Indiana, Phil Sharp, today in introducing a very progessive piece of legislation on the subject of increasing methanol use and production. We are introducing the Methanol Energy Policy Act of 1985 today in response to what we feel is an emerging market and technology—the production and use of methanol—hopefully, methanol made from coal and natural gas, of which my state has huge reserves.

Earlier this session, I introduced a bill—H.R. 2957—designed to give American auto manufacturers a break if they start to produce cars that run on methanol. My experience with driving a methanol-powered Ford Escort in my congressional district over the Easter recess convinced me that the fuel not only has great promise as a substitute for petroleum-based fuels (the currency of middle-eastern blackmail) but also could create thousands of jobs in the coal and natural gas fields of our country. Under H.R. 2957, the so-called corporate average fuel economy [CAFE] standard would be revised to give car manufacturers who, under CAFE, must meet certain mileage standards using the average of the miles-per-gallon ratings of all the models they produce, a credit toward meeting this industrywide standard. My bill, H.R. 2957, has been incorporated into this new piece of legislation.

But there is more. The Methanol Energy Policy Act of 1985 would encourage the use of methanol in other ways. Our legislation would require the Secretary of Energy to ensure the purchase of at least 5,000 methanol-powered passenger cars and light duty trucks per year between 1987 and 1990. The

bill would require the Secretary to submit reports to the Congress on the performance, fuel economy, safety, emissions, and comparative costs of these vehicles to others. Methanol distribution would be enhanced, making the fuel available to the public at locations where Government-acquired vehicles fill up.

Another section of the bill would set up a demonstration program for methanol-fueled diesel trucks to investigate the fuel's applicability to heavy transport. The EPA would be responsible for coordinating a similar methanol-powered bus program.

Our legislation seeks to develop a national agenda for increased methanol use, and is broad range in scope. Methanol will be on trial as this program is instituted, and I am confident that it will emerge as what I have been calling it all along—the fuel of the future.

Mr. DANNEMEYER. Mr. Speaker, today a bipartisan coalition takes a major step toward energy independence and enhanced air quality with the introduction of comprehensive methanol legislation. I am pleased to be a part of this coalition as a member of the Committee on Energy and Commerce and as a Representative from California, the State that leads the Nation in methanol development.

Despite the headlines about an oil glut and falling prices, we face an uncertain and unstable energy future in the absence of long-range plans and policies to provide for our needs in the next decade and beyond. In addition, our oil imports are still almost one-third of our daily demand, at a cost of almost $60 billion last year when the United States ran up a record $123 billion trade deficit. With the trade deficit estimated to climb to $150 billion, and perhaps higher, in 1985, anything we can do to reduce oil imports in a responsible manner deserves our attention.

Methanol is an alternative fuel that can reduce our oil imports by providing a reliable transportation fuel. Fleets of methanol cars and buses have been operating successfully in California for several years by the private sector with the Bank of America and by the public sector through a program run by the California Energy Commission. Methanol can be made from natural gas or coal, among other feedstocks. The United States has a current surplus of natural gas and has been described as the Saudi Arabia of coal. As a cleaner burning fuel, methanol permits greater use of coal in an environmentally sound manner.

While energy benefits are important, I am particularly interested in the environmental benefits of cleaner burning fuels such as methanol. I represent an area of southern California which is a nonattainment area under the Clean Air Act. We will not be able to achieve Federal air quality standards without alternate fuels. The use of methanol as part of an air quality strategy has been supported by the South Coast Air Quality Management District (SCAQMD) and the California Lung Association, among others.

The promise of methanol will not become a reality unless a vehicle can be delivered to consumers at a price comparable to conventional gasoline models. The same goes for the cost of the fuel itself. Additional on-the-road experience is essential to deteminging how to expand the use of methanol and fleets are a good way to acquire such information. Thus, the bill requires the Federal Government to purchase 5,000 methanol cars each year during fiscal years 1987 through 1990 out of the cars it would otherwise purchase. The bill mandates studies associated with the fleet.

Since diesel emissions from trucks and buses are a disproportionate source of air emissions, particularly in urban areas like Los Angeles and San Francisco, the bill mandates that buses purchased with Federal funds after January 1, 1991, be methanol-powered unless tests on an earlier fleet of buses show that this would cause specified adverse impacts.

This legislation is the culmination of a series of hearings dating back to the 97th Congress and is a combined effort of those who sponsored and cosponsored individual bills in the last Congress. Given this background, and the fact that a methanol bill is moving in the other body, I am extremely hopeful that we can enact methanol legislation into law in the near future.

Mr. BROYHILL. Mr. Speaker, today I am introducing the Methanol Energy Policy Act of 1985. I am pleased to be joined by Mr. Sharp, Mr. Madigan, Mr. Dannemeyer, Mr. Markey, Mr. Moorhead, and several other of my colleagues. I wish to especially applaud Mr. Sharp for his hard work and dedication to the methanol issue and to the formulation of this bill.

It is imperative for the Federal Government to actively encourage the use of alternative transportation and industrial fuels to lessen our dependency on foreign oil. One such fuel, available today, is methanol. Methanol is an organic compound which is widely used as a chemical solvent and in the production of a broad range of industrial chemical products. Although most of the world's current methanol capacity is based on surplus natural gas, methanol can be produced from a variety of other raw materials, including coal, petroleum, and biomass.

Methanol has real advantages over conventional fuels used in transportation and industrial applications. As a transportation fuel, it is currently being used in both public and private fleets in California with encouraging results. I am equally excited about the significant environmental advantages being experienced. Methanol burns cleaner and at a lower temperature than gasoline or diesel fuels, producing less nitrogen oxides, and negligible particulate and hydrocarbon emissions. This means improved health for the American people and hope for areas such as southern California and Houston, which experience a geat deal of smog caused by automobile-related pollutants.

This bill contains several important provisions. It requires the Federal Government to purchase 5,000 methanol vehicles per year, in place of planned purchases of gasoline vehicles, beginning in fiscal year 1987. It establishes both a long-haul truck demonstration program and a methanol-powered bus pilot program. After January 1, 1991, this legislation would require that all new intracity urban buses purchased with Federal funds be methanol-powered. This is extremely important from an environmental standpoint. If, over a number of years, we can replace our urban buses, which are now diesel powered, with methanol-powered vehicles, the environmental benefits to our cities will be enormous. No more clouds of black smoke as the bus pulls away from the stop. It is also important to point out that the Federal Government pays 80 percent of the cost of new city buses and 50 percent of the operation and maintenance costs, so we are not trying to tell local transit authorities what to do with their local funds. Under this bill, the Federal Government would also pay all incremental costs associated with purchasing methanol buses, costs which we expect to disappear after just a few years.

I urge my colleagues to look carefully at this legislation and join us in guaranteeing a decreased dependence on foreign oil and and cleaner environment by advancing methanol use.

THE RETIREMENT OF FRANK JOHNSON FROM THE ARIZONA DAILY STAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. Udall] is recognized for 10 minutes.

Mr. UDALL. Mr. Speaker, at the end of this year a distinguished and important member of the Arizona press corps, Frank Johnson, will write another page in his career as he retires from 39 years of deadlines at the Arizona Daily Star in Tucson.

I've known Frank as an editor of unshakable ethics, courage, and decency and one who never overlooked common sense. If some editors might shy from controversy, Frank would more likely ask why it wasn't on page 1. I will miss Frank Johnson. I wish him and his wife, Louise, the best of what they seek in all the years ahead.

In appreciation of this special newspaperman and good friend, I have asked George Ridge, a professor of journalism at the University of Arizona and a former Star city editor under Johnson, to write the following tribute:

Frank Johnson

(A tribute, by George Ridge, Professor of Journalism, University of Arizona, Tucson)

Frank Johnson is retiring on December 31, 1985, after 39 years and 109 days at The Arizona Daily Star. In his time, Frank has been a police reporter, a feature writer, a travel writer, a general assignment reporter, an entertainment writer, a city editor, an assistant managing editor, a managing editor, an executive managing editor and an executive editor of the Star. News writing has been described by some as "instant history," but while he was writing history under deadline pressure, Frank Johnson made a

little bit of history himself. And Frank's calm, professional approach to news also helped a lot of young reporters along their way.

"There are some guys with leadership born in them," says Don Robinson, who was hired by Frank at the Star 27 years ago. "I can remember back when Frank insisted that the cop reporters go out to all the robberies, even when it was 15 minutes to deadline. One time I called Frank from a pay phone on Miracle Mile with my hands shaking, it was so close to deadline. He was so casual that he could always put you at ease. He made it sound so easy, and he did that for all of us."

"Frank was our surrogate father, our loan officer, our psychiatrist, our sociologist, our marriage (and divorce) counselor, our bail bondsman," said Ken Burton. "You could take anything to Frank, and we all did. He would always take the time to listen—to anything. It was a very personal quality that made us feel as if we weren't just employes, but part of a family. It was special.

"The other thing I remember about Frank was that I never once saw the man explode, pound his fist, throw something or even raise his voice under pressure. He was so unflappable it was startling. If ever there was a guy who personified grace under fire, it was Frank Johnson."

Maybe this was because Frank had to grow up fast himself. At 23, he was the top sergeant for a Field Artillery unit on Guadalcanal. Every reporter who ever worked with Frank remembers his coolness under pressure, the way Frank can take over a newsroom amid any crisis and calmly get the news out.

Many reporters have forgotten that Frank was once a young reporter himself, having started at the Star on September 12, 1946. It was in 1948 that Frank set the never-surpassed record of 11 byline stories in one issue of the newspaper, according to Jack Sheaffer, whose memory substitutes for the Guinness Book of Star Records. It would have been only 10 bylines that day, says Jack, but Frank was out drinking beer after work and a light plane crashed in the parking lot of the Pioneer Hotel. He grabbed the telephone for byline No. 11.

The Star soon recognized what a natural Frank was, and made him city editor in 1950 at the tender age of 30. He took to this so well that, in the words of his wife, Louise, "someone could have committed murder on his desk and Frank would just have assigned a reporter to cover it."

Hal Marshall, who succeeded Frank as city editor, says that when he was hired the first thing Frank gave him was a picture of a local mobster, admonishing his new reporter to learn the local scene and the faces that go with it. "I carried that picture in my wallet for 10 years," recalls Marshall. "Right next to the pictures of my kids."

Not to be trifled with, Frank grew upset when one reporter would arrive for work, grab a newspaper and spend about an hour in the lavatory reading it. This ended when Frank rolled a firecracker under the door. Oldtimers still remember the reporter scrambling into the newsroom.

Frank's guidance was not limited to Star staffers. When Bill Greer was elevated from probationary Associated Press reporter to Tucson correspondent, Frank invited him into the office for a congratulatory word. At the end of the conversation, Frank lifted a knitted poodle cover that sat mysteriously on his desk—and the cover masked a bottle of whiskey. "If there's ever a time when it gets real rough out there and you really need it, this is here for emergency purposes," he advised Greer—who never saw the cover lifted again.

Sheaffer and Frank were in the tragic accident at the Star on July 22, 1982, that left both of them severely burned. Sheaffer recalls that he and Frank had been in a hundred scrapes through their careers, and always made it through.

Like the time in Mexico City, when the plane blew a tire just after liftoff for Merida. The pilot set it back down in a swamp at the end of the runway, and came on the intercom to announce to a startled audience: "Ladies and gentlemen, we have a flat tire."

Or the time in Montreal at Expo 67 that Frank wanted a closeup of the ice breaking up in the river. Sheaffer realized that he had miscalculated his location vis-a-vis the riverbank when his tripod started floating away from him. "I would have been a goner," he says, "but Frank jumped down and grabbed me and pulled me off the slippery ice to the bank."

In another episode, Frank—who always managed to keep the erect, slim figure of a topkick—could never understand how the portly Sheaffer got through the bars of a gate at a political rally in Hermosillo when Frank was pinned against the same gate by a crowd out of control.

Frank brought David Dare to Tucson, and the name still echoes when reporters get together to talk of legendary news feats. While city editor, Frank sent reporters under cover to inspect conditions in the migrant camps. Since the reporters' lives might be in danger, Frank credited the stories to a fictitious "David Dare." For years David Dare remained on the Star's assignment board, and Frank would pen in a facetious destination for him every day.

Frank gave Don Robinson so much confidence that it backfired. "Frank hired me and four weeks later tried to fire me," laughs Robinson. "But he had already built my confidence up so much that I wouldn't let him. I talked him out of it.

"You know, a little while back I said to him, 'Frank, it was just 25 years ago today that you hired me.' Frank always did have a ready reply. 'Where did I go wrong?' he asked."

"There really is leadership born in some guys," Robinson said. Frank had the ability to chew you out without humiliating you. In the old days he would walk from his desk to the copy desk with the stories. If he detoured by me, I knew I had misspelled a word. All he ever did was tap me on the head with that rolled up story and ask, 'How do you spell receive?' By God, I looked it up and never forgot how to spell it. There is something about the guy. You always wanted to do your best for Frank."

[Based on the memories of Hal Marshall, Jack Sheaffer, Barbara Sears, Jacqi Cobbledick, Jane Kay, Eddie Gallardo, Bill Greer, Ken Burton and Don Robinson.]

TRIBUTE TO JACK PAXTON, EDITOR, THE PADUCAH SUN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. Hubbard] is recognized for 30 minutes.

Mr. HUBBARD. Mr. Speaker, a box atop the editorial page of the Paducah Sun, the most widely read daily newspaper in western Kentucky and extreme southern Illinois, reads: Edwin J. Paxton, editor and publisher 1900-61; Edwin J. Paxton, Jr., editor 1961-77; Jack Paxton, editor 1977-85.

Actually, three men named Edwin J. Paxton have served as editor of the Paducah Sun since 1900. Jack Paxton was Edwin J. Paxton III but preferred the less formal name.

My wife Carol and I attended a wedding in La Center, KY, last Saturday night. It was the marriage of two newspaper publishers—Judy Magee of Wickliffe and Larry Stone of Central City. After the wedding, outside St. Mary's Catholic Church, my wife and I were told by several La Center residents that they had heard on a Paducah radio station that Jack Paxton, age 46, had been killed in an airplane crash south of Paducah. Such news was difficult to believe and/or accept.

By late Saturday night, September 14, it was statewide news in Kentucky that Jack Paxton was killed when a small plane he owned crashed on a farm near Paducah. A witness to the crash, Joy Pullen, said: "All of sudden, I heard its motors go out."

Tributes to Jack Paxton soon began to pour in from all sections of the United States.

Tom Brokaw, anchor of NBC Nightly News, was a friend of Paxton's with whom he worked for 10 years when both were news correspondents for NBC in New York City. Brokaw remembered Paxton as a "go anywhere, do anything risk-taker who would have done very well if he would have stayed with us at NBC in New York."

Kentucky Governor Martha Layne Collins said Monday that "Paxton was a positive force for progress and economic development in Paducah and western Kentucky." Governor Collins added: "His leadership and fellowship will truly be missed."

Former Kentucky Governor John Y. Brown, Jr., who appointed Paxton to the Kentucky Personnel Board and had asked Paxton to be secretary of his executive cabinet, said:

> It just doesn't seem fair for something like that to happen to someone with such talent and productive ability. Jack Paxton could have done anything that he wanted to do, but he chose to be a leader in his own community.

Former Kentucky Governor Julian M. Carroll, a native of Heath—just west of Paducah, said he had asked Paxton years ago to be his press secretary. Julian Carroll added:

> He didn't want to be in a posture to be involved with one politician or one political party. His uneasiness with political labels was the main reason he successfully brought about the renaming of the Paducah newspaper from the Sun-Democrat to the Sun. He did that because he didn't want anyone to think that the newspaper represented the views of the Democratic Party.

Former Governor Carroll appointed Paxton to the board of directors of the

Tennessee-Tombigbee Waterway Authority on August 30, 1979. Paxton continued to serve on that board until his death.

Hundreds of people who liked and admired Jack Paxton have paid tribute to him following his untimely and tragic death. Not only was Jack Paxton praised during the past 3 days by the Governor and former Governors of Kentucky but also by those of all walks of life—elderly Paducahans living on Social Security, firemen, business leaders, minimum-wage workers, clergy, teachers, and those many who worked with him and under his leadership at the Paducah Sun.

Allan Rhodes, Sr., president of Paducah-McCracken County Growth, Inc., credited Paxton with "laying the groundwork for the formation of the nonprofit group to help keep downtown Paducah alive."

Bob Green, developer of the largest hotel in my 24-county congressional district—the huge Executive Inn of Paducah, said he wouldn't have built the hotel but for the active efforts of Paxton and the late Judge-Executive Raymond C. Schultz (who died only last December 14).

Time will allow only a few more deserving tributes from my constituents regarding Jack Paxton.

Fred Paxton, chairman of the NBC Affiliates Board from 1980–84, president and managing director of Paducah's WPSD-TV, and president and publisher of the Paducah Sun:

> He (Jack Paxton) was a forceful man who drove toward conclusions. And once decisions were made, he saw to it that they stuck. Yet he carried within him a rare perception of the needs and concerns of others. His tenderness to those in need, or even in doubt, belied his great stature and physical strength. He campaigned for the poor and helpless and, eschewing publicity, worked to raise uncounted thousands of dollars for neglected youths, homeless adults, battered wives and other hapless souls.

Don Pepper, editorial writer for the Paducah Sun:

> Jack . . . Did believe in truth. He believed that some things are right and others wrong. He believed in dealing honestly and fairly with every person. He despised the human habit of erecting barriers between people, which is what religious people call sin. He did believe that there are values in life that are worth striving for. Why they are, or how they came to be bound into the fabric of life itself he'd probably say he didn't know. These elusive strands of belief and faith gave Jack a special sensitivity to other people.

Bill Powell, the dean of journalists in western Kentucky and who for many years was a highly respected reporter for the Paducah Sun and the (Louisville) Courier-Journal:

> I had known Jack since he was 10 years old. Even as a youngster he impressed me as being very bright and very fair. I had no doubts that he would fulfill his goals. I watched him grow up during the 28 years that I worked for his grandfather and father (at the Paducah Sun-Democrat). I thought he was one of the best correspondents NBC had, but I was glad to see him come back home. He was good for the Sun. I have to compare him especially to his grandfather (E. J. Paxton, Sr.), who as early as 1900 was pushing for development of downtown, and bringing new industry and jobs to the city, the very things Jack was pushing for up to the day he died. Above all, I admired his fairness and ability to get along with others. He made life more fun for all of us.

Rev. Tim Tayloer, the popular and brilliant pastor of Grace Episcopal Church in Paducah, told about 500 who attended a memorial service at the church yesterday:

> Jack Paxton . . . had a talent for friendship, with people in all walks of life, and so we have come together from many circumstances . . . to salute a friend. He had already journeyed far . . . but he came home—home to roots, to the place where the deep things of life abide and prosper. And then he became, at a still young age, one of the guardians, those who watch and work and take care for the preservation and prosperity of the good community, so that the children who come after us may have a clean and wholesome and loving place in which to grow up; may learn to know and honor truth and honesty and courage and compassion; may become all they can be.

Paxton is survived by a young and very attractive wife, Debbie Paxton, who is referred to by an editorial yesterday in Tte Paducah Sun, written by Fred Paxton as "an ebullient, charming, understanding young lady." Also surviving are two well-known western Kentuckians—Josh Paxton, age 8, and Adam Paxton, age 3, the two sons about whom Jack Paxton enjoyed writing in his frequent columns in the Paducah Sun. Jack's parents and two sisters also mourn his death. Jack's father, Edwin J. Paxton, Jr., though living in Cocoa Beach, FL, now, is still remembered by western Kentuckians for his 17 years of outstanding leadership as editor of the Paducah Sun. Much more could be said of Ed Paxton and his lovely mother, Evelyn Goodman Paxton.

As Congressman for western Kentucky I speak for thousands in saying now that Jack Paxton was an outstanding citizen whose opinions and writings had a very positive influence on western Kentucky and southern Illinois.

Mr. Speaker, I liked and admired Jack Paxton. He could tell it like it is in writing better than any journalist I have ever read.

Jack Paxton was the most effective—always behind the scenes—promoter of progress for downtown Paducah.

Jack Paxton's death at age 46 is a vivid reminder to us as to the uncertainty of life.

□ 1735

Mr. GRAY of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HUBBARD. I yield to the gentleman from Illinois.

Mr. GRAY of Illinois. I thank my distinguished neighbor from Kentucky for yielding, and I want to join all of our colleagues in commending him for taking this time to pay tribute to a great American. Although my district is across the river from Paducah, in southern Illinois, Jack Paxton's work is well known. I am reminded of the old biblical phrase that "Greater love hath no man than this, that a man lay down his life for his friends." And Jack Paxton was that type of an individual. As you so ably pointed out in your remarks earlier, there was no task too small for him, whether it was helping some lowly person along the street or working for economic development or the Tombigbee Waterway, which is a great billion-dollar program for navigation along the inland waters of this great country, and I want to join with you in extending sympathy to all of the members of the Paxton family and say that although this light has gone out, I am sure that the memories he has left will be long remembered in the way of development for our region.

I thank you so much for taking out this special order.

Mr. HUBBARD. I wish to thank the gentleman from Illinois [Mr. Gray] my neighbor across the Ohio River, for his statements in joining with me in expressing sympathy to the wife, the children, the parents and other members of the Paxton family.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Lehman of California (at the request of Mr. Wright), for September 18, 19, and 20, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DeWine) to revise and extend their remarks and include extraneous material:)

Mr. Smith of New Hampshire, for 60 minutes, on September 19.

Mr. Rudd, for 5 minutes, today.

(The following Members (at the request of Mr. Penny) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.
Mr. Kleczka, for 5 minutes, today.
Mr. Rose, for 5 minutes, today.
Mr. Wirth, for 5 minutes, today.
Mr. Sharp, for 60 minutes, today.
Mr. Udall, for 10 minutes, today.

Mr. Hubbard, for 30 minutes, today.
Mr. de la Garza, for 60 minutes, on September 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DeWine) and to include extraneous matter:)

Mr. Tauke.
Mr. Badham.
Mr. Gunderson.
Mr. Broomfield in seven instances.
Mr. Goodling.
Mr. Courter.
Mr. Dornan of California.
Mr. Gingrich in two instances.
Mr. Green.
Mr. Bilirakis.
Mr. Whitehurst.
Mr. McGrath.
Mr. Rinaldo.
Mr. Bereuter in two instances.
Mr. Coats.

(The following Members (at the request of Mr. Penny) and to include extraneous matter:)

Mr. Ford of Michigan.
Mr. Florio in two instances.
Mrs. Burton of California.
Mr. Kleczka.
Mr. Owens.
Mr. Bryant.
Mr. Edgar in two instances.
Mr. Studds.
Mr. Barnes.
Mr. Markey in two instances.
Mr. Garcia.
Mr. Ackerman.
Mr. Boland.
Mr. Roybal.
Mr. Leland.
Mr. Mineta.
Mr. Bedell in two instances.
Mr. Dyson.
Mr. Shelby.
Mr. Weiss.
Mr. Moakley.
Mr. Lehman of California.

ADJOURNMENT

Mr. HUBBARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 40 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, September 19, 1985, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2009. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notice of the decision to convert to contractor performance the protective coating function at the U.S. Air Force Academy, CO, pursuant to 10 U.S.C. 2304 nt; to the Committee on Armed Services.

2010. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of the intent to issue commercial export license for sale of major defense equipment to the Government of Portugal (Transmittal No. MC-27-85), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

2011. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of the intent to issue commercial export license for sale of major defense equipment to the Government of Spain (Transmittal No. MC-28-85), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

2012. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting the justification of an increase in the allocation of foreign assistance for Grenada, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

2013. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting the justification for changes in the allocation of foreign assistance for Jamaica, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

2014. A letter from the Chairperson, Navy Resale and Services Support Office Retirement Trust, transmitting the annual report on the Navy Resale and Services Support Office, Retirement Trust, Department of the Navy, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

2015. A letter from the Chief Justice, Supreme Court of the United States, transmitting notification that the court will open the October 1985 term on October 7, 1985 at 10:00 a.m.; to the Committee on the Judiciary.

2016. A letter from the Attorney General of the United States, transmitting a series of eight bills which comprise the administration's antifraud enforcement initiative; jointly, to the Committees on the Judiciary and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 2100. A bill to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers and abundance of food and fiber at reasonable prices, and for other purposes; with amendments (Rep. 99-271, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 3248. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes; with an amendment (Rep. 99-274). Referred to the Committee of the Whole House on the State of the Union.

Mr. HEFNER: Committee on Appropriations. H.R. 3327. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes (Rept. 99-275). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS:

H.R. 3325. A bill to amend title 23, United States Code, to provide that States shall establish certain requirements respecting all-terrain vehicles as a condition to the receipt of funds for highway construction; to the Committee on Public Works and Transportation.

By Mr. WIRTH (for himself, Mr. Hawkins, Mr. Downey of New York, Mr. Boucher, Mr. Brown of California, Mr. Leland, Mrs. Collins, Mr. Rinaldo, Mr. Nelson of Florida, Mr. Levine of California, Mr. Matsui, Mr. Vento, Mr. Flippo, Mr. Howard, Mr. Rose, Mr. Moakley, Mr. McHugh, Mr. Markey, Mr. Bosco, Mrs. Lloyd, Mr. Dymally, Mr. Lantos, Mr. Lehman of Florida, Mr. Edgar, Mr. Mitchell, Mr. Valentine, Mr. Hoyer, Mr. Mineta, Mr. Richardson, Mr. Savage, Mr. Sikorski, Mr. Garcia, and Mr. Scheuer):

H.R. 3326. A bill to provide assistance to local educational agencies and institutions of higher education to promote the development and use of education technology by elementary and secondary school students and their teachers, and for other purposes; jointly, to the Committees on Education and Labor, and Science and Technology.

By Mr. HEFNER:

H.R. 3327. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes.

By Mr. BEDELL (for himself, Mr. Madigan, Mr. Roberts, Mr. Daschle, Mr. Evans of Iowa, Mr. Penny, Mr. Bereuter, Mr. Tauke, Mr. Slattery, Mr. Gunderson, Mr. Glickman, Mr. Coleman of Missouri, Mr. Vander Jagt, Mrs. Smith of Nebraska, and Mr. Lightfoot):

H.R. 3328. A bill to amend the Tariff Act of 1930; to the Committee on Ways and Means.

By Mrs. BENTLEY:

H.R. 3329. A bill to declare a portion of the Middle River, Maryland, as a nonnavigable waterway of the United States; to the Committee on Energy and Commerce.

By Mr. BROOMFIELD:

H.R. 3330. A bill entitled: the "Nuclear Power Plant Security and Anti-Terrorism Act of 1985"; to the Committee on Interior and Insular Affairs.

By Mr. BRYANT:

H.R. 3331. A bill to designate the United States Post Office Building located at 2120 South Ervay in Dallas, TX, as the "Juanita Craft Post Office of South Dallas"; to the Committee on Post Office and Civil Service.

By Mr. DERRICK:

H.R. 3332. A bill to transfer title, control, and custody of certain lands near Aiken, SC, from the U.S. Department of Agriculture to the U.S. Department of Energy; to the Committee on Agriculture.

By Mr. DYMALLY:

H.R. 3333. A bill to require persons who obtain or renew oil or gas leases with the United States to have a plan for contracting with minority firms for activities undertaken under the leases, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FISH (for himself, Mr. Moorhead, Mr. Hyde, Mr. Sensenbrenner, Mr. DeWine, and Mr. Dannemeyer):

H.R. 3334. A bill entitled: the "False Claims Act Amendments of 1985"; to the Committee on the Judiciary.

By Mr. FISH (for himself, Mr. Moorhead, Mr. Hyde, Mr. Sensenbrenner, Mr. DeWine, Mr. Dannemeyer, and Mr. Coble):

H.R. 3335. A bill entitled: the "Program Fraud Civil Penalties Act of 1985"; to the Committee on the Judiciary.

H.R. 3336. A bill entitled: the "Bribes and Gratuities Act of 1985"; jointly, to the Committee on the Judiciary, and Armed Services.

By Mr. FISH (by request):

H.R. 3337. A bill entitled: the "Contract Disputes Act and Federal Courts Improvement Act Amendments of 1985"; to the Committee on the Judiciary.

By Mr. FLORIO:

H.R. 3338. A bill to amend the Petroleum Marketing Practices Act; to the Committee on Energy and Commerce.

By Mr. FRANK:

H.R. 3339. A bill to amend the copyright law respecting the limitations on exclusive rights to secondary transmissions; to amend the Communications Act of 1934 respecting retransmission of programs originated by broadcast stations; and for other purposes; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. GEKAS (for himself, Mr. Sensenbrenner, Mr. DeWine, and Mr. Dannemeyer):

H.R. 3340. A bill entitled: the "Grand Jury Disclosure Amendments of 1985"; to the Committee on the Judiciary.

By Mr. GEKAS (for himself, Mr. Fish, Mr. Moorhead, Mr. Hyde, Mr. Sensenbrenner, and Mr. DeWine):

H.R. 3341. A bill entitled: the "Anti-Fraud Criminal Enforcement Act of 1985"; jointly, to the Committees on the Judiciary and Armed Services.

By Mr. KINDNESS (for himself, Mr. Sensenbrenner, and Mr. DeWine):

H.R. 3342. A bill entitled: the "Debt Collection Act Amendments of 1985"; to the Committee on the Judiciary.

By Mr. KOLTER:

H.R. 3343. A bill to provide that procurement of the new United States weather radar system, NEXRAD, continue on schedule and according to the established minimum requirements agreed to by the National Weather Service, the Federal Aviation Administration, and the Department of Defense; to the Committee on Science and Technology.

By Mr. LELAND (for himself, and Mr. Hall of Ohio):

H.R. 3344. A bill to establish the National Commission to Prevent Infant Mortality; to the Committee on Energy and Commerce.

By Mr. LOWERY of California:

H.R. 3345. A bill to establish an Advisory Commission on tactical Nuclear Forces; to the Committee on Armed Services.

H.R. 3346. A bill to amend the Foreign Assistance Act of 1961 to prohibit funding for the United States proportionate share for certain programs for Communist countries; to the Committee on Foreign Affairs.

H.R. 3347. A bill to repeal the Technology Assessment Act of 1972 which authorizes the activities of the Office of Technology Assessment; to the Committee on Science and Technology.

H.R. 3348. A bill to provide a tax credit for retraining expenses for individuals who are unemployed, and for other purposes; to the Committee on Ways and Means.

By Mr. McEWEN:

H.R. 3349. A bill to establish the National Commission to Prevent Infant Mortality; to the Committee on Energy and Commerce.

By Mr. MARKEY:

H.R. 3350. A bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. NEAL:

H.R. 3351. A bill to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes; to the Committee on Energy and Commerce.

By Mr. REID:

H.R. 3352. A bill to transfer certain real property to the city of Mesquite, NV; to the Committee on Interior and Insular Affairs.

By Mr. ROSE (for himself and Mr. Hall of Ohio):

H.R. 3353. A bill to establish the National Commission to Prevent Infant Mortality; to the Committee on Energy and Commerce.

By Mr. ROYBAL:

H.R. 3554. A bill to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens popularly known as "Silva Class Members", and for other purposes; to the Committee on the Judiciary.

By Mr. SHARP (for himself, Mr. Broyhill, Mr. Dannemeyer, Mr. Markey, Mr. Madigan, Mr. Wyden, Mr. Moorhead, and Mr. Wise):

H.R. 3355. A bill to develop a national methanol energy policy and to coordinate efforts to implement such policy; to the Committee on Energy and Commerce.

By Mr. SHELBY (for himself and Mr. Montgomery):

H.R. 3356. A bill to designate the public park known as the Stinson Creek Recreation Area and located at Columbus Lake in Lowndes County, MS, as the Lloyd D. Hayes Recreation Area; to the Committee on Public Works and Transportation.

By Mr. ROBERT F. SMITH (for himself and Mr. Stenholm):

H.R. 3357. A bill to require the Federal Government to enter into contracts with the private sector for procurement of property and services needed by the Federal Government when any cost comparison demonstrates that the cost of such procurement from private sector sources is lower than the cost of providing such property or services by the Government, and to establish in the procurement policy of the Federal Government a greater reliance on private sector sources to provide property and services needed by the Federal Government; to the Committee on Government Operations.

By Mr. STUDDS (for himself, and Mr. Breaux):

H.R. 3358. A bill to reauthorize the Atlantic Striped Bass Conservation Act, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TAUKE:

H.R. 3359. A bill to establish a special advisory council to study and make recommendations with respect to the medical and vocaticnal aspects of disability under titles II and XVI of the Social Security Act, and with respect to the so-called notch problem in the computation of social security benefit amounts; to the Committee on Ways and Means.

By Mr. WAXMAN:

H.R. 3360. A bill to designate the Public Health Service facility in Carville, LA, as the Gillis W. Long Hansen's Disease Center; to the Committee on Energy and Commerce.

By Mr. ERDREICH:

H.J. Res. 390. Joint resolution proposing an amendment to the Constitution of the United States relating to equal access by voluntary student religious groups and moments of silence which may be used for voluntary silent prayer or reflection in public schools; to the Committee on the Judiciary.

By Mr. GEJDENSON:

H.J. Res. 391. Joint resolution to designate November 21, 1985, as "William Beaumont Day"; to the Committee on Post Office and Civil Service.

By Mr. BARNES:

H. Con. Res. 192. Concurrent resolution expressing the support of the Congress for an early and peaceful return of democratic rule in Chile; to the Committee on Foreign Affairs.

By Mr. DORNAN of California:

H. Con. Res. 193. Concurrent resolution expressing the sense of the Congress concerning the appropriation of additional funds for the United States contribution to the seventh replenishment of the resources of the International Development Association; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ROWLAND of Connecticut:

H. Con. Res. 194. Concurrent resolution urging the President to commence promptly a new round of multilateral trade negotiations under the General Agreement on Tariffs and Trade; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BENTLEY:

H.R. 3361. A bill for the relief of Pelican Party Boat Corp. and the vessel *Eliminator*; to the Committee on Merchant Marine and Fisheries.

By Mr. BOSCO:

H.R. 3362. A bill to permit three specified vessels to be scrapped in the foreign market; to the Committee on Merchant Marine and Fisheries.

By Mr. GLICKMAN:

H.R. 3363. A bill for the relief of Hamilton Jordan; to the Committee on the Judiciary.

By Mr. HENRY:

H.R. 3364. A bill for the relief of Pietro Russo; to the Committee on the Judiciary.

By Mr. RAHALL:

H.R. 3365. A bill for the relief of Mountaha Bou-Assali Saad; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 12: Mr. Darden and Mr. Erdreich.

H.R. 66: Mr. Valentine, Mrs. Bentley, Mr. Scheuer, and Mr. Crockett.

H.R. 67: Mr. Sharp, Mr. Valentine, Mrs. Bentley, Mr. Scheuer, and Mr. Crockett.

H.R. 156: Mr. Gray of Pennsylvania.

H.R. 161: Mr. Crockett.

H.R. 338: Mr. Carper.

H.R. 585: Mr. Moorhead, and Mr. Schuette.

H.R. 605: Mr. Hendon, Mr. Pease, Mr. Darden, Mr. Fields, and Mr. Blaz.

H.R. 780: Mr. Olin and Mr. Emerson.

H.R. 825: Mr. Bryant, Mr. Synar, and Mr. Dorgan of North Dakota.

H.R. 877: Mr. Schuette and Mr. Hubbard.

H.R. 933: Mr. Atkins.

H.R. 945: Mr. Loeffler, Mr. Kolbe, Mr. Monson, Mr. Combest, Mr. McCurdy, Mr. Petri, Mr. Gingrich, Mr. Barton of Texas, Mr. Barnard, Mr. McCain, Mr. Boucher, Mr. Coleman of Texas, Mr. Gunderson, and Mr. McCloskey.

H.R. 979: Mr. Edwards of Oklahoma.

H.R. 1071: Mr. Martinez.

H.R. 1188: Mr. Ford of Michigan, Mr. Oxley, Mr. Perkins, Mr. Clay, Mr. Denny Smith, Mr. Sabo, Mr. English, Mr. Moakley; Mrs. Smith of Nebraska, Mr. Rahall, and Mr. Stokes.

H.R. 1284: Mr. Reid and Mr. Durbin.

H.R. 1318: Mr. Fields and Mr. Bartlett.

H.R. 1423: Mr. Smith of New Hampshire.

H.R. 1457: Mr. Wortley, Mr. Martinez, Ms. Mikulski, Mr. Loeffler, Mr. Conte, Mr. Chappie, Mr. Bustamante, and Mr. Kolbe.

H.R. 1478: Mr. Carney.

H.R. 1551: Mr. Badham, Daniel, Mr. Dyson, Mr. Emerson, Mr. Hall of Texas, Mr. McCain, Mr. Mitchell, and Mr. Young of Florida.

H.R. 1562: Mr. Dellums, Mr. Smith of New Jersey, Mr. Obey, and Mr. Loeffler.

H.R. 1579: Mrs. Kennelly and Mr. Edgar.

H.R. 1616: Mr. Hughes, Mr. Dicks, and Mr. Foglietta.

H.R. 1809: Mr. Andrews.

H.R. 1908: Mr. Fields.

H.R. 1918: Mr. Lehman of Florida, Mr. Weber, Mr. Annunzio, Mr. Smith of Iowa, Mr. Edgar, Mr. Huckaby, Mr. Daub, Mr. Reid, Mr. Taylor, Mr. Quillen, Mr. Jones of North Carolina, Mr. Fuqua, Mr. Wortley, Mr. Nelson of Florida, and Mr Carney.

H.R. 1985: Mr. Studds and Mr. Vander Jagt.

H.R. 2164: Mr. Hendon

H.R. 2205: Mr. Applegate, Mr. Bryant, and Mr. Schuette.

H.R. 2263: Mr. Moakley, Mr. Burton of Indiana, Mr. Traxler, Mr. Traficant, Mr. Donnelly, Mr. Dyson, Mr. Borski, Mr. Coyne, and Mr. de la Garza.

H.R. 2440: Mr. Barnard, Mr. Dicks, Ms. Kaptur, and Mr. Mollohan.

H.R. 2539: Mr. Jacobs, Mr. Pease, Mr. Hunter, Mr. Fields, Mr. Blaz, and Mr. Combest.

H.R. 2557: Mr. Bonior of Michigan and Mr. Torres.

H.R. 2567: Mr. Feighan.

H.R. 2591: Mr. Bryant.

H.R. 2617: Mr. Shaw, Mr. AuCoin, and Mr. Lott.

H.R. 2684: Mr. Stallings, Mr. Sensenbrenner, and Mr. Robert F. Smith.

H.R. 2793: Mr. Monson and Mr. Wise.

H.R. 2826: Mr. Derrick.

H.R. 2854: Mr. Pashayan.

H.R. 2939: Mr. Clinger, Mr. Martinez, Mrs. Boxer, Mr. Perkins, and Mr. Fish.

H.R. 2954: Mr. Matsui, Mr. Nielson of Utah, Mr. Smith of New Jersey, and Mrs. Bentley.

H.R. 3032: Mr. Perkins and Mr. Yates.

H.R. 3035: Mr. Biaggi, and Mr. Dowdy of Mississippi.

H.R. 3045: Mr. Smith of Florida.

H.R. 3172: Mr. Courter.

H.R. 3173: Mr. O'Brien, Mr. Armey, Mr. Franklin, Mr. Pashayan, and Mr. Gingrich.

H.R. 3202: Mr. Grotberg, Ms. Snowe, Mr. Moody, Mr. Weaver, Mr. Mitchell, and Mr. Bonior of Michigan.

H.R. 3298: Mr. Hammerschmidt, Mr. Kramer, Mr. Fields, and Mr. Bartlett.

H.J. Res. 36: Mr. Daub, Mr. Yatron, Mr. Matsui, Mr. Bereuter, and Mr. Schuette.

H.J. Res. 126: Mr. Hall of Ohio, Mr. Manton, Mr. Hoyer, Mr. Daschle, Mr. Courter, Mr. Kemp, Mr. Beilenson, and Mr. Dornan of California.

H.J. Res. 172: Mr. Akaka, Mrs. Bentley, Mr. Boner of Tennessee, Mr. Bustamante, Mr. Clay, Mr. Daniel, Mr. Dicks, Mr. Dymally, Mr. Dyson, Mr. Foley, Mr. Kastenmeier, Mrs. Kennelly, Mrs. Lloyd, Mr. McDade, Mrs. Meyers of Kansas, Mr. Michel, Mr. Moakley, Mr. Moody, Mr. Moorhead, Mr. Mack, Mr. Roth, Mr. Rowland of Connecticut, Mr. Rudd, Mr. Sikorski, Mr. Siljander, Mr. Skelton, Mr. Robert F. Smith, Mr. Swindall, Mr. Tallon, Mr. Udall, Mr. Walgren, Mr. Wilson, Mr. Wyden, and Mr. Young of Alaska.

H.J. Res. 175: Mr. Pickle.

H.J. Res. 179: Mr. Dorgan of North Dakota and Mr. Petri.

H.J. Res. 207: Mr. Dyson, Mr. Matsui, Mr. Mineta, and Mr. Brown of California.

H.J. Res. 218: Mrs. Vucanovich.

H.J. Res. 221: Mr. Brooks, Mr. Broyhill, Mr. Bryant, Mrs. Byron, Mr. Carr, Mr. Coats, Mr. Courter, Mr. Gray of Pennsylvania, Mr. Guarini, Mr. Wyden, Mr. Hiler, Mr. Kildee, Mr. Kramer, Mr. Wolpe, Mr. Manton, Mr. Moody, Mr. Rowland of Connecticut, Mr. Saxton, Mr. Smith of New Jersey, and Mr. Wirth.

H.J. Res. 267: Mr. Bateman.

H.J. Res. 277: Mr. Savage.

H.J. Res. 296: Mr. Luken.

H.J. Res. 297: Mr. Hendon, Mr. Young of Missouri, Mr. Boland, Mr. Fuqua, Mr. Coyne, Mr. Wyden, Mr. Lott, Mr. Wortley, Mr. Stenholm, Mr. Grotberg, Mr. Evans of Iowa, Mr. Vento, and Mr. Sharp.

H.J. Res. 306: Mr. Weiss and Mr. Badham.

H.J. Res. 363: Mr. McGrath, Ms. Mikulski, and Mr. Eckert of New York.

H.J. Res. 377: Mr. Fauntroy, Mr. Dannemeyer, Mr. Horton, Mr. Rahall, Mr. Applegate, Mr. Rudd, Mr. Murphy, Mr. Ireland, Mr. Daub, Ms. Mikulski, Mr. Young of Florida, Mr. Gray of Illinois, Mr. de la Garza, Mr. Volkmer, Mr. Carney, Mr. Richardson, Mr. Roe, Mr. Fazio, Mr. Lagomarsino, Mr. Chappell, Mr. Monson, Mr. Nelson of Florida, Mr. Chappie, Mr. Pashayan, Mr. Fuqua, Mr. Dixon, Mr. Lungren, Mr. Levine of California, Mr. Smith of Florida, Mr. Matsui, and Mr. Martinez.

H.J. Res. 381: Mr. Annunzio, Mr. Frank, Mr. Fazio, Mr. Florio, Mr. Lagomarsino, Mr. Horton, and Mrs. Boxer.

H. Con. Res. 15: Mr. Schumer.

H. Con. Res. 58: Mr. Martinez.

H. Con. Res. 129: Mrs. Bentley, Mr. Horton, Mr. Moorhead, and Mr. Chappie.

H. Res. 105: Mr. Hatcher.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

209. By the SPEAKER: Petition of the Legislative Research Commission, Frankfort, KY, relative to the deductability of certain local taxes; to the Committee on the Judiciary.

210. Also, petition of the Confederation of Asia-Pacific Chambers of Commerce and Industry, Taipei, Taiwan, relative to textiles; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2100

By Mr. KASTENMEIER:

—On pages 53 and 54, beginning with line 4 on page 53, delete all of Sec. 231 and insert the following:

Sec. 231. (a) Section 8c(5)(A) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)(A)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following: "Throughout the 2-year period beginning on the effective date of this sentence (and subsequent to such 2-year period unless modified by amendment to the order involved), the minimum aggregate amount of the adjustments, under clauses (1) and (2) of the preceding sentence, to prices for milk of the highest use classification under orders that are in effect under this section on the date of the enactment of the Dairy Unity Act of 1985 shall be as follows:

"Marketing Areas Subject to Order	Minimum Aggregate Amount of Such Adjustments Per Hundredweight of Milk Having 3.5 Per Centum Milkfat
New England	3.00
New York-New Jersey	2.84
Middle Atlantic	2.78
Georgia	2.60
Alabama-West Florida	2.60
Upper Florida	3.30
Tampa Bay	3.60
Southeastern Florida	3.90
Michigan Upper Peninsula	1.35
Southern Michigan	1.60
Eastern Ohio-Western Pennsylvania	1.85
Ohio Valley	1.70
Indiana	1.53
Chicago Regional	1.26
Southern Illinois	1.53
Louisville-Lexington-Evansville	1.95
Upper Midwest	1.12
Eastern South Dakota	1.40
Black Hills	1.95
Iowa	1.40
Nebraska-Western Iowa	1.60
Greater Kansas City	1.74
Tennessee Valley	2.30
Nashville	2.10
Paducah	1.85
Memphis	2.10
Central Arkansas	1.94
Fort Smith	1.95
Southwest Plains	1.98
Texas Panhandle	2.25
Lubbock-Plainview	2.42
Texas	2.32
Greater Louisiana	2.60

"Marketing Areas Subject to Order	Minimum Aggregate Amount of Such Adjustments Per Hundredweight of Milk Having 3.5 Per Centum Milkfat
New Orleans-Mississippi	3.10
Eastern Colorado	2.30
Western Colorado	2.00
Southwestern Idaho-Eastern Oregon	1.50
Great Basin	1.90
Lake Mead	1.60
Central Arizona	2.52
Rio Grande Valley	2.35
Puget Sound-Inland	1.85
Oregon-Washington	1.95

Effective at the beginning of such two-year period, the minimum prices for milk of the highest use classification shall be adjusted for the locations at which delivery of such milk is made to such handlers.".

(b) The amendment made by this section shall take effect on the first day of the first month beginning more than 120 days after the date of enactment of this Act.

By Mr. ROTH:

—Page 37, beginning in line 4, strike out "The Secretary" and all that follows through "Agriculture." in line 7 and insert in lieu thereof the following: "The Secretary of agriculture shall, in consultation with the International Trade Commission and the United States Trade Representative, conduct a study to determine what relief should be granted because of the interference of imported casein with the dairy price support program."

—Page 274, after line 12 insert the following:

TRADE LIBERALIZATION

SEC. 1132. (a) Congress finds that—

(1) the present high level of agricultural protectionism contrasts sharply with the general trade liberalization that has been achieved since the inception of the General Agreement of Tariffs and Trade (hereinafter referred to as "GATT");

(2) GATT procedures should explicity recognize the protective effect of domestic subsidies that alter trade indirectly by reducing the demand for imports and increasing the supply of exports;

(3) current rules make a distinction between primary and manufactured products, and this allows for agricultural export subsidies;

(4) the rule that permits export subsidies on primary products that do not result in inequitable market shares has proven to be unworkable; and

(5) a unified treatment of tariffs and subsidies would clarify trading rules for market participants and simplify trade negotiations.

(b) It is the sense of Congress that the President should negotiate with other parties to GATT to revise GATT rules so that agricultural export subsidies would be treated the same as tariffs and primary products the same as manufactured products.

Amend the table of contents at the beginning of the bill accordingly.

H.R. 2266

By Mr. RINALDO:

—Page 11, after line 25, insert the following new section:

SEC. 12. TRANSPORTATION OF UNOCCUPIED VEHICLES.

Section 103(3) of the Rail Passenger Service Act (45 U.S.C. 502(3)) is amended by inserting ", and, when space is available, of unoccupied vehicles" after "and their occupants".

EXTENSIONS OF REMARKS

THE KGB AND THEIR MAGICAL DUSTING POWDER

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BROOMFIELD. Mr. Speaker, I am shocked at this recent incident involving the use by the KGB of a chemical powder to track U.S. diplomats and others in Moscow. What is most disturbing is the fact that so little is known about the potentially harmful powder. Once again, the Soviets have chosen to ignore the health of innocent human beings in their vigorous pursuit of those who might be doing something they disapprove of.

As my colleagues well know, the Department of State recently announced that Embassy Moscow vehicles had been dusted with a powder that is used to aid the KGB in conducting surveillance of foreigners. Very little is known about the yellowish powder, NPPD, nitro-phenyl-pentadiene-aldehyde.

U.S. officials have said that NPPD, a synthetic chemical, had been discovered last year to be a mutagen or cancer-causing substance. Some Embassy employees have allegedly developed skin rashes, the possible result of contact with a heavier-than-usual concentration of the chemical.

The State Department is to be commended for its stern protest to the Soviets and the Embassy's rapid briefing of Embassy employees and others about the possible harmful effects of that substance. A State Department team was also dispatched to Moscow to collect samples from doorknobs, steering wheels, and other surfaces that might have been sprinkled with the chemical dust. The samples are now being tested in the United States.

I am not surprised that the Soviets have resorted to this technique and are apparently oblivious to the fact that the chemical, which the KGB concocted, could seriously damage a person's health. On many occasions, our Government has told the Soviets to stop beaming microwaves into the top floors of the American Embassy building in downtown Moscow. While the bombardment of the chancery had been reduced over the years, microwaves are still being directed against the building. As of this date, there is real concern in the United States about the long-term health damage which might be caused by exposure to large doses of microwave energy. In spite of our official complaints, the beams are still being directed at the Embassy.

While I sincerely hope that the upcoming summit between President Reagan and the Soviet leader, Mr. Gorbachev, is productive, I am concerned about the intentions of a country which authorizes the use of potentially dangerous chemicals on foreign diplomats and bombards embassies with microwaves. Although I believe that our two countries can have a relationship, I urge the President to be cautious in his dealings with Gorbachev and Company. Our President would also be well advised to lightly dust off his chair before setting down.

With these concerns in mind, I commend the following Washington Post article to my colleagues in the Congress.

[From the New York Times, Aug. 22, 1985]

AMERICANS GIVEN MOSCOW BRIEFING

500 RESIDENTS ARE SUMMONED BY STAFF OF U.S. EMBASSY, BUT QUESTIONS REMAIN

(By Serge Schmemann)

Moscow, Aug. 21.—American residents here were informed of assertions about the use of a potentially harmful chemical by the K.G.B. in an extraordinary series of briefings today.

In three separate one-hour sessions, about 500 diplomats, technicians, journalists, businessmen, teachers and other residents gathered in the ballroom of Spaso House, the Ambassador's residence, for information that few found assuring and none found sufficient.

The thrust of the information was that the K.G.B., the Soviet internal security agency, had intensified its use of the chemical as an aid in conducting surveillance of foreigners.

In the absence of Ambassador Arthur A. Hartman, the briefings were held by the chargé d'affaires, Richard E. Combs Jr., who said available information gave no cause for alarm.

But the information presented by Mr. Combs and by Dr. Charles E. Brodine, a State Department medical officer who flew here for the briefings, was too scanty to allay concern.

QUESTIONS BEING ASKED

A young mother asked whether her child could be tested for exposure to the substance. A journalist asked what specific places or things should be avoided. A woman recently arrived wondered whether the chemical could be included in preparations used by Soviet exterminators against cockroaches.

Others asked why the alarm was being raised now, if the use of the tracking agents had been known for years, and tests were conducted in 1984. Mr. Combs and Dr. Brodine said that a yellowish powder called nitrophenylpentadienal was being used increasingly by the Russians to keep track of foreigners' movements.

Laboratory analyses in Washington, they said, determined that the chemical was a substance known to cause genetic change. They said the substance was being used in minute quantities and its use was therefore probably not a cause for alarm.

Dr. Brodine said little was known about the properties of the compound and extensive tests were required to determine its actual effects. A team of scientists are on their way to the Soviet Union to begin testing, he said.

WASH WITH SOAP AND WATER

He advised the American residents to wash with soap and water and then with an alcohol-based compound.

Mr. Combs said no diplomats were known to have suffered from the chemical.

"Our hope is now to get some sense of how concerned we should be," he said.

Both he and Dr. Brodine said they had learned of the hazard over the weekend, but they declined to say what specifically had prompted their concern. In the past, Mr. Combs said, Soviet use of tracking agents had been "sufficiently erratic and infrequent" not to be considered a danger.

There is now evidence, he added, that usage was "more widespread than we thought" and had increased "significantly" over the past spring and summer.

Mr. Combs seemed to be speaking under tight security constraints. He declined to say how the Russians used the chemical, how the embassy had determined an increase in use, where it was most frequently employed, or how many people had been targets.

Though the medical danger was the first concern for the Americans here, the revelation of the existence of tracking agents appeared to offer yet another glimpse into the Soviet practices of surveillance in a system of institutionalized distrust in which foreigners are often considered potential spies.

"I was a bit scared to learn about that powder, but I was not surprised," a journalist's wife said. Most foreign residents here assume that their activities and conversations are being constantly monitored.

MICROWAVE INCIDENT IS RECALLED

The evidence over the years has been substantial. In 1976, the United States Embassy disclosed that the Russians were beaming microwaves at the embassy building, touching off concern of medical consequences. United States Government tests eventually found no adverse effects, but in November 1983, the United States again protested the use of microwave radiation.

In other publicized instances, embassy employees in 1952 discovered a microphone in the beak of a wooden American eagle presented by the Russians as a gift in 1945. Other mircophones were found in embassy walls during repairs in 1964, and last March it was disclosed that electric typewriters in the embassy had been bugged from 1982 to 1984.

Most foreigners believe that the few reported incidents are only a small portion of the enormous effort the Soviet Union puts into keeping track of foreign residents.

The revelation today that the Russians used tracking powders implied that internal security agents could determine not only where a foreigner was going, but where he had been, with whom he had met and what items he had handed over or touched.

But for those at the briefings in Spaso House, there could be little titillation at the discovery of another James Bond technique or concern over possible breaches of security.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member of the Senate on the floor.

Boldface type indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

BEST COPY AVAILABLE

"I have an infant child," a young mother said. "What should I do?"

WOODHAVEN-RICHMOND HILL VOLUNTEER AMBULANCE CORPS OF NEW YORK CELEBRATES ITS 20TH ANNIVERSARY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. ACKERMAN. Mr. Speaker, I rise today to commend the Woodhaven-Richmond Hill Volunteer Ambulance Corps of Queens County, NY, for its 20 years of outstanding service to the people of Woodhaven, Richmond Hill, and Kew Gardens.

The ambulance corps is celebrating this important anniversary on September 20, 1985, with a gala dinner at Terrace on the Park, in Flushing Meadow Park. Mr. Speaker, the members and officers of the corps have many reasons to be proud on the momentous occasion of their 20th anniversary.

The ambulance corps sprung from the concern and selflessness of a handful of people in Queens County to begin its operations out of a tiny storefront building. Today, its membership has swelled to nearly 100 concerned citizens. At its own building in Woodhaven, its dispatchers answer calls for help from 9 a.m. to midnight every day of the week, sending the corps' two ambulances on missions of mercy.

Mr. Speaker and my distinguished colleagues, over the past 20 years, hundreds of men and women have given up their time and energy to answer their community's cries for help. They have answered that cry by saving lives of countless Queens residents.

Many of these volunteers hold down full-time jobs; like most American workers, they put in a hard day's work. But unlike most, they have committed themselves to further sacrifices of time, energy and love, so that trained crews of volunteers can race to the aid of a man, woman or child in pain or in need.

The Woodhaven-Richmond Hill Volunteer Ambulance Corps' contributions to the entire community of Queens have been invaluable. It is impossible to adequately thank these men and women, or to calculate the number of lives they have saved, the pain and distress they have alleviated, and the personal sacrifices they have so selflessly made in order to serve others.

Mr. Speaker, the ambulance corps performs a vital function in Queens. Its volunteers undergo a rigorous cardiopulmonary resuscitation program and first aid training program. Its youth corps—composed of teenagers from the ages of 13 to 17—gives young people an opportunity to study basic first aid training, answer emergency telephone calls, and experience the joy and fulfillment of giving to their neighbors.

I would like to take special notice of the volunteers' fine officers: Bob Sutton, president; Don Noccari, vice president; and Pete Montello, second vice president. In addition, the 20-year members who are receiving awards at the anniversary celebration, and whose many years of involvement and concern have nurtured this organization, are: Thomas Meehan, Robert Labas, and Vera Levine.

Mr. Speaker, I would like to ask all of my colleagues in the U.S. House of Representatives to join me now in congratulating and commending the Woodhaven-Richmond Hill Volunteer Ambulance Corps on its 20th anniversary.

FARM AID RESOLUTION

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. DASCHLE. Mr. Speaker, many years ago, Daniel Webster said: "When tillage begins, other arts follow."

That quote will come to life Sunday, September 22, when more than 40 musical acts appear in concert to benefit this Nation's farmers. Unfortunately, these artists are not following in the footsteps of the farmer but coming to his aid.

The Farm Aid Concert is a massive project, undertaken by Willie Nelson at Bob Dylan's suggestion. Twelve hours of music and telethon, performed live before 78,000 fans and broadcast coast to coast. The organizers must be congratulated.

But skeptics across the country are saying, "It won't help." They point out that the most optimistic projections of receipts from the concert would cover little more than 1 day's interest on the money owed by farmers.

That may be true, but isn't there more to this concert than the profits? I believe there is. Sure the concert won't solve all the problems, but 100 concerts couldn't. What our farmers really need is a better price, and the only place they can get that is right here in Washington—from the House, the Senate, and the administration.

What the concert can do for farmers is bring their message—and the severity of their problems—into the living rooms of Americans across the country. Urban residents will be able to see that farmers aren't getting rich from obsolete Government programs. They will hear that every dollar they spend in the grocery store does not end up in the bank account of a gentleman farmer. And they may begin to understand that the problems of the family farmer affect us all.

So the concert doesn't solve all the financial problems overnight. It could mean the beginning of something just as important—understanding the plight of the farmer.

SOUTH AFRICA: THE REALITY OF ITS LAW

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. GARCIA. Mr. Speaker, yesterday's Washington Post had an article by Judge Nathaniel R. Jones on South Africa and the legal underpinnings of apartheid. Judge Jones captures the essence of the debate against apartheid when he states:

> Those in this country who, for practical reasons, argue against the application of external pressures against South Africa need to consider the reality of apartheid. There is more involved than jobs and something much more fundamental than the economic security of a relative handful of blacks. . . . It is a system that distorts human nature, as did American slavery.

I submit Judge Jones entire article for the RECORD, and I urge my colleagues to read it:

> SOUTH AFRICA: THE REALITY OF ITS LAW
>
> An American judge's report on the workings of apartheid:
>
> It has become a ritual for some persons to preface their views on apartheid by noting an abhorrence of it. They then proceed to argue for measures that will ensure its continuation. That scenario rang in my ears during the eight days I recently spent in South Africa as a legal observer for the Lawyers' Committee for Civil Rights Under Law at proceedings held in connection with the treason trial of 16 members of the United Democratic Front.
>
> As I thought about those disclaimers I also recalled President John F. Kennedy's famous Berlin Wall exhortation: "Let them come to Berlin." To those who view apartheid as merely a word, I kept thinking, "Let them come to South Africa."
>
> I saw the apartheid laws applied in the raw, as well as the effects of their long-term enforcement. It is more than a word. The picture I saw is a disgrace to a civilized society. I am amazed that it has taken the United States and other "civilized" nations wedded to the rule of law this long to call South Africa to account.
>
> Included among the network of apartheid laws are the Population Influx Act and the Internal Security Act of 1982. The latter sanctions official conduct which deeply offends the American notion of fairness and due process by controlling movement by blacks, and it prohibits freedom of association and speech.
>
> Under our Constitution the majority may rule, but the rights of minorities are protected. It is under the power the minority arrogates unto itself in South Africa that blacks are detained, tortured, banned and convicted in the courts for acts that our Constitution and Bill of Rights clearly protect. In the enforcement of the Internal Security Act, 16 officials of the United Democratic Front, a nonracial political umbrella organization, have been indicted for treason and terrorism. The indictment, consisting of 600 pages, accuses the defendants, of among other things,
>
> Attending the Albert Luthuli Memorial Service, where Nelson Mandela was praised as being "the new symbol of hope for a better South Africa" and a prayer was offered in which Mandela, Luthuli and others were referred to as "our heroes."

> Attending various meetings where songs and slogans were sung and uttered, pamphlets distributed which are characterized as "revolutionary," "inflammatory" and "bellicose."
>
> Issuing publications and pamphlets that are critical of the government and call for an end to apartheid.
>
> Engaging in other forms of conduct that "embarrassed" the state.
>
> Allowing themselves to be "used" knowingly or unknowingly, by organizations that have been outlawed.
>
> For these actions the defendants are on trial for treason and terrorism, which could result in long prison terms or death.
>
> The United Democratic Front publicly opposed a new constitution for a government that had no black participation and gave blacks no power or rights to participate. This opposition by the UDF was straightforward and open. But it brought that organization into conflict with the Internal Security Law enacted by a parliament in which the black majority population had no voice, and which was enforced by a government wedded to the notion of minority white domination.
>
> The indictment has been attacked by the defendants' brilliant legal team. A highly regarded jurist, President Judge John Milne of the Supreme court of the Province of Natal, is presiding over this case. What must be borne in mind are the limited options available to a judge in the South African system. The contrast with the American system of justice is most striking. No judicial review of legislative enactments as unconstitutional. Parliament is supreme. No matter how unwise or offensive judges may find the laws to be, they are powerless to strike them down. Thus, they operate in a virtual straitjacket.
>
> In the treason cases, the options open to Milne are to declare that the indictment is too vague, that the defendants have been impermissibly joined in the single conspiracy count or that the various counts of the indictment lack sufficient particulars to put the defendants on notice as to the charges against which they must defend. The judge can order the indictment dismissed or amended, and has since my visit issued his ruling; on balance it upholds the claims of the defendants. But none of his options has anything to do with the policy of the law or the merits of the charges.
>
> Considering all of this, one is forced to again look at the laws enacted by parliament and their enforcement. The arbitrarinees inherent in the laws becomes all the more offensive. For example, Section 28 of the Internal Security Act permits preventive detention if it is suspected that a person is likely to endanger "the maintenance of law and order." Section 29 authorizes detention for interrogation for unlimited periods of time.
>
> I talked to clergymen who were taken from their homes in the middle of the night by authorities, jailed and beaten. While in jail they were forced to review their recent sermons and to explain why they conducted funeral services for various persons in the townships. At the end of their detention they were warned by police to make no further references to President Botha or to Nelson Mandela. Mothers related the events surrounding the detention of their sons and husbands, whose whereabouts they still do not know. Homes were broken into, searched by police, occupants terrified and brutalized in the process of being detained.
>
> I was one of a five-person party arrested by the South African police and charged with violating the Emergency Order by visiting a black township in Fort Beaufort. The brandishing of weapons by a dozen or more riot police was menacing enough, but clearly the most distressing event was the search the police conducted of the automobile in which we were traveling. They carefully examined the luggage and briefcases of my South African hosts for outlawed documents and literature. Had they possessed any, my friends would have faced serious charges and long prison terms.
>
> The march is on in those townships for uprooting of the network of repressive apartheid laws and the installation of procedures that will build a legal framework more in keeping with norms of due process and equality.
>
> Those in this country who, for "practical" reasons, argue against application of external pressures against South Africa need to consider the reality of apartheid. There is more involved than jobs and something much more fundamental than the economic security of a relative handful of blacks. What must be understood is that the system of apartheid is more than a word. It is a cruel system of life enforced by whips, police dogs, guns, detentions, arson, torture, disappearances and death. It is a system of life that distorts human nature, as did American slavery. To those who quarrel with this conclusion, I say, let them go to South Africa.

URGENT ACTION NEEDED ON TEXTILE BILL AND TRADE ADJUSTMENT ASSISTANCE

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. EDGAR. Mr. Speaker, national attention is increasingly turning toward a problem that Pennsylvanians have experienced for all too long: The devastating effects of the flood of foreign imports not only on the national economy, but on our Nation's workers and their families.

This summer my support for both H.R. 1562, the Textile Apparel Trade Enforcement Act, and H.R. 1926, a bill sponsored by Congressman DON PEASE, to extend the Trade Adjustment Assistance Program, was further strengthened after I met with over 200 former employees of the Arrow Shirt Co. in Lewistown and Elysburg, PA. While the suffering of these communities is tremendous, they are not alone. Workers and their families in small communities like Lewistown and Elysburg all across this country are the real victims of the trade crisis.

As policymakers, we realize the necessity of acting now to preserve our Nation's industrial base before it is too late. And I call my colleagues' attention to the equally devastating human toll of the present trade crisis. I think that the human cost presents an additional convincing argument for enacting both H.R. 1562 and H.R. 1926. I insert for the RECORD the testimony of Eleanor "Ellie" Kuhns of Shamokin, PA, in support of the Textile and Apparel Trade Enforcement Act and the extension of trade adjustment assistance:

> I would like to thank the Textile Caucus of the House of Representatives for the opportunity to come talk to you today about one of the most distressing problems facing our nation—imports, and the toll they are taking on U.S. textile and apparel workers. I've come to ask you to pass H.R. 1562, the Textile and Apparel Trade Enforcement Act.
>
> The major industry in our area of Pennsylvania since the anthracite coal mines closed has been the garment factories, and now even that is being taken away from us. The Arrow Shirt Company, which was my bread and butter for 24½ years, closed their doors in May 1985. Just a year ago, the two Pennsylvania plants took top honors for quality and production. Workers were lauded and praised to high heaven, and now we have nothing. Nearly 1,000 people were thrown out of work when imports closed the doors of the Arrow Elysburg and Lewistown plants. Dedicated employees were discarded like broken down machines with very little notice, no time to adjust, and no other place to go because garment factories have been closing one after the other for the last decade or so.
>
> Workers are victims of a flood of imports, left twisting in the wind by a government who does not see things in terms of human beings but makes decisions on a maze of statistics which do not show the empty supper table or the cold house because there isn't enough money to heat it. Work hasn't been plentiful these last years. Workers had days off each week or didn't work 8 hour days because of imports taking their work away. So, their unemployment benefit rates are low, and often benefits are already drawn out when a plant finally closes. Sometimes, only 2 or 3 weeks of unemployment benefits remain.
>
> Take a look at these headlines from our local paper. Looks marvelous, doesn't it? "Labor Department to help Arrow Workers". What the article doesn't tell you is that the seasonal workers who have exhausted their unemployment benefits have signed for as many as 5 weeks of benefits on Trade Adjustment Assistment and still haven't received a dime, and don't know how long it will be until they do receive anything. The Trade Adjustment Assistance Program, unless extended, will die on September 30th. The majority of the workers' unemployment benefits won't run out until October or November. If T.A.A. is not extend, this wonderful headline is worthless to these workers. The program will be dead before they're eligible to collect anything or get any training.
>
> I could go on endlessly about my many coworkers and friends who have lost their jobs because of imports. But let me tell you of the trauma and heartache of just a few.
>
> Ruth Ann lost her job in November 1984, when the Shamokin Dress Company closed because of imports (250 jobs lost). In April 1985, her husband, Joe, lost his job when Arrow Shirt Company closed because of imports. For a year and a half now their 18 year old daughter, Joann, has had cancer. With surgery and chemotherapy their medical bills have been high and not totally covered by insurance. Joann gets extremely severe headaches, convulsions, hallucinations, and has recently started getting chest pains. Joe's health insurance terminated in August. Their other daughter, Maureen, 21 years old, had surgery in July for a malig-

nant growth, cancer in the lymph nodes, and needs chemotherapy for 8 months. A recent check-up shows high levels in the liver area, and she has to go for a liver scan.

Put yourselves in this family's position, Congressman. They've been denied medical assistance because their unemployment income to too high. Ruth Ann receives $80.00 a week, and Joe receives $160.00 per week. They've been trying to find work, but most of our garment factories are gone, and those that are left are only hanging in by a thread, and don't have enough work for those already on the payroll. Trade Adjustment Assistance for a family in this predicament would be like a miracle from heaven. It would give them extra months to find work, but only if Congress extends it.

The dispair and desperation is like being caught in a rat trap with no place to go and no way out. I wish all of you could come with me to Shamokin and Lewistown, and see the desperation of these people first hand.

Three weeks ago a newly-married young couple came to me and gave me an envelope with $470.00 in it and asked me to give it to Ruth Ann and Joe. She wasn't looking for any glory because she asked to remain anonymous. She said she and her husband collected this money from friends and co-workers and they put over $100.00 of their wedding money toward it. She said, "We don't really need it." Then she smiled and said "I mean we really do need it, but we have the things that we really need, and we feel that this family needs it more than we do." I had tears in my eyes when she left. If a young couple just starting out in life can feel the pain and desperation of people like this, why can't our President see it also, and do something about foreign imports that put Americans out of work?

Another worker lost her husband in an accident 4 months before the Arrow plant closed. She has a 29 year old son of normal intelligence, but he gets epileptic seizures and no one will hire him. She had worked steadily for 33 years and almost never collected unemployment benefits. The day she went to sign up for unemployment the full impact of how she and her son would survive hit her. She began to tremble like a leaf, momentarily lost her vision, and couldn't remember her name. Instead of sympathy she was told, "You're not available for work in this condition. You should be on disability." She was refused unemployment benefits. So, with all her problems, she now had the expense of a doctor she could ill-afford. Until the doctor would give her a statement that she was available for work, she was denied benefits.

One worker has a mental problem which was always kept under control with therapy. What happens to her now with the stress of no job, no medical insurance, and no hope?

Another friend, because of a broken ankle, lost time from work, and when she was available for work again, there were short weeks because of imports. Now because of this, when the plant closed her unemployment rate was low. She had to sell many of her personal possessions at a yard sale, so she can meet her monthly expenses. When that's gone she'll have to sell her car also. She's 58 years of age. She doesn't know who will hire her with so little of the garment industry left, and how she will manage to survive until she's 62 and can collect her Social Security.

Some of these workers are full of rashes that look like measles—caused by nerves—knowing they probably can't find work, not knowing it T.A.A. will be extended. They're half crazy with worry. Some cry themselves to sleep at night, others just sit in a rocking chair, rocking the night away because they can't sleep.

The young ones have mortgages on their homes. Even with their youth there are no job available to them.

When Uncle Sam said "I need you", Larry proudly answered his country's call. It was rough going into battle, but Larry did his duty. Now, at age 60, he has lost his jobs because of imports. Now he's telling his country, "I need you. Please control imports to save jobs."

One woman lost her husband several years ago. Now she's 50 years old and has a retarded daughter. How are they going to survive?

Another woman is throwing up after every meal. She knows her chances of finding work are about zero. How will she live after her unemployment benefits run out?

Some of the seasonal workers whose unemployment ran out thought they were eligible for T.A.A., at least until the end of September, but found out they were rejected because they only worked 25 weeks (because of lack of work), and 26 weeks of employment are required.

Some of the people laid off at Arrow are so worried that when you speak to them, their minds are wandering, and they're not alert like they were when they were working. Some have already had their phones disconnected. They can no longer afford them. Others are preparing to sign their homes over for welfare when their unemployment runs out—homes they worked hard to pay for. Only a dozen or two in each plant have been able to find other jobs since the plant closed in May. There was a job open for a seamstress about 30 miles from home. Three hundred people applied for that one job.

More than 35 percent of the Arrow workers were 50 years of age or older when the plants closed. They've never done any other work. They're probably too old to find another job, too young to die, and years away from Social Security benefits.

Another woman worked and kept her unemployed husband for 2 years. He passed away recently and now, at age 57, she lost her job. She has excruciating pain with a hip injury, but is afraid to have surgery because she worries about the bills. She took care of her husband and now there's no one to care for her.

Arthur worked until the last day work was available at the Arrow plant. He appeared to be in good health. Two weeks later he was dead of a heart attack.

Some of the workers have broken up their homes and moved in with their children. What kind of life will they have when their sons-in-law and daughters-in-law get tired of the strain?

I wish you could see some of them checking out their grocery order. Two marrow bones with a speck of meat on them to make some soup. These people are facing a future with virtually nothing unless you help them.

The garment industry has dwindled to about two million workers. If we don't roll back apparel and textile imports now, before we lose more of those jobs, we could find even our servicemen at the mercy of the enemy in time of war for their uniforms, shoes, etc. Common sense dictates a country should remain self-sufficient.

I do not think it's too harsh a term for me to say that the flood of imports into this country is nothing short of economic murder—economic assassination of the American workers who have worked loyally, committed, and hard. Our own government in not controlling imports has not returned that loyalty to its citizens.

Plant closings bring out violence in people who are ordinarily easy going, because of stress and trauma, the fear of losing the family home, the fear of going hungry, the termination of health benefits at a time when they're needed the most. Stripped of all dignity, the feeling of failure creeps in. These people desperately need help.

We're proud people who have always worked hard. We don't want handouts. It hurts our pride. We want jobs so we can earn our way. When I suggested to Sam, who was laid-off, to seek medical assistance for his medical problem, his face flushed and he looked like I had struck him with lightning. It was against everything within him to seek help. He was proud to have always earned his way in the past.

It's a complex problem and I commend you for having this meeting and for pushing for passage of the Textile and Apparel Trade Enforcement Act. I pray that all of you and President Reagan will see us as human beings, not as statistics, and help us. Our fate is in your hands. Treat us kindly and God will reward you.

It is hard for anybody to go to bed at night and sleep knowing that our government is permitting these conditions to exist in America. The human cost of uncontrolled imports is too high a price to pay.

MORE HARASSMENT IN EAST GERMANY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BROOMFIELD. Mr. Speaker, once again, Soviet soldiers have deliberately rammed a United States military vehicle in East Germany. Provocative actions as this one can only further strain relations between our two countries and worsen the overall diplomatic climate as we near the November Reagan-Gorbachev meeting.

In spite of promises to avoid further incidents involving legitimate United States military observers in East Germany, the harassment of United States personnel has increased.

The latest incident involved a United States military vehicle which was intentionally bumped by a Soviet vehicle. United States personnel attempting to repair their vehicle were pushed back in the truck and were then held there at gunpoint. It is important to note that the United States vehicle was in an area which is open to inspection under a 38-year-old agreement.

As with other incidents, this action was clearly unprovoked. I believe that United States observers assigned to the United States military liaison mission in Potsdam play by the rules. An investigation has shown that there was no possible justification for the brutal murder of Maj. Arthur D. Nicholson. Nor was there any possible reason why other dangerous incidents occurred since that tragedy. Our President is

to be commended for showing restraint in responding to these imprudent Soviet acts.

While Mr. Gorbachev talks of peace and understanding, Soviet actions belie their words. Peace and good relations are developed through confidence-building measures and not by harassing observers during this sensitive period in the United States-Soviet relationship.

With these concerns in mind, I commend the following Washington Post article to my colleagues in the Congress.

[From the Washington Post, Sept. 16, 1985]

TWO GI'S HELD BRIEFLY IN EAST GERMANY

(By Milton Coleman)

Defense Department officials said yesterday that Soviet troops in East Germany deliberately bumped a U.S. military vehicle on duty there Sept. 7 and detained two U.S. soldiers in it at gunpoint for up to nine hours before releasing them unharmed.

The Americans involved were members of the same liaison unit as U.S. Army Maj. Arthur D. Nicholson Jr., who was shot and killed by a Soviet sentry March 24 while trying to photograph Soviet military equipment in a garage-like storage shed near Ludwigslust, about 100 miles northwest of Berlin.

Defense Secretary Caspar W. Weinberger confirmed the latest incident—the fourth this year between Soviet troops and U.S. or British soldiers—in a television appearance in which he sharply criticized the alleged treatment of the Americans.

Weinberger referred to only one person, but Pentagon officials said two Americans, both unarmed, were in the "truck-like" U.S. vehicle, which was leaving a Soviet communications site in the southwestern corner of East Germany. Neither U.S. soldier was identified.

"The Soviets bumped his truck deliberately when we were where we were supposed to be and doing what we are permitted to do under a treaty that's some 40 years old," Weinberger said on CBS-TV's "Face the Nation."

"When he attempted to get out to fix the truck, they pushed him back into the truck and held him at gunpoint, detained him for roughly nine hours and generally behaved in the same way which they did in the incident in which Maj. Nicholson was killed and murdered," Weinberger said.

The United States has protested the action to Soviet authorities but has not received "anything very positive" in response, Weinberger said.

The Nicholson incident, which President Reagan termed an "unwarranted tragedy," sparked a long and bitter exchange between U.S. and Soviet officials, including U.S. demands for an apology and compensation for Nicholson's family. An assistant military attache at the Soviet Embassy here was expelled in the wake of the controversy, and the United States took no official part in some World War II commemorative observances involving Soviets.

Weinberger said yesterday, however, that he did not think that the latest incident would affect Reagan's scheduled summit meeting in Geneva Nov. 19-20 with Soviet leader Mikhail Gorbachev. "You just have to recognize that this is Soviet behavior," the secretary said. A White House spokesman had no immediate response yesterday.

In response to a question about why the incident was not announced shortly after it occurred, Weinberger said, "We're trying our best to get the condition corrected. We aren't interested in publicity." He said the administration was not trying to keep the incident quiet.

Weinberger said that after the Nicholson incident, top Soviet military officials in East Germany had said they would "tell their people not to use force, and either they're not keeping those promises or they have a very poorly disciplined unit."

The "promises" to which Weinberger referred have been disputed by Soviet leaders. They have insisted that in meetings following the Nicholson incident they have not "renounced the right to take legitimate steps provided for by the military manuals," as reported by State Department officials.

They contend that at the time of his death, Nicholson was operating outside the bounds of the 1947 accords that allow each side access to the other side's occupation area, and was shot because he was an "unknown intruder."

The accords, set up at the close of World War II by the four Allied powers, allow each side to have an outpost manned by up to 14 members and conduct surveillance activities sometimes described as "licensed espionage." The U.S. operation is based in Potsdam in East Germany, just outside Berlin.

Defense Department spokesman Robert B. Sims said yesterday that the Sept. 7 incident occurred at about midday German local time as the U.S. vehicle attempted to leave a Soviet communications site in the Suhl area, about 100 miles southwest of Leipzig. The U.S. vehicle was not in a restricted area, Sims said.

The U.S. vehicle "became entangled or stuck. That's when the ramming or grazing or whatever the Soviet truck did occurred. . . . When it became immobile, the Soviet truck approached at a high rate of speed and hit our vehicle," Sims said. "Then Soviet soliders surrounded it, directing our people to remain inside."

Later, the Soviets towed the immobilized American vehicle to another site and photographed it. It was subsequently returned to the custody of the Americans, who spent two hours repairing it and then left, Sims said. The nine hours referred to by Weinberger may have included the repair time, he said.

The incident was the second involving the two military missions since the one in which Nicholson was killed. On July 13, Col. Roland Lajoie, the commander of the U.S. unit, was injured when his car was rammed from behind by a Soviet vehicle near Satzkorn, outside Berlin.

[The Associated Press quoted an unnamed administration source as saying it was unclear if the U.S. vehicle "was in a place it was supposed to be," and that a Soviet commander who came to the scene had "apologized profusely" for the latest incident. Weinberger may have "overdramatized what happened," the AP report quoted the source as saying.

[Sims told The Washington Post in response that he knew of no such apology and that it had taken six hours "for someone in authority" to get to the scene. "It sounds as if they're a bit mixed up," Sims said of the source's comments.]

In his television appearance yesterday, Weinberger also said, "I don't think the president has any intention of making the Strategic Defense Initiative a bargaining chip" in arms control talks with the Soviet Union.

This came in response to a question concerning a possible agreement under which the Soviets would make deep reductions in their strategic weapons and missiles in return for a U.S. compromise on the defense initiative, a satellite-based anti-missile program.

"The president has put before the world the most hopeful concept that mankind has seen, and that is the Strategic Defense Initiative . . . . It is vital that we continue this work," Weinberger said. "The president, to the best of my knowledge, has no intention of taking away from mankind this hope that he has placed before them."

HUMAN RIGHTS ARE IN NEED OF PROTECTION EVERYWHERE

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mrs. BENTLEY. Mr. Speaker, we sometimes tend to think that the latest headline about riots in South Africa or alleged brutality in Central America tells us the whole story of the violations of human rights in the world.

Unfortunately, there are other places where the abuse of power tramples on human rights. During the summer, the Baltimore News American, a daily newspaper distributed in my district, carried a poignant account by a writer with deep roots in Cyprus of the cost in human rights of the occupation on that tragic island. I offer that article by Eleni Venetoulis so that we may all remember that human rights are to be protected wherever they may be at risk.

[From the Baltimore News American, July 24, 1985]

TINY CYPRUS IGNORED IN ITS AGONY

(By Eleni Venetoulis)

This is Tom Brokaw reporting from Cyprus . . . Pierre Salinger reporting from Cyprus. . . . As I switched the dial on my television set listening for news on the TWA hostage crisis, I hoped against hope that one of the jounalists might alude to the irony of Cyprus—a country being held hostage helping other hostages.

Of course nothing was mentioned.

Since the summer of 1974, when the Turkish army stormed into Cyprus and occupied 40 percent of the land, Cyprus seldom has been considered except when foreign aid for Turkey is before Congress, or when there is a crisis for which Cyprus can provide nonmilitary assistance. For years American spy planes were allowed to use the British base at Akrotiri (by Cypriot government consent) to monitor the Middle East cease-fire and gather intelligence. The Republic of Cyprus provided temporary homes for Lebanese refugees beginning in 1975; it served as a transit point for the arranged withdrawal of the PLO from Beirut in 1982 and for U.S. Marines after the Beirut Embassy bombing.

But tiny Cyprus, the size of Connecticut, with 82 percent Greeks and 18 percent Turks, and the same population as Baltimore County—650,000—is more than a transit point. Cyprus has been around since 3700 B.C. and is the birthplace of Aphrodite, goddess of love and beauty. It also has been my family's home for 300 years; and although my parents bade adieu to their village of Karavas to come to this country, the attachment to Karavas has remained forever a sense of place for me and for my children and hopefully for their children.

But forever ended with the Turkish invasion of July and August 1974.

I remember that summer of 1974 as if it were yesterday. My husband was running for Baltimore County executive, and in the midst of the campaign we heard the shocking news of the invasion . . . of the murder of my mother's sister and her husband, leaving nine children orphans—the youngest 4 years old, the age of my son, Daki. It was not easy concentrating on the campaign after that. There were missing relatives to locate, blood to give, clothes to collect, demonstrations to attend—and trying desperately to call attention to the plight of Cyprus.

I campaigned every day wearing a button with the island of Cyprus on it; blood dripped over the 40 percent of the land occupied by the Turks. The message was simple: "Never Forget." I hoped one of the press people would ask why I was wearing the button. No one ever did. After my husband won the election some reporters wanted to interview me. I said only if you mention Cyprus. They were not interested.

That's the way it's been for 11 years. The Turks still occupy 40 percent of the land and still have 30,000 troops in the occupied area. Fifty thousand colonists from mainland Turkey are now living there; 1,619 Greek Cypriots are missing or dead—eight of them American citizens; and there are still 200,000 refugees, including my family

Meanwhile, beautiful Karavas, cradled against the Kyrenia mountains—landscaped with orange and lemon trees, almond and peach blossoms, olive groves and gentle people—no longer exists. Every trace of Hellenic heritage has been erased. The Turks have changed the names of every street and village; they use Turkish mainland money; they have even changed the time to coincide with the Turkish mainland.

They have physically erased my heritage—but not my memory. The Kyrenia range was the greenest and most beautiful part of the island, belonging to another world; the world of the 16th century. Walt Disney, who searched the world over for the perfect castle for his film "Fantasia," found it in Cyprus—the Kyrenia castle.

The injustice of a NATO country, Turkey, preventing me from taking my children to see their rightful heritage angers me, as does the fact that Cyprus is on the bottom rung of our foreign policy and off the front pages of the papers—until the next Middle East crisis.

Perhaps the civilized path to justice could be better paved by the media, by such esteemed journalists as Tom Brokaw, Peter Jennings and Dan Rather, by their educating and updating their audience about injustices before the injustices of terrorists and murderers update and educate us.

WHAT'S WRONG WITH BEING FAIR?

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BRYANT. Mr. Speaker, the Federal Communication Commission has recently announced its desire to abandon the 36-year-old policy called the fairness doctrine, which has helped guarantee, insofar as possible, the application of the first amendment to the limited number of radio and television frequencies which ultimately belong to all the people of the United States, not just the holders of lucrative broadcast licenses.

Newton Minow, the thoughful and public-spirited former chairman of the FCC who justly criticized the television of the 1960's as a "vast wasteland," recently wrote a compelling argument for retention of the fairness doctrine, which has time and again been endorsed by the Congress and the courts.

As a member of the Energy and Commerce Subcommittee on Telecommunications, Consumer Protection, and Finance, I am pleased to call to the attention of my colleagues and the public Mr. Minow's veiws, which were published in the New York Times:

[From the New York Times, Aug. 27, 1985]

BEING FAIR TO THE FAIRNESS DOCTRINE

(By Newton N. Minow)

CHICAGO.—For 36 years, the Federal Communications Commission has enforced a policy known as the Fairness Doctrine, which requires broadcasters to "provide reasonably opportunity for the presentation of contrasting viewpoints." Congress and the courts have repeatedly endorsed the Fairness Doctrine as advancing public debate and the values of the First Amendment.

This month, however, the F.C.C. announced its current view that the Fairness Doctrine no longer serves the public interest and is now "misguided government policy." As a former F.C.C. chairman, I suggest that what is misguided is current commission policy.

My views on the Fairness Doctrine are personal. As a former chirman of the Public Broadcasting System and as a chairman director of CBS, I acknowledge that my views do not reflect those of either PBS or CBS. But both institutions honor the First Amendment, even for their directors.

To make the case for the Fairness Doctrine, I suggest a specific example. Let us examine the recent case of one radio station, KTTL, in Dodge City, Kan. Without disclosing its sponsors, KTTL broadcast 264 hours of programs attacking Catholics, Jews, blacks and public officials. Some of the programs included incitements to violence. Here are some samples: "If a Jew comes near you, run a sword through him. . . ." "Blacks and brown are the enemy. Jesus Christ is a white man's God. . . ." "Your citizens posse will hang [a public official] by the neck and take the body down at dark. . . ."

About ten minutes of contrasting views were broadcast on KTTL—a ratio of about 1,600 to 1.

Citizens of Dodge City complained to the communications commission that KTTL was not living up to its fairness responsibilities. Despite the complaints and Congressional inquiries, KTTL still has its exclusive broadcast license. The F.C.C. has since decided to hold a hearing, but it continues to oppose the Fairness Doctrine and has omitted the fairness issue from the KTTL hearing.

Why? As its basic reason, the F.C.C. states that the premise underlying regulation of the broadcasting industry—the scarcity of broadcasting channels—is no longer valid. Now that there are more radio and television stations than newspapers in many communities, the F.C.C. reasons, there is no longer any scarcity and no need for governmental regulation of a "scarce" broadcast resource.

This argument is disingenuous. In the last few years, The Washington Star, The Chicago Daily News and The Philadelphia Bulletin all went out of business. No new newspapers took their place. By contrast, when the F.C.C. made RKO's channels available for competitive application, it quickly got 172 applications, each applicant arguing, "Give the license to me, and turn down the other 171." And when the communications commission decided to permit new low-power television stations, it was inundated by almost 14,000 applications.

The test of scarcity cannot be measured by the number of newspapers. The proper test is the number of citizens who want a broadcast license and are unable to obtain one. At that point, a decision must be made as to who is to be allowed, and who denied, the exclusive license to use the channels. Scarcity still exists when channels are not available to all. And as long as scarcity exists, the need for some measure of regulation will exist.

Most Americans get most of their news and information from radio and television. Most broadcasters, consistent with their own standards as well as the Fairness Doctrine, provide their viewers and listeners with balanced presentations of controversial issues. The Fairness Doctrine stops no one from speaking; it simply encourages that all sides be heard. How can this policy harm the public?

Despite the current F.C.C. view, I doubt that the Fairness Doctrine will be abandoned. Congress and the courts will, in my judgment, have the good sense to continue equating fairness with the public interest. For it would turn the nation on its head if we rewarded unfairness with the public trust. If unfairness in broadcasting is what we want and value, the sole guardian of the public interest becomes KTTL.

POLICY PARALYSIS FOR ACID RAIN

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. FLORIO. Mr. Speaker, I would like to direct the attention of my colleagues to a forceful and insightful op-ed article on acid rain by Colman McCarthy that appeared in the September 14 Washington Post. The op-ed, entitled "The Continuing Scourge of Acid Rain," underscores the fact that we can no longer afford to wait in implementing a national acid rain control program.

Mr. Speaker, 10 years ago, acid rain was a problem for scientists and theorists. There is now no doubt that acid rain has damaged our Nation's streams, lakes, rivers and forests and is threatening our ecological system. Countless studies have shown that our Nation's natural resources are endangered by EPA's policy of inaction where acid rain is concerned. For a number of years, EPA has been content to simply research the problem without putting forth a solution.

As a member of the Energy and Commerce Subcommittee on Health and the Environment which has jurisdiction over acid rain issues, I have followed closely the debate on various proposals for a national acid rain control program. For the past two Congresses, I have cosponsored an approach introduced by Congressmen UDALL and CHENEY, H.R. 2679, which calls for a 10 million ton reduction in sulfur dioxide for 31 States by 1996.

Rather than creating a national tax to finance the clean-up and further burden the ratepaying public with higher utility bills or taxes, the Udall-Cheney approach requires that the primary clean-up cost be borne by the polluters. The "polluter pays" approach is coupled with allowing utilities the right to choose the least costly and most effective method of reduction whether it be installing scrubbers, coal washing, or switching to a lower sulfur content coal.

There is clearly a need for a national acid rain control program and I was disappointed by the administration's denial of rumours yesterday that a reduction program was being considered. I commend the following article to my colleagues' attention and urge their support for action on acid rain:

THE CONTINUING SCOURGE OF ACID RAIN

CHARLESTOWN, R.I.—For Kenneth Borst, waterways like the Perry Healy Brook are where he would rather fish for trout than for facts. The brook courses through a viridescent woodland about a mile north of the Atlantic coast in an area of beauty that has been home to the Narragansett tribe for centuries. Acid rain is destroying Perry Healy Brook.

Late the other afternoon, Borst, a professor of chemistry at Rhode Island College for the past 22 years, took a visitor a hundred yards off a backwoods road to a bend in the brook. A fallen log extended across the five feet of water. In his hand, Borst held a chartbook in which one page was devoted to the acidification findings of a citizen who monitors the brook.

For the past year, Borst has been the leader of an environmental project that regularly samples water from 38 streams and ponds in Rhode Island. Two of the 38 are acid dead. Eleven, including Perry Healy, are critical. Nineteen are endangered.

Borst, a fisherman who throws back his trout "because they are too valuable to be caught only once," lingers in the woods to talk about the scourge of acid rain: "Looking at this from a Rhode Island point of view, we're being dumped on, in plain language. Ohio is the principal culprit. Its plants are the biggest supplier of acid rain here. It would be nice if we could say, 'Ohio, clean up your dirt,' but it won't happen. The utilities and lobbies will cry that it's too costly."

The cry has been heard for years. So has another one: More study is needed. Borst and his volunteers took that to heart by taking to the woods. They learned locally what has been well documented nationally—that acid rain, which is mostly oxides of sulfur and nitrogen, is a threat that is getting worse each year.

It isn't only waterways and forests. A new study from the Environmental Protection Agency and the Army Corps of Engineers reports that acid rain is corroding buildings. It found that about $5 billion worth of structural damage in 17 states occurs annually.

Last October President Reagan promised to "continue as fast as we can with research" on acid rain. Speediness isn't needed. The research was on hand when Reagan came to office. It was in 1980 that the public began learning about acid rain from the studies done in the 1970s. Five years ago, the Adirondacks of New York were a disaster area of lakes turned sterile by acid rain. Part of the reaction then was; what's the uproar? It's only a few fish. That echoed the line from the oil spills of the 1970s: it's only birds.

The devastation of acid rain begins with the killing of algae and plankton, natural fish foods. The fish are food for such wildlife as otter, mink and waterfowl. While the fish die and the animals starve, tree and crop growth are slowed. And now, with buildings being damaged, the question is, what's next?

Clean air, once thought to be free like the moon and stars, is now known to be costly beyond anyone's earlier estimates. In 1980, the Audubon Society of Rhode Island pledged to "insist that the controls on acid-emitting industries be tightened, and understand that there will be a continuing economic price for this. It is not, and will not be, easy to convince most people that anything is happening when they can't see it and the industrial and job market is immediately affected by controls."

Congress is among the unconvinced. In this session, two acid-rain control bills were introduced in the Senate and House. One required that sulfur-dioxide emissions be reduced by 10 million tons over a 10-year period, the other by 8 million. Both bills were defeated. Enough acid can be found in streams of Rhode Island to load batteries of every limousine on Capitol Hill, but the political power of the utilities remains greater than that of the environmentalists.

In the courts, six northeastern states brought suit against EPA to require polluting states to reduce their emissions. The Clean Air Act, taken lightly by EPA, provides relief for states wanting to protect themselves from pollution that floats in crosswind. In late July, a federal judge ordered the agency to obey the law.

The news this summer is the confirmation that acid rain isn't only a curse on New England. Lakes in the Rockies, Sierras and Cascades have been declared vulnerable to poisonous emissions from smelters up to 600 miles away. Florida's lakes were found to have high acidity.

None of that surprises Prof. Borst. He has been saying all along that the expenses of stopping acid rain must be shared by the whole nation. Tiny Rhode Island, the worst hit, ought to be among the first to get relief.

SKYROCKETING TRADE DEFICIT POSES DANGER IN NEAR FUTURE

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. DASCHLE. Mr. Speaker, our Nation is in the midst of a crippling trade crisis. The continuing massive trade imbalance between the United States and our trading partners has already taken a devastating toll on American agriculture and industry and threatens to inflict even more serious damage on our entire economy if it is allowed to continue. We face a growing trade deficit with almost all of our trading partners and we're told to expect an unprecedented trade deficit totaling $140 to $160 billion this year.

Clearly and unquestionably, we are a Nation in trade trouble. While our trade deficit has increased from $24.1 billion in 1980 to $102.1 billion last year, administration officials have been content to placidly sit and watch our trade deficit increase by 400 percent. Only recently have officials of the Reagan administration been willing to even admit that a trade problem does exist.

As a result of the administration's do-nothing policy, public and legislative concern about our national well-being has exploded as the U.S. trade deficit has skyrocketed. The American people and Congress know our farmers and U.S. industry aren't able to alone defend themselves against unfair foreign restrictive trade practices. Because of this administration's three-part "policy" of "see no trade problem, speak no trade problem, and hear no trade problem," what has been needed, but is missing, is an effective response by our Government to the trade crisis.

The Trade Emergency and Export Promotion Act, which I am cosponsoring, provides this response. This legislation mandates the use of our farm surplus to combat foreign farm subsidies; imposes a standby 25-percent duty on imports from nations which do not eliminate unfair barriers to U.S. exports by October 1986; requires all funds raised from these new standby duties be used exclusively to reduce the Federal deficit; requires administration action to redress unfair trade policies directed by Japan, the European Community, and other nations against the United States; and strengthens the position of the U.S. Trade Representative.

Foreign nations have told us they need time and more time to make necessary adjustments in their trade practices. We are asked to be patient. We are patient. We have been patient. But our patience has not been rewarded. Japan proudly proclaims restrictions on imports are being reduced, reduced on products like mink coats, electric rice cookers, and swellfish. And while we wait patiently, other nations continue to increase their exports, while U.S. exports continue to dwindle. Korean exports have risen by 16 percent in the last year alone, while U.S. farm exports are now projected to decline to a 6-year low of $32 billion, down 16 percent from more than $38 billion in 1983-84.

As a nation, we are teetering on the brink of a full-fledged economic disaster fueled by continuing massive trade imbalances. If our trading partners want to continue freely sending their products to our shores, the barriers they have erected to our products must be dismantled. Balance in our international trade must be restored.

The Trade Emergency and Export Promotion Act will put our trading partners on notice that the United States will no longer

tolerate a double standard in international trade. It will also provide a forum for justified retribution if these trading partners do not respond to our ultimate.

I will work hard with the House leadership to schedule this legislation for timely action by the full House, and I urge my colleagues to join this effort.

TERROR IN CENTRAL AMERICA: A HANDY TOOL FOR THE LEFT

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BROOMFIELD. Mr. Speaker, it comes as no surprise that leftists in Central America are increasingly resorting to terrorism to attain their goals in that war-torn region. They, not unlike their mentors in the Soviet Union, believe that terrorism is a tool which can be used to topple legitimately elected governments. In recent days, they have even chosen to kidnap the innocent daughter of President Duarte as part of their strategy to bring down that democratic government and install dictatorships of the left in Central America.

Communist ideology includes the use of terror to win the goals and objectives of the masses. Over the years, the Soviets and their Eastern European brethern have resorted to training terrorists, practicing terrorism themselves and cleverly using terrorism as an instrument of state policy.

Terrorist acts have increased in the urban areas of El Salvador as the Communist guerrillas have begun to falter in the countryside.

In recent months, Salvadoran civilians have been killed along with four U.S. Marines assigned to protect the American Embassy in that country. More often than not, the left is killing innocent Salvadorans, the very people the left claims it wants to help.

While much progress has been made in controlling the violence of the right wing death squads in El Salvador, leftist terrorism appears to be increasing and becoming even more mindless than before.

I am gratified to see that the administration is carefully beginning to assist our friends in Central America with programs to combat terrorism. The Department of State's Anti-Terrorism Assistance Program is noteworthy in this regard. While the terrorism problem will not disappear overnight, we have made a good start that should produce results in the next few years.

With these thoughts in mind, I recommend the following Washington Post editorial on the subject of terrorism in El Salvador to my colleagues in the Congress.

[From the Washington Post, Sept. 15, 1985]

TERROR ON THE LEFT

Terrorists kidnapped Napoleon Duarte's daughter last Tuesday, a cruel stroke intended, the Salvadoran president suggested, to make him lose his "serenity." It could turn out to be the latest desperate act of the guerrillas, who increasingly reluctant to take on the army in the countryside, have moved in to terrorize the cities. The murder last June of a group of Salvadoran civilians, killed in the attack that took the lives of four American Marines, brought the new tactic to foreign attention. That attack also provoked the guerrillas' civilian front to criticize such acts for their "negative political effects" abroad and in El Salvador.

The human rights issue in Central America is being partially turned around. Formerly, almost all the known atrocities were committed by or at least attributed to the right. The left fanned the issue and tried to make controlling the right the test of a regime's worthiness. Government and elements of the right have not since become angels. But they have been under American pressure to close down the death squads. Results have been substantial in El Salvador, inadequate so far among the Nicaraguan contras.

Meanwhile, however, terrorism of the left has become more evident, notably in El Salvador: not just devastation of economic targets but murders and kidnappings. It is not simply that the administration tries to shift people's focus. These are real events tending to undercut the left's earlier moral pose. Some human rights groups are starting to take this development into account. Some members of the Latin left, for reasons that include a keen concern for their credibility, are, too.

The United States cannot stop for a minute pressing its friends to improve on this score. This administration remains under a burden to show it is not soft on anticommunists in respect to human rights. Its latest idea sharpens the point. The administration wants to sponsor, in Costa Rica, an academy to teach the police forces of Central America modern and humane methods. The last American experience in training foreign police left Washington tainted as a teacher of torture. To dull the risk now, as some suggest, let Costa Ricans do the teaching.

The administration also has it in mind to resume military aid to Guatemala, if its November elections come off well. The Guatemalan military's rights violations lost its U.S. aid in the 1970s. Thus did Americans avoid further taint. Freed of the American connection, however, the Guatemalan military went truly crazy. The way to see whether a new connection with a civilian Guatemalan government is feasible is: very carefully.

NATIONAL ALL-TERRAIN VEHICLE SAFETY ACT OF 1985

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. CONYERS. Mr. Speaker, today, I am introducing H.R. 3325, the National All-Terrain Vehicle Safety Act of 1985. Since 1982, there have been some 265 deaths and 155,000 injuries caused by motorized three-wheeled tricycles commonly known as all-terrain vehicles [ATV's]. A shocking fact is that 22 percent of these deaths and injuries involve children between the ages of 5 to 12. Additionally, 46 percent of the fatalities and injuries are associated with children aged 16 years and under.

Sales of these popular vehicles have risen significantly over the past 5 years. In 1980, over 136,000 ATV's were sold, and a projected 780,000 will be sold this year. The number of ATV's will increase from the current 1.8 million to approximately 2.5 million by the end of this year.

As sales of all-terrain vehicles have risen, so have the rates of deaths and accidents, and these figures will continue to increase so in the future. For example, an estimated 28,000 ATV-related injuries were treated in hospital emergency rooms nationwide during the first quarter of 1985—80 percent higher than the estimated injuries treated during a same period in 1984. This represents a 7½ times increase in injuries since 1982.

ATV's are inherently unsafe, and their design structure, which includes the use of oversized soft tires, makes them very unstable and prone to flipping over backward, tipping over forward or sideways. The Consumer Product Safety Commission is currently examining the safety problems of ATV's, and among the options being considered is a total recall of all three-wheeled ATV's.

Most States have no age, licensing, and safety requirements regarding the use of ATV's, and children as low as 5 years old are permitted to operate them, despite the fact that one needs special skills to cope with the unique handling requirements associated with operating all-terrain vehicles.

Furthermore, some States consider these vehicles as motorcycles and permit them to be operated on roads. Even the manufacturers of all-terrain vehicles say that they were not intended for road use because of the design characteristices which make them unstable on paved roads.

Given the safety hazards associated with ATV's, there is no way that we can justify permitting children to operate them. Because there are few requirements for operating these dangerous vehicles, deaths and serious injuries have occurred, and unless something is done, they will continue to rise as the sales of ATV's continue to rise.

Mr. Speaker, ATV's are not toys and should not be treated as such. ATV's can reach speeds up to 70 miles an hour, and they require special skills to handle them. Yet, children are almost encouraged to operate them. It is not uncommon to see commercials depicting all-terrain vehicles leaving the ground and soaring through the air or children operating them.

H.R. 3325, the National All-Terrain Vehicle Safety Act of 1985, would require States to adopt a minimum age standard for operators of ATV's. The legislation also requires licensing of ATV operators after completing a training course, and prohibits the operation of all-terrain vehicles on the roads and highways.

I ask my colleagues to join with me in supporting this legislation in order to reduce these unnecessary deaths and injuries among our young people. For the benefit of my colleagues, I have included a copy of the National All-Terrain Vehicle Safety Act.

The legislation follows:

H.R. 3325

A bill to amend title 23, United States Code, to provide that States shall establish certain requirements respecting all-terrain vehicles as a condition to the receipt of funds for highway construction

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,★

SECTION 1. SHORT TITLE.

This Act may be cited as the "National All-Terrain Vehicle Safety Act of 1985".

SEC. 2. ESTABLISHMENT OF STATE REQUIREMENTS FOR ALL-TERRAIN VEHICLES.

(a) ESTABLISHMENT OF REQUIREMENTS.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following:

"§ 159. Requirements for all-terrain vehicles

"(a) REQUIREMENTS.—The Secretary shall not approve any project under section 106 in any State unless the State has enacted a law which—

"(1) prescribes that no individual in the State may operate an all-terrain vehicle who is under the age of 16 or under the minimum age required for the operation of a motorcycle, whichever is older,

"(2) prescribes that no individual in the State may operate an all-terrain vehicle unless the individual has been issued a license to operate such vehicle,

"(3) required that a license referred to in paragraph (2) may only be issued to individuals who successfully complete a training course in the safe operation of all-terrain vehicles, and

"(4) prohibits the operation of all-terrain vehicles on the roads and highways in the State.

"(b) ALL-TERRAIN VEHICLE DEFINED.—For purposes of subsection (a), the term 'all-terrain vehicle' means a motorized vehicle which does not weigh more than 500 pounds, is not wider than 50 inches, has 3 or more wheels, and is designed to be straddled by the operator."

(b) CONFORMING AMENDMENT.—The table of sections for chapter 1 of title 23, United States Code, is amended by adding at the end the following:

"159. Requirements for all-terrain vehicles.".

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall take effect two years after the date of the enactment of this Act.

TAX POLICY AND ENERGY

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. FUQUA. Mr. Speaker, some 10 years after the oil embargo, the United States finds itself facing some ominous signs concerning energy. Presently our petroleum imports are rising to over one-third of our total petroleum use. These imports account for almost one-half of the U.S. trade deficit. A U.S. Geological Survey study has revised earlier estimates downward by 50 percent on the amount of domestic oil reserves this country actually possesses. These facts present a sobering picture concerning our current and potential energy condition. We do not want the possibility of another energy shortage of the magnitude we faced in the 1970's.

During this month the House Ways and Means Committee will be deliberating on a broad range of tax proposals. The administration has proposed continued incentives for the oil and gas industry on the basis that domestic energy production has higher importance than tax policy because energy availability relates directly to U.S. national security. I concur that energy production is a national security issue and I would like to emphasize the need to encourage utilizing a broad range of energy resources.

Two legislative proposals, H.R. 1272, introduced by Representative WYCHE FOWLER, and H.R. 2001, introduced by Representative CECIL HEFTEL, proposed to extend the solar and renewable energy residential and business credits on a declining basis over the next 5 years. This phase down, coupled with lowered maximum expenditures and certification, provide a responsible transition for the solar and renewable energy industries to eliminate the tax credits gradually, preventing market shock.

The Office of Renewable Energy of the U.S. Department of Energy [DOE] recently released an analysis of the contribution of solar and renewable energy technologies since 1975. The study reviews the cause and effect relationship between Federal investments and the adoption of these technologies in the marketplace. According to the Internal Revenue Service and Energy Information Administration data, approximately $6 billion—$4 billion in research and development, $2 billion in tax credits—in Federal outlays and tax incentives were provided for solar and renewable energy development from 1975 through 1984. During the same time period, a broad range of solar and renewable energy systems came into being and produced $39 billion worth of energy when calculated at the prevailing world price of oil. These existing systems can be expected to produce over 3 billion barrels of oil—equivalent—of additional energy during their operational lifetimes. That is a return of $13 for every $1 of Federal assistance, at current oil prices.

This DOE study strengthens the case for continued support of solar and renewable energy as a significant component of a national energy strategy to provide for a mixed and balanced energy resource supply. I hope that, in the upcoming deliberations on our national tax policy, all of us remain conscious of our need to continue broad energy development. Otherwise, we risk the possibility of an energy shortfall that could produce greater economic upsets than those experienced in the 1970's. I urge Members to review and evaluate this short study. Thank you, Mr. Speaker.

CHILE'S DEMOCRATIC STIRRINGS NEED A BOOST

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BARNES. Mr. Speaker, last week marked the 12th anniversary of the military dictatorship in Chile. This anniversary, however, is different from its predecessor in one very important way—for the first time in 12 years, the Chilean democratic opposition has joined to form a unified front in support of a return to democratic government.

Last month, Chilean Cardinal Juan Francisco Fresno brought together the leaders of 11 parties, spanning the political spectrum, to sign a "National Accord for the Transition to Full Democracy in Chile." This accord has been received positively by the Chilean people, by the Reagan administration, and, in general, by freedom-loving democrats worldwide—in other words, almost everyone except Gen. Augusto Pinochet Ugarte, Chile's military leader.

This new development has brought about a quiet shift in the Reagan administration's previous policy of quiet diplomacy in Chile. This shift is to be applauded and, hopefully, nurtured.

Peter D. Bell, senior associate at the Carnegie Endowment for International Peace, and former Ford Foundation representative in Chile at the time of the military coup, has written a thoughtful article on how the United States can cautiously and effectively support these democratic stirrings in Chile. I commend Mr. Bell's article to the attention of all my colleagues.

The article follows:

CHILE'S DEMOCRATIC STIRRINGS NEED A BOOST

(By Peter D. Bell)

Twelve years ago today the Chilean military overthrew the elected government of Socialist President Salvador Allende in a bloody coup. Gen. Augusto Pinochet, who led the coup, is still in power, and his intransigence has become the central fact of political life in Chile. The Chilean people are now confronting that reality. The time is ripe for the United States to confront it as well.

Many politically moderate Chileans had hoped that the military regime would be an interim, caretaker government. They soon realized that Pinochet's commitment to a "protected" democracy—one from which the left was eliminated—was in fact a formula for perpetuating his dictatorship. His belief that Christian Democrats are stalking horses for communists and socialists has led to the harassment, detention, torture and exile of thousands of Chileans, not only of the left but also of the center.

Through most of the past 12 years (the Carter administration being the exception) the United States has supported Pinochet. The argument for doing so usually favored the general's presumed ability to keep order over the uncertainty about who would succeed him—sticking with the devil we know. A recent Reagan Administration review of relations with Pinochet, however, has resulted in a subtle adjustment, a shift from easy to uneasy friendship. Some policymakers are looking at Pinochet and seeing Anastasio Somoza. They fear that Pinochet's rabid anti-communism may actually advance communism by driving moderates into the left or out of the political equation altogether.

Pinochet, 69 and apparently in good health, seems determined to stay in office for life. Pinochet's constitution, approved five years ago in a questionable plebiscite, calls for a presidential referendum in 1989, but also provides for only one nominee—one chosen by the military junta. If Pinochet has his way, he will be "elected" president until 1997, which would put his rule now at the halfway point.

Within the last month, however, there have been signs that the military is not as untouchable as analysts have portrayed it, and even more encouraging signs that the political opposition is closing ranks and becoming more pragmatic.

In early August there was a purge of the National Police, supposedly for death-squad activities. It revived Air Force commander Fernando Matthei's warning of a year ago: If a transition to democracy does not begin soon, "we will end up destroying the armed forces more efficiently than any Marxist infiltration can."

Then, two weeks ago, the democratic opposition showed that it is ready to put the national good above partisan differences. With the blessing of Cardinal Juan Francisco Fresno, the leaders of 11 parties, from conservative to left-of-center, agreed to work for direct presidential and congressional elections in 1989. Tens of thousands of ordinary Chileans are now adding their signatures to this "National Accord," which the State Department has hailed as "positive, pragmatic and forward-looking."

One hopes that State's response reflects a serious rethinking of Administration policy toward Chile. For five years the Reagan Administration has pursued a course of "quiet diplomacy." That meant showing friendliness toward Pinochet (for example, through joint naval maneuvers and renewed U.S. support for multilateral bank loans) and keeping silent in public about human-rights abuses, while trying to discreetly to persuade him to reduce the repression. Pinochet, of course, got the better part of the bargain. He treated Reagan's policy as a display of U.S. support and turned a deaf ear to any U.S. criticism made in private.

The Administration is still unwilling to risk an open break with Pinochet, but it is no longer comfortable with being viewed as giving him unqualified support. Pinochet, who is not a subtle man, remains convinced that, when push comes to shove, the White House will stand by him. In mid-June he again showed his disrespect for Reagan's softness on repression: He lifted a seven-month state of siege in return for U.S. support of a crucial loan package, then immediately decreed a state of emergency that reinstated most of his repressive powers.

If the United States is serious about promoting democracy in Chile, it must make a decisive, effective change in its policy, which so far has been ambivalent and unproductive. It can no longer presume that Pinochet will agree to a political opening of his own accord. Nor should the United States try to force him out. It is the Chileans' responsibility to forge a democratic transition; the "National Accord" is an attempt to do this. What the United States can do is use its leverage to prevent further repression.

The Administration's good words for the accord should mark the beginning of a policy that strongly, consistently and publicly demonstrates the U.S. commitment to democracy in Chile. We should make it clear to Pinochet that we support this new opportunity for free and public political expression, and that we will not be silent if he attempts to suppress it. Such a policy would increasingly distance the United States from Pinochet, and put us on the side of the overwhelming majority of Chileans, who see free and fair elections as the way out of their national tragedy.

OUR AMERICAN HERITAGE: TRAPPING AND HUNTING

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. DASCHLE. Mr. Speaker, I rise today to call to the attention of my colleagues the importance of a part of our American heritage, trapping and hunting.

Trapping means different things to different people. Some people view it as a sport, a form of recreation, a chance to be outside and enjoy nature. For many others, including a great number of South Dakota farmers and ranchers, trapping is an increasingly important source of income. In some cases, it can make a difference in survival of a landowner's business, because, in addition to the added return on pelts, the landowner can often reduce his losses to depredating wildlife.

Trapping can be used as an effective method of livestock, sheep, and poultry control. It serves as an important tool of wildlife research in that natural history studies frequently involve the trapping of individual animals, so they can be examined, aged, sexed, tagged, and released unharmed.

Trained wildlife biologists in fish and game departments set the trapping seasons each year so that only the overpopulation, or surplus animals, are trapped. Trappers have been paying their way for decades through license fees and services rendered. Of the $657,951 spent for animal control damage in South Dakota, $240,000 came from taxpayer dollars. The amount is matched dollar for dollar by game and fishing licenses; in this way, taxpayers and sportsmen help to subsidize animal control programs. In my home State of South Dakota in 1984, livestock growers suffered a loss of $96,110 to predators, despite the best efforts of animal control specialists. This figure would be much higher without the help of South Dakota trappers operating at their own expense.

Furbearer trapping has a tremendous impact on South Dakota's economy. During the 1985 trapping season, 2,882 furbearer licenses were purchased by South Dakota residents. During that same year furbuyers purchased a total of $1,783,831 worth of fur from South Dakota trappers.

I would, therefore, like to commend trappers across the Nation and in South Dakota for their important contributions to our economy and our environment and to wish them well in their recreational and business pursuits.

VICE PRESIDENT BUSH RESPONDS TO SOVIET SUMMIT RHETORIC WITH SUBSTANCE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BROOMFIELD. Mr. Speaker, as the upcoming summit meeting between President Reagan and Soviet leader Gorbachev approaches, many observers here in the United States have noted a sharp rise in Soviet rhetoric on this issue. This has created a certain degree of unease among some Soviet experts who fear the Soviet leadership has decided to treat the summit as a public relations battle, not a real opportunity to chart the future course of Soviet-American relations.

Perhaps the Soviets believe that our openness and freedom of debate offer them a point of opportunity, a chance to utilize their well known propaganda skills to manipulate American public opinion. If this is the case, they have clearly decided to adopt a highly personalized attack against the President and his closest advisers.

Because this trend has become so blatant in recent weeks, I was very happy to read Vice President BUSH'S recent speech in Kansas. The Vice President took it upon himself to address directly and forcefully the Soviet Union's newest propaganda campaign. Because of its length, I will not include the entire text of the Vice President's speech. However, I would like to add those sections in which Mr. BUSH eloquently rebuts Soviet disinformation and at the same time frames our position in preparation for the summit.

Excerpts of Remarks by Vice President George Bush, the Alfred M. Landon Lecture Series on Public Issues, Manhattan, KS, Monday, September 9, 1985

My topic this morning is the coming meeting between President Reagan and Soviet General Secretary Gorbachev. I will discuss with you the factors I see coming to play in this meeting.

And, with Kansas and Alf Landon in mind, my theme in this discussion will be "to the stars, through difficulties." The stars in this case are the hopes, the prayers of men and women everywhere for a world of peace, a world in which all can build futures of opportunity for themselves and their families. I believe that if we're to reach those stars we must, as Alf Landon has, meet our difficulties squarely and honestly.

And let me be very specific here about what I mean.

Whatever our differences, the United States and the Soviet Union share a common overriding interest in survival. That means—and I believe the Soviets understand this as well as we do—that we have a common interest in doing whatever we can to reduce tensions and improve relations.

The President and I and everyone in the Administration want the meeting with Mr. Gorbachev to be a success. We want this meeting to reflect as much substantive achievement as possible, but more importantly to produce an agenda and work program that should reduce tensions between our countries.

The Soviets know this. When he met last year with Soviet Foreign Minister Gromyko, the President spoke clearly and emphatically about our interest in building a better relationship. In his meeting with Mr. Gromyko in Geneva earlier this year, Secretary of State Shultz repeated what the President had said. As recently as last month, National Security Advisor McFarlane addressed this theme at length in a well publicized speech. Secretary Shultz will again emphasize it in his upcoming meeting with the new Soviet Foreign Minister, Mr. Shevardnadze.

And again and again over the last several years we have not just stated but demonstrated through substantive proposals our desire to move toward truly more stable and constructive relations. Look at what we've done, for exanple, in one of the principal arenas of East-West contact, the arms control talks in Geneva.

We've proposed deep reduction in the number of strategic nuclear weapons.

We have also made clear what we mean by better relations and what we don't mean.

By "better relations" we do not mean entering into agreements that undermine the security of the United States and its allies.

By "better relations" we do not mean ignoring real differences we have with Soviet adherence to international agreements or other aspects of Soviet behavior on the international scene.

Let's be clear about this. Better relations are not achieved by ignoring differences or accepting one-sided agreements. They are not achieved by entering into agreements for the sake of agreements—this we will never do. The way to achieve better relations is to acknowledge differences, to face them, as I said, squarely and honestly and to deal with them through agreements and through behavior that both sides can live with.

There's one word for that kind of better relationship between nations and that word is "respect."

It means you respect the sovereignty and abilities of the other side, even if you disapprove of its system, as we do the Soviet system.

To treat with another nation so both sides have their self-respect intact, you deal with its representatives openly, directly, squarely, honestly. You don't pretend that differences aren't there. You acknowledge them and then you address them.

It's in that spirit of open and direct acknowledgement of differences that I wish to discuss now the atmospherics that appear to be building up around the Reagan-Gorbachev meeting. These atmospherics highlight a basic difference between the way the Soviets appear to be approaching this meeting and the way we are.

The emphasis on dividing western opinion makes the Soviets extremely tough bargainers. They prefer to see how public opinion plays out before moving seriously in negotiations. And, as we've seen in recent weeks, they know how to reach the West through its own media and they know how to tailor their message to have a broad appeal.

But it's important to keep in mind that though difficult, they are not impossible in negotiations. As I said at the outset, they share with us and recognize they share a basic common interest . . . survival.

Whenever the Soviets have been convinced that western opinion is united, they have set aside their public relations game, at least for a while, and accepted more conventional diplomatic rules, rules which dictate that both sides, through careful give and take, work toward agreements that both can live with.

Let me give you an idea of what that means to us in the United States.

We want arms negotiations that lead to real reductions in existing nuclear arsenals and reductions that preserve and enhance the security of both sides. We look at meetings between heads of state—particularly the upcoming one—as opportunities, not for propaganda, but for setting an agenda that can lead to greater stability and harmony in relations. And that means we believe that the upcoming meeting must address the real and persistent issues that have irritated relations in recent years.

I know how deeply President Reagan wants to strengthen the fabric of world peace. I have discussed this matter over and over again with him. And, as I said earlier, I know he talked about this with Mr. Gromyko last year.

I also know how hard the President is working to ensure that the meeting with Mr. Gorbachev produces real, tangible progress towards peace. All Americans can help him by keeping in mind what is possible in this meeting and what is not and by remembering that in building peace, just as in building a home, it is best to start with a strong foundation and to build good and build strong and build to last.

THE AWFUL LOGIC OF GENOCIDE

HON. MARK D. SILJANDER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. SILJANDER. Mr. Speaker, in the past I have referred to the "creeping cowardice syndrome" that has gripped U.S. foreign policy since Vietnam. The consequences of that cowardice is being played out in Afghanistan, like it was in Cambodia and half a dozen other places since. But perhaps the most brutal terror going on in the world today is going on in Afghanistan.

It is easy to see why Soviet surrogates around the world are the fountainhead of terrorism. They have such good teachers. Syria, Iran, Libya, the PLO, and North Korea only need to look at Afghanistan to see how brutal terrorism can be.

I would encourage my colleagues to read the following article by Jean-Francois Ravel, the author of "How Democracies Perish" entitled "The Awful Logic of Genocide." It appears in the current issue of National Review. I hope my colleagues will recognize the message that is clearly being sent to them.

After that, an excerpt from a Helsinki Watch report on Afghanistan. If one can read the accounts of torture, including the holding of children over fires to make the parents talk, the execution of women, children and old men, the brutal burning of 40 men, women, and children in a town square, and the cold-blooded murder of an Afghan boy without being moved to action, then that Member does not deserve to be in Congress.

[From the National Review, Oct. 4, 1985]

The Awful Logic of Genocide

(By Jean-François Revel)

The occupation of Afghanistan by the Red Army, which has been going on for almost six years now, continues to provoke in the Western democracies a reaction that Montaigne calls "voluntary ignorance." This deliberate neglect of the facts is a wonderful prophlactic against the temptation to act. In this sense, Afghanistan is a reflection of our cowardice. It offers an instructive look at the way the democracies justify, or conceal, their failures in the face of totalitarian expansionism.

Information on Afghanistan is scarce, to be sure, because of Soviet censorship. The Communist powers enjoy an unwritten but tactily accepted privilege, a privilege practically legalized by international consent, to shape and to ration information that concerns them. By closing Afghan territory to TV teams and non-Communist reporters, by imprisoning journalists and even doctors who have entered the country clandestinely, the Soviets have kept the Afghan horror story from being told by the mass media. Thus they have prevented the vast wave of worldwide opprobrium that would engulf a democracy guilty of far lesser crimes but accessible to news coverage by nature of its politics and principles.

But the blindness of certain Western elites does not result in the main from the practical difficulties of finding out what is going on. The practical difficulties can keep the story from the television screens, but there are nevertheless enough stories in the Western press—if they were taken seriously. There is sufficient information available for anyone who wants to think seriously about the situation of the Afghan people. If the free world discards this information or relegates it to the margins of its awareness, that is because it fears it will have to start questioning certain soothing interpretations of Soviet behavior and be forced to face the gravity of the crimes committed against the Afghan people. We can thus, we Western democracies, by looking the other way, withdraw from our moral responsibility and close our bored minds to the continuation of the Soviets' foreign policy. We will spare ourselves from seeing it in order to excuse ourselves from having to oppose it.

The first reason for our resistance to listening to news about Afghanistan (the only form of resistance the West has shown as yet in the Afghan affair) has to do with our desire to interpret the invasion of Afghanistan as an *accident* of Soviet foreign policy. Reread what all our oracles have written about it in the last six years: It was a mistake . . . a marginal act . . . unrepresentative of the fundamental thinking of Soviet leaders. The Soviets acted without premeditation; they were "caught up in a situation", they fell "into a trap." The Western powers should, consequently, help them to get out of it, "to save face." How? By not bullying them, by not reawakening their well-known "sense of insecurity."

This analysis, made by most of the statesmen in power in the West during the invasion of 1979, remains the attitude of a great number of commentators today. It entails certain practical prescriptions: We must abstain from arming the Afghan resistance, for fear of provoking the Soviets. Only the fear of foreign intervention, they tell us, will delay the spontaneous departure of the Red Army. In view of the insignificance of our military aid to the Afghan resistance, one wonders how much further this would have to be reduced to "reassure" the Soviets, and how long it will take for their supposed desire to evacuate the country to be demonstrated. And, once gone, will they permit the local Communist regime to be swept out of Kabul, as without doubt it would be after the withdrawal of the Soviet military presence?

Such resignation is unlikely and illogical given that the 1979 invasion took place precisely because the pro-Soviet Communist regime in Afghanistan could not, given the hostility of the people, remain in power without Soviet help. To imagine that the Soviet army will evacuate Afghanistan without having first gained acceptance for Communism there is to believe that the USSR would withdraw its "advisors" from all countries where it believes the local Communist government lacks local support—a totally unsupported belief. Up until now, quite the opposite has been the rule: The USSR keeps larger troop contingents in place in countries where the pro-Soviet regime is most fragile, most menaced. Which is, to be sure, perfectly rational.

The explanation that the Soviet seizure of Afghanistan is a result of unhappy chance is rooted in a more general theory. According to many politicians and students of politics, the Soviet Union does not nourish long-term foreign-policy objectives, at least not aggressive objectives. Nothing more greatly rouses the fury of certain politicians and international experts, whether journalists or academicians, than references to a global design on the part of the USSR. They admit, to be sure, that the USSR has an overall vision, but they believe it to be strictly defensive. The notion that the Soviet Union has an expansionist design, an imperialistic outlook both ideological and strategic, a program patiently pursued, long planned, unfailingly prepared for setbacks, could only emanate—in their view—from an idée fixe dating from the cold war. Never mind the classic writings on the subject and the best-attested historical facts. The Soviet Union, they say, does not have, cannot have, a coherent imperialistic plan.

Unhappily, there are few cases where even a summary knowledge of history so completely pulverizes that theory as Afghanistan. From the start of the Revolution in 1917, the new Soviet power moved to eliminate British influence from Central Asia. A Soviet-Afghan treaty of friendship was signed on September 13, 1920, a prelude to a long series of treaties destined to tighten the Soviets' ties with Kabul. The Soviets took up again the geopolitical objective of czarist Russia; but—and this is a major innovation—they added to it their panoply of ideological weapons. In November 1918, in a proclamation entitled "Do Not Forget the Orient," Stalin spoke of the need to "inspire the workers and peasants of these countries with the liberating spirit of the revolution." In characteristic fashion, this liberation ideology was evidently not to be practiced within the USSR itself: The Bolsheviks, who had never stopped denouncing the annexation of Moslem territories by the Czar, reused, once in power, to give these same regions their independence, instead putting down by force the insurrections that followed.

After the Second World War, the Soviet Union capitalized on the void left by Britain's retreat from India, the end of British influence, and above all the new situation that resulted from the creation of Pakistan to tie Kabul's foreign policy to her own. Indeed, why not? There was nothing scandalous in what the USSR was doing. But the democracies should at least have understood what was going on. Alas, the United States understood nothing of what the Soviet Union was up to in Central Asia. In December 1954, John Foster Dulles refused military aid to Afghanistan and threw that country into Moscow's arms.

Sardar Mohammed Daud, prime minister from 1953 to 1963 and president from 1973 to 1978, permitted the Soviet Union to take over the task of equipping and training the Afghan army. In 1955, Khrushchev and Bulganin, despite their concerns in Europe and at home that year, made one of their first foreign trips to Kabul and accorded Afghanistan a grant of $100 million, the biggest grant given by Moscow to any country beyond the Iron Curtain. Such a démarche is incompatible with the thesis that Moscow never had any long-term plans for Afghanistan.[1]

After the coup of July 16, 1973, which brought Daud back to power, the internal Soviet conquest of Kabul was accelerated. While he himself was not a Communist, Daud thought himself strong and wily enough to risk putting Communists in key posts. He did not understand the weakness of his position, given an army in which thousands of officers and men had been trained by the Soviet Union for twenty years. When, on April 27, 1978, the army assassinated Daud and installed a Communist regime in his place, it was picking ripe fruit from a tree planted long before.

Here too the Western experts and commentators who date the Sovietization of Afghanistan from the invasion of December 27, 1979, prove, at best, that they are professionally incompetent. The protectorate had been in the works for decades. The satellization of Afghanistan, in the classical form of "a friendly government" installed in 1978, was the real turning point. Soviet garrisons took up their positions at various locations in Afghanistan starting early in 1979. Was this the result of "a chain of unfortunate accidents"? Was there no plan behind this?

In August 1979, the Afghan garrison in Kabul realized that the unpopularity of Communist President Nur Mohammed Taraki was starting to provoke rebellion in the country and that it would be prudent to replace him with someone less openly under the orders of Moscow. This garrison was then massacred by Soviet troops, including air units already stationed in the area. How could Western governments not have known about it? After having first killed Taraki, then his successor, Hafizullah Amin, and installed in their place a "faithful friend," Babrak Karmal, the Soviets knew that no Communist leader in Kabul could stay in power without strong Soviet support. The invasion and the occupation were anything but an "accident" since they constituted the natural consequences of a systematic course of action.

The second reason the West resists information about Afghanistan is the Soviet violations of human rights in that country. These violations are so widespread that our governments are scared even to rise the question, knowing very well that Moscow will, in its usual humiliating manner, refuse even to discuss it. That is why the press and other media greeted so tepidly the February 19, 1985, United Nations report on the condition of human rights in Afghanistan by Felix Ermacora, Special Rapporteur—a report whose very existence is practically miraculous and which deserves a salute on that ground alone, but which was quickly relegated to obscurity. What does it teach us?

The repression takes two forms: the torture and execution of opponents and resistance fighters, and the massacre and deportations of the civilian population. In "Le Grand Jeu Afghan" (Politique Internationale, Spring 1985) Michael Barry reports that between April 27, 1978 (the date of the pro-Soviet coup d'état), and January 1980, 27,000 people were executed in the Poli Charki concentration camp, situated six miles east of Kabul. "This is not an estimate" writes Barry. "This is the simple addition of the names of the victims posted by the regime in public places to discourage the families from crowding around the gates of the prisons with packages of clothing and food." A major portion of the educated elite, the author adds, perished in this carnage: diplomats, doctors, professors, engineers, non-Communist officials, spiritual leaders. While estimating the number of those shot at "only" 12,000, the UN report corroborates the basic story.

"In this contest, according to the information received, a number of political prisoners were also tortured. One of the complaints relates to Mr. Sayed Abdullah kazim, a former dean of the Faculty of Economics, imprisoned at Poli Charki at the same times as Mr. Ludin. In this connection, Mr. Ludin, himself arrested in June 1978 and detained until 11 January 1980 in the Poli Charki prison, reveals that he himself was present during the torturing of Mr. Kazim, who had the fingers of both hands crushed under the legs of a chair on which two of his torturers sat. Having himself been tortured, the witness drew the attention of the Special Rapporteur particularly to events which had taken place on the night of 31 May to 1 June 1979 in the Poli Charki prison. Shots fired in the prison courtyard had been heard by the witness, who was told by the prison guards that about 118 prisoners were being executed. The shooting was followed by the departure of buses carrying the bodies, some of them still showing signs of life. The testimony of a former female detainee of Poli Charki likewise revealed that during her detention between May and November 1978, she had several times heard shooting in the prison courtyard along with the departure of the corpses of prisoners in buses. The same witness spoke of the existence of a section of the prison reserved exclusively for women, and the Special Rapporteur had the occasion to interview a woman who had been incarcerated in that prison."

However, one must add to the official figures the number of those shot unofficially. Amnesty International estimates that 4,854 prisoners have been liquidated more or less clandestinely. And the United Nations report says that approximately nine thousand individuals "disappeared" in Kabul before the coup of December 27, 1979, much as happened in Argentina during the military dictatorship, but without touching off the same indignation in the free world.

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[1] For the inadequacy of American diplomacy at that time, and its consequences in this part of the world, see "The Failure of American Diplomacy in Afghanistan," by Léon Poullada, World Affairs, 1982-83, Vol. 143, No. 3, Special Issue on Afghanistan.

As to the massacres of the civilian population, I cite several examples, all drawn from the UN report.

"In addition, numerous cases of assassination of women and children were brought to the notice of the Special Rapporteur. They were described as having taken place frequently in villages, as reprisals following skirmishes between the troops and elements of the opposition movement.

"Eyewitnesses told the Special Rapporteur of alleged massacres of civilians during the bombardment of villages. According to these witnesses, such acts were part of a deliberate policy, especially over the last two years, to force the people to take flight. In this connection, one witness declared that the country's economy had been completely destroyed by the systematic bombing of rural areas housing about 85 per cent of the population, and in fact occupied by the resistance and regarded as liberated zones.

"On 13 September 1982, approximately 105 persons were killed in the village of Padkhwab-e-Shana in the province of Logar, including 61 victims from the village itself. In the course of an infantry operation in the village, the population, consisting of children, old people, and a few combatants, took fright and hid in an underground channel used for irrigation (Karez). To dislodge them, troops poured a whitish liquid mixed with white powder into three outlets of the channels and set fire to it. Charred and decomposed bodies were brought out by the villagers. The corpses were said to include 12 children.

"On 12 October 1983, in the villages of Kulchabat, Bala Karz, and Mushkizi in the province of Kandahar, 360 persons were executed in the village square, including twenty girls and about twenty old people.

"In March 1984, several hundred civilians were massacred in the villages of Dash-e-Bolokhan and Dash-e-Asukhan in the Kohistan region.

"In November 1984, some forty civilians were massacred in the village of Zirvq situated in the Urgun region after two weeks of steady bombardment. According to the witnesses, several houses were destroyed and the cattle decimated."

Furthermore, the use of poison gas and booby-trapped toys has largely been proved, according to the report.

The devastation of the countryside and the villages, and the deportations of the people (in late 1980, the Soviets emptied Pamir of its entire population), have brought the expected and desired result: famine. This famine is a chronic fact of life for about half a million civilians (close in proportion to the Ethiopian famine). According to the group of doctors known as Médecins sans frontières, infant mortality caused by malnutrition reached a stupefying 85 per cent in the winter of 1984-85.

Another result was the exodus. More than four and a half million Afghans (a figure we're fairly certain about) have fled their country since 1978, mostly to Pakistan. Given that the official figure of displaced persons worldwide, according to the UN High Commission for Refugees, is approximately ten million, that means that nearly one out of every two refugees on this planet today is an Afghan. If you add to this figure the number of resistance fighters killed, of those executed, of civilians massacred or starved to death (a figure that can prudently be put at a million) this means that of the 13 to 14 million inhabitants of the country in 1978 there remain today on Afghan soil about eight million. Put otherwise, nearly 40 per cent of the population is either in exile, or dead.

If one notes that the repression started 18 months before the invasion of December 27, 1979, and was directed from the start by Soviet advisors already in place, one cannot escape the conclusion, once again, that the USSR was carrying out a well-thought-through program. It is not credible, as the commentators who wish at all costs to exculpate the Soviets claim, that they gave way to momentary panic. The great "liberal" Mikhail Gorbachev seems to have not the slighest intention of modifying the Soviet political plan for Afghanistan. One of his first declarations on the subject, in March 1985, was to threaten reprisals against Pakistan if that country continued to "meddle in the internal affairs" of its neighbor, which in Soviet language means if Pakistan continues to shelter Afghan refugees instead of repelling them across the border to be massacred on the other side.

Must one conclude that the Soviet Union is invulnerable and can—as South Africa, or Chile, cannot—violate human rights with impunity, shielded by the discreet complicity of an international opinion that knows it is powerless? Perhaps not. What the discreet people find a bit upsetting are the anti-Communist guerrillas: in Angola, in Nicaragua, and above all in Afghanistan. For the first time, the United States Congress, In July 1985, openly recognized the importance of this phenomenon and voted official aid—$15 million to the Afghan resistance.

[From the National Review, Oct. 4, 1985]

"An Entire Country is Dying . . ."

(In September 1984 a team from the U.S. Helsinki Watch Committee went to the Afghan border to collect information about human-rights violations in Afghanistan by interviewing Afghan refugees. The team interviewed more than a hundred Afghans representing a cross-section of Afghan society. From the interviews, they reported, "it soon became clear that just about every conceivable human-rights violation is occurring in Afghanistan and on an enormous scale." The team went on to say: "Just about every Afghan has a story to tell. Our interpreters, our guides, people we met accidentally had personally experienced atrocities as great as those of the 'victims' we interviewed. An Afghan doctor who had impressed us with his gentle kindness as he interpreted for us in a hospital for war victims had a sudden outburst as we were leaving. 'What's the point of all this? People should know by now. There are no human rights in Afghanistan. They burn people easier than wood.' "

(The following are excerpts from the Helsinki Watch interviews, and from the team's report:)

We interviewed a 21-year-old student who had been released from Poli Charki prison in Kabul just two weeks before. His eyes were bloodshot, his body tense, as he nervously fingered his "worry beads," telling us that if we mention his name in print his father and brothers in Kabul "will be finished." After his arrest for distributing "night letters" protesting the Soviet invasion, he was subjected to routine torture—hung by a belt until he almost strangled, beaten until his face was twice its normal size, his hands crushed under the leg of a chair. He described an overcrowded prison cell with no windows, crawling with lice, and with only one pot for a toilet. . . .

Mohammad Eshaq, a resistance leader from Afghanistan's Panjsher Valley, told us about the fate of two men from his ancestral village of Mata—brothers, aged ninety and 95. Old and blind, they stayed behind when the rest of the villagers fled during last spring's offensive: "The Russians came, tied dynamite to their backs and blew them up." He paused to collect himself, then added simply: "They were very respected people." . . .

The parents of another patient [in a clinic in Kunar province], a 12-year-old boy whose right arm was so badly burned he could hardly move it, explained to Dr. Simon how the burn had occurred: "They told me that Russian soldiers came to their village and held their son's arm over a fire while they asked about the Mujahedin." . . .

Mike Hoover, a CBS television producer whom we met in Peshawar, told us he had filmed an interview with an Afghan who had formerly worked as a translator for the Soviet army: "He was extremely disturbed. He told how he translated questions the Russians were asking about the Mujahedin while they held a child over a fire." . . .

Summary executions were described by Mohammed Amin Salim, a former professor of Islamic law who had returned to his village in Shomali: "When the Russians come into villages or places where there are unarmed people, they kill them with bayonets, even women and children. There are so many examples, and they are so atrocious, that it is difficult to speak of them. For example, last year I was in a village when the Soviets came to search the houses. In this village there were seven elders, including me. When the Russians came into the village, they locked up all these elders. I was separated from the others. I was in another house, and I say what happened. They asked the old men, "Where are your sons?' The old men said they had no sons. Immediately, when they heard this, they fired on two of the men, killing them with automatic rifle blasts. The third person—it was a very sad event—they put him against a tree and with a big nail [apparently a detached bayonet] a soldier stabbed him in the chest and nailed him to the tree. What I am telling you is what I saw myself. The other Russian had a big nail in his hand, and he stabbed another old man in the mouth, unhinging his jaw." . . .

[A French doctor tells how the Russians punished an entire village after some Afghan troops defected.] "They tied them up and piled them like wood. Then they poured gasoline over them and burned them alive. They were old and young men, women, and children. Many, many people were telling this story. They all said forty people had been killed." . . .

Former Soviet Army Sergeant Igor Rykov testified: "We did not take any prisoners of war. None. Generally we killed them on the spot. As soon as we caught them, the officers ordered us to slaughter them. I'll tell you one story. Lieutenant Gevorkian was the commander of my unit. When I arrived, he had already been in Afghanistan for a year. He told us that he had seen a lot, and that now he had become like ice, he had learned to kill absolutely anyone, and he had to teach the same to the soldiers. One day he brought in a boy, an Afghan kid about 14 years old. He told us that the boy was certainly a dushman [enemy]; he had tried to runaway when he saw the soldiers. There was one soldier in our unit, Oleg Sotnik, who could not stand the sight of blood. Then Gevorkian took out a sort of bayonet . . . He gave this knife to Sotnik and told him to kill the boy. Sotnik's face was unbelievable. He was planted to the ground, shaking all over his body. The boy was sitting peacefully on the ground. Finally Sotnik got control of himself, went up to the boy, and stuck the knife in his chest. The boy started to shriek, and he grabbed onto Sotnik's hands. Then Gevorkian started yelling, 'You idiot! What do you think you're doing? Watch how it should be done!' He pulled out the knife, kicked the boy in the face, and when the boy fell backward from the kick, he stuck the knife in his throat, once, twice. We were all around watching, but no one said anything. . . ."

[A member of the resistance testifies to his treatment by Soviet torturers.] "The torture there was always by electricity, with electric-shock batons. One day during the interrogation, one of the Soviets got angry and hit me with his Kalashnikov in the mouth, and I lost three teeth. I was tortured two to four hours a day, every day, for about a year. There were different people torturing me. There were Afghans who spoke Pashta and there were Soviet officers. The Soviets tortured more, and they asked more questions. They did not let you sleep.

"They gave the shocks between the toes, between the fingers, on the temple. I often fell unconscious. One day they hung me up on a wall, where there were big hooks. They didn't let me sleep, eat, or drink for 48 hours. My arms were stretched out wide, and the hands were tied to the hooks, and there were rings around my feet. This caused a great pain in the stomach and kidneys. The next morning they took me down and brought me a piece of bread and some water. Then they hung me upside down by the feet all day." . . .

We received reports about a variety of anti-personnel mines used in Afghanistan by Soviet forces. Often they are used, not for conventional military purposes, but against the civilian population. Some of these mines are powerful enough of kill, but most have charges that only maim. . . .

[Soviet] helicopters drop camouflaged "butterfly" mines around populated areas, on roads, and in grazing areas. During a sweep through villages, soldiers leave anti-personnel mines in . . . houses of people who have fled. We even heard of mines left in mosques, of booby-trapped bodies that exploded when relatives attempted to move them, and of trip wires placed in fruit trees that injure the harvester. . . .

Kefayatullah, a farmer from Harioki Ulya, Kapisa Province, was describing the actions of the Soviet troops that invaded his village. "They put toy bombs in the food bins," he volunteered. "Some of them exploded. They were like toys, watches, pens." . . .

In Quetta on October 3, a group of Hazara refugees volunteered, without being asked, that they had seen such mines. Abdul Wahid, an English-speaking former student from Jalrez, told us: "They put some pens and watches on the road, children take them, and they explode."

Mohammed Zaher added, "I once saw them. There were pens, small radios, and watches on the road, and General Mohammed Hasan [of the Hazara resistance forces] told the Mujahedin not to touch them, but to throw stones and explode them." What kind of pens were they? "They were just like American Parker pens," he answered.

SOCIAL SECURITY NOTCH STUDY

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. TAUKE. Mr. Speaker, today I am introducing legislation to establish a special panel of the 1985 Advisory Council on Social Security to conduct a study and make recommendations on the so-called notch problem under the formula established by the 1977 Social Security amendments. This bill will require a thorough study of the extent to which inequities are the result of the 1977 formula as well as the short- and long-range economic impact of benefit changes and legislative recommendations to address any inequities cited in the report.

On May 14, the House passed the Social Security Minor and Technical Changes Act of 1985, H.R. 2005. The legislation creates a special ad hoc disability advisory council of the General Quadrennial Council required by law to conduct a thorough review of the disability insurance program.

The bill I am introducing includes the House-passed disability study along with the addition of the so-called notch panel. I am hopeful that the Senate will include the language in this bill when H.R. 2005, the Social Security Minor and Technical Changes Act of 1985, is considered. Senator GRASSLEY plans to offer our bill as an amendment to H.R. 2005 in the Senate Finance Committee. I commend my colleague from Iowa for his leadership on this issue.

The notch issue has become a matter of concern for Iowa's elderly population. Seniors in Iowa recognize that the 1977 Social Security amendments reduce Social Security benefits for all workers reaching age 62 after 1978. Persons in this group may have lower benefits than those with similar earnings who reached age 62 in 1978 or earlier. If the 1972 benefit formula which overcompensated for inflation had been left unchanged, retirement benefits would have exceeded the final wages of some workers. The 1977 formula substantially altered the way benefits would be computed after 1978 by preventing benefits from rising to excessively high levels in the future.

The 1977 amendments provided a 5-year transition formula to minimize the affect of the benefit change on those approaching retirement. This transition formula has caused concern for some of Iowa's elderly. However, if no transition formula had been included in the 1977 amendments, benefits to those born between 1917 and 1921 would have been lower or the so-called notch would have been greater.

I am optimistic that the advisory council will look closely at the transition formula in their study. Finally, this study bill calls for a review of the short- and long-term economic impact of benefit changes to address the so-called notch. I'm concerned because many seniors feel we can afford major increases in Social Security.

The long-term, or 75-year, picture developed by Social Security actuaries shows that the upcoming period of excess receipts is not a permanent one, and that on the average, the Social Security System has a deficit rather than a surplus. Despite the short-term margin of safety on the front end, the actuaries project a long-term average deficit of .41 of payroll or $6 billion per year.

I realize that the legislation I am proposing today is not the solution advocated by notch groups. However, it is a first step toward addressing their concerns at a time when a legislative vehicle such as H.R. 2005 is available. Only a simple change in the disability council, such as this bill proposes, would be acceptable to the standing committees at this time.

THE 1984-85 DAIRY DIVERSION: A LEGISLATIVE SUCCESS STORY

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. GUNDERSON. Mr. Speaker, in 1983, Congress passed a compromise dairy bill to address the continuing problem of surplus milk production. What was unique about this legislation was that it contained a positive financial incentive for dairy farmers to reduce production—the Dairy Diversion Program.

In the 2 previous years, only negative incentives—price freezes and price cuts—were attempted. And in every case production went up, not down.

Under the Voluntary Diversion Program, participants entered contracts with the Commodity Credit Corporation to reduce milk production anywhere from 5 to 30 percent of their base—the amount they produced during a recent uniform period of time. If they met the conditions of their contracts, participants received $10 for every 100 pounds of milk they reduced from their base production.

The diversion payments which participants received were funded through a producer assessment of 50 cents per hundredweight on all milk marketed in the United States during the time the program was in effect. The assessments fell slightly short of the $955 million needed to fully fund all of the diversion payments made to producers. Yet, at the same time, the cost of the entire Dairy Price Support Program to the taxpayers dropped by $1 billion from $2.6 billion in fiscal year 1983 to $1.6 billion in fiscal year 1984.

In an independent review of the program, the Government Accounting Office estimated that between $614 million and $664 million of this $1 billion savings to the taxpayers in 1984 was directly attributable to reduced production of between 3.74 to 4.11 billion pounds of milk resulting from participation in the Diversion Program.

In fact, around 38,000 dairy producers entered the progam—that's about one out of every five commercial dairy producers in

the country. I would hasten to add that I heard from many hundreds of producers both in Wisconsin and across this country who wished they would have entered the program after the sign-up period expired.

Overall, production went down from nearly 140 billion pounds of milk in 1983 to just over 135 billion pounds in 1984. Much of this reduction came from the slaughter of 3.2 million milk cows during the program—which resulted in a net reduction of 225,000 cows in 1984 alone. And, despite the dire predictions to the contrary, the culling of these animals did not adversely affect the market price of livestock. Similarly, the Diversion Program accomplished its goals at no additional expense to the American consumer.

At the same time, this self-help program afforded producers the highest price ever received for the milk they produced because supply and demand were in better balance. As you can well imagine, this helped to ease the net farm income crisis facing agriculture.

Regrettably, the program lasted only 15 months—not the 24 months as proposed in my original legislation—and, thus, some of its effects were not permanent. Yet, what is most interesting is that the critics of the last Diversion Program and opponents of the current proposal are the same people who insisted on having but a 15-month program. To remedy this problem in the future, the Diversion Program included in the 1985 farm bill provides for a 2-year diversion.

The 1984–85 Dairy Diversion Program was successful from several perspectives. First, it provided an effective means of reducing surplus milk production. Second, it permitted financially strapped farmers to cut their production and production costs while enhancing net income.

Last, the program allowed America's dairy farmers to show their dedication, willingness and initiative to reduce surplus milk production at their own expense.

When we consider the dairy title in the upcoming weeks, we again have the choice between price cuts and a Diversion Program. Price cuts have a history of forcing producers to buy more cows to produce more milk so that they might survive economically. On the other hand, the Dairy Diversion Program will allow the supply of milk to decline while not adversely affecting the price the farmer receives for his product.

I would, therefore, hope that my colleagues would join me in supporting a Diversion Program rather than price cuts when the farm bill reaches the floor.

TELECOMMUNICATIONS FAIR TRADE ACT OF 1985

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. MARKEY. Mr. Speaker, today I am introducing legislation which addresses our international trade hemorrhage in telecommunications equipment and services. It challenges our trading partners to open up their markets to U.S. suppliers to the same extent that our markets are open to foreign suppliers. And it makes clear that in the absence of such equal treatment, the United States will respond by conforming access to our market to match the same level of access found in the relevant foreign market.

As a member of the House Subcommittee on Telecommunications, Consumer Protection and Finance, I have grown increasingly concerned that the United States has unilaterally opened up its telecommunications markets to foreign competition without any assurance of similar initiatives abroad. We stand alone. With the possible exception of Japan, every other major trading partner continues to run its telecommunications system as a government-controlled monopoly. In Japan, significant progress has been made toward privatizing its system, but major doubts remain concerning the degree to which access will improve.

The danger signs have already been hoisted. Although trade in telecommunications equipment and services is growing worldwide, the U.S. balance of telecommunications trade has turned sharply negative. In 1981, we enjoyed a surplus of nearly $1 billion; in 1985, we are suffering a deficit of nearly $1 billion. Now is the time to act, before telecommunications becomes just one more lamb sacrificed by an administration which refuses to stand up for fair trade.

Some have noted that our current problems with trade balances are due in large part to the inflated value of the dollar. I agree. The inflated dollar handicaps all our export industries and makes imports artificially cheap. Ultimately, this problem is not expected to abate until we reduce the $200 billion Federal deficit that keeps interest rates high. That is why, as chairman of the House Subcommittee on Energy Conservation and Power, I have proposed, and the Energy and Commerce Committee has supported, a package of budget reconciliation initiatives that will result in real savings of $1 billion over the next 3 years.

But the budget deficit and the inflated dollar must not become excuses for tolerating drastic inequalities in access to telecommunications markets which make a mockery of "free trade." The United States, for all its free trade rhetoric, has adopted policies which have simply encouraged the continuance of protectionist practices. By virtually declaring that we will never retaliate against closed markets, this administration has invited our trading partners to play us for a chump. This must stop.

My bill, which is similar to a bill already reported favorably by the Senate Commerce Committee, includes the following key provisions:

Make "substantially equivalent access" the explicit goal of U.S. telecommunications trade negotiations;

Require the U.S. Trade Representative to investigate and identify telecommunications trade barriers which deny U.S. companies "substantially equivalent access" abroad;

At the end of 1 year, require the President to correct any remaining imbalance in competitive opportunities, using any of a series of remedies, including duty increases, restrictions on registration or approval of equipment, government procurement authorities and other.

Without such an approach, we have no hope of defeating protectionism and restoring free trade. I urge all my colleagues to join the fight for free trade, in telecommunications markets and elsewhere, by insisting that provisions like the ones I am introducing today be enacted by Congress before the end of this session of Congress.

NEW ZEALAND SEES THE LIGHT ON U.S. SHIP VISITS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BROOMFIELD. Mr. Speaker, I am delighted to share with the Members an article concerning the Government of New Zealand's encouraging announcement concerning U.S. ship visits to that country.

According to the recent news report, the Government of that country will not ask the United States to confirm or deny whether nuclear weapons are present on visiting U.S. ships.

I welcome this good news and believe that it is an important first step in getting relations between our two nations back on track. We all understand the growing strategic importance of the Pacific region and America's expanding security and economic ties with that vital region. Let us hope that our negotiators will be able to work out any remaining problems with the Government of New Zealand in the interest of promoting peace and stability in that critical region of the world.

I am certain that my colleagues will join me in hoping that this initial indication of better ties with our traditional ally, New Zealand, will be fruitful and that mutually beneficial efforts between our two nations will continue.

[From the Washington Post, Sept. 13, 1985]

NEW ZEALAND SHIFTS STANCE ON U.S. NUCLEAR SHIP VISITS

WELLINGTON, NEW ZEALAND.—Prime Minister David Lange, moving to heal a rift in a defense pact, said yesterday that New Zealand will tell the United States it does not have to specify whether visiting U.S. warships are nuclear-armed or powered. United States International reported.

[In Washington, a source familiar with the situation termed Lange's statement accommodating: "The government won't ask the United States to breach its policy of neither confirming or denying the presence of nuclear weapons on U.S. ships. It leaves the question of nuclear arms to New Zealand's own assessment."]

Lange told a news conference that Deputy Prime Minister Geoffrey Palmer plans to invite a U.S. warship to visit when he speaks with Secretary George P. Shultz in Washington next week about New Zealand's pending legislation on its antinuclear policy and the resumption of ship visits.

Washington cut defense ties with New Zealand after Lange's Labor government blocked a U.S. visit in February.

H.R. 2385, FEDERAL TRADE COMMISSION REAUTHORIZATION

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. WALGREN. Mr. Speaker, I want to express my support for H.R. 2385 to authorize the Federal Trade Commission to continue its efforts to protect competition in the marketplace and to protect the consumer. At my urging, the Energy and Commerce Committee, which developed this bill, added two provisions directing the Federal Trade Commission to conduct studies of unfair and deceptive practices in the life care and nursing home industries.

By specific language in the bill, the FTC is directed to examine an area where attention is long overdue—housing and health care for the elderly. Joining a retirement community and making arrangements for health care are several of life's most significant and difficult decisions; protecting elderly consumers in the area of housing and health care should be one of Government's greatest priorities. The bill before us recognizes this by including my amendments that require the FTC to do studies of unfair and deceptive practices in the nursing home and life care industries.

NURSING HOME STUDY

The Federal Trade Commission has been doing some exploratory work on the nursing home industry for some time. My amendment requires that this work be completed in one year with a report to Congress and requests an assessment of the need for an industrywide rulemaking.

In the area of nursing homes, most studies and congressional attention have focused on the physical quality of care, certainly an important area. In this bill, the FTC is directed to examine unfair and deceptive practices. Several reports have revealed problems such as inadequate cost disclosures, oppressive billing practices, misuse of residents' funds or personal property, undisclosed and arbitrary discharge policies, unfair and deceptive contract provisions, and inadequate disclosure of services prior to signing contracts. Former FTC Commissioner Elizabeth Dole has said:

> * * * Certain nursing home admission agreements [as well as other business practices] contain a host of unfair and abusive provisions which literally invite scrutiny under Section 5 [of the Federal Trade Commission Act] * * * I strongly suspect these provisions contribute substantially to the deplorable conditions which some nursing home operators tolerate in their facilities * * *.

LIFE CARE STUDY

Life care, also known as continuing care, is a contractual arrangement under which a person usually pays an entry fee on average $40,000—and a monthly fee—$300 to $1,200—in exchange for living quarters, health care and other services for the duration of one's life. In a life care community, residents receive housing, meals, services such as cleaning, recreation, and health care, including nursing home care. Life care is a $3 billion commercial enterprise today and growing; 60 percent of people retiring today could probably afford life care. For those who can afford it, it offers a very comforting living arrangement of one's golden years.

NEED FOR STUDY

Scrutiny of these consumer transactions is warranted for several reasons. The individuals involved are probably the most vulnerable in our society. They are purchasing very expensive services at a time when they must urgently provide for their needs and are perhaps easily convinced. In some cases, they have to move quickly. Additionally, they literally do not have the time to resort to judicial relief—usually a lengthy process—if abused.

In the case of nursing home transactions, purchasers are usually not in a position to "comparison shop" and thus do not have the "normal protections" of the free market. Families are coping with the emotional and practical trauma of putting a parent or spouse into a nursing home. We cannot rely on the traditional "buyer beware" model of the market to insure a sound and fair purchase.

The life care transaction is unique because of both the nature and magnitude of the transaction: People give all to get all. Many put their entire life-time resources into their contract, trusting that they will be cared for for life. They literally are in the position of playing "you bet your life."

Because of the size of the transaction, the potential for misunderstanding and risk are great. Life care proprietors control large sums of money and could have as much as $7 to $12 million on hand before opening the facility. Since it is often difficult to estimate life expectancy and health care costs, financial projections often do not match reality. As a result, residents can be left in very vulnerable positions—with little security, insurance or equity, if financial difficulties occur. Problems in the life care industry have been examined in hearings of the Senate Special Aging Committee, the April 1985 Money magazine, the Wall Street Journal, Forbes magazine, and others. The need for review by the FTC is compelling.

In both these areas, public funds are widely used. Medicare and Medicaid benefits are often the basis of arrangement for health care. The public deserves the reassurance that public funds are properly spent, as of course, does the beneficiary.

In my view, Congress, by adopting these provisions, can take an important step in helping to direct the Commission into an area of critical importance to individuals and to our society. Given the human dimension of the problem and the vulnerability of the individuals involved, this area may represent the ultimate need for consumer protection. I hope the Senate and the President will not hesitate to support these provisions.

POLYGRAPH PROTECTION ACT OF 1985

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. GALLO. Mr. Speaker, I have recently joined many of my colleagues as a cosponsor of H.R. 1524, the Polygraph Protection Act of 1985. It is estimated that each year at least 50,000 workers are wrongfully denied employment because they refuse to take polygraph tests or because of the inaccuracies in the tests when they are administered incorrectly.

H.R. 1524 simply prohibits the use of truth verification devices in the workplace. I have cosponsored this bill in an attempt to prohibit individuals from being denied employment unfairly or having their privacy invaded.

I would like to point out, however, that there are certain industries whose responsibilities merit an exemption from this legislation. In particular, I strongly recommend and support an exemption from this legislation for the security industry.

For instance, Wells Fargo Armored Service Corp., Wells Fargo Guard Services, Burns International Security Services, and Baker Industries operate in 44 States, employing over 39,000 people. These companies' armored cars service the Federal Reserve, the Bureau of Engraving, and financial institutions nationwide.

On any given day, Wells Fargo and Burns International will handle $1 billion.

Statistics show that more than 65 percent of total losses in the armored car industry are the result of internal theft.

Under these circumstances, it is appropriate that security companies be permitted to use trained examiners to administer polygraph examinations in applicant screening, periodic testing, and with reference to specific events.

Congress has already recognized situations where the use of polygraph tests are appropriate. The DOD appropriations bill has been amended to require polygraph exams for those individuals whose duties involve access to classified information.

The aim of this legislation is laudable: to protect the right of privacy and protection of the individual as guaranteed in the Constitution. However, this bill is not perfect. An exemption for certain industries, particularly when the public trust is involved, would move it closer to the realm of legislative perfection.

I hope that my fellow cosponsors of H.R. 1524 will join me in urging such an amendment.

SIXTH MARINE DIVISION

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BILIRAKIS. Mr. Speaker, this week in Clearwater, FL, a very special group of patriots is holding its annual reunion.

The 6th Marine Division was first activated on Guadalcanal, British Solomon Islands on September 7, 1944. From September 1944 until March 1945 the 6th Marine Division trained on Guadalcanal for its first and only combat operation, Okinawa. All units were awarded the Presidential Unit Citation for extraordinary heroism in action against the Japanese forces during the assault and capture of Okinawa; April 1–June 21, 1945.

Returning to Guam, the division immediately started to train for the invasion of the Japanese homeland. It was at this time that the war ended. The 4th Regiment went to Tokyo Bay for the occupation of the Yokosuka Naval Base, and the rest of the division went to Tsingtao, China, to effect the surrender of the Japanese on Shantung Peninsula.

The 6th Marine Division remained at Tsingtao, China, as an occupational and repatriation force until deactivated on April 1, 1946. The "Striking Sixth' had the unique record of being the only American division that never served in the United States. In body, the "Striking Sixth" was dead. In spirit, it will live forever in the memories of thousands who had served and fought in Melanesia, Micronesia, and the Orient.

In 1970 the Sixth Marine Division Association was formed to pay tribute to the uniqueness of the "Striking Sixth." It also provided them the opportunity to rekindle friendships and recall memories through their annual reunion such as the one held this week in Clearwater.

Mr. Speaker, it is my honor that these men are meeting in Florida's Ninth Congressional District. May this entry in the CONGRESSIONAL RECORD reflect the heartfelt thanks from a grateful and free nation.

REAR ADM. THOMAS S. MADDOCK, TWICE A CITIZEN

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BADHAM. Mr. Speaker, on September 30, 1985, after more than 33 years of service to our Nation and to the U.S. Naval Reserve, Rear Adm. Thomas S. Maddock will retire. He is currently serving as the commander of the Reserve Naval Construction Force and commander of the 1st Reserve Naval Construction Brigade.

The brigade consists of 9 Reserve naval construction regiments, 17 Reserve naval mobile construction battalions, 4 Reserve naval construction force support units, and 13 construction battalion hospital units throughout the United States. With more than 17,000 officers and enlisted reservists, the brigade is the largest single command in the naval Reserve. These are commissioned units highly trained, hardware equipped, self-sufficient, combat ready, prepared to deploy anywhere in the world in response to contingency construction requirements in the early days of any conflict.

In addition, Rear Admiral Maddock administers the Reserve Division, Naval Facilities Engineering Command and the assistant chief of staff for construction management of the Commander in Chief, U.S. Naval Forces Europe. The Reserve division stands ready to augment the military staffing of the Naval Facilities Engineering Command and bring it to wartime manning levels and production capabilities. The assistant chief of staff for construction management is unique in that it is a wholly reserve staff organization functioning on a daily basis as an integral part of an active duty command—the only such operation in the U.S. Navy. These units, together with the brigade, comprise the triad that is the Reserve Naval Construction Force.

The Navy Seabees have a long history and rich tradition as a highly efficient "Can Do" organization. They have served our Nation with distinction and honor since the early days of World War II. Rear Admiral Maddock has continued and built on that history and tradition, significantly improving the mobilization readiness, morale and prestige of the Reserve Seabees.

Today, there is a resurgence of pride in serving our country and it is most fitting to recognize these contributions. I am pleased to call attention to Rear Admiral Maddock's years of dedication to the cause of our national defense. Rear Admiral Maddock was commissioned in the Navy Civil Engineer Corp in 1952, and served on active duty with the Seabees in the Philippine Islands and then at Marine Corps Air Station, El Toro, CA. After joining the Naval Reserve in 1957, he served in a variety of positions with ever-increasing challenges and responsibilities. His command positions have included commanding officer of Reserve Naval Mobile Construction Battalion 17, Port Hueneme, CA (selected as "best of type" in 1969); commander, 1st Reserve Naval Construction Regiment, Los Alamitos, CA; chief of staff for the Reserve Naval Construction Force, Kansas City, MO, and assistant chief of staff for construction management, commander in chief, U.S. Naval Forces Europe, London, United Kingdom. He was selected and promoted to rear admiral in 1981 and assumed command of the Reserve Naval Construction Force in September 1983.

His awards for accomplishments in the Naval Reserve include the Navy Commendation Medal, the Meritorious Service Medal, and the Legion of Merit. The latter award was for his performance as the assistant chief of staff for construction management, U.S. Naval Forces, Europe.

During his tenure as commander, Rear Admiral Maddock personally initiated great improvements in the Reserve Naval Construction Force. Under his leadership, the force was awarded the Golden Helm Award for achieving the highest level of personnel retention in the entire Naval Reserve. He also directed a paperwork reduction program that produced a 70-percent cut in report requirements for field units, saving almost 71,000 man-hours and freeing almost 370 men for mobilization training every year.

Rear Admiral Maddock has taken meny steps to significantly increase the combat mobilization readiness training of the Reserve Naval Construction Force. He implemented a schedule of mobilization exercises, both by air and by sea, that involved all five armed services. He initiated joint training exercises with both active duty and reserve Marine Corps units and greatly increased the number of reserve Seabees deployed to U.S. bases overseas to construct vital support facilities and improve the quality of life for servicemen and women stationed there. These accomplishments will be of crucial importance if we ever have to mobilize to defend threats to our freedom.

It has been my privilege to know Tom Maddock and observe his strength, credibility and effectiveness as a leader while commanding the Reserve Naval Construction Force. His superb leadership, incisive perception, and brilliant planning have led the Reserve Naval Construction Force to new plateaus of readiness and responsiveness. The Reserve Naval Construction Force, under his leadership has become one of the most mobilization-ready forces in the Naval Reserve and is acknowledged to be on an equal footing with its active counterparts in the Naval Construction Force. He has worked equally hard to ensure that the public was aware of the accomplishments of the Reserve Seabees, their vital role in the Naval Reserve, and the tremendous asset they represent to the Nation.

In civilian life, Rear Admiral Maddock is president and chief executive of Boyle Engineering Corp., headquartered in my district in Newport Beach, CA. Boyle is one of the largest U.S. engineering firms working on major projects both domestically and internationally. Rear Admiral Maddock is nationally recognized for his technical expertise and is frequently an expert witness on engineering matters. He is a leader in professional societies such as American Society of Civil Engineers and Society of American Military Engineers, and has authored and published numerous technical papers.

Mr. Speaker, I take great pleasure in honoring this great American and in bringing to the attention of the Congress of the United States his substantial contributions to the welfare of our Nation. His accomplishments in the Naval Reserve and in civilian life indeed merit, in the words of the great statesman, Sir Winston Churchill, the accolade "twice a citizen." I am sure that my colleagues join me in wishing Rear Adm. Tom Maddock continued success in all his endeavors and congratulate him on the completion of a remarkable and highly successful naval career.

TRIBUTE TO DOMINIC MAIESE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues an outstanding public official and resident of Winslow Township, Camden County, Dominic Maiese. Born in 1919, Dominic Maiese is a life-long resident of Winslow Township, and has always felt a deep sense of concern and appreciation for his community, as well as his fellow man.

It is because of this deep sense of concern and commitment that Dominic first became involved with government. His concern for the quality of public education led him to become active in the operation of the school district.

This same sense of concern for working people led him to become involved in the trade union movement. In 1946, Dominic was elected president of Local 56 of the Industrial Union of Marine and Shipbuilding Workers of America, a position to which he has been reelected ever since. In 1949, Dominic was elected to the union's general executive board, and he is vice president of the South Jersey Council, as well as a national representative of the Ship Workers Union.

Yet, despite all other accomplishments, Dominic Maiese is best known by everyone as the mayor of Winslow Township. First elected to the office in 1961, Mayor Maiese has served Winslow continuously for 24 years. In that time, he has become one of the most respected municipal leaders in the State of New Jersey, and one of the most beloved people in Winslow. During his tenure as mayor, Winslow Township has made outstanding progress, a progress which residents have enjoyed without the burdens of a local purpose tax. Mayor Maiese's interest in education has kept the quality of the schools high. Clearly, the people of Winslow owe a great debt of gratitude to Mayor Maiese.

Now, after 24 years of leadership and service to Winslow, Dominic Maiese is retiring from public life, and will begin a well-deserved retirement. The same sense of commitment which Dominic has brought to public life can now be fully devoted to his family. His loving wife Stella, sons Ron and Tyrone, and six grandchildren have been a great source of support, pride, and love for Dominic, and I know he is looking forward to spending more time with them.

On Friday, September 20, Dominic Maiese will be joined by his family and hundreds of friends at Auletta's Caterers in Almonesson, in paying tribute to the years of love and commitment which he has given to his family, community, and friends. I am pleased to take part in this tribute, as Dominic truly has been a friend over the years, and I will always appreciate that friendship.

Mr. Speaker, I am sure that my colleagues will join me in thanking Mayor Dominic Maiese for his lifetime of commitment and service to his community, and in wishing him a long, healthy, and enjoyable retirement.

AMERICAN FOOTWEAR INDUSTRY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. GOODLING. Mr. Speaker, today I am introducing a bill which provides for relief for the American footwear industry. This industry is in dire straits, due to a market intrusion by imports of 72 percent in 1984.

Since President Reagan has not seen fit to uphold the decision of the International Trade Commission, I have incorporated the ITC's recommendations in my legislation. In fact, the only major difference between my legislation and the International Trade Commission's recommendation is that my quota is based upon a percentage of estimated market, rather than a straight numerical quota. I feel that this method is fairer to both our domestic footwear producers and importing countries, because a sliding percentage will not be effected by a change in the size of the market, as would a numerical quota.

I feel this legislation provides a fair and equitable solution to our domestic footwear industry's desperate plight. I am certain that the measures provided in my legislation will allow our industry to return to a robust state of operation.

BISHOP TUTU

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BROOMFIELD. Mr. Speaker, I was keenly disappointed at South African Bishop Tutu's assertion that President Reagan's carefully considered and constructive Executive order somehow demonstrates that the President is "a racist pure and simple." That outrageous charge is clearly unwarranted. It calls into question the judgment of a heretofore respected member of the clergy who has taken upon himself the burden of apparent spiritual and moral leadership in this tragic period of increasingly bloody social and political confrontation in South Africa.

Even the Washington Post, in a recent editorial, calls Bishop Tutu's inflammatory insult unfair. The Post editorial notes as a mitigating factor for this lapse of fairness that the bishop is a man caught up "in the heat of combat on the front line." I suppose we have to take that into account, but it is clear that the kind of rhetorical excess which the bishop's name calling represents is more likely to further inflame the situation in South Africa and to promote a climate of violence instead of justice. Perhaps the most ironic aspect of this is the bishop's own recent experience with being the target of inaccurate derogatory personal comments from another clergyman caught up in the high emotions of the environment in South Africa.

Of course, I am speaking of Reverend Falwell's remarks referring to Bishop Tutu as a "phony," a far less objectionable allegation than Bishop Tutu's attack on President Reagan. In that case, however, after the emotions of the moment had passed, Reverend Falwell had the courtesy to, in effect, apologize for his hasty words.

Certainly Bishop Tutu is a dedicated man of principle as evidenced by his Nobel Prize and instances of personal courage where he has intervened to save individual black South Africans from being murdered by enraged mobs. I sincerely hope that after he has had some time to reconsider the unjustified epithet which he cast at President Reagan, the bishop will vindicate his reputation for dedication to the principle of fairness by extending to President Reagan the apology which he is due.

IN RECOGNITION OF JAMES L. CAREY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. FORD of Michigan. Mr. Speaker, I would like to bring to the attention of my colleagues in the House a young man who has reached a position of accomplishment and leadership at the age of 18. The young man to whom I refer is James L. Carey of Dearborn Heights, MI.

On August 10, 1985, Mr. Carey was elected and inducted as State master councilor for the jurisdiction of Michigan, International Order of DeMolay. DeMolay is a youth organization sponsored by free and accepted Masons and other Masonic bodies. The goal of DeMolay is to build confidence as well as good leadership skills and citizenship.

Mr. Carey's many achievements inside the classroom include a high grade point average and election to the national honor society. In DeMolay, Mr. Carey is a recipient of the Representative DeMolay award and a nominee to the Order of Chavalier, the highest honorary award an active member may receive.

It is very fitting that I call this outstanding young individual to the attention of my fellow House Members today. It is very satisfying for me personally, and I know that all my constitutents in Michigan's 15th Congressional District join me in congratulating James Carey. Tomorrow's leaders are today's youth. Young people such as Mr. Carey should make Americans secure in the knowledge that the future of this country is bright.

THE STRIPED BASS REAUTHORIZATION ACT OF 1986

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. STUDDS. Mr. Speaker, I am today, along with Representative JOHN BREAUX, chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment, introducing legislation to extend for 2½ years the provisions of the Atlantic Striped Bass Conservation Act. The purpose of this bill is to encourage continued action by the Atlantic Coast States to protect the striped bass, and to make possible the restoration of that species to its historic status as one of the most important commercial and recreational fisheries in the United States.

This legislation would extend the authority of the Secretary of Commerce to declare a moratorium on fishing for striped bass in any State that fails to meet its obligations to the Atlantic States Marine Fisheries Commission [ASMFC] to restrict fishing for the species. The bill would also extend for 2 years the striped bass emergency study currently being conducted by the National Marine Fisheries Service and the Fish and Wildlife Service. The study is needed to obtain the best possible scientific information concerning the status of the striped bass, and to discover the extent to which fishing restrictions and other remedial actions are having a positive effect on the health of the species. Finally, the bill would correct a technical problem with the existing statute by specifically recognizing the regulatory authority of the Potomac River Fisheries Commission and the District of Columbia over waters within their jurisdiction.

The Atlantic Striped Bass Conservation Act, approved by Congress last fall, has been a success. Its purpose was to encourage State governments to meet, in full, their obligation to comply with guidelines approved by the ASMFC to restrict fishing for stripers. It sought to achieve this goal by authorizing the Secretary of Commerce to impose a moratorium on fishing in any State that failed, in the judgement of the ASMFC, to comply with these regionally-approved standards. I am pleased to note that the record of compliance has thus far been excellent, and that it has not been necessary for the Secretary to use his authority to declare a moratorium on fishing in the waters of any State.

Despite the high level of cooperation from the States, it is obvious that restoration of the striped bass will be a long term proposition. The combined commercial and recreational catch of the striped bass is only 10 percent of what it was 20 years ago. This past May, the emergency striped bass study released a report indicating that bass stocks remain dangerously low, and that overfishing, habitat pollution, and acid rain have all contributed to the problem. The ASMFC has responded by adopting a series of amendments to its earlier striped bass restoration plan that will further restrict fishing in the months ahead. A major goal of the new guidelines is to protect female stripers of the relatively abundant 1982 year class, in order to guarantee their survival to spawn. Extension of the Striped Bass Conservation Act will encourage full compliance with these new regulations.

The approach taken in current law represents a compromise between those favoring an immediate and total federally-imposed ban on striped bass fishing, and those who are opposed to any Federal role in managing a species found primarily in waters subject to State jurisdiction. The Striped Bass Conservation Act, as well as the new legislation intended to extend its provisions, recognize the primary role of the coastal States and the ASMFC in managing stocks of striped bass. This organization is made up of representatives from all Atlantic Coast States, and its recommendations stem from deliberations carried out entirely at the State and regional level. The adoption of a Federal striped bass conservation law was required to provide the enforcement authority necessary to guarantee compliance with the ASMFC recommendations. It does not call for Federal management of the species, nor is it intended to undermine in any way the principle that State institutions are entitled to manage species under their jurisdiction.

It is obvious that no restrictions on fishing for striped bass can be adopted without resulting in some short term economic loss to commercial fishermen. But the purpose of these restrictions, in the long run, is to restore the health of a species of immense commercial value. It must be recognized that the failure to protet the striped bass would be folly, and that no benefit—economic or otherwise—will be derived from the species if its decline is permitted to continue.

I was pleased by our ability last year to construct a bipartisan coalition of Members from both the House and the Senate in support of action to protect the striped bass. I hope that this coalition can be recreated to ensure the extension of these protections for an additional 30 months.

WHAT THE SANDINISTAS SAY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. COURTER. Mr. Speaker, nearly 20,000 Nicaraguans, many of whom are operating on their own soil, are battling Sandinista army and militia forces. Last week, Nicaraguan lawyers told the World Court that American support of this resistance movement constitutes "state terriorism" and violates international law.

It is fascinating to see the Sandinistas gettting so gun shy.

A year ago Tomas Borge, the man who controls the Nicaraguan police—albeit with Cuban, Soviet, Bulgarian, and East German help—was in Tripoli proclaiming that "Even before the triumph of the Nicaraguan Revolution, we received the solidarity of the people of the Libyan Jamahiriya * * *" and "Our friendship with Libya is eternal." Colonel Qadhafi reciprocated as follows: "Libyan fighters, arms, and backing to the Nicaraguan people have reached them because they fight with us."

Four years earlier, in 1980, when there were already PLO-controlled guerrilla training camps in Nicaragua, and Sandinistas had already fought beside Palestinians in the Middle East, Borge exchanged similar plaudits with Yasser Arafat. He declared "We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas." The following day Arafat answered: "The triumph of the Nicaraguans is the PLO's triumph."

Borge specifically mentioned the participation of foreigners in the Sandinista revolution when he spoke on its second anniversary. And in North Korea he went so far as to say that "the Nicaraguan revolutionaries will not be content until the imperialists have been overthrown in all parts of the world."

Many other Sandinista officials have said many similar things. So whatever the Sandinista lawyers might be saying at The Hague, Americans should keep something in mind: It's not that the Sandinistas disapprove of armed insurrection; it's that they only countenance the totalitarian varieties.

SALUTE TO THE FOURTH ANNUAL "PROJECT LIFEBOAT" IN ORANGE COUNTY, CA

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. DORNAN of California. Mr. Speaker, today I rise to call my colleagues' attention to a very special event that will be held on the 28th of September in Garden Grove, CA. I am speaking of the "Fourth Annual Project Lifeboat," a once a year cultural/musical show to raise money for funding of mercy ships to rescue boat people from the South China Sea.

The idea of organizing a charity event to raise money to help the boat people is highly commendable. As with the recent Live Aid fundraising concert for hungry Ethiopians, Project Lifeboat is a beautiful outpouring of compassion by fellow human beings in one part of the world to those much less fortunate in other areas. Now, in its fourth year, Project Lifeboat will again echo the true sentiment of all free men—the desire to break away from the iron grip of Communist oppression.

Under the auspices of the Boat People S.O.S. Committee, a national organization established by Vietnamese educators and scholars, the event is coordinated by hundreds of college and high school students. Many notable Vietnamese singers, actors, and performers will also donate their theatrical talents to this humanitarian cause. The famous names will attract thousands of Vietnamese, as well as Americans, to come see the show and better understand the plight of the boat people.

In the past months, student volunteers have distributed thousands of fliers and notices across southern California to get the word out to the people. The committee will continue to hold periodic press conferences to give reports of progress. To date, donations have reached close to $70,000, but hopes are high to raise much more. Indeed, the contributions collected at this upcoming event will be the icing on the cake. Every dollar contributed will boost the chances of a refugee being saved from Thai pirates and the treacherous waters of the South China Sea. For some of these refugees, the fate of freedom or death on the high seas is directly dependent on donations from the States.

The proceeds will be entrusted to Medicins du Monde, a physicians' league in Europe which sponsors ships to assist stranded vessels. The money is used for gasoline, oil, crew salary, food rations, rent, and maintenance of the *Jean Charcot*, a ship of mercy chartered to patrol in the South China Sea. Also, a portion of the proceeds will be donated by the Boat People S.O.S. Committee to orphans in various orphanages in Southeast Asia. The focus of time and money volunteers and benefactors devoted to this upcoming event is in itself a triumph. It is a symbolic victory of faith over the adversities of fear and hoplessness.

Mr. Speaker, the Vietnamese boat people and the little orphans will be much comforted when they realize that we, as a constitutional body of representatives of the greatest democracy on Earth, strongly believe that freedom is not a privilege, but an inalienable right possessed by all men. For the Vietnamese boat people, the perilous sea journey in search of freedom is costing them dearly, on occasions paid for with the price of their very lives. Yet, hundreds of thousands of Vietnamese every year risk their own lives on rickety river boats for the simple fact that they cannot coexist with the Communists and the Godless ideology.

As a staunch ally during the Vietnam War, the U.S. Government has a special relationship with South Vietnam and its citizens. In our Nation's short history, we have never sacrificed so many young men for another country as South Vietnam with such a sad outcome. Arm in arm, our GI's and the South Vietnamese military forces fought and died together for the same democratic ideals. And let us not forget that 10 years after the U.S. Congress abandoned them, they are still, in moral principle, our allies. The Vietnamese people are our friends because they intimately share with us the belief that democracy is worth defending, and that communism is inherently inhumane and evil.

The theme of the "Fourth Annual Project Lifeboat" is a tribute not only to the boat people, but to all people who constantly live in the dark shadows of hunger, suppression, and humiliation. The spirit and dedication the Vietnamese exhibit in this noble cause touch the hearts of all Americans. Their unselfish efforts highlight the true character of this Nation as a good samaritan.

Mr. Speaker, I appreciate this opportunity to salute the success of the "Fourth Annual Project Lifeboat," and to commend all the Vietnamese who have made it possible. In essence, this momentous event represents America's true purpose and that of all freedom-loving people—the championing of democracy.

THE NUCLEAR POWER PLANT SECURITY AND ANTI-TERRORISM ACT OF 1985

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BROOMFIELD. Mr. Speaker, today I have introduced the "Nuclear Power Plant Security and Anti-Terrorism Act of 1985," which is badly needed legislation. For far too long, our country has been lax about conducting personnel security checks at U.S. nuclear plants. So far, we have been very lucky. We have not had a terrorist act perpetrated by an individual with access to a sensitive nuclear facility. This proposed act closes the door by requiring checks of all personnel working at nuclear facilitites.

This act better protects our national security by allowing access to certain Federal records. By amending the Atomic Energy Act, the legislation requires that all individuals having unescorted access to nuclear facilities be fingerprinted. The Department of Justice will provide the appropriate criminal record checks using these fingerprints.

This legislation is designed to protect the American public and our national security from those who might resort to terrorism while having access to a sensitive nuclear facility. The potential for a major terrorist act against the United States is enhanced by the existing practice of giving unscreened personnel access to nuclear facilities and nuclear material.

While we have yet to experience a terrorist incident involving a nuclear facility, we are waiting for a disaster to happen if we continue to allow basically unscreened personnel to work in sensitive facilities. Domestic terrorism is a possibility we cannot ignore. Today's terrorists are tough and sophisticated. This is why this legislation is both timely and necessary. A nearly identical bill was recently introduced in the Senate by Senator DENTON with bipartisan support. I urge my colleagues to support this legislation.

CONTRACT SAVINGS ACT OF 1985

HON. ROBERT F. (BOB) SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. ROBERT F. SMITH. Mr. Speaker, I take great pleasure today in introducing with my friend and colleague from Texas, Mr. STENHOLM, the Contract Savings Act, legislation that could—as the least of it benefits—save this Government more than $1 billion yearly.

I realize that many in this Chamber will have a hard time believing that a $1 billion savings can be discounted as the least benefit of proposed legislation. But in this case, Mr. STENHOLM and I are even more excited about the the private sector job opportunities that will be created, the significant improvement in quality and cost-effectiveness in Government work which will result, and the long-term benefits to the free enterprise system which fuels this Nation's economy.

The idea is simple: a broader reliance on America's private businesses for the services and properties needed by Government will save money. It saves on the costs of doing those chores today and returns even far greater savings in future years.

In a very real sense, though, the key to broad success of this legislation lies in a concept that is among the most deeply-engrained in the history of this Nation: competition.

America has grown strong because it has encouraged the growth and strength of its private enterpreneurs. The free enterprise system nurtured by more than two centuries of American Government has sparked a continual search for a better way, and rewards those who find it with profits—taxable profits, I might add. That search is called competition.

Free and open competition has served to improve products and services while keeping costs down. At the same time, the pressure of a competitive marketplace gives vitality to those who can make a better product or cut the costs of that product and it weeds out those who cannot.

Throughout history the Federal Government has dedicated itself to removing barriers to the free enterprise system that feeds both the Nation's families and the Nation's treasury. We've stood in the path of domestic monopolies and unfair foreign predators.

But in the last half-century, we've allowed an erosion of the competitive edge in the free enterprise system by the most unlikely, most insideous element: ourselves.

Today, many American private businesses recognize that their greatest biggest competitor is the Federal Government itself. The Contract Savings Act of 1985 recognizes that fact and seeks to offer a remedy: to save by broadly expanding the use of competition and private business to improve the quality and cut costs of similar work now done in-house by the Federal Government.

Mr. STENHOLM and I are first to admit that the key principle of our legislation may qualify as one of the oldest new ideas to be offered in the 99th Congress. The disadvantage of that kind of admission is that we can't claim to be geniuses. I think we can live with that.

But the advantage of bringing an old idea to new form is that there's a veritable flood of evidence to demonstrate that the idea is valid and to the new form is needed.

For proof of the idea's value, we need to look at the experiences of the Government since 1955. The agency that was to become the current Office of Management and Budget [OMB] said Government should rely more on the private sector to fill Government needs. Efforts to implement that policy have since been consolidated under OMB's "Circular A-76."

Allow me to stop right here for an important aside. Over the years, the term A-76 has grown a variety of identifying warts and bumps whose appeal is in the eye of the beholder.

To private business, A-76 is a referee; to many Government workers—and today there are more than 16 million of them at all levels of Government—A-76 is a threatening ogre.

To those who would objectively assess the value of its accomplishments and the potential of its promise—the Congressional Budget Office and General Accounting Office to name only two—A-76 is a good fairy, a beneficial phantom that seems to do good things when and where it appears.

Regardless of political affiliation, over the years the agencies which have looked at A-76 applications have universally said that it works. It saves money, it creates new tax revenue, it expands private sector jobs and it improves the product of Government. But the problem with A-76 is that it's still, after 30-years of use, only a suggested practice.

Time and again—right up to the Grace Commission and the GAO's assessment of its provisions this spring—agency after agency, group after group has identified A-76's major flaw: it still isn't the law of the land.

If we really want to affect the greatest savings, if we're really serious about relying on the private sector, if we really want to live up to the principle of a Government that does only what can be done by Government alone and does that in the most efficient and effective way it can be done, then the concept of competitive preference embodied in A-76 must be placed into law.

Enter the Contract Savings Act. It is legislation designed to place into law the principle of Government's reliance on competition and private sector reliance to build a better Government product.

Quickly, while the subject of perception and image is still the topic of discussion, allow me to address the three primary questions that need be answered before I would ever expect a single colleague to join Mr. STENHOLM and me on the bill.

First: will it save significant amounts of taxpayer money?

Second: will it serve the need; will it equal or improve the level of Government performance which we enjoy today?

Third, and admittedly the most volatile question: will it threaten the livelihood of significant numbers of persons now employed by the Federal Government?

Taken in order, first, the question of savings.

CBO has estimated that making full use of Circular A-76 would save this Government $1.1 billion annually. By placing every appropriate and qualifying job which is now done in-house by the Federal Government in an active and mandatory competition with private sector providers, we would shave $1 billion off the deficit.

In other words, if we took competition out of the please do category and placed it into the must do field by making it law, we'd begin to pile up savings.

This bill, however, goes CBO one better by removing one restrictive measure from the current A-76 practice.

Today, A-76 provisions create a cost competition between private businesses and Government providers. Once a task is identified as a commercial activity that could be done equally well by Government or private sector employees, both are invited to bid on the cost of doing that job. But the lowest bidder is not always the contract winner.

Today's A-76 gives the in-house Government provider an automatic, unquestioned, 10-percent advantage. If the private sector competitor can't better the in-house price by 10-percent or more, the task will remain in-house.

CBO's $1.1 billion savings estimate takes this factor into account. Mr. STENHOLM and I don't agree that savings of 1, 2 or 9 percent of a task's cost are inconsequential.

Our bill would eliminate the 10-percent differential and instruct the Administrator of the Office of Federal Procurement Policy [OFPP] to save us as much, or as little, as unbiased cost comparisons will allow.

As such, we would expect savings of more than the $1.1 billion CBO estimate.

While I'm delighted to point to estimated savings, I also realize that there are skeptics in this body who aren't impressed with anyone's estimate. They want cold, hard fact and proof where it's available.

There is plenty of that.

One of the most recent is also one of the most dramatic. It comes from an analysis of A-76 applications in everyone's favorite target, the Department of Defense. Published in the "Defense Management Journal" third quarter 1985 edition, is an analysis of DOD's commercial activity applications from early 1979 through 1984.

The article is a masterful study of the ways A-76 competitions saving money, but the statistics alone are convincing.

In that 5-year time period, the DOD conducted 1,054 competitions for military base-support functions, touching on some 35,500 jobs. In 48-percent of those competitions, the in-house, Federal workforce won the right to keep the job in-house. the remaining 52-percent was won by private contractors. What's happened since then is impressive.

On average, the Journal said, private contractors underbid the previous—in-house—cost by 21 percent. Maybe more startling, however, is the savings worked on the 48-percent of the contracts that stayed in-house simply because they went through the competitive bid process.

The cost of the same work, done largely by the same people within the Federal system was bid on average 17-percent below precompeiition costs.

Overall, selection by the lowest bidder across the full range of the 1,054 competitions resulted in a 29-percent reduction in operating costs.

Remember that the savings were restricted because of the 10-percent differential which was in place, by the fact that defense activities have a larger than average percent of security-related job exemptions and by the fact that A-76 is not statutory.

Does competition save money? In answer to the first criteria, "You bet it does!"

How about question two, "Does competition help meet the needs and equal or improve the level of Government performance which we enjoy today?"

That's the easist of the three questions to answer. Whether a job is done in-house or under contract, we the Government, retain the right to decide performance criteria. We set the standards and we decide if they have been met.

The real difference between in-house and contract performance of a task, however, comes after it has been finished. It's only then that we can turn back the pages to decide if it has been done to our satisfaction.

If we're satisfied that the job has been done to our standards at a fair price, again the question of who did the job is comparatively inconsequential.

But what happens if the job wasn't done right? Who do you turn to then?

Thankfully, the satisfaction guaranteed spirit is still alive in America's private sector. If the job was done by private business, the chances are better than even that the job will be made right without additional cost.

If the job was done in-house, the story may be very different indeed. I have yet to hear of a single Government project where it didn't cost the Federal taxpayer money to fix a mistake.

It's the difference between fixing the pipes yourself or hiring a plumber. If the bathroom floods after you've done the job, you get the bill. If you hire a plumber for the job he pays for the flood repair.

Which brings us abruptly to the third question: the impact of a vastly-broadened reliance on competition and private sector contracting on the Federal workforce.

Nothing in this legislation is intended to impugn, or even question, the professionalism of the workforce of the U.S. Government. Nothing in this introduction is intended to suggest that a job can be done better by the private sector than by the Federal employee.

BEST COPY AVAILABLE

This bill does suggest, however, that there are greater benefits to the taxpayer, to the private sector, to the Government, and to those who are served by the Government by doing a job outside the Federal realm when the option is presented.

This isn't legislation to fire Federal employees. There is very good evidence to indicate that the experiences of Federal employees who have been touched by the A-76 process has not been particularly devastating.

For instance—going back to the Defense Management Journal—GAO recently reviewed 20 functions that Government contracted to private business during fiscal year 1983. Of the total 2,535 affected, only 5 percent, or 129 persons, had been involuntarily separated from their jobs.

Nearly three-quarters of the total found other Government jobs and many went right back to work, on the same job, for the winning contractor.

In those instances where the contract was won by the Federal employee, they returned to work with a new confidence and pride in their work, armed with incontrovertible proof that they were doing their job to the absolute best.

The answers to our three questions lead us on a path of greater savings, improved product and, most importantly, an appropriate reliance on the value of the spirit of competition which has made the private sector strong.

The Contract Savings Act will solidfy for Government, in usable law, the principles which have nurtured America's private sector.

We have tried as well to make the mechanics of the law as straightforward as the principle.

If brief, the Contract Savings Act calls on the Administrator of the Office of Federal Procurement Policy [OFPP] to create regulations, consistent with OMB circulars, to compare the costs of jobs which are still done in-house performance with private sector providers.

When outside costs are lower, the Administrator is directed to award the job to the private contractor. For the purposes of fair comparison, as I mentioned before, the 10-percent in-house advantage is eliminated and every effort is made to assure that the hidden costs of doing a job in-house are taken into consideration when costs of a contract are estimated.

While the intent of this legislation is to expand the use of private sector providers, it isn't blind to the fact that there will always be places where private business assumption of a chore is not appropriate.

The bill recognizes that certain matters and jobs which are sensitive to national security are not always appropriate for the private sector. Those jobs would be exempt from cost comparison and award.

The bill also recognizes that there are good reasons for leaving a job in the hands of an employee of the Federal Government, other than national security. But the procedure for that decision would be changed somewhat.

Current practice allows Federal agencies where private contracts are being considered to reject a cost comparison where the agency or department indicates that theirs is an inherently governmental activity, or so intimately related to the public interest as to mandate performance by Government employees.

Our bill would direct the Administrator of OFPP to review and affirm those departmental exemptions in writing and, for the first time, that decision could be appealed by private providers who feel that the decision to leave a Government position inhouse is more protective than pragmatic.

The Administrator would be empowered to overturn a departmental rejection and force the job to cost comparison with private sector providers when departmental justifications are inadequate.

While it might seem that a list of jobs and responsibilities can be divided into commercial or governmental quite easily—particularly after national security exemptions have been granted—in reality the task can be far more complex.

One example of such a dispute can be found in my own home State of Oregon. It may be the Nation's longest-running argument dispute between private business and Government.

Oregon is the second-largest live plant exporting State of the Union. Those who have ordered rose bushes from firms like Jackson and Perkins, in my district, for instance, are aware of the national reputation of Oregon nurserymen.

Yet, for 80 years, commercial nurserymen have tried unsuccessfully to win the right to provide seedling trees to the U.S. Forest Service for use in our National Forest System and on other Federal lands.

For 80 years, the Forest Service has insisted that private business can't grow a tree as well as the Government grows a tree. The Forest Service continues today to operate 12 Federal nurseries around the country.

And, to add insult to injury, the Forest Service often sells those surplus seedlings from its own nurseries to large landowners, in direct competition with commercial nurserymen.

Today, using the please do approach to private contracting under the suggested guidelines of A-76, the Forest Service easily resists cost comparisons simply by saying that growing trees for the National Forest System is an inherently governmental responsibility.

By the same token, the general contracting industry throughout the United States finds itself frequently and consistently turned away from construction jobs that would be better done by private contractors.

But instead of the logical use of experienced, state-of-the-art, fully-equipped and bonded contractors who assure us of cost and specification compliance in necessary Federal construction, this Congress is turning the other way.

Actual prohibitions have been added in legislative language in recent years to prevent the use of private construction on some Federal properties such as the entire National Park System.

As a result, the Federal Government buys equipment which sits idle most of the time; it hires people who end up being part-time builders; it gets work without cost or satisfaction guarantees, inspected by the same people who do the work and done at a cost that ends up costing, well, whatever it costs.

In the construction business, particularly, Federal dollars are channeled through State and local governments doing federally assisted road or water control work where contracting with private builders should be the rule rather than the exception.

While this legislation specifically addresses Federal activities, the entire realm of federally assisted projects needs to be examined for private contracting opportunities.

More urgent than that, however, is the need to fit the spirit of improvement by competition into the full range of Federal activities.

The Contract Savings Act which we introduce today intensifies our search for budget reductions in a proven field of savings. More importantly, it pulls the reins on runaway Government even tighter, it bolsters the free enterprise system and it improves the product of Government.

I urge you to join with my colleague, Mr. STENHOLM, and me as a cosponsor of the Contract Savings Act. Thank you.

H.R. —

A bill to require the Federal Government to enter into contracts with the private sector for procurement of property and services needed by the Federal Government when any cost comparison demonstrates that the cost of such procurement from private sector sources is lower than the cost of providing such property or services by the Government, and to establish in the procurement policy of the Federal Government a greater reliance on private sector sources to provide property and services needed by the Federal Government

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Contract Savings Act of 1985".

SEC. 2. PROCUREMENT FROM PRIVATE SECTOR REQUIRED WHEN COSTS ARE LOWER.

(a) GENERAL RULE.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

"COST COMPARISONS

"SEC. 24. (a) When any cost comparison carried out under regulations prescribed under subsection (b) shows that the cost of providing any property or services (or both) by the private sector is lower than the cost of providing such property or services (or both) by the Government, such property or services (or both) shall be procured from the private sector.

"(b)(1) The Administrator shall prescribe regulations to require that a comparison between—

"(A) the cost of providing property and services by the Federal Government; and

"(B) the cost of providing property and services by the private sector;

be conducted in any situation in which such property or services (or both) can be procured from the private sector. A comparison shall be conducted for each property or service which is needed by the Government after the date of the enactment of this section and which is not already provided by the private sector.

"(2) The regulations shall be part of the single system of Government-wide procurement regulations as defined in section 4(4) of this Act and may be similar to Office of Management and Budget circulars (except where any such circular is inconsistent with the requirements of this section). The regulations shall include the following:

"(A) A requirement that there shall be no cost differential in favor of performance by Government personnel or performance by private sector personnel.

"(B) A requirement that the cost estimate for Government performance shall include an estimate of indirect costs, computed on the same basis required of Government contractors.

"(C) A requirement that the cost estimate for Government performance shall include an estimate of the cost for retirement benefits provided to civil service employees, computed by the chief actuary of the civil service retirement system using a dynamic normal cost method and updated annually.

"(D) A requirement that any change in methods of performance by Government personnel (to achieve efficiency and reduce costs) that is proposed in a cost comparison must be placed into effect as proposed if the cost comparison results in a decision to continue performance by the Government personnel.

"(E) A procedure by which private sector providers of property and services may request and receive reconsideration by the Administrator of any determination made by the Administrator under subsection (c)(2), within 60 days of such determination.

"(c) This section does not apply—

"(1) in any situation in which private sector performance of a Government-operated activity (whether the activity is new or existing) would be inconsistent with national security;

"(2) to any activity which the Administrator determines in writing to be so intimately related to the public interest as to mandate performance by Government employees;

"(3) to the procurement of any property and services under title IX of the Federal Property and Administrative Services Act of 1949; or

"(4) to the conversion to private sector performance of any Government activity that involves 10 or fewer full-time positions (or the equivalent of 10 or fewer full-time positions), if fair and reasonable competitive prices can be obtained from qualified commercial sources.

"(d) Any determination made by the Administrator under subsection (c)(2) shall be reconsidered by the Administrator upon request by a private sector provider of property and services, in accordance with the procedure prescribed under subsection (b)(2)(E). Judicial reviews of the merits of a decision resulting from a reconsideration may be had in the United States District Court for the District of Columbia or the United States district court for the district in which the provider resides or in which the provider's principal place of business is located. In any such review, the facts of the case are subject to a trial de novo by the reviewing court.".

(b) EFFECTIVE DATE.—The Administrator shall prescribe the regulations required by the amendments made by this subsection as soon as practicable after the date of the enactment of this Act.

SEC. 3. DECLARATION OF POLICY.

Section 2 of the Office of Federal Procurement Policy Act is amended—

(1) by striking out "and" at the end of paragraph (12),

(2) by striking out the period at the end of paragraph (13) and inserting in lieu thereof ", and", and

(3) by adding at the end the following new paragraphs:

"(14) applying principles that are accurate, fair, and impartial when comparing the costs of alternative sources of property and services;

"(15) relying on private, for-profit business sources to provide property and services to the Federal Government through an open and competitive bidding system in order to stimulate overall economic activity and thereby provide an additional return to the public in the form of taxes; and

"(16) relying to the maximum extent possible on private sector sources to provide property and services needed by the Federal Government.".

TREASURY II, AND ITS IMPACT ON CALIFORNIA'S SAVINGS INDUSTRY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. ANDERSON. Mr. Speaker, last month I received correspondence from Mr. W. Dean Cannon, Jr., president of the California League of Savings Institutions, which discusses the President's tax reform plan (i.e. Treasury II) and its impact on California's savings industry.

According to Mr. Cannon, "if the Treasury II proposal are incorporated into a tax bill, the effect will be to dissuade savings institutions from fulfilling their obligations as specialized financial institutions. In essence, such a tax policy would remove incentives for us to specialize in home finance."

As we continue the debate on general tax reform and simplification, I hope my colleagues will review Mr. Cannon's remarks on this important issue. The text of his correspondence follows.

CALIFORNIA LEAGUE OF SAVINGS INSTITUTIONS,
Los Angeles, CA, August 19, 1985.

Hon. GLENN M. ANDERSON,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN ANDERSON: As the House Ways and Means Committee takes up tax reform, I am writing you to express our concern about five provisions of the Treasury II proposal that would adversely affect California savings industry.

As you know, the Treasury's proposal sets out to deliberately remove certain incentives from the tax code, while preserving or expanding others. Special incentives accorded the home finance industry are among its targets.

We do not quibble about the need for a fairer or simpler tax system. However, the Treasury's proposal creates an immediate tax burdern of more than *$1 billion for California's savings industry,* virtually wiping out its tangible net worth. We think it is inequitable and untimely.

I invite you to review the enclosed background paper and to urge your colleagues on the Ways and Means Committee to consider this aspect of the Treasury II proposal carefully.

The thrift industry is essentially being tugged in two directions by Congress. We concur with the direction set forth by the House Banking Committee, which would establish a "qualified thrift lender" test for savings institutions. On the other hand, if the Treasury II proposals are incorporated in a tax bill, the effect will be to dissuade savings institutions from fulfilling their obligations as specialized financial institutions. In essence, such a tax policy would remove incentives for us to specialize in home finance.

We believe that the Treasury II proposals are simply premature. We urge you to call on your colleagues to defer any action on these provisions until Congress can address the larger question of the future of financial institutions and then determine the most appropriate method for taxing thrift institutions consistent deregulation and the charge our industry receives from Congress.

Sincerely,

W. DEAN CANNON, JR.,
President.

TREASURY II—A THREAT TO SAVINGS INSTITUTIONS AND TO THE NATIONAL PRIORITY FOR HOUSING

POSITION STATEMENT OF THE CALIFORNIA LEAGUE OF SAVINGS INSTITUTIONS

A matter of priorities

A nation's tax policy is perhaps the surest indication of its social and economic priorities. For more than 80 years, Congress, mindful of the importance of home ownership, has employed tax policy to encourage residential mortgage lending. This policy has worked well: the rate of home ownership in the United States is among the highest in the developed world and the nation's savings institutions remain the single largest source of housing finance.

Treasury II—the tax reform proposal now being debated in Congress—would drastically reverse this historic priority. Intent on creating a "level playing field" for the entire financial industry, while simplifying the tax laws, the framers of Treasury II propose to restructure thrift industry corporate taxation and force savings institutions to diversify their assets away from home finance. What is proposed is the creation of a tax regime which would effectively penalize savings institutions for activities to which they are committed by statute and regulation.

Tax impact on savings institutions

Five principal provisions of Treasury II will impact savings institutions:

1. Elimination of the bad debt reserve deduction.—Currently, savings institutions which commit more than 60 percent of assets to specified housing related investments may deduct additions to bad debt reserves, up to a maximum of 40 percent of taxable income. This special allowance is designed to afford thrifts some measure of protection from non-performing loans and interest rate fluctuations—risks associated with long-term residential mortgage lending.

Treasury II would eliminate such reserve accounting for all financial institutions, permitting bad debts to be deducted only when an actual loss is incurred—the so-called "specific charge-off" method of accounting. The effect is to raise the industry's effective tax rate while rates for other corporate taxpayers are being lowered.

2. "Recapture" of existing bad debt reserves.—Treasury II does not stop at eliminating the bad debt reserve deduction, but mandates that savings institutions reclassify a substantial portion of existing bad debt reserves as taxable income. Institutions are given the option of accomplishing this "recapture" in one year or spreading the resulting liabilities over 10 years.

The framers of Treasury II argue that the "recapture" provision is necessary to prevent a double deduction of bad debts included in current reserves—debts which would be written off again as specific charge-offs. In fact, the measure imposes an unfair, retroactive taxation on the S&L industry, a clear case of changing the rules—and the score—after the game has been played.

3. Curtailment of the net operating loss "carryback".—In 1969, when the current bad debt reserve system was adopted, Congress granted savings institutions the authority to carry net operating losses back 10 years to recover taxes already paid, and forward five years to reduce future tax liabilities. In doing so, Congress explicitly acknowledged that accepting short-term deposits to fund long-term mortgage loans made thrifts vulnerable to losses when interest rates rise rapidly.

The housing depression of 1981-82 proved the wisdom of this measure. Forced to pay high market rates for deposits, while carrying old, low-interest loans on the books, the industry as a whole experienced losses totaling nearly $9 billion. If the 10-year "carryback" provision of the 1969 law had not been available to restore much-needed capital, far fewer institutions would have survived.

Ignoring the lessons of recent experience, the framers of Treasury II propose to eliminate the special 10 years back/five years forward net operating loss rule for thrifts and impose the schedule applicable to all other corporate taxpayers: three years back/15 years forward. This could set the stage for crippling housing finance in the United States, should the 1981-82 scenario ever be repeated.

4. Enforced switch to accrual accounting for tax reporting.—Treasury II would require savings institutions to report taxable income on an "accrual" rather than "cash" basis. In other words, institutions would have to report all income earned during the tax year, whether or not the income has actually been received.

Here again, the realities faced by institutions specializing in long-term lending are simply ignored. Certain residential loans—adjustable rate mortgages, especially—may yield current earnings to the lender that cannot be received until the term of the loan ends. Under Treasury II, savings institutions would be taxed on this income many years *before* the receipt of cash is even possible.

5. Elimination of deduction for state and local taxes.—Treasury II's much publicized proposal to eliminate deductions for state and local taxes would also adversely affect savings institutions since institutions will face greater competition for depositors' funds from U.S. obligations, which are exempt from state and local tax. In essence, the savings industry will have to offer a higher yield to compensate for the fact that interest paid on deposits will be subject to state tax that is not deductible for federal income tax purposes. The California League estimates that an institution which now pays 11.24 percent in order to compete with a Treasury bill paying 10 percent, will have to offer a rate of 12.3 percent in order to make up the difference.

The non-deductibility of state income taxes will result in higher costs of funds to institutions, which leads inevitably to narrower margins and/or higher loan rates for borrowers—especially home owners.

Financial impact on the industry: Reduced net worth

Treasury II will sharply and immediately increase the industry's tax liability, which will be reserved for by diminishing institutions' net worth. The timing could not be worse—the industry is just now rebuilding capital following six difficult years.

The effect will be to weaken the financial strength of many institutions, thus adding to potential problems for the FSLIC. The impact could prove severe for savers, borrowers and investors alike.

In California, the additional tax liability of institutions will exceed $1 billion. The effect will be to virtually wipe out the tangible net worth of institutions, although many institutions will continue to enjoy net worth for GAAP and regulatory accounting purposes.

The recapture of the debt reserves alone would create an additional tax burden of $442 million for California institutions and some $1.8 billion for institutions nationwide.

The other proposed tax changes would result in additional financial adjustments of $729 million for savings institutions in California and an anticipated $2.9 billion nationwide.

Congress Must Choose

Clearly, Treasury II proposes to gut the system of tax incentives directed toward helping consumers realize the American dream of home ownership. The American public spoke out loudly against the suggestion to eliminate the home mortgage deduction. We believe that these incentives are equally important toward meeting that goal and will impact consumers just as much.

The question before Congress is whether out tax policy will continue to treat home ownership as a priority, or whether the home buyer must compete with every other bidder for capital.

If home ownership is a national priority, we urge that the existing incentives be maintained and that the Treasury II provisions above be deleted from any tax reform proposal.

If Congress deems that housing should no longer receive special consideration, we believe that lawmakers must be fully cognizant of the impact of such a public policy. Without an adequate flow of funds for housing, who will provide the investment dollars needed to finance the long-term construction of new homes and businesses? At minimum, we believe that Congress should:

1. Delete the provision calling for the recapture of existing bad debt reserves.—This retroactive form of taxation will simply devastate the industry's already fragile net worth.

2. Provide an orderly transition to any new set of tax regulations.—These transition rules (which are not provided for in the Treasury II proposal) should contain a sufficient phase-in period to reduce any detrimental impact on the net worth of institutions. We do not oppose fairness or simplicity in taxation; however, we believe that management must be given sufficient time to plan for the tax consequences of business decisions, particularly when lending long in a highly regulated yet rate sensitive environment.

3. Consider the impact on savings and investment.—When examining the much larger question of the deductibility of state and local taxes. We believe that the detrimental impact on savings and investment is a compelling reason why state and local taxes should continue to be deductible.

A BILL TO PROVIDE A SECURITY BUFFER ZONE FOR THE SAVANNAH RIVER PLANT

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. DERRICK. Mr. Speaker, today I am introducing legislation to transfer approximately 6,000 acres from the Department of Agriculture's Forest Service to the U.S. Department of Energy. The Department of Energy, which operates the Savannah River Plant near Aiken, SC, believes this transfer of land adjacent to critical facilities on the Savannah River Plant site will enhance the physical security of this critical nuclear defense installation.

This property was formerly Department of Energy land and part of the Savannah River Plant reservation until the 6,021 acres were transferred to the Forest Service in 1974. The transfer to the Forest Service was done to provide public recreational benefits under the President's Legacy of the Parks Program.

In the 97th Congress, the Committee on Energy and Commerce conducted oversight investigations which highlighted potential shortcomings related to the security of various U.S. defense materials production facilities, including the Savannah River Plant.

Officials of the Department of Energy have since undertaken numerous programs to bolster the physical security of these installations, and I am pleased with the progress that has been made to date at the Savannah River Plant.

The property which will be deeded back to the Department of Energy upon enactment of this legislation will increase the overland distance between critical facilities and the plant boundary by between 3,000 to 15,000 feet. This additional "buffer zone" will greatly enhance security by limiting public access to lands that are in close proximity to critical nuclear facilities.

Mr. Speaker, this legislation was introduced in the Senate by the distinguished senior Senator from South Carolina on August 1, 1985. I hope my colleagues will join me in providing the means by which one of the Nation's premier nuclear defense installations may significantly enhance its

security by ensuring prompt consideration of this proposal in the House of Representatives.

THE 100TH BIRTHDAY OF REV. THOMAS J.B. HARRIS

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. TORRICELLI. Mr. Speaker, I rise today to acknowledge the 100th birthday of one of my district's finest citizens, Rev. Thomas J.B. Harris.

Mr. Harris was pastor of Bethany Presbyterian Church in Englewood from 1915 to 1927, during which time the church building was rebuilt in its present form. Mr. and Mrs. Harris have been residents of that city for 70 years.

Mr. Harris is a native of Charlotte, NC, and was educated at Johnson C. Smith University and Theological Seminary. He is the oldest alumnus of that university. In 1943 he received the degree of master of arts in business administration from New York University.

In 1919 he married the former Willie Mae Bowers. They had two daughters, one of whom died in infancy. The surviving daughter, Gladys Thomas, a resident of Teaneck, is the mother of Brenda Thomas.

Mr. Harris taught school in Woodbury, NJ, from 1912 to 1915. Chaplain in both world wars, he was stationed at Camp Merritt in Dumont during World War I. He has made his home in Englewood since 1915, when he became pastor of Bethany Presbyterian Church.

The Reverend Harris became pastor at Rendall Memorial Presbyterian Church in 1927, and has remained a member of the Presbytery of New York City. Following his military service in World War II, he served pastorates at Silnam Presbyterian Church, Elizabeth, NJ, and Brook Chapel, Hillburn, NY.

In 1948 he was the first black to run for the Englewood city council. He has been chaplain of the 369th Veterans Association, New Jersey District, since 1958, and is a charter member of the Henry Douglas Post 58, American Legion.

In his retirement years he has been occupied with real estate and income tax assistance. He is a never-failing source of help to those who seek his counsel. He has performed many marriages and funerals for Englewood people, and maintained a lively interest in community affairs.

HISPANIC HOUSING NEEDS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. GARCIA. Mr. Speaker, this week marks the national observance of Hispanic Heritage Week. There have been many notable events here in Washington and across the Nation in honor of Hispanic contributions to our country. Hispanics are involved in all phases of American life; the arts, fashion, politics, science, to name but a few. We have left as our legacy our culture, our architecture, and our language in almost every State in which we have settled.

Unfortunately, there is a dark side to this picture. Hispanics are living in poverty, at below subsistence levels, and in substandard housing. We are at a crossroads; the 1980's were supposed to be the decade in which the Hispanic came into his own, in which we were courted instead of shunned, and in which at last we were going to see some improvement in our position as citizens of this great Nation.

I have just attended a hearing held by our esteemed colleague and Chairman of the Subcommittee on Housing and Community Development, the Honorable Henry Gonzalez. The hearing was titled "Housing Needs and Conditions of Hispanics." The panels were made up of many distinguished men and women involved with the housing problems of Hispanics, and the picture they painted was not a pretty one. No one was surprised at the facts and figures regarding the terrible conditions in which so many Hispanics live, and how many are homeless. I commend my colleague for holding such an important hearing; the facts were not new, and the figures have not improved, but now they are on the record and give us a real idea of what this administration's policy of cutting social programs and housing programs is doing to our country's poor.

I am enclosing statements made by two gentlemen that I know well, and who have done a great deal to help alleviate the housing problems faced by Hispanics in New York City. Mr. Luis A. Miranda and Mr. Hector Pinero are with the New York Hispanic Housing Coalition, and I recommend that my colleagues read their statements with care.

TESTIMONY GIVEN BY LUIS A. MIRANDA, CHAIRPERSON, NEW YORK HISPANIC HOUSING COALITION

Mr. Chairman, members of the committee, I thank you for the opportunity to speak to you about the housing crisis that has befallen the Hispanic community in New York.

Two weeks ago we, at the New York Hispanic Housing Coalition, sponsored a day-long housing conference whose theme was "Taking Inventory: Housing Demand vs. Housing Supply." It was our intention to examine the housing needs of Hispanics—in other words, to take inventory at this, the mid-point of what began so hopefully as the "Decade of the Hispanic."

Later, one of my colleagues on our board of directors will outline some of the recommendations that came out of that gathering. I, therefore, would like to take this opportunity to provide context to those recommendations, by giving you some idea of the housing problem that confronts Hispanics living in New York.

Let me be clear at the outset. There is a housing emergency in New York. It is crisis for low-income families and a threat to the middle class. Its chief components are a lack of income necessary to meet the rising costs of shelter, and an overwhelming demand that continues to outpace supply.

Fundamentally, for Hispanics, it has become a lack of choice. And it is the direct consequence of economic and social conditions: Poverty, overcrowding, poor urban planning and an unproductive spiral of property speculation that dislocates the poor in favor of a new urban gentry.

There are several barometers by which we can measure this crisis. One of them, the income data for the various ethnic groups in New York City, is particularly instructive.

According to the Stegman Report commissioned by New York City's Department of Housing Preservation and Development, Puerto Ricans (who account for 12% of the city's population, and are the largest of the Hispanic groups in New York) comprise by far the largest proportion of households (39%) in the bottom one-fifty of annual income in New York City. In fact, Puerto Rican's median real income declined between 1980 and 1983, more than for any category in the survey except the ubiquitous "other."

In addition, Puerto Rican families have a higher welfare dependency rate—nearly four times higher than the average for the entire city.

These income statistics for Hispanics (and the picture is no better for other Hispanics in the city) translate into a housing picture that is bleak at best.

Not only do Puerto Ricans have the lowest homeownership rate of any group, the likelihood that a family will live in a dilapidated apartment is higher for Puerto Ricans than for anyone else. And one-third of all Puerto Ricans (who manage to find an apartment that is not dilapidated) still must live in housing with three or more maintenance deficiencies. And when they find such an apartment, if they have found any at all, they must nonetheless pay more rent as a proportion of their income (35.4%) than any other ethnic group.

For those who trumpet the virtues of a pristine private market, uncorrupted by Government assistance, the question becomes why is the force of the free market, that invisible hand that is supposed to bless all us and not just some of us with the benefits of the American dream, not working? And the answer is that the market is working, in exactly the way it always has. Let me be more specific.

In New York City in the face of a sellers market fueled by a vacancy rate of 2.04 percent, the lowest it has been since 1970, some of the housing stock is improving, new construction in targeted areas is beginning, less abandonment is occurring, nearly all of it for the benefit of the city's upper income strata of the city's residents. Yet, for the vast majority of others, there are increasingly unaffordable rents, a greater degree of overcrowding, a higher proportion of segregation and, as I said earlier, an almost total lack of choice.

The findings of the various studies that have been done in New York are clear. The latest figures show that there are only 39,594 vacant available housing units left in the city. Ten years ago there were 56,968 and twenty years ago more than 68,000 units.

There are 36,000 fewer rental units in the city today than there were in 1981, even though the city's population has grown by 78,000 people.

Gross losses from the housing inventory totaled 69,000 for the last three years. This is almost three times more than new construction. It averages out to 1,917 units lost from the inventory every month. And, while some will point to the net gain in the city of 11,000 units, this is less encouraging than it seems, because it is almost totally due to the 24,000 conversions, or in other cases new construction, which for the most part only helps to satisfy demand at the high end of the price scale.

What we see then is both a verification of the old free-market verities, that is, that a shrinking supply and an increasing demand equals a higher price, and a ratification of long-standing historical patterns that have shown time and time and time again that the private market, left to its own devices and unaided by the efforts of liberal Democratic State largesse cannot be expected to provide housing for those of little means.

For decent housing, no matter what the current political ken may tell us, is not a commodity like any other. It is, along with food and clothing, one of the essentials of life. And, prior to the onslaught against it that began in 1980 and continues even today, it was thought to be a right of the many and not a luxury or a privilege for the few.

Today, in New York City Hispanics are increasingly being pushed into the ranks of the homeless. After decades of poverty, and assaults on the spirit the Hispanic family is now likely to find itself either part of the 100,000 families who are being forced to double and triple up, in order to compensate for the loss of affordable units, or otherwise threatened by co-op or condo conversions, their high prices and chic new establishment that decimate old, yet stable, neighborhoods.

Seen in this context, it should be clear to all that when we are talking about housing assistance we are talking about pro-life legislation. And when Government walks away from the business of housing as this national administration has done, that is both anti-family and abortive of an individual's right to decent shelter.

Today, there are in New York City 605,784 households eligible for section 8 rent assistance, based on income below 80 percent of the median and payment of more than 30 percent of that income for rent. 526,119 of these are of very poor income: below 50 percent of the median.

What that means is that 22.5 percent of all households in the city of New York, 31.8 percent of all tenants in the city, need Federal assistance to obtain adequate housing within their income levels.

The figures paint a portrait of despair: increases in rent are now outstripping inflation. In the last three years, rents have risen by 24.5 percent compared to the consumer price index increase of 18.1 percent. Incomes, on the other hand, have gone down, in real terms. Today, 27 percent of all renters in New York City have incomes below the official poverty level—more than 393,000 households.

And where will they live? In the last three years the number of vacant units with asking rents below $300 declined by more than 11,000, while vacancy rates in most rent classes below $200 per month are now under 1 percent. In addition, the New York City housing authority reports a waiting list of 200,000 families, a great proportion of whom are Hispanic. Yet, vacancies here average only 3,000 units per year. Only the lucky ones will get in. Everyone else will find themselves locked out.

I began this presentation by informing you, the members of this committee, that there is a housing emergency in New York. I characterized the magnitude of the problem as a crisis. I am sure you will agree, after having heard some of the grim statistics, that this is no exaggeration. Clearly, conditions are intolerable. And when something is intolerable, actions must follow. Our hope, as Hispanics, yet abides—in bodies like this one which has the capacity to act now, in the face of a crisis that is agonizingly in the present and rapidly consuming our future as well.

This week is, as we all know, Hispanic Heritage Week. It should also mark, as well, the renewal of the compact between America and her immigrant children.

Good intentions alone are not enough, nor even are a few courageous politicians. The fulfillment of the American dream requires institutional response. And unless it is forthcoming then that heritage which America represents, of justice for all of its citizens, will have carelessly been squandered on policies that favor only the privileged few.

Testimony Given by Hector Pinero, New York Hispanic Housing Coalition

Mr. Chairman, members of the committee, I am grateful for the opportunity to outline for you the recommendations concerning the housing needs of Hispanics that came out of the fourth annual conference sponsored by the New York Hispanic Housing Coalition two weeks ago.

Nationally, the Federal commitment to low-income housing began with the landmark United States Housing Act of 1937, sponsored by Senator Robert F. Wagner. The major housing developments made possible in New York by that legislation and its progeny, are now home to approximately ½ million New Yorkers. Yet fifty years after the Federal Government recognized the need for an aggressive national housing policy targeted to the poor, it has begun to retreat from that cause which has been honored by eight previous Presidents, representing both major parties.

I think it fair to say, that perhaps nothing better symbolizes the end of the so-called "American Century" than the rapidly fading American dream of homeownership—which as you have already heard has never really been more than a dim hope for New York's Hispanics, who have the lowest rate of homeownership of any ethnic group in the city.

The current housing crisis may be the worst since the depression. Yet, it gives us the chance to redefine housing as a basic right and to concentrate on ways of stimulating the production of housing for a low-income market that increasingly finds itself without any decent affordable shelter.

It gives us the chance, as well, to recognize that the housing industry is unlike any other and cannot be expected to compete for scarce capital against an IBM or an Exxon. It would be no contest. No bookmaker in the country would take odds on that one.

Nor is the frequently heard admonition to lower our expectations a very reasonable choice. Because, as you have also heard, Hispanics in New York and more pointedly the burgeoning army of the homeless, lack even the semblance of a choice. In short, for Hispanics and for the housing industry, it is now high noon.

The housing crisis will inevitably affect the future of whole regions of the country. The New York metropolitan area alone will gain an estimated 2.7 million new households by the turn of the century. Yet, at the rate that housing has been built over the last decade, only half of these will find a place to live. A recent study by New York's regional plan association has concluded that a shortage of housing may inhibit growth and thereby undermine local efforts to promote a healthy economy. Limited housing then, means diminished economic growth and all the hardship which that implies.

The New York Hispanic Housing Coalition believes that Congress can take specific steps to reaffirm this Nation's historic commitment to decent affordable shelter.

First, with respect to the matter of Treasury Two, the President's proposed tax plan must be altered. As it stands, it would remove virtually all tax incentives for construction of low-cost rental housing.

The dollar value of tax deductions: exemptions and exclusions—including depreciation, deferred and current interest, tax-exempt financing (if retained), charitable contributions, and capital gains exclusions (again, to the extent retained)—would all be reduced substantially. Those taxpayers currently in the 50 percent bracket, would experience a 30 percent reduction in the dollar value of their tax deductions. A principle result would be a substantial decline in syndication proceeds on a given project, from that which could curently be obtained.

In addition, the repeal of the "at risk" real estate exception by which a taxpayer real estate investor in a limited partnership can deduct both losses and his allocated share of debt, would discourage investment in low-income housing by curtailing the very tax benefits which comprise the primary return investors receive from such projects. Historically, the "at risk" exception has been used to leverage loaned funds and attract equity investments. If this provision were to pass, community development syndication would surely be rendered unmarketable.

Under Treasury Two, after-tax cash flow would be impaired by both the lower maximum individual income tax rate (35 percent, down from 50 percent) and new depreciation—the capital cost recovery system. (CCRS).

According to a computer analysis of a hypothetical rental project, done by David F. Harris, vice-president of Dominion Financial Projection, negative cash flow for rental housing investors would be the rule, for the first seven years of operation. While real estate investors are currently able to claim a positive after-tax cash flow from the beginning, the proposed changes would make that impossible. And in the end, the investor would also have to settle for a lower rate of return from the sale of his property than is now the case.

Others have noted that for low-income housing the combined impact of CCRS and the proposed lower marginal income tax rates, would be to cut tax benefits from depreciation during the first five-years of operations, by about 70–75 percent below the benefits now available. Syndication proceeds are attributable to these benefits and would be reduced accordingly.

The Treasury plan would further squeeze the REHAB low-income housing investor by subjecting him to the standard 28 year depreciation schedule, instead of the current five-year amortization period. Because syndication proceeds are generally directly related to the amount of deductions available in the early years of a project the negative impact on low-income rental housing rehabilitation could be significant.

At the same time, the Tax Reform Act would withdraw the authority for public corporations to issue tax exempt bonds for mortgages for low- and moderate-income housing.

Today, tax-exempt bonds are employed for a variety of purposes: mortgages for first-time homebuyers, certain low-and moderate-income rental housing, and commercial and industrial development. Moreover, the issuers of single family mortgage revenue bonds can trade in part or all of their issuance authority for authority to issue mortgage credit certificates (MCCs). These entitle homebuyers using conventional non-tax exempt mortgage financing, to a credit against their Federal income taxes equal to a portion of the mortgage interest they pay.

Under the administration's proposal, tax-exempt financing would continue to be available only for purely public purposes, such as tax anticipation notes and bonds issued to construct Government facilities or public infrastructure improvements. Housing and economic development, as strange as it seems, would not qualify as a public purpose. States and localities, under this formulation would not have authority to issue single family housing bonds. Thus, the MCC program would be terminated.

Tax-exempt bonds, as everyone here knows, are a major resource for community development projects. Therefore, the prohibition on this funding source would be catastrophic.

But, not only might Treasury Two lock the poor out of what is the traditional symbol of the American dream, it could also price them out of a rental. HUD's own estimates, similar in scope to that of the Treasury Department, suggest that rents would rise by 25 percent within seven years and 30 percent in two decades, after inflation is taken into account. An increased number of condo conversions in the face of diminished tax benefits are also anticipated.

New York City, with 1.9 million rentals—11 percent of all rental units in the country—will be greatly affected. But half of the city's renters already pay more than 30 percent of their income for rent. They can harldy be expected to pay more.

Clearly, if Treasury Two prevails, then this country will have managed to lose the war for decent shelter, after 50 years of winning most of the battles.

But relegating these provisions in the tax proposal to the dustbin of history is not enough.

The Hispanic Housing Coalition would like to see this body retain section 8 certificates for existing housing at its current 15 year term. A reduction to 10 years would be one more nail in the coffin for this, the "whipping boy" of housing programs. For Hispanics, whose income needs require a rent subsidy, it would also be destructive.

The recent elimination of a $500 million program reserve established by the Appropriations Committee to provide funds for programs not yet authorized by the full Congress, but included in H.R. 1, should also be rescinded. Among the projects to be affected are the Nehemiah Housing Demonstration Grant Program and the Second-Stage Shelter for the Homeless Program, as well as the Public Housing Child Care Demonstration, all approved once before by the Full Banking Committee. We believe that unless this money is restored, these development efforts which have provided so much hope to so many will be doomed.

As it is, the current so-called 80/20 programs which provide 80% middle and 20% low-income housing cannot be relied upon alone to fill the large gap in housing production for low-income groups. The need at the low end of the scale is far greater, and the criteria should recognize it.

Beyond this, innovation in housing production must be encouraged in order to produce creative solutions to our housing needs. Homesteading, construction and technology improvements, and energy efficiency programs must be stimulated through adequate Government assistance, in order to make affordable living units possible.

In this regard it must be said that the administration's voucher proposals will do nothing to build more housing, despite a vacancy rate in New York and of 2 percent. It will do nothing to regulate rents for Hispanics who continue to have the highest relative rent expense burden in the city. And it will do nothing to replace the section 8 rent-subsidy program which serves 1.3 million households nationally. It will simply be one more hand-out of taxpayer money, this time to landlords who charge prevailing rents.

Finally, the goal set forth in the U.S. Housing Act of 1949, that of a "'decent home and suitable living environment for every American family . . ." clearly remains to be achieved. And unless there is the political will to steer this country away from the detour it has taken in recent years and back on the road to responsibility, then the ideal of opportunity will be lost, the hope which has sustained Hispanics for so long will die, and the American dream of prosperity will fade away.

THOMAS WINSHIP, FORMER EDITOR OF THE BOSTON GLOBE, ADDRESSES MARLBORO GRADUATES

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. MARKEY. Mr. Speaker, under the able direction and leadership of Thomas Winship, the Boston Globe became the flagship newspaper for New England and the Northeast. Mr. Winship and his paper pursued issues tirelessly, working hard to ensure that the public understood all sides of a story. His commitment to social justice is legendary, and his influence at the Boston Globe will live long into the future. Mr. Winship's commitment to his profession and his contributions to the press are famous. Boston, MA, and the rest of New England benefited greatly from his stewardship at the Boston Globe. Given his insight into the news and into our society, I offer for the perusal of my colleagues, an excellent address given by Mr. Winship.

Commencement: 1985

(At Marlboro's 38th graduation ceremony, held May 19 on a clear cold Sunday, one of the College's largest classes—44 seniors—received their diplomas. Before President Rod Gander and Chairman of the Board John Straus presented the diplomas, former managing editor of the Boston Globe Thomas Winship joined Vermont Governor Madeleine Kunin and senior speaker Hilary Sloin in addressing the graduates.)

Address by Thomas Winship

DOCTOR OF LETTERS, HONORARY

What does my Marlboro '85 profile add up to? I choose to think you're latent world savers. And guess what, your timing may be perfect. I think I see a welcome mat unfolding for citizen activists after the recent dark ages of the era of Washington's government by greed.

I raise my glass to you, bravo. Go get 'em. When I say you will not have long to wait to be wanted, I realize how personal prejudices often tilt one's judgment in the forecasting of political trends. Before I go off the deep end, I want to buttress my sense that things are looking up for all of us by the recent comments of that smart Reagan administration cheerleader, Kevin Phillips. So far, he's been a good prophet. In last Sunday's New York Times, he said, "My sense is that the American mood is getting ready to shift toward an affirmative role for government again, and conservatism may not have much more time to come up with a positive program framework." Phillip's thesis is supported by the past history of second term presidencies.

So often incumbent presidents become overconfident in their second term. They misread the poll results and press their views far beyond what the mainstream of America wants. Phillips questions whether Reagan is in step with the public on military spending, his Central America policy and his inattention to our sagging educational system.

You know the social agenda before you: drought followed by famine in vast areas; deregulation followed by giant takeovers and spreading acid rain; a deaf ear to sex education followed by a soaring teenage pregnancy rate; small and large farm failures every day and everywhere; government cutbacks in education followed by very white and affluent college student bodies, followed by college shutdowns; and in cities, where Yuppies of limited talent and zero social conscience live nearby but oblivious to minorities sinking deeper and deeper into squalor. Yes, I'm afraid, and much of it aggravated in part by the trillion dollar nuclear arms race our leaders love so dearly.

Discouraged? Don't be, because we have a marvelously creative system of self-government. It is designed to be manipulated for the public's good. But it needs people with energy and conscience, leaning against the barricades at all levels. Some of your older brothers and sisters and perhaps some of your parents did some leaning not so many years ago. And they made some changes.

They supported ever so stoutly the liberation of minorities in this country. We are seeing today that was only a start. But the ice age of prejudice was melted and it will keep melting.

In this connection, it is worth recalling the mood of the mid 60's when in nine wild months, in 1965, Congress approved President Johnson's Great Society legislative package which included: Medicare, providing health insurance for the elderly financed by payroll taxes; Medicaid, which pays for health care for the poor; the first general aid to local public schools; the first broad based federal scholarships and loans to college students; Voting Rights Act which has led to blacks voting at almost the same rate as whites; creation of the National Endowment for the Arts; rent supplements for the poor and special assistance for Appalachia.

This administration has taken potshots at these milestone programs but has been unable to dismantle them. An activated public—mostly the younger people—pushed this burst of responsive government action. You can do it too.

A few years later, they blocked an immoral war. See "Killing Fields," if you haven't, to remind yourself of what gargantuan mayhem they struggled to stop.

They revolutionized relations between generations by insisting upon honest and frank dialogue. That's what the student revolution of the 60's was all about. Those kids of the 60's paid a dear price for insisting upon straight answers from their parents, from their teachers and from their government.

Your parents and your older brothers and sisters fueled the women's movement, perhaps the most successful of all the great movements of the last quarter century. And they hit the pavement three years ago for nuclear sanity in the freeze demonstrations across the country. I will always maintain that it was the peace marches, not the arms build-up or star wars, that drove the superpowers back to Geneva.

Now, to the sermon.

Social scientist Yankelovitch says that we are now leaving behind the excesses of the "me generation." He does not perceive a return to the traditional ethic of self denial, but rather an emergence of a new "ethic of commitment" to a life that supports self-fulfillment through enduring commitments to relationships, work and mere survival. That is not enough. Society needs much more than a generation satisfied only with mere survival.

You folks out there are needed like never before. I want to see all of you find genuine fun out of life. And, the best formula for having fun is to be involved and useful—possibly even at a living wage. I have some ideas for you:

Become a journalist in some form or other. It now pays well, anywhere from $200 a week on very, very small papers for reporting and copy editors, to $900 on the big ones. For effecting change, zest, people-helping and people-watching, nothing can touch journalism. It is hard to get a job on TV or on a newspaper? It sure is, but if the determination is there, so is the job. I know.

If you are a computer whiz, offer yourself to government, on the city, state, or national level. You will have more fun and make almost as much money as in the private sector. The computer is here to stay.

Go into the environmental protection business. It is a growth industry. Some people are very gainfully employed fighting the toxic waste crisis.

Go to graduate school. Borrow if you need to. Learn about aqua agriculture, fisheries management or forestry, to name a few off-beat disciplines

Man the refugee camps on the African and Asian fronts. Believe it or not, they pay in some of these lifesaving jobs.

Don't go to law school or into the investment business—unless you have limited talent and a lust for money.

Turn to the Third World, which encompasses three-quarters of the earth's land mass and population and which is the battle ground for our very existence over the long haul. Where does national violence break out most often? Where is nuclear accident most likely to occur? Where are our greatest future markets for our goods and labor? Where is genocide by famine and the population explosion a daily story? We cannot go on pretending the problems of the developing nations are too far away to affect us, and we cannot continue to comfort ourselves with "let's solve our own problems first" thinking. There are jobs in the Third World—hundreds of them, and they pay well too, in the World Bank, in our economic aid programs, in private relief agencies. There are jobs for foresters, for agriculture specialists, for disease and population control workers. And for many of these jobs, you do not need graduate degrees. What you do need is courage and a desire to help people in trouble.

Incidentally, I am setting up a Third World journalism center outside of Washington DC to help mid-career reporters and editors of the developing nations to write more effectively. We will expose them to modern news techniques, not ideologies. My newspaper brethren in the faraway lands are in such desperate need of the most basic tools of writing and editing. Our government has been generous in aid to the have-nots in almost every segment of life except in improving the communication of ideas and events. That is where our new center for foreign journalists comes in.

Government leaders come and go in their emerging nations, but generally the journalists remain. They are one of the few stabilizing forces in these countries. I know that better Third World journalism can help to better the lives of humankind living in the developing countries. Even more important, it can contribute so much to international understanding in an interdependent world of nuclear terrorism, of rising tensions, of global economic cycles and of a desperate struggle against unemployment and hunger. Communication is a grossly neglected tool in the Third World.

I have another piece of career advice which came to me a few days ago from an unorthodox businessman friend. He is Warren Buffett, the investment genius who recently coughed up half a billion dollars to buy a piece of the ABC television network. I told him I was talking to Marlboro graduates today and asked if he had a thought for them. Without a moment's hesitation, he said, "Tell them to go to work for the person they admire the most. Something good will come of it. Emulate your hero as best you can," he said. I like the thought.

What I really want to leave with you this morning is just one idea. Please, please take the challenge of our self-government to make life fairer and more responsive to everyone—work that built-in idealism you learned at home and at Marlboro.

Friends, there is nothing wrong with idealism, no matter what the cynics say.

Thirty years ago, Justice Louis D. Brandeis said: "There is in most Americans some spark of idealism, which can be fanned into flame. It takes sometimes a divining rod to find what it is; but when found—and that means often—when found and disclosed to the owners the results are often extraordinary."

Get out the divining rod. Have fun! And, thank you.

CHIROPRACTIC CARE GAINS IN POPULARITY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Ms. KAPTUR. Mr. Speaker, today, many of our concerns with the health care system involve the expansion of choices in health care. Providing alternatives in health care is a major factor in increasing competition and thereby serving to restrain expenditures for health care. I would like to direct my remarks to an area of health care that can be a valuable alternative method of treatment and whose practitioners are increasingly recognized as vital participants in our health care delivery system.

Chiropractic is the diagnosis and treatment of human ailments without the use of drugs or operative surgery. As such, persons who utilize the services of a chiropractor can avoid many expensive medicines and unnecessary surgery. The nature of chiropractic, which distinguishes it from other healing arts, is based on the principle that interference in the nervous system can cause illness. The chiropractic approach is to correct the source of the illness by restoring the nerves' capacity to work without obstruction. By using a procedure called "adjustment," chiropractors manipulate a person's bones, usually the vertebrae, to relieve pain caused by the skelton's obstruction of the nerves.

In all 50 States, the District of Columbia, the Virgin Islands, and Puerto Rico license and officially recognize chiropractic as a health care profession. Chiropractic coverage, to varying degrees, is included in Medicare, Medicaid, and Federal vocational rehabilitation programs. Chiropractic care is recognized by the Internal Revenue Service as a legitimate medical deduction. Over 10 million people, or approximately 1 out of 25 Americans, each year seek out the services of a chiropractor.

Chiropractic is the second largest health discipline in the Nation with over 31,000 doctors of chiropractic serving millions of patients each year. In Ohio, there are over 800 members of our State chiropractic association and there is a chiropractic center within my district at Parkview Hospital in Toledo.

Chiropractic care is an effective means of care. Correct posture and proper alignment of the spine have been widely accepted as important factors in good health not only by chiropractors, but by public health officials, physicians, pediatricians, the military, and industrial relations specialists. Research has shown that, under State workers' compensation programs, patients have lost fewer work days and returned to their normal occupation much faster under chiropractic care, compared to other medical treatment.

It is obvious that chiropractic care is gaining a strong public following. A 1983 Gallup poll indicated that 70 percent of

people who had been to a chiropractor would do so again if they had a similar ailment. We in Congress have taken many positive steps toward promoting greater use of chiropractic services. Congress included schools of chiropractic under the Health Education Assistance Loan Program in 1981 and, last year, provided several demonstration projects on chiropractic services in the military. Once again, chiropractic medicine was included in the reauthorization of the Health Professions Educational Assistance Act which passed the House and Senate in July and is awaiting consideration by a conference committee. We must continue our efforts to expand our citizens' available health care choices and encourage the development of the chiropractic profession.

MASON CITY, IOWA, HONORS MEREDITH WILLSON

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BEDELL. Mr. Speaker, Meredith Willson, who wrote "The Music Man," now enshrined among the great American stage and screen musical classics, captured the hearts of his hometown, Mason City, IA, when he made "River City" known to the rest of the country. Willson also captured the hearts of an entire nation by demonstrating his talent and versatility and dazzled Broadway with his entertaining musicals. It is not surprising that Mason City is honoring Meredith Willson again by putting together a montage of his greatest works on September 21, at the North Iowa Area Community College Auditorium. At that time his wife, Rosemary, will be presented with an award.

Showing early musical promise, plus the persistence and power of concentration which have made his record of musical composition and authorship so remarkable, Willson has had an impressive list of accomplishments. Probably the most recognized of Willson's achievements have been his Broadway ventures. "The Music Man," for which Willson wrote book, music, and lyrics, was one of the five longest-running musical plays in Broadway's history. This musical has brought Meredith Willson a countless number of awards including the Outer Circle Award, five Tonys, and several awards from the New York Drama Critics.

Willson also wrote several other successful musicals including "The Unsinkable Molly Brown," which was one of MGM's most successful productions; "Here's Love," which recorded the best opening week in Shubert Theatre's history; and "1491."

A vast number of songs have been composed by Meredith Willson. He has contributed to the music world unforgettable songs such as "May the Good Lord Bless and Keep You," "It's Beginning to Look Like Christmas," "You and I," "I See the Moon," and who can forget the numerous hits of "The Music Man" and his other popular musicals? Meredith Willson also composed many more various tunes including "Meredith Willson's Nocturne for Piano," "Symphony Number One in F. Minor," "Symphony Number Two—Missions of California," "Prelude to America," and others.

Besides being a conductor, composer, and lyricist, Willson was also a writer. In addition to a novel entitled "Who Did What to Fedalia," Willson wrote several autobiographical accounts: "And There I Stood with my Piccolo," "Eggs I Have Laid," and "But He Doesn't Know the Territory," which details his struggle to write "The Music Man."

Meredith Willson proved that even though he was a great composer and Broadway personality, he had a tremendous amount of compassion for his fellow man. Some of the awards he received demonstrate what he accomplished in his lifetime toward improving human betterment. Willson was a six-time president of the Big Brothers of Greater Los Angeles which he helped found and in recognition of his work for the cause of youth, he was presented with the National Big Brother Award. Willson was also given the annual Humanitarian Award of the National Father's Day Committee and the "Sally" award from the Salvation Army for his contributions to American music and human betterment. In addition, the American Bandmasters Association has given him its rarely conferred Edwin Franko Goldman Award.

Despite his nation-wide fame and popularity, Meredith Willson never forgot the sounds of Iowa, the sights of Iowa, and the people of Iowa. He was proud of his State and his hometown. Willson wrote a song entitled "Iowa, It's a Beautiful Land" to make sure that everyone knew the State's correct pronunciation. He once wrote, "We were awfully proud of being from Mason City. We were always very quick to correct anybody from out of town who said 'Mason.' With a very superior and belittling tone we'd say: 'Mason City.'"

Excerpts from the June 16, 1985, edition of the Mason City Globe Gazette portrayed Meredith Willson as a man awfully proud of his heritage, and no one who knew him would ever deny that. "But Iowa wasn't just a matter of nostalgia. Willson was in the State often, and his boosterism wasn't a self-serving gimmick based only on memory. He wrote a composition called "The Band" for the University of Iowa. He wrote fight songs for the University and Mason City High School." Not only did he love the places, but he loved the people. Another excerpt from his hometown newspaper displays this affection: "He was proud of his hometown's musicians. He once had Mason City vocal and instrumental groups join him in launching a national Christmas Seals campaign in Des Moines."

But the relationship between Willson and his hometown was reciproacal. Several times Mason City honored him by naming him Grand Marshal of the Band Festival parade, one of the highest honors bestowed upon someone in Mason City. One of the lasting remembrances Mason City has of their favorite son is "Mr. Toot," a caricature of Meredith Willson playing a trombone, which has been made the official logo of Mason City. "Mr. Toot" is a symbol of the pride the people of Mason City have in the man they feel has given them so much.

Mason City Mayor Ken Kew summed up what so many people thought of Meredith Willson, "Meredith was a talented man . . . but he was more than that. He was kindly, patient, unassuming, determined, cooperative, and God fearing. Meredith Willson was not the kind of man who would want his friends to be sad. He was the personification of light . . . not darkness. He was given of joy . . . not despair." His relationship with the people of his hometown was also fondly remembered by Kew, "Everybody in this City knew Meredith Willson . . . just ask them. That indicates to me the pride our people have in letting the world know that he was one of us. And Meredith knew all of us. If he couldn't call you by name . . . you were Cousin. No one in this world had more cousins than Meredith Willson."

But Meredith Willson also realized Mason City's potential when he said, "The only change I can see in Mason City that really matters is that she is still proving her beliefs." That is no more evident than it is today.

Mason City never left Meredith Willson and Meredith Willson never left Mason City, wherever he traveled.

DAVID BRODY, ADL REPRESENTATIVE, LOBBYIST WITH "ACCESS"

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. GREEN. Mr. Speaker, I would like to call to the attention of my colleagues an article which appeared in the September 14 issue of the National Journal on David A. Brody, the representative of the B'nai B'rith Anti-Defamation League.

[From the National Journal, Sept. 14, 1985]

MAKING MATCHES MEANS ACCESS

(By Dick Kirschten)

Most Washington lobbyists boast about having connections. David A. Brody takes pride in making them.

The veteran Washington representative of the B'nai B'rith Anti-Defamation League is an inveterate matchmaker who wends his way through the capital's power circles on the lookout for people who ought to know one another.

No sooner do his antennae pick up a nugget of conversational information about somebody's past or present interests than the next words out of his mouth are invariably, "I'd like to put you together with. . . ."

The very next day, if not later the same day, Brody will be on the telephone proposing a luncheon involving himself and the two people he wants to bring together. Invariably, they are people who would have gotten together on their own at some point but, as Brody said in an interview, he finds that it advances his long-term interests if he can be the "facilitator or catalytic force."

"I do it so that the two people will know each other, so they will not be strangers when they need to deal with one another. Both parties usually welcome it," he explained. Those involved may run the gamut from Members of Congress, White House aides and ambassadors to reporters, fund raisers and constituents.

Twenty years at his job has taught Brody that at some point, his gestures of good will are likely to be returned in some form. "It's not so much that people are beholden to me, as it's a matter of providing greater access for me," he said, stressing the golden word of the lobbyist's trade—access.

The autographed pictures on the wall of Brody's office attest to his success in gaining access at the very highest levels. They also attest to his skill at hearing what people say and sensing what makes them tick and what their current concerns are.

"In this town, so many people talk rather than listen," explained Brody, giving away a major secret of his success. It also helps to be quick-witted enough to put information to immediate use. "If I happen to be in a Member's office and a name comes up, we'll often set up a lunch right then."

Brody is constantly on the lookout for likely connections, two Members of Congress who haven't met each other yet, a reporter who is starting out on a project involving principals he hasn't met, new arrivals at the Israeli Embassy who need to meet the people they will be dealing with in Washington.

"It's just a matter of having almost an intuitive sense about people's needs," Brody said. "I guess it is just a matter of knowing how to relate to people. I will occasionally bring Members of Congress together whose views may be divergent. In bringing them together, they find that they are able to work together on other issues."

Those other issues, with luck, may turn out at some point to be the very ones upon which Brody is lobbying. And, even if their votes do not always go his way, Brody at least gets a chance to have his say. In 1981, when Congress approved the sale of military aircraft to Saudi Arabia, Brody recalled, "a number of good friends of mine voted for the sale, but I still had the opportunity to sit down and talk to the principal—to the man who cast the vote."

That statement is also revealing. In lobbying, as in matchmaking, the permanence of relationships is important. Accordingly, significance attaches to Brody's reference to "good friends" who voted against his position. They still are his good friends, and maybe next time they will be with him.

Besides putting his lunch hour to regular use, Brody and his wife, Bea, entertain at their home, throwing dinner parties that may bring anywhere from a dozen to three dozen Washington notables together to trade information and get to know one another better.

"From time to time, press people are invited to my parties at home as friends," Brody explained. What goes on is not intended for publication, Brody noted, but it is recognized "a reporter may pick something up at a party." But, he added, "the story won't be that I had that group of people to dinner."

Brody added that he has never hesitated to bring politicians and journalists together in a social setting. "I don't draw any lines," he said. "When I find it useful to play that catalytic role, I do it." With reference to the politicians, he observed, "I think they welcome the opportunity too, otherwise they wouldn't agree to it."

To the best of his recollection, Brody over the years has never become a matchmaker in the romantic sense. He says that he knows of no marriages that have resulted between people he has brought together and quickly adds in a businesslike tone that "if it has happened, that would not be the purpose that the meeting started out with."

There is more than a bit of a Horatio Alger aspect to Brody's career. The man who now wines, dines and facilitates friendships among the high and mighty started out in life as the son of an immigrant garment worker who entered this country through Ellis Island. He grew up in Brooklyn, attended public schools and ended up studying law at Columbia University on a scholarship. He came to Washington in 1940 to work as a lawyer for the government and has been with the Anti-Defamation League since 1949.

Brody said he has developed his skills as a lobbyist-social connecter as he has gone along. "I like to say that the things I do, I never learned in law school." Nonetheless, the 69-year-old lobbyist makes it clear that he enjoys what he does. "I have no plans to retire,' he said.

The matchmaker is obviously well matched to his calling.

BIG CORPORATIONS OBLIGATED TO PAY TAXES; VIETNAMESE DEMANDS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BEREUTER. Mr. Speaker, two editorials that appeared recently in the Sioux City Journal, of Sioux City, IA, are especially worthy of notice.

One concerns the obligation of this Nation's big corporations to pay taxes. The editorial points out that, while corporations are supposed to pay 46 percent of their profits over $100,000 in taxes most of them pay about 15 percent. If, only for illustration purposes, 275 major corporations had paid the full 46 percent tax in 1984, that would have raised $185 billion—enough to balance the budget.

The other comments on the demands of the Vietnamese authorities that the United States make economic and political concessions to that Communist dictatorship in exchange for the return of the remains of U.S. soldiers missing in action.

I commend both of these editorials to my colleagues' attention.

[From the Sioux City Journal, September 6, 1985]

More of Same

Americans who have not forgotten this country's missing in action in Vietnam, and the MIA families who cannot forget them, can only have been tantalized by the recent news from Hanoi. Vietnamese officials all but admitted that they were holding the remains of many MIAs and that these could be released and returned to the United States with little further delay.

But then came the condition. Hanoi's tradeoff for allowing the families of the missing in action a measure of peace at last. The United States would have to drop its "hostile" policy towards Vietnam and terminate the embargo against U.S. trade with Vietnam. There was also mention of U.S. payments to cover the supposed expenses of Vietnam's supposed searches for more remains of MIAs. And, finally, the Vietnamese talked of "borrowing" the sophisticated equipment that could theoretically help in locating, for example, crash sites.

The excuse offered by the Vietnamese authorities for this undisguised extortion is so patently transparent that it qualifies as a deliberate insult. The Vietnamese people, Hanoi says, can only be persuaded to cooperate in locating the remains of U.S. servicemen if the United States adopts policies friendly to Vietnam. In fact, of course, Vietnam is a totalitarian, communist state in which people do exactly what they are told or suffer the draconian consequences.

Cruelly, there appears little or nothing new in Hanoi's position a dozen years after its representatives signed a peace agreement pledging them to return all prisoners of war, all remains, and to provide all information they possessed on the missing in action.

It is still the same crude extortion: If America wants the hundreds of sets of remains the Vietnamese are almost certainly holding it will have to pay for them. And payment must come in the form of economic and political concessions to a communist dictatorship that brutalizes its own people, makes common cause with the Soviet Union, and wages wars of aggression and conquest against its neighbors in Southeast Asia.

Jane Fonda, where are you now?

[From the Sioux City Journal, September 9, 1985]

No Free Ride

There are those who think it's wrong for big corporations to avoid paying taxes when small businesses have to pay through the nose. In some quarters, it is considered, well, not quite right, that big defense contractors, which depend on billions of dollars in government contracts, don't pay taxes to support defense.

The thoughts are reinforced by a report from a tax monitoring group that 40 big corporations didn't pay a cent in taxes in 1984. The corporations earned $10.4 billion in profits. The 40 got a total tax rebate totaling $657 million.

The news is particularly disturbing in light of the fact that this nation is experiencing its biggest peacetime budget deficit in history.

The rising economy was supposed to lift all boats. Greater profits were supposed to generate higher tax revenues at lower tax rates. It's not happening.

Certainly, corporate accountants can't be faulted for taking advantage of legitimate tax loopholes. But Congress and the White House can be faulted for creating the tax code that results in those loopholes.

The basis of any free society is the ability to accept the burden of self-taxation in return for the freedom of self-government. But now we don't want to tax ourselves; we want to tax the other guy, as if the other guy was responsible for running up the bill.

The companies running up the defense bill—the biggest in postwar history—ought to feel responsible for paying their fair share of it. Isn't government solvency a part of national security?

The companies benefiting from the free economy, benefiting from America's national security, benefiting from our system of public highways, ought to help shoulder the burden of freedom, of defense, of transportation.

Corporations are supposed to pay 46 percent of their profits over $100,000 in taxes. Most of them pay about 15 percent. Many pay zero.

If 275 major corporations had paid the 46 percent tax in 1984, that would have raised $185 billion—enough to balance the budget.

The solution to America's problems won't come from soaking the big corporations. We think President Reagan's proposals for tax reform would come nearest the mark, but his proposals are being greeted with vast disapproval, not only in Congress, but among the rank and file of American taxpayers.

In any event, it is not too much to ask that all corporations, large and small—as well as all income-earning citizens—shoulder an equitable share of the burden of maintaining our government. A free government doesn't mean a free ride.

INTERNATIONAL FAMILY PLANNING PROGRAMS ASSAULTED AGAIN

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. KOSTMAYER. Mr. Speaker, the following column by the Pulitzer Prize winning author Ellen Goodman, is not fantasy, but fact. The Reagan administration is steadily and surely unraveling America's 20-year bipartisan commitment to voluntary family planning in the Third World.

As a member of the Foreign Affairs Committee in the House and as a member of the Select Committee on Hunger, I believe that population plays a central role in the economic, social, and political instability now threatening large parts of Asia, Africa, and Latin America. In the face of this threat, the Reagan administration has undertaken an effort to defund some of the world's most distinguished family planning organizations, including the U.N. Fund for Population Activities and the International Planned Parenthood Federation, while dramatically increasing funding for those organizations committed exclusively to natural family planning, generally regarded as the least effective method of contraception.

The Reagan administration's commitment to the social agenda of the far right will have damaging and lasting impact.

As Abraham Lincoln once said, "Bad promises are better broken." This is one promise the administration would be better off breaking. Ms. Goodman's column from the Philadelphia Inquirer of September 3, 1985, follows:

[From the Philadelphia Inquirer, Sept. 3, 1985]

Ill-Received Ideology Now Exported

(By Ellen Goodman)

Boston.—Let us imagine the following scenario: A woman goes into a public family-planning clinic in any American city, looking for a way to limit or space her children.

The clinic gives her information about "natural" family planning, an updated version of rhythm. She is told that with careful monitoring of her vaginal mucus, tracking her temperature, and with abstinence, natural family planning is "highly effective."

How highly? she might ask. If the clinic shares the best research on the subject, she will be told that among careful users 24 percent will become pregnant during one year.

Let us now imagine—this is the easy part—that she gulps and asks what else the clinic has to offer. The answer she gets is: "Nothing."

This is just a fantasy. It couldn't happen in America. Yet. A federally funded clinic is required to offer a full range of options to each client. We call this "informed consent." In any medical encounter, a patient must be given full information before she can consent to treatment.

Change the backdrop now to a Third World country, and the scenario becomes all too real. The Reagan administration decided this summer to fund organizations that offer Third World women exactly one option: the "natural" one. Under a new directive, the Agency for International Development (AID) is passing out money, not to the medically sound, but to the politically correct.

It is all part of the successful business in exporting our political disputes. Those who can't ban birth control here are trying it overseas. The government is, in effect, dumping right-wing ideology that it can't sell in America (the way others have dumped banned chemicals) onto Third World markets.

This export business first began to thrive at the population conference in Mexico City last year. The U.S. government told an astonished collection of countries that we no longer believed that family planning was so vital for the developing world. The administration then went on to deny family-planning funds to the International Planned Parenthood Federation and withhold funds from the United Nations Fund for Population Activities.

In both cases, the "hook" that pulled the funding rug out from under these organizations was the abortion issue. But neither group was using American government money for abortions. The real attack was on artificial birth control.

It is no secret that many of those opposed to abortion are also opposed to "unnatural" family planning. The American Life Lobby, for example, has opposed Title X provisions that provide five million American women with family planning.

Now the Reagan folk are using foreign policy, not just to appease but also to fund this right-wing constituency. Money has been taken away from the United Nations by the one hand and given to groups like the Family of the Americas Foundation by the other hand.

As a longtime AID staffer says, "This is no aberration. It's part of a concerted effort by groups opposed to family-planning programs to bring them to an end." As Faye Wattleton, head of Planned Parenthood, puts it: "They're promoting these policies abroad because it's the only place where they can give this constituency their red meat."

There is nothing inherently wrong with natural family planning. It is one of the choices offered by all our overseas programs. But it is also one of the least effective methods of preventing pregnancy.

A World Health Organization study showed that 35 percent of the women who use the method in the Third World give it up after 13 months. Half of them give it up because they are pregnant. Supporters of natural family planning argue that the method isn't at fault, people are. But how do you call the method a success if the patient is pregnant?

The argument becomes theological, rather than scientific. But the main question is quite straightforward: are women in foreign countries entitled to make the same choices from the same range of options that American women have? Will we allow Third World women to decide for themselves?

At the moment, only $7 million or $8 million of AID's budget is going to the "natural" method. But this is not family-planning money. It's political-payoff money. And the real target of these political players is much closer to home.

SPECIAL IMMIGRATION STATUS FOR "SILVA" CLASS RESIDENTS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. ROYBAL. Mr. Speaker, I am introducing a bill to amend the Immigration and Nationality Act to provide for special immigrant status for a certain group of individuals, popularly known as the Silva class. This bill would remedy an injustice that has prevented these long-term residents of the United States from obtaining immigrant status.

Let me give a brief account of their situation. Between 1968 and 1976, the Immigration and Naturalization Service used 145,000 Western Hemisphere immigrant visa numbers to adjust the status of Cuban refugees. A class action suit, Silva versus Levi, was filed on behalf of Western Hemisphere visa applicants with registration dates during that period. A Federal court ruled that the 145,000 visas had been improperly used and should be "recaptured" and used for the Silva class visa applicants who had been waiting the longest. The court also ordered that Silva class members already in the United States, numbering about 250,000, be allowed to stay while the visas were being issued.

Following that court order, the INS issued letters to many of these class members confirming their right to stay in the United States. By October 1981, the 145,000 recaptured visas had been issued, leaving thousands of Silva class members without visas. The injunction protecting them from deportation was lifted in December 1981, and the temporary reinstatement of the protection in 1982, when the Senate passed the Simpson immigration bill, expired in 1983. These unfortunate people have been living in fear of removal from this country since then.

Who are the Silva class members? They are would-be immigrants from the Western Hemisphere, primarily from Mexico. Virtually all of them have been living in the United States at least 8 years. They have es-

tablished roots in this country. Their applications for visas have not been granted because of the large backlog, and are virtually sure to remain in that status indefinitely.

It is especially appropriate to consider the plight of Silva class members during Hispanic Heritage Week. Their inability to immigrate legally, despite a desire to do so, could be remedied if this humanitarian legislation were passed. The current restrictions in our immigration laws regarding legal immigration from the Western Hemisphere, while designed to be fair to all intending immigrants, fail to take into account historical immigration patterns from our closest neighbors. It is important to remember that numerical restrictions on immigration from the Western Hemisphere are very recent. Annual ceilings were first applied in 1968, and the preference system and per-country limits were applied in 1977. The resulting backlog of immigrant visa applications from Mexico grew to about 330,000 by January 1985.

While this bill would not remedy that larger inequity, it would provide justice for a specific group of individuals who have been waiting for a long time to receive official permission to reside in this country. Many have U.S. citizen children who have never been to the parents' native countries.

There seems little point in continuing the current dependence of Silva class members on passage of one of the various legilization programs being considered by Congress. Whether or not legalization legislation is enacted, my bill would ensure a fair and final resolution of the status of the Silva class. It would have a significant effect in reducing the backlog of visa applications in the Western Hemisphere as well.

Exceptions have been made in the past for particular groups stuck in the pipeline of immigration. For example, a special provision for investor immigrants, whose applications had been pending for many years for lack of visa numbers, was enacted in 1981. At the same time, immigrant status was granted to alien physicians who could not otherwise qualify for immigrant status.

In view of the special circumstances of the Silva class of persons wishing to immigrate to this country, this bill warrants strong congressional support. It would grant those persons born in the Western Hemisphere who entered before March 11, 1977, and who were granted a priority date for an immigrant visa between June 30, 1968 and January 1, 1977, special immigrant status. It would allow them to apply for such status in the United States, and would exempt them from preference and quota restrictions that now preclude their legal immigration.

STRENGTHEN INADEQUATE SUPERFUND BILL

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. FLORIO. Mr. Speaker, several committees of the House are now considering legislation to extend and expand the Superfund Program. Funding for the existing $1.6 billion program runs out on September 30 with scant progress made on the cleanup of thousands of dangerous abandoned hazardous waste sites across the country.

This past August, the Energy and Commerce Committee reported a bill (H.R. 2817) to extend this vital environmental program for 5 more years. I voted against final passage of the legislation because it is substantially weaker than the bill (H.R. 5640) overwhelmingly approved by the House last year, 323 to 33. The bill is now being considered by several House committees, including the Public Works Committee, the Ways and Means Committee, the Judiciary Committee and the Merchant Marine Committee.

I recently received a letter from a broad coalition of environmental, labor, consumer, religious, and health organizations which also oppose the Commerce Committee bill and urge us to strengthen it in several key areas as it proceeds through the legislative process. I commend this letter to my colleagues' attention.

SEPTEMBER 11, 1985.

Hon. JAMES J. FLORIO,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE FLORIO: H.R. 2817, the Superfund legislation sponsored by Representatives John Dingell (D-MI) and James Broyhill (R-NC), takes a step backwards from H.R. 5640, the strong Superfund reauthorization bill passed overwhelmingly by the House one year ago by a vote of 323 to 33. The undersigned environmental, labor, consumer, religious and health organizations urge you to support critically needed amendments to H.R. 2817. Unless the key amendments (outlined below) are adopted, H.R. 2817 will not provide the essential tools needed to tackle Superfund cleanups over the next five years.

This year, Congress should mandate a Superfund program that will provide for real improvement in EPA's inadequate record. Although H.R. 2817 does raise $10.1 billion, the Dingell-Broyhill proposal leaves program spending decisions primarily in EPA and OMB hands, thus promoting an alliance that has cleaned up only six sites in five years.

The Dingell-Broyhill bill must be strengthened in the following key areas:

1. *Mandatory schedules must be written into the law.*—At present, EPA has completed only 6 hazardous waste cleanups. The agency has identified approximately 20,000 suspect hazardous waste sites and 800 National Priority List (NPL) sites. Unfortunately, the Dingell-Broyhill bill does not require that any specified number of cleanup construction starts take place on an annual basis. We urge you to support the amendment mandating a schedule, similar to that passed in H.R. 5640, which will guarantee an improved annual record of progress in cleaning up dumpsites.

2. Strong and effective national cleanup standards must be set.—These standards must be achieved as part of a permanent cleanup remedy. Uniform cleanup standards must be mandated in order to put clarity into the debate over what "clean" really means. We urge you to support the amendment which requires that chemicals regulated by another federal environmental law be cleaned up to the level specified in that law. About 150 chemicals have been regulated by other statutes; 130 of these are subject to the water quality criteria in the clean water act.

The Dingell-Broyhill bill reduces the number of chemicals in the standard safety net from 150 to 20 by eliminating the water quality criteria. It also creates additional waivers to the standards, including a "fund balancing" proposal, which would even allow private party cleanups to avoid meeting federal standards when funds in the Superfund are low, even though the cleanup is entirely privately funded.

3. Citizens whose health is threatened by leaking dumpsites must be given the right to go to court to protect themselves.—The Dingell-Broyhill bill weakens the citizen suits provision in last year's Superfund reauthorization bill. We urge you to support the amendment to restore the right of citizens to go to court to prove that a dump may be causing an imminent and substantial risk to their health.

Without this provision, citizens cannot force dump owners to take actions to prevent a public health threat before it occurs. State common law usually does not provide remedies for citizens in these instances since they are usually available only when contamination or harm has already occurred. Frivilous cases would be prevented under this provision since citizens cannot sue for damages or bring cases on contingency fees.

4. Community right-to-know provisions must provide useful information to concerned citizens.—The recent tragedy in Bhopal has evoked a public outcry for federal community right-to-know legislation. Citizens are concerned about dangerous chemical processing activities occurring, almost literally, in their backyards. We urge you to support an amendment mandating the compilation of "mass balancing" information on routine hazardous chemical use and releases.

The Dingell-Broyhill bill does not require companies to reveal information concerning community exposure to chemicals (i.e., venting of gases and routine air and water emissions).

5. Victims of hazardous waste must be given their fair day in state courts to seek reimbursement of medical and other costs from responsible parties.—Last year, the Energy and Commerce Committee approved a federal cause of action allowing victims to sue in either federal or state court to recover costs related to their injuries. A uniform and equitable statute of limitations (three years after the person knew or should have known that the injury was exposure-related) and a strict, joint and several liability standard were established. This enables victims to recover costs without having to identify every polluter who contributed to the contamination and without having to prove that polluters disposed of wastes in a "negligent" manner.

The Dingell-Broyhill bill prevents victims of hazardous waste from getting a fair day in federal or state courts to seek reimbursement of medical or other costs. Though it does slightly improve state statute of limitation laws, H.R. 2817 does not provide even limited remedies for those injured prior to 1980. In addition, there is no mandated liability standard. We urge you to support an amendment to provide victims with their right to a fair day in court.

These and other amendments (addressing leaking underground storage tanks) are crucial to the passage of a Superfund which can solve the hazardous waste cleanup

crisis. Without these crucial amendments, the Dingell-Broyhill bill will serve only as a half-hearted attempt at tackling a very serious problem. We look forward to working with you to pass these amendments.

Sincerely,

Helen Burstin, American Medical Student Association; Victor W. Sidel, M.D., American Public Health Association; Ann F. Lewis, Americans for Democratic Action; Michael Jacobson, M.D., Center for Science in the Public Interest; Ralph Watkins, Church of the Brethren; Sally Timmel, Church Women United; Charles Lee, Commission for Racial Justice United Church of Christ; David Saperstein, Commission on Social Action of Reform Judiasm; Jeffrey Tryens, Conference on Alternative Local Policies;

Sister Joan Carusillo, Congregation of Sisters of the Holy Cross, Eastern Region; Gene Kimmelman, Consumer Federation of America; Dan Becker, Environmental Action; Geoff Webb, Friends of the Earth; Kathleen Tucker, Health and Energy Institute; Anthony Guarisco, International Alliance of Atomic Veterans; Cheryl Martin, Mennonite Central Committee, Washington Division; Leslie Dach, National Audubon Society; Cathy Hurwit, National Campaign Against Toxic Hazards; Chris Cowap, National Council of Churches of Christ in the U.S.A., Division of Church and Society;

Linda Tarr-Whelan, National Education Association; Norman Soloman, National Fellowship of Reconciliation; Martha Broad, Natural Resources Defense Council; Janet Hathaway, Public Citizen's Congress; George Coling, Rural Coalition; Blake Early, Sierra Club; Sister Loretta Hennedkes, Sisters of St. Joseph, St. Louis Province, Social Justice Office; Robert Alpern, Unitarian Universalist Association, Washington Office; Jay Lintrer, United Church of Christ, Office for Church in Society; and Rick Hind, U.S. Public Interest Research Group.

CONGRESSIONAL INTENT ON AMENDMENTS COVERING ALL AGRICULTURAL COMMODITIES TO BE CLARIFIED WITH AMENDMENT

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BEDELL. Mr. Speaker, today I am joined by Mr. MADIGAN, Mr. ROBERTS, Mr. DASCHLE, Mr. EVANS of Iowa, Mr. PENNY, Mr. BEREUTER, Mr. TAUKE, Mr. SLATTERY, Mr. GUNDERSON, Mr. GLICKMAN, Mr. COLEMAN, Mr. VANDER JAGT, Mrs. SMITH of Nebraska and Mr. LIGHTFOOT, in introducing legislation designed to clarify congressional intent that producers of a raw agricultural product may be considered in the application of antidumping and counterveiling duty statutes.

The legislation would require the International Trade Commission [ITC], in determining whether imports are causing material injury to a domestic industry, to treat producers of raw and initially processed agricultural products as members of the same industry, provided that the more advanced product is produced in a single continuous line of production from the raw product.

Thus, in order for the language of the bill to apply, the raw product would have to be completely or substantially devoted to the production of the more advanced product and, likewise, the more advanced product would have to be produced completely or substantially from the raw product. Producers of raw and initially processed products who exhibit a high degree of economic interdependence would also be members of the same industry. The amendment covers all agricultural commodities, including livestock and other animals.

In the recent counterveiling duty determination involving live swine and fresh, chilled and frozen pork from Canada, the ITC ruled that hog producers and pork processors were not producers of a like product and consequently were not members of the same industry, even though the Commission found that fresh, chilled and frozen pork is produced from live swine through a single continuous line of production.

The Commission held that hog producers and pork processors were not producing a like product because the test of economic integration evidenced by legal and contractual interdependence was not established. In a strong dissent, one of the Commissioners said that the measure of injury incurred by producers is properly related to the amount of their product that goes into the final processed product and it is not determined by the form of the contractual relationship between producers and processors.

Hogs are transformed to fresh, chilled, and frozen pork by a process—slaughter—which represents a wholly single continuous line of production. Indeed all hogs become pork products and all pork products come from hogs. Furthermore, the value of hogs represents approximately 90 percent of the value of fresh, chilled and frozen pork produced by domestic pork processors.

The decision by the ITC to impose a counterveiling duty on live swine but not on pork products from Canada may be easily circumvented by the increase in the shipment of pork products instead of swine across the border. Indeed one Commissioner noted that the Canadians have the facilities available to accomplish this product shifting without major capital investment or reorganization to the industry.

United States hog farmers have already been affected by the ITC ruling. In the real world, there is no logical differentiation between the importation of live hogs or pork products, in the determination of injury to U.S. hog producers. Whether the swine come in as hogs or pork products, the effect is the same on prices. U.S. hog farmers will be undersold and denied their rightful share of the market by subsidized pork products, which will be coming in, in increasing quantities.

The purpose of the legislation I am introducing today is to permit the producers of a raw agricultural product to be considered in counterveiling and antidumping duty cases involving a more advanced processed product where the relationship between the growers and processors is characterized by a single continuous line of production or there is a significant degree of economic dependence. This amendment rationally links related industries where the effect of subsidized imports would be the same.

I believe that the adoption of this legislation will rectify an anomalous situation and while it will not guarantee relief to U.S. hog producers it will provide them with the opportunity to seek relief from the import of subsidized pork products. The text of the amendment follows:

H.R. 3328

A bill to amend the Tariff Act of 1930

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That section 771(10) of the Tariff Act of 1930 (19 U.S.C. 1667(10)) is amended by designating existing section (10) as paragraph (10)(a) and adding at the end thereof the following new paragraphs:

(b) Agricultural products which are processed from raw agricultural products (including livestock and other animals) shall be considered a like product with such raw product provided that, either:

(i) the more advanced product is produced from the raw product through a single continuous line of production, or

(ii) the producers of the raw product and of the more advanced product otherwise have a significant degree of economic interdependence as manifested by price, market, or other economic interrelationships, whether or not such interdependence is based on legal relationships.

(c) For the purposes of paragraph (b), the more advanced agricultural product shall be considered to be produced from the raw agricultural product through a single continuous line of production, to the extent that:

(i) the raw product is substantially or completely devoted to the production of the more advanced product, and

(ii) the more advanced product is produced substantially or completely from the raw product.

U.S. JOINS THE INTER-AMERICAN INVESTMENT CORPORATION

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BEREUTER. Mr. Speaker, there seems to be too little good news about economic developments in Latin America these days, so it is particularly encouraging to note last week's official ratification of U.S. participation in the Inter-American Investment Corporation. This new facility, affiliated with the Inter-American Development Bank, is designed to provide much needed capital and credit for small and medium-sized enterprises in Latin America and the Caribbean.

Small and medium sized businesses hold an important key to economic growth and job creation in Latin America where unemployment rates of up to 25 percent are not uncommon. The external debt crisis in the southern half of our hemisphere has resulted in a drastic reduction of capital available for investment, so urgently needed by the region's thousands of small businesses to expand their operations, provide employment and begin growing. The Inter-American Investment Corporation hopes to help meet that need in some part, acting as a catalyst for bringing external capital and management skills to help small and medium sized Latin American businesses.

Secretary of the Treasury James Baker's signature on the documents of ratification culminates a long negotiations process supported by this administration from the beginning. Thirty-three other member countries of the IDB have committed themselves to participate in the IIC. Startup is expected in 1986. I am pleased that the U.S. is now an official member of the IIC.

MAKE-A-WISH

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. McGRATH. Mr. Speaker, I would like to take this opportunity to urge my colleagues to cosponsor House Joint Resolution 221, designating the month of October 1985 as "National Make-A-Wish Month." The Senate has successfully passed the companion bill and it is now time for the House to take similar action.

The Make-A-Wish Foundation is a nonproft organization formed to fulfill the desires of terminally ill children through the aid of civic organizations, businessmen, celebrities, sports figures, fire and police departments and other volunteers who can provide time, talent, service or love.

The foundation now has 40 chapters in 24 States. The work performed by the foundation should certainly be recognized, not only to exhibit the caring that goes on daily within our communities, but also to promote similar activities nationwide.

Over 5,000 children lose their lives to terminal illnesses each year. Many times, a child's bout with a terminal illness is filled with memories of hospitals, medical tests and treatment, and painful thoughts of the road yet to come. The Make-A-Wish Foundation has made these memories a little brighter by giving them a chance to be a fireman or policeman for a day, take a trip to the beach, meet their favorite celebrity or by fulfilling any one of their lifelong dreams.

I would like to share with my colleagues some excerpts of letters the foundation has received since the short time of its inception:

Guess what—sometimes I forget I am sick. Sometimes I even forget I have cystic fibrosis, and even though I have spent most of my life in hospitals, sometimes I can forget that. My VCR helps me forget. Thank you for it and making it possible for me to pick out the films I want to watch. I hope you can help other kids get what they wish for, then maybe for a little while they will be able to forget their illnesses. That is my wish for them.

P.S. These are my words but my mom's handwriting. My I.V. is in my left hand, the one I use to write with.

We would like to thank you for the wagon you gave Corey when he left Children's Hospital on Feb. 4th. He liked it very much. Corey lived at home until Feb. 22nd and then he died in his wagon.

As a member of the board of directors for the Make-A-Wish Foundation of Nassau/Metro New York Inc., I implore my fellow Representatives to take the initiative needed to make House Joint Resolution 221 a reality. Let's show our support for the efforts of all those individuals who have shared their time, talent and love with these young children. The memories created by the Make-A-Wish Foundation will long be remembered by all the families and lives they have touched.

ARMENIAN GENOCIDE

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. COELHO. Mr. Speaker, for more than 45 years, the leading nations of the world focused a great deal of attention upon the constant oppression of the Armenian population of Ottoman Turkey. The final period of the massacres—the Armenian Genocide of 1915–23—is really in fact a final chapter in a protracted period of human suffering and destruction.

To its great credit, the 54th Congress of the United States took up the cause of the Armenian atrocities. On January 24 and 27 of 1896, the Senate and House passed a concurrent resolution deploring the slaughter of Armenians and calling upon the signatory nations of the 1878 Treaty of Berlin to fulfill their obligation to protect the Armenian population. I insert the full text of the 1896 resolution in the Record:

[The Statutes at Large of the United States of America, from December, 1895, to March, 1897, and recent treaties, conventions, and executive proclamations, with an appendix containing the concurrent resolutions of the two Houses of Congress. Edited, printed, and published by authority of Congress, under the direction of the Secretary of State. Vol. XXIX; Washington, Government Printing Office, 1897.]

Armenian Outrages

Whereas the supplementary treaty of Berlin of July thirteenth, eighteen hundred and seventy eight, between the Ottoman Empire and Great Britain, Germany, Austria, France, Italy, and Russia, contains the following provisions:

"LXI

"The Sublime Porte undertakes to carry out without further delay the ameliorations and reforms demanded by local requirements in the provinces inhabited by the Armenians, and to guarantee their security against the Circassians and Kurds.

"It will periodically make known the steps taken to this effect to the Powers, and will superintend their application."

"LXII

"The Sublime Porte having expressed the wish to maintain the principle of religious liberty, to give it the widest scope, the contracting parties take note of this spontaneous declaration.

"In no part of the Ottoman Empire shall difference of religion be alleged against an individual as a ground for exclusion or incapacity as regards the discharge of civil and political rights, admission to the public service, functions, and honors, and the exercise of the different professions and industries.

"All persons shall be admitted, without distinction of religion, to give evidence before the tribunals,

"Liberty and the outward exercise of all forms of worship are assured to all, and no hindrance shall be offered either to the hierarchial organization of the various communions or to their relations with their spiritual chiefs.

"The right of official protection by the diplomatic and consular agents of the Powers in Turkey is recognized both as regards the above-mentioned persons and their religious, charitable, and other establishments in the holy places;" and

Whereas the intent and object of the above cited provisions of said treaty are to place the Christian subjects of the Porte under the protection of the other signatories thereto, and to secure to such Christian subjects full liberty of religious worship and belief, the equal benefit of the laws, and all the privileges and immunities belonging to any subjects of the Turkish Empire; and

Whereas by said treaty the Christian Powers, parties thereto, having established, under the consent of Turkey, their right to accomplish and secure the above-recited objects; and

Whereas the American people, in common with all Christian people everywhere, have beheld with horror the recent appalling outrages and massacres of which the Christian population of Turkey have been made the victims: Therefore,

Resolved by the Senate of the United States (the House of Representatives concurring), That it is an imperative duty, in the interest of humanity, to express the earnest hope that the European concert brought about by the treaty referred to may speedily be given its just effect in such decisive measures as shall stay the hand of fanaticism and lawless violence, and as shall secure to the unoffending Christians of the Turkish Empire all the rights belonging to them both as men and Christians and as beneficiaries of the explicit provisions of the treaty above recited.

Resolved, That the President be requested to communicate these resolutions to the Governments of Great Britain, Germany, Austria, France, Italy, and Russia.

Resolved further, That the Senate of the United States, the House of Representatives concurring, will support the President in the most vigorous action he may take for the protection and security of American citizens in Turkey, and to obtain redress for injuries committed upon the persons or property of such citizens.

Passed the Senate January 24, 1896.

Passed the House of Representatives January 27, 1896.

During the discussion surrounding this resolution, Congressman McCreary of Kentucky pointed out that the prior Congress had taken steps to bring about an end to massacres taking place in Armenia. Mr. McCreary stated:

During the last Congress we received information of these robberies and murders in Armenia. Hoping and believing that we might accomplish something, we authorized the appointment by the President of the United States of a consul at Erzerum and a consul at Harpoot, in the Turkish provinces where the greatest atrocities had been committed. These consuls were appointed by the President, but they were at first denied their exequaturs. After months of delay I believe they at last reached their posts of duty.

The actions of the 54th Congress demonstrate for those of us in the 99th Congress that the treatment of the Armenian population in Ottoman Turkey was of profound concern to the United States. One needs only to go back and read the statements made on the floor of this Chamber in January 1896 to realize just how involved the Congress was in this question. The resolution I introduced earlier this year, House Joint Resolution 192, merely seeks to remember the Armenian victims of this protracted tragedy. By approving House Joint Resolution 192, we will be reaffirming the record established by prior Congresses. The minority of Members who oppose this resolution ought not be permitted to rewrite the history of this body. We must approve House Joint Resolution 192 when it returns for a vote this year.

NATIONAL COMMISSION TO PREVENT INFANT MORTALITY

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. LELAND. Mr. Speaker, infant mortality is widely utilized as a measure of the health status of a community. Thus, it is a tragedy that the infant mortality rate for the United States, the wealthiest country in the world, continues to exceed that of many developed nations. According to Secretary Heckler's report "Health, United States" issued earlier this year, in 1981, our country ranked 14th—behind nine European nations, Japan, Canada, Australia and Singapore. More importantly, while infant mortality rates have declined significantly since 1970, the trend clearly has stagnated. In some areas, rural and urban, infant deaths have increased. Here, in our Nation's Capital, recent statistics issued indicate the infant mortality rate increased by 16 percent during the past year. Black infant mortality overall remains twice as great as for whites. This gap has not decreased; on the contrary, indications are that it is widening.

Mr. Speaker, as many of my colleagues are aware, the situation is abysmal. It is imperative, therefore, that we mobilize the efforts of this great country to end this national disgrace. I am troubled and deeply disturbed by the lack of a concerted and coordinated effort to reduce infant deaths here, in our country—a land of plenty—and so I have introduced legislation today to establish a National Commission to Prevent Infant Mortality.

The charge of the Commission shall be to "address respective governmental and private roles in the delivery of services associated with preventing infant mortality, and to recommend actions designed to change and improve the Nation's comprehensive approach to this national problem." The Commission shall recommend a national policy to change and improve our current approach to preventing infant mortality.

The Commission shall be composed of 15 members, and include the Secretary of Health and Human Services and the Comptroller General of the United States. Four members shall be appointed by the majority and minority leaders of the House and Senate—one each; three members from representatives of State and local government selected by the President—one shall be a Governor; one a State legislator; and one a representative of local government—no more than two of whom shall be members of the same political party. The remaining members of the Commission shall be jointly selected by the majority leader of the Senate and the Speaker of the House.

Mr. Speaker, our current efforts are clearly falling short, and in some instances failing. In 1982, according to the National Center for Health Statistics of the Department of Health and Human Services, 42,401 infants died before reaching their first birthday. If our fight to end infant mortality were succeeding, the vast, vast majority of these young citizens would be alive today. It is children, healthy children, who make our Nation secure. I invite and urge my colleagues to cosponsor this vital legislation.

NIHONMACHI LEGAL OUTREACH CELEBRATES ITS 10TH ANNIVERSARY

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mrs. BURTON of California. Mr. Speaker, on September 27, 1985, the Nihonmachi Legal Outreach [NLO] of San Francisco will be celebrating their 10th anniversary. This special day will commemorate a decade of dedicated legal service which the Nihonmachi Legal Outreach has provided to the residents of the San Francisco Bay area.

The Nihonmachi Legal Outreach—or NLO as it is commonly referred to by its supporters, clients, and staff—was founded in 1975 by a group of Asian American law students who were attending law schools in the San Francisco area. These students felt that there was a need to provide a culturally sensitive type of legal service to the Asian/Pacific community. Individuals such as Richard Eijima, Paul Wada, Ranko Yamada, Dannette Sakoda, Carole Morita, Kent Hori, Dennis Hayashi, Dean Ito Taylor, and Grant Tomioka, the founders and initiators of NLO, then established an office in San Francisco's Japantown to begin providing for the needs of the community.

Since its inception, NLO has provided legal services on a regular basis as well as having promoted the status and well-being of women, immigrants, the elderly, youth, minorities, and low-income individuals.

Furthermore, the staff and volunteers of NLO provide educational workshops and written materials on frequently encountered legal questions in addition to its information and referral service in the social service and counseling area.

During the past decade, NLO has displayed their public spirit and community involvement, but more importantly, their efforts have reached individuals and organizations who were not able to represent themselves to seek and acquire the liberties and equal justice due to them.

May I take this opportunity to personally convey my thanks and admiration to the Nihonmachi Legal Outreach and ask my colleagues to join with me in congratulating and wishing them many more years of continued success.

DURHAM, NC, SCHOOL EARNS TOP RANK IN NATION

HON. TIM VALENTINE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. VALENTINE. Mr. Speaker, exactly 2 years ago, the National Science Board's Commission on Precollege Education in Mathematics, Science, and Technology released a disturbing report. The report concluded that the United States "is failing to provide its own children with the intellectual tools needed for the twenty-first century." The Commission's report is only one of many in recent years that have criticized the condition of American education. Almost every facet of education in the United States has come under attack, including academic standards, student performance, curriculum, teacher preparation and quality, disciplinary standards, and its apparent overall weakness relative to education in other nations.

These criticisms reflect legitimate concern about our efforts to prepare our children for the future. The United States has long been a world leader in education, and we must maintain our leadership if this generation and future generations are to keep pace with the unprecedented speed of technological innovation.

All of this concern has naturally focused public attention on the perceived shortcomings of American education. I believe that this focus is necessary if we are to improve our schools. But I also believe that we should highlight those areas of education in which we have been successful.

Mr. Speaker, I have one such success story to report. For the second consecutive year, the North Carolina School of Science and Mathematics in Durham, NC, has led the Nation in the number of National Merit semifinalists.

The North Carolina School of Science and Mathematics is only 5 years old, and yet, under the able leadership of Charles Eilber, it has established a nationwide reputation for excellence. As the first residential high school of its kind in the entire country, it enjoys a history of pioneering and leadership. This year, 85 students from a senior class of 210 have been named National Merit semifinalists.

This achievement is a tribute to the school's admissions policies, which are designed to find the most gifted students in science and math. Leadership in the National Merit competition also reflects great credit on the entire North Carolina school system. Students come to the North Carolina School of Science and Mathematics from throughout the State. Their superior performance provides clear evidence of the solid foundation they receive at their hometown high schools.

The contributions of the North Carolina School of Science and Mathematics go far beyond the impressive academic accomplishments of its students. The school is constantly expanding its horizons and extending its reach to develop new programs for the future.

Through a recent grant from the IBM Corp., the school will soon have, according to the best available estimate, the largest number of computers per student of any educational institution in the country.

With the IBM grant and a second grant from the Carnegie Corp., the school will begin a series of projects to develop new methods of using computers in schools and to design a new high school math curriculum that could serve as a nationwide model.

Finally, with a third grant from the Ford Foundation, the North Carolina School of Science and Mathematics has become a major participant in the Durham Mathematics Council project. This project could involve every secondary math teacher in the city and county in a program to build professional skills as both mathematicians and teachers.

I might add that the city of Durham is by far the smallest of seven metropolitan areas selected nationally to participate in this project. That achievement reflects Durham's reputation as a growing, progressive area as well as the advantages of close proximity to the Research Triangle Park and the national reputation of the North Carolina School of Science and Mathematics.

The school was originally intended to develop leaders in math and science for North Carolina. It has succeeded admirably. I think it is particularly noteworthy that nearly two-thirds of its highly qualified graduates stay in North Carolina for their college education.

Mr. Speaker, we have a long way to go before we can say that most of our Nation's educational problems are solved. But it is encouraging to note the success of innovative programs such as this which allow our brightest students to grow and develop to the limits of their potential.

Since much of the current concern about the state of American education has focused specifically on science and math, I am especially proud of this school. The North Carolina School of Science and Mathematics is leading the way in preparing our young people to meet the technical challenges of the 1990's and beyond. I hope this outstanding example of educational innovation will inspire similar projects in other areas of American education.

STAR WARS MAY PROVE IMPRACTICAL

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BEREUTER. Mr. Speaker, I take this opportunity to call to my colleagues' attention an editorial that appeared in the Norfolk Daily News of Norfolk, NE. The points made regarding premature decisions about the feasibility of the strategic defense initiative are worthy of consideration.

All of us pray that peaceful negotiation will take the place of military systems, but until we can be confident that such defense is not needed or that it would not work we cannot gamble with the survival of a nation.

The editorial follows:

[From the Norfolk (NE) Daily News, Sept. 12, 1985]

Not Scientific

The university scientists who oppose the Strategic Defense Initiative, the administration's attempt to devise an anti-nuclear missile capability, say their emphasis is not to make a political statement. Rather, it is, in the words of one of their leaders, John Kogut, a physics professor at the University of Illinois-Urbana, "to point out that the bulk of the scientists who would be working on it think it is technically infeasible and at the level of science fiction."

Nuclear warfare was in the category of science fiction; so was space travel or flight by heavier-than-air machines. Of all people, scientists ought to be most skeptical of arguments that anything within the realm of the human imagination is impossible.

Star Wars may prove impractical or too costly, but any early decision to that effect without more research and whatever testing that research may call for is not to America's benefit. The purely defensive weapon that would be created would not be designed to destroy enemy cities and kill millions, but to prevent that sort of thing happening to America.

The movement will probably have no telling effect on the actual effort. There are enough scientists who see the problems as a challenge with the possibility of helping to continue policies of peace through strength that work will proceed. Congress has tentatively set aside $2.7 billion of a five-year, $26 billion effort which President Reagan seeks.

Of course it remains a gamble, and all people of good will earnestly pray that any military systems will be rendered obsolete by international agreements to decide all differences by peaceful negotiation, not arms.

One can join in such prayers without gambling the life of a nation on them.

The scientists who pledge not to take part in Star Wars research are acting out of principle, of course. But so are all the others who are not so quick to conclude it is impossible to develop an effective shield of satellite sensors and lasers. We appreciate the principles of this latter group more, and are reminded that peace is not a state derived from military weakness, but from strength.

THE BERGEN RECORD ON FREE TRADE AND THE IMF

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. COURTER. Mr. Speaker, the Bergen Record newspaper of New Jersey recently spoke out on the trade-war fever gripping the Congress and offered some profound insights I hope my colleagues will consider.

The entire editorial is outstanding, yet the most important point the Record makes is that the International Monetary Fund's austerity prescriptions are, for instance, forcing Brazil to boost exports and restrict imports. These policies are endorsed by the Federal Reserve Board and, indirectly, by the Congress when we passed the $8.4 billion in loan guarantees to the IMF in 1983.

It is long past time for us to consider the role the IMF is playing in the disruptions of trade and rising protectionism that threaten the global economy.

The Bergen Record editorial follows.

Protectionist Fever

A specter is haunting Congress, the Specter of Smoot-Hawley. On one hand, Congress is under siege from workers, farmers, and manufacturers who are up in arms over the loss of one industry after another to foreign competition. The legislative hopper is brimming with some 400 proposals to restrain imports of everything from lumber to water beds.

ON the other hand, senators, representatives, and nearly everyone else who lived through the Great Depression or read about it in history books know all too well what happened the last time Congress succumbed to protectionist fever. That was back in 1930, just a few months after Wall Street laid its famous egg. With the economy sinking fast, two Western Republicans, Sen. Reed Smoot of Utah and Rep. Willis Hawley of Oregon, hit upon a time-honored remedy—protect American trade at the expense of the rest of the world. They introduced a bill raising industrial tariffs by a third. It passed Congress and, despite overwhelming opposition by professional economists, was signed into law by President Hoover.

For once, the economists were right. Instead of making things better, the Smoot-Hawley Tariff Act made them much, much worse. Inevitably, other nations retaliated, and soon the world had sprouted a new crop of tariffs, import quotas, and other trade barriers. Commerce slumped, and the Depression deepened.

The political order was also upset. America's embrace of protectionism helped undercut the liberal, free-trade faction in the Japanese government, which was elbowed aside by militarists arguing that only force of arms could guarantee Japan the foreign markets it so badly needed. The result was the Far Eastern "co-prosperity sphere" and Japan's lurch to war. In Germany, meanwhile, the worldwide Depression exacerbated by Smoot-Hawley helped undermine the democratic Weimar government and clear the way for Hitler and the Nazis.

Fifty-five years later, Americans are once again clamoring for relief from foreign competition. But Smoot-Hawley's terrible legacy is not easily shaken off. On one side lies recession and unemployment, on the other rising economic and political tensions. How will Congress react?

Preliminary indications are discouraging. Although many trade proposals before Congress are frivolous, a few are truly dangerous. The most sweeping is Sen. Lloyd Bentsen's proposal to levy a 25 percent import surcharge on countries with large trade surpluses against the United States.

Like any protectionist measure, the Texas Democrat's surcharge proposal would penalize success and reward failure. If Japan, South Korea, and Taiwan are high on the Bentsen hit list, it is mainly because they manufacture goods that are sophisticated, cheap, and well-made—unlike too many American products. Another country that has also incurred the senator's wrath is Brazil, whose only sin, apparently, is struggling too hard to keep up with payments on its $100-billion foreign debt, much of which is held by American banks.

Brazil achieved its sizable trade surplus by devaluing its currency and severely restraining imports. The result was a one-way flow of goods from Brazil to the United States and, inevitably, rising American resentment. But Mr. Bentsen forgets that it was the International Monetary Fund that pointed Brazil on its way toward this aggressive export strategy—endorsed by Congress in 1983, when it voted additional financial credits for the IMF to help Third World nations pay their debts. The Bentsen bill would thus punish Brazil for doing exactly what Congress said it should do.

By penalizing Brazil, Mr. Bentsen is virtually inviting it to default on its foreign debt, with possibly disastrous consequences for U.S. banks. By penalizing Japan, Taiwan, and South Korea, he would open the door to retaliatory measures throughout the globe. Senator Bentsen's proposal may be less sweeping than Smoot-Hawley, but it could point the world down the same slippery slope.

AFL-CIO/UNITED WAY HONOR FRANCIS J. CONWAY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. RINALDO. Mr. Speaker, the AFL-CIO and the United Way of Union County, NJ, will honor Francis J. Conway at its labor participation dinner dance on October 25. It is a distinction Frank Conway richly deserves for his outstanding service to the community for many years.

Mr. Conway retired in August as the Union County AFL-CIO and community service representative of labor to United Way.

Over the years, Frank Conway has exemplified the highest standards of the labor movement by his continued efforts to help people with dignity and compassion. He started his career in the labor movement when he was employed as a slate picker and blacksmith's helper at Raven Run Colliery in Pennsylvania over 40 years ago. He also served in the U.S. Merchant Marines and was drafted into the U.S. Army Air Force in 1946.

Frank Conway worked for the General Motors Co. as an assembler, and later for the Singer Manufacturing Co. He was the chief steward and a member of the executive board of the Union County CIO. He also served on the board of directors of the Community Chest as a CIO representative. These involvements led to his appointment as a full time AFL-CIO Union County community service liaison.

A resident of Roselle Park, Frank Conway serves on numerous boards and committees, such as the advisory committee on aging, the Senior Citizen Home Repairs and Maintenance Program, the regional health planning council, and human services planning council.

One of Frank Conway's favorite duties was the chairing of the AFL-CIO Community Service Counseling Program. Since 1957, over 700 graduate counselors have been serving their fellow union members and the community during their time of need by guiding them to the proper health, welfare and emergency services.

Frank Conway can be very proud of his accomplishments and the good will that he has brought to organized labor and its members who have so generously supported the United Way and its member agencies. Frank Conway's spirit of compassion for others is an example of the American spirit of generosity and neighborly concern for others. I wish Frank Conway and his wife, Burt, good health and happiness in their retirement years.

AUBREY MORGAN

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BONKER. Mr. Speaker, it is my sad duty to announce the passing of a distinguished former British diplomat who has been a resident of my district since 1947.

Mr. Morgan was born in Llandaff, Wales, attended Cambridge University, and served as controller of British Information Services in the United States. From 1948 to 1953, he served as personal assistant to British Ambassador Sir Oliver Franks and Counselor to the Embassy. While he retained his British citizenship, Mr. Morgan called Plas Newydd in Ridgefield his home and was a prominent supporter of the Portland Opera, the Oregon Symphony, and the Oregon Historical Society.

He possessed all the qualities of a senior statesman, and even in later years Aubrey Morgan retained his wit, intellect, and warm disposition. On my visits to Plas Newydd, I always came away refreshed and a little more enlightened. Mr. Morgan kept on top of the issues and was an astute observer of world events. I will miss his counsel, but more assuredly we all will miss his engaging personality and superb humor.

Aubrey Morgan is survived by his wife, Constance, the daughter of Dwight Morrow, a former U.S. Senator and Ambassador to Mexico, three daughters, including Elisabeth Pendleton whose husband is a foreign service officer, and one son.

All who knew and loved Aubrey Morgan will miss him, but we shall never forget this extraordinary person and the rich legacy that he has given to us.

[From the Oregonian, Sept. 16, 1985]

Ex-diplomat Aubrey N. Morgan Dies

Aubrey Niel Morgan, a former British diplomat and supporter of the performing arts in Portland, died Saturday in his home, Plas Newydd, in Ridgefield, Wash. He was 81.

Mr. Morgan was born in Llandaff, Wales, and attended Charterhouse and Jesus College, Cambridge University. He played cricket for teams at Charterhouse, Cambridge and Glamorgan.

During World War II, Mr. Morgan served as controller of British Information Services in the United States. He moved to Ridgefield in 1947 and lived there continuously, except for a five-year period, beginning in 1948, when he served as personal assistant to the British Ambassador Sir Oliver Franks and Counsellor to the Embassy. In 1953, he returned to Plas Newydd, his Washington farm, which was built in 1850 and is reputed to be the oldest frame building in the state.

In 1954, he received the Order of St. Michael and St. George.

In 1969, Mr. Morgan was awarded the William Hopkin Medal by the St. David's Society of New York for his services and especially for his work in raising funds for the National Museum of Wales.

In Portland, he served on the boards of the Portland Opera Association and the Oregon Symphony Association. The opera association honored Mr. Morgan by its establishment of the Aubrey Morgan Award for outstanding service to the opera.

Survivors include his wife, Constance, the daughter of Dwight Morrow, a former U.S. senator and ambassador to Mexico; three daughters, Saran Hutchins of Chicago, Elisabeth Pendleton of London, and Eiluned Morgan of New York City; a son, Rhidian of Portland; and seven grandchildren.

Funeral will be for family only. The family suggests that remembrances be contributions to the Portland Opera Association, the Oregon Symphony Association or the Oregon Historical Society.

The body was cremated.

THE BIRTHDAY OF MAYOR TOM DUCH

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. TORRICELLI. Mr. Speaker, I rise today to acknowledge the birthday of one of my district's brightest and most hard-

working citizens, Mayor Tom Duch of Garfield, NJ.

Mr. Duch is an outstanding leader in the city of Garfield. In addition to his mayoral responsibilities, Mr. Duch devotes much of his time to several community organizations. He is an active member of the Russian Club, the Italian American Forum of Garfield and the Saint Ciro Society. He is also married and has one child.

Elected mayor in 1980, the foundation of his tenure has been a commitment to community service and promotion of progressive government. As a public servant Tom has been an exceptional example of honor and integrity.

On this occasion, as we gather to celebrate Tom's birthday, let us offer our congratulations to a friend and respected official in Garfield, NJ.

THE CASE AGAINST SDI

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. MOAKLEY. Mr. Speaker, I have long been concerned over the prospect of extending the arms race into outer space. It is my opinion that such a move would add nothing to our security and only serve to bankrupt our national treasury. It would be far better for the United States and the world community if the superpowers would engage in meaningful negotiations aimed at the strictest possible limits on space weaponry.

Dr. Carl Sagan has been a thoughtful and steadfast critic of the move to weaponize space. In an excellent article which appears in the September issue of Discover magazine, Dr. Sagan accurately points out the shortcomings of the Reagan administration's star wars proposal. I would like to have the article printed in the RECORD and I urge all my colleagues to carefully consider the points Dr. Sagan raises—especially as we prepare for future debates on this issue.

The article follows:

THE CASE AGAINST THE STRATEGIC DEFENSE INITIATIVE

(By Carl Sagan)

"The central problem of our time . . . is how to employ human intelligence for the salvation of mankind. It is a problem we have put upon ourselves . . . Missiles will bring antimissiles, and antimissiles will bring anti-antimissiles. We are now speeding inexorably toward a day when even the ingenuity of our scientists may be unable to save us."—General of the Army Omar Bradley.

Humans are in trouble. This truth is increasingly recognized on both sides of the political and ideological divide. There are some 20,000 strategic nuclear weapons in the American and Soviet arsenals—waiting to be delivered to their targets by a variety of ingenious gadgets: some burst from under the ground or up from the ocean depths and carry their warheads through nearby space; some fly supersonically through the stratosphere; some barrel along just above the ground, deftly following the contours of every glade and hillock. Every one of these weapons is more powerful than the bombs that destroyed Hiroshima and Nagasaki. (We here ignore the more than 30,000 so-called tactical nuclear weapons.) The prompt fatalities of a major exchange between the U.S. and the U.S.S.R. have been variously estimated as ranging from a few hundred million to two billion people. When intermediate time-scale radioactivity, toxic smogs from the burning of cities, and nuclear winter are thrown in, it becomes clear that we're a hair's breadth from ultimate catastrophe.

Over the past 40 years there has been a steady expansion in the number and the variety of nuclear weapons and their delivery systems. The net result is that a country such as the U.S. is much more vulnerable, its population much more at risk, than was the case in 1945. Nevertheless, as the arsenals grew, the citizens of many nations became tranquilized by official assurances that nuclear weapons would buy something called "national security." Only when the stockpiles swelled to grotesque proportions did it become apparent that the political leaders have done something supremely foolish—arranging for us to live under a regime of planet-wide nuclear intimidation, the so-called balance of terror.

In this paradoxical posture, both the U.S. and the Soviet Union know that a nuclear war would mean national suicide. And yet, for deterrence to work, they believe they must show every possible readiness to use nuclear weapons. However meritorious the argument for a balance of terror may have been in the beginning, long before we reached 20,000 strategic weapons the justifications unraveled. And so you now see large groups of physicians, lawyers, retired military officers, Roman Catholic bishops—not so long ago the exemplars of conservative attitudes—decrying the nuclear arms race. We've gone too far, they say, and indeed anything conservatives wish to conserve will be destroyed in a nuclear war. When 75 per cent of the American public opt in opinion polls and referenda for a bilateral, verifiable freeze on new nuclear weapons and their delivery systems, the issue becomes politically charged.

As was clearly recognized by General Bradley, the last of America's World War II five-star generals, there are, in the long run, only two approaches to the nuclear arms race: increasing reliance on gadgets to save you from your adversary's gadgets, or getting rid of the nuclear arsenals.

Faced with the extraordinarily dangerous, morally dubious, and now politically risky posture of strategic deterrence, President Reagan on March 23, 1983 called for American scientists to contrive a defense that would render strategic missiles "impotent and obsolete." With that, the very prospect that Bradley had feared was proposed by a U.S. President. The scheme was dubbed Star Wars by the media, but the administration, for some reason believing that the phrase constitutes bad press, prefers the ten-syllable mouthful Strategic Defense Initiative (SDI).

In essence, Star Wars is a multi-tiered defense involving lasers, particle beam weapons, and kinetic energy kill vehicles. One of the laser weapons under development would explode hydrogen bombs in space to generate narrow beams of x-rays. Some components would be based in space, others on earth.

Now what could be wrong with this? Isn't it a morally superior position to be able to defend ourselves in time of war than merely to threaten, perhaps ineffectually, our potential adversary in time of peace? Imagine some highly effective defensive shield over the U.S. The Soviet Union launches an attack of 10,000 strategic warheads, all of which reach the American shield, in effect go boing, and harmlessly slither off into the Gulf of Mexico. Or imagine a comparable shield over the U.S.S.R. so that if the U.S. attacks with 10,000 warheads, they all go boing, and slide off into the Sea of Okhotsk. What could be wrong with this? In my opinion, nothing. If absolutely impermeable shields were miraculously emplaced, simultaneously and at reasonable cost, over the U.S. and the Soviet Union, the security of both nations would increase. But the moment the shields are even a little permeable, the moment one is deployed before the other, the situation, I maintain, reverses; then the world becomes much more perilous, and the two superpowers—as well as all the other nations—would be far better off had the shield never been invented or deployed. Consider some of the difficulties.

Permeability. Even scientists and engineers who support SDI doubt that a system much more than 50 per cent effective can be deployed in the next few decades. But, to be generous, let's imagine a system that's 90 per cent effective. The Soviets would fire 10,000 warheads at the U.S. and only ten per cent would get through. But ten per cent of 10,000 is 1,000, and 1,000 warheads are enough to destroy the U.S. Even a system that was 99 per cent impermeable would provide inadequate protection. By concentrating the defenses, it would be possible to protect a few missile silo complexes, or even a few cities—but that would not represent a significant break with the posture of the balance of terror. And if SDI cannot protect the bulk of the American population, what is its purpose?

Overwhelming. Suppose the U.S.S.R. wishes to inflict a certain level of damage on the U.S., and believes that the U.S. will be able to deploy a strategic defense that is 50 per cent impermeable. A natural response would be to double the Soviet arsenal of strategic weapons. The large Soviet rockets can incorporate many more multiple warheads than they do today. Increasing the Soviet offensive arsenal involves existing technology and not much in the way of development costs. Soviet offensive response to SDI is likely to be cheaper (and more reliable) than the defensive shield. The burden of proof is on those who claim otherwise. That Star Wars is likely to spur the already grotesque race in offensive weapons must be considered among its principal deficiences.

Underflying. SDI, even if it were perfect, would work only against missiles fired on high ballistic trajectories. Even if the U.S. were able to develop an impenetrable shield, it would still be fatally vulnerable to nuclear weapons delivered by bombers, by ground-hugging cruise missiles, and by such unconventional means as motor boat or private plane. The prospect of strategic defense provides incentives for potential adversaries to increase their reliance on such delivery systems. Small airplanes, delivering bulky cargoes of illegal substances, seem to land with impunity in America today, despite serious efforts at control.

SDI is sometimes justified on the minimalist grounds that even if it is ineffective against a Soviet attack, it would work against a terrorist strategic missile. But a small nation or terrorist group that wanted to explode a nuclear weapon in the U.S. would be much more likely to deliver it by suitcase than by ICBM. When the original justification for an expensive weapons system becomes a little threadbare, there is frequently a tendency to find some more modest objective for it. The technology tends to drive the justification, rather than the other way around. Concerns about terrorism may have implications for border security and diplomatic pouches, but they do not provide an argument for strategic defense.

Outfoxing. The Soviets, with many firsts in space technology, are unlikely to sit on their hands while the U.S. spends decades developing SDA. There are many options open to the Soviets that would make the task of the defender much more difficult. These include space mines that could destroy space weapons systems, and fast-burn boosters that would enable the offensive warheads to separate from their boosters and become hard to attack while still shielded by a blanket of air, as well as decoys and "penetration aids." (The terminology of the nuclear arms race is so infused with phallic imagery as to suggest, on both sides, an important psychosexual component to the whole business.)

The misleading graphics displayed on television programs purporting to explain this subject routinely show a few Soviet warheads leisurely arcing over the North Pole, while spiffy laser battle stations surgically dispatch them with little blue flashes. There are sometimes sound effects, as in video arcade games. A central exchange is much more likely to include some 10,000 Soviet warheads enveloped in a "threat cloud" of hundreds of thousands to a million decoys. There are ways to make decoys look like warheads, and ways to make warheads look like decoys. A number of studies show that it will easier, as well as much cheaper, for the U.S.S.R. to outfox SDI than for the U.S. to build SDI.

Computer Reliability. Your job, should you choose to accept this assignment, it to track 10,000 warheads and a considerably larger number of decoys, leave the decoys untouched, and shoot down every warhead before it detonates on or just above U.S. territory. If you perfer, you can simply shoot down everything. In either case, you have only a few minutes to complete your assignment.

It is clear that no human being would be able to control such a strategic defense, the offensive forces have simply become too big. Instead, the job would be handed over to what is called a battle management computer. No computer with the necessary capabilities exists, and none will for at least several computer generations. The computer's program, as explained by SDI advocates, would be too complex to be written by a human being; it would have to be devised by another computer. The program would also be too complex to be debugged by humans; this, too, would have to be performed by a computer. Moreover, the entire strategic defense system could never be tested—except in a nuclear war.

From long experience with the high-stakes, high-visibility civilian space program, we know that, despite the best efforts of the best people, serious programming errors occur. Often they aren't caught until they cause some launch failure, or a malfunctioning satellite drifts off into space. Eventually, after several trials, the errors tend to be caught and corrected. But there's no opportuntiy for trial and error with Star Wars. One chance is all we'll ever get.

Star Wars as an inducement to nuclear war. Twenty years ago the Soviet position was that strategic defense was in everybody's best interest, that it was a sacred duty for governments to protect their citizens. But through a series of discussions culminating during the Nixon administration, American strategic analysts persuaded their Soviet counterparts to adopt the opposite point of view: a defensive arms race is likely to lead to an even more dangerous offensive arms race, the U.S. argued. A nation with even a partly effective defense might be tempted to launch a first strike and then hide behind its defense, blunting any retaliatory blow. The Soviets learned this lesson, and came around. In 1972 the two nations signed the Anti-Ballistic Missile Treaty, which severely limits the defensive systems permitted on either side. Now, from the Soviet perspective, the U.S. has changed its tune, and the U.S.S.R. wonders whether a first strike isn't what the Americans have in mind these days.

An impermeable American shield—were the Soviet military so foolish as to believe that the U.S. could build one—would represent the strategic disarmament of the Soviet Union. If Soviet missiles could indeed be rendered "impotent and obsolete," and if the U.S.S.R. had no comparable defensive system, then the U.S. could, by threat of obliteration, work its will on the Soviet Union. Even a leaky American shield might threaten the survival of the U.S.S.R. if the U.S. struck first: in this scenario, America destroys fixed missile silos, strategic air bases and the like, and some population centers, and the more limited Soviet counterattack—from surviving submarines and and silos and mobile missiles on land—is mopped up by SDI. No U.S. reassurance on this score can be satisfying to the Soviets, as we can easily understand were the circumstances reversed.

Accordingly, during an international crisis that happened to occur when an American strategic defense system was already partly in place, the Soviets would have an incentive to mount a preemptive first strike against the U.S., its overseas bases, and its space assets. Similar inducements for an American first strike would be offered by a Soviet defensive system. Even if we were to grant the proposition that the world would be safer once full SDI systems were deployed on both sides, the transition period—which must necessarily be a long one—would be unbelievably perilous. There is no way to get from here to there. This is one of the ways in which weapons in space, even non-nuclear weapons in space, can lead to nuclear war on earth.

Technology transfer. The President and Secretary of Defense Caspar Weinberger have on several occasions talked about giving SDI technology to the Soviets, so the two defensive shields could be emplaced simultaneously. (Presumably, they imagine the Soviets sitting tight for two or three decades, entrusting their national security to the offhand remarks of a long-gone American president.) But this administration, more than any other, has been concerned about the transfer of "sensitive" strategic technology to the Soviet Union. Yet the battle management computer would represent orders of magnitude improvement over existing military computers, and it's hard to imagine this administration, or indeed any other, handing it over to the Soviets. Perhaps this is why we hear less these days about sharing American Star Wars technology with the U.S.S.R.

Treaties. That the nuclear arsenals have not become still more bloated is in part the result of a few painfully negotiated treaties between the U.S. and the Soviet Union, including the Partial Test Ban Treaty (1963), the Outer Space Treaty (1967), the Nuclear Non-Proliferation Treaty (1968), the ABM Treaty, and SALT I and II (the last largely adhered to by the two nations, though still unratified by the U.S.). Although you may argue that these treaties have served as little more than tranquilizers, they have done some good, and they serve as reminders that we can do better. And while each side has accused the other of violating some of these treaties, most of the allegations fall in grey areas in which ambiguous language has been differently and self-servingly interpreted by the Soviets and the Americans. Many of the treaties are valued the world over—the Partial Test Ban Treaty, for example, is esteemed because not a single U.S. or U.S.S.R. nuclear weapon has been exploded in the atmosphere or in space since it was signed. But as currently conceived, Star Wars would, in one way or another, violate every one of these treaties.

Verification. It is sometimes argued that strategic defense systems must be deployed because treaties to ban them cannot be verified. This is a curious argument. We are asked to imagine a system capable of tracking a million warheads and decoys at the same time, and in the same breath are told that the testing in space of individual components of a strategic defense system cannot be monitored. Advocates of Star Wars can't have it both ways. If a tiny fraction of the genius and national treasure that would be required for Star Wars went into improvements in treaty verification technology, anxieties on this score could be readily set to rest.

Cost. Strategic defense is not so much a thing as a process. Once started, there is no natural termination point. Instead, as Bradley envisioned, it will lead to an open-ended set of actions and reactions in both offensive and defensive technologies. For this reason, among others, it is difficult to put a price tag on SDI. However, for a system designed to shoot down at least high tens of per cent of the warheads in a massive attack, the cost has been put by former secretaries of defense, of both parties, as something in the neighborhood of a trillion dollars. Some knowledgeable analysts think it would be much more. A trillion dollars is a great deal of money. It is, for example, more than half the national debt, about which the administration and the Congress profess some concern. It is almost twice the amount owed to the West by Third World debtor nations—a circumstance that is in danger of jeopardizing the international banking system. With a trillion dollars we could dramatically reduce hunger, disease, poverty, and illiteracy, making large segments of the world's population self-sufficient. With a fraction of a trillion dollars we could establish permanent human settlements on Mars.

The trillion dollars to be spent on Star Wars must come from somewhere. It will be taken from social services, education, support for family farms, rebuilding, opportunities for the disadvantaged. A trillion dollars on Star Wars will make it much more difficult to implement needed improvement in conventional defenses so we can lessen our reliance on nuclear weapons. When we make a decision to spend a trillion dollars on something, we're also making decisions to abandon existing programs and to forgo future options.

A trillion dollars represents an unprecedented bonanza for the aerospace industry. A trillion dollars means jobs, corporate profits, civilian and military promotions. A trillion dollars creates its own constituency, independent of its original purpose. Already efforts are being made to enlist prestigious universities in the SDI ranks and to distribute Star Wars dollars among many congressional districts. Co-option is the name of the game. That's why, if Star Wars is to be stopped, it must be stopped now. By the time $10 billion or $20 billion have been spent, the SDI may have become a juggernaut that even a powerful and determined future president could not stop.

Research." There's a tendency in certain circles to describe present expenditures of SDI as "research." (The fiscal year 1986 budget for Star Wars is already larger than the entire science and engineering budget of the National Science Foundation.) Who can be against research? But there's a standard distinction between research and development. Research keeps us up to speed on what's possible. Development is a major step toward the actual construction of functioning systems. The threshold between SDI research and development may already have been breached, and it would be good to have a clear statement from proponents of Star Wars on just where they think this boundary lies.

Space and the future. Military hardware has been in space for decades, and everyone on earth has benefited. Surveillance satellites give a realistic measure of the adversary nations' capabilities and intentions, and tend to restrain those on both sides who consider it prudent to plan for the worst case. Militarization of space is not the issue; the introduction of weapons into space is. I am concerned that space weaponry, once given the go-ahead, will expand outward without limit.

There are already incentives for placing "dark" satellites—ones difficult to detect—in distant or unusual orbits where they can be activated in an emergency. The farther away they are, the harder they are to detect. Once the Outer Space Treaty is breached and nuclear weapons are emplaced in space, there are incentives for storing them at greater and greater distances from the earth; then they represent a second-strike capability that is hard to eliminate without giving advance notice. Nuclear missiles on the moon, for example, could not be destroyed from the earth in less than the three-day earth/moon transit time—unless of course gadgets to destroy them were already in place on the moon. "Logic" of this sort may lead over many decades to the conversion of the inner solar system into a vast arena for nuclear confrontation.

In addition to increasing the chance of nuclear war on earth, the confrontation of American and Soviet weapons systems in space would threaten to undo one of the few technolgical advances that commend our time to the historians of the far futures—the exploration, by American and Soviet spacecraft, of our solar system. I see in this exploration and important perspective against which to judge events on earth, and an aperture to a benign future for the human species. But even with the best will in the world, it's hard to see much open and peaceful scientific exploration of the sort that has graced the past 25 years in an age in which the skies are rippling with weapons.

In short, strategic defense cannot protect the U.S. in a nuclear war, can be overwhelmed, underflown, and outfoxed, flagrantly violates treaties America has solemnly ratified, is ruinously expensive, jeopardizes space exploration and increases the changes of nuclear war. Other than that, it's a great idea.

The U.S. and the Soviet Union have together rigged the planet with 20,000 strategic weapons and called it security. Belatedly, they have begun seeking a way out, recognizing that people the world over yearn to be free from the threat of nuclear obliteration. The U.S. has proposed strategic defense as a unilateral technical response—new gadgets to save us from our old gadgets. It is superficially attractive; it is, so far, politically acceptable; and it is tragically shortsighted and dangerous.

But if strategic defense isn't the solution, what is? The only alternative for the U.S. and the U.S.S.R. is to act in what is clearly their mutual interest: to negotiate both a moratorium on the development and deployment of new nuclear weapons systems, and to make massive, bilateral, and verifiable reductions in the present nuclear arsenals. Because the arsenals are so bloated—a single American missile-carrying submarine can destroy 192 Soviet cities—deep cuts can be made without compromising strategic deterrence. This is a task that does not require, as Star Wars does, a whole series of technological breakthroughs; it requires only political will. The two nations can take major steps now and create a climate for subsequent joint action to reduce the peril in which they have placed our species.

Bradley confessed, "I am sometimes discouraged. It is not by the magnitude of the problem, but by our colossal indifference to it. I am unable to understand why—if we were willing to trust in reason as a restraint on the use of a ready-made, ready-to-fire bomb—we do not make greater, more diligent, and more imaginative use of reason and human intelligence in seeking an accord and compromise which will make it possible to control the atom and banish it as an instrument of war."

LET THE "TITANIC" REST IN PEACE

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. BOLAND. Mr. Speaker, on September 12, 1985, I addressed the House on the great achievement engineered by scientists of the Woods Hole Oceanographic Institution, led by Dr. Robert Ballard, and the French Institute for Research and Exploration of the Sea in discovering the wreck of the *Titanic*. At that time I echoed the hope voiced by Dr. Ballard that the place of repose of the victims of the *Titanic* disaster will not be desecrated by adventurers motivated only by greed.

On September 15, the Washington Post carried an editorial, "Respecting the *Titanic*" which eloquently and succinctly captures Dr. Ballard's message. The lessons of the *Titanic* lie in its fate, and the fact that the liner's final resting place has been found does not lead to the conclusion that it should be disturbed. Dr. Ballard and his colleagues have captured the imagination of the world with their technological prowess. I hope his call to the world's conscience will be heeded as well.

Mr. Speaker, I would like to insert the Post editorial at this point in the RECORD.

RESPECTING THE TITANIC

"The Titanic lies now in 13,000 feet of water on a gently sloping alpine-looking countryside overlooking a small canyon below. Its bow faces north. The ship sits upright on its bottom with its mighty stacks pointed upward. There is no light at this great depth and little life can be found. It is a quiet and peaceful place—a fitting place for the remains of this greatest of sea tragedies to rest. Forever may it remain that way. and may God bless these nowfound souls."—Dr. Robert Ballard, Leader of the expedition that found the Titanic.

One rarely expects to hear such reverent words from the perpetrator of a technological miracle. But if you think a little about the accomplishment of the team of American and French scientists that found the wreck of the *Titanic* on the ocean floor last week, no other response seems possible. This is one scientific discovery whose significance does not need to be belabored. The story was retold in detail over and over week before last, but its elements were familiar, even if only from the lyrics of old summer-camp songs. Since April 14, 1912, those elements have taken firm hold in popular consciousness: the "unsinkable" design, the confident start, the calm night, the distress calls unanswered, the shortage of lifeboats, the 1,500 dead. To most of us, the *Titanic* story is less history than legend. And as with most legends, its theme is simple: the extravagant pride of man and technology, and the revenge of nature.

Today, "state-of-the-art technology" means to us something more powerful than the *Titanic's* overconfident builders could ever have imagined. It is harder and harder to remember that however far back we push the boundaries of technological civilization, the natural forces beyond that boundary remain as unforgiving as ever. Only those who work at the edge of current exploratory technology—such as team leader Robert Ballard, whose revolutionary scanning device Argo was, like the *Titanic*, on its maiden voyage—retain awareness of just what nature has the power to do. Hence, perhaps, Dr. Ballard's emotional reaction and his plea to prospective treasure-hunters "not to desecrate this memorial." Such a message will not reach everyone. Various would-be salvagers have declared their intention to search for the wreck and either raise it or strip it of valuables—since, as they shrewdly note, nobody actually owns the stuff.

Within a week after the discovery, six congressmen had introduced legislation that would deter such buccaneering by designating the *Titanic* an international memorial site. Though such a measure is unlikely to discourage the more determined would-be scavengers—one of whom told Time magazine that "you can do anything you're big enough to do out there"—it will nevertheless be all to the good if Congress can amplify Dr. Ballard's basic message.

BISHOP GEORGE R. EVANS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mrs. SCHROEDER. Mr. Speaker, America lost one of it's most compassionate and forceful advocates for equality, compassion and justice.

Denver Roman Catholic Auxiliary Bishop George R. Evans died last Friday.

I was honored to work with the Bishop on a number of issues. He was never afraid to speak out, to put the prestige and power of his office on the line for the less fortunate, the less powerful.

The article follows:

[From the Denver Post, Sept. 15, 1985]

ALLY OF POOR, BISHOP EVANS DIES AT AGE 62

(By Virginia Culver)

Denver Roman Catholic Auxiliary Bishop George R. Evans, one of Denver's best-known and most popular religious leaders, died Friday at Saint Joseph Hospital in Denver after a long bout with colon cancer.

He was 62.

Evans underwent surgery for colon cancer June 5 and re-entered the hospital July 9 because of extreme pain. Tests after the June surgery showed the cancer had spread outside the colon wall.

He underwent five days of chemotherapy treatments and was released a week later. He was readmitted July 22 because of continuing pain, and remained in the hospital until his death.

Services will be at 7 p.m. Wednesday and 10 a.m. Thursday at the Basilica of the Immaculate Conception, East Colfax Avenue and Logan Street in Denver.

A native Denverite, Evans worked tirelessly on interfaith and interracial issues, lobbied at the state Legislature on behalf of the poor, and spearheaded an archdiocesan project to build 600 housing units in the metropolitan areas for low-income families and senior citizens.

There were few community religious efforts in which Evans didn't participate.

He once said: "If I get to purgatory and find out that all these meetings don't count, that'll be hell."

He marched with the union organizer Cesar Chavez in California in the 1970s, and conducted services in 1984 at a Denver railroad track over which the White Train—carrying nuclear weapons—was to travel.

He constantly battled for rights of the elderly and poor, and against abortion, the arms race, and capital punishment. For two years, he said weekly Masses for women in the Denver County Jail.

Evans was on the U.S. Bishops Committee on Women in the Church, and led other bishops in supporting the rights of women in the church. Several years ago, he wrote an article in a national Catholic journal saying there was no theological reason why women couldn't be ordained.

Responding to a previous article in which the author said women couldn't be ordained because Jesus hadn't invited a woman to the Last Supper, Evans wrote: "There were no Irishmen at the Last Supper, either."

While the article probably halted his climb up the ecclesiastical ladder, Evans said no one called him on the carpet for it. But he never was given his own diocese to run, always serving as auxiliary bishop to Denver Archbishop James V. Casey.

An avid tennis player, Evans was on the court almost daily at the Denver Tennis Club for more than 20 years. The six-foot Evans was a hustler on the court, and was considered one of the guys.

NO-FRILLS BISHOP

During one game, opponent Ed Friedman groaned and yelled as he tried to return one of Evans' shots. "I gave at the office," Evans yelled back at his complaining partner.

Evans was a no-frills bishop who lived on $550 a month—the same salary paid other priests in the archdiocese. He lived in one of the archdiocesan housing projects for a time.

His last home was a spartan, two-room apartment at St. Rose of Lima Catholic Church, 1320 W. Nevada Ave., where he said 8 a.m. Mass daily.

He confessed an addiction to pasta but still managed to keep his high school weight. of 155—a feat he credited to "starting out with four lean grandparents."

George Roche Evans was born Sept. 25, 1922, in Denver to George H. and Mary Evans. His father was a car salesman.

Devoted to sports, he played basketball at Regis High School, where he was an above-average student.

He dropped out of the University of Notre Dame to enter St. Thomas Seminary in Denver, graduating in 1947. He was named pastor at St. Philomena Church in east Denver.

In 1950, he was sent to study at the Lateran University in Rome. There he earned a degree in canon (church) law. He said he never learned Latin "and faked 'em" to get through the course. He wrote his thesis in English and "conned" someone into retyping it in Latin.

When Evans returned from Rome, then-Archbishop Urban Vehr named him vice chancellor of the archdiocese, then a small operation.

Evans' job description was to handle the archdiocese's investment, type letters, answer the door, and drive the archbishop to appointments.

In 1969, Evans was named auxiliary bishop and served as vicar general, or administrator, of the huge archodiocesan headquarters at 200 Josephine St. and Archbishop Casey's liaison for rural and urban affairs

He was instrumental in 1973 in persuading the archdiocese to join the interfaith Colorado Council of Churches, which had been an all-Protestant organization. He was its president for one term.

Early this year, Evans helped organize the Denver Area Interfaith Clergy Conference and was its first president.

A BRONCOS FAN

He shared Archbishop Casey's addiction to the Denver Broncos, and they often attended home games together, making sure that no confirmations were scheduled when the Broncos were in town.

Evans started his day at 5:15 a.m. and usually was in bed right after the 10 p.m. news. He watched television only for the news or out-of-town Broncos games.

His faith was as simple and straightforward as his lifestyle. On being a Christian, he once said: "It helps us understand the Lord loves us and we are supposed to share that love with others."

The Most Rev. Richard C. Hanifen, bishop of Colorado Springs, will be chief co-celebrant at the Wednesday evening service.

Archbishop Casey will be chief concelebrant and preacher at the Thursday morning service, according to the Rev. Lawrence St. Peter, archdiocesan vicar for priests.

All Catholic bishops in the United States will be invited, and about 50 bishops are expected to attend Thursday's service, St. Peter said.

Evans' body will lie in state for 2½ hours after Thursday's service. Burial will follow at Mount Olivet Cemetery at West 44th Avenue and Youngsfield Street in Golden. The cemetery is owned by the archdiocese of Denver.

Casey requested Friday that contributions be made in Evans' name to the Samaritan Shelter, c 200 Josephine St., Denver 80206.

RENAME THE STINSON CREEK AREA TO THE LLOYD D. HAYES RECREATIONAL AREA

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. SHELBY. Mr. Speaker, on May 27, 1985, Pvt. Lloyd D. Hayes, an Alabama National Guardsman from West Blocton, AL, was killed in a tragic accident while helping to install a pontoon bridge as a part of the dedication ceremonies at Columbus, MS, for the Tennessee-Tombigbee Waterway.

Private Hayes was 20 years old. The staging area used by the National Guard unit for assembling the bridge was the Stinson Creek Recreation Area, located in Lowndes County, MS, on Columbus Lake. Stinson Creek, currently used by the Corps of Engineers as an operation and maintenance facility, is one of the proposed recreational sites for the waterway.

Mr. Speaker, legislation that I am now introducing, would rename the Stinson Creek area to the Lloyd D. Hayes Recreational Area as a memorial to this young, courageous serviceman who lost his life in the preparation for the Grand Opening of the Tennessee-Tombigbee Waterway.

A TRIBUTE TO HARRY BURNETT JR., RETIRING CAPITOL PHOTOGRAPHER

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. DYSON. Mr. Speaker, I rise today to honor one of Maryland's First Congressional District's newest, and most distinguished residents, Harry Burnett, Jr.

As photographer to the Architect of the Capitol for the past 30 years, Harry Burnett's extraordinary talent and kindly demeanor is well known to Members of Congress. Harry's work required efforts as diverse as crawling through subbasement conduits to perching on the shoulders of statues hundreds of feet high.

In recognition of remarkable accomplishments, Harry was recently awarded the

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prestigious "Master Photographers" title at the Professional Photographers of America's International Convention in Rosemont, IL. This crowning commendation, coming as it did on the eve of Harry's retirement, is a fitting way to close out a most exemplary career.

As Mr. Burnett ends his Capitol service, he leaves us a rich and enduring legacy. Capturing on camera the charm and character of our Capitol, Harry has preserved for all of time a myriad of architectural wonders.

I salute Harry on the occasion of his retirement and extend to him a warm welcome to Maryland's mid shore.

ROD DIRIDON

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. MINETA. Mr. Speaker, I would like to ask you and our distinguished colleagues to join me in saluting Santa Clara Supervisor Ron Diridon. Rod Diridon, whose public service in our community serves as a model for all citizens, will be honored at a special dinner, September 26, 1985, during which he will receive the City of Hope's highest recognition—the Spirit of Life Award.

The City of Hope serves all America as a national pilot medical center. Its superb staff and ultramodern facilities in Duarte, CA, make available free care of unsurpassed quality for patients from throughout the Nation. The City of Hope has pioneered achievements in psychosomatic approaches, personalization of patient care, and family centered medicine. Thousands of scientific firsts have emerged from the City of Hope research while its staff works to relieve pain, prolong life, and effect cures in the diseases it treats, as well as in lupus, Huntington's disease, genetics, and in brain and nerve function. As a think tank for other hospitals, the City of Hope seeks improvements in the quality, the quantity, the economy, and the efficiency of the delivery of health care. Public contributions across the Nation are vital to its multimillion-dollar operating budget and New Horizons building expansion program.

Each year, the City of Hope honors an individual who has shown untiring devotion and service to his or her community. For 1985, Rod Diridon has been chosen and he is most deserving of the honor. Rod began his political career in 1972 when he was elected to the Saratoga City Council with the highest vote total ever received by a first-term council member. During this time, Rod began establishing a reputation as a forward looking thinker.

The 1974 Fourth Supervisoral District election was Rod's first venture into county government. He won a difficult campaign against a 16-year incumbent and also won the distinction of being the youngest member ever seated on the Santa Clara County Board of Supervisors. His first priority became cutting government costs and improving productivity. Rod developed a keen interest in transportation while working for Southern Pacific Railroad as a brakeman and fireman during college and today he is recognized nationwide for his work on mass transportation, particularly light rail transit. He chairs regional, State, and national transportation committees, including the Guadalupe Corridor Project Board of Control which will implement the multimodel transit system to carry Santa Clara County residents through the next century. Effecting positive changes in the world is not an easy task—it requires intelligence, dedication, hard work, and a strong belief in the future. Rod Diridon's relentless service is our guarantee that tomorrow will hold more promise than today.

Mr. Speaker, on the occasion of this awards banquet, Rod and his wife, Mary Ann, and their two children, Mary Margaret and Rodney, Jr., can be confident that our country is most grateful for his contributions and accomplishments. Therefore, I ask you, Mr. Speaker, and our colleagues to join with me in expressing our thanks and congratulations to Rod Diridon and to wish him the best for his health and future endeavors.

Thank you, very much.

SOVIETS POSTURING FOR UPCOMING GENEVA MEETINGS

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. RUDD. Mr. Speaker, the Soviets have been posturing for advantage at the upcoming summit in Geneva with talk of testing moratoria, a chemical-free zone in Europe and a hint of radical reductions in offensive nuclear weapons in exchange for our abandoning the strategic defense initiative.

Mr. Speaker, talk is cheap.

The Soviets are not saying much about their deployment of 18 more SS-20 medium-range missiles in the last 3 months despite their unilateral pledge in April to freeze such deployments.

Those deployments bring the total number of SS-20's, each of which carries 3 warheads, to 441.

Had they kept their promise of freeze deployments, the Soviets would still have had an overwhelming advantage. NATO has deployed only 134 of the Pershing II and cruise missiles to counter the SS-20 threat.

The Soviet posturing is nothing more than thinly veiled propaganda. If they are serious about arms reductions, they should offer concrete proposals at the bargaining table and allow adequate verification procedures to ensure compliance.

CHILE'S NATIONAL ACCORD

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 18, 1985

Mr. WEISS. Mr. Speaker, this past week marked the 12th anniversary of Gen. Augusto Pinochet's bloody destruction of Chilean democracy.

During the reign of this brutal dictatorship, tens of thousands of Chileans have been killed by government forces, and many thousands more have been detained, tortured, or exiled. Political parties and political activity have been outlawed.

Despite this, the Chilean people have not been silenced. On August 25 of this year, 11 Chilean political parties, with the encouragement of the Archbishop of Santiago, Cardinal Fresno, reached a historic accord which forms a firm basis for a return to democracy over the next 4 years. It has been endorsed by a wide range of parties from across the Chilean political spectrum, and it has also been praised by our State Department. I commend the text of this accord to the attention of all Members of this House.

National Accord for the Transition to Full Democracy

In furtherance of the appeal for national reconciliation made by His Eminence the Cardinal, Archbishop of Santiago, and as a testimony of the willingness of broad political and social sectors to endorse a great national accord which will ensure peaceful evolution toward full and authentic democracy, all the undersigned, as a positive step toward the desired reconciliation, express their support for the political, economic and social principles which are set forth below.

Democratic values must govern our common life. To achieve them, there must be an orderly transfer of political power to authorities vested with full and undisputed democratic legality; a political, economic, and social framework which guarantees the governability of the country as well as the basic conditions for collective effort called for by the challenges of today and the future; and, also, the return of the Armed Forces to their indispensable permanent functions, with full respect for their values, dignity and institutional requirements.

By the same token, reconciliation requires full respect for the right to life and all other rights included in the Universal Declaration of Human Rights and supplementary Covenants. This implies the renunciation of violence, from whatever source, as a method of political action. It also makes it indispensable to clarify the assaults and crimes which have shocked the country and to apply the full force of the law to those responsible. It is a matter of high priority to unite the Chilean people in the task of constructing the essential bases of their common life.

It is imperative to meet the requirements of justice in a manner consistent with the spirit of national reconciliation. Therefore, proceedings which may take place on account of human-rights violations will require a responsible accusation of a specific crime, duly substantiated. Such cases will be considered exclusively by the existing Courts, thus ensuring due process without humiliation, vengeance, or ad hoc mass trials.

In the cultural and freedom-loving tradition of the Chilean people, democracy is the best possible way of life. For this reason, the present accord is based on the fundamental conditions which should be met, not only to make possible the transition to democracy, but also to ensure its stability once it is fully re-established.

The magnitude of the problems which must be faced, at least for the remainder of this century, makes it urgent that, by means of the great national accord which is here outlined, a high and stable rate of growth be achieved which will lead to higher levels of well-being and equity. This is the only way to construct and make permanent an authentic, modern and participatory democracy.

Taking the foregoing into account, the stability of the democratic system which is to be established requires a solemn agreement among all those who sign or adhere to the terms of this document. They must agree to carry out future political action in a spirit of democratic loyalty, mutual respect, and effective application of the law, consistent with the institutional, economic and social principles here indicated. Only in this way can the governability of the country and the effective transition to full democracy be guaranteed.

To the extent that our common national life guarantees greater justice and security for all, it will be possible to maintain public order, avoid the use of violence, contribute to the elimination of terrorism, and punish anti-democratic conduct. In any case, the effective defense of human rights will be a primary concern of the public authorities in the discharge of their duties.

The undersigned agree, effective immediately, to devote their will and their efforts to the task here set forth. They invite workers, businesspeople, professionals, and other participants in national life to join them, with equal willingness, so that a real democratic consensus representing the whole nation may emerge.

I. CONSTITUTIONAL ACCORD

The re-establishment of democracy makes it absolutely necessary that all Chileans have the right to express their views and be secure in their freedoms in a constitutional order which includes at least the following elements:

(1) The entire membership of the National Congress shall be elected by popular vote, with clearly-defined legislative, supervisory, and constituent powers.

(2) A procedure for constitutional reform shall be instituted which, with all due regard to the stability which must necessarily characterize the Basic Charter, shall allow for its amendment; and, in case of disagreement between the Executive and Congress, shall provide for submission of the reform to a plebiscite.

(3) The President of the Republic shall be directly elected by absolute majority of the popular vote, with a runoff election to be held if necessary.

(4) A Constitutional Court of Law shall be established, in the membership of which the Executive, Legislative, and Judicial Powers shall be adequately represented.

(5) The Political Constitution shall guarantee the free expression of ideas and the organization of political parties. Parties, movements or groups whose objectives, acts or conduct fail to respect the periodic renewal of governmental leadership by popular will, alternation of power, human rights, the validity of the principles of legality, the renunciation of violence, the rights of minorities, and the other principles of democratic rule defined in the Constitution, shall be declared unconstitutional. This determination shall be made by the Constitutional Court of Law.

(6) Those States of Constitutional Exception which permit restrictions on individual liberties of assembly, freedom of movement, access to information and expression of opinion shall be regulated, with the specific provision that in no event, while any such state is in force, may human rights be violated, and it shall always be possible to appeal to the Courts of Justice for defense and protection.

II. THE SOCIAL AND ECONOMIC ORDER

It is essential to dispel any uncertainty about the social and economic order which will prevail once normality has been re-established. Democratic coexistence requires stability in the basic rules for the functioning of the economy, so that social harmony and economic efficiency can be assured. To accomplish this, a proper balance must be struck between the exercise of freedom and the claims of equity.

The nation must aim to achieve simultaneously a high growth rate and a steady reduction of inequalities in opportunities and in levels of consumption.

Similarly, dynamic and equitable development under democracy requires clearly-defined rules, not subject to arbitrary interpretation, to block the domination of one social group over another and of the State over society.

In light of the foregoing considerations, all of the undersigned agree to support the following basic principles for the future social and economic order:

(1) The following shall be high-priority goals: overcoming extreme poverty and marginality; creation of opportunities for productive and secure employment; and the achievement of a high and sustained growth rate. To accomplish these, it will be necessary to overcome the limitations imposed by the shortage of external resources and to substantially increase domestic savings, both public and private, these being the main constraints on investment and, therefore, on growth.

(2) To achieve these objectives, a nationwide intention to equitably share benefits and burdens will be necessary. This implies consumer austerity, solidarity, and social discipline.

(3) The right to private ownership of tangible and intangible assets, including the means of production, must be constitutionally guaranteed. This is a necessary condition for the encouragement of individual enterprise under different forms of organization and in different economic activities. The tax system shall not be used as a mechanism for expropriation.

The existence of State and mixed ownership of the means of production shall also be recognized.

(4) The State must have an active function. It shall be its responsibility to determine the major national objectives, based on direct planning of its own activities and indicative planning for the other parts of the economy, preferably using tools of persuasion and incentives. Thus the State will co-ordinate and guide the economy, without prejudice to its regulatory and redistributive functions.

In this way a mixed economy will take shape in which the State and private enterprise complement each other, with a well-defined differentiation of functions and corresponding division of responsibilities, and in which market forces, mutual agreement, and State action, among other things, will constitute mechanisms for the efficient allocation of resources.

(5) In the formulation and evaluation of national development strategy and in basic questions of economic and social policy, the opinions and experience of workers and businesspeople shall be considered.

(6) Commitment of the various groups in society to democracy and development requires social participation. For this to occur, it is necessary that civil society be organized around the activities which directly affect the interests of its members, that ways of arbitrating conflicts be sought, and that the State decentralize its functions so that growing responsibility is given to intermediate social organizations in the solution of their own problems.

(7) It is essential to achieve concerted action among participants in the economy based both on the recognition that—without ignoring the interests of consumers—businesspeople and workers share the objective of achieving higher levels of general well-being, and on acceptance of the principle that conflicts must be resolved by means of negotiated agreements.

(8) Relations between workers and businesspeople must be balanced, which requires due recognition of the function of labor in its various forms and strengthening of labor organizations and their rights of petition, assembly, strike, etc. These organizations, together with the corresponding employer organizations, will act as intermediate groups in the proposal of policies of mutual interest and in mediation of controversies about matters of common concern.

III. IMMEDIATE MEASURES

In order to restore to the Chilean people the full exercise of their citizenship, with the capacity to participate in decisions that affect their future in conditions of freedom and equality, and in order to endow the political process with the indispensable elements for an effective evolution toward an authentic democracy, it is necessary to adopt the following measures:

(1) Termination of the States of Exception; full restoration of all public liberties, real university autonomy and constitutional guarantees; and agreement by the government not to apply interim Article 24 of the 1980 Constitution. Abolition, likewise, of exile, which negates the legitimate right to live in one's own Country, and return of citizenship to those who have been deprived of it.

(2) Creation of electoral registries.

(3) Termination of the political recess and repeal of the rules which prevent the political parties from functioning.

(4) Adoption of an electoral law under which the President of the Republic, Senators and Deputies shall be elected by direct, personal, free, secret, informed and impartially regulated vote. To this end, the law shall guarantee liberty of dissemination of information and equitable access to the communications media of the State and the universities.

(5) The plebiscite on the enactment of the provisions set forth in this document shall be carried out subject to the guarantees defined in the preceding paragraph.

The signers of this document agree to maintain permanent contact with each other, in order to perfect and implement its contents.

PARTICIPANTS IN THE APPROVAL OF THE DOCUMENT OF ACCORD

René Abeliuk
Andrés Allamand
Sergio Aguiló
Patricio Aylwin
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Luis Maira
Fernando Maturana
Sergio Navarrete
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Germán Pérez
Patricio Phillips
Mario Sharpe
Enrique Silva Cimma
Ramón Silva Ulloa
Gabriel Valdés
Gastón Ureta
Hugo Zepeda

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 19, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 20

9:30 a.m.

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on the economic deregulation of the trucking industry.
SR-253

Energy and Natural Resources
Business meeting, to consider certain spending reductions and revenue increases to meet reconciliation expenditures as imposed by S. Con. Res. 32, First Budget Resolution for 1986.
SD-366

Labor and Human Resources
To hold hearings on the impact of Grove City legislation on private education.
SD-430

10:00 a.m.

Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Environmental and Public Works
Environmental Pollution Subcommittee
To hold hearings on proposed legislation authorizing funds for wildlife refuge programs.
SD-406

Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings on Middle East arms.
SD-419

3:00 p.m.

Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616 bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures
SR-328A

SEPTEMBER 23

9:30 a.m.

Finance
International Trade Subcommittee
To resume hearings on S. 680, to limit imports of textile products into the United States to a 1-percent growth rate for exporting countries.
SD-215

SEPTEMBER 24

9:00 a.m.

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold oversight hearings on innovative approaches in industrial energy efficiency.
SD-366

9:30 a.m.

Banking, Housing, and Urban Affairs
Business meeting, to consider certain reconciliation expenditures as imposed by S. Con. Res. 32, First Budget Resolution for 1986.
SD-538

Commerce, Science, and Transportation
Business meeting, on pending calendar business.
SR-253

Finance
To resume hearings on the President's tax reform proposal.
SD-215

10:00 a.m.

Environment and Public Works
Business meeting, to consider certain spending reductions, and revenue increases to meet reconciliation expenditures as imposed by S. Con. Res. 32, First Budget Resolution for 1986.
SD-406

Judiciary
To resume oversight hearings to examine the controversies, problems, and alleged abuses under the criminal and civil sections of the Racketeer Influenced and Corrupt Organizations Act (RICO).
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on child fitness and health programs.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:30 a.m.

Environment and Public Works
To hold hearings on the nominations of Orson G. Swindle III, of Georgia, to be Assistant Secretary of Commerce for Economic Development, and Jennifer J. Manson, of Virginia, and Lawrence J. Jensen, of Virginia, both to be Assistant Administrators of the Environmental Protection Agency.
SD-406

Governmental Affairs
To hold hearings on the nomination of James C. Miller III, of the District of Columbia, to be Director of the Office of Management and Budget.
SD-342

11:00 a.m.

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

2:30 p.m.

Judiciary
Juvenile Justice Subcommittee
To hold hearings on S. 985, to protect the rights of victims of child abuse.
SD-226

SEPTEMBER 25

9:30 a.m.

Labor and Human Resources
To hold hearings on private sector initiatives to feed the world's hungary.
SD-430

10:00 a.m.

Judiciary
To hold hearings on S. 239, to establish constitutional procedures for the imposition of the death penalty for Federal crimes.
SD-226

Judiciary
Security and Terrorism Subcommittee
To hold hearings on mercenary counterterrorism training camps.
SR-485

Joint Economic
Trade, Productivity, and Economic Growth Subcommittee
To hold hearings on the economic outlook for 1986.
SD-106

2:00 p.m.

Judiciary
To hold hearings on pending nominations.
SD-226

SEPTEMBER 26

9:00 a.m.

Veterans Affairs
Business meeting, to consider certain spending reductions and revenue increases to meet reconciliation expenditures as imposed by S. Con. Res. 32, First Budget Resolution for 1986.
SR-418

9:30 a.m.

Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To hold hearings on S. 812, to authorize the President to control loans and other transfers of capital to any or all Soviet bloc countries.
SD-538

Commerce, Science, and Transportation
Aviation Subcommittee
To hold closed hearings on international airport security and terrorism.
SR-253

Finance
To hold hearings on the President's tax reform proposal.
SD-215

10:00 a.m.

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
International Economic Policy, Oceans, and Environment Subcommittee
To hold hearings on the General Agreement on Tariffs and Trade (GATT).
SD-419

2:00 p.m.

Environment and Public Works
Water Resources Subcommittee
To hold hearings on pending small watershed projects of the Soil Conservation Service, Department of Agriculture.
SD-406

Foreign Relations
To hold hearings on financing of foreign military sales.
SD-419

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 209, the Federal Debt Recovery Act.
SD-342

4:00 p.m.

Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.

Select on Intelligence
Closed briefing on international terrorism.
SH-219

SEPTEMBER 27

9:30 a.m.

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume hearings on the economic deregulation of the trucking industry.
SR-253

SEPTEMBER 30

9:30 a.m.

Finance
Taxation and Debt Management Subcommittee
To hold hearings on proposed revisions in subchapter C of the Internal Revenue Code relating to corporate taxation.
SD-215

10:00 a.m.

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

OCTOBER 1

9:30 a.m.

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on airport safety, focusing on windshear, aircraft inspection, and air traffic control safety.
SR-253

Finance
To resume hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on pension policy implications of the President's tax proposals of fringe benefits and retirement savings.
SD-430

10:00 a.m.

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To continue hearings on S. 1440, the Non-Smokers Rights Act.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.
2175 Rayburn Building

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the exploitation of runaway children.
SD-628

11:00 a.m.

Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

OCTOBER 2

9:30 a.m.

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
To hold hearings on the nomination of Edward A. Curran, of Maryland, to be Chairman of the National Endowment for the Humanities.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy.
SH-219

10:00 a.m.

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Select on Indian Affairs
To hold hearings on S. 1558, to settle certain claims affecting the Pyramid Lake Paiute Indian Tribe of Nevada.
SR-485

OCTOBER 3

9:00 a.m.

Foreign Relations
European Affairs Subcommittee
To resume hearings to review the North Atlantic Treaty Alliance.
SD-419

Office of Technology Assessment
The Board, to hold a general business meeting.
EF-100, Capitol

9:30 a.m.

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Veterans' Affairs
To hold hearings on proposed legislation to provide a cost-of-living increase for fiscal year 1986 in the rates of veterans disability compensation and dependency and indemnity compensation for surviving spouses and children.
SR-418

10:00 a.m.

Energy and Natural Resources
To hold hearings on the nominations of Anthony G. Sousa, of Hawaii, to be a Member of the Federal Energy Regulatory Commission, and Donna R. Fitzpatrick, of the District of Columbia, to be an Assistant Secretary of Energy (Conservation and Renewable Energy).
SD-366

Governmental Affairs
To hold hearings on the President's management initiatives and related measures.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary, and Vocational Education on the problem of illiteracy in the United States.
2175 Rayburn Building

1:30 p.m.

Foreign Relations
European Affairs Subcommitee
To continue hearings to review the North Atlantic Treaty Alliance.
SD-419

4:00 p.m.

Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 8

9:30 a.m.

Commerce, Science, and Transportation
To resume hearings on S. 1310, the Clean Campaign Act.
SR-253

OCTOBER 9

9:00 a.m.

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.

Commerce, Science, and Transportation
To hold hearings on Robert Elsner, of Alaska, and Karen Pryor, of Washington, each to be a member of the Marine Mammal Commission.
SR-253

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:00 a.m.

Commerce, Science, and Transportation
To hold oversight hearings in conjunction with the National Ocean Policy Study on Pelagic driftnets.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

OCTOBER 10

9:30 a.m.
Finance
To resume hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on fishing vessel safety and insurance.
SD-562

Labor and Human Resources
To hold hearings on mandatory nutritional labeling.
SD-430

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SR-385

10:30 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on the promotion of domestic tourism.
SR-253

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on the Philippines.
SH-219

OCTOBER 16

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To resume closed hearings on the development of a national intelligence strategy (Phase II).
SH-219

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 17

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on espionage activities in the United States.
SD-342

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings to examine measures to discourage students from dropping out of high school.
SD-430

Labor and Human Resources
Aging Subcommittee
To hold hearings on pension accrual and the older worker.
SD-628

4:00 p.m.
Select on Intelligence
Closed briefings on intelligence matters.
SH-219

OCTOBER 22

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445 and S. 1225, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406

Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on espionage activities in the United States.
SD-342

OCTOBER 23

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 445 and S. 1225, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 24

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the role of the entertainment industry in deglamorizing drug use.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.
SD-430

4:00 p.m.
Select on Intelligence
Closed briefing on worldwide intelligence matters.
SH-219

4:30 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

OCTOBER 28

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on S. 1551, to provide for administrative appeals and judicial review under Part B of Medicare, and to review the beneficiary and provider appeals provisions under Part A and B of the Medicare program.
SD-215

OCTOBER 29

9:30 a.m.
Labor and Human Resources
Handicapped Subcommittee
To hold hearings on the Tenth Anniversary of the Education for All Handicapped Children Act (P.L. 94-142).
SD-430

10:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the Federal enforcement of the Bank Secrecy Act (title 31 of the U.S. Code).
SD-342

OCTOBER 30

9:30 a.m.
Labor and Human Resources
To resume hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the effects of domestic violence.
SD-628

OCTOBER 31

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

NOVEMBER 6

9:30 a.m.
Labor and Human Resources
To hold hearings on nutrition and fitness in public health.
SD-430